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SENATE

MONDAY, NOVEMBER 13, 1967

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God, in whose almighty hand the future lies, give us understanding minds, patient hearts, and determined wills that through us Thou mayest be able to create among the nations and peoples of the earth Thy charter for freedom and justice.

Speak to us ever of our final reliance on those spiritual forces, faith and hope, and love, which alone abide and on which our salvation in the end depends.

Give us ears to hear, above the noise of crashing systems, Thy voice in and through the change and confusion of our day.

By Thine enabling grace may the ruling passions and the deepest desires of those who here are called to serve the entire Nation be worthy for the facing of this hour.

Spirit of purity and grace,
Our weakness pitying see,
O make our hearts Thy dwelling place,
And worthier Thee.

We ask it in the dear Redeemer's name. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 162) to grant the masters of certain U.S. vessels a lien on those vessels for their wages and for certain disbursements; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. GARMATZ, Mr. ASHLEY, Mr. DOWNING, Mr. MAILLIARD, and Mr. PELLY were appointed managers on the part of the House at the conference.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, November 9, 1967, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

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WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF TRANSPORTATION

The assistant legislative clerk read the nomination of Frank W. Lehan, of California, to be an Assistant Secretary of Transportation.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

ENVIRONMENTAL SCIENCE SERVICES ADMINISTRATION

The assistant legislative clerk proceeded to read sundry nominations in the Environmental Science Services Administration.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

U.S. AIR FORCE

The assistant legislative clerk proceeded to read sundry nominations in the U.S. Air Force.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

NOMINATIONS PLACED ON THE SECRETARY'S DECK—COAST GUARD, ARMY, NAVY, AND MARINE CORPS

The assistant legislative clerk proceeded to read sundry nominations in the Coast Guard, Army, Navy, and Marine Corps which had been placed on the Secretary's desk.

The PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 724 and 725.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CONVEYANCE OF CERTAIN LANDS TO THE STATE OF WASHINGTON IN THE COUNTIES OF YAKIMA AND KITTITAS, WASH.

The bill (S. 2428) to authorize the Secretary of the Army to convey to the State of Washington certain lands in the counties of Yakima and Kittitas, Wash., in exchange for certain other lands, and for other purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2428

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That, notwithstanding any other provision of law, the Secretary of the Army, or his designee, is hereby authorized to convey to the State of Washington, subject to the terms and conditions hereinafter stated, and to such other terms and conditions as the Secretary of the Army, or his designee, shall deem to be in the public interest, all right, title, and interest of the United States in and to certain lands within the Yakima Firing Center as described in section 3 of this Act as may be required for the routing and construction of Interstate Highway I–82.

SEC. 2. In consideration for the conveyance by the United States of the aforesaid lands, the State of Washington shall convey, or provide for the conveyance, to the United States of certain lands described in section 3 of this Act, acceptable to the Secretary of the Army as replacement lands for use in connection with the Yakima Firing Center: *Provided,* That in order to facilitate the exchange of lands and the construction of Interstate Highway I–82, and if so requested by the State of Washington, the Secretary of the Army, or his designee, is hereby authorized to acquire by purchase, condemnation, donation, exchange, or otherwise on behalf of the United States part or all of such replacement lands: *Provided further,* That the State of Washington shall provide in advance funds for payment to landowners and shall reimburse the Secretary of the Army for all other administrative costs and expenditures incident to the acquisition of such lands.

SEC. 3. The lands authorized to be exchanged and referred to in sections 1 and 2 of this Act are located in Yakima and Kittitas Counties, Washington, and are as generally depicted on the Land Management map on file in the office of the Seattle district engineer, North Pacific division, Department of the Army, entitled "Proposed Route for Interstate Highway I–82, Yakima Firing Center, Washington; numbered SE–RE 323.19". The lands to be conveyed by the United States comprise approximately two thousand two hundred acres situated west and northwesterly of the east right-of-way boundary of the proposed highway I–82; the replacement lands to be acquired by the United States comprise approximately three thousand two hundred acres situated east of the proposed highway and contiguous to other lands of the Yakima Firing Center. The exact descriptions and acreage are to be determined by accurate surveys as mutually agreed upon between the State of Washington and the Secretary of the Army.

SEC. 4. The lands so conveyed to or acquired by the United States shall become a part of the Yakima Firing Center and be administered by the Department of the Army. The Secretary of the Army is also authorized to accept from the State of Washington, or any agency or subdivision thereof, such appropriate interests in other lands as may be considered necessary for the protection of the interests of the United States in connection with the exchange.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 741), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

This bill would authorize the Secretary of the Army to convey certain lands in the Yakima Firing Center to the State of Washington for the construction of Interstate Highway I–82, in exchange for replacement lands to be conveyed or provided to the United States by the State of Washington. It also authorizes the Secretary of the Army, if requested by the State, to acquire such replacement lands on behalf of the United States provided the State shall advance the funds for payment to landowners and reimburse the Secretary for all administrative costs incident to the acquisition of such lands.

BACKGROUND OF THE BILL

The Department of the Army, on behalf of the Department of Defense, favors the enactment of this bill.

In 1957, the Federal Highway Administrator added a route between Pendleton, Oreg., and Ellensburg, Wash., to the National System of Interstate and Defense Highways. This addition, designated I–82, was requested by the Department of Defense so as to assure a direct connection between the central part of the United States and the strategic Puget Sound and northwest areas. The State of Washington is now engaged in the construction of that segment of I–82 between Yakima and Ellensburg, Wash. This is to be a four-lane limited access highway with a minimum right-of-way width of 400 feet. Surveys by the State indicated that locations for this segment were limited by the terrain, and that the most feasible and practical route was along and through the western portions of the Yakima Firing Center Military Reservation. Thereupon, the State requested authorization from the Department of the Army together with necessary rights-of-way and lands for the alinement of this highway through the military reservation.

The Department of the Army concurred in the planned routing of Interstate Highway I–82 through the Yakima Firing Center as selected by the Washington State Highway Commission. However, joint surveys disclosed that the proposed alinement of the highway will cross established range safety firing fans and necessitate the relocation of four training ranges. In addition, two large areas of land in the northwest portion of the reservation will be severed, inaccessible and rendered of no further practical military use. Following extensive discussions, the State of Washington and the Department of the Army entered into a relocation agreement, dated August 8, 1966, the major terms of which provided that (1) the Government would convey to the State the necessary rights-of-way together with two parcels of land lying westerly of the highway; (2) the State would pay for relocating the four ranges, including costs of design and construction; and (3) in exchange for Government lands, the State would convey to the Government two parcels of comparable land easterly of the highway and contiguous to the military reservation.

All of the terms and conditions of the above-mentioned relocation contract have been substantially accomplished except as to the actual exchange of lands. In this connection the military departments do not have general statutory authority to exchange lands of military installations. Transactions of this nature have, in the past, largely been accomplished pursuant to special legislation. The enactment of subject bill S. 2428 would provide the Secretary of the Army the requisite authority to effect the proposed exchange upon such terms deemed to be in the public interest.

The State highway commission is currently acquiring privately owned lands for the proposed highway project, portions of which are to be conveyed to the United States. However, the Attorney General of the State has recently expressed doubt as to the existing authority of the highway commission to acquire private lands solely to exchange with the United States. In order to avoid any possible delays in the construction of this segment of the Interstate Highway System, the State of Washington has proposed that the Department of the Army acquire, on a reimbursable basis, those privately owned lands which the State was to convey to the Government. For this purpose section 2 of this bill would authorize the Secretary of the Army to acquire such property upon a request by the State and on the condition that the State advance funds for payment to the landowners and reimburse the Army for all administrative costs incurred. The Department, in order to facilitate the construction of this defense highway, has no objection to acquiring directly such lands as would have been conveyed to the United States under the exchange agreement.

PROTECTION OF GOVERNMENT INTEREST

The provisions of this bill are considered adequate to fully protect the interests of the Government.

The Yakima Firing Center Military Reservation, located 6 miles northeast of Yakima, Wash., is a subpost of Fort Lewis, with a primary mission of providing facilities and areas for troop maneuvers, tank and artillery firing. It was established in 1943 and currently comprises approximately 261,150 acres of fee-owned land. The areas proposed for exchange are located along the western boundary of the post. These lands are similar in character being dry grazing land with scrub sagebrush, bunch grass, and scrab rock; there are no improvements and the areas are used only for grazing. The Army will convey to the State approximately 1,875 acres west of the highway together with about 575 acres for the right-of-way. In exchange the Army will receive approximately 3,200 acres of land east of the highway, of which 575 acres are public domain lands held by the Department of the Interior. The lands have been appraised and the areas exchanged are considered generally of equivalent value with the Government gaining somewhat on the transaction. It is the opinion of this Department that the proposed exchange is eminently fair to both parties, and fully protect the interests of the Government.

FISCAL DATA

The enactment of this bill will cause no increase in the budgetary requirement of the Department of Defense.

RELEASE OF CERTAIN USE RESTRICTIONS ON A TRACT OF LAND IN THE STATE OF NORTH CAROLINA

The Senate proceeded to consider the bill (S. 320) to authorize the Secretary of the Army to release certain use restrictions on a tract of land in the State of North Carolina in order that such land may be used in connection with a proposed water supply lake, and for other purposes which had been reported from the Committee on Armed Services with an amendment on page 2, line 3, after the word "lake", strike out "purposes.", and insert "purposes: *Provided, however,* That the State of North Carolina would pay the fair market value, as determined by the Secretary of the Army, of the interests released under this section."; so as to make the bill read:

S. 320

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Army is authorized to release on behalf of the United States the land use restriction applicable to a tract of land constituting a portion of a larger tract of land heretofore conveyed by the United States to the State of North Carolina pursuant to the Act entitled "An Act to provide for the conveyance of a portion of the Camp Butner Military Reservation, North Carolina, to the State of North Carolina", approved April 2, 1954 (68 Stat. 50), so that such tract with respect to which such release is given may be used by such State for water supply lake purposes: *Provided, however,* That the State of North Carolina would pay the fair market value, as determined by the Secretary of the Army, of the interests released under this section. The exact description of the tract with respect to which such restriction is released by the Secretary pursuant to this section shall be agreed upon by the Secretary and the State of North Carolina, but in no event shall the total area of such tract exceed one hundred and seventy-one acres.

SEC. 2. In order to settle a dispute between the State of North Carolina and one W. T. Gantt over the boundary line between lands conveyed to the State of North Carolina pursuant to the Act referred to in the first section of this Act and lands adjacent thereto owned by the said W. T. Gantt, the Secretary of the Army is authorized to take such action as he determines necessary or appropriate to obtain an equitable settlement of such boundary dispute. The authority conferred upon the Secretary under this section shall include authority to release the land use restriction referred to in the first section of this Act from any lands included in the boundary dispute agreement which may be quitclaimed to the said W. T. Gantt under the terms of the boundary agreement.

SEC. 3. The Secretary of the Army is authorized to impose such terms and conditions upon any actions taken by him under authority of this Act as he deems appropriate to protect the interests of the United States. All expenses for surveys and the preparation and execution of legal documents necessary or appropriate to carry out the provisions of this Act shall be borne by the State of North Carolina or W. T. Gantt, as appropriate.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 740), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE AMENDMENT

Since the United States received no monetary consideration from the State of North Carolina for the conveyance of these lands, originally a part of Camp Butner Military Reservation, and the restriction to be released is a part of the actual consideration received for the conveyance, it is believed that the Government should be reimbursed for the fair value of the interests which would be released under section I of this bill. It is for this purpose that the bill as introduced has been amended. The fair value of the rights involved are estimated to be around 7,500.

PURPOSE OF THE BILL

The purpose of the bill is to authorize the Secretary of the Army to release the land use restriction applicable to (*a*) a tract of land not exceeding 171 acres, constituting a portion of a larger area, formerly part of Camp Butner, N.C., which was conveyed by the United States to the State of North Carolina pursuant to the act of April 2, 1954 (68 Stat. 50); and (*b*) any lands of the same conveyance which may be quit claimed to a W. T. Gantt in settlement of a boundary dispute.

BACKGROUND OF THE BILL

On September 27, 1954, the Secretary of the Army executed a deed conveying the remaining 4,750.39 acres of land to the State of North Carolina under authority of the act of April 2, 1954 (ch. 133, 68 Stat. 50). As required by the authorizing act, the deed of conveyance reserved mineral rights to the United States and further provided that (*a*) the property shall be used for military purposes only and if not so used, shall revert to the United States, together with improvements made by the State, without payment of compensation; and (*b*) the United States has the right to use the property during a state of war or other national emergency declared by Congress or the President, subject to payment of fair rental for any improvements added by the State without Federal aid.

The circumstances leading to the introduction of this bill are set out in the following subparagraphs:

(*a*) Section 1: the attorney general of North Carolina has informed the Corps of Engineers that the State desires to construct a dam on property adjacent to its Camp Butner lands for a source of water supply and that the impounded water would cover a portion of the land conveyed to the State by the above-mentioned deed of September 27, 1954. According to a metes and bounds description furnished by the State, the area to be inundated would total 127 acres. Since this action would conceivably constitute a breach of the condition restricting land use to military purposes only, the State of North Carolina in 1963 requested a release from the use restriction over the area involved in order to preclude possibility of a reverter. Whether this use would, in fact, constitute a breach could be established definitely only by a court of competent jurisdiction. The adjutant general of North Carolina has advised this Department that, although the area which would be inundated continues to be required as a safety zone for a firing range, flooding of the area would not interfere with this requirement.

(*b*) Section 2: The War Assets Administration conveyed to W. T. Gantt (Gantt Oil Co.) two tracts (Nos. D–66–G and D–68–G) of surplus Camp Butner lands adjoining the property conveyed by the Secretary of the Army to the State of North Carolina for military use. The deed to W. T. Gantt used the same descriptions of the tracts as were used when the United States originally acquired them for establishing Camp Butner. In 1963, the State of North Carolina attempted to survey its Camp Butner lands and in so doing found that the line dividing the State and Gantt properties could not be placed on the ground. Subsequently, the State and Mr. Gantt negotiated and reached an agreement to establish a boundary line, whereby the State agreed to convey approximately 25 to 30 acres of land to Mr. Gantt who, in turn, agreed to grant rights-of-way to the State over all roads on his land. The land-use restrictions earlier referred to must be removed before the State of North Carolina can convey to Mr. W. T. Gantt the 25 or 30 acres involved in the boundary dispute.

TERMS AND CONDITIONS

To the extent that the area to be inundated for water supply purposes constitutes a portion of the firing range safety zone, it is the intention of the Secretary of the Army, in event of enactment, to require, as one of the terms and conditions authorized by section 3, that any release or deed be conditioned upon an undertaking by the State and any other grantee to indemnify and save the Government harmless against liability for injury to any person who trespasses during any period of notice that the range is in use. Such condition is considered essential in order not to confront the Government, as the result of surrender of the control which it now enjoys, with additional liabilities arising out of trespass during such periods of exclusion.

FISCAL DATA

Enactment of this legislation will have no apparent effect on the budgetary requirements of the Department of the Army.

LATIN AMERICA'S NEW SPOKESMAN

Mr. MANSFIELD. Mr. President, the Congress of the United States had the honor this year to have as its guest one of the outstanding chiefs of state not only in the Western Hemisphere but in the word as well. I refer, of course, to the distinguished President of the United Mexican States, President Gustavo Diaz Ordaz and the address which he delivered at a joint session of Congress.

In that speech, he spoke to us as a good friend and good neighbor. He gave us some sound advice. He gave us much to think about; and, in a very honest way, he laid before Congress problems which affect not only his country and ours but Latin America as well.

I believe we are extremely fortunate to have the good relations which now exist between Mexico and the United States, and those good relations are due in large part to the chiefs of state of the United Mexican States in recent decades. During the 3 years in which he has been in office, the present President of Mexico, Gustavo Diaz Ordaz, has met with our President Lyndon Johnson on five different occasions. Those meetings have been fruitful and beneficial to both countries, the result being that at the present time there are very few differences between us, and certainly such differences can be resolved.

Mr. President, I ask unanimous consent that an article by the distinguished columnist on Latin American affairs, Mr. Daniel James, depicting the Mexican role in the hemisphere, entitled "Latin America's New Spokesman," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Nov. 12, 1967]

MEXICAN ROLE IN THE HEMISPHERE: LATIN AMERICA'S NEW SPOKESMAN

(By Daniel James)

MEXICO CITY.—The state visit of President Gustavo Diaz Ordaz to Washington last month is seen in Latin America as much more than another manifestation of the increasingly cordial relations both neighbors have been enjoying over recent years. For at this meeting with President Johnson, the fifth the two leaders have had since Diaz Ordaz's election three years ago, the Mexican played the role more of spokesman for all Latin America than chief executive of his own country.

As the Secretary General of the Organization of American States, Dr. José A. Mora, has put it, in Washington Diaz Ordaz spoke with "the voice of Latin America." He dwelt little upon bilateral Mexican-United States problems (which are few and relatively unimportant), and in the two major speeches he made—before the OAS and before Congress—he devoted most of his time by far to questions of general Latin American interest.

The Mexican leader was, in fact, appealed to by his Latin American colleagues beforehand to convey to President Johnson, the Congress, and the American people, the extent of the gathering crisis to the south. One of the last such pleas made to him was on the very eve of his departure for Washington, by the Colombian Foreign Minister, German Zea, who happened to be in Mexico at the time.

Diaz Ordaz went to Washington, then, with an informal mandate from the rest of Latin America to plead its case.

It should be made clear, however, that he did not seek that mandate. Neither he, nor his predecessors, nor the Mexicans as a nation have ever sought, or seek even today, to lead their Latin neighbors. On the contrary, they have always shrunk from that role. They have preferred to devote themselves exclusively to Mexican affairs, practicing in effect a species of isolationism.

But history has now taken a hand and, willy nilly, cast Mexico in the role of leader of Latin America. Her record of political stability (no Mexican government has been changed violently since 1920), of economic progress (the greatest in Latin America), and of independence in foreign affairs (exemplified in being the only Latin nation to maintain diplomatic relations with Communist Cuba), have all combined to make her the envy of her sister republics and a model many would like to follow.

Mexico's geographic position contiguous to to the "Northern Colossus" and a truly cordial understanding with the United States—all the deeper because arrived at after generations of quarreling—have further combined to make Mexico the natural spokesman for her sister republics in treating with the United States.

The timing of Diaz Ordaz's visit added the final touch of inevitability to the part he played as leader of Latin America. He arrived while the Congress was in its most strongly protectionist mood in years, with many bills pending in both houses whose effect, if passed, would be to cut total American imports so much that Latin America's export trade would be all but shattered.

In the days preceding the Diaz Ordaz trip to Washington a tide of protest against congressional protectionist legislation had been mounting south of the border—hence the appeals to him to voice the Latin American position before Congress. They were uppermost in his mind when he was invited to address a joint session of the national legislature.

Thus he spoke of Latin America's urgent need to expand her exports of raw materials and obtain fair prices for them in order to develop. Foreign economic and technical aid, he said, "will be able to relieve the situation temporarily but not resolve it." He added: "We know that you are sovereign in your internal affairs, but we believe that before you decide upon measures which might cause grave damage to many human beings, you should reflect thoroughly and prudently."

With less directness, Diaz Ordaz expressed the Latin American view of such broader issues as Vietnam. He seemed to be offering the northern neighbor advice when he stated: "The eventual risks of peace are infinitely smaller than the certain evils of war."

Did this mean that Diaz Ordaz was playing the "dove"? No. The Mexican position is more sophisticated than that.

The following is said by highly knowledgeable persons here to be the Mexican position on Vietnam, and presumably was communicated—by the Mexican President at some point to President Johnson:

Mexico considers Vietnam too remote to be very much concerned about, and consequently scarcely recognizes its existence. Since it is, however, vital to the United States, she is interested in the issue primarily as it affects her biggest neighbor. Consequently, she takes the pragmatic view that she will do nothing to hurt the United States prosecution of the war in Vietnam, though unable for historical reasons to support it.

The Mexican Government is, in fact, at great pains to discourage all manifestations within its territory against the Vietnam war, and at no time has there been anything here remotely approaching the violent expressions of anti-war feeling that have taken place north of the border.

In another speech, before the Organization of American States, Diaz Ordaz caused a sensation in Latin America when he frankly chided the OAS for its shortcomings—something no other Latin American leader in recent memory has ever dared do face to face. He bluntly charged that "the errors [of the OAS] were those of men and not of the institution"—a charge susceptible to the interpretation that the organization's leadership should be thoroughly overhauled.

He disagreed, however, with those in his own country who have been clamoring for Mexico's withdrawal from the OAS, pledging instead her continuing support for it despite the fact that the Mexican position is at variance with that of the majority on a series of fundamental issues.

There are other nations in Latin America who look with longing and envy upon the independent role Mexico has consistently played inside the OAS, often in opposition to the United States, and it may well come about that our immediate southern neighbor will henceforth be emulated in that respect. Thus the Buenos Aires daily, *Clarin*, after briefly reviewing Mexico's political independence and economic progress in an editorial, and after looking back with regret at Argentina's lost opportunity to lead the Latin nations, wondered whether "it would not be worthwhile to meditate on the lessons of President Gustavo Diaz Ordaz's visit to Washington."

Mexico's emergence from her traditional isolationism, at long last, is not likely to stop with reluctant acceptance of leadership in Latin America. That is the view not only of the Latin Americans themselves but also of such a discerning North American observer as Lyndon B. Johnson, who remarked in his speech welcoming Diaz Ordaz to Washington: "The Mexico of today is also a nation of rising influence in the world."

AMENDMENT OF HIGHWAY SAFETY ACT OF 1966

Mr. MANSFIELD. Mr. President, I ask that the Chair lay before the Senate a message from the House on S. 1552.

The ACTING PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the bill (S. 1552) to amend the Highway Safety Act of 1966 which were, on page 1, line 8, strike out "Commerce" and insert "Transportation".

On page 2, line 17, strike out "of" where it appears the second time, and insert "for".

Mr. MANSFIELD. Mr. President, I move that the Senate concur in the amendments of the House.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

ALASKA'S $50 MILLION NITROGEN FERTILIZER PLANT NEARS COMPLETION

Mr. GRUENING. Mr. President, a most perceptive article was published in the October 28 issue of Chemical Week entitled "Taming the Alaskan Wilderness," written by William Bennetta, western editor. Mr. Bennetta renders a useful service in pointing out that the difficulties incident to building a plant in Alaska, which still suffers somewhat from the myths incident to the purchase of Alaska 100 years ago when it was labeled "Seward's Folly," are no greater than they would be anywhere else under the American flag.

Mr. Bennetta also points out that while wages are high Alaskan labor is extremely productive and well earns its higher wages.

I visited the particular plant to which this article refers and I was much impressed by its efficient mangement and performance under the leadership of Mr. J. C. Broussard. I recognized his name to be that of a Louisianan, since there was once a Senator by that name who proved to be a distant relative of Chemico's job superintendent. This article should be useful in pointing out the desirability of other manufacturing plants locating in Alaska to process its raw materials.

Mr. President, this plant will manufacture nitrogen fertilizer and will give Alaska's economy and that of the Kenai Peninsula, in particular, a tremendous and welcome lift. It will give substantial employment to Alaskans and provide revenue to the State. It has already furnished much employment incidental to its construction. We Alaskans welcome it and wish it every success.

Mr. President, I ask unanimous consent to have the article entitled "Taming the Alaskan Wilderness" printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Chemical Week Magazine, Oct. 28, 1967]

TAMING THE ALASKAN WILDERNESS—BRIGHT ANSWERS TO TOUGH PROBLEMS PAVED THE WAY FOR COLLIER'S NEW FERTILIZER PLANT AT KENAI

What is it like to build a big chemical plant in Alaska? It is a rigorous proposition, fraught with high costs, transportation problems, and the need to design and build against an inhospitable environment. But according to the men who are now erecting Collier Carbon & Chemical Co.'s $50-million nitrogen-fertilizer plant near Kenai, the difficulties probably are no worse than in building a plant in any other relatively remote area.

Collier's plant, which represents the largest single injection of private capital into Alaska in the state's history, is being built by Chemical Construction Corp. (New York), a subsidiary of Electric Bond and Share Co. The plant is due onstream at the end of '68; it will include a 1,500-tons/day ammonia unit and will produce 900 tons/day of urea.

Transportation Woes: For J. C. Broussard, Chemico's job superintendent at Kenai, the biggest headache is transportation—getting materials and equipment to the job site on a schedule that will allow him to keep his men working.

Almost everything being used in the project comes from the "Lower 48" (the Alaskans' term for the contiguous states of the union) or from Japan. For equipment coming directly to Kenai from a U.S. supplier's plant, the transit time is at least 30 days, and scheduling work that far in advance is a risky business. In extreme cases, Chemico has flown materials to Kenai to avoid idling its workmen.

Much of the equipment and material heading for the Kenai site passes first through Chemico's staging area in Seattle, where shipments are made up and sent north by one of three means:

Rail cars—carried by ship to Seward, Alaska, then hauled over rails to Moose Pass. There the cargo is transferred to trucks for the run to Kenai.

Sea Land vans—moving from Seattle to Whittier, Alaska, then to Kenai via Anchorage.

Barges—plying between Seattle and Nikiski; the cargo then moves to the job site by road for about two miles. Time at sea for a barge is about 10 days. Each trip costs Chemico about $70,000, including barge and tug charges for the Seattle-Nikiski round trip, plus loading and unloading time. So far, the company has sent four barges north from Seattle. Probably it will need no more, according to James Brown, senior construction superintendent with Chemico and superintendent of the Seattle staging area.

The barges are used chiefly for equipment that is too big or too heavy to go any other way—e.g., the steam drum weighing more than 100 tons that couldn't be shipped by rail car because the unloading equipment at Moose Pass couldn't accommodate that heavy a load.

The huge 600-ton converter built for Collier by Mitsubishi, which was too big for ordinary ships and barges, was hauled from Japan to Kenai by the *Cosmos Maru*, a ship whose bow opens like that of an LST's. The converter was shipped mounted on two tractors (themselves weighing 200 tons); and a special earth-filled dock and a short road were built at the construction site for unloading the 800-ton assembly.

Earthquakes: On the design side, most of the special precautions taken against the Alaskan environment are small but important. "This is not a radically different design," observes Dewayne Korver, a Collier project engineer. "But there are a lot of special engineering wrinkles that we need up here to make the plant work."

Examples: Buildings must be designed to resist high winds and earthquakes. For buildings with large surface areas, wind can be the governing factor in deciding the maximum force (overturning moment) that the structure will have to take. But in most cases, earthquake still is the major determinant, and engineers assume an earthquake moment equal to 0.2 the force of gravity on the building. (The same factor is in common use in California. Elsewhere in the U.S., they vary from 0.1 to zero.)

Many ordinary construction materials, Korver points out, won't work in the cold winters experienced at Kenai, where sustained winter temperatures may run at —30 F, with short dips to —50 F or lower. Buildings are being insulated with polystyrene-foam sheets manufactured by W. R. Grace & Co. (New York) that include an integral vapor barrier and that mate by tongue-and-groove. Insulation without these features would allow moisture to enter the building, then condense and freeze inside. Another materials angle: ordinary mastic sealing compounds won't do. Instead Chemico is using a Dow silicon sealant around doors and windows.

All of the plant's major vessels are made of low-temperature steels—common in Cook Inlet construction. Even the drilling platforms out in the inlet are of low-temperature metal.

Most liquid tanks—even those holding water—have to be insulated. Water lines are buried at least 12 ft. deep.

Control-room buildings have to have air locks to prevent excessive heat loss when personnel enter or leave.

Almost all equipment is covered—an approach considered cheaper than winterizing individual components.

Air cooling is used exclusively to condense steam that drives the plant's four big centrifugal compressors (for synthesis gas, air, ammonia and carbon dioxide).

Special louvers control the flow of air into the urea-prilling tower according to temperature: otherwise far-too-cold winter air might enter and damage the prills.[*]

The Labor Bill: *Construction labor costs in Alaska are high*. But Chemico's Broussard *says the costs are partially offset by the high productivity of the workmen.*

"The people come out here to work," Broussard remarks, pointing to construction crews at work in a drenching rain. *"Nowhere else in the country will you see men working in a rain like this."* Most of the men, he observes, have to make their money for the year during the six-month construction season—roughly from May to October.

Although major construction traditionally comes to a halt during the Alaskan winter, there is a marked trend today to keep some men on the job. This winter, Chemico will continue some work, mostly inside operations such as piping, electrical work, and related tasks. And in urgent cases, concrete can be—and has been—poured year-round in the Anchorage area. One big aid in breaking winter's stranglehold on construction has been the advent of cheap natural gas in the area, which makes it practical sometimes to isolate work areas with plastic sheeting and heat the enclosed area to a reasonable, if not balmy, temperature.

Some hourly base rates for labor: boilermakers, $6.75; electricians, $7.25; carpenters, $6.40; cement finishers, $6.37; ironworkers, $7.24; operating engineers, $7.18; pipefitters, $7.45; laborers, $5.47; teamsters, about $5.

These rates apply to a 40-hour week. Broussard's men have been working six 10-hour days per week. Overtime is calculated at time and a half for all classifications except the pipefitters and electricians. They get double time.

Other components of the labor tab: the contractor provides full subsistence in the construction camp, transportation and tool-shipping costs for workers migrating to the job site, and mileage allowance for laborers from the Kenai area who don't live in camp. Most of Broussard's skilled workers come from Anchorage; most of his laborers are locally hired; some 92% of his hourly force are Alaskans.

According to Broussard, there is no marked lack of any job classification—missile-site work has earlier drawn a good supply of skilled men into the Anchorage area. Every classification has a waiting list.

He estimates that his total labor bill, taking productivity into account, might turn out to be 20% higher than for a comparable job done in the Lower 48. But this is an average. Other contractors have pointed out that in New Orleans, well known as "bad labor area," labor costs can run 30% more than in most other states.

How about total cost of the job? Broussard has no ready estimate of how much more it will cost in Alaska than in the Lower 48. But he strongly rejects the generalization, often heard, that it costs 100% more to build something in Alaska than on the West Coast.

Many Alaskan sources say much of the significant Alaskan construction to date has been government work, done "by the book" and on a cost-plus basis, which offers the contractor no incentive for efficiency or tight cost-control. To apply such examples to private-sector work, Broussard says, seems unwise.

Water Work.—A major component part of the Collier project at Kenai is the dock that is being built to receive ships and barges that will supply the plant with certain chemicals and haul product out to Japan and to ports on the Pacific Coast (Portland, Ore., and Pasco, Wash.).

The difficulties of construction on or under the waters of Cook Inlet have been well-documented ever since the oil companies started working there a decade ago: water temperatures usually less than 40 F; tides on the order of 30 ft.; tidal currents as high as 6 or 7 knots; water so turbid that divers literally can see nothing of their work, and must be guided by touch alone; and in winter, berg and sheet ice riding the swift currents and crushing anything that isn't carefully designed to withstand assault.

Collier's dock is being built by Ben C. Gerwick, Inc. (San Francisco), the company that in '60 built the Nikiski wharf now operated by Kenai Pipe Lines, Inc. The wharf was built originally for Standard Oil Co. of California (San Francisco).

Gerwick's general superintendent on the Collier dock project, William Goss, says that his biggest problem is wind, and stabilizing floating equipment against it. The high tides, per se, are not too much of a problem, he says.

Like other docks in the inlet, the Collier dock will be equipped with heavy icebreakers to break floating ice into small pieces before it hits the dock's supporting structures—caissons jetted into the bottom of the inlet to depths of at least 45 ft. And like other water work in the inlet, the dock construction is a costly business. A big consideration: the divers. Goss pays $540 per 12-hour day for a hardhat diver, his tender and a compressor. Because a diver can work only during slack water, he is usually down for only an hour or an hour-and-one-half during the 12 hours that he's drawing pay. And whenever a diver is down, another must be above water.

The divers are an elite class of workmen in the Cook Inlet area, and many of them have made fortunes.

Economic Edge: One reason Collier decided to locate its new plant in Alaska is the availability of low-cost feedstock gas. Also, there is a ready market for the plant's products in Japan. For example, half of the urea output will be sold to Japan Gas Chemical on a take-or-pay basis. Ammonia will be shipped to Portland and Pasco in two 16,000-ton barges being built by Chicago Bridge and Iron.

Collier recently purchased 40 acres of property at Kennewick, Wash., for construction of new terminal facilities. Initial investment will be $3 million for docking facilities, storage tanks, warehousing, pumping systems and pipelines to transfer chemicals from barges to storage, and from storage to trucks and rail cars. Output from Kenai will be barged to Kennewick via Portland and the Columbia River and sent from there to inland fertilizer plants.

ALASKA'S KING CRAB PROCESSING PROCEEDS IN A NEW MODERN PLANT

Mr. GRUENING. Mr. President, an excellent article entitled "A Resource Comes Out of Its Shell in Alaska" appears in the October 7 issue of Business Week. It deals with Alaska's famous king crab, a resource developed most successfully in the last decade and a half, principally under the leadership of Lowell Wakefield. I had the opportunity of attending the inauguration of his completely modern and efficient king crab processing plant at Seldovia. I ask unanimous consent that this article, which well tells the story of this important development in our Alaska fisheries, be printed at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Resource Comes Out of Its Shell in Alaska

(Note.—King Crab, an inexpensive gourmet delight long pursued by the Japanese but neglected by U.S. fisheries, emerges as the fastest growing segment of Alaska's biggest industry.)

In Alaska, a crustacean that weighs up to 25 lb. and can scuttle along the Continental Shelf on a leg spread as great as 6 ft. is definitely king these days. Its meat is the delight of gourmets yet cheap enough for the average supermarket shopper. It also has inspired international treaties to prevent sea battles between U.S. fishermen and their Soviet and Japanese rivals.

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[*] The urea is first crystallized, then remelted and fed to the tower. Biuret in the raw urea separates out in the initial crystallization.

The object of this attention is the Alaska king crab, a species found only in the waters above the north Pacific Ocean. When Wakefield Fisheries, Inc., opened its new $1-million king crab processing plant at Seldovia, Alaska, this summer, the spidery creature got its highest accolade yet: *Both of the state's U.S. senators attended the ceremony.*

Leading role. The reason: In 1966, the value of Alaska's fishery products reached about $170-million, making seafood the state's leading industry—ahead of forest products, oil and gas, and other minerals—and king crab is the fastest growing segment of that industry.

Last year's catch, handled chiefly at 30 plants on Kodiak Island—came to 158-million lb. worth $15-million unprocessed, up from only 15,000 lb. in 1944 and 8.8-million lb. just a decade ago.

Lowell Wakefield, president of Wakefield Fisheries, attributes the soaring consumption of king crab to increased public awareness of the relatively low-cost ($1.40 a pound at retail against $2.65 for lobster, on average) and increasing industry efforts to achieve quality control.

Wakefield's concern is the largest king crab processor in the U.S., with net sales of $9.5-million and profits of $3.12 a share last year, despite stiff competition from such concerns as Ralston Purina Co.'s Van Camp Packaging Div., Alaska Packers Assn., and Bumble Bee Seafoods, Inc. "We have some important people in the game," says Wakefield, "but we manage to hold onto one-fourth of the business."

Pioneering. That hold dates back to a shaky pioneering pursuit of king crab by Wakefield in 1946—ironically, a move spurred by past Japanese success in tapping a resource Alaskans generally ignored.

The Japanese began to catch king crab as early as 1892, moved into large-scale operations in 1923 with a floating cannery, and expanded into the waters of the eastern Bering Sea, which later attracted Russian boats. The Japanese ships moved closer to U.S. territory—the Pribilof Islands, the north side of the Alaska Peninsula, Bristol Bay—and by 1933 accounted for U.S. imports exceeding 7-million lb. a year.

Tempers flare. "We in the fishing industry took it for granted that they were after red salmon," says Wakefield, who was then working for his father's fisheries concern. Alaskan fishermen bought rifles and ammunition to settle matters, but tempers soon cooled and the Japanese pulled out in 1939. A study by the Fish & Wildlife Service confirmed that the disputed waters were, indeed, rich sources of king crab, and federal biologists discovered that king crab meat could be frozen, while other types of crab were too delicate.

When World War II ended, U.S. fishermen began to go after king crab commercially. Following the lead of Libby, McNeill & Libby, Wakefield decided to try his hand. He formed Deep Sea Trawlers, Inc., eschewing the family banner, because "they thought I was wrong." He sold $300,000 in common stock to 126 persons (90% are still holders) and borrowed $300,000 more.

Shaky start. With this, he built a $450,000 factory trawler, the Deep Sea, in 1947, to process and freeze the crabs on board. "Nothing went right," he says. "We couldn't catch them, and when we solved that problem, we couldn't process them fast enough. Then we couldn't sell them. We lost this money in the first year and a half."

We decided on one last trip. "Fortunately, we were able to borrow enough to go out. I said, "This trip we're going to make it. We made some money then, and have each year since."

His concern still uses that vessel, but now it's the mother ship for smaller trawlers, and has a sister ship, the Akutan. In addition, Wakefield operations on land have expanded substantially despite damage by earthquakes and a tidal wave. They include a plant at Sand Point in the Aleutian Islands, and a new unit is planned at Port Lyons. Last year the company got into the general fish freezing business with the purchase of a cold storage company in the Aleutians. Its king crab is sold through about 40 food brokers, with New York the biggest market.

Showcase. The Seldovia plant is the showcase of the operation. At full capacity, in processes 1,000 crabs per hour into 8,000 lb. of meat. After a short precooking process, Wakefield's butchers separate crab legs and bodies and throw them into another cooker for 18 to 25 minutes. Then an assembly line takes the crab parts through a cooling flume; meat extractors use high-pressure water to knock body sections out of the shells, rubber rollers squeeze out the leg meat; and a packing belt leads to metal boxes lined with wax paper. Leg meat is placed on the top and bottom, body meat in the center. these blocks are frozen at 40F below zero for six hours.

With this smoothness of operation, the king crab industry's major problem today is the continued presence of Japanese and Russian fishing boats in or near Alaskan waters. Says Wakefield: "Their boats have taken hundreds of millions of pounds of fish. There have been as many as 500 Russian boats in the area at one time." And some Japanese fisheries are "as big as General Motors," Wakefield adds.

Protection. So far, U.S. fisheries have been able to minimize the impact of this competition through several treaties. The 1964 Convention on the Continental Shelf provides that a coastal state such as Alaska has sovereign rights over its shelf. Although king crab was included because it was known to walk on the shelf, the Japanese would not sign, maintaining that crabs could easily wander off the shelf.

Eventually, the Japanese were allowed to fish the eastern Bering Sea for "historical" reasons, but their catch is limited to 185,000 cases per year. The Russians may also fish the area on a limited basis. And while the federal limit on territorial waters is 12 mi., Alaska holds to a 3-mi. curb.

Still, violations occur—"not surprising considering the number of ships," says Wakefield. Alaskans maintain that the Russians sometimes break the rules on fishing limits deliberately; last year a factory ship captain simply pleaded that he knew nothing about the rules.

Friction. What angers U.S. fishermen even more is that the foreign trawlers use tangle nets, which ensnare the American's trap-pots. These crab pots, costing $250 each, are the only legal method for Alaskans pursuing king crab. This is no disadvantage, though, because 250-lb. pots, measuring 7 ft. square and 3 ft. high, are considered the most productive type of gear. One pot can hold as many as 290 crabs. The crabs are attracted by bait inside the wire-covered traps, crawl up a wire or nylon mesh tunnel, and drop off inside the pot.

The treaties give U.S. king crab fishermen another advantage. Says Wakefield: "We have the exclusive use of some of the most desirable species." With easy access to harbors and shore plants, the U.S. fisheries also get an economic edge, since the foreign operators must produce their own fresh water and must send oil, food, and cans from home.

All of this adds up to the prospect of still greater expansion for the Alaska king crab industry, if it continues to follow Wakefield's success formula: "First, you have to put out a good product."

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SENATOR MAGNUSON RECEIVES AWARD OF AMERICAN CANCER SOCIETY

Mr. HILL. Mr. President, I feel that an award made a few days ago by the American Cancer Society was particularly appropriate. Our respected and admired colleague, Warren Magnuson, the distinguished senior Senator from Washington, received the award.

I may say that while Senator Magnuson's outstanding legislative work in the fields of health research and cancer prevention was the primary basis on which the American Cancer Society made the award, I would be remiss in my remarks if I did not state that Senator Magnuson has also been a valued coworker and an able advocate when it comes to the appropriation of funds needed by our National Cancer Institute and the eight additional Institutes of the National Institutes of Health. This great research arm of the U.S. Public Health Service conducts and supports approximately two-thirds of all the medical research in this country. It has been my privilege to work shoulder to shoulder with Senator Magnuson in many a battle for NIH funds that our dedicated doctors and scientists may conduct their attack upon mankind's most ancient foe—disease.

Yes, Mr. President, without the understanding and support of such stalwarts as Senator Magnuson we could not have launched our great programs against the cruel and dread diseases which kill and cripple mankind and we would not be possessed with the precious and vital knowledge we have today regarding the cause, prevention, cure and treatment of disease.

The principal address at the American Cancer Society meeting was delivered by Vice President Hubert Humphrey. I ask unanimous consent to have his remarks printed in the Record, but before this is done, I ask unanimous consent that the thoughtful observations made by Travis Wallace, chairman of the board of directors of the American Cancer Society, when making the award to Senator Magnuson precede them in the printed Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

Excerpt of Statement of Travis Wallace in Presenting Award to Senator Magnuson

Travis Wallace. I should like to read to you a brief excerpt from a speech made in the House of Congress exactly thirty years ago this past August. I quote, "No one can say that there is anything audacious about my insisting that it is high time that the government of the United States of America did something about that great darkness called cancer . . . The Members of the House who have aided me in the passage of this bill have joined forces in one of the most impressive movements of modern times." Unquote.

That crusader of 30 years ago—no less a crusader today, I might add—is the distinguished statesman and humanitarian we are privileged to honor tonight, the Chairman of the Senate Commerce Committee Senator Warren G. Magnuson of the State of Washington.

As a Member of the lower branch of Congress in 1937, Senator Magnuson, together with his fellow Senator from Washington, Senator Homer T. Bone, sponsored the Act which created the National Cancer Institute. Its formation came at a time when there was indeed a great darkness called cancer. The word was tantamount to death. Today one million four hundred thousand former patients are cured. It was Senator Magnuson's vision and imagination which lit the first small candle.

Since then he has illuminated the way by introducing and sponsoring many invaluable measures in the cause of cancer control.

Cancer research and control activities have greatly profited from the excellent liaison and cooperation that has existed for three decades between the National Cancer Institute and the American Cancer Society. Cooperative directorships and other committee links have served both groups unselfishly, efficiently. Through this close liaison both organizations economize on time and economize on money by eliminating duplication of effort.

Senator Magnuson, now Senior Senator from his state, has helped the fight on cancer in other, meaningful ways. One of the very first to see the cancer problem in its fullest dimensions, he has performed a great public service by focusing on the health hazards of cigarette smoking. His effective sponsorship and guidance of legislation to warn the public of the hazards surrounding cigarette smoking was an outstanding model of statesmanship.

Currently Senator Magnuson is continuing the fight by urging legislation that will require cigarette companies to list tar and nicotine content in the mainstream of smoke on each package. And, what is possibly even more important, he is seeking health warnings in advertising as well.

The American Cancer Society owes an immense debt of gratitude to Senator Magnuson and we offer him our deep admiration and heartfelt respect.

It gives me the greatest pleasure, Senator, to present you with a special citation which in some small measure acknowledges your fine contributions to our cause.

The citation reads:

"American Cancer Society Special Citation to Senator Warren G. Magnuson, Distinguished statesman and humanitarian, pioneer in developing public support of cancer research, leader in sponsoring federal legislation to protect the public against the hazards of cigarette smoking."

ADDRESS BY VICE PRESIDENT HUMPHREY

The Honorable HUBERT H. HUMPHREY. Thank you very much, Mr. Wallace. I want to thank the orchestra for playing The Minnesota Rouser. I hope we have something to rouse about this year. Ever since the Twins played the Boston Red Sox, I haven't felt very roused or aroused. But I was delighted to hear tonight that there's a doctor here representing the Cardinals. (Laughter and applause.)

Monsignor Wilders and Rabbi Charlop, Mr. Wallace and my dear friends that I'm privileged to share this dais with this evening, Mary Lasker, Mrs. Lasker, and another friend that I just must take note of, Dr. Taussig, so happy to see you here tonight, and down at the end of the table, just a wonderful gentleman and one of the finest men that ever served the cause of health and the medical profession, Dr. Diehl. (Applause.) There are so many here that I want to speak of. I am so pleased to see Dr. Cole and Dr. Williams and Mr. Skurt of a very famous insurance company, and know that you are honoring Bob Considine and Chuck Mayo, but I must say there are one or two things that I have to tell you here tonight.

First of all, I want to tell you how good it is to first have left a Democrat in Texas, who I left just this evening, because I had to be over to the White House. That's what delayed me in coming here, and then to be greeted by a Republican from Texas.

I've always said that the office of Vice President ought to be non-partisan and I'm willing to run on either ticket. (Laughter.)

I want Mr. Wallace, and I want all of the medical profession here to know tonight that I am not a doctor, that is, an MD. I hold a few of those honorary other kinds of doctorates, but those are not the earned kind. Those are the given kind. I am a pharmacist. Now, I say this for a reason. Some of you are a little unhappy about things in our country. I want you to know that I do not prescribe, all I do is dispense. (Laughter.) (Applause.)

Of course, on occasion, when there aren't so many doctors around as there are tonight, I do say that I'm about the only general practitioner in the government, without a license, I might add. But there are some people, others here, you've honored, and properly so, and recognized and properly so, Senator Warren Magnuson. I'm going to have more to say about him to you this evening, but I think I should tell you that I've always treated this great senator with high regard and with sincere respect. He's one of the most influential men in the Senate of the United States, for years and years, and one of the most delightful and likable men. But he also has a background in Minnesota, living most of his early childhood in Fargo, North Dakota, but also claiming some citizenship in Minnesota, and I was always afraid that a fellow with the name of Magnuson in Minnesota, might come home and run against Humphrey. (Laughter.) And if you know the Scandinavian make-up of our state, that wouldn't have been good, despite the fact that I have spent a considerable amount of time explaining to my constitutents back home in Minnesota that my mother was born in Norway, but seldom do they believe it.

Then there's another gentleman here—if you have the time—and you know, about my speech, I'm not sure that you're going to enjoy it, but I always like them (laughter) so I just go ahead and make them anyhow. It's after hours. You know, you don't get paid overtime in the government, but as our very esteemed friend and your National Crusade Chairman for 1968, Lawrence Welk, he's here. I only hope, Mr. Welk, that my career can be as long and successful as yours, that's all.

I should say—I really can almost say this, wherever I am or ever hope to be, I owe to Lawrence Welk. Now, let me explain that. When I was a young fellow out in Huron, South Dakota, I used to like to dance. I still do, by the way, if there's any dancing afterwards. But I met a young lady out there, who later on became my wife, and we really started our courting to the tunes of Lawrence Welk, and whenever things would get a little rough and I would look like I wasn't doing too good, I'd always say, honey, Welk is coming to town tonight, let's go to the dance. (Applause.) So Lawrence, the people that know me best, know that I outmarried myself, and know that I'm blessed with a lovely and wonderful lady as my wife, and I really mean it. I doubt that I'd ever made it without your music, so thanks a lot. (Applause.)

Oh, there's been so many things already happened tonight here, that I am somewhat overwhelmed. I never knew anybody could get up and tell doctors to sit down, but—and have them obey. I. can make a confessional, too. It was exactly eleven years ago this coming month of November that I quit smoking, and it was in the City of New York. I asked (applause)—I asked my friend, Mary Lasker if Dr. Sachs was here tonight and she said she didn't know, but I wasn't feeling particularly good on that occasion, and I was up—a good reason not to, I was a delegate to the United Nations in 1956, if you remember that year, and I came here, and I just didn't feel up to what I usually do, and I went to see a very fine physician and he looked at me and he gave me the works, you know, and he said, oh, you're fine, fatigue and what have you, and he was right. He said, how many cigarettes a day do you smoke? And I told him. He said, well, now if you could cut that down, he gave me a small number. I said, look, doctor, let's quit playing games. I'm either in or I'm out. I mean, I'm a two packer or none. Let's just forget it. And he said, well, I suggest none.

Now, the best thing the United Nations ever did for me was to keep me away from home during that period of time. I would have lost my wife, I know, because what happened to me during that time when I quit, was fortunate that I was here and we had a few problems in the UN, because I took all my animosity out on the proper people during that time. (Applause)

Now, let me be a little serious with you, and I hope you'll bear with me, because I came here tonight to talk to some very fine people. You wouldn't be here unless you were very civic-minded. You wouldn't be here unless you were generous. You wouldn't be here unless you were concerned about human well-being, health and opportunity.

I've seen the ravages of cancer in my own family. I've seen it with my son and with my brother. One that I lost and one, thank God, that lives. And I could salute a whole team of doctors for what they have done, but I come here not only to salute the doctors, but to salute you for what you've done. This is an organization that really understands the word compassion and it's very sensitive, very sensitive to these intensely personal needs of the family of the cancer victims, and the cancer victims themselves.

But at the same time, while you're compassionate, you have really mounted a very concerted and businesslike attack, which in the opinion of many of our scientists, our top men in the healing arts, could lead mankind hopefully, and I say hopefully, to victory over cancer, maybe in a matter of years, but certainly in the matter of decades.

I was so pleased to hear Senator Magnuson speak with such affirmation, because we have to believe that we can make steady gains in the struggle, and we have, as you have indicated tonight. There are hundreds of thousands, yes, well over a million cancer patients that walk, talk, work, happy, living normal lives, because of research, because of care, because of you, because of govment, because of our doctors and our scientists.

Now, you really started this war on cancer over 60 years ago. I like to think of you as the early Freedom Fighters, because the fact is that unless you have health, you don't have anything. Let's just face it. You can be rich and powerful and if you're sick, you amount to little or nothing. The PAP test, which is commonplace now and well known, has reduced the death rate from uterine cancer by 50 percent in a generation. I can't help but think, as I mention that, Dr. Diehl has seen the building there we had at the University of Minnesota campus. It was an old temporary there, left over, when I first saw it, from World War II, the cancer clinic for the PAP test. One of my great friends, Dr. Stuart Arhelger, who cared for my brother and my son, was in that clinic.

Now, that test has meant a tremendous relief from burden to millions of people. And in that time, these 60 years of your work, thanks to your efforts and others, diagnostic and therapeutic methods have reduced, as I've indicated, this threat of cancer, not eliminated, we know, but reduced. Now, you've offered the same kind of leadership in prevention of cancer, in publicizing of the recent date, the dangers of smoking. That's why you honor, tonight, in part, my good friend from the State of Washington and did he ever deserve that honor. My, I'm so happy that men are recognized in public life for what they do and what they do for others.

Many tonight are being honored. All of them, so richly deserving, physician and layman alike but let me say just a word about this man that you have honored from the Senate. It's, of course, been noted to you that he led that fight to create the first National Institute of Health, the National Cancer Institute, and today he leads the struggle to reduce the toll of lung cancer, but in all of these years, these thirty years that you've talked about for this young man, and he's a worker, and he's active, he's been in the forefront of the fight for health measures and health programs, everything that related to the well-being of the human soul and the human body.

And as a leading member of that appropriations committee, Mary and doctors, let me say he's fought for adequate research funds to all of this evolution of the fight against cancer. It doesn't do any good to pass resolutions, really. Oh, yes, it does some good because it's a declaration of intent, but after the resolutions and the speeches, the real test is, what are you willing to pay? What are you willing to do about it? And he's been willing to stand up and be counted and he is being now, and by the way, you ought to take a good look to be sure that we're all counted, because we're going to need your help.

He's Chairman of a great committee, the Commerce Committee, which sought to strengthen the public and private health agencies. So I'm proud to share this platform with a fellow Senator. I served with him 16 years in the Senate, and every year was a rewarding year to me because of his work and his friendship.

I came here tonight to discuss, according to the letter that I received, something about the future, and I was a little bit worried about that. I mention this because that means that you must have, to some degree, optimism, where there isn't any future. And I tell you that it's kind of difficult for a man that comes from a town that's full of well-developed pessimists, namely, the nation's capitol, to come and talk about the future, but I am one of the congenital optimists in Washington. I'm accused of it all the time and I want to tell you why I've staked out that little preserve. The area of pessimism is over-crowded, and I'm not that good a competitor. Some people do it better than I do, and I looked over and saw that literally virgin territory, unlimited areas that were practically uninhabited for an optimist.

So I moved over on that side. But being a prophet is a little different. It's a dangerous business. These prophets, they are generally without honor in their own country and in their own party, and their own capitol. They don't win many popularity polls. I'm sure you remember the testament, the treatment, I should say, given to the Old Testament prophet, Jeremiah, and the Trojan Cyrus' Cassandra, and even our own Billy Mitchell. They were prophets and what happened to them?

Now, Aldous Huxley summed up the pessimist position as follows: He says, I have peered into the future and it won't work. (Laughter.) Well, that was one man's point of view. That is really the definition of a pessimist. So I just noted down in my notes tonight, well, so be it, because I think it will work, and what's more I think it's coming a lot faster than most people think. So far as technological and material developments are concerned, we know today what the immediate future holds. I'm Chairman of the Space Council of your government and of the Marine Resources Council, and by the way, again, my friend from Washington, had a hand in setting up both of those. My task and one of my jobs in the government is to coordinate all of the scientific and research activities of our government and the development activities in the field of space and aeronautics. It's a fascinating assignment.

And I have entered it with all of the enthusiasm of, well, of the unknown and almost the unformed. I just went right in. And now more recently, Chairman of the Council on Oceanography and Marine Resources, dealing with the depths of the oceans, faced with the infinity of the universe. I have to tell one here tonight, that every time Congress gives a Vice President anything to do, it's either out of this world or at the bottom of the sea. (Laughter and applause.)

But I do get a chance to hear what you meant of science and medicine and technology, you men and women, are saying, and you fascinate me. I think it fair to say that within a few years, we'll see the establishment of permanent bases on the moon, the development of a whole family of earth-orbiting satellites, manned and unmanned, and they will be supplied by regular ferry service. Your children will talk about this like you talked about your days riding around in a convertible. The launching of unmanned probes to every part of the solar system is now underway and much more in the future, probably some manned expeditions, as well. And why not? We're children of the sun, the solar system is our neighborhood. I just threw this in. It didn't come with the speech. I thought you ought to know why we think it's important. I hear people every day say, what do you want to mess around into space for? Because it's our neighborhood, that's why. We need to know about it, and men of medicine should be the first to understand that.

What is this neighborhood in which we live? What is the effect of its environment on us? We've been fooling around here now for thousands of years, skimming the top of the seas, and occasionally, within the last 50 years, 100 years, getting into the stratosphere, the atmosphere. This is such an infinitesimal part of God's creation that it almost makes you wonder what we've been doing with our spare time. I told the President one day, when we got this new assignment on Marine Resources, I said, Mr. President, you know that 70 percent of the earth's surface is water, and since much of it is international, and since the Congress of the United States is very ambitious, I'm in charge of that, as far as Congress is concerned, of the 70 percent. You only have about—well, you have a very small portion, Mr. President of the earth's surface, called the United States, and I'll let you in on a secret, I have less trouble with my fish than you do with your people. (Laughter)

Well, I tell you, if we didn't think like that once in a while, we'd need some real help from you, believe me. I'm confident that we will soon develop man's capability to live on the ocean's floor, literally to build undersea buildings and cities, that we shall use the tides as energy sources which we are now, that we shall use desalinated water to make the deserts bloom, which is surely within the next decade, not only a probability, but an inevitability.

And what about the next 15 years, because they say, from the laboratory to practical life is 15 years. Well, I hesitate to talk about it because I'm in the presence of experts, but after all, a man in public life should never be afraid of facts or truth, so here I go.

In medicine, the routine transplantation of internal organs from one person to another and the widespread use of artificial organs, which you surely understand and know.

In education, more my field, a general use of teaching machines in the offing, and far more sophisticated ways than we ever dreamed possible.

In psychiatry, the use of drugs to modify personality defects and of course, to control emotional disturbance. In industry, the application of automation, the great thing called the computer, to many kinds of management decision making, the computer and the transistor, have literally revolutionized our time.

In engineering, we'll see the channeling from surplus areas, the channeling of water, from surplus areas to shortage areas, thousands of miles away. You see, I'm one of those Americans and citizens and humans that believes that God Almighty made plenty of room on this earth, it's just up to us to use it, and the deserts are storehouses of fertility and productivity, untouched and wait until the blessing of water is brought to them, and it will be brought in the lifetime of my sons and my daughter and most likely in your lifetime, it's inevitable. We've just started to live. Gee, how I hope I can live to the year 2,000. I don't want to get into proprietaries here, but if that Geritol works, I want to take a lot of it. (Laughter)

I just have to get in a plug for Humphrey's Drug Store. (Laughter) Well, in worldwide communications, there will be the everyday use of translating machines. They are now operational and they will become available, and the communications satellite will revolutionize higher education. The finest minds of the world brought instantaneously to any classroom of any college or university of any significance within the next 25 years.

By the year 2,000, why not, everybody else is guessing, let me take a whack at it, the scientists tell us that they can foresee virtual elimination of bacterial and viral diseases. Even the modification of genetic chemistry, even the evolution of a universal language. Somebody said commercial transport by ballistic missile. The use of robots for everyday work and of the high IQ computer for sophisticated tasks. And the probable creation in the laboratory of primitive forms of artificial life, and shortly thereafter, so it is said, chemical control of the aging process and perhaps even modified control of gravity.

These things are not impossible. If you are looking for this in the speech, it isn't there. I just put it in right now. (Laughter)

Now, what about the future? I've given you a picture of what I think the future is. Many of these things that I've talked about we're going to welcome. We're going to be very happy with them, without reservation. A few, I think, bear the seeds of great danger. The widest number, on a very real, sense, neutral, non-aligned. Their benefit to mankind will depend mostly upon man's wisdom in using them, his ethics, his morality, and of course, that's where the education process comes in.

There was another Huxley, and he's more my kind, Thomas Huxley, who put it this way. I cannot say that I'm in the slightest degree impressed by your bigness or your material resources, as such. Size is not grandeur and territory does not make a nation. The great issue about which hangs the terror of overhanging fate is what you are going to do with all these things. That is the question. That is the $64 question, or whatever the number is.

All our quantitative measures indicate vast economic growth and prosperity. We indulge ourselves in these things. Broader base of education, greater scientific and technological capacity, wider use and ownership of consumer goods, yet what are we going to do with all these things?

If we look more closely, we see some other things, too. For instance, in the shading of the high income area, on census maps, and I spent a little time doing this, the shading never seems to fall on neighborhoods where Negroes, Puerto Ricans, Mexican-Americans live. That in a time of prosperity, for example, in a rich nation which gets richer every year, per capita income is going down in the poor nations of the world, and the late beloved Pope John XXIII said that where there is constant want, there is no peace. And possibly the greatest threat to peace is not the bomb at all, but possibly it is poverty itself.

And we increasingly feel, at least I do, and I speak for myself, tonight, that it is imperative to apply critical qualitative measures to what we see, that it is necessary to see how changes affecting people and their lives—we have over 2,000 institutions of higher learning in this country. They are good institutions. But the question is, what proportion of the students attending those institutions receive both a solid grounding in technology or science or the humanities, and are able to think for themselves.

We have in our cities billions of dollars of investments in new office buildings, and luxury apartments. New York is typical of it. Washington, D.C. The question is, are the families who live in the shadow of these buildings, that is, a large proportion of the people who live in our central cities, better housed or worse off today than they were yesterday? Despite all of the shiny new factories, and we have a lot of them and we need them because they represent wealth and production, the backlog of crumbling rotting housing in the United States is not being significantly reduced, and I say this with a heavy heart, and I tell you in all candor that it's not as good now as it was five years, or ten years ago. Despite the fact that this is the age of the short hop jet, and the satellite communications, the isolation and the restricted opportunity that afflicts residents of even rural America, is driving a steady stream of people poorly prepared for urban life, into the already crowded cities. Vast migration of people as alien to modern urban life as one that came from a far-away country, of primitive stature.

Despite the fact that we are well on the way to producing enough for everybody, we are going to hit the 800 billion dollar figure this year, a sizable minority of our citizens do not have enough. And if you take into account all the people in this shrinking neighborhood that we call the world, most of them do not have enough, and more and more have less.

Now, I do not find these discrepancies paradoxical. Most of the disparities that I talked of between what is and what should be, have become flagrant, have become gripping, only now that we have the opportunity and the means to eliminate them. Before it could be condoned because we knew not what to do. We had not the means. Today, we do know what to do, at least in most instances, and we have much of the means.

It is the miracle of our material progress itself that makes slums, hunger and ignorance and ill health unacceptable, and it is the same progress that I think provides the remedies. Can I just add this thought, too? Before television, we could hide it. It's impossible. I wonder how many people realize what this instrument means to the social, political, economic structure of modern society? We are having wars fought today, literally, before our very eyes. Mothers have seen their sons shot down in battle, as they look quietly upon the news of a war in Vietnam. A real war, not make believe movie war. The poverty of our city, real poverty. In the midst of your splendor, you can't escape it. Illness, sickness and deprivation in the midst of your health and abundance and happiness, you can't escape it. The tube, the television, the communication satellite, the radio, the transistor, has changed it all. There is no place to hide any longer. We can't escape ourselves or our neighbors.

But this progress that I referred to some time back, in improving the quality of life in America, and in the world, will not be automatic. There isn't any instant progress, instant success, instant anything except tea and coffee, and I think we ought to just remember that, because it is here that the viability of our democratic institutions will be tested.

Now, some people try to excuse an action by saying the social progress of the kind that I'm talking about will come very slowly. I know that. Indeed, some of it will, especially where irrational attitudes come into play, or prejudices, racial, religious, economic, but we know, we know a lot. We know that it takes only a few months to build a school. I was in Bethlehem, Pennsylvania this Sunday and two beautiful schools were constructed with bond issues, voted upon, schools constructed, opened, in less than 30 months. Magnificent schools. The finest of modern facilities. It can be done.

It takes only a few years to train a first-rate teacher. Now, we can teach people in languages in six months, where it used to take six years, in our great language training facilities. It takes 12 years, most of the time, at least, to take a child from the first grade through high school, but that isn't even very long. It takes a few months, at most, to train the head of a family, who's on welfare, to earn a living wage, if we get at it. And might I just say for a moment, that's something we need to get at. This nation better make up it's mind now, it's very late, that we are not dedicating the energies and the resources of this land of ours into a welfare state. We are dedicating it to a state of opportunity. (Applause) This is where we need your help, too, because it is one thing to condemn the recipient of welfare. My friends who are fortunate and successful—but it is another thing for you to reach out and help them lift themselves out of the quagmire and the swamp of their deprivation, to become self-sustaining citizens. A helping hand for self help, that's what we mean by opportunity. It's the great challenge before this country. The easiest thing in the world is to conquer the poverty of the purse, for a rich country, a rich family or a rich city. Just give them a check. We've done a lot of this in our family life, too, when our children are in trouble, give them some money, give them a car, send them to school. Some days, we have to stop and think about attention and love.

You can't write that out. That has to come through great sacrifice at times and great attention, and I think that's true of most of our problems, I might add. I think we've always tended to feel that we could just buy our way through it.

It takes only—I found out here in New York City—just a few weeks to renovate an apartment building. In fact, I saw an experiment here where they did it in 48 hours, with some careful planning, and even a few months to build new housing. These are the facts of your life, in this year, 1967.

Now, for a country that's likely to have a man on the moon in less than 15 years after our first satellite was launched, it should not be impossible to put a man on his feet right here on earth, in a comparable period of time.

Then, too, it is customary to say that social progress will mean sacrifice and I am always interested who says that. I think it will mean some sacrifice, that's true, but not all of the additional or extra comforts that we might be able to afford each year. It will mean diverting some, but not all, of our additional prosperity into the areas of obvious human need. It would, of course, require even less sacrifice, you know, if we lived in a peaceful world, or if our defense expenditures were not required. But when you produce an additional 40 to 50 million dollars worth of goods and services each year in real sustained prices, I happen to think that you can afford to defend your country, you can afford to wage war on cancer, you can afford to build the kind of a society that you need for your people.

So I put it this way, it is only a question of priorities. What do you want to do? An old Arabic proverb comes to mind. He who has health has hope, and he who has hope as everything.

Are we going to do what needs to be done in this American society, and live somewhat better each year? Or are we going to live a lot better just one year, at least for the time being, live it up, a sort of a lost weekend, a national binge, and forget about education, jobs and job training, housing and health care and national security? I think I can say to you, my friends, as a member of your government, that for the next ten years we can forget the whole world and have ourselves the biggest lost weekend the world has ever known. We could live it up and that would be the end of it. The question is, are you willing to measure your resources to make the little sacrifices that provide for the long term gains.

Now, everyone of the challenges that we face in updating American society, fortunately, has a constituency, public and private, a reservoir of talent and resources. This is true of health. Look at the constituency here tonight, where you yourselves are an active part. It's true of education, of urban renewal, civil rights, conservation, poverty, the arts, they all have their constituencies. And those constituencies are usually not as well financed, however, as some of those whose general social values may be less, but they speak and they speak for the felt needs of the vast majority of the Americans.

Take the case, for example, of Medicare, and I dare say it. Medicare is usually thought of as an administration program, approved by Congress and presented to the American people as a political achievement. But I think the historians are going to say that Medicare was the result of a fundamental decision by this nation to take better care of itself. Once, in that country, they were right. There was preventable sickness and premature death, but the people wouldn't stand for it, when they no longer had to, and above all others know about unnecessary sickness and death. Thousands of women, as I said, will die this year from cancer of the uterus, many would be alive New Year's day if they had been given a PAP test in time.

The Public Health Service is working with doctors and hospitals right now to make that test routine for all adult women treated in hospitals or by their family doctors. But, but my dear friends, far too many women will never see a hospital and never see a doctor. I go into the bowels of your cities, I traveled to over 500 of them in three years, and I know. I have seen little children, ten, twelve years of age, who have never seen a dentist or a doctor, in this, the land that has the finest of everything.

Now, these are the poor, the neglected, and the uninformed. So I speak of health education. Health information. I used to put, when I was in my father's pharmacy, we used to put whole window displays where the druggist would be the health information center, we tried to be. We tried to bring to the attention of our people, our customers, the tremendous amount of health information that was available. The great life insurance companies, I hesitate to mention any one lest I forget another, but the great life insurance companies and other, the hospital and health insurance companies, have told the American people in page after page of advertisements, about health and health care.

Ladies and gentlemen, some people don't read the papers. Some people never get the message. Health education of the poor is one of the most neglected areas of American life. The poor do not know, for example, the symptoms of cancer, most of them. They have less education. Many of them are illiterate. They have more misconceptions. They get medical check-ups less frequently, if at all. Their rate of sickness is six to ten times as fast and as much, the frequency six to ten times as much as with one of middle income.

When cancer strikes, it can be a tragedy—can be tragic to a family in any income bracket, I know, but it is especially tragic to the poor. I'm very indebted to the doctors and the hospitals, I want you to know that. I'm not your critic. But can I be honest with you? I saw a father critically ill for months. I saw a brother critically ill for months, from March to August 27th, don't be poor, even when you have the generosity of doctors that love you and give of their service and hospitals that share with you the best, it's very difficult to be poor. It's difficult to be even well off. The cancer clinics and hospital wards in ghetto areas, if they are there at all, are often obsolete, under-staffed, under-equipped, in terms of the most modern therapy. I call upon this great voluntary health agency to take the lead in bringing education on cancer, preventative, curative, restorative medicine, to a greater extent to the American poor, but you'd have to go to them, you'd have to find them, because they are hidden away. Go to the needy, be their friend, their sons fight for you now. Many of them have no chance to be for you because they are incapacitated by disease and ignorance.

Now, our medical schools are not graduating enough doctors and our doctors are, regretably, not being able to serve enough of the nation adequately, not through their fault, but there are just not enough.

The Dean of the Harvard Medical School said recently, the situation is serious, especially in central cities and rural areas, and that's where the poor are, that's where most of the people are. When statistics show that most medical students come from families earning more than $10,000 a year, and only three percent are from the Negro community, for example, and less than ten percent from low income, it is not surprising that they find the city slums and the poor rural areas unfamiliar and do not choose them as places to practice.

Again, I'm not being critical. It's understandable. Why would one want to go, particularly if you've never been there, never knew what it was. Now, the Office of Economic Opportunity makes many mistakes. It's no institute of perfection. But it tries. It's sponsoring health clinics in some 40 central cities and rural areas. I visited one in Denver, Colorado recently. 18,000 people had gone through that clinic. The doctors were there from the medical association of Denver. The dentists were there from the dental association of Denver. They were working hand in hand and many of them were working with trained young people that before never had a job in their lives, young people that were of the poorest of the poor, young people that had never been educated and never knew what it was to work, and there they were. They had been trained as technicians? No, aids, not technicians, helpers, and a whole new spirit gripped them, I saw them, I spent a day with them. I saw pediatrics to geriatrics. I saw little expectant mothers coming to that clinic, but I asked them about their families, how many children, some—three, four, two, five. Did you ever have medical care before? Most of them said no, maybe on birth. Not prenatal. And I've been involved in medical matters, pharmacy, interested in this long enough to know the importance of prenatal care, to know the importance of diet, to know the terrible tragedy of protein deficiency, to know that America finds 14 other nations ahead of it, when it comes to the infant mortality rate.

I don't like that, I like to be first. I've been second in a couple of things. That means you end up last. (Laughter) Now, we've just recently, the President has recently named an advisory committee to make a thorough study of the nation's long range needs for health facilities. These are beginnings; one of the great challenges and I want to leave this with you, now, is to increase, even double the number of doctors graduating each year from our medical schools, nurses, medical technicians, and to see that there is a wider range of Americans who can go to these schools of the healing arts.

Today, in Vietnam, there are thousands of young Americans with some medical training. I was there just a few months ago, as you know. I came back and presented a report to our government, one of my friends is here tonight, Dr. Edgar Berman, that was with me, and we reviewed the hospital and the health needs in that country. In all that you've read of late, it was long ago made possible and made known, and we have a tremendous task on our hands. Of course, one of the great achievements in this struggle is the fact of the medical and hospital care. Not a single man, or few, should I put it this way, few, if any, of our servicemen are over 30 minutes away from a hospital, and those that have been the victim of shrapnel or shell or sickness are readily cared for. I saw statistics, not long ago, showing over 100,000 casualties. I'm sure you know that of the 100,000, over 80 some thousand have been to hospitals and of those 80,000, 40,000 only went to an outpatient clinic at most, and most of the 40,000 with the exception of 5,000 have been restored back to combat duty and to normal health, a remarkable achievement. My, how proud the medical association must be, the doctors, how proud the medical schools and hospital managers must be. I wish we could always do so well at home.

Any service man who needed medical help has learned to place his trust in those Army medics and in those Navy and Marine Corpsmen. They are very brave. I had a young helicopter pilot the other day that took me around. He had 1600 missions and everyone of them to save a life, everyone of them, hospital, medical, hospital helicopter. Flying right down into machine gun fire and flack, picking up the wounded, and going back, begging to go back. Isn't it amazing how some of them, not some of them, most of them who have been there take their stand. For the first time, we're making it easier for these men, upon their return to civilian life to continue to provide health care and to provide more training. The President announced yesterday a comprehensive plan called Project Remed, to put these skilled Americans that I speak of, to work, from the time they leave the military service.

Another source of men and women willing to serve is the more than 30,000 returned Peace Corps volunteers. Unfortunately, these resources, have until now not been fully utilized. One reason perhaps is that we may be too reluctant to give these young people as much responsibility at home as they've had abroad, working in the Peace Corps or the military service. I said to a group of industrialists the other day, a negro colonel that I was with in Korea was in charge of the entire division. Don't tell me he can't run an assembly line in a plant. He handled more supplies, more equipment than most managers of a whole factory, and he did it magnificently. What will happen to him, where will he go, what will be his future? These are the questions that we have to ask each of ourselves everyday.

I think one challenge of the future may be to begin to trust people under 30 more than we do today. They are doing an awful lot of work. The full use of returning servicemen and Peace Corpsmen might best be undertaken within a system of national service, far broader than we know today. Certainly, there should be very careful consideration given to proposals for those who cannot or do not serve in the armed services, give an equivalent period of their lives to national service at home or abroad, I think young Americans want to do this. I'm convinced that they want very much to devote themselves to helping others, but there must be constructive outlets. I feel that despite the small few who draw such attention to themselves for negative and irresponsible activities that this young generation that I've seen from one end of this country to another, is the best, without exception, that this nation has ever had. It surely is the best in our armed services, by far, and I think it surely is excellent on our college campuses, where over a quarter of a million of them are giving of their time freely to help other people in the hard-core areas of our inner cities.

I've seen them at work in the Peace Corps, in Vista, in the armed services, in the poverty program, in the government and on the campuses, in business and labor, and these young people are precisely the ones in our society who are most concerned about individual human dignity and the qualitative. They want to preserve and nurture the society of wholesale technological change and quantitative emphasis.

Yes, I believe there is a constituency for a better America, just as there is a constituency for health and education. I see that constituency in American business, that is more socially conscious and civic-minded today than ever before. I have seen it in the voluntary efforts of millions and millions of Americans, people young and old, people like the two million in the American Cancer Society, volunteers, who are willing to devote their new found leisure to the service of others. There can only be one outcome then for the future, as I see it, progress.

Let me conclude then with these few lines from my henchman who possibly understood America better than an American, Alexis de Tocqueville; sociologist, political commentator and observer, second to none. I like what he said about us. Maybe that's why I praise him.

He said, "America is a land of wonders, in which everything is in constant motion and every change seems an improvement. No natural boundary seems to be set to the efforts of man, and in his eyes, that is not yet done is only that which he has not yet attempted to do."

Such is the spirit of this great country and I think I see it in this great organization. I want to thank you for what you do. I appeal to you to reach out just a little further, a little deeper into our social structure, to find if there isn't someone else that you haven't touched, haven't met, haven't talked to that you could be with. This is the great challenge to the voluntary organization. Leave it not to government to find the people. Let the people find the people. Let the people's own voluntary efforts and agencies and instrumentalities reach out to find all of the people. Then indeed you can have a government, the kind that Lincoln talked about, of the people, by the people and for the people. I think that is the kind you want. I know it's the kind I do.

Thank you very much. (Applause)

Mr. WALLACE. Sir, I think the applause and the enthusiasm of this group tells you better than any way I have of communicating our deep and sincere thanks to you and for this very fine message. (Applause)

MRS. ANN SMOLIAN JACOBSON RECEIVES BIRMINGHAM CERTIFICATE OF OUTSTANDING SERVICE

Mr. HILL. Mr. President, I was indeed delighted when the mayor and city council of Birmingham acted unanimously to award Mrs. Ann Smolian Jacobson its certificate of outstanding service on behalf of the people of Birmingham in recognition of her leadership and contributions to the city's highly successful annual festival of the arts and other civic projects.

I feel privileged to join in expressing to Mrs. Jacobson the heartfelt appreciation she so richly deserves for her contributions to the initiation and splendid success of the Birmingham Festival of the Arts, her work as chairman of the Alabama Commission on the Fine Arts, and her devoted and dedicated service on other projects which have advanced the health and happiness of our people, and the educational and cultural life of her city and State.

Her generosity and her family have made possible the establishment of the Smolian Psychiatric Clinic at the University of Alabama Medical Center which is opening a new horizon for the mentally ill through its expanded services.

Mrs. Ann Jacobson is the worthy daughter of a great and public-spirited family, and it is both an honor and a privilege to join in expressing deepest gratitude and warmest affection to her as one of Birmingham's and Alabama's finest citizens.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GRUENING. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

A FOOTNOTE ABOUT "THE STRONGEST EARTHQUAKE"

Mr. GRUENING. Mr. President, Alaska has, of course, far superseded Texas as the largest State, with the highest mountain in North America and a coastline that is longer than the combined coastlines of the lower 48 States, counting their Pacific, gulf, and Atlantic coasts. So while that is nothing to boast about, it may also be a pertinent fact that the 1964 Alaska earthquake is "the strongest earthquake ever recorded on the North American Continent." The statement in the report of the Commerce Department comes up also with the interesting fact that the seismic wave generated by Alaska's quake traveled as far as the Antarctic, which is about as far as a seismic wave can go on our terrestrial globe.

It is pleasing to record that the Federal administration was most helpful in the task of reconstruction. It poured hundreds of millions of dollars into Alaska to help rebuild the wrecked buildings, highways, and Alaska Railroad. Excepting only Seward which lost its payroll, all the stricken cities are better off than before. It has just authorized rebuilding the Copper River Highway. Senator CLINTON ANDERSON who headed the President's Committee and Ed McDermott, the President's Disaster Relief Executive, whom President Johnson sent to Alaska the day after the earthquake, deserve the gratitude of Alaskans as do President Johnson and all the members of the Committee he appointed.

I ask unanimous consent that the article entitled "The 1964 Alaskan Quake Moved Mountains" which was published in the Washington Post on November 12, 1967, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE 1964 ALASKAN QUAKE MOVED MOUNTAINS: SEISMIC WAVE NOTED IN ANTARCTIC

The Commerce Department said yesterday the 1964 Alaskan earthquake was so powerful that it moved mountains, temporarily raised the level of the Mississippi River and sent a seismic wave as far as the Antarctic.

The Department's Coast and Geodetic Survey, more than three years after the Good Friday disaster, is still gathering data on the effects of the strongest earthquake ever recorded on the North American continent.

Some of its findings are incorporated in a technical report issued by the Environmental Science Services Administration.

It said some Alaskan mountains subsided because of the quake, the sea floor in one area rose as much as 50 feet, and a seismic wave was recorded in the Antarctic 22½ hours after the quake. This giant wave, the report said, had traveled 8445 miles at 430 miles an hour.

The earthquake caused 131 deaths and more than $750 million in damage not only in Alaska but along the U.S. Pacific coast as well.

Here are some findings from the report:

Mountains on Kodiak Island and the Kenai Peninsula and the Chugach mountains near Prince William Sound subsided seven feet or more. Earlier surveys revealed that some Kenai Peninsula mountains shifted laterally about five feet.

The ocean floor rose in an area 480 miles by 127 miles with the highest upheaval 50 feet—the biggest ever recorded—between Kodiak and Montague Islands.

Shock waves oscillated the water as far away as Key West, Fla., 3968 miles distant. Surges of water began along the Gulf coast of Louisiana and Texas between 30 and 40 minutes after the quake.

At New Orleans, a sudden rise of 1½ feet in the Mississippi River caused vessels to break from their moorings. Near Dunham Springs, La., the water receded five feet and at Houston, Tex., three 10,000-ton ships broke their moorings.

Of the 131 deaths, only nine occurred outside the areas hit by sea waves. Fifteen deaths were outside Alaska, including 11 in Crescent City, Calif., and four in Newport, Ore. At Crescent City, five died when they stopped for a beer during their flight and were trapped by a wave, the report said.

The highest point reached by the surging waves was 220 feet above sea level near Valdez, Alaska, where land about 4000 feet long and 600 feet wide fell into the sea.

MORE ABOUT VIETNAM

Mr. GRUENING. Mr. President, a good deal about the Nation's overshadowing issue—our military involvement in Vietnam—appeared in the newspapers over the weekend. Two consecutive editorials appeared in Sunday's New York Times recording, incidentally, the important dissent of Gen. Lauris Norstad with our present Southeast Asia policy. His speaking out adds, as the New York Times points out, "one of our most prestigious military figures in criticism of our policy."

The second editorial telling about the confusion in Washington arises from the utterances of our various spokesmen trying to defend our policy.

I ask unanimous consent that the editorial "Strategy for Vietnam Peace" "And Washington Confusion" be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRUENING. Mr. President, likewise, there was a perceptive article on the question of dissent by Tom Wicker, which refutes the allegation that those who criticize are prolonging the war.

In Saturday's Washington News, there was a cartoon which, of course, cannot be reproduced in the RECORD, which shows President Johnson garbed like Abraham Lincoln, speaking over several mikes to a nationwide audience and is saying "And as another great wartime President said of his critics." President Johnson might well be reminded of the fact that President Lincoln severely criticized our war in Mexico after we were in it and included severe criticism of President Polk. And that was a declared war, made in accordance with the Constitution and not a war conducted by Executive action.

An article by James Reston entitled "Washington: Guns, Guns, Guns, and More Guns," gives figures on the mounting extravagance and escalation of our military budgets. I ask unanimous consent that, this, too, be printed in the RECORD at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. GRUENING. Mr. President, in the New York Times Magazine section of Sunday, November 12, there is a major article by John Kenneth Galbraith, nationally known economist, formerly our U.S. Ambassador to India, which is headed "The Galbraith Plan To End the War." It is a well reasoned, balanced presentation which points out that the administration has apparently ignored the fact that communism is no longer the monolithic worldwide conspiracy but is fragmented into various varieties of communism and is increasingly a nationalist movement rather than an international conspiracy and worldwide movement. One of the telling phrases for reasons well set forth by Mr. Galbraith is that "this is a war that we cannot win and we should not want to win," because in his view our actions are interpreted in Asia and elsewhere as an extension of the kind of colonialism that we should be opposing rather than promoting.

The New York Times Magazine section also follows this article with a criticism thereof by William P. Bundy, Assistant Secretary of State for Far Eastern Affairs, who being part of the establishment, naturally cannot support Mr. Galbraith's well reasoned plan for getting us out of the Southeast Asian mess, which is contrary to the administration program.

I ask unanimous consent that these two articles, together with an article, to which I previously referred, written by Tom Wicker, entitled "In the Nation—Much Ado About Dissent," be printed in the Record at the conclusion of my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 3.)

Exhibit 1

[From the New York Times]

Strategy for Vietnam Peace

Gen. Lauris Norstad's proposed strategy for Vietnam brings one of America's most prestigious military figures into the national debate on the side of an unconditional halt in the bombing of North Vietnam and an effort to end the war through negotiations with Hanoi.

The former NATO Supreme Commander, placed by General Eisenhower as one of his successors in that extraordinary political-military role during six critical cold war years, was originally an airman. He commanded large strike forces in the Pacific and European wars and later became the United States and NATO air chief in Europe. His judgment that a unilateral cessation of bombing is worth the risk must also be read in terms of his reputation, abroad as well as at home, as one of the West's outstanding strategic thinkers with a profound grasp of political as well as military factors.

What General Norstad now has proposed is in essence a political-military strategy for bringing the Vietnam war to a conclusion at a relatively early date. He states that he "prefers the conference table to bombing as a means to that end."

General Norstad evidently is prepared to go beyond a bombing suspension to bring Hanoi to negotiations. If necessary, he believes serious consideration should be given to Senator Symington's proposal for a unilateral cease-fire and a halt in reinforcements in South Vietnam to challenge Hanoi to come to the conference table. He favors an offer by the President to go to Geneva in an attempt to reconvene, at the summit level, the Geneva conference of 1954. If Hanoi refused to come and negotiate meaningfully, the United States, as Senator Symington has pointed out, undoubtedly "would feel free to pursue this war in any manner of its own choosing." But General Norstad has a more important point.

He argues that no foreign war in more than a century has divided the nation so much as Vietnam. Abroad, he notes that "the war has diminished our position among our closest friends in the free world," eroding confidence in the principles and purposes of the United States. His proposed strategy, he believes, would restore that confidence and also unite the American people "in a sense of national purpose." Accomplishing these two objectives, he insists, is the way to convince Hanoi "that it is more profitable to come to the conference table than to delay."

General Norstad's views have been circulating privately for many months in this country and abroad. He has now felt impelled to speak out publicly; the strategy he proposes should command respectful attention both in the White House and in the Congress.

And Washington Confusion

The Administration can't seem to let bad enough alone in defining the issues in Vietnam for the American people.

Not long ago the explanation that American troops were there to guarantee the right of the South Vietnamese to run their own affairs was replaced by the specter of Peking-bossed "Asian Communism" as the real enemy in Vietnam.

Last week, addressing a predominantly Jewish audience in New York, President Johnson broadened the target by declaring that "the same kind of issues" are at stake in Vietnam as in the Middle East—thus apparently equating the South Vietnamese and the Israelis as victims of aggression and vastly complicating Ambassador Goldberg's peacemaking role at the United Nations.

Now, on his weekend tour of military bases, the President is busily implying that all would end well in Vietnam if only Americans at home stopped criticizing and closed ranks behind the war effort.

What Mr. Johnson refuses to recognize is that Americans are profoundly divided over Vietnam precisely because the Administration's simplistic rationales—altered to suit the domestic audience or political pressures of the moment—are becoming less and less satisfactory to more and more people.

For all his mockery of dissenters, it can be no secret to the President that the division does not relate to the necessity of support for the men doing the fighting in Vietnam but to doubt that the Administration has any clear idea of what its war goals are, much less how they can be achieved through negotiation as distinct from endless involvement in conflict that gets more destructive and more perilous with each new investment of American blood and resources.

Exhibit 2

Washington: Guns, Guns, Guns, and More Guns

(By James Reston)

Washington, November 11.—Armistice Day is supposed to be a time of mourning and remembrance for the agony of past wars, but the saddest part of it is that the major powers are now off on another round of the arms race.

Maybe there is a consolation. The balance of terror has avoided a major world war for 22 years since the last one, which is more than can be said for the period between 1919 and 1939, when there was no balance of power, but this year's armistice celebration is a period of bitter irony nonetheless.

GUNS, GUNS, GUNS

The headlines tell the story. In Moscow, the Soviet Government, celebrating the fiftieth anniversary of its revolution, displayed five new missile systems in Red Square. This came after the disclosure that the Soviet Government was testing a new technique for delivering nuclear weapons through outer space.

In Denver, Secretary of Defense McNamara more than matched the Soviet announcement by disclosing that the United States, in the last six years, "excluding those forces added because of operations in Vietnam," had produced a whole family of new apocalyptic weapons, increased its Army combat divisions by 45 per cent, its guided missile surface ships by 200 per cent, its Air Force tactical fighter squadrons by 40 per cent, its helicopter troop lift capacity by 300 per cent, its fixed-wing aircraft capacity by 340 per cent, its nuclear weapons in Europe by 100 per cent, and its number and total megatonnage of nuclear weapons in the strategic alert forces by 160 per cent.

POVERTY, POVERTY

Everywhere in the southern half of the globe more and more people and more and more poverty; everywhere in China and Russia more and more cries for peace and a decent life; even in the United States, now passing the 200-million mark in population, poverty in the cities and opposition in the Congress to the poverty and foreign-aid programs. But in all the big nations billions and more billions for arms.

Even the Defense Ministers are troubled by the facts. Bob McNamara went to Denver not to boast about our military progress but to explain that the Defense Department was breaking the barriers of racially segregated housing, salvaging 100,000 dropouts a year and training three-quarters of a million men every twelve months for useful work in civilian life.

Yet the mathematics of wars and preparations for wars are staggering. The world is now spending over $130 billion on them every year, and of this the United States alone is spending over $70 billion. We now have a 2-to-1 advantage—some experts put it as high as 4-to-1—over the Soviet Union in strategic weapons, but the race goes on, the latest addition being a $5-billion antiballistic system against China, which will grow to $50 billion if it is extended, as many in Congress and the Pentagon recommend, against the Soviet Union.

What are we to remember on Remembrance Day? That a balance of power must be maintained, to be sure. That the last World War cost one trillion one hundred and fifty-four billion dollars; that it took almost 100 million lives, and that in the two decades since the end of that war the U.S. defense expenditures totaled more than $850 billion. This is at least worth thinking about. And there are other things to remember, and all we have to do is go back to Secretary McNamara's speech in Montreal last year to remember them.

He asked us to think then not only about how to win wars but how to prevent them, and pointed to poverty and hopelessness as the root causes of violence.

"In the last eight years alone," he said, "there have been no less than 164 internationally significant outbreaks of violence, each of them designed as a serious challenge to the authority or very existence of the government in question. . . .

"What is most significant of all is that there is a direct and constant relationship between the incidence of violence and . . . economic backwardness. . . . Even in our own abundant societies, we have reason enough to worry over the tensions of underprivileged young people. . . ."

THE CASUALTIES

There is plenty to remember: 4,435 dead in the War of Independence; 2,260 in the War of 1812; 364,511 on the Union side and 258,000 on the Confederate in the War Between the States; 2,446 in the Spanish-American War; 116,516 in the First World War and 405,399 in the Second; 54,246 in Korea and now 14,444 in Vietnam.

And the trend is up: 819,144 American war casualties in the 124 years from 1776 to 1900, and 1,665,942 in the 67 years of this century.

Yet the arms race goes on, not because men have forgotten the effects of war, but because they do not remember the causes.

Exhibit 3

[From the New York Times Magazine, Nov. 12, 1967]

The Galbraith Plan To End the War

(Note.—John Kenneth Galbraith, the noted economist who was formerly U.S. Ambassador to India and currently is chairman of Americans for Democratic Action, here presents an outline for "a practical way out of our disastrous mess in Vietnam." It calls for a permanent cessation of bombing in the North and a withdrawal from "exposed positions" in the South. William P. Bundy, Assistant Secretary of State for East Asian and Pacific Affairs, was invited to comment on the proposal.)

(By John Kenneth Galbraith)

My purpose here is to suggest a practical way out of our unhappy and increasingly disastrous mess in Vietnam. I have been governed, as anyone attempting this formidable task may be, by certain assumptions as to the nature of the conflict and the stage that it has now reached. And I have sought to accommodate the solution to what I judge to be the basic and minimum requirements of the participants, including, in particular, ourselves. Let me make explicit at the outset both these assumptions and requirements.

There are first the needs of the United States. A solution must be either generally acceptable to the people of the United States or one on the merits of which, within a reasonable time, they will be persuaded. This sounds obvious enough yet, to a remarkable extent, in the discussion of Vietnam, it is a requirement that has been ignored. People, perhaps naturally, have insisted on what seemed most acceptable to themselves.

Those who have wanted a military victory have not been notably impressed by the differing preferences of those who think its cost in lives, national reputation and domestic needs too high or who question its moral sanction.

In the cold war years, perhaps before, we fell into the habit of allowing those who make foreign and military policy a far longer leash than in the case of, say, labor relations or agriculture. This has added to the indifference to public opinion manifested by the State Department and the Pentagon. Some protest to the contrary, it is a State Department habit to dismiss outside views as reflecting insufficient information or excessive idealism or as merely inconvenient. In case of real trouble, high officials can expect to straighten things out with some key citizens at off-the-record briefings or luncheons.

But there is a counterpart tendency among the critics of the war. As I shall suggest in a moment, it now seems reasonably clear that our involvement in Vietnam was the result of a massive miscalculation—perhaps the worst in our history. It is tempting to argue that this error should be corrected simply by reversing the action—as President Kennedy did at the Bay of Pigs and, it might be added, over the energetic objection of those who sought to extend and reinforce it. But although the supporters of the war are almost certainly losing their hold on public opinion, there are still many who are persuaded that we fight in a righteous cause or that, in some sense, we are "saving" Southeast Asia or even Hawaii.

There are many people also whose sense of national pride is engaged. Their preference cannot be overridden either. Here, too, there is a difference between what can be done and what one might wish to do. In peacemaking as in other matters, the best is the enemy, if not of the good, at least of the better.

A solution must also be acceptable to the South Vietnamese. We are aided here by the recent elections, for it is difficult to read them except as a substantial vote for peace by compromise with the N.L.F. and Hanoi. Had the elections been unrigged—had there been full participation by the neutralists and alleged pro-Communists, no censorship of the press and no bloc voting for the military candidates—the showing of the peace candidates would almost certainly have been much stronger.

Yet there are also some millions of people in that unhappy land who for one reason or another—religious faith, political conviction, political ambition, the eager pursuit of profits, the grim pursuit of the military police—have joined our effort. We cannot simply write them off; even by majority vote we do not assign people to the sanguinary attentions of their enemies. A solution must take account of the needs of this minority.

Finally, it goes without saying that a solution must be acceptable to the enemy—to the Government of North Vietnam and the National Liberation Front. Here it seems to me that both critics and friends of the conflict have made their greatest mistake. Many critics have assumed, in effect, that Hanoi and the N.L.F. were under eminently reasonable leadership and that, given the opportunity, they would gladly negotiate. Who could fail to oblige Westerners of manifest goodwill? And the proponents of the military solution have assumed an even greater capacity for reasonable calculation. We had only to raise sufficiently the cost of the war by bombing from the air and the search-and-destroy operations on the ground, and the other side would make a cost-benefit calculation and see the greater advantage of peace.

In truth, no one knows on what terms, short of our immediate withdrawal, Hanoi and the N.L.F. would negotiate. Our own term could not easily be judged from the past speeches of the President or the Secretary of State, and Hanoi statements may be no more decisive as a guide. A practical solution must, accordingly, be one that, in the greatest possible measure, is independent of the reaction of Hanoi and the Vietcong. It must not be inconsistent with their favorable response; but it must depend on it just as little as possible.

This greatly complicates policy-making. But it also secures one from the disagreeable prospect of coming up with a highly sensible proposal which Hanoi promptly dismisses as a filthy imperialist trick. From these requirements of a solution, I turn to my assumptions as to the state of affairs in Vietnam, the consequent state of the war and of American public opinion.

We went into the war in response to a view of the world which was deeply graven as official truth and which has turned out to be sharply in conflict with circumstances. In its original conception, we were responding to a probe by a centrally directed Communist conspiracy—to what Secretary of State Dean Rusk many times described as "the central issue" of the crisis of our time, namely: ". . . the announced determination to impose a world of coercion upon those not already subject to it . . . it is posed between the Sino-Soviet empire and all the rest, whether allied or neutral; and it is posed on every continent . . ."[1]

We would not have reacted to national Communism in Vietnam. For some 15 years we had supported Marshal Tito's national Communism in Yugoslavia. On the most elementary view of the world scene, it is something with which we must live. Nor do we react whenever an existing Government, parliamentary or otherwise, is threatened by insurrection, not even when the latter is encouraged and supported from outside. If we did, much of the middle East would be an American garrison.

It was the centrally guided, conspiratorial aspect of Communism by which we felt threatened and by which we felt Southeast Asia to be threatened. China, as Secretary Rusk described it, was "a colonial Russian Government—a Slavic Manchukuo"—and Hanoi and the Vietcong the ultimate extension of this Soviet-guided force. To blunt its thrust we came militarily to the support of Ngo Dingh Diem and his successors.

Since we took this decision, its whole foundation has collapsed. Relations between China and the Soviets have been ruptured; they only perilously maintain diplomatic relations. That they are working in conspiratorial concert is not now more plausible than that we are in an imperialist conspiracy with the French. The Secretary of State has conceded the point by making the ultimate enemy successively Moscow, Peking, Hanoi itself and lately Peking again. But the shift is no geographical detail; it concedes that we are now concerned in one form or another with national Communism.

Were the circumstances less tragic, one would find himself sympathizing with those who must defend this conflict in face of this change. The enemy coalition against which our operation was launched did not exist. This cannot have happened very often in history. And to devise an alternative rationale for our involvement has proved nearly impossible. We could not justify it in order to put down a purely local insurrection, especially as the Governments we defended were far from popular. It was held, accordingly, that we were resisting foreign aggression in South Vietnam.

But this had the difficulty, as Hanoi became the ultimate enemy, that it was no foreign aggression by a foreign country but by the other half of the same one. It was also the half in which most of the leaders of the part we defended were born. And it was the half that was supposed to have united with our half, under the terms of the Geneva accords, by nationwide elections. Further, if the foreign intervention by the nonforeigners was decisive, the role of the domestic opposition had to be unimportant. But important areas of South Vietnam, including a large area in the Mekong Delta, were controlled by purely local forces.

Any swing back to a larger aggressor causes worse problems. A recent State Department publication, "Vietnam in Brief," notes that Vietnam is "the principal testing ground chosen by today's aggressors to try out the new strategy of aggression: so-called 'wars of national liberation.'" But Moscow cannot be named, for Peking is closer. And Peking cannot be persuasively named because Hanoi gets more help from Moscow. So the pamphlet must remain silent on the identity of the aggressors and it does. To defend a war in which we cannot name the enemy is not easy. A contrived case gets terribly complex.

A special word must be said of the nationalist aspiration with which we contend. In the conspiratorial vision of world Communism that developed following World War II, one thing was axiomatic: Communism could never successfully identify itself with nationalism. It was a foreign as well as a wicked thing which no country would have—except as it might be imposed or infiltrated from abroad. Communists could never be patriots.

This, a distinction that is always important in American foreign policy, was the respectable and reiterated as distinct from the informed view. But it had a deep hold on the older officials (and still does), and it also made a measure of sense in Europe as well as the United States. Italian, French and American Communists were known to have a higher loyalty to Moscow. In consequence, their patriotism was suspect. In an age of strong national feeling, this was a serious and fatal handicap.

But what was true in Europe was not true in Asia. In China, the Communists seized the banners of Chinese nationalism, which is a principal reason for their conflict with Moscow. And, it now seems evident, they have done the same thing in Vietnam, both North and South. They strongly avow the cause of Vietnam nationhood, of Vietnamese identity. They offer a home for non-Communists of similar nationalist passion. In Vietnam, we see in this nationalism what W. W. Rostow, President Johnson's principal adviser on national security, calls the "slow-moving but great historical crisis" of modern Communism.[2]

In what could easily be read as a plea for support not of Saigon but Hanoi and the

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[1] "Winds of Freedom" (Boston: The Beacon Press, 1962) p. 16.

[2] "View from the Seventh Floor," Harper & Row, 1964. "This crisis takes the form of the deep dispute between Moscow and Peiping—a dispute which has engaged, in one way or another, Communist parties throughout the world. What lies behind this dispute, among other factors, is the rise of nationalism as a living and growing force within the Communist bloc."

Vietcong, Mr. Rostow says: "The drive for independence is a most powerful force. We can honestly align our policy with this force. In the end the Communists cannot, and this is one fundamental reason why the Communist offensive in the underdeveloped areas will fail."

However, Mr. Rostow elsewhere stresses that these are long-run changes which need not necessarily affect short-run developments.

At the same time, there can be little question that the trend has been, if anything, in the opposite direction in Saigon. That Government inherited the bureaucracy and administrative habits, and also the landlords, trading community and profiteers, that were associated with colonial rule. The generals who have dominated the Government in these last years were trained by the French, and some fought for the French.

In a dispatch on Aug. 7 in The New York Times, R. W. Apple Jr. noted: "Thousands of men who might be leading South Vietnamese troops in combat are serving with the North Vietnamese or the Vietcong, heirs to the country's nationalist revolution against the French. Of all the Government officers serving as lieutenant colonel or higher, only two fought on the side of the Vietminh in the war against the French."

It can hardly be doubted that our presence in the conflict, whatever our intention, further weakens the nationalist identification of the Government of Saigon. We are a Western power; Westerners in Asia are associated with the most antinationalist of all phenomena, which is colonialism. And that awesome physical thing called the American presence, wherever it appears, makes the earlier British or French colonialism seem almost subtle by contrast. So it is a reasonable working assumption that we are in conflict not alone with the Communists but with a strong sense of Vietnamese nationalism. If so, a further and massive conclusion follows. It is that we are in a war that we cannot win and should not wish to win.

Few lessons are so sharply etched by history as the helplessness of Western powers in dealing with the nationalist reaction to colonial rule. It matters little how weak the opposition is. The British with a monopoly of military force could not keep themselves in India. The experience of the French, Dutch and Belgians, with a similar military advantage, was the same. In an earlier and wiser period in our own history we sensed that we could not remain in the Philippines. It is this lesson of history, unmarked by any exceptions unless it be that of the Portuguese, which we are seeking to prove wrong in Vietnam. That the Communists, with others, carry the banners of nationalism does not change the essential nature of the problem. It remains a war that Western countries cannot win and do not seek to win.

There seems little doubt that our military achievements are in accordance with the expectations just cited. Our military technology is vastly superior. The courage of our soldiers seems not to be in question. One judges that in the last year or so a few more roads have become secure; so also a few villages. But the essential military situation remains unchanged. Our advantage in numbers, weapons or morale has not increased. The Saigon Government controls the cities and, in some degree, a couple of thousand hamlets. The rest of the country, and especially after nightfall, remains under the control of the enemy, as it has for many years.

The secondhand assessment by civilians of military matters is not highly regarded. But I would be surprised if many military men would now come forward to argue for a greatly more sanguine view. We are not finding our war more winnable than, in similar situations, the British, French, Belgians or Dutch did. And like them, we are finding that an increasing number of our own people do not wish to win it. Here, as there, Liberals and Tories are dividing on the issue.

I next assume that public opinion in the United States is now turning very strongly against the war—and especially against those who hope to bring it to a military solution. The public opinion polls show the altered stand. So do the statements of political and other leaders—of George Romney, Frank Lausche, Bishop Sheen, Thruston Morton, Clifford Case, numerous Congressmen of both parties, Republican Governors and, one day soon, quite possibly, Richard Nixon. But the forces underlying this change, the dynamics of public persuasion, seem to me even more significant.

In the past, at least since 1815, wars in the United States, have been fought in accordance with a unanimity rule. Sound the drums and almost everyone fell in step. In the beginning, the Administration benefited strongly from this automatic majority. But from the beginning it was opposed by the articulate part of the student population, an equally articulate part of the teaching and scientific community, some effective Senators, a large number of writers, a solid core of religious leaders and a vast sprinkling of the more concerned and motivated citizenry. These, with many exceptions, were the people with the greatest depth of feeling and the greatest power to persuade. On the other side, with many exceptions, were those who responded out of habit or tradition.

Given this alignment of forces, and even allowing the Administration its advantage in access to press, radio and television, it was in a losing battle for the public mind. The supporters of the war rightly said the opposition included the noisiest part of the population. This, however, was a fatal advantage.

The defense of the conflict suffers from two other handicaps. One is the highly obdurate nature of facts. The Administration has had to assert the stability, democratic instincts and reasonable honesty of the Saigon politicians, the growing military valor and power of the South Vietnam Army, the high promise of the pacification program, the military rewards from adding a few new bombing targets, the favorable military prospect from adding a few thousand more of our men.

Were the war to be supported, these things had to be believed. And time and again these claims have been denied by events. (An editorial writer in The Progressive noted calmly last month that Gen. Harold K. Johnson, Army Chief of Staff, had just returned "from his eighth consecutive encouraging visit to Vietnam in three and a half years.") In further consequence almost anything now said in defense of the war is suspect. This nullifies the advantage of the Administration in access to media. There isn't much advantage in being able to get your side before the people if they do not much believe what you say.

The other handicap is even more serious. As its base of support narrows, the defenders of the war are increasingly either conservative Republicans, conservative Democrats or the military. (Within the Administration, an increasing number make clear their private dissent.) Given their base in the Armed Services Committees, the defenders are tactically powerful. But Mendel Rivers, John Stennis, Everett McKinley Dirksen and the Joint Chiefs do not electrify the country. On the contrary, theirs is a combination that can only repel support—as the services will themselves realize to their sorrow one day. The hurried mobilization of a distinguished group of senior statesmen in support of the war a few weeks ago suggests the concern. Nearly all are men who formed their view of the world scene and Communism in Europe many years ago.

Critics of this conflict have also shown a considerable capacity for alienating friends and encouraging opposition. They may have surprises in store. But I would judge that the chance to persuade the people on the merits of the Vietnam war is now irrevocably lost. If it is now a war that we cannot win, should not wish to win, are not winning, and which our people do not support, then what do we do?

First, and far more important even than stopping the bombing, is the revision of our objectives in the area to accord with the character of the conflict as we now see it. Until now, the accepted aim has been to restore the authority of the Saigon Government in all of South Vietnam. Even in the simplistic and stereotyped anti-Communist view of the conflict, this was a dubious objective. In much of the country the Vietcong has been the effective governing authority for 10 years or more. In a large section of the delta, the Saigon Government never had power.

In Eastern Europe, even at the peak of the cold war evangelism under Mr. Dulles, we never seriously contemplated rolling back the Communists, even though it is a reasonable guess that they were rather less popular with the people than in Vietnam. We are untroubled by the control of much of Laos by the Communist-dominated Pathet Lao. So it was quixotic to believe we had an obligation to eliminate Communist power in all South Vietnam in order to restore the dubious authority in Saigon. But now that the stereotyped vision of the Communist threat has dissolved—now that we see that we oppose not Soviet-dominated or Chinese-dominated imperialism but an indigenously motivated nationalism led by Communists—this goal becomes (and here I choose my words) quite ridiculous.

The people do not want liberation. Anyone who has read Jonathan Schell's compelling account of the liberation of Ben Suc[3] can only suppose that for them it is stark tragedy. And the effort runs counter to our own past support for nationalist aspiration. Nor, needless to say, can we expect anything from the Vietnamese Army. No force can be conscripted to oppose the nationalist instinct of its own people, and all experience with the ARVN is consistent with this expectation.

In Southeast Asia, much of the effective power of government is in the village; it is obedience to the unwritten code of the village society that governs the relation of the individual to the community. Central authority is weak and exiguous. In most of rural South Vietnam we must expect that such central authority as there is will henceforth be exercised by the Vietcong. This is not something we concede by negotiation. It is something we accept as simple common sense.

In step with the revision of goals must go the appropriate adjustment of our military operations. Their objective will no longer be to break the grip of the Vietcong on the countryside. Rather it will be to secure the safety of our own forces and that of the Vietnamese who depend on us. This means, of course, that we stop the bombing north of the parallel and withdraw from exposed positions in South Vietnam—and do so permanently. But we also stop the bombardment of suspected centers of Vietcong concentration or command in the South and the costly search-and-destroy operations designed to eliminate this power. We now concede the continuing authority of the N.L.F. in the areas it controls.

A further step is to put ourself in a position to negotiate. It will be said that to abandon the objective of total reconquest is to cast away some of our bargaining power. This is doubtful; the N.L.F. must have a fairly good sense of the general impracticability of this objective. And in conceding them control of the highly unappealing real estate they now possess we create one of the basic conditions for negotiation, which is their continued existence. No one with any alternatives will go to a bargaining table to discuss his own extermination.

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[3] "The Village of Ben Suc," Knopf, 1967.

The more important preparatory problem is our own. These negotiations cannot be initiated or conducted by men who believe in a military solution. In the future, as in the past, they will always find any proposal for negotiation from the other side unconvincing. Such suggestions are always put forward cautiously. If one does not want to hear them, one need not hear. And if one does not wish to negotiate, he can always do so in a manner that insures failure. To expect otherwise is to assume a lack of faith in the present policy of seeking a military resolution. "To change a policy," General Marshall used to say, "you must change the men."

The incredibly tedious negotiations over Laos in 1961 were a useful step toward peace in that country only because Averell Harriman believed deeply in a compromise solution and was willing to stake his whole reputation on the outcome. Once, when he was absent from Geneva for a few days, his deputy, a distinguished Foreign Service officer who, however, was far from being similarly committed, made a strident cold war speech assaulting the Chinese and Russians hip and thigh. In Harriman's view, this set agreement back several weeks. If the nonbeliever had been in charge, there would have been no agreement.

Next we must reckon with the possibility that, having taken the foregoing step, and having attracted such moral support as world opinion provides, the Vietcong and Hanoi still will not play. If we assume nationalist passion, we must assume the consequences. A little more pressure, they may hope, will drive the foreigners out. That is why critics of the war are making a bad mistake in arguing for a bombing pause on the assumption that Hanoi will surely negotiate. It puts them at the mercy of both Hanoi and those in the Administration who do not want negotiations and who can dismiss all hints during a pause that they might be possible as unserious.

This bring us to the minimum requirement of the South Vietnamese, which is that we provide a place of decent refuge for those who have joined our enterprise. And it brings us to the fears of so many of our own people—fears that I do not myself entirely share but which I am required by rules to respect—of the consequences of simply pulling out.

To meet these requirements we must be prepared to defend for the time being the limited areas that are now secure and that are reasonably subject to such defense. These will be mostly the larger cities, and I would distinguish this course of action from that of the so-called enclave policy. It implies active patrolling to keep the enemy beyond mortar range and vigilant efforts to maintain security within the defended areas. It is the policy to which, it would appear, we went over almost automatically when it was necessary to provide security for the recent elections.

This policy cannot be pursued without casualties. And it will encounter military objection. But no one can suppose that the casualties will be more than a fraction of those from redeeming the whole country. And all experienced bureaucrats (of whom I am one) know that military leaders always describe as impossible what they do not want to do.

Since they are committed to the military redemption of all of South Vietnam (and since modern Air Force doctrine evidently calls for the use of air power for any purpose useful, unuseful or disastrous) they will naturally urge the military unfeasibility of action which serves these new goals. No one should be persuaded. If 500,000 Americans, together with the more leisurely forces of the ARVN, can eventually reconquer and pacify the whole country, they can hold a few cities against an enemy armed (after our withdrawal South) only with light infantry weapons. To suggest otherwise is nonsense.

Nor need we waste time on the superficially sophisticated argument that the American people will not stand for such a passive policy. The American people do not insist on perfect solutions—they were manifestly grateful to Eisenhower for a 15-year armistice in Korea that involved a massive and continuing commitment of American ground forces. They are far more likely to accept a solution that moves in the right direction than one that continues in the wrong path.

I have so far avoided using the word deescalation, but it can be applied to the next step. This is a drastic scaling-down of the rhetoric we employ in discussing Vietnam. Were we countering a calculated probe by a unified Communist conspiracy—were the stereotyped view valid—there might still be reason to wonder if the defense of an unpopular and inefficient military Government in Saigon was decisive for the liberties of all mankind. Both the White House and the State Department would show more respect for the taste and intelligence of the American people if they resorted on occasion to understatement.

But if we are involved in Vietnam with national Communism in which the nationalist element is strong and possibly paramount, and if we concede it has long controlled much of South Vietnam, then nothing more is involved here than the continued existence of Marshal Tito in Europe. Leaders who say that Saigon is where the future of human liberty is being decided do not persuade; they merely limit by their words their own freedom of action. In any case, neither election nor appointment to high office qualifies a man to make such vast judgments, especially when they are wrong.

These several immediate actions, all of which are within our own power of decision, take us some way. They reduce the war from a major and growing and increasingly dangerous involvement to something more than an irritation. What are the more distant steps?

These will depend more than a little on the reaction to the earlier ones. To proceed step by step, being sure always of the direction, is how such problems are solved in real life. But some of the further possibilities are also reasonably clear.

Once the subjugation of all South Vietnam ceases to be our goal, we will no longer have to support military Governments. These were essential for a long campaign of reconquest; they are not for a holding operation in which the door is open for negotiations. Instead, a Government that favors negotiation can have our support.

There seems little doubt that it would also find a considerably broader base than Thieu and Ky among the people of South Vietnam. During the election campaign even General Thieu felt obliged to make overtures to the idea of negotiation. Ambassador Lodge was repeatedly quoted by visitors as saying that any civilian Government in Saigon would "be on the phone" to Hanoi forthwith, and he should search his memory before denying it. Such negotiation adds to our hope for compromise arrangements which secure the safety and well-being of those who have joined us and which will allow of our eventual full withdrawal.

Additionally, we could at this stage press for a reconvening of the Geneva Conference to define the terms under which the two groups of Vietnamese can live in reasonable tolerance and harmony and with suitable guarantees. Perhaps some kind of autonomous region or zone, made secure by an international presence, could be negotiated and which would permit those who fear the N.L.F. to live in peace and security. Conceivably this may not prove a problem. Were life under the N.L.F. intolerable it is hard to imagine that so many would fight for it so stubbornly.

Needless to say, we should be prepared to grant asylum, along with free passage and help in rehabilitation, to any Vietnamese who feel threatened in their native land. We can do no less. Our moral position in asking for a conference for these purposes would be exceedingly strong. Guarantees if necessary or provision of asylum would allow of our withdrawal. It would not be difficult, one imagines, to get the agreement of an American delegation rather sharply circumscribing our right to return to this particular country.

I have said that I do not take seriously the menace of the falling dominoes. Chinese imperialism in this area is even less well regarded than French, British or American imperialism, as the Chinese must know. And on the record, no recent administration in Saigon would be much of a bastion against a billion Chinese moving south. We have been brainwashed on this point—and rather more by Asians than by our own people. Journalists, members of Congress, officials and others traveling in Asia have regularly heard in strict confidence how important is our continued presence.

They hear this because Asian politicians are adept, as all familiar with the area should know, in telling Americans what they want to hear. Americans hear it in confidence because few Asian politicians wish to seem aligned against Asian nationalism. But I am seeking to allow for all eventualities, including the possibility that I am wrong. Should our continued presence be necessary, the course I here propose will accord us a foothold for a time and thus allow us a second look.

None of this is very dramatic. The logic of outright withdrawal is doubtless more compelling as well as more cathartic for the person who disavows it. But I must remind the reader again of my purpose. It was to outline a course of action that would meet the requirements of the largest number of people concerned, including the largest possible number of Americans. And it was to outline one that was within our power to make work.

A country can correct miscalculations without damage to its prestige. We did in Cuba in 1961. So, a year and a half later, did the Soviets. So, on frequent postwar occasions and with great national benefit, have the French. So did all the colonial powers who first believed they could resist rising nationalism. (Individuals can also cut their losses as, hopefully, more and more of the past supporters of this misadventure, military and civilian, will now do. To continue to invest in error is the only unforgivable mistake.) But there is merit in finding the most palatable way of reversing course.

One final point must be emphasized. We must stop thinking of a solution in Vietnam as impossible. It is not at all impossible; it is only that we have resolutely refused to proceed on any but the wrong path.

[From the New York Times Magazine, Nov. 12, 1967]

BUNDY COMMENTS ON GALBRAITH'S PLAN

(By William P. Bundy)

There is a great deal that could be said about Professor Galbraith's analysis of the situation. In particular, his thesis that the Communists have seized the cause of nationalism in South Vietnam is totally at variance with the judgment of those, like Robert Shaplen of The New Yorker and "The Lost Revolution," who have really studied the history and nature of non-Communist nationalism in South Vietnam and support its essential validity.

But apart from such basic differences of judgment, the Galbraith plan has very little connection with reality, and particularly with the best evidence on the degree of Vietcong control within South Vietnam.

Professor Galbraith appears to assume that the Vietcong control "most of rural South Vietnam" (apparently in terms of population), including "a large section of the (Mekong) Delta." (If he truly believes these statements, it seems paradoxical that he should later refer to the "highly unappealing real estate they (the Vietcong) now possess.")

On this question, one could start with the views of the Vietcong themselves. In January of this year, our forces captured the notebook of a fairly senior Vietcong, dealing with the situation in the countryside during 1966. This document was released to the press on March 6, 1967, and is fully available. In it, the Vietcong member, apparently reporting a high-level briefing of some sort, estimated the total population of South Vietnam as 14 million people (our own estimate would be 17 million) and stated that the population then in the "liberated areas" amounted to five million. He went on to state that the "enemy-held (i.e., Government held) rural areas" included an equivalent five million people, and that the present population in the "cities and towns" comprised the remaining four million, apparently conceding that these were under Government control.

In other words, even the internal Vietcong estimate was that 35 per cent of the total population was under Vietcong control as of 1966. Since Vietcong documents at this level consistently reflect a bias in their own favor, for morale purposes, the true Vietcong judgment of their control was almost certainly lower at that time. And all the available evidence of captured documents and other first-hand reports from the Vietcong themselves make clear they have been losing control further during 1967.

Our own estimates would be that approximately two-thirds of the total population is now under reasonably secure Government control, that 15 per cent to 20 per cent of the population are in what may be called "contested areas" where both sides have some measure of control, and that the percentage of the population under Vietcong control is now substantially less than 20 percent.

By any measure, if Professor Galbraith seriously means that "we must be prepared to defend for the time being the limited areas that are now secure and that are reasonably subject to such defense," he is in fact talking about very much more than "mostly the large cities," or "a withdrawal south." The plain geographical fact, as any observer of the South Vietnamese scene would confirm, is that the areas in which the people are responsive to Government control—as the recent elections clearly showed—embrace not only cities in the Delta and in the northern part of the country, as well as Saigon itself, but very wide rural areas in which considerably more than half the rural population reside. Geographically, even the enterprise of passive defense that Professor Galbraith urges would take in large, and in some cases not readily contiguous, land areas.

Viewed in this light, Professor Galbraith's plan could be construed as simply a shift in military emphasis away from air attack and "search-and-destroy" operations in the South, plus an end to the bombing of the North with no restraint (or clear prospect of talks) from Hanoi.

It would seem clear to most objective observers—lay or military—that the effect of such a policy would be to permit the Vietcong and their North Vietnamese cohorts to consolidate their positions and on any reasonable prognosis to constitute a greater threat than they do today. Does Professor Galbraith really believe that the Vietcong or the North Vietnamese would refrain from constant efforts to expand their areas of control, or would refrain from strengthening themselves to the maximum for this purpose? And does he seriously believe that these forces are armed only with "light infantry weapons," in the face of the clear evidence that they now possess much more substantial arms, including long-range artillery and rockets? And does he, finally, seriously believe that the Vietcong would not have increased help from the North Vietnamese, who already make up more than a majority of the main-force strength on the other side?

In short, if Professor Galbraith is simply prescribing a massive military posture, it seems unlikely that this could lead toward peace, or even a reduced level of fighting in the South. Apparently the professor has a limited knowledge of the geography of the area and the actual situation, and seems to be clinging to something like the "enclave" idea that his Cambridge colleague, General Gavin, now appears to have abandoned.

But the thrust of the Galbraith plan may go further.

[From the New York Times, Nov. 12, 1967]

MUCH ADO ABOUT DISSENT

(By Tom Wicker)

WASHINGTON, November 11.—On his tour of military bases this week, President Johnson reverted to his old theme that critics of the war in Vietnam were damaging "the nation's cause" and encouraging "the enemy" to prolong the war. Not only is this effort rather like King Canute commanding the waves to cease; it is also a risky position for a Democratic leader to take.

In the first place, it is obvious to the whole world by now that the country is divided on the war issue, and no rhetoric by the President or anyone else can conceal that fact. The national unity of which he speaks does not exist.

Senator Eugene McCarthy of Minnesota, for instance, is apparently going to enter some primaries as a candidate against Mr. Johnson precisely because there is a large and vocal group of Americans who differ with the Administration's policy on Vietnam.

Nor is it only "doves" who dissent. Gov. Ronald Reagan of California has implicitly termed Administration policy "immoral" because it does not prosecute the war fiercely enough. Replying to Johnson's assertion that the nation could afford both to fight in Vietnam and to solve its domestic social problems, Reagan said:

"I think there is something immoral in the pretense that we can have prosperity at home, and kind of on the side conduct a war in which a half million of our men are getting shot at. . . . We should turn the full resources of the nation to ending the fighting as soon as possible."

That is also dissent, and the case could easily be made that every time some war-like general or politician urges an intensified bombing of North Vietnam, the war is prolonged, too. Surely these utterances only convince Hanoi the more that the United States is imperialistic, aggressive and ruthless, and therefore not a nation with whom a fruitful political settlement is possible.

No doubt the President is right that the evidence of wide-spread disagreement with his policy does stiffen Hanoi's will to fight on. But that is not only the price that has to be paid because this is a free country; it is the price the President has to pay because he has never been able to persuade public opinion sufficiently that his policy is really "the nation's cause."

PRESIDENTIAL CHOICES

That he has not been able to do so is only partially because of the inherent ambiguities and complexities of the situation; it is also because the President made most of the decisions that led to the involvement of a half-million men and $25-billion annually in executive session.

Time after time the President has announced these decisions as accomplished facts and then demanded support for them as a matter of patriotism. This tactic has been self-defeating because it has given millions of Americans—including not a few members of Congress—the idea that something has been put over on them, and that they have had too little opportunity to affect the course of events in democratic fashion.

Even if this were not the case, even if there had been something like a national referendum approving the President's policy so that he might truly label it "the nation's cause," there still would not be grounds for demanding that dissenters be quiet, lest they aid the enemy. If democracy means anything it means the right to hold and express contrary views even when they run counter to someone else's definition of the national interest.

In the course of a war in which the very existence of a democratic nation is at stake, is may be justified in suspending this basic right of dissent; and, justified or not, such a threatened nation is likely to do it as a matter of survival. During the American Civil War, the resolute Lincoln suspended the right of habeas corpus, and the Ohio copperhead, Clement Vallandigham, was summarily shipped off to the Confederacy for fulminations a good deal less violent than some of those being heard today.

In retrospect, the imprisonment of Japanese-Americans in concentration camps during World War II seems not only outrageous but ludicrous; at the time, other Americans readily acquiesced in what then seemed to be a sensible security measure.

But although the Johnson Administration has been emphasizing lately the threat to American vital interests that its leaders profess to see in "Asian Communism," even they are not yet picturing the war in Vietnam as one for American national survival. The President, therefore, will just have to put up with what he disdains as cocktail party chitchat and "debate from the comfort of some distant sideline."

ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SOCIAL SECURITY AMENDMENTS OF 1967

Mr. HARTKE. Mr. President, today I wish to outline the importance of what has been done in the Finance Committee regarding the bill which was reported out as H.R. 12080, commonly known as the Social Security Amendments of 1967. It is a monumental bill. It will take more people out of the poverty level than any legislation yet put before this Nation. One million six hundred thousand people will be taken out of poverty. Two hundred thousand will be taken off the welfare rolls. Twenty-three million, eight hundred thousand senior citizens will receive benefit increases averaging 20 percent with a guaranteed minimum increase of 15 percent. The bill would raise the minimum benefit from $44 a month to $70 a month for a single person—an increase of 59 percent. Disabled widows and widowers will receive 82½ percent of the deceased spouse's insurance with a $70 minimum.

The earnings limitation will be raised to $2,000 a year to enable more retirees to accept part-time employment without any penalty. Retirees may also earn up to $3,200 a year with the $1 reduction for $2 earnings between $2,000 and $3,200. The bill provides disability benefits to the blind having less than 20/200 vision and six quarters coverage. Uninsured individuals over 72 receive an increased benefit from $35 to $50 a month if single and from $52.50 to $75 a month for a couple. The bill requires States to pass on increased social security benefits to people receiving old-age assistance by requiring an average increase of at least $7.50 monthly to elderly citizens receiving assistance. This prevents the States from pocketing the windfall. The bill gives individuals an option to retire at age 60 with reduced benefits to reflect the longer period over which the individual would receive the benefits.

This was an amendment sponsored by the Secretary to the majority of the Senate, the Senator from West Virginia [Mr. Byrd].

The maximum benefits that can be paid out are also increased from the present $168 under present law to $288 for a single person, and from $252 to $393 a month for a couple.

In the public welfare section of the bill, the work incentive program has been revised to prevent coercion of young children and mothers with small children, while still providing $20 weekly as incentives for job training. The freeze on the proportion of illegitimate and deserted children covered by the program in the House bill has been deleted, and the services of the Internal Revenue Service are involved to see that runaway fathers are forced to share welfare payment costs.

These are but the highlights of the bill. But will not the cost be excessive? If benefits are increased, will taxes also have to be increased? Actually there has been a great deal of misunderstanding about the actuarial soundness of social security, caused in part by irresponsible misrepresentations in articles and scare letters which have caused many of our elderly citizens to grow concerned about the soundness of the program. Let us set the record straight: The system is so sound that, under the present law, there is a projected increase of revenues over benefits of some $4.1 billion for the year 1968 alone. And that sort of surplus will exist in each of the coming years under present law, and the size of the yearly surplus will be larger than the $4.1 billion each year, and that will not include any of the surplus carried over from the previous years. That means that this money is not needed to keep the system actuarily sound—it is surplus.

There had been a proposal made to increase taxes not only to cover the cost of the 1967 amendments, but to provide for a whopping $5.1 billion surplus or a $6.7 billion surplus over the benefits finally agreed to for the year 1968. This proposal had but two purposes, neither of which was connected with the social security system: One was to create a petty cash fund for the Treasury to borrow to finance the Vietnam war since the administration has not been able to convince the American people that a 10-percent surtax was needed. Second, it was to be a so-called anticyclical measure. Yet it would have hit those least able to afford the tax increase since it would have fallen on the wage earner without giving him any income tax deductions or exemptions. And the employer tax would probably have been passed on to the consumer in the form of higher prices—hardly an anti-inflationary measure. Furthermore, like a surtax increase, it would have had the effect of reducing the gross national product and consequently the tax base from which the Government gets its revenues—without, however, giving the regular Government budget any increase in revenues. The result would have been an increase in the deficit by several billion dollars. Consequently, I urged the committee to reduce the proposed tax increase by $4½ billion so that the benefit increase would still be covered. As a result, the committee's bill will have a $2.2 billion surplus in the year 1968 with an increasing surplus thereafter. That is very conservative financing.

The increase in taxes is achieved primarily by increasing the tax base, which is as it should be, since retirement benefits increase up to $393 per month for a couple in the upper earnings brackets.

How does this help the young people? Support for their aged parents will no longer be a crushing burden. It is insurance for themselves as well. It is the greatest incentive to get married and live a long and productive life. If we cannot offer this to our senior citizens, what right have we to presume to support the governments of the world?

MESSAGE FROM THE HOUSE RECEIVED DURING ADJOURNMENT—ENROLLED BILLS SIGNED

Under the authority of the order of the Senate of November 9, 1967,

The Secretary of the Senate, on November 9, 1967, received the following message from the House of Representatives:

That the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H.R. 8569. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1968, and for other purposes; and

H.R. 11641. An act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968, and for other purposes.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The ACTING PRESIDENT pro tempore announced that on November 10, 1967, the Vice President signed the following enrolled bills and joint resolution, which had previously been signed by the Speaker of the House of Representatives:

S. 2168. An act for the relief of Dr. Pedro Pina y Gil;

H.R. 2757. An act for the relief of Comdr. Albert G. Berry, Jr.;

H.R. 4538. An act for the relief of Dr. John E. Yannakakis;

H.R. 6692. An act declaring a portion of Bayou Lafourche, Louisiana, a nonnavigable waterway of the United States;

H.R. 13048. An act to make certain technical amendments to the Library Services and Construction Act;

H.R. 13165. An act to extend the period during which Secret Service protection may be furnished to a widow and minor children of a former President; and

S.J. Res. 33. Joint resolution to establish a National Commission on Product Safety.

EXECUTIVE COMMUNICATIONS, ETC.

The ACTING PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

Report on Title I Agreements Under the Agricultural Trade Development and Assistance Act of 1954

A letter from the Acting Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting, pursuant to law, a report on title I agreements under the Agricultural Trade Development and Assistance Act of 1954, for October 1967 (with an accompanying report); to the Committee on Agriculture and Forestry.

Report on Reapportionment of an Appropriation

A letter from the Director, Bureau of the Budget, Executive Office of the President, reporting, pursuant to law, that the appropriation to the Department of the Interior for "Management of lands and resources," for the fiscal year 1968, had been reapportioned on a basis which indicates the necessity for a supplemental estimate of appropriation; to the Committee on Appropriations.

Extension to Savings Notes of the Provisions of the Second Liberty Bond Act

A letter from the Secretary of the Treasury, transmitting a draft of proposed legislation to extend to savings notes the provisions of the Second Liberty Bond Act relating to the redemption of savings bonds and the payment of losses incurred in connection with such redemption (with an accompanying paper); to the Committee on Finance.

Report on Receipt of Project Proposal Under Small Reclamation Projects Act of 1956

A letter from the Assistant Secretary of the Interior, reporting, pursuant to law, that an application for a loan of $5,063,900 and grant of $54,000 had been received from the Hidalgo and Willacy Counties Water Control and Improvement District No. 1 of Edcouch, Tex.; to the Committee on Interior and Insular Affairs.

ADDITIONAL POSTAGE CHARGES FOR CERTAIN NONSTANDARD MAIL

A letter from the Postmaster General, transmitting a draft of proposed legislation to fix additional postage charges for certain nonstandard mail (with an accompanying paper); to the Committee on Post Office and Civil Service.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

A resolution of the House of Representatives of the State of Illinois; to the Committee on Public Works:

"HOUSE RESOLUTION 354

"Whereas, The rescue of Lake Michigan from death from pollution being caused by the oil and industrial waste being dumped into it is the number one problem facing the people of Illinois, and of Chicagoland particularly, today; and

"Whereas, The State of Illinois, although it has the greatest stake in preserving Lake Michigan as a viable lake, is not the principal source of the pollution being dumped into it and is barred by the territorial jurisdiction of other states and the power of our federal government over navigable waters from effectively controlling most of the sources of this pollution; and

"Whereas, Both bodies of the Seventy-fifth General Assembly have jointly and severally urged Congress to enact legislation designed to save Lake Michigan as a viable lake and priceless asset of all the people whose life and livelihood are dependent upon its usefulness; and

"Whereas, Senator Dirksen and Senator Percy, our two senators from Illinois have responded to this pending disaster being inflicted on the people of Chicagoland, Illinois, Indiana, Wisconsin and Michigan, by introducing in the Senate on September 25, 1967, Senate Bill 2457, which makes it a dangerous offense to release oil in the Great Lakes; therefore, be it

"Resolved, By the House of Representatives of the Seventy-fifth General Assembly of the State of Illinois, that we urge Congress to pass Senate Bill No. 2457 recently introduced therein by Senators Dirksen and Percy concerning the releasing of oil into Great Lakes waters, providing stiff penalties for violators and charging the Secretary of Interior with its enforcement; that we stress the emergency that we feel is involved as to the well being of the people of Illinois and others along Lake Michigan's shores; and, be it further

"Resolved, That the Office of the Secretary of State is directed to transmit suitable copies of this preamble and resolution to the President of the Senate, the Speaker of the House of Representatives of the United States and to all the members of Congress from the State of Illinois.

"Adopted by the House, October 18, 1967.

"——— ———,
"*Speaker of the House.*
"FREDRIC B. SELCKE,
"*Clerk of the House.*"

A resolution adopted by The Episcopal Church in General Convention, praying for the enactment of legislation granting home-rule for the District of Columbia; to the Committee on the District of Columbia.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. PASTORE, from the Joint Committee on Atomic Energy, without amendment:

S. 2644. A bill to amend the Atomic Energy Community Act of 1955, as amended, the Atomic Energy Act of 1954, as amended, and the Euratom Cooperation Act of 1958, as amended (Rept. No. 743).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HOLLAND:

S. 2651. A bill for the relief of Dr. Aurelio Julian Andres Jimenez Cortina; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 2652. A bill for the relief of Wan Yung Kam, Chung Fung Hi, Wong Shui Wang, and Chung Pui Wong; to the Committee on the Judiciary.

AMENDMENT OF INVESTMENT COMPANY ACT OF 1940—AMENDMENTS

AMENDMENT NO. 438

Mr. McINTYRE submitted amendments, intended to be proposed by him, to the bill (S. 1659) to amend the Investment Company Act of 1940, as amended, and the Investment Advisers Act of 1940, as amended, to define the equitable standards governing relationships between investment companies and their investment advisers and principal underwriters, and for other purposes, which were referred to the Committee on Banking and Currency and ordered to be printed.

ADDITIONAL COSPONSOR OF BILL AND JOINT RESOLUTION

Mr. AIKEN. Mr. President, on October 23 I introduced, on behalf of the junior Senator from New York [Mr. KENNEDY] and myself, a bill (S. 2564) to insure a reasonable opportunity for all electrical utilities to participate in the benefits of nuclear power. Perhaps a better title for this bill would have been "A bill to bring some order out of the chaotic conditions which now exist in the licensing and construction of atomic plants for the development of electrical power in this country."

At this time I ask unanimous consent that, at the next printing of the bill, the names of the senior Senator from New Mexico [Mr. ANDERSON], the senior Senator from Massachusetts [Mr. KENNEDY], and the junior Senator from Montana [Mr. METCALF] be added as cosponsors of the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BROOKE. Mr. President, I ask unanimous consent that, at its next printing, the names of the Senator from New Jersey [Mr. CASE], the Senator from Oregon [Mr. HATFIELD], the Senator from Wyoming [Mr. MCGEE], and the Senator from New York [Mr. JAVITS] be added as cosponsors of the joint resolution (S.J. Res. 120) to create a Special Commission on Trade and Tariffs to investigate trading policies.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ENROLLED BILL AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, November 13, 1967, he presented to the President of the United States the following enrolled bill and joint resolution:

S. 2168. An act for the relief of Dr. Pedro Pina y Gil; and

S.J. Res. 33. Joint resolution to establish a National Commission on Product Safety.

THE 192D ANNIVERSARY OF THE MARINE CORPS—ADDRESS BY SENATOR TALMADGE

Mr. RUSSELL. Mr. President, over the past weekend, celebrations were held in every corner of the United States to commemorate the 192d anniversary of the founding of the U.S. Marine Corps. This year's celebration was particularly significant for the people of this country in the knowledge that U.S. Marines have again responded to the call to arms adding the operations along the demilitarized zone in Vietnam to a gallant tradition that extends back to the founding of our Republic.

One commemorative address that caught my particular attention was the one delivered by my distinguished colleague from Georgia [Mr. TALMADGE] to a gathering in Atlanta on Saturday. Having served with the Marines as a naval officer in World War II, Senator TALMADGE has firsthand knowledge of the esprit de corps and devotion to duty that sets apart the U.S. Marine Corps as one of the most elite fighting forces in all of human history.

Mr. President, I commend Senator TALMADGE's remarks to the attention of the Senate and ask unanimous consent that his address at the Atlanta celebration of the 192d anniversary of the founding of the U.S. Marine Corps be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

It is a great privilege to take part in the celebration commemorating the birthday of the United States Marine Corps. I am honored, and I thank all of you for allowing me to share this happy occasion with you.

I feel particularly honored because I am a Navy man. I might add that I can well remember, as a Naval Officer in the South Pacific during a landing, we became very proficient in executing that well-known maneuver—Put the Marines on the beach and then get the hell out of there.

This 192nd Anniversary of the founding of the Corps is another great day for Marines everywhere. It is a day on which every Marine stands a little bit stiffer. . . . salutes a little bit sharper. . . . and realizes a little more keenly just what it means to be a Marine.

On this day each year Marines give serious thought to the history and tradition of the Marine Corps.

No structure is stronger than its foundation. The foundation of the Marine Corps is deeply entrenched in the soil and soul of our country.

From 1775 to the present day, Marines developed, maintained, and perpetuated the tradition of courage, honor, and loyalty to country. The history of the Marine Corps is one of self-sacrifice and devotion to duty.

Moreover, Marines pride themselves in appearance, discipline and battle-readiness.

These traditions are not the result of propaganda. They are well-authenticated events in the history of a military service as old as this nation.

People may ask why men enlist in the Marine Corps? Why do so many make careers in this service without thought of great financial reward? Why do they cling so tenaciously to certain uniforms, songs, and slogans? In short, why are Marines so "Gung ho"?

Recently, the members of a Marine reserve unit were asked the question: Why did you enlist in the Marine Corps Reserve? The decisive answer was:

Because of the Marine Corps traditions.

Every tradition the individual Marine has is a tradition of the entire Marine Corps. Companies. . . . battalions. . . . regiments. . . . and divisions have distinguished themselves but their accomplishments have become traditions of the Corps as a whole.

Marines have a spirit which implies sympathy, enthusiasm, devotion, and a zealous regard for the honor of the entire service. This *spirit of oneness* exists despite the fact that Marines are scattered over the entire face of the earth. . . . some serving as regulars, and others as reserves. . . . some serving in the air, others on the ground.

Of all the traditions of the Marine Corps, I believe the *spirit of oneness* is the most outstanding.

Over a period of 192 years, Marines have developed an *esprit de corps* that is unmatched by any other military service in the world.

Marines have a loyalty which makes every man try to do better than his individual best. He is determined to live up to the tradition of the Corps.

The Marine tradition has been established from the time that this country grew from thirteen colonies to the greatest and strongest nation in the world.

A little known fact is that even before the founding of our nation, the citizens of the coloney of Georgia had established their own Navy. It possibly was the first to be built in any of the colonies.

As an integral part of our powerful, modern Navy, I know the Marine Corps is proud to claim descent from those first simple vessels which the founders of this state realized were essential if they were to have freedom and independence.

The Marine Corps actually conducted field operations in Georgia. That was back in the days when Florida was full of Indians instead of tourists.

In 1811 and 1812, Marines, alongside volunteers from Georgia, fought Indians along the St. Mary's River.

For four years, from 1836 to 1840, the Marine Corps was in the field against the Seminole Indians. In fact, at that time one-half of the entire strength of the Marine Corps was in Georgia. They marched from Augusta to Columbus after arriving in Augusta on what was then the longest railroad in the United States.

The Commandant was Archibald Henderson. He closed down his headquarters in Washington and took all his clerks into the field. . . . as well as every other Marine who could be spared.

President Andrew Jackson had asked for Marines to put down the Indians. Jackson had had Marines under his command at the Battle of New Orleans. He figured they could do the job.

And they did the job, with the help of Georgia volunteers, as well as army and navy forces.

These early American expeditions were not as spectacular as the fighting Marines have done since, at Belleau Wood, the Argonne, Iwo Jima, Inchon, or at the DMZ in Viet Nam.

Nevertheless, those early expeditions set the pattern for the traditions that modern Marines hold high. They are dramatic examples of the principles Americans must ever bear in mind if we are to be secure in our freedom and way of life.

First of all, we must have a strong and ready military force, such as the Marine Corps, for immediate defense.

Second, we must back up that regular force with a trained reserve which can be brought into action within a very short time.

It is a great consolation to all the leaders of our nation to know that we have a military organization ready for duty at a moment's notice.

As one member of the Senate, and I think I can speak for most of the Congress, we will continue to assure the American people—not just by words, but by deeds—that they will always have a strong and ready and well-equipped military defense establishment.

Most of you are familiar with the Marine Corps' role in the development of amphibious warfare, and close tactical air support.

Had it not been for the courage and perseverance of the Marine Corps Navy team, we would have entered World War II in 1941 unprepared for amphibious operations. The course of the war might well have run against us for much longer than it did.

The Korean War might have ended in the fall of 1950, with United States forces being pushed into the sea at Pusan, if the Corps had not developed the techniques necessary for the treacherous landing at Inchon.

Some of you may still vividly recall the war's outbreak. The First Provisional Marine Brigade, complete with supporting air elements, was enroute to Korea within 10 days after receiving their orders.

Such is the record of the Marine Corps in national emergencies. The Marine Corps has long been famed for the distinguished discharge of its various missions.

This has been no historical accident. It was the result of foresight, planning, and many long and tedious years of training.

The Marine Corps has come to be known today as more than just an amphibious specialist. It may truly be considered the nation's *special expeditionary force-in-readiness.*

The United States must maintain a force of constantly ready, elite troops. It needs a fire brigade that can put out any bonfires anywhere in the world. The readiness of such a strong United States force will discourage aggression and hopefully keep the peace.

The President and the Congress have said this job belongs to active Marines, and their reserve units.

From the earliest days of our history, there has been a constant demand for well trained, ready to act, military forces. These requirements have varied . . .

—from operations against pirates in Tripoli . . .

—to supervising elections in Central America . . .

—protecting the mail . . .

—short-notice occupation of a strategic base, such as when Marines struck the first counter-offensive blow on the ground in World War II at Guadalcanal.

The record of the Marine Corps over 192 years of brilliant and unselfish devotion to country explains why Marines display their pride so openly today.

It is fitting that this Marine Corps birthday should be observed in a spirit of dedication . . . not only to the memory of all the gallant men who have died in this country's wars . . . not only to the brave Americans who fight for freedom today . . . but also to the fearsome tasks that lie before us.

We cannot celebrate past victories and *neglect present responsibilities.* We cannot praise the devotion of our fighting men, and shirk the duty of safeguarding that for which they fought.

To those brave Marines who have died fighting for their country, we owe a debt that cannot be paid.

But we can, with patriotic determination, make our nation secure against any power that seeks to destroy our freedom.

And we can assist freedom-loving people across the world, if called upon to do so. This is what Marines and other fighting men of America are doing in Viet Nam tonight.

This is what they shall continue to do until the Communists realize the futility of aggression . . . until the Communists understand that the United States does not intend to back down . . . that America intends to keep its commitment in Viet Nam, and has no intention of tucking tail and running.

Today we are not only celebrating the fact that the Marine Corps is 192 years old. Much more important than that is the fact that for 192 years, the Marine Corps has given an excellent account of itself, every time, and every place, that our country needed strong defenders of democracy.

It is the history of the United States Marine Corps, from the days of the American Revolution to this very hour, that has won the admiration and respect of every American.

We are proud that all the major Marine installations on the East coast are located in the South. Every Marine, no matter where he comes from, spends several years among the people of the South, and with his Southern comrades.

I am confident that the splendid group of Marines that we have in the regulars and the Marine Corps reserve, will uphold the traditions for which the Corps is famous.

Marines have never failed the trust that our state and our nation has placed in them. They never will.

I salute and thank you all.

Happy Birthday!

ADDRESS BY SENATOR KUCHEL BEFORE ANNUAL CONVENTION OF CALIFORNIA REPUBLICAN LEAGUE

Mr. KUCHEL. Mr. President, on October 28, 1967, I had the honor to deliver an address before the annual convention of the California Republican League at the El Cortez Hotel, San Diego, Calif. I ask unanimous consent that the text of my address, entitled "The Party of Lincoln in Today's World," be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

The Party of Lincoln in Today's World

(Address by U.S. Senator Thomas H. Kuchel, before the annual convention of the California Republican League, San Diego, Calif., October 28, 1967)

As Republicans we feel deeply the torment of our nation in this final third of the Twentieth Century. America is faced with major crises on many fronts. As a Republican United States Senator, I am keenly aware that the vital, indispensable need for our party in helping to shape America's destiny, has never been more pressing. I want, for a few moments, to discuss some of the giant issues which confront us, and the contribution I believe we can make toward offering constructive solutions.

Since the time of Lincoln the fabric of our party has been woven from three pervasive ideological strands, running through nearly all of our political philosophy since the Civil War. The Republican party, first of all, is dedicated to human freedom and dignity. That, indeed, was the reason for its birth. Second, its scope is national—not confined to the interests of any one region or class.

While states below the Mason-Dixon line were preaching interposition—and a few so-called Republicans still do—and downright dissolution of the Union to achieve their parochial, sectional ends, our newly created party was standing for national goals. Third, its concern for our well-being is fostered by a clear appreciation of our unique system of free competitive enterprise, flourishing in a background of sound public management and fiscal responsibility. And thus, from the very first, the Republican party has had an interest in the prosperity and welfare of the people, and in strengthening and expanding the American economy.

Today, each of these strands is under severe pressure. American cities have erupted in a summer of madness tearing asunder cherished hopes for racial peace and understanding, and badly ignoring a hopeful trend toward civil rights and equality of opportunity under law for all citizens. This trend waxed strong with support of our party. President Eisenhower successfully led the way towards decent and constructive legislation after a Democratic party, brutally divided between North and South, had left the racial problem alone, completely untouched by Congress, and with a built-in guarantee that a filibuster would kill any proposed legislation in the Senate. There is little talk of civil rights in Congress today. It has been replaced with the question of respect for law and order without which the America we know is dead.

In the crisis of our cities lies a profound challenge to our constitutional structure. The increasing demand for Federal solutions to local problems threatens to undo the careful constitutional balance that has insured our liberties. Our party's concern for national problems must not overlook the need to defend and strengthen and encourage local and state government. That is the path by which local problems will continue to be dealt with by local government. When local government fails to act on local issues a vacuum is created, and there are those ever-ready to have Uncle Sam enter the void.

As for fiscal soundness, the plight of our Federal budget defies description. In 1965, the Administration proudly announced a budget of less than $100 billion. Estimates for next year now run over $140 billion—an unprecedented 40 percent increase, threatening a sizable deficit, rising prices, mounting interest rates. If we are to avoid these ills, we may be forced to accept another hike in taxes.

The challenge to our party in 1968 is not merely the sum of this violence, mismanagement, and aggrandizement of authority. In our country today is a new breed of narrow nationalism which vainly tries to believe that our country's cause stops at Catalina Island—that we can somehow remake the history of the past thirty years and withdraw once again into splendid isolation from world affairs. The new isolationism chooses to ignore the scores of thousands of American lives laid down to assure the independence and security of the free nations of the world, their own included.

We need a fourth strand in the fabric of Republicanism to answer this challenge. Our party since the Second World War has faced squarely its responsibility to the common security of peoples throughout this earth who would defend themselves against aggression, tyranny and the Communists' misnamed "wars of national liberation".

As modern communications and transportation have compressed miles to inches, as this planet has shrunk to a neighborhood of nations, the theory of isolation—whatever its value a few short decades ago—has little meaning to our country today. The conflicts of Asia can in short order bring eruptions in own own Hemisphere. We may never know just how much the so-called "war of liberation" in Southeast Asia proved an inspiration to the lost cause of Che Guevara in the jungles of Bolivia, but we may be sure that it was there. The growing nuclear arsenal of a militant Red China almost assures continued trouble. America is not, and must never be, the world's policeman, but our nation is a world power and must remain a world leader in the cause of freedom and of world stability.

The Republican party recognizes the clear need for a system of international peacekeeping. We earnestly support the United Nations. Within the clear framework of its charter, we joined Western Europe in creating an Atlantic Alliance to deter, and if necessary, combat any attack against any member state. During the administration of our great President Eisenhower we sought to apply the same theory of collective security to protect the nations along the periphery of Communist China. So strong was American leadership under Eisenhower that our forces were able to act in defense of freedom with the general support of all of our allies. Such was the case when we quickly moved to help Lebanon in 1958. Regrettably, it is not the case today in Southeast Asia.

Nor are a few critics in Europe the sole cause of this deterioration. The commitment to South Vietnam has been a costly one. It has raised grave doubts among some of our people. Those doubts, indeed, are a prime fact of diplomatic life in Southeast Asia today. From Japan to Singapore there are questions about the willingness of America to stand by its effort in Vietnam and to see it to an honorable conclusion.

There are some in our party who see in Vietnam a prime issue for the elections next year. They know that support for the President is dropping in the polls, that our country yearns for new national leadership and that it ardently prays for peace. They sense the increasing probability of a Republican victory. So do I. This administration is vulnerable on many issues, but it is quite true that the crescendo of debate rolling out across our land deals with our struggle in Vietnam. And the domestic tragedy of recent weeks is the wanton disrespect for law and order—and, indeed, of free debate—which some opponents of our policy in Asia have shown.

Free debate is essential to a healthy American society. The right to dissent is vital. But free speech does not empower anyone to take the law in his own hands. And it does seem to me that in our sophisticated America there is a place for good taste in exercise of this constitutional freedom. At any rate, Vietnam has been under heavy discussion in the Congress for many weeks. Over all, it has achieved some clarification. Debate has shown, for one thing, I think, that the American people by and large reject extreme solutions to this conflict. They are determined not to abandon a commitment to the people of South Vietnam nor to dishonor the sacrifice of American lives that has been made in their behalf.

The report I gave to the Senate Chamber on return from an inspection trip last month was part of that process. The Marines at Con Thien had been suffering heavy bombardment from Communist artillery fire coming from their sanctuary in the Demilitarized Zone south of the Ben Hai River. A debate had been raging in the Senate on the merits of an unconditional cessation of the bombing of North Vietnam in an effort to open negotiations with Ho Chi Minh. Con Thien's defense depended on air support. When this was called to the attention of the Senate, it was conceded by those urging a unilateral bombing cessation that necessary air protection for our troops must not be sacrificed, and should not be considered part of this request. That was an extremely important clarification which was of the keenest interest to the Marines at Con Thien, but had not been enunciated before.

Free debate serves the best interests of a free society. So let it be with Vietnam. I devotedly believe that America's presence there, the response to our pledged word, is worthy to the cause of America and to the issue of human freedom. The effort of America and her allies has laid a sound base for steady progress. Australia is doubling her troop commitment. The Thais are increasing theirs. These are the most important examples of additional aid. The free countries of Asia give earnest thanks to America and her allies.

Prime Minister Le Kuan Yew of Singapore said a few days ago that he would like to see the U.S. military forces withdraw from South Vietnam, but not too hastily, and only if the peace formula insured that the same thing would not be repeated in the other Southeast Asian countries.

"The wrong kind of conclusion to the war in Vietnam—" he was talking about the possibility of an American military pullout from Southeast Asia—"can absolutely unscramble the whole lot of us in Southeast Asia."

The Prime Minister of Japan, Eisaku Sato, has repeatedly said, in recent days, as he toured Southeast Asian nations, that a peaceful settlement of the Vietnam war was of the "utmost urgency," but that an end to the American bombing of the North alone would not be enough to end the war. Before stopping the bombing, Sato said: "The United States must have some assurance there will be a settlement."

He added:

"If you say the right side is bad and the left side is good, you will never achieve peace. There is military infiltration from the North, and there is bombing of the North from the South. Somehow, only the bombing is considered "bad," but the combat on the ground continues."

But beyond the immediate military need is the grave question whether the Communist North has any present interest in negotiations, and whether any negotiations could lead to a settlement. Negotiations presume the establishment of rules which each side will accept. North Vietnam is signatory to the Geneva Convention for the treatment of war prisoners. So are we and so are the South Vietnamese. The Free World has largely met the conditions of the Convention. Allied commanders have even repatriated some prisoners back to their homeland. Meanwhile, at least 200 Americans held captive in the North are denied the minimal humanitarian rights of the Convention. Officials of the International Red Cross have not been allowed to visit them and look to their welfare, as the Geneva Convention requires. Hanoi's own propaganda has told us how they are abused, harassed, and accused as "war criminals." They have been denied the reasonable right to communicate with their families.

How can we accept on faith the argument that Hanoi is ready to negotiate? Have we any proof of her good intentions that carries more weight than her abuse of the Geneva Convention?

North Vietnam is the aggressor in this conflict. The Government of North Vietnam has yet to concede the slightest hint that it would accept anything other than a Communist, or communist-dominated regime in South Vietnam. That alternative is unacceptable. I think it is clear to all thinking Americans that a precipitate withdrawal from South Vietnam and its consequences in Asia, and in the United States, are completely unacceptable.

It is far too late in the day to throw away the progress that has been made against the aggressor forces of North Vietnam in a vain rush for peace. Such a move would overturn the present security of all of Southeast Asia.

Progress has been made. The lion's share of what remains to be done lies in the region of that "other war," the nasty grass roots fight to bring peace and stability to the villages of South Vietnam. That task, by agreement with our civilian and military leaders, has been assigned to the army of

South Vietnam. I talked at great length with the earnest young man whom the Vietnamese people have just elected their President. Nguyen Van Thieu sees clearly that the end of conflict in his country depends on success of the pacification effort. Our leaders agree. Much depends on the next few months—whether the new regime in Vietnam can take hold, whether the army will vigorously prosecute this task.

The ultimate answers to the question of Vietnam will have to be found by Asians themselves. No future system of security ought to depend chiefly on deployment of American forces. This applies to the Republic of Vietnam; and throughout East Asia. The leaders of Japan, Thailand, Malaysia, Laos, Indonesia, Singapore, Australia and New Zealand must recognize this need for some kind of peacekeeping action on their part, as they now recognize the problem of their own security.

Last November, I called upon the President of the United States to consider a Republican proposal for an All-Asian Peace Conference. It was first put forth by our new and distinguished colleague, Charles Percy, of Illinois. This meeting would be convened among the representatives of free Asian nations to provide an opening step toward a meaningful negotiation toward peace in Asia. In the wake of the Manila Conference this imaginative suggestion was pushed aside.

Collective security has been a major concern of the Republican party; it has been the bulwark of freedom, peace and stability in our world for two decades. To be effective it must be truly mutual and reinforcing. America has a role to play in Asia, but not as Emperor, policeman or umpire. An enduring peace in Asia must be acceptable equally to our allies as to ourselves. The responsibility for maintaining that peace must lie equally amongst us, and all must contribute.

Today the idea of such an All-Asian meeting is, in my view, more relevant than ever before. The Asian nations have come to realize their stake in the effort of free peoples in Southeast Asia. The meaningful move toward peace which all of us are seeking may well proceed from deliberations among the free neighbors of Vietnam and China.

Obviously, no end to conflict can result without the agreement of those who are doing the fighting. But the views of free Asian leaders would have great and legitimate weight in forming an intelligent answer to the problem of peace and stability in Southeast Asia. All Asian nations have a stake in peace in South Vietnam. Our own efforts must recognize that fact. Certainly, we cannot ignore any possibility for meaningful negotiations, even while our military effort continues.

It has been, and will continue to be, the belief of the members of our party that the United States has a vital role to play in world peace and security. We must bear that responsibility proudly and with intelligence. Our party must hold high the torch of faith in our nation and its ability to see and to do what is right. Our party must *not* make the issue of collective security a political matter, nor ought we to offer quick and easy military solutions to complex international problems. The American people must be able to put their faith in our leadership. So must the rest of the world. I preach a doctrine of peace with justice. I preach a doctrine of honor. I preach a doctrine of indestructibility of the United States. I preach a courageous and responsible Republican Party.

We must remain true to the ideals of our party. We must continue to seek civil rights based on a wholehearted civic responsibility, both in the name of civil justice in our land, and in the spirit of the Great Emancipator. We must fight for our constitutional system of checks and balances as a guarantee of liberty. We must seek solvency in the Federal accounting house and give encouragement to human initiative. And we must remain true to needs of our nation as it moves forward in the world.

The party of Lincoln is growing. It is meeting the responsibilities of this day. People are looking at our party, pondering, wondering, hoping, perhaps considering joining our cause. The prescription for our party's program for our country can be taken from the words of a great California Republican of another era: "Speak your piece frankly and boldly. Hold to your own ideals."

POTOMAC RIVER BRIDGES

Mr. SPONG. Mr. President, I am deeply concerned over the possibility that the Department of Transportation intends to recommend against the construction of an additional Potomac River crossing between the District of Columbia and Virginia.

To funnel traffic from Interstate Route 66 into Washington via the Theodore Roosevelt Bridge, a move apparently contemplated by the Department, would, in my opinion, compound an already bothersome problem of traffic congestion at the Roosevelt crossing.

The Virginia Highway Department is convinced that there is an absolute necessity for an additional bridge regardless of any other means of transportation that may be provided.

An editorial published in yesterday's Washington Star summarizes the background and scope of the problem. I commend it to the Members of the Senate and ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Boyd's Nonhighway Plan for Washington

In theory, the creation of a new Department of Transportation to stimulate more effective coordination, economy and innovative thinking among the government's diversified federal aid programs sounded like a grand idea—especially for the Nation's Capital.

Here at last, it seemed, was the agency which would end the Washington area's senseless freeway controversy. For any agency with such goals, it seemed, surely would nurture and support the rational agreement on a balanced program of freeways and rail transit facilities which has been tediously put together over a period of years with the blessings of top-level federal officials.

Instead, the Department's current intention to recommend a virtual cessation of interstate freeway construction in Washington threatens to devastate that fragile political agreement.

It is our understanding that Secretary Alan S. Boyd is not irrevocably wedded to the destructive proposals which surfaced last week. We hope he is not. For they represent a throwback to the discredited theories of C. Darwin Stolzenbach, who believed that the way to get a rail-transit system built in Washington was simply to stop building roads.

Presumably, in the immediate future, Mayor Walter Washington will be asked to embrace the Transportation Department's anti-highway scheme as his own preferred proposal. He should have no hesitancy about refusing to do so—as his predecessors in the District government have forcefully rejected similar overtures year after year in the past. Nobody who knows anything about this city's transportation problems could go along with this wrecking job.

We believe that Secretary Boyd has been sold a soiled bill of goods by the same little band of anti-highway enthusiasts—some of them members of his present staff—who prompted Stolzenbach several years ago and who have worked persistently ever since to sabotage the freeway program.

The conversation one encounters these days in the upper echelons of the Transportation Department is that the District of Columbia is committed to a lopsided obsession with freeway construction, that each of these mammoth new urban highways merely begets another, and that the inevitable end of it all is irreparable damage to the city in the form of intolerable congestion, excessive usurpation of land for parking and outrageous degrees of social disruption.

All of which is pure bunk.

No one supposes that the mounting transportation requirements of the Washington area could conceivably be met by an endless proliferation of freeways. Nothing of the sort is proposed. The freeway program now on the drawing boards has been planned as a balanced, minimal adjunct to a regional rail-transit system essential to the well-being of the Capital region. In this program, freeway proposals have been limited by a number of very firm political agreements. To add more freeways in the foreseeable future would be a formidable, if not an impossible task.

To dismember this modest plan, the Transportation officials propose a severe curtailment of highway access to the District from Virginia, the provision of a single park-like road along the Potomac River to serve all of Montgomery County, and the total abolition of the long-planned inner loop highway network in downtown Washington.

The closed-circle inner loop is designed to give motorists who desire to come downtown for employment, for business, for shopping or for social purposes a means of getting as close as possible to their precise destinations with a minimum of difficulty. Its purpose is to alleviate unnecessary congestion in Washington's already-overcrowded downtown by keeping those thousands of motorists off city streets where they have neither the desire nor the necessity to drive. Without such a loop freeway, the central city will indeed, and soon, be choked with traffic.

The Transportation Department seems to harbor a mystical conviction that if you stop building freeways, automobiles will simply disappear. It isn't so. We fervently hope that Washington gets a rail-transit system so attractive in its convenience and its service that it draws thousands of motorists every day away from their cars. But a great many others who must come into the city every day are going to continue to drive—for reasons of distance traveled, a need for their cars or pure personal preference. If they don't drive on free-flowing highways they are going to jam into the existing street systems of residential neighborhoods and local business areas—with all the disruptive damage that will entail.

In the end, of course, it is theoretically possible to make roads so unattractive that many people who don't have to come into the city won't come. Businesses and employers, in that event, could opt to leave, too, for the open spaces of the suburbs. If that should happen, if the growth of the central core should begin to atrophy, the result could be a stagnant city. We do not believe that Congress, Mayor Washington or President Johnson intend that any such thing should occur in the Nation's Capital.

We have no idea whether the new Transportation Department's half-baked theories are restricted to Washington or whether it also intends to try to impose similar ideas in other American cities. That matter may well be of concern, however, to Senator

Jennings Randolph, the chairman of the Senate Public Works Committee, who opens hearings this week on the national status of urban freeways.

Ironically, Secretary Boyd's advice was sought by other federal agencies last May, in terms of the Washington freeway-transit controversy, on a single project—the Three Sisters Bridge. The proposal to shatter the city's entire interstate freeway program was an unsolicited development which emerged at some point during the subsequent six months—and which was kept carefully under cover until the previous District Commissioners, whose antagonism to any such suggestion was fully predictable, had left office.

During these last several months Washington's four suburban congressmen say they have persistently pressed the Secretary for a status report on his bridge position—to no avail. As far as we can determine, the Department's new proposals have been developed without the slightest consultation with state highway officials in either Maryland or Virginia—despite the drastic impact on state programs.

Perhaps at some point in the future, the Department will come up with dramatic technological advances which may make present modes of urban transportation obsolete. It is well for the experts to think ahead to such things. The limited program of freeways and transit now projected, however, is in quite a different category. This program is needed now. To scrap it, or to move now to a point of starting to plan all over again, would be unconscionable.

These are points which should be made to Secretary Boyd as forcefully as necessary by both Congress and the White House—before the situation gets completely out of hand.

MRS. JOHN JACOBSON, A CIVIC LEADER OF BIRMINGHAM, ALA.

Mr. SPARKMAN. Mr. President, it always gives me great pleasure to pay tribute to the accomplishments of a fellow Alabamian. I am especially pleased to share with Senators today some of the fine contributions of a truly great human being, Mrs. John Jacobson, of Birmingham, Ala.

Ann Jacobson is the daughter of Mr. and Mrs. Joe Smolian. The generous gifts of the Smolian family have been of great importance in the growth of the University of Alabama Medical Center in Birmington. Only a few months ago a new wing of the medical center was dedicated in Birmingham. That wing was made possible through a gift of the Smolians.

Ann Jacobson inherited this fine and generous civic spirit. In addition, she has been able to contribute a great energy and a dedication which helped in the birth and growth of the Birmingham Festival of the Arts, an annual event which brings artists and art students to Birmingham each spring.

Ann Jacobson has headed the State of Alabama Commission on the Fine Arts, and has been active in creating interest in the Kennedy Center for the Performing Arts, the construction of which has recently begun here in Washington.

Mrs. Jacobson's indefatigable energies are not limited to the arts, which are a special interest, but are concerned with education and many other fields. She is a woman of great charm and intelligence and has made unique contributions to her native Birmingham. The mayor and council of the city of Birmingham, by unanimous action, have awarded Mrs. Jacobson the city's certificate for outstanding service in recognition of her services in connection with the festival of the arts and other civic projects.

It is a privilege to pay tribute to this distinguished and gallant Alabamian.

TEXAS HONORS DWIGHT D. EISENHOWER BIRTH STATE BY STATE PARK

Mr. YARBOROUGH. Mr. President, Texas is proud of being the birthplace of a great general and former President, Dwight D. Eisenhower, born in Denison, Grayson County, Tex. Even though choosing to serve his country under the sign of the elephant—an animal not yet acclimated to the peculiar climate of Texas—he remains well loved and respected in the Lone Star State. Therefore, in recent years, Texas has developed Eisenhower State Recreation Park in his honor, on the shore of Lake Texoma which is itself a landmark in the State.

The 450-acre lakeside park contains facilities for camping, picnicking, fishing, boating, and all the out-of-doors recreation which is enjoyed by Texans, and which her rich natural heritage makes so readily available to residents and visitors in the State. Respecting the desire of increasing numbers of Americans to visit the untraveled wilderness so rapidly disappearing from our American scene, large parts of the park have been left untouched and undeveloped, to provide a natural home for native birds and wildlife and a refuge for those who wish to visit the land as it is and always has been.

Texas offers this tribute to a great and well-loved man, Dwight D. Eisenhower, whose birthplace in Denison, Tex., has also been designated an historic site.

Mr. President, I ask unanimous consent that a description of the park entitled "Tribute to Ike," published in Texas Parks and Wildlife magazine, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW EISENHOWER STATE RECREATION PARK ON SPRAWLING LAKE TEXOMA IS A SIGNIFICANT TRIBUTE TO IKE

(By Barbara Jaska)

Ancient past comes face to face with living present at Eisenhower State Recreation Park near Denison in North Texas, for the construction of Lake Texoma not only provided a means of flood control and power, but also uncovered an interesting array of fossils.

The park, located seven miles northwest of Denison on Highway 75–A, lies on the southeast edge of Lake Texoma. The huge reservoir first appeared on the drawing boards in the 1930's, as a measure to prevent flooding of the lower Red and Mississippi rivers.

When completed in 1943, Lake Texoma covered 143,300 square miles in surface area, thus becoming one of the ten largest manmade lakes in the nation. Today, in addition to preventing flood damage and producing hydroelectric power, the reservoir provides water for city, industrial, and recreational use in both Texas and Oklahoma.

During construction of the reservoir and Denison Dam, however, a number of fossils were unearthed. Some of the fossils were collected and placed on display in the office of the Corps of Engineers at the dam. Moreover, dinosaur tracks are reportedly visible in some portions of the lake's rock bottom, when the water level drops sufficiently.

Interesting rocks from the past were discovered also during development of Eisenhower State Recreation Park in 1966–67. Many of these rocks, extracted from what is now a trailer camp area, may be seen in the stone gateway at the park entrance.

The rocks show evidence of marine life, dating from as much as 100 million years ago, or the Cretaceous period. During this period, much of North America was covered by seas and inhabited by intricate and highly ornamented shellfish, known as ammonoids. Dinosaurs and other huge reptiles were the masters of the land.

Eisenhower State Recreation Park was authorized by the Legislature in 1947. The name was selected in honor of the famous World War II general who was born in nearby Denison. By the time the land was acquired for the park in 1954, Dwight D. Eisenhower was serving his first term as President of the United States. Today, the State parks system has two tributes to the native son; Eisenhower's birthplace in Denison was acquired as a State Historic Site in 1958.

The 450-acre recreation park on the shore of Lake Texoma remained largely undeveloped for 12 years following acquisition. An all metal, floating marina, operated by a concessionaire, provided shelter for 150 boats, services for repairing and overhauling boats, a fishing barge, and a snack bar.

Despite its lack of facilities, the park nevertheless provided access to the lake, long famous as an excellent spot for white bass fishing. White bass, or sand bass as they are called locally, are part of the native population of the Red River. Several exceptional catches have been taken in the river just below Denison Dam.

Upon completion of a development program costing over a half-million dollars, the park will soon offer a number of conveniences for fishermen and campers alike. Among these are the paved boat ramp and the fish cleaning shelter, which is equipped with running water.

More than 200 camp and picnic sites were constructed as part of the development program. This included 50 trailer sites (each with sewage, water, and electrical hookups) and 35 screened shelters. Picnic tables, cooking grills, drinking water, and parking spaces are important features of camp and picnic sites. Five modern restrooms, four with showers, are scheduled for completion in the near future.

A large section of the park's northwest side was untouched by construction. The woodlands of cedar, elm, ash, and sumac, and the prairie grasses characteristic of this area, provide a natural home for white-tailed deer, raccoons, squirrels, and numerous birds, such as mourning doves, bobwhite quail, and red-tailed hawks.

Lying within 100 miles of Dallas-Ft. Worth, and within 200 miles of Texarkana, Waco, and Wichita Falls, the park is but one more fruit that will help satisfy Texas' growing appetite for outdoor recreation.

MAYOR TATE OF PHILADELPHIA, PRESIDENT OF NATIONAL LEAGUE OF CITIES, CALLS ON CONGRESS TO PASS POVERTY, HOUSING, AND CRIME LEGISLATION

Mr. CLARK. Mr. President, Mayor James H. J. Tate, of Philadelphia, who is president of the National League of Cities, has called on Congress to take immediate action to refund the war on poverty, provide the money necessary to solve the mounting problems of our urban society and pass the Housing and Urban Development Act and Safe Streets Act.

I warn those in the Congress—

Mayor Tate said in a statement last week—

who believe it is politically popular to cut appropriations of important programs to aid the cities, that America cannot afford continual chaos and loss by violent uprising and forceful suppression of rioters, and we cannot afford to appear before the world community as a nation incapable of the necessary compassion to help and uplift our own people.

This week the House of Representatives will decide the fate of the war on poverty. I hope that every Member of that body and every Member of the Senate will take a minute to read Mayor Tate's statement. I ask unanimous consent that it be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Important Legislation in the U.S. Congress, Mayor James H. J. Tate, November 9, 1967

As President of the National League of Cities and also as Mayor of the City of Philadelphia, I feel it is my clear duty to issue a warning to those members of Congress who are attempting to undermine the President's program of Social Legislation designed to help the nation's cities and the poor of every walk of life. The cities cannot be expected to continually walk the tight rope from one serious crisis to another. The cities of America need immediate congressional action to provide the money necessary to solve the mounting problems of our urban society.

There is no question of our ability to forcefully put down riots and insurrection. We have the might to do this effectively, but there is some doubt in the world community and in the ghettos of our cities as to whether we have the compassion to deal with the causes of misery and despair that have driven decent people to extreme action. I, therefore, warn those in Congress, who believe it is politically popular to cut appropriations of important programs to aid the cities, that America cannot afford continual chaos and loss by violent uprising and forceful suppression of rioters, and we cannot afford to appear before the world community as a nation incapable of the necessary compassion to help and uplift our own people.

In the name of the people of the cities, I call on the Republican leadership in the House of Representatives and their conservative Democrat allies to end their efforts to cut the War on Poverty authorization bill which is under debate and support the report of the House Committee which has agreed with the President's request of 2.06 billion dollars. This amount is small enough when we consider the great problems poverty presents to our society. The Republican substitute bill which would cut the War on Poverty to 1.4 billion dollars is unrealistic. One of the major factors in Philadelphia's peaceful summer was our effective Anti-Poverty effort. I have attached a statement of what the program has meant to the city. The overemphasized allegations of political activity and incitement to riot which have been made against a few of the thousands of dedicated workers in this great crusade across the nation cannot justify dashing the new hope which has been given the nation's poor.

If we honestly face our national commitment to eliminate poverty, then our debate would be on how we can do more and not how to cut back and block needed programs.

In the name of the people of our cities, I urge the Senate to take immediate action on the amendments to the Housing and Urban Development Act which were reported out of the Senate Committee on Banking and Currency yesterday, and I also urge the House of Representatives to give swift and favorable consideration to these amendments. The slums of the nation must be eliminated. Decent American families must have decent homes and neighborhoods in which to live, and I warn the Congress that this is not the time to pinch pennies.

Philadelphia and the other cities are in immediate need of the Federally subsidized Home Ownership Plan provided for in the 1967 HUD amendments. Our own aggressive housing rehabilitation program has made it clear that the high cost of construction makes it imperative that home ownership for low-income families be subsidized, otherwise the poor will be continually relegated to public housing. Pride of home ownership is one of the basic tenets to sound, decent neighborhoods. When this legislation is finally passed, 3 percent mortgages will be available to low-income families with the federal government paying the lending institutions the difference between 3 percent and 6½ percent or a subsidy of 3½ percent. It is estimated by proponents of the measure that 200,000 families will become homeowners over the next three years if this measure is passed. I would further urge that the request of 70 million dollars for this program over three years be substantially increased to permit accelerated action by the cities and broader coverage by the act.

The nation's cities have been dealt a severe setback by the inadequate appropriations which have been made for Housing and Urban Development by the 90th Congress. The rent supplements appropriation of 10 million dollars is inadequate in the face of an existing backlog of applications amounting to 20 million. The model cities appropriation of 312 million will severely retard progress toward changing blighted areas. The requested 662 million was a reasonable request which should not have been cut. The 700 million dollar Urban Renewal appropriation is inadequate considering a backlog of a billion and a half in Urban Renewal applications.

Finally, in the name of the decent, law-abiding people of the cities, I call on the Senate Judiciary Committee to report out the Safe Streets Act and to restore provisions for direct grant to city administrations so that we can get on with the battle against crime. I suggest to the Senate that the House action requiring that this program be controlled by State government is unsound since law enforcement must be accomplished by the municipalities who understand the problems far better than State officials.

If we are so foolish to accept the relative calm of a cool fall and a cold winter as a haven from the pressing problems which cause hot summers, then we will continue to reap the whirlwind of discontent. The cities of America are waiting for the Congress to act honestly and forthrightly to give them the help they desperately need.

VIETNAM

Mr. SPARKMAN. Mr. President, a few days ago Mr. George Burger, who has been very active in small business affairs around the Capitol for many years, handed me an editorial entitled "A General's Judgment," published in the Washington Evening Star for November 7, 1967. The editorial deals with the opinion expressed by Gen. Omar Bradley recently on the general's visit to Vietnam.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A General's Judgment

General Omar N. Bradley wears five stars. He was a World War II commander and chairman of the Joint Chiefs of Staff during the Korean war. He is the highest ranking officer to have visited the fighting fronts in South Vietnam. And his report of his findings, which appear in the current issue of Look, is a decidedly hopeful one.

No one, we suppose, will say that General Bradley was brainwashed by the diplomats or the soldiers. So it should carry some weight when he says he is convinced that the war in Vietnam is "a war at the right place, at the right time and with the right enemy—the Communists."

After talking with the men in the foxholes, the junior officers and the commanders, General Bradley was convinced that we are making progress. "We are gaining, often dramatically, in the military struggle," he says, "and in the even more difficult task of healing the social ills on which the Communists feed." A stalemate? Not when "the other side is getting weaker and we are getting stronger."

Why fight in Vietnam? This is his answer: "If we fight in Vietnam, and win, it is possible we may have to repeat our effort elsewhere. If we pull out it is *certain* that we will face more and tougher Vietnams."

Why does Hanoi keep fighting? "Ho Chi Minh's one hope is to hang on in the expectation that the American public, inadequately informed about the true situation and sickened by the loss in lives and money, will force the United States to give up and pull out."

How will the antiwar extremists respond to this? They can hardly attack General Bradley on the ground that he is a mindless military man, for it was he who said in 1951 that to carry the Korean war to Red China by crossing the Yalu "would involve us in the wrong war, at the wrong place, at the wrong time, and with the wrong enemy." It would be absurd to say that he is indifferent to the dangers of a major land war in Asia.

But he does believe this: "History will judge that, alongside Berlin, Greece, Cuba and Korea, Vietnam was one of our finest hours. We did not flinch. Or it will say that the Communists are right, and History will belong to them."

Rhetoric? Perhaps. The truth? We think so.

DR. DONALD A. WILLIAMS TO RECEIVE ROCKEFELLER PUBLIC SERVICE AWARD FOR ADMINISTRATION

Mr. NELSON. Mr. President, I am especially happy to join in the recognition of Dr. Donald A. Williams, Administrator of the Soil Conservation Service, for his contributions as a public servant to this Nation and to many foreign lands.

As recipient of this year's Rockefeller Public Service award for Administration, Dr. Williams joins a distinguished group of Americans whose careers honor their country and the cause to which they are professionally dedicated.

I believe I am correct in stating that the Soil Conservation Service came of age under Dr. Williams' tutelage. In the 14 years of his administration the SCS has achieved its present unique status in the conservation world, extending the benefits of expert knowledge and experience to soil and water resource conservation and development on a broad front.

The Soil Conservation Service, in my opinion, is a total resource agency within its specialized sphere. It is capable of doing more under the leadership of such men as Dr. Williams. Enabling legislation has permitted this unique agency to reach out with its skills, experience, and dedication to a growing number of Americans who are not a part of the agricultural community. Additional legislation is needed—at both the Federal and State levels—to allow the Soil Conservation Service to further realize its potential.

It the past 14 years, Congress has approved legislation that has revolutionized soil and water management in the watersheds of tributary streams. Legislation furthering soil and water conservation and development which is pending in the Congress deserves a favorable report. I had the privilege of cosponsoring S. 2040, a bill to control roadside and streambank erosion and to achieve strip mine stabilization, and of authoring the streambank erosion control bill that has been incorporated in S. 2040. As Governor of Wisconsin and as Senator I have followed closely the development of the soil and water conservation program. I have given this vital work my support at every opportunity.

The program of the Soil Conservation Service has been built on the concept that soil and water problems cannot be treated separately.

Every building block of the SCS has been labeled soil and water. I cannot point to a single step taken by this agency or on behalf of it that has not distinctly linked soil and water problems and potentials in planning and developing the rural lands of the Nation.

This recognition of the soil and water interrelationship has resulted in multiple benefits for both rural and urban America.

Sound soil conservation practices—whether in agriculture or urban-type development—have held down the soil, making it secure for the purpose intended, and permitting water runoff to drain from the land in a gentle manner without destruction. The waterflow, whether from land runoff or from stream, has been further managed by dams and other structures to hold back the excess water and regulate its flow in proper channels. Water thus stored is available for municipal and industrial, as well as agricultural use; for water-based recreation, and as the center for fish and wildlife conservation.

Under the leadership of Dr. Williams, the Soil Conservation Service has looked beyond the upstream watershed to the conservation needs of the Great Plains.

It has gone into the mountains to measure and calculate the water supplies from the snowmelt that will be available to the valleys below during the growing seasons.

It has probed the soils and classified them so that farmers, ranchers, community planners, developers, and Government officials might know the capabilities and limitations of the land.

It has worked with soil and water conservation districts and other local organizations, with State agencies, and with other Federal agencies to develop a program of soil and water conservation that embraces broad regional needs, both rural and urban.

The accomplishments of the Soil Conservation Service, as I am sure Dr. Williams would be the first to testify, are the result of many trained minds schooled in many scientific disciplines. They are the result of teamwork that has united local, State, and Federal effort in soil and water conservation. From the establishment of the first soil and water conservation district 30 years ago, local inspiration, initiative, and purposeful drive have sparked the conservation movement. In response to this local effort, the Soil Conservation Service has provided essential assistance to see the job through.

As Governor of Wisconsin I became closely acquainted with the excellent Federal-State cooperation in the district movement. I submit that the greatest achievement of the Soil Conservation Service and of the administration of Donald A. Williams is the highly productive relationship that has developed between the SCS and the private landowner and operator through locally organized and administered soil and water conservation districts—a relationship that has extended to community planning and developing agencies, local governments, and private organizations concerned with the wise care and use of soil and water resources.

During this period of development, there has been a growing understanding that rural and urban America form one inseparable society, and this has led to a town and country approach to soil and water conservation.

How better can we describe the growth of a nation than through the efforts of dedicated men and women who, through their particular specialty, help build a complex and progressive society.

If we in Congress are to continue to do our part in furthering the progress of soil and water conservation and development, I believe we must adhere to the basic traditions of this rewarding movement; support the concepts and programs that have been proved valid by the test of practical application over a long period of time; and recognize that there is still much work to be done in a nation of broadening horizons, of dynamic growth, and of limitless expectations.

As long as we have exceptional public servants like Dr. Donald A. Williams to help guide us along the way, I am confident we will advance as a nation to the full promise of our talents and resources.

NEED FOR COMMUNITY FACILITIES TO TRAIN YOUNG ATHLETES

Mr. CLARK. Mr. President, in a recent editorial, WCAU–TV, of Philadelphia, suggested that the United States needs more community facilities which would meet Olympic standards to train young athletes. The editorial mentioned gymnastics as a sport which has only limited training equipment and space available.

It seems to me that this idea warrants further consideration. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN OLYMPIC SIZE PROBLEM

(Broadcast August 21, 1967)[1]

Once again this winter, the athletic prestige of the United States will be on the starting line. The U.S. will compete in the winter olympic games at Grenoble, France; and, between now and then, the Olympic Committee will be working overtime to get donations so that our team will, indeed, make it to the starting line.

Some have questioned: Why not have the federal government foot the bill? WCAU–TV agrees with the Olympic Committee: To have the federal government foot the bill (some 3½ million dollars) would be a mistake. We have taken some pride in this country that the government has not really been involved in subsidizing our amateur athletes.

But there is a large financial area where our government can help and still remain apart from the olympic teams.

WCAU–TV proposes that the federal government make matching funds available so that cities and communities could set up athletic facilities which meet olympic standards.

For example, in Philadelphia it's almost impossible for a youngster to begin a career in gymnastics at an area which has olympic approval. Some colleges and universities are adequately equipped, but if college is the first introduction a boy or girl has to gymnastics, he's already so far behind he really can't consider competing at an olympic level.

The side benefits of the matching funds program are obvious. First of all, with matching funds, the city could develop more full-fledged recreation sites at half the cost. Youngsters could become aware of olympic events. They could train and become proficient in their formative years. Also—and a big plus for the program—the facilities would be there for all youngsters throughout the city.

WCAU–TV urges Senators Clark and Scott to investigate this matching funds possibility.

This is not subsidizing athletes. It's giving young people the opportunity now lacking to become the olympic athletes at future games.

RESTRICTIVE TARIFFS—IMPORT QUOTAS

Mr. PEARSON. Mr. President, each day there are pleas from various interests asking that restrictive tariffs or import quotas be applied for the welfare of American industry and in the cause of national defense. To an extent—often difficult to determine—there are merits in these assertions. As one who holds some conviction for the value of the freest trade possible, this is always conditioned upon the rejection of those trade policies which would literally destroy segments of the American industry. This is particularly true in relation to those who play such a vital part in our national defense.

But, Mr. President, the saw cuts both ways. Those who accept a protectionist policy quite often forget that tariffs or quotas on our part inevitably bring reciprocal action. Nothing could illustrate this better than the very excellent editorial, entitled "Lot To Lose," offered by Mr. Clyde Reed, Jr., of the Parsons, Kans., Sun. Therein Mr. Reed, one of Kansas' most astute observers and students of current events, points out our interest in American-Japanese trade and the interest that Kansas and the American farmer may have in a sound approach to this very complicated issue.

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[1] Presented by Pete Duncan, WCAU–TV Editorial Director.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LOT TO LOSE

Would you believe that Japan is the biggest customer for American farm products? Or that its purchases have made Kansas the No. 1 wheat export state?

Those are cold facts. Farm exports to Japan from the United States reached a record total of $879 million in 1965, and have been increasing at an annual rate of 15 per cent. Our second largest foreign customer is Canada, which purchased $615 million in farm commodities from us in 1965.

Excellent promotional efforts carried on by former Rep. Clifford Hope of Garden City and other individuals and groups, have established a market for hard red winter wheat in Japan.

Growing popularity in Japan of foods from wheat flour provides the prospect of an expanding market, assuring Kansas farmers a stable and important outlet for their biggest crop.

Japan is exporting products of its own for the American market, principally manufactured items. It must, in order to trade with us and pay hard cash for what it buys.

The Kansas farmer has a lot to lose if the American export market is curtailed by unwise actions of Congress in raising artificial trade barriers instead of approving the recent Geneva tariff agreements which lower them. So does the state as a whole. So does, as a matter of fact, the entire nation.

NEWSWEEK'S URBAN ACTION PROGRAM

Mr. RIBICOFF. Mr. President, for 34 years, Newsweek magazine has followed a tradition of reporting the news without editorial comment.

Now the magazine has found an event when just "covering" the news is not enough.

The result is a 22-page section on the future of the Negro in America, in which Newsweek proposes a 12-point program and prints the first editorial in the magazine's history.

In taking this action, Newsweek not only has performed a remarkable public service, but has shown us all the way to a deeper commitment by its own actions.

The reasons for this unusual move are explained in the signed editorial by Newsweek Editor Osborn Elliott, who writes:

> The reason for this marked change of approach is that the editors have come to believe that at this particular time, and on this particular subject, they could not fulfill their journalistic responsibility, or their responsibility as citizens, by simply reporting what X thinks of Y, and why Z disagrees.
>
> In part we were led to this new approach by the events of last summer, when ghetto streets exploded in violence, fires flamed the urban skies, an orgy of looting and rioting seized cities across the land, and America was brought face to face with its central racial dilemma. . . . In part, Newsweek's role as advocate grows out of the results of two months of intensive reporting from coast to coast.

Newsweek's call to action is contained in this paragraph from the editorial:

> Newsweek's editors are convinced that in order to deal with the racial crisis effectively, there must be a mobilization of the nation's moral, spiritual and physical resources and a commitment on the part of all segments of the U.S. society, public and private to meet the challenging job. To get this kind of commitment, the editors believe there must be strong and unflinching political leadership from the top.

Mr. President, I ask unanimous consent that the editorial, "A Time for Advocacy," and the report, "What Must Be Done," from the November 20 issue of Newsweek magazine be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Newsweek, Nov. 20, 1967]

A TIME FOR ADVOCACY

(By Osborn Elliott, editor)

In reporting the evolution and revolution of the Negro in America, Newsweek's approach has always been exploratory, analytical and descriptive. We have probed the twists and turns of the civil-rights movement, examined leaders new and old as they flashed and sometimes fizzled across the scene, analyzed the present and potential response of white America to the aspirations of its black citizens.

This week, in a special report entitled The Negro in America—What Must Be Done, Newsweek deliberately departs from its traditional method of covering the news. In the 22-page section that follows, there is analysis aplenty—but this time there is advocacy as well. The reason for this marked change of approach is that the editors have come to believe that at this particular time, on this particular subject, they could not fulfill their journalistic responsibility, or their responsibility as citizens, by simply reporting what X thinks of Y, and why Z disagrees.

In part we were led to this new approach by the events of last summer, when ghetto streets exploded in violence, fires flamed the urban skies, an orgy of looting and rioting seized cities across the land, and America was brought face to face with its central racial dilemma. In part, Newsweek's new advocacy stems from the peculiarly inadequate and worrisome response to those awful events—the call for a day of national prayer; the appointment of a commission to make its final report, quite possibly, in the middle of the riots of 1968; the subsequent hardening of positions by white and black alike. And in part, Newsweek's role as advocate grows out of the results of two months of intensive reporting from coast to coast.

Since last summer, a task force of editors, writers and reporters has been touring the country, visiting the "experts"—on campus, at every level of government, in corporations and foundations, in church and state alike. They started with a question: what to do? And they came back with the conclusion that nobody really knows—not the planners, not the police, not the educators, not the politicians nor the clergy nor the press—not, indeed, the Negroes themselves.

Newsweek's most ambitious editorial project culminates this week in this special report. It includes a review of the scattershot programs now being attempted; it reports on the multiplicity of projects now on the drawing boards, and it mirrors the conflicts and confusion that mark the efforts of the nation's best thinkers to come to grips with the problem. The special report concludes with a Program for Action—a comprehensive set of solutions to the racial problem that gnaws at the very soul of America.

The entire project is founded on a number of premises.

The first is that America has so far failed to deliver to many citizens, and particularly to many Negroes, that measure of equality that lies at the heart of the American idea.

A second premise is that America has the ability to make that delivery; surely the most prosperous and powerful nation in history, which concerns itself with poverty, discrimination and deprivation around the world, can successfully apply its vast resources to these widespread ills at home.

A third premise is more arguable: that America has, or can generate, the *will* to solve its racial problems.

For many a long year, Northern whites could look down their noses at the South, charging that white Southerners suffered from such social astigmatism that they could not see the world around them, or even themselves, with any degree of clarity. Then, suddenly last summer—and a couple of summers before—the fire next time became the fire this time, and many Northerners came to realize that their own vision was similarly impaired.

And what has been the result of this realization? Has it been a newly discovered urge to face the racial problem and do something about it? In some segments of society—most notably in and around the precincts of big business—the answer has been a heartening "yes." But in other segments—most notably the Congress, which tends to reflect the way the national wind is blowing (or at least how the politicians read it)—the answer has been a disturbing "no."

What makes this particularly disturbing is that Newsweek's editors are convinced that in order to deal with the racial crisis effectively, there must be a mobilization of the nation's moral, spiritual and physical resources and a commitment on the part of all segments of U.S. society, public and private, to meet the challenging job. To get this kind of commitment, the editors believe there must be strong and unflinching political leadership from the top.

Many will agree with parts of Newsweek's program; few with the whole. We do not pretend to have all the answers, and we may be proved wrong on some of those we do propose. But we hope that this Program for Action will stimulate thoughts and deeds that will not only point the way to a more peaceful racial prospect, but will finally bring those eighteenth-century truths, which all Americans supposedly hold self-evident, into twentieth-century reality.

WHAT MUST BE DONE

As America went to the polls last week, there was a special crackle of crisis in the autumn air.

In the midst of a corrosive war in Vietnam and a skittish inflation, the ugly issue of race became the dominant concern of the election season. After four summers of fiery rioting, color polarized the voters into black and white blocs in three major northern cities. The results—the election of Negro mayors in Cleveland and Gary, Ind., and the defeat of a white backlasher in Boston—were hopeful signs. But they were too close for comfort. The elections were a stark reflection of the racial confrontation building for a generation in the heart of urban America. And they did little to allay the growing fear that the nation is drifting inexorably toward a showdown between its white majority and its black minority.

The narrow victories of Negro mayoral candidates Carl Stokes in Cleveland and Richard Hatcher in Gary, Ind., and the defeat of white-hope Louise Day Hicks in Boston, demonstrated once again the resilience of the American political process—even under the sting of white backlash. But the challenge facing the country today goes far beyond who will control City Hall—a black-white choice that will increasingly haunt the cities into the 1980s. The real issue is not just whether Negroes can get elected, but whether they can be brought into full participation in the society. The returns on that question are not yet in. A sense of fatalism grips much of the nation's white and Negro leadership. They know something must be done—and done quickly—to make equality real for blacks, and particularly for the restive black underclass. They doubt that the nation is ready to do it.

The problem is urgent—as the exploding cities and the incendiary rhetoric make inescapably plain. But most of the talk about the racial situation is profoundly pessimistic. "We face an almost universal sense of impotence," says one Washington thinker—and his glum observation is shared in government offices and academic cloisters, in ghetto storefronts and white middle-class living rooms. "I've got hope, but not a hell of a lot of faith," says a black militant in Detroit, speaking for more influential Americans than he imagines.

Today, top priority most often goes to assigning blame for the national paralysis of will. Most liberals, already disgusted by the war in Vietnam, complain that Lyndon Johnson has abdicated leadership of America's top domestic problem. The White House counters that it has produced programs but a punitive Congress has tried to tie its hands. Congressional conservatives blame Negro extremists and the Negroes blame white racist attitudes. And nobody seems to be able to break the cycle.

Yet the current drift and demoralization cannot be allowed to continue indefinitely. Millions of middle-class and working-class Negroes are making steady advances, but others—a restless, tindery *lumpenproletariat*—are drifting further behind. There is no Arcadian tranquility the nation could recapture if only the black firebrands and the white backlashers would hold their tongues.

Since 1940, 3.7 million Southern Negroes have migrated North, many to the cities, and they are still coming at the rate of 200,000 a year. Right now, Washington, D.C. (63 per cent), Newark (51 per cent), and Gary Ind. (55 per cent) have Negro majorities, and within fifteen years they are likely to be joined by Baltimore, Chicago, Cleveland, Detroit, Oakland, Philadelphia, St. Louis and Trenton. One out of every nine Americans today is Negro, but the black birth rate is exploding. According to the census clock, the 200 millionth American will be born sometime next week—and the chances are one in six that the baby will be black. If he is, the odds are roughly even that he will live part of his childhood in a broken home, three in five that the public dole will support him sometime before he reaches eighteen, two in five that he will drop out of school.

"What shocked me was how normal it looked to have those soldiers outside Hudson's"

The black riots—the most sustained spasm of civil disorder in the violent history of a violent country—have already changed America's comfortable image of itself. Speculation about black guerrilla warfare in the streets is already a staple of conversation among reasonable men. The likelihood that National Guard or Federal troops will be put on special alert as next summer's riot season approaches is all but taken for granted among many. So is a degree of black militance and white hostility unheard of even a few years ago. "What shocked me most about the riot," says a Detroit matron who watched the flames from her balcony, "was how *normal* it seemed to have those soldiers standing guard outside Hudson's department store when I went shopping the next day." And so it did.

By every reliable index, America will be living with its new style of normalcy for some time to come. This year post-summer racial skirmishes—especially in the schools—have erupted from Newark to Los Angeles. The first November explosion of the riot era shook Winston-Salem, N.C., and correspondents who accompanied Michigan's Gov. George Romney on his recent seventeen-city ghetto tour returned with the conviction that winter riots are a distinct possibility. National Guard units are getting special training. Local police are beefing up their arsenals.

In Los Angeles, for example, the cops are experimenting with a 20-ton armored personnel carrier that can tote twenty fully equipped men and boasts a .30-caliber machine gun, tear-gas launchers, a smoke screen device, chemical fire extinguishers, hoses and a siren so high-powered that its wail can temporarily stun rioters. "When I look at this thing," says one L.A. police planner, "I think, 'My God, I hope we never have to use it.' But we might as well be prepared." Besides the tank, the Los Angeles police are considering adoping electric nets, foam guns, tranquilizers, super water pistols and Mace, the disabling spray. The Detroit police are clamoring for eight armored personnel carriers, and in Cleveland the last word is a helicopter (to spot rooftop snipers), lightweight armor-plated vests and a secret twenty-page riot control plan.

Ominous as the preparations sound, they are generally in keeping with the expectations of responsible men. No one knows for sure what direction the black rebellion may take in coming years and a few expect huge Detroit-style riots to continue indefinitely. But continued serious trouble of one sort or another is the universal prediction. "A lot of violence is coming and there isn't much you can do about that," says one White House staffer. "Terrorism is a real danger," reports a Negro physician active in New York's ghettos. "They're studying at night: do-it-yourself bombs are the current fad. There will be buildings coming down." Says urban specialist Daniel Patrick Moynihan, himself something of an optimist: "There will be an increased elevation of low-level rioting and a degree of terrorism. Why shouldn't we have it? Why don't we believe what the Negro says he will do?"

These men are not alarmists by trade or temperament. Nor are men like the Urban League's Whitney Young and Bayard Rustin, the organizer of the 1963 March on Washington and one of America's most astute social theorists. Whites like to think of them as "responsible" black leaders, and there is a new note of plaintiveness in their voices these days. "There are no longer militants and moderates in the Negro leadership," says Young. "There are the sane and the insane—the builders and the burners—those within and without society." Adds Rustin, gazing at a dreary Harlem roofscape from his office on 125th Street: "I have spoken against the riots but they are nothing compared with this society's inability to move."

America spends $75 billion for defense but allots only $7 billion for welfare

Achieving that movement while there is still time is the heart of the problem. Why can't history's most affluent, technologically advanced society act to make the black man a full participant in American life? The answer is a meld of ignorance and indifference, bigotry and callousness, escapism and sincere confusion. But the inescapable truth is that so far America hasn't wanted to. On that point, there is, indeed, an American consensus—spelled out rather clearly in the way a democratic society allocates its resources. America spends $75 billion for defense but only $7 billion on welfare for the poor, $17.4 billion for tobacco and liquor but only $1.6 billion for the war on poverty, $3.2 billion for cosmetics and toiletries but only $400 million a year for the training of adult unemployed. In the early, nonviolent days of the Negro revolution, an effective coalition of interests including liberals, labor and the clergy was formed to achieve basic constitutional rights for Negroes. But there has never been a widespread alliance of black and white to accomplish the harder task: the economic emancipation of Negroes. To achieve it will require a revolution—in white values and in the way blacks have been conditioned to look at the world. But a start must be made.

The American Negro's problem is one both of class and of color. "No one is poor in America because he is white," says Federal District Judge Wade H. McCree of Detroit. "Many people are poor because they are black." McCree is right—and the reason for it is entwined in the history of the Negro in America. The psychic knot is as old as slavery and unraveling it is a challenge the country as a whole has not yet been able to face. No one knows how to separate neatly the class problem from the color problem—or if, in fact, the color problem is soluble in the context of America as we know it. Few want to admit that for the bulk of Americans, blackness is a synonymous with inferiority.

It is a restless new type of proletariat—and it revolts against the city itself

This feeling clouds even the white perception of what the black riots are all about. Enlightened opinion—shared by men conducting the Presidential investigation of the disorders—is that the riots are essentially a protest against the conditions of Negro life, the denial of dignity, unemployment, bad housing, bad city services. Still, surveys show that most whites are able neither to absorb nor to accept even that judgment. The prevalent white opinion is that outside agitators and subversive troublemakers are to blame.

Obviously, black-power and Communist organizers were in the field. They may even have sparked some riots and prolonged others. But no conspiracy theory will explain four summers of rioting in more than 100 cities. If it had been large numbers of whites rioting in city after city, the nation would certainly have absorbed the message more easily and taken steps to redress their grievances. But the rioters are black, not white, representatives of a minority, not the majority, their fury turned inward against their own neighborhoods, not against the world outside. So the message from the black slums simply hasn't registered.

In fairness to whites, there are reasons why the riots are difficult to put into perspective. One is that the target of the black revolt is somewhat different from the targets of the more familiar white working-class upheavals of the American past. "Before," says Harvard's John Kenneth Galbraith, "people came into the cities drawn by industry. If unsatisfied, they struck the company, the mines, the steel mines, the auto companies. Collective bargaining emerged. Now, no one expects redress in this fashion. It is a new type of proletariat, a restless mass, pressed out of the Mississippi Delta and Puerto Rico, not drawn by jobs but by welfare standards and the amenities of city life. This new proletariat is not tied to the steel mills, the auto companies—so it revolts against the city."

Maybe democracy can't stand prosperity

Beyond that, there is the over-all mood of the country—an irritable impatience which the riots at once reflect and exacerbate. Some like to blame the restive state of the Union on the war in Vietnam or on the untimely death of John F. Kennedy. Undoubtedly both are part of the story, but neither provides a totally satisfactory explanation. More than anything, perhaps, America is distracted by its own uneven affluence. "Maybe," muses one top Administration figure, "democracy can't stand prosperity."

Whatever its implications for democracy, the current boom (now in its 81st consecutive month) makes it harder than ever for many white Americans to face the truth about the Negro problem and makes blacks more impatient than ever for their slice of the pie. "What do they want?" whites keep asking themselves—a logical question for those (including some Negroes) who have been rewarded beyond their wildest expectations by a system now under attack.

So impatient black desperation and white inflexibility conspire to prevent reconciliation and to block reform. The new mood of black consciousness spreading among young Negroes is generally a hopeful development—but unsophisticated whites see it as another frightening example of Negro intractability and some black militants use it to rationalize their own racism. Similarly, the working-class white in one of Waukegan's ethnic enclaves may be as hobbled in his view of the larger world as the ghetto black—but most Negroes (and white liberals) do not grant him even that degree of common humanity. The end result is a growing cynicism about the capacity of America to weather the racial crisis—and an increasing appetite for confrontation.

"This thing is becoming two armed camps, but it's a risk black people are willing to take," says Detroit's Rep. John Conyers, the most outspoken black congressman. "Look, we started the whole civil-rights business with two Presidents who both told Martin Luther King we can't get a civil-rights bill—it's impossible. But the pressure of events made it possible. Confrontation is both inevitable and creative. There's nobody who can call in anybody and turn it off."

Much as they abhor violence, many Negro and white leaders agree. "You get a new stop sign after four accidents, a flood wall after three floods," says Whitney Young. "America has traditionally reacted to tragedy and crisis." With the cold logic of his profession, one of the country's top city planners adds: "What it's going to take to change the priorities is violence, winter violence." "Change," a colleague adds, "will come about because of heightened stress. But it's a dangerous path because the country has a choice—and it could choose repression."

Talk of repression in one form or another is widespread today. Radicals mutter about black rebels being shunted into concentration camps—and their conversation reflects a real element of fear, not just agitators' hokum. There are advocates of garrisoning the ghettos and of limiting freedom of speech in the face of a clear and present danger. "What is remarkable," says political scientist James Q. Wilson, "is that there has not yet emerged a McCarthy of race: a figure with a mass audience . . . who would say boldly and demagogically what millions of people are already thinking."

Clearly, many Northern whites today are thinking of repression—much as Southern segregationists always have. Whether their thoughts will ever be translated into political reality is anybody's guess. But American politics is already reflecting their mood—or, at least, the politicians are telling themselves that they are reflecting the public temper. They are probably right. Every public man feels obliged at some point or another to deliver a homily about the innate kindness or the conscience of the American people, but nearly all shake their heads when they ponder the application of those virtues to the current racial situation.

After a spate of creative activism, the Johnson Administration has turned circumspect about the Negro problem. Washington prefers these days to talk about the racial question in terms of the problems of the cities or of the poor—valid enough frameworks for legislation but an index of mood, too. "You have to have a sense of timing," says one Presidential adviser. "You don't go out and make provocative speeches such as 'Where are we going, America?' when the country is deeply resistant. We can't tell them to hire those who have been burning down the ghettos. White America is fed up."

"The President has made enough pronouncements," snaps another Administration topsider. "If you want to know what happened to leadership, I'll tell you. We lost 47 Congressional seats in 1966—that broke the back." The Administration's analysis of the Congressional mood is accurate enough. The Johnson years have produced a torrent of social legislation unprecedented since the Depression—civil-rights bills, medicare, aid to education, the war on poverty, urban innovations like model cities—and for the time being Congress has had enough. Bitterness about Negro rioting is only one coefficient in the Congressional equation. The war, its concomitant budget deficit and the pressure for a tax increase have heightened resistance to more domestic legislation. And, with an election year coming up, Republicans are intensifying their classic objections to the burgeoning Federal bureaucracy.

"You can't start anything in Congress, you've got to start with the boss"

That is the way things are. Whether they must be that way is altogether another question. "Today, Pericles couldn't turn things around by an exertion of leadership," says one of the President's Washington defenders. But his critics are numerous and caustic. "If Dwight David Eisenhower had met the riots of this summer the way the President did—with the institution of a study and the unleashing of prayer—the liberal community would have risen in a body," observes Galbraith, chairman of Americans for Democratic Action. Grumbles Congressman Conyers: "You can't start anything in Congress. You've got to start with the Boss." How should the boss act? "I'd identify with the problem very closely," says one big-city official. "I'd be out there touring the ghettos all across the country. I'd scream and kick and yell and shatter my lance in Congress a bit." Massachusetts' Edward Brooke, the Senate's only Negro (and a Republican), concludes: 'The President has failed miserably on this. He's not been able to educate the people to what it's all about."

So, inevitably, the buck lands on the President's desk—and properly stops there. Questions of national will ultimately reduce themselves to a President's responsibility to marshal the country's resources not only in terms of a legislative program but by stimulating debate and ordering national priorities. "The President," writes historian Hans Morgenthau, "by constitutional arrangement and political tradition, is the molder of the national will, the educators of the people, the guardian of its interests, and the protagonist of its ideals. The President is the incarnation of the nation-in-action; when the nation wants to know what it is about, it looks to the President to find out."

When the country looks to Lyndon Johnson these days, it gains the inescapable impression that Vietnam is America's top priority. Mr. Johnson uses the bully pulpit of the Presidency (not to mention the Rose Garden) time and again to tell a painfully divided nation why it is fighting and must continue to fight in Southeast Asia. No amount of resistance—and it is growing—can blunt his resolve. Few question his personal resolve on the Negro problem (he is, after all, the President who proclaimed "We Shall Overcome!" in a speech three years ago). But his public posture here projects none of the sense of urgency that marks his Vietnam crusading.

"I used to think we could afford guns and butter, but we're not even getting oleo"

The immediate obstacle to an all-out assault on the problems of the Negro and the poor is obviously Vietnam. The President has promised guns and butter, and on the White House scales, the butter has been substantial, indeed: $16.6 billion is in new programs for the poor and the ghettos from January 1964 through June 1967, a budget request of $16.8 billion for fiscal 1968 alone. Yet, somehow, the impression of inadequacy prevails. "I used to feel the U.S. could afford both guns and butter—but we aren't even getting oleo," gibes Whitney Young, once the President's staunchest admirer among Negro leaders, now having second thoughts. Young's point is that America's No. 1 domestic problem—whether it is defined as the problem of the Negro, or of the cities or of the poor—deserves the same priority of urgency as Vietnam.

Granting it that urgency would be a significant first step, but only a first step. True solutions will require a degree of sophistication and awareness on the part of white and black Americans far beyond the current pattern. It will require a heightened sense of responsibility among blacks. And, for whites, sacrifice, too. "It is a delusion to presume that the self-interest of middle-class Americans links them with the needs of the poor in the cities," Mayor Hugh Addonizio of riot-blooded Newark told the President's riot commission. "For rising expectatons are not only a part of ghetto life, but a part of American life. Affluent Americans are gripped more by the need to buy a vacation home, a sports car for their college-bound son and a second color television set than they are with sharing their affluence with the poor." But more sharing there will have to be.

Fuller understanding of the realities of Negro life, the role of jobs, housing, welfare and education, the Negro's responsibility for bootstrap effort and the private sector's responsibility to provide those bootstraps—crucial aspects of the over-all problem examined on the following pages—is imperative. So is the necessity to modify some of America's cherished self-conceptions. "Equality of opportunity" will have to be redefined—as Lyndon Johnson did in his speech at Howard University on June 4, 1965: "Not just equality as a right and a theory, but equality as a fact and as a result." To produce those results is going to require a comprehensive effort unparalleled in the American experience—acceptance of more government activism on all levels, of the social responsibilities of business and philanthropy, of sustained subsidization and quite possibly even of the application of quotas limiting the number of Negroes in neighborhoods and schools to insure enduring integration. In short, homefront America must begin seriously thinking about the unthinkable: how genuinely to assimilate its black minority.

A handful of planners has already undertaken the assignment. One of the most provocative is bow-tied, 36-year-old Anthony Downs of Chicago, a consultant to the Rand Corp., and to several Washington agencies, including the President's riot commission. Downs has war-gamed the future of American ghettos, refining the available approaches to "strategies and projecting them to their logical conclusions. The outlook is grim. Downs feels, unless radical new approaches are taken. He points out, for example, that the nation's ghettos are growing by 480,000 to 560,000 Negroes a year; nothing that Federal, state or local authorities are doing, says Downs, is checking the trends that concentrate poor blacks in the central cities and more affluent whites in the suburbs. Any program that significantly improves life in the ghettos will only draw more poor Negroes to the central cities—and intensify the social pressures—unless it is accompanied by a parallel effort to disperse Negroes to other parts of the cities and the suburbs.

Each week, three Chicago blocks tip from mostly white to mostly black

And dispersal, he believes requires more than fair housing laws. Numerous states and localities already have fair-housing laws, but, Downs points out, they have not really helped disperse the black population. Part of the reason is what Downs calls his "Law of Cultural Dominance." Simply put, Downs' law holds that middle-class and working-class whites are concerned not with maintaining racial purity in their neighborhoods and institutions but with setting the tone. Whites fear that large numbers of Negroes may change that tone. Thus, he believes, once the Negro population in a neighborhood or apartment house or school approaches half, whites feel they have lost control. Even if the existing white residents hold on, new whites fail to fill the natural vacancies that crop up—and the neighborhood rapidly turns all black. In Chicago, he reports nearly three blocks a week are changing from predominantly white to predominantly black.

In Downs' view, some sort of quota system may well be needed to limit the number of Negroes in city and suburban neighborhoods to assure white residents and prospective residents that the neighborhood will remain integrated. Beyond that, dispersal to the suburbs must be undertaken across the board; otherwise, those suburbs that admit Negroes while others remain closed will turn into new ghettos. And subsidies of some sort, says Downs, would have to be devised to enable the already cost-strapped suburbs to accept new Negro residents and give them the social services they need.

Few—including Downs—think that the kind of comprehensive dispersal system he envisages will be adopted in America. Another Rand Corp., analyst, in fact, projects a kind of "natural apartheid" for the next few generations with the concentration of blacks in the cities intensifying the exodus of white residents and businesses. This futurist foresees an ominous era of black-white tensions peaking in the 1980s as Negroes achieve increasing control of city governments—as they now have in Cleveland and Gary. Once they hold these levers of power, he says, the blacks—as the Irish and Italians before them—will finally gain their political goals and social acceptability. But it will be 40 years, the Rand man feels, before the integrated city can begin to be glimpsed.

The futurists' predictions may be either too pat or too pessimistic. But they are a useful index of the staggering dimensions of the racial problem facing the nation today. And the prospects in the melancholy racial climate of autumn 1967 are not promising. The hard fact is that whites have yet to show their commitment to social justice for the Negro. And Negroes, out of a deepening despair that whites ever will do so, are falling more and more into a mood of angry disillusion called "thinking black."

THINKING BLACK: IN THE RESTIVE CITY GHETTOS, A NEW SENSE OF PRIDE, AND AN IMPATIENCE FOR POWER

"Thinking black" is Huey Newton and his rage—a rage so blinding he can look on white America comfortably only through the cross hairs of a gun. "Guns are very, very political," says Newton, the 25-year-old "defense minister" of an Oakland, Calif., Negro splinter group called the Black Panther Party for Self Defense. "A gun makes me immediately equal to anyone in the world." Not quite. Before dawn one October morning, Newton staggered into an Oakland hospital, clutching at a hole in his belly. Behind him lay two cops who had rousted him out of his car for a routine stop-and-frisk. One was dead, the other wounded. Newton—himself hit in the exchange—was charged with both shootings.

"Thinking black" is the kids with their "natural" coifs and their Afro clothes and their lessons in Swahili, taking a joy in blackness as exaggerated as the shame of blackness has always been in white America. It is the young elders of CORE—a mostly white and militantly integrationist group scarcely three years ago—studying a map of Indonesia and pondering quite seriously whether America's urban ghettos, too, can be forged into an independent "island republic." It is the reverie of tall, angular civil-rights lawyer Howard Moore, 35, stepping off a plane in Dar es Salaam, telling a traveling companion, "This is it, I'm home, baby"—and sustaining himself back in the U.S. on the dream that he will someday repatriate to the motherland.

And "thinking black" is a perfectly reasonable sort like Donald R. Hopkins going to bed one night a Negro and waking up the next morning a black man. Hopkins, at 30, is making it: he is assistant to the executive vice chancellor at Berkeley. But making it, for increasing numbers of the middle-class Negro young, no longer means taking flight from the problems of the black poor. Hopkins is not interested in guns or costumes or going back to Africa. But he has come to believe that Negroes must separate in spirit before they can integrate in fact—that they must break their old ties of dependency on whites, develop political and economic sinew of their own and then move for integration as a "coalescence of equals." This view seems to frighten whites only when it is advertised as "black power"—a label the new black thinkers nonetheless heartily accept. "I've seen my wife come home crying because of the police stopping her on the street and asking her if she's a prostitute," says an Indianapolis poverty worker. "As a human being, I believe in human power. But as a black man, I have to believe in black power because I've lived under white power too long."

Thinking black today remains more style than substance, more mood than program—but it commands white America's attention simply because it is so pervasively there. Whether or not it is the majority view is neither measurable nor relevant: it is the operative mood of both the alienated ghetto young who make riots and the new Negro leaders who increasingly shape the public discourse about what is to be done.

"To think black is to say I'm going to save myself"

The first premise of thinking black is that America is after all a racist society—a judgment that may not do justice to the white man's motives but certainly describes the result. "We all grew up with the feeling that somehow Mr. Charley was going to save us—a 'rescue fantasy,' in psychoanalytic terms," say Dr. Price M. Cobbs, a San Francisco Negro psychiatrist. "To think white is to say that my salvation is going to be Mr. Charley. To think black is to say I'm the only one who is going to save myself."

Out of that sense of disillusion comes a growing cynicism about anything, however earnestly well-intentioned, that the white man tries to do—and a surprisingly widespread conviction that Negroes may end up in concentration camps or even gas chambers. In so strained a climate, honky-baiting becomes common currency, violence at least legitimate and possibly desirable. The old leaders are neutralized; so despondent is their mood, indeed, that Roy Wilkins, Whitney Young and Martin Luther King quite seriously contemplated announcing this autumn that they would quit their civil-rights command posts in six months unless something is done. Into their place come the new leaders, most of them young, some of them mad, others quite lucidly sane—and all of them united on the point that black pride and black power in some form are the absolute prerequisites for black equality. And the new leaders, unlike the old, can speak to the angry, alienated ghetto underclass.

The new mood need not necessarily prove destructive—unless white America wills it so. Whites must first recognize the Negro's terrible necessity to assert himself, to claim his manhood, to feel a sense of power over the ordering of his own destiny. He has already discovered the power to disrupt. He will eventually come into political power in the nation's great cities, as the election of black mayors in Cleveland and Gary clearly signaled. And he has made some beginnings at developing economic power out of his own fragile resources. He recognizes that he will still need help from whites, but he wants to bargain, not beg, for it and he wants a real voice in determining what sort of help it will be. What he is after is no mystery at all: the affluence and the freedom of movement that most whites enjoy. What he does not want is the old paternalism. "No matter how benevolent you are, you are still benevolent," says Karl Gregory, an economics professor at Detroit's Wayne State University and an avowed militant. ". . . I'd rather make my own mistakes."

The spread of "black consciousness" ought to surprise no one; the Negro in America has never been permitted the luxury of forgetting that he was black. He was ripped out of the preliterate culture of Africa, shipped to America in chains, emancipated from slavery at last to become not quite a free man but a member of a lower caste. He still tilled the white man's fields and tended the white man's kitchen; he was still punished for assertiveness and rewarded for servility; he was rather expected to be dependent on the white man's largesse, and he was permitted a sort of easy violence and easier sexuality—all, of course, on the reservation.

What the rural South had begun, the urban North completed. The black diaspora began in the late nineteenth century, burgeoned in the twentieth, hit floodtide during two world wars. The Negro population as late as 1940, was three-fourths Southern and mostly rural; today, nearly half the nation's 22 million blacks live in the North and two-thirds are clotted in and around the nation's cities. And they came to the cities a peasant class, with nothing more than the muscle of their backs and the impossible dreams in their heads.

The cities, of course, have cheated the black man's hopes. But myths die hard, and the myth that the urban North is the promised land is not dead yet. Whites commonly assume that the North's higher welfare rates are the central attraction—the sort of utterly logical and utterly narrow judgment that comes from reading bar graphs too literally. Anything looks better to Negroes who live in unpainted shacks papered over inside to keep the wind out, who sleep three, four or five to a pallet made of a fertilizer sack stuffed with raw cotton, who sustain themselves and their kids on a diet of grits and beans and rice. And many Negroes still imagine that the rainbow ends in Memphis or Chicago or Newark; it is not the welfare statistics who write home. "All the boys hear all this talk about Up North and they just take off," says 17-year-old Arthelia Hulett, a farm boy in Alabama's Lowndes County. "All the money is Up North. There just ain't no money here."

"The ghettos in America are like the native reserves in South Africa"

The riots and the grievances they revealed may at last have fractured the myth: the flow of migrants into Watts has ebbed from 1,000 a month before the holocaust there to 400 a month since. Yet still the trek goes on. until this autumn, Velma Hatcher, 19, had a $50-a-week job at a small raincoat factory in Selma—enough to live on and even to squeeze out the payments on a shiny new yellow Camaro. But the plant's mostly Negro work force, Velma among them, went on strike, and the company brought in non-union replacements. There was nothing else available in Selma; there was the car she wanted desperately to keep; there were the letters home from a cousin in Flint, Mich., about the easy, high-wage jobs in the auto industry. And so, one teary October morning, Velma packed up, soothed her mother ("Soon as I pay for my car I be back home") and pointed North. "Velma didn't want to go North," her mother says, "but she didn't have no choice. She's tried lots of places up there, but she ain't had no luck yet. She wish she were back here, I know."

The story is repeated countless times: the rainbow ends in a ghetto hopelessly mired in the culture of poverty and the pervasive climate of failure. Most high-wage jobs, where they are available to Negroes at all, are for people with high-school diplomas and marketable skills, not Southern farm hands or Northern dropouts. So demoralized are the ghetto schools that it scarcely matters whether a student quits (as perhaps half do) or sticks through till graduation; half the job applicants at a hiring center in Boston's Rozbury ghetto have at least some high-school education, but the average reading level is fourth grade. Most galling of all is the ghetto itself—a monochromatic preserve which, as the Negro psychologist Kenneth Clark notes, makes it brutally plain to the black man how little his society values him.

His housing is old, crumbling, rat-ridden, so desperately overcrowded that—at the density rate of parts of Harlem—the entire U.S. population could be squeezed into three of New York City's five boroughs. Garbage festers uncollected on the sidewalks; building codes go unenforced; the streets are not even paved in parts of Houston's black quarter. "The ghettos in America are like the native reserves in South Africa," says Ralph Bunche. "They symbolize the Negro as unacceptable, inferior and therefore kept apart."

They symbolize his powerlessness as well. Very nearly everything in the ghetto—its tenements, its stores, its politics, even its brothels and its numbers banks—are owned by whites downtown. Symbols of power become fiercely important: few whites understand the hurt Negroes feel when, whatever the merits of the case, an Adam Powell is expelled from Congress or a Muhammad Ali is stripped of his heavyweight crown.

And casual slights become traumatic. Once, on a visit to Watts, Robert F. Kennedy tried to strike up a talk with two baleful youths in Malcolm X sweatshirts. "They finally began to talk," Bobby recounts, "how they lived, why they hated white people. The garbage on the streets which was never picked up. One lived with his mother, he was 19, he decided to complain to the department of sanitation. . . . They said, 'How old are you?' When he told them 19, they said you have to be 21 to complain. He told me, 'You can draft me and send me to Vietnam but I can't complain here!' The hatred left his face and you could see the hurt—what we'd done to him."

And finally everything crumbles. A bottle of muscatel becomes an anesthetic, narcotics a refuge, casual sexuality and violence the twin proofs of manhood for Negroes who cannot furnish the customary evidence: the ability to provide for a wife and children. Families break up. Illegitimacy becomes a norm: half of Harlem's babies last year were born out of wedlock. Welfare dependency grows: six Negro children in ten subsist at least part of their lives on the dole. Failure becomes a self-fulfilling prophecy: men wander aimlessly from one dead-end, low-wage job to another, quitting on the flimsiest real or imagined provocation since they expect to be fired anyway. Crime proliferates, most of it directed at other Negroes. Arrest records are cheaply accumulated, dearly lived down. Police and Negroes look on one another with mutual paranoia; cops often see Negroes as innately amoral, and Negroes commonly view cops as headknocking bullyboys.

"Sure, I'll be workin' tomorrow . . . A man got a right to hurt, ain't he?"

In the end, says anthropologist Elliot Liebow in a brilliant study based on a year-long live-in on a Washington ghetto street corner,* a man's wife and children can become a symbol of his own failure as a man—and the easy, transient camaraderie the corner becomes an irresistible lure. At the moment he submits, says Liebow, "he comes into his full inheritance bequeathed him by his parents, teachers, employers and society at large. This is the step into failure from which few if any return, and it is at this point that the rest of society can wring its hands or rejoice in the certain knowledge that he has ended up precisely as they had predicted he would."

For the corner is only a way station on the journey to the end of the line. At 17, Gary Robinson and nineteen other boys from his Harlem block joined the Air Force, and he has tried to keep tabs on them ever since. One beat his child to death with a shoe and was executed. Others have died of narcotic poisoning, or gone to prison on charges ranging from mugging to murder, or simply vanished. Only five are still in society: two cops, a doorman, a hustler and Robinson himself. Today, a cool, trim and handsome young man of 32, Robinson is a poverty worker in Boston, trying to place the ghetto poor in jobs or job training. Sometimes his wards fail him; one of them, a man newly lined up for a hot-house job, shuffled across Robinson's path one morning, generously nursing a toothache with muscat wine and offering amiably, "Sure, I'll be workin' tomorrow . . . A man's got a right to do a little hurtin', ain't he?" And Robinson does not get angry, because he looks at them and sees his own past: running with a teen gang at 12, puffing pot at 13, doing 28 days in The Tombs at 23 for possession of marijuana. His mother came to see him in jail and cried, and Robinson decided to go straight. And now he agrees: "A black man's got a right to hurt."

"Malcolm X said things we all felt but were afraid to say"

The marvel is not so much that so many are destroyed as that so many escape destruction. Decades of striving have produced an authentic black middle class, stable, growing fast, a shade more cautious in its life style even than its white counterparts. There is a note of comfort in a new government report revealing that 28 per cent of the nation's non-white families now earn more than $7,000 a year—better than double the 1960 figure—and that 151,000 families crossed the line out of poverty last year.

But the figures also show a dangerously widening breach between the emergent middle class and the hard-core ghetto poor whose lot; by nearly every measure, is either stagnating or getting worse. A Labor Department study of ten of the nation's worst slums found one Negro in three either jobless or earning too little to live on—a statistic that makes even the official unemployment rate of 9.3 per cent for slum Negroes sound almost cheery. And so the Negro underclass grows larger and more dangerous, its problems so stubbornly intractable to conventional cures that—according to the Labor study—no conceivable amount of economic growth could "stir these backwaters."

Yet crisis has set a countertrend in motion. A community that feels itself beleaguered tends to unite. Black America today feels beleaguered, and, for a trend-making minority among its middle-class intelligentsia, the unity of race is proving hardier than the divisions of class. "All the middle-class Negro's efforts are pointed to success in the white society," a Detroit militant says happily. "But as the black giant awakens, he has trouble with his identification with whites as well as with his blackness. For the first time, there is something pulling at the other end."

A college-bred, combat-weary civil-rights kid named Stokely Carmichael signaled the trend the day when—without knowing quite what he meant—he first whooped "black power!" on the 1966 Meredith March through Mississippi. The Stokely set has wandered since into a destructive and finally suicidal revanchism that glories in violence (or at least the rhetoric of violence). But they have left behind a whole Stokely generation in the colleges; even Ivy campuses have their own black-conscious Afro-American student organizations, and San Francisco State—under pressure from its Black Student Union—has lately agreed to offer a fifteen-unit program of "black studies." Now, thinking black, a phenomenon of the rebellious young, has begun spreading across the generation gap.

Suddenly, the disaffected poor and the middle-class militants have discovered not only a common color but a common private rage at the condition of being colored. They have, moreover, discovered a common hero: not an assimilationist like Young or Wilkins or King but a radical separatist who chose to call himself Malcolm X. Malcolm was a lean, coffee-colored ex-con who found his private salvation in publicly and mercilessly excoriating white America. His Muslim faith was exotic, his demand for a separate state improbable. But what he said—and what Stokely and Rap Brown have said since—was not nearly so important as the fact that he said it. "Malcolm said the things that we all felt but were afraid to say," says Lawrence Harrison, 44, a psychology professor at San Francisco State. "Once it became open, most of us dared to say them, too." His death completed his apotheosis: his image is worn on sweatshirts and lapel pins ("Our Black Shining Prince"), his autobiography is read like scripture, and—though three Black Muslims were convicted of his murder—the real assassins are somehow supposed to have been whites.

"I hated the word they printed in big, letters across my folder: c-o-l-o-r-e-d"

And suddenly the question of identity has become compellingly important. Since white America seems unready to assimilate the black, the new black-conscious leaders respond by rejecting white America. Even the term "black" has become a badge of honor instead of the fighting word it always was in a society whose everyday vocabulary includes "blackmail," "blacklist" and "black day." The rise of the new African nations was a revelation for Negroes weaned, like whites, on "Little Black Sambo" and cartoons of natives stewing missionaries in iron pots. "Suddenly it wasn't all Tarzan and Jane flying through the trees the way we'd been taught Africa was," says John Torian, 30, a Washington poverty worker. "Suddenly we found that these people were talking about independence." The Negro was searching for a past he could be proud of; the new Africa had handed him one, and a future to boot.

The revolt of black consciousness struck at the old stereotypes as well. "The Negro now isn't the bubble-eyed, buck-toothed clown who was only good at stealing chickens and tap-dancing on a barrel by the docks the way they always showed us we were in the movies," says the Rev. Arthur Brazier, director of the militant Woodlawn Organization on Chicago's South Side. "I would see those movies in the Army in World War II and I hated it, and I hated being segregated in that Army, and I hated the word they printed in big letters across my record folder: 'c-o-l-o-r-e-d'." So bubble eyes and buckteeth are out. Natural hair is in. Skin lighteners are out. "Soul food" is in. ("When black consciousness takes over," says Finley Campbell, an English instructor at Atlanta's Morehouse College, "you eat your chitlin's with an air of ceremony . . . When you sit down to take tea, you are losing your identity. Tea is not your bag, man.") And integration, at least for now, is out. A Rochester action group was born two years ago as "Freedom, Integration, God, Honor—Today"; the acronym fight is still the same, but the "I" stands for "Independence" instead of "Integration."

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* "Tally's Corner," by Elliot Liebow, Little, Brown. $5.95.

There is, of course, a defensive undertone in all this—an almost too strenuous celebration of blackness that sounds sometimes as if the practitioners of thinking black are mostly trying to persuade themselves. A race that has been enslaved for two and a half centuries and held apart as inferior for a century more can hardly escape without beginning to doubt itself. Psychologist Clark, for one, calls the black-power movement a "shoddy moral product disguised in the gaudy package of racial militance," and he thinks it represents partly a genuine Negro fear of moving outside the "pathetically protective" walls of segregation.

Yet others believe that the Negro will never reach the mainstream unless he first attains a pride in blackness—and develops effective black power. The path is seeded with booby traps; it has led some few to the folly of violence for its own therapeutic sake, others into the self-indulgent satisfactions of merely announcing that honkies are bad and black is beautiful, others still into fantasies of retreat into pastoral black *kibbutzim* or separate black states. But thinking black is by no means the monopoly of fantasts or fools. "The search for identity is growing up," says Movement intellectual Bayard Rustin, who passed through his own black period years ago. "It will be partly painful and partly foolish. But the moment the society restores the Negro's faith and hope that something will change, the sense of self-pride will fall into place. Most of the kookiness is a reaction to not being accepted: 'You don't want me. OK, well, let me tell you, I don't want you, your hair, your food or nothin' to do with you'."

"Black power" may mean guns to Rap Brown, guerrilla war to Stokley Carmichael, or bricks and firebombs to the "do-rag nationalists"—the angry street-corner kids with their processed hair done up in black rags. But, to a new breed of Negro politician it is simply a statement of the truth of the matter. White America, they argue, is not ready to break up the ghettos—and the ghettos accordingly will, at some not too distant future day, run the politics of the cities. "We can have an impact in the cities out of proportion to our numbers," says Detroit's Democratic Congressman John Conyers. ". . . Through circumstances that we reject, ironically, nearly every big city is turning black." The question is whether whites will learn to live with that political fact, as Negroes have been forced to.

"I can't lose by rioting. Done lost. Been lost. Gonna be lost some more."

And whites in good measure hold the key to whether the new black mood will prove in the end to have been a painful period of transition into the mainstream—or a signal of the final destruction of the American dream. There is a special poignance in the current state of the elders of the Movement. But a society that now says it will not reward rioters has not rewarded the "responsible" leadership either. The nihilists who so easily command the television time dismiss the Kings, the Youngs and the Wilkinses as "Uncle Toms"; the charge is tragically wrong, but the old leaders cannot prove it unless they can deliver. Now, even in the time of thinking black, there is opportunity—if whites seize it. The will to self-help has never been stronger. Only the irrationalists imagine that progress can be achieved without white help. But help is unlikely to work, in the new climate, unless Negroes feel they have a measure of control.

Thus there is both promise and peril in the new mood. If its origin is pessimism and its cutting edge anti-white, it still reflects a rising Negro pride, assertiveness and initiative. Thinking black will often be abrasive, sometimes disruptive. But the abrasions and the disruptions should diminish if white America can see beyond its incendiary excesses. For the truth is that the Negro wants what he has always wanted: decent homes, jobs and schools, a piece of America's plenty. Yet the new mood itself reveals his faltering faith in white America. In such a situation, the danger is that black consciousness will become permanently and exclusively the property of its extremist fringe—the dead-end separatists and the apostles of destruction. Most certainly, the ghetto did not exhaust its capacity for destruction in Harlem or Watts or Detroit. "I can't lose by rioting," says an Oakland, Calif., gang leader. "Done lost. Been lost. Gonna be lost some more. I'm sayin' to the Man: 'You includin' me in this game or not?' And I know his answer, so I'm gettin' ready to get basic."

"They didn't tell me that I was going to be just another nigger when I got back"

Militants and moderates alike sense that a litmus test may be coming with the return of Negro troops from Vietnam. The fact of race is not discussed much there simply because the fact of war is so much more important. "I don't believe in this rioting s— personally," says Pfc. Wilbert Latin, 25, of Shreveport, La. ". . . One of my best buddies in this outfit is a white from Mississippi. We eat out of the same mess tin. If I go to the PX, I share whatever I get with him, and he does the same for me." And Sp/5 Donald R. Gulley, 24, of Safety Harbor, Fla., seconds: "At first the white guys in our unit were ashamed that they had to associate with you, but after our first combat, we were real buddies." Yet the very fact of integration in the Army—and the leveling democracy of fighting a war—has raised the black soldiers expectations of his prospects back in civilian life. "They think because they did a good job over there, they have shown they are good and capable," says John Lewis, a veteran of the civil-rights wars in the South during the early 1960s. "They won't settle for no broom."

Will they, as the moderates hope, come home to decent jobs and housing and a stable leadership role? Or will they, as the nationalists expect, be shut out with nothing but their rage and their skills in the arts of war?

In Chicago, the returns are beginning to come in.

Emmett Beard, 26, landed a job as a bus driver and brings home $390 every two weeks—enough so he can dream of escaping to something better than the litter and the anomaly of the Lawndale ghetto. Vietnam left him with no stomach for violence: "I saw quite a few dead soldiers, white and Negro. It was awful. I figure if some of these race haters, the black ones and the white ones, encountered that, maybe they'd change their minds." Yet still he feels his life circumscribed by the fact of his color: "If I were a white man, I think I could predict my future. But as a Negro I have just to wait it out."

Gilbert Kelly, 26, is an architect; he moved easily into a solidly middle-class job with the Masonite Corp.; but he has begun to think black. He let his hair grow natural, daydreams about throwing over his career and "going to help my brothers in a social-work program or something." He questions the reality of integration awarded piecemeal to "acceptable" middle-class Negroes like himself. "You know," he says, "you look at yourself and you say, 'I'm making it.' Big deal. Making what? If I've got some black pride, maybe I should be with black people that aren't making it."

And J. T. Watkins, 23, came home to nothing, so he spends most of his time hanging around ghetto street corners and jiving with his friends. "I want to burn down every building in this town," he says. "Let me do that and I'll be grateful to the white man for the rest of my life." He is one of the wasted ones. "All you guys want to give is a dollar an hour," he says. "Man, I can beg more than that right on this corner. Y'know, if I was back in Vietnam, I'd shoot every white guy I could find. They didn't tell me that I was going to be just another nigger when I got back here."

So bitter a man may already be beyond salvage. The new mood spreading across the black ninth of the nation flows from a deep doubt that America is even willing to try. If that judgment is to be reversed, it will require an emphasis not on piety but on program—and a sophisticated understanding of the bleak economic facts of life in black America.

BLACK POVERTY:—JOBS, HOUSING, WELFARE, THE BLEAK ECONOMIC FACTS OF LIFE MEAN DYNAMITE IN THE SLUMS

"'Outside agitators' have not been causing the riots in our cities. It has been the 'inside agitators' that are to blame—the growl of a man's stomach telling him he is hungry, the emptiness of a man's pocket telling him he has no money for clothes and a livable house." (*New York Rep. Joseph Resnick.*)

Congressman Resnick's diagnosis, offered in the heat of a House debate on last summer's tragic wave of violence, pinpointed one of the gut reasons for the explosion of the ghettos—black poverty itself. And though black America will not be pacified with money alone, most of the measures that must be taken to ease the racial crisis will have to be focused on three of the Negro's basic economic problems:

Jobs: Through boom and recession, black unemployment has remained at twice the white level for the past decade. The national jobless rate for Negroes rose sharply to 8.8 per cent last month; in the slums, fully one in three are "subemployed"—they want work but can't find it, or are working part time or for subminimum wages. If he is working, a Negro is far more likely than a white man to be in a menial and unpromising job; Negroes make up 11 per cent of the labor force but have only 6 per cent of the nation's professional and technical jobs, 3 per cent of the managerial jobs, 6 per cent of jobs in skilled trades. Their median family income is only 58 per cent of the white man's.

Housing: Nearly 1.7 million Negro families, 29 per cent of the total, live in substandard housing; 28 per cent are overcrowded. In the cities, 15 per cent of black families have no hot water, 15 per cent share bathrooms with other families, and 21 per cent have no bathtub or shower available.

Welfare: More than 40 per cent of the nation's 22 million Negroes are officially classed as poor, meaning that they have family incomes below the level that will just about sustain life ($3,130 for an urban family of four). Yet of these 9.6 million people, only a third are receiving help of any kind, and the help that is offered is a grudging trickle.

What this adds up to is a deep black depression, all but unseen in the gaudy affluence of white America. "If it were happening to white men, it would be a national tragedy," says Don Jelinek, a bitter Southern-based civil-rights lawyer. "When it happens to Negroes, it's a social problem." And the Negro's anger is reinforced by his conviction that, even if he escapes the slum, there is almost no room at the top for him. If he struggles to better himself through education, his reward is the final mockery: the median income for Negro college graduates is a bare $5,928. The white man earns $9,023.

"All we want," says Negro Congressman John Conyers, "is for America to be what it says it is." Nobody thinks there will be any easy or short-term answer to this cry for justice; what will be needed is nothing less than a profound shifting of values and priorities, a deep change in American society that will afford Negroes true equality of opportunity and human dignity. But a beginning must be made—and made now.

The economic plight of the Negro boils into crisis mainly in the Northern ghettos, and part of its solution lies there. But the problem is as bad or worse in the rural South, where 55 per cent of U.S. Negroes still live, many in an unrelieved wretchedness that has spurred the migration of 3.7 million of them to the North since 1940. Until that misery is relieved, any real improvement in the Northern ghettos will simply attract a new wave of migration.

In the abstract, improving Southern conditions should not be a difficult task. Agriculture Secretary Orville Freeman estimates that the average migrant family could be persuaded to stay home by an income rise of $1,000 a year. But with no such prospect in sight—and with the Southern welfare system notoriously oppressive and inadequate—the exodus continues unabated.

For Negroes, the northward flow ends in Harlem or Hough or Watts. Once there, life is quickly reduced to familiar terms: the degradation of the slum, the desperate search for work and the final dependence on the mercies of the welfare department. Welfare, jobs and housing are the three main spokes of the wheel of poverty, and a tangle of frustrations for anyone trying to help. In truth, improving a man's living conditions won't help him much unless he has a job. A job won't help unless he is trained to perform it. He cannot be trained without the basic conviction that he has a chance to succeed. But he is not likely to form that belief in the squalor of the slum. Thus all three problems must be attacked at once—but the nation has shown little willingness to face the task.

"If you had a business that wasn't working, you'd get out or try something else"

There is a basic legend about welfare in South and North alike—an oddly unshakable conviction that welfare recipients are a pack of idlers who would rather take handouts than work. As generations of social reformers have argued, it is simply not true. It has been amply documented that the poor do want work, but the legend persists and is used to justify a shockingly inadequate welfare system. Even now, only one in three of those officially classified as poor in the U.S. gets any help at all. Only seventeen states meet their own minimum standards of need in actual children's aid; four states dole out less than 40 per cent of the minimum they have set themselves. Aid to dependent children averaged $54.20 a month in New York this year; in Mississippi, the figure was $9.35.

There is ample blame to share among Federal, state and local governments, and among the voters who permit such conditions to continue. But there is also widespread agreement that the complex welfare structure is itself to blame for much of the failure adequately to care for the nation's poor. "If you had a business for 30 years and it wasn't working," says Mitchell Ginsberg, Welfare Commissioner in New York City, "you'd either get out of business or try something else. I think it's time we tried something else."

Three main proposals for basic welfare reform are now being discussed:

Negative Income Tax: In a reversal of the tax process, families with income below the designated poverty line would receive direct government payments to make up for all or part of their "income deficit." Sponsors of the proposal maintain it could replace all existing welfare structures, but most experts are skeptical. A special government study last year concluded that a form of negative income tax that would reduce the income deficit of the poor by 42 per cent would cost $4.4 billion a year.

Family Allowances: Monthly payments would go to all children, rich and poor alike. Daniel P. Moynihan, of the Harvard-MIT Joint Center for Urban Studies, calculates that an average monthly payment of $10 per child would cost $9 billion a year (with part of the cost coming back in income taxes from wealthier families), and would be politically popular. But critics argue that the plan, providing children with little more help than Mississippi now allows, wouldn't do enough for the truly poor.

Relief as Needed: In place of the present tangle of special-assistance plans, such as aid to the blind, the disabled and families with dependent children, a new structure would deal with all the poor on a basis of individual need. In theory, at least, this would be a leakproof system (that is, it would insure that no one in the nation was in want). Such a plan, a government study said recently, could reach 100 per cent of the poor and make up the full deficit between their incomes and the amounts they actually need to live on. The plan might also include built-in incentives that would permit the poor to earn without losing corresponding amounts of welfare income—a catch in the present system that is accurately described by critics as a 100 per cent income tax on outside earnings. Such a guaranteed income plan would cost $19.2 billion a year on top of current Federal welfare costs of $4.2 billion.

Whatever strategy is adopted, some basic welfare reform is essential. For one thing, as Moynihan eloquently notes, "The fact that a large group of persons is reduced to such conditions declares that the system under which they live is unjust. Period." But even if ethical considerations can be ignored, the self-interest of society argues for reform. For any system that condemns 3.5 million children to squalor in their formative years can only expect 3.5 million future adults conditioned to poverty and unable to break out of it.

"When people are able and willing to work, the government must provide jobs"

For the immediate future, the key problem in the poverty cycle is jobs—to help keep families together, to help shrink welfare rolls, to provide more-than-marginal income and contribute to the prosperity of the entire country. If Negroes alone among the poor had been full participants in the economy last year, the Council of Economic Advisers has calculated, they would have added $23.7 billion to the gross national product. Thus, in the end, any conceivable poverty program would turn an economic profit. But what is more important, this economic betterment would provide human dignity and independence for people who are now excluded from society. And the exclusion is pervasive; just as companies discriminate in hiring and promoting, many unions—and particularly the craft unions—have systematically excluded Negroes from apprenticeship except in token numbers.

The key to jobs, in turn, is training. Until recently, the official approach to job training was a bewildering profusion of experimental programs—so many, in the words of the Detroit riot commission, that trying to understand them "is like trying to carry a quart of unbottled mercury in your bare hands." But within the past year, the Administration has evaluated the experiments and focused most of its training efforts on one promising line: the "concentrated employment program"

The CEP approach begins with recognition that the hardcore unemployed aren't equipped to deal with middle-class society; a man who may well want a job doesn't know where to go to get one, or how to act when he finds it. Thus, recruiters fan into the slums actively looking for job prospects. Once found, the trainee is assigned to a personal counselor—and each counselor has no more than twenty trainees. "If they need literacy training, he gets it for them," explains a Labor Department aide. "If they need medical care, he gets it. If they want on-the-job training, he sends them to the right place. If they fail some place along the line, he should know why. He should never give up on a client."

Within the CEP framework, the government is also trying to switch its specific training programs from institutions to businesses where the jobs are. Too often, institutional training prepares men for jobs that don't exist; fully 22 per cent of institutional graduates have found no jobs. On-the-job training programs, in marked contrast, have resulted in a 96 per cent placement rate.

By fiscal 1969, the Labor Department says, CEP programs will account for fully 55 per cent of its training budget. But at the current level of effort, the government training programs are only denting the unemployment problem. This fiscal year, the department's manpower-training budget of $401 million is designed to provide slots for more than 200,000 hard-core unemployed, in addition to the 20,000 already enrolled. (There are also 39,569 teen-agers in Job Corps training centers, and 400,000 others worked part time and in summer jobs this year in the Neighborhood Youth Corps.) "We get a program for 2,000 jobs for this area," grumbles Alvin Echolas, Negro poverty-program organizer in Philadelphia, "and a survey already showed that there were 18,000 people out of work. What kind of concentration is that?

To fill this gap—and also provide for those who will inevitably flunk the training process—a growing number of politicians and urban analysts have recently been calling for an outright government-job program. "The public sector has to be the employer of last resort," says Detroit Mayor Jerome Cavanagh. "When people are able and willing to work and can't find work, the government must provide jobs." Such jobs, all advocates agree, should be socially meaningful. In 1966, a Presidentially appointed National Commission on Technology, Automation and Economic Progress proposed one such program and said 5.3 million potential jobs already existed in the fields of health, education, public protection and sanitation. "We could pay people, at least, to keep the streets clean," says poverty worker Bob Castille in Venice, Calif. "It's as important to do that as it is to send a man to the moon."

In the ghetto's crumbling homes, pride disintegrates faster than the plaster

But the slum dweller is still condemned to the house he lives in—dank, vermin-infested, crumbling and overcrowded. In such surroundings, human pride disintegrates even faster than the sagging plaster. More than 4 million urban families live in substandard homes, and the nation has made sporadic attempts to improve their lot ever since the Housing Act of 1937. Yet by April of this year, only 647,340 families were living in public housing units, and in the past two years the pace of new construction has averaged only 35,000 units a year. What's more, urban renewal, which was designed to rebuild decaying city centers, has in practice all too often meant Negro removal; in Atlanta, for instance, 67,000 people were displaced by the leveling of slums and only 11 per cent were relocated in public housing.

Clearly, it's time to try another approach to the housing problem; and in the past few years, literally dozens of ingenious experiments have indeed been tried. Most of them have focused on rehabilitating dilapidated but still sound buildings. By one estimate, half of all slum dwellings could be repaired at costs far below the $20,000 per unit required to build anew. Some such experiments involve no public funds; in a widely reported venture, United States Gypsum Co. last year rehabilitated six old tenements in New York's Harlem and turned them over to a local authority to operate. Others, such as Pittsburgh's widely praised Action housing project, combine the efforts of local business and government, operating with relatively small amounts of Federal "seed money."

So far, such programs are not widespread enough to make more than a dent in the housing problem. Moreover, both new construction and rehabilitation are hampered by the generally outmoded technology of the building industry; Carey Jenkins, a Negro architect in Los Angeles, snorts: "The structures we build today are commensurate with 1910 automobiles." Promising innovations are offered. Stanford Research Institute, for one, has come up with 29 basic advances, ranging from plastic piping to a suspension-bridge approach for load-bearing structures. But most such approaches run into resistance from construction unions and the maze of local building codes across the nation.

Federal planners, too, are seeking innovations and finding them with three major new approaches: the Model Cities program, "Project Turnkey" and the rent-supplement program. All three basically seek to involve the private sector in public housing, spreading Federal money farther by using it mainly to make up the difference between cost and the market price. The turnkey concept, rapidly being applied to all government housing, simply turns over responsibility for a project to the contractor who builds it. The aim is to slice through the incredible maze of bureaucratic red tape that now drives builders away from public housing in droves. Model Cities, funded this year after a bitter Congressional battle, is a plan for rebuilding entire neighborhoods with combinations of existing Programs in an effort to make meaningful improvements in slum environments. And rent supplements seek to subsidize low-cost housing by paying landlords the difference between a fair rent and 25 per cent of a tenant's income. All three experiments look promising; critics charge mainly that they don't go far enough. The Administration's total budget requests for low-cost housing this year added up to $1 billion, but judging by its appropriations thus far, Congress seems likely to appropriate less than $600 million.

A major stumbling block to any housing reform is the unpalatable fact that slum dwellers tend to be destructive—a habit that rapidly turns most housing projects into high-rise slums. "I've seen perfectly responsible Negro families tear a building apart," says a Chicago expert. "They tore off the fixtures, punched holes in the walls—it was just an expression of hostility." Many reformers think self-respect can be fostered by letting tenants run their own buildings, through tenant councils with real power—an approach that certainly works in New York's self-help Negro operation. Increasingly in recent months, though, proposals have focused on plans to make it possible for slum dwellers to buy their own homes. Most of these schemes, including Sen. Charles Percy's much-publicized bill, would help almost none of the truly poor. The Administration, in turn, is gearing a few turnkey and rent-supplement projects to the idea of eventual ownership. "That's what's needed," approves Mrs. Percy Hogue, a Negro teacher in Chicago. "Then, when a board starts falling, he's going to nail it."

"We have to plant trees without pulling them up to see why they're not growing."

In housing, jobs and welfare policy alike, there is clearly no lack of fruitful ideas for dramatically reducing the economic plight of slum Negroes. And despite the fact that a great deal of basic information about slum problems is still lacking, it is equally clear present policy is aiming in the right directions. "The day of the pilot project is dead," says Harvard political scientist James Q. Wilson. "Now we have to plant trees without pulling them up every year to see why they're not growing."

But a basic commitment to the massive task has yet to be made. "Past Federal programs," says Rand Corp. consultant Anthony Downs, "have suffered from the desire to find a cheap solution to what is an extremely expensive problem." In truth, the nation has not even begun to face the magnitude of the problem of ending poverty. Adding up the bill, it is impossible to foresee a solution below the annual range of $20 billion to $30 billion, lasting for a decade or more—an expense that would have to be accepted as calmly as the $50 billion basic national defense budget is accepted today.

And the commitment, once made, could be surprisingly easy to carry out. At current levels of economic growth. Federal revenues by 1975 will be $50 billion to $75 billion a year higher than in 1967, even without a tax increase; in this framework, all that would be needed would be a national will to use one-third to one-half of the increase on the poverty problem.

In the short run, though, the decision will not be easy. For the basic tool for improvement is the strength of the U.S. economy; few doubt that any downtown would be felt first and hardest in the slums, where "last hired, first fired" has been a fact of life for generations. And the economy now seems heading into an inflationary phase that could well undermine the entire nation's prosperity if it is not stopped. In the face of this fact and a Federal budget deficit that might reach $29 billion, how can money be raised to fight poverty on a meaningful scale?

There are, in fact, several alternatives. Spending in other areas might be reduced; even supposing that the war in Vietnam continues, says one former Administration aide who is in a position to know, other defense spending could be reduced by perhaps $5 billion. "When the guns are firing," the former official says wryly, "the military brass can get away with all kinds of pet projects." Domestic spending could also be cut by as much as $5 billion, he says, depending on how willing congressmen are to cut into their own pet projects. Congress could pass an income-tax surcharge at the 10 per cent rate President Johnson originally asked, returning an added $10 billion in revenues.

Failing such measures, there remains an even more drastic alternative: Congress could accept the current two-front war as a national emergency, pass wage and price controls and then add to the deficit with less risk of inflation. Such controls are anathema to most economists, and with reason: they have, in the past, produced economic dislocations almost as bad as the inflation they were instituted to cure. But, after a fashion, they have worked. Harvard's John Kenneth Galbraith, an economist who had a hand in administering controls during World War II, believes they may be coming again—not by formal decree but through the back door. "I'd guess the trend will be in the direction of stronger wage-price guideposts," says Galbraith. "The President might get reserve powers to move into critical situations." But when it comes to legislating actual controls, adds the professor "we're like a minister looking at an erotic painting: we do it but we don't want anybody noticing."

In the long run, the most difficult task of all may well be the facing of some ugly home truths about America. For this is, in considerable truth, a nation that spreads its riches chiefly among citizens who are already fairly comfortable. Farm-price subsidies, for example, come to $1.6 billion a year, and most of the money goes to the biggest farms. The government this year will spend $3.8 billion on new highways—as much as its requests for the poverty war, public housing, rent supplements and Model Cities combined. In Washington, D.C., each time a commuter buys a car, the city spends another $21,000 on streets, parking lots and lost tax rolls so that he can drive it. "This nation must be prepared to reorder its priorities," Bayard Rustin insists. "We must reverse our concept of socialism for the capitalists and rugged individualism for the poor."

Outright reversal may not be necessary; on examination, all these government commitments may well turn out to be as beneficial to the nation as they are pleasant to receive. But in deciding whether America can really afford to help the poor, it would be well to remember that the rich sometimes get handouts, too.

There can be no question that the prize is worth the price. On the balance sheet, the economy would benefit by $23.7 billion a year if Negroes were made full participants in American economic life—and Negroes are only one in three of the poor. Beyond that, and far more important, a barrier that now divides the nation into hostile camps would at last be eliminated. America would finally be, in John Conyers' phrase, what it says it is.

TO SAVE A SLUM: WITH OUTSIDE FINANCING AND A BIG BOOST FROM BOBBY, A PROJECT GROWS IN BROOKLYN

One sunny morning last week nine young Negroes in blue denims began primping and furbishing a single dilapidated house on a single block in Brooklyn's sprawling Bedford-Stuyvesant section, one of the nation's most crime-ridden black slums. There was something at once stirring and depressing in the sight—as if this meager handful of unskilled laborers aimed to rebuild, stone by stone, 640 square blocks riddled with poverty and decay.

But in fact, they were the visible beginning of the Bedford-Stuyvesant Restoration Corp., the modest aegis for what is designed to be the most sweeping and comprehensive rehabilitation effort ever brought to bear on a single American community. With no less a guiding star than Sen. Robert F. Kennedy, the Bedford-Stuyvesant scheme epitomizes one basic approach to slum reclamation: the concentration of powerful external forces, both public and private, on the task of turning a living wasteland into a booming commercial-residential complex. If the project fulfills its vaulting ambitions, within a few years Bedford-Stuyvesant will have been virtually reinvented. Most of its deteriorated three- and four-story row housing will have been renovated. It will have two "superblocks" linked to central green belts, two rehabilitation centers for skill training, a $4 million athletic and cultural center, a huge office-and-shopping center with perhaps a Macy's among the major stores. There will be some 25 new businesses and plants, franchises for national chains like Woolworth's, a network of health centers, a local TV station, a four-year work-study college. And flowing from it all, jobs, money and expanded horizons for the ghetto-locked inhabitants.

A year ago Senator Kennedy (with a big assist from Mayor John Lindsay) helped organize the all-Negro Restoration Corp. to establish priorities and implement the programs. Simultaneously, he set up a parallel advisory board, the Bedford-Stuyvesant D&S (for development and services) Corp., made up of top New York business executives and financiers, and put them to work to determine once and for all if an alliance of massive white power—in the form of Federal money, local-government cooperation and private enterprise—and black will power could hammer out a solution to the intractable problems of one Brooklyn ghetto.

The restoration program is indeed a breath-taking concept, thundering with high hopes—which makes some of Bedford-Stuyvesant's street-wise citizens view it with understandable skepticism. "Another damn agency," sneered a bearded young CORE member standing on Fulton Street, the section's seedy main stem. "They come. They open offices . . . They go . . . I don't have no job and I ain't gonna get one. Nothin' changes."

Kennedy concedes that there is a huge barrier of doubt and apathy to break down: "Every politician has gone in there during elections and made promises. You must always come to that edge with them . . . the promises haven't been kept."

For decades Bedford-Stuyvesant was a comfortable enclave of middle-class Brooklyn society. There are still spacious, tree-lined streets, rows of stolid brownstones and little of the blatant tawdriness of the uptown Harlem slum. But during World War II the area began a precipitous downhill slide. Today some 400,000 people—around 90 per cent Negroes and Puerto Ricans—are packed into its 3½ square miles. Bedford-Stuyvesant suffers the city's highest infant-mortality rate, highest rate of overcrowding, and almost the highest rate of crime and decrepit housing. Inevitably, it has been a seedbed of summer rioting.

Yet when Kennedy first systematically explored the section after the summer disturbances of 1966, he found some promising features to serve as a foundation for building: the stability afforded by a 15 per cent level of private home ownership, and a stubborn core of neighborhood pride. After he launched the Restoration Corp. Kennedy employed his considerable persuasive powers to line up high-powered talent for the companion D&S Corp., men like international banker Andre Meyer, IBM chief Thomas Watson Jr., former Treasury Secretary Douglas Dillon, J. H. Whitney & Co.'s managing partner Benno Schmidt. With them came Republicans Jacob Javits and John Lindsay, the services of architect I. M. Pei, a $750,000 Ford Foundation grant, a pledge of $1 million from the Astor Foundation and $7 million from the Department of Labor to start things rolling.

"We are understating our goals, It's going to be a helluva long pull"

Nearly every Restoration Corp. project in the ghetto is designed to include a job-training component. Every store, service and plant it helps establish is to be owned, managed or staffed as much as possible by local citizens. And the planners have scrupulously tried to restrain those prematurely aroused expectations that have proved nearly fatal to the larger war on poverty. Kennedy staffer Tom Johnston explains: "Our feeling is that it would be much better to understate our goals and our hopes. It's going to be a helluva long pull."

Despite such precautions, there are already rumblings of resentment over what looks to some Negroes like one more grandiose handout by the white man. The two corporate bodies were quickly dubbed "White Board" and "Black Board." A factional fight forced reconstitution of the Black Board to broaden its community base earlier this year, and there are still rankling discontents over the shake-up.

The program—still in its infancy—has wisely been walking softly and carrying large uncertainties. So far there is little visible but the first fruits of phase one—the housing-renovation project. And Kennedy has found there may be limits even to his endearing young charms. One company president, Kennedy reports, put it this way: "Senator, the afternoon I walk into my board of directors and tell them Bobby Kennedy was here today and thinks we should put a plant in Bedford-Stuyvesant is the afternoon they'll have me committed."

Kennedy has no ready answer to such boardroom recalcitrance, except to push ahead wherever possible.

And hope remains high, despite the certain knowledge that tangible progress may be ten years off. "I view it as a testing ground for the proposition that . . . a mixture of the private sector, goverment and the community can work," says one Black Board member. To that, Robert Kennedy's foremost political rival in New York adds his own amen. Says John Lindsay: "I think this is going to work."

DO IT YOURSELF: FOR SOME NEGROES, PROGRESS IS A BOOTSTRAP EFFORT—NOT THE LONG WAIT FOR WHITE HELP

In the welter of embittered attitudes and ideologies swirling through the black communities, at least one notion strikes a powerful chord of concurrence: above all, Negroes want control of their own destinies. And that quest has led to a welter of self-help slum enterprises—all of them in marked contrast to the Bedford-Stuyvesant concept of concentrated external assistance. For these are economic ventures run by and for Negroes themselves.

One such flourishing undertaking that leaves no doubt about its identity is NEGRO, an acronym for National Economic Growth and Reconstruction Organization. Headed by Dr. Thomas W. Matthew, a tall, 43-year-old neurosurgeon, NEGRO is currently renovating two six-story apartment houses in the Bronx. As ghetto families begin moving into the buildings' vacant rooms, NEGRO will supply a stream of services: a nursery, family-care programs, vocational guidance, an employment office, a medical clinic.

Begun three years in Queens with $2,000 in capital, NEGRO now claims a $1 million payroll and $3 million in assets. It already has a string of subsidiaries that include a small Queens hospital, a chemical corporation, a clothing factory and a construction company (which supplies manpower for the apartment-house renovation), all owned and operated by Negroes. This is Matthew's answer to highpowered "handout" programs, among which he includes the New Deal, the present war on poverty and even the Bedford-Stuyvesant master plan. All such external schemes invariably fail to reach the hard-core Negro poor, he says.

His own program, Matthew admits, is a "big brother" scheme. "We take care of people. Nobody gets fired . . . We'll hire two men to do one man's job and we'll hire anybody. A secretary may have to look up every single word and be able to turn in only one piece of dictation a day, but we'll hire her. In time, she'll learn." Rather than have Negroes go on depending on white largess, Matthew encourages them to rely on Black Brother until they can make it on their own: "The point is, we treat each individual as a patient with problems that are fundamentally medical. If you approach this in pure economic terms, you don't solve it. That's why the antipoverty program is a failure."

The president of NEGRO argues that massive inputs of money and technical assistance are nearly irrelevant in a culture of poverty where even the most basic skills are lacking, and where what is needed first of all is the dignity of working for a living. At NEGRO's chemical subsidiary, for example, four young Negroes stand around a table laboriously filling sacks with an evil-smelling disinfectant compound for the Army. "I have a folder right here describing a wonderful machine," says the fast-talking Matthew with a grin. "One man can punch a button and fill three times as many bags as we turn out. A beautiful machine but it's not for us."

One of NEGRO's triumphs this past summer was the establishment of a gypsy bus line in the poorly serviced South Jamaica ghetto in Queens. It now has acquired buses and recently sent eighteen of them on a crosscountry trek to Watts. "People are calling us now from all over the country," Matthew says, "either wanting us to come there or wanting our help in setting up self-help operations of their own."

But self-help success can breed new problems—as the experience of the Rev. Leon Sullivan in Philadelphia recently demonstrated. The 6-foot 5-inch Negro launched a job-training operation three years ago and now has models of his Opportunities Industrialization Center functioning in more than 40 cities. Last June his OIC's came to the attention of the White House and a special commendation from the President only further enraged ghetto Negroes who objected to Sullivan's stress on "attitude training." To militants, "attitude training" sounded too much like tidying up the black man's image to make him less offensive to whites.

"This walk right, talk right, smile right, smell right program . . . [is] crap," snaps Philadelphia's Alvin Echols, executive director of the North City Congress. Why can't a dirty black man walk in for a job like a dirty white man and have the same chance?"

Self-help groups could do so much more if America put money at our disposal

The Negro backlash leaves Sullivan undaunted. He claims he has placed 3,000 trainees in jobs in Philadelphia alone. And though some Negroes accuse him of "creaming it" with inflated success statistics, at the moment he is pushing for a fund of $100 million "to activate centers in 60 cities which could produce 50,000 more newly trained people in a year."

Though the OIC's are advertised as open to all comers, so far few whites have enrolled. And indeed, Negro moderates fear that the emphasis on enterprises owned, operated and staffed by blacks will tend in the long run to isolate the ghettos even further from the white community. But in a curious way, self-help enthusiasts seem to be cultivating a nineteenth-century rugged-individualist mentality that is helping establish links to the white business community. As a rule among Negro self-helpers, anything that smacks of government intervention and white liberalism is suspect; private enterprise is the only partner or benefactor to be trusted.

Thus, Detroit's Negro-run Career Development Center turned down an offer of $2 million in poverty funds two years ago, but it has been cheerfully accepting contributions of money, equipment or instructors from Ford, the Burroughs Corp., and the hotel and restaurant industries to set up a job-training center in the Detroit ghetto.

Yet most Negro poverty workers acknowledge they can't make it alone. Dr. Cleo Blackburn, executive director of Flanner House, a highly successful self-help home-building project for Negroes in Indianapolis, recently asked the Senate Banking Committee for a national program to help put up 80,000 such houses. And in the nearly forgotten poverty belts of the South, Negroes are using Federal grants to set up self-help producing and marketing cooperatives like the prospering Southwest Alabama Farmers Cooperative Association.

"We cannot be wholly a bootstrap operation," says James Farmer, chairman of the National Advisory Board of CORE. Even NEGRO's Matthew acknowledges: "We could do so much more with America putting money at our disposal." And the whole truth seems to be that there is room enough—and poverty enough—for the efforts of a Thomas Matthew, a Robert Kennedy and even a Federal war on poverty.

A B C'S OF RACE—TO SAVE GHETTO CHILDREN: PARENT POWER, NEW SCHOOL SYSTEMS, AND A BIG DOSE OF U.S. AID

The young Negro student sat listening intently as his teacher at Proviso East High School in suburban Chicago told the class some facts about democracy, U.S.A. To begin with, the teacher said, the Declaration of Independence spells out the fundamental belief that all men are created equal. The boy shot back: "That's a lie. The black man isn't equal."

In the field of public education, where equality is vitally essential, the boy was tragically and absolutely correct. The schools have already failed most Negro adults. And now they are threatening to fail the hope of the future: Negro children of the next generation.

If America is productively to reclaim its black people—and honor the Declaration's charge—it most obviously needs a revolution in education. For a brief, exhilarating time dating from Sputnik, just such a revolution seemed to be in the making. New funds, new programs, new concepts and new commitments were marshaled to boost U.S. education across the board. Not only that, but efforts were launched to eradicate the gross disparities between schools in the suburbs and those in the cities—and, even more important, between schools in the cities and those in the ghettos. The most dramatic of the educational innovations were:

Title I, the diversified and wide-ranging section of the 1965 Elementary and Secondary Education Act that authorized more than $1 billion in educational services specifically for disadvantaged, low-income schoolchildren.

The Teacher Corps, the one imaginative program to shake the education establishment in decades by sending enthusiastic teams of specially trained teachers into slum schools.

Head Start, the preschool program for ghetto children.

But then the counter-revolution set in. In the face of local opposition (by, among others, neighborhood-school advocates such as Boston's Louise Day Hicks), plus general public apathy and truly monumental problems, these ventures were either mortally wounded or seriously impaired. The result, says John W. Gardner, U.S. Secretary of Health, Education, and Welfare, is that today "the pieces of the education revolution are lying around unassembled."

The lost revolution is attested by more than its scattered pieces. It is borne out by the familiar statistical litany of Negro educational inferiority: a 60 per cent greater dropout rate than whites, an average reading level three years behind whites by grade twelve, a minuscule handful of college applicants. But the demolition of the guiding concept of equal educational opportunity is most forcibly underscored in preferential treatment that educators themselves have regularly given white middle-class schools. In Washington, D.C., for example, the school board actually spent $100 more per pupil in white schools than in Negro schools—until it was restrained by a court order last summer.

All this has not been lost on the black world. Educational failures have bred Negro frustration. That frustration is particularly high in the South, where the Federal government has relied on "free choice" desegregation plans—meaning that Negro pupils must bear the burden of transferring to formerly all-white schools, leaving themselves and their families open to reprisals and intimidation. At the same time, Negroes have begun to realize that for now integration is effectively out. To begin with, Negro migrations are transforming the color of central cities—and making integration increasingly difficult. Already, more than half the public-school enrollment is Negro and Puerto Rican in New York, Chicago, Cleveland, Detroit, St. Louis, Baltimore, Washington and Philadelphia. "Negroes have given up on integration," adds Winifred Green, a school specialist with the Amercian Friends Service Committee. "They are frustrated, and they're turning back to the idea of improving their own schools."

"Here, teachers are interested in you, they push you but they don't push you out"

That is indeed just what has begun to happen. As in so many other areas, Negroes have confronted the reality of their isolation—and started to struggle with their own school problem. The inward turn and the surging growth of black consciousness have been reflected in more than the proliferation of African dress and hair styles in school corridors; it has led to classroom projects such as the formation of Negro history clubs. The exciting ventures, however, have come outside the classrooms. In a mood of self-help and self-reliance, Negroes have begun to attempt to shape and control the institutions serving blacks. These are some of the signs of the times:

In East Harlem, at I.S. (Intermediate School) 201, a community Planning Board is working toward the goal of self-determination—with the help of a $51,000 grant from the Ford Foundation—by trying to screen teachers and set the school curriculum. Thus this fall the all-black board placed newspaper ads for 21 new teachers. About 500 applied, and so far the board has hired fifteen.

In Washington, D.C., the Thomas P. Morgan elementary school has been turned over to the Antioch-Putney Graduate School of Education—and the new leadership quickly sponsored an election of fifteen local school-board members. The local board, in turn, hired its own principal and started ungraded classes. Beyond the goal of self-realization, such local control experiments offer the chance to break old patterns of education. "The Negro children haven't been learning the old way," says Mrs. Verna Davis, a Morgan teacher. "We just have to give it a chance the new way."

In Chicago, eight churches in the East Garfield Park ghetto formed the Christian Action Missionary Academy (CAM) last February, emphasizing black consciousness to get Negro dropouts back into the classroom. CAM teachers wear black-power buttons and greet student militants with "black power!" instead of "Hello." So far, CAM has 70 pupils who might otherwise be on the streets. And that, at least, is a start in Chicago, where 1,000 pupils drop out of school each month.

In Harlem, other black groups, discouraged by the failure of existing educational systems, have set up their own institution: Harlem Preparatory School. It opened this fall in the 369th Regiment Armory a block from the Harlem River and will eventually have school blazers, a glee club and athletic teams. The goal of Harlem Prep is to move dropouts and other young adults from the Urban League's Street Academies in Harlem to college. "Here, teachers are interested in you as a human being," says 17-year-old Michael Kay, a former dropout. "They push you but they don't push you out."

Control from the ghetto cuts through the faceless, and often heartless, bureaucracy

Such educational experiments are still young and fragile. But one encouraging point about control from the ghetto is already clear: it is a means of cutting through the faceless—and often heatless—bureaucracy of a white-oriented school system to make local schools directly accountable for their failures. Yet the concept of local control patently confronts the mighty obstacles of the inconstancy of ghetto parents and the excesses of ghetto sentiments. One of I.S. 201's community advisers, for example, is Herman Ferguson, president of the Jamaica Rifle and Pistol Club, who was suspended as assistant principal of another school after he was accused of involvement in a plot to assassinate Whitney Young and Roy Wilkins.

More fundamentally, there must be deep skepticism that the undernourished black slums can ever make more than a psychic start at solving their school problems. Massive external aid from the white majority is required. Thus, the parents from Boston's Roxbury ghetto who organized Operation Exodus to bus 967 Negro pupils to open seats in white schools are the first to admit their scheme is stopgap at best.

Aside from the expense, the inconvenience and the uncertainties of suburban cooperation, busing as a concept has its serious drawbacks. It often takes the best and most highly motivated pupils out of the ghetto schools. And busing does nothing to improve the education of Boston's 22,500 students left in the slums. Even the number who can escape is limited by the number of suburban seats available. In a frank moment, Samuel Graves, principal of Suburban Wellesley High, says that busing "will always remain token."

To move beyond tokenism, the white school establishment must first begin to reassert constructive leadership—although this probably means total revamping of city school systems. There are a few encouraging instances where cities are already doing exactly that. Pittsburgh, for one, is planning what superintendent Sidney P. Marland Jr. calls a "massive overhaul" by building "Five Great High Schools," each on a 40-acre site, to draw pupils from all sections of the city. Each school will cost $24 million and hold about 5,000 pupils; the first is scheduled to open in 1971. Such large schools offer powerful academic advantages by providing the best facilities and teachers to all pupils. Says Marland: "These schools will be good enough to confront white flight from the city."

Pittsburgh's Great High Schools are really versions of so-called educational parks, large schools holding up to 30,000 pupils, which have been proposed in many cities to provide genuine equal education. The creation of such parks, however, requires a truly massive investment in money and planning. At present, the U.S. Office of Education is spending about $2 million to plan such parks in seventeen school districts, from Berkeley to Brooklyn, but more money is needed desperately. Most large cities would have trouble building a large elementary school for $2 million.

Business, labor, and churches might break the public-school monopoly

For all the local initiative, true educational breakthroughs probably will have to be imposed from outside present school systems; most large-city systems today are simply too tired and too rigid to change from within. In one far-reaching proposal, a New York City school-decentralization panel under McGeorge Bundy, president of the Ford Foundation, last week advocated reorganizing the entire city into 30 or 60 locally governed community school districts. Each would be ruled by a local board, with a majority of members elected from the community. Each board would hire its own superintendent, principals and teachers and set school policies within the framework of the state school code. Such a system, the panel said, "should encourage constructive competition . . . in effective educational ideas and practices, not in social or economic status." The panel's proposals will have a turbulent future. Hopefully, however, the germs of Bundy's revolution will carry to other cities, where the entrenched bureaucracies may be less resistant.

There are still other innovative alternatives under discussion by concerned educational experts. Academics including James S. Coleman, a sociologist at Johns Hopkins, have proposed that the Federal government set up voluntary boarding schools to overcome the environment of the slums. And Kenneth Clark, the noted New York psychologist, thinks that business, labor, churches and other private groups should create competing school systems to break the public-school monopoly. Business is unlikely to educate all the children of Harlem, but it could establish invaluable success models.

All the while, however, the school year is running. Many steps can be taken within the existing system to keep the revolution from faltering further. The Federal research budget for education, now less than 1 per cent of a total $17 billion U.S. research-and-development budget, should be greatly enlarged. Above all, new programs, once started, should be supported fully and not, as with Head Start, allowed to wither after the first flush of enthusiasm. All levels of government should place additional emphasis on reading skills in terms both of more teacher training and of a special Reading Summer catch-up program for grade-school children. They should also support the hiring of more subprofessional teacher aides from the school area, thereby involving the community, reducing the effect of large class size, and providing career opportunities for those who want to become teachers.

In short, the innovative outlines of the education revolution in America of a few years ago must not be allowed to fade away. Now is the moment to go forward and fulfill the promise of an equal education before yet another generation of ghetto children is lost.

GREEN POWER: FOR BUSINESSMEN, A NEW URGENCY AND A SPATE OF SLUM PROGRAMS—BUT HOW MUCH CAN THEY DO?

"I always thought I was in business to make money. Why the hell should I get involved in the race problem?"

This truculent question, thrown from the floor at a recent New York forum of businessmen, would have stood for the view of an overwhelming majority of the business community a few short months ago. But these days, in what may be the most encouraging development so far in the racial crisis, more and more businessmen are finding convincing reasons why they should get involved.

For some, trying to solve ghetto problems is a direct response to the riots. "Somebody's got to give the people jobs," says Dan A. Kimball, chairman of Aerojet-General's executive committee. "When you're 18 or 20 and don't have a job, you're going to get into trouble, no matter what." Others, such as Chase Manhattan Bank president David Rockefeller, think business is uniquely fitted to find creative solutions; still others, like General Electric chairman Gerald L. Phillippe, argue that "this is a problem we can't just walk away from and leave to the Federal government to struggle with." And for many of the nation's businessmen, the most convincing argument for action is simple fear that unless the racial crisis is resolved, there won't be any money to be made. "We have to say to our shareholders," says Illinois Bell Telephone president James W. Cook, "that we just have to deal with this problem or in five or ten years there will be nothing left."

Whatever the rationale, a genuine sense of urgency is seeping into corporate boardrooms where men have long argued that their only responsibility to society was to turn out goods, employ workers and earn profits. In Chicago, for instance, Dean George Schultz of the University of Chicago business school senses "a kind of implicit pressure in the business community—informally, I mean, among the top leaders. There is this kind of unspoken question, 'What are you doing to help things along?' "

So far, the new mood shows itself more in rhetoric than in real programs; business is still groping to find out what it can do, what the cost will be and even what the problem consists of. But literally thousands of companies and individual businessmen have begun to try, in pilot projects or large-scale programs that show genuine promise. Among them:

Ghetto Recruiting: Ford Motor Co. set up two employment offices in the Detroit slums last month. The company eliminated written tests and promised hiring decisions on the spot. "Before we were testing cultural background," says President Arjay R. Miller. "Some of the tests screened out individuals who could have done a good job." Last week, Ford had hired 700 of the 1,000 who applied. Under a similar program, General Motors has raised the proportion of Negroes in its Detroit plants from 28 per cent of new employees last year to 42 per cent this year.

On-the-job Training: Many companies have begun or expanded programs to train the unskilled, hard-core unemployed, and to help their current unskilled workers qualify for promotion. In Rochester, N.Y., Xerox Corp. is close to graduating its second twenty-man class of new workers after a twenty-week program combining practical work experience with remedial reading and arithmetic lessons. The trainees, many of whom have prison records, were found in a ghetto recruiting drive; the training cost came to $2,000 a man.

Joint Hiring Efforts: In the wake of the Watts riot, H. C. (Chad) McClellan, a former president of the National Association of Manufacturers, cajoled 100 Los Angeles employers to step up their employment of Negroes. He also had to persuade reluctant Negroes that this time they would not be turned down; in one notable coup, McClellan talked 25 of the militant Sons of Watts into applying for jobs. "If you happen to be black," McClellan says, "well, we'll give you an extra little chance because in the past it's been denied you." McClellan says a university study of 100 of the men hired last year showed that 87 were still working.

Ghetto Plants: To "put the jobs where the people are," Aerojet-General Corp., bought an abandoned plant in Watts and then started looking for work that low-skilled employees could do. Now, with a $2.5 million contract to make large tents for the Defense Department, the plant is employing 425 ghetto residents, few of them with any original work skills and most of them with police records.

Housing Rehabilitation: In a frank attempt to prove that renovating slum buildings could become a profitable field for building materials, U.S. Gypsum Co. two years ago undertook to rehabilitate six dilapidated buildings in Harlem. The company is now beginning a huge new effort in partnership with city and Federal authorities to upgrade more than 1,200 apartment units in Chicago's Lawndale slum. "Hopefully," says a company aide, "this is just a beginning."

Ghetto Development: In the past, major lenders have ruled out investment in slum areas as an unduly risky use of money. But in a widely hailed move this fall, a consortium of 350 of the nation's largest life insurance companies said they would set aside $1 billion—a sixteenth of their annual investment—to finance ghetto housing under FHA insurance.

Business involvement in the slums has begun to be organized on a national basis. Late last summer a prestigious group of businessmen organized a new Urban Coalition of business, labor, city and civil-rights leaders to lobby for new urban legislation and the formation of local coalitions. The national group called for the building of 1 million housing units a year, an emergency public-works program to provide 1 million jobs and a closer working relationship between government and the private sector. The National Association of Manufacturers also is promoting new techniques for dealing with slum problems, and is becoming a clearinghouse for information on existing urban programs.

For all these encouraging developments, there are still major obstacles to meaningful business involvement in the ghetto. Indeed, some genuinely concerned businessmen are only beginning to grasp the nature of poverty itself, the limits to what they can do about it and the fact that much of what is needed conflicts with the basic profit requirements of the business system.

Many businessmen, uneasy as they have become about recent events, still underrate the explosive potential of the ghettos. In Rochester, for instance, Don Gaudion, president of Ritter Pfaudler Corp., had been warning of trouble for months. "I was accused of exaggerating," he recalls. "Then came the 1964 riots." Even after the riots, Rochester businessmen were slow to work out successful employment programs; it was only after last spring's bitter struggle between Eastman Kodak and a militant Negro group that the community established Rochester Jobs, Inc., a cooperative agency that is committed to finding work for 1,500 hard-core unemployed.

And once committed, businessmen often find it abrasive and annoying to employ people whose whole way of life has failed to instill such workaday virtues as thrift, neatness, punctuality and pride in accomplishment. In San Francisco, an employers' group is discovering to its dismay that real help for the hard-core poor requires vast reserves of patience, tolerance of absenteeism, personal contacts and motivational encouragement, and a willingness to pay for more work than actually gets done. "To generate a job is one thing," says an official of the program, "but to fill it is a whole hell of a lot harder."

So far, too, most businessmen are distinctly uncomfortable in any actual contact with the people they are seeking to to help; they tend to discuss the problem mostly with each other or with comfortably middle-class Negroes. Significantly, the first meeting of the Urban Coalition was held in the elegance of Washington's Shoreham Hotel. An uninvited guest turned up—a Negro in a green T shirt and sunglasses who told the 800 assembled dignitaries: "When you hold these meetings, hold them down where the people are. Get down there and try to get down to the nitty-gritty." In one of the few cases where this advice was accepted, Henry Ford II recently visited a militant Detroit leader, the Rev. Albert Cleage, in Cleage's dingy ghetto church for a one-and-a-half-hour talk.

Organized labor, too, often stands in the way of projects aimed to help the poor. At one Pittsburgh meeting, for example, a spokesman for the Steelworkers Union said he would be happy to cooperate with a Negro employment program—as soon as the unemployed members of his union were working again. Far less justifiably, most construction-trades unions take only a token number of Negro apprentices and steadfastly refuse to use new construction techniques that promise to streamline the rebuilding of the ghettos.

Business has shown a lot of willingness but it will be marked by failure

Fundamentally, business still faces a basic dilemma over the size and cost of the effort needed to aid the ghettos. For the most part, businessmen are hired managers of other people's money; how much can they expect their shareholders to sacrifice in profits in the name of social responsibility? David Rockefeller, for one, believes that business can pick up most of the tab, and that it will become "fashionable" to do so. But he is in a distinct minority. Mitchell Sviridoff, an urban planner with the Ford Foundation, believes that is "too much to ask." Says Sviridoff: "It will have to be done through tax incentives or outright subsidies. It's going to be enormously expensive."

All these unresolved problems prompt a good deal of skepticism about a long-term business contribution to solving the urban crisis. One prestigious urban planner, speaking off the record, concedes that "business has shown a lot of willingness." But he predicts flatly: "Business has been so long removed from the level of the disorders, from the public process, that it cannot respond. It will be marked by failure to deliver."

At this stage, both gloom and optimism over the role of business are clearly overdone. It would be silly and dangerous to expect, as some business spokesmen evidently do, that the businessman will ride in and rescue the country in its hour of peril. But given time and adequate incentives and subsidies, the business community can and should perform a major role in bringing the Negro fully and finally into the economic mainstream. As civil-rights leader Bayard Rustin sums it up, speaking from considerable experience with businessmen: "I doubt if they will move the country to a fundamental change. But they will move it down the road."

WHAT TO DO: A 12-POINT PROGRAM FOR ACTION NOW, AND SOME GUIDELINES FOR THE LONGER PULL

What must be done? Newsweek believes that the present national atmosphere of drift and civil disorder is intolerable. America's goal must remain an integrated society—one in which a person's color carries no more significance than his national origin. And it must be a stable society, free of rioting—and of the social conditions that spawn rioting. Yet current trends are propelling the nation as a whole away from its goals. If America is to escape the "natural apartheid" the futurists speak of, a start must be made at once to counter these trends.

On the following pages, Newsweek presents a program for a comprehensive attack on America's top domestic problem. The program is in three parts: an immediate action agenda, a set of principles to guide sustained effort, and specific longer-range proposals concerning employment, housing and other levers of social change. It is an expensive program—in terms not only of money but of the requirements of leadership and participation of all elements of American society, public and private.

The program is based on a fundamental premise: that America must reorder its priorities to give the plight of the disadvantaged at home the same urgency it affords the foreign obligations it has assumed. The war in Vietnam must be resolved as quickly as possible to enable the nation to get on with its unfinished homework. Until that day comes, emergency measures must be taken on the domestic front.

The first order of business is a dramatic effort—backed up by billions of dollars—to change the racial climate at home from defeatism and hostility to hope and the beginnings of reconciliation. Thus, the first phase of the Newsweek program is designed to start to improve life in the great urban ghettos that have exploded in disruption unprecedented in American history. It is not program to "reward" rioters—but rather to redress the grievances and slake the desperate impatience that fuel rioting. The emphasis here—and throughout the program—is on social justice, not merely pacification. There is ample evidence, from the halls of Congress to the nation's military and police headquarters, that improved riot-control is already uppermost in the minds of many of America's leaders. There is less evidence of a concurrent commitment to social change.

If the Negro is the focus of concern today, it is because he is the most visible and the most rebellious of the American poor—and his revolt has exploded in the heart of America's great cities. His destiny is inextricably linked with the fate of the nation's less assertive disadvantaged—poor whites, Puerto Ricans, Mexican-Americans, American Indians and other minorities who have not yet been able to achieve their share of the country's affluence. Thus, any program that seeks to deal with the Negro's economic plight must aim at improving the lot of all the poor, not just the black poor. But no program is likely to work unless it recognizes the special burden of being black in American society.

Nor can any program succeed without vigorously committed leadership. It would be, of course, incumbent on the Negro community to recognize that an honest effort is being made, and to reject those extremists who have no more program than chaos. The rational Negro leadership cannot move alone; the black rank and file can only be expected to respond to genuine progress. Still, every brick or firebomb thrown in anger can only delay the day of reconciliation.

The heavier burden of leadership falls on white America. It would be simplistic to suggest that a President alone can generate the necessary revolution in attitudes and priorities. But the problem is of such dimension that no concerted attack can be waged without the full use of the President's powers—both as educator and initiator. At the same time, Congress must look beyond narrow considerations of partisanship and provincialism and recognize that the racial crisis could, in fact, sunder the country. From Congress, the situation demands nothing less than a new willingness to fund existing programs, to legislate new ones and to tolerate the failures of innovation. As a beginning, Congress should restore the cuts it has made in the President's urban and poverty programs. State and local governments—limited though their resources may be—must begin now to serve all their citizens alike. It costs nothing to demonstrate concern—as New York's Mayor John Lindsay has done. Business, the professions, unions, churches, universities and foundations must also play a major role in setting the new tone—in partnership with government action.

Given leadership, the most important ingredient will be carefully spent money. A sustained commitment to eliminate poverty will inevitably involve long-run expenditures of $20 billion to $30 billion a year. But while the war in Vietnam continues and the nation gears up for the long domestic pull, immediate action can be taken at far less cost. Newsweek's short-term program entails reducing the Federal budget deficit while adding $510 million above current government requests in the short time remaining in this fiscal year. For the next fiscal year, beginning next July, $6.9 billion in new programs is proposed.

Added spending will require sacrifice. Inflation is already a serious problem: the Federal deficit this fiscal year will probably be in the range of $25 billion. Before any new expenditures can be responsibly advocated, measures to control inflation must be enacted. This will involve some combination of spending cuts in other areas and a tax increase—or, failing these, perhaps emergency wage and price controls for the duration of the Vietnam war.

The following twelve points represent Newsweek's proposals for immediate action. They are designed not as cure-alls, but as minimal first steps to generate a sense of movement. Much of the short-range package could be in operation by next summer if a start is made now. The cost estimates are based on the best calculations available from sources in government, universities, foundations and elsewhere.

1. Presidential leadership: Lyndon Johnson should apply the prestige and power of the Presidency to the racial crisis with the same energy he uses to nourish his faltering consensus on the war in Vietnam. He could start by calling meetings with the nation's opinion-makers—businessmen, professionals, the clergy, educators, state and local officials, union leaders and other groups—to inspire a sense of urgency and mobilize their support for ghetto programs. He should show his own concern by visits to the ghetto—even as he flies to the scenes of natural disasters. His Cabinet members, too, should be on the road, educating white Amerca to the problem and showing the flag of concern to black America. The President should use every opportunity, from informal Rose Garden ceremonials to a full-dress television address to the nation, to press the case for social justice.

2. Top-level direction: The President should appoint a super-Cabinet-level coordinator in the White House to ride herd on domestic programs, with emphasis on city and poverty problems. He must speak with the full authority of the White House to prod the bureaucracy and to make sure that it does not operate at cross purposes. The coordinator should be a man of the caliber of Secretary of Defense Robert McNamara, Secretary of Health, Education, and Welfare John W. Gardner or former White House aide McGeorge Bundy, now head of the Ford Foundation. Cost: negligible.

3. Inflation control: The President and Congress should take immediate steps to reduce the budget deficit to an annual rate of $15 billion. The first step should be passage of the income-tax surcharge proposed by the President; after that, spending cuts must be made in nonessential areas. With the deficit thus under control, further reallocation of Federal funds must be made in the next fiscal year to accommodate new urban and poverty appropriations. To start with, non-Vietnam defense spending could be cut by as much as $5 billion, and Congress should reexamine such domestic items as highway construction ($3.8 billion), pork-barrel projects ($1.3 billion), farm-price supports ($1.6 billion) and the space program ($5.3 billion). Failing an adequate combination of taxes and spending cuts, the President should consider declaring a national emergency and asking Congress to impose credit, wage and price controls for the duration of the war. Any controls should have built-in exemptions for the lowest-income group.

4. State and local effort: State and local governments can do a great deal at a low cost and without delay. Their first order of business is to provide the slums with the same level of public services that other neighborhoods take for granted: sanitation, police protection, street lighting, building-code enforcement. These services must be equalized even if it means short-run reductions for other neighborhoods. Civic officials have a primary obligation to get out into the slums and make their agencies of government responsive to the voice of the ghetto. The police have a special responsibility to make their community-relations programs meaningful down to the beat level; the President's crime commission could find no U.S. police department doing an entirely adequate job. The administration of justice must be revamped to eliminate punitive bail, to insure availability of legal counsel, and to make sure that the arrest records of persons subsequently cleared are expunged or kept confidential. Cost: no Federal funds.

5. The private sector: Business should make a special effort not just to hire, but to seek out, train and promote the hard-core unemployed—and particularly the Negro. Unions, especially the long-exclusionary craft unions, must lower their color bars—voluntarily, if they will, or under government pressure, if they won't. The Urban Coalition effort to focus private sector involvement in the ghettos should be encouraged and expanded. Banks and other lenders should follow the example of the insurance industry in making capital available for slum rebuilding and for loans to promote slum business. The advertising community should help in the task of changing racial attitudes. More foundations should emulate Ford, Field and Taconic in financing experimental programs for minority groups. Universities should coordinate their resources to share their facilities and skills with the ghettos.

6. Employment: The government should expand adult job-training programs as fast as possible—tripling the current allocation of $400 million in the next fiscal year to cover a total of about 840,000 persons. Part of the increase should be used to expand existing pilot programs under which the government pays subsidies for the training and sub-par

productivity of the hard-core unemployed. For those not covered by the expanded program, the government should act as the employer of last resort. As a first step, the government should subsidize ghetto cleanup programs in the cities to provide jobs for 350,000 unemployed, many of them teenagers. This program should be geared both to the immediate needs of the ghettos (garbage removal, recreational facilities, street and sidewalk repair, demolition of derelict buildings and the like) and the long-term training of those employed. Cost: $200 million this fiscal year, $1.8 billion in the next.

7. Welfare: The welfare bureaucracy must reform the needlessly abusive and repressive (and sometimes racist) features of the current system—the midnight searches of welfare mothers' homes for evidence of a man in the house, quixotic budgeting, regulations that stifle incentive by docking a client's benefits for any wages he may earn on his own. The Federal government must bring pressure on states and localities to make existing welfare programs (such as aid to dependent children, food stamps and surplus food allotments) accessible to all the poor. Prompt emergency action is required to guarantee food for thousands who are going hungry in the Black Belt South. The Federal government should set up its own welfare or food distribution centers where state or local authorities refuse to provide them. And an immediate beginning must be made on equalizing the level of welfare benefits across the country and extending them to the 75 per cent of the needy—black and white—who are not now given any aid. Cost: $2 billion in the next fiscal year.

8. Housing: To provide maximum housing at minimum cost, Congress should raise the appropriation for rent supplements from the $40 million requested by the President—and the $10 million allocated by Congress—to $200 million a year, enough to cover more than 300,000 families. The Model Cities pilot program should be funded at the full $662 million requested by Mr. Johnson this year—rather than the $3,212 million Congress approved—and escalated thereafter. In public housing short-term emphasis should concentrate on rehabilitation of rundown slum dwellings. In order to provide more units faster and cheaper, unnecessary rigid rehabilitation standards should be made more flexible. In addition, new funds should be set aside for "sweat equity" rehabilitation projects in which the poor can do enough of the construction work themselves to earn the equivalent of a down payment. Cost: $160 million this fiscal year, $1 billion in the next.

9. Education: The Federal government should subsidize an eight-week 1968 Reading Summer, to provide intensive reading instruction for up to 6 million first- through sixth-grade children in poverty areas across the nation—thereby not only providing them with a basic skill, but getting them off the streets, as well. The government should expand current programs to pay college expenses for 20,000 borderline high-school graduates. The payments—roughly $2,500 a year—should go directly to the recipient, as GI benefits do now. Universities should, with Federal subsidies, undertake talent searches for promising ghetto high-school youngsters and provide summer enrichment programs on campus for 50,000 slum children. The government should budget an additional $10 million to further planning of integrated educational parks. Cost: $100 million this fiscal year, $2 billion the next.

10. Riot control: A city police department's first objective must be to prevent a minor incident from escalating into a major riot. Police down to the cop on the beat must be trained to handle routine ghetto arrests with maximum possible speed and minimum force. Where a flare-up occurs anyway, police must be ready with tactical plans, lines of command and communication—with the mayor in control. The police should be given far more sophisticated training in controlling arson and looting and in snuffing out street warfare. For example, snipers should be dealt with by crack police marksmen, not by random fusillades. Federal instructors should tour the cities to brief local police on anti-riot tactics. The original version of the President's Safe Streets and Crime Control Act should be enacted. In light of the National Guard's erratic riot-control preformance, the Pentagon and the states have a joint responsibility to see that guard units are fully integrated and far better trained in anti-riot techniques. Cost: negligible Federal funds.

11. Enforcement powers: Existing Federal civil-rights laws must be vigorously enforced and the enforcement agencies must be adequately funded. Among the agencies involved are the Equal Employment Opportunity Commission, the Office of Federal Contract Compliance, the Justice Department and the Department of Health, Education, and Welfare, which is responsible for policing the provision of the 1964 civil-rights act denying U.S. funds to segregated schools, hospitals and other federally aided facilities. At present, these enforcement agencies are operating on total budget allocations of only $19 million. They should be expanded as fast as the machinery is capable of handling new funding. HEW should refuse to accept so-called "freedom of choice" school desegregation plans which have commonly been used to institutionalize token integration in the South. The Justice Department should intensify its use of Federal voting examiners to speed the registration of Southern Negroes. Cost: $50 million this fiscal year and the next.

12. Ghetto business: To help stop the flight of business from the ghetto, the government should guarantee insurance losses caused by riots. Federal money must also be made available to reduce interest rates and guarantee payment of loans to ghetto businessmen. This should be done through local banks that will agree to provide guidance for the businessmen, with the Federal government picking up the counseling bills. Cost: $50 million in the next fiscal year.

These steps, of course, would constitute only a beginning. A concerted effort—even if begun now—would be the work of a generation or more. The long effort cannot be done piecemeal. In order to succeed, it will have to be guided by a coherent long-term strategic goal and a set of tactical premises. The goal, again, is the assimilation of the Negro and other deprived minorities into the American mainstream. Newsweek proposes the following tactical approaches:

Federal standards

Contrary to the cherished belief of the old liberalism, the Federal bureaucracy is not the ideal instrument for handling social issues which must ultimately be settled at the local level. But it is the embodiment of the national will and conscience—and it can prescribe minimum standards of fairness for states and localities in federally assisted programs. Today, wide discrepancies exist in the way the states meet their responsibilities in welfare, education and other vital services. The Federal government pays 55 per cent of the nation's $7 billion welfare budget and pumps billions more into education. But it has been unable so far to establish a line beneath which no state or locality is permitted to fall. A welfare system that permits average monthly aid-to-dependent-children payments of $9.35 in Mississippi and $55.85 in New Jersey actually promotes the growth of Northern big-city slums. The government must follow the example set by its own interstate highway program (90 per cent financed by Federal funds) and impose rigorous minimum standards on all federally assisted programs.

Decentralization

Federal standards would not mean that the government should take over the operation of state and local programs—except in those cases when the states and localities totally abdicate their responsibilities (as some have in the surplus-food and food-stamp programs). Washington is best suited to collect tax revenues, to redistribute them around the country and to coordinate and police local efforts. But programs should be decentralized to permit local control.

Citizen participation

Decentralization, in turn, will permit a greater degree of citizen participation—not only of the poor, but also the middle class. In big cities today, citizens feel themselves increasingly distant even from municipal government. The old system of neighborhood political clubs—which once served as brokers between the citizen and City Hall—has largely disintegrated, and no substitute has yet been found. Neighborhood school planning boards, storefront "city halls" and service centers, precinct level police-community relations committees, machinery for neighborhood participation in urban-renewal planning—all would help bridge the widening gulf. It is particularly important that white officials recognize what is healthy in the new "black consciousness"—the Negro's will for a measure of control over his own destiny. This mood will often be expressed abrasively and even disruptively. But it is too important to be dismissed as mere troublemaking. The idea of participation must apply not only to the poor, but also to the involvement of the private sector—industry, the labor movement, foundations and universities.

Planning

If progress is to be made, the nation must conquer its aversion to the concept of planning. A commitment to long-term strategy is needed to end the current proliferation of patchwork programs. A society that finds the word planning abhorrent has lately begun talking instead of "systems analysis," the multidimensional approach that was used in such complex projects as the development of the Polaris submarine and the exploration of space. There is no evidence yet that systems analysis can be used effectively to solve complex social problems, but its central concept—seeing a problem as a whole and attacking it accordingly—must be adopted wherever possible. Yet no planning system will work without first marshalling complete and reliable data. The government should create a National Urban Planning Center, which would systematically collect data on such aspects of the problem as population trends, migration and employment patterns, crime and the housing picture. The center should be a clearinghouse for private and public research, its own studies included. It should also be an innovational laboratory, devising new programs and testing them on a pilot basis.

Ghetto development

Any program aimed at the economic development of the ghetto should be directed primarily at encouraging commercial and service enterprises, branch offices and the establishment of government offices rather than heavy industry. There are powerful temptations to use subsidies and other devices to coax industry into the ghetto. But this moves against the present trend toward the location of factories in the suburbs, and only a prohibitive level of subsidies could begin to turn the tide. Heavy industry, indeed, might make the ghettos even less habitable by exacerbating traffic, air pullution, noise levels and other problems. Commercial enterprises can achieve the same ends by providing jobs and stimulating the growth of service businesses. Instead of moving industry where the Negroes are, Negroes can be moved where industry is by adequate training programs and public transit systems, and, ultimately, a policy of dispersing the ghettos.

Quotas

Quotas have traditionally gone against the American grain. But so knotty is the problem of making integration work that some thinkers have concluded that a step as drastic as benign quotas in housing, schools and employment may yet become necessary. Experience has shown that, without conscious head-counting, "integration" is most often only the transitional stage between all-white and all-black in a neighborhood or school. Hence, even as steps are taken to promote dispersal of the ghettos, the government in cooperation with the private sector might someday have to set limits on the number of Negroes in given localities. This sort of "positive discrimination" would undoubtedly require legislation of a sort hitherto considered unthinkable, and the courts would have to depart radically from past Constitutional interpretations. It may have to be considered as part of any realistic effort at desegregation. Positive hiring quotas may also become necessary if Negroes are to be insured real equality of opportunity.

With these broad policy guidelines, specific longer-range programs can be developed. Changing events will shape the details, but Newsweek believes that planning should begin now for programs along the following lines:

Employment: *The long-term goal must be a full-employment economy.* This will require an expansion of training programs until they reach literally everyone who can benefit from them. It will also require the creation of millions of new jobs in service and semiprofessional categories such as teachers' aides, social-work aides and community workers. Such jobs would be immune to the increasing automation of industry, and at the same time would free highly trained professionals to use their full skills. The government should remain the employer of last resort to make sure that there are jobs for all who are willing and able to work. But if training efforts succeed, this segment should remain a marginal part of the program. Business should be reimbursed for the cost it incurs in seeking out, training and employing initially unproductive workers, but it must also accept its responsibility to hire and promote Negroes equitably. Government at every level must set the example by making sure it is a model employer, with a revamping of civil-service promotion rules if necessary.

Welfare: *The goal of national policy should be a humane and radically simplified system that guarantees that no American will go without the minimum necessities of life.* For the immediate future, the government should focus its efforts on equalizing benefits under existing programs and extending them to the 75 percent of the poor who are not now getting any help. The ultimate objective should be reform of the present structure to provide direct assistance to all the poor, based on their individual needs. Among the alternative reforms currently under discussion, the negative income tax, with its flat formula, would not take account of individual need, and an across-the-board family allowance simply would not provide enough for the truly destitute. A reformed welfare system should also include incentives to work, expanded day-care centers to enable welfare mothers to work, and birth-control counseling on a voluntary basis.

Housing: *National policy should promote the dispersal of Negroes from the ghetto into integrated city and suburban neighborhoods.* A dispersal rate of 500,000 per year would do no more than keep the ghettos from growing, but it would at least provide real alternatives for ghetto Negroes. The first requisite is a strong Federal fair-housing law—a measure that could not of itself accomplish dispersal but would be dramatic evidence of the national commitment. While dispersal goes on, the ghettos must be made livable; existing Federal programs should be expanded. In the long run, use of new technology and the increasing involvement of private capital should spur both rehabilitation of existing buildings and the construction of new low-cost units. "Sweat equity" projects and other home ownership plans should be expanded. Ultimately, the incentives provided by the rent-supplement program should be used to promote dispersal.

Education: *The over-all goal is quality integrated education.* This ultimately will mean the development of educational parks in the cities, the integration of suburban school districts and the elimination of the last vestiges of the dual school system in the South. Until these long-range objectives can be reached, existing ghetto schools must be radically improved. State school codes should be revised to permit an eleven-month school year with the summer emphasis on remedial teaching for pupils performing below grade level. Pre-school classes should begin at age 3—the age when many now feel children can begin real learning—for children in ghettos and other poverty areas, with emphasis on basic learning skills. Talented teachers should be rewarded by merit-pay increases to the equivalent of at least $15,000 in current (1967) dollars. Reforms in the school curriculum should include the teaching of Negro history—for whites as well as Negroes.

Southern Development: *To reduce the pressure on Negroes to move into the ghettos, national policy should be consciously directed at developing jobs and decent living conditions in the rural South.* Government subsidies and tax incentives should be used to encourage industrial development, particularly in poverty-stricken backwaters. Not only these devices, but the government's purchasing power should be used to insure that Southern industry hires and promotes Negroes in equitable numbers. Those who wish to stay on the land should be helped by the encouragement of marketing co-ops by loans to set up truck farms and by technical assistance. The government must rid its own farm programs of discrimination.

Health: *A national effort must be made to raise health standards among Negroes to the levels enjoyed by whites.* The gap begins at birth, when Negro infants are nearly twice as likely to die as whites, and continues till death: the Negro's life expectancy is 61, the white man's 68. Neighborhood health centers should be developed to provide diagnostic services, outpatient care, emergency treatment and periodic medical and dental checkups for children. The "medicaid" program—medical care for the poor—should be expanded with uniform minimum standards of eligibility and benefits set by Congress.

Almost a quarter of a century ago, Gunnar Myrdal, in his monumental study "An American Dilemma," counseled wisely that the problem of the Negro—and its ultimate solution—lay in the heart of white America. He was right, of course; no program of any dimension can even be begun unless white America can muster the resolve for the task.

The task is plain. The means are at hand. The time to begin is now.

CRIME

Mr. BREWSTER. Mr. President, the Washington Daily News, in an editorial published on November 9, expressed some views on the crime problem that all of us should consider very seriously. I ask unanimous consent that this editorial be placed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

REVOLT AGAINST CRIME

On the subject of crime, Lyndon Johnson, in 1967, sounds more and more like Barry Goldwater in 1964.

Mr. Goldwater viewed Washington, D.C., as "a city embattled, plagued by lawlessness and haunted by fears." He said that "the growing menace to our country . . . to personal safety, to life, to limb and property . . . is the mounting concern, or should be, of every thoughtful citizen."

President Johnson used similar language last week in a talk to the newly appointed City Council.

"The time has come," he said, "when the American people are going to rise up and revolt at the lawbreakers in this country . . . Help us to find ways to drive crime from the midst of the nation's capital, so citizens can walk safely thru our streets."

That should make it practically unanimous.

Mr. Goldwater deplored a 15 per cent increase in crime in 1964. The statistics now indicate a worsening situation. The FBI has just reported the crime increase for the first half of this year was 17 per cent. There were 30 per cent more robberies, 20 per cent more murders, 11 per cent more aggravated assaults. Forcible rape was up 7 per cent.

It is at least as true today as it was in 1964 and earlier that citizens fear to use their parks, or even their streets in some sections, after dark. Washington isn't alone in this. The problem is national.

As a prime essential to this "revolt" against crime, the President appropriately placed emphasis on the machinery for law enforcement. "If you need twice as many policemen," he told the council members, "if you need to pay them twice as much . . . then let's start to work and get them. But let's clean up crime here."

The President's safe streets bill has been passed by the House and is pending before the Senate Judiciary Committee. It is a constructive measure to assist in training local police in the techniques of suppressing modern crime. Certainly it should be made law before this session of Congress ends.

But crime is a problem the police alone can't control. They require a far greater degree of co-operation from their communities and particularly a far better judicial understanding of the difficulties of their job. The President hinted at this when he said he'd like to see some lights burning at the courthouse while criminal dockets were cleared up.

Preservation of law and order is a prime function of government, national and local. Persistent failure is importantly responsible for a spirit of discontent and frustration in the country. The revolt against the lawbreakers, which the President foresees, is long overdue.

SOUTH DAKOTA NATIVE GETS HIGH AWARD

Mr. MUNDT. Mr. President, congratulations to Dr. Don Williams, a son of South Dakota, on receiving the Rockefeller Public Service Award for Administration. I know of no one in public service who deserves it more.

Dr. Williams began working with the Soil Conservation Service in South Dakota in 1935, and has been its Administrator since 1953. During these years, his professional knowledge and administrative ability have been constantly tested as the art and science of good land use has grown.

In the early years of his service, the major emphasis in soil conservation was erosion control, mainly on agricultural land. But, it became clear that the extensive interrelationship of the soil, water, plants, and animals in an area required planning and execution that would take all these factors into account. Only a few months before Don Williams became its Administrator, the Soil Conservation Service was assigned responsibility for a pilot watershed program.

Dr. Williams, an engineer by training, gave vigorous and effective leadership to the demonstration phase of this new small watershed program. He demanded high technical standards for the land treatment and mechanical structures. But, even more, from the first he felt very strongly that any program to conserve, develop, and manage the natural resources of an area should begin with the local people—and then draw in other help—rather than the other way around. He insisted that local people initiate projects, share in the planning and cost, and operate and maintain the finished works. His ideas became the core of legislation authorizing watershed projects—Public Law 566 enacted in 1954—which today is being used successfully across the Nation.

This approach is both popular and practical. More than 1,300 communities are now planning, constructing, or have completed a small watershed program of flood prevention, land protection, and water use for domestic, industrial, and recreational purposes. The benefits in community well-being for both this generation and the next can never be truly measured.

Don Williams was largely responsible for the development of the first Federal conservation program tailored to the specific needs and problems of a major region. The Great Plains conservation program was enacted in 1956 as a long-term solution to the great hazards of farming and ranching in a low-rainfall area that is periodically assailed by droughts, high winds, and severe winters. The natural hazards were compounded by serious land use mistakes made before much was known about the Plains. But, the mistakes of men can be corrected by men, and over the years I have seen some of the old Dust Bowl area turned green again through these long-range permanent-type conservation measures.

Don Williams originated, planned and directed the national inventory of conservation needs, which was carried out between 1957 and 1962, and is now being updated. The survey provides our Government with the first authoritative look at modern land conditions, watershed potentials and land use trends on the non-Federal lands of the country.

Dr. Williams was one of the first Federal officials to call attention to the rapid conversion of good agricultural land to nonagricultural uses and to take serious note of the conservation needs of nonagricultural land. There are, for example, two and a quarter million miles of rural highway roadsides, 300,000 miles of eroding streams and 2 million acres of surface mine areas that continue to be critical sources of erosion and water pollution. This no man's land of accelerated erosion annually dumps millions of tons of silt and sediment and—from mines—acids, into our streams and rivers. Yet, at the moment we have no legislation to remove this blight from our environment.

I have known and worked with Don Williams for many years, and I am proud to claim him as a fellow South Dakotan. I am proud to be associated with him in the great work of keeping our Nation's land and water resources strong and able to support our people. I believe with him that people—the people of today and tomorrow—are the reason for soil and water conservation.

He deserves much of the credit for the wonderful soil and water conservation work being carried out in South Dakota. Our State enabling law permitting organization of districts was passed in 1937. We now have 69 districts with 95 percent of the land in the State within their boundaries.

Most of our districts have completed updating their long-range programs. The new programs reflect a broadened concept for resource planning and development by districts and set forth a program of action to accomplish district goals land objectives. Development of these programs has been in cooperation with interested agencies, businessmen, civic groups, and other urban interests. As the programs were completed, the districts entered into a modernized basic memorandum of understanding with the Secretary of Agriculture.

Dr. Williams richly deserves the Rockefeller Public Service Award for Administration. I congratulate him on this recognition, and I wish him Godspeed as he continues his wise and vigorous leadership of our national soil and water conservation program.

Mr. President, I ask unanimous consent that the news release providing details of this award be printed in the Record.

There being no objection, the news release was ordered to be printed in the Record, as follows:

Princeton, N.J. November 13.—Donald A. Williams, Administrator of the Soil Conservation Service of the U.S. Department of Agriculture, who was named today as winner of the 1967 Rockefeller Public Service Award in the field of Administration, sees his job as serving equally the rural and urban population.

The honor, made possible by funds granted by John D. Rockefeller 3rd and administered by Princeton University as a national trust, recognizes his 31 years of Government career service with a tax-free cash award of $10,000. The presentations will be made at a luncheon in Washington on Dec. 6th.

As the third head of the Soil Conservation Service since its establishment by Congress in 1935, Mr. Williams has guided the agency's program through its great change from "the dustbowl age" when erosion control was its primary responsibility, to current additional responsibilities for water conservation, flood control and land use planning.

"Soil and water have to be treated together," said Mr. Williams. "Conservation is everybody's business because it affects everybody—in the cities as well as on the farms.

"For example, it is necessary to keep silt out of harbors, in addition to keeping topsoil on the land. As early as 1948, water conservation activities were added to the technical programs of irrigation and drainage. A few years later it was recognized that much of the choicest agricultural land was being diverted to other uses—subdivisions, factories, airports, housing developments. So we began to classify soils for non-agricultural as well as agricultural uses.

"Today this work involves metropolitan planning and zoning boards, the blending of rural and urban interests in land use. Many watershed projects now are under the direction of state and local divisions of government, who seek technical and financial assistance from the Federal Government. Some 800 projects in actual operation in the United States receive advice and assistance from our technicians."

Mr. Williams was born in Clark, South Dakota, 62 years ago and received his B.S. in civil engineering from South Dakota State College. He later did postgraduate work at the same college and at the University of South Dakota. In 1956 he received an honorary degree of Doctor of Agriculture from South Dakota State University, the first such degree ever awarded to a civil engineer.

He is married to the former Ruth Christainson of Volga, South Dakota. They have one daughter, Mrs. Mary Cathryn Weir, of Edinburgh, Scotland, who is a Presbyterian minister and wife of a minister. His brother, Ross Williams, a farmer, still resides in Clark, S.D.; another brother, Clifford Williams, is a consulting civil engineer in Augusta, Ga., and a third brother, Reginald S. Williams, is a retired banker living in Toronto, Canada.

Despite his agricultural beginnings, Mr. Williams has spent most of his life in urban areas. He joined the SCS in 1935, holding various field jobs as a conservation engineer, but has lived in big cities many more years than on the farm. Among the cities in which he lived and worked are Spokane, Washington; Portland, Oregon; and for the last 17 years, Washington, D.C.

Mr. Williams also serves as a consultant to the Ford Foundation and has been adviser to the governments of seventeen countries, including India, Turkey, and New Zealand, on soil and water conservation problems, programs and organization. He has been consultant to the Agency for International Development in Latin America and in Asia and directs SCS projects in several countries for them. He left on Oct. 17th of this year for three weeks in India, where he is reviewing the Soil Conservation Service technical assistance program for India, and will return on November 20.

Mr. Williams received the Distinguished Service Award of the National Association of Soil and Water Conservation Districts in 1957 and the Distinguished Service Award of the U.S. Department of Agriculture in 1958.

POVERTY AND POLITICS

Mr. HART. Mr. President, the Grand Rapids, Mich., Press on November 10 published a perceptive editorial that says in 500 words what many of us have been trying to say with 5,000.

The key phrases, Mr. President, are these:

> We are not convinced that $2.2 billion would greatly jeopardize the country's financial integrity; but we are convinced that cuts across the board would in effect punish the communities that have used OEO funds wisely, along with those that have not, would fan the fires of hatred and lead to more bloody racial clashes.

Grand Rapids is indeed one community that has used its OEO funds wisely. Only 10 days ago, I visited some of the programs and was impressed with the vigor and intelligence with which they are pursued. I reported on that visit in remarks I made on November 8, 1967, at pages 31724 to 31728 of the Record.

As hundreds of Grand Rapids citizens

told me at the time, it would indeed be a shame to see these programs choked off.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

POVERTY AND POLITICS

The Senate bill that would authorize appropriating $2.2 billion for the antipoverty program has been attacked by Rep. Gerald R. Ford and other House members on the ground that the program has been wasteful and in some cities has been perverted to political ends. We have no reason to doubt these charges, though it would be interesting to have them documented. Blanket accusations leave every community suspect—and we are satisfied that there has been no basis for such charges in Grand Rapids.

Nor has anyone brought such charges here. Yet if the House should cut the appropriation to $1.5 billion, as the Republicans propose, Grand Rapids almost certainly would suffer with the rest. Ford has argued that reducing the appropriation and removing certain programs from the Office of Economic Opportunity to other federal agencies would provide more money for the antipoverty program in the long run. But it's hard to follow this argument. Some of the good would be lost with the bad, and the funds available almost certainly would be prorated among the states regardless of what government bureau or department administered them.

We fully understand that when Congress writes legislation for the entire country it cannot make an exception of Grand Rapids or any other community. It cannot, in other words, write a law based solely on this city's experience. Whatever bill it passes must be applicable to the entire country.

The questions to be answered about the antipoverty program at this point are fairly clear: How widespread has been abuse of the antipoverty program and how great has been the waste of funds? Is the move to shear OEO of part of its power actually motivated by a sincere belief that other agencies—the Department of Health, Education and Welfare and Department of Housing and Urban Development, for instance—can better administer the program, or is it prompted by a desire to get rid of Sargent Shriver and put the Johnson administration in a bad light?

The $2.2 billion the Senate proposes spending for antipoverty programs is little enough when measured against the obvious need, and modest indeed when compared with the $25 billion or more we are spending on the war in Vietnam this year. We are not convinced that appropriating $2.2 billion would greatly jeopardize the country's financial integrity; but we are convinced that cuts across the board that would in effect punish the communities that have used their OEO funds wisely, along with those that have not, would fan the fires of hatred and lead to more bloody racial clashes. It could result in deep despair among the poor of all races at a time when hope of a brighter future is needed above everything else to bring them into full membership in the American society.

SINCE 1943 57 OF 60 NEW NATIONS IN THE WORLD HAVE RATIFIED HUMAN RIGHTS CONVENTIONS

Mr. PROXMIRE. Mr. President, we in the United States, are wont to think of ourselves as a young nation. Indeed, we are still less than two centuries old, a comparative adolescent by the standards of the more senior members of the family of nations.

But there are many nations much younger than we are. A total of 60 new nations have come into existence in the past quarter century.

These new nations—many of whom secured their independence only at the cost of great sacrifice and great suffering—value dearly their newly won independence.

Most of the 60 new nations exchanged their former status as an imperial treasure for the freedom of self-determination. Most of the 60 new nations especially prize the meaning of human rights.

This last fact is exemplified most strikingly by the truly amazing fact that of the 60 new nations in the world since 1943, 57 of them have ratified human rights conventions.

The proudest record of all belongs to the Philippines, independent only two decades. In that brief period, the Philippines has ratified all nine of the human rights conventions.

Compare this record to our own: Only five of the nine conventions have ever been submitted to the Senate and the Senate has given its advice and consent to only one of them, the Supplementary Convention on Slavery.

I think it would be particularly worthwhile to list the 57 new nations since 1943 which have determined that ratifying human rights convention is in their national interest. Perhaps it will embarrass this Senate into action.

I ask unanimous consent to have the list printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

THE 57 NEW NATIONS SINCE 1943 WHICH HAVE RATIFIED HUMAN RIGHTS CONVENTIONS

Algeria, Barbados, Botswana, Burma, Burundi, Cambodia, Cameroon, Central African Republic.

Ceylon, Chad, Congo (Brazzaville), Congo (Democratic Republic), Cyprus, Dahomey, Gabon, Ghana, Guinea, Guyana.

Iceland, India, Indonesia, Israel, Ivory Coast, Jamaica, Jordan, Kenya, Laos.

Lesotho, Lebanon, Libya, Madagascar, Malawi, Malaysia, Mali, Malta, Mauritania.

Morocco, Niger, Nigeria, Pakistan, Philippines, Rwanda, Senegal, Sierra Leone, Singapore.

Somalia, Sudan, Syria, Togo, Trinidad and Tobago, Tunisia, Uganda, Tanzania, Upper Volta, Korea, Viet Nam, Zabia.

WEST VIRGINIA IN THE 1967 AGRICULTURE YEARBOOK

Mr. BYRD of West Virginia. Mr. President, I have previously brought to the attention of the Senate an item in the 1967 Yearbook of Agriculture concerning the Spruce Knob-Seneca Rocks National Recreation Area in West Virginia.

In reading through this fine volume the other day, I noted two other stories which I believe are worth passing on to the Senate.

One chapter, entitled "Youth's Spark Makes Living Areas Glow," describes work done by the various 4-H Clubs throughout the country.

The 4-H Club of Ronceverte, W. Va., comes in for particular mention in this article.

I quote from the article:

> During 1963, the mayor of Ronceverte, W. Va., had flowerbeds planted in the business district. The project was then turned over to the Women's Club. After assuming responsibility for the flowers for a time, the Women's Club enlisted the cooperation of the Serendipity Workers Senior 4–H'ers. The girls in the club voted to care for the largest bed, which is 88½ by 4½ feet.
>
> Members of the Women's Club helped the 4–H girls get started by furnishing plants and bulbs. The 4–H members gained valuable experience in keeping the litter cleared away, setting out bulbs and plants, controlling weeds, and cleaning the beds in the fall. The flower beds brightened up the community and have made the citizens more cheerful when shopping. Many of the local people have complimented these efforts to beautify Ronceverte.

The second article is entitled "Returning Strip Mined Areas to Use" and describes ways in which strip-mined lands can be rehabilitated and made useful again.

The article points out how, in West Virginia, in a single year, 3,238 acres of strip-mined land were revegetated as part of our Nation's land conservation program.

I ask unanimous consent that the articles entitled "Youth's Spark Makes Living Areas Glow" and "Returning Strip Mined Areas to Use" be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

YOUTH'S SPARK MAKES LIVING AREAS GLOW

(By Russell W. Smith)

A lad's cowpoke hat blew off when he stooped to pick up a bottle from a roadside ditch. It skipped on across a naked cherry orchard, into an open field, and sailed into a fence row packed tight with tumbleweed. Freeing his hat from the tangle, the boy whacked it across his leg and walked back to the roadside.

This is the way an Extension worker described one of the over a thousand Yakima County, Wash., 4–H members who turned out to help make the youth for natural beauty program more than mere words. The 4–H'ers fanned out on the secondary highways to gather 200 truckloads of roadside trash. They exemplify the concern of a great many young people about their surroundings.

In every State in this great country, 4–H and other youth have accepted the challenge to become stewards of America the beautiful. They are working individually, in local clubs, and in joint efforts on worthwhile natural beauty and conservation projects.

The major organizations of youth, through planned activities, are heeding the challenges of President and Mrs. Johnson to correct blighted conditions. Under the guidance of volunteer and professional adults, young people are applying a systematic approach to improvements in their communities. Group interest and effort are making it possible to complete vitally needed projects to retain or restore the great out of doors.

4–H and other youth are learning how to survey the beautification needs of their neighborhoods and home communities. In cooperation with adults, they are taking inventory of their time, ability, and resources as a basis for determining the priority of jobs to be done. Boys and girls have adult-like experiences as they draw up work schedules, organize committees, and promote cooperative action among youth in their communities.

Completed beautification projects serve as tangible evidence of citizenship in action. A feeling of pride develops when the community notices and gives credit for improvements and accomplishments. Young people gain a real sense of personal worth when the results of their efforts receive commendation from public officials and citizens of the community.

A big roadside cleanup campaign in Hampshire County, Mass., drew enthusiastic public attention. Almost 100 youth volunteers joined together for a 1-day campaign. 4-H'ers, Boy Scouts, junior high fellowship members, and auxiliary firefighters cooperated with the town's highway department to pick up roadside trash and debris.

The boys and girls were transported to different areas in private cars. They worked in assigned areas until noon, and then the group congregated at a wayside park to have lunch. A special adult committee prepared this lunch with food given by individuals, service clubs, and by some other community organizations.

These volunteers hope that the results of their efforts will cause people to consider the effort and cost involved in such a project. They are also confident that their demonstration will lead people to think twice before discarding more trash along the country's roadsides.

During 1963, the mayor of Ronceverte, W. Va., had flowerbeds planted in the business district. The project was then turned over the Women's Club. After assuming responsibility for the flowers for a time, the Women's Club enlisted the cooperation of the Serendipity Workers Senior 4-H'ers. The girls in the club voted to care for the largest bed, which is 88½ by 5½ feet.

Members of the Women's Club helped the 4-H girls get started by furnishing plants and bulbs. The 4-H members gained valuable experience in keeping the litter cleared away, setting out bulbs and plants, controlling weeds, and cleaning the beds in the fall. The flowerbeds brightened up the community and have made the citizens more cheerful when shopping. Many of the local people have complimented these efforts to beautify Ronceverte.

In Woodbury County, Iowa, 4-H'ers have transformed a 5-acre thicket into an attractive public roadside park. Sparked by the initiative of the county "4-H Builder's Club" (an older youth group), 45 local 4-H clubs became involved in this community service project.

An agreement with the Iowa Highway Commission the county extension service paved the way for cooperative development of a safety rest area.

The roadside park has now become a popular haven for the local residents and weary travelers. Through the efforts of 4-H members and adult sponsors, the facilities now include picnic tables, fireplace grills, a deep well, and outdoor restrooms. Club members have worked together to prune trees, gather brush, rake the grounds, and plant trees and shrubs. An average of 35 travelers visited the park each day during 1965.

Development of the park has added appreciation and awareness of the natural beauty of the western region of Iowa.

MAIN STREET CLEANUP

Farmington, Utah, is a more pleasant community since the Gardening Gays 4-H Club rejuvenated Main Street. Six 4-H girls worked to clean a 72-foot curb side that was covered with weeds, rocks, and debris. Each member volunteered to clean up and to spade and plant five flats of Comanche petunias. They also took turns in watering, weeding, and maintaining the plot.

Participation in this project helped the girls develop a new appreciation for the appearance of their own homes. They have learned how to work with tools and have improved their work habits. One mother indicated that before her daughter was involved in this project she would not even pull a weed. The experience on Main Street stimulated self-improvement and encouraged members to take pride in their home grounds and in the total community.

A violent storm stimulated a group of young people to act in Yamhill County, Oreg. The Baker Creek 4-H Club of McMinnville pledged its support to help restore the beauty of Edward Grenfell Park. This county park became a community improvement project with adults and young people teaming up to reclaim the recreational facility.

County officials are cooperating with the 4-H members in planting trees and shrubs, constructing cooking facilities, picnic tables, swings, and comfort stations. 4-H'ers planted hemlock and western redcedar trees as seedlings and nurtured them during the early stages of growth. The total park restoration will require several additional plantings in successive years. Members of the Baker Creek 4-H Club have agreed to follow this project through to completion, because they receive satisfaction from the results of constructive work.

Each planting experience provides opportunities for these young people to achieve personal worth.

Teamwork was focused on a beautification project in Indiantown, Fla. The two 4-H Clubs and the Kiwanis Club in this small unincorporated community initiated a program to develop a central recreational facility. The need for a facility was recognized by the leading industrial firm in the community. The firm made available a large block of land in the center of town for a community park and recreational area. Under direction of the county commissioner, the 4-H members planted a portion of the park, and the Kiwanis Club provided a palm-thatched picnic shelter and large picnic tables. The shelters are models of a Seminole Indian abode called a "chickee," which is native to these tribes in Florida.

PROJECT SPREADS

The project is a growing one and has spread from the park to the school and the shopping center. Palms, flowers, and shrubbery have all been planted in the shopping center. Citizens of the community say this effort has eliminated a "real eyesore" in the town.

North Wildwood Boulevard in Cape May, N.J., has a new look. Boy Scouts and 4-H'ers focused attention upon a beautification-conservation project. Several days of hard work were involved in cleaning trash and debris in preparation for planting. Japanese black pines were planted to improve the appearance of the roadsides and control erosion.

Small markers known as C.B. (County Beautification) signs are fastened to a short piece of pipe to prevent road mowing crews from cutting the trees. The boys who cooperated in this project point with pride to their contribution toward the conservation of the county.

This activity provided an opportunity for these young people to learn that man is part of the natural world. American youth in other States, too, are becoming increasingly conscious of the urgency to preserve the fiber of our civilization.

Tangible and realistic projects in conservation are helping these "adults of tomorrow" appreciate the need to preserve our soil, water, forests, grasslands, and our wildlife.

Interest in pheasant raising and tree planting aroused action in conservation in Minnesota. The Waldorf Peppy Peppers 4-H Club of Waseca County raised 500 pheasant chicks for the State conservation, game, and fish commission. These birds were added to 2½ acres of wildlife area donated to the club.

Members picked up field corn to feed the chicks and transplanted 1,250 trees including black walnut, white-cedar, white spruce, Norway pine, and Colorado blue spruce. Future plans include straightening out the creek and making a wildlife pit for game birds.

Nevada County, Calif., has underway a demonstration area of all of the true firs of the world. 4-H'ers, Future Farmers of America members, and adults accepted the challenge to develop a 65-acre tract of land which was donated for conservation use. In cooperation with the Grass Valley City Council, the California Division of Forestry, and several nurseries, the youth launched a major planting program.

4-H members dug planting holes and carried stakes to the planting sites. The Future Farmers of Grass Valley High School prepared attractive scribed markers for each species group and a large sign to designate the total area. Various 4-H Clubs and the FFA chapters volunteered to cultivate around the trees and water them at 2-week intervals. The halfway point has been reached in the arboretum plantings—with 20 of the world's 40 species now growing. This project has achieved much local interest, and the young people hope that it will be possible to secure the remaining 20 fir species in the next decade.

Cooperation is the key to success in the Kalamazoo County, Mich., 4-H conservation program. The Soil Conservation Service, the Agricultural Stabilization and Conservation Service, and State conservation agencies make it possible for 4-H members to learn about basic conservation practices and how to contribute to beautifying the landscape.

A countywide field day is designed to complement activities in local clubs and communities. Special events are conducted to help young people understand the total conservation plan for a landowning SCS cooperator. The field days have provided a variety of experiences including tree planting and wildlife cover, assisting in the layout of contour strips, building terraces, selecting and pruning timber, working on the design and construction of farm ponds, and preparing grassed waterways.

The Bit 'n Spur Horse Club in Oneida County, Wis., felt a need for a "campout" area for horsemen. So a site was selected in the heart of the Oneida County Forest, after consultation with county and State foresters and the town of Enterprise. Developing the campout area became a combined community service and conservation project.

Adult leaders and youths worked together to clear debris, dead trees, and underbrush. Areas were cleared for the picket line for horses, for the campers to spread out their bed rolls, and for a campfire site.

The campsite is being developed over a 3-year period. When completed, it will be available to anyone genuinely interested in camping in a quiet, uncongested, and peaceful spot close to nature.

A local florist in Sullivan County, N.Y., touched off a chain reaction. He donated two station-wagon loads of potted plants to 4-H Camp Pines. This gesture sparked an interest among campers and staff to beautify the camp.

Camp counselors and staff members made window boxes and campers transplanted all the flowers. The boxes were placed under the windows of the dining hall and recreation building.

A row of marigolds was set our along the foundation of the recreation hall, while a bed of salvia was planted around the camp flagpole.

Participation in all these beautification activities created a new awareness for the beauty of nature and the opportunities to improve surroundings. The campers also learned about the cultural practices involved in plant propagation.

America's young people are interested in preserving our great out of doors. The kind of landscape they will inherit depends greatly upon the efforts that they expend to conserve it.

Youth will continue to accept the challenge to make our country more beautiful and more enjoyable.

Returning Strip Mined Areas to Use

(By Theodore B. Plair)

In the valleys of the upper Mississippi and the Ohio, machines as tall as a 21-story building are clawing up more than 200 tons of earth and rock in a single scooping motion and dumping it in thunder hundreds of feet away.

Other equipment being used in strip mining—the harvesting of minerals after removing the covering rock and dirt—has grown in recent years to giant proportions. A truck will carry as much as 140 tons of coal or ore. Augers 7 feet in diameter bore 200 feet into the seams to drag coal from the mountainsides.

PUBLIC INTEREST RISES

With new efficiency in this industry, the acreages mined are greater, pits are deeper, and the spoil piles are higher. The cost of reclaiming mined lands has kept pace as well.

Public interest in using the strip mined land for crops, pasture, timber, wildlife, recreation, and for residential and industrial sites has grown, too, as has a concern on the part of many people over the leaving of blight on the landscape. This has resulted in new demands upon the skills of those who make the plans for and who rebuild these areas.

In the infancy of strip mining, a hundred years ago, acreages disturbed were relatively small. There was little demand to return them to use.

An expanding population, with broadened requirements for space, has changed this. Newer generations have developed a keen awareness of the values of land—land for livilihood and good living, for play, and the restorative effect of a pleasing outdoor scene. New leisure has helped to intensify this need.

As a result, landowners are seeking improved ways to reclaim and repair, to reshape and replant, and to find profitable uses for strip mined areas when the machines have moved away.

In the interior coal province—Indiana, Illinois, Missouri, Kansas, and western Kentucky—from 10 to 15 percent of the mined areas is now in water surfaces. Land by water has a high potential for homesites. Water surfaces offer recreational opportunities in the form of fishing, boating, swimming, water skiing, and hunting. Water storage in strip mined areas, too, has an effect on streamflow, tending to increase it in dry seasons.

Trees, shrubs, grasses, legums, and cultivated plants will grow successfully on strip mined areas, in some cases better than they grew before. In Virginia, for example, hay production was 50 percent greater after reclamation than before mining. Some of the fastest growing yellow pines in the Nation are on land hydraulically mined in the gold rush days in the Sierra Nevadas.

Trees are growing in strip mined areas for erosion control, for pulp, for saw logs, and for the living room at Christmas.

In most reclaimed strip mined areas, it is usually possible to develop additional wildlife cover and food. Water for fish and migratory fowl has been brought, through surface mining, to hundreds of new sections.

Some of the upper Mississippi valley's best fishing is on the lakes that have been created by strip mining.

In some areas, mining companies follow a policy of restoring strip mined lands. For some the policy was established well in advance of legislation. A Pennsylvania company has mined more than 2,000 acres and has kept pace with the mining in the planting of grasses and legumes and more than 2 million trees.

Machinery and methods have been developed to replace the dirt and rubble, leveled with top soil on top, as the mining operation proceeds.

In a growing number of areas local landowners—with soil conservation districts and the Soil Conservation Service providing leadership and technical know-how—are bringing new order to lands jumbled by strip mining. This work is often in cooperation with industry.

In West Virginia, soil conservation districts began in 1953 entering into contracts with mine operators on a voluntary basis to to do revegetation work. In such cases, a Soil Conservation Service technician lends guidance in the development of a conservation plan for each landholding where mining has been carried on. Most of the planting work is being done by the districts. In a single year, the soil conservation districts of West Virginia revegetated 3,238 acres of strip mined lands, as part of the conservation use and treatment of landholdings.

For best final results, with minimum cost to all concerned, a joint mining and reclamation plan is a most useful tool. In most areas much information is available to guide the mining engineer, the soil scientist, and the geologist in deciding how best to move and to use the waste material. Knowing, before mining, what the site limitations are helps in deciding on the uses of the area. These uses can be both temporary and permanent. For example, a reservoir may be developed for storing water for ore processing and later used for domestic and recreation needs.

It is still necessary to find remedies that are more satisfactory and more efficient for the use of mined areas. Research by government and by industry has opened the way to swifter return of profit and beauty to mined hills and pastures and to the return of clear, clean streams.

Today there is a pressing need for more knowledge of this kind. Mining minerals and restoring the mined areas to the best use for the greatest number of our citizens will be a continuing challenge.

In this Nation, we have the ingenuity and resources to turn most strip mined areas into useful and attractive portions of our landscape. It is not necessary to invite the censure of those who follow us because we, in our haste to gain wealth and comfort, left ruin in our countryside when we might have kept it beautiful.

UNEMPLOYMENT INCREASES, BUSINESS SPENDING PLANS CONTRADICT TAX INCREASE PLEAS

Mr. PROXMIRE. Mr. President, the Washington Post yesterday eloquently pointed to the cruel effect a tax increase to be effective early next year would have on the unemployed. The editorial points out that the tax increase might help stem inflation, but that in view of the increase in unemployment last month to the highest level in 2 years that a tax hike would be "a far crueler and infinitely more callous—than inflation—to press forward with what amounts to a direct tax on the unemployed."

Also this morning, the Wall Street Journal publishes a very helpful analysis of the McGraw-Hill announcement that business spending on plant and equipmet is expected to be 5 percent higher than last year's record level.

Alfred Malabre, Jr., of the Journal, contends that this prediction may be on the optimistic side because our American industrial plant is now operating at about 81 percent of capacity and that business, for obvious reasons, rarely invests more in plant and equipment when its available plant is already more than big enough to do the job. Malabre also points out that even if there is a 5-percent increase in plant and equipment next year, price increases will account for most of the increase, and there will be little increase in the actual physical production of additional plant and equipment.

Mr. President, I ask unanimous consent that both these comments from the Washington Post and the Wall Street Journal be printed in the Record, together with an analysis of the McGraw-Hill announcement prepared at my request by the staff of the Joint Economic Committee.

There being no objection, the material was ordered to be printed in the Record, as follows:

[From the Washington Post, Nov. 12, 1967]

Taxing the Unemployed

The Administration's shaky proposal for a tax surcharge has been made shakier still by the October jump in unemployment. Following the September rise in the ranks of the jobless and accompanied by a decline in new orders, a drop in industrial production and a slowdown in the rate of growth in personal incomes, the increased idleness makes it painfully clear that the economy is not surging ahead at the unsustainable inflationary pace so confidently anticipated by the Council of Economic Advisers.

With unemployment at its highest level in two years, the Administration has the obligation to re-examine its predictions about the economic outlook and reshape its economic policy. There is doubt that enactment of a tax increase could halt inflation; there is no doubt at all that it would mean further increases in unemployment, particularly among Negroes and other groups in the lowest-paid and least-skilled categories, who registered the largest increases in joblessness last month. Inflation is a cruel indirect tax, but it would be far crueler and infinitely more callous to press forward with what amounts to a direct tax on the unemployed.

The Administration deserves credit for putting so much emphasis in the past on policies to promote growth and to create jobs. But it is jeopardizing its good work by insistence on a tax that would victimize teen-agers, Negroes and others who are now seeking work. While the Administration may have to take measures to contain inflation, it should not ask for added sacrifices from those least able to make them.

Appraisal of Current Trends in Business and Finance

Proponents of a tax increase to stem inflation picked up some ammunition last week. McGraw-Hill's fall survey of business spending plans found that industry intends to plow more than $65 billion into new U.S. plants and equipment next year, a full 5% above this year's record estimate. At a press conference to announce the finding, a McGraw-Hill economist gave the sort of assessment that's certain to be echoed by tax-boost advocates. The finding, he said, clearly indicates that a tax increase is indeed necessary.

Perhaps so. Perhaps capital outlays in the new year will climb 5% or so intensifying inflationary pressures in the economy. Certainly, last week's finding reflects the considered intentions of an extremely broad cross section of American executives. Certainly, these intentions are based on careful analyses of business projects for 1968 and beyond.

Nevertheless, before one attaches too great an importance to the indicated spending rise, it would perhaps be prudent to consider some 1967 economic facts that seemingly militate against a further increase.

One economic fact that should work against a spending rise in 1968 is contained in the same McGraw-Hill survey that portends a 5% increase. It is that U.S. manufacturers, on the average, have recently been using only 81% of their production capacity. This is a dozen points below the so-called preferred rate of operations that manufacturers generally consider most efficient and most profitable.

A glance at the post-World War II record shows clearly that increases in capital spending are most unlikely when industrial operations are down in the 80% neighborhood. In 1949, for instance, plant operations averaged 80%, and, by no coincidence, capital outlays dropped more than 12%. In 1950, it should be added, plant operations zoomed to more than 96% of capacity, but 1950 expenditures topped 1949 by only 6%; not until 1951, after prolonged operations at 90%-plus levels, did outlays rise sharply.

In recent weeks, this reporter has encountered no economist who expects plant operations to reach anything like 96% of capacity next year. The general opinion appears to be that operations at the best may reach 84% or 85%. And many analysts, noting that production capacity will continue to climb sharply simply from past outlays, doubt that operations will rise much above the present rate.

Plant operations average 84% in 1954—and capital spending dropped 5%. Between 1954 and 1957, the rate remained almost constantly above the 85% mark—and capital outlays rose. Then, however, the operating rate declined, and remained below 85% until mid-1964—precisely the year that plant-and-equipment outlays finally climbed decisively above the totals reached in the mid-1950s.

Another economic fact tending to militate against a spending rise in the months ahead is that profit margins have been shrinking for several quarters.

In such a situation, records suggest, plant-and-equipment outlays tend to turn down rather than up. Consider, for example, the decline in manufacturers' profit margins that occurred between the first quarter of 1957 and the first quarter of 1958. In the period, on the average, after-tax profits plunged to 3.4% of sales from 5.1%. And in the same two years, industrial outlays took the steepest nose dive since the war, dropping to $30 billion from $37 billion.

The 1957–58 experience, moreover, suggests that even if margins begin to widen again after a prolonged narrowing, this is no guarantee that spending will also bounce promptly back. Margins began to widen—and widen rapidly—in the second quarter of 1958, and continued to expand through the rest of the year. But plant-and-equipment spending kept on shrinking quarter-by-quarter until 1959. And even in 1959, when the margin level got as high as 5.5%, capital spending remained more than $4 billion below the 1957 total.

High borrowing costs are another fact of today's economy that may inhibit further spending increases. Traditionally, as corporate borrowers are compelled to pay higher interest charges, they grow more likely to delay or curtail capital projects. In this connection, it's noteworthy that the rate of capital outlays indeed did decline in the early part of 1967, in the wake of last year's tight-money crunch. Now, interest rates generally are even higher than during the 1966 crunch. And most analysts expect high interest levels to persist. In fact, there is widespread opinion that rates may go substantially higher unless taxes are raised and Government spending is cut.

To gain perspective on companies' spending intentions in the new year, it also seems appropriate to consider that the present economic expansion has been going on a very long time. This assuredly doesn't rule out further expansion. But it's a fact that executives tend to overstate their spending programs in the latter stages of an economic rise.

In a survey last April, for instance, McGraw-Hill found that industry would spend $64 billion in 1967. It now appears that $62 billion will be the actual total. Conversely, in November 1963, when the current expansion was finally beginning to move into high gear, a McGraw-Hill survey similar to last week's poll found that capital outlays in 1964 would rise 4%—a full 10 points less than the actual 1964 increase.

None of these factors, to be sure, rules out the possibility of a 5% rise in capital expenditures in 1968. Indeed, some analysts including the aforementioned McGraw-Hill economist believe 5% may be on the conservative side. They stress that climbing labor costs will spur companies to spend heavily for more efficient equipment. They note that the economy is generally expected to continue growing in 1968. And they calculate that a 5% increase in outlays actually would represent little "real" gain over this year's spending total, because most of the projected rise would merely reflect higher prices. Still, the economic record suggests that any spending increase in the present business environment would be the exception rather than the rule.

—Alfred L. Malabre, Jr.

Joint Economic Committee Staff Analysis of McGraw-Hill Announcement

The results of McGraw-Hill's fall survey of business spending plans announced last week, have been viewed in some quarters as support for a tax increase. The survey found that industry intends to spend more than $65 billion on new plants and equipment in 1968, a 5 percent increase above this year's estimate. A closer examination of the economic situation, however, shows that this estimate is very likely over-optimistic, and should not be given too much weight as support for a tax increase.

In this morning's Wall Street Journal, Alfred Malabre's article on The Outlook argues that an increase in business investment spending of the magnitude estimated in the McGraw-Hill study is not supported by the economic record. In fact, based upon past experience, Mr. Malabre concludes that *any* spending increase in the present business environment would be the exception rather than the rule.

The article points out three main factors working against a 5 percent rise in capital expenditures in 1968. First, is the low level of capacity utilization. The same McGraw-Hill study mentions the fact that U.S. manufacturers, on the average, have recently been using only 81 percent of their productive capacity—more than 10 points below the preferred rate. Second, is the fact that profit margins have been shrinking for several quarters. And third, business borrowing costs are high; in fact, present interest rates are above the level reached during the 1966 tight-money crunch.

Mr. Malabre's article draws upon the record of the post war years to show that any substantial rise in business spending in the face of these factors is most unlikely. He also makes the interesting observation that businesses have tended to overstate spending intentions in the latter stages of an economic rise, and to understate them at the beginning of an economic expansion. This adds an additional reason for viewing the current estimate with caution.

JOHN NANCE GARNER

Mr. TOWER. Mr. President, last Thursday, I spoke concerning the death of former Vice President John Nance Garner. On that same day, many newspapers across the State of Texas also paid their respects to him. I ask unanimous consent that certain editorials be printed in the Record:

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Fort Worth (Tex.) Star-Telegram, Nov. 9, 1967]

Garner Made Place of Honor in History

John Nance Garner, the eldest of Texas' elder statesmen, fell short of his final goal of living to be 100. But he missed it only narrowly—by a year and 15 days—just as he narrowly missed becoming President of the United States, which was not one of his aspirations.

The flow of events had largely passed him by since he retired in 1941 to his home in Uvalde from a long career which led to the speakership of the House of Representatives and the vice presidency and made him perhaps the best known Texas political figure of the century except for Sam Rayburn and Lyndon B. Johnson. But he was not forgotten. For years there was a continuous stream of men prominent in public life seeking him out in his quiet Uvalde retreat, to pay him tribute and listen to his sage advice on affairs of government.

The wisdom of this ruddy, stocky, salty Texan in such matters stemmed from innate shrewdness in appraising human motives and actions, coupled with long experience in dealing with politicians. By all he was respected, trusted and loved. President Franklin D. Roosevelt, whose running mate he was in two presidential campaigns, called him "Mr. Commonsense," though his policies seldom followed the Garner counsel. Other Presidents and men in high office, as far back as Theodore Roosevelt, cherished him as a friend even while they were wary of his resourcefulness and effectiveness as an opponent.

He was a believer in fiscal integrity in government, just as he was a believer in personal integrity. He came to the speakership—the unanimous choice of his party—soon after the nation had plunged into its deepest economic depression, and history will credit him with saving the country from utter financial collapse through sheer force of conviction and personality.

It was fidelity in principle that caused him to forfeit the chance that almost surely would have made him President. He ended his public career rather than run with President Roosevelt for a third term, and the two-term limitation he espoused is now written into the Constitution. Had he chosen to run, he undoubtedly would have succeeded to the presidency, instead of Harry Truman, at President Roosevelt's death.

Few Texans have been more revered than Mr. Garner, and one, especially, of his observations carries significance for an age impatient for instant social and political Utopia:

"It has never seemed to me that permanent gain was achieved by too much haste in settling solemn problems."

[From the San Antonio (Tex.) Express, Nov. 9, 1967]

John Garner's Common Touch

John Nance Garner was the first Texan to be elected vice president of the United States and that was the highest elective office any Texan had held to that time. He had strong support for the nomination for the presidency in 1932 and he was a leading power in the drive against President Franklin D. Roosevelt's third-term campaign.

Garner felt duty bound to represent Texas and his district ("Every time one of these Yankees gets a ham, I'm going to do my best to get a hog.") This was a reference to the so-called "pork barrel" projects and his view that Texas was behind schedule on a fair share.

And he was that rare politician who meant it when he said "never."

Garner spent three years as Uvalde County judge, four years as a member of the Texas Legislature and 30 years in the U.S. Congress. He was vice president of the United States two terms, leaving the office because he opposed more than two terms for President Roosevelt.

When he left political life he said he would never return. He not only never returned but he made it a rule not to discuss political affairs "on the record." Many political leaders called on him in Uvalde but he chose not to exert any public influence.

One of Garner's goals was to live to be 100 years old. He missed it by a year and two weeks.

Affable, entertaining and entirely unaffected, Garner was informal host to visitors in Uvalde, letting them sandwich a visit in while he shelled pecans, fed his poultry or ate his breakfast. He eventually gave up his political feuds and rated as his greatest achievement his feeling of the "greatest kindliness" for all people. This included even John L. Lewis, the labor leader, with whom Garner battled bitterly in Lewis' hey-day of power.

Garner was Uvalde's first citizen, a great Texan and a valued national leader.

[From the Reporter-News, Nov. 9, 1967]

GARNER MADE GREAT MARK, WILL ENDURE IN HISTORY

John Nance Garner was one of the most unlikely happenings on the American political scene that can be imagined.

By dent of personal ambition, determination and astuteness, he came out of the land of the cactus, a product of sparsely-settled, rural, even backward country, to take a seat in the U.S. Congress.

There he rose to become a powerful national political figure, the first Texan to do so, and exerted tremendous influence on the course of national affairs at a critical time in our history. Two others were to follow in his footsteps, Speaker Sam Rayburn and President Lyndon B. Johnson.

Someone remarked upon hearing the news of Garner's death, "This certainly marks the end of an era."

No, it really didn't. It marked the close of a remarkable life, but the era of which he was a symbol ended, perhaps, when Cactus Jack Garner crossed the Potomac on a train homeward bound and vowed never to return to Washington again. He kept his word.

Garner was the epitome of the rugged individual, the master politician, the conservative lawmaker which characterized the first third of this century.

The tough Texan believed in fiscal integrity in government, as he did also in personal integrity. The top councils of government today could be well guided by more of his philosophy, but in truth his outlook would have had to be moderated considerably by social changes that have come since he retired.

Garner won a seat in Congress in 1903. Twenty-eight years later, in 1931, the worst of the Depression, he became Speaker of the House.

He bid for the Democratic nomination for the presidency in 1932, but wound up as Franklin D. Roosevelt's vice president. He went into office in 1933 and served two terms.

Thus he lived to preside over both Houses of Congress in his time.

It was a matter of deep personal conviction that ended Garner's public career. He opposed a third term for Roosevelt and told him so. Rather than compromise, he wrote finis to his own political fortunes.

One can recognize Garner's niche in history by the simple exercise of trying to recall the name of any vice president before him. Few can be remembered—without resort to a library—unless it might be Charles G. Dawes, President Coolidge's vice president. And he was known not for his vice presidency, but for the Dawes plan of reparations after World War I.

Garner was respected during his career, and in the 26 years since his retirement. This respect will endure beyind his death.

[From the Houston (Tex.) Post, Nov. 9, 1967]

JOHN NANCE GARNER

John Nance Garner, who died Tuesday at his home in Uvalde, was a great Texan and great American. He spent some 46 years in public life, yet it has been 26 years since he left Washington, never to return. When he stepped aside as vice president after serving two terms, he said he was through with politics. He kept his word.

Texas was still young and raw in 1898 when Garner was elected to the Texas House of Representatives. When the 1900 census showed that the state was entitled to another congressional district, Garner persuaded the Legislature to set it up in Southwest Texas in an area that would include his home county of Uvalde. When this was done, he ran for Congress, was elected, and never was defeated.

In Congress, he became speaker of the House of Representatives, leaving early in 1933 to move across the Capitol after being elected vice president.

He served as vice president for two terms, but fell out with President Franklin D. Roosevelt when Roosevelt broke tradition by running for a third term.

He was known affectionately as Cactus Jack, and the wide-brim hat he wore and his bushy eyebrows were a delight to the nation's political cartoonists. He had an earthly humor, and was not always in full accord with the policies and programs of President Roosevelt.

However, in accepting renomination in 1936, he said:

"I am a soldier, and it is my duty to follow where the commander leads. I accept the rules of war laid down in the platform."

After his long service in the House, he found the job of vice president, which then consisted chiefly of presiding over the Senate, boring at times.

"I am vice president of the United States. You'd better stick around a while—you might pick up some new ideas," he once said on being introduced to a circus clown.

As a congressman, he served his district and the nation ably. The pork barrel, then as now, was highly prized. Once while discusing federal appropriations he remarked:

"Every time one of these Yankees gets a ham, I'm going to do my best to get a hog."

Garner would have been 99 years old on Nov. 22. He did not achieve his ambition to live to be 100.

Of Garner, former President Harry S. Truman said:

"He enjoyed the respect of all Americans as the spokesman for the rugged and practical individualism that played such an important role in the building and growth of this nation."

And President Lyndon B. Johnson said, "Few men in history had more experience in government nor more respect from his colleagues during his long career in public service."

Texans have every reason to be proud of John Nance Garner.

[From the Beaumont (Tex.) Enterprise, Nov. 9, 1967]

JOHN NANCE GARNER

John Nance Garner was a child of the magnificent Texas traditions of the open spaces: Earthy and independent, tough in mind and body, and one who had a taste for only the red meat of politics.

Though 46 years in public life had made him a friend—and foe—of the great and the near great, this unsophisticated old man had seemed as elemental and enduring as the burning sun and inhospitable soil of his southwest Texas homeland.

He liked and disliked with equal vigor, made candor a religion and clung tenaciously to his own concepts of what the Democratic Party ought to be.

However, party loyalty had important play throughout his career in the Texas Legislature, in Congress where he became speaker of the House, and as vice president through two terms of the Franklin D. Roosevelt administration.

Although he put his unexcelled political knowledge and legislative skill to work in obtaining passage of New Deal legislation, the Texan was decidedly more conservative than Roosevelt. In fact, he did not like much of the legislation he helped put through Congress. He opposed serious foreign involvement, never became adept at courting labor, opposed the third-term idea and finally broke with the President over the latter's efforts to enlarge and pack the Supreme Court.

Like other Texans in our time, his governmental genius lay in legislative maneuvering and there is no doubt that this activity was his first love. He once said the position of vice president made him feel like "a spare tire of government."

However, his record in that office proved him anything but a spare tire. After having been in the House since 1903 and for many years a member of the powerful Ways and Means Committee, he brought a great deal of legislative knowledge to the No. 2 spot in the executive branch.

Like many men in public life, "Cactus Jack" did not reach all the rungs on the political ladder to which he aspired. His two tries for the presidency, in which he was egged on by the conservatives, failed. It simply wasn't the time.

In a sour mood, he left Washington in 1941, vowing never again to go east of the Potomac. He kept his word.

Garner's span of almost a century brought him rich rewards by every standard, including the status of millionaire, respected both in and out of Texas. And in the sunset years, every day was a day to lift his eyes to the everlasting hills.

Former President Harry S. Truman paid his Texas friend the most eloquent tribute of all when he said he exemplified the "rugged individualism" that had been such a moving force in the building of a nation. All of us can admire him for that.

[From the San Angelo (Tex.) Standard-Times, Nov. 8, 1967]

MEMORY OF GARNER WON'T DIE IN TEXAS

There's an old political tale that goes like this: Two brothers in the same family followed different careers in life; one ran away to sea, and the other became vice president of the United States. Neither was ever heard from again.

Whatever truth there may be to this story certainly wouldn't apply to John Nance Garner, vice president 1932–40 and public figure all his life.

Cactus Jack, the beloved sage of Uvalde, was respected throughout the nation for generations. During his government service, he was a prominent shaker and mover in American political life. He began his career in the Texas Legislature in 1898. He was first elected to Congress in 1903, while Theodore Roosevelt was president. In 1931, he was elected speaker of the House—"a position he left to become Franklin D. Roosevelt's running mate and then his vice president for two terms.

Throughout his public career, Garner clung tenaciously to his philosophy of individualism, government economy and patriotism. Indeed, it was the strong pull of his scruples which forced his break with President Roosevelt over the third-term issue and the Supreme Court-packing plan.

Retired from public office, Garner never retired from public service. Even after leaving Washington for his home in Uvalde, he continued to aid his state and West Texas in particular in the councils of government.

In Congress, Garner for a time represented San Angelo. Redistricting later took San Angelo and West Texas out of Garner's district, which then ranged along the border to the coast at Brownsville, north almost to Corpus Christi. But nothing ever took West Texas out of his consideration. In practice, he always represented West Texas—he was the man to see about West Texas interests in Washington, because he knew West Texas and West Texas problems, and was always sympathetic to them.

Garner was an especially valued friend of San Angelo, probably as dependable and solid a friend as this city has ever had. While still vice president he was instrumental in the decision to locate Goodfellow Air Force Base here. The base was opened officially July 4, 1941; Garner had successfully used his influence with the site selection committee to sell the virtues of the San Angelo site.

In more recent years, Garner's philanthropy and his storied birthday parties were most in the public eye—but he continued to exert his influence in behalf of West Texas and many, many public figures sought and acted upon his advice. He had become something of a public monument in Texas—his Uvalde home was a frequent stopping-place for friends.

With his passing, something special is lost to the state and to the nation. Cactus Jack Garner was an original; his salty speech, his adherence to principle, his rock-ribbed individualism will be long remembered and can never be fully replaced. He reached public office higher than that afforded any Texan who preceded him; he will occupy just such a high position in the memory of all who knew the man and his works.

AN APPROPRIATE 1967 THANKSGIVING MEDITATION

Mr. METCALF. Mr. President, one of the great international organizations attempting to alleviate hunger and promote development abroad is the Church World Service, which sponsors CROP.

The distinguished Senator from South Dakota [Mr. McGOVERN] recently addressed the anniversary meeting of the Church World Service-CROP organization in South Dakota. His remarks on that occasion have been given national publicity in the November issue of the Church World Service News, which has reproduced and suggested them to all its readers as a different and appropriate kind of Thanksgiving meditation.

It is a timely suggestion, and to make the Senator's moving remarks on world hunger more widely available, I ask unanimous consent that they be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A THANKSGIVING MEDITATION

(Remarks of Senator GEORGE McGOVERN, to the South Dakota Church World Service-CROP anniversary meeting)

"When we pray "Give us this day our daily bread" it really is a prayer of thanksgiving, for flourishing fields, for pantries that are well-stocked.

To most of the people of the world, however, it is a genuine cry of hunger—to the African villager too weakened by malnutrition to do anything other than murmur as he prepares for death, to the South African mother trying to prepare an evening meal with nothing but the ground powder of the Monyoka wood, to the child that one sees on the streets of every great city of Asia and Africa and the Middle East, deserted, hungry, and neglected.

MEMORIES OF BRAZIL

I think of February, 1961 when I made my first trip abroad as director of our Food for Peace program. We got on a jet in Washington and a few hours later we climbed off that airplane in Rio de Janeiro, one of the great cities in Latin America. Within a matter of hours we were flown in a smaller plane to northeast Brazil where suddenly we were surrounded by all of the tragic signs of developing countries—a village without pure water, a village without a school, a village where the inhabitants may never see a doctor or a nurse or a dentist or anyone able to administer the arts of healing.

We saw in our first village the familiar scene of an emaciated mother, prematurely aged, seated on the floor during the noonday meal with two little children in her lap. A four-year-old brother had died the day before of chicken pox, a disease which our children would ordinarily throw off without much difficulty, but a childhood disease that proves fatal to a child with years of malnutrition behind him.

HUNGER, THE PRIME ENEMY

Hunger is the chief barrier to the political, economical, and social development for the people who inhabit this world of ours. It is the public enemy number one of the human race.

Hunger is the enemy that comes by night, silently, and steals children away in the early years of life by the tens of thousands, some three million of them dying each year, not with the label "starvation" on the death certificate, but due to some disease brought on by the problems of malnutrition and hunger.

Hunger is the constant companion of most of the boys and girls and the men and women who make up the most populous continents around the globe. It is the problem that denies energy to the student who is aspiring to an education, it is the problem that makes it impossible for the peasant to work a day in the fields and produce as our farmers do, it is the problem that holds back the peaceful and orderly development of most of the new countries of the globe.

WHAT ARE OUR PRIORITIES?

If we would look at this problem of hunger in terms of its relationship to us, we would discover, first of all, that it raises the question of our priorities, because the most painful paradox of our time is the fact that we Americans have unlocked the keys of production and we have the greatest food producing capacity that the world has ever known; yet we are plagued with the problem of abundance at a time when most of the globe suffers from too little.

We are now spending approximately $300,000 for each of the guerrilla peasant-fighters we destroy in southeast Asia. If one guerrilla sticks up his head in the jungle we are willing to expand the treasure of our country and the blood of our youth without limit trying to bring that enemy to the ground.

But what of the silent enemy out there in the jungle who makes no noise, who lurks behind every tree, in deserts, fields, and villages of the back country of all the continents of the globe, who destroys more in one year than all the wars of this 20th century?

THE WAR WE MUST WAGE

The war against hunger is a war where there need be no battle casualties. It is a war where there won't be a stalemate—if we wage it properly. It is a war which can be fought at much less cost in terms of financial and material resources than any other war in which we have been involved.

This is a war not to destroy, but a war to build, to save and to redeem human life. And the war against hunger is a war for which we have the capacity to win.

I believe American food and agriculture represent the most vital single resource that we have in building the cause of freedom and peace, not only in our own country, but around the world.

I believe that instead of pouring some 75 billion dollars a year into the acquisition of military hardware were we to devote just 5% of that amount to the cause of agricultural assistance and direct food aid, not only would the American farmer prosper, not only would the American taxpayer be better off, but the cause of peace and freedom would be strengthened around the globe.

If we could somehow turn our farmers loose, harness the enormous capacity they have, and guarantee them a just price for their efforts, then it seems to me that those farmers could do more to build the cause of a peaceful world than all of the armed industry and all of the military hardware we have shipped into the far corners of the world combined.

NOT A TIME FOR HATRED

This is not a time to hate. It is a time to love. It is a time that cries out for compassion and concern for others around the world.

It is a time to heal, not a time to destroy, a time to build up and to redeem. Let us pray God that this time of war in which we now live can also become a time of peace.

If we do our part, if we break bread with the hungry—in the practical sense of that phrase—if we bind up the wounds of the world, rather than using our great power and our marvelous technology to widen the wounds of mankind, then I think we can come to know the meaning of the scriptural promise, "When a man's ways please the Lord he makest even his enemies to be at peace with him."

A PROGRAM FOR STRENGTHENED, BROADENED, ALL-INCLUSIVE, STATE AND FEDERAL MEAT INSPECTION—NOW

Mr. MONTOYA. Mr. President, as Senators know, earlier this year I introduced S. 2147, a proposal to modernize and further strengthen the Federal Meat Inspection Act. It makes it possible for the Federal Government to cooperate with the States. It provides them with scientific and technical assistance and financial aid up to 50 percent of the cost of inspection programs for meat and meat products conducted by States that meet certain standards equivalent to Federal standards for meat inspection.

A similar bill, H.R. 6168, was introduced in the other body by Mr. SMITH of Iowa.

Extensive hearings were held before the Subcommittee on Livestock of the House Committee on Agriculture. A committee bill, H.R. 12144, known as the Purcell bill, was reported out. This was adopted by the House with only 1 dissenting vote.

On Tuesday of this past week, I issued a statement in which I called for prompt reporting out by the Subcommittee on Agricultural Research and General Legislation of the Senate Committee on Agriculture of my bill, S. 2147. I further urged that the Senate committee adopt in this measure technical amendments adopted by the House of Representatives. But I went further, suggesting that this bill be strengthened by an added amendment. It is my hope that all our States will see to it that proper enabling legislation is enacted, so proper meat inspection can be guaranteed all their citizens. But if a given State for its own reasons does not see to it that this is done, then there is a Federal responsibility to consumers of that jurisdiction. It is fitting and necessary that we anticipate this probability, and make provision for protecting the consumer interest in any area where this may be necessary.

If after a reasonable time a State fails or refuses to take action to protect its consumers, Federal action will be taken. If, after a period of 2 years, the jurisdiction in question fails to require mandatory comprehensive meat inspection that meets requirements as envisioned by the Montoya-Purcell bill, then the Secretary of Agriculture would be authorized to coordinate and consult with State officials, and act if necessary. He would be further authorized to grant a State 1 more year of grace, if after consultation with the Governor, he was persuaded that action by the State, in line with the purposes of his act, would be forthcoming. He would be authorized to inspect or supervise inspection of all commercial meat or meat products slaughtered or processed within that State. The Secretary of Agriculture would retain this jurisdiction until such time as the State in question would enact legislation, appropriate funds, and make provision for enforcement of an adequate meat inspection program.

In recent weeks and months there has been extensive discussion on this subject, and it has become obvious that action is needed now by this Congress. We must move in the area of not only modernizing and strengthening the Federal meat inspection system, but bring about needed improvements in the adequate enforcement of established State and municipal meat inspection systems. We must encourage those States that do not have mandatory, adequate meat inspection systems to act as quickly as is humanly possible.

Mr. President, I am convinced that all those interested in sound legislation have been concerned with the fact that the House-passed Purcell bill, while being an excellent piece of legislation in offering financial incentives, lacked power to move States that might be laggard to take steps to protect the well-being of consumers within their jurisdiction.

My proposed amendment would rectify this weakness in the Purcell approach. It has been characterized by some, both in hearings and by Members of this body, as being the "needed stick to go with the carrots," to bring about reform in meat inspection for all U.S. citizens. Other approaches that have been suggested that would partially federalize inspection in plants outside the federal system, would leave untouched by this legislation over 8,000 meat slaughtering and processing facilities. These would be left to be inspected, if at all by State or municipal systems. These, in the opinion of knowledgeable people in regulatory activities would have been weakened by preemption by the Federal Government of control over larger plants operating within their jurisdiction.

It has further been suggested that the Federal Government immediately extend its authority and inspection over plants to about this same figure until such time as the States could meet Federal standards. I reject this approach because it fails to take into consideration the growing need for imaginative and effective cooperative systems of State and Federal responsibility in this area.

I am not one who wishes to see the long hand of our Federal Government reach into yet another problem area that is the preferable province of the States. I think it is much more to be desired that States and municipalities be given a clear opportunity, with the scientific, technical, and financial help of the Federal Government, to clean and police their own meat slaughtering and processing establishment. I was extremely pleased this morning to read an editorial, one of three, entitled "Mr. Montoya's Clincher" in the Washington Post, and I ask permission that this editorial, and the other two, be inserted at this point in my remarks.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the Washington (D.C.) Post, Oct. 31, 1967]

THE CLEAN MEAT BILL

The House will have an opportunity today to modernize the outmoded Federal meat inspection law which has been on the books with little change for 60 years. It is a task made urgent by revolutionary changes in the meat-handling industry. The slaughter of livestock is no longer concentrated in Chicago and a few other large centers. In recent years the slaughterhouses have moved close to livestock feeding areas and are much more numerous than they once were. At the same time processing plants turning out meat products tend to be located near the large consumer markets. With their sophisticated techniques, they produce many products that require little home preparation, thus greatly increasing opportunities on the part of a few unscrupulous producers for adulteration, the use of "extenders" and deceptive labeling.

The weakest point in the present inspection system is the absense of cooperation between the Department of Agriculture and the states. Federal inspection is limited to meat moving in interstate and foreign commerce, and only about one-half of the states provide mandatory inspection of meat and meat products that move within state boundaries. Eight states, including Maryland, have no meat inspection law whatever.

Representative Purcell's bill approved by the Department of Agriculture, the House Agriculture Committee and the livestock industry would meet this problem by creating a joint Federal-state inspection system. The Department of Agriculture would provide counsel, manpower and financial aid to help the states set up complete intrastate inspection consistent with Federal standards.

As the bill goes to the floor, this appears to be its most controversial provision. A substitute for this section known as the Smith-Foley amendment would offer additional protection against unfit meat by extending Federal inspection. But this would cover only plants having gross sales in excess of $250,000 annually, leaving about one-half of the plants now uninspected still free to turn out dirty meat. Most of the trouble in the past has come, not from the larger plants which have a reputation to uphold, but from small unstable enterprises—the kind that would remain uninspected under the Smith-Foley amendment.

In our view, there are two major objectives to be sought: (1) The elimination of every pound of unclean or unwholesome meat from the market; (2) Accomplishment of this objective within the framework of our Federal system, which often calls for Federal aid to help the states perform their local functions instead of mere absorption of those functions by an overextended Federal bureaucracy. Since the Purcell bill would make it possible to accomplish both purposes and the Smith-Foley amendment would not accomplish either, the bill approved by the Agriculture Committee seems clearly preferable.

[From the Washington (D.C.) Post, Nov. 6, 1967]

THE MEAT CONTROVERSY

The almost unanimous vote of the House of Representatives for the meat-inspection bill reflects a strong public demand for the elimination of dirty meat. The bill would tighten up Federal inspection of all meat shipped across state lines and extend Federal aid to state inspection systems in line with Federal standards. The aim is to extend protection to all meat consumed in the United States by means of Federal-state cooperation.

The hot controversy which developed in the House was over the ways and means of achieving this objective. The House voted down the Smith-Foley amendment which was designed to extend Federal inspection to 5850 intrastate plants doing business of more than $250,000 annually. In discussing this proposal in our editorial of Tuesday, we neglected to make clear that, like the Purcell bill which the House approved, it would also extend aid to the states in the inspection of some 9000 small plants that would not be taken under Federal jurisdiction. Sponsors of the Smith-Foley amendment believe that it would encourage the states with no inspection laws to enter the field by narrowing their obligation. Opponents contend that it would discourage state action by Federal absorption of state powers and by leaving to the states only small slaughterhouses and processing plants where inspection is difficult and expensive.

Since both the bills contemplate Federal and state inspection systems the nub of the argument is where the dividing line should be drawn. If state inspection can be made effective in all the 50 states, we think the natural dividing line between interstate commerce and intrastate commerce is preferable. But it must be acknowledged that this is a big "if," and if the states do not do their part the task of throwing out contaminated meat will have to be taken over by the Federal system.

We think the Senate could improve the House bill by writing in a time limit during which the states would have to act. If any state should fail to provide for the inspection of all slaughtering and processing plants operating intrastate within two or three years, complete Federal inspection service would be provided in that state. This would allow the states that choose to expand their programs to do so and would allow complete Federal inspection wherever the states might fail to meet Federal standards. The states cannot have it both ways. They must do the job and do it effectively or yield to Federal agents who can.

[From the Washington (D.C.) Post, Nov. 13, 1967]

MR. MONTOYA'S CLINCHER

Hearings before a Senate Agriculture subcommittee have buttressed the argument for tighter inspection of meat—an argument that was already conclusive. In our view, the only substantial question before the subcommittee (and later the Senate itself) is how the extended controls should be brought about. Since the House voted the other day to help the states develop their inspection systems, many people have been at work on plans to make certain that this approach will be effective.

Senator Montoya of New Mexico has offered a bill which coincides with a suggestion made on this page after the House bill was passed. He would aid the states in elevating their inspection standards to the Federal level, in line with the House bill. And if the states should fail to put their own houses in order. Federal inspection would be extended to all slaughtering and meat-processing plants in those states without regard for whether or not the meat moved in interstate commerce. We are pleased to note that the Administration has embraced this idea, and we hope the Senate will do likewise.

This is a better solution than was offered by either side in the House. It would not attempt to draw an artificial line between large plants to be Federally inspected and small plants to be left to the states, without regard to their relation to interstate commerce. It would not cut into state inspection systems that are now functioning fairly well and possibly leave untouched filthy operations in states that have no meat inspection whatever. Rather, its premise is that all meat sold to the public must be properly inspected and that Federal inspectors must do the job if the states do not.

There is no constitutional bar to Federal inspection of intrastate operations if that becomes necessary to the proper regulation of interstate commerce. But when the Government finds it necessary to take over a state function of this kind, there is little to be said for halfway measures. The states should have one more chance (with Federal aid) to do what many have neglected in the past. If any state should fail to seize the opportunity within two or three years, there is no rational alternative to Federal inspection of all meat plants within its borders.

Mr. MONTOYA. Mr. President, I agree with the Washington Post that the Montoya-Purcell bill, with the amendments proposed, is a better solution than those previously offered by either side in this controversy. I have already received concrete evidence that leaders in State governments with responsibility in this area, and the meat industry believe this to be a fair and satisfactory solution to this knotty problem. I believe responsible people on both sides of this controversy are interested in quickly providing for a sound system that will work—a system that within a reasonable time will assure that all meat being produced commercially in any part of our Nation will have been slaughtered and processed under adequate inspection programs, insuring consumers that all meat they eat is wholesome and safe, as well as nutritious.

Livestock producers of this Nation are rightfully concerned when any segments of government fail in their responsibilities to assure this to the consumers. I have received several telegrams from various individuals and leaders in State government and industry which clearly recognize, albeit belatedly, that my approach will be effective, practical, and realistic. No one wishes to put a dollar value on consumer protection, but it seems to me we would be remiss in our responsibilities if we were not assured that we are receiving the greatest possible return for investment of government moneys in consumer protection. Estimates made by the Department of Agriculture indicate that the Purcell-Montoya approach would be less costly, and eventually will cover all commercial meat production everywhere. Other alternatives suggested and already rejected by the House of Representatives, would add at least $31 million to the present $47 million Federal bill for meat inspection. But they still would leave over 8,000 plants inadequately supervised in their slaughter or processing.

Mr. President, I hope the Senate Committee on Agriculture will act swiftly on this important measure, so the Senate may this session pass this bill. Our aim is to see the year 1968 mark the modernization and strengthening of the Meat Inspection Act which has served this Nation so well. Also, to herald the day when every State in the Union, with help of the Federal Government, will assure its consumers of safety and sanitation in all meat they consume.

This debate has been painful to some and shocking to many. As horrid as some revelations of inadequate inspection have been, and as harsh as some words that have been uttered have sounded, this indeed is a small price to pay for sound legislation. This matter is of primary interest to all of us who are consumers. But it also is of basic importance to livestock producers of our Nation who gain nearly one-third of their cash income from sale of meat animals. It is further of major importance to the meat industry, which according to the 1963 Census of Manufacturers has value of production of $13.5 billion, and is fourth largest in the Nation in terms of value of its products. It is fifth largest in total amount of its payroll, and sixth in number of its employees. This industry of course is of significant importance to consumers, processors, and livestock producers of New Mexico, and I am convinced I speak for the overwhelming majority of them when I say: let us not hesitate; let us not dawdle; let us not be dilatory in taking action this year; right now. The Montoya bill, with revisions I suggest would, in addition to the proposal to give the State reasonable time before Federal intervention.

First. Broaden the present meat inspection program by establishing a Federal-State cooperative arrangement under which the Federal Government would provide scientific, technical and financial assistance to State agencies in order to improve the quality of State meat inspection services. This financial aid could amount to as much as one-half the cost of a State program.

Second. It would modernize and combine present statutes relating to meat inspection.

Third. It would give the Secretary of Agriculture needed authority over wholesalers, truckers, warehousemen, brokers, renderers, and animal food manufacturers in order to control the traffic in unfit meat and meat products. This would provide additional insurance against the possibility of these products being sold to unsuspecting consumers for use as human food.

It is my earnest hope that this bill will become law soon, and that the Secretary of Agriculture, acting with this authority that we grant, will immediately consult with Governors of States to review existing meat inspection systems. He could then set up machinery in cooperation with the Federal and State Governments to carry forward provisions of this proposed legislation. I would further say, Mr. President, that we are at the tail end of this session of the Congress. One House has clearly spoken already on this subject. Let us then offer an approach that strengthens, but does not do violence to, the concepts of the House-passed Purcell bill. I am personally convinced that knowledgeable Representatives of the other House will see the value and accept the terms of this proposal. They are vitally interested, as are we, in passing sound, realistic, effective meat inspection legislation this year.

WINTER HAS COME TO FAIRBANKS

Mr. GRUENING. Mr. President, the flood in Fairbanks was a major disaster. Actually, the farthest north principal Alaskan city was hit harder than any of the cities devastated by the Good Friday 1964 earthquake. For while in that most violent of all earthquakes on this continent, since earthquakes were measured, some buildings were totally destroyed, other buildings in the cities affected were only slightly damaged. But in Fairbanks almost none escaped without considerable damage. But the spirit of the people of Fairbanks was wonderful. It was typical of Alaskans in general. On the whole the SBA did an excellent job and its personnel worked long hours devotedly, although a number of individuals who lost heavily both in their homes and their businesses have expressed disappointment and dissatisfaction with what the agency decided to do for them. It is to be hoped that these individuals can take up their problems anew with the SBA to see whether a more satisfactory arrangement may not be made for them.

"Fairbanks Girds for Hard Winter," is the headline of a UPI dispatch which summarizes the present situation there. I ask unanimous consent that this article which appeared in the New York Times on Sunday, November 12, 1967, be inserted at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Fairbanks Girds for Hard Winter—Quake and Flood in Summer Make Task More Difficult

Fairbanks, Alaska, November 11.—The wolfwinds are beginning to howl down from the northways. The snow will soon be drifting deep along the road.

Ordinarily, preparing for the long winter's night in Fairbanks is a routine operation. This year it has been a frantic race against time.

Every winter here is harsh, but last summer nature went on a rampage in the "golden heart of Alaska." First was an earthquake; then a flood. The quake caused considerable damage; the flood almost washed out the town.

Alaskans are a hardy people, and the folks in Fairbanks are tough. They didn't ask for charity. All they wanted was a little credit.

A typical comment came from Lenny Johnson, a city electrician.

"Just a few weeks ago there was four feet of water in my place," he said. "Now the floor is buckled. The walls are warped, some of the doors won't close. But we'll be okay.

"It's going to be a tough winter for a lot of people. I suppose I'm just about as ready as I can be. I just hope the furnace runs without too much trouble."

The Chena River, which flows through the heart of Fairbanks, crested Aug. 15 at 18.82 feet, 6½ feet above flood stage. This was the result of phenomenal rains that fell in the wilderness northeast of Fairbanks, which is situated on the flat plain of the Tanana Valley.

The flood came so fast it caught the residents by surprise. Lowland villages in the valley also were flooded—Nenana, Big Delta and Minto.

Fairbanks, the second largest city in the state, was hit hardest of all. The flood of 1967 was the worst thing that has happened to Fairbanks since it was founded during the Gold Rush days at the turn of the century.

About 1,500 have left since the flood. Many of them might have left anyway with winter coming on.

But, said Mayor H. A. Boucher, "the people with roots are going to stay."

The flood inflicted damage estimated at more than $200-million and sent most of the city's 16,000 residents fleeing to high ground. It soaked the city for almost a week. Once the water began to recede the townspeople waded back to their homes and businesses and began their race with winter.

First on the agenda, of course, was warmth. Every basement furnace in the city had been flooded out of commission and most other heating systems had been ruined or damaged.

WORKED AROUND CLOCK

Al Swearengin, service manager for a heating company, said his crew worked around the clock to restore furnaces and other home heating units.

Today, he estimated, only about 15 per cent of the city's homes are without normal heating. Portable electric heaters, wood-burning stoves and fireplaces have been installed in many houses where furnaces were ruined.

Transportation is another problem. Lonnie Hall, a garage operator, explained that cars and trucks that were inundated might be working now, but when the freeze sets in, drops of water in transmissions and gears will turn to ice and lock the assemblies.

"We're going to see a lot of people walking this winter," Mr. Hall said. "Maybe some of them will go back to using dog teams."

Ray Willman, coordinator for the Office of Emergency Planning, said he believed public utilities, streets and building had been repaired well enough to get through the winter.

PROGRESS IN RACIAL JUSTICE

Mr. GRUENING. Mr. President, an editorial analysis dealing with the recent mayoral elections in Cleveland and Gary strikes a very sane note on the question of so-called black power. The elections of mayors of the colored race in these two important cities is a heartening demonstration of the basic American concept that merit will be recognized and that the American people can and do rise above prejudice based on race or religion.

Let us hope that this will continue to be so increasingly and in more and more States. It has long not been so in parts of the South but there is a prospect that these conditions may be changing. If the change comes, it will, in very large part, be due to the effective leadership exercised in this field by President Johnson and by decisions of the Supreme Court starting with the 1954 decision in the Brown case.

Obviously, there is still a long, long way to go, but with a Negro in the Cabinet, one on the Supreme Court, and one in the Senate, popularly elected for the first time in history, and with colored citizens in ambassadorships, other Federal judgeships, and in still other policymaking positions and many new employment opportunities open to them, in recent years, for the first time who shall gainsay that there has not been real progress? Let it continue until complete equality of opportunity is afforded to all.

I ask unanimous consent that the editorial entitled "'Black Power' and the Elections" which appeared in the New York Times on Sunday, November 12, 1967, be printed at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 12, 1967]

"BLACK POWER" AND THE ELECTIONS

Last Tuesday's elections in Cleveland, Gary and parts of the South translated "black power," that mischievous and opaque slogan, into the only meaningful terms it can have: political success achieved through the democratic process. There are other forms of power in the economic and social spheres, but in this rapidly changing economy and this open society, individual Negroes have little difficulty finding careers open to talent.

The problem for Negroes as a group is to create favorable conditions which will enable each of them to make use of the available opportunities. This means better schools, improvements in slum housing, more jobs and job training, and the strengthening of families and community institutions. Negroes have been flocking to Northern cities for decades because, despite all the difficulties of urban life, they believe they have a better chance of establishing those desired conditions in the cities than in the impoverished, harshly segregated, rural South.

Negroes, like the white European immigrants who preceded them in the trek to the cities, have resorted to bloc voting. The Negro victors in Tuesday's voting in Gary and Cleveland could not have succeeded if they did not have overwhelming support from voters of their own race.

This newspaper has long been opposed—and still is—to electing men to public office simply because of their religion or race or national ancestry. As the United States has moved beyond the immigrant experience, bloc voting has happily declined steadily in importance. A Catholic in the White House, a Protestant Mayor of New York, a Negro Senator from Massachusetts—these and many other officeholders testify to the willingness of most voters today to choose men solely on personal quality and impersonal issues.

We would be blind to reality, however, if we expected Negro voters simply to skip over the bloc voting stage of the urban experience. Most Negro voters are still too insecure and have too small a share of American prosperity to be able to transcend racial loyalties when they vote. Only when present and past grievances and inequities are a dim memory will most Negro voters feel free to be color blind.

Fortunately, bloc voting no longer entails quite the same results it once did. Formerly, it meant that patronage and contracts were handed out on a crass, winner-take-all basis. But now with strictly audited Federal funds providing part of the financing for many municipal programs and with Civil Service regulations in effect, a Tammany-style operation is virtually impossible.

The magnitude of the urban crisis also imposes a staggering responsibility upon today's Mayors. Since they need to respond effectively to the very unrest that led to their election while at the same time holding heterogeneous communities together, they are constantly visible and constantly under pressure. It is the kind of situation which almost forces a man to try to be as big as he can. On their records, Mayor-elect Stokes in Cleveland and Mayor-elect Hatcher in Gary appear the kind of men who can meet the challenge.

In any event, their election makes Negro citizens full partners in bearing the heavy responsibilities of self-government. There can be no demogoguery about "the power structure" from Negro extremists when the man to see in City Hall is a Negro. As Harry Truman used to say, the buck stops here.

FREEDOM OF INFORMATION

Mr. GRIFFIN. Mr. President, the Advancement of Freedom of Information Committee of Sigma Delta Chi has just issued its 1967 report. Because I know it will be of great interest to Members of Congress as well as to the members of the journalism profession, I ask unanimous consent that it be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REPORT OF THE 1967 SIGMA DELTA CHI ADVANCEMENT OF FREEDOM OF INFORMATION COMMITTEE

(Published, fall 1967 by Sigma Delta Chi, Professional Journalistic Society, Chicago, Ill.)

MEMBERS OF THE COMMITTEE

Chairman: Clark Mollenhoff, Des Moines *Register* and *Tribune*, Washington.

Vice-Chairmen: Murray Seeger, *Newsweek*, Washington. Larry L. Sisk, San Diego *Evening Tribune*. William J. Small, CBS, Washington. Alvin E. Austin, University of North Dakota.

Ex-officio members: Hu Blonk, Wenatchee (Wash.) *Daily World*, FOI chairman, Associated Press Managing Editors; John W. Roberts, Time-Life Broadcasting, Washington, FOI chairman, Radio-Television News Directors Association; J. Edward Murray, Arizona *Republic*, Phoenix, FOI chairman, American Society of Newspaper Editors; Dr. Paul Fisher, Freedom of Information Center, University of Missouri.

SDX Representative on Joint Media Committee on News Coverage Problems: Theodore F. Koop, CBS, Washington.

INTRODUCTION TO FOI REPORT

The Johnson administration issued thousands of laudable words about the importance of freedom of information in government, but high officials consistently employed inaccurate and misleading statements that contradicted most of the fine words.

It was difficult to equate the misleading and inaccurate statements by the Defense Department on a wide range of issues with President Johnson's comment that "A Democracy works best when the people have all the information the security of the nation permits."

The President's comment that "no one should be able to pull curtains of security around decisions which can be revealed without injury to the public interest" is difficult to reconcile with the arbitrary State Department action to conduct a secret hearing to try to fire Otto F. Otepka, the former chief security evaluator.

After five years, Defense Secretary Robert

S. McNamara finally abolished the rule that required all Pentagon officials, military and civilian, to report all contacts with the press to the press office before the end of the working day. But, even as this took place, the Defense Department continued to pour out inaccurate information on everything from the controversial TFX matter to the question of whether there was Joint Chiefs disagreement over the conduct of the Vietnam war.

President Johnson's continued refusal to conduct regular press conferences with some reasonable advance notice continues to be a major problem. His style of press conferences makes it impossible for any but the White House regulars to be present, and it makes it unlikely that he will face any pattern of consistent hard questioning on any subject. He has it well organized for "a White House snow job," even though it is doubtful if he is as successful in accomplishing his purpose as he was a year or more ago.

What was true of the Johnson Administration was also true of the American Bar Association committee on fair trial and free press and the committee chairman, Justice Paul C. Reardon of Massachusetts. Justice Reardon and his committee amended their original report under pressure of press protests, but the final product was still an open invitation for arbitrary actions by courts that are corrupt or blind to the necessity of avoiding undue restraints upon the information available on crime, criminals, law enforcement and the courts.

Justice Reardon speaks periodically with what seems a genuine concern over undue restraint upon the press, then he proceeds ahead on a course that has already encouraged arbitrary court actions. No action was needed by the American Bar Association, for the courts already have all the authority they need to bar unreasonable press activities in connection with a trial. The broad rules Judge Reardon approves can be used to justify oppression as much as for assurance of a fair trial.

The Chicago *Tribune* led the way in fighting unreasonably restrictive rulings of Circuit Judge Herbert C. Paschen in the murder trial of Richard Speck. This was one of a number of significant actions by newspapers in opposing arbitrary and unjustified restraints on the coverage of crime news and court actions. More of the same will be needed.

In the midst of dozens of smaller and related problems, these are the major Freedom of Information issues that demand attention.

1. Aggressive press action is needed to force a proper administration of the federal open records laws that became effective in July 1967. The general spirit of the Justice Department rule book on administration of the law is admirable, but there has been bad interpretation of the law by individual departments and it is inevitable that there will be more cases. It should be remembered that there is a press stake in suits brought under this law by various business groups, and that the press stake is with the broadest policy on open records unless there is some overriding contrary consideration.

2. Editors and reporters must have a firm understanding of the dangers inherent in the American Bar Association's efforts to restrict information on arrests, trials and the whole criminal law enforcement area. Where there are challenges to be made to the courts they should be in a responsible manner and with careful documentation. There are Supreme Court Justices who have expressed views that are in line with the best free press arguments, and it is wise to know them and to know the various problems discussed in this report. Report all cases, with full documentation to the SDX Freedom of Information Committee.

3. There is a continuing need for exposing specific inaccuracies, untruths and misleading statements that are the "credibility gap." The fact is that some of our highest officials have been deliberately misleading the public, the press, and the Congress through flat lies, through half-truths and through clever use of statistics that distort. A general charge of a "credibility gap" is not helpful to public understanding of the issue. It is necessary to spell out the deceptions with sufficient detail to give the public a clear understanding. It is essential that we name the liars and the deceivers and show the backing they receive from superiors who keep them in positions of responsibility. It is only in this manner that the press can be helpful in control of the problem. When it is dealt with loosely, the "credibility gap" can be as confusing as it is helpful. When the liars get away with it, they usually go on to bigger and better lies.

It is well to remember that Congress, with all of its faults, represents the best lever the press has in forcing the Executive Branch to produce information or to state under oath why that information is held secret. Until the Freedom of Information Act became effective, the Congress was our only direct lever for forcing production of records or other information. There has always been the indirect method of appealing to public opinion and create the political reaction that would force action. However, public opinion is fickle and the loud strong voice of propaganda from the government can often make black seem to be white until such time as public officials are put under oath to be grilled by members of Congress. There is too much tendency for the press to forget that those things that hamper Congress are in fact shutting off the facts available to newspapers, radio and television.

PART I. WASHINGTON REPORT

The dual between the working press and Washington officialdom sometimes resembles those dances American teenagers indulge themselves in these days. There is an unpatterned shuffling about which presents a picture of progress in one direction almost immediately wiped out by a shift and movement in a new, negative direction. There rarely is any true sense of direction but more of a picture of shifting for position with the long-range result being a stalemate.

Occasionally, however, there is a breakthrough, a clear change that leaves the parties in redefined positions. When the next long-range history of the battle for greater access to public information is written, the year 1967 will undoubtedly be marked down as a historic turning point. The reason is that the long-sought Freedom of Information Act went into effect on July 4. The huge federal government establishment was given a year to adjust to the new law from the time it was signed by the President in 1966. Suitably, on Independence Day, a new rule book became the guide for Washington's information policy makers.

Attorney General Ramsey Clark played an instrumental role in getting the new law into effect with more emphasis than many Washington reporters expected. Late in the spring, his assistant and chief of the Office of Legal Counsel, Frank Wozencraft, prepared a 47-page memorandum for all government agencies to guide them in following the Act. Copies of the early draft of this memo were shown to representatives of the press including Sigma Delta Chi, for comment. In general, the statement was a strong endorsement for free disclosure. The surprising element in the memo was that between the first draft and the final published version, this endorsement was strengthened.

Every working newsman could subscribe to the opening statement in the memo by Clark: "If government is to be truly of, by and for the people, the people must know in detail the activities of government. Nothing so diminishes democracy as secrecy. Self-government, the maximum participation of the citizenry in affairs of state, is meaningful only with an informed public. How can we govern ourselves if we know not how we govern? Never was it more important than in our times of mass society, when government affects each individual in so many ways, that the right of the people to know the actions of their government be secure. . . ."

Clark went on to enumerate what he called the "key concerns" of Congress and President Johnson in seeing the Act through the legislative process. In Clark's words, these are:

"that disclosure be the general rule, not the exception;

"that all individuals have equal rights of access;

"that the burden be on the government to justify the withholding of a document, not on the person who requests it;

"that individuals improperly denied access to documents have a right to seek injunctive relief in the courts;

"that there be a change in government policy and attitude."

In conclusion, the Attorney General made this observation:

"This law can demonstrate anew the ability of our branches of government, working together, to vitalize the basic principles of our democracy. It is a balanced approach to one of those principles." And for those who may not have recalled the statement of President Johnson when he signed the Act in 1966, this cogent LBJ quotation was included: ". . . A Democracy works best when the people have all the information that the security of the nation permits. No one should be able to pull curtains of secrecy around decisions which can be revealed without injury to the public interest. . . . I signed this measure with a deep sense of pride that the United States is an open society in which the people's right to know is cherished and guarded."

The Attorney General's memorandum has now been dubbed "the blue book" because of the color of its cover and is handy to just about every government public information officer. It should be nearby for every reporter who wants to dig out some specific bit of information from the government's vast storehouses of data. The blue book and the FOI law together add up to a crucial weapon for the news media and the general public. They do not answer all the problems of disclosure in Washington by any means. But reporters are an insatiable lot—they must admit from the beginning that no policy can ever satisfy their professional needs. And since reporters are highly individualistic, it is almost impossible to draw up a general policy or law that will meet the demands of even a majority of them.

So far, use of the FOI law has been limited. The only tests that have gotten into court dockets involve private companies or individuals dealing with the government. But there are many cases that prove the law is working to the benefit of the American people because working reporters in Washington are finding out how to use it. Just how many little victories can be chalked up for the Act is impossible to determine but here is a case history of one of the first:

A New York writer for *Newsweek* magazine heard of a special study on Mississippi public welfare policies made by the Department of Health, Education and Welfare. The study was made in May 1966 and the writer, Peter Goldman, queried the magazine's HEW reporter, Steve Saler, to see if a copy of the document could be obtained since it had never been published. Saler called a public information officer at HEW and got that answer that, "yes," there was such a report but it was considered an "internal working document" and would not be released for public consumption. Saler then studied the "blue book" and consulted with his superiors on the *Newsweek* staff. It was agreed the report was worth going after.

The magazine's Washington Bureau Chief,

Mel Elfin, consulted with the lawyer who represents the publication in the federal city, William Rogers, and a formal, written request for the material was drawn up. As the law requires, the letter asked for the specific report in question. The test went no further; within a few days HEW acceded and made the report available. With the ironies of journalism, *Newsweek* did not publish a story on the report, but its sister publication, the Washington Post, did on Page One in a Sunday edition.

There are undoubtedly many other case histories available. There are also dozens of examples of new material being made available routinely under pressure of the law. At the Board of Governors of the Federal Reserve System, for instance, the law changed a traditional policy in one of the most sensitive areas without any discernible problems. Historically, the Feds released the minutes of its Open Market Committee, the group that meets every three weeks to set monetary policy, at the end of each year. Reporters could then read back and find at what point decisions were made to change the Fed's position in the money markets, decisions that could only be speculated about when they were made. Now, the Fed is releasing the OMC minutes every three months. So far, the market has not been disrupted and the public has been better served since the record of important decisions can be seen within a reasonable time after they were made. The Fed also will allow the inspection of other unpublished records which previously could be released only by a specific action by the Board and the committee. As Edwin L. Dale Jr., economic correspondent for the New York *Times* wrote at mid-year: "Officials agreed that only experience and testing of the new rules would disclose the extent to which more information would become available and what kinds. The change involving the Open Market Committee decisions—which are crucial for monetary policy—is already a major one."

One of the more unusual requests made since the law went into effect came from the Cleveland *Plain Dealer*. A reporter from that morning paper asked the Justice Department for the record of all federal pardons. The Department produced the records with only one stipulation—that the newspaper pay for the extra costs of making copies from the master records contained in a 900-page volume. The bill came to $245 and the newspaper paid it.

All has not been that simple, of course. The law has done little improve the access to information at the two most difficult stations—the Pentagon and the White House. And since its provisions do not apply to Congress, there have been only small changes in that area where the private "executive session" continues to gain in popularity as the place where Congress does its work. (Special analyses follow.)

The Federal Aviation Agency was involved in a controversy over a report written on the supersonic transport airplane by Robert Charles, who was formerly attached to the office of the Secretary of the Air Force. Columnists Robert Novak and Rowland Evans attempted to use the FOI law to break loose a copy of the report which suggested that the SST could be developed entirely with private funds under a public corporation arrangement. The answer from the Federal Aviation Agency is that the report "never had any official sanction from any government official." The reply is based on the understanding that Charles wrote his report as a private citizen on his own time. The issue falls into the gray area of the law, an area that may have to be cleared by a legal test.

In 1966, the FAA was involved in a similar flap over the various reports on the SST submitted by outside consultants and government experts. The agency withheld the reports on the basis they were "working papers" under study. Today, those same reports are available for anyone who asks.

The National Aeronautics and Space Administration, another of the tough nuts for Washington reporters to crack, has changed little under pressure from the FOI Act. NASA is infamous for holding back a report made by Sam Phillips which warned of shoddy work by private contractors building the Apollo space capsule, the one that killed three astronauts in a launching pad fire. Similar "discrepancy reports" are gathered regularly for NASA by General Electric. *Aviation Week and Space Technology* asked for two such reports on the Apollo command module and the moon landing device now that the FOI law is in force. The requests were turned down. "We decided that they were internal working documents and that we were not required under the law to give them out," a NASA spokesman stated. Again, a gray area case.

The State Department has another such controversy on its hands. In the first two months after the FOI Act went into effect, State received about a dozen formal requests for specific documents and granted them all except three. All three refusals covered transcripts of hearings concerning Otto Otepka, a department official accused of improperly leaking information to congressional committees. State classifies the transcripts as relating to internal personnel matters, a specific exemption under the law.

The State Department secrecy in this instance was an obvious effort to hide a record that is embarrassing to Secretary of State Dean Rusk and other high officials. The only real justification for secrecy on personnel records is for the protection of the government employee. This could not be used in the Otepka case, for Otepka had asked that the hearings be public so he could get the full story of the "get Otepka" conspiracy before the public.

When the fallacy of the original justification for secrecy was pointed out, the State Department then claimed that it was justified in conducting secret hearings because national security was involved. In this instance it was pointed out that two documents used in the hearings as evidence carried a national security classification.

Under questioning, the State Department lawyer admitted that the two documents with a national security classification had already been published in full in the reports of the Senate Internal Security Subcommittee. Although this publication had taken place with State Department knowledge more than a year prior to the Otepka hearing, the State Department refused to change its position.

A study of this entire case makes it obvious that the State Department was misusing a claim of national security for purposes of hiding or obscuring the record. The record of this case discloses a disgraceful pattern of inaccurate and misleading testimony by high State Department officials. These officials gave inaccurate misleading testimony in connection with security cases. When Otepka gave testimony and produced records proving that superiors had lied under oath, the superiors used unauthorized eavesdropping and wiretapping as well as other police state methods to try to obtain grounds for firing Otepka.

High State Department officials denied they had engaged in eavesdropping and wiretapping when questioned under oath by a congressional committee, and they made the same denials to the press. Later, these officials were forced to admit that there had been the eavesdropping and wiretapping as part of a "get Otepka" move.

For the four years that this case has been pending before the State Department, the Department press office has engaged in a broad pattern of inaccurate and misleading statements to reporters and interested citizens in an effort to smear Otepka. That outrageous pattern of deception has continued at least through August 1967.

For all the fears that raced through the federal establishment and even led some observers to predict that Mr. Johnson would veto the FOI bill, the law has overturned no agencies or resulted in hordes of sticky-fingered citizens pawing through precious records. There are plenty of exemptions for policy makers to use if they want to. The nine specified in the Act are:

1. "Matters . . . specifically required by Executive Order to be kept secret in the interest of the national defense or foreign policy."
2. "Matters . . . related solely to the internal personnel rules and practices of any agency."
3. "Matters . . . specifically exempted from disclosure by statute."
4. "Matters that are . . . trade secrets or commercial or financial information obtained from any person and privileged or confidential."
5. "Matters that are . . . inter-agency or intra agency memorandums or letters which would not be available by law to a private party in litigation with the agency."
6. "Matters that are . . . personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of privacy."
7. "Matters . . . compiled for law enforcement purposes except to the extent available by law to a private party."
8. "Matters . . . contained in or related to examination, operating or condition reports . . . for the use of any agency responsible for the regulation or supervision of financial institutions."
9. "Matters that are . . . geological and geophysical information and data (including maps) concerning wells."

The first three legal cases filed under the FOI law have been aimed at specific exemptions. The first, filed in Puerto Rico, was sponsored by a shoe company that wanted to get copies of records made by the National Labor Relations Board in its investigation of unfair labor charges against the firm. Judge Hiram R. Cancio upheld the NLRB by ruling: "The new statute places the burden on the agency whose records are requested to sustain its action. The court is satisfied that defendant has met this burden." The NLRB had cited exemption 7 in its brief.

The Defense Department has been challenged by an attorney who represents private contractors to release more of its auditing manual which is used by officers who examine bids. Gilbert Cuneo, the attorney, noted that under the FOI law DOD had released about half of its manual for public inspection and withheld half. He insisted the entire document was a public record and asked the Federal Court to back his request with an official order. Defense was re-examining its position on the issue and no court test can come for some time since Cuneo had not yet used all the departmental procedures available.

In another case, Shell Oil Corp. and D. A. Shale, Inc., asked a Federal Court to force the Interior Department to reveal the records of an examiner's report on their application for mineral rights. The department insisted that the report could not be made public but there were still higher appeals to be made within the agency before the case could go to court.

Perhaps the most salutary effect of the FOI law is the one hardest to measure—the influence it has had on the attitude of government officials. Many public information officers have commented that the law gives them an effective weapon to use internally against policy makers whose inclination is to hide facts. "We're glad you asked," one PIO officer at HEW said to the *Newsweek* correspondent who requested the Mississippi study. "It was a first and it proved that the Welfare Administration's old-line justifications for not providing the report wouldn't stand up in the face of the law. It forced officials to confront the fact that there was a new act and that it should be carried out affirmatively."

Similarly, a spokesman at the Office of Education observed: "We have nothing to hide. But the law has done tremendous good inside the organization. It's caused people to bring stuff together which has never been brought together before." At the Labor Department, an official said the FOI law has given him a weapon for winning battles with policy makers. "It helps me when I want to get something out of departmental people," this source said. "Lawyers, in particular, can be difficult when you want to make some information public."

Specifically, the FOI Act has forced almost every federal department and agency which did not have one before to establish a public reading room and directory for documents.

Rep. John Moss of California, chairman of the House subcommittee which acts as an FOI watchdog and who was the chief sponsor of the Act, said: "The over-all effect of the law has been satisfactory. It has matched all my expectations—even exceeded them. It looks as if a considerable amount of information that previously would have been classified or unavailable has been made public by the law. We're going to develop some case law and then I think inevitably its broadening impact will be felt. Already, the threat of court action has successfully been used to obtain information from the agencies."

And Frank Wozencraft, who has steered the law through its formative months, added: "We hope the pattern is set for common sense implementation of a very important statute."

The Pentagon

The Defense Department continues to be the Washington reporter's biggest single challenge. There is a new assistant secretary for public affairs, Phil G. Goulding, a former correspondent for the Cleveland *Plain Dealer*, and he brought in two new assistants—Richard Fryklund from the Washington *Star* and Dan Henkin from *The Journal of the Armed Services*.

This new team has pledged to do "everything in our power to provide newsmen with better access to information."

"We believe that a check of the record shows that much has been accomplished in recent months," Henkin wrote in a letter to the Sigma Delta Chi FOI committee.

DOD did issue a new information policy statement to take into account the provisions of the FOI Act and more documents are available at the Pentagon. The most important step taken by Secretary McNamara was the rescinding of the notorious 1962 order which required that all interviews in the Pentagon be witnessed by a "monitor" or reported to a public information office. The ostensible purpose of this order was to coordinate information policies at DOD, particularly to cut down interservice rivalries. "Over the past six years, a number of steps have been taken to increase the flow of unbiased information and to restrict 'parochial salesmanship,'" Mr. McNamara claimed in his memo of June 30, 1967. "Therefore, the memorandum of October 27, 1962, is no longer necessary."

"The Department of Defense," the secretary said, "has an obligation to guarantee that full and prompt information is made available to the American people as a basis for their understanding of national defense and the operations of this department. This responsibility is met partly by insuring on a daily basis that a great mass of information is released as rapidly as possible, consistent with national security. Additionally, my responsibility is to insure that the facts which are made available cover all sides of the issues. . . . The public interest is abused by half-truths and distortions."

The reporters who cover the Pentagon daily were unimpressed by Mr. McNamara's protestations, however. "On paper," one senior correspondent said, "McNamara sounds like a devout worshipper of Peter Zenger." But this same reporter added this analysis:

"Not only is 'national security' interpreted in the broadest and most ingenious ways to block information, but information is withheld for national interest, personal interest, policy reasons, and privileges for such evanescent and intangible reasons as 'LBJ won't like it.'"

The good intentions of the Goulding team "somehow become entangled in what is euphemistically known as 'coordination' which means clearance of news releases with the Defense Secretary or his deputy, with the assistant defense secretaries who might be affected, with the service secretaries, with the joint chiefs (of staff), with the State Department or other interested department or agency and, above all, with the White House. This cleansing and shrinking process usually reduces a page-long statement to a few meaningless or pablum sentences. Or, more often, the reply is a recurrent 'no comment.' In recent weeks, the Pentagon press machinery has churned out a new reply. It's a simple 'No answer.'" The correspondent's analysis of Pentagon policies went on:

"The Pentagon does not voluntarity make public all of policy decisions and other actions taken by McNamara or other defense officials that might affect the public interest. Only those matters that McNamara or other officials determine in their own judgment the public 'needs to know' are made public.

"Information that might be embarrassing or critical of the Defense Department or the Administration is withheld or restricted under an adroit policy of official evasion. Such information is withheld 'for answer to inquiry only.' That means, for example, that newsmen would not be offered the Army's explanation about the M–16 rifle jamming unless they asked specifically for this information. If no one asks, the information is never released."

The DOD memo on information policies "does little to open the barriers for newsmen," this correspondent argued. "Instead, it makes amply clear that the legal barriers to examining Defense Department documents will be tougher than ever. There is little that the Defense Department cannot withhold on some legal excuse. McNamara's determination to stifle inter-service rivalry can be extended to black out any open discussion of major defense issues such as the TFX (airplane), the Nike-X anti-missile system or National Guard merger. Just how freedom of information was enhanced by the new law can be seen in McNamara's long delay in discussing openly his Vietnam bombing target policy until he was pressured by congressional investigation.

At a Sigma Delta Chi regional conference just before the FOI Act went into effect, George Wilson, Pentagon reporter for the Washington *Post*, also discussed DOD information policies. After relating the shock of finding himself scooped by the White House on news he had withheld for what he considered valid "security" considerations, Wilson philosophised: "Basically, the dilemma is: if you try to be responsible with national security as you should be as a reporter, you better plan on getting scooped most of the time by the government you're trying to protect." He then talked of the dangers of DOD policies:

"I think that the government in the military field is going to take on to itself some extra privilege, so to speak, and say, 'You can't write that because it will help the enemy and you'll have our boys shot down.' I think that that extra privilege brings with it some extra responsibility for frankness. I don't think any of us is naive about city hall tactics, planted stories, fudge statements, screening actions to make you write something so you won't see something else. This is all part of the game and we know it very well. But I think if you're not going to operate like city hall in the first place, and the Pentagon has chosen not to for good and sufficient reasons, I think you also have to be a little more responsible in what you do say.

"And this brings me to what I consider tinkering with the truth. I think that tinkering with the truth in the Pentagon is the real danger, not from the reporter's standpoint. I think we have to look beyond that in this instance. I think we have to look at it from the standpoint of the republic, because if the people start to distrust, start not to believe what their military leaders and civilian leaders in the Pentagon are saying, we are in real trouble. The public confidence is, in my view, the real mortar of this kind of government, and once you lose that you really have nothing much left to go to as far as a free society.

"So, I think the danger is very real and that tinkering with the truth is very serious. Now let's take some examples of what I would say amounts to tinkering with the truth, none of which are disastrous or serious by themselves, but once again I think they make up what I consider something that the Moss (FOI) Act will help us deter. There's a deterrence we need in this field also.

"First of all, we start with statements, and I'm sure you've seen them in the newspapers, about billions of dollars we saved on ammunition. When that statement was first made and put out for public consumption, it was portrayed as a billion-dollar saving because we planned this war so well as compared to Korea that we saved one billion dollars on what we would have had to spend for ammunition. It sounded great, got good headlines, but when you dug into it, the facts came out that (a) it was really just estimated savings, (b) not a single contract was cancelled, it was just that we thought we were going to use x amount of ammunition six months from now when we revised our estimate downward, and therefore we saved a billion dollars. I think that's really not quite kosher arithmetic, and these kinds of statements make people suspect of some others.

"Another example is the wide use of the backfire technique. Whenever you see something coming out of the Pentagon, you can almost be sure that there must be a secret report about to be released saying the other side of the story in the next few days. You may have remembered that there were very strict rules put out against the entertainment of military personnel by defense contractors. There was a big press conference to ballyhoo this move and, while this was going on, there was a classified GAO report in hand which had pointed up all these abuses. So before the GAO was able to come out into public print with its own report, the Pentagon set a backfire to take care of what they saw as a public relations problem. I consider this to be a very good city hall technique, but I question whether, if you're going to demand certain considerations because of the sensitivity of the Pentagon, whether you really have the right to do that day in and day out on sensitive issues.

"You probably read stories about how we've had a cutback on our ammunition. Why the commanders in Vietnam are so flooded with ammunition they said, 'Quit sending it to us.' And in the Pentagon at that time was a secret report from the Stennis committee charging ammunition shortages. This again is good for city hall but I don't really think it's good for the Pentagon.

"Now we come to plane loss figures. The charge has been and the charge was made last year that production of airplanes was really falling behind the losses of airplanes in Vietnam. It became a very hot political issue. And it finally bubbled up to the top to the point where the Pentagon had to release the figures of losses and they had to compare the figures of deliveries. Deliveries to you and me, I think, mean new airplanes coming off the factory production lines. But to enable the official Pentagon lines to say that deliveries were running ahead of losses, they counted airplanes they took out of mothballs and used just for training, not for combat. And they showed up in the delivery column, and that made it come out just a little bit ahead of the losses under the combat aircraft for Vietnam. They also took reconnaissance airplanes, the F-101, out of Germany, took it out of the active aircraft inventory, turned it over to the National Guard and said, 'OK, put cameras on it and then use it for your National Guard reconnaissance work,' and that showed up on the same chart as a delivery of combat reconnaissance aircraft, even though it was a minus from the aircraft inventory and it was all, it seems to me, a matter of monkey business to make the statement hold up that, indeed, aircraft deliveries were running ahead of losses.

"And I think that this kind of thing, as each reporter digs in and finds out the figures aren't quite what they look like, erodes the public confidence on what a very important segment of our government has to say.

"As a final example, and I won't even have to use my own experience on this one, when the true numbers of aircraft losses were finally released under some pressure by a lot of us, one senator said, Sen. Hickenlooper, I believe, 'My God, if this many airplanes haven't been reported as lost, how many boys that have been killed haven't been reported?' Well, if you have that kind of thought cross one's mind, I think it proves a point that it's very dangerous to tinker with the truth in this very specialized area of the government."

The White House

Press Secretary George Christian said the FOI Act has had little effect on White House news policies. "Most of what we handle is classified in terms of foreign policy matters and administrative matters which nobody makes public until decisions have been reached. Everything around here is pretty open." The atmosphere of press relations at the White House continues much as it has in the last few years. Another veteran reporter offered this analysis:

"The major problem in information policies at the White House in 1967 remained the almost complete absence of the formal, announced-in-advance, televised news conference. President Johnson, despite earlier assurances that he planned to hold such sessions at intervals of approximately one month, allowed as much as five months to elapse between them. His substitution of news conferences in his office—with little or no advance warning—is an unsatisfactory alternative for those reporters not assigned full-time to the White House, and leaves television completely out in the cold. The statement by one White House correspondent in this report a year ago—that 'such informal press conferences . . . meet the legitimate professional requirements of those of the "regulars" who report for printed media,' but shut out radio-TV men and most other Washington reporters—remains equally true today.

"Otherwise, the White House is, as ever, much like any other place where reporters and politicians meet. As long as the reporters insist on telling both sides of the story, the politicians are going to try to con them; and as long as the politicians try to con them, the reporters are going to be convinced there's more than meets the eye in every politician's every statement.

"At the mechanical level, it should be noted that the White House press office, operating on short notice and under considerable handicaps, did an excellent job of arranging logistics and communications for the large press party that accompanied Mr. Johnson to the Far East in October and November of 1966.

"It was unfortunate—though typical of this administration's press problems—that the first thing the President did on his return to the U.S. was to cancel a campaign trip and then insist that he never had scheduled one in the first place. Those reporters who had traveled with him through Asia, and had been informed en route by his press aides of the times and places where Mr. Johnson would speak on his return, found it hard to believe that the President really thought his bland denial would be persuasive. Indeed, no single incident in his entire presidency has so clearly illustrated the reasons for the skepticism which pervades those who cover Lyndon Johnson most."

Congress

The reliable publication *Congressional Quarterly* started keeping track of executive committee sessions held by Congress in 1953. In the analysis for the early part of the 1967 session, CQ found that 45 per cent (386 out of 861) committee meetings were behind closed doors, compared with 42 per cent for 1966. The House was the more frequent offender holding 57 of committee sessions secretly compared with 28 per cent for the Senate. The House percentage increased over the year from 53 per cent while the Senate stayed the same.

As usual, the House appropriations committee led the parade by holding all of its estimated 144 meetings in the first quarter of the year behind closed doors so that there was no public record of the members voting. The problems of free access to news were discussed by Clark Mollenhoff, chairman of the Sigma Delta Chi FOI committee, in an appearance before the House committee on standards of official conduct on August 17. This was his statement:

"It is our belief that public records are the business of the public and should be available for examination by any taxpayer or by the press. If there are firm rules and policies granting access to the maximum number of records, it is our belief that this will tend to make members of the Senate and the House more circumspect in the handling of the public payrolls and the expenditure of public funds.

"An open Congress will be more honest for there will be no invitation to engage in the small corruptive practices that compromise an otherwise good public official. An honest Congress is a better Congress for it is not subject to the pressures and intimidation from the Executive Branch or from other sources that may be a factor when a member of the House or Senate has been compromised.

"An honest Congress is a more effective check on the Executive Branch. It is our belief that secrecy breeds corruption, and creates the atmosphere in which there is a temptation for the petty chiseling that eventually can destroy the independence of men in Congress.

"We do not start our argument from a belief that members of the House and Senate are any more corrupt or corruptible than any other group in our society. However, members are probably subjected to greater pressures and greater temptations because of their role in writing the laws and in supervising the admininstration of those laws by the Executive Branch.

"The basic areas in which the Sigma Delta Chi and the communications media have a special interest are these:

"1. Salaries of members of the Senate and the House.

"2. Salaries of the members of the staffs of various members' offices.

"3. The expense accounts of various members' offices.

"4. Committee staff payrolls.

"5. Committee staff expenses.

"6. The expenditures of so-called counterpart funds while on foreign travel.

"7. The disclosure of financial interests of individual members of the Senate and House.

"8. Public hearings with radio and television coverage.

"9. Standards on conflicts of interests, nepotism, and outside legal practice.

"There is no problem with regard to access to salaries of members of the Senate and House as these are established by law. The extent of participation in government-financed pension programs and other fringe benefits should be made available in detail.

"The salaries of staff members are now made available for public scrutiny. There formerly was a lag of three or four months in making these figures available. The lag now has been cut to about two months. I am informed that it is planned to cut this to about ten days through use of computers. If this progress is made as projected then it will take care of the only major problem.

"The expense accounts of the offices of various members are now treated as the private property of the individual members. Since this is all public money, there is really no reason for it being treated as private property. This is particularly true with regard to the stationery allowance of $3,000 which we are told can be used in any manner a Senator or Representative wants to use it. This is a bad practice that should not be condoned for its leads to other bad practices where larger sums of money may be involved.

"Committee staff payrolls should be available for examination as soon as an employee is hired. There should be a job description. The expenses paid out of committee funds for Senators, Representatives, or staff members should be made available for public examination within a period of a month after they are made.

"The problems with the committee credit cards and with other questionable expenditures by the House Education and Labor Committee could have been avoided if there was a requirement that there be a detailed accounting and a public disclosure of those records. If there is an area where it is deemed necessary to keep the records on travel and other expenses confidential for a period of time, this could be provided through an affirmative action of the committee.

"There is no reason why the expenditures of so-called counterpart funds should be confidential unless it is to hide wild and frivolous spending. There has been a tendency to treat these funds as play money, and I have heard accounts of it being disbursed in sizable bundles by U.S. Embassy personnel to keep visiting Senators and Representatives happy. This has been a corrosive practice that is more destructive than the amounts of foreign currency used by visiting lawmakers. It sets a bad practice. It gives the State Department a club over the heads of those who are seduced into loose use of the play money. It compromises the vital oversight function of Congress.

"Sigma Delta Chi favors a public disclosure policy under which members would list their assets when they come to Congress and would be required to keep this list up to date. It is recognized that this list might be deceptive if it did not include the assets of a wife and other members of the immediate family. It is difficult to draw a clear line as to where disclosure should be made and by whom without undue intrusion into the private life of a member of the Senate or House. Recognizing the difficulty of obtaining the fullest disclosure, it might be suggested that members of the House and Senate be required to make an annual report on assets to the General Accounting Office, together with a copy of the federal income tax return. Such confidential reports could be used by the Ethics Committees of the House and Senate as part of any investigation if serious questions arose relative to the earnings or assets of members of the Senate and House.

"Sigma Delta Chi favors public hearings before all committees of Congress unless national security is involved, or unless the committee is involved in an investigation in which it is necessary to explore allegations behind closed doors while trying to determine if serious charges can be corroborated. We believe that the public hearings of the Senate and House should be open to coverage by radio and television cameras unless there are highly unusual circumstances that make it unreasonable or inappropriate.

"Sigma Delta Chi favors the establishment of a clear code of ethics relative to conflicts of interest by employees of the Senate and House as well as members of the Senate and House. Also, there should be some standards established relative to nepotism, testimonial dinner receipts, and outside legal practice.

"It is apparent that all of these areas have represented problems for the Senate and House. The Congress has not wanted to come to grips with these issues, and has left them within the discretion of individual Senators and Representatives. The leadership has usually ducked the issue when it has arisen. The press has not had a clear standard by which to measure activities in this area.

"Given clearer standards and better access to records on government finances and government activities, I believe that the press can be helpful in aiding the Congress in policing itself. I believe that the overwhelming majority of the members of the House and Senate want open government and believe that it contributes to the cause of honest government. There is a reluctance to make judgments when it involves a specific case and a colleague, particularly a senior colleague. Now is the time to open records to the maximum and set the standards so that all members will be on notice as to what is expected."

District of Columbia government

One of the most incredible performances by a public official during the year was that of the District of Columbia Superintendent of Insurance, Albert F. Jordan. In February 1967, it was learned that the DC local government had fined an insurance company for an infringement of public rules, but Jordan would not reveal the name of the company or any details of his action. The superintendent said that DC law states that he can keep his office records private if he chooses. However, the local newspapers and Congressman Moss raised the issue of the fine so clearly that the three commissioners of the District government ordered the superintendent to release the information. The company fined was United Services Life Insurance and the amount levied was $10,000. But under the superintendent's idea of policy, every other company under his jurisdiction was suspect. The commissioners also ordered the superintendent to make the change in policy on information a permanent one.

PART II. TRIAL COVERAGE PROBLEMS

The year 1967 was a year of debate over the Reardon Report and early 1968 will be the year of decision. It was discussed across the country and, culminating in Honolulu in August, newsmen and the legal profession debated the controversial report of the American Bar Association committee headed by Justice Paul C. Reardon of the Supreme Judicial Court of Massachusetts.

The Reardon committee wants to forbid lawyers from releasing most information relating to pending criminal cases including prior criminal records, existence of a confession, identity of witnesses, etc. It would have the courts adopt the proposed tightened ABA Canon as their own rule. Further, law enforcement agencies would also be gagged and limited to minimal information such as the fact of arrest, name, age, etc. In addition, the Reardon group recommends contempt power against lawyers, police or reporters who willfully disseminate "extrajudicial" statements designed to affect the outcome of trials.

The Reardon Report will go before the ABA House of Delegates for a vote next February. Attempts to change its broad proposals restricting public flow of information about pending criminal cases were made in August at the convention of the ABA in Honolulu. For a day and a half, representatives of the news media sought to convince Justice Reardon and his colleagues that modification was warranted.

When the sessions ended, it was clear that little change will be made in the recommendations.

Justice Reardon said that he felt the ABA has little alternative except to adopt the proposals. Another committee member, Grant B. Cooper of Los Angeles, also predicted ABA approval. Arthur B. Hanson, general counsel of the American Newspaper Publishers Association, predicted that should acceptance come, it "is bound to bring about constant conflict between the bench and bar and the news media."

In defense of the Reardon recommendations, Harvard Professor David Shapiro who served as reporter to the Reardon committee, noted that news withheld before or during a trial could be printed after sentencing. J. Edward Murray, managing editor of the Arizona Republic, rebutted that the timeliness of information is vital to public understanding of justice.

W. Theodore Pierson, representing the Radio Television News Directors Association, made the point that there are social implications to prompt reporting. "How can the public relax if they are uncertain whether the real culprit is out of circulation?" he asked. "So long as the purpose of restricting the information is to keep the public from inferring guilt, how, if this ploy is to be successful, can the public tensions be relieved expeditiously and confidence quickly restored?"

Editor Murray, representing the American Society of Newspaper Editors, issued a bitter attack on the restrictions that the Reardon group would force upon police. He charged that this was a blueprint "making the policeman, instead of the crime reporter and his editor, the judge of what people should know about crime." He said that police by the nature of their job want to operate in secrecy and "the Reardon committee would bless that tendency." He protested that policemen would be in control of what the American people can know about crime and police performance.

All told, 11 spokesmen for the media urged the ABA to take more time to study the actual impact of publicity in criminal trials. Justice Reardon rejected the suggestion.

Even as the newsmen debated with Reardon and his colleagues, elsewhere at the ABA's Honolulu meeting, a panel of trial judges endorsed the Reardon recommendations "without reservation." The matter goes before the full ABA House of Delegates in Chicago next February 14–20.

Earlier this year, a special committee of the Association of the Bar of New York, issued a call for somewhat similar curbs on coverage of criminal and civil cases. Headed by retired U.S. Court of Appeals Judge Harold R. Medina, the group issued a 70-page report calling for tightened Canons of Legal Ethics for lawyers and strict, voluntary codes for police and press.

Judge Medina said that few defense counsels try cases in the news media—"most of them don't know how to do it but those few who sure do know how to do it are a real menace." He said that 80 per cent of the abuses can be laid to prosecutors and called for "an absolute prohibition against any lawyer trying a case in the newspapers."

Editors attacked the report as virtually shutting off all communication between lawyers and the press before or during a trial. A statement issued by ASNE said Medina's group called for "a code of virtual silence (that) fails to recognize that the courts are conducting public business."

The major point of agreement between the editors and the Medina report was its recognition that the courts lacked power to control the police and the press. "Eminently correct," said ASNE. However, District Attorney Frank S. Hogan in a dissent to the full committee's views, said he favored legislation and greater use of court contempt powers "for those cases where reliance on self-restraint proves futile."

Unlike the Reardon Report and its submission before the ABA early next year, the Medina report will not be submitted to the full New York Bar Association.

During 1967, there was some spoken dissent among the judiciary. In May at Detroit, Judge George Edwards of the U.S. Sixth Court of Appeals called the proposed ABA restrictions "a dangerous scheme." At about the same time, Milwaukee Family Court Judge Robert W. Hansen, who becomes chief of the Wisconsin state Supreme Court next January, said the Reardon proposals "violate the constitutional guarantee of a public trial."

Judge Hansen, who has permitted cameras and television in his court for the past six years (except where participants object), said the current debate "overlooks a third dimension, the right of the public to know what is going on." He said "in 20th century America the camera is as important as the typewriter in news dissemination."

Hansen's remarks were made at a Midwest Regional meeting of the Radio-Television News Directors Association in Chicago and his comments regarding photography in the courtroom received support from U.S. District Judge James B. Parsons who said it was only a matter of time before TV cameras make their reappearance in the courtroom. Judge Parsons said "the law needs the mass media more than the mass media needs the courts," primarily to improve public confidence in the judicial system.

Judge Parsons predicted that judicial reform will include adapting courtrooms to accommodate unobtrusive TV or radio coverage. He suggested that video tape recording might one day be apart of the official reporting of trials, providing something presently lacking in the written record: the demeanor of witnesses and other visual factors vital to proper judicial review.

In a related Canon 35 matter, Circuit Court Judge Edwin M. Wilkie of Madison, Wis., refused to permit WHA–TV, a noncommercial station, to televise the trial of a taxpayers suit seeking to stop the city of Madison from carrying out a contract with the Frank Lloyd Wright Foundation to design a community center. "With reluctance," Judge Wilkie ruled that the 1965 Supreme Court ruling in the Billie Sol Estes case blocked television coverage. He said that his view, could he exercise his own discretion, would permit coverage but he is obliged under law to deny. He added "it does not seem reasonable that we blind ourselves" to scientific and technological advances and to "social responsibilities."

Another trial coverage problem popped up in Wisconsin in mid-year when Circuit Court Judge William Gramling of Waukesha, denied the request of a prisoner to be interviewed in jail. A lower court had earlier approved of the request by prisoner Robert D. Kramer, accused of killing two women, to be interviewed by reporter William B. Hale Jr. of the Milwaukee *Journal*.

Hale's attorney said in a brief: "The prisoner here has not been convicted of any crime, and of course is presumed innocent. If he had been able to raise the money for bail he would presently be free to talk to whomever he chooses, and to prepare his defense as he chooses."

In rejecting the plea, Judge Gramling said the sheriff is in charge of the county jail and has the duty to regulate the conduct of its inmates. "Freedom of speech is not an issue in this case. The sheriff, in the proper conduct of his jail, must allow Robert Kramer full opportunity to see counsel and anyone else who may be helpful in his legal defense. This record shows nothing as to how a conference between Hale and Kramer can be helpful to Kramer's legal defense."

The developing "cool" in recent years between journalism and the legal profession continues to sink into a deeper freeze. More and more, many members of the bench and bar seem to encourage codification of their suspicions about trial coverage. The outlook, in view of no significant signs to the contrary, seems to indicate increasingly restrictive measures hampering the efforts of a free press, strengthening the secretive aspects of public authorities from the policeman to the lawyer to the judge, and threatening the role of journalism as a check against improper activity by public authority. Carried to its apparent end, the growing restrictions promise to inhibit news coverage and the losers can only be the public good of our society and the private protection of its members.

PART III. IN THE STATES

Freedom of the press suffered more losses than gains in the last year under the continued aggression by organized lawyers and judges, in spite of several major developments favoring the people's right to know.

Most noteworthy since Sigma Delta Chi's last FOI report was the issuance in December 1966, of the report of the American Bar Association committee on fair trial and free press. The bar's proposals have become known as the Reardon Report after the committee's chairman, Justice Paul C. Reardon of Massachusetts.

Although the original report has been amended under pressure of press protests and although it is not scheduled for final consideration by the bar's House of Delegates until February, the ABA already is realizing its aspirations to dictate a national policy for suppression of news pertaining to crime, criminals, law enforcement and the courts.

Among the early and continuing results of the very issuance of the Report were moves by an increasing number of law enforcement agencies and local police toward secrecy.

Other results were the intimidation of segments of the nation's news media and some elements of the police, because of their fear of consequences and confusion or misunderstanding as to the legal effectiveness of the Report.

There were offsetting dividends in many areas on behalf of the public, but these were not sufficient to overcome the damage already done to the country's need for a fully informed public.

These dividends included:

Issuance of a strong argument in behalf of freedom of information by the American Newspaper Publishers Association committee on free press and fair trial.

Enactment in more states of open meetings and open records laws and improvement of laws in other states.

A California appeals court ruling against an injunction that would have blacked out crime news, even including news about crimes not yet committed.

An Indiana federal court ruling that newsmen and photographers cannot be prevented from performing their duties in public places and thoroughfares.

A Colorado federal court ruling, denying a new trial in a murder case, that widespread pre-trial coverage does not automatically prejudice the fairness of a defendant's trial.

A successful suit to temper the stringent rules invoked by the Peoria, Illinois, trial judge in the case of Richard Speck.

Effective speeches and public appearances by Sigma Delta Chi members and other news media representatives in opposition to the trend for ABA news dictatorship and in behalf of free access to news.

Sigma Delta Chi was represented at the Honolulu meeting of the American Bar Association by Past President Theodore F. Koop. With representatives of other news media organizations he voiced objections to provisions of the Reardon Report. His appearance was a continuation of his long activity in behalf of freedom of information.

In addition to objectives and protests by news media organizations and leading press representatives, the Reardon Report also drew considerable criticism from highly respected members of the bar and the bench.

These included Judge George C. Edwards Jr., member of the United States Court of Appeals for the Sixth Circuit, covering Kentucky, Michigan, Ohio and Tennessee. Judge Edwards termed the Report's proposals "the most dangerous threat to the American ideal of free speech and free press since the days of Joe McCarthy."

Even U.S. Supreme Court Justice Tom Clark who wrote the opinion in the Dr. Sam Sheppard reversal said the bar's proposals are "uncalled for at this time," and said that he did not foresee "in the near future" any decision by the high court that would change current press coverage of trials.

The principal point in the Reardon proposals was to have judges enforce the bar association's rules by having them adopted as court rules, and enforced by limited use of contempt powers.

The proposals would tighten the ABA canons to forbid between the time of arrests and the completion of trials any statements or comments by prosecutors and defense lawyers that potentially might be prejudicial.

The Report advocated severe restrictions on types of information that could be released by police and law enforcement agencies. Specifically, the Report would suppress:

The prior criminal record, or statements as to the character or reputation of an accused person.

The existence or contents of any confession, admission or statement given by the defendant, or his refusal to make a statement.

Performance or results of tests, or the refusal of an accused to take such a test.

The identity, testimony or credibility of prospective witnesses.

Possibility of a plea of guilty to the offense charged or to a lesser offense.

Other statements relating to the merits of the case, or the evidence in the case, except that it would be permissible to release certain specified information including the facts and circumstances of arrest, a brief description of the offense charged, and a factual statement describing evidence at the time it is seized by authorities.

In addition, the posing of persons in custody for photographing or televising, and interviews for publication of a person in custody unless that person requested in writing to be interviewed would be prohibited.

Another salvo in favor of secrecy was sounded in the New York City Bar Association committee report on coverage of crime news. This is known as the Medina Report after the committee chairman, U.S. Circuit Court Judge Harold R. Medina. Although its proposals were less restrictive than Reardon, and it rejected as unconstitutional the Reardon proposal to control police policies, the Medina Report was criticized by Sigma Delta Chi as "unduly restrictive."

"The strict application of the secrecy rules suggested would be a barrier to any outside investigation of police, the prosecution or the courts," the official SDX statement said.

On behalf of the public and the press, the A.N.P.A. report declared:

"The people's right to a free press which inherently embodies the right of the people to know is one of the most fundamental rights, and neither the press nor the bar has the right to sit down and bargain it away."

Other major conclusions of this report were:

There is no real conflict between the First Amendment guaranteeing a free press and the Sixth Amendment which guarantees a speedy and public trial by an impartial jury.

The presumption of some members of the Bar that pretrial news is intrinsically prejudicial is based on conjecture and not on fact.

To fulfill its function, a free press requires not only freedom to print without prior restraint but also free and uninhibited access to information.

There are grave inherent dangers to the public in the restriction or censorship at the source of news, among them secret arrest and ultimately secret trial.

The press is a positive influence in assuring fair trial.

The press has a responsibility to allay public fears and dispel rumors by the disclosure of fact.

No rare or isolated case should serve as cause for censorship and violation of constitutional guarantees.

Rules of court and other orders which restrict the release of information by law enforcement officers are an unwarranted judicial invasion of the executive branch of government.

There can be no codes or covenants which compromise the principles of the Constitution.

Reports by the three committees and the ensuing debate and dialogue caused increased FOI activity by SDX chapters and other news media organizations. These included activities before state lawmakers.

Largely because of the efforts of Sigma Delta Chi, locally as well as nationally, open meetings laws were obtained or improved in eight states. Included were those enacted in Iowa, New Hampshire, Texas and Nebraska. Improvements were made in the existing laws in Arkansas, California, Connecticut and Illinois.

Open records laws were enacted in Iowa and Arkansas, and Alaska and New Mexico joined the 13 other states with laws permitting newsmen to withhold names of news sources.

Probably the most important among the favorable court rulings was that in California defeating efforts by the American Civil Liberties Union to establish the Reardon principle for prior restraint of release of information about crimes, criminals and law enforcement.

The ruling came on an appeal by Los Angeles County officials after a Superior Court judge had granted the A.C.L.U. request for a blanket injunction. The injunction would have muzzled all public officials, employees, police, attorneys and others by forbidding them to release information in connection with crimes, including those not yet committed.

News media attorneys joined the defense, arguing that the injunction was a violation of freedom of speech and press provisions of the Constitution.

Although it failed to rule on the constitutional issue, the appeals court declared that the lower judge had exceeded his jurisdiction, and declared that if there were to be any restrictions there could be no blanket rule and that each case would have to be handled on a case-by-case basis on its own merits.

The A.C.L.U. announced that it would carry the ruling to higher courts.

In the Indiana federal court ruling, an important principle of press freedom was established for the first time. It was that a newspaper is denied its constitutional right to freedom of the press when its reporters and photographers are prevented from taking pictures in public places and in the public thoroughfares.

There had been an earlier similar action in Dayton, Ohio, where a reporter was arrested at the scene of a fire, but that was dismissed after the Sixth Circuit Court of Appeals ruled that a cause of action was present.

The landmark Indiana ruling was in a suit brought by publishers of the Winchester *News* and *Journal-Herald* and the Union City *Times-Gazette*, on behalf of reporter Jacqueline Gustin.

The sheriff of Randolph County had attempted to prevent Miss Gustin's taking newspictures at the scene of an auto accident in which two persons died. The sheriff had previously objected to picture taking where fatalities occurred, declaring that he was protecting the sensibilities of relatives.

The court found that as a matter of law the sheriff had subjected both the publishing firm and the reporter to a deprivation of their First Amendment rights. It further declared that the press has "a constitutional right to have access to and to make use of the public streets, roads and highways for the purpose of observing and recording in writing or photographically the events which occur thereon."

The court added that the newspaper had a constitutional right "not to be interfered with, so long as (it) does not reasonably obstruct or interfere with official investigations of physical evidence or gain access to any place from which the general public is prohibited for essential safety purposes."

In Florida, a news photographer's suit against the police was settled by a stipulation which could be used as a model in setting up standards for cooperation between law enforcement and news media, with the rights and responsibilities of each spelled out and respected by both.

The stipulation was on the principle that judgment of news should be made by newsmen and not by police.

The photographer's suit against three policemen charged that while he was covering a robbery-murder for the Miami *Herald* he was maliciously assaulted, handcuffed and jailed.

After opposing sides in the suit agreed, the Miami Circuit Court approved the settlement. The stipulation said in part:

"The press and press photographers have the constitutional right to make photographs of such events and happenings as the press decides are newsworthy. The police authorities have no right to censor the publication of news or photographs. . . . The police have no right to confiscate or demand the surrender of any equipment or film of a bona-fide news medium representative. . . .

"On the other hand, the police have the responsibility to investigate crimes and to preserve the scene of a crime. . . .

"The police have the right to impose reasonable restrictions with respect to access to the immediate scene of a crime to prevent destruction of evidence or to preserve the public interest. . . .

"Neither police nor the news media should interfere with the other in the performance of their respective duties and obligations. . . ."

Additionally worthy of prominent mention from Florida was a speech to a meeting of the Trial Lawyers Section of the Florida Bar by U.S. Supreme Court Justice Potter Stewart, in which he declared that those who seek to limit freedom of the press to secure the right of a fair trial "do a disservice to both."

"The fact is that constitutional rights frequently infringe upon each other," Justice Stewart said.

He said voluntary guidelines for trial coverage would be a "welcome development," but added that "if the press is to remain free those guidelines must always be voluntary."

"Freedom of the press is also the right of the people to know," he said. "Neither the press nor the bar association nor the bench has a right to bargain away the people's right to know."

In Illinois, the Speck case provided an important vehicle for debate and discussion of police responsibility to keep the public informed, rights of the press, and proper conduct of a trial.

The cold-blooded murder of eight nurses July 14, 1966, was instantly important to the entire nation already aroused by increasing crime and a seeming tendency of the courts to use every technicality to be lenient with criminals. Those who would keep the public ignorant about crime and criminals even objected to police release of information identifying and describing Richard Speck as a prime suspect when the public was being asked to assist in the search. Some even objected to release of a photo of the suspect, and others said it was wrong for the press to publish the fact that the identifying doctor had said he asked the injured man if he was Richard Speck and got an affirmative reply.

An even greater hue and cry was raised when Chicago Police Superintendent O. W. Wilson declared of Speck that "this is the man," and his investigators revealed that Speck had inflicted on himself wounds intended to take his own life and that Speck's fingerprints were found in at least 32 places at the scene of the murders. In spite of the fact that all of this information was the truth, the would-be censors said that publishing it prejudiced Speck's right to a fair trial.

Paralleling the words of Cleveland Press editor Louis Seltzer about the murder victim in the Dr. Sam Sheppard case when he said "who will speak for Marilyn?," there were few of the critics who would speak in behalf of the rights of the eight slain girls.

Discussing the Speck furor, Roger Tatarian, of United Press International, said the press certainly is not without a valid response to the criticism.

"The mission of the press is simply to ascertain the truth in any given situation," Tatarian said.

After Speck was charged and placed in the custody of the Cook County sheriff, the press was increasingly hampered by regulations, rules, restrictions, and guidelines. These difficulties continued until, during and after the trial in which Speck was found guilty and sentenced to death. The Cook County sheriff invoked a news blackout concerning Speck and fired the jail psychiatrist for making comments about oil paintings done in the jail by Speck.

In Peoria, where the trial was conducted on a change of venue, Circuit Judge Herbert C. Paschen invoked a set of ultra-strict press rules for trial coverage. Paschen's rules brought immediate protests not only from news media representatives directly concerned, but by the press generally and by many leading representatives of the bar and bench.

Sigma Delta Chi's official protest for the press as a whole declared that "the restrictions are outrageous, and demonstrate the extremes to which a court can go in an unbalanced effort to protect the court processes."

"Instead of creating conditions for a fair trial, Judge Paschen is laying the pattern for star chamber proceedings," the SDX statement said. "The whole range of restrictions is indicative of an attitude that must be discouraged."

Judge Harold R. Medina of New York, whose committee had just issued a report on press and trials, declared that Judge Paschen "is probably overdoing it" in restricting press coverage.

The Chicago *Tribune* acted on behalf of the press generally and took its protest to the Illinois Supreme Court. The court quickly ordered Paschen to modify his restrictions and declared that he "must allow reporting of events and happenings that occur in open court." The ruling made one limitation, holding that names of prospective jurors were not to be reported until either excused or sworn as jurymen and sequestered. It pointedly overruled Paschen's sealing of the day-to-day transcripts and directed him to permit the press to buy copies of transcripts at any time from the court reporter.

Discussing the ruling editorially, the *Tribune* used a quotation from the U.S. Supreme Court Sheppard decision which said, "What transpires in the courtroom is public property." Later in a speech to a regional SDX meeting in Indianapolis, the *Tribune* managing editor, Clayton Kirkpatrick, declared that editors and not judges should be making the decisions on how to cover crime and court news.

"Neither is it the province of a judge to determine which newspapers cover which news stories," Kirkpatrick said in criticizing various courts for arbitrarily allotting space to limited numbers of newsmen during trials.

With Speck in jail and the lawyers and judges brushing up on all of the technicalities common to court maneuvering in a celebrated case such as this, the press can expect continued harassment and restriction in reporting developments until Speck finally is executed or other disposition is made of his case.

There were many other developments concerning freedom of the press in the other 49 states, but none rivaled the interest concentrated in that of Speck.

Following is a state-by-state summary:

Alabama

The mayor of Huntsville announced abandonment of a long-time police policy of not revealing names of arrested juveniles. The mayor gave police the prerogative to decide which names were to be released.

Alaska

A new privilege law was enacted. It permits the press and elected public officials to withhold identity of sources of information.

Arizona

A libel retraction law was placed on the books. It provides that a newspaper which gives equal attention to a retraction of an alleged libel, either on its own volition or on demand, within 20 days of publication, cannot be assessed punitive damages unless malice is proved. Actual damages may be assessed. Criminal libel laws are not affected.

In Tucson, which saw one of the earlier instances of a judge's prohibiting public officials from discussing crime news, Superior Court Judge Richard N. Roylston issued a set of rules restricting news media in trial coverage. He had issued the news blackout order in 1965 in the murder case of Charles H. Schmidt Jr., and then issued the court coverage rules when the case came to trial this year. After his adamant trial coverage orders, Judge Roylston later told newsmen that once a jury had been picked and secluded he saw no reason why both prosecution and defense attorneys could not talk to reporters. After all of Judge Roylston's efforts, which he said were to guarantee a fair trial for Schmidt, the defendant pleaded guilty to a second degree murder charge, as an anticlimax during the trial. Schmidt previously had been given the death penalty for two other murders.

In another Tucson case, the U.S. District Court struck a telling blow for freedom of the press in denying a habeas corpus writ for a murderer on the attorney's claim that pre-trial news and trial coverage had prevented a fair trial. Declaring that the trial jury was fair and impartial, the court declared, "No one wants a man to be tried for a crime on evidence other than that presented in a courtroom. Yet we all live in a world jammed with communications. Any attempt to stop all reporting of the crime by the press in advance of a trial would be a violation of the free speech, free press provisions of the First Amendment."

Arkansas

A new open meetings and open records law was enacted. It provides that all meetings of state, county and municipal bodies except grand juries shall be open. Only executive sessions permitted are those dealing with employment or disciplining of public officers or employees. The records section of the law provides for the public inspection and copying of all public records required to be kept, except income tax returns, medical records, scholastic records and adoption records. There had been no previous records law. A meetings law, passed in 1953, replaced by the new one had been amended to such an extent it was meaningless.

In spite of the state's privilege law, two reporters had an extended run-in with a Little Rock Circuit Court judge who cited them for contempt and sent them to jail for refusing to reveal sources of information. The reporters are Jack Baker, of the *Arkansas Gazette,* and Michael Smith, of the Pine Bluff *Commercial.* The judge ruled that because the reporters had not published their information the privilege law did not apply. After a legislator identified himself as the source of their information of a reported attempt to bribe a legislator, the reporters met in secret with the judge, the foreman of the grand jury and the prosecutor. The judge later said the reporters had answered the questions put to them originally. In the meantime the Arkansas Supreme Court had ordered the reporters released from jail on bail.

In an unusual case, Publisher Gene Wirges who had lost ownership of his weekly newspaper, the Morrilton *Democrat,* in a six-year libel fight with county officials, finally was cleared by the state Supreme Court. The suit originally involved the identity of the author of a column published by Wirges.

California

In addition to the A.C.L.U. injunction case, the year was an active one, netting gains and losses for freedom of information.

News media proponents were successful in extending the state's effective and popular open meeting law to cover state agencies as well as local.

Equally strenuous efforts to modernize the state's ancient public records bill failed to gain passage of a measure patterned after the new national law.

Six of the state's eight Sigma Delta Chi chapters were among early sponsors of the California Freedom of Information Committee, representing the state's working press, organized with the blessing of the national SDX Board of Directors. Northern California (San Francisco) and Central California (Sacramento) Chapters were especially active on the FOI front in their areas, going to bat on each instance of press interference or restriction.

With the help of Congressman John E. Moss, the Northern California Chapter broke a news blackout concerning thefts from the San Francisco mint.

An outstanding accomplishment by the Central California Chapter was thwarting coverup of records of state assemblymen's expenses. The chapter also won a tiff with the Air Force and recovered seized TV film taken of an experimental plane.

A case that attracted wide attention was the contempt charge against Clay Miller, chief photographer of the Santa Ana *Register* and president of the Orange County Chapter of Sigma Delta Chi. The judge cited Miller for taking news pictures in a makeshift courtroom during a vote recount, in violation of the State Judicial Council rule banning courtroom photography. After trial, another judge dismissed the charge because he was not satisfied with the evidence, failing to rule on the constitutional issues raised by Miller's attorneys.

Under similar circumstances, with court convened in the Los Angeles Music Center garage, a Los Angeles *Times* cameraman shot a number of news pictures of jury and principals in a depth damage suit against the city. There was no official notice of the photographer's presence although he continued to shoot. (The city won the case.)

In Sacramento, the American Newspaper Guild obtained an injunction against illegal secret meetings of county supervisors.

Courts in Santa Monica and Stockton requested newspapers not to cover trials on the basis that such coverage would prejudice later trials of others in the same cases. The newspapers unanimously refused to agree to any blackout.

In an Indio murder trial the judge barred the press from day-to-day access to the court transcript, and ordered opposing attorneys to make no statements or comments to the press during the trial.

Television crews were harassed and films seized repeatedly by lawmen and the military in the San Francisco Bay area during civil disturbances and at anti-war demonstrations near scenes of Navy and military activity.

After a movie crew leased Alcatraz Island, a TV news crew was barred. Another TV crew was ousted from a Marin County hospital hearing although the sheriff said the hearing was "open" otherwise.

In late summer another landmark court case was shaping up with a judge restraining attorneys from commenting to the press in connection with charges against a Los Angeles deputy district attorney accused of murder in the slaying of his wife and her male companion.

Colorado

Although strenuous efforts were made to obtain an open records law, the bill was stalled in the state House of Representatives. There still was hope for the legislation after interim study was ordered. Supporters anticipate success at the next session of the Legislature. The state already has an open meetings law.

A freedom of information advancement was the Colorado Supreme Court decision striking from the books an 1885 statute which provided for closing court records in pending cases. A judge had used that statute to keep the Longmont *Times-Call* from examining records concerning a school board election suit. The Supreme Court ruled that "to refuse permission to examine the pleadings and other papers on file would be an abuse of discretion."

An other advancement was the ruling by a U.S. District Court judge in Denver denying a new trial in a murder case. The judge rejected the defense attorney's claim that it must be presumed a defendant cannot receive a fair trial if his case has received widespread publicity. The judge said, "the prejudicial sting of pre-trial publicity was greatly softened by the passage of time." The judge compared the murderer's case with the Supreme Court ruling on the Dr. Sam Sheppard conviction, declaring that "the distinctions include the lack of vindictiveness of the publicity and the relative orderliness of the trial proceedings."

Later in Denver, a new trial was ordered for two robbers by the U.S. Circuit Court of Appeals because the trial judge had failed to poll jurors who convicted them to see if any had read a news story about the trial. The story, in the *Rocky Mountains News,* concerned a bench-attorney conference in the absence of the jury in which the judge barred certain testimony. The appeals court said a responsible press will heed a request from a trial judge to withhold publication of prejudicial news until after the verdict.

Connecticut

A stringent, improved open meetings law was enacted. It requires all state and local boards, commissions, agencies, committees and other governmental units to file schedules of all meetings with the Secretary of State, and in the case of local bodies, with town or city clerks. No meetings are permitted until 30 days after the schedule is filed, except for provisions for 24-hour notice on special meetings, and certain emergency meetings. The law requires that a majority of officials present must specifically vote to exclude the public if an executive session is held.

Another bill before the Legislature would permit radio and TV equipment to be used in all public meetings.

District of Columbia

Although the national public records law became effective July 4, it does not apply to District government departments and officials. The Washington Sigma Delta Chi chapter FOI committee recommended that the chapter campaign for open records provisions in the District.

Florida

An open meetings law cleared the state Senate but was sidetracked to a Subcommittee of the House of Representatives.

The press found strict rules on coverage of the Sarasota murder trial of Dr. Carl Coppolino not too difficult. After Coppolino was cleared earlier on another murder charge by a New Jersey jury, the Florida judge muzzled lawyers, witnesses and others outside the courtroom, banned photographic broadcasting and artists' equipment from the courtroom and forbade use of any information not introduced in the court, Coppolino was found guilty in this case.

The issues were not so clear in a prostitution case tried in Orlando. One Judge disqualified himself on grounds that the press continued to publish evidence ruled as inadmissible. In his order on coverage, the second judge prohibited printing of any background or information concerning the case which was not to be presented to the jury. Photographers were barred from the courthouse and the annex—not just the courtroom. Newsmen were relegated to the spectators' section from their usual seats up front. The judge said he based his order on the ruling in the Dr. Sam Sheppard case.

A written proposal has been submitted to the Florida Constitution Committee to provide for protection of reporters who refuse to disclose news sources. It is hoped that this and other proposed constitution revisions will be enacted within the next three years.

Georgia

Governor Lester G. Maddox caused the principal ripples in an otherwise tranquil state when he announced that he was appointing several press representatives to a "special committee to attack the governor."

Idaho

Although no legislative or court matters were pending, Sigma Delta Chi members were working with local governmental representatives in efforts to convert them to the principle of open meetings and to give them a better understanding of "the people's right to know."

Illinois

Under the newly amended open meetings law public access is provided for all sessions of all official bodies from the state down, except for specified exceptions. Only the state legislature is exempt. Advance notice of meetings also now is required. Under the old law, applying to fewer agencies, secret sessions could be held for discussion and deliberation if final action were taken in public meetings.

A press privilege measure permitting reporters to protect news sources failed to pass as did another measure prohibiting restrictions on the rights of public employees to make critical comments about officials or other public employees.

After news photographers were barred from inquests, the state's attorney in Chicago modified his rules to restrict taking of pictures only when accused persons were present.

In updating the state lobbying law, the Senate voted to remove application of the measure to news media representatives. Under original provisions of the measure newsmen would have had to register as lobbyists and file reports on compensation received.

The Chicago movie censorship board was enjoined on constitutional grounds by the U.S. District Court from interfering with the showing of the film, "Ulysses," based on the James Joyce novel. The court noted that the film had passed the Supreme Court obscenity test and that book long ago had been ruled as not obscene.

A judge in Morris called newsmen to the bench during arguments on pre-trial motions and said, "I am going to request; no, I am making this an order. The writing and characterization of any testimony or evidence presented prior to the jury trial is prohibited." To which an editorial in *Editor & Publisher* said, "There is nothing in law, or in the interpretation of it by the Supreme Court, or in the Constitution of the United States, which grants authority to a judge to dictate what may or may not be published in newspapers or other media about a criminal case. To the contrary, the Constitution forbids abridgment of press freedom and Supreme Court decisions have proscribed censorship or prior restraint on publication."

Routine roundup stories in two Chicago newspapers were cited by a defense attorney in a successful bid for a mistrial in the U.S. District Court case of an alleged hoodlum perjurer. The defendant was listed in the stories with four other alleged hoodlums up for trials at the same time. The judge had previously denied a motion by the attorney to require reporters to move from their usual seats at the press table to the spectator area.

In a state case the appeals court reversed a conviction because the judge had failed to ask jurors if they had read a story in the Decatur *Herald* summarizing the criminal record of the defendant.

Indiana

A change of venue for a South Bend policeman charged with murder provided a unique press trial turn. The judge said rumor and gossip surrounding the case created a poisonous atmosphere and said a fair trial would be more easily possible in another city 50 miles away. He absolved the press, police and prosecutor for any responsibility. All had been extremely cautious during the pre-trial period. In an editorial, the South Bend *Tribune* said, "when ligitimate and accurate sources of information are shut off, the illegitimate sources take over. The backfense, the telephone, the plant washup room and the cocktail party become an informal news medium with far less responsibility than any newspaper or radio-TV station in the country." The editorial added that the American Bar Association's proposed cure in shutting off pre-trial information "can be worse than the disease," as was shown in this case.

The circuit judge at Knox, Stark County, ordered news photographers not to take pictures of an accused bank robber as the suspect was brought across the street from the jail to the courthouse. The judge also ordered reporters not to include in their stories any material other than testimony presented at the trial. The judge said his future policy would be to hold pre-trial news conferences to tell reporters what they would be permitted to report.

Iowa

Action by the legislature put Iowa in the list of states with open records and open meetings laws. Nearly half of the state's senators were listed as authors of the bills.

The open meetings law provides for executive sessions only on two-thirds vote of agency members present, on personnel matters, proposed real estate purchase, or "for some other exceptional reason so compelling as to override the general public policy."

The open records law permits examination and copying with refusal by officials punishable by a fine of up to $100, but exempts hospital records, police investigation reports and "work product" records of attorneys.

Kansas

Two bills which would have prevented newsmen from entering the scenes of crimes and of major disasters until they had received written permission from a chief law enforcement officer were killed in the Legislature.

A proposal to permit publication of names of persons receiving welfare assistance was advocated by the Kansas Press Association.

Typical of police secrecy resulting from the Reardon proposals was an order by the county attorney at Junction City closing police files to the press.

Kentucky

The state's press-bar committee, organized under chairmanship of Norman E. Isaacs, Louisville editor, to draw up proposed guidelines for criminal news reporting, was expanded to include police representation. The committee was among the first to adopt a statewide code in 1965.

Maryland

The Legislature defeated a bill which would have abolished the state movie censorship board. This is the only state with such official censorship.

Massachusetts

Margaret Shaw, a Springfield *Union* reporter, was ordered fined after being found guilty of contempt for writing news stories in violation of a court order. The stories concerned proceedings on a motion to suppress evidence in which the judge issued two warnings against any publication concerning narcotics charges against two men. The judge said he issued the warnings to prevent prejudicial publicity.

A judge fined the Worcester *Telegram* and *Gazette* $1,000 and a reporter, E. Thomas McCabe Jr., $100 for contempt. The news story at issue concerned four men at the time of their trial on bank robbery charges. The judge called a mistrial and said publication of the fact that one of the accused was in custody of prison guards at the trial "unlawfully and wrongfully tended to prejudice the minds" of the jury. The newspaper appealed to the state Supreme Court. During the contempt hearing, the newspaper's attorneys said the newspaper acknowledged its chagrin because the story had inadvertently violated its own rules against use of a defendant's record of prior convictions during or just before a trial. They took numerous exceptions to the contempt order, including questioning the propriety of the judge's trying his own case.

In an advisory opinion to the Legislature, the Supreme Court ruled that a press restriction bill which had been vetoed by the governor would have been unconstitutional. It would have put a time limit on release of horse or dog racing information before and after official results of races. The court said such restrictions would violate the First and Fourteenth Amendments.

Michigan

Governor Romney countermanded plans of the Michigan State Police to restrict release of information about crimes and suspected criminals. The State Police director said his action was necessary to conform to U.S. Supreme Court rulings. The governor, the attorney general, and the press had not been consulted about the proposed restrictions.

A plan for Detroit police to tape confessions and interviews with suspects by using television equipment gained support. Two judges were among those endorsing the proposal after the Detroit Police Department began testing equipment.

Missouri

The St. Louis County prosecuting attorney announced a set of guidelines for censorship of news concerning crimes and prospective criminals, but a majority of the county police departments said they would not follow such rules.

In the absence of a state open meetings law, campaigns continued at the local level for public access to official meetings.

The Independence city manager ordered department heads and board and commission chairmen to make records available and to keep meetings open.

Nebraska

The new open meetings law covers all official bodies which use or expend public money or recommend such expenditures. All levels of government from the state down are covered. The law specifically permits broadcasting as well as attendance at meetings by reporters.

Nevada

A defense attorney in Reno voiced a switch in the current police-bar efforts to suppress information. The district attorney advised police to withhold the name of a man arrested for rape until formal charges were filed. The man's attorney claimed that this prejudiced his client's case. The secrecy created more public interest at the time the name and a picture were finally released, the attorney said.

New Hampshire

A new open meetings law went into effect August 26 climaxing a ten-year campaign by the press. In addition to providing for open meetings the law requires keeping of minutes and records of meetings which are to be available for inspection promptly.

New Jersey

At the turn of the year the murder trial of Dr. Carl Coppolino was the big story. Citing widespread and voluminous publication of circumstantial information about the case, followed by a not-guilty verdict, Kenneth W. Michael, Perth Amboy *Evening News* editor, said, "nothing should go farther to disprove the contentions of the American Bar Association that publicity in newspapers thwarts justice and damages the basic rights of defendants." If the ABA were to be believed, Michael said, it would be impossible to select an unprejudiced jury; yet, a jury was selected in normal time, the trial was conducted, and the jury made up its mind on what it heard in the courtroom. Reporters said they were not unduly inconvenienced by the strict rules imposed by the trial judge, including orders to the sheriff and prosecutor not to discuss the case.

Later, at Coppolino's trial in Florida in another murder case, with considerably less pre-trial press attention, the verdict was guilty.

New Mexico

A new law granting to news reporters the privilege of not disclosing news sources was enacted. The state already had open meetings and open records laws.

After newsmen complained about legislature press facilities, press galleries were provided at the beginning of the 1967 session. However, the new facilities were not entirely welcomed because both House and Senate then barred reporters from the floor and reporters said the new galleries were inconvenient. Compromises finally were worked out restoring limited floor privileges and modifying some of the objectionable features of the galleries.

New York

Renewed efforts to obtain a general open records law again were defeated in the state Senate. A number of specific departments and authorities are required to keep records open, but there is no general law.

A mistrial was ordered in the case of five men accused of bank robbery in New York City because of what defense attorneys claimed were published "prejudicial statements." Moved to Albany, N.Y., the trial resulted in guilty verdicts. Federal Judge Jacob Mishler commended reporters in Albany for their cooperation and said it "may be the most forceful argument against imposing restrictions on the press." At the judge's request the reporters voluntarily withheld until after the verdict, publication of material pertaining to discussion between lawyers and judge while the jury was absent.

North Carolina

After an open meetings bill was passed in the House the Senate killed it. Before the final action the measure had been amended to such an extent in the Senate as to make it practically meaningless.

In a court case in Asheville, the Superior Court judge ordered the Asheville *Citizen* not to publish the name of a girl rape victim who testified against the alleged attacker.

"I am not going to allow use of the girl's name or testimony," the judge said. "The newspaper has permission to print only that the trial was opened, the prosecution witness testified and the court recessed for the day. That is all that I want them to print. That is about as strong as I want them to go."

In spite of the order, the *Citizen* covered the case in its usual manner, and used the girl's name in the story of the verdict (not guilty). The only further comment by the judge was that the press had been "very good" in its reporting. The outcome of the trial had nothing to do with the use of the girl's name, Richard Wynne, *Citizen* executive editor said. "Most of the stories published elsewhere emphasized our 'defiance,'" Wynne said, "Hell, we weren't being defiant, just doing what we had to do."

North Dakota

The Williston *Herald* won a battle for the people's right to know by opposing orders by the newly appointed county judge barring access to court records. The judge contended that the public did not have a right to knowledge of his actions and what transpired unless they were willing to attend court sessions. The state Supreme Court at Bismarck acted on the *Herald's* appeal and overruled the judge. The Supreme Court said the press should have access to records "under reasonable rules and regulations."

Ohio

Efforts to have the Legislature update the state's open meeting law by eliminating references to "executive sessions" died in the Senate rules committee.

A crowd-control measure was amended to spell out the rights of news media representatives permitting access to fires, disasters, and other emergency events.

Oklahoma

Tulsa County judges adopted a rule which would require news photographers to obtain permission before taking pictures in corridors of the courthouse. The rule met immediate opposition of the press.

Oregon

Efforts of news media representatives to obtain passage of press privilege and open meetings bills failed. Bills on both proposals died in committees on adjournment of the Legislature.

In mid-summer the contempt case of Annette Buchanan was under submission in the state Supreme Court. Miss Buchanan, managing editor of the University of Oregon *Daily Emerald*, was fined $300 for contempt of court because she refused to reveal the names of students interviewed for a story on the use of marijuana. The case was argued briefly before the Supreme Court after briefs were submitted by the girl's attorneys, the Oregon Pubishers Association, Sigma Delta Chi and the American Society of Newspaper Editors. The Sigma Delta Chi brief declared that if the press is to serve effectively, "it must not be burdened with a governmentally imposed obligation, without any exceptions, to intrude on the rights of privacy of informants who desire to exercise their constitutional right to free speech as to matters of great public interest in connection with the wisdom and justice of the country's laws but who desire, at the same time, to retain their anonymity."

"It is the people who will be the losers," the brief concluded, "if their freedom of the press is to be subordinated to an inferior status, instead of being accorded the fullest respect it can be given . . ."

Pennsylvania

After holding only secret meetings since the early 1950's, the state Fish Commission voted unanimously to open meeetings to the press and the public. The commission was one of the bodies not covered in the state's open meeting law.

The Pennsylvania Freedom of Information Council, one of the three statewide FOI groups in the country, published an excellent report on the public information situation in the state. The report was entitled, "The Story of Efforts to Assure Citizens of Pennsylvania a Free Press and a Fair Trial." Sponsoring the council are the Pennsylvania Newspaper Publishers Association, the Pennsylvania Association of Broadcasters and the Pennsylvania Society of Newspaper Editors. Copies of the report may be requested by writing the council at 2717 No. Front Street, Harrisburg, Pa. 17110.

South Carolina

The Columbia *Record* was successful after a six-month editorial campaign to end secret sessions of the Columbia City Council. The newspaper revealed that decisions were being made in secret sessions before meetings were opened to the public. The open-door policy was adopted after the *Record* repeatedly published records of split votes in the secret sessions with the unanimous votes during the open meetings.

Tennessee

At the opening of the 1967 general assembly the Senate adopted rules for open sessions, the first such action since the state constitution was written in 1840. The new rule permits closed-door committee meetings only when "state or national security is involved." No such crisis arose and the session, the longest in recent history, was conducted without any effort to close Senate committee meetings. The House failed to take notice of the open meeting situation, but only one committee attempted to close a session. This attempt brought almost unanimous condemnation and the committee chairman was forced to resign his position as floor leader. Two days later the same committee members met in open session and conducted the same agenda openly. The Nashville *Tennessean* had waged a continuing campaign for open meetings since one of its reporters refused to leave a secret Senate committee meeting during the 1965 legislative session. As a result of that event, the 1965 Senate barred representatives of the *Tennessean* from the floor. The *Tennessean* was joined by national newspaper organizations, including Sigma Delta Chi, and other newspapers in the state in taking the action into federal court on constitutional grounds. The federal judge overruled the Senate and the state did not appeal. In the following elections several candidates made open meetings a campaign issue, further laying the groundwork for the new rule at this year's legislative session.

Texas

Under efforts of all of the Texas Sigma Delta Chi chapters and members and authored by a former newspaperman and member of Sigma Delta Chi, a model open meetings law was enacted. It provides for public meetings at all levels of government with only five specific exceptions. These are deliberations on dismissal or charges against public officers or employees, deliberations on acquiring real estate, matters affecting security, legislative investigating committees, and grand juries.

Washington

The state bench-bar-press committee conducted extensive tests on courtroom photography and electronic reporting. The committee, active for three years, adopted a resolution forward to the American Bar Association requesting a moratorium on restrictive actions pending full opportunity for the development of state and local understandings of the free press-fair trial issue.

West Virginia

The state Supreme Court overruled a Wetzel County circuit judge who had held a Wheeling *Intelligencer* reporter, Ralph Conley, in contempt, and assessed a $10 fine and five-day jail term. The contempt action had concerned news reports on several suits in the New Martinsville court in which insurance coverage was reported. The high court's opinion said the judge lacked authority in the absence of an indictment for a jury trial and added that such a proceeding is reserved for contempt committed in the presence of the court.

Wisconsin

An action by a circuit court judge in Waukesha had freedom of speech overtones as well as freedom of press. The judge ordered that a suspect in the knife murders of two women could not be interviewed while held in the county jail. After the prisoner had requested that a Milwaukee *Journal* reporter be permitted to visit and interview him, a lower court had ruled in favor of the man's request. The ruling was appealed. In an editorial, *Editor & Publisher* pointed out that if the man were free on bail, which was permissible if he had the funds, he could talk to anyone he wished.

A bill to improve the open meetings law to eliminate executive sessions was introduced in the legislature. It was returned to committee after reaching the floor.

Another bill providing for reporters' protecting sources of information also was introduced.

Wyoming

Open meetings and open records measures were introduced late in the legislative session and both died in a House committee. The State Health and Welfare Departments opposed the records bill. Although there was no opposition to the meetings bill, it had been considered as a package with the records measure. The governor, who had advocated, the open meeting measure in his message to the Legislature, said he would "guarantee" passage at the next session in 1969.

(NOTE.—Absence of a few states above does not necessarily mean there were no FOI developments; some were not represented by correspondents, and correspondents in others reported there were no developments.)

How it is in the States

Here is the legislative Right to Know scoreboard in the 50 states brought up to date for 1967:

State	Press privilege	Open records	Open meetings
Alabama	Yes	Yes	Yes.
Alaska	Yes[1]	Yes	Yes.
Arizona	Yes	Yes	Yes.
Arkansas	Yes	Yes[1]	Yes.[2]
California	Yes	Yes	Yes.[2]
Colorado	No	No	Yes.
Connecticut	No	Yes	Yes.[2]
Delaware	No	No	Yes.
Florida	No	Yes	No.
Georgia	No	Yes	Yes.
Hawaii	No	Yes	Yes.
Idaho	No	Yes	Yes.
Illinois	No	Yes	Yes.[2]
Indiana	Yes	Yes	Yes.
Iowa	No	Yes[1]	Yes.[1]
Kansas	No	Yes	No.
Kentucky	Yes	Yes	No.
Louisiana	Yes	Yes	Yes.
Maine	No	Yes	Yes.
Maryland	Yes	No	Yes.
Massachusetts	No	Yes	Yes.
Michigan	Yes	Yes	No.
Minnesota	No	Yes	Yes.
Mississippi	No	Yes	No.
Missouri	No	Yes	No.
Montana	Yes	Yes	Yes.
Nebraska	No	Yes	Yes.[1]
Nevada	No	Yes	Yes.
New Hampshire	No	No	Yes.[1]
New Jersey	Yes	Yes	Yes.
New Mexico	Yes[1]	Yes	Yes.
New York	No	No	No.
North Carolina	No	Yes	No.
North Dakota	No	Yes	Yes.
Ohio	Yes	Yes	Yes.
Oklahoma	No	Yes	Yes.
Oregon	No	Yes	No.
Pennsylvania	Yes	Yes	Yes.
Rhode Island	No	No	No.
South Carolina	No	No	No.
South Dakota	No	Yes	Yes.
Tennessee	No	Yes	No.
Texas	No	No	Yes.[1]
Utah	No	Yes	Yes.
Vermont	No	Yes	Yes.
Virginia	No	No	No.
Washington	No	Yes	Yes.
West Virginia	No	No	No.
Wisconsin	No	Yes	Yes.
Wyoming	No	No	No.

[1] Adopted this year.

[2] Improved this year.

PART IV.—RADIO AND TELEVISION

One of the toughest tasks for television in 1967 was proper coverage of the most controversial of domestic issues, civil rights, and the violent outbreaks in some 50 American cities, most especially Newark and Detroit. Even as newsmen struggled to cover the story correctly, there were many signs of possible Congressional and administrative investigation of television's role in riot coverage.

Rep. Torbert MacDonald (D., Mass.), chairman of the House Communications Subcommittee, announced that his group would look into television coverage of the riots. Calling the question "a sticky one" in fere speech terms, he said, "It does seem that in some instances people are performing as much for the cameras as anything else."

Several Senate committees started midsummer probes of various matters relating to the riots and there was a hint that they might get into television's role. Members of the President's special Commission on Civil Disorder said privately that the matter had been discussed and might well be explored by that group.

Senator Hugh Scott (R., Pa.) in late July announced that he believed the news media "in many instances, inadvertently contributed to the turmoil." Scott wrote top officials of the AP, UPI, ABC, CBS, Mutual and NBC urging a code of emergency procedure be drawn up in conjunction with the Justice Department, local and state law enforcement agencies. He also suggested that news media should balance inflammatory statements by such as H. Rap Brown and Stokely Carmichael with appeals for law and order by moderate Negro leaders.

Scott wrote of his proposed code that it "must be consistent with freedom of speech, a constitutional privilege which of course must be guarded vigilantly. Nevertheless, concentration on the sensational aspects of the situation and the frequent appeals to riot by extremists raise a serious question as to the editorial responsibility and the discretion of the media."

Replies to Scott were placed in the *Congressional Record* in August providing the first public opportunity for an airing of the controversy. Some local newsmen concurred with Scott's concern and indicated they were developing or already had codes to deal with racial disturbances. From Clifford L. Alexander, Jr., chairman of the Equal Employment Opportunity Commission, came endorsement of the idea of a code. Alexander talked of "a gross job of representation of what's going on that's being done by the media." He accused television of general contempt for the minority population in creating Negro leaders "by just throwing a mike in front of anyone and giving him exposure to millions of people."

The news services and the networks, however, denied that they over-reacted to delicate situations and spelled out instructions previously given reporters to provide guidance in covering delicate situations in race relations. The replies gave specifics denying that extremists received undue exposure.

James C. Hagerty, vice president of corporate relations for ABC wrote, "I don't believe that television has created a false image of a Stokely Carmichael or a Rap Brown. They are exposed for what they are for all the public to form an opinion about them—including the Negro community. And they do not receive special treatment or over-balance of presentation, at least on ABC although in all fairness I think the same could be said for CBS and NBC."

Julian Goodman, president of NBC, wrote that "news in our society must present to the American public the world as it is. But in doing so, journalism must be able to discriminate between the spurious and the real; between those who seek aggrandizement through subversion of the proper function of the press and the events, issues and personalities that are truly significant although they may be disturbing or even revolting. "It is difficult for me to see how a code could be effective in these circumstances . . . a code cannot exercise judgment. It cannot see all the variables in the fast-breaking events with which the newsmen must deal. It is not self-executing, for if a newsman or editor is irresponsible or has poor judgment, a code will not correct the fault, and if responsibility, integrity and judgment are exercised, a code will not add to them."

Dr. Frank Stanton, president of CBS, wrote that his network has always objected to codes because they amount to censorship by voluntary agreement and to abandonment of individual responsibilities as reporters and editors. He noted, "Nor can we enter any compact with other news organizations, on either an intra-medium or an inter-media basis, to restrict or present the news in any predetermined way whatsoever. One of the primary safeguards against excesses in a free press is a diversity of reporting and of news judgments. Any proposal, however high its purpose, to get the press to decide in concert what it will report, and how it will do it, would establish a precedent of the most hazardous implications . . . speculation of the wildest sort would arise as to what was being suppressed, or handled by prearranged agreement, or 'managed' on the grounds that the people cannot be trusted."

Another attacking broadcasters was Rep. Durward G. Hall (R., Mo.) who accused them of lending their facilities "to be used as incitement to riot." Hall suggested that federal anti-riot legislation designed to prosecute those crossing state lines to incite riots might carry over to broadcasters carrying interviews and speeches of black-power advocates.

Broadcasters girded themselves for future battles over the issue. Some newspapers were unsympathetic, running stories and editorials charging that television coverage *was* a factor in the riots. Others, however, did not share the view and some commentators caustically noted that Congressmen were turning on television for showing conditions which, without news coverage, would remain beyond the knowledge of the Congressmen themselves.

Federal interest in television's news coverage of riots is still in the talking stage but in other areas, federal activity was more evident. In July, the Federal Communications Commission ruled that its "fairness" doctrine was to be clarified and that "personal attacks" on persons or groups, must be followed by notification to that person or group within a week. A script or tape must be furnished and equal time to reply given. This is to be done whether the statement is true or not whether there is malice or not, whether the program presented a controversial issue fairly or not. Further, notification of editorial endorsement of, or opposition to political candidates should be transmitted within 24 hours and should this happen 72 hours prior to an election, notification should be sufficiently far enough *in advance* to enable a reasonable opportunity to present a response.

The Radio Television News Directors Association with eight broadcasters filed a suit in the U.S. Court of Appeals in Chicago on July 27, 1967 for review of the commission's order. RTNDA contends that it is in violation of the First Amendment and would hamper one thousand RTNDA members in performance of their professional duties.

On the same day in the Second Circuit Court in New York, CBS filed a similar suit. CBS said the rule would inhibit debate on controversial issues of public importance. It noted that a personal reply could be requested even when both sides of a controversial issue are fully and fairly presented, that this reply could be one-sided and misleading and could then involve attacks on others, touching off a proliferation of "equal time" replies.

The CBS suit noted that Section 315 of the Communications Act is limited to a highly specific "equal opportunities" provision for candidates and that "Congress has refused to provide a general federal broadcast libel remedy or even to broaden the narrowly limited statutory right of political candidates to reply to one another; Congress did not intend to empower the Commission to create a new private remedy for 'personal attacks' . . . the Rule amounts to program censorship by the Commission."

A June ruling by Circuit Court in Washington upheld the constitutionality of the fairness doctrine in a case involving WGCB in Red Lion, Pa. The owner of that station is Rev. John M. Norris, an 83-year-old fundamentalist minister who has frequently clashed with the FCC on fairness-doctrine issues and threatens to take the matter to the Supreme Court.

A ruling in favor of RTNDA or CBS would conflict with the WGCB case and would certainly result in a Supreme Court review. Many broadcasters welcome high court review of the continuing dispute.

Hearings were held by the Senate Communications Subcommittee to look into computerized election projections by radio and television networks. The hearings, chaired by Senator John O. Pastore (D., R.I.), were at the request of Senator Vance Hartke (D., Ind.) who expressed concern about incorrect "calls" and by the effect on viewers in western states who have not yet voted. The networks duly testified as to their practices and no signs of significant Senate legislation resulted.

In Wisconsin, State Senator Taylor Benson (D., Milwaukee) introduced a bill making it a felony to predict state or local election winers before 8:00 p.m. on election day. National presidential reports would be exempt. Wisconsin broadcasters offered strong opposition. The bill reached the floor of the Senate and was defeated in a 19 to 13 vote.

In Vietnam, U.S. military police roughed up NBC correspondent Howard Tucker and his cameraman when they tried to cover the aftermath of a February 11 mortar attack on General Westmoreland's compound. Protests were filed by NBC both in Saigon and in Washington.

NBC had a rougher time with New Orleans District Attorney Jim Garrison after a June broadcast which was strongly critical of Garrison's methods in his probe of an alleged plot to assassinate the late President John F. Kennedy. In a letter to Attorney General Ramsey Clark, the American Civil Liberties Union noted that Garrison filed perjury charges against a number of individuals who participated in the program. The ACLU called this "gross misuse of his public office in infringing on constitutional rights."

Garrison brought charges against two men connected with the program, claiming that they offered witness Perry Russo travel expenses, lodging, employment and protection from Garrison. Charged was NBC's investigative reporter Walter Sheridan who faced up to five years if convicted of public bribery and reporter Richard Townley of WDSU, the NBC affiliated station in New Orleans, who faced the additional charge of intimidation and a possible 15 years imprisonment if convicted.

William R. McAndrew, president of NBC News, said it was an attempt by Garrison to intimidate reporters critical of his investigation. McAndrew concluded "NBC will not be intimidated."

Townley issued a statement in New Orleans which stated, "Our society has survived other attempts by politicians to silence criticism in the news media. Unfortunately, there is a lengthy tradition of that kind in Louisiana politics."

Coming to the support of Sheridan was his former employer, Senator Robert F. Kennedy. Said the New York Senator, "I have the utmost confidence in his integrity, both personal and professional."

In Chicago, broadcasters suddenly found their cameras and those of their newspaper colleagues barred from coroner's inquests. The ruling came after State's Attorney John Stamos wrote Coroner Andrew Toman that cameras should be barred from the March inquest in the Patricia Ann Heinen case. RTNDA and all Chicago news directors protested, a meeting with Stamos and Toman was arranged and workable rules were agreed upon.

On the state legislative front, a survey by the National Association of Broadcasters showed that virtually all state legislators have permited some form of broadcast coverage at one time or another but only nineteen permit regular coverage of proceedings in both House and Senate chambers. A few, like Arizona, permit it in one and not the other. Some five or six states permit coverage of committee hearings only.

The New Mexico Senate banned newsmen from the floor of the chamber, segregating them to a special press-radio-television gallery. Adding insult to injury, the Senate ruled that relatives of lawmakers could have full access to the floor. The New Mexico House of Representatives, in contrast, allowed radio and television crews on the floor as long as they remain unobtrusive.

In Missouri, Sigma Delta Chi, the NAB, RTNDA and local broadcasters all protested in January when the Missouri House adopted new rules which compelled stations to carry debate in full with no commercials or other interruptions. If taped and then edited in any way, the broadcast version was to be brought to the House for approval before it was aired. The Sigma Delta Chi protest noted that the editing of broadcast recordings by government officials was just a short but dangerous step to the editing of all news matter by government.

The rule was later dropped with a substitute empowering Speaker of the House James T. Godfrey to issue credentials to all newsmen. The credentials can be revoked by the Speaker should he find cause. In practice, through the session, the rule was never needed; no credential was revoked.

PART V. IN LATIN AMERICA (SEPTEMBER 1966 THROUGH SEPTEMBER 1967)

With the specter of restrictive press laws arising on several fronts, the cause of freedom of the press slipped back several notches during the year.

Brazil and Nicaragua enacted such laws, and Argentina's Interior Ministry reportedly had such a statute all drafted and ready to put into effect on a moment's notice.

This complicated the existing situation, which saw Cuba and Haiti continue to control all phases of the flow of information, and Honduras and Paraguay still invoking repressive measures against newspapers and newsmen.

No less than 20 nations were on the list of those that interfered with the press in some way, although at least two of the situations were minor and temporary. In Brazil, an editor was banished to a far-off island with no definite sentence set until the courts stepped in. In other countries, correspondents were expelled or had dispatches held up; newspapers were closed down or seized by the government; economic pressures of various kinds often were inflicted.

The bright spots were the enactment of new constitutions in the Dominican Republic and Ecuador, both clearly guaranteeing freedom of the press. But even in those countries, some editors were jailed and newspapers interfered with. Chile eased its oppressive 1964 "gag law."

The Inter-American Press Association, as well as many national press groups, remained on the alert throughout the year and there is no question that, without their repeated protests, the situation would be a great deal worse.

Coverage of Latin America in the United States press, while still subject to a great deal of criticism, showed improvement during the year. Press services and newspapers opened up new bureaus and sent more correspondents into the area. They were doing a better job of backgrounding Latin economical and sociological problems, instead of playing up only the more dramatic and violent news breaks. All important stories—such as the Punte del Este conference in Uruguay and the Communist Solidarity parley in Havana—resulted in heavy influxes of newsmen from the United States.

Some surveys showed, however, that more United States news is printed in Latin America, than Latin American news in the United States. It was noted, for example, that Mexico has seven correspondents in the United States, Bolivia has 13 and Colombia 13.

The difficulties under which newspapers operate throughout Latin America was pointed up at several conferences. Poor pay for newsmen, shortage of newsprint, antiquity of equipment—all contributed to this situation. Many American publishers were coming to the aid of their Latin brethren by providing equipment, counsel and encouragement. The Copley Newspapers ninth and tenth assistance missions aided 11 Panama newspapers and one in Mexico City.

In Panama, a four-week seminar was attended by 189 persons while Howard B. Taylor, Copley editorial consultant, assisted 11 Panamanian papers with news and production problems. In Mexico City, Mr. Taylor helped *El Heraldo* revise its typographical format.

The balance sheet

Freedom of the press went unhampered in 1966–67 in a total of 23 Latin American nations, territories or colonies. Free of any overt acts against the press or newsmen were:

Antigua, the Bahamas, Bermuda, British Honduras, Costa Rica, El Salvadore, Falklands, French Guyana, Grenada, Guinea, Guyana, Guadelupe, Martinique, Puerto Rico, Panama, Surinam, St. Lucia, St. Pierre-Miquelon, Trinidad-Tobago, the Virgin Islands, West Indies Associated States, Windward and Leeward Islands.

Minor incidents, soon terminated, were reported in Jamaica and the Netherlands Antilles.

Interference with newsmen or with the operations of the press in general were reported in 12 countries:

Argentina, Barbados, Bolivia, Chile, Colombia, Dominican Republic, Ecuador, Guatemala, Mexico, Peru, Uruguay and Venezuela.

Six nations were totally on the minus side in the eyes of the free world: Cuba, Haiti, Paraguay, Honduras, Nicaragua and Brazil.

Last year only four nations were on the free press "total" blacklist, with interference with news media or newsmen noted in 12 nations, the same as this year.

Argentina

A restrictive press law reportedly was "in the works" in Argentina's Interior Ministry throughout the year. But, despite the fears of many an outspoken, independent editor who protested any such action, no law had yet been enacted and no censorship invoked.

Isolated incidents and insinuations in official speeches and declarations keep the press on its guard, but President Juan Carlos Onganio repeatedly maintained he had no intention to limit freedom of the press.

Rumors that the proposed law would punish "abuses and excesses" in print and provide for "redress for injured parties" persisted however, leading the Argentine Association of Journalistic Enterprises to reiterate:

"Argentine journalism needs no law beyond the statement in the National Constitution which prohibits the formation of laws obstructing 'freedom of the press.'"

Some editors complained that self-censorship by the press—on television as well as in the newspapers—was so extensive that the government didn't really need a press law. Others complained that, while newsmen still had free access to government officials, little news was coming out of Government House.

Alberto Gainza Paz, editor of *La Prensa* who had been exiled by the Peron dictatorship, editorially declared the press law idea a sign of "the erroneous and dangerous tendency that seems to dominate the thinking of the Government."

While the government had spoken of the proposed law as a means of "protecting" freedom of the press, *La Prensa* said it meant just the opposite. *Paz* saw "a structure of prior censorship" as the "writing on the wall."

Two Peronist newspapers, *Retorno* and *De Pie*, were officially closed down and a biweekly, *Asa*, had its distribution halted by local authorities on two occasions. The Buenos Aires city police ordered the suppression of 27 supposedly immoral and obscene publications, 22 of them from the United States (including *Playboy*).

A law was signed in September to enable the Onganio regime to take possession of and liquidate more than a score of newspaper offices and print shops which had belonged to the official press chain of the Peronist government. The five newspapers involved had been banned or faded away after the "liberating revolution" of 11 years ago. Future of the greatly deteriorated plants was in doubt.

The Argentine press continued to seek relief from excessive duties on imports of badly needed modern equipment and vital spare parts, as well as newsprint.

A law outlawing the Communist Party in Argentina was enacted in September. Its restrictions included banning of all Communists from directing news media or operating shortwave radio stations.

Barbados

Barbados, the eastern Caribbean island which became independent in November 1966, after 339 years of British rule, became suspect in the press freedom area early in its young life. It refused a residential permit to Ronald Batchelor, Reuters representative in the Caribbean, who had intended to establish area headquarters at Bridgetown on Barbados. The government inferred that the refusal was for security reasons, but Batchelor said the action apparently stemmed from a story in which he quoted remarks of election opponents of Prime Minister Errol Barrow, who won the election. They had called Barrow's tactics dictatorial, and Batchelor so reported in a dispatch written while he was in Barbados on a temporary residence permit. The Barrow government denied this article had anything to do with the refusal to give Batchelor a permanent permit and indicated it would welcome a Reuters bureau on the island, but no action was taken to alter the situation, despite protests from IAPA and other press organizations.

Otherwise, no interference with newspapers or news coverage was reported on the island.

Bolivia

Interventions were made by the United States, England and France following the arrest of Jules Regis Debray, French journalist, who was captured by Bolivian military units April 20 while accompanying a guerrilla group. Two others also were seized—British-Chilean journalist-photographer George Andrew Roth and an Argentinian, Ciro Roberto Bustos.

Roth later was released, but Debray was kept under wraps. A close friend of Fidel Castro, Debray reportedly had gone to Bolivia's eastern jungle to do a news story on Havana-inspired guerrilla mobilization there. He denied a reported meeting with Ernesto Che Guevara, Cuban revolutionary leader who had been out of sight for two years, but said Guevara is "very much alive." Bolivia produced documents that indicated Guevara indeed had been in the area and held Debray for trial on charges of "rebellion and murder." Bustos, a painter, faced similar charges. Bolivian and American journalists finally were allowed to interview Debray, but French journalists were barred from seeing him. Debray's Italian publisher, Giangiacomo Feltrinelli, who arrived in La Paz to attend the trial, was arrested and expelled. After a delay of nearly five months, Debray's trial opened in late September.

All information relating to guerrilla activities was declared subject to military censorship. Both national and foreign correspondents were asked to leave the operational zone, among them Philippe Nourru, special correspondent of *Le Figaro*. The newsmen protested to President Rene Barrientos.

The biggest forward step in Bolivia came on July 19 when the newspaper *Los Tiempos*, whose building and equipment were destroyed by Bolivian mobs late in 1953, was allowed to resume publication. The move was applauded by IAPA, which had been demanding for years that the government compensate the paper for the damages it had sustained.

The paper's editor, Carlos Canelas, obtained a private loan, however, to purchase a new offset press and other equipment. He is the brother of the former editor of the paper, Demetrio Canelas, who died in 1964. President Barrientos, invited to the inauguration of the new *Los Tiempos* plant, declared, "I have come here to redress the offense inflicted on Bolvian journalism . . ." IAPA officials were confident that the government eventually would compensate *Los Tiempos* for its destruction, reported ordered by then President Victor Paz Estenssoro.

But the government had not yet complied with past promises to restore and compensate the newspaper *La Razon* of *La Paz*, which it had seized in 1952.

The government suspended its two official newspapers, *La Republica* of La Paz and *El Mundo* of Cochabamba, stating it believed it should not be in the business of publishing its own news media.

Brazil

Despite sharp protests from all segments of the Brazilian press and from international press organizations, controversial measures considered potentially oppressive to the press went into effect in March.

They were a press law called "repressive and restrictive" by the nation's editors, a new national security law further affecting press freedom and a new national constitution containing clauses threatening press controls.

All of the measures were inspired by the late Humberto Castelo Branco before he turned over the presidency to Arthur Costa e Silva on March 15. The security measure was adopted by decree of Castelo Branco. Congress adopted the new constitution and passed the press bill.

Despite the wave of criticism from the press, Castelo Branco held firm. He permitted only a few minor changes despite 50 amendments proposed by newspaper editors and broadcasters. Pledging themselves to fight for a free press, 41 journalists' associations joined in a "Declaration of Brasilia."

The press law provides stiff penalties for publishing what the government considers to be damaging to national security or financial stability. It forbids the publication regardless of its truthfulness of any accusation of crime against the president, vice president, foreign chiefs of state and their diplomatic representatives, the presidents of the Chamber of Deputies and Senate, and members of the Supreme Court. It establishes a "mandatory right of reply" system for persons affected by publications or broadcasts. And, in a move believed aimed at U.S. influence in Brazil, it restricts to Brazilian-born the ownership, management and direction of any news media in Brazil.

Prison terms of up to three years, heavy fines and suspension of newspapers and broadcasting stations are provided for violators of the press bill, whose provisions were called vague and lacking in guidelines by the Brazilian press. It was called a "gag," "a sham to a free press," and "totalitarian."

While some quarters admitted that some Brazilian newspapers could use a little more responsibilty on occasion because of inaccuracies and their vitriolic and insinuating tone, enactment of such an all-encompassing law was another matter.

In all the press bill has 77 articles and, while no prior censorship is provided, it calls for registration of all printing companies and mass communication institutions. The new constitution permits the president to suspend political rights and declare a state of siege.

Generally, enactment of the new decrees failed to silence the press. Editors of all shades of political opinion continued to protest the press bill and government actions in general. But the Inter-American Press Association called upon the president and Congress to remove the potential threat by repealing all legislation in conflict with freedom of the press as expressed in the IAPA Charter.

IAPA also protested action taken by the government against two publications. The political rights of Helio Fernandes, editor and publisher of *Tribuna du Imprensa* of Rio de Janeiro, were suspended, and he was later confined on a South Atlantic island 200 miles northeast of Brazil.

Fernandes had commented editorially that mankind had lost "very little" in the plane crash death of former President Castelo Branco. IAPA asked that he be freed on bail and allowed to return to his newspaper. A federal court later ruled that Fernandes' banishment was legal but that the government would have to set a time limit to his confinement.

Also protested was the closing of the weekly publication, *Folha da Semana*, also of Rio, which was accused of being an organ of the outlawed Communist Party. IAPA called this "an arbitrary act which expressed flagrant disrespect for press law."

Other acts against the press:

In Goioania, capital of Goias state, regular army soldiers arrested two journalists in their homes. Two radio stations there were closed for failing to heed a government "hint" against comment on Congress' actions.

Soldiers armed with sub-machine guns appeared in the editorial office of Brasilia's only daily paper, *Correio Brasiliense*, and demanded to see all copy before it was printed. All news of Congress was censored out. Political news going out over Brasilia's radio station and its television station was similarly censored ahead of broadcast time.

The publisher of *Jornal do Brasil* of Rio de Janeiro reported that Guanabara State had cancelled all official advertising scheduled for the newspaper because of its criticism of government policy.

An issue of the monthly magazine, *Realidade*, was embargoed by police in January on the orders of two juvenile court judges for reasons of alleged obscenity. Seized were 280,000 copies of the magazine.

Chile

"Instructions have been given to the State Bank to abstain from participating in activities of this kind in the future." This statement apparently closed the case of the Chilean State Bank which had been accused of buying stock, under pressure, in the opposition Southern Newspaper Corp. Officials in a subsidiary of the bank who, the government said, had been buying stock in the chain of five newspapers, had been told to dispose of it. IAPA expressed gratification at this move and hoped that freedom of the press principles would be "constantly upheld in the future."

One foreign newsman was expelled by the government of President Eduardo Frei during the year. He was Pedro Torres Erazo, an Ecuadorian national, of Antofagasta's Radio La Portado. An alleged Marxist, he was accused of violating the State Internal Security Act by allegedly inciting striking miners with his broadcasts.

Frei's Christian Democratic Party finally modified the "Publicity Abuses Law" under which discriminatory penalties could be inflicted on newsmen. The original law, known in press circles as the "gag law," was enacted during the regime of President Jorge Alessandri. Frei promised as a candidate to void the law but it took him three years to do so.

The "false information" offense was left on the books, but modified to include only "substantial" infractions which damages "public security or public order or the dignity, credit, reputation or interests" of individuals or corporations. Formerly, a simple error of fact could bring a journalist to trial facing a three-year jail term. The statute never was invoked, however.

Offenses of "sensationalism" and defamation, applying only to newsmen, were voided. Newsmen, in the future, will be subject only to criminal and civil codes affecting all citizens.

A group of Frei's Christian Democrat supporters purchased Zig-Zag, largest of Chile's two magazine publishing firms, *La Union*, a Valparaiso conservative newspaper, was sold to a group of former university professors, all Christian Democrats. So, the president's ruling party continued its efforts to gain a "voice," despite its difficulties in the Southern Newspaper Corp., situation.

With more than 50 daily newspapers and six weekly pictorial news magazines, Chileans were getting good news coverage. And proof of the fact that press freedom reigns is the fact that every day rightist, independent, Marxist, Socialist and Communist dailies vilify Frei's government in print.

However, the usual situations and sudden changes affecting the press in Latin America are graphically illustrated by the case of Alfredo Silva Carvallo, who has been editor of the Valparaiso daily *La Union* since 1934. Founded in 1885, the paper is owned by the Archbishopric of Valparaiso, which had entrusted its editing and operation to the Silva Carvallo family since 1919. At the beginning of 1967, the archbishop ended this arrangement and turned the paper over to the former professors of the city's Catholic university.

Colombia

Mario Menendez Rodriguez, editor of the Mexico City magazine, *Sucesos para Todos*, was expelled at the end of April after being under arrest for nearly a month. When the government demanded that he identify guerrilla leaders he had interviewed or reveal the places where he had talked to them, he refused. Menendez Rodriguez said his refusal was based on "the right of every newspaperman to protect his sources." He denied he had acted as a courier to take money and messages to the guerrillas. IAPA asked Colombian President Lleras Restrepo for clarification, pointing out that "the international norms of journalism recognize the right of access to news wherever it may be found. The detention of a newsman who serves this purpose is a violation of freedom of the press."

The only other incident involving the press took place in Barranquilla, where two bodyguards of Lynda Bird Johnson, the daughter of President Johnson, allegedly "roughed up" two journalists of Bogata's *El Tiempo*. *El Tiempo's* editor wrote that this violated freedom of the press, but later reports said the journalists were victims of other Colombians, not the bodyguards.

Cuba

Even though Fidel Castro's rigidly controlled press has long since held a monopoly on the Cuban publishing scene, it was having its difficulties. Two years after its establishment as the official voice of Castro's Communist party, the daily *Granma* was forced to discontinue its Sunday edition due to a shortage of newsprint. Havana's only other major daily, *El Mundo*, was down to ten pages, less than half its former size, for the same reason. The monthly magazine *Cuba Socialista* disappeared altogether. Newsprint from Red Chinese sources and from a Cuban plant in Cardena was only a fraction of the amount that came to Cuba to supply Havana's 16 pre-Castro general-circulation daily papers.

All anti-Castro editors had long since been forced into exile, or into Cuban prisons—and their papers and plants integrated into the Cuban propaganda machine. Four more editors were reported jailed during the year, bringing the total to 45. The latest to be found guilty of charges of "espionage and counter-revolutionary activities" were Jose Sanche Rubin, sentenced to 20 years; Gabriel Pichardo Gonzales, 18 years; Rafael Tejada, 18 years, and Luis de Posada, sentence undisclosed. Sanchez Rubin and Pichardo had worked for *Granma*, while Tejada had been employed in the Foreign Ministry's public relations section. De Posada was accused of spying for the U.S. Central Intelligence Agency. One publisher, Frank Garvin, the owner of *El Mundo*, fled to Miami when the tide of the dictator's favor ebbed against him.

IAPA continued to protest the imprisonment of the editors, some of whom had been held for nearly nine years. It was joined in the protest by Inter-American Federation of Working Newspapermen's Federation.

Castro's press continued to follow the general tone he expressed in an interview which appeared in the Mexican magazine *Sucesos*. He said: "Here in Cuba we have no freedom of the press. We have our reasons for it. Here we are building communism and cannot allow deviations." But, in another interview, he told an American reporter: "You have no freedom of the press either. Your entire press is controlled by millionaires, by special interests."

The government made the lot of American and other foreign correspondents—the few who were allowed to enter and remain in Cuba—harder by abolishing the Government's foreign news section. Now the correspondents have little access to anyone and depend largely on translating the Cuban newspapers and reporting Castro's speeches. Foreign dispatches are allowed to go out with no outward signs of restrictions, although obstruction of telephone calls pops up periodically. The threat of expulsion for filing unfavorable dispatches is continually implicit. Only four western news services continue to be represented in Havana—the Associated Press, United Press International, Reuters and France Presse. Tass has a man there, and the New York *Times* usually is represented.

But the foreign press corps remains small and subject to Cuba's capricious visa policy. The case of Paul Kidd, a Canadian correspondent for Southern News Services, is a good example. A year ago he was requested to leave Cuba after he had photographed an anti-aircraft gun site on the Hotel National's grounds in Havana. Kidd said he previously had been issued press credentials by the Foreign Ministry and was told he could "go wherever he wanted in Cuba and do whatever he wanted."

Newsmen continued to look to Cuba for special events, however, and 153 of them were on hand to cover the 11-day Latin American Solidarity Organization conference in Havana in midsummer. That amounted to nearly one reporter for every delegate, there being 164 of the latter. The correspondents found much of the proceedings going on behind closed doors, however. The earlier meetings of Castro and Soviet Premier Alexei N. Kosygin also were cloaked in secrecy. Even *Granma* carried a lone front-page paragraph at the outset, although official statements were issued later.

In addition to newspapers, every communications media—television, radio, magazines and books—continue to be controlled by and operated for the government.

The attitude of the Communist Party toward the west and its news services is indicated in a statement by Armanda Hart Davalos, the party's organization secretary, at the close of a seminar for Latin reporters and news agency representatives. Many stories offered by the foreign press could be used in Communist newspapers, he said, but they always should be accompanied by the party's reply or explanation. "If this is not done," he added, "the revolutionary press becomes monotonous and boring." Havana's editors long had become past masters at adding to, or deleting from, AP, UPI, or Reuters dispatches to make them suit their own ends.

In all of Cuba, only 15 daily newspapers were reported publishing. In Havana, in addition to the two main dailies, *Juventud Rebelde* was being published every evening by the Communist Youth League, and two Chinese language papers were coming out daily. Two dailies were located in Cianfuegos and one each in Banes, Camaguey, Guantanamo, Holguin, Matangas, Pinar del Rio, Santa Clara and Santiago de Cuba.

Dominican Republic

Most significant event during 1967 was the adoption of a new national constitution specifically guaranteeing freedom of expression, and the right of the press to free access to all sources of information.

Dominican newspapers have continued to publish and circulate freely since the end of the 1965 civil war, but a few clouds remained on the horizon:

1. The editor and publisher of the daily *Prensa Libre*, Rafael Bonilla Aybar, continues to be barred from returning to Santo Domingo despite appeals by IAPA to President Joaquin Balaguer to lift the ban imposed on him by a previous president. His newspaper plant was destroyed by mobs in April 1965, and its indemnification claim is still being considered by a special war damage commission.

2. The fate of Guido Gil, who had worked as a reporter for several newspapers, remained in doubt and 115 Dominican journalists joined to petition President Balaguer asking for an investigation. He disappeared after having been arrested and then released.

3. Machinery and equipment acquired in East Germany for the newspaper *La Voz del Pueblo* was being held at the port of Santo Domingo with its publisher unable to take possession of it. President Balaguer personally assumed responsibility for the order, alleging that the equipment was intended to publish an organ for the dissemination of Communist propaganda. The publisher, Marcio Mejia Ricard Guzman, denied this, maintaining that he intended to publish an "independent" newspaper. All of the republic's independent newspapers petitioned the president to revoke the order, but he held firm. The newspaper was planning to take the issue to the courts.

4. Local authorities in the provinces attempted to censor reports being sent to Santo Domingo newspapers by their correspondents. Protests on the part of editors led to a discontinuance of such practices.

The magazine *Ahora*, which was dynamited in October 1965, after the civil war had ended, resumed publication in a new plant and has established an afternoon daily, *El Nacional*. The government reached an agreement with the publisher for indemnification of his damages.

Ecuador

Called the "brightest occurrence in recent years" on the plus side of freedom of the press was the new constitution adopted by Ecuador January 20, 1967. Including the broadest guarantees for freedom of expression, it protects newspapers against forced suspension of publication. It also forbids the arrest of publishers, editors, reporters or other newspaper employes without judicial warrants.

Two incidents took place during the year. In Santo Domingo, some copies of the newspaper *El Universo* were seized and burned. Police protected distribution of the paper the next day. Augustin Cuesta Ordonez, contributor to the weekly *La Calle* and television commentator, was jailed for several hours. He was freed when several newspaper editors came to his assistance.

Guatemala

A state of siege was declared by Guatemala's new government in November to stem a wave of terrorism that included bombing of newspaper plants and radio stations. A guerrilla group, FAR, was blamed for much of the damage, but an extremist rightist group was believed responsible for some. IAPA directors, in April, expressed appreciation to the Guatemala government for "the action taken to prevent harassment of newsmen by political groups and organizations of the extreme right and extreme left." The government was urged to intensify its efforts to preserve freedom of the press. A writer, Miguel Angel Asturias, returned to Guatemala last fall after 12 years in exile.

Haiti

The situation remained unchanged in Haiti, long listed as one of the blackest spots on the map as far as freedom of the press is concerned. Dictator Francois Duvalier easily survived several minor invasions and political disturbances, and kept the press and flow of information under an iron hand. All invasion reports were dismissed as "nothing" by Duvalier's press officers who told correspondents that censorship was in effect only to permit the government to "defend" itself against rumors. "Lies" being told about Haiti in the foreign press were deplored by the officials who met with U.S. newspaper and television reporters who came to Port-au-Prince in November 1966, when one invasion attempt was stifled. The press officer read aloud a sheaf of cablegrams the correspondents had filed and reproached the authors as purveyors of misinformation.

The IAPA received a cable from Edouard Beliande, secretary of the Haitian Journalists in Exile, calling attention to the many Haitian editors and newsmen who had been forced by Duvalier to flee the country, and the widespread governmental seizure and liquidation of the Haitian press.

Honduras

Honduras' repressive Law on Emission of Thought, carrying the threat of executive punishment without due process to editors, remained in effect. Despite this, newspapers exercised their right to criticize and suffered no restrictions in retaliation. IAPA continued to call for repeal of the restrictive provisions of the law.

Informed that Honduras was awaiting the drafting of a universal press law for all of Central America by the Organization of Central American States, IAPA reiterated its stand against any such type of law. "The best press law is no law at all, but the laws of the land should apply to newspapers, just as they do to any corporate citizen or individual," said IAPA.

Jamaica

A state of emergency was declared in a segment of Kingston in October 1966, with official news reports of it restricted. No censorship or interference with the press or radio resulted, however, and the situation soon was terminated.

Mexico

Some newspapers had their troubles in Mexico. A financial-industrial group imposed an advertising boycott against two newspapers with which it disagreed—*El Norte* and *El Sol*, both of Monterrey. Other businesses were urged to join in the pressure and the papers suffered a 22 per cent drop in ad revenue. IAPA adopted a resolution condemning such practices.

The daily *Diario de Mexico* ceased publication, declaring that President Gustavo Diaz Ordaz had ordered it closed down following accidental transposition of two captions.

A Red Chinese "news agency," Sinjua News, was shut down by the three Red Chinese "journalists" who had operated it for three years. Although registered as newsmen, many maintained their operation was a propaganda movement that didn't catch on. They left Mexico on a Cubana Airlines plane bound for Havana.

The government-controlled newsprint operation continued, and IAPA again pointed to the potential danger of such an arrangement. Despite this reminder of the possibility of government control, Mexican newspapers appeared to remain content to allow the government a monopoly over the importing and distribution of this vital commodity.

Netherlands Antilles

Newsmen reported difficulty in obtaining news, since government officials were under orders to release information only through the official information service. Under operation permits it issues to radio and television stations, the government has the right to censor news. However, no actual interference with freedom of the press was reported.

Nicaragua

A restrictive new press law was enacted January 26 by the Nicaraguan Congress as the government invoked censorship to curb what it called political agitation by news media prior to the February presidential election.

The new law permits the Minister of the Interior to summarily close a daily newspaper for ten days or a weekly for two months. No court action would be required, merely the minister's judgment that the paper was "inciting to subversion" or "constituting a threat to the peace of the nation, or for public tranquillity." The newspaper could defend itself only after the suspension had been invoked and, in addition, would be required to pay all salaries of employes during the suspension.

IAPA protested to then President Lorenzo Guerrero, who maintained it did not impair free expression but applied only to papers that were subversive or "propagating Communist doctrines."

Even before the new decree went into effect, the plant of *La Prensa*, chief opposition paper in Managua, was taken over by the National Guard after a bloody clash incited by the heated political campaign. Pedro Joaquin Chamorro, editor and publisher of the paper, was arrested and reported subjected to ill treatment in prison. Although charged with terrorism and subversion, he finally was released under a general amnesty on March 4 after 38 days imprisonment. His paper, meanwhile, was returned to his brother, Xavier Chamorro, on February 1 and reappeared the following day. A press run of 80,000 copies, double its normal circulation was quickly sold out. The Chamorros were seeking compensation of $23,642 which the paper lost in earnings, damaged equipment and salaries paid to employes. The government told them to take their case to court, but the editors saw little hope there, calling the Nicaraguan courts "just an instrument of the regime."

IAPA again intervened, asking the government to compensate *La Prensa* and asked repeal of the restrictive press law, calling it "a denial of human rights." It wanted assurances against repetition of such an attack on any Nicaraguan newspaper.

In addition to *La Prensa*, three opposition radio stations were shut down by the government during the pre-election fighting in which 34 persons were killed.

Paraguay

From Paraguay came fresh evidence that dispatches displeasing to the dictatorship never leave the country. For the most part newsmen still were restricted and the government continued to use administrative practices and psychological pressures against publications. Certain foreign publications still are barred from the country, including the Argentine newspaper, *El Territorio*.

Peru

Isolated incidents in some cases have interfered with access of news media to sources of information, mainly due to misunderstanding on the part of officials. Legal action brought against *Gente*, a magazine, was protested as contrary to steps provided in the Press Law. Newsmen took exception to a judge's verdict against the periodical and, it was expected, it would be overruled by the Supreme Court.

Articles 100 to 103 of the Code of Military Justice remain unrepealed and continue to constitute a latent threat to freedom of the press.

Uruguay

Uruguay's principal newspapers shut down July 1 as the result of a labor dispute. Involved are nine publications, some of them threatened with permanent closure due to their heavy indebtedness. The government is heavily involved since the papers owe state agencies $7.4 million for back social security taxes and government underwriting of newsprint imports. Generous government subsidies to the papers ended two years ago. Publishers are refusing to pay a 40 per cent wage increase asked by employes in June. The two papers still publishing in Montevideo were *Extra* and *El Popular*, both enjoying increased advertising and circulation. Many Uruguayans have turned to radio and television for news. Birth, wedding and death notices, as well as classified ads, are carried on the air. Part of the slack was taken up by *Verdad*, a paper published by the strikers.

Venezuela

Fighting Communist insurgents, Venezuela suspended constitutional rights in December. Some outgoing news dispatches were delayed although the government insisted no censorship had been imposed. After two days, the flow of news was back to normal. President Raul Leoni, who suspended constitutional rights following an assassination, exempted newspapers which remained free to publish. Newspapers, in most cases, were able to criticize the government without fear of repression. However, Dial Rangel, editor of *Que*, was held temporarily, and Carlos Capriles, editor of the newspaper *Critica* of Maracaibo, was still in prison when this was written. An article by Capriles led to his arrest on a complaint by the Zulia state legislature. Servando Garcia Ponce, TASS correspondent in Venezuela, was ordered jailed by the government.

FOREIGN SERVICE INFORMATION OFFICER CORPS

The ACTING PRESIDENT pro tempore. Under the agreement entered on Thursday, the Senate will now proceed to the consideration of S. 633, which the clerk will state.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 633) to promote the foreign policy of the United States by strengthening and improving the Foreign Service personnel system of the U.S. Information Agency through the establishment of a Foreign Service Information Officer Corps.

The ACTING PRESIDENT pro tempore. The time of 2 hours will be equally divided between the Senator from Rhode Island [Mr. PELL] and the Senator from Louisiana [Mr. ELLENDER]. Who yields time?

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum, and ask unanimous consent that the time be charged against the time of the distinguished junior Senator from Rhode Island [Mr. PELL].

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, I yield myself such time as is necessary.

The Committee on Foreign Relations approved this bill without any votes against it. The committee and the executive branch are in full agreement on the need for this legislation—something of a rarity these days.

In my statement last Thursday I gave a detailed explanation of this bill and the justification for it. For the benefit of my colleagues who were not on the floor at that time or who have not had an opportunity to review the RECORD, let me summarize the points I made in that statement:

First. This bill provides for a personnel system for the professional Foreign Service personnel of the U.S. Information Agency comparable to the personnel system for Foreign Service officers of the Department of State.

Second. It would do so by establishing a category of officers in the Agency to be known as Foreign Service information officers.

Third. These officers would be appointed, assigned, promoted, retired, and separated on the basis of the same standards applicable to Foreign Service officers.

Fourth. Since its establishment as an independent agency in 1953 the USIA's professional officers have been out in limbo careerwise; they are neither a part of the career Foreign Service nor the civil service.

Fifth. This bill would not add any employees to the Federal payroll, or provide for any increases in salary.

Sixth. The only cost involved would be from the additional retirement benefits that would be paid as a result of these officers being brought under the Foreign Service retirement system—an estimated $16,300,000 over the next 75 years, or $220,000 on an annual average.

The senior Senator from Louisiana opposes the bill on the grounds that the USIA should not become a permanent agency and that the Agency's functions should be transferred to the Department of State. I am as opposed to proliferation of Government agencies as any Senator. But proliferation of Government is not the issue here; the USIA is a permanent Agency.

The issue is whether or not the Senate is going to give the Agency the personnel authority necessary to carry out its responsibilities in an effective manner. The passage of this bill will neither add to nor take away from its permanency.

The major functions of the Agency are carried out pursuant to the permanent authority of the Smith-Mundt Act of 1948 and the Fulbright-Hays Act of 1961. In contrast to the Agency for International Development and the Peace Corps, which depend on annual authorizations, the authorization for the USIA's activities continue until revoked by the Congress and the President. And this bill does not have any impact on that authority.

As a practical matter the Senate, under the proposed system, will have far more control over the Agency than it has today. There are not now any effective restrictions on the number of officer personnel the Agency may appoint, other than through the appropriations process, since Foreign Service reserve officers need not be confirmed by the Senate. But Foreign Service information officers must come before the Senate for confirmation and the Committee on Foreign Relations will have this additional means for checking on the Agency's operations.

I wish to stress that this bill has nothing to do with the Agency for International Development and will not—in any way—serve as a precedent for personnel of the AID agency. The committee was assured by administration witnesses at the hearings on the bill that no thought is being given to asking for similar personnel authority for AID employees. This bill deals with a problem affecting USIA officers alone.

Mr. President, USIA's professional officers have been treated as second-class civil servants since the Agency was founded. For the last 2 years the Senate has refused to go along with executive branch proposals to make these officers an integral part of the Foreign Service officer system. This bill is, in effect, the Committee on Foreign Relation's alternative to that approach. It does no more than grant them simple justice by giving the Agency authority for a career personnel system comparable to, but separate from, the Foreign Service officer system. Congress has evaded its responsibility to these dedicated officers for 14 years. This bill will right that wrong and I hope that the Senate will pass it by an overwhelming margin.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. PELL. I yield the floor.

Mr. ELLENDER. Mr. President, I yield myself such time as I may require.

I notice that the hearings on this bill were completed in 1 day, and the only Senator present was the Senator from Rhode Island [Mr. PELL], who has just completed his presentation.

Mr. President, I believe this is a very important bill. As I look around the Chamber, I observe there are only four or five Senators present. As I make my presentation, I realize the odds are against me.

It has been my privilege to travel extensively throughout the world and to have observed in detail the operations of our missions to other countries. I have noticed, to say the least, quite a bit of jealousy among the various missions which serve us abroad. It has long been my view that all such missions should be under the direction of our State Department.

I can well remember, not too long ago, when an effort was made—and it succeeded—to have the agricultural attachés who were formerly employees of the State Department and operated under its jurisdiction, transferred to the Department of Agriculture.

From that small beginning, there has grown up abroad a bureaucracy of considerable size representing the Department of Agriculture in the foreign field. Efforts are now being made to have our commercial attachés abroad placed under the jurisdiction of the Department of Commerce here in Washington, to operate separate and apart from the State Department.

Mr. President, it is my belief that the USIA has done a fairly good job under its present setup, which is at least partially under the State Department. If we should create, as the pending bill would provide, a separate corps, separate and apart from our Foreign Service Corps, I believe there is no doubt that the jealousy which has existed in the past will not only continue, but will be augmented. We will then have two separate services vying with one another.

Under the proposed reorganization, it is said that the cost will increase by only $220,000 per year. It is my belief that it would increase a great deal more than that, unless we were able to cut back on the number of employees in the Agency. But I can well visualize, on the contrary, the moment we make it a separate and distinct Agency from the State Department, the creation of a larger work force in that field.

It has been stated that the USIA is now under the State Department. Like any other agency of this government, before it can engage in doing business abroad, it must make proper arrangements through the State Department. However, the Agency itself, Mr. President, has in Washington separate offices and separate personnel, who come before Congress requesting and justifying their own budgets. There is very little connection, at the Washington level, between the USIA and the State Department.

It is true that when the Administrator of the USIA in each country in which that Agency serves—and, by the way, there are now very few countries where it does not serve—is, to all intents and purposes, technically under the jurisdiction of the State Department. In the past 7 or 8 years, following my visits abroad, I have been able to arrange to have a good deal of the work that was being done by the Information Service, as well as other missions, placed under the State Department for administrative purposes. In other words, the paymasters, for example, serving such officials, are directly responsible to the State Department, and administrative functions of the missions are performed, on a reimbursable basis, by the State Department. Otherwise, they are all separate and distinct. They perform different functions.

In my prepared statement, I have outlined the history of the Information Service. Like many missions that were created during the war, the Information Service found its beginnings in the War Department. It was then thought that information vital to our war efforts should be handled in the War Department; that all propaganda should be handled by the War Department. Hence, the Information Service was established for, more or less, the express purpose of issuing propaganda in a country where we are doing business.

Soon after the war ended, efforts were

made by those who no doubt were in charge of the Service to keep it alive, to create another agency that was not connected with the war effort.

In 1945, a great deal of controversy arose over whether the Nation should, in peacetime, continue the foreign information activities of the Office of War Information. As an institution of a free democratic society, peace and propaganda did not go hand in hand, according to most of those having opinions on the subject. By June 1945, opposition to the continuance of the Office of War Information led to a substantial curtailment of its budget request by Congress. But in August, President Truman, by Executive order, abolished the Office of War Information and transferred its foreign information activities to the International Information Service in the Department of State.

That was the beginning of the so-called Information Service in peacetime. From that day until now, this Agency has been under the Department of State. It is considered, as a part, more or less, of the Department of State, and the bill we are now considering would separate it from the Department of State in that it would create a corps separate from the Officer Corps in the State Department that is now representing the Nation abroad.

President Truman's action was taken on an interim basis, and by the end of the year all such activities were consolidated in the Office of International Information and Cultural Affairs under an Assistant Secretary of State.

By January of 1946, the "information" philosophy of the Government had fallen into such disrepute that both the Associated Press and United Press withdrew their services from the Agency. In the past, the news reports of these agencies had been supplied free of charge. In that year also, the Congress refused to grant authorization for a continuance of the information program carried out by the Department of State.

President Truman renewed the request for authorization in 1947. Congress again refused to grant the request. Although $12.4 million was appropriated to continue the activities then in progress, the bulk of this appropriation was to sustain the Voice of America radio operations. In 1948, Congress did act to approve the U.S. Information and Educational Exchange Act, the so-called Smith-Mundt Act. Congress, however, continued to make substantial reductions in the amounts requested for information activities. With the outbreak of the Korean war in 1950, Congress became more disposed to favor the information activities of the State Department and the Voice of America with greater appropriations.

In 1952, President Truman moved to reorganize the information activities once again and placed operating responsibility in a newly created International Information Administration which was to be semiautonomous but under the policy control of State. Congressional criticism still prevailed, however, and a proposed budget of $157 million for the International Information Administration was reduced to a little more than $87 million by the Congress.

Nineteen hundred and fifty-three saw the foreign information program again undergoing severe stress. President Eisenhower sought to reorganize the Service once again. He advocated combining the International Information Administration with the propaganda function of the Mutual Security Agency. On June 1 of that year, Reorganization Plan No. 8 was sent to the Congress, a disproving resolution failed of passage in the House of Representatives, and on August 1 what we now know as the U.S. Information Agency was created.

Commenting on this diverse development, Dr. Elmer Plischke, professor and head of the department of government and politics at the University of Maryland, states in his volume entitled "Conduct in American Diplomacy" that, after the initial reorganization of the Office of War Information—

> The Department (of State), consequently, found itself saddled with overseas operational responsibilities of another type. For various reasons, support by the Department was less than wholehearted, Congress became critical of the program, its budget was slashed, and it languished for several years.

The comment I have just read from the book to which I have referred emphasizes the point that the Agency's existence has always been tenuous.

It is generally agreed that it was only the emerging pattern of worldwide conflict with the Soviet Union that gave the USIA a new lease on life. It was this same conflict, of course, that won congressional support for the European recovery program, the so-called Marshall plan. The Marshall plan is no longer with us, at least in its original form, but USIA has remained in a healthy condition. As I said earlier, it has had its ups and downs of a serious nature, and it is not beyond my comprehension that Congress or the Executive would one day see fit to abolish it or, more likely, to merge its functions completely with those of the State Department. That is what I have been advocating, and that is what should be done instead of creating a separate bureaucracy abroad.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield for a question.

Mr. LAUSCHE. Mr. President, has it been the opinion of the Senator from Louisiana that this Agency as originally created was intended to be used only during a period of war?

Mr. ELLENDER. The Senator is correct. It was to be used for propaganda purposes.

Mr. LAUSCHE. Is it the judgment of the Senator from Louisiana that the Agency should have been abandoned after the need for its existence—during a period of war—had come to an end?

Mr. ELLENDER. The Senator is correct. It should have been abandoned or made a part of the State Department if we needed such services in a country in which we had representatives.

Mr. LAUSCHE. Does the Senator base his argument against the pending bill on the ground that we are giving to employees of the U.S. Information Agency retirement and other benefits in excess of their right to such benefits on the basis of the contributions that they have made to the fund out of their salaries?

Mr. ELLENDER. That statement is true with respect to some of the employees and it is untrue with respect to others. We now have in the Information Service almost 3,000 employees at the Washington level and approximately 2,260 abroad.

Now they are under the State Department. They receive certain fringe benefits, because of that service abroad, along the same line as State Department workers receive.

I am proposing that they be under the State Department and receive the same emoluments, by way of fringe benefits and retirement, as are provided under the Foreign Service of State Department employees.

Mr. LAUSCHE. Is it the position of the Senator that we are giving them more than we are giving State Department employees?

Mr. ELLENDER. No. We are giving them less, as a whole, because a few of them have it. I am objecting to the creation of a separate corps, separate and apart from the State Department. In other words, there would be two sets of foreign service officers abroad—those serving under USIA and those serving under the State Department.

It is true that they may receive the same emoluments, but for all intents and purposes, as I will show later in my presentation, they are separate and apart.

Mr. LAUSCHE. How many personnel are involved? The Senator said approximately 5,200, did he not?

Mr. ELLENDER. About 5,200 all together—that is, at the Washington level and abroad.

Mr. PELL. I believe the total number of officers who would be affected by this bill is between 900 and 1,000—both at home and abroad.

Mr. LAUSCHE. There is a serious conflict, and that is why I asked the question. The figure of 800 has been given until now. Now it is brought up to 900 or 1,000. The Senator is of the opinion that, in all, approximately 5,200 will be involved?

Mr. ELLENDER. I gave to the Senator the number of employees in the USIA.

Mr. PELL. But not all USIA employees will be included, only the professional officer group.

Mr. ELLENDER. I understand that. It is only a question of time until all will be included.

Mr. LAUSCHE. I agree with the Senator.

Mr. PELL. There is no intention——

Mr. LAUSCHE. Not all in the State Department are included, either.

Mr. ELLENDER. I call attention to the second paragraph on page 3 of the committee report on S. 633 which indicates that as of July 31, 1967, the agency had 2,966 full-time employees in the domestic service and 2,261 in the foreign service, not including foreign locals. It is only a question of time until all these people will be put under the corps that is now being created. I have no doubt about that.

Mr. LAUSCHE. May I ask the Senator from Rhode Island a question?

Mr. ELLENDER. On his time?

Mr. PELL. On my time.

Mr. LAUSCHE. Why does the Senator from Rhode Island say that eventually not all will want to be included under the foreign service benefits?

Mr. PELL. I believe that all would want to come under the Foreign Service retirement system, but not all personnel will be authorized to do so. The same situation prevails in the State Department. Not all people who work for the State Department come under the Foreign Service retirement system. As a parallel, most people in the Army would like to be officers. The same situation would apply in this instance.

I should like to read the specific figures involved. In the Information Agency as of now, there are 2,966 people in the domestic service. They are not included under the bill. The people to be included in this Foreign Service information officer system would be from the ranks of the Foreign Service career reserve officers, and the Agency's Foreign Service officers. As of July 31, there were 822 career reserve officers and 108 Foreign Service officers. Selection processes would be involved, because the Committee on Foreign Relations, as the Senator from Ohio may recall, specified that all career reserve officers should not be brought into this new system automatically. The maximum number we are discussing here would be 930. In the future there would be others who would come in, in the normal course of events to replace those who resign or retire.

Mr. LAUSCHE. Within the last 3 years the suggestion was presented to us, vigorously recommended by high officials of the State Department, that we should include in the Foreign Service all employees—stenographers, messengers, or whatever their work—although they never went abroad, under the pay and benefits of the Foreign Service. How will we avoid that issue in the future?

Mr. PELL. I believe the Senator will recall the previous proposal concerning the USIA did not bring in all personnel. The proposal which the administration advanced vigorously—opposed by the Committee on Foreign Relations—was that there would be amalgamated into the Foreign Service officer corps, the USIA officers we are talking about now; those who will be affected by this bill. We did not believe that was proper, and we said they should not be amalgamated, for two reasons: First, the work done by USIA officers and Foreign Service officers was not really comparable. The decision was made some years ago that it was a different type of work calling for a different corps of personnel.

The other reason, quite frankly, was that the qualifications of those who would be blanketed in were not equal to the qualifications of those in the Foreign Service. There was never any thought that domestic personnel—the stenographers and the administrative people—would be included.

Mr. LAUSCHE. I ask the Senator from Louisiana what he expects in the future, if we blanket in these 800 or 900 people—what the demands will be from the other employees, who now number approximately 5,200. They may say, "Well, you blanketed in 900 with greater pay and greater retirement benefits. Why are you not blanketing us in?"

Mr. PELL. On the time of the Senator from Louisiana?

Mr. ELLENDER. Yes.

It is only a question of time until all will be blanketed in.

Let me say this, also, as I point out in my remarks: Today, a large number of people in the Peace Corps are in the same category as those in the USIA, and a move will soon be made to put the people in the Peace Corps into a separate corps.

Mr. LAUSCHE. What about the Agriculture and Health Departments?

Mr. ELLENDER. There are attachés separate and apart. They used to report to the State Department and from State to Agriculture, and now they report directly to Agriculture.

It is my opinion that we should have one set of corpsmen, all under the State Department. The Committee on Foreign Relations took that position, as I will show, when a similar bill was presented and passed by the Senate. Nobody debated that bill when it was passed by the Senate in 1956, but fortunately it was rejected by the House, which looked into the matter.

Mr. LAUSCHE. It is my understanding that blanketing in these 800 or 900 people will entail a cost of $200,000 a year.

Mr. PELL. Approximately $220,000 a year.

Mr. LAUSCHE. For how many years?

Mr. PELL. Depending on how long they live and how long their survivors live. Usually, you figure a 75-year total cycle.

I should like to read into the RECORD the estimate, because it also bears on a question the Senator from Mississippi asked me earlier concerning the retirement provisions.

Mr. LAUSCHE. Is the Senator answering on his time?

Mr. PELL. I will do it on my time.

The figure of $220,000 a year is based on the estimate that the total that would be transferred to the Foreign Service retirement system in the first 3 years would be in the neighborhood of 1,155, including Foreign Service staff personnel; with the personnel at an average age of 45.5; average salary, $15,300; and a total payroll of $17.7 million.

It is different from the problem of the National Guard technicians, of concern to the Senator from Mississippi because these people are not under a State retirement service. They are already under the civil service retirement system.

I want to stress that this cost of $220,000 a year represents the additional benefits that will be paid to these employees over and above the amount they would receive from the civil service retirement system, under which they are now covered. It is merely a question of which Federal retirement system they are to come under. They will, of course, transfer their past contributions over to the Foreign Service retirement system from the civil service system. As Senators know, both retirement systems have large unfunded liabilities—about $40 billion for the civil service and $245 million for the Foreign Service—but this change will have no overall impact on that problem.

Mr. ELLENDER. As I was saying, Mr. President, I believe that the discontinuance of the USIA, or the merging of its activities with the State Department, is an event to be looked for. The distinguished political scientist, H. D. Lasswell, has commented in his volume entitled "Politics: Who Gets What, When, How," that when the need is felt to defend the images of a nation's institutions before the public, it is already too late for any good to be done. Decay has set in and begun to rot the foundations of the nation and its social structure. I do not believe this to be the case with the United States as yet, although there are many indications on every hand. Be that as it may, it is not unforeseeable that some day Congress or the Executive shall see fit to do away with our "information" activities.

How would such a decision be affected by the pending measure? The answer is clear to me. By setting up a separate and independent classification system, Congress would immediately make it very difficult to phase out or even substantially cut back the agency's operations should conditions change in the years ahead.

I can well recall in the Senate Appropriations hearings on House Joint Resolution 888, this year's fourth continuing resolution, that the Director of the Budget Bureau went down the list for the committee to indicate where the reductions necessary under the House action could be made.

Mr. President, all Senators know how deep those cuts would have been and what an adverse affect they would have on the operations of our Government. For instance, the appropriation for Health, Education, and Welfare would be slashed by $1.1 billion under the resolution as passed by the House. HUD would have been cut by $500 million, the VA by $180 million, and so forth. Looking at the State Department though, we see that a cut of only $20 million would be experienced. This is because expenses were locked in by a rigid Foreign Service and civil service classification scale.

I contend that the same situation will occur with USIA, then the Peace Corps, and then AID workers. They are all in the same category. I am positive because I have been abroad and I know of my own knowledge how these people vie with each other and how jealous they are of each other.

I made some suggestions that were followed in this connection, but it is my sincere belief that this entire operation should be placed under the State Department, so that there would be only one Foreign Service Corps under the State Department. All of those who perform services in the field of information and in other fields should be paid in the same way and should receive the same fringe benefits.

In the October 29 issue of the Washington Star, an article appeared concerning the efforts and intentions of our Brazilian Ambassador to cut back on the number of Americans stationed in Brazil. I wish the Ambassador every success in his effort, but if the present legislation is approved by the Congress, I doubt that he would be able to move with such a free hand.

Mr. President, I ask that this article be printed in the Record at this point in my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

A 50-Percent Cut in United States Brazil Staff May Serve as Global Text

Rio De Janeiro, Brazil.—Ambassador John W. Tuthill has launched Operation Topsy, which aims to cut the sprawling U.S. diplomatic, aid and military roster in Brazil by 50 percent within the next year or two.

Tuthill has been given official approval to begin pruning half of the 1,000 Americans affiliated with the embassy. His plans do not affect the 700 Peace Corps volunteers or, for the time being, the 1,200 Brazilians who work for the U.S. here.

When "Topsy" gets into full swing, informed sources believe it will be used by all affected agencies as a textbook for performing similar surgery all over the world.

Informed sources say the huge buildup of U.S. representatives grew like Topsy over recent years and found Americans involved in nearly every phase of Brazilian official and cultural life.

FREE-WHEELING NOTED

Some second level officials of the embassy were acting as if they were ministers of the various Brazilian government departments and expected the ambassador to function like a prime minister. They proliferated so rapidly under the previous government of President Humberto Castelo Branco that it required several skyscrapers in Rio and innumerable square footage of office and residential space over the nation to contain them.

Tuthill decided something had to be done last July. He started by ordering no new jobs for Americans in Brazil without his express approval.

Perhaps his attitude took final form when he, and all ambassadors around the world, received an official cable from Washington ordering that they look into the need for a study in each country of the impact of bats, rodents and "noxious birds." A copy of this cable, with all its imposing array of signatures and clearances, is framed in Tuthill's office.

The ambassador notified Washington of his conviction and asked permission to conduct an official review for the 50 percent cut. From Secretary of State Dean Rusk came a laconic, "Go ahead." USIA Director Leonard Marks indicated the Brazil staff could be cut 75 percent if Tuthill so desired.

MILITARY RELUCTANT

There was some foot-dragging by the military mission, which maintains a fleet consisting of one C54, two C47s and a Convair. They warned darkly that the proposed cutback would mean the end of the PX, the commissary, the embassy airline and other services. Tuthill simply replied, "good."

The six-man study group is here now, under Tuthill's chairmanship, and will return its proposals for his scrutiny next month. Officials explained that there will be no meat-ax elimination of manpower but rather a process of attrition as contracts of AID employes end.

Tuthill can work a little faster with the diplomatic staff, roughly 18 percent of the total. Part of his pruning will be elimination of several consulates in backwaters of Brazil where trained diplomats do little more than stamp visas and provide an American presence.

Castelo Branco was closely aligned with the U.S. and depended on Americans for many functions that Brazilians should have been performing. The public posture of the government of President Arthur da Costa e Silva is quite different.

OWN DECISIONS STRESSED

The new government is not less interested in U.S. economic and military aid and private investment, but Costa e Silva's stress is on independent decisions on basic questions without influence by the Americans.

Tuthill is completely of a mind to reduce this influence, despite grumbling from lower down on the embassy pyramid. He is willing to let Brazilians make mistakes and it is difficult to argue with the idea that if the Americans remain deeply enmeshed in Brazilian affairs, the U.S. will inherit the blame for such errors as are made.

It is clear that most of the pruning will affect the AID mission and its technical assistance programs, of which 12 have been tagged "high priority" over the last two years.

LOCAL DISCRETION

As far as "noxious birds" directives from Washington are concerned, the embassy now is replying to them by slow boat mail and exercising local discretion, which is a polite way of ignoring them.

The reduction-in-force plan has been fully communicated to the Brazilian government so it will understand there is no lessening of interest with the nation's well-being. The Brazilians approve wholeheartedly.

And it is not peanuts so far as the Tuthill project is concerned. If it costs $30,000 to train, transport and support the average embassy employee for one year, Tuthill will be saving $15 million for the Treasury. The usual tour is two or more years, which raises the saving to $30 million.

Mr. ELLENDER. Mr. President, I was in Brazil last November. I agree with the position of the Ambassador. I feel that cutting 50 percent of the staff could be done easily and without any loss to our efforts in that area.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LAUSCHE. Mr. President, a moment ago the Senator from Louisiana said that it is his objective to place all of these corps within the State Department. Is it his understanding that if we do what the bill proposes we would not be placing the Office of Information under the State Department?

Mr. ELLENDER. That is my contention, yes. I shall bring that out in time.

Mr. LAUSCHE. Very well.

Mr. ELLENDER. The point I wish to emphasize is that I am against the creation of two separate corps, one to be under the State Department, and another under USIA. In addition, we will have the Peace Corps and then AID coming in.

Mr. President, before leaving this area, I would like to point out once again that Congress is becoming increasingly critical of our foreign aid operation. In the near future, we may want to phase out, or reduce the program still further, or drastically change its structure. The same thing may be found in future years with USIA and I do not believe that we should act to hamstring ourselves or the Executive in this matter at the present time.

Mr. President, to return to what I said a while ago with respect to the birth of this Information Service having occurred during the war, I have found more recently that in many countries as much as 50 percent of the money we spend through USIA is spent in telling the people in those countries what we were doing for them by way of foreign aid. That is what much of the money was used for.

As I have said, since foreign aid is more or less under the thumb of the ambassador, by the same token all of these missions, including USIA, should be under the State Department.

Mr. President, the fact is that the provisions of S. 633 would lead to more friction among our agencies abroad and not less.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. LAUSCHE. My question was why it would create more friction and the answer is that the friction would arise because some employees might be receiving more compensation and benefits than others.

Mr. ELLENDER. If we create separate corps, there is no doubt that some of these agencies will be more influential with the Congress than others. There will be the same jealousies that now prevail abroad, and even more so.

Mr. LAUSCHE. Among whom would the jealousy be?

Mr. ELLENDER. It would be among the various people working abroad.

Mr. LAUSCHE. The Peace Corps, the Agriculture Department, and other agencies?

Mr. ELLENDER. And other agencies. In other words, it strikes me that people representing us abroad, whether they work under the State Department or under any other department, should have more or less uniform fringe benefits, and pay, for similar services performed.

Mr. LAUSCHE. That is, the Peace Corps workers, if they believe they are doing similar work and find themselves receiving less pay and less retirement and fringe benefits, will argue, "Why are you giving the Office of Information more money than us, when we are doing the same work?"

Mr. ELLENDER. Not only that, but I came across friction of this kind. For instance, AID people were getting much more money than people in the State Department. Some members of the Information Service were getting more money than the members of the State Department. They vied with each other for rental space and, naturally, the prices went up for all.

I found that the best homes went to the military, then came the AID people, then some members of USIA, and then the State Department people. It caused all sorts of friction, so much so that I recommended, and some of my recommendations were adopted, that all rentals should be handled by one person in the field, and State Department employees, USIA employees, the Army personnel, and others should not be permitted to vie with each other for the accommodations that were available. I think this matter has progressed very well and it is my belief it could work better if we had all of them under the State Department.

(At this point, Mr. LAUSCHE assumed the chair.)

Mr. ELLENDER. Mr. President, I would not advocate that recommendation for anybody going abroad, but for the past 20 years or more we have had the Information Service and it looks as though it is here to stay. That function, in particular, could easily be handled by the State Department. It was done in the past. For instance, we had libraries in our embassies that served the purpose. Now there are, I believe, 15 or 20 libraries in Bonn, scattered all around the place. They were scattered out in Paris and in England. That could have been handled at much less expense if it had been under the State Department and handled as it had been heretofore.

(At this point Mr. HATFIELD took the chair as Presiding Officer.)

Mr. ELLENDER. Mr. President, I presume that some of the real, if unmentioned, reasons that this legislation is being advocated is that there is no doubt a good deal of competition between Foreign Service officers of the State Department and the Foreign Service Reserve Corps of the USIA. As a matter of fact, the officers of both categories must have the same qualifications, and I would not be surprised to find that the disparities and jealousies between the Foreign Service and Foreign Service Reserve are at the real root of this matter.

The fact is, Mr. President, that the provisions of S. 633 would lead to more friction among our agencies abroad, and not less. It is true that the personnel systems of the State Department and USIA would be brought into line. I do not believe that we should forget, however, that a system similar to that now prevailing with USIA is found in the Agency for International Development and the Peace Corps. The overseas administrative personnel of both of these agencies is made up of Foreign Service Reserve officers and Foreign Service Staff, just as is USIA.

As a matter of fact, the Agency for International Development has a total of 638 Foreign Service Reserve officers serving overseas, and 217 Foreign Service Staff. The Peace Corps has 766 Foreign Service Reserves and 305 Foreign Service Staff personnel.

The pending bill would establish, in addition to the regular Foreign Service officer system of the Department of State, a Foreign Service information officer system. That is what this bill would do. No doubt Congress would then be petitioned to establish a Foreign Service Assistance Officer Corps for the benefit of AID. Perhaps a Foreign Service Peace Officer Corps would be requested for the advantage of the Peace Corps administrators. That would be logical in the extreme, if we were to enact the present bill. Frankly, I do not see how we could avoid such a proliferation if we seek to be fair to all of our Government servants.

I can see the situation developing very clearly. The public affairs officer in the various countries is a member of the country team. He works with a Foreign Service officer from State of the same rank. Naturally, he desires the same retirement benefits and privileges. However, by making this available through the creation of a separate classification system, we are going to offend the AID Director, who is a member of the same country team. We are going to offend other administrators as well. We are going to be charged with discrimination of the rankest kind.

It is stated in the Foreign Relations Committee's report on S. 633, that the cost of this legislation in additional retirement benefits will amount to $16.3 million over the next 75 years. This amounts to $220,000 annually. We are dealing here with Foreign Service Reserve officers in USIA numbering 1,400, according to the committee report, and Foreign Service staff personnel numbering 753. Needless to say, this cost would be increased substantially should the other services succeed in persuading the Congress to extend the same treatment to them as being proposed for the information service.

Mr. President, I was surprised to find that the points I have just been making in opposition to S. 633 are contained in Report No. 1959 of the Foreign Relations Committee, 84th Congress, second session. The report of the committee was on S. 3638, proposed amendments to the U.S. Information and Educational Exchange Act of 1948. Parts of this legislation are very similar to the pending bill.

S. 3638 would have authorized the Director of USIA to create a career category of officers to be known as U.S. information officers with the same status as Foreign Service officers. This measure passed the Senate without benefit of debate, but died in the House Foreign Affairs Committee. In looking over the 1956 committee report, I find that the same arguments were being made at that time in favor of creating a separate personnel classification system as are being made today. For instance, this statement appears:

> On the one hand, the United States Information Agency is carrying on very important activities of the United States abroad. If the Agency is to do its job well it must have able people. Recruitment of able employees is vastly facilitated if the Agency can offer them career opportunities; that is, the chance to start work in an organization in which they will be paid and promoted according to merit, will be protected from arbitrary or partisan political action, and in which they may look forward to retirement with a reasonable income.

Further in the text, the argument is expanded somewhat:

> The justifications for establishing a career group of information program employees are as follows. Fundamentally, career incentives are needed to attract capable and devoted people to the United States information program. The present incentives are inadequate. Americans in the overseas service of the United States Information Agency may hold appointments only as Foreign Service Reserve Officers or as Foreign Service Staff officers.

The point is, Mr. President, that irrespective of the arguments advanced in support of the creation of a special Foreign Service Information Corps in 1956, the Information Agency has gotten along very well for the last 11 years without this authority from the Congress.

A portion of my remarks has been devoted to my belief that the USIA may someday be brought back within the State Department. I personally have always advocated such a course and it was interesting to note that in 1956 the Senate Foreign Relations Committee came very close to expressing its support of such a reorganization. This was acknowledged in the committee report, as follows:

> Employees from the Department of State, the International Cooperation Administration, and the United States Information Agency may perhaps be treated as a group for the purpose of analysis. The United States Information Agency was a part of the Department of State until 1953 and may someday become part of the Department of State again.

The committee also stated:

> A basic question, which is not being reexamined now by the administration but which in the opinion of the committee ought to be reexamined by the administration, is the question of whether the United States Information Agency should remain separate from the Department of State or whether it should have a semi-autonomous status within the Department like the International Cooperation Administration.

I believe it is long past due for the Congress to reevaluate this entire question, as will be made clear further in my remarks.

As a third point—and this is directly in line with what I have said earlier in these remarks—the committee report points out that if a Foreign Service Information Corps is created for USIA, the same reasoning would lead to the creation of a separate classification system for the foreign assistance program. To quote once more:

> Having stated these premises, (that is, in support of creating a separate service), it becomes immediately apparent that they apply to the International Cooperation Administration as well, since, for the immediate future, at least, the United States will be operating programs of economic and technical assistance.

Finally, Mr. President, throughout its explanation of the problems of U.S. Government personnel abroad, the Foreign Relations Committee in 1953 implied and, in fact, came close to admitting that the basic motivation behind the agitation for a separate Foreign Service Information Corps was the elimination of friction between our personnel abroad. I have already gone into this factor in detail in my remarks, so I shall ask that pages 8 and 9 of Report No. 1959 of the 84th Congress be inserted in the RECORD at this point in my remarks.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

THE PROBLEM OF U.S. GOVERNMENT PERSONNEL ABROAD

Perhaps the most important policy question in the pending bill is the proposed career category of United States Information officers for the United States Information Agency.

On the one hand, the United States Information Agency is carrying on very important activities of the United States abroad. If the Agency is to do its job well it must have able

> people. Recruitment of able employees is vastly facilitated if the Agency can offer them career opportunities; that is, the chance to start work in an organization in which they will be paid and promoted according to merit, will be protected from arbitrary or partisan political action, and in which they may look forward to retirement with a reasonable income.
>
> On the other hand, such a career foreign service for United States Information Agency employees should be established in a way which will help, rather than hinder, the wise and economical administration of all overseas employees of the United States Government. As is well known, some two dozen United States agencies employ many thousands of United States civilians overseas. A great many different systems for recruitment, pay, allowances, and all the other incidents of employment are in operation. The bulk of United States civilians abroad are employed by the Department of Defense, the Department of State, the International Cooperation Administration, and the United States Information Agency.
>
> [Employees from the Department of State, the International Cooperation Administration, and the United States Information Agency may perhaps be treated as a group for the purpose of analysis. The United States Information Agency was a part of the Department of State until 1953 and may someday become part of the Department of State again.] The function of administering economic and technical assistance, partly carried on in the Department of State and partly carried on by independent agencies in recent years, is now being carried out by the International Cooperation Administration, which is a part of the Department of State. At the present time the overseas employees of all three agencies are governed in large part, or entirely, as in the case of the Department of State and the United States Information Agency, by the Foreign Service Act of 1946, as amended. Employees of all three agencies usually live and work side by side at United States posts overseas. All three agencies employ Foreign Service Staff persons and Foreign Service Reserve officers, and each agency recruits and administers such categories of employees separately from the other two agencies. Only the Department of State has career officer groups, the Foreign Service officer group and the career officers of the Foreign Service Staff corps. In the pending bill the United States Information Agency, supported by the Department of State, is asking for a career officer group for information program employees comparable to the Foreign Service officer group.
>
> A basic question, which is not being reexamined now by the administration but which in the opinion of the committee ought to be reexamined by the administration, is the question of whether the United States Information Agency should remain separate from the Department of State or whether it should have a semiautonomous status within the Department like the International Cooperation Administration. This question, however, need not be solved by the Congress before passing on the merits of the proposal for a career officer group for the United States Information Agency. The committee believes that it is important to provide the opportunity for young men and women to make the United States Information Service their career. For reasons which are developed below, the committee is convinced also that this is not possible under the present circumstances. [Having stated these premises, it becomes immediately apparent that they apply to the International Cooperation Administration as well, since, for the immediate future, at least, the United States will be operating programs of economic and technical assistance.] Nevertheless, the committee has received no information from the Department of State indicating any plans to seek a career status for International Cooperation Administration employees.
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> [The justifications for establishing a career group of information program employees are as follows: Fundamentally, career incentives are needed to attract capable and devoted people to the United States information program. The present incentives are inadequate. Americans in the overseas service of the United States Information Agency may hold appointments only as Foreign Service Reserve officers or as Foreign Service Staff officers.] Ninety percent of the United States Information Agency professional people overseas are serving as Foreign Service Staff officers. However, the salary ceiling of Foreign Service Staff officers is two full grades below the top salary for a Foreign Service Reserve officer. Furthermore, pursuant to the recommendations of the Wriston report the Department of State and the United States Information Agency will use the Foreign Service Staff class principally as a category for clerical and technical employees in the future. The alternative available to the United States Information Agency of employing its professional people overseas as Foreign Service Reserve officers is also inadequate because the Foreign Service Reserve category is designed by law to be a category of people hired on a temporary basis. Under the law their appointments are limited to 5 years. A number of the best officers of the United States Information Agency have already served longer than this period as Foreign Service Reserve officers and have been retained as such only through a provision in the annual appropriation acts for the United States Information Agency granting a 1-year extension of these appointments. This uncertainty of tenure is difficult for such employees. The United States Information Agency employees overseas are at present eligible only for civil service retirement benefits which are substantially less than those available to Foreign Service officers, with whom they serve side by side overseas. Naturally the disparity of benefits between the Foreign Service officer category and the professional United States Information officer category creates a difficult morale problem.
>
> The authority in the new section 1013 which is proposed for the United States Information and Educational Exchange Act of 1948 and contained in the pending bill will permit the Director of the United States Information Agency to give the proposed new category of United States Information officers substantially the same benefits and career incentives as Foreign Service officers. The proposed authority will be used by the Director in a reorganization of the Agency's personnel which is outlined below in a statement furnished by the Director to the committee during its hearings.

Mr. ELLENDER. Mr. President, in other words, in 1956, when this bill was before the Congress, it passed without even debate, merely on a call of the Consent Calendar. The same arguments I am advancing now were advanced then, and the House saw to it that the bill died. It never came out of committee after the bill was sent from the Senate to the Foreign Affairs Committee of the House.

I think there are two further points which should be mentioned before leaving the subject. The pending bill would make possible the elevation of public affairs officers to the rank of career minister, a rank only one removed from that of ambassador. I do not believe that Congress really wants to do this, and I certainly do not believe that it can be justified in the field.

As a second point, once a Foreign Service Information Corps is created independent of the regular Foreign Service, I predict that agitation will soon be coming for the creation of a Foreign Service Information Officer Institute.

We have that in the State Department, and it has been in the offing in others to train the personnel before they go to perform service abroad.

This would lead, of course, to additional expenses, and it is not improbable that other agencies would want similar training schools established for them.

Mr. President, in my opinion, no change in the personnel classification system in the USIA is really necessary at this time. The argument is advanced that morale is low in the Information Service because no permanent career status has yet been created. As a consequence, it has been alleged that the agency is experiencing difficulties in obtaining competent personnel.

I find that to be highly questionable. In my investigations abroad, I have had conversations with many of our Information officers. I believe the personnel are of high caliber, and I have come across very few who are unhappy with their lot.

If, however, a change in the present structure is felt to be desirable, then I believe the Congress might prefer to create an additional category within the structure of the existing Foreign Service Officer Corps.

There are innumerable advantages to this approach over the creation of a separate classification system. In the first place, it would give State better control over the activities of the country teams in the field. It may be argued that the USIA is already under the Secretary of State. We all know that this is not the case in fact, although, in my opinion, it should be the case.

USIA at present seems to be under only nominal direction of the State Department. Its budgets are prepared and presented to the Congress entirely independent of State and its offices are located apart from the State Department building. If we agree to the establishment of a separate classification system for the benefit of USIA only, we will be acting to reinforce and buttress this diversity when, in fact, we should be moving in the exact opposite direction toward consolidation and uniform management.

At the present, more and more attempts are being made to integrate U.S. missions overseas. The USIA staff and operations are now often made a part of the Public Affairs Section of the American Embassy. This is as it should be, and I hope the trend continues. The direct integration of the USIA personnel—if any change at all is necessary—would insure better administration and reduce friction at the country level.

As a related point, there is already a high degree of interchange between the Department of State personnel and USIA personnel. On page 36 of the Foreign Relations Committee hearings on S. 633, we find that:

> Both U.S.I.A. and the Department of State have recognized the value of systematic in-

> terchange of personnel and have encouraged rotational assignments between the agencies. Thus, Foreign Service Officers selected for assignment to U.S.I.A. receive some exposure to public affairs work and U.S.I.A. officers assigned to the Department gain experience in a Foreign Service function other than public affairs. As part of their training, junior officers of the Department are rotated into public affairs work at U.S.I.A. field posts and junior officers of U.S.I.A. are rotated into one or more of the several Embassy functions.

There is no reason, if the present system should be changed, that USIA personnel, where qualified, should not be merged with State. On page 10 of the committee hearings, we find USIA Director Leonard Marks testifying as follows:

> The result (of enactment of S. 633) would be a career corps of F.S.I.O.'s similar to F.S.O.'s. While Foreign Service Information officers are required to meet the same high standards of selection and retention as Foreign Service Officers, they will, of course, be selected, trained and developed specifically as information and cultural officers

And, in a letter to Senator Pell, appearing on page 89 of the hearing appendix, Arthur Larson, a former Director of USIA, states that:

> It is well known that, by any objective test, many of the overseas U.S.I.A. personnel are expected to have a background of qualifications and also are entrusted with responsibilities comparable with those of regular foreign service officers of the State Department.

Laying these arguments aside, Mr. President, it seems to me that this whole matter of the various Foreign Service personnel systems should be looked into very thoroughly by some group that has no ax to grind. Representatives of the American Federation of Government Employees testified before a Foreign Relations Subcommittee on the pending bill and pointed out that Senator Fulbright called for the creation of a blue-ribbon Presidential panel for just this purpose on June 20 of this year. Senator Fulbright stated as follows:

> I believe we can no longer ignore the problems of administration in the field of foreign affairs. From everything that I hear, and that I read, morale is apparently poor within the Foreign Service; the Department of State has become hamstrung by bureaucratic procedures and U.S.I.A. and AID employees are frustrated and dissatisfied with their status. I think that the time has come to make a comprehensive study of this country's requirements, present resources, and future needs not only in the Department of State and Foreign Service but also in USIA, AID, the Department of Defense, and the other principal Government agencies involved in foreign affairs.
>
> I would think that the Department would be glad to see such a committee established and would feel a responsibility to its employees to see that the best available minds of the United States were set to work on these organizational problems. It seems to me that these problems, including the problem of the relationship between the personnel systems of the Department of State, A.I.D., and U.S.I.A., are so pressing that they will require solutions in the very near future. I would think that the Department would prefer to participate in the process of reaching these solutions than to wait and find these solutions imposed on them.

Mr. President, I ask that Senator Fulbright's statement of June 20 of this year be included in the Record at this point in my remarks.

There being no objection, the statement was ordered to be printed in the Record, as follows:

ORGANIZATIONAL REFORM OF THE STATE DEPARTMENT AND THE FOREIGN SERVICE

Mr. Fulbright. Mr. President, William Attwood, who was Ambassador to Guinea from 1961 to 1963, and Ambassador to Kenya from 1964 until early this year, has written an excellent article in the February issue of the Atlantic Monthly about the State Department and the Foreign Service. I ask unanimous consent that the article, entitled "The Labyrinth in Foggy Bottom," be printed in the Record at the conclusion of my remarks.

The Presiding Officer. Without objection, it is so ordered.

Mr. Fulbright. Mr. Attwood observes that "some of State's shortcomings are its own fault, some could be corrected by Presidential action, and others are the result of congressional suspicion and niggardliness."

He goes on to list some of these shortcomings and then states: "Under the circumstances, I don't see how we can expect creative, enterprising, and strong-willed people to continue to enter the Foreign Service at the bottom of a ladder that is arduous to climb and not very rewarding when and if you reach the top."

Mr. Attwood concludes by summarizing the recommendations in his article which include trimming overstaffed posts and bureaus; reducing the production and distribution of paper; dismantling the "AID bureaucracy" and putting foreign economic assistance under the State Department; and coordinating the activities of all Federal agencies concerned with foreign affairs.

These recommendations were not made by a budget or management specialist, or by an outside observer who has had only slight contact with the Foreign Service, or by a representative of any special interest group either in or outside the Government. They were made by a man who spent 5 years in the State Department and who headed two embassies.

I believe we can no longer ignore the problems of administration in the field of foreign affairs. From everything that I hear, and that I read, morale is apparently poor within the Foreign Service; the Department of State has become hamstrung by bureaucratic procedures and USIA and AID employees are frustrated and dissatisfied with their status. I think that the time has come to make a comprehensive study of this country's requirements, present resources, and future needs not only in the Department of State and Foreign Service but also in USIA, AID, and the Department of Defense, and the other principal Government agencies involved in foreign affairs.

With this aim in mind, I wrote the President last October suggesting that he consider appointing a high-level, blue-ribbon Presidential Committee to take a new, thorough and objective look at these organizational problems. I know that a number of other high-level studies have been made of the Department of State and the Foreign Service. I have the impression, however, that some of these studies are out of date, others did not do a particularly thorough job and still others made recommendations that were either not accepted or were too general in nature to provide effective solutions. I suggested to the President that the needed reform could not be accomplished piecemeal by administrative specialists and proposed that there be a thorough study by people with broad, relevant experience both in the Government and outside it whose own positions in life were independent and who were interested only in seeing that the United States has the best possible organization to conduct its foreign relations. I also suggested that the Committee include a few Members of both the House and the Senate to help insure that the Committee's recommendations would be adopted.

I would think that the Department would be glad to see such a committee established and would feel a responsibility to its employees to see that the best available minds in the United States were set to work on these organizational problems. It seems to me that these problems, including the problems of the relationship between the personnel systems of the Department of State, AID, and USIA, are so pressing that they will require solutions in the very near future. I would think that the Department would prefer to participate in the process of reaching these solutions rather than to wait and find these solutions imposed on them.

Mr. President, I also ask unanimous consent to have included in the Record an article from the January 27 issue of the New York Times entitled "State Department Study Finds Diplomats Avoid Policy Debates."

Mr. ELLENDER. In conclusion, Mr. President, let me say once again that I believe the present bill should not win Senate approval. It will cause the Congress much trouble in the future if the decision is ever made to curtail, phase out, or drastically reorganize the information activities of our Government. It would engender more competition among the services and lead to even greater expenses in the future. As a last point, it is my contention that this whole matter should be laid aside while a search is undertaken for better alternatives. For these reasons, Mr. President, I oppose passage of S. 633 and hope it will not be enacted.

Mr. BIBLE. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has ½ minute remaining.

Mr. ELLENDER. I yield it to my good friend from Nevada.

Mr. BIBLE. I was just wondering whether there would be additional costs involved if this bill were passed.

Mr. ELLENDER. Yes.

Mr. BIBLE. How much?

Mr. ELLENDER. Two hundred and twenty thousand dollars a year. That is a minimum, with the present force of the USIA. As all of us know, that force increases from year to year; and I am sure the expenses will increase as time goes on.

Mr. BIBLE. If this bill is passed, would it result in an increase in personnel?

Mr. ELLENDER. Not necessarily, but the probabilities are that if it is set up as a separate agency, it would find it necessary to increase and broaden its functions, as usually happens in such cases.

Mr. BIBLE. I thank the Senator.

Mr. PELL. Mr. President, does the Senator from Louisiana wish further time? If so, I shall be happy to yield it.

Mr. ELLENDER. It depends on what the Senator has to say.

Mr. PELL. Mr. President, I thought the Senator from Louisiana made a number of very good points. In fact, he made one or two points that supported my argument. As he said, the function performed by the USIA is a permanent function. I believe his phrase was, "It looks as if it is here to stay."

I would agree with the Senator from Louisiana that the function of propagandizing our friends, enemies, and neutral nations, will be with us for the forseeable future. That objective was decided on by the Smith-Mundt Act of 1948, and has never been reversed by Congress.

The problem that remains is, who handles this function? Which agency of Government carries it out?

Here again, the Senator from Louisiana very kindly supported one of my points when he pointed out that in 1956 the Senate passed a bill creating a career service for the USIA but that it died in the House of Representatives. This emphasizes the fact that the Senate recognized our responsibility to do something about this problem as long ago as 1956. We have been derelict and, as a consequence, we have left the unfortunate people in the U.S. Information Agency hanging in limbo, neither fish nor fowl in the Government's personnel framework.

In the last Congress, we had before us the executive branch proposition that we should carry out the view of the Senator from Louisiana, and amalgamate the information officers with the regular Foreign Service.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. PELL. Certainly.

Mr. ELLENDER. Was not the Senator in favor of that at one time, when he was in the State Department?

Mr. PELL. I spent 7 years in the State Department. I always liked the Information Service. However, I was never in favor of amalgamation.

Mr. ELLENDER. I had thought the Senator was.

Mr. PELL. No. Many of my colleagues were, but personally I was not.

Mr. ELLENDER. In stating that this problem will be with us for the foreseeable future, I agree that we ought to have some kind of information service. But the method of conveying the information to our friends abroad, I think, could better be done through the State Department than through a separate and distinct agency. This is particularly true since by their nature these agencies work together abroad, usually under the same roof. Though here in Washington, as the Senator knows, they have separate buildings and separate officials handling their budgets, and for all intents and purposes they are separate and distinct, I know they are not treated that way abroad.

Mr. PELL. Actually, thinking back through the whole question of amalgamation, I think one of the greatest disservices done to the foreign service was the so-called Wristonization program, where round pegs were put into square holes in an effort to effect a general amalgamation.

Another point raised by the senior Senator from Louisiana was the fact that the chairman of the Committee on Foreign Relations [Mr. FULBRIGHT] had asked that there be a blue ribbon commission set up to study the organizational structure of the foreign affairs agencies.

In that connection, I point out that the Herter Committee, a blue ribbon committee to study personnel problems of the foreign affairs agencies, stated in its report 5 years ago:

> There can now be no question that the information and cultural programs are an enduring and organic tool of American foreign policy. The Committee believes that it is in the national interest to authorize a career system comparable to that of the Foreign Service Officer Corps for the professional personnel in overseas information and cultural activities. Inasmuch as the career reserve officers now in the Agency have already satisfied standards comparable to those required of Foreign Service Officers, this step could be taken quite easily by simple conversion of the career reserve to full career status.

Mr. ELLENDER. That is what I thought should be done through the State Department. Comparative personnel should have the same rank, the same fringe benefits, and everything else. I am not objecting to that. What I am objecting to is the creation of a separate corps.

Mr. PELL. I follow the Senator's point, and it is a very valid one. I would add, incidentally, that the Senator from Arkansas [Mr. FULBRIGHT] was among those who supported this bill when it was reported from the committee.

One of the problems, if they are amalgamated and made into a single Foreign Service Officer Corps, is that the way to promotion would be through the economic or diplomatic reporting routes; and many of the able officers who like information and propaganda work nevertheless would leave that work simply to obtain promotions and move up the line.

One of the purposes of this bill is to give career status, and some prestige, to the people who wish to make the Government's information program their lifework.

For that reason, we provided that they could go as high as the rank of career minister; because, if we say to them, "You can only get up as high as field rank, and no further," then, again, we will not get the best people entering this Service and staying in it. If they wish to get out of it, they can still take the lateral entry route into the regular Foreign Service.

By passing this bill, the basic cause of much personnel discontent in the USIA will be removed, because they will be on an equal basis with foreign service officers; they too will have a career system.

The Senator from Louisiana made the point that we had only 1 day of hearings. That is absolutely correct, as to this Congress. But in the second session of the last Congress, we had 3 full days of hearings, on the forward looking, comprehensive personnel proposal of Congressman HAYS of Ohio. A substantial portion of those hearings were devoted to the executive branch proposal to bring USIA officers into the Foreign Service, involving the same questions before us in this bill. Many of the witnesses were the same. We also discussed this problem a number of times in executive session last year.

The question arises of the differences in pay and allowances and privileges of various Government agencies abroad, and the relative perquisites. While the matter is clothed, quite correctly, in bounds of secrecy, other Government agencies, in general, do very well by their people abroad. The military services of course, do well by their career officers.

I do not think we should try to bring everybody to exactly the same level; but when the work is as similar as that of the diplomatic corps and the USIA, dealing with similar problems and making similar reports, then, to my mind, the perquisites should be similar. USIA officers now receive exactly the same benefits as Foreign Service officers—except for retirement benefits. This bill will correct that deficiency.

The point is raised by the Senator from Louisiana that we are going to have a lot of different agencies going off in different directions.

I am not sure that is correct because in each country the head of all our Government functions is the ambassador, or in his absence, his deputy. Personnel of all agencies represented in this country are answerable to him.

Another point raised by the Senator from Louisiana concerns the fact that there are similar problems existing in the Agency for International Development, concerning officers of similar status. There is, however, a certain difference here.

The AID program is subject to annual authorizations; the USIA is not. And, AID reserve officers can be given unlimited appointments; those in USIA cannot.

Another point that the Senator from Louisiana brought up with, I think, considerable foresight, concerns the matter of training. The Senator said that perhaps the Foreign Service Information people would set up a separate training program. I think it would be a very good idea if they would do so, because they are weak with respect to training. The dollars spent in training can save the American taxpayers much more when the work is done efficiently, in my view, than any other money spent.

I was very impressed by a letter I received from a gentleman from a different political party than that to which the Senator from Louisiana and I belong.

I wish to quote from that letter:

> The failure of the United States to establish and operate a truly effective informational service throughout the world has, in my opinion, been responsible for many of the difficulties that we are experiencing today. For example, it seems to surprise most Americans that greater portions of the world simply do not believe our protestations about our peaceful purposes or our desire to be friends with others who are similarly minded. They do not accept our claims that we do not seek domination of others.
>
> Ever since the close of World War II the U.S. information service has existed on a hand-to-mouth basis, thus diminishing its capacity to draw into the organization really competent people. Because the program has no political appeal it is far too often scorned by the ignorant or by those who seek only votes. Not only do I believe that there should be a much more intensive and stable effort in this field, but I am quite sure that until the service is established on a permanent basis we shall not be able to get the

best kind of people out of such appropriations as may be made.

Those paragraphs are from a letter I received from former President Eisenhower who was responsible for establishing the USIA as an independent agency.

I ask unanimous consent to have the letter from which I have read printed in its entirety at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Gettysburg, Pa.,
September 27, 1967.

Hon. Claiborne Pell,
Chairman, Ad Hoc Subcommittee on Foreign Service Information Officer Corps

Dear Chairman Pell: It is scarcely possible for me to comment in detail on the two bills attached to your letter requesting my opinions about establishing a career system for the personnel of the United States Information Agency. But as to the need for setting up such a system, I have no hesitancy whatsoever in assuring you of my full agreement.

The failure of the United States to establish and operate a truly effective informational service throughout the world has, in my opinion, been responsible for many of the difficulties that we are experiencing today. For example, it seems to surprise most Americans that great portions of the world simply do not believe our protestations about our peaceful purposes or our desire to be friends with others who are similarly minded. They do not accept our claims that we do not seek domination of others.

Ever since the close of World War II the U.S. information service has existed on a hand-to-mouth basis, thus diminishing its capacity to draw into the organization really competent people. Because the program has no political appeal it is far too often scorned by the ignorant or by those who seek only votes.

Not only do I believe that there should be a much more intensive and stable effort in this field, but I am quite sure that until the service is established on a permanent basis we shall not be able to get the best kind of people out of such appropriations as may be made.

All of us must have been astonished by the frequency with which speakers in the United Nations General Assembly—meeting during the recent crisis in the Middle East—found it desirable to excoriate the United States and her policies. This fact provides evidence, because we know that these speakers address their own constituents, rather than the others in the General Assembly, that hostile propaganda is painting for foreign populations a false picture of America's purposes and aspirations. We ought to give priority attention to this matter; it is far more important then many other Federal programs.

You are at liberty to quote me as one citizen who supports the establishment of a career service for the United States Information Service.

Sincerely,

Dwight D. Eisenhower.

Mr. PELL. Mr. President, I stress also that the pending bill covers only the Foreign Service Career Reserve Officers and that not all of those officers will be brought into the new system. The Foreign Relations Committee has asked that the process be quite selective in this regard and has even secured sample biographies of people in the Foreign Service Career Reserve who have not met appropriate standards and who will not be brought into the new system.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. PELL. I yield.

Mr. ELLENDER. What is contained in the bill to prevent others from qualifying? As I understand it, the reason why the number is limited is that these people must pass certain tests.

I can see nothing in the pending bill which would prevent others from passing tests. And the chances are that all of those serving abroad may be brought under the provisions of this bill if they come within the purview of certain qualifications to be laid out by the head of the USIS—the same as with the State Department. We are not limited to a certain number, but the number of people who meet certain qualifications would be eligible to become Foreign Service officers.

I do not see anything in the pending bill to prevent—as I indicated in my statement—practically all of those serving abroad from qualifying and coming under the corps.

Mr. PELL. The answer to that question is that these men and women can only be brought into the Service in accordance with the act itself which states: "and in accordance with requirements and procedures, which correspond to those classes, salaries, requirements, and procedures, except with regard to career ambassadors—as the Foreign Service Act of 1946, as amended."

The standards will be the same as in the case of the regular Foreign Service. In addition, there will be another control in that all appointments would all be subject to confirmation by the Senate.

Mr. ELLENDER. Since that is true, and since they would be under the same regulations, I cannot understand why we should establish a separate corps. That is what I object to.

Mr. PELL. I understand, and there is considerable merit, I think, to the point made.

From my memory of the Foreign Service, the more able men were always trying to get into the political and economical field as the quickest way up. The result is that we did not get as able men in the consular field.

This provision would mean that a man could receive the same pay and the same reward for service and do the work he wants to do.

Some people like consular work. They enjoy it. However, they want to get promoted so that they will have a better opportunity to educate their children. Therefore, they get into work in which they can receive promotions. That is human nature. I would like to change human nature in many ways, but I cannot.

Mr. ELLENDER. Instead of that, we could change the law so that people who work abroad would receive like benefits.

Mr. PELL. These people all work abroad.

Mr. ELLENDER. I understand that, and I have been in favor of the similar treatment of such personnel right along. I think that the people working in the consular service are the hardest working people that we have, without any question.

Mr. PELL. I agree. I spent many months of my life doing this kind of work myself.

Mr. ELLENDER. I do not know why these people are not trained or placed in the same category as the fellow who sits in an office compiling statistics on agriculture or the economy of the country.

I think that these employees who serve in the consular service are more important to our country than are those people doing political or economic work. I think the difficulty lies in the law, and that is the thing that ought to be changed.

Mr. PELL. The Senator is absolutely correct. That is human nature. A fellow who does diplomatic work is working in full view of the ambassador. A fellow who is doing consular work is working in the back office.

I have sought to get more emphasis placed on consular work with respect to promotion. Certainly, from hearings held several years ago—and I would like to check my recollection—I believe the State Department said they would take the suggestion and place greater emphasis on our consular work. However, that still does not resolve the question. The problem now is that a man who is doing information work, if he is amalgamated into this plan, would tend to get out of that work. I would like to see that avoided.

There is another fact of life. The Senate as a whole—and the Senator from Louisiana and I are merely two of 100 Senators—has rejected the idea that they will approve the merging of these officers into the regular Foreign Service.

Mr. LAUSCHE. In his statement, the Senator from Rhode Island said that the USIA employees, in certain numbers, should receive the full benefits that are given to the employees in the Foreign Service, but that they should not become a part of the Foreign Service and should continue as a sort of independent sovereign body in the Government.

Mr. PELL. Not all the employees, just those who are doing equivalent work; not the civil service personnel, for instance.

Mr. LAUSCHE. My question is this: Why does the USIA insist upon acting as an independent sovereign agency, preparing and submitting its own budget, without willingness to be subject to the control of the Secretary of State, who is supposed to be in charge of the employees dealing with foreign relations?

Mr. PELL. The responsibility rests with us, in the Congress. In agreeing to the 1953 Reorganization Plan we said it should be separate. If we desire to reverse that procedure, it could be reversed by act of Congress. We agreed to setting it up as a permanent agency, not needing an annual authorization. The Secretary of State is responsible for the policy and control of the content of the program abroad, but the administration of it has been set up separately. Perhaps a bill will be introduced to reverse this decision but that is not the question before the Senate today.

Mr. LAUSCHE. I believe the reorganization plan was approved in order to keep the office of the USIA out of the foreign service functions of Government. But we would practically put it into the foreign service functions of Government if we provided for the employees the same pay, the same retirement benefits, and the same fringe benefits. In other words, the entire matter is in confusion. The reorganization plan provides that they shall be separate. But now we are beginning to merge them into the State Department.

Mr. PELL. I am somewhat confused, because until now the thrust of the argument against the bill has been to prevent their being separate and that they should be forced together. This bill would retain the present arrangement—separate but equal, to use that unfortunate phrase.

Mr. MANSFIELD. Mr. President, I believe it should be pointed out that 2 years ago nominations were reported by the committee which sought to transfer approximately 750 USIA people into the State Department. The nominations were objected to and were never approved by the Senate.

Mr. PELL. The Senator from Montana is correct.

Mr. President, I should like to clear the record with respect to a statement by the Senator from Louisiana. The Senator is correct. I did act affirmatively on the proposal for amalgamation 2 years ago. My recollection has been refreshed.

Mr. ELLENDER. In 1965.

Mr. PELL. Yes. I believe I did vote for it in the committee, without enthusiasm, and was delighted when it did not pass the Senate.

Mr. ELLENDER. That is why I asked the question.

Mr. PELL. The Senator was correct, and I was wrong.

Mr. LAUSCHE. Mr. President, I believe that a constructive service has been rendered by the Senator from Louisiana in discussing this subject on the basis of the detailed information he has because of his many years of service in the Senate. He related the birth of this organization, its development, and the arguments that were made for and against it, and presented his arguments as to why the bill should not be passed.

I say to the Senator from Rhode Island that I have a fear that if we do what this bill contemplates, the next act will be to bring in the Peace Corps, then the AID, and then the Department of Agriculture, to enjoy the pay, the fringe benefits, and the retirement benefits of the Foreign Service, and those agencies still would want to be independent and separate.

Mr. PELL. Perhaps bring in the Central Intelligence Agency also.

Mr. LAUSCHE. Yes.

Mr. ELLENDER. The Senator from Ohio means the Department of Commerce.

Mr. LAUSCHE. The Department of Commerce.

Mr. PELL. The danger is always there. But we asked the administration these questions, closely and searchingly, and they denied categorically that they had such plans or intentions.

I believe we should be alert if they try this in the future. I would not be surprised if they did, and I would expect to vote against it.

Mr. LAUSCHE. If I could believe that we would be alert, I would have no qualms about my vote; but I have found that the alertness of today becomes the lethargy and indifference of tomorrow when new pressures are brought to bear.

Mr. MANSFIELD. But the Senator is a member of the committee.

Mr. LAUSCHE. I know I am a member of the committee. But in this matter, I confess that the discussions we had were limited, and whatever knowledge I had of the matter 2 and 3 years ago did not come to my attention, because no red signals were raised.

Mr. MANSFIELD. Mr. President, I, too, join in commending the distinguished Senator from Louisiana, who has gone into his arguments in detail, and who, on the basis of his trips almost every year to different parts of the world, has returned with some of the most voluminous, detailed, and honest reports I have ever seen—reports to which I wish the Senate and the country would pay a good deal more attention.

Mr. LAUSCHE. I also thank the Senator from Rhode Island for his fine contribution. He is always cool and objective, and never excited.

Mr. PELL. I yield back the remainder of my time. The Senator from Louisiana has used up all his time, so no time remains.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER (Mr. NELSON in the chair.) Without objection, the amendments will be considered en bloc; and, without objection, the amendments are agreed to.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the vote to take place at 2:30 be rescinded, that the vote take place now, and that the application of rule XII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. PELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, the Senate is immensely grateful to the Senator from Rhode Island [Mr. PELL] for the extremely capable manner in which he presented this measure to the Senate. Its acceptance today was swift and highly efficient. Such an endorsement can be obtained only when a legislative proposal is handled with outstanding skill and ability. Senator PELL certainly demonstrated those qualities with respect to this bill.

Also to be commended is the senior Senator from Louisiana [Mr. ELLENDER]. While he opposed the measure, his opposition was highly articulate and most sincere. He cooperated with typical graciousness and generosity to assure Senate action today. We sincerely thank him.

The Senate may be proud of another achievement obtained with dispatch and with full consideration for the views of every Member.

PROHIBITION ON USE OF FINANCIAL INSTITUTIONS AS LOTTERY AGENCIES

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 712, H.R. 10595.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 10595) to prohibit certain banks and savings and loan associations from fostering or participating in gambling activities.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency, with amendments, on page 2, line 1, after the word "advertise," strike out "publicize, or keep any record of" and insert "or publicize"; in line 13, after the word "buying," strike out "selling, redeeming, collecting, keeping any books or records with respect to, or otherwise handling in any way", and insert "or selling"; on page 3, after line 9, insert:

> (d) Nothing contained in this section shall prohibit a national bank from acting as agent of a State operating a lottery, or as agent of an officer or employee of such State who is charged with the administration of such lottery, for the purpose of—
>
> (1) distributing lottery tickets to duly authorized sales agents of such State for sale by them;
>
> (2) receiving from such sales agents the proceeds of their sales for delivery, payment, or transfer to such State; or
>
> (3) distributing or paying to winners in such lottery the prizes payable to them by such State.

At the beginning of line 22, strike out "(d)" and insert "(e)"; on page 4, line 13, after the word "advertise," strike out "publicize, or keep any record of", and insert "or publicize"; on page 5, line 2, after the word "buying," strike out "selling, redeeming, collecting, keeping any books or records with respect to, or otherwise handling in any way", and insert "or selling"; after line 22, insert:

> (d) Nothing contained in this section shall prohibit a State member bank from acting as agent of a State operating a lottery, or as agent of an officer or employee of such State who is charged with the administration of such lottery, for the purpose of—
>
> (1) distributing lottery tickets to duly authorized sales agents of such State for sale by them;
>
> (2) receiving from such sales agents the proceeds of their sales for delivery, payment, or transfer to such State; or
>
> (3) distributing or paying to winners in such lottery the prizes payable to them by such State.

On page 6, at the beginning of line 11, strike out "(d)" and insert "(e)"; on page 7, line 1, after the word "advertise", strike out "publicize, or keep any record of", and insert "or publicize"; in line 15, after the word "buying", strike out "selling, redeeming, collecting, keeping any books or records with respect to, or otherwise handling in any way", and insert "or selling"; on page 8, after line 10, insert:

(d) Nothing contained in this section shall prohibit a State nonmember insured bank from acting as agent of a State operating a lottery, or as agent of an officer or employee of such State who is charged with the administration of such lottery, for the purpose of—

(1) distributing lottery tickets to duly authorized sales agents of such State for sale by them;

(2) receiving from such sales agents the proceeds of their sales for delivery, payment, or transfer to such State; or

(3) distributing or paying to winners in such lottery the prizes payable to them by such State.

At the beginning of line 23, strike out "(d)" and insert "(e)"; on page 9, line 9, after the word "advertise," strike out "publicize, or keep any record of", and insert "or publicize"; in line 22, after the word "buying," strike out "selling, redeeming, collecting, keeping any books or records with respect to, or otherwise handling in any way", and insert "selling"; on page 10, after line 17, insert:

(d) Nothing contained in this section shall prohibit an insured institution from acting as agent of a State operating a lottery, or as agent of an officer or employee of such State who is charged with the administration of such lottery, for the purpose of—

(1) distributing lottery tickets to duly authorized sales agents of such State for sale by them;

(2) receiving from such sales agents the proceeds of their sales for delivery, payment, or transfer to such State; or

(3) distributing or paying to winners in such lottery the prizes payable to them by such State.

And on page 11, at the beginning of line 5, strike out "(d)" and insert "(e)".

Mr. **MANSFIELD**. Mr. President, I suggest the absence of a quorum.

The **PRESIDING OFFICER**. To which side is the time to be charged?

Mr. **MANSFIELD**. I ask unanimous consent that the time not be charged to either side.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. **PROXMIRE**. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **PROXMIRE**. Mr. President, I yield myself 10 minutes.

The **PRESIDING OFFICER**. The Senator from Wisconsin is recognized for 10 minutes.

Mr. **PROXMIRE**. Mr. President, H.R. 10595, the pending bill, prohibits Federal insurance banks and savings loan organizations from selling lottery tickets. This is a bill which passed the House by 271 to 111 and was reported by the Senate Committee on Banking and Currency. This bill is one which I feel very strongly deserves passage by the Senate.

Mr. **JAVITS**. Mr. President, will the Senator from Wisconsin yield to me at this point? I think we may have enough Senators in the Chamber now to ask for the yeas and nays, and I should like to get them.

Mr. **PROXMIRE**. I am happy to yield to the Senator from New York for that purpose.

Mr. **JAVITS**. Mr. President, I move to recommit the bill to the Committee on Banking and Currency and ask for the yeas and nays.

The yeas and nays were ordered.

Mr. **PROXMIRE**. Mr. President, the Federal Government has had a longstanding policy of doing its best to prevent Federal facilities from serving the purpose of servicing lotteries.

Under the terms of 18 U.S.C. 1302, the mailing of lottery tickets, lottery information, or advertising, is forbidden, even if the mailing is intrastate.

Similarly, the broadcasting of lottery information on radio and television is prohibited by Federal law.

Not only that, but newspapers—which, we know under the first amendment to the Constitution, are particularly free of any kind of Federal control—are, nevertheless, prohibited from mailing publications containing lottery information, or lists of lottery winners.

The courts have consistently upheld the validity of these laws. There is a long Federal history, believe me, with regard to lotteries which has brought Congress to this position. I was ignorant of it until I had an opportunity to study it in recent weeks.

Lotteries have been abused so often in the past and have so consistently led to corruption—excepting, of course, the two lotteries which have been just established—that I think it is proper to take a few minutes to review some of its history.

Mr. President, in 1895, Congress passed an additional measure closing all forms of interstate commerce to lottery companies. The law was upheld by the Supreme Court in Champion against Ames in 1903.

> A faithful account of the rise, progress, and decline of the lottery system in the United States would furnish a melancholy chapter in the history of the American people. Few of the present generation have any adequate conception of the hold upon social and commercial institutions which the lotteries obtained in the first 30 years of this century, of the rapid growth of the gambling spirit engendered by them, of the vast evils resulting from them which overspread the country, or of that widely extended movement against them, among moral and thoughtful citizens, which culminated before the end of the half century, in their total suppression in many States and partial suppression in others. (Report issued by the Justice Department in 1883.)

I make this point for two reasons—first is that there is a long Federal history dealing with lotteries and, second, on the basis of experience I think it is perfectly proper to conclude that participation in lotteries by banks, to the extent that they sell tickets to the public, can be a force which can not only undermine the respect of the people for banks and demean the banks in their eyes, but can also be a serious corrupting force.

This is especially true, Mr. President, when we recognize the nature of the particular lottery which is, frankly, the object of this legislation to a considerable extent. Only one State would be affected by this legislation, as of the moment—although, of course, all 50 States can be affected prospectively.

That State is New York. It is a State lottery which provides an opportunity for its people to buy lottery tickets with the notion that they not only take a gamble but also contribute something toward education.

This lottery is about as unattractive—if we know the facts on it—as any gambling offer that I can imagine.

The odds against winning any prize are 4,167 to 1. Furthermore, the payoff is 30 cents on the dollar. That is, on every dollar the wage earner bets, 30 cents is all that is paid off in any kind of prize.

New Yorkers can go to Puerto Rico or Nevada and get a much better deal. The payout in these legalized gambling emporia per $100 wagered is between 80 and 90 percent for craps, 80 to 90 percent for roulette, and the same range for blackjack or 21. Even slot machines, the most notorious scavengers of poor folks' money, pay in legitimate casinos anywhere from $60 to $95 per $100 wagered. At the New York racetracks, approximately $85 of every $100 wagered is returned to the winners.

A game of chance where the "house" takes 20 percent is known as a sucker bet. What then do we call the New York lottery, where 70 percent is taken from the pool—a supercolossal sucker bet?

We are not concerned paramountly today with the fact that lotteries are perhaps the worst possible form of gambling activity. But we must make a determination of whether this activity is a proper one in which thrift institutions should become engaged.

If this succeeds, then I do not see why, in order to benefit education, hospitals, and so forth, we would not permit the banks to conduct roulette tables, and faro wheels and slot machines and so forth. It is hard, it would seem to me, to draw the line.

New York State Commissioner Murphy testified that banks lend the lottery propriety, which the proponents, no doubt, will make today on this bill. He made the same point before the House committee and also the Senate committee in support of the legislation.

New York State Commissioner Joseph Murphy, testifying before our House Committee on Banking and Currency, made this point quite clear:

> It seemed to us this was one of the best ways to assure propriety in the lottery system, to utilize our banks as distributing and selling agents. This was the philosophy of our legislature * * *. This was done to preserve and achieve as high a degree of propriety in this operation as we possibly could.

Mr. President, I question sincerely whether this is the function of federally chartered and federally insured banks: to lend respectability to lotteries.

That may be a high degree of propriety for lotteries, but not a high degree of propriety for banking institutions and thrift institutions and savings and loan associations to lend their respectability to lotteries. Maybe lotteries gain respectability that way, but it is certain that the banks do not gain respectability.

The State of New York should not be allowed to put a false front of respectability on their lottery by using commercial banks and/or others connected with the

Federal Government to sell tickets. Such sales carry with them the implication that banks and the Federal Government condone the lottery, and, therefore, it encourages poor people who need the money most to spend it on a wild goose chase.

This argument that it is the poor people who need the money most who will gamble on lottery tickets is simply not rhetoric.

The banks have testified that at the end of the month they have to put on extra windows to cash social security checks and welfare checks because there is such a large number of people on welfare coming into banks to cash their checks. Of course, people with social security checks also come into banks to cash their checks.

So we have a situation in which people cash in their social security checks and welfare checks at one window, while lottery tickets are sold to them at another. As a matter of fact, one witness, who is chairman of the board of a bank, testified that at the same window a teller cashes checks and sells lottery tickets, with a little "come-on" indicating the prizes that one can win, up to $100,000, by buying the right lottery ticket.

It is significant, it seems to me, that one large New York bank, the Fanklin National Bank, which is a $2 billion institution, which has some 57 branches, as I understand, in Long Island, has declined to participate in the lottery. Its officers have been quoted as saying:

> Lotteries undermine the inescapable responsibility of a bank always to be both a symbol and an example of stability and security in the community.

While this bank has taken the position that it will not sell lottery tickets, and banks are permitted to do so or not, yet we should realize the kind of pressure to "cooperate" that exists. After all, the State provides examiners for these banks. The State has enormous regulatory power over these banks. The banks are sensitive of the fact that they can "cooperate" by "going along." A bank is also sensitive of the fact that it must go along if one bank sells lottery tickets and it does not. The banks realize that people will go into that bank to buy a ticket and that the competitor that does not sell lottery tickets is disadvantaged.

This is particularly unfortunate because, in the case of some thrift institutions in New York State, they are prohibited from selling lottery tickets.

Both the Federal Home Loan Bank Board and the directors of the Board of Federal Credit Unions have already ruled that Federal credit unions and Federal savings and loan associations in New York State may not engage in the business of selling lottery tickets. Only the bank supervisory agencies have failed to act.

I quote from an opinion issued by Mr. Kenneth E. Scott, General Counsel of the Federal Home Loan Bank Board:

> It is my opinion that the sale of lottery tickets by Federal savings and loan associations would be inconsistent with their objectives as thrift institutions and, therefore, the authority to engage in such activity may not reasonably be viewed as incident to the accomplishment of their express objects and powers.

In view of the fact that these institutions cannot sell lottery tickets, they are at a competitive disadvantage.

I asked Mr. McCarthy, when he appeared before our committee, whether it was not an unfair disadvantage to a savings and loan association to have his bank able to sell lottery tickets. He had to concede that it was a disadvantage.

The Independent Bankers Association, which represents a very large proportion of bankers in the country, and virtually every small bank, has taken a similar position, against lotteries and in support of the bill and I quote from a letter, dated July 31, from C. Herschel Schooley, manager of the Washington office of the IBAA:

> The Federal Legislative Committee of our Association, at a recent meeting, voted unanimously to endorse your legislation to prohibit banks from engaging in the sale of lottery tickets—

This was directed to Chairman PATMAN—

> and directed that you be advised of the action. It was the consensus of the group that such activity is very unbankerlike.

I want to quote from a most unusual source in this particular case. As we all know, this was a bill that was introduced and authored and shepherded to passage by WRIGHT PATMAN in the House. I suppose if there has been one outstanding publication that has been critical of Mr. PATMAN, it has been the Wall Street Journal. Here is a case where the Wall Street Journal supports Mr. PATMAN with considerable emphasis. Here is what the Wall Street Journal had to say about Mr. PATMAN. I think the Wall Street Journal deserves credit, because it is recognized as an outstanding publication in the financial field.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. I yield myself 2 additional minutes.

I quote from the Wall Street Journal:

MR. PATMAN IS RIGHT

> Rep. Wright Patman has persuaded his Banking and Currency Committee to pass a bill prohibiting banks from selling lottery tickets, which many of those in New York State have recently started to do. It seems to us he has a point.
>
> The fault of the matter, we grant, does not lie fundamentally with the banks. Since New York needed an outlet for its new lottery scheme, it pretty much painted selling the tickets as the banks' patriotic duty. The sales involve a commission for expenses and will create a certain amount of promotional traffic, so few banks have resisted.
>
> Yet despite its espousal by the state, gambling remains a tainted affair. Historically it has never been far from scandal, a situation which state management may or may not change in the long run. Even without fraud and cheating, moreover, it remains suspect. Those who do not question its morality still must recognize it has considerable aura of fiscal irresponsibility.
>
> A few banks, notably Franklin National Bank on Long Island, have refused to sell the tickets. They seem to reason that if banks cannot offer integrity, they have little else to sell. So they soundly seek to avoid any activity which carries even a sniff of taint.
>
> If the rest of New York's banks cannot figure this out for themselves, we suppose it's up to Wright Patman to tell them.

As I have said, the Wall Street Journal has been rather consistently critical of Mr. PATMAN. The Wall Street Journal and Mr. PATMAN differ rather significantly on monetary policy. On this issue they come right down on all fours.

One issue is of special concern to those who oppose the bill. I noticed, in the fine statement that the Senator from New York [Mr. JAVITS] made on last Thursday, he emphasized that issue to the Senate; that is, he feels that it is none of the Congress' business. He says Congress can do that. He concedes that it can do it, but it represents, in his view, an interference with the right of States to act to use whatever instrumentality they choose to sell lottery tickets.

I think we must recognize that all the banks affected are federally insured. I think we have to recognize that their Federal insurance is something that is contributed to by the depositors through their banks all over America. I think we have to recognize under those circumstances, that we have a right to act as vigorously as we can to protect the safeness and soundness of banks, as we did last year when we acted to give regulatory authorities cease and desist power and to give them authority to remove top officials from banks if their removal was necessary to preserve the safeness and soundness of banks.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. I yield myself 2 additional minutes.

Mr. President, on the basis of history and on the basis of the very clear downgrading that the sale of lottery tickets represents to our banks, this type of legislation is completely warranted and well within any kind of prescription, however narrow, we might give to the Federal authorities with respect to regulating banks.

We know that many other bills which we have passed over the years limit and regulate banks in a number of ways, certainly this is one minor way in which they should be limited.

Mr. President, I wish to make one further point. I point out to the Senate the pamphlet that is used to sell these lottery tickets. It has a very appealing picture of a little girl, obviously a little schoolgirl; she has her crayon and pencil, and her little schoolbook. On the front, the pamphlet says, "Win up to $100,000; your chance of a lifetime." It tells how to buy a lottery ticket. It describes the grand prize tier, for each million dollars' worth of tickets sold, as first prize, $100,000; second prize, $50,000; third prize, $25,000; fourth prize, $10,000; fifth through 15th prizes, $5,000 each. Then, in the consolation prize tier, 15 prizes of $1,000 each, 15 prizes of $700 each, 15 prizes of $400 each, 15 prizes of $250 each, and 165 prizes of $150 each.

Mr. President, we have just passed unanimously a truth-in-credit bill. It passed the Banking and Currency Committee, and it passed the Senate. The purpose of that bill was to require banks and other financial institutions and people who sell credit to tell those who borrow money the cost of borrowing that money, and tell it as clearly as possible.

We spelled out the requirements in great detail.

In this pamphlet, which is the only booklet available to people who buy lottery tickets, there is no statement that the total payoff is 30 cents on the dollar, or that the odds are as overwhelmingly against the purchaser, as they are. It is a very appealing plea, as Senators can see, especially to someone not too mathematically inclined. When they go into the banks to cash their social security checks or their public welfare checks, they can pick up the pamphlet and see a chance to obtain $100,000 by risking a dollar or $5, or $20—there is no limit to the number of tickets they can buy.

I submit that for a bank to engage in such a practice, in view of the long history of the relationship between Congress and the Government of the United States and our banks, is a serious mistake. I believe the Patman bill deserves our serious consideration, and I hope that Congress will see fit to enact it.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I am not especially prepared to speak on this bill, and I have no scruples against betting. I like to go out here to the races about once every 3 to 5 years. I agree that it adds a little spice to the horse races to have a small wager at stake, and closely watch the board and everything.

But I raise this question: What authority do the banks now have to carry on this kind of transaction? Do federally chartered banks have the direct authority, or is it implied, or where do they get the authority to go into this type of business?

Mr. PROXMIRE. In the absence of a specific finding or an order by a regulatory body, by the Federal Reserve Board or some other bank regulatory board, they have authority to sell lottery tickets, as well as to do many other things not explicitly prohibited by law.

Mr. STENNIS. Implied authority?

Mr. PROXMIRE. Just the absence of action by Congress.

Mr. STENNIS. Yes. With all deference to any States that have legalized lotteries—and I really do not know which States have them—it seems to me that the idea exists, in the minds of many people, at least—and I agree that it should—that banking institutions have a trust relationship with the public, and that their function of accepting money for deposit, as trustees generally, and expressly as to some accounts, simply does not comport with the idea of promoting a lottery. Take it whichever way you will, the fact that they deal in it at all—these federally regulated banks, I am talking about—in promoting it, encouraging it, advertising it, and, as the Senator from Wisconsin has pointed out, inducing even children to participate; and the fact, if I understood the Senator correctly, that they give the awards, or announce the winners, if that is a part of their function, just lend strength to what I have said.

So I believe the limitation here proposed is very timely. Somewhere, some time, this moral ambivalence has to stop. It seems to me that a fiduciary institution like a bank is at the opposite end of the pole, and should not be mixed up in matters of this kind.

As did other Senators, I came through the depression, and I know what a hard time the banks had then. Hard times can come again. I believe that banks, to retain the confidence of the people, need to stay out of this kind of business, and I hope that the bill will pass.

Mr. PROXMIRE. Mr. President, I thank the distinguished Senator from Mississippi. I appreciate his remarks because he is not only an able Senator, but is especially sensitive to the ethical aspects of matters of this kind. We all know of the superb service he has given the Senate as chairman of its Ethics Committee.

Mr. President, I yield to the distinguished Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, I join in the position of the Senator from Wisconsin on this matter. It is inconceivable to me that Congress would sustain or continue to support a policy permitting a national bank or the banking system to be used for such a purpose as promoting the sale of these lottery tickets. I think the very least we can do about the matter is to adopt the proposal embodied in the pending legislation.

Mr. PROXMIRE. Mr. President, I thank the Senator from Delaware. No Member of the Senate has stood more firmly against hanky-panky or illegal or improper conduct on the part of the Federal Government or those who deal with the Federal Government. No Senator has more strongly insisted on maintaining the integrity of our financial relations, both private and public.

Mr. President, I reserve the remainder of my time.

Mr. JAVITS. Mr. President, I yield myself 1 minute, to ask the Senator from Wisconsin whether he would mind if we had a quorum call at this point.

The Senator has made quite a full-dress agument, and the committee has recommended with him, rather than with me—though the entire minority, I am glad to say, which I think is just as moral as the majority, has signed a report exactly in line with the way I think.

I believe we ought to give notice to Senators that there is another side to this case. Therefore, Mr. President, if the Senator from Wisconsin will agree, I ask unanimous consent that we have a quorum call, which the Senator from Wisconsin or I can call off at any time, just to let Senators know we are engaged in this debate, without the time being charged to either side.

Mr. PROXMIRE. If the time is charged to neither side, I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. JAVITS. Mr. President, I yield 2 minutes to the Senator from Texas [Mr. YARBOROUGH] and will then restore the quorum call by unanimous consent.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. YARBOROUGH. Mr. President, I rise in support of H.R. 10595, a bill to prohibit federally insured banks and savings and loan associations from selling lottery tickets. This very worthy measure is largely the product of Representative WRIGHT PATMAN, dean of the Texas congressional delegation and an honored fighter for the public cause.

The main objective of this legislation is to protect the reputation of federally insured financial institutions—a reputation that could well be tarnished by the questionable practice of lottery transactions and the practice of participating in the gambling business with respect to lotteries. It seems at least incongruent to me that a financial institution insured by this Government and erected to the virtue of thrift, should at the same time endorse and promote gambling by the sale of lottery tickets. It is this incongruity that H.R. 10595 wisely seeks to prevent.

Though I am personally opposed to the lottery as a revenue-raising device, this legislation does not prohibit any State from operating a lottery should it choose to do so. Indeed, two of our greatest States, New York and New Hampshire, now have State-supported lotteries, and others are considering their adoption. This bill does not intrude on any State's right to establish and operate a lottery. It merely prevents federally insured financial institutions from participating in the public sale of lottery tickets and removes any implication of Federal endorsement of these lotteries.

Mr. President, other convenient outlets for the sale of lottery tickets are amply and more properly available without calling on banks and savings and loan associations to engage in such a nonbanking exercise. Congress has a legitimate and proper concern over the use of federally insured financial institutions as agents of State-sponsored lotteries, and I consider this bill an appropriate and needed legislative manifestation of that concern. It is a concern for the reputation of the financial institutions upon which the integrity of the banking system of our country depends.

Mr. President, I urge adoption of H.R. 10595.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 15 minutes.

Mr. JAVITS. Mr. President, if I may have the attention of such Senators as are present, I think I can summarize this argument in a very brief period of time for the information of the Senators and they can then skip the rest of the debate.

The real essence of the pending question is a lot more profound than appears on the face of this bill. It is very well known that this measure represents the very convincing views of one man, Representative WRIGHT PATMAN, chairman of the House Banking and Currency Committee.

Representative PATMAN somehow or other persuaded both committees to go along with his views. He also persuaded the House. The question now is whether he can persuade the Senate to go along with him.

I feel it my duty to present to the Senate what I believe is at stake here. We in New York have an interest in this matter. New Hampshire also has a lottery plan, and it may wish to use the banks as lottery ticket agents in the future. However, practically speaking, New York is the only interested State now, because we are actually using banks in the sale of tickets.

If the Senate passes the pending bill, the Government will be able to regulate banks on grounds previously unheard of. The Government will be able to regulate banks on moral grounds. The Congress will be judges of morality. The Senator from Wisconsin [Mr. PROXMIRE] does not even speak of morality. He says that we are going to regulate them on the grounds of respectability. That is the point that the Senator from Wisconsin applies to them.

What will we do if we regulate banks on the grounds of respectability? Will we prohibit them from giving away crockery and glassware on the basis that that is not a respectable way to get deposits? The giving of such presents is a universal practice throughout the United States.

If we want to be moralists, why should any depositor get something for nothing? I think it is an iniquitous and wicked practice. Perhaps some people think it is immoral. Congress may consider it so ridiculous that they will prohibit that practice.

Many Senators take great pride in the fact that we seek to avoid imposing our own ideas on the people as to the manner in which they should run their lives. However, that is what we would be doing in this case.

There is no law against a bank handling this type of business. Well over 80 percent of the banks in New York are doing so. The largest banks in New York are handling this business. For example, The First National City, Manufacturers, Hanover, Morgan Guaranty, and the Chase Manhattan Bank do not think there is anything reprehensible about handling this type of business.

The argument in favor of this bill loses all force when we examine the statements of the applicable regulatory authorities, notwithstanding what the Senator from Wisconsin, my beloved friend, thinks they should say.

I call attention to a statement made by the Federal Deposit Insurance Corporation under date of August 15, 1967. The statements appear on pages 12 and 13 of the Senate hearings on this bill. The Federal Deposit Insurance Corporation stated:

> Whether a bank should be permitted to engage in the sale of lottery tickets, or similar activities, appears to us to be a social issue rather than one which directly affects the financial stability of insured banks. If the Congress believes that the sale of lottery tickets by banking institutions has such social consequences as to require the passage of this legislation, this Corporation, of course, would cooperate in its enforcement and it would anticipate no difficulty in carrying out its administrative responsibilities under the bill.

There is nothing in that statement about the sale of lottery tickets impairing the banking function or endangering deposits.

The Federal Reserve System takes a similar position. Their view is found at page 13, in a letter to Senator SPARKMAN by William Martin, Chairman of the Federal Reserve Board:

> The Board of Governors has no authority under present law to prohibit any bank from making such sales, under ordinary circumstances. A legal basis for preventive action by the Board would arise only where special circumstances exist under which the sale would constitute an unsafe or unsound practice or otherwise violate Federal law administered by the Board. We are not aware of any such circumstances in connection with the New Hampshire or New York lotteries.

It seems to me that the minute you knock the bottom out of the argument that selling lottery tickets has no effect upon insurability or no effect upon solvency, there is no longer any basis on which we can rest the enactment of this bill. Anything one wishes could be legislated under the guise of regulating banks on grounds of respectability or morality or ethics. This is a regulation of banks never contemplated in law and never engaged in, and this particular bill is sui generis. It is a first start on a sea which is absolutely uncharted.

We are all over 21, and I assume that if we start something that is a bad precedent, we can always stop it by turning it down the next time; and I have made that argument a hundred times. But I ask this question: If the policy of the United States has been, up to now, to regulate banks only to protect their insurability, their financial standing, or the soundness of their banking operation, is it proper to use a very peripheral matter, affecting a relatively small question of bank operations, as the basis for launching a totally new policy in the history and tradition of Federal bank regulation?

My answer to that is decidedly, "No." Apparently, that also was the view of every Republican member of the Committee on Banking and Currency, for every one of them signed the minority report against this bill.

As I said when I began my remarks, I believe we have a right to assume that the minority members are just as moral as the majority members, and that therefore no case can be based on the fact that Congress is condoning immorality.

Finally, Mr. President, may I point out that even the committee itself took account of the practicalities of the situation. Under this bill, the banks would be permitted to do everything but actually sell lottery tickets. They could handle the money, they could perform many details of accounting, and so forth. It was considered, quite properly, that it would be ridiculous to bar them from functions which would be carried out in accordance with what they are best able to do. The only function from which they would be barred by this bill is the sale of lottery tickets. It seems to me that that should dispose of the morality argument.

I note that Senator PROXMIRE spoke of odds of 4,000 to 1. In the first place, no one has to buy the lottery ticket. You do not have to buy it unless you wish to. Senator PROXMIRE's comment on the 4,000-to-1 odds is very interesting. On page 53 of the record, he asked Mr. Murphy, New York State tax commissioner, what the odds were. Mr. Murphy said, "There is 4,000 to 1."

Senator PROXMIRE then said:

> And that this is primarily an investment in education, I can see no objection at all, and I can see people who would want to invest and make a contribution to education and take a little chance also at getting a little return at the same time and doing this in a considered and thoughtful way.

Mr. PROXMIRE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PROXMIRE. Mr. President, I should like to say to my good friend, the Senator from New York, that that statement certainly is not at all inconsistent with my saying that I do not believe banks should sell lottery tickets. There are 10,000 potential outlets. To date, New York is using only 4,000. They have not begun to use some of the other outlets, such as the various State agencies.

If they want to have a lottery to raise money for education, or if New Hampshire must have a lottery for that purpose, that is their business; and I can see no objection on that particular ground. But I say there is a serious objection to the banks becoming part of this activity and agents for the sale of tickets, and getting people who cash their welfare checks and their social security checks, and so forth, to buy the tickets under those circumstances.

Mr. JAVITS. Unfortunately, Mr. President, when the Senator made his argument, he did not quite use it in that way. He was telling us how immoral and iniquitous were the odds. His argument was not directed at whether the banks should or should not handle lottery tickets.

Mr. PROXMIRE. I believe the Senator will agree that 4,000 to 1 is pretty bad odds. It is a 30-percent payout.

Mr. JAVITS. The Senator did not think so when he said it was a good thing for education and that people might very well decide to contribute free.

With respect to the 30-percent payoff, may I point out to the Senator that he talked about disclosure, but he failed to read what the State-published pamphlet disclosed. I call his attention to page 49 of the record, which contains a reprint of that pamphlet. It says:

> THE PRIZE MONEY
>
> Two schedules or "tiers" of prizes, totalling $300,000 are provided for each $1 million worth of tickets sold.

It is quite clearly stated that this is a 30-percent payoff.

I repeat that the disclosure is very clear. It is $300,000 for every $1 million. That is 30 percent. If you want to make a contribution to education—I use the Senator's words—and if you want to take a chance on getting a little return in addition, this is a very nice way to do it. No New Yorker has to buy a lottery ticket. He does not receive any tax indulgence or any other benefit. All he need do is go to the window and purchase a ticket.

Mr. PROXMIRE. If you think about the $300,000 to $1 million for awhile, you can tell it is a 30-percent payoff. But many people are not mathematically inclined. They will see the $100,000 prize for a $1 ticket. They are not inclined to translate this into the odds of worse than three to one, about the worst gambling odds you can find in the country.

Mr. JAVITS. I do not believe that the Senator, if he campaigns in Wisconsin, will tell any Wisconsin voter that when he reads that sentence he did not understand that it was 30 percent out of 100 percent, nor tell him that he does not understand that simple sentence and that he being misled by the big sign that says "$100,000 prize."

One subject upon which the people of the United States have great understanding is betting odds. They understand much more about that matter than about many other things we discuss in the Senate.

Mr. PROXMIRE. It is much easier to read the big print on the front of the pamphlet about how to win $100,000, in big, bold type—what looks like about 54 point type. Then you turn to the inside of the pamphlet, and in about 8 point type it says:

> Two schedules or "tiers" of prizes totaling $300,000 are provided for each $1 million worth of tickets sold.

This appears in the middle of all kinds of print. And when you look at the box on the inside, it has the grand prize, second prize, third prize, and so forth.

I must say that the come-on is obvious and effective. Very few people who gamble will read the fine print and all the thousands of words printed here. They cannot miss the big come-on.

Mr. JAVITS. I say to the Senator that from the sound of that argument, the United States is really going to go into the regulation business on a large scale. We are not only going to regulate who can handle these tickets but we are also saying that New York State, as a State, is not making a fair disclosure to its people.

As a trial lawyer of many years experience, if I were faced with that argument, I would say to the jury, "You are all over 21; and, based upon common experience, don't you think that anybody who takes the trouble to read that pamphlet will recognize very clearly, by a simple comparison of those two figures, that the payout is 30 percent?"

Mr. President, there are just a few other arguments I would like to make here.

I think the fundamental problem which underlies the arguments of the bill's proponents is that they seek to give us the impression, although not actually using the words, that the banks are Federal instrumentalities because their deposits are insured by the Federal Deposit Insurance Corporation, or because they are under regulation by the Comptroller of the Currency, or because they are members of the Federal Reserve System.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 additional minutes.

Mr. JAVITS. Mr. President, the cases rebut that. The regulations do not create sufficient Federal control to make banks "Federal instrumentalities," within the meaning in which that term is generally used, for the regulations do not give the Federal Government broad and general supervision over the agency concerned. Banks are private organizations, privately run and, in the main privately owned, although some are mutual organizations—owned by their depositors—I do not think that the argument based on a conception of banks as "Federal instrumentalities" will stand up.

The other argument that seems to me quite irrelevant in respect to this matter is that these institutions are bound, or at least the State of New York is bound, by postal laws which inhibit the transmission of lottery tickets through the mails, or by laws which prohibit the use of the mails by newspapers or the use of the broadcasting media for the same purposes.

Without, for the moment, arguing whether or not New York, as a sovereign entity could be interfered with in executing an appropriate State policy, this argument assumes a regulated bank is analogous to the Post Office Department or is analogous to the utilization of the free airwaves by radio and television media on a licensing basis under the jurisdiction of the Federal Communications Commission; and, in addition, it seeks to impart to New York a nonexistent state of law.

There are laws on the books with respect to the use of the mails but not with respect to the use of mails by the State of New York, or by banks and other similar institutions in the State for these purposes. Mr. President, the very fact that there is no such law is shown by the bill which is now before us. The bill before us seeks to put into effect such a law. Without such a bill, this practice would not be unlawful at all.

One other argument is made. It has been said that to allow commercial banks to enjoy this business in New York is to discriminate against savings and loan associations or Federal credit unions. That is an argument with a long history for the Federal credit unions and the savings and loan associations would like nothing better than to have the power of commercial banks; they would like to have checking accounts, they would like to be able to make loans, and to make flexible loans, and to use certificates of deposit.

The chief bankers in Greenbrier the other day passed an important resolution because they sought authority of the State to issue certificates of deposit; but they have not gotten it, and one could say that they were being discriminated against.

Mr. President, these institutions are not being discriminated against, for they have other powers which commercial banks do not enjoy, and, therefore, they do not have, according to the determination of the General Counsel of the Federal Home Loan Bank Board, the authority to engage in this type business in New York. But not having authority to engage in this business does not mean that they are being discriminated against.

Mr. PROXMIRE. The Senator is right that there is quite a difference in the opportunity for commercial banks and savings and loan banks.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROXMIRE. I say to the Senator that there is a clear distinction between savings and loan institutions that are federally chartered and Federal credit unions that are not allowed. It is because they feel it is not in keeping with their function, and the function of other competitors who can do so.

Mr. JAVITS. I beg the Senator's pardon. They do not want it on that ground at all. I read the statement of the Counsel for the Federal Home Loan Bank Board. He does not say it is because it is not respectable or not moral or that it will prejudice their standing. He said the law does not permit it.

If the Senator feels outraged about that, why does he not have the Committee on Banking and Currency allow him to correct the law. That would make more sense than this statute.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield to the Senator from Illinois.

Mr. PERCY. I ask the distinguished Senator from New York: If this action is sustained by the Senate today and the bill is passed, what recourse would the State of New York have to find a method for distributing and selling lottery tickets?

Mr. JAVITS. The State would have to use other means of selling them. It might very well be supermarkets; it might be liquor stores; it might be some other form of establishment. It might be kiosk newsstands. I have no idea what the State would do.

But I will say to the Senator from Illinois that on the test of respectability, which the Senator from Wisconsin [Mr. PROXMIRE] has set, distribution through banks is the most respectable way in which to sell lottery tickets. Indeed, it is the most effective way in which to discourage those who would deal with these tickets improvidently. Most people would be very timid about going into a bank to buy lottery tickets when they knew very well in their hearts that they could not afford them, but would feel much more easy about it if the purchasing could be done at the corner periodical stand, or at a supermarket, or at a liquor store. Also, the hours would be much more conducive to that kind of rather unthinking gambling, if that is what we want to call it. So on the issue of respectability, the system to which New York would have to go would be less desirable.

I think it is a great credit to our State that it acts as it does, as the Senator from New Hampshire said. Both Governor Rockefeller and I were opposed to the lottery. But this is not a question of our personal view. The people voted for it, and the legislature voted for it, in the most considered ways, by a huge majority. Hence it is our duty, and I think it is the duty of the United States, as well, not to obstruct this public policy of a State.

The argument must be based upon what is the concept of a government of limited powers. The United States is not all supreme. It is amazing to hear me, a devoted civil rights advocate, argue that, but it is true. I feel that way. I have never challenged the fact that we have to bear the burden of constitutionality, and I think we have to bear the burden of the rightness of Federal policy. It seems to me that this bill before us represents a very real case in point, in which people who believe even more strongly than I, will have the opportunity to practice what they preach.

On the issue of principle, it seems to me that we are quite unwittingly, in a relatively peripheral matter, opening the door to a tremendously new concept of what it means to regulate—in this case—the banks.

We could apply the same principle to insurance companies or to railroads, or to many other industries.

Mr. PERCY. To follow up on that line of reasoning, is there any question in the mind of the distinguished Senator from New York that, regardless of the action taken by us today on this particular bill, the State of New York will continue to have lotteries?

Mr. JAVITS. There is no question about that whatever; but New York will have to seek different means to execute the lottery within the confines of Federal law.

Mr. PERCY. So that we can only conclude, if we sustain this action, and New York continues the lottery, that we will be forcing them to seek less desirable avenues of distribution for lottery tickets. We will be imposing upon them additional cost and every penny of this additional cost which will run into millions of dollars, and which is being imposed on the State of New York by the arbitrary action by the Senate today, will be taken away from the education of the children of the State of New York by that action.

Mr. JAVITS. The Senator is exactly right. That has not been adequately emphasized heretofore, and I am grateful to the Senator from Illinois for emphasizing it.

In my argument about the odds, I am afraid I did not sufficiently emphasize that the dollars paid into the lottery are earmarked for the education of the children of the State of New York.

My State had gotten to the point where the taxing power was not great enough to take care of its responsibilities in the field of education. Thus, it sought to find some other way. The people and the Legislature of the State of New York concluded that a lottery was another way in which funds for education could be supplemented.

As the Senator from Wisconsin [Mr. PROXMIRE] put it better than anyone else, every citizen who puts a dollar into the lottery is really putting a dollar into education.

Mr. PROXMIRE. Oh, Mr. President, oh, no—if the Senator will yield on that point—only 20 cents of that dollar goes into education. Five cents goes to the bank to sell the tickets. Another large amount goes for administrative costs. Another 30 cents goes toward prizes——

Mr. JAVITS. Well, that statement is quite broad. Can the Senator give me any evidence of it?

Mr. PROXMIRE. We will tell the Senator.

Mr. JAVITS. That 80 cents goes down the drain?

Mr. PROXMIRE. On the point which the Senator from Illinois and the Senator from New York are making, I invite their attention to 1306, the New York bill, which specifies that what they can use in selling the lottery tickets, as follows:

> . . . national banking associations, federal savings and loan associations, telegraph corporations, hotels and motels.
>
> (b) If the commissioner determines that, because of the shortage or absence of licensees of the type described in subdivision (a), or because of the inability or unwillingness of persons described in subdivision (a) to serve as such licensees, the public convenience requires additional licensees, he may license agencies and instrumentalities of the state, and counties, cities, towns, and villages as agents to sell lottery tickets.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. PROXMIRE. Mr. President, I yield myself 3 minutes, if the Senator from New York will permit me to do so.

Mr. JAVITS. Of course.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 3 minutes.

Mr. PROXMIRE. Mr. President, these are certainly respectable outlets. These are outlets over which the State has maximum influence. These are outlets which are very numerous and accessible to the public. It seems to me there is none of the damage or the danger which the distinguished Senators are arguing would befall the lottery system if we passed this bill.

Mr. JAVITS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twenty-seven minutes.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. PERCY. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. PERCY. Let me simply say that I wholeheartedly support what the Senator from New York is attempting to convey. We have a situation which is almost ludicrous, in the intervention we are now contemplating, which will be harmful to the State of New York and the children in that State, when that State is trying so hard to grapple with the problem of securing funds for education.

All the States in this country are pressed to the wall for ways to find money for education. The Federal Government with the progressive income tax system has preempted tax revenues. We have moved so massively into that area that the number of areas left to the States is somewhat limited. Yet the costs of education, of mental health, and other programs of this kind, are rising so rapidly that many States have raised every level of taxation available to them. Reluctantly, New York has concluded that rather than reduce the quality of education for its children, it will move to one other resort, which many States do not want to do but which they felt was essential and necessary; and the duly constituted legislature, duly elected by the constituents of that State voted and approved, and the Governor signed the bill. It took the most responsible route for the sale of the tickets and the most responsible route for safeguarding and keeping the records.

Mr. JAVITS. If the Senator will permit me to interrupt there, just to add to what the Senator has said, this was not only dealt with by the legislature and the Governor, but it also went to the voters. They approved an amendment to the State constitution establishing this lottery by a 3-to-2 vote; a plurality of 860,000. Then a bill was passed implementing the amendment by a vote of 54 to 4 in the State senate, and 125 to 20 in the State assembly.

I cannot think of any legislation that could have as much to back it up as this, in terms of what the people wanted.

Mr. PERCY. As to the position taken by the minority members, all of us have indicated that we are personally opposed to lotteries. If I were a member of a State legislature I probably would vote against this means of raising revenue. But the State legislature, having done it, the people having sustained it, and the Governor having signed the bill, I think that they have the right to find the best way to implement the program.

I think back to the time when my father was a bank clerk in Mobile, Ala., years ago. I would sooner have a man of that integrity and quality dealing in a financial transaction of this kind than to have an individual go to a liquor store or a supermarket or some other such outlet to purchase a lottery ticket. I cannot imagine why we would impose our will on the State of New York, or on any other State in the Union, in this respect, and remove from them the most respectable, the most responsible, the most efficient means of carrying out a method of raising revenue which is perfectly legal, although questionable in some people's minds, as to whether it should be done but is in the overall interests of the public interest. But to use our power in this way, when it will not have one iota of effect upon the end result of carrying on a lottery in New York, I think is reprehensible.

I support the position taken by the senior Senator from New York.

Mr. JAVITS. Mr. President, I am very grateful to my colleague from Illinois, who also comes from a State with a huge city, Chicago, and can appreciate the problems which we have and the need for a range of means to deal with them. I am grateful to him for his well-conceived and directed argument.

I invite the attention of the Senator from Wisconsin to the fact that New York State law in this matter provides that for every dollar which is paid into the State lottery, 55 percent shall go to education, 30 percent to prizes, leaving 15 percent as a maximum for administration. Those are the facts.

Mr. PROXMIRE. Mr. President, will the Senator repeat that?

Mr. JAVITS. 55 percent for education, 30 percent for prizes, and 15 percent for administration.

Mr. PROXMIRE. Where does the Senator get that?

Mr. JAVITS. That is the law of the State of New York, just given to us by the New York State Department of Taxation.

Mr. PROXMIRE. This depends on the number of tickets sold.

Mr. JAVITS. No; every dollar is divided in that way, and the cost of administration is limited to 15 percent. What we are trying to do is minimize the cost of administration by using the most efficient means. The bill would inhibit us from doing that.

Mr. PROXMIRE. Mr. Murphy testified that only if they sold $50 million of tickets would $30 million go to education. The assumption is if they sold that much, and they are doing about 17 percent of what they anticipated. They are selling about $35 million worth a year.

Mr. JAVITS. About $3 million a month right now.

Mr. PROXMIRE. Something like that. On this level, it would be less than $50 million, the basis on which Mr. Murphy testified that amount would go to education.

Mr. JAVITS. With the administration cost limited to 15 percent, we cannot get much less. Certainly the argument that 20 percent was going to education was hardly a fair argument. That was simply the Senator's extrapolation.

Mr. PROXMIRE. Although there may be circumstances under which 50 percent or 55 percent may go to education, my statement is more accurate than the statement of the Senator from New York. The Senator from New York said that each dollar will go to education.

Mr. JAVITS. Mr. President, I refuse to yield further. I did not say that. I will not be misquoted. I said 55 cents in every dollar; I did not say every dollar.

Mr. PROXMIRE. The Senator from Wisconsin heard the Senator from New York say $1 would go to education.

Mr. JAVITS. I said no such thing. I said 55 cents.

Mr. PROXMIRE. I merely said the Senator from Wisconsin must have misunderstood the Senator from New York.

Mr. JAVITS. In any case, the law of New York is very clear. Fifty-five percent goes to education, 30 percent to prizes, and 15 percent to administration.

Mr. President, because we want to get to a vote—and I understand that—I would like to conclude, because most of the arguments made here will cast light on the situation.

With reference to the argument of the Senator from Wisconsin, he said the effect of this was to "condone" the lottery. He said that the use of these banks represents action by the United States—to use his word—to "condone"—I quoted that very definitely—the lottery.

There are a number of answers to that argument, but just to mention two: When one condones something, he has a right to prevent it. If a husband condones his wife's infidelity, then he has a right to prevent it. The United States has no right to prevent the State of New York from carrying on a lottery. That is fundamental and basic.

Second, when one condones a lottery, I assume he does it for a good purpose. The United States, in my judgment, is not condoning the lottery by allowing banks to do what they now can do. The Senator from Wisconsin and the Representative from Texas, Mr. PATMAN, are pleading that the United States prevent the lottery, if it can. In view of the fact that it cannot, then they seek to have the United States make the lottery as expensive and inconvenient as possible. That is the gist of the proposal—that the Congress make it as inconvenient and as expensive as possible.

This represents a reaching out of the Federal power, in a spirit of resentment, against State action of which the Federal Government disapproves. What is the federal system all about if the Federal Government can say to a State, "If we do not like your policy we will prevent it, and if we do not have the right to prevent it, then we will make its execution so expensive and inconvenient for you that you will not be able to carry out its purposes"?

Mr. President, we are dealing with a sovereign State, with 10 percent of the population of this country. Every State, without regard to size, consequence, or financial importance, has an equal standing before the United States and its Constitution and its laws. This is not an inconsidered judgment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield myself 2 additional minutes.

It is not an inconsidered judgment. This is the considered judgment not only of the State legislature, but, under our form of government, of the people of the State, by referendum. It seems to me that the U.S. Congress should not, in a mood of resentment, make more difficult and more expensive an activity which is perfectly legitimate in order to inhibit the State in raising money for a highly desirable purpose, to wit, education, by a lottery which has been adopted through action of the legislature and the people.

For that reason, I think this is very unwise legislation, and, when the time has expired, I shall move to recommit the bill to the Committee on Banking and Currency.

The PRESIDING OFFICER. That motion is already before the Senate.

Mr. PROXMIRE. Mr. President, I yield 5 minutes to the Senator from Florida [Mr. HOLLAND].

The PRESIDING OFFICER. The Senator from Florida.

Mr. HOLLAND. Mr. President, I not only have no resentment against the State of New York, but I will defend, with all the power I have, the right of the State of New York, whether I agree with it or not, to conduct a lottery system. I think that is a matter for the State of New York to determine.

The matter which we have to determine is whether it is wise or unwise to permit institutions which are the very essence of respectability, honor, propriety, strength, and power, representing the Federal Government, and insured or licensed by the Federal Government, as the case may be, or both, to handle, sell, and distribute lottery tickets.

I think it is unwise for us to permit that kind of activity. The reason I do—not based on resentment at all—is that I can see no way, under this kind of practice, if it is once agreed to be proper, for many States conducting parimutuel races not to do it. They issue parimutuel tickets. They are State enterprises, under parimutuel setups. Why, if it is proper and legal and appropriate for this activity to be done in this case, where only 30 percent of the entire amount can go back to the participants, can it not be so in parimutuel racing operations where, in my State, 85 percent is returned to those who put up their money and where the rest goes to old people, dependent children, and the blind in my State? Many States have similar provisions.

It seems to me what we are trying to decide here is how best to preserve the respectability, and, for that matter, the great pride we have in these institutions which are insured by the Federal Government, or licensed by the Federal Government, and in most cases registered by the Federal Government.

Mr. President, in my State I have listened to the arguments before the State legislature for and against parimutuel betting. The banks generally came in to say that they were very strongly against it, because, in the first place, they had found that their own employees, whenever they went out to the races and hazarded their money, were more apt, after great losses, to become defaulters, to make trouble for the bank, and to attack by defalcation the soundness of the banking institution. That has happened time after time in my State.

The very idea, to me at least, of having people who run these great institutions of saving handle the actual tokens of gambling—and that is what they are—the actual things which are held out to the public, and particularly to poor people, as chances to have a bonanza come home, almost any time, by investing a few dollars, is incongrous. How we could regard that as an appropriate function, or as calculated to preserve the propriety, respectability, and honor of the federally insured or licensed, and always regulated, banking institutions, I do not see. I do not believe that view is sound from the Federal standpoint.

The law of New York does not require the tickets to be sold by banks. It permits hotels, motels, telegraph companies, and perhaps other institutions to issue the tokens and to sell the tickets. There is no destruction of this revenue-raising effort on the part of New York, which, I insist, is a legal effort, whether we like it or not. They have the perfect right to set it up. It does not defeat it simply to say that the less than half of the banks which are willing to handle these tickets—and more than half of their banks, apparently, are not handling them, because they say that less than half of the outlets in banking institutions, taking the State as a whole, are handling them——

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HOLLAND. In a moment. I believe the more than half which are not handling them are right, because I believe their refusal to do so tends to preserve the respectability, the honor, and the stature of the banking institutions as instrumentalities for saving and as instrumentalities which ask people to deposit with them their money, because it will be safe in those institutions. I think we should pass this legislation, and take the Federal Government out of this unfortunate position.

The PRESIDING OFFICER (Mr. Hansen in the chair). The Senator's time has expired.

Mr. PROXMIRE. I thank the Senator——

Mr. HOLLAND. Mr. President, will the Senator from Wisconsin yield me 2 additional minutes, so that I may yield to the Senator from New York?

Mr. PROXMIRE. I yield.

Mr. JAVITS. It is only necessary to yield 1 minute. All I wish to point out is that it is generally admitted that well over 80 percent of the banks in the State of New York are handling these tickets. The Senator said 50 percent. That statement is not accurate.

Mr. HOLLAND. The figures I saw in the testimony of the New York Congressman [Mr. Murphy] indicated that less than half of the outlets permitted by law were being used. He was speaking, I suspect, of both banking outlets and hotels, motels, telegraph offices, and the like.

Mr. JAVITS. That is a different matter.

Mr. HOLLAND. The Senator from New York, I presume, knows these facts better than I do. At any rate, there are, in the record, several banks listed by name which are not willing to handle these tickets, some in New York City and others not in New York City.

Mr. PROXMIRE. Mr. President, I thank the Senator from Florida for an excellent statement, which I deeply appreciate, and which expresses my own sentiments with respect to the bill.

Mr. President, I yield 5 minutes to the Senator from Ohio [Mr. Lausche].

Mr. LAUSCHE. Mr. President, I think it must be conceded that history has demonstrated that you cannot by legislation completely curb the weaknesses of individuals in their predilections for gambling, drinking alcohol, taking drugs, and falling prey to sexual impulses.

Recognizing that fact, we, nevertheless, throughout the country, have laws which attempt to curb the merchandising of matters that contribute to addiction to the weaknesses I have just enumerated.

Two out of the 50 States have adopted lottery laws. Forty-eight have not. On the statute books of the Federal Government, we have laws prohibiting the use of the mails to promote lotteries.

My query is: Why is it the fact that 48 States have said no while two have said yes, and the Federal Government has said no?

The answer, Mr. President, is that basically the people of our Nation are of the opinion that while you cannot curb these weaknesses in human beings, the Federal Government should not be a participant in pandering to and promoting the passions.

It is one thing to be tolerant of such weaknesses. It is a completely different thing for the Government to participate in promoting them and pandering to them.

Here it is proposed that the Federal Government, through its national banks and through other agencies enjoying the deposit insurance, shall become a participant in promoting the passions. I do not think it is right. The Federal Government ought to keep itself on a higher plane. It should be an example in advocating courses of life that are decent and proper, and should not become a participant in what, in my opinion, will lead to the further disintegration of the moral fabric of our people.

What is the crime rate in the United States? Before next year's session is over, we shall be talking, on the floor of the Senate, about spending billions of dollars to fight crime; and the very proponents of the measure now pending before us will be arguing that we have got to do something about the spread of immorality and crime throughout the Nation.

Here, almost in the same breath, it is proposed to precipitate the Government, as a participant, into what historically, basically, morally, has been discountenanced, though recognized to be impossible of complete prohibition.

The banks support the bill. What a great argument. The noble banks, it is said, are for the bill. They will receive 5 cents out of every ticket sold. Does that have any influence upon them? Some may say that it does not. But I think there is a mercenary instinct involved; and in my opinon, it does have something to do with it.

The PRESIDING OFFICER. The time of the Senator from Ohio has expired.

Mr. PROXMIRE. Mr. President, I yield 3 minutes to the distinguished Senator from Ohio.

Mr. LAUSCHE. Where will the practice stop? If banks are allowed to sell lottery tickets, what about selling tickets to enter brothels, or whatever else may come about? Where will it stop? That is important to me.

It is said that the Federal Government should not stick its long, bony fingers into the will and wishes of State governments. I agree to that. Its long, cadaverous fingers have been going all over the country, trying to control the activities of local governments.

But in this instance, we are not telling New York that it cannot continue with its lottery. It may do so if it desires to. So that argument is not in this case at all. We are not, by the pending bill, attempting to stop New York from operating a lottery, but we are telling New York that the Federal Government will not countenance the use of national banks or other banks enjoying Federal deposit insurance from being participants in the lottery scheme.

Wherever a Government lottery has been established, ultimately there has been corruption. Those who want to exploit the public gather around the lobby as the bee does around the flower containing the greatest quantity of sugar. And time will demonstrate that to be a fact.

It is my opinion for these reasons that we should keep the Federal Government out of it and let the Federal Government set an example to show that we are concerned about what is happening in the Nation with respect to the breakdown of law enforcement and morality. Yet, it is proposed here that the 535 Members of Congress should join together in the promotion of this lottery. I will not join.

Mr. PROXMIRE. Mr. President, I yield myself 2 additional minutes.

Mr. HOLLAND. Mr. President, will the Senator yield so that I might put in the Record the statement I mentioned a few minutes ago in my colloquy with the distinguished Senator from New York?

Mr. PROXMIRE. I yield to the Senator from Florida.

Mr. HOLLAND. Mr. President, the witness was Representative John M. Murphy, of New York.

The statement to which I refer reads:

> We must beware of Federal agencies and the Congress allowing the precedent of condoning the use of thrift institutions as agents in gambling operations.
>
> Many banks in New York have recognized the absurdity of this proposition and have chosen not to participate in the lottery.
>
> As of today, 4,023 of 10,000 outlets available under the present State law are participating in the lottery operation.

That would indicate less than half of the total number of outlets, but not necessarily less than half of the total number of banks.

Mr. PROXMIRE. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized for 2 additional minutes.

Mr. PROXMIRE. Mr. President, I commend the distinguished Senator from Ohio on his very eloquent and powerful statement.

I would like to add the substance of the cold, clear observations of the Kefauver committee in respect to the very points made so eloquently by the Senator from Ohio.

The Kefauver committee concluded:

> The legalization of gambling would not terminate the widespread predatory activities of criminal gangs and syndicates. The history of legalized gambling in Nevada and in other parts of the country gives no assurance that

> mobsters and racketeers can be converted into responsible businessmen through the simple process of obtaining State and local licenses for their gambling enterprises. Gambling, moreover, historically has been associated with cheating and corruption.

The point I make is that we have, of course, in Governor Rockefeller a man of great character. All of us, whether Democrat or Republican, admire him. I am sure that the farthest thing from his mind would be to corrupt a bank.

We have an honest administration in New York, but Governor Rockefeller will not be the Governor of New York forever. This is permanent legislation.

If we permit them to continue to use banks for the sale of lottery tickets, banks are very likely in the future to follow the same course that other institutions, almost without exception, have followed with respect to lotteries, that of letting mobsters move in, which practice would bring ruin and corruption to the banks.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield.

Mr. AIKEN. Does the Federal Government undertake to protect insured banks against bank robbers?

Mr. PROXMIRE. The Federal Deposit Insurance Corporation, as I understand it, does not protect the banks. It does protect, of course, the depositors against loss from defaults caused by robbery and from many other kinds of losses.

Mr. AIKEN. Does the Federal Government undertake, then, to protect the bank and its customers against bank robbers?

Mr. PROXMIRE. The Senator is correct.

Mr. AIKEN. Is that practice an invasion of States rights?

Mr. PROXMIRE. It is not. I do not see how anyone could contend that it is. I thank the Senator for that point.

Mr. JAVITS. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 3 minutes.

Mr. JAVITS. Mr. President, we have now dragged in the whole question of crime rates and statistics in the United States and the fact that the State which instituted a lottery is ridden with crime.

I have just sent out for the crime statistics. However, I think my recollection is correct that, at worst, New York ranks somewhere near the middle of all States with respect to crime statistics.

The arguments made by the Senator from Florida [Mr. HOLLAND] and the Senator from Ohio [Mr. LAUSCHE] were made on the theory that the United States would permit the banks to participate in this way. What this measure would do, is not to permit banks to participate in this way, but to prohibit their participation. There is a world of difference in those two objectives. And that is the difference that I point out.

Nobody is talking about getting the banks into this business. Yet, that is the very essence of the argument that is being made.

What we are talking about is whether we should prohibit them from engaging in this practice when, in their judgment, the finest banks in the world do not see anything irresponsible in the handling of these sales.

I respectfully think that the Bank of Manhattan Co. and the First National City Bank and the Morgan Guaranty are just as interested as is any Senator in how respectable they are.

There is nothing irrespectable in this practice or these banks would not be following the practice.

Senators would substitute their judgment for the judgment of the board of directors of a bank whose ox is being gored. That does not lead us to reason on the issue of crime and immorality and gambling.

One of the great arguments made with respect to parimutuel betting and the lottery is that if we do not give the gambling instinct some lawful outlet, the people will choose an unlawful outlet for this instinct. The States that are troubled the most with crime are those States in which there are tight barriers erected against such practices.

We had plenty of experience with prohibition. It seems to me that is a rather poor argument to be making today. I wish that we were today debating a bill that would seek to aid law enforcement. That would be a lot more productive than arguing about whether we are going to prohibit the most distinguished banks in the land—banks with distinguished boards of directors—from selling lottery tickets on the ground that it would make them irresponsible.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for an additional 2 minutes.

Mr. JAVITS. Mr. President, as to the argument of the Senator from Florida that we are not using all of the outlets, I agree that we are certainly not using all of them. We are, however, using the most respectable outlets and the most efficient outlets, the outlets that operate with less cost. That is exactly what we should do.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. Mr. President, I mean my question to be facetious, but is the Senator from New York arguing States rights?

Mr. JAVITS. As I stated before, I am arguing States rights, and I stated that it was very interesting that I should do so.

Sometimes people might get confused as to whether other people, like myself and the Senator from Rhode Island, who are passionately devoted to civil rights, still understand our federal system, and I think we do.

Where we invoke the Federal power is where, under the Constitution, there should be Federal power and the States are not performing their responsibilities. But here is an area where you are going to have a peripheral expanson of the Federal power in a way which is very unwise, because, first, it inhibits an activity there is no reason to inhibit, and prohibits it—we are not talking about "permits"; we are talking about prohibiting—and, second, it uses the Federal regulatory power for what we consider respectable or what we consider to be the proper way for people to conduct themselves, which is an extension of that authority which many Members of the Senate, including myself, properly oppose.

Mr. President, I yield myself 1 additional minute, to sum up as follows—

We are dealing in this matter with the negative, not the affirmative. The United States is not permitting anything. The question is, shall it prohibit something? Shall it prohibit something which in the minds of excellent bank management is considered to be a perfectly proper activity? Shall the United States decide how the State of New York shall raise its money for education?

We have the word of the FDIC, in a letter in the RECORD, and the word of the Federal Reserve System that there is no question involved of the soundness of any of the banks that are participating.

Mr. President, upon those grounds I believe that it is most unwise and imprudent to inhibit a State in this fashion by an extension of a Federal regulatory power and by the misuse and abuse of that Federal regulatory power for this purpose.

The PRESIDING OFFICER (Mr. McGEE in the chair). The time of the Senator has expired.

Mr. JAVITS. I yield myself 1 additional minute.

I repeat that we would be legislating, if we pass this bill—at least, that would be the feeling in New York—out of resentment rather than out of a judicious consideration of what is at stake and what should be done about it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HOLLAND. Does the Senator believe it is good, sound policy to permit the same employee of a banking institution who is at a window to receive the savings of the poor people to also sell lottery tickets, which are documents used in this gambling scheme?

Mr. JAVITS. Mr. President, I deeply believe that it is good, sound policy if the board of directors of that bank, which is very much interested in receiving deposits, believe that it is consistent with the policy, the soundness, and the standing of that bank. No one has to buy a lottery ticket, nor does any bank have to handle this business if it does not wish to. The overwhelming majority of the banks of the State of New York have chosen to do so, and I believe that is the best answer.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I yield 2 minutes to the Senator from Rhode Island.

Mr. PASTORE. Mr. President, I believe that the people of the State of New York have a perfect right to enact a lottery if they desire to do so.

I am one of those who believe that raising tax money through the system of lotteries is not advisable. I have always been of that opinion, and I still am. The issue that confronts us is whether the banks that are authorized by national charter should indulge in this system of selling lottery tickets. I believe that the worst place that a citizen should be allowed to go to buy a lottery ticket is a bank where he deposits his savings. I believe it encourages gambling, and I believe gambling is bad. I do not believe it is the proper way to raise tax money.

If the people of the State of New York desire to do so, that is their business. But I believe we have a perfect right, in the Congress of the United States, where no national lottery has been allowed, to say that a national bank shall not sell lottery tickets to any citizen of any State. That is the way I feel, and that is the way I shall vote.

I believe it is immoral to encourage gambling, and the worst place you can do it is in a savings bank, and we should stop it right here.

Mr. PROXMIRE. I thank the distinguished Senator from Rhode Island for his usual eloquent statement and his very persuasive arguments.

Mr. President, I should like to point out that lottery tickets can be sold and welfare checks can be cashed at the same window. I asked Mr. McCarthy, who is an official of an important bank in New York, vice president of the County Trust Co., in White Plains, N.Y., the following question:

> Senator Proxmire. So you have this available, but also this particular teller, while selling lottery tickets, he is available also for cashing checks and making deposits, and so forth.
>
> Mr. McCarthy. Yes, other teller functions.

The fact is that the banks there do cash a welfare check at the same window where they sell lottery tickets, and it was so testified. Mr. Murphy, the commissioner of banking in New York, was at this hearing, and he at no time said that it was improper.

Furthermore, I said:

> And this is quite common among the banks generally throughout the area?
>
> Mr. McCarthy. In our area, yes.

Mr. President, it is true that the Federal regulatory agencies did say that under present circumstances they did not feel that this constituted an unsound practice. However, the Federal Reserve Board made it clear that there were special circumstances under which, in their judgment, it would constitute an unsound practice.

I submit that the entire history of lotteries has given us persuasive evidence that they almost always lead to corruption, with the gambling elements, the gangster and racketeer elements, getting in, and that the way to stop them is at the congressional level, rather than leaving it up to Federal agencies to have this very heavy responsibility.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PROXMIRE. I yield myself 2 additional minutes.

Mr. President, much was said by Senator Javits about banks being the most efficient way to sell lottery tickets. I submit that the record shows it is not an efficient way to sell them. New York, as a matter of fact, is selling only approximately 17 percent of what it expected to sell. All the testimony at the hearings shows that they recognize that this is an inefficient method. As a matter of fact, New Hampshire, where banks are not used for this purpose, has done a better job, relatively, with its lottery than has New York.

Furthermore, a section of the New York State law provides that if they cannot use banks, they will be allowed to use State and local agencies of various types throughout the State of New York. Many thousands of these agencies are available. So more numerous facilities would be available to the people of the State of New York if this bill is passed.

Mr. McINTYRE. Mr. President, will the Senator yield?

Mr. PROXMIRE. I understood that the Senator desired me to yield to him after the vote.

Mr. McINTYRE. Upon reflection, I would rather have the Senator yield to me now.

Mr. PROXMIRE. How much time does the Senator desire?

Mr. McINTYRE. I should like 4 minutes.

Mr. PROXMIRE. I yield 4 minutes to the Senator from New Hampshire.

Mr. McINTYRE. Mr. President, I find myself in the uncomfortable position of rising to support the passage of H.R. 10595, as amended by the Committee on Banking and Currency, a committee upon which I serve, although I disagree with the basic judgments which have given rise to this bill.

I believe that the bill as it now stands represents the best possible compromise which my own State of New Hampshire and our sister State of New York can hope for from the Congress. The amendments adopted by the Committee on Banking and Currency and by the Senate, make it clear that the Congress has no intention of interfering with the right of a State to conduct a lottery, nor with the rights of such States to utilize the normal facilities offered by financial institutions to their other customers.

I would be happier if this bill were not before the Senate. I voted against reporting it out of committee. However, I am now convinced that there exists sufficient support in the Congress to insure its passage. Rather than oppose the bill in a way which would jeopardize the concessions which New Hampshire and New York have won, thanks in great part to the understanding of the basic issues involved shown by the manager of the bill, the distinguished Senator from Wisconsin [Mr. Proxmire].

Mr. President, many of my doubts about the basis for this legislation have been resolved by a letter which I have just received from the distinguished manager of this bill. I ask unanimous consent that this letter be printed in the Record at this point.

There being no objection, the letter was ordered to be printed in the Record, as follows:

> U.S. Senate, Committee on Banking and Currency,
> *Washington, D.C., November 10, 1967.*
>
> Hon. Thomas J. McIntyre,
> *U.S. Senate,*
> *Washington, D.C.*
>
> Dear Tom: On Monday, the Senate will consider H.R. 10595, a bill to prohibit federally insured banks and savings and loan associations from selling lottery tickets. The bill passed the House by a vote of 271 to 111. It was reported by the Senate Banking and Currency Committee on October 24.
>
> At the present time, there are only two State sponsored lotteries—New Hampshire and New York. Since New Hampshire makes virtually no use of banks in selling lottery tickets, the main effect of the bill would be in the State of New York.
>
> The bill would not prohibit New York or any other State from operating a State lottery. It does not infringe upon the sovereign right of a state to operate a lottery. It does however prohibit a State lottery from using federally insured financial institutions as agents in the sale of lottery tickets.
>
> The bill does not presume to make a moral judgment that lotteries are bad, although I am sure many Senators would agree that they are. However, the bill does assume the sale of lottery tickets by a bank is incompatible with sound banking practices and is harmful to the good reputation of banks.
>
> This position is strongly supported by the Wall Street Journal which said that banks should "avoid any activity which carries even a sniff of taint."
>
> I hope that you will be able to support the bill when it comes up for a vote on Monday.
>
> Sincerely,
>
> William Proxmire,
> *U.S. Senator.*

Mr. McINTYRE. I call the attention of the Senate to one paragraph of Senator Proxmire's letter, which reads:

> The bill does not presume to make a moral judgment that lotteries are bad, although I am sure many Senators would agree that they are. However, the bill does assume the sale of lottery tickets by a bank is incompatible with sound banking practices and is harmful to the good reputation of banks.

Mr. President, with the explicit understanding on the part of the manager of this bill that it is not intended in any way to condemn the people of my State, I feel that the bill can properly receive the support of the Senate.

Mr. President, I shall vote against the motion of the Senator from New York to recommit and I shall vote for passage of the bill.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. McINTYRE. I yield.

The PRESIDING OFFICER. The Senator from Wisconsin has the floor. Does the Senator from Wisconsin yield time?

Mr. PROXMIRE. I yield to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I commend my colleague from New Hampshire for securing his amendment in committee which preserves for our State the practice in which it is already indulging, and that is using the bank facilities for deposits and using the computers for accounting for the money so that the public may be content that the entire procedure is on the up and up.

Mr. President, I wish to propound the following inquiry to the Senator. Is it my understanding that the Senator is apprehensive that if this bill were recommitted to the committee, he might be in some danger of losing this perfectly legitimate safeguard that he has secured in his committee for the practice now being followed in New Hampshire?

Mr. McINTYRE. Mr. President, I believe that my senior colleague from New Hampshire has put his finger on a very delicate issue.

Thanks to the understanding of the committee, as I have explained to the Senate, they have accepted this amendment which relieves New Hampshire from the onerous features of the bill as originally drafted. I believe to send the bill back to committee would only bring about the possibility that a change might take place that my senior colleague and I, representing the great State of New Hampshire, would find very difficult to accept.

Mr. COTTON. I thank the Senator. I am glad to have the information he has related.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER (Mr. Pastore in the chair). The Senator from New York is recognized.

Mr. JAVITS. Mr. President, one of the arguments with respect to organized crime is whether it is not infinitely more prudent to have the State and other respectable authority deal with lotteries, horse racing, and so forth, rather than to leave this field to the criminal elements, and especially the large organized criminal elements. I repeat that prohibition was the best example of that.

In respect to the statement of the Senator from New Hampshire I understand his position. I am glad that he was able to get the amendments in the bill which he did. However, as we stand in this Chamber, the recommittal of a bill represents the fact that the Senate decides against the bill. The committee is at liberty to bring back a bill, but it is unlikely to do so.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 additional minutes.

Mr. JAVITS. Mr. President, in view of the possible adverse decision by the Senate on the issue, I sought to be considerate in making the motion I did, rather than to ask the Senate to vote the bill up or down. If the committee is dissatisfied with the recommittal, the manager of the bill can always move to table the motion or we can go on to vote the bill up or down on the merits. I thought it more desirable to show my consideration for the committee in making the motion to recommit.

Mr. President, I wish to sum up as follows. This is a bill to prohibit—not a bill to permit—the people of New York from using legal means to carry out State law and State policy which has been adopted in a considered way. In my judgment, the Federal Government should not prohibit the execution of State policy under the guise of Federal banking regulations. It is for that reason that I oppose the bill and I feel I have the support of the people and the legislature of my State.

Mr. President, I am ready to vote.

Mr. PROXMIRE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. McGee in the chair). All time having been yielded back, the question is on agreeing to the motion of the Senator from New York to recommit the bill.

Mr. AIKEN. Mr. President, is the vote on the bill itself?

The PRESIDING OFFICER. The question is on the motion to recommit.

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MANSFIELD [after having voted in the negative]. On this vote, I have a pair with the distinguished Senator from New York [Mr. Kennedy]. If he were present and voting, he would vote "yea"; if I were permitted to vote, I would vote "nay." I therefore withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Alaska [Mr. Bartlett], the Senator from Nevada [Mr. Cannon], the Senator from Massachusetts [Mr. Kennedy], the Senator from Arkansas [Mr. McClellan], the Senator from Oregon [Mr. Morse], the Senator from North Carolina [Mr. Jordan], and the Senator from Georgia [Mr. Talmadge] are absent on official business.

I also announce that the Senator from Virginia [Mr. Byrd], the Senator from Idaho [Mr. Church], the Senator from Connecticut [Mr. Dodd], the Senator from Arkansas [Mr. Fulbright], the Senator from Tennessee [Mr. Gore], the Senator from South Carolina [Mr. Hollings], the Senator from Washington [Mr. Jackson], the Senator from New York [Mr. Kennedy], the Senator from Minnesota [Mr. McCarthy], the Senator from South Dakota [Mr. McGovern], the Senator from Minnesota [Mr. Mondale], the Senator from Georgia [Mr. Russell], and the Senator from Florida [Mr. Smathers] are necessarily absent.

I further announce that, if present and voting, the Senator from Oregon [Mr. Morse], the Senator from Florida [Mr. Smathers], and the Senator from Georgia [Mr. Russell] would each vote "nay."

On this vote, the Senator from Arkansas [Mr. McClellan] is paired with the Senator from California [Mr. Murphy]. If present and voting, the Senator from Arkansas would vote "nay" and the Senator from California would vote "yea."

On this vote, the Senator from Nevada [Mr. Cannon] is paired with the Senator from South Carolina [Mr. Hollings]. If present and voting, the Senator from Nevada would vote "yea" and the Senator from South Carolina would vote "nay."

Mr. KUCHEL. I announce that the Senator from Colorado [Mr. Dominick], the Senator from California [Mr. Murphy], the Senator from Pennsylvania [Mr. Scott], and the Senator from South Carolina [Mr. Thurmond] are necessarily absent.

The Senator from Iowa [Mr. Miller] is absent on official business.

The Senator from Michigan [Mr. Griffin] is detained on official business.

On this vote, the Senator from Iowa [Mr. Miller] is paired with the Senator from Colorado [Mr. Dominick]. If present and voting, the Senator from Iowa would vote "yea" and the Senator from Colorado would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. Scott] is paired with the Senator from South Carolina [Mr. Thurmond]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from South Carolina would vote "nay."

On this vote, the Senator from California [Mr. Murphy] is paired with the Senator from Arkansas [Mr. McClellan]. If present and voting, the Senator from California would vote "yea" and the Senator from Arkansas would vote "nay."

The result was announced—yeas 17, nays 56, as follows:

[No. 317 Leg.]

YEAS—17

Baker
Bennett
Bible
Brooke
Case
Dirksen
Fannin
Hansen
Hickenlooper
Hruska
Javits
Jordan, Idaho
Kuchel
Morton
Percy
Prouty
Tower

NAYS—56

Aiken
Allott
Anderson
Bayh
Boggs
Brewster
Burdick
Byrd, W. Va.
Carlson
Clark
Cooper
Cotton
Curtis
Eastland
Ellender
Ervin
Fong
Gruening
Harris
Hart
Hartke
Hatfield
Hayden
Hill
Holland
Inouye
Lausche
Long, Mo.
Long, La.
Magnuson
McGee
McIntyre
Metcalf
Monroney
Montoya
Moss
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Smith
Sparkman
Spong
Stennis
Symington
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

NOT VOTING—27

Bartlett
Byrd, Va.
Cannon
Church
Dodd
Dominick
Fulbright
Gore
Griffin
Hollings
Jackson
Jordan, N.C.
Kennedy, Mass.
Kennedy, N.Y.
Mansfield
McCarthy
McClellan
McGovern
Miller
Mondale
Morse
Murphy
Russell
Scott
Smathers
Talmadge
Thurmond

So Mr. Javits' motion to recommit was rejected.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

Mr. JAVITS. Mr. President, it seems to me the Senate has manifested its will. I feel secure in the fact that we have made all the arguments on both sides that we could. I do not think a vote on final passage would be much different. It might be a little different, but the margin on this vote was so wide that I shall not insist on a rollcall vote.

The PRESIDING OFFICER. The bill having been read the third time, the question, Shall it pass?

The bill (H.R. 10595) was passed.

Mr. PROXMIRE. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SPARKMAN. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MANSFIELD. Mr. President, the distinguished Senator from Wisconsin

[Mr. PROXMIRE] earned the respect and admiration of the entire Senate for the manner in which he handled this measure which prohibits certain banks from promoting lottery and gambling activities. His articulate and well-reasoned arguments in favor of the bill served to assure more than anything else the overwhelming acceptance of this measure by the Senate. We are deeply grateful once again to Senator PROXMIRE for performing so well his assigned task.

The Senate is grateful also to the distinguished Senator from Alabama [Mr. SPARKMAN], the chairman of the Committee on Banking and Currency, for his splendid efforts on behalf of this legislative proposal.

The Senate is grateful also to the Senator from New York [Mr. JAVITS] who, while he opposed the measure, his opposition was strong and most sincere, and we thank him for in no way impeding efficient action by the Senate. Others too joined to make the discussion highly thoughtful. Noteworthy were the views of the distinguished Senators from Florida [Mr. HOLLAND], Ohio [Mr. LAUSCHE], and Illinois [Mr. PERCY]. Their views and the views of many others were, as always, most welcome.

The Senate may be proud of another achievement obtained with the splendid cooperation of every Member.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 780) to amend the Clean Air Act to authorize planning grants to air pollution control agencies; expand research provisions relating to fuels and vehicles; provide for interstate air pollution control agencies or commissions; authorize the establishment of air quality standards, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. STAGGERS, Mr. JARMAN, Mr. ROGERS of Florida, Mr. SPRINGER, and Mr. NELSEN were appointed managers on the part of the House at the conference.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, I should like to ask the distinguished majority leader about the program for the balance of the day and also tomorrow.

Mr. MANSFIELD. Mr. President, in response to the question raised by my distinguished colleague, the minority leader, the next order of business will be the military construction appropriation bill. It is my understanding that the chairman of the subcommittee, the Senator from Nevada [Mr. BIBLE], will make his opening statement tonight. It is my further understanding that the Senator from New York [Mr. JAVITS] intends to make a statement relative to his proposal to suspend the rules to bring about the extension of the date on the continuing resolution.

That will be all the business for tonight.

Tomorrow we will continue consideration and hopefully disposition of the military construction appropriation bill to be followed by other matters which may come out of committee in the meantime.

It is our hope, all things considered, to be able to have the social security bill as the pending business on Wednesday morning. Although we have previously announced a tentative schedule to proceed to the elementary and secondary education bill on Thursday, we may well continue with the social security bill and stay with it until it is completed, and to follow social security with the education bill. This program will take some days.

These bills will certainly carry us well into next week. All Senators should plan on a full and active legislative week this week and next up to and including Wednesday of next week. It is the leadership's hope that both of these bills will be passed by the Senate prior to the Thanksgiving recess.

ORDER FOR ADJOURNMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

MILITARY CONSTRUCTION APPROPRIATIONS, 1968

Mr. BYRD of West Virginia. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 726, H.R. 13606.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 13606) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from West Virginia.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments.

Mr. BIBLE. Mr. President, I present for the consideration of the Senate, the military construction appropriation bill, H.R. 13606, and the accompanying report, No. 742. It is not my intention in presenting the bill to give complete detailed figures concerning each line item. The line item breakdown and explanations are contained in the report which has been placed on the desk before each Senator.

The total of the military construction appropriation bill as reported by the Committee on Appropriations amounts to $2,099,350,000. This is a decrease of $43,343,000 under the amount of $2,142,693,000 provided by the House. The budget estimate for the fiscal year 1968 military construction appropriation bill amounted to $2,937,000,000. The total bill as reported to the Senate is $837,650,000 under the budget estimate. Percentagewise, this amounts to a reduction of approximately 28.5 percent.

The Military Construction Subcommittee of the Appropriations Committee held joint hearings this year with the Military Subcommittee of the Armed Services Committee chaired by the able Senator of Washington [Mr. JACKSON]. These joint hearings were most productive in saving time for individual Senators and the witnesses from the Department of Defense. Additional hearings by the committee were held to hear testimony on items in the bill which were from previous years' authorization. These hearings also afforded an opportunity for the military services and the Department of Defense to fully present the appeals from the House appropriation action which amounted to $362 million. In total, 1,007 pages of testimony were taken, together with a voluminous array of written information furnished by the services and the Department of Defense.

A careful survey was made of each line item and only those projects were included in the bill which were of a high priority in nature or were directly needed in current operations. Several headquarters buildings and laboratories were deferred because, in the judgment of the committee, they could wait until future years' appropriations bills.

The committee wishes to state emphatically that of the projects deleted none were deferred with prejudice. The committee felt that with the stringent funds situation that exists throughout the Federal Government today, these project reductions could be made without impairing the efficiency of the Military Establishment. In future years, when the Federal Government is experiencing a more stable financial condition and an enormous deficit is not in the offing, the committee will look with favor upon construction projects that are needed to update and modernize the military physical plant.

Before going into construction appropriations for each of the Services and the Department of Defense, I will mention a number of committee actions taken on large items. The largest single reduction made by the House was $100 million due to so-called unobligated balances remaining from previous years authorization. The House reductions for the services are as follows: $45 million for the Army; $40 million for the Navy; and $15 million for the Air Force.

The $100 million reduction represents more than 10 percent of the total funds available to the services for construction projects. Testimony from the services and the Department of Defense revealed that practically all of the $834,930,000 in unobligated balances are programed for current construction projects. It was the considered judgment of the committee that a reduction of this size would seriously hamper both the fiscal year 1966 and the fiscal year 1967 construction programs now in progress; thus restoration was made of this figure, which of course has the end result of placing the matter in conference when we go to conference with the House of Representatives.

The committee made a reduction in the request to finance the North Atlantic Treaty Organization infrastructure program amounting to $35 million from a budget request of $60 million. The committee feels that the Department of Defense did not adequately explain completely the need for the requested $60 million. A list of the current projects for funding and justification was not furnished to the committee. The credits that the United States will receive for the relocation of military installations from France have not been computed by NATO, nor does the United States know at this point in time, whether NATO will allow these credits. Thus the committee felt that it did not have enough information upon which to base a value judgment as to what the U.S. contribution should actually be to NATO for the current fiscal year.

Twenty million dollars was approved by the committee for the Defense Intelligence Agency Building at Arlington Hall, Va. This item was disallowed by the House of Representatives. Testimony by Defense witnesses shows that all architectural engineering work had been virtually completed and a contract for the construction could be awarded as soon thereafter as appropriations are available. The property of Arlington Hall is owned in fee simple by the Federal Government and controlled by the Department of Defense, so there was no land acquisition problem involved. The Department of Defense witnesses indicated likewise there exists no possibility of vacating or reducing Defense activities at that installation. Accordingly, it seemed to the committee—and they were unanimous on this point—that if the construction of the facility is to be delayed much longer, it will necessitate a large maintenance and repair program involving millions of dollars to keep the present facilities in usable state. Such an expenditure would be virtually wasted because the buildings would have to be razed in the near future, for they have already outlived their life expectancy. Accordingly, we added this item of $20 million. As I indicated earlier, it will be in conference with the House of Representatives. It is a project that I believe should go forward without any further delay.

The committee agreed with the House and deleted $3,500,000 for ground improvements at Bolling Air Force Base which was to be the start of the so-called little Pentagon. The building is to house the Department of the Navy when they move out of the deteriorated buildings on Constitution Avenue. The Department of Defense building envisioned for Bolling Air Force Base will cost an estimated $112 million. It was the considered judgment of the committee that more study is needed before this huge financial expenditure is made. Information indicated that a delay of 1 year would not seriously hamper the start of work on this building. The Navy can continue with their planning and refinement of construction details, and when a more favorable financial climate prevails in the Government, and better construction estimates are available, this project can be resubmitted to the Congress. There is no doubt, in my mind at least, that within the next few years, Congress will have to take positive action to provide the Navy with adequate office space. The old buildings on Constitution Avenue have reached the limit of their usability.

The Navy declared that there appears to be no solution to the problem except to move 13,000 people to unsatisfactory private office space which will cost millions of dollars a year. This was an item that, in our judgment, required further study. I believe it is an item that can be deferred, but one we shall have to face up to in the next several years.

The largest single reduction made in the bill was $100,000,000 from the contingency fund from the Secretary of Defense. This fund is to provide for the financing of contingencies concerned with construction which may arise during the current fiscal year in Southeast Asia and other parts of the world, but principally in Southeast Asia. Approval has been given to the services for $75,000,000 for construction in Southeast Asia, and in view of the fact that all the hardcore construction—the ports, the airfields and the cantonments—have been completed or a good degree of progress toward completion has been accomplished, the request by the Department of Defense appears to be unusually high.

The committee took cognizance of Secretary McNamara's November 1 letter. In order to afford the Secretary the flexibility he desires, the committee recommends appropriate language in the "Military construction, defense agencies" appropriation which will give the Secretary of Defense the ability to transfer funds from the three military construction accounts into the contingency fund if and when such action is required. The amount of $50,000,000 available to be transferred will increase the total available to $100,000,000.

The committee is of the opinion that an appropriation of $50,000,000 in addition to the transfer authority is adequate to cover contingencies and finance presently unknown construction requirements.

An important item restored to the bill for the Army after the House action is the Pathological Building at the Walter Reed Army Medical Center. This involves the tearing down of the old building where the pathological activity has been carried on for a number of years, located on Independence Avenue. The Congress last year passed a law giving this old building to the Smithsonian Institution in order that it could be torn down to make way for the new Hirshhorn Art Museum. This project can be initiated immediately. If the money is available, bids are scheduled for November 15, 1967, and the contract award is set for December 15, 1967. In other words, the museum cannot go forward until the Armed Forces Institute of Pathology moves out of the building so that it can be torn down. In addition, there is need of consolidating this activity and function at one place; and obviously that place should be at the present Pathological Laboratory at the Walter Reed Medical Center.

In addition to the pathology laboratory mentioned above, the committee has approved $3,600,000 to make a start on the renovation of the Walter Reed Medical Center. This money would provide for the move of support facilities now located on the main Walter Reed complex to the Forest Glen Annex in Maryland. The move would relieve the great congestion in pedestrian and vehicular traffic now existing on the reservation, and will permit the orderly replacement of the new medical facilities that will be a part of the renovation of the hospital. During the committee meeting, it was the unanimous opinion that this is intended to be the first phase of a total renovation program for the hospital, and that the Department of Defense will be expected to request funds in fiscal year 1969 to provide for a substantial second increment. The committee is unanimous in its opinion that the time is long past due when the replacement of the substandard facilities at Walter Reed should begin.

The largest single reduction made in the bill was for family housing. Approval has been given by the Senate committee for the funding of 5,000 houses. This is a reduction of 3,500 from the 8,500 allowed by the House and a reduction of $62,758,000 in funds allowed by the House.

The committee investigated the family housing request in great detail and was disappointed to find that a total of 10 percent of the request for houses was in the Washington metropolitan area. Real estate figures in the possession of the committee make it obvious that there is not a shortage of housing in the Washington area. It should be completely understood that the committee is in sympathy with the Department of Defense housing policy of furnishing family housing where it is most difficult for military men to obtain family housing, and the committee is in agreement with furnishing family housing in remote areas where it is impossible to find such. It is the further judgment of the committee that the 5,000 houses allowed in this bill, together with the 5,048 housing units presently not under construction, will make available to the Department of Defense a housing program of 10,048 housing units which is considered adequate, and I might say more than adequate, for the remaining part of the fiscal year. After all, this is November 13, and there is only a little more than 7 months left in the fiscal year.

It was our judgment that 10,000 units was all that could be properly absorbed and put to contract between now and July 1 of next year.

I would now like to briefly mention the appropriations provided for the line items in the military services and the Department of Defense.

ARMY

The committee approved an appropriation of $407,140,000 for construction within the Army, exclusive of family housing. The largest request for the Army was for operations and training facilities amounting to $136,000,000. Included in the items of this category are $64,000,000 for tactical facilities and $25,-

000,000 for the U.S. share of the NATO infrastructure construction costs and $2,000,000 for a classified Department of Defense project. The remaining funds appropriated are for operational facilities, communication facilities, and training facilities.

Funds provided for maintenance and production facilities amount to approximately $14,000,000. This category contains some 19 items. Included are tactical equipment shops and facilities at five stations, two rocket ammunition maintenance facilities, and 12 other smaller projects.

The committee has approved funds of approximately $28,000,000 for research, development and test facilities. The projects, in this category support development and test of Nike X and improvement of the Army research and development capability. The latter category includes facilities for basic research, materiel development, and a testing of development items. Funds in the amount of $14,000,000 have also been provided for supply facilities. A major part of the funds in this category is for storage projects to improve the Army's military posture in Europe and to begin the mechanization of major Army depots.

A large amount has been approved for hospital and medical facilities amounting to $44,000,000. Approval has been given for three major hospitals and additions or alterations at two others. And in addition, approval has been given for the Armed Forces Institute of Pathology at the Walter Reed facility in Washington, D.C.

In the category of administrative facilities, $2,156,000 has been provided for five items.

Appropriations of approximately $70,000,000 have been placed in the bill for troop housing and community facilities. The funds included are for barracks at seven installations and for bachelor officer quarters. Other major items are dependent school addition at Kwajalein and an enlisted men's service club with branch library at Fort Leonard Wood, Mo.

In the category of station utilities, approval has been given for an appropriation of $63,000,000. This category consists of 10 electrical projects, five steam heat projects, three gas heat projects, sewage and industrial waste treatment facilities, water supply treatment storage and water distribution systems. Funds have also been included for roads, railroads, and ground improvements. The increase in sewage treatment projects complies with the intent of Congress as expressed in the Federal Water Quality Act of 1965.

The committee has provided $328,000 for the acquisition of real estate and land improvements. This category includes two items—the acquisition of mineral interests at Fort Gordon, Ga., and site improvements at Camp Pickett, Va.

In the area of general support programs, $33,500,000 has been provided for planning, minor construction, and access roads. And in addition to the above named amount, $25,000,000 has been provided as previously mentioned for the NATO infrastructure.

NAVY

For military construction for the active forces for the Department of the Navy and Marine Corps, the committee approved funds totaling $517,743,000. Of this total, $418,524,000 is for projects inside the United States, $62,669,000 is for overseas projects including Southeast Asia, and $36,550,000 is for general support programs such as planning and design.

The largest segment of the Navy program is for troop housing and community support facilities. The committee approved $150,097,000 in this category. Changes in technology have tended to emphasize direct operational and maintenance facilities, and the like, at the expense of personnel support facilities. The committee agreed that strong efforts are needed to upgrade these personnel facilities. Approved projects in this category include rehabilitation and modernization of existing facilities as well as new construction. However, the committee carefully reviewed these projects; and where it felt existing facilities could be used a little longer, modernization funding was denied.

For operation and training facilities, $102,283,000 was approved. Major items contemplate improvement of operational support facilities for aircraft carriers, fleet air squadrons, communications, and ammunition outloading facilities. In the training area, projects would expand electronic instruction, training of pilots, submarine crews, hospital corpsmen and recruits, and would augment facilities at the Naval Academy. The approved projects include $13,425,000 for personnel and training facilities to continue the program to establish a third recruit training center at Orlando, Fla.

Utilities items amounting to $70,165,000 were approved. This amount includes approximately $17,000,000 for pollution abatement items at over 20 naval installations to bring them into conformance with Federal and local government statutes. The remainder of the program is for electrical power sources, transmission lines, expansion and improvement of station roadways, and improvement of steamplants and steam transmission lines.

The committee approved $68,386,000 for maintenance and production facilities. This category includes all types of facilities necessary for the production, maintenance and repair of Navy hardware including shops and hangars, shipyards, and production, assembly and maintenance facilities for rockets, guided missiles, and various types of conventional ammunition. The bulk of the Navy program is for improved field and depot maintenance facilities, with other large segments devoted to production and maintenance of weapons, explosives, and general items of equipment. Items amounting to approximately $22,000,000 were approved for modernization at the various naval shipyards. The Navy advised the committee that this was the start of a program extending over about 6 years and estimated to cost several hundred million dollars. Each of the items approved in this fiscal year 1968 program is complete and usable in itself. Thus, although the committee agrees that extensive modernization of our naval shipyards is long overdue, we have not made any specific commitments for items in future programs.

Hospital and medical facilities were approved in the amount of $32,832,000. This amount includes funds for construction of three hospitals to replace out-of-date facilities and is part of a continuing program to provide adequate medical facilities for the Armed Forces. The new hospitals are to be constructed at Chelsea, Mass.; Memphis, Tenn.; and Roosevelt Roads, P.R. The new hospitals are being programed based on long-term personnel strengths of the Armed Forces. The temporary increases in patients from Southeast Asia will be accommodated in existing temporary facilities or by crowding.

Other facilities items amounting to $58,480,000 were approved. These items are for supply facilities, administrative facilities, research and development facilities, and real estate. The $13,638,000 approved for administrative facilities is approximately half of the budget request. The committee agreed with the reductions in this category as a result of the authorizing action and the House appropriations action. Where items were denied funding, the Navy is able to carry on for an additional year or so. The approved items were those felt to be vital to current military efforts.

For continuing authorization, $36,550,000 was approved. These funds are for the general support programs of planning and design, minor construction, access roads, and minor land acquisition.

AIR FORCE

The bill now before the Senate carries an approval of $402,035,000 for the Active Forces, Air Force. This amount, of course, is exclusive of family housing. A little over 20 percent of the Air Force budget is keyed to financing the strategic forces. Funds were approved for updating the electronic system of our operational ballistic missiles. These improvements will incorporate the latest technical developments and improve survivability of the missiles themselves. There is also money in this bill to provide structures for storing, testing, and inspecting reentry systems. Also, funds have been provided for new antenna systems at one operational Minuteman wing, plus some new corrosion and control features. The balance of money for unmanned systems provides for launch crew training and component test facilities to insure that both the crew and the missiles are ready to perform their functions at all times.

The committee has approved funds for the strategic defense forces of the Air Force principally for electronic warning and control systems, manned interceptor aircraft and passive defense measures. In the control and warning area, there are several significant projects. First, there is $4,300,000 for over-the-horizon radar system. Also approved is an amount of $2.5 million as the fifth increment of the installation of the backup interceptor control system for SAGE.

Money is provided in this bill for the underground NORAD headquarters, Colorado Springs, Colo., to take care of the number of contingencies that have arisen from the construction of the underground headquarters in Cheyenne Mountain.

Other major projects in this grouping are the relocation of a primary taxiway at Elmendorf Airbase, at $2,000,000, and $1,800,000 for the construction of a new sewage treatment plant and a major alteration of the heating plant.

Under the heading of tactical forces, the committee has approved funds to update bases equipped with F-4 aircraft in order that these aircraft can be used to their full potential. Facilities have been provided for the new F-111 aircraft, particularly as to flight simulator training facilities, squadron operations buildings, target intelligence, training facilities, and maintenance docks.

The committee has refused funding for the base vulnerability request in the amount of $19,120,000. This project has been turned down twice by the Congress in previous years. The committee feels, due to the many changes in the program from its inception, that the Air Force has never been sure of exactly where they wish to place these structures. Furthermore, this is the start of a program that could cost approximately $175,000,000. I might say to my colleagues that this program, since Congress has been turning it down, has been reduced from $500,000,000 plus, to $175,000,000.

The committee reduced the Air Force request of $5,000,000 for the war reserve material storage to zero. The committee is of the opinion that money can be saved in this area, because information available indicates that at some of the sites where they wish to install additional storage facilities—particularly at Okinawa and Guam—oil companies are planning to put refineries; and also, in previous bills, particularly the 1966 supplemental, funds were made available for fuel storage. The committee intends, during the next year, to thoroughly review the whole situation of war reserve storage.

The continued rapid introduction of new aircraft into the airlift system has necessitated the construction of new facilities to support the C-141 aircraft and the new C-5 aircraft, which will soon become operational. Approval has been given for engine test cells, field training classrooms, maintenance docks and aircraft fueling systems costing $9,000,000. The committee denied $7,500,000 for a headquarters building at Scott Airbase, the home of the Airlift Command. This headquarters building can await future funding when the stringent financial situation of the U.S. Government has improved. The remaining projects for the airlift command cover a wide range of facilities, including airfield pavement, fire stations, maintenance shops, fuel storage, service clubs and pollution abatement facilities. In the committee's judgment, the funds approved for the Airlift Command will provide the essential operational facilities needed for the coming year.

In the area of research and development, the committee has approved $55,000,000. These funds will provide particularly for a large laboratory in technological research at Wright-Patterson Air Force Base. Also included are funds for the manned orbital laboratory which is one of the Air Force's prime space programs. Money has been provided both for the eastern test range at Cape Kennedy, Fla., and the western test range at Vandenberg Air Force Base.

In addition, approval has been given for a badly needed runway at the Arnold Engineering Development Center, Tenn. The purpose of this construction is to allow the direct air delivery of test articles. The air delivery system, direct to the base, will materially reduce the danger of damage to complex, delicate, and costly test components.

The Air Force logistic system consists of seven major depots strategically located across the country. Funding approval has been given for the construction of shop- and depot-type facilities and logistic administrative facilities. Also included in this category are projects for waste treatment plants, fire protection systems, and utilities.

The committee took special notice of recruit training facilities at Lackland Air Force Base and approved $23,500,000 to upgrade a number of the training facilities. The facilities approved are recruit quarters, dining halls, academic classrooms, and a covered formation area. Lackland Air Force Base is the only permanent training center base for the Air Force. Approximately 125,000 recruit trainees are processed through this base each year.

This is a general recapitulation, not a complete recapitulation, because there is more detail in the report and the supporting tables of the report with respect to the committee's action insofar as Air Force items are concerned.

DEPARTMENT OF DEFENSE

The committee has approved a request for the Defense agencies in the amount of $84,540,000. This amount is $30,000,000 below the House approved amount of $114,540,000. The largest reduction made in this account was $50,000,000 in the Department of Defense contingency fund, which has been discussed earlier. The committee restored $20,000,000 to the bill for the Defense Intelligence Agency building at Arlington Hall. This item has been discussed previously. The rest of the Department of Defense construction program is for operational facilities at the National Security Agency, Defense Atomic Support Agency, and the Defense Supply Agency.

FAMILY HOUSING

The family housing account has been approved in the amount of $639,892,000. This is $62,758,000 below the House-approved amount of $702,650,000. The thinking of the committee, I am sure, was that the 5,000 units provided by this amount of money, plus the 5,048 that are now available—the testimony was that they hope to get this obligated by November 9. That date has come and gone, and, so far as I know, they have not placed them under obligation to this date. However, it is safe to say that this is an adequate amount, some 10,000 units, over the next 7 months. We believe the figure is completely adequate. Family housing has been discussed previously; however, if any of my colleagues have any questions, I shall be glad to answer them at the end of my presentation.

HOMEOWNERS ASSISTANCE

The committee has approved $20,000,000, the same amount as allowed by the House for the Homeowners Assistance Act. This is a reduction of $7,000,000 from the requested amount of $27,000,000. The Department of Defense has advised that, due to the inability to start the program at the beginning of the 1968 fiscal year in July, $20,000,000 would be sufficient for the rest of the year to implement the program. This is required by congressional action, and the home owners assistance requests have come up in the supplemental. It was not allowed in the last supplemental. I believe the $20 million should be allowed at this time.

RESERVE FORCES

Funds for the Reserve Forces have been approved in the amount of $24,400,000. Included in this amount is $3,000,000 for the Army National Guard and $3,000,000 for the Army Reserves. The Department of Defense did not request funds this year for these two reserve components. However, the Congress authorized this year $10,000,000 for the Army National Guard and $10,000,000 for the Army Reserves. The committee is recommending a funding of only $3,000,000 in each instance.

LEGISLATIVE PROVISIONS

The committee has placed a provision in the bill on page 3, line 14, after the word "Agencies" as follows: "and, in addition, not to exceed $50,000,000 to be derived by transfer from the appropriations 'Military Construction, Army,' 'Military Construction, Navy,' and 'Military Construction, Air Force.' "

This provision will allow the Secretary of Defense to transfer $50,000,000 for contingencies in Southeast Asia and other areas from the appropriations for "Military construction, Army, Navy, and Air Force."

This makes a total of $100 million, which we believe is ample for this purpose, in view of the unobligated amounts carried forward as of September 1, and, as is reflected in the report, is adequate for our military construction in that theater of the world.

Mr. President, this concludes my summary of the military construction bill. I shall now be glad to answer any questions concerning the committee's action and to explain any additions or deletions which may have been made.

Mr. President, I ask unanimous consent to have printed in the RECORD a comparative statement of the appropriations for fiscal year 1968 and the estimates and the amounts recommended in the bill.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

MILITARY CONSTRUCTION APPROPRIATIONS, 1968

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR FISCAL YEAR 1967, AND THE ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR FISCAL YEAR 1968

Item	Appropriations, 1967	Budget estimate, 1968	Recommended in House bill, 1968	Amount recommended by Senate committee	Increase (+) or decrease (−) Senate bill compared with—		
					Appropriations, 1967	Budget estimate, 1968	House bill
Military construction, Army	$402,514,000	$592,000,000	$383,235,000	$407,140,000	+$4,626,000	−$184,860,000	+$23,905,000
Military construction, Navy	266,918,000	651,000,000	484,731,000	517,743,000	+250,825,000	−133,257,000	+33,012,000
Military construction, Air Force	401,495,000	618,000,000	415,537,000	402,035,000	+540,000	−215,965,000	−13,502,000
Military construction, Defense agencies	7,547,000	240,000,000	114,540,000	84,540,000	+76,993,000	−155,460,000	−30,000,000
Military construction, Army Reserve				3,000,000	+3,000,000	+3,000,000	+3,000,000
Military construction, Naval Reserve	5,400,000	5,000,000	5,000,000	5,000,000	−400,000		
Military construction, Air Force Reserve	3,600,000	3,900,000	3,900,000	3,900,000	+300,000		
Military construction, Army National Guard				3,000,000	+3,000,000	+3,000,000	+3,000,000
Military construction, Air National Guard	9,400,000	9,500,000	9,500,000	9,500,000	+100,000		
Loran stations		3,600,000	3,600,000	3,600,000	+3,600,000		
Family housing	507,196,000	787,000,000	702,650,000	639,892,000	+132,696,000	−147,108,000	−62,758,000
Homeowners assistance fund		27,000,000	20,000,000	20,000,000	+20,000,000	−7,000,000	
Total	1,604,070,000	2,937,000,000	2,142,693,000	2,099,350,000	+495,280,000	−837,650,000	−43,343,000

Mr. BIBLE. Before I close, I wish to thank the members of the Military Construction Subcommittee who assisted in the preparation of this bill. The penetrating questions asked at the hearings as well as their measured judgment in the consideration of the bill were of inestimable help. I wish to thank particularly the ranking minority member of the subcommittee, the senior Senator from North Dakota [Mr. YOUNG], whose faithful attendance at the hearings, sound judgment, and complete cooperation are deeply appreciated.

Mr. President, I would not want the opportunity to pass without paying tribute to Mike Rexroad, who worked on the bill, who was with Senator STENNIS for so many years, and who did a tremendous job in connection with the bill. I wish to thank Mr. Gordon Nease of the Armed Services Committee who has contributed valuable assistance in the consideration of this bill. I also wish to pay tribute to the minority staff members who were so helpful to the Senator from North Dakota [Mr. YOUNG].

I yield to the Senator from Florida.

Mr. HOLLAND. I thank the Senator. First, I congratulate the Senator and the members of the subcommittee for the thorough way in which they have combed over items in the bill at a savings of some $837 million plus out of the budgeted request, at a time when defense is so important to us. It indicates a most careful study, and the fact that a very large reduction was made and approved by the full Committee on Appropriations indicates something of the confidence the committee has in the subcommittee and in particular its chairman. I congratulate him and them.

Second, I wish to say that they have been extremely generous in handling all items for my State. I must respect the committee on matters of defense appropriations unless matters are brought to my attention by people better qualified than myself. I think there are three or four small items of reduction, and I shall mention one of them.

I have had communications from retired officers living in the vicinity of Eglin Air Force Base, many of whom had spent their active days there, with respect to the disallowance of increase for the climatic test facility at Eglin Air Force Base, I believe, in an amount slightly under $1 million.

I have discussed the matter with the Senator from Nevada and he has been very cordial about the matter. I have on several occasions been to this hangar. It is an interesting installation, and it deals with bringing the temperatures down to subzero temperatures at which planes, ammunition, weapons, and personnel all will have to endure in the Arctic. The Senator realizes we must keep in mind the fact that we may have air operations over the Arctic. This hangar area, I have been told, has been of great service.

The increased appropriation was requested so that two larger planes now in common use can be serviced at this particular climatic test facility hangar which cannot be serviced and tested under the present size of hangar.

I shall not offer an amendment because I think the Senator is conversant with the facts. All I ask is that in going to conference that he please give particular attention to any showing that may be made on this item because it is my conviction that it is an item of high priority and it could well receive favorable consideration in conference.

Mr. President, that is all I would suggest to my friend from Nevada. I thank the Senator for the careful way in which he has handled the bill. If all bills had been handled this year with the same attention for economy we would have a better savings than the $6 billion below the administration budget request which our bills are reflecting.

I congratulate the Senator.

Mr. BIBLE. I thank the senior Senator from Florida. I appreciate his compliments. I am well aware of the item which the Senator commented about at the Eglin Air Force Base. The Senator has discussed this matter fully and vigorously. I think I have indicated there and I repeat now that it was the feeling of the committee that this had not been completely and properly justified before the committee. It was a late starter within the Air Force budget.

However, I assure the Senator from Florida that I know of his perseverance and that he feels that this is a top priority matter, whereas we gave it a low priority, but it has been allowed in the authorization bill and funded by the House.

We shall be happy to look at any additional information he has bolstering his case.

Mr. HOLLAND. I thank my distinguished friend.

Mr. BIBLE. Mr. President, I yield to the distinguished Senator from Virginia.

Mr. SPONG. Mr. President, I wish to ask the distinguished Senator from Nevada about the budget item for the removal of a flight hazard at the Norfolk Air Station.

Mr. BIBLE. The Senator from Virginia has discussed this matter with me on a number of occasions and I know of his real and vital interest.

The committee did deny this amount. The item was for the removal of a flight hazard at the Naval Air Station, Norfolk. It was in the amount of $2.5 million. The project was to provide a tunnel by depressing the road where it presently exists. We felt that this project should be taken care of. I might say in all candor that it was a low-priority item on the Navy's list and it appeared that construction could be deferred to a future year.

The information provided to us during the hearings did not show that that hazard was much different than those in other airports around the United States; and further there was a problem as to the amount which the State of Virginia and the Bureau of Public Roads were contributing toward the project.

It appeared to us that the cost-sharing formula should be reviewed. I do not think the authorization for this item is in the regular military construction account. I think it was in a special account passed for that purpose.

I would say to my good friend, the Senator from Virginia, and I know of his interest in the item, that this is an item authorized in a special act. However, it was funded by the House of Representatives. The item will be before us when we go to conference.

I give the Senator from Virginia my assurance it will receive our careful attention.

Mr. SPONG. I wish to commend the Senator from Nevada for the way in which the bill was handled.

The item I have questioned the Senator about has a 10-year history.

Mr. President, the requested appropriation would permit the depression and covering of a 650-foot section of interstate highway at the end of one of the runways at the U.S. Naval Air Station in Norfolk.

The heavily traveled highway is a hazard not only to naval aviators using the air station but to motorists. Three young sailors have died already this year on the 5.6-mile stretch of highway that leads past the air station to the naval base at Norfolk.

The highway in question is Admiral Taussig Boulevard, a three-lane road that is probably the most overcrowded traffic artery in the city of Norfolk at rush hour.

A decade ago, Taussig Boulevard was included, at the Navy's insistence, in the Interstate Highway System as a spur to connect the naval base with the Interstate System. Initially the Bureau of Bureau of Public Roads raised a question of flight clearance over the highway, but finally agreed to waive the interstate standard in the case of Taussig Boulevard. Then, the Navy objected to the construction of a four-lane highway at grade so close to the end of a runway and insisted that the proposed naval base spur be depressed and covered.

During the testimony on the authorizing legislation, the Navy witnesses stated that Taussig Boulevard's proximity to the end of runway 10–28 had once been considered as marginally acceptable but the development of new high performance aircraft made imperative the elimination of the hazard created by the highway.

The city of Norfolk, the Virginia State Highway Department and the Bureau of Public Roads are prepared to improve Taussig Boulevard at grade but the Navy's objections have created a stalemate. The Bureau of Public Roads and the State highway department have taken the position that the Navy should pay the difference between the cost of construction at grade and the cost of depressing the section of highway at the runway's end. The difference was estimated at $2.5 million when the authorizing legislation was enacted in 1964.

With the passage of time and the rise in construction costs, the difference is probably greater, but the Bureau of Public Roads has agreed to furnish 90 percent of any costs exceeding $2.5 million and the State of Virginia has agreed to pay the remaining 10 percent of any excess.

The necessity to remove the flight hazard has been recognized. There is a compelling need also to improve the hazardous condition that exists on Taussig Boulevard, but as things stand now, the necessary work to bring that road to four-lane interstate standards cannot be done. In view of the Navy's stake in this construction and the willingness of the other Federal, State and local authorities to proceed with the work, I hope a satisfactory solution can be developed in conference with the House.

At this point, Mr. President, I ask unanimous consent to have printed in the RECORD an article from the Norfolk Virginian Pilot, published in June describing the financing agreement reached by representatives of the Navy, Bureau of Public Roads, and the Virginia State Highway Department.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FINANCING FOR TAUSSIG AGREED ON

(By John I. Brooks)

WASHINGTON.—The Pentagon, the State of Virginia and the U.S. Bureau of Public Roads have reached agreement on financing improvements to Admiral Taussig Boulevard.

The agreement clears the way for conversion of the three-lane highway fringing the Norfolk Naval Air Station into a four-lane road bearing the designation Interstate 564. The accord also ends a three-year stalemate over flight clearance for Navy planes using runway 10–28, which comes close to the road's right-of-way.

The main points of the agreement are these:

The Navy will provide $2.5 million to cover most of the cost of depressing and covering a 650-foot section of the I–564 roadway.

The highway bureau, which administers the Interstate Road Program, will furnish 90 percent of any costs exceeding $2.5 million.

The state will pay the remaining 10 per cent of any extra costs.

An aide to Rep. Porter Hardy, D-Va., who has been working on the Taussig Boulevard problem for several years, said the agreement was reached in an exchange of letters between Federal Highway Administrator Francis C. Turner and State Highway Commissioner Douglas M. Fugate early this month. The exchange followed an agreement on the part of the Navy Department.

Navy reluctance has been the source of most of the delay in the I–564 project. In 1965, reversing a previous stand, the Navy asked the Bureau of Public Roads not to approve the interstate project because it planned to extend runway 10–28. The Navy position brought numerous complaints from Norfolk officials that the service was unjustifiably blocking a needed highway improvement.

Mayor Roy B. Martin Jr. said the road should be built, even without a depression if necessary, to end the hazards and snarls of traffic on Taussig. City Manager Thomas F. Maxwell pointed out that most accidents on the road involved Navy personnel.

The cost of the roadway as an all-surface facility is covered in the interstate budget. The Navy's $2.5 million is to be used for the extra cost of depressing 650 feet of the road to guard against possible accidents involving planes and automobiles.

Turner said Wednesday the total cost of the depressed section probably will be about $2.9 million, which would mean a contribution of $360,000 by the federal government and $40,000 by the state for the depression. The lowered section of roadway is to be covered, an assistant to Turner said, but the covering will not be reinforced to support airplanes in the event of a runway extension.

Apparently the reinforcement work will await approval of the Navy's runway extension plan.

The "tunnel" will have a vertical clearance of 14.5 feet. The runway is 500 feet wide, but the depression will be 150 feet longer than this because the road is at a slight angle to the centerline of the runway, Turner's aide said.

Taussig Boulevard was built in World War II. It was one of a number of streets hurriedly built during the sudden wartime expansion of the city. Today its traffic load is about five times what it was at the end of the war, and the current load is expected to more than double by 1980.

Mr. JAVITS. Mr. President, would the manager of the bill rather have me offer my amendment tomorrow when we get back into legislative session?

Mr. BIBLE. I think that would be preferable.

Mr. JAVITS. Mr. President, I wish to give notice—which we have already done formally by filing a notice for a suspension of the rules—that on tomorrow, I shall move to amend the pending bill by adding a new section at the end, the effect of which will be to have a continuing resolution on those items of appropriations which are not yet appropriated and in the law—and the authority for which is contained in the Government departments—to coincide with the appropriations not yet made, until November 30, 1967.

It is my intention to raise the issues especially as they affect the Office of Economic Opportunity with the tremendous wave of closings and threatened closings of community action projects, Headstart projects, and similar projects, and the fact that the bill which we recently passed, containing a form of continuing resolution, which bill will shortly be signed into law, only deals with salaries for Government workers in respect of the workers for the Office of Economic Opportunity, the Job Corps allowances, and VISTA compensation, which is very modest. Other than that, the whole project will be undone.

I shall describe in detail the havoc which it is reeking, the disappointment and the frustration of the hopes of the people, and the dismantling of important parts of the program which will be extremely difficult to re-create. That is my reason for taking this action.

I agree that we should not argue the amendment tonight. I am merely giving notice of what I propose and why. There is no question about the fact that the Senate has worked hard on the matter. We have a continuing resolution which contains the date of November 15. That resolution is deadlocked in conference.

It is obvious that the continuing resolution containing the date of November 15 will soon be out of date since today is November the 13th.

The pending bill is one of the few remaining appropriation bills. We will consider the pending bill, the foreign assistance appropriation bill, and the supplemental.

Mr. President, so much havoc will be reeked in the meantime, in my judgment, that I consider it my duty to give the Senate an opportunity at least to get its position clearly before the country in terms of a continuing resolution that is meaningful in the pending appropriation bill.

I am very grateful to the Senator from Nevada for yielding to me and for his great courtesy and understanding in respect of this whole matter and for accommodating me when I raised the matter before the committee.

I have no idea as to the position of the Senator from Nevada about this amendment or as to what will develop tomorrow. However, that is immaterial.

Mr. BIBLE. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill, as thus amended, be regarded as original text for the purpose of amendment, provided that no point of order shall be considered to have been waived by reason thereof.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The amendments, agreed to en bloc, are as follows:

On page 2, at the beginning of line 4, strike out "$383,235,000" and insert "$407,140,000".

On page 2, line 18, after the word "appropriation", strike out "$484,731,000" and insert "$517,743,000".

On page 3, at the beginning of line 1, strike out "$415,537,000" and insert "$402,035,000".

On page 3, line 10, after the word "Code", strike out "$114,540,000" and insert "$84,540,000"; and, in line 14, after the word "Agencies", insert "and, in addition, not to exceed $50,000,000 to be derived by transfer from the appropriations "Military Construction, Army," "Military Construction, Navy," and "Military Construction, Air Force" ".

On page 3, after line 22, insert:

"MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

"For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, $3,000,000, to remain available until expended."

On page 4, after line 11, insert:

"MILITARY CONSTRUCTION, ARMY RESERVE

"For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, $3,000,000, to remain available until expended."

On page 4, line 24, after the word "Facilities", strike out "Act" and insert "Acts".

On page 5, line 22, after the word "law", strike out "$702,650,000" and insert "$639,892,000".

On page 6, after line 2, insert: "Construction, $26,758,000;".

On page 6, after line 6, insert: "Construction, $52,736,000;".

On page 6, after line 10, insert: "Construction, $42,948,000;".

On page 6, after line 14, insert: "Construction, $610,000;".

ADJOURNMENT

Mr. BIBLE. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 21 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, November 14, 1967, at 12 o'clock meridian.

CONFIRMATION

Executive nominations confirmed by the Senate November 13, 1967:

Department of Transportation

Frank W. Lehan, of California, to be an Assistant Secretary of Transportation.

Environmental Science Services Administration

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the Environmental Science Services Administration:

To be lieutenant (junior grade)

Donald E. Nortrup

To be ensigns

Larry W. Mordock
Dennis L. Valdovinos
Ariel B. Mostue
Philip D. Hitch
Clarence W. Tignor

In the Coast Guard

The nominations beginning Frank M. Sperry, to be commander and ending John A. McCullough, to be lieutenant (j.g.), which nominations were received by the Senate and appeared in the Congressional Record on October 30, 1967.

U.S. Air Force

Lt. Gen. Richard L. Bohannan, FR19067 (major general, Regular Air Force Medical), U.S. Air Force, to be placed on the retired list in the grade of lieutenant general, under the provisions of section 8962, title 10, of the United States Code.

Maj. Gen. Kenneth E. Pletcher, FR19136, Regular Air Force Medical, for appointment as Surgeon General of the Air Force in the grade of lieutenant general for the period beginning from December 1, 1967, and ending on April 30, 1970. This nomination is made under the provisions of section 8036, title 10, of the United States Code.

In the Army

The nominations beginning John A. Baggett, to be first lieutenant, and ending William R. Wymore, to be second lieutenant, which nominations were received by the Senate and appeared in the Congressional Record on October 30, 1967.

In the Navy

The nominations beginning Herman C. Abelein, to be commander, and ending Willa R. Wahlstrom, to be lieutenant commander, which nominations were received by the Senate and appeared in the Congressional Record on October 16, 1967; and

The nominations beginning William J. Babalis, to be captain, and ending Gene F. Renfro, to be lieutenant (j.g.), which nominations were received by the Senate and appeared in the Congressional Record on November 1, 1967.

In the Marine Corps

The nominations beginning Vincent A. Albers, Jr., to be lieutenant colonel, and ending Joe Vuckovich, to be lieutenant colonel, which nominations were received by the Senate and appeared in the Congressional Record on October 16, 1967; and

The nominations beginning Sam R. Baker II, to be second lieutenant, and ending Jack A. Frost, to be chief warrant officer (W-2), which nominations were received by the Senate and appeared in the Congressional Record on November 1, 1967.

HOUSE OF REPRESENTATIVES

Monday, November 13, 1967

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

O man greatly beloved, fear not, peace be with you; be strong and of good courage.—Daniel 10: 19.

God of our fathers, who hast called forth a great nation in these United States and hast bound us together in the struggle for liberty and justice for all, keep us one in spirit as we endeavor to provide order, to promote good will, and to produce an enduring peace in our world.

We are mindful of those who are giving their lives for our country and for free men everywhere. For them we pray with all our hearts. Grant that we may so live our lives, so use our influence, so conduct ourselves that their dedication shall not be in vain. By Thy spirit make us worthy of their devotion.

O Lord, as I go my uncaring way,
Help me to remember that somewhere
out there a man died for me today.
So long as there be war
I must ask and I must answer,
Am I worth dying for?

Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, November 9, 1967, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 5784. An act to authorize the disposal of molybdenum from the national stockpile;

H.R. 5787. An act to authorize the disposal of rare-earth materials from the national stockpile and the supplemental stockpile; and

H.R. 5788. An act to authorize the disposal of bismuth from the national stockpile and the supplemental stockpile.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 54765. An act relating to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 4765) entitled "An act relating to the income tax treatment of certain distributions pursuant to the Bank Holding Company Act of 1956, as amended," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Long of Louisiana, Mr. Smathers, Mr. Anderson, Mr. Hartke, Mr. Williams of Delaware, and Mr. Dirksen to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 6418) entitled "An act to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Hill, Mr. Yarborough, Mr. Williams of New Jersey, Mr. Pell, Mr. Kennedy of Massachusetts, Mr. Javits, Mr. Murphy, and Mr. Dominick to be the conferees on the part of the Senate.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 6430) entitled "An act to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. HILL, Mr. YARBOROUGH, Mr. WILLIAMS of New Jersey, Mr. PELL, Mr. KENNEDY of Massachusetts, Mr. JAVITS, Mr. MURPHY, and Mr. DOMINICK to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 780) entitled "An act to amend the Clean Air Act to authorize planning grants to air pollution control agencies; expand research provisions relating to fuels and vehicles; provide for interstate air pollution control agencies or commissions; authorize the establishment of air quality standards, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MUSKIE, Mr. RANDOLPH, Mr. BAYH, Mr. BOGGS, and Mr. COOPER to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1166. An act to authorize the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and for other purposes; and

S. 1267. An act to establish the Sawtooth National Recreation Area in the State of Idaho, and for other purposes.

The message also announced that the Senate disagrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2508) entitled "An act to require the establishment, on the basis of the 18th and subsequent decennial censuses, of congressional districts composed of contiguous and compact territory for the election of Representatives, and for other purposes."

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D.C., November 9, 1967.

The Honorable the SPEAKER,
House of Representatives.

SIR: Pursuant to authority granted on November 9, 1967, the Clerk received from the Secretary of the Senate today the following messages:

"That the Senate recede from its amendment to the amendment of the House of Representatives to Senate amendment No. 2 to the bill (H.R. 11641) entitled 'An act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968, and for other purposes,' and agree to the amendment of the House to Senate amendment No. 2; and

"That the Senate agree to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8569) entitled 'An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1968, and for other purposes.'"

Respectfully yours,

W. PAT JENNINGS,
Clerk.

ANNOUNCEMENT RELATING TO SIGNING OF ENROLLED BILLS

The SPEAKER. The Chair desires to announce that pursuant to the authority granted him on Thursday, November 9, 1967, he did on that day sign the following enrolled bills of the House:

H.R. 8569. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1968, and for other purposes; and

H.R. 11641. An act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968, and for other purposes.

THE LATE HONORABLE CLARE E. HOFFMAN

The SPEAKER. The gentleman from Michigan [Mr. HUTCHINSON] is recognized.

Mr. HUTCHINSON. I thank the Speaker.

Mr. Speaker, the late Clare E. Hoffman who served in the House as a Member from Michigan from 1935 to 1963 was truly a remarkable man. He was controversial yet almost universally respected; he was colorful yet personally humble and self-effacing; he liked to appear ornery and cantankerous yet he was helpful.

His long and stormy career in the House was the more notable because of its timing with relation to his chronological life. On his 60th birthday, he was serving his first term. Not until the middle of his 14th term in the fall of 1961 did age catch up with him. Until that time he was much younger than his chronological years. At 85 he had the physical vigor and the mental astuteness of a man of 60. He so loved the House and the role he played here that for years age seemed to pass him by. When in later years his chronological age became a campaign issue he made his age an asset, reminding the people back home that thanks to his seniority and the retirement system they would be paying him for the rest of his life anyway, so why not let him work for the money. Why pay two men, himself and his successor, he would ask, to do a job he was able and anxious to continue.

When in November 1961, the time came that he could not continue, he fought hard to regain his health in order that he might. Warrior to the end, he supported me in 1962 only after making it clear to the people he would be running himself but for problems of health beyond his control.

If he had had his way he would have been a Member of the House to the date of his death. And had he continued to enjoy reasonably good health, he would have succeeded in that ambition. He would have remained here because he became a legend back home, a legend in his own time. The people admired him for his personal integrity, his complete honesty, his courage, his forthrightness, his wit, his showmanship, his sharpness in debate, and the strength of his political convictions. If I said the people loved him for those qualities, he would have denied it because he wanted to appear ornery and forever the antagonist.

Clare Hoffman was an American who fought hard for America in these halls. He was a Republican who might never have come to Congress but for the strength of his political convictions. For many years prior to 1934, Clare Hoffman was a Republican county chairman in a part of Michigan where the Republican Party had always been successful. Always, that is, until 1932.

In 1932, while our own county held fast in the Republican column, our congressional district for the first and only time since the Civil War elected a Democrat to Congress. Always a fighter, Clare was determined that the Republicans should regain that seat in 1934, even if he had to run himself. The only public office he had held was that of county prosecuting attorney. He had never sat on a city commission, on a county board, or in the State legislature. He had no legislative experience. This did not deter him from his quest for the Congressional seat. He had plenty of experience in successfully pleading his case before juries, he was well known as a trial attorney; and he took to the political stump the same campaign techniques with which he had swayed juries. Even then he recognized that by the measure of years he was older than most who seek a new political career in the House, so he organized a group of young men and women then in their twenties to campaign with him and for him. He won a spirited primary, defeating a State senator and a member of the State house of representatives, and went on to recapture the seat for the Republican Party in that off year election in the first term of F. D. R.

And during the next quarter of a century, a period of profound change, he grew stronger and stronger politically in his district. But had the Republicans held that district in 1932 it is likely Clare Hoffman would have continued in his career as a successful country trial lawyear, and Clare Hoffman, the colorful Congressman, would have been lost to history.

Elected to Congress at a time of life when most men have no ambition to embark on a new career, Clare Hoffman entered his new undertakings with spirit and determination, always the fighter.

He disassociated himself from the practice of law. He devoted his full energies to the congressional office and liked to remind the people he was their "hired man" working only for them. He was referred to as a man with no pockets, as an inveterate but thrifty fisherman who looked for night crawlers on the Supreme Court lawn. He was thrifty and frugal, though not at all parsimonious. He was a hard-working, able Congressman who thoroughly loved his work.

I knew him since my boyhood. I shall long remember him. I am proud to have been chosen to follow him in this House. His life was long and full of accomplishment. It will be a long time before another quite like him passes this way again.

Mrs. GRIFFITHS. Mr. Speaker, will the gentleman yield?

Mr. HUTCHINSON. I yield to the distinguished gentlewoman from Michigan [Mrs. GRIFFITHS].

Mrs. GRIFFITHS. Mr. Speaker, I would like to express my appreciation also for Clare Hoffman. I feel sorry for those who have come to the Congress who never had an opportunity to know Clare Hoffman. I say this because his like will not come again.

The House of Representatives has never been the same since Clare Hoffman left it.

One of the things that has always intrigued those of us from Michigan, both Democrats and Republicans, is that no matter which we were, Clare did not like us when we came here. He was very opposed to us, both Democrat or Republican. However, after a little while, when he decided we had normal intelligence, he was our most vigorous defender against anyone else.

He had one other little bipartisan, or nonpartisan, thing about him which I think all of us should bear in mind. It is said that the real difference between the late Representative Rankin, of Mississippi, and the late Clare Hoffman, of Michigan, was that if Rankin were making a speech and one arose to help him, he was kind about it. But if Clare Hoffman were making a speech, whether one tried to help him or hurt him, he cut you to ribbons.

Mr. Speaker, I liked Clare Hoffman very much. I extend to all the members of his family my deepest sympathy upon his passing.

He will be remembered in this body by those who worked with him, as he will be remembered by every lawyer in Michigan who has ever read the Michigan Reports. Clare Hoffman literally wrote alone "Creditors' Rights of Michigan" based upon the number of cases which he took to the Supreme Court.

Mr. Speaker, Clare Hoffman was a great lawyer. He had a remarkable ability to think. He used that ability in his own way, in his own time, to help his country.

Mr. Speaker, to me, it has been a duller House of Representatives since Clare Hoffman left it.

Mr. GERALD R. FORD. Mr. Speaker, will the distinguished gentleman from Michigan yield?

Mr. HUTCHINSON. I am glad to yield to the distinguished minority leader.

Mr. GERALD R. FORD. Mr. Speaker, the passing of our former colleague, the late Representative Clare Hoffman, of Michigan, fills me with the deepest of sorrow. It is with a feeling of heavy loss that I join with my colleagues from Michigan in marking Clare's departure from this earth.

Mr. Speaker, the House of Representatives today pays tribute to one of the most colorful and most unusual men ever to sit in this Chamber. I personally see Clare Hoffman as a man who performed a unique service in the Congress for nearly three decades. I refer to the fact that Clare Hoffman served as not a sometime but an alltime champion of the American taxpayer throughout his 28 years in this Chamber.

Highly intelligent and a shrewd debater, Clare set himself a goal from the first day he set foot in Washington—to expose those who are dangerously generous with the taxpayers' money and believe that all of the people's problems can be solved by agencies in Washington. Beyond any doubt he succeeded in that objective.

Clare sought no personal aggrandizement. But he consistently fulfilled the mission he assigned himself when he first was elected to the House in 1934—to debunk the idea that Government handouts and the good intentions of Government bureaucrats can permanently uplift the Nation's poor.

It can never be said that Clare Hoffman was a politician's politician. He did not seek to win friends and influence people among his colleagues in the House. He was so devoted to his own personal views that he cared not whether he stepped on the toes of the mighty or just their minions in advancing his opinions.

He had no compunction, either, about opposing his own party leaders when he thought they were wrong. Clare Hoffman was a man of great intellectual integrity. His was the unassailable conviction that he was right, and he spoke out frequently and forcefully in support of that conviction.

Clare always felt that every Member of Congress should handle the taxpayer's money as though it was his own and as though there was not much of it. He was the implacable foe of those who voted for Federal appropriations as though the Federal money well was bottomless and could never run dry. He was "Mr. Responsible" in fiscal matters. To many in the House he was an infuriating gadfly.

With it all, Clare demonstrated a saving sense of humor unmatched in its own way. Nobody could remain angry with him for long, because Clare was blessed with a delicious flair for comedy as well as sarcasm.

Mr. Speaker, I feel sure that everyone who served with Clare Hoffman missed him badly when a stroke sidelined him in 1962. For my part, I felt that something within the soul of the House disappeared with his leaving it. To say the least, it became a tamer political arena.

Today I feel equally sure that all who knew Clare Hoffman mourn his passing. Whether or not they agreed with him, they certainly admired and respected him for holding so firmly to his beliefs and fighting so vigorously for what he thought was right.

I wish at this time to extend my sympathies to Clare's wife and his sons for the deep loss they have suffered. I counted Clare among the finest of men. We shall all miss him.

Mr. HUTCHINSON. Mr. Speaker, I thank the distinguished minority leader.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. HUTCHINSON. I yield to the distinguished majority leader.

Mr. ALBERT. Mr. Speaker, I join our distinguished colleagues from Michigan in this expression of sorrow over the death of a great former Member of the House of Representatives.

Clare Hoffman was an unusual man—in many ways an extraordinary man. He was quick witted. He was courageous. He was independent. He was alert. He could be a buzz saw in debate and cut down almost any opponent.

But behind this fighting exterior there was a heart that was as soft as velvet.

I recall receiving a letter from Clare Hoffman shortly after he left the House of Representatives. It was one of the kindest and friendliest letters I have ever received in my life. I shall always cherish it.

Clare Hoffman was a watchdog in the House. He kept Members on their toes. He had great ability to analyze legislation and to point up weaknesses. This was good for the House and it was good for the country.

Clare Hoffman was my friend. I am saddened by his passing, but I am happy that it was my privilege to know this man who lived such a long and useful life.

To his loved ones I join my friends from Michigan in extending my deepest sympathy.

Mr. HUTCHINSON. I thank the distinguished majority leader.

At one time, Mr. Speaker, the gentleman from Michigan, Mr. Hoffman and the gentleman from Iowa [Mr. GROSS] were frequently referred as "the other party." I yield now to the surviving member of "the other party," the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, final rites were held last Tuesday at Allegan, Mich., for one of the truly great Members of the House of Representatives, the Honorable Clare E. Hoffman, unrelenting foe of big government, its extravagances and corruption, wherever it was to be favored.

Although he retired from the House because of ill health more than 5 years ago, no one with his capability, integrity, and utter fearlessness has arisen to take his place. He loathed sham and pretense and all that went with it. In debate he asked for no quarter and gave none, yet he sought no favors that he did not freely concede to others.

As chairman of the House Government Operations Committee in the 83d Congress, he sought to launch an investigation of labor rackets, and initiated a probe of the Teamsters Union. Failure of some members of the majority to support him short circuited the investigation. A committee of the other body then took up where Hoffman was forced to leave off and the results of the investigation he started are now well known to everyone.

With equal purpose and consistency he fought the policies he was convinced were wrong in the Roosevelt, Truman, Eisenhower, and Kennedy administrations.

In the years of our association in the House we organized what we were pleased to call "Our Party." It consisted of two members, and he was "the chairman." In tribute to him it will never be revived.

Clare Hoffman was one of those rare individuals who was produced from a rare mold, and with his passing the mold is broken.

Few men leave the imprint on the House of Representatives that he did, and the fact of his death will not erase it. The restless, flaming spirit of Clare Hoffman is forever still, but Americans everywhere can be thankful that he passed this way.

To Mrs. Hoffman and the members of his family, Mrs. Gross and I extend our deepest sympathy.

Mr HUTCHINSON. I thank the distinguished gentleman from Iowa. Mr. Speaker, I now yield to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Speaker, I join with other Members in paying tribute to our late former colleague, Clare E. Hoffman of Michigan.

I had the privilege of serving with Clare Hoffman for the many, many years he was a Member of this body. During these years one became acquainted with various types of individuals and, shall we say, characters. I use the term in the kindest way. Truly, Clare Hoffman was one of the few real characters it has ever been my privilege to know. He had an individuality that was his very own. I suppose in the parlance of the street one might say, if you were to describe him—"What a man, Hoffman." And I think that expresses an accurate characterization of him, because he was so different from almost any other individual that one would meet. Never have I known one more firm in his convictions and in his beliefs. Regardless of where the chips might fall, he spoke his piece. He said what he thought. As was mentioned a moment ago, he was one of two parts of a new party, and on occasion I think it can be said he felt he was a party of his own, and on occasion rightfully so. He took his position and left no question in the mind of anyone where he stood.

Clare Hoffman always had a quick answer. I recall on one particular occasion, when Clare Hoffman had the floor someone mentioned that the gentleman in the well was in error and said, "I think I will ask him a question," a Member sitting nearby merely said, "Well, you had better have the answer yourself or you will get cut down." And the gentleman was cut down. Clare Hoffman was a master at repartee and figures of speech.

This man from Michigan, Clare Hoffman, was straightforward and did not hesitate to provide his answers to whatever questions might be raised, thinking only of what was good for the country and how he could best serve his wonderful congressional district.

I repeat, this would have been a better Congress and would be a better Congress were there men like Clare Hoffman here.

I was sorry to learn of his passing. With the others who have spoken, I join in extending to Mrs. Hoffman and the family my sincere and deepest sympathy.

Mr. HUTCHINSON. I thank the gentleman from Illinois.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. HUTCHINSON. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I wish to join my colleagues in paying tribute to the memory of Clare Hoffman. Those of us who had the unique experience of being able to serve with him in the House know that it was an experience we shall never forget.

I cannot help but believe that if Clare could be here at this moment, the first thing he would do would be to ask for a quorum call right about now, and if he could not get that, he would move to strike the enacting clause in some way or other, because Clare always had the facility for getting the time that he needed on the floor of the House.

I remember when I came here as a freshman one of the first things he said to me was, "Young man, don't sit back and listen. Get up here and take part in the debate with the rest of your colleagues and make yourself heard."

One day I took his advice and I was making my maiden speech in the well of the House. This distinguished and unusual gentleman from Michigan, the dean of my delegation, asked me to yield. So I yielded to him. As Mrs. GRIFFITHS has said, he could cut you up and down like no one else could. He did that to me. He just cut me to ribbons the first time I ever spoke in the House. After it was all over he called me over and said, "Young man, we are going to take this all out of the RECORD. I just wanted to see how you reacted under fire."

That is the kind of gentleman he was. But he was a lovable man.

I can remember many times he would give us in the delegation good advice as to how to handle things in the House of Representatives and how to conduct ourselves. So it was a real pleasure to serve with him. I can remember also times when he would have a delegation breakfast for Members on our side of the aisle every week. We would meet at 8 o'clock or 8:30 in the morning, and in would come Clare Hoffman with some of the fish that he had already caught that morning and had driven 40 miles from the fishing site to bring them back. It was unbelievable, because those of us who were much younger in age were having a little difficult time even to get up for the breakfast. He had been up for a long time.

This was an unusual, a remarkable man. I cannot think of anything that hurt him more than when he had to leave the House. As the gentlewoman from Michigan [Mrs. GRIFFITHS] and some of the others of us will recall, we paid a visit to him at his son's home in Allegan, some time after he had been ill, and he was still able to visit with us. If there was one thing that came through at that time it was his great desire to be back in the House. In fact, he jokingly asked to have Mrs. GRIFFITHS to be his counsel to get in touch with his family and prohibit them from keeping him where he was, because he wished to come back so much.

So the memory of Clare Hoffman is something that those of us, as I say, who served with him will remember for a long time. We will remember him as a man, as has been said here today, who could be challenging, but he was warm and had a big and kind heart. Probably no one had a greater love for this House than he.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. HUTCHINSON. I yield to the gentleman from Louisiana.

Mr. BOGGS. Mr. Speaker, I should like to join in the tributes which have been made today to our late colleague, Clare Hoffman of Michigan. I, too, share in many of the memories that have been expressed here today. But I cannot help but philosophize a little bit on the fact that Clare Hoffman came here in his late fifties. I think he was 58 or 59. He served for many years after that, and had a distinguished career up through his late eighties. It reminds me that some are inclined oftentimes to be critical of men simply because God has blessed them with a long life.

I remember our distinguished friend, the gentleman from Illinois, BARRATT O'HARA, when he was running for reelection last year, had someone make reference to the fact that he had lived beyond threescore and ten, and he said, "Yes, but I am in Washington, where the action is." And he participates effectively in the action, here every day as all of you know—and Clare Hoffman was where the action was.

I join with the gentleman from Michigan in saying that I, too, was a much younger man than Clare Hoffman when I came to the House. As a matter of fact, I was 26 years old. But I found I was no match for his years, either in energy or in wit or in knowledge.

I am happy indeed to pay tribute to a man who made a magnificent contribution to this body.

Mr. HUTCHINSON. I thank the gentleman from Louisiana.

Mr. Speaker, I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. Mr. Speaker, I should like to join in paying tribute to our late colleague, Clare Hoffman.

I never knew a more effective debater than Clare Hoffman. Certainly it required a good deal of temerity and self-confidence to challenge Clare Hoffman to a battle of wits in this Chamber. Almost invariably it was a losing battle for the challenger.

I believe that Clare Hoffman, with whom I had the privilege of serving in the Committee of Education and Labor, taught me more than any other Member of the House about the respect that a new Member of Congress ought to have, in all wisdom, for those who have been around a while and who knew more than he about the subjects under discussion.

I have missed Clare Hoffman. I do not believe that the debates in this House will ever again sparkle as they did when he participated.

I join in extending my sympathy to the members of his family.

Mr. HUTCHINSON. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. HARVEY].

Mr. HARVEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, all of us in Michigan have fond memories of our departed colleague, Clare Hoffman.

When I first came here in 1961 as a freshman, Clare Hoffman had been here many years. His name was already a legend. We tend to forget, however, that before coming to Congress, he had gained fame as a lawyer in Michigan. Clare was known across the State as a brilliant trial attorney, probably one of the most brilliant the State of Michigan has produced.

Here in the House all of us, as my colleague [Mr. CEDERBERG] has said, have wonderful memories of attending the Tuesday morning breakfasts with Clare, because just being with him was an experience. He was a real friend. He demonstrated his ability and parliamentary skill as he distinguished himself on the floor of the House. As my colleagues have said, he was a courageous legislator who fought for the principles that he believed in. Those of us who knew Clare would agree he was totally honest. No one would suggest anything otherwise. He was absolutely fearless. Those two qualities made him, in my mind, a dedicated American, the kind of which we need a lot more in this day in which we live.

I extend my deepest sympathy to his wife and family.

Mr. HUTCHINSON. Mr. Speaker, I yield to the gentleman from Georgia.

Mr. LANDRUM. Mr. Speaker, I thank the gentleman.

One of the most delightful experiences I can recall, since having the high privilege of being a Member of this House of Representatives, was an intimate association with the late Clare Hoffman. He was, as his friends are saying today, a fearless legislator, a delightful individual, an honest representative of the people, and one of the few men I have ever known who had absolutely no political fear.

I was assigned to the Committee on Education and Labor soon after I came to the 83d Congress, and it was there I became acquainted with him and with his great skills as a legislator.

I join all of his friends in expressing to the family a genuine sympathy in his passing and a high regard for the life which he lived.

Mr. HUTCHINSON. I thank the gentleman.

Mr. Speaker, I yield to the gentleman from Michigan [Mr. CHAMBERLAIN].

Mr. CHAMBERLAIN. I thank my colleague for yielding.

Mr. Speaker, I, too, want to be associated with my colleagues in the House today as they pay their respects to the late Clare Hoffman.

I had heard of him for years before I came to the Congress. He was a legend then. It was one of the greatest experiences of my lifetime to attend a weekly breakfast meeting with this dean of our delegation for many years. He was tough, but he was warm and kind, too.

There was one faculty that he had that we miss in the House today. During a heated debate he could make a very telling point and do it with such wit and humor that we left the House here in stitches, laughing over his remarks, but at the same time he had made a sober contribution to the debate and his position on the legislation very, very clear.

Mr. Speaker, Clare Hoffman was a tower of strength, a man respected as a statesman from the old school. He served his country well and his memory will always live in the hearts of those who were privileged to know him and work with him in this House of Representatives. I join in extending my condolences to Mrs. Hoffman and the members of his family.

Mr. HUTCHINSON. Mr. Speaker, I now yield to the gentleman from Illinois, [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Speaker, mine is the tribute to the memory of a friend. I do not know that Clare Hoffman and I ever agreed on any subject, but he was my friend. We were of different political parties, our philosophical approaches were over paths that never met. But he was my friend, and I was his friend, and it was a friendship that gave enrichment to the years we served together in this historic Chamber, he who represented in the Congress the district in Michigan where I was born and I who was not of his party and did not embrace his political philosophy. When I was a boy growing up in Berrien County in Michigan, La Rue Hamilton was the Member of Congress from that district. He served for many years. I think his term of service was about the same in duration as that of Clare Hoffman.

Both were respectfully and affectionately esteemed in their respective generations, and both served their constituents in the spirit of humility, or expressed by Clare Hoffman so often when he said to his electorate, "I am your hired man."

Mr. Speaker, on one occasion I was in the well trying to get signatures on his discharge petitions for a matter benefiting the postal workers. The deadline almost had been reached and I was having a bit of difficulty. Clare Hoffman, my friend, even though he was on the other side, two times raised the question of quorum in order to get me more time to canvass for signatures. If I had reached dead end needing but one signature, I knew I could depend on my friend rushing forward dramatically, and in the nick of time, to affix his name on that discharge petition.

Yes, some people even among his colleagues did not know Clare Hoffman. He was a great debater and a champion of what he thought was right. He was relentless in his parliamentary strategy, rough and unyielding in debate. But there was in Clare Hoffman a heart as tender as velvet and there was in Clare Hoffman a moral vision that encompassed all this world of ours. I would feel amiss to the sentiment of a sweet friendship if on this occasion I did not voice these words, coming from the bottom of my heart. I wish to say that when I heard that Clare Hoffman had passed on my spirit was very low as it had been low every time I would get word from my good friend from Michigan [Mr. HUTCHINSON] that Clare was a little bit worse and as my spirits would go up every time the gentleman from Michigan [Mr. HUTCHINSON] would bring me word that Clare was a little bit better.

Mr. Speaker, our country has lost a great mind and a great American and, Mr. Speaker, a statesman with a heart of gold. To Mrs. Hoffman and his son go my deepest sympathy.

Mr. HUTCHINSON. Mr. Speaker, I thank the gentleman for those remarks.

Mr. GUBSER. Mr. Speaker, will the distinguished gentleman yield?

Mr. HUTCHINSON. I yield to the gentleman from California.

Mr. GUBSER. Mr. Speaker, as each of us turn the pages in life's book, certain chapters and certain characters stand firmly fixed in our memories. The Honorable Clare Hoffman stands out with all of us as a lovable and unforgettable character.

Clare Hoffman was one of the greatest parliamentarians this House has ever known; he was certainly one of its finest legislators, one of its greatest personalities and one of its finest Americans.

His rough and tumble tactics acted almost as a scouring pad upon the body politic. Because of his influence it emerged clearer, more brilliant, and cleaner.

Mr. Speaker, probably one of the greatest tributes to the late Clare Hoffman is the fact that as we eulogize him here today, we vividly recall his good humor, his wit, and the pleasure that he gave to each of us. Even in this somber moment we can remember and smile.

At this moment I can see Clare Hoffman walking up this aisle after addressing the House, making additional comments regarding the speech he had just finished. I almost expect him momentarily to rise and pull that preferential motion out of the inside coat pocket to speak for another 5 minutes. Mr. Speaker, Clare Hoffman will always live in this House, and he lives now.

Though we are supposedly speaking, last words of tribute to him, Clare Hoffman will probably come up with the last word.

Mr. HUTCHINSON. I thank the distinguished gentleman from California.

Mr. ADAIR. Mr. Speaker, those of us who served with Clare Hoffman remember him as an outstanding Member of this great body. His sharp wit and comprehension of pending legislation were notable. How often have we seen him deflate an overextended ego by a few quiet words or a pointed question.

In addition to the foregoing he is remembered for his regular attendance. When an important bill was on the floor, he was rarely absent.

He made a great impact on the House during his tenure here and we who served with him will not soon forget.

Mr. BRAY. Mr. Speaker, I was saddened to hear of Clare Hoffman's death, because it means that one of America's most stalwart sons is gone. Those of us who were privileged to serve with him in the Congress have long remembered, and will never forget, this rugged man among men, this outstanding patriot, this truly great American.

Personal integrity and love of country were Clare Hoffman's watchwords, and he needed no others. He would take his stand and defend it with all his strength, and Clare Hoffman never feared to stand alone if need be.

We are grateful for a country that can produce men with the strength, character, and integrity of Clare Hoffman, and his district, his State and his country were served well by his time in the House of Representatives. He has left an enduring legacy and his monument will be that he will be remembered in the minds of his fellow Americans as long as our Republic survives. He helped make it what it is, and it will forever be greater because of what he gave.

GENERAL LEAVE TO EXTEND

Mr. HUTCHINSON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in memory of our late colleague, Clare Hoffman.

The **SPEAKER.** Is there objection to the request of the gentleman from Michigan?

There was no objection.

REMARKS MADE YESTERDAY AT WILLIAMSBURG IN DEROGATION OF THE PRESIDENT OF THE UNITED STATES

Mr. BOGGS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BOGGS. Mr. Speaker and Members of the House, I was surprised as I am sure all Members were, to read the lengthy press reports this morning about remarks made by a minister of the Gospel at a church in Williamsburg, Va., at which the President of the United States attended services on yesterday.

Now, Mr. Speaker, I bow to no man in my respect for the clergy of all faiths. And I bow to no man in my devotion to the fundamental American right, as expressed in the Bill of Rights, to disagree and to dissent.

But, Mr. Speaker, I must say that there were remarks made on yesterday that, to say the least, puzzled me a great deal.

To begin with, the President of the United States has just completed a journey which took him the length and breadth of America, 5,000 or 6,000 miles, to airbases, to military installations, to the carrier *Enterprise*, and elsewhere in our country.

And, Mr. Speaker, the address that the President of the United States delivered on the carrier *Enterprise* in my judgment is a classic in expressing the universal desire of all of our people for peace with honor.

I ask unanimous consent to have it included at this point in my remarks in the RECORD.

The **SPEAKER.** Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The speech referred to follows:

[From the Washington Post, Nov. 12, 1967]

Text of L. B. J. Speech Aboard the "Enterprise": "Meeting Ground . . . the Sea"

ABOARD U.S.S. "ENTERPRISE," November 11.—The text of President Johnson's speech today aboard the U.S.S. *Enterprise:*

"This has been a busy and happy Veterans Day weekend for me.

"I began it yesterday morning at Fort Benning, with a tribute to the Army. From there I went to El Toro and Pendleton to pay tribute to the Marines.

"But last night I came home to my own service branch. It is good to be back in the Navy. My sea legs seem fine. But then, I get lots of practice doing balancing acts on land.

"If I am in good cheer this morning, it is because your spirit refreshes mine.

"In return, I bring you a tribute from our grateful people—and it also concerns a dream.

"It is one that has kept me awake on many other nights, when I stand the long watch of duty with you.

"It is one that haunts the lonely night for millions of military families—wives and mothers, fathers and brothers, sisters and kin—all who miss or mourn a loved one like you.

"The dream we share, of course, is peace.

"How long, we ask, can it escape us? How many nights must we suffer the nightmare of war?

"Here on this proud and mighty ship, a man hears the answers ringing from the steel and shouting from the faces.

"Not long.

"Not many more nights.

"Not while we stand as one family, one nation, united in one purpose.

"That is not a dream.

"That is courage and conviction talking. That is the United States Navy speaking.

"It is a hail across the seas to Hanoi.

"Now hear this: You force us to fight, but you have only to say the word for our quarrel to be buried beneath the waves.

"That is the true voice of 'the Big E.' She rides the waves as the world's largest and most versatile ship of war. But from her launching to her last, she will always be a ship of peace. And you all can be proudest of that.

"Your weapons and wings are the swords and shields of freedom. The names of your planes—Phantom, Intruder, Hawkeye, Vigilante, Skyhawk—they are the watchwords of liberty. They warn that brave men guard the gates against aggression.

"And the name of your ship captured all of your purpose. You are pledged to a splendid and urgent enterprise—cleansing the skies of fear so that men may reach upward, safely and surely to grasp their destiny.

"The tortured people of South Vietnam reach higher now because of your enterprise—14 months of combat duty on the Yankee station—and strengthening yourselves now to go back in again.

"You will go with America's gratitude and blessings. And you will carry my own and your Government's pledge.

"The peacemakers in Washington will match each enterprise of the guardians of Yankee station.

"Our statesmen will press the search for peace to the corners of our earth.

"That meeting ground could even be the sea. Standing here, specks between the vastness of ocean and heaven, men might realize the ultimate smallness of their quarrels. They just might come to see the waste of war amidst this wealth of God and nature. Somehow they might realize the infinity of promise that stretches outward like the sea, could men only settle their differences and be free to explore it together.

"It may only be a dream. But it could so easily be salvation. The United States follows the dream of peace, so we include even the seas in our search. For us, the wardroom could readily be a conference room. A neutral ship, on a neutral sea would be as good a meeting place as any.

"So long as two came to the meeting. So long as both met halfway. So long as one did not insist that the other walk on water and work a miracle alone.

"I think of these things here because your ship reminds me of another. Her name was the Augusta, an American cruiser that anchored off Newfoundland in August, 1941. That too was a time dark with war. Still two nations met in the Augusta wardroom to light a flame of hope. Two farsighted leaders—President Franklin Roosevelt and Prime Minister Winston Churchill—declared a charter that said:

"First, there shall be no territorial changes that do not accord with the freely expressed wills of the people concerned.

"Second, all nations must have the right to dwell in safety within their own boundaries, living their lives in freedom from fear and want.

"Nations can meet on the seas to repeat that miracle now. But if they meet, it must to build on the two central and timeless principles of the Atlantic Charter.

"As Americans we believe these principles are still valid and vital. I can leave you with no stronger conviction. I can offer you no brighter hope.

"I cannot thank you enough for all you leave me in the memories of this brief voyage. I wish you good luck, God's blessing, fair winds and following seas."

Mr. BOGGS. Mr. Speaker, the minister referred to West Berlin and Helsinki as being less concerned about the Communist than people living in Phoenix, Ariz., or Dallas, Tex.

When I read this my mind went back to these early days. I remember that I flew to West Berlin on the airlift, on a plane piloted by members of our Air Force loaded with coal for the people of West Berlin. We landed on a very foggy day. It was a dangerous landing.

Yet, Mr. Speaker, had it not been for the Berlin airlift, had it not been for the action taken by President Truman, and later by President Eisenhower, and President Kennedy, and President Johnson, the idea that the people of West Berlin would be free today is one that every knowledgeable American rejects offhand.

I suggest, too, that all one has to do is take a look at the Berlin wall to understand the difference between an open and a closed society.

Then the minister used the expression "neocolonialism," in referring to what we are doing in South Vietnam. I would invite him to go to South Vietnam and to take a look at the hamlets and the villages and see the men and women working there—the doctors, the young people, the dedicated people, working in education, in medicine, in transportation, in housing, in teaching the young, and in building a feeling of nationhood. Can this be neocolonialism?

Finally, Mr. Speaker, let me say this: Can anyone imagine a minister of the Gospel of any faith making a similar assertion to the three men who rule the

Kremlin today, in a church in Moscow? Or could anyone imagine such an assertion taking place in a church in Peking today by a minister of the Gospel? Of course one cannot imagine such an occurrence.

What a difference between our society and the Communist one.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. BOGGS. Yes; I yield to the distinguished gentleman from Oklahoma, the majority leader.

Mr. ALBERT. Mr. Speaker, I desire to associate myself with the very fine statement the gentleman is making. It seems to me that in all my recollection of the events in the history of this country this is the first time that anybody has ever tried to make a captive audience out of the President of the United States, and it is indeed very strange that this should come at a time when the President had gone to a church to worship with his family, and after the President had journeyed across this Nation to explain why we are in Vietnam.

Mr. BOGGS. Mr. Speaker, I thank the gentleman for his comments.

Mr. Speaker, I yield back the balance of my time.

MINISTER'S CRITICISM OF PRESIDENT UNWARRANTED

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, I would like to take just a little different tack in commenting upon the "sermon" yesterday at Williamsburg. I believe it is fair to state, as I have about some Members of the other body, that the best way for an obscure Senator or Congressman of the President's own party to get his name in the headlines is to attack the President, that this possibly holds true in this instance, but I believe it is only fair to point out that nobody ever heard of this preacher before yesterday, and they probably will never hear of him again, and if that is the case it will be no great loss.

CALL OF THE HOUSE

Mr. DUNCAN. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Does the gentleman insist upon his point of order in view of the fact that we are still going through the 1-minute procedure?

Mr. DUNCAN. I do, Mr. Speaker. I insist upon my point of order.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 381]

Abernethy
Anderson, Tenn.
Andrews, Ala.
Annunzio
Ashbrook
Ashley
Aspinall
Baring
Bell
Blanton
Brock
Broomfield
Brown, Calif.
Celler
Clausen, Don H.
Clawson, Del
Colmer
Conte
Curtis
Dorn
Edmondson
Everett
Flood
Fountain
Fraser
Frelinghuysen
Fulton, Tenn.
Hall
Hanna
Hébert
Heckler, Mass.
Herlong
Holifield
Hosmer
Kastenmeier
Kluczynski
Kornegay
Kyl
Laird
Long, La.
Lukens
McClory
McEwen
McFall
Martin
Mathias, Calif.
Mathias, Md.
Morgan
Multer
O'Konski
O'Neal, Ga.
Pool
Purcell
Quillen
Reinecke
Resnick
Reuss
Rhodes, Ariz.
Rostenkowski
St. Onge
Schweiker
Shipley
Sikes
Skubitz
Steed
Steiger, Wis.
Stephens
Stubblefield
Taft
Teague, Calif.
Tunney
Ullman
Utt
Waldie
Williams, Miss.
Willis
Wilson, Charles H.
Wyman

The SPEAKER. On this rollcall 355 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

MARION LADY CHESHAM OF TANZANIA

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, with my colleagues in the group of 424 composing the gentlemen of the House I am proud of the 11 articulate, able and charming members in the group composing the gentlewomen of the House. I am happy to claim for my own State of Illinois one of the 11, the gracious Charlotte Reid, and I am blessed that on the committee of my assignment are the gentlewoman from New York [Mrs. Kelly] and the gentlewoman from Ohio [Mrs. Bolton], who is the distinguished ranking minority member of the Committee on Foreign Affairs.

This week we are honored by a visit from another renowned woman legislator, Marion Lady Chesham of Tanzania. Lady Chesham is an old and beloved friend of many of us.

Tomorrow at 10:30 in the morning in room 2177, Rayburn Building, the African Subcommittee is honoring Lady Chesham with a coffee reception, and it is my hope that all my colleagues in the House may escape from the demands of duty besetting them long enough to drop in at 2177 Rayburn Building to welcome this charming visitor from Africa.

Lady Chesham, the former Marion Donoghue, of Philadelphia, went to Tanganyika in 1938 as the wife of a British baron. She was a member of the colonial legislature in 1958 when Tanganyika was still a British colony, was reelected in 1960, the year before independence, and in the 1965 elections she returned to the assembly as one of the 10 representatives at large nominated by President Nyerere. Lady Chesham has appeared before the subcommittee on past occasions and I am sure that you will find her an inspiring and knowledgeable person concerning the affairs of not only her own country but of all Africa.

CLEAN AIR ACT

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 780) to amend the Clean Air Act to authorize planning grants to air pollution control agencies, expand research provisions relating to fuels and vehicles, provide for interstate air pollution control agencies or commissions, authorize the establishment of air quality standards, and for other purposes, with an amendment of the House thereto, insist on the amendment, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia? The Chair hears none, and appoints the following conferees: Messrs. Staggers, Jarman, Rogers of Florida, Springer, and Nelsen.

HOUSE LEADERSHIP STRONG AND FIRM UNDER SPEAKER JOHN W. McCORMACK

Mr. O'HARA of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, in the Washington Post of this morning the syndicated columnists, Evans and Novak, indicated that House Democrats were somehow in trouble, and that the cause of this condition lay with the House leadership.

Mr. Speaker, I am afraid that Mr. Evans and Mr. Novak lack the elementary ability to count. In the 1966 elections the American people decided, unwisely I thought, that they would change a number of their Representatives. Since then, Mr. Speaker, we have had a little more difficulty in the House than we had in the 89th Congress. But the conclusions reached by these columnists, Mr. Speaker, are mistaken, and I wish to state my emphatic disagreement with their conclusions.

I know from my own experience in this session that the Speaker, the majority leader, and the majority whip have worked hard and effectively for the Democratic program under very difficult circumstances. Not only do I understand this, Mr. Speaker, I am confident that almost every Member on the Democratic side understands this as well as I do.

Mr. Speaker, I should like at this time, to repeat the conclusion of a statement I made on January 18 of this year in this House. I said:

> Our leadership remains strong and firm under Speaker John W. McCormack. I for one look forward to working with the Speaker

and his very able leadership partners, Majority Leader Carl Albert and Majority Whip Hale Boggs, in support of programs to continue the progress which we have made in the last 5 years under this effective team.

Mr. Speaker, the only change I would make today in that statement is, instead of 5 years, I would now say 6 years.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the distinguished gentleman, the majority leader [Mr. Albert].

Mr. ALBERT. Mr. Speaker, I appreciate the kind remarks of the distinguished gentleman from Michigan who is a very able Member of the House.

I particularly appreciate his remarks with reference to our great and beloved Speaker. Because of the magnificent leadership which John McCormack has given this House, he will rank in history as one of the great Speakers of all time. He is a man of great energy and ability, foresight, and judgment—one of the noblest characters I have ever known.

I am happy to say in retrospect that John McCormack was my candidate for Speaker of the House in the 87th Congress and in each succeeding Congress. I am happy and proud also to say that John McCormack will be Carl Albert's candidate for Speaker of the House of Representatives in the 91st Congress—and I will add for the benefit of my Republican friends—he is going to win.

THE APPROPRIATION BUSINESS FOR FISCAL YEAR 1968

Mr. MAHON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, the foreign assistance appropriation bill for fiscal 1968 is scheduled for House floor consideration later this week. As reported from the Committee on Appropriations, it is $1,043,000,000 below the budget requests for appropriations.

If the House sustains the committee amounts, the House, in the 14 appropriation bills it has considered for the current fiscal year 1968, will have cut the President's requests for appropriations by $5,654,000,000. And one more appropriation bill remains to be reported; namely, the final supplemental dealing principally with the antipoverty program. If the appropriation for that program is held to not more than last year's $1.6 billion level, as I think may be the case, then it is clear that House reductions in fiscal 1968 appropriation requests will exceed the significant sum of $6,000,000,000.

We are getting ready for hearings on the final supplemental bill, and hope to be in position to proceed when the pending antipoverty authorization bill is disposed of.

The other body is scheduled to take up today the military construction appropriation bill which, as it is now written, is even below the House amount. That is the only appropriation bill pending in the other body. If approximately $800 million is cut from the appropriation requests in that bill, as now seems certain; if Congress cuts approximately $1 billion from the appropriation requests in the foreign assistance bill, as may well happen; and if the antipoverty program is held to not more than last year's appropriation level, it now seems quite likely that Congress will cut the fiscal 1968 budget requests for appropriations by the significant sum of approximately $6 billion. This would be a savings of $6 billion; much would be saved in the current fiscal year, the remainder would be saved in subsequent years.

What I am saying, Mr. Speaker, is that we are fast approaching a wrap-up of the appropriations business of the session. The results are significant—a $6 billion cut is certainly significant. And it is of some significance that appropriations for fiscal 1968 at this session may, in total, be within the total for the preceding fiscal year 1967 that closed on June 30.

Mr. Speaker, I append supporting tabulations that may be of interest:

COMPARATIVE SUMMARY OF APPROPRIATION BILL TOTALS, 90TH CONGRESS, 1ST SESSION, AS OF NOV. 13, 1967

[Does not include any "back-door" type appropriations, or permanent appropriations [1] under previous legislation. Does include indefinite appropriations carried in annual appropriation bills. All figures are rounded amounts.]

	Bills for fiscal 1967	Bills for fiscal 1968	Bills for the session
A. House actions:			
1. Budget requests for appropriations considered	$14,411,000,000	[2,3] $127,101,000,000	$141,512,000,000
2. Amounts in 15 bills passed by House	14,238,000,000	[2,3] 122,490,000,000	136,728,000,000
3. Change from corresponding budget requests	−173,000,000	−4,611,000,000	−4,784,000,000
4. Foreign assistance (Committee bill)		−1,043,000,000	
Total reduction	−173,000,000	−5,654,000,000	−5,827,000,000
B. Senate actions:			
1. Budget requests for appropriations considered	14,533,000,000	[2,3] 124,397,000,000	138,930,000,000
2. Amounts in 14 bills passed by Senate	14,457,000,000	[2,3] 123,525,000,000	137,982,000,000
3. Change from corresponding budget requests	−76,000,000	−872,000,000	−948,000,000
4. Compared with House amounts in these 14 bills	+219,000,000	+3,177,000,000	+3,396,000,000
C. Final actions:			
1. Budget requests for appropriations considered	14,533,000,000	[3] 124,397,000,000	138,930,000,000
2. Amounts approved in 14 bills enacted	14,394,000,000	[3] 120,665,000,000	135,059,000,000
3. Comparison with corresponding budget requests	−139,000,000	−3,732,000,000	−3,871,000,000

[1] Permanent appropriations were tentatively estimated in January budget at about $15,212,066,000 for fiscal year 1968.

[2] Includes advance funding for fiscal 1969 for urban renewal and mass transit grants (budget, $980,000,000; House bill $925,000,000; Senate bill, $955,000,000; enacted, $925,000,000) and for grants-in-aid for airports (budget, $75,000,000; House bill, $65,000,000; Senate bill, $75,000,000; enacted, $70,000,000).

[3] And participation sales authorizations as follows: Total authorizations requested in budget, $4,300,000,000; total in House bills, $1,946,000,000; total in Senate bills, $4,085,000,000; total enacted, $4,250,000,000.

Prepared Nov. 13, 1967, in the House Committee on Appropriations.

HON. JOHN W. McCORMACK

Mr. PEPPER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. PEPPER. Mr. Speaker, I am glad to pay my public testimony of tribute to that great and good man who honors this House of Representatives by being its Speaker.

About 31 years ago I came to the Congress, in the other branch, and I came then to know the sterling qualities of mind and spirit that are a part of this great man.

Few men have left a more indelible and nobler imprint upon the public life of this country than has our Speaker. Few men have ever been identified with greater and more meaningful programs for the progress, the health and prosperity and happiness of our people than has he.

The years have only added to his wisdom. They have not impaired the dynamism of his spirit and the sterling qualities of his mind, or his extraordinary activity as an individual.

I hope I shall have the opportunity to be a Member of this House at the beginning of the 91st Congress. If I do, I shall proudly cast my vote to continue the great leadership of our Speaker, one of the noblest of all Americans in the history of this land, the Honorable John W. McCormack. And when his columnist traducers shall have been forgotten, the name of John W. McCormack shall loom large and lustrous in the annals of American political leadership.

HON. JOHN W. McCORMACK

Mr. DENT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DENT. Mr. Speaker, I just want to take this opportunity, to join my colleagues in the remarks they have made, to say that I agree with them. However, I would say to those who have had a little bit of fun in the last couple of weeks by blaming all the things that are bad upon the leadership in this House and claiming for themselves the credit for all that is good, I would say that in my opinion, as an observer here with a few years of experience, that we do not lack leadership as much as we lack "followship."

CHIEF HOSPITAL CORPSMAN JOE GURULE

Mr. GUBSER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. GUBSER. Mr. Speaker, tomorrow marks the retirement of a good friend of every Member of the House and Senate. Chief Hospital Corpsman Joe Gurule will retire from the U.S. Navy after more than 24 years' active service.

As the physiotherapist technician assigned to the office of the Attending Physician of the U.S. Capitol, Joe has rendered expert service to hundreds of Senators and Representatives. During that time, however he has done more than simply administer to our aches and pains. He has worked his way into our hearts and claims the status of friend with every one of us. Joe has never showed reluctance to give that extra little bit of service or that extra bit of friendship, regardless of personal inconvenience. At any time of day Joe could be depended upon to do what the situation required.

This was the attitude which marked Joe Gurule's entire career in the U.S. Navy. In addition to his work in physiotherapy, he saw extensive service as a combat Marine. As a hospital corpsman he was superb, but he also knew the battlefield. Here, as in his work in physiotherapy, he distinguished himself.

The official records of the U.S. Navy show that Joe Henry Gurule was born February 8, 1925, in Flagstaff, Ariz. He attended public schools in Phoenix, Ariz., Joe enlisted in the Navy in February 1942, and attended bootcamp and Hospital Corps School at San Diego, Calif. Upon completion of hospital corps school training, he was assigned to the 2d Marine Division in the South Pacific. For the next 3 years, the duration of World War II, he saw action with the 1st and 2d Marine Divisions in the South Pacific. During the invasion of Peleliu, he received multiple shrapnel wounds which resulted in his hospitalization for approximately 2 months. He was awarded the Purple Heart and a Presidential Unit Citation.

After World War II, Joe attended physiotherapy school at Walter Reed, conducted by civilian instructors from the Mayo Clinic. Joe considers this one of the highlights of his naval career—training under such competent teachers. Following completion of his training in physiotherapy, Joe spent 1 year at the naval hospital, Oak Knoll, Calif., and was subsequently transferred to Cavite in the Philippines. In 1950, at the outbreak of the Korean war, he reported to the 1st Marine Division and participated in the Inchon invasion and the Chosen Reservoir evacuation, receiving wounds resulting in his hospitalization at the U.S. Naval Hospital, Yokuska, Japan, for approximately 9 months. On termination of this hospitalization, he was placed on the temporary retired list in 1954. In 1958, he requested a return to active duty and was assigned to the Corona Naval Hospital. He has had duty on the U.S.S. *Thor,* a cable-laying vessel, and the U.S.S. *Stalward,* an oceangoing minesweeper. He was assigned to the U.S. Naval Dispensary, Washington, D.C., in August 1961, and ultimately to the U.S. Capitol in February 1962.

Among Joe's medals and decorations awarded him during his career in the naval service are two Purple Hearts; four Presidential Unit Citations; Good Conduct Medal, sixth award; National Defense Medal, second award; Korean Service Medal; and United Nations Medal.

When Joe retires from the Navy tomorrow, he will not be concluding his service to his fellow men. Those of us who know him were not surprised to learn that he has accepted a position with the California Department of Correction and will be doing his bit in rehabilitating prisoners in his adopted State of California. The naval career of Joe Gurule, HMC, will have come to a close, but the career of Joe Gurule, the humanitarian, will continue on toward even greater heights.

The many friends of Joe Gurule on Capitol Hill will miss him, but we all join together to wish him well.

RETIREMENT OF JOSEPH GURULE

Mr. GUBSER. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KING] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KING of New York. Mr. Speaker, I wish to join the gentleman from California [Mr. GUBSER] in his remarks relative to the retirement of our good friend, Joseph "Joe" Gurule, the physical therapist in the office of the attending physician.

I am delighted to extend my congratulations and best wishes to Joe on this occasion. He has served his country with distinction and I know that many of the Members in both the House and Senate will always be grateful for the service and assistance he has rendered to them from time to time. We will certainly miss Joe and his ever readiness to make the extra effort for our own comfort and convenience.

It has been a real privilege for me to know Joe Gurule and I am pleased to have this opportunity to join with his many friends in wishing him future success and happiness in his well-deserved retirement.

SEVENTY-EIGHTH BIRTHDAY OF WASHINGTON STATE

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, November 11, the State of Washington, observed its 78th birthday, pointing to the rapid strides the State has made in the last three-quarters of a century.

The State of Washington was carved by the hands of rugged pioneers from the untamed territory of the Pacific Northwest. The railroad and Alaska's gold were the two most outstanding turning points in the young State's life, causing population to move West, settle, and begin forming the industrial base now supporting the State's populace.

But, Washington's statehood did not come easily, nor did anything in the hard struggle to tame the Pacific Northwest. In fact, the first petition for statehood was turned down by Congress in 1878, but it created an enthusiasm in the territory that would not be quieted so easily. A dozen years later, statehood was granted after all congressional conditions were fulfilled, and a formal proclamation was signed by President Benjamin Harrison.

Incidentally, the first administration in the State of Washington, Mr. Speaker, was Republican, and I might add, that today, the State is headed by a young, progressive Republican Governor, Daniel J. Evans.

Mr. Speaker, it is an honor to represent Washington's First Congressional District, and to call to the attention of my colleagues, the 78th birthday of the great State of Washington.

EXPERIMENTING ON THE INDIAN RESERVATIONS

Mr. BERRY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. BERRY. Mr. Speaker, it is hard to believe everything you read nowadays, but when I saw a picture on the front page of one of the local papers of Secretary of the Interior Stewart Udall with his arm around Robert E. Simon and the quote, "Bob won't be working for you anymore—he'll be working for me" in studying whether "new towns" can be built on Indian reservations.

According to the story, the Secretary

of the Interior is hiring Simon to visit Indian reservations in Arizona, New Mexico, and other States as a consultant for the Interior Department at a salary of $75 or $80 a day plus expenses. Simon was the mastermind of the swanky Reston development in Fairfax County with its high-rise apartment, its manmade lake, and elegant homes. According to the report, the Secretary said he had long been pushing the idea that the Indian reservations might be used for new-town projects like Reston. The first requirement, the Secretary has reported, is land, and that is the one thing the West has plenty of.

Mr. Speaker, it is difficult to believe that the Secretary of the Interior, who was raised in Arizona and who should know a great deal about Indians and Indian reservations, could make a statement like this even at a cocktail party. The more serious thing, however, is, will the Secretary throw hard-earned taxpayers' money into a $75- or $80-a-day job for a builder like Simon to experiment on the Indian reservations?

This is about the silliest thing I have heard of in my long experience of listening to bureaucratic ideas. I hope that this thing can be stopped before the money is squandered. If we really want to give the Indians a break, let us give them the money that Simon will otherwise get, to buy shoes for the Indian children.

SALUTE TO THE GRANGE

Mr. DOLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. DOLE. Mr. Speaker, today signals the opening of a very special convention—the celebration of the centennial anniversary of the Grange, the Nation's oldest farm and rural organization. Grange members from 38 States have gathered in Syracuse, N.Y., to mark this historic occasion.

I take great pride in saluting this fine organization which has 199 active Granges in Kansas. The record clearly shows the development of the Grange since 1867 has paralleled the remarkable achievements of American agriculture.

The Grange's legislative achievements are well known. To name just a few: A full 53 years before this Nation ratified the 19th amendment to the Constitution, the Grange, at its national session, passed a resolution supporting equal and full rights of women, including their rights to the ballot box. In addition, they have championed Cabinet status for the USDA, vocational agricultural programs in the schools, the Rural Electrification Administration, Farmers Home Administration, and the rural telephone system.

It is my feeling, however, their contributions to another area are less heralded and perhaps equally significant.

This area is that of individual and family participation and involvement. In an age when many people lament local concern and involvement, Grange members stand out. Grangers across the Nation are involved; they do participate; they are concerned. Through their community progress program and their women's activities, as well as their legislative discussions, members strive to upgrade their communities, their States, and the Nation.

In addition, one of their most notable achievements lies in maintenance of family togetherness. The Grange believes, whenever possible, the family should work and play together as a unit. In these days of the fractured family, the century-old teachings of the Grange take on added urgency: The family is the most important unit. The family farm is the most efficient and healthy rural economic foundation. Through encouragement and participation of youth in all areas of the Grange activities, clear-headed young people are produced—young people with a distinct sense of what is just and what is unjust; young people who know the difference between what is merely passing fad or fancy and what has lasting value; young people who understand why it is essential to be active in community affairs.

So it is today that I offer my congratulations and best wishes to National Master Herschel D. Newsom and to Kansas State Master James W. Ingwersen, as well as to all Grangers everywhere. I feel confident the Grange's second century will reflect the same vision and determination in rural affairs which has characterized the group's first 100 years.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1967

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 2388) to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

IN COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill S. 2388, with Mr. ROONEY of New York in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Thursday, November 9, 1967, the Clerk had read through section 2 of the committee substitute amendment ending on page 128, line 21, and there was pending the amendment offered by the gentleman from New York [Mr. GOODELL].

Without objection, the Clerk will again report the amendment offered by the gentleman from New York.

There being no objection, the Clerk read as follows:

Amendment offered by Mr. GOODELL: On page 128, line 6, strike out "$2,060,000,000" and insert "$1,400,000,000"; line 8, strike out "$874,000,000" and insert "$421,500,000"; line 10, strike out "$1,022,000,000" and insert "$825,000,000"; line 13, strike out "$16,000,000" and insert "$10,500,000"; and on line 14 strike out "$31,000,000" and insert "$26,000,000".

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Chairman, the amendment pending before the Committee of the Whole at the present time is the amendment offered by my good friend and distinguished colleague, the gentleman from New York [Mr. GOODELL]. I think we should analyze the result of the amendment if it should be adopted, reducing the authorized amount to $1,400,000,000. If that should happen, the Headstart program, which concerns children, would be reduced by about 40 percent. The Neighborhood Youth Corps would be reduced by at least 50 percent. The amendment would reduce the medical program, under which wonderful work is being done also, by over 60 percent. It would reduce the Domestic Peace Corps by approximately 50 percent. It would reduce the Upward Bound program for high school students from 25,000 to about 12,000. It would reduce about two-thirds the legal aid program, a program that has been doing outstanding work, and which is supported by the American Bar Association and others. In fact, the American Bar Association has recommended that the legal services should be increased by threefold over what is being conducted now. So we want to have clearly in mind just what the Goodell amendment would do if it were adopted.

In other words, it would so drastically reduce as to constitute a fatal attack upon this most worthy program.

It is unnecessary to argue the reasons for this program. In America today, with all our wealth and with all our extraordinary national income, we have millions of persons who are living under underprivileged conditions. This program is aimed not only to give them hope but also to give them assistance in enabling them to meet the journey of life and to take care of and assist in the proper way the many problems that confront the underprivileged of our country.

I might say that only the other day Governor Volpe, who is a personal friend of mine and whom I like very much—I wish he were a Democrat—issued a proclamation. I call this to the attention of all the Members of the House. If I might without appearing presumptuous, I address myself particularly to my colleagues on the Republican side. This was issued only a few days ago, a proclamation of 1967 by Governor Volpe.

Without reading it in full, he said:

> Government has a basic responsibility for the economic well-being of all citizens in this State and Nation, and the State has the unique potential to effect necessary changes through cooperation with and coordination and utilization of the resources of the Fed-

eral and local governments as well as the private sector.

I will include this in my remarks, and obtain permission when we go back into the House.

Now, therefore, I, John A. Volpe, Governor of the Commonwealth of Massachusetts, do hereby proclaim Friday, November 3, 1967, as Economic Opportunity Day and call to the attention of all our citizens the achievements which have been made thus far in our endeavors toward greatest employment opportunity, and the outstanding challenges which lie ahead in this area to which we shall dedicate our continuing and determined efforts.

Much has been said about mistakes made by the antipoverty program. I recognize that. But it is human to err. We cannot have complete perfection in our own lives, never mind in the administration of a law. None of us is perfect. All we can do is approximate perfection to the fullest extent humanly possible. That same thing applies to an agency in the administration of the law.

There are critics who will crawl out of some corner and complain about the Office of Economic Opportunity from the time it was set up in 1964, that it failed in this aspect of its endeavor, or missed out in this or in that regard. Well, there are lawyers who have made mistakes. Are we going to convict 100 percent of the lawyers in the country for what less than 1 percent might do?

Are we going to convict 100 percent of the bankers of the country for what less than 1 percent might do?

Are we going to convict any segment of American society, economic or otherwise, 100 percent, for what less than 1 percent might do?

So let us try to keep in our minds a proportionate mental state. Let us separate those who do things they should not do from the great majority, the 99 percent who are trying in a dedicated way to make this program work effectively.

Would we eliminate General Motors Corp., for example, from the American economy because only the other day it had to recall hundreds of thousands of cars in which there were mistakes, making them dangerous to the owners of those automobiles on the highways and the dealers of our country?

Would we do the same thing to the Ford Co.? Would we wipe it out because of mistakes, which they admit? They have recalled cars because there is danger to the owners of the cars and to those who use the cars.

Is all business wrong because we may have, here and there, administered prices or things done by some which should not be done?

Should we eliminate the legitimate business of labelling merely because of deceptive labelling and dishonest packaging?

Of course the Office of Economic Opportunity has made mistakes. There have been individuals there who have made mistakes. It is bound to happen. It will be happening 100 years from now.

But are we going to destroy what is good because of what a few might do? I say let us put the Office of Economic Opportunity and all it has done and tried to do since 1964 before any comparable governmental, industrial, manufacturing or service enterprise in any area of American life and then say that the OEO has not been ably and brilliantly administered. It is carried in the newspapers. It is news because there is controversy as to what this or that individual does. It is not news what a good person does. The controversy is on what somebody of an evil mind does or what somebody does when he does something that he should not do. Yet the great majority of people in all walks of life are doing what they ought to do, that is, doing the right thing. The great majority of those in the Office of Economic Opportunity and those benefited by it are doing the right thing. So, my colleagues, let us keep in mind first that this is an important program. This means so much to millions of Americans. This is a morale builder, a hope builder, something that represents a meaningful aspect in the life of America in these days and in the days that lie ahead. This is particularly so for those of us who when we were youngsters lived under substandard conditions. We well know the situation that exists. This is true of many in this Chamber whose families when they were youngsters were not possessed of much of the world's goods. So let us remember, those of us who have gone through that period, and let us see the other side of the coin and realize that this is a program which is of vital importance. This is a proper program and a sound program. Let us not be influenced because of the actions of 1 percent or less and convict and indict and hurt the entire 100 percent.

So I urge you, let us put through an effective bill. I urge the defeat of the Goodell amendment.

Mr. Chairman, at this point I will include the entire proclamation issued by Governor Volpe:

PROCLAMATION, 1967, BY HIS EXCELLENCY, JOHN A. VOLPE, GOVERNOR

Government has a basic responsibility for the economic well-being of all citizens in this State and Nation, and the State has the unique potential to effect necessary changes through cooperation with and coordination and utilization of the resources of the Federal and local governments as well as the private sector.

Human dignity is based upon the individual's ability to work, to learn and to enjoy life. A weekly paycheck, a full stomach, and the knowledge that his family has a chance to make it in life can eliminate the hostility, frustration or despondency which might reside in any man.

This Commonwealth of Massachusetts has committed itself to ensuring the fullest economic opportunities for all of its citizens. There is much work to be done toward increasing and raising the level of employment through improvements in vocational counseling, widespread job recruitment, and manpower redevelopment and training. In this expanding scientific, technological and industrial age, we are not so much faced with fighting poverty as with spreading opportunity.

This Nation and this State have seen great advancements in this vital area, with the Office of Economic Opportunity, the first Federal agency to address itself directly to the needs of the poor and to involve them in planning for and working toward improvement in their lives; the Commonwealth Service Corps and its related State agencies, which have taken great strides in betterment of economic welfare and opportunities for Bay Staters; and the program of our Capital City, Action for Boston Community Development, which is recognized as one of the best administered programs of its kind in the country.

Now, therefore, I, John A. Volpe, Governor of the Commonwealth of Massachusetts, do hereby proclaim Friday, November 3, 1967, as Economic Opportunity Day and call to the attention of all our citizens the achievements which have been made thus far in our endeavors toward greatest employment opportunity, and the outstanding challenges which lie ahead in this area to which we shall dedicate our continuing and determined efforts.

Mr. WRIGHT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WRIGHT. Mr. Chairman, today we are deciding whether the richest and most abundantly blessed civilization in the history of mankind can afford a real and earnest effort to help its disadvantaged citizens.

By our action on this amendment, we will express our judgment as to whether a nation that spends 75 cents of every tax dollar for defense and the implements of war can afford one and one half cents for an assault on poverty.

By our individual judgments we will be judged. By our collective judgment our Nation will be judged—both in the eyes of the contemporary world and in the unforgiving verdict of history.

For it is not really a question of whether we can afford a truly decent, humane society which genuinely cares about its humblest and most improvident citizen. By any measurement known to man, we can afford it better than any nation in history.

It is quite simply a question of whether we really want such a society—and want it enough to pay for it.

It is a question of what value we place upon that little child of our land, created in the image of God but born through no fault of its own of unfortunate family circumstances. Do we value that child enough to give it a more nearly equal break in school—and thus in life—by preserving the Headstart program against the ravages of false economy?

It is a question of what value we place upon that confused American teenager, victim of a deprived environment, who has dropped out of school with no marketable skill and been branded a "failure" in our society. Do we have enough confidence in him to give him another chance by keeping the Job Corps alive with an opening to accommodate him?

It is a question of how much we care about the widowed American mother, striving alone to rear five children with the minimum advantages and keep them free from the psychic scars and lasting pockmarks of poverty. Do we value her struggle sufficiently to save the family services and day care features of the antipoverty program?

The Goodell amendment would cut the funds which the bill makes available for each and all of these services by approximately one-third. From every three deprived Americans which the committee bill would assist, the amendment would eliminate one.

The Goodell amendment would eliminate 12,200 Job Corps openings. It would do away with 165,000 constructive summer jobs provided for needy youth under the Neighborhood Youth Corps. It would eliminate 8,800 college students from the Upward Bound work program, reduce by 24,000 the number who could be trained under our manpower programs, and close the door of opportunity to 20,000 adults by restricting our adult education program. In addition, it would strike some 44,000 children from the rolls of the Headstart effort.

It would be a tragic indictment indeed if we should perfect an industrial base without parallel and a military machine without peer, tap the wonders of science, probe the ocean depths and conquer outer space—but lose the soul and spirit of individual concern.

The vote on this amendment, therefore, is a crucial test as to whether, in our providential and unprecedented affluence, the American civilization has become calloused and blind to the needs of the less affluent.

It is a test as to whether the shrill sirens of fear and greed have deafened our ears to the quieter calls of conscience.

Yes, we can well afford an adequate war against poverty. The question is whether we care enough to want it.

By voting down the Goodell amendment, we can answer that question with a resounding affirmative.

Mr. PIRNIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me at this point?

Mr. PIRNIE. I yield to the gentleman from Kentucky.

Mr. PERKINS. I just wonder if we can reach some agreement as to when we could cease debate on this amendment and any other amendment thereto.

The CHAIRMAN. Would the distinguished gentleman from Kentucky restate his request?

Mr. PERKINS. I would like to ask the minority if we could agree upon 2:15 to close the debate on this first section on the Goodell amendment, and any other amendment thereto. I ask unanimous consent so to do.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that all debate on the pending amendment and all amendments thereto close at 2:51.

Is there objection to the request of the gentleman from Kentucky?

Mr. GERALD R. FORD. Mr. Chairman, reserving the right to object, generally, I agree with the desire on the part of the gentleman from Kentucky to set a time limit. Would another 5 or 10 minutes make any difference to the gentleman from Kentucky?

Mr. PERKINS. Mr. Chairman, if the gentleman will yield, let us make it 2:25 or 2:30.

Mr. GERALD R. FORD. No; it would not make any difference at all.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 2:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The gentleman from New York [Mr. PIRNIE] has already been recognized prior to the unanimous-consent request, so his 5 minutes will be allotted to him.

Mr. PIRNIE. Mr. Chairman, it would be a serious mistake to substantially alter the present course of the war against poverty. I have arrived at this conclusion only after long and careful deliberation, marked by a searching, in-depth analysis of the operation of the Office of Economic Opportunity and the programs under its jurisdiction.

Perfection is an elusive goal for which we must continually strive, knowing full well that it can never really be achieved. But try we must.

I am mindful of the criticism that has been directed at the OEO and recognize the need for adjustments to certain of its policies. Also, it is evident that there must be improvement and a general tightening-up in the administration of the overall operation. Reform characterized by refinement is required.

We should make policy adjustments. So too, should we demand improvement. And by the incorporation of specific directives in the act, we can eliminate guesswork regarding what we mean when we call for a "tightening-up" in administration.

Such moves will receive my support, but I will oppose any attempt to abandon the war against poverty or to drastically change its direction.

That I should now advocate the continuation of a program which did not initially have my endorsement may come as a surprise. Such a reaction is understandable when one considers the stormy, often controversial history of the antipoverty programs and the agency which administers them.

When the Economic Opportunity Act of 1964 was before the 88th Congress, I expressed strong reservations about the manner in which the effort to assist the poor and underprivileged was being launched.

While the revelations of widespread poverty in this land of plenty were indeed disheartening, and the desire was strong to do something constructive in addition to that which was already being accomplished through programs authorized under the Manpower Training and Development Act and the Vocational Education Act, I could not, in good conscience, lend my support to the proposed legislation. Too many questions remained unanswered. Specifics were lacking. A sense of direction did not accompany the sense of purpose.

Despite all of these obvious deficiencies, we were asked to accede to the President's request for nearly a billion dollars to get the program off the ground.

Rather than such a massive undertaking rife with uncertainty, I preferred the "seed money" approach to establish pilot programs. Try a Headstart project. Underwrite a community action effort. Establish a Job Corps center. By so doing, the wrinkles could be easily ironed out along the way and then, following a reasonable trial period, those policies and programs which failed the test, could be cast off. Those proved successful would receive more attention and additional funding. Unfortunately, this view did not prevail.

It did not require extrasensory perception to foresee the problems and difficulties ahead. There was waste. There was lack of proper coordination and organization. Mistakes were made, not on a modest scale, but in grand fashion and the misfortunes of the OEO were well known. But progress was made. Lessons, admittedly expensive, were learned. Change was forthcoming.

Hindsight is always 20/20. I recount briefly my earlier thoughts on the war against poverty not because of any desire to assume an "I told you so" stance or to suggest that the present debate would have a different tenor if the course I favored 3 years ago had been followed, but to place in proper perspective my present thinking.

It is time to forget about the past and concentrate on the future. We must be constructive, not destructive The necessity of such action was clearly documented earlier last week by the U.S. Department of Labor report that the unemployment rate is at a 2-year high, despite a booming—though perhaps shaky—economy.

There is a substantial number of our fellow countrymen living in utter despair. Their future is bleak and will be one of continued frustration unless we can offer some hope, some encouragement, some indication that we are willing to assist in alleviating the cause of poverty, not by being our brother's keeper, but by providing tangible evidence that we wish to be a helper to those who truly wish to be helped. We will demonstrate our sincerity and good faith by continuing the battle, by moving ahead with the programs under review.

The principal issue should be over the direction, not the duration, of the war against poverty.

In my judgment, the Office of Economic Opportunity should be permitted to get on with the job and given adequate funds to perform its vital assignment. In this regard, I believe the administration's budget request and the legislation reported by the House Committee on Education and Labor—with some modifications—to be reasonable and deserving of our support.

I have followed closely the course of the war against poverty, not only in my district, where substantial progress has been made, but throughout the country and I am convinced of two things.

First, the programs, individually, are sound. Headstart work experience. Upward Bound, community action, VISTA, legal services, the Job Corps, the Neighborhood Youth Corps, and the others are successful if they have proper leadership. Leadership is the key.

Second, the major defects of the various antipoverty programs are identifiable and can be corrected.

I cannot stress enough the importance of leadership to the success of this overall effort. Let me cite what I feel is a dramatic illustration.

For 2½ years the Oneida County, N.Y., Department of Social Services, under Commissioner Michael J. McGuirl, has operated a work-experience program. Three Federal grants, totaling $818,214, have been awarded to help finance this facet of our local war against poverty. The funds have been used to train unemployed heads of families who lacked sufficient education or basic work skills to become employable. The results achieved are most impressive.

To date 379 individuals have "graduated" from the work experience program and are now on the job, laboratory technicians, shoe repairmen, heavy equipment operators, groundskeepers, custodians and helpers to skilled tradesmen, such as masons, plumbers, and carpenters.

These 379 individuals have 1,825 dependents, including themselves. Prior to participating in the work experience program they were receiving $90,202 per month, or $1,082,424 per year, in welfare payments. They were being supported by the taxpayers.

Now, these same 379 individuals are working. They are earning $112,942 per month, of $1,355,304 per year. They are taxpayers. They have found new meaning in life, new direction. They have dignity and pride and we are proud of them.

There are presently 240 enrollees in the program and they are headed down the same path. Soon, they too will be earning their way.

All this was made possible by antipoverty grants, by a program that places its greatest emphasis on "opportunity." We are receiving and will continue to receive very sizeable dividends from what, by comparison, must be termed a modest investment.

This is not an isolated success story, but one that has been duplicated in other areas of the Nation. What better testimonial is there to the value of this phase of the war against poverty than to provide such concrete evidence of what has been and is being accomplished?

The work-experience program does not have a monopoly on results. Headstart has been acclaimed by just about everyone who has been exposed to its operation and objectives—objectives that are being achieved as is clearly demonstrated by the thousands of underprivileged youngsters who, because they had the advantage of a headstart, have caught up with their more fortunate classmates.

Upward Bound has opened the door to higher education for many. VISTA, patterned after the Peace Corps, has proven the similarity extends beyond style and intent. Results are being recorded.

The Job Corps, perhaps more than any other antipoverty program, has been severely criticized. It has been raked over the coals with good reason. Investigations have revealed that most of the complaints were justified.

But the Corps' early days, marked by organized confusion, are over. The Corps has hurdled many obstacles. It has profited from its mistakes—and there were many. A maturity is apparent. Significant progress has been made.

More than 70,000 economically and culturally deprived youths have concluded their training and are now employed and earning their way; or continuing their education; or serving in the Armed Forces. Prior to being given a new opportunity, in many cases the first opportunity, many of these Corpsmen now gainfully employed were not able to fill out a job application or follow simple directions. Others who now proudly wear the uniform of their country, could not pass the minimum induction test.

An antipoverty program, made possible by those who cared, has changed their lives. They are the better for it and so are we.

I could go on and cover every program in detail and provide interesting and impressive statistics about the more than 1,000 community action agencies that, through local initiative, are waging individual wars against poverty and winning, battle by battle. I could tell about the estimated 172,000 poor who have been assisted under the legal services program and the 300,000 youths who have benefited by participation in the Neighborhood Youth Corps, but a detailed accounting of what has been done is not nearly as important as what can and should be done.

Medical care, job training, specialized education, employment, legal aid, and a host of other services readily available to most of us who live in this affluent society have been made available for the first time to millions of impoverished Americans because of the war against poverty. Millions more remain to be assisted.

I mentioned earlier that the major defects of the various antipoverty programs are identifiable and can be corrected. Most prominent in this category are the following significant changes in the act proposed in the committee-reported bill—

·Requires the Job Corps to improve screening procedures and to refuse admission to those applicants whose antisocial orientation or medical disability is so great that they are unlikely to benefit from the program or whose disruptive influence will tend to spoil the Job Corps for others;

Directs the Job Corps to reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct;

Requires that direct operating costs per enrollee in the Job Corps be reduced from $7,500 to $6,500 per year;

Prohibits political activity and participation in voter registration drives by officers, employees, and enrollees;

Places greater emphasis on programs for rural Americans;

Tightens auditing requirements for community action agencies;

Requires each community action agency to establish detailed accounting procedures, including rules to assure full staff reporting, the establishment of specific standards for salaries, salary increases, travel and per diem allowances, to assure that employees are hired, retained and advanced on a merit basis, and to guard against personal or financial conflicts of interest;

Provides Federal criminal penalties for certain kinds of misconduct in the administration of the program. Theft, kickbacks, and willful misappropriation of funds or property are covered;

States that "a person will not be deemed to meet the poverty requirements if his lack of income stems, not from handicaps normally associated with poverty, but simply from refusal, without good cause, to accept employment commensurate with his health, education, age, and ability."

Provides for pilot projects to develop new approaches to further the objective of the program, with increased emphasis to be given to the role of private industry.

There are many more committee-recommended changes designed to improve the overall operation of the antipoverty programs and the Office of Economic Opportunity.

However, not all change is progress. Two proposals, in my estimation, are more retrogressive than progressive and I am hopeful they will be scrapped. Both are in title II of the bill which deals with community action agencies. Specifically, I refer to the amendment requiring community action agencies to be State, city, or county governments or specially designated bodies and the amendment adjusting the provision regarding the non-Federal share of the cost of community action programs.

The debate on these two proposals has been lengthy. The pros and cons have been thoroughly reviewed so there is no need for me to repeat what has been said. However, I do wish to make clear my feeling that we should do everything within our power to divorce politics from poverty. Let us retain the community action agencies as private, nonprofit structures with adequate representation of those who are to be helped—the poor. Poverty knows no party; let us avoid at all costs partisan activity in connection with this endeavor—we do not want Republican action agencies or Democratic action agencies—we want community action agencies.

With respect to the non-Federal contribution to the cost of operating community action agencies and their programs, I think it wise to require the local agencies to increase their share of the burden, to make a greater contribution, to become more deeply involved and committed. But let us not be so hasty in our effort as to force many agencies to curtail their activities because they cannot raise the cash for their fair share. It is fine and appropriate to increase the local share from 10 percent to 20 percent, but let us continue the policy of allowing this contribution to be "in kind." The individual community action agencies are able to provide volunteer help, facilities and equipment, but it is difficult, in some cases impossible, to raise sizable sums of money and if they are required to do so

I am afraid many will have to close up shop.

In summary, Mr. Chairman, let us make policy adjustments, let us demand improvement and let us require a "tightening up" in administration of the war against poverty. But above all, let us continue this worthy effort.

Mr. CONABLE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CONABLE. Mr. Chairman, it is known to everyone who reads the papers or listens to current commentary inside or outside the House that a great many amendments are going to be offered to the current structure and administration of the war on poverty. It is also well known that many motivations, both destructive and constructive, will be brought to bear on this program during the course of debate which these amendments will precipitate. I regret that the sequence of the sections of the bill before us bring us first to the question of money, because the money the Nation can and should dedicate to this effort, with its experimental and coordinating impact on the total national effort to alleviate poverty, is bound to be affected by the final results of our debate on how the Office of Economic Opportunity should be administered and what its goals should be. For instance, I would have considerably less confidence in the program, and hence be less willing to commit substantial sums of money to community action, if the final legislation we enact this week includes the Green amendment.

I have voted to cut a great many programs this year, Mr. Chairman, and I will vote to cut this one also rather than see the Nation's dwindling treasure wasted in the manipulation of voting blocks or the political exploitation of our harassed and beleaguered poor. But I am reluctant to cut without knowing what I am cutting, because a well-run poverty program should have a high priority in our scale of national needs. I am ready and willing to vote for the changes which I deem improvements in this program, and if these are successful I would regret having placed a ceiling on the financial effort at this stage in the debate. For this reason I do not plan to vote either for the Goodell $1.4 billion ceiling or the Ayers continuing resolution which is also designed simply to reduce the entire issue to the matter of money. If the changes for which I hope do not materialize in the later stages of this amending procedure, I shall then without hesitation vote for a necessary limitation of funds when the appropriation bill for the OEO comes before us in the near future.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. Gurney].

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. GURNEY. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, I would only point out that the various statistics that have been cited here as to the impact of the cut to $1.4 billion are based upon a comparison with the $2.06 billion in the committee bill, which is not the present operating program. They are now operating with the basic figure of $1.6 billion.

Everybody has indicated, and the chairman of the Committee on Appropriations on the other side of the aisle has indicated, they are going to approve appropriations of about $1.6 billion at the top and quite possibly a little below that figure.

So the comparison cited here is false from the very outset. They are not comparisons as to the way the program is operating today, they are comparisons with a mythical projection as to how it might operate under a $2.06 billion program.

In addition to that, comparisons are false in another respect because they assume that the cuts will be made arbitrarily where the individual speaking wants them to be made in order to scare people.

The CHAIRMAN. The Chair recognizes the gentleman from Colorado [Mr. Rogers].

Mr. ROGERS of Colorado. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York and to point out that it would be disastrous out our way if it were to be adopted.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. ROGERS of Colorado. I yield to the gentleman.

Mr. CAREY. Mr. Chairman, I appreciate the concern of my colleague, the gentleman from New York [Mr. Goodell] and the author of the amendment. It has been so clearly indicated by testimony in debate he speaks of how painful these cuts will be no matter where they are assessed.

One thing is undeniable—we know what the cut is going to mean to New York State, where he and I originate—and there are no ifs, ands, or buts about that.

As to the present program versus the suggested amendment by the gentleman from New York, this amendment will cost the State of New York taxpayers $40 million. I say it will cost the State of New York taxpayers because the Governor of the State of New York has indicated that he does not intend to abdicate his responsibility to the poor, and in fact, is advocating an increase.

Furthermore, the mayor of the largest city, the city of New York, Mayor Lindsay indicates he will not jump ship and drop the burden where the poor are concerned.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, at the request of Mrs. Kelly, the time allotted to her was granted to Mr. Carey.)

Mr. CAREY. Mr. Chairman, in fact the mayor of the city of New York has said he intends to augment the program, as the city has long been doing.

What this means, if the Federal Government cuts down its share, is that this money is going to be supplied by the taxpayers of the cities and of the State of New York in terms of increasing welfare and unemployment costs. This means a now direct Federal responsibility will be transferred to the New York taxpayers of a minimum of $40 million to as high as $75 million, depending on whether you cut from the existing level or the new level recommended by the committee.

I take a dim view of these so-called economy amendments which save money for the Federal Government by passing the whole tab on to the people at State and local levels.

I do regret that a gentleman from New York, for whom I have the highest regard and respect, sees fit to place this new burden upon the already heavily strained shoulders of the New York taxpayers by offering this amendment.

Mr. GILBERT. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman from New York.

Mr. GILBERT. I thank my distinguished colleague from New York. May I say I agree completely with the gentleman from New York [Mr. Carey]. I am unalterably opposed to the amendment of my colleague, the gentleman from the State of New York [Mr. Goodell.]

Mr. Chairman, I strongly oppose any cut in the authorization for the antipoverty program. The figure of $2.06 billion authorized by the House committee is the minimum we should approve. I am opposed to the Goodell amendment which would cut back the program to $1.4 billion, as opposed to the $2.06 billion which I support. This is no time to cut back on a program with a successful beginning. I say we can eliminate tax loopholes, take a second look at our billion-dollar space program, reconsider the multimillion-dollar subsidy for the supersonic transport program. Will it be billions for the Apollo program to reach the moon and only half that to reach the Nation's poor?

I have seen what can be accomplished through the community action programs in my congressional district in the southeast Bronx. CAP centers are providing family services, health services, job counseling, day care centers, educational programs, consumer education, and other services geared to the local community needs. These programs are reaching the poor and helping them to plan for themselves. Youngsters have been given a chance through Headstart; would-be dropouts have been encouraged to stay in school; young people who otherwise might have been pressed into lives of crime have been given training and job opportunities; the elderly have been afforded health services heretofore unknown to them. These programs in New York City, now operating at a level of $17.5 million annually, could be cut as much as $6 or $7 million under proposed amendments. The slash would be from 30 to 40 percent and would affect many thousands of poor people.

When Congress first passed the Economic Opportunity Act, we faced up courageously to a problem we could no longer ignore. We pledged our efforts to alleviate poverty in America, and the conditions that breed poverty, despair, and frustration. Now, in the wake of this past summer's violence, we need more than ever to fulfill the commitments we made 3 years ago.

Poverty in America impoverishes all Americans. It is a national problem, the burden of which must be borne by all Americans. If we do not, we pay the consequences: crime in the streets, the growing burden of welfare, illiteracy, and unemployment. The alternative is far more costly than the poverty program itself.

There have been some errors, yes. Changes will be required from time to time. But we must not abandon the war on poverty. And we must not render it ineffective by drastically slashing its funds.

Mr. Chairman, I object to the provisions of section 211(c) to change the structure of the antipoverty boards at the community and neighborhood levels. Under this section, a community action agency would have to be either the State or local government itself or an agency, public or private, designated by the State or local government. Each community action agency would run its program through a community action board, one-third of its members to be public officials, one-third poverty area representatives, and one-third representtives of business, labor, civic, and charitable groups.

Communities throughout the country have established satisfactory antipoverty operations using the 1966 formula. To dismantle and restructure operations as proposed in section 211(c) could throw community action programs into chaos. Certainly this would be the case in New York City, where for over a year people in 15 poverty areas have worked to establish community corporations and have elected governing boards to plan, approve and coordinate antipoverty programs. None of these boards meets the requirements of this section. In each case, members were selected in communitywide, democratic elections open to all residents, and a ruling that the boards must now be restructed would lead to disillusionment among those who have worked so hard to make the corporations a success.

For Congress to reduce the participation of the poor in the programs they have created is tantamount to turning our backs on a promising beginning. We have, in very large measure, succeeded in involving local persons in the development, administration and evaluation of local antipoverty projects, and we have received the cooperation of responsible citizens in advising these programs. To redirect and reorganize at this time will only delay our commitments to the poor. This is no time to revamp; this is no time to cut back on the war on poverty.

Mr. Chairman, I object to the provision that requires localities to double their contribution to the program and that they pay, at the same time, the new assessment in cash. The bill before us increases the amount of money a local community shall contribute to community action programs from 10 percent to 20 percent and requires that half the local share be in cash. Existing law permits the entire local share to be in the form of noncash contributions such as volunteer services, office space, or utility expenses. This provision should not be changed.

In addition to existing programs such as Headstart, legal services, Upward Bound, and neighborhood health centers, I am pleased the bill has four new programs which are commendable and which I support. These are the food and medical services program, a family planning program, a program to meet the needs of the elderly, and a special day care program for children.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. RIEGLE.]

Mr. RIEGLE. Mr. Chairman, I rise in opposition to the amendment. At the outset I would like to say that I have voted for every reasonable cost-reduction amendment or program change that has been offered in this Chamber so far this year, including the recent expenditure limitation. I have opposed the space program, the public works pork barrel, and the foreign aid program because they are too costly at this time and ought to be given back-burner priority. But I am opposed to reducing this program below $2 billion. We must do all we can to help our people help themselves.

At the same time, there is clearly a need for economy in this program. But the economy that I believe is needed should take the form of savings in administrative costs, of cutting out high-salaried bureaucrats, and an overhaul of inefficient and expensive programs that are failing to help the poor.

I would say to my colleague, the gentleman from Michigan [Mr. CONYERS], and my colleague, the gentleman from New York [Mr. REID], that if we do not make the necessary changes in this program later in the debate when amendments are offered, I do not think we are going to be able to sustain a program of any size, let alone one in the amount of $2 billion.

So I would hope that if we could keep these needed dollars in the bill, and can make the necessary program changes that can make this program one that will work and get the job done, certainly there is a desperate need to make this program effective.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. MEEDS].

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment, and I would like to point out that while it is easy to talk sometimes in terms of cuts somewhat exceeding $600 million, it is often very difficult to attempt to visualize what happens in terms of human lives. I want to point out that if the amendment were adopted, we would lose 225 community action programs, 48,000 fewer young people would have the benefit of Headstart, and some 20,000 people would not receive the basic adult education which they would receive under the committee bill.

More importantly, Mr. Chairman, some 9,000 young men and women in this land would not have the chance which they are now receiving under that fine program Upward Bound.

In sum total, this is an investment in people, and the proposed cut would take away the incentive which this program gives them. I oppose the amendment.

The CHAIRMAN. The gentleman from Iowa [Mr. SCHERLE] is recognized.

Mr. DELLENBACK. Mr. Chairman, will the gentleman yield?

Mr. SCHERLE. I yield to the gentleman from Oregon.

Mr. DELLENBACK. Mr. Chairman, I think the example that the Speaker cited earlier of the automobile manufacturers is an excellent one. The question is not whether we should wipe out the manufacturing plants. The question is whether we should improve the manufacturing process. If an industry were putting out defective merchandise or operating in a way that was basically defective, what it would do would be to change the manner of its operation, and this is exactly what we propose to do here.

Unfortunately, the question has become confused. The question is not whether we want to eliminate the causes of poverty. We do. But the question is how to go about doing it, Mr. Chairman, and how to go about doing it in a way that we can afford.

I regret that speaker after speaker on the other side of this issue has apparently risen without having read the committee report, without having listened carefully to what has been said on this side of the aisle. The gentleman from Florida has not only once but twice spoken on the other side and said that today we have only two issues here: numbers of dollars and the question of one amendment. This is incorrect.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

The gentleman from Oregon is recognized on his own.

Mr. DELLENBACK. Thank you, Mr. Chairman. If I may go on with what I was saying, the basic point that I would urge of every Member here who will be called upon to vote on this bill is to look at pages 202 and 203 of the report, if they do not read the rest of the record, and, in addition, to look at pages 214 and 215.

This shows clearly that if we go about making the amendments to this program which ought to be made—and some of them are outlined on pages 214 and 215—we can accomplish a great deal more than is being accomplished under the present appropriations and a great deal more than would be accomplished under the proposed budget for fiscal year 1968.

Do not be led astray by the sheer discussion of dollars. It is not a case of how many Federal dollars are spent. It is a case of how they are spent. It is a case of how many dollars get through to the basic causes of poverty.

We suggest that we can make these cuts, so badly needed at this time, and unless we make some serious revisions of the program we should make at least these cuts. If we make serious revisions, which would improve the program, we can in future years go on with some of the work so badly needed to be done in this area.

The CHAIRMAN. The time of the gentleman from Oregon has expired. The

Chair recognizes the gentleman from Rhode Island [Mr. TIERNAN].

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. TIERNAN. I am glad to yield to the distinguished gentleman from New York.

Mr. CAREY. I thank the gentleman from Rhode Island for yielding.

Mr. Chairman, as has been said by the gentleman from Oregon, this should not be considered in terms of commodities or manufactures. We would not abolish manufactures for defective merchandise.

The gentleman unfortunately, I believe, relates this to defective merchandise and what we should do with respect to defective merchandise. I do not like to deal in commodity terms, where human beings are concerned. This program really is not able to be cut without hurting people, who have been too long considered defective merchandise in the marketplace of America and written off as beyond repair.

This program does a lot for the handicapped children. How do we cut back on the many deaf, blind, and retarded children who participate?

This program helps the elderly. Do we have more elderly, or fewer, than when this program was enacted? Everyone knows we have more eligible elderly persons now. How do we propose to cut their share of these benefits?

As a matter of fact, the cut which is being proposed would exact its toll upon some people who were not even in existence when this program was first conceived. The children coming into Headstart this year from the poor neighborhoods had not been born when this law was first enacted.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired. The Chair recognizes the distinguished gentleman from New York [Mr. CAREY] in his own right.

Mr. CAREY. I thank the gentleman for yielding to me on his Rhode Island time.

On behalf of New York, I would reemphasize the point that the first Headstart program began in 1964, and some children who will be coming into Headstart this year were not even born when the OEO was conceived.

Let us think of what this means. They have a right to expect that something will be done for them.

If we were to concede that mistakes were made in 1964, 1965, and 1966, is it fair to exact the toll of those mistakes on the children who need the help, who were not here when the mistakes were made?

Let us say for the sake of discussion, that this program is rife with error. The question is, should we compound the error by this denial amendment, or correct it for the benefit of people and children involved? The question is, Should we vote up the funds necessary to do the job now knowing as we do the dimension of the task we face?

No one denies that poverty in America is a bigger challenge than we first envisioned. The gap between the high-income and low-income groups is widening. Let us not desert the poor people who will have no one else on their side if their Government abandons them by a vote of denial on this amendment. If we do they may find new allies among the foes of our Government who would prey upon their agony and distress. If they do, God help them and God help us.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. BUCHANAN].

Mr. BUCHANAN. Mr. Chairman, I rise in support of this amendment. We are here engaged in a war on poverty yet we must also engage ourselves in a war on waste and mismanagement, such as has marked the administration of the Office of Economic Opportunity. The proponents of this amendment do not seek to help the disadvantaged less, but to spend less while helping people more, by doing it better.

Mr. Chairman, I yield to the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, a lot of statements have been made about the amount of money cut out of this program. It is unfortunate we are debating money right at the beginning of this whole consideration. It was my attempt last week to get this section passed over, so that we could do this in an orderly fashion, so that we could make the changes this House in its wisdom wished to make, but that was objected to on the other side of the aisle, so we are forced at the very outset to put the cart before the horse and to determine how much total money will be in this program.

The $1.4 billion amendment offered by me now is the only way in which I could put forth the amount of money that we feel is necessary under the opportunity crusade which would involve private enterprise and would involve more individuals and get more help to all of these individuals through getting all elements of the community involved and not attempting to do everything with 100 percent Federal dollars. The Federal dollars would be seed money which would multiply many times because of the involvement of State, local, and particularly private enterprise in order to provide meaningful and productive jobs for the poor.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WILLIAM D. FORD].

(By unanimous consent, Mr. WILLIAM D. FORD yielded his time to Mr. BRADEMAS.)

The CHAIRMAN. The Chair now recognizes the gentleman from Indiana [Mr. BRADEMAS].

Mr. BRADEMAS. Mr. Chairman, I would like now to make two or three points in opposition to this amendment. One of the first points is this ought not to be a partisan measure. The distinguished Speaker cited the opposition to the proposed cuts from the distinguished Republican Governor of the State of Massachusetts, Governor Volpe. Only yesterday on a television program, the mayor of the city of New York, a Republican, criticized Republicans in Congress for attempting to cut back appropriations for the antipoverty program, saying:

> I don't wish to defend my party on this point one bit.

We have just heard from our distinguished Republican colleague, the gentleman from Michigan [Mr. RIEGLE], a member of the committee in opposition to the motion to cut the funds so drastically.

Mr. Chairman, a second point I want to make concerns the very sharp impact of the proposed cutback on the big cities of America. The city of New York alone, for example, would lose nearly $18 million if the amendment of the gentleman from New York [Mr. GOODELL], is adopted.

If one were to add up the impact of the cuts the gentleman from New York proposes on 14 of the largest cities in the country, the result would be a 34-percent cutback from the amount authorized in the committee bill, or a loss of over $55 million. At a time when we are trying to do something significant to cope with the burgeoning problems of our major urban areas, it seems especially inappropriate to give support to an amendment like that of the gentleman from New York, which would gravely damage this program in the cities.

The third point I want to make is that local community leaders across the country are opposed to such drastic cuts in the antipoverty program. By way of example, let me here cite a newspaper article published yesterday in the State of one of the most vigorous and vocal opponents of the committee bill in the House of Representatives and one who has consistently voted against the antipoverty program. I will not indicate the State or the district, but this newspaper reports a speech delivered by a distinguished community leader in that district, a priest, as a matter of fact. I will here quote what the priest said in an address stoutly defending the war on poverty.

> The antipoverty program is being crushed and stifled by one of the most disgraceful performances ever enacted in the sacred halls of our Government.

This priest, who is known as "the vicar of the rural poor," went on to note that the Representative in Congress who was so strongly opposing the program, "has never seen the poverty program of his own constituents," but "is trying to tell the Nation that the poverty program does not work."

The priest continued:

> How can one representative campaign against the poverty program when he has never seen the poverty program in his own Congressional district in operation?

According to the press account, the clergyman, who spoke at a Veterans' Day observance at an American Legion clubhouse, described some extreme cases of poverty he had observed in his home county. He said:

> Tonight, there are millions of Americans with no horizons.
>
> Millions are living ill-housed, ill-clad and ill-fed, some like animals despite the fact that they labor.
>
> Tonight, millions of Americans live without the liberty that you bled for. They are enmeshed in a degrading exploitation.
>
> Tonight we are faced with a new peril.

In Steuben County in 1967 there is a family of seven living in a house with two rooms, no windows, just a door; no drain in the sink, no bathroom facilities.

This family lost a child last winter. The infant died as they walked 10 miles to a doctor.

The clergyman declared the poverty program "has done a great job in our county." Among other things, he said the program has found a house only Saturday for an expectant mother with 11 children, the youngest a 16-month-old mongoloid, who were abandoned by the father and had been living in a barn. The priest said he personally "gave three boys in that family the first bath they ever had in a tub in their lives this afternoon."

The program also found a house in recent weeks for "a family of 16, 14 of them children, who had been living in a three-room shack with a lean-to built for the mother who is recuperating from an operation." Seven boys who had slept in a woodshed with half-inch cracks in the siding now have the first decent bedrooms of their lives.

He explained:

There are 219 such cases, concerning 403 categories of human misery, with large expanses of this country yet to be explored.

The poverty program has been "one ray of hope for the 18,000 poor in our country," he said. Among other things, it has provided a work-training program for 55 dropouts and 62 school pupils, a summer youth program and an educational program intended to help train adults for reemployment.

Finally the priest invited his Representative in Congress "to come back to his own people, poor and uninfluential though they are, to come to our poverty office and to prove to us that the program is not working." He said:

We invite him to come into our poor, humble homes and tell us poor that our program hasn't housed, clad, fed, found new jobs and given us a new horizon.

We won't accept name-calling, unfounded accusations and political jargon. We want you to come to the poor of your district and tell us about the poverty program.

Otherwise, the words you speak in Congress as our representative will be meaningless and empty, for in trampling on the nation's poverty program, you will be betraying almost 25 percent of your constituents.

We are in a new moment of peril, the peril of a dying infant, a starving child, a young boy with no horizons beyond the barn in which he lives.

Mr. Chairman, these are some of the reasons the amendment before us should be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. GARDNER].

(By unanimous consent, Mr. GARDNER yielded his time to Mr. GOODELL.)

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GOODELL].

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Ohio.

(By unanimous consent, Mr. AYRES yielded his time to Mr. GOODELL.)

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, a great deal has been said about the amount of money that would be cut out of this program by the Goodell amendment. Virtually all of the statements and percentages given are compared to the false figure of $2.060 billion. Everybody in this House knows it will not be appropriated by this Congress in this year. In addition to that, there have been statements that the $1.4 billion under the opportunity crusade would cut the Headstart program. Let us get this straight on the RECORD. The opportunity crusade puts more money into Headstart than the present program or the proposed program in the committee bill. It is a question as to where you will allocate your resources. The statement was made in the well of the House at the beginning of the debate that it would cut the VISTA program 50 percent. It will not cut VISTA 50 percent but will maintain it at its present level under the opportunity crusade.

A great many statements have been made about the number of enrollees who will be cut out of the program. I say to the gentlemen on both sides of the aisle that we would have more people involved in this program of the opportunity crusade than under the committee bill or under the existing program.

For instance, Mr. Chairman, under the Job Corps program, by bringing in military career centers, we would have 43,350 slots, as compared to the present 41,000 slots.

Mr. Chairman, under the work study program or in-school neighborhood youth program, we would have a total of 510,000 slots, as compared to 295,000 slots under the committee bill.

Mr. Chairman, this is true because we involve private industry. In other words, the Federal Government only pays one-fourth of the cost of the program and the wages. We have under this program private industry involved with support from the Federal Government. In other words, the Federal Government pays one-fourth while the employers in private industry come in and pay three-fourths of the cost involved. Then, Mr. Chairman, these people would have a job with meaning and with a future.

Mr. Chairman, in the community action program we have all the money under the proposed amendment unearmarked, so the local people can make their own decision with reference to priorities.

Mr. Chairman, in the out-of-school program we have more slots available, 107,000 compared to the committee bill's 60,000. So, in each category we propose to involve private industry, with a little Federal seed money in order to extend to these people the type of help which is necessary.

Mr. Chairman, this is the critical difference involved here. It is unfortunate that we are talking about money. This program should be redirected. No one should be debating the need for a program to help the less fortunate. The question is, has this program been effective? In some areas it has. In other areas it has not been effective. We have seen regressive actions in the committee to rescind some of the most exciting features of this program. However, we wish to make constructive changes which will improve the program and get it on a new direction, a program that will really get some money to the poor.

Mr. Chairman, by investing $1.4 billion in Federal money and making some substantive changes in the program itself, which will come later in the reading of the bill, we shall be able to generate more than the sum of $3 billion with which to help take care of the poor. That sum is compared to the sum of $2 billion as contained in the President's budget and as contained in the committee bill.

Mr. Chairman, this is the manner in which we should approach this matter—bringing in the States and local government, private enterprise and all elements of the community to make their contributions and keep the voice of the poor in the individual community.

Mr. Chairman, I can say that these are the things which we want and desire to achieve in the opportunity crusade. Therefore, we are forced to offer this amendment at the outset with reference to the question of money involved alone.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Michigan [Mr. ESCH].

Mr. ESCH. Mr. Chairman, I have already indicated my support that a larger figure approaching $2 billion be devoted to this program. We must give the highest priority to our number one domestic problem. However, it is very clear the gentlemen on the other side of the aisle are inconsistent in their analysis. It represents a type of brainwashing we are seeing here on this floor.

Mr. Chairman, basically, they are comparing $1.5 billion with $2.06 billion. However, we know they are not going to get the $2.06 billion; rather will be something like $1.6 billion from appropriations.

Mr. Chairman, the significant point here is not the amount of funds involved, but how they are to be used. Further, the question is, do they really need the sum of $2 billion? They probably do, for if we accept their program the private sector will not be involved—and thus more Federal funds will be needed. We have clearly indicated, and it has become abundantly clear that with the opportunity crusade we can generate the sum of $3 billion in the war on poverty. That figure has not been denied in this debate.

Mr. Chairman, do we want to have the Federal Government do it all, or do we wish to involve the private sector? This is the question with which we are faced.

Let us have the foresight to involve the private sector in our poverty war, and then let us have the courage to fund it.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I rise in opposition to this amendment because the amendment would seriously restrict programs that have been successfully carried out to get people off the public dole and into gainful employment. As an example, in Chicago alone we have removed some 23,000 families from public welfare at an annual saving of more than $46 million to the taxpayers through the community action agencies and the manpower training program.

Further, this amendment would seriously and adversely affect programs covering more than 10,000 people now participating in various job-training programs financed by the antipoverty program who will also be taken off the public dole and placed in jobs when they complete their training.

Furthermore, Mr. Chairman, if this amendment were to be adopted it would result in a substantial slowing down of progress that has been made to reduce the cost of the "aid to dependent children" program.

This Nation is now spending $2.5 billion annually on the ADC programs in America. This tragic figure will continue to increase until we find an effective program to deal with this problem. The adoption of this amendment would result in a substantial reduction in the money now being spent for family planning programs which are doing an impressive job in educating young women, who would otherwise of necessity have to be placed on the ADC rolls.

This Nation must sooner or later face up to the growing problem of children being born to unwed mothers or children who for various reasons have no breadwinner. This antipoverty program addresses itself to this mounting problem which screams out for an effective solution. I invite you to examine the educational program now in operation in the Cook County Hospital and see how effective it is in reducing potential candidates for the ADC rolls. Nothing will destroy our society more quickly than the increasing cost of the ADC program. I believe the antipoverty program is making a significant contribution toward reducing the number of children on ADC and should be given a chance to continue.

Therefore, Mr. Chairman, I rise in opposition to this amendment which would seriously reduce funds for this program.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Gerald R. Ford].

Mr. GERALD R. FORD. Mr. Chairman, on this vote the issue is crystal clear. Each of us in this Chamber will have the opportunity to vote for a program of $1.4 billion in Federal authorizations for the poverty program. In contrast, if this amendment does not carry the program will end up at $2,060,000,000.

Within the last month we have had three votes taken where the House of Representatives was called upon to set a spending ceiling or limitation for the Federal Government in fiscal year 1968, and we have decided by a majority vote on two out of the three occasions that there should be a $5 billion spending limitation. All of the Members who have voted for that spending limitation I believe have an obligation today to support the Goodell amendment to reduce the Federal contribution to this program. We cannot have it both ways.

The advantage of the Goodell amendment is that it approves $1.4 billion in Federal authorizations, but it results in a far greater total for the poverty program as a whole by bringing in private enterprise, local communities, and our respective States.

Mr. Chairman, I believe the amendment should be approved.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. Vanik].

Mr. VANIK. Mr. Chairman, I rise in opposition to this amendment. Today in my city of Cleveland we have elected a new mayor, Carl B. Stokes, whose first official announcement was to declare that, if this Goodell amendment were to pass, if this cutback were to be enacted, it would be a disaster to the Cleveland community.

Mr. Chairman, it is significant to note that just a few days ago I received a telegram signed jointly by Mr. Stokes and Mr. Seth Taft, who was Mr. Stokes' Republican opponent, urging the defeat of the cutbacks proposed by this amendment.

Mr. Chairman, we have gone through an eventful summer in my community of Cleveland, eventful because we have made significant progress because of the success of the poverty program.

The Neighborhood Youth Corps has provided employment and work experience to over 20,000 young people, ages 15 to 21. They have been engaged in useful work within the schools as aides in libraries, classrooms, food handling and building maintenance. Others are utilized by Federal agencies, such as NASA's Lewis Flight Research Center, Social Security, and other agencies. Thousands of young people in the Neighborhood Youth Corps serve city and county agencies. Through this program, thousands of young people in the Cleveland area have remained at school because of this program, while hundreds have been made job ready and are now gainfully employed. This program critically needs expansion. How can we countenance losing these obvious gains?

Cleveland is a host city for a unit of the Women's Job Corps. Our Cleveland facility is well managed, its goals and its achievements are well defined. The attempt to cut back this program comes at the very moment when genuine progress can be noted. This amendment would wash out the entire Job Corps program.

This summer, under title II provisions, 8,000 young people were provided a summer workshop opportunity at Karamu House which was highlighted by a summer arts festival which attracted national attention.

To meet the special needs of completely overlooked teenagers, a special program under title II was inaugurated to provide work experience to 15- and 16-year-old children who could not, under law, qualify for the Neighborhood Youth Corps. For others in this age group, poverty funds set in motion a citywide summer camp program. Over 4,800 young people were given a first camping experience out of their neighborhood environment.

The health program under title II provided health service to 4,670 citizens, while the legal-aid serve under this special program served 4,150 clients.

Headstart provided classes for 5,200 youngsters for year-round and summer programs.

The Goodell amendment would cut Federal participation in these programs by almost 50 percent and would make a shambles of established programs.

Those who desire to destroy the poverty program must understand their commitment. To shortchange these programs now would create a situation in which we would multiply the costs later.

Let us identify the opportunity crusade for what it really is: A crusade to end opportunity.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Reid].

Mr. REID of New York. Mr. Chairman, I rise in opposition to the Goodell amendment.

The plain fact is that it represents a cut of some $674 million, despite the fact that it reportedly generates between $700 million and $1,600,000,000 depending on your figures, whereas OEO reports that their bill generates some $5 billion, on the same arithmetic basis.

The important point I think is not the figures. The authorization in the present bill is not enough. So I would strike the arithmetic from our minds. What is important, I believe, is that we must recall, particularly on our side, that our party was born in the fight to make men free. Yet, the freedom for which our party fought and which justified its very existence will be hollow and empty if we fail to make it meaningful with the promise of a new life, enriched by jobs of substance and permanence.

If we turn our backs on our heritage, we shall be branding ourselves hereafter as the party that turned its back on the destitute and we shall have done a grave injustice to present and future generations of Americans, and most importantly, to our youth who have the right to cast off the shackles of economic deprivation.

Many Republicans, including the Governor of the State of New York and the mayor of the city of New York, and mayors and Governors throughout the United States have spoken for this bill.

Mr. Chairman, I urge strong bipartisan opposition to the Goodell amendment. I hope Republican votes will make the difference.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. Moorhead].

Mr. MOORHEAD. Mr. Chairman, I rise in opposition to the Goodell amendment, which would cut authorizations by $602 million and would lay the groundwork for substituting the opportunity crusade for the Economic Opportunity Amendments of 1967.

These efforts to build a better mousetrap would result in chaos—not efficiency—in administration; reduce funding to an unworkable level; and sabotage the careful relationships OEO has developed with the people.

Many years ago an American President said:

> It is hard to fail; but it is worse never to have tried to succeed.

This was "rough-rider" Teddy Roosevelt—not one to give up when the going got tough.

Nor should we.

If there were no OEO, there would be no war on poverty. This is the first time the poor, who previously have been without influence in the affairs of the country, have had an independent advocate to speak for them. To fragment the structure at this point or bury programs in already overburdened departments, would be to shift the focus from the disadvantaged and betray the confidence of the people.

Yet, at this very moment, programs are being shut down across the country because of congressional inaction. How long can you keep staff on a volunteer basis? How can you forecast plans without funds? How long can you keep the faith of the people?

Roscoe Drummond, writing about last summer's civil disturbances, said:

> Whatever Congress may do to help solve the urban crisis, the one thing not to do is to tear up the antipoverty administration and programs.

Writer Ralph McGill recently wrote in the Pittsburgh Post-Gazette:

> Whenever OEO has been given a chance to function without local sabotage, it has worked.

And, it has worked in Pittsburgh.

It has worked because Pittsburgh was ready with appropriate plans and proper leadership a year before the passage of the Economic Opportunity Act of 1964. Our city was able to mobilize quickly because the pattern of cooperation between the city's government and the community's religious and civic leaders was well established. The Mayor's Committee on Human Resources, which has so ably administered the war on poverty in Pittsburgh, was set up by the mayor, but is is an incorporated private organization, not a city agency or a public body, and its membership from the beginning has had representatives of business, labor, Government, housing, social service agencies, clergymen, educators, civil rights groups, and, especially the representatives of the poor from eight target neighborhoods where 60 percent of the poor, 81 percent of the welfare cases, and 80 percent of the city's Negroes reside. Our program has been a team effort—of the community working with existing agencies; it has provided a line of communication between the poor and the city; it has given the poor a voice in expressing needs and in planning; it has promoted institutional change in the social agencies themselves.

In a recent report on the war on poverty in Pittsburgh, the mayor's committee said:

> The OEO antipoverty program in Pittsburgh is not relief; but redemption; it is not hand-outs; but help; it is not a program for recipients, but a program for participants.

Let me cite a few examples.

Joan J———, a Neighborhood Youth Corps girl, has a position now at Presbyterian Hospital, which resulted from her experience as a hospital escort in the ancillary program for the aged at Kinsley House, where she brought an elderly arthritis patient in every day for treatment.

Calvin R———, of the Oakland section of Pittsburgh, at age 19 had finished high school, but had no skills which made him employable. He was sliding toward a life of crime when he came in contact with the community action program. He was guided into an apprentice program for plasterers, and is now, after training, earning $2.50 an hour. As the poverty worker who related this story to me said, "It made a man of him." Society, which probably would have had to support Calvin in jail, will now be helped by his productivity and the taxes which he will pay.

George D———, of Pittsburgh's Hill district, was a 40-year-old janitor earning $40 per week with no future because of low reading capabilities. After training in literacy and in reading blueprints, George got a job as a stationary engineer at H. J. Heinz Co. at $140 per week.

George M———, a 40-year-old Hill district man, had a police record, a lot of talent, but no motivation to use it constructively. After a stint with an opportunities industrialization center, George is now doing important work as a therapist at the Crippled Children's Home in Pittsburgh. As one of his friends said, "He's an entirely different man now."

Mary A———, of the Lawrenceville area, had no husband, and she and her three children were on public assistance. She had been a secretary but had lost some of her skills because she remained at home to care for her children. The Lawrenceville economic action program opened a daycare center. Mary A———'s children went to the daycare center while she went to a training center to upgrade her skills. She is now employed as a secretary at St. Francis Hospital.

Another Youth Corps success story is the case of Patricia G———, who is one of 13 children, and was unable to find a job of any kind. She is now an airline stewardess for Eastern. Largely as a result of her enrollment in the Youth Corps where she learned stenographic skills, she got a job which enabled her to later take evening classes in self-improvement.

I am convinced that jobs are the key to the dilemma of the poor. While we must work hard to improve housing, education, and health, only a job with adequate pay will give a man a sense of worth, promote family stability, and convert the receiver of welfare funds to a productive taxpayer. But the opportunity crusade is not first with this idea.

In Pittsburgh our manpower development training program has trained and found jobs for more than 3,000 men and women; and the Neighborhood Youth Corps has taken more than 3,000 out-of-school young men and women off the streets and placed them in productive jobs in city departments and community agencies—more than 50 percent of these young adults have secured full-time jobs in industry and public employment. This has been a two-way street; they have benefited the city, and themselves.

In Pittsburgh we have a concentrated employment program, planned by OEO, in cooperation with the Department of Labor, to find and develop jobs for nearly 2,000 hard-core unemployed. The city itself has pledged 350 jobs in various departments, and private industry has been asked to respond with the rest. Statistics could be cited of our progress in employment centers, health centers, compensatory education, on-the-job training, daycare centers, legal aid services, comprehensive family services, recreational facilities—all activities that did not exist prior to the Economic Opportunity Amendments of 1964—but more than encouraging statistics is the encouraging spirit and cooperative effort between the community action agencies—the existing private agencies—and all levels of government.

The county health department has said:

> Through the activity of the antipoverty program, this entire community will be challenged to face the growing demand for comprehensive health services which have been in short supply.

The Community Chest has said:

> The Economic Opportunity Program is bringing about many changes in the provision of health and welfare services in this community—and they cited the changeover of neighborhood centers from recreation to self-help and improvement programs as one example.

The Health and Welfare Association of Allegheny County, a nonpartisan, citizen-based coordination agency, concerned with the community's health and social welfare program, had this to say:

> The Mayor's Committee on Human Resources has stimulated citizen concern regarding human welfare problems and citizen involvement in and responsibility for the development and improvement of programs and services.

The southwestern Pennsylvania chapter of the National Association of Social Workers has written:

> Our services have been made more attractive and accessible to residents of low-income neighborhoods under the poverty program . . . our chapter strongly believes that the poverty program in Pittsburgh has added an important new dimension to the provision of services for those in want.

Mr. Chairman, I am proud that Sargent Shriver has called our program, "a model for the Nation." But if Pittsburgh can do it, so can other cities.

Our experience shows that by combining the resources of and talents available in every American community, the war on poverty can be won. But it is essential to have at the Federal level one independent agency—OEO—capable of concentrating the variety of Government skills and resources for the benefit of the whole program. And we must provide enough funds to do the job, leaving as much flexibility and participation in decisionmaking as possible to the local level.

Mr. Chairman, the most important and

valuable assets a nation can have are its people.

The war on poverty is not welfare, it is an investment in people. It is designed to transfer individuals from the liability side of the Nation's balance sheet to the asset side, from tax-eating recipients of welfare to taxpaying productive workers.

Another American President said in 1960, speaking of aiding the destitute beyond our shores:

> We must not do it because the Communists are doing it, not because we seek their votes, but because it is right. In a free society, if we cannot save the many who are poor, we will not save the few who are rich.

Mr. Chairman, I urge my colleagues to exercise reason, restraint, and responsibility in voting on this legislation, so that these needed programs—programs that are an investment in people—may continue without further delay.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, we have before us an amendment which only considers the money. The amendment provides that we would authorize a program at $1.4 billion.

If you would adopt later amendments which will bring in the Republican substitute opportunity crusade, this would bring about $3 billion to help the poor; $1.4 billion from Federal sources and the remainder from private and State sources.

If you vote against this amendment, it will mean that you support the amount of $2,060,000,000 from Federal sources and $2.4 billion from all sources, Federal, State, and private.

The OEO needs to be changed, the committee bill is inadequate.

An article in the November 10 Washington Star states the situation clearly, which I will read here:

> Democratic supporters of the committee bill said rejection of the Goodell amendment would be a vote of confidence for the entire poverty program.

Anybody who has read anything about the poverty program knows that it has not all worked well. Let me use as an example one program in Wisconsin where Camp McCoy Job Corps Center had 3,198 enrolleees, and so far in 20 months of the program, they have had 365 graduates.

The article says that this is just over 16 percent of the youths who are reported to have graduated.

That is hardly a successful program. A better program can be funded with $1.4 billion with the opportunity crusade than to authorize $2.06 billion under the present act.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that the gentleman from Pennsylvania [Mr. HOLLAND] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. HOLLAND. Mr. Chairman, the only comment I can make on the pending amendment is to reiterate what I said the day general debate on this bill opened. We have heard a lot of talk during this debate about economy and about saving money—talk which is strangely absent when this House is passing out much larger chunks of Federal largesse to the manufacturers of hard goods. Last week, as I mentioned at the time, the United States hurled into orbit a spaceship. The cost of that ship alone and of the launching of the ship—and I am not including development costs or research costs or any pro rata share of previous experiments—was equal to one-sixth of the entire amount requested in this bill for the poverty program for the entire year—and just about one-fourth of what the gentleman from New York [Mr. GOODELL] would allow us to spend on all the needs of the poor under this amendment.

I find it difficult to understand, Mr. Chairman, how we can be casual about spending one-third of a billion dollars on a single spaceship flight—a flight which lasted, I believe, about 2 days, and then turn around and spend more time than that to debate how many pennies we will spend on the poor. I wish someone could explain satisfactorily why it is so much more damaging to our fiscal stability to spend a few bucks on the poor than it is to spend many times as much on exploring the heavens.

Or can it be, Mr. Chairman, that all the talk about economy is simply a convenient argument against doing anything meaningful for those in poverty?

Let me say, Mr. Chairman, that while I have supported, and hope to continue to support, the space program—on its own merits—I am a lot more concerned about relieving the poverty of Appalachia or Harlem or Watts than I am about maintaining the affluence of Cape Kennedy or the aerospace industry. If the talk about economy means something, let us hear about a little sacrifice from those quarters, too.

Mr. MONTGOMERY. Mr. Chairman, I ask unanimous consent that the gentleman from New York [Mr. BRASCO] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BRASCO. Mr. Chairman, I rise in opposition to the Goodell amendment.

It seems to me that if we are to have a meaningful antipoverty program we must adequately fund it.

The Republican-sponsored amendment would cut the funding from $2.06 billion to $1.4 billion. This would drastically cut the many fine programs already in existence.

This summer we have witnessed a series of tragic riots in a number of cities throughout our Nation. These riots were destructive to human life and property. No one gained by these horrible events. All America is deeply concerned over these events which were born out of poverty and frustration. The program we are considering today is uniquely geared to reduce the causes that lead to rioting.

We must not permit the pressures of the day to cause us to move backward in our views of social problems. I urge all Americans, particularly my colleagues in the House of Representatives to recognize that the urban poor are saddled with serious problems—problems that men of good will must bend every effort to solve; and the only way we can accomplish that is to fully fund this program.

Mr. MONTGOMERY. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. BOLAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BOLAND. Mr. Chairman, I rise in opposition to the Goodell amendment.

As I said in the debate on this bill last Tuesday, I am opposed to cuts in the antipoverty program. This amendment before us would cut the program by $663 million. This reduction from the $2,063 million authorization reported out of the Committee on Education and Labor would seriously impair, if not wreck, many of the worthwhile and successful antipoverty programs, such as Headstart, VISTA, Legal Services, Upward Bound, Neighborhood Youth Corps and tutorial and cultural enrichment programs.

These programs have been beneficial and most helpful to the poor and the disadvantaged. We should be thinking in terms of expanding them, rather than slashing them, as this amendment would.

Mr. Chairman, thousands of disadvantaged people in my home city of Springfield, Mass., have benefited from highly successful poverty programs sponsored by the Springfield Action Commission. More than 700 youngsters between ages 4 and 12 are enrolled in the tutorial and cultural enrichment programs offered by the Northern Educational Service, with $95,000 in funding by OEO.

Another 132 disadvantaged boys and girls are participating in Headstart programs in Springfield, 48 of them on a full-time, year-around basis, and 84 on a half-time, 10-month basis, financed through a $169,000 OEO grant. The Springfield action program has inaugurated a legal services program with a $72,000 OEO grant. And virtually thousands of other disadvantaged people in Springfield are being helped through the magnanimous services of VISTA volunteers working in the community, and through the Neighborhood Youth Corps out-of-school project.

Mr. Chairman, I have received many telegrams and letters from my constituents urging me to oppose cuts in the antipoverty program. In appealing to my colleagues to vote against the Goodell amendment, I include with my remarks at this point in the RECORD a sampling of the communications I have received opposing such cuts:

SPRINGFIELD, MASS.,
November 7, 1967.

Representative EDWARD BOLAND,
House of Representatives,
Washington, D.C.:

As a growing social service agency serving poverty areas in Springfield, we believe wholeheartedly that the poor must participate in programs that serve them to effectively fight poverty. We strongly urge you to kill the Green amendment. Vote for all funds for OEO.

Casa Hispano Americana.

Springfield, Mass.,
November 7, 1967.
Congressman Edward P. Boland,
Rayburn Office Building,
Washington, D.C.:

Our people urge your support of OEO and VISTA. Please help kill Green amendment.

Dr. Charles Warren,
Barnes Hope Congregational Church.

Springfield, Mass.,
November 7, 1967.
Congressman Edward P. Boland,
Rayburn Office Building,
Washington, D.C.:

OEO and VISTA vital to Springfield. Please vote against Green amendment.

Rev. D. R. Trottier,
Hope Congressional Church.

City of Springfield, Mass.,
November 7, 1967.
Hon. Edward Boland,
U.S. House of Representatives,
Washington, D.C.

Dear Congressman Boland: This is an urgent appeal to you to do all that you can to prevent Congress from cutting anti-poverty funds. In fact, there is a need of increased expenditures in the fiscal year ahead for the Office of Economic Opportunity.

In addition, it is important that the Office of Economic Opportunity and its Community Action approach should not be eliminated or weakened.

I realize and appreciate all that you have done in behalf of the poverty program, but felt the need to urge you on.

Sincerely,

Chester N. Gibbs,
Director.

The Church of Christ in Granby,
Granby, Mass., November 4, 1967.
Hon. Edward P. Boland,
House Office Building,
Washington, D.C.

Dear Mr. Boland: The War on Poverty Program which has been conducted by the Office of Economic Opportunity represents one of the most creative and positive programs ever sponsored by our government. It must somehow be continued. I know that you will make every effort to see that it is.

At a time when our people are so seriously divided regarding our policy in Viet-Nam, and when so many are becoming increasingly cynical regarding their opportunity to live within equal opportunity and with human dignity in our society, we can least afford to further disillusion millions of our people regarding the moral integrity of our government and the concern for human values by our elected representatives.

I hope that it will be possible for you to effectively use the influence of your office to see that the War on Poverty Program receives the necessary Congressional support to be strengthened and continued.

Sincerely yours,

Rev. Leslie R. Wadsworth.

American Association of
University Women,
Washington, D.C., November 3, 1967.
Hon. Edward P. Boland,
House of Representatives,
Washington, D.C.

Dear Mr. Boland: The American Association of University Women was among the supporters of the Economic Opportunity Act at the time of its enactment. We have followed the progress of its implementation with great interest. On the whole we are convinced that much that is good has been achieved in the short period this program has been in operation. We are equally convinced that a far greater contribution to solution of the social ills that plague this country is possible if this program is extended and strengthened. Therefore we urge passage of a bill extending the Economic Opportunity Act.

We are gratified that day care, family planning, and senior opportunity and services for the elderly, as well as emergency food and medical service programs are incorporated in S 2388 now under consideration. But we are gravely concerned that the bill before the House so drastically alters the 10–90 formula of sharing between local and Federal sources that was a part of the original act.

We are certain that many communities will be forced to drop immediately many very worthwhile and even indispensable projects when required to put up in cash rather than "in kind" so much higher a percentage of the total cost.

We urge enactment of authorizations, at a minimum, at present levels and *preferably at higher levels* so that the war on poverty can continue.

Sincerely yours,

Miss Lois Roth,
Area Representative in Education.
Mrs. Gloria Peters,
Area Representative in Community Problems.
Miss Victoria Schuck,
Chairman, Legislative Program Committee, and Professor of Political Science, South Holyoke College, South Hadley, Mass.

Dear Congressman Boland: We are writing this letter to you because we understand that you are voting on the anti-poverty bill, and possibly our program and our Vista Volunteer help may be taken away.

Before this program came to be on Bradford Street, our kids had to play in the streets and some were hit by cars. After the Vista Volunteer got together with us in August, we got our kids a mini-park and arts and crafts classes. The teenagers have recently gotten together with adults' block club, and with the help of the Vista Volunteer, can offer another way of living for the people of Bradford Street. For instance, many kids weren't going to school because they had no clothes. Now we have found a place for them to get clothes. We are trying to get better housing, jobs (most adults speak only Spanish and can only find jobs in tobacco) and the adults can now take family trips with their children. And furthermore, the poor people who had no hope for better life are beginning to see that if they work together they can do a lot for themselves, and especially can trust the help from the outside, because we can decide on the problem, and then understand the problem more. Then we can see the need for help and the best way for help.

We have never had help like this before. So we the Youth Committee and the Bradford Street Block Club ask you to do whatever is possible to keep the program going the way it has been.

Sincerely yours,

The Joint Bradford Street Committee.
Onyue Cubi, Cristino Cubi, Miguel Pedraza, Juan Pedraza, Ramon Oesola, Pedro Confrero, Runaldi Lopez, Doris M. Sanchez, Mirella Sanchez, Josefina Sanchez, Victor D. Sanchez, Carmello Lopez.

Mr. BINGHAM. Mr. Chairman, I find myself caught between anger and shame as this House debates whether to cut deeply into an already inadequate program designed to rescue our fellow Americans trapped in the depths of poverty.

It is paradoxical that the self-same people who shed crocodile tears when the alienated in our cities participate in riots and when their children, unequipped for jobs in our economy, turn to crime, are those who voted against a rat control program. They are also the same ones who voted to press ahead with a supersonic transport to cut travel time for transoceanic plane riders.

Mr. Chairman, our cities are in bad shape and are deteriorating. Housing is wretched, educational facilities are inadequate, and the poor remain untrained even for the few miserably paying jobs that are available. How long do our more comfortably situated families believe that they can remain as an oasis in a sea of misery? Does an exodus to the suburbs any longer promise a tranquil and stable society when core cities are the spawning ground of frustration, hostility, and alienation? I think not.

Even from a narrow, selfish view, the economic opportunity program deserves support. This is an effort to help people leave the ranks of the welfare recipients and take their place as self-sufficient citizens. These huge numbers of poor people are a potential market of 40 million people which could be opened if only we have the faith and the determination to carry through on the war against poverty.

I find it absurd that so many people find the existing level of antipoverty campaign inadequate and then suggest that the remedy is to decrease our efforts.

If half an aspirin does not cure a headache, would they suggest that a quarter of a tablet would be more effective?

I find it sad that so many of our colleagues defend this attempt to gut the poverty program on the grounds of economy. It is a bitter commentary on our Nation that we are debating at great length whether an economy that boasts more than $700 billion in annual gross national product must cut the poverty program by less than 1,000th of that vaunted GNP. The sense of priorities implicit in this argument seems to me to be upside down.

In addition to heavy cuts in the program, the Goodell proposals would give primary responsibility for the Job Corps to the Federal Office of Vocational Education and to State vocational education systems. First, it is noteworthy that there has been no revision of our vocational program since 1963, and much must be done to enable those in this field to meet their traditional responsibilities. I, for one, look forward to enactment of the now overdue legislation to modernize this program. Until we have provided the necessary assistance to the existing programs, I find it inappropriate to assign the task of administering the Job Corps centers to the Federal and State vocational education people.

Further, I find no evidence that State officials want the added burden of administering the Job Corps centers. Throughout the debate last Thursday, we saw those who supported this amendment fill the Record with remarks of critics of the program, but conspicuously absent were endorsements of this amendment by the vocational education officials at the Federal or State level. None have solicited this new burden and responsibility; none suggest that they are in a position effectively to discharge this responsibility; none have suggested that a shift of this program from OEO would probably either improve the quality of the program or decrease the per enrollee cost.

In sum, Mr. Chairman, we see before us a proposed dismantling of the poverty program by its opponents and a cut in its funds, defended on the specious ground that the private agencies can be stimulated to do much more than they do today. But these same agencies are loud in their pleas that the OEO program be continued.

I hope the Goodell amendment will be rejected.

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania [Mr. Dent] rise?

Mr. DENT. Mr. Chairman, I ask unanimous consent that my time may be granted to the gentleman from Louisiana [Mr. Boggs].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

(By unanimous consent, Mr. O'Hara of Michigan, Mr. Gibbons, Mr. Johnson of California, Mr. Olsen, Mrs. Green of Oregon, and Mr. Perkins yielded their time to Mr. Boggs).

The CHAIRMAN. The gentleman from Louisiana is recognized.

Mr. BOGGS. Mr. Chairman, first let me thank the members of the distinguished committee for yielding their time to me, and let me compliment the members of the committee for the long, tedious, and fruitful job which they have done in behalf of so many people who are genuinely seeking an opportunity in this great American society.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York. I think that the arguments in opposition are commanding.

First, I speak from the point of view of the kind of society in which we are living. Why do we have this problem? Yesterday I noticed again what I have seen time and time again during the past several years, and that is a compilation of the number of people who have migrated from the small towns, from the rural sections, into its great metropolitan areas throughout our country. The article observed that something like 70 percent of the population of our country now occupies about 1 percent of the land area of the country.

This has been a migration particularly from the poorer areas of the country, unequaled in the history of the Nation. That migration has brought with it problems never faced before by the American cities.

Not long ago I attended, with the Speaker and others, a meeting called by the Urban Coalition. Present at that meeting were people like Mr. Henry Ford II, Mr. David Rockefeller, one of the great bankers of our country, and many other great industrial leaders of our country.

They endorsed not this modest approach, but they asked for a crash program which would cost something like $4 billion. They said that we need it now.

The distinguished mayor of the largest city in our country was there, Mayor Lindsay, and he asked for it. If we had adopted that program, it would cost at least $4 billion.

In fact, the debate in the other body was not about $2 billion, but the main debate—and it was a bipartisan debate—was over an amendment by the distinguished Senator from Vermont [Mr. Prouty], which would have increased the authorization by $2 billion or up to about $4 billion.

It was defeated by only three votes in the other body.

So, Mr. Chairman, I say that this is a modest bill. It is a well considered bill. The idea that $1,400,000,000 would generate what $2,063,000,000 would generate just is not so.

Let me give you the figures in the few minutes that I have, and these have been carefully worked out by the agency and by the committee. What this does is to cut across the board. It would cripple every phase of this program. Community action agencies would under this bill be increased to 1,052. Under the Goodell amendment they would be reduced to 827.

The neighborhood centers, which have been so important—which, incidentally, help thousands of people in my city of New Orleans—would be reduced from 875 to 570. Rather than serving 3½ million people, only 2.3 million people would be served.

The manpower program, which seeks to teach people gainful employment, to give them a trade and develop their talents, would be reduced from 117,000 to 93,000.

The children who need special training, the retarded children, would have their program reduced from 33,000 to 28,000.

Adult education, which is equally important, would be reduced from 74,000 to 54,000.

Housing programs, helping people who need help so desperately, would be reduced from 55,000 families to 35,000 families.

And so on for the nonprofessional employees and the Headstart program and all the programs dealing with children. All these would be drastically affected.

I hope that the Committee will vote down the amendment.

Following is a breakdown of the effect of the amendment on the various programs.

$2.06 billion	*$1.4 billion*
1,052 Community action agencies.	827 Community action agencies (−225)
LOCAL INITIATIVE	
Neighborhood centers: 875—3.5 million served.	Neighborhood centers: 570 (−305)—2.3 million served (−1.2).
Manpower programs: 117,000 people served.	Manpower programs: 93,000 people served.
Remedial/tutorial: 33,000 children assisted.	Remedial/tutorial: 28,500 children (−4,500).
Adult education: 74,000 adults assisted.	Adult education: 54,000 adults (−20,000).
Housing programs: 55,000 families assisted.	Housing programs: 30,000 families (−25,000).
Family planning: 206,000 people served.	Family planning: 171,000 people (−35,000).
NONPROFESSIONAL EMPLOYEES (POOR PEOPLE)	
85,000 employed annually (actual numbers) 41,000 man-years/employment better figure to use.	60,000 employed annually (−25,000), 29,000 man-years (−12,000).
HEADSTART	
Year-round Headstart, 209,000 children.	Year-round Headstart, 155,100 children (−43,900).
Summer Headstart, 500,000 children.	No change.
HEADSTART FOLLOWTHROUGH	
190,000 children enrolled.	3,000 children enrolled (−187,000).
COMPREHENSIVE HEALTH SERVICES	
1,085,000 potential clientele.	910,000 potential clientele (−175,000).
44 projects.	39 projects (−5).
UPWARD BOUND	
24,000 participants.	15,200 participants (−8,800).
LEGAL SERVICES	
700,000 served.	500,000 served (−200,000).
850 law offices open.	630 law offices (−220).
2,000 attorneys.	1,500 attorneys (−500).
VISTA	
4,250 full-time volunteers.	3,000 volunteers (−1,250).
300 VISTA associates.	150 VISTA associates (−150).
RURAL LOANS	
12,000 loans to individuals.	5,300 loans (−6,700).
400 loans to cooperatives.	200 loans (−200).
MIGRANTS	
3,600 housing units provided.	2,400 housing units (−1,200).
28,000 adult education enrollees.	27,200 adults (−800).
13,000 children in day care programs.	11,400 children (−1,600).

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. Goodell].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GOODELL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GOODELL and Mr. PERKINS.

The committee divided, and the tellers reported that there were—ayes 149, noes 159.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GURNEY

Mr. GURNEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GURNEY: On page 128, beginning in line 14, strike out the second sentence of section 2.

Mr. GURNEY. Mr. Chairman, this amendment should not cause quite as much excitement as did the last one.

Mr. Chairman, what this amendment proposes to do is to strike out the second sentence of the section of the bill to which reference has been made. This sentence authorizes the program for a second year. If the amendment is agreed to, Mr. Chairman, then the bill will provide an authorization for the period of only this year.

Now, I might say that this follows exactly what every other poverty bill which we have processed here in the House of Representatives has done. Heretofore, we have only had a 1-year authorization.

This 2-year authorization, as provided for in this bill now pending before us, represents a departure from what we have done before.

Now, Mr. Chairman, a good number of the Members of the House, regardless of how they feel about this legislation, whether they are for it or whether they are against it, feel rather strongly that if we are going to legislate responsibly in the House of Representatives, we should take an annual look at this program. That is true of legislation that is not controversial. Yet we have pending before us here today what I suppose is fair to say is the most controversial piece of legislation that we have had before the Congress in our time.

Mr. Chairman, even those who are for the bill have great differences of opinion as to how some of these programs should be handled. As we go on here today and tomorrow and the day after, and the balance of the week for that matter, there will be arguing back and forth, by both Democrats and Republicans, all sorts of different viewpoints, as to how this poverty program should be operated.

So, Mr. Chairman, I say that it seems to me people who are for the bill, as well as people who are against the bill, should feel as though we should authorize for the period of only 1 year.

Confine this authorization to the 1 year, and then come back and take a look at it next year.

I might even point this out to those people who are for this bill: Remember, now, as we go through title after title, and provide money for program after program, that we are going to lock ourselves into a certain sum of money for the Job Corps, the community action program, and all of these other programs in this bill. But suppose that we did have a miracle strike us in which the war in Southeast Asia might be concluded within a fairly short time, if this should happen, then certainly we would want to come back and take a look at this legislation and see whether we should revise the authorization portion of it. Certainly the proponents of the bill would want to do that.

So I would say that if we are going to legislate responsibly we ought to do it only for 1 year, it seems to me that if we do this for more than 1 year, if we do it for 2 years, as the bill provides, then we are doing one of two things, we are either shirking our responsibilities by not examining the bill next year when we come back here, or else we are afraid to do it, because the bill and the programs are controversial.

I do not believe either one of these reasons is a good reason to go ahead at this time for a 2-year period.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. GURNEY. Yes, I yield to the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I thank the gentleman for yielding.

I would like to point out to the gentlemen that, in contrast to what he had stated, we will have an opportunity to look at the appropriations for 1969. This is an authorization. We still have to legislate on the appropriation. Therefore the House will have a chance to look at the appropriation for 1969.

Mr. GURNEY. Yes, I would say that is true, to the gentleman from Illinois, that we would have the opportunity to again look at the appropriations, but I do not believe that that is any excuse for the authorization committee, the great Committee on Education and Labor, not to participate in the authorization. That is the committee whose expertise is supposed to be in the fields of education, labor, and in the poverty war. So I do not believe it is any sound argument to say that, simply because the Committee on Appropriations will look it over next year, that the Committee on Education and Labor need not look it over also.

Mr. Chairman, it would appear to me that this amendment really ought not be controversial. The people who are for the bill should support it equally with those who are against the bill. Therefore, I would hope the House could adopt this amendment which permits a limitation of 1 year.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I have considerable personal affection and respect for the gentleman from Florida, but I cannot help but say that it is perfectly obvious and well known that the gentleman is opposed to this program, and has the distinction of being the author of the amendment to the Federal pay raise legislation which would deprive the GS-2's, GS-3's, GS-4's, and GS-5's who work honestly and faithfully in the Office of Economic Opportunity from the benefits of the pay raise legislation.

The effect of this amendment is simply to cut off next year's authorization. So, if we were foolish enough to adopt this amendment, for all of our efforts, both for and against, we would be authorizing a program to expire in only 6 months.

The gentleman from Florida talked about legislative responsibility. Mr. Chairman, it is our legislative responsibility to allow decent planning at whatever level we ultimately arrive at by the agencies which must do the planning. Look at Headstart, for instance. Under the gentleman's amendment how could they get teachers, how could they make commitments?

The gentleman must know, and I am sure the Members know, especially those who have any impacted areas or Public Law 815 and Public Law 874 money in their districts, that it takes a fiscal year of planning in order for there to be intelligent construction of any school operation, or maintenance, or construction program.

Yearly planning is obviously needed in every other educational program. Of course, the gentleman might not be for the Headstart program—I do not know.

But any of you who are for any education programs, whether it be elementary or secondary or Public Law 815 or Public Law 874 or any other program, know perfectly well that your school administrators must hire in advance. Teachers are hired in April and May for September. Commitments—fiscal commitments have to be made.

Mr. Chairman, this would be devastating—absolutely devastating to the program.

We are not locking ourselves in. This is an authorization bill. That does not mean that any of us are locked in, if we are displeased with its operation, to committing ourselves to supporting the funding next year. That is why we have subcommittees and the Committee on Appropriations to help us with that.

This amendment is nothing more nor less than mischievous. Its obvious intent is to cut this program—such as the gentleman would support, if any of it, and give it only 6 months more of life. For those of us who want it to continue for 2 years, which is the authorization, there would devolve upon us again the necessity of coming back here and going through this agony again next year.

This amendment is mischievous—it should be defeated and must be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. GURNEY].

Mr. GURNEY. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GURNEY and Mr. PERKINS.

The Committee divided, and the tellers reported that there were—ayes 136, noes 130.

So the amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE I—AMENDMENTS TO THE ECONOMIC OPPORTUNITY ACT

JOB CORPS AMENDMENTS

Sec. 101. Part A of title I of the Economic Opportunity Act of 1964 is amended to read as follows:

"Part A—Job Corps

"STATEMENTS OF PURPOSE

"Sec. 101. This part establishes a Job Corps for low-income, disadvantaged young men and women, sets forth standards and procedures for selecting individuals as enrollees in the Job Corps, authorizes the establishment of residential and/or nonresidential centers in which enrollees will participate in intensive programs of education, vocational training, work experience, counseling, and other activities, and prescribes various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps. Its purpose is to assist young persons who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens; and to do so in a way that contributes, where feasible, to the development of National, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

"ESTABLISHMENT OF THE JOB CORPS

"Sec. 102. There is hereby established within the Office of Economic Opportunity a 'Job Corps'.

"INDIVIDUALS ELIGIBLE FOR THE JOB CORPS

"Sec. 103. To become an enrollee in the Job Corps, a young man or woman must be a person who—

"(1) is a permanent resident of the United States who has attained age fourteen but not attained age twenty-two at the time of enrollment;

"(2) is a low-income individual or member of a low-income family who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular schoolwork, qualify for other training programs suitable to his needs, or satisfy Armed Forces requirements;

"(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife, or other disorienting conditions as to substantially impair his prospects for successful participation in any other program providing needed training, education, or assistance;

"(4) is determined, after careful screening as provided for in sections 104 and 105, to have the present capabilities and aspirations needed to complete and secure the full benefit of the program authorized in this part, and to be free of medical and behavioral problems so serious that he could not or would not be able to adjust to the standards of conduct and discipline or pattern of work and training which that program involves; and

"(5) meets such other standards for enrollment as the Director may prescribe and agrees to comply with all applicable Job Corps rules and regulations.

"SCREENING AND SELECTION OF APPLICANTS—GENERAL PROVISIONS

"Sec. 104. (a) The Director shall prescribe necessary rules for the screening and selection of applicants for enrollment in the Job Corps. To the extent practicable, these rules shall be implemented through arrangements which make use of agencies and organizations such as community action agencies, public employment offices, professional groups, and labor organizations. The rules shall establish specific standards and procedures for conducting screening and selection activities; shall encourage recruitment through agencies and individuals having contact with youths over substantial periods of time and able, accordingly, to offer reliable information as to their needs and problems; and shall provide for necessary consultation with other individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers. They shall also provide for—

"(1) an interview with each applicant for the purpose of—

"(A) determining whether his educational and vocational needs can best be met through the Job Corps or any alternative program in his home community;

"(B) obtaining from the applicant pertinent data relating to his background, needs, and interests for evaluation in determining his eligibility and potential assignment; and

"(C) giving the applicant a full understanding of the Job Corps program and making clear what will be expected of him as an enrollee in the event of his acceptance;

"(2) the conduct of a careful and systematic inquiry concerning the applicant's background for the effective development and, as appropriate, clarification of information concerning his age, citizenship, school and draft status, health, employability, past behavior, family income, environment, and other matters related to a determination of his eligibility.

"(b) The Director shall make no payments to any individual or organization solely as compensation for the service of referring the names of candidates for enrollment in the Job Corps.

"(c) The Director shall take all necessary steps to assure that the enrollment of the Job Corps includes an appropriate number of candidates selected from rural areas, taking into account the proportion of eligible youth who reside in rural areas and the need to provide residential facilities for such youth in order to meet problems of wide geographic dispersion.

"SCREENING AND SELECTION—SPECIAL LIMITATIONS

"Sec. 105. (a) No individual shall be selected as an enrollee unless it is determined that there is reasonable expectation that he can participate successfully in group situations and activities with other enrollees, that he is not likely to engage in actions or behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between any center to which he might be assigned and surrounding communities, and that he manifests a basic understanding of both the rules to which he will be subject and of the consequences of failure to observe those rules. Before selecting an individual who has a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other major behavioral aberrations, the Director shall obtain a finding from a professionally qualified person who knows such potential enrollee's individual situation that there is reasonable expectation that his conduct will not be inimical to the goals and success of the Job Corps and that the opportunity provided by the Job Corps will help him to overcome his problem.

"(b) An individual who otherwise qualifies for enrollment may be selected even though he is on probation or parole, but only if his release from the immediate supervision of the cognizant probation or parole officials is mutually satisfactory to those officials and the Director and does not violate applicable laws or regulations, and if the Director has arranged to provide all supervision of the individual and all reports to State or other authorities that may be necessary to comply with applicable probation or parole requirements.

"ENROLLMENT AND ASSIGNMENT

"Sec. 106. (a) No individual may be enrolled in the Job Corps for more than two years, except as the Director may authorize in special cases.

"(b) Enrollment in the Job Corps shall not relieve any individual of obligations under the Universal Military Training and Service Act (50 U.S.C. App. 451 et seq.).

"(c) Each enrollee (other than a native and citizen of Cuba described in section 609(3) of this Act or a permanent resident of the Trust Territory of the Pacific Islands) must take and subscribe to an oath or affirmation in the following form: 'I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies foreign and domestic.' The provisions of section 1001 of title 18, United States Code, shall be applicable to this oath or affirmation.

"(d) After the Director has determined whether an enrollee is to be assigned to a men's training center, a conservation center, or a women's training center, the center to which he shall be assigned shall be that center of the appropriate type which is closest to the enrollee's home, except that the Director, on an individual basis, may waive this requirement when overriding considerations justify such action. Assignments to centers in areas more remote from the enrollee's home shall be carefully limited to situations in which such action is necessary in order to insure an equitable opportunity for disadvantatged youth from various sections of the country to participate in the program, to prevent undue delays in the assignment of individual enrollees, to provide an assignment which adequately meets the educational or other needs of the enrollee or is necessary for efficiency and economy in the operation of the program.

"JOB CORPS CENTERS

"Sec. 107. (a) The Director may make agreements with Federal, State, or local agencies, or private organizations for the establishment and operation of Job Corps centers. These centers may be residential and/or nonresidential in character and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with education, vocational training, work experience (either in direct program activities or through arrangements with employers), counseling, and other services appropriate to their needs. The centers shall include conservation centers, to be known as Civilian Conservation Centers, to be located primarily in rural areas and to provide, in addition to other training and assistance, programs of work experience focused upon activities to conserve, develop, or manage public natural resources or public recreational areas or to assist in developing community projects in the public interest. They shall also include men's and women's training centers to be located in either urban or rural areas and to provide activities which shall include training and other services appropriate for enrollees who can be expected to participate successfully in training for specific types of skilled or semiskilled employment.

"(b) To the extent feasible, men's and women's training centers shall offer education and vocational training opportunities, together with supportive services, on a nonresidential basis to participants in programs described in part B of this title. Such opportunities may be offered on a reimbursable basis or through such other arrangements as the Director may specify.

"PROGRAM ACTIVITIES

"Sec. 108. (a) Each Job Corps center shall be operated so as to provide enrollees with an intensive, well-organized and fully supervised program of education, vocational training, work experience, planned avocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program for each enrollee shall include activities designed to assist him in choosing realistic career goals, coping with problems he may encounter in his home community or in adjusting to a new community, and planning and managing his daily affairs in a manner that will best contribute to long-term upward mobility, and shall aggregate at least sixty hours a week. Center programs shall include required participation in center maintenance support and related work activity as appropriate to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

"(b) To the extent practicable, the Director may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes where these institutions or institutes can provide training comparable in cost and substantially equivalent in quality to that which he could provide through other means.

"(c) Arrangements for education shall, to the extent feasible, provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from high school; and the Director, with the concurrence of the Secretary of Health, Education, and Welfare, shall develop certificates to be issued to enrollees who have satisfactorily completed their services in the Job Corps and which will reflect the enrollee's level of educational attainment.

"(d) The Director shall prescribe regulations to assure that Job Corps work-experience programs or activities do not displace presently employed workers or impair existing contracts for service and will be coordinated with other work-experience programs in the community.

"ALLOWANCE AND SUPPORT

"SEC. 109. (a) Enrollees may be provided with such living, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital, and other health services, and other expenses as the Director may deem necessary or appropriate for their needs. Transportation and travel allowances may also be provided, in such circumstances as the Director may determine, for applicants for enrollment to or from places of enrollment, and for former enrollees from places of termination to their homes.

"(b) The Director shall prescribe specific rules governing the accrual of leave by enrollees. Except in the case of emergency, he shall in no event assume transportation costs connected with leave of any enrollee who has not completed at least six months service in the Job Corps.

"(c) The Director may provide each former enrollee, upon termination, a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation in the Job Corps. No enrollee shall be entitled to a readjustment allowance, however, unless he has remained in the program at least ninety days, except in unusual circumstances as determined by the Director. The Director may, from time to time, advance to or on behalf of an enrollee such portions of his readjustment allowance as the Director deems necessary to meet extraordinary financial obligations incurred by that enrollee; and he may also, pursuant to rules or regulations, reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct during participation in the Job Corps. In the event of an enrollee's death during his period of service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.

"(d) Under such circumstances as the Director may determine, a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a spouse or child of an enrollee or to any other relative who draws substantial support from the enrollee, and any sum so paid shall be supplemented by the payment of an equal amount by the Director.

"STANDARDS OF CONDUCT

"SEC. 110. (a) Within Job Corps centers, standards of conduct and deportment shall be provided and stringently enforced. In the case of violations committed by enrollees, dismissals from the Corps or transfers to other locations shall be made in every instance where it is determined that retention in the Corps, or in the particular Job Corps center, will jeopardize the enforcement of such standards of conduct and deportment or diminish the opportunity of other enrollees.

"(b) In order to promote the proper moral and disciplinary conditions in the Job Corps, the individual directors of Job Corps centers shall be given full authority to take appropriate disciplinary measures against enrollees including, but not limited to, dismissal from the Job Corps, subject to expeditious appeal procedures to higher authority, as provided under regulations set by the Director.

"COMMUNITY PARTICIPATION

"SEC. 111. The Director shall encourage and shall cooperate in activities designed to establish a mutually beneficial relationship between Job Corps centers and surrounding or nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest. Whenever possible, such advisory councils shall be formed by and coordinated under the local community action agency. Youth participation in advisory council affairs shall be encouraged and where feasible separate youth councils may be established, to be composed of representative enrollees and representative young people from the communities. The Director shall establish necessary rules and take necessary action to assure that each center is operated in a manner consistent with this section with a view of achieving, so far as possible, objectives which shall include: (1) giving community officials appropriate advance notice of changes in center rules, procedures, or activities that may affect or be of interest to the community; (2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees; (3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community; (4) encouraging the fullest practicable participation of enrollees in programs or projects for community improvement or betterment, with adequate advance consultation with business, labor, professional, and other interested community groups and organizations; (5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together; (6) providing community residents with opportunities to work with enrollees directly, as part-time instructors, tutors, or advisers, either in the center or in the community; (7) developing, where feasible, job or career opportunities for enrollees in the community; and (8) promoting interchanges of information and techniques among, and cooperative projects involving, the center and community schools, educational institutions, and agencies serving young people.

"COUNSELING AND JOB PLACEMENT

"SEC. 112. (a) The Director shall provide for the counseling and testing of each enrollee at regular intervals to follow his progress in educational and vocational programs.

"(b) The Director shall counsel and test each enrollee prior to his scheduled termination to determine his capabilities and shall seek to place him in a job in the vocation for which he is trained and in which he is likely to succeed, or shall assist him in attaining further training or education. In placing enrollees in jobs, the Director shall utilize the United States Employment Service to the fullest extent possible.

"(c) The Secretary of Labor shall make arrangements to determine the status and progress of terminees and to assure that their needs for further education, training, and counseling may be met.

"(d) Upon termination of an enrollee's training, a copy of his pertinent records, including data derived from his counseling and testing, other than confidential information, shall be made available immediately to the Department of Labor and the Office of Economic Opportunity.

"(e) The Director shall, to the extent feasible in accordance with section 611(d) of this Act, arrange for the readjustment allowance provided for in section 109(c) of this Act, less any sums already paid pursuant to subsection (d) of that section, to be paid to former enrollees (who have not already found employment) at the public employment service office nearest the home of any such former enrollee, if he is returning to his home, or at the nearest such office to the community in which the former enrollee has indicated an intent to reside. The Secretary of Labor shall make arrangements by which public employment service officers will maintain records regarding former enrollees who are thus paid at such offices including information as to—

"(1) the number of former enrollees who have declined the offices' help in finding a job;

"(2) the number who were successfully placed in jobs without further education or training;

"(3) the number who were found to require further training before being placed in jobs and the types of training programs in which they participated; and

"(4) the number who were found to require further remedial or basic education in order to qualify for training programs, together with information as to the types of programs for which such former enrollees were found unqualified for enrollment.

If the Director deems it advisable to utilize the services of any other public or private organization or agency in lieu of the public employment office, he shall arrange for that organization or agency to make the payment of the readjustment allowance and maintain the same types of records regarding former enrollees as are herein specified for maintenance by public employment service offices, and shall furnish copies of such records to the Secretary of Labor. In the case of enrollees who are placed in jobs by the Director prior to the termination of their participation in the Job Corps, the Director shall maintain records providing pertinent placement and follow-up information.

"EVALUATION; EXPERIMENTAL AND DEVELOPMENTAL PROJECTS

"SEC. 113. (a) The Director shall provide for the careful and systematic evaluation of the Job Corps program, directly or by contracting for independent evaluations, with a view to measuring specific benefits, so far as practicable, and providing information needed to assess the effectiveness of program procedures, policies, and methods of operation. In particular, this evaluation shall seek to determine the costs and benefits resulting from the use of residential as opposed to nonresidential facilities, from the use of facilities combining residential and nonresidential components, from the use of centers with large as opposed to small enrollments, and from the use of different types of program sponsors, including public agencies, institutions of higher learning, boards of education, and private corporations. The evaluation shall also include comparisons with proper control groups composed of persons who have not participated in the program. In carrying out such evaluations, the Director shall arrange for obtaining the opinions of participants about the strengths and weaknesses of the program and shall consult with other agencies and officials in order to compare the relative effectiveness of Job Corps techniques with those used in other programs, and shall endeavor to secure, through employers, schools, or other Government and private agencies specific information concerning the residence of former enrollees, their employment status, compensation, and success in adjusting to community life. He shall also secure, to the extent feasible, similar information directly from enrollees at appropriate intervals following their completion of the Job Corps program. The results of such evaluation shall be published and shall be summarized in the report required by section 608.

"(b) The Director may undertake or make grants or contracts for experimental, research, or demonstration projects directed to developing or testing ways of securing the better use of facilities, of encouraging a more rapid adjustment of enrollees to community life that will permit a reduction in the period of their enrollment, of reducing transportation and support costs, or of otherwise promoting greater efficiency and effectiveness in the program authorized under this part. These projects shall include one or more projects providing youths with education, training, and other supportive services on a combined residential and nonresidential basis. The Director may, if he deems it advisable, undertake one or more pilot projects designed to involve youth who have a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other behavioral aberrations. Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies conducting similar or related programs or projects and with the prime sponsors, as described in part B of this title, in the communities where the projects will be carried out. They may be undertaken jointly with other Federal or federally assisted programs, including programs under part B of this title, and funds otherwise available for activities under those programs shall, with the consent of the head of any agency concerned, be available to projects under this section to the extent they include the same or substantially similar activities. The Director may waive any provision of this title which he finds would prevent the carrying out of elements of projects under this subsection essential to a determination of their feasibility and usefulness. He shall, either in the report required by section 608 or a separate annual document, report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

"(c) In order to determine whether upgraded vocational education schools could eliminate or substantially reduce the school dropout problem, and to demonstrate how communities could make maximum utilization of existing educational and training facilities, the Director, in cooperation with the Commissioner of Education, shall enter into one or more agreements with State educational agencies to pay the cost of establishing and operating model community vocational education schools and skill centers. Such facilities shall be centrally located in an urban area having a high dropout rate, a large number of unemployed youths, and a need in the area for a combination vocational school and skill center. No such agreement shall be entered into unless it contains provisions designed to assure that—

"(1) a job survey be made of the area;

"(2) the training program of the school and skill center reflect the job market needs as projected by the survey;

"(3) an advisory committee of representatives of business, labor, education, and community leaders be formed to follow the center's activities and to make periodic recommendations regarding its operation;

"(4) arrangements have been worked out with schools in the area and the administrator of the skill center for maximum utilization of the center both during and after school hours; and

"(5) such accounting and evaluation procedures as the Director and the Commissioner of Education deem necessary to carry out the purpose of this project will be provided.

"ADVISORY BOARDS AND COMMITTEES

"SEC. 114. The Director shall make use of advisory committees or boards in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever he determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities. Nothing in this section shall be considered as limiting the functions of the National Advisory Council, established pursuant to section 605 of this Act, with respect to any matter or question involving the Job Corps; but this shall not prevent the establishment through or in cooperation with the National Advisory Council of one or more boards or committees under this section.

"PARTICIPATION OF THE STATES

"SEC. 115. (a) The Director shall take necessary action to facilitate the effective participation of States in the Job Corps program, including, but not limited to, consultation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards of enrollee conduct and discipline, the development of meaningful work experience and other activities for enrollees, and coordination with State-operated programs.

"(b) The Director may enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Director may, pursuant to regulations, pay part or all of the operative or administrative costs of such programs.

"(c) No Job Corps center or other similar facility designed to carry out the purpose of this Act shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor, and such plan has not been disapproved by him within 30 days of such submission.

"APPLICATION OF PROVISIONS OF FEDERAL LAW

"SEC. 116. (a) Except as otherwise specifically provided in the following paragraphs of this subsection, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

"(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

"(2) For purposes of subchapter I of chapter 81 of title 5 of the United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except as follows:

"(A) The term 'performance of duty' shall not include any act of an enrollee while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction and supervision of the Job Corps;

"(B) In computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for a grade GS-2 employee, and sections 8113 (a) and (b) of title 5, United States Code, shall apply to enrollees; and

"(C) Compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is terminated.

"(3) For the purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered employees of the Government.

"(b) When the Director finds a claim for damage to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, United States Code, he may adjust and settle it in an amount not exceeding $500.

"(c) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Director for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

"SPECIAL LIMITATIONS

"SEC. 117. (a) The Director shall not use any funds made available to carry out this part for the fiscal year ending June 30, 1968, in a manner that will increase the residential capacity of Job Corps centers above forty-five thousand enrollees.

"(b) The Director shall take necessary action to insure that on or before June 30, 1968, of the total number of Job Corps enrollees receiving training, at least 25 per centum shall be women. The Director shall immediately take steps to achieve an enrollment ratio of 50 per centum women enrollees in training in the Job Corps consistent with (1) efficiency and economy in the operation of the program, (2) sound administrative practice, and (3) the socioeconomic, educational, and training needs of the population to be served.

"(c) The Director shall take necessary action to insure that for the fiscal year ending June 30, 1968, the direct operating costs of Job Corps centers which have been in operation for more than nine months do not exceed $6,500 per residential enrollee, or $2,500 per nonresidential enrollee.

"(d) The Director shall take necessary action to insure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the operation of any conservation or training center shall become the property of the United States.

"POLITICAL DISCRIMINATION AND POLITICAL ACTIVITY

"SEC. 118. (a) No officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened, or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Corps, or any applicant for enrollment in the Corps because of his political affiliation or beliefs, excepts as may be specifically authorized or required by law.

"(b) No officer, employee, or enrollee of the Corps shall take any active part in political management or in political campaigns, either partisan or nonpartisan, or in voter registration drives, except as may be provided by or pursuant to statue, and no such officer, employee, or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. Any officer, employee, enrollee, or Federal employee who solicits funds for political purposes from members of the Corps, shall be in violation of the Federal Corrupt Practices Act, 1925.

"(c) Whenever the United States Civil Service Commission finds that any person has violated the foregoing provisions, it shall, after giving due notice and opportunity for explanation to the officer or employee or enrollee concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective actions."

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that section 101 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. LATTA. Mr. Chairman, I move to strike the last word.

Mr. Chairman, on November 1, 1967, the following article appeared in the Toledo Blade of Toledo, Ohio:

EAST TOLEDO CENTER CHIEF RESIGNS, CITES FRUSTRATIONS—ANTIPOVERTY GOALS MET, SALVERDA SAYS—FOURTH TO LEAVE STAFF IN LAST MONTH

Harold Salverda has resigned as director of the anti-poverty program's East Toledo Neighborhood Opportunity Center. He is the fourth person to leave the center staff in the last month.

In his letter of resignation to John W. Jones, executive director of the Economic Opportunity Planning Association (EOPA), Mr. Salverda said he was leaving to accept a job in the ministry.

Mr. Salverda said today, however, that though he is looking forward to his new job, he would not have considered leaving if there was a realistic chance that things could be changed in the local anti-poverty program.

"When I took the director's job seven months ago. I thought it was possible to get some things done to help the poor and to bring about a significant change in the program. But I wasn't able to bring it off," Mr. Salverda said.

SUPPORTS PROGRAM

He said he supports, without hesitation, the idea of the war on poverty but added that the directorship of the East Toledo center was a series of frustrations.

In the last month, the center's assistant director and two interviewers resigned. Mr. Salverda said it is rumored that three or four more members of the staff are considering leaving.

One objective of the social-action program is to attempt to make institutional changes, Mr. Salverda said. But the program has become an institution that is more interested in perpetuating itself than in changing things, he said.

Nine members of the center's advisory council resigned last June in protest over what they termed overlapping and duplication of services.

MEDICAL PROGRAM GONE

The center, opened two years ago, originally provided a full range of medical, legal, and employment services to the poor in East Toledo, Mr. Salverda said the medical program has been eliminated, an employment counselor spends only two half-days a week at the center, and legal aid is available 2½ days a week.

The center's present annual budget is more than $100,000, but the accomplishments of the center were less than they should have been, Mr. Salverda said.

Mr. Salverda said: "I know I'm going to sound like a real sorehead, but I think the question needs to be asked: Are we really helping the poor?"

Mr. Chairman, this is one of the reasons why I am not supporting this program, because I have to answer the question that is being asked not only in my district and in East Toledo but around the country, "Is this program really helping the poor?"

When these things come to light, nothing ever seems to be done about it. Apparently Mr. Sargent Shriver is deaf and does not hear these complaints. I think it is high time that if we are going to have a war on poverty, we get somebody in who can hear these complaints. Not only is this complaint being aired during the debate but many other complaints are. I think he ought to take a look at the CONGRESSIONAL RECORD of the last several days to see what is going on in his own program and do something about it.

AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: On page 129, after line 5, strike out everything through line 6 one page 154 and insert:

"PART A—RESIDENTIAL CENTERS

"STATEMENT OF PURPOSE

"SEC. 101. It is the purpose of this part to establish residential vocational education and job training centers (hereinafter referred to as "Residential Centers") for needy young men and women who, because of their family or neighborhood environments and level of educational attainment, are unable to prepare for the responsibilities of citizenship, to increase their skills for employment, or to benefit from other programs of education, training, and work experience, and who require residential training to prepare themselves for jobs in a free enterprise economy. It is further the purpose of this part to provide for the operation of Residential Centers in conjunction with vocational training facilities such as area vocational schools, in order to develop a nationwide capability to meet the vocational training needs of all Americans. It is the intent of Congress that, to the extent possible, the Residential Centers provided for enrollees under this title shall be combined with area vocational schools, technical institutes, and other training facilities, for resident and nonresident trainees, in order to avoid isolation or stigmatizing of said enrollees and to develop a concept of community and area training centers. It is further the intent of Congress that trainees shall be assigned to Residential Centers as reasonably close to their place of residence as is compatible with the goals sought to be achieved in their attendance at such Center.

"TRANSFER OF AUTHORITY

"SEC. 102. (a) The Secretary of Health, Education, and Welfare (hereinafter in this part referred to as the 'Secretary') shall assume the administrative responsibility for the Job Corps (including personnel, property, records, contractual obligations, and unexpended balances of appropriations) operating heretofore under the authority of the Director of the Office of Economic Opportunity, pursuant to the provisions of part A of title I of the Economic Opportunity Act of 1964, as amended.

"(b) The Secretary shall promulgate and publish such rules and regulations as may be necessary to carry out his responsibilities under this title: *Provided, however,* That until superseded or repealed by such rules and regulations as may be promulgated and published by the Secretary hereunder, all rules and regulations promulgated and published by the Director of the Office of Economic Opportunity pursuant to part A of title I of the Economic Opportunity Act of 1964, as amended, and in effect as of the date of enactment of this Act, shall remain in full force and effect.

"PHASING OVER THE JOB CORPS

"SEC. 103. (a) The Secretary shall take such steps as may be necessary to provide for the orderly phasing over the Job Corps program into the program of Residential Centers authorized by part A of this title.

"(b) In carrying out subsection (a) the Secretary shall make a study and evaluation of existing Job Corps facilities for the purpose of determining: (1) which facilities are suited to continuation as Residential Centers under the provisions of part A of this title; (2) which facilities, if any, could best be operated by the Department of the Interior or by the Department of Agriculture as Residential Centers for the provision of vocational education and training in such fields as conservation, forestry, and the management of natural resources; and (3) which facilities should be eliminated because of their lack of suitability for carrying out the purposes of this part. The Secretary is authorized and directed to take appropriate action to implement his findings from this evaluation.

"AUTHORIZATION

"SEC. 104. The Secretary shall carry out the programs authorized by part A of this title during the fiscal year ending June 30, 1968, and the succeeding fiscal year. For such purpose there is hereby transferred to the Secretary from the sums appropriated pursuant to section 2 of this Act for each of the fiscal years ending June 30, 1968, and June 30, 1969, the sum of $190,000,000.

"ESTABLISHMENT OF PROGRAM

"SEC. 105. (a) The Secretary shall establish a program of Residential Centers to be administered as a part of or in coordination with programs authorized by the Vocational Education Act of 1963, as amended.

"(b) Residential Centers may be established in accordance with the provisions of this part by means of—

"(1) grants to State boards of vocational education for operation of Residential Centers in conjunction with area vocational-technical schools or other facilities operated in accordance with a State plan approved under the Vocational Education Act of 1963, as amended;

"(2) contracts with public or private agencies or organizations which have a demonstrated capability to conduct high-quality vocational education and job training programs in accordance with the provision of this part; and

"(3) arrangements with the Department of Agriculture or the Department of the Interior for the operation of Residential Centers for the provision of vocational training in such fields as conservation, forestry, and the management of natural resources.

"(c) The Secretary shall promulgate and publish such rules and regulations as may be necessary to carry out this part.

"STATE-OPERATED RESIDENTIAL CENTERS

"SEC. 106. (a) Any State which desires to operate one or more Residential Centers shall submit to the Secretary, through its State board of vocational education, a State plan (or amendment to a State plan under the Vocational Education Act of 1963, as amended) which—

"(1) designates the State board of vocational education to act, either directly or through arrangements with one or more local educational agencies, as the sole agency for administration of the State plan;

"(2) sets forth a program under which funds paid to the State under section 108 will be spent solely for the establishment and operation of Residential Centers which meet the requirements of section 109, and for administration of the State plan;

"(3) makes adequate provision, to the extent deemed necessary by the Secretary, for the accommodation of trainees who are residents of other States;

"(4) sets forth, in such detail as the Secretary may deem necessary, a description of the program of training and education to be carried out, including methods and procedures for the recruitment, selection, screening, testing, and job placement of trainees and graduates;

"(5) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any such funds paid by the State to any other public agency) under this title; and

"(6) provides for making such reports, in such form and containing such information, as the Secretary may reasonably require to carry out his functions under this title, and for keeping such records and affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

"(b) Upon agreement of two or more States, acting through their respective State boards of vocational education, a single plan may be submitted for the joint operation of one or more Residential Centers: *Provided*, That such plan meets the requirements of subsection (a).

"(c) The Secretary may approve a plan submitted by a State or by several States which meets the requirements of subsection (a), and he shall give first priority to such plans as the preferred method of carrying out the Residential Centers program, taking into consideraton such factors as (i) the readiness of the State or States to assume and continue the operation of facilities previously operated as Job Corps centers or camps under part A of title I of the Economic Opportunity Act of 1964, as amended; (ii) the geographic location of existing and proposed facilities; and (iii) the availability of Residential Centers in other States to meet the needs of eligible young men and women in the area to be served.

"OTHER RESIDENTIAL CENTERS

"SEC. 107. (a) The Secretary is authorized to provide (in accordance with his findings under section 102(b)) for the operation of Residential Centers (other than those established under plans approved under section 106) as follows:

"(1) the operation of facilities previously operated as Job Corps centers or camps under part A of title I of the Economic Opportunity Act of 1964, as amended, in accordance with contracts entered into by or under the authority of the Director of the Office of Economic Opportunity for the duration of the contract;

"(2) the operation of Residential Centers under contract with public or private agencies or organizations, including the extension of existing Job Corps contracts (but in accordance with the requirements of this title), as the Secretary may find necessary in the absence of acceptable State plans under Section 106, or until Centers established under such plans are operative; and

"(3) the operation of Residential Centers by the Department of Agriculture or by the Department of the Interior which were under the jurisdiction of such Departments prior to the enactment of this Act.

"(b) In providing for the establishment and operation of any Residential Center or centers under this section, the Secretary shall seek the advice and counsel of State boards of vocational education and shall assure, insofar as may be practicable, that such centers are operated with the advice and cooperation of the State board for the State in which they are located.

"PAYMENT OF COSTS

"SEC. 108. For the fiscal year ending June 30, 1968, and for the succeeding fiscal year, the Secretary shall pay the costs of carrying out State plans approved under this part and for the operation of Residential Centers pursuant to contracts or delegations of authority made by him. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

"OPERATION OF RESIDENTIAL CENTERS

"SEC. 109. (a) The Secretary shall assure that each Residential Center operated under the provisions of this part shall provide—

"(1) basic education designed to qualify trainees for employment;

"(2) vocational training programs, including classroom instruction and other programs such as on-the-job training or work experience under actual or simulated employment conditions designed to qualify trainees for employment;

"(3) continuous counseling, education, and activities designed to develop motivation, proper attitudes, work discipline, and habits necessary for successful and long-term employment;

"(4) effective enforcement of rules and regulations designed to govern the conduct of trainees and to maintain an environment conducive to learning, as well as enforcement of standards of safety and health for trainees;

"(5) programs designed to promote good community relations, including the encouragement of community advisory groups to consult with Center administrators, and to develop whenever feasible job or career opportunities in the community for graduates from the Center;

"(6) continuous liaison with public and private employers in the area served by the Center in order to determine which job skills are in demand in such area and to obtain employment opportunities in such area for graduates of the Center;

"(7) a program of counseling and testing of each trainee at regular intervals to follow his progress in, and satisfaction with, the educational and vocational program; and

"(8) a placement program (utilizing the United States Employment Service to the fullest extent possible) which shall include arrangements for postgraduate interviews or other contacts through which the graduate's employment status, progress, and needs for additional training or counseling can be determined.

"(b) The Secretary shall require each Residential Center to make available to him such records pertaining to each trainee and graduate as may be necessary to enable him to evaluate the effectiveness of the program and to provide such further services to graduates as may be necessary.

"PROVISIONS RELATING TO TRAINEES; RECRUITMENT AND ELIGIBILITY

"SEC. 110. (a) Each State board of vocational education (or contracting agency or organization) operating a Residential Center shall select and enroll trainees recruited pursuant to regulations of the Secretary, and shall determine the eligibility of individuals in accordance with the provisions of this section.

"(b) In States in which there is no approved State plan under this part, the Secretary shall make arrangements for the recruitment of trainees and for their enrollment in Residential Centers pursuant to the provisions of this part (utilizing to the fullest extent possible the assistance of the State board of vocational education and the State employment security agency).

"(c) No individual shall be eligible for enrollment as a trainee in any Residential Center unless he or she—

"(1) is at least sixteen but not more than twenty-two years of age at the time of admission to such Center;

"(2) meets such low family income and other criteria of need as may be promulgated and published by the Secretary;

"(3) requires additional education, training, and related assistance in order to secure and hold minimum employment;

"(4) is currently living in an environment of such a character as to impair substantially his prospects for successful participation in any other program providing needed training, education, or assistance and therefore requires a substantial change of environment;

"(5) is a permanent resident of the United States or of the Trust Territory of the Pacific Islands, or is a citizen of Cuba who arrived in the United States from Cuba as a nonimmigrant or is a parolee under section 214(a) or 212(d)(5), respectively, of the Immigration and Nationality Act;

"(6) evidences a desire and ability to benefit from the training and educational opportunities available at such Center;

"(7) meets each additional criteria as may be prescribed by the Secretary or by a State board of vocational education with the consent of the Secretary;

"(8) shall take or subscribe to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic": *Provided*, That this requirement shall not apply to a citizen of Cuba as described above, or to a permanent resident of the Trust Territory of the Pacific Islands: *And provided further*, That the provisions of section 1001 of title 18, United States Code, shall apply to such oath; and

"(9) agrees to comply with such rules and regulations concerning conduct while a trainee at such Residential Center as may be prescribed by the Secretary or by a State board of vocational education with the consent of the Secretary.

"(d) No individual may be a trainee at any Residential Center or Centers for a total of more than two years, except as the Secretary may determine in special cases.

"(e) Criminal violations shall not disqualify any individual from enrollment at any Residential Center, but after evaluation of the distinctive nature of each individual's problems, provision shall be made for suitable treatment and handling: *Provided, however,* That the director of such Center may refuse to enroll any individual whose behavioral problems are likely to jeopardize the enforcement of standards of conduct at such Center, or impair the training or educational opportunity of other trainees, or endanger such other trainees or personnel at such Center.

"(f) The Secretary shall take necessary action to insure that on or before June 30, 1968, of the total number of trainees receiving training, at least 25 per centum shall be women. The Secretary shall immediately take steps to achieve an enrollment ratio of 50 per centum women trainees consistent with (1) efficiency and economy in the operation of the program, (2) sound administrative practice, and (3) the socioeconomic, educational, and training needs of the population to be served.

"ALLOWANCES AND MAINTENANCE

"SEC. 111. (a) Each trainee shall be provided with such living and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital and other health services, and other expenses as the Secretary may deem necessary or appropriate for his needs. Living allowances may be graduated in a manner which will provide monetary incentive for excellent and exceptional achievement. Reasonable transportation expenses may also be provided, in such circumstances as the Secretary may determine, for enrollees to reach a Residential Center for admission and for graduates or trainees who have discontinued their training to return to their homes: *Provided,* That such arrangements and expenses are as economical as possible, consistent with the circumstances and shall not be more generous than similar provisions available to members of the United States Armed Forces.

"(b) Upon termination of his or her participation in the participation in the program each trainee shall be entitled to receive a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation therein as determined by the Secretary: *Provided, however,* That under such circumstances as the Secretary may determine, a portion of the readjustment allowance of a trainee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the trainee directly to a member of his or her family and any sum so paid shall be supplemented by the payment of an equal amount by the Secretary. In the event of the trainee's death during the period of his or her service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 1 of the Act of August 3, 1950 (5 U.S.C. 61f).

"OTHER PROVISIONS CONCERNING TRAINEES

"SEC. 112. (a) For the purposes of this part, except as provided in subsection (b), a trainee shall be deemed not to be a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"(b) Trainees shall be deemed to be employees or civil employees of the United States for the purposes of—

"(1) the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.), and of title II of the Social Security Act (42 U.S.C. 401 et seq.), and any service performed by an individual as such a trainee shall be deemed for such purposes to be performed in the employ of the United States;

"(2) the Federal tort claims provisions of title 23, U.S.C.;

"(3) the Federal Employees' Compensation Act (5 U.S.C. 751 et seq.), within the meaning of the term 'employee' as defined in section 40 of such Act (5 U.S.C. 790) and the provisions thereof shall apply except as hereinafter provided.

"(c) For the purposes of this subsection—

"(1) the term 'performance of duty' shall not include any act of a trainee while absent from his or her assigned post of duty, except while participating in an activity (including any activity while on pass or during travel to or from such post of duty) authorized by or under the direction or supervision of the Center;

"(2) in computing compensation benefits for disability or death, the monthly pay of a trainee shall be deemed to be $150, except that with respect to compensation for disability accruing after the individual concerned reaches the age of twenty-one, such monthly pay shall be deemed to be that received under the entrance salary for GS-2 under the Classification Act of 1949 (5 U.S.C. 1071 et seq.), and section 6(d)(1) of the former Act (5 U.S.C. 756(a)(1)) shall apply to trainees.

"(3) compensation for disability shall not begin to accrue until the day following the date on which the injured trainee's participation in the program is terminated.

"(d) No payment shall be made to any individual or to any organization solely as compensation for services of referring the name of any individual or individuals for enrollment at any Residential Center.

"AUTHORITY TO DISMISS; COMMISSION OF CRIME;
PAROLE VIOLATION

"SEC. 113. (a) The director of each Residential Center shall have authority to take appropriate and reasonable disciplinary measures against trainees, including, but not limited to, dismissal from the Center. Dismissals from the Residential Center shall be made in every instance in which the director determines that retention in the Residential Center will jeopardize the enforcement of standards of conduct, or endanger other trainees or Center personnel, or impair the educational opportunities of other trainees.

"(b) Any trainee who is convicted of a felony committed during the period of his training shall be immediately dismissed from the Center.

"(c) Any trainee who is charged with violation of State criminal statutes while in training at a Center shall be provided the cost of an attorney and other legal fees in circumstances where adequate provision for such representation of indigent defendants is not otherwise provided.

"(d) The Secretary shall establish appropriate procedures to insure that participation by a trainee in the program shall in no way result in a violation of parole or probationary procedures of any State. In the event procedures have been established under which the participation in the program of a youth subject to parole or probationary jurisdiction is acceptable to appropriate State authorities, the Secretary shall require the Center to provide for regular supervision of the trainee and reports to the State authorities to conform with the appropriate parole and probationary requirements in such State.

"RELATIONS WITH STATES

"SEC. 114. No Residential Center (other than one established pursuant to an approved State plan) shall be established under this part within a State unless a plan setting forth such proposed establishment has been submitted by the Secretary to the Governor of the State and such plan has not been disapproved by him within thirty days of such submission."

Mr. ERLENBORN (during the reading). Mr. Chairman, this is a lengthy amendment. It is a complete substitute for part A, section 101. I ask unanimous consent that further reading of the amendment be dispensed with and it be printed at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. PERKINS. Mr. Chairman, reserving the right to object, is this the same language covered in the gentleman's bill H.R. 13894?

Mr. ERLENBORN. In answer to the gentleman's inquiry, it is.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ERLENBORN. Mr. Chairman, the whole war on poverty, of course, has been controversial throughout its life, but I think, without any doubt, one of the most if not the most controversial parts has been the Job Corps. There have been some very good reasons for this. I recall a good deal of debate last year on the subject of the Job Corps and its excessive costs. The testimony before our committee then and again this year has been to the effect that job placement and the utilization of training by youths that have gone through it has not been what it should be. The amendment I offer is to transfer the Job Corps from the Office of Economic Opportunity to the Department of Health, Education, and Welfare and to phase out the Job Corps as we know it. This is not to stop it but to phase it out as a total Federal program and phase it into vocational education in the States.

We have a yardstick, if you please, to test the success of the Job Corps. We have residential vocational education in some places in this country. Before our committee this year we had testimony concerning the Trumbull County vocational school in Vienna, Ohio. There they have a cost per year per student of $4,573. There they have good results with job placement. We have testimony as to the Mahoning Valley school, which is another residential vocational school, where approximately 80 percent of their graduates are successful in finding jobs related to the education they have received in the school. We can compare the cost of these schools with the cost of the present Job Corps. These are valid comparisons.

The Milwaukee vocational school has a residential program that runs between $3,500 an $4,000 a year for each enrollee in direct operating cost. Mahoning Valley residential operation costs are about $4,573 per student, as I mentioned a minute ago. Compared to this we have just a few years ago, schools like this called Job Corps centers, which are nothing more than residential vocational education schools.

The cost at Rodman Job Corps camp was $10,517 per enrollee per year. The Parks camp was $9,091. Albuquerque was $12,658. Some of the centers at that time had not been in operation as long as Rodman, Parks, and Albuquerque. They are Guthrie, $13,238; St. Louis, $12,203. And we can go on down the list. Lincoln is $18,516. Just a year ago, of course, we were debating the wisdom of having expenditures at this level with the results we were getting from the Job Corps camps. And, after a good deal of debate on the floor with the opposition of the administration, finally a limitation was put on the cost of operating these Job Corps camps of $7,500 per year.

But, Mr. Chairman, it is my opinion that even this figure is too high as compared to what can be done in residential vocational training centers in the States involved in this program that have not been connected with Federal expenditures.

Mrs. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I am glad to yield to the distinguished gentlewoman from Ohio.

Mrs. BOLTON. Are the young people who are in attendance at the residential schools from that particular neighborhood, or do they come from a distance removed from that particular center?

Mr. ERLENBORN. I would say that most of the examples which I have cited of the residential vocational centers, it is true that most of them come from the immediate area where these residential centers are located.

Mrs. BOLTON. Mr. Chairman, if the gentleman will yield further, yes, but it is far different when they come from a distance. Naturally, the costs are more. One reason that they do that is to make it difficult for the young people to go back into their same environment, which is understandable.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Minnesota.

Mr. QUIE. What really happens is that as soon as the Job Corps enrollee wants to go home, the Job Corps sends him home again, And, if they happen to be located at a camp on the east coast and if they want to go back to California, for instance, they are sent that long distance by air; that is why is is so expensive. Sending enrollees half way across the country has never proven successful nor necessary, just expensive.

Mr. ERLENBORN. I thank the gentleman from Minnesota.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is the second amendment which has been offered in an effort to put into effect the so-called opportunity crusade, spinning off the Job Corps to the Department of Health, Education, and Welfare.

Their original so-called opportunity crusade, which was introduced earlier (H.R. 10682) and considered extensively by the committee, specified that the residential centers should be operated by the Office of Education.

When they say the Department of Health, Education, and Welfare—we know it simply means the Office of Education. Last year's version of the "crusade" would have transferred it to the Secretary of Labor. As all the members of the Committee know, since passage of the Vocational Education Act of 1963 our vocational schools have had the authority to provide special programs to serve the disadvantaged youngsters that this Job Corps is now serving.

Mr. Chairman, we are in a different league altogether from the vocational educational schools and the type of youngsters that they serve. The Job Corps seeks young people who for a variety of reasons can't be reached in the regular school system. It may well be that the feedback from the innovative approach taken in Job Corps will enable at a future date a transfer of these functions—but not at this time.

What we are doing here is throwing away all the know-how that we are getting from the industry-operated programs and from the conservation operations. We are trying to destroy a program that is effectively serving the disadvantaged youngsters through medical care, dental care, basic education, vocational training, and we are trying to take all of these things away from these young people and say "now we are going to turn your back to the school system and the regular programs in which you failed."

Vocational education systems, with a few exceptions, are not equipped to assume this responsibility.

The thing for us to do is to keep the Job Corps under the innovative influence of the Office of Economic Opportunity where we can carefully evaluate it with the hope that we can soon, or some of these days, phase it into our regular educational programs.

The original Civilian Conservation Corps was placed in an independent agency, and when it served its purpose it went out of existence.

Vocational education is making tremendous gains in the country at the present time. The information that will be fed into our industrial and technical schools from the Job Corps certainly will be beneficial, and will help build the know-how to deal with these youngsters.

So, Mr. Chairman, I am opposed to this amendment, and am hopeful that this amendment will be defeated.

Mr. QUIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, when you listen to statements like those of the previous speaker you would seem to gain the impression that the amendment offered by Mr. ERLENBORN would, as Mr. PERKINS said, destroy the Job Corps, lock, stock, and barrel. But we must understand that these are the same type phrases that have been used over and over again; when there are no merits to their arguments at all, the other side talks about our amendments destroying the program.

Let us look at what this program will do:

This amendment would phase the Job Corps over to HEW, or vocational education, to run the programs, that will teach these young people some skills so that they can retain the same job afterwards.

In the November 5 report on the Job Corps at Camp McCoy, Wis., that I mentioned briefly earlier, where the University of Wisconsin Chancellor Donald McNeil reported to his board of regents that this Job Corps center has been in operation some 20 months, and has graduated 365 corpsmen out of 3,196 who have enrolled.

There have been 2,180 that have left the program already, but only 365 have graduated.

JOB CORPS GRADUATE TOTAL TO DATE IS 365

MADISON.—Just over 16 percent of youths reporting to the McCoy Job Corps Center near Sparta have remained to complete their educational program, University of Wisconsin Chancellor Donald McNeil has reported to his board of regents.

The total cost of the program, which has graduated 365 of the 3,196 corpsmen who have enrolled at the center during the last 20 months, has exceeded $12.5 million while the university has been associated with the program, McNeil said. Of the 3,196 Corpsmen, 1,017 are now in the camp.

The bulk of the UW-related cost of the program—all of which has been borne by the federal government—was due to the original capital equipment costs of starting the program and in the early high costs of technical education programs which are designed to run for years.

The UW ran the program on a sub-contract from the Radio Corp. of America (RCA) between March 1966 and September 1967. Since then the university has been involved only in the planning of educational program development and in staff training for the camp.

During the latter period the UW's involvement has shrunk from about 90 employes to eight, and to an educational program level costing $832,000.

During the earlier period, in which the Job Corps Center was being organized, a total of $11,619,000 was spent on the UW-related work.

In that period the center has turned out 365 graduates from the 3,196 who have entered the camp, McNeil said. Of the graduates, at least 253 were placed in jobs and 180 of them are still working at them.

Another 43 returned to high school, college or technical school training and another 30 qualified for military service, he said. Data is not available on the remaining 29, according to McNeil.

A total of 1,017 corpsmen are now enrolled in the camp, down considerably from peak loads which reached 1,600. McNeil said that the aim of the new method of UW association is to increase retention rates in the camp.

"We realize that the cost is high . . . and I hope that we can learn how to do things better so that the attrition rate isn't as high in the future," McNeil said.

But what must be remembered is that the students involved in job training at the center are not the same as those found in regular schools throughout the nation. Costs are bound to be higher because of the special forms and nature of the education offered.

"You just aren't dealing with the average student body," he said.

McNeil agreed with comments of Regent Charles Gelatt of La Crosse that the federal program aimed at quick filling of the camps rather than selective screening of candidates in the early months of the program.

"There was pressure to get kids into the camps. I think they took anyone who came along."

The high dropout rate can be in part attributed to this factor, he suggested.

There have been 1,350 resignations for reasons ranging from the cold climate to a general distaste for the programs. Disciplinary problems have dropped 378 corpsmen, and 165 have been dismissed for being away from the camp without leave. Another 80 have transferred to other centers, and two have been killed while in training.

Thirteen trainees were discharged for medical reasons and eight have been released for administrative reasons.

Of the total enrollment at the McCoy Job Corps Center so far, only 115, or 3.6 percent, have been from Wisconsin.

Only 365 graduated, at a cost of $12.5 million.

Would not vocational education love to have that kind of money?

The previous speaker said vocational education has not done the job before. It is true. But did the Congress ever give them 100 percent of the money for residential centers? Never.

We passed a vocational education authorization bill in 1963 which included residential vocational schools, but the Congress has not given them a cent of money. That is why vocational education has not done the job now.

The vocational education people just have not had that kind of opportunity with Federal money, where they could expend on an average last year of $8,100 for all Job Corps centers and camps and $8,600 for men's urban centers like Camp McCoy.

The University of Wisconsin had a contract with the Radio Corporation of America between March 1963 and September 1967. Why did they drop it? Because OEO removed a great deal of the vocational educational components of the Camp McCoy Job Corp Center.

So now all that the University of Wisconsin is doing is training personnel.

What a miserable record on the part of OEO of expenditure of Federal money.

We should evaluate the Job Corp programs. Last year OEO said do not look at it, it is too new to look at. Now they say there is a new Job Corps and again it is too new to criticize.

I say, turn it over to a vocational education program. Vocational education has proven what they can do.

In the Mahonning Valley Residential Vocational Center in Ohio, where the average cost is $3,400 per year, they have trained Job Corps dropouts. If vocational education can do a better job, with as difficult youths, at less than half the cost, why not let them?

In Milkaukee, Wis., they would like to have a residential center with their facilities for dropout kids.

Milwaukee, Wis., has a vocational school program for dropouts age 16 and 17. There are 650 boys and girls about an even number of each in that school; 550 of them are on parole indicating that they are a tough task to work with; 82 percent have received jobs in the area in which they were trained. Compare this with 365 who graduated from Camp McCoy out of 3,196 who have enrolled and 2,180 who have left; 253 were placed in jobs and 180 of them are still on jobs.

That, to me, is the kind of record that we see where the Federal Government pays 100 percent of the cost and makes the decisions themselves. Before Job Corps would be operated through the States, we provide for a phasing over and it would take 3 years to do it, so none of the present enrollees would be dropped. Ample time would be provided for vocational education to decide whether any of the facilities presently being used, could be utilized.

So it is not true that the $140 million in capital improvements made in Job Corps centers and camps would be wasted.

The program that is proposed in the amendment offered by the gentleman from Illinois [Mr. ERLENBORN] is the kind of move that we must take now in the Job Corps program in order that we can go back and tell our constituents that we are wisely spending money to train young people in a way that the job can be accomplished. To spend better than $8,000 per enrollee—and it is more than $8,000 because under the limitation that we have in this legislation, all of the expenditures of the Job Corps centers are not counted. Amortization of capitalization is not counted. Recruitment selection and placement is not counted. Conservation camp cost of materials is not counted.

I want to help young people who need to have a change in environment and to be in a residential center. Such a center should serve a particular area. Then you would not have enrollees leaving a Wisconsin camp because of cold climate. The same kind of successes one finds in area vocational schools would be available to residential centers.

Mr. Chairman, this amendment is long overdue. We advocated it at the inception of OEO. We tried to get it to vocational education by route of MDTA last year. If we do not succeed this year, I am confident the time will soon be with us where a majority will support this most logical move.

Mr. WILLIAM D. FORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, we have seen some startling changes take place during this session of the Congress. None can parallel the fine performance that we have just witnessed in the well of this House.

The gentleman who just preceded me in the well spent 2 days last year telling the Members of this Congress that the only way the Job Corps would ever survive and perform the mission that it has in this country would be if we would spin it off. However, they were convinced this time last year that the only possible home for the Job Corps was in the Department of Labor because that was the only agency of the Federal Government that could possibly administer the job training program and the Job Corps correctly.

Now, something has happened, obviously, and we should encourage this. There has been a great deal of thought by the authors of the Opportunity Crusade, because now the "Crusaders" would once again say to you that there is a home for the Job Corps. It is not, they now say, under the Office of Economic Opportunity; it is not, as it is presently administered, with the private contractors, these corporations that are doing it so well. Now they say it must go to the Office of Education of the Department of Health, Education, and Welfare, because there we will find the only Federal agency that now or forevermore will have the competence and the capability to administer this great and wonderful program.

The nice thing about the approach that is now being taken by the "Crusaders" is that they no longer seem to be arguing that the Job Corps ought to be eliminated altogether. They agree that it ought to live in a somewhat mutilated form—indeed, with its arms and legs perhaps removed, but at least it ought to have some life.

The suggestion has been made that we should immediately turn this program over to some already existing, very capable machinery at the State and Federal level for administering vocational education.

Ladies and gentleman of the Committee, there is no such machinery in existence at this time. We are in the middle of the school year throughout the United States. We are in the middle of the operation of the vocational training programs in every one of the 50 States, whether they be operated with State assistance or on a local basis. We could do nothing but contribute chaos to the programs that are being operated under the Smith-Hughes Act successfully at the present time.

The Smith-Hughes Act never contemplated at any time in its history the concept of Job Corps as a part of its operation, and we should not at this point, after the wonderful success that we have had in the more recent years of the Job Corps, change the entire concept of the residential Job Corps Center to a spunoff vocational training program, either in the Department of Labor or in the Department of Health, Education, and Welfare. The important thing that you have to keep in mind here is this: It is not merely the spinoff that is important. It is not who administers the program that is important. The personalities, whether it be Harold Howe or Sargent Shriver, are not important.

What is important is the entire concept of the residential center. That goes to far more problems than are met by vocational training.

High school graduates and late-year high school dropouts who are benefiting so very much from vocational education are not going to benefit in the same way as the boy entering with a fifth- or sixth-grade reading or arithmetic level is benefiting from the Job Corps.

The Job Corps is not designed to take care of the same people that are being taken care of by the programs carried out under the Federal legislation in the Smith-Hughes Act or by the programs now carried on by the State vocational education agencies that are in fact in existence and, in fact, carrying on vocational education.

I plead with you to look very carefully at what the ultimate effect of this would be on your own individual States. And you do not have to take the word of anyone in this well for what it will do. Get on the telephone and talk to the people in your own State agencies, if you have not already done so, and ask them if they are ready to take over the Job Corps centers that are located in your States, and ask them what they will have to do. Ask them if the legislature in your

State is prepared to give them the money that it will take to make the conversion, and ask them which of the cities in your State are willing to accept the responsibility.

This Congress is greatly concerned about saving money, yet this is an exceedingly wasteful proposal. It would authorize separate systems of centers in each State, most of which would presumably want at least one women's and one men's center. In addition, some of the conservation centers might be retained. This compares with 30 training centers, plus the conservation centers, which are in existence today.

Obviously many new centers would have to be opened in those States presently without centers. On the other hand, centers in States with more than one center, or where the center now in operation is too large for the needs of the State, might have to be closed or made smaller. There is provision in the bill for interstate agreement for the training of out-of-State youths in a center, but the Secretary would be without adequate means to compel such cooperation. Presumably some States would agree to send their trainees elsewhere; other States would insist upon having their own residential centers. The possibilities for duplication, overlap, and waste are immense.

Furthermore, much of the investment of the past 3 years would be thrown away. The centers now in use have been rehabilitated for Job Corps often at substantial cost. Presumably many would be discarded, while more money would be poured into new sites.

Then, there would be the inevitable waste of starting up the new centers. Job Corps experience has been that the early months of a center are when the full staff is needed, although the trainees have not yet all arrived, are by far the most expensive months. This higher cost period would be duplicated in every new center. Comparable waste would occur in the old centers as they were slowly emptied of trainees prior to dismantling.

The costs of administering so many plans would also be expensive. Every State would have to hire new staff to enable its State vocational education board to deal with this entirely new program. Personnel would be needed both to operate the programs, and to draw up plans suitable for submission to the Secretary of Health, Education, and Welfare. Competition for the relatively few people who know about this kind of program—most of them from their work for Job Corps—would make it difficult to keep their salaries reasonable in size.

Thus, even if overhead and administrative funds alone are considered, the plan is very wasteful. But the matter is worse—there would be programatic waste. Each State would have its own centers; each would develop its own antipoverty program; many would repeat the experiments and the mistakes of others. The present time with its many urgent needs and shortage of money seems a poor one in which to invest in the luxury of authorizing at least 50 different programs—plus others in Puerto Rico, the District of Columbia, and so on—and in which to give the States Federal money to make and duplicate unnecessary mistakes.

And for all this waste and expense, it is hard to point to anything that would be achieved. Perhaps some States would do a better job than the present Job Corps. Others might do a worse one. The United States would have spent a fortune to change to a program which might or might not be better.

The House Committee on Education and Labor has heard expert testimony on the issue of transferal of Job Corps into a vocational education program under the Office of Education.

The Secretary of Labor said "No."

Top officials of HEW said "No."

Dean William Perlmutter of the State College of New York said "No."

G. C. Whitaker, board chairman of Graflex, said "No."

Dr. Spencer Smith of the Citizen's Committee on Natural Resources said "No."

Job Corps must reclaim the lives of young people.

Such a program of human renewal must integrate the following elements:

Complete guidance and counseling—someone who cares; physical rehabilitation—nutrition, eyes, teeth, diseases; educational remediation—20 percent must learn to read; social transformation—reverse pattern of failure and deviant behavior into success and acceptability; work skill training—occupational skill and work habits.

Vocational schools cannot provide this total program because—

They are not residential; they do not reach youth from all poverty pockets; they cannot provide a flexible program to meet individual needs; they replicate a structured program in which youth has failed.

Public vocational schools would not provide this total program because—

Their orientation and emphasis is heavily vocational; their direction by the States would foster conformity; their program and techniques would be highly traditional; they would emphasize training in States with large populations and industrial concentration.

The needs of our young people are many. Job Corps provides the setting and the system in which these needs can be met.

Job Corps is unique. The fact that there are proposals to transfer Job Corps to HEW and other proposals to transfer to the Labor Department indicates lack of perception of the objectives of Job Corps and evaluation of its accomplishments.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that debate on this amendment close at a quarter of 4.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. WAGGONNER. Reserving the right to object, would the gentleman make that 4 o'clock, since there are so many Members standing?

Mr. PERKINS. I would be delighted to accept that suggestion.

Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close at 4 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky.

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. Mr. Chairman, some of the comments made in the well from the other side of the aisle would indicate this amendment would do away with the Job Corps. The gentleman who last spoke said what chaos there would be if we took this in the middle of the school year and turned the program over to the States. Obviously the gentleman either has not read the amendment and is not familiar with the contents of it or is purposely trying to mislead the Membership.

This does not call for the immediate turning over of the Job Corps program to the States. It provides for an orderly phasing out of the current program.

It provides that the Secretary of Health, Education, and Welfare would complete the contracts now in existence and would look at the facilities which are available and see where they best could be utilized. Some might be utilized by the States in their programs. Others might not be useful for that purpose. Some could be conservation centers under the Department of the Interior.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Maine [Mr. HATHAWAY].

Mr. HATHAWAY. Mr. Chairman, I rise in opposition to the amendment.

I believe the amendment is part of a prevailing concept that has a lot of emotional appeal; that if there is something in the poverty program which has something to do with education it ought to go to the Department of Education, if there is something that has to do with labor it ought to go to the Department of Labor, and so on. We have all of these categories these nice little pockets we can fit all of the poverty program into.

I rise to make the Members think for a moment about that kind of spinoff, especially at this time. The principal success of the poverty program has been that as long as we have the Office of Economic Opportunity running all these programs we do keep the focus of attention on poverty. As soon as we spin them off we will be right back into the lethargic situation which prevailed before the poverty program was enacted.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. REID].

Mr. REID of New York. Mr. Chairman, I rise merely to say that there is a very real question, if we turn over the Job Corps program to State vocational education departments, as to whether these departments will reach the Negro youth in the slums and train them for lasting jobs. The record in the past is not reassuring on this point. Otherwise there would have been no need for the Job Corps in the first place.

The Job Corps is producing results. The Office of Economic Opportunity reports that 65 percent of the corpsmen are working or in school immediately after the Job Corps. This total remains constant 6 months later and, of those working, 85 percent had a full-time job. Six months after leaving the Job Corps nine out of 10 Corps members had held a job. Forty-two percent had held one job and 27 percent had worked at two jobs. Again, these figures are constant a year after termination. The average wage in these jobs ranges from $1.62 to $2.16 per hour.

Further, I think it is fair to say that the Job Corps has cut its costs by one-third, and, while further economies could be instituted, the record shows some improvement and some real progress in overall effectiveness, in job placement, and in lowering per-enrollee costs. The Job Corps record is encouraging and represents the efforts and experiences of business, labor, and government working together. To transfer it now would be a mistake.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. Eckhardt].

Mr. ECKHARDT. Mr. Chairman, I ask unanimous consent to yield my time to the chairman.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to yield his time to the chairman. The Chair observes what is going on here today. The Chair does not believe this procedure is exactly proper. The Chair trusts that those Members, when the man in charge of the bill attempts to limit debate, who rise will be Members who will actually address the Committee rather than transfer their time.

Is there objection to the request of the gentleman from Texas?

Mr. TALCOTT. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Chair recognizes the gentleman from Texas.

Mr. ECKHARDT. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Esch].

Mr. ESCH. Mr. Chairman, I think it is very clear that in contrasting the proposal of the committee bill with that which was presented in the amendment it is clear that the thrust of the amendment is to emphasize nonresidential as well as residential training centers and to utilize the expertise found in the existing structure. I think we should recognize improvements were made in the committee in an attempt to emphasize nonresidential centers. So while both proposals emphasize residential and nonresidential, the question is can we have a more efficient means of emphasizing technical and vocational training, utilizing our present educational structure? Clearly the answer is yes. How long do we wish to maintain an "overlay" program competing with community colleges, vocational training centers, and industrial programs? That is the real issue at stake as we determine what we are going to do with the Job Corps. Let us make sure that point is brought out.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Bingham].

Mr. BINGHAM. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. Steiger].

Mr. STEIGER of Wisconsin. Mr. Chairman, I think one of the critical questions we are going to have to face here is the fact that there are 800,000 high school dropouts and the fact that Job Corps is now servicing only 40,000 supposed high school dropouts, which they are not, of course, because a number of high school graduates are now being serviced by the Job Corps at a cost that exceeds $8,000 a year, how then do we propose to reach the 740,000 high school dropouts not now being serviced? With this waste of time, money, energy, and talent, why do we continue on the same road when we can begin to make a meaningful change in the Job Corps program? That is why I support this amendment and urge this Committee to support it. If you look at the Sar Levitan study entitled "Antipoverty Work and Training Efforts: Goals, and Realities," you will see that in this report on page 105 he says:

> The available data support the idea of providing residential centers for certain disadvantaged youth. However, the Job Corps has not succeeded in motivating enrollees to remain in the centers for enough time to permit the education and training to have its effect. Only one out of three enrollees completes his course of training. Based on cost-benefit studies, the Job Corps claims that the experiment has paid off. Nevertheless too many youths drop out and the prescribed training period is itself too short.
>
> Moreover, considering the high cost of maintaining a youth in the Job Corps—exceeding $8,000 a year—it is necessary that youths who require residential training be identified and that other youths be assigned to alternative programs. Thus far the selection of a youth for the Job Corps, NYC or some other program is determined by fortuitous circumstances.

Unless we begin to move in the direction of opening additional opportunities we do a disservice to our young people. To continue with Job Corps deprives thousands of young men and women who could be given training under the pending amendment through our outstanding vocational and technical schools. This amendment will open doors now closed and I urge its adoption.

The CHAIRMAN. The Chair recognizes the gentleman from Rhode Island [Mr. Tiernan.]

Mr. TIERNAN. Mr. Chairman, I would like to say that I am opposed very strongly to this amendment, because in my opinion this clearly demonstrates a Republican attempt to dismember the total antipoverty program which we have established in this country, a program that has been successful as of this moment, one which has cut down the unemployment rolls in the great State which it is my honor to represent and has put many persons into gainful employment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. Quie.].

Mr. QUIE. Mr. Chairman, one of the great mistakes that was embodied in the Job Corps right from the very beginning was the fact that they transported young people all over the country and, therefore, there was no sense of responsibility in the communities themselves for these young people.

However, Mr. Chairman, we passed an amendment last year which required that the Job Corps enrollees be assigned to Job Corps camps located as close to home as possible.

Mr. Chairman, with reference to the statement which has been made about Camp McCoy, as an example, a very small percentage; in fact 3.6 percent of the enrollees at that camp came from areas closest to their home.

Mr. Chairman, the Job Corps center needs to involve more people than just the staff members and the enrollees themselves. They need to involve the entire community. The young person who is an enrollee of one of these Job Corps centers, to go back from the Job Corps, across country, to his original environment, means two adjustments and two difficult ones. Conservation camps necessarily are out in the forests but urban centers should serve particular areas.

Mr. Chairman, the wasteful expenditure of money in the Job Corps is scandalous, and I wonder why we have not had this type of provision contained in this legislation long before now.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Horton].

Mr. HORTON. Mr. Chairman, it is with a great deal of concern that I rise to speak to my colleagues on this amendment.

I have great respect for my colleague, the gentleman from Illinois [Mr. Erlenborn]. But, in this instance I rise in opposition to the amendment. The jobless youth in this country present a most serious and urgent problem—one that requires prompt, concentrated and specialized attention and solutions. When the antipoverty program was first conceived, the Job Corps was created as a solution to hard-core unemployment among our young men and women.

At first, the Job Corps concept of residential training centers drew a great deal of criticism—from the Congress and from citizens who came in contact with this bold social experiment. It was criticized for excessive cost, for the behavior of some of its corpsmen and for administrative disorganization. That was over 2 years ago.

Since that time, many of these problems have been ironed out—costs in most camps have been pared down, discipline among corpsmen has greatly improved; but most important, the Job Corps is building an impressive record in job preparation and job placement—it is filling what was once a vacuum of hopelessness with hope, and with needed skills.

Mr. Chairman, the proposal before us to transfer the Job Corps function to the Department of Health, Education, and Welfare would erase much of this progress. New orders of administrative hierarchy would have to be adjusted to. And tragically, the specialness of purpose of the present antipoverty agency could not be duplicated in a vast cabinet-level department which has a myriad of Federal responsibilities outside the antipoverty field. This move, at this crucial stage of the Job Corps's development, would be like changing horses in midstream.

Mr. Chairman, it is my honor to represent the 36th Congressional District of the great State of New York. Two of my constituents are Graflex and Xerox, which operate a Job Corps center for men at Breckinridge, Ky., and a Job Corps for women at Huntington, W. Va., respectively.

Mr. Chairman, at the request of my constituents, I had the opportunity to visit and to observe firsthand what is being done at those centers.

My first visit was to the Job Corps Center at Breckinridge, Ky., which is operated by Graflex/General Precision of Rochester, N.Y. The story of Breckinridge's progress since its operation was taken over by Graflex is well known to those who have taken an active interest in the Job Corps. This story is fully told in the printed hearings of the Committee on Education and Labor, part 4, pages 2471 to 2507, in the testimony of Mr. Gaylord C. Whitaker, chairman of Graflex. Let me quote from Mr. Whitaker's statement:

> Like many pioneering programs, Breckinridge was plagued with problems in the early stages. In fact, during the first year under Southern Illinois University's direction, there was a riot and, according to the newspapers, very little was right. Let me quickly point out that it's easier to "second guess" than to blaze new trails. Despite their mistakes, SIU did some things very well. When Graflex became prime contractor in July 1966, we were able to profit by their mistakes.
>
> We applied commonsense, businesslike methods, with extremely gratifying results. Let me tell you what happened:
>
> 1. When Graflex first came to Evansville to determine whether or not Breckinridge could be salvaged, we were met with mixed reactions. Nearly everyone privately believed in the Job Corps program and what it could do for disadvantaged youth, but few were willing to be quoted as wanting it in the immediate neighborhood.
>
> It was sort of like the observation of the English Duchess in 1860, when Professor Huxley announced that man had descended from the ape: "Let's hope it isn't true but if it is, let us pray that it will not become generally known."
>
> Despite this, there were some who were willing to stand up and be counted. I shall never forget what it meant to us (and the youth of the Nation) when Evansville's Mayor Frank McDonald and Janet Walker, executive director of the Mayor's Commission on Human Relations, announced publicly at a luncheon that we could count on their support.
>
> This was the turning point. Before long, industrialists, churchmen, and various civic leaders representing over 50 different groups, wrote us expressing words of encouragement or pledging cooperation.
>
> Since then, we have tried to reciprocate in behalf of the corpsmen and the center. Perhaps the best evidence of the relationship that exists just 1 year short of our coming to Breckinridge, the Evansville Christian liaison group gave a pal dinner to welcome Graflex and hoped we would continue the operation we had and that they would do all they could to support the 100 corpsmen they invited to be guests at that dinner.
>
> 2. A look at Job Corps overall, and Breckinridge in particular: Since January 1, 1965, the following centers have been established:
>
> [Approximate]

Men's conservation centers:	
Number of centers	91
Number of enrollees	15,000
Women's centers:	
Number of centers	18
Number of enrollees	9,000
Men's urban centers:	
Number of centers	10
Number of enrollees	15,000
Demonstration centers:	
Number of centers	8
Number of enrollees:	
Men	570
Women	750

> 3. Companies involved in women's centers operation include Packard Bell, Burroughs, Xerox, Avco, General Electric, Philco/Ford, and RCA.
>
> 4. Companies involved in men's centers operation include Westinghouse, Thiokol, U.S. Industries, Federal Electric/ITT, Northern Natural Gas, RCA, Litton, SRA/IBM, and Graflex/General Precision.
>
> That is quite a list of bluebloods.
>
> 5. Miscellaneous facts on typical enrollees: Remember: Corpsman arrest rate is one-half of the national youth rate. Unfortunately, what would be regarded as a "prank" in college too often becomes "malicious mischief" for a corpsman.
>
> (a) Reading level, 4.7 grade.
>
> (b) Years of school, seven.
>
> (c) Eighty percent have never seen a doctor or dentist (7 pounds underweight).
>
> (d) Previous behavior: 63 percent no adverse record, 27 percent minor antisocial, 10 percent one serious conviction.
>
> (e) Family pattern: 45 percent from broken home, 65 percent from family where head of household is unemployed, 50 percent from family on relief (some third generation).
>
> It is unthinkable, but we do inherit boys who make good products who are from third generation unemployeds.
>
> (f) Earning capacity: 90 percent unemployed, 10 percent employed at less than 80 cents per hour.
>
> I know this figure has been questioned by some, but this has been our actual experience—10 percent employed at less than 80 cents an hour.
>
> (g) It is necessary to recruit and screen two people for each one enrolled.
>
> 6. Ratio of staff to corpsmen: Overall, 1:2.5; Breckinridge, 1:2.6.
>
> 7. Breckinridge enrollment: Now, 2,007 corpsmen (as of July 14, 1967); average, 1,900 corpsmen.
>
> 8. Breckinridge staff: Now, 700 (approximate); planned, 713.
>
> 9. Breakdown of Breckinridge staff at 2,000 enrollee population:

Administration	130
Training	360
Overhead and maintenance	193
Subcontractor	30
Total	713

> 10. Dropout rate: This dropout rate does bother us greatly. It is 30 percent, mostly in the early months—less than most colleges, even though we start with 100 percent dropouts.
>
> The 19,200 enrollees: We have graduated, not dropouts, 1,137 in the first year of our operation; 601 of these have been placed and they are earning good money and 466, we hope, are placed for the most part, but we don't have reports on them because they are too recent in graduation.
>
> Those who took jobs, continued school, or joined the military area about the same percentage in our experience as in the overall reported above.
>
> The report on graduation is monthly from Breckinridge, and Chairman Perkins and some of you committee members attended one of the graduation ceremonies when you visited there; during April there were 109, May, 107, and June, 250. We estimate in July to have 150, in August, 165 and in September, 175.
>
> Cost per corpsman-year—Congressional ceiling, $7,300: overall, 1967, $6,950. This includes approximately $1,500 per year paid by OEO directly to corpsman. Breckinridge, 1967–68, $6,700.
>
> I might point out there is no fee with respect to what they pay directly.
>
> For the fiscal year ending 1968, we have brought our operating costs down to $5,200 which, with the $1,500 added, becomes $6,700 and for a frame of reference your bill provides a ceiling of $7,300 on this.
>
> I think it is interesting to make just a quick casual observation with respect to the cost to society.
>
> The cost for the average Breckinridge graduate, because it takes less than 9 months to graduate a student, is actually $5,025, including that $1,500 expense that I referred to above. If we were to let these fellows just be on their own and let them become a drag on society and if they were to become prisoners, the cost of the average prisoner in most States is about $12,000.
>
> If they were to continue on relief and were to have families, the average cost of a family on relief for its lifetime is $75,000. That $5,000 is a real investment in our future and eventually will be paid back by tax collections by these very students.
>
> To give you just a brief concept of the community cooperation which we have enjoyed and believe me, ladies and gentlemen, this works both ways. Some of the projects are listed below.
>
> 1. Welding swings for Evansville playgrounds.
>
> 2. Cleaning up and landscaping Evansville Settlement House areas and parks.
>
> 3. Bolstering Morganfield Police force. The little Morganfield Police force—which you know, Chairman Perkins, consists of three people—were in an automobile accident and were completely without a police force one morning, so we sent out security police bolstered by trainees into Morganfield to maintain the law and order, which was required, which was a very simple proposition, but they appreciated it. Mayor Bell acknowledged this in one of the letters that is a part of this exhibit.
>
> 4. Volunteering blood. Our corpsmen almost 100 percent have volunteered blood.
>
> 5. Community groups use Breckinridge facilities. We have a number of community people who attend our courses and are taking the regular tests in GED high school equivalency, thus expanding their possibilities as well as the corpsmen.
>
> 6. At Christmastime we have a "Toys for Tots" program.
>
> 7. Don't laugh when I tell you this one, but our corpsmen have been very successful in teaching water safety and swimming and lifeguard patrol duty to Girl Scouts. We have had no incidents or problems in that respect.
>
> 8. Our Gospel Tones entertain shut-ins and the aged.
>
> 9. There are our courses in GED to local adults as well as corpsmen.
>
> 10. We have exhibits at fairs which are manned by the corpsmen.
>
> 11. We share functions of public interest. For example, if we have the St. Louis Hawks to town and use our basketball court, we invite the community to share in that pleasure.
>
> 12. One of our dormitories has adopted an orphan, which they are supporting in Japan by proxy.
>
> 13. Cleaning up storm damage in Clay, Ky., is a typical operation.
>
> 14. Erecting street signs in Corydon, Ky.
>
> 15. Directing traffic as requested in nearby communities, and contributing to fund for cows for Vietnam.

> I could carry this list on almost indefinitely, but these are the kind of young men you are helping to build at Breckinridge and at other Job Corps operations."

Mr. Chairman, I also visited the Xerox-operated Women's Job Corps Center at Huntington, W. Va. Huntington, too, stands as an example of what the Job Corps has been able to accomplish with the guidance and program-direction of OEO. I could not sum up the story of Huntington any better than did Xerox President C. Peter McColough in his letter to Chairman PERKINS of the Education and Labor Committee last July:

> Through stern self-examination and with the invaluable cooperation of OEO cost analysis, we have trimmed that $1,198 figure to a monthly cost of $546 per enrollee.
>
> But much more significant in my view is the fact that from January, 1966, to the end of May, 1967, we have graduated 230 young women, the great majority of whom are now making a real contribution to the national economy rather than becoming wards of that economy.
>
> We take into our Center girls who are out of school, out of work, really out of any sort of productive society. In six to nine months, we return them to society with the skills to command an average annual income of more than $3,000. We teach them not only how to be employable, but how to be sought-after for employment, and we also teach them living skills vital to their personal and family lives.
>
> We send them out in the world with a new born realization that hope and ambition are as much their legitimate possession as they are for those born "on the right side of the tracks."
>
> For what, in the broad view, is an extremely modest cost, we take young women who might otherwise become lifetime recipients of relief—net losses to the economy—and turn them into productive contributors to that economy.

Mr. Chairman, this is a partnership between business and Government. In Job Corps centers across the Nation they are dealing with dropouts who need something in addition to vocational education. We should not hamper the growth of this partnership.

Mr. Chairman, it seems to me that the amendment which the gentleman from Illinois has offered might be appropriately considered at some future date. But it should not be adopted now, based upon my personal experience, and based upon what I have seen in talking with the people at these centers and in talking to my constituents. We should continue this program and not spin it off.

Mr. Chairman, probably the best answer I have heard thus far for continuing this program, I heard from a young Negro from the Bronx. He said this about his Job Corps experience:

> If I had to do it all over again, I would do it again.

Mr. Chairman, that seems to me to sum it up.

Mr. Chairman, this is an important program and it is my opinion that we do not fully appreciate what it does. Therefore, it is my opinion it should be continued intact.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. JOELSON].

Mr. JOELSON. Mr. Chairman, I rise in opposition to this particular facet of the Opportunity Crusade against the poor.

I know that the amendment is offered as an improvement, but I am unwilling to see the patient die of improvements.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, I believe first it ought to be made clear what this amendment does and what this amendment does not do. It transfers the Washington administration of the Job Corps over to the Office of Vocational Education. It does not require the closing of camps, it does not require the States to act in any way before Job Corps centers can be kept open. It begins to spin off the implementation of the administration of the program.

Mr. Chairman, I would like to call the attention of my colleagues to what the director of the Citizens Crusade Against Poverty, sponsored by Mr. Walter Reuther, as a speaker on this subject:

> If the federal agency history is any guide, as OEO increases its direct operations (through administering bigger programs and adding new ones), it will find its ability to innovate, criticize, evaluate and mobilize decreasing. As it increases its operational "domain" its constituency will shift from the poor to the middle men, the carriers of its programs, and to those who help to designate the carriers.

Mr. Chairman, it is important if we are to have a coordinated administration that can truly meet the needs of these youngsters from the beginning to the end, and have them placed in a job at the end of the line, that we begin to make changes in the Job Corps. The basic concept of residential Job Corps centers is sound. It is far superior to the concept of isolated Job Corps centers far from the home locations of the Job Corps enrollees to have community centers fully coordinated with existing and new vocational and technical schools. The isolated Job Corps concept is obsolete.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Michigan [Mr. O'HARA].

Mr. O'HARA of Michigan. Mr. Chairman, as the gentleman from Michigan [Mr. WILLIAM D. FORD] suggested, it was just a couple of years ago that the minority wanted to kill this program. Last year they wanted to spin it off to the Department of Labor. This year they want to spin it off to the Department of Health, Education, and Welfare. This may be a wrong from time to time but they are never in doubt, Mr. Chairman.

I would suggest to the Committee, Mr. Chairman, that we wait until next year and perhaps by next year the minority will be over to our position, and there won't be any controversy to divide us.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. MILLER].

Mr. MILLER of Ohio. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. THOMSON].

Mr. THOMSON of Wisconsin. Mr. Chairman, considerable mention has been made here about the Job Corps at Camp McCoy, Wis., which is located in the Third Congressional District, and I visited it. I have no constituent that is managing it, but I want to show you the contrast in the State of Wisconsin between what can be done and what is being done under the Job Corps.

At the Job Corps they have 900 to 1,000 men training under what has been described here as a great program, whereas in Wisconsin we had another program under the Industrial Commission Apprentice Division and the Manpower Development and Training Act. Last year 100 firms in Wisconsin trained 911 trainees at a cost of $791,000, or $868 per trainee, compared with the $8,000 per trainee that they are paying at Camp McCoy in the Job Corps center.

These boys, these 911 trainees, while they were on the job being trained, received in wages $2,532,000—in wages which were taxable by the State and by the Federal Government. And these 911 trainees had jobs when they got through with it, in comparison with the 186 boys out of the 3,000 that went to the Job Corps.

If you want a better way there is a better way to do it.

The CHAIRMAN. The Chair recognizes the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. Mr. Chairman, I yield to the gentleman from Michigan [Mr. WILLIAM D. FORD].

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WILLIAM D. FORD].

Mr. WILLIAM D. FORD. Mr. Chairman, I would like to call the attention of the Committee to the CONGRESSIONAL RECORD of Thursday, and to page 31900 of that RECORD in the first column, you will find a listing of just a selected few, but a representative group, of the corporations which are at this moment operating Job Corps centers.

If any of you have not seen their testimonials as to the effectiveness of the centers, we have them readily available and we will be most pleased to furnish them with respect to all of the corporations enumerated there or with respect to any one of them that you might have a particular interest in.

These are testimonials not only as to the efficiency of the centers, as they see them, and the efficiency of the program and the worthwhileness of the program, but they also testify to the job that they are doing in meshing or matching the training with their own ultimate needs in industry.

I would like to call your attention to other citations in the CONGRESSIONAL RECORD and not of this Congress but of the 89th Congress.

The gentleman from New York [Mr. GOODELL] just spoke to you about how thoroughly convinced he was that the HEW is the proper place for this program.

In the CONGRESSIONAL RECORD, volume 112, part 18, page 24133, you will read the remarks of the gentleman from New York [Mr. GOODELL]. They read as follows:

> . . . It would provide for coordination of our training programs in the Job Corps under the Manpower Development and Training Act. (Under the Department of Labor.)

What he was talking about is the opportunity crusade as it existed at that time.

The gentleman from Minnesota [Mr. QUIE], our esteemed colleague from the State of Minnesota, who has spent a great deal of time on this program said, in the CONGRESSIONAL RECORD, volume 112, part 18, page 24135:

> I might also point out when this proposal was before us it was proposed that the Department of Labor administer it. At that time I raised many questions, wondering whether they should or not, realizing that this had not been the case in the old CCC camps. I realized later that the administration was right when they proposed it be handled by the Department of Labor, and I have been convinced of it since.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. WAGGONNER].

Mr. WAGGONNER. Mr. Chairman, I rise in opposition to the amendment. It will not destroy the Job Corps but it will fragmentize it. It phases the program over to HEW from OEO, it does not phase it out. The net effect is you wind up with the same program administered by the Secretary of HEW.

The amendment authorizes a study by HEW to determine which Job Corps camps might be abolished and which centers should be transferred to the Departments of Agriculture and Interior for administration. It is deceiving in that it offers grants to State boards of vocational education but it also authorizes grants to both public and private agencies. This can all be done at the discretion of the Secretary of HEW or whoever he delegates authority to. Perhaps some of you outside the South need some first hand experience with Harold Howe. Personally I have had too much already. To transfer this program from OEO to HEW will not decrease the cost one penny. Who in this Chamber ever heard of the Federal bureaucracy reducing the cost of any program. It will in the end wind up lost and unidentifiable without anyone really knowing what it does or what it costs. Let us keep it where we can at least find it and know what it costs.

You have heard reference earlier today to the fact that the best statement made about the Job Corps is that an enrollee said if he had to do it over again, he would do it again. The only thing I am saying to you is that the best thing I can think of to do is to keep all the trash in one pile, do not scatter it.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. BROWN].

Mr. BROWN of Michigan. Mr. Chairman, I would like to direct my remarks to one particular aspect of the poverty program, and that is the Job Corps. The Honorable Sargent Shriver was kind enough to send me a copy of a cost-benefit study on the Job Corps conducted by Mr. Glen G. Cain and other economists at the University of Wisconsin. This cost-benefit study can well be studied in conjunction with the Parks Job Corps Center review conducted by the GAO and the committee report on the bill. I would like to share with you the results of some of my research, especially with regard to this cost-benefit study.

Like most cost-benefit studies, the conclusions reached by this study depend upon the definitions of cost and benefit.

This study assumes that the benefit ratio of one is a good measure for evaluation. If the ratio is less than one then the study states that direct relief payments might be desired. If the ratio is greater than one, increased investments in the program may be desirable.

The finding of this study is that the ratio is a favorable one, that is, greater than one. The average Job Corps experience based on a 5-month stay costs $3,510. Benefits for the same period are $3,700.

$$\frac{\text{benefits } (\$3{,}700)}{\text{costs } \quad (\$3{,}510)} < 1$$

Benefits are defined as the increased earnings of the corpsmen, over a lifetime above what earnings would have been in the absence of the program. Excluded from benefits are certain psychological and sociological gains. The study has two different measures of benefit, or earnings improvement. One is a comparison with similarly situated noncorpsmen. The other is based on educational gains achieved in the Job Corps. For a 5-month period, these gains under both assumptions range from a low of $2,205 to a high of $5,915. The ratios are 0.63 and 1.69. Thus even under the definitions of the study there are certain situations where the ratio is unfavorable.

Costs are defined as reported statutory costs, $3,300 for 5 months; capital costs, $341 for 5 months; administrative costs, $293 for 5 months; and foregone earnings, $644 for 5 months. Not included in costs are transfer payments—$804 for a 5-month period. Deducted from costs are the value of work projects—$264 for a 5-month period.

The procedure of this study regarding the calculation of costs is as follows for a 5-month period:

Statutory costs	$3,300
Capital costs	341
Administrative costs	293
Forgone earnings	644
Gross costs	4,578
Transfer payments	804
Work projects value	264
Net cost	3,510

The definition of costs can be questioned on several rounds, but especially with regard to the treatment of transfer payments and the value of work projects. The author of the study maintains that the transfer payments represent amounts of expenditures which would have to be incurred by someone if there were no program, for example, the corpsman himself, his parents or relatives, or even the Government if the corpsman were receiving welfare, that they are consumption costs rather than investment costs, and should, therefore, be excluded.

It is interesting to note that transfer payments amount to $1,930 per corpsman per year. The breakdown is as follows:

Clothing	$269
Subsistence	441
Medical and dental	262
Supplies and materials	244
Morale, recreation, and welfare	104
Subtotal	1,320
Unaccounted for	610
Total	1,930

It can seriously be questioned whether it is justifiable to exclude all transfer payments from costs. It is difficult to believe that absent the program, a typical corpsman would spend the above amounts for the categories indicated. Even if the typical corpsman should spend the above amounts as indicated, it is questionable whether for purposes of a cost-benefit study it is proper to exclude such amounts.

The Economic Opportunity Amendments of 1966 directed that operating costs of the Job Corps centers not exceed $7,500 per enrollee man year, and that this $7,500 was to include all direct operating costs of the center including maintenance, food, clothing, supplies, and services, as well as the enrollee's direct costs such as salary, allowances, and travel. I would like to know how these items which Congress determined to be costs can be treated otherwise for purposes of this study.

Mr. Chairman, this study excludes $262 per corpsman for medical and dental supplies under a rationale that they would be otherwise incurred. Yet the report of the House Committee on Education and Labor points out that 80 percent of the enrollees had not seen a doctor or dentist in the previous 10 years. Certainly we should provide medical and dental care, but it is just as certain that these are costs of conducting the Job Corps program.

If all transfer payments are included for a 5-month experience then the ratio becomes unfavorable:

$$\frac{\text{benefits } (\$3{,}700)}{\text{costs } \quad (\$4{,}314)} < 1$$

With respect to the work projects performed by the corpsmen, it should be asked whether this work would have been performed at Government expense absent the program, and if the quality of the work is acceptable. If the amounts attributed to work projects are not deducted from costs, the ratios become even more unfavorable.

$$\frac{\text{benefits } (\$3{,}700)}{\text{costs } \quad (\$4{,}578)} < 1$$

I also have certain reservations about the treatment of benefits in this study. In the first place, benefits are measured in this study on the basis of successful corpsmen who have been in the program 9 months or a year. Benefit measurements for those staying for a lesser period of time are assumed to be proportional. Such a benefit measurement fails to take into account the large number of dropouts who have received little or no benefit. I would like to see an aggregate benefit measurement which takes into account the failures and dropouts as well as the successes.

In addition, in the measure of earnings improvement based on a direct comparison of wages currently earned by ex-corpsmen with the wages of a comparable group of youths who had no Job Corps experience, the study states in one place that the unemployment rate of ex-corpsmen in February 1967 was 36 percent, yet the study in computing a benefit amount considered an unemployment rate of only 18 percent. I would like to know why.

The committee report points out:

> Of the 38,000 youngsters in the Job Corps studied in June 1967, male enrollees had completed an average of 8.8 years of schooling and female enrollees 9.8 years. Even though the young men had completed over 8 years of schooling, the average reading level was at grade 4, and for young girls at grade 6. The math levels were at grades 4 and 5 respectively.

The committee report goes on to say that:

> Studies indicate that for every 10 months in public schools, the average pupil gains one grade level, but the average Corps member gained only 0.6 grade level in reading and mathematics for every 10 months they spent in school. The rate of achievement in the Job Corps is considerably accelerated, as for every 10 months in the Job Corps, the average Corps member gains 1.5 grade levels in reading and 1.8 grade levels in mathematics.

On the other hand, the Parks Job Corps Center review stated that:

> The effectiveness of the program appears to be adversely influenced by a training day that provides only five hours of classroom and laboratory work . . . and an absence rate which in some sections has reached 20 percent.

I would like to know if the Office of Economic Opportunity has considered the possibilities of changing to an 8-hour day and securing full attendance so that these educational gains could be made in one-half the time at lesser cost, or doubled with the same duration with equal costs.

It is my understanding that in August 1966 consultants from the University of California were retained to evaluate the Parks Job Corps Center and that they concluded that the lack of demographic, attendance, dropout, testing, counseling, and other data impaired the effectiveness of any attempts to do a center evaluation. I would like to know if similar difficulties were encountered in the instant study.

I have written a letter to the Honorable Sargent Shriver asking these and similar questions with respect to this cost-benefit study. Under unanimous consent I place this letter at the conclusion of my remarks.

Mr. Chairman, I welcome section 113 of the commmittee bill dealing with evaluation as a necessary first step. This section provides that—

> The Director shall provide for the careful and systematic evaluation of the Job Corps program, directly or by contracting for independent evaluations, with a view to measure specific benefits, so far as practicable, and providing information needed to assess the effectiveness of program procedures, policies, and methods of operation.

For Congress to act intelligently and responsibly on legislation such as this, it should have the best objective information obtainable—information which is the truth itself. Here, the cost-benefit study which I have discussed and the majority views in the committee report justify one set of economic conclusions regarding the Job Corps while the Parks Job Corps study by the GAO and the minority views in the committee report justify opposite economic conclusions.

On July 13, 1967, I introduced H.R. 11458, which is a bill to establish the Office of Legislative Auditor who would perform such crucial evaluations. Subsequently many of my colleagues cosponsored this legislation. I believe that the debate here today indicates that such legislation is greatly needed.

The letter mentioned above follows:

NOVEMBER 7, 1967.

Hon. SARGENT SHRIVER,
Director, Office of Economic Opportunity, Executive Office of the President, Washington, D.C.

DEAR MR. SHRIVER: I would like to thank you for sending me a copy of the Job Corps cost-benefit study. As you know, I am particularly interested in accurate and reliable evaluation of all aspects of the Job Corps program, as the Custer Job Corps Center in Battle Creek, Michigan, is in my district. I have examined this study with great interest.

As I have indicated to you previously, I have at times been critical of the Job Corps, yet I have welcomed and acknowledged improvements when they have been made. I had hoped that the cost-benefit study would give me some concrete and empirical evidence of the economic value of the Job Corps. While the study has been helpful, it has raised additional questions.

I have particular questions relating to the elements of cost, the measurements of benefit, and the general conclusions. I would be most pleased if you, or the author of this study would answer the following questions.

A. WORK PERFORMED

1. Regarding the deduction of the appraised value of the work performed while in the Job Corps, what kind of work has been done, other than that mentioned in the Committee Report on the Economic Opportunity Amendments Act of 1967?

2. Based on your estimate of 25,348 total man years in the Job Corps in the year ending April 1, 1967, and your estimate of an average $633 worth of work performed per Corpsman, over $16 million of benefit was conferred in this one year. Is this amount reasonable when compared with the work performed?

3. Absent Job Corps labor, would this work have been performed at all, and if so, at governmental expense?

4. What was the quality of the work performed, not in relation to the attributed wage, but in relation to the objectives to be attained?

B. EXCLUSION OF TRANSFER PAYMENTS FROM COSTS

1. How can the exclusion of transfer payments be justified, other than the justification in Appendix A?

2. The Economic Opportunity Amendments Act of 1966 directed that operating costs of the Job Corps Centers not exceed $7,500 per enrollee man year, and that this $7,500 was to include all direct operating costs of the Center including maintenance, food, clothing, supplies, and services, as well as the enrollee's direct costs such as salary, allowances, and travel. How can these items which Congress decreed to be costs be excluded from costs for a cost-benefit study?

3. What precedent does the author have for excluding such a large cost in a study such as this?

4. How can it be maintained that $1,930 in transfer payments per year would be incurred by the Job Corpsmen absent the program?

5. Table 3 excludes $262 per Corpsman for medical and dental supplies, yet according to the Committee Report page 5, 80 percent of the enrollees had not seen a doctor or dentist in the previous ten years. How can it be claimed that these costs would be otherwise incurred?

6. Table 3 also lists $104 per enrollee year for "Morale, Recreation, and Welfare", yet at the Parks Job Corps Center in California the GAO found it to be over $250. How can this be explained?

7. What constitutes the transfer payments between the subtotal listed in Table 3 of $1,320 and the amount used in Table 1 of $1,930?

C. WAGE MEASURE OF BENEFITS

1. In the measure of earnings improvement based on a direct comparison of wages currently earned by ex-Corpsmen with the wages of a comparable group of youths who had no Job Corps experience, the study states in one place that the unemployment rate of ex-Corpsmen in February 1967 was 36 percent, yet the study in computing a benefit amount considered an unemployment rate of 18 percent. Why?

2. To arrive at a real wage comparison don't you have to consider a group of ex-Corpsmen as against the control group with employment as it really is?

D. EDUCATIONAL MEASURE OF BENEFIT

1. How are the gains in reading and mathematics by Corpsmen measured?

2. How exactly is the equivalent educational gain of 1.625 years achieved by a 9 month stay in the Job Corps?

3. Have you considered the possibilities of changing to an 8 hour day and securing full attendance so that these educational gains could be made in one-half the time or doubled with the same duration?

4. According to this study, the normal stay with the Job Corps is 5 months. What facts do you have that the educational gain is faster or slower in the first five months?

E. OVERALL NATURE OF THE STUDY AND CONCLUSIONS

1. Are you satisfied with the ratios found in this study?

2. If "different assumptions about the appropriate concepts and measures of the costs and benefits lead to ratios that range between .58 and 1.88", how can the broad conclusions be reached (a) that we have been given the signal for greater investment, and (b) that the intervals from 1.05 to 1.69 are the "most conservative and realistic" set of ratios?

3. If the ratios were to be determined without the exclusion of transfer payments from costs, what would be your opinion of them?

4. If the ratios were to be determined without the deduction of the value of work performed from costs, what would be your opinion of them?

5. How much did this study cost, in what capacity did Mr. Glen G. Cain conduct this study, and to what extent was the University of Wisconsin involved?

6. It is my understanding that in August 1966 consultants from the University of California were retained to evaluate the Parks Job Corps Center and that they concluded that the lack of demographic, attendance, dropout, testing, counseling and other data impaired the effectiveness of any attempts to do a Center evaluation. Were similar difficulties encountered in the instant study?

I would appreciate answers to these questions and if you have it, a more complete report on the whole project.

With best regards,
Sincerely,

GARRY BROWN.

Mr. GOODELL. Mr. Chairman, will the gentleman yield

Mr. BROWN of Michigan. I yield to the gentleman.

Mr. GOODELL. Mr. Chairman, just for the record, the gentleman from Michigan pointed out that last year we proposed the transfer of the Job Corps under the Manpower and Development Training Act.

The Manpower and Development Training Act requires the institutional part of the program to be administered by the Department of Health, Education, and Welfare.

The net effect is exactly the same.

That proposal directed Job Corps administration to the HEW.

So it will coordinate the total of our vocational centers and technical institutes and all of their type programs.

It would be a separate 100-percent Federal program to fund residential skill centers that can be automatically coordinated with all of these programs.

There is absolutely no difference in the ultimate effect as to the administration of the program.

That is basically what we proposed last year.

The CHAIRMAN. The Chair recognizes the gentleman from Hawaii [Mr. MATSUNAGA].

Mr. MATSUNAGA. Mr. Chairman, one of the proudest moments of my life occurred in August of 1964, when I joined with a majority of the Members of this august body to pass the Economic Opportunity Act. I felt then that I was helping to make an American dream come true—to wipe out poverty in this land of plenty. We took note at that time that although much of the country was prospering and the overall economy was growing at an unprecedented rate there were still as many as 35,000,000 Americans who did not share in the abundance and blessings of our great country.

In declaring war on poverty, the Congress, in 1964, affirmed its belief that the country can only achieve its full economic and social potential when every citizen is given the opportunity to develop to the full extent of his capabilities and to participate in, and contribute to, the workings of our society. Today we are asked to reaffirm this belief.

In 1964, the vote to initiate the war on poverty was in many respects an easy vote. It was a vote for the poor. It was a vote to help our less fortunate fellow citizens help themselves. It was a vote to help open the opportunities of education and training, the opportunity for a job, the hope for a self-supporting way of life for millions of our citizens.

In other respects, the 1964 vote for the war on poverty was a difficult one for some Members to cast. It was a vote to establish a brandnew agency with no record as a basis for judgment. It was a vote for the noble idea—of eliminating the paradox of poverty in the midst of plenty—but with little national acceptance. It was a difficult vote because the battle plan for the attack on poverty was only partially drawn. There were no troops in the field and few weapons beyond the blueprint stage.

But in 1964, the Members of the 88th Congress possessed the courage and foresight to begin the war on poverty. Since that time we have seen a mobilization of resources, a national determination and much progress toward the elimination of poverty in this country.

The Congress has seen fit to extend the program twice since its inception—each time with improvements and perfections. Today, after months of deliberation by the hardworking Committee on Education and Labor and after its sincere effort to perfect the bill even further and to bring a bipartisan measure to the floor, we are called on again to extend the war on poverty and to strengthen it.

Mr. Chairman, I would not attempt to say that every skirmish in the war on poverty has been successful, any more than I would vow that every shot fired in a conventional war hits the target. I would not say that every dollar has been spent wisely, any more than I would say that every space shot has hit its mark. I would say, however, that more shots in the war on poverty have hit the target than have missed; many more programs have been successes than failures; and the benefits have been significant and the returns to our Nation very worthwhile. I would say that the bill before us now will insure even more solid hits in the future and even greater successes.

As Sargent Shriver, the Director of OEO, once remarked:

> Getting the Economic Opportunity Act started was very much like going down to Cape Kennedy and trying to shoot six rockets at once.

The startup of the program was a mammoth task, but it has now been successfully launched.

Across the country some 1,100 community action agencies have been established to design programs and to administer them under the direction of local citizens. These programs, often called the backbone of the fight, are based on local needs and wishes as expressed by local community leaders and local target groups and they are responsive to local control and local initiative.

Developed through the community action program has been the very popular and successful Headstart program, from which some 1½ million preschool children and their families have already received incalculable benefits.

Upward Bound, also a development of community action, has provided some 30,000 high school students special tutorial and remedial programs designed to enable them and to motivate them to continue their education beyond the high school level.

The community action program has also fostered the development and funding of neighborhood multiservice centers, neighborhood health centers, legal service programs, programs to provide meaningful work experience for our senior citizens, and other innovative and far-reaching programs.

In addition to the actual operation of programs, many community action agencies have become the focal point for the coordination of all or most of the Federal programs within its area of operation. With the existing multiplicity of Federal and State aid programs, overlap and duplication of effort, and even waste had plagued our communities. The community action agency, through its broadly representative board, in many of these communities has coordinated aid programs and has been effective in reducing duplication and inefficiencies in various operating programs. This is one of the fringe benefits of community action that is frequently overlooked. It is an extra service that has not cost the taxpayer a penny, but it has become a major achievement in some parts of our country.

Mr. Chairman, it cannot be denied that the community action program has been one of the most unique weapons developed in the fight against poverty. Its innovativeness and its effectiveness demand that it remain a strong and vigorous part of the total war on poverty.

On the other fronts the Job Corps and the Neighborhood Youth Corps have led the struggle to prepare youths from poor families to break the poverty cycle through the combination of job training and education.

The Job Corps, an improved version of the old CCC, has provided services to more than 100,000 hard core poverty young men and women. This program has made maximum use of the private sector and in doing so has made great strides in motivating, uplifting and "turning around" young people who had very little skills, and a meager education, and who for the most part, were school dropouts, draft rejects, and unemployed. Some 70,000 of these enrollees today are employed, back in school, or are in the military—thanks to Job Corps training.

Mr. Chairman, there has been criticism on the Job Corps for its high costs. Some of the criticism no doubt was justified, but these costs have been steadily dropping, and the bill before us limits costs to a maximum of $6,500 a year per enrollee. But, let me say, Mr. Chairman, that even if the cost were double this amount, it would be a cheap price to pay to turn an aimless, drifting, unskilled, unsure young man into a self-respecting, well-motivated jobholder—and the Job Corps has done this for thousands of men and women across the country.

In my own State of Hawaii, the community action, Headstart, Upward Bound, and Job Corps programs have been extremely effective arms in the war on poverty. These people who are directly responsible for the success of these programs have repeatedly warned against any attempts to dismantle the agency and to distribute its programs to other Federal offices. On the basis of their past experience, these poverty workers believe that dismemberment will mean the loss of a united and coordinated thrust by a single responsible agency, with resulting adverse effects on the various programs.

Mr. Chairman, the wisdom of the Congress 3 years ago in initiating the war on poverty and in creating the Office of Economic Opportunity to lead the attack and to mobilize our resources is borne out by the committee hearings this year when, during 26 days of public hearings and the testimony of numerous witnesses, only one, just one single witness, called for the elimination of OEO.

It is a fact worth noting that the opponents of this bill no longer call for the outright abolition of the fight against poverty; instead, they mask their dislike of the program in proposals to cut the authorization, to slice OEO up so that it can no longer be effective, to change the direction or to slow the effort down. But these opposition tactics will not work. The present direction is too strong, the successes too many, the support by the public too great to halt the fight for the poor that is being directed by OEO.

After 3 years, the battle against poverty, deprivation, and despair certainly is not yet won—but we have made a good beginning. We cannot afford any cutback or drastic change in direction. The battle so far has not been easy—the enemy is ancient and one not easily to be conquered—but the progress has been significant and the future looks bright. In 1964 we lit a candle of hope for the poor and disadvantaged of this country. We must not now turn our backs on them. We must not tell them we have lost faith in them. We must remind ourselves that this great Nation of ours can be only as prosperous as its poorest citizen. If we are to prove the true worth of our American democratic system we must, with all our wit and resources, continue to wage an undiminished war on poverty. Let us, then, here today defeat every crippling amendment to the bill before us, and vote out a measure to which we all can rightfully point with pride.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. ZION].

Mr. ZION. Mr. Chairman, we hear much gnashing of teeth about the possible death knell of the Job Corps. This death knell would be the sound of music to the outraged public that is witnessing this dismal failure.

My community is one that has had a Job Corps center inflicted on it. They teach landscape gardening at our Job Corps center, but there is not a landscape gardener who has been able to employ a single graduate of this Corps.

They teach auto repair. I know a man who has hired three of the Job Corps people, not one of whom was capable or interested in performing a job.

The amendment offered by the gentleman from Illinois [Mr. ERLENBORN] would result in cooperation with the MDTA. In this program, costing but $25 a week, local people are taught to perform a job, and they have a job at the conclusion of their program. I urge my colleagues to substitute a program that provides an employable man for $1,000 a year in place of this present multimillion-dollar failure.

The CHAIRMAN. The Chair recognizes the gentlewoman from Hawaii [Mrs. MINK].

Mrs. MINK. Mr. Chairman, I rise in opposition to the amendment. The impression given to us by those who support the amendment is that the vocational education activities of the Office of Education are minimal. I would like to point out that vocational education funds currently are in excess of $225 million; more than the Job Corps spent in the 1967 fiscal year ending June 30.

I would also like to point out that in the 1963 legislation authorizing vocational education there was specific direction given to the Office of Education to get involved in programs for youth who are deprived, and I am told that less than 1 percent of these funds were spent on these poor people. I think there is one good reason for this lack of education to the deprived youth, and that is because we are dealing with an entirely different kind of youngster.

Job Corps was established separately from the public schools with the mission of helping those youths who have not succeeded in the usual schools. Congress wanted these young people to benefit from a fresh approach. This new approach has been provided by a large number of private companies whose record is one of outstanding achievements.

We must remember that these youths who enter the Job Corps read on the average at the fifth-grade level. Many of them are illiterate—for example, 40 percent entering the conservation centers read below the third-grade level.

I submit that our vocational education institutions are not equipped to provide this basic remedial program. In addition these youths need health services, counseling and guidance, and discipline to a degree not possible under existing vocational schools. The building of residence halls is not enough. What is needed is an entirely new program directed solely at the neediest of our young people. This singleness of purpose can only be provided by retention of the existing Job Corps program. I urge my colleagues to vote down this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. DELLENBACK].

Mr. DELLENBACK. Mr. Chairman, again, if I may, I would urge those who are going to speak about the opportunity crusade on the other side to please stay with the facts of what it would do and what it would not do. Please read the bill. At least read what the RECORD says about it.

Briefly, corporations which are doing a good job could continue to do such a job under the proposal here, if they are able actually to accomplish well and efficiently what needs to be done.

This bill increases the involvement not only of the Federal vocational education people, but it increases the involvement of the States once again. In the areas where the States can move effectively, this measure would move them back into the program.

There has been good come from this program; there must be more.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. MEEDS].

Mr. MEEDS. Mr. Chairman, I rise in opposition to the amendment. I should like to point out two things very quickly. We are asked to believe that under the opportunity crusade we could set up, service, and establish residential training centers for as many Job Corps people as we have right now for $100 million less in this first year. I submit to this House that it cannot be done.

Second, Mr. Chairman, I point out that we have provided in the bill for the establishment of pilot residential vocational schools. We recognize the problem and we want to try to do something about it. But we are not going to crush this whole program in doing so.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. PUCINSKI].

Mr. PUCINSKI. Mr. Chairman, I rise in opposition to this amendment.

Whatever there is wrong with the Job Corps, this amendment is not going to cure it by transferring it to Health, Education, and Welfare.

My subcommittee has just concluded extensive hearings on the Vocational Education Act. We hope to bring it to the House early next year. We shall recommend an extensive increase in construction of residential skill centers. But these won't be ready for many years.

The need for vocational education in this country is so huge and so monumental that this amendment would only add to our problems and impose additional hardships on the vocational education program.

I say that the youngsters involved with the Job Corps are the hard-core problem youngsters, most of whom would not qualify for present day vocational training centers.

My good friend from Minnesota declined to yield when I wanted to ask him as to the 2,000 dropouts from Camp McCoy and whether they would have qualified for residential skill centers. He knows most of them do not have sufficient academic background to qualify.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Kentucky [Mr. PERKINS] to close debate.

Mr. PERKINS. Mr. Chairman, the question here is whether we are going to transfer the Job Corps to an old-line agency or leave it in an independent agency.

This is the first part of an amendment that would close down 83 of our 123 Job Corps centers, including conservation centers and urban centers, and leave an enrollment of 10,000 out of the present enrollment of 41,000 if the series of amendments were to carry in this Committee.

This amendment would hamstring the Job Corps and commence to phase out the program to a point that it would be completely worthless.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Illinois [Mr. ERLENBORN].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ERLENBORN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ERLENBORN and Mr. PERKINS.

The Committee divided, and the tellers

reported that there were—ayes 116, noes 164.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GARDNER

Mr. GARDNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARDNER: On page 149, line 4, after "(a)" insert:

"(1) Any State which desires to operate one or more Job Corps center or similar facility authorized by this part shall, through the State board designated or created pursuant to section 5 of the Act of February 23, 1917 (the Smith-Hughes Act), submit to the Director a plan which—

"(A) provides that the State board shall be the sole agency for administration of the State plan;

"(B) assures that the requirements of this part with respect to the recruitment, selection, standards of conduct, training costs, counseling and job placement of trainees, together with all other applicable requirements of this part, will be met;

"(C) provides that maximum use will be made of existing vocational education programs and facilities and that residential training will be combined with non-residential components whenever feasible;

"(D) assures that training will not be discontinued for any enrollee who is not a resident of the State as a result of State operation of a Job Corps facility; and

"(E) provides assurances that, either through agreements with other States on a reciprocal basis or through agreements with the Director, or both, adequate provision will be made for the enrollment of trainees who are not residents of the State.

"(2) The Director shall approve any plan which meets the requirements of subsection (a)(1), and he shall encourage the formulation of such plans as the preferred method of carrying out the programs authorized by this part.

"(3) The Director shall not disapprove any plan submitted pursuant to subsection (a)(1) without first having afforded the State board a full and adequate opportunity for a public hearing on the matter, and he shall not finally disapprove any such plan without a public statement of his reasons therefor, which shall contain specific citations to requirements of this part with which such plan fails to comply.

"(4) The Director shall pay the costs of operating Job Corps centers and similar facilities pursuant to a State plan approved under subsection (a)(2); and".

Mr. GARDNER. Mr. Chairman, I shall not take the entire 5 minutes. It is my opinion that the pros and cons of the Job Corps have been effectively debated today. I only wish to talk for a very brief few minutes about what this proposed amendment does not do.

First of all, it does not cut back on the Job Corps.

Second, it does not transfer the program to any other department.

All this amendment proposes to do is to simply permit State operation of Job Corps facilities through State vocational boards, if a State wishes to do so.

If a State wishes to do so, they would, first, submit a plan to the Director of the Office of Economic Opportunity for his approval; second, assure that the facilities would be run in accordance with all the provisions of this title; and third, assure that out-of-State trainees would be accommodated.

Mr. Chairman, the great advantage of this amendment is that it permits maximum participation of State boards of vocational education without any disruption of the Job Corps.

Today, State boards of vocational education administer the great bulk of our $1.4 billion vocational and manpower training programs, including residential facilities in such States as Ohio, Oklahoma, and Kentucky. They do an effective job when given the chance to do so.

This amendment would bring the ability of the vocational education program to the Job Corps program in every State, if they were permitted to do so.

Mr. DICKINSON. Mr. Chairman, would the gentleman yield?

Mr. GARDNER. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I thank the gentleman for yielding.

I wish to state that I support the amendment offered by the gentleman.

Mr. Chairman, there are many areas of the so-called war on poverty which should be amended, corrected, revised, and certain provisions of this controversial program which should be abolished completely.

I can think of no area more wanting of correction than the Job Corps. The purpose of the Job Corps, according to OEO "cheerleaders," is to train young people for jobs so that they may become useful, productive citizens of our society.

This is indeed a noble endeavor, but I am afraid the facts do not bear out the intent. This arm of the antipoverty program has been scarred by scandal from beginning to the present.

Mr. Chairman, the estimated cost of sending a student through the Job Corps training program at one of its camps runs from $9,000 to as high as $11,000 per pupil. This is tragic in itself—a disgraceful waste of the taxpayer's money. Therefore, I believe that the ceiling provision is a good measure.

Yet, this is hardly the half of it. The gold-lined salaries of instructors at these Job Corps centers are astounding. I would like to use an example set forth in a study of the poverty program last year by the Republican National Committee.

The 208 staff personnel at Camp Gary—San Marcos, Tex.—drawing salaries over $9,000 got an average increase of 57 percent above their previous salaries. Twenty-two of them more than doubled their previous salaries. For instance, the manager of personnel at the camp jumped from a salary of $5,000 per year to $10,000. A math teacher who previously had made $4,730 and a citizenship teacher who had made $4,800 jumped to $10,000. The usual explanation from OEO for paying these kinds of increases was, "We need the best people we can get." My question is this: Is it absolutely necessary to double salaries to get good people at these camps? Would not a sensible salary increase, as is the practice in private enterprise, been enough to acquire competent people?

Additionally, the Job Corps training programs have been further marred by riots and lawlessness among trainees, and the general lack of these "graduates" from the centers to hold jobs once they had been placed in them. There have been few or no substantial records to show that the Job Corps training centers, set up and staffed at incredible costs, have produced even the most meager results.

There has been at least one case where a trainee brutally beat and stabbed a fellow trainee. In one such instance—at the Mountain Home, Idaho, Job Corps camp—the assailant had three felony convictions against him and at the time of the assault was a parole violator.

This type of administration—or rather the lack of it—indicates clearly that proper screening of potential trainees is not employed. I am aware that many of these boys are juvenile delinquents, or have records, but I do not believe that the Job Corps centers should act as replacements for juvenile delinquent detention centers.

These are but a few examples of the senseless and wasteful abuse of funds and facilities provided by the taxpayer.

We—the Members of this body—should not "compound the felony" by continuing to offer our support and funds to a floundering poorly directed program that is missing the mark by a very expensive mile.

Mr. Chairman, in conclusion I would like to say that, in my opinion, the so-called poverty war is clearly a case of poor use of funds instead of funds for the use of the poor.

Mrs. MINK. Mr. Chairman, will the gentleman yield for a question?

Mr. GARDNER. Yes, I yield to the gentlewoman from Hawaii.

Mrs. MINK. I thank the gentleman for yielding.

Mr. Chairman, I wonder if the gentleman is aware of the fact that currently there are under the auspices of the Economic Opportunity Office here in Washington various State-operated Job Corps centers?

I rise on this question because the Job Corps center located in my State is one such center which was contracted for with the State government of Hawaii.

Mr. Chairman, I wonder if the gentleman could answer the question as to what effect this amendment would have with respect to the sustaining facility we now have in the State of Hawaii?

Mr. GARDNER. I do not see where it would have any effect whatsoever. They would only have to work out with the director what program they would like to see carried on.

Mrs. MINK. Does not the amendment require the participation of the vocational education board of the whole State?

Mr. GARDNER. Yes.

Mrs. MINK. And an agreement is reached with the State?

Mr. GARDNER. Yes.

Mrs. MINK. Then there would be a change under the amendment, in other words, an entire new program would have to be adopted.

Mr. GARDNER. I would say with reference to the particular situation the gentlewoman from Hawaii points out, there could be.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. GARDNER. Yes, I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I support the amendment offered by the gentleman.

Is it not true that in a State, if they

have a residential vocational education center, undoubtedly it would come under the operation of the Smith-Hughes Act, which created the State board of vocational education, and there are State boards of vocational education in each of the 50 States?

Mr. GARDNER. Yes, that is true.

Mr. STEIGER of Wisconsin. While there might be some difficulty, in the situation pointed out by the gentlewoman from Hawaii, that would not have any effect upon the program now ongoing in her State.

Mr. GARDNER. The gentleman is correct in his answer.

Mr. Chairman, I yield back the balance of my time.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is just another way of trading the devil for a witch, so to speak. This amendment provides that the State boards shall be the sole agency for the administration of the State plan, and as I understand they will have to submit such plan to the Director of the Office of Economic Opportunity.

This is the first opportunity I have had to see the amendment but I fear that it simply means that we would be just phasing the Job Corps out at a double rate of speed.

Mr. STEIGER of Wisconsin. Mr. Chairman, would the gentleman yield?

Mr. PERKINS. No, first let me finish.

Mr. Chairman, what is going to happen to all the industry involvement—the some 30 or 40 industries that we have in this country who are operating Job Corps centers, such as the Packard-Bell Electronics Corp., IBM, in their research on it, the Xerox Corp., the some 20 or 30 other industries that we have operating these Job Corps?

A full list of Job Corps men's and women's centers and operating agencies follow:

Job Corps Men's Centers and Operating Agencies

Mr. Robert J. Hadden, Director, Atterbury Job Corps Center, Edinburg, Indiana 46124, FTS-317-633-7000, (812) 526-5561. Operating agency: Westinghouse Electric Corporation, Defense and Space Center, Friendship International Airport, Box 169, Baltimore, Maryland 21203.

Mr. James Fornear, Director, Breckinridge Job Corps Center, Morganfield, Kentucky 42437, FTS-502-582-5011, (502) 389-2419. Operating agency: Graflex, Inc., Rochester, New York 14603.

Mr. Charles J. Moxley, Director, Clearfield Job Corps Center, Freeport Center Station, Clearfield, Utah 84016, FTS-801-399-6012, (801) 773-1433. Operating agency: Thiokol Chemical Corporation, Clearfield Division, Clearfield Job Corps Center, Clearfield, Utah 84016.

Dr. William W. Smith, Director, Custer Job Corps Center, Battle Creek, Michigan 49017, FTS-616-962-6511, (616) 965-7204. Operating agency: U. S. Industies, Inc., 1150 Connecticut Avenue N.W., Suite 77, Washington, D.C. 20036.

Mr. Wallace Dockall, Director, Gary Job Corps Center, San Marcos, Texas 78666, FTS-214-748-5611, (512) EX 6-6330. Operating agency: Texas Educational Foundation, Box 1108, San Marcos, Texas 78666.

Mr. Welcome Bryant, Director, Lincoln Job Corps Center, Lincoln Air Force Base, Lincoln, Nebraska 68158, FTS-402-475-2611, (402) 799-2481. Operating agency: Management Systems Company, 2223 Dodge Street, Omaha, Nebraska.

Mr. Harry J. Mills, Director, McCoy Job Corps Center, P.O. Box 255, Sparta, Wisconsin 54656, FTS-414-272-8600, (608) 269-6052. Operating agency: R. C. A. Service Company, Camden, New Jersey 08101.

Dr. Robert K. Branson, Director, Parks Job Corps Center, Pleasanton, California 94566, FTS-415-834-4121, (415) 828-1000. Operating agency: Litton Systems, Inc., Educational Systems, Division, 4910 Calvert Road, College Park, Maryland 20740.

Mr. Theodore Nelson, Director, Rodman Job Corps Center, New Bedford, Massachusetts 02744, FTS-617-997-0721, (617) 997-0051. Operating agency: Rodman Training Center, Inc., 900 Rodney French Boulevard, New Bedford, Massachusetts.

Mr. D. L. Webber, Director, Kilmer Job Corps Center, Edison, New Jersey 08817, FTS-201-846-4500, (201) 985-1900. Operating agency: Federal Electric Corporation, Paramus, New Jersey 07652.

Job Corps Center for Women

Mr. Thomas B. Wardell, Director, Job Corps Center for Women, 5th and Cooper, N.W., Albuquerque, New Mexico 87107. Contractor: Mr. John Gaines, Space and Systems Division, Packard Bell Electronics Corporation, Lawrence and Arnold Drive, Newbury Park, California 91320.

Dr. Francis L. Rose, Director, Job Corps Center for Women, Virginia and Summers Streets, Charleston, West Virginia 25301. Contractor: John Gaines, Space and Systems Division, Packard Bell Electronics Corporation, Lawrence and Arnold Drive, Newbury Park, California 91320.

Dr. Zelma George, Director, Job Corps Center for Women, 1588 Ansel Road, Cleveland, Ohio 44106. Contractor: Dr. Larzette Hale, Supreme Basileus, Alpha Kappa Alpha Sorority, 5211 South Greenwood Avenue, Chicago, Illinois 60615.

Mr. W. A. Lewis, Director, Jobs Corps Center for Women, 6202 North 4th Street, Clinton, Iowa 52732. Contractor: Mr. Francis Keppel, President, General Learning Corporation, 5454 Wisconsin Avenue NW., Washington, D.C. 20015.

Mr. Joseph R. Corcoran, Director, Keystone Job Corps Center for Women, Post Office Box 37, Drums, Pennsylvania 18222. Contractor: Mr. Joseph Murray, Vice-President, RCA Service Company, Camden, New Jersey 08101.

Mr. Raymond McDonald, Director, Job Corps Center for Women, Post Office Box 338, Excelsior Springs, Missouri 64024. Contractor: Dr. Paul Ritt, President, Training Corporation of America, Post Office Box 610, Falls Church, Virginia 22046.

Dr. Charlyce King, Director, Job Corps Center for Women, Post Office Box 818, Guthrie, Oklahoma 73044. Contractor: Mr. M. Long, Vice-President, Philco Ford Corporation, Post Office Box 10, 515 Pennsylvania Avenue, Fort Washington, Pennsylvania 19034.

Mr. Willard H. Duetting, Director, Job Corps Center for Women, 824 Fifth Avenue, Huntington, West Virginia 25701. Contractor: Mr. Peter C. McColough, President, Xerox Corporation, 700 Midtown Tower, Rochester, New York 14604.

Miss Margaret C. Honey, Job Corps Center for Women, 591 Montgomery Street, Jersey City, New Jersey 07302. Contractor: Miss Mary Howard, Executive Director, Young Women's Christian Association, 270 Fairmount Avenue, Jersey City, New Jersey 07306.

Miss Mary Doolittle, Director, Job Corps Center for Women, 1106 South Broadway, Los Angeles, California 90015. Contractor: Miss Barrying Morrison, Executive Director, Young Women's Christian Association, 722 South Oxford, Los Angeles, California 90015.

Dr. Bert Jones, Director, Job Corps Center for Women, Northern Michigan University, Marquette, Michigan 53233. Contractor: Dr. Edgar L. Harden, President, Northern Michigan University, Marquette, Michigan 53233.

Dr. George S. Kadera, Director, Job Corps Center for Women, Box 750, McKinney, Texas 75069. Contractor: Dr. O. J. Baker, Executive Director, Texas Educational Foundation, Box 1108, San Marcos, Texas 78666.

Mr. Robert Anderson, Director, Job Corps Center for Women, Post Office Box 8, Omaha, Nebraska 68102. Contractor: Mr. Bert Waller, Radnor Division, Burroughs Corporation, Box 782, Paoli, Pennsylvania 19301.

Mr. Robert Lake, Director, Job Corps Center for Women, Poland Springs, Maine 04274. Contractor: Mr. John Kelly, President, Economic Systems Corporation, 1701 K Street NW., Washington, D.C. 20006.

Mr. Douglas Duncan, Director, Job Corps Center for Women, 919 North Taylor Avenue, St. Louis, Missouri 63108. Contractor: Mr. Douglas Nesom, President, Delta Educational Corporation, 721 Government Street, Baton Rouge, Louisiana 70802.

Dr. Dorothy Burns, Director, Job Corps Center for Women, Tongue Point, Astoria, Oregon 97103. Contractor: Dr. Ray Hawk, Assistant to the President, University of Oregon, Eugene, Oregon 97403.

Mr. John Corrigan, Acting Director, Job Corps Center for Women, Moses Lake, Washington 98837. Contractor: Mr. John Kelly, President, Economic Systems Corporation, 1701 K Street NW., Washington, D.C. 20006.

Miss Oleta Crain, Project Director, JC-YW Extension Residence Program, 770 Lexington Avenue, New York, New York 10021. Contractor: Miss Edith M. Lerrigo, General Secretary, National Board of the YWCA, 770 Lexington Avenue, New York, New York 10021.

Mr. STEIGER of Wisconsin. Mr. Chairman, would the gentleman yield?

Mr. PERKINS. Yes. I would ask the gentleman to answer that question?

Mr. STEIGER of Wisconsin. May I simply point out to the chairman——

Mr. PERKINS. Will they go out of existence here? They will, am I not correct?

Mr. STEIGER of Wisconsin. The gentleman is not correct.

Mr. Chairman, all this provides is that any State which desires to operate one or more Job Corps centers can ask the cooperation of the Director of OEO, it does not touch the existing Job Corps centers, it does not phase them out.

It does not touch existing Job Corps centers. It does not phase them out. It does not dismember them.

Mr. PERKINS. Let me answer the gentleman in this way. We can already do what the gentleman says the amendment does under the present law.

Mr. STEIGER of Wisconsin. Then what is the objection to the amendment?

Mr. PERKINS. There is a lot of objection to this amendment. You would just be inviting a raid on the funds necessary to carry on the effective Job Corps system that we have finally developed. The gentleman well knows when you spread a limited amount of money we will simply impair the ongoing program.

The Job Corps people at the State agency are not pushing this concept, although I know that additional funds could be constructively used in our regular vocational education programs to adequately serve all youth.

Let us go ahead here with the Job Corps concept to serve the most disadvantaged. Good businesslike practice, prudent administration and sound management of public funds all require that we do not waste the investment we have made in the Job Corps. The operation of the Corps during the past 12 months has been excellent. The administration has made constructive changes in the program to reduce cost, make it more efficient and make it serve the purpose we intended. The Corps is establishing a record of success in reaching the most disadvantaged who have no hope other than this program.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. EDMONDSON. Was there any testimony before the committee from State officials asking for this change in the program?

Mr. PERKINS. There was not. There was absolutely none. The State officials throughout the country have made the statement that they were not prepared to deal with disadvantaged children at the present time.

Mr. GARDNER. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. GARDNER. I am a little surprised to see the chairman stand up before this body today and say that the States are not capable of handling their end of this program.

Mr. PERKINS. I am not saying that. The State programs are becoming more efficient every year since we passed the 1963 act. Let us give the vocational education people a chance.

Mr. GARDNER. I think this will do that and help the program considerably.

Mr. PERKINS. The Job Corps program complements the regular vocational education program. All of the vocational educators that I know of are in favor of the present Job Corps program.

Mrs. GREEN of Oregon. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment which has been offered is very similar to the amendment that was just defeated by this House. But if we were to take a vote and choose between the two, the amendment which was defeated would be far preferable to the one that has been offered by the gentleman from North Carolina.

The amendment which was defeated provided for an orderly transition over a period of time.

If I understand the present amendment, it does not provide for this orderly transition.

The present amendment also leaves the Job Corps divided. Part of it would be in the hands of the State departments of vocational education and part of it would be in the hands of the Director of the Office of Economic Opportunity.

I suggest that this kind of division would lead to great confusion and difficulties in administration.

Mr. Chairman, this amendment is also silent as to the amount of money. One of the main criticisms of the present Job Corps program is the extremely high cost per enrollee per year.

I find the amendment which has been offered by the gentleman from North Carolina says that the Director shall pay the cost of operating the Job Corps centers and similar facilities under a State plan.

There is no limitation on the amount of money that would be required by any one State.

Mr. Chairman, if the Job Corps part of this bill came to the House as it came to the committee at the beginning of the year, I would be one of those who would have to vote against it. But the Committee on Education made major changes in the Job Corps programs. We added a nonresidential feature; we put emphasis on this—that we should have more of the Job Corps enrollees in nonresidential centers which could be just as effective and at a much lower cost.

We also added language which would force the Director to put enrollees in these Job Corps centers that are closest to their homes so that we would stop this traveling from one corner of the United States to the other, courtesy of the American taxpayers.

We also put in the bill language which relates to discipline in the Job Corps camps so that much more emphasis would be placed on the discipline as far as the enrollees were concerned. There has been criticism that some of the Job Corps enrollees were in centers where there was an insufficient amount of time, energy, and emphasis given to basic education and vocational education. The committee wrote language into the bill which provides that at least 60 hours a week would be spent on this kind of training.

The gentleman who offered this amendment, the gentleman from North Carolina, I believe, was the author of an amendment that stated there would be no more use of the Job Corps or the money under title I for political purposes. I think that is a much-needed improvement in the bill.

Mr. Chairman, if this amendment is defeated, I have an amendment which I wish to offer. That amendment would place a further limitation on the costs of the Job Corps per enrollee per year.

I agree with previous speakers that the costs have been outrageously high. I think we need to cut the costs down, not in order to save money like King Midas or King Croesus, merely to gather it and count it, but rather with that money we would save we could help other dropouts. We could effect economies and have those millions to spend on other dropouts in this country who are not enrollees of the Job Corps.

For the reasons I have stated, I oppose the amendment offered by the gentleman from North Carolina, and I hope that it will be defeated. Later I would hope that this House would put a further limitation on the amount of money that is spent per enrollee per year.

Mr. QUIE. Mr. Chairman, I rise in support of the amendment.

The statement has been made that the amendment offered by the gentleman from North Carolina would affect the cost of the Job Corps. The amendment would do nothing to affect the language that is in this bill other than permitting a State to set up a State plan for the operation of a Job Corps center. We have the language in the amendment specifying the method through which the States may do so.

The difficulty we find in many of the States now is that it is impossible for them to have any part in the operation of a Job Corps center. The language which the committee adopted, with much of which I disagree, would still be intact.

What the amendment does is to assure that the requirements of this part, which means the language of the bill as it is presently written with respect to recruitment, selection, standards of cost, training cost, counseling, job placement of trainees, together with other applicable requirements of this part will be met. It states very clearly in the amendment that all the language, even the strengthening language of the present bill over the present act, will be included. The committee amendments relating to the Job Corps does include some of the language which the gentleman from New York and I tried to get included in previous years. So there is some strengthening language.

You ought to look very seriously at the amendment offered by the gentleman from North Carolina and see if this is not the kind of step forward with possible involvement of the State that is necessary as well as acceptable.

Mr. STEIGER of Wisconsin. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the charge has been leveled that during the course of the hearings we did not have vocational educators who were here asking for or in support of residential vocational schools or the capability or the involvement of State and local units of government which might be inserted in this idea.

I would refer the members of this Committee to part 4 of the hearings on the Economic Opportunity Act Amendments of 1967, to the testimony of Dr. George Parkinson of the Milwaukee Vocational Technical and Adult Schools. I will not take the time to read completely the letter he sent to the chairman of the committee, the gentleman from Kentucky [Mr. PERKINS], dated August 1, 1967, but he does say this:

> During our discussion the question of the function of a residential vocational school was brought up and, as you may remember, I am strongly in favor of this, particularly since I feel that the problem before us is a permanent one and merits a long-time permanent solution.
>
> Enclosed you will find a copy of the action of our Board authorizing me to make application for funds for such a residential school if and when the Congress sees fit to fund at least the pilot schools.

I suggest to the members of the Committee that this amendment represents an effort, if a State is willing, with all the limitations in the law and with all the limitations in the legislation and with the purpose of aiming at the disadvantaged, as proposed by the gentleman from North Carolina, by which we can in fact begin to broaden the opportunity for training the very people we seek to train in the Job Corps.

The problems are obvious. The costs are high. The service is not good. The followthrough is not good. The outreach is simply failing.

This kind of a State plan operation, with involvement by those States willing to make the effort, does seem to me to make the most sense as to reaching more of those whom we are not now reaching.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am delighted to yield to the chairman of the full committee.

Mr. PERKINS. The gentleman well knows that the witness from Milwaukee was one of our highly respected vocational educators in the Nation but in his testimony he did not testify against the Job Corps. He testified for residential centers, which we provided for in section 14 of the Vocational Education Act of 1963.

Now the gentleman is stating something that we already have authority under the present law to cover. What he is trying to do is to weaken a good law, as to something for which we already have the authority.

Mr. STEIGER of Wisconsin. Mr. Chairman, I would say that the language on page 149 of S. 2388 simply does not do the job. To put in subsection (b) of section 115 the language: "The Director may enter into agreements with States to assist in the operation," frankly is not going to provide the kind of meaningful redirection of the Job Corps which I believe makes sense.

I trust the amendment will be adopted. I do not believe this will dismember the Job Corps. I do not believe it will impair the Job Corps. If anything, it will strengthen and improve it so that we can serve more young men and women.

Mr. ERLENBORN. Mr. Chairman, I rise in support of the amendment and move to strike the requisite number of words.

Mr. PERKINS. Mr. Chairman, I wonder if we can arrive at some agreement on debate on this amendment and all amendments thereto?

Mr. GOODELL. A point of order, Mr. Chairman. The gentleman has not yielded.

The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Kentucky for a unanimous-consent request?

Mr. ERLENBORN. Mr. Chairman, I had not understood the gentleman from Kentucky to ask anyone to yield.

Mr. PERKINS. Mr. Chairman, I will ask.

The CHAIRMAN. The gentleman is so doing now.

Mr. ERLENBORN. When I am through with my 5 minutes I am sure the gentleman from Kentucky will have an opportunity.

The CHAIRMAN. The gentleman refuses to yield.

Mr. ERLENBORN. Mr. Chairman, it is important that we know what is in this amendment. A good deal of confusion, I think, has been interjected into this debate as a result of some of the statements from the other side of the aisle.

Some of the speakers against this amendment would have us believe that all the provisions now relating to the Job Corps, some of which have been worked out over the years, to put limitations on expenditures and so forth, would be lost as a result of adoption of this amendment. This just is not true.

This amendment would leave in the law and would leave in the bill those safeguards that have been written into the law and are proposed to be written into the law as a result of passage of this bill. It would not remove the limitation on expenditures, as suggested by one of the speakers on the other side of the aisle. It would retain that provision.

Every provision relating to the conduct of the Job Corps, selection, recruitment and training, would remain in the law, and the programs operated within the States under State plans would have to conform to the law as it now exists and as amended by this bill.

The State's plan would have to be submitted to the Director of OEO, who would have to find specifically that the State plan would carry out the purposes of and be under the direction of the law as it exists at the time that the State plan is submitted and the amendments that might be adopted thereafter.

So do not be confused by those who would have you believe that we are changing the Job Corps and taking off the standards. I would be the last one in the world to remove the cost limitation in this bill. As a matter of fact, I think we should improve it and not remove the limitation that we fought so hard to put in last year.

There are parts of this title and section of the bill that I think are good, and we would now have under the committee bill an improvement in relating the graduates of the Job Corps to meaningful employment. There has not been this sort of followup. If the amendment is adopted, this provision now in the bill would also be adopted and continue in operation. We would have graduates of the Job Corps directed to the U.S. Employment Service and have a followup to see the type of training they receive is utilized in the employment made available to them through the USES. I think these are good and should be continued and that this amendment will not in any way jeopardize the good provisions now in the law or to be adopted by this bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. GARDNER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ERLENBORN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GARDNER and Mr. PERKINS.

The Committee divided, and the tellers reported that there were—yeas 89, noes 135.

So the amendment was rejected.

AMENDMENT OFFERED BY MRS. GREEN OF OREGON

Mrs. GREEN of Oregon. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. GREEN of Oregon: On page 152, strike out lines 3 through 12, and insert the following:

"(b) The Director shall take such action as may be necessary to insure that in recruitment efforts for the Job Corps, and in the selection for enrollment and enrollment of young men and women in the Job Corps there is no discrimination on account of race, color, religion, sex, or national origin. He shall administer the Job Corps in such a manner as to accommodate its programs and facilities to the make-up of the Job Corps resulting from application of the preceding sentence."

Mrs. GREEN of Oregon. Mr. Chairman, the purpose of this amendment is to make it unmistakably clear that we intend to end any discrimination against women in the Job Corps program.

A few years ago Congress enacted a law which declared as its policy that there would be no more discrimination in employment practices on the basis of race, color, creed, national origin or sex. If we meant what we said, that we intend to end the discrimination against women as far as employment is concerned, then surely it is time that we also state it as a matter of national policy that there would be no more discrimination against women in federally financed training programs that will lead tc gainful employment.

Mr. Chairman, the fact is that there has been a history of discrimination against women enrollees since the Job Corps program was first established. When the bill first came to the Congress, there was no provision for women enrollees in the Job Corps training program. The Congress, in its wisdom, changed this so that women enrollees would be eligible on the same basis as male enrollees. However, to be eligible, and to be admitted were two different things. We did not write into the bill a provision that no discrimination on the basis of sex would be tolerated. Then a year and a half later in the spring of 1966 when the administration testified before the Education and Labor Committee, they stated that only 1,800 girls were enrolled in the entire Job Corps program. At the same time there were about 20,000 boys enrolled.

I repeat, Mr. Chairman, that out of 500,000 girls in the United States who were eligible for this job training in the Job Corps program, only 1,800 girls had been accepted. This program was designed for the high school dropouts—the young people who are out of school and out of work. During the hearings that spring, it was pointed out that the percentage of dropouts in the high school was about evenly divided between the boys and the girls—about 50 percent of the total number of dropouts were young girls. Therefore, Mr. Chairman, the need for job training was and is just as great for young girls as young boys. In addition, Mr. Chairman, the highest unemployment rate in the Nation is among nonwhite girls between 16 and 21 years of age. I am talking about young girls who are out looking for jobs—who need jobs.

In the original hearings on this legislation one of the administration witnesses was opposed to including young girls in the job training program on the basis that this was a program for the future breadwinners. This was hard to believe in the year 1964 because the facts are that one-third of the members of the labor force are women. This is not something to be debated as to whether women should stay in the home or whether they should be working.

The realities are that one out of every three workers in the United States today is a woman. Women are working for the same reason that men are working—to support their families. And I submit that a woman has as much right as a man to make that choice for herself. If she wants to work that is her decision and this Nation must not discriminate in providing the training to make it possible for her to achieve her full potential. I would also suggest, Mr. Chairman, that the very girls who need this Job Corps training, are the most desperate of these girls who come from the lowest socioeconomic groups. They are exactly the ones who are entitled to the training we can provide; they are the ones who must work because in their families one salary will not provide the necessary income to support a family.

So I submit, Mr. Chairman, that on the basis of what is fair and just and equitable that this House at this time should declare it a matter of public policy that there be no discrimination toward women as far as Job Corps training programs are concerned. And as we improve this training program; as we establish the nonresidential centers as well as the residential centers; as this country places greater emphasis on vocational education; there will be an equal need to see that women are admitted and that they are as eligible to receive the training as are any young men. Mr. Chairman, it would be my hope that the distinguished chairman of the committee, the gentleman from Kentucky [Mr. PERKINS], would be willing to accept this amendment on our side of the aisle.

Mr. QUIE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I would like to ask the distinguished gentlewoman from Oregon some questions about her amendment.

As I read the language that has been stricken, it is the language that I believe our colleague, the gentleman from California [Mr. BELL], brought in in committee, which puts the requirement that at least 25 percent of all the Job Corps enrollees shall be women, and the Director shall immediately take steps to achieve an enrollment ratio of 50 percent women in the Job Corps consistent with these requirements.

You would strike out that requirement, now, and just leave it up to the Director to not discriminate, is that right?

Mrs. GREEN of Oregon. Mr. Chairman, if the gentleman will yield?

Mr. QUIE. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. That is correct.

And if the gentleman will yield further, it seems to me that under the language which I suggest in this amendment there would be more of a certainty that the number of women admitted to the Job Corps centers would increase at a faster pace than under the language in the bill.

The Director of the Job Corps told the members of the committee that there are 6,000 girls who have been screened and are ready and waiting to join the Job Corps, and that there are 2,000 boys who have been screened and who are ready and waiting to go into the Job Corps. Therefore, if we write language into this bill that there should be no discrimination based on sex—and in talking with the other members of the committee, of course—it would mean that these 8,000 would be the first ones who would go into the Job Corps centers.

If the gentleman would yield further, the last sentence in the amendment is as follows:

> He shall administer the Job Corps in such a manner as to accommodate its programs and facilities to the make-up of the Job Corps resulting from application of the preceding sentence.

In other words, these girls, the 6,000 to the 2,000, that is, 3 to 1, that they will be admitted as the first ones as there is a turnover in the Job Corps.

Mr. QUIE. I would like to ask the gentlewoman from Oregon one more question:

Is there any breakdown now on those waiting to get in on the basis of race, color, religion, or national origin?

Mrs. GREEN of Oregon. There is no breakdown that I am aware of. To the best of my knowledge there has never been any discrimination based on race, color, religion, or racial origin, and it is included in this to make certain that there will not be any such discrimination in the future at all, but I do believe there has been discrimination, and I believe many of the members of our committee would agree with me on that, that there has been discrimination based on sex, and this is to end this kind of discrimination.

Mr. QUIE. Mr. Chairman, I would ask the gentlewoman in what kind of time schedule does she expect to see an increase in enrollment from the 23 percent which is now the case for women? What kind of time schedule does the gentlewoman expect to see in reaching the number of women that I believe the gentlewoman wants eventually to secure for the Job Corps?

Mrs. GREEN of Oregon. I believe the gentleman is responsible for the language in the present act which says that the Director shall immediately take steps to achieve an enrollment ratio of 50 percent women enrollees in training in the Job Corps.

Mr. QUIE. I would say to the gentlewoman that my amendment did not have the three clauses now in subsection (b). The way I offered my amendment, the Director would have been required to get the 50 percent just as quickly as he can get them.

Mrs. GREEN of Oregon. This is the purpose of my amendment. I think if this amendment is adopted, we will move very quickly to the 50 percent. That is the purpose of the amendment and I hope the House will support it.

Mr. GOODELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to ask the gentlewoman from Oregon [Mrs. GREEN] a question with respect to her amendment.

If I understand correctly, recognizing that only 23 percent of Job Corps enrollees today are women, do you believe that under the net impact of your amendment the Director would have to take more women in than men, effective from now until he gets the 50–50 ratio?

Mrs. GREEN of Oregon. The purpose of the amendment is to end any discrimination. If there are 6,000 girls who have been screened and who have been told that they can join the Job Corps and they are ready and waiting, and if there are only 2,000 boys who are ready and waiting, the purpose of this amendment is to end the discrimination against the young women and take those girls who have been promised this opportunity along with the 2,000 boys who also have been promised this opportunity and just simply say, We are going to treat all young people who are eligible for the Job Corps on the basis of equity and fairness. This Congress would not allow discrimination in the Job Corps on the basis of race—why, in the name of all that is fair, should we continue to allow discrimination based on sex?

Mr. GOODELL. In other words, if there were 6,000 women applicants waiting to get in and 2,000 men applicants, you would expect the director to take three women for every man to fill those vacancies as long as that ratio existed?

Mrs. GREEN of Oregon. I would say to the gentleman that the Director was taking 10 boys for every one girl in the first year of the program. So, let us end discrimination so far as these 6,000 girls or any other girls or boys are concerned. Let us have the same rules apply to both.

Mr. GOODELL. This concerns me, because the gentlewoman includes in addition to sex, race, color, religion, and national origin. Are you expecting the director to take a reading on how many Polish people and how many Irish people and people of different ethnic background are applying and apply the same formula to them? Or how many Negroes and whites are applying? And apply the same ratio to them and say that he has to compensate for the situation based upon the number of applicants that there are?

Mrs. GREEN of Oregon. The gentleman knows that that is not the purpose of the amendment.

The amendment simply says that the director may not discriminate on the basis of any of those five factors.

Mr. GOODELL. You cannot have it both ways, I will say to the gentlewoman. If it is the purpose, and she feels the impact of this is going to be with the 6,000 women applicants and the 2,000 men applicants that the director should take in women on a 3-to-1 ratio as long as that ratio obtains as to applicants, then under the amendment where she has included race and included color and religion and national origin, I just ask, Do you expect to apply the same approach to those? I do not see how you can say there must be a different approach to women than you can for the other categories that you have listed.

Mrs. GREEN of Oregon. That is exactly the point. We do not discriminate on basis of color as creed. Let us end the discrimination on the basis of sex in the Job Corps. There are 8,000 young people who have been screened and who have been found eligible and who are simply waiting to be admitted. If those 8,000 young people are the first ones lined up, it is reasonable to believe that there will be people of every race and there will be people of every color and people of every religion and that there will be people of both sexes and people of every national origin, and that there would be no discrimination on the basis of any one of those five factors.

Mr. GOODELL. And now the gentlewoman is saying that her amendment would not set up a ratio of applicants but simply to take them regardless of sex—first come, first serve?

Mrs. GREEN of Oregon. That is correct. I am saying that they should not be discriminated against—and that you would not discriminate against any person on the basis of color, on the basis of sex or creed. This is what has happened in times past. They have discriminated on the basis of sex. This is the purpose of the amendment. They could no longer refuse to enroll an applicant because that person was a woman.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Pennsylvania.

Mr. DENT. By the terms of the amendment you are saying that, "You shall not discriminate because of sex, because of ethnic origin, color, race, creed," or whatever term you want to use. That means you just do not ask questions along that line and you take them in as they come without discrimination. That is exactly the way it works.

Mr. GOODELL. I hope they are going to ask whether they are women or men.

Mr. DENT. It all depends on where you are operating. There are some areas, they tell me, it is hard to distinguish.

Mr. GOODELL. I think we have enough problems with the Job Corps already without refusing to ask whether the applicant is a woman or a man.

Mr. BROWN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Michigan.

Mr. BROWN of Michigan. Under the amendment does the gentleman understand that separate facilities would be required, or would it have to be coeducational?

Mr. GOODELL. I would like to ask the gentlewoman from Oregon that question. Are you anticipating providing coeducational facilities under your amendment?

Mrs. GREEN of Oregon. I do not propose that, but I have heard the gentleman from New York say many times in the committee that he would like to see coeducational job training programs.

Mr. GOODELL. I am always confused with the gentleman from Minnesota. My first name is not "Quie." That is my colleague, I believe, from Minnesota, Mr. Quie.

Mrs. GREEN of Oregon. I am sorry. I thought he was speaking for you, also.

Mr. REID of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. PERKINS. Mr. Chairman will the gentleman yield?

Mr. REID of New York. I am happy to yield to the gentleman from Kentucky.

Mr. PERKINS. I am willing to state that the amendment offered by the gentlewoman from Oregon was discussed in a Democratic caucus by the committee. There was some opposition to the amendment, but as far as I am concerned, I am willing to accept the amendment and feel that the amendment should be adopted.

Mr. REID of New York. Mr. Chairman, I would like to ask the gentleman from New York [Mr. Goodell] a question from the standpoint of clarifying the record. If I am not mistaken, this amendment was originally offered by the gentleman from California [Mr. Bell] who unfortunately cannot be here today. As I recall the testimony of Mr. William Kelly, the Director of the Job Corps, he pointed out, if I am not mistaken, that the trainee costs for women enrollees were somewhat higher. In addition, women enrollees required special facilities. Therefore, the question: If that is correct, this does not reduce the total number of Job Corps enrollees if this amendment has to be implemented immediately?

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr REID of New York. I yield to the gentleman from Minnesota.

Mr. QUIE. The reason why women's centers are higher in cost than the men centers is that usually a military base is used for the men's centers. Women's centers are usually abandoned or, I should say, old hotels or sorority houses. Therefore, it is necessary to pay for the cost of the rent of that hotel. They do not have to pay rent for the old military base. That is the reason. If you change that cost, I do not believe there would be any additional costs for women.

Mr. REID of New York. Did not the Director of the Job Corps state that the cost would be higher?

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from New York.

Mr. GOODELL. I refer to page 115 of the hearings with reference to this subject. The Director testified that the overall average from July 1966, to May 1967, per enrollee per year was $6,950. He pointed out that the women's urban centers were somewhat more expensive. I quote from the hearings:

> From inception to December, 1965, $9,990; January to June, 1966, $6,686; July, 1966, to May, 1967, $8,642.

Continuing to quote—

> Now we have there a slight increase. The reason why we have had it is that not only have we brought onstream about 8 women's centers in the last four or five months, but we have also expanded existing centers in order to meet the requirements of the 23-percent amendment.

He goes on to say he hopes to get the cost per woman enrollee down to the same figure as for the men. In fiscal year 1968 he says the cost will be $7,200 per enrollee man-year in the women's centers.

Mr. REID of New York. My question of the gentleman from New York is this: If the language of the gentlewoman's amendment is carried out literally and if there is some necessary time for transition in the lowering of costs for women enrollees, would this not in fact reduce the number of Job Corps enrollees?

Mr. GOODELL. I would answer that based upon the testimony of Mr. Kelly, that he would expect any increased proportion of woman enrollees taken in in this year, to get far above the 25-percent level, would result in being considerably more expensive. Mr. Kelly strenuously opposed the 30-percent women minimum and said it would cost a substantial amount of increased money.

For the Record, I would like to clarify: the amendment being offered by the gentlewoman is not the amendment of the gentleman from California [Mr. Bell]. The gentlewoman is deleting the Bell amendment, that would require 25 percent women by July 1, 1968, and 50–50 as soon as possible, with immediate steps to implement that.

Mr. REID of New York. I thank the gentleman for that correction. I had intended to indicate that the language of the present bill is the Bell amendment, not the amendment offered.

May I ask the gentlewoman from Oregon, from the standpoint of legislative history, whether it would be her hope that there would be no reduction in the number of Job Corps enrollees in the light of the discussion today?

Mrs. GREEN of Oregon. Mr. Chairman, if the gentleman will yield, I would say that if we have cooperation of the gentleman's colleagues on that side of the aisle and the full amount for the OEO is funded, of course there would be no reduction.

Mr. REID of New York. I join the gentlewoman in that hope. I merely express the further hope that she will make clear to the House that her amendment would not result in any reduction in total Job Corps enrollment.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. DELLENBACK. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Oregon is recognized.

Mr. DELLENBACK. Mr. Chairman, may I ask my colleague from Oregon a question?

Is it the intention of the gentlewoman, and do I understand it correctly, that under her amendment there would be a movement as rapidly as possible in the direction of having equality of enrollment in the Job Corps as between sexes?

Mrs. GREEN of Oregon. Mr. Chairman, if the gentleman will yield, the main purpose of it is to end all discrimination. In my judgment, there has been discrimination from the very beginning of the Job Corps program. Girls were refused admission while boys were accepted. The evidence is in the statistics. As of November 1966—there were only

4,268 women enrolled—after the program had been in operation for more than 2 years.

As I stated a moment ago, the discouraging fact is that the highest unemployment rate in the Nation is among nonwhite girls between 16 and 21. These girls must work. They are seeking jobs. They need job training.

In answer to the question, I would certainly hope that the House would go on record that we would move as rapidly as possible not only to end discrimination against minority groups but also to end discrimination so far as job training is concerned for the young girls of this country, who need training just as desperately as the young boys. What man in this House would say that high school training or college training was to be for boys only—or that we would discriminate against girls in admission to high school training work. And so for high school dropouts—I am asking that we also do not discriminate in an alternate training program—the Job Corps.

Mr. REID of New York. Mr. Chairman, will the gentleman from Oregon yield?

Mr. DELLENBACK. I yield to the gentleman from New York.

Mr. REID of New York. I asked the gentleman to yield so that I might direct a question to the gentleman from New York. I should like to put it as clearly and as flatly as possible.

Mr. DELLENBACK. Mr. Chairman, I asked for this time so that I might have an opportunity to speak briefly on this subject.

Mr. Chairman, I ask unanimous consent that I be given an additional 3 minutes under the circumstances which have just prevailed so that I may have a chance to speak on this myself.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield briefly.

Mr. REID of New York. I do not believe that the interruption from the gallery is worthy of comment. I would merely wish to say that the valuable experience and remarks of the gentlelady from Oregon always enjoy the respect and esteem of this House and I yield to no one in this regard.

In taking this time, I simply wish to ask of the gentleman from New York, assuming full funding of the Job Corps at $295 million, would not this amendment perhaps result in a reduction of the total number of enrollees?

Mr. GOODELL. I would have to answer the gentleman honestly based on what Mr. Kelly testified—Yes, it would result in a reduction.

Mr. DELLENBACK. Mr. Chairman, if you will, that is part of the point which concerns me about this particular amendment. I would go a step further than my colleague from Oregon in saying that there is not only equal need on the part of the young ladies of the country to be given the benefit of the Job Corps, but some of the testimony given to us would indicate they have perhaps an additional need for help.

My deep concern in this is that the amendment of my colleague from Oregon, instead of rapidly achieving the goal at least of equality within the ranks of the Job Corps might lead to a result that would be inferior to that proposed in the bill at the present time. I refer the committee to the bill. In this particular section with which we are dealing the point is made that immediately there shall be at least 25 percent women enrollees and the director immediately shall take steps to achieve the enrollment of 50 percent women enrollees on the basis of the criteria suggested by Mr. Kelly and worked out in connection with the committee's deliberations reaching to the direction of giving women as well as men equitable treatment and reaching for 50 percent women enrollees—not any discrimination, but saying that it shall be our goal to have 50 percent women enrollees. This also recognizes the point Mr. Kelly made that to move too precipitately to this goal would result actually, because of the additional cost involved, in a reduction in the total number of enrollees.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, I do not usually get up here just to defend the administrators of the program, but I think that the record should be clear. A large part of what discrimination there was existed because Congress mandated it by requiring 40 percent of the enrollees go to conservation camps, and that was for males only. Therefore, you started out with 40 percent of the Job Corps enrollees who were male and then had to define the rest in your urban centers. That is the reason why you came up with such a large proportion of the original enrollees male. The gentlewoman pushed very hard to get a greater proportion of women and a fairer proportion of women. We respect her for that, but you have to move now on this matter with some judiciousness so that you do not destroy the program you have existing.

Mr. DELLENBACK. Mr. Chairman, I would conclude by saying that there are these criteria spelled out in the bill as it stands at the present time. I urge in this particular situation we stay with the committee.

Mr. ROUSH. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I had intended to come to the well to speak against this amendment. I really came on a last-minute inspiration. After having heard the voice from the heavens, I come from my seat with some fear. First I want you to know that I have the utmost respect for the gentlewoman from Oregon. I have found myself siding with her on many occasions. I think that the ladies who grace this House really add charm and dignity to it. Their intellect certainly cannot be doubted, and the contribution they have made here is one which is very marked. However, I do think there is an item here that should be considered, that is, the question of priorities. It seems to me that one of the first priorities we have is to train potential breadwinners.

Now, if we had all the money we needed, and if we had all of the opportunity to train all these 2,000 women to whom the distinguished gentlewoman referred to, then, perhaps, such an amendment would be in order. But we do not have and we are limited. I think our priority should be directed toward training potential breadwinners.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. ROUSH. I yield to the distinguished gentlewoman from Oregon.

Mrs. GREEN of Oregon. Does my good colleague not know that one out of every three breadwinners in the United States today is a woman; and, that they are the heads of families, that they are working to support their children just the same as the men are?

All I am asking is that these people who have to work and support their families be given the same kind of a break that a man who is a breadwinner receives, with which I completely agree. But let us not exclude the women who also have to earn money for the support of their families.

Mr. ROUSH. I would only say to the distinguished gentlewoman from Oregon, that the first breadwinner should be the man. The man should have that responsibility. That is what I would like to see done first.

Many of those to whom the distinguished gentlewoman from Oregon refers are women who have been thrust into that position because of unfortunate circumstances. But they were not in the first instance intended to be the breadwinner. I regret that I have to disagree with the distinguished gentlewoman on her amendment, but I do hope that the Committee will vote it down.

Mr. O'HARA of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, let us not be confused about what this amendment involves. All this amendment says is "thou shalt not discriminate." It is as simple as that.

Mr. Chairman, it is much preferable to the provision that it is designed to replace, a provision that sets an arbitrary quota, which must be met, and if you must discriminate in order to meet the quota you are required to do so.

Mr. Chairman, I do not know about other Members of this House, but I do not intend to support discrimination in any form.

The amendment which has been offered by the distinguished gentlewoman from Oregon [Mrs. GREEN] simply says that there shall be no discrimination in the enrollment of applicants in this program.

I cannot understand what objection anyone could possibly have to such a provision and I hope the amendment will be agreed to.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it seems to me, in line with the remarks of the gentleman from Michigan [Mr. O'HARA] who just preceded me, that I read the amendment completely differently. I read the amendment as having contained therein built-in discrimination that you cannot get away from.

Mr. Chairman, the gentleman from

Michigan [Mr. O'HARA] talked about a quota system being discriminatory. If this amendment is adopted, the Director is going to have to take man for man and woman for woman and if he does not, he is guilty of discrimination.

Mr. Chairman, there is no other way you can handle it, there is no other way in which he can interpret the amendment and administer it.

Mr. Chairman, I do not care how high the motives are—and I submit they are very high indeed—but I know of no way anyone who is confronted with this provision written into the law, is going to take on more boys in the Job Corps until he has the quota of women built up to the number of boys that are already in the Job Corps.

I just believe that you are putting a burden on the Administrator that should not be put on him. It seems to me this thing was worked out in committee, and the members must have debated a long time on it, and you do have a quota system which the gentleman from Michigan [Mr. O'HARA] says is discriminating. And I agree with him. But I say the amendment that the gentleman is supporting is even more discriminating because there is no other way you can administer it.

Mr. O'HARA of Michigan. Mr. Chairman, would the gentleman yield?

Mr. HAYS. Yes; I yield to the gentleman from Michigan.

Mr. O'HARA of Michigan. I would simply like to point out that the language that would be stricken sets up a 25-percent woman quota.

Mr. HAYS. At least that many, does it not say?

Mr. O'HARA of Michigan. Yes.

Then it goes on to say:

> The Director shall immediately take steps to achieve an enrollment ratio of 50 percent women enrollees—

Mr. HAYS. That is right.

But he does it in an orderly manner, but if he has this amendment to work with then I am telling you you will not see another boy in the Job Corps program until the Director has built the women up to the equivalent number of men that are already in the Job Corps.

The amendment offered by the gentlewoman from Oregon itself—and she says there has been discrimination. I hate to disagree with the gentlewoman from Oregon, but I doubt that there has been discrimination, because these people are girls. There may have been some inadvertent discrimination because they did not have places where they could take them, or because they could not use them in the conservation camps, or something of that kind. But is the gentlewoman from Oregon saying that there has been on the part of the Office of Economic Opportunity a deliberate discrimination against women simply because they were women; is that what the gentlewoman is saying?

Mrs. GREEN of Oregon. Yes.

Mr. HAYS. Well, I must say I cannot agree with that. I just do not believe it has happened in that way.

Mr. KEITH. Mr. Chairman, will the gentleman yield?

Mr. HAYS. Yes, I yield to the gentleman from Massachusetts.

Mr. KEITH. I thank the gentleman for yielding.

I noticed in the gentleman's remarks that he commented on the "built-in" differences that we must recognize.

Mr. HAYS. No, I do not believe I used that wording, but I admit those differences are there.

Mr. KEITH. Which recalls to my mind a debate that allegedly occurred in the French Parliament, where they were talking about the difference between the males and the females.

Mr. HAYS. And he said "Vive la difference."

Mr. KEITH. "Vive la difference."

Mr. HAYS. Yes, I am for that, also.

Mr. KEITH. Merci beaucoup.

Mr. HAYS. But I do not see why it is that every time I come down here somebody wants to put words in my mouth. However, I had thought of it, but I did not say it, but thank you for giving me credit for it anyway.

The CHAIRMAN. The question is on the amendment offered by the gentlewoman from Oregon [Mrs. GREEN].

The question was taken; and on a division (demanded by Mr. PERKINS) there were—ayes 53, noes, 55.

So the amendment was rejected.

The CHAIRMAN. For what purpose does the gentleman from Minnesota rise?

Mr. QUIE. Mr. Chairman, I offer an amendment.

Mr. PERKINS. Mr. Chairman, I demand tellers on the amendment offered by the gentlewoman from Oregon.

Mr. GERALD R. FORD. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. GERALD R. FORD. Mr. Chairman, the gentleman was not on his feet when the Chair recognized the gentleman from Minnesota [Mr. QUIE].

The CHAIRMAN. Was the gentleman from Kentucky on his feet at the time the Chair recognized the gentleman from Minnesota?

Mr. PERKINS. I believe I was, Mr. Chairman.

The CHAIRMAN. The Chair will state that the testimony is not strong enough; therefore the Chair recognizes the gentleman from Minnesota [Mr. QUIE].

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. QUIE: On page 154, after line 6, insert:
>
> "SEC. 119. Any other provision of this Act to the contrary notwithstanding, sums expended for programs authorized by this part shall not exceed $200,000,000 in the fiscal year ending June 30, 1968."

Mr. O'HARA of Michigan. Mr. Chairman, I make a point of order against the amendment and reserve the point of order.

The CHAIRMAN. The gentleman from Michigan [Mr. O'HARA] reserves a point of order against the amendment.

The gentleman from Minnesota [Mr. QUIE] is recognized.

Mr. QUIE. Mr. Chairman what this amendment does is to put a limit on the Job Corps.

Last year the appropriation for the Job Corps was $200 million and we should put the same amount in it this year. It seems to me the Job Corps could operate under the same appropriation that they did in the last year and use the same economies that they did at that time. Any additional amount that is now available under the authorization in title I in section 2 of the bill could be used for the other programs like the NYC and the adult work training and other programs.

This is an amendment which I believe all of you understand and there is no use spending a great deal of time on it.

Mr. Chairman, I ask for the adoption of my amendment.

Mr. PERKINS. Mr. Chairman, a point of order against the amendment was reserved by the gentleman from Michigan [Mr. O'HARA].

The CHAIRMAN. Does the gentleman from Michigan [Mr. O'HARA] insist on the point of order?

Mr. O'HARA of Michigan. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman will state the grounds for the point of order.

Mr. O'HARA of Michigan. Mr. Chairman, the point of order is made on the ground that in section 2 we already adopted a specific authorization figure and on lines 9 and 10, page 128, in section 2, there is a specific limitation of the exact title that the gentleman from Minnesota is proposing to specifically limit.

Mr. Chairman, I make the point of order that the gentleman's amendment is untimely. It comes too late and it should have been offered to section 2.

The CHAIRMAN. Does the gentleman from Minnesota [Mr. QUIE] desire to be heard on the point of order?

Mr. QUIE. Yes, Mr. Chairman.

Mr. Chairman, the authorization of section 2 provides for the total amount of money for this act. Also, on lines 8 and 9 there is the figure for title I of $874,000,000.

I offer a limitation of money only for part (a) of title I. My amendment would not affect the sum of money on line 8 of page 128, but only would be a further limitation within the $874,000,000 authorized for title I.

Therefore, Mr. Chairman, I feel the amendment is in order.

The CHAIRMAN (Mr. ROONEY of New York). The gentleman from Minnesota [Mr. QUIE] has offered an amendment to which a point of order was addressed to the Chair by the gentleman from Michigan [Mr. O'HARA].

It would appear to the Chair that this is a limitation on an entirely different subject and an entirely different matter and, therefore, the amendment is in order.

The Chair overrules the point of order made by the distinguished gentleman from Michigan [Mr. O'HARA].

Mr. O'HARA of Michigan. Mr. Chairman, may we hear the amendment read again?

The CHAIRMAN. Without objection, the Clerk will again read the amendment.

The Clerk reread the amendment.

Mr. PERKINS. Mr. Chairman, I rise in oppposition to the amendment.

Mr. Chairman, the effect of this

amendment, if adopted, would seriously cripple the Job Corps, and would put it down to the figure that the minority offered in their Opportunity Crusade with a difference, I believe, of $5 million.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. Yes, I yield to the gentleman from Minnesota.

Mr. QUIE. The figure in the Opportunity Crusade for the Job Corps is $190 million. The figure that I offered is $200 million, $10 million more, which is the exact figure that was appropriated for this last fiscal year.

Mr. PERKINS. Mr. Chairman, we have in our bill $295 million to operate the Job Corps this next fiscal year. That amount will take some 41,000 enrollees.

The effect of the amendment would be to cut the Job Corps down about one-third in its operations all the way across the board, and close down, for all intents and purposes, the majority of the conservation centers. It would close some 30 or 40 conservation centers and close urban centers for both men and women.

In other words, we would be taking a negative approach. We would say to these youngsters, "We have knowledge of the problem, but we do not intend to venture into its solution."

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Michigan.

Mr. WILLIAM D. FORD. If we are talking about a full authorization reduction of $95 million; that would in fact reduce this program by one-third or 12,000 enrollees. But we have only one-half of the fiscal year left to go, which would double the impact. It means we might have as many as 22,000 to 25,000, or two-thirds.

Mr. PERKINS. I wish to thank the gentleman for his contribution. It will, in fact, double the number of enrollees who will be dismissed. The impact will be much more serious than my original comments indicated.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Florida.

Mr. CRAMER. Can the gentleman tell me where, under part A relating to the Job Corps, the figure of $295 million is contained in this legislation?

Mr. PERKINS. Let me say to the gentleman that we do not have that figure in the legislation. We have a total figure for title I. The testimony shows that it is contemplated that $295,000,000 will go to the operation of the Job Corps for the next fiscal year.

Mr. CRAMER. Then, if the figure is not written in the legislation, the OEO can spend any amount it wishes for the Job Corps under the limitation of $874 million in title I?

Mr. PERKINS. It will not work that way. The estimates have been carried out, and their estimates will not exceed the amount shown in the testimony.

Mr. CRAMER. The only way this House could then work its will on the figure would be to put a figure in the legislation; is that not correct?

Mr. PERKINS. Of course, the House can put a figure in. I would object if there were an effort to write it in the measure.

Mr. CRAMER. I understand the purpose of the amendment is to write a specific figure in for the Job Corps under title I which is not in the bill. Now the OEO can spend any amount of money they want to.

Mr. PERKINS. I think the gentleman knows the Office of Economic Opportunity has, to my way of thinking, been carrying on an efficient operation. We should leave some latitude for them. I will say to the gentleman they cannot expend in excess of that figure in view of other limitations we have written into part A. We limit enrollment to 45,000. We limit the cost to $6,500 per enrollee. This is an effective limit of about $292 million on the Job Corps.

Mr. CRAMER. The gentleman has answered my question.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. If I may inquire of the gentleman from Kentucky, it was my recollection that some $200 million was appropriated for the fiscal year 1967 operations of the Job Corps.

Mr. PERKINS. That is correct. We had a carryover. There was some $200 million appropriated, and we had a carryover of $95 million from the previous year. That is the reason we spent more money than in the previous fiscal year.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am happy to yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, may I have the attention of the gentleman from Kentucky?

Mr. PERKINS. Yes.

Mr. GOODELL. Last year appropriations for the Job Corps were $200 million, the figure tnat the gentleman from Minnesota [Mr. Quie] has offered in this amendment. As I understand it, they actually spent $211 million last year. Can the gentleman explain to us why the authorization in this bill is $295 million in the Job Corps?

Mr. PERKINS. I understand that we appropriated $211 million for fiscal year 1967 for the Job Corps, but much more than that was expended because of the carryover from the previous year. I believe there was a carryover of about $85 million.

Mr. GOODELL. There was a carryover of $85 million?

Mr. PERKINS. Yes.

Mr. GOODELL. We appropriated $200 million last year, I say to the gentleman, according to the records I have. I do not know from where the other $11 million came, unless transferred from some other program. This goes to the point raised by the gentleman from Florida [Mr. Cramer].

Mr. PERKINS. We had two supplementals. There was about $60 million in the last supplemental.

They had a carryover of $85,845,167.

Mr. GOODELL. The gentleman will agree that as the bill is before us, out of the committee, there is no ceiling on the amount of money which can be expended for the Job Corps except the total ceiling in the title of $874 million for all activities in title I.

Mr. PERKINS. That is correct.

Mr. GOODELL. So by law the Director is not limited under this bill to $295 million for the Job Corps?

Mr. PERKINS. But the gentleman well knows that that includes the adult work and training and all the work and training programs in addition to the Job Corps.

Mr. GOODELL. Yes, and the Director can transfer funds back and forth from all these programs any way he wishes, including the total of $874 million into any one of these programs.

Mr. PERKINS. That is correct, but I do not visualize it would happen to the work and training programs. Authority has been delegated to the Secretary of Labor, by and large. I do not visualize that those programs would be stopped.

Mr. GOODELL. I understand the gentleman does not visualize that, but this is a very poor way to legislate.

Mr. STEIGER of Wisconsin. May I inquire of the gentleman from New York whether it is true that under the Economic Opportunity Act authority is granted to the Director of OEO for the purpose of enabling transfer of some 10 percent of any of the funds for any of the programs in and among all the other programs?

Mr. GOODELL. Yes, that is true under the existing law and under the committee bill, as I understand it.

Mr. STEIGER of Wisconsin. Will the gentleman elucidate a bit more on the $85 million carryover for the Job Corps?

Mr. GOODELL. I would like to hear an elucidation from the chairman on the $85 million carryover. I believe the Congress should have an explanation.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from Kentucky.

Mr. PERKINS. We do have a limitation in here on the number of enrollees; 45,000 is written into the bill. We do have a limitation on the cost per enrollee written into the bill I would think that is a sufficient check. No one is going to go above that figure. In fact, on the $295 million, they will only be able to go up to 41,000.

Mr. GOODELL. I understand that point. Could the gentleman tell us the explanation for the $85 million carryover last year?

Mr. PERKINS. That came from previous year appropriations that were unexpended and used during the present fiscal year.

Mr. GOODELL. In other words, they had $85 million more appropriated for the Job Corps in previous fiscal years than they could use.

Mr. PERKINS. That is correct. I do not have the figure for this year. It is a very limited sum of money, some $10 million or $15 million.

Mr. WILLIAM D. FORD. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I call your attention to the language of the bill as reported by the committee on page 151 at the bottom of the page starting on line 23 under the title "Special Limitations" and carrying over to page 152. You will find that the committee, as the chairman has already indicated, has written into the law two specific limitations on the size of the Job Corps which relate to the number of people to be trained and the maximum expenditure per trainee.

Now, there is a considerable difference in approaching the limitation of expenditures from that direction and from the direction of the gentleman from Minnesota. First of all, the gentleman from Minnesota, without regard to the number of trainees involved and the enrollee cost, would put a total cost allocation on all of the funds authorized to be expended in title I of $200 million. That represents a $95 million cut in what it is estimated it will take at the rate of $6,500 per enrollee to meet the optimum number that could be enrolled in this program this year. We have 41,000 young people in the Job Corps at the present time. The new limitation would be a total of 45,000. Then we have between 6,000 and 8,000 young people who have already been screened, recruited, and are ready to go if we have the space for them. So the 45,000 limitation which we propose in this bill contemplates that if we did not recruit a single additional person to those already on hand and waiting to go to Job Corps camps, we would have to stop accepting new trainees now. The $6,500 limitation represents about $200 a year less than we are currently spending using the best and most optimistic figures we have on our spending per enrollee. This represents a continuing effort on the part of the committee to bring down the per-enrollee cost. But the most deadly aspect of the Quie amendment would be this: It does not make the $95 million cut for the whole year but it makes it only for that portion of the fiscal year which is left. We are not talking about sending home one-third of the 41,000 kids in order to cut down the year's deficit in expenditures to meet the cut, but we are talking about sending home two-thirds of the young people presently in the Job Corps. Do you want to accept the responsibility here in the House for sending 20,000 of these young people we are talking about in this program back to their neighborhoods and communities, in the Appalachia area or the ghettos of the big cities? Uncle Sam would be saying, "Sorry, sonny, we suckered you in and took you down to the Job Corps camp and told you you would get trained, but Congress has said 'Send them back home before they are trained.' "

In the last few days here I have heard a good many people on both sides of the aisle saying they wanted to see more efficiency and more job-related employment in the Job Corps. How will you get more efficiency and more job-related employment if you are going to say to Mr. Kelly, the man who is running the Job Corps, "We are sorry, but we are cutting $95 million out of the current year's operating budget in the last 6 months of the fiscal year that you still have left. We will cut that $95 million, and you send these young people back home with a little note saying 'Sorry, but if we get the money next year, we will have you back.' "

Mr. Chairman, we will not get these young people back, but you will hear about them. You will not hear about them in statistics of the success of the Job Corps and improved statistics on crime in the streets, but you will hear of them in the statistics on the failures of this country. And that responsibility will fall upon the shoulders of every one of you who support this amendment.

Mr. ERLENBORN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the gentleman who just spoke, again, uses the same sort of comparisons that have been used in opposition to the other amendment here, saying that this amendment would cut $95 million out of the current year's operating budget for the Job Corps. Obviously, this just is not correct.

Mr. Chairman, at the present time the Job Corps is operating under a continuing resolution at the rate of approximately $200 million per annum.

It is only the committee bill that would raise this in the anticipation of the distribution of title I funds, to $295 million.

Mr. PERKINS. Mr. Chairman, would the gentleman yield at that point?

Mr. ERLENBORN. Not at this time. I shall be glad to yield to the gentleman in just a moment.

But, Mr. Chairman, what the committee bill fails to take into consideration is the fact that we are presently halfway through this fiscal year.

Now, if there is anything we should have learned around here in recent years, particularly in relation to education, it is that one cannot begin a program or change it radically in the middle of the fiscal year and expect to get one's dollars' worth. Millions of dollars, literally, were wasted under the operations of the Elementary and Secondary Education Act, because we passed the bill in the middle of the school year and appropriated for an entire year, and a number of educators from throughout the entire country testified to the effect that they could not spend in approximately 5 months' time an entire year's appropriation.

Mr. PERKINS. Now, Mr. Chairman, will the gentleman yield to me?

Mr. ERLENBORN. In just a moment I shall yield to the gentleman.

I would point out that the present expenditures of the Job Corps are at a rate of $200 million per annum and that there is $100 million for the first 6 months of this fiscal year.

If the committee bill is adopted, this would go, then, to $295 million per annum, or at the rate of $147.5 million for the balance of the fiscal year.

However, if it were just prorated for the year, what happens is that you pick up the entire slippage for the first 6 months and, therefore, the entire increase for the year will be expended in the first 6 months of the fiscal year. That would mean that at the beginning of the next fiscal year, with the same appropriation, suddenly you would have to drop back and reduce your expenditures because you would not have the same funds in fiscal year 1969 that you were expending in the last 6 months of fiscal year 1968.

Now, Mr. Chairman, I shall be happy to yield to the distinguished chairman of the Committee on Education and Labor.

Mr. PERKINS. Mr. Chairman, the gentleman from Illinois makes a point that the remainder of much of the fiscal year has already expired and that for the remainder of the fiscal year we will be throwing money away. I disagree with that observation, because planning has been done in this respect for a long period of time. There have been ample funds available up to the present time in the operations of the Job Corps. But, now, we have a waiting list of some 6,000 girls and two or three thousand women. If we do not get the Job Corps up to its operating strength, at least to the point of 41,000, we will be wasting money, because it is going to cost much more per enrollee.

Mr. Chairman, this cutback, as proposed, certainly will knock many thousands of girls and boys out of the opportunity to participate in the Job Corps.

Therefore, Mr. Chairman, I am hopeful that the amendment which has been proposed by the gentleman from Illinois certainly will be voted down and that during the remainder of this fiscal year, we need all of this money and that it will all be put to good use.

Mr. ERLENBORN. Mr. Chairman, under the committee bill, $100 million would have been spent in the first 6 months of this fiscal year, or a total of $295 million appropriated and would mean that $195 million would be available for expenditure in the second half of the fiscal year. Then that money suddenly became available, we are to spend at the rate of expenditure for the Job Corps as of the 1st of July 1968, but we suddenly then drop back to the rate of expenditure of $147.5 million for a 6-month period. It just does not make sense to appropriate funds in this fashion. If you want to increase funds for the Job Corps, you should do it with some perspective.

We should appropriate for this year a certain amount and increase the amount for the next fiscal year, but to raise the funds one third in the middle of a fiscal year when we have been operating at a much lower level means we will be putting too much in in the last 6 months.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. QUIE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. QUIE and Mr. PERKINS.

The Committee divided, and the tellers reported that there were—ayes 105, noes 125.

So the amendment was rejected.

Mr. BUCHANAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the House again has before it a bill, designed as stated in its title "to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs." The question is not only whether a program is necessary to bring Federal assistance to the poor, the underprivileged, the disadvantaged of our Nation, but also whether the programs which are being carried out under the administration of the Office of Economic Opportunity are doing the job—whether tax dollars authorized and appropriated for programs such as those included under community action, Job Corps, VISTA, Neighborhood Youth Corps, and others are achieving the expected results, and are expanded to obtain maximum value for every dollar spent—or whether under OEO, mismanagement is resulting in widespread waste and extravagant spending which is defeating the purpose of the economic opportunity program—to eliminate poverty in our Nation.

The authorization requested in this year's bill totals $2,060,000,000 as compared with the authorization request a year ago for $1.55 billion.

Before approving the continuation and expansion of programs administered by OEO, a review of the facts as disclosed by the record deserves the full and careful consideration of the Members of the House.

An examination of reports as to the administration of the antipoverty program, the cost of salaries, and the projects again reveals alarming instances of inefficiency, waste, extravagance, and mismanagement.

In commenting on the OEO in their minority views as members of the House Committee on Education and Labor, Representatives JOHN M. ASHBROOK and JAMES C. GARDNER, declared:

> It is the highest paid, worst managed, most incompetently staffed agency in the history of the Federal Government. One out of every 42.3 of its employees is paid over $20,000 a year; nearly one-half are paid $10,000 a year or more. The budget of the United States lists 416 positions in OEO with pay in excess of $15,000 a year.
>
> The budget also estimates that 2,800 permanent Federal employees are required to run OEO, and that another 4,772 other permanent positions are required in other Federal agencies to run programs funded through OEO. These 7,572 permanent Federal positions required to run the war on poverty from Washington—according to the budget estimates—cost the hard-pressed American taxpayer a cool $60 million for salaries alone this year.
>
> That is only the cream skimmed off the top. At least 75 percent of the community action funds go for "administrative costs"—almost entirely in high salaries. "Community Action," according to the majority report, "employs" 95,000 persons and has cost $1,800 million to date."[1]

This last is an appalling report in view of the fact that the current bill under consideration carries an authorization of $1,022,000,000 for funding of the community action agencies alone, almost one-half of the total authorization for OEO in this legislation.

As a matter of record, in fiscal 1967 during the 1966 consideration of the OEO authorization, the number of OEO employees was reported as 6,484.[2]

The Job Corps, for which funds would be authorized under title I of the bill, a title for which the authorization is $874,000,000, the second largest authorization category in the total authorization figure of $2,060,000,000, supplies an almost endless record of waste, inefficiency, mismanagement, and bungling.

Total funds allocated to the Job Corps during the first 3 years of operation reached a total of $715 million:

Fiscal year 1965	$196,000,000
Fiscal year 1966	308,000,000
Fiscal year 1967	211,000,000

For this expenditure, costs per Job Corps enrollee have been estimated as high as $15,000, and even OEO figures have placed the price of keeping an enrollee in the Job Corps at a cost of $9,000 a year.

But this does not reflect a true picture of the program cost as it does not allow for the overall dropout rate that even the OEO has estimated at nearly 26 percent.

A Job Corps at Camp Breckinridge, Ky., under a $9-million grant for a maximum of 2,000 young people, produced, as of June 1966, 250 dropouts and eight "graduates." In November of 1965 the enrollees of this project outnumbered the staff by only the narrow margin of 358 to 350.[3]

It has also been stated that at another camp, Fort Custer, of the 1,400 who entered during the camp's first year, only 315 could actualy be called graduates, and as a result, "the cost-per-graduate for the boys of Fort Custer was $28,254."[4]

The following is a table of annual cost per enrollee of the Job Corps for fiscal year 1967:[5]

Category	Total	Men's urban center	Women's urban center	Conservation center, Federal
Total	$8,076	$8,664	$9,735	$7,315
Enrollee expense	2,761	2,617	2,619	2,931
Pay and allowances	1,188	1,220	1,150	1,177
Travel	324	267	248	396
Clothing	276	226	203	331
Subsistence	435	323	394	540
Medical and dental supplies and services	256	195	342	296
Educational supplies	80	92	156	57
Vocational supplies	156	309	95	31
Recreation and welfare	105	113	75	103
Less receipts	−59	−128	−44	
Operation and maintenance	1,129	1,350	2,078	782
Center administration, supplies and services	346	426	490	252
Center facilities and maintenance	178	193	273	149
Utilites and fuel	129	129	120	130
Communications	77	76	115	71
Motor vehicle operation and maintenance	110	46	30	180
Other general purpose equipment	12	24	17	
Legal and accounting services and insurance	14	25	42	
Lease costs	25		311	
Contractor's fees	118	221	298	
Contractor's expenses	120	210	382	
Center staff expense	2,983	3,494	3,835	2,399
Educational personnel	452	408	675	454
Vocational personnel	269	487	317	70
Safety and recreational personnel	137	211	264	52
Guidance and counseling	698	740	843	638
Management and other personnel	997	1,420	1,445	554
Medical and dental personnel	104	151	200	48
Work project personnel	242			494
Staff travel	72	55	87	84
Staff training	12	22	4	5
Total, overhead	603	603	603	603
Total, capital costs	600	600	600	600

At the same time Federal funds are being spent at the rate shown by these figures for Job Corps enrollees, the dropout rate continues extremely high. In fiscal 1967, more than 40 percent of enrollees terminated in less than 3 months and another 24 percent terminated in less than 6 months, for a total of 67 percent of the enrollees.

On August 10, 1967, the Wall Street Journal carried this comment on Job Corps dropouts:

> Critics see this high dropout rate as another indication that the corps is a costly flop, and there are those who charge that the dropouts may be worse off than before as a result of their brief stints in corps camps.

Mismanagement, lack of discipline, and gross expenditures are consistently cited in Job Corps center evaluations.

According to a recent General Accounting Office report on the Camp Parks Center, Pleasanton, Calif., the

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[1] House Rept. No. 866, 90th Cong., 1st sess., p. 207.

[2] House Rept. No. 1568, 89th Cong., 2d sess., p. 123.

[3] STROM THURMOND Reports to the people, May 23, 1966.

[4] Reader's Digest, February 1967.

[5] Examination of the War on Poverty, Staff Consultant Report, vol. I, September 1967, p. 10.

GAO investigation disclosed that after 2 years of operations the estimated cost of the center had increased from $12.8 million to $25.5 million, the dropout rate was 55 percent, and many were placed in jobs not related to their training.[6]

The GAO report established that from the start of the Parks Job Corps Center at Pleasanton on April 26, 1966, through September 1966, a total of 2,258 or 55 percent of enrollees had left the center without completing any courses of training.[7]

In reviewing the disciplinary problems as the Camp Parks Center, the GAO report includes incident reports showing the following incidents for the period October 31, 1966, to January 15, 1967:[8]

Type	*No. of incidents*
Burglary	62
Robbery	36
Alcoholism	35
Assault	75
Battery	47
Possession of weapon	8
Arson	2
Malicious mischief	19
Absenteeism	77
Disturbing the peace	18
Insubordination	106
Narcotics	22
Sex	6
Other	154
Total	667

The GAO report also reviews the record of one corpsman, and in commenting points out that a corpsman staying at the center more than 90 days, would be paid, in addition to basic pay, a readjustment allowance based on the length of his stay. This readjustment allowance could range from $75 to $150 for 90 days up to $600 to $1,200 for 2 years, depending on whether he sent an allotment home. The corpsman in question spent 323 days at the center, rarely attended class, except to create disturbances; eventually departed, after completing no training; and accumulated a readjustment allowance of about $239.[9]

And the General Accounting Office report only relates to one Job Corps center.

Another report on the Job Corps comments:

> While the Job Corps spent some public funds on activities which some would consider "frills" most cases were due to inexperience or errors of judgment on the part of some center personnel. Providing enrollees with occasional bus transportation to attend a dance several hundred miles from their center may be classified in this category. There was also room to question some of the continuing practices, such as the payment of corpsmen's transportation costs for home visits during the Christmas season. The Armed Forces are not as generous with their enlisted men.[10]

A major criticism of the Job Corps program has been the gross lack of planning, direction, and coordination. No proper provision was made for program evaluation, placement of graduates in jobs, or followup studies. an evaluation system has finally been placed in operation by the Job Corps. However, as noted in the summary of findings in a report published by the U.S. Chamber of Commerce, this has come after "more than $486,000,000 has been spent on 60,000 enrollees who have already left the Job Corps and who, for the purposes of evaluation, are lost."[11]

The charges and reports of near riots, crime, and violence including the use of narcotics, involving Job Corps enrollees have been widely covered in the press, and these conditions resulting from lack of effective discipline and mismanagement in camps have contributed to the dropout rate as former corpsmen have, upon returning home, blamed conditions and fear of violence for their dropout action.

In a summation of the Job Corps value in a staff consultant report, it is stated:

> Regrettably, it must be inferred that no conclusive case has yet been established to justify the Job Corps on the basis of past performance. The issue is not whether participants require aid. Their high unemployment rate, low wages and deficient education offer ample evidence that Job Corps enrollees need help. However, alternative, less costly, programs are available. There is a need therefore for more convincing data to prove that the expensive Job Corps program is justified.[12]

While the Job Corps has by far received the most searching attention and investigative review, the record of mismanagement and excessive costs is apparent in other phases of OEO activities.

The Neighborhood Youth Corps was intended to establish an out-of-school program to enable high school dropouts to return to school or to provide them with meaningful vocational training on which to build a career. Following an amendment to the OEO Act last year to permit private employers to participate in NYC, during the 1967 House hearings it was determined that only four projects involving private employers had been approved, which included a mere 164 enrollees out of 25,000 total enrollment. It was also brought out that only 30 percent of out-of-school enrollees were receiving remedial or vocational education training. Thus, 70 percent of out-of-school NYC enrollees, at $2,930 apiece, are still in "make-work" jobs and receiving no remedial education or vocational training.

The record of the community action program has also been characterized by community disruption and misdirection, irresponsible handling of funds, and even political activity.

A newspaper also carried the following item:

> The General Accounting Office said . . . it has found fairly extensive evidence that Federal anti-poverty funds were used in efforts to unionize farm workers in Florida last year. It suggested that the Office of Economic Opportunity recover the funds from Community Action Fund, Inc., and the American Friends Service Committees, which administer two migrant projects financed by OEO. The GAO report said CAF officials met last June with AFL–CIO officials and discussed CAF's role in efforts to organize farm workers. It also said the wife of CAF president Thomas Hardeman was an AFL–CIO employe under her maiden name. The GAO said it appeared certain that employes of both CAF and AFSC engaged in political and union activities and received Federal funds as reimbursement for travel expenses."[13]

Added to all other expenses of OEO programs, with the unbelievable waste of tax dollars, a budget of $2.4 million is utilized for public relations which is extensively used to meet criticisms of the program with little regard to facts.

I have made no attempt to cite all the seemingly endless recorded instances of waste, extravagance, and inefficiency in the many agencies of OEO. They are far too numerous. But it is clear even from these few amazing examples of flagrant disregard for economy and efficiency in OEO administration at all levels that extensive curtailing of expenditures for nonessential and useless items is necessary, and that safeguards must be provided to assure that a program to help the poor and decrease poverty accomplishes just that.

The tragedy in this whole situation is that dollars which were authorized and appropriated by the Congress of the United States and collected as hard-earned tax dollars from the American taxpayer have been squandered and wasted by an indifferent administration, and have not contributed to the improvement of the poor, the underprivileged, and the disadvantaged which could have been accomplished by intelligent, dedicated, and efficient administration of the programs.

A war on poverty may be important, and the need urgent, but money expended under such a program must accomplish the primary and most vital objective—it must eliminate poverty and constructively aid the poor. It must produce meaningful and effective programs of rehabilitation and training for the underprivileged and disadvantaged which will help them to help themselves—increase their employability, elevate their wage levels, and raise them above poverty.

In my judgment, personal responsibility and greater private and local activity are more important than Federal dollars toward this end, and Federal direction has proved a costly failure. To the extent that the Federal establishment remains involved in a poverty program, however, better administration is not only desirable. It is absolutely necessary.

Mr. McCARTHY. Mr. Chairman, a rising chorus of protest from many individuals and organizations is reaching me from home over proposed reductions in the war against poverty.

Rarely have I received so much mail from so many concerned individuals. The remarkable thing about the mail is that it reflects such a broad cross section of community groups.

Both Buffalo daily papers, the Buffalo Evening News and the Buffalo Courier-

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[6] Review of Selected Program Activities at the Parks Job Corps Center by the Comptroller General of the United States—November 1967.

[7] Ibid.

[8] Review of Selected Program Activities at the Parks Job Corps Center by the Comptroller General of the United States—November 1967.

[9] Ibid.

[10] Examination of the War on Poverty, Staff Consultant Reports, vol. I, September, p. 9.

[11] Youth and the War on Poverty—prepared for: The Chamber of Commerce of the United States.

[12] Examination of the War on Poverty, Staff Consultant Reports, vol. I, September, p. 22.

[13] Washington Post, May 30, 1967.

Express, are profoundly concerned over the proposed cuts. The Buffalo Area Chamber of Commerce and the Retail Merchants Association as well as Catholic, Protestant, and Jewish organizations, labor unions—the list is a long one—all are protesting reductions in the program.

The people of Buffalo are particularly exercised over amendments which would require local sponsors of antipoverty programs to contribute 10 percent of the program cost in cash and tie community action programs to local political establishments.

Proud of the way the program has worked in Buffalo, the Buffalo Courier-Express in an editorial November 6 said:

> The answer to the failure of the program elsewhere is not to kill but to improve it, to make it work by giving it the kind of leadership it has had here.

In a November 9 editorial entitled "A House Impoverished," the Buffalo Evening News charged:

> The House of Representatives has allowed shoddy politics to overwhelm decent purpose in its shameless toying with the national anti-poverty legislation.

The News went on to say that while the national program can be improved, "it should not be dismembered or starved to death by a lack of funds."

> For the 1964 anti-poverty legislation departed radically from traditional and often ineffective welfare-handout approaches. It involved the poor, stimulated them to help their own personal and collective causes.

At a meeting Sunday, November 5, in Buffalo, a wide range of organizations and individuals expressed their disapproval over cuts and changes in the antipoverty program. A statement from Democratic Mayor Frank A. Sedita of Buffalo was read. Others opposing the bill during a 2-hour procession to the microphone included Republican Mayor Thaddeus Orzech of Lackawanna, Catholic Charities of Buffalo, Catholic churches, the United Jewish Federation, the National Association for the Advancement of Colored People, Locals 1199, 593, and 537 of the United Steelworkers of America. Telegrams and statements were read from the Retail Merchants Association, Buffalo Area Chamber of Commerce, United Auto Workers of Western New York, and the Niagara Frontier Chapter of the American Civil Liberties Union.

Other organizations were represented or sent messages. The newly reelected Republican county executive earlier expressed his concern. And my mail has reached a veritable crescendo of protest.

We are proud that this program has worked so well in Buffalo and that it has such widespread support—bipartisan support which covers the whole spectrum of the community.

While the poverty areas on the Niagara frontier are located chiefly in the 41st Congressional District represented by our distinguished colleague, Mr. DULSKI, most of the officers of the organizations and groups I cited above reside in the relatively prosperous 39th District which I represent. I think this is an excellent sign and it shows that many, many segments of the Buffalo community support this great effort.

It would be catastrophic for us to cut this program back or enact the two amendments alluded to above.

Mr. HALL. Mr. Chairman, in the past few days I have received many calls and organized pressure letters as well as a letter from the Office of Economic Opportunity and a letter from the Community Action Corp., of Sedalia, Mo., which serves four central Missouri counties. There are some statements in these last two letters which are a fitting subject for comment as the House considers the poverty bill.

George D. McCarthy, Assistant Director, OEO, for Congressional Relations, says in his letter dated November 3, 1967:

> The War on Poverty has helped millions of people across the poverty line since it began. Millions who were tax-burdens are now taxpayers.

I see in this statement a prime example of the false axiom. Who are these millions of people? Where are the concrete figures to back up such a broad claim? Furthermore just what criteria does OEO use to define "help?" When my secretary arrives in the morning and opens the door to the office it most assuredly is a help to the other members of the office staff who do not have to bother to unlock the door. But it is not the kind of help that justifies the billions of dollars that are being spent. When OEO uses figures so haphazardly, it should be careful to draw a line between meaningful assistance, and the kind that contributes little if anything to any real improvement in economic status. Why, if so many persons have been "helped" has the unemployment rate stayed relatively steady, and in fact increased by two-tenths of 1 percent according to the most recent pronouncement? These are the answers that have not been forthcoming in spite of all the platitudes that emanate from the OEO "public relations mill."

Another letter received from the Missouri CAP, Sedalia, Mo., adds insult to the previously listed misinformation. It is a copy of a letter to Mr. Wayne Thomas, regional CAP administrator, signed by Hardy L. Cobb, director of the four-county central Missouri CAP, with copies to other members of the Missouri congressional delegation. Members of the House will be interested in the following quotation from this letter:

> A candid overview of this proposed amendment (referring to the requirement for a 10 to 20 percent in-kind contribution) would indicate that Congress is more concerned with appeasing and serving the middle class. The middle class represents the majority, which is the source of a congressman's votes. The congressman may think it is unnecessary and wasteful to consider the problems of the poor, when, in general, the poor do not vote, and thus do not constitute a threat to the congressman's well paying job."

I submit that is one of the most insolent and insulting remarks I have yet heard from a paid member of the poverty warrior establishment.

In his own job, paid for by the taxpayers, Mr. Cobb has obviously forgotten the basic concept of representative government. Under this concept, the majority rules. The middle class being the largest group and paying the most taxes, why should they not have the largest voice in the deliberation of legislation?

A lot of people in and out of Congress have been concerned with the problems of the poor, long before Mr. Cobb or the antipoverty program ever came into existence. In his obvious effort to stir up class warfare between the so-called middle class and the poor, Mr. Cobb forgets that the people who are asked to pay the bill, have every right to examine and justify what they are getting for their hard-earned tax dollars. Many of them see a threat that their tax load, the highest of any group, and inflation, are moving them faster into the poverty group than it is moving any members of the poverty group into the middle class.

Mr. Cobb suggests that Members of this body are here to fill a high-paying job rather than to serve their country as their conscience and judgment dictates. I am sure there are many of Mr. Cobb's constituents who look upon him as the holder of a high-paying job. We know from the number of supergrades in the poverty establishment that there are some mighty comfortable salaries available to the poverty warriors, who often fail to get our "message of relief" to the poverty stricken. I think if every Member of Congress had a copy of the Cobb letter there would be little doubt as to the outcome of the poverty bill on the House floor, and, under unanimous consent, I insert this record at this point in my remarks:

MID-MISSOURI
COMMUNITY ACTION CORP.,
Sedalia, Mo., November 3, 1967.

Mr. WAYNE THOMAS,
Regional CAP Administrator, Community Action Program, U.S. Office of Economic Opportunity, Kansas City, Mo.

DEAR MR. THOMAS: Reference is made to proposed amendments to the Economic Opportunity Act by the House Education and Labor Committee. These two amendments are relative to the (1) Local Share Requirement; (2) CAAs sponsored by public governing bodies.

Briefly and concisely, it is my considered opinion that if either or both of these proposed amendments become a part of the Act, local CAAs will cease to exist. The presumed demise of CAAs would be especially true pertaining to the local share requirement being in cash.

As you realize, more than a few CAAs experience some difficulty in obtaining a ten to twenty per cent in-kind contribution. With particular reference to this agency which is still under the ten per centum requirement: Our Level of Approved programming is $91,000. Ten per cent of $91,000 is $9,100. Obtaining $4,500 in cash would be simply impossible. Thus, approximately 24,000 low-income persons in the four counties of Benton, Johnson, Morgan, and Pettis would have lost representation.

I think what Congress is failing to comprehend, either through ignorance or anger, is that communities and counties are poor, just as the individual residents are poor. If this be the case, this agency and many others like it cannot expect poor counties and poor people to be able to help themselves if they initially have to raise several thousand dollars in order to "help themselves." It is idealistic to promise the constituency a car in every garage; but first the person has to have the garage.

You are cognizant of the fact that OEO has faced an overall fifteen per cent decrease in budget. Not only will this affect our operation in trying to provide education and training programs for the poor, it will require the termination of several persons who have been providing these services. If, in order to meet our budget, we find it necessary to terminate several employees, a moral decision needs to be made. The alternatives are these:

(1) We terminate several low-income persons who have not as yet received sufficient training, work experience, job direction, and earnings (such persons are quite plentiful in the labor market).

(2) We terminate professional staff who provide work experience, job direction, supervision, and training to their subordinates (these professional persons are not plentiful in the labor market).

Thus, in order to maintain our present operation, we would need approximately $104,000 per twelve months year, rather than $91,000.

With reference to CAAs being controlled by public governing bodies and not private nonprofit agencies, it would seem that we would become puppets of partisan politicians. Thus, the poor would again lose any representation they may have had. If city and county agencies have not functioned properly for the poor in the past, I fail to see why they would immediately begin serving the poor upon receipt of Federal monies.

A candid overview of this proposed amendment would indicate that Congress is more concerned with appeasing and serving the middle class. The middle class represents the majority, which is the source of a congressman's votes. The congressman may think it unnecessary and wasteful to consider the problems of the poor when, in general, the poor do not vote, and thus do not constitute a threat to the congressman's well paying job.

The above is respectfully submitted for your information and consideration.

Very truly yours,

HARDY L. COBB, *Director*.

Mrs. MINK. Mr. Chairman, there appears today in the New York Times a full-page statement entitled, "Women Support the War on Poverty." I urge my colleagues to read—and heed—its message:

> We call upon the Congress to give the Office of Economic Opportunity renewed and strengthened authority to get on with the job. It has earned this vote of confidence. It must be given the tools to make even greater progress.

Mr. Chairman, the women who endorsed this appeal to the Congress are an exceptionally outstanding group. They include representatives of different political parties and a variety of organizations—civic, educational, religious. Each of them would be part of anyone's list of the truly leading women in America today. And they are united in the belief that we, in this House of Representatives, must act with wisdom and dispatch to renew our commitment in the war on poverty.

We cannot be deaf, Mr. Chairman, to the eloquent and factual assertion by these women that:

> American women have responded to the challenge of OEO and the War on Poverty in greater numbers than any other national effort except in time of war. This humane war against poverty has moved us, has changed us, has inspired us.

Mr. Chairman, are we going to respond to the mounting appeal of this sort from around the country? Every major newspaper in the Nation has editorially implored this body to approve a strong antipoverty bill and to continue the OEO as the command post in the war on poverty. We have had similar appeals from mayors and Governors of both parties. We have the record of the House Committee on Education and Labor whose tens of dozens of witnesses made a virtually unanimous record of endorsement for OEO and its work. And we have the example of the Senate, where Members of both parties got together to approve good antipoverty legislation.

I hope we can move rapidly to renew our commitment to the poor, and I salute the women whose New York Times statement has reminded this Congress of the productive partnership which has evolved between war on poverty programs and the women of America.

With unanimous consent, I include at this point the New York Times page to which I have referred:

WOMEN SUPPORT THE WAR ON POVERTY

The Congress is now determining the direction—perhaps the very fate—of the War on Poverty. We call upon the Congress to give the Office of Economic Opportunity renewed and strengthened authority to get on with the job. It has earned this vote of confidence. It must be given the tools to make even greater progress.

American women have responded to the challenge of OEO and the War on Poverty in greater numbers than any other national effort except in time of war. This humane war against poverty has moved us, has changed us, has inspired us.

Take WICS, for example. Thousands of women have given their time and their heart to Women In Community Service, formed by four national women's organizations, in order to help seek out disadvantaged girls in the 16 to 21 age group who need the "Human Renewal" Program of the Women's Job Corps. Thousands of these girls have now been recruited, trained, motivated, placed and started on the road of self-sufficiency. Some are working as secretaries or airline hostesses or computer operators. Some are seving in the Armed Forces of their country. And many are now at home, better equipped to raise the families they are starting.

Take Head Start, for another. Hundreds of thousands of women have already had the excitement of participation as volunteers in this program for pre-school children from poor families. This program has already reached about 1½ million children and many of their parents.

And much more, too. Women have given opportunities for service in Consumer Education Programs, Legal Services, Health Centers, Neighborhood Youth Corps, and others.

OEO has made this service possible. It has been the articulate champion of the poor. And it has given the poor a voice and a role in their escape from poverty. It has encouraged communities and social agencies and private industry to give new opportunities to the disadvantaged. America needs the War on Poverty. The War on Poverty needs OEO.

Carlyn E. Agger, Attorney at Law; Lauren Bacall, Mrs. Herman Badillo, Mrs. Harry Belafonte, Mrs. Bruce Benson, Second Vice President, League of Women Voters of the U.S.; Mrs. Leonard Bernstein, Dorothy Dulles Bourne (Mrs. James R.).

Sarah Caldwell, Artistic Director, American National Opera Company; Mrs. Scott Carpenter, Carol Channing, Julia Childs, Mrs. Robert Claytor, President, YWCA of the USA; Sister Corita.

Marian Ruth Crown (Mrs. Alfred), Helen Frankenthaler, Eleanor Clark French, Mrs. Fred R. Harris, President, Oklahoma for Indian Opportunity; Dorothy I. Height, President, National Council of Negro Women, Inc.; Lillian Hellman.

Mrs. Sidney Hillman, Mrs. Hal Holbrook, Ruth Grigg Horting, Executive Council of the Lutheran Church; Mrs. Jacob K. Javits, Mrs. Marcus Kilch, Past President, Women in Community Service, Inc.; Mrs. Martin Luther King, Jr., Mrs. Elizabeth Koontz, President-Elect, National Education Association.

Mrs. Burton Lane, Mrs. Mary K. Lasker, Mrs. Robert S. McNamara, Mrs. Robert J. Mangum, Mrs. John A. McCone, Phyllis McGinley, Dina Merrill.

Senator Maurine Neuberger, Chairman, Citizens Advisory Council on the Status of Women; Mrs. Harold Prince, Dr. Dixy Lee Ray, Director, Pacific Science Center Foundation; Muriel Resnik, Mrs. Louis J. Robbins, President, National Council of Women of the U.S.

Mrs. Winthrop Rockefeller, Mrs. A. M. G. Russell, Chairman, California State Commission on the Aging; Mrs. John D. Shields, President, National Council of Catholic Women; Cornelia Otis Skinner, Marie Therese Squerciati, Maureen Stapleton.

Mrs. Stanley Madeline Steingut, Mrs. Robert J. Stuart, President, League of Women Voters of the U.S.; Geraldine Stutz, President Henri Bendel's; Mrs. Marietta Tree, Mrs. D'Jaris Watson.

Mary Wells, President, Wells, Rich, Greene, Inc.; Mrs. Eric Wentworth, Founder, Plymouth Heritage Trust, Mrs. Joseph R. Wilder, Mrs. Joseph Willen, Past President, National Council of Jewish Women; Joanne Woodward, Mrs. Sherry Lafolette Zabriskie.

Mr. TENZER. Mr. Chairman, during the 90th Congress we debated some of the most frustrating and difficult problems in the history of the Nation—the Vietnam conflict, riots in our cities, and the huge budget deficit to mention just a few.

Yet despite these problems, we must continue to work to effect those changes so essential to the continued progressive development of our Nation—with its 200 million population. One such change is the war on poverty.

It should not be particularly surprising that poverty exists, or that a country otherwise prosperous, counts the very poor among its citizens. One out of every five Americans is nearly as bad off as if he and his family lived in one of the backward or underdeveloped countries. One out of every five Americans lives in a family unit where the average annual income is less than $3,000, where—on less than $250 per month—families must pay for food, shelter, clothing, medical care, and all other family needs.

Thus, there was little doubt in 1964 when the Economic Opportunity Act became law that there was an urgent need for a war on poverty; there is less of a doubt now. That is why passage of the Economic Opportunity Amendments of 1967 is so important. By this legislation, we can demonstrate that we can wage a war on poverty—and succeed.

What is most unusual is that poverty exists in America—the richest nation in the world. It should be alleviated and eventually brought under control.

In many sections of our country, individual projects authorized by the Economic Opportunity Act of 1964, have made an impact on the community by affording economic opportunities to individuals who previously had no such opportunity or chance to participate in job training or education program. The excellent results of EOC's nonpartisan and bipartisan program to combat poverty and eliminate unemployment, not only deserve widespread attention, but also our united and bipartisan support in the House. At a time when Members of the 90th Congress are concerned about reducing nonessential expenditures, I urge my colleagues to exclude from the category of nonessential expenditures those programs designed to meet human needs in the fields of health, education, and the war on poverty. These programs enacted by the 90th Congress must be reexamined, improved, and the good ones extended.

Some Republicans on the House Education and Labor Committee have proposed broad changes in the antipoverty program, including the shift to other existing Government agencies of many programs currently administered by the Office of Economic Opportunity. I will not support such a move which would have the effect of weakening the war on poverty.

This year I voted to cut the NASA and public works appropriation for development of a supersonic transport. Now I am engaged in efforts to defeat the proposed 10-percent tax surcharge unless and until we place a tax on loophole income and reach those who avoid their contribution to the Nation's obligations through various tax loopholes. Notwithstanding the fact that I have differed with the administration on these issues, I consider the war on poverty an essential domestic program.

I also wish to express my continued concern over the decline in the number of business loans approved by the Small Business Administration last year. While New York State and Nassau County loans dropped to an alarming low, there was also a marked nationwide downward trend.

I have been a consistent supporter of efforts to strengthen the SBA, and I have opposed efforts to transfer SBA as an independent agency to the Commerce Department. In order to pinpoint the reasons for the decline in SBA loans and to assure that this trend will be reversed, I have called for a full-scale inquiry by the House Select Committee on Small Business.

The Economic Opportunity Amendments of 1967 contain a number of provisions in title IV which would place functions normally handled by the SBA under the jurisdiction of the Secretary of Commerce.

Under section 406 of the proposed Economic Opportunity Amendments of 1967, the Secretary of Commerce would be authorized to provide technical and management training assistance to private and public organizations to assist individuals or enterprises eligible for small business economic opportunity loans. The Small Business Administration has done a fine job in carrying out its authority in the area of poverty loans to small businesses and the SBA should continue to expand its activity in this area.

The SBA has a major role to play in eliminating slums in our cities across this Nation and that objective can best be served by expanding the existing authority and expertise of SBA, rather than requiring a joint program and overlap of responsibilities with the Commerce Department.

The SBA's strength stems from its independence as an agency which speaks for the 5 million small businessmen of America. The Congress has already made clear its opposition to efforts to transfer the SBA to the Commerce Department. That congressional opposition cannot be diminished by indirect steps to accomplish the same objective.

Since Congress rejected the reorganization proposal concerning the SBA, the agency has found some rough sledding with the Bureau of the Budget and its business loan program has declined sharply. A priority system on business loans has been imposed which discriminates against the small businessman who cannot obtain bank financing and who cannot assure the SBA that he will hire additional employees from the ranks of the unemployed.

For that reason I have proposed the elimination of the SBA priority system. For the same reason it is important to separate the regular business loan program of SBA from its responsibilities in the area of economic opportunity loans.

There is a job to be done—we must help the disadvantaged lift themselves out of the ghettos of America. This is a job of human renewal. There is a job to be done in stimulating small business activity and free enterprise in our low-income areas and pockets of poverty. But there is also a mandate from Congress to the SBA to help the average small businessman who cannot get bank financing—whether he falls within the poverty definitions of the law or is a middle-class businessman in need of assistance.

The provisions of section 406 of the economic opportunity amendments would merely cloud the issue by placing the Commerce Department in charge of certain responsibilities which should be handled by SBA.

I urge my colleagues to support an amendment which would substitute SBA for the Commerce Department in section 406.

In addition, I urge my colleagues to review the activities of the SBA in their congressional districts and in their regions to determine whether additional steps can be taken to strengthen this agency. I will introduce legislation early in the second session of the 90th Congress to eliminate the priority loan system and to require a more equitable distribution of SBA loans among the 50 States.

These changes in the present loan regulations and allocation procedures of SBA would strengthen the SBA as an independent voice for the small businessman. Other steps should also be considered and I hope that a dialog on this subject in the next session of Congress will produce the desired results.

One of OEO's antipoverty programs is Project Headstart. This program has already supplied more than 1.5 million preschool children from poor families with a stimulating educational and cultural experience and, in addition, provided them with medical, dental, and nutritional care. One might hear occasionally that Headstart represents an unnecessary giveaway, a frill for the children of the poor; to that I say, recall the saying that "as the twig is bent, so grows the tree"—and reflect on the fact that in every group of Headstart children 90 percent will never have had a medical examination, some will be found to have active tuberculosis, 4 percent will be discovered to be partially blind, 15 percent will reveal some sort of eye difficulties, 10 percent will turn out to be partially deaf, and 50 percent will have no record of tetanus or diphtheria immunizations.

OEO programs have stimulated local initiative in the war on poverty—Job Corps, VISTA volunteers, Project Upward Bound, and others.

The House Education and Labor Committee has recommended $2,060,000,000 for the antipoverty program. I urge my colleagues to resist efforts to reduce this minimum support for an essential program.

Mr. Chairman, last week I was privileged to transmit to my colleagues a message from representatives of agencies and organizations with millions of members in all sections of the country. I want to read the message at this point in the debate on this important legislation:

A MESSAGE TO MEMBERS OF CONGRESS

As representatives of agencies and organizations with millions of members in all sections of the country, we call upon the House of Representatives to reject any efforts to cripple the anti-poverty program by cutting the authorization below $2.06 billion annually or by accepting disabling amendments or substitutions.

The debate now going on in the House of Representatives must not result in abandonment or emasculation of the anti-poverty program.

By enacting the Economic Opportunity Act, our government and the American people gave its citizen poor a solid basis for hope and opportunity. Today we stand at the crossroads of our moral commitment to eliminate poverty from our society. Our nation has the resources. We call upon Congress to keep faith with its past commitments.

Failure to move forward vigorously will bring disenchantment and despair to the poor and will lead to further agitation and social unrest.

With this appeal we pledge our continuing support to an aggressive national effort to achieve full opportunity and social justice for all our people.

The above statement was adopted by the following national agencies and organizations November 9, 1967 at a meeting in the Hotel America, Washington, D.C.

Interreligious Committee Against Poverty; League of Women Voters; United Church Women; National Council of Catholic Women; National Association for Community Development; American Federation of Labor-Congress of Industrial Organizations; Citizens' Crusade Against Poverty; Industrial Union Division-AFL-CIO.

The message I have just read is the combined voice of the representatives of the three great religious faiths in America—the League of Women Voters—and the AFL-CIO. It is a united cry for justice on behalf of the poor and appeal for full opportunity and social justice for all people.

The Members of Congress should not be found wanting in answering this appeal to conscience. The cry for justice in behalf of the poor, the underprivileged, the undereducated, the socially deprived must not go unanswered.

Mr. Chairman, the only way to end the war on poverty is to end poverty itself. If the future of the antipoverty effort is to be assured; if the war on poverty is to continue to be waged until the ultimate victory pledged by the Congress in 1964, then Congress must reaffirm its original commitment this year by rejecting a variety of proposals aimed at calling for a retreat from the battlefield.

AN APPEAL FROM A HEADSTART MOTHER

Mr. Chairman, the attempts to cutback on the war on poverty funds has sounded an alarm and struck fear in the hearts of those who are deeply committed and directly involved in the effort to strike at the causes of poverty at the grassroots level.

In Nassau County, N.Y., more than 34,000 persons have participated in some aspect of the war on poverty. There are thousands who have volunteered their services and are committed to every attempt to help the disadvantaged help themselves and to reduce our welfare rolls by devoting our resources to making taxpayers out of tax-eaters.

I recently received a letter from the mother of twin boys—4 years old—who participate in the full-day Headstart center program at Long Beach, N.Y. I know that the views and the cry for justice expressed in this letter from Mrs. Joan Grohosky will shed some light on the debate in the House of Representatives this week on the proposed Economic Opportunity Act Amendments of 1967.

So that my colleagues in the House may also hear the cry for justice—to help eliminate poverty in our midst—I am placing the text of Mrs. Grohosky's letter in the RECORD at this point:

LONG BEACH, N.Y.,
November 11, 1967.

DEAR CONGRESSMAN TENZER: I'm writing this letter on behalf of the parents of the more than three hundred children enrolled in the ten full day Headstart Centers program in Nassau County, New York. We want to beg you to do your best to see that our Centers aren't closed. Congress is trying to cut back 25% of the money we need to keep going. If Congress does this they will be cutting children—not just a program. They will be killing the hope that has grown in the hearts of countless thousands of families that have been helped by Nassau's Anti-Poverty programs.

I have twin boy's 4 yrs. old in the full day, Headstart Center program in the City of Long Beach in Nassau County. Since my boys have been in the program, I've seen them grow, and get a real Headstart on life and I've been able to get a job and build a better life for them. Please don't let Congress kill our hopes. Don't put us back where we were.

At a rally yesterday 600 Nassau parents and children lit vigil candles. These candles will burn in our Anti-Poverty and Head Start Centers until Congress grants us the money needed to keep our hope alive; please help us keep this light of hope burning. It is better to light one candle than curse the darkness.

Sincerely yours,
MRS. JOAN GROHOSKY.

Mr. Chairman, the Nassau County Economic Opportunity Commission has published a progress report covering its operations during the period October 1, 1966, to May 31, 1967. The significant theme of the progress report is the growing participation in the local war on poverty programs by people committed to the goal of helping the disadvantaged help themselves.

I place in the RECORD at this point, the text of the progress report so that my colleagues may review the scope and seriousness of purpose of our local efforts to win the war on poverty:

PROGRESS REPORT

(Economic Opportunity Commission, Nassau County, October 1, 1966, to May 31, 1967)

In Nassau County, over thirty-four thousand persons have participated in one or more activities under the Economic Opportunity Act of 1964 during the period October 1966 to May 1967. This number includes an approximation of the number of persons involved in the more indirect activities such as serving on: the Economic Opportunity Commission, Community Councils, Executive Boards or special committees or sub-committees. It also includes an estimation of persons who have participated in special lectures, seminars or workshops run or sponsored by "anti-poverty" organizations or their staff members. While it is difficult to quantify the exact number of persons involved in the areas just mentioned, cognizance of their contributions must be taken into consideration.

The thirty-four thousand plus includes two types of direct service. The first consisting of Countywide services such as the Small Business Development Center (SBDC), Students Together and the Law Services Committee. The second general type of direct service includes the programs operated by the Neighborhood Service Centers.

Countywide services rendered include 704 persons who availed themselves of services provided by the SBDC. These services included aid in obtaining loans and the dissemination of other pertinent business information. Students Together has provided tutorial services for 259 students. In addition, the Law Services Committee has provided legal service in civil cases for 1331 clients. This case count includes consumer, administrative, housing, family and miscellaneous cases.

During the period October 1966 to May 1967, the number of operative Neighborhood Centers increased from five to ten. All of these agencies provided varying types and degrees of services to the target area population in their respective communities. In spite of the fact that these services varied, they can be broadly divided into Enrollment, Full Year Head Start and Direct Services.

Enrollment services include tutorial programs and CAA operated skills programs. These services had 668 participants during the period. Volunteers from the communities have provided another type of service to the communities. To the end of May, 308 volunteers have been involved in enrollment programs.

Full year Head Start has enrolled one hundred and eighty-nine children in operative centers. Again, a large number of neighborhood residents have been used as volunteers in the implementation of these programs. The ongoing Full Year Head Start programs have involved 226 volunteers in their operation.

Direct services to the participant population include such things as employment, housing, family work services, etc. In the area of employment, 2847 people have participated, 2673 have been counselled and 1187 job placements have been accomplished. Consistent with their function of cooperating with other agencies, the employment programs have made 1508 referrals to other agencies for training and employment purposes. The housing programs exhibit the same general type breakdown: 1252 participants, 1093 participants counselled, 311 referrals to other agencies and 287 placements. Family service constitutes another large area of direct service. The nature of family service does not necessarily lend itself to placements. However, these programs have provided service for 4611 participants of which 2085 have been counselled and 2043 have been referred for service outside of the CAA's.

In order to present a more comprehensive picture of the overall function of the CAA, one additional category of service must be included. This is the area of Neighborhood Organization. While it is difficult to enumerate the total number of participants involved, it should be noted that the CAA's have initiated or revitalized 52 neighborhood organizations. The goals of these programs vary widely but they bear the common trait of either the sponsorship or the support of a CAA. Based on a statistical approximation of the number of participants involved, the number is slightly in excess of 7600 people.

Mr. Chairman, in Nassau County—one of the richest counties in the United States—there are pockets of poverty where the disadvantaged need assistance and encouragement. There are more than 1,450,000 persons residing in the county of Nassau, and the war on poverty has provided less than $1 per person to attack this problem.

The following chart indicates the comparative budgets of neighborhood service centers for the program year, August 1, 1967, to July 31, 1968, under the community action program:

NASSAU COUNTY COMMUNITY ACTION PROGRAM—COMPARATIVE BUDGETS OF NEIGHBORHOOD SERVICE CENTERS FOR PROGRAM YEAR AUG. 1, 1967, THROUGH JULY 31, 1968

	Personnel	Consultant contract service	Travel	Space costs and rentals	Consumable supplies	Rental, lease-purchase of equipment	Other costs	Total cost	Non-Federal share	Federal request
Nassau County	$216,933	$2,000	$4,310	$6,000	$5,120	$1,140	$7,730	$243,233	....	$243,233
Five Towns	172,999	4,450	3,400	10,500	3,200	(1)	8,450	202,999	$27,500	167,474
Freeport	81,407	(1)	2,160	3,447	1,635	219	5,404	94,272	16,498	77,774
Glen Cove	98,414	17,280	1,561	13,950	2,869	578	4,332	138,984	31,808	107,176
	[2] 32,928	1,500	(1)	(1)	(1)	(1)	(1)	34,428	5,546	28,882
Hempsted	91,077	1,500	1,080	2,400	920	(1)	2,700	99,677	13,120	86,557
Long Beach	162,678	15,320	3,240	14,000	4,440	1,440	10,095	211,213	36,930	174,283
Manhasset-Great Neck	81,871	640	1,632	19,168	2,245	5,789	4,890	116,235	23,677	92,558
	[2] 47,513	3,920	450	(1)	500	(1)	1,400	53,783	3,520	50,293
Port Washington	46,251	11,430	606	7,600	1,255	300	2,190	69,632	10,630	57,447
Roosevelt	73,218	850	1,080	4,200	1,395	(1)	3,720	84,463	3,000	81,453
Rockville Centre	125,684	600	4,460	8,477	2,395	260	4,720	146,596	38,447	108,195
Westbury	103,226	9,046	1,200	11,024	2,229	90	3,660	130,475	25,416	105,059
Total	1,334,199	68,536	25,179	100,766	28,203	9,816	59,291	1,625,990	236,092	1,380,364

[1] Not available.

[2] Figures for family assistance or referral units.

Mr. Chairman, the efforts of some to cut the poverty program under the guise of economy must be defeated if we are to continue to wage and win the war on poverty. Many of these same individuals support without blinking an eye, such programs as spending $5 billion on space, some parts of which can be deferred; a supersonic transport program, which will cost our Government $4 billion plus and which should be postponed at least until we know the answers to the sonic boom problem; a public works appropriation bill of $4.5 billion or more, a great deal of which could wait until the war in Vietnam is over and the manpower shortage in skilled labor is at an end. Once again I say that we need a reassessment of our priorities, and upon such a review we should place the war on poverty high on the list.

I urge my colleagues to resist those efforts and to support the Economic Opportunity Act Amendments of 1967.

Mr. VANIK. Mr. Chairman, a few moments ago, I spoke in opposition to the Goodell amendment which would critically cut back the antipoverty program which is so essential to my community.

Yesterday, Mayor-elect Carl B. Stokes, of the city of Cleveland, stated that cuts in the Federal antipoverty program would be "a major menace to the future of Cleveland and the Nation." He stated that the cutback would be a "body blow to our efforts to help human beings rise above the poverty level in Cleveland and throughout the Nation."

The Cleveland Plain Dealer, in an editorial on Sunday, November 12, 1967, urged that the "United States should not surrender in the war against poverty."

Following is a copy of the news story which appeared in the masthead in the Cleveland Plain Dealer of November 12. Also following is a Cleveland Plain Dealer editorial of that same date:

Stokes Fights for Poverty Aid

Carl B. Stokes does not become Cleveland mayor until tomorrow but already he has gone to bat for the poor as he promised to do in the recent election.

He joined the battle yesterday to save the federal antipoverty bill, which is in trouble in the House.

He called a contemplated cut in the program a major menace to the future of Cleveland and the nation and pointed out that Cleveland would lose $5 million a year in poverty aid. This would be a severe blow to the poor.

Stokes urged congressmen to retain a vigorous war on poverty. Thousands of Cleveland voters, including many who preferred his opponent in the mayor's race, would join him in this plea.

Some congressmen are playing political ping-pong with the poor.

The effort to dig down to the roots of poverty and to wipe it out is a national effort. The White House, the Congress and the people committed themselves to that effort just two years ago.

This Office of Economic Opportunity experiment is barely lifting off the pad. This is no time to abort the test flight.

And yet Republican congressmen like William H. Ayres of Akron want to slash it down to half size by cutting its funds to $1.2 billion a year.

And Democrats like Edith Green of Oregon want to harness its community action programs and put the reins in the hands of local elected officials. They want to forbid antipoverty workers to put on voter registration drives (though they are supposed to inspire the nonparticipating poor to become active citizens).

One reason why there is a federal war on poverty is because local elected governments have not solved poverty.

"Welfarism," the standard brand of dole punctuated by spasmodic checkups to "scrape chiselers off the relief rolls," obviously has not rehabilitated the hard core poor.

That is exactly why community action programs should not be put under the thumb of local politicians, who might well stifle or even squash them.

Some congressmen also want to require that local governments put up 20% of the cost of any community action program, half in cash. Any mayor or commissioner who wants to kill an action program in a poor neighborhood can twist the handle on the money spigot and dry it up.

Then the poor would be forced—as they were in the past—to wait out that elected official's term and find some candidate to run against him, in order to revive their dead program.

All this is folly. If congressmen want to kill the OEO, they should move to kill it straightforwardly. They should not cripple it by inches.

But not even the critics dare to say the U.S. should surrender in the war against poverty and go crawling away defeated.

If they have a better battle plan, let them go out and prove it is better. If not, the statesmanlike thing to do is to improve the present experiment and to keep it rolling forward.

Stokes Rips Cut in Aid to Poor

Mayor-elect Carl B. Stokes yesterday warned that cuts in the federal antipoverty program would be "a major menace to the future of Cleveland and the nation."

Stokes was referring to a threatened $1.2 billion cut in the Office of Economic Opportunity (OEO) appropriation which will be taken up by the House tomorrow. A House amendment would slash the $2.06-billion appropriation already approved by the Senate.

Stokes, who issued his statement in Miami Beach, Fla., said he had been informed by Sargent Shriver, director of OEO, that such a reduction might cost Cleveland as much as $5 million in antipoverty funds next year.

Stokes, who is on a brief vacation before taking office tomorrow, said he was speaking out "because of the seriousness of the emergency and nature of the situation."

Stokes pointed out that OEO allocations to Cleveland for fiscal year 1967 totaled more than $10.5 million; over the last three years they have totaled nearly $26 million.

If Congress slashes the appropriation, antipoverty funds for Ohio probably would be reduced from $63.5 million to $32.6 million, Stokes said.

"This would be a body blow to our efforts to help human beings rise above poverty level in Cleveland and throughout the nation," Stokes said.

"I appeal to all members of Congress, Democrats and Republicans, to place people above politics and vote for the full appropriation requested by President Johnson."

"It is far cheaper and wiser in the long run to help people on the poverty level to become self-sufficient members of the community than to ignore them and permit misery and hopelessness to fester into critical proportions that might menace our entire social and economic structure," he said.

Stokes said that many commentators had hailed his election as an indication that "new hope" had been kindled among the poor in American cities.

"However," he continued, "Sen. Edward Brooke, Massachusetts Republican, has said that the hungry, the unemployed, and those living in deplorable conditions will take little hope from election victories such as mine if the antipoverty program is scuttled."

The Mayor-elect claimed bipartisan support for his viewpoint.

"In Ohio, for example, the Republican mayors of Akron, Canton, Dayton and Toledo have joined the Democratic mayors of our state in demanding that Congress continue and expand all the present antipoverty programs," he said.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

WORK AND TRAINING PROGRAMS

SEC. 102. Parts B and D of title I of the Economic Opportunity Act of 1964 are consolidated as a new part B of such title and amended to read as follows:

"PART B—WORK AND TRAINING FOR YOUTH AND ADULTS

"STATEMENT OF PURPOSE

"SEC. 120. The purpose of this part is to provide useful work and training opportunities, together with related services and assistance, that will assist low-income youths to continue or resume their education, and to help unemployed or low-income persons, both young and adult, to obtain and hold regular competitive employment, with maximum opportunities for local initiative in developing programs which respond to local needs and problems, and with emphasis upon a comprehensive approach which includes programs using both public and private resources to overcome the complex problems of the most severely disadvantaged in urban and rural areas having high concentrations or proportions of unemployment, underemployment, and low income.

"COMMUNITY PROGRAM AREAS AND COMPREHENSIVE WORK AND TRAINING PROGRAMS

"SEC. 121. (a) The Director shall designate or recognize community program areas for the purpose of planning and conducting comprehensive community work and training programs.

"(b) For the purpose of this title, a community may be a city, county, multicity, or multicounty unit, an Indian reservation, or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organizational base and possesses the commonality of interest needed for a comprehensive work and training program. The Director shall consult with the heads of other Federal agencies responsible for programs relating to community action, manpower services, physical and economic development, housing, education, health, and other community services to encourage the establishment of coterminous or complementary boundaries for planning purposes among those programs and comprehensive work and training programs assisted under this title.

"(c) A comprehensive work and training program must seek to provide participants an unbroken sequence of services which will enable them to obtain and hold employment. It shall provide a systematic approach to planning and implementation including the linkage of relevant component programs authorized by this Act with one another and with other appropriate public and private programs and activities. It shall also provide for evaluation.

"PRIME SPONSORS AND DELEGATE AGENCIES

"SEC. 122. (a) For each community program area, the Director shall recognize a public or private nonprofit agency which shall serve as the prime sponsor to receive funds under section 123 (except as otherwise provided in section 123(c)). This agency must be capable of planning, administering, coordinating, and evaluating a comprehensive work and training program.

"(b) The prime sponsor shall provide for participation of employers and labor organizations in the planning and conduct of the comprehensive work and training programs.

"(c) The prime sponsor shall be encouraged to make use of public and private organizations as delegate agencies to carry out components of the comprehensive work and training program, including without limitation agencies governed with the participation of the poor and other residents of the neighborhoods or rural areas served, educational institutions, the public employment service, the public welfare agency, other health and welfare agencies, private training institutions, and other capable public and private organizations.

"(d) The prime sponsor and delegate agencies shall provide for participation of residents of the area and members of the groups served in the planning, conduct, and evaluation of the comprehensive work and training program and its components. Such persons shall be provided maximum employment opportunity in the conduct of component programs, including opportunity for further occupational training and career advancement.

"(e) The Director shall prescribe regulations to assure that programs under this part have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

"ELIGIBLE ACTIVITIES

"SEC. 123 (a) The Director may provide financial assistance in urban and rural areas for comprehensive work and training programs or components of such programs, including the following:

"(1) programs to provide part-time employment, on-the-job training, and useful work experience for students from low-income families who are in the ninth through twelfth grades of school (or are of an age equivalent to that of students in such grades) and who are in need of the earnings to permit them to resume or maintain attendance in school;

"(2) programs to provide unemployed, underemployed, or low-income persons (aged sixteen and over) with useful work and training (which must include sufficient basic education and institutional or on-the-job training) designed to assist those persons to develop their maximum occupational potential and to obtain regular competitive employment;

"(3) special programs which involve work activities directed to the needs of those chronically unemployed poor who have poor employment prospects and are unable, because of age, lack of employment opportunity, or otherwise, to secure appropriate employment or training assistance under other programs, and which, in addition to other services provided, will enable such persons to participate in projects for the betterment or beautification of the community or area served by the program, including without limitation activities which will contribute to the management, conversation, or development of natural resources, recreational areas, Federal, State, and local government parks, highways, and other lands;

"(4) special programs which provide unemployed or low-income persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or area served in fields including without limitation health, education, welfare, neighborhood redevelopment, and public safety, which provide maximum prospects for advancement and continued employment without Federal assistance, which give promise of contributing to the broader adoption of new methods of structuring jobs and new methods of providing job ladder opportunities, and which provide opportunities for further occupational training to facilitate career advancement;

"(5) special programs which concentrate work and training resources in urban and rural areas having large concentrations or proportions of low-income, unemployed persons, and within those rural areas having substantial outmigration to urban areas, which are appropriately focused to assure that work and training opportunities are extended to the most severely disadvantaged persons who can reasonably be expected to benefit from such opportunities, and which are supported by specific commitments of cooperation from private and public employers;

"(6) supportive and follow-up services to supplement work and training programs under this or other Acts including health services, counseling, day care for children, transportation assistance, and other special services necessary to assist individuals to achieve success in work and training programs and in employment;

"(7) employment centers and mobile employment service units to provide recruitment, counseling, and placement services, conveniently located in urban neighborhoods and rural areas and easily accessible to the most disadvantaged;

"(8) programs to provide incentives to private employers, other than nonprofit organizations, to train or employ unemployed or low-income persons, including arrangements by direct contract, reimbursements to employers for unusual training costs for a limited period when an employee might not be fully productive, payment for on-the-job counseling and other supportive services, payment of all or part of employer costs of sending recruiters into urban and rural areas of high concentrations or proportions of unemployed or low-income persons, and payments to permit employers to provide employees resident in such areas with transportation to and from work or to reimburse such employees for such transportation: *Provided*, That in making such reimbursements to employers the Directors shall assure that the wages paid any employee shall not be less than the minimum wage which would be applicable to employment under the Fair Labor Standards Act of 1938 if section of such Act applied to the employee and he was not exempt under section 13 thereof; and

"(9) means of planning, administering, coordinating, and evaluating a comprehensive work and training program.

"(b) Commencing July 1, 1968, all work and training component programs conducted in a community under this section shall be consolidated into the comprehensive work and training program and financial assistance for such components shall be provided to the prime sponsor unless the Director determines there is a good cause for providing an extension of time, except as otherwise provided by subsection (c). After that date, the work and training components of programs authorized by section 502 of this Act and by section 261 of part E of title II of the Manpower Development and Training Act of 1962 shall to the maximum extent feasible be linked to the comprehensive work and training program, including funding through the prime sponsor where appropriate.

"(c) The Director may provide financial assistance to a public agency or private organization other than a prime sponsor to carry out one or more component programs described in subsection (a) when he determines, after soliciting and considering comments of the prime sponsor, if any, that such assistance would enhance program effectiveness or acceptance on the part of persons served and would serve the purposes of this title. In the case of programs under subsection (a)(1) of this section, financial assistance may be provided directly to local or State educational agencies pursuant to agreements between the Director and the Secretary of Labor providing for the operation of such programs under direct grants or contracts.

"SPECIAL CONDITIONS

"SEC. 124. (a) The Director shall not provide financial assistance for any program under this part unless he determines, in accordance with such regulations as he may prescribe, that—

"(1) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

"(2) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

"(3) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

"(4) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants.

"(b) For programs which provide work and training related to physical improvements, preference shall be given to those improvements which will be substantially used by low-income persons and families or which will contribute substantially to amenities or facilities in urban or rural areas having high concentrations or proportions of low-income persons and families.

"(c) Programs approved under this part shall, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement.

"(d) Projects under this part shall provide for maximum feasible use of resources under other Federal programs for work and training and the resources of the private sector.

"PROGRAM PARTICIPANTS

"SEC. 125. (a) Participants in programs under this part must be unemployed or low-income persons. The Director, in consultation with the Social Security Administrator, shall establish criteria for low income, taking into consideration family size, urban-rural and farm-nonfarm differences, and other relevant factors. Any individual shall be deemed to be from a low-income family if the family receives cash welfare payments.

"(b) Participants must be permanent residents of the United States or of the Trust Territory of the Pacific Islands.

"(c) Participants shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employment benefits.

"ELDERLY

"SEC. 126. The Director shall provide that programs under this part shall be designed to deal with the incidence of long-term unemployment among persons fifty-five years and older. In the conduct of such programs, the Director shall encourage the employment of such persons as regular, part-time, and short-term staff in component programs.

"PILOT PROJECTS

"SEC. 127. (a) The Director may provide financial assistance to public or private organizations for pilot projects which are designed to develop new approaches to further the objectives of this part. Such projects may be conducted by public agencies or private organizations.

"(b) The Director shall undertake pilot projects designed to encourage the maximum participation of private employers, other than nonprofit organizations, in work and training programs under this part.

"(c) Before the Director may approve a pilot project, he shall solicit and consider comments on such projects from the prime sponsor, if any, in the community where the project will be undertaken.

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 128. The Director may provide (directly or through contracts or other appropriate arrangements) technical assistance to assist in the initiation or effective operation of programs under this part. He may also make arrangements for the training of instructors and other personnel needed to carry out work and training programs under this part. He shall give special consideration to the problems of rural areas.

"ROLE OF THE STATES

"SEC. 129. The Director may provide financial assistance to appropriate State agencies to—

"(1) provide technical assistance and training, as authorized by section 128, with particular emphasis upon service to rural areas and for this purpose preference shall be given to the State agency which administers programs assisted by section 231;

"(2) assist in coordinating State activities related to this part;

"(3) operate work and training programs in communities which have not yet established an acceptable prime sponsor; and

"(4) provide work and training opportunities on State projects and in State agencies: *Provided*, That these opportunities shall be made available to participants in community work and training programs.

"EQUITABLE DISTRIBUTION OF ASSISTANCE

"SEC. 130. Of the sums appropriated or allocated for any fiscal year for programs authorized under this title, the Director shall reserve not to exceed 20 per centum for the purpose of carrying out section 123(a)(5); but not more than 12½ per centum of the funds so reserved for any fiscal year shall be used within any one State. With respect to the remaining funds appropriated or allocated to carry out the provisions of section 123, the Director shall establish criteria designed to achieve an equitable distribution of assistance among the States. In developing those criteria, he shall consider, among other relevant factors, the ratios of population, unemployment, and family income levels.

"LIMITATIONS ON FEDERAL ASSISTANCE

"SEC. 131. Federal financial assistance to any program or activity carried out pursuant to section 123 of this part shall not exceed 90 per centum of the cost of such program or activity, including costs of administration. The Director may, however, approve assistance in excess of that percentage if he determines, pursuant to regulations establishing objective criteria for such determinations, that this is necessary in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. If in any fiscal year, a community provides non-Federal contributions under this title exceeding its requirements under this section, such excess may be used to meet its requirements for such contributions under section 223(c).

"PROGRAM DATA AND EVALUATION

"SEC. 132. (a) The Director shall provide for the development and implementation of a program data system consistent with similar data systems for other relevant Federal programs. Such data shall be published periodically.

"(b) The Director shall provide for the continuing evaluation of the programs under this part, including their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for the delivery of services, and he shall arrange for obtaining the opinions of participants about the strengths and weaknesses of the programs. This evaluation shall include comparisons with proper control groups composed of persons who have not participated in such programs, and shall seek to develop comparative data on the costs and benefits of work and training programs authorized by this Act and by other Acts, including the Manpower Development and Training Act of 1962. He may, for this purpose, contract for independent evaluations of such programs or individual projects. The results of such evaluations shall be included in the report required by section 608.

"(c) The Director shall develop and publish standards for evaluation of program effectiveness in achieving the objectives of this title. Such standards shall be considered in deciding whether to renew or supplement financial assistance provided by sections 123, 128, and 129."

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that the section be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. GOODELL. Mr. Chairman, reserving the right to object, I wish to protect my right to offer an amendment. I have a substitute to offer to part B, and as I understand this part B will be considered as having been read.

Mr. PERKINS. Yes, that is correct. Let me ask the gentleman if there are any more amendments to the Job Corps from the minority?

The CHAIRMAN. The Chair will state to the distinguished gentleman from Kentucky that we have already passed the Job Corps. We are now on section 102 of the bill which ends on page 168.

Mr. PERKINS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2388) to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act, and for other purposes, had come to no resolution thereon.

A MILITARY OFFICER SPEAKS OUT ON VIETNAM

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, several days ago I issued a call for veterans of the Vietnam conflict to advise me of their availability to attend a meeting where all might express their views on America's involvement in the war and all its implications.

After attending briefings by the President, State Department, and by high-ranking officers and civilians of the Defense Department, I am convinced that there will remain a vital information gap until we hear from local officers and men who served in the Vietnam campaign and are now free to discuss their experiences and their ideas.

I have received a letter from a serviceman who is not privileged to make public his own feelings about the hostilities that are taking such a heavy toll of our fighting forces, but who felt an obligation to report to his Representative in Congress on changes of policy that could, in his view, lead to a savings in both American lives and American money. Since the missive contains no security violation, I include the full text to be printed in the CONGRESSIONAL RECORD—except that his name and billet are omitted for obvious reasons.

My correspondent is convinced that the U.S. military effort should be continued in Vietnam, but objects to the restraint imposed upon our fighting forces to the advantage of the enemy. It will be important to obtain the opinions of those who preceded this young hero on the battlefield and have had an opportunity to follow the conduct of the war from a stateside vantage point after completing their military service.

All Members of Congress will appreciate the recommendations for reducing waste that are contained in the letter from the dedicated soldier who has taken time to write in the interest of his country. I trust that immediate action to remedy the situation will be forthcoming.

No doubt, others who have served in Vietnam have ideas on how the cost of the campaign can be reduced, and Congress should welcome all such suggestions. Perhaps the meeting of Vietnam veterans who reside in Pennsylvania's 22d Congressional District will also be helpful in this respect.

The letter follows:

OCTOBER 18, 1967.

DEAR CONGRESSMAN SAYLOR: I would like to give you some idea of the feeling at the "grassroot level" or, I should say, "rice-root level." I am now serving with ——— ——— ———, U.S. Army, Republic of Viet Nam. The feeling in my unit and among the vast majority of officers and enlisted personnel that I have spoken to, outside of my unit, is that we should be in Viet Nam; we should help these people; and we should win this war! But we should not fight with one hand tied behind our back.

It is felt we should bomb anything and everything of military importance in North Viet Nam. Second, that whatever tactics that are necessary to win should be employed. This includes going into the DMZ and using non-lethal gas.

There is one area which disgusts many Americans and is worth Congressional investigation. That is the waste going on in the use of material and the misuse of funds. To give you one example, there is $10 million of mess equipment sitting in the depot which cannot be used because it is the wrong cycle. Plus there is more on the way (about 17 million). It seems to me that these contracts

> could be canceled by giving the producer his profit for the contract and stopping production (this would only work for cost plus fixed fee and cost plus percentage contracts).
>
> Another example of waste is the disposal of unusuable items such as: lumber, broken equipment and other raw materials. These things are buried in the ground and amount to 10 to 20 thousand dollars a day. The salvage rights could be contracted which would be advantageous for three reasons. First, its sale would save the taxpayers money. Second, it would put badly needed items into the Viet Nam economy (such as lumber). And last, when the Vietnamese purchase from the U.S. it takes money out of their economy, cuts down their inflation and in a small way helps our gold flow.
>
> If you decide to look into either of these matters I would appreciate my name not being used until my service obligation is completed.
>
> So in conclusion, I feel, as many others here do, that we should finish what we started, but it should be done efficiently and effectively.
>
> Sincerely,
>
> ——— ———.

SPACE COSTS ARE WORTH IT

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Speaker, the following are excerpts from a paper in defense of large investments in the American space program. It was presented last week by Princeton economics professor, Oskar Morganstern, at a meeting of the American Institute of Aeronautics and Astronautics in Anaheim, Calif.:

> Whether the goals are good, whether it is more important to explore space or the ocean or to clear slums is not an economic question. Perhaps the country can even afford all? So it is important to realize that annual space expenditure is but a fraction of one percent of G.N.P., only about four per cent of the Federal budget, only a quarter of the annual sales of General Motors, and that it costs less than two months of the war in Vietnam. Clearly, the country can afford a high degree of space exploration, even if the hopes of results are uncertain, as they must be. . . .
>
> ### ECONOMIC IMPACT
>
> First there is a conventional and needed manner of analyzing the economic impact of the space program. It consists in determining the expenditure streams of large amount of money, of analyzing their regional impact, the good and bad effects of concentration of high activity in a few highly specialized industries, of estimating the multiplier effects of money added to some regions or income groups, etc. Such analysis gives valuable information, but does not touch on many crucial matters. It could illuminate the fact, of course, that spending $5-billion on space has a very different and technologically a far more stimulating influence on the economy than spending the same amount on slum clearance.
>
> In the first case, entirely new skills have to be created, new materials must be found, new devices are to be invented and developed, which radiate through many other industries, while in the second case these effects are minimal. The same $5-billion left in the pockets of the taxpayer—i.e., scattered among millions of people—would also be spread through private consumption and savings, but in our country they would only slowly and indirectly lead to innovations as decisive as those which are due, and will be further due, to highly integrated programs. It would at first mean mostly the making of more of the same things we already have in plenty; the space program on the other hand, working under the pressure of the constraints of a highly hostile environment, is forced to produce entirely new things, many of which, we hope, will be beneficial to mankind.
>
> At this point I want to mention . . . important economic features of the space program. The investment already made is such that it cannot easily be turned off. A space program without continuity would be an absurdity. The time span, e.g., the duration of preparatory work, even the time needed to evaluate the observations, is so great that a commitment for decades was made when the program was first started, whether we like it or not. . . .
>
> When we ask what the economic effects of space exploration are, we must first look at the output so far obtained. Thus far, no basic discoveries as great in importance as atomic fission have been made. Nothing, comparable to the transistor or the laser could be attributed to space exploration. . . .
>
> ### NEW PRODUCTS
>
> It is a well-known phenomenon of the last 25 years that most of our important companies find that the majority of their currently offered products did not exist 25 or even 10 years ago. Their profits stem mostly from the new products. So they push research and development as far as their means will allow. The Government, constantly prodded by the scientific community, also begins to believe that reseach is needed for the purpose of the general well-being of the community. It is then difficult to see why these expectations should not also apply to space exploration, especially when one remembers that some of the most vital discoveries ever made by man derive precisely from watching the stars and planets. Now that we are able to break through the obscuring shield of the earth's atmosphere how could we but expect that discoveries will not be made of a magnitude that will astonish even this generation which has seen so much and is prepared to expect that our knowledge will increase without limit.

PERMISSION TO HAVE UNTIL MIDNIGHT TONIGHT TO FILE CONFERENCE REPORT ON S. 780

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill S. 780.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

THE CRIME SITUATION IN THE DISTRICT OF COLUMBIA

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. GUDE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. GUDE. Mr. Speaker, three members of the District Committee are joining with me today in introducing three bills that we believe are essential in our broad-scale attack against the critical crime situation in the District of Columbia. The gentleman from Washington [Mr. ADAMS], the gentleman from New York [Mr. HORTON], the gentleman from Indiana [Mr. JACOBS], and myself are introducing this legislation because of our increasing concern with the rising crime rate in this city. These bills would be a progressive step toward assuring the swift application of justice by alleviating some of the more pressing problems facing the courts of the District. The distinguished gentleman from Virginia [Mr. BROYHILL] introduced these bills on August 31, but no committee hearings have been scheduled as yet.

The first bill is aimed at upgrading the District of Columbia court of general sessions, the trial court that has the greatest impact on the vast majority of the District citizens. The general sessions court handles 97 percent of all the litigation in the District of Columbia. The backlog of criminal cases is over 1,400, while the civil backlog is 3,500 cases. The time from joinder of issue to disposition of a civil jury case has risen to 24 months, an increase of 7 months since January 1967, as the court has assigned more of its judicial manpower to handle the growing criminal docket. This bill would increase the number of judges in the court of general sessions from 21 to 26. It would also increase the salaries of general sessions judges and court of appeals judges. It would amend the retirement provisions to enable retired judges to sit for longer periods of time when court needs so demand. It would also authorize additional law clerks for the court of general sessions and the juvenile courts.

The second bill would transfer paternity and nonsupport cases from juvenile court to the domestic relations branch of the court of general sessions. Recent figures indicate that over 40 percent of the caseload and 60 percent of the trial time of the juvenile court is devoted to paternity and nonsupport cases. This would relieve the congestion of the juvenile court calendar and enable them to deal with juvenile offenders promptly. Transfering paternity and nonsupport proceedings whose goal is to insure that the father will continue to support his minor child, would place all the parties in the proceedings in a better position. This would remove the criminal contempt sanction which would enable the father to continue work during pendency of the case and afterward.

These bills will also prevent neglected and dependent children from being indiscriminately mixed with delinquents, something that occurs under present procedures. It would also bring juvenile proceedings in line with the recent Gault decision requiring prompt detention hearings and providing counsel for children appearing before the court.

These bills have been recommended and endorsed by the Metropolitan Washington Board of Trade, the Washington, D.C., Clearinghouse Association, the Bar Association of the District of Columbia, the Washington Bar Association, Inc., the Women's Bar Association, the Justice Department, the former District Commissioners, and the Judicial Conference of the District of Columbia Circuit.

In other words, many interested and involved parties feel this is a good and necessary step. We believe that this is a matter of utmost urgency and are hopeful that hearings will begin promptly in the House District Committee.

ANNIVERSARY OF FIRST REVOLUTION BY CAPTIVE NATION

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Derwinski] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. DERWINSKI. Mr. Speaker, on November 12, 1917, the first revolution of a captive nation against the Red dictatorship of the Soviet Union was staged in Idel-Ural.

I recognize the fact that Idel-Ural is the least known of all the captive nations within the Soviet Union and, therefore, I present a brief historical review of the present conditions in that country.

Idel-Ural

THE POPULATION AND THE COUNTRY

The Tartars of the Idel-Ural, comprising the Tartar—Bashkirs and the Chuvash, are the inhabitants of the northern ethnically and linguistically Turkic area of the Soviet Union. The Tartars and Bashkirs are both Moslems and constitute a national and religious unit, whereas the Chuvash are Christians.

The country inhabited by the Tartars is named in the Tartar language "Idel-Ural" and comprises the territory situated between the Volga and the Ural mountains. These Tartars represent the European branch of the Turkic population of the Soviet Union; according to Soviet statistics based on the national census of 1959, there are 7,422,000 of whom 4,969,000 were Tartars proper, 984,000 Bashkirs, and 1,470,000 Chuvash. In 1959, there were also 2.5 million Volga Finns, 1,285,000 Mordvinians, 623,000 Udmurts, 504,000 Mari and 431,000 Komi—all ethnically part of the Idel-Ural. The total numbers exceed ten million.

The Tartars and Volga Finns have at present separate Autonomous Republics, and are not united territorially or administratively. The Idel-Ural is divided into the following republics: the Tartar ASSR, with Kazan as its capital; the Bashkir ASSR—capital Ufa; the Chuvash ASSR—capital Cheboksar; the Udmurt ASSR—capital Ishevsk; the Mordvinian ASSR—capital Saransk; the Mari ASSR—capital Yoshkar-Ola. Within the Tartar ethnic and national territories are cities such as Orenburg, Chelyabinsk, Astrakhan, Saratov, Kuibyshev, and the area occupied by the Siberian Tartars, which is administratively separate from the above republics.

The Tartars and the Volga Finns are the indigenous peoples of the Idel-Ural; the Russians did not enter the area until the Tartar states were conquered by Muscovy in the 16th and 17th centuries. In 1552 the Khanate of Kazan fell, in 1556 the Khanate of Astrakhan, and in 1571 the Siberian Khanate. Since the 16th century the Tartars have fought to recover their freedom and have taken advantage of every period of Russian weakness, whether due to internal conditions or to involvement in foreign wars, to secure this freedom.

ORGANIZATION OF NATIONAL-DEMOCRATIC GOVERNMENT IN THE IDEL-URAL AFTER THE REVOLUTION OF FEBRUARY 1917

During the Revolution of 1917, which overthrew the Tsarist regime, the Tartars made common cause despite social tensions and strove to win independence. After February 1917 the Bashkirs, in close cooperation with other Moslem peoples, began to organize their own government, and various conferences took place in the Idel-Ural during that time. In July 1917 the "Moslem Anti-Russian Committee of War," the second General Moslem Congress and the Congress of Moslem Clergy were held simultaneously in Kazan and the object of all three was the establishment of an independent state. These three congresses decided to combine into a single convention, at which the national and cultural autonomy of the Moslem Tartars of the Idel-Ural was proclaimed on July 22, 1917. A "council of autonomy" was set up under the chairmanship of the former delegate to the State Duma, Sadri Maksudi, for the purpose of preparing free elections to a National Assembly, which met for the first time on November 20, 1917 in Ufa, capital of Bashkiria. 120 delegates, representing different parties, attended, and the Turkists and "Territorialists" were in the majority. The delegates had received their mandate from six million people and each of them represented 50,000 voters.

The National Assembly elected a *milli idara* or government, with Prof. Sadri Maksudi as Premier and Cinasi as President of the National Assembly. The following ministries and commissions were set up:

1. *Religious Affairs*. Head: Kasim Salichyan Urmanov,
2. *Ministry of Culture*. Head: Omer Teregulov,
3. *Ministry of Finance*. Head: Abdurakhman Akjarov,
4. *Ministry of Justice*. Head: M. Kurbangaliev,
5. *Constitutional Commission*. Head: V. Akhtiamov,
6. *Commission for Foreign Affairs*. Head: Ayaz Ishaki.

Democracy was thus established in the country and the *milli idara* retained power until the Red Army occupied the Volga-Ural territory.

SOVIET RULE OVER THE TARTARS AND BASHKIRS

At the time of the formation of the *milli idara* no Bashkir or Tartar Communist Party was in existence. Only in the Russian Communist party were there a few bashkirs. In the spring of 1918 the Red Army began to advance into the Volga-Ural region. The Tartar army and the Bashkirs put up opposition, but their situation became untenable when Kolchak, the commander of the White armies in Siberia, declared against the democratic government of the Volga-Ural and ordered its dissolution. The Tartars were caught between the Red and White armies, and fell prey to the former, who occupied their country in April 1918. The National Assembly and the government of the Idel-Ural were dissolved, and some members of the government, led by Maksudi and Ishaki, Fuat Tukta, Battal, Alkin and Teregulov, succeeded in fleeing to Turkey and Europe via China.

After taking possession of the Idel-Ural, the Soviets set up what were known as "revolutionary committees" in Kazan and Ufa. The former was headed by the political commissar of the 5th Red Army, Lepa, and in Ufa, Nurimanov, later joined by Sharif Monatov and Zaki Validi, took over control. Similar revolutionary committees were established in Orenburg, Chelyabinsk and other towns. At the same time, branches of the Russian Communist party were founded. The aim of both authorities was to sovietize the Tartars, although there still existed no indigenous Communist party. Soon after the Bashkir Autonomous Republic was formed, (1919), followed by the Tartar Autonomous Republic (1920) and the Chuvash Autonomous Republic in 1925.

The Soviets tried to sugar the pill of their military occupation of the Idel-Ural by spreading slogans such as "dictatorship of the proletariat," "social equality" and "national self-determination." To a certain extent this propaganda was successful in raising opposition to the Kerensky government which preceded the October Revolution and which did not recognize the right of the national minorities of the former Tsarist empire to self-determination. With the aid of a few dozen Tartar and Bashkir Communists, the Bolsheviks organized fighting units which went into action against the White armies led by Demikin Dutov and Kolchak. In the meantime Moscow proceeded to consolidate its control over Tartaria and Bashkiria.

SOVIET NATIONALITY POLICY IN TARTARIA AND BASHKIRIA

The Bolsheviks lost no time in carrying out sovietization and did all they could to destroy national unty and resistance. The abolished democratic forms of government incited class enmity, pursued a policy hostile to Islam, began to russify the national culture, imposing Communist ideology, infiltrating the local administration with Russian Communists and training an officer corps. All these measures were set on foot by the revolutionary committees and later by the local Communist party.

1. Territorial, political and administrative division of the Tartars

In a decree of February 23, 1918, two months before the Red Army invasion, the Bolshevik government promised the Tartars and Bashkirs that they would be allowed to set up an independent Tartar-Bashkir Republic, which was to include all the Idel-Ural, excepting Astrakhan. Yet, in violation of this promise, Moscow proceeded to order the establishment of the three above-mentioned "autonomous republics," against the will of the peoples concerned. The Ugro-Finnish peoples, ethnically related to the Tartars, were similarly divided ino three republics: the Mordvinian ASSR, created on December 20, 1934, the Udmurt ASSR, created on December 28, 1934, and the Mari ASSR, created on December 3, 1936. The Tartar republic did not, however, embrace all the peoples of the Idel-Ural. The Bolsheviks also set up on Tartar territory administrative areas under the direct control of Moscow. Among these were Orenburg, Chelyabinsk, Kuibyshev, and Astrakhan. It was the intention of the Soviet leaders not only to split up the Idel-Ural but to drive a wedge between the Moslem Turks of Turkestan and the people of the Idel-Ural.

2. Economic division and suppression of economic independence

The Bolsheviks abolished private property, and all land and natural resources passed into the hands of the Soviet state.

In 1930 the Tartar territory was divided into economic districts, known as *raions*. These were the Volga-Kama Raion and Ural Raion. To the former belonged the Tartar ASSR and the Chuvash ASSR, and the Bashkir ASSR to the latter. These raions were placed under the direct command of Moscow and in this way the Bolsheviks were able to dispose freely of the economic wealth in these areas. The Tartar ASSR accounts for 62.1 per cent of petroleum produced in the USSR, 20 per cent of steel output, 10 per cent of coal output, 15 per cent of copper production, 10 per cent of grain production, and 7 per cent of meat and dairy products. Partly as a result of Soviet exploitation of the food resources of the Idel-Ural famine broke out in 1921–1922, 1927, 1932, 1945 and 1948.

UNDERMINING THE ETHNIC UNITY OF THE TARTARS BY RESETTLEMENT

Moscow has systematically practiced forced resettlement of the peoples of the Idel-Ural with the object of destroying their ethnic homogeneity. It has done this by sending thousands to work in other parts of the Soviet Union. At present there are 100,000 Tartars working in the coal mines of the Donbass, and Russians, Ukrainians and Belorussians are being brought into the Idel-Ural region. After the Soviet-Finnish war of 1939–1940, Tartar collective farmers were resettled on Vipuri Finnish territory; and between 1948 and 1950, 150,000 Tartars were sent to East Prussia. In 1954, 7,000 Tartars were similarly resettled in the Altai to open up virgin territories, and Russians were brought in to take their place.

ANTI-ISLAMIC POLICY

Open anti-islamic propaganda is disseminated in the schools, press and scientific journals. Until 1940 the Moslem clergy was bitterly persecuted. Over 10,000 priests were liquidated, and mosques razed to the ground or turned into clubs and workshops. Between 1917 and 1940, 7,000 mosques were destroyed or desecrated in this way. According to evidence from the religious leader of all the Moslems of Russia, who had his seat in Ufa, there were 7,800 mosques in the Idel-Ural before the Soviets occupied the country. Foreign policy considerations caused the Soviets to spare the Muftiate of Ufa, formally at least, but Mufti Reza ben Fahraddin was requested several times to put his signature to a declaration which spoke of religious freedom in the USSR, but each time refused. In 1937 the Mufti Kshaf Tershemein was accused of espionage on behalf of the Japanese and shot. In 1953 Mushterejeev, a member of the Soviet "Union of the Godless," was appointed religious leader of the Tartars, with his seat in Moscow. Since the end of the Second World War the Soviet regime has been exploiting the Moslem clergy for its own political propaganda purposes.

RUSSIFICATION OF THE TARTAR LANGUAGE

In 1928 the Arabic alphabet, which had been used by the Tartars since time immemorial, was replaced by the Latin alphabet. Then, twelve years later, in 1939 and 1940, the Latin alphabet was abolished and a decree ordered the introduction of the Cyrillic alphabet. Moscow hoped that in this way the young generation in the Idel-Ural would be cut off from its cultural heritage, and in particular from the Koran. At the same time, to destroy the cohesion of the Tartar national literary language, the Soviets deliberately promoted the various dialects to the status of independent languages. Efforts are constantly being made to speed russification of the Tartar language by introducing Russian technical and political vocabulary instead of forming words from Arabic and Persian roots.

COMMUNIST INDOCTRINATION IN THE SCHOOLS

The high schools, universities and various academic institutions are not under the control of the Tartars; Russian is a compulsory language in 80 per cent of the high schools; religious instruction is prohibited; no national history is taught in the schools; Tartar literary classics and works by national writers and poets are not included in the curriculum; the main objective is instillation of Communist ideology.

In accordance with the Soviet slogan "social in content, national in form," the theater and the arts are russified and have to conform to the Communist Party line.

DESTRUCTION OF NATIONAL ADMINISTRATION

All local officials who refused to submit to Communist indoctrination have been removed in the course of the party "purges." All key posts in the Party apparatus and government of the Tartar ASSR are held by Russian Communists, particularly in the case of the KGB (secret police) and the Party Central Committee. This means in practice that the republic is governed from Moscow. The only Bashkirs who are appointed to posts in the administration and the Party apparatus are those who have graduated from the Party schools. In 1922 a university was founded in Kazan to train cadres, but was turned into an Agricultural College in 1931, during one of the early purges in the Party.

The following purges have taken place in the Tartar ASSR:

1929. Against the "bourgeois nationalist Sultan-Galiev movement." This purge later spread to Bashkiria.

1933–34. To root out opposition to forced collectivization.

1937–38. A large-scale purge of "bourgeois nationalists," which also affected the Bashkirs, who were charged with seeking to detach the Idel-Ural from the USSR.

1954. Purge of Party organizations in Bashkiria.

In 1923 the Tartar-Bashkir Military Academy was established in Kazan and a Tartar army division was formed, together with one composed of Bashkirs; Chuvash, Mari, Mordvinian and Udmurt regiments were also created. All these were, however, abolished in 1937.

TSAR RESISTANCE TO BOLSHEVISM

In 1919 and 1920 the peasants rose up against the Soviet policy of so-called "war Communism," during which they were forced to surrender their grain to the state.

From 1923 to 1928 the underground movement led by the Communist Sultan-Galiev was active. Sultan-Galiev, who was for a time Stalin's deputy in the People's Commissariat for Nationality Affairs, formulated the following objectives: abolition of control by Moscow over the Tartar, Bashkir, Chuvash and other republics and fusion of these Turkic Moslem peoples into a single "Turanian" state. The whole population and particularly the intelligentsia, were behind this movement, but in 1928 Moscow began the work of smashing their aspirations. 82 prominent Tartar intellectuals who demanded the liberation of Sultan-Galiev from imprisonment, together with his supporters, were liquidated. Mukhtarov, the president of the Tartar ASSR, also protested against the tyranny of the Kremlin and was shot in 1929, along with two other members of the government.

Between 1928 and 1930 the peasantry revolted against collectivization, and the most serious disturbances occurred in the districts of Archa and Atna in the Tartar ASSR. Units of the 1st Division of the Bashkir Military Academy defied orders to fire on the peasants.

TSARIST AND SOVIET RULE OVER THE TARTARS: A COMPARISON

Under the *Tsarist* regime there was strict control over appointment of Tartars to religious offices and in schools, and the local press was censored.

No state financial assistance was granted for education purposes, although the Tartars paid taxes in the same way as the other citizens of the Empire.

The religious leader of the Moslem was not freely elected but nominated by the Tsar.

Until 1907 no Tartar was permitted to own immovable property, such as factories, etc. Freedom to trade existed, however.

The right to autonomy was not recognized. Since the time of the Russian conquest of the Tartar khanate the Tartar territories were considered as ordinary *guberniyas* (provinces) under the administration of Russian governors. Kazan, Ufa, Orenburg and Astrakhan were the capital cities of these provinces.

No Tartar fighting units were permitted in the Tsarist army but during the First World War 960,000 Tartars were conscripted.

The *Soviet* authorities formally recognize the right of the Tartars to administer their own territory and Tartaria and Bashkiria are styled "autonomous republic." In practice, however, they are not independent and are not states in the true sense.

All Soviet citizens are formally equal, and there is no discrimination between nationalities, but there is, in fact no real personal freedom, since the press, schools and all other official organizations in the Tartar republics are controlled by Moscow and serve the ends of the Communist regime.

Russification is in constant progress.

The political methods use to suppress aspirations to independence on the part of the peoples of the Idel-Ural are essentially the same as those used by the Tsarist regime.

Mr. Speaker, it is intriguing to note that a major factor in the very militant anti-Israel attitude of the Soviet Union is that this is one of the few foreign policy positions that might appeal to the prevailing population within Idel-Ural and some of the neighboring Soviet provinces.

SOUTHEAST ASIA POLICY

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. Mize] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. MIZE. Mr. Speaker, as one of 57 Members of Congress who has gone on record against adjournment of the session until there is a determination of the need for further legislative action with respect to our policies in Southeast Asia, I was pleased to learn about an on-the-air editorial over radio station WTAX, Springfield, Ill., citing the gentleman from Illinois, Congressman Paul Findley, for his leadership in this effort. Under leave to extend my remarks, I include this WTAX editorial in the Record.

In calling it to the attention of my colleagues, I join in commending Congressman Findley for all that he has done in this vital area.

The editorial follows:

> Fifty seven members of the national House of Representatives are sponsoring a resolution to determine if "further legislative action is desirable in regard to southeast Asia policy." One of the leaders of the group is Paul Findley of this district; he has been quoted as spokesman for the 57 across the country and appeared on national television. Congressman Findley is not one of the House members high on the seniority totem pole but has been steadily increasing his influence and stature in Washington.
>
> The Viet Nam conflict has been debated in virtually every conceivable forum around the country and the world—except the House of Representatives. The Senate has reviewed it from time to time—and the Foreign Relations committee has been unable to persuade the Secretary of State to take part in an open or public hearing. The House's responsibility in foreign affairs is subordinated to the Senate—but the House must approve the enormous war expenditures and, it would seem to us, has every right to ask questions. Not only the right—but the duty.
>
> "Our men in Vietnam cannot adjourn the

war," Findley declared in one appearance. "I do not think that Congress should adjourn until it has dealt squarely with the question of war policy."

This does not mean the House would necessarily condemn the Administration's conduct of the war. Its members, we are confident, have not prejudged the issue—but they have questions which should be answered. The proposed debate holds no promise for a quick solution of an admittedly complex and difficult question. But it is the concern of Congress—as well as the executive department.

THE WAY OUT OF OUR TREATY FIASCO WITH PANAMA

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. TEAGUE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, I call to the attention of my colleagues an article, by Dr. Donald Dozer, of Santa Barbara, as it appeared in the October 28, 1967, edition of Human Events. I consider Dr. Dozer the leading authority in the country on the Panama Canal.

The article follows:

THE WAY OUT OF OUR TREATY FIASCO WITH PANAMA

(By Donald M. Dozer)

(NOTE.—One of the main arguments used to support passage of the three-treaty Administration package giving up U.S. sovereignty over the Panama Canal is that the present canal is outdated and must be supplanted by a new canal in a different location. Not so, says an expert in the field, who explains how the present canal can, at relatively low cost, be modernized to meet the needs of world shipping for years to come.

(Dr. Donald Dozer, a professor of history at the University of California at Santa Barbara, served for many years in the research and intelligence sections of the State Department and has been a consultant on Latin American affairs for the Brookings Institution. He is a member of the recently formed American Emergency Committee on the Panama Canal, headquartered in Washington, D.C., Cochairmen of the AECPC are Spruille Braden and Charles Edison and serving on its Congressional Liaison Committee are Sen. Strom Thurmond (R.-S.C.), Rep. H. R. Gross (R.-Iowa) and) Rep. Daniel Flood (D.-Pa.).)

The Panama Canal is the "greatest liberty that man has ever taken with nature"—and it was one of the most difficult to accomplish. When completed by the United States government in 1914 it overcame the obstacle of the natural land-mass barrier between North and South America which had been a serious impediment to world shipping for over 400 years.

It intersected Central America with a water highway of high-level lake and lock design which the merchant fleets and navies of all nations might safely transit between the Atlantic and Pacific Oceans. Of the great canals in history, ranging from Corinth in ancient Greece to Suez and Kiel in modern times, it far outranked all the others as an engineering achievement.

Now, it is asserted, the Panama Canal is outdated and needs to be supplanted by a new canal of so-called sea-level design.

The White House and State Department have negotiated a treaty—one of three new treaties—with Panama giving the United States a 20-year option to construct such a canal somewhere in the Republic of Panama or in the present Canal Zone. Its advocates paint an alluring picture of the largest ocean-going vessels moving freely and serenely from ocean to ocean through a new man-made strait between the Atlantic and Pacific Oceans.

But this ancient dream has no relationship to the realities and requirements of canal navigation between the Atlantic and Pacific Oceans. It has been conjured up by glamorized and unrealistic propaganda, but has been seriously questioned by leading engineers and navigators.

In 1954 a group of experienced engineers declared that "the insistently advocated sea-level project . . . would prove to be a monumental boondoggle, costing the American taxpayer billions of dollars." Previously, the General Board of the Navy, conscious of the navigational and security hazards of a sea-level canal, called for "the abandonment of the idea of a sea-level canal across the Isthmus of Panama."

The sea-level project ignores, for one thing, the hard fact of the differential in tides on the two sides of the isthmus. The maximum tidal range of 22 feet on the Pacific side and only 22 inches on the Caribbean side, if not controlled, would create alternating tidal currents through the strait of as much as seven or eight knots four times a day, making navigation hazardous and requiring constant dredging to remove sandbars and land slides.

To reduce the tidal currents through the canal, tidal locks would be necessary, and these are much more costly and intricate than the relatively simple locks used in the present canal. A sea-level canal therefore is a misnomer; it must still be a lock canal.

The sea-level scheme also overlooks the treacherous nature of the Panama terrain. The height of the land barrier and the unstable geologic formations defeated Ferdinand de Lesseps and the French Canal Co. in their canal construction efforts in Panama between 1881 and 1889. In planning the canal, de Lesseps rejected the advice of Adolphe Godin de Lepinay, who advocated a summit-level lake and lock canal, and chose instead the sea-level design, which resulted in the bankruptcy of the company and the failure of the entire project.

When the United States undertook to build the canal President Theodore Roosevelt, after considering all alternatives and making a careful study of the problem, accepted the recommendation of the canal's chief engineer, John F. Stevens, in favor of a high-level lake and lock canal. His concept was clear, simple and definite—a high-level lake on each side of the isthmus, joined by an open cut through the continental divide and each lake to be connected by locks to the sea. Even this type of canal when completed was closed by landslides for several months at a time as nature tried to heal the wound inflicted by the cut in the cordillera.

Competent engineering authorities believe that a sea-level canal through the unstable geological formations of Panama 100 feet or more below the bottom of the present canal, where the continental divide is low, would have to be protected by enormous levees for a great part of its length, and this levee system would have to be supplemented by extensive terracing operations extending far back from each side of the canal and by wide spillways paralleling the canal.

The continental divide in the Sasardi-Morti or Caledonia Bay route, which is situated 110 miles east of the present canal and which seems to be most highly favored at present as the location of a future sea-level canal, reaches the formidable height of 1,100 feet! Here a virtual mountain range would have to be entirely cut away down to sea level, indeed at least 50 feet below sea level in order to provide a navigable channel. From a business viewpoint a sea-level canal cannot be justified.

The engineering difficulties of constructing a sea-level canal and the navigational problems of transiting such a canal have not been taken into realistic consideration by policy makers.

In the construction of the present canal approximately 275 million cubic yards of material were removed. The construction of a sea-level canal along the route of the present canal, according to reliable estimates, would require the removal of an additional 1.2-billion cubic yards of material—rock, gravel, muck and soil.

The magnitude of this operation can be suggested by the fact that to remove this additional quantity of 1.2-billion cubic yards, using four-yard trucks, would require one truck to pass a given point every second 24 hours a day, seven days a week, 52 weeks a year for 10 years.

To dig a brand-new sea-level canal at another isthmian crossing would obviously require the removal of even greater quantities of material, approaching 1.5-billion or possibly even 2-billion cubic yards. It is small wonder that this scheme is supported enthusiastically but largely covertly by manufacturers of heavy earth-moving equipment, dredging combines, contractors and other special interests who note that the new treaty makes provision for participation of international private financiers in the construction and administration of a sea-level canal.

The sea-level project is also supported, though perhaps only covertly, by exponents of nuclear testing, who wish to experiment in Panama with nuclear cratering devices. To them the Nuclear Test Ban Treaty has been a serious deterrent, and they see in the sea-level canal project an opportunity to gain the consent of the 100-odd signatory nations to resume nuclear testing.

The prospects and techniques of excavating a canal across Panama by nuclear cratering are admitted by nuclear experts to be highly speculative. In addition, the use of nuclear energy for this purpose would produce incalculable radioactive contamination with definitely harmful long-term genetic effects on the population of Panama and contiguous regions, possibly causing deaths and birth deformities for many generations.

The expense of constructing a second canal, whether of the high-level lock design or at sea-level and whether by conventional earthmoving methods, or by nuclear energy, cannot even be estimated with any degree of precision.

It is certain to run into billions of dollars, not including the undoubtedly astronomical cost of duplicating at a second canal the defense installations and the cities with their harbors and docks, waterworks, shops, fueling and oil storage facilities, store-houses, electrical generating equipment, parks, sewage disposal units, schools, fire and police stations, telephone systems, hospitals and highways which have been built in the present Canal Zone and which are indispensable to effective operation of the canal.

What, then, is the alternative?

It has been recognized for several years that the Panama Canal was approaching traffic saturation and that it must be supplied with increased transit capacity and operational improvements. But the recruitng obsession with a sea-level canal has been used to divert attention from the primary mission of the Panama Canal, which is to provide efficient and economic transit of vessels across the isthmus.

In 1903 the United States assumed the responsibility of constructing and operating the Panama Canal as an interoceanic public utility. We have paid more for the Panama Canal Zone than for all our other territorial acquisitions combined—the Louisiana Purchase, the Mexican Cession, Alaska, Puerto Rico and the Virgin Islands. The total United States investment in the Canal Zone amounts to almost $5 billion.

We should therefore be concerned to improve our present position and our investment in the Canal Zone instead of pursuing the whimsical, impracticable sea-level canal project.

In 1939, before the start of World War II, Congress authorized the construction of a third set of locks for the Panama Canal larger than the existing locks. These locks were to be located near each of the existing locks, but a short distance from them and were to be connected with the existing channel by means of by-pass channels.

At the Atlantic end of the canal the plan was satisfactory as it duplicated an operationally sound arrangement. At the Pacific end a series of three sharp bends in the proposed new channels would have caused serious operational hazards. Some $75 million was spent on the project before work was suspended in 1942, including excavation of sites for new locks at Gatun and Miraflores. No excavation was done at Pedro Miguel.

Meanwhile, wartime experience in operating the canal demonstrated the need not only for a set of larger locks but also for a redesign of the lake and lock layout in the Pacific end of the canal to make it correspond to that at the Caribbean end, as had been contemplated by Chief Engineer John F. Stevens and strongly recommended by Col. William L. Sibert in the original construction of the canal.

These studies showed that the separation of the Pacific locks into two sets divided by small Lake Miraflores was a serious error in design causing delays, increased expenses and a number of serious operating problems.

The solution that has been worked out for these problems is the Terminal Lake-Third Locks plan. It was developed during World War II by operating and engineering officials in the canal organization as a result of war experience and was promptly recognized by distinguished engineers as the greatest single contribution to the Panama Canal since Stevens developed the plan for Gatun Lake in 1905–1906.

It calls for the elimination of Pedro Miguel Locks, which form the most serious remaining bottleneck in the canal and the cause of the major operational problems. In addition, the plan provides for the consolidation of all Pacific locks south of Miraflores, the formation of a high-level lake anchorage in the Pacific end of the canal, raising the entire summit level from 87 feet to 92 feet to provide greater water storage and deeper navigation channels, and the construction of new locks to match the capacity of the Atlantic locks.

In other words, this plan, which would duplicate at the Pacific end the canal design that has proved eminently successful at the Caribbean end, provides for a fundamental simplification and improvement of the existing canal at minimal cost.

The work of dredging and otherwise improving the Panama Canal has been going forward almost continuously since the canal was opened. The approaching traffic saturation of the canal makes imperative the introduction of further improvements.

In 1960 Congress authorized the widening of the Gaillard Cut to 500 feet, in order to make it capable of handling the largest vessels. Since then this work has been going forward, and it has resulted in the widening of this channel in all but three miles of its length. When this work is completed the canal will be supplied with a wide two-way channel for its entire length except in the lock areas.

All that remains is for Congress to appropriate the limited funds needed to finish the modernization of the canal by the method of the Terminal Lake-Third Locks plan which has already been carefully worked out and endorsed by outstanding engineers and other informed canal experts.

This plan, if put into execution, will utilize the work done on the Third Locks plan between 1940 and 1942 costing $75 million. It will necessitate a minimal additional expense, will require no new treaty with Panama, and will make it possible for the existing canal to accommodate all but approximately 2 per cent of the vessels in world shipping well into the 21st Century.

To keep the canal abreast of additional traffic requirements it will be possible to construct additional locks as and when they were required by world commerce, for, as a former governor of the Canal Zone has pointed out, "The ultimate capacity of the Panama Canal with locks is unlimited." Its capacity can "be increased to any amount desired by constructing additional locks."

The Terminal Lake-Third Locks plan for improving the existing canal can be carried out completely within the present Canal Zone without any interruption of canal traffic and, as previously stated, without the need for any new treaty arrangements with Panama.

It renders superfluous the treaties which the Johnson Administration is concluding with Panama. It makes irrelevant all consideration of a second canal route through Central America.

In the concluding words of the minority report published in *Panama Canal Issues and Treaty Talks* last March by the Center for Strategic Studies at Georgetown University:

"We now have a fine canal.

"We know it will work.

"We know how to operate it.

"We know how to enlarge it from time to time as necessity requires.

"We have a treaty with Panama which enables us to operate it and control it, though this treaty is now being abrogated by executive fiat.

"We are losing control of the Panama Canal through a policy of retreat and through our obsession with the construction of a canal of sea-level design which weakens our bargaining position."

The current treaty negotiations have been running a stormy course without any present prospect of ratification. As an alternative it makes good sense to proceed, as we have been proceeding, with the improvement of our canal in Panama under our existing treaty rights uncomplicated by new and dubious negotiations.

Why should we not continue the simple and long-sustained policy of improving our present canal and maintaining it as an international highway of ocean commerce for which the United States exercises sovereign responsibility "in perpetuity"?

ILLINOIS PARITY RATIO DROPS TO 68

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. FINDLEY. Mr. Speaker, official statistics show the October cost-price squeeze on Illinois farmers the worst since records for the month were begun in 1937.

The income of Illinois farmers is being hit disastrously two ways as the result of unwise Government policy.

Prices farmers must pay to stay in business keep climbing mainly because of the inflationary pressures kept in motion by the Government's mounting debt. At the same time prices they receive for commodities keep dropping. These declines can be traced to dumping and other Government policies which keep the supply-demand forces of the marketplace from operating fairly.

To illustrate, the Illinois parity ratio, which relates prices paid to prices received, dropped to 68. It was 75 in October 1966. One hundred is considered officially to be a fair level.

Other October statistics from the USDA-related Illinois Crop Reporting Service are equally dismal. The prices-received-for-all-products index was 235—down from 260 a year ago. The prices-received-for-crops index was 185—down from 217 a year ago. The prices-received-for-livestock index was 277—down from 296 a year ago.

The index prices paid by farmers was 345—up from 337 a year ago.

Obviously, present Federal programs for corn and wheat are not working to the advantage of Illinois farmers. A thorough review should be started at once, without waiting until authority for the programs expires in 1969.

PROPOSED CONSTITUTIONAL AMENDMENT

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. BERRY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. BERRY. Mr. Speaker, on February 1, 1967, I introduced a joint resolution proposing a constitutional amendment to authorize Congress to limit the power of the courts by overriding a court decision with a two-thirds majority vote of both Houses.

In my opinion, the Supreme Court's decision striking down teacher loyalty oaths reaffirms the need for this popular control over the Court's actions. Once again the rights of subversives have been defended at the expense of the general public. How long can the people tolerate decisions favoring Communists and criminals with absolutely no voice or method of checking the Court?

Unless action is taken, the judicial body will continue to legislate and execute its own liberal laws. We must restore our checks-and-balances system before the public welfare is completely and irresponsibly undermined.

STRATEGIC RESERVE NOT THE SOLUTION

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. DOLE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. DOLE. Mr. Speaker, the recent defeat in the Livestock and Grains Subcommittee of the Committee on Agriculture of H.R. 12067 to create a "strategic reserve" of wheat, feed grains, and other commodities can be attributed to fear among farmers that the administration measure would create a stockpile which would eventually be used to drive down market prices.

The sentiments expressed in the following editorial, appearing in a November 6, 1967, issue of the Kansas City Star, are shared by the majority of informed farmers and others associated with the agricultural industry. I include it in the RECORD at this point:

STOCKPILING GRAIN FALLS SHORT AS THE ANSWER

The defeat of the Purcell bill to put the government deeper into the business of stockpiling grain is not a permanent blow to farmers. Yet, this charge no doubt will be made.

Under the rejected plan, the government would have gone into the market and bought supplies of grain, obviously to take some of the pressure off prices. These levels are now down because of overly-ample stocks resulting from this year's big harvests. But despite every precaution offered, the grain would be available for sale later. Prices probably would have strengthened temporarily. But when the "frozen stocks" were released later, the price structure would weaken. Also, once prices are raised artificially, production is stimulated, not only in this country but in others. A distorted situation results. Years of experience should have taught the lesson.

The only real solution to the present situation of limited surpluses is to get the grain sold and eventually out of the way.

BILL TO LIMIT NUMBER OF QUESTIONS IN DECENNIAL CENSUS

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. SCOTT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. SCOTT. Mr. Speaker, I am today introducing a bill to limit the number of questions which may be asked in connection with the regular census of population, housing, and employment.

The bill has two phases. First, there is a list of the 10 questions which may be included; namely, name and address, relationship to head of the household, sex, date and place of birth, race, marital status, educational attainment, number of rooms in the house or other living quarters, number of family units in the house or other living quarters, employment status and type of employment.

Should the Bureau of the Census feel strongly that additional questions should be asked, the second part of the bill permits additional questions, if approved by the Committees on Post Office and Civil Service of each House.

Mr. Speaker, the growth of the questions asked has led to an invasion of privacy on our citizens. Moreover, I doubt the need of the Government for answers to all the contemplated questions, or the wisdom of obtaining the answers by compulsory methods for the private sector of our country.

The first American census, taken in 1790, only asked five questions. But by 1960, the number of questions had grown to 165 and others are proposed for the 1970 census. Unless we adopt legislation, there is no evidence that the number of questions will ever be decreased.

A preview of the 1970 census was made this fall in North Philadelphia. Among the questions asked there and are contemplated to be asked in the regular decennial census are the following:

How much did this person earn in 1966 in wages, salary, commissions, bonuses or tips from all jobs? How much did this person earn in 1966 from his own farm? Last year (1966) did this person receive any income from Social Security, pensions, or veterans' payments; interest, dividends, or net rentals; public assistance or welfare payments; unemployment insurance of workmen's compensation benefits; any other source?

Other questions reflect the influence of the organizations interested in market research. For instance:

Is there a telephone on which people who live here can be called? What is the number?

Do you have a television set? A radio?

Do you have a clothes washing machine? Clothes dryer? Dishwasher? Home food freezer?

If you pay rent by the month, what is your monthly rent?

What best describes your water supply?

If you live in a one-family house which you own or are buying, what is the value of this property?

Do you have a bathtub or shower?

How many passenger automobiles are owned or regularly used by members of your household?

Do you have air conditioning?

When was this building originally built?

The monster form which one-quarter of the population will receive—others will have a simpler list of questions—contains four pages of questions on the household, followed by 38 questions to be answered for each member of the household from babies to boarders. One preliminary question for the head of the household:

Did any one stay here on Monday, September 25, who is not already listed? If yes, write the name of each visitor for whom there is no one at his home address to report him to a census taker.

Each individual in the household will be asked the birthplace of his mother and father, the name of his employer, whether he looked for work the previous week and if not, why. He will be asked to describe his job, discuss his activities 5 years ago, give the date of previous marriage, and tell how he gets to work.

As the House knows, there also is an ever-increasing number of kinds of censuses being taken at 5-year intervals, including those dealing with agriculture, business, and manufactures and minerals industries. Census personnel also conduct close to a hundred surveys weekly, monthly, semiannually, or annually.

However, it is not only the Census Bureau which is barraging the American public with demands for statistics. There are over 21 other Government agencies with a budget last year of $122 million requesting statistics. This is a program growth rate of 15 percent in a 5-year period.

Information seekers seem to be invading every aspect of our lives. The Federal Government has our personal income tax returns, our responses to the census questionnaires, our social security records, applications for passports, and military and civilian government employment records; schools have IQ scores and reports of emotional difficulties; employment files have personality inventories and hospital records; and business and marketing communities are constantly taking surveys.

Apparently in an effort to consolidate all government statistics, the Federal Government has been considering for several years the creation of a National Data Center combining information from all government sources. While our subcommittee has been told that this is not presently recommended by the Census Bureau, the fear of the creation of the center has led to headlines such as, "Computer Feared as Monster Snooper," or "Don't Tell It to the Computer," "The Naked Society," and "The Punchcard Snooper." The Harvard Business Review says that it is precisely this "getting together" of knowledge, not computerization per se that is the danger to our basic beliefs in an individual's right to privacy.

As the tentmaker, Omar Khayyam, stated 900 years ago:

The moving finger writes; and having writ,
moves on:
Nor all thy piety nor wit shall lure it back
to cancel half a line,
Nor all thy tears wash out a word of it.

Last month I advised my constituents that I was contemplating introducing this bill and requested their views. The response has been unanimous in endorsing the idea of limiting the broad prospectus of the Census Bureau. One constituent writes:

Entirely too much information of value only to market research organizations is being included in the census questionnaire at the taxpayers' expense.

Another states:

I do hope our privacy will not be invaded any more than it is.

Still another one says:

Infringement on the private life of individuals could go on and on like the proverbial Topsy.

And another recommends, that "this type of foolishness be stopped in its tracks."

Our citizens are also concerned about the rising cost of Government. In this connection, Dr. Ross Echler, Director of the Census, stated that—

As the number of questions is reduced, the cost will be reduced.

The cost of the 1960 census was $182 million. As further stated in the report of our subcommittee, the Census Bureau says that it has "called to the attention of the Appropriations Committee that we might believe it is justifiable to submit a request for another $20 to $25 million for work on or above what would be included in this $182 million."

Another consideration in evaluating the merits of a longer census form, is the possible inaccuracy of the survey due to a lengthy questionnaire. We are told that over 5 million people were uncounted in the 1960 census because they avoided the enumerator. The monstrosity of over 20 pages proposed for the 1970 census will certainly overwhelm and antagonize many of our citizens just as the 1960 census did, thereby voiding the original purpose of obtaining a very accurate and simple count.

The Congress has an obligation to ward off this threat of diminishing freedom. The Constitution, while establishing a census in article I, section 2, clause 3, goes on to protect the individual against undue invasion particularly in amendment 4. Mr. Justice Brandeis has written:

> Every unjustifiable intrusion by the Government upon the privacy of the individual, whatever the means employed, must be deemed a violation of the fourth amendment.

Charles A. Reich, professor of constitutional law at Yale University, says:

> I believe that the real protection in this world comes not from people's good intentions but from laws.

The only answer to this problem of safeguarding our right to privacy is to be found in law. Optional answering of questions, in my opinion, will not suffice, for if some citizens participated in the census and others did not, it would be a statistical nightmare and might cost more than the original proposal with useless results.

Passage of this bill, however, will limit the number of questions and give us a true census at a lower cost without any undue invasion of privacy. It will be in accord with our Constitution and tradition, upholding the rights of the people. It is for these reasons that I urge early consideration by the committee and the ultimate adoption of this bill by the Congress.

ARBITRARY ATTITUDES AND ACTIONS OF THE FCC

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHADEBERG] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, I have again been receiving correspondence from individuals who are disturbed and rightly so, with the arbitrary attitudes and actions of the FCC.

There has been a long history of the independent agencies of our Government acting as judge and jury in actions which fail to allow those judged against any real recourse. This usurpation of power by regulatory groups seems to me to often deny many individuals the basic freedoms provided for under our Constitution. Only recently, a radio station in my district was denied an appeal to increase its power output by the FCC which summarily dismissed the appeal with a terse, highhanded statement. Examples of attempts to deny commentators on the radio a freedom of speech which is allowed others are being pointed out at an alarmingly increasing rate.

The FCC would be well advised to remember that they are an appointed regulatory body, and they do not enjoy any divine right which permits them to pick and choose at the whim of men not responsive to the will of the people. It appears that the FCC feels that the power to license gives the power to destroy, and the power to regulate gives the power to capriciously and arbitrarily rule. Such should never be the case, and I would hope that our colleagues on the Interstate and Foreign Commerce Committee who have the so-called fairness doctrine under review would take whatever action is necessary to place the activities of the FCC in its proper perspective. I see no reason to grant arbitrary authority to an extragovernmental agency without the retention of safeguards for the individual.

WOMEN SUPPORT THE WAR ON POVERTY

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, some very well-known and outstanding women in America, including many from my district, have addressed a message to each of us today. They have made a simple and sensible request. They have asked us to keep our promise to the poor of this country by enacting legislation which will keep the Office of Economic Opportunity as the vigorous leader in the war on poverty.

These women, a bipartisan group of concerned citizens, including the wife of my Senator, JACOB K. JAVITS, have stressed that the war on poverty has given American women an opportunity to be of service to the poor. They make this point, as follows:

> OEO has made this service possible. It has been the articulate champion of the poor. And it has given the poor a voice and a role in their escape from poverty. It has encouraged communities and social agencies and private industry to give new opportunities to the disadvantaged. America needs the war on poverty. The war on poverty needs OEO.

Mr. Speaker, all that stands between hope and disappointment for the poor is legislative action by this body. And I might add that all that stands between public confidence and public dismay over this body is how we deal with the pending antipoverty legislation.

Under unanimous consent, I include the full text of the statement as it appeared in the New York Times today, and I thank the women who made it possible for the timeliness and appropriateness of their message.

The statement, and the list of signers, follow:

[From the New York Times, Nov. 13, 1967]

WOMEN SUPPORT THE WAR ON POVERTY

The Congress is now determining the direction—perhaps the very fate—of the War on Poverty. We call upon the Congress to give the Office of Economic Opportunity renewed and strengthened authority to get on with the job. It has earned this vote of confidence. It must be given the tools to make even greater progress.

American women have responded to the challenge of OEO and the War on Poverty in greater numbers than any other national effort except in time of war. This humane war against poverty has moved us, has changed us, has inspired us.

Take WICS, for example. Thousands of women have given their time and their heart to Women In Community Service, formed by four national women's organizations, in order to help seek out disadvantaged girls in the 16 to 21 age group who need the "Human Renewal" Program of the Women's Job Corps. Thousands of these girls have now been recruited, trained, motivated, placed and started on the road of self-sufficiency. Some are working as secretaries or airline hostesses or computer operators. Some are serving in the Armed Forces of their country. And many are now at home, better equipped to raise the families they are starting.

Take Head Start, for another. Hundreds of thousands of women have already had the excitement of participation as volunteers in this program for pre-school children from poor families. This program has already reached about 1½ million children and many of their parents.

And much more, too. Women have been given opportunities for service in Consumer Education Programs, Legal Services, Health Centers, Neighborhood Youth Corps, and others.

OEO has made this service possible. It has been the articulate champion of the poor. And it has given the poor a voice and a role in their escape from poverty. It has encouraged communities and social agencies and private industry to give new opportunities to the disadvantaged. America needs the War on Poverty. The War on Poverty needs OEO.

Carlyn E. Agger, Attorney at Law.

Lauren Bacall.

Mrs. Herman Badillo.

Mrs. Harry Belafonte.

Mrs. Bruce Benson, Second Vice President, League of Women Voters of the U.S.

Mrs. Leonard Bernstein.

Dorothy Dulles Bourne (Mrs. James R.)

Sarah Caldwell, Artistic Director, American National Opera Company.

Mrs. Scott Carpenter.

Carol Channing.

Julia Childs.

Mrs. Robert Claytor, President, YWCA of the USA.

Sister Corita.

Marian Ruth Crown (Mr. Alfred).

Helen Frankenthaler.

Eleanor Clark French.

Mrs. Fred R. Harris, President, Oklahoma for Indian Opportunity.

Dorothy I. Height, President, National Council of Negro Women, Inc.

Lillian Hellman.

Mr. Sidney Hillman.

Mrs. Hal Holbrook.

Ruth Grigg Horting, Executive Council of the Lutheran Church.

Mrs. Jacob K. Javits.

Mrs. Marcus Kilch, Past President, Women in Community Service, Inc.

Mrs. Martin Luther King, Jr.

Mrs. Elizabeth Koontz, President-Elect, National Education Association.

Mrs. Burton Lane.

Mrs. Mary K. Lasker.

Mrs. Robert S. McNamara.

Mrs. Robert J. Mangum.

Mrs. John A. McCone.

Phyllis McGinley.

Dina Merrill.

Senator, Maurine Neuberger, Chairman, Citizens Advisory Council on the Status of Women.

Mrs. Harold Prince.

Dr. Dixy Lee Ray, Director, Pacific Science Center Foundation.

Muriel Resnik.

Mrs. Louis J. Robbins, President, National Council of Women of the U.S.

Mrs. Winthrop Rockefeller.

Mrs. A. M. G. Russell, Chairman, California State Commission on the Aging.

Mrs. John D. Shields, President, National Council of Catholic Women.

Cornelia Otis Skinner.

Marie Therese Squerciati.

Maureen Stapleton.

Mrs. Stanley Madeline Steingut.

Mrs. Robert J. Stuart, President, League of Women Voters of the U.S.

Gerald Stutz, President, Henri Bendel's.

Mrs. Marietta Tree.

Mrs. D'Jaris Watson.

Mary Wells, President, Wells, Rich, Greene, Inc.

Mrs. Eric Wentworth, Founder, Plymouth Heritage Trust.

Mrs. Joseph R. Wilder.

Mrs. Joseph Willen, Past President, National Council of Jewish Women.

Joanne Woodward.

Mrs. Sherry Lafolette Zabriskie.

THE SOVIET QUEST FOR PEACE

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the Christian Science Monitor today carried the first of a series of 14 articles entitled "What Is the Soviet Up To?" The subheading stated:

> The Soviet Union's ploy in the Mediterranean is aimed not only at the Arab world. It involves oil logistics, naval strategy, the future of CENTO and NATO, the phasing out of British and French bases, a Soviet desire for its own bases, and a desire to push the Americans out.

For those who are still interested in building bridges to the Soviet Union and the other Communist-bloc nations, I insert this article in the RECORD at this point:

WHAT IS THE SOVIET UP TO?—SOVIET LEAPFROGGING IN MEDITERRANEAN

(By Bertram B. Johansson)

(NOTE.—The Soviet Union's ploy in the Mediterranean is aimed not only at the Arab world. It involves oil logistics, naval strategy, the future of CENTO and NATO, the phasing out of British and French bases, a Soviet desire for its own bases, and a desire to push the Americans out.

(First of a series of 14 articles by Monitor correspondents John K. Cooley and Bertrum B. Johansson appearing twice weekly.)

JERUSALEM.—"One thing is becoming clearer and clearer to us," the Israeli intelligence officer was saying.

"We are convinced that the Soviet Union is out to gain the ascendancy and establish its influence over the entire Middle East.

"We have had plenty of evidence of this in the past six months, both during the six-day war in June and before and after the war."

The statement was reminiscent of another that had been made to me by a high "NATO person" in London. He said:

"The Middle East is the most serious long-range problem the West faces today, and for two reasons.

"Not only is the Soviet Union making rapid advancements in space [witness the Soviet space-bomb tests just announced by United States Secretary of Defense Robert S. McNamara]. But, more immediately, and while we divert our gaze into space, the U.S.S.R. is advancing swiftly in the area of seapower, as exemplified by the fleet it is maintaining now in the Mediterranean.

"The Soviet Union is already the second largest sea power in the world. It has some 400 submarines, some of them with missile capability. Six to 10 of these are in the Mediterranean today. The U.S.S.R. is aiming to become the first and largest seapower in the world."

(The United States has 105 submarines—excluding Polaris vessels—of which 32 are nuclear-powered attack submarines, according to the Institute for Strategic Studies in London.

(The United States Navy has in addition, according to ISS figures, commissioned 41 nuclear-powered ballistic-missile submarines, each of which carries 16 Polaris missiles. Of the 41, 13 are equipped with the A–2 missile, 1,500 mile range, and the remainder with the A–3, 2,500 mile range. It has been decided to start production of the Poseidon missile, which will have nearly twice the payload of the A–3 missile and will eventually replace all the Polaris missiles.)

The Israel intelligence officer swung around toward me in his swivel chair, and paused a moment. Outside the window, in the warm sunlit Jerusalem air, a turtledove cooed wistfully, almost urgently, it seemed.

DECEPTIVE ATMOSPHERE

In the distance, over in Old Jerusalem, where Arabs and Israelis mingled with at least superficial friendliness, loudspeakers chanted melodious electronic prayers from a Moslem mosque. Bells rang from a Roman Catholic enclave. And at the Wailing Wall, the last remaining wall of the destroyed temple of the Jews, Israelis and Jews from all over the world were intoning their sad and glad prayers.

In this casual, quite peaceful, but easily deceptive, atmosphere, where at any moment a terrorist bomb might pop off, the Israeli intelligence officer had been telling us how in June the Israelis had found timber saws in the Soviet tanks abandoned in the Sinai.

What were the saws for?

For cutting nonexistent forests in the barren Sinai desert.

The Israelis found, too, that captured Egyptian officers had been equipped with Geiger and radiation counters.

What for?

For nuclear warfare that was supposed to be waged by the Israelis, no doubt.

But, how deep had the fantasy extended, I asked. Had the Soviets convinced the Egyptians that the Israelis would use atomic bombs? (I reminded myself as I asked the question that Israeli soldiers fighting the Jordanians in the Jerusalem area had been equipped with antigas pills and injection capsules. They were quite aware that the Egyptians had used gas in the Yemen, as the Red Cross has confirmed.)

The intelligence officer answered:

"We don't know how far the Soviet-U.A.R. fantasy or the confidence in their massive-scale weapons had gone. We do know that none of the Soviet tanks had been adapted for desert warfare. Egyptians literally baked in their tanks because of lack of ventilation in the hot desert sun. The tanks were built for north European terrain, not for the Sinai."

(In Istanbul, a Turkish source told me that in the last days of May, just before the June 5–10 war began, so many Soviet tanks were being shipped through the Bosporus from the Black Sea one could see them clearly on the decks of the Soviet ships. Battleships were even being disguised as supply ships to go through the straits. There seemed to be undue haste in the Soviet shipments, he commented.)

The Israeli officer continued:

Apparently the Soviet Union had had no time to make adjustments on their tanks for desert warfare. Sometimes the tanks stopped dead on their tracks for no apparent reason. He explained that the reason was Sinai desert dust which is extremely adhesive. Thin films of the sticky desert dust had accumulated on some of the tank electronic equipment. Egyptian personnel, the Israelis say, unable to find the trouble, would bail out, and hightail for cover.

Israelis would then come along, find the abandoned tank, still half full of petrol. Israeli mechanics and electrical experts would case the tank. In minutes, sometimes, they would find that the only trouble was that some of the sticky desert dust had coated the small electronic part and shorted electrical circuits. All the Israelis had to do was to wipe off the electronic connection, and the tanks would start up.

As a result of this and thousands of examples of undertraining of Egyptian soldiers, according to the Israeli intelligence officer, the Soviet Union today is insisting on inserting Soviet officers and technicians more deeply into the Egyptian Army. It is insisting on more effective Soviet teaching presence in the reorganization of the Egyptian Army. This is confirmed by both Cairo and Israeli sources. The Egyptians are objecting, but they appear to have little choice. Their dependence, militarily, on the Soviet Union, is quite complete, ironically reinforced by defeat.

The Cairo correspondent of the respected French newspaper Le Figaro writes that there are now well over 1,000 Soviet officers in Egypt, headed by four Soviet generals, virtually directing the rebuilding of the Army.

During June and July more than 250 flights of giant Antonov transport planes brought into Egypt some 150 aircraft and between 200 to 250 tanks. In August, the Russians resumed supply by sea, and sent an additional 100 tanks, more aircraft and large quantities of artillery and ammunition, according to David Kimche of the Jerusalem Post, who is close to Israeli intelligence sources.

CONFERENCE RECALLED

"You ask me what the Soviet Union is up to in the Middle East?" the Israeli intelligence officer queried.

He suggested that one might think back 12 years to 1955. It was the year of the Bandung Conference of Afro-Asian neutral and "third force" countries. The Soviet Union, not considered either African or Asian, had not even been invited to Bandung. Communist China and the Asian neutrals were in the ascendancy.

"At that time," the officer continued, "Russia wasn't even a power in the Middle East. Russia was nothing. Not even its Communist parties had much force here."

Then Soviet arms were offered to Egypt, and accepted on Sept. 27, 1955. A Czech trade deal was consummated with Egypt.

That was the outward beginning of the Soviet push in the Middle East. This was two years before the Soviet Union launched Sputnik I into space on Oct. 9, 1957, well ahead of the United States. It preceded the Soviet Union's outward explorations in foreign policy. These forays in foreign policy proliferated in the Middle East and Asia after the euphoria of the Sputnik space triumph encouraged the Soviet Union to become less isolationist.

"If one checks out what Russia has achieved in 12 short years," an Israeli Foreign Ministry spokesman said, "I think we can say it has achieved a great deal in the extension of its power in the Middle East."

"Twelve years ago Russia was nonexistent in the Mideast. Today, the Soviet Union is accepted as a Middle East power. In fact, the United States finds it must discuss Middle East questions with the Soviet Union at the United Nations. This was not the case 12 years ago.

"This is a tremendous achievement in 12 years."

THE CONSENSUS

Here, then, is a consensus of what military analysts, economists, political observers, and intelligence sources in the Middle East and on the Soviet periphery believe the Soviet Union is up to in the Middle East:

With the British presence largely nullified in the Middle East, and its incipient withdrawal from Aden, the Soviet Union is interested in greatly diminishing American influence. At the moment, there is considerably more anti-Americanism prevalent in the Arab world than before the June war.

It is out to gain ascendancy, influence, authority, and control in deep penetration of the Middle East from Morocco to Saudi Arabia.

The Soviet Union is interested in "softening up" Turkey and Iran, border countries on the Soviet underbelly. They have had a long history of antipathy with Russia. Soviet industrial projects and oil explorations already are under way in both countries. A $110 million Soviet-Iran military aid agreement is already being implemented.

It is out to destroy CENTO (Central Treaty Organization) in which Great Britain, Pakistan, Iran, and Turkey have membership. The United States, though not a full member, contributes finances and a large share of military and economic assistance. Soviet propaganda belays CENTO mercilessly. The West currently is deemphasizing the military nature of CENTO and is increasing its economic function.

The Soviet Union is able to use the Middle East as a constant area of harassment of the United States as pressure on the Vietnam problem.

The Soviet Union is constantly harassing the North Atlantic Treaty Organization. There are frequent predictions of NATO's demise. But, surprisingly, with the departure of France from NATO's integrated military system, something happened that no one had predicted.

According to Harlan Cleveland, United States Ambassador to NATO, "with France standing aside, the 14 remaining countries set up a NATO strategy council of their own; and the renewed political interest in NATO unity had a sudden and galvanizing effect on the quality of the NATO defense system."

NATO WEAPONS

Mr. Cleveland adds that the Soviets "are bound to be in a quandary as to what we would do with the 7,000 nuclear weapons we have placed in Europe for NATO use in case of trouble. These weapons are indeed an important reason why the Soviets in recent years have acted as if they believed military militancy would not pay off in Europe—though they are not yet quite convinced of that principle elsewhere in the world."

What makes the Soviet role in the Mideast crisis especially "intriguing" in NATO, Mr. Cleveland says, "is the patent effort of the Soviets to use the regional turbulence to build up their military presence in the Mediterranean area."

He notes also that the Soviet Union is already the world's second greatest sea power, with the largest submarine fleet the world has ever known. Yet, up to 1963, Soviet subs and other warships were infrequently sighted in the Mediterranean. Then, four years ago, Mr. Cleveland says, the Soviets decided to build their Mediterranean presence, which NATO naval officers have taken to calling the "Soviet Sixth Fleet." Between 1963 and 1966 the Soviet Mediterranean forces increased tenfold.

COVER PROVIDED

Then, this year's crisis provided the cover for a further buildup, Mr. Cleveland notes. By July a total of 46 Soviet ships (figures now go as high as 50 to 55 ships) were operating in the Mediterranean, including some of the latest guided-missile cruisers and about 10 submarines together with numerous support ships.

The United States Navy estimates that Soviet operating days in the Mediterranean during the first six months of 1967 were 400 percent greater than the comparable figure of 1963.

And Soviet submarine operating days in the Mediterranean have increased by nearly 2,000 percent since 1963.

The Soviet ploy in the Mediterranean is seen by most naval authorities in the larger international context. Not only is the two-century-old Russian desire for warm water outlets an operative motivation. But the Soviet Union's flexing of its naval muscles in the Mediterranean is seen in terms of challenges to the cold-war balance of power, and in relation to the United States' consuming preoccupation with Vietnam.

IN A DIFFERENT WAY

The closing of the Suez Canal hurts the Soviet Union nearly as much as Britain, but in a different way. Britain suffers because of a cutoff of oil deliveries; the Soviet Union because its deliveries of war materiel to North Vietnam must go over longer sea and land routes. Thus, paradoxically, the Soviet Union could have almost as great an interest in opening the Suez Canal as the British might have, and Egypt.

On the question of oil in the Mideast, from which the West obtains some 40 percent of its petroleum supplies, the Soviet Union weaves an intricate and contradictory web of objectives.

While the Soviet Union is rich enough in oil itself, it appears to be interested in diverting or hampering supplies for the West. Since the closing of the Suez, the Soviet Union has begun to sell oil to Europe, to Spain of all countries, much as Cuba has sold sugar to Spain, though hardly being in ideological sympathy with Generalissimo Francisco Franco.

Admiral John S. McCain Jr., commander-in-chief of United States Naval Forces, Europe, otherwise known as the Sixth Fleet, sees the Soviet moves in the Mediterranean on an even higher strategic level.

He says, "Ivan has gone to sea in the interest of Soviet goals because the Soviets recognize fully the importance of the oceans to the achievement of Communist ambitions.

MERCHANT FLEET GROWS

"Soviet sea power is modern and it is growing. The Soviets have the second largest navy in the world. They have more than 20 cruisers, 160 destroyers, and 400 submarines." (In recent days, the Soviet Union has announced it is constructing an aircraft carrier, reversing its previous views of carrier vulnerability.)

He points out that the Soviet Union, unlike the United States, is almost self-sufficient in raw materials. Yet, "they have one of the most modern merchant fleets in the world, and it is rapidly growing. They have over 1,200 merchant ships today, and the signs are that they intend to more than double this fleet by 1970. In five years' time, they could have the world's largest and most modern merchant marine."

This is important, Admiral McCain points out, when one considers that in Korean War, 99 percent of all materiel and personnel going into Korea was delivered by ship. Ninety-eight percent of everything going into Vietnam is being delivered by ship. Soviet missiles went into Cuba by ship, and they were carried out again by ship, it is stressed.

One Soviet ship of particular interest, says Admiral McCain, is the Komar class guided-missile PT boat. This is the type which sank the Israeli destroyer Elath. Its Styx type missiles have such a low trajectory, well below 10,000 feet, that there is practically speaking no defense against them.

GRASP OF SEA POWER

This is why the Israelis were impressed with the deadly homing accuracy of the Styx missile. It introduced a new strategic element—that of short-, medium-, and long-range missiles with which the Israelis might someday have to contend.

Admiral McCain feels the West is being challenged by the Soviets not only in the naval aspects of the oceans, but across the entire spectrum of maritime activity—the merchant marine, oceanography, commercial fishing, and shipbuilding.

Admiral McGain, who commands some 25,000 men in a naval area extending from the British Isles down through the Atlantic, through the Mediterranean, and into the Indian Ocean, feels the strategic importance of the sea is not properly understood in the West.

"It is my firm conviction," he says, "that the Soviet Union has grasped the principle of sea power rapidly, and that the Western world has been slow to learn many of its lessons."

Thus the Soviet flexing of its sea power muscles in the Mediterranean must be seen in the regional context as well as in the international range of strategy.

INFLUENCE EXTENDED

Meanwhile, the Soviet Union is extending its influence in the Mideast on a country-by-country basis:

With 1,000 Soviet technicians training a 100,000-man army in Algier, and training petroleum field personnel for eventual or possible nationalization of Algerian oil fields.

With a mild flirtation with Jordan's King Hussein over possible military and economic aid.

With a restoration of all weaponry the Syrians lost in the June war.

With a restoration of most of the weapons (the estimates vary from 60 to 80 percent) lost by the Egyptians to Israel.

With negotiations in the Sudan for supplying Soviet MIGs and tanks.

The Israelis are watching the latter negotiations closely. Having learned that Algeria had begun to ferry MIGs to Egypt during the June war, it sees the Sudan as another potential ferrying point for Soviet equipment that might be used against Israel.

At the same time, the Soviet Union warily watches its big Asian neighbor and Communist rival, China. Both the Soviet Union and China, with large Moslem populations at home, try to appear as champions of more than 300 million Moslems in the outside world.

AMERICAN EDUCATION WEEK

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. REID] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. REID of New York. Mr. Speaker, last week, we were again reminded of the importance of education for all Americans. American Education Week has been set aside for all of us to recall the great strides that have been made in our educational system, but it also serves to illuminate the critical needs that yet remain.

In school systems throughout the country, such as my own in Westchester, we have witnessed steady progress toward meeting the total educational needs of our children. We have seen curriculums broadened and enriched, facilities greatly expanded, and the quality of teachers improved.

These strides have been made in an atmosphere supported by fair and equitable opportunity for academic achievement.

Yet, we should recognize that this progress must not overshadow the reality that many children have not benefited from these improvements. Some 366,850 children go to school on double shifts; only 84.6 percent of our youth between the ages of 5 and 17 are in school; 90,500 teachers are in our classrooms with substandard teacher certificates; 15 of our largest cities have pupil-teacher ratios averaging between 28 and 29.7 to 1; 84 percent of all elementary schools have no school librarians; and 70 percent of our elementary schools have no school libraries at all.

The children who have recently entered primary school must be afforded the opportunity to develop their talents and skills and, if qualified, to go on to a higher education, regardless of their financial means. Only if Congress and the American people catch the spirit of this week and concentrate the great store of energies and ideas at their disposal—including passage of the Elementary and Secondary Education Amendments of 1967 and the higher education amendments—will all our sons and daughters meet the challenges of our changing society.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1967

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Reid] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. REID of New York. Mr. Speaker, as I have said on this floor several times during debate on the Economic Opportunity Amendments of 1967, the sights of the American people are considerably higher than those of this House with regard to the level of funding and the nature of the programs that must be included in this legislation.

I think that this is clear from the articles, editorials, and columns that have appeared in the newspapers of this Nation during this last week alone. They give evidence of a high degree of commitment, of a deep concern, and of recognition of the unmet needs that we face. In reflecting the aspirations of those 30 million Americans still living in poverty, they are in the tradition of a public service that has long characterized the press of this country.

I believe that an article from the New York Post on VISTA and seven editorials and columns from newspapers throughout the country commenting on the urgent needs of the antipoverty program in general will be of interest to the Members of the House, and I insert them in the Record at this point:

[From the New York Post, Nov. 7, 1967]

VISTA FIGHTS FOR ITS LIFE

(By Jack Robbins)

When the federal anti-poverty funds for VIST run out . . .

A woman, 77, unable to care for herself, may lose her one friend.

One hundred teenagers who need jobs are going to lose their employment agency.

And the residents of single-room-occupancy hotels on the Upper West Side may lose what they prize most—companionship.

The elderly woman, the teenagers and the tenants have one friend in common—Volunteers in Service to America (VISTA). And this is one of Congress' economy targets.

The volunteers are paid $210 a month for living expenses, $50 per month is deposited for them for each month of service, payable at the end of their one year term.

Yesterday each of New York's 200 workers, and 3,800 more across the country received a letter beginning "VISTA has another difficult task to ask of you."

The task is to continue working among the nation's poor in spite of the fact that VISTA's appropriated funds ran out Oct. 24, that Congress seems unlikely to vote further funds, that, as of now, no money is available to continue paying their subsistence salaries.

How long can the volunteers carry on without getting another paycheck?

"Until tomorrow," one said. Others, with help from their families, think they can hold out for about a month.

"But the real problem is the people," one of the volunteers says. "We spent months gaining their trust, building programs, now it will all be yanked from under them."

Charlene Todd, a Vista worker on the Upper West Side, has already placed about 200 teenagers in part time jobs, given a few more months she could find something for most of the remaining 100. Another volunteer is making some progress in getting Frances into a nursing home.

Coffee hours are being operated for the aged and infirm residents of the SRO hotels, people who might otherwise pass weeks without seeing another human being.

None of these programs have enough momentum to continue without the prodding of the volunteers, Vista workers say.

Congress is expected to vote on measures which will mean life or death to Vista and several other anti-poverty programs tomorrow.

[From the New York Times, Nov. 4, 1967]

A PROMISE TO THE POOR

When Congress established the antipoverty program three years ago, it assumed an obligation to the nation's poor that it cannot abandon. By launching a war on poverty, the world's richest nation made explicit its debt of honor to those of its citizens who are trapped by age, circumstance, ignorance, skin color, or historical misfortune.

Yet the House of Representatives is approaching the antipoverty authorization bill, which comes to the floor next week, in a casual and cavalier spirit. Almost every faction seems to feel that it can play politics at the expense of the poor.

The authorization bill only now reaching the floor should have been acted upon months ago. The current fiscal year is already more than four months old. When the program was started, it was widely recognized that to gain genuine effectiveness, the war on poverty would have to move at an accelerating pace. But many in Congress actually want to cut this year's antipoverty budget request in half.

The heart of the program is community action. The poor have formed their own agencies in more than a thousand cities and towns across the nation. Knowing the needs of their own neighborhoods, they have used Federal funds to provide neighborhood centers, day care centers, pre-kindergarten classes, family planning, health clinics, and numerous other programs.

Inevitably, some community action agencies have made serious mistakes. As in Syracuse, they have not always followed proper accounting practices or administrative procedures. But, looked at as a whole, community action has been a success.

The House Education and Labor Committee unwisely imposed a requirement that these privately-organized community action agencies be brought directly under the control of local public officials. The mayors have not been clamoring for this responsibility. Most of them would prefer that private agencies take the political onus for pioneering in various social innovations. The House Committee was also unwise in requiring that the agencies put up at least half of their share of the funds in cash rather than services. In practice, this means that local tax funds will be necessary. How many Southern towns are going to appropriate tax funds for community action agencies that may do the bulk of their work for Negroes?

Despite these two unfortunate features, the bill as reported from committee deserves approval. What is essential is that the full amount be appropriated and the small progress made thus far not be frittered away by delays and cutbacks. The war on poverty has barely begun. A retreat now would be a fresh insult to those who have been victims and losers too often.

[From the Chicago Sun-Times, Nov. 6, 1967]

FATE OF WAR ON POVERTY UP TO HOUSE

(By Roscoe Drummond)

Washington.—The fate of the administration's war on poverty—to continue its vital job or to be shrunk to such punny size as to be meaningless—will soon be decided.

It will be decided by the House of Representatives. The Senate has voted strong and constructive anti-poverty legislation, but the outlook in the House is ominous.

The war on poverty is getting plenty of praise even from its critics in Congress, but praise won't finance it. Those who publicly praise the anti-poverty programs are proposing to impoverish them by inadequate funds and crippling amendments.

By the test of public support and expert judgment, Congress will be doing the nation a reckless and ill-timed disservice by suffocating the war on poverty. I believe that most congressmen who may be tempted to vote that way will be making a political mistake through misreading voter opinion.

The President's Commission on Civil Disorders, comprising some wise and knowledgeable people, has concluded that city government most needs strengthening in order to deal effectively with civil disorder.

No federal enterprise is doing so much to help city government control and prevent violence as the anti-poverty programs.

This is the nearly unanimous testimony of mayors, police chiefs, juvenile judges and civic leaders of cities which had riots and those which didn't. In many of the cities the police departments and community action agencies and joint programs to prevent riots and in eight cities the juvenile arrest rate went down with the help of the anti-poverty programs.

The mayors of the cities know most about how much the nation needs the war on poverty to help improve the lot of the very poor, both Negro and white, and thereby to remove them from the reach of those who seek to turn them to violence. The U.S. Conference of Mayors unanimously asks for expanded anti-poverty programs.

The Republican mayors of 22 cities with over 100,000 population urged the GOP leaders of Congress to "encourage members of Congress to support the Office of Economic Opportunity budget so that these dynamic and imaginative programs may be carried on in a successful manner." Most of the governors, Republican and Democratic, agree.

But the House is rife with suggestions to slash the OEO budget by as much as $400,000,000 to $800,000,000—a cruel mistake.

[From the New York Post, Nov. 7, 1967]

The Impoverished Poverty Budget

As more and more local projects expire from lack of continuation funds, the House is opening debate on a cut-rate budget of $1,200,000,000 for the national poverty program. If it is not appreciably increased, the whole program will suffer financial and spiritual starvation.

In New York alone, this budget—proposed by the Education and Labor Committee—would require an overall program cutback of 40 percent. Both locally and nationally, there would be ruinous reductions in Head Start, Job Corps, job training, health, VISTA, legal aid and migrant labor projects.

All of these programs have been functioning effectively, particularly in the riot prone big cities. They represent a large investment in money and hope. If the first is now withdrawn, the second will founder, perhaps permanently; the catastrophic results of that should be evident, even to those publicity-hungry Representatives and Senators who now pretend to be investigating the "causes" of urban rioting.

The poverty program cutbacks are being falsely represented by some legislators as economic necessities. More often than not, these are the same men who have been voting to restock the pork barrel this year.

Economy is not the issue; there is nothing on which the poor of this country can economize. We applaud Sargent Shriver for his blunt declaration that he will not preside over the program if it is finally mutilated by the Congressional irresponsibles. No deception is more vulgar than a plan designed to delude the impoverished into another cycle of false hope.

[From the Winston-Salem (N.C.) Twin City Sentinel, Nov. 7, 1967]

There is a controversy going on in Houston about the role of Federal anti-poverty workers in last summer's racial disturbances in that city. The Mayor believes that employees of the Office of Economic Opportunity aggravated the situation as part of its prejudiced investigation; the local OEO administrator maintains that his people did far more to prevent trouble than to cause it.

Senator John McClellan's Judiciary Subcommittee is studying the Houston situation as part of its prejudiced investigation of the nation's riots, and nothing would delight the Senator more than to find a solid cause and effect relationship between anti-poverty workers and race riots.

We do not know what Federal employees did in Houston last summer, but we do know how workers behaved in Winston-Salem last week—with distinction, responsibility and great good sense. Workers for the Experiment in Self-Reliance circulation in Negro neighborhoods Friday, informing, soothing and cautioning angry residents. They said the facts of the James Eller case can only be determined by the Grand Jury, and they warned the people that violence can only hurt the Negro cause and not help it.

These actions, undoubtedly, had a good effect, but Mark Freeman, Director of the Experiment, was right when he said that after dark, control was a "law enforcement problem and not one in which ESR could be of any useful assistance."

The experiment's real work is helping to create the conditions that will prevent riots, not stopping them, and thought it did not prevent this one, it may have kept the explosion from being bigger than it was.

A cranky and regressive Congress is holding off on its approval of anti-poverty funds, and the Experiment in Self-Reliance here is feeling the pinch. No extra projects are planned in the aftermath of the riot, because there is no money for them. This is more than unfortunate, it is tragic. The first patient ever treated with penicillin was a man with a raging infection. After the initial treatment, he made dramatic improvement, but later he had a relapse. There was no more penicillin in the world, and he died. Poverty is a kind of social infection, and it, too, can be treated and cured. But the medicines required are money, effort, and above all, patience and persistence."

[From the Asheville (N.C.) Citizen, Nov. 7, 1967]

Poverty Fight Becomes War Between Parties

Both Republicans and Democrats in Congress have proposed alternatives to the current poverty war—changes designed, each side says, to "rescue" the effort from annihilation.

That is unfortunate, because both "solutions" are laden with partisan overtones that have nothing to do with delivering the poor from their chronic taste of indigency.

In the House, where the issue nearer decision, perhaps this week, there are all manner of proposals for revising the program. Primarily though, there are two principle concepts: the GOP would cut the cost of the program to $1.4 billion annually (about a 40% slash) and transfer most of the projects for the OEO, which now administers them, to other Federal agencies such as Health, Education, and Welfare and the Department of Labor.

The Democrats would appropriate about $2.06 billion, but would shift major responsibility for community action programs to state and local government agencies.

Both factions maintain that their motives are defensible, and perhaps in a sense they are. The trouble is that in the political clash that has developed, the poverty war may lose its momentum. Programs including Head Start and the Job Corps would undoubtedly be cut back; others for all effective purposes, would be eliminated.

Nobody claims that the poverty fight has been entirely successful; in several areas it has been marked by administrative waste and mismanagement. Clearly reforms are needed. But they ought to be reforms based on careful study and calm appraisal, not on political expediency.

To strangle the Poverty Program now, before all the results are charted, would be to deny American communities the best weapon that is currently available to combat disruptive social disorder and somewhat relieve the plight of impoverished millions. Such a move would be, as Roscoe Drummond maintains "a cruel mistake."

[From the Philadelphia (Pa.) Inquirer, Nov. 8, 1967]

Victimizing the Poor

The poor, it has been said, are always with us. There are a good many members of the House of Representatives who apparently think that the poor and their problems can be made to disappear by simply not looking at them.

They are intent on cutting the Federal anti-poverty program to less than $1.4 billion instead of granting the $2.06 billion asked by President Johnson, or the $2.25 billion approved by the Senate.

House members who are keen to cripple the anti-poverty drive have put together dissatisfaction with various elements of the program, resentment caused by destructive rioting in a number of cities and desire to reduce Federal expenditures to form a coalition of strong opposition to any increase in the appropriation.

Meanwhile funds available to the Office of Economic Opportunity have been exhausted, projects such as Head Start have been suspended, many community action agencies are without money, Peace Corps volunteers and members of Neighborhood Youth Corps are off the payroll or threatened with loss of jobs and allowances. Sargent Shriver is so disgusted with what he calls a "gross deception" of the American people that he has threatened to quit as head of the OEO if the anti-poverty program is stripped of the funds needed to do the job.

There can be differences of opinion on how a war against poverty should be waged to obtain the best results; there can be more efficient handling of anti-poverty funds to make sure the poor receive the benefit of them; there can be plans set in motion to help the impoverished help themselves by job training and other means. But gutting the anti-poverty program by withholding funds essential to its operation is not helping anybody. It could end up being a waste of money. It certainly would not obliterate the poor, and their ever-present problems, no matter how fervently some Congressmen might wish it so.

[From the Washington (D.C.) Evening Star, Nov. 8, 1967]

Poor Stand To Suffer in House Poverty Fight

(By Carl T. Rowan)

There is an old African proverb, "When two elephants fight it is the grass that suffers."

We now have an elephant and a donkey fighting in the House of Representatives, and the suffering grass turns out to be the poor people of America.

The Republicans have rightly seized upon a Democratic effort to put a billion dollars worth of Community Action Programs (CAP) under the control of local politicians.

"Where city hall is unsympathetic to the needs of the poor or to this program, the CAP is dead without the decency of a burial," the Republicans argue.

"Where city hall seizes upon CAP as an instrument for political power, it will become just that and nothing more," the Republicans add.

The country's 30 million poor people can take small comfort from these Republican words, however, because the GOP persists in trying to reduce the federal funds for a poverty program from the two billion plus that President Johnson requested to something less than $1.4 billion.

The Republicans keep talking about generating "public and private funds well in excess of $3 billion" and winding up with a bigger and better "crusade" against poverty.

The Republicans are just as wrong in trying to reduce the federal role in fighting poverty as they are right in trying to keep CAP out of the clutches of city hall.

I've been in reservation territory in the Dakotas where the local people wouldn't give the time of day to the impoverished Indians. And I've seen not the slightest reason to believe that "public and private" funds of any consequence will be made available for city ghetto programs in 1968.

If the Republicans are sure that public and private funds are available, why not let Congress still allocate $2 billion? If other sources do come up with $3 billion, then we'll have a poverty program approaching what these tragic times seem to require.

But what if the House, in its angry and irresponsible fiscal orgy, retains the worst proposals of both parties and the Senate (which has been remarkably responsible on the poverty issue) is forced to go along?

It would mean a 40 percent reduction in funds for Community Action Programs, with severe impact on Head Start, health centers, family planning centers and similar programs.

The Office of Economic Opportunity (OEO) says that at least 30,000 poor people who have recently received opportunities as teacher aides, recreation aides and the sort will be thrown out of jobs.

OEO also says that the Head Start follow-through programs scheduled to benefit 190,000 children at a cost of $120 million, will be "completely eliminated."

OEO claim further that there will be no special programs in 295 communities next summer and that a million poor children who might otherwise have meaningful jobs or recreational activities will wind up idle and on the streets. The cost of the consequences of all this may be greater than the worth of reelecting the whole House.

No one can examine the record without concluding that there has been some waste, some mismanagement, some nepotism in aspects of the poverty program. Maybe a bit more than exists in the House of Representatives, though that is debatable.

Yet, the current poverty program does represent an attempt to help the poor in a time when the effort is urgently needed. There may be reasons to revise some programs, but there is no sane justification for reducing the amount of money spent on these programs.

The near future may show, happily or unhappily, that $2 billion a year to fight poverty is money this country cannot afford not to spend.

MARYLAND CIVIC LEADERS SUPPORT VISTA

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Reid] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. REID of New York. Mr. Speaker, our distinguished colleague, the gentleman from Maryland [Mr. Mathias] is recuperating from a back ailment and is unable to be present today. However, Mr. Mathias is closely following the course of debate here on the floor and shares the deep concern of a number of us about the need to continue a fully funded war on poverty.

Mr. Mathias has received a telegram from a group of Maryland civic leaders with regard to their support of VISTA in this critical hour for that program. At his request, I am including in the Record at this point the remarks Mr. Mathias would have made concerning this action and the text of the telegram:

Remarks of Mr. Mathias of Maryland

I would like to call to your attention new, substantial evidence of the tremendous support for OEO programs among the business leaders of Maryland.

I have just received the following telegram:

Baltimore, Md.,
November 10, 1967.

Charles McC. Mathias, Jr.,
House Office Building,
Washington, D.C.:

We wish to advise that an informal committee of Baltimore business men have today guaranteed funds for the payment of approximately 96 VISTA workers in Baltimore. This assistance will be in the form of loans to the workers to be repaid by them when the OEO appropriations bill is approved by Congress. This step considered necessary to insure the continuance of an effective program being carried on in this city by dedicated VISTA workers. Urgently request you support congressional action to insure the adequate funding of and the continuation of this program at earliest possible date.

Mr. L. Mercer Smith, president of Chamber of Commerce of Metropolitan Baltimore and vice president of C. & P. Telephone Co. of Maryland; Mr. Robert H. Levy, chairman of the greater Baltimore committee and chairman of the board of the Hecht Co.; Mr. Austin E. Penn, chairman of the board of the Baltimore Gas & Electric Co.; Mr. Walter Sondheim, senior vice president and treasurer of Hochschild Kohn & Co.; Mr. Jerold C. Hoffberger, president, the National Brewing Co.; Mr. Irving Blum, president, Blums' Inc.

I would like to congratulate all of the members of this ad hoc committee for their initiative in taking this constructive step to guarantee the survival of a program which has had great impact in the city of Baltimore. I urge the entire House to give full weight to this impressive testimony on behalf of VISTA and OEO by some of the most prominent business leaders in Baltimore.

POVERTY

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Eshleman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. ESHLEMAN. Mr. Speaker, the plight of the poor in America today is a problem that must be met realistically. The subject, poverty, has been very much in issue of the present era. Intellectuals from the social sciences, religious denominations, and most every political and social institution have in some way become involved with the crisis of the economically underprivileged. Though interest has been obvious, the institution of workable programs has been woefully lacking. Idealistic schemes and slogans have too often offered hopes to human suffering, but later show little in the realm of performance.

Magic formulas have no place in a problem as complex and as varied as the number of individual people caught up in it. Poverty eradication by massive Federal, social-action plans has been offered and tried as a universal solution. The record achieved using this method has been far from satisfactory. The only significant realization that has arisen from the Federal experimentation is that frustration led to promises, but unfulfilled promises led to further and greater frustration.

The attack on poverty has produced unrewarding results partially because the guidelines used to define the problem tend to be ineffective. Perhaps the fundamental mistake is the attempt to build the case for the hopeless poor around family-income statistics. Back in 1964 the determination was made that a household with less than $3,000 annual income was in poverty. Under no reasonable assumption does income alone indicate poverty status. For example, a young married couple attending college may well be a household with an income substantially less than $3,000 annually, but who can say that they are suffering in in abject poverty. And yet, that couple would be a part of the 30 to 80 million poor that the poverty statisticians have told us exist within our population. This type of guideline is a fallacy, and the interpretations based upon it are necessarily erroneous.

One might well ask what the poverty crisis is all about. Are we really faced with people deprived of the benefits of affluency? The answer here is a certain yes. There are poor in America that deserve all of the help we can provide to assimilate them into the mainstream of relative prosperity. However, they will not be aided by ill-conceived and ineffective programs which attempt to eradicate poverty with funds alone. Mere handouts are cruel for they tend to destroy human dignity—the dignity every individual is entitled to have. Each individual should be permitted to live with the knowledge that he, too, is contributing his share—that he counts for something in doing the world's work.

Experimentation with human misery must be brought to an abrupt halt. There must be recognition that assistance to the poor is not a simple matter of finance, but is a problem of reversing the disturbing social trends which have accompanied the spread of affluency. The rise of illegitimacy is a case in point. The increased number of Americans born and raised outside normal family-life patterns has produced already a group of youth who are suffering from acute social and intellectual deprivation. This army of unwanted and unmotivated lend substantially to further problems of delinquency and unemployment. If Government is unwilling to go to such root causes of human suffering, then all of the spending programs with their administrative networks will certainly be for naught.

FREEDOM OF INFORMATION

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. Gross] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. GROSS. Mr. Speaker, for the benefit of Members of the Congress, I am inserting at this point in the Record a partial and excellent report of the Advancement of Freedom of Information

Committee of Sigma Delta Chi, honorary journalism fraternity.

Members of the committee are a group of noted newsmen, including Clark Mollenhoff, Pulitzer prize winning reporter for the Des Moines Register and Tribune; Murray Seeger, vice chairman and representative of Newsweek in Washington; Larry L. Sisk, of the San Diego Evening Tribune; William J. Small, of the Columbia Broadcasting Co., Washington, and Alvin E. Austin, of the University of North Dakota.

The report of the Freedom of Information—FOI—Committee, dealing directly with the Federal Government, is as follows:

REPORT OF THE FREEDOM OF INFORMATION COMMITTEE

The Johnson administration issued thousands of laudable words about the importance of freedom of information in government, but high officials consistently employed inaccurate and misleading statements that contradicted most of the fine words.

It was difficult to equate the misleading and inaccurate statements by the Defense Department on a wide range of issues with President Johnson's comment that "A Democracy works best when the people have all the information the security of the nation permits."

The President's comment that "no one should be able to pull curtains of security around decisions which can be revealed without injury to the public interest" is difficult to reconcile with the arbitrary State Department action to conduct a secret hearing to try to fire Otto F. Otepka, the former chief security evaluator.

After five years, Defense Secretary Robert S. McNamara finally abolished the rule that required all Pentagon officials, military and civilian, to report all contacts with the press to the press office before the end of the working day. But, even as this took place, the Defense Department continued to pour out inaccurate information on everything from the controversial TFX matter to the question of whether there was Joint Chiefs disagreement over the conduct of the Vietnam war.

President Johnson's continued refusal to conduct regular press conferences with some reasonable advance notice continues to be a major problem. His style of press conferences makes it impossible for any but the White House regulars to be present, and it makes it unlikely that he will face any pattern of consistent hard questioning on any subject. He has it well organized for "a White House snow job," even though it is doubtful if he is as successful in accomplishing his purpose as he was a year or more ago.

What was true of the Johnson Administration was also true of the American Bar Association committee on fair trial and free press and the committee chairman, Justice Paul C. Reardon of Massachusetts. Justice Reardon and his committee amended their original report under pressure of press protests, but the final product was still an open invitation for arbitrary actions by courts that are corrupt or blind to the necessity of avoiding undue restraints upon the information available on crime, criminals, law enforcement and the courts.

Justice Reardon speaks periodically with what seems a genuine concern over undue restraint upon the press, then he proceeds ahead on a course that has already encouraged arbitrary court action. No action was needed by the American Bar Association, for the courts already have all the authority they need to bar unreasonable press activities in connection with a trial. The broad rules Judge Reardon approves can be used to justify oppression as much as for assurance of a fair trial.

The Chicago *Tribune* led the way in fighting unreasonably restrictive rulings of Circuit Judge Herbert C. Paschen in the murder trial of Richard Speck. This was one of a number of significant actions by newspapers in opposing arbitrary and unjustified restraints on the coverage of crime news and court actions. More of the same will be needed.

In the midst of dozens of smaller and related problems, these are the major Freedom of Information issues that demand attention:

1. Aggressive press action is needed to force a proper administration of the federal open records laws that became effective in July 1967. The general spirit of the Justice Department rule book on administration of the law is admirable, but there has been bad interpretation of the law by individual departments and it is inevitable that there will be more cases. It should be remembered that there is a press stake in suits brought under this law by various business groups, and that the press stake is with the broadest policy on open records unless there is some overriding contrary consideration.

2. Editors and reporters must have a firm understanding of the dangers inherent in the American Bar Association's efforts to restrict information on arrests, trials and the whole criminal law enforcement area. Where there are challenges to be made to the courts they should be in a responsible manner and with careful documentation. There are Supreme Court Justices who have expressed views that are in line with the best free press arguments, and it is wise to know them and to know the various problems discussed in this report. Report all cases, with full documentation, to the SDX Freedom of Information Committee.

3. There is a continuing need for exposing specific inaccuracies, untruths and misleading statements that are the "credibility gap." The fact is that some of our highest officials have been deliberately misleading the public, the press, and the Congress through flat lies, through half-truths and through clever use of statistics that distort. A general charge of a "credibility gap" is not helpful to public understanding of the issue. It is necessary to spell out the deceptions with sufficient detail to give the public a clear understanding. It is essential that we name the liars and the deceivers and show the backing they receive from superiors who keep them in positions of responsibility. It is only in this manner that the press can be helpful in control of the problem. When it is dealt with loosely, the "credibility gap" can be as confusing as it is helpful. When the liars get away with it, they usually go on to bigger and better lies.

It is well to remember that Congress, with all of its faults, represents the best lever the press has in forcing the Executive Branch to produce information or to state under oath why that information is held secret. Until the Freedom of Information Act became effective, the Congress was our only direct lever for forcing production of records or other information. There has always been the indirect method of appealing to public opinion and create the political reaction that would force action. However, public opinion is fickle and the loud strong voice of propaganda from the government can often make black seem to be white until such time as public officials are put under oath to be grilled by members of Congress. There is too much tendency for the press to forget that those things that hamper Congress are in fact shutting off the facts available to newspapers, radio and television.

WASHINGTON REPORT

The duel between the working press and Washington officialdom sometimes resembles those dances American teenagers indulge themselves in these days. There is an unpatterned shuffling about which presents a picture of progress in one direction almost immediately wiped out by a shift and movement in a new, negative direction. There rarely is any true sense of direction but more of a picture of shifting for position with the long-range result being a stalemate.

Occasionally, however, there is a breakthrough, a clear change that leaves the parties in redefined positions. When the next long-range history of the battle for greater access to public information is written, the year 1967 will undoubtedly be marked down as a historic turning point. The reason is that the long-sought Freedom of Information Act went into effect on July 4. The huge federal government establishment was given a year to adjust to the new law from the time it was signed by the President in 1966. Suitably, on Independence Day, a new rule book became the guide for Washington's information policy makers.

Attorney General Ramsey Clark played an instrumental role in getting the new law into effect with more emphasis than many Washington reporters expected. Late in the spring, his assistant and chief of the Office of Legal Counsel, Frank Wozencraft, prepared a 47-page memorandum for all government agencies to guide them in following the Act. Copies of the early draft of this memo were shown to representatives of the press, including Sigma Delta Chi, for comment. In general, the statement was a strong endorsement for free disclosure. The surprising element in the memo was that between the first draft and the final published version, this endorsement was strengthened.

Every working newsman could subscribe to the opening statement in the memo by Clark: "If government is to be truly of, by and for the people, the people must know in detail the activities of government. Nothing so diminishes democracy as secrecy. Self-government, the maximum participation of the citizenry in affairs of state, is meaningful only with an informed public. How can we govern ourselves if we know not how we govern? Never was it more important than in our times of mass society, when government affects each individual in so many ways, that the right of the people to know the actions of their government be secure. . . ."

Clark went on to enumerate what he called the "key concerns" of Congress and President Johnson in seeing the Act through the legislative process. In Clark's words, these are:

"that disclosure be the general rule, not the exception;

"that all individuals have equal rights of access;

"that the burden be on the government to justify the withholding of a document, not on the person who requests it;

"that individuals improperly denied access to documents have a right to seek injunctive relief in the courts;

"that there be a change in government policy and attitude."

In conclusion, the Attorney General made this observation:

"This law can demonstrate anew the ability of our branches of government, working together, to vitalize the basic principles of our democracy. It is a balanced approach to one of those principles." And for those who may not have recalled the statement of President Johnson when he signed the Act in 1966, this cogent LBJ quotation was included: ". . . A Democracy works best when the people have all the information that the security of the nation permits. No one should be able to pull curtains of secrecy around decisions which can be revealed without injury to the public interest. . . . I signed this measure with a deep sense of pride that the United States is an open society in which the people's right to know is cherished and guarded."

The Attorney General's memorandum has now been dubbed "the blue book" because of the color of its cover and is handy to just about every government public information officer. It should be nearby for every reporter who wants to dig out some specific bit of information from the government's vast storehouses of data. The blue book and the FOI law together add up to a crucial weapon for the news media and the general public. They do not answer all the problems of disclosure in Washington by any means. But reporters are an insatiable lot—they must admit from the beginning that no policy can ever satisfy their professional needs. And since reporters are highly individualistic, it is almost impossible to draw up a general policy or law that will meet the demands of even a majority of them.

So far, use of the FOI law has been limited. The only tests that have gotten into court dockets involve private companies or individuals dealing with the government. But there are many cases that prove the law is working to the benefit of the American people because working reporters in Washington are finding out how to use it. Just how many little victories can be chalked up for the Act is impossible to determine but here is a case history of one of the first:

A New York writer for *Newsweek* magazine heard of a special study on Mississippi public welfare policies made by the Department of Health, Education and Welfare. The study was made in May 1966 and the writer, Peter Goldman, queried the magazine's HEW reporter, Steve Saler, to see if a copy of the document could be obtained since it had never been published. Saler called a public information officer at HEW and got that answer that, "yes," there was such a report but it was considered an "internal working document" and would not be released for public consumption. Saler then studied the "blue book" and consulted with his superiors on the *Newsweek* staff. It was agreed the report was worth going after.

The magazine's Washington Bureau Chief, Mel Elfin, consulted with the lawyer who represents the publication in the federal city, William Rogers, and a formal, written request for the material was drawn up. As the law requires, the letter asked for the specific report in question. The test went no further; within a few days HEW acceded and made the report available. With the ironies of journalism, *Newsweek* did not publish a story on the report, but its sister publication, the Washington *Post*, did on Page One in a Sunday edition.

There are undoubtedly many other case histories available. There are also dozens of examples of new material being made available routinely under pressure of the law. At the Board of Governors of the Federal Reserve System, for instance, the law changed a traditional policy in one of the most sensitive areas without any discernible problems. Historically, the Fed released the minutes of its Open Market Committee, the group that meets every three weeks to set monetary policy, at the end of each year. Reporters could then read back and find at what point decisions were made to change the Fed's position in the money markets, decisions that could only be speculated about when they were made. Now, the Fed is releasing the OMC minutes every three months. So far, the market has not been disrupted and the public has been better served since the record of important decisions can be seen within a reasonable time after they were made. The Fed also will allow the inspection of other unpublished records which previously could be released only by a specific action by the Board and the committee. As Edwin L. Dale Jr., economic correspondent for the New York *Times* wrote at mid-year: "Officials agreed that only experience and testing of the new rules would disclose the extent to which more information would become available and what kinds. The change involving the Open Market Committee decisions—which are crucial for monetary policy—is already a major one."

One of the more unusual requests made since the law went into effect came from the Cleveland Plain Dealer. A reporter from that morning paper asked the Justice Department for the record of all federal pardons. The Department produced the records with only one stipulation—that the newspaper pay for the extra costs of making copies from the master records contained in a 900-page volume. The bill came to $245 and the newspaper paid it.

All has not been that simple, of course. The law has done little to improve the access to information at the two most difficult stations—the Pentagon and the White House. And since its provisions do not apply to Congress, there have been only small changes in that area where the private "executive session" continues to gain in popularity as the place where Congress does its work. (Special analyses follow.)

The Federal Aviation Agency was involved in a controversy over a report written on the supersonic transport airplane by Robert Charles, who was formerly attached to the office of the Secretary of the Air Force. Columnists Robert Novak and Rowland Evans attempted to use the FOI law to break loose a copy of the report which suggested that the SST could be developed entirely with private funds under a public corporation arrangement. The answer from the Federal Aviation Agency is that the report "never had any official sanction from any government official." The reply is based on the understanding that Charles wrote his report as a private citizen on his own time. The issue falls into the gray area of the law, an area that may have to be cleared by a legal test.

In 1966, the FAA was involved in a similar flap over the various reports on the SST submitted by outside consultants and government experts. The agency withheld the reports on the basis they were "working papers" under study. Today, those same reports are available for anyone who asks.

The National Aeronautics and Space Administration, another of the tough nuts for Washington reporters to crack, has changed little under pressure from the FOI Act. NASA is infamous for holding back a report made by Sam Phillips which warned of shoddy work by private contractors building the Apollo space capsule, the one that killed three astronauts in a launching pad fire. Similar "discrepancy reports" are gathered regularly for NASA by General Electric. *Aviation Week and Space Technology* asked for two such reports on the Apollo command module and the moon landing device now that the FOI law is in force. The requests were turned down. "We decided that they were internal working documents and that we were not required under the law to give them out," a NASA spokesman stated. Again, a gray area case.

The State Department has another such controversy on its hands. In the first two months after the FOI Act went into effect, State received about a dozen formal requests for specific documents and granted them all except three. All three refusals covered transcripts of hearings concerning Otto Otepka, a department official accused of improperly leaking information to congressional committees. State classifies the transcripts as relating to internal personnel matters, a specific exemption under the law.

The State Department secrecy in this instance was an obvious effort to hide a record that is embarrassing to Secretary of State Dean Rusk and other high officials. The only real justification for secrecy on personnel records is for the protection of the government employee. This could not be used in the Otepka case, for Otepka had asked that the hearings be public so he could get the full story of the "get Otepka" conspiracy before the public.

When the fallacy of the original justification for secrecy was pointed out, the State Department then claimed that it was justified in conducting secret hearings because national security was involved. In this instance it was pointed out that two documents used in the hearings as evidence carried a national security classification.

Under questioning, the State Department lawyer admitted that the two documents with a national security classification had already been published in full in the reports of the Senate Internal Security Subcommittee. Although this publication had taken place with State Department knowledge more than a year prior to Otepka hearing, the State Department refused to change its position.

A study of this entire case makes it obvious that the State Department was misusing a claim of national security for purposes of hiding or obscuring the record. The record of this case discloses a disgraceful pattern of inaccurate and misleading testimony by high State Department officials. These officials gave inaccurate misleading testimony in connection with security cases. When Otepka gave testimony and produced records proving that superiors had lied under oath, the superiors used unauthorized eavesdropping and wiretapping as well as other police state methods to try to obtain grounds for firing Otepka.

High State Department officials denied they had engaged in eavesdropping and wiretapping when questioned under oath by a congressional committee, and they made the same denials to the press. Later, these officials were forced to admit that there had been the eavesdropping and wiretapping as part of a "get Otepka" move.

For the four years that this case has been pending before the State Department, the Department press office has engaged in a broad pattern of inaccurate and misleading statements to reporters and interested citizens in an effort to smear Otepka. That outrageous pattern of deception has continued at least through August 1967.

For all the fears that raced through the federal establishment and even led some observers to predict that Mr. Johnson would veto the FOI bill, the law has overturned no agencies or resulted in hordes of sticky-fingered citizens pawing through precious records. There are plenty of exemptions for policy makers to use if they want to. The nine specified in the Act are:

1. "Matters . . . specifically required by Executive Order to be kept secret in the interest of the national defense or foreign policy."

2. "Matters . . . related solely to the internal personnel rules and practices of any agency."

3. "Matters . . . specifically exempted from disclosure by statute."

4. "Matters that are . . . trade secrets or commercial or financial information obtained from any person and privileged or confidential."

5. "Matters that are . . . inter-agency or intra agency memorandums or letters which would not be available by law to a private party in litigation with the agency."

6. "Matters that are . . . personnel and medical files and similar files the disclosure of which would constitute a clearly unwarranted invasion of privacy."

7. "Matters . . . compiled for law enforcement purposes except to the extent available by law to a private party."

8. "Matters . . . contained in or related to examination, operating or condition reports . . . for the use of any agency responsible for the regulation or supervision of financial institutions."

9. "Matters that are . . . geological and geophysical information and data (including maps) concerning wells."

The first three legal cases filed under the FOI law have been aimed at specific exemptions. The first, filed in Puerto Rico, was sponsored by a shoe company that wanted to get copies of records made by the National Labor Relations Board in its investigation of unfair labor charges against the firm. Judge Hiram R. Cancio upheld the NLRB by ruling: "The new statute places the burden on the agency whose records are requested to sustain its action. The court is satisfied that defendant has met this burden." The NLRB had cited exemption 7 in its brief.

The Defense Department has been challenged by an attorney who represents private contractors to release more of its auditing manual which is used by officers who examine bids. Gilbert Cuneo, the attorney, noted that under the FOI law DOD had released about half of its manual for public inspection and withheld half. He insisted the entire document was a public record and asked the Federal Court to back his request with an official order. Defense was re-examining its position on the issue and no court test can come for some time since Cuneo had not yet used all the departmental procedures available.

In another case, Shell Oil Corp. and D. A. Shale, Inc., asked a Federal Court to force the Interior Department to reveal the records of an examiner's report on their application for mineral rights. The department insisted that the report could not be made public but there were still higher appeals to be made within the agency before the case could go to court.

Perhaps the most salutary effect of the FOI law is the one hardest to measure—the influence it has had on the attitude of government officials. Many public information officers have commented that the law gives them an effective weapon to use internally against policy makers whose inclination is to hide facts. "We're glad you asked," one PIO officer at HEW said to the *Newsweek* correspondent who requested the Mississippi study. "It was a first and it proved that the Welfare Administration's old-line justifications for not providing the report wouldn't stand up in the face of the law. It forced officials to confront the fact that there was a new act and that it should be carried out affirmatively."

Similarly, a spokesman at the Office of Education observed: "We have nothing to hide. But the law has done tremendous good inside the organization. It's caused people to bring stuff together which has never been brought together before." At the Labor Department, an official said the FOI law has given him a weapon for winning battles with policy makers. "It helps me when I want to get something out of departmental people," this source said. "Lawyers, in particular, can be difficult when you want to make some information public."

Specifically, the FOI Act has forced almost every federal department and agency which did not have one before to establish a public reading room and directory for documents.

Rep. John Moss of California, chairman of the House subcommittee which acts as an FOI watchdog and who was the chief sponsor of the Act, said: "The over-all effect of the law has been satisfactory. It has matched all my expectations—even exceeded them. It looks as if a considerable amount of information that previously would have been classified or unavailable has been made public by the law. We're going to develop some case law and then I think inevitably its broadening impact will be felt. Already, the threat of court action has successfully been used to obtain information from the agencies."

And Frank Wozencraft, who has steered the law through its formative months, added: "We hope the pattern is set for common sense implementation of a very important statute."

The Pentagon

The Defense Department continues to be the Washington reporter's biggest single challenge. There is a new assistant secretary for public affairs, Phil G. Goulding, a former correspondent for the Cleveland *Plain Dealer*, and he brought in two new assistants—Richard Fryklund from the Washington *Star* and Dan Henkin from *The Journal of the Armed Services*.

This new team has pledged to do "everything in our power to provide newsmen with better access to information."

"We believe that a check of the record shows that much has been accomplished in recent months," Henkin wrote in a letter to the Sigma Delta Chi FOI committee.

DOD did issue a new information policy statement to take into account the provisions of the FOI Act and more documents are available at the Pentagon. The most important step taken by Secretary McNamara was the rescinding of the notorious 1962 order which required that all interviews in the Pentagon be witnessed by a "monitor" or reported to a public information office. The ostensible purpose of this order was to coordinate information policies at DOD, particularly to cut down interservice rivalries. "Over the past six years a number of steps have been taken to increase the flow of unbiased information and to restrict 'parochial salesmanship,'" Mr. McNamara claimed in his memo of June 30, 1967. "Therefore, the memorandum of October 27, 1962, is no longer necessary."

"The Department of Defense," the secretary said, "has an obligation to guarantee that full and prompt information is made available to the American people as a basis for their understanding of national defense and the operations of this department. This responsibility is met partly by insuring on a daily basis that a great mass of information is released as rapidly as possible, consistent with national security. Additionally, my responsibility is to insure that the facts which are made available cover all sides of the issues. . . . The public interest is abused by half-truths and distortions."

The reporters who cover the Pentagon daily were unimpressed by Mr. McNamara's protestations, however. "On paper," one senior correspondent said, "McNamara sounds like a devout worshipper of Peter Zenger." But this same reporter added this analysis:

"Not only is 'national security' interpreted in the broadest and most ingenious ways to block information, but information is withheld for national interest, personal interest, policy reasons, and privilege for such evanescent and intangible reasons as 'LBJ won't like it.'"

The good intentions of the Goulding team "somehow become entangled in what is euphemistically known as 'coordination' which means clearance of news releases with the Defense Secretary or his deputy, with the assistant defense secretaries who might be affected, with the service secretaries, with the joint chiefs (of staff), with the State Department or other interested department or agency and, above all, with the White House. This cleansing and shrinking process usually reduces a page-long statement to a few meaningless or pablum sentences. Or, more often, the reply is a recurrent 'no comment.' In recent weeks, the Pentagon press machinery has churned out a new reply. It's a simple 'No answer.'" The correspondent's analysis of Pentagon policies went on:

"The Pentagon does not voluntarily make public all of policy decisions and other actions taken by McNamara or other defense officials that might affect the public interest. Only those matters that McNamara or other officials determine in their own judgment the public 'needs to know' are made public.

"Information that might be embarrassing or critical of the Defense Department or the Administration is withheld or restricted under an adroit policy of official evasion. Such information is withheld 'for answer to inquiry only.' That means, for example, that newsmen would not be offered the Army's explanation about the M-16 rifle jamming unless they asked specifically for this information. If no one asks, the information is never released."

The DOD memo on information policies "does little to open the barriers for newsmen," this correspondent argued. "Instead, it makes amply clear that the legal barriers to examining Defense Department documents will be tougher than ever. There is little that the Defense Department cannot withhold on some legal excuse. McNamara's determination to stifle inter-service rivalry can be extended to black out any open discussion of major defense issues as the TFX (airplane), the Nike-X anti-missile system or National Guard merger. Just how freedom of information, was enhanced by the new law can be seen in McNamara's long bombing target policy until he was pressured by congressional investigation.

At a Sigma Delta Chi regional conference just before the FOI Act went into effect, George Wilson, Pentagon reporter for the Washington Post, also discussed DOD information policies. After relating the shock of finding himself scooped by the White House on news he had withheld for what he considered valid "security" considerations, Wilson philosophised: "Basically, the dilemma is: If you try to be responsible with national security as you should be as a reporter, you better plan on getting scooped most of the time by the government you're trying to protect." He then talked of the dangers of DOD policies.

"I think that the government in the military field is going to take on to itself some extra privilege, so to speak, and say, 'You can't write that because it will help the enemy and you'll have our boys shot down.' I think that that extra privilege brings with it some extra responsibility for frankness. I don't think any of us is naive about city hall tactics, planted stories, fudge statements, screening actions to make you write something so you won't see something else. This is all part of the game and we know it very well. But I think if you're not going to operate like city hall in the first place, and the Pentagon has chosen not to for good and sufficient reasons, I think you also have to be a little more responsible in what you do say.

"And this brings me to what I consider tinkering with the truth. I think that tinkering with the truth in the Pentagon is the real danger, not from the reporter's standpoint. I think we have to look beyond that in this instance. I think we have to look at it from the standpoint of the republic, because if the people start to distrust, start not to believe what their military leaders and civilian leaders in the Pentagon are saying, we are in real trouble. The public confidence is, in my view, the real mortar of this kind of government, and once you lose that you really have nothing much left to go to as far as a free society.

"So, I think the danger is very real and that tinkering with the truth is very serious. Now let's take some examples of what I would say amounts to tinkering with the truth, none of which are disastrous or serious by themselves, but once again I think they make up what I consider something that the Moss (FOI) Act will help us deter. There's a deterrence we need in this field also.

"First of all, we start with statements, and I'm sure you've seen them in the newspapers, about billions of dollars we saved on ammunition. When that statement was first made and put out for public consumption, it was portrayed as a billion-dollar saving because we planned this war so well as compared to Korea that we saved one billion dollars on what we would have had to spend for ammunition. It sounded great, got good headlines, but when you dug into it, the facts came out that (a) it was really just estimated savings, (b) not a single contract was cancelled, it was just that we thought we were going to use x amount of ammunition six months from now when we revised our estimate downward, and therefore we saved a billion dollars. I think that's really not quite kosher arithmetic, and these kinds of statements make people suspect of some others.

"Another example is the wide use of the backfire technique. Whenever you see something coming out of the Pentagon, you can almost be sure that there must be a secret report about to be released saying the other side of the story in the next few days. You may have remembered that there were very strict rules put out against the entertainment of military personnel by defense contractors. There was a big press conference to ballyhoo this move and, while this was going on, there was a classified GAO report in hand which had pointed up all these abuses. So before the GAO was able to come out into public print with its own report, the Pentagon set a backfire to take care of what they saw as a public relations problem. I consider this to be a very good city hall technique, but I question whether, if you're going to demand certain considerations because of the sensitivity of the Pentagon, whether you really have the right to do that day in and day out on sensitive issues.

"You probably read stories about how we've had a cutback on our ammunition. Why the commanders in Vietnam are so flooded with ammunition they said, 'Quit sending it to us.' And in the Pentagon at that time was a secret report from the Stennis committee charging ammunition shortages. This again is good for city hall but I don't really think it's good for the Pentagon.

"Now we come to plane loss figures. The charge has been and the charge was made last year that production of airplanes was really falling behind the losses of airplanes in Vietnam. It became a very hot political issue. And it finally bubbled up to the top to the point where the Pentagon had to release the figures of losses and they had to compare the figures of deliveries. Deliveries to you and me, I think, mean new airplanes coming off the factory production lines. But to enable the official Pentagon lines to say that deliveries were running ahead of losses, they counted airplanes they took out of mothballs and used just for training, not for combat. And they showed up in the delivery column, and that made it come out just a little bit ahead of the losses under the combat aircraft for Vietnam. They also took reconnaissance airplanes, the F-101, out of Germany, took it out of the active aircraft inventory, turned it over to the National Guard and said, 'OK, put cameras on it and then use it for your National Guard reconnaissance work,' and that showed up on the same chart as a delivery of combat reconnaissance aircraft, even though it was a minus from the aircraft inventory and it was all, it seems to me, a matter of monkey business to make the statement hold up that, indeed, aircraft deliveries were running ahead of losses.

"And I think that this kind of thing, as each reporter digs in and finds out the figures aren't quite what they look like, erodes the public confidence on what a very important segment of our government has to say.

"As a final example, and I won't even have to use my own experience on this one, when the true numbers of aircraft losses were finally released under some pressure by a lot of us, one senator said, Sen. Hickenlooper, I believe, 'My God, if this many airplanes haven't been reported as lost, how many boys that have been killed haven't been reported?' Well, if you have that kind of thought cross one's mind, I think it proves a point that it's very dangerous to tinker with the truth in this very specialized area of the government."

The White House

Press Secretary George Christian said the FOI Act has had little effect on White House news policies. "Most of what we handle is classified in terms of foreign policy matters and administrative matters which nobody makes public until decisions have been reached. Everything around here is pretty open." The atmosphere of press relations at the White House continues much as it has in the last few years. Another veteran reporter offered this analysis:

"The major problem in information policies at the White House in 1967 remained the almost complete absence of the formal, announced-in-advance, televised news conference. President Johnson, despite earlier assurances that he planned to hold such sessions at intervals of approximately one month, allowed as much as five months to elapse between them. His substitution of news conferences in his office—with little or no advance warning—is an unsatisfactory alternative for those reporters not assigned full-time to the White House and leaves television completely out in the cold. The statement by one White House correspondent in this report a year ago—that 'such informal press conferences . . . meet the legitimate professional requirements of those of the "regulars" who report for printed media,' but shut out radio-TV men and most other Washington reporters—remains equally true today.

"Otherwise, the White House is, as ever, much like any other place where reporters and politicians meet. As long as the reporters insist on telling both sides of the story, the politicians are going to try to con them; and as long as the politicians try to con them, the reporters are going to be convinced there's more than meets the eye in every politician's every statement.

"At the mechanical level, it should be noted that the White House press office, operating on short notice and under considerable handicaps, did an excellent job of arranging logistics and communications for the large press party that accompanied Mr. Johnson to the Far East in October and November of 1966.

"It was unfortunate—though typical of this administration's press problems—that the first thing the President did on his return to the U.S. was to cancel a campaign trip and then insist that he never had scheduled one in the first place. Those reporters who had traveled with him through Asia, and had been informed en route by his press aides of the times and places where Mr. Johnson would speak on his return, found it hard to believe that the President really thought his bland denial would be persuasive. Indeed, no single incident in his entire presidency has so clearly illustrated the reasons for the skepticism which pervades those who cover Lyndon Johnson most."

Congress

The reliable publication *Congressional Quarterly* started keeping track of executive committee sessions held by Congress in 1953. In the analysis for the early part of the 1967 session, *CQ* found that 45 per cent (386 out of 861) committee meetings were behind closed doors, compared with 42 per cent for 1966. The House was the more frequent offender holding 57 of committee sessions secretly compared with 28 per cent for the Senate. The House percentage increased over the year from 53 per cent while the Senate stayed the same.

As usual, the House appropriations committee led the parade by holding all of its estimated 144 meetings in the first quarter of the year behind closed doors so that there was no public record of the members voting. The problems of free access to news were discussed by Clark Mollenhoff, chairman of the Sigma Delta Chi FOI committee, in an appearance before the House committee on standards of official conduct on August 17. This was his statement:

It is our belief that public records are the business of the public and should be available for examination by any taxpayer or by the press. If there are firm rules and policies granting access to the maximum number of records, it is our belief that this will tend to make members of the Senate and the House more circumspect in the handling of the public payrolls and the expenditure of public funds.

An open Congress will be more honest for there will be no invitation to engage in the small corruptive practices that compromise an otherwise good public official. An honest Congress is a better Congress for it is not subject to the pressures and intimidation from the Executive Branch or from other sources that may be a factor when a member of the House or Senate has been compromised.

An honest Congress is a more effective check on the Executive Branch. It is our belief that secrecy breeds corruption, and creates the atmosphere in which there is a temptation for the petty chiseling that eventually can destroy the independence of men in Congress.

We do not start our argument from a belief that members of the House and Senate are any more corrupt or corruptible than any other group in our society. However, members are probably subjected to greater pressures and greater temptations because of their role in writing the laws and in supervising the administration of those laws by the Executive Branch.

The basic areas in which the Sigma Delta Chi and the communications media have a special interest are these:

1. Salaries of members of the Senate and the House.
2. Salaries of the members of the staffs of various members' offices.
3. The expense accounts of various members' offices.
4. Committee staff payrolls.
5. Committee staff expenses.
6. The expenditures of so-called counterpart funds while on foreign travel.
7. The disclosure of financial interests of individual members of the Senate and House.
8. Public hearings with radio and television coverage.
9. Standards on conflicts of interests, nepotism, and outside legal practice.

There is no problem with regard to access to salaries of members of the Senate and House as these are established by law. The extent of participation in government-financed pension programs and other fringe benefits should be made available in detail.

The salaries of staff members are now made available for public scrutiny. There formerly was a lag of three or four months in making these figures available. The lag now has been cut to about two months. I am informed that it is planned to cut this to about ten days through use of computers. If this progress is made as projected then it will take care of the only major problem.

The expense accounts of the offices of various members are now treated as the private property of the individual members. Since this is all public money, there is really no reason for it being treated as private property. This is particularly true with regard to the stationery allowance of $3,000 which we are told can be used in any manner a Senator or Representative wants to use it. This is a bad practice that should not be condoned for it leads to other bad practices where larger sums may be involved.

Committee staff payrolls should be available for examination as soon as an employee is hired. There should be a job description. The expenses paid out of committee funds for Senators, Representatives, or staff members should be made available for public examination within a period of a month after they are made.

The problems with the committee credit cards and with other questionable expenditures by the House Education and Labor Committee could have been avoided if there was a requirement that there be a detailed accounting and a public disclosure of those records. If there is an area where it is deemed necessary to keep the records on travel and other expenses confidential for a period of time, this could be provided through an affirmative action of the committee.

There is no reason why the expenditure of so-called counterpart funds should be confidential unless it is to hide wild and frivolous spending. There has been a tendency to treat these funds as play money, and I have heard accounts of it being disbursed in sizable bundles by U.S. Embassy personnel to keep visiting Senators and Representatives happy. This has been a corrosive practice that is more destructive than the amounts of foreign currency used by visiting lawmakers. It sets a bad practice. It gives the State Department a club over the heads of those who are seduced into loose use of the play money. It compromises the vital oversight function of Congress.

Sigma Delta Chi favors a public disclosure policy under which members would list their assets when they come to Congress and would be required to keep this list up to date. It is recognized that this list might be deceptive if it did not include the assets of a wife and other members of the immediate family. It is difficult to draw a clear line as to where disclosure should be made and by whom without undue intrusion into the private life of a member of the Senate or House. Recognizing the difficulty of obtaining the fullest disclosure, it might be suggested that members of the House and Senate be required to make an annual report on assets to the General Accounting Office, together with a copy of the federal income tax return. Such confidential reports could be used by the Ethics Committees of the House and Senate as part of any investigation if serious questions arose relative to the earnings or assets of members of the Senate and House.

Sigma Delta Chi favors public hearings before all committees of Congress unless national security is involved, or unless the committee is involved in an investigation in which it is necessary to explore allegations behind closed doors while trying to determine if serious charges can be corroborated. We believe that the public hearings of the Senate and House should be open to coverage by radio and television cameras unless there are highly unusual circumstances that make it unreasonable or inappropriate.

Sigma Delta Chi favors the establishment of a clear code of ethics relative to conflicts of interest by employees of the Senate and House as well as members of the Senate and House. Also, there should be some standards established relative to nepotism testimonial dinner receipts, and outside legal practice.

It is apparent that all of these areas have represented problems for the Senate and House. The Congress has not wanted to come to grips with these issues, and has left them within the discretion of individual Senators and Representatives. The leadership has usually ducked the issue when it has arisen. The press has not had a clear standard by which to measure activities in this area.

Given clearer standards and better access to records on government finances and goverment activities, I believe that the press can be helpful in aiding the Congress in policing itself. I believe that the overwhelming majority of the members of the House and Senate want open government and believe that it contributes to the cause of honest government. There is a reluctance to make judgments when it involves a specific case and a colleague, particularly a senior colleague. Now is the time to open records to the maximum and set the standards so that all members will be on notice as to what is expected.

CENSUS QUESTION LIMITATIONS SUPPORTED

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. BETTS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. BETTS. Mr. Speaker, reaction across the country to the questions I have raised about the proposed 1970 decennial census has been far greater than I ever anticipated. Editorials and letters have streamed to my office from nearly every State. These have not been lukewarm expressions of opinion in favor of limiting census prying and harassment, they are vehement endorsements of immediate action before the 1970 census is upon us. The legislation I have proposed—H.R. 10952—would have the result many of my colleagues, the press, and citizens everywhere indicate is needed. This bill would limit the mandatory questions to seven essential matters about our population leaving all other inquiries to be asked on a voluntary basis. One hearing has been held on this measure and another is to be scheduled in the near future. By focusing attention on needed reforms in Census Bureau policies and practices, I hope Congress will respond with positive action.

Let me include some of the editorials representing the tone and regions of those which have been sent to me. These editorial positions articulate the feelings of a concerned Nation on an important subject for congressional attention. Mr. Speaker, I include several editorials at this point:

[From the Philadelphia Inquirer, Oct. 8, 1967]

FOR A SIMPLIFIED CENSUS

Every ten years a U.S. Census is conducted. The purpose of this head-count needs to be re-emphasized: It is to determine how many Americans and alien residents there are, and where they live.

An accurate count—or as near to accuracy as can be obtained in a vast country of some 200,000,000 persons—is essential to proper functioning of the American system of government.

There is an unfortunate temptation to utilize census-takers as pollsters—to ask people long lists of questions only remotely connected, if at all, with the objective of establishing official population figures for municipalities, counties, States and the Nation. Congress is being snowed under by all manner of ideas for the next census, in 1970.

It has been suggested, for example, that families or individuals be queried about their current state of health and past record of illnesses, about their bathing habits, about intimate details of their homes and plumbing facilities.

Philadelphia Congressman William J. Green, Jr., as chairman of a House subcommittee with jurisdiction in census matters, has pledged a full airing of the controversy. This is exactly what is needed. We believe one point to be stressed is the danger of jeopardizing public cooperation with census-takers if they are under orders to pry into private affairs.

Perhaps a wise course would be to limit the census to head-counting and basic data relevant to population distribution. Government polls on other matters, if deemed advisable, could be conducted in non-census years on a selective basis, with no compulsion involved.

[From the Milwaukee Sentinel, Nov. 7, 1967]

SIMPLIFY CENSUS

On Nov. 20 at 11 a.m., the census clock in the lobby of the commerce department building in Washington will roll over nine digits, signaling the fact that the United States is a nation of 200 million people.

Actually, this event amounts to little more than a computer's hiccup. The census clock works on statistical averages rather than in recording actually births and deaths, and the statistical average is only a mythical beast.

"In this case," says the Population Reference Bureau, Inc., "the beast is more than usually mythical, because some 5.7 million Americans were overlooked in the 1960 census, from which the computer calculations were made. Based on the estimated undercount, the United States population probably reached the 200 million mark sometime in the spring of 1965.

"Nearly two-fifths of the undercount is believed to have consisted of Negroes (particularly young Negroes), who have a birth rate about 50% higher than that of their white counterparts. As this statistical error is compounding itself, by the time the census clock reaches the official 200 million figure, it could be at least six million people short."

OPPORTUNITY TO CORRECT

Come 1970, the bureau of the census will have an opportunity to verify the accuracy, or correct the inaccuracy, of the American nose count. Will the census bureau take good advantage of the opportunity? It looks doubtful. The census bureau appears to be so intent on collecting a lot of personal data (How are you fixed for plumbing?) that its job of collecting basic statistics will be lost in the shuffle. Rep. Jackson E. Betts (R-Ohio), who has introduced a bill to limit the 1970 census questions to be answered under penalty of law, says the bureau of the census is proposing a questionnaire which would require citizens to give more than 120 bits of information.

Betts would limit the mandatory questions to seven: Name and address; relationship to head of household; sex; date of birth; race or color; marital status, and visitors in home at time of census.

A separate form, marked voluntary, could accompany the required census questionnaire for citizens to complete, according to Betts' proposal. Questions not essential to the basic enumeration of population as provided in the Constitution to determine congressional districting but deemed useful to government agencies could be included on the second form.

Betts' proposal is worthy for two reasons. The first reason, which is the one he stresses, is that to gather all the information the census bureau contemplates and to store it in a national data bank poses a grave threat to individual freedom and privacy.

The other reason has to do with the question of the population count's accuracy. By confining their questioning to the basic data suggested by Betts, the census takers could concentrate their time and energies on getting as accurate a count as it is humanly possible to get.

Of what use is it to know how many Americans share their showers if the total population figure is suspect?

[From the Boston Sunday Globe, Nov. 5, 1967]

Harassment of Citizens

Hearings currently are being conducted in Washington by the Post Office and Civil Service Committee of the House of Representatives on a bill introduced by Rep. Jackson E. Betts (R.-Ohio) to limit the categories of questions required to be answered in the next national census under penalty of a 60-day jail term or a fine of $100.

At first blush, nothing appears to be at issue which should excite public indignation. No matter of life or death is involved, nor even of taxes. It is argued that the census, conducted every 10 years by the Bureau of the Census of the Department of Commerce, supplies a wealth of data invaluable not only to government itself in such vital matters as the apportionment of the national and state legislatures but also to business and industry and even to schools and individual citizens.

This, of course, is true. Plainly, we have to know how many of us there are; that is the purpose of the census as provided in the Constitution. It is useful also to know how we are grouped or scattered, how housed, how employed, how divided as to sex, as to marital status, maybe even as to race—although this last is debatable and one well might ask why. Such data are helpful and maybe even essential in the framing of the laws under which the nation lives and works. They are just as plainly useful in supplying business and industry with solid information on the number of customers and the dollar value of markets available.

The objection is not to the accumulation of vital information. It goes to the point of what is vital and what is not and to the general harassment of citizens.

One of the proposed census forms asks detailed questions on 67 subjects, most of them divided into several parts, nearly all of them in the kind of governmentese which has been the butt of humorists for years.

Another proposed form distributed in New Haven and a harbinger of what may be in store for the rest of the nation, unless simplifying legislation is enacted, is a booklet of 20 pages, 11 inches by 12, on which the questions, with their sub-parts, run into the hundreds.

Sample question: "How do you enter your living quarters? Directly from the outside? Through a common or public hall? Through someone else's living quarters?"

Another: "If you pay rent by the month, what is your monthly rent? Enter the monthly rent to the nearest dollar in the boxes and fill the proper circles. If your monthly rent is less than $100, fill the circle on the zero line in the hundreds column and fill the appropriate circles in the tens and units columns; for example, if the monthly rent is $75, enter 075 in the boxes and fill zero in the hundreds column, 7 in the tens column and 5 in the units column."

The best that can be said for this kind of child's game is that it is the hard way of stating, if it must be stated at all, that your rent is $75 a month or $750 or whatever without bothering to fill in any little boxes and circles at all.

Rep. Betts is not alone in believing that the average citizen may find himself way short of the patience required to provide this kind of information. And if the average citizen is merely annoyed when he is required to search his records or his memory to answer questions on where he lived and how much money he made five years ago, he will be done in completely when he comes to questions asking how many persons share his shower with him and which of 11 listed household appliances, including a garbage disposal, are in his living quarters, of all places.

"I do not quite see," observes Mr. Betts, "how people who just don't like answering questionnaires or who object to being grilled as though they were home economics laboratories are going to contribute anything but distortion to the statistical results of such queries."

Rep. Betts would limit to seven the number of questions which citizens are required to answer under penalty: Name and address, relationship to head of household, sex, date of birth, race or color, marital status, visitors in home at time of census. He would permit the Census Bureau to ask whatever other questions it wants to ask, but there would be no penalty for ignoring them.

"It is clear," he points out (and it is difficult to argue with the thesis) "that much of the information sought is designed for use by private industry, educational institutions, social agencies and local governments. But there are many market research firms in this country with sophisticated techniques for gathering volunteer data, and they should not be counted out."

Rep. Betts has underplayed the biggest point of all, and that is that citizens in their personal capacities, wholly apart from their business activities, already are being harassed too much by a government whose demands oblige them to keep records beyond the ken of many and even more beyond the patience of all.

Nor is that all.

A White House commission has recommended the building of a computerized data center in which cradle-to-grave information gathered by 20 agencies on every man, woman and child in the nation would be available at the push of a button to every member of the Federal bureaucracy.

The census data of course would be part of it. Put it all together, and there will not be a single shred of privacy left to anyone. There is little enough of it as it is.

[From the Long Beach (Calif.) Independent, Oct. 11, 1967]

A Census Quiz To End All Quizzes

If you are allergic to long and searching questionnaires, prepare for an ordeal when the Census Bureau goes into action in 1970.

This time the bureau proposes to gather most of the decennial harvest of information by mail. A preliminary form was given a trial run last spring in New Haven, Conn. It fills 20 closely packed pages covering more than 60 subjects.

Rep. Jackson E. Betts, R-Ohio, has been waging a one-man crusade in Congress against the bureau's intention to probe for a great mass of detail in both the population and housing sections of the questionnaire. He terms it a "violation of personal privacy and a declaration of government harassment."

The bureau wants to know details about your bathroom facilities, the types of appliances used in your kitchen, the value of your house if you own it, as random examples.

Rep. Betts would go to the opposite extreme. He would limit the questionnaires to seven questions, most of them necessary to meet the requirement for congressional reapportionment.

Something less than the over-blown quiz and something more than Bett's stripped-down version will meet valid needs.

The census should not pry. It should demand only such information as will reflect how many of us there are and the basic conditions under which we live.

Bureau officials contend no one's privacy is invaded, because information about individuals is never released. Still, with the buildup of a huge government data bank such invasions would be possible on short order at the whim of some government official.

If there is any doubt about the need for any specific question, it should be resolved by junking the question. The alternative could be a mass junking of whole questionnaires by recipients at census time.

[From the Jackson (Mich.) Citizen Patriot, Oct. 9, 1967]

It's Time To Stop This Masquerade

The federal government is preparing the rules it will follow for its periodic invasion of privacy euphemistically known as the decennial census.

What began as a simple head count many decades ago has now, in the classic pattern of bureaucratic growth, become a major collection program for background data on every resident of the 50 states.

Congress hasn't bucked the system—that is questioned the questioners closely and made them justify their questions—since the 1940 census.

In the meantime the census takers, under the blanket of federal law that forces everyone to answer everything or else, have expanded the questionnaire to include more and more extraneous information every time around.

Rep. Jackson E. Betts, R-Ohio, is upset and is sure to make people happy with his objections to the system.

At this point his seems to be the lonely voice in the wilderness.

Rep. Betts would limit the number of questions to seven instead of the proposed 67-plus. His list is so simple and direct, however, it is doubtful he'll triumph over the bureaucrats, for it would include only name, address, relationship to the head of household, sex, date of birth, race or color, marital status, and visitors in the home at the time of the census.

The balance of the long list of questions the census bureau wants mandatory answers to fall either in the category of invasion of privacy or harassment.

The Ohio champion of constitutional liberties wants all of those extraneous questions put on a second list, with answers to them strictly voluntary.

One cannot help agreeing that questions essentially of local interest, including place of work, means of transportation to work. and the type of sewage disposal used at home may be statistically important for some local unit of government, but they have no place on the federal census questionnaire.

Similarly, there can be no valid cause for forcing people, under penalty of law, to answer questions designed to assist private research organizations, advertising media, manufacturers or other segments of private enterprise.

Yet the questionnaire is loaded with material of this nature.

Two aspects of the masquerade conducted every 10 years are very worrisome. One revolves around the concept of a man's home being his castle, free of unwarranted intrusions.

The second is the planned use of master computer tape files on every resident of the nation. Answers to the innocuous sounding, seemingly abstract questions would fill lots of holes in the plan to draw a profile of everyone for whatever use future button-pushers may wish.

There is no reason why local governments cannot conduct their own surveys for data they feel essential to conducting public business. Nor is there any valid reason why private enterprise should be subsidized by the federal government by having the census bureau conduct surveys for them.

If Congress, in its ultimate wisdom, decides this invasion of privacy and harassment must continue, let them split the questionnaire as suggested by Rep. Betts.

Let them also consider the economy in government possible by paring the questionnaire back to barebones essentials.

In a period when the people have put up their most impressive opposition to oppressive taxation, this might be the most practical approach for Congress to take.

While recognizing the need for a census, it seems more than obvious nearly all of the answers to the multitudinous questions are basically none of the government's business.

The sizeable quantities of money spent in this periodic effort to force surrender of more and more privacy by individuals in favor of the omnipresent federal government whose bureaucrats know what is best for everyone, could be spent far more wisely by protecting the constitutional rights of the people.

The concept of clipping bureaucratic wings and limiting census takers to the basic concept of counting heads is a simple, sensible one. That's why it will take an interminable time for Congressional debate before anything's done.

We wish Rep. Betts well in his battle with the Colossus of the Potomac.

EQUAL OPPORTUNITY FOR ALL AMERICANS

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. RUPPE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. RUPPE. Mr. Speaker, I wish to be placed on record as having opposed and voted against the Goodell amendment to limit authorization for the poverty program to $1.4 billion.

We as a nation have an obligation to our poor and needy to give them the education, the training, and the opportunity to take a productive and meaningful place in American society. In 1966 the Congress appropriated $1.6 billion for the 1967 program. We must not commit less to this effort for fiscal 1968. Unfortunately, the cost of the war in Vietnam makes virtually impossible, without risk of a ruinous rise in the cost of living, a more sizable expenditure this year to assist our Nation's disadvantaged. Yet we must as surely continue our present attack against poverty and I will not support an authorization or appropriation that does not equal the $1.6 billion commitment for fiscal 1967.

The Nation's poverty program has been at times inefficiently operated and politically oriented. Too often it has wasted the American taxpayer's dollar and repeatedly it has failed miserably to fulfill the aspirations of our needy citizens in terms of educational and vocational training, and meaningful job placement. It is important that the Congress call for an end to these abuses, and pass amendments to effect and direct these changes. But in improving agency programing, and in calling for elimination of unnecessary expenditures, we must not lose sight of our final goal—the education of our youth, and employment opportunities for all Americans both young and old so that the terrible cycle of poverty can be broken once and for all.

At this critical hour our dedication, our resolve, and our commitment must not falter, but should be strengthened, renewed, and pledged to the goal of equal opportunity for all Americans.

THE CASE FOR SPECIAL ALASKA PROGRAMS

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. POLLOCK. Mr. Speaker, it has often been my duty as the Representative of the people of Alaska to come before the Congress and present the case for special Alaska programs. There are valid reasons for these programs. As a young State with a sparse population and great potential we need the investment of Federal money in greater amounts and in different ways than our sister States. I maintain that this is an investment since a developed Alaska will return to the people of the United States a far greater benefit than the expense of that development. I maintain further that Alaska is progressing and that slowly but surely the State is becoming able to handle many of its affairs and finance its own programs without special Federal assistance. Sometimes this is difficult to see, and I can understand the feelings of my colleagues in Congress if they sometimes wonder if special treatment and special requests will ever cease.

It is true, however, as events this year have shown. Congress has just completed action on a bill to dispose of the Government-owned communications system in Alaska to a private, taxpaying company. The point has been reached where the State can support a private system as in other States. This is a sign of our developing economy and maturity.

Now another event has provided further evidence of this maturity.

This fall the State of Alaska made an advance payment of $3,712,000 to the Federal Government to retire half of the State's outstanding debt to the Federal unemployment trust fund. This debt grew out of the recession years of the late 1950's when Alaska's unemployment fund completely evaporated. To assist Alaska and other States in a similar condition, Federal loans were made to the State unemployment compensation funds. This fund was identified as the Reed Fund. The debt was to be repaid by an extra tax on employers. Set initially at 0.15 percent, the rate was to increase until the entire debt was paid. This increased rate was once postponed by congressional action.

Now, however, instead of allowing the employers to continue paying the extra tax, the State has chosen to begin payments from the surplus accumulated in the present fund. The employment conditions in Alaska have grown at a fast pace, while the unemployment picture has in great measure stabilized. This means that reserves have grown large enough to begin State payments on the Reed Fund debt. Even with the $3,712,000 payment on the debt, Alaska's unemployment fund balance stands at a healthy $20 million. If economic conditions continue to remain favorable, the State will next year make another payment on the Federal debt.

I am proud of the progress made by Alaska as evidenced by this payment. I am confident that the Congress will see further signs of our continuing development, and will see additional returns to the people of the Nation from this development.

HOUR OF MEETING TOMORROW

Mr. PUCINSKI. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RIOTS, REVOLUTION, AND RED INK

The SPEAKER. Under a previous order of the House, the gentleman from Indiana [Mr. BRAY] is recognized for 30 minutes.

Mr. BRAY. Mr. Speaker, for almost a week now we have been debating amendments to the Economic Opportunity Act.

It has become apparent that the administration is determined to take and retain the responsibility and control for welfare and relief from the States, cities, and local communities. Regardless of the possible altruism of such a course, this governmental philosophy is causing a mad race to Washington with the beggar's tin cup in hand, crying for more and more from the supposed eternal fountain of taxpayer money, which by Great Society standards will never run dry.

Many States such as Indiana, who, by their own efforts of private industry, have done a good job of providing relief and obtaining employment for those difficult to employ are becoming more and more disgusted upon observing the wealthy cities of this Nation taking more and more of the taxpayers' money.

Welfare by Government grant clearly encourages States, cities, and local officials to judge their accomplishments not according to what is done but by the standard of how much taxpayer money they are able to get from Washington with political pressure and influence. Such a philosophy breeds incompetence, stupidity, and irresponsible extravagance of tax money.

The encouraging of relief recipients to refuse employment unless it is high grade and dignified; continuing to encourage a belief among certain groups that they are treated unfairly and that their fellow citizens are allied against them; these things, together with the administration's belief that riots can be prevented by more and more bribery, has reduced the Government relief program to chaos.

The Government's failure to take adequate steps to correct this dangerous and volatile situation is reminiscent of the Bourbon kings of France, of whom historians have said, "They forgot nothing, and learned nothing."

There are solutions to our welfare needs, and there are proper answers to violence, but only a Pollyanna would say that our Government's present policy for these two ills is anything but a failure. It is imperative that we take a good look at where we are, how we got there, and where we are going if we continue in the same manner.

WE HAVE DEPARTED FROM THE RULE OF LAW

The Founding Fathers of the United States set down certain eternal truths and guidelines upon which this country was constructed, and upon which it could be expected to endure, strong and united within, and secure against threats from without. One of these truths was contained in President Thomas Jefferson's eighth annual message to the Congress, in 1808:

> Love of liberty, obedience to law, and support of the public authorities. . . . a sure guaranty of permanence of our republic.

Now let us consider the following remarks. They, too, were made by public officials, or appeared in official Government documents. But contrast their tone with Jefferson's statement:

> I hope that you . . . will go out into the hinterland and rouse the masses and blow the bugles and tell them that the hour has arrived and their day is here; that we are on the march against the ancient enemies, and we are going to be successful.

No—that was not H. Rap Brown, head of the Student Non-Violent Coordinating Committee; that was the President of the United States.

> I think you'd have had a little more trouble than you've had already because I've got enough spark left in me to lead a mighty good revolt under those conditions.

No—that was not Stokely Carmichael, sneering at his country from abroad; that was the Vice President of the United States.

> There is no point in telling Negroes to obey the law because to many Negroes the law is the enemy.

No—that was not a statement at a "Black Power" conference; that was a former Attorney General of the United States.

> Much of the aggression of the Negro is a very healthy thing. . . . Sit-ins, freedom rides, and other demonstrations are indicative of a different mood of aggressiveness—significantly led by young Negroes—that in turn speaks of a more positive racial image.

No—that was not a foreign comment on riots or racial disturbances made by Moscow, Peking, or Hanoi. Instead, it came from a pamphlet entitled "Negro Self-Concept," prepared, published, and distributed by the Office of Economic Opportunity.

These statements were not meant to be as horribly and tragically prophetic as they have become. When they were made, they served the needs of the hour or of the day, or of the particular audience to which they were addressed. They made good news stories; they were significant. And upon them today must rest a large share of the heavy burden of responsibility for the wracking, searing cycle of riots and mob violence that have splintered city after city across our country.

LAW OR ANARCHY

Warning voices had sounded. Supreme Court Justice Harlan said that "society based on the rule that each one is a law unto himself would soon be confronted with disorder and anarchy." Former Supreme Court Justice Whittaker stated that "history shows that every society which became lawless soon succumbed, and that the first evidences of each society's decay appeared in the toleration of disobedience of its laws and the judgments of its courts."

Justices Harlan and Whittaker spoke some time after this country had entered on a new doctrine of permissiveness in its legal structure. Given tacit blessing by high-placed public officials—men supposedly sworn to uphold the laws as they were written—and in certain measure sustained by the courts, this new doctrine declared in essence that interpretation of and obedience to law, and to authority, was an individual and personal thing with every different human being. There was no longer any sort of absolute; everything was relative; all was to be measured by the demand of the time, or of the place, or be the whim of the individual concerned.

But, for some time, from many sources, there had been a slow but steady downgrading of the doctrine of individual responsibility. The longstanding, age-old concept of "duties" and "responsibilities" toward society had been superseded by the idea of "rights" from society.

The pernicious doctrine of "unjust laws" ignored the precept that rule of law and adherence to authority is the core and fabric of a well-ordered society. If you do not like the law, or you feel it has mistreated you, then break it. It became intellectually fashionable and politically expedient to either actively engage in organized lawbreaking or at the very least give it lipservice. But, unfortunately for those who practiced, preached, or tacitly condoned this brand of civil disobedience, there were some who failed to recognize certain shades of difference in the whole theory.

So in one way or another, "We shall overcome" led to the Vice President of the United States expressing his enthusiasm for riots, and the former Attorney General of the United States telling how Negroes could not be expected to obey the law, and the Office of Economic Opportunity taking a bit of time out from waging a war on poverty to spin some very fancy and very foolish theories about "aggressiveness."

And from there we have gone to the following, which serve today to chill every American:

Lester McKinney, Washington, D.C., head of what must be the most incorrectly named organization in the United States, the Student Non-Violent Coordinating Committee—SNCC:

> In the minds of the people, history has proved that any meaningful social change has come through a bloody revolution.

Stokely Carmichael, in Havana:

> In Newark we applied (guerrilla) war tactics . . . We are preparing groups of urban guerrillas . . . It is going to be a fight to the death.

H. Rap Brown, national director of SNCC, in Cambridge, Md., just prior to the riots there:

> If America don't come around, we got to burn it down.

And, a few days later, in Washington, D.C.:

> You are going to have to decide who your enemy is, when you are going to kill him, and how you are going to kill him. . . . The rebellions will continue and escalate . . . violence is necessary. It is as American as cherry pie.

He went on to say that the United States is on the verge of a black revolution that will "make the Vietcong look like Sunday school teachers," and he applauded the killing of a Plainfield, N.J., policeman, who was shot, stabbed, and stomped to death, as a "beautiful" example of black people controlling their community.

To be sure, these statements are regretted, rejected, and deplored by white and Negro alike. But they have been made, and more will come. They spring from an ill-planted tree, whose roots were embedded in the soil of political expediency and executive cowardice, and nourished by irresponsible demagoguery. Its branches blossomed through judicial shortsightedness and its fruits are the flame, smoke, death, and destruction that rain upon city after city across the face of our country.

WHO IS RESPONSIBLE?

Recently, a major eastern newspaper editorially deplored a Republican statement on civil disturbances, complaining that "There is not a single word about jobs, housing, health care, education, or other urban problems." The mayor of Detroit blamed the Congress, calling it "reactionary," and the Vice President of the United States told the Nation's mayors they should become "righteously indignant" because "action in Congress this year has been inexcusably slow."

On the very day Detroit exploded, a national news magazine carried the following:

> Detroit, under Mayor Jerome P. Cavanagh, has created a "Human Resources Development" program budgeted at $27 million this year, to provide adult and youth employment centers, medical clinics, neighborhood youth corps and to aid small-business development in poor areas.

Another national magazine, also on the stands that day, said:

> Detroit's Jerome Cavanagh bagged $1.1 million in Federal summer poverty funds for a wide range of work and play programs—among them a corps of 475 ghetto teenagers who help the police guard crossings and spot minor parking and housing infractions.

On July 31, 1967, the distinguished chairman of the House Committee on Appropriations [Mr. MAHON] took the floor of the House to set the record straight as far as what Congress had done was concerned. The point was made that since 1960 Detroit alone had received $100 million in grant reservations for urban renewal. It was also noted that the current fiscal 1968 expenditure for benefits and services to the poor is estimated at $25.6 billion, three times the 1960 figure. In the same budget, $3 billion is estimated for housing and community development; five times the 1960 figure. Two hundred and thirty-seven million dollars has been appropriated for model cities. Urban renewal received $750 million from the House this year, several times the 1960 appropriation. Public housing, this year, $275 million; double the 1960 level. Urban planning grants, $40 million—many times over 1960. Open space land grants, a completely new program, $75 million. Mass transportation, $175 million. Water and sewer grants, $165 million. For the Manpower Development and Training Act, this year, $394 million to provide for 280,000 trainees. Grants for vocational rehabilitation services and facilities, $311 million. School lunches and milk, $400 million. Food stamp program, $300 million.

The Legislative Reference Service of the Library of Congress early in 1967, compiled a Catalog of Federal Programs To Aid Urban Economic and Physical Development. It is almost 1 inch thick and lists over 120 separate individual programs.

The House this year wrote a provision into pending social security legislation that would have required adults receiving benefits under the aid for dependent children program to take job training. The administration is bitterly opposed to this provision, and the Senate has removed it from the House-passed bill.

Mr. Erwin D. Canham, editor of the Christian Science Monitor, wrote on July 29, 1967:

> Slums exist, with unemployment and unrest. Discrimination continues. Negroes do not yet enjoy the full fruits of American society. But it is also true that the worst riots—namely Detroit—have taken place where some of the best progress had been made, the most friendly community atmosphere existed.

There will no doubt be some to blame it all on the police. However, a New York Times story on September 4, 1966, entitled "Negroes in Poll Ask More Police—Many in Harlem and Watts Are Found To Sympathize With Force's Problem," stated that:

> A survey of Negro attitudes in Harlem and Watts suggests that ghetto dwellers are concerned more about police protection than about police brutality . . .

The story continued:

> . . . Many Negroes sympathized with police problems and wanted more instead of fewer policemen in the neighborhoods. . . . "Problems of police brutality are conspicuous by their absence," the report said. "It appears that police malpractice is an issue in Harlem only insofar as the police are inadequate in doing their jobs. Police brutality, as such, was not a volunteered problem of concern for the people of Harlem." . . .

And to quote Mr. Canham's editorial again:

> Police operation in slums in recent years, and riot control by National Guard troops leave much to be desired. This is not a plea for greater softness but for greater strength. Slums have been neglected by many police forces. Too little preventive discipline has been maintained. There has been very little training in effective antiriot tactics.

The Detroit News commented in an editorial:

> These mobsters, arsonists and looters were not fighting a civil-rights battle. The neighborhoods torn apart do not teem with unemployment. Times are not desperate in Detroit for people who want and can work, and the rioters . . . were not confined to the unemployed. Detroit's police . . . have for some time functioned as a disciplined professional force should conduct itself; they continued to so function . . . even in the face of grave disorder and assault upon themselves. There was no "police brutality." No one has confronted the city with any set of demands for remedy of specific conditions . . . The looters and rioters heed no appeals . . . They obviously have never been reached by reason in the past and cannot now be reached.

There are things to be done in the short and long run both, to deal with these outbursts of violence. The first and most important is to move in to stop it, to crush it immediately, whenever and wherever it occurs. The president of the Detroit Police Officers Association said hundreds of guns were stolen from pawnshops by rioters because top officials delayed in getting the guns out of the shops, and that the Detroit Police Department was unprepared for such civil disorder:

> Our men were given shotguns, then told: "Don't load them. Put them in the trunks of your cars, because if these people see them they might get excited and nasty." After the first night we were told to take containing action to hold the riot within a 100-block area. We were told "Don't go in. Don't do anything. Don't shoot . . ."

DRESS REHEARSAL FOR REVOLUTION?

Whether or not these disturbances are connected and organized far in advance must be determined. To date, the Department of Justice has denied evidence of any master plot. However, the report of the Cleveland, Ohio, grand jury following the Hough riots in 1966 raises some questions.

The grand jury found that targets had been "plainly agreed upon" for fire bombing and destruction. The youths taking part were "obviously assigned, trained, and disciplined." The conclusion was that "the outbreak of lawlessness—was organized, precipitated, and exploited by a relatively small group of trained and disciplined professionals at this business."

No indictments were returned in Cleveland; the grand jury did admit there were gaps in the evidence, and said the statutes were inadequate to reach the "responsible irresponsibles."

There has been some Communist and radical left involvement in riots. Harlem, in 1964: a major part was played by the Progressive Labor Party, which had split from the American Communist Party in 1961, to turn more toward Red China.

Just before the Harlem riots, William Epton, one of the PLP's organizers, had shouted at a rally:

> [We] must smash this State completely and totally . . . We're going to have to kill a lot of these cops, a lot of these judges . . . We'll organize our own militia and our own army.

According to the Worker, the American Community Party weekly, the PLP played a "provocative role" by making fire bombs and keeping concealed stores of arms.

The Cleveland grand jury reported that the WEB DuBois Club a Marxist-oriented group, had planned violence in Hough months before the riot there. The Cleveland Black Panthers, a movement launched by the Student Non-Violent Coordinating Committee, had prepared for fire bombing, sniping, and looting. The Jomo Freedom Kenyatta School had run a school for fire bombers.

Mayor Yorty of Los Angeles said in the case of Watts that "we face urban guerrilla warfare, an absolute plan to burn and sack the city." Cleveland's Mayor Locher made a similar statement; Senator LAUSCHE of Ohio charged a "national conspiracy executed by experts" was responsible.

There has also been a report that the President's National Advisory Commission on Civil Disorders has found "puzzling things"—evidence of similarities and coincidences between different outbreaks. What the "puzzling things" are has not yet been revealed.

It is vitally important that the truth be determined as to who or what organization may have had a hand in planning, instigating, controlling, or exploiting these riots in any way. It is obvious that some one, somewhere, is taking this extremely militant doctrine very seriously indeed. We might think that only a disordered mind would contemplate outright guerrilla warfare in this country, but we cannot forget the obviously depraved intellects that made the looting of Detroit and Newark into a semifestive occasion.

HOW MUCH WAS SPENT AND WHERE DID IT GO?

An estimated $96 billion has already been spent in 10 years on the cities; before we plan on spending billions more we should take a good look at just what this was, and where it has gone.

A summary of Federal programs with significant metropolitan or urban impact, obligations or commitments shows for fiscal years 1961, 1964, and 1966, respectively, the amounts of $15.6 billion, $20.3 billion, and $20.4 billion. This includes loan insurance and guarantees. Excluding these, the figures would be $7.5 billion for fiscal year 1961; $9.8 billion for fiscal year 1964—an average annual increase of 10 percent—and for fiscal year 1966, $16.8 billion, an average annual increase of 35 percent.

Who got how much of it? Some 1966 Senate hearings looked into that question.

The mayor of New York City estimated his city would receive $840.2 million from the Federal Government for fiscal year 1967 and went on to recommend another $50 billion from the Government in the next 10 years for his city alone. It was also brought out in the hearings that New York City had received $20 million in antipoverty funds for the fiscal year ending June 30, 1966, but had used only half of it.

A consultant to New York's mayor, at the hearings, gave his opinion:

> The Federal program, too, has suffered from weak or faulty administration, largely because of the need to activate a very ambitious program in a very short period of time.

Or, in simpler language, "too much—too soon."

The mayor of Detroit said his city had received around $100 million the previous fiscal year; he recommended $250 billion for all city spending by the Federal Government for the next decade. He did admit that cities' needs differed and what was right for one was not right for all.

The mayor of Oakland, Calif., said his city had 140 different programs and projects containing Federal funds, for a total of $87.4 million, and over the next 5 years, total Federal spending was expected to come to $378 million. "Quit making promises if you can't fulfill them," he said, and went on to blame some Federal programs for causing city troubles.

He cited the FHA housing programs, which encouraged middle-class citizens to move into the suburbs; State-Federal financed freeways, he pointed out, had taken valuable land off tax rolls. Also, he criticized the welfare programs for their failure to focus their efforts on education, "not only education in the basics, but also in attitudes, motivation, recognition of the rights of others—in short, education in what it takes to become responsible citizens."

The mayor of Omaha, commenting on the riot in his city in 1966, said:

> If I were to put my finger on a single issue that was related to our riot, I can assure you that the rioting to a great degree was brought about by Federal promises as regularly publicized in all the news media that failed to match Federal performance. Again I say it is a question of "nitpicking" and it would try the patience of Job.

WHOSE WELFARE?

Indeed, we may be said to be developing a welfare cult that extends from the individuals, who picket city hall demanding more, to city administrations, parading before the Federal Government, doing the very same thing.

> The Federal Government must and shall quit this business of relief. . . . Continued dependence upon relief induces a spiritual and moral disintegration, fundamentally destructive to the national fiber. To dole out relief in this way is to administer a narcotic, a subtle destroyer of the human spirit.

This was from Franklin D. Roosevelt to the Congress in 1935. Over 30 years later, and billions for welfare, it is estimated as many are now on the rolls as the entire population of the State of Michigan. In the last 10 years, the total number on relief has risen by 50 percent, costs have gone up 119 percent, and today there are 1 million more on relief than during the depression year of 1936.

The welfare commissioner of New York City has stated flatly that the present welfare system is "bankrupt as a social institution." He also pointed out that, under existing rules, for every person on public aid, at least two more are also entitled to allowances.

Getting more people on the rolls, instead of off of them, has already been seriously suggested by two members of the staff of the Columbia University School of Social Work. Writing in the Nation, May 2, 1966, they state that by their estimate:

> For every person on the rolls at least one more probably meets existing criteria of eligibility but is not obtaining assistance. The discrepancy is not an accident stemming from bureaucratic inefficiency; rather, it is an integral feature of the welfare system which, if challenged, would precipitate political crisis. The force for that challenge, and the strategy we propose, is a massive drive to recruit the poor onto the welfare rolls.
>
> Widespread campaigns to register the eligible poor for welfare aid, and to help existing recipients obtain their full benefits, would produce bureaucratic disruption in welfare agencies and fiscal disruption in local and State governments. These disruptions would generate severe political strains, and deepen existing divisions among elements in the big city Democratic coalition: the remaining white middle-class, the white working class ethnic groups and the growing minority poor. To avoid a further weakening of that historic coalition, a national Democratic administration would be constrained to advance a Federal solution to poverty that would override local welfare failures, local class and racial conflicts and local revenue dilemmas. . . .
>
> The ultimate objective of this strategy (is) to wipe out poverty by establishing a guaranteed annual income.

FINANCING IN THE DARK

It is clear that there is a tremendous amount we simply do not know.

We do not know how much has been spent, or who spends it; we do not know where it has gone or how it has been used; we do not know how it is administered; we do not know how to cut our way through the baffling maze of redtape and duplication and overlapping of functions and the whole administrative chaos that has sprung up with the millions and millions that have been spent.

But we do know that attempts to cement together a society by using money as a sole binding agent have failed. This is obvious; it is obvious to a horrible degree when some statistics and figures jar rudely against each other, a frightful exercise in sociofiscal counterpoint that should lay to rest for all time the lie that we can spend our way into social advancement and prosperity for all.

As of June 30, 1966, the Office of Economic Opportunity alone had spent $7.7 million for studies, analyses, surveys, and assessment.

During the past 5 years, Federal spending on cities' problems has raced steeply upward: $3.6 billion for urban renewal; $1.1 billion for low-rent public housing; over a quarter billion dollars for housing for the elderly and handicapped; $1.5 billion for neighborhood facilities and college housing; $134 million for urban planning grants; almost $210 million for open-space land programs; $365 million for water facility grants; $600 million for public facility loans; $620 million for urban mass transit grants and, for the 1-year-old model cities program, $248 million. The total is almost $9 billion.

In fiscal year 1966, Federal-aid payments to States, local governments, and individuals were $17.8 billion—$2.5 billion over fiscal year 1965—a 16-percent increase.

What is the result? Let us look at some other figures that are equally impressive—those given to the Senate Permanent Subcommittee on Investigations on November 1, 1967, when it began its inquiry into the riots of the past year.

Since 1965, over 101 major riots or civil-criminal disorders. There were 76 in 1967 alone. The grand total of casualties for 3 years is 12 law enforcement officers and 118 civilians killed; 1,199 officers and 2,424 civilians injured; 28,932 arrests and 5,434 convictions; a $504 million economic loss and a total of $210.6 million in property damage.

More money? Is not there anything else the administration can come up with in the way of a solution? Obviously not; 1 week prior to consideration by the House on the war on poverty bill, it was announced that the Office of Economic Opportunity has chosen to venture into that most controversial and questionable of all social welfare schemes: the guaranteed annual income.

The President himself said last January in his economic message that such a program is "almost surely beyond our means at this time." Someone at OEO did not get the word; OEO has approved a grant of $620,000 and expects to earmark $3.4 million more to finance a guaranteed income project through the end of 1971.

What is the refrain in that song? "When will they ever learn?"

Not in the very near future, that is perfectly obvious. We still labor under the delusion that every social ill can be corrected with money, in spite of all evidence to the contrary. An objection to a new Government program that is duplication and overlapping of what is already being done at both State and Federal levels means being damned as one who would condemn the poor to more misery.

The rat control legislation of the past year is a wonderful case in point. Forty million dollars was sought for rat control when four other U.S. Government agencies are already running control and elimination programs, and when the chief Federal investigator of rats and wild rodents said, "Rat control should be part of a real long-term community health program." He observed that cutting or eliminating rats' food supplies, and denying them places to make their nests would be the only solution. He said:

> It may be easier to get simple rat control programs funded, but in my opinion such programs will not succeed.

So a vote against rat control legislation—which was a vote against overlapping, duplication, and expenditure of an additional $40 million which had questionable value for getting results—was denounced from all sides as a vote for poverty, against the poor, and for rats.

THE "NEW POLITICS"—PATTERN FOR REVOLUTION?

A country, a people, a nation, grows strong and thrives on challenge. It may be the challenge of a hostile environment, a continent to be tamed, rivers to be harnessed, forests to be cleared, a government to be strengthened and shaped. Such were the challenges that faced a young America; we met these, and others, during the time of our history when most of the major world powers were hostile. We survived, and became strong. Some major historians hold that without challenges, countries, nations and entire civilizations grow weak and decay and eventually disappear from the world scene.

There is a major difference between meeting challenges and cultivating the ground for our own destruction. It is no exaggeration to say that the permissiveness and acquiescence in breaking the laws of our society have given great encouragement and new hope to those who work toward that destruction. We have always had among us those who would tear down all that exists. We are faced with the situation in a new form today, and although the numbers are relatively small, the gravest dangers are posed.

In August 1965 a "Call for a New Politics"—a hope for a united left in the United States—came out of a meeting at the Center for the Study of Democratic Institutions at Santa Barbara, Calif. By June 1966 a permanent organization, the National Conference for a New Politics, had been put together in Chicago. In the spring of 1967, NCNP issued a "call to convention" at the Palmer House, in Chicago, over the Labor Day weekend.

Around 350 organizations were invited to send representatives or observers. The American Communist Party moved swiftly. Victor Riesel, the prominent columnist, wrote that:

> At the last of its secret sessions (the Communist Party's) general secretary, Gus Hall, point by point, stratagem by stratagem, laid out the tactics for intense infiltration of the National Conference for New Politics.

NCNP convention headquarters in Chicago were located in the same building as the midwest offices of the Worker, the American Communist Party newspaper.

> It was like entering the gates of Hell and then finally coming out the other side—

Said one of the organizers after the conference had ended. Around 5,000 delegates—estimates vary—or observers, from about 300 different organizations attended. Some of the groups represented in one way or another were the Student Nonviolent Coordinating Committee, the Congress on Racial Equality, Women Strike for Peace, Students for a Democratic Society, the Mississippi Freedom Democratic Party, the Southern Christian Leadership Conference, the Women's International League for Peace and Freedom, SANE, the W. E. B. DuBois Clubs, the National Committee to Abolish the House Un-American Activities Committee, the Chicago Peace Council, the Revolutionary Action Movement—a Peking-oriented Marxist group—the American Communist Party, and the Institute for Policy Studies, in Washington, D.C.

Dr. Spock and Martin Luther King called for an end to the war in Vietnam. James Forman, head of the Student Nonviolent Coordinating Committee, said:

> We and we alone have the responsibility to wage our own war of liberation as we see fit.

Later on, Forman saw fit to conduct his own form of parliamentary procedure. In response to a call of "point of order" on passage of a resolution, he informed the protester "there are no points of order." In answer to the retort "Is this a dictatorship?" he answered "Yes, and I'm the dictator." A few minutes later he said he was only joking, and "can't we have a little fun?"

Simon Casady, former head of the California Democratic Council until thrown out by then Governor Pat Brown, and cochairman of the conference, said:

> I've seen several Communists . . . The reason they're not going to take us over is they're the right wing of this movement. They believe in change through orderly means.

The executive director of the NCNP told the delegates that they were part of "the most significant gathering of Americans since the Declaration of Independence," while a bongo group outside chanted "Kill whitey! Kill whitey! Kill whitey."

Impeach Johnson, stop the war, form a third party—a wild variety of suggestions, but the 13 demands of the Black Caucus, a group of Negro militants who took over the convention, stand as what might be called a platform. The demands, adopted by the conference, stated among other things: "there must be revolutionary change"; they asked total support of "people's liberation wars" in Africa, Asia, and Latin America; "condemn the imperialistic Zionist war" and in the next part of the sentence assert this did not imply anti-Semitism; demand restoration of Adam Clayton Powell to Congress and to his committee chairmanship; strongly suggest that white civilizing committees be established immediately in all white communities to civilize and humanize the savage and beastlike character that runs rampant throughout America, as exemplified by George Lincoln Rockwells and Lyndon Baines Johnsons."

There were some prime examples of "savage and beastlike character" for close study. One of Martin Luther King's assistants announced he would speak against the Thirteen Demands; he was stood against a wall and promised a beating, and he did not speak. The parliamentarian of the conference was bound, gagged, and robbed. Other delegates were robbery victims, and one who opposed the Black Caucus takeover had his throat cut.

WHAT TO MAKE OF IT ALL?

Walter Goodman, writing in the New York Times magazine, September 24, 1967, called the conference "an exercise that would have been ludicrous had it not stunk so of totalitarianism."

Dwight MacDonald, in the December 1967 Esquire:

> I have long had doubts about some of the moral and intellectual aspects of the New Left, but what happened at the Palmer House surpassed my gloomiest suspicions. Black Power has never raised any doubts—or hopes—but still I was unprepared for the crudity with which its racist animus expresses itself.

Arthur I. Waskow, of the Institute for Policy Studies, in Washington, D.C., one of the founders and leaders of NCNP, commented in an essay that it was "a strongly educational event" in which white liberals "learned that a united, tough minority committed not to obeying the rules but to changing them can sometimes win its way. Waskow went on to say that many of the whites "were toughened and radicalized" by the process.

David Broder, writing in the Washington, D.C., Post of October 10, 1967, had sharp and icy words for Waskow's dream-spinning:

> "Toughened and radicalized" one might ask, like the Germans who observed Hitler's Munich beer hall "putsch"? Does Waskow think it took the Black Caucus to teach us that a "united, tough minority committed not to obeying the rules but to changing them can sometimes win its way"? Has not every squad of vigilantes, every lynch mob in American history, taught us the same lesson?

"A Mixture Potentially Poisonous" was the headline of Gerald Griffin's column in the Baltimore, Md., Sun, of September 11, 1967:

> Mix anti-Semitism with black power extremism, then try to add this combination to intellectual white leftism and what do you get? An indigestible political stew which if swallowed could be poisonous.
>
> The elements of this mixture are so incompatible, as they were spread out at the convention of the so-called New Left last week in Chicago, that it is easy to dismiss the whole thing as a fiasco . . . Yet this political mess attempted at Chicago is as ugly as it is potentially poisonous, and its implications should be widely understood.
>
> Even though they are unlikely to have a third-party candidate, they may well be a political factor. The disruption, destruction and assorted violence inherent in black racism will almost certainly lead to more outbreak in the cities next year during the political campaign, and produce violent countermeasures. The New Left, to the extent that it tries to temporize with black racism as it did in the Chicago meeting, thus could have a greater impact on our politics than the Left of Henry Wallace two decades ago.

PERIL POINT IN OUR HISTORY

To this we have come, to a point in our history where a man with the stature of columnist Roscoe Drummond will comment that "The black militants and their white associates are irreversibly committed to the destruction of American democratic society to achieve their racist goals."

James Reston, writing in the New York Times:

> How serious is this? The general view here in Washington is that it is a serious but transitory phenomenon inflamed by the war, and will ease off when the war ends and the costs of that war are gradually redirected into the war on poverty in the cities. This is allied to the notion that attractive women and attractive jobs will soon tame this generation, as before.
>
> There is, however, another view. This is that the rise in violence is nothing less than a fundamental challenge against the present foreign policy and social order of the United States and will not be appeased by the end of the bombing, the end of the war, or the defeat of President Johnson.
>
> The most articulate spokesman of this latter view is Daniel P. Moynihan, former Assistant Secretary of Labor and present director of the Harvard-M.I.T. Center for Urban Studies. "All the signs declare that the

> violence is not ended," he said of the Negro revolt. "Worse still, a new set of signs tells us something that is painful, even hateful, to have to hear: We must prepare for the onset of terrorism.
>
> "Indeed, it may already have begun. How widespread and how successful remains to be seen, but the probability is so great that ignoring it would be an act of irresponsibility or of cowardice."

In July 1964, President Johnson said:

> It is understandable that those who are aggrieved will take to the streets, whether rightly or wrongly. Their judgments might be wrong as to how justice could be obtained, but they would be less or more than human if they did not seek justice.

Three and one-quarter million crimes were reported in 1966, an increase of 11 percent over 1965. The first 6 months of 1967 show a 17-percent increase over the 1966 totals for the same period. The volume of crime is up to 62 percent since 1960. The population is up 9 percent.

Crime outstrips population in growth by 7 to 1.

In November 1967, President Johnson said:

> The time has come in my judgment when the American people are going to rise up and revolt against the lawbreaker in this country.

THE ROAD AHEAD

Somewhere, somehow, we have allowed our national heritage to be subverted and bargained away. We have come close to acquiescence in our own destruction. We have allowed ourselves to be led by those who, in their haste to attain utopia, have betrayed our past, defied our present, and endangered our future.

If we refuse to equate what we as individuals owe society with what society has given us; if we avoid the pitfall of change for the sake of change; if we recommit ourselves to that national will and strength that has always been the bulwark of the American people, then we can and will prevail.

I believe we will. I have strong faith in the basic decency, stability, and good judgment of my fellow Americans. We carry a heavy burden, not only for ourselves but for all who look to us as the last citadel of hope for Western civilization.

The burden is heavy, and very likely will grow heavier still before we can lay it down. But bear it we must, for if we should falter, and the burden would slip from our shoulders, it would be replaced by one from which there would never be hope of rescue.

WE MUST ACT IN OUR MARITIME CRISIS

The SPEAKER. Under a previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 20 minutes.

Mr. HALPERN. Mr. Speaker, the importance of a new and forward-looking maritime program is well known to all of us. For too long our merchant marine has been permitted to decline. Recently my colleague, Hon. JAMES R. GROVER, JR., of New York, pointedly discussed our maritime crisis in a speech before an AFL–CIO Maritime Trades Council seminar. I submit his speech for the interest of my colleagues, as follows:

I am happy to be able to come here today, to review with you the progress we have made—and the problems we still face—in trying to come up with a national program to meet our maritime needs.

The fight for a maritime program is in the traditions of our American political system—because we in Congress are attempting to find solutions to problems which directly affect *all* Americans.

In many respects, though, the current struggle bears a marked resemblance to the collective bargaining process, too—because all parties concerned are trying to balance equities and to reach agreements on some middle ground that is fair to everyone.

There are no precise analogies in life—and certainly this holds true for comparing the maritime situation with collective bargaining.

For one thing, both maritime management and maritime labor—or at least major segments of management and labor—find themselves on the same side of the bargaining table.

You have to admit that's pretty unique.

For another thing, Congress finds itself on the same side as maritime labor and management—we haven't been called in to adjudicate a deadlocked situation, and so there's no danger of anybody proposing "compulsory arbitration" or "arbitration to finality" as far as getting labor and management to agree on a program.

And that's pretty unique, too.

And yet, Congress *does* find itself in the position of trying to break a deadlock on our maritime program—and so far, Congress has given every indication that it means to do just that.

When the House and Senate, earlier this year, voted to put the major responsibility for maritime budgets into the hands of the House Merchant Marine Committee and the Senate Commerce Committee, we were trying to end a stalemate which has existed for years—a stalemate over getting adequate funds to carry out our maritime program.

I know that there is an urgent need for fiscal responsibility in this country—but it has continually amazed me that about the only place the Budget Bureau has been willing to cut away at appropriations requests has been in the area of our merchant marine and the Coast Guard.

When it comes to spending money on rockets to the moon—or on supersonic passenger planes—or on new highway construction—or on experimental high-speed trains—why, the Budget Bureau has asked for money like it was going out of style.

But when it came to maritime—well, that was another story.

The Maritime Administration last year asked for funds to build 20 ships—the Secretary of Commerce cut this back to 15 ships—and the Budget Bureau cut it back again—to 12 ships.

There was no consideration here of need—there couldn't have been—it was just a case of the Budget Bureau looking for the most likely victim, and settling on the merchant marine as the logical scapegoat.

This is roughly like a father, faced with the need for tightening the family pursestrings, and making the budget cut in the family's food—not in the funds set aside for liquor and cigarettes, for golf and the movies, and the like.

This is the situation that Congress was determined to correct when it passed the annual maritime authorization legislation—because from now on, maritime budgets are going to be determined by Congress, and they're going to be determined on the basis of our very real national need for spending money to beef up our merchant fleet.

The recent overwhelming House vote on the creation of an independent Maritime Administration is another example of the mood of the Congress—of its determination to break the maritime deadlock that's stifling our country.

For far too long, the whole question of our merchant marine's future has been hung up over this question of where the Maritime Administration is going to be housed.

The Administration, I'm afraid, has allowed itself to become so caught up in its passion for having an orderly administrative arrangement for our transportation affairs, that it has refused to do anything about a substantive maritime program until this question is resolved.

More than that, all of the press reports indicate that the Administration's idea of how you resolve a dispute like this is for everyone to let the Administration have its own way.

The trouble is, that when there seemed to all of us to be the possibility of reaching agreement on a program—which would make the question of *where* the Maritime Administration was located rather academic—the Administration drew back, and refused to come up with any program at all.

Again, if you can put any reliance in the newspaper accounts, this decision to put the prospective maritime program back on the shelf was made out of hurt feelings—because the House was preparing to act on the bill for maritime legislation.

I would hope that the press reports are wrong—because I'm sure no American would like to think that his government was being run on the basis of one person's hurt feelings.

I have seen it suggested in the press that perhaps the White House decision not to come forward with a maritime program this year involves the differences of opinion between Congress and the President over the proposed tax cut and the proposed cutbacks in some government spending.

If this is so, then someone has been misreading the signs.

When Congress debated the independent agency bill, there were very clear expressions—on both sides of the aisle—that while some Members of Congress may be concerned over some spending programs, they have no disposition to tighten the belt as far as our merchant marine is concerned.

Anyone who can read, need only check the Congressional Record's report of that debate to see that there is overwhelming sentiment for making an increased commitment to our merchant marine—and making it right now.

So any argument about the merchant marine program being put aside because of the debate over spending simply is not based on fact.

After all, if the maritime budget is cut anymore, there won't be anything at all left for ship construction or ship operation—and the kindest thing we could do would be to open the petcocks and let the whole commercial fleet sink to the bottom tomorrow.

As a matter of fact, with all the differences of opinion about federal spending—and there *are* differences of opinion, make no mistake about it—I have never heard anyone seriously suggest that we should spend less on our merchant marine.

The fact of the matter is, we're in trouble right now because we've refused to face facts—because we've refused to spend *enough*—not because we've spent too much.

If we had been spending the proper amount to reinforce our merchant marine, we wouldn't today be in the position of having foreign-flag ships carrying some 93 percent of all of our export-import cargo—and thus contributing to the serious imbalance in the payments deficit.

If we'd been spending the proper amount on our merchant marine, we wouldn't have a fleet, 80 percent of which is overage and should have been put on the scrap heap a long time ago.

If we'd invested wisely in our merchant fleet in the years since World War II, we wouldn't find ourselves in the position of having to take rusting old hulks out of the mothball fleet, refitting them, and sending them back to sea to keep the Vietnam sealift in operation.

No, the fact of the matter is that we've appropriated too little—and we've spent even less than we've appropriated.

For the past two years, Congress has authorized funds to build more than 25 new commercial vessels for our fleet—yet only two of these have actually been built.

Now there's talk about the Administration agreeing to a program that will involve the construction of about 30 ships a year—just about twice what we've appropriated in the past, and 15 times as much as we've actually spent.

And what gets me is that the people who propose the 30-ship-a-year program act as though they're doing the maritime industry a big favor.

Just consider this fact:

Today, we have about 900 ships in our privately owned fleet—and these 900 ships carry about 7 percent of our cargo.

By 1985—according to the government's own estimates—our waterborne export-import cargo is going to almost double.

That means that if we still hope to carry just the same 7 percent of the cargo we're carrying now, we're going to need a fleet, with a capacity twice that of our present fleet.

You're not going to get that on a 30-ship-a-year construction program—even allowing for the larger size ships that would be constructed—because after all, most, if not all, of the new ships are going to replace old, worn-out vessels that will be withdrawn from service.

I must tell you that, as ambitious as the Maritime Trades Department's own 20-point maritime program may look to many people, not even your own program is large enough to double the cargo capacity of our fleet to keep pace with the sharp upward swing in waterborne exports and imports.

We will need a program many times larger than anything that has yet been suggested—just to stay even with our present position—and our present position, carrying a mere 7 percent of our cargo, could hardly be called an enviable position.

An all-out building program, coupled with the investment of a substantial amount of tax money to help keep our merchant ships operating, is necessary if we're going to get the job done.

Sure, it's going to cost a lot of money—but that's the price we'll have to pay to make up for the years of neglect of our merchant fleet.

What's more, it's just about the sum we should have been spending all these years since 1946, but which we didn't spend because some slide-rule experts somewhere decided that we could cut corners on our merchant fleet.

But it's a lot less money than we'd have to spend if we were to go into a crash ship-construction program similar to the ones at the start of World War I and World War II—and those crash programs resulted from the same kind of empty-headed neglect to which we've subjected our merchant marine all these years.

No, the 30-ship program which the White House is reportedly willing to agree to amounts to another case of too little, too late.

It's like putting a Band-Aid on a mortal wound—it might soak up some blood, but the patient is going to continue to die.

The temper of this 90th Congress, insofar as our merchant marine is concerned, has already been demonstrated in the votes on the maritime budget and in the overwhelming House vote on an independent Maritime Administration.

I think this temper is going to be demonstrated further—in the form of a sweeping merchant marine program originating on Capitol Hill.

When this program is developed, I hope it will be intensified enough to meet our urgent present needs—and sweeping enough to meet the long-range goals of our country on the high seas.

Much has been said about what a maritime program should contain—but nothing sums it up better than what the Merchant Marine Act of 1936 said should be the guideline for our merchant marine.

That legislation—now 30 years old, but still capable of doing the job if it only were properly implemented—called for an American-built, American-owned and American-manned fleet—one that could carry a substantial portion of our peacetime cargo, and one that could serve—and serve effectively—as our fourth arm of defense in time of crisis.

And to do that job, my friends, you need far more than a Band-Aid—and I predict Congress will give you far more than a Band-Aid.

PROPOSED CEASE-FIRE IN NIGERIA

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Resnick] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RESNICK. Mr. Speaker, within the recent months we have heard and read about the terrible outbreak of civil war in Nigeria. A conflict between the Federal region and eastern Nigeria, which now calls itself Biafra. It has been with great concern that we here in the United States have read of the reports of indiscriminate killing of civilians of Ibo origin in that country. It is imperative that something be done immediately to halt the wholesale slaughter of Ibos and other Nigerians, wherever it may be happening throughout that country. To this end, eight of my colleagues and myself, Messrs. George E. Brown of California, John Conyers, Leonard Farbstein, Kenneth J. Gray, Seymour Halpern, Augustus F. Hawkins, Chester L. Mize, and Thomas M. Rees have signed a resolution urging that the United States take immediate action to seek a halt to the present internal conflict in Nigeria. We are not urging that the United States interfere in the internal affairs of Nigeria, but we are urging prompt action in order to stop what threatens to become a genocidal pattern of extermination.

Mr. Speaker, I include the text of this resolution in the body of the Record following my remarks:

H. Res. ——

Whereas there has occurred and is occurring the reported indiscriminate killing of civilians of Ibo origin in both Nigeria and Biafra; and

Whereas it is imperative to emphasize the need for prompt action to prevent what threatens to become a genocidal pattern of extermination; and

Whereas the extension of friendship and assistance to all men of good will in all regions of Nigeria is necessary to the resolution of their differences at the peace table: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the President of the United States be requested to take such action as may be necessary to transmit to the belligerent parties, to the Organization for African Unity, to the United Nations, and to the International Red Cross the earnest plea of the United States that all appropriate bodies join in seeking a halt to hostilities and take measures, including the dispatch of impartial observers, to protect the lives of the civilian population of the area.

BALTIMORE RALLY IN SUPPORT OF ANTIPOVERTY PROGRAM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. Friedel] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, a few days ago, I attended a rally in behalf of the war on poverty in the Charles Center in Baltimore and was, once again, enormously impressed by the importance which this program has come to have for the residents of poverty neighborhoods. I was accompanied on that occasion by my distinguished colleague, the gentleman from Maryland, Mr. Clarence Long, and by the distinguished junior Senator from Maryland, Senator Joseph Tydings, as well as by Mayor McKeldin and several city officials. All of us were deeply moved by the commitment which hundreds of poverty area residents and their families obviously feel toward the self-help programs of the war on poverty.

As Mayor McKeldin put it, the prospect that Congress might end the national effort against poverty seemed "horrifying."

An article by Stephen J. Lynton appeared in the Baltimore Sun on November 7 which presented an effective report on this rally, as well as a discussion based upon conversations with antipoverty officials from the city of Baltimore and the State of Maryland as to the consequences which irresponsible action on the part of Congress would have for the poor of our State. With permission, Mr. Speaker, I include the article at this point in the Record:

Poor, Supporters Rally for Funds—Tydings, McKeldin Join Antipoverty Officials in Decrying Loss of Federal Money

(By Stephen J. Lynton)

With scores of placards bobbling up and down, with drums and bugles resounding and cheers rising in the cold night air, a throng of Maryland's impoverished and their advocates gathered in Hopkins place last night to shout its demands that Congress rejuvenate the nation's financially ailing war on poverty.

The rally, which had been organized by city anti-poverty officials, looked like an outdoor version of an election-eve convention. But political candidates in today's election were not permitted to speak.

LET LIVELY SPEAK

As the hour-and-fifteen-minute gathering before the new Federal building drew near an end at 8:15 P.M., cries of "Let Lively speak.

Let Lively speak" broke from the crowd. But Walter H. Lively, the Republican City Council candidate from the Second district, did not speak.

Crowd estimates varied widely. Anti-poverty officials claimed 3,000 to 4,500. A police estimate was 1,500 to 1,800. Some newsmen guessed even fewer.

Senater Tydings (D., Md.) drew a roar from the crowd just by naming President John F. Kennedy. "I can't believe that Congress is going to turn its back on a program which our beloved President [Kennedy] began," he said.

Mayor McKeldin termed "horrifying" the prospect that Congress, might end the national anti-poverty program.

Parren J. Mitchell, the city anti-poverty director, put the crowd—including delegations from Montgomery, Calvert, Harford and other counties—on notice that they might be called upon to demonstrate anew next weekend, apparently in Washington.

Representatives Friedel (D., 7th) and Long (D., 2d) also produced roars in the crowd by voicing support for anti-poverty programs.

The crowd displayed signs saying "Indian Givers," "No More Broken Promises" and "To C.A.A. [Community Action Agency] With Love." One placard bore a skull and crossbones and the words, "Don't Mess with Poor People."

City anti-poverty officials had organized the demonstration against what they considered to be a grim background of increasing fiscal emergencies. Money difficulties have already disrupted anti-poverty programs in Baltimore City and at least six Maryland counties.

PROGRAMS HURT

One Eastern Shore community action program was halted last week. A Neighborhood Youth Corps program in Baltimore ran out of money last Friday and has received emergency city funds to last out the current week. Members of the Volunteers in Service to America program face a payless payday. And programs in Montgomery, Prince Georges and Harford counties confront the possibility of imminent doom.

The difficulties are among the results of Congress's failure so far to approve new funds for the national war on poverty or to enact a continuing resolution which would permit Federal agencies to keep spending money. Federal agencies have been told not to pay for new non-defense programs unless they had already been authorized by midnight October 23.

Peter B. Davis, deputy regional director of VISTA, says that 108 VISTA workers in Maryland—94 of them assigned to health, housing, education, recreation, poverty and social work projects in Baltimore—will not receive their two-week's salaries, an average of $95 for rent, food and personal expenses, when payday comes November 14, unless Congress takes action.

VOLUNTEERS UNPAID

Michael A. Toth, director of the VISTA training center in Baltimore, says that 48 new volunteers have not received their normal $1-a-day expense allowances since they began their studies October 26.

Richard W. Bateman, an associate city anti-poverty director, said that a city Neighborhood Youth Corps program, which employs 40 staff members and provides job training for 500 high school drop-outs, discovered that its newly approved six-month grant of about $800,000 "suddenly terminated" last week.

William F. Moran, deputy director of the metropolitan Washington area's Neighborhood Youth Corps, says that a job program for 60 high school students in Montgomery county, and two program for 110 students and dropouts in Prince Georges county will end Saturday, unless Congress authorizes new spending.

SPECIAL TRANSFER

S. Edward Smith, director of the Maryland Office of Economic Opportunity, says that a community action program assisting 1,200 poor families in Kent, Queen Annes and Talbot counties halted most of its normal operations last Wednesday, Thursday and Friday when a five-month grant expired.

Mr. Smith adds, however, that a special transfer of $3,700 to $4,000 in regional anti-poverty funds had been tentatively approved. That amount would be enough for a month's operations, he said.

The Eastern Shore program had returned to regular activities yesterday. But Mr. Smith notes that its nine paid employees "will miss a payday and maybe two."

A Harford county community action program, intended to assist 12,368 poor people, will also run aground between now and November 25, Mr. Smith says, unless Congress appropriates new money.

THE DEFIANT ATTITUDE OF JOHN DOAR

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. HÉBERT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HÉBERT. Mr. Speaker, the New Orleans Times-Picayune, one of America's most honored and respected newspapers, has editorialized on the defiant attitude of Mr. John Doar, Assistant Attorney General, Civil Rights Division, for his failure to respect the law which he is supposed to honor.

The law in question is the Public Information Act. I have brought this to the attention of the House before when I addressed myself to an exchange of correspondence between Mr. Doar and me.

It is interesting to note that the Times-Picayune describes Mr. Doar as "a scrambling legal quarterback who can 'twist,' improvise, hurdle the law, and give you a big run-around."

This is a most accurate description, and under the circumstances I continue the comparison by saying I have seen many scrambling quarterbacks who have been forced to "eat the ball and were thrown for a loss."

Before this discussion is ended, Mr. Doar will be compelled to "eat the ball" and will be exposed as an individual who flouts the law, thumbs his nose at Congress, and treats individual Members of Congress as something to be swept under the rug and forgotten.

This matter has become more important than Mr. Doar's refusal to abide by the law and furnish names which are on the public payroll. The names are now a mute question. I have already published a partial list, and I am in possession of the names of out-of-State people sent into Louisiana on the November 4, 1967, election day to act as "volunteer observers," action which carried overtones of intimidation by the Federal Government in a State election.

While the individual names become less important, the principle involved becomes all the more important.

The attitude of the Department of Justice, which can more properly be described as the "Department of Injustice," touches every Member of Congress in both the House and Senate.

Under the law, the information I had requested cannot be denied the Congress except by such arbitrary action or contrary to law, which Mr. Doar is doing.

I assure you I shall pursue this matter to the hilt and will keep the House informed of any action taken.

This is so vital to every Member of Congress that each should take a personal interest in the matter without regard to the immediate situation, but most definitely with regard to future requests by Members of Congress.

In the meantime, I direct your attention to the editorial from the November 4, 1967 issue of the New Orleans Times-Picayune:

FIRED-UP AT SECRECY

Judging from his current mood, we wouldn't be surprised to find that Rep. F. Edward Hébert is writing a piece for the *Congressional Record* about the Department of Justice election snooping. The title might be "Tactics and Antics of John Doar." Mr. Doar is the assistant attorney general, civil rights division. The piece would not be complimentary. From what the congressman has already written or said, we might suppose that his "image" of Mr. Doar would be that of a scrambling legal quarterback who can "twist," improvise, hurdle the law—and give you a big run-around.

Mr. Hébert wanted in advance the names of those "volunteer civil service workers" assigned to watch Louisiana primary election commissioners at the state primary last week, Mr. Doar said, no—no names, not how many, what parishes, no information. It was not in the "public interest," he averred, to tell Rep. Hébert or the public. His watchers or observers could be "harassed."

The congressman boiled up. He didn't like the idea of the Doar observers sauntering around the polling places looking over the shoulders of state election officials—style of commissars sent to watch other commissars. And he wanted to know from Mr. Doar a lot of things—how the Justice Department could reconcile use of civil service workers for political jobs with the Hatch Act; where was there a law that the names of public payrollees could be withheld from a congressman; under what section of the Public Information Act, passed last June, could he withhold the information, etc.?

Mr. Doar made a very selective reply, ignoring the Hatch Act question, the rights of congressmen to know, whether the President had authorized information withholding, and so on. Seemingly Rep. Hébert's temper went from boiling to burning, as Mr. Doar cited from the Public Information Act (a very stern law with respect to information withholding) Sec. 552, sub-sec. (b), paragraph 7: (May be exempted from disclosure) "investigatory files compiled for law enforcement purposes . . ."

We agree with Rep. Hébert that it is pretty hard to conceive how a one-day amateur watcher or observer (like a bird watcher, or maybe, a forest ranger looking from a fire tower for a wisp of woodland smoke) can suddenly become an "investigator," or that he can be engaged in "persevering in a systematic probe or examination" as the dictionary seems to expect "investigators" to do. And it takes a lot of imagination to say that a list of volunteer watchers belong in a Justice Department secret "investigatory file compiled for law enforcement purposes."

We guess, with Mr. Hébert, that Mr. Doar was violently contorting the Public Information Act. And we also guess he was going to hang on to the names of all the Toms, Dicks and Harrys, law or no law. Whatever Rep. Hébert puts in the *Record*, if anything, about this "unconscionable refusal" ought to make warm reading for a cold day.

AID FIGHTS HUNGER

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. FASCELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. FASCELL. Mr. Speaker, occasionally we wonder if our foreign aid program is appreciated or even understood by the countries we seek to assist. Do the recipient nations share our enthusiasm for their own development and economic growth?

I have a translation of an article by Romulo Escobar Bethancourt in the Panamanian newspaper La Prensa, which should dispel some doubts. The news item reports a visit to Panama by Herbert Waters, AID's assistant administrator for the war on hunger, and expresses the great respect in that country for Mr. Waters and the work he represents. I was particularly impressed by Mr. Bethancourt's statement that:

> Five thousand men like Herbert J. Waters working around the world would be a more effective army than five thousand soldiers.

This is a good indication of the healthy attitude which is growing in the developing countries.

I would like to share this article with my colleagues and therefore I am inserting the translation from La Prensa of September 14, 1967:

[Translated from La Prensa, "Trinchera de la Palabra" by Romulo Escobar Bethancourt Sept. 14, 1967]

WAR ON HUNGER

The Press informs that during the coming week, Mr. Herbert J. Waters, Assistant Administrator, War on Hunger, will visit Panama. His stay will be brief since Mr. Waters is on his way to Lima, where he will attend the "Operacion Niños" Conference.

It is a pleasure to be visited by a representative of the great northern nation who is not coming as a "military advisor", "antiguerrilla advisor", "hemispheric safety advisor", or an "expert on continental unity."

People like Mr. Waters instills in us great satisfaction since he dedicates his time to analyze the real scourge of the under-developed countries, where the primary cause of social disturbances is "hunger." Children are the future of America and to a large extent they are abandoned to their own fate. In some countries of Latin America—not to be mentioned here—it causes great pain to see how children are so unprotected from hunger, diseases and illiteracy.

If the United States would spend on the war on hunger a tenth of what they spend on wars, such as the war in Vietnam; they would not have to send their sons to die in far away countries. Five thousand men like Herbert J. Waters working around the world would be a more effective army than five thousand soldiers.

Initiating a war on hunger on a large scale would immediately stimulate Russia and China—not to be left behind—as it is presently evidenced by the display of their military power. Humanity would, with pleasure, approve of such a war on hunger between these powerful nations.

The bombardment of food and tools would successfully replace atomic and hydrogen bombs.

This is a daydream, of course, because human beings of all latitudes who have been successful scientifically have not improved their souls at the same rate and remain an easy prey to the ambitions of political and economic powers.

While the arrival of distinguished military officials is welcomed with excessive honors, it is possible that the arrival of Mr. Waters will amount only to a mere protocol call.

When countries learn to react in a different manner, that is by welcoming the fighters on hunger with due receptiveness and turning their backs to emissaries of gunpowder and thunder; then they will show the true road to the leading nations which still remain blind.

A THOUGHTFUL AND ENLIGHTENED APPROACH TO THE PROBLEMS OF ADMINISTERING OUR FOREIGN POLICY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. FASCELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. FASCELL. Mr. Speaker, I should like to commend the Committee on Career Principles of the American Foreign Service Association for its very thoughtful and indeed exciting interim report on the organization of our foreign service community.

In submitting this report, the committee has rendered significant public service. This service can be augmented as the committee pursues its work and gives us the benefit of its further findings and recommendations.

Mr. Speaker, the Subcommittee on International Organizations and Movements of the Committee on Foreign Affairs, which I have the honor to chair, has devoted considerable effort to the study of the complex processes of our foreign policy.

We have sought to improve the efficiency and the effectiveness of our foreign policy undertakings.

The Committee on Career Principles of the American Foreign Service Association obviously shares these objectives. At the same time, its findings and recommendations on such subjects as policy planning, allocation of resources, and information handling in foreign policy closely parallel our subcommittee's views on these issues, outlined in our reports on "Ideological Operations and Foreign Policy," "Modern Communications and Foreign Policy," "Behavioral Sciences and National Security," and others.

Mr. Speaker, I note that the text of the interim report of the committee on career principles is already in the CONGRESSIONAL RECORD. I commend it heartily to the attention of the membership of this body and I again congratulate the committee for this auspicious beginning of a project which can prove of great importance to our entire Nation.

The report follows:

INTERIM REPORT OF THE COMMITTEE ON CAREER PRINCIPLES

(NOTE.—The Board of Directors has authorized the printing of this supplement to the November issue of the FOREIGN SERVICE JOURNAL. The supplement contains, principally, the interim report of the Committee on Career Principles. The membership is urged to consider this report, which the Board of Directors considers the most important document to have come before the Association in many years, with care and imagination.

(Since events may require that the Association take positions on one or more of the issues raised therein, members are urged to make known to the Association their views and suggestions—both on the general principles, established in the report and on the specific topics on which the Committee is about to embark.

(Communications on this subject should be addressed to the Career Principles Committee in care of the Association.)

LANNON WALKER, Esquire,
Chairman of the Board of Directors,
American Foreign Service Association,
Washington, D.C.

On behalf of the Association's 1967 Career Principles Committee, I transmit to the Board of Directors a report of the main findings and tentative conclusions of the studies we have undertaken during the year.

This interim report summarizes our present thinking on general propositions and first principles. These are not specific proposals for organizational change but postulates concerning the identity and structure of a foreign affairs community organization and a personnel system that might best be suited to foreseeable needs. While some of us have reservations about one or more of them, there was a surprising Committee consensus on what the future might—and should—bring. We believe these propositions and principles deserve careful consideration within the Association.

We have found, in preparing this report, that our discussions have led us to accept most of the broad principles and many of the specific proposals which characterized, among others, the Foreign Service Act of 1946, the program of Wristonization begun in the mid-1950s, the Herter Report of 1963 and the Hays Bill of 1965. They have also led us to a better awareness of the problems of shepherding proposed changes through the executive and legislative machinery—much less of gaining their acceptance by those affected. While the membership of the Committee has been greatly enlarged this year, we believe it most important in this connection, that the membership of the Association be involved as actively as may be possible in discussing the content and implications of our report.

I. THE YEAR'S AIM

As the 1967 Committee began its work, there were portents of change in the air. There were debates internal to the Foreign Service on present role and future purpose. There were stirrings elsewhere in the Executive Branch on new forms of reorganization and amalgamation. There were intimations from the Congress that the time might have come again to study the larger question of how the foreign affairs of the United States should be organized and conducted.

There were also strong views inside the Committee that the Association should be in position to make recommendations of its own in these matters or to participate in the shaping of proposals that others might advance. And there were subsequent informal indications that senior officers in the Department would welcome Association views.

So the Committee set itself a large and basic task, realizing that the product of a year's work could at best be only the end of a beginning. Two sentences from one of its earliest working papers defined its aim:

"The fundamental question to be considered is how the foreign affairs of the United States can best be organized and conducted consistent with NSAM–341 and various other directives related to the pre-eminent authority and responsibility of the Secretary of State. . . . [The Committee] believes that the psychological moment is at hand for a reexamination of the role of the Department of State and the Foreign Service in the overall 'foreign affairs community' and the structure and organization of the career service or services required to carry out that role."

II. EXTERNAL ENVIRONMENT AND INTERNAL IMPLICATIONS

The Committee began its work by attempting to make some general statements about the environment in which foreign affairs might be conducted in the 1970s. The assumptions we derived are not startling. The main ones, included here, set a framework for much of what follows and helped shape many of our conclusions about first principles:

1. The central process of dealing with power and influencing the relations of states will remain. The problems will become increasingly complex and technical. Risks of nuclear proliferation, threats of rural insurgency, equations of food/population and development, decrease in psychological distance and reaction time between nations, and the impulse of a growing number of problems to require solutions which violate traditional geographic boundaries are a few of the parameters.

2. US responsibilities as a world power will not substantially diminish but the exercise of its authority will be more circumscribed by domestic and international constraints.

3. There will almost certainly be a greater number of independent players abroad and a larger number of agencies and institutions active in foreign affairs at home.

4. National resources available for foreign affairs will be scarce relative to demands. Claims on available resources inside our society will be more competitive.

5. Throughout the foreign affairs community, there will be requirements for wider ranges of functional competence and more advanced planning and programing tools to deal with instability in the world order, increasing scientific and technological information, and more rapid and more frequent national interactions.

6. In interagency matters, there will be more emphasis on integrated overseas programs, rapid response capabilities, and contingency planning. This emphasis will be reinforced by increasing demands upon the energies of the President and the Secretary of State and further centralization of responsibility at the Presidential level.

7. For the Department of State, new requirements will be levied for interagency leadership and coordination in the tasks of developing more orderly and lucid objectives, more rational allocations of resources, and more effective policy audits of the use of available assets.

8. Demand for sophisticated leadership in foreign affairs will grow. Supply of special skills required to deal effectively with foreign power structures will remain short.

III. A SET OF GENERAL PROPOSITIONS AND FIRST PRINCIPLES

1. *Those who do not recall the past are condemned to repeat it.* This was perhaps the basic conclusion which emerged from our review of reform movements in the US foreign affairs community since the end of World War II. There were some in the Committee who drew a corollary: those who recoil from the future are likely to regress in the present.

2. *The Department of State has primary responsibility for direction and coordination of the overseas activities of the US Government.* The Committee found no persuasive arguments for a sweeping reorganization of the Executive Branch. It was not impressed by the case for an omnibus Department of Foreign Affairs. It believes that the Department of State will almost certainly share foreign affairs functions in the 1970s with a growing number of agencies, institutions, and individuals—if it continues to develop the role envisioned in NSAM 341.

3. *The authority of the Secretary of State and the Chief of Mission are the central elements in foreign affairs community architecture.* Nothing in the Committee's view of the period ahead suggested that the role and function of either would or should substantially alter in the 1970s. The new vigor being given the SIG/IRG concept in Washington and the continuing validity of the Country Team concept in the field seemed to us to mark the right forward movement. But both the Secretary and the Chief of Mission will need to be supported by greater use of managerial tools, more subtle and pertinent planning mechanisms, more sophisticated techniques of coordination, greatly increased technical skills among personnel, and qualitatively different ways of handling information. A few illustrations follow.

a. *The planning function* is now both too close to, and too removed from, operations: *too close* because so much of policy is made on an *ad hoc* basis in response to emergent and volatile situations and *too removed,* because planning institutions are not sufficiently related to operational concerns. As operations must increasingly be disciplined by well-defined and communicated objectives, so the policy-making mechanisms must be related more directly to the imperatives and deadlines of operational urgencies. If the SIG/IRG structure is the crucial element in the foreign affairs decision-making system, then it may be that both the SIG and the IRG should be supported by small but skilled analytical staffs drawing on resources now available in INR, the Bureau of Economic Affairs, the Policy Planning Council and other agencies in foreign affairs.

b. *The budgetary process* is now not systematically related to national policy objectives. There is only the loosest and most inefficient mechanism for the allocation of increasingly scarce resources across a widening range of critical problems. The Committee believes that some form of program budgeting (which is not simply administrative gimcrackery) is essential to the rational conduct of foreign affairs and indispensable to the discharge of the Department of State's responsibilities under NSAM 341.

c. *Information-handling* is a much neglected area. Better coordination of policies requires as a minimum a common data base among participating agencies. The agencies in foreign affairs are already late in automating their information-handling facilities and have not yet begun to attack the related and even more fundamental problem of deciding what information is relevant to their tasks.

4. *Policy-making is a centralized function; operational control a decentralized responsibility.* In the Committee's view, these considerations strengthen the case for a programming system for foreign affairs—with the regional Assistant Secretaries as the pivotal offices for the integration of policy, programs and resources. In the field the role and the responsibility of the Chief of Mission should be extended and staffed to provide a strong link between policy planning and budget execution. The mission abroad should be expected to participate in a better definition and audit of US objectives in the country to which it is accredited. In Washington, the role and function of the Office of Country Director needs new attention, substantial upgrading, and broader interagency representation—as the basic support element of the IRGs and as the primary organizational equivalent in Washington of the Country Team in the field.

5. *The foreign affairs community in the 1970s should ideally be able to satisfy most of its personnel needs by recruitment at junior levels and promotion from within but it must remain open to regulated entry from the outside at all levels.*

While the Committee is deeply committed to the concept of a career foreign service, it believes the demands of the 1970s will require increasing numbers of professional and technical personnel from outside. The Committee sees no reason to blink this fact.

The public interest in seeking and finding the best man for each job will remain for the agencies in foreign affairs the overriding consideration of any durable personnel system—whatever the competitive claims of career mobility or security. And we doubt that the Department of State can perform its indispensable functions of interagency leadership and coordination without enlisting—by TDYs exchange tours, or regulated lateral entry—larger numbers of qualified personnel from other departments and agencies.

We think certain innovations or extensions of present practice deserve new attention. A few follow:

a. An increasing use of professionals detailed from other actual or potential foreign services, such as those of the Departments of Agriculture or Treasury, seems to us to present few structural problems. We think the principle should be strengthened, however, that experts seconded to missions abroad—from whatever agency—report to the Ambassador and through him to the Secretary of State and their parent agencies. This was the solution devised by the Plowden Commission in its reform of the British foreign services, and it appears to have worked well in practice.

b. A good deal of the hostility and fear aroused by temporary appointments to a career service—and some of the abuses of the reserve category—might be avoided by more extensive use of the contracting mechanism for the employment of scarce or temporary skills. Both AID and USIA seem considerably ahead of the Department of State in this respect.

c. Not the least of the causes of what has been called "organizational ineffectiveness" has been the closed nature of the foreign services. One can argue that the value of, for example, the Rand Corporation to the United States Air Force was less the research performed than the exchange of ideas and people back and forth between the bureaucracy and a more contemplative environment. The foreign services have no Rand Corporation, have tended to be isolated from outsiders with new or unorthodox ideas, and have wished (or been obliged) to maintain a guild-like structure out of keeping with the newer methodologies in foreign affairs. Our ability to recognize and reverse this process may be more indicative of our capacities to deal with the problems of the future than anything else we might do.

6. *Present distinctions between "generalists" and "specialists" (whether functional or language and area) and between "line" and "staff" are increasingly obsolescent.* Our discussions led us to suggest that more significant distinctions might be made among those in foreign service (a) whose role is to deal directly with foreign power structures, (b) whose role is primarily to analyze and interpret those power structures, and (c) whose role is to provide staff support or technical assistance. This distinction may have relevance for a reconsideration of present

recruiting techniques and the examination process. Beyond entry criteria, it cuts across existing agency boundaries and may further reinforce the arguments in favor of broadening the selection and promotion base at all levels. Our attempts to define the older terms led only to the conclusion that the best "generalist" is likely to have the depth of training and the analytical capacities that characterize the "specialist"—plus the ability to deal effectively with people and operate systematically in policy terms.

7. *The problem of senior officer over-supply has far too long been regarded too negatively.* Too much of the discussion of this question has concentrated on the construction of freer exit systems for what has been regarded as a temporary post-Wristonization phenomenon that hardened promotion arteries throughout the system. There is a good deal to be said for the encouragement of voluntary early retirement—just as there is need for an honorable and recognized career goal within technical or functional fields short of the DCM level.

But we doubt that senior congestion is short-term. We think it more likely an inherent and persisting characteristic of the 1970s. We are reluctant to conclude that a superabundance of senior officers—short of retirement age but with a foreign affairs experience upwards of 20 years—should be viewed as either a national disaster or an institutional embarrassment. These officers may in fact be an under-exploited asset of considerable importance.

We think the possibility deserves new explorations. And, just as we suggest that personnel systems in foreign affairs be more open, so we urge the wider use of senior officers on tours outside—in details to other federal, state, and local agencies; to foreign policy associations or research institutions; to universities and staff colleges. The gains to foreign service, to our public relations, and to the officers concerned seem to us worth testing.

8. *"The Foreign Service of the United States" remains the goal.* It was formulated as a first principle in the Rogers Act of 1924. It was reaffirmed in the Foreign Service Act of 1946. On both occasions it was strongly supported by the Foreign Service officer corps. It has not yet been achieved.

The Committee generally and strongly favors the type of integration which would ultimately produce—from the several principal foreign services now extant—"The Foreign Service of the United States." It considers recent proposals to bring certain AID employees under the Foreign Service Retirement Plan and to establish a career service for the USIA steps in the right direction. It believes the three principal foreign services should move more rapidly and energetically to eliminate superficial and artificial distinctions among the *de facto* career services and to achieve the longer term goal of effective integration of the foreign services of the Department of State, AID and USIA.

To the Committee, the case for this finding rests on (a) reducing the more obvious inefficiencies, inequalities, and frictions inherent in the present separation of career personnel systems; (b) broadening the career base from which senior officers—and those at other levels—can be selected for program direction responsibilities; and (c) making the foreign services a more flexible and dynamic instrument at the disposal of the President and the Secretary of State.

In reinstating "The Foreign Service of the United States" as the ultimate goal, it is important that the Committee's concept of integration be understood. We *do not propose* a single service without distinctions between kinds of skills or levels of responsibility. We *do believe* that the public interest requires a foreign service separate from a civil service. The Foreign Service's distinguishing elements—rank-in-man, operational effectiveness abroad, and world-wide availability will be no less indispensable to the pursuit of national purpose in the 1970s. We *also* believe, however:

a. that at given levels of skill or responsibility there are more similarities than differences across the boundaries of agencies which operate overseas;

b. that the extent of "commonality" should be thoroughly explored; and

c. that a start should now be made by establishing common standards of recruitment, promotion, and assignment for comparable levels of skill and responsibility.

In its own discussions the Committee has referred to these concepts as "commonality" within the foreign services. We consider there are now practical limits to the process of integration, but we believe that the elements of commonality should be pressed as far as they can logically be carried. We have no doubt that the personal and intellectual standards of the Foreign Service officer corps will make this process easier to accomplish. We believe that officers of comparable ability and background in the other services can help us take these further steps in the transition to "The Foreign Service of the United States."

IV. CONCLUSIONS AND RECOMMENDATIONS

Almost a Foreign Service generation ago, those who had entered the Service before World War II were confronted with something akin to the present Service crisis of identity, role, and purpose in a rapidly changing external environment. That period of ferment and creativity inside the administration led to the formulation of many of the concepts of the Foreign Service Act of 1946. Today the problems if not entirely dissimilar, involve, in much greater degree, not the Foreign Service alone but the foreign affairs community.

In summarizing its work to date, the Committee hopes that it has rescued from the past a number of ideas which have relevance for the future—and may have formulated a few suggestions of its own for more effective planning, coordination, and budgetnig in the foreign affairs process at home and abroad.

We believe that the case for sweeping reorganization of the foreign affairs community is less persuasive than getting on with the significant improvements that are possible in the present system. We think the Association can and should play an active role in considering and proposing these improvements. None have greater stake in foreseeable changes than its members, and few can make as substantial inputs to the consideration of these fundamental problems of organization.

The Committee intends shortly to present to the Board a more detailed study of the operational implications of the foreign affairs environment anticipated over the next decade. The Committee believes that it is now in position to develop its general propositions and principles into specific recommendations for the consideration of the Board and the membership of the Association on:

The uses of "commonality" for a more effective integration of the several foreign service personnel systems;

Implications in newer distinctions among foreign affairs functions for recruitment, examination, assignment and training;

Future organization of the foreign affairs community and its planning and coordination requirements;

Applications of programing techniques and information handling systems in foreign affairs.

The Committee recommends that the Board approve the general directions it has taken, direct it to continue on these lines, and indicate the priorities the Board attaches to the tasks outlined above.

WILLIAM LEONHART,
Chairman.

The following people participated in the work of the Committee during February-October 1967, although not all of those listed were still active when this report was prepared:

William Leonhart, Chairman
Outerbridge Horsey, Vice Chairman
Richard W. Aherne
M. R. Barnebey
Adrain A. Basora
William Belton
Charles W. Bray III
Gerald S. Bushnell
Frederic L. Chapin
R. T. Curran (USIA)
Curtis Cutter
Morris Draper
Robert Duemling
John E. Harr
Norris Haselton (Ret.)
Thomas J. Hirschfeld
William E. Knight
Charles Nelson (AID)
W. Haven North (AID)
Mary Olmstead
Hewson Ryan (USIA)
William Sherman
Richard L. Sneider
Peter Tarnoff
Sheldon Vance
Carol Westenhoefer
Frank S. Wile
Larry Williamson

OCTOBER 14, 1967.

DEAR MR. AMBASSADOR: On behalf of the Board of Directors, I wish to acknowledge receipt of the interim report submitted by the Association's Career Principles Committee.

The Board has had an opportunity to consider and discuss the report, and has asked me to convey to you our warmest congratulations for a job well-done. We believe your report constitutes a milestone in the Association's history; for the first time, the Career Principles Committee has devoted its attention to the largest and most pressing issues now facing the foreign affairs community. The Committee's statement of "first principles" is lucid and forward-looking. I hope that it will stimulate the kind of discussion among our membership which will enable the Board of Directors to take a reasoned and reasonable position on these important issues.

The Board has asked me to inform you that it approves the specific projects recommended by the Committee at the end of its report. We hope that these supplementary reports will be available to the membership shortly after the first of the coming year.

Our warmest thanks to you personally and to the members of your Committee.

Sincerely,

LANNON WALKER,
Chairman of the Board.

PRESIDENT STRIKES ANOTHER BLOW FOR WOMEN'S RIGHTS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentlewoman from Hawaii [Mrs. MINK] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mrs. MINK. Mr. Speaker, President Johnson and the U.S. Congress have struck another blow for women's rights with the President's signature of a bill to provide equal opportunity in military service for women.

Before passage of this legislation, the 35,000 women in the Armed Forces by law received fewer promotions than their male counterparts and were not permitted to obtain rank above colonel.

But with the stroke of his pen, President Johnson ended as he put it "the last vestige of discrimination in our Armed Forces." The promotion of women will not be governed by standards generally applicable to men, with no arbitrary ceiling on their rank.

Since the days of the Revolutionary War women have written a long and proud history of military service to their country. They have served—and died—for their Nation's defense—and their Nation is finally giving them, as the President remarked, "the equal treatment and equal opportunity they should have had from the beginning."

This is a proud day in American military annals for America has once again renewed its historic promise of equality for all.

Under unanimous consent, I insert into the Record the President's remarks upon signing the women's officers bill:

Text of Remarks by the President Upon Signing H.R. 5894, the Women's Officers Legislation

We are here this morning to strike another blow for women's rights. At long last, we are going to give the dedicated women of our Armed Forces the equal treatment and equal opportunity they should have had from the beginning.

We took the precaution of asking the ladies to supply the Honor Guard this morning. That is in case there are still some die-hard traditionalists who do not approve our action.

As our good friends Margaret Smith, Frances Bolton, Oveta Culp Hobby, and many others, can testify, women in uniform have had to fight on more than the battlefield of war. I still recall what one of my colleagues in the House of Representatives had to say on the subject back in 1942. We were debating the bill to create the WAAC, and he said:

"I think it is a reflection upon the courageous manhood of the country to pass a law inviting women to join the Armed Forces in order to win a battle.

"Take the women into the armed service, who then will do the cooking, the washing, the mending, the humble homey tasks to which every woman has devoted herself?

"Think of the humiliation! What has become of the manhood of America?"

But the ladies won their battle—and American manhood has survived. Colonel Hobby got her Women's Army Auxiliary Corps, and school opened in Fort Des Moines, Iowa. All of you who were there will remember what she said on that day:

"You have a debt to democracy, a date with destiny." History has recorded how magnificently our American women kept that date. And they are keeping it still.

Over 1,000 are in Vietnam today. And here to witness this ceremony are many who have already served in Vietnam.

Our Armed Forces literally could not operate effectively or efficiently without our women. Yet, we nearly lost them at the end of the Second World War. In 1948, the House Armed Services Committee voted to retire the WACs and the WAVES to the Reserves. There was to be no place for them in the Regular services.

We succeeded in reversing that action.

I say "we," but I should say you ladies of Congress and your female allies in the press gallery. I was proud to serve as a buck private in your ranks.

Our gallant ladies were assured permanent status in the military services. But they were not assured equal opportunity. From that day to this, a woman choosing a military career could expect to do her job with fewer promotions and therefore, with less pay than a man would have received for the same service. Furthermore, she had only about 10 percent as much chance of being promoted above the grade of Major—and no chance at all of being promoted above the grade of Colonel.

With the signing of this bill today, we are going to end that inequity.

This bill gives the career women of our armed services no special privileges. But it does relieve them from the handicaps.

The bill does not create any female Generals or Admirals—but it does open the door. There is no reason why we should not some day have a female Chief of Staff—or even a Commander-in-Chief.

I realize that a few of our gentlemen officers may not be too enthusiastic about this possibility. And I know why: As Dr. Samuel Johnson once observed, "Nature has given women so much power that the law has very wisely given them little."

But from now on, the officers and men of our Armed Forces will just have to take their chances in open competition, along with the rest of us.

This is a free country, a democratic country, and the time has passed when opportunity can be denied to anyone.

We gave women the vote, and the country survived.

In this Administration, we have passed laws providing that women in industry must receive equal pay for equal work—and the economy has continued to prosper.

We have brought women to ever-higher and more influential positions in Civil Service—and the Government has improved.

Women are leaders and doers in our Congress and throughout our government.

Now we end the last vestige of discrimination in our Armed Forces. So, both as President and Commander-in-Chief, I am pleased and proud to sign this bill.

And I can think of no better company in which to sign it. For, in a very real sense, this law belongs to every one of you here in this room.

It is also a great pleasure for me to take this opportunity to honor two very brave ladies in our Armed Forces for outstanding service in connection with the conflict in Vietnam.

To Air Force Nurse Colonel Ethel A. Hoefly we are going to award the Legion of Merit. And to Army Nurse Major Marie L. Rodgers, we are going to award the Bronze Star.

Colonel Kobach and Colonel Hayes will read the Citations.

WAR ON POVERTY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Annunzio] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, one of the most distinguished commentators on national issues is Roscoe Drummond, the nationally respected syndicated columnist.

On November 6 in the Chicago Sun Times, Mr. Drummond contributed a very persuasive and thoughtful column concerning the consideration by this body of the pending antipoverty bill.

With permission, I insert Mr. Drummond's column at this point in the Record:

Fate of War on Poverty up to House

Washington.—The fate of the administration's war on poverty—to continue its vital job or to be shrunk to such puny size as to be meaningless—will soon be decided.

It will be decided by the House of Representatives. The Senate has voted strong and constructive anti-poverty legislation, but the outlook in the House is ominous.

The war on poverty is getting plenty of praise even from its critics in Congress, but praise won't finance it. Those who publicly praise the anti-poverty programs are proposing to impoverish them by inadequate funds and crippling amendments.

By the test of public support and expert judgment, Congress will be doing the nation a reckless and ill-timed disservice by suffocating the war on poverty. I believe that most congressmen who may be tempted to vote that way will be making a political mistake through misreading voter opinion.

The President's Commission on Civil Disorders, comprising some wise and knowledgeable people, has concluded that city government most needs strengthening in order to deal effectively with civil disorder.

No federal enterprise is doing so much to help city government control and prevent violence as the anti-poverty programs.

This is the nearly unanimous testimony of mayors, police chiefs, juvenile judges and civic leaders of cities which had riots and those which didn't. In many of the cities the police departments and community action agencies had joint programs to prevent riots and in eight cities the juvenile arrest rate went down with the help of the anti-poverty programs.

The mayors of the cities know most about how much the nation needs the war on poverty to help improve the lot of the very poor, both Negro and white, and thereby to remove them from the reach of those who seek to turn them to violence. The U.S. Conference of Mayors unanimously asks for expanded anti-poverty programs.

The Republican mayors of 22 cities with 100,000 population urged the GOP leaders of Congress to "encourage members of Congress to support the Office of Economic Opportunity budget so that these dynamic and imaginative programs may be carried on in a successful manner." Most of the governors, Republican and Democratic, agree.

But the House is rife with suggestions to slash the OEO budget by as much as $400,000,000 to $800,000,000—a cruel mistake.

ROCKEFELLER PUBLIC SERVICE AWARD TO DONALD A. WILLIAMS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Poage] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. POAGE. Mr. Speaker, it is a very real pleasure for me to congratulate Donald A. Williams on his receipt of the Rockefeller Public Service Award for Administration.

Dr. Williams, Administrator of the Soil Conservation Service, is a man with an unusual combination of talents and skills—scientific, technological, and administrative, with an extra measure of vision, dedication, and perceptiveness that makes him stand out among other men.

We are indeed fortunate to have him as head of the Nation's major soil and water conservation agency. He has not only given outstanding leadership to the soil and water conservation programs, but he has made major contributions in guiding the Congress and the Secretary of Agriculture in forming sound, new programs.

As Administrator of the Soil Conservation Service, his job has not been an easy one. The 14 years that he has headed the agency have been a period of change—

changes in technology, in land use, needs, and conservation concepts. His agency itself has undergone a complete reorganization. Through this period, Dr. Williams' skilled hand has strengthened the national soil and water conservation program and guided its growth from an erosion control activity to a massive movement that recognizes resource conservation as everybody's business.

While broad benefits are being realized today, future generations undoubtedly will be the major benefactors—perhaps without realizing it—for it is the sound planning of today that will be the foundation for tomorrow's growth.

No State is more aware of the benefits from sound conservation than Texas. The recent destructive Hurricane Beulah caused untold damage and heartache. Still greater damage was averted by the excellent work that has been done under the small watershed program so ably administered in Texas by "Red" Smith. During the heavy rains accompanying the hurricane, small dams and other measures in watershed projects prevented hundreds of thousands of dollars of damage along creeks that had been protected.

I have been close to this program. In 1952 I introduced the first bill to establish an upstream flood prevention program. Dr. Williams played a strong role in the Watershed Protection and Flood Prevention Act that was passed in 1954. The act embodies much of his philosophy—that projects should be carried out by local people, with Federal help, rather than as Federal projects—and that land treatment on both public and private lands shares equally with flood prevention dams to make a project a success. Such a philosophy has made this one of the soundest and most important conservation programs we have.

Dr. Williams' ideas concerning local action with Federal help has proved just as successful in the resource conservation and development projects launched only a few years ago under his direction.

His initiative in drawing public attention to the need for sound land use planning in the rural fringe areas is in keeping with his belief that land and water need careful planning and management no matter where they are.

In administering the Federal part of conservation programs, Don Williams has insisted on extremely high technical standards for SCS personnel. Technicians and specialists keep up to date through the agency's training programs and are encouraged to be active in professional organizations. This has resulted in a group of probably the most dedicated of Federal employees—as is demonstrated by the fact that the SCS has the smallest turnover of personnel in Government.

Dr. Williams' leadership in influencing attitudes, motivating people, and enlisting support for the conservation programs he directs has provided the force behind them. Through his influence, the important relationship between resource conservation and development and national, social, and economic welfare has become more widely recognized than ever before.

From my vantage point as chairman of the House Committee on Agriculture I have been able to observe the progress of resource development. I have been able to observe closely the workings of the agency we established to handle the job—also Dr. Williams, the man who heads that agency. I am gratified that he is being recognized for the tremendous job that he is doing.

COLLEGE COSTS RISING

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. DANIELS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DANIELS. Mr. Speaker, U.S. Office of Education figures show that the costs of 1 year's training at an average private college have risen 42 percent in the last 10 years—from $1,760 in 1955 to $2,500 in 1966. It is estimated that by 1972 these costs will have risen even further—to $2,940.

A recent study by the National Association of State Universities and Land-Grant Colleges shows that the situation in public colleges is proportionately the same. Costs are rising so rapidly that today's senior pays 15 percent more in his fourth year of study than he did in his freshman year.

The implications of these rising costs could well be, as an official of the association said, "that public education in America as it was once known is disappearing."

Mr. Speaker, I feel that we should all be aware of the seriousness of the situation. Yet, I do not feel that rising costs necessitate the closing of college doors to a large number of our young people. We, in the Congress, have the responsibility to keep these doors open. We can do it by making sure that adequate financial aid is available to any student who needs it.

I should like to take this opportunity to encourage all of my colleagues in this House to support the higher education amendments when they come before us for consideration.

To emphasize my point, I should like to insert in the RECORD at this point an article on rising college costs which appeared in the New York Times on November 5:

COSTS UP SHARPLY IN STATE COLLEGES—FRESHMAN IN 1964 PAYS 15 PERCENT MORE IN CLASS OF 1968

WASHINGTON, November 3.—Costs in public colleges are rising so fast that today's senior pays almost 15 per cent more for his fourth year than he did for his freshman year, a survey disclosed today.

The survey, by the National Association of State Universities and Land-Grant Colleges, shows that four-fifths of the nation's public colleges and universities increased tuition, room and board rates this year.

Most of those public institutions that did not raise charges this year did so last year, the report says.

The survey reports that men in their senior year at public colleges and state universities are now paying an average of $1,112 for total costs—including tuition, room and board. They paid an average of $968 for the same items as freshmen in 1964.

WOMEN PAYING MORE

Women at the same institutions will pay an average of $1,141 for total senior year charges. They paid an average of $989 as freshmen.

Rates for women students are higher because most state universities charge women more for rooms.

The survey shows also that total charges for students at 99 land-grant institutions and major state universities that make up the national association average $850 this year, up from $830 for last year.

In all, the report says, tuition and required fees have risen 6.5 per cent for in-state students at the same institutions.

A large number of institutions taking part in the survey reported that they were forced to raise charges because state governments had not appropriated enough funds for state educational institutions this year.

OTHER COSTS A FACTOR

Rising costs of food, labor and construction were also cited by many state colleges and universities as reasons behind the rising charges to students.

The over-all climb in charges to students by state universities appears to cloud the future of public education in the United States.

The land-grant colleges and state universities were founded as publicly supported institutions where in-state students would be able to obtain a college education for minimum rates.

"The implication to be drawn from the rising charges by public colleges and universities is that public education in America as it was once known is disappearing," an official at the association commended.

United States Office of Education figures show that the cost of one year's training at an average private college has risen 42 per cent in 10 years—from $1,760 in 1955 to $2,500 in 1966.

A BANKER VIEWS THE MONEY PROBLEM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. RARICK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RARICK. Mr. Speaker, a challenging paper on "The Real Causes of Today's Troubles," by Mr. H. Frederick Hagemann, Jr., chairman of the board and president of the State Street Bank & Trust Co., of Boston, Mass., asserts the author's belief in individual liberty under God and private, free competitive enterprise.

I insert Mr. Hagemann's viewpoint in the RECORD and recommend its reading to all Members:

THE REAL CAUSES OF TODAY'S TROUBLES

(By H. Frederick Hagemann, Jr., chairman of the board and president, State Street Bank & Trust Co.)

The people of this country are deeply concerned with crime in the streets, juvenile delinquency, high taxes, the rising cost of living, riots in the cities and the war in Vietnam. In particular, the continuing outbreaks of violence in American cities have left the country alarmed, perplexed and questioning.

At the same time, the international impact of the riots has shaken admirers of the United States all over the world and, of course, has delighted our enemies.

America finds itself in a dilemma, the solution to which calls for maximum resourcefulness, forthrightness and a high degree of national maturity.

There are many solutions advocated daily. Most of them are concerned with federal funds to be channeled directly to cities, or through the states. Others call for the creation of new or the expansion of present spending programs. But all of them have one common thread—they are, in the main, panaceas to relieve the situation. They are not remedies to cure the condition. And there is a dangerous temptation to react quickly to violence with another hasty program to show that "something is being done" rather than to analyze the total problem and take basic steps to get at the roots of the problem.

Calling for the elimination of slums strikes a responsive note everywhere. But they cannot be talked away. Until the country is reoriented to provide the opportunity and training to enable a man to earn a living, the present programs in most cases only subsidize his lack of opportunity and continue to strip away his dignity.

Welfare is a necessary life raft, but it cannot be a career incentive.

There is no quick and easy solution to this problem, nor do I suggest there may be a long-range one to be embarked on immediately. I do believe, however, that in searching out remedies, certain basic facts must be considered.

How can these riots happen in 1967 with business very active? How can they happen in 1967 when defense spending for Vietnam and other international commitments have sharply increased government spending? How can they happen in 1967 when more people in America are employed at higher wages than at any time in our history?

OUR AMERICAN HERITAGE

In looking at America today and comparing it with the America of fifty to one hundred years ago, it is easy to see that in many respects we in America have wandered from our original concept of government. In the early concept of American life our manmade laws were consistent with the moral laws. The marked exception was legalized slavery and the minority directly involved and the entire country is still endeavoring to recover from this breach of the moral law. Ours was a government founded under God, with tremendous faith in individuals. Our economy was based on free men and free markets and money of value independent of government. It was a nation that laid great stress on the preservation of law and order, a nation that put a great deal of emphasis on the ownership and protection of private property, a nation that believed in placing limitations on the power and size of the federal government.

This nation was founded on the principle that the individual was supreme and the government was the servant of the people. This nation was founded on the principle of capitalism—namely, *"to each according to his ability."* Whether we realize it or not, we have wandered a long way from those original principles and have moved toward an alien philosophy in which the government tends to be supreme and the individual tends to become the ward or servant of the government. This alien philosophy has as its basic concept, *"from each according to his ability, to each according to his need,"* by the force of government.

The United States was settled first in 1607 at Jamestown, and later at Plymouth in 1620. The rest of the world had been known and settled for thousands of years prior thereto. In the short span of a few hundred years this country, starting from scratch, developed under the American concept into a leading world power and a nation which provided for most of its people a higher standard of living than known anywhere else in the world. Also, the poor and the disabled people of the United States were taken care of by voluntary charities so that their condition was far above the condition of similarly situated people in the rest of the world.

CRITICISM OF CAPITALISM

Nevertheless, some people are always trying to modify this system and many of the ills from which we are suffering are caused by the interventions of people with the best of intentions. I am not trying to indicate that the capitalistic system is perfect by any means. No system composed of mortal men operating on this earth will be perfect. But it is the only system which has worked and which has increased the standard of living for the great majority of the people. In many areas of the world where they have ample resources, economic conditions are still as poor as they were 2000 years B.C., and they will be the same as long as they continue with their present system.

As William Graham Sumner, renowned professor of political and social science at Yale in the late 1800's, said regarding the industrial virtues of hard work, saving and learning, "I repeat that they are our only moral resource for winning success in the battle of life. The greater the disadvantages under which one starts in life, the higher the value of these virtues for winning the first foothold and making the first step to something better."

Some people criticize the capitalistic system because it has not eliminated all poverty, has not eliminated inequality, and has not eliminated all insecurity. Most of the world is still in poverty, and from a global standpoint, pockets of prosperity, civilization and a high standard of living are the rare thing rather than the usual.

Under our Constitution, all men are born equal with inalienable rights of life, liberty and the pursuit of happiness, but this means equality of opportunity and not equality of ultimate attainment. In fact, the American Constitution guarantees us the right to be unequal in this regard. To criticize the capitalistic system because it does not develop a sense of security is unrealistic. The accumulation of private property, properly protected under law and order, is the only real source of a feeling of economic security that can be obtained in a world of insecurity, and then only obtained in a measure.

As previously stated, everyone is for helping the poor, everyone is for raising the standard of living of everyone to the highest possible level. No one is against welfare, but the big question is how do we attain the ends which everyone wishes and provide the opportunity for improvement that many sorely need.

I say we attain them by returning to our American heritage and the strengthening of the capitalistic system, encouraging incentives for the industrial virtues of hard work, thrift and the desire for learning, together with the strengthening of independent private charities. Such a combination of private enterprise and private charity was successful in the past and can be successful again. The greatest thing the government could do at this time is to set about creating a climate encouraging to private enterprise, for the economic strength of a nation depends on the number of people engaged in productive work, as against the number of people on public payrolls.

Even in the field of housing the social results the government has attained so far have been rather negligible, and in my opinion the only way a major step forward can be really accomplished is through enlisting the full support of the private sector of the economy through the normal methods of the profit and loss system.

DRIFT TOWARD ALIEN PHILOSOPHY

For the past thirty years government programs have moved away from our original concept. I am convinced that a continuation of the present government welfare programs, backed with additional large sums of money, will not accomplish the ends which we all seek, and will also further weaken our country's financial position to the great disadvantage of the entire country, and particularly those in need of the opportunity to improve their standard of living. In the light of history only very few ultimately benefit from inflation.

Why do I believe this? Under the system of free men, free markets and money that has value independent of government, capital increases and the ability to dispense charity also increases. Capitalism is hard to describe and explain, but so is electricity, but both work wonders. It is just a question of looking at recorded history.

Also, under the capitalistic system, there is a tendency for the number of people who need charity to decrease as more people are provided an opportunity to work in productive enterprises. Consequently, as you look down the road under the original American system, you can see daylight and a real hope of general improvement on a sound basis.

What happens under the continuation of the present big government welfare trends? By taking from those who are working, earning and saving, and giving to those who are are not working, we, through our government, are doing two things—we are interfering with the formation of additional capital and discouraging the people who are working. Furthermore, in giving the money to those people who are not working but who are able to do so, and relieving them of the pressure to earn their own living, we are weakening their resolve to become self-supporting. We are weakening their resolve to regain their dignity through working and ultimately to enjoy life.

There is no question that those people who are mentally ill or who are physically unable to take care of themselves must be taken care of. But programs to do this should not cover men and women who are able to work and choose not to do so. Reward must be associated with effort. Any nation that dissassociates these two factors opens itself to untold trouble.

Already, under the tremendous increase of government expenditures for health, education and welfare, the government is unable to make both ends meet. In thirty-two of the last thirty-eight years we have failed to balance the federal budget. First, we have been unable to raise sufficient taxes to cover expenditures. Second, we have been unable to borrow from the savings of the people sufficient money to cover the difference between the money we have been raising on taxes and the money we have been spending. Third, in order to pay the remaining balance of its bills not covered by taxes and bonds sold to the people, the federal government has had to resort to creating the equivalent of printing press money in order to pay its bills in total. By thus diluting the purchasing power of our money in order to pay its bills, the government complicates its own problems generally and particularly in the welfare field by having the costs of welfare continually increase. Such mounting costs put further pressure on the government to raise taxes, to sell more bonds to the public, and to create larger amounts of the equivalent of printing press money in order to continue to pay its ever-mounting bills. As you can clearly see, this is a vicious circle.

Undoubtedly various forms of wage controls, price controls, interest rate regulations and exchange controls and rationing will be suggested as a remedy, but the controls only attack the symptoms and not the causes.

This dilution of the money is basically immoral, and is cutting into the value of fixed income securities, life insurance policies and pensions. It also discourages thrift and encourages speculation. It is a destroyer of the incentive for hard work and has a tendency to break down the morals of the people. Economic chaos and moral decay have been the pattern of previous inflations in various other parts of the world as far back in time as the Roman Empire. As George Santayana, the philosopher, said, "Those who refuse to learn the lessons of history are doomed to repeat them."

Many people will say it is too late to turn back to our American heritage and to re-emphasize and strengthen the private charities sector and to de-emphasize the government's role in the welfare field. However, I feel strongly that we cannot continue on our present course without an ultimately disastrous outcome.

As David Babson, an investment counselor of vision, said in his recent weekly letter to his investor clients, "Note that total government expenditures now account for 31% of the Gross National Product, versus 27% in 1960 and 18% in 1947. Contrary to popular impression, the war in Vietnam is responsible for only one-fourth of the gain since 1960. *In fact, in the past seven years civilian outlays have risen almost 50% more rapidly than military spending and they have grown over eight times faster than the population itself.*"

Taxing those who are working and have saved, and giving to those who are not working and have not saved, ultimately winds up with the liquidation of those who have accumulated capital, and therefore this source of welfare funds dries up. We then arrive at the point where if anyone wants anything, he will have to pay for it himself or do without it. It must be firmly kept in mind that the government does not have any money to disburse to the people which it doesn't first take from them, through taxes, borrowing from them, or by money dilution, which adversely affects them, and is the most unfair form of taxation.

Furthermore, all of us must realize that we live in a very complicated society with a high degree of specialization of labor. Most of us who are not living on self-sufficient farms are acutely dependent on the exchange of money for goods and services which we need. One of the functions which money performs is a medium of exchange. If the dilution continues ad infinitum, a point could come when the system of exchange could break down. In previous inflations where the money has been diluted too far, farmers have refused to send food into the cities because they did not want to exchange things of value for the terribly diluted paper money. The depreciation of the dollar has already gone a long way, and, as indicated, dollar depreciation cannot indefinitely be a continuing way of life.

Again from Mr. Babson's letter:

"Value of the dollar, 1939=100 cents

"[Cents]

Current	41.7
1966	42.7
1965	44.0
1964	44.8
1963	45.5
1962	45.8
1961	46.5
1960	47.5
1959	47.6
1958	48.0
1957	49.3
1956	51.0
1955	51.7
1954	51.5
1953	51.7
1952	52.3
1951	53.5
1950	57.6
1949	58.3
1948	57.6
1947	62.2
1946	71.1
1945	77.0
1944	78.8
1943	80.2
1942	85.2
1941	93.4
1939	100.0"

DRASTIC EXPENSE CUTS IMPERATIVE

The foregoing has portrayed an extremely disturbing outlook and it calls for a very drastic reduction in government expenditures. The tax burden on the people is already high and, in addition, they are paying the cruelest tax of all, namely, the tax imposed by the continuing depreciation of the value of their money. Some people have been able to offset the increase in taxes and the decrease in purchasing power of their money by their own increases in wages. However, many have not been so fortunate.

As was previously stated, the public sector of the economy has no money except what it gets from the private sector. The weight of the public sector on the private sector is already very great and, in my opinion, this weight should not be increased at this time by heavier taxes. On the contrary, the method of procedure should be to reduce the weight of the public sector by cutting back government expenditures and eliminating the necessity for the government to use the equivalent of printing press money in order to completely pay all its bills.

I am told by my friends and associates that I am naive to think that the Congress will ever substantially reduce federal spending and, therefore, we are going to be faced with continually higher government expenditures, higher taxes and a continuation of the depreciation of the dollar. History is on the side of those who claim that the continuation of our present course is inevitable.

INTENTIONS OF MONEY DILUTERS GOOD

Governments have been warned not to resort to printing press money or its equivalent because this practice is easy to start and hard to stop. Prior to the year 1900, to the best of my knowledge, there have been only two cases when countries having once embarked on the issuance of printing press money or the equivalent have had the wisdom, courage and statesmanship to turn back before the money became practically worthless. Those two occasions were England and the English pound in the early 1800's, and our own country with the American greenbacks which came out in February of 1862, and although repealed by an act of 1874, lasted until January of 1879. Since 1900, the two outstanding exceptions have been the dollar and the pound and let's hope both currencies continue to be exceptions.

Also, bear in mind that in every case when money dilution was started, it was done with the best of intentions to help improve the standard of living of the people, and it was done by government officials who felt that although the odds of controlling it were against them in the light of history, due to their particular skill and knowledge they could manage it and not let inflation get out of control.

Therefore, my friends' comments certainly cannot be lightly regarded, but I refuse to believe that in the year 1967 in the United States of America, with the education and tradition which we have, we cannot face up to our present dilemma and salvage our present situation before money dilution continues to the bitter end.

There are some with the best of intentions who propose that we remove the 25% gold reserve requirement behind our Federal Reserve notes. I strongly disagree with this move because I feel it would further weaken our currency. This 25% gold backing requirement is the only remaining form of discipline left and the one remaining statutory requirement preventing the unlimited issuance of paper money. The cardinal fallacy in the field of money is to believe that because paper money can supplement gold and silver, paper money can do the job alone.

CONCLUSION

We still have representative government in America, and if the message could ever be gotten through to the American people and they realized that the basic cause of the depreciation of their money with all its undesirable social ramifications was the financing of part of the federal deficit by the equivalent of printing press money, I am convinced that they would write their congressmen and demand that they cut back government spending to the point where this money creating process, equivalent to the printing press, would be stopped.

I have great faith in the American people and in their good sense and judgment once they know and understand the facts. It is late, but it is not too late to reclaim our American heritage.

VIETNAM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. YOUNG] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. YOUNG. Mr. Speaker, we hear a great deal about the American people being confused over the war in Vietnam. I doubt if the American people are as confused as the peacenik pundit, the dedicated dissenter, or the arch confuser of all time—the American pollster. One of the latter recently asked the American people:

> Do you think we should get out of Vietnam as soon as possible?

The pollster's eyepopping discovery was that only a small percentage said "No" and a much larger percentage said "Yes." To me the only surprise was that any said "No." I am sure had this great sounder of public opinion seen fit to consult President Lyndon Johnson, the President would have been pleased to lead the list of those who would want "to get out of Vietnam as soon as possible."

No, Mr. Speaker, it is abundantly clear the great majority of the American people know and understand that we are in Vietnam because we have to be there. This does not mean they want to be there, or are enjoying being there; but they know our presence is less by choice than by the cruel realities of our time. There are a lot more positive indexes of this fact than the dejected dissenter or the paid pollster.

Thousands of fine American youths from my constituency have served with honor and distinction in Vietnam, and I have yet to receive my first letter from a GI in Vietnam questioning the "why's and where's" of his being there. Also there is the overwhelming recent referendum rejection in San Francisco of the peacenik slogan "get out of Vietnam now."

And, of course, with the hundreds of thousands of our fighting men who have returned from Vietnam the dissent must be negligible or its impact would be devastating. This mentions but a few of the positive indexes.

Mr. Speaker, it is the dissenters and pollsters who are confused; the American people know what they are doing. They might not like it, but they understand the security of the free world is at stake and they are determined to get the job done. This has always been the American way and this is why America today is the leader of the free world.

To any who might have a conscientious doubt as to our role in Vietnam, and who is the least bit openminded on the subject, I would respectfully recommend Gen. Omar Bradley's report on the situation in the current issue of Look magazine of November 14, 1967, and reprinted in the CONGRESSIONAL RECORD of November 8—Senate. This is a thorough report, made in the interest of fact and truth, and is a great public service by Look magazine. Mr. Speaker, I know every American will read it with confidence and pride.

EDITORIAL SUPPORT FOR THE ADMINISTRATION'S WAR ON POVERTY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. YOUNG] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. YOUNG. Mr. Speaker, as an avid reader of newspapers, I have taken note of the significant support in the Nation's press for the poverty bill now under consideration in the House.

The editorial opinion to which I make reference speaks for itself and will, I believe, be of interest to every Member of the House. Under unanimous consent I insert in the RECORD a sampling of the same, as follows:

PERSPECTIVE ON THE NEWS

(By Huntley, November 7, 1967)

The news off Capitol Hill yesterday, in its cumulative effect, gave clearly the impression that Congress is determined to close down the War on Poverty. We can only speculate what the result will be in the slum and ghettos.

Representative Gerald Ford, the Republican leader in the House, has served notice that he and his party are prepared to call off the anti-poverty war. Congressman Ford called the various programs "tragically weak, reckless waste, and ineffective."

Some of Mr. Ford's colleagues in the Congress, including Democrats are not quite as forthright. They appear to favor a kind of guerrilla warfare against the anti-poverty program. They seem to hesitate going on record in opposition to it and therefore seem determined to strangle it to death somewhat surreptitiously.

The various programs of the Office of Economic Opportunity are closing down throughout the country. The money is running out and there is grave doubt that much more will be forthcoming and there is every sign that it may be many weeks before Congress will move to appropriate the funds, whatever they may be. The VISTA Program, for example, is now out of money and in some localities, including New York, private business and industry are being asked to contribute enough to pay the volunteers. The Head Start Program, perhaps the most successful undertaking of the entire anti-poverty effort, is closing down in one community after another, and the related follow through program is being phased out. The Government has run out of money for the Job Corps . . . the trainees cannot now be paid the $30 per month. It is, indeed, difficult to defend the anti-poverty program on the grounds that it was a highly efficient undertaking . . . that every penny spent brought 2 cents in return. Social and economic gains of this nature are forever difficult to measure. It could well be that there has been waste.

But the gain may have come in another way . . . an awareness in the ghetto that something was being done or that something was being tried. The evidence is very clear and striking here in New York, for example, that several of the programs were registering successes. Several of the programs involving the training of youths had not registered solid achievements in numbers of youngsters trained and numbers of youngsters employed. The Head Start Program and the follow through program had worked well and their gains were not entirely matters of guesswork or estimate.

So the word is about to go through the slums and the ghettos that the War on Poverty is ending. The reaction will make itself manifest in the weeks ahead. The reaction could be ugly.

[From the Philadelphia (Pa.) Inquirer, Nov. 8, 1967]

VICTIMIZING THE POOR

The poor, it has been said, are always with us. There are a good many members of the House of Representatives who apparently think that the poor and their problems can be made to disappear by simply not looking at them.

They are intent on cutting the Federal anti-poverty program to less than $1.4 billion instead of granting the $2.06 billion asked by President Johnson, or the $2.25 billion approved by the Senate.

House members who are keen to cripple the anti-poverty drive have put together dissatisfaction with various elements of the program, resentment caused by destructive rioting in a number of cities and desire to reduce Federal expenditures to form a coalition of strong opposition to any increase in the appropriation.

Meanwhile funds available to the Office of Economic Opportunity have been exhausted, projects such as Head Start have been suspended, many community action agencies are without money, Peace Corps volunteers and members of Neighborhood Youth Corps are off the payroll or threatened with loss of jobs and allowances. Sargent Shriver is so disgusted with what he calls a "gross deception" of the American people that he has threatened to quit as head of the OEO if the anti-poverty program is stripped of the funds needed to do the job.

There can be differences of opinion on how a war against poverty should be waged to obtain the best results; there can be more efficient handling of anti-poverty funds to make sure the poor receive the benefit of them; there can be plans set in motion to help the impoverished help themselves by job training and other means. But gutting the anti-poverty program by withholding funds essential to its operation is not helping anybody. It could end up being a waste of money. It certainly would not obliterate the poor, and their ever-present problems, no matter how fervently some Congressmen might wish it so.

[From the New York Times, Nov. 7, 1967]

WHOSE OPPORTUNITY CRUSADE?

"Tragically weak . . . reckless waste . . . ineffective." The words ring forth in the statements of Representative Ford of Michigan, the House Republican leader, as he denounces the antipoverty program.

It is strange that Congressmen who would not dare break faith with cotton and tobacco farmers over price supports or with the Rivers and Harbors Congress over a navigation project have no compunction over breaking faith with the nation's poor.

Because of Congressional irresponsibility, the work of the Office of Economic Opportunity has been seriously disorganized. Projects are stopped and started, funds slashed arbitrarily, hopes raised and then dashed. The agency's employes are becoming demoralized and its politically feeble clients—the unorganized poor—are increasingly disheartened. It is a shameless performance.

Because Congress has not acted on this year's appropriation and has allowed the temporary continuing resolution to expire, OEO has had to cut off the $30 a month paid to each Job Corps member. The 4,000 VISTA volunteers are deprived of their pittance of $50 a month. Community action programs that run day-care centers for working mothers and provide legal and health services have folded. The Head Start program for preschool youngsters cannot be made into a year-round program. The Follow Through program which was intended to capitalize on the achievements of Head Start now looks like a budgetary casualty.

Bitterness and social unrest in the urban ghettos and the rural slums can be the only consequences. Those who are guilty of this planned disaster are Representative Ford, his senior Republican colleagues in the House, and their allies, the reactionary Southern Democrats. They are guilty of killing the continuing resolution that is shutting down antipoverty programs across the country as funds run out. They are guilty of the political guerrilla warfare against the antipoverty program which is now underway in the House.

Representatives Goodell of New York and Quie of Minnesota, the principal Republican spokesmen on the antipoverty bill, insist they are all for the aims of the program but just want to improve it. But their voting record makes their substitute "Opportunity Crusade bill" look suspect.

In every year since the antipoverty program started in 1964, Messrs. Goodell and Quie have voted against final passage, for recommittal, and for every crippling amendment. The weight of their influence is not to improve or strengthen the program. They are willing to kill it but not accept the responsibility. The "opportunity" they are seeking is their own political advantage. It takes a lot of gall to vote against the poor and then call it a "crusade," but many a gentleman in Congress is brave when it comes to defeating the defenseless.

[From the New York Times, Nov. 7, 1967]

IN THE NATION: POVERTY IN THE HOUSE

(By Tom Wicker)

WASHINGTON, November 6. — President Johnson declared "war on poverty" three years ago. The resulting program may be reduced to a helpless invalid, without money or power, when this week's shouting, table-thumping, posing and meat-axing have been completed in the House of Representatives.

Already the Office of Economic Opportunity's funds are exhausted and many of its projects around the nation are shutting down; already its employes are having to work as volunteers—despite the insulting fact that this House has specifically excluded them from a Federal pay raise.

EVIL IF LEGAL

(The latter action, if legal at all, simply shatters the Civil Service Act; once establish the principle that Congress may punish this agency or that for its policies by manipulating its workers' pay, and Government service becomes nothing but political servitude.)

This single-minded hostility toward O.E.O. and its projects is not apparent in the Senate, where a liberal poverty bill has been passed; it would provide $198 million more than the President requested.

Ironically enough, the House's contrary attitude can be partially traced to a summer of rioting in the cities, which not only raised the question whether the poor should be "rewarded" after engaging in violence; it also brought wild but largely unsubstantiated charges that O.E.O. employes had helped foment the riots.

No doubt the House also is influenced—again ironically—by the fact that the $25 billion being spent in Vietnam is threatening to produce a huge deficit and therefore forced President Johnson to ask for a tax increase. The result was no tax increase but a determined drive to cut expenditures—like poverty funds—which have nothing to do with the war.

But these influences operate in the Senate, too, and the worst troubles of the poverty bill trace straight to the fact that last year the Democrats lost 47 seats in the House and no longer have much control of it or of the Education and Labor Committee.

These seats were filled mostly by Republicans from the South and the suburbs, and in neither of these constituencies does the poverty program—which in the nature of the case aims at helping lots of Negroes—have much support.

These newcomers joined Southern Democrats and some other Republicans in antipathy to the poverty program. They found some strange allies in big city Democrats who owe their seats to powerful machines like that of Mayor Daley in Chicago and who wanted poverty projects brought under local political control.

The Republicans came forward with a program that would spread poverty programs through other Federal agencies—the Job Corps into the Labor Department, for instance—and which would drastically reduce funds for the program. This would all but end the usefulness of O.E.O., which would have retained control only of community action programs.

VOTE-BUYING

Democrats on the Education and Labor Committee then decided to "buy" votes from the Southerners and the big-city Republicans. They did this primarily by supporting an amendment by the unaccountable Representative Edith Green of Oregon, whose great talents are often placed at the service of Southern Democrats; the amendment delivers political control of community action programs to state and local public officials, a drastic change from the concept of encouraging the poor to take the lead in solving their own problems.

This strategy was not blind; the Democrats' aim is to get a bill—any bill—through the House, in the hope that it can then be made acceptable in a conference with the more liberal Senate. But the Republicans are opposing the Green amendment, apparently with the aim of forcing the Democrats to accept part of the Republican bill in order to keep the poverty program alive, even if gutted.

THE POLITICAL GRAB BAG

In most of this, of course, there is little concern for the poor; and although opponents of the program love to charge that it has been nothing but a political grab bag, the political grabbing in the House of Representatives obviously is a lot worse than anything yet proved to have happened in the poverty program.

But whatever happens to the program itself, the poverty question is not going to disappear. That is the real achievement of O.E.O.; it has aroused some of the poor themselves, and called the attention of a nation to their plight. Poverty is going to haunt American politicians for years to come, and if the men who vote in the House this week don't know that yet, they will find it out the hard way.

[From the Charlotte Observer, Nov. 6, 1967]

HOUSE WOULD BE FOOLHARDY TO CRIPPLE POVERTY AGENCY

The House of Representatives would be making a grave mistake if it did anything to substantially cripple the Office of Economic Opportunity and its antipoverty programs.

This country will pay for poverty one way or another. It's far better to invest in programs that represent about a month's cost of the war in Vietnam. To desert the poor now and to remove one of the chief defenses of the cities against agitation and violence would border on political insanity.

OEO is far from perfect. There are flaws in some programs at a number of localities that must be cleared up. But the nation and the agency are breaking new ground. There's no sure-fire blueprint and the job of ending the cycle of poverty will be neither a short nor easy one.

This past summer the nation had major riots in 27 cities. Many persons were killed and damage to property was estimated at more than $270 million. Yet the overwhelming testimony from mayors, police chiefs, city judges and civic leaders in riot and non-riot cities is that the situation would have been far worse without antipoverty programs.

There has been some testimony on the other side about agitation by OEO employes and members of antipoverty boards. Newark, Houston and Nashville come to mind. But even there good arguments can be made on the other side.

Republican mayors of 22 cities in the over-100,000 category have urged their party to "encourage members of Congress to support the OEO budget so that these dynamic and imaginative programs may be carried on in a successful manner." Yet both Republicans and Democrats are involved in efforts in the House to slash the OEO budget by amounts ranging from $400 million to $800 million.

The grandstanding and vote-huckstering in the Committee on Education and Labor and in the House itself have been bipartisan. Republicans sought to destroy OEO altogether with their "Opportunity Crusade." Democrats have tried to cripple community action programs by putting them under the control of local politicians.

All this ignores the findings thus far of the President's Commission on Civil Disorders. Its principal finding to date is that city government must strengthen its services to the poor to prevent violence. And certainly the antipoverty programs have done the most in recent months to help city government prevent disorder.

Politics as usual in the House on this critical issue could be a disastrous thing to the country. Congressmen from North Carolina and South Carolina will have much to answer for if they help emasculate these needed programs.

[From the Charlotte Observer, Nov. 4, 1967]

CHARLOTTE NEEDN'T APOLOGIZE FOR ITS ANTIPOVERTY SUPPORT

There is no good reason for the people of Charlotte to be timid about voicing their support for efforts to combat poverty in their midst.

And that goes for the Mayor's Community Relations Committee, which stopped short of endorsing continuation of antipoverty programs because the action was viewed in political terms.

This committee in the past has been viewed more as a mediating than an activating body. But the more Charlotte does to overcome poverty, slum, crime, education and employment problems, especially for its Negro population, the less the committee is going to have to mediate.

The arguments in Congress today are chiefly over methods, not the need of antipoverty efforts. The severest critics of some of the Office of Economic Opportunity's efforts have high praise for the stated ends of the programs.

Certainly there is widespread, bipartisan support for Head Start and the Neighborhood Youth Corps. The linking of community action groups with police departments to stage "long, hot summer" programs for youth has been successful right here in Charlotte. The Job Corps has recovered from a shaky start and, working primarily through private contractors, is now reaching a great many of the young males who otherwise would be focused upon by agitators in the cities.

Enrollees known as Volunteers in Service to America are doing useful work in poverty neighborhoods. Job training and placement groups have gotten off to a slow start for a number of reasons, including rivalry for funds and programs, but some of the unemployed can be reached in no other way. Neighborhood centers are doing a useful counseling and referral job.

There is no reason under the sun that Charles Lowe, chairman of the board of the Charlotte Area Fund, and CAF executive director John Zuidema should have to thrash around for local support when the antipoverty programs are jeopardized in Congress.

The City Council should go on record Monday backing the programs authorized by the Charlotte Area Fund and urging their continuation. The Mayor's Community Relations Committee could well do the same, stressing that it is the duty of both political parties to furnish help and hope for those who suffer because of the lack of opportunity in many years of life.

One thing Charlotte dare not be guilty of is allowing the poor and disadvantaged to conclude that this city didn't really care after all when the opportunity came to invest more than lip service in their behalf.

FHA'S JOB TODAY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. FULTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, decent housing for all American families continues to be a matter of vital national concern. The problem is especially acute with respect to low- and moderate-income families, and those living in the inner city area.

Philip N. Brownstein, Federal Housing Administration Commissioner, recently outlined to FHA field office directors the new directions in which FHA must go to meet the needs of low income families. I am gratified and much encouraged by the emphasis FHA is placing on this problem and include Mr. Brownstein's remarks at this point:

FHA's Job Today

(Remarks of P. N. Brownstein, Assistant Secretary-Commissioner, at directors conference, October 23, 1967)

We meet at a critical moment in the history of our country, and at an equally critical time in the life of FHA.

The trouble in our cities—the riots, looting and sniper fire; the dramatic disparity between the living conditions of the poor and discriminated against and the material affluence of middle class America; the crimes and the lawlessness—all these things have revealed with chilling clarity the enormous and explosive problems that ferment in the slums and ghettos of our cities.

This country is fighting a guerrilla war in far off Viet Nam. Something similar and equally deadly is threatened in our cities—and in too many places it actually has happened. Few people doubt that, unless major measures are taken, the trouble in our cities can prove to be as great a threat to our national security as the fighting in Viet Nam.

This, I am sure, is not news to you. You have only to open any newspaper, or any magazine, to confirm all that I have said, and much more that I have not said.

Responsible people throughout the country are groping for a better understanding of the causes of these ominous outbursts of urban violence. But no thoughtful person seriously believes there is any instant answer, any easy panacea. Because the causes are deep-seated and have developed over time, the solutions must be basic ones which remove the sources of discontent, deprivation, and despair. Perhaps we can identify the long-term solutions best by asking ourselves what much of the protest is about. People want recognition, opportunity and hope, people want status and dignity. They want to join the mainstream of American society. They want to participate in its unparalleled abundance. They want an end to the discrimination that has denied them these things. In particular, they want better education, better jobs, and better housing. They want a chance. They want to know they have a chance. They want evidence that the nation cares and is willing to make this chance available. America must begin to respond to these needs quickly and visibly.

By now you may be wondering if this is not a rather strange introduction for a kick-off speech of a HUD Assistant Secretary in charge of FHA operations to a Washington meeting of FHA Directors and Chief Underwriters. If those questions are running through your mind, it's a good thing you came to this meeting, because I am going to tell you how these grave matters relate directly to you and your jobs. The reason is as simple as it is fundamental.

As the unit of the Department of Housing and Urban Development with principal responsibility for administering private housing programs, it is our job to enlist and encourage private enterprise to play a leading role in providing decent housing for families of low- and moderate-income, and in improving housing and related human conditions in the inner city—especially in the slums and blighted portions of the inner city. This is one of the principal reasons the Department was created; it is one of the major objectives the Secretary has announced again and again. It is what the American people, the Congress and the President expect of us. It is the greatest and most urgent responsibility of FHA—its principal reason for existence in the year of 1967.

You may be thinking that this is a new and strange job for FHA. It is new; but it is not strange. Every government organization must use its programs to deal with today's problems. Every organization must change as the needs of the country change. It will do us no good to look wistfully back at the days when FHA's principal role, and its proudest achievement, was the establishment of the long term, low downpayment mortgage as a revolutionary device for increasing the number of Americans who could afford a good house in the suburbs, or a decent apartment. As an organization, we have a right to reflect with pride on this great accomplishment, but we must also recognize that we have done this job so well that FHA insured mortgages now are needed and used for only a tiny portion of suburban new construction.

It will do no good to look wistfully back to the 1940's and early 1950's when FHA's principal job was to help provide housing for war workers and, later to provide privately built dwelling units in great abundance for returning servicemen and to overcome the critical post-war housing shortage. This job, too, has been done, with considerable distinction if not without controversy.

In the face of today's urgent, high priority job of enlisting private enterprise to provide housing for low- and moderate-income families, and to rebuild and restore inner city slums and blighted areas, the only justification we have for looking backward is to regain the organizational drive, dedication, sense of urgency, and speed of action for which FHA was noted in those earlier times. The job we are entrusted with today will require every ounce of energy, every pound of thrust, every spark of evangelism that we brought to those earlier accomplishments—and more besides. In today's urgent job we cannot afford to fail.

I suppose it has come to your attention that there are some who say FHA cannot do this new job. There are those who believe FHA is too wedded to the split level house for middle class residents of suburban subdivision to be interested in, or capable of, mounting a massive effort to help private enterprise house families of low- and moderate-income. It is also believed that FHA has no interest in the inner city—that we, like most private lenders, redline large segments of the central city—where the housing needs are greatest and the problems most pressing. There are others who say that FHA has lost its drive, that it is too cautious and too bogged down in inflexible rules, immovable procedures and tortuous red tape to mobilize itself and private enterprise to do the job which must be done. All of these things and more have been said, not merely by disappointed builders whose projects were rejected, but by people of deep sincerity—responsible people. There are people today who are urging that this job be taken away from FHA and be given to a new organization in the department or somewhere else.

I do not agree with these sentiments, and I will tell you why.

First, FHA personnel have the skills to do the job that must be done. We have the experience, and the organization, already in being. It would take time and be difficult to create a substitute of the same size and competence. All we need is the will.

Second, contrary to the myths which still abound, FHA has already gone some distance in the direction of turning its programs and its talents to the inner city and to providing housing for low- and moderate-income families. It is not generally recognized, but over 51 percent of FHA's business for existing homes under Section 203 was in the central city, and 20 percent in what could be described as blighted areas. Over 67 percent of our 221(d)(2) existing home business was in the inner city.

Also, FHA has shown that it can and will work with profit and nonprofit sponsors to produce 221(d)(3) BMIR housing. In a year and a half, FHA launched a brand new, and quite difficult rent supplement program. All available funds have been allocated and many more rent supplement proposals are in the pipeline awaiting more contract authority from the congress.

In recent years, FHA has done more pioneering in residential rehabilitation in blighted and slum areas than has ever before been attempted by anyone.

I do not think these are the actions of an organization without heart, without drive, and without interest in the housing problems of low and moderate income families.

Third, I have faith that FHA, as an organization, can make the additional changes in attitude and action needed to accelerate the job we have already begun.

To some extent, our problem is to make our public image catch up with our actions. The only way to counter bad and unfair publicity, is to let people and newspapers know the facts. This we intend to do, but it can only be done by your support and actions.

I want you to send in immediately any newspaper story that is critical of FHA, or distorts the facts. We want to know about these things immediately, not receive them routinely several weeks later.

Also, if a critical problem develops in your jurisdiction, I want to know about it immediately by telephone. Far too often we have learned about this kind of problem by reading about it in the newspaper when it is too late to counter the unfavorable impression it creates.

But the problem is not entirely that we are misunderstood. While we have done much more than we receive credit for, we are still not doing enough, and we are not doing it fast enough.

Here are the things that must be done. Here are FHA's goals for 1967 and the years ahead. Here are the things we should measure our actions against. Here are the things against which we will be judged.

(1) Every one of our employees, from the director down to the receptionist and secretaries, must understand that our job is to serve the public. This we must do positively, cheerfully, and courteously, our job is not to make it hard and frustrating for people to deal with us, but to make it easy, pleasant and rewarding. I am not saying you should say yes to everybody. I am saying that whatever you say should be said courteously and quickly.

(2) We must do all that we can to be sure that everyone of our programs is administered in a way which assures there is truly nondiscrimination and that equal opportunity is a reality. This means that every allegation of discriminatory practices must be dealt with speedily and affirmatively. We cannot and we will not condone a practice or pattern of different treatment for persons seeking to take advantage of our program.

The housing counseling service, which now is in effect in 15 cities, and will continue to be expanded, affords an excellent tool for helping us make certain that all prospective buyers or renters are given equal treatment. But to take advantage of this resource, we must emphasize to those being counseled the importance of reporting back on the results of their visits. This I know will be the subject of detailed discussion during this conference.

In the sale or rental of our acquired properties it is critical that we maintain policies and practices which assure equal opportunity. And all brokers, sales agents, management firms as well as our own personnel cannot have the slightest doubt about our position and must follow it to the letter. There simply is no other way and it is your job to see that this policy is carried out in clear, unequivocal and positive terms. And the same holds true in assuring equal employment opportunity and your responsibility to see that this is affirmatively achieved.

3. We have got to recognize that stimulating a flow of mortgage funds into the inner city, yes even into the slums, for the transfer of houses, for rehabilitation, and for new construction, is an FHA mission of the highest priority. No longer can we afford to wait until an applicant comes in and bludgeons us into this kind of activity.

I want you to go looking for applications. I want you to take the leadership in seeing that FHA programs are used to accomplish these priority objectives. I want you to know that applications involving the inner city, rehabilitation, BMIR and rent supplements are the first things your staff should work on, not the last.

We have developed a new manual for processing multifamily rehabilitation projects which you'll hear more about later. This manual, which contains some far reaching policy and procedural shifts, is designed to make it possible for you to process and *promote* sound rehabilitation projects in your jurisdictions, both in and out of urban renewal areas.

You will also hear more discussion of my recent field letter eliminating the requirement for a finding of economic soundness in riot or riot-prone areas of the city. This has the effect of making our programs available everywhere in the city.

I am speaking now of priorities. I do not mean that we do not have a responsibility to continue to administer effectively all of the programs the Congress has given us. For we also have a responsibility for increasing the general supply of housing. This will support and reinforce our efforts to help those of low and moderate income. Also, a good project for low- and moderate-income families located in the surburbs can be a significant achievement in broadening housing choices.

4. There is another important, yes indispensable, thing we must do. We must eliminate negativism, and the tortuous slowness of our porcessing of multifamily applications. This is our real achilles heel—and it has got to go. It is not easy to counter the charges against FHA when you are confronted as often as I am with case after case in which we took an inexcusably long time to reach a decision. I know there are frequently mitigating circumstances.

But these are never very convincing when you are trying to explain long delays.

Extensive massaging of these applications won't make you any righter when you finally have to make a decision. What it will do is make everybody mad, give them good grounds for criticising us, and incidentally, perhaps lose the market for which the project was initially intended. When I look at our loss record on many of our multifamily programs, I am even more baffled to understand why we take so much time. The record does not show that our long and profound agonizing over multifamily proposals has improved our judgment.

You will hear more about what has been done and what will be done to wipe the cobwebs off our multifamily processing, particularly for BMIR, rent supplement, and 220 projects. But procedures and processes are not the vital ingredient. The vital ingredient is a will and determination to get the job done quickly—a true sense of urgency—a willingness to establish deadlines and to meet them—a continuous pressure from the director to bring things to a head or know why. It is, I think, basically an administrative and leadership problem.

We intend to do our part, to establish deadlines, to keep the pressure on to get decisions made quickly. For this, I am looking to the Assistant Commissioner for Operations, the Regional Administrators, and to the Regional Operations Commissioners.

But the final responsibility for leadership, in each individual office, rests with YOU, the directors and their chief underwriters, and the assistant regional administrators for FHA.

5. We must be willing to take the risks necessary to accomplish the urgent job of assisting and encouraging private enterprise to house low- and moderate-income families, and to revive the inner city. It is highly likely that there are more risks inherent in achieving this kind of urgent social purpose, than in the insurance of loans on suburban subdivision.

There has been an attitude on the part of some, that FHA's principal job is to avoid making mistakes, and to preserve the sanctity of its insurance reserves. And it is indeed important that holders of FHA-insured mortgages know their investments are safe. I am fully aware of those who are anxious to pounce upon every failure.

The Secretary and I take the view that risks are inherent in an insurance program (otherwise there would be no justification or need for insurance); that since the vast majority of the Congress as well as the executive branch expect us to carry out the mission I have been discussing, then they must expect us willingly to take the risks inherent in such a mission.

This does not by any means require the elimination of prudence and common sense. So long as we have a public responsibility, we can never do that. It does mean that we should be prepared to take the risks that are justified and prudent in the light of the social objectives to be achieved.

Since nobody has ever invested extensively in reviving and rebuilding the inner city and since there has been little private experience in providing housing for low- and moderate-income families, I do not believe anyone is prepared to say exactly how much risk is involved.

In the long run, if all our efforts are successful, the risks may be far less than some anticipate.

I want us to develop and support projects which give reasonable promise of success, which give reasonable promise of improving the housing conditions of low- and moderate-income families, and improving the inner city.

A project should be rejected if it does not appear to give reasonable promise of accomplishing these objectives. It should not be rejected simply because it involves poor people, or because it is in a portion of the city you have been accustomed to rejecting or red-lining for old-fashioned, arbitrary reasons.

If you apply this standard to each project you approve, I believe no one can fault you. If you apply this standard to each project you approve, you will be fully backed by me and have the full support of the Department.

Let me repeat and summarize, I am asking you and every employee of FHA to enter into a new crusade—to see that our programs are used to the fullest extent possible to improve housing conditions for low- and moderate-income families and to revive the inner city.

This means making our home programs available for the purchase, sale and improvement of properties throughout the inner city. It means encouraging rehabilitation and new construction in the inner city. It means developing good BMIR and rent supplement projects both in the inner city and in outlying areas, for we have to disperse the poor and discriminated against to all parts of the city as well as improve their housing conditions in the inner city where most of them now live.

To be successful in this vital undertaking everyone should carry away from here (and transmit to everyone working under you) a new commitment to this objective, a sense of urgency which recognizes the importance of the job before us, and a determination to take the steps, reach decisions, and make the sacrifices necessary. I want you to put the highest possible priority on promoting the use of our various programs which can contribute to this objective.

I want you in the multifamily area, to slash through red tape, indecision, and pussyfooting, to set rigid time goals and see that they are met—in exactly the same way that, in the past few years, we have performed a miraculous speed-up in the processing of home mortgage applications, I want you to be prudent as well as urgent, but I want you to be prepared to take the risks necessary to accomplish the job and to know that you will be fully supported in the decisions you make.

The job I am asking you to undertake is one of the most urgent the nation faces. The President knows it, the Secretary knows it, most members of the congress know it, private businessmen know it. In the months ahead, all these eyes will be watching us.

I believe we are capable of doing the job, or I wouldn't be saying these things to you. But let us keep one thing in mind.

Just as sure as you are sitting here today, if FHA fails to respond effectively and affirmatively to this challenge, if FHA fails to produce the results needed, then no longer will FHA be looked at as our nation's housing agency and the need and justification for its continuation may very well be the central theme. Undoubtedly alternative organizations will be developed because the need is too great and too critical to leave a void.

I have given a number of reasons why I believe FHA must mount a major effort to accelerate and expand use of those of our programs which can serve families of low- and moderate-income and revive and rebuild the inner city. Let me give you one more reason. You should work at this task as though your job depended on it—because it may!

AN ENJOYABLE CHURCH SERVICE FOR THE FULTON FAMILY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. FULTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, yesterday, Sunday, November 12, 1967, my family and I attended Aldersgate Methodist Church in Nashville, Tenn. We, along with others in attendance, enjoyed a worshipful hour with our God. We prayed, we sang hymns, we listened appreciatively to the message delivered by a young and dedicated minister, Rev. John Bozeman, whose scripture for the Sabbath was "Father I have sinned against Heaven and before You." Reverend Bozeman was informed of our planned attendance and asked that I deliver the benediction at the close of the service.

Mr. Speaker, it was indeed an enjoyable church service for the Fulton family. Had I known that our President's family at almost the same moment was being subjected to torture by a most inconsiderate man of the cloth, I could have prayed not for the President and his family who have the courage and the faith to withstand the hurt of the ill-advised words of the Reverend Cotesworth Pinckney Lewis. To the contrary, I would have prayed for the Reverend Lewis, for it is he that is standing in the need. May President Johnson and his family continue to seek a House of God on the Sabbath and may they find in that House love and understanding, spiritual food and spiritual guidance, for it is these things they seek as they lead our country toward a prayerful and everlasting peace.

FEDERAL GOVERNMENT PLANS RESPONSE TO PROBLEMS OF OUTMIGRATION WITH PROGRAMS TO ASSIST SMALL TOWNS AND RURAL AMERICA

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. Evins] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. EVINS of Tennessee. Mr. Speaker, I am delighted to note in today's editon of the Washington Daily News that the U.S. Government reportedly is shaping a major plan designed to strengthen small-town America as a basic solution to the problems of our cities, large and small.

It has been my endeavor to focus attention on the necessity of such a program for a number of years and in this connection on July 27, 1965, I wrote the following letter to President Johnson in which I outlined my proposals for response to the problem:

Congress of the United States,
House of Representatives,
Washington, D.C., July 27, 1965.

The President,
The White House,
Washington, D.C.

Dear Mr. President: I read with great interest recently a speech given by Richard N. Goodwin, one of your special assistants, to visiting foreign students. Mr. Goodwin observed at one point in the speech that "we have cleared the boards of most of the old ideas." He suggested a need for new ideas, new departures to meet the massive problems of our age.

I would like to propose a new concept which, if accepted and implemented, would attack many of our social and economic problems from a new direction in a new dimension. My suggestion basically is that rather than continuing to encourage urban growth we shift emphasis and encourage a national small town improvement and development campaign.

The proposal is this:

1. Large metropolitan complexes are becoming unmanageable, unwieldy and ungovernable. They have far exceeded the cities' ability to provide adequate services. They are not single entities; like topsy. They breed slums, poverty, violence, suicide, discord, unhappiness. Cities have simply outgrown their original concept and their governments. They have exceeded in population and size the quantitative areas that can be governed effectively.

2. The community concept with all of its corollaries is basic to our American system. It is an effective unit. It embraces the psychological dimension that is missing in cities—the dimension of belonging, of being a part of a community, of being neighborly, of identifying with local government, of feeling significant.

3. This concept has been eroded as populations have migrated to our urban areas. Urban populations have been called "the lonely crowd." There is no identification, no feeling of belonging. There is distrust, lack of concern and compassion, lack of identification. Basic human values erode.

As you said in a speech on February last, Mr. President, "The old, tried values of family and neighborhood and community are imperiled or eroded."

4. There are efforts to build whole new communities to retain the community concept and respect inherent in our forefathers philosophy. But these are isolated efforts. *What is needed is a concentrated effort to strengthen the small town base of America, to bring industry and business to small towns, to create towns that embody the best of the new technology and the best of the old philosophy.*

5. I believe that people move to cities basically because that is where the greatest economic opportunities are found. You can see departures from this trend in small towns with progressive industry. The children think of staying, rather than leaving. And families who have lived in rural and small town areas prefer to move to a similar environment—but with greater opportunity to live the good life.

Your magnificant effort to build the Great Society is developing the nation in urban areas, rural areas and smaller communities. The new thrust that is needed—the new concept I suggest—is a concentrated effort to develop the small town to its peak of perfection and to wage a national campaign to "sell" the small town to our new generation. This would ease urban problems by shifting growth to manageable divisions away from urban complexes.

The true values of our society are strongest in our small towns. We need to strengthen our society by inducing our younger people to live within the small town structure and concept.

I will be glad to discuss this matter with you at your convenience.

With highest esteem and best regards, I am,

Sincerely your friend,
Joe L. Evins,
Member of Congress.

In addition I have introduced H.R. 9060, now pending before the Committee on Ways and Means, which would open the way for our free enterprise system to play the major role in the expansion of opportunities in small town and rural areas through a system of tax incentives.

The House Small Business Committee, which I am honored to serve as chairman, has held landmark hearings on the interrelationship of our urban and rural problems and drew a consensus from Secretary Weaver of the Department of Housing and Urban Development, Secretary Freeman of the Department of Agriculture, and Secretary Trowbridge of the Department of Commerce that the solution of our urban problems hinges on the solution of our rural problems.

I have also proposed a system of Federal circuit riding teams to travel the length and breadth of America assisting our small towns and rural areas in preparing applications for Federal assistance.

And so I am delighted to see that there is a growing realization of the fact that the solution of our urban problems depends on a dispersal of population, the creating of new jobs and opportunities for our young people in rural America, and on a concentrated effort to—as I wrote President Johnson—strengthen the small town base of America.

And in this connection I insert the article from the Washington Daily News to be reprinted in the Record.

The article follows:

[From the Washington Daily News, Nov. 13, 1967]

Plan To Reroute Rural Poor—New Way To Deal With City Slums

(By William Steif)

A proposed plan to "alter" the flow of rural Southerners to the urban North is getting high-priority attention at the White House.

The plan originated in the Commerce Department and has Agriculture Department indorsement.

The idea is that it is pointless to try to disperse the poor in big-city slums so long as the slums continue to fill up with more poor, unskilled, unschooled people from rural areas. Instead, these people should be directed to small and medium sized cities, where they can be more easily absorbed into the labor force.

JOBS GROWTH

Another reason for re-routing the rural poor is that cities of 50,000 to 500,000 are where the growth in jobs is today. The biggest—New York, Chicago, Philadelphia, Detroit—show no job growth and, indeed, are losing jobs.

The Commerce Department planners argue the central city's function is changing. It used to be the site of factories. Now it is becoming the place where white-collar and professional people work, with industry chased to the suburbs by high taxes and high land costs.

Left behind are the unskilled poor, often Negro. Technology not only has decreased the number of low-skill jobs but placed them outside the reach of the city poor.

Welfare, training, education and income "maintenance" programs will do little good unless measures also are taken to prevent new buildups of slum dwellers, the planners argue.

Here are some new, long-range ways they propose for dealing with the rural "refugees":

Direct Federal payments to local governments (suburban and small-city) to compensate them for added welfare, school and social costs of poor people, thus eliminating a prime cause of local resistance to accepting poor newcomers.

Requiring local governments which want popular Federal public works grants to take a certain proportion of funds to help the poor (for every $1 in water pollution aid, for example, a government might have to take 20 cents to build public housing).

Revamping the state-dominated U.S. Employment Service so it would be easily accessible to the poor and would route them to where the jobs are.

Direct Federal grants for a "company neighborhoods program" under which firms would build low-priced housing near their plants for low-income employes.

A Federal program to finance construction of commercial arcades in poverty areas; stalls would be rented to small businessmen of the area, and central management services would be provided, with the U.S. paying part of the cost.

Federal financing of employers' bus systems for employes from central cities to new suburban growth centers.

MAYOR JAMES H. J. TATE—STATEMENT OF IMPORTANT LEGISLATION IN THE U.S. CONGRESS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Barrett] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BARRETT. Mr. Speaker, under leave to extend my remarks I place a recent statement issued by Mayor James H. J. Tate of the city of Philadelphia at this point in the Record.

As President of the National League of Cities and also as Mayor of the City of Philadelphia, I feel it is my clear duty to issue a warning to those members of Congress who are attempting to undermine the President's program of Social Legislation designed to help the nation's cities and the poor of every walk of life. The cities cannot be expected to continually walk the tight rope from one serious crisis to another. The cities of America need immediate congressional action to provide the money necessary to solve the mounting problems of our urban society.

There is no question of our ability to forcefully put down riots and insurrection. We have the might to do this effectively, but there is some doubt in the world community and in the ghettos of our cities as to whether we have the compassion to deal with the causes of misery and despair that have driven decent people to extreme action. I, therefore, warn those in Congress, who believe it is politically popular to cut appropriations of important program to aide the cities, that America cannot afford continual chaos and loss by violent uprising and forceful suppression of rioters, and we cannot afford to appear before the world community as a nation incapable of the necessary compassion to help and uplift our own people.

In the name of the people of the cities, I call on the Republican leadership in the House of Representatives and their conservative Democrat allies to end their efforts to cut the War on Poverty authorization bill which is under debate and support the report of the House Committee which has agreed with the President's request of 2.06 billion dollars. This amount is small enough when we consider the great problems poverty presents to our society. The Republican substitute bill which would cut the War on Poverty on 1.4 billion dollars is unrealistic. One of the major factors in Philadelphia's peaceful summer was our effective Anti-Poverty effort. I have attached a statement of what the program has meant to the city. The over emphasized allegations of political activity and incitement to riot which have been made against a few of the thousands of dedicated workers in this great crusade across the nation cannot justify dashing the new hope which has been given the nation's poor.

If we honestly face our national commitment to eliminate poverty, then our debate would be on how we can do more and not how to cut back and block needed programs.

In the name of the people of our cities, I urge the Senate to take immediate action on the amendments to the Housing and Urban Development Act which were reported out of the Senate Committee on Banking and Currency yesterday, and I also urge the House of Representatives to give swift and favorable consideration to these amendments. The slums of the nation must be eliminated. Decent American families must have decent homes and neighborhoods in which to live, and I warn the Congress that this is not the time to pinch pennies.

Philadelphia and the other cities are in immediate need of the Federally subsidized Home Ownership Plan provided for in the 1967 HUD amendments. Our own aggressive housing rehabilitation program has made it clear that the high cost of construction makes it imperative that home ownership for low-income families be subsidized, otherwise the poor will be continually relegated to public housing. Pride of home ownership is one of the basic tenets to sound, decent neighborhoods. When this legislation is finally passed, 3 percent mortgages will be available to low-income families with the federal government paying the lending institutions the difference between 3 percent and 6½ percent or a subsidy of 3½ percent. It is estimated by proponents of the measure that 200,000 families will become homeowners over the next three years if this measure is passed. I would further urge that the request of 70 million dollars for this program over three years be substantially increased to permit accelerated action by the cities and broader coverage by the act.

The nation's cities have been dealt a severe setback by the inadequate appropriations which have been made for Housing and Urban Development by the 90th Congress. The rent supplements appropriation of 10 million dollars is inadequate in the face of an existing backlog of applications amounting to 20 million. The model cities appropriation of 312 million will severely retard progress toward changing blighted areas. The requested 662 million was a reasonable request which should not have been cut. The 700 million dollar Urban Renewal appropriation is inadequate considering a backlog of a billion and a half in Urban Renewal applications.

Finally, in the name of the decent, law-abiding people of the cities, I call on the Senate Judiciary Committee to report out the Safe Streets Act and to restore provisions for direct grant to city administrations so that we can get on with the battle against crime. I suggest to the Senate that the House action requiring that this program be controlled by State government is unsound since law enforcement must be accomplished by the municipalities who understand the problems far better than State officials.

If we are so foolish to accept the relative calm of a cool fall and a cold winter as a haven from the pressing problems which cause hot summers, then we will continue to reap the whirlwind of discontent. The cities of America are waiting for the Congress to act honestly and forthrightly to give them the help they desperately need.

Name of grant	Funds needed for 12-month period	Number of persons served
Foster grandparents	$164,030	[1] 400
Get Set (school district)	6,540,144	5,500
Community legal services	729,230	15,000
Full year Headstart Philadelphia Association for Retarded Children	88,528	[2] 75
Conduct and administration	798,768	
Resident partner	863,544	540,205
Job training (adult) (OIC)	2,882,628	3,000
Operation Outreach (school district)	706,968	
Operation Outreach (archdiocese)	158,796	11,000
Summer work and recreation, 1967	717,969	[3] 760,000
Operation Discovery	86,830	[4] 800

[1] Homeless children.
[2] Mentally retarded children.
[3] Children and adults.
[4] Children.

PHILADELPHIA POLICE COMMISSIONER FRANK L. RIZZO

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. BARRETT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BARRETT. Mr. Speaker, the Lodge Custodes Pacis, No. 2085, of the Philadelphia Police, Firemen and Peace Officer's Lodge of the Order of the Sons of Italy in America recently adopted a resolution relative to the appointment of Frank L. Rizzo to the position of police commissioner of the city of Philadelphia. Under leave to extend my remarks, I place the resolution at this point in the RECORD.

RESOLUTION

Whereas the Order Sons of Italy in America is dedicated to the betterment of our society and to the advancement of the members of the Order therein,

And whereas its filial Lodge Custodes Pacis has a special interest in the preservation of Law and Order in our Community and the promotion of its members in the field of Law Enforcement in order to better serve our society,

Now therefore be it resolved that we, the members of Custodes Pacis, happy with the appointment of Frank L. Rizzo to the position of Police Commissioner of the City of Philadelphia, congratulate him and wish him continued success in his brilliant career, and congratulate also Mayor James H. J. Tate for this brilliant appointment and the entire citizenry of Philadelphia for being blessed in these critical times with the best Police Commissioner this City has ever had, and

Be it further resolved that copies of this resolution be forwarded to Commissioner Rizzo, Mayor Tate and the Grand Lodge of Pennsylvania of the Order Sons of Italy in America.

Given the 20th day of October 1967.

PASQUALE SCARPELLO,
Venerable.

Attest:

FRANK AMABILE,
Secretary.

SHARING THE GAINS OF 80 MONTHS OF PROSPERITY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. BARRETT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BARRETT. Mr. Speaker, the new record of duration set by our current economic expansion is indeed gratifying and impressive. We are told that our gross national product has increased nearly $300 billion over 6½ years, and that it now exceeds three-fourths of a trillion dollars a year. But to me, and I am sure to most other Americans, the astronomic numbers tossed about by the economists are really too vast to comprehend. What we really want to know is what this has meant to John Q. Public, the average American citizen.

How far have we all shared this prosperity? Has any of us been shortchanged, as has so often happened before?

Looking at the picture in these terms, I find numbers which I can understand much more readily. Let me cite a few:

Nine million more workers are employed today than in early 1961, and the number of unemployed has fallen by 1.6 million.

There has been real progress in cutting unemployment among minority groups and teenagers.

The aggregate income of wage and salary earners has risen by $178 billion since the first quarter of 1961, or by 60 percent.

Private employee compensation per man-hour worked is up over 30 percent, and the number of man-hours worked has greatly increased, as a result of the fuller employment of a rapidly expanding labor force.

Corporate profits before taxes have

risen by $34 billion over the same period, or by 75 percent, allowing dividends to be raised by more than 70 percent. Earnings of unincorporated businesses and professions also rose dramatically.

Total farm income increased 35 percent between 1960 and 1966, and the value of farm assets by 28 percent. Income per farm rose 64 percent.

No section of our Nation, no industry, no group of our citizens has failed to benefit, and benefit richly, from this great recession-free advance.

At the same time, our growing resources have permitted us to make much more adequate provision for the needs of our elder citizens, in the form of both medical care and other benefits. And, with steadily rising tax revenues—despite tax rate reductions averaging 20 percent—we have been able to broaden greatly our provisions for education, for social services, and aids to the disadvantaged. And, at the same time, we have spent about $30 to $35 billion on the war in Vietnam.

In short, this unprecedented boom has had no stepchildren and no favorites. By every measure I can find, it has been truly pervasive, extending its benefits to virtually all of our citizens today and bearing promise of still more in the future.

OEO: COMMITMENT TO THE NATION'S POOR

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. O'Neill] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. O'NEILL of Massachusetts. Mr. Speaker, it is up to this body to solidly reaffirm our commitment to the poor of this Nation, our commitment that America's future is also theirs, and that their hope is ours.

A very fine editorial, entitled "Commitment to the Poor," appearing in the Boston Globe of November 7, sums up the importance of the questions before us regarding the Economic Opportunity Amendments of 1967, and rejects the alternatives to continued progress against poverty which some of our colleagues seem eager to have us adopt.

Referring to these alternatives, the editorial states that:

> America cannot afford this kind of betrayal of its hard-up citizens. We have a commitment not only to attack the poverty problem but to carry through with the attack until it is successful. Failure to live up to this commitment would create a "credibility gap" within our own country which would take generations to heal.

Mr. Speaker, I thoroughly agree with this timely statement of editorial opinion from a distinguished Boston newspaper and place the editorial at this point in the Record:

Commitment to the Poor

The conservative coalition in Congress is insistent that the United States keep its commitments to the South Vietnamese and other fàr-off peoples, but it is far less scrupulous when it comes to honoring pledges to impoverished Americans.

The antipoverty program, which was launched with such fanfare only three years ago, is already in serious trouble. Set up with the clear understanding that it would be continued and expanded, it is now being hampered and cut back and threatened with imminent extinction. The expectations aroused in thousands of worthy citizens have been rudely disappointed.

Although we are now more than four months into fiscal year 1968, Congress is still bickering over an authorization bill for the poverty agency (Office of Economic Opportunity). Meanwhile no temporary funds have been made available with the result than many O.E.O. programs have literally run out of money and closed down.

The House this week takes up a $2.1 billion O.E.O. authorization bill reported out by its Education and Labor Committee. This bill is far from ideal. It virtually destroys the community action program, for example, by requiring that it be run by local officials instead of private community leaders. It also creates needless problems by requiring that half of the 20 percent local contribution be in cash rather than "kind." But it does provide very nearly the whole amount of money asked by the administration and only a few million dollars less than the Senate has approved.

The big danger is that Republicans and Southern Democrats will gang up on the bill and amend it to death on the floor. One proposal is to take the poverty programs out of O.E.O. and reassign them to the older line agencies. Another is to apply a ceiling of $1.2 billion on anti-poverty spending. If either of these moves succeeds, the poverty program will be as good as destroyed.

America cannot afford this kind of betrayal of its hard-up citizens. We have a commitment not only to attack the poverty problem but to carry through with the attack until it is successful. Failure to live up to this commitment would create a "credibility gap" within our own country which would take generations to heal.

CONGRESSMAN JACOB H. GILBERT HONORED BY BRONX AMERIGO VESPUCCI LODGE OF SONS OF ITALY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Addabbo] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ADDABBO. Mr. Speaker, I am pleased to call your attention to the honor bestowed on our distinguished colleague, Congressman Jacob H. Gilbert, of New York, on last Saturday, November 11, when he was presented with the annual award of the Amerigo Vespucci Lodge 2159 of the Order of the Sons of Italy in America. At a dinner in his honor in the Bronx, Congressman Gilbert was presented with a plaque by Venerable Orlando Oliva of Lodge 2159 in appreciation for his compassionate concern for and his vigilant attention to the well-being of the Italo-American community. He was cited for his efforts in securing passage in Congress of the new immigration reform bill and for his support of a bill to make Columbus Day a national holiday. This award testifies to his being a true friend of Americans of Italian descent.

Mr. Speaker, the Sons of Italy is a fraternal society of Italo-Americans that started in New York City in 1905. Its motto is: "Liberty, Equality, and Brotherly Love." The fraternity is nonpolitical and nondenominational in concept and programs, and its membership comprises persons of every profession and occupation. It is the largest Italian organization, with lodges throughout the United States and Canada.

The aims of the Sons of Italy are to promote civic education among its members, to uphold the concept of Americanism; to encourage the dissemination of Italian culture in the United States; and to organize and establish benevolent and social welfare institutions for the protection and assistance of its members, their dependents and the needy in general.

I know, Mr. Speaker, that Congressman Gilbert considers it a particular honor to receive the award of the Amerigo Vespucci Lodge of the Sons of Italy. Every man in this body knows, as I know from my personal experience, that Italo-Americans have no better friend in Congress than Jack Gilbert. He is compassionate in his concern for the welfare of Americans of Italian descent. I commend Congressman Gilbert, and I commend the Amerigo Vespucci Lodge of the Bronx on its wise choice for this award.

PROGRESS REPORT ON THE WAR ON POVERTY IN THE NINTH DISTRICT OF INDIANA

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. Hamilton] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HAMILTON. Mr. Speaker, on October 14, 1967, I met with community action program directors in the Ninth District of Indiana to discuss informally and candidly with them the progress and problems of the war on poverty in southeastern Indiana.

This meeting was one of a series of meetings which I have held to review major Federal programs. In August I met with school superintendents in the district to talk about the Elementary and Secondary Education Act and with hospital administrators to discuss medicare. In October I met with county welfare directors to discuss welfare programs. And I had a meeting with leaders of veterans groups to discuss veterans legislation.

Each Member of Congress has a responsibility not only to help draft and vote on legislation, but to see that the programs as administered and implemented do, in fact, accomplish the objectives of the legislation.

Before the October meeting with CAP directors, I sent the directors a letter asking them to explain and evaluate their programs and seeking suggestions on how the programs could be improved.

The Ninth District is predominantly rural, and it includes one-third of the counties in Indiana in which more than 30 percent of the families are in low-income brackets. Thus, the poverty program has special significance for the 17-county Ninth District.

A statistical analysis of the program follows:

PROGRAMS AUTHORIZED BY THE OFFICE OF ECONOMIC OPPORTUNITY BUT FUNDED BY THE DEPARTMENT OF LABOR

NEIGHBORHOOD YOUTH CORPS

County	Number of participants (in school and out of school)	Federal funds (since Jan. 1, 1967)
Bartholomew	19	$6,232
Clark	89	15,023
Dearborn	67	14,171
Decatur	17	4,273
Fayette	18	24,077
Franklin	33	82,050
Jackson	37	11,656
Jefferson	62	14,748
Jennings	21	5,138
Lawrence	48	15,641
Ohio	21	5,586
Orange	29	9,193
Ripley	47	13,886
Scott	35	10,378
Shelby	15	4,491
Switzerland	19	7,395
Washington	22	7,081
Total	599	251,019

In addition, the LOW Economic Development Corp., Inc., has just received approval of a project for the Neighborhood Youth Corps for 125 participants, utilizing $114,630.

Green Thumb employs approximately 111 men in eight Ninth District counties: Bartholomew, Jackson, Jefferson, Jennings, Lawrence, Orange, Scott, and Washington.

Operation Mainstream: Sponsored by the Southeastern Indiana Economic Opportunity Corp., Inc., and employing 88 people with a Federal grant of $203,050.

COMMUNITY ACTION PROGRAM ACTIVITIES IN THE 9TH DISTRICT OF INDIANA SINCE JAN. 1, 1967

Agency and activity	Beneficiaries	Nonprofessional workers	Professionals	Teachers	Federal funds
Community action program of Bartholomew, Brown, and Jackson Counties:					
Rural resource center	4,521 families	24	2	0	$39,162
Summer Headstart	210 children	48	16	14	57,584
Clark County Community Action Committee:					
Program administration	11,108 people	1	4	0	21,231
Year-round Headstart	285 children	28	18	15	167,925
Summer Headstart	60 children	6	5	4	10,994
Fayette, Franklin, and Union Counties Community Action Council, Inc.:					
Rural resource center	3,900 families	5	2	0	27,793
Summer Headstart	45 children	5	1	2	7,629
L.O.W. Economic Development Corp., Inc.:					
Program administration	5,706 families	2	2	0	31,345
Summer Headstart	195 children	21	21	13	55,896
Senior citizens centers	4,328 low-income elderly	1	11	0	51,591
Ohio Valley Opportunities, Inc.:					
Program administration	3,847 families	6	1	0	31,856
Summer Headstart	206 children	19	3	13	42,556
Southeastern Indiana Economic Opportunity Corp.:					
Program administration	33,500 people	6	3	0	42,987
Year-round Headstart	300 children	111	5	21	183,772
Summer Headstart	do	41	5	20	91,948

Note: The total amount of Federal funds allocated to date is $864,269. In addition, the following funds have been allocated to the 9th District:

Adult basic education (3 participants)	$660
29 individual rural loans	51,330
2 small business loans	16,500
Total	912,604

PRESENT PROGRAMS

The major programs which the six community action agencies in 15 counties have provided during the past year are Headstart, senior citizens centers, Neighborhood Youth Corps, and beautification projects.

All of the community action agencies have sponsored summer Headstart classes and two have year-round Headstart programs.

Four of the community action agencies have Neighborhood Youth Corps projects and one has a senior citizens program. One agency has an Operation Mainstream project, sponsored by OEO under the Nelson amendment and funded by the Department of Labor. This program provides work experience for the elderly on 10 park projects.

Green Thumb operates in eight Ninth District counties, employing 111 men. The Green Thumb program is authorized under the Economic Opportunity Act and funded by the Department of Labor. It is not part of the beautification program which is authorized under the Highway Beautification Act. It provides work experience for men over 55 years of age on the highways. They plant grass seed, clean roadside parks and plant pine seedlings.

Other projects sponsored by the local agencies in the last year include a hospitality program for the Camp Atterbury Job Corps Center, whereby boys from the center were invited into homes in the area; work-study programs in conjunction with Indiana University; and long-term low-interest rural family loans.

As was the case last year, by far the most successful and popular program is Headstart. The directors said Headstart provides an opportunity to start with very young children. Good results are noted almost immediately.

The parents of the children, who otherwise might be reluctant to participate in the activities provided by the local agency, become involved through their interest in helping to provide an opportunity for their children.

Headstart has successfully provided a basis for participation in other activities. It is the basis for a beginning of total involvement of the low-income community, a major goal of the war on poverty.

As the local leaders and aides meet the parents, ways are found to also help these parents. They have been encouraged to participate in the Headstart activities, and many have proved to be very helpful as volunteer or salaried aides.

PROBLEMS AND CRITICISM OF THE PROGRAM

First. Administration: Although obvious progress has been made in the regional office in Chicago, and in the local agencies themselves, there are several problems which, if corrected, would make the program more effective.

Although the directors felt that the application process has been improved, they still felt it takes too long to review the applications. The main complaint was that officials in the regional office wait until the last minute to review applications, no matter when they are submitted. They felt that the staff in the regional office charged with processing the applications is too small, causing a delay in the processing.

Second. Communications: The directors said there is a need for better communications between the regional office and the local agencies. Several times there have been phone calls and letters which have not been answered, or not answered promptly. Some directors told me that personnel in the regional office often evade questions because they do not know the answers either.

Third. Funding: The most serious concern of the directors was the delay and difficulty experienced in funding the programs.

When programs were approved at the last minute, as frequently happened, the local agencies very often did not receive their funds in a reasonable length of time, causing a problem in paying salaries and meeting other financial obligations. This happened with summer Headstart programs.

The directors were particularly concerned with the inadequacy of funds. OEO could not fund "new" programs because funds were very limited this past year. This forced the local agencies to leave out more creative programs. All of the directors felt that some funds should be designated for specific areas. However, they believe the goals of the poverty program cannot be realized until the local agencies are able to initiate programs which will attack specific problems in their areas.

They all agreed that the programs, to be more effective, must be long term, permitting long-range planning. Unless they are allowed to plan and implement new programs, stagnation will result. Effective programs depend on an assurance of adequate funds to allow planning and implementation.

For example, one director presented the plan his agency has for attacking poverty in his area.

Beginning with Headstart, his plan would involve children, and through these children, their parents. This has been done.

Now he would like to develop five neighborhood centers for everyone from the elementary school age through senior citizens. He also wants to establish a family planning program for parents.

However, this agency has not been able to plan completely or begin to implement the plan because funds are not available. Obviously, the war on poverty falters in such an instance, as the initiative of the local agency is frustrated.

Some of the agencies which did not have year-round Headstart programs last year cannot even have them funded this year because they are new programs. One agency in the district has submitted applications for three year-round programs, and serves a county which is an EDA-designated depressed area and is in real need of Headstart. Summer Headstart programs have been tried in this area with much success, but year-round programs cannot be funded.

Fourth. Rural areas: The directors complained that officials in OEO do not understand the particular problems of rural areas.

For example, the directors have regularly met resistance from officials in the regional office to transportation costs, necessarily high because of the sprawling rural areas served.

Fifth. Technical assistance office: The directors believed the absence of a technical assistance office in Indiana handicapped the work of the community action agencies.

Several directors said the problems encountered with applications would be minimized if a technical assistance office were available in Indiana. They also felt communications would improve if such an office were in operation.

Sixth. Training sessions: Most of the directors were critical of the training sessions held in September 1967 at the University of Wisconsin. The meetings, they said, were poorly planned, too general, and not of specific assistance to directors with experience. The sessions consisted of lectures, and did not deal with specific problems. They would have been more beneficial if they had lasted 5 days, instead of 3, and if small group sessions had been planned, involving directors with similar experience and similar problems. There should have been time allowed for discussion and questions. The directors also complained that there was too much emphasis on reports and regulations.

IMPROVEMENTS SINCE LAST YEAR

First. Regional office: Substantial improvements have been made in the organization and administration of the regional office in Chicago. All of the directors were concerned at this time last year with the operation of the Chicago office; however, this year they praised Regional Director Alan Beals and the operation of the office since he took over.

The local agencies have also become more competent. One director observed a definite change in the attitude of the officials in the regional office toward his office as his organization improved and gained the confidence of regional officials. He said:

> As far as rapport is concerned, this was established at the same time that we grew up to the fact that confidence had to be earned, and rapport is a two-way street.

Second. Involvement of the poor: A major objective of the poverty program is to involve the poor in working toward solutions to the problems of poverty. This is a radical departure from the traditional concept of "service to the poor." By helping themselves, the poor take an essential step toward breaking the "cycle of poverty."

The directors noted a marked improvement in the involvement of the poor in all of these activities. Last year they had mentioned that, except for the parents of Headstart children, it was difficult to reach those the program was designed to help. Many of the people to be served did not know about the program, and others were indifferent. This year they have been more receptive.

At first the local agencies' only contact with the low-income community was through the board members who were from the poverty group. The directors soon found success came when they learned to lean on the board members and other neighborhood leaders, sincerely seeking their advice and assistance in tackling a common problem.

Involvement of the poor still remains a difficult, but essential, part of the agency programs. Not every effort to reach and involve them succeeds. Many of the people to be served do not have access to newspapers and other news media, and do not hear about these programs. Specific efforts must be made to contact them directly.

Third. Community acceptance: Local communities in which the agencies operate have become more aware of the goals of the program through the cooperation of local news media, the volunteers in the program, and the public information program conducted by the agencies themselves.

Community acceptance is particularly evident in the case of Headstart, senior citizens, and the Nelson amendment park project. As people in the community realize the program is not just a "giveaway" and see constructive projects in progress—disadvantaged children learning, parks made more useful and beautiful, young men and women engaged in keeping county records—their attitude begins to change; and their acceptance of the program increases.

A long road must be traveled, however, before community action programs are firmly established and accepted. Questions reflecting a lack of community acceptance of various programs come up often, and all of the agencies have a formidable public relations task before them.

Fifth. Coordination with county welfare departments: In the last year the coordination between the community action agencies and directors and the county welfare departments has improved. Both CAP directors and welfare directors I met with felt that this increased interaction has been helpful to the agencies and beneficial to the communities they serve.

Sixth. Response of the people: I have had a number of letters from constituents who are participating in the programs. The letters quoted below show better than anything else the impact of these programs.

Following is part of a letter from a woman who was an aide in a summer Headstart program:

> I am now working for the Head Start school and I think it is wonderful.
>
> It just brings out the real love a person has for children, especially these children—which I didn't know even were in town.
>
> I understand these needs because I was having a very hard time a few years ago myself. We just couldn't pay our doctor bills and eat. The good people here helped us and I really appreciated it.
>
> So now I am glad to have a part here in helping these children. Until this Head Start was started I baby sat for people. I never dreamed I could be of any help to anyone or do anything. This program not only helps the children. It has helped me to realize just because a person is growing older [is no reason] he can't be of help to his own community. I just hope this program will continue to grow to greater things.

I have received quite a number of letters from men working on the Green Thumb project:

> I hope and pray that the Green Thumb will continue and that I can keep the job I now have.
>
> I'm glad I'm working on the Green Thumb project. I like the project. I think it is a good idea. I'm interested in this work also.
>
> This is the first job I've had in 14 years. . . . I thank you for letting me work on this job, and everyone else who had anything to do with it.

Recently I had a letter from a woman who participates in the activities of the senior citizens. She told me about her activities and then said:

> I am a charter member of the Senior Citizens Club. The center was started two years ago by a group of people here. . . . I have found a number of friends. I enjoy the Senior Citizens Club very much.
>
> I am a widow of 27 years and live alone and have no transportation.
>
> So I didn't get out much.
>
> Now the center sends out cars to pick up the ones that don't have any way to go.
>
> The Senior Citizens Club is a wonderful place for the elderly people. . . . There are no words to describe what the government has done for the senior citizens center. We are indeed grateful.

Recently, Social, Educational Research, and Development, Inc., of Silver Spring, Md., evaluated the senior citizens program in the district. One of the comments made was:

> There is no question that the LOW Senior Citizen's program is providing a truly worthwhile service.

SUGGESTIONS FOR FURTHER IMPROVEMENT

First. Action on applications: The directors could not understand why the regional office had to wait until funds were actually available before reviewing applications. They suggested much time could be saved if preliminary reviews of the applications could be made so that when the money became available, approval could be quickly given and the local programs begun.

Second. Technical assistance office: Better communications and an improved application process would result if Indiana had a technical assistance office. All of the directors strongly favored such an office.

Third. Funding: The many problems related to funding will be resolved if community action agencies have the assurance that adequate funds are available for planning and implementation of programs. Without the assurance and availability of funds, it is safe to say the community action agencies cannot operate as efficiently and effectively as hoped and expected.

Fourth. Better understanding of the problems of rural areas: a greater recognition of the peculiar problems of rural areas by officials at OEO could also increase the effectiveness of the programs, such as the importance of transportation and the difficulties encountered in multicounty organizations.

Fifth. Visits from the regional office: Regular visits by regional office officials to local agencies, bringing new ideas and concepts being tried in other areas would be an excellent way to stimulate the agencies. Regional office teams could travel to the local agencies to talk to the boards of directors and staff members about the particular problems affecting these agencies and possible solutions for their problems. Through such visits procedural matters could be worked out, new ideas exchanged, information related and the channels of communications opened.

Sixth. Letters of encouragement: One of the directors commented on how much she appreciated receiving a note of thanks for her work in the community from Sargent Shriver, the Director of OEO. She said that this was the first time in 2 years that she had received such a letter, and she felt that it would mean a great deal to the people who work for the program if such letters were more frequent.

Seventh. Premier OEO: The directors felt strongly—that OEO should not be dismembered, and some of its programs transferred to other agencies. This is the only agency which speaks just for the lower income community and should continue to be this voice. The directors pointed out, for example, that Headstart is not merely an educational program, but also a means to involve parents and the entire low-income community in jobs, volunteer activity and a host of other activities.

The directors felt that the goal of total community involvement would be destroyed if OEO were disbanded, or if the successful programs were transferred.

CONCLUSION

There have been disappointments in the poverty program. Good results have not been attained as soon as many expected. The people to be served have often shunned and ignored efforts to assist them. Some participated in the activities for a time and left. Administrative tangles have occurred, and community acceptance has been slow in coming.

Nonetheless, a balanced view of the program in the Ninth District acknowledges that several efforts have succeeded, and others are beginning to make headway.

Headstart classes have enabled the children to have a better start in school than they would otherwise have had. Young men and women have been given opportunities to work and earn money through the Job Corps and the Neighborhood Youth Corps in a great variety of productive tasks. Many have gone back to school to learn more about an activity which has caught their interest. Parents have become more interested in doing more for their children. Senior citizens have become active, contributing members of their communities again, earning money, beautifying public places, creating a center for their friends and enjoying a great variety of activities.

A beginning has been made. It is not impossible to find weaknesses in the program. However, the roots of poverty in any community are deep and stubborn. With the problems it has had, perhaps the amazing aspect of the poverty program is that its impact has been so significant in the lives of so many.

SUCCESS OF PARK IMPROVEMENT PROJECT IN NINTH DISTRICT OF INDIANA

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HAMILTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HAMILTON. Mr. Speaker, under leave to extend my remarks in the RECORD, I include an excellent article from the Aurora Journal-Bulletin on the work which is being accomplished in southeastern Indiana under the Nelson amendment.

Those who are working on these projects to improve parks areas in Dearborn, Ohio, Ripley, and Switzerland Counties are to be commended for their hard work.

The Nelson amendment has provided jobs for 61 people in the area who are working to beautify these parks and make them more useful.

This activity has been so successful that plans are being made to continue it next year.

The article reads as follows:

OEO BRINGS QUARTER MILLION DOLLARS WORTH OF IMPROVEMENT AND EMPLOYMENT TO THIS REGION

Some quarter of a million dollars worth of labor and improvements are being applied to public works in the four counties of the Southeastern Indiana O.E.O. under the provisions of the Nelson Amendment to employ marginal labor while face-lifting valuable public property for greater usefulness and beauty.

Glenn Conover, director of S.I.E.O.C. and Paul Tremain, head of the Nelson Amendment work, are ready to talk up a storm at the drop of a hat, about the diligence of the men who are working on the fifteen jobs throughout the area, and the counties, townships and municipalities that are supplying aid by supplying "in-kind" materials and financng for materials.

Previous articles have dealt in detail with the Tate street playground of Lawrenceburg and the county's Guilford Roadside Covered Bridge park, the Hillforest Historical home where ancient natural beauties are being uncovered and restored, and other projects in Dearborn county cities. This week the two officials led a small group of interested and helpful citizens through the works of the emerging Aurora city Waterways Park, surrounded on three sides by languid and graceful Hogan Creek. Then they took off on a tour of Ohio, Switzerland and Ripley county projects.

The fifteen projects have furnished up to seventy-six labor jobs and a number of supervisory positions, and at present sixty-one are being given work.

In Aurora the three acres of Waterways Park are based on Moore street, where by gift of the city and Chamber of Commerce six decadent residences are being torn down to widen the street frontage. These include houses known as the Bishop, Sargent, Hatter, McDaniel homes, Hilderbrand garage and others. Nearby on Manchester street, a long unoccupied house of Al (Boots) McDaniel will soon fall to the axes of the Nelson Amendment crew of fourteen, and materials salvaged for park improvement. On the high ground of the former Smith trailer Court, a shelter and laundry building has been refurbished and painted to become cement block rest rooms with concrete floors.

On the crest of the bank nearby a concrete flooring of comfortable size may soon be the base of a roofed pavilion for shade with tables. Trees are being trimmed and some are removed. Yet other trees will be planted for uniform shade in the park. Seven cookout furnaces will be built on designs being worked out by Tremain and the local foreman, Clayton Cheek. Below the bank, along the creek, the plans are underway to obtain right of way for a promenade of a few hundred feet to the City Park and swimming pool, where the crew has already spent considerable time on plantings, trees, buildings and driveway. Plans to improve and heat the central closed pavilion of City Park for all-weather use were postponed until matching gifts of materials and equipment are available.

At Hillforest the long steep hill, rising to a crest of a few hundred feet behind the historical community restoration, continues to uncover vestiges of formal gardens and walks in use a hundred years and more ago. The workmen will continue to make these available for today's public, with their sweeping view over the rooftops and up the blue Ohio River.

For the past six weeks a small crew has been laboring to convert the former mud flats and forested banks at the Indiana end of the old Rising Sun River Dam to a place of beauty and public convenience. Under Raymond Koons, supervisor, Thomas Hastings and William H. Frey have been uprooting undesirable growth, filling, making walkways, burning refuse. The U.S. government has turned the property over to the State of Indiana, which will lease its ten acres of locust, maple and hedge-apple tree shade to Ohio county. From Dam Thirty-Nine the name will be changed to honor a deceased Rising Sun benefactor, with wading beach and shelter house.

In Switzerland county, Conover visited the Patriot Park, and its OEO crew, Ernest Ryder, Luther Gray and Buddy Baker, under whose hands the improved and enlarged shelter house looks down on a newly level baseball field with scoreboard, swing set, comfort buildings, repaired and white-painted stone refreshment stand and horseshoe courts. Steel posts for baseball backstops, barbecue pits, water and tables are coming and next season the Junior league and church league will be able to play on the two acres, and accommodate and serve large crowds, picnics and reunions. Walls and foundations are strengthened by generous donation of concrete blocks by the Miller Block Co. of Lawrenceburg.

In Vevay, the inspecting group paid its respects to the jewel-like grassy Riverside Park with shade and park equipment newly re-furbished by the working crew. Largest job in this area though, is the several acres of county 4–H Fair with the traditional buildings and roofed pens, fields and shaded areas where a crew, all over seventy years old, are improving all the features and adding buildings from used lumber. Parker Smith is the supervisor whose original ideas are going far to improve the scene. Underway in one building is the minor work of restoring an eight-seater survey, a note out of another century.

Back away from the river, Conover and his party swung through the hills and fields, past Mt. Sterling Roadside Park, a brief spot of convenience in the small settlement, where three roads joining leave an acre triangle of grass. Mr. Cole, Switzerland county sanitarian, will request donated materials to make the plot useful for the families all around there. The next stop, for noon, was at a delightful country store type restaurant, well filled with lunching citizens and workmen. But before this rest the men stopped to discuss details with Mr. Hewitt, a seventy-year-old unemployed who demonstrated his skills and training with a small party of four, at cleaning, fencing, installing water, painting shelters on the well known East Enterprise Fair Grounds, summertime scene of family reunions, church fairs, picnics and fairs. Brush has been removed and vegetation includes seventy-foot trees and planting on the well cleaned grounds.

Bear Branch was the next stop, a four acre baseball field, two room white-painted Freedom school suitable for Headstart classes and community get-to-gethers, restored under the eye of Township Trustee Dennis.

At Bennington in Switzerland county is the Pleasant Township Old Conservation farm, where volunteers started work before making formal application for Nelson Amendment help, led by Victor Virgil, an OEO director. In Benham a ten-acre community park has yet to get its planned shelter as five men work on knocking off the rough edges of a beautiful wooded area presented by the Benham family to its community.

One of the larger works visited was the Osgood, Ripley county fairground where Bert Kelley supervises fourteen men in restoring a property once one of the best known fairs of the state and the envy of surrounding counties. A stand of hundreds of tall trees provide shade and picnicking space. Dozens of frame buildings are being sorted out, some of them for painting, new roofing and flooring, some for material to replace their sagging forms with modern structures. To winterize the main building for community use, saw up discarded trees for wood for the new fireplaces, and strengthen the racetrack pavilion and grandstand are present jobs laid out by Lawrence Crum, local banker.

Late in a day of detailed discussion of buildings, weeding, fencing, painting, planting, the inspection party made short visits at the Milan Community Park supported by school board aid, through Jon Kohlmeier, school board member, and Charles Tyree, of the O.E.O. and school boards. At Batesville Boys Club with its busy building is supervised by Harold Steinkamp.

Mr. Tremain said that the current year of fiscal funds expires next July 1, but there are some funds that may still be available for needed improvements on public property largely at expense of hiring labor of the older unemployed, at no more than $1.50 an hour.

Plans are underway now for the following year's works starting July 1, 1968, and the OEO officials hope to make a deadline of March 1, in completing detailed applications for that year. Interested public bodies with needs are asked to contact now Mr. Paul Tremain, telephone 1034, or 237 Main St., Aurora, Ind., Postoffice Box 240. The four-county directors and the work leaders will be glad to help in preparing programs, and to supervise in carrying them out when approved.

Some of these already in the works include refurbishing New Street in Lawrenceburg, the old time waterfront thoroughfare in days before the Ohio River levee, and first steps in preparing for a new youth playground in the east end of the city.

The two latest projects under Mainstream employment-improvements plan are about to get underway, plus the labor on the Batesville club already listed.

The Milan School Park has been activated this week, Paul Tremain reported for the Mainstream project list. Selected to cut, trim and build cookout furnaces and tables are Astor Dobson, supervisor, Fred C. Bree, Henry M. Snyder, Kenneth Richards and Lowell Negangard.

Another job about to open up is the repair of certain roads in the Guilford region reported by Postmaster Wally Boyles to be difficult of access by the mailman delivering the route. It is anticipated that this work will keep two or three men busy during the remaining working weather.

AUTOMOBILE INSURANCE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. RODINO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RODINO. Mr. Speaker, there exists today widespread discussion of and discontent with the present operation of automobile insurance practices throughout the United States.

Recently the House Judiciary Committee published a staff report unequivocally stated:

> Materials in the preceding chapters of this report make it abundantly clear that further investigation of the automobile insurance system in the United States is in order. Further investigation is mandatory should Congress find it necessary to enact constructive legislation that would alter the present automobile insurance regulatory system.
>
> Information set forth in this report shows that, by any objective standard, performance of the automobile insurance business in the United States is unsatisfactory. The system is slow, incomplete, and expensive. The companies and organizations involved in furnishing this service to the public in many respects do a poor job.
>
> Legislation that is designed to improve performance in the U.S. automobile insurance business involves decision on two fundamental policy issues. A substantial body of factual information should be collected before these basic policies are decided. The policy decisions are:
>
> (1) Shall the Federal-State relationship that is established in the McCarran-Ferguson Act for regulation of the automobile insurance business be continued?
>
> (2) Does the function of the automobile under modern economic and social conditions require changes in U.S. compensation systems applicable to individuals that suffer economic losses and personal injury as a result of automobile accidents?

Mr. Speaker, among the various alternatives to the present fault-liability system of adjudicating claims is the no-fault system operating in Saskatchewan, Canada.

Mr. Speaker, under previous permission, I include the following article from the Wall Street Journal of November 7, 1967:

INSURANCE INNOVATION: A CANADIAN PROVINCE FINDS A WAY TO SLASH AUTO CRASH LITIGATION—COMPULSORY NO-FAULT POLICIES SOLD BY SASKATCHEWAN PAY ALL VICTIMS AUTOMATICALLY—SIMILAR PLANS URGED IN UNITED STATES

(By John F. Lyons)

REGINA, SASKATCHEWAN.—The accident was a bad one. Two cars going in opposite directions on a narrow road crashed into each other on a dark night. Of the five occupants, four were killed.

Had it happened anywhere but in Saskatchewan, chances are that little if any liability insurance benefits would have been paid, because it was impossible to establish which driver was at fault. Because it did happen here in Saskatchewan, however, damages totaling $35,000 were paid to families of the cars' occupants—and nobody had to hire a lawyer or file suit to get the payments.

The reason: Saskatchewan's automobile insurance policies provide death and injury benefits—relatively modest ones, to be sure—that are payable immediately in many cases and that are paid to the parties involved without regard to who is at fault in an accident. The policies, which are compulsory, are sold by the Saskatchewan provincial government. In broad outline, the Saskatchewan Plan, as the scheme is called, resembles workmen's compensation insurance in the U.S. under which an injured employe gets workmen's compensation payments whether his own or his employer's negligence caused his injury.

DISSATISFACTION IN THE UNITED STATES

A close look at Saskatchewan's experience is particularly pertinent now because of the mounting dissatisfaction with the way automobile casualty and liability insurance works in the U.S. Auto insurance in the U.S., its critics say, is too costly, and liability benefits are too uncertain. Courts are clogged with lawsuits seeking to pin the blame for accidents on one driver or another, the critics complain, and injured persons who can't afford to hire a lawyer often receive no liability payments at all.

Demands are growing for radical changes in U.S. auto insurance. One approach that has received widespread attention is the "Basic Protection Plan" proposed by two law professors, Robert E. Keeton of Harvard and Jeffrey O'Connell of the University of Illinois. The plan, set forth in a 1965 book entitled Basic Protection of the Traffic Victim, incorporates the Saskatchewan Plan's major feature—payments to injured persons regardless of their negligence in an accident. But it differs in several respects. For example, it provides for private insurance companies, rather than the state, to issue and sell "no-fault" policies.

Support for no-fault auto insurance in the U.S. has recently picked up backing from such noted figures as Daniel P. Moynihan, a former official of the Kennedy Administration, who urged adoption of the Keeton-

O'Connell plan in an August article in the New York Times Sunday magazine. Moreover, the current issue of Fortune magazine contains an article saying "there is a powerful case for scrapping" the U.S. auto insurance system "altogether and replacing it" with no-fault coverage.

SOCIALISTS CREATED SYSTEM

The Saskatchewan Plan has been operating 21 years. It was established in 1946, when Saskatchewan elected the only Socialist state or provincial government ever to take office in North America. The Socialists promptly set up the government-operated insurance system. Though the Socialists were replaced in 1964 by a regime of the middle-of-the-road Liberal Party that had promised to return auto inusrance entirely to private companies, the provincial insurance system has been maintained, and there appears to be little likelihood of major change.

"Government auto insurance has given us a lot of headaches," says Saskatchewan's Liberal Party premier, Ross Thatcher. "There have been plenty of times when I wanted to throw the plan in the Pacific Ocean." But he adds: "I would have to admit the plan is working."

Hardly anyone injured in an automobile accident in Saskatchewan goes uncompensated. The amount is determined by a schedule of payments set by the province. Whether or not he is at fault, the injured person normally can collect as much as $4,000 in damages for a physical disability, $2,000 for medical expenses not covered by medical insurance and $2,520 for loss of wages.

Death benefits of up to $10,000 also are payable, plus $300 in funeral expenses. Even before they begin to collect from automobile insurance, most injured persons will have a good part of their medical bills paid by the province's separate medical insurance plan, which provides up to $6,300 in benefits.

SEEKING ADDITIONAL PAYMENTS

When an accident victim feels he has been inadequately compensated under the schedule of automatic payments, he is free to sue for additional damages. The province's compulsory insurance policies provide for liability payments up to $35,000 to protect a driver found liable in such cases. However, only a small proportion of injured persons sue, a situation that helps keep the backlog of liability cases low in Saskatchewan's courts. Also working to keep the provincial courts uncongested is a prohibition against lawyers' handling liability cases on a "contingency" basis, in which the lawyer takes his fee out of any award he may obtain for his client.

The uncrowded court dockets in Saskatchewan, which has just under a million residents, means that a suit filed today will probably be disposed of by Christmas. By contrast, in metropolitan U.S. areas, it takes 30 months to wind up the average liability suit that goes to a jury; in Chicago, which has an especially big backlog of liability cases, it takes 69 months.

Because legal costs are low, relatively more of the premium income collected by the province is paid out in benefits than in the U.S.

It's estimated that in Saskatchewan 93% of premium income is paid in benefits, compared with 75% in the U.S.

The relatively small number of accidents that do lead to attempts to collect damages beyond the payments specified by the province are usually those that result in severe disabilities—loss of a limb or an eye, for example. In cases where an injured party seeks additional compensation and it is determined that the other party is liable, the province will pay a judgment for damages of up to $35,000 if the driver found at fault is an uninsured person from outside the province.

Such a case occurred a year ago, when a dentist was struck by a car and seriously injured on a Regina street. Basic hospital fees were paid by the provincial medical care plan. The provincial auto insurance office automatically provided $1,850 for intensive special care and therapy and $1,050 to compensate the dentist for time spent in the hospital. But beyond that, the dentist got a lump sum damage award of $35,000.

In this case, the dentist didn't even have to file a suit. Insurance officials agreed at a hearing that the driver who hit him was so clearly at fault that a trial wasn't necessary. The insurance office paid the $35,000 because the driver, a resident of another province, wasn't covered by liability insurance.

HOW MUCH IT COSTS

Saskatchewan drivers are required to pay for their compulsory insurance when they register their cars each year. Most drivers are billed a basic fee of $3 for personal injury and liability insurance. Drivers under 25 years old are charged $5, occasional perpetrators of moving traffic violations pay $30 and chronic violators $60. Drivers judged at fault in any accident by a court or by the provincial insurance office pay a $25 surcharge over their basic fee the next time they renew their insurance, even though such findings of blame do not affect drivers' automatic benefits from compulsory insurance.

The purchase of collision insurance from the province is also compulsory in Saskatchewan. It costs a driver up to $74 a year for the largest of late-model cars and reimburses him for damages to his car exceeding $200.

A Regina schoolteacher with a good driving record who owns a 1967 Plymouth Belvedere can expect to pay basic liability and collision insurance premiums of $65 a year at current rates. To increase his liability protection to $235,000 from the compulsory $35,000, he would pay a private insurance company another $28, bringing his total insurance bill to $93. Similar coverage in Minot, N.D., a few hundred miles south, would cost $137. The contrast is even more striking considering that Regina, with a population of 140,000, is much larger than Minot, which has 30,000 residents. Insurance rates are usually higher in larger cities, but the Saskatchewan rate applies to all drivers regardless of where they live in the province.

APPRAISING COLLISION DAMAGE

To prevent excessive collision damage claims, the Saskatchewan insurance system opened service centers during the 1950s in the province's major cities. A car involved in an accident is driven or towed to one of these centers, where an adjuster calculates the damage and authorizes a local garage to repair it.

On Mondays—the busiest day of the week—about 200 cars show up at service centers in Regina. Some claims are paid on the spot. The insurance office takes over total wrecks for sale at salvage value.

Most Saskatchewan citizens seem satisfied with their provincial insurance system. "I couldn't afford similar auto insurance anywhere else, and I've been all over," says a Regina cab driver.

"The politicians, whether they're Liberal, Socialist or Conservative, will never change the auto insurance plan because it has such firm support among the people," says Mary McNeil, a Liberal Party campaign worker in Regina.

There are, of course, dissenters. "I don't think the government should be in this sort of thing," says a highly placed Liberal Party member.

But much of the criticism of the insurance plan is directed at the size of its benefits rather than at its basic nature. "We have a long way to go in expanding our injury payments that are made without regard to fault," says Val Gilbert, a top Regina trial lawyer. "There are a multitude of damages and injuries we ignore. Suppose, for instance, a top violinist breaks his finger." The maximum automatically payable for a permanently disabled finger is about $200.

PRESIDENT JOHNSON, THE MARINE CORPS, AND OUR COMMITMENT TO FREEDOM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Sisk] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. SISK. Mr. Speaker, in a 48-hour trip across the country which took him some 5,000 miles, President Lyndon B. Johnson repeated one theme over and over this Veterans Day:

> Freedom has never come to any people as a gift. It has never been held by any people who were not able and willing to defend it.

The President was talking to the men who make up the U.S. Marine Corps—the finest fighting unit in the world.

But he was also talking to the people of our Nation.

The Marines know what a commitment to freedom means. The corps was born "as a commitment to freedom," the President said during his visit to Camp Pendleton, Calif. And the Marine Corps has honored that commitment with its blood and its dedication.

In peace or in war, we ought to be proud that we have such men to defend our Nation.

We ought to be proud that, while others may demean our objectives, the Marine Corps pursues them.

We ought to be proud that the Marines have served as the advance guard of the U.S. commitment to freedom from Tripoli to the DMZ in Vietnam.

And we ought to be proud of our President who journeyed forth on Veterans Day to tell the men of our military that we support them, and that we will not forget them when they come home.

The Marine Corps is 192 years old this month.

Its history needs no embellishment from the Congress. We are proud to be representatives of a nation which has produced such a fine body of fighting men. And we join the President in saluting them this Veterans Day.

Under unanimous consent, I insert in the Record the remarks of President Johnson made at Camp Pendleton, Calif., in honor of Veterans Day:

Remarks of the President, Camp Pendleton, Calif.

Secretary McNamara, Admiral Moorer, Maj. Gen. Lewis Fields, Maj. Gen. Wood Kyle, Congressman Dick Hanna, Congressman Pickle, Ladies and Gentleman:

I have come here today from across the country for two very important reasons. To pay tribute to the United States Marine Corps on its birthday . . . and to salute the Marines around the world who are following 192 years of valor.

It is no secret that I like "can-do" people. And I know that this is a place to find them—from your General Fields to your newest "boot."

It is also no secret that we've had an invasion of Marines in our own White House family.

As one who has had glimpses of a Marine pursuing his objective for the past few months—I am impressed!

In boot camp, you learned the history of the Marine Corps—or else.

I've never had the stimulating experience of a boot camp.

But, as a freshman Congressman on the Naval Affairs Committee, I learned that the Marine Corps was born in Philadelphia, November 10, 1775.

The Continental Congress was in session and the Maritime Committee, with John Adams as chairman—authorized two battalions of continental Marines.

Two hundred and eighty-six Marines signed up on the spot.

They got the authorization, they organized the Corps, and they were fighting the American revolution six months later.

I cannot resist pointing out that some things moved faster in those days.

Our founding fathers knew then what is still so true today. Freedom has never come to any people as a gift. It has never been held by any people who were not able and willing to defend it.

The Marine Corps does defend it. The Corps was born as a commitment to freedom. And it has honored that commitment every single hour of its existence. It honors it today—and thank God!

Here at Pendleton, men know what the commitment to freedom must sometimes cost. They've learned it the hard way—they've learned it in battles for freedom.

Here, too, are men poised to battle in Vietnam. And they will go into battle with the best training and the best arms we can give them. They will continue to get them as long as I am your Commander-in-Chief.

The road we travel in Vietnam to an honorable peace is not an easy road.

America is no stranger on the road to freedom and neither is the United States Marine Corps. Marines know, as a wise man once said, that "a people who are willing to give their lives . . . for their liberty, save both."

Some things do not change. Courage does not. Honor does not.

But the nature of wars change with technology—with the birth of new nations—with new tactics of new enemies.

But Marines have always changed with change—to win. They won in Korea when winning meant holding—not conquering.

Marines are winning in Vietnam—where the only victory we seek is to keep a small country out of the hands of aggressors.

You and I know that it is harder and tougher to ask for and to achieve a restrained and limited victory. One could surrender—or start World War III—and could do either without much help or much brains.

But the hard course and the true course—the only course—is the one we must steer between surrender and annihilation.

That is where honor lies. That is where freedom waits. That is where we find our only hope for true peace for ourselves and for our children.

Let us, then, seek not just the end of battle in Vietnam. Let us seek the beginning of genuine and universal peace in the world.

In Vietnam today Marines in the Demilitarized Zone lay their lives on the line for that new beginning.

They are the point-men of a braver future. We here at home cannot fail them. And we won't fail them.

Our servicemen are citizens first. And they have parents with wives and with children.

We are not going to betray any of them. We will not let them come home to a land which has decayed while they were gone.

Our men in Vietnam are first-class fighters for freedom. We are not going to let them come home to a second-class country!

Notwithstanding all the frustrations and protests, we are going ahead and build the schools their children need and the homes their families must have and provide the opportunities they are entitled to.

In this country a man leaving the service has a right to get as much education as he wants. He has a right to a decent job, and a decent home. He has a right to raise his family—not only with dignity, but with some of the joys and pleasures which freedom means.

We know that you will keep your commitment to us. I came here today to tell you that we are going to keep our commitment to you.

INEQUITIES IN LAND CONDEMNATION

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. Olsen] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. OLSEN. Mr. Speaker, many landowners near Libby in my district in Montana have suffered severe financial hardship as a result of inequities which I believe exist in the Government's method of land condemnation. As you know, a great deal of land has been condemned in that area as preparations are made for the construction of Libby Dam.

I am in complete agreement with the citizens in that area who feel they should not receive the full brunt of costs related to the condemnation process. Assessments have been made against these landowners for surveys, plats, and photos.

It seems obvious that such services are for the benefit of the condemning U.S. agency and, as such, I believe it would be equitable that the United States should bear these costs.

I am therefore introducing legislation which would relieve the individual from whom the land is being taken of the extraneous costs in a condemnation proceeding except for the attorney and appraisal fees.

The procedural aspects of the condemnation under the authority of law are governed by the Federal rules of civil procedure for the U.S. district court, where reference is made to the fact that in "the absence of statutory authority costs cannot be allowed." No such authority for the taxing of costs in condemnation cases exists.

The question then arises: We have the wrong, there is a cure, but who is to be the doctor? The advisory Commission to the Federal rules of civil procedure states that the allowances of property owners' costs against the United States is a matter for legislation and not court rule.

With these facts, the cure is evident, and not only my constituents, but the constituents of every colleague in the Congress will be aided.

THE REPORT CATALOGS NEGRO ACHIEVEMENT DURING THE JOHNSON YEARS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. Hathaway] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HATHAWAY. Mr. Speaker, during the recent troubled summer, President Johnson asked two Government agencies to compile the latest data on the social and economic conditions of Negro Americans.

The report of these agencies, by the Bureau of Labor Statistics and the Census Bureau, was made public recently. This report is a mandate for a continued—and enlarged—war against poverty.

As President Johnson said upon receiving it, the report shows that "substantial progress" has been made in the last 6 years but that "the gap between Negro and white is still large despite progress."

While Negro incomes have risen in relation to white incomes, the median incomes of Negro families is still only 58 percent of the median incomes of white families.

While the number of Negroes in full-time employment has risen steadily, and an increasing number of Negroes are finding employment in white-collar, skilled, or semiskilled jobs, the rate of Negro unemployment continues to be double the rate of unemployment among whites.

Civil rights programs sponsored by President Johnson have provided greater opportunity for Negroes. Encouraging gains have been made in the field of education, but while Negro youths are now receiving nearly as much schooling as their white counterparts, the quality of their education is often far inferior.

Fewer Negroes now live in big-city slums, but those who remain there find conditions little changed. Three out of 10 Negroes live in substandard housing as compared to one out of 10 whites.

The report of Labor Statistics and Census Bureau documents both progress and unfinished business. It indicates that this Congress must continue to strengthen and support the war on poverty and other programs that help the Negro community achieve full opportunity. It is a testament of what can—and has been—achieved by imaginative Great Society programs—from aid to education to antipoverty legislation. And it indicates how much more needs to be done.

As President Johnson remarked:

> This report shows that people do make progress, great progress, when they have the opportunity to do so. Our job in the coming days and the coming years is to continue and intensify our efforts to offer people a chance. Let us get on with the job.

Mr. Speaker, with unanimous consent, I insert in the Record the President's remarks upon receiving this valuable report:

Statement by the President on the Report on Social and Economic Conditions of Negroes in the United States November 2, 1967

This summer, I asked two highly respected government statistical agencies to draw together the latest and most relevant data concerning the social and economic conditions of Negroes in America—the bad with the good; the disappointing with the encouraging—in a simple format that could be easily understood.

That report, prepared by the Bureau of Labor Statistics and the Census Bureau, is now ready and I commend it to all Americans for serious study. As the report indicates, no set of statistics can present a complete picture of all aspects of life. We have not yet learned to measure on a yardstick all the elements that contribute to a sense of equality among people. Yet much can be learned from the evidence at hand.

This report, as I view it, backs up neither of the extreme positions that emerged in the wake of the summer disturbances. It does not confirm the diagnosis of bleakness and despair: that there has been no recent progress for Negroes in America and that violence is therefore a logical remedy. It does not confirm the opposite view: that "Negroes have been given too much."

We know those views to be fruitless. This report shows them to be false as well. Far from showing "no progress", the picture revealed is one of substantial progress. As the nation rode a great tide of social and economic prosperity over the past seven years, Negroes in America not only kept up with the general advance, but in important ways moved ahead of it. In education, in occupations, in income, in housing, most Negroes have made gains over the past few years. Today, for the first time, a substantial number of Negroes in America are moving into the middle class.

But that is only one of the meanings in this data, and taken alone it is of only limited value. The second meaning is grim.

The gap between Negro and white levels of living in America is still large despite progress. What is most troubling is that in many of the worst slum areas of America, life is not getting better for Negroes—it is getting worse.

Any set of data is subject to a wide variety of interpretations, and I am sure that this report will not be an exception. I have formed my own judgment about its deeper meaning.

The Negro progress made over the past six years was earned by millions of Negro Americans going to school, getting better jobs, making higher wages—motivated by the same drives for a better tomorrow that motivated white Americans during this period of economic expansion. Government helped by opening doors of opportunity. Our civil rights laws have opened doors to jobs, schools, housing, public accommodations and voter participation that were once closed to Negroes. Manpower training programs have opened doors for skill improvement. Aid to education is providing better schools with better teachers and better facilities. Medicare and Medicaid and other programs are opening the way to better health.

The American system places a premium on individual enterprise and initiative. The data in this report show again that when people have a chance to better themselves—they will better themselves.

The data show that our job is not ended. Millions of Americans—whites as well as Negroes, children as well as adults, in every region of the nation—remain unreached by the opportunities of the day.

In the urban areas—large cities particularly—as I have pointed out time and time again, the nation faces a major problem. Successful Negroes are moving out of the worst slum areas, leaving behind communities that are inhabited largely by the deprived, the unskilled, the handicapped and new immigrants from the rural South. It makes all the more urgent that the federal programs for reclaiming these slums be adequately funded. We must put our country first by giving top priority to the problems of our cities. This must be without regard to party or politics.

The data in this report show that people do make progress, great progress, when they have the opportunity to do so. Our job in the coming days and the coming years is to continue and to intensify our efforts to offer people a chance.

Let us get on with the job.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mrs. Heckler of Massachusetts (at the request of Mr. Gerald R. Ford), for the balance of week, on account of injury.

Mr. Rhodes of Arizona (at the request of Mr. Gerald R. Ford), for the balance of week, on account of official business.

Mr. Conte (at the request of Mr. Gerald R. Ford), for balance of week, on account of death of mother.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Pollock) and to revise and extend their remarks and include extraneous matter:)

Mr. Lipscomb, for 15 minutes, on November 14.

Mr. Halpern, for 20 minutes, today.

Mr. Halpern, for 10 minutes, on November 14.

Mr. Gonzalez (at the request of Mr. Montgomery), for 60 minutes, on November 20, 1967; and to revise and extend his remarks and include extraneous matter.

. EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Zablocki.

Mr. O'Neill of Massachusetts.

Mr. McCormack (at the request of Mr. O'Neill of Massachusetts) to revise and extend his remarks made during the debate today on S. 2388 and to include extraneous matter.

(The following Members (at the request of Mr. Pollock) and to include extraneous matter:)

Mr. Kuykendall.

Mr. Hosmer.

Mr. Fulton of Pennsylvania.

(The following Members (at the request of Mr. Montgomery) and to include extraneous matter:)

Mr. Wright in two instances.

Mr. Dingell.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1166. An act to authorize the Secretary of Transportation to prescribe safety standards for the transportation of natural and other gas by pipeline, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 1267. An act to establish the Sawtooth National Recreation Area in the State of Idaho, and for other purposes; to the Committee on Interior and Insular Affairs.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 5784. An act to authorize the disposal of molybdenum from the national stockpile;

H.R. 5787. An act to authorize the disposal of rare-earth materials from the national stockpile and the supplemental stockpile;

H.R. 5788. An act to authorize the disposal of bismuth from the national stockpile and the supplemental stockpile;

H.R. 8569. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1968, and for other purposes; and

H.R. 11641. An act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On November 9, 1967:

H.R. 8569. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1968, and for other purposes; and

H.R. 11641. An act making appropriations for certain civil functions administered by the Department of Defense, the Panama Canal, certain agencies of the Department of the Interior, the Atomic Energy Commission, the Atlantic-Pacific Interoceanic Canal Study Commission, the Delaware River Basin Commission, Interstate Commission on the Potomac River Basin, the Tennessee Valley Authority, and the Water Resources Council, for the fiscal year ending June 30, 1968, and for other purposes.

On November 13, 1967:

H.R. 2757. An act for the relief of Comdr. Albert G. Berry, Jr.;

H.R. 4538. An act for the relief of Dr. John E. Yannakakis;

H.R. 6692. An act declaring a portion of Bayou Lafourche, La., a nonnavigable waterway of the United States;

H.R. 13048. An act to make certain technical amendments to the Library Services and Construction Act; and

H.R. 13165. An act to extend the period during which Secret Service protection may be furnished to a widow and minor children of a former President.

ADJOURNMENT

Mr. MONTGOMERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 3 minutes p.m.), under its previous order, the House adjourned until tomorrow, Tuesday, November 14, 1967, at 11 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1214. A letter from the Acting Administrator, Foreign Agricultural Service, Department of Agriculture, transmitting a report of agreements signed in October 1967 for the use of foreign currencies under Public Law 480, pursuant to the provisions of Public Law 85-128; to the Committee on Agriculture.

1215. A letter from the clerk, U.S. Court of Claims, transmitting certified copies of the Court's decision in the cases *Tatem Manufacturing Company* v. *the United States, No. 4-58* and *Meriden Industries Company* v. *The United States, No. 5-58*, pursuant to the provisions of sections 1492 and 2509 of title 28, United States Code, and to House Resolution 519, 85th Congress; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. POAGE: Committee on Agriculture. H.R. 2375. A bill to amend the Food and Agriculture Act of 1965; with amendment (Rept. No. 913). Referred to the Committee of the Whole House on the State of the Union.

Mr. FALLON: Committee on Public Works. H.R. 13833. A bill to provide that the post office and Federal office building to be constructed in the Bronx, N.Y., shall be named the "Charles A. Buckley Post Office and Federal Office Building" in memory of the late Charles A. Buckley, a Member of the U.S. House of Representatives from the State of New York from 1935 through 1964 (Rept. No. 914). Referred to the Committee of the Whole House on the State of the Union.

Mr. PERKINS: Committee on Education and Labor. H.R. 13103. A bill to amend the Elementary and Secondary Education Act of 1965 in order to provide assistance to local educational agencies in establishing bilingual educational programs, and to provide certain other assistance to promote such programs; with amendment (Rept. No. 915). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee of Conference. S. 780. An act to amend the Clean Air Act to authorize planning grants to air pollution control agencies, expand research provisions relating to fuels and vehicles, provide for interstate air pollution control agencies or commissions, authorize the establishment of air quality standards, and for other purposes. (Rept. No. 916). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GUDE (for himself, Mr. ADAMS, Mr. HORTON, and Mr. JACOBS):

H.R. 13970. A bill to increase the number and salaries of judges of the District of Columbia court of general sessions, the salaries of judges in the District of Columbia court of appeals, and for other purposes; to the Committee on the District of Columbia.

H.R. 13971. A bill to provide counsel in the District of Columbia juvenile court, to provide for representation of the community by the Corporation Counsel in juvenile court proceedings, to limit the period for which juveniles may be detained without a hearing, to prohibit unauthorized mixing of dependents and delinquents in juvenile institutions, and for other purposes; to the Committee on the District of Columbia.

H.R. 13972. A bill to abolish criminal actions for paternity and nonsupport in the District of Columbia and to confer exclusive port matters in the domestic relations branch civil jurisdiction over paternity and nonsupport of the District of Columbia court of general sessions, and for other purposes; to the Committee on the District of Columbia.

By Mr. HULL:

H.R. 13973. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. JOHNSON of Pennsylvania:

H.R. 13974. A bill to provide for orderly trade in textile articles; to the Committee on Ways and Means.

By Mr. SCOTT:

H.R. 13975. A bill to amend title 13, United States Code, to provide certain limitations with respect to the types and number of questions which may be asked in connection with the decennial censuses of population, unemployment, and housing, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. FASCELL:

H.R. 13976. A bill to amend the Federal Aviation Act of 1958 to authorize aircraft noise abatement regulation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SMITH of Oklahoma:

H.R. 13977. A bill to designate Optima Reservoir on the North Canadian River, Okla., as Lake Hardesty, and the dam structure as Optima Dam; to the Committee on Public Works.

By Mr. BLACKBURN:

H.R. 13978. A bill to define the jurisdiction of the Supreme Court and the inferior courts ordained and established by the Congress under article III of the Constitution of the United States in criminal prosecutions involving admissions or confessions of the accused; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 13979. A bill to amend the Internal Revenue Code of 1954 to provide that certain awards in recognition of outstanding achievement in the field of sports shall be excluded from gross income; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 13980. A bill to amend the District of Columbia Police and Firemen's Salary Act of 1958, as amended, to increase salaries, to adjust pay alinement, and for other purposes; to the Committee on the District of Columbia.

H.R. 13981. A bill to authorize the District of Columbia government to pay travel expenses per diem to persons traveling between their home or place of business to the District of Columbia to ascertain whether he is qualified for appointment to the Metropolitan Police Department, and for other purposes; to the Committee on the District of Columbia.

By Mr. CHAMBERLAIN:

H.R. 13982. A bill to amend the Internal Revenue Code of 1954 with respect to returns and deposits of the excise taxes on gasoline and lubricating oil; to the Committee on Ways and Means.

By Mr. EDWARDS of Alabama:

H.R. 13983. A bill to amend title I of the Housing Act of 1949 to protect State and local governments against the loss of tax revenues which would otherwise result from acquisitions of property in urban renewal projects; to the Committee on Banking and Currency.

By Mr. OLSEN:

H.R. 13984. A bill to provide that certain costs shall be taxed against the United States in condemnation actions brought by it; to the Committee on the Judiciary.

By Mr. GOODLING:

H.J. Res. 925. Joint resolution proposing an amendment to the Constitution of the United States with respect to the offering of prayer in public buildings; to the Committee on the Judiciary.

By Mr. PATMAN:

H. Res. 975. Resolution to provide additional funds for the investigations and studies authorized by House Resolution 356; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROWN of California:

H.R. 13985. A bill for the relief of Nestor Maghirang Dalusong; to the Committee on the Judiciary.

By Mr. FINO:

H.R. 13986. A bill for the relief of Angela Antonia Rizzo; to the Committee on the Judiciary.

H.R. 13987. A bill for the relief of Dr. Araceli R. Ancajas; to the Committee on the Judiciary.

By Mr. GILBERT:

H.R. 13988. A bill for the relief of Velma Crichton; to the Committee on the Judiciary.

By Mr. MILLS:

H.R. 13989. A bill for the relief of Capt. John W. Booth III; to the Committee on the Judiciary.

By Mr. ROYBAL:

H.R. 13990. A bill for the relief of Moriji Iwabuchi and his wife, Sumie Iwabuchi; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

201. By the SPEAKER: Petition of the National Catholic Social Action Conference, Washington, D.C., relative to certain legislation pending in Congress; to the Committee on Education and Labor.

202. Also, petition of Henry Stoner, Avon Park, Fla., relative to a constitutional amendment providing for the election of President and Vice President; to the Committee on the Judiciary.

203. Also, petition of Henry Stoner, Avon Park, Fla., relative to a Standing Committee on Enforcement; to the Committee on Rules.

EXTENSIONS OF REMARKS

Rent-a-Commissioner Plan Proposed for Atomic Energy Commission

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1967

Mr. HOSMER. Mr. Speaker, I do not suggest a two-platoon system for the Atomic Energy Commission, but some thought should be given to filling the numerous vacancies occurring in Commission membership with some semblance of promptness. If no improvements in the pace of appointments can be devised then, perhaps, some kind of a rent-a-commissioner plan can be devised whereby one or two qualified and security cleared persons are on tap to fill in temporarily whilst the administration is dallying over a new appointment.

There has been a vacancy on the five-man Commission since August 1 when Commissioner Samuel Nabrit resigned. The vacancy is now going into its fourth month. He had served for only 1 year, almost on the nose. There were 13 months of vacancy in this commissionership between his appointment in August 1966, and the departure of his predecessor, Dr. Mary Bunting, who left June 30, 1965, after serving for only a year and a day. There was a 6-month vacancy between her service and that of her predecessor. Since January 1964, this membership on the AEC has been filled but slightly over half of the time.

The functioning of this important agency, which controls expenditures each year amounting to about $2½ billion, inescapably is chronically impaired by such extended periods of below-level manning.

AEC has the task of making nonweapons nuclear policy for the Nation. It administers the entire peacetime atomic activities of the country and oversees the national laboratories. It is responsible for the laboratories which are concerned with nuclear weapons research, development, and production. The Commission has many other important functions, not the least of which are to carry out a vast domestic and overseas public information program which requires Commissioners to travel widely throughout the United States and the world. The problem of licensing and regulating ever-increasing numbers of nuclear power reactors is becoming ever more vital.

The Commission's tasks are such as to consume the full time/overtime attention of its full five-man membership at all times. This fact should become understood and appreciated by appointing authorities.

The repeated vacancies on the Commission for lengthy periods appear to spring from two causes: First, lack of planning ahead and diligence in filling the posts; and, second, inattention to getting nominees who will serve for any length of time.

In most cases it takes a new commissioner almost a year to learn his job and start carrying a full load. The time of more experienced commissioners is consumed in teaching him the ropes. Yet, in the case of Dr. Bunting, the administration was fully aware she had no intention of staying in Washington for more than a year. She only agreed to take the job on that basis. Apparently Dr. Nabrit was not even asked about his tenure intentions. During his confirmation he was questioned about it and said he was thinking only in terms of a year. He did agree to stay longer "if needed," but his resignation after a year was accepted without complaint so far as I am aware.

W. J. Raney, of Memphis

EXTENSION OF REMARKS

OF

HON. DAN KUYKENDALL

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1967

Mr. KUYKENDALL. Mr. Speaker, Memphis lost one of its most valuable citizens with the death of W. J. "Bill" Raney, veteran police officer and nationally known criminologist.

Bill Raney served his community for over 30 years on the police force before his retirement in 1955, after which he founded and headed his own private detective agency.

While on the force, Bill Raney participated in the capture of George "Machine Gun" Kelly in 1933. He was also responsible for the training of 2,000 rookie city policemen.

He joined the Memphis police force in 1925 as a motorcycle policeman and was promoted to detective that same year. He was selected as a special investigator for the Tennessee Bureau of Criminal Identification in 1958.

Raney was a veteran of both World Wars. He served as an enlisted man in the cavalry in 1917–18, volunteering when only 17. In 1943, he served as a first lieutenant instructor in the provost marshal general's school at Fort Custer, Mich., and then was sent overseas to serve in Brisbane and Sydney, Australia. He was promoted to captain and was named assistant provost marshal in charge of criminal investigation.

In 1944 he served as provost marshal in Biak, Netherlands, East Indies, and helped set up the provost marshal's office and prisoner of war stockade in Leyte. In 1945 he was promoted to major and served as chief of police in Manila after its recapture. He became a lieutenant colonel in 1946 in the Active Reserves. He taught for 7 years in the sociology section of the extension school at the University of Tennessee.

Bill Raney was a fine police officer, a true patriot, a citizen of Memphis whose contributions will long be remembered and who helped to make our community a better place for all our citizens. Memphis will miss Bill Raney, but we are glad that he was one of us, and his deeds will live on in the hearts of his fellow citizens.

Don Williams Wins Rockefeller Public Service Award

EXTENSION OF REMARKS

OF

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1967

Mr. WRIGHT. Mr. Speaker, I am happy to join others in the House today in congratulating Don Williams, Administrator of the Soil Conservation Service, this year's winner of the Rockefeller Public Service Award in the category of administration.

Those of us who have had the opportunity to work closely with Dr. Williams know that he is one of our truly great career public servants, and surely in a class by himself as the national leader in soil and water conservation on the private lands of this Nation.

Don Williams' career as head of the Soil Conservation Service closely parallels mine as a Member of this House. I came to the Congress after being elected in November 1954, just a few months after he came up through the ranks in SCS to become the third head of the Soil Conservation Service.

At that time, legislation authorizing what was to develop into the greatest soil and water conservation program since the enactment of Public Law 46 launched the entire movement in this country in 1935—the small watershed program—had just been passed by the Congress.

That was the beginning of a most pleasant and rewarding official and personal relationship with Don Williams. His agency was assigned Federal responsibility for the watershed program and I had the honor to become chairman of the Subcommittee on Watershed Development of the House Committee on Public Works.

In that capacity it was my duty to carefully study this program and to pass on certain watershed projects developed by the Soil Conservation Service in cooperation with local and State agencies.

I learned what this program is all about and why it is one of the most successful conservation developments in our history.

I learned what sort of person Don Williams is. And I learned also of his ability to translate plans into action, to administer a growing, constantly changing, and complex program to the complete satisfaction of the Congress and of the local people with whom the Soil Conservation Service deals directly in this work.

What I have learned about this man as a person and administrator in the past 14 years adds up to this: No one in the public service is more deserving of the Rockefeller Public Service Award than Don Williams.

The support of this program in the Congress in no small way results from the confidence we have in Don Williams' judgment. His proposals are always sound. He never ducks issues or sidesteps questions. He is invariably forthright and plain spoken. He has the virtue of patience and the courage to stick by his convictions when it might be easier to do otherwise.

I take great pride in this program, and in all the fine works in which the Soil Conservation Service is engaged under Don Williams. I have watched the small watershed program grow from its infancy into a vigorous nationwide effort that has meant millions of dollars in benefits to my State alone.

We must not only push forward in this good work, but there are other needs to meet in the soil and water conservation field. I have the honor to be author of a proposed Antisediment Water Pollution Act, which has also been introduced in the Senate.

This legislation would enable us to more effectively deal with critical problems pertaining to erosion of roadsides, streambanks, and surface mines that are contributing greatly to pollution of our rivers and streams.

It would provide for Federal technical and financial assistance in these areas on a cooperative basis with State and local groups in much the same manner that other Soil Conservation Service activities are carried on.

Don Williams had more than a little to do with creating an awareness of the need for this addition to our soil and water conservation efforts, and he has collected the facts upon which decisions can be based and actions taken just as he has in devising other additions to the national soil and water conservation movement in recent years—the Great Plains conservation program tailored to the special problems of the 10-State plains region, and resource and conservation development projects—to name but two.

I am proud to work with Don Williams and the fine agency he heads, and I am delighted that he has been given this recognition for his skills as a public administrator. I would hope that he will continue to be Administrator of the Soil Conservation Service for many years to come.

Government and Industry: Research and Development Partners

EXTENSION OF REMARKS

OF

HON. JIM WRIGHT

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1967

Mr. WRIGHT. Mr. Speaker, for a long time I have believed that great benefits might be attained through more widespread use of cooperative arrangements between the public and the private sector for the joint conduct of scientific research and development.

Obviously, I am not referring to the development of new products or studies into specific proprietary problems. What I have in mind is research which is of general interest to an entire industry or which is important to the Nation's broad technological posture.

One outstanding example of what can be done is the research associate program of the National Bureau of Standards. It is not unusual for Government scientists and engineers to spend time in a university laboratory or a private research institute to get experience in specialized fields. The National Bureau of Standards, however, has put a new twist on this familiar pattern. Under the research associate program, scientists and engineers from industry and technical trade associations come into NBS laboratories and work for a year or longer, right alongside their Federal colleagues. The parent organization of the research associate pays his salary. The only requirements are that the research be of broad interest to both Government and industry, and that the results be made widely available to everyone through publication.

The benefits go both ways. Research associates and their sponsors get research results and new work experience using Government research facilities, and the Government gets important research performed which probably could not be undertaken with Federal funds alone. As a side benefit, Government and industry get a new appreciation of the other's problems and point of view. This plan might well serve as a model for future cooperation in other fields of interest.

New England Regional Commission

EXTENSION OF REMARKS

OF

HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1967

Mr. O'NEILL of Massachusetts. Mr. Speaker, since 1932, with the creation of the Tennessee Valley Authority, we have been aware of the need for regional development. We have seen the benefits that result from comprehensive planning and Federal, State, and local cooperation.

In 1965, as title V of our Public Works and Economic Development Act, the Congress created the New England Regional Commission. The six Governors of the New England States and the Federal Cochairman, John J. Linnehan, began work immediately, planning for the development of the region.

Mr. Speaker, last Wednesday, November 8, I made a statement before the Massachusetts State hearing of the New England Regional Commission. Because I think this Commission is doing an excellent job, and because I think its work is so vital to the growth of our area, I would like to include that statement in the RECORD at this time:

STATEMENT OF THE HONORABLE THOMAS P. O'NEILL, JR., MEMBER OF CONGRESS, EIGHTH DISTRICT, MASSACHUSETTS, BEFORE THE MASSACHUSETTS STATE HEARING OF THE NEW ENGLAND REGIONAL COMMISSION, BOSTON, MASS., NOVEMBER 8, 1967

(Submitted to the Honorable John A. Volpe, Governor of the Commonwealth, and the Honorable John J. Linnehan, Federal Cochairman of the New England Regional Commission)

It is indeed a pleasure to see the New England Regional Commission actively planning for New England's future. The steps that have been taken in previous hearings and that are continuing today will help to end the polarization of State versus Federal Governments and to create a synthesis of Federal and State resources to help stimulate the region's economy.

In voting for the legislation authorizing the designation of the New England Regional Commission (title V of our Public Works and Economic Development Act of 1965), I, as a Member of Congress, made my commitment to strengthening the bonds of Federal-State cooperation. The time and work involved in getting the Commission established, by six busy chief executives, togther with the Federal Cochairman, John J. Linnehan, clearly indicates the excellent promise and potential for developing a more viable Federal-State relationship.

Today's hearing will go still further on the road to progress by helping the Commonwealth and the commission in establishing their priorities for the investment of funds and in the identification of key problem areas. These areas are limited neither to Cambridge or Boston alone, nor to the State of Massachusetts. Many of them transgress legal boundaries and are truly regional in scope and importance.

As an excellent example of a truly national as well as regional problem, we have only to look upon the blight of the Charles River Basin in Boston. Water pollution is indeed one of the problems that are common to all of the New England States and which should be attacked in unison.

The supply of high quality water is an important industrial and municipal asset for all of New England. Over the years, however, increasing abuse has imperiled not only the quality of river waters, like the Charles, but also our great fishing industries. We need to develop comprehensive plans so that our rivers and streams may be fully utilized for recreational, navigational and other purposes.

In the Charles River Basin, the beauty of the water and that of the land go hand in hand; one cannot exist without the other. By attacking these problems comprehensively and collectively, we can restore the beauty of one of our most prized river basins, one of Boston's greatest assets. Instead of a discolored blight running afoul into the sea, we can reverse the trend of continuing decay and preserve one of the most majestic and splendid natural resources the greater Boston area offers.

This is only one of the many problems that the commission must face. They are numerous and are woven into the fabric of our lives.

Transportation. The problem of mobility, both within the cities and in the suburban areas, confronts us today as never before. It is not an insoluble problem. An improved regional transportation network is essential for the development of the region's economic growth.

Just as important as our concern for the natural resources of the area, we must also act to improve our *human resources,* which we have in abundance, not only in Boston but throughout New England. Giving the underprivileged a chance at a good education, decent jobs, a chance to do something constructive with their lives and not have to face a future of poverty, illiteracy, and ghetto humiliation is our obligation. It must be done. A hard look at the current status of job placement in the greater Boston area could help to lessen some of the confusion that exists today in this area.

Hospital facilities and services need to be modernized and improved to meet the demands of today's urban age. The elderly must be provided with new and improved nursing care facilities.

The few problems that I have mentioned are not peculiar to Cambridge, or to Boston. We can find them anywhere if we have the courage to look for them. I know that this hearing will certainly get us started on the road to improvement. It shows that we are trying to pinpoint our trouble areas and, through a concerted federal-state effort attempt to alleviate them.

This much can be done. It must be done. This is only one step on a long and difficult road. But if we are to improve the quality of life in the New England region, we must all go down the same road—together. Thank you.

Milwaukee Bank Promotes Exports

EXTENSION OF REMARKS

OF

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1967

Mr. ZABLOCKI. Mr. Speaker, 6 years ago the First Wisconsin National Bank, of Milwaukee, began a vigorous effort to expand and improve its international banking services.

This effort was aimed at assisting Wisconsin industry in the development and expansion of export markets. The measure of its success can be seen in the dramatic increase in the volume of export financing by the bank. It increased from $19.1 million in 1963 to $71.4 million in 1966.

This achievement received national recognition a few days ago when the First Wisconsin National Bank was awarded the President's "E" Award for export expansion. It was my privilege to be present at the award ceremony in the Office of Secretary of Commerce, Alexander B. Trowbridge. The "E" Award was accepted by Mr. Joseph W. Simpson, board chairman of the First Wisconsin National Bank.

In order to expand exports, the bank took a number of important steps—

It dramatically expanded its staff and facilities in the area of international banking.

To help customers receive more rapid payment for the export shipment, it introduced a factoring service which enabled an individual firm to liquidate its current export receivables through sales to the bank at competitive rates.

In order to provide better service for export customers, the bank created its own foreign exchange trading department.

In order to stay close to worldwide money market developments, it opened a representative office in New York in 1964 and another in London in 1965. These offices, in addition to providing up-to-date reports on money matters, have been useful in developing foreign contacts for customers and in uncovering export opportunities.

In addition, the bank has used its expanded staff to disseminate among Milwaukee and Wisconsin corporations a wide variety of information concerning export markets and economic conditions abroad. This effort includes an active advertising campaign designed to bring the services of the bank to the attention of exporters and potential exporters.

Officers of the bank have traveled to other cities in Wisconsin to inform smaller firms of the opportunities which exist in the export market. They also have participated in a number of promotional functions in Milwaukee designed to foster foreign trade.

As previously noted, this vigorous campaign has paid off, for the bank, for our Wisconsin industries, and certainly, for our Nation in the form of expanded exports and a plus for our trade and payments balances.

This success story demonstrates once again the "go-getter" attitude of our community's business and financial leaders. I have confidence in their ability to use to the fullest those new export opportunities which the Kennedy round agreements will make possible. I am confident too of further accomplishments by the First Wisconsin National Bank in the export field during the months ahead.

At this time I would like to include in the RECORD the citation which was included with the "E" Award to the First Wisconsin National Bank:

THE CITATION

"The First Wisconsin National Bank of Milwaukee has undertaken aggressive action to promote exports from Wisconsin through a substantially expanded network of foreign correspondent banks. Also by providing international finance expertise and factoring services, establishment of a foreign exchange trading department, and wide dissemination of export trade opportunities, the Bank has stimulated interest in, and furnished vital tools for, increased foreign trade. These resourceful export promotion efforts reflect credit on the management and staff of First Wisconsin and on the American free enterprise system."

Imbalance in Handling of Transportation

EXTENSION OF REMARKS

OF

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, November 13, 1967

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert into the CONGRESSIONAL RECORD correspondence between myself and the Honorable Alan S. Boyd, the able Secretary of Transportation.

In the correspondence referred to I point out an imbalance that exists in the handling of transportation by the Department of Transportation.

A real crisis is approaching in air space and in the use of air space. Aircraft traffic is so heavy in areas such as the New York-Washington, D.C.-Philadelphia area, commonly called the Gold Triangle, that desperate measures will shortly be necessary to control it.

What is needed at this time is great attention to the development of high-speed ground transportation and additional encouragement of not only the establishment of that mode of transportation, but also real effort to shift some of the potential airline passenger growth and aircraft congestion into high-speed ground transportation by rail.

Failure to accomplish this goal can result in great hazard to the traveling public and the American public, and excessive costs in areas where high-speed ground transportation is not only more suitable but urgently necessary, such as the Washington, D.C.-New York-Philadelphia area and other major metropolitan areas up and down the eastern seaboard and in the Middle West. The correspondence follows:

AUGUST 17, 1967.

Hon. ALAN S. BOYD,
Secretary of Transportation, Department of Transportation, Washington, D.C.

DEAR MR. SECRETARY: I have noted your testimony in the Senate protesting the cut in the 1968 appropriations made by the House, particularly in the field of transportation research. I also have noted in the press a proposal made by Trans World Airlines for reducing traffic into National Airport through the transfer to Friendship and Dulles Airports of some presently scheduled planes.

Naturally, I have followed for some time the problems of the Federal Aviation Administration, now part of your Department, in its attempt to relieve congestion at Washington National Airport, the upshot of which essentially was a proposal, now slightly mitigated, to allow almost unrestricted capacity between nearby cities on the eastern seaboard and Washington and to reduce, if not eliminate, the use of Washington National as a terminal for flights originating some distance away.

The authority for engaging in research in high speed ground transportation results from a statute enacted in 1965, with which you are familiar as you then were Under Secretary of Commerce for Transportation, which then gave such authority to the Secretary of Commerce and which authority has been transferred to you, and which you exercise in part through an Office of High Speed Ground Transportation.

In transmitting the proposed legislation to the Congress in a message on March 4, 1965, the President referred to the increasing demand for transportation in certain densely populated areas, specifically to the so-called "North East Corridor", and stated: "It is clear that we should explore the feasibility of an improved ground transportation system for such heavily traveled corridors".

In the statement of purpose and need for legislation submitted by the Department of Commerce, it was said:

"The President has emphasized that we must improve ways of transporting people and goods safely, reliably, and economically over relatively short distances in densely populated areas."

House Report No. 845 accompanying the House bill, H.R. 5863, submitted by then Chairman Harris on August 23, 1965 states:

"It is unnecessary to set forth here at length the evidence respecting the over-burdening of these facilities. Every Member of the House personally has experienced the inadequacies of our crowded air terminals and facilities, has observed the overcapacity loading of our highways, and is well aware of the demand constantly being made for the enlargement of both types of facilities. But what every Member has experienced and what he has observed is as nothing compared with what lies ahead.

"The time has come to see whether passenger traffic on the ground can be made attractive to people; to see whether it is possible to provide facilities that are convenient and economical and which people will use; to see whether this kind of transportation might relieve air congestion and save on the cost of additional air facilities."

I think it is unnecessary for me further to document the fact that the authorization made by the Congress at the request of the President for the expenditure of $90 million, much of which was for research in high speed ground transportation and the operation of certain demonstration projects, was predicated on the desire to relieve aviation and highway facilities from overcrowding, and attempt to meet transportation demands by increased use of rail facilities, especially in the north east corridor.

It is my recollection that you were wholeheartedly in support of this position.

It is my understanding that the Congress has appropriated the funds for demonstration projects in this corridor, specifically that between New York and Washington, and that such project will go into operation this coming fall. I understand also some demonstration soon is to be made between New York and Boston.

It is with continuing amazement, therefore, in view of the policy carried out by your left hand, that I view the policy proposed by your right hand, the Federal Aviation Administration, namely that the aviation facilities here should be enlarged on the one hand, and the airline scheduling should be altered, on the other, so as to continue the bringing into National Airport of these north east corridor passengers and the forcing to other airports of passengers from longer distances. I am certain that you will recognize that any such policy is directly contrary to that established into law following the Presidential message and the sponsoring of the Under Secretary of Transportation for a project putting these people onto the rails.

I should welcome your early comment on this matter for I think it is important before we authorize appropriations which will permit you to engage in directly antithetical operations contrary to the policies you hitherto have urged before the Congress.

Sincerely yours,
JOHN D. DINGELL,
Member of Congress.

THE SECRETARY OF TRANSPORTATION,
Washington, D.C., September 28, 1967.
Hon. JOHN D. DINGELL,
House of Representatives,
Washington, D.C.

DEAR MR. DINGELL: I have your letter of August 17, 1967 in which you raise questions of the consistency of our policies regarding air transportation and ground transportation in what is known as the North East Corridor.

The high speed ground demonstration project, which we hope will begin passenger operations between Washington, D.C. and New York City this fall, is designed as a test facility for the development of a safe, reliable, convenient and economic means of moving large numbers of people in areas where cities are closely spaced and population density is thus relatively high.

There is no intention, indeed no possibility, of developing a ground system that will serve as a complete substitute for air travel in these heavily travelled areas of dense population. On the contrary, we expect air travel to increase and the need for aviation facilities in these areas to grow. At the same time, we believe that a significant amount of the strain can be taken off the airports and other aviation facilities if an attractive ground transportation alternative is made available. Thus what we are attempting to develop is a balanced system of transportation facilities.

Sincerely,
ALAN S. BOYD.

Thailand and Vietnam

EXTENSION OF REMARKS
OF

HON. JAMES G. FULTON

OF PENNSYLVANIA
IN THE HOUSE OF REPRESENTATIVES
Monday, November 13, 1967

Mr. FULTON of Pennsylvania. Mr. Speaker, the November 1 issue of the CONGRESSIONAL RECORD reprints—on pages 30742–30744—an article on the security situation in Thailand by Dr. Robert Buckhout, of Washington University in St. Louis. Much of Dr. Buckhout's article, which originally appeared in the Nation on October 2, is balanced and factually correct, but it contains certain errors of fact and it makes a fundamental argument which is seriously misleading: namely, that the situation in Thailand today is comparable to that in South Vietnam a few years ago.

The fact of the matter is that Thailand is and has always been very different from Vietnam, and that the conditions which contributed to the development of Communist insurgency and hamper its suppression there are not those that prevail in Thailand. For one thing, Thailand has no colonial past. This is of utmost importance, as the Communists invariably derive much of their support in former colonial countries by associating themselves with the independence movement. In South Vietnam, the Communists and nationalists together fought the French for years, and had a popular cause and widespread support. When the French left, the Communists had thousands of trained, experienced, and equipped guerrilla fighters on the spot. In Thailand, on the other hand, the Communists must create the cause, win the support, and build a guerrilla force from scratch.

Thailand is a united country—not divided as was Vietnam into north and south, or fragmented by a division colonial divide-and-rule policy into a multiplicity of religious and political sects and groupings. The King, popular and respected scion of a 186-year-old dynasty, is the focus of national unity; well aware of his popularity, the Communists have carefully avoided attacking him in their propaganda. The Buddhist religion, to which some 95 percent of the Thai adhere, is supported by a vigorous and unified church, firmly and actively opposed to the spread of communism.

Never having been under colonial administration, the Thai have developed over the years a respected, experienced, and well-trained body of civilian and military administrators at all levels. Dr. Buckhout's description of the regime as a military dictatorship is a gross and inaccurate oversimplification of what is, in fact, a rather loosely structured, responsible, and benevolent oligarchy of both military and civilian leaders under whose guidance the Thai people have enjoyed stability and economic progress while democratic government is gradually evolving. Municipal elections are scheduled for December, provincial elections for the following month, and promulgation of the new Constitution, which has been in preparation for several years, is also scheduled. Several months after the Constitution takes effect, national elections are to be held.

Thanks to careful management of its resources, the Thai economy is one of the fastest growing in the developing world, with an average annual GNP growth rate of 7 percent since 1961, rising to 9 percent last year. Still primarily agricultural, with rice exports as its major foreign-exchange earner, Thailand is expanding its industrial sector by some 15 percent a year. And, unlike some other Asian nations, Thailand has no land-reform problem; 85 percent of its farmers already own their own land.

As Dr. Buckhout points out, the northeast has not in the past shared adequately in the prosperity of the rest of the country; its per capita income is one-third to one-half less than that in other areas, and it continues to suffer from periodic drought, poor soil, and lack of roads. The Government is energetically trying to make up for past neglect, however, and is focusing great attention on improving conditions in the depressed regions. For years, what Dr. Buckhout characterizes as a military dictatorship has expended little more than 15 percent of the overall national budget for defense, while allocating nearly 60 percent to economic and social development. In the current budget, defense and police expenditures are higher, reflecting increased attention to the insurgency problem. The Government's northeast development plan, which seeks to coordinate its efforts in the depressed areas, covers public health, education, roadbuilding, irrigation, and other agricultural services, and community development.

In sum, Thailand is a true nation, with a long history and tradition of national independence and unity, strong cohesive influences, a stable and growing economy, and an effective government which traditionally has been the major force for innovation and modernization in the country and is doing an effective job of dealing with them.

A point reflecting considerable confusion is Dr. Buckhout's suggestion that the external support and Communist domination of the insurgents and their use of systematic propaganda and selective assassination techniques are "debatable," since, as he says, "banditry and rough politics are common in the northeast." Such a suggestion is hardly compatible with the armed propaganda meetings which are the most characteristic feature of insurgent activities in the northeast. A terrorist band will surround an isolated village, herd its inhabitants together, and put on a program of several hours duration involving lectures, song-and-dance routines, and crude plays, all attacking the Government and the Americans, extolling the virtues of communism, and urging the villagers to join or at least lend their support to the terrorists. On occasion, these shows end with the public assassination of a village leader, volunteer defense worker, or alleged Government informer. This is indeed rough politics—and with an unmistakable Communist flavor.

Interrogation of captured or defected rank-and-file insurgents and known Communist leaders, as well as examination of documents and other materials found at insurgent camps or taken from prisoners, provide clear evidence of massive external Communist involvement in the insurgency. The Chinese transmit every day hours of radio propaganda, both from Peking and from the clandestine "Voice of the People of Thailand," attacking the Thai Government and urging the violent overthrow of that Government. Since 1962, hundreds of Thai have been trained in China and North Vietnam in the techniques of sabotage and terrorism, and have then infiltrated through Laos back into Thailand. The headquarters of the major insurgent organization, the so-called Thai Patriotic Front, and its subsidiary group the Thai Independence Movement, ostensibly led by Thai defectors, are both located in Communist China. It is hardly coincidental that terrorism and insurgency began to reach significant levels of intensity in the northeast in late 1964 and 1965, just when the Chinese Communists began organizing and publicizing these alleged patriotic organizations, and that Chinese Foreign Minister Chen Yi's January 1965 comment to a Western diplomat that guerrilla warfare might soon spread to Thailand proved a remarkably accurate prophecy. It might be noted that the Thai insurgency is even now on a vastly different scale from that in Vietnam seven years ago; true, incidents of terrorism went from 41 in 1965, to 1968 in 1966, and 124 in the first half of this year—but in South Vietnam, there were 3,300 such incidents in 1960.

Dr. Buckhout states that it is "unclear" how Thailand's independence can be preserved by "converting [it] into a forward base for U.S. strategic policy," and fears that a Thai Government "totally committing itself" to U.S. policy can be exploited by "insurgents who remain identified with nationalistic symbols." However, this is clear enough to Thailand's leaders. Deputy Prime Minister Praphat Charusathien told the press in August that "all free countries must cooperate" with the United States in resisting Communist aggression, stressing that—

> This is of the greatest importance for the Thai people and for the people of all free countries.

Foreign Minister Thanat Khoman told a group of American social scientists the same day that, if the United States does not meet the challenge in Vietnam—

> The challenge will go to you—in New York, Kansas City, San Diego . . . It will go there sooner than you expect.

He added that—

> Thailand was playing host to 35,000 U.S. troops because they are brave enough to fight Communist expansion in Vietnam. They can't go to Burma, Laos, Cambodia, India, Malaysia, or Indonesia but they can come to Thailand to do a gallant job.

Thailand's young men also seem to be in little doubt as to the threat to their country's independence; when the government called for 1,000 volunteers for Vietnam early this year, some 40,000 men responded.

As for the allegation that the Thai Government is totally committed to the support of U.S. policy and that its natural independence is thereby undermined, anyone with a close acquaintance with Thailand and its long history of independence, and anyone who has had to deal with its frank and outspoken leaders, knows that this is just not so. When the Thai disagree with us, as they did at times during the Geneva negotiations on Laos, or when they are concerned about U.S. public criticism of our stand against Communist aggression in Southeast Asia, as Foreign Minister Thanat was during his recent visit to the United Nations, they say so in no uncertain terms. And it was Thanat who told the first ministerial meeting of the recently organized Association of Southeast Asian Nations—to whose formation he made a major contribution—that—

> What millions of men and women in our part of the world eagerly want is to erase the old and obsolete concept of domination and subjection of the past and replace it with the new spirit of give and take, of equality and partnership. More than anything else they want to be master of their own house and to enjoy the inherent right of shaping their own destiny.

Surely this is a voice of enlightened nationalism—hardly an abandonment of national interest for total commitment to the United States or any other alien policy.

Thailand has been aware for many years of the threat represented by expansionist Communist aggression, and of the need for free nations in Southeast Asia to stand beside the United States in working together to oppose it. Thailand has a deep and serious commitment to collective security. When the North Koreans crossed into the south in 1950, Thailand was the first country to follow the United States in offering ground troops to the United Nations to meet the invasion. In 1954, when the Southeast Asia Treaty Organization—SEATO—was formed, Thailand was the first country to ratify the treaty, and it has strongly supported the organization ever since.

A final question Dr. Buckhout raises is whether we are not committed to defend the "stability of the Thai military dictatorship" against both an outside military threat and an internal political one. Again, the question is loaded by an oversimplified and inaccurate description of the regime with which we are dealing, and to this extent does a disservice to the type of serious examination of a critical question which Dr. Buckhout and his colleagues are attempting. Of course, our commitment to help Thailand defend its freedom and territorial integrity against a foreign invader is not in question; it is clearly spelled out in the SEATO Treaty and the Rusk-Thanat communique of March 6, 1962. As for an internal political threat to the regime, we have agreed, at the request of the Government of Thailand, to help the country suppress internal terrorism and insurgency which, under external direction and with external support, are striking at its stability and security. Of course, we recognize that a government unable or unwilling to permit the evolution of the political status quo may be extremely vulnerable to internal instability and insurrection. As was pointed out above, however, such a description is not applicable to the present Thai Government, which is scheduling a series of elections and is soon to promulgate a carefully drafted Constitution. In addition, it should be noted that over the last year or two there has been considerable decentralization of authority to Provincial Governors, and active programs have been initiated to train local leaders in self-government at the local level.

The primary objective of both our military and our economic aid to Thailand is to increase the capacity of the Thai to meet the insurgency threat. Since its inception in 1950, the military assistance program has significantly improved the equipment, training, and effectiveness of the Thai Armed Forces; currently, it is designed to help the Thai combat insurgency, maintain their ability to meet a conventional external threat, and train and equip their present and projected force in Vietnam. Our economic aid has helped meet the needs of people in depressed rural areas through the accelerated rural development—ARD—program, which assists the Thai in digging village wells, building roads and small dams, improving agricultural output, and generally contributing to improved rural living standards. In addition, a public safety program has helped train and equip the provincial police in order to enhance rural security, and has helped make the border patrol police into an elite security unit, which is not only combating insurgency in the border regions but also carrying out extensive civic action programs.

It should be stressed that, although our aid has reached substantial levels, the Thai themselves finance most of the counterinsurgency and rural development programs with their own funds, and rightly insist that these must be their programs and under their control. As for our military presence in Thailand, it emphatically does not mean that we are directly involved in fighting insurgency there. Most of our forces are engaged in or supporting operations directed at North Vietnam and Vietcong infiltration, and fewer than 1,500 officers and men are involved in Thai programs, most of them as military instructors and trainers. Despite the New York Times story quoted by Dr. Buckout, none of them is attached to a Thai unit below regimental level, and all are stringently enjoined from accompanying the Thai on antiguerrilla sweeps. For a time, a U.S. helicopter unit was ferrying Thai security and development personnel; this unit was withdrawn in January when Thai helicopters and pilots took over the job. The insurgency is a Thai problem which they wish and expect to resolve themselves with our help but not with our participation. Our people on the spot are convinced that they can do it.

To sum up, the risk of ever-increasing American involvement which Dr. Buckout's article has conjured up simply does not accord with the facts. Thailand is not Vietnam: it possesses powerful forces for unity and stability which Vietnam has not yet developed; it faces a level of insurgency far lower than that already prevailing in South Vietnam long before the United States became significantly involved; it is governed by an effective regime which, if not popularly elected, enjoys wide support and respect; and it is proudly determined to put its own house in order and take care itself of preserving its freedom. There is good reason to believe that, with continued selective help from us, the Thai Government and people can do just that.

HOUSE OF REPRESENTATIVES

TUESDAY, NOVEMBER 14, 1967

The House met at 11 o'clock a.m.

The Reverend John R. Stanton, rector, St. Stephen's Episcopal Church, Newport News, Va., offered the following prayer:

Almighty God, who hast given us this good land for our heritage, we humbly beseech Thee that we may always prove ourselves a people mindful of Thy favor and glad to do Thy will. Bless our land with honorable industry, sound learning, and pure manners. Save us from violence, discord, and confusion, from pride and arrogance, and from every evil way. Defend our liberties, and fashion into one united people the multitude brought hither out of many kindreds and tongues. Endue with the spirit of wisdom those to whom in Thy name we entrust the authority of government, that there may be justice and peace at home, and that through obedience to Thy law we may show forth Thy praise among the nations of the earth. In the time of prosperity fill our hearts with thankfulness, and in the day of trouble suffer not our trust in Thee to fail; all of which we ask through Jesus Christ our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 10595. An act to prohibit certain banks and savings and loan associations from fostering or participating in gambling activities.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1552. An act to amend the Highway Safety Act of 1966.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 320. An act to authorize the Secretary of the Army to release certain use restrictions on a tract of land in the State of North Carolina in order that such land may be used in connection with a proposed water supply lake, and for other purposes;

S. 633. An act to promote the foreign policy of the United States by strengthening and improving the Foreign Service personnel system of the U.S. Information Agency through establishment of a Foreign Service Information Officer Corps; and

S. 2428. An act to authorize the Secretary of the Army to convey to the State of Washington certain lands in the counties of Yakima and Kittitas, Wash., in exchange for certain other lands, and for other purposes.

RHODESIA

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, last week the Government of little Rhodesia, its head figuratively bloody but unbowed, observed the second anniversary of its declaration of independence from British rule.

For 2 long years the British Government, inexplicably joined by the President of the United States, has boycotted the anti-Communist government of Rhodesia in a brutal attempt to destroy it. The boycott has failed because the governments of South Africa and Portugal have refused to support it and the proud Rhodesians have refused to bend the knee to their persecutors in London and Washington.

Meanwhile the thoroughly unscrupulous British traders-for-profit blithely go their way helping supply the Communists of North Vietnam and Cuba's Communist Castro while British warships are used to intercept cargoes bound for Rhodesia. And President Johnson blinks at this international immorality.

Perhaps those who voted against my amendment last Wednesday to the foreign aid bill, which would have cut off all trade with nations helping supply those whose chief business is the killing of Americans, would like to explain to the public why President Johnson on one hand joins in persecuting a nation that is arrayed against communism and on the other perfidiously supports the British who, for a profit, treacherously support the Communist conspiracy and the enemies of the United States.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 382]

Anderson, Ill.
Andrews, Ala.
Annunzio
Ashley
Aspinall
Bell
Broomfield
Brown, Mich.
Button
Clawson, Del
Conte
Dorn
Everett
Foley
Fountain
Giaimo
Green, Oreg.
Harsha
Hathaway
Heckler, Mass.
Herlong
Laird
McClory
McEwen
MacGregor
Martin
Mathias, Calif.
Mathias, Md.
Moss
Multer
Poage
Purcell
Railsback
Reinecke
Resnick
Rhodes, Ariz.
Rivers
St. Onge
Scherle
Steed
Stephens
Ullman
Utt
Vander Jagt
Williams, Miss.
Willis

The SPEAKER. On this rollcall 384 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THE LATE GEN. BRUNO A. HOCHMUTH, U.S. MARINE CORPS

Mr. VAN DEERLIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. VAN DEERLIN. Mr. Speaker, the death in Vietnam this morning of Maj. Gen. Bruno A. Hochmuth is a stunning blow to both the Marine Corps and my own city of San Diego.

Early radio reports indicate General Hochmuth was killed when his helicopter exploded in flight. It is still not clear whether the explosion was caused by a malfunction or by sabotage.

In San Diego, General Hochmuth is well remembered for his outstanding community services while he commanded the Marine Corps Recruit Depot from November 1963 until February of this year.

His interest in the local Red Cross chapter was typical.

Although a two-star general with important and time-consuming command responsibilities, he never missed a meeting of the Red Cross Board. He would not take the easy way out and send an aide, and instead always attended personally.

General Hochmuth was involved in many other community and civic activities during his 39 months as commanding general of the Recruit Depot. He was truly one of San Diego's most valuable citizens.

He lent his personal support to the United Community Services drive.

He opened up the Recruit Depot to numerous San Diego groups, thus strengthening the ties between the military installation and the surrounding civilian community.

In the words of Bill Quirk, a former president of the San Diego Chamber of Commerce, General Hochmuth was "one of the most outstanding commanders we ever had" in San Diego.

I share that sentiment precisely.

Over the years there have been many outstanding military officers assigned to San Diego, a vital center of Navy and Marine Corps strength.

But few have rivaled Bruno Hochmuth as a leader of men both on and off the base.

On behalf of the community he served so well, I extend deepest sympathies to his widow, Mary, and to his daughters, Mary Lynn and Joan Elizabeth.

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. VAN DEERLIN. I yield to the gentleman from North Carolina.

Mr. WHITENER. Mr. Speaker, I join the gentleman in expressing regret at the passing of Gen. Bruno A. Hochmuth, whom I had the pleasure of visiting in April of this year in Vietnam. He was an outstanding officer, and our country has sustained a great loss in his passing.

We can ill afford the loss of the great man who has been taken from us. We can find comfort in the realization that General Hochmuth was where he wanted to be at the time of his misfortune—in Vietnam defending the principles for which his country stands. He sought the assignment to Vietnam because he realized that he could best serve us all in putting into action the vast ability that he had. For that dedicated attitude I express my gratitude to our fallen marine friend.

To his grieving family I express my heartfelt sentiments of profound sympathy in their personal loss of such a great kinsman.

Mr. CORMAN. Mr. Speaker, will the gentleman yield?

Mr. VAN DEERLIN. I yield to my colleague from California.

Mr. CORMAN. Mr. Speaker, I would like to join the gentleman from California [Mr. Van Deerlin] in paying respect to the memory of Gen. Bruno A. Hochmuth. I visited General Hochmuth in the 3d Division last April. He had the respect of his fellow officers and the confidence and affection of all of his men. He was indeed a fine officer.

Notwithstanding the very strenuous combat duties that he was performing at that time, he nevertheless took the time to offer his personal assistance and attention to an orphanage in Vietnam that was sponsored by the International Orphans, Inc. He was a man of high professional ability and a great humanitarian.

Mr. STRATTON. Mr. Speaker, will the gentleman yield?

Mr. VAN DEERLIN. I yield to the gentleman from New York.

Mr. STRATTON. Mr. Speaker, I want to join the gentleman from California [Mr. Van Deerlin] in paying my deep respects to the memory of Gen. Bruno A. Hochmuth and to extend my deepest sympathy to his loved ones.

Mr. Speaker, I also had the pleasure of visiting with General Hochmuth last April in Vietnam as a member of a delegation under the leadership of the gentleman from Pennsylvania [Mr. Byrne] and the distinguished gentleman from Indiana [Mr. Halleck].

General Hochmuth took us over the demilitarized zone and over the same area where he apparently was shot down yesterday. He displayed in our presence the same kind of courage and determination that is in the highest tradition of the Marine Corps, and which we found deeply impressive.

Mr. Speaker, perhaps the best tribute we as a people can render to the memory of Gen. Bruno A. Hochmuth would be to unite in support of the brave Marines whom General Hochmuth led with such courage and such ability. They deeply believe in the cause for which they are fighting and they will long miss, as we will, General Hochmuth's firm and inspired field leadership.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. VAN DEERLIN. I yield to the gentleman from Indiana.

Mr. HALLECK. Mr. Speaker, it was my privilege to be in Vietnam along with the gentleman from New York [Mr. Stratton], who just addressed the House, on a visit as a member of a subcommittee of the House of Representatives. On that occasion I rode in an armed helicopter over a considerable part of the area just below the demilitarized zone.

I must say that General Hochmuth impressed me tremendously as a great soldier, a dedicated American, and an able leader. His death is a tragic loss. But I am sure that all who met him and who came to know him recognize the great leadership that our country has in our magnificent Marine Corps, in our Navy and in all of our armed services.

General Hochmuth was doing a terrific job, working with his whole heart with the men under his command. He shall certainly be missed.

Mr. BOB WILSON. Mr. Speaker, will the gentleman yield?

Mr. VAN DEERLIN. I yield to the gentleman from California.

Mr. BOB WILSON. Mr. Speaker, I join my colleague from San Diego in expressing my extreme regret in the passing of Gen. Bruno A. Hochmuth.

Mr. Speaker, the Nation and particularly the people of San Diego were shocked at the news received today of the untimely death of Marine Maj. Gen. Bruno A. Hochmuth in a helicopter crash in Vietnam.

Bruno Hochmuth was a beloved first citizen of San Diego, where he served on three different occasions during his distinguished career.

One of his first assignments was with the 2d Battalion of the 6th Marines in San Diego in 1936. Six months later he was sent to Shanghai, China, where he served 2½ years with the 4th Marines.

During World War II, he fought in the campaigns at Saipan and Tinian as assistant operations officer and later took command of the 3d Battalion of the 4th Marines in the Okinawa campaign. For his meritorious service during the assault on Okinawa, he was awarded the Legion of Merit with Combat "V." As executive officer of the 4th Marines, he made the initial landing on Japan on August 29, 1945, and on September 2 of the same year attended the formal surrender ceremony at Yokosuka.

Bruno Hochmuth had a distinguished career as a Marine officer. His numerous decorations included the Legion of Merit, the Navy Commendation Medal, and the Presidential Unit Citation.

General Hochmuth returned to San Diego for the second time in 1957 where he served 2 years as chief of staff at the Marine Corps Recruit Depot. In 1963, he became commanding general of the depot and besides running an outstanding base delved into the civic activities of our community. He served on the board of directors of the United Community Fund, Navy Relief Society, YMCA, the USO, the Salvation Army, and the San Diego Symphony Association.

General Hochmuth was a real man, a real marine, and a real hero. The Nation is bereaved at his passing, and I feel a distinct personal loss as well. I join his many friends in extending sincere condolences to his wife, Mary Elizabeth, and their two daughters.

Mr. CONABLE. Mr. Speaker, will the gentleman yield?

Mr. VAN DEERLIN. I yield to the gentleman from New York.

Mr. CONABLE. Mr. Speaker, I share in the sorrow of our country at the passing of a fine general and leader, Gen. Bruno C. Hochmuth. I did not know the general personally, but in many years of Marine Corps reserve activity and active service in two wars I have heard his name mentioned repeatedly, first as a strong junior officer and later as one of the corps' finest leaders. The Marine Corps has a great tradition, and the nucleus of that tradition are men like General Hochmuth. We depend on men like him to bear our burdens in wartime and to keep our country strong in times of tranquillity. His tragic death, reported in the papers today, tells us again that violence does not respect rank and that all the fine Americans serving in Vietnam share risks we here can only suspect. We owe this man, and others like him, all the gratitude and support a free country can give, realizing that they risk all in our cause. It is too late for gratitude to General Hochmuth, but his division continues its work in the pattern of his leadership and his example. These boys deserve the support of a determined and united nation, and I am sure this support is all the tribute the general would have wanted.

Mr. BYRNE of Pennsylvania. Mr. Speaker, will the gentleman yield?

Mr. VAN DEERLIN. I yield to the gentleman from Pennsylvania.

Mr. BYRNE of Pennsylvania. Mr. Speaker, I would like to associate myself with the remarks made by the gentleman from California [Mr. Van Deerlin]. As chairman of the Subcommittee on Military Constructon I went to Vietnam last March, accompanied by the gentleman from Indiana [Mr. HALLECK] and other Members of the House.

I too wish to say that Gen. Bruno A. Hochmuth was one of the finest men I met on that trip. He answered all of our questions, and went out of his way to be helpful. The gentleman from Indiana [Mr. HALLECK] and I rode over the demilitarized zone with the general, and on every question we had he was there to answer them.

Mr. Speaker, I too extend my deepest sympathy to his wife, Mary, and his children.

Mr. HAGAN. Mr. Speaker, will the gentleman yield?

Mr. VAN DEERLIN. I yield to the gentleman.

Mr. HAGAN. Mr. Speaker, I also want to express my appreciation to the gentleman from California for this fine tribute to a great general and I join in the remarks made by our chairman on the trip last spring, the gentleman from Pennsylvania [Mr. BYRNE].

I share with my colleagues deep regret and sadness at the loss of another great military leader of our country. General Hochmuth was indeed one of our finest.

Mr. TEAGUE of Texas. Mr. Speaker, I was saddened indeed this morning as I know a lot of others were, when I learned of the unfortunate death of Maj. Gen. Bruno Hochmuth of the U.S. Marine Corps, in Vietnam. General Hochmuth was a graduate of the Texas A. & M. University, College Station, Tex., and was a personal friend of mine of some 35 years. He is one of four Texas A. & M. graduates serving as general officers in the U.S. Marine Corps.

Earlier this year, I had the pleasure of spending a whole day with General Hochmuth along the DMZ in South Vietnam. We visited among his troops at Camp Carroll, Conthien, Hill 881, and Hill 861. It was quite evident to me that all of his men in these places of danger shared in the high esteem which General Hochmuth was held by his superiors such as General Cushman, General Walt, and General Westmoreland. During a brief talk I had with one of his headquarters sergeants, I was told that their headquarters had been hit by rockets and completely destroyed. General Hochmuth had been wounded, but refused medical attention in order that the records would not show his wounds. This was done, the sergeant told me, because he had convinced his wife that he was not in any danger.

America has lost a great military leader, a good marine, but more than that a patriotic American.

GENERAL LEAVE TO EXTEND REMARKS

Mr. VAN DEERLIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the late General Bruno A. Hochmuth.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

THE LATE GEN. BRUNO A. HOCHMUTH

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, it is at a moment like this when we have lost a man who had leadership of a very rare kind that one needs words to carry one over.

I want to give you what I have given you many times, these words based on a translation from the Bhagavad-Gita:

BHAGAVAD-GITA (SONG CELESTIAL)

Never the spirit was born; the spirit shall
cease to be never;
Never was time it was not; End and Beginning
are dreams!
Birthless and deathless and changeless remaineth the spirit for ever;
Death hath not touched it at all, dead though
the house of it seems! . . .

Nay, but as when one layeth
His worn-out robes away,
And, taking new ones, sayeth
"These will I wear today!"
So putteth by the spirit
Lightly its garb of flesh,
And passeth to inherit
A residence afresh.

Mr. Speaker, I think these words are particularly suitable today, because we do not know that that was the moment he should go. We do know he has not gone far.

CLEAN AIR ACT—CONFERENCE REPORT

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the bill (S. 780) to amend the Clean Air Act to authorize planning grants to air pollution control agencies, expand research provisions relating to fuels and vehicles, provide for interstate air pollution control agencies or commissions, authorize the establishment of air quality standards, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 916)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 780) to amend the Clean Air Act to authorize planning grants to air pollution control agencies, expand research provisions relating to fuels and vehicles, provide for interstate air pollution control agencies or commissions, authorize the establishment of air quality standards, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Air Quality Act of 1967".

SEC. 2. The Clean Air Act, as amended (42 U.S.C. 1857–1857l), is hereby amended to read as follows:

"TITLE I—AIR POLLUTION PREVENTION AND CONTROL

"FINDINGS AND PURPOSES

"SEC. 101. (a) The Congress finds—

"(1) that the predominant part of the Nation's population is located in its rapidly expanding metropolitan and other urban areas, which generally cross the boundary lines of local jurisdictions and often extend into two or more States;

"(2) that the growth in the amount and complexity of air pollution brought about by urbanization, industrial development, and the increasing use of motor vehicles, has resulted in mounting dangers to the public health and welfare, including injury to agricultural crops and livestock, damage to and the deterioration of property, and hazards to air and ground transportation;

"(3) that the prevention and control of air pollution at its source is the primary responsibility of States and local governments; and

"(4) that Federal financial assistance and leadership is essential for the development of cooperative Federal, State, regional, and local programs to prevent and control air pollution.

"(b) The purposes of this title are—

"(1) to protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population;

"(2) to initiate and accelerate a national research and development program to achieve the prevention and control of air pollution;

"(3) to provide technical and financial assistance to State and local governments in connection with the development and execution of their air pollution prevention and control programs; and

"(4) to encourage and assist the development and operation of regional air pollution control programs.

"COOPERATIVE ACTIVITIES AND UNIFORM LAWS

"SEC. 102. (a) The Secretary shall encourage cooperative activities by the States and local governments for the prevention and control of air pollution; encourage the enactment of improved and, so far as practicable in the light of varying conditions and needs, uniform State and local laws relating to the prevention and control of air pollution; and encourage the making of agreements and compacts between States for the prevention and control of air pollution.

"(b) The Secretary shall cooperate with and encourage cooperative activities by all Federal departments and agencies having functions relating to the prevention and control of air pollution, so as to assure the utilization in the Federal air pollution control program of all appropriate and available facilities and resources within the Federal Government.

"(c) The consent of the Congress is hereby given to two or more States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, for (1) cooperative effort and mutual assistance for the prevention and control of air pollution and the enforcement of their respective laws relating thereto, and (2) the establishment of such agencies, joint or otherwise, as they may deem desirable for making effective such agreements or compacts. No such agreement or compact shall be binding or obligatory upon any State a party thereto unless and until it has been approved by Congress. It is the intent of Congress that no agreement or compact entered into between States after the date of enactment of the Air Quality Act of 1967, which relates to the control and abatement of air pollution in an air quality control region, shall provide for participation by a State which is not included (in whole or in part) in such air quality control region.

"RESEARCH, INVESTIGATIONS, TRAINING, AND OTHER ACTIVITIES

"SEC. 103. (a) The Secretary shall establish a national research and development program for the prevention and control of air pollution and as part of such program shall—

"(1) conduct, and promote the coordination and acceleration of, research, investigations, experiments, training, demonstrations, surveys, and studies relating to the causes, effects, extent, prevention, and control of air pollution;

"(2) encourage, cooperate with, and render technical services and provide financial assistance to air pollution control agencies and other appropriate public or private agencies, institutions, and organizations, and individuals in the conduct of such activities;

"(3) conduct investigations and research and make surveys concerning any specific problem of air pollution in cooperation with any air pollution control agency with a view to recommending a solution of such problem, if he is requested to do so by such agency or if, in his judgment, such problem may affect any community or communities in a State other than that in which the source of the matter causing or contributing to the pollution is located;

"(4) establish technical advisory committees composed of recognized experts in various aspects of air pollution to assist in the examination and evaluation of research progress and proposals and to avoid duplication of research.

"(b) In carrying out the provisions of the preceding subsection the Secretary is authorized to—

"(1) collect and make available, through publications and other appropriate means, the results of and other information, including appropriate recommendations by him in connection therewith, pertaining to such research and other activities;

"(2) cooperate with other Federal departments and agencies, with air pollution control agencies, with other public and private agencies, institutions, and organizations, and with any industries involved, in the preparation and conduct of such research and other activities;

"(3) make grants to air pollution control agencies, to other public or nonprofit private agencies, institutions, and organizations, and to individuals, for purposes stated in subsection (a) (1) of this section;

"(4) contract with public or private agencies, institutions, and organizations, and with individuals, without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5);

"(5) provide training for, and make training grants to, personnel of air pollution control agencies and other persons with suitable qualifications;

"(6) establish and maintain research fellowships, in the Department of Health, Education, and Welfare and at public or nonprofit private educational institutions or research organizations;

"(7) collect and disseminate, in cooperation with other Federal departments and agencies, and with other public or private agencies, institutions, and organizations having related responsibilities, basic data on chemical, physical, and biological effects of varying air quality and other information pertaining to air pollution and the prevention and control thereof; and

"(8) develop effective and practical processes, methods, and prototype devices for the prevention or control of air pollution.

"(c) In carrying out the provisions of subsection (a) of this section the Secretary shall conduct research on, and survey the results of other scientific studies on, the harmful effects on the health or welfare of persons by the various known air pollution agents (or combinations of agents).

"(d) The Secretary is authorized to construct such facilities and staff and equip them as he determines to be necessary to carry out his functions under this Act.

"(e) If, in the judgment of the Secretary, an air pollution problem of substantial significance may result from discharge or discharges into the atmosphere, he may call a conference concerning this potential air pollution problem to be held in or near one or more of the places were such discharge or discharges are occurring or will occur. All interested persons shall be given an opportunity to be heard at such conference, either orally or in writing, and shall be permitted to appear in person or by representative in accordance with procedures prescribed by the Secretary. If the Secretary finds, on the basis of the evidence presented at such conference, that the discharge or discharges if permitted to take place or continue are likely to cause or contribute to air pollution subject to abatement under section 108(a), he shall send such findings, together with recommendations concerning the measures which he finds reasonable and suitable to prevent such pollution, to the person or persons whose actions will result in the discharge or discharges involved; to air pollution agencies of the State or States and of the municipality or municipalities where such discharge or discharges will originate; and to the interstate air pollution control agency, if any, in the jurisdictional area of which any such municipality is located. Such findings and recommendations shall be advisory only, but shall be admitted together with the record of the conference, as part of the proceedings under subsections (d), (e), and (f) of section 108.

"RESEARCH RELATING TO FUELS AND VEHICLES

"SEC. 104. (a) The Secretary shall give special emphasis to research and development into new and improved methods, having industrywide application, for the prevention and control of air pollution resulting from the combustion of fuels. In furtherance of such research and development he shall—

"(1) conduct and accelerate research programs directed toward development of improved, low-cost techniques for control of combustion byproducts of fuels, for removal of potential pollutants from fuels, and for control of emissions from evaporation of fuels;

"(2) provide for Federal grants to public or nonprofit agencies, institutions, and organizations and to individuals, and contracts with public or private agencies, institutions, or persons, for payment of (A) part of the cost of acquiring, constructing, or otherwise securing, for research and development purposes, new or improved devices or methods having industrywide application of preventing or controlling discharges into the air of various types of pollutants; and (B) carrying out the other provisions of this section, without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5): *Provided*, That research or demonstration contracts awarded pursuant to this subsection (including contracts for construction) may be made in accordance with, and subject to the limitations provided with respect to research contracts of the military departments in, section 2353 of title 10, United States Code, except that the determination, approval, and certification required thereby shall be made by the Secretary: *Provided further*, That no grant may be made under this paragraph in excess of $1,500,000;

"(3) determine, by laboratory and pilot plant testing, the results of air pollution research and studies in order to develop new or improved processes and plant designs to the point where they can be demonstrated on a large and practical scale;

"(4) construct, operate, and maintain, or assist in meeting the cost of the construction, operation, and maintenance of new or improved demonstration plants or processes which have promise of accomplishing the purposes of this Act;

"(5) study new or improved methods for the recovery and marketing of commercially valuable byproducts resulting from the removal of pollutants.

"(b) In carrying out the provisions of this section, the Secretary may—

"(1) conduct and accelerate research and development of low-cost instrumentation techniques to facilitate determination of quantity and quality of air pollutant emissions, including, but not limited to, automotive emissions;

"(2) utilize, on a reimbursable basis, the facilities of existing Federal scientific laboratories;

"(3) establish and operate necessary facilities and test sites at which to carry on the research, testing, development, and programing necessary to effectuate the purposes of this section;

"(4) to acquire secret processes, technical data, inventions, patent applications, patents, licenses, and an interest in lands, plants, and facilities, and other property or rights by purchase, license, lease, or donation; and

"(5) cause on-site inspections to be made of promising domestic and foreign projects, and cooperate and participate in their development in instances in which the purposes of the Act will be served thereby.

"(c) For the purposes of this section there are authorized to be appropriated for the fiscal year ending June 30, 1968, $35,000,000, and for the fiscal year ending June 30, 1969, $90,000,000. Amounts appropriated pursuant to this subsection shall remain available until expended.

"GRANTS FOR SUPPORT OF AIR POLLUTION PLANNING AND CONTROL PROGRAMS

"SEC. 105. (a) (1) The Secretary is authorized to make grants to air pollution control agencies in an amount up to two-thirds of the cost of planning, developing, establishing, or improving, and grants to such agencies in an amount up to one-half of the cost of maintaining, programs for the prevention and control of air pollution and programs for the implementation of air quality standards authorized by this Act: *Provided*, That the Secretary is authorized to make grants to air pollution control agencies within the meaning of sections 302(b) (2) and 302(b) (4) in an amount up to three-fourths of the cost of planning, developing, establishing, or improving and up to three-fifths of the cost of maintaining regional air quality control programs. As used in this subsection the term 'regional air quality control program' means a program for the prevention and control of air pollution or the implementation of air quality standards programs as authorized by this Act, in an area that includes the areas of two or more municipalities whether in the same or different States.

"(2) Before approving any grant under this subsection to any air pollution control agency within the meaning of sections 302 (b) (2) and 302(b) (4), the Secretary shall receive assurances that such agency provides for adequate representation of appropriate State, interstate, local, and (when appropriate) international, interests in the air quality control region.

"(3) Before approving any planning grant under this subsection to any air pollution control agency within the meaning of sections 302(b) (2) and 302(b) (4), the Secretary shall receive assurances that such agency has the capability of developing a comprehensive air quality plan for the air quality control region, which plan shall include (when appropriate) a recommended system of alerts to avert and reduce the risk of situations in which there may be imminent and serious danger to the public health or welfare from air pollutants and the various aspects relevant to the establishment of air quality standards for such air quality control region, including the concentration of industries, other commercial establishments, population and naturally occurring factors which shall affect such standards.

"(b) From the sums available for the purposes of subsection (a) of this section for any fiscal year, the Secretary shall from time to time make grants to air pollution control agencies upon such terms and conditions as the Secretary may find necessary to carry out the purpose of this section. In establishing regulations for the granting of such funds the Secretary shall, so far as practicable, give due consideration to (1) the population, (2) the extent of the actual or potential air pollution problem, and (3) the financial need of the respective agencies. No agency shall receive any grant under this section during any fiscal year when its expenditures of non-Federal funds for other than nonrecurrent expenditures for air pollution control programs will be less than its expenditures were for such programs during the preceding fiscal year; and no agency shall receive any grant under this section with respect to the maintenance of a program for the prevention and control of air pollution unless the Secretary is satisfied that such grant will be so used as to supplement and, to the extent practicable, increase the level of State, local, or other non-Federal funds that would in the absence of such grant be made available for the maintenance of such program, and will in no event supplant such State, local, or other non-Federal funds. No grant shall be made under this section until the Secretary has consulted with the appropriate official as designated by the Governor or Governors of the State or States affected.

"(c) Not more than 10 per centum of the total of funds appropriated or allocated for the purposes of subsection (a) of this section shall be granted for air pollution control programs in any one State. In the case of a grant for a program in an area crossing State boundaries, the Secretary shall determine the portion of such grant that is chargeable to the percentage limitation under this subsection for each State into which such area extends.

"INTERSTATE AIR QUALITY AGENCIES OR COMMISSIONS

"SEC. 106. (a) For the purpose of expediting the establishment of air quality standards in an interstate air quality control region designated pursuant to section 107(a) (2), the Secretary is authorized to pay, for two years, up to 100 per centum of the air quality planning program costs of any agency designated by the Governors of the affected States, which agency shall be capable of recommending to the Governors standards of air quality and plans for implementation thereof and shall include representation from the States and appropriate political subdivisions within the air quality control region. After the initial two-year period the Secretary is authorized to make grants to such agency in an amount up to three-fourths of the air quality planning program costs of such agency.

"(b) (1) Whenever the Secretary deems it necessary to expedite the establishment of standards for an interstate air quality control region designated pursuant to section 107(a) (2) he may, after consultation with the Governors of the affected States, designate or establish an air quality planning commission for the purpose of developing recommended regulations setting forth standards of air quality to be applicable to such air quality control region.

"(2) Such Commission shall consist of the Secretary or his designee who shall serve as Chairman, and adequate representation of appropriate State, interstate, local and (when appropriate), international, interests in the designated air quality control region.

"(3) The Secretary shall, within available funds, provide such staff for such Commission as may be necessary to enable it to carry out its functions effectively, and shall pay the other expenses of the Commission; and may also accept for the use by such Commission, funds, property, or services contributed by the State involved or political subdivisions thereof.

"(4) Each appointee from a State, other than an official or employee thereof, or of any political subdivision thereof, shall, while engaged in the work of the Commission, receive compensation at a rate fixed by the Secretary, but not in excess of $100 per diem, including traveltime, and while away from his home or regular place of business, he may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 3109) for persons in the Government service employed intermittently.

"AIR QUALITY CONTROL REGIONS, CRITERIA, AND CONTROL TECHNIQUES

"SEC. 107. (a) (1) The Secretary shall, as soon as practicable, but not later than one year after the date of enactment of the Air Quality Act of 1967, define for the purposes of this Act, atmospheric areas of the Nation on the basis of those conditions, including, but not limited to, climate, meteorology, and topography, which affect the interchange and diffusion of pollutants in the atmosphere.

"(2) For the purpose of establishing ambient air quality standards pursuant to section 108, and for administrative and other purposes, the Secretary, after consultation with appropriate State and local authorities shall, to the extent feasible, within 18 months after the date of enactment of the Air Quality Act of 1967 designate air quality control regions based on jurisdictional boundaries, urban-industrial concentrations, and other factors including atmospheric areas necessary to provide adequate implementation of air quality standards. The Secretary may from time to time thereafter, as he determines necessary to protect the public health and welfare and after consultation with appropriate State and local authorities, revise the designation of such regions and designate additional air quality control regions. The Secretary shall immediately notify the Governor or Governors of the affected State or States of such designation.

"(b) (1) The Secretary shall, after consultation with appropriate advisory committees and Federal departments and agencies, from time to time, but as soon as practicable, develop and issue to the States such criteria of air quality as in his judgment may be requisite for the protection of the public health and welfare: *Provided,* That any criteria issued prior to enactment of this section shall be reevaluated in accordance with the consultation procedure and other provisions of this section and, if necessary, modified and reissued. Such issuance shall be announced in the Federal Register and copies shall be made available to the general public.

"(2) Such criteria shall accurately reflect the latest scientific knowledge useful in indicating the kind and extent of all indentifiable effects on health and welfare which may be expected from the presence of an air pollution agent, or combination of agents in the ambient air, in varying quantities.

"(3) Such criteria shall include those variable factors which of themselves or in combination with other factors may alter the effects on public health and welfare of any subject agent or combination of agents, including, but not limited to, atmospheric conditions, and the types of air pollution agent or agents which, when present in the atmosphere, may interact with such subject agent or agents, to produce an adverse effect on public health and welfare.

"(c) The Secretary shall, after consultation with appropriate advisory committees and Federal departments and agencies, issue to the States and appropriate air pollution control agencies information on those recommended pollution control techniques the application of which is necessary to achieve levels of air quality set forth in criteria issued pursuant to subsection (b), including those criteria subject to the proviso in subsection (b) (1), which information shall include technical data relating to the technology and costs of emission control. Such recommendations shall include such data as are available on the latest available technology and economic feasibility of alternative methods of prevention and control of air contamination including cost-effectiveness analyses. Such issuance shall be announced in the Federal Register and copies shall be made available to the general public.

"(d) The Secretary shall, from time to time, revise and reissue material issued pursuant to subsections (b) and (c) in accordance with procedures established in such subsections.

"AIR QUALITY STANDARDS AND ABATEMENT OF AIR POLLUTION

"SEC. 108. (a) The pollution of the air in any State or States which endangers the health or welfare of any persons, shall be subject to abatement as provided in this section.

"(b) Consistent with the policy declaration of this title, municipal, State, and interstate action to abate air pollution shall be encouraged and shall not be displaced by Federal enforcement action except as otherwise provided by or pursuant to a court order under subsection (c), (h), or (k).

"(c) (1) If, after receiving any air quality criteria and recommended control techniques issued pursuant to section 107, the Governor of a State, within ninety days of such receipt, files a letter of intent that such State will within one hundred and eighty days, and from time to time thereafter, adopt, after public hearings, ambient air quality standards applicable to any designated air quality control region or portions thereof within such State and within one hundred and eighty days thereafter, and from time to time as may be necessary, adopts a plan for the implementation, maintenance, and enforcement of such standards of air quality adopted, and if such standards and plan are established in accordance with the letter of intent and if the Secretary determines that such State standards are consistent with the air quality criteria and recommended control techniques issued pursuant to section 107; that the plan is consistent with the purposes of the Act insofar as it assures achieving such standards of air quality within a reasonable time; and that a means of enforcement by State action, including authority comparable to that in subsection (k) of this section, is provided, such State standards and plan shall be the air quality standards applicable to such State. If the Secretary determines that any revised State standards and plan are consistent with the purposes of this Act and this subsection, such standards and plan shall be the air quality standards applicable to such State.

"(2) If a State does not (A) file a letter of intent or (B) establish air quality standards in accordance with paragraph (1) of this subsection with respect to any air quality control region or portion thereof and if the Secretary finds it necessary to achieve the purpose of this Act, or the Governor of any State affected by air quality standards established pursuant to this subsection petitions for a revision in such standards, the Secretary may after reasonable notice and a conference of representatives of appropriate Federal departments and agencies, interstate agencies, States, municipalities, and industries involved, prepare regulations setting forth standards of air quality consistent with the air quality criteria and recommended control techniques issued pursuant to section 107 to be applicable to such air quality control region or portions thereof. If, within six months from the date the Secretary publishes such regulations, the State has not adopted air quality standards found by the Secretary to be consistent with the purposes of this Act, or a petition for public hearing has not been filed under paragraph (3) of this subsection, the Secretary shall promulgate such standards.

"(3) If at any time prior to thirty days after standards have been promulgated under paragraph (2) of this subsection, the Governor of any State affected by such standards petitions the Secretary for a hearing, the Secretary shall call a public hearing for the purpose of receiving testimony from State and local pollution control agencies and other interested parties affected by the proposed standards, to be held in or near one or more of the places where the air quality standards will take effect, before a hearing board of five or more persons appointed by the Secretary. Each State which would be affected by such standards shall be given an opportunity to select a member of the hearing board. Each Federal department, agency, or instrumentality having a substantial interest in the subject matter as determined by the Secretary shall be given an opportunity to select one member of the hearing board and not less than a majority of the hearing board shall be persons other than officers or employees of the Department of Health, Education, and Welfare. The members of the board who are not officers or employees of the United States, while participating in the hearing conducted by such hearing board or otherwise engaged in the work of such hearing board, shall be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding $100 per diem, including traveltime, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703, title 5, of the United States Code for persons in the Government service employed intermittently. At least thirty days prior to the date of such hearing notice of such hearing shall be published in the Federal Register and given to parties notified of the conference required in paragraph (2) of this subsection. On the basis of the evidence presented at such hearing, the hearing board shall within ninety days unless the Secretary determines a longer period is necessary, but in no event longer than one hundred and eighty days, make findings as to whether the standards published or promulgated by the Secretary should be approved or modified and transmit its findings to the Secretary. If the hearing board approves the standards as published or promulgated by the Secretary, the standards shall take effect on receipt by the Secretary of the hearing board's recommendations. If the hearing board recommends modifications in the standards as published or promulgated by the Secretary, the Secretary shall promulgate revised regulations setting forth standards of air quality in accordance with the hearing board's recommendations which will become effective immediately upon promulgation.

"(4) Whenever, on the basis of surveys, studies and reports, the Secretary finds that the ambient air quality of any air quality control region or portion thereof is below the air quality standards established under this subsection, and he finds that such lowered air quality results from the failure of a State to take reasonable action to enforce such standards, the Secretary shall notify the affected State or States, persons contributing to the alleged violation, and other interested parties of the violation of such standards. If such failure does not cease within one hundred and eighty days from the date of the Secretary's notification, the Secretary—

"(i) in the case of pollution of air which is endangering the health or welfare of persons in a State other than that in which the discharge or discharges (causing or contributing to such pollution) originate, may request the Attorney General to bring a suit on behalf of the United States in the appropriate United States district court to secure abatement of the pollution.

"(ii) in the case of pollution of air which is endangering the health or welfare of persons only in the State in which the discharge or discharges (causing or contributing to such pollution) originate, at the request of the Governor of such State, shall provide such technical and other assistance as in his judgment is necessary to assist the State in judicial proceedings to secure abatement of the pollution under State or local law, or, at the request of the Governor of such State, shall request the Attorney General to bring suit on behalf of the United States in the appropriate United States district court to secure abatement of the pollution.

In any suit brought under the provisions of this subsection the court shall receive in evidence a transcript of the proceedings of the hearing provided for in this subsection, together with the recommendations of the hearing board and the recommendations and standards promulgated by the Secretary, and such additional evidence, including that relating to the alleged violation of the standards, as it deems necessary to complete review of the standards and to determination of all other issues relating to the alleged violation. The court, giving due consideration to the practicability and to the technological and economic feasibility of complying with such standards shall have jurisdiction to enter such judgment and orders enforcing such judgment as the public interest and the equities of the case may require.

"(5) In connection with any hearings under this section no witness or any other person shall be required to divulge trade secrets or secret processes.

"(6) Nothing in this subsection shall prevent the application of this section to any case to which subsection (a) of this section would be otherwise applicable.

"(d)(1)(A) Whenever requested by the Governor of any State, a State air pollution control agency, or (with the concurrence of the Governor and the State air pollution control agency for the State in which the municipality is situated) the governing body of any municipality, the Secretary shall, if such request refers to air pollution which is alleged to endanger the health or welfare of persons in a State other than that in which the discharge or discharges (causing or contributing to such pollution) originate, give formal notification thereof to the air pollution control agency of the municipality where such discharge or discharges originate, to the air pollution control agency of the State in which such municipality is located, and to the interstate air pollution control agency, if any, in whose jurisdictional area such municipality is located, and shall call promptly a conference of such agency or agencies and of the air pollution control agencies of the municipalities which may be adversely affected by such pollution, and the air pollution control agency, if any, of each State, or for each area, in which any such municipality is located.

"(B) Whenever requested by the Governor of any State, a State air pollution control agency, or (with the concurrence of the Governor and the State air pollution control agency for the State in which the municipality is situated) the governing body of any municipality, the Secretary shall, if such request refers to alleged air pollution which is endangering the health or welfare of persons only in the State in which the discharge or discharges (causing or contributing to such pollution) originate and if a municipality affected by such air pollution, or the municipality in which such pollution originates, has either made or concurred in such request, give formal notification thereof to the State air pollution control agency, to the air pollution control agencies of the municipality where such discharge or discharges originate, and of the municipality or municipalities alleged to be adversely affected thereby, and to any interstate air pollution control agency, whose jurisdictional area includes any such municipality and shall promptly call a conference of such agency or agencies, unless in the judgment of the Secretary, the effect of such pollution is not of such significance as to warrant exercise of Federal jurisdiction under this section.

"(C) The Secretary may, after consultation with State officials of all affected States, also call such a conference whenever, on the basis of reports, surveys, or studies, he has reason to believe that any pollution referred to in subsection (a) is occurring and is endangering the health and welfare of persons in a State other than that in which the discharge or discharges originate. The Secretary shall invite the cooperation of any municipal, State, or interstate air pollution control agencies having jurisdiction in the affected area on any surveys or studies forming the basis of conference action.

"(D) Whenever the Secretary, upon receipt of reports, surveys, or studies from any duly constituted international agency, has reason to believe that any pollution referred to in subsection (a) which endangers the health or welfare of persons in a foreign country is occurring, or whenever the Secretary of State requests him to do so with respect to such pollution which the Secretary of State alleges is of such a nature, the Secretary of Health, Education, and Welfare shall give formal notification thereof to the air pollution control agency of the municipality where such discharge or discharges originate, to the air pollution control agency of the State in which such municipality is located, and to the interstate air pollution control agency, if any, in the jurisdictional area of which such municipality is located, and shall call promptly a conference of such agency or agencies. The Secretary shall invite the foreign country which may be adversely affected by the pollution to attend and participate in the conference, and the representative of such country shall, for the purpose of the conference and any further proceeding resulting from such conference, have all the rights of a State air pollution control agency. This subparagraph shall apply only to a foreign country which the Secretary determines has given the United States essentially the same rights with respect to the prevention or control of air pollution occurring in that country as is given that country by this subparagraph.

"(2) The agencies called to attend such conference may bring such persons as they desire to the conference. The Secretary shall deliver to such agencies and make available to other interested parties, at least thirty days prior to any such conference, a Federal report with respect to the matters before the conference, including data and conclusions or findings (if any); and shall give at least thirty days' prior notice of the conference date to any such agency, and to the public by publication on at least three different days in a newspaper or newspapers of general circulation in the area. The chairman of the conference shall give interested parties an opportunity to present their views to the conference with respect to such Federal report, conclusions or findings (if any), and other pertinent information. The Secretary shall provide that a transcript be maintained of the proceedings of the conference and that a copy of such transcript be made available on request of any participant in the conference at the expense of such participant.

"(3) Following this conference, the Secretary shall prepare and forward to all air pollution control agencies attending the conference a summary of conference discussions including (A) occurrence of air pollution subject to abatement under this Act; (B) adequacy of measures taken toward abatement of the pollution; and (C) nature of delays, if any, being encountered in abating the pollution.

"(e) If the Secretary believes, upon the conclusion of the conference or thereafter, that effective progress toward abatement of such pollution is not being made and that the health or welfare of any persons is being endangered, he shall recommend to the appropriate State, interstate, or municipal air pollution control agency (or to all such agencies) that the necessary remedial action be taken. The Secretary shall allow at least six months from the date he makes such recommendations for the taking of such recommended action.

"(f) (1) If, at the conclusion of the period so allowed, such remedial action or other action which in the judgment of the Secretary is reasonably calculated to secure abatement of such pollution has not been taken, the Secretary shall call a public hearing, to be held in or near one or more of the places where the discharge or discharges causing or contributing to such pollution originated, before a hearing board of five or more persons appointed by the Secretary. Each State in which any discharge causing or contributing to such pollution originates and each State claiming to be adversely affected by such pollution shall be given an opportunity to select one member of such hearing board and each Federal department, agency, or instrumentality having a substantial interest in the subject matter as determined by the Secretary shall be given an opportunity to select one member of such hearing board, and one member shall be a representative of the appropriate interstate air pollution agency if one exists, and not less than a majority of such hearing board shall be persons other than officers or employees of the Department of Health, Education, and Welfare. At least three weeks' prior notice of such hearing shall be given to the State, interstate, and municipal air pollution control agencies called to attend such hearing and to the alleged polluter or polluters. All interested parties shall be given a reasonable opportunity to present evidence to such hearing board.

"(2) On the basis of evidence presented at such hearing, the hearing board shall make findings as to whether pollution referred to in subsection (a) is occurring and whether effective progress toward abatement thereof is being made. If the hearing board finds such pollution is occurring and effective progress toward abatement thereof is not being made it shall make recommendations to the Secretary concerning the measures, if any, which it finds to be reasonable and suitable to secure abatement of such pollution.

"(3) The Secretary shall send such findings and recommendations to the person or persons discharging any matter causing or contributing to such pollution; to air pollution control agencies of the State or States and of the municipality or municipalities where such discharge or discharges originate; and to any interstate air pollution control agency whose jurisdictional area includes any such municipality, together with a notice specifying a reasonable time (not less than six months) to secure abatement of such pollution.

"(g) If action reasonably calculated to secure abatement of the pollution within the time specified in the notice following the public hearing is not taken, the Secretary—

"(1) in the case of pollution of air which is endangering the health or welfare of persons (A) in a State other than that in which the discharge or discharges (causing or contributing to such pollution) originate, or (B) in a foreign country which has participated in a conference called under subparagraph (D) of subsection (d) of this section and in all proceedings under this section resulting from such conference, may request the Attorney General to bring a suit on behalf of the United States in the appropriate United States district court to secure abatement of the pollution.

"(2) in the case of pollution of air which is endangering the health or welfare of persons only in the State in which the discharge or discharges (causing or contributing to such pollution) originate, at the request of the Governor of such State, shall provide such technical and other assistance as in his judgment is necessary to assist the State in judicial proceedings to secure abatement of the pollution under State or local law or, at the request of the Governor of such State, shall request the Attorney General to bring suit on behalf of the United States in the appropriate United States district court to secure abatement of the pollution.

"(h) The court shall receive in evidence in any suit brought in a United States court under subsection (g) of this section a transcript of the proceedings before the board and a copy of the board's recommendations and shall receive such further evidence as the court in its discretion deems proper. The court, giving due consideration to the practicability of complying with such standards as may be applicable and to the physical and economic feasibility of securing abatement of any pollution proved, shall have jurisdiction to enter such judgment, and orders enforcing such judgment, as the public interest and the equities of the case may require.

"(i) Members of any hearing board appointed pursuant to subsection (f) who are not regular full-time officers or employees of the United States shall, while participating in the hearing conducted by such board or otherwise engaged on the work of such board, be entitled to receive compensation at a rate fixed by the Secretary, but not exceeding $100 per diem, including traveltime, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law (5 U.S.C. 73b-2) for persons in the Government service employed intermittently.

"(j) (1) In connection with any conference called under this section, the Secretary is authorized to require any person whose activities result in the emission of air pollutants causing or contributing to air pollution to file with him, in such form as he may prescribe, a report, based on existing data, furnishing to the Secretary such information as may reasonably be required as to the character, kind, and quantity of pollutants discharged and the use of devices or other means to prevent or reduce the emission of pollutants by the person filing such a report. After a conference has been held with respect to any such pollution the Secretary shall require such reports from the person whose activities result in such pollution only to the extent recommended by such conference. Such report shall be made under oath or otherwise, as the Secretary may prescribe, and shall be filed with the Secretary within such reasonable period as the Secretary may prescribe, unless additional time be granted by the Secretary. No person shall be required in such report to divulge trade secrets or secret processes and all information reported shall be considered confidential for the purposes of section 1905 of title 18 of the United States Code.

"(2) If any person required to file any report under this subsection shall fail to do so within the time fixed by the Secretary for filing the same, and such failure shall continue for thirty days after notice of such default, such person shall forfeit to the United States the sum of $100 for each and every day of the continuance of such failure, which forfeiture shall be payable into the Treasury of the United States, and shall be recoverable in a civil suit in the name of the United States brought in the district where such person has his principal office or in any district in which he does business: *Provided*, That the Secretary may upon application therefor remit or mitigate any forfeiture provided for under this subsection and he shall have authority to determine the facts upon all such applications.

"(3) It shall be the duty of the various United States attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of such forfeitures.

"(k) Notwithstanding any other provision of this section, the Secretary, upon receipt of evidence that a particular pollution source or combination of sources (including moving sources) is presenting an imminent and substantial endangerment to the health of persons, and finding that appropriate State or local authorities have not acted to abate such sources, may request the Attorney General to bring suit on behalf of the United States in the appropriate United States district court to immediately enjoin any contributor to the alleged pollution to stop the emission of contaminants causing such pollution or to take such other action as may be necessary.

"STANDARDS TO ACHIEVE HIGHER LEVEL OF AIR QUALITY

"SEC. 109. Nothing in this title shall prevent a State, political subdivision, intermunicipal or interstate agency from adopting standards and plans to implement an air quality program which will achieve a higher level of ambient air quality than approved by the Secretary.

"PRESIDENT'S AIR QUALITY ADVISORY BOARD AND ADVISORY COMMITTEES

"SEC. 110. (a) (1) There is hereby established in the Department of Health, Education, and Welfare an Air Quality Advisory Board, composed of the Secretary or his designee, who shall be Chairman, and fifteen members appointed by the President, none of whom shall be Federal officers or employees. The appointed members, having due regard for the purposes of this Act, shall be selected from among representatives of various State, interstate, and local governmental agencies, of public or private interests contributing to, affected by, or concerned with air pollution, and of other public and private agencies, organizations, or groups demonstrating an active interest in the field of air pollution prevention and control, as well as other individuals who are expert in this field.

"(2) Each member appointed by the President shall hold office for a term of three years, except that (A) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (B) the terms of office of the members first taking office pursuant to this subsection shall expire as follows: five at the end of one year after the date of appointment, five at the end of two years after such date, and five at the end of three year after such date, as designated by the President at the time of appointment, and (C) the term of any member under the preceding provisions shall be extended until the date on which his successor's appointment is effective. None of the members shall be eligible for reappointment within one year after the end of his preceding term, unless such term was for less than three years.

"(b) The Board shall advise and consult with the Secretary on matters of policy relating to the activities and functions of the Secretary under this Act and make such recommendations as it deems necessary to the President.

"(c) Such clerical and technical assistance as may be necessary to discharge the duties of the Board and such other advisory committees as hereinafter authorized shall be provided from the personnel of the Department of Health, Education, and Welfare.

"(d) In order to obtain assistance in the development and implementation of the purposes of this Act including air quality criteria, recommended control techniques, standards, research and development, and to encourage the continued efforts on the part of industry to improve air quality and to develop economically feasible methods for the control and abatement of air pollution, the Secretary shall from time to time establish advisory committees. Committee members shall include, but not be limited to, persons who are knowledgeable concerning air quality from the standpoint of health, welfare, economics, or technology.

"(e) The members of the Board and other advisory committees appointed pursuant to this Act who are not officers or employees of the United States while attending conferences or meetings of the Board or while otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate to be fixed by the Secretary, but not exceeding $100 per diem, including traveltime, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5 of the United States Code for persons in the Government service employed intermittently.

"COOPERATION BY FEDERAL AGENCIES TO CONTROL AIR POLLUTION FROM FEDERAL FACILITIES

"SEC. 111. (a) It is hereby declared to be the intent of Congress that any Federal department or agency having jurisdiction over any building, installation, or other property shall, to the extent practicable and consistent with the interest of the United States and within any available appropriations, cooperate with the Department of Health, Education, and Welfare and with any air pollution control agency in preventing and controlling the pollution of the air in any area insofar as the discharge of any matter from or by such building, installation, or other property may cause or contribute to pollution of the air in such area.

"(b) In order to control air pollution which may endanger the health or welfare of any persons, the Secretary may establish classes of potential pollution sources for which any Federal department or agency having jurisdiction over any building, installation, or other property shall, before discharging any matter into the air of the United States, obtain a permit from the Secretary for such discharge, such permits to be issued for a specified period of time to be determined by the Secretary and subject to revocation if the Secretary finds pollution is endangering the health and welfare of any persons. In connection with the issuance of such permits, there shall be submitted to the Secretary such plans, specifications, and other information as he deems relevant thereto and under such conditions as he may prescribe. The Secretary shall report each January to the Congress the status of such permits and compliance therewith.

"TITLE II—NATIONAL EMISSION STANDARDS ACT

"SHORT TITLE

"SEC. 201. This title may be cited as the 'National Emission Standards Act'.

"ESTABLISHMENT OF STANDARDS

"SEC. 202. (a) The Secretary shall by regulation, giving appropriate consideration to technological feasibility and economic costs, prescribe as soon as practicable standards, applicable to the emission of any kind of substance, from any class or classes of new motor vehicles or new motor vehicle engines, which in his judgment cause or contribute to, or are likely to cause or to contribute to, air pollution which endangers the health or welfare of any persons, and such standards shall apply to such vehicles or engines whether they are designed as complete systems or incorporate other devices to prevent or control such pollution.

"(b) Any regulations initially prescribed under this section, and amendments thereto, with respect to any class of new motor vehicles or new motor vehicle engines shall become effective on the effective date specified in the order promulgating such regulations which date shall be determined by the Secretary after consideration of the period reasonably necessary for industry compliance.

"PROHIBITED ACTS

"SEC. 203. (a) the following acts and the causing thereof are prohibited—

"(1) in the case of a manufacturer of new motor vehicles or new motor vehicle engines for distribution in commerce, the manufacture for sale, the sale, or the offering for sale, or the introduction or delivery for introduction into commerce, or the importation into the United States for sale or resale, of any new motor vehicle or new motor vehicle engine, manufactured after the effective date of regulations under this title which are applicable to such vehicle or engine unless it is in conformity with regulations prescribed under this title (except as provided in subsection (b));

"(2) for any person to fail or refuse to permit access to or copying of records or to fail to make reports or provide information, required under section 207; or

"(3) for any person to remove or render inoperative any device or element of design installed on or in a motor vehicle or motor vehicle engine in compliance with regulations under this title prior to its sale and delivery to the ultimate purchaser.

"(b)(1) The Secretary may exempt any new motor vehicle or new motor vehicle engine, or class thereof, from subsection (a), upon such terms and conditions as he may find necessary to protect the public health or welfare, for the purpose of research, investigations, studies, demonstrations, or training, or for reasons of national security.

"(2) A new motor vehicle or new motor vehicle engine offered for importation by a manufacturer in violation of subsection (a) shall be refused admission into the United States, but the Secretary of the Treasury and the Secretary of Health, Education, and Welfare may, by joint regulation, provide for deferring final determination as to admission and authorizing the delivery of such a motor vehicle or engine offered for import to the owner or consignee thereof upon such terms and conditions (including the furnishing of a bond) as may appear to them appropriate to insure that any such motor vehicle or engine will be brought into conformity with the standards, requirements, and limitations applicable to it under this title. The Secretary of the Treasury shall, if a motor vehicle or engine is finally refused admission under this paragraph, cause disposition thereof in accordance with the customs laws unless it is exported, under regulations prescribed by such Secretary, within ninety days of the date of notice of such refusal or such additional time as may be permitted pursuant to such regulations, except that disposition in accordance with the customs laws may not be made in such manner as may result, directly or indirectly, in the sale, to the ultimate consumer, of a new motor vehicle or new motor vehicle engine that fails to comply with applicable standards of the Secretary of Health, Education, and Welfare under this title.

"(3) A new motor vehicle or new motor vehicle engine intended solely for export, and so labeled or tagged on the outside of the container and on the vehicle or engine itself, shall not be subject to the provisions of subsection (a).

"INJUNCTION PROCEEDINGS

"SEC. 204. (a) The district courts of the United States shall have jurisdiction to restrain violations of paragraph (1), (2), or (3) of section 203(a).

"(b) Actions to restrain such violations shall be brought by and in the name of the United States. In any such action, subpenas for witnesses who are required to attend a district court in any district may run into any other district.

"PENALTIES

"SEC. 205. Any person who violates paragraph (1), (2), or (3) of section 203(a) shall be subject to a fine of not more than $1,000. Such violation with respect to sections 203 (a)(1) and 203(a)(3) shall constitute a separate offense with respect to each new motor vehicle or new motor vehicle engine.

"CERTIFICATION

"SEC. 206. (a) Upon application of the manufacturer, the Secretary shall test, or require to be tested, in such manner as he deems appropriate, any new motor vehicle or new motor vehicle engine submitted by such manufacturer to determine whether such vehicle or engine conforms with the regulations prescribed under section 202 of this title. If such vehicle or engine conforms to such regulations the Secretary shall issue a certificate of conformity, upon such terms, and for such period not less than one year, as he may prescribe.

"(b) Any new motor vehicle or any motor vehicle engine sold by such manufacturer which is in all material respects substantially the same construction as the test vehicle or engine for which a certificate has been issued under subsection (a), shall for the purposes of this Act be deemed to be in conformity with the regulations issued under section 202 of this title.

"RECORDS AND REPORTS

"SEC. 207. (a) Every manufacturer shall establish and maintain such records, make such reports, and provide such information as the Secretary may reasonably require to enable him to determine whether such manufacturer has acted or is acting in compliance with this title and regulations thereunder and shall, upon request of an officer or employee duly designated by the Secretary, permit such officer or employee at reasonable times to have access to and copy such records.

"(b) All information reported or otherwise obtained by the Secretary or his representative pursuant to subsection (a), which information contains or relates to a trade secret or other matter referred to in section 1905 of title 18 of the United States Code, shall be considered confidential for the purpose of such section 1905, except that such information may be disclosed to other officers or employees concerned with carrying out this Act or when relevant in any proceeding under this Act. Nothing in this section shall authorize the withholding of information by the Secretary or any officer or employee under his control, from the duly authorized committees of the Congress.

"STATE STANDARDS

"SEC. 208. (a) No State or any political subdivision thereof shall adopt or attempt to enforce any standard relating to the control of emissions from new motor vehicles or new motor vehicle engines subject to this title. No State shall require certification, inspection, or any other approval relating to the control of emissions from any new motor vehicle or new motor vehicle engine as condition precedent to the initial retail sale, titling (if any), or registration of such motor vehicle, motor vehicle engine, or equipment.

"(b) The Secretary shall, after notice and opportunity for public hearing, waive application of this section to any State which has adopted standards (other than crankcase emission standards) for the control of emissions from new motor vehicles or new motor vehicle engines prior to March 30, 1966, unless he finds that such State does not require standards more stringent than applicable Federal standards to meet compelling and extraordinary conditions or that such State standards and accompanying enforcement procedures are not consistent with section 202(a) of this title.

"(c) Nothing in this title shall preclude or deny to any State or political subdivision thereof the right otherwise to control, regulate, or restrict the use, operation, or movement of registered or licensed motor vehicles.

"FEDERAL ASSISTANCE IN DEVELOPING VEHICLE INSPECTION PROGRAMS

"SEC. 209. The Secretary is authorized to make grants to appropriate State air pollution control agencies in an amount up to two-thirds of the cost of developing meaningful uniform motor vehicle emission device inspection and emission testing programs except that (1) no grant shall be made for any part of any State vehicle inspection program which does not directly relate to the cost of the air pollution control aspects of such a program; and (2) no such grant shall be made unless the Secretary of Transportation has certified to the Secretary that such program is consistent with any highway safety program developed pursuant to section 402 of title 23 of the United States Code.

"REGISTRATION OF FUEL ADDITIVES

"SEC. 210. (a) The Secretary may by regulation designate any fuel or fuels (including fuels used for purposes other than motor vehicles), and after such date or dates as may be prescribed by him, no manufacturer or processor of any such fuel may deliver any such fuel for introduction into interstate commerce or to another person who, it can reasonably be expected, will deliver such fuel for such introduction unless the manufacturer of such fuel has provided the Secretary with the information required under subsection (b)(1) of this section and unless any additive contained in such fuel has been registered with the Secretary in accordance with subsection (b)(2) of this Section.

"(b) For the purposes of this section the Secretary shall require (1) the manufacturer of such fuel to notify him as to the commercial identifying name and manufacturer of any additive contained in such fuel; the range of concentration of such additive or additives in the fuel; and the purpose in the use of such additive; and (2) the manufacturer of any such additive to notify him as to the chemical composition of such additive or additives as indicated by compliance with clause (1) above, the recommended range of concentration of such additive, if any, the recommended purpose in the use of such additive, and to the extent such information is available or becomes available, the chemical structure of such additive or additives. Upon compliance with clauses (1) and (2), including assurances that any change in the above information will be provided to the Secretary, the Secretary shall register such fuel additive.

"(c) All information reported or otherwise obtained by the Secretary or his representative pursuant to subsection (b), which information contains or relates to a trade secret or other matter referred to in section 1905 of title 18 of the United States Code, shall be considered confidential for the purpose of such section 1905, except that such information may be disclosed to other officers or employees of the United States concerned with carrying out this Act or when relevant in any proceeding under this title. Nothing in this section shall authorize the withholding of information by the Secretary or any officer or employee under his control, from the duly authorized committees of the Congress.

"(d) Any person who violates subsection (a) shall forfeit and pay to the United States a civil penalty of $1,000 for each and every day of the continuance of such violation, which shall accrue to the United States and be recovered in a civil suit in the name of the United States, brought in the district where such person has his principal office or in any district in which he does business. The Secretary may, upon application therefor, remit or mitigate any forfeiture provided for in this subsection, and he shall have authority to determine the facts upon all such applications.

"(e) It shall be the duty of the various United States attorneys, under the direction of the Attorney General of the United States, to prosecute for the recovery of such forfeitures.

"NATIONAL EMISSIONS STANDARDS STUDY

"SEC. 211. (a) The Secretary shall submit to the Congress, no later than two years after the effective date of this section, a comprehensive report on the need for and effect of national emission standards for stationary sources. Such report shall include: (A) information regarding identifiable health and welfare effects from single emission sources; (B) examples of specific plants, their location, and the contaminant or contaminants which, due to the amount or nature of emissions from such facilities, constitute a danger to public health or welfare; (C) an up-to-date list of those industries and the contaminant or contaminants which, in his opinion, should be subject to such national standards; (D) the relationship of such national emission standards to ambient air quality, including a camparison of situations wherein several plants emit the same contaminants in an air region with those in which only one such plant exists; (E) an analysis of the cost of applying such standards; and (F) such other information as may be appropriate.

"(b) The Secretary shall conduct a full and complete investigation and study of the feasibility and practicability of controlling emissions from jet and piston aircraft engines and of establishing national emission standards with respect thereto, and report to Congress the results of such study and investigation within one year from the date of enactment of the Air Quality Act of 1967, together with his recommendations.

"DEFINITIONS FOR TITLE II

"SEC. 212. As used in this title—

"(1) The term 'manufacturer' as used in sections 203, 206, 207, and 208 means any person engaged in the manufacturing or assembling of new motor vehicles or new motor vehicle engines, or importing such vehicles or engines for resale, or who acts for and is under the control of any such person in connection with the distribution of new motor vehicles or new motor vehicle engines, but shall not include any dealer with respect to new motor vehicles or new motor vehicle engines received by him in commerce.

"(2) The term 'motor vehicle' means any self-propelled vehicle designed for transporting persons or property on a street or highway.

"(3) The term 'new motor vehicle' means a motor vehicle the equitable or legal title to which has never been transferred to an ultimate purchaser; and the term 'new motor vehicle engine' means an engine in a new motor vehicle or a motor vehicle engine the equitable or legal title to which has never been transferred to the ultimate purchaser.

"(4) The term 'dealer' means any person who is engaged in the sale or the distribution of new motor vehicles or new motor vehicle engines to the ultimate purchaser.

"(5) The term 'ultimate purchaser' means, with respect to any new motor vehicle or new motor vehicle engine, the first person who in good faith purchases such new motor vehicle or new engine for purposes other than resale.

"(6) The term 'commerce' means (A) commerce between any place in any State and any place outside thereof; and (B) commerce wholly within the District of Columbia.

"TITLE III—GENERAL

"ADMINISTRATION

"SEC. 301. (a) The Secretary is authorized to prescribe such regulations as are necessary to carry out his functions under this Act. The Secretary may delegate to any officer or employee of the Department of Health, Education, and Welfare such of his powers and duties under this Act, except the making of regulations, as he may deem necessary or expedient.

"(b) Upon the request of an air pollution control agency, personnel of the Public Health Service may be detailed to such agency for the purpose of carrying out the provisions of this Act. The provisions of section 214(d) of the Public Health Service Act shall be applicable with respect to any personnel so detailed to the same extent as if such personnel had been detailed under section 214(b) of that Act.

"(c) Payments under grants made under this Act may be made in installments, and in advance or by way of reimbursement, as may be determined by the Secretary.

"DEFINITIONS

"SEC. 302. When used in this Act—

"(a) The term 'Secretary' means the Secretary of Health, Education, and Welfare.

"(b) The term 'air pollution control agency' means any of the following:

"(1) A single State agency designated by the Governor of that State as the official State air pollution control agency for purposes of this Act;

"(2) An agency established by two or more States and having substantial powers or duties pertaining to the prevention and control of air pollution;

"(3) A city, county, or other local government health authority, or, in the case of any city, county, or other local government in which there is an agency other than the health authority charged with responsibility for enforcing ordinances or laws relating to the prevention and control of air pollution, such other agency; or

"(4) An agency of two or more municipalities located in the same State or in different States and having substantial powers or duties pertaining to the prevention and control of air pollution.

"(c) The term 'interstate air pollution control agency' means—

"(1) an air pollution control agency established by two or more States, or

"(2) an air pollution control agency of two or more municipalities located in different States.

"(d) The term 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

"(e) The term 'person' includes an individual, corporation, partnership, association, State, municipality, and political subdivision of a State.

"(f) The term 'municipality' means a city, town, borough, county, parish, district, or other public body created by or pursuant to State law.

"(g) All language referring to adverse effects on welfare shall include but not be limited to injury to agricultural crops and livestock, damage to and the deterioration of property, and hazards to transportation.

"OTHER AUTHORITY NOT AFFECTED

"SEC. 303. (a) Except as provided in subsection (b) of this section, this Act shall not be construed as superseding or limiting the authorities and responsibilities, under any other provison of law, of the Secretary or any other Federal officer, department, or agency.

"(b) No appropriation shall be authorized or made under section 301, 311, or 314 of the Public Health Service Act for any fiscal year after the fiscal year ending June 30, 1964, for any purpose for which appropriations may be made under authority of this Act.

"RECORDS AND AUDIT

"SEC. 304. (a) Each recipient of assistance under this Act shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(b) The Secretary of Health, Education, and Welfare and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examinations to any books, documents, papers, and records of the recipients that are pertinent to the grants received under this Act.

"COMPREHENSIVE ECONOMIC COST STUDIES

"SEC. 305. (a) In order to provide the basis for evaluating programs authorized by this Act and the development of new programs and to furnish the Congress with the information necessary for authorization of appropriations by fiscal years beginning after June 30, 1969, the Secretary, in cooperation with State, interstate, and local air pollution control agencies, shall make a detailed estimate of the cost of carrying out the provisions of this Act; a comprehensive study of the cost of program implementation by affected units of government; and a comprehensive study of the economic impact of air quality standards on the Nation's industries, communities, and other contributing sources of pollution, including an analysis of the national requirements for and the cost of controlling emissions to attain such standards of air quality as may be established pursuant to this Act or applicable State law. The Secretary shall submit such detailed estimate and the results of such comprehensive study of cost for the five-year period beginning July 1, 1969, and the results of such other studies, to the Congress not later than January 10, 1969, and shall submit a reevaluation of such estimate and studies annually thereafter.

"(b) The Secretary shall also make a complete investigation and study to determine (1) the need for additional trained State and local personnel to carry out programs assisted pursuant to this Act and other programs for the same purpose as this Act; (2) means of using existing Federal training programs to train such personnel; and (3) the need for additional trained personnel to develop, operate and maintain those pollution control facilities designed and installed to implement air quality standards. He shall report the results of such investigation and study to the President and the Congress not later than July 1, 1969.

"ADDITIONAL REPORTS TO CONGRESS

"SEC. 306. Not later than six months after the effective date of this section and not later than January 10 of each calendar year beginning after such date, the Secretary shall report to the Congress on measures taken toward implementing the purpose and intent of this Act including but not limited to, (1) the progress and problems associated with control of automotive exhaust emissions and the research efforts related thereto; (2) the development of air quality criteria and recommended emission control requirements; (3) the status of enforcement actions taken pursuant to this Act; (4) the status of State ambient air standards setting, including such plans for implementation and enforcement as have been developed; (5) the extent of development and expansion of air pollution monitoring systems; (6) progress and problems related to development of new and improved control techniques; (7) the development of quantitative and qualitative instrumentation to monitor emissions and air quality; (8) standards set or under consideration pursuant to title II of this Act; (9) the status of State, interstate, and local pollution control programs established pursuant to and assisted by this Act; and (10) the reports and recommendations made by the President's Air Quality Advisory Board.

"LABOR STANDARDS

"SEC. 307. The Secretary shall take such action as may be necessary to insure that all laborers and mechanics employed by contractors or subcontractors on projects assisted under this Act shall be paid wages at rates not less than those prevailing for the same type of work on similar construction in the locality as determined by the Secretary of Labor, in accordance with the Act of March 3, 1931, as amended, known as the Davis-Bacon Act (46 Stat. 1494; 40 U.S.C. 276a—276a–5). The Secretary of Labor shall have, with respect to the labor standards specified in this subsection, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267) and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948; 40 U.S.C. 276c).

"SEPARABILITY

"SEC. 308. If any provision of this Act, or the application of any provision of this Act to any person or circumstance, is held invalid, the application of such provision to other persons or circumstances, and the remainder of this Act, shall not be affected thereby.

"APPROPRIATIONS

"SEC. 309. There are hereby authorized to be appropriated to carry out this Act, other than sections 103(d) and 104, $74,000,000 for the fiscal year ending June 30, 1968, $95,000,000 for the fiscal year ending June 30, 1969, and $134,300,000 for the fiscal year ending June 30, 1970.

"SHORT TITLE

"SEC. 310. This Act may be cited as the 'Clean Air Act'."

And the House agree to the same.

Harley O. Staggers,
John Jarman,
Paul G. Rogers,
William L. Springer,
Ancher Nelsen,
Managers on the Part of the House.

Edmund S. Muskie,
Jennings Randolph,
Birch Bayh,
J. Caleb Boggs,
John Sherman Cooper,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 780) to amend the Clean Air Act to authorize planning grants to air pollution control agencies, expand research provisions relating to fuels and vehicles, provide for interstate air pollution control agencies or commissions, authorize the establishment of air quality standards, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House amendment strikes out all of the Senate bill after the enacting clause and inserts a substitute. The Senate recedes from its disagreement to the amendment of the House, with an amendment which is a substitute for both the Senate bill and the House amendment. The differences between the House amendment and the substitute agreed to in conference are noted in the following outline, except for technical, clerical, conforming, and clarifying changes.

APPROPRIATION AUTHORIZATIONS

The bill as passed by the Senate authorized appropriations totalling $700 million over a 3-year period, fiscal years 1968 through 1970. The House amendment provided authorizations totalling $428.3 million over the same period. The conference substitute provides the same total authorization as is contained in the House amendment, $428.3 million, but revises the amounts for each of the fiscal years concerned.

The Senate bill authorizes a total of $375 million for research into combustion byproducts of vehicles, with $100 million for fiscal 1968, $125 million for fiscal 1969, and $150 million for fiscal 1970. The House bill contained no authorization specifically earmarked for this program. The conference substitute authorizes $35 million for fiscal 1968 for this program, and $90 million for fiscal 1969, with no authorization for fiscal 1970.

For general operating expenses, other than for research into combustion byproducts, and for facilities construction, the bill as passed by the Senate authorized a total of $325 million, with $75 million authorized for fiscal 1968, $100 million for fiscal 1969, and $150 million for fiscal 1970. The House amendment authorized a total of $428.3 million for all purposes under the Act, other than facilities construction, for the same three fiscal years, with $99 million authorized for fiscal 1968, $145 million for fiscal 1969, and $184.3 million for fiscal 1970.

The conference substitute authorizes appropriations for the same three fiscal years for activities under the Act, other than funds specifically earmarked for combustion byproducts and facilities construction, a total of $303.3 million, with $74 million authorized by fiscal 1968, $95 million for fiscal 1969, and $134.3 million for fiscal 1970.

COMBUSTION BYPRODUCTS RESEARCH

The Senate bill contained a separate section 104 providing specific authorization for research into combustion byproducts of fuels, authorizing the grants and contracts for such research with public or private organizations and institutions, and authorizing specific amounts for this purpose over the 3-year period fiscal 1968 through 1970. The House amendment contained no specific authorization for this program, but would have permitted such research, in the amounts determined by the administration, out of the overall appropriation authorization contained in the amendment.

The conference substitute follows the Senate version, with modifications. The conference substitute provides a separate section authorizing research into combustion byproducts of fuels, but eliminates the portion of the Senate bill which would have authorized grants to private profit-making organizations. Because of the elimination of private profit-making organizations from participating in the grant program contained in the bill, the conferees agreed to the deletion of the provision contained in the Senate bill restricting grants to not to exceed three-fourths of the cost of projects.

As agreed to by the conferees, the new program of specific earmarking of research funds contained in the Senate bill is limited to two years by the conference substitute rather than three years as contained in the Senate bill, and limits the authorization for this program to a total of $125 million for fiscal 1968 and 1969, rather than $375 million for three years as authorized by the Senate.

FUEL ADDITIVES

The Senate bill provided for the registration of fuels containing additives, and required the filing of information concerning additives contained in such fuel. The House version limited the requirements with respect to registration to the additives involved, and provided that the Secretary should make provisions with respect to such additive as in his judgment is necessary to protect trade secrets and is necessary in the interest of national security.

The conference agreement provides that the manufacturer of fuels is required to notify the Secretary as to the name, the range of concentration, and the purpose in use of any additive contained in any fuel delivered in interstate commerce. The additive manufacturer is required to register the additive and to furnish information as to chemical composition, recommended range of concentration, recommended purpose in use, and where available, the chemical structure of such additive. The conference agreement follows the language of the Senate bill with respect to protection of trade secrets, except that information relating to trade secrets may be disclosed only in proceedings under title II of the Act relating to motor fuel emissions, rather than in all proceedings under the Act.

The House conferees feel that the language of the conference agreement with respect to protection of trade secrets, and with respect to registration of fuel additives, are adequate to protect against disclosure of any information which might adversely affect the national security, and cannot be construed to require that the Secretary may require that research be conducted by the manufacturer of such additive relating to health or other effects of such additive as a prerequisite to registration.

AIR QUALITY CONTROL REGIONS; HEARING BOARDS

The House bill provided that air quality control regions must be designated by the Secretary within 18 months after the date of enactment of the bill. The conference substitute provides that to the extent feasible such regions must be established within 18 months, but authorizes the revision of any prior designation, or the establishment of additional regions, after the expiration of such 18 months to the extent the Secretary determines such revision or designation to be necessary to protect the public health and welfare. Such revision or designation may take place only after consultation with appropriate city and local authorities. It is expected that the revision of designated air quality control regions will take place only where necessary to meet changing circumstances, in order to minimize the impact of such revisions on State and local authorities and industries within or outside the designated regions.

The House bill provided that where a State requests a hearing upon air quality standards prescribed by the Secretary in those cases where State action has not provided within the time specified in the Act for such air quality standards, the findings of the hearing board must be issued within 90 days, unless the Secretary determines that a longer period is necessary. The conference substitute follows the language of the House amendment, but provides that the 90-day period may not be extended by the Secretary for more than an additional 3 months.

INTERSTATE COMPACTS

The House amendment proposed to delete a provision of existing law encouraging States to enter into compacts for the control of air pollution, stating that no such compact should become effective until ratified by the Congress. This provision was deleted in the House amendment on the theory that it was unnecessary; however, a number of questions were raised concerning the possible implications of action by the Congress in repealing this section. The managers on the part of the House therefore agreed to reinsert this language into the bill in section 102(c), so that with respect to this language, the substitute restates existing law. The conferees also agreed to the retention of the provision contained in the House amendment stating it to be the intent of the Congress that agreements or compacts hereafter entered into relating to the control and abatement of air pollution in air quality control regions should not provide for participation by States not included (in whole or in part) in such region.

Harley O. Staggers,
John Jarman,
Paul G. Rogers,
William L. Springer,
Ancher Nelsen,
Managers on the Part of the House.

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that the statement of the managers be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, conferees on the part of the House met yesterday with the conferees on the part of the Senate for some 3 hours and worked out what we think is a good bill.

At this time I would like to commend and to thank the House conferees—Mr. Springer, of Illinois, Mr. Nelsen, of Minnesota, Mr. Jarman, of Oklahoma, and Mr. Rogers of Florida—for their hard work in order to bring back to the House a bill as near as possible to the bill which was passed in the House.

I might say to the Members of the House that the bill is quite similar with the bill as passed by the House. There were 17 areas of disagreement between the House and Senate versions of the bill, most of them minor, but we were able to resolve all of the differences in one meeting. All of the conferees shared the common objective we all have—the establishment of a strong and effective program to clean up the Nation's air and we believe that the bill we now have will accomplish that objective.

There were three major areas of disagreement between the House bill and the Senate bill. One related to appropriation authorization, one relating to the earmarking of funds for research into combustion byproducts of fuels and one relating to fuel additive registration.

The Senate bill authorized a total of $700 million over a 3-year period for the control of air pollution, while the House bill provided a total of $428.3 million for the same period. The conference agreement provides the same amount as was contained in the bill passed by the House, $428.3 million; however, there is some revision in the conference agreement in the manner in which these funds are distributed over the 3 years.

The House bill provided appropriations in a lump sum for the entire program under the Clean Air Act; the Senate version, however, provided appropriation authorization for two programs: one for research into combustion byproducts of fuels and the other authorization for other programs under the act.

The Senate bill provided a total of 3 years' authorizations for research into combustion byproducts of fuels, with a total of $375 million authorized for this purpose. Our bill did not contain this specific authorization but lumped this program in with the others. The conference substitute provides for a research program, with funds specifically earmarked just as the Senate version provided; however, we revised the program, and we limited the funds. Instead of a total of $375 million for 3 years, the conference agreed to a total of $125 million over 2 years, and deleted the provision in the Senate bill authorizing grants to profitmaking organizations.

For the remaining programs under the bill, the Senate bill authorized a total of $325 million, and the conference substitute authorizes for this purpose a total of $303.3 million over a 3-year period.

Another area of difference between the Senate and House versions involved the specific earmarking of funds for research into combustion byproducts of fuels. We deleted this provision in the Senate bill on the theory that it was unnecessary. The Senate conferees insisted on the retention of this provision, and I think they made a very good case. They pointed out that the initiative in air pollution legislation has traditionally been with the Congress beginning with the initial air pollution legislation passed in 1954.

This program was initially established at the initiative of the Congress, and except for the last two bills in 1965 and 1966, the air pollution legislation that has become law has originated in the Congress, and not as the result of executive branch communications.

We are retaining congressional initiative in this particular case and determining for ourselves the extent of emphasis that should be given to research in this important area rather than leaving it to administrative discretion.

The other principal area of disagreement between the two bills involved registration of fuel additives. Stated simply, the Senate bill provided for registration of fuels; the House bill provided for registration of additives; the conference substitute provides for registration of additives and the filing of information with respect to fuels containing additives.

We think the bill is essentially the one that passed the House some time ago and recommend that the House agree to the conference report.

I yield to the gentleman from Illinois such time as he might require.

Mr. SPRINGER. Mr. Speaker, I believe the House would first want to know how much money is involved in the conference report. As the bill came over from the Senate it provided $700 million. As finally written by the House Committee on Interstate and Foreign Commerce, and as finally passed in this body, the bill provided $428 million. The bill comes back to you with an authorization for $428 million, exactly as it went from this chamber.

The Senate wanted $500 million as the minimum compromise. It was in this area that most of the discussion took place.

I believe that your conferees adequately represented you in maintaining that this body would not approve more than the figure which you passed here a few days ago. The discussion of this question was rather heated. Two conferees on the part of the other body felt that they could not go below a figure of $500 million. I would estimate that two-thirds of the amount of time spent in the conference was devoted to the question of how much money should go into this program. The conferees from the other body surrendered completely on the question of money.

We rearranged the money slightly, but it does not exceed the figure which went from this body to the conference.

We agreed on support money for a 3-year program. Those who have watched this committee through the years know that we do not go beyond a 3-year program in the House Committee on Interstate and Foreign Commerce. There are 3 years of money supplied for the support of the program.

We did put the research money into 2 years, 1968 and 1969, and we did not provide any research money for the third year, 1970. There was a reason for this. It was because the other body, at the end of the second year, intends to review the program. It is possible that we also may review the program at the end of 2 years, but if we do not there still will be adequate support money for the program for the 3-year period.

I believe this is the major portion of the bill in which we are interested.

There were one or two other compromises. The Senate bill provided for the registration of fuels. The House bill provided for the registration of additives. The conference substitute provides for the registration of additives but for the filing of information with reference to fuels.

On the question of compacts between States, there were many questions asked on that in the House when we considered the bill. The Senate language is restored in that particular instance, and I believe with very good reason.

It was the feeling of our conferees that we won our position almost entirely. I believe, from reading the conference report, Members will find that we did.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

So the $375 million for research will end at the end of 2 years, is that correct?

Mr. SPRINGER. Is the gentleman talking about the extra money the Senate provided?

Mr. GROSS. Yes.

Mr. SPRINGER. That was cut out.

Mr. GROSS. That was cut out?

Mr. SPRINGER. We did not surrender. They did not get it.

Mr. GROSS. How much money for research is there in the bill now?

Mr. SPRINGER. For research now there will be $35 million in 1968 and $90 million in 1969.

Mr. GROSS. I thank the gentleman.

Mr. SPRINGER. Would the gentleman like to have the support money for the years involved?

Mr. GROSS. Yes.

Mr. SPRINGER. The support money for 1968 is $74 million, for 1969 is $95 million, and for 1970 is $134.3 million, which makes a total of $303.3 million for support.

Mr. GROSS. And the bill has been held to the House figure of $428,300,000?

Mr. SPRINGER. Exactly.

Mr. GROSS. I thank the gentleman.

Mr. STAGGERS. Mr. Speaker, I have no further requests for time, and I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

TO PROHIBIT CERTAIN BANKS AND SAVINGS AND LOAN ASSOCIATIONS FROM FOSTERING OR PARTICIPATING IN GAMBLING ACTIVITIES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 10595) to prohibit certain banks and savings and loan associations from fostering or participating in gambling activities, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, lines 1 and 2, strike out "publicize, or keep any record of" and insert "or publicize".

Page 2, line 13, strike out all after "buying," down to and including "way" in line 15 and insert "or selling".

Page 3, after line 8, insert:

"(d) Nothing contained in this section shall prohibit a national bank from acting as agent of a State operating a lottery, or as agent of an officer or employee of such State who is charged with the administration of such lottery, for the purpose of—

"(1) distributing lottery tickets to duly authorized sales agents of such State for sale by them;

"(2) receiving from such sales agents the proceeds of their sales for delivery, payment, or transfer to such State; or

"(3) distributing or paying to winners in such lottery the prizes payable to them by such State."

Page 3, line 9, strike out "(d)" and insert: "(e)".

Page 4, lines 1 and 2, strike out "publicize, or keep any record of" and insert: "or publicize".

Page 4, line 13, strike out all after "buying," down to and including "way" in line 15 and insert: "or selling".

Page 5, after line 8, insert:

"(d) Nothing contained in this section shall prohibit a State member bank from acting as agent of a State operationg a lottery, or as agent of an officer or employee of such State who is charged with the administration of such lottery, for the purpose of—

"(1) distributing lottery tickets to duly authorized sales agents of such State for sale by them;

"(2) receiving from such sales agents the proceeds of their sales for delivery, payment, or transfer to such State; or

"(3) distributing or paying to winners in such lottery the prizes payable to them by such State."

Page 5, line 9, strike out "(d)" and insert: "(e)".

Page 5, line 24, strike out all after "advertise," over to and including "of" where it appears the first time in line 1 on page 6 and insert: "or publicize".

Page 6, line 14, strike out all after "buying," down to and including "way" in line 16 and insert: "or selling".

Page 7, after line 10, insert:

"'(d) Nothing contained in this section shall prohibit a State nonmember insured bank from acting as agent of a State operating a lottery, or as agent of an officer or employee of such State who is charged with the administration of such lottery, for the purpose of—

"'(1) distributing lottery tickets to duly authorized sales agents of such State for sale by them;

"'(2) receiving from such sales agents the proceeds of their sales for delivery, payment, or transfer to such State; or

"'(3) distributing or paying to winners in such lottery the prizes payable to them by such State.'"

Page 7, line 11, strike out "(d)" and insert: "(e)".

Page 7, lines 22 and 23, strike out "publicize, or keep any record of" and insert: "or publicize".

Page 8, line 11, strike out all after "buying," down to and including "way" in line 13 and insert: "or selling".

Page 9, after line 8, insert:

"'(d) Nothing contained in this action shall prohibit an insured institution from acting as agent of a State operating a lottery, or as agent of an officer or employee of such State who is charged with the administration of such lottery, for the purpose of—

"'(1) distributing lottery tickets to duly authorized sales agents of such State for sale by them;

"'(2) receiving from such sales agents the proceeds of their sales for delivery, payment, or transfer to such State; or

"'(3) distributing or paying to winners in such lottery the prizes payable to them by such State.'"

Page 9, line 9, strike out "(d)" and insert: "(e)".

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. GROSS. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Texas if all amendments are germane to the bill as it passed the House. It is difficult to understand what all of these amendments mean. I want to be sure that the amendments that were adopted are germane to the House bill.

Mr. PATMAN. May I proceed for about 2 minutes to explain the bill, and then I will try to answer the questions of the gentleman.

The acceptance of the Senate version of this bill would not destroy the basic thrust of the legislation as passed by the House. We passed the bill in the House in July. It was intended to prevent any national bank or any bank that is insured by the Federal Deposit Insurance Corporation from selling lottery tickets anywhere. That has nothing to do with the lottery law in any State, but it just prohibits Federal agents, in other words, from selling lottery tickets for any State or any political subdivision.

The House passed the bill by quite a

substantial vote of about 71 percent. The Senate took up the bill either last week and debated it again yesterday and passed the bill by a much bigger majority than did the House. There was a vote on a motion to recommit which was defeated by a vote of 56 to 17. Even those who opposed the bill did not ask for a rollcall vote with the statement that the Senate was obviously overwhelmingly in favor of it and a rollcall on its final passage would not be asked for.

The Senate made some amendments to the bill, which are all right as far as I am concerned, because we never intended to cover the areas that the Senate covered in their amendments. Our proposal was just to prohibit the people working for banks that were connected with the Federal Government from selling lottery tickets. That was done for the obvious reason that it is really inconsistent with our traditional practice in the Federal Government to discourage gambling. We encourage thrift and saving instead.

If we were to allow banks to sell lottery tickets, they would have one lottery ticket window and one thrift window. Even people who had pension checks to cash would be placed in the unusual position of getting their checks cashed at the same window where they were asked to buy a lottery ticket. This, of course, just does not make too much sense in the usual banking practice. Now, I do not know of any banks that really want this situation. I just do not know of any. I do not think the banks of any State want to do that. However, under the peculiar situation they were in a position where great pressure was brought to bear on them to do it. The Senate amendment provides that the banks can still carry accounts for people as they have in the past.

You know, there is a lot of gambling going on besides just lotteries. Any gambling institution now can carry an account in a bank and receive a report and statement thereon, just like anyone else.

This law was not intended to stop them from doing that at all. It was only intended to stop the bank itself from permitting its employees to sell lottery tickets. In other words, matters connected with gambling. Personally, I agree with this concept.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

Mrs. SULLIVAN. Mr. Speaker, reserving the right to object, and I shall not object, if the questions which I shall propound to the chairman of the committee can be answered satisfactorily. However, I am not wholly satisfied with what the Senate amendment does.

In my opinion this language will open the door to banks to enter other business than banking business. The language, I think, would permit the banks, possibly, to computerize the lotteries and, perhaps, even selecting the winning numbers of the lottery.

I would like to ask the chairman of the Committee on Banking and Currency if that is the gentleman's opinion?

Mr. PATMAN. Mr. Speaker, if the gentlewoman will yield, it is not contemplated. The manner in which the Members of the other body explained it to me, and as the amendments would indicate to me, as I gather it, I share the views of the distinguished gentlewoman from Missouri that banks should not have an unrelated business. I have been in opposition to that over the past many years as has the distinguished gentlewoman. I share her views entirely.

But, there is nothing in these amendments that would indicate that we would be setting a precedent for the purpose of a bank in the future to be permitted to engage in that kind of operation should they ask us to allow them to do it. This is not a precedentmaking language situation as I understand it.

Mr. Speaker, I assure the distinguished gentlewoman from Missouri that it is not the intent to allow the banks to get into any other unrelated business.

Mrs. SULLIVAN. Mr. Speaker, if the gentleman will yield further, I would like to say for the record that insofar as the handling of the accounts are concerned I can see no objection.

Mr. PATMAN. That is correct.

Mrs. SULLIVAN. But I think there should be in the legislative history the fact that they will not be able to do anything else except handle the accounts with reference to the lottery money.

Mr. PATMAN. I agree thoroughly with the distinguished gentlewoman.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. STRATTON. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

APPOINTMENT OF CONFEREES ON H.R. 2, RESERVE FORCES BILL OF RIGHTS AND VITALIZATION ACT

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2) to amend titles 10, 14, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and clarify the status of the National Guard technicians, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana? The Chair hears none, and appoints the following conferees: Messrs. RIVERS, HÉBERT, HARDY, BATES, and BRAY.

MAKING IN ORDER DISTRICT OF COLUMBIA BUSINESS ON MONDAY, NOVEMBER 20, 1967

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that business in order under clause 8, rule XXIV, shall be in order on Monday, November 20.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HALL. Mr. Speaker, reserving the right to object, would the distinguished majority leader clarify for the Members of the House the intent of this particular request, and this rule?

Mr. ALBERT. Mr. Speaker, in reply to the inquiry of the gentleman from Missouri, District of Columbia business would be made in order by this rule.

Mr. HALL. And it is intended to take up the District of Columbia business on which day?

Mr. ALBERT. On Monday next. It does not displace the regular order of business.

Mr. HALL. It does not displace the regular order of business?

Mr. ALBERT. No, it does not.

Mr. HALL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

OKINAWA "TALKS"

Mr. HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, Prime Minister Sato of Japan was scheduled to talk with President Johnson last afternoon, and among the topics indicated for discussion, was the future status of Okinawa.

While it is a pleasure to have any sovereign nation's Prime Minister as a guest in Washington, I hope the President will not make the same mistake in regard to Okinawa that he has made in regard to Panama. Under no circumstances should the United States consider at this time any change in the status of Okinawa and our sovereignty thereover. Okinawa is a vital bastion of our Pacific defense perimeter, and is a vital and essential cog in our Vietnam supply line. Americans paid a heavy cost in lives in World War II to secure Okinawa from Japanese control, and there is no reason to believe that the inhabitants of these islands would benefit from a return to Japanese control.

The United States has made a tremendous economic investment in Okinawa as evidenced by the bill recently considered by the House and Senate resulting in a compromise $17 million expenditure. There are no doubt many great problems deserving of attention when the President meets with Prime Minister Sato. But the question of sovereignty over Okinawa is not among them.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 383]

Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Annunzio
Ashbrook
Aspinall
Bell
Broomfield
Button
Clawson, Del
Conte
Cowger
Davis, Ga.
de la Garza
Derwinski
Dickinson
Dorn
Everett
Fountain
Fulton, Tenn.
Giaimo
Halpern
Harsha
Heckler, Mass.
Herlong
Howard
Kleppe
Laird
McClory
MacGregor
Martin
Mathias, Calif.
Mathias, Md.
Miller, Calif.
Multer
Myers
Poage
Pool
Purcell
Railsback
Reinecke
Resnick
Rhodes, Ariz.
St. Onge
Scherle
Stafford
Steed
Steiger, Ariz.
Stephens
Thompson, Ga.
Ullman
Utt
Van Deerlin
Vander Jagt
Williams, Miss.
Willis

The SPEAKER. On this rollcall 379 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TO PROHIBIT CERTAIN BANKS AND SAVINGS AND LOAN ASSOCIATIONS FROM FOSTERING OR PARTICIPATING IN GAMBLING ACTIVITIES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10595) to prohibit certain banks and savings and loan associations from fostering or participating in gambling activities, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from Texas?

Mr. STRATTON. Mr. Speaker, reserving the right to object, I objected earlier to the unanimous-consent request that we concur in the Senate amendments.

Mr. Speaker, this is a bad bill. It is an antieducation bill and it is an anti-New York State bill, posing under the guise of morality and in opposition to gambling. I intend to do what I can to delay its enactment into law as long as possible.

Mr. Speaker, as a practical matter, this bill is an attempt to tell the sovereign State of New York and its voters who have adopted this lottery by a referendum election—and I did not support that proposal and my congressional district did not support it, but the people did overwhelmingly support it—to tell the people of New York State that they cannot carry on that lottery and cannot use the funds from that lottery, funds which are being directed toward education in our State. Shall we tell the people of New York they cannot raise money in that way? Shall we tell them that the entire burden will fall upon the shoulders of the taxpayers to raise that money instead from their own pockets? If so that is going to represent quite a problem to our State, and to the children in our schools.

Mr. Speaker, just because the other body has passed it seems to me no reason at all for us in this House to hasten the enactment of this unwise, unfortunate, and highly discriminatory legislation against the voters and the children of New York State.

Therefore, Mr. Speaker, I object.

APPOINTMENT OF CONFEREES ON H.R. 10805, TO EXTEND THE LIFE OF THE CIVIL RIGHTS COMMISSION

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10805) to extend the life of the Civil Rights Commission, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER pro tempore (Mr. ALBERT). Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: Messrs. CELLER, RODINO, ROGERS of Colorado, MCCULLOCH, and BIESTER.

There was no objection.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1967

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 2388) to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act, and for other purposes.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill S. 2388, with Mr. ROONEY of New York in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee arose on yesterday, it had agreed that section 102 of the committee substitute amendment would be considered as read and open to amendment at any point.

Are there any amendments to section 102?

AMENDMENT OFFERED BY MR. DELLENBACK

Mr. DELLENBACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELLENBACK: On page 154, after line 7, strike out everything through line 13 on page 168 and insert:

"SEC. 102. (a) Parts 'C' and 'E' of title I of the Economic Opportunity Act of 1964 are redesignated 'Part F' and 'Part G', respectively; sections 121 through 126 are redesignated respectively as sections 171 through 176, and section 141 is redesignated as section 181, which is amended to read as follows:

" 'SEC. 181. Each of the programs under this title shall be carried out during the fiscal year ending June 30, 1968. From the amounts appropriated for the purposes of carrying out this title in the fiscal year ending June 30, 1968, there is hereby directed to be allocated the sum of $38,500,000 for Part B, the sum of $100,000,000 for Part C (less any amount expended in such year prior to the date of enactment of the Economic Opportunity Amendments of 1967 for the in-school programs authorized under Part B of title I of this Act), the sum of $5,000,000 for Part D, and the sum of $100,000,000 for Part E (less any amount expended in such year prior to the date of enactment of the Economic Opportunity Amendments of 1967 for the out-of-school programs authorized under Part B of title I of this Act), of which $70,000,000 is reserved for carrying out the Industry Youth Corps program authorized under section 163.'

"(b) Parts B and D of title I of such Act are repealed, and replaced by new Parts B, C, D, and E, to read as follows:

" 'PART B—WORK AND TRAINING FOR ADULTS

" 'STATEMENT OF PURPOSE

" 'SEC. 120. The purpose of this part is to provide useful work and training opportunities, together with related services and assistance, that will help unemployed or low-income adults, to obtain and hold regular competitive employment, with maximum opportunities for local initiative in developing programs which respond to local needs and problems, and with emphasis upon a comprehensive approach which includes programs using both public and private resources to overcome the complex problems of the most severely disadvantaged in urban and rural areas having high concentrations or proportions of unemployment, underemployment, and low income.

" 'COMMUNITY PROGRAM AREAS AND COMPREHENSIVE WORK AND TRAINING PROGRAMS

" 'SEC. 121. (a) The Secretary of Labor (hereafter referred to as the "Secretary") shall designate or recognize community program areas for the purpose of planning and conducting comprehensive community work and training programs.

" '(b) The Secretary may provide financial assistance to a community action agency or to a public agency or private organization to carry out one or more component programs.

" '(c) The Secretary shall prescribe regulations to assure that programs under this part have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

" 'ELIGIBLE ACTIVITIES

" 'SEC. 122. (a) The Secretary may provide financial assistance in urban and rural areas for comprehensive work and training programs or components of such programs, including the following:

" '(1) special programs which involve work activities directed to the needs of those chronically unemployed poor who have poor employment prospects and are unable, because of age, lack of employment opportunity, or otherwise, to secure appropriate employment or training assistance under other programs, and which, in addition to other services provided, will enable such persons to participate in projects for the betterment or beautification of the community or area served by the program, including without limitation activities which will contribute to the management, conservation, or development of natural resources, recreational areas, Federal, State, and local government parks, highways, and other lands;

" '(2) special programs which provide unemployed or low-income persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or area served in fields including without limitation health, education, welfare, neighborhood redevelopment, and public safety, which provide maximum prospects for advancement and continued employment without Federal assistance, which give promise of contributing to the broader adoption of new methods of structuring jobs and new methods of providing job ladder opportunities, and which provide opportunities for further occupational training to facilitate career advancement;

" '(3) special programs which concentrate work and training resources in urban and rural areas having large concentrations or proportions of low-income, unemployed persons, and within those rural areas having substantial outmigration to urban areas, which are appropriately focused to assure that work and training opportunities are extended to the most severely disadvantaged persons who can reasonably be expected to benefit from such opportunities, and which are supported by specific commitments of cooperation from private and public employers;

" '(4) supportive and follow-up services to supplement work and training programs under this or other Acts including health services, counseling, day care for children, transportation assistance, and other special services necessary to assist individuals to achieve success in work and training programs and in employment;

" '(5) employment centers and mobile employment service units to provide recruitment, counseling, and placement services, conveniently located in urban neighborhoods and rural areas and easily accessible to the most disadvantaged;

" '(6) programs to provide incentives to private employers, other than nonprofit organizations, to train or employ unemployed or low-income persons, including arrangements by direct contract, reimbursements to employers for unusual training costs for a limited period when an employee might not be fully productive, payment for on-the-job counseling and other supportive services, payment of all or part of employer costs of sending recruiters into urban and rural areas of high concentrations or proportions of unemployed or low-income persons, and payments to permit employers to provide employees resident in such areas with transportation to and from work or to reimburse such employees for such transportation: *Provided*, That in making such reimbursements to employers the Secretary shall assure that the wages paid any employee shall not be less than the minimum wage which would be applicable to employment under the Fair Labor Standards Act of 1938 if section 6 of such Act applied to the employee and he was not exempt under section 13 thereof; and

" '(7) means of planning, administering, coordinating, and evaluating a comprehensive work and training program.

" '(b) Commencing July 1, 1968, all work and training component programs conducted in a community under this section shall be consolidated into the comprehensive work and training program and financial assistance for such components shall be provided to the prime sponsor unless the Director determines there is a good cause for providing an extension of time, except as otherwise provided by subsection (c). After that date, the work and training components of programs authorized by section 502 of this Act and by section 261 of part E of title II of the Manpower Development and Training Act of 1962 shall to the maximum extent feasible be linked to the comprehensive work and training program, including funding through the prime sponsor where appropriate.

" '(c) The Secretary may provide financial assistance to a public agency or private organization other than a prime sponsor to carry out one or more component programs described in subsection (a) when he determines, after soliciting and considering comments of the prime sponsor, if any, that such assistance would enhance program effectiveness or acceptance on the part of persons served and would serve the purposes of this title.

" 'SPECIAL CONDITIONS

" 'SEC. 123. (a) The Secretary shall not provide financial assistance for any program under this part unless he determines, in accordance with such regulations as he may prescribe, that—

" '(1) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

" '(2) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal for other funds in connection with work that would otherwise be performed.

" '(3) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

" '(4) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants.

" '(b) For programs which provide work and training related to physical improvements, preference shall be given to those improvements which will be substantially used by low-income persons and families or which will contribute substantially to amenities or facilities in urban or rural areas having high concentrations or proportions of low-income persons and families.

" '(c) Programs approved under this part shall, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement.

" '(d) Projects under this part shall provide for maximum feasible use of resources under other Federal programs for work and training and the resources of the private sector.

PROGRAM PARTICIPANTS

" 'SEC. 124. (a) Participants in programs under this part must be unemployed or low-income persons. The Secretary, in consultation with the Social Security Administrator, shall establish criteria for low income, taking into consideration family size, and other relevant factors. Any individual shall be deemed to be from a low-income family if the family receives cash welfare payments.

" '(b) Participants must be permanent residents of the United States or of the Trust Territory of the Pacific Islands.

" '(c) Participants shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employment benefits.

" 'ELDERLY

" 'SEC. 125. The Secretary shall provide that programs under this part shall be designed to deal with the incidence of long-term unemployment among persons fifty-five years and older. In the conduct of such programs, the Director shall encourage the employment of such persons as regular, part time, and short-term staff in component programs.

" 'PILOT PROJECTS AND TECHNICAL ASSISTANCE

" 'SEC. 126 (a) The Secretary may provide financial assistance to public or private organizations for pilot projects which are designed to develop new approaches to further the objectives of this part. Such projects may be conducted by public agencies or private organizations.

" '(b) The Secretary shall undertake pilot projects designed to encourage the maximum participation of private employers, other than nonprofit organizations, in work and training programs under this part.

" '(c) Before the Secretary may approve a pilot project, he shall solicit and consider comments on such project from the prime sponsor, if any, in the community where the project will be undertaken.

" '(d) The Secretary may provide (directly or through contracts or other appropriate arrangements) technical assistance to assist in the initiation or effective operation of programs under this part. He may also make arrangements for the training of instructors and other personnel needed to carry out work and training programs under this part. He shall give special consideration to the problems of rural areas.

" 'ROLE OF THE STATES

" 'SEC. 127. The Secretary may provide financial assistance to appropriate State agencies to—

" '(1) provide technical assistance and training, as authorized by section 126(d), with particular emphasis upon service to rural areas and for this purpose preference shall be given to the State agency which administers programs assisted by section 231;

" '(2) assist in coordinating State activities related to this part;

" '(3) operate work and training programs in communities which have not yet established an acceptable price sponsor; and

" '(4) provide work and training opportunities on State projects and in State agencies: *Provided*, That these opportunities shall be made available to participants in community work and training programs.

" 'EQUITABLE DISTRIBUTION OF ASSISTANCE

" 'SEC. 128. Of the sums appropriated or allocated for any fiscal year for programs authorized under this title, the Secretary shall reserve not to exceed 20 per centum for the purpose of carrying out section 122(a)(3); but not more than 12½ per centum of the funds so reserved for any fiscal year shall be used within any one State. With respect to the remaining funds appropriated or allocated to carry out the provisions of section 122, the Secretary shall establish criteria designed to achieve an equitable distribution of assistance among the States. In developing those criteria, he shall consider, among other relevant factors, the ratios of population, unemployment, and family income levels.

" 'LIMITATIONS ON FEDERAL ASSISTANCE

" 'SEC. 129. Federal financial assistance to any program or activity carried out pursuant to section 122 of this part shall not exceed 90 per centum of the cost of such program or activity, including costs of administration. The Director may, however, approve assistance in excess of that percentage if he determines, pursuant to regulations establishing objective criteria for such determinations, that this is necessary in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. If in any fiscal year, a community provides non-Federal contributions under this title exceeding its requirements under this section, such excess may be used to meet its requirements for such contributions under section 223(c).

" 'PROGRAM DATA AND EVALUATION

" 'SEC. 13. (a) The Secretary shall provide for the development and implementation of a program data system consistent with similar data systems for other relevant Federal programs. Such data shall be published periodically.

" '(b) The Secretary shall provide for the continuing evaluation of the programs under this part, including their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for the delivery of services, and he shall arrange for obtaining the opinions of participants about the strengths and weaknesses of the programs. This evaluation shall include comparisons with proper control groups composed of persons who have not participated in such programs, and shall seek to develop comparative data on the costs and benefits of work and training programs authorized by this Act and by other Acts, including the Manpower Development and Training Act of 1962. He may, for this purpose, contract for independent evaluations of such programs or individual projects. The results of such evaluations shall be included in the report required by section 608.

"'(c) The Secretary shall develop and publish standards for evaluation of program effectiveness in achieving the objectives of this title. Such standards shall be considered in deciding whether to renew or supplement financial assistance provided by sections 122, 126(d) and 127.'

"PART C—SECONDARY SCHOOL WORK STUDY PROGRAM

"STATEMENT OF PURPOSE

"SEC. 131. It is the purpose of this part to enable needy young men and women to continue or resume their education at the secondary school level through work-study programs carried out in the school or by public or private nonprofit organizations.

"ESTABLISHMENT OF WORK STUDY

"SEC. 132. In order to carry out the purposes of this part, there is hereby established in the Department of Health, Education, and Welfare a work-study program for secondary school students to be administered by the Secretary of Health, Education, and Welfare (hereinafter in this part referred to as the 'Secretary').

"ALLOTMENTS TO STATES

"SEC. 133. (a) From the sums allocated to carry out this part for a fiscal year, the Secretary shall reserve such amount, not in excess of 2 per centum, as he may determine, and shall allot the amount so reserved among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands, according to their respective needs for assistance under this title. The remainder of such sums shall be allotted among the States so that the allotment to each such State will be an amount which bears the same ratio to such reminder as the number of related children aged fourteen to twenty-one, both inclusive, living in families with annual incomes of less than $3,000 in such State bears to the number of related children of such ages living in such families in all such States.

"(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Secretary determines will not be required for such fiscal year for carrying out the State plan (if any) approved under this part shall be available for reallotment from time to time, on such dates during such year as the Secretary may fix, to other States in proportion to the original allotments to such States under such subsection for such year, but with such proportionate amount for any of such States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year for carrying out the State plan; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year from funds allocated for this part shall be deemed part of its allotment under subsection (a) for such year.

"STATE PLANS

"SEC. 134. (a) Any State which desires to receive grants under this part shall submit to the Secretary a State plan, in such detail as the Secretary deems necessary, which—

"(1) designates the State educational agency as the agency which shall, through arrangements with local educational agencies or other public or private, nonprofit agencies, act as the sole agency for the administration of the plan;

"(2) sets forth procedures under which funds paid to the State from its allotment under section 133 will be expended for work-study programs meeting the requirements set forth in section 139, and by which such funds will be held apart from general State funds;

"(3) sets forth principles for determining the priority to be accorded applications from local educational agencies or other local public or private, nonprofit organizations for work-study programs;

"(4) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any such funds paid by the State to any other agency or organization) under this title;

"(5) provides for making such reports, in such form and containing such information, as the Secretary may reasonably require to carry out his functions under this part, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports;

"(6) provides a standard of income of participants and their families that takes due account of the number of children, dependents, and other special circumstances substantially affecting the ability of individuals and families to be self-sustaining, subject to the Secretary's approval; and

"(7) provides for participation of non-public-school students comparable to the participation of public school students.

"ADMINISTRATION OF STATE PLANS

"SEC. 135. (a) The Secretary shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State agency administering the plan reasonable notice and opportunity for a hearing.

"(b) Whenever the Secretary, after reasonable notice and opportunity for hearing to such State agency, finds—

"(1) that the State plan has been so changed that it no longer complies with the provisions of section 134(a), or

"(2) that in the administration of the plan there is a failure to comply substantially with any such provision,

the Secretary shall notify such State agency that the State will not be regarded as eligible to participate in the program under this part until he is satisfied that there is no longer any such failure to comply.

"JUDICIAL REVIEW

"SEC. 136. (a) If any State is dissatisfied with the Secretary's final action with respect to the approval of its State plan submitted under section 134(a) or with his final action under section 135, such State may, within sixty days after notice of such action, file with the United States Court of Appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the Court to the Secretary. The Secretary shall thereupon file in the Court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

"(b) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the Court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the Court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

"(c) The Court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the Court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

"PAYMENTS TO STATES

"SEC. 137. From the amounts allotted to each State under section 133, the Secretary shall pay to the State an amount equal to the amount expended by the State in carrying out its State plan. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

"BYPASS OF STATE AGENCY

"SEC. 138. In the absence of a satisfactory State plan, or satisfactory implementation thereof, the Secretary is authorized to make grants from such State allocation directly to community action agencies or substitute agencies qualified under title II of this Act, in order that work-study programs may be provided by contract arrangements or otherwise.

"QUALIFICATIONS OF WORK-STUDY PROGRAMS

"SEC. 139. A work-study program shall not be considered eligible by the State or the Secretary for assistance under this part unless—

"(1) the program will enable students to resume or maintain school attendance;

"(2) the program will permit or contribute to an undertaking or service in the public interest that would not otherwise be provided, or will contribute to the conservation, development, or management of the natural resources of the State or community or to the development, management, or protection of State or community recreational areas;

"(3) the students will be employed by public or private nonprofit agencies or organizations including recipients of funds themselves either (A) on publicly owned and operated facilities or projects, or (B) on local projects sponsored by private, nonprofit organizations (other than political parties), other than projects involving the construction, operation, or maintenance of so much of any facility used or to be used for sectarian instruction or as a place of religious worship, or involving the conduct of any sectarian religious activity;

"(4) the program will not result in the displacement of employed workers, jeopardize the potential employment of workers not aided under this part, or impair existing contract for services;

"(5) the rates of pay and other conditions of employment will be appropriate and reasonable in the light of such factors as the type of work performed, geographical area, and proficiency of the employee, and in no event shall exceed the rate of pay for regular employees performing similar services;

"(6) the program will be coordinated to the maximum extent feasible, with vocational training and educational services adapted to the special needs of students in such program and sponsored by State or local public or private educational agencies: *Provided, however*, That where such services are inadequate or unavailable, the program may make provision for the enlargement, improvement, development, and coordination of such services with the cooperation of, or where appropriate, pursuant to agreement with the Secretary;

"(7) the employer during the fiscal year ending June 30, 1968, shall contribute at least 10 per centum, and during any fiscal year thereafter at least 25 per centum, of the total cost of employing any such student (such contribution to be in cash or in kind, fairly evaluated, including but not limited to plant equipment or services); and

"(8) in States in which participation of all non-public-school students is permitted, students in such non-public schools are admitted to the program on an equitable basis.

"ENROLLEES IN PROGRAM

"SEC. 140. (a) Selection for enrollment in programs assisted under this part shall be made by participating school systems in accordance with agreements with the Secretary.

"(b) No person may participate as an enrollee in programs under this part unless—

"(1) he is a student in ninth through twelfth grades;

"(2) his and his family's income does not exceed the standards of income established under section 134(a)(6);

"(3) he is in need of remunerative employment to resume or continue his secondary level education.

"(c) Enrollees shall be deemed not to be Federal employees and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"(d) Where appropriate to carry out the purposes of this part, the Secretary may provide for testing, counseling, job development, and referral services to youths through public agencies or private, nonprofit organizations.

"OATH OF ALLEGIANCE

"SEC. 141. The provisions of section 106(c) shall apply with respect to enrollees in programs assisted under this part and to all officers and employees any part of whose salaries are paid from sums made available under this part.

"PART D—COUNSELOR PROGRAM

"STATEMENT OF PURPOSE

"SEC. 151. It is the purpose of this part to assist needy youths to find part-time employment with private profitmaking employers, and with public or private nonprofit organizations on a work-study arrangement, which will enable them to continue or resume their education at the secondary level, through the services of a counselor who will counsel such youth and will seek out, obtain job openings for and place such youth in such openings.

"OPERATION OF PROGRAM

"SEC. 152. (a) To carry out the purpose of this part, the Secretary is authorized to contract with local public or private, nonprofit, educational agencies for the hiring of a counselor, to be located in the school, who will (1) provide counseling and testing to determine students' capabilities and needs, and (2) seek out, obtain job openings for, and place such youth in such openings on a work-study basis for needy students with private profitmaking employers and with public or private nonprofit organizations, with such employers and organizations paying 100 per centum of the students' wages.

"(b) The Secretary shall give preference to applications submitted by local public or private, nonprofit, educational agencies serving large numbers of youths from low-income families.

"(c) The Secretary shall not approve the application of a local public or private, nonprofit, educational agency which is already carrying on a program described in section 152 unless he has received satisfactory assurances that such agency will not reduce its expenditures for such program.

"(d) In no event shall the Federal payment under this part exceed 50 per centum of the salary paid to the counselor.

"PART E—WORK TRAINING PROGRAM; INDUSTRY YOUTH CORPS

"STATEMENT OF PURPOSE

"SEC. 161. It is the purpose of this part to provide needy, unskilled, and unemployed young men and women who have terminated their formal education with on-the-job training opportunities which will enable them to become self-sustaining in a vocation.

"ESTABLISHMENT OF WORK TRAINING PROGRAM

"SEC. 162. (a) The Secretary of Labor (hereinafter in this part referred to as the 'Secretary') shall establish in the Department of Labor a work training program which shall be administered locally wherever possible through grants to community action agencies qualified pursuant to title II of this Act, which program shall be designed to assist public and private, nonprofit, employers to furnish on-the-job training (and necessary related services such as testing, counseling, and job development services) for eligible youths as provided in this part. Such program shall be administered in coordination with programs carried out under the Manpower Development and Training Act of 1962.

"(b) Each agency to whom the Secretary makes grants under subsection (a) shall be authorized to contract with public and private, nonprofit employers (other than a political party or organization) in the area served by such agency to provide on-the-job training and necessary related services for eligible youths. In the absence of a qualified community action agency in any area, the Secretary shall contract directly with such public and private, nonprofit employers to carry out the purposes of this program.

"(c) The Secretary shall, pursuant to rules and regulations promulgated and published by him, authorize the reimbursement of the reasonable costs of providing such training and services, and the reimbursement of not more than 75 per centum of the cost of wages paid any youth employed by such public and private, nonprofit employers during the fiscal year ending June 30, 1968, and the reimbursement of not more than 50 per centum of the cost of such wages paid during each succeeding fiscal year.

"ESTABLISHMENT OF INDUSTRY YOUTH CORPS PROGRAM

"SEC. 163. (a) The Secretary shall establish in the Department of Labor an Industry Youth Corps program to be administered locally wherever possible through grants to community action agencies qualified pursuant to title II of this Act, which program shall be designed to assist private, profitmaking employers to furnish on-the-job training (and necessary related services, such as testing, counseling, and job development services) for eligible youths as provided in this part. The Secretary shall encourage farmers and other employers in agriculture and agriculturally related enterprises to participate in such program by hiring eligible youths for training in farm occupations for which there is a potential of long-term employment.

"(b) Each agency to whom the Secretary makes grants under subsection (a) shall be authorized to contract with private, profitmaking employers in the area served by such agency to provide such training and services for eligible youths. In the absence of a qualified community action agency in any area, the Secretary shall contract directly with such private, profitmaking employers to carry out the purpose of this program.

"(c) The Secretary shall, pursuant to rules and regulations promulgated and published by him, authorize the reimbursement of the reasonable costs of providing such training and services, and not more than 25 per centum of the cost of wages paid any youth employed by such private, profitmaking employer.

"CONTRACT REQUIREMENTS

"SEC. 164. (a) Any contract made with an employer under section 162(b) or 163(b) shall provide that eligible youths will be hired under terms of employment which provide that—

"(1) an integral part of such employment shall consist of on-the-job training in an appropriate vocational skill area (including supplemental classroom instruction where appropriate), with opportunity for reasonable progression and pay raises consistent with individual performances;

"(2) the employer will, whenever possible, offer suitable long-term employment to any individual who successfully completes his on-the-job training, or assist such individual to find suitable long-term employment elsewhere: *Provided*, That such employer shall not displace previously employed workers or impair existing employment contracts;

"(3) the employer will provide adequate and safe facilities, and adequate personnel records of attendance and progress;

"(4) such youths will be compensated at reasonable rates comparable to, but in no event in excess of, the rates of pay for regular employees performing similar services;

"(5) the term of employment shall not exceed one year, except that such term may be extended for one additional year if it is ascertained by the employer that (A) such youth would be unable to qualify for suitable employment at the rates of pay for regular employees performing similar services without reimbursement of a portion of the employer's wage costs attributable to the employment of such individual, and the reasonable costs of providing on-the-job training and related services to such individual; and (B) the employed youth probably will benefit from an additional year of on-the-job training; and

"(6) the determination of eligibility of any youth shall be made by the employer, in accordance with rules and regulations promulgated and published by the Secretary.

"(b) Any contract under sections 162(b) and 163(b) shall be negotiated with due consideration for minimizing forms and procedures imposed upon the contracting employers.

"(c) Under no circumstances shall any contract be made under sections 162(b) and 163(b) unless there is assurance that the obligations of the employer under such contract and under any arrangements he may make with an eligible youth will be discharged in good faith.

"(d) The employer of any eligible youth pursuant to the provisions of this part shall have the same authority to supervise, assign, provide working conditions for, and discharge such youth as he has with respect to regular employees.

"ELIGIBLE YOUTHS

"SEC. 165. (a) For purposes of the programs authorized by this part, an eligible youth shall be an individual—

"(1) who has attained age sixteen but has not attained age twenty-two at the time he contracts for employment with such employer;

"(2) whose income (together with his family's income if he is a dependent thereof) does not exceed a standard of poverty set forth in rules and regulations promulgated and published by the Secretary on the basis of the number of children, dependents, and other special circumstances substantially affecting the ability of such youth to be self-sustaining;

"(3) who is unemployed and unable to obtain employment in an appropriate vocational skill area; and

"(4) who has not regularly attended school for a period of at least six months, and as to whom there are no immediate prospects of returning to school for additional education or vocational training.

"(b) Eligible youths employed pursuant to programs authorized by this title shall be deemed not to be Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"PAYMENTS

"SEC. 166. The Secretary shall establish criteria designed to achieve an equitable distribution of assistance under this title among the States. In developing such criteria, he shall consider among other relevant factors the ratios of population, unemployment, and family income levels. Not more than 12½ per centum of the sums appropriated or allocated for any fiscal year to carry out the purposes of this title shall be used within any one State.

"COORDINATION WITH STATES

"Sec. 167. The Secretary shall consult with any State assisted under title II of this Act to achieve the most effective coordination feasible of programs assisted under this title with programs assisted under that title.

"OATH

"Sec. 168. The provisions of section 106(c) shall apply with respect to eligible youth in programs assisted under this part."

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record at this point. It is the same amendment that is in 1(b) in the so-called opportunity crusade.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. DELLENBACK. Mr. Chairman, reserving the right to object, may I say merely this: We have made the point on several occasions before, before this body, that it appears to us on this side of the aisle that some of those who have spoken on these matters have not been thoroughly aware of the specifics of our proposals. We are prepared to consider the amendment as having been read so long as it is understood that if there are any questions about it whatsoever that there will be questions raised in the course of the discussion. It is not true that this is entirely the same as the suggestions that have been made in the opportunity crusade. The first section is somewhat different in this regard, and we will explain it in the course of the discussion.

Mr. PUCINSKI. The gentleman makes a good point. It seems to me that on a complicated amendment like this, the gentleman would have made arrangements for copies to be available for Members on the floor to see and to read. From just the reading of this amendment now, nobody really can have a thorough understanding of what is in this amendment. I hope the gentleman is going to explain it and I would like to see a copy of it.

Mr. DELLENBACK. If I may answer my friend, the gentleman from Illinois, you will find that in the course of the discussion we will point out to you where you already have in your hands, partly in the committee's proposal and partly in the opportunity crusade, the written specifics of this amendment. I let this go on this long in part to call clearly to the attention of the majority party where it was that this could be found so there could be no question.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to the gentleman.

Mr. GOODELL. I would say to the gentleman from New York that all changes involved in the amendment here come from the opportunity crusade. They are before you in print. There is no question about that. There is a portion that does not strike the entire section of your committee bill. That part is unchanged and that is before you.

Mr. PUCINSKI. Mr. Chairman, I can see that the gentleman is consistent. Obviously, the gentleman from New York does not know what the gentleman from Oregon is proposing so far as the opportunity crusade is concerned. The gentleman from New York says there is no change from the opportunity crusade and the gentleman in the well said there are substantial changes. Why do not you two gentlemen get together and let the Committee know what you are doing.

Mr. GOODELL. The gentleman misunderstood the words spoken very clearly by the gentleman in the well.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky [Mr. Perkins]?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. Dellenback].

Mr. DELLENBACK. Mr. Chairman, the amendment which is before you breaks down into four parts.

The first part is part B, work and training for adults. This bears very considerable similarity to a program which is set forth in the committee amendment which is part B thereunder, part B, sections 102 and subsequent.

Mr. SNYDER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Ninety-five Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 384]

Anderson, Ill.
Andrews, Ala.
Annunzio
Ashbrook
Aspinall
Bell
Broomfield
Button
Clark
Clawson, Del
Conte
Conyers
Davis, Ga.
Davis, Wis.
Dorn
Everett
Fountain
Gallagher
Giaimo
Green, Pa.
Hansen, Wash.
Hays
Heckler, Mass.
Herlong
Kelly
Kirwan
Laird
Landrum
McClory
MacGregor
Martin
Mathias, Calif.
Mathias, Md.
Miller, Calif.
Moorhead
Multer
Murphy, N.Y.
Pike
Poage
Pool
Purcell
Railsback
Reinecke
Resnick
Rhodes, Ariz.
St. Onge
Scherle
Smith, Calif.
Springer
Steed
Stephens
Ullman
Utt
Vander Jagt
Williams, Miss.
Willis

Accordingly the Committee rose; and the Speaker pro tempore (Mr. Albert) having resumed the chair, Mr. Rooney of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill S. 2388, and finding itself without a quorum, he had directed the roll to be called, when 371 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The gentleman from Oregon [Mr. Dellenback] is recognized.

Mr. DELLENBACK. Mr. Chairman, the amendment we have proposed is about a 34-page amendment. In view of the fact that we consider this of major importance, I ask unanimous consent that I be permitted to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. HALL. Mr. Chairman, reserving the right to object, I suggest that the gentleman make the request at the end of his first 5 minutes.

The CHAIRMAN. Is there objection?

Mr. HALL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. DELLENBACK. Mr. Chairman, we have here in this amendment a proposal to take the various work-training programs which are in part in the present law and in part in the committee proposals as amendments and in part new and put them in this one particular amendment.

Part B of the proposal which is this amendment is the part B of the committee proposal which is the old parts B and D of the present law, with these two changes therein.

First. This is now a work-training program for adults—not for youths and adults.

Second. We have taken a section of the law where the responsibility is in the hands of the Office of Economic Opportunity but delegated to the Department of Labor, and we have provided that the responsibility be given by statute to the Department of Labor.

Part C of the amendment which is before us deals with secondary school work study.

We have here another section of the law where a portion of the Neighborhood Youth Corps, covering youngsters in school, at the present time in the hands of the Office of Economic Opportunity is delegated to the Department of Labor.

This is essentially an education-oriented program.

We therefore propose in this section to separate the inschool Neighborhood Youth Corps and out-of-school Neighborhood Youth Corps. We take the in-school program and see it for what it is, an education-oriented program, and place the responsibility in the hands of the Secretary of Health, Education, and Welfare in the Department of Health, Education, and Welfare.

We also in this particular proposal provide for the institution of a State plan. A State plan after being proposed would be checked by the Secretary of Health, Education, and Welfare. It would be subject to judicial review if there be a dispute as to the action taken by the Secretary.

In addition to this, there is a bypass provided and there is here provision for employment. This is a program designed for young people who ought to be in school to help keep them in school. We here provide for contribution toward salaries by both the Federal Government and by private employers or public nonprofit employers on a 90–10 basis for the first year and on a 75-percent Federal contribution and 25 percent for public or private nonprofit agencies basis every year thereafter.

This is part C, the secondary school work-study program.

In part D we have a new program

which is not in the present law and is not in the committee amendments. It is called a counselor program. Here is where we have, Mr. Chairman, one of the particularly significant advances proposed by the opportunity crusade.

Part D is in the opportunity crusade. To anyone who has not already read the proposal in full which is before each one of us in H.R. 13894, I refer them to this particular section where they can read in detail any part that they may want to read.

The counselor program is part D. This program provides essentially that Federal funds would be used on a matching basis with local school districts to employ work counselors, counselors who will deal with the young people, talk about what their goals are, find out what their job interests are, make sure there is active solicitation in the community as to the availability of jobs, as to the stirring up and seeking for jobs, and then to take the very significant step of seeking to have these people placed in those jobs.

Later speakers will dwell in detail on this particular program. This is one of the particularly significant additions of the opportunity crusade.

(By unanimous consent, Mr. DELLENBACK was given an additional 5 minutes.)

Mr. DELLENBACK. Mr. Chairman, one more word on this counselor program. We are here talking, you see, about Federal funds going into only one phase of the operation, namely, helping to provide counselors who will perform these important functions. When jobs are found for the young people, it is expected that private enterprise will pay the full cost of those salaries paid to the young people.

Here we see one of the significant breaks in the whole concept of the opportunity crusade. It is not a case of using Federal funds to create jobs where the full salary or where even the bulk of the salary is paid by Federal moneys. We are here talking about Federal moneys being seed moneys to help find the jobs, to help stir up jobs, to help place in jobs.

Part E of the proposal which is before us is a combination of Work Training and Industry Youth Corps. The Work Training is a modification of the old out-of-school Neighborhood Youth Corps.

Part of the essential difference in this regard is, one, that under the old law this is in the hands of the Director of Economic Opportunity, the Office of Economic Opportunity, delegated to the Department of Labor. We would provide that this be placed by statute in the hands of the Department of Labor. We would provide here that there be 75 percent Federal money, 25 percent employer money initially, the first year, and that this progress to a 50-percent Federal money and a 50-percent employer money for all years thereafter, instead of the 90-percent Federal and 10-percent employer money which is implicit and runs through both the present law and the proposals of the administration.

I stress this point as I go by it because, again you see, we are here making the significant point that it is through procedures like this that Federal moneys ought properly to be used. Federal moneys ought not to be used to pay all or substantially all of the salaries of the jobs we are seeking to find and to place young people in. Federal moneys ought to be seed money to stir up these jobs and place young people in them.

The second half of this part E, the Industry Youth Corps, is here as a new program. We are here talking about a situation where Federal moneys could be used to pay a portion of salaries. Young people would be placed in this instance in private profitmaking jobs. Here again is a second very significant feature involved in the Republican opportunity crusade, because again, you see, we do not have enough Federal moneys to take care of payment in full of salaries or even a substantial portion of all salaries. We are here talking about a situation where we turn to private industry and we say, "We have young people who need jobs. We want you to take them on. You tell us that you cannot take them on at full salary initially because they are not worth that to you and you cannot subsidize them. We say to you that if you take them on at 75 percent of what you need to pay them to get them, the Federal Government will supply the other 25 percent of this money to make the marginal difference." The result is that it is worth a private employer's rising to the subsidy, a subsidy limited in percent and limited in time.

Through this we would stir private enterprise to reach out and pick up a part of the job themselves, to do the training that needs to be done, because private enterprise knows the jobs it wants young people to fill. And it would pay the bulk of the salaries involved.

So far as the dollars are concerned, under part B we would provide $38.5 million Federal money. Under part C we would provide for $100 million, less what has been spent on this portion of the program during the year to date. Under part D we would provide only $5 million, for the counselor program, because the vast influx of money here would come from outside employers. Under part E we would provide for $100 million of Federal money, less what has been spent to date on this portion of the program.

That would be a total Federal expenditure of approximately $243 million. The present committee proposals in this regard, if we total them up, are about twice this amount, or about $461 million, but one cannot stop there. The $243 million of Federal moneys under our proposal would act as an incentive, would act as seed to bring into the program at least four times that much.

If we look at the Community Youth Corps, where we would be paying 25 percent of the wages, we would expect that 75 percent would come from outside, and as a result we are talking about another $210 million involved in this.

If we look at the counselor program, with a total Federal injection of money of $5 million, we would conservatively estimate, on the basis of the best predictions we can put forward, that we should be dealing with at least another $500 million. Some of the estimates we have been able to secure in this regard indicate it would be double this amount.

So we have at least between $700 million and $1.2 billion of additional moneys going toward the root causes of poverty under our proposal.

What we are here talking about—I repeat this point again, because I do not want any question about anyone missing it—is, this would increase manifold the total funds striking at the causes of poverty.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, here again we see a move to cripple most useful programs that are contained in part B.

First, discussing the Neighborhood Youth Corps, this has served 1.3 million youngsters in the past 2½ years in school and out of school, and has assisted others to become employed, between the ages of 16 and 22. These, all, have been disadvantaged youngsters.

It is proposed, for all intents and purposes, to destroy a very effective program.

In the amendment it is proposed to transfer this to the Department of Health, Education, and Welfare. In the original crusade it was to be transferred to the Office of Education.

Do Members know the next requirement? According to language in the amendment, if Members will read the opportunity crusade, there would be required a State plan for the in-school Neighborhood Youth Corps. Another lengthy step, another bureaucratic layer to be penetrated in bringing needed programs to youth who need the job experience, who need the training, who need the income to continue in school.

Mr. Chairman, this is a workable program, an efficient program.

NYC is preparing poor people to compete for jobs by giving them work experience and training; it is helping to improve community services by putting the unemployed to work in fields, such as health, which suffer from a shortage of personnel; and it is a major factor in moving people off the welfare rolls into permanent, dignified employment.

NYC is primarily a community program. Projects are sponsored by local organizations on the State, county, municipal, and neighborhood level. The Labor Department lays down the guidelines and funds up to 90 percent of the cost. The day-to-day administration is in the hands of the local sponsor, who locates the worksites, recruits the youngsters, and arranges for supportive services. Many enrollees are placed in jobs in hospitals. Others are sent to libraries, cafeterias, museums, police and fire stations, housing projects, schools, parks and nursing homes.

Boys and girls in the in-school and summer projects are paid $1.25 to $1.40 an hour, earning that extra bit of money that usually means the difference between completing their high school educations or becoming dropouts.

The in-school program allows youngsters to work in their spare time up to 15 hours a week. In the summer and out-of-school projects, they spend up to 40 hours a week working or taking advantage of supportive services such as remedial education or job related training.

When the Neighborhood Youth Corps

was organized in 1964, sponsorship was limited to nonprofit groups, and enrollees had to be 16 through 21 years old. The idea was to give poverty-level youngsters work experience that would help them qualify for jobs, to make them self-sufficient, and to expand community services. Three years of trial and experimentation have led the Labor Department to refine that original concept. NYC now enrolls boys and girls as young as 14, when it is easier to persuade them to remain in school. Private industry has been brought into the picture to supply worksites and to aid in training and placing the youngsters, thus giving NYC the benefit of business' know-how and vast resources. Local sponsors in many areas are now training youngsters for specific jobs, thus easing the transition from NYC into permanent employment.

By June 30, the end of the 1967 fiscal year, the Neighborhood Youth Corps had made available 1,327,000 job opportunities for disadvantaged youth in every State and U.S. territory at a cost to the Federal Government of $753,504,000. In fiscal year 1967, NYC provided 521,000 job opportunities in 1,459 home town projects at a cost to the Federal Government of $362,425,000.

The Neighborhood Youth Corps has proved highly effective in keeping disadvantaged youngsters in school. A study completed in May 1967 by the Pittsburgh Board of Education of all high schools in the city for the previous school year disclosed that the dropout rate for NYC enrollees was only a little over 4 percent compared with an 8½-percent dropout rate for non-NYC students. An NYC summer work program in 1965 and 1966 at three high schools in Washington, D.C., cut the normal dropout rate for these schools from 20 percent to 2 percent by June 1967. Six school districts in Texas and Oklahoma reported a 7-percent dropout rate among their regular student bodies as compared only to 3 percent among NYC enrollees.

Dr. Louis J. Kishkunas, assistant superintendent of Pittsburgh's schools, attributes NYC's remarkable "holding power" to the money it puts into empty pockets and the sense of pride and responsibility that goes with an NYC job. In other words, boys and girls earning a little extra money can buy the books and clothes they need to keep up with their more fortunate schoolmates.

As for the out-of-schoolers, the NYC wage rate of $1.25 to $1.40 an hour would have little holding power if enrollees were given deadend, make-work jobs. Supportive services play a vital role in rechanneling these neglected youngsters into the mainstream of American society. The counseling and remedial education made available by local NYC projects to out-of-schoolers build a solid foundation for future work, training or education. A recent study of the out-of-school program by Dunlap and Associates, Inc., revealed that approximately 9 months after termination from NYC, 35 percent of the former enrollees were working at permanent jobs, 6 percent were in military service, 18 percent were in advanced training programs or had returned to school and 11 percent were housewives—a total of 70 percent.

An impressive example of how the out-of-school program salvages dropouts is revealed in an article appearing in the September 1967 issue of Hospital & Community Psychiatry, a journal of the American Psychiatric Association. It also reports how NYC channels the Nation's youthful manpower into those sectors of the economy suffering from a severe shortage of personnel. For nearly 2 years now, a statewide NYC program in Pennsylvania has been training youngsters in job assignments at the State's mental hospitals and school for the retarded. The first project was completed in July 1966. Of the 240 NYC enrollees who completed the 24 weeks of training and work experience, 100 obtained jobs and 63 were hired by the institutions where they trained.

> A second project, from August 1966 to February 1967, produced an even higher employment rate.

The magazine reported:

> Exactly 50% or 132 of the 264 enrollees, were in jobs when the training ended, 93 in the hospitals where they trained. Of the 156 NYC trainees who were hired by the hospitals after the first two projects, 102 were assigned to the nursing services after they passed the state civil service examination for attendant-trainees.

The project sponsors mobilized a variety of public and private agencies to insure the success of this program. Hospital staff members, public assistant caseworkers, employment counselors, and YMCA employees all worked together to establish the work assignments and training procedures—which include 96 hours of training, averaging 4 hours a week.

NYC's success in rehabilitating so many of these youngsters is particularly significant because out-of-school enrollees are recruited from the ranks of high school dropouts and the hard-core unemployed. Historically, more than 26 percent have come directly from families receiving public assistance. More than 48 percent in fiscal 1967 projects had only a ninth-grade education or less. Almost 90 percent had been out of school and unemployed for 3 months or longer. Almost 27 percent had been out of school for 13 to 24 months. More than 60 percent reported that most of their earnings were used for the support of their families.

It should not be surprising that the young corpsmen also get into less trouble with the police after they enroll. As Winston Churchill once said:

> Everyone should do a good day's work and be accountable for some definite task and then they do not make trouble for trouble's sake or to cut a figure.

Community after community reports a reduction in juvenile crime, thanks to NYC. In San Antonio, for example, juvenile delinquency declined 12.6 percent in the slum areas last year, where NYC was operative, while it jumped 5.5 percent during the same period in the higher income areas of the city and county.

A letter early in 1967 from a local judge stated that juvenile delinquency decreased 30 percent in the Dayton, Ky., area and he gave the credit to NYC. Police in other cities report reductions in juvenile crime ranging from the lowest rate of increase in 5 years in Washington, D.C., to an 80-percent decline since the initiation of the NYC program in Kinloch, Mo. The Los Angeles Times reported in May 1967 that only 1 percent of the enrollees in a project in that city had been convicted of a crime since enrolling, though 50 percent had previous criminal records. Four other California cities with NYC projects report a reduction in crime last year: Oakland, a 25-percent decrease; San Francisco, 10 percent; Stockton, 15 percent; and San Jose, 28 percent.

Youngsters active in juvenile crime often find themselves on the right side of the law after joining the Neighborhood Youth Corps. Labor Department figures show that in September 1967 more than 2,500 enrollees were working in public safety jobs. Their job titles varied. Some were called police cadets, others sheriff's aides or correction officer's aides, still others public safety cadets or police aides. Many of them had previous police records. All served a common purpose. They helped relieve a shortage of personnel in a crucial area of public service, while preparing themselves for permanent jobs.

The police cadet programs are worthy of special attention. Jersey City, Paterson, Newark, Detroit, and Kansas City, have all funded police cadets with NYC money. The cadets promote good relations between law enforcement officials and the residents of low-income neighborhoods where the youngsters live by introducing poverty level youth to the work and problems of the local police force. These cadets and other young people enrolled in NYC won high praise from police officials for their work during the riots that hit several cities during the summer of 1967.

The performance of the Newark cadets was called "magnificent" by Police Director Dominick A. Spina. And in Detroit, Hubert G. Locke, administrative assistant to Police Commissioner Ray Girardin, called the help of the cadets "invaluable" during that city's summer calamity. Mr. Spina reported that he had his command post at the fourth precinct and that on the worst night of the riots, four of the cadets showed up to help. He said there were snipers all about, and the building was being pelted with rocks and bottles. The precinct was rushed three times, once with Molotov cocktails. But Mr. Spina said "the kids were right there." The rest of the cadets reported for duty at police headquarters.

The cadets in Newark and Detroit worked 12-hour shifts. They manned police department telephone switchboards and performed other routine but important tasks, freeing regular officers for riot duty. In Detroit, during a brief telephone breakdown that caused a "communication chaos," as Locke described it, the cadets served as messengers to keep information flowing throughout police headquarters.

Mr. Locke said:

> It was in critical moments like these that these young men proved their worth.

The cadets were not the only NYC enrollees to risk their necks to help restore order.

Thirty-five enrollees in Newark, many of them girls, reported for duty at city hospital, in the heart of the riot area. Working 12-hour shifts they relieved exhausted nurses, prepared food, and helped wherever needed. Enrollees working for the Newark Housing Authority aided in everything from emergency food distribution to loading and unloading trucks. They went door-to-door in the low-income public housing areas to locate people needing help.

One of the best stories involving the Neighborhood Youth Corps was one that did not make headlines. Mansfield, Ohio, stayed out of the news because the NYC project director and corpsmen managed to cool a riot before it started. As rumors of trouble began to grow in July in Mansfield's ghetto area, the NYC project director, backed by a local CAP official, went into the area. The two men knew many of the youths personally, and at a meeting with some 70 of them, encouraged the young people to air their gripes and promised immediate action on their legitimate grievances.

The youths organized into a group with a dual purpose: to better living and recreation conditions for the community and to prevent the city from exploding.

The two youths who assumed leadership of the group were both NYC "graduates" who became the driving force in getting the group organized. At one time considered troublemakers, the two boys now have full-time jobs and are responsible citizens, thanks to NYC.

Because of the help he had received from NYC, one of the leaders said:

> I owe something to this community so let's maintain law and order.

In East Harlem in New York City more than 1,860 NYC youths were deployed to use their influence to help overcome grievances and prevent disorder. The corpsmen visited the street corners, poolrooms and other teen hangouts and recruited several hundred frustrated, angry youths into the Neighborhood Youth Corps. Their efforts helped East Harlem keep "cool."

A new avenue for training out-of-school, unemployed youth was provided by the 1966 amendments to the Economic Opportunity Act. For the first time Neighborhood Youth Corps enrollees are now permitted to receive job training in private industry. Known as "Work Training in Industry" these projects extend worksites for NYC'ers and allow the private sector of the economy to play a more prominent role in developing the employment potential of thousands of disadvantaged youth. Private firms in different cities give enrollees job training, wages, and fringe benefits, while NYC continues to provide additional services such as remedial education, medical attention, and counseling.

Traditionally, NYC has worked closely with private labor and business groups in order to provide the best services for enrollees.

In California, the Alameda County AFL-CIO this year is pioneering a new type of NYC project to teach 410 school dropouts good work habits and basic job skills. Skilled union craftsmen employed by the Alameda labor organization supervise and instruct enrollees in clerical work, landscaping, remodeling and other construction projects. Those youths who perform satisfactorily in the work experience phase are offered additional training in marketable job skills such as welding, auto mechanics, carpentry, office machine operation, and office procedures. Trainees are paid from $1.35 to $1.60 an hour for a 32-hour workweek.

A private corporation joined with the NYC project in Paterson, N.J., to create a business skills training center for out-of-school youngsters in that city. One purpose of the project was to encourage the local business community to participate in job training and placement programs for disadvantaged youths. Another was to demonstrate the tremendous source of skilled workers such a program can produce. Enrollees attended classes approximately 8 hours a week where they were trained in typical office practices, typing, key punch operation, bookkeeping, data processing, and proper work habits. The company trained two specialists to develop and administer the program, in addition to providing curriculum materials. After 3 months of training, the first 30 graduates were honored at a ceremony in Paterson in June 1967. The NYC project director in Paterson said that almost all the young people had jobs waiting for them in the community when they graduated. By actual count, Olivetti located 102 openings for these graduates.

The Neighborhood Youth Corps during 1967 has proved itself a flexible instrument for tackling the problems of the disadvantaged. Within its legislative framework, it was able to experiment with a variety of innovative projects that can guide the Nation's manpower programs into fruitful and previously uncharted paths. NYC in 1967 launched an attack on the migrant problem, explored new ways of improving medical services to the poor, and took dramatic steps to secure college scholarships for enrollees with only average or below average grades.

A pilot project to help migrant and seasonal farmworkers and their children move out of the cycle of poverty into the mainstream of American society was jointly funded in June by the Labor Department—through NYC—the Office of Economic Opportunity, and the U.S. Office of Education. The $2 million experimental program included basic and remedial education, occupational rehabilitation, health and food services, economic support, and work experience for 1,000 youngsters aged 14 to 21 in Florida, California, and Texas, and their families.

A medical program was a summer project in Chicago and Los Angeles. Medical and health students and 155 NYC youngsters worked side by side in poverty-stricken neighborhoods to bring better medical services to the poor. Purpose of the experimental program was to acquaint NYC youths with the world of medicine and to interest them in biomedical careers. It was also to acquaint the medical students, most of them from well-to-do families, with the health problems of the poor.

One of the most promising innovations is the success of many NYC project directors in securing college scholarships for their enrollees, despite average or below average grades. By hard work and diligence, they have been taking advantage of the flood of scholarships that have become available in the last year or so from public and private sources, designed to give college education to disadvantaged boys and girls showing great promise.

In Philadelphia, NYC director Louis P. Goldstein secured scholarships for 37 of his charges. In Charleston, S.C., project director James E. Clyburn reaped a harvest of 29 scholarships to Wilberforce University for his enrollees. The Charleston Evening Post said:

> Apparently Clyburn's youngsters walked off with all the Wilberforce awards made in the Southeast.

The history of the Neighborhood Youth Corps cannot be recounted by numbers and statistics alone, satisfying and reassuring though these may be. NYC has meant the reshaping and the reordering of the lives of the individual youngsters. It is the story of Trudie Archie in Louisville. It is the story of 18-year-old Haston Pulley of Little Rock, Ark., a Negro youth who no longer draws welfare and gets in trouble with the law but who now uses his leadership abilities to organize recreation programs for other poor children. It is the story of Sue Pederson in Minneapolis, only 18, who finished high school, got off the welfare rolls, found a permanent job at Minneapolis General Hospital and is now helping support her mother and the four other children in the family. It is the story of Annette Dowdell, 18, of Jacksonville, Fla., no longer on welfare, working full time in the laboratory at the State board of health, and supporting herself and her two children.

These are true stories. They are but a few of many. They tell of the people who were down and out, and who now have fresh hope and a new chance in life. They no longer draw welfare money and no longer find it necessary to be paid by NYC. They are standing on their own two feet, competing successfully in the job market, earning their own money for themselves and their families. These youngsters illustrate what the Neighborhood Youth Corps and the war on poverty are all about. As Abraham Lincoln said about another war:

> It is a struggle . . . to elevate the condition of men—to lift artificial weights from all shoulders; to clear the path of laudable pursuit for all; to afford all an unfettered start, and a fair chance in the race of life.

This amendment is most damaging. I am hopeful that none of the Members of this House will be gullible enough to support an amendment that will destroy the effectiveness and deny hundreds of thousands of youngsters the opportunity to participate in a program of this type.

Now, what else do they do? They cut the funds to the bone. In our program during the next fiscal year we propose to spend for the Neighborhood Youth Corps $321 million. Their total expenditures for title I(b) are $243.5 million. These projects have gotten off the ground and are doing well.

We have in here in the committee bill

something that will serve 106,000 youngsters for the in-school program. We have funds in here that will serve 50,000 youngsters for the out of school Neighborhood Youth Corps and for the summer program 80,000 for the rural areas and the metropolitan areas of this country.

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

(By unanimous consent, Mr. PERKINS was allowed to proceed for 3 additional minutes.)

Mr. PERKINS. They talk about all the spending and the program activity that this so-called opportunity crusade is going to generate from the expenditure of $1.4 billion. There are indications that a significant number of on-the-job-training positions for Neighborhood Youth Corps enrollees can be developed in the private sector. This effort has the potential of becoming an effective, economical method of easing the transition from training to the work situation. Increased emphasis will also be placed on research, evaluation and demonstration activities, in a concerted effort to further improve the effectiveness and efficiency of program operations.

As in the past, enrollee wages and fringe benefits will continue to constitute the largest single element of the Federal contribution: approximately 80 percent of the in-school, 85 percent of summer and 79 percent of regular out-of-school program wages and benefits.

The full-term enrollment opportunity levels for fiscal 1968 reflect a decrease over those funded with fiscal 1967 appropriations. It is anticipated, however, that the actual number of enrollment opportunities in operation in fiscal 1968, will be at or slightly above the fiscal 1967 level, due to the continued operation in fiscal 1966 of projects funded in fiscal 1967, except for the summer program.

Mr. DELLENBACK. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. Not right at this moment because I do not have enough time to yield to the gentleman. It takes a real sleight of hand to attempt to sell an amendment on the basis that it will reach more young people with a 50-percent cut in funds.

Now, Mr. Chairman, we come down to the adult training programs. Under the proposed amendment, adult training programs would be authorized only $38 million as contrasted with $258 million in the committee bill. But the crusade advocates are making some progress. In the original version no funds were provided for adult training.

Mr. Chairman, I ask that the amendment be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. ESCH].

Mr. ESCH. Mr. Chairman, I think it is very clear that the opposition to this amendment is again trying to gloss over what the real issue is. This, perhaps, is the most constructive amendment that we have presented or will present to this entire bill. It presents one thing, and one thing clearly. It states that right now, in our educational system, if you do not go to college, you are regarded as a "second-class citizen" in our educational system. And, Mr. Chairman, it strikes hard at that question. It proposes that we must place the highest priority upon developing an effective work-study program within the present educational structure. This is the intent of the amendment.

Mr. Chairman, the major thrust is this: It emphasizes the need for counselors: adequately trained, adequately placed, effective, functioning counselors within the school system and within the community. And, it provides Federal funds for these counselors. Now just what will these counselors do? The counselors will recognize the job possibilities that are available within a given community and then fill those openings through the provision of job-related programs in cooperation with secondary schools and community colleges.

Nowhere in the present bill do we have this emphasis. The one need that we have had demonstrated again and again throughout this country by educators and employers alike is the need for adequately trained counselors to find the jobs that are available; then, secondly, to find the people to fill those jobs, training those people adequately in the process.

That is the thrust of this amendment.

I urge those on both sides to forget the idea that this amendment is destructive. This is the most constructive amendment that we can put on any bill of this nature in this Congress this year.

Now what is the second impact of this amendment? The second feature of this bill proposes that we are going to enroll in the war on poverty, private industry, and it sets up a vehicle through which we can enroll private industry in the war on poverty.

It has always been my understanding that any time a nation is fighting a war that they utilize to the fullest extent possible all of their resources. This amendment does just that: It utilizes the private sector, encouraging the private sector and private industry in cooperative work-training programs. That is the second major thrust of this amendment.

Now the philosophy behind the amendment presents the concept that those young men and young women who were dropouts can be made productive citizens of our communities. This is in contrast to the make-work programs where we place young people on these make-work programs, just to get them employed, to get them off the streets, but we give them no long-range hope. In contrast, this amendment gives them training and opportunity to be contributing members of our society.

Now, make no mistake. Decide your vote on these questions:

Do you or do you not want to involve the private sector? Do you or do you not want to have counselors involved in effective programs throughout this country? Or do you want to continue the present cycle?

Do you or do you not want to have the cycle of a young man at age 16 waiting to get out of school to get a job, to get a car, to become delinquent, or to get drafted, or do you want to break that cycle with an effective program of one, counselors; and two, effective work and training programs involving the private sector, and the present educational structure?

If you answer these questions correctly you will vote for this amendment, no matter which party you belong to. This is the most pressing need we have in our country today. How long are we going to let the non-college-bound students in our high schools remain second-class citizens? That is the question you have to answer here today.

Mr. O'HARA of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is a little difficult—and I noticed two of the previous speakers asked for extensions of their time—to discuss a 34-page amendment in 5 minutes or, indeed, in 50 minutes. I will try to discuss several aspects of it in the most logical way that I can in these few minutes. Mr. Chairman, this is an area of activity in which there has not been a great deal of partisanship in the past, and I do not want to inject any partisanship here, but I would respectfully disagree with the conclusions of the proponents of this 34-page amendment.

They indicate they are motivated by a desire to involve private industry. I might say to the gentleman who has spoken in this vein, so am I, and indeed we have made some very notable improvements along this line in the manpower training provisions of title I in the committee bill.

I think perhaps the outstanding new feature of these manpower programs in the committee bill is the involvement of private industry in a much more significant way.

I think too that a very considerable problem arises from the different kind of involvement our Republican friends propose. In effect, they propose that the community action agencies in each community shall have the power to select certain employers and pay 25 percent of the wage cost for disadvantaged youths hired by them. That could continue for one year. Thereafter if the employer decided that he would like to have them for another year and that they are still not the kind of people to whom he would want to pay a full wage, even after the first year, he can have them for another year at a subsidized wage.

Now, I want to involve private industry, but I want to do it in a careful way. I do not know how I would explain to employers in my community how it happened that a community action agency was paying 25 percent of the wages of the employees of their competitor. I do not know if you want to try taking that one on, to explain it to some employer in your district whose competitor is having his wage cost subsidized by the local community action agency. But I would prefer to avoid that explanation if I could.

Finally, as to this business of generating additional money. Of course, the amount authorized is less than half of the amount authorized by the committee bill. But we are told this would generate private money. It is said that if we spent, let us say, $50 million on counselors, it will produce $300 million of private wages for those counseled. Well, if the problem was that simple, we shouldn't stop at $50 million for counselors. We ought to put the whole $2 billion into counselors and we would really be in business.

I wish the problem were that simple but it is not.

We have in this program a carefully rounded, well thought-out manpower training program. I think it is an excellent manpower training program in terms of flexibility and of the linkage of one element to another so that it does a complete job for the individual who needs it, tailored to his needs. I think we already have the best manpower program that has ever appeared in any piece of legislation. I hope the Committee will agree.

The CHAIRMAN. The time of the gentleman has expired.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, and all amendments thereto, close at 2:30 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. GOODELL. Mr. Chairman, reserving the right to object, may I suggest to the gentleman that he withhold his request? It has been our experience, and as we saw yesterday, that when a request is made to limit the time, a great many Members stand up to be recognized under the limitation of time. I think we might finish debate on this amendment before 2:30 o'clock without limiting the time. Certainly, we might go along without a time limitation for 10 or 15 minutes.

Mr. PERKINS. Mr. Chairman, in view of the gentleman's observation, I withdraw my request.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, the gentleman from Michigan [Mr. ESCH], in his exceedingly eloquent support of this amendment, paid some great attention, and wisely so, to the counselor provisions. Let me try and respond briefly to the remarks of the ther gentleman from Michigan [Mr. O'HARA], because I think, while we may on the surface appear to be going in the same direction in involving private industry, the bill, in my judgment, is woefully inadequate to truly provide the kind of involvement that will be meaningful to those for whom we are attempting to provide training.

For example, Sar Levitan testified in his testimony before the House Committee on Education and Labor—

> A major problem of NYC has been that most enrollees were assigned to "make work" projects. The public and nonprofit agencies that sponsor the vast majority of programs contribute only 10 percent of the cost of a project which can be made in kind. In most cases, NYC labor is free labor. As a result, it is not surprising that NYC enrollees are frequently assigned to perform only marginal work. Requiring public and nonprofit agency sponsors to increase their contributions in hard cash might improve the situation. I am not at all sure, however, that many areas which need NYC the most could or would raise more funds to finance NYC projects.

In the study of the National Analysts, Inc., of the NYC they found—

> The attitudes toward the NYC are grossly negative, primarily because the salary is seen as too low and the status of the jobs they perform is very low.

I think that is a critical factor. The question here is whether we will continue, as the committee bill proposes, to operate on the basis that the Federal Government ought to be sponsoring simple, make-work jobs, or whether we can, in fact, move to redirect the program through the kind of amendment offered by the distinguished gentleman from Oregon [Mr. DELLENBACK].

Interestingly enough, the cost per enrollee in the in-school NYC program is estimated by the Labor Department to be $650 for fiscal 1968, and 138,000 youths are enrolled in the in-school program. The universal need, according to the Labor Department, of children ages 14 through 21 who are in school and need financial assistance to remain in school amount to 2.1 million and the fiscal 1968 projection for this program will only reach 7 percent of those youths.

Again, are we to continue on the age-old story of paying a large amount of money to service only a very small number of people?

The cost per enrollee in the out-of-school NYC program is estimated by the Labor Department for fiscal 1968 to be $3,050. The Labor Department has also estimated the universal need for this program or the total youths who are eligible as 660,000. They have also stated the projection for fiscal 1968 will only cover 10 percent of this need for the program.

If the Industry Youth Corps were adopted with private industry paying three-fourths of the wage, as is provided in the amendment offered by the gentleman from Oregon, the number of youths who could be reached would more than triple and for the same amount of money approximately 225,000 or roughly one-third of the estimated need for this program could be filled, as compared to the committee's bill, which covers only 10 percent.

It seems to me that the amendment offered by the gentleman from Oregon makes good sense both in terms of more completely and more cooperatively involving private industry to expand the service that is available and reducing the cost to the Federal Government so that we do not continue on the age-old treadmill of simply having the Federal Government pick up most of the cost, and therefore limiting the number of young men and women who could be served. If we want to open the doors of opportunity, I trust that the amendment offered by the gentleman from Oregon will be adopted.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am happy to yield to the gentleman from Iowa.

Mr. KYL. Mr. Chairman, as one who has had some training and certainly a great deal of interest in the subject, of this amendment, I am distressed by the manner in which the business of counseling is bypassed with the language that this is simply an attempt to cripple the present legislation. In fact, in the summer employment programs under our present legislation it has always been related that one of the best features is the counseling service, which is very meager.

This I know: If we are to keep students in school, if we are to direct their educational and vocational capabilities and motivations, it is imperative that regular, continuing, and complete guidance and counseling services be provided. It is incongruous that members of the committee now minimize the importance of counseling. They again put politics ahead of pedagogical truths.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. ERLENBORN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oregon. I am surprised, really, at the offhand manner in which this amendment is completely rejected by the administration forces.

We see here another case of administration myopia. They just cannot see anything beyond the bill which has been reported by the committee.

It is also interesting to see the test which is used time after time by the administration forces. They measure every program in terms of Federal dollars. The amount of Federal dollars appropriated is their test of worth of the program.

The fact that one can involve private enterprise through the Industry Youth Corps, in this amendment, just does not impress them at all. This would not appropriate enough in the way of Federal dollars.

As I say, this is a case of complete myopia. They cannot see the worth of any other program.

One of the speakers took the well and said, "Why, if you are so proud of this program for counselors, why do you not put the whole $2 billion in the program?"

Is that not a fine way to comment on what I believe is a very thoughtful proposal?

The counselor program provided for in this amendment could do a great deal toward developing the youths in school, seeing that they remain in school and do not become dropouts, and seeing that they gain during their school years some worthwhile work experience—and without a vast Federal expenditure.

But, of course, one cannot put a Federal price tag on this. If we could appropriate $2 billion or $5 billion, then this would be a fine program, in the opinion of the administration apologists because we would have the Federal dollars which is their test of value.

The administration forces talk so glowingly about the partnership between the Federal Government and private industry in the Job Corps. Then they just completely deprecate any partnership in an Industry Youth Corps or a work-study program.

Let us compare the Federal partnerships in the two instances.

What kind of a partnership do we have in the Job Corps between the Federal Government and private industry? Is this a partnership in which each is contributing of its talents and its resources? Of course it is not. This is totally federally funded. All private industry does is to contract with the Job Corps to furnish certain services. They are not furnishing, as a part of the partnership, any of the financing. They are not producing anything. They are merely competing for contracts that are available through the Job Corps.

That is not a partnership in the sense we are talking about, a partnership between Government and industry, the private sector, in the Industry Youth Corps. Here we would have a meaningful participation by industry, not just a competition to get the Federal dollar. Here would be a contribution by industry in the training of youths, paying them from their own finances, partially, and having that part which represents the difference between the value of the services the youth performs and what they have to pay him under the minimum wage standards picked up by the Federal Government.

This would be a meaningful partnership between the Federal Government and industry.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Kentucky.

Mr. PERKINS. The gentleman from Illinois has talked so much about the substitute generating so much employment. I wonder whether he feels this substitute bill might not even produce one extra cent, for the simple reason that it would allow recipients of assistance to count their existing non-Federal expenditures toward meeting the matching requirements in the bill?

Mr. ERLENBORN. I am sorry. I just do not follow the gentleman's question. I am talking about the Industry Youth Corps and its participation.

Mr. PERKINS. That is exactly what I am talking about.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from New York.

Mr. GOODELL. The gentleman has completely misunderstood the amendment. There is an allegation being made about another section dealing with community action. We did not talk about that matter. That is not involved in this amendment at all.

Mr. ERLENBORN. I did not think it was, and I did not follow the gentleman's question. It did not seem to be related to the amendment.

Mr. SCHEUER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I admire Mr. DELLENBACK who supports this amendment and spoke for it. He has been a thoughtful and creative member of this committee but I do not detect any worthwhile purpose behind this amendment. Our Republican colleagues speak of involving the private sector. It is deeply involved. Last week I read a roster of several dozen firms that were only symbolic of the hundreds participating across the country. The National Association of Manufacturers itself is involved as a consultant and a professional resource. The chamber of commerce is heavily involved in cities across the country. In San Francisco the chamber of commerce is involved in developing over 1,000 jobs. Of the elements in the poverty program, the job training and employment elements in I-B, are the most successful and the least controversial elements we have. They are working quietly, effectively, and solidly across the face of America in every State of the Union, with the total support of the civic, industrial, business, and banking leaders who are designing these programs.

Our Republican colleagues say we can improve a noncontroversial program of this kind designed to give job training and employment by interlarding in its direction and control the community action agencies. It is a strange way to continue a classically noncontroversial program.

They tell us we can involve more kids with better training by cutting the budget more than 50 percent.

We all know neither of these basic approaches is true. We have a program which is working, which is accepted, which is productive, and which is getting kids who have failed in their high school careers, for whatever reason—and we do not have to assign guilt or blame now—to succeed in absorbing education and job training in a job environment. There is not one of the hundreds of the private corporations giving these job training and placement services that has not involved job counseling as the essence of the job they are performing. The counseling proposal would simply duplicate in providing what is a built-in ingredient in all of these training employment programs.

I suggest we get on and defeat this amendment and leave intact without change the most successful single element in the bill, the job training and employment programs which have heavily and meaningfully involved the private sector of our economy and provided perhaps the outstanding example in this bill of total participation by the business leadership of America.

Mr. GOODELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the Dellenback amendment.

Mr. Chairman, I am surprised at the reaction from some of our colleagues who oppose this amendment.

Mr. Chairman, prior talks with them at various times seem to indicate to me that they favored, very strongly, involving all of private enterprise in these very programs for such privately productive jobs, as an alternative to money now spent to create public jobs that are not available. It would provide employment money for real jobs instead of making jobs available for which there is no real purpose. Unfortunately, the latter has too often happened in the past in this program.

Mr. Chairman, we have had the hearings which were conducted upon this subject for the period of some 6 weeks filled with testimony to this effect.

We in this proposed amendment do not eliminate the Neighborhood Youth Corps. It remains to employ youngsters in public and nonprofit agencies, but we would like to divert some of that money to the community action agencies so that they may have the flexibility needed to apportion these funds and to employ these youngsters between the age of 16 and 22. I refer to profitmaking organizations, our smaller businesses—if you will, our businesses that are run by members of minority groups. It will be administered at the local level.

Mr. Chairman, community action agencies will have complete flexibility on this. We are not setting up a major overall national program structure so that there will not be the problem which has developed under the Manpower Retraining Act wherein smaller employers have refused to participate to any large degree. There are just too many forms to be filled out and there is too much trouble involved in connection therewith.

Mr. Chairman, they have to deal with Department of Labor representatives, inspectors, national regulations and so forth. Large companies have refused to participate in any large numbers because they have such programs on-going and they would rather not be bothered with the administrative redtape involved in obtaining a small Government subsidy.

So, Mr. Chairman, under the job training program, as it operates at the Department of Labor today, we have the middle-sized companies participating. Where they do participate and where the private employer is providing on-the-job training, we have had the best results. They get some training, they receive some training directed toward the specific job available. They do not have to look for a job when they get through learning the specific skill involved. The employer takes them on for on-the-job training, because he wants to fill some positions or jobs which he feels these people have the potential to fill.

Mr. Chairman, this represents a practical approach.

As has been mentioned here, under the Industry Youth Corps, you do not have to pay 100 percent of the wages with the money of the taxpayers, because these youngsters are working in profitmaking organizations. Obviously, the profitmaking employer should pay most of the wages involved. Those of us who are in favor of minimum wage legislation—some of us at least—recognize that it does in some instances restrict job opportunities. There are certain employers who will not pay the minimum wage for unskilled youngsters between the ages of 16 and 22. So, they bypass them with automated processes or get along without them in some other fashion.

Mr. Chairman, we have a growing problem in this country and have had such a growing problem during the last 10 years with reference to our 16- to 18-year-old group. This has been an area where we have had an employment increase whereas the general unemployment rate has decreased to some extent.

The unemployment rate for young people in the 16- to 22-year age group has been largely unaffected by general economic conditions in the past 10 years.

When we talk about riots, one of the things that all of us agree on is that one of the issues in these riots has apparently been the lack of jobs, the lack of meaningful jobs with a future, productive jobs. They do not want to have summer jobs for 2 months that try to keep them off the streets.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. GOODELL was allowed to proceed for 2 additional minutes.)

Mr. GOODELL. Mr. Chairman, these youngsters do not want to be put on some kind of a make-work job for the summer with the clear intention to take them off the streets, and to keep them from getting into trouble; these youngsters are looking for something with a future. That is what we are trying to do in getting private enterprise involved.

The statement has been made several times in opposition to this amendment that you can already do this under the present program. Well, they are not doing it today. They do not feel in the administration of the program that they can do it. There is no language in the present law that authorizes this. This would authorize community action agencies to pay a portion of the expense of the on-the-job training, this would authorize them to pay one-quarter of the wage of the youngster, and then the employer would pay three-quarters for up to a year. Then if it is justified they could extend it for another year, if the youngster has made progress and there is hope and promise that there will be the opportunity of full-time employment.

Mr. Chairman, that is the thing we should be trying to establish. That is where we can use the Federal tax money as seed money, and thus it goes four times as far because then we are involving outside sources of income to put money into the pockets of the poor. And they are earning it. They are learning to earn. These are the practical approaches we believe should be brought into this concept of the Neighborhood Youth Corps, without destroying the basic approach of the Neighborhood Youth Corps. In many cases such jobs can be and have been provided that are useful and productive, and they can continue to be provided, but we would add the private sector in it. The counselor program in the schools has the same objective. Instead of just concentrating on public jobs that are paid for 100 percent, through the Federal tax dollars, we can get them private jobs.

The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. GIBBONS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. GIBBONS. I would be glad to yield ordinarily, but I believe we are about to wind this up. I thought we had an agreement that we were going to vote on this at 2:15. Am I right or wrong?

Mr. GOODELL. Mr. Chairman, would the gentleman yield?

Mr. GIBBONS. I will be glad to yield.

Mr. GOODELL. I thank the gentleman for yielding.

The gentleman had asked for a time limitation until 2:30, and we said there was a very real possibility we could finish before then, and I believe there is. But if the gentleman wishes to impose a time limitation——

Mr. GIBBONS. No, I do not wish to impose a time limitation.

Mr. GOODELL. Additionally, we would probably have the problem we usually do, that if once we ask for a time limitation, then we see a number of people stand up who perhaps may not otherwise have asked for time, and they will receive the 1½ minutes to speak.

Mr. GIBBONS. I do not want to yield any further time.

This is real interesting. This is the first time I have heard a lot of this.

Mr. GOODELL. Will the gentleman yield further?

Mr. GIBBONS. I do not want to yield any more of my time.

Mr. GOODELL. We have been discussing this steadily for 2 years, and the gentleman has not been listening.

Mr. GIBBONS. No. I decline to yield any further in my very limited time.

I see the fellow is riding shotgun on my time over there.

Mr. Chairman, I really believe we ought to call this "Scotch tape, Xerox, Government Printing Office" amendment. If you were to walk up behind me, as I did a while ago, and look at those papers that have been put together, you could not call it a serious amendment. I think you would laugh at it, because evidently they started out by typing it, and then they got tired so they started to Xerox it, then they got tired of doing that, so they took some pages from another amendment and then stapled them together into a 42-page document. And I really cannot consider it as a really serious amendment.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. No, I cannot yield any further of my time. I will turn back any time that I do not consume.

As I started to say, Mr. DELLENBACK has gotten through talking about the opportunity crusade that we have been hearing about for 2 years, because the first thing he says is that, "Oh, no, this is not the opportunity crusade, we did a few things to it." That was when my interest became aroused, and that is when I went up to look at the amendment, and it is really ridiculous.

I would invite everyone of you to go up and look at it and see how ridiculous it is.

Let us talk about what they are striking out of this bill. That is the important part. They are striking out on page 154 everything that was put into this bill in an open markup session not only on a bipartisan basis but on the basis of unanimous consent.

I checked this out before I came here. This bill was marked up in open session. We may have had a little trouble getting a quorum, and you may have read or heard about that when we were marking up the bill, but we came to this section of the bill in the general marking up in the Committee on Education and Labor, we put in this provision on page 154 by unanimous consent. Not a soul objected to it. You do not hear all this said here on the floor now when they put this Scotch tape, Xerox, GPO amendment together while they are trying to think up some way of spending enough time to keep us here Wednesday and Thursday and Friday and Lord knows how long—that is how serious they are.

I had hoped at this stage of the game that we could be united on the manpower programs for we have in the bill before us a provision on manpower that went into the bill by unanimous consent. It covers about 7, 8, 9, or 10 pages and it is all printed.

Go up to the clerk's desk and ask to read this ridiculous thing they put out. Now there is a way to legislate and there is a way not to legislate. One of the worst ways to legislate is to bring something in at the last minute that is pinned together and typed out, part of it written out in long hand, and some of it scratched out, and then something written in in ink. If what I say is not true, you can go up there and look at it and then deny it, if it is not true.

Mr. BROYHILL of Virginia. Mr. Chairman, I move to strike out the requisite number of words.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the gentleman.

Mr. GOODELL. I just want to answer in one sentence the allegation just made. Everything in this amendment was in the opportunity crusade and was before our committee. We struck out one section, the military career centers section, and we added one section that was added in committee and we felt it was valid. There were no other changes, scotch tape or otherwise.

Mr. BROYHILL of Virginia. Mr. Chairman, last Wednesday, I discussed the use by many employees of the United Planning Organization in Washington of their connection with OEO as a springboard for promoting radicalism.

If you catch a burglar on the scene, and he has a record of burglary, is carrying a burglar's tool kit and a burglar's loot in his pocket, he becomes a suspect. Not necessarily one that will wind up in jail, or, if he does, one who will stay there, but a suspect nonetheless.

If you catch a man with blood on his hands and a dead body nearby, he is likely to be detained even under the current legal versions of arrest and confinement.

If you catch a known firebug at the scene of a conflagration, with a can of kerosene in his hands, the logical, but far too often not legal conclusion is that he is a likely candidate for a grand jury.

As I pointed out last week, Mr. Chairman, the Office of Economic Opportunity is loaded with people of questionable background and association who have been placed in positions of responsibility, and who are supposed to be training others to become useful and productive citizens. I stated at that time that I felt we are sowing the seeds of our own destruction when we provide financing for large numbers of radicals who use their working hours and the people they are supposed to train, to plan ways of turning their trainees against our Government and our way of life.

I have been asked for more specific details, Mr. Chairman, and I should like to name here a few of these public servants and tell you something about them.

Beginning at the top, a Mr. Hal Witt was Acting Executive Director of UPO from May until last month, and is now Deputy Director at $21,000 a year.

Mr. Witt is the son of Nathan Witt, a member of the Communist Party, U.S.A. He is on the executive board of SANE—a regular sponsor of antiwar demonstrations. He is a frequent attendant, if not a member, of the Washington American Forum, successor to the Progressive Party here. He is on the Washington Area Committee To Abolish the House Un-American Activities Committee. His name is on the mailing list of the Fair Play for Cuba Committee. His police record reveals that when charged with disorderly conduct in 1960 he chose as his attorney, Joseph Forer, the leading attorney for the Communist Party, described by a member of the National Committee of the Communist Party, U.S.A., as one of the most important Communists in the District of Columbia. According to information from FBI files, Mr. Witt has close and frequent association with many known Communist Party members as well as financial backers of the Communist Party.

I do not say Mr. Witt is a Communist, Mr. Chairman. I do not know. I do know that a very real question as to his loyalty should prohibit his employment by a public agency.

The Daily Worker, January 10, 1965, advertised a meeting in New York City to honor the 40th anniversary of the Communist publishing firm, International Publishers. Listed as a featured speaker was Marion Barry, now a $50-a-day consultant at UPO. Barry was head of SNCC's New York office then, and moved to Washington in June 1965 to expand the SNCC office here. He had been arrested and convicted on various charges in Memphis and Knoxville, Tenn., and in Chicago. He became somewhat infamous in the District last year by kicking a door of a paddy wagon while being arrested. He led a march on the Capitol under the label of "Assembly of Unrepresented People," protesting the Vietnam war; led a bus boycott protesting fare increases; mapped the "Free D.C. Movement," boycotting merchants who refused to sign home rule petitions and contribute funds to home rule causes.

One of Barry's close SNCC associates is Rev. Channing Phillips, who heads the Housing Development Corp., recipient of around $294,000 in 1966 from UPO and $100,000 from HUD. He joined in the merchants boycott, cochaired the Coalition of Conscience, led a sleep-in at Bolling Air Force Base; chaired the Committee for Community Action in Public Education, which sponsored the school boycott and paid much of the expenses of the Hobson against Hansen case which resulted in the resignation of Dr. Hansen from his position as Superintendent of Schools in the District.

We all know the antics of Hubert Gerold Brown, known as Rap Brown. He was a UPO employee from March 1965 until June 1966, when he resigned to take the SNCC chairmanship from Stokely Carmichael.

Also active in SNCC while at UPO were Alan and Margaret McSurely, who left here to go to Kentucky where they were charged with possessing seditious materials, including Communist literature and films. While Alan McSurely was director of suburban programs for UPO, he, with two other UPO employees, William N. Hobbs and John Robinson, threatened the Arlington chief of police during a march sponsored by a group known as ACCESS in which they participated.

Incidentally, Mr. Chairman, the gentleman from Illinois [Mr. Michel] recently called to the attention of the House the fact that the same John Robinson was involved just last Tuesday in a violation of the Hatch Act, in passing out partisan political literature and working at the polls on election day. Here, Mr. Chairman, is an example of the Government paying a man for partisan political activity. The taxpayers of the United States will not tolerate this use of our funds.

Gaston Thomas Neil, a UPO worker in the Cardozo area, runs the New School of Afro Thought. He has spent time in St. Elizabeths Hospital after being found not guilty by reason of insanity on a number of narcotics charges. He now has other charges pending against him not yet resolved. Meanwhile, he and a companion bought two Russian-type carbines in Alexandria in August, for what purpose we can only guess.

Ralph Fertig, former executive director of UPO Southeast Neighborhood House, helped with the school boycott. He came to UPO from Chicago, leaving behind unpaid judgments and a record including protests against the Un-American Activities Committee and advertisements urging clemency for the Rosenbergs.

Dick Jones, a UPO community organizer, Herbert Kelsey, a UPO housing coordinator, and Michael Searles, UPO housing adviser, are all SNCC members. Mrs. Willie Hardy, UPO Neighborhood council director, is in both SNCC and CORE.

This list would not be complete without Ruby Evans, UPO girls' service coordinator, who although not involved with the militants, urged her girls to refuse birth control information, telling them they should not be prevented from having illegitimate children if they want them.

Finally, Rufus Mayfield, the young hoodlum who was there when a TV set went through a window; when the Redskin band had to leave a ball game under police protection; when a fire broke out in a dime store; when trouble developed at the Coliseum and looting followed; when poverty warriors marched on the White House. In spite of a concerted effort of the Washington press to show his activities in a favorable light, he is constantly skirting the edge of trouble, and hundreds of 13- and 14-year-old boys acknowledge him as their leader.

Mr. Chairman, one radical in these OEO-sponsored programs in a position to employ others can load a payroll with those who think and act as he does. This has happened in Washington, D.C., and may be happening all over the Nation. The decent people of this Nation—and I mean the decent poor as well as those living in better circumstances—deserve better leadership than UPO is giving them.

Mr. WAGGONNER. Mr. Chairman, I move to strike the requisite number of words.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me for a unanimous-consent request?

Mr. WAGGONNER. I yield to the gentleman from Kentucky.

Mr. PERKINS. I ask unanimous consent that all debate on this amendment and all amendments thereto close at 2:30.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. DELLENBACK. Mr. Chairman, reserving the right to object, may we first ascertain how many Members wish to speak on the amendment?

The CHAIRMAN. The gentleman from Oregon has already spoken, so that would leave four or five Members.

Mr. GOODELL. Mr. Chairman, reserving the right to object, could you make it 2:35 so that there would be adequate opportunity for those standing?

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 2:35.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The gentleman from Louisiana is recognized.

Mr. WAGGONNER. Mr. Chairman, I certainly will not utilize 5 minutes, because I have only one question, and this is a question I would like to ask of the author of the amendment, the gentleman from Oregon [Mr. Dellenback], if he would give me his attention, please.

I would like to ask this question of the gentleman from Oregon [Mr. Dellenback], as author of this amendment: Does his amendment transfer administrative authority of NYA from OEO to HEW?

Mr. DELLENBACK. It would take a portion of NYA and transfer it to HEW, and it would take a portion thereof and transfer it to Labor.

Mr. WAGGONNER. I thank the gentleman.

Mr. ERLENBORN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ERLENBORN. I have noticed in the past, and again at this time, that when a unanimous consent request to limit debate has been made, Members who have already been recognized to debate the issue are again recognized under the unanimous-consent limitation. I wonder if this is in order.

The CHAIRMAN. When the request was made, the Chair will state to the distinguished gentleman from Illinois, the gentleman from Louisiana had already been recognized.

Mr. ERLENBORN. I am not speaking of that, Mr. Chairman. The Chairman just announced that the gentleman from Kentucky, the chairman of the committee, would be recognized again, though he has already debated on this amendment. I wonder if Members can be recognized for a second time to debate the same amendment merely because a unanimous-consent request is made to limit time.

The CHAIRMAN. The Chair must say to the gentleman that when the unanimous-consent request was made and agreed to it abrogated the 5-minute rule.

Mr. GERALD R. FORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. I should like to ask if the gentleman from Oregon is also on the list? The gentleman was standing at that time.

The CHAIRMAN. Was the gentleman from Oregon standing at the time?

Mr. GERALD R. FORD. The gentleman from Oregon was standing.

Mr. DELLENBACK. Yes, Mr. Chairman, I was standing.

The CHAIRMAN. Was the gentleman seeking recognition?

Mr. GERALD R. FORD. The gentleman was seeking recognition.

The CHAIRMAN. The gentleman's name will be added to the list of Members.

The Chair recognizes the gentleman from Michigan [Mr. Ruppe].

Mr. RUPPE. Mr. Chairman, I wish to commend the gentleman from Oregon, and I yield to my colleague.

Mr. DELLENBACK. I thank the gentleman for yielding.

Mr. Chairman, may I say a few brief things? There are many things I would like to say, if there were more time.

The remarks the chairman of the committee made earlier about the multiplication of industry money were not correct. One cannot go off on flights of fancy in this regard.

Look at the difference between the formulas under the program put forward in the administration bill, and the Federal dollars involved—those are almost all Federal dollars under the administration bill—and the formulas involved in our proposal. There is a very clear multiplication provided for in our proposal through the involvement of private enterprise money, and this will make a significant difference as to how many dollars will get to the root causes of poverty.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentleman from Michigan [Mr. William D. Ford].

Mr. WILLIAM D. FORD. Mr. Chairman, I am really surprised to see this amendment here. I rise to oppose it.

Of all the programs carried on under the Economic Opportunity Act, which we have had an opportunity to examine during the past 3 years, the program which has had the most universal support from both public and private observers has been the program that would be taken apart by this amendment.

The Neighborhood Youth Corps has in fact been a success not only in the big cities, but also in the suburbs, and in the rural parts of America. As a matter of fact, it has probably been one of the most effective rural training programs we have been able to develop. It has been the most rapidly developed program.

I am proud that in our State, although not in my district, in the city of Lansing, they had one of the very first programs in the country. It is looked upon as a model. Many people from around the country have journeyed to our State of Michigan to see that program, which does in fact function in connection with three major industries not only of that city but of our State.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

The Chair recognizes the gentleman from Michigan [Mr. Riegle].

Mr. RIEGLE. Mr. Chairman, I would like to pay tribute to the gentleman from Oregon for his creative work in trying to make something out of this program and to correct some of its obvious failings.

I want to say I join him in support of this amendment and I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Don H. Clausen].

Mr. DON H. CLAUSEN. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Oregon [Mr. Dellenback] regarding the proposed transfer of the Neighborhood Youth Corps.

In reality, the entire Neighborhood Youth Corps program fits into the existing Governmental department structure and I refer here to the Department of Labor and the Department of Health, Education, and Walfare. In the main, only the "in-school" portion of this program has met with any real success under OEO and this was largely because it was being managed by school authorities.

I see no rationale or public purpose in scattering programs dealing with education and the manpower labor force outside of the Federal departments that were originally established for these purposes. Young men and women who are out of school and without jobs desperately need training to fit them for useful employment in private enterprise and in Government. They do not need a so-called make-work program described as "work experience"—which it is not.

In my judgment, there are many advantages to be gained from this proposed transfer of the Neighborhood Youth Corps. The primary one, of course, is that it will provide meaningful jobs rather than "make believe" jobs. In addition, it will permit greater participation by private enterprise in the current program and it is private industry that is the principal job producer in this country. It will contribute to our economic growth and enhance our economic development by providing more jobs for more people than is now the case. And, it will establish dialog between the employer and the employee that will be mutually beneficial in determining the type and degree of training and experience needed in industry.

I yield to the gentleman from Oregon [Mr. Dellenback].

Mr. DELLENBACK. Mr. Chairman, I thank the gentleman for yielding.

I only have two things to say further on the balance of this time which is yielded to me and on my own time. One, there are good programs involved here such as the good portion of the Neighborhood Youth Corps which would be continued and enhanced under this program. Secondly, there is a need present which is a very great need. The present attempts through the present law to solve that need have not succeeded. Anyone can produce isolated examples of success, but our concern is not just for those isolated examples but for the many, many, many people whom these programs cannot reach. If we do not make some basic changes in the formula and the programs, those people in need of help will not be reached.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Carey].

Mr. CAREY. Mr. Chairman, I do not think this amendment needs much more opposition. I think it will fall of its own weight. I am beginning to learn as we go through the debate what the meaning of the word "redirection" is when it is used by the minority. Evidently what they mean when they say the program is to be redirected is that they would like to take an express train off the tracks to see if it can go better cross country. Or, to use another example, of Republican redirection if you have an orderly convoy going down the highway, head it toward the nearest cliff and see if it can fly.

I urge the defeat of this redirection amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. Dellenback].

Mr. DELLENBACK. Mr. Chairman, I regret that the primary arguments in the last 35 minutes by the opponents of this measure have gone off the basic issues and have lapsed into humor. This problem is too serious for humor. We cannot succeed in having meaningful programs under the law unless we can make some meaningful improvements in the law.

I urge that we adopt this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. Perkins] to close debate.

Mr. PERKINS. Mr. Chairman, at the outset I stated that this amendment would destroy title I–B of this bill. I reiterate that statement. Today we have a most effective Neighborhood Youth Corps and an in-school program for the rural areas of America. This amendment will completely destroy for all intents and purposes that program and will completely destroy the work-training program, because there are just not ample funds in this amendment to do any service to the disadvantaged of this country. It will not do any service for them.

I ask the committee to vote this amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. Dellenback].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. DELLENBACK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Dellenback and Mr. Perkins.

The Committee divided, and the tellers reported that there were—ayes 108, noes 169.

So the amendment was rejected.

The CHAIRMAN. For what purpose does the gentleman from Michigan [Mr. Cederberg] rise?

Mr. CEDERBERG. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I ask unanimous consent to proceed for 3 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

Mr. PERKINS. Mr. Chairman, reserving the right to object, is the gentleman offering an amendment?

Mr. CEDERBERG. No. I just want to make a few observations.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

The CHAIRMAN. The gentleman from Michigan is recognized for 8 minutes.

Mr. CEDERBERG. Mr. Chairman, I have listened with interest to the debate as it has gone on on this poverty bill. I further wish to say that I yield to no one in my concern for people who need help and are truly poverty stricken. I have supported the Vocational Education Act, I have supported the Manpower Training Act, higher education, and I have introduced the Human Investment Act. I have a deep and abiding concern for those who really need help.

But I want to say to the Members that in my opinion this poverty program has not been effective. Now, you cannot spend several billions of dollars without doing some good, but I do not believe we have been getting the return on the money that we have invested in trying to take people out of poverty and to assure them of an opportunity to take their rightful place in society as working citizens.

Mr. Chairman, it seems to me that we ought to redirect this program. We should take the Headstart program and put it over in the Office of Education. If that is not education, I do not know what it is. Insofar as job training is concerned, what organization is better equipped than the Office of Vocational Education? What better place can we find than that to try to train people for meaningful employment?

How can we accept an expenditure request of something over $400 million in addition to what we spent last year amounting to $10 for each and every man, woman, and child in this country, when we will have a Federal deficit of some $28 billion to $30 billion next year? And the President is asking for a tax increase and also promising a reduction in spending, while he goes to New York and promises all the Great Society programs are going to go ahead and we are going to have guns and butter at the same time.

There is some inconsistency here some place.

Let me say this in addition. We have had new spending programs and Great Society programs and rather than reducing welfare costs they increase.

I believe in, and I will support amendments here, and I will support the crusade—the opportunity crusade—because I think it is the only chance to put this program into effective operation and to help those people who seriously need help.

Let me say it gives me some concern when we see a group marching from Baltimore down the Baltimore Parkway down to Washington to ask for more Federal help when in the Baltimore Sun newspaper of Monday there are four pages of help-wanted ads, with some of them with no experience being necessary. Most men, women, and young people who are asking for jobs can find them.

If any man or woman is able to walk from Baltimore to Washington, then he or she is able to walk to an employment office and walk to respond to some of these ads in the newspaper.

As far as I am concerned, the taxpayers of this country—and let me tell you what taxpayers—they are not the small taxpayers, they are not the rich taxpayers because they can take care of themselves all right—but the man who is trying to raise his family on $7,000 to $10,000 a year and he is having a rough time and you are throwing more of a load on him every day.

They are the mass of the taxpayers. That is the group that really puts up most of the money. You are going to have a taxpayers' revolt in this country unless you call a halt and unless you make these programs so that they effectively take care of the people who need help.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman.

Mr. CONYERS. I thank my colleague, the gentleman from Michigan for yielding.

Is the gentleman not aware that most of the people who are trying to get jobs in America do not have the skills required for the jobs in those advertisements? Is the gentleman not aware that there is a critical unemployment problem and that 40 percent, according to the Secretary of Labor, is the true unemployment rate in the slums and ghettos across America?

Does the gentleman not recognize that the people who made that march were marching because of a sense of dignity and their desire to gain employment?

Mr. CEDERBERG. Yes; I know all of that. I know all of that. These ads are right in this newspaper here and they show that they can go to many of these places, get jobs, and also get training. Right now they are asking for people in many of these places.

Mr. CONYERS. I do not think that should be dragged into this kind of a discussion when we know what the unemployment problem is. I know what it is in my district. I do not know if the gentleman knows what it is in the slums or ghettos in his district, if he has any, but the unemployment problems in this country are enormous. People write to me trying to get jobs and, of course, I cannot provide them, and I will not hand them the want ads and tell them to fit a round peg in a square hole because it cannot be done.

Mr. CEDERBERG. Those people who need help should be given help. But we just voted down an amendment that was designed for that very purpose in support of the approach with reference to free private enterprise, as is being done in the city of Detroit to help these people. How much support did we get? None at all. That is the only way you are going to help these people.

We are not giving them any help by putting them in the poverty program or getting a job on the poverty program. Some can be trained, but we can do a better job if we let industry help to train them.

Mr. CONYERS. Does the gentleman know how many jobs were placed by the Ford Motor Co. that started off with 10,000 and the next time I read in the paper it was 5,000. The next time I saw that they were working on placements. Does the gentleman know how many there actually were?

Mr. CEDERBERG. I know the Ford Motor Co. said they would take 5,000 and J. L. Hudson Co. said 500. I do not know how many the Chrysler Corp. said, or General Motors Corp., but it was a sizable amount.

But it seems to me that this is the kind of step that is in the right direction and ought to be encouraged instead of voted down.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman.

Mr. GIBBONS. First of all, let me say I do not think that marchers are going to influence this Congress. I think we have a little more dignity than that and I think anybody who starts one misjudges the gentlemen who sit here.

Second, I read those want ads and most of them, as the gentleman from Michigan [Mr. Conyers] said, cannot be filled because the people do not have the skills. We are training them by these programs despite the debate here. We have programs that do these things.

Then we have another amendment that I hope the gentleman will join us in because I think it will bring some responsibility here, and that is on title II, C, section 210, and I think if you will join us in that in a bipartisan effort, we can make this program more effective.

I am not questioning whether we should train people who need help to be trained. They ought to be trained. I am saying that for the $4 billion that has been spent on the poverty program so far we have not trained enough people. We have not done the job right. The program should be redirected so that the people who have the expertise to train them can do so. Then maybe we will make some sense out of it, and the taxpayers will get a break out of it, too.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield to the gentleman from Michigan.

Mr. CONYERS. Does the gentleman have any objection to citizens from Baltimore coming down here to witness what is going on in the House of Representatives?

Mr. CEDERBERG. I have no objection to anyone marching here to sit unless they interfere with the traffic along the Baltimore-Washington Parkway. Then I think there is some question about that. My argument is that if they spend as much time trying to find jobs, right in the city of Baltimore, where many jobs are being offered, they would be far better off. Some of them just will not work.

I remember the march from Cleveland, Ohio, to Columbus, Ohio, when the people on welfare were going to march to the State capital because they were not getting enough on welfare. If they can walk that far, they can get a job. They probably passed many help-wanted signs on the way.

Mr. ALBERT. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The majority leader, the gentleman from Oklahoma, is recognized.

Mr. ALBERT. Mr. Chairman, I suppose it is one of the easiest things on earth to criticize a program that is designed to help people who stand on the lowest rung of the economic ladder. For the enlightenment of the House, I would like to impose upon the time of the Committee of the Whole just a moment to read an editorial from the Johnston County Capital Democrat, a weekly newspaper in a small county in southern Oklahoma. The editor, John Lakey, lives in the county, knows the county well, and knows how the poverty program is working in his county. He gives us, I believe, some food for thought in the consideration of this matter and in weighing its merits and its demerits. This, in part, is what the editorial says:

> The public image of the Poverty Program seems to be some young girl or boy who dropped out of school doing too little for too much money and riding a Honda while the taxpayers' kids walk.
>
> We've had some of that here in Johnston county.
>
> But the Poverty Program also has done this in Johnston county:
>
> 1. Given us our first county-wide health service.
>
> 2. Provide jobs for many students who needed the money in order to stay in school.
>
> 3. Hired workers that did more than loaf. They cleaned up cemeteries, the courthouse and our parks, sprayed for mosquitoes and worked on hauling trash from our homes, and helped clean up our roads.
>
> 4. It's sent help into the homes of the sick and bedfast.
>
> 5. Its Head Start program has given tiny tots a kindergarten program that heretofore only those with money could afford. It's paid to give these youngsters dental and medical attention.
>
> 6. It's provided rural areas with a planner and paper work do-er in the form of a CAF director to help capture federal aid projects. Heretofore only large city Chamber of Commerces could boast such work staffs—and that's where the projects went.
>
> 7. It's helped organize rural water districts, a peanut drying cooperative and investigated other proposals of self-help.
>
> 8. It's taken young men and women who thought college was beyond them in both brains and money and got them started "Upward Bound."
>
> The Poverty Program has done all this in Johnston county and if now and then some undeserving lazy loafer has got a bit of the public money because someone thought he or she deserved a chance to do better, it was not unexpected.
>
> The program is supposed to help these at the bottom of the economic barrel. It's not surprising then that the Poverty Program has turned up a few bad apples, but rather that it has turned up so many good ones.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Louisiana.

Mr. BOGGS. I commend the gentleman for the statement that he has made. I commend the author of the editorial that the gentleman has quoted. May I say that what happened in that county in Oklahoma is not unique.

Mr. ALBERT. Of course it is not.

Mr. BOGGS. I live in a southern State, and I am proud of it. In that city at least 150,000 people have been helped by this program.

This program has made the most significant contribution to my city that I know of since I have been serving in Congress. The idea that we can live in peace and quiet and harmony in the suburbs when there is misery in the center of a big metropolitan area is one which has been rejected by every sensible student of this problem who has made a study of it.

I thank the gentleman for his contribution.

Mr. ALBERT. I agree with the gentleman.

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: On page 154, line 8, after "SEC. 102." insert "(a)".

On page 168, after line 13, insert the following:

"(b) Part E of title I of the Economic Opportunity Act of 1964 is redesignated as 'Part F', and section 141 is redesignated as 'section 151.' There is hereby added to title I of such Act the following new part E:

"PART E—INDUSTRY YOUTH CORPS

"STATEMENT OF PURPOSE

"SEC. 142. It is the purpose of this part to provide needy, unskilled, and unemployed young men and women who have terminated their formal education with on-the-job training opportunities which will enable them to become self-sustaining in a vocation.

"ESTABLISHMENT OF INDUSTRY YOUTH CORPS PROGRAM

"SEC. 143. (a) The Secretary shall establish in the Department of Labor an Industry Youth Corps program to be administered locally wherever posible through grants to community action agencies qualified pursuant to title II of this Act, which program shall be designed to assist private, profitmaking employers to furnish on-the-job training (and necessary related services, such as testing, counseling, and job development services) for eligible youths as provided in this part. The Secretary shall encourage farmers and other employers in agriculture and agriculturally related enterprises to participate in such program by hiring eligible youths for training in farm occupations for which there is a potential of long-term employment.

"(b) Each agency to whom the Secretary makes grants under subsection (a) shall be authorized to contract with private, profitmaking employers in the area served by such agency to provide such training and services for eligible youths. In the absence of a qualified community action agency in any area, the Secretary shall contract directly with such private, profitmaking employers to carry out the purpose of this program.

"(c) The Secretary shall, pursuant to rules and regulations promulgated and published by him, authorize the reimbursement of the reasonable costs of providing such training and services, and not more than 25 per centum of the cost of wages paid any youth employed by such private, profitmaking employer.

"CONTRACT REQUIREMENTS

"SEC. 144. (a) Any contract made with an employer under section 143(b) shall provide that eligible youths will be hired under terms of employment which provide that—

"(1) an integral part of such employment shall consist of on-the-job training in an appropriate vocational skill area (including supplemental classroom instruction where appropriate), with opportunity for reasonable progression and pay raises consistent with individual performances;

"(2) the employer will, whenever possible, offer suitable long-term employment to any individual who successfully completes his on-the-job training, or assist such individual to find suitable long-term employment elsewhere: *Provided*, That such employer shall not displace previously employed workers or impair existing employment contracts;

"(3) the employer will provide adequate and safe facilities, and adequate personnel records of attendance and progress;

"(4) such youths will be compensated at reasonable rates comparable to, but in no event in excess of, the rates of pay for regular employees performing similar services;

"(5) the term of employment shall not exceed one year, except that such term may be extended for one additional year if it is ascertained by the employer that (A) such youth would be unable to qualify for suitable employment at the rates of pay for regular employees performing similar services without reimbursement of a portion of the employer's wage costs attributable to the employment of such individual, and the reasonable costs of providing on-the-job training and related services to such individual; and (B) the employed youth probably will benefit from an additional year of on-the-job training; and

"(6) the determination of eligibility of any youth shall be made by the employer, in accordance with rules and regulations promulgated and published by the Secretary.

"(b) Any contract under section 143(b) shall be negotiated with due consideration for minimizing forms and procedures imposed upon the contracting employers.

"(c) Under no circumstances shall any contract be made under section 143(b) unless there is assurance that the obligations of the employer under such contract and under any arrangements he may make with an eligible youth will be discharged in good faith.

"(d) The employer of any eligible youth pursuant to the provisions of this part shall have the same authority to supervise, assign, provide working conditions for, and discharge such youth as he has with respect to regular employees.

"ELIGIBLE YOUTHS

"Sec. 145. (a) For purposes of the programs authorized by this part, an eligible youth shall be an individual—

"(1) who has attained age sixteen but has not attained age twenty-two at the time he contracts for employment with such employer;

"(2) whose income (together with his family's income if he is a dependent thereof) does not exceed a standard of poverty set forth in rules and regulations promulgated and published by the Secretary on the basis of the number of children, dependents, and other special circumstances substantially affecting the ability of such youth to be self-sustaining;

"(3) who is unemployed and unable to obtain employment in an appropriate vocational skill area; and

"(4) who has not regularly attended school for a period of at least six months, and as to whom there are no immediate prospects of returning to school for additional education or vocational training.

"(b) Eligible youths employed pursuant to programs authorized by this title shall be deemed not to be Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

"PAYMENTS

"Sec. 146. The Secretary shall establish criteria designed to achieve an equitable distribution of assistance under this title among the States. In developing such criteria, he shall consider among other relevant factors the ratios of population, unemployment, and family income levels.

"COORDINATION WITH STATES

"Sec. 147. The Secretary shall consult with any State assisted under title II of this Act to achieve the most effective coordination feasible of programs assisted under this title with programs assisted under that title.

"OATH

"Sec. 148. The provisions of section 106(c) shall apply with respect to eligible youth in programs assisted under this title.

"ALLOCATION OF APPROPRIATION

"Sec. 149. The Secretary shall carry out the programs authorized by part E of this title during the fiscal year ending June 30, 1968, and the succeeding fiscal year. For the purposes of carrying out part E, there is hereby directed to be allocated from the appropriation for this title for each of the two fiscal years ending June 30, 1968, and June 30, 1969, the sum of $70,000,000 to administer and conduct the Industry Youth Corps program authorized under section 143."

Mr. QUIE (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. PERKINS. Mr. Chairman, will the gentleman yield? I just want to ask, is this not the identical amendment we just voted on, as included in the amendment offered by the gentleman from Oregon?

Mr. QUIE. Mr. Chairman, I am happy the chairman of the Committee on Education and Labor has helped me with part of my speech and informed the Members that this is a part of the amendment already voted on. This is the Industry Youth Corps, but it is to be added to title I of this bill as a part E. I hope those who voted against it in the previous amendment did so because of the other parts of that amendment rather than the Industry Youth Corps part.

What the amendment would do is to provide that $7 million be allocated for this purpose, for the Secretary of Labor to operate a program whereby the private profitmaking employers might hire these youths and subsidize them up to 25 percent of their wages.

Under the Industry Youth Corps we find that the money would go about three to four times as far.

Presently in the Neighborhood Youth Corps out-of-school program the Federal Government pays 90 percent of the wages. These young people in many cases are hired for make-work types of employment. Make-work type of employment does not have the dignity or the meaning to it which an on-the-job training program in private industry would. In private industry they gain the kind of experience which enables them to hold full-time jobs thereafter. However, a problem exists which prevents private employers from taking part in the manpower development and training programs for young youths of this type. The minimum wage laws or the wages that are required to be paid in these businesses are more than many of the youth are worth when first hired. The wages are greater than the worth of the young employee. There is a period of time in which the youth must learn to handle himself on the job and learn some of the skills of the job. During this period of time this amendment would permit private industry to be engaged in the employment and training of the youth. This will give jobs to three or four times as many youths as the Neighborhood Youth Corps program. This will be meaningful jobs from the testimony we received, which indicated strong support for this. Let me mention a few examples.

An Oklahoma manufacturer said:

> With your government regulation indicating a minimum of $1.40 per hour it is ridiculous for us to consider such a program. On one hand you ask us to hire a youth opportunity worker and on the other hand you tell us we would have to pay $1.40 per hour for work that would not be worth more than $.50 per hour. Therefore, to us your program is impractical and ridiculous.

Now I quote Vice President Humphrey, who says:

> The Federal Government was not omniscient, omnipotent, omnipresent enough to meet the challenges of the war against racial discrimination, unemployment, and inadequate training. The challenge cannot be met efficiently or adequately without the initiative, the investment, creative imagination, the flexibility, the capacity to work out details of specific problems that are the hallmark of a free enterprise system.

Mitchell Ginsberg, the head of the New York City poverty program, suggested subsidies for employers who train youngsters.

Mayor J. D. Braman, of Seattle, testified before our committee and said of the Industry Youth Corps:

> I think it would work very well in Seattle. It has been my feeling that the best way to achieve training is to put a man on the job where he has the dignity of working and earning a wage but at the same time is learning.
>
> As a longtime employer myself I recognize that we cannot expect employing units, most of whom are operating these days on rather narrow margins, to reduce the present efficiency of their work force and take on people who produce less than the value of the stipend they receive without some kind of compensation.

Mr. Edward Robie, vice president of the Equitable Life Assurance Society of New York, testified before our committee on behalf of the Industry Youth Corps, and he testified very clearly the efforts that the life insurance industry would make and that the 25-percent subsidies would not cover all of their costs, but with that kind of assistance from the Federal Government he was confident that other companies would engage in this kind of help to youth.

You may not have liked the substitute which has been offered and you may not have liked the idea that we would change the operation of the present poverty program, but this is an addition to the language that is presently in the bill. This is to use the same amount of money in section 2 of the bill for title I, but designated $70 million for this addition. I am confident anyone who has taken the time to read this amendment and study it and talk to employers about it will know that this will be an effective means of training youth, not make-work programs but in meaningful kinds of jobs.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Minnesota.

Mr. NELSEN. The proposed amendment, it was called to my attention, in the District of Columbia alone for the summer program could have been worked out but was prevented because of minimum wage regulations which made it impossible for the employer to train the youths. I take it your amendment would take care of this problem. It would be my understanding this would also apply to the District of Columbia. Is that not true?

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Quie was allowed to proceed for 2 additional minutes.)

Mr. QUIE. That is correct. It would give the opportunity for a small employer to take part in this program.

Mr. Chairman, there are no large industries, as the members of the Committee know, in the District of Columbia and the same thing is true in many areas of the country. Small businesses like the retail trade could participate in this program.

Mr. Chairman, if the amendment is agreed to, then those people who come under the purview of the language of the amendment on the farms would be included as well. There is a great opportunity for employment of youth in rural area on farms if this subsidy were paid to get them started.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Illinois.

Mr. YATES. Is the program which the gentleman in the well proposes in addition to the programs that the Office of Economic Opportunity now undertakes to have industry train people?

Mr. QUIE. That is correct.

Mr. YATES. Mr. Chairman, if the gentleman will yield further, how is your program going to be financed? Does your proposed program call for additional funds for the purpose of financing it?

Mr. QUIE. No. My amendment does not propose additional funds. There would be in title I that came up in section 2 yesterday the sum of $874 milion, a sum which I believe is greater than this Congress is going to appropriate. But it would be sufficient to fund my amendment.

Mr. DON H. CLAUSEN. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the distinguished gentleman from California.

Mr. DON H. CLAUSEN. Mr. Chairman, in my opinion this would be a very effective tool to be used in helping the small businessman to help himself in providing these services.

Mr. QUIE. That is right; it is similar to what the gentleman himself was engaged in in his flying industry before he came to the Congress of the United States.

Mr. DON H. CLAUSEN. Mr. Chairman, I certainly support the amendment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, the gentleman from Minnesota has mentioned the farmers. This, of course, spins off the delegated authority from the Office of Economic Opportunity to the Department of Labor.

Mr. QUIE. Exactly like the way it operates now, where the Office of Economic Opportunity has already delegated those programs to the Department of Labor.

Mr. PERKINS. Mr. Chairman, will the gentleman yield further?

Mr. QUIE. I yield further to the gentleman from Kentucky.

Mr. PERKINS. Under your proposed independent Youth Corps, anyone so participating, including farmers, would be under the supervision of the Department of Labor? That is my question.

In other words, the farmers would have to deal with the Department of Labor, is that correct?

Mr. QUIE. Yes. I do not think that is treating farmers unfairly, because they are having nothing but trouble now in dealing with the Department of Agriculture. All NYC programs in the rural areas are presently handled by the Department of Labor.

The CHAIRMAN. The time of the gentleman from Minnesota has again expired.

Mr. O'HARA of Michigan. Mr. Chairman, I rise in opposition to the amendment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield for the purpose of my making a unanimous-consent request?

Mr. O'HARA of Michigan. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 5 minutes.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that all debate on this amendment close in 5 minutes.

Is there objection to the request of the gentleman from Kentucky?

Mr. STEIGER of Wisconsin. Mr. Chairman, I object.

Mr. PERKINS. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 3:25.

The question was taken and, on a division (demanded by Mr. QUIE), there were—ayes 78, noes 55.

Mr. ARENDS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PERKINS and Mr. ARENDS.

The Committee again divided, and the tellers reported that there were—ayes 109, noes 90.

So the motion was agreed to.

The CHAIRMAN. The gentleman from Michigan [Mr. O'HARA] is recognized for 5 minutes.

Mr. MICHEL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. MICHEL. Mr. Chairman, at the time of the limitation of debate several Members were standing.

The CHAIRMAN. The Chair will make an announcement with regard to Members who were standing upon conclusion of the 5 minutes of the gentleman from Michigan [Mr. O'HARA].

Mr. O'HARA of Michigan. Mr. Chairman, the amendment offered by the gentleman from Minnesota is a good idea. Had it not been for the action taken by the Committee with respect to the committee bill, I would have been inclined to support his amendment with some amendment.

As he indicated, the gentleman from Minnesota wants to involve private industry.

The trouble is the gentleman from Minnesota started talking about this too soon—about 6 months ago—and he convinced us.

So when this bill was before the committee, we inserted a provision designed to do just exactly what the gentleman from Minnesota has been talking about, by unanimous consent.

We have a provision in the committee bill designed to involve private industry in training programs under this act.

Let me read to you from page 160 of the bill where we say that the manpower program under this part shall include:

> (8) programs to provide incentives to private employers, other than nonprofit organizations, to train or employ unemployed or low-income persons, including arrangements by direct contract, reimbursements to employers for unusual training costs for a limited period when an employee might not be fully productive, payment for on-the-job counseling and other supportive services, payment of all or part of employer costs of sending recruiters into urban and rural areas of high concentrations or proportions of unemployed or low-income persons, and payments to permit employers to provide employees resident in such areas with transportation to and from work or to reimburse such employees for such transportation.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman.

Mr. QUIE. One provision stands out in my amendment, which permits the Federal Government to subsidize up to 25 percent of the wages. I see nothing in the committee language that permits the subsidization of the wages an employer must pay.

Mr. O'HARA of Michigan. The gentleman is precisely correct. I would like to direct my attention to that fact.

The difference between what the gentleman from Minnesota is offering and what the committee has already done—and this is the essential difference—is that the gentleman from Minnesota proposes a wage subsidy. The community action agency would have the power and the authority to pay a wage subsidy to some employer or to several employers in that community with respect to low-income youths employed by them.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield briefly to the gentleman from New York.

Mr. GOODELL. It is, however, in the Neighborhood Youth Corps where we now pay a 100-percent wage subsidy with the liberal interpretation of 90 percent and a 10-percent contribution in kind. This would be a one-quarter wage subsidy for jobs in private industry.

Mr. O'HARA of Michigan. I would want—and every Member of this House should want—a good deal closer look at the whole idea of subsidizing wages for some private industries and not for others, for one employer and not for his competitor, before they get into this sort of thing.

If you do not mind my saying so, I am afraid that what this amendment would do would be to take a part of the bill that everyone agrees has been useful and constructive, and create controversy that would endanger the entire concept of job training for the unemployed poor. I do not want to take that kind of risk without thorough hearings and without a thorough exploration of all the implications of this kind of program.

I would welcome such hearings. As the gentleman knows, I am sponsoring a guaranteed employment bill, and I would like to have some hearings on this subject by our committee. But I do not want to get into a subsidy of wages for some private employers and not their competitors without a good deal more thought and consideration than this amendment has received.

MORE MONEY FOR JOB PROGRAMS—BUT WILL THEY HELP PEOPLE GET JOBS?

As much as 50 percent of all title II money would henceforth be available only for manpower programs proposed by the local job opportunities boards. The uncertainty arises from the fact that some part of this money would have to be made available for qualified substitute agencies approved under State plans or by the OEO.

This is a drastic shift in the past uses of title II funds. The money set aside for manpower programs would presumably be in addition to other funds provided expressly for those purposes under other titles of the substitute proposal. Compared to other needs in particular communities, this may be a case of overkill.

In any event, the local job opportunities boards will be grossly unrepresentative both of organized labor and of many other relevant interests within their communities. At least half the membership of those boards must consist of representatives of private employers. The remainder shall be representatives of the poor. In other words, organized labor may be shut out completely from the development of programs which vitally affect its interests. Moreover, there will be no representation of public nonprofit agencies in the community service fields which constitute the second biggest labor market in the country today.

The kinds of programs which job opportunities boards may develop for use of this half of all title II assistance are curious, to say the least. They must be designed to eliminate conditions which inhibit or prevent the poor from seeking full-time jobs. Those conditions are relatively few: discrimination, physical disability, and the problem of mothers with small children. The basic employment obstacles suffered by the poor are those which prevent them from securing—rather than seeking—decent jobs. The sponsors of this proposal are apparently not concerned with underemployment, substandard wages, and other obstacles to employability of those who seek employment every day.

They certainly are not concerned with substandard wages, because they have made no provisions for a minimum wage rate in these programs.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

At the time of the limitation of debate there were 12 Members standing. The Chair computes that each one shall be entitled to 20 seconds.

The Chair recognizes the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Chairman, I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, the difference in the manpower training programs operated under present law, the Manpower Development and Training Act, is that under that act we can fund on-the-job training and the expenses of on-the-job training, but we cannot fund the difference in wage that is necessary to pay an unproductive individual.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. BRADEMAS].

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I am glad to yield to my colleague, the gentleman from New York.

Mr. SCHEUER. Mr. Chairman, on the question of wage subsidy to small private employers, we had extensive testimony directly on this subject during our hearings by the Secretary of Labor, who testified that this approach would be wasteful and extravagant, because the small businesses that got the subsidy would simply be hiring workers that they would hire anyway, and in any event were unable, because of their limited resources and capability, to establish the effective training and counseling programs which are indispensable to providing a real boost up the job career ladder.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. STEIGER].

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman from New York.

Mr. GOODELL. I would say, in answering the comment just made, that we had a number of people come in on the hearings on the Industry Youth Corps proposal before the committee who testified in favor of this proposal, and they were employers. They were from private industry. They were academicians who said this should be tried. We can go directly to employers and give private employers the help they would need to employ the poor in productive jobs.

The CHAIRMAN. The gentleman from Michigan [Mr. WILLIAM D. FORD] is recognized.

Mr. WILLIAM D. FORD. Mr. Chairman, the amendment before us differs in no substantial way from the amendment we just voted down. I think the House has already expressed its understanding of the problem and its will, and I hope it will repeat the vote of just a few moments ago.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. Mr. Chairman, this is the program which I believe we all understand is in addition to what is in the committee bill and what is now in the law. This program would in no way interfere with a continuation of the Neighborhood Youth Corps or the other programs in the community action field.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. BROCK].

Mr. BROCK. Mr. Chairman, I am at a loss to understand the opposition to the amendment. This concept has been tried and proven. It is cheaper while being more effective. It offers challenge rather than charity. It involves people rather than politics. I urge you to rise above partisanship and support an honest effort to solve a problem of immense concern to us all.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. THOMPSON].

Mr. THOMPSON of New Jersey. Mr. Chairman, in 20 seconds one can hardly explain why this should not be treated in any manner different from what it was as a part of the overall package. One might conclude by saying that it is tacked together in even a less scientific manner than in the last amendment, which was defeated. We should defeat their amendment too.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, it does not seem to bother the Members from the other side that the Federal Government pays 90 percent of the wages to private nonprofit agencies who might be competing with each other. We ask to have an opportunity to make a real, worthwhile program, in which we would subsidize a necessary amount of 25 percent of the wages in private enterprise only for the period of time that is necessary. Vote for my amendment and you will be proud of an effective antipoverty program.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

The Chair recognizes the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Chairman, I am shocked by the proponents' lack of knowledge of the program. Last year at this time, at the time of the debate, we made it possible, and it is possible, and it is being done now, to employ private industry in the Neighborhood Youth Corps.

I do not know where the Members have been for the last year, but obviously they have not been involved in this debate.

The CHAIRMAN. The time of the gentleman from Florida has expired.

The Chair recognizes the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, not only are we involving private industry in the Neighborhood Youth Corps, but we also are involving it in the MDTA in certain projects which are good projects. We are presently giving substantial financial assistance to programs in which private industry is participating. We have authority to do it.

I ask that the amendment be voted down.

The CHAIRMAN. The time of the gentleman from Kentucky has expired. All time has expired.

The question is on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. QUIE. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers, Mr. QUIE and Mr. PERKINS.

The Committee divided, and the tellers reported that there were—ayes 104, noes 140.

So the amendment was rejected.

The CHAIRMAN. Are there any further amendments to section 102?

AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER of Wisconsin: On page 157, line 24, strike the semicolon and insert in lieu thereof the following: ": *Provided, however,* That all such programs shall be delegated, effective July 1, 1968, to the Department of Health, Education, and Welfare, to be administered under such delegation by the Secretary of Health, Education, and Welfare."

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the chairman of the full committee.

Mr. PERKINS. Mr. Chairman, I am wondering if we can agree upon a limitation of time here, say 15 minutes? This is the same amendment, essentially, upon which the House has previously acted. I ask unanimous consent that all debate on the pending amendment and all amendments thereto close in 15 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. ERLENBORN. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. PERKINS. Mr. Chairman, since we have already voted upon this amendment, I move that all debate thereon close in 15 minutes.

Mr. STEIGER of Wisconsin. Mr. Chairman, I do not yield to the gentleman from Kentucky for that purpose.

Mr. ERLENBORN. Mr. Chairman, the gentleman from Wisconsin [Mr. STEIGER], the gentleman in the well, has stated that he does not yield to the gentleman from Kentucky for the purpose of making a motion.

The CHAIRMAN. The motion which has been made by the gentleman from Kentucky is not in order. We have not as yet had any debate upon the amendment.

The gentleman from Wisconsin [Mr. STEIGER] is recognized for 5 minutes.

Mr. STEIGER of Wisconsin. Mr. Chairman, the purpose of this amendment, quite simply, is to solely transfer the authority for the in-school Neighborhood Youth Corps from the Department of Labor where it is now located to the Department of Health, Education, and Welfare.

Unfortunately, Mr. Chairman, the distinguished gentleman from Kentucky [Mr. PERKINS], perhaps, did not clearly understand the amendment, since this is an amendment upon which we have not acted prior to this time.

Mr. Chairman, this amendment does not interfere with, it does not diminish, or would not in any way impair the ongoing operations of the NYC program.

All it seeks to do is that come July 1, 1968, delegate by statute, to the Department of Health, Education, and Welfare that which has already been delegated by the Office of Economic Opportunity to the Department of Labor.

Mr. Chairman, with reference to the Neighborhood Youth Corps program, the chamber of commerce has recommended:

> The stated purpose of the in-school program and its operation by the public school system would make it advisable to transfer the in-school part of NYC to the Office of Education to be run in coordination with and funded through the Elementary and Secondary Education Act.

This amendment, Mr. Chairman, does not go quite that far. But it will provide for the coordination between those programs funded by ESEA and those programs which are similar in nature funded by the Office of Economic Opportunity.

Mr. Chairman, as the Members of the Committee know, the stated purpose of the in-school Neighborhood Youth Corps is, among other things, an attempt to find the basis on which we can insure that young men and women will be motivated to remain in school and not to drop out.

Mr. Chairman, as a training program, the NYC, in my judgment, has not done an extremely good job; it has failed in its role because of its delegation of authority to the Department of Labor.

If, in fact, we are going to be concerned with, as I think we should, attempting to prevent the dropout from ever occurring, then it would seem to me to make good sense to delegate the NYC program to the one office of our Federal Government which is that office responsible for educational programs, the Office of Education.

Mr. Chairman, I would hope that we might adopt this amendment as being a first step toward improving this bill.

Mr. Chairman, I do not offer this amendment in a destructive fashion. I do not offer this amendment for the purpose of hampering the program. But, I would think it would make a great deal of sense to attempt to coordinate something which is not now being coordinated.

The in-school Neighborhood Youth Corps programs, which are serving some 138,951 young men and women, have some 35.8 percent of them now being sponsored by public schools throughout the country. Some 48,193 are serviced through community action agencies. As I say, the number of those enrolled in public school in-school NYC programs is larger than those enrolled in CAP agency programs, 49,774 to 48,193.

All of this is to indicate to the Members that I believe NYC's apparent lack of success demonstrates a need for increased and perhaps redirected counseling components in many projects which will emphasize treatment of problems which cause the youth to withdraw from school initially.

It is for that reason, Mr. Chairman, that I offer this amendment which can strengthen the present operations and which I hope that the chairman of the full committee will accept as a delegation of authority, not a transfer, for the in-school Neighborhood Youth Corps program to a program which can serve well but which is not serving as well as it could be were it to be operated on a delegated basis with the Office of Education of the Department of Health, Education, and Welfare, and the Office of Economic Opportunity.

Mr. Chairman, I hope the members of this Committee will see fit to adopt this amendment.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it will serve no useful purpose for us to march up this hill and down again. This amendment would require OEO to delegate to HEW the in-school Neighborhood Youth Corps and for this reason I oppose it.

Mr. GOODELL. Mr. Chairman, I move to strike out the last word.

Mr. MICHEL. Mr. Chairman, I rise in support of the amendment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. MICHEL. I yield to the gentleman.

Mr. PERKINS. I regret to do this, but I was informed that there would be no other speakers on this amendment from the other side. I now ask unanimous consent that all debate on the pending amendment, and all amendments thereto, close within 7 minutes.

The CHAIRMAN. The gentleman from Kentucky [Mr. PERKINS] asks unanimous consent that all debate on the pending amendment, and all amendments thereto, close in 7 minutes.

Is there objection to the request of the gentleman from Kentucky?

Mr. GOODELL. Mr. Chairman, reserving the right to object, I informed the gentleman that I did not think there were any other speakers on this side. I took 1 minute in order for the gentleman from Wisconsin to clarify one point. The gentleman now in the well is not on the committee, and I know of no one else who is going to ask for time.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. GOODELL. Mr. Chairman, I object.

Mr. PERKINS. Mr. Chairman, I move that all debate on the pending amendment, and all amendments thereto, close in 7 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Kentucky [Mr. PERKINS].

The question was taken; and on a division (demanded by Mr. ERLENBORN) there were—ayes 84, noes 65.

Mr. ERLENBORN. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PERKINS and Mr. STEIGER of Wisconsin.

The Committee again divided, and the tellers reported that there were—ayes 122, noes 76.

So the motion was agreed to.

The CHAIRMAN. The gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Chairman, I do not wish to transgress on your time, but I believe I have been present on the floor for 75 to 80 percent of this debate. While I do not serve on the legislative committee, I happen to serve on the subcommittee which will eventually fund this program, so we do have an interest in it.

Mr. Chairman, we have been involved in a debate for the past week over proposals to remove various programs from the auspices of the Office of Economic Opportunity and place them under the aegis of other Federal agencies involved in related areas.

I would like to suggest that perhaps these proposals would never have been made if the Office of Economic Opportunity had ever shown any willingness to listen to some constructive criticism. This is a new program and naturally it has had its problems in getting off the ground. But every time those of us on the committees overseeing the operation of this program have raised a question concerning a problem area we have learned of, we are accused of trying to destroy the program, we are against the poor, and our questions are cleverly avoided. It would seem that OEO has developed a paranoid survival instinct and is spending more time and money trying to convince the Congress of what a good job they are doing than they are in trying to do the job we have assigned them.

For instance, last spring before our appropriations hearings, I requested cost figures on the individual Job Corps centers. We received only the royal runaround for over 2 months and to this date have never received the figures we requested.

On the other hand, we receive more than enough information concerning every complimentary article written about OEO programs. Every time an article appears in one of my district papers favorable to one of the poverty programs in our area, "Sarge" Shriver kindly sits down immediately and writes me a letter enclosing a copy of the article. He also manages to keep me informed on how our two Senators from Illinois vote on OEO programs. I often wonder if OEO has an employee assigned to following the news from my 18th District of Illinois. It might even be that they have someone assigned to each of us. With a public relations budget like theirs, this is quite possible.

Mr. Chairman, I think it is time that OEO takes cognizance of the fact that when the Congress is critical of a program, it is not necessarily trying to destroy it. After all, we created it. As representatives of the American people, we are charged with the responsibility of seeing to it that their tax dollars will be used in the most efficient manner—and to benefit the people these programs were designed to assist—not to assure perpetuity for a bureaucratic Minotaur.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. Mr. Chairman, I am going to suggest that we can continue this debate and finish our work on this bill much more expeditiously if the chairman of the Committee on Education and Labor will cease making motions to limit debate before the Member who has offered the amendment even has the opportunity to explain it, as he did on this amendment. At the time the chairman made his second motion on which we voted there was only one Member standing seeking recognition. As long as the chairman continues to try to shut off debate on this side I will continue to object to his unanimous-consent request and ask for a division and tellers on every one of his motions to limit debate. We will use up a great deal more time that way than if we permit orderly debate to continue.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Mr. Chairman, we have plowed this ground several times. The principle contained in this amendment is subject to the same conclusive arguments directed to previous amendments rejected by the Committee. I ask the Committee to vote this amendment down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. STEIGER].

The amendment was rejected.

AMENDMENT OFFERED BY MR. FINO

Mr. FINO. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FINO: On page 163, strike the period and insert a semicolon in line 6, and after line 6, insert the following:
>
> "(5) no person charged, in whole or in part, with responsibility for administration of the program is, or ever has been, a member of the Communist Party."

Mr. FINO. Mr. Chairman, this is a very simple but necessary amendment. In a nutshell, it would prohibit OEO from financing any work training programs, including Neighborhood Youth Corps, which are administered by present or former members of the Communist Party.

To those who might suggest that I am trying to raise a red herring issue here—that nobody hires or would dare to hire ex-Communists to head critical programs involving the Nation's youth—let me remind them that we have already seen evidence of such employment.

In my own city of New York, unfortunately, the mayor not only hired an ex-Communist, but he bragged about it. The present director of the New York City Neighborhood Youth Corps is an ex-Communist named Robert Schrank. When I raised the question of Mr. Schrank's fitness to lead and guide New York City youth, the mayor's press assistant acknowledged Mr. Schrank's Communist background as follows, if I may quote the New York Daily News:

> Robert Laird, his press assistant, said he understood that while Schrank had been a member of the Communist party for fifteen years, he gave up his membership prior to his Mobilization For Youth appointment three or four years ago.

The mayor of New York later admitted that he knew all about Schrank's subversive record when he hired him. Let me quickly point out that Schrank was thrown out of the Machinists Union for being a Communist and during the early 1950's he worked for the International Mine, Mill & Smelter Workers Union, a notorious Communist front expelled from the AFL–CIO. Believe it or not, the mayor of New York went on to call this man a "distinguished public servant." And do you know what has happened since? Schrank has just been promoted to assistant commissioner of the New York City poverty war.

The amendment I am offering would prevent the poverty warriors here in Washington from giving taxpayer dollars to any work and training programs administered by a current or ex-Communist. My amendment would cut New York City's work and training programs off from Federal funds until the mayor of New York fires his "distinguished" ex-Communist, which he will never do unless he is forced.

I do not think I have to dwell on the interest that the Communist movement has in young people. They regard them as the most opportune target for their propaganda. I believe that we in Congress have an obligation to keep these Federal youth programs from coming under the domination of longtime Communists. I will say frankly that anyone who was a Communist during the Korean war is no man to be shaping the lives of our young people today and if the mayor of New York thinks so, then that is his shame, but I hope that it will not be the shame of this Congress.

I urge the adoption of my amendment to prohibit OEO from funding work-experience and other youth programs without making sure that the programs are free of present or former Communists.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. FINO. I will be very happy to yield.

Mr. PERKINS. Mr. Chairman, we have no objection if the language as we understand it reads.

> (5) no person charged, in whole or in part, with responsibility for administration of the program is, or ever has been, a member of the Communist Party.

Is that your amendment?

Mr. FINO. That is the text of the amendment.

Mr. PERKINS. We accept that amendment.

Mr. FINO. Thank you.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. FINO].

The amendment was agreed to.

The CHAIRMAN. Are there any further amendments to section 102? If not, the Clerk will read.

The Clerk read as follows:

COMMUNITY ACTION AMENDMENTS

SEC. 103. Title II of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

"STATEMENT OF PURPOSE

"SEC. 201. This title provides for community action agencies and programs, prescribes the structure and describes the functions of community action agencies and authorizes financial assistance to community action programs and related projects and activities. Its basic purpose is to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, in rural and urban areas, to attain the skills, knowledge, and motivations and secure the opportunities needed for them to become fully self-sufficient. Its specific purposes are to promote, as methods of achieving a better focusing of resources on the goal of individual and family self-sufficiency—

"(1) the strengthening of community capabilities for planning and coordinating Federal, State, and other assistance related to the elimination of poverty, so that this assistance, through the efforts of local officials, organizations, and interests and affected citizens, can be made more responsible to local needs and conditions;

"(2) the better organization of a range of services related to the needs of the poor, so that these services may be made more effective and efficient in helping families and individuals to overcome particular problems in a way that takes account of, and supports their progress in overcoming, related problems;

"(3) the greater use, subject to adequate evaluation, of new types of services and innovative approaches in attacking causes of poverty, so as to develop increasingly effective methods of employing available resources;

"(4) the development and implementation of all programs and projects designed to serve the poor or low-income areas with the maximum feasible participation of residents of the areas and members of the groups served, so as to best stimulate and take full advantage of capabilities for self-advancement and assure that those programs and projects are otherwise meaningful to and widely utilized by their intended beneficiaries; and

"(5) the broadening of the resource base of programs directed to the elimination of poverty, so as to secure, in addition to the services and assistance of public officials, private religious, charitable, and neighborhood organizations, and individual citizens, a more active role for business, labor, and professional groups able to provide employment opportunities or otherwise influence the quantity and quality of services of concern to the poor.

"It is further declared to be the purpose of this title and the policy of the Office of Economic Opportunity to provide for basic education, health care, vocational training, and employment opportunities in rural America to enable the poor living in rural areas to remain in such areas and become self-sufficient therein. It shall not be the purpose of this title or the policy of the Office of Economic Opportunity to encourage the rural poor to migrate to urban areas, inasmuch as it is the finding of Congress that continuation of such migration is frequently not in the best interests of the poor and tends to further congest the already overcrowded slums and ghettos of our Nation's cities.

"PART A—COMMUNITY ACTION AGENCIES AND PROGRAMS

"DESIGNATION OF COMMUNITY ACTION AGENCIES; COMMUNITY ACTION PROGRAMS

"SEC. 210. (a) Community action agencies shall be a State or political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or a public or private nonprofit agency or organization which has been designated by a State or such a political subdivision or combination of such subdivisions, which—

"(1) has power to enter into contracts with public and private nonprofit agencies and organizations to assist in fulfilling the purposes of this title, and

"(2) is designated as a community action agency by the Director.

A community action program is a community based and operated program—

"(1) which includes or is designed to include a sufficient number of projects or components to provide, in sum, a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem;

"(2) which has been developed, and which organizes and combines its component projects and activities, in a manner appropriate to carry out all the purposes of this title; and

"(3) which conforms to such other supplementary criteria as the Director may prescribe consistent with the provisions of this title.

"(b) Components of a community action program may be administered by the community action agency, where consistent with sound and efficient management and applicable law, or by other agencies. They may be projects eligible for assistance under this title, or projects assisted from other public or private sources; and they may be either specially designed to meet local needs, or designed pursuant to the eligibility standards of a State or Federal program providing assistance to a particular kind of activity which will help in meeting those needs.

"(c) The community for which a community action agency is designated to carry on a community action program may be a city, county, multicity, multicounty, or other governmental unit, an Indian reservation, or a neighborhood or other area (whether or not its boundaries correspond with those of any political subdivision); but it must in any event provide the organizational base and possess the commonality of interest needed for an efficient and effective program conforming to the requirements of this section.

"(d) The Director may provide financial assistance to a public or private nonprofit agency as a community action agency other than a community action agency designated under subsection (a) for activities of the kind described in this title where he determines that the community action agency serving the community has failed, after having a reasonable opportunity to do so, to submit a satisfactory plan for a community action program which meets the criteria for approval set forth in this title, or that neither the State nor any qualified political subdivision or combination of such subdivisions is willing to be designated as the community action agency for such community or to designate a public or private nonprofit agency or organization to be so designated by the Director.

"(e) No political subdivision of a State shall be included in the community action program of a State, or of any political subdivision or combination thereof, if the elected or duly appointed governing officials thereof do not wish to be so included. Such political subdivision, and any public or private nonprofit organization or agency designated by it, shall be eligible for designation as a community action agency on the same basis as other political subdivisions and their designees.

"(f) For the purposes of this title, a tribal government of an Indian reservation shall be deemed to be a political subdivision of a State.

"COMMUNITY ACTION AGENCIES AND BOARDS

"SEC. 211. (a) Each community action agency which is a State or a political subdivision of a State, or a combination of political subdivisions, shall administer its program through a community action board which shall meet the requirements of subsection (b). Each community action agency which is a public or private nonprofit agency or organization designated by a State or political subdivision of a State, or combination of political subdivisions, or is an agency designated by the Director under section 210(d), shall have a governing board which shall meet the requirements of subsection (b).

"(b) Each board to which this subsection applies shall consist of not more than fifty-one members and shall be so constituted that (1) one-third of the members of the board are public officials, including the chief elected official or officials, or their representatives, unless the number of such officials reasonably available for such service is less than one-third of the membership of the board, (2) at least one-third of the members are persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served, and (3) the remainder of the members are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community. Each member of the board selected to represent a specific geographic area within a community must reside in the area he represents. No person selected under clause (2) or (3) of this subsection as a member of a board shall serve on such board for more than three consecutive years, or more than a total of six years.

"(c) Where a community action agency places responsibility for policy determinations with respect to the character, extent, and administration of programs to be carried on in a particular geographic area within the community in a subsidiary board, council, or similar agency, or where it places substantial reliance on the recommendations of such an agency in making such policy determinations affecting particular areas, such subsidiary board, council, or similar agency shall meet the requirements of subsection (b).

"(d) The Director shall promulgate such standards or rules relating to the scheduling and notice of meetings, quorums (which shall be not less than 50 per centum of the total membership), procedures, establishment of committees, and similar matters as he may deem necessary to assure that boards which are subject to subsection (b) provide a continuing and effective mechanism for securing broad, community involvement in programs assisted under this title and that all groups or elements represented on those boards have a full and fair opportunity to participate in decisions affecting those programs. Such standards or rules shall not preclude any such board from appointing an executive committee or similar group, which fairly reflects the composition of the board, to transact the board's business between its meetings. The quorum requirements for any such committee or group shall be established by the board.

"(e) The powers of every community action agency governing board shall include the power to appoint persons to senior staff positions, to determine major personnel, fiscal, and program policies, to approve overall program plans and priorities, and to assure compliance with conditions of and approve proposals for financial assistance under this title.

"SPECIFIC POWERS AND FUNCTIONS OF COMMUNITY ACTION AGENCIES

"SEC. 212. (a) In order to carry out its overall responsibility for planning, coordinating, evaluating, and administering a community action program, a community action agency must have authority under its charter or applicable law to receive and administer funds under this title, funds and contributions from private or local public sources which may be used in support of a community action program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit agency (as the case may be) organized in accordance with this part could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a community action program. A community action agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. This power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

"(b) In exercising its powers and carrying out its overall responsibility for a community action program, a community action agency shall have, subject to the purposes of this title, at least the following functions:

"(1) Planning systematically for and evaluating the program, including actions to develop information as to the problems and causes of poverty in the community, determine how much and how effectively assistance is being provided to deal with those problems and causes, and establish priorities among projects, activities and areas as needed for the best and most efficient use of resources.

"(2) Encouraging agencies engaged in activities related to the community action program to plan for, secure and administer assistance available under this title or from other sources on a common or cooperative basis; providing planning or technical assistance to those agencies; and generally, in cooperation with community agencies and officials, undertaking actions to improve existing efforts to attack poverty, such as improving day-to-day communication, closing service gaps, focusing resources on the most needy, and providing additional opportunities to low-income individuals for regular employment or participation in the programs or activities for which those community agencies and officials are responsible.

"(3) Initiating and sponsoring projects responsive to needs of the poor which are not otherwise being met, with particular emphasis on providing central or common services that can be drawn upon by a variety of related programs, developing new approaches or new types of services that can be incorporated into other programs, and filling gaps pending the expansion or modification of those programs.

"(4) Establishing effective procedures by which the poor and area residents concerned will be enabled to influence the character of programs affecting their interests, providing for their regular participation in the implementation of those programs, and providing technical and other support needed to enable the poor and neighborhood groups to secure on their own behalf available assistance from public and private sources.

"(5) Joining with and encouraging business, labor, and other private groups and organizations to undertake, together with public officials and agencies, activities in support of the community action program which will result in the additional use of private resources and capabilities, with a view to such things as developing new employment opportunities, stimulating investment that will have a measurable impact in reducing poverty among residents of areas of concentrated poverty, and providing methods by which residents of those areas can work with private groups, firms, and institutions in seeking solutions to problems of common concern.

"ADMINISTRATIVE STANDARDS

"SEC. 213. (a) Each community action agency shall observe, and shall (as appropriate) require or encourage other agencies participating in a community action program to observe, standards of organization, management and administration which will assure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the purposes of this title and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias or personal or family favoritism. Each community action agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each community action agency shall also provide for reasonable public access to information, including but not limited to public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible And each community action agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits; to assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advanced under impartial procedures calculated to improve agency performance and effectiveness; to guard against personal or financial conflicts of interests; and to define employee duties of advocacy on behalf of the poor in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law.

"(b) The Director shall prescribe rules or regulations to supplement subsection (a), which shall include regulations governing matters relating to partisan or nonpartisan political activities and elections referred to in section 603(b) of this Act, and which shall be binding on all agencies carrying on community action program activities with financial assistance under this title. He may, where appropriate, establish special or simplified requirements for smaller agencies or agencies operating in rural areas. These special requirements shall not, however, affect the applicability of rules governing conflicts of interest, use of position or authority for partisan political purposes or participation in direct action, regardless of customary practices or rules among agencies in the community. The Director shall consult with the heads of other Federal agencies responsible for programs providing assistance to activities which may be included in community action programs for the purpose of securing maximum consistency between rules or regulations prescribed or followed by those agencies and those prescribed under this section.

"EVALUATION OF COMMUNITY ACTION AGENCIES AND PROGRAMS

"SEC. 214. (a) In determining whether, in what amount, and on what conditions, to extend financial assistance to a new community action program, the Director shall consider evidence of the extent of poverty in the community and the probable capacity of the agency to undertake an efficient and effective program in full conformity to the purposes of this title. In renewing or supplementing that financial assistance, he shall consider the progress made in carrying on such a program, consistent with needs and with due allowance for the special problems of rural and smaller communities, and the efficiency with which the agency has discharged its specific function and duties to this end. The Director shall prescribe standards for evaluation of overall effectiveness and specific agency operations in accordance with this subsection. In developing those standards he shall consider, but not be limited to, the use of criteria covering: the number and incomes of persons or families served and seeking to be served and the length of their participation; the extent to which those persons and families have been aided in establishing specific goals and have in fact attained those goals; the extent to which resources have been committed which are over and above the contributions required by this title; the degree to which full use has been made of sources of financial assistance other than this title; the degree to which agencies, groups, and organizations, including the poor and area representatives, have actively participated in the formulation and implementation of the program in question; the extent and effectiveness of followthrough arrangements among agencies operating different components and related agencies in the community; and the extent to which activities or approaches initiated as part of the program have been incorporated in other ongoing programs in the community.

"(b) In addition to evaluations undertaken directly by him or by community action agencies, the Director may provide for, or require community action agencies to provide for, independent evaluations. Where appropriate, he may also require a community action agency to establish an independent group or committee to provide evaluation and advisory services on either a short-term or continuing basis.

"PART B—FINANCIAL ASSISTANCE TO COMMUNITY ACTION PROGRAMS AND RELATED ACTIVITIES

"DEVELOPMENT OF COMMUNITY ACTION PROGRAMS

"SEC. 220. The Director may provide financial assistance to community action agencies to assist them in developing community action programs in accordance with this title. He may also provide financial assistance to other public or private nonprofit agencies to aid them in planning for the establishment of a community action agency or participation in a community action program, including assistance to local governments in connection with planning activities and organizational changes to support or improve the effectiveness of such programs.

"GENERAL PROVISIONS FOR FINANCIAL ASSISTANCE TO COMMUNITY ACTION PROGRAMS

"SEC. 221. (a) In order to aid in the implementation of community action programs, the Director may provide general financial assistance to those programs in accordance with the provisions of this section. This assistance may be used, as approved by the Director, by community action agencies in order to enable them to carry out their planning, coordination, evaluation, and overall administration responsibilities as described in part A of this title. It may also be used for the development and operation of approved program components which are necessary for a fully effective program and for which assistance is not available, as needed, from other sources. These component projects may involve, without limitation, activities providing services, together with necessary related facilities, designed to assist families and individuals to secure and retain meaningful employment; to make better use of available income in connection with efforts for self-advancement; to attain basic educational skills needed for employment, family self-help, or successful participation in school; to better secure, use, and maintain housing required for a suitable living environment; to undertake family planning consistent with personal and family goals, religious and moral convictions; and to make more frequent and effective use of programs available to help in overcoming specific problems. Components providing these or other services may be focused upon the needs of specific low-income groups, such as the very young, youth, the elderly, the unemployed, and persons receiving public assistance, but shall wherever feasible be structured so as to foster family participation and progress.

"(b) If the Director determines that a limited purpose project or program involving activities otherwise eligible under this section is needed to serve needs of low-income families and individuals in a community, and no community action agency has been designated for that community pursuant to section 210, or where a community action agency gives its approval for such a program to be funded directly through a public or private nonprofit agency or organization, he may extend financial assistance for that project or program to a public or private nonprofit agency which he finds is capable of carrying out the project in an efficient and effective manner consistent with the purpose of this title.

"(c) The Director shall prescribe necessary rules or regulations governing applications for assistance under this section to assure that every reasonable effort is made by each applicant to secure the views of local public officials and agencies in the community having a direct or substantial interest in the application and to resolve all issues of cooperation and possible duplication prior to its submission.

"SPECIAL PROGRAMS AND ASSISTANCE

"SEC. 222. (a) In order to stimulate actions to meet or deal with particularly critical needs or problems of the poor which are common to a number of communities, the Director may develop and carry on special programs under this section. This authority shall be used only where the Director determines that the objectives sought could not be effectively achieved through the use of authorities under sections 220 and 221, including assistance to components or projects based on models developed and promulgated by him. It shall also be used only with respect to programs which (1) involve activities which can be incorporated into or be closely coordinated with community action programs, (2) involve significant new combinations of resources or new and innovative approaches, and (3) are structured in a way that will, within the limits of the type of assistance or activities contemplated, most fully and effectively promote the purposes of his title. Subject to such conditions as may be appropriate to assure effective and efficient administration, the Director may provide financial assistance to public or private nonprofit agencies to carry on local projects initiated under such special programs; but he shall do so in a manner that will encourage, wherever feasible, the inclusion of the assisted projects in community action programs, with a view to minimizing possible duplication and promoting efficiencies in the use of common facilities and services, better assisting persons or families having a variety of needs, and otherwise securing from the funds committed the greatest possible impact in promoting family and individual self-sufficiency. Programs under this section shall include those described in the following paragraphs:

"(1) A program to be known as 'Project Headstart' focused upon children who have not reached the age of compulsory school attendance which (A) will provide such comprehensive health, nutritional, education, social, and other services as the Director finds will aid the children to attain their full potential, and (B) will provide for direct participation of the parents of such children in the development, conduct, and overall program direction at the local level.

"(2) A program to be known as 'Follow Through' focused primarily upon children in kindergarten or elementary school who were previously enrolled in Headstart or similar programs and designed to provide comprehensive services and parent participation activities as described in paragraph (1), which the Director finds will aid in the continued development of children to their full potential.

"(3) A 'Legal Services' program to provide legal advice and legal representation to persons when they are unable to afford the services of a private attorney, together with legal research and information, as appropriate to mobilize the assistance of lawyers or legal institutions, or combinations thereof, in furtherance of the cause of justice among persons living in poverty. Projects involving legal advice and representation shall be carried on in a way that assures maintenance of a lawyer-client relationship consistent with the best standards of the legal profession. The Director shall establish procedures to assure that the principal local bar associations in the area to be served by any proposed project for legal advice and representation are afforded an adequate opportunity to submit comments and recommendations on the proposal before it is approved or funded.

"(4) A 'Comprehensive Health Services' program to aid in developing and carrying out comprehensive health services projects focused upon the needs of urban and rural areas having high proportions of poverty and a marked inadequacy of health services for the poor. These projects shall be designed—

"(A) to make possible, with maximum feasible use of existing agencies and resources, the provision of comprehensive health services, including but not limited to preventive medical, diagnostic, treatment, rehabilitation, mental health, dental, and follow-up services, together with necessary related facilities and services, except in rural areas where the lack of even elemental health services and personnel may require simpler, less comprehensive services to be established first; and

"(B) to assure that these services are made readily accessible to the residents of such areas, are furnished in a manner most responsive to their needs and with their participation and wherever possible are combined with, or included within, arrangements for providing employment, education, social, or other assistance needed by the families and individuals served.

Funds for financial assistance under this paragraph shall be allotted according to need, and capacity of applicants to make rapid and effective use of that assistance, and may be used, as necessary, to pay the full costs of projects. Before approving any project, the Director shall consult with appropriate Federal, State, and local health agencies and take such steps as may be required to assure that the program will be carried under competent professional supervision and that existing agencies providing related services are furnished all assistance needed to permit them to plan for participation in the program and for the necessary continuation of those related services.

"(5) A program to be known as 'Upward Bound' designed to generate skills and motivation necessary for success in education beyond high school among young people from low-income backgrounds and inadequate secondary school preparation. Projects must include arrangements to assure cooperation among one or more institutions of higher education and one or more secondary schools. They must include a curriculum designed to develop the critical thinking, effective expression and attitudes toward learning needed for post-secondary education success, necessary health services and such recreational and cultural and group activities as the Director determines may be appropriate.

"(6) A program to be known as 'Emergency Food and Medical Services' designed to provide on a temporary emergency basis such basic foodstuffs and medical services as may be necessary to counteract conditions of starvation or malnutrition among the poor. The Director shall arrange with other Federal and State agencies or officials to insure the availability of such foodstuffs and services through a community action agency where feasible, or by other means if no such agency exists or is able to administer such foodstuffs and services to needy individuals. Each community action agency shall be encouraged to develop projects such as the furnishing of information on nutrition, as will assist the poor to maintain an adequate and nutritious diet.

"(7) A 'Day Care' program to provide day care for children from families who need such assistance to become or remain self-sufficient or otherwise attain objectives related to the purposes of this Act. Projects shall provide health, education, social, and such other supportive services as may be needed, together with necessary related facilities and services. Reference for enrollment in such projects shall be given to children whose parents desire to participate in programs under this Act and to other children whose parents have especially critical needs for day care service which could not be secured under any other program. The Director and the Secretary of Health, Education, and Welfare shall take all necessary steps to coordinate programs under their jurisdictions which provide day care, with a view to establishing insofar as possible, a common set of program standards and regulations, and mechanisms for coordination at the State and local levels.

"(8) A 'Family Planning' program to provide assistance and services to low-income persons in the field of voluntary family planning, including the provision of information, medical assistance, and supplies. The Director and the Secretary of Health, Education, and Welfare shall coordinate, and assure a full exchange of information concerning, family planning projects within their respective jurisdictions in order to assure the maximum availability of services and in order best to meet the varying needs of different communities. The Secretary of Health, Education, and Welfare shall make the services of Public Health Service officers available to the Director in carrying out this program.

"(9) A program to be known as 'Senior Opportunities and Services' designed to identify and meet the needs of older, poor persons above the age of 55 in one or more of the following areas: development and provision of new employment and volunteer services; effective referral to existing health, welfare, employment, housing, legal, consumer, transportation, education, and recreational and other services; stimulation and creation of additional services and programs to remedy gaps and deficiencies in presently existing services and programs; modification of existing procedures, eligibility requirements and program structures to facilitate the greater use of, and participation in, public services by the older poor; development of all-season recreation and service centers controlled by older persons themselves; and such other activities and services as the Director may determine are necessary or specially appropriate to meet the needs of the older poor and to assure them greater self-sufficiency. In administering this program the Director shall utilize to the maximum extent feasible the services of the Administration of Aging in accordance with agreements with the Secretary of Health, Education, and Welfare.

"(b) In developing programs under subsection (a), the Director shall give priority to programs involving services or activities whose effectiveness has been tested in one or more community action programs, or in connection with other Federal, State, or local programs, public or private. The Director shall also cooperate with Federal and State agencies with a view to developing, pursuant to subsection (a), programs which will supplement or improve programs for which those agencies are responsible. Where appropriate, he shall provide for the operation of programs under subsection (a) by other Federal or State agencies, pursuant to delegations of authority or suitable agreements.

"(c) Programs under subsection (a) may include essential training, research, and technical assistance directly related to program development and implementation, and funds allocated for this purpose may be allotted and used in the manner otherwise provided under this title with respect to training, research, and technical assistance activities.

"(d) The Director shall provide for the continuing evaluation of the effectiveness of all programs under this section, including their impact in terms of the needs or problems at which they are directed, and their relationship to and effect upon related programs. For this purpose, he shall consult with other Federal agencies, or where appropriate with State agencies, in order to provide wherever feasible for jointly sponsored objective evaluation studies on a National or State basis. The reports of such studies, together with the comments of the Director and other agencies, if any, thereon, shall be public records and shall be reflected in the annual report of the Director.

"ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

"SEC. 223. (a) Of the sums which are appropriated or allocated for assistance in the development and implementation of community action programs pursuant to sections 220 and 221, and for special program projects referred to in section 222(a), and which are not subject to any other provision governing allotment or distribution, the Director shall allot not more than 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs. He shall also reserve not more than 20 per centum of those sums for allotment in accordance with such criteria and procedures as he may prescribe. The remainder shall be allotted among the States, in accordance with the latest available data, so that equal proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all States, (2) the average number of unemployed persons in each State as compared to all States, and (3) the relative number of related children living with families with incomes of less than $1,000 in each State as compared to all States. That part of any State's allotment which the Director determines will not be needed may be reallotted, at such dates during the fiscal year as the Director may fix, in proportion to the original allotments, but with appropriate adjustments to assure that any amount so made available to any State in excess of its needs is similarly reallotted among the other States.

"(b) The Director may provide for the separate allotment of funds for any special program referred to in section 22(a). This allotment may be made in accordance with the criteria prescribed in subsection (a), or it may be made in accordance with other criteria which he determines will assure an equitable distribution of funds reflecting the relative incidence in each State of the needs or problems at which the program is directed, except that in no event may more than 12½ per centum of the funds for any one program be used in any one State.

"(c) Unless otherwise provided in this part, financial assistance extended to a community action agency or other agency pursuant to sections 220, 221, and 222(a), for the period ending June 30, 1967, shall not exceed 90 per centum of the approved cost of the assisted programs or activities, and thereafter shall not exceed 80 per centum of such costs. The Director may, however, approve assistance in excess of such percentages if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services, except that at least one-half of the non-Federal contribution shall be in cash.

"(d) No program shall be approved for assistance under sections 220, 221, and 222(a) unless the Director satisfies himself (1) that the services to be provided under such program will be in addition to, and not in substitution for, services previously provided without Federal assistance, and (2) that funds or other resources devoted to programs designed to meet the needs of the poor within the community will not be diminished in order to provide any contributions required under subsection (c) or otherwise to qualify for assistance under this part. The requirement imposed by the preceding sentence shall be subject to such regulations as the Director may adopt and promulgate establishing objective criteria for determinations covering situations where a strict application of that requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes sought to be achieved.

"PART C—SUPPLEMENTAL PROGRAMS AND ACTIVITIES

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 230. The Director may provide, directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering programs under this title, and (2) training for specialized or other personnel which is needed in connection with those programs or which otherwise pertains to the purposes of this title. Upon request of an agency receiving financial assistance under this title, the Director may make special assignments of personnel to the agency to assist and advise it in the performance of functions related to the assisted activity; but no such special assignment shall be for a period of more than two years in the case of any agency.

"STATE AGENCY ASSISTANCE

"SEC. 231. (a) The Director may provide financial assistance to State agencies designated in accordance with State law, to enable those agencies—

"(1) to provide technical assistance to communities and local agencies in developing and carrying out programs under this title;

"(2) to assist in coordinating State activities related to this title;

"(3) to advise and assist the Director in developing procedures and programs to promote the participation of States and State agencies in programs under this title; and

"(4) to advise and assist the Director, the Economic Opportunity Council established by section 604 of the Act, and the heads of other Federal agencies, in identifying problems posed by Federal statutory or administrative requirements that operate to impede State level coordination of programs related to this title, and in developing methods or recommendations for overcoming those problems.

"(b) In any grants or contracts with State agencies, the Director shall give preference to programs or activities which are administered or coordinated by the agencies designated pursuant to subsection (a), or which have been developed and will be carried on with the assistance of those agencies.

"RESEARCH AND PILOT PROGRAMS

"SEC. 232. (a) The Director may contract or provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this title. He may also contract or provide financial assistance for research pertaining to the purposes of this title.

"(b) The Director shall establish an overall plan to govern the approval of pilot or demonstration projects and the use of all research authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives. In formulating the plan, the Director shall consult with other Federal agencies for the purpose of minimizing duplication among similar activities or projects and determining whether the findings resulting from any research or pilot projects may be incorporated into one or more programs for which those agencies are responsible. As part of the annual report required by section 608, or in a separate annual report, the Director shall submit a description for each fiscal year of the current plan required by this section, of activities subject to the plan, and of the findings derived from those activities, together with a statement indicating the time and, to the extent feasible, the manner in which the benefits of those activities and findings are expected to be realized.

"(c) Not more than 10 per centum of the sums appropriated or allocated in any fiscal year for this title shall be used for the purposes of subsection (a).

"PART D—GENERAL AND TECHNICAL PROVISIONS

"ASSISTANT DIRECTORS FOR COMMUNITY ACTION

"SEC. 240. The Director shall appoint two assistant directors for the purpose of assisting the Director in the administration of the provisions of this title. One such assistant director, to be known as the Assistant Director for Community Action in Rural Areas, shall be responsible for assuring that funds allotted for assistance to programs or projects designed to assist the rural poor are so expended. The other assistant director, to be known as the Assistant Director for Community Action in Urban Areas, shall be responsible for assuring that funds allotted for assistance to programs or projects designed to assist the urban poor are so expended. Each assistant director shall have such additional responsibilities consistent with the foregoing responsibilities as the Director may hereafter assign.

"RURAL AREAS

"SEC. 241. (a) In exercising authority under this title, the Director shall take necessary steps to further the extension of benefits to residents of rural areas, consistent with the extent and severity of poverty among rural residents, and to encourage high levels of managerial and technical competence in programs undertaken in rural areas. These steps shall include, to the maximum extent practicable, (1) the development under section 222(a) of programs particularly responsive to special needs of rural areas; (2) the establishment, pursuant to section 232(a), of a program of research and pilot project activities specifically focused upon the problems of rural poverty, including a more effective use of human and natural resources of rural America to slow the migration from rural areas due to lack of economic opportunity; (3) the provision of technical assistance so as to afford a priority to agencies in rural communities and to aid those agencies, through such arrangements as may be appropriate, in securing assistance under Federal programs which are related to this title but which are not generally utilized in rural areas; and (4) the development of special or simplified procedures, forms, guidelines, model components, and model programs for use in rural areas.

"(b) In order to further implement the policy described in subsection (a), the Director shall establish criteria designed to achieve an equitable distribution of assistance under this title within the States between urban and rural areas. In developing those criteria, he shall consider the relative numbers in the States or areas therein of (1) low-income families, particularly those with children; (2) unemployed persons; (3) persons receiving cash or other assistance on a needs basis from public agencies or private organizations; (4) school dropouts; (5) adults with less than an eighth-grade education; and (6) persons rejected for military service.

"(c) Notwithstanding any other provision of this title, the Director is authorized to provide financial assistance in rural areas to public or private nonprofit agencies for any project for which assistance to community action agencies is authorized, if he determines that it is not feasible to establish a community action agency within a reasonable period of time. The assistance so granted shall be subject to such conditions as the Director deems appropriate to promote adherence to the purposes of this title and the early establishment of a community action agency in the area.

"(d) The Director shall encourage the development of programs for the interchange of personnel, for the undertaking of common or related projects, and other methods of cooperation between urban and rural communities, with particular emphasis on fostering cooperation in situations where it may contribute to new employment opportunities, and between larger urban communities with concentrations of low-income persons and families and rural areas in which substantial numbers of those persons and families have recently resided.

"COORDINATION—FEDERAL AGENCIES; USE OF STATE FUNDS

"SEC. 242. (a) The heads of all Federal agencies shall cooperate with the Director in carrying out his responsibilities under this title and shall, to the extent permitted by law, exercise their powers so as to encourage implementation of the purposes of this title with respect to all programs appropriate for inclusion in community action programs. The Director may call upon other Federal agencies for advice, information, or assistance, including the establishment of working groups of Federal personnel, in dealing with specific problems of coordination arising under programs authorized in this title. Cooperative actions or undertakings initiated pursuant to this subsection may include evaluation of local programs on a common or joint basis, and actions to assist particular communities in overcoming problems arising out of diverse Federal requirements, or in developing long-range plans where justified by prior progress.

"(b) Pursuant to regulations prescribed by the President, where funds are advanced for a single project by more than one Federal agency to a community action agency or other agency assisted under this title, any one Federal agency may be designated to act for all in administering the funds advanced. In such cases, a single local share requirement may be established according to the proportion of funds advanced by each agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

"(c) In order to promote coordination in the use of funds under this Act and funds provided or granted by State agencies, the Director may enter into agreements with States or State agencies pursuant to which they will act as agents of the United States for purposes of providing financial assistance to community action agencies or other local agencies in connection with specific projects or programs involving the common or joint use of State funds and funds under this title.

"SUBMISSION OF PLANS TO GOVERNORS

"SEC. 243. In carrying out the provisions of this title, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within thirty days of such submission, or, if so disapproved, has been reconsidered by the Director and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title. This section shall not, however, apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of the approval of this Act.

"FISCAL RESPONSIBILITY AND AUDIT

"SEC. 244. (a) No funds shall be released to any agency receiving financial assistance under this title until it has submitted to the Director a statement certifying that the assisted agency and its delegate agencies (or subcontractors for performance of any major portion of the assisted program) have established an accounting system with internal controls adequate to safeguard their assets, check the accuracy and reliability of the accounting data, promote operating efficiency and encourage compliance with prescribed management policies and such additional fiscal responsibility and accounting requirements as the Director may establish. The statement may be furnished by a certified public accountant, a duly licensed public accountant or, in the case of a public agency, the appropriate public financial officer who accepts responsibility for providing required financial services to that agency.

"(b) Within three months after the effective date of a grant to or contract of assistance with an organization or agency, the Director shall make or cause to be made a preliminary audit survey to review and evaluate the adequacy of the accounting system and internal controls established thereunder to meet the standards set forth in the statement referred to in paragraph (a). Promptly after the completion of the survey, the Director shall determine on the basis of findings and conclusions resulting from the survey whether the accounting systems and internal controls meet those standards and, if not, whether to suspend the grant or contract. In the event of suspension, the assisted agency shall be given not more than six months within which to establish the necessary systems and controls, and, in the event of failure to do so within such time period, the assistance shall be terminated by the Director.

"(c) At least once annually the Director shall make or cause to be made an audit of each grant or contract of assistance under this title. Promptly after the completion of such audit, he shall determine on the basis of resulting findings and conclusions whether any of the costs of expenditures incurred shall be disallowed. In the event of disallowance, the Director may seek recovery of the sums involved by appropriate means, including court action or a commensurate increase in the required non-Federal share of the costs of any grant or contract with the same agency or organization which is then in effect or which is entered into within twelve months after the date of disallowance.

"(d) The Director shall establish such other requirements and take such actions as he may deem necessary and appropriate to carry out the provisions of this section and to insure fiscal responsibility and accountability, and the effective and efficient handling of funds in connection with programs assisted under this title. These requirements and actions shall include (1) necessary action to assure that the rate of expenditure of any agency receiving financial assistance does not exceed the rate contemplated under its approved program; and (2) appropriate requirements to promote the continuity and coordination of all projects or components of programs receiving financial assistance under this title, including provision for the periodic reprograming and supplementation of assistance previously provided.

"SPECIAL LIMITATIONS

"SEC. 245. The following special limitations shall apply, as indicated, to programs under this title.

"(1) Financial assistance under this title may include funds to provide a reasonable allowance for attendance at meetings of any community action agency governing board, neighborhood council or committee, as appropriate to assure and encourage the maximum feasible participation of members of groups and residents of areas served in accordance with the purposes of this title, and to provide reimbursement of actual expenses connected with those meetings; but those funds (or matching non-Federal funds) may not be used to pay allowances in the case of any individual who is a Federal, State, or local government employee, or an employee of a community action agency, or for payment of an allowance to any individual for attendance at more than two meetings a month.

"(2) The Director shall issue necessary rules or regulations to assure that no employee engaged in carrying out community action program activities receiving financial assistance under this title is compensated from funds so provided at a rate in excess of $15,000 per annum, and that any amount paid to such an employee at a rate in excess of $15,000 per annum shall not be considered in determining whether the non-Federal contributions requirements of section 223 have been complied with; the Director may, however, provide in those rules or regulations for exceptions covering cases where, because of the need for specialized or professional skills or prevailing local wage levels, application of the foregoing restriction would greatly impair program effectiveness or otherwise be inconsistent with the purposes sought to be achieved.

"(3) No officer or employee of the Office of Economic Opportunity shall serve as member of a board, council, or committee of any agency serving as grantee, contractor, or delegate agency in connection with a program receiving financial assistance under this title; but this shall not prohibit an officer or employee from serving on a board, council, or committee which does not have any authority or powers in connection with a program assisted under this title.

"(4) In granting financial assistance for projects or activities in the field of family planning, the Director shall assure that family planning services, including the dissemination of family planning information and medical assistance and supplies, are made available to all low-income individuals who meet the criteria for eligibility for assistance under this title which have been established by the assisted agency and who desire such information, assistance, or supplies. The Director shall require, in connection with any such financial assistance, that—

"(A) no individual will be provided with any information, medical supervision, or supplies which that individual indicates is inconsistent with his or her moral, philosophical, or religious beliefs; and

"(B) no individual will be provided with any medical supervision or supplies unless he or she has voluntarily requested such medical supervision or supplies.

The use of family planning services assisted under this title shall not be a prerequisite to the receipt of services from or participation in any other programs under this Act.

"(5) No financial assistance shall be extended under this title to provide general aid to elementary or secondary education in any school or school system; but this shall not prohibit the provision of special, remedial, and other noncurricular educational assistance.

"(6) In extending assistance under this title the Director shall give special consideration to programs which make maximum use of existing schools, community centers, settlement houses, and other facilities during times they are not in use for their primary purpose.

"LIMITATIONS ON POLITICAL ACTIVITY

"SEC. 246. The Director, after consultation with the Civil Service Commission, shall issue such regulations, or impose such requirements, as may be necessary or appropriate to insure that programs assisted under this title are not carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (1) any partisan political activity or any other political activity associated with a candidate, or contending faction or group, in any election for public or party office, or (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election, or any voter registration activity. Rules or regulations under this section shall provide for enforcement procedures, which shall include provision for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis.

"DURATION OF PROGRAM

"SEC. 247. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that section 103, starting on page 168 and continuing to page 211, be considered as read, printed in the RECORD, and open to amendment at any point.

The **CHAIRMAN**. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

AMENDMENT OFFERED BY MR. GOODELL

Mr. GOODELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODELL: On page 168, after line 16, strike out everything through line 4 on page 186 and insert in lieu thereof:

"TITLE II—COMMUNITY ACTION

"PART A—GENERAL

"DECLARATION OF POLICY

"SEC. 201. It is the purpose of this title, as amended, to establish programs, policies, and structures through which the Director can play an appropriate role in assisting the States and urban and rural communities therein to rehabilitate the poor by dealing effectively with the principal causes of poverty. In undertaking this role, it shall be the policy of the Director to assist only those programs or activities which focus upon principal causes of poverty.

"The Director shall pursue the purpose of this title—

"(a) by involving in a meaningful way, at the State and local levels, the poor and other interested individuals, groups, and private and public agencies and organizations, including private enterprise and labor; and

"(b) by encouraging the creation and support of community action agencies and neighborhood organizations responsible for identifying causes and conditions of poverty in the community, and for discovering, planning, and executing programs aimed at breaking the poverty cycle, including, but not limited to, imaginative and innovative programs of education, job training, employment and improvement of services to enable the poor better to help themselves.

"It is the finding of Congress that the continued mass migration of the poor from rural America to the Nation's cities is not in the best interest of the Nation or of the poor since such migration tends to further congest already overcrowded slums and ghettos where opportunities for meaningful employment and a decent life are lacking. Therefore, it is declared to be the purpose of this title, and it shall be the policy of the Director, to place special emphasis upon arresting such migration by attacking the causes of poverty in rural America as well as urban America, so that the poor may become self-sufficient therein. It shall not be the policy of the Director to encourage or assist, directly or indirectly, such migration.

"RESPONSIBILITY OF THE DIRECTOR

"SEC. 202. The Director of the Office of Economic Opportunity (hereinafter referred to as the 'Director') shall be responsible for the administration of this title.

"ASSISTANT DIRECTORS

"SEC. 203. There shall be appointed two assistant directors for the purpose of assisting the Director in the administration of this title. One such assistant director, to be known as the Assistant Director for Community Action in Rural Areas, shall be responsible for assuring that funds allotted for assistance to programs or projects designed to assist the rural poor are so expended. The other assistant director, to be known as the Assistant Director for Community Action in Urban Areas, shall be responsible for assuring that funds allotted for assistance to programs or projects designed to assist the urban poor are so expended. Each assistant director shall have such additional responsibilities consistent with the foregoing responsibilities as the Director may hereafter assign.

"RESERVATION OF ALLOTMENTS

"204. (a) Not less than 10 per centum of each State's allotment under section 213 shall be reserved for grants to the State agency of such State pursuant to section 232.

"FEDERAL PRIORITY

"SEC. 205. Not less than 50 per centum of the sum allotted to each State under section 213(a) shall be reserved for the funding of programs proposed by job opportunities boards of qualified community action agencies or by qualified substitute agencies.

"POVERTY CRITERIA

"SEC. 206. After consultation with each commission (established pursuant to section 211) and on the basis of income, cost of living, differences between urban and rural life, and other relevant factors, the Director shall establish and promulgate appropriate criteria for determination of those individuals who shall be considered urban poor and rural poor for purposes of this title. Such criteria may vary within reasonable limits from State to State, as the Director and the State commission of each State, if any, may determine (or the Director acting alone if there is no such State commission in such State) deem appropriate, but the criteria must be uniform throughout any one State. The Director shall apply such criteria annually, using the most current information available from the Bureau of the Census, together with any additional data which may be furnished by the State commission or from other reliable sources, to determine the number of urban poor and rural poor in each State and in the Nation.

"PART B—STATE PARTICIPATION

"STATE RESPONSIBILITIES

"SEC. 211. (a) Any State which desires to receive a grant or otherwise participate under this title shall designate or establish a State agency to be known as the State community action commission (hereinafter referred to as the 'State commission' which shall be broadly representative of local community action agencies, public and private education, welfare, rehabilitation, manpower, health, and other public and private human resources agencies, Headstart agencies, business and labor organizations, minority racial groups, the elderly poor, and such other groups and organizations as may be appropriate: *Provided, however*, That no more than one-third of the membership of the State commission shall be State and local officials of their representatives.

"(b) A State commission established or designated pursuant to subsection (a) shall—

"(1) be the sole agency responsible for carrying out the responsibilities of the State under this title;

"(2) undertake to identify areas of concentration and general characteristics of the poor, and to determine fundamental causes of poverty in each State;

"(3) initiate and conduct comprehensive planning, including the determination of State priorities and policies (including criteria for the allocation of funds to qualified community action agencies or substitute agencies subject to the provisions of this title) to eliminate the causes of poverty in each State;

"(4) promulgate and submit to the Director and to each qualified community action agency and delegate agency in each State, in advance of each fiscal year after fiscal year 1968, at a time determined by the Director, a State plan for action, which shall review, evaluate, and make recommendations concerning the funding of each of the programs proposed to be conducted by each qualified community action agency or substitute agency in the State in each fiscal year, taking into consideration any other relevant public or private program to assure that programs funded under this title are focused upon meeting those needs which cannot be or are not met by such other programs;

"(5) select, in accordance with the provisions of this title, qualified community action agencies and, when appropriate, qualified substitute agencies, to receive assistance or conduct programs under this title; and assign to any agency which is found an area over which it shall have jurisdiction for the administration of programs under this title, which area shall be coterminous with a major State political subdivision, such as a city, county, or parish, except that if such subdivision is not of a size or population to permit the agency to serve it efficiently and effectively, such area shall be coterminous with more than one such subdivision or a lesser portion of such subdivision, so long as due consideration is given to meeting the needs of the poor in the remaining portion of such subdivision;

"(6) consult with and provide assistance, including technical assistance, to community action agencies and qualified substitute agencies; assist in the preparation and administration of annual plans; assist in the training of personnel; assist in coordinating programs to be conducted by any such agency with other ongoing programs serving the same area or any of the poor therein; and assist in mobilizing and making maximum feasible use of public and private resources in carrying out the programs of such community action agencies;

"(7) review, evaluate, and approve or disapprove (in whole or in part) the annual plans of the community action agencies in accordance with criteria set forth in the approved State plan for action, taking into consideration any ongoing State or local programs of a similar nature to determine whether the programs proposed in the annual plan would duplicate or disrupt such ongoing State or local programs;

"(8) report to the Director on the expenditure of Federal funds in such State under this title during each fiscal year to enable the President and Congress to evaluate the progress of the States under this Act;

"(9) establish liaison with State commissions in other States to exchange ideas and information pertinent to comprehensive planning for the elimination of poverty and the avoidance of inefficient or duplicative programs;

"(10) establish for the personnel of the State commission a salary schedule comparable to that of other agencies within each State: *Provided, however,* That the Director in his discretion may modify or adjust such schedule or any provision thereof; and

"(11) provide such fiscal control and fund accounting procedures as may be necessary to insure proper disbursement of and accounting for all funds under this title, and to insure that in no case shall Federal funds be commingled with non-Federal funds in financing programs under this title."

On page 186, line 6, renumber section 222 as section 212; lines 12–13, strike "under sections 220 and 221" and insert in lieu thereof "elsewhere in this title".

On page 194, line 20, renumber section 223 as section 213; lines 22–23, strike "sections 220 and 221" and insert in lieu thereof "this title"; line 24, strike "222" and insert in lieu thereof "212".

On page 195, line 24, strike "222" and insert in lieu thereof "212".

On page 196, line 9, strike "pursuant to sections 220, 221 and 222 (a)," and insert in lieu thereof "under this title,"; line 22, strike "sections 220, 221, and 222(a)" and insert in lieu thereof "this title"; line 19, after "services" strike the comma and insert a period in lieu thereof; and strike the balance of line 19 and all of line 20.

Beginning on page 197, strike out all that follows line 11 thereon through line 8 on page 200, and insert in lieu thereof the following new part C:

"Part C—Participation of Community Action Agency; Delegate Agencies

"COMMUNITY ACTION AGENCY DEFINED

"Sec. 221. (a) For the purposes of this title, a community action agency shall be a public or private nonprofit organization (other than a political party) which satisfies the following requirements and is designated as a qualified community action agency by the State commission under section 211(b)(5) or by the Director pursuant to section 233:

"(1) Policies are determined by a governing board or a constituent overall governing group thereof, such as an executive committee, the membership of which board or group shall be representative of various community interests as follows:

"(A) at least a third of the members represent the poor, which members are residents of the area served by such agency and selected by the residents of such area, by processes, such as elections or assemblies, in which the poor are given opportunity to participate to the maximum feasible extent; except that for the purposes of this section, any member who is selected by and represents a neighborhood organization as defined in section 222 shall be considered a representative of the poor;

"(B) officials (duly elected or appointed) of local government, or their representatives, not to exceed one-third of the membership of the board: *Provided, however,* That such officials or their representatives are available and willing to serve; and

"(C) the remainder of the membership of such board or group are representatives of and selected by educational, welfare, religious, business, labor, and other organizations, including, in areas served by cooperative extension services or technical action panels, representatives of such services and panels. No person selected under subparagraphs (A) or (C) above as a member of such board or group shall serve more than three consecutive years or more than a total of six years thereon.

"(2) Adequate authority and competence exist to enter into contracts with or receive grants from the State commission and the Director under this title and to carry out the programs for which it requests Federal assistance under this title efficiently, effectively and in a manner fully consistent with the provisions and purposes of this title either directly or by contract with delegate agencies pursuant to section 225.

"(3) Is willing and competent to assume the responsibilities which may be assigned to a community action agency under this Act.

"(b) Notwithstanding the provisions of subsection (a), any neighborhood organization as hereinafter defined shall be authorized to propose programs to be assisted or conducted by such community action agency, and to require such agency to terminate its assistance to or conduct of any program in the neighborhood represented or served by such organization, whenever in its judgment, such program is not in the best interests of the neighborhood.

"(c) The State Commission shall, subject to the approval of the Director, promulgate and publish rules and regulations relating to the scheduling and notice of meetings, quorums (which in the case of a community action board shall not be less than 50 per centum of its total membership), procedures, establishment of committees and similar matters as he may deem necessary to assure that community action boards provide a continuing and effective mechanism for securing broad, community involvement in programs assisted under this title and that all groups or elements represented on these boards have a full and fair opportunity to participate in decisions affecting those programs. Such rules and regulations shall not preclude any community action board from appointing an executive committee or similar group which fairly reflects the composition of the board to transact the board's business between its meetings. The quorum requirements for any such committee or group shall be established by the board.

"NEIGHBORHOOD ORGANIZATION DEFINED

"Sec. 222. For the purposes of this title, a neighborhood organization shall be any public or private nonprofit organization which represents the poor in a single impoverished neighborhood within the area assigned to a qualified community action agency and consists of residents of such neighborhood selected at least annually by residents thereof through processes such as elections and neighborhood meetings in which the poor participate to the maximum feasible extent.

"RESPONSIBILITIES OF COMMUNITY ACTION AGENCY

"Sec. 223. It shall be the responsibility of any community action agency which desires to receive assistance under this title to—

"(1) mobilize and make maximum feasible use of public and private resources (including volunteered services of individuals) to eliminate the causes of poverty in accordance with the provisions of this title;

"(2) establish and appoint, within a reasonable time after such agency determines to seek assistance for job oriented programs, as provided in subparagraph 3 of this section, a Job Opportunity Board, a majority of whose members shall be representatives of business and at least one-third of whose members shall be representatives of the poor;

"(3) authorize and direct such Job Opportunities Board to develop programs designed to enable the unemployed and underemployed poor to rehabilitate themselves through meaningful job training, counseling, work experience, supportive services and placement for jobs, including special programs, where appropriate, to eliminate conditions which inhibit or prevent the poor from seeking full-time jobs;

"(4) further authorize and direct such Job Opportunities Board to—

"(A) encourage the contribution of or use of funds, services, facilities, and property from all sources public and private, to carry out the programs described in subparagraph (3) of this subsection;

"(B) encourage the participation, on a voluntary, nonpaid basis, of professional and nonprofessional individuals from the business community willing to devote their time and services to make personal contact with, counsel, advise, and otherwise assist unemployed or underemployed poor individuals to assess and develop potentially marketable skills, prepare for employment interviews and testing, and make the adjustment to full-time and productive employment;

"(C) through direct communication with community leaders and groups, including civic, religious, labor, business, professional, social, and educational, to develop an awareness of the needs of the unemployed and underemployed poor as well as an appreciation of the programs proposed by the Board to encourage support for and voluntary participation in such programs, and to secure commitments from such individuals, groups, and organizations to work for the elimination of unfair hiring practices and similar circumstances which raise obstacles to the employment of the poor;

"(5) submit to the State commission in advance of each fiscal year after fiscal year 1968 an annual plan which shall describe the various programs for which assistance is requested under this title in such fiscal year (including the various programs proposed for inclusion by the Job Opportunities Board pursuant to subparagraph (3) of this subsection), set forth a proposed budget for such programs as well as justifications for such budget, and evaluate the various programs on the basis of criteria established by the agency to assess the relative needs of the poor in the area served by the agency;

"(6) provide for reasonable public access to information, books, and records of the agency, its governing board (or any constituent group thereof), the Job Opportunities Board, and any delegate agency, including reasonable opportunity for hearings at the request of appropriate local community groups, in accordance with regulations adopted by the Director;

"(7) seek the cooperation of agencies administering existing programs at the community level significantly affecting the poor; coordinate its own programs with existing programs in order to avoid or eliminate duplication, conflict, and waste; and refer the poor to services offered under existing programs whenever appropriate;

"(8) arrange with a reputable private, independent auditing firm to (A) review, prior to receipt of any assistance under this title, administrative procedures, the recordkeeping systems and fiscal controls of such agency, delegate agencies thereof, and the Job Opportunities Board, and (3) conduct a complete audit of each program included in each annual plan of such agency six months after final approval of such plan to insure that adequate procedures, records, and controls are kept and enforced;

"(9) expend sums granted to it under this title in a manner conforming to and at a rate not in excess of that proposed under its approved annual plan;

"(10) adopt and enforce (or require enforcement of) rules and regulations promulgated by the State commission (subject to approval of the Director) or by the Director governing the wages, benefits, and conduct in performance of duty of its own personnel and the personnel of delegate agencies and the Job Opportunities Board:

"(11) insure that all such personnel described in subparagraph (10) are informed of such regulations and standards therein described; and

"(12) adopt and enforce (or require enforcement of) rules and regulations promulgated by the State commission (subject to approval of the Director) or by the Director governing the payment of expenses to board members attending meetings of the governing board of the community action agency.

"APPROVAL OF DELEGATE AGENCIES

"Sec. 224. (a) Any community action agency may contract with one or more public or private nonprofit organizations described in subsection (b) of this section to act as a delegate agency to carry out programs approved for assistance under this title, but only if it determines that such organization—

"(1) has full authority to receive and spend as required by such contract any funds which it may receive thereunder;

"(2) is competent to administer and conduct such programs as may be contracted to it; and

"(3) provides assurances that it will comply with all statutory requirements, rules, standards, and regulations applicable to community action agencies under this title.

"(b) Such organization shall be—

"(1) a neighborhood organization as defined in section 222; or

"(2) any other local, public or private, nonprofit organization (other than a political organization) which has had experience in administration of similar programs.

"SUBSTITUTE AGENCIES

"Sec. 225. (a) In the absence of a community action agency, any organization which meets the requirements of a delegate agency under section 224 shall be eligible as a substitute agency to conduct programs under this title.

"(b) In the case of an area served by a community action agency, any organization which meets the requirements of a delegate agency under section 224 shall be eligible as a substitute agency to conduct programs under this title, provided that—

"(1) the program or activity to be conducted is of a demonstration or experimental nature and will not be in conflict with any program or activity being provided by the community action agency; or

"(2) the program or activity to be conducted is unsuitable for inclusion in the annual plan of the community action agency; or

"(3) the program or activity to be conducted is required to meet an urgent and temporary need of the poor, to which the community action agency and local public authorities, if any, are unable or unwilling to respond, when requested in writing by the State commission or the Director to do so."

Page 200, strike lines 9 through 24 and insert in lieu thereof the following:

"PART D—FEDERAL FUNCTIONS

"APPROVAL OF STATE PARTICIPATION

"Sec. 231. The Director may approve the participation under this title of any State which has accepted the responsibilities described in section 211, but he shall not finally disapprove the participation of any State without first affording it reasonable notice and opportunity for a hearing.

"GRANTS TO STATES

"Sec. 232. (a) The Director shall, in accordance with the provisions of this title, make grants to the States out of moneys reserved under section 204 for the use of the State commission designated or established under section 211, to enable it to carry out its responsibilities under sections 211 and 243.

"(b) Whenever the Director, after reasonable notice and opportunity for hearing to the State commission concerned, finds that such commission has failed to meet any of its responsibilities under section 211, he shall suspend grants to such commission and notify the commission in writing that he will make no further payments to the State under this title until such time as he is satisfied that the commission will meet its responsibilities; *Provided,* That, at his discretion, the Director may make further payments to the State during such period of suspension for activities not affected by such failure.

"FEDERAL REVIEW AND ADMINISTRATION

"Sec. 233. (a) At his discretion, the Director may review the actions of the State commission in determining qualified community action agencies or qualified substitute agencies as provided in section 211(b)(5), and he may overrule such actions, determine that a community action agency is qualified or disqualified, as the case may be; and designate or redesignate, if need be, the area assigned to any such agency. In the absence of any action by the State commission pursuant to section 211(b)(5) and after reasonable time for the State commission to act upon a request, the Director, on his own initiative and in the manner prescribed for the State commission, may determine the qualifications and area of any organization seeking to be a community action agency and make direct grants thereto from the State allocation.

"(b) If the State fails to designate or establish a State commission or if the State commission fails to meet its responsibilities under this title, the Director shall, to the extent possible, assume the responsibilities of such State commission and assure that the functions of the State commission are performed until such time as the State shall designate or establish such State commission or shall comply with such obligations.

"APPROVAL AND FINANCIAL ASSISTANCE

"Sec. 234. (a) After consultation with the State commission, the Director shall approve or disapprove, in whole or in part, the State's plan for action required under section 211 (b)(4): *Provided,* That, in any instance of disapproval, he shall reconsider his decision at any reasonable time that the State commission may wish to present new evidence in support of any disapproved part of its plan or in support of any modifications of such parts. The authority of the Director shall include the authority to disapprove any component program which the State commission has approved and incorporated into its plan. Such disapproval shall be reported to the State commission within thirty days following the determination of the Director, together with the Director's justification therefor.

"(b) In accordance with the approved portions of the State plan for action, the Director shall make grants to qualified community action agencies or contract with qualified substitute agencies for programs authorized under this title.

"(c) Subject to the provisions of part C of this title, the Director shall make grants to any qualified community action agency or contract with any qualified substitute agencies for any program authorized under this title, but not incorporated into the State plan for action, provided that—

"(1) in the case of a qualified community action agency, such agency has included the program in its annual plan and has proposed it for inclusion in the State plan;

"(2) the Director first resubmits the proposal to the State commission for thirty days for review and recommendations; and

"(3) the program is consistent with those criteria, priorities, and policies, if any, included in any State plan previously approved by the Director.

"(d) If the Director has not approved, or has disapproved, the participation of the State because of its failure to (1) designate or establish a State commission, (2) to develop a State plan, or (3) to meet substantially its responsibilities under this title, he may make grants to qualified community action agencies or contract with qualified substitute agencies for programs authorized under this Act. If the Director subsequently approves the participation of the State, in whole or in part, under section 231, he shall not be required to reconsider any grant or contract made under this section during the period in which the State was without such approval.

"DEMONSTRATION PROGRAMS

"Sec. 235. The Director is authorized to make grants to or enter into contracts with institutions of higher education or other appropriate public agencies or private organizations for the conduct of research and demonstration projects to develop and to evaluate programs designed to accomplish the purpose of this title. Expenditures under this section in any fiscal year shall not exceed 10 per centum of the sums appropriated for such year to carry out the purposes of this part. No grant or contract for a research or demonstration project shall be made under this section except pursuant to an overall plan setting forth specific objectives to be achieved under this section and setting forth priorities among such objectives. Such plan, to the extent it contemplates activities or programs that may be undertaken by other Federal agencies or the making of grants or contracts that might be made by other Federal agencies having demonstration and research responsibilities, shall be approved by the Director only after consultation with such agencies. The Director shall include as part of his annual report or as a separate and simultaneous report, a description of the principal research and demonstration activities undertaken during each fiscal year under this part, a statement indicating the relation of such activities to the plan and to the policies of this Act, and a statement with respect to each such category, describing the results or findings of such research and demonstration activities, indicating the time or period in which such activities were undertaken and to the extent possible the manner in which the benefits or expected benefits of such activities are expected to be realized. The Director shall require that all applications or proposals for research or demonstrations shall be filed with him for review and recommendations with respect thereto within fifteen days from the date of filing.

"RESTRICTIONS ON ACTIVITIES

"Sec. 236. (a) For the purposes of chapter 15 of title V of the United States Code, any State commission or community action agency funded under this title shall be deemed to be a State or local agency; and for the purposes of clauses (1) and (2) of section 1502(a) of that title, any delegate agency or substitute agency funded under this title shall be deemed to be a State or local agency. The Director shall issue such regulations or impose such requirements and restrictions as may be necessary or appropriate to enforce the provisions of this subsection.

"(b) Programs assisted under this title shall not involve the use of program funds, the provision of property or services, or the employment or assignment of personnel which—

"(1) supports or results in the identification of such programs with (A) any partisan or nonpartisan political activity or any activity associated with a candidate, or contending faction or group, in any election for public or party office, or (B) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election, or (C) any voter registration activity, or

"(2) which tends to incite, promote, encourage, coerce or carry on a riot or other civil disturbance in violation of any Federal, State, or local law; which facilitates the incitement, promotion, encouragement, coercion, or carrying on of any such riot or civil disturbance; or which assists, encourages, or instructs any person to commit or be involved in such riot or civil disturbance. The Director shall promulgate and publish rules and regulations necessary to implement the provisions of this subsection. Rules or regulations under this subsection shall provide for enforcement procedures which shall include provision for summary suspension or discharge of individuals, or other action necessary to permit enforcement on an emergency basis. Such regulations or requirements shall not be construed to deprive any person of his right to vote as he may choose and to express, in his private capacity, his opinions on any political subject, public issue, public officials, or candidate for public office.

"(c) Whenever the Director has reason to believe that any of the rules and regulations promulgated or published pursuant to subsection (b) have been violated, he shall, after giving due notice and opportunity for explanation to the individuals and agencies involved, take corrective action to insure the termination of such violations, which action may include (1) suspension or discharge of any individual involved in such activity or responsible therefor; and (2) the suspension of funds in whole or in part to such agency.

"LOBBYING PROHIBITED

"SEC. 237. The Director shall take such steps as are necessary to insure that the provisions of section 1913, title 18, United States Code, are communicated to all employees of the Office of Economic Opportunity, and to all employees of any State commission, community action agency, delegate agency, or substitute agency funded in whole or in part under this title or any other title of this Act."

On page 201, line 2, strike "241" and insert in lieu thereof "238"; line 9, strike "222" and insert in lieu thereof "212"; line 11, strike "232" and insert in lieu thereof "235".

On page 203, line 9, strike "242" and insert in lieu thereof "239".

On page 204, line 22, strike "243" and insert in lieu thereof "240".

Page 205, line 14, strike "244" and insert in lieu thereof "241".

On page 207, line 23, strike "245" and insert in lieu thereof "242".

On page 210, after line 22, strike all that follows through line 15 on page 211.

On page 211, strike "247" and insert in lieu thereof "243".

On page 211, after line 21, insert the following new Part E:

"PART E—STATE BONUS COMMUNITY ACTION PROGRAM

"STATEMENT OF PURPOSE

"SEC. 241. It is the purpose of this part to further encourage and enable States to act as partners with the Federal Government in carrying out programs under this title.

"ALLOTMENTS TO STATES

"SEC. 242. (a) From the amount allocated to carry out this part for a fiscal year, which shall not be less than $20,000,000 in the fiscal year ending June 30, 1968, the Director shall allot to each State an amount which bears the same ratio to the amount being allotted as the amount allotted such State under section 213 bears to the amount allotted all the States under such section for such fiscal year.

"(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Director determines will not be required for such fiscal year for carrying out this part shall be available for reallotment to other States from time to time, on such dates during such year as the Director may fix.

"SUPPLEMENTARY STATE PLANS

"SEC. 243. (a) Any State which desires to receive a grant under this part shall submit to the Director a supplement to the State plan for action, which supplement—

"(1) provides for carrying out, or supplementing the financing of, community action programs which are eligible for assistance under other parts of this title, but are not being, or are being inadequately assisted thereunder; or

"(2) provides financial assistance to qualified community action agencies or substitute agencies for other programs, including statewide programs, which conform to the policies and priorities of the approved portions of the State plan for action.

"(b) In the same manner and subject to the same procedures as provided under sections 231, 232, and 233, the Director may approve or disapprove the participation of any State under part E of this title.

"PAYMENTS

"SEC. 244. The Federal share for each State for programs under part E of this title shall be 50 per centum."

Mr. GOODELL (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. THOMPSON of New Jersey. Mr. Chairman, reserving the right to object, and I shall not object, will the gentleman explain the amendment?

Mr. GOODELL. Yes.

The CHAIRMAN. The Chair will state to the distinguished gentleman from New Jersey [Mr. THOMPSON] that the gentleman from New York [Mr. GOODELL] cannot explain his amendment until the reading thereof has been dispensed with.

Therefore, is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from New York [Mr. GOODELL] is recognized for 5 minutes in support of his amendment.

Mr. GOODELL. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. CAREY. Mr. Chairman, reserving the right to object, I note that the gentleman from Illinois has been complaining about insufficient time for the purposes of debate. I hope that the gentleman will no longer object now that we are extending additional time under the 5-minute rule to the minority.

Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The CHAIRMAN. The gentleman from New York is recognized for 10 minutes.

Mr. GOODELL. Mr. Chairman, this is one of the most significant areas of the bill, the community action program. I respectfully believe that the amendment I have offered is one of the most significant amendments.

Mr. Chairman, true community action implies three essential elements. The action must result from a decision taken democratically by those affected. Its goal is the sharing of mutual benefits impossible or difficult of attainment individually. Finally, it must be undertaken by the people themselves through maximum contribution of their own labor and intellect.

It is important when we are talking about this community action title, that we understand it.

Mr. Chairman, the three essential elements are immutable, although the process has been variously named over the years. It is a tradition which must be understood and reinvigorated. It is the essence of our ingenious American political system.

Time honored and time tested, it grew from initial expression in the classic division of labor between man and woman. Cavemen structured their fledging social organization as its practice began to develop into theory. It is rooted in the long history of social and governmental evolution. It is a primary font of economic development.

It typifies the frontier settlement from Jamestown to Virginia City. Men and women struggling to carve home and fortune from the wilderness organized to survive through community action. No government intervened. Such government as existed resulted from decisions taken by the people in town meetings themselves, a form of community action. Homes, schools, and churches were built for the people with their own labor and resources. Such works were executed by a committee of the people.

So grew the theories which dominated the politics of the colonies. Limitations upon this new-found freedom triggered the Revolution.

Formal expressions of community action became known as the Declaration of Independence.

The unique contribution of the American system is total commitment to the community action concept. The key difference is preservation of the democratic expression of the well of the people in application of its techniques.

Community action throughout the world has served as a substitute for despotism. It made possible the cherished common law system nourished by the English and transplanted to America. Elsewhere in the world a comprehensive code of human behavior often emerged to serve as a vehicle for the forces of oppression.

Only in America today is the ideal of government as the last resort for problem solving still pursued. This philosophy is a product of applied community action.

To some, the issue before this House is a cornerstone of our national heritage.

It is strange indeed that those who insist that people can and should solve their own problems oppose this program. People, and people alone, are the exclusive raw material of human progress. People, and only people, are competent to solve those national problems which are in fact the macroism constituted by millions of individual cases.

Few affluent Americans pass a day untouched by the product of community action. From the car pool to the country club, Americans outside the ghettos enrich their lives through sophisticated concert of action. The poor stand, in stark contrast, chained in poverty, without the substance to help themselves in the sophisticated society of today.

Mr. Chairman, one of the examples of community action in a society today is the civil rights movement, the NAACP. Negro people are utilizing the same ingenious system that powered this Nation to greatness. Constructive courses must be available. Militant and irresponsible zealots, those exploiting particularly community action must be replaced by responsible advocates. If one looks through our history, Sam Adams, John Hancock, John Brown, Tom Paine, and—yes—Patrick Henry, were zealots. Without Tom Jefferson and some others like them to channel those forces constructively, they could have been just militant protestations going for naught. Tom Jefferson became safe in the 19th and 20th centuries. He was not very safe in the 18th century when he spoke most of the things that we quote today as American gospel.

The problem with community action in too many areas is that the Tom Jeffersons have not involved themselves to give constructive courses to deep frustrations generated in the dark ghettos of America.

My amendment is in the form of a substitute to the first few sections of community action. It would preserve the basic intent of community action, the independence of the community action board. It would insist upon representation of local government, but not dominance by local governments over community action boards. It would reverse the action of our committee to set an arbitrary 51-member ceiling in the community action boards because in many areas of our country this would impose a major hardship. It would reverse the action of our committee to require local government involved in every level right down to your neighborhood organizations with one-third of such members on the neighborhood boards.

Once again, this becomes unworkable in most of our large cities.

Mr. Chairman, I say to my colleagues this is a crucial issue. We must preserve the basic genius of community action in this program. This does not mean we are going to present unregulated and undisciplined opportunity for militant exploitation of Americans. Our amendment brings the States into community action under the Director. The Director of the poverty program in Washington can bypass the States as long as the State programs are not being implemented properly. But where the States are willing to come in, and as long as they are administering the programs to the liking of the Director—and I emphasize that—to the liking of the Director, the States can be utilized. But the Director, if he does not like the way the States are administering it, can bypass the State entirely.

Community action boards would be required to have at least one-third representation of the poor. They would be required, if the city or local government wishes to be represented, to have some representation of local government up to a maximum of one-third.

This program, Mr. Chairman, offers us the opportunity to unite on a bipartisan basis.

I say to you, it does not bypass the local government. It reinforces the strength of the local government. It keeps the community action agencies independent as an instrument to work with the local government and all other elements in the community in partnership. But it avoids the trap, which the committee walked into, I am sad to say—it avoids the trap of making the community action boards subservient to and the creatures of city hall.

If that provision prevails which is in the bill, we will lose the potential of community action. We will have the community action boards in our cities turned over to city hall. If you think politics has been involved in this program up to now—when it is turned over to city hall in the form in which it is included in the committee bill, you will see the worst and most egregious kind of abuses.

I call upon all my colleagues to support this amendment on a bipartisan basis. There has never been anything partisan about community action. It has had bipartisan support from the beginning. I rise here to call upon all my colleagues who represent Americans all over this country to give the ghetto area people their opportunity to have a voice and a responsible voice in partnership with their elected officials so that we can go forward and motivate people to help themselves.

That is the key element and I hope it will be preserved in this legislation.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. CAREY. I would like to direct a question to the gentleman from New York who offered the amendment, if I may have his attention.

Does the gentleman understand who appoints all the members of the citywide CAP program in the largest city in the country today; that is, New York City? Do you know who does that?

Mr. GOODELL. Yes, I am aware of that.

Mr. CAREY. Is it the mayor of the city of New York?

Mr. GOODELL. I also know that the mayor of the city of New York has contacted me and you and a great many other Members in opposition to the provisions in the bill. He wants very much to have this restored so that the community action boards can be independent.

Mr. CAREY. And the mayor, of course, is an elected public official and he appoints all the members of the present board, that is correct; is it not? He does not want that for other elected officials but just for the mayor?

Mr. GOODELL. I will say to the gentleman, he does not appoint all the members of the present board.

Mr. CAREY. I must disagree with the gentleman.

Mr. GOODELL. The involvement of the board has been met in New York City not only on community action but it has been made at the neighborhood level throughout the programs in New York.

Mr. CAREY. The record is clear that the mayor appoints all members of the citywide umbrella agency in New York City.

I have one further question. Is it not true under the gentleman's substitute, he does make provision that one-third of the board would be public officials elected or appointed, under your substitute amendment?

Mr. GOODELL. Did the gentleman say one-third of the poor?

Mr. CAREY. One-third of the public officials would be elected or appointed.

Mr. GOODELL. The amendment provides that there must be a representation of local government if the local government wishes the representation up to a maximum of one-third.

Mr. CAREY. And they may be public officials elected or appointed?

Mr. GOODELL. That is correct. They are representative of the local government.

Mr. CAREY. Evidently, when the gentleman puts them in his amendment, they are annointed and deserving and truly diligent and worthy public officials, but when they are in the committee bill, they are low-grade politicians.

Mr. GOODELL. Of course, that is not the distinction, if I may say so.

The gentleman is well aware that the key issue here is not representation on the board. The committee moved to require one-third, one-third, and one-third—from the poor, from the city officials, and from agencies generally in the community.

Ours is somewhat different in that it would require up to one-third, and it would require that they be represented from the local government, if they wish to be. But the key issue here is whether the board that is functioning is going to be independent, whether it is going to have its own voice and set its own priorities, or whether it will be the creature of city hall. The committee bill makes it the creature of city hall.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent to proceed for an additional 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. PERKINS. Mr. Chairman, many Members in this Chamber have spent perhaps the greater part of their lives connected with governments, whether they be local, county, or municipal, in an effort to serve the people that they were privileged to represent. It goes without saying, and it is an elementary principle, that if we do not have cooperation at the local level of government, whether it is in the city, in the county, or in some rural area, with the local governmental officials, we just are not going to accomplish anything or obtain any results.

We have $1,062,000,000 in community action programs. All of us want to see every penny of that billion-plus dollars spent wisely and not wasted.

There was evidence before the House Committee on Education and Labor that some funds had been loosely spent. Many are convinced it was because of the lack of involvement of local governments. The record speaks for itself, and I invite you to examine those four volumes of hearings that we have conducted since last June 12.

We must get the local governments more involved in this program if we are going to have a constructive program and if we are going to have a program that is going to endure and survive the next year, the next 5 years, or the next 10 years to serve the people in the ghettos and serve the people in the rural areas. To do so we must get the local governments involved, more so than they have been in the past, or somewhere along the line we are going to have too much trouble in the enactment of this program in the future.

To my way of thinking, every Member in this Chamber, on both sides of the aisle, can vote against this amendment. Sections 210 and 211 of the committee bill to which the amendment is directed were carefully worked out on a bipartisan basis in committee.

In the language worked out in committee for sections 210 and 211 we simply provide that a community action agency shall be a State, municipality, or a local subdivision of that State. Or they may, if they wish, designate a private, nonprofit agency or some other public agency to serve as the community action agency. But in all instances the poor are represented.

The amendment adopted in the committee provides in each instance for a board, at least one-third of which shall consist of representatives of the poor. Another third shall be elected public officials or their representatives. The remainder shall be civic leaders, business, labor, church groups, patriotic groups in the communities or throughout the area that the community action program covers.

Mr. Chairman, I ask that this amendment be voted down. The provision in the bill is reasonable. I am hopeful not only that we will vote down the amendment but also, when we go to conference, that this provision will remain unaltered in the bill.

Mr. ALBERT. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I desire to join my distinguished friend the gentleman from Kentucky in what he has just said. This is a good and important provision in this bill. A lot of work has gone into it. It is important that this bill not be splintered.

Those who are in favor of moving this bill to a final and successful conclusion will, in my judgment, support the gentleman. I ask my colleagues to defeat the pending amendment.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. ALBERT. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Is it not a fact, I ask the chairman of the committee, that there was testimony before our committee that in Newark a rump organization took over a community action board, ran away with it, and gave neither the city administration nor the OEO nor anyone else any control over the activities of that community action board?

This amendment, offered by the gentlewoman from Oregon, would prevent that kind of runaway activity; is that not a fact?

Mr. PERKINS. That is absolutely correct.

First let me state that in the Newark hearings before the committee there was no evidence that the workers in the so-called poverty program incited the riot. There were some statements on the part of some people that they may have created a certain climate, but there was no evidence that they incited a riot.

The amendment of the gentlewoman from Oregon certainly will eliminate this situation, and eliminate it in many other cities of the country where it crept up.

The CHAIRMAN. The Chair reminds the gentlemen that the gentleman from Oklahoma, the majority leader, has been recognized.

Mr. ALBERT. Mr. Chairman, may I say further that the provision referred to as the amendment of the gentlewoman from Oregon [Mrs. GREEN] is a part of the bill reported by the committee. It is true that the distinguished gentlewoman from Oregon did have a major part in the formulation of this amendment, but it is a provision which was worked out by the committee and it is a part of the bill. It is not a pending amendment; it is a provision in the bill.

Mr. PERKINS. That is correct.

Mr. ESCH. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Michigan is recognized.

Mr. ESCH. Mr. Chairman, we have heard time and time again that the local members of the OEO staff and others and local members of the committee have supported the committee bill, but in this particular case we have a situation in which again and again and again the local people involved in the war on poverty are indeed against the committee bill in this section.

What we are doing with this amendment is just this: We are providing for a balanced committee to operate the war on poverty—a balanced committee between local public officials, private agencies and, most importantly, the poor themselves.

Whereas the statement by the chairman and others indicates that the committee bill will involve the poor, I say it will involve the poor only indeed in an advisory capacity. Under the committee bill the delegation of authority goes directly to the local political subdivisions. Might I note parenthetically, what a strange contrast in philosophy. Whereas the majority leader and the chairman of the committee have on occasion in the past rejected all concepts of local political subdivisions controlling education programs, they are now coming out and saying that we want to give this authority to the local political subdivisions.

Are we not now at the heart of the matter? It is do we or do we not believe that we should have the poor effectively involved in making their own decisions and in having adequate and effective representation in the war on poverty. Or do we intend to give the control back to the bosses in city hall?

Now let us recognize that there have been in some city administrations an effective involving of the poor. Yet the events of the last summer point to the fact that the poor are not adequately represented under the present program. They have been promised things that they have not received and they have not had a voice. I suggest to you that we need a balanced program involving local public officials, private agencies, and especially the poor themselves, not just in an advisory capacity but involved in the decisionmaking. The method to do that is through the Goodell amendment proposed today.

Mr. ERLENBORN. Mr. Chairman, I rise in support of the amendment.

cisionmaking. The method to do that is

Mr. Chairman, there may be some confusion in the minds of the Members as to what the difference between the provisions in the committee bill known as the Green amendment and the provisions of the Goodell amendment might be and how they conflict. I think very simply put, it is this: The Green amendment provides that the community action agency, the one with the executive authority to make decisions as to what a community action program will be and how it will be carried out, shall be the State or a political subdivision of the State. The Goodell amendment provides for a community action agency with representation from local elected officials to have this executive authority, or the authority to make the decisions. The Green amendment does provide for a board, but it is only an administrative board, a board without decisionmaking power and a board that would be empowered only to carry out the decisions made by the State or the political subdivision of the State which is the community action agency.

Mr. Chairman, the question has often been asked, "Why not involve and bring into community action locally elected officials?"

Mr. Chairman, many of us have complained in the past that the structure of community action bypassed the State and local officials to set up a separate, independent branch of Government so to speak in the local community. It is completely bypassing the locally elected officials. This should be remedied.

Mr. Chairman, the amendment which has been offered by the gentleman from New York [Mr. GOODELL] will remedy that situation. However, the Goodell amendment does not turn the program around 180° as does the Green amendment which is contained in the bill and referred to as sections 210 and 211.

Mr. Chairman, the committee bill in order to make this 180° turn takes the poor and the local businessman out of the decisionmaking process in the community action program.

Further, Mr. Chairman, it is my opinion that we have another problem here that goes beyond sections 210 and 211. Once we say that the State or local municipality is the community action agency, then look at section 212 that defines what a community action agency must be able to do. It says here that—

> A Community Action agency—

And this would be the State or local municipality or subdivision of the State—

> must have the authority under its charter or applicable law—

I presume that would be the State constitution or the charter of a city—

> to receive and administer funds under this title.

That means Federal funds going to the State or local municipality.

Then, Mr. Chairman, later on at page 177 it says that these funds channeled through the State or local community can go to public or private nonprofit agencies acting as grantees, contractors and so forth.

Mr. Chairman, this raises a real question as to whether a State or local community has the authority under its constitution or under its charter to receive Federal funds and then channel them to a nonprofit agency or to a private agency to act as the grantee of these funds.

Mr. Chairman, in my opinion it raises a real question as to whether church-related schools operating Headstart programs could receive these funds through a State or local municipality, or whether the State or local municipality could be designated under the law as a community action agency.

Mr. Chairman, in my opinion many of the States would be precluded, under their respective constitutions, from having the powers which are set forth in section 212 and meeting these qualifications.

Therefore, the State in many instances would be prohibited from acting as the community action agency.

Mr. Chairman, we have had no testimoney presented before our committee as to how many State constitutions and local charters would allow a community action agency, State or local group, to exercise the functions required under section 212.

It is my further opinion, Mr. Chairman, that the question of the church-state relationship is raised by the wording of this section.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Illinois.

Mr. FINDLEY. I wonder if the gentleman from Illinois can clarify for me, as a colleague of his from the great State of Illinois, what the present attitude of Mayor Daley of Chicago would be toward this amendment?

Does the gentleman think he would be for or against it?

Mr. ERLENBORN. I would say to the distinguished gentleman from Illinois [Mr. FINDLEY] that the other gentleman from Illinois [Mr. PUCINSKI] is probably in a better position to answer the gentleman's question, since the gentleman from Illinois [Mr. PUCINSKI] has a more direct line to the office of the mayor than does the gentleman who now occupies the well of the House.

The **CHAIRMAN.** The time of the gentleman from Illinois has expired.

Mr. PUCINSKI. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to this amendment. We have listened very carefully to debate on this amendment. Obviously those who oppose the committee bill have not taken the trouble to read all of its provisions. I do not know where they were when the bill was being discussed in committee. I call the attention of my colleagues to page 171 of the committee bill, which provides in section 210 that a community action agency shall be a State or political subdivision, then, on page 174, we provide in the committee bill that this community action agency shall administer its programs through a community action board. Get that straight. No funds can be spent by a community action agency until the programs have been approved by the community action board and we carefully spell out how that board is to be chosen to assure community participation.

Then on page 175, it clearly states that the Director shall provide a continuing and effective mechanism for securing broad, community involvement in programs assisted under this title. To suggest that the victims of party will not have a voice in formulating these programs is to depart from the facts.

We say that the taxpayers' money shall go to an agency controlled by the electorate, either a municipal, county, or a State, but none of that money can be spent until a community action board has been set up, and, I repeat, it is spelled out how this board is to be set up and what it is to consist of. Then it provides that the Director shall promulgate regulations which will give that board the say-so on these programs.

So, do not let these people kid you that somehow or other we have eliminated the poor.

If this provision of the bill is defeated in the Committee, I shall ask for a rollcall vote, and I want to spread across the RECORD those Members who do not have confidence in the elected officials of their respective communities, in the mayors, the city councils, county boards, and, yes, in their State Governors—those who do not have confidence in letting elected officials control the taxpayers' money.

We are talking about millions of dollars here. I want the RECORD to identify those who do not have confidence in these elected officials. I want the mayors of these communities to know how their congressmen voted in giving them basic control over the money spent by the poverty program.

I want to show who the Members are who——

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. Not at this moment.

Mr. Chairman, I want to show who the Members are who support the establishment, as the gentlelady from Oregon said, of a separate government—a shadow government—that is not elected by the people. Who are the Members of Congress who believe in operating these programs and spending vast sums of the taxpayers' money by people who have no one to account to.

I say to the Members that what we did in the committee bill is to assure that this program goes forward with the full cooperation of the duly elected officials of the community who have the respect and confidence of the electorate, men and women who periodically must go before their electors and account for their stewardship.

Mr. Chairman, I say that defeat of the committee bill, and substitution with the Goodell amendment will put this program right where it is now. We saw this summer the mayor in Aurora, Ill., who witnessed a riot in his city, unable to improve the poverty program to help eliminate the conditions which led to the rioting because the nominating committee of the community action board in his community refused to have any public officials on the board. Can you imagine a community board keeping a mayor of its city off the board. Well it happened in Aurora under the amendment being offered by the gentleman from New York.

The chairman of the committee mentioned a moment ago about the testimony of Newark witnesses. I invite the Members to read that testimony. Do not take my word for it, read it. See how a renegade group of self-styled leaders took over a community action board in Newark and by the testimony of city councilmen and members of the police department who came before this committee, helped set the stage for mass disturbances in that community. When we asked why these troublemakers were not fired we were told no one had any authority to fire them because the board was completely autonomous. Not even the OEO could interfere once a contract was signed. What kind of colossal foolishness is this?

All over this country in the smaller communities of America, public officials are excluded from the program. No wonder they do not want to participate, because they have nothing to say, and they are not willing to take the responsibility for being in this program and not having anything to say about how these moneys are spent.

So I say to you, my friends, look this over carefully, and then reject the Goodell amendment. Stay with the committee if you want to make this poverty program worthwhile.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. Not at this moment.

Mr. Chairman, I say to the Members that there are about 1,010 community action programs in this country, and I might say to my colleagues that a vast majority of these are in communities where a Republican local administration is in control. So this is not a partisan matter we are trying to put over on this Congress. I invite you to talk to your own mayors and talk to your own public officials in your communities, and ask them why they are not participating in the program. They will tell you the reason they are not participating in the program is because they do not have a voice in the program. The committee bill corrects this serious shortcoming in the present law.

So I urge the rejection of the Goodell amendment.

Mrs. GREEN of Oregon. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I ask for unanimous consent to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentlewoman from Oregon?

There was no objection.

Mrs. GREEN of Oregon. Mr. Chairman, I listened with interest a moment ago to my colleague on that side of the aisle, the gentleman from Illinois [Mr. MICHEL]. I must say that I was in agreement with a great deal that the gentleman said.

It seems to me we have been reading in the papers of late about a Congress unresponsive to the needs of the poor. It seems to me it is desirable to get the facts straight.

It was the Congress and not the Office of Economic Opportunity which appropriated $1.7 billion last year for the poverty program.

It was the Congress and not the Office of Economic Opportunity which has voted the funds amounting to more than $20 billion for urban and rural development, for social security, for aid to dependent children, for aid to the elderly, for educational funds for disadvantaged children, and so on and so on.

It is the Congress and not the OEO who will be held accountable by the people if these funds do not go to those for whom they were intended and for the purposes for which those funds are intended.

I must say to my colleagues, I am thoroughly tired of the OEO casting itself in the role of the "White Knight in Shining Armor," the champion of the beleaguered poor, and assigning to the Congress the part of the "Ugly Dragon." The facts of the plot are quite different, for it is the so-called dragon that gave the so-called white knight his armor and his mission.

It is ridiculous for the OEO to call "foul" every time they are questioned about whether the mission is being accomplished. It makes just about as much sense as telling someone who makes a donation to a charity that he has no right to know if his donation was spent for the stated purpose.

In this case the American taxpayers are the donors; they have entrusted the Congress with the task of allocating those funds wisely, and it is far past the time that the Office of Economic Opportunity realizes that they are the dispersal agency—nothing more—not the donor—and not the recipient. They owe it to all: the taxpayer, the poor, and the Congress an accurate accounting of how the funds are spent and whether, indeed, the purpose is being accomplished.

I might add as an aside, if the poor are really interested in improving their condition, they should be equally concerned to see that all of the funds are handled properly and that there is fiscal accountability and that the money does go for the purposes for which it was appropriated.

May I say, in addition, this amendment in the committee bill which is being discussed at this time is not the "Green amendment," as our majority leader has so accurately stated. This was an amendment that was worked on by several members of the committee and many hours were spent on it. It was also a bipartisan amendment to the bill by the committee. There were just about as many Republicans who supported this amendment as there were Democrats on the committee. May I also say, that as I sat through the hearings through the last several weeks on this bill and now for the last week on the House floor, I wondered at times whether it was city hall or poverty that was the enemy being attacked with Federal funds. It was impossible not to question whether we were using Federal money to organize or encourage rival and harassing power centers, to the duly elected community authorities.

What a tragedy it would be if the community action against poverty becomes perverted to an attack on local government as though it were the cause or even held the cure for the problem.

For whatever grievances the poor may have—and the list is long—the picket line around the courthouse, the demonstration at the police station, or the angry rally in the core of the ghetto are not places to learn a skill or to find a willing employer. The goal of the Economic Opportunity Act is for every American to have a decent place to live, enough good food on the table, and a chance to walk with his head held high because he makes his own way in the world and his wife, his children, and his neighbors know it.

Mr. Chairman, when I have heard in the last 2 weeks attacks made on State or local officials—on city hall—I must say to you that I take no personal umbrage because I have never had the honor of being the mayor of a city, a member of a city council, or one of the county commissioners. But I do count many very distinguished Members of this House who did serve with distinction at the local level. The honor roll is long. Among Members now serving in this House we have 30 former mayors. Do you mean to tell me that there is some kind of political metamorphosis that takes place when an individual travels from his hometown to Washington, D.C., and that when he was mayor of a city presiding over city hall, he was unresponsive to the needs of the poor, that he did not concern himself about programs that would help them, but when he came to Washington he suddenly was endowed with all wisdom and all compassion and all concern? I cannot believe that. He had the same concern and compassion as mayor that he has as a Member of Congress.

In addition to 30 Members of this House who were former mayors, we also find we have 34 former city councilmen, 33 former city and county judges, and 57 local and State board chairmen, county commissioners, and supervisors. By what divine wisdom does anyone in this House now argue that future Members of this body must not be and, indeed, cannot be entrusted with this program as they serve today at the local level?

As I said the other day, if State or local officials, duly elected to office, charged with the responsibility and required by law to give an accounting of the funds spent—if such State or local politicians are unresponsive to constituency needs, blind to poverty, and deaf to the needs for change, the answer, as I see it, is to be found in throwing them out of office at the next election. But do not place all of this responsibility and money in the hands of a board that is responsible to no one.

Mr. Chairman, this amendment has been endorsed by the National Association of Counties. It has been endorsed by the National League of Cities, representing 14,300 cities across this country. Why are these people concerned? Why are they anxious that this amendment be retained in the bill?

I think there are several reasons, but let me give you one. I think there comes a time in the hearings when you finally make up your mind that there must be a change in the legislation if you are going to be able to support it. That moment in the hearings came when a gentleman who was a community action representative, or chairman of a community action program in Oregon, testified before the committee. He had said that he wanted more power put into the hands of the local CAP agency. He had been critical of the local school board.

I asked him how the school board was chosen. He said they were elected by all the people in the community. This is the testimony, and allow me to read from the hearings that were held this year, just a couple of months ago. I said to him:

> How are the CAP people chosen?

And this is the chairman of the CAP agency in Oregon. If he is chosen this way, they are chosen the same way in countless communities across the country. The chairman of the CAP board in Medford, Oreg., said:

> We are very undemocratic in this way. We choose ourselves initially. We went to the county court and we said, will you approve this. This was for the first board.

I said:

> A school board that is elected by the people supposedly has the best judgment to run the educational programs. You would like an agency that is self-selected and approved by the judges, or whoever it is, to have superior authority over the duly-elected representatives?

Mr. Day said:

> This bothers me. We sit there not responsible to anybody and we are handling something like $400,000 a year of taxpayers' money. Not a one of us is elected by the public generally and I realize that it is a tremendous responsibility, but it is not the school boards that we have difficulties with. It is the administration establishment.

And then I said, in effect, "You said that you would like to see CAP get more power to compel other agencies to work with them"— other agencies that have been elected—and he said, "Yes." I said:

> What do you mean by this?

Mr. Day said:

> We have several examples. . . . We see the Neighborhood Youth Corps, for instance, being improperly handled.

I wish I had time to quote the entire colloquy because it bears on this amendment. It appears on page 2695 of the hearings. Mr. Day continued:

> The schools are running the in-school program, and some outfit with the Labor Department is running the out-of-school program.

He continues:

> I would like to see CAPs have the first shot at funding any type of program and let them delegate it to a school, for instance. I would like to see the CAP board have a real meaningful write off authority or veto authority on this type of program in our area.

Mr. Chairman, if this board for one community action agency can be self-selected, not one of them elected by the public generally—and as the chairman of the board said——

The CHAIRMAN. The time of the gentlewoman from Oregon has expired.

(By unanimous consent, Mrs. GREEN of Oregon was allowed to proceed for 3 additional minutes.)

Mrs. GREEN of Oregon. And as the chairman of the CAP board said:

> We sit there not responsible to anybody, and handling $400,000 of the taxpayers' money.

If this can happen here under the present law, this same thing can happen in any community action agency in the country. Others, we know, have been elected by 1 percent of the poor, quote unquote, 2 percent of the poor, or 6 percent of the poor.

If we are going to provide hundreds of millions of dollars ostensibly to help so many of our people find their way out of "that air-tight cage of poverty," then we ought to make every effort to indeed see that the money goes to the poor.

I would give one example that surely everybody in this House is aware of—the accounting of funds in the Haryou Act of central Harlem. This was one of the reports I would say to the gentleman from Illinois [Mr. MICHEL] that I have been trying to get, but have been unable to.

The preliminary audit of that shows that $383,000 in the Haryou program alone has been disallowed by the auditors, though, a postaudit does little to help the poor. The committee bill simply asks that elected people bear the responsibility, that they be held fiscally responsible for all of the funds, and that we stop this nonsense of doling out money from the Federal Government to any agency that wants to qualify.

Mr. GROSS. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I yield to the gentleman from Iowa.

Mr. GROSS. Did the gentlewoman refer to parks in California?

Mrs. GREEN of Oregon. I will discuss that if I am allowed to offer an amendment tomorrow.

Mr. Chairman, I have one other thing and then I will yield to Members.

I do not think the Congress aimed to create autonomous groups to displace decisionmaking processes of State, county, and local governments, or to fund with Federal dollars dissident groups intent on reversing decisions which the duly elected school boards or duly elected county or local governments have made.

As I said the other day, no one challenges the right of dissent, but we do question the wisdom of requiring others to pay taxes to finance it. The committee bill does not intend—nor do any of its provisions provide—that poor people will no longer be able to help shape decisions affecting their lives. The opposite is true, for the bill specifically provides that community action boards shall insure participation of the poor through giving poor people at least one-third of the seats on such boards. But it also provides that those who are helping to pay the bill and who also live in this same community shall have a voice through their elected officials on how their money is to be spent and how programs can be coordinated with other existing programs.

In the committee bill we are defending the right—indeed the responsibility of State and local governments—to make hard decisions on local problems. In fact, the bill demands engagement by local elected politicians so that they cannot avoid tough decisions on the battlelines of the war on poverty.

Mr. Chairman, I hope the Goodell amendment will be defeated and that this House will give their support to the committee bill which was worked out on a bipartisan basis.

Mr. GERALD R. FORD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I believe the issue here on this particular vote is quite simple. The question is, will we involve State and local governments as partners but not as masters? Will we make local governments—again I include both State and local governments—participants but not the dominating participant.

I am not here to speak up for the Office of Economic Opportunity. I believe my record here is clear on my reservations concerning certainly the Washington aspect of the Office of Economic Opportunity. My record is clear in voting for a substantial reduction in the funds in the overall program.

I happen to think that the Headstart ought to be transferred to the Office of Education. I think there ought to be a great many other revisions made in the management of the program and the responsibilities of the Office of Economic Opportunity at the Washington level.

However, I do think that the Goodell amendment in this instance ought to prevail.

Mr. Chairman, I can recall vividly the arguments in the last 3 years when proponents of this community action program spoke in the well of this House. In justifying the community action program they argued that we must break the traditional methods of dealing with poverty and the poor. They argued that it was essential and necessary to encourage the poor to help themselves in the unfortunate cirmumstances in which they were living. They argued that the traditional role of local government was inadequate; it had failed in the past and therefore we had to have a new technique by which the disadvantaged would have the hope of participating and helping themselves with the assistance of Federal funds.

I must confess that I was not sold or persuaded. I did not really believe that this new technique would work. However, I come from a community of 220,000, a county of 385,000, the fourth largest in the State of Michigan, and a substantial industrial county, with our share of the poor, the unfortunate and the disadvantaged. Last week, a week ago today, as a matter of fact, I met with about 150 people who followed the course that was outlined in the bill for community action for the last 3 years. These were people from all walks of life. They were the most affluent and the poorest; people who had made this program work by following the formula that has been in the law up to now. I admitted in their presence that I was wrong—that this new approach to involve the poor was a better one than what we had followed over a long period of years in this country. I was proud to see those who were affluent in our community and those who were the poorest sit down and discuss with me and perhaps to some extent disagree with me about the dollars but sell me that the community action program, where you have a partnership of local government, State government, and the poor, is the best answer. On my right during this 2½ hours of discussion was the mayor of my community, an able nonpartisan local official. He agreed with me that he was apprehensive initially that the program would work with the new technique but he was pleased with the way it was operating. He was not urging me to change the old formula because it had worked. He found that this community of 220,000 by working with this group, the people from the poverty-stricken areas, was doing the job and that this was the best way to get the results we wanted with the dollars we invested at the Federal level.

So I say to my friends on the Republican side of the aisle we have traditionally felt and we do today that we want local government to be strengthened and not to be weakened.

Mr. Chairman, I feel very strongly about this matter.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. GERALD R. FORD. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Chairman, based upon my personal observations of a relatively large industrial community, I am sold on the idea that we can get the best return from our Federal contribution, we can get the best return from the contribution made locally, in cash or in kind, by having a partnership between local government and the State government, as recommended in the

Goodell amendment, and by the vigorous participation of responsible people from the poverty-stricken areas. It is my hope and belief that they will no longer be hesitant to come in and participate with the local people in the resolution of the problems, problems which they could not heretofore solve.

So, Mr. Chairman, I say if we really want to make local government work in the solution of these problems, we should join with the poor as partners and not exclude them from participation. We should not turn the program over to the big-city politicians and any others who might use it for purposes not intended in the legislation.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

Mr. THOMPSON of New Jersey. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the concern of the distinguished minority leader for the poor and for local government is touching, indeed.

Now, let us examine what can happen under the plan being advocated in the amendment which has been offered by the distinguished gentleman from New York [Mr. GOODELL].

Mr. Chairman, the paradox is that State governments should be arbiters of specific needs and solutions of the local communities which, of course, are their creation; that they should be the arbiter to be left out of a modern State legislature. It goes squarely against the trend toward increasing home rule.

Mr. Chairman, what does it add to the existing statutory framework of community action? Delay, friction, and confusion. Delay, because the State's review of local proposals and formulation—subject to reconsideration at the Federal level—cannot help but add another 3 or 4 months to the funding process if the State is to take its responsibilities seriously.

There is bound to be friction because a State is not required to contribute any program resources and community residents are bound to resent being told by someone in the State capital that they have not properly conceived their own local problems and needs. Suppose, for example, the community agency proposes to run a legal services program and the State disapproves because the head of the State community action program thinks family planning is more important. It is possible. Confusion is certain, because State governments have little competence to assess grassroots needs and formulate programs to meet them. In other words, the sponsors of this proposal recognize this when they provide that the Director could override any or all of a State agency's planning and could even assume the functions thereof. In other words, the whole idea is hedged. When someone does not have the courage of his convictions, it is time to consider whether they are good convictions or not.

But, Mr. Chairman, if the community action agency can appeal over the head of the State agency to the Federal Government, it still has no certainty about where its program proposals stand until the very end of a long process.

Mr. Chairman, delay, friction, and confusion are only a part of the problem. A State plan could not provide an interlocking and mutually consistent program such as the committee bill proposes to do. Community action is not a single action as envisioned by the gentleman from New York [Mr. GOODELL].

The committee, after a considerable debate, has provided a well-balanced structure relating our existing law, plus some significant changes, to go after this.

I am against the amendment by the gentleman from New York, very strongly, as is the gentlewoman from Oregon who just indicated so in her speech, but I am against it for entirely different reasons than indicated by the gentleman from Illinois [Mr. PUCINSKI]. Because I not only was present at the Newark, N.J., hearings in the committee, I, as a matter of fact—and the record will so show—asked more questions perhaps than anyone else. And not one iota of evidence was adduced from those three witnesses from the city of Newark to connect one single poverty worker with the disturbance in Newark. And any statement to the contrary is answered flatly by the record.

Mr. Chairman, each of us have a variety of reasons for being for or against an idea. I am against this idea because I am convinced in my own mind that the States do not have the resources, the competence, to handle programs, as are set forth in the committee bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. REID of New York. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will be brief, because I know the hour is getting late, but I believe it might be helpful to try and clarify this debate slightly——

Mr. PERKINS. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. REID of New York. Yes, I will be happy to yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 5:30 p.m.

Mr. QUIE. Mr. Chairman, reserving the right to object, I see a number of Members standing. Are they all seeking recognition on this amendment? And if so, we will not be able to finish by 5:30.

Mr. AYRES. Mr. Chairman, I object.

Mr. PERKINS. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 5:30 p.m.

The motion was agreed to.

The CHAIRMAN. The gentleman from New York [Mr. REID] is recognized.

Mr. REID of New York. Mr. Chairman, I believe it is very clear that there are two provisions in the pending committee bill that are unwise. The first of these is the Green amendment, because very clearly, in my judgment, the thrust of this is to turn out the community action agencies, and turn over direct control of them to governmental entities, such as city hall which with some exceptions—notably New York City—would stifle innovation and flexibility. It could move the community action agencies back into the smoke-filled rooms and into the arena of the political clubhouse. I believe in this respect it is very clearly a mistake.

I would submit the principal purpose of a community action board is to mount a meaningful campaign to assist those living in poverty to obtain a better way of life with lasting jobs. It is not—and I repeat—it is not a proving ground for officials elected to other positions of public trust in other areas of competence. I believe that the Green provision should be amended in the committee bill to insulate the innovative capabilities and capacities of the CAPS from political domination.

The second provision, Mr. Chairman, that is unwise is to place a requirement on local community action boards that they must put up 10 percent or one-half of the local share in cash.

It is very clear I think that many communities and many CAP's could not meet this requirement and that these new cash requirements might have to be met from tax funds and that many localities do not have the tax resources to provide those additional funds.

More tragically, there would no doubt be local officials who would be unwilling to obligate public tax funds to this purpose. The supreme irony is that there might well be communities whose residents most need the help that would be unwilling to take this action.

Clearly this cash requirement is inimical to voluntary support and wide support on the part of a number of philanthropic agencies, religious organizations, YMCA's and church groups.

Mr. Chairman, I think both of these provisions in the bill should be changed.

The Goodell-Quie substitute clearly does several things.

First, it removes the upper limit of 51 as the maximum number on a community action board, which would be very helpful in New York City.

Second, it removes the local share cash requirement.

Third, it says that at least a third of the members should be public officials.

It makes no requirement that a third be public officials and clearly it is the intent of the substitute not to place community action agencies in city hall.

The debate today has touched on what several mayors believe about this, and it is my understanding that Mayor Lindsay of New York believes that the Goodell substitute in respect to its amendments relative to the Green provision is an improvement.

The mayor of New York does, however, have serious reservations with regard to the State plan in the Goodell substitute because he believes this would add another administrative layer, lessening the involvement of the community in community action and making it more difficult for New York City to proceed effectively.

It is my understanding that, on balance, Mayor Lindsay would oppose the Goodell substitute.

Mr. Chairman, I am constrained to

oppose the substitute and if it is defeated I would urge the adoption of amendments to clarify and improve the deficiencies I have noted in the committee bill.

Mr. HORTON. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman.

Mr. HORTON. Mr. Chairman, last week and again yesterday, I spoke to my colleagues in the House about the importance of retaining the specialized and concentrated focus on the problem of poverty which is provided by the independent Office of Economic Opportunity.

The thrust of my remarks on those two occasions was that poverty is a matter of urgent and special concern, which required urgent and special solutions best provided by an independent Federal agency whose sole responsibility is the war against poverty.

The same argument applies even more strongly to local antipoverty efforts. Mr. Chairman, the amendment now before the House to strike committee revisions of title II, which would require that community action agencies be public agencies, is essential to the effective continuation of these local programs. I heartily support this crucial amendment.

Under the Economic Opportunity Act as it now stands, local programs may be administered by nonprofit, private community action agencies. These agencies have grown in many communities to be important social forces, inspiring both public and private concern and action in behalf of innercity economically deprived residents. Most important is the involvement of the poor themselves in directing and implementing the policies and programs of these agencies. The independent community action agencies afford a unique exercise in democracy for many people who otherwise would have little or no opportunity to direct the course of their neighborhoods and communities.

I fear, Mr. Chairman, that if the antipoverty programs on the local level were submerged into the structure of local government organizations, that this involvement of the poor in helping themselves and their neighbors would be lost, as would the flexibility of an independent agency whose sole concern is carrying out a successful antipoverty program in the community.

The case for this amendment could not be better stated than it was 2 weeks ago by my distinguished colleague, the gentleman from New York [Mr. Goodell], when he said:

> The goal of Community Action is to help people help themselves, rather than to subject them to welfare-type services. It is a means to allow the poor to act, not simply be acted upon. It is a source of innovation and new approaches to break the shackles of poverty. To have any hope of success, Community Action Boards must have real authority and balanced membership, including the poor themselves. They cannot function effectively as a part of City Hall.

I am hopeful that my colleagues will see the compelling logic of this statement, and that we will preserve independence and citizen-participation in this vital aspect of the poverty program.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. Steiger].

Mr. STEIGER of Wisconsin. Mr. Chairman, I rise in support of the Goodell substitute and urge the Committee to adopt it as a progressive step. It is aimed at maintaining the innovation and creativity of independent community action agencies and furthermore it is aimed at providing the job opportunity board, as proposed in the Goodell substitute, as a means of insuring that there shall be job orientation in meaningful jobs for those to be served through local CAP agencies.

If we do this, we will prevent the regressive and backward step contained in the committee bill.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. Waggonner].

Mr. WAGGONNER. Mr. Chairman, I am utterly amazed that people who serve in elective office at the Federal level would take the position today that some do and say, "You can trust me as an elected official, but you can't trust anybody else." If you support the Goodell amendment, you have said to every elected official at the State level and every political subdivision below the State level that you represent, "I stand above you. You can trust no one but me." Defeat the amendment. Give the responsibility for community action agencies to responsible elected officials who have a responsibility to their electorates. Remove them from those who have no responsibility to anyone. I trust the elected officials in my district and I believe they trust me. Why do you not do the same?

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Ryan].

Mr. RYAN. Mr. Chairman, in view of the discovery on the part of the distinguished minority leader that the community action program is working, I would hope that he would support the present statutory framework. I am opposed to "city hall" domination as proposed in the Green amendment. I am equally opposed to "statehouse" domination as proposed in the Goodell amendment. I urge support, when it is offered, for the Hawkins amendment, which will strike from the bill the Green amendment and retain the present language.

The unique feature of the community action program is the direct involvement of the poor in planning for their own needs. The very failure of the traditional approach necessitated new thinking and innovation. Community action has stirred fresh hopes and aspirations which it would be cruel to stifle.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. Gurney].

(By unanimous consent Mr. Gurney yielded his time to Mr. Quie.)

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. Quie].

Mr. QUIE. Mr. Chairman, paraphrasing the comments of the chairman of the Committee on Education and Labor of the last few days, if we leave the Green amendment in the bill, it will destroy community action as we know it now. What the Green amendment does is to say that the States and the local political subdivisions shall be the community action agencies. The three-legged board consisting of local public officials, the interested agencies, and the poor will not be the governing board in that case. The community action board will strictly be acting in an advisory capacity. The poor need to have a voice in these programs. We do not want city hall to dominate the program. Let them have a voice. City hall ought to have a voice. But they should not dominate the program as they would under the Green amendment. I ask support of the Goodell amendment in order that the work under the community action agency will continue to give hope to the poor.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Scheuer].

Mr. SCHEUER. Mr. Chairman, I oppose the amendment. I believe that local decisionmaking is what we are all for. Officials at the State level have traditionally been disinterested and unconcerned with the problems of the poor; that is why we have a Federal poverty program—most State administrations—with a few notable exceptions—could not have cared less. Hopefully, the States will rapidly mobilize their resources and leadership to meet headon the challenge of urban and rural poverty alike. But until that time arrives, we should defeat this amendment and others like it.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. Gude].

Mr. GUDE. Mr. Chairman, I rise in support of the amendment, as I believe it is the most meaningful way to carry forth the poverty program.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. GUDE. I yield to the gentleman from Minnesota.

Mr. QUIE. It is a misnomer if we say that State participation in the Goodell amendment would give the State control. The Director would permit them to do so only if they devised a plan acceptable to the Commission, and then the money would go directly to the local community action agency.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Conyers].

Mr. CONYERS. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. Dellenback].

Mr. DELLENBACK. Mr. Chairman, the Goodell amendment would require the involvement of local officials on community action boards. Both the status and the composition of the boards would, in my opinion, be improved. It would increase the involvement of local government without giving it domination, and it would, in addition, perform the very important task of creating a Job Opportunity Board with the features about which Mr. Steiger spoke.

In addition, it will eliminate the requirement that one-half of the local contribution must be in cash. Without this amendment a great many desirable community programs will be forced to end.

The CHAIRMAN. The time of the gentleman from Oregon has expired.

The Chair recognizes the gentleman from New York [Mr. OTTINGER].

Mr. OTTINGER. Mr. Chairman, I oppose substituting a State stranglehold over community action programs for municipal. I am opposed to both.

I believe there is a hooker in the Goodell amendment, in that it requires 50-percent contribution from the local community, and therefore would kill community action effectively altogether. Nobody has mentioned that. As I read the amendment, that is in the amendment.

Mr. QUIE. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Minnesota.

Mr. QUIE. That is not true. That is a State bonus provision. If the State puts up a dollar the Federal Government will put up a dollar.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Illinois [Mr. COLLIER].

Mr. COLLIER. Mr. Chairman, since obviously no one can present an argument in 30 seconds, I yield back the remainder of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. AYRES].

Mr. AYRES. Mr. Chairman, I agree with the gentleman from Illinois.

Since so many have been asking me what the end result might be, when we get down to the voting on this bill, I should like to announce if Members are relying on the passage of the Green of Oregon amendment to determine what might be in motions later on, I would be very careful not to assume that if the Green of Oregon amendment should prevail there will be provisions in the motion to recommit to protect their opposition to the bill.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

The Chair recognizes the gentleman from Montana [Mr. OLSEN].

Mr. OLSEN. Mr. Chairman, I want to say a brief word in support of sections 210 and 211 of the pending bill, the so-called Green amendment.

The House Education and Labor Committee, as we all know, devoted a great deal of attention to this subject of community action agencies. A bipartisan majority of that committee believed that locally elected public officials should have more of a voice in the antipoverty effort in their own communities. I agree.

The basic objective of the language in the committee bill is simply this: to insure that authority over the conduct of community action programs is not divorced from accountability to the people in the community for the honest and efficient operation of those programs.

The pending bill does not do away with participation of the poor—it requires that one-third of community action board members be representatives of the poor.

The bill would not force unwilling communities to include themselves in the community action program of a State or other political subdivision. Section 210 (e) preserves local freedom of choice in this area.

Nor do I fear abuse of this arrangement by local elected officials. Their conduct of local programs is, by definition, reviewable at the polls by local citizens. If mistakes are made, if inefficiency or malfeasance has occurred in the program, I trust the judgment of the voters to make the necessary corrections.

Under the present arrangement, the local electorate is, in many cases, deprived altogether of a voice in these programs. Large sums of money are granted to privately organized agencies which have broad authority to spend in the community but their decisions are not reviewable by that community. Programs that could be part of a coordinated, long-term community development plan are sometimes undertaken independently and, perhaps, without regard to parallel or preexisting plans by the elected leadership of the political subdivision. The committee bill, on the other hand, fosters integrated planning, the increased commitment of local resources, and responsiveness to the expressed wishes of the electorate as a whole.

I might say that I look forward to support for the committee bill on this point by the gentleman from Minnesota [Mr. QUIE]. He expressed intent to support this type of measure well over a year ago. At the House Education and Labor Committee hearings on March 8, 1966, he said, and I quote:

> Any time you let the poor have a voice, and let the State come in to coordinate a program, I am willing to vote for this (antipoverty) bill.

Mr. Chairman, I think the gentleman's statement describes rather well the intent of sections 210 and 211. Under these sections the voice of the poor is preserved and the States are encouraged to coordinate antipoverty programs. I look forward to the approval of the committee language and to Mr. QUIE's support for it as well.

(By unanimous consent, Mr. OLSEN yielded the remainder of his time to Mr. CAREY.)

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. CAREY].

Mr. CAREY. Mr. Chairman, the choice before the Committee is now clear.

We have before us a committee bill, supported by a large majority of the majority party and by a substantial number of the minority party when it was discussed in committee.

I might put it this way: If you are looking at two eggs before you, this one has been candled and the other one is scrambled. We know what is inside this amendment but no one knows what went into this minority omelet.

The Green of Oregon amendment, so-called, was constructed by a considerable number of people on the committee, and clearly provides for the participation of the poor. It mandates the participation of the poor. At least one-third of those on the community board must be poor. In fact, more than one-third of those on the community board may be from the poverty sector.

Under the Green of Oregon amendment we do not put politics into the poverty program. We say, "politics out, but public servants in." Public servants in the field of education, public servants in the field of health, public servants in the field of elected office. We provide ways in which they can bring their considerable talents to bear on the problems of the needy.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. DENT and Mr. PERKINS yielded their time to Mr. CAREY).

Mr. CAREY. Mr. Chairman, as my colleague, the gentleman from New York [Mr. OTTINGER], observed, there are hangnails in this amendment, and hidden pockets.

The so-called bonus for the State really is the beginning of a State-matching plan. Some States can do this and some not. It will bring about a disorderly redirection of the program. It will probably penalize the poorer States.

This was not well considered. It was not an amendment tested in the committee. We have not had adequate discussion of it in the Committee of the Whole. It comes late in the day.

If the Members will consider carefully, what we really want to do in community action is to carry on phase 2 of community action. The first phase was to get a total awareness of problems of the poor. We have that.

Now we move into the phase where we bring to bear on the problems of the poor all the talents of society.

That means bringing into the community to help the poor all those who can do a constructive job—as provided for in the committee bill.

Mr. Chairman, I urge the defeat of the Goodell amendment.

The CHAIRMAN. The Chair recognizes the distinguished gentleman from Florida [Mr. GIBBONS] to close debate.

Mr. GIBBONS. Mr. Chairman, there is only one issue here and that is whether we are going to adopt something which is clearly thrown together at the last minute like the last Xeroxed amendment we had up here or whether or not we are going to stick by the firm bipartisan approach we had in the committee.

The Green of Oregon amendment—that is, the principal amendment under discussion here—was put together by a bipartisan group in the House Committee on Education and Labor. Let us not tear it apart here at the last minute, because if you want to build responsibility in this program, you will vote for the Green of Oregon amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. GOODELL].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GOODELL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GOODELL and Mr. PERKINS.

The Committee divided, and the tellers reported that there were—ayes 111, noes 205.

So the amendment was rejected.

Mr. FISHER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

POVERTY HAS BECOME BIG BUSINESS

Mr. FISHER. Mr. Chairman, every right-thinking person is opposed to poverty. In this battle we are not dealing with attitude, but rather with the weapons that are employed.

It has become increasingly evident that overemphasis has been placed on questionable methods, and little or no credit given to the proven approaches. This gives rise to confusion. Enlightened people are made to wonder if we are not using 2-ton trucks, in many instances, to do the work of a pickup. Let us keep this problem and its treatment in proper perspective.

In the first place, from the excessive publicity that has been given to the so-called war on poverty, one might conclude that except for this legislation little if anything is being done in this country in behalf of the unfortunate who receive low incomes. The truth is that the so-called war on poverty crusade represents a relatively minor factor in support of the overall upward trend of low incomes. After all, the chief weapon is to keep the doors of opportunity open.

WAR ON POVERTY IS NOTHING NEW

In fact, at the time—3 years ago—that amid ballyhoo and arm twisting the war on poverty was put on the books, the Congress had already that year provided in excess of $30 billion for Federal antipoverty purposes.

As the gross national product has increased and as industrial development has advanced, low income earnings have steadily moved upward and the number in that category has steadily decreased. This war on poverty has been going on ever since the Republic was established. It has been waged—with gratifying success—in the home, in the churches, in local communities, in job opportunities provided by business and industry, in the field of education, and on scores of other fronts.

Mr. Chairman, if one should judge by the reams of publicity concerning the war on poverty in recent years he would conclude that masses of our people are living in hopeless squalor. The "poverty cult" has estimated that from 20 to 80 million Americans are hopelessly trapped in poverty. Few have bothered to examine the validity of these figures and claims.

IS EXTENT OF POVERTY OVERDONE?

There appeared in the U.S. News & World Report on September 4, 1967, a most significant article written by John B. Parrish, professor of economics, University of Illinois. He meticulously developed the facts and concluded that the poverty claims are terribly overrated. Here, in brief, are some of his findings:

Ninety-six percent of all American families have an adequate minimum daily intake of nutrients. In 1920 only 50 percent were so fortunate.

Automatic cooking equipment is found in 99 percent of U.S. households.

About 99 percent of all American families have purchased electric or gas refrigerators.

Television is found in 92 percent of our homes.

Today nearly 92 percent of all U.S. households have telephones. Only 35 percent had them in 1920.

In 1910 only one of 10 families had access to hospitals for childbirth. Today 98 percent are born in hospitals. The number was 97 percent in 1960.

Professor Parrish exposes as a myth the assumption that all who make less than $3,000 a year are poverty stricken. This is described as a numbers game.

He points out that many college couples with an income as low as $1,500 manage to get along. A retired couple with a $2,000 income, who own their home, can live very well. They may sport a housetrailer, as thousands do, and live modestly as they see the national parks. The average family in that category may have some savings to draw upon if need be.

Moreover, it is pointed out that the poverty cult statisticians base their assumptions—that $3,000 is the magic figure—upon national consumer price indexes, not realistic as applied to the good shoppers and bargain hunters. There are always food items which sell for less but are wholesome.

There is the school lunch program, with low-cost noon meals for nearly 20 million children.

One million take advantage of the food stamp privilege, where the Government pays a part of the cost of purchases.

The total number of low-income persons reached by various food-subsidy programs came to nearly 30 million in 1966.

These advantages are not taken into account by the statisticians who say all who make less than $3,000 a year are "trapped in poverty."

Thus, the dire picture painted by the politicians and the poverty cult seems very exaggerated.

As an indicator of how well we were doing before the new war on poverty began, the number of American families which made less than $5,000 a year was reduced by 27 percent between 1947 and 1963—a 16-year period.

It must be kept in mind that except for birth control, jobs constitute the only real answer to poverty. Providing jobs is essentially the role of private industry and the business community. The Government does provide generously in the fields of job training and education. The Federal Government has more than 79 separate training and education programs, administered by 15 different agencies and bureaus.

There are at least four major different federally financed job training projects going on. Although very expensive, perhaps this program does some good. There are, however, many recent reports of job training being conducted even more successfully by private industry and in local communities without any Federal aid.

In Hempstead, Long Island, N.Y., the Job Development Corp. was formed by a group of community businessmen, without Federal, State, or local financial assistance. They found permanent jobs for 550 individuals, and they are currently training 300 prospects.

Similar job training programs, financed locally, have recently made remarkable records in Rochester, Los Angeles, and elsewhere. It is said they work out much more satisfactorily than do the government-operated training programs.

WELFARE BEGETS WELFARE

There is mounting evidence that excessive fanfare and publicity over welfare programs, particularly the so-called war on poverty, tends to encourage more people to turn to the government as a primary source of livelihood.

In 1950 about a billion dollars was spent on relief; that figure is now approaching $8 billion a year.

In 1960 there were 7 million people on relief. There are now 8½ million—and the number is increasing each year.

All this talk about poverty and its rewards has inspired the so-called poor to organize in order to put pressure on Congress to give them more—not more job training or education, but bigger relief checks. The National Welfare Rights Organization held its first convention in August, with delegates from 26 States.

Only recently Dr. George A. Willey, director of this organization, was quoted as saying:

> Not much of the public has grasped the potential of this movement. It could have much greater power than the civil rights movement. There are 8½ million welfare recipients with a very strong common interest. Welfare is a right.

An August 2, 1967, article in the Philadelphia Post-Dispatch reported that Prof. Richard A. Cloward of the School of Social Work at Columbia University, was spearheading a drive to organize the 8 million now on welfare rolls in order to get higher welfare payments.

Later, on February 26, in Washington, the professor was quoted as saying, regarding more funds for welfare:

> Congress will have to act. It's acting badly now because not enough pressure has been built up.

Those people are not interested in jobs. Their announced objectives do not mention jobs. They are interested in welfare, and more of it. They are organized for a massive raid on the Federal Treasury.

This does not relate to the unfortunate who cannot help themselves. Nor to the self-reliant who strive to make the most of their talents and opportunities. I am speaking of the lazy and trifling, many of whom are organizing to obtain higher rewards from society for being professional beggars. Stripped of personal pride and self-respect, they prefer a handout to a job.

Mr. Chairman, why not absolutely prohibit welfare checks to any able-bodied person when there is a job available, of any kind, that person can do? And there are unfilled jobs of some kind in nearly every community. Look at the want ads. Call the local employment office.

Abraham Lincoln once said that you cannot permanently help a man by doing for him that which he can and should do for himself. Devices employed in the war on poverty violate that admonition every day.

When the good Lord turned Adam out of the Garden of Eden, He said: "By the sweat of thy brow shalt thou eat bread."

DISTURBING SOCIAL PROBLEMS ARISE

Along with all this is the serious social problems that are being created. Not long ago the National Capital Housing Authority, wanting to help in the war on poverty, offered to pay $1.40 an hour for up to 16 hours a week to teenage children of public housing residents for part-time jobs. Although 154 jobs were offered, there were only 98 takers. This prompted William Raspberry, a Negro writer, to report in the Washington Post:

> Right now there are jobs going begging—jobs that the underprivileged poor could have for the asking.
>
> The embarrassing truth is that some youngsters from poor families simply don't want to work.

ILLEGITIMACY

A multitude of Federal-State programs seem to have generated an explosion of illegitimacy. The reason is obvious: The more children welfare recipients have, the bigger the welfare checks.

Seventeen percent of those receiving help under aid for dependent children—ADC—are born out of wedlock. A Chicago study of the problem there revealed that 53 percent of ADC children are illegitimate.

Today one out of 12 born in this country each year is out of wedlock. One out of every four Negro births is illegitimate. And it is most disturbing that at the present increase rate, every 10th child born in America in the 1970's will be out of wedlock.

In October of 1966 Dr. R. Frank Jones, medical director of Freedmen's Hospital in Washington, D.C., reported that 75 percent of girls in one of OEO's Neighborhood Youth Corps projects got pregnant.

JUVENILE DELINQUENCY

Along with this is the alarming increase in juvenile delinquency, the rate of which has doubled in the last 10 years. While all of this is not due to poverty and the craze for welfare, they figure in the upsurge.

While general employment has increased, unemployment among youngsters under 20 has steadily risen: slightly for whites and sharply for nonwhites.

These new social problems are being dumped into the laps of the schools and police. But discipline is different to achieve in the schools, and without discipline education is next to impossible. And compulsory racial integration is creating new antagonisms and problems.

Mr. Chairman, just as excessive and provocative civil rights agitation in this decade has given rise to demonstrations, violence and rioting, so it is that too much welfare and poverty talk have added to our social ills. Too many of our young people are being powerfully molded in a Federal pattern, with less and less chance to know the virtues and rewards of self-reliance.

We are today faced with the problem of keeping children from being infected with a life on public assistance. Welfare recipients, it so often happens, seem to discount standards of achievement and integrity because come what may—illiteracy, drunkenness, illegitimacy, crime—there is always a welfare check.

WAR ON POVERTY

Mr. Chairman, what does the new approach—the war on poverty—offer as a solution? I have already pointed out that under this program relief rolls have increased. Let us examine its usefulness.

The pending bill would authorize an additional $2 billion for the Office of Economic Opportunity to use, superimposed on many other antipoverty programs, in the so-called war on poverty.

This fits in with the philosophy of those who believe that you can cure any problem on the face of the earth if enough Federal money is spent.

When this particular program was begun 3 years ago the Congress did a most unusual thing. In its haste it practically gave the executive branch a blank check to spend billions to finance almost any conceivable scheme designed to improve the lot of the poor.

Consequently, under the guise of helping the poor, hundreds of projects have been activated throughout the land—by no means confined to the areas containing the "pockets of poverty." In a sense it has been a massive scatteration of Federal money. Ingenious schemes have been initiated. In many of these the poverty angle has been purely incidential.

GUARANTEED MINIMUM INCOME

Only 2 weeks ago, it was announced that $620,000 in antipoverty money was set aside by OEO for an experiment in Government-guaranteed minimum income for those in low-income brackets—whether they work or not. The idea is to lift the annual income of all American families to a $3,000 level. It is being tried out on 800 New Jersey families, with the annual income of each to be supplemented by Government checks in amounts sufficient, when added to what any recipient earns, to total $3,000 a year.

The New Jersey experiment is to be but the beginning. It is to break the ice for a nationwide new and revolutionary venture in State welfarism. The plan would reward the drones and would naturally discourage incentive to work and get ahead. Because the recipients would know that, whether they work or not, they would still get that $3,000 a year.

The Congress has never specifically approved this scheme. It is a glaring example of how a Government agency can spend the taxpayers' money under the blank-check authority granted by the Congress in the war-on-poverty legislation. The approval of the pending bill would, therefore, approve the concept of a guaranteed annual income for all American families—whether they choose to work or not.

OTHER EXAMPLES

Mr. Chairman, the news media have carried hundreds of reports on how the antipoverty program has functioned. It is recognized that there are explanations for many of these accounts, that remedial actions were taken in some cases; but they serve to point up the abuses in the administration of the war on poverty throughout the land. An examination of some of these reports should be revealing and throw light on how the program is working and how recklessly the taxpayers' money is being spent.

In the February 28, 1966, issue of the New York Daily News it was stated that the OEO paid for keeping 37 poor people in the Hotel Astor—plus $9 a day per person for meals. The excuse was that the weather was cold and the favored people lacked adequate heat in their homes.

LEGAL AID FOR POOR

A U.S. Senator reported that under antipoverty's legal aid, Eldorado, Ill., with a population of 3,573, including four lawyers, was allotted $59,589. And in the town of Karnak, Ill., with a population of 677 and no local lawyers, there was an allocation of $65,805 to pay for legal aid to the poor.

There has been much criticism of OEO for hiring lawyers to represent antipoverty workers or enrollees who were accused of crime. In New York an antipoverty group is reported to have provided OEO funds to defend 10 peaceniks who interrupted religious services in St. Patrick's Cathedral in order to protest our involvement in Vietnam.

While there is something to be said for Government aid to help the poor when they need legal aid, in proper cases, any such program by the Federal Government should, of course, be administered by the Department of Justice.

Out in Cleveland, OEO's Community Action for Youth—CAY—was granted $700,000 for 1966. Neither the money nor the equipment was cared for very well. The press said that one Ellen McCulloch was paid $1,632.50 ostensibly to do some confidential research. But it turned out no person by that name could be found. She was evidently a fictitious name used to pad the payroll. Local OEO officials seemed unconcerned.

It was also reported that from CAY's offices in Cleveland between $13,000 and $20,000 worth of business machines and typewriters were stolen. The place was not burglarized. The machines just disappeared. An alert newspaper reporter happened to uncover these infractions.

WILLOW VILLAGE, MICH.

The town of Willow Village, a community in southeast Michigan, according to news stories, received an OEO award of $188,252 to finance a program of self-help for 4,500 residents. The township supervisor said the poverty report was absolutely false. There was not a home in the town, they insisted, over 10 years old, and the homes had an average value of $12,000. It was said no one could be found who was unemployed.

A New York City poverty consultant was hired at $500 a week. Two other consultants were put on the rolls at $60 and $65 per day, and a program director drew $22,500 per year.

A Houston policeman, Lt. M. L. Singleton, chief of Houston's police intelligence division, testified before a Senate committee that Negro militants on the payroll of the Houston antipoverty program repeatedly tried to stir up riots and other disorders last summer.

ANTIPOVERTY SUBVERSIVES

In Berkeley, Howard Harawitz, a member of the antipoverty board there, admitted that he was a former member of the notorious pro-Communist W. E. B. DuBois Club.

The New York Daily News charged that more than 37 employees of Mobilization for Youth, sponsored by OEO, had subversive backgrounds. Wholesale penetration of MFY by the Communists was charged.

OEO recently granted $400,000 to Southwest Alabama Farmer's Cooperative, of Selma—over the protest of the entire Alabama delegation, local officials of OEO and a report to OEO that the project was not economically feasible. Two of the project's leaders were Shirley Mesher and John Zippert.

Shirley, the coordinator, was in Alabama in early 1965 to join in the Selma-Montgomery march, and is said to be a close associate of Dian Bevel who recently went to Hanoi and is the wife of Black Panther advocate James Bevel of Chicago.

John Zippert, former president of the student body of City College in New York and a fieldworker for CORE, was an agitator against the U.S. war effort in Vietnam. He was a member of the American Youth Festival Committee and aided in promoting the Ninth Communist Youth Festival in Algiers.

In New York one Robert Schrank has been director of work experience programs under OEO's Neighborhood Youth Corps. He has a long record of Communist activity.

A year ago in New York the Black Arts Repertory Theater in Harlem was raided. It was funded by OEO's community action program and reported to have received $115,000 in Federal money. The raid netted an arsenal of deadly weapons, a pipe bomb, sharpened meathooks, pistols, knives, clubs, and a cache of ammunition.

MORE ANTIPOVERTY TROUBLEMAKERS

The mayor and three other Newark officials said antipoverty workers there made significant contributions to the city's riots. A leftwing group known as Students for a Democratic Society is said to control two of that city's eight war-on-poverty efforts. Another new left group, Newark Community Union project, also controls an antipoverty program and holds that the United States is a "warmongering, racist society."

A Newark antipoverty liaison, Jesse Allen, was reported to have gone to Puerto Rico last spring to take part in Communist-led agitation for Puerto Rican independence. The trip was financed by the Communists.

NASHVILLE'S "LIBERATION SCHOOL"

From Nashville the story of a "liberation school" which was subsidized by OEO. It was run by an official of the Student Nonviolent Coordinating Committee—SNCC. Operated by one Fred Brooks, a black power advocate and chairman of Nashville's SNCC, the school preached hatred for whites. One instructor was George W. Ware, who accompanied Stokely Carmichael to Cuba. He praised the Detroit riots.

Nashville officials cited a "flyer" advertising the school which said it would train people in "activist civil disobedience" and take action "by any means necessary."

AGITATORS AND STRIKES

In Buffalo seven of nine city councilmen, according to the press, wanted "all Federal antipoverty activity removed from Buffalo because of the agitation and disruptive action on the part of the antipoverty workers in local affairs."

In Perth Amboy, N.J., last summer the mayor was reported to have accused a local antipoverty leader of "seeking to foment and incite unrest, agitation, and disorder." And a similar charge was said to have been made by the city manager of Rochester.

A Washington newspaper reported that neighborhood poverty workers from the Near Northeast Neighborhood Development Center went on a 5-hour strike to protest impending budget cuts in the city's antipoverty program. The story continued:

> The strikers decided yesterday afternoon to return to work and submit a citywide poverty workers' strike plan to the Underground organization at a strategy meeting Monday.

On May 10, last, the General Accounting Office reported it had found "extensive evidence that Federal antipoverty funds were used in efforts to unionize farmworkers in Florida last year." That was revealed in the Washington Post, May 30.

In Fresno, Calif., 50 pickets appeared at four entrances to a store, carrying signs which read: "Black Power says, 'Strike, Baby, Strike.'" It was revealed that 16 of the pickets had come up from an OEO training center in Watts and joined with union members as a part of their official war-on-poverty training.

Mr. Chairman, is this kind of misuse of taxpayers' money going to help poor people? What is the connection? How absurd can they get? There are a lot of hard-working people in my district who do not want to pay taxes to support this sort of irresponsible waste and extravagance.

The case of Mr. and Mrs. William S. Clark has been cited during debate. It was found that both were on two poverty war payrolls at the same time. They drew a total of $5,178 plus expenses during 12 weeks of 1965. Clark was director of the Headstart program and at the same time served as supervisor of a Neighborhood Youth Corps project. Mrs. Clark was listed as overall supervisor of the NYC program and was on the Headstart payroll as an instructor.

In the Bronx a preacher was found serving three churches and at the same time was a civil defense inspector. He got on the OEO payroll and was soon charged with stealing $9,000 of antipoverty money.

Beryl Bracewell of Kennedy, Minn., wrote his Congressman complaining about an OEO project hiring one of his employees whom he had trained as an apprentice in plumbing and heating for 2 years, conforming with the wage and hour law. In his letter he concluded.

> Now we have my former employee around town trying to look employed, and I am short on help . . . This makes me feel real good about paying my income taxes.

Mr. Chairman, this experience can be repeated all over the Nation, a thousand times. A mayor in my district recently told me of a Negro janitor who was making nearly $300 a month and was happy and contented until an OEO project was developed. The janitor understandably resigned to take over a local antipoverty job at $800 a month.

Is it any wonder that so many of our people—the taxpayers who are footing the bill—are bewildered by the way they see their money wasted right before their eyes, in broad open daylight? Earlier this year I sent questionnaires to the registered voters in the district I represent. The interest was refreshing and the rate of returns was high. One question was: "Do you feel the war on poverty has been worth the money?" The answers: 87.5 percent said "No," and 6 percent said "Yes."

SEARCHING FOR NEEDY

The Houston Post on August 30, 1967, said Francis Williams, executive director of Harris County Community Action Association got OEO and Labor to grant $900,000 for a manpower program for Houston and added:

> The Neighborhood Centers Association will be paid $177,000 (out of the $4.9 million) to pay workers to conduct a door-to-door search for those in need of help for the new program.

From this it would appear that the poverty people are going from door to door, searching for business. While this procedure may be desirable in an extraordinary situation, its general practice is very reprehensible. A good many people who are working may, after such contacts, decide they can make more by boarding the poverty bandwagon.

Another Houston poverty story—Houston Tribune, September 7, 1967—refers to a new theater being financed by OEO. This subsidy enables the theater to pay rent, lights, sets, costumes, and salaries. This nationalized theater will compete with three or four others in Houston. Due to the antipoverty subsidy the Pilot Theatre charges $1.75, while the competitors are hard pressed to stay in business by charging $5 per seat.

The question follows: Is this helping the poor people in Houston to increase their incomes? Is this a proper function of the war on poverty?

POLITICAL ACTIVITY

Scores of instances have been reported involving VISTA volunteers and others on the OEO payroll, who have engaged in voter registration drives and other political activities. Documented cases to this effect have come from Omaha, Nebr.; Gary, Ind.; Atlanta, Ga.; Durham, N.C.; Des Moines, Iowa; Santa Clara County, Calif.; and Arlington, Va., to mention but a few.

Mr. Chairman, is this any way to run a poverty program, to advance the income of those in low-income levels? Is this a responsible way to handle the taxpayers' money?

Here is another indicator of how money is being wasted: During debate on this bill it has been disclosed that OEO put up the money for a $376,000 program through the Iowa Civil Rights Commission to establish a student exchange program. Instead of getting 150 participants, as planned, only 15 were placed—costing $25,066 per enrollee for a one-semester project.

The Detroit News of September 15, 1966, revealed that that city's antipoverty program had been paying $500 a month since the preceding March for a youth center which at the time of the report had not even been opened.

OTHER MISUSES OF FUNDS

OEO has financed distribution of books and booklets, supposedly for the reeducation of the unfortunate and underprivileged. One of them, entitled "Negro Self-Concept," says:

> Much of the aggression of the Negro is a very healthy thing . . . Sit-ins, freedom rides, and other demonstrations are indicative of a mood of aggressiveness—significantly led by young Negroes—that in turn speaks of a more positive racial image.

An OEO outfit in Houston ordered seven telescopic rifle sights, saying they were for conversion to microscopes to be used in manpower programs, in case they should be needed. The explanation did not make sense, and the purchase was blocked by people outside of OEO.

THE JOB CORPS

The financing of OEO's Job Corps has been scandalously expensive. Designed for a year of training of school dropouts between ages of 16 and 21, the annual cost per student has averaged $8,000.

It has been revealed that, by Internal Revenue figures, two out of three American wage earners make less money than it costs to put one boy or girl through a year of Job Corps training.

A General Accounting Office investigation revealed that from January 20, 1965, to December 31, 1966, the average cost per enrollee at the Parks Job Corps Center in California, was $11,000 per year. OEO did not deny this but said this amount was later cut down to $6,500.

It must be assumed that out of this vast expenditure some good must have been accomplished. But many reports indicate the opposite.

The Omaha World-Herald carried a story in September 1967 saying that of the 1,506 trainees who went through the Lincoln, Nebr., Job Corps Center this year, the whereabouts of more than one-half are unknown, and that only 338 are known to be employed.

A report from Kansas City, Mo., dated July 23, told of Mrs. Grace Phillips, director of a Women's Job Corps Center at Excelsior Springs, being served with a warrant charging her with maintaining a public nuisance.

The complaint was signed by 20 residents of the area. They complained that girls at the center were loud, profane, sometimes drunk, and often on the town's once-quiet streets after curfew. They said the girls were promiscuous, sometimes in the yards of residents.

A San Antonio Evening News story reported that Roger Flores who operates a beer and wine lounge posted this notice: "Notice. Sorry—No Job Corps Allowed."

He told the press:

> I'm doing it in self defense. Those boys are roughnecks . . . uncontrolled and uncivilized. They bust up my place every time they come in.

The troublemakers were from the Gary Job Corps Center.

There have, of course, been scores of other complaints about the Job Corps. While the results are, at the best, not impressive, the exorbitant cost of the operation cannot be justified.

Perhaps the Headstart program has more to show for the money that has been expended. If it is desirable to have the Federal Government continue to help finance kindergarten schools, then it would seem logical that it be administered by the Office of Education.

Mr. Chairman, there is no point in belaboring this matter. I believe that from my meager files on the subject I could cite perhaps 50 more instances comparable to those I have mentioned. Now I know what the explanation is: that corrective actions are undertaken when appropriate, and besides the number of people involved in infractions represent but a limited percentage of the overall total of those engaged in the war on poverty. One is made to wonder how many equally indefensible instances of waste have gone undetected and unrecorded.

But as I see it these many intolerable developments cannot be dismissed as isolated instances. There are simply too many of them for that. I recognize the difficulty in running herd on such a massive, disjointed program. It presents an administrative nightmare. Someone said the poverty crusade has come apart at the seams. Certainly if it is continued it is in need of some major surgery.

MORE BIRTH CONTROL NEEDED

The one thing that stands out as a bright spot in this entire picture is OEO's allotments for family planning and birth control. Its awareness of the relationship of poverty control and birth control is commendable. OEO's commitments in this area have been limited and should have been much more. But it helps.

Actually, Mr. Chairman, birth control is the only real and meaningful answer to this problem, so far as a substantial number in the low-income category is concerned. I am referring in particular to those who have neither the capacity nor the motivation to train, work, and get ahead. Therein we find the hard core of poverty. An antipoverty program, regardless of cost, whose major interest and effort is devoted to family planning would have my wholehearted support.

But as the program is now set up, one must engage in some painfully wishful thinking to expect any long range and significant help in reducing the number of people on relief and in elevating the earning power of those in the lower brackets. If real progress in this area is forthcoming, it will come through the old time-tested methods which have been so successful in the past.

Mr. TIERNAN. Mr. Chairman, the debate in this House on the economic opportunity legislation—and particularly on the community action program which is at the heart of its success as well as its controversy—has developed a very interesting pattern.

My colleagues who oppose the program, whether their method is to break it into fragments, amend it to death, or abolish it entirely, practically always manage to avoid addressing themselves to the hard facts of what the community action program is doing in the communities. They snipe at isolated mistakes and temporary reversals, but they are wise to shun discussion of the amazingly constructive impact that community action has made in specific slums, on specific poor people. If they got into that kind of discussion, Mr. Chairman, they would have no way to conceal the weakness of their negative case.

I am for community action, Mr. Chairman, because it works. There is impressive testimony from all parts of the Nation of how well it works, but let me dwell for a moment on a city where I have seen it work at firsthand and gather strength and effectiveness over a considerable period of time.

In Providence, the keystones of community action are education and manpower programs, striking directly at the root causes of poverty.

Eight community schools, administered by Progress for Providence, the community action agency, and the Providence School Department in eight marginal income neighborhoods, run afternoon and evening courses for youngsters and adults. Some 4,000 are enrolled. They get remedial assistance. They receive individual attention. They receive psychological and social guidance. They get hope and a stake in their neighborhood. If community action is gutted, some, most, or maybe all of them will be thrown back on the scrap heap.

Progress for Providence has a flourishing manpower program. In the quarter ending September 30, in just 3 months, this program placed 160 people in full-time jobs with good wages, 40 in on-the-job-training programs and 76 in various other training programs. What happens to them, and people who come after them, if community action is gutted? Forget them? They will be back on the streets and on the dole.

The legal services program, which gives the poor not only vitally needed legal assistance but also, respect for the orderly process of law, handled 851 cases and advised 128 more poor people—again, in a period of just 3 months. A credit union has 782 poor members who are learning to shop, save, and plan wisely. Community workers have in the last quarter referred well over 1,000 poor people desperately in need of various kinds of help and totally ignorant about where they could get it to the appropriate agencies. More than 500 children are enrolled in school department Headstart programs.

And so it goes, Mr. Chairman, and so to my mind it must continue to go. I have just touched on the high points of the Providence community action program, but sufficiently, I hope, to demonstrate how it is tied together, how it is reaching people who have never been reached before, and how essential it is to the life of this particular city.

I might add that over 60 percent of the employees of Progress for Providence, nearly 800 people, are nonprofessional aides who give vital support to the work of the professionals. We hear a lot from those who would wreck the program, Mr. Chairman, about the so-called poverty bureaucracy. Here is the bulk of that bureaucracy: Poor people, recruited from the slums at minimal wages to help their neighbors and to be trained to help themselves. If community action is gutted, we can forget about them, too.

We may also have to forget about what these people can contribute to the maintenance of law and order in the innercity. Without them last summer, Mr. Chairman, Providence would have had a riot. As it was, there was only a minor incident. These nonprofessional aides of Progress for Providence, these poor people from the slums, formed an impromptu "soul patrol," and to put it succinctly, Mr. Chairman, they "cooled" it. My good friend and the distinguished mayor of Providence, Joseph A. Doorley, Jr., said at the time:

> As far as I'm concerned, if it wasn't for the poverty workers, there is no telling how bad the situation might have been.

I am not willing to wait and see how bad the situation may be next summer in our cities. The war on poverty may be considered to be in an embattled state in the House today, but it will be the cities and urban areas of our country who will be in a state of seige if this program is gutted by the House.

Mr. TENZER. Mr. Chairman, I have been a consistent supporter of the war on poverty because I believe that through this program—through a partnership of Federal, State, and local resources—we can help the disadvantaged help themselves and make taxpayers out of taxeaters. This massive program of human renewal merits the support of every thinking, compassionate citizen.

I recently received a report on activities in the village of Freeport, N.Y., a truly cosmopolitan community located in the heart of my congressional district on Long Island's south shore. The village of Freeport, which last month celebrated its 75th anniversary of incorporation, is a suburban community with a population of more than 40,000.

The religious leaders of all faiths have been cooperating on a community program which could stand as a model for others.

The Freeport Methodist Church has been in the forefront of efforts to strengthen the war on poverty and I am pleased to place in the RECORD at this point a letter which I received from its distinguished ministers and a report on community relations and employment programs of the Freeport Economic Opportunity Commission which they forwarded to me:

THE FREEPORT METHODIST CHURCH,
Freeport, N.Y., November 10, 1967.

Hon. HERBERT TENZER,
House of Representatives,
Washington, D.C.

SIR: We are concerned along with a great many other persons about the anti-poverty legislation currently being proposed and debated. It seems clear to us that the bill, as currently designed, will have negative effects on the problems of alleviating poverty, if it is adopted.

It is apparent to us that the effect of adoption of the present anti-poverty legislation will be to reduce, perhaps undermine, the effectiveness of moderate Negro leadership in this and other communities. In the vacuum of leadership that would follow such reduced leadership capacity, it would be likely that the Black Power ideology could take firmer root than has been possible to this time. Thus, it seems curious and ironical that our government could, by its own voice and vote, foster the growth of social unrest, not to say anarchy. If our governmental structures cannot deal imaginatively with this most urgent problem, then it seems clear that in the long run there will be hardly any course left to the poor and those who work with them but to establish paragovernmental structures, or indeed, to work in opposition to established government. It is not difficult to imagine that such time may come if the anti-poverty program is made ineffective now.

Attached is a document detailing some of the work of the Freeport OEO program. We can attest that hopeful signs were coming visible in this place by their good work. We dare not have them fail now.

We know that you are concerned and that you intend to stand for the kind of legislation which will allow the anti-poverty program to function effectively. Be assured of our support of your stand and our keen interest in the coming vote.

Thank you for your attention to this letter.

Sincerely yours,

CHESTER E. HODGSON.
MICHAEL MCINTYRE.

DETAILS OF FREEPORT, N.Y., OEO PROGRAMS

COMMUNITY RELATIONS

Ad-hoc committee on urban renewal

This committee was established to open the channels of communication between the Urban Renewal Authorities and the citizens of the Bennington Park (initial Urban Renewal site) section of Freeport. It is composed of fifteen (15) elected members representing all of the families residing in the target area. The neighborhood aide assigned was most effective in organizing this group. The Legal Service Committee of Nassau County will act in an advisory capacity.

Freeport Housing Council

A tenants' association was organized by a neighborhood aide as the outgrowth of the many complaints received from tenants living in the public housing facilities provided by the Village of Freeport. Initially many tenants were slow to join due to fear of reprisals. At present there are more than forty (40) families involved of the total occupancy of one hundred (100) families. The goals are:

a. Management will recognize the tenants as a bargaining force

b. Vandalism can be reduced

c. Council will initiate a self policing policy placing responsibility on tenants.

Youth Council

The need for reaching out to the youth of Freeport is very much in evidence. The Southeast area (Bennington Park) has received some assistance from the Family Service Association of Nassau County. However, most areas are without facilities or guidance. It is obvious a youth center is of paramount importance. Meetings are presently being held between this office, Village Officials, and members of the Freeport School System, to make a year round youth program and adequate youth center a reality. There are at the present time about one hundred fifty (150) young people involved in this effort.

In conjunction there are twenty five (25) youth meeting three nights each week in our Child Day Care Center rehearsing. In hope of presenting musical and dramatic plays, this group also participates in career clinics and provides a volunteer service to the community.

Boy Scout troop has been formed in partnership with the Freeport Methodist Church. We feel this is an excellent opportunity for our youth to participate in a well supervised program and come into close contact with boys of varied cultural backgrounds. During the summer more than forty (40) boys were sent to camp, for some this was the first such experience. We are working closely with the Roman Catholic Archdiocese of Nassau in presenting two hour tutorial service each Saturday for school youngsters who may require additional assistance in such subjects as Reading, Math, History and Languages. There are presently more than seventy five (75) school children enrolled in three (3) schools. Ages range from 7–14 years. This tutoring will last for four months.

FREEPORT E.O.C. EMPLOYMENT SECTION

MARCH 1967 TO OCTOBER 1967

The Employment Section of the Freeport E.O.C. has directly affected over five hundred (500) Freeport families. Two hundred seventeen (217) applicants have been employed or placed in training classes. All other applicants have problems which are keeping them from being employable at the present time. These are active cases shared between the employment section and the Family Service Section. Our focus is on the unemployed and underemployed. We work very closely with the Domestic Worker finding that 30% are high school graduate who have never applied for employment other than Domestic. We have taken them directly from the train station with their belongings, secured lodging, immediate funds and on-the-job training for them. This action initiated the idea for a Domestic League in Freeport. The Domestic League is not for employment and training advice alone—It will include:

A. Recreational Pursuits

B. Advice on job opportunities and Training Programs

C. Consumer Education

D. Discussion on legal rights, pay scales, working conditions, etc.

E. Assistance in planning for future growth

F. Intervention where necessary with employees and employment agencies.

Since opening, we have come in contact with most of the in school and out of school youth from below the poverty line. We find them uninformed about career opportunities available to them. Therefore, the employment aide is assigned to the youth group and is present at all meeting not only to inform them concerning employment but also to direct other activities.

Emphasis is on finding employment that will utilize existing skills to their best advantage and upgrading of those individuals who are working below capacity. We have contacted by mail, telephone, and personal interviews all of the business establishments in Freeport and surrounding areas. As a result of this campaign, we have not only compiled an extensive file on job opportunities but have established very fine working relationship with the business community. We share job informaiton with other C.A.P. agencies in an effort to obtain maximum exposure for our clients.

On the job training programs have been established in the Freeport Community. Employers and employees are very receptive to this Federally subsidized program.

A late opening of the Multi-Service Center made it impossible for us to be effective in obtaining summer jobs for "in school" applicants. Because of this experience last summer, the Employment Section has already mailed out over fifty (50) applications for summer work with government agencies. (Federal, State, and County) with the help of our youth organization, we are presently

> working on a flyer to be distributed to the home owners of Freeport to list household and handyman jobs that our youth can perform (babysitting, shopping, errands, lawn care, painting, cleaning garages and attics, etc.). We shall also list summer jobs from local business men.

Mr. Chairman, the Congress faces a challenge in our debate on the Economic Opportunity Act Amendments of 1967—a challenge posed by those who would strike at the heart of the war on poverty by cutting back on the vitally needed resources to continue the struggle on behalf of the disadvantaged.

I urge my colleagues to heed the warnings expressed by those who have been involved in war on poverty efforts at the local level—to heed the cry for justice from the disadvantaged who want and deserve an opportunity to help themselves—and to heed the nonpartisan appeal for support from religious and civic groups across the United States.

Mr. FRASER. Mr. Chairman, the Minneapolis Tribune has editorially given strong support to the war on poverty and to the $2.06 billion antipoverty authorization bill that is now before this body.

The Tribune feels that Congress has been ignoring the major issue before it, mainly poverty itself. While OEO has had problems in its short existence, it had achieved tremendous gains in the overall effort to help the poor. Perhaps OEO's greatest problem is that it has been given too little money and support in relation to the massive needs.

Any cut in funds for the program will cause incalculable loss to the poor. Headstart, neighborhood centers, legal aid programs, VISTA projects, health centers, Upward Bound, and foster grandparents programs and a number of other efforts ought to be expanded, not reduced.

A more serious effect of fund reductions would be to deprive the poor of hope itself. I do not know how the poor, or anyone, can believe that we in the Congress are truly serious about alleviating poverty when this body is inclined to slash funds from such a vital program.

We must, at least, provide OEO with the $2.06 billion authorization. I do believe, Mr. Chairman, that all of us are serious about giving our Nation's poor the help and the hope that they so desperately need. Yet, as the Tribune article concludes:

> If Congress does slash the OEO funds, it will indicate that a majority of its Members are not very serious about trying to solve the problems of poverty and unemployment and related human troubles.

Mr. Chairman, with unanimous consent I include the full text of the Tribune editorial at this point in the RECORD:

> DOES CONGRESS CARE ABOUT POVERTY?
>
> The Nation's antipoverty program is in serious danger of going on the rocks in a storm of controversy over its political, administrative and fiscal complications. What Congress seems to be largely ignoring is poverty itself.
>
> The economic opportunity program has had many growing pains in its short life. It can profit by some revisions. But it also represents a major effort to solve America's greatest social problem—to help its people who, by reason of race, meager education, lack of opportunities and qualifications, are poor and deprived. Its greatest weakness so far is that it has done too little, measured against the massive needs.
>
> Yet the House has passed a resolution to cut the 1968 funds for the Office of Economic Opportunity from $1.6 billion to $1.2 billion. Funds for some existing programs already have been cut off. Such future projects as the Pilot City program for the Minneapolis North Side may never get launched. A more realistic federal budget for OEO would be the $2-billion figure which is getting slim support in Washington.
>
> A catalogue of what would be lost with the big slash includes much of the promising Head Start program for children; cuts in the citizens community centers and legal aid services, and complete loss of the summer job program for young people. It would affect OEO activities in rural areas and on Indian reservations as well as in cities.
>
> In the larger view, the cut in funds would mean a rebuff where hope has been built among the nation's poor. It would mean a weakening of basic efforts to ease racial problems. It would mean losing experienced staff people and undermining the momentum of strong community organizations which have brought together low-income residents and civic leaders.
>
> If Congress does slash the OEO funds, it will indicate that a majority of its members are not very serious about trying to solve the problems of poverty and unemployment and related human troubles. To be realistic, constructive and fair, it seems to us, Congress should approve appropriations for the war on poverty at the $2-billion level.

The CHAIRMAN. Are there any further amendments to section 103?

Mr. PERKINS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 2388) to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act, and for other purposes, had come to no resolution thereon.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to extend their remarks in the RECORD on the poverty bill, S. 2388.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

PERMISSION FOR COMMITTEE ON ARMED SERVICES TO FILE CONFERENCE REPORT ON H.R. 2

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tonight to file a conference report on the bill H.R. 2.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

WHERE DO WE STAND IN SPACE?—AN ASSESSMENT

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, last Thursday America thrilled to the spectacle of the giant Saturn V rocket lifting into space on a successful test flight. This accomplishment was extremely gratifying for several reasons. First, there is always a doubt about the outcome of such enormously challenging and complex technological projects, especially where there is no prior record of experience.

In combination with this, America was deeply aware of the recent revelations concerning mismanagement in the space program which led to serious conditions of faulty workmanship and lack of quality control; conditions which surrounded the January Apollo disaster. Recent public statements by NASA concerning in-house efforts to improve management and control procedures could do little to dispel the doubts in light of NASA's history of lack of candor about program status and managerial difficulties. Surely the entire Nation, as well as NASA itself, was holding its breath as the historic moment approached.

I do not for a moment believe that all of the serious problems of the Space Agency—which in a few years grew so fast that it was not able properly to organize itself—are under control. It would be most dangerous for recent history to be forgotten in the flush of excitement at the new success.

This in no way diminishes my appreciation of the brilliant performance witnessed last week. However, it is essential to maintain our perspective at this moment. Generous credit is due to the agency; yet at the same time we must refuse to relax our vigilance about measures that are necessary to improve this program. We must continue to ask hard questions and make sure that further efforts do not get out of hand either in terms of management control or in such items as the severe cost-overruns which were encountered in the development of the very Saturn rocket whose success we hail.

There is, of course, another aspect to this picture of which the press in America and other nations is much aware and took the occasion to make considerable comment. This is the question of the so-called space race between the two major powers. Most of the press hailed the Saturn V shot as an achievement that put the United States ahead in the international competition.

Although I, as an American, was very much cheered by this thought, it was also clear that in these difficult times there is an accompanying responsibility for farsightedness on the part of this Nation. Accordingly, I sent a letter to President Johnson last Friday morning suggesting that this was the time for America to display its self-confidence and wisdom by abandoning this race which has outlived its usefulness and now works to distort our own plans in space and on earth by causing us to react and make decisions based on the whims, decisions, and timetable of another nation whose system, problems, and values are different than our own. I also suggested that this was the time to initiate a serious effort to achieve international cooperation in space in order to limit costs and increase the benefits of space programs which are otherwise wasteful in their extreme duplication of energies and results.

In regard to the question of a space race, we need only remember that its undue pressure was perhaps one of the major reasons that NASA was forced to grow in uncontrolled fashion and produced the breakdown of authority and administrative chaos that were surrounding circumstances to the Apollo fire. It is unthinkable that we should allow such pressure to continue to injure our space program.

We need also only mention that our Federal budget is quite finite, as is being sharply brought home to Congress this year. At a time when financial pressures are enormous and contradictory it is simply not possible to promise the moon and the planets and the stars—whatever the cost—without any sense that pressing national priorities may work to counter our ambitions and enthusiasms in space at least so far as to modify the pace at which we pursue them. Can we afford to allow Russia—or any other nation—to determine our national priorities for us and influence, perhaps to our detriment, the intelligent allocation of our resources and the progress we make in meeting our urgent problems here on earth?

The press has been divided in its view of the space race. Some have accepted it as a necessity as well as a useful means of raising funds for the space program—others have decried it as harmful. The interesting thing to note is that recently both of these factions seem to agree that the space race, as we have known it, is no longer valid under present conditions. Two of these differing views were seen in editorial columns of the New York Times of November 10 and the Christian Science Monitor of November 13. I commend both of the following articles to the attention of my colleagues:

[From the New York Times, Nov. 10, 1967]

The Success of Saturn 5

A dictionary of superlatives is required adequately to describe the spectacularly successful performance of the Saturn 5 rocket yesterday.

The vehicle launched at Cape Kennedy at 7 o'clock in the morning was undoubtedly the most complicated single integrated machine men have ever built and successfully operated. As far as we know, the Saturn 5 was not only the most powerful rocket ever launched, but the 140 tons it put into orbit was the heaviest man-made load ever to travel in space. These and other features of the test have done much to restore the luster of this country's space program, tarnished by the Apollo tragedy early this year.

Even in this moment of triumph it is worth recalling the needless sacrifice of three astronauts in the beginning of 1967. The inquiries sparked by that disaster revealed a shocking situation in which mismanagement, shoddy workmanship and a willingness to take excessive risks were evident. It can hardly be doubted that yesterday's triumph was in part made possible by the new caution, the tightened quality control and the heightened awareness of the cost of negligence which resulted from last January's fire.

Politically and propagandistically, the Saturn 5 achievement is the United States' counter to recent major Soviet space triumphs. It is now clear from the public statements of at least two distinguished and important Soviet scientists that there are influential persons in the Soviet power elite who would like to end the space competition and replace it by Soviet-American space cooperation and division of labor. The United States' capabilities demonstrated so impressively yesterday must reinforce these arguments in Moscow.

Now it is time for Congress to give more serious attention to long-term space policy than it has yet done. This newspaper has repeatedly protested against a needlessly rapid manned-space program with an artificial time goal for putting a man on the moon and returning him safely to earth. We reiterate our belief that there were better ways to expend here on earth some of the excessive funds spent on this forced-draft program. At the same time, having made so huge an investment in space hardware, the nation must now give the most careful thought as to how best to use it and how to keep intact the production and research organizations that are at the heart of American prowess in space.

Solving these problems within the limits of the Government's resources is more important than insuring that an American gets to the moon by 1970.

[From the Christian Science Monitor, Nov. 13, 1967]

Two Steps to the Moon

Apollo-Saturn 5 and Surveyor 6 have carried the United States closer to the moon.

The one shows that the design for the country's mightiest rocket works well and that the moonship can withstand the hottest reentry yet attempted for manned craft. The other shows that American engineers have perfected a lunar-soft-landing system.

We heartily congratulate the engineering teams involved, especially that of Dr. Wernher von Braun whose rocket engineers have had such consistent success.

Yet we can't join some other commentators in concluding that all of this gives the United States an edge over the Russians in the moon race—if indeed the Russians are racing us to our natural satellite at all.

The American and Russian space programs travel different roads. Progress can be judged only by distance traveled along these individual roads. And, since no available information enables us to know just what the Soviets' course may be or how far they have traveled along it, to ask who's out front is meaningless.

In terms of its own program, the United States now has taken two giant strides forward. It still has a strong chance of getting to the moon in 1969, as planned now, barring any more major failures.

However, this gives no ground for complacency. The United States has cut its space budget substantially. It has no firm program for manned flight beyond the lunar landings. It has no planetary exploration program beyond for the 1970's at all.

The Russians, on the other hand, give every indication of a strong ongoing effort both in manned flight and in planetary exploration. The latter, they say, lays the foundation for manned planetary flights in the indefinite future.

The Soviets, as far as we can find out from our Moscow correspondent, still spend heavily on space. They spend more than did the United States even when its space budget ran over five billion dollars a year.

We share the glow of success that Americans feel after last Thursday's successes. But we realize that the American space program today gives no assurance of being able to beat the Soviets to any goal that the Soviets really want to win.

JUDGE TAKES A NEW APPROACH TO JUVENILE PROBLEM

Mr. JONES of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. JONES of Missouri. Mr. Speaker, in this era of do-gooders, who have been encouraged by a Supreme Court which seems to be more interested in protecting the "rights" of the criminal, and have evidenced little interest in protecting the innocent and the law-abiding citizens, I am happy to report that a welcome change is being experienced and enjoyed by folks down in southeast Missouri where a young circuit judge, the Honorable William H. Billings, is not following the trend, but is courageously implementing a new policy in making available to the public through all news media the law violations of the so-called juvenile offender.

I am hopeful that other judges may have the courage to interpret the law in a way that will help reduce crime, other than to encourage youngsters to embark on a career of law violation, secure in the knowledge that they will be protected from the light of publicity and notoriety which is one of the greatest deterrents.

First, Mr. Speaker, I would like to set forth a recent article, distributed by the AP and which appeared in many southeast Missouri newspapers, and then to include also an editorial from the Dexter Statesman, published in Stoddard County, one of the two counties included in the 35th Judicial Circuit, the other county being Dunklin, my home county, in which Judge Billings was born and reared.

In closing these remarks, Mr. Speaker, I would like to say that I have a very keen personal interest in this jurist, who as one of his first jobs was employed on the Dunklin Democrat, a newspaper published by my father, my brother, and myself. He demonstrated great natural ability, and would have made a great newspaperman, had he not chosen to follow in the footsteps of his father, who at that time was judge of the 35th Circuit, which is now presided over by his son.

First, the AP article, and then the editorial from the Dexter Statesman, written by the editor and publisher, Barney Miller, who publishes two of the finest weekly newspapers in southeast Missouri:

Billings Believed To Be Only Judge in State Who Has Thrown Court Completely Open

Cape Girardeau, Mo.—Juvenile lawbreakers are no longer granted the grace of anonymity in Stoddard or Dunklin counties when they appear before Circuit Judge William H. Billings.

Judge Billings, of the 35th circuit, comprising the two counties in Southeast Missouri, came to the bench last November as an appointee of Gov. Warren E. Hearnes to succeed the late Judge Arthur U. Goodman.

Juvenile hearings in Missouri—since the adoption of the state's juvenile code—have generally been secret affairs, held in a conference room and attended only by the delinquent suspect, his parents, the judge, the juvenile officer and the court clerk.

Not so in Judge Billings' court. He has instituted some sweeping changes in the handling of juveniles—youngsters under 17—from that instituted under the juvenile code.

For example, the secrecy is out. Cases are heard in open court; they can be fully reported and the records are on file for public inspection.

"The secrecy has always smacked too much of star-chamber proceedings," Judge Billings said.

He said through publicizing of juvenile crime and court action, he hopes to deter others from misdeeds and to educate the public generally on the juvenile problem.

So far, the judge believes he is making some progress.

"I've been amazed and pleased as to the letters I've had," Judge Billings said. He added that "school people say they have sensed a change in attitude on the part of the kids."

Generally speaking, reaction to Judge Billings' policy on publicity has been favorable, even among parents of children who appear in Juvenile Court.

Of about 250 cases handled over the past nine months, the judge said only two parents have asked him not to disclose the name of their child.

About the only negative reaction has come from the juveniles themselves.

"The kids don't like it," Judge Billings said. "They don't want to see their names in the paper. It used to be if a boy had his driver's license suspended, the only ones who knew it were the youth, his parents and maybe his girl friend and best friend."

Lifting of driver's licenses is one of Judge Billings' favorite ways of dealing with juveniles coming before him. He has other, possibly less orthodox penalties, such as requiring youths to keep their hair cut, to stay in school, to attend church, to avoid certain companions and to write 1,000-word essays on appropriate subjects.

Concerning the assignment of essays as punishment for the youthful offender, Judge Billings says, "You know how kids hate to write."

The judge reads the essays the juveniles write and said some are quite good.

Judge Billings believes he is the only juvenile judge in Missouri who has thrown juvenile court and its records completely open.

He also may be alone in the way he conducts court when a juvenile is in such serious trouble that he might be sent to the state training school.

Judge Billings is concerned over the constitutional rights of the youngsters, particularly those whose liberty is in jeopardy.

"Any time there is a chance a child may be heading for one of the training schools, we take particular pains to see that adequate notice of the charges is given to the child and his parents," the judge said.

He also insists that the youth be represented by counsel, and that more proof of guilty than the juvenile's own statement be produced. Witnesses may be called and cross-examined.

The judge said he feels there is much to be done in the way of juvenile code reform, though he has no quarrel with what the framers of Missouri's code had in mind.

"The intent of the juvenile code was good, making the state a sort of 'super parent' and preventing the stigma of a child having committed a crime."

"That's all well and good. In theory it sounds beautiful; in practice it is very different," he said.

A Refreshing Change

A refreshing change has swept through Stoddard and Dunklin counties in the past few months—a change in the handling of juvenile cases in Circuit Court.

The change is due entirely to one man, who has brought about this change that many concerned parents, educators and others have thought to be long overdue. That man is Circuit Judge William Billings.

Judge Billings has swept aside many of the long-standing policies as regard the handling of juvenile cases. In the first place, he is handling them now in open court. He is releasing the names of the young offenders. He is handing down sentences that are constructive in themselves and which fit the offense that has been committed.

This is not to say that Judge Billings is a hard-nosed uncompromising tough judge. Neither is he a man who has no feeling for the young offender, or the juvenile in trouble.

He is concerned, and he does have feelings for the youngsters involved, and that is the reason, and the only reason, that he has adopted these new policies for the two-county area which he serves.

The Missouri juvenile code, in the opinion of a growing number of persons, was overprotective, and did not serve the cause for which it was written. A law that is over-protective of any element of society, young or old, is soon scoffed at by the very people it was written to protect. Such was the case with many features of the so-called "juvenile code". It placed a protective arm around the shoulders of the young offender, gave him a pat on the back and said, in effect, "Don't worry, we'll protect you, no matter what you do, or how many times you do it".

The young offenders, and young people in general had no respect for such a code.

They have respect for the rules now adopted for Stoddard and Dunklin counties. They have a renewed respect for the court, for the law, and for their own responsibilities as citizens. Judge Billings has made it so.

Many of his sentences have been most appropriate, we feel. Youngsters, brought into court on charges involving the improper and unsafe use of an automobile, have been required to write essays concerning safe driving and the responsibility of the man or woman behind the wheel. Licenses have been suspended for varying periods. In other words, the youngsters have been "grounded", as well as required to give some thoughtful attention to the matter of traffic safety. Other sentences for other offenses have been equally appropriate, we feel.

In all, it has brought about a refreshing change in the courtrooms of Bloomfield and Kennett. Judge Billings is a young man, a family man . . . a man who understands young people, who has sympathy for the problems.

But he demands that they learn, and learn well, the responsibilities of citizenship.

We're sure that he will be criticized in some quarters for his new approach to the juvenile problems. He already has been. But we are also confident that the overwhelming majority of responsible citizens, youths and adults alike, will declare that this has been a change long overdue.

And we feel that Judge Billings is due a large measure of praise for his courage, his ability to make a drastic change in an important system of our courts of justice, and for his new approach that promises to help society—and, in the end, help the young people, themselves.

A GRATEFUL PRESIDENT SALUTES THE U.S. AIR FORCE

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, this Veterans Day a grateful President traveled 5,000 miles across our land to pay his respects to America's fighting men and women.

Again and again, he expressed the Nation's thanks to the 6 million Americans who make up the Armed Forces of the United States.

At McConnell Air Force Base in Kansas, the President paid particular and deserved tribute to the men in blue of the U.S. Air Force.

He traced their history as liberators and "pathfinders to peace," over many of the troubled spots of the world: Berlin, Japan, Korea, and today in Vietnam and Southeast Asia.

He told them they held in their hands the power to destroy any adversary on earth, yet they fought with "restraint, with skill, with judgment, and—with compassion."

President Johnson pledged that:

> Together we will persevere in making the skies over Vietnam an arena which history will honor as the place where freedom found new life and peace finally won.

President Johnson's tribute to the U.S. Force was never more justly earned.

Whether in the missile defense of the continental United States of America, or in the fighters and bombers over hostile territory in Vietnam; or in the air round the clock with the Strategic Air Command and in the Tactical Air Command; whether in missions of mercy of the helicopter air rescue teams—the Air Force is in the front line of our fight for freedom.

I am honored to insert in the Record the remarks of President Johnson at McConnell Air Force Base in Wichita, Kans., during this year, the 20th anniversary of the establishment of the Air Force.

Remarks of the President at McConnell Air Force Base, Wichita, Kans.

Thank you, General McConnell, Governor Docking, Secretary McNamara, Congressman Pickle, Col. Cardenas, Mayor Vollmer, Major Baird, Distinguished Ladies and Gentlemen:

I come here today as the President to speak for 200 million Americans on this Veterans Day. This is a message from their hearts and from mine.

I give you the deep gratitude and pride this Nation feels in all of you.

That is the single reason that I have journeyed across America this week end—to bring this country's recognition, praise and pride to the men and women of America's Armed Forces.

It is a splendid reason. And I am glad to be here on this splendid day to give it voice.

This day belongs to you.

It belongs to the 6 million men and women who serve on active duty and in the Reserves. They are the guardians of our peace today.

It also belongs to our 26 million veterans who live throughout this Nation. They were guardians of another day.

Those who wear the uniform today—and those who wore the uniform yesterday—these are the millions to whom we owe a debt we can never repay. They are the ones I come here to thank today as the gallant defenders of freedom in this dangerous world in which we live.

This is the second splendid day for me. Yesterday and last night I brought this message of our Nation's heart to the Army at Fort Benning; to the Marines at El Toro and Camp Pendleton; to the Navy aboard the U.S.S. *Enterprise*.

But for all my travels, I am uplifted. I can tell you today, proudly, that this Nation is not complacent. It is refreshed each hour of each day by the courage and the conviction of its fighting men, of which you there in that row are a splendid example.

That—and only that—is what I have come here to say, at this vital center of America's air power.

It is enough, for this Nation knows you well.

We know you and your kind as the liberators of Europe.

We know you as the pathfinders to peace over Berlin, over Japan, over the Philippines, Korea, and a thousand Pacific islands. We were slow to react there. We almost waited too long. But I believe we have profited from that mistake.

And the men who fought communism and totalitarianism then—and those who fight it today in Southeast Asia—are the same breed and they have the same purpose.

For all that long flight of courage—of sacrifice—of unbreakable faith—I come here to thank you.

Today, you hold in your hands the power to destroy any adversary on this earth. And yet you are fighting a limited war with restraint, with skill, and with judgment, and, I think, with compassion.

You show your skill—and your compassion—by the most precise pinpoint bombing.

Your ratio of planes lost is the lowest in the history of air warfare.

Your restraint in avoiding population centers is the greatest in the history of air warfare.

That kind of a record does you and does your Nation honor.

Together we will persevere in making the skies over Vietnam an arena which history will honor as the place where freedom found new life and peace was finally won.

And so I have come here today to thank you, and to share with you the vision of a brighter future which beckons us on.

One more stop for the Coast Guard this evening and I will have completed my visit on Marine Day and Armed Services Day with the leaders of the protectors of freedom in the world—the Army at Benning, the Marines at Pendleton, the Navy at the *Enterprise*, the airmen at McConnell, and the Coast Guard in Virginia a little later on.

I could not conclude that tour without saying to you that I believe the civilian leaders of you men—Secretary McNamara, the Secretary of Air, Army, and Navy, the Commandant of the Marines and the Chief of Staff of the Air Force, the Army and the Navy—are as fine leaders as this Nation has ever produced and they, in turn, by precept and example, have inculcated in you men the finest ideals of this Nation.

As General Westmoreland said just a few days ago, you have sent to him in all of those services the best trained, the best equipped men to ever wear the uniform. And I believe he is right. I think in time every adversary that faces you will know that he is right.

As I conclude this trip today here in the presence of you men who have gone, who have seen, and who have returned, I join you in joining those who wear the little white flower in prayers that others will be spared and that the good Lord will permit them to come back with us some day.

To Secretary McNamara, especially, who has given such vision and such dedication, who is a much abused man, I want to say to him, his Secretaries and his Chiefs of Staff, that all America and all those who love freedom everywhere will remember their names and will remember their service as we all remember yours.

Thank you very much.

NEW NAVY WEAPON, POSEIDON, PROVIDES INSURANCE FOR AMERICA

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, an article in a recent issue of the Washington Daily News discussed a new naval weapon which is regarded by many people as one of the most significant in the world—the Poseidon.

The article, written by award-winning Scripps-Howard war correspondent Jim G. Lucas, is based on an interview with Rear Adm. Levering Smith, the Navy's able Director of Special Projects.

The Poseidon represents what may be an ultimate weapon, since it incorporates the devastating accuracy of the Polaris and carries up to 16 nuclear warheads. Its size is secret, but it will probably be twice the size of present operational Polaris missiles.

I insert the following article, entitled "Poseidon—'Insurance,'" which appeared in the November 13, 1967, issue of the Washington Daily News, in the RECORD:

DEADLY GAMESMANSHIP: POSEIDON—"INSURANCE"

(By Jim G. Lucas)

Rear Adm. Levering Smith sees himself as a combination insurance man and chess player.

At 57, Adm. Smith is the Navy's third director of its Special Projects. This gives him command and responsibility for all phases of the Fleet Ballistics Weapons System, including the Polaris missile, fired from nuclear-powered submarines, and the missile which eventually will replace it, the Poseidon.

It's the Poseidon—still 18 months to two years off—he considers his insurance.

"The terrible problem," he said in an interview, weighing his words carefully, "is we didn't know—we still don't know—how far the Russians intend to go with their anti-ballistic missiles system. Not knowing, we've got to take out insurance. We are pushing ahead with advanced programs to increase our penetration factor—in other words, get past any defense our or their best brains can conceive. It's like playing chess."

Deputy Defense Secretary Paul Nitze told the Senate Military Applications Subcommittee recently, that Russian ICBMs still could knock out only 10 per cent of this country's retaliatory capability. He said our remaining 900 Minuteman, Polaris and Poseidon (when they are ready) missiles and strategic bombers could strike back and drop more than 2000 bombs on the Soviet Union.

MULTIPLE WARHEADS

Mr. Nitze said Poseidon will be armed with multiple nuclear warheads, as many as 16 on one missile.

Adm. Smith concurs.

"When Poseidon is operational," he said, "we will want the Russians to know all there is to know about it. We will want them to understand it is every bit as good as we say it is.

"But that time isn't now. If we tell them what we intend to do before it is done, they will perfect a defense against it. And your spiral starts all over again."

Adm. Smith said Poseidon is essentially an older member of the Polaris family. And many believe Polaris alone has kept the peace in the years since World War II; that without it, man already would have destroyed himself. Among them was the late President John F. Kennedy.

"It is still incredible to me," he wrote one week before his assassination, "that a missile can be succesfully and accurately fired from beneath the sea. Once one has seen a Polaris fired (he had just witnessed a firing) the efficacy of this weapons system as a deterrent is no longer debatable."

"Polaris has preserved the peace," says Dr. Richard Kerschner of the Johns Hopkins Applied Physics Laboratory, "and insofar as it is possible in so vast a program, Levering Smith is the man who fathered Polaris."

Adm. Smith was technical director under Vice Adm. Charles "Red" Raborn, who usually is called the father of the Polaris.

Adm. Raborn's contribution was in selecting Levering Smith as his technical director and giving him his head, Dr. Kerschner believes.

TWICE AS BIG

On the record, Adm. Smith carefully limits himself to what the President and the Secretary of Defense have said publicly about his new missile. This boils down to the fact it will be twice as big, carry twice or more the nuclear payload, and be longer and bulkier than the most advanced Polaris, the A–3.

Eventually, 31 Fleet ballistic submarines will be armed with Poseidons, and 10 will carry the A–3.

Adm. Smith expects to fire a land-based Poseidon from Cape Kennedy next summer, and follow this with a firing at sea in the fall. It will be at least 18 months before he installs them on the nuclear subs.

Dr. Kerschner says Adm. Smith is the kind of man "who makes things happen."

IF WASHINGTON REALLY KNEW

Mr. ST GERMAIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. ST GERMAIN. Mr. Speaker, too often in the heat of debate we become engulfed in a blaze of statistics and politics and forget that people are our main concern, and it is to their welfare that we must address ourselves.

It appears that in our present consideration of the poverty program we have allowed politics and statistics to cloud the issue at hand: will the poor people of our land continue to be given a voice and a helping hand?

We have failed, I think, to realize just what this program means to the people to whom it is directed.

A very provoking article appeared in the Providence Evening Bulletin which serves to manifest the true meaning of the poverty program. It is aptly entitled "If Washington Really Knew," and I commend it to the attention of all my colleagues.

IF WASHINGTON REALLY KNEW

(By Harold Kirby)

"If they close up this place I don't know what I'll do." Speaking was John Fay, 78, of Prospect Hill, Lincoln, who spends many hours each day, five days a week, at the Senior Citizens Center on Commerce Street, Pawtucket.

It is one of the first centers of its kind to be established in this state by the Office of Economic Opportunity and the people who operate it as well as those who drop in daily are worried about the future. Worried because they have been told there is a shortage of money for this and the whole so-called poverty program—a term they dislike.

"If only those people in Washington really knew what this means to me and many more like me, I think they'd give us enough money to keep it up, maybe expand a bit too," says Mr. Fay. He is a bachelor and has lived alone since the death of his brother. An electrician most of his adult life, he had to retire when he was about 60 because of illness. He comes by bus to the center, mingles with his new-found friends, plays cards, reads the newspapers and magazines, keeps busy.

He isn't the only one. Between 30 and 40 men and women—contrary to the general average the men outnumber the women, first three to one, now three to two—visit the center daily. Some remain for hours, seeking companionship, amusement and instruction in arts and crafts; others use the center as a meeting point, drink a cup of coffee and move on to other places.

One indomitable staffer is Mrs. Maude Crabbs. Her maiden name was Streeter, and she comes from a long line of patriots and pioneers, some of whom were companions of Roger Williams. She attended the School of Design, the Pratt Institute in Brooklyn, N.Y. and taught art in schools in New Jersey, Fall River and Providence. She moved on to Toledo, Ohio, where she married Frank Crabbs of that city, and became identified with the Toledo Art Museum. When her husband died, she returned to her family. For the past 11 years Mrs. Crabbs has been demonstrating weaving and spinning at the Old Slater Mill Museum in Pawtucket. She now teaches an arts and crafts class at the center, spending about 10 hours a week there.

Other staff members are Mrs. Marjorie Spellman, Mrs. Rose Tracy, George McCoart and Mrs. Mary Jackson. All are well over 60 and three over 70. They keep the center going under the direction of their executive, Thomas F. Markey, doing the housekeeping, serving coffee, chatting with visitors, making appointments for Mr. Markey when he is absent, handling correspondence and attending to a variety of other duties.

"If we had a few volunteers to help, we could keep the center open Thursday nights, as we used to, and even on Saturdays," said Mr. Markey, who was formerly a civil service social worker with a strong and increasing interest in older people.

Mr. Markey is a native of Taunton, a graduate of Bryant College where he received a degree in business administration, and worked for a number of manufacturers before entering the field of social work. He lives on Maynard Street, Pawtucket, with his wife and 12-year-old daughter.

He is responsible for all activities at the center and spends a good deal of time counselling those who seek his advice, who have domestic or health or financial problems. When necessary, he refers them to other agencies, public or private, where help is available.

There are other OEO centers in the state, in Riverside and Warwick, for example. Some have "structured" programs, but in Pawtucket, everything is informal, relaxed and low key. There are no fixed rules, either concerning dress or behavior. In spite of this there have been few problems, none of them serious. A few set the standards and soon everybody else conforms.

Although the staff receives compensation for 10 hours each week, all of them work far beyond this limit, some spending twice and even three times the time required. "They are not only good workers; they are dedicated to the older people who, like themselves, need this center," Mr. Markey observed.

The center has been in existence less than a year and occupies rented quarters in Pawtucket's downtown: an office, lavatories, a kitchen and one large gathering room, where all activities are concentrated. This has one disadvantage: it leaves little privacy for such activities as the arts and crafts class. "It isn't easy to conduct such a class when things are going on all around you," said Mrs. Crabbs. She is hopeful that a room adjacent to the center can be rented sometime for activities such as this, but the prospect of getting money enough appears dim this year.

The city provides a share of the expense, usually in services or equipment. For example, a movie projector has been provided by the school department. And occasionally an individual, observing some need, will make a contribution: the television set now used is the unsolicited gift of a business man, who had two in his home and needed only one.

But by and large the center must depend on public funds, federal and local. Everybody there is aware of the precarious position OEO is in at the moment, with some prospect of a substantial cut in federal appropriations, a cut possibly deep enough to curtail services, even put an end to some centers. There will probably be nothing for expansion.

For Mr. Markey and his staff there is one encouraging development: attendance, starting small, has grown steadily. Use of the facilities and counselling at the center continues to expand, and pressure is increasing among older citizens here and elsewhere not only for what they have now but for more space, more programs, more activity. The impact of all this may yet be felt, even as far away as Washington.

DONALD A. WILLIAMS RECEIVES DESERVED RECOGNITION

Mr. WHITTEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WHITTEN. Mr. Speaker, I rise to salute Donald A. Williams, Administrator of the Soil Conservation Service, for the high honor to him, just announced: the Rockefeller Public Service Award for Administration.

This annual award, administered by Princeton University, is not given lightly.

May I say, and I base this on more than 14 years' close association with him, that no recipient was ever more worthy of this award than Don Williams.

I beg your indulgence for a bit of personal history.

Fifteen years ago, in 1952, I went to the Democratic National Convention carrying with me a plank for the party platform pledging a small watershed program for the Nation.

The plank was adopted, and even though something happened to us on the way to that election, the small watershed program became a reality, thanks to bipartisan understanding of the need for it and the public benefits that would accrue from it.

As a second step, it was my pleasure, along with the subcommittee chairman, to insert an item for $5 million in the 1953 Agricultural Appropriations Act to start a pilot watershed program. This was done, in some 58 selected small watersheds across the land.

The success of this experiment led to drafting legislation that became Public Law 566, the Watershed Protection and Flood Prevention Act, which became law in August of 1954.

In November of 1953, in the middle of these historic developments, a man who had risen through the ranks in a public service career that began in 1935, became Administrator of the Soil Conservation Service. This man, Don Williams, we soon learned, was the man we needed to put this program into action.

His advice and counsel on the legislation and its many broadening amendments that we have since enacted; his vision of this program as a new benchmark in a cooperative venture among the local people, the State, and the Federal Government; his technical skills developed through long years in the field as a conservation engineer working mainly in the water field; his ability to project his ideas and enthusiasm to the people at the community level; his great administrative skills in selecting the right men for the right jobs and melding them into an efficient and effective technical force; his managerial efficiency in effecting economies and making the Federal dollar stretch to its utmost—all these accomplishments and talents, I would say, are reflected in the Rockefeller Award he will shortly receive.

Under Don Williams' perceptive and skillful leadership, the small watershed program has grown in stature until it today ranks as perhaps the most significant and worthwhile addition ever made to our national resource development arsenal.

The program itself is sound, and it would have moved forward even under the direction of a lesser leader.

But, make no mistake, the results today under Don Williams and what they would have been under less skillful administration are as different, as Mark Twain said, as the difference between lightning and a lightning bug.

I have seen this work in the field and I know its meaning and its value. Don Williams has come before my committee for the past 14 years to make some of the most effective and orderly budget presentation that it has ever been my privilege to hear. Thus I do not speak from hearsay; I speak from personal knowledge of, and long close association with, Don Williams the man and Don Williams the career Administrator.

His leadership in soil and water conservation across the board—the economy and efficiency of technical services to conservation districts and the acceleration of this work; the splendid new approaches to the total job such as the Great Plains conservation program and resource and conservation development projects—all these and other advances made by a strong and vigorous agency that is contributing to a better America, attest to the overall measurement of the man.

As the problem of getting over to an urban society the fact that a protected and developed land is the basis of our present well-being and the base for the future, a man like Don Williams and the fine job he does become absolutely necessary.

SOCIAL SECURITY IS SOUND

Mr. BOLAND. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Speaker, when misleading and alarming statements are published about the social security system, they cause grave concern to the millions who are members of that system. It is imperative that false charges against the system be answered. The October issue of Reader's Digest carried such charges. They were emphatically and effectively answered by the distinguished chairman of the Ways and Means Committee, the gentleman from Arkansas, Congressman MILLS. His statement was backed up by the Under Secretary of Health, Education, and Welfare, Wilbur J. Cohen. This response appears in the CONGRESSIONAL RECORD of September 27, 1967, page 27026.

Mr. Speaker, Mr. Daniel J. Murphy, Jr., the district manager in Springfield, Mass., social security office, has also challenged the attacks on the system. In two letters to the editor of the Springfield Union, Mr. Murphy persuasively establishes the soundness of the program. I commend him for this action. He speaks as a recognized authority on social security. I know that his statements will greatly help in lifting the anxiety of those who contribute to, and benefit from, the program.

I include Mr. Murphy's letters with my remarks:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Springfield, Mass., October 4, 1967.

The EDITOR,
Springfield Union,
Springfield, Mass.

DEAR SIR: The Springfield Union on September 28 carried a story on an article in Reader's Digest written by Mr. Charles Stevenson for the October issue. The article on "How Secure is Your Social Security?" is misleading and creates anxiety and fear about the financing of the social security system that are groundless.

The article implies that Chairman Wilbur D. Mills and the ranking minority member, Representative John W. Byrnes, of the House Committee on Ways and Means are profoundly alarmed about the basic design and fiscal integrity of the social program and about the course the program is taking. The facts, however, are that as recently as five weeks ago these men jointly supported legislation in the House of Representatives, the Social Security Amendments of 1967 (H.R. 12080), which builds upon the present social security program. In addition on September 27 Representative Mills, speaking in the House stated "... I have read the article very carefully and find that it contains a number of half-truths that lead to misleading conclusions. ... The program is actuarially and financially sound." "Because of the importance of rebutting the erroneous implications" Representative Mills inserted in the Congressional Record a statement by the Under Secretary of Health, Education, and Welfare, Wilbur J. Cohen replying to the article.

Space does not permit taking up each misleading point in the article and quoted in your release; however in fairness to Springfield residents, the following should be brought to their attention:

1. The soundness of the program has been examined a number of times by groups of independent, nongovernmental representatives of business, insurance, labor, and the public. These advisory councils, made up of outstanding experts in the field have examined thoroughly all of the issues connected with the "security" of social security. They have consistently concluded that the program is soundly financed and that its income—out into the long range future—will be sufficient to meet its obligations.

The councils have taken note of such charges as those made in the article to the effect that social security taxes are used for purposes other than social security, that the trust funds contain only IOU's and that the system is "in the red" by hundreds of billions of dollars. The councils have found these charges to be without foundation.

2. The article says that the program puts a "squeeze on the young." This is not so. The fact is that even without taking into account that benefits have been and will continue to be increased from time to time as changes occur in the wage levels and cost of living, young workers as a group will get social security protection worth 20 to 25 percent more than they will pay in social security contributions.

Young workers could not buy comparable insurance protection from private insurance companies at anywhere near the amount they pay for their social security protection.

In deciding whether younger people get their money's worth it must be kept in mind that the program provides not only retirement protection but also survivors and disability protection. The importance of this protection can be illustrated by an example: the value of the social security survivors protection provided under the House-passed bill in the case of the worker whose earnings are about the median earnings of regularly employed men ($550 per month) who dies at age 35 leaving a wife aged 32 and two small children is about $56,000. Were this worker to become disabled at age 35, the value of the disability insurance protection to him and his family would be about $59,000.

In Mr. Cohen's words, "Mr. Stevenson has not clarified any fundamental issues. He has not pointed out the great unmet social needs. What he has done has been a great disservice to the millions of social security beneficiaries and the millions who are counting on social security benefits in the future. He has obfuscated and confused the major policy issues in social security. A critical and constructive review of social security would be welcome. A glib and superficial attack on a program so important to millions of Americans is not a contribution to the American people."

Sincerely yours,
DANIEL J. MURPHY,
District Manager, Social Security Administration.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE,
Springfield, Mass., October 12, 1967.

The EDITOR,
Springfield Daily News,
Springfield, Mass.

DEAR SIR: An article by Don G. Campbell that appeared in your paper on October 4 is typical of the misinformation being circulated about the social security program.

Mr. Campbell states that the social security trust funds have a deficit of $400 billion because they do not constitute a full reserve required of private insurance companies. The fact is that it would not only be unnecessary but also unwise to build up such a huge reserve. The Advisory Council on Social Security, an independent group of non-governmental experts stated in its most recent report, "... A compulsory social insurance program is correctly considered soundly financed if, on the basis of actuarial estimates, current assets plus future income are expected to be sufficient to cover all the obligations of the program; the present system meets this test ..."

As in his comments about the program being "in the red," Mr. Campbell's comments about social security being a "bad buy" for the young worker, and his idea that the system should be on a voluntary basis are equally shallow and fallacious. I am sure that his statement, "political maneuvering results in unwarranted increases in benefits," would find little support among the 52,000 social security beneficiaries living in the Springfield area.

I regret that such a brief reply must answer a misleading article that was spread across one-third of one of your pages. What concerns me more, however, is the needless alarm and frightening anxiety that such irresponsible sensationalism causes so many of our fellow residents.

Sincerely yours,
DANIEL J. MURPHY, Jr.,
District Manager, Social Security Administration.

CIVILIAN NUCLEAR POWER PROGRAM

Mr. PERKINS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky.

There was no objection.

Mr. PERKINS. Mr. Speaker, I insert in the body of the RECORD a response of the president of the United Mine Workers of America, W. A. Boyle, to Senator JOHN O. PASTORE's comments recorded in the CONGRESSIONAL RECORD of October 16, 1967, on page 28884:

OCTOBER 18, 1967.

Hon. JOHN O. PASTORE,
Chairman, Congressional Joint Committee on Atomic Energy, Washington, D.C.

DEAR SENATOR PASTORE: It has been noted with interest that you took the occasion on October 16 to engage in a personal attack on me in the United States Senate because of the position of the United Mine Workers of America and the undersigned on questions relating to the grave dangers of the civilian nuclear power program.

For your information, I am enclosing a copy of the September 15 issue of our official publication, *The United Mine Workers Journal*, which contains the complete text of my remarks on Labor Day concerning this subject. There are also other pertinent matters in this issue of the Journal that I should like to call to your attention. Also enclosed are subsequent issues of the Journal with further material on the serious hazards of such atomic energy plants.

These documents are being sent to you because it is obvious that neither you nor your speech writers have read my speech. I assume the speech writers are employees of the Joint Committee and/or the Atomic Energy Commission working on government time at taxpayers' expense to enable you to "defend" what you fallaciously call the "private nuclear power" industry.

I resent your attacks on me and my integrity for personal reasons. I resent, as a taxpayer, you wasting the time of the United States Senate and the space of the Congressional Record to launch a personal diatribe against a private citizen.

My concern in this matter is simple. I am concerned for human life. As an official of the United Mine Workers of America for most of my adult life, my first concern always has been for the welfare of human beings.

I cannot, among other things, permit you to go unchallenged with your implication that I am in any way attacking the military nuclear program. I am on record on this matter in all of my public statements on atomic energy. And I quote from my Labor Day speech as a recent example.

"It has been said that we have more nuclear weapons right now than we will ever need. If we need atomic bombs, so be it.

"And I say this because I do not intend to argue with the military about defense policy. I pray to God that they will never be used. But I am not talking about national defense. I am talking about the unnecessary building of dangerous, poisonous radioactive civilian atomic power plants. I am talking about an industry that is being built on the tortured bodies of the men who for more than 20 years have dug this poisonous uranium from the ground.

"I am talking about pollutants that come from these atomic power plants and poisonous waste material that is being dumped around the country in out-of-the-way places where the 'experts' hope it won't be seen. I am talking about the Hanford Atomic plant polluting the waters of the Columbia River. I am talking about the power company executives who are so greedy for government subsidies that they would endanger the lives of millions of Americans in our big cities by building atomic power plants in or near the heart of these cities."

I charged in that speech and I repeat now that the dangerous civilian atomic power program is being subsidized—or paid for, if you wish to be more specific—with government funds. This, as you well know, can be documented despite the deceptive bookkeeping methods of the Atomic Energy Commission.

You admit in your attack on me that up to 1963 the government was subsidizing the civilian atomic industry. How the books have been manipulated since then I can not be sure, but I would be glad to have you open the books for public examination to determine the facts.

Your callous statement that no members of the public have been hurt by the civilian nuclear program attempts to ignore the fact that a citizen of your own state of Rhode Island, Robert Peabody, died a horrible death in 1964 from radiation exposure. The authoritative *New England Journal of Medicine* published the gruesome clinical details on the case and the authoritative magazine, *Scientific American,* followed up with a further article about the Peabody case. I am sure there is a case history on the matter in your files or that it may be obtained from the Atomic Energy Commission files. Under your restrictive definition I suppose the late Mr. Peabody is not to be regarded as a part of the general public. To me, however, he was a human being.

And we have reason to believe that approximately 6,000 uranium miners in the Western States are presently ill with forms of radiation poisoning and will probably die. However, these mine workers, under your definition, are not members of the general public. To me they are human beings. I am concerned for them. As a United States Senator and elected representative of the people of your state you should also be concerned for them and other potential victims.

You charge that the United Mine Workers of America is in a campaign to "undercut the nuclear power industry." We are, to be more precise, actually engaged in a campaign to wipe out the construction of dangerous civilian nuclear power plants across the length and breadth of America. We are in a campaign to put the government-financed and government-sponsored civilian nuclear power industry out of business, to turn it over to private enterprise and see if it can stand on its own feet.

We are sick and tired of the double talk of the Atomic Energy Commission on this matter. We are sick and tired of the falsehoods concerning the real and potential dangers of this program to all Americans.

We are engaged, most importantly, in a campaign to warn the American people of the terrifying dangers of this civilian program. We are, as you charge, engaged in a campaign to "inflame and alarm the public." We admit this. It is time that someone opposed you and your committee, the Atomic Energy Commission and the giant corporations that constitute the civilian atomic establishment. It is time that someone "inflamed and alarmed" the public. We can not expect you or your powerful Joint Committee to tell us the truth or the facts.

Incidentally, I am delighted to read that you state publicly that you do not know "whether actual operating experience with these reactors will verify the economic estimates on which their purchase was based." I seem to recall constant statements by the atomic power spokesmen, bolstered by detailed AEC public relations advisory documents, to the effect that these reactors are economically feasible. If such reactors are neither economically feasible nor safe the whole problem should be sent back to the laboratory where it can not endanger the general public about whom you show at least some concern. If such reactors are economically feasible they are still, in my considered opinion, dangerous and this nation should not be proceeding with the building of such plants at this time.

The public does not know, as I am sure you do, of the leaking nuclear tanks at Hanford, of the air pollution from atomic wastes, of the water and ground pollution from radioactive materials. They do not know—but they shall if I have my say—that they can not buy insurance to protect themselves against atomic accidents.

I am therefore glad to see you admit that there are "uninsurable potential liabilities arising from the use of the atom to generate electricity." I am glad to see you admit that damages "could conceivably arise from a nuclear disaster." That is what I have been saying. But unlike you I am not willing to sit back and wait until such a nuclear disaster occurs.

My concern is for human beings. My concern is for the truth. My concern is for facts. I intend to do everything at my command to "inflame and alarm" the American people over this terrible menace.

Sincerely yours,

W. A. BOYLE,
President, United Mine Workers of America.

NEW YORK TIMES TELLS HOW SERIES OF 1-MINUTE SPEECHES IN THE HOUSE WILL SAVE NATION $10 TO $25 MILLION A YEAR

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include two newspaper articles.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, it is of interest to every Member of the House, and certainly it is reflective of the national influence and usefulness of speeches made in this Chamber, especially those that are voiced during the 1-minute period, that the vocal revelations of the gentleman from New York [Mr. PIKE], made in repeated 1-minute speeches, will result in an annual saving of from $10 to $25 million in future defense purchases.

I am extending my remarks to include two articles from the respected New York Times of October 30, 1967, the first a dispatch from Washington by William Beecher, stating that a top official in the Defense Department estimated at between $10 and $25 million the future annual savings resulting from one colleague's exposure, the second a political profile of Congressman PIKE.

The first article follows:

ARTICLE BY WILLIAM BEECHER

WASHINGTON, October 29.—Insistent assertions that the Government had been overcharged more than $34,000 on small purchases have led to a tightening of the Defense Department's procurement program.

A top official says that the move may eventually save $10-million to $25-million a year.

In a series of Congressional statements and press releases last summer, Representative Otis G. Pike, Democrat of Suffolk County, insisted that the military had paid tens of thousands of dollars for spare parts worth a small fraction of that amount.

CHANGES ORDERED

Thomas D. Morris, Assistant Secretary of Defense for Installations and Logistics, conceded in an interview that an extensive investigation had substantiated Mr. Pike's charges and uncovered several other instances of overcharging.

As a result, he said, the Pentagon has ordered a series of changes in its procedures aimed at eliminating similar overpayments and turning up millions of dollars in savings.

"But the savings, though meaningful, are less important than insuring the integrity of the procurement system," Mr. Morris said.

"We can't knowingly tolerate abuses of the kind Congressman Pike has pointed out."

HEARINGS MAY BE HELD

The whole matter may be taken up soon in hearings before the House Armed Services Subcommittee for Special Investigations, headed by Representative Porter Hardy Jr., Democrat of Virginia.

Mr. Morris said that the problem was centered on the so-called "small purchases" category of military procurement, accounting for eight million individual purchases averaging about $230 an order.

"Even if we were 99 per cent perfect in handling these small purchases," he said, "we would still make 80,000 mistakes a year. Mr. Pike, with the assistance of the Government

Accounting Office, uncovered 18 mistakes. But we cannot allow these flagrant overcharges to take place."

Twelve of the 18 cases cited by Mr. Pike—amounting to $34,059 of the $34,329 total—involved purchases from Designatories, Inc., of Mineola, L.I., which is in Nassau County, or its Sterling Instruments Division, Mr. Morris said. Government auditors have gone over 50,000 of the company's invoices and come up with other allegedly excessive charges, he said.

Mr. Morris said that this material has been turned over to the Department of Justice for possible legal action. In the meantime, the company has been blacklisted from doing business with the Defense Department until the matter is cleared up, he said.

Among the examples cited by Mr. Pike were the sale by the company of nine spur gears for $194.30 apiece on which the catalogue price was $3.43 apiece, and 30 high-voltage couplings at $67.50 apiece, on which the catalogue price was $2.75.

In an effort to tighten procedures, Mr. Morris said that the Pentagon would insist that senior procurement officials devote more time reviewing the 20 to 30 daily decisions of each young buyer involved in small-purchase orders.

These less experienced men will be given additional training and be required to show what evidence they used to determine the reasonableness of each purchase price.

When a new item of equipment is brought into the inventory, Mr. Morris said, a major effort will be made to get a list from the manufacturer or subcontractors who made each component so that spare parts in the future can be bought at the lowest cost, without going through a middleman.

Specifically because of Mr. Pike's disclosures, Mr. Morris said that the Government in search of "irrational pricing patterns," would step up its scrutiny of companies specializing in providing spare parts to the military.

But while granting that by oversight the Defense Department had not plugged all the loopholes in its procurement program, Mr. Morris estimated that it would take more than 10,000 new employes, costing $60-million to $70-million a year, to eliminate all errors.

That would be a lot more than could possibly be saved by eliminating mistakes in buying, he said.

He also observed that small purchases had been overlooked in the last several years because of the relatively small dollar amount involved, representing about 4 per cent of the total defense procurement.

What may be easily overlooked, he said, are the billions of dollars defense officials believe they have saved since 1961 by such actions as markedly increasing the number of large contracts awarded competitively, rather than through negotiation, and in making purchases on a cheaper multiyear basis rather than on a year-by-year basis.

INDEFATIGABLE POLITICIAN

The second article, with the headline "Indefatigable Politican," follows:

[From the New York (N.Y.) Times, Oct. 30, 1967]

Indefatigable Politician: Otis Grey Pike

Representative Otis Grey Pike got interested in politics and the Democratic party when he was 14 years old and they have been his consuming passion almost without interruption ever since. The tall gray-haired Suffolk County Congressman, whose disclosures of excessive payments by the military establishment have been confirmed by the Pentagon, recalled in a recent interview his first glimmers of political awakening.

"It began when I was 14," he said. "It was on a Sunday during the Depression. My sister, Betty, who is 10 years older than I am, came home from her job with the Suffolk County Welfare Department and told us about a family she had just visited.

"They had a big farm—around 150 acres, as I remember—and she said that all they had for Sunday dinner was boiled potatoes.

"I was surprised that in a great country like America, such a thing could happen. All my family had always been Republicans, but that kind of thing, and what Franklin Roosevelt tried to do about it, turned me into a Democrat."

It did not, however, turn him into a particularly orthodox Democrat. As one party official on Long Island has commented, Mr. Pike "runs for office as a Democrat, is elected by Republicans, has liberal leanings and a conservative approach."

The formula has worked admirably for Mr. Pike, who is now serving his fourth term as the Congressman from Suffolk County, an area once considered solidly Republican.

Mr. Pike was born in Riverhead, L.I., on Aug. 31, 1921, the son of Otis Grey Pike and the former Belle Lupton. Both his parents died when he was a boy but left enough to provide him with a reasonably comfortable childhood and a good education.

He was graduated from Princeton in 1943 and, after four years as a Marine combat pilot in World War II, from the Columbia University Law School in 1948.

Mr. Pike's first bid for elective office was faltering.

In 1949, the year he was admitted to the bar and set up his law practice in Riverhead, he ran for justice of the peace and was defeated. Six years later, he ran again. This years later, he ran again. This time he won and his political career was started.

In 1958, Mr. Pike took on Representative Stuyvesant Wainwright, the Republican incumbent, in the race for the House seat from Suffolk. The open-faced Democrat with the bow tie lost the contest, but he wasted no time beginning his campaign for the same seat in the 1960 election. Then to the surprise of most political observers, he beat Mr. Wainwright by 2,700 votes.

In his subsequent campaigns, which he has won handlily, Mr. Pike has displayed not only an indefatigability that tends to overwhelm his opponents but also a wit that sometimes perplexes them.

For example, during campaigns, he sends Long Island newspapers a "Blast Pike Kit," which informs them of his weaknesses and vulnerabilities so that reporters will not have to invest the time and effort to study his record.

Like most members of the House, Mr. Pike campaigns constantly.

He normally spends the work week in Washington, where he has a remarkably low absèntee rate in Congress, and his weekends on Long Island attending a steady round of dinners, meetings, cocktail parties, dances and civic gatherings.

They have three children—Lois Adele, a 19-year-old sophomore at Radcliffe; Douglas Arthur, 18, a freshman at Princeton, and Robert Dudley, 14, a freshman at Riverhead High School.

Mr. Pike recently betrayed the deep faith he places in the craft of politics when a reporter asked to spend some time with the Congressman watching him work and campaign.

Mr. Pike was immediately receptive to the proposal.

"The more people know about politics," he said, "the better off we'll all be."

Then his blue eyes brightened and a smile crossed his handsome face as he added, "I'm clean."

THE PRESTIGE OF CONGRESS

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include an address.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. HECHLER of West Virginia. Mr. Speaker, a great deal has been written and said about the prestige of the Senate and the House of Representatives, as well as about individual Members of Congress. I am proud to number among my West Virginia constituents J. Allen Overton, Jr., executive vice president of the American Mining Congress, who delivered today a most remarkable address which reveals a rare understanding of the Congress of the United States.

Mr. Overton addressed the safety awards luncheon of the Portland Cement Association annual meeting in Chicago, Ill. this noon. His address carries the title "How Safe is America?" As a West Virginian, trained in the law, and associated with the legislative processes of State and Federal Government for more than 25 years, he speaks from long and practical experience. He concludes:

> The Congress of the United States is the last, best hope of free men and free government.

Mr. Speaker, Mr. Overton is one of the most distinguished citizens in my congressional district. He was born in the fine and thriving city of Parkersburg, W. Va., the second largest city in the Fourth Congressional District. He served in the West Virginia House of Delegates from 1948 to 1950, being elected as a Republican. He has always proven to be a vigorous and fair exponent of the Republican faith, and an active participant in political and civic affairs. During the period 1949 through 1954, Mr. Overton was a member of the law firm of Handlan, Overton & Early in Parkersburg, W. Va.

During the years from 1955 to 1959, Mr. Overton served in the Department of Commerce, first as special assistant to the general counsel and later as deputy general counsel. President Eisenhower nominated him in 1959 to be a member of the U.S. Tariff Commission, where he served with great distinction until June of 1962. On several occasions when I testified before the Tariff Commission, I was deeply impressed with Commissioner Overton's grasp of the complexities of the schedules and policies over which he had jurisdiction. In January 1963, Mr. Overton was named to his present position as executive secretary of the American Mining Congress.

Mr. Speaker, because of the great interest I know that all Members will have in Mr. Overton's address, particularly the last portion thereof, under unanimous consent I am including the complete text of that address with my remarks:

How Safe Is America?

(An address by J. Allen Overton, Jr., executive vice president, American Mining Congress, at the safety awards luncheon of the Portland Cement Association annual meeting, Chicago, Ill., November 14, 1967)

The American Mining Congress is honored by your invitation to share in that portion of the program for this Portland Cement

Association convention which involves your Safety Awards and Honors for several very significant reasons.

First, I am especially honored with the privilege of speaking here today before the chief officers of the companies who operate in every one of the 50 States of our Nation and who service every city, town and hamlet in the Nation. Seldom is a person accorded the privilege of visiting with such a distinguished and important element of our Nation's business leadership.

Secondly, I am honored by your invitation to address this Safety Awards Luncheon because the American Mining Congress has for a great many years placed an emphasis on safety which is second to no other undertaking in the mining industry, and by which effort the American Mining Congress became one of the pioneers in the safety efforts of industrial activities.

My third reason for being honored by having the opportunity to speak to you today—and the last one I will specifically state, although there are many others—is because of the long, friendly and close working association which the American Mining Congress has had with the cement industry through a very active and comprehensive membership of your companies. This association has given us a rare insight into your industry's problems and accomplishments. We are abundantly concerned with your problems and we share your pleasure in surveying your many accomplishments.

So we speak the same language, you and I. And we have many, many concerns in common.

You have heard much at these sessions about planning for safety, about accident prevention and the techniques which can bring your goals closer to the reach of every employee and every employer. Surrounded, as I am here today, by some of this Nation's most accomplished experts in these areas, I will not presume on your time by any discussion of the technical aspects in these fields which you know so well.

Your deliberations have involved you, too, in matters related to pollution abatement, an area of prime concern not alone to cement, but also to every other segment of mining, to all enlightened industry—and indeed to every man, woman and child in America. Again, I would not presume to engage in any technical discussion of this subject—except to point out the appropriateness of your consideration in a single session of these two subjects which are in the van of our industry's interest and also occupy a major portion of government considerations today.

Day by day, we in the private enterprise sector of our economy are becoming aware of increasing involvement of government in our affairs. This is true of the subject of pollution controls and of the safety features of industrial activities. No longer are safety in the working place, control of stack emissions, quality of plant water discharges, noises from industrial operations, odors from some types of processing endeavors, and a host of other factors inherent in industrial operations treated as separate items of consideration. They all are bulked together now in Washington in a single designation—"Quality of Our Environment". The development of governmental interest in these fields is not limited to our working hours alone. In a recent report to the Department of Health, Education and Welfare, a special study group advocated that Federalism take over the direction and control of all aspects of human life during every waking and sleeping moment.

Such a broad concept of the government's appropriate role in the "new civics"—called "creative Federalism"—may cause additional concern and activity during our every waking moment and perhaps may even eat into a little of our sleep!

So, as we gather here to award Safety Honors, we are active in but a small segment of the total concern of our companies' involvement in a broad field of industry-government relationships.

I have apparently digressed from what might be expected for the topic of a talk at a Safety Awards luncheon. You may by now well wonder what in the world I intend to talk about. Since I have indicated that Safety is now involved in a much broader field than prevention of a cut or bruise in our daily work-a-day world and more comprehensive than any regional application of controls or regulations, I want to devote our attention to the real field of safety in which we are involved today—I wish to discuss with you for a few moments our first safety question—"How safe is America?"

Well, I'm from West Virginia.

In that garden spot of America, we're noted neither for our reticence nor for shortness of breath.

Therefore, true to the traditions of my forebears, when I find myself facing a gracious audience and confronting a live microphone I take advantage of a kindly situation.

I referred a moment ago to the many concerns we have in common. My business, as you know, keeps me pretty much in Washington, D.C. I have been there for many years, deeply involved in the processes of government—and keenly concerned about the growing impact of the governmental processes on virtually all of the business decisions which are made every hour of every day by many millions of Americans.

It is about the legislative process in Washington, with which I have been intimately associated for some 25 years—and more particularly about the dedicated men and women who make it work—that I want to visit with you today.

We are, all of us, much involved, on a personal, a company, an industry basis in virtually every action taken—every decision made—by the Senate of the United States and the United States House of Representatives. We see ourselves affected by legislative proposals in such diverse fields as taxation, foreign policy, military affairs, tariff and trade, appropriations—and the hardy perennials which command the very special attention of our industry, such as mine safety, pollution abatement, and the other items in the long litany.

But I want you to look with me beyond the specifics of these pressing legislative concerns. I want you to assess with me a condition which could well hold within itself the seeds of a development far more important to this Nation than the safety requirements of our daily occupation, more important than the very legislation on which the Congress acts.

I am concerned—very concerned—about the decline in Congressional prestige.

I am concerned—very concerned—that each and every one of us face up to his civic duty to do something about correcting this decline.

I am persuaded beyond the shadow of a doubt that the Congress of the United States is the last best hope of free men and free government. In saying this, I demean no other branch, no other arm, no other facet of our governmental structure. As I indicated a moment ago, I served in State government. Also, it was my great privilege to serve for several years (beginning in the middle 1950s) in the Executive Branch of the Federal Government in Washington. One of my most treasured keepsakes of that service is the framed Commission of Office, indicating appointment by the President and, equally important, confirmation by the Senate. As a lawyer who began his adult working life in the private practice of law, and whose only son is now engaged in the study of law, my respect for our Judicial system is ingrained and deep.

Yet, of all the great branches of our government, the Congress of the United States, as I see it, stands closest to the people, instinctively responsive to their wishes, steadily reflecting their hopes and aspirations.

The Senate of the United States has well been called the world's greatest deliberative body; the House of Representatives aptly labeled the Forge of Democracy. The impact of the Congress, and through it the impact of the people, on the other great branches of government is both obvious and pervasive. Graduates of the House and the Senate have served with high honor and great distinction at all levels of the Judiciary since the earliest days of this Republic. The White House too has been graced by those who first served on the national scene in the Congress of the United States. Indeed, three of the last four Presidents served first in the Congress. So, too, did the last five men who have served as Vice President of the United States.

Despite all these obvious considerations, we have witnessed throughout most of our adult lifetimes—interrupted only now and then, subsiding only occasionally—a persistent, a relentless effort by the advocates of strong central government to downgrade the prestige of Congress, to tarnish its image before the public. For more years than most of us care to remember, we have seen this steady campaign, listened to the incessant drumfire of its single theme—that we ought somehow to regard Congress (the institution, and all too often the individuals who comprise it) as an assortment of buffoons, and worse.

This is a slander of low degree. It is totally unjustified. And we—every one of us—can and should start doing something about it, and now. This is our safety problem. This is the safety problem of the Republic.

From my many years of close personal association with the legislative process in Washington, I am a complete, a total believer in the skill, the dedication, the reliability of the men and women who serve in the House and the Senate. I don't always agree with what they do, and maybe that's as it should be. But they do reflect the attitudes of the folks at home, and I don't know of a single one among them who isn't ready and willing always to account to the folks at home for his actions and his votes.

But what's happening? What impression is the most prevalent impression about the Congress in the minds of the American voters? Buffoons, and worse, as I said a moment ago.

Now, why is this happening? Congress, unlike the Presidency, is not a highly personalized institution. Congress is impersonal, in great part because of its very size. This unwieldy, impersonal quality makes it easy for advocates of bigger and stronger central government to point an accusing finger at Congress, to lay the blame on Congress for a wide range of shortcomings which are properly chargeable to somebody else. The composite and grossly inaccurate result, after all these years, is that Congress is characterized before the public as dull, insensitive, an essentially selfish group serving only some narrow "special" interests and caring not a whit for the welfare of the people.

Add to that the few in Congress—and they are very, very few indeed—who have abused the power of their Congressional offices, or used their official positions for personal gain. The vocal critics of this very great institution need only one such case every decade—even the suggestion of a case will do—to reinforce the campaign of slander, abuse and ridicule. And Congress, again because it is so unwieldy and as an institution so impersonal, does not and cannot adequately defend itself.

In all this, who is the loser? Who loses when public confidence in the Congress is slowly eroded and finally undermined?

Everybody loses. Literally everybody. The Congress itself, the public generally, you and I—we all lose. The cause of good government is set back immeasurably.

And if we're going to turn this thing around—we'd better tackle it at the point where we have some likelihood of success.

You—yes, you—you'd better tackle it in the person of your own Congressman. Whether you like his politics, or whether you don't, get better acquainted with him. If you don't like the Congressman you have, maybe you can get another one next year. But you'd better get together now with the one you do have. Let him know your respect for the institution in which he serves. Let him know you don't put him or the Congress in this "buffoons, or worse" category.

The process must begin somewhere if we are ever to let Congress know there are people who understand and appreciate its role and its efforts. Your one Congressman and your two Senators add up to only three of the more than 500 Members in both Houses of Congress. Only three. but they're *your* three. This is a good place for you to start. Take these three as an assignment for yourself. Invite them to your meetings where you can. Go meet with them were you can. Maybe you can generate some local recognition—newspaper editorials, civic club activities, and the like—as your contribution to the start of a campaign to upgrade the Congress in the public's esteem, to restore it to its rightful position in terms of prestige, public understanding and appreciation of its very great significance.

You can do your part in all this without endorsing the reelection of a Congressman or Senator of whom you don't approve. Get behind your own candidate with all the steam you can generate. If you elect him, you'll obviously feel that much better. Don't apologize for opposing the reelection of an incumbent. Don't apologize for being a hard-working supporter of your own Party and your own candidate. The real genius of our system remains its basic two-Party character.

So, if you generate some public recognition for a Member or a candidate whom you do support, all the better in your view. If you feel that you're saddled with one you cannot support publicly, then let him know quietly and privately that you are not one who thinks Congress is sinking to the low estate its critics ascribe to it.

This will not be an idle gesture on your part. This is a civic obligation that squarely faces every one of us. And, if you're inclined to look for some return beyond your duty to improve the body politic—then I would only add that a prime rule of human behavior tells you that you'll achieve with that Member of Congress a better relationship, a better appreciation of your problems—if you make this effort, regardless of whether you and he agree politically, ideologically, or on a specific issue of the moment.

The time for this is now. Never before in these many years of my exposure to the workings of Congress have Members of the House and Senate seemed more sensitive to their unfortunate—and unfair—public image. Never before in these years have they seemed so much to need, and to welcome, the understanding of their constituents. And I would add that never before in these years have I felt that the Congress—collectively and individually—was as badly maligned and slandered as it is today.

We have many problems in Washington, you and I.

Industry's concerns with the processes of government add up to a big job, a many-sided job. That you know this is obvious. Your presence here, and the enthusiasm and purpose with which you participated in these very constructive sessions in Chicago give ample testimony of your awarenes of that fact.

Yes—this activity we like to call Governmental Affairs is indeed a big job, a many-sided job. And I'm convinced that we single out the most important part of the whole undertaking when we say—

It's time to Speak Up.

It's time to Stem the Slanders.

It's time to let the House and the Senate know there are some who Salute its Integrity—who would Restore its Prestige—who would Proclaim Again free government's essential dependence on the Congress of the United States—who realize this is the *first* Safety Program of our industry—and who realize that America is only as safe as its Congress is strong and respected.

THE TYRANNY OF BUREAUCRACY

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include two letters.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Speaker, the tyranny of bureaucracy has been further demonstrated by John Doar, Assistant Attorney General, Civil Rights Division, in his most recent action, which is reflected in the exchange of correspondence I direct to the attention of the Members of this body.

The situation has now developed where more is at stake than a mere legitimate request by me to the Department of Justice for information, which has been denied me. This has become secondary.

Mr. Doar now thumbs his nose at individual Members of Congress and makes the determination that he alone decides what information a Member of Congress is given and what information is denied him.

His latest interpretation of the Freedom of Information Act, which specifically says that Congress shall not be denied the availability of records, is that Members have no rights as individuals, and information will be given only to Congress itself or to a congressional committee.

Now every Member of this body is a party of interest in this dangerous attitude of Mr. Doar and the Department of Justice.

In other words, his latest communication to me says that a Member of Congress cannot have information if Mr. Doar decides the Member should not have it. I believe you will agree with me that this position and attitude is one which strikes at the very foundation of the right of a member of Congress to know and to have available to him information which he desires.

I repeat that my own individual request has been submerged. At stake now is the right of each individual Member of this body, who in the future may make a request to the Department of Justice and have that request denied.

In Mr. Doar's opinion, a Member of Congress has no more right to access of information than a policeman directing traffic in the street.

This is tyranny in its ugliest form. I submit the exchange of correspondence, which supplements my remarks of November 6, so you can see for yourself the reply of Mr. Doar in this matter and my response to him:

DEPARTMENT OF JUSTICE,
Washington, November 8, 1967.

Hon. F. EDWARD HÉBERT,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HÉBERT: This will respond to your letter dated November 3, 1967 which repeats your earlier request for the names of individuals assigned as election observers under the Voting Rights Act of 1965. Your letter questions the applicability of the Freedom of Information Act to a request for information made by a Member of Congress, and suggests that in connection with such a request only the President may decline to furnish the information.

My understanding of the doctrine of Executive privilege as asserted by the President with respect to Congress is based upon the enclosed copies of President Kennedy's letter of March 7, 1962, as amplified by Mr. Sorenson's letter of March 30, 1962, President Johnson's letter of April 2, 1965, and a letter of May 5, 1965 by then Deputy Attorney General Clark. These letters reflect that the question of Executive privilege, as to which the President is to make a personal decision, arises only in situations where a request for information is made by Congress or its committees, as distinguished from a request made by an individual Member of Congress. Accordingly, my earlier letter did not rely on any claim of Executive privilege.

Your letter questioned the applicability of the Freedom of Information Act to your request because the Act contains a specific provision that "this section is not authority to withhold information from Congress." 5 U.S.C. 552(c). The legislative history concerning this provision, however, shows that this provision makes the same distinction noted above between requests from Congress or its committees and requests by individual Members of Congress. House Report No. 1497, 89th Cong., 2nd Sess. (concerning section 3(f) of Public Law 89–487, which became 5 U.S.C. 552(c)) contains the following statement at pages 11–12:

"Subsection (f).—The purpose of this subsection is to make clear beyond doubt that all the materials of Government are to be available to the public unless specifically exempt from disclosure by the provisions of subsection (e) or limitations spelled out in earlier subsections. And subsection (f) restates the fact that a law controlling public access to Government information has absolutely no effect upon congressional access to information. Members of the Congress have all of the rights of access guaranteed to 'any person' by S. 1160, and the Congress has additional rights of access to all Government information which it deems necessary to carry out its functions." (footnote omitted).

I hope that the above explanation will clarify the basis for the position taken in my previous letter.

Sincerely,

JOHN DOAR,
Assistant Attorney General, Civil Rights Division.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., November 13, 1967.

Mr. JOHN DOAR,
Assistant Attorney General, Civil Rights Division, Department of Justice, Washington, D.C.

DEAR MR. DOAR: I am surprised at your cavalier treatment of a Member of Congress, contending that a government official elected by the voters will not be taken into the confidence of the government, itself. I cannot agree with your statement that language in the Freedom of Information Law applying to the Congress gives Members of that official body no more right of access to government information than a member of the public.

Regardless of the Congressional right of access to government information, I believe I have the right to know the facts requested. The section of the law which you cite as authority for withholding the names of individuals assigned as "volunteer" observers at the polls in Louisiana on November 4, 1967 certainly is not authority for withholding.

I do not see how the identification of "volunteer" poll observers can qualify as "investigatory files compiled for law enforcement purposes"—which are exempt from disclosure under the law. Identification of investigators is by no means an "investigatory file."

Finally, your letter of November 3, 1967 states that "*advance* disclosure of the names of agents" might disrupt the investigative function. The election has passed. There is no possibility of "advance" disclosure.

For these reasons, I repeat my request for the names of individuals who "volunteered" to serve as observers at the pools on election day, November 4, 1967, in Louisiana.

I would appreciate a prompt reply in order that I may plan whatever future action is necessary.

Sincerely yours,

F. EDW. HÉBERT.

KEY WEST'S DESALTING PLANT: MODEL FOR WORLD

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, I have been deeply interested for many years in the enormous potential for social and economic progress represented in the development of efficient facilities for the conversion of sea water into pure, fresh water.

I have been concerned, first, because the Key West area in the congressional district which I represent for years has been facing the threat of a severe water shortage. There is very little natural fresh water available in the Keys. In the past water has been brought into the area by a Navy aqueduct. But this approach obviously would fail to meet our future needs, and it would be inordinately expensive.

Second, as a member of the Foreign Affairs Committee, I have been acutely aware that effective desalting techniques could contribute greatly to our goal of improving the quality of life for millions of people in arid regions around the world—with all this means for political and social stability. So I was very pleased to have sponsored the legislation which led to the International Conference on Water for Peace which was held in our Nation's Capital this year.

Today, I would like to call the attention of the House to a development which has great significance for Key West—and, by example, to many other arid regions in this country and abroad. This development is the completion and successful operation in Key West of the world's largest and most efficient single-unit water desalting plant built to date.

A great deal of credit is due to the Florida Keys Aqueduct Commission for its leadership and initiative in sponsoring and financing this project. The plant, designed and built and operated by Westinghouse, is now providing more than 2,600,000 gallons of highest quality fresh water per day—water taken from the ocean. This supply meets the entire community's water needs. Key West thus becomes the first American city to obtain all of its water from the Atlantic Ocean.

Performance tests have recently been completed and the plant has met or bettered all performance requirements with flying colors. At the conclusion of these remarks, I would like to insert in the RECORD a letter from Mr. John M. Koenig, chairman of the Florida Keys Aqueduct Commission, and several newspaper articles which attest to the satisfaction of the community with the quality and cost of the plant's performance.

Incidentally, as principal sponsor of the legislation which created the Department of Housing and Urban Development, I am pleased that HUD provided a loan guarantee to the commission which helped to make this pioneering effort financially feasible.

But the meaning of the success of the Key West plant extends far beyond my own State. This project demonstrates the advanced technological capacity of American industry—working on its own—to design, construct, and operate desalting plants which provide water of excellent quality at economical costs. In addition to the benefits this will bring to the American economy, designs similar to the proved plant at Key West offer early opportunities for other areas of the world which have been depressed for centuries by a lack of water.

The Key West plant is a landmark which can help arid developing countries meet their own needs in the most economical way—employing techniques and design features that have met the hard test of practical experience and success.

Already, our Key West plant has become a world showplace, attracting prominent visitors from foreign countries as well as Members of Congress and others in the United States who are interested in this advanced technology.

I congratulate the people of Monroe County and Key West, who are justly proud of this great project and all it means to their progress, and the progress of other peoples around the world.

The material mentioned above follows:

FLORIDA KEYS AQUEDUCT COMMISSION,
Key West, Fla., November 13, 1967.

Representative DANTE B. FASCELL,
House of Representatives,
Washington, D.C.

DEAR REPRESENTATIVE FASCELL: In response to your recent request for information relative to the Key West desalting plant, I am pleased to offer the following on behalf of the Florida Keys Aqueduct Commission:

The Florida Keys Aqueduct Commission's 2,620,000 gallon per day ocean water desalting plant, which was designed and built by Westinghouse, is in full operation providing our entire community water needs. Performance tests have been recently completed. The results of these tests clearly indicate that our desalting plant has met or bettered all of the contract-required guarantees and warranties. Operation of the plant by Westinghouse has also given us added assurance of smooth, continuous and dependable plant performance. While we do not as yet have enough specific data accrued relative to the cost of plant product water cost, there is every indication from the recent performance tests to indicate that the cost of water will be well within the predicted 85 cents per thousand gallons.

Speaking for the Florida Keys Aqueduct Commission, we are very pleased with the fine spirit of cooperation that we have experienced with the prime contractor, Westinghouse. The Key West desalting plant design and construction is of the highest quality, consistent with long life and dependability, common to utility type production facilities.

As might be expected, because the Key West desalting plant is the largest, most advanced desalting production facility in operation to date, many visitors have come to Key West to inspect it. To date we have had visits from the Los Angeles Metropolitan Water District, the Prime Minister of Malta, the United States Ambassador to Malta, representatives from the Bahamas, from Italy and Kuwait, as well as many of our distinguished members of Congress who have a legislative interest in the desalting field; and, of course, our highest honor was recorded when the Honorable Hubert Horatio Humphrey, Vice President of the United States, dedicated our plant on July 20, 1967.

To summarize, our desalting plant is in full operation and is performing better than levels as guaranteed by Westinghouse, both in capacity and efficiency. We believe we have an exemplary desalting plant and welcome the opportunity to show it to any and all visitors that might be considering such a plant.

Sincerely,

JOHN M. KOENIG,
Chairman.

MALTA OFFICIAL VIEWS DESAL PLANT OPERATION

Malta's dapper 56-year-old Prime Minister Dr. G. Borg Olivier came to Key West yesterday shopping for a desalination plant to meet the needs of his bustling Mediterranean island.

Northeast's giant Yellowbird jet winged the prime minister over the Westinghouse-built plant on Stock Island precisely at noon before landing at nearby Key West International Airport.

It was at the exact moment the huge commercial liner flew over that the plant successfully completed a 30-day sustained performance test.

A few minutes later a motorcade carrying the prime minister, U.S. Ambassador designate to Malta Hugh Smythe, Florida Keys Aqueduct Commission members, Westinghouse officials and others arrived at the location of the world's largest single unit desal plant.

Olivier stepped briskly out of a Lincoln auto, wearing a sporty blue suit and sharp-toed black slippers.

Roy Gaunt, head of Westinghouse's Water Province Department, escorted the prime minister into the plant's control room where he explained the instruments then measuring a product water output of 2.7 million gallons per day.

The plant had ended its 30-day test just moments before and now was beginning a four-day test to measure the consumption rate of consumables—like fuel, electricity and sulphuric acid.

Olivier signed the guest book which Gaunt pointed out had been first signed by Vice

President Hubert Humphrey when he was here in July to dedicate the plant.

The party moved outside where Gaunt continued to review the plant's operation with Olivier, Ambassador Smythe and the prime minister's private secretary, G. W. Borg.

There was no doubt Olivier was impressed with the plant.

Westinghouse has submitted bids to build two one-million-gallon per day desal units on Malta which now only has a one million gpd unit.

The prime minister said the island's 320,000 population is growing and eventually Malta will need a seven million gallon per day output.

When the party moved to the rear of the plant, the prime minister called his 18-year-old son Peter over to look at a school of needle gar swimming in Safe Harbor Channel. The teenager is enrolled in Iona Prep School at New Rochelle, N.Y.

The party spent about one hour at the plant and then left for the Holiday Inn where Westinghouse hosted a luncheon.

Olivier, accompanied by his Secretary to the Ministry of Commonwealth and Foreign Affairs, F. E. Amato-Gauci, arrived in the United States as official guests of the President October 1. He had private talks with the President on Wednesday and Friday he spoke before the United Nations General Assembly.

The Maltese delegation will return home Tuesday.

Those in the party from Washington included Ambassador Smythe's wife, Senator Claude Pepper's aide, Art Roberts, and State Department representative Joe Newman.

Locals in the group: Florida FKAC chairman John Koenig, commission members Walter Trandel, Claude Thompson, Hunter Lyon, and Blackie Valdez, The Citizen's editor-publisher, Norman Artman, Sheriff Reace Thompson, Captain Franklin Hernandez and escort deputies Peter Gomez and Buddy Mora.

[From the St. Louis Post-Dispatch, Aug. 20, 1967]

KEY WEST, FLA., GETTING FRESH WATER FROM OCEAN

(By Harry Wilensky)

KEY WEST, FLA., August 19.—Life suddenly has become much more pleasant for the 47,000 people of this city. The water shortage that was a problem year in and year out has been solved—permanently—thanks to a desalination plant that makes Key West the first American city to get its fresh water from the sea.

Now people here can take a bath instead of a shower, plant flowers, turn on lawn sprinklers without worrying about rainfall, cisterns and pipelines. They no longer need pumps to get water up to the second floor, and when they turn on a faucet they do not have to keep their fingers crossed and hope there will be enough pressure.

For an island city with the Atlantic ocean on one side and the Gulf of Mexico on the other, Key West has been an extremely dry place. It was surrounded by billions of gallons of water, but it was salt water altogether unsuitable for washing cars, watering grass and flowers or taking a drink.

Key West once got its water from wells dug in the 1820s by Commodore David Porter, who came in to rid the island of pirates. But the wells could not supply all needs, and in time they became polluted. Then the people had to depend on rainwater, which was sluiced into a series of municipal and private cisterns.

In the early 1900s water was brought to this southernmost city by tank barges and by tank cars operating over the extension of the Florida East Coast Railway. The Florida Keys Aqueduct Commission, with five members appointed by the Governor, was established in the 1930s to wrestle with the problem of supplying water to those living on the coral reefs off the southern coast.

In 1942 the United States Navy, which has a base at Key West, built an 18-inch pipeline to bring water down from Florida City, on the mainland 130 miles to the north. The pipeline, which followed the overseas highway connecting the chain of islands, brought 6,000,000 gallons a day, but is wasn't enough to meet the needs of both the Navy and a growing civilian population.

The Navy has been using about 2,000,000 gallons a day and selling the remainder to the Aqueduct Commission, which stores it in tanks for distribution through the keys. The tanks have a storage capacity of 17,500,000 gallons, but Florida's prolonged drought reduced the amount in reserve to about 2,000,000 gallons. The Navy had to ration water at its base last spring, and the people of Key West adopted conservation measures.

In 1965 the commission, seeking a new source of water, decided to turn to desalination. Converting sea water into fresh water is an expensive process, but through 15 years of research the Federal Office of Saline Water has developed progressively cheaper and more efficient methods, reducing the cost of producing 1000 gallons of fresh water from $5 to less than $1.

Obtaining a federal loan of $4,440,000, the commission employed *Westinghouse Electric Corp.* to design, equip and construct a desalting plant with capacity to produce 2,620,000 gallons of fresh water a day. Under a $3,369,400 contract *Westinghouse* not only designed and built the plant but is operating it for a year to "get all the bugs out."

Stock Island, a neighboring islet 3 feet above sea level, was selected as the plant site, and by fill the land was extended and the elevation was raised to 7 feet, which is considered sufficient protection, the waters of the Atlantic ocean having never risen higher at this point.

There are several methods of desalting sea water. The one used in the Key West plant is multistage flash evaporation, a process in which ocean water is heated by steam from a boiler and is forced through a series of chambers of lower pressure and temperature. The differences in temperature and pressure cause part of the heated salt water to vaporize into steam, which in turn condenses into fresh water.

From three wells dug into the coral rock of Stock Island the plant draws water from the Atlantic at about 5500 gallons a minute. The water is heated to about 250 degrees and is pumped through a series of 48 chambers, each of which evaporates and condenses an additional portion of water.

The plant, which went into operation July 20, produces one gallon of fresh water for every three gallons of ocean water. The desalted water is stored in three 5,000,000-gallon tanks until it is needed by consumers in the lower Keys. Fuel oil to fire the plant boilers is shipped by barge from Fort Lauderdale.

Desalination costs about 85 cents for 1000 gallons of fresh water. The Aqueduct Commission has been paying the Navy 75 cents per 1000 gallons, but considers it well worth an additional 10 cents to insure availability of supply. Water service from the Navy pipeline was erratic and subject to disruption, particularly by storms. When Hurricane Donna struck in 1960, the pipeline was ruptured in half a dozen places.

Householders had been paying $1.52 per 1000 gallons for water from the pipeline, and the price for water from the desalting plant remains the same (as compared with 37 cents charged customers of St. Louis County Water Co. and a little less than 22 cents charged by the City of St. Louis).

Water from the desalting plant apparently tastes no different from pipeline water, but is much softer. "I use only half as much soap for my washing now," one housewife reported.

The water has fewer impurities. The U.S. Public Health Service recommends that drinking water contain no more than 500 impurity particles per million parts of water. The count with water from the pipeline ran up to 120. Impurities in water from the desalting plant average 10 parts per million, a very low level.

One of the best things about the new water supply is the increased pressure.

"There were times when I tried to take a shower and got only a trickle of water from the pipe," one man said. "It's sure different now. If I turn it all the way up, the shower will knock me against the wall."

The commission still buys some water from the Navy to supplement its supply. Now that people no longer have to skimp, water consumption has increased from 2,000,000 gallons a day to more than 2,300,000. Key West and the lower Keys are growing fast, and a study indicates that capacity of the present water supply will be taxed in a few years so that a new shortage may develop in the 1970s.

In view of this, the commission already is considering the advisability of building a second desalting plant.

Although it is described as the largest single-unit desalination plant in the world, the facility on Stock Island is not a huge plant. It is quite compact with almost 400 miles of pipe coiled into a small area, and is so designed that its control center could operate two plants. All the important flows, pressures and temperatures are automatically controlled for continuous operation with a minimum of manpower. Only two men are needed at any one time to operate the plant, and the entire staff numbers only 13. There are standby facilities for quick replacement of key equipment in an emergency.

Water shortages in various parts of the world are becoming more acute, leading to a rapid increase in number of desalination plants. Salt water is being converted into fresh water in Israel, Kuwait, Cyprus, Malta, Sicily, Tunisia, Mexico, Hong Kong, the Canary Islands and many of the islands in the Caribbean. Twenty-nine new plants are planned, most of them of the flash distillation type; three are dual-purpose plants that will make use of nuclear energy, and five are solar distillation plants.

Water shortages are not confined to underdeveloped countries. Parts of the United States are feeling the pinch. The average American family uses fresh water at the rate of 150 gallons a day. It takes 110,000 gallons of water to make a ton of steel; 184,000 gallons to produce a ton of paper; 660,000 gallons for a ton of synthetic rubber. A jet airliner needs 1000 gallons to take off.

The United States has a daily supply of natural fresh water estimated at 515 billion gallons. American industries, farms and homes use up 350 billion gallons. With consumption increasing by 25,000 gallons per day, by 1985 our daily demands for fresh water may be 600 billion gallons—50 billion more than is now available.

The Office of Saline Water is developing improvements in the technology of removing salt from seawater and brackish inland water, so that desalination is becoming increasingly attractive to dry places throughout the world.

Where desalination can be combined with generation of electric power, cost of producing fresh water can be greatly reduced. St. Thomas, in the Virgin Islands, was paying more than $2.25 per 1000 gallons for its water, most of which was brought in by barges from Puerto Rico. Now a plant that produces 7500 kilowatts of electricity and 1,000,000 gallons of fresh water daily has reduced the island's cost of fresh water to about $1.10 per 1000 gallons.

A desalination plant planned for Los Angeles will have a daily capacity of 150,000,-

000 gallons of water and 1800 megawatts of power. With federal aid, capital cost of the dual-purpose project will be $444,000,000, and the cost of desalinated water will be 21.9 cents per 1000 gallons.

Engineers predict that big nuclear desalters will be developed in the next 25 years to produce power at cost of 1 mill per kilowatt and fresh water for as little as 8 cents per 1000 gallons.

[From the Los Angeles Times, July 9, 1967]

Key West Thirst Eased by New Desalting Plant—Old Problem Solved by World's Biggest Unit, Forerunner of Southland Installation

Key West, Fla.—In the third month of a searing drought, old Key West faced a crisis. Water reserves were dangerously low and 56,000 residents were on severe rations. The city was tense, because a fire could mean catastrophe.

Then from the sea that surrounds it millions of gallons of purest water gushed into the city's mains. And suddenly long years of shortages brought by drought and hurricane were gone forever.

Thirsty Key West had turned to the sea, mightiest of reservoirs, to solve a problem that has plagued peoples of many lands through all of recorded history.

STAGGERING DEMANDS

The biggest single-unit seawater desalting plant in the world had just gone into operation. It sucks up 5 to 6 million gallons of briny fluid a day and sends it coursing in a boiling flood through a maze of superheated pipes and chambers. Then out one end pours 2.62 million gallons of water so pure it must be cascaded over a bed of lime to give it body and taste. From the other end, mineral-laden residue flows back to the sea.

The plant is the biggest so far put into use as the world looks to the seas to meet staggering demands of the future for fresh water.

But it is only a small sample of what is to come. Last May 19, President Johnson signed a bill authorizing a $444 million nuclear-powered plant off the Southern California coast. It will produce 150 million gallons of fresh water a day, while generating 1.8 million kilowatts of power.

This huge installation, the President said, "will not suddenly make the deserts bloom. But more than anything we have yet done, it points to the day when lands now dry and empty will sustain life and feed the people of the world."

Water covers seven-tenths of the earth, but civilizations have fallen for lack of it. Wars have been fought over it. And today millions of people cannot get enough that is fit to drink.

Lack of rainfall cannot be blamed entirely for this paradox. In many regions richly endowed with water, man has so recklessly polluted his precious rivers and lakes that their foul contents are useless to him.

Key West, sitting astride a coral island at the end of the chain of Florida Keys, has no fresh water streams. From the time it was a haven for pirates of the Spanish Main until 1941 it relied on rainwater caught in cisterns.

Then the U.S. Navy built a 130-mile pipeline to carry 6 million gallons of water a day from the mainland to its Key West base. It needed only half of the flow. The rest was sold to the domestic population and for years this satisfied all requirements.

Occasionally, a hurricane slashing through the Keys broke the line, cutting off the water for days at a time, and Key Westers went on rations. Then, as the population grew and the Navy base was enlarged after the Cuban crisis of 1962, there wasn't enough water to go around.

WORST DROUGHT

In the search for relief, the Florida Keys Aqueduct Commission found that a second pipeline would cost $40 million, a conversion plant only $3.37 million. It became the first community in the United States to fill its needs by desalting seawater.

The plant poured out its first fresh water April 21, at the height of the worst drought in a quarter of a century. Three hundred years before the birth of Christ, the Greeks were trying to find a way to make sea water usable. But not until 1952, when the Office of Saline Water was established in the U.S. Department of Interior was the problem attacked on a broad front.

Westinghouse Electric Corp. had begun purifying brakish water for electric power plants in the early 1930s and its evaporators were in common use by utilities and industrial plants.

In 1948, Westinghouse began research that was to lead to construction of what was claimed to be the first large-scale plant for distilling ocean water. It was in the oil-rich but water-poor sheikdom of Kuwait on the Persian Gulf.

Today the company has plants in operation around the world producing more than 28 million gallons a day for communities and industries. And it is being challenged in this exciting field by several other U.S. firms.

EXPECTED TO RISE

World production now is 50 million gallons a day and it is expected to rise to more than 2 billion gallons a day—or 9 trillion gallons a year—by 1975.

Water use has expanded so tremendously that even the United States views its future supplies with anxiety. In 1900, Americans used 40 billion gallons a day. Today, the figure is 350 billion gallons.

By 1980, the Interior Department says, the need will be 600 billion gallons, 85 billion more than is currently available. Because of these immense demands, several areas of the nation are faced with a choice of finding new supplies or restricting population growth and economic development.

The OSW shares its technology with other nations and interest has been so great that when an international conference on water met this year in Washington, 98 countries sent representatives.

Numerous desalting plants are in operation in Africa, some in Asia, the Caribbean and Latin America and a few in Europe.

There can be far greater application of the new purifying techniques than just desalting seawater. They can be used on contaminated river water, swamp water, or water poisoned by mine acids.

If, as forecast, daily fresh water production reaches 9 trillion gallons in 1975, that much water would yield $250 million in salt, $230 million in potash, $43 million in magnesia, $29 million in bromine, $29 million in boron, and $10 million in other minerals, including $510,000 in gold.

HOUR OF MEETING TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock a.m., tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. HALLECK. Mr. Speaker, reserving the right to object—and I am not going to object to coming in at 11 o'clock a.m.—but I have been in session until Christmas Eve in this House, and I hope we do not have to do that again.

The only suggestion I would make, Mr. Speaker—and I appreciate the fact that the 1-minute rule is a very valuable and useful thing for the Members, but when we have important legislation pending like the bill before the House at this time, and many other bills that ought to be considered this week, I really believe that the Members should refrain from requests for 1-minute speeches. Of course, anyone can object tomorrow, and I would hesitate doing that, although I will cross that bridge when I get to it, but if they want to extend their remarks in the Record, that is available to them, but I do believe we could come in early without the first hour being consumed by 1-minute speeches that could just as well be put in the Record. I believe that would satisfy everybody.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

DON'T BLAME THE MERCHANT

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Zwach] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ZWACH. Mr. Speaker, we here in America are faced with a very peculiar situation. While the food costs in the grocery stores are going up, the cost of the food paid to the farmer is going down. Many farm prices are as low today as they were in the deepest valley of the depression of the early thirties.

However, while the grocery bill for the American family is climbing, the percentage of salary paid for food is dropping. In 1947, 25.7 percent of personal income was spent for food while today only 17.6 percent of the income is so used.

These figures were very graphically presented in a recent editorial appearing in the Pierz, Minn., Journal, edited by my good friend, Jim Wermerskirchen, a copy of which I insert in the Record at this point:

Don't Blame the Merchant

Food prices are rising again, but it should be remembered that the total bill at the checkout stand of a grocery store is a poor gauge of food prices. The reason for this when it is reported that one tenth of housewives' total bill is used for nonfood items . . . shampoo, magazines, aspirin, kitchenware, and many others . . . her 'food' bill is bigger because she's buying more nonfood items at the grocery store. . . .

Moreover, despite rising food prices, the long-term trend in the percentage of family income that goes for the purchase of food has been declining markedly for more than 20 years. According to an exhaustive study of food costs by U.S. News & World Report, feeding the family took 25.7 per cent of personal income after taxes in 1947. In 1967, it is taking 17.6 per cent. Another thing that it is important for all of us to remember is that profit margins of the grocery stores have been squeezed thinner and thinner—from 1.2 cents on each dollar of sales in 1957 down to an estimate .8 of a cent in 1967.

The cost of food, like the cost of everything else, is directly related to the spending and fiscal policies of government. The long term decline in the value of the dollar, which pushes up wages and all costs, also pushes up the price of food. As long as the prevailing philosophy of government is spend and spend regardless of debt, and voters sanction it, prices will go up and up, as the hardships of inflation multiply.

OUR OBSOLETE WELFARE STATE

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. RUMSFELD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RUMSFELD. Mr. Speaker, George Champion, chairman of the Chase Manhattan Bank, has called for an overhaul of what he terms the Nation's "hopelessly obsolete" welfare system through the adoption of an "incentive welfare" approach based on motivation, training, and job opportunity.

Speaking at a Grinnell College convocation last month, Mr. Champion said that the present "impersonal mass approach" to welfare fails to take into account the "potential ambition and economic vigor of the average individual."

The New York banker added that this procedure "writes off" the individual as being "indolent, incompetent, or unworthy of development." Or, it seeks to "enclose the problem of the poor in brick and steel," rather than concerning itself with the "nature and goals" of the individual.

He said:

> We need new imaginative, result-oriented approaches to welfare, approaches designed to take full advantage of the strengths of private business and to give every individual a stake in our society. We must concentrate on the development of his fullest capabilities as an independent being, rather than as a ward of the Federal Government.

Mr. Champion underscores what he considers to be the failures of many of the governmental approaches to the poverty problem, and outlines his "incentive welfare" program which combines individual motivation, education and training, and job opportunity. These three ingredients are necessary, he argues, if a successful assault on poverty is to be made. And Mr. Champion emphasizes, such a solution depends on the active involvement of business and industry.

At a time when the Nation is desperately groping for a response to the needs of the poor, Mr. Champion's remarks are challenging and provocative. The full text of his Grinnell College address follows:

OUR OBSOLETE WELFARE STATE

In the course of this remarkable Convocation, you have heard from distinguished men of science and letters, and from leaders prominent in the nation's political, social and cultural activities.

Since I myself claim no expertise in these areas, I can only assume that President Leggett included me on the program to provide a dash of local color.

I stand before you as a fugitive from the neighboring state of Illinois. In fact, if you were offering a prize for the speaker who had come the shortest distance from his birthplace, I, as a native of Normal, Illinois, would be very much in the running.

For those of you who are not familiar with the great American landmarks, Normal is situated half-way between Heyworth and Minonk!

It's about twice the size of Hubert Humphrey's birthplace, Wallace, South Dakota, and roughly as big as Johnson City, Texas, before the President turned up all those new kinfolks!

I was born in Illinois, went to high school in California, to college in New Hampshire, to work in Louisiana and New York, and to live in Connecticut. Now this may not seem an impressive traveling record to someone like your vigilant Iowa Congressman, H. R. Gross, who is always checking up on his junketing colleagues in Washington!

But I can tell you it has certainly kept the bank examiners in a quandry and the sheriff at bay!

In my frequent visits to this great Midwest heartland of our country, I've noted many far-reaching changes over the years. But I'm happy to say one thing that has not changed since my boyhood is the people's preference for plain talk. Today, I'd like to take advantage of this refreshing spirit of candor to discuss a subject that is of growing significance in the wake of this past summer's violence in our cities—the subject of "Our Obsolete Welfare State."

An ironic and baffling aspect of the recent riots is that many of the cities hardest hit had the most active anti-poverty programs. They had received larger-than-average shares of the billions of dollars dispensed each year by the Federal Government to aid the underprivileged:

Detroit has been allotted $100 million in Federal funds for urban renewal since 1960, and is spending $30 million this year alone on its poverty programs.

Newark has received more than $25 million in Federal anti-poverty funds in the past three years, and is spending about a half million dollars a month on welfare programs.

New Haven has been granted Federal urban-renewal funds amounting to about $800 for every man, woman and child—a figure almost twenty times greater than New York City's.

How did it happen, then, that some of the worst riots occurred in cities where the most money had been spent?

"Because," reply some theorists, "not *enough* money was spent."

They seem to be saying that if huge doses of a medicine fail, we should try more of the same and maybe the patient will eventually recover.

Considering the history of our Welfare State, though, one is inclined to doubt that it would be wise to count on stimulating the lagging heartbeat of our cities with still further massive transfusions of Federal money. I am strongly persuaded that money alone is not the answer.

To help the poor at home, Americans are now putting up $15 billion a year in Federal taxes. To help the poorer nations of the world, they are putting up another $5 billion. And this, of course, is wholly apart from the money spent on waging the war in Vietnam and maintaining U.S. troops in Europe and elsewhere. The net result is that this year we face a budget deficit approaching $30 billion—a deficit unprecedented except for the years of World War II.

Even as prosperous a nation as ours cannot do everything at once. We must inevitably make choices. The riots this past summer underscored the fact that a reappraisal of national priorities is long overdue. Our Welfare State, based largely on the priorities of thirty years ago, is hopelessly obsolete. We need new imaginative, result-oriented approaches to welfare—approaches designed to take full advantage of the strengths of private business and to give every individual a stake in our society. The eminent Negro psychologist, Dr. Kenneth Clark, expressed it well when he said: "People who have something to lose don't riot."

Let's look for a moment at some of the changes that have taken place since the Welfare State's priorities were first established. None is more significant than the enormous upward shift in family income. Thirty years ago, scarcely 20 per cent of U.S. families had annual incomes of $6,000 or more. Ten years ago, this figure has risen to 40 per cent. Today, well over half our families are above $6,000, and by 1975 more than two-thirds will be in this category.

Yet many government programs are still geared to an earlier era when incomes were lower and needs were greatly different. Public funds are being used to subsidize private endeavors where the majority of participants now have average or above-average incomes. For example, urban renewal programs have chiefly aided Americans in the middle-income ranges.

The farm program is a prime case in point. It is hardly an exaggeration to say that the more successful a farmer becomes, the more he stands to receive from the government. Over the years, the Agriculture Department has increased its costs, its personnel and its services—but it has done little about trying progressively to lower price supports and reduce controls so as to promote the kind of freer competition that would be most beneficial to the farmer himself, the consumer and the nation at large. If we assume depression as a normal condition—as the farm program does—then the farmer will always need help and so will almost everybody else.

Regrettably, very little thought has been given to whether existing programs for farmers and others might be modified, reduced or eliminated to make way for new ones that rate higher today on the national priority scale. It has been well said that if a monument were erected in Washington to every government program that has been discontinued in the past three decades, the landscape of the nation's capital would not be perceptibly altered!

This phenomenon moved The Washington Post to comment recently that "Obsolete Federal programs, like old soldiers, never seem to die."

Yet the significant economies in government are likely to come, not from turning off the lights in the East Room, but from intelligent review of goals and the programs designed to meet them. This is the essence of the "Programming-Planning-Budgeting" system which is frequently talked about in Washington these days and which many private corporations have been following for some time. Surely no area is more urgently in need of review than public welfare.

To the authors of our Constitution who designed the matrix of democracy, promoting the "general welfare" was an inspiring ideal. Today, "welfare" has become a dirty word. The average citizen never expects to rely on welfare and does not have much respect for those who do. The sprawling Federal welfare empire and the layers of local and state relief operations are regarded as the "enemy" by many of the very people they have been trying to help. Welfare recipients have organized into unions to press their "rights," and have even staged protest demonstrations against the system.

Many of the programs, techniques and theories of our present approach to welfare have turned out to have exactly the opposite effect from what was intended. This has often been the case with the attempt to abolish poverty through building new apartment houses for the poor. Unfortunately, it has proved much easier to rehabilitate housing than to change people. New high-rise apartment developments may go up in an area, yet, after several years, the neighborhood will have reverted to the old slum conditions.

What has happened is that we have tried to enclose the problem of the poor in brick and steel, rather than working from the inside out and concerning ourselves primarily with the nature and goals of the individual. Admission to low-rent housing projects has been determined by income—the lowest income. As a result, families with the greatest potential for fighting their way clear of poverty have been denied entrance to the new apartments. With their homes torn down, they have been forced to live elsewhere. The neighborhood thus levels out economically at its lowest common denominator and becomes a permanent slum.

The same lack of consideration for the individual exist at many levels of our present welfare system. Family patterns among the poor have been crumbling as a result of the rule that only fatherless families can qualify for the Aid to Dependent Children program. The program thus has encouraged fathers to leave home because the government will pay a fatherless family more money than the fathers could earn at their unskilled jobs.

In New York City, more than three-fourths of the 700,000 people on welfare are mothers and their dependent children. A pattern of community-supported illegitimacy has resulted from a situation in which fathers have found it economically beneficial to desert their families. Three out of four children born onto the relief rolls are illegitimate. Last year in New York, 63 unwed mothers had their tenth, eleventh or twelfth child on relief.

Our present impersonal mass approach to welfare fails to take into account the potential ambition and economic vigor of the average individual. Instead, it "writes off" the individual as being indolent, incompetent or unworthy of development.

Personally, I believe we cannot afford to write off anybody. I am deeply convinced that if we are to make significant strides in the war on poverty, we must gear our efforts to realize the great potential of the individual. We must concentrate on the development of his fullest capabilities as an independent being, rather than a ward of the Federal Government. Above all, we must emphasize private participation, as opposed to total government participation, with private entities such as the business community shouldering the major burden of helping individuals to help themselves.

The approach I'm suggesting might be called "incentive welfare," and involves three primary elements: motivation, training and job opportunity.

The "incentive" approach to welfare puts great stock in those old-fashioned—but today largely neglected—ideas of individual responsibility, personal character, and the belief that every man is, in fact, his "brother's keeper." This basic philosophy is well expressed, I think, in former President Eisenhower's description of how he and his brothers worked their way off a Kansas farm to careers of achievement.

The former chief executive writes in his new book, "At Ease":

> All the younger brothers sent Edgar funds on occasion, but he worked at the University of Michigan and essentially financed his own education. My appointment to West Point assured an education for me with no drain on household finances. Ed, remembering the help he received, financed Earl's education at the University of Washington. Milton, by writing for magazines, correcting English papers, and playing in a dance band, was able to pay his costs at Kansas State University. . . . This willingness of brothers to aid each other was one consequence of the guidance we received as youngsters.

Most of those trapped in our city slums lack the elements that were present in the Eisenhower success equation as well as the vital, family stability that provided the foundation for their success. However, the fact that these things are lacking does not mean they cannot be supplied. It does not mean that those in the private sector cannot do something, well beyond what the bureaucratic state has been able to accomplish, toward filling out this formula for improving the lot of our underprivileged groups.

As I see it, motivation is the indispensable first step.

Not long ago, a European newspaper correspondent, interviewing residents of a Chicago slum, asked one teen-age girl what she wanted to do when she grew up.

"To draw," she replied.

The newsman, pleasantly surprised to find artistic interests in such unlikely surroundings, pursued his inquiry: "What kind of pictures do you like to draw?"

"Not pictures," replied the girl. "Drawing welfare like mother does."

To break this mold of chronic dependency, private business must reach out imaginatively to the inexperienced teen-ager and the unemployed adult, and persuade them that it can offer a path to a better life. It must give them an incentive to leave the "security" of their isolated but familiar neighborhood for the gains that will follow upon fitting themselves into society at large.

This may mean setting up mobile employment offices within walking distance of disadvantaged areas. It may mean providing extensive counseling services to ease the difficulties of entering the working world. Whatever it means, business must be willing to make contact with members of minority groups and encourage them to acquire marketable skills.

This is the second step in "incentive welfare"—education and training. And it is inextricably linked up with the third—job opportunity. We have to look upon training and jobs as two aspects of the same problem.

The thing ghetto people want most is a job.

Mayor Lindsay found this in Harlem. Mayor Yorty found it in Watts. Mayor Cavanagh found it in Detroit.

And there are jobs going begging today.

Of the 10,000 job openings listed each month by the New York State Labor Department, six out of ten go unfilled.

Across the nation, there are more than one million job openings—at the very time when almost three million people are unemployed.

This highlights our predicament: no skills for available jobs, and no jobs for available skills.

To qualify for existing jobs and those that will become available in the future, the unemployed need training. The answer does not lie with the nation's public schools although their improvement is greatly needed.

The answer, in my judgment, lies with business and industry.

This area of training is one where business is uniquely equipped to make an effective contribution. More than that, it is one where business cannot afford *not* to contribute. For beyond the social needs so obvious in today's atmosphere of tension are the economic imperatives of providing a continuous and growing supply of trained manpower and womanpower to meet the requirements of the future.

Business is already doing a great deal. In Philadelphia, some 600 companies are working with the Reverend Leon Sullivan's Opportunities Industrialization Center which, in the past three years, has trained more than 3,500 disadvantaged young men and women for responsible jobs. In St. Louis, the McDonnell Douglas Corporation has demonstrated that in just four months, people with no high school diploma or special skills can be prepared for work in a production system that demands high accuracy and precise workmanship. In our own bank, we have well over fifty separate training programs, including one for high school students from high "dropout" areas which provides part-time jobs as long as they continue their studies and then permanent employment if they make the grade.

Effective as these individual programs are, I believe that the ultimate promise of vocational training can be realized only from an overall approach. Groups of businessmen in New York and Chicago and Des Moines and elsewhere should combine their resources and take the initiative in citywide cooperative ventures in basic education.

In its initial stage, such a program would aim at bringing job applicants up to required levels of "employability" by improving their reading, spelling and calculating skills and their work habits.

In its next stage, this program would provide even more on-the-job training than is being done now so that all workers would have greater opportunity to advance to higher positions.

Finally, this program would include a continuing research effort to devise means of using more effectively in vocational training the programmed learning techniques, teaching machines and audio-visual aids that are being developed mainly for elementary and secondary schools.

Such a blueprint, responsibly and creatively carried out, would have the great advantage of linking the varied elements of vocational training in a planned program of growth.

Training is an essential part of any job-creation program, but it is futile if there are no jobs at the end of the line. And in each of the next ten years, we must find jobs for some 1½ million persons who will enter the labor force—an increase of 50 per cent in the rate over the past decade. How these jobs must be created is no secret. Under our free-opportunity system, jobs come into being because somebody sees an opportunity to earn a profit and is willing to make a capital investment. They are not free. They cost between $15,000 and $20,000 apiece in capital investment.

Our ability to provide more jobs in the years ahead will depend decisively on our capacity as a nation to form capital—both human and material capital. Any society can add to its stock of capital only through savings. Thus, to satisfy the mounting demand for jobs, we must provide adequate incentives to savers and see to it that the government does not drain off savings in the form of wasteful Federal spending and taxes so high they smother incentive.

The trends in this decade of the Sixties are illuminating. While the population of the United States has grown 10%, the Federal civilian bureaucracy has increased 25%, overall Federal spending 83%, and non-defense expenditures almost 100%.

Among these non-defense items are several that certainly don't strike the layman as essential. For example, I am thinking about the use of Federal grants to beautify Berkeley, California with a municipal putting green; to landscape the city hall at Overland Park, Kansas; to construct a two-acre lagoon at El Centro, California. I am thinking about tax funds appropriated in the name of poor children in such high-income communities as Grosse Point, Michigan, and Beverly Hills, California.

As a banker, I'm very much concerned that unless we bring government expenditures under control through an intelligent ordering of national priorities, we face a continuing budget crisis with periodic tax increases and persistent inflation. We cannot solve our fiscal problems by preaching economy and practicing extravagance. Instead of trying to prod Congress into action on raising taxes and continuing heavy spending, the Administration should be proposing new formulas for reducing non-essential expenditures that will bring the budget—and the economy—under some semblance of control.

There are many areas where reductions and postponements could be made. Medical research, a recent investigation disclosed, is wasting a vast amount and as a result is an especially inviting target for a cutback. So is the space program with its expenditures of over $5 billion. So, too, is the broad range of government subsidies, both direct and indirect. At a time when the nation is so heavily committed abroad and at home, there is no conceivable justification for the kind of wasteful spending associated with the business-as-usual approach. Yet, all too often, this is what we get from our obsolete Welfare State, dedicated as it is to the proposition that the nation, particularly the cities, can be run from Washington if Congress will only authorize bigger and bigger appropriations.

Perhaps the disadvantaged of a half century ago were more fortunate than those of today. On our own Illinois farm, we did not have any bureaucrats telling us that the government was going to take care of all our needs. We realized that we had to make it pretty much on our own, so we did the best we could and things seemed to work out all right.

There is more than a casual connection, I suspect, between the lack of individual incentive characteristic of our present welfare approach and the tottering superstructure of our welfare system. The relationship underscores one of the fundamental questions of our times: Whether the individual will be able to maintain his identity and purpose in an age which, through rapid technological progress, has created awesomely large and impersonal institutions in all areas of society?

It is essential to our way of life that the individual not only survive but strengthen his control over his own destiny. Even as technology has seemed at times to overwhelm him, it is also offering opportunities for human progress eclipsing those of any other time. At the same time, it has raised the level of personal aspirations—and this is no less important.

For the strength of a nation is a compound of the aspirations, abilities, energies and character of its people. Any program of foreign or domestic economic aid, or rehabilitation, or stimulation or whatever one chooses to call it, that does not take this into account must be considered obsolete. It cannot help but prove more of a burden than a benefit to the people it is intended to serve.

That's why I suggest that the "incentive welfare" approach—concentrating on motivation, training and jobs—offers our best hope for helping people to realize their opportunities more vividly and to pursue them more consciously. Through this approach, I believe we *can* deal more effectively with the problems of our cities. For the sake of our nation, I am convinced that we *must* do so.

SCS ADMINISTRATOR WINS PUBLIC SERVICE AWARD

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. Reifel] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. REIFEL. Mr. Speaker, cooperation between the Soil Conservation Service and South Dakota's 70 local soil and water conservation districts has brought about tremendous achievements in better protection and use of our soil and water resources. Their effective teamwork is visibly reflected in more beautiful countryside; in better quality farm crops; in thousands of new acres of water; in improved economic opportunities throughout the State; and in many other ways.

I am very pleased that the man who in the last decade and a half has made the Soil Conservation Service an increasingly valuable and efficient member of this resource team has received singular national recognition.

Dr. Donald A. Williams, a fellow South Dakotan, is the recipient of the 1967 Rockefeller Public Service Award in the field of administration. The award for $10,000 was presented through a trust fund set up by John D. Rockefeller III and administered by Princeton University.

Dr. Williams richly deserves the honor. As administrator of the Soil Conservation Service since 1953 he is at the helm of a large and complex organization, one whose demands and emphases have altered and broadened considerably under his technical and administrative leadership.

The SCS gives technical conservation help to more than 2 million landowners and operators, including a growing number who are not engaged in farming.

It directs the National Cooperative Soil Survey and the periodic National Inventory of Soil and Water Conservation Needs to gain data useful in planning both land-use patterns and needed conservation land treatment . . .

It guides local efforts and Federal assistance in watershed projects and in resource conservation and development projects, which use resource protection as a stepping-stone to community improvement . . .

It leads the Great Plains conservation program, with technical and cost-sharing aid for controlling wind and water damage and making agriculture stable in the difficult Plains.

It helps in cooperative river basin studies to foster sound water-resource planning on a regionwide basis.

It carries on snow survey and water supply forecasting, monitoring of radioactivity, and other activities.

The SCS is able to carry on all these broad tasks with about the lowest proportionate "overhead" costs in the Government. This achievement mirrors the management skill and dedication of Dr. Williams. He faced the request for a nearly complete agency reorganization in his first year, and has formed a trim, smoothly functioning team at all levels of the agency. The career program of training and promotion that he instituted finds and brings along the highest caliber of men and women.

Dr. Williams' skills in public administration and resource management have been noticed around the world.

He has traveled to India several times at that country's request to offer his counsel on soil and water conservation problems, programs, and organizational needs.

He has advised governments of 16 other Nations, and serves as a consultant to the Ford Foundation in its international activities.

His skills have been noticed at home, too, where in addition to the Rockefeller Public Service Award he holds the Distinguished Service Award, the highest offered by the U.S. Department of Agriculture. The National Association of Soil and Water Conservation Districts gave him its distinguished service award in 1957, attesting to the pride that local units of government and their citizen cooperators have for Dr. Williams, too.

I can tell you that South Dakota also is proud of him. South Dakota State University in 1956 made him an honorary doctor of agriculture, the first time such a degree was conferred.

The Public Advisory Committee on Soil and Water Conservation recently urged USDA to help bring about orderly land use planning policies—to stop needless loss of prime farmland, waste of ground water, water pollution from unplanned suburbia, crowding of rural folk into already jammed cities, and other problems we face.

The committee urged USDA to train and equip its employees to deal better with the widening problems of environmental conservation, community-wide resource planning, and rural-urban balance.

Donald A. Williams has been at work for a long time doing just that—building in the Soil Conservation Service a staff capable of broad action in aiding community development. We should do what we can to help him.

I know the citizens of South Dakota join me in praising Dr. Williams for 32 years of inspiring work in the Nation's behalf, and honoring him along with the Rockefeller Foundation for his leadership of America's resource conservation programs. We wish him Godspeed.

THE AIR QUALITY ACT OF 1967

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Reinecke] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. REINECKE. Mr. Speaker, for myself, and on behalf of my Los Angeles constituents, I wish to express gratification over the wording of the conference report on S. 780 as filed, the Air Quality Act of 1967.

The act embodies features which constitute a significant step forward in our nationwide efforts to combat the proliferating menace of air pollution. It encourages cooperation between Federal and State agencies, between States, and between localities, resulting in joint, purposeful action. It designates a program for increased research and development, geared especially to the prevention and control of air pollution from combustion of fuels. Extending the requirement for automotive emission control devices, the disclosure by registration of fuel additives delivered in interstate commerce should further curb emissions of harmful chemicals into the atmosphere.

The act's program of Federal grants takes into account the need for proper planning on an interstate scale in keeping with regional air quality standards to be defined by the Secretary of Health, Education, and Welfare, and with control measures proposed by the States and localities.

Most importantly for the people of California, it retains the right of our State to adopt more stringent standards for automobile emission controls than those promulgated by the Federal Government in order to deal decisively with the especially intense smog problems which frequently permeate our air regions.

The unanimous vote by which the Air Quality Act of 1967 passed both the House and the Senate clearly indicates, once again, the awareness of the Congress of the concerns of the American people throughout our land, and its impatience with less than effective legislation. While taking cognizance of all valid opinions, its Members again have not hesitated to speak out for their constituencies, attuning their legislative efforts to the needs and desires of the people they represent. The Congress can be proud of its leadership role in the fight for clean air.

I am looking forward to the enactment into law of the Air Quality Act of 1967.

ARTICLE ENTITLED "WHY THIS M.D. WON'T GO HOME AGAIN"

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Kupferman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, my concern for the quality of health care in this country lead me on April 5, to introduce H.R. 8062, a bill to provide that in the administration of the Immigration and Nationality Act certain immigration restrictions shall not apply to certain alien doctors and nurses participating in exchange programs.

The bill would relax stringent application of the provisions of the Cultural Exchange Act in order to allow qualified medical doctors and nurses to remain in this country to help alleviate our shortage of health personnel. My statement on this is in the Congressional Record of April 5, 1967, at page 8470, and the Legislative Digest of the Regan Report on Hospital Law featured it in its April 1967 issue—volume 8, No. 1.

More recently, the New York Times discussed the problem of the foreign physician in a series by Richard D. Lyons, which I included in the Congressional Record under the general heading "Health Care in the United States" in the issue of October 5, commencing at page 27965.

Dr. Charles M. Poser, professor of neurology at the University of Missouri School of Medicine, Kansas City Division, who is vitally interested in this question, has brought to my attention an article entitled "Why This Foreign M.D. Won't Go Home Again," from the October 1967 issue of Hospital Physician.

This article deserves analysis in the consideration of H.R. 8062 and I bring it to the attention of my colleagues along with Dr. Poser's letter to me of October 18, as follows:

University of Missouri School
of Medicine, Kansas City Division,
Kansas City, Mo., October 18, 1967.

Representative Theodore Kupferman,
U.S. House of Representatives,
Washington, D.C.

Dear Mr. Kupferman: I believe that you will be interested in the enclosed article entitled "why this foreign M.D. won't go home again" which appeared in the October, 1967 issue of Hospital Physician.

It illustrates so well conditions awaiting the returning physician after his period of training in the United States, in a country which could hardly be called a developing one and which is among those that are more vociferous about the brain drain.

It is this kind of evidence that an unbiased survey such as the one I have mentioned to you previously would unquestionably uncover and still the voices of the righteous representatives of the State Department who have testified against your bill.

I trust that you will be kind enough to keep me informed of the progress of the proposed legislation and let me know if there is any way that I can be of further help in this important matter.

Very sincerely yours,

Charles M. Poser, M.D.
Professor of Neurology.

[From Hospital Physician, October 1967]

WHY THIS FOREIGN M.D. WON'T GO HOME AGAIN

(Note.—In the spring of 1965, Alfred W. Bauer, a U.S.-trained pediatrician, returned to his native West Germany expecting to practice his specialty in a relaxed yet dignified and professionally gratifying atmosphere.

(Within months, Dr. Bauer's disillusionment was complete. Instead of the professional dignity he remembered, he found bitter and defeated doctors competing eagerly for small fees, padding the bills of state-paid patients, often milking their few private patients for all they were worth. Instead of cooperative hospital teamwork, he found an entrenched hierarchy jealously guarding beds. Instead of scrupulous standards, he found patient care secondary to administrative rules that sometimes supported outright quackery while prohibiting modern techniques. Instead of a community of dedicated physicians, he found one so divided it was powerless to initiate reforms or to deal effectively with the welfare state bureaucracy. Within a year, Dr. Bauer was ready to return to the U.S.—and his pediatrics practice in Seattle.

(Dr. Bauer tells his story fully in the following pages.)

(By Alfred W. Bauer, M.D.)

I arrived in my former hometown in the southern part of West Germany with my wife and three children, then left them temporarily settled there and set out in my new Opel to find a good place to practice. Driving throughout nearby areas, I stopped to talk with many practicing pediatricians. To my surprise, I learned that there was no shortage of physicians. In 1939, the nation had one physician for every 1,390 inhabitants. Now there was one for every 690—one of the lowest ratios in the world. In most places, I found sharp competition among the densely settled doctors.

One of the first communities I looked into was a bustling resort town. Twelve physicians, including three or four internists but no pediatrician, cared for 9,000 inhabitants and swarms of visitors. The general practitioners took care of the children in town and in the neighboring villages. But after studying the town for three days I concluded that, lacking a pediatrician or not, it was no place for me.

The highest pretax net income I could foresee there, after several years of uphill struggle against entrenched competition, was $7,250—the average 1965 pretax net of West Germany's pediatricians. Living costs were about 85 percent of those in the U.S.; a middle-class West German family of five residing in an apartment needed about $4,000 a year for living expenses. So at best, I estimated, I could save around $2,000 a year after taxes. And the cost of building a modest home-office combination, including the lot, would be about $80,000, well beyond my reach.

For eight weeks I continued to travel, visiting physicians, relatives, and friends. On one of my trips I went to see a well-known pediatrician with a large practice, private as well as socialized. He was too busy to receive me, but his wife did. She advised me to buy the practice of a recently deceased pediatrician, Dr. Kranz (not his real name), in a nearby industrial city. This place, she told me, offered the best opportunity in this part of the country. Dr. Kranz had established a huge practice and built a fine home, but he had worked himself to death three years later at the age of 57. The woman advised me not to work too hard, to start with modest ambitions, and build a simple house after some years of saving. But she conceded that her own husband worked quite hard to make a living and to pay for their recently built quadruplex, being "on the run day and night" making house calls in town and in nearby mountain villages. (Four months later, at 56, he was dead from a coronary.)

After another week of searching among the medium-sized towns of my favorite regions, with no success, I received another spontaneous recommendation that I buy Dr. Kranz's practice, this time from a pediatrician. So I drove to Dr. Kranz's town and met his widow and daughter. Six days later I agreed to purchase the practice for $11,250. Of this amount, $2,500 was for the rather poor equipment (no laboratory, no microscope, no typewriter) and $8,750 for the goodwill. Dr. Kranz's practice was economically one of the largest in West Germany. His annual gross income during the preceding five years had varied between $22,500 and $40,000—the latter sum being about two and a half times the gross of the average West German pediatrician.

It took me only two weeks in my new office to discover that I had made a colossal mistake.

In the first place, the practice turned out to be virtually nonexistent. There was only a trickle of patients, and half of them were *new cases*. Yet Frau Kranz had emphasized repeatedly how eager mothers still were to bring their chaldren to her late husband's spacious office, where they could be taken care of by a qualified successor. She claimed she had received about 15 telephone calls every day from mothers inquiring about the reopening date. But the fact was that, in the four months since Dr. Kranz's death, a large majority of the parents of his patients had made other arrangements. Most of them saw no reason to go to a new and unknown doctor, so they had sent their youngsters to other pediatricians and to general practitioners. In short, with the $8,750 I had promised to pay for the goodwill, I was buying something that was of almost no value.

Secondly, and more important, I made

shocking discoveries in the office files, which I now had plenty of time to analyze. In the active file there were about 7,100 patient cards. Of these, about 85 per cent were for socialized-medicine (S.M.) patients; only 15 per cent were for private patients—the usual percentages in West Germany. But about two-thirds of Dr. Kranz's income had been derived from private patients and only a third of it from S.M. patients!

Dr. Kranz's average annual income per private patient in the active file had been about $17.50—compared with $1.75 per S.M. patient. Obviously, he had greatly overtreated his private patients, the overtreatment consisting chiefly of an incredible number of house calls. Dr. Kranz was a fabulous worker, zooming through 40 to 60 house calls a day, besides seeing 50 to 90 patients during afternoon office hours. About 80 per cent of his house calls had been credited to his private patients; that was where the money was. Many of these patients were covered by private health insurance; they had received a house call on every working day of a month, only Sundays being omitted.

Forty of the ledger cards listed a total of 6,105 house calls. The time between the first and the last call in an average case was 42 months. During the same period, these 40 private patients had made only 145 visits to Dr. Kranz's office, the house-call/office-visit ratio thus being about 42 to 1. The total charges noted on the 40 cards added up to a staggering $15,000.

Twenty-three of the 40 patients had never appeared in Dr. Kranz's office at all, having been taken care of entirely in their homes. No case histories were provided for them because he kept practically no records on patients who did not come to his office. In minute scribbling between the series of crosses that indicated house calls, however, a few diagnoses were noted. The records of the other patients were merely a few barely legible words written in pencil. There were no laboratory reports other than an occasional hemoglobin or urinalysis without sediment. Nowhere in these scanty records appeared data about physical examinations, differential diagnoses, therapy, or therapeutic responses.

My study of the files revealed a sizable number of private patients to whom Dr. Kranz had given special insurance deals. Some patients with limited private-insurance coverage had apparently asked him for help, so he had charged for more work than was actually done. For instance, several patients got a 75 per cent compensation from their insurance carriers for their beefed-up bills—say, $37.50 of a $50 charge. Then Dr. Kranz allowed each patient a 25 per cent discount—as was noted on the ledger. Thus these patients, who should have been charged $37.50 originally, paid nothing. (Dr. Kranz would wait until the next year to bill those patients who had used up their maximum insurance allowance for a given year.) While the phony charges brought him no extra money, they helped tie these private patients to him.

The fact that Dr. Kranz had cheated the insurers this way was apparent to anyone who read the files. Frau Kranz had been the bookkeeper for her husband's private practice, and his policy of charging for phony house calls was revealed in her own handwriting. Some outlying village patients were uninsured for doctors' mileage fees. In such cases the cards were inscribed: "No mileage fee. Charge for more house calls." House calls actually made were entered as ink crosses and the fakes as pencil.

I later learned that for years Dr. Kranz had also treated some private patients for nonexistent diseases. Fortunately, most of his needless therapeutic efforts were harmless—every month, for example, he used innocuous tape dressings on several older children who had nonexistent umbilical hernias.

I challenged my contract with the widow and declared it invalid because of error and willful deceit. In a six-page letter, I summarized the state of the practice and suggested three courses of action: I would move out immediately; remain three months as a locum tenens under the usual conditions, to give Frau Kranz time to find somebody else; or buy the practice at a lower, realistic price.

Frau Kranz went into hysterics, and her daughter said she feared her mother "would not live through the weekend" unless I agreed to negotiate beyond the offers I made in my letter. Frau Kranz managed to survive, however, and went on to reject all three proposals and to threaten to sue me.

The case went to the local medical society and the Socialized Medicine Administration (S.M.A.) for mediation. It was August, and the directors of both organizations were on vacation. The two temporary chiefs, after reading my letter and conferring with Frau Kranz, arranged a conference with me. To my amazement, I was told I had little or no legal basis for challenging the contract! The officials claimed that Dr. Kranz had been well within the limits of the community's accepted standards of medical practice. What I saw as plain cheating, the officials viewed as "minor irregularities." His dishonest dealings had been "favors" he understandably granted to poorly insured or otherwise hard-pressed individuals and were additional evidence of his well-known kindness toward his patients. (I had to smile at this, having found a bundle of file cards showing that a collection agency he'd hired had coerced payment of private bills as low as $4 by court action.)

I was informed that my predecessor's reputation was very good. There had never been any complaints about him, and his professional abilities were beyond criticism. His lack of medical records was nothing unusual because, I was told, older doctors like him have plenty of experience, know their patients well, and are too busy for record-keeping, anyway. The society officials warned me that the chances of my being relieved from my contract in court were remote indeed: No local pediatrician would be willing to testify against a specialist colleague, especially a dead one.

Thus intimidated, I decided that I would consult a lawyer before further arbitration. But the officials strongly urged me not to do so because "lawyers like fat lawsuits" and aren't interested in protecting the financial interest of their clients. So, although I realized that the two officials were worried about a court action that could damage the reputation of the medical profession, I hesitated to take a strong stand. I suggested a compromise: I offered to work as a locum tenens for three months without salary, paying all office expenses myself, giving the gross income to the widow, and paying her a $250 penalty to free me from my contract.

Frau Kranz rejected even this offer, which represented about $2,500, probably because after my departure she couldn't possibly resell the practice. The vacant practice was a trap that could be used only once.

Finally, after the officials had told me plainly that I just didn't understand the workings of West German medicine and had shown marked disrespect to the memory of a dedicated colleague, we worked out a new agreement: Instead of paying $11,250 for the practice, I would buy it for $5,000.

I thereupon rented a corner of a quadruplex house for $150 a month and moved into it with my wife and three children. I felt sure I could rebuild the practice rapidly. If I couldn't succeed here, I could succeed nowhere in West Germany.

But I soon realized that I had badly underestimated the difficulties of coping with a system of which I was largely ignorant. That is, with socialized medicine. The West German S.M.A. apparatus is unbelievably complicated.

It employs thousands of secretaries and bookkeepers in every echelon of officialdom and, by consuming many millions of marks out of the health fund, contributes to the high cost of state-controlled medicine.

In large office buildings, every physician's performance in terms of patients treated (no quality control, just *quantity* control!) is analyzed by an army of clerks, who take three months after the end of each quarter to finish their calculations and send balance sheets and paychecks to the doctors. All prescriptions are scrutinized to make sure the medication is permissible for S.M. patients, and they're calculated down to the cost per patient. A physician who prescribes 10 per cent more than the specialty's average receives only a warning at first. But if he continues to trespass, he's billed for the difference. I knew of some recalcitrant physicians who displayed these bills without comment on the walls of their waiting rooms. The S.M.A. at once ordered them to remove the display or lose their S.M. privileges.

According to the 1965-66 contract between physicians and the S.M.A., the pay for an office call was 75 cents; for a detailed physical examination and consultation, $1.25; for a daytime house call, including traveling fee, $1.75. For pediatricians, the total reward for a three-month period of patient care was, on the average, $2.95 per patient. Of course, the amount was different for each specialty, going as high as $4.50 for an orthopedic surgeon. But practicing pediatricians, neurologists, and G.P.s are the pariahs of S.M. and at the bottom of the pay scale.

If a physician does more than the average amount of work for his S.M. patients in a quarter and if his billings reflect this, he gets a notice from the S.M.A. that he was so-and-so many percentage points above the average for his specialty and that he won't be compensated for this excess.

The income from patient care under S.M. is 15 to 20 per cent of that considered appropriate in the U.S. whereas, as I've said, the cost of living in Germany is 85 per cent of this country's. Besides $150 a month for our apartment, I paid $150 for my office, $125 for food, and $75 to run my car. Just a tankful of gasoline (11 gallons) cost $7—the total income from four house calls. I calculated that I had to take care of 400 to 500 S.M. patients a month to cover office expenses and another 200 to pay for living costs.

The private patients, who constitute 15 per cent of the average practice, can't make much financial difference—provided they are treated honestly. I myself refused to accept the double standard, which is widespread in Germany and apparently essential to a physician who wants to build his own home. Dr. Kranz had been famous for his use of this double standard. Like many other doctors, he had two waiting rooms—a simple one with washable furniture for the S.M. patients, and a luxurious one with fine furniture, rugs, and draperies, for the private patients. The latter, children whose fathers earned more than $300 a month, were examined, with much courtesy, ahead of many children of the lower classes who had arrived first and who often had to wait hours. Dr. Kranz, I was informed, often took two to four S.M. patients together into the examining room, talking to several mothers simultaneously, giving shots, checking weights, and rarely spending more than five minutes with any patient.

S.M. practice, in most hands, is mass-production work with hit-or-miss methods and results. No wonder that the stories about serious illnesses missed by S.M. physicians are legion. Many doctors don't even examine their patients, they just prescribe on the basis of the chief verbal complaint. Others check only the so-called socialize medicine triangle, formed when the patient opens his top three shirt buttons.

A good many West German physicians take curious paths in seeking ways out of their economic dissatisfactions. They may practice private medicine on or beyond the fringes of modern medical teachings. One doctor I know sustains a comfortable private practice in a resort chiefly through iris diagnosis. He keeps an iris microscope in his examining room and two large topographical iris maps (left vs. right eye) on the wall, and claims to be able to diagnose both past and present internal diseases from the structural details of the iris.

Another highly respected practitioner in a nearby village has accumulated a fortune by specializing in fresh-cell rejuvenation cures. He goes to a slaughterhouse, obtains fresh hypophyseal glands from young animals, homogenizes them, then injects them I.M. into the aging rich. The fee for a series of five to eight injections is about $200—more than the income from 100 house calls to S.M. patients. German medical literature contains a considerable number of papers about the complications, such as zoonoses, of such therapy.

Some doctors attract private patients by using acupuncture, the ancient Chinese technique of treating internal disease by scratching or puncturing the skin with gold or silver needles. Homeopathy is surprisingly widespread. Several major drug companies produce a large variety of therapeutics in the form of plant-tissue and animal-tissue extracts (usually pig) in extreme dilutions. For instance, a pig-hip cartilage extract is used to treat osteoarthritis of the hip. The chief advantage of these "remedies" is their lack of side effects. As therapeutics they are worthless, yet the S.M.A. pays for these expensive fluids, not asking for controlled studies but accepting testimonials. The S.M.A. seems unable to draw a line separating socialized medicine from socialized quackery. This is one of the many problems facing federally run and tax-financed medicine.

Since I rejected the customary double standard of care and since I am no fresh-cell therapist or herb doctor, I was unable to make up for my low S.M. income with high yields from private practice. All that my well-meaning, friendly, and very hard-working colleagues could suggest was that, for economic survival, I drop my American practice habits and accept the German routine as fast as possible.

Also unacceptable to me was the time-honored house-call tradition. The S.M.A. regulation permitting house calls only if the patient can't come to the office is ignored. During my first month of practice, I tried to keep house calls down and asked every month on the phone if such a call was really necessary. Very soon I learned that it would be impossible to turn the tide single-handedly—to break the local mothers' custom of calling the doctor to their homes whenever their children had minor febrile illnesses. I became notorious as the new pediatrician from America who refused to make house calls because he was too lazy. Mothers visiting my office for the first time usually asked: "You make house calls when we call you, don't you?" During August I answered: "Yes, in emergencies, or if I think they're necessary." After the first of September, I answered meekly: "Yes, gladly, anytime, anywhere."

Making home calls in West Germany is no easier than here. The streets in town are crowded, and there's a serious parking problem. Often it's very difficult to find house numbers, because many apartment entrances face the inner courts and aren't visible from the streets. Many a time on a stormy winter night I drove up and down through dark, snowy streets along endless rows of apartment buildings, searching with a flashlight for a house number, stepping out of my car several times, knocking and asking at the wrong door until I finally found the right place. Then too, many of my patients lived in the upper flats of 7- to 10-story buildings.

When I would finally arrive, there would be the usual upper-respiratory infection or common cold and a mother who would never dream of bringing a febrile child to the doctor during office hours. At least 90 per cent of my house calls were unnecessary, and most of the rest were required only for such reasons as the lack of transportation.

During my stay in Germany, I tried my best to introduce new and better ways of doing things. I thought of having patients transported to my office in taxis, and I discussed this with S.M.A. officials. I was told that it could be permitted only in exceptional cases. Whereas my flat S.M. transportation fee for a house call was 25 cents, a taxi ride, round trip, was usually $2. Naturally, the S.M.A. preferred to pay the specialist 25 cents.

I suggested to my colleagues a moratorium on unnecessary house calls throughout the town, but they demurred. So every established pediatrician continued to go all over town every day, traveling 70 miles as a daily average, making at least 20 house calls and often many more.

Having to be always available for house calls made me miss even more the association I had had with other physicians in a successful group practice. But while lawyers and architects in West Germany practice in groups, this is frowned on as far as physicians are concerned. The S.M.A. maintains that group practice interferes with the patient's free choice of physician—that a doctor the patient doesn't want might be on call on a given night. This, of course, is ridiculous, and the real reason probably lies elsewhere. It would be economically possible for physicians in group practice outside a hospital to build well-equipped clinics that could compete successfully with a hospital's outpatient department. Since the outpatients are a source of needed revenue, the local governments, which run the hospitals, have an interest in keeping things the way they are. Nonetheless, the attitude against group practice may soon be challenged by the younger physicians in the country who have seen the advantages of group practice for doctors and patients in the U.S.

I had planned to install a small bacteriological laboratory in my office and possibly offer its services to my colleagues. I soon abandoned the idea; I realized I would need all my time and energy to take care of as many patients and collect as many "sick slips" as possible. I gave up the project reluctantly, for apparently there was not a single practicing physician in that part of Germany who handled his own bacteriology. Nobody seemed very disturbed about this medical shortcoming. In fact, one of the two local children's hospitals, a 300-bed institution, possessed no bacteriology facilities—and this in the land of Koch and Ehrlich!

I also broke with tradition by not using long-acting sulfonamides, chloramphenicol, or tetracyclines to treat the common viral upper-respiratory infections and diarrheas. I used less medication than any other pediatrician in town, teaching instead the use of diet, cooling off, correct clothing, and wholesome living in general. In spite of my thrift in prescribing, I received two bills from the S.M.A. for the hexachlorophene soap I had used to treat impetigo. Hexachlorophene soap, like many other agents, is not permitted in S.M. practice. S.M.A. decisions on whether to pay or not to pay are often quite irrational. DPT immunizations are refused, but the cost of many weeks in the hospital for infants with whooping cough, still a widespread disease in Germany, is paid without question. Two years after the introduction of measles vaccine in the U.S., its use in Germany is still forbidden by law.

On many nights I spent half an hour in some overheated living room, first pulling a highly febrile, exhausted infant from the depths of a padded crib, from beneath four covers (the top being the common featherbed) and out of its plastic wrappings, then cooling the baby down by washing it on a towel on the tabletop in front of the wide-eyed parents. They were sure this would cause pneumonia by the following day. None of the hundreds of mothers ever seemed to have heard from their other doctors that a highly febrile child should be cooled off. All had the notion of 40 years ago that fever warrants more heat in the house and heavier covers. The other pediatricians seemed to have no time to teach them otherwise. They were too busy running around collecting sick slips.

Parents would also be surprised when I'd leave a patient without prescribing antibiotics or sulfonamides (my predecessor had been lavish in this regard). I would try to explain the difference between viral and bacterial infections and to point out that the risks of therapy sometimes outweighed the risks of illness. I succeeded in creating confidence in a few of my patients and uneasiness in the majority. Predictably, I had few recommendations by word of mouth, and my practice increased slowly.

I spent much of my time trying to educate my patients, to teach them how to avoid unnecessary office or house calls, how to handle minor problems such as common colds and simple diarrheas on their own. Again, my behavior was self-defeating. The welfare state doesn't pay for preventive medicine, such as well-baby care and immunizations, and there is little money for it in private practice.

Then there was the time I established an appointment system. As a result, my waiting rooms, with a capacity of more than 30, were usually empty—most patients walked right into the examination room. One of my colleagues thought this a poor way to get started and suggested that all 15 patients for one afternoon be scheduled for the same time. Waiting patients, he said, seem to be impressed by the number of other patients present, and find security and confidence in them.

In short, by practicing medicine effectively, I hurt my practice. And I hurt it also by practicing ethically. On one occasion, for example, I was able to make an early diagnosis of meningitis in an infant. The next day, as a gesture of appreciation, the mother brought three sick slips for her other children. The children were healthy, so I turned the papers in unused. To the S.M. physicians, my way of handling the situation was considered the very height of self-destructive folly.

The fraudulent custom of collecting sick slips for healthy patients, inventing diagnoses, and turning the slips over to the S.M.A. is widespread, and in some practices it's routine. The maximum pay per patient per quarter being fixed, this is the only way to increase the revenue from S.M. sources. Some families are so well trained that they bring sick slips to their doctors for the entire family, from the grandmother to the baby, shortly after the beginning of the new quarter, regardless of health and sickness.

At one time, it's true, the Government proposed a change in the S.M. law that would have required patients to pay part of the charges for medical services. This would have cut down sharply on dishonest sick-slip collection habits. Unfortunately, the plan was voted down by the majority of the country's doctors.

About 20 percent of my patients had no illnesses. I filled in their sick slips with such notations as "well child, examination negative," knowing I would not be paid. S.M.A. officials told me that I was most unwise. Their view was that there is always something a little wrong with a patient, some diagnosis to be made. It was considered foolish to fill in "well child," the pay for the care of illness being as low as it was. Indeed, my quarterly receipts from the S.M.A. were "pitifully low," as one official sympathetically said.

To succeed in medical practice in West Germany, I found a doctor had to be willing to stretch his conscience and practice inferior, mass-production medicine. Still, I had no inclination to join a hospital staff, although I had a chance to become the assistant chief in a pediatric hospital. Such positions carrry salaries of about $8,750 a year. But I felt unable to readjust myself to a German hospital with a full-time staff.

The chief of the surgical department usually is also the hospital director. This means that he outranks the business administrator—but not the other department chiefs, each of whom is, in his own bailiwick, an all-powerful figure who runs his department's show as undisputed prima donna. The surgical chief's income is somewhere between $20,000 and $50,000 a year—way out of line with any other physician's. The next-best-paid man is the assistant chief. He may be doing exactly the same kind of work as the chief, often more of it, and he's the responsible locum tenens during the chief's vacations and meetings. Yet he may be earning as little as one-fourth of the chief's income.

There's fierce competition among West German specialists for these top hospital positions, and it's common for 50 or more to apply for one opening. Many assistant chiefs eventually realize, after years of hard work as the second man, that they have no chance of reaching the top. An assistant chief, who for 5 to 10 years has done stomach resections, cholecystectomies, and struma operations (Germany still has plenty of thyroid hypertrophy), may suddenly leave the hospital and go into general practice, never again to do major surgery for the rest of his life. This represents an enormous waste of skills and training.

In the U.S. I had been accustomed to working in a hospital's pediatric department as one of several cooperating specialists where the chief is elected for a period of two years. Every pediatrician is responsible for a few (rarely more than four) hospitalized patients and can give them the best of care. In West German hospitals, the chief is often in charge of more than 200 beds and is supposed to know all these patients and to supervise their care. Obviously this is impossible. Common sense dictates that these mammoth departments be divided into smaller units, each headed by a salaried specialist who is assisted by interns and residents. Yet many West German hospitals with more than 200 beds have only a surgical and a medical department, ruled by one chief surgeon and one chief internist.

These departments supposedly take care of the other specialties also, although the town may have an obstetrician, a pediatrician, and an otolaryngologist in practice. The town specialists often have no hospital privileges whatsoever because the hospital's surgeon and internist jealously defend their beds against intrusion. It's extremely frustrating for these often very well-trained men to send seriously ill patients to the hospital and thus transfer them to somebody who knows less about their patients' problems than they do.

One highly trained obstetrician, a friend of mine, settled in a town of 10,000 after 10 years of university hospital residency. He had to practice without privileges in the 300-bed county hospital; all his applications were rejected by the county council and the chief of surgery, a surgeon who practiced OBG as a sideline. For years my friend did minor gynecological surgery in his office, carried the still-anesthetized patients downstairs into his Volkswagen, and drove them home. In the same hospital the pediatric ward was taken care of by one of the medical residents, although a pediatrician was in town.

Few hospitals in West Germany have their own radiologist and pathologist—and this in the land of Roentgen, Aschoff, and Virchow. During my earlier training there, I was pediatric resident in an 800-bed general hospital without a pathologist. My chief was amazed when I performed my own autopsies: My U.S. internship had taught me to ask questions after a patient died.

Most West German hospitals have no internship and residency training programs to speak of, other than casual bedside teaching; many even lack libraries. The majority of hospitals would not fulfill the U.S. requirements for accreditation, and West German hospital training is not, in fact, approved in the U.S.

There is no question that West Germany today is, medically speaking, in many ways an underdeveloped country. Once the teacher of the world's physicians, she has been unable since World War II to return to the forefront of medical progress. This is not due to any shortage of brains or money; the nation has plenty of both. The blame lies with the hospital hierarchy system, which paralyzes competitive striving for excellence, and with socialized medicine, which rewards quantity, not quality. Furthermore, though the Germans have a tradition of knowing how to give and obey orders, the techniques of working together on an *equal* level, the team attitude and spirit so familiar to Americans, are relatively new to them. In the days when the solitary genius was able to achieve breakthroughs in medical theory and practice by observation and laboratory experiment, the Germans did very well indeed. But most advances in modern medicine have been and will be made by teams. The word "team" is not translatable into the German language.

One of the most disturbing features of West German hospital life is the needlessly long hospitalizations. The average stay is 21 days—compared with six days in the U.S. Since the S.M.A. pays hospitals on a patient-day basis and the daily fee is only $6, there is a marked tendency to delay discharge well into convalescence. Once the days of intensive care have passed, the hospital begins to get back into black ink. If a hospital were to deal with seriously ill patients exclusively and discharge them as soon as was feasible, it would quickly get into financial troubles, needing more state subsidies than others.

When a friend of mine was a resident in a West German hospital, he was once asked by the administrator not to discharge his patients so fast. "We're losing money on your floor because of all these empty beds," he was told. "We have to keep this station fully occupied, the way it was before you came, or our application for a new wing will never be passed by the county council."

Obviously, crowded hospitals necessitate enlargement, more beds, new buildings, and consequently higher salaries, more power, and greater prestige for the chief and the administrator. Hospital chiefs have been known to place patient beds in corridors and lounges deliberately, then invite officials to see the deplorable overcrowding and the need for a new wing. These "crowded conditions" gain much publicity in the local press, and money is made available because health care has a high priority. One wonders if anyone ever had the idea of establishing utilization committees in Germany.

The county I worked in had 310,000 inhabitants and, astonishingly, more than 500 pediatric beds. My pediatric department in the U.S. took care of 85,000 people with only 20 beds. I saw large pediatric wards in West German hospitals where the boys jumped about in their nightshirts enjoying pillow fights and other active play and eating hearty meals. These children were being kept there, clearly enough, for reasons other than sickness.

Unnecessary admissions could be discouraged if outside physicians received a financial reward for supervising ambulatory patients, as opposed to hospitalized patients. But at present, their average income per patient per quarter is a fixed figure. As it is now, patients often exert pressure to be admitted in order to get a vacation from work or household duties. I lost several S.M. patients by refusing them hospitalization for minor illnesses.

Hospital construction in West Germany is just as expensive as it is in the U.S. In 1965 one West German hospital bed cost an average of $22,500. Thus, the total cost of the hospital system is enormous and constitutes a key reason for the relatively high monthly premiums deducted for the S.M.A. from employes' salaries. A skilled laborer with a monthly salary of $225 pays a monthly premium of $15, and his employer pays a matching sum. This $30 premium, which unquestionably finances second-class medical care, would be sufficient to buy private health insurance for a laborer in the U.S.*

Can West German doctors ever escape from the yoke of servitude imposed on them? I don't see how. The medical profession is splintered into rival factions and organizations. No common position is taken on any issue. There's an association for the hospital chiefs, one for the residents and interns, two for physicians in practice, one for government-employed physicians, one for the S.M. supervisors, and so on. Each group has interests that are often opposed to those of the others.

During the frequent, endless arguments with the S.M.A. about new contracts, German physicians fight for increases in pay of 5 or 10 per cent—for example, to get the $1.25 fee for a complete physical and consultation raised to $1.35. Yet a three-fold increase would be justified.

There is little hope that these conditions will improve. True, some West German physicians impressed me as being hard-working and honest, trying to do the best they could under the system. But they know that not many doctors would be willing to act together on any given issue.

In the years to come, West Germany will continue to have one of the highest physician densities in the world. At present, about 4,800 graduates enter the profession every year, and only 2,200 physicians retire. The medical schools at the universities are overcrowded. Students sit on the stairs and windowsills of the overflowing lecture rooms, listening to professors they rarely get to meet personally. Several new medical schools are in the planning stage or under construction. As the number of doctors grows, the professions bargaining position will deteriorate further. Mass emigration of West German physicians will then be likely.

After seven months of practice in West Germany, I was convinced I could not keep up my specialist standards under the system. Like most other German pediatricians, I had no access to hospital beds. I was downgraded to a mass-screening type of G.P. for the younger age group. In my seven months of practice, I had never started an I.V. infusion, calculated the requirements of electrolyte and fluid balance, adjusted therapy for a diabetic, or treated a case of meningitis, sepsis, or other life-threatening infection. I had never looked at an I.V.P., a pneumoencephalogram, an ECG, a bone marrow, or a bacterial-culture plate. I had not been involved in newborn or premature care, which had been one of my favorite fields of practice.

I was swamped with red tape and deluged by pamphlets, memos, reports, and regulations from the S.M.A. bureaucracy. The pay I received from the Government per patient per quarter was just about adequate for the effort I put into filling out the forms, putting together final reports, and so forth.

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*Private health insurance in West Germany is also more expensive than it should be because of the overtreatment of private patients by so many physicians. Full protection for a family of five may cost as much as $100 a month.

The main thing I'd hoped for to going back—a return to the simple, more relaxed life I had remembered in the old country—proved illusory. What I found was a far more hectic life, with more pressures, more anxiety, more difficulties in providing the necessities of life, and more complications in dealing with my surroundings, from the corner grocery to the tax office, than I had ever endured before. It wasn't until my seventh month of practice that I was able, for the first time, to earn enough to cover my $600-a-month office expenses. Every working day I made about five house calls and saw 10 office patients; on weekends, I averaged about 30 house calls. All this required about the same energy output as my U.S. practice had, with its 28 office calls a day in addition to hospital duties.

At the end of that month, I offered my practice for sale. When I showed the recent practice volume to three residents who called, they immediately lost interest. Anyhow, all three admitted, they were afraid to exchange the security of hospital life for the pressures and the misery of pediatric practice under the S.M.A. So I sold most of my equipment and supplies, piece by piece or in lots, and gave the rest away.

When I was ready to leave, I put a sign on my office door, decorated—it was carnival time—with a Mardi Gras clown: "Pediatrician Bauer is starving. This office is closed as of March 1, 1966. Dr. Bauer's S.M. patients will be seen in March by Dr. Herder." I printed the word "starving" in letters that decreased in size.

A few days later I received a letter from the president of the county medical society. My patients had told him of my announcement, and he had sent a secretary to verify the wording of the sign. I was ordered to remove it immediately because such wry humor was incompatible with the professional code. You see, under the system of federal medicine in the welfare state, administrators, patients, *and* physicians are supposed to be satisfied and happy. When a competent and diligent physician, who wants to provide quality care and at the same time follow the written and unwritten rules of ethical practice, can't make ends meet and admits his failure freely, he is disturbing this illusion.

I returned to the U.S. 10 days after closing my office and at once rejoined my group. I felt vastly relieved. I was thankful that there still is a country where quality work is expected and appreciated, and where a pediatrician may practice with dignity and self-respect. The emotional shock and financial loss—about $22,000—that I suffered in attempting to fit myself back into my homeland had been great. But the lesson was worth the tuition. I had gained contentment with life in my new country. I had freed myself from the burden of nostalgia and from any uncertainty about belonging in America.

DONALD A. WILLIAMS, ADMINISTRATOR OF THE SOIL CONSERVATION SERVICE, RECEIVES ROCKEFELLER PUBLIC SERVICE AWARD FOR ADMINISTRATION

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. TEAGUE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, I should like to congratulate Donald A. Williams, Administrator of the Soil Conservation Service, as the recipient of the Rockefeller public service award for administration. I am sure that there are thousands across the country—conservation district supervisors, professional groups, farmers and ranchers, and Government officials at all levels—who join me in applauding this distinguished conservationist.

Dr. Williams has for nearly 15 years given superb national leadership and technical guidance to resource conservation programs that have gained extraordinary stature in that time.

But his leadership ability goes back further than that. His early career was spent in the West, administering the technical operations of several western States, including California. The soundness of his philosophy and concepts then has been borne out by their national acceptance.

Today's United States sees no boundaries between rural and urban people. Their economy and social welfare are interrelated. So are their soil and water problems. Dr. Williams' influence has been great in changing attitudes toward the rural-urban relationship in resource conservation and development. He has pioneered the way—even though there is still a long way to go—in getting land users to recognize that land and waters use and management can not be manipulated as things apart and that careful conservation planning is essential whether land is to be used for farm, ranch, recreation, housing subdivision, or factory. In addition to his stature as technical leader in soil and water conservation on agricultural land he has become known as an authority on conservation and development of nonagricultural land as a result of his insight in urbanization resource problems and his contributions to their solution.

The small watershed program, soil survey, water supply forecasting, resource conservation and development projects, soil conservation district, and other activities that Dr. Williams directs all embody this thinking. They also stress a Federal-State-local partnership that Don Williams has strengthened as he worked to gain wider support for resource conservation.

In California we are aware that land and water problems call for close attention and we subscribe to Don Williams' philosophy of teamwork. We are proud of our State's financial and other support of soil and water conservation activities.

In California we are losing much of our good agricultural land to other uses. A soil survey being made in my congressional district—in the Ventura area—will help avoid expensive errors in making land-use changes. It will help planners in areas where new homes, roads, reservoirs, or parks will be built. The survey is being made in partnership—with Federal, State, and local people contributing a share. When published, this and other soil surveys now contain information invaluable to planners who are faced with mounting problems of land use and development.

Don Williams has demonstrated great skill in directing the national soil and water conservation program to meet the increasing needs of a growing population. He has given local people an opportunity to take a major part in the planning. He has insisted that soil and water conservation serve the people. This philosophy has made the work of the Soil Conservation Service effective and popular.

Never before has the close relationship of water supply, housing developments, farming, roads, clear streams, marketing, employment opportunity, and soil and water conservation and development been recognized so widely as it is today. Dr. Williams has been the leader in making it that way. He richly deserves this public service award.

As the ranking Republican on the Conservation and Credit Subcommittee of the House Committee on Agriculture, I have been in a position to observe the excellent and nonpartisan work of Don Williams and his splendid staff.

TRIBUTE TO OUR BOYS IN VIETNAM

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. GURNEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GURNEY. Mr. Speaker, to the residents of central Florida, the Vietnam war is no longer a series of mere statistics. It is a complete picture of its most vital element—the men who are fighting it. They are no longer names, but personalities—living individuals with emotions.

This is mainly due to the efforts of a newspaper man in my district—Charlie Wadsworth of the Orlando Sentinel. He left Orlando to cover the war and spent the majority of his time interviewing the men who were fighting and not sitting behind desks or protesting. He found them, whether they were in foxholes or canteens, and recorded their feelings. He told of the hardships, the heartbreak, and the desire to do what was right for their country. And, in doing so, illustrated a side of the press that is often neglected—the sincerity rather than the sensationalism. His articles were an inspiration not only to the residents of Florida but also the men he covered.

I include a few in the RECORD as a means of showing tribute to our boys in Vietnam and as an illustration that Americans appreciate their sacrifice:

[From the Orlando (Fla.) Sentinel, Sept. 29, 1967]

MARINES DON'T LIKE WAR, BUT FEEL THEY'RE DOING RIGHT

(By Charlie Wadsworth)

FIRST MARINES, DA NANG.—Inside the tin covered shack, out of the broiling sun and thick dust, I could see one Marine who obviously wasn't a member of the staff, sitting and waiting.

Two more moved out from the side of the divisional information office where they had been sitting in the shade. All were scrubbed and polished. They had prepared for the interview in much the same way they would get ready for an inspection.

They were, "from left to right," they shyly informed me, Lt. John Easton of Wildwood, Cpl. Daniel Orr of Orlando and Cpl. Roy Tiner of Haines City. I know Orr's parents, Mr. and Mrs. Phil Orr. And he's a chip off the old block.

Easton and Orr have been in the thick of it. Tiner is with the 11th Motor Battalion just outside the divisional areas. He is acting platoon sergeant who has the backbreaking, around-the-clock-when-needed job of having transportation ready and operational.

One thing all Marines tell you: When the rockets and mortar attacks come, Charlie can't distinguish a transportation man from a rifle platoon CO or a minesweeper, so he shoots at everybody, and everybody within his range is in for it.

Before coming into the Marines he worked for his father, J. H. Tiner, a citrus man in Haines City. When he gets out a little over a year from now he's going back to Haines City to his wife and the job with his father's company. He has four more months to go in Vietnam.

Orr is with an engineer outfit. He summed up his job duties rather succinctly—"sweeping mines." Well, everybody knows there's more to a job like that. About 30 minutes of conversation later I found that:

Orr's unit operates about 14 miles south of here along the coast. They go out each day to clear mines Charlie might have placed the night before or the year before, and when they clear an area they remain behind awhile and build bunkers.

He hasn't been back to his home base in eight months. He is attached to different outfits and has been out all that time.

It's dangerous work. Finding and removing mines is hazardous enough, but being almost constantly exposed to enemy guns is something else.

"We've had sniper fire, especially when sweeping tank trails, but I've been lucky so far. I haven't been hit and I haven't been hurt." That's how quiet spoken Dan Orr explained his duties. Up here on the side of this mountain in the dust and heat, he regarded the accommodations as vacation land. Later he was going to have another shower and something he hadn't seen much of lately, a hot meal served in a mess hall. The interview, he agreed with a laugh, was worth coming over for.

Easton, who played football for Byrd Whigham at Wildwood before Whigham went to Melbourne and thence to Auburn, did "hill" duty at first, from Hill 41 southwest to DiLoc then to 10 and later to Hill 41. The Marines number all of the hills—they're more like mountains—out here. A correspondent asks about the location in a detached way, not wishing to display his ignorance, then spends 15 minutes looking them up first time he finds a situation map.

This young man has traveled extensively around here. I can vouch for that, and all of it on foot.

"I haven't been on a helicopter since I got here four months ago," he said.

For awhile he was out on patrols and operations when called (he's been on five of them, WAZO the largest). When Da Nang Air Force Base was blasted last July he changed jobs.

He was assigned to the "Rocket Belt," going up in the hills and looking for rocket launchers and sites. The day after the big attack his outfit found some rocket cases, then ran into a VC ambush.

"We got caught in the valley. There was just one trail leading up to where they were and they had that covered. We couldn't move out on the flanks because of the underbrush. We fought our way out. The VC don't carry the gear that we do and can move faster. We couldn't tell if we got any of them because they carry out their dead and wounded with them most of the time," he said.

Easton has been out 25 days during the past month on this patrol and gets sniper fire "all the time."

"Two nights ago," he volunteered, "they sent in 96 mortars but all but five landed at the bottom of the hill (he pointed out to his left to the mountain ranges between here and the harbor) but nobody got hurt.

"I haven't had a scratch," he added.

Lance Cpl. James Sparks came walking up about that time. He's with the First Force Reconnaissance, and from Lockhart, a graduate of Maynard Evans High. Orr is a Boone graduate.

Sparks has been out here a long time. He leaves in mid-October for home. "Sure wish I was back there now," he observed.

His job is a hairy one also, but one in which he takes the greatest of pride. That's something else I've noticed. Regardless of how dangerous or routine the job, every Marine takes pride in it and every outfit is the "best in the Corps." The morale is so high it makes your hair tingle. It also makes you very, very proud of these American lads, I might add.

The job of recon patrols, he explained, is not to be seen, not to make contact if at all possible. They look for and uncover information for intelligence.

"They tell the Grunts (Marine infantrymen) and they go in and do the work we find for them," he said.

How far do you have to go to make contact, he was asked. He stood up. All four grinned.

"Right over there. You have Happy Valley, Mortar Valley, Leech Valley, Garden of Eden, take your pick. Whatever you want it's just right over there," he answered. "Right over there" appeared to be maybe four or five miles.

Sparks will carry scars home with him along with his memories. He was aboard a helicopter going out to a patrol point. They came under fire and shrapnel hit him in the face and hands.

"I have the Purple Heart," he said in a noncommittal sort of way which I took to mean that thousands of Marines get the Purple Heart out here. The lucky ones don't wear it.

What do they think about this war, I asked these 19 and 20-year olds. Easton, by the way, is a graduate of Baylor University.

"I don't particularly like it," he said after several seconds of hesitation and thought. The others looked at him and nodded, so he continued. He had their approval.

"I've been taught a lot about the people in the Corps and the Corps itself. I wanted to be a Marine in the first place. Secondly, believe in this war, think it's right what we are doing. I think the pacification program will work in time and show these South Vietnamese people that we are here to work with and for them, not to take over their country.

"The job is to liberate them from communism. I don't like the war but I believe in it."

"The lieutenant covered it for me," Sparks said.

"That's the way I feel," observed Tiner.

Sgt. Jim Totman, another Orlandoan, was due.

"I saw him yesterday. He's with the air wing with base engineers. He must be busy or something. And I talked to my best buddy, David Bruce Roy, on telephone the other day. He's with the 121st Signal Brigade in Saigon. Guess he couldn't get up here for this."

This is how I spent part of a Sunday. You know, not until this moment have I even thought of the Sunday football telecasts back home.

[From the Orlando (Fla.) Sentinel, Oct. 3, 1967]

APOPKA PILOT FLIES WAR'S SAD CARGO

DA NANG.—Lt. David Blum of Apopka pilots an Air Force twin-engine cargo plane. His job includes the grimmest story of this war, and its saddest.

One of his duties is to fly KIA, the Americans killed in action, out of forward combat areas.

"It is," he observed with a slight frown and shaking of his head, "the most displeasing story here. We carry mostly Marines because our primary mission is in support of the Marine."

We talked more about this unpleasant subject mostly because I thought people back home should know a little more about it. Lt. Blum agreed.

The bodies he and other members of his squadron have been flying out come mostly from the hot spot areas—Hill 861, Khe Sanh, Con Thien, Phu Bai and Dong Ha. These are the areas in which most of the recent action has taken place.

"They are priority cargo," Lt. Blum said. "If you want to be perfectly honest about this, should something happen to the plane in flight and we had to lighten the load, we'd never touch the dead. They get the best care, period."

The bodies are removed from the combat zones and moved to the nearest hospital area such as Phu Bai or Dong Ha. There they are placed in plastic bags and are evacuated as soon as possible. That's usually the next plane.

Lt. Blum makes regular stops for them, from area to area. The bodies are handled by Marines, placed on the floor of the plane with each head facing forward. If there are many of them, litters are used.

"They are never stacked," he said.

Each body from this five-province I Corps area comes to Da Nang and then to Saigon where the remains are forwarded home.

"It's displeasing but unfortunately part of all this," Lt. Blum added.

It was almost like being back home in the office again.

Lt. Blum was a Sentinel Star Company employe, working in display advertising and the composing room before going to Florida Presbyterian College.

Between the newspaper and college he had been recalled from the reserve. After college he returned to the Air Force and went to flying school.

His cargo isn't always sad.

"We haul just about anything you can name—livestock to special forces camps, milk, ammunition, anything. Also wounded," he explained.

Is it a lively duty? This drew a smile.

"Everytime we fly low we get shot at," he said. "We usually try to seek out safer areas and good weather because of the people we fly. This and the Delta are active areas."

His plane took four rounds on his eighth mission and he's been shelled at Dong Ha. And he flies both day and night now, with the monsoon coming.

Like others, his thoughts about the war are mixed.

"We are making headway in some places," he said. "Around here it's like trying to kill ants with a hammer. Maybe it's a case of looking for a rapid solution.

"We're not getting anywhere it seems, but then you don't know. We're probably doing better in other areas.

"As far as facilities go the bases are becoming better, more like stateside with ice cream, air-conditioned movies, bowling alleys. It seems strange for a battlefield.

"Oh, do me a favor," he asked. "Say hello to Jim Neff, Benny Linton, and Howard Cornwell back at The Sentinel for me, will you?"

Orlandoan Forrest Butler, an airman first class also stationed here at Da Nang, hadn't had his coffee. So we walked around the corner to the airman's club.

He's in aircraft structural repair. He and three men assigned to him rebuild damaged airplanes. At the moment they are working on an 02 made by Cessna.

"Give them a plug," he said. "They'll appreciate it. The nose wheel collapsed on this plane."

Butler is going to extend his stay here in Vietnam six months.

"You either hate these people (the Vietnamese) or you get to like them. That's about it," he said by way of explanation.

Life is the same all the time out here. One day is like any other day. There is no place to go, nothing to do except work. He works 15 hours a day sometimes.

"If it's asked of you, you got to do it," he said with a shrug.

"The work won't go away. You have to get out there and do it. I'm responsible for 20 aircraft. We really run a depot maintenance although we are not equipped suitably for it.

"Are we winning the war? Yeh, we are. We're still here aren't we? But I don't go along with that theory that the VC and NVA can't take much more.

"After the attack in July we found a dud rocket. I was amazed to learn that they had to haul them on their backs 30 to 40 miles. I have respect for old Charlie.

"I don't like the way things are bunched around here. I think they should be scattered out. The base is too confined. There are too many valuable people and planes bunched together, and too many fuel tanks too close by," he concluded.

This tall, light-complexioned young man of about 20 has been through six rocket attacks here at Da Nang and thinks he probably will make the Air Force a career. He is the son of Mrs. Roy Hemp.

[From the Orlando (Fla.) Sentinel, Oct. 4, 1967]

ARTILLERY FIRE HITS CLOSE: CHARLIE HEARS DEADLY WHISTLING

DONG HA.—The view from the window of the circling food cargo plane provided a rather chilling panorama of the incredible pounding this supply base has been taking for three months.

Flooding conditions caught the eye first. Twenty inches of rain fell here in three days. Over 25 inches fell in August. Then on higher areas you picked up the pockmarks dug out by NVA and VC artillery and rocket fire. It seemed like no foot of real estate had been spared. Clearly visible was the gaping hole left by the ammo dump which was hit a couple of weeks ago.

But there was another view, one that sort of balanced the ledger. Immediately outside the supply area, huge craters, some filled with water, others fresh enough to be dry, stretched as far as the eye could see.

These were the calling cards left by the B52 bombers from Guam and Thailand.

Smaller craters intermingled with these came from supporting jets and answering artillery from the supply base. So it hasn't been one-sided by any means. The only trouble is there is no way of knowing how many of the enemy has been killed. You know, however, that he has been hurt, maybe clobbered.

There was something else in store, too, quite a shock at first, I might add.

I came under artillery fire for the first time out here.

There was no warning. The first inkling I had that something was wrong was when the man ahead of me stepped off the rear platform and started running. I jumped down, looked around and saw something I won't forget for awhile.

A big guy wearing a flak vest around his shirtless chest and a dusty camouflaged helmet, was standing up in a slit trench beckoning furiously. At precisely that moment, Bob Hayes became the second fastest human being in the world.

You couldn't hear anything over the noise of the plane's engines but one fellow shouted that he could see explosions around the end of the runway we had just landed on. Then it was over. The plane's engines were shut off.

Two jets streaked across the area and dropped bombs on the nearby mountainside where the NVA and VC artillery came from. You could see the explosions, then seconds later hear the booms. By then I was wiping mud from my face and shaking sand and pebbles out of my fatigue jacket.

It was harassing fire, I was told. We were to be harassed four more times during the five hours I was at Dong Ha. The night before Charlie had done more than harassed. He had worked the places over again. I guess someone had told him about the briefing at which it was said that Charlie wasn't firing much at night any more because he gave away his positions and Marine artillery and patrols found him in a hurry.

Ironically, one of the trenches I landed in during one of the afternoon harassments was the same one I had stood over two days before and looking at the knee deep water and mud inside, had said I would prefer the high ground.

But when you hear that strange rushing, whistling sound you don't think. You move. As I was waiting to fly out a little later another attack came. This time I could see three rounds exploding between the hospital area and runway. Strangely enough, the fire seemed to be concentrating on putting the runway out of commission rather than on the mountains of supplies stacked here to be lifted by helicopters to Con Thien, 40 miles to the north.

Dong Ha, by the way, is 11 miles from the DMZ.

I can say this about my reaction to the artillery fire: I was one hell of a lot more nervous than excited. The rest of what I thought cannot be printed in this family newspaper.

Again it was a fruitless journey. I got on a supply chopper headed for Con Thien so I could take a look at this valuable fortress rock which overlooks the strategic Ben Hi road, but the weather turned bad and we couldn't make it.

And L/Cpl. Ray Tremain, whom I had a date to see, was at the Rick Pile, out beyond strategic Camp Carroll. The Rick Pile is a small mountain, a valuable observation point.

Highway 1 was out because it had been mined. The rain had put a bridge out of commission. Cpl. Tremain was on guard duty and no correspondents were allowed at the pile. And the Marines were adamant about this. I didn't argue. Neither did any of the other correspondents.

Neither could I see PFC Wes Akins, Cpl. G. R. Dunanee or Capt. C. R. Allen, Cpl. T. C. Fisher was at Khe Sanh "and you won't be able to get out there for awhile either."

A Marine colonel from MACV in Saigon was up to visit a friend. He found upon his arrival that the friend had drowned two days before during an amphib mission. There was nothing to do except come back to Da Nang, he sighed.

You do interviewing in the field but a typewriter wouldn't last very long in this dust. Amazingly, in spite of the heavy rainfall, and with water standing in every dip and shell hole, the wind is whipping a dust off the high ground areas. That's the kind of weather you live with here.

Two planes came in but both were priority jobs. One carried out dead. The pilot wasn't Lt. Dave Blum this time. The other was a medevac plane and we could see the results of last night's artillery. There were litter cases but a number of the Marines walked from the ambulance to the plane.

Later, back at Da Nang, I learned that a correspondent with the Associated Press, Henri Huet, had been wounded at Con Thien that morning. The man he was interviewing had been killed.

A corporal from Kentucky riding back on the same plane said the doctors were sending him to Da Nang for a couple of days rest. His platoon had been hit badly the night before. It was thought that he might have a concussion from the shelling.

I was prepared to hear some words from an embittered man. Instead, I encountered a savage desire to get this trip over and get back to his outfit.

After all of these attacks I thought I would find morale low and this sprawling most forward Marine supply base in trouble. On the contrary. They take this in stride and I have to once again echo Dr. John Parrish's admiration of these young men. They are magnificent.

[From the Orlando (Fla.) Sentinel, Oct. 7, 1967]

SOUNDS OF WAR RECORDED ON TAPE: HOW ARMY SNIFFS OUT VIETCONG

CHU LAI.—Capt. Tom Morris had, he softly informed, just returned from a "Sniffer mission."

Standing in front of the heavily sandbagged operations center he hesitated, then continued.

The Army has a device capable of detecting human beings on the ground from an aircraft.

"Human beings and chimpanzees emit some sort of an ammonia odor which can be picked up. You can find out if anybody is up there," he explained, waving northward and around to the west.

Was anybody up there?

He smiled and answered very quietly "affirmative." But that was all he would say. Putting two and two together out here you frequently get three, but there are no chimps and "up there" is not friendly country. He did not have to elaborate.

Capt. Morris, whose parents live on Eastern Parkway (the "Winter Park side of Audubon Park"), is the chemical officer of the 196th Light Infantry Brigade. He is also one of the operations team.

"I spend about 10 hours a day in there," he added, motioning toward the tin-topped building. The top could barely be seen above the bags.

The mountains in front of us obviously had been burned. So had the one to the left. It looked like someone had dropped some napalm there.

"We defoliated the area in front of us. Charlie was able to get up there in the bush and operate freely. We have a bunker line in there now and we wanted the men to have some free vision. Over there we used a mechanical flame thrower to burn away some brush and jungle growth for the same reason."

They draw harassing sniper fire just about every day. In spite of the defoliating and burning, Charlie finds a spot somewhere around and fires a few rifle rounds, just to stay in practice, I guess. He hasn't hit anybody.

Ever so often, however, he switches to rifle grenades and when he does that he creates considerable excitement and bunker activity.

Capt. Morris has sent some sounds of the war he personally taped so his friends will have "some idea of what it sounds like out here." A guitar player, this nine-letterman athlete at Winter Park High School also has sent home some tapes of songs he's picked up, written by troops he knows in Vietnam.

He points out the demonstrations back home do not affect him personally and he wishes the war wasn't so.

"I'll say it's a just cause but it's too bad we had to get into it.

"I can't see any changes, not any major changes. It's going to be slow and tedious. Like other nations, instead of living like their ancestors I think this country will develop like Japan and Korea. Here it's going to be slower because this is not a conventional war," he said.

A chemical major at Furman, Capt. Morris wants to get back into physical education and hopes some school in Central Florida will have a spot for him.

The serenity of the afternoon was broken—by the charred brush leading to the bunker lines on the mountain and by a battery of 155's to our left about a distance of two blocks away, booming harassment fire in one and two round answers every 10 or 15 minutes.

Next morning Rosevelt Richmond came around to the information office. He was tired and looked it—and with good reason. He'd been out on recon patrol all night. He carried a grenade launcher. "There is only one "O" in the Rosevelt," he pointed out humorously.

This is the second tour out here for the son of Mr. and Mrs. Solomon Richmond of Apopka. His first tour was cut short when a mortar blast struck him in the face. He was sent home, then volunteered to return. Why?

The interview was making him nervous. He asked twice, possibily to reassure himself that I was from home, if I was from Orlando.

"The first time here I didn't get much out of it. I didn't get much out of duty in the states and felt I was needed more over here. I felt I was best qualified here, more than in the states," he answered.

Sgt. Richmond doesn't follow the trouble back home closely.

"I don't see any sense in riots and demonstrations back home when we are fighting over here. This war takes the cooperation of all the guys and we will come out ahead," he added.

Richmond has had first hand information on the way the VC and NVA operate and he doesn't like it. They recruit young boys from villages around here now, he pointed out.

"I hear they have three regiments around here and one of them has the prime mission of getting the 196th. We'll stop that," he said, and went to get something to eat.

Young Spec. 5 Frank Dame of Winter Park, is one of the many reasons why this trip has been so rewarding. He was delighted to see somebody from home, "even a newspaperman."

"Boy! You been getting around, haven't you? I've been following you in the Stars and Stripes," he said. I had to look around to see if he was talking to me or somebody else.

He's the non-commissioned officer in charge of Publications and Reproductions for the brigade. He takes care of the surrounding units. He also works at the NCO club at night.

I guess Spec. 5 Dame must be the most popular man in this camp. From his office come the forms which personnel going on R&R or returning home must fill out from which come the traveling orders. He has his own ideas about this war, too.

"Once you know what you are fighting for then it's worth fighting for. I feel this is. These people are not living the best of life here. I think the Vietnamese want to get ahead. I also hate to see demonstrations back home. That's a big disappointment," he said.

He came out in June. When he gets out of the Army he wants to make commercial aviation his career—after he gets married. Does he have a girl in mind?

"Sure do," he answered with a grin.

Spec. 4 William Semuta, whose parents live at 505 E. Harding St., also had been up all of the night before.

He's a radar operator for the 82nd Artillery. Radar can pick up incoming mortar. It picks up the mortars, spots areas from which it was launched and call in artillery. He can pick up the rounds in seconds, notify artillery and then tell on his set if the artillery has been accurate.

"I have my own opinions about the war. It's stupid," he said.

"We can't fire on people unless we have clearance. If you pick up a mortar and it's too close to a town, you can't fire on it.

"But," he continued, "it is getting a little bit better. They are starting to evacuate villages and hamlets now so we know there are no friendlies in the area."

Has he noticed any gains, any advances made by the U.S.?

"I've only been here four months," the tired, blond young man shrugged.

Semuta, who said he had grown a moustache before coming out here, but shaved it off after arriving, was in Germany before being assigned to Vietnam. His wife is there plus a 1-year-old son.

He intends to return to his family in Germany and work in the European Post Exchange Service. And he hopes that day comes "real soon, real, real soon."

[From the Orlando (Fla.) Sentinel, Oct. 16, 1967]

HUSH PUPPIES

(By Charlie Wadsworth)

SAIGON.—At Ankhe a few hours ago, I missed another Orlandoan by, his top sergeant said, "two days, two ambushes and one fine set of orders from an understanding company commander."

Peck Morin is a member of the Military Police. The MPs and the SGs (Security Guard) do a magnificent job over here, but theirs is a thankless and vastly underpublicized role.

Morin is "short." He has about 14 days left before he goes home. About 10 days ago he got caught in an ambush on a road near here. Three days ago he was in another one and again got out of it okay.

When he returned to his company unit his company commander was waiting. Morin was promptly shipped over to the coast 25 miles away to a less hazardous area known as Qui Nhon to await his departure home.

It's one of many such heartwarming stories you hear.

To keep the record straight, however, it should be pointed out that in many outfits, especially the ones involved in almost daily contact with the enemy, men whose time over here grows short are often relieved and moved to rear area jobs.

A man whose tour is about to end becomes overcautious, doesn't react as quickly as he once did. Nobody blames him. It happens to everyone, quite understandably.

So, there are two things a GI going into a fire fight doesn't want around him—guys who are "short" and correspondents.

Now I'm in the base area of the second battalion, third infantry, 199th Infantry Brigade, more famously known as "The Old Guard" and "defenders of Saigon."

Inside the base compound, members of the 199th wear tri-cornered hats and wear them proudly. The 199th was the first brigade to be formed in the U.S.

There are three brigades. One is here, a second in Hawaii and the third in Virginia. From this Virginia based unit come special guards for the Tomb of the Unknown Soldier and for the late President Kennedy's burial site.

There are many Central Floridians here, such as PFC Gary Vickery of Eau Gallie, Spec. 4 Frank King, Cocoa; PFC Frankie L. Howard, Eustis; PFC Clifford Tittle, Orlando; S. Sgt. Ivory Mack, Ocala; Sgt. Edward B. Taylor, Orlando; Spec. 4 John Rogers, Deland; PFC John Stanley, Webster; and Spec. 4 William Gilgrease Jr., Eau Gallie.

But again it's the same story. They're gone, some to Long Binh for a rest and refitting, and some have moved over to other companies to pinchhit for personnel on leave or out for various reasons, including wounds and sickness.

Forward areas for The Old Guard are just short hops away, some of which have to be made by helicopters because of high water and poor road conditions.

The troops actually live in Vietnamese villages. At night they go on patrol or set up ambushes across the Nha Be River. By day they live in the district villages, working at the pacification program. It is in these villages that you see strong pacification progress being made.

It was here I met PFC Bobby G. Mims of Winter Haven. A short, solidly built young man, he walked down the strip in his unit command area wearing his shower clogs.

"When we are not out on patrol we have to wear these so our feet can get some sun and air and dry out. Otherwise our feet would be in a mess," he explained.

The tide, which varies from 10 to 12 feet, was at its highest and water was beginning to creep into the orderly room area.

"The relationship here with the villagers is very good, No. 1, and we are making headway. We are going to make it all right," he said.

"People," he continued after a slight hesitation, "are helping us now. The other afternoon on a mission an old man came out of his hooch (house) and showed us where the VC had placed their booby traps and mines. This is happening more frequently. It is a great help."

Mims goes on patrol every second day and they are long patrols, across paddies and other areas where the water is often between waist and chest high.

"It's not too bad over here though. It takes you away from your family and your girl friend. That's the bad part," he added.

Bobby worked in the water ski factory Dick Pope Jr. directs in Winter Haven. I asked him if he also doubled as a water skier for Pope.

"No," he grinned. "I was just learning to ski when the Army came along and called my name."

Another familiar name out here and one who is doing a fine job is that of Capt. Lou Johnson.

Back in 1961 Johnson was in the same backfield at Florida A&M with Bob Hayes. He went to the Houston Oilers but had an obligation to ROTC and now, six years later, he's here, and in that period where he will decide whether to be a career man or leave the service.

His home was in Bartow but now he lives in Fort Lauderdale. He has relatives in Orlando.

He was a line company commander for five months out here. Now he's in supply and logistics, and he has "74 days and a wakeup" left out here. A "wakeup" means the day you are leaving Vietnam for home.

SUMMARIES OF REPLIES TO RECENT QUESTIONNAIRE ON FIVE PROBLEMS BEFORE CONGRESS

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. WYLIE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WYLIE. Mr. Speaker, I desire to share with other Members of the House the views of 6,651 of my constituents as shown by their answers to a recent questionnaire on five problems before Congress. Here are summaries of the replies, all from the metropolitan area in and around Columbus, Ohio:

VIETNAM

This query completed in October, followed an earlier March poll on the same subject and was intended to show especially the extent and nature of recent change, if any, of opinion on the conduct of the war. Replies reveal that 31 percent of those responding have changed their opinions, 47 percent have not changed, 23 percent say they are undecided.

Of those who have changed, 59 percent have gone over to more aggressive military effort.

Of those who say they have not changed, 60 percent favor greater military effort. The remainder here, as for those who changed, is divided among votes for less bombing, continuing on the present scale, or immediate withdrawal.

On the earlier poll, where emphasis was not on change of opinion, 75 percent of those replying still were favoring ending the hostilities by negotiations. Asked their view if negotiations failed, 85 percent would continue military action to a successful conclusion.

The significant conclusion of this latest poll is that nearly a third of those responding have changed their views in 1967, most of them to more aggressive military effort. Many were not content with marking the "ballots"—they added forceful letters in which the most common comments were "win and get out," or "win or get out."

A close study of replies to the two questionnaires on Vietnam gives evidence that those responding favor ending the war through greater military effort by a margin of about 3½ to 1.

FOREIGN AID

Sentiment is overwhelmingly for a drastic cut in foreign aid. The summary shows 40 percent want all foreign aid discontinued, 47 percent want aid continued only for friendly nations, thus eliminating members of the Communist bloc. Having opposite views are 6 percent who would continue aid on the present scale and 7 percent who would increase foreign aid.

SPACE PROGRAM

Here again the sentiment is strongly against increases in spending. The summary shows 41 percent for continuing on the present scale, 32 percent for a reduced program. The report reveals only 10 percent would increase the program, while 17 percent would discontinue entirely.

TRUTH IN LENDING

On this proposal to spell out more clearly charges for loans and deferred payments, the favorable sentiment is overwhelming—94 percent for, 6 percent against.

PRAYER IN PUBLIC SCHOOLS

This vote, on a proposed constitutional amendment to overcome a Supreme Court decision forbidding prayers in public schools, is 90 percent for, 10 percent against.

CONGRESSIONAL REFORM: WE NEED ACTION NOW

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, in a recent column entitled, "Congress Needs Budget Knowledge," Scripps-Howard Staff Writer Marshall McNeil points to the inadequacy of Congress in exercising its power of the purse.

Mr. McNeil notes that S. 355, the Legislative Reorganization Act of 1967, which passed the Senate last March by a vote of 75 to 9, and which is now stalled in the House, seeks to strengthen congressional control over spending programs and its review of the performance of executive agencies and expenditures of public funds. The act would improve the staffs of committees, earmark the function of legislative "oversight" or review, and study ways in which modern devices such as computers can be of assistance in providing information on the numerous and varied programs and expenditures of the Federal Government.

I think this column will be of interest to my colleagues, especially to those who are concerned that the Congress is not fully exercising its important policymaking function under our constitution and, therefore, are convinced of the need for congressional reform.

The text of the article, which appeared in the October 24, 1967, issue of the Birmingham, Ala., Post-Herald, is as follows:

CONGRESS NEEDS BUDGET KNOWLEDGE

(By Marshall McNeil)

WASHINGTON.—If Congress learns anything from the budget-cutting fuss in which lately it has been embroiled, it should be this:

Congress is woefully ignorant about the budget, and it had better correct this soon if it is to make good on its constitutional role of keeper of the Federal purse.

The budget is, of course, a vast and complex document that annually seems to become more so. It sometimes cloaks rather than reveals facts.

It is at best an educated guess by the Budget Bureau, the Treasury and the President on what the Government's income and outgo will be in any given fiscal year. The catch is that this guess must be made and committed to paper in an official document from six to eight months before that fiscal year begins. This requires a special capacity for crystal gazing.

Congress gets the budget in January, and refers it to its two appropriations committees. These are staffed by dedicated experts, but the staffs aren't large enough. Except for sporadic investigations carried on by the staff or by experts borrowed from government agencies, there is no continuing study of Administration spending programs. The committees depend almost solely for information on bureaucrats who have vested interests in getting and spending money, in building up their bureaus and the scope of their influence. This is hardly objective.

In the House, the Appropriations Committee is exclusive. That is, its members serve on no other committees. Thus, theoretically, they can give full time to their districts and to their committee work.

In the Senate, Appropriations Committee members also are members and chairmen of other committees. They just don't have time to devote themselves wholeheartedly to the problems of the budget. And this shows.

Both committees should be able to pinpoint quickly and surely where money is being wasted, where money can be saved, where programs can be stretched out, where programs have outlived their usefulness, where programs need to be beefed up, replaced or have their emphasis shifted.

Instead of calling on the President to cut his budget, or demanding that a flat percentage cut be made in all spending, Congress should be able to spell specifically where money should be saved and where money should be spent. That is its constitutional job.

Ways to make Congress more knowledgeable about the budget are provided in a bill the Senate has passed but which the House has ignored.

It's the Congressional Reorganization Bill. Among other things, it would provide the Appropriations Committees with modern devices—computers—to help them understand a budget. It also would provide each legislative committee with a special staff man whose only job would be to keep abreast of the conduct and administration of the programs rooted in laws those committees approved and Congress passed.

If this so-called "legislative oversight"—competent, thorough, continuous, and hard-headed—had been the practice Congress might not now be in the mess it's in.

Taxpayers suffer, the economy is damaged, programs falter, defense is affected and Congress degrades itself if it does not make good on all its responsibilities as the sole, single source of all Federal spending. For no money can be spent by the Government unless Congress appropriates it.

Basic to these responsibilities is the necessity for full knowledge of the subject and everything it contains . . . and why.

TITLE IV AMENDMENTS ARE VITAL

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. STEIGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Speaker, much has been said about poverty, its causes and its cures, during the past few days of debate on the Economic Opportunity Act Amendments. However, only one portion of S. 2388 contains a program designed specifically to relieve the economic plight of the ghetto areas of our country—title IV.

Those opposed to the title IV amendments contained in the committee bill have claimed that it will result in diminishing the independence of the Small Business Administration. They have claimed that it will be a duplication of present programs. They have claimed it was tried before and failed. They have claimed that it has been studied and rejected.

The opponents, however, all come back to but one argument—that it will some way sound the death knell of SBA as an independent agency. I will repeat what I have already said a number of times—

it is not the purpose or intent or the intended result of the title IV amendments to transfer any authority from SBA and certainly not to jeopardize the role of SBA.

Let us look at the facts. So that my colleagues might be familiar with exactly what is involved I include section 406 of S. 2388 as part of my remarks, as follows:

TECHNICAL ASSISTANCE AND MANAGEMENT TRAINING

Sec. 406. (a) The Secretary of Commerce is authorized to provide financial assistance to public or private organizations to pay all or part of the costs of projects designed to provide technical and management assistance to individuals or enterprises eligible for assistance under section 402, with special attention to small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals.

(b) Financial assistance under this section may be provided for projects, including without limitation—

(1) planning and research, including feasibility studies and market research;

(2) the identification and development of new business opportunities, and the stimulation of new private capital resources through the use of guarantees, pooling arrangements, or otherwise;

(3) the furnishing of centralized services with regard to public services and government programs, including programs authorized under section 402;

(4) the establishment and strengthening of business service agencies, including trade associations and cooperatives;

(5) the encouragement of the placement of subcontracts by major businesses with small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals, including the provision of incentives and assistance to such major businesses so that they will aid in the training and upgrading of potential subcontractors or other small business concerns; and

(6) the furnishing of business counselling, management training, and legal and other related services, with special emphasis on the development of management training programs using the resources of the business community, including the development of management training opportunities in existing businesses, and with emphasis in all cases upon providing management training of sufficient scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individuals served.

(c) The Secretary of Commerce shall give preference to projects which promote the ownership, participation in ownership, or management of small business concerns by residents of urban areas of high concentration of unemployed or low-income individuals, and to projects which are planned and carried out with the participation of local businessmen.

(d) To the extent feasible, services under this section shall be provided in a location which is easily accessible to the individuals and small business concerns served.

(e) The Secretary of Commerce shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this title.

(f) The Secretary of Commerce shall provide for the continuing evaluation of programs under this section and the results of such evaluation together with recommendations shall be included in the report required by section 608.

Mr. Speaker, earlier this year, during the examination of the war on poverty by the Subcommittee on Employment, Manpower, and Poverty of the Committee on Labor and Public Welfare of the other body, the then Administrator of the Small Business Administration, Bernard L. Boutin, described his feelings on mixing a loan program with a management assistance program such as provided for in section 406 as like mixing "gasoline and matches." I believe Mr. Boutin's conclusion is sound and for the information of my colleagues I include a portion of his testimony as part of my remarks. From the hearings on S. 1545, page 3049:

Mr. Boutin. In my own mind, and I want to make it clear to the members of the committee, that if the Congress does instruct OEO to continue to finance SBDC's, we will cooperate with them. I ask for heavens sakes not to amend the bill so that this grant function would come to SBA. We are not equipped for that, and a grant program mixed with a business-type program would be like gasoline and matches. So I would advocate not doing that.

It is clear to me, Mr. Speaker, that SBA did not at that time want a program like the one in section 406.

In order to assess the impact SBA has had with its loan program in the major population areas, I wrote to Administrator Moot on October 26 with a request for information along these lines. For the information of my colleagues, I enclose a copy of that letter:

Congress of the United States,
House of Representatives,
Washington, D.C., October 26, 1967.
Mr. Robert Moot,
Administrator, Small Business Administration, Washington, D.C.

Dear Mr. Moot: In recent weeks I have tried to secure additional information on SBA's Economic Opportunity Loan program. I would like to bring to the attention of the House more specific data on the number of loans and the amounts granted in both urban and rural areas with a high proportion of unemployed persons.

During a conversation with Mr. Roger Lowe of your agency, I requested these figures. Subsequently I was told by Mr. Lowe that this information is not obtainable. I wish to renew my request for this data and ask that you kindly make it available to me or make it possible for a member of my staff to meet with representatives of your agency to discuss the data.

The need for extensive economic development in the poverty areas has, if anything, increased in the past year. I know that you share my conviction that we must take the most intelligent approach, based on the best possible information, to meet this need. I look forward to SBA's cooperation.

Sincerely yours,
William A. Steiger,
Member of Congress.

Mr. Moot answered my letter on October 30. In his letter, Mr. Moot said:

Though there is no reasonably standard definition of urban vs. rural areas our recent publication "Loans in Unemployment Areas, Fiscal Year 1967", identifies SBA loans to all counties designated as areas of substantial unemployment by the Department of Labor.

Mr. Moot also sent a summary of all SBA loans approved during fiscal year 1967 showing totals by State and by loan program. For the information of my colleagues, I include the letter of October 30 from Mr. Moot, as follows:

Small Business Administration,
Washington, D.C., October 30, 1967.
Hon. William A. Steiger,
House of Representatives,
Washington, D.C.

Dear Congressman Steiger: I am pleased to reply to your letter of October 26, 1967, requesting information on SBA's Economic Opportunity Loan Program and the amounts granted to urban and rural areas having a high proportion of unemployed persons.

Though there is no reasonably standard definition of urban vs. rural areas our recent publication "Loans in Unemployment Areas, Fiscal Year 1967," identifies SBA loans to all counties designated as areas of substantial unemployment by the Department of Labor. This publication identifies other types of loans, in addition to the Economic Opportunity Loan Program, thereby providing a greater degree of detail regarding SBA's assistance to unemployment areas than was contemplated in your letter.

For your additional information, there is also enclosed a summary of all SBA loans approved during Fiscal Year 1967 showing totals by state and by loan program. These totals are reconcilable to page 4 of the unemployment report by program totals. The larger total for SBA loans shown in this enclosure is accounted for by two factors (1) the inclusion of Disaster Loans and (2) revised data for the Development Company Loans (501, 502).

I hope these data will be useful. We appreciate your interest and if we can be of further service, please let us know.

Sincerely yours,
Robert C. Moot,
Administrator.

I trust that my colleagues are already familiar with the chart I included in the Record of November 6, and which appeared on page 31341. That chart showed that the SBA loans to unemployment areas in 1967 went to counties which averaged no more than 60,000 in population nationwide. While it is certainly necessary to conduct programs in the more rural areas, it is equally as important to conduct the type of program contained in section 406, aimed strictly at the major metropolitan areas of our country.

Mr. Moot responded to that chart with another letter in which he stated:

I feel, however, that one element of your remarks may be misconstrued by your colleagues. I refer to your statement "that the vast majority of loans made by the SBA under their program of 'loans in unemployment areas' were made in the rural areas."

Mr. Moot went on to say:

During the past year the Small Business Administration has made every effort to bring the Economic Opportunity Loan Program to the disadvantaged in urban areas, as well as rural areas. For example: in New York City alone more than 700 Title IV Economic Opportunity Loans have been approved.

For the information of my colleagues, I include Mr. Moot's letter as part of my remarks:

Small Business Administration,
Washington, D.C., November 8, 1967.
Hon. William A. Steiger,
House of Representatives,
Washington, D.C.

Dear Congressman Steiger: I have read with interest your remarks of November 6 in the Congressional Record about the provisions of Title IV of the Economic Opportunity Act Amendments now being considered by the Congress. We appreciate your very favorable comments concerning the programs of the Small Business Administration.

I feel, however, that one element of your remarks may be misconstrued by your colleagues. I refer to your statement "that the vast majority of loans made by the SBA under their program of 'loans in unemployment areas' were made in the rural areas." This statement is followed by a compilation apparently drawn from the booklet furnished you at the time of your visit to the Agency last week. This compilation indicates SBA loan activity in unemployment areas designated by the Economic Development Administration of the Department of Commerce. I am sure you are aware that inner city ghetto poverty areas may not be specifically designated as EDA areas, and therefore this particular compilation would most certainly indicate a preponderance of rural activity. The compilation, alone, does not, however, provide the full picture as we believe you will readily see. It was for this reason that we also furnished you a National Summary by state and by program of total SBA loan activity during fiscal year 1967.

During the past year the Small Business Administration has made every effort to bring the Economic Opportunity Loan Program to the disadvantaged in urban areas, as well as rural areas. For example: in New York City alone more than 700 Title IV Economic Opportunity Loans have been approved.

We are sure it will also interest you to know that we have recently modified our Regulations governing our remarkably successful Local Development Company Loan Program to reduce the local share requirement from 20% to 10% in so called "Ghetto, Target or High Unemployment Areas" designated by the Administrator, SBA. This action was taken expressly to stimulate the utilization of the Development Company Loan Program in the urban poverty areas.

We also believe that our new Lease Guarantee Program is an ideal vehicle to develop business opportunities in the urban ghettos, and we intend to use it fully.

You may be sure that your interest in helping the disadvantaged in our urban areas is fully appreciated and shared here.

Sincerely yours,

ROBERT C. MOOT,
Administrator.

Upon further examination, I have found that the 700 loans Mr. Moot indicated were made in 1967 were actually made since the inception of the program in 1964. Furthermore, the total number of loans New York City received in 1967 for all categories, including the economic opportunity loan program, number only 511.

To further illustrate the SBA activity in the urban areas, Mr. Moot sent me a copy of the "Loans Approved by State by Program for Fiscal Year." I cannot really determine how this chart will show a high rate of activity of the type I have discussed in the major urban areas, but, for the information of my colleagues, I include it as part of my remarks:

LOANS APPROVED BY STATE BY PROGRAM, FISCAL YEAR 1967

[Dollar amounts in thousands]

State	Business		EOL I		EOL II		DBL		Disaster		501 and 502		Total	
	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount	Number	Amount
Alabama	183	$11,554	4	$24	17	$230	3	$313	4	$17	9	$2,065	220	$14,203
Alaska	66	4,126	2	30	2	50	12	467	96	5,831	13	1,830	191	12,334
Arkansas	127	4,791	46	413	9	113	12	784	1	42	4	525	199	6,668
Arizona	128	4,795	31	302	10	104	5	153	21	488	10	379	205	6,221
California	305	12,858	232	2,210	32	464	16	809	166	2,230	1	71	752	18,642
Colorado	227	9,327	13	110	36	651	5	1,028	10	108	3	364	294	11,588
Connecticut	70	2,982	6	185	22	276	12	571	--------	----------	1	108	111	4,122
Delaware	20	881	4	40	--------	----------	--------	----------	--------	----------	--------	----------	24	921
District of Columbia	44	1,005	16	185	7	93	12	515	--------	----------	--------	----------	79	1,798
Florida	443	21,423	118	1,045	38	476	2	29	55	221	5	2,088	661	25,282
Georgia	178	12,854	15	181	31	501	4	416	4	45	12	1,886	244	15,883
Hawaii	51	2,574	--------	----------	2	32	1	27	--------	----------	3	858	57	3,491
Idaho	132	7,497	1	8	3	70	--------	----------	--------	----------	3	790	139	8,365
Illinois	108	4,670	56	567	26	363	10	1,184	77	640	5	751	282	8,175
Indiana	79	4,253	20	131	12	125	3	169	--------	----------	1	48	115	4,726
Iowa	105	4,799	14	121	11	159	10	309	48	667	30	2,291	218	8,346
Kansas	257	12,319	23	283	7	79	4	751	185	1,694	12	1,958	488	17,084
Kentucky	169	9,166	29	281	27	443	13	866	20	137	4	762	262	11,655
Louisiana	139	6,089	10	88	16	251	--------	----------	798	6,649	4	791	967	13,868
Maine	62	2,597	43	426	13	229	4	410	16	22	8	1,056	146	4,740
Maryland	120	5,254	42	372	32	501	8	576	6	342	5	1,280	213	8,325
Massachusetts	309	16,740	19	213	42	399	54	9,391	60	100	7	1,381	491	28,224
Michigan	153	9,823	114	1,068	30	491	20	1,015	7	37	2	199	326	12,633
Minnesota	138	6,709	23	135	3	36	11	481	14	97	24	3,025	213	10,483
Mississippi	282	12,402	8	71	3	50	1	5	12	362	4	381	310	13,271
Missouri	322	16,934	42	288	25	284	6	237	14	133	12	1,936	421	19,812
Montana	79	3,667	1	8	4	55	--------	----------	--------	----------	4	300	88	4,030
Nebraska	127	6,479	3	20	1	10	2	263	32	132	12	1,393	177	8,297
Nevada	14	1,127	2	9	--------	----------	4	47	--------	----------	--------	----------	20	1,183
New Hampshire	78	4,653	5	30	4	44	19	478	--------	----------	--------	----------	106	5,205
New Jersey	105	4,621	55	524	54	1,719	7	244	51	931	--------	----------	272	8,039
New Mexico	94	3,056	11	112	26	414	3	440	5	60	1	57	140	4,139
New York	225	13,789	369	3,661	96	1,345	41	2,757	2	75	6	853	739	22,480
North Carolina	170	8,306	63	541	24	270	11	1,052	2	31	15	4,034	285	14,234
North Dakota	90	3,353	12	213	6	70	--------	----------	12	25	9	823	129	4,484
Ohio	96	5,232	34	299	28	360	8	537	18	104	1	150	185	6,682
Oklahoma	104	5,043	60	731	32	542	8	348	--------	----------	7	1,522	211	8,186
Oregon	68	4,313	1	5	2	21	6	423	2	381	3	278	82	5,421
Pennsylvania	153	8,029	69	569	42	534	8	453	16	138	8	1,568	296	11,291
Rhode Island	82	3,730	24	181	14	153	11	1,083	1	10	--------	----------	132	5,157
South Carolina	225	11,187	5	47	10	166	3	152	--------	----------	6	1,778	249	13,330
South Dakota	167	6,877	17	158	17	382	2	190	5	7	11	2,275	219	9,889
Tennessee	190	9,607	9	78	8	136	7	152	--------	----------	10	1,543	224	11,516
Texas	407	17,732	104	816	77	846	4	135	139	724	7	1,213	738	21,466
Utah	144	6,857	2	27	2	34	--------	----------	--------	----------	3	139	151	7,057
Vermont	64	3,055	5	42	8	118	3	217	--------	----------	--------	----------	80	3,432
Virginia	220	11,315	5	28	11	162	7	577	6	190	10	2,082	259	14,354
Washington	215	12,717	3	38	10	138	6	1,087	4	312	13	1,872	251	16,164
West Virginia	94	5,765	38	718	47	883	1	62	100	846	3	515	283	8,789
Wisconsin	84	5,725	13	107	16	159	1	216	6	18	5	502	125	6,727
Wyoming	94	4,233	2	12	1	25	1	253	--------	----------	4	780	102	5,303
Guam	10	687	--------	----------	1	10	--------	----------	--------	----------	--------	----------	11	697
Puerto Rico	457	10,416	62	293	109	1,674	1	4	--------	----------	--------	----------	629	12,387
Virgin Islands	7	315	2	5	--------	----------	--------	----------	--------	----------	--------	----------	9	320
Prior periods adjustments	(10)	(5,000)	61	(700)	(40)	(2,100)	(7)	1,000	22	1,300	21	6,200	47	700
Total	8,070	385,308	1,968	17,349	1,066	14,640	385	32,676	2,037	25,146	341	56,700	13,867	531,819

Mr. Speaker, during the past two and a half weeks I have been unable to obtain the necessary information from the Small Business Administration on their involvement in developing the economic life of our major urban areas. I have been interested in the kind of involvement they have in loan programs as well as the kind of management assistance programs contained in section 406.

As my colleagues and I have discussed this matter in the RECORD, one thing seems to be clear—there is little opposition to a program aimed at developing the economic life of our ghetto areas. It is my contention here that we need a dual program. We need a program of loans and we also need a specialized program aimed at management assistance in the major urban areas. The two are not mutually exclusive.

It is also my feeling, Mr. Speaker, that the loan program should be separate from the business training program because in Mr. Boutin's words the mixing of the two would be like "gasoline and matches." For these reasons I propose that the business management assistance program be designated to the Commerce Department as is outlined in section 406 of S. 2388.

THE GLORIES OF THE SOVIET STATE

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, we have been hearing a lot these days about the celebrations of the 50th anniversary of the Soviet October revolution. Rather than proclaiming a time of mourning for the victims of Communist treachery throughout the world, some people, including some segments of the news media, are proclaiming the success of the Soviet system.

My good friend, Bryce N. Harlow, formerly deputy assistant to President Eisenhower, has provided some sobering statistics which, seemingly, would qualify the United States as a successful state according to the Soviet standard of achievement, and reverse our headlong rush to extinction.

In order to enjoy the glories of the present Soviet system, we would have to abandon three-fifths of our steel capacity, two-thirds of our petroleum capacity, 95 percent of our electric motor output, destroy two of every three of our hydroelectric plants, and get along on a tenth of our present volume of natural gas.

We would have to rip up 14 of every 15 miles of our paved highways and 2 of every 3 miles of our mainline railroad tracks. We would sink eight of every nine oceangoing ships, scrap 19 of every 20 cars and trucks, and shrink our civilian fleet to a shadow of its present size.

We would cut our living standard by three-fourths, destroy 40 million TV sets, nine of every 10 telephones, and seven of every 10 houses; and then we would have to put about 60,000,000 of our people back on the farm.

I would add that this is not the half of it. We would have to destroy most of our church spires and abolish 99 percent of our religious freedom. The party line would be preached in every one of our schools and colleges. Every neighbor would be watching you for signs of defection. All in all, we would have to destroy 99 percent of our cherished basic freedoms. Any takers?

HOSMER SPEECHES TO AMERICAN NUCLEAR SOCIETY

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Hosmer] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER.** Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOSMER. Mr. Speaker, inasmuch as my office has been receiving requests of copies of two speeches I have made this year at national meetings of the American Nuclear Society, there apparently is sufficient interest in the contents to warrant republication here.

The November 7 speech at Chicago follows:

Judged by any yardstick, the AEC laboratories have performed their role well—very well. Their work on nuclear weapons and propulsion for nuclear warships forms the basis of our nation's military security. No less impressive have been their exploits in connection with development of the civilian atom. These unusual AEC institutions are one of the unquestioned parents of peaceful nuclear energy. If the successes achieved by the progeny are any reflection on the vitality of the parent, the Commission's laboratories are indeed healthy specimens.

But I nevertheless believe that the time is fast drawing near for an intensive review of their role and functions. The last such review conducted by the Joint Committee occurred in 1960. The JCAE received a comprehensive Commission report on the subject, and solicited and received comments from a large number of industrial, educational and other organizations concerning the future of the labs. The Committee's findings noted the vital importance to the nation of intelligent long-range planning for the use and development of the laboratories.

Implicit was the need for periodic review of any long-range plan to determine that it continues to have validity in the light of changing circumstances. Now, seven years later, circumstances are changing. With that in mind, and with the objective of maximizing the contribution which the laboratories are capable of making to the national welfare, I want to express my thoughts on some of the things that ought to be done to improve them and to bring their role into greater harmony with national needs.

DIMENSIONS OF NUCLEAR PROGRAM

First, for perspective's sake, I'd like to trace briefly the history of the laboratories and outline the dimensions of the AEC's programs.

AEC operations are a major enterprise in anyone's classification. Commission contracts with industry and universities for operation of its facilities involve the efforts of 114,000 people. Construction projects require another 9,000 people. Adding the 7,500 AEC employees swells the total government-supported effort to 130,500. AEC's operating costs for the last full year we have returns on, fiscal year 1967, were approximately $2.5 billion. These figures include weapons and raw material costs. An analysis of these costs gives an indication of trends in the laboratories' fields of effort.

Twenty years ago the total effort in reactor development, physical research and biology and medicine was less than a hundred million dollars. In the last fiscal year, the operating costs for each of these programs exceeded the total effort two decades earlier. In FY 1967 reactor development costs were $528 million, physical research $292 million and biology and medicine $100 million. In addition to experiencing this large absolute increase, these three areas of AEC endeavor have been consuming a progressively greater percentage of the Commission's total budget. In 1967 37 percent of total AEC costs were devoted to them, compared to 24 percent in 1962 and 19 percent 10 years ago. Underscoring the significance of these increases is the fact that this absolute magnitude increase has taken place and is continuing even though the total cost of all AEC programs has decreased somewhat in recent years.

A further breakdown of the expenditure trends in these three programs is given in the table below:

OPERATION COSTS (PERCENT OF AEC TOTAL)

	1957		1962		1967	
	Cost	Percent	Cost	Percent	Cost	Percent
Reactor development	$255,000,000	13	$433,000,000	16	$528,000,000	21
Physical research	70,000,000	4	172,000,000	6	292,000,000	32
Biology and medicine	33,000,000	2	63,000,000	2	95,000,000	4

For reference purposes there follows a breakdown of the total AEC laboratory operating costs for the past 8 years for each of the principal facilities. Also included are personnel and plant growth trends for each of the laboratories. [See attachment A.]

GOVERNMENT-INDUSTRY-UNIVERSITY RELATIONSHIP

The Government-industry-university relationship which characterizes the publicly financed nuclear energy enterprise in this country is a rather unusual one, both in terms of what is being done in other countries and what is done in other areas of science in the United States. Almost from the outset it has been our practice to use industrial organizations and educational institutions to run the Atomic Energy Commission's laboratories. The Government furnishes the goal and broad outlines for achieving them; its partners furnish the technique.

I strongly support this mode of operation. The principal alternative, of course, is the performance of the research work directly by Government employees. The primary advantage I see to our method of operation is the strong intelligence communication circuit it fosters between industry and science. As an ancillary benefit, administrative red tape is reduced. In the latter connection, though, I fully realize that the increasing age of the Atomic Energy Commission has injected more red tape into the operations. Not unexpectedly, there's been a certain amount of hardening of the arteries. The exponential growth in numbers and sizes of the AEC administrative manuals attests to the proliferation of red tape. Some consolation can be drawn from the speculation that under alternate operating conditions the situation could be much worse.

Immediately after the war many scientists engaged in weapons work came to the conclusion that it had little purpose and lacked sufficient intellectual challenge to absorb them. In 1945–46, before the concept of broad research at the AEC laboratories was established, a great exodus of scientists from the AEC laboratories took place. At one point the rate of departure approached that which might be expected for rats deserting a sinking ship.

GROWTH OF AEC NATIONAL LABORATORIES

General Groves, first and always placing priority on bomb production, saw that if he was to hold the scientists, broader research programs had to be established for the laboratories. To that end in February 1946 he consulted and obtained the approval of Chief-of-Staff Eisenhower for budget commitments considerably expanding the scope of research at the nuclear laboratories. This was the start of their truly national phase. Shortly thereafter a budget item was included for FY 1947 for national laboratories and general nuclear research work. At the same time a group of scientific advisors proposed creation of the Argonne and Brookhaven national laboratories. These factors, together with announced plans to provide major research facilities and equipment for advanced work in physics, chemistry, metallurgy and biology, motivated many scientists who had left the Government laboratories at the end of the war to reconsider. Influencing them also, I am sure, was their disillusionment at finding that the university and private laboratories to which they had returned could not begin to provide the management support to which they had grown accustomed from the Manhattan District. The upshot was a return of significant numbers of scientists to the AEC laboratories in the 1947–1948 period.

Work in the power reactor field in the early 50's resulted in much optimism concerning the future of civilian nuclear power. Managers of industry began to organize nuclear energy departments to be in the forefront of the nuclear age. In gearing up they naturally turned to the pool of scientific talent brought together by the AEC. This resulted in another exodus from the laboratories in the early 50's. In retrospect, we now see that the movement toward industrial nuclear power was premature at that time, but those with talent and ability weathered the dry period before the harvest of benefits started in the mid 1960's.

In the past few years there has been no radical ebb or flow of laboratory personnel—but there does seem to have been a fairly constant swell. In the period from 1960 to 1967 the number of laboratory personnel has grown from 41,000 to 51,000. Apparently not even the specially equipped national laboratories have been able to develop an immunity from Parkinson's disease.

I rather suspect that this growth in numbers is somewhat ascribable to a reluctance to scuttle older, less productive research programs while continuing to undertake new and exciting endeavors. Growth in overhead operations is probably another causative factor. Budget, accounting, purchasing, personnel and other such administrative functions must be closely watched. They tend to feed on each other and their primary purpose is soon lost. Emulation by some others in the AEC of Admiral Rickover's *modus operandi* in this connection might not be misplaced. Regularly he visits the Bettis and KAPL laboratories to review all of their operations. Not infrequently he finds functions which are no longer truly necessary to the efficient operation of the facility and makes appropriate changes. Such management techniques tend toward greater efficiency and vitality. They must, moreover, be applied by the Commission itself. The individual laboratory cannot be expected to monitor itself or to reform itself with the same singleminded purpose which a more disinterested observer can bring to bear.

OPTIMUM UTILIZATION OF EXISTING FACILITIES

A number of other things can be done to improve the operating efficiency of the AEC labs. Not the least among them would be greater use of existing facilities more nearly at their optimum capability. Illustrative in this connection is what the Commission planned to do for Fiscal 1968 with one of its more expensive machines—the Stanford Linear Accelerator. During Joint Committee hearings early this year we learned that while a 10-shift-per-week operation was proposed by AEC, a more efficient use of the machine would call for operation on a 15-shift-per-week basis. The reason for not proposing to use it more extensively was a budgetary one. After spending $114 million for the construction of SLAC, the AEC found that the yearly demand on operating funds by a number of accelerator facilities made it difficult to operate all of them at or near their optimum capability. The Committee, feeling that it makes no sense to invest large sums of money in a major scientific facility and then operate it at only one-half capacity, voted to increase operating funds for SLAC—but not without first chastising the AEC for building costly R&D facilities without paying sufficient regard to the availability of funds to operate them.

Duplication of unique or specialized facilities and equipment is another area of concern. This can occur between AEC laboratories; between Government and private industry; and between the research facilities of two or more governmental agencies. From time to time we find that certain work is being performed in AEC facilities which could be accomplished as easily and often more economically in existing commercial facilities. The result is usually additional costs and unnecessary delays. There may be legitimate reasons in special cases for doing in the laboratory what could just as easily be done in industry. This may be justified, for example, when it is necessary to retain special technical or engineering talent on standby during a period when they might otherwise be unproductively engaged. Occasionally, too, a sole source supplier, taking advantage of his position, will insist on an exorbitant price for his wares. Under these and similar circumstances the laboratories are justified in turning to in-house capabilities. On balance though, I thnk the error has been on the side of unnecessarily duplicating talents and services within the labs that were readily available without.

PROLIFERATION OF FEDERAL LABORATORIES

A worsening problem of late has been the tendency toward duplication of research facilities by numerous Federal agencies. Unless it is checked, we are going to see a costly proliferation of laboratories throughout the Federal structure. In the interest of efficiency, and certainly in the interest of the taxpayer, this is to be avoided.

I have suggested before that one way to do so would be to designate the AEC the executive agency of the United States Government for national scientific programs. The Commission's network of laboratories—representing as they do an investment of approximately $2.5 billion in plant and capital equipment alone—constitute an unsurpassed reservoir of scientific and technical capability. The concentration of skilled manpower that has been amassed by the AEC knows no equal. Without question, these laboratories and the men who man them comprise one of our most valuable national resources. I believe they should be tapped for a variety of national purposes. Then, too, the AEC is specially skilled in contracting out in numerous research areas and is aware of the need for a proper balance between research sponsored in-house and research sponsored elsewhere. This capability and understanding should not be wasted.

The practicalities of life are such that it is the Atomic Energy Commission which has achieved the position of pre-eminence in research. I believe this fact ought to be recognized and commensurate responsibilities placed on the Commission for conducting truly national scientic programs as executive agent acting on behalf of, and at the direction of, other Federal agencies having primary responsibilities in selected scientifice areas. I envision the AEC executing such programs in a way which would keep scientific costs to the minimum while giving us the maximum rate of return in terms of scientific progress. The mere physical location of the Commission's laboratories could greatly facilitate the execution of national programs. Located as they are throughout the country, the national laboratories could well serve on a geographic basis as the centers for direction of scientific research. Through this network the Commission could coordinate scientific research on a regional basis in order to assure maximum progress at least cost.

I am sure that to many such a suggestion sounds quite radical. To them I would simply suggest that the time has arrived to put an end to the unnecessary duplication, unjustified empire building and wasteful utilization of scarce talent. It is my firm belief that making one management responsible for the efficient use of our scientific facilities would go far toward bringing a semblance of order to an increasingly chaotic and wasteful situation. Almost daily in my job in the Congress I'm exposed to pressures to set up new governmental research facilities. One agency wants its own research center to solve air pollution problems. Another needs one to explore water pollution problems. Still another thinks it needs one to design new cities or unproved desalting plants. And so on down the list. Quite apart from the tremendous costs and the pirating of personnel which these efforts would entail, I consider this an exceedingly inefficient way to operate—one hopefully not to be tolerated in the future.

If perchance this idealistic solution cannot be achieved—and I fully realize that it might be easier to dig a new Panama Canal with a spoon than to bring it off—I would hope that, at a minimum, these other Federal agencies will look to the Commission's existing facilities and talents to perform for them those research activities which most lend themselves to the laboratories' areas of special competence and to contract for them in areas in which they are not skilled in contracting. In this connection I noted with interest the recent announcement by the Minister of Technology in the United Kingdom requesting the U. K. Atomic Energy Authority to undertake a five-year program of research into certain aspects of the character and behavior of atmospheric pollutants. According to press reports, the action was taken in recognition of the Harwell laboratory's work on the problems of radioactive atmospheric pollutants and the wide range of specialized analytic techniques it has developed appropriate to pollution studies. I believe governmental agencies in this country on a broad scale could make similarly meaningful use of the peculiar talents which exist in the AEC's laboratories.

I would also hope and fully expect that the Commission laboratories would pursue these assigned activities with the same vigor that they have demonstrated on atomic energy matters. I have found that most of the laboratory people are quite eager to contribute to the solution of these national problems, even though in some instances the work involved does not fall squarely within the lines of their customary endeavors. Occasionally, however, we get some static on this score from spokesmen for some of the scientists in the laboratories. Stripped of sophisticated federalese, their argument boils down to the lament that the work "is not within the AEC charter." My answer is simply this: If there really are technical legal problems which impede the use of these national assets on critical national problems, just let the Joint Committee know. It is part of our responsibility to recommend necessary corrections in the Commission's organic legislation.

I am pleased to report that some work, relatively minor as it is, has been started along these lines. For example, the AEC has entered into two agreements with the National Center for Air Pollution Control of the Department of Health, Education and Welfare. At Brookhaven National Laboratory, HEW is providing funds to accelerate studies, initiated with Commission support, to evaluate the uses of stable isotopes of sulfur to study the diffusion and chemical reactions of sulfur dioxides. The jointly funded program will evaluate the utility of the technique in large scale studies of SO_2 pollution and a methods of control.

More recent agreement, entered into in October, calls for the Argonne National Laboratory to provide a jointly funded research program for the National Air Pollution Control Center. These groups, working with the Department of Air Pollution Control of the City of Chicago, will develop a comprehensive air diffusion model for the City which will be used for both pollution control planning and enforcement.

The Federal Water Pollution Control Agency and the Bureau of Mines of Pennsylvania both have expressed interest in a process for the treatment of acid mine drainage with radiation developed at BNL. The process, which is in an early stage of development, could, if economic, have wide application. A number of meetings have been held and arrangements are being made with the State of Pennsylvania and with the FWPCA to undertake a cooperative program for the purpose of evaluating the radiation process and current and developing chemical methods.

The Commission has also been discussing with agencies responsible for pollution control the possibility of using the resources of AEC's multi-program laboratories in such matters as base line ecology studies, evaluation of the toxicity of pollutants, alternatives to the gasoline powered internal combustion engine, the development of chemical methods of analysis of pollutants, radiation treatment of sewage, membrane purification of water, the use of waste heat for sewage treatment and water purification, and a broad regional study of pollution. Some of these items are now under active discussion but I am not at all certain which ones will come to actual fruition. I am hopeful, however, that the Commission's talents will be availed of in a number of these areas.

CONCLUSION

These, then, are some of the problems and prospects of the national laboratories as I see them. As I noted at the outset, and as my remarks would easily indicate, I believe the time is near at hand for a full dress review of the long-range role of the national labs. I can think of few if any forums more appropriate than the American Nuclear Society before which to begin thoughtful discussions of this matter.

AEC LABORATORIES

[Dollar amounts in millions; fiscal years]

Laboratories	R. & D. costs			Plant and capital equipment investment at year end			Employees (year end)		
	1967	1965	1960	1967	1965	1960	1967	1965	1960
National laboratories:									
Ames	$8.1	$6.8	$3.8	$20.7	$13.3	$7.9	1,055	985	568
Argonne National Laboratory	73.9	67.1	40.1	325.3	272.3	117.3	[1] 5,388	[1] 5,738	4,255
Brookhaven National Laboratory	48.4	43.5	20.5	224.4	188.2	87.1	3,667	3,500	2,270
LRL:									
Berkeley	37.7	33.4	19.8	108.3	93.4	40.1	3,370	3,383	2,287
Livermore	108.9	102.0	66.1	185.1	159.7	69.2	5,735	5,538	4,189
Pacific Northwest [2]	42.7	32.7	21.3	98.3	82.5	56.4	2,437	2,145	1,382
LASL	91.5	83.7	58.3	242.5	211.6	143.0	4,452	4,255	3,539
Oak Ridge [3]	83.3	74.0	56.6	329.0	237.5	144.7	5,452	5,143	4,415
Other laboratories:									
Evendale	7.5	8.7	37.0	10.3	8.8	10.4	422	493	2,327
Argonne Cancer Research Hospital	2.8	2.7	2.0	5.5	5.3	4.6	201	215	202
Bettis Laboratory	60.5	57.0	51.1	131.1	128.5	102.5	2,896	3,112	3,308
Cambridge electron accelerator	8.4	7.9	.3	20.2	18.2	3.8	185	182	28
Knolls Laboratory	45.5	45.6	37.6	142.3	137.2	74.5	2,255	2,083	2,368
Mound Laboratory (Monsanto)	[4] 24.8	[4] 18.4	[4] 7.5	53.7	45.8	30.0	2,069	1,648	783
Oak Ridge associated universities	5.8	5.1	2.9	5.6	4.8	3.3	497	408	238
Princeton-Penn	7.9	6.8	1.1	30.2	27.8	.8	431	439	96
Princeton stellarator	6.3	6.3	14.1	24.9	24.2	4.6	425	405	371
Sandia Laboratory [5]	186.1	200.0	129.5	206.5	173.5	87.6	8,117	8,083	8,041
Savannah River	14.0	10.8	10.0	70.2	61.2	46.3	819	669	626
SLAC	15.3	7.3	.9	122.1	30.7	--------	1,228	1,202	--------
University of Rochester	3.0	2.5	1.7	6.6	4.0	2.8	320	302	272
Total	882.4	822.3	582.2	2,342.6	1,928.5	1,035.9	51,521	49,928	41,565

[1] Includes temporary and part time: 1967, 383; 1965, 729.

[2] Not completely considered a national laboratory in the same context as other national laboratories.

[3] Excludes reimbursable work for other agencies, R. & D. costs: 1967, $10,600,000; 1965, $7,100,000; 1960, $100,000.

[4] Total operating costs.

[5] Operating costs include non-R. & D. costs ($37,800,000 in 1967; $41,800,000 in 1965; $28,800,000 in 1960), but exclude reimbursable work for other agencies, R. & D. costs: 1967, $26,600,000; 1965, $7,500,000; 1960, $500,000.

The June 18 speech at San Diego follows:

I am happy the ANS picked my State for its meeting this year—and particularly the San Diego area because such important progress has centered here during the past weeks:

A giant nuclear desalting plant in which San Diego Gas and Electric is a major participant has passed the planning and authorization stages and will become a reality of meaningful scope in the peaceful application of nuclear resources.

Also, nearby General Atomics appears to have survived its tribulations as the advanced converter pioneer in the form of significantly trouble-free full-power runs at the Peach Bottom HTGR.

I mention these two companies specifically due to their geographical proximity. Indeed, the entire United States nuclear effort in all its ramifications and you, and all the people in it, deserve commendation. During these past two short decades since the peaceful atom was unwrapped, American free enterprise in partnership with Federal government enterprise has racked up an astounding unparalleled record of progress and accomplishment.

Of course, at American Nuclear Society meetings things like that are likely to be said. One of our critics, Congressman John Saylor from deep in the Pennsylvania coal country, charges that we are something like the man in front of the mirror who mutters "how handsome I am." He has introduced H.J. Res. 599 creating "a Federal Committee on Nuclear Development to Review and Re-evaluate the Existing Civilian Nuclear Programs of the United States." His resolution would bar from membership on the Committee any member of the AEC or the Joint Committee—and apparently anyone else likely to be predisposed. Personally I am strongly supporting the Resolution. If the Committee does its job, it can only confirm what we have been telling ourselves all along.

You are familiar with that splendid record and I do not intend tonight to belabor the statistics on new nuclear generating plants, or enumerate proliferating isotopic applications, or call the roll of peacetime nuclear heroes and so on. We are not about to relax on our laurels, anyway. I believe a better thing to do is to make a brief assessment of where we are in relation to the future, quickly identify the players in our game and then get into some speculation as to the roles government and industry are likely to play in the future, for they may be different than in the past.

WHERE WE ARE

So, the first question: Where are we? This is something that really cannot be answered quantitatively or in much of any way except by order of magnitude comparison. That comparison, as I see it, pegs us at around the early Model T era both in technology and as to the peaceful atom's sociological acceptance and consequences. We have a long way yet to go and a vastly larger industry is in the making. The role of government, on the other hand, logically should dimish—but as a practical matter at a slower rate than some would like to see.

WHO THE PLAYERS ARE

This is apparent when one reviews the cast of characters on the nuclear stage representing industry, government and the academic community:

Industry.—This is the free enterprise element who wants to make a buck. And that is a very good goal. It has made America the greatest economic force in the world's history. It works just as well with the atom as it does with any other industry. The vast numbers of megabucks involved in getting the nuclear industry underway with the speed it is exhibiting were just not within the sole capacity of free, private enterprise to provide. It was necessary for government enterprise to come up with supplemental support which directly and indirectly runs in excess of a billion dollars a year. I suspect this government enterprise was inspired less by a clear view of the peaceful possibilities of the atom than it was by a tacit acknowledgment of a kind of national guilt complex arising from its initial military use. Spearheading swift civilian developments probably can be classified in the category of an atonement.

Continued large research and development costs to round out the national nuclear power capability in the form of advance converters and breeders makes continued substantial government participation in these areas mandatory for another 15 years or more. Of course factors like the impact of many civilian developments on military weaponry and security, safety, licensing, and regulation and other responsibilities will keep government in the picture indefinitely. However, not necessarily with money or control comparable to the present. Industry should be given as much opportunity as possible to permit economic forces to determine its future without regard to unreasonable government interference. An example of what I consider unreasonable interference is the recent AEC decision to put gas centrifuge technology under wraps on the theory this will delay nuclear weapons proliferation. If IAEA inspection is good enough to police plutonium, it ought to be good enough to police U235. Efforts to un-invent the wheel only make the AEC look silly.

Universities.—Universities as operators of AEC facilities have performed a splendid service which I hope will continue. They have played an even larger and more vital role in the production of Ph. D.'s. This will continue both by outright grants of various types and by a wide spectrum of research contracts. In contrast, I believe the so-called scientific community, as such, with its great public prestige and imperial command on federal dollars is due for a somewhat harsh awakening which I will discuss a little later.

Government.—Government participation in civilian atomic affairs has been unique and extraordinary, not just because of the depth of involvement legislated by the Atomic Energy Act, or because of vast public appropriations, or the extent to which international atomic activities have been fostered or the rigid adherence by both Democratic and Republican Administrations to an unswerving Atoms-for-Peace philosophy. Rather, it has been so because of the unflagging strength and zeal with which both the Atomic Energy Commission and the Congress, as represented by the Joint Committee on Atomic Energy, first, have pursued their responsibilities, *and*, second, have, shall we say euphemistically, cooperated with each other, or say realistically, competed with each other.

The net result is that—with exceptions of course—vacuums which might otherwise have arisen as to in government participation in civilian nuclear enterprise have been rather quickly filled by one or the other of these authorities.

Now it is alleged by some that AEC is passing through a menopause of spirit and purpose. That the objective of the 1946 Atomic Energy Act—the development of weapons—and the purposes of the 1954 Act—the development of peaceful uses—have been achieved and that the Commission should fade away and let the market place take over. To that let me say we have reached the millenium neither in weaponry nor unassisted civilian applications. AEC still has plenty of pep and nuclear sex appeal. Right now it is even taking some anti-monopoly birth control pills in the form of a comprehensive study of competition in the industry. More power to it. One or two companies dominating the field interested only in marketing bread and butter type reactors can tend to squelch innovation and progress. This situation has a parallel in the development of jet aircraft engines. Standard piston engine suppliers made regular and progressive refinements of their products. But the radically innovative jet engine emerged from other sources. Competition prevents monopoly and it fosters innovation. AEC's enterprise in going ahead with this study will serve the nation well.

We also hear allegations that the Joint Committee is a monolithic structure, akin almost to the Kremlin, hell-bent on self perpetuation and on ruling the nuclear affairs of this country by fear and intimidation. None of this do I deny. But, by way of confession and avoidance, I make my own allegation that the Committee has been instrumental in pushing many of the accomplishments which have permitted both industry and our national defense to reach their present stage of development. In the future as in the past the Committee will seek to insure United States preeminence across the entire spectrum of nuclear excellence.

Some people have asked me if all this will change drastically in the event the 1968 elections put a Republican in the White House to control AEC appointments and/or shift the JCAE majority and its chairmanship from Democratic to Republican. Based on the experience of the 1954 election and my own notions I would answer that changes there would be, but I doubt if they would be cataclysmic. For one thing, conditions underlying the cooperatively competitive relationship between the Commission and the Committee are extraneous to political circumstances. For another thing, both the Commission's operational programs and the Committee's legislative plans are rather long range in nature and essentially responsive to environmental conditions other than the political climate.

Therefore, whose political star shines brightest over Washington after November 1968 is likely to influence the pace and dimension of changes already underway rather than to alter percipitously their direction and nature.

FUTURE OF GOVERNMENT, INDUSTRY, AND OTHERS

In any event these changes will affect the relative roles of government and industry and others in the future. They must be reckoned with by all of us and in the remaining time I want to touch lightly on a few of them.

THE SCIENTISTS

First let us take inventory on the nuclear physicists, chemists and any other disciplines to which by any stretch of the imagination the adjective "nuclear" could be applied. Once the wraps were taken off the Manhattan Project and Los Alamos, Hanford, Oakridge and other names became romantic fantasies, the American public engaged in a great love affair with science and scientists. They later were figuratively ensconced in a "Temple of the Living Gods," located immediately adjacent to the Federal Treasury with only swinging doors between. Time and the high cost of accelerators and other basic research tools have altered circumstances considerably.

A greater public appreciation has developed of the need to encourage and support engineers to put to public use the knowledge gained by scientists. Where previously congressmen and senators worried mostly about the proper allocation of public support for basic research between the various disciplines, now they worry about the allocation between basic research and practical developments for public use. It is safe to say that the "easy money" days for scientists are slipping into history.

THE GOVERNMENT LABORATORIES

It is also safe to predict that a searching examination of what already is known as the "government laboratory problem" is in the offing. Within the AEC itself the issue is how many and what kind of laboratories it should operate. Without being specific, I think the answer will be "less," not "more." Also within the AEC is the broader issue of the logic or illogic of its budgetary and management responsibility for large and expensive basic research programs which are loosely atomic related but might more appropriately come within the province of some agency more fundamentally oriented toward basic science only. I have in mind here the high energy accelerators as well as the possibility of revising and enlarging the charter of something like the National Science Foundation to encompass their operation, or rescoping the AEC as the government's R. & D. Agency as well as atom custodian.

Laboratories operated by the Defense Department and many other government agencies are part of this total picture as well as the nongovernmental laboratories and universities with which extensive research contracts are maintained. Because of the "in-house" laboratory problem is government-wide and because it is pressing, I think the AEC and the JCAE well might take an initiative in solving it in order both to set a government-wide example and to prevent AEC, if it fails to take early action, from being swept into some generalized scheme of reform which may not particularly fit its needs.

AEC PERIPHERAL ACTIVITIES

Somewhat akin to the laboratory problem, because it does involve research as well as development, is the issue of how much AEC should continue to promote peacetime civilian nuclear applications in such fields as medicine, biology, food preservation and similar activities. Those who sternly predict that once government gets into any kind of business "it never gets out" must be amazed to see how swiftly and voluntarily AEC relinquishes its isotope production activities the moment private operators can supply the market. The activities from which the AEC might recede I am talking about at this particular moment, however, fall into a different category than isotopes.

In medicine, biology and like areas we do not find a large involvement of private enterprise. The traditional responsibility has been one of government at some level, universities, research foundations and so forth. So the question really is, should the AEC be financing and managing the efforts because they are nuclear related, or should the AEC be urging those who traditionally have operated in an area to assume its nuclear related aspects as quickly as possible? I favor the second alternative.

In food processing and other applications of ionizing radiation by private industry the question boils down to the rate of progress you want to make as a matter of national policy. Perhaps we have tended to overestimate the economic and prestige rewards from moving here at forced draft rather than at a pace determined and financed by industry itself.

By way of contrast, space nuclear power has just one customer, the government, so private enterprise in this area is limited to the prime and subcontractor role. The questions government has not satisfactorily answered respecting it are simply what do we want to put in space and when. Space auxiliary nuclear power is another matter. The rapid penetration of industry into the ocean environment which makes similar power demands, brings government and industry back into partnership on this one.

RAW MATERIALS

Having just taken you quickly from outer space to under the oceans, I'd now like to take you to inner space for a moment—into the uranium mines from which the nuclear industry gets its basic raw material. These have been much in the headlines recently and the Joint Committee still is in the midst of extensive hearings on the uranium miner lung cancer problem. In the 1950's the national interest dictated discovery and production of vast quantities of uranium ore. The AEC dutifully and very successfully established a program of prizes and incentives which accomplished the objective. It has done a reasonably good job since of withdrawal in favor of private industry as the prime force sponsoring additional exploration and production. However, from the recent request of the Colorado Springs Operations Office for money to spend on large scale geological surveys, ore benefication research and the like, I gather that the spirit of bureaucratic empire building is not entirely dead within the AEC. Resurgent activity in the mining and milling industry leads me to believe, however, that it will be able to supply the new surge of yellow-cake demand even if Colorado Springs does not get all the money it asked for.

In its past efforts to spur uranium production the Commission logically and wisely refrained from attempting to nationalize the mining industry or regulate the mines. That was recognized as an area of state jurisdiction and responsibility. On that basis it was left to the states. Yet the Joint Committee and the Commission because they did so, have been subjected to the severe criticism that they have been neglectful in the matter of radon daughter induced lung cancer amongst the uranium miners. As pitiful as these cases are, it seems to me that we adopted a national philosophy of weaving the emerging nuclear industry into our existing political, economic and social fabric as normally as possible and therefore, that Labor Secretary Willard Wirtz's hasty move to put the government into the mines by way of Walsh-Healey Act regulation is not wise.

His regulation, according to testimony, is impractical and unenforceable. Instrumentation does not exist by which the required .3 working level radon concentrations can be monitored. Already the regulation has had to be amended to cure defects in the definition of the .3 level and to avoid closing down all our mines.

STANDARDS AND SPECIFICATIONS

I believe the basic fault in this instance, if it can be pinpointed at all, is a lack of proper standards to guide the states in establishing their safety regulations.

In 1959 the Joint Committee attempted to create machinery to provide such safety guides for exposure to radiation. It gave statutory recognition to the Federal Radiation Council to assure their orderly, comprehensive and scientifically sound treatment. The Council was set up to permit inputs from all the executive agencies having talents and responsibilities in the field—AEC, HEW, Labor and others.

The first major radiation problem the Joint Committee recognized and handed FRC in 1961 was the development of protection action guides covering radioactive fallout. At the time, you will recall, atmospheric weapons tests were creating hot spots. In this case we got the FRC to come through, but it wasn't easy.

We had to call hearings in both 1962 and 1963 to keep things moving. We also wrote a lot of letters and finally got the protection guides in 1964.

As soon as these were out FRC work was directed toward radiation exposure of uranium miners. I have no doubt that its staff worked hard to come up with the needed guides, but it was obvious the progress was too slow. Again, the Joint Committee jumped in to move things along. As soon as we scheduled hearings, the next meeting of the Council was moved up to complete action on the guides beforehand. This was fine. But then things blew apart. FRC met on May 4th and there was a split decision. The object was to get together again and make one. But, somebody lost the script. The Secretary of Labor overreacted, bolted and put out his proposed regulation. This pre-empted FRC action and, even more seriously, the proposed order by Labor was garbled in a number of technical aspects.

In summary the way we laid things out when we passed the statute setting up the FRC broke down and something has to be done about it. What should be done? Abolish FRC and reorganize the executive to handle these problems? Strengthen the FRC to take care of this job? Or what?

I don't have the answers—only the questions. But I do know, as you know, that not only safety in the mines, but safety throughout the nuclear industry as well as public safety depends on getting them. And further, that the entire matter of standards and specifications in the broad sense is critical to the growth and development of the nuclear power industry. They are needed by the purchasers of reactors. They are needed by the manufacturers and by their suppliers. They are needed in order to avoid a breakdown of the licensing and regulation process in the face of the avalanche of new nuclear power plant orders.

Milton Shaw deserves great credit for zeroing in on this particular problem and working with all concerned to come up with some of the answers.

ADVANCED CONVERTERS AND BREEDERS

Mention of Shaw's name, of course, brings up the bitter issue of the best way to go about developing breeder reactors—a program in which private enterprise and government enterprise find themselves in ambiguous, uneasy, but necessary partnership. Milt wants to go the component development route. Industry wants a comprehensive approach, on the theory its objective is not building components, but whole reactors. When listening to Shaw I find myself favoring his approach and when listening to industry I favor its approach. I like to feel that this is not because I am wishy-washy but because I believe that the magnitude of the job—and the resources both government and industry eventually will devote to it—will permit both approaches.

Nor do I wish, by this emphasis on the breeders, to imply any belief that advance converters are in danger of disappearing from the mix of nuclear power systems this nation and the world eventually will end up with. It long has been the custom of a few key members of the Joint Committee to meet informally with both government and industry representatives to exchange views on specific major problems. We have listened individually to lots of discussion, estimates and speculation from burner, advance converter and breeder proponents. We have heard lots about sodium, steam, gas and other coolants. I think the time is reasonably close when we should bring them all together at a formal hearing and get a better fix on when and in what proportion these various types of reactors can be expected to capture their markets.

CONTROLLED THERMONUCLEAR REACTORS

I believe, in evaluating these markets, we cannot neglect the very real possibility that controlled thermonuclear reactors may be in the picture, too. The Joint Committee actively supports the program and regularly endorses an ever increasing budget. Progress in understanding and suppressing plasma instabilities is excellent. It would be reckless to expect a quick breakthrough in CTR. But it would be even more reckless to expect none at all. When it comes I am certain industry will move swiftly to exploit it.

PLOWSHARE

Since some of you probably think I am pretty far out on the fringes talking about controlled fusion and since my time is about exhausted, to conclude I will just switch to another area many believe is on the fringes but I do not. It is Plowshare. Recently EG&G's Herb Grier, wearing his hat as President of CER Geonuclear Corporation, explained why his company, Continental Oil and Reynolds Electric are pouring substantial sums not only into the Gasbuggy Project to liberate natural gas locked in hard shale, but to set themselves up in the general nuclear rock crushing business on a permanent basis.

Where else, asks Grier can you buy TNT for 30¢ a ton? And, how else can you stuff kilotons of it underground through an eight-inch hole?

Considering the locked up reserves of natural gas alone, Grier estimates that in five to ten years there will be 1,000 shots a year and a total of 30,000 shots is needed in the United States alone. This is a lot of business. I hope the enterprises amongst you will not let CER get it all.

But that is only one area of Plowshare application. Its techniques should be applicable to oil as well as natural gas recovery. As of this week the AEC has a team in Pennsylvania looking into the use of Plowshare to create vast underground storage cavities for natural gas imported into that state from elsewhere.

Our old friend Norman Hilberry of Argonne Laboratory went to Arizona to retire but instead he is developing a scheme to use Plowshare to solve that state's critical water shortage. He would use underground nuclear explosives to develop giant catch basins to retain the State's rainfall, 98% of which is otherwise lost to evaporation.

Then there is the intriguing idea Plowshare heat sinks. Where there is a potential thermal pollution from a new power plant, before its construction a Plowshare underground cavity could be blasted which would "cool down" while the plant is built. Then the excess btu.s from cooling might be dumped in the cavity as an alternative to thermal pollution or dissipation from towers. Some people think the heat sink idea might even be practical for systems of central heating in winter and cooling in summer for entire cities. I close with these far-out thoughts mostly to underscore my estimate that our atomic industry today really is still in the Model T era and that great opportunities and great rewards lie ahead for anyone with enterprise.

SATO SHOULD LIFT EMBARGO ON TEST RIFLES TO UNITED STATES

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. FINDLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FINDLEY. Mr. Speaker, while the Prime Minister of Japan, Eisaku Sato, is here in Washington, seeking major concessions from the United States, I believe it is timely to draw to the attention of Congress and the public an important concession of vital interest to U.S. security that the Government of Japan has refused to grant this country.

Since last April, the Sato government has declined to approve an export permit to allow the shipment to this country of 75 American-designed AR–18 rifles, produced under license in Japan, which the U.S. Air Force wishes to test.

As my colleagues may recall, it was

the Air Force in 1962 that led the way in the testing and adoption of the M-16 rifle, when the Army was still fighting procurement of that weapon.

Now, the Air Force wants to buy test quantities of the newer AR-18 rifle, which is similar to the M-16—but lacks some of its more troublesome features for three reasons: First, because of the Air Force's long-established policy of seeking the best possible weaponry for its personnel; second, because the Air Force has been unable to get the quantities of M-16 it wants as quickly as it would like; and third, because of the problems that our forces have encountered with the M-16.

Prime Minister Sato is now conferring with President Johnson and other key American officials seeking several concessions of vital interest to Japan; namely, the return to Japanese control of the strategic island of Okinawa, as well as the Ryukyus, which the United States have held since World War II. Indeed, so important is the Okinawan question that it has been publicly suggested that the Sato government may fall if the Prime Minister fails to negotiate return of the island to Japan.

Therefore, as a member of the Foreign Relations Committee, I believe it is in bad grace and bad faith for Mr. Sato—the head of a friendly nation—to seek such concessions from this country, when his own Ministry of International Trade and Industry—MITI—will not even approve the export to this country of 75 AR-18 rifles for test purposes.

And it could further be suggested that blocking this AR-18 shipment, valued at about $10,000, is in particularly poor grace when it is recalled that earlier this month, the United States turned over to the Japanese Government the "technical package" on America's Nike Zeus and Nike Hercules rockets, worth millions of dollars, so that Japanese manufacturers could produce these weapons for defense of the Japanese homeland.

Officially, the Japanese Government has given no explanation as to why the shipment of 75 AR-18 rifles is being held up. But unofficially, Japanese officials have made clear that they fear release of the rifles to the U.S. Air Force might prove embarrassing to the Sato government.

The Japanese Constitution forbids its Government to give direct aid to any foreign nation which is a combatant in an armed conflict. And the United States, of course, is deeply engaged in Vietnam.

So strong is the antiwar and anti-American feeling among the politically powerful left-wing extremists in Japan that the Sato government apparently fears this shipment of rifles, if released, might provoke some kind of a domestic incident.

But the facts of the situation mitigate against that possibility. For these guns are to be shipped to Lackland Air Force Base, for stateside testing, not to Vietnam. Here is the history of the situation:

The AR-18 rifle was designed and is owned by the Armalite Corp., of Costa Mesa, Calif. This is the same firm that developed the AR-15 rifle, which has been adopted by the U.S. military as the M-16. While Armalite sold manufacturing rights for the M-16 to Colt Industries, licensing it is as world's sole manufacturer, it has retained rights to the newer AR-18, which is also a light, fast-firing .223-caliber weapon.

That rifle is now being produced for Armalite, under license, by the firm of Howa, in Nagoya, Japan. It is from Armalite-Howa that the Air Force has contracted to buy 75 AR-18s.

And it is the export of those rifles to the United States which the Japanese have refused to approve since last April, despite efforts by the Air Force and the U.S. Department of State.

Air Force interest in the AR-18 was sufficient, at the outset of its discussions with Armalite, that the service sought to buy 150 of the weapons. Seventy-five of the rifles were to go for the tests at Lackland, and 75 were to be flown to Vietnam, for trial under combat conditions.

But the U.S. State Department, fully appreciating the difficulties faced by the Japanese Government, ordered the Vietnam part of the order canceled. So there can be no doubt of their intended test-use solely in this country.

Mr. Speaker, there is apparent in this Congress a rising protectionist sentiment on matters of world trade. It is a trend of which I personally do not approve. And it is a trend that alarms many of the friendly nations with which we trade—particularly Japan, which sells considerable steel on the U.S. market.

It is my opinion that an incident like this one, involving an adverse action by the Japanese Government on this small quantity of AR-18 rifles, can only further stir the ire of many Members of Congress, and enhance the possibility that some kind of retaliatory action available to Congress—such as the voting of steel import quotas—may result.

Mr. Speaker, I do not see how Mr. Sato can seek concessions from this country, such as the return of Okinawa and the manufacturing data on the Nike missiles, while withholding approval for the shipment of 75 rifles to the United States.

As a Member of Congress with a long record of active interest in obtaining top-quality weapons for American fighting men, I do not see how the Japanese action in this situation can be described as anything but deplorable.

Mr. Sato wishes American concessions, and wishes to retain the good will of Members of Congress. I believe he should release the AR-18 rifle shipment.

THE ORBITAL BOMBARDMENT SYSTEM

The SPEAKER pro tempore (Mr. EDMONDSON). Under previous order of the House, the gentleman from California [Mr. LIPSCOMB] is recognized for 15 minutes.

Mr. LIPSCOMB. Mr. Speaker, Secretary of Defense McNamara lifted the veil of secrecy and silence on the status of a far-reaching threat to our national security when he disclosed November 3, 1967, that the Soviets have been testing a system capable of placing in orbit and detonating on command a nuclear bomb—the orbital bombardment system—which could become operational in 1968.

A capability in the hands of the Soviet Union to bombard this Nation from orbiting missiles is a matter of grave concern, for it is a weapons system of awesome significance.

It cannot be otherwise, for it means that weapons of mass destruction can be orbiting the earth and the impact point of their warheads cannot be determined until they are about 3 minutes from the target.

In spite of efforts of the Secretary of Defense and other spokesmen to downgrade the importance of the orbiting bomb, there is widespread apprehension about the potential of this weapon. For example, the Chairman of the Joint Chiefs of Staff said on November 8, 1967, the weapon "could grow to be a threat of considerable proportions."

There is no quarrel with any attempts which may be made to allay public fears concerning this weapon. Obviously, we cannot allow this or any other development to have a weakening or immobilizing effect upon actions which may be required to do our best to safeguard our Nation's security and sovereignty.

But the apparent indifference of officials of the Defense Department as to the seriousness of the threat to us represented by the orbital bomb is a matter of deep concern.

This indifference, which is perhaps best described as an arbitrary refusal to see the orbital bombardment system and its potential for actual and psychological warfare for what it really is, has persisted over the years.

When Secretary McNamara appeared at the House Defense Appropriations Subcommittee hearings on February 20, 1964, he described the threat of attack from enemy satellites as "not an important threat for the immediate future."

Shortly after that, Dr. Harold Brown, then Director of Defense Research and Engineering and now Secretary of the Air Force, testifying before the House Defense Appropriations Subcommittee on March 11, 1964, said:

> It is therefore clear that [orbital bombardment system] weapons are not very great threats to us in the near future, and that they are unlikely ever to be. Such weapons would be largely anti-population in nature and would not appear to alter Soviet military posture sufficiently to justify the several obvious difficulties involved in their deployment.

He further testified during those hearings that "we have not more than three or four people" studying the question of orbital bombardment, and "we are not doing any hardware work."

Dr. Brown came up with such reasons for this as:

> It is not a very good idea.
>
> There now is a U.N. resolution which we subscribe to and the Soviets have subscribed to, not to put bombs in orbit.

And—

> Apparently neither the Russians nor we believe it is a very important strategic weapon.

In the meantime, the Soviets have aggressively applied space to military purposes, and in the case of the orbital bombardment system they appear to be far ahead of the United States.

When President Johnson transmitted to the Congress the sixth annual report on the accomplishments of the Arms Control and Disarmament Agency on February 17, 1967, he said:

> The United States has anticipated the future by putting all of Antarctica, and more recently outer space, off limits to weapons of mass destruction.

Ironically, at the very time the statement was made that we put outer space off limits to weapons of mass destruction, according to press reports the Soviets had already fired three of 11 space shots from a military ICBM launch complex, a series of shots Secretary McNamara reportedly referred to when he revealed there was evidence that the Soviet orbital weapon system conceivably could be operational in the near future.

The situation we are confronted with, therefore, is that soon the orbital bombardment system could be an accomplished fact as a major weapons system in the Soviet arsenal.

In spite of this, at his November 3, 1967, news conference Secretary McNamara clearly indicated a continued lack of concern over the Soviet orbital bombardment system.

Secretary McNamara revealed that we are still relying on a concept of something which he calls "deterrent" as a basic defense against this offensive weapon.

Many have at times felt that the development of U.S. defense forces—particularly the strategic forces—under the stewardship of Secretary McNamara has been intentionally constrained, and that this seems to be bringing us into a position of parity with the Soviets.

In the application of space to military purposes there should exist no doubt that what the Soviets seek is superiority, not parity.

The development of an orbital bombardment system gives added evidence that the Soviet objective is to achieve strategic nuclear supremacy over the United States.

By attaining strategic nuclear superiority, the Soviets could: Complicate the problem we have in targeting and directing our strategic forces against the Soviet Union, reduce U.S. confidence in our ability to penetrate Soviet defenses and our ability to destroy Soviet targets, and achieve an exploitable capability permitting them freedom to pursue their aims without resorting to general nuclear war.

It is the military capabilities which the Soviets now possess or control which helps permit the Soviets a freedom to pursue their aims in North Vietnam and elsewhere without resorting to general nuclear war.

If one were to utilize a term often used by the Secretary of Defense, one could say that the Soviets have a deterrent. It is that Soviet deterrent which apparently deters this administration from successfully countering against the Soviet economic, political, and military support activity which the Soviets sustain against us in North Vietnam.

Furthermore, there is every reason to believe the Soviet leaders could, with an orbital bombardment system, be in a position to even more freely pursue their aims.

Officials in our Department of Defense and others in high positions seem to place extraordinary faith and reliance on mere words on paper as the means to deter the Soviet orbital bombardment system.

Throughout the story of the Soviet success and our failure to develop an orbital bombardment system there is a consistent theme of reliance on "agreement" or "resolution" or "understanding" or "arrangement" with the Soviets regarding weapons in space.

Assurances along these lines have been repeatedly advanced over the years and were again repeated in Secretary McNamara's recitation on November 3 that one of the reasons the Soviets were not likely to use the orbital missile as a weapon is that—

> It's a violation of an agreement they've entered into.

This was, of course, a reference to the Treaty on Outer Space. One of the major provisions of the treaty is designed to bar the orbiting or stationing of nuclear or other weapons of mass destruction in outer space. In this regard, many are puzzled and dismayed over Secretary McNamara's apparent eagerness to absolve the Soviets of any violations of the Space Treaty.

The Los Angeles Times, as one example, in a November 7, 1967, editorial entitled "Soviets Bend Space Treaty," asserted:

> But it is nothing short of incredible that the Johnson Administration seems unwilling to challenge Russian actions as a violation of the U.N. treaty banning nuclear weapons from outer space.
>
> Certainly the American people are unlikely to be satisfied with McNamara's explanation of why Soviet development and testing of the new weapons system does not violate the treaty, which the Russians signed only last January.

Secretary McNamara's announcement of the Soviet orbital bombardment system culminates a case history of an administration failure which we certainly cannot permit to be repeated.

The psychological or physical harm which may be inflicted upon the world by the Soviet's possession of the orbital bombing system may be of great significance. It could in fact determine our Nation's future.

Greater progress is needed to develop our own capability to counteract Soviet strategic weapons systems. Certainly we are faced with the necessity of developing a system to defend against orbiting bombardment missiles.

Our Nation and the world would be better off, too, if we challenged the Soviets on this weapon as a violation of the Space Treaty.

But mere words alone will not adequately shield the Nation.

Hard work and hardware are required to deal with weapons of mass destruction in space.

EVALUATION OF U.S. FOREIGN AID POLICY

The SPEAKER pro tempore. Under previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 10 minutes.

Mr. HALPERN. Mr. Speaker, before we begin debate on the foreign assistance and related agencies appropriations bill of 1968, I should like to offer for the consideration of our colleagues an evaluation of our overall approach to foreign assistance as embodied in the Foreign Aid Authorization Act, accepted last week by this body.

U.S. foreign aid policy has, of late, been subject to much criticism. But criticism is easy. The harder task is developing a realistic approach to U.S. foreign aid and defining the reasons for U.S. expenditures. My examination of our recently passed foreign aid conference report, excluding provisions for military and supportive assistance, convinced me that our approach to foreign aid is basically sound.

The United States has a crucial interest in the direction of development of the rest of the world. She cannot expect countries to follow similar paths of modernization. But she can affect the directions and rate of change. To keep peace during this time of turmoil and to help make other nations' interests compatible with her own are reason enough to continue foreign aid.

The foreign aid bill of 1968 recognizes that the problems developing nations face today are qualitatively different from those of both this Nation at inception and post-World War II Europe. Many countries have yet to achieve a sense of their own nationhood. The developing nations' insistence on immediate modernization, on a total changing of society without first developing the necessary technology, education, funds, and other equipment have led to bottlenecks and violence.

How do these conditions affect U.S. aid policies? No Marshall plan can solve the problems of underdeveloped nations. Modernization can only be achieved by a long-term process and the foreign aid bill of 1968 recognizes this. The U.S. approach must be a pragmatic and flexible one. She must constantly reexamine her policies and results of these policies and change them to fit the needs of individual countries now receiving aid. She must realize that she can expect no assurance that economic growth will lead to social and political changes desirable to herself and yet that she cannot stop her efforts. Finally, she must be willing to experiment and make mistakes.

S. 1872 is a step in the right direction. In his foreign aid message of 1967, President Johnson called self-help "the lifeblood of economic development." This bill recognizes that this country and other donors can supply only a small fraction of the resources needed for modernization; the initiative and much of the human and physical resources must be provided by the recipient country. Sections of the bill place further emphasis on the principle of self-help. It combines 20 years of experience by setting the criteria to judge the efforts of recipient countries to improve themselves.

This bill further recognizes the limitations of U.S. aid attempts. The United States cannot support the world. **Thus,** this Nation has selected 16 key target nations for her major aid ventures.

This bill further recognizes the limitations of U.S. efforts by selecting areas of priority. Although much of the underdeveloped world is still agrarian, many nations are still incapable of feeding their own populations. Thus, the bill continues the 1961 provisions to increase the technology, marketing techniques, and to make recommendations of the most advisable crops a country should produce. While efforts are being made in the field of long-term improvements in agriculture, Public Law 480 provides unforeseen emergency famine relief. Recognizing that the world population cannot be fed in the future if current growth rates continue, the United States has increased her program urging voluntary family planning. Modernization is impossible unless a country's population is healthy and skilled; thus, S. 1872 continues U.S. priorities in these two areas also.

S. 1872 is a sound law because it allows the necessary flexibility of policies for development of countries. It provides the guidelines for project-tied and developmental aid, aid with and without strings, and both grants and loans of funds.

Project aid enables the United States to direct a country's development. By allocating funds and technology for specific projects, the United States can provide the necessary impetus for projects such as the Indus Basin project which a country without aid might never attempt. The United States also has other means of directing a nation's development besides specific project aid. She can attach strings, as demands for monetary or political reform to her contributions. But no nation can delegate upon herself the responsibility of determining the course of another country's development, and this H.R. 12048 recognizes. Thus, the 1968 bill has supplemented project aid and aid with strings with development aid and "soft aid," allocations for which the recipient country can determine her own uses, free from strings. A combination of these types of aid gives the recipient freedom to plan her own development.

Current U.S. aid places further emphasis on loans rather than grants. Thus, a "pipeline" or revolving fund for future aid ventures is created. The merits of this policy are apparent. But, I believe that future efforts in this direction should be tempered because of the fear of fiscal difficulties it creates in the recipient countries. U.S. accumulation of foreign currency lowers the circulating currency in developing nations and creates the fear that some day U.S. stockpiles of foreign currency will be released, flooding the market and leading to economic upheaval in the country receiving aid.

I must repeat that the United States can expect no mirror image of her own paths of development in the developing nations today. Private enterprise and nonprofit organizations do have an important role in our foreign aid which part II of the current bill recognizes. But we should neither demand that a nation buy our own products nor demand free enterprise as the only principle upon which an economy can be built.

Rapid change often demands regulation by the government and more regulated ownership than free enterprise. The United States should continue to support the free enterprise system and her own corporations, but be willing to make sacrifices. More orderly control by the government is often more of an assurance for the conditions in which democracy can flourish than a disorderly, bottlenecked, free enterprise system in which frustration and violence can become more rampant.

These efforts mentioned are limited to about 16 countries. But technological aid under title II of the development assistance program benefits a total of 40 countries. The United States is thus helping to train people in the necessary skills needed for modernization, and makes her foreign aid program a broader one.

Foreign aid is not simply a bilateral venture by this Nation. Some of the more promising features of this bill are contained in the provisions for U.S. support of international organizations such as the World Bank and Inter-American Development Bank, groups of nations acting in consortia, and the agencies of the United Nations. These groups have the potential of providing more funds and aid free from the pressure of the demands of any one government. My recent trips to Latin America and Africa have convinced me that, although these groups are now limited in scope and effectiveness, they have the potential to play a large part in the efforts of developing nations.

Just as the donor is not always one country, the recipient of aid may be an entire region. Countries are political boundaries and are not economically viable. Many projects like the Indus Basin project and plans like the Colombo plan must deal with an entire region to be effective. They can benefit a great area as well.

Through its Foreign Assistance Authorization Act, Congress has played an important role in creating U.S. foreign policy. Congress has provided the broad outlines and necessary flexibility for our foreign aid. The effectiveness of this improved foreign aid bill now depends upon efficient administration and implementation of its provisions.

I support this bill as a good definition of the needs of developing countries and hope that Congress will continue to play a role in this field by examining the implementation of policies throughout the duration of S. 1872.

IS THE SECRETARY OF LABOR ABOVE THE LAW?

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. HALL] is recognized for 30 minutes.

Mr. HALL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include pertinent extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, since April of this year, City Utilities, a municipally owned utility in my hometown of Springfield, Mo., has been fruitlessly trying to obtain the approval of a grant under the Urban Mass Transportation Act of 1964 for new buses and for air-conditioning units. The Department of Housing and Urban Development administers this act. However, section 13(c) of the act, which relates to labor standards, vests the Secretary of Labor an absolute veto over the awarding of these grants. The Secretary has not hesitated to use his veto in an arbitrary, inequitable, and unlawful manner in relation to this grant. His use of this veto has been exercised through the abdication of his authority to the International Amalgamated Transit Workers Union. In essence, the transit workers union must have a collective bargaining contract with the grant applicant before that grant receives the Secretary's stamp of approval. Therefore, because a publicly owned utility is forbidden by the State of Missouri and others—from entering into a collective bargaining contract with its employees—City Utilities has been denied its application, even though it has met the standards as established by HUD.

I first brought this situation to the attention of the House in a letter to all Members dated October 13, 1967. This letter was a response to the scheduling of House Joint Resolution 859 which was to extend section 5 of the Urban Mass Transportation Act of 1964 and was to come before the House under suspension of the rules. This letter set forth the dilemma faced by the citizens of Springfield, Mo., and was accompanied by an editorial that appeared in the September 17, 1967, edition of the Springfield Leader Press. Because of this action, House Joint Resolution 859 was deprogramed and hearings for a rule were obtained.

On November 2, 1967, I appeared before the Rules Committee to testify in favor of a special rule that would allow for the amendment of section 13(c) when House Joint Resolution 859 reached the House floor. I was unsuccessful in obtaining this special rule. What a paradox that the opposition in the Committee on Rules came from a colleague of my home State.

Prior to this, however, the representatives of City Utilities and officials of the Labor Department, along with members of my staff met—this meeting took place on September 12, 1967. When asked what specific conditions must be met to obtain Labor Department approval, the only reply was "What will you offer?" In response to this, City Utilities, acting through its general manager, Mr. Marvin Castleberry, restated their position to the Labor Department in a letter of October 19, 1967. This letter was then followed by a reply from Mr. Thomas R. Donahue, Assistant Secretary of Labor, asking for a "satisfactory alternative." Mr. Speaker, what kind of "alternative"? The Missouri law is clear: Municipally owned utilities cannot enter into collective bargaining contracts with their employees.

This letter was then followed by a letter dated November 3, 1967, from Mr. J. W. Miller, counsel for City Utilities. Again the position of the publicly owned utility is clearly and concretely stated; and again this correspondence was followed by a letter from Mr. Donahue, of the Labor Department, to City Utilities asking that City Utilities "consider the resumption of negotiations with the union."

Mr. Speaker, how absurd. What is there to negotiate? The State law precludes the type of negotiation that the transit workers union is demanding. It is indeed a sad state of affairs when one must negotiate and bargain with a nongovernmental group in order to obtain a Federal grant-in-aid. This perverts the entire concept of Federal grant-in-aid programs.

Finally, Mr. Speaker, I mentioned earlier that the Secretary of Labor was acting unlawfully in implementing the provisions of section 13(c) of the Urban Mass Transportation Act. I so stated in a letter I sent to the Secretary, dated October 17, 1967, at which time I brought to his attention the fact that he was violating 5 U.S.C. 552(1)(D) of the Public Information Act of 1966, which amends the Administrative Procedure Act. Under the provision of this statute—

> Each agency shall separately state and currently publish in the Federal Register . . . Substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the agency.

I submit that the Secretary of Labor has never complied with the provisions of the Public Information Act in regard to section 13(c) of the Urban Mass Transportation Act. Furthermore, he has chosen to ignore this charge, and in a letter dated October 31, 1967, Mr. Donahue acknowledged my letter containing my charge, but refused to defend the Department's actions. Query, Mr. Speaker: Does this failure to answer this violation of the Public Information Act constitute an admission of guilt?

I submit that no other conclusion can be reached, a conclusion which is supported by the June 1967 Attorney General's memorandum on the public information section of the Administrative Procedure Act.

The question then arises, if the Secretary of Labor will not adhere to the law, what actions can be taken by this body to insure that the intent of Congress is obeyed? This is not merely a situation involving the city of Springfield, Mo., although Springfield has most surely served to crystallize the fundamental issue at stake. Many other cities have had a distressing experience with the Secretary of Labor in his administration of section 13(c) of the Urban Transportation Act.

There is an action that can be taken, provided the House will agree to open section 13(c) of the basic act, to amendment, when the House considers House Joint Resolution 859. To demonstrate, beyond any question of doubt, the compelling need for such action, I ask unanimous consent to insert at this point in the Record:

First. Letter of Representative Durward G. Hall, of October 13, 1967, to Members of the House.

Second. Editorial from the Springfield Leader Press of September 17, 1967.

Third. Remarks of Representative Durward G. Hall before the Committee on Rules on November 2, 1967.

Fourth. Letter from Marvin E. Castleberry, general manager of the City Utilities of Springfield, Mo., to the Department of Housing and Urban Development and the Department of Labor, of October 19, 1967.

Fifth. Letter from Thomas R. Donahue, Assistant Secretary of Labor, to Marvin E. Castleberry, general manager of the City Utilities of Springfield, Mo., of October 31, 1967.

Sixth. Letter from J. W. Miller, counsel, City Utilities of Springfield, Mo., to Thomas R. Donahue, Assistant Secretary of Labor, dated November 3, 1967.

Seventh. Letter of Thomas R. Donahue, Assistant Secretary of Labor, to J. W. Miller, counsel for the City Utilities of Springfield, Mo., of November 9, 1967.

Eighth. Letter of Representative Durward G. Hall to Secretary of Labor W. Willard Wirtz of October 17, 1967.

Ninth. Letter of Thomas R. Donahue, Assistant Secretary of Labor, to Representative Durward G. Hall of October 31, 1967.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., October 13, 1967.

DEAR COLLEAGUE: On Monday, October 16, 1967, H.J. Res. 859 will come before the House under suspension of the rules. This House Joint Resolution will extend for one year Section 5 of the Urban Mass Transportation Act of 1964.

This Act is administered by the House and Urban Development Department. However, under Sec. 13(C) of the Act the approval of labor standards must be made by the Secretary of Labor before a grant can be finalized by HUD to an applying city.

Under the discretionary powers possessed by the Secretary of Labor he has, in effect, established the unreasonable practice of obtaining the concurrence of the International Amalgamated Transit Workers Union before any grant is approved.

The City Utilities of Springfield, Missouri applied to HUD for a grant to purchase new buses. The City Utilities is municipally owned and has been for over twenty years. Under Missouri Statute employees of municipally owned utilities may not enter into collective bargaining contracts. Therefore, since the City is prohibited by law from signing a collective bargaining contract with the Transit Workers Union, the Secretary of Labor refuses to give his ancillary approval for the grant.

This now leaves the City Utilities and the Labor Department at an impasse. It, in turn, places a burden upon the citizens of Springfield who must suffer for lack of adequate public transportation. The people of Springfield, as represented by their publicly-owned utility, have complied with all provisions of the Urban Mass Tranportation Act. To comply with the arbitrary and unreasonable demand of the Secretary of Labor, they must violate the very law that they had enacted by their representatives in the State Legislature.

It is my belief that H.J. Res. 859 should not be approved under suspension of the rules, but that a rule should be obtained which would permit amendments that would clarify the legislative intent of Section 13(C) of the basis Act relating to labor standards. I urge your support of this position when H.J. Res. 859 is considered on the House Floor Monday. Attached is an editorial from the Springfield, Missouri, Leader Press of Sunday, September 17, 1967, which calls attention to this gross injustice.

Sincerely,

DURWARD G. HALL,
Member of Congress.

[From the Springfield (Mo.) Leader Press, Sept. 17, 1967]

U.S. Taxpayers who do not belong to labor unions—and there still are a few of us left—will be unpleasantly surprised to learn that signature of a union contract is well on the way to becoming a prerequisite for the approval of federal grants.

This strange situation has been revealed to Springfieldians through federal nonaction on the request of City Utilities for $294,333 in federal funds to provide air-conditioned bus service on all city routes. Checking on this long-pending application, CU learned it had been referred to the U.S. Department of Labor, under a section of the Federal Aid to Transit Act which specifies that federally aided projects shall have no detrimental effect upon employees.

Since it is hard to see how the air-conditioning of the municipally owned bus fleet could in any way harm or inconvenience city bus drivers, CU officials made inquiry of the Department of Labor—and learned that the application had been referred to international offices of the Amalgamated Transit Union.

And as they mulled over this interesting bit of information, a St. Louis representative of the union arrived in Springfield bearing a "proposed agreement" between the union and City Utilities—pledging not only the preservation of all existing CU union agreements and continued "collective bargaining," but the arbitration of disputes and other procedures long forbidden to municipal government agencies under Missouri law as interpreted by the Supreme Court.

CU Manager Marvin Castleberry and Attorney John F. Carr traveled to Washington last week, spent a morning in the offices of an assistant secretary of labor—and were referred by him, to an all-afternoon conference with the legal counsel for the Amalgamated Transit Union.

Nobody, apparently, had the colossal nerve to tell the CU representative that a city must sign a union agreement to get federal tax money for this or any other project. The Department of Labor said it would continue to review the application. The union counsel said the agreement offered here was "the kind we like to get."

Mr. Castleberry brought home a set of "supplemental instructions to applicants" for transit grants suggesting that, "to assist the secretary" in his determination that projects would not result in detriment to employees, "normal procedure" would be to "negotiate agreements" to that effect with employee-representatives.

We are very thankful that this suggestion is a part of administrative procedure, and not of the Aid to Transit Act. We suggest that the Secretary of Labor in at least nine-tenths of the projects which come before him, needs nothing more than ordinary intelligence and common sense to determine that they will or will not imperil employees. If he needs any further assurance, he or his numerous assistants should secure it firsthand, from the employees and employers involved, rather than from the international offices of a labor union. As for the Springfield project, we would point out that CU does NOT propose to substitute helicopters for buses, thus throwing bus drivers out of work. It does not propose to reduce the number of buses in the fleet or speed them up so that individual drivers will be under any greater strain, or operate them by computer or electronic eye. It simply wants to air-condition them, so that passengers—and presumably drivers also—can ride in greater comfort. Bus passengers these days include the elderly, working families for whom two automobiles are not economically feasible, students—and others whom the Federal government through a variety of programs claims that it seeks to aid. Bus service in Springfield is better and cheaper than in many other cities today, because the system is municipally owned and therefore subsidized by the more profitable departments of City Utilities. The Springfield bus system would indeed seem an ideal recipient for federal assistance.

It is true that Missouri law forbids the signature of contracts with Union employees, but City Utilities has long negotiated with the unions, for the most part peacefully, to the end that its employees enjoy a pay scale comparable to that of private industry and well above that of general city government. We are pleased that representatives of Sen. Stuart Symington and Congressman Durward Hall attended conferences of Mr. Castleberry and Mr. Carr with the Department of Labor and the Amalgamated Transit Union in Washington last week. It is just possible that these gentlemen—and other members of Congress—were unaware of the preposterous position in which the department has placed itself, and of the suspicion which must surely arise in the taxpayer's mind that the individual, unorganized citizen has hardly any rights and privileges left to him at all.

Remarks of Congressman Durward G. Hall, November 2, 1967, Before the Committee on Rules on the Granting of a Rule on House Joint Resolution 859

Mr. Chairman, I come before your distinguished committee to request a special rule be granted concerning H.J. 859 which is to extend sec. 5 of the Urban Mass Transportation Act of 1964. The special rule that I am requesting would allow amendment of sec. 13(c) of the act. Now you probably ask, why amend sec. 13(c) of this act? My reply to this query can be easily found and understood in a letter of October 13, 1967, that I sent to all Members just prior to the date when the resolution was scheduled to come before the House under suspension of the rules. A copy of this letter is attached to my testimony. This letter sets forth the facts that the municipally owned utility of Springfield, Missouri is prohibited by State law to enter into a collective bargaining contract with its employees and in the absence of this contract the Secretary of Labor will not approve a grant for new buses and for air conditioning units.

Besides the Secretary of Labor making an unreasonable and inequitable interpretation of sec. 13(c), it has come to my attention that he is violating the Public Information Act of 1966, in that he has failed to publish in the Federal Register the standards and conditions of the labor standards of sec. 13(c). The details of this flagrant violation are set forth in my letter of October 17, 1967, to the Secretary of Labor and is also attached. I have received a reply from the Secretary acknowledging this letter, but in no way answering my charges of his patent violation of the Public Information Act. Does this silence constitute an admission of guilt?

Now the city utilities has tried to comply with the letter of the law and in a further effort to so do and to be reasonable, they have restated their position in a letter to the Secretary of Labor dated October 20, 1967. A copy of this letter is attached and I think it again shows the arbitrary attitude of the Department of Labor.

Now, Mr. Chairman, if you and your distinguished committee decide to grant the special rule that I am requesting, I have but then a very simple amendment to offer. At the end of section 13(c) of the Urban Mass Transportation Act of 1964, I would add the following new sentence: "no provision in conflict with a State or local law or ordinance shall be included in any such arrangements." This amendment would merely allow those municipally owned utilities which are prohibited by State law from entering into a collective bargaining contract to benefit from a law whose purview they were originally to come within. Surely, it was never the intent of Congress, when this act was initially passed, that people in urban areas whose transit system is publicly owned, would suffer from a lack of cheap public transportation caused by a denial of benefits from this act. The only crime they committed was that they chose, through their constitutionally elected State Representatives, to disallow publicly owned utilities to enter into collective bargaining contracts with their employees.

Mr. Chairman, lest members of the committee think that the experience in Springfield, Missouri is an isolated case of maladministration of section 13(c) of the act, let me hasten to point out that while Springfield is probably the most flagrant example, numerous other areas have also had their encounter with the arbitrary interpretation of section 13(c) including, but not limited to, according to information conveyed to my staff, communities in Texas, Washington, the city of Chicago, and the New York Metropolitan area of New Jersey. I believe in each instance, and most certainly in Springfield, Missouri, the, Department of Labor, acting in close concert with the International Amalgamated Transit Union, is attempting to secure certain rights, privileges and benefits which did not previously exist by using a grant application to force compliance.

In conclusion, Mr. Chairman, the problem can be reduced to the following crystallized form; shall we continue to allow an unreasonable, inequitable and illegal interpretation of sec. 13(c) of the Mass Urban Transportation Act of 1964 to continue at the expense of cheap transportation for thousands of people acting collectively through their municipally owned utility that cannot legally enter into a contract which the secretary of Labor requires? By granting a special rule, Mr. Chairman, this gross injustice, arbitrary intepretation, and unlawful action would at least have a chance to be eliminated.

City Utilities of Springfield,
Springfield, Mo., October 19, 1967.

Re City Utilities of Springfield, Missouri, application for Federal grant.

Department of Housing and Urban Development
Urban Transportation Administration,
Washington, D.C.
Attention: Mr. Pete Stowell, Transportation Representative.

Office of the Secretary,
Department of Labor,
Washington, D.C.
Attention: Mr. Donahue, Assistant Secretary.

Gentlemen: You will no doubt recall that the writer and the legal counsel of City Utilities were in Washington on September 12, 1967, to discuss the above application with members of your respective Departments. The visit was precipitated by reason of our being presented with a proposed form of contract to be executed with the Amalgamated Transit Union as a requisite to our municipally owned transportation system obtaining the federal assistance applied for.

In the course of our conferences we feel that it was made clear that our Board (as is true of many other municipally owned utilities across the nation) cannot enter into any such contract with the union. Missouri law will not permit it. Perhaps not made so clear, was the fact that we do follow a policy of periodically discussing working conditions, rules, wages, hours, etc., with our employees and establishing, in written form, "Working Rules and Regulations" that govern the employer-employee relationship. Such rules, as adopted and as amended from time to time, are reflected in Board resolutions and are available to all employees. This procedure has been followed successfully for many years. There is nothing whatsoever involved in the instant project that would in any way alter our policy in this respect.

Your appreciation and consideration of our operation and limitation is particularly requested because we find it most difficult to visualize how the project here proposed could have any adverse effect upon our employees.

The sole purpose for which the grant is sought is to replace 16 existing buses of our public transportation system with new air-conditioned units and to install air conditioning equipment on six additional units now in service. This involves no reduction in the number of units operated or drivers, no change in routes, employee job classification, benefits or privileges. On the other hand, with the introduction of air conditioning equipment, it seems only reasonable to anticipate some increase in maintenance time and in the comfort of our employee-operators.

With all due respect to your Departments and your familiarity with the Urban Mass Transportation Act, may we suggest that the opening sentence of Section 13(c)—

"It shall be a condition of any assistance under Section 3 of this Act that fair and equitable arrangements are made, as determined by the Secretary of Labor, *to protect the interests of employees affected by such assistance.*"

is plainly indicative of some adverse effect upon employees being logically anticipated as a precedent to making requirements for their protection.

Your instructional brochure issued October, 1964, and titled "Information for Applicants" under the Act further points up this fact in stating (page 6)—

"In cases where it is determined that employees may be expected to be adversely affected, it will be necessary to include in the loan or grant contract, provisions for fair and equitable arrangements, 'as determined by the Secretary of Labor, for the protection of the interests of the affected employees."

The language of the Act and this interpretation of its wording surely cannot be reconciled with the fact of our Board being asked to execute a contract with the Union, even if it could validly do so, under the circumstances.

Our intent to abide by the legal requirements of the Act is set forth in Exhibit I to the application. We feel that the situation of our transportation system is ideally suited to the type of assistance intended by this legislation. We sincerely solicit early action of your respective Departments approving the grant of funds sought.

City Utilities of Springfield,
Mo.,
Marvin E. Castleberry,
General Manager.

The attached letter, jointly addressed to the Urban Transportation Adminstration and to the Department of Labor, having been reviewed and approved by the Executive Committee of the Board, is, upon Motion made, seconded and duly approved, directed to be forwarded by the General Manager in connection with the pending application of City Utilities for grant of Federal funds in aid of its public transportation system.

CERTIFICATE

H. A. Baker, Secretary of the Board of Public Utilities of the City of Springfield, Missouri, does hereby certify under his hand and the seal of the Board, that the foregoing is a true and correct excerpt from the minutes of said Board of regular meeting held on October 19, 1967, pursuant to notice duly given and at which a quorum was present and voting throughout.

Done this 19th day of October, 1967.

H. A. BAKER,
Secretary.

OCTOBER 31, 1967.

Mr. MARVIN E. CASTLEBERRY,
General Manager,
City Utilities of Springfield,
Springfield, Mo.

DEAR MR. CASTLEBERRY: Your letter of October 19, 1967, addressed jointly to the Department of Labor and the Department of Housing and Urban Development raised two basic points.

First, you state that the city of Springfield is not able, under State law, to enter into a collective bargaining contract with a labor organization, although the results of discussion and negotiation with your employees, with respect to wages, hours and other conditions of employment, are reflected in resolutions of the Board of Public Utilities and made available to the employees. This matter was explained by Mr. Carr and you at the meetings held on September 12, 1967, to which you refer.

You will recall that I pointed out to you at that time that the Department of Labor recognized that there might be instances where such contracts could not be executed, and that, in such instances, some other approach could be sought which still met the requirements of Section 13(c) of the Urban Mass Transportation Act.

Again, during the afternoon meeting, when you and Mr. Carr and Mr. Putnam of the Amalgamated Transit Union went over the union's proposal. Mr. Sacharoff of my staff emphasized this point. You will also remember that in connection with the discussions on the procedures presently followed by the Board in establishing working conditions, i.e., by adoption of a resolution, Mr. Carr was asked whether or not the city could adopt the same procedure, and, thus, provide the employee protective arrangements called for under Section 13(c). The response by Mr. Carr was that he would have to discuss this with the Board, but to date no reply has been forthcoming. Under the circumstances, I am somewhat at a loss to understand why your letter of October 19 mentions only your inability to actually sign a contract with the union, and omits any other possibility.

Should the city finally find that this procedure, or some other satisfactory alternative is possible, it seems to me that resolution of the problem would not be difficult.

Your second point is that this project would not, in your opinion, adversely affect your transit employees. Whether or not a particular project would have such an effect is not always simple to determine at the time a grant is requested. The legislative history on this law demonstrates, without question, that where there is any possibility of adverse effect on employees satisfactory protective arrangements must be made as a condition of the federal assistance. In the instant case, if is very possible that the type and amount of maintenance work will be changed when the new busses are placed into service. On this alone, although there may be additional possible adverse effects of the project which are not apparent now, the Department of Labor would have to hold that Section 13(c) protection is required.

You will recall that Mr. William Hurd of HUD called on October 27 to see if it would be possible to arrange a further meeting in Washington to resolve the current problems. I believe that the city and the union should continue their efforts and for that reason had suggested that Mr. Hurd call you to arrange such a meeting.

In order to enable the Department of Labor to explore this matter and to resolve any problems which may exist, I am arranging a meeting at my office on November 8, at 10:30 a.m. and would ask that representatives of City Utilities and of the Amalgamated Transit Union be present. If this date is inconvenient please let me hear from you.

Sincerely,

THOMAS R. DONAHUE.

CITY UTILITIES OF SPRINGFIELD,
Springfield, Mo., November 3, 1967.

Mr. THOMAS R. DONAHUE,
Assistant Secretary of Labor,
Washington, D.C.

DEAR MR. DONAHUE: Mr. Castleberry has consulted with the writer about your letter of October 31, 1967 with regard to having a meeting in Washington at 10:30 A.M., November 8th, to explore and resolve problems which may still exist in connection with City Utilities' Application to HUD. Mr. Castleberry called me because Mr. John Carr of our firm who has handled this whole matter for City Utilities is ill, in the hospital. His condition is such that it would seem to be impossible for him to attend a meeting in Washington next Wednesday the 8th, and I cannot give you anything definite at this time as to when he might be available.

I have been able to discuss the matter briefly with Mr. Carr and he tells me that when he was asked at the meeting on September 12th whether or not the Board of Public Utilities could adopt a resolution to resolve the matter, he in turn asked to be furnished a draft setting forth the nature and contents of such a resolution that would be satisfactory. Mr. Castleberry confirms that Mr. Carr did so request and suggest that we be informed as to just what kind of resolution the Board should adopt that would be satisfactory and the Board have legal power to pass, saying that it would be given consideration by the Board. You were furnished complete rules and regulations governing wages, hours and conditions of the employees affected and full information for procedure for consideration and amendments of same from time to time. Information requested by Mr. Carr was never received, therefore no action was taken other than to pass the resolution requested by the Department of Housing and Urban Development.

You must keep in mind, and as I understand was fully covered in a prior meeting, that the Supreme Court of Missouri has held that the acts and actions of the Board of Public Utilities are in the nature of legislative action and therefore, there could be no length of time or terms incorporated in the resolution such as are set out in contracts. Legislative acts are, because of the very nature of same, subject to amendment or repeal. Frankly, City Utilities does not know what additional assurances it can give. It was largely on this account that Mr. Carr requested that you advise as to the contents of such additional resolution as you might desire.

Yours very truly,

CITY UTILITIES OF SPRINGFIELD,
By J. WESTON MILLER,
Attorney.

NOVEMBER 9, 1967.

Mr. J. W. MILLER,
Attorney, City Utilities of Springfield,
Springfield, Mo.

DEAR MR. MILLER: This is in reply to your letter of November 3, 1967, regarding the application from the Springfield Board of Public Utilities for a grant under the Urban Mass Transportation Act.

At the meeting here on September 12, 1967, to which you refer, Mr. Carr did, of course, raise with Mr. Putnam, attorney, Amalgamated Transit Union, and Mr. Sacharoff of my staff, the question of what type of resolution the Board could adopt in order to meet the requirements of Section 13(c) of the act.

It was made clear to him at that time, and I wish to emphasize this point again, that the contents of such a resolution could best be developed through discussions between the Board and the union.

We have consistently taken the position that it is neither proper nor advisable for the Department of Labor to dictate the terms by which the employee protection required under the act is provided. Rather, we feel that the purposes of the law will be best served by encouraging those best informed on the particular circumstances and situations to work out their problems mutually.

Until the parties have attempted to resolve the issues between them or at least refined them to the point where they may be properly presented to the Secretary of Labor for his determination, we feel that it would be contrary to the Congressional intent to inject ourselves in this way.

If the parties cannot finally agree, after a reasonable effort, and an impasse truly arises, the Department will make the determination, as provided by law.

In this instance, I do not believe that purposeful negotiations have yet occurred, and it was for that reason that I suggested the November 8 meeting.

I, therefore, urge that the Board again consider the resumption of negotiations with the union in an effort to resolve this matter. As a starting point, despite the fact that it was proposed in the form of a contract which the Board feels it cannot execute, the substance of the document put forward by Mr. Putnam might be reexamined and considered as the subject for a possible resolution of the Board.

I am making this correspondence available to Congressman Hall, the Department of Housing and Urban Development and Mr. Putnam for their information.

I am sorry to hear of Mr. Carr's illness. Please express to him my wishes for a speedy recovery. If you are going to act for him in this matter, I would be happy to set another date for a meeting in my office of all concerned so that we might pursue this matter, since I am aware of the importance of this project to the City of Springfield. Please advise me what dates would be most convenient for you.

Sincerely,

THOMAS R. DONAHUE,
Assistant Secretary of Labor.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., October 17, 1967.

Hon. W. WILLARD WIRTZ,
Secretary of Labor,
Washington, D.C.

DEAR MR. SECRETARY: For several months the City of Springfield, Missouri has been engaged in a thus far futile effort to secure a grant from the Department of Housing and Urban Development. The impasse has resulted from the refusal of the Department of Labor to certify labor standards as required by Section 13(c) of the Urban Mass Transportation Act. All the conditions established by HUD have been met.

The intent of Section 13(c) is to insure that no rights, benefits, etc. previously existing are lost to employees as a result of any grant made under the Mass Transit Act. Surely if the Department of Labor were to make its own investigation of the circumstances instead of relying on a representative of the Amalgamated Mass Transit Union to do its work, you could come to no other conclusion but that no *previously* existing right, benefit, etc. is threatened by this project.

Furthermore, every effort by the City to learn specifically what conditions must be complied with, have been met by a counteroffer which in effect says, "Make us an offer."

I submit that this refusal to specify the conditions and terms which the City must meet is in direct violation of 5 U.S.C. 552

(1)(D) with particular reference to the requirement that "Each agency shall separately state and currently publish in the Federal Register . . . substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the agency."

It appears to me that your refusal to publish terms and conditions for grant approval under Section 13(c) is in violation of the law. This opinion is reinforced by a Department of Justice analysis entitled, *Attorney General's Memorandum on the Public Information Section of the Administrative Procedure Act.*

Since this Act further provides that ". . . On complaint, the District Court of the United States . . . has jurisdiction to enjoin the agency from withholding agency records and to order the production of any agency records improperly withheld from the complainant," (5 U.S.C. 552(3)) I am making copies of this letter available to the Legislative Committees and other Executive Departments concerned, and also to the Board of City Utilities, Springfield, Missouri.

I especially call attention to a further provision of the law which says, "Except to the extent that a person has actual and timely notice of the terms thereof, a person may not in any matter be required to resort to, or be adversely affected by, a matter required to be published in the Federal Register, and not so published." (5 U.S.C. 552(1)(E)).

Since this is a matter of vital importance to the City of Springfield, and since a proposed extension of Section 5 of the Urban Mass Transportation Act has been temporarily withdrawn from the House Calendar as a result of my objections, I would appreciate your comments on this matter.

Sincerely,

DURWARD G. HALL,
Member of Congress.

U.S. DEPARTMENT OF LABOR,
Washington, D.C., October 31, 1967.

Hon. DURWARD G. HALL,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN HALL: Secretary of Labor W. Willard Wirtz has asked me to reply to your letter of October 17, 1967, regarding the application of the Springfield Board of Public Utilities for a grant under the Urban Mass Transportation Act.

As I indicated to you at our meeting on September 12, the Department of Labor is sympathetic to the transit needs of the city and it is my feeling that much of the difficulty is the result of a misunderstanding of our function and responsibilities under the law.

Specifically, the department has never insisted that the city, contrary to state law, sign a collective bargaining agreement with the union. We do not do so now. Quite to the contrary, we attempted to make it clear at the meeting at my office on September 12, 1967, that what we are seeking is for the city to develop a proposal, which would meet the requirement of Section 13(c) of the UMTA and at the same time satisfy State law.

Mr. Sacharoff explored this aspect at great length at the afternoon session attended by the city and union representatives and Mr. Mosher of your staff and was informed of the procedure followed by the board in establishing conditions of employment through adoption of a resolution.

As you may know, Mr. Sacharoff asked that the city consider whether or not a similar procedure could be followed to provide the protection called for under Section 13(c) UMTA, and in the event this was not acceptable, what other proposal could be offered. Regretfully, the city has never notified us of its decision, and, so far as we can determine, the Department of Housing and Urban Development has not been contacted.

From the time of the meeting at my office which I had arranged at your request, to the time of your statement in the House a month later, we had had no communication to indicate whether or not the Springfield Board of Public Utilities had even considered this matter.

The Department of Labor endeavors to fulfill its responsibilities under the Urban Mass Transportation Act by giving the interested parties every opportunity to reach agreement between themselves on the arrangements to be made in accordance with Section 13(c), and attempts to mediate differences and to insure that the parties' agreement is adequate to the situation. Where such an agreement is not reached, the Department will, as provided in the law, make a determination of what protective terms must be met by the applicant as a condition of federal assistance.

I suggest again that it might be useful to have the parties meet again to see if any previously expressed position can be modified sufficiently to permit agreement or resolution. I am enclosing herewith for your information a copy of the letter which we received on October 25, 1967 from Mr. Marvin E. Castleberry of the City Utilities of Springfield, Missouri, along with the copy of my response.

You will note that my letter points out that there has been no refusal or rejection of the project and suggests that Mr. Castleberry or other representatives of the City Utilities of Springfield attend a meeting in my office on November 8 at 10:30 a.m. If you or Mr. Mosher would also like to attend this meeting you would of course be most welcome.

Sincerely,

THOMAS R. DONAHUE,
Assistant Secretary of Labor.

DR. DONALD A. WILLIAMS, ADMINISTRATOR, SOIL CONSERVATION SERVICE, IS 1967 WINNER OF ROCKEFELLER PUBLIC SERVICE AWARD

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. ALBERT. Mr. Speaker, most of my colleagues know and respect Dr. Donald A. Williams, Administrator of the Soil Conservation Service, who is the 1967 winner of the Rockefeller Public Service Award in the field of administration. I want to add my tribute to this extraordinary civil servant. The award is richly deserved.

Don Williams has guided the Soil Conservation Service through a great metamorphosis from an erosion-control agency to a highly effective and broadly responsible agency with concern for total resource conservation, flood prevention and land-use planning. He has molded an organization whose efficiency and expertise are highly respected throughout the Government and which has broad bipartisan support in the Congress. His knowledge of conservation and how to go about it are in demand around the globe, and he has advised governments of 17 countries. He just returned from his third trip to India.

Dr. Williams began service with the SCS in 1935—the year the agency was started—and held various jobs as a conservation engineer before he came to Washington 17 years ago. Over the years he gained a masterful understanding of the technical principles of resource conservation, particularly in the area of water management.

It was good that Dr. Williams was chosen as SCS Administrator in 1953, at a time when the agency had just been named to shoulder the Agriculture Department's flood prevention and river basin activities, and the pilot watershed program authorized by the Congress was just getting underway.

Dr. Williams' leadership in molding the watershed concept into a community-wide approach—wherein the people of town and farm alike work together to solve water and land management problems, with State and Federal help—directly brought about the Watershed Protection and Flood Prevention Act of 1954. Under that act, Public Law 566, local communities carry out watershed projects to serve many purposes—flood prevention, agricultural water management, municipal and industrial water supply, fish and wildlife development, and recreation.

The program works, as attested by many of my colleagues in this Chamber, and as witnessed by the hundreds of watershed communities across the country—and especially in Oklahoma—who have a brighter outlook because of these projects.

In my State, 44 watershed projects under Public Law 566 and 51 subwatersheds of the Washita River are in operation or have been completed. They represent a total estimated Federal cost of more than $200 million, and many millions in State and local funds. Their results so far have been spectacular, even in projects only partly finished. A network of careful land use holds water where it falls, and the excess is detained by pleasant dams that help protect against flooding and create recreation space and new water supplies for many uses. Twenty-two towns and cities are participating in watershed projects to gain new municipal water supplies and recreation opportunity.

These benefits and the regular soil and water conservation district efforts have already drawn more than 700 new businesses and industries to Oklahoma, and 800 have expanded, bringing more than 5,000 new job opportunities to our citizens.

Don Williams' technical and leadership skills have helped mold the watershed program to make these community gains possible.

It is his conviction, deeply ingrained in the watershed concept, that land treatment and structural measures are inseparable—that, as demonstrated so well in Oklahoma, they must fit hand in hand to meet resource needs. They cannot be separate activities. Without dams to hold back stormflows, conservation measures on the land cannot alone stop flooding or protect the soil. Without conservation land treatment, dams must be made larger to contain larger floodflows and are likely to be short lived because their capacity is destroyed by erosion silt. And trying to plan both types of measures independently is poor management. Dr. Williams has picked the method that can do the job and has stuck with it.

Since Dr. Williams also has insisted that local organizations take the initiative—and carry the ball—we have in the watershed program an opportunity to see a strengthening of American self-government. In an era of increasing reliance on centralized government, this is a welcome change.

Dr. Williams has been recognized before. His alma mater, South Dakota State University, conferred on him the honorary degree of doctor of agriculture in 1956, the first such degree it had awarded.

The National Association of Soil and Water Conservation Districts gave him its distinguished service award in 1957, and the U.S. Department of Agriculture did likewise the following year.

In spite of these laurels, or rather bolstered by the confidence of his fellow men, Dr. Williams has given another decade of service even more distinguished by excellence and creativity. It is both timely and fitting that he should be granted such a high honor as the Rockefeller Public Service Award.

As a Member of the Congress, as an Oklahoman, and as a taxpayer, I am glad that we have Donald A. Williams administering our most important resource conservation activities. I wish him every success.

SALE AND RENTAL OF EXCESS USDA GRAIN BINS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. JONES] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. JONES of North Carolina. Mr. Speaker, I invite your attention to an activity which has been going on all summer long on the farm front—a salutary, but largely unheralded activity. I refer to the movement and transfer by the Department of Agriculture of Commodity Credit Corporation grain bins.

CCC-owned bins are being sold and rented to farmers on an unprecedented scale to help assure orderly marketing of grain and soybeans. Secretary of Agriculture Orville L. Freeman has instructed the Agricultural Stabilization and Conservation State committees to make full use of Government excess storage bins so that grain and soybean producers will have additional storage space for their 1967 crops. In this way farmers are afforded some measure of protection against the price-depressing effects of temporary excessive market supplies, particularly around harvest time.

Since August 1, more than 6,700 such bins have been dismantled and shipped from the Midwest where they are not needed, and where adequate commercial storage is available, to 15 east coast States where grain storage is short and farmers have no alternative but to sell their grain when it is harvested. Heavy harvest time supplies can seriously depress the local market even though total supplies for the year's crop are not excessive.

Normally, excess bins are sold in late fall and early winter. This year, however, Secretary Freeman instructed ASC State committees to expedite bin sales so farmers would be able to purchase, move, and erect bins in time for the 1967 harvest.

This kind of action should receive more public attention. The Department of Agriculture is criticized frequently in the public press and in some segments of the farm press on the contention that decisions and actions come too late to help the farmer in his immediate situation.

This bin storage program proves the contrary. And this action is not unusual. Rather it is typical of the many day-to-day actions of the U.S. Department of Agriculture on behalf of American farmers in accordance with guidelines established by the Congress.

FORCE POLITICS—U.N. STYLE

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. RARICK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. RARICK. Mr. Speaker, the unelected demagogs of the United Nations Organization on October 27 reiterated their hate vendetta against Rhodesia by condemning Great Britain and calling on the United Kingdom to "take all necessary measures, including the use of force" to overthrow poor little Rhodesia.

Can you imagine so-called one-world intellectuals becoming so violent and extreme as to declare Rhodesia "a threat to world peace"?

Either these great world Socialists do not read or are unaware of world affairs, or they seek to use Rhodesia—one of few peaceful and progressive governments in Africa—as a scapegoat for their shortcomings and mistakes.

Wonder why these fly-by-night emerging nations do not see any threat to world peace in Ho Chi Minh and his Communist gang, or in Castro, the Communist dictator of Cuba and a hundred other reactionaries conniving for revolutions, riots, and bloodshed.

Could it not be best summed up—the accusers have become the accused.

I insert, to follow my remarks, item 23 of the Fourth Committee, 22d session, on October 27, 1967, of the U.N. General Assembly, and a statement on the terrorist incursions from Zambia from proceedings of the Rhodesian Parliament, as follows:

[United Nations General Assembly, 22d session, Fourth Committee, agenda item 23]

IMPLEMENTATION OF THE DECLARATION ON THE GRANTING OF INDEPENDENCE TO COLONIAL COUNTRIES AND PEOPLES: QUESTION OF SOUTHERN RHODESIA

Joint draft resolution by Afghanistan, Algeria, Burundi, Cameroon, Central African Republic, Ceylon, Chad, Congo (Brazzaville), Congo (Democratic Republic of), Cyprus, Dahomey, Ethiopia, Gabon, Ghana, Guinea, India, Indonesia, Iraq, Ivory Coast, Jordan, Kenya, Kuwait, Lebanon, Liberia, Libya, Madagascar, Mali, Mauritania, Morocco, Niger, Nigeria, Pakistan, Philippines, Rwanda, Saudi Arabia, Senegal, Sierra Leone, Somalia, Sudan, Syria, Togo, Tunisia, Uganda, United Arab Republic, United Republic of Tanzania, Upper Volta, Yemen, Yugoslavia and Zambia

The General Assembly,

Having considered the question of Southern Rhodesia,

Recalling General Assembly resolution 1514 (XV) of 14 December 1960 containing the Declaration on the Granting of Independence to Colonial Countries and Peoples,

Recalling further all the relevant resolutions adopted by the General Assembly, by the Security Council and by the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples, concerning the question of Southern Rhodesia,

Recalling further that the situation in Southern Rhodesia has been declared by the Security Council in resolution 232 (1966) of 16 December 1966 as constituting a threat to international peace and security,

Recalling further that the Government of the United Kingdom of Great Britain and Northern Ireland has declared, on several occasions, that the racist minority régime in Southern Rhodesia is illegal, that it would not negotiate with that régime on the future of Southern Rhodesia and that it would not grant independence until majority rule is established in the Territory,

Noting that the economic sanctions applied so far have failed to bring down the illegal racist minority régime in Southern Rhodesia,

Noting with profound regret that the Government of the United Kingdom has not found it possible to take the measures necessary to bring down the minority régime in Southern Rhodesia,

1. *Reaffirms* the legitimacy of the struggle of the people of Zimbabwe for the restoration of their inalienable right to freedom and independence;

2. *Condemns* the policies of oppression, racial discrimination and segregation practised in Southern Rhodesia, which constitute a crime against humanity;

3. *Reaffirms* the obligation of the administering Power to transfer power without further delay to the people of Zimbabwe on the basis of elections conducted according to the principle of "one man, one vote";

4. *Condemns* the failure and the refusal of the Government of the United Kingdom of Great Britain and Northern Ireland, in its capacity as the administering Power, to take effective measures to bring down the illegal racist minority régime in Southern Rhodesia and to transfer power to the people of Zimbabwe;

5. *Affirms its conviction* that the sanctions adopted so far will not put an end to the illegal racist minority régime and that sanctions, in order to achieve their objective, will have to be comprehensive and mandatory and backed by force;

6. *Further reaffirms* that the only effective and speedy way for the administering Power to bring down the rebellion in the Territory is through the use of force;

7. *Calls once again* upon the Government of the United Kingdom to take immediately all the necessary measures, including the use of force, to put an end to the illegal racist minority régime in Southern Rhodesia and to ensure the immediate application of General Assembly resolution 1514 (XV) and other relevant resolutions;

8. *Considers* that any future consultations undertaken by the administering Power to determine the future of Southern Rhodesia

must be with the representatives of all the political parties and not with the illegal régime, and calls upon the administering Power to enter immediately into consultations with the representatives of the political parties favouring majority rule;

9. *Condemns* the activities of all those States which, contrary to the resolutions of the General Assembly and the Security Council, are still trading with the illegal racist minority régime in the Territory, and calls upon such States to sever immediately all economic and other relations with that régime, in accordance with these resolutions;

10. *Condemns* the activities of those foreign financial and other interests which, by supporting and assisting the illegal racist minority régime in Southern Rhodesia and their exploitation of the human and material resources of the Territory, are undermining the effective implementation of the sanctions imposed so far, and are impeding the African people of Zimbabwe from attaining freedom and independence in accordance with General Assembly resolution 1514 (XV), and calls upon the Governments of the States concerned to take all the necessary measures to bring to an end such activities;

11. *Condemns* in the strongest terms the policies of the Governments of South Africa and Portugal of continued support for the illegal racist minority régime in blatant defiance of the General Assembly and Security Council resolutions;

12. *Further condemns* the presence of South African armed forces in Southern Rhodesia and the arms aid extended by the authorities of South Africa to the illegal racist minority régime in Southern Rhodesia for the purpose of suppressing the legitimate struggle of the people of Zimbabwe to achieve their freedom and independence;

13. *Expresses grave concern* at the serious threat constituted by the forces referred to in paragraph 12 above to the territorial integrity and sovereignty of independent African States in the area;

14. *Calls upon* the administering Power to ensure the immediate expulsion of all South African armed forces from the colony of Southern Rhodesia and to prevent all armed assistance to the rebel régime;

15. *Strongly condemns* the detention and imprisonment of African nationalists in Southern Rhodesia and invites the administering Power to secure their immediate and unconditional release;

16. *Urges* all States, as a matter of urgency, to render all moral and material assistance to the national liberation movements of Zimbabwe either directly or through the Organization of African Unity;

17. *Draws the attention* of the Security Council to the necessity of applying the necessary measures envisaged under Chapter VII of the Charter of the United Nations, in view of the deterioration of the grave situation in Southern Rhodesia;

18. *Appeals* to the specialized agencies concerned and other international assistance organizations to aid and assist the refugees from Zimbabwe and those who are suffering from oppression by the illegal racist minority régime in Southern Rhodesia in consultation with the Organization of African Unity and, through it, with the national liberation movements in the colonial Territory of Southern Rhodesia;

19. *Requests* the Secretary-General to promote through the various organs and agencies of the United Nations the continuous and large-scale publicizing of the work of the United Nations concerning this question, in order that world public opinion may be sufficiently aware of the grave situation in the colonial Territory of Southern Rhodesia and of the continuing struggle for liberation waged by the people of Zimbabwe;

20. *Requests* the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples to continue to keep the situation in the Territory under review and invites the Secretary-General to report to the Special Committee on the extent of the implementation by Member States of the resolutions of the United Nations relevant to the Territory;

21. *Calls upon* the administering Power to report to the Special Committee on its actions in the implementation of the present resolution;

22. *Decides* to keep the question of Southern Rhodesia on its agenda.

[In the Rhodesian Parliament]

TERRORIST INCURSIONS FROM ZAMBIA: SPEECHES BY MEMBERS OF THE OPPOSITION AND OTHER MEMBERS AFTER ADJOURNMENT

Mr. **BEHANE**. I wish to comment on certain activities taking place in my part of the country. I am making this comment due to the fact that the Prime Minister made a statement to this House this afternoon concerning the same matters.

I must say that sitting in this House, I represent the people of Matabeleland North, which is the area within which western Matabeleland falls. I cannot but say that I have the interests of those people at heart, and I would be failing in my duty as a member of Parliament representing that area if I did not comment on the matters that are taking place in that part of the country.

It is very well known to this House, and indeed to the country at large, that I have always stood firmly against terrorism and that I always do. I believe that what is being done by our Forces in that part of the country is worth all the praise that this House can give. Apart from the security of the whole country these dedicated men are fighting to preserve peace among the people living in western Matabeleland, people who do not take any interest in what is happening; in fact they do not know what communism is and they do not even know what these infiltrators are trying to bring about. So, for the security of the country and in particular for the security of the people in that part of the country where these minor skirmishes are taking place at this moment, I believe our Forces are worthy of the praise that can emanate from this House. Not only so; reading in the papers we find that several members of our Forces and of the Police Force have lost their lives. They have done that in the belief that Rhodesia is a country whose standards are worthy of being preserved, a country where I still believe there is a chance for all the races to come together and settle their differences.

I will never accept any foreign doctrines as a substitute for our doctrines here. I will never believe that Russian communism or communist Chinese are the people who have the solutions for our problems in this country. If I did believe in that I would just as well believe that there is peace in the Congo today and that these forces have been able to resolve or bring about peace in the countries that have been destroyed to their lowest stage of economy where people have no peace.—[Mr. Majongwe: And thousands of lives lost.]—I have sometimes said that these terrorists outside the country have done nothing to bring about peace, or indeed to improve the lot of the African in this country. All they have done is they have brought despondency. If they were really interested in the welfare of this country I challenge the hon. gentleman who signed this document as attached to come down to Rhodesia themselves and do the fighting themselves. If they do not want to expose their skills to the bullets of our Forces then they at least should come down and solve issues in Rhodesia because our issues, I believe, will have to be solved in Rhodesia or never at all.

I have said the welfare of these people in western Matabeleland is in danger and it is our Forces who are gallantly trying to preserve peace in that part of the country. I may, in short, try and bring before this House the aims of these infiltrators. First of all, I would like to know where they have had the training, where they have had the arms and the ammunition—from people who would like to see this country destroyed. It is from people who would like to impose a worse type of government in this country, a worse type of persecution of the lower races by their members because they have not got enough room in their own countries and they would like to find room in Rhodesia.—[Mr. Chigogo: In Africa as a whole.]—I say again praise to our Forces who are trying to preserve law and order, who are fighting, who are losing their lives and who are facing difficulties to try and maintain law and order in this country . . .

I speak as a family man; I have love for my family; I believe it is the same with every one of us here and apart from anything else I would love to see my children grow up happily and because I am involved in politics is no reason why my family should suffer from injustices. I believe indeed that if it is a sin that I am a politician then those sins must grossly come upon me and never upon my children because I made my choice and I will let my children grow up and make their choices. I believe it is the duty of everyone, every citizen of Rhodesia at this time when we are faced with foreign doctrines, to stand together, to forget politics and to strive never to bring politics into matters of national importance. I believe it is the duty of every citizen in this country to fight to preserve peace. It is the duty of every citizen to take up arms and defend this country from foreign infiltrators, indeed to defend this country from communism. I believe that our Forces at this moment need both moral and physical support, and this is one institution where such feelings should be voiced.

In conclusion, I would like to confirm and redirect the words of the reverend gentleman, the Dean of Bulawayo, who said that terrorism is lawless and must be condemned by all sections of this country, by all spheres, because it knows no law. We know that when these people have had the chance of infiltrating into this country they have killed at random people they had nothing against. They have killed for the sake of killing, for the sake of demonstrating that they can kill, and they have robbed not people like myself who can defend themselves but they have robbed elderly poor people, say, in the Mrewa District, elderly poor people who cannot defend themselves, and they have forced them to give them money. Why should such actions be condoned? Why should that be mistaken for politics? I believe that is not politics, it is only because a few people who are keeping themselves very safe in another country are satisfied to send their own brothers to come and die here in order that they may enjoy the fruits of life wherever they are.—[Mr. Majongwe: They will not enjoy them for long.]

Mr. **RUBATIKA**. It is a privilege for me to have the opportunity to comment on this motion on the adjournment. In fact I am bewildered at times when I see men holding responsible positions paying lip service to the principle of the maintenance of law and order in this country. When it is to their convenience they uphold law and order but when it is not to their convenience they do not uphold law and order. I have seen men some time ago who have gone almost weeping to the Minister of Law and Order asking for protection, but to-day those are the people who are giving the Minister of Law and Order a hard time because he has brought tranquillity to this country. They have one foot among the terrorists and another foot among the decent people for fear that should the terrorists win they will be accepted as having championed their cause.

Today there are some who are being intimidated because of these people. I am surprised that some of these people are still moving around and yet some of them are being paid by Government in certain institutions of Government. Wherever we move we are told that we are the people who support—I am sorry to use unparliamentary language—"I support Smith and Lardner-Burke". We have plainly told them that as far as we are concerned we might have differences, as members of a family, but we are one in the maintenance of law and order, we are one as a nation of Rhodesia.

I must register my strongest protest to Britain for lack of foresight. Let us say that these terrorists were given the MIGS to land in Zambia and the communists bombed our territory, what does Britain think would happen? The Rhodesian Air Force would start bombing the bases from which those MIGS came. Would this not escalate? We expect Britain, since it says it has responsibility over us up to date, to act as the Prime Minister stated, by exercising his influence on Zambia to stop terrorism and at least to register a protest on behalf of the African people whom it is stating it is championing. We do not want any loss of blood.

As far as my electoral district is concerned and all the electoral districts, all of us hate the chaos and disorder which happened some time ago. We stand in admiration of Government's stand on bringing about law and order. If by any eventuality the white man should fall we must pay the price and I am prepared to tell them to shoot me because I am dedicated to a cause and I shall live and die by it.

Mr. Chigogo. I must heartily thank the Hon. member for Matabeleland North (Mr. Behane) whose electoral district adjoins mine and, as he has said, these troubles are really taking place in his electoral district and equally the same in the Gokwe area. All I have to say here is not much, because a multitude of words is not going to help us at all. I will as the Prime Minister to ask the Prime Minister of Great Britain whether this is a trick by which Britain would like to arm itself against Rhodesia to say people are fighting and there is chaos. If not, could the Prime Minister of Great Britain tell us where these people are being trained, whether he has any alliances with those training camps where the Rhodesian people are being trained to come and disturb the lives of the innocent Tribal Trust Land people and the innocent farmers who are feeding the 4,000,000 Africans and the 200,000 Europeans in this country?

These are the only questions I would like the Prime Minister to convey to the Prime Minister of Great Britain. Let us know if he is doing any good to those crying for freedom as such, whether the situation that he has been experiencing not only in the Congo, but in Nigeria, Tanzania and Ghana. One needs to mention all of these. Is that what Britain would like to see? May I know again through our Prime Minister whether Great Britain is going to honour Ghana and Nigeria to sit on the Prime Minister's Conference? Those people not only took their freedom but killed their own Prime Ministers; for what reason? I would like to know these answers if the Prime Minister would convey them.

Mr. Newington. As a back-bencher, may I say how grateful we are on this side of the House to see honest courageous and determined men opposite, men who have the same purpose at heart as we do on this side of the House, and that is the safety and security of Rhodesia. I would like to give them my wholehearted congratulations and my appreciation for their courage. I feel though, at the same time, the finger should be placed firmly and fairly on the guilty and evil men.

The Prime Minister. Mr. Speaker, I would like to compliment the hon. member for Matabeleland North (Mr. Behane) on bringing this matter up and the other members who have joined in this small debate on the adjournment. It is indeed very refreshing to find that in times of national emergency when we are challenged as a country, that we can have people on both sides of the House taking the stand that we have, over the last 20 minutes, witnessed.

I believe that this attitude that has been portrayed here this evening is the attitude which goes throughout the length and breadth of this country. This is, in the main, the feeling of the broad mass of Rhodesians. There are exceptions of course, as there are exceptions in this House, Mr. Speaker, and this was quite evident earlier this afternoon but I am pleased to say that this is confined to a few people. I believe the majority concur with the views that have been expressed here.

How right it was to point out, Sir, what good have these people done to anybody in Rhodesia when they have come here killing people indiscriminately, black and white. Who can they claim to be assisting? The hon. member for Matabeleland North (Mr. Behane) put his finger very firmly on the spot when he said these are agents of communism, and I believe particularly the yellow communist, and that they would love to have this country for themselves. If they did ever get to this stage, then, Mr. Speaker, God help all Rhodesians, not one section or another section. I go along all the way with him and the other hon. members who supported him when they said that whatever problems we have in Rhodesia can only be solved by Rhodesians. This should be a golden rule.

I have no idea what Mr. Wilson is after. I am sorry, I cannot make a constructive reply to the question put to me by the hon. member for Gokwe (Mr. Chigogo).

I have tried to get him to face up to his responsibilities on a number of occasions and he has failed to do so. I do not think any useful purpose will be served by going on flogging a dead horse. Let us make up our minds that we here have got to produce the right solution for Rhodesia. Let us enjoy the system of democracy whereby we can argue and criticize one another; this is healthy. Opposition is part and parcel of our Government and we must have it. But when it comes to infiltration of people from outside, bringing in outside views and outside doctrines, this will only be to the detriment of everybody in Rhodesia because Rhodesia will be divided and people from outside, Mr. Speaker, I believe will ultimately come in and win the day and reap the benefits. There is room for all of us in Rhodesia, in this wonderful country which is the envy of so many other parts of the world. They are green with envy and this is why I believe so many of them are waging the war against us; they would love to have what we have.

So, as long as we can keep together and as long as we can have the sort of constructive debates which we have seen in this short adjournment, then I believe they will never succeed. I once again would like to compliment the responsible hon. members of the Opposition benches for their contribution.—[Hon. Members: Hear, hear.]

JOB CORPS CONSERVATION CENTERS MAKING A GOOD CONTRIBUTION TO THE NATION

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Johnson] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, the contribution that the 94 Job Corps conservation centers are making to preserve and enhance the forests, parks, and natural resources of this Nation is an achievement that deserves recognition and praise second only to that for the recuperative impact which the Job Corps program is having on the youngsters themselves.

I would like to take this time to insert in the Record a sample of the many newspaper reports that have appeared recently in praise of the great work that these youngsters are doing in partial repayment for the chance and experience that the people of this Nation have afforded them.

You will note that these articles which come from six different States, describe some of the activities at eight conservation centers and reflect the positive relationships that have grown between the various centers and the neighboring communities.

I would also like to insert several letters written in thanks to the corpsmen of the Fort Vannoy Job Corps Center in Grants Pass, Oreg., for their assistance in the search for information which would lead to solving the disappearance of one of the citizens of the local community.

This is just one example of the effort—beyond duty—that the Job Corps men are making in times of emergency and disaster.

Under unanimous consent I place these items in the Record at this point:

[From the Montana Standard, July 30, 1967]

Job Corps Pays Off Double

(By Frank Quinn)

The Anaconda Job Corps Center on Foster Creek, 11 miles west of the Smelter City, is paying dividends. The center is now in its 17th month of operation.

The dividends are accruing not only in the field of human resources but in financial returns to Montanans living within the Deer Lodge National Forest. The bigger return, however, is to the nation in the development of productive citizens.

NEAR CAPACITY

There are now 214 men between 16 and 21 in the center program. That is within four enrollees of capacity. There are only four of the boys who were enrolled when the camp opened in March, 1966.

A good majority of the first enrollees are now in the armed forces. They completed the entire program including basic education and job training. Some who did not go into service are now employed in various parts of the country, many in their hometown districts.

Nationally, according to Mike Papich of Anaconda, program specialist for the Job Corps, the AFL–CIO is cooperating with the Office of Economic Opportunity to acquaint local labor leaders and members and others with the program. Through combined sponsorship of the AFL–CIO, the OEO and others, visits are planned at Job Corps Centers soon. The first Montana visitation will be at the Kicking Horse Job Corps Center Aug. 11. The center is located two miles south of Ronan on U.S. 93.

Steve Sherick of Butte, director for the Anaconda center, and Raymond Karr, Deer Lodge National Forest supervisor, commented on the financial return to the nation in the field of human resources. They put it this way: "A 17-year-old youth who becomes a social and economic failure can cost $140,000 in public funds over his lifetime if he lives to be 57. This would be based on $3,000 a year in welfare costs and $500 a year in income taxes he would have paid if employed. The boys who completed the full course at the center are now productive citizens, either in the armed forces or in some type of industry."

The Anaconda center's work program for this fiscal year, has an approximate appraised valuation to Deer Lodge National Forest of $430,800. Because there is a Job Corps in the forest area the estimated total cost of the planned work will be $237,472.

Karr noted that the work setup includes backlog work never allocated for in forest circles. It is only through the corps that the Forest Service can do the outlined work, Karr explained.

LOW DROPOUT RATE

There are boys from all parts of the nation at the Anaconda Center and they like it. Sherick says the dropout rate at the Foster Creek center is something between 5 and 7 percent—much lower than the national average.

Most dropouts, personnel say, result from homesickness, although the extended winter, with accompanying cold, snow and the long spring rains accounted for many. Some of the southlanders yearned for the odor of magnolia blossoms.

It's a learning and earning process for the corpsmen, and they will be even more productive under the forest program outlined for this year. The most extensive program since the center was opened was prepared by Sherick and Frank Stillwell, work program director.

The projects, some already well under way, include installation of 69 units of camping facilities in the Philipsburg Bay campground area on the north shore of Georgetown Lake. About 10 of the units are completed and the other 59 will be complete before the summer is over.

Each unit includes a table, fire place, tent pad and parking area, all near water and sanitary facilities. The Corpsmen have also cleaned up considerable litter around the lakeshore.

FENCING PROJECTS

Other work includes fencing in the Skalkaho area, parts of Deer Lodge County, and in the Silver Star, Buxton and Brown's areas. This work is not only a productive assets for the Forest Service, but for farmers and ranchers.

Cross fencing and rotation of pasture land are a part of range water developments under way around Dempsey, near Deer Lodge, and in the area west of Silver Star.

Timber thinning is continuing in the Spring Creek area above Foster Creek, in the Storm Lake district and in Peterson Creek area, east of Deer Lodge. This work will make the second-growth lodgepole pine more valuable. Some of the timber cut in the thinning process is sold by the Forest Service for use in fencing, for posts of various types and in some instances for firewood.

There is some prescribed burning under way throughout much of the forest area. The clearance by control burning of slash areas and diseased timberland sections has an appraised valuation of $14,500. The estimated cost is $355.

ROAD CONSTRUCTION

Under road construction and improvement, the principal projects are on the Pikes Peak forest road in Granite County and the extension of the Foster Creek road west of Anaconda. The Pikes Peak road appraised valuation is $60,000. The estimated cost to the Forest Service with the Job Corps help is $31,751. The Foster Creek roadwork has an appraised valuation of $98,000 and the estimated cost to the service is $65,093. Forest trails are also being improved.

The Philipsburg Bay campground program and one at Delmoe Lake have an estimated appraised value of $72,000 with an estimated cost total under the Job Corps of $29,172.

Center projects at Foster Creek include an addition to the gymnasium and to the maintenance building.

[From the Green Bay Press-Gazette, Oct. 8, 1967]

HIKING TRAILS PROVIDE ROOM TO ROAM—WABENO AREA PROJECT HERALDS START OF CONSTRUCTION OF MAJOR SYSTEM OF TRAILS IN NICOLET NATIONAL FOREST

(By Bob Woessner)

WABENO.—The first miles of what eventually will be a major network of hiking trails are being cleared in the Nicolet National Forest.

Badger Trail, a joint venture of the United States Forest Service district at Laona and the government's Job Corps camp at Blackwell, will eventually wander through nearly 40 miles of forest country.

Work should be completed this fall and winter to allow hiking on the trail next year, according to Stanley Novak of the Laona Forest Service district.

Eventually there will be trails from the Lakewood area north to the Michigan state line, Novak explained.

The trail represents something of a departure in outdoor recreation usage. Most users of the woods in the last two decades have been fishermen and hunters.

But the boom in camping, especially family camping, has led to a need for more elaborate facilities.

Trails, hopefully, will provide part of the answer to family fun on northwoods vacations.

Novak blazed the Wabeno trail with an eye to scenery, history and nature study.

Starting at the logging museum on Highway 32 in Wabeno the main trail heads west out of Wabeno and crosses the North Branch of the Oconto River at the site of an old sawmill.

The trail, hilly through much of its length, overlooks several timber plantations, then heads northeast toward Trump Lake.

Novak has routed the hikers through a variety of terrain and across various timber stands. Trails will be marked both to provide directions for hikers and to point out items of interest.

Two campsites will provide spots for hikers who want more than a day's journey. The trail also follows Otter Creek for part of its length and skirts the Johnson spring pond.

Heading back toward Wabeno, the route passes through two Indian burial grounds with their covered graves and the sites of several old mills.

The main trail is nearly 18 miles long. It follows some of the area's old Indian paths for much of its length. Side trails will also provide 18 miles of walking and will visit such spots as the ghost town of Padus, another spring pond and campsites.

Work on the side loops will be started after the main loop is completed. Routes will be mapped out offering the hiker either a short stroll through areas of his choice or a several-day jaunt through the entire area.

Following Novak's directions, the Job Corps crews have laid out the 24-inch-wide trail, cleared brush and will make and install the needed signs.

The trails are ample for hiking, Novak explained, but are narrow enough to discourage cyclists and snowmobile operators from using them.

"Those machines can tear up a trail in pretty short order," he said.

The hiking paths now give the Nicolet visitor three types of nature study trails to follow. There are two major auto tours—the Oconto and Peshtigo River tours, and detailed nature trails at Boulder and Bear Lakes.

The project also provides an outlet for the energies and skills of the Job Corps contingent from Blackwell.

"It gives the boys something tangible to build, something that can be used by the people who visit the area," one work leader explained.

[From the Durango (Colo.) Herald, July 30, 1967]

PAGOSA JOB CORPS CENTER SEEN AS WAY OF AVOIDING CITY RIOTS

(By Martin Sollars)

PAGOSA SPRINGS.—Several Colorado labor union leaders and members of War on Poverty programs visited instructors and trainees at the Pagosa Springs Job Corps Center on Friday.

Purpose of the meeting was "to acquaint the interested group with the Pagosa Job Corps and to view first-hand what the Corps is actually doing," said Herrick S. Roth, president of the Colorado Labor Council of the AFL–CIO. Roth and Mark A. Reimers, center director, presided at the programs and tour.

Authorized March 1, 1965, the center provides residential quarters for out-of-work, out-of-school young men, 16 through 21 years of age, who lack the education and skills necessary to obtain jobs. Corpsmen participate in programs of basic education, development of skill training, and constructive work experience for an average of nine months.

After graduation, corpsmen are assisted in finding jobs, returning to school, or entering the armed forces.

Approximately 45,000 young people will be enrolled in Job Corps by the end of 1967. Graduation rate is high and is about 70 percent in the Pagosa Center, according to Reimers.

The Pagosa Springs Job Corps is located seven miles northwest of Pagosa Springs and is administered by the San Juan National Forest of the U.S. Forest Service. Capacity of the center is 112 boys.

Roth said that "There is little doubt that the Pagosa Springs Job Corps Conservation Center is doing the job it was created to do; moreover, I would say that the ten AFL–CIO union leaders from eight different jurisdictions of our labor movement who visited the Center on Friday were in general agreement that the investment is worth every dollar plus some.

"The riots in Newark and Detroit are a renewed warning to all of us in America—three years after Watts—that the nation is sitting on a tinder dry powder keg. Most of the powder and tinder relate to the teenage and early 20-year olds in our rural and urban slums.

"The cost of rebuilding just the properties destroyed by the insurrection in Detroit will be the equivalent of $40,000 per youth who lives in the area; the cost of one year's Job Corps Training at Pagosa nets out to the taxpayer at around $3,000 for an entire year; the young men being trained at Pagosa come from the ghettos like the one that was literally blown up in Detroit."

Roth added, that "there is some contrast in the cost of destruction as compared with the cost of giving hope and pride to young people who can be productive citizens. At the moment, most of the like-situated youth in our nation have little reason to see hope; they are alienated from us. They intend to war upon those of us who seem so undisturbed, albeit fearful, of the who mess.

"But the young men who come to Job Corps in Pagosa cease to be warriors; cease to be antagonists. They see hope instead of despair; it's obvious that Mark Reimers and his staff are building confidence, literacy and skills into the fabric of each of the individuals who manage to get there.

"We would have to conclude many things from our day at Pagosa, Roth emphasized. Two of the prime ones are: (1) Our Colorado AFL–CIO needs to give more vigorous support than ever before to major funding of the Job Corps program of the Office of Economic Opportunity; in fact, we realize that Colorado could provide the setting for 100 centers like Pagosa; and (2) the U.S. Forest Service, as a contracting agent with Job Corps—OEO, has learned in these past two years not only how to do the job, but it is doing it as probably no other comparable agency, public or private, could do it with dedication and skill.

"Every citizen of any affluence or influence or both in our state ought to be speaking out, for the Pagosas may be the saviors of the great urban centers of our nation—and this could induce our own Colorado urbanites—Denver, Colorado Springs, and Pueblo."

The group toured departments within the Center consisting of basic education skills, basic work vocational skills, and social development. All buildings and facilities at the center were open to the group including dormitories, educational buildings, supply buildings, the office, and the shop.

General areas the corpsmen are trained in include clerical, culinary, conservation, construction, maintenance, medical, and auto mechanics. On the job training is emphasized in the facilities at the center. Learning by doing is the main theme at the center's program, according to the 32-member staff.

[From the Missoulian, Sept. 10, 1967]

TRAPPER CREEK JOB CORPS: MONTANA'S FIRST JOB CORPS CENTER—A PROGRESS REPORT

(By Bob Olson)

DARBY.—The Trapper Creek Job Corps Conservation Center, located South of Darby, in the southern end of the Bitter Root Valley, has been in operation for just over a year and a half.

At the end of that time, Robert Steiner, corps director, said that the program is going well. With a potential capacity of 216, the center now has 200 boys between the ages of 16 and 21, representing about 30 of the states, including Montana and Alaska.

There are 52 staff members including two clerks, two cooks and a nurse. As the first center in Montana, Trapper Creek opened on Jan. 1, 1966, and the first corpsman arrived on Jan. 12.

BIGGEST PROBLEM

Director Steiner said that the biggest single problem at the center is the lack of social life for the corpsmen. However, recently instituted trips to the Moses Lake, Wash., Women's Job Corps Center has improved the attitude of the local corpsmen greatly.

The activities at the Trapper Creek Center take three directions: education, work and vocations.

In the education department basic skills such as reading, math and writing are stressed, as some of the corpsmen arrive at the center unable to read, write or do simple arithmetic. Other areas of instruction are typing, history, arts and crafts and vocations.

VARIETY OF WORK

One instructor was especially enthusiastic about a course called the "world of work." Here, the corpsmen are exposed to a variety of different jobs and are shown what is expected of one who is employed in specific jobs. Reading and math are taught with programmed materials, allowing each student to work at his own level of accomplishment while the instructor works with individuals or small groups.

In the work program, the center is attempting to do the kinds of projects that will both provide basic on-the-job training for the corpsmen and benefit the community as well. When the work program supervisor was asked if corpsmen were doing jobs that would reduce the employment opportunities for local workers, he answered, "Definitely not. The boys are doing projects that would not be done, either for lack of finances or time, if they were not doing them."

NUMEROUS PROJECTS

Some of the projects which corpsmen have done or are now doing include: three miles of reconstruction and cleaning on the White Cap Trail; spring flood control work on the Nez Perce Road, the East Fork Road and the Bitter Root River; improved three miles of road on Bear Creek west of Victor; thinned five acres of pine on Lick Creek; cleared a mile of road right-of-way on Vapor Creek; constructed 1¼ miles of fence and put in four cattle guards on Guide Creek; built 22 fireplace grates for Forest Service campground fireplaces; constructed 18 double-pit prefab toilets for Forest Service campgrounds, as well as a number of small projects including cleanup of Riverview Cemetery in Hamilton. This does not include work done at the center itself.

NEW CONSTRUCTION

The corpsmen are currently engaged in constructing a new ranger station at Sula, 16 miles south of the center. About 10 boys are working with staff carpenters and electricians doing the basic construction of the station which will house the ranger's offices, radio room and rest rooms. While at Sula, the boys live in a spike camp, returning to the center on the weekend.

The work program and the education program operate concurrently, with each corpsman alternating one week of work and one week in the classroom.

THIRD PHASE

The third phase of the program, vocational education, or as the director calls it, "residential living," is important because it prepares the boy to return to his own community as a contributing citizen, at least partially equipped to earn his own way.

In this phase, the young men are introduced to a variety of vocations and are given basic instruction in them. The areas of work include carpentry, welding, electrical wiring, building maintenance, service station attendant, cooking, body and fender work, auto mechanics and laundry work.

After satisfactorily completing the Trapper Creek program, a corpsman may attend an urban center and receive specialized training in a selected field.

LONGRUN SAVINGS

A spokesman for the program said that, while per pupil costs are quite high at the center, it should be a saving in the long run because a boy should be able to return to his home area as a wage earner rather than a recipient of welfare.

The corpsmen are housed in dormitories which accommodate 54 boys each. They are fed in a dining room cafeteria. All janitor work in the buildings is done by corpsmen as a part of their training program.

Everything is furnished to corpsman, and he receives $30 per month for spending money. Social security and income taxes are deducted from his allowance. After a month at the center a corpsman is eligible for a $75 clothing allowance. Also, by earning points for working or for progress in education, a corpsman may become eligible for four $5 raises during his stay at the center.

STRICT DISCIPLINE

Trapper Creek operates under strict rules of discipline, with counsellors on duty 24 hours a day. Steiner said that about 25 per cent of the enrollees leave before their program is completed for a variety of reasons including parental requests for their return or homesickness. A few have left and then asked to be allowed to return.

Optimistic about the future of the center, Steiner said, "We just aren't having many problems now."

BOARD OF COUNTY COMMISSIONERS,
JOSEPHINE COUNTY, OREG.,
Grants Pass, Oreg., August 1, 1967.

Mr. JAMES STOOP,
Director, Fort Vannoy Job Corps Camp,
Grants Pass, Oreg.

DEAR MR. STOOP: The Josephine County Board of Commissioners wish to express our appreciation to your staff and particularly your young men who participated in Lake County in the search for information which would lead to the solving the disappearance of one of our local citizens, Mr. Cy Bernet.

Commissioner Ringuette commented that your men had one of the most difficult portions of the search inasmuch as they covered areas by foot under hot and dry conditions which could not be searched by jeep or on horseback.

This was a public spirited act on the part of the Job Corps over and beyond the regular line of duty. We hope you will inform all those involved in the search how much their efforts are appreciated.

Sincerely,
DONALD G. MCGREGOR,
Chairman.

STATE OF OREGON,
DEPARTMENT OF STATE POLICE,
Medford, August 3, 1967.

Mr. JAMES STOOP,
Center Director, Fort Vannoy Job Corps Center, Grants Pass, Oreg.

DEAR SIR: We wish to express our appreciation for the assistance rendered by members of the Fort Vannoy Job Corps on July 28, 29 and 30, 1967 in Lake County.

The Job Corps members were not only energetic in the search for missing hunter Cy Bernet, but followed directives promptly and enthusiastically. Their courteous attitude toward supervisors and search directors was favorably noticed and commented upon.

Please convey our thanks to supervisors Leroy Palm, Edgar Hite and Donald Howell as well as participating members of Fort Vannoy.

Very truly yours,
HOLLY V. HOLCOMB,
Superintendent.
By E. W. TICHENOR,
Captain.

[From the Grants Pass Daily Courier, Aug. 8, 1967]

LETTERS TO THE EDITOR: SEARCHERS THANKED

DEAR SIR: I would like to make known my gratitude to the members of the Josephine County Sheriff's Posse, who traveled at their own expense to partake in the search of July 28–30. They spent the greater part of Saturday under the desert sun and they covered large areas with little personal reward other than their collective blisters and calluses.

In addition, one can but praise the Job Corps for the manner in which they performed the arduous task they were called upon to undertake. Friday afternoon, the entirety of Saturday, and Sunday morning they walked mile after mile about that sun-raked earth. Keeping horseplay at a minimum, they searched acre upon acre and wore out a state policeman or two. Those who came in contact with the Job Corpsmen enjoyed that contact as they proved to be an exceeding amiable group. As one who also trudged the same parcel of inferno, I can appreciate their endeavors.

Once again, I would like to thank every one who participated in the search for Cy Bernet.

TOM C. BERNET.

Lake County Civil Defense,
Lakeview, Oreg., August 8, 1967.

Gentlemen: It was a pleasure to have your Job Corps assistance in the recent Lake County search for Mr. Cy Burnett of the Grants Pass area.

These Boys, under the supervisors Palm, Hite, and Howell, not only did a thorough job in the area assigned to them, but were extremely easy to work with. They are a credit to the Job Corps movement.

Again thanking you for the participation, I am,

Very sincerely,
E. L. McKinney,
Director.

[Speed message]

Grants Pass Sporting Goods and Western Wear,
Grants Pass, Oreg., August 2, 1967.

Jim Stoop,
Fort Vannoy Job Corps.

Dear Mr. Stoop: Please accept and give my thanks and appreciation to the boys who aided in the search for my husband this past weekend. From all reports they acted and did a magnificent job and felt truly sorry they were unable to find any clues.

Our son, Tom, Sgt. Gardner, and all others have talked with have nothing but praise for these boys.

It was a hard, long and unrewarding job but they did no griping.

If possible I should like to thank, personally, each boy. Again my sincerest thanks to you and your group.

Sincerely,
Mrs. Cy Bernet.

[From the North Dakota Union Farmer, September 1967]

Kids Escape Ghettos of City, Ghettos of Mind

The Dickinson Job Corps Center has a mimeographed newspaper called the Hilltop news. It's pretty largely devoted to ballgames, with an occasional reflection on what the Job Corps experience is all about. One of these is "A Poem of Hope" by Franklin Scott:

"He like the bird, who
Halting in his flight
On limb too slight
Feels it give way beneath him.
Yet sings
Knowing he has wings."

Now that is a pretty fair expression for a young man who is just learning to handle the language. Really a lot better tribute to the program than all the reams written by politicians, bureaucrats and sociologists. There are a great many limbs too slight for perching, and a fellow needs the best pair of wings he can get. It's the business of the Job Corps to provide flight training.

The urban and rural slums that Corpsmen come from might—with great determination and expense—be eliminated in 20 or in 30 years. Meanwhile there must be escape routes for those who are young enough and brave enough to take them.

One such route is the Corps, a voluntary residential training program for young men and women 16 through 21. Most of them are out of school, unemployed or underemployed. Many are illiterate and untrained. Some have minor police records. Not all of them make it, but an impressive number do—going on to college or specialized training or good jobs or military service.

North Dakota has two of the 93 Job Corps conservation centers—at Dickinson and Bismarck. There are also 10 urban centers for men, 18 for women, and two special centers. As of August 21, there were 19,196 youths enrolled. The program, including capital outlays and other costs is financed by $303,400,681 in obligated federal funds in fiscal 1966, $205,037,270 in fiscal 1967.

The Corps is an agency of the Office of Economic Opportunity and is a part of its so-called War on Poverty. OEO Director Sargent Shriver recently described his war aims for a House committee in this way:

"I want to say a word about ghettos. Right away we think of a city slum. But there is another kind of ghetto—an interior ghetto of the mind where we seal off parts of democracy that don't suit us, where we box off our obligations to justice and shut out our commitments to fairness. This ghetto of the mind is no less stinking and rotten than the ghetto of the city. Right now, all of us have ghettos to get out of. The sooner we begin, the sooner this country can become what its founders meant it to be. In truth, the War on Poverty is not being fought for the poor. It is for all Americans—because all Americans stand to gain by it. Not just with peace in our cities, but also peace in our hearts."

But of course this war for peace costs money, and OEO's armies are much sniped at by pennywise Congressmen. Job Corps Director William P. Kelly has admitted "our share of failure," but claims that 70 percent of his 75,000 graduates are employed or in school or military service. And he says these grads will save the country a lot of cash.

Mr. Kelly told a Senate committee that a youth of 17 who becomes a social and economic failure can cost $140,000 in public funds over his lifetime if he lives to age 57—based on $3,000 a year in welfare costs and $500 a year in income taxes he would have paid if employed.

If just 2,100 youths were turned into productive citizens, said Mr. Kelly, it could offset the $295 million the Corps wanted for this fiscal year, and he said if the Corps reached its goal of 56,000 successful graduates this year, it would be doing about 25 times better than that.

The dropout rate is admittedly high, but has dropped from 65 percent to 40 percent. The program is after all a voluntary one, and Mr. Kelly points out that enrollees are "the hardest core of the hard-core poor." Four of 10 Corpsmen are from families on relief; 3 of 10 can't read or write; 6 of 10 are from broken homes, and 8 of 10 haven't seen a doctor or a dentist in the past 10 years.

Conservation centers, like the type in North Dakota, are for boys with less than an eighth-grade reading level. They concentrate on basic reading and math, and work skills like carpentry, welding, auto mechanics and cooking. Each Corpsmen proceeds at his own speed, and the basic hitch varies from 90 days to two years. They produce things like fuel and water tanks, cattle guards and small buildings, and work on fences, roads and dams on Forest Service and National Park lands. Directors say the skills themselves are less important than the development of good work habits and attitudes. Basic graduates can get more specialized training at the urban centers.

Corpsmen are paid $30 a month, with merit raises to $50, plus board and room, some clothing, medical and dental care. They get two days of home leave for each month served. Discipline is enforced by fines, extra duty, or restriction of passes. Ted Butler, education director at Dickinson, says "just plain talking to" is usually enough.

Most of Dickinson's 200-odd Corpsmen live in supervised dormitories. For the couple of dozen top students there is an honor dorm where the boys elect their own government and operate their own credit union.

There are intramural sports and matches with town teams and other nearby Corps centers, occasional trips, and work periods in other Forest Service areas.

The Dickinson center recently observed its second anniversary with a well-attended open house. It was activated June 15, 1965, and occupies a former Air Force radar camp on a windy hill north of the city. Relationships with townspeople have been fairly good, barring a few expected minor incidents, and a Community Council meets with the Job Corps staff once a month.

The advanced urban centers are run by corporations under contract with OEO. One of these, International Telephone and Telegraph, is sponsoring an ad in 65 newspapers and magazines. The ad shows a Corpsman reading a Sax Rohmer paperback, "The Insidious Dr. Fu Manchu." The caption says "He's not exactly reading Shakespeare. But at least he's reading. Hamlet just won't turn him on. Dr. Fu Manchu will. And to a guy who never read a book in his life—any book—it's a start.

"He's a Corpsman at the Kilmer Job Corps Center in New Jersey and like most other Corpsmen, he's a school dropout. The problem: how to get these boys to start reading and writing so that their mental skills match the job skills they're learning."

Recently, ITT set up an experiment based on the work of Dr. Daniel N. Fader. "Thousands of paperbacks of all kinds were made available, and now boys who have never read a book before are reading two or more a week.

"As a boy's reading improves and he learns sentence structure and punctuation, his sophistication in books grows.

"When many of these boys come to Kilmer, they find it almost impossible to express themselves. Now when they leave, they've found an exciting new way: with words."

And some of them, like the poet of The Hilltop News, have found exciting new ideas to express.

[From the Placerville (Calif.) Mountain Democrat & Times, Sept. 7, 1967]

Job Corpsmen Aiding in Construction of Lake Tahoe Stream Profile Chamber

(By Laura Sealy)

Sly Park.—The construction of a unique addition to the Eldorado national forest's Lake Tahoe Visitor center is receiving a significant boost by the participation of corpsmen from the Sly Park job corps center.

DIVERTING CREEK

The corpsmen, under the direction of their instructors, Earl Sealy, work leader, and Marvin Brown, carpenter, are in the process of diverting Taylor creek through the new Stream Profile Chamber and back into its natural channel.

The Profile Chamber, the only of its kind built specifically for public use, is one of three in the world. In Sweden there is a small chamber for beavers and there is also one, the Sage Hen chamber, at Truckee, both of which are designed primarily for research purposes.

The Taylor creek chamber is scheduled for completion Nov. 1, 1968 and is designed to give forest visitors a broad understanding of what goes on in a trout stream.

Exhibits and displays inside the Profile Chamber will be done by Sly Park jobs corps center exhibit specialist John Jenott, who will interpret the graphic story of the Fallen Leaf lake watershed.

The oblique architectural form of the building will afford Jenott many areas for telling the story of the Taylor creek fishery, four seasons of the year and activities in the stream bed.

BELOW GROUND CHAMBER

A path from the Visitor Center leads to the Profile Chamber which is entered by gradually descending ramps to six feet below ground level. Visitors will pass through the building with 33 feet of window showing a view of the pool where fish will seek cover and move out to feed. A typical spawning bed in a stream will be shown, and at certain seasons of the year visitors will actually see fish from Lake Tahoe spawn. A white water riffle area in the stream where aquatic stream insects live to provide food for the fish will also be in view.

Three types of fish to be seen will be the Kokanee, spawning season, November; Rainbow trout, spawning season, April-May; German Brown, spawning season, October.

According to Robert K. Morris, forest naturalist for the Eldorado national forest, the Visitor Center now contains an amphitheater plus the center building. It serves the interpretive needs of three national forests in the Tahoe Basin Eldorado national forest Stream Profile Chamber. Corpsmen participating in this phase of the construction are Norman Seymore, Dave Courtney, Otis Sanders.

INTEREST INCREASING

Morris states 71,000 people took part in various aspects of the USFS recreation and visitor information program in 1966. The use in 1967 is up approximately 60% over last year. The center is staffed by four seasonal naturalists in the summer and two on a year around basis.

In the fall, college students and schools participate in conducted tours of the spawning streams. Taylor creek is the most important spawning tributary of Lake Tahoe and the fish story here is important to anyone interested in fish and fish research. Winter activities at the Visitor Center include ski tours throughout the area.

With the new Stream Profile Chamber added to the Visitor Center, there will be opportunities for scientific fishery research to aid and improve fishing in mountain streams and lakes and also production in hatcheries.

The California State Fish and Game department is participating in the development and future use of the chamber.

[From the Klamath Falls (Oreg.) paper, July 23, 1967]

Camp Director Speaks: Trials, Tribulations and Successes of Job Corps Outlined for Rotarians

When the Job Corps was first introduced several years ago people in some communities, including Klamath Falls—pushed the panic-button, cried in anguish and widely announced they deplored the whole, miserable idea.

Grants Pass, where Fort Vannoy Conservation Center is located, was no exception.

This was indicated Friday when the director of that camp, James H. Stoops, addressed the Rotary Club. "Eighty to 90 per cent of the people in the Grants Pass area favor the camp. But one person can make a noise you can hear all the way across the nation.

"I found out they still have a Ku Klux Klan group in Grants Pass—small but active. And we have the John Birchers.

"At the beginning 3,300 people signed a petition opposing the center; 3,300 out of a population of about 11,000. But it's all working out well now," he said. "Economically the program means $650,000 a year to Grants Pass."

Stoops, a forestry graduate of Oregon State University in 1935 and himself a product of the old Civilian Conservation Corps, cited some of the work the young men in the Job Corps have done since the camp was begun two years ago.

"We work basically for the Bureau of Land Management. Some of our work is with the Forest Service. Last summer, for instance, our corpsmen fought 17 fires. They did reforestation work, made stream improvements and built 16 fish screens for the State Game Commission which saved an estimated 800,000 salmon and steelhead.

"These kids have never had a chance to do anything for anyone," he stated. When they know their efforts are appreciated, "they bust their buttons."

He noted that work was done at the Girl Scout camp at Lake of the Woods and that a unit of his group is now working on a project at Lincoln on the Green Springs Highway.

Seven teachers are on the staff at Camp Vannoy. The boys, 16–21, go to school one week and work the next. The two groups alternate, he said. "Sixty-two percent of the young people who have gone through the camp have been rehabilitated successfully," he said.

Unlike the old CCC, he said, the Job Corps goes further than being a poverty program. "These boys have been school dropouts. Some have a prison record. Most of them have never been out of a city. Thirty two of our first 80 corpsmen couldn't read or write."

Stoops praised three VISTA volunteers, average age 70, who have been invaluable in aiding the lads to learn reading and writing. "Their accomplishment has been amazing."

Stoops said that in classes, the boys are taught to read, do math and learn something of the world at work. "We try to teach them to get and hold a job. Many of these kids are exceptionally good with their hands and that through testing they have found that their IQs jump 50 points over a short period of time. "IQ tests don't mean much if you're miserable," he told the Rotarians.

"Some of these kids don't make it. They can't adjust. They get homesick even if they do come from a poor environment. But they're not allowed to resign."

The Job Corps program, Stoops explained, "costs $1,500 before he even arrives in camp." He added that it takes $5,800 a year for each corpsman. "But a welfare recipient gets $4,800, I'm told. If we save 10 per cent of them, the program will have paid for itself."

He said the Job Corps creates some problems in the local community. But, generally, the program has been a success. Many of the youths, when they arrive, are in poor health besides being deficient mentally. Through work, training, school, sports and a feeling of being wanted, great progress is obvious.

In the field of athletics, incidentally, one youth, "who never had on a pair of track shoes," may be competing nationally. He finished six inches behind another youngster in a recent state AAU meet in the 100-yard dash. The winner ran it in .09.9.

Job Corps in Bismarck: A Year's Evaluation

(By James Conmy)

On August 19 it will be Job Corps plus one—one year since Job Corps trainees have been in Bismarck.

So how do Bismarck and the Job Corps Center stand now, after almost a year of operation by the center?

"Great!" said Bismarck Mayor E. V. Lahr. "The center is a part of our community. If it weren't, it would cause a lot of problems."

What problems do exist, Lahr said, are mainly operational and administrative, like negotiating a Bismarck city fire protection contract for the Job Corps center, which is a federal reservation.

"The fact of the matter is there've been so few problems we wouldn't even know the boys were there," Lahr said.

Bismarck police commissioner Ernest Fleck agreed.

"From a police angle, we've had neither a large number of incidents nor any serious ones," Fleck said. "There's been some fighting—usually among Job Corps trainees themselves—a little vandalism and a few drinking incidents, but nothing we haven't ever experienced from local boys."

Fleck also wished to make clear that Job Corps trainees don't receive any special handling.

"We treat them like anyone else—no favoritism and no harassment."

Bismarck police handle all incidents within the city limits, but if no complaints are filed against offenders the police do little but report the incident.

One incident came to public attention last week when two Job Corps enrollees complained that they had been abused verbally and shoved around physically by a couple of Bismarck youths. The latter were charged with assault and battery and will appear in Police Magistrate David Milhollan's court for trial next Tuesday.

Police inspector Mel Felch's noted that incidents, among the trainees themselves, are normally handled by authorities at the center.

"They keep everything pretty much in the family," Felchle said.

Of the two earlier incidents involving juvenile Job Corps trainees that had come to her attention, said Mrs. Nora Meland, police juvenile officer, both had been referred back to the center.

So Bismarck police say that because of generally good behavior on the part of trainees, police contact with the center is minimal. As a matter of fact, all of Bismarck's contact seems to be limited to several basic channels.

One is the regular passes issued to the boys for trips to town.

"We give out passes Friday nights, Saturday afternoons and Saturday nights," said James Fine, Center director, "but each boy is limited to two passes a weekend."

According to some trainees, there isn't much to do once they get to town, though.

"We walk around," one trainee said. "Sometimes we take in a movie. Sometimes we do some serious drinking. But mostly we just walk around."

Another said that he and his buddies usually check out the Teen Club in Bismarck and often walk out to a local drive-in for hamburgers.

"There isn't that much to do in Bismarck," one other remarked. "But I didn't expect there would be."

Morris Thiele, manager of the Teen Club, reported that the number of Job Corpsmen in the club varies from week to week, but that the boys are always well behaved and had never caused trouble.

"They come in, look around, and if we're having a dance they usually stay awhile. Sometimes they play pool or pinball machines," Thiele continued, "but they stay pretty much to themselves, not even associating with the girls very often."

A second way Bismarckers come in contact with Corpsmen is through the trips the boys make to purchase clothing and for medical attention.

"Lewis and Clark Job Corps Conservation Center has contracts with both St. Alexius and Bismarck Hospital," said Fine. "We also have doctors on call from Capital City Clinic, and Dr. Charles Arneson makes a weekly visit to the center."

Fine said that for dental care the boys go to whichever dentist they choose and can make an appointment with, noting that for many of the youths it is their first time in a dentist's office.

After they have been here for 60 days, corpsmen receive a clothing allowance of $40, part of a total $75 allotment. If they drop out of the program before completing at least three months, this money and whatever clothing they have purchased revert back to the center.

Bismarck merchant Evan Shark said he did a fairly large volume of clothing business with Job Corps trainees.

A third channel of contact between Bismarckers and corpsmen is Sunday church services and the "family welcome plan," sponsored through the Bismarck Ministerial Association.

The Rev. Arnold Spain, pastor of St. Anne's Parish, who was on the original committee to set up a family welcome plan said the visits had "sort of died." He said that when the Ministerial Association meets again this fall, the program is supposed to be "resurrected."

One problem the priest mentioned was that there wasn't always cooperation from the Job Corps end of the plan last year, which situation he felt wouldn't exist this fall. Some families have continued to receive the boys as guests throughout the summer, according to Fr. Spain.

"With all the recreational facilities and organized athletics for the boys in the summer, some of these projects don't get too much stress until winter when the boys are more cooped up," Fine said.

The dozens of projects the Job Corps had completed in the Bismarck area have made Bismarck but not Bismarckers familiar to trainees.

A Job Corps baseball team competes with local amateur teams, and the center has a softball team in the Bismarck church league. Occasionally corpsmen aid in local social events as they did when they worked as drivers for the old timers picnic July 26.

A Job Corps chorus sang at a recent Lions Club meeting and the center's drum and bugle corps has played for festivities in area towns.

But that's it. Not too much more personal contact with Bismarck.

At present the center has just under 200 enrollees with approximately 60 from the North Dakota area. Non-local youths come from the southeast region of the U.S. or from New York and Washington, D.C.

"How long the trainees remain in Bismarck depends upon the vocational training they receive. Usually they're at the center here for about six months," Fine said.

Milan Christianson, public relations director for the center, said boys have been taken on bus trips to Minot and one was planned to Minneapolis until the rioting broke out there. The boys must use their own money for the trips, Christianson added.

When plans for the Job Corps here were first announced, lack of opportunity in Bismarck for Negro corpsmen to associate socially with members of their own race was cited as an objection to a Bismarck location. There was a heated but short-lived controversy which brought national—and unpleasant—publicity to Bismarck.

Center officials said then that corpsmen would be bussed to other cities, such as Minot and the Twin Cities, in order to enjoy social contacts with people of the same race.

But the Center was established and controversy quickly died down.

Christianson also said almost every night he and several trainee volunteers spend a couple hours fixing and cleaning up the Custer amphitheater south of Mandan where he hopes the corpsmen, in cooperation with local people, can present several dramatic productions sometime in August.

Authorities at both Bismarck and St. Alexius Hospital have scotched rumors about Negro babies being born to local girls in local hospitals. According to hospital authorities, the rumors just aren't true.

Impersonal contact with the Job Corps, especially that which can be counted in dollars and cents, is more clearly defined. The corps uses local facilities, buys many of its supplies in Bismarck, including the lumber and fixtures used in conservation projects, and its staff members add to Bismarck's economy.

Before next spring, 100 Job Corps-built picnic tables will be distributed in Bismarck parks. Trainees have planted trees in Riverside Park and pruned trees, pulled stumps and cleaned up every local park. They've salvaged lumber for the Boy Scouts, rebuilt the historical marker by the water plant and done extensive work in Ft. Lincoln State Park and Museum.

But there's not much personal contact.

And perhaps that's why Job Corps center director James Fine can say, "This is the best facility with the best cooperation from local people of any facility in the nation."

[From the Lebanon (Oreg.) Express, Oct. 20, 1967]

JOB CORPS CREW BEGINS TRAIL, PARKS PROJECTS

(By Josephine Sommer)

"There's a long, long trail a winding"—or at least there will be when a Job Corps task force working under Bureau of Land Management guidance completes a job started last week.

In fact, there are two recreation projects in progress in the Green Peter Reservoir area presently under the alternate supervision of Bill Eastham, LeRoy MacDonald and John Friede of the Tillamook Job Corps Center. They have 19 youths working on an expansion project at the Yellowbottom park and on a foot trail which will eventually open up the peninsula area around the lake for recreation purposes.

The Job Corps task force moved into the forest service camp at the Quartzville Guard Station about three weeks ago according to Bill Eastham, a supervisor from the Tillamook Job Corps Center. The Eastham family moved to Lebanon about the same time and their sons, Terry and Michael, are already deeply engrossed in studies and sports at Lebanon Union High School. Terry is fast becoming the school's top track star and Mike, a senior, is a member of the football squad.

His awareness of the recreational projects they will be constructing under BLM and Fish and Game Commission assignments in the next few years, caused Eastham to make inquiries and personal observation to determine where the family would settle at least until the boys complete high school. He had high praise for Lebanon area schools and the friendly atmosphere in both school and community.

The Job Corps supervisor also praised BLM supervisors, the forest service and local people who have made their work easier.

CAMPED AT QUARTZVILLE

"Among other things, the forest service has provided their camp at Quartzville for our use while we are working in this area," Eastham added. "One service station owner at Sweet Home volunteered to take telephone messages—since we don't have an on the job communication. This is the kind of help we find everywhere we turn."

Before climbing the trail to interview Eastham, we talked with BLM's supervisor, "Hank" Blessing, his assistant, John Gundren, and MacDonald, the Job Corps supervisor on the Yellowbottom Park job.

"These men and their Job Corps task force cleaned up Fisherman's Bend Park (after the wind storm) prior to moving onto these jobs," Blessing said. "MacDonald and his crew will build trails to new picnic areas here on the south side of the (Quartzville) highway—across from the main section of Yellowbottom Park. They will also dig pits for pit toilets and make picnic table pads."

MacDonald explained that a Tillamook Job Corps Center masonry class will do some of the construction work at the park. Thus the job assignments provided by BLM gives the youth a chance for on the job application of vocational training being given at the center.

The work supervisors explained that the center schedules alternate weeks of classroom studies (at the center) and on the job experience such as the boys are receiving in the Green Peter area currently.

MacDonald—who started this type of work in the days of the Civilian Conservation Corps (CCC)—said they are preparing locations for 11 new picnic tables on the south section of the park. Two units were in use last summer. Blessing explained that the parking area is planned for 22 cars and the roads throughout the main park will be oiled this season. The latter job will be done either by Bureau of Public Roads crews or on contract.

TRAIL OUTLINED

By outlining on a map BLM's trail plans, Blessing showed how the peninsula area between the Middle Santiam and the Quartzville area would open up the Green Peter Reservoir area. Seven miles of trail will probably be completed this season. The task force began its trail work at the end of the access road which heads east then south from Rocky Top bridge (ten miles east of Green Peter Dam).

"The trail will swing back to the lake's edge just beyond Fool's canyon," Blessing said, "then will follow the water line around the edge of the peninsula on the north shore. A foot bridge will span Quartzville Creek in this section. A five year agreement with the U.S. Corps of Engineers facilitates this work and will probably be extended as needed."

Enlarging on the kinds of opportunities given "our Job Corps boys" by the various agencies, Eastham said they have supplied crews for fishways, timber stand improvement jobs, parks and campground cleanup and expansion projects, access trails, road improvement, tree planting and fire fighting.

"With the completion of the dams here in this area, crews such as we train at the Tillamook Center will be in demand," Eastham added. "I understand around ten miles of horse trails are to be built along the lake area and inland from Quartzville Creek."

Blessing had said earlier that the BLM staff receives many letters from saddle clubs asking for such trails through BLM wilderness areas.

Included in the instruction being given by the Job Corps supervisors, was the care and use of such equipment as axes and chain saws. The trail work combines training and application. Some of the boys on the job were previously on fire fighting crews in Idaho, Montana and here in Oregon during the summer.

"You hear considerable criticism of the Job Corps," Eastham concluded, "but the centers of my experience are doing a terrific training job. If these boys are kept occupied, they not only like the corps but also appreciate what it is contributing toward their future independence. I'll welcome a chance to sell anyone on the corps contributions to society. Your state agencies deserve a great deal of credit for their contributions to our success."

IN SUPPORT OF THE POVERTY PROGRAM

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. FRIEDEL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, a year long, in-depth analysis of the Baltimore Community Action Agency by the Strategic Planning Corp. of Baltimore disclosed that the poverty program has been very effective. According to Blair Simon, president of the Strategic Planning Corp., more than 60 percent of the residents of the target area, or about 120,000 people, have been reached with services and assistance.

To quote Mr. Simon:

> The poverty program has done an amazing job in many areas.

When asked about the reaction of the people to the community action agency, Mr. Simon declared that it was very favorable. He added:

> We were somewhat surprised by the lack of negative comment. Almost everyone interviewed (approximately 600 families), had a favorable response to the program.

Finally, Mr. Speaker, for the benefit, particularly, of those who believe that poverty funds are wasted on the "undeserving" poor, I would like to quote one more statement of Mr. Simon:

> Our findings indicate that the *entire* Baltimore community—*rich and poor*—have benefited at least indirectly from this effort. We have *more* than gotten our money's worth.

Under unanimous consent at this point I insert in the RECORD a "Question and Answer Spotlight" which recently appeared in the Baltimore News American:

QUESTION AND ANSWER SPOTLIGHT: REORGANIZATION NEEDED IN CITY'S POVERTY WAR

Millions of federal, state and city tax dollars are spent each year in the War on Poverty. Just how effective this fight has been has never adequately been determined.

Last year, the Baltimore Community Action Agency ordered an indepth analysis of 10 parts of its anti-poverty program.

The study, undertaken by Strategic Planning Corporation of Baltimore has recently been completed and submitted to the agency. Its contents have not yet been released to the public.

This week for Spotlight Q and A. The News American interviewed Blair Simon, president of the Strategic Planning and staff consultant Roger M. Windsor on their findings. The study took one year and was performed at a cost of $60,000.

NEWS AMERICAN. You have recently completed an in-depth analysis of the Poverty Program in Baltimore. Is this just going to be another one of the many, many studies that are simply filed on the shelf and nothing is ever done about it?

SIMON. I hope not. Certainly there is every indication that the findings are going to be used. The commission has actually directed the study and we have had several seminar meetings with them and they have already taken action on several of our recommendations. In addition, the Community Action Agency's full-time staff is developing plans to take full advantage of the recommendations made.

Also, many of the Third Party Contractors evaluated have asked their boards or advisory council members to study and come up with revisions and changes to take advantage of these recommendations.

NEWS AMERICAN. How effective has the Poverty Program in Baltimore been? Is it successfully solving the problems of the poor?

SIMON. There is very good evidence that it is effective. Interviews with the residents indicate that slightly more than 60 percent of the people have been reached either by receiving services of a component of the Poverty Program or having been contacted at home.

If we assume that there are approximately 200,000 residents of the Action Area, this would mean that 120,000 people have been served and reached by the Poverty Program in Baltimore.

Our findings also show that the Poverty Program has done an amazing job in many areas starting from almost ground zero two years ago and today they have a whole family of operating programs, numerous Neighborhood Centers throughout the Action Area, and indeed appear to be providing a great deal of meaningful services. At the same time, we found that there are many possibilities for improvement.

NEWS AMERICAN. What specific aspects of the Poverty Program did your study go into?

WINDSOR. We evaluated ten Third Party Contractors. These are organizations outside of the Community Action Agency who have a contract to provide services for a given program.

NEWS AMERICAN. Were you satisfied with the degree of cooperation you received from the Third Party Contractors during your evaluation?

SIMON. Yes, the cooperation we received from each of the contractors was outstanding almost without exception. Our concern here has been that there is a weakness in the amount of cooperation and coordination between contractors and the cooperation between the contractors and the parent organization, the Community Action Agency.

NEWS AMERICAN. Do you mean that there is a lack of referral between the various Third Party Contractors?

WINDSOR. Yes there is, and there are opportunities for a great deal more referrals. It is not an easy problem and there are reasons for this, but we feel the point has been reached where this must be improved.

NEWS AMERICAN. Have you found any antipathy between the various Third Party Contractors and the CAA and the other city or state agencies?

SIMON. I think there is always some rivalry amongst the city agencies and this has been a problem that plagues the city—we can't get concerted action on behalf of the city government. Many of our departments act independently.

The result was some apprehension or antipathy when the CAA got into the picture.

Many agencies were wondering to what extent the CAA would intrude on their ground. It has been demonstrated, I think, that there is an opportunity for all to cooperate more effectively and, therefore, provide better service for the citizens.

NEWS AMERICAN. Do you feel there is need for a consolidation of all the different agencies involved in the fight of poverty?

SIMON. That is a difficult question. On the one hand we find the poverty program moving toward a de-centralization that allows for a greater citizen involvement. By centralizing, we have a benefit maybe of better cooperation, but it may become bureaucratic, more arbitrary, and further removed from the people and their wants. How we can get the benefits of both is probably the greatest challenge the Poverty Program faces.

NEWS AMERICAN. What has the reaction been of the people in the Action Area to the Poverty Program?

SIMON. Very favorable. We were somewhat surprised by the lack of negative comment. Almost everyone interviewed (we interviewed approximately 600 families in the Action Area) had a favorable response to the program.

NEWS AMERICAN. What are the people in the Action Area most concerned with? What do they want to see done?

WINDSOR. We asked this question of the residents that were interviewed and among their greatest concerns were poor housing conditions and their expression of need for the landlords to correct these conditions. Also, they were very much concerned with what they felt was inadequate law enforcement in their neighborhood areas. Also, they were very concerned about the conditions related to sanitation, garbage collection, street cleaning, and a lack of adequate numbers of play areas for their children.

NEWS AMERICAN. Were you able to determine if the people in the Action Area are receiving adequate law protection?

SIMON. We can't really give you an answer on that. It is important to recognize that the local anti-poverty program does not have the resources to eliminate poverty.

Their resources amount to approximately $35 per year for each resident of the Action Area. University of Pennsylvania economists have estimated that the CAA controls only 4 percent of Baltimore anti-poverty industry. This study was concerned with that segment only.

The really interesting thing would be to look at the other 96 percent and find out how effective that is in serving the poor citizens of Baltimore City.

NEWS AMERICAN. Do you feel that the Community Action Agency has done enough as far as publicity goes for the various Poverty Programs that are available?

SIMON. There is never enough information. We pointed out earlier the amount of referrals and cooperation between the programs depends on the knowledge of other programs.

There is a lack of knowledge about many of the programs. Some people that have been served by one know about no other programs also available to them.

I suspect that a very effective public relations program and information program would be most helpful. But the residents of the poverty area have been reached best so far by personal contact.

NEWS AMERICAN. Do the people in the Action Area know where to go when they have problems such as sanitation, law enforcement, etc.?

WINDSOR. Interestingly our survey shows that more and more people are pointing to their Neighborhood CAA Centers as the place to go for all problems and there they find that someone will be interested in them and direct them to the proper source.

NEWS AMERICAN. Have you found race to be a problem with the Poverty Program in the Neighborhood Centers? Are the races mixing well or are they separated? Do you find the poor whites are in one area and the poor Negroes in another area? And where they live together, do they work together to make better communities?

SIMON. Perhaps we should go back to understanding the setup here in Baltimore. The Poverty Program had decided in the beginning to concentrate its resources on a certain geographical area called the Action Area. This area includes approximately one half of the so-called impoverished people in the city.

They have selected those areas with the poorest income criteria and the greatest degree of incidence of other indications of poverty. It happens that most of these areas are Negro dominated.

There are some white people that live in the Action Area and the Target Area and this might amount to 10 percent. Actually the whites and Negroes are separated usually in neighborhood groups.

There is an integration of whites and Negroes in the program and in the staffing of the Neighborhood Centers. Race doesn't appear to be a problem.

NEWS AMERICAN. Have you found the staff to be a major problem of the Poverty Program? Are they getting highly qualified, competent people and is there a high terminal rate?

SIMON. Staffing is a problem. Today it is very hard to find trained social workers. There has been an emergence of many social programs and there are inadequate numbers of people formally trained for social action programs.

The Poverty Program is trying something interesting. They are deliberately trying to use indigenous people to provide professional type services. This means that there may be some sacrifice in the backgrounds and immediate capabilities of the people, especially at the beginning.

What they hope to get in turn is a sensitivity, a warmth, a responsiveness that has been missing in some of the bureaucratic problems and services that have not served the need of the poor people. In addition, there is the constant problem in Baltimore City of Civil Service classification and recruitment. The Poverty Program has claimed that inadequate Civil Service criteria, testing, and promptness of response has greatly inhibited their staffing.

News American. Have you found that by concentrating on indigenous personnel that this works to the detriment of the Poverty Program?

Windsor. There is a tradeoff here. We get something if we give something. In most cases the indigenous people have been outstanding for their ability to relate to other poor people.

News American. Is there a need for a large step-up in salaries of the poverty workers? Would this attract the kind of people really needed?

Simon. There is a need for some re-evaluation of this and there is a comprehensive study now underway in the city.

News American. In your survey, have you found that these programs which are allegedly self-help programs, have begun to drift into subsidies rather than self-help?

Simon. There is a very difficult problem because the Poverty Program is by its very nature multiple-goal oriented. It must satisfy a number of things. Income is one form of deprivation. Most of the poor people have been judged to be deprived primarily of adequate income, but in addition to this there is the deprivation through the lack of services and amenities—housing, poor sanitation services, etc.

Generally it is felt that the poor people get less than their share of the city services due them. In addition there is the deprivation of organization or power. In order to have self help, we must have some form of organization.

We recognize that there must be a combination of all these things. We are urging, however, that CAA move more towards self-help and away from the caretaking.

News American. What sort of problems did you find in the operation of the Neighborhood Youth Corps?

Windsor. I am not quite sure that we ought to concentrate and focus on problems because there is a definite benefit gained through enrollment in the program.

As far as operation of the program itself, we feel that one of the major limitations or drawbacks in the program is the lack of an adequate followup system that determines what happens to the youth once he leaves the program. I might add that this is not just limited to our own local situation but nationally this inadequacy exists as well.

News American. Have you found that the inner-city schools contribute in any way to the lack of education of these people so that they would drop out?

Simon. Schooling is a problem but our evaluation really does not define the problems of the school system. The parents indicate a great interest and concern about their children's education. The fact that the dropout rates are high is a reflection of the problem.

Among the suggestions we have made to the Community Action Commission is that they take advantage of their experience with the needs of the poor people and articulate suggestions for improvement of the inner-city schools particularly. This is appropriate because the Community Action Commission should be an advocate for the poor citizens in all facets of city decision making.

News American: Have the people who have participated in the Neighborhood Youth Corps gone back to school?

Simon: No, generally they have not. This was one of the original thrusts of the NYC—to encourage the dropouts to go back to school.

On the average, those dropouts are below a ninth grade education. That means that he has approximately four more years to go. This is not a very attractive alternative.

Actually, our findings show that most of the youths in the NYC are going to full-time work and we have every reason to believe that they are better prepared. They have established work habits, they have references, they have worked at jobs, they have demonstrated a capability to perform.

This theory has not, however, been proven yet, for as Mr. Windsor pointed out, NYC simply doesn't have adequate follow-up on what happens afterwards. If we don't have follow-up and find out what happens over the longer term, we won't know how to revise and correct our program inadequacies.

News American: Are these jobs that are being given now merely menial type jobs?

Windsor: For the most part we find that they are. This is, in part, due to the fact that there are not enough adequate jobs above that task level with which to provide these youths.

We have recommended that improvement in the quality and assortment of jobs would have great benefit in making the NYC even more effective than it is today.

News American. Is there a possibility of some cooperative effort between the NYC and various segments of the business community to train these people for better jobs and get them out of the ghetto?

Simon. Yes, but NYC may be the wrong program. One of the potential weaknesses of the NYC program is that it is limited to work habits orientation—not job training. They are not trained for any particular job.

News American. Could you tell as a little about the Small Business Development Center? What are its main aims? Is this one of the programs you studied?

Simon. Yes, the SBDC has as its task the providing of services to residents of the Action Area in acquiring loans through the Small Business Administration. These loans are directed at establishing new businesses or allowing existing businesses to expand or continue in operation.

News American. Why is there a need for an organization such as the SBDC when this function is already performed by the Small Business Administration itself?

Windsor. The SBA is not equipped to relate and provide special detailed services to the poor resident. In this city the Director of the SBA has worked very effectively with those in the SBDC and together have done an excellent job in getting something like 44 firms with a loan in the first year of operation.

The real reason for why it is needed is that the banking institutions and other conventional sources are not providing capital to the poor people and especially the Negro community. Nobody can get one of these Equal Opportunity Loans unless they have been formally rejected by the conventional financial sources.

Simon. Our findings on this program indicate that it is one of the most successful of the anti-poverty programs in the city and the reasons are that it has taken people off welfare, it has taken people off unemployment, and has put them to work in the private enterprise sector.

It is truly a self-help program and it is interesting that it is one of three programs in which we went further than the basic evaluation requirements and performed a cost-benefit analysis.

This program stands out as an effective poverty eliminating program in that it returns a great deal more in benefits to both the poor community and to the entire state than it costs.

News American. Have you found that these people are good risks for these loans?

Windsor. Yes, interestingly enough, our study shows that in the first year of operation, not one of the firms failed. This is an amazing standard in that even the best risk type business firms have a high failure rate.

News American. What are the problems with the present Day Care Program?

Simon. The Day Care Center Program is another one that we submitted to this vigorous cost-benefit analysis and our findings are somewhat controversial. An attempt was made to probe the strategy and purpose of an anti-poverty service program. There is an unquestioned need for better child Day Care in Baltimore.

The problem that they have is one of ill-defined goals and objectives and policies and sometimes individual decisions tend to work against each other and reduce program effectiveness.

The national guidelines are sometimes fuzzy and sometimes they don't exactly fit the local need. It is up to the local agency however, to make it as effective as possible within the limits of their choice.

The question can be asked if Day Care is an effective poverty eliminating program. It does not appear to be as effective as others and theoretically it is appropriate to consider shifting the very scarce anti-poverty funds to other uses. However, under the present law, you either use these funds for the designated program or get nothing.

News American. I understand that the Street Club Worker Program of the Poverty Program works closely with the Department of Recreation. Do you feel that they work closely enough or is there some antipathy between them?

Simon. No, we don't feel they work closely enough. Actually the Street Club Worker Program started long before Baltimore had a Community Action Agency or an anti-poverty program.

This is an example of where there are opportunities but currently failings in the Community Action Program. We mentioned earlier that the CAA has only a small portion of the total resources to provide services to the poor.

What they must do is to mobilize all the agencies in the city to do a more effective job in preventing and eliminating poverty. That is an important section in the local ordinance and in the federal law—that is to mobilize all city agencies.

News American. You haven't found then that the Department of Recreation has taken to heart what it has learned from the Street Club Worker Program?

Simon. The lessons are not total and we must be careful about sweeping criticism of the Recreation Department.

We do find that this program is operated as a separate independent section of the Department of Recreation—they do not appear to be looking for lessons and they do not appear to be utilizing the lessons learned here in their other recreational efforts.

News American. It has been charged that the Board of Directors of the Legal Services program is composed of people who are opponents of the Legal Aid system itself. Have you found that to be a problem and have you found that it hampers Legal Services?

Windsor. The Board of Directors of the Legal Services Program is not packed with opponents of the program. There are people on the Board who did oppose the program at its inception.

As far as it hampering the operation of the program, I would say no, it is not generally hampering the operation. Certainly the staff of the program, because of the difference of opinion among the Board, is not able to institute all of the programs that they would like to operate in the Action Area.

News American. Have you noticed with the Legal Services that you get young, inexperienced lawyers who use Legal Services as a training ground and then leave, which necessitates the Legal Services going through another period of adjustment by bringing another new lawyer in, training him, only to see him leave later on?

Windsor. I think this has been one of the criticisms leveled at Legal Aid programs not only here in Baltimore but across the nation. The Legal Services Program operating under the War-on-Poverty in Baltimore has only been operating for slightly less than a year.

There is no clear indication that this situation is occurring in the Baltimore program. There are some young attorneys on the staff of the Legal Services Program, however, this is counterbalanced by some well experienced attorneys. I can't say that definitely young attorneys are using Legal Services as a training ground for their own ambitions.

What is the issue, however, is could they possibly do more. Presently the program services are directed solely to attention on individual civil cases when possibly the most relevant and the most pressing concerns are for criminal case assistance and group activities—problems that bother all the poor such as the alleged excessive licensing of liquor outlets in the poverty areas, alleged propensity towards giving a poor youth a criminal record compared to those from the more affluent areas.

We should get the Legal Aid Program out on the table and again look at it in terms of what ways can we do the most for the poor as opposed to what the lawyers want to do.

News American. Have you found it a problem to get Negro lawyers for Legal Aid?

Windsor. This has been pointed out by the operating staff of the Legal Services Program as one of their problems. They indicated that it is very difficult to attract a Negro attorney to the staff because he can fare as well, if not better economically, in private practice than he can in joining the Legal Services Program.

News American. Have you found a lack of enthusiasm or a lack of spirit across the board of the Poverty Program among the staff members on the lower levels?

Simon. No, on the contrary, we have found a great deal of spirit and commitment. People are in there basically not for pay but because they feel they are doing something worthwhile. This was most evident in the early times and the problem will be to keep it up—to keep the innovative, the new view, the freshness, the ability to criticize one's self as part of the Poverty Program.

News American. Millions of dollars are spent each year in the Baltimore anti-poverty effort. There has been a great deal of criticism about whether it is used correctly. Has your study found that is is being used correctly?

Simon. Correctly is a very difficult conclusion to reach because it is very obvious that there are a number of different viewpoints as to what is correct. We have found that in Baltimore a very effective job has been done in a short period of time with limited funds.

Our findings indicate that the entire Baltimore community—rich and poor—have benefited at least indirectly from the effort. We have more than gotten our money's worth.

What we are suggesting at this point, however. is that it is time ot shift gears. Phase one has passed. The Poverty Program has established a bridge to the poor community. They have an organization, knowledge, and program where there was little before.

There doesn't appear to be more resources available to continue to expand the program at this time. Therefore, it is time to capitalize on the lessons learned. It is time to eliminate or redirect programs, also to help mobilize all available community resources to do a more effective job for all citizens.

News American. What is it going to cost to implement your suggestions?

Simon. Our suggestions have been basically tuned to the original guidelines given us by the Commission which are to assume a constant level of funding rather than an increase in funding.

We have found ways and suggestions to improve the efficiency, to get more effectiveness and results for each dollar, and secondly perhaps to make some program revisions.

Although each of these programs are effective and aimed at satisfying real needs, some of them seem to be more effective than others; therefore, it may be more desirable to allocate funds towards those which seem to get the most results.

What is essential now is that the Commission sharpen up its objectives and policies. A consultant cannot properly formulate the objectives. What we can do is to help define the issues and to point out how to get maximum benefit from the available resources once the objectives have been determined.

It is time to re-assess the services that this city in total is applying in eliminating poverty, in serving the poor people, in helping them to help themselves.

IN SUPPORT OF THE POVERTY PROGRAM

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. Friedel] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, as a stanch supporter of the war on poverty since its inception, I would like to share with my colleagues today a number of recent editorials from the Baltimore Sun in defense of the program as well as a New York Times editorial entitled "No Spin Off."

I know that these programs have enabled many people to attempt to solve their problems and improve their lives. You may be interested to know what the various OEO programs have done in my own State of Maryland: 16,323 youngsters participated in summer Headstart; 68,903 Marylanders of all ages have participated in community action programs which operate in 21 of the 23 counties in my State at a cost of $17,004,000; 8,607 young people and their families have benefited from Neighborhood Youth Corps programs; 11,317 trainees have profited from the work experience program; and 5,604 adults have participated in the adult basic education program.

As you all remember, when the economic opportunity programs first started, some individual projects were slow in getting off the ground, but now that most of them are well organized and beginning to show results, it is certainly not the time to cut them. In fact, Mr. Speaker, we appropriated $1,678,500,000 for OEO in fiscal 1967 and appropriated $128,752,450,419 for the entire budget for fiscal 1967. We are spending approximately 1.3 percent of our budget to rehabilitate the poor and disadvantaged—a small amount, indeed, to raise these individuals from tax consumers—welfare and so forth—to taxpayers.

It is my firm conviction that cuts should not be made at the expense of those least able to help themselves.

At this point, I insert the editorials in the Record:

[From the Baltimore (Md.) Sun]

Just Too Much

Sargent Shriver has threatened to quit as head of the Office of Economic Opportunity if Congress doesn't give him the funds to really fight poverty. He is understandably alarmed and angry. Members of the House of Representatives are seriously thinking of cutting the Administration's anti-poverty appropriation request almost in half, from $2.06 billion to $1.2 billion.

It is fairly clear that not much could be done with that kind of money. As Mr. Shriver put it. ". . . it would be a delusion of the poor. It will be a deception to the general public, and, therefore, I don't think it would be advisable to continue a fraud." Even as he spoke, reports came in that, owing to a lack of funds, anti-poverty projects are closing down all over the country. Funds are already becoming scarce here in Baltimore and in six Maryland counties. VISTA workers will go unpaid. Job-training programs are being curtailed, community action assistance to poor rural families is being held up.

Mr. Shriver seems adamant. He is arguing that, in this case, a half a loaf is worse than none at all, that giving it would be a gesture designed only to appease the conscience of the affluent without its actually alleviating the suffering of the poor. And Defense Secretary McNamara yesterday joined the debate by questioning America's will to see the poverty program through. He rejected the thesis that national resources are insufficient to fulfill our international commitments, while at the same time meeting domestic needs.

President Johnson committed this country to a protracted war on poverty, and now Congress, through procrastination and threats to cut deep into anti-poverty funds, seems bent on avoiding that commitment. Perhaps some reduction in these funds is necessary in the interest of fiscal stability, but half the requested appropriation is just too much.

Fight for Poverty Funds Vowed

Washington, November 6.—Defenders of the Administration's war on poverty reacted sharply today to forecasts that the program would be cut back below last year's spending levels.

Representative Perkins (D., Ky.) chairman of the House Education and Labor Committee which drafted the $2,060,000,000 bill now before the House, said, "we should be getting more than we asked rather than being cut back. I will fight these cuts."

Perkins spoke in reply to a statement by Representative Mahon (D., Texas), chairman of the House Appropriations Committee, which had said the committee would not allow more than the $1,600,000,000 spent during the 1967 fiscal year.

HINTS LOWER FIGURE

"In fact, there are strong indications that the figure approved by the Appropriations Committee for the entire antipoverty program may be less than $1,600,000,000," Mahon said. He did not disclose what the new figure would be, however.

Actual debate on the bill to authorize funds for the Office of Economic Opportunity was delayed by floor debate on a number of minor bills, but Perkins released a lengthy speech, saying six community action agencies—including one in his own district in Appalachia—are without funds.

"Unless we act by November 23—just 17 days from now—35 other local community action programs will have to close down their operations," he warned. "This involves $42,000,000 worth of community action projects and affects the lives of some 500,000 people."

These agencies are in sixteen states, including Maryland, Perkins added.

OEO, which administers the anti-poverty program, was cut off without funds October 23 when a stop-gap resolution to allow it to spend at 1967 levels was bottled up by a squabble between the House and Senate over economy.

"You can well imagine the anxiety and the frustration that this lack of funding is creating in the hearts and minds of poor people throughout this country," Perkins declared.

The delay in beginning formal debate on the bill was another in the series of blows at OEO taken by the House. It delays at least for one more day the passage of some sort of program. The Senate has already approved a $2,200,000,000 program which will be subject to negotiations with the House version.

Earlier, Representative Ayres (R., Ohio), senior Republican member of the House Education Committee, had suggested that the House abandon the bill, and instead pass a continuing resolution that would set the spending level at $1,200,000,000.

OEO has said Ayres' resolution would force the closing of 60 Job Corps centers serving 20,000 young people, 250 community action programs, half the VISTA programs and end job training for 120,000 adults.

Perkins described it as "completely unrealistic and completely irresponsible. Make no mistake, the impetus for a continuing resolution approach is coming from those who want to see the emergency opportunity programs severely crippled.

During a television interview today, Sargent Shriver, head of OEO, said he would resign if the agency were cut to the $1,200,000,000 figure. It was the first time he has publicly threatened to resign although there has been speculation he would step down to run for Senator from Illinois next year.

NEW VERSION OFFERED

". . . It would be a delusion to the poor and a deception of the public and therefore I don't think it would be advisable to continue," he was quoted as saying.

At the same time, Representatives Quie (R., Minn.) and Goodell (R., N.Y.) offered a new version of an earlier "opportunity crusade" which would be substituted for the existing anti-poverty program.

While the committee bill was amended to turn over control of funds to local officials rather than to the community action programs, themselves, in a move to get support of southern Democrats against Republican attempts to dismantle OEO, the Goodell-Quie proposal would retain present procedures.

VISTA Funds Promised From Private Source

New York, November 6.—Twenty-five New York corporations were reported today to have agreed to bankroll the domestic peace corps with $100,000 in hopes Congress eventually will restore anti-poverty funds.

The funds were cut October 23 and 230 New York corps workers, members of Volunteers in Service to America, found themselves without money for food and lodging.

Encouraging VISTA workers to stay on the job, William H. Crook, the director, said he hoped Congress will restore the funds retroactive to October 24.

The corporation heads pledged $54,000 needed to maintain New York workers for a month. The remaining $46,000 was made available to VISTA workers elsewhere in the nation.

House GOP Denies Support to Deep Cut in Poverty Aid

Washington, November 8.—House Republicans declined today to support a proposal to cut funds for the anti-poverty program to a level the Administration says would end the program's usefulness.

At a strategy meeting held in connection with the anti-poverty bill now before the House, a majority of the GOP members indicated they preferred to try to change specific programs rather than vote for an across-the-board cut in spending.

The result of the meeting is believed to have improved the chances for House passage of a bill that would leave intact most of the programs now administered by the Office of Economic Opportunity.

No decisions were reached at the GOP meeting, but participants said sentiment was strong against a proposal by Representative Ayres (R., Ohio), to cut OEO spending to $1,200,000,000. It is now funded at $1,600,000,000 and President Johnson has asked for $2,600,000,000 for fiscal 1968.

Supporters of the bill indicate they expect to see the House put the figure at around $1,600,000,000.

The Senate has passed a bill authorizing $2,200,000,000 and a final compromise figure in the neighborhood of $1,800,000,000 is considered likely.

The House is proceeding slowly on the bill because of other legislative business and the absence tomorrow of a number of members who will attend the funeral in Texas of John Nance Garner, former Vice President and Speaker of the House. Final action is not expected until next week.

POLITICALLY UNWISE

Democrats favoring the bill said the lack of support for Ayres's proposal indicated the Republicans feel it would be politically unwise for them to back a drastic cut.

"They're finding out this program is not as unpopular back home as they thought," Representative Carey (D., N.Y.) said. "They're hearing from their mayors and other officials who want it continued."

Poor, Supporters Rally for Funds: Tydings, McKeldin Join Antipoverty Officials in Decrying Loss of Federal Money

(By Stephen J. Lynton)

With scores of placards bobbing up and down, with drums and bugles resounding and cheers rising in the cold night air, a throng of Maryland's impoverished and their advocates gathered in Hopkins place last night to shout its demands that Congress rejuvenate the nation's financially ailing war on poverty.

The rally, which had been organized by city anti-poverty officials, looked like an outdoor version of an election-eve convention. But political candidates in today's election were not permitted to speak.

"LET LIVELY SPEAK"

As the hour-and-fifteen-minute gathering before the new Federal building drew near an end at 8.15 P.M., cries of "Let Lively speak. Let Lively speak" broke from the crowd. But Walter H. Lively, the Republican City Council candidate from the Second district, did not speak.

Crowd estimates varied widely. Anti-poverty officials claimed 3,000 to 4,500. A police estimate was 1,500 to 1,800. Some newsmen guessed even fewer.

Senator Tydings (D., Md.) drew a roar from the crowd just by naming President John F. Kennedy. "I can't believe that Congress is going to turn its back on a program which our beloved President [Kennedy] began," he said.

Mayor McKeldin termed "horrifying" the prospect that Congress might end the national anti-poverty program.

Parren J. Mitchell, the city anti-poverty director, put the crowd—including delegations from Montgomery, Calvert, Harford and other counties—on notice that they might be called upon to demonstrate anew next weekend, apparently in Washington.

Representatives Friedel (D., 7th) and Long (D. 2d) also produced roars in the crowd by voicing support for anti-poverty programs.

The crowd displayed signs saying "Indian Givers," "No More Broken Promises" and "To C.A.A. (Community Action Agency) With Love." One placard bore a skull and crossbones and the words, "Don't Mess with Poor People."

City anti-poverty officials had organized the demonstration against what they considered to be a grim background of increasing fiscal emergencies. Money difficulties have already disrupted anti-poverty programs in Baltimore city and at least six Maryland counties.

PROGRAMS HURT

One Eastern Shore community action program was halted last week. A Neighborhood Youth Corps program in Baltimore ran out of money last Friday and has received emergency city funds to last out the current week. Members of the Volunteers in Service to America program face a payless payday. And programs in Montgomery, Prince Georges and Harford counties confront the possibility of imminent doom.

The difficulties are among the results of Congress's failure so far to approve new funds for the national war on poverty or to enact a continuing resolution which would permit Federal agencies to keep spending money. Federal agencies have been told not to pay for new non-defense programs unless they had already been authorized by midnight October 23.

Peter B. Davis, deputy regional director of VISTA, says that 108 VISTA workers in Maryland—94 of them assigned to health, housing, education, recreation, poverty and social work projects in Baltimore—will not receive their two-week's salaries, an average of $95 for rent, food and personal expenses, when payday comes November 14, unless Congress takes action.

VOLUNTEERS UNPAID

Michael A. Toth, director of the VISTA training center in Baltimore, says that 46 new volunteers have not received their normal $1-a-day expense allowances since they began their studies October 26.

Richard W. Bateman, an associate city anti-poverty director, said that a city Neighborhood Youth Corps program, which employs 40 staff members and provides job training for 500 high school drop-outs, discovered that its newly approved six-month grant of about $800,000 "suddenly terminated" last week.

William F. Moran, deputy director of the metropolitan Washington area's Neighborhood Youth Corps, says that a job program for 60 high school students in Montgomery county, and two programs for 110 students and dropouts in Prince Georges county will end Saturday, unless Congress authorizes new spending.

SPECIAL TRANSFER

S. Edward Smith, director of the Maryland Office of Economic Opportunity, says that a community action program assisting 1,200 poor families in Kent, Queen Annes and Talbot counties halted most of its normal operations last Wednesday, Thursday and Friday when a five-month grant expired.

Mr. Smith adds, however, that a special transfer of $3,700 to $4,000 in regional anti-poverty funds had been tentatively approved. That amount would be enough for a month's operations, he said.

The Eastern Shore program had returned to regular activities yesterday. But Mr. Smith notes that its nine paid employees "will miss a payday and maybe two."

A Harford county community action program, intended to assist 12,368 poor people, will also run aground between now and November 25, Mr. Smith says, unless Congress appropriates new money.

[From the New York Times, Nov. 10, 1967]

No Spin-Off

The Republican substitute for the anti-poverty authorization bill now pending in the House of Representatives would transfer several of the more successful and less controversial programs from the Office of Economic Opportunity to various regular departments. This reorganization would leave O.E.O. with nothing but the much-disputed community action program.

Under the G.O.P. plan, sponsored by Representatives Goodell of New York and Quie of Minnesota, Head Start and its follow-up program, Upward Bound, would be shifted to the Department of Health, Education, and Welfare. The Neighborhood Youth Corps, which consists of two programs, in-school and out-of-school, would be split. The in-school program would be assigned to HEW and the out-of-school program to the Department of Labor. Finally, the Republicans would phase out the residential Job Corps centers and rely on the state-administered vocational education programs.

No administrative arrangement is sacrosanct. What counts is how a program functions and whether it is run in the simplest, most responsive fashion. On paper, it may sound logical to consolidate educational programs in HEW and manpower programs in the Department of Labor. But experience does not bear out so plausible a theory.

The state-run vocational education programs have not done the job of reaching Negro youths in the slums and preparing them for jobs; if the states had been succeeding, the Job Corps would never have been necessary in the first place. Local school systems are cooperating in many instances in running Head Start and the in-school Neighborhood Youth Corps, but in other instances they have proved to be rigid and unresponsive bureaucracies. Settlement houses and community centers are often more willing to innovate and to make flexible arrangements, and there is no reason to freeze them out of Head Start and Upward Bound.

Flexibility and experimentation are at the heart of the antipoverty effort. More experience is needed before a decision is made to spin off these new ventures to the old-line agencies. Two dissenting Republicans on the House Education and Labor Committee—Representatives Reid of New York and Bell of California—gave their party sound advice when they declared in their separate minority report: "This is not a time to cut back or restructure the antipoverty program."

A LONELY MAN

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. DANIELS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. DANIELS. Mr. Speaker, this week I received a letter from Mrs. Charles T. Jandik, Sr., of 5806 Park Avenue, West New York, N.J., in which she was kind enough to enclose a poem written by her son, Sp4c. Charles Jandik, Jr., who is serving in Vietnam.

I think that Specialist Jandik has very eloquently put into words the feeling of the average GI fighting in Vietnam. I include his very fine poem following my remarks in the RECORD.

Mr. Speaker, I think that the people of this Nation have a great obligation to our fighting sons in Vietnam who have proven themselves the equal of any other men who have worn the uniform of the armed services in any earlier war. I hope that all Members of this House and all Americans who read this RECORD will heed the words of this gifted young New Jerseyan.

Specialist Jandik's poem follows:

A LONELY MAN

A GI is lonely man.
Fighting for freedom in a far away land.
Not knowing what the next day brings.
If he will live or die, or anything.
He sleeps at night with his trusty gun,
And wonders what will come when the night is done.
If Charlie will try to attack and kill,
Or if he'll have to fight on one more hill.
He eats food prepared in a can,
And imagines it is vittles straight from the pan.
He daydreams of home and the ones so dear,
And wishes he could be there with them so near.
When the mail call comes, he waits for some,
Only to find out that he has none.
Feeling lonely and blue, he continues to fight,
Fighting for things we know are so right.
Fighting like a man who seems obsessed,
But fighting for the things he knows are best.
We all know what these things are,
And will keep them ahead of everything far.
We are here to keep America free,
So worship and thank God for your liberty,
And don't forget to put a word in for the GI,
For he is the one who is fighting and might die.

NAVIGATION AND THE NATION

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. KLUCZYNSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. KLUCZYNSKI. Mr. Speaker, on Friday, November 10, it was my privilege to join with other Members, Senators, and interested citizens who share our concern for the future of the Nation's waterways, at a joint luncheon sponsored by the National Waterways Conference and the Propeller Club of the Port of Chicago. The featured speaker for the luncheon was Senator FRED R. HARRIS, of Oklahoma, and I am confident that every Member of this great body will be interested in what he had to say:

NAVIGATION AND THE NATION

I am honored to be with you at this closing session of your annual meeting, the theme of which is "The Meaning of Water to Modern America." Our country is deeply indebted to this group and to each of you participating in this conference for the magnificent progress this nation has made toward the maximum conservation, development and use of its great water resources. A sense of dedication, past and present, pervades this meeting.

In Washington, too, I am reminded almost daily of the debt we all owe to past and present water resources development leaders. A stroll through the Senate reception room, which is off the Senate floor, serves to dramatically illustrate how central to this nation's domestic policy water resource development has always been.

When the reception room was constructed about the time of the Civil War, the architect provided for five blank spaces on the walls of the room which he said were ". . . reserved for the portraits of distinguished Americans." Later, in 1874, a member of the Senate suggested that those spaces be used for the portraits of the five most outstanding men who had served in the Senate. With the characteristic deliberateness of the Senate, this idea was eventually adopted, upon the motion of the then Senate Majority Leader, Lyndon B. Johnson, in 1954.

When Senator Johnson was incapacitated by a heart attack, on his suggestion, the then Senator from Massachusetts, John F. Kennedy, was named as the chairman of the Senate committee to choose the five greatest senators of all time. After the polling of all living past Presidents, of all Senators and most of the distinguished historians and political scientists of the country—and a great deal of rather heated debate and discussion—the committee selected as history's five greatest senators: Daniel Webster, John C. Calhoun, Henry Clay, Robert M. LaFollette, and Robert A. Taft.

It should not be surprising to this group that all five of these "most honored" Senators were strong supporters, in their day, of a progressive federal waterways policy; the vast majority of congressional leaders throughout our history have been. The publication earlier this year by our sponsoring organization of the excellent book by William J. and Robert W. Hull on the origin and development of the waterways policy of the United States highlighted this strong congressional support throughout the years.

So each time I enter the Senate chamber through the reception room, and each time I talk with visitors there, I am reminded of the strong fight each of these senators made for waterways legislation in his time and how important this fight has been to the strength of our nation.

The Great Triumvirate—Webster, Clay and Calhoun—assumed positions of congressional leadership as common champions of a strong federal program for internal improvements, featuring canals and improved waterways. They had come to Congress as young war hawks in the period just before the War of 1812, but they became leaders in the period soon after the war, when the debate on internal improvements called them again to join battle for a common cause.

Daniel Webster was a senatorial leader who, throughout his lengthy congressional career, used every opportunity to voice his strong belief that improvement of the nation's waterways should come from the Federal Government or, as he said, "in the nature of things they could not come at all."

John C. Calhoun, especially in the decade following the War of 1812, before sectional issues claimed the major portion of his attention, was an equally strong proponent. In the debate on internal improvements in 1817 he said, "Let us then bind the Republic together with a perfect system of roads and canals."

But Mr. Internal Improvements himself was Henry Clay. It was primarily through his efforts that the phrase, "The American System," became so popular that it found its way—along with adjacent pictures of the Erie Canal and navigation on the Ohio and Mississippi Rivers—into most of America's history books covering the period before the Civil War. Sometimes I feel that, if the present proponents of continued national waterways development could just come up with as good a name for our program as did Henry Clay for his, our task would be immeasurably easier.

Clay said many things well worth remembering today about improved waterways. Perhaps as typical and forceful as any was the argument he used in the Senate debate in 1824, when he said, "There are some improvements emphatically national, which neither the policy, the power nor the interest of any State would induce it to accomplish, and which could only be effected by the application of the resources of the nation. The improvement of the navigation of the

Mississippi would furnish a striking example."

The other "honor senators"—La Follette and Taft—were from later periods, but they were also supporters of the kind of water policy which we are, still today, trying to get implemented.

Senator Taft's long standing interest in water pollution control, for example, is well memorialized today by a major research facility, working in this field, which bears his name, the Taft Research Center in Cincinnati. And, as is well known to all, the innovative Senator from Wisconsin, Senator La Follette, fought vigorously for the full development for the public of our great public water resources.

Recalling the words and deeds of these earlier leaders in the cause of a forward-looking national water policy helps us recapture the sense of dedication which we continue to need today.

To this list each of us could add the names of additional heroes, including my distinguished predecessor in the Senate from Oklahoma, the late Robert S. Kerr. From them all—from their lives and their records—there are lessons to be learned, important lessons of this nation's past and for its future.

On November 20, in the Department of Commerce Building in Washington, a ceremony near an instrument known as "the census clock" will commemorate the fact that America has become a nation of 200 million people, a fantastic growth in our population.

And, the "clock" will not stop on that day; it will continue to run, marking the fact that each day there are 6,400 additional Americans. Even with present declining birth, all the experts agree that in just 33 short years—by the year 2000—our population in America will be in excess of 300 million.

This explosion of population means that the economy of America, our gross national product, must also continue to expand accordingly if these greatly increased numbers of additional Americans are to find private jobs. Our economy cannot expand rapidly enough except by maximum conservation development and use of our greatest natural resources—water.

Our economy cannot grow rapidly enough except by continued growth in our national transportation network, and it is obvious that automobile, air, and rail transportation cannot grow fast enough to carry the increased load.

It almost seems that each of us in America drives two cars simultaneously when you consider the fact that last year we killed 52,000 people on our highways, or the fact that the Interstate Highway Program, the most visionary public works undertaking since the days of Rome, only authorized approximately one-half the four-lane highway mileage traffic experts say is needed.

These facts are true—and, most significantly, they are true in a nation which today has 100 million automobiles, a figure which is going to increase to 200 million within the next 33 years. Expanded navigation, as well as stronger multipurpose national water policies, encompassing solutions for the problems of municipal and industrial water supply, pollution, flood control, recreation, and power, looms even larger as domestic policy requirements.

As a member of the President's National Advisory Commission on Civil Disorders, I am particularly concerned with the enormous and growing problems of American cities, which must be attacked head-on and immediately. But for the long pull, we cannot solve these problems unless we take steps to slow down or reverse the rural to urban shift of our population, which has magnified these problems tremendously in recent years. In the decade between 1950 and 1960, 11 million Americans moved from rural areas and small towns to larger cities. And, they are still coming at a rate of 500,000 to 600,000 each year.

I was a staunch supporter of regional economic development and multipurpose water resources development programs long before becoming a member of the President's Commission, but, now, I am an even more dedicated disciple. Through such programs as the Arkansas River Navigation Program to be completed in Oklahoma and Arkansas in 1970, these underdeveloped regions of America can become in-migration areas, help to give people a chance and a choice of living where they want to, where there is opportunity for good jobs in a developing economy.

Navigable waterways are a major contributor to regional economic development in the United States because they extend the advantages of ocean ports some 9000 miles through interior America. The promise and potential of navigable waterways offer hope and meaningful alternatives to residents of rural and smaller urban areas in river valleys across the nation. Without the resources and opportunities created by navigable waterways, the population migrations and manpower drains from the country to the city in recent decades undoubtedly would have been far larger, resulting in even more insurmountable problems than the nation's largest metropolitan areas face today. In region after region the extension and improvement of navigable waterways have led to the creation of thousands of new private jobs—good jobs—and each new project which is completed adds to the possibilities for population diffusion.

The development of navigable waterways has created highly attractive new industrial sites where such waterways converge with vital rail and highway routes—flood-free, with a plentiful water supply. Each year there are announcements of hundreds of new plants to be located on waterfront sites along the nation's navigable waterways.

The availability of transportation via these waterways has made it possible for certain types of industries to locate at great distances from their principal sources of supply or markets. Low-cost barge transportation has made it economically feasible, for example, for the chemicals and primary metals industries, the foundation building blocks of the nation's economy, to be dispersed along the waterways, rather than concentrated in the largest metropolitan areas.

The impact of a navigable waterway on the economic development of a region is illustrated by the Tennessee River experience, which was reported by TVA to the President about a year ago in a booklet entitled, *Navigation and Economic Growth*. When the development of this navigable waterway was begun in 1933, the Tennessee River stretched 650 miles through three states; it was a great flexed arm without the muscle for development. The river was undisciplined, uncontrolled, and alternated between ravaging floods and low water. Nine main river dams and dams on tributaries brought the river under control—its muscle has been harnessed for development. When construction of the navigation channel was started, the Tennessee Valley and river waterfront were undeveloped industrially. The Valley was characterized by agriculture and extractive activities providing raw material for processing in other regions of the nation. The construction of the waterway created new development resources.

Industries which use or produce bulk cargoes have sought out the least-cost locations on waterfront industrial sites created by the waterway. Many of these basic industries have spawned satellites producing inputs or consuming outputs adjacent to or near the basics, which together have resulted in the development of new economic growth centers.

During the 25-year period from 1940 to 1965, private industry invested about $1.3 billion in 190 waterfront plants and terminals. In 1965, nearly one-half billion dollars in value added was generated by the waterfront manufacturing plants which employed over 30,000 persons.

Based on the relationship between new manufacturing jobs and new trades and services found to exist in Tennessee River waterfront counties, TVA has estimated that the growth of jobs in waterfront manufacturing plants has led to the creation of at least an equal number of jobs in trades and services employment. The report suggests that in addition to this estimate, there is the nonwaterfront satellite-forming ability of the basic waterfront plants which is so prominently displayed by the growth center referred to above and others on the waterway. If this effect could be traced and totaled and the resultant increases in trade and service jobs were added, the overall estimate might well double the 60,000 figure. The economic impact of these jobs is spread over a wide area away from the waterway.

This impressive economic result is associated with only one 650-mile segment of the inland waterways system. Even more famous for industrial growth is the Ohio River. The reports of the Ohio Valley Improvement Association leave no doubt that the special growth-fostering effect of navigation has been at work there. The quarterly reports of the American Waterways Operators, listing new and expanded waterfront industries, not only reads like the blue book of industry, it tells the story of growth in jobs and income for people in the interior heartland of America.

The economic impact of a navigable waterway in the broadest geographic setting can be seen by a comparison of development in waterfront and non-waterfront counties in the 20 states served by the inland waterways system. Analysis of manufacturing activity in 1958 in these counties reveals that averages of value added by manufacture, number of manufacturing employees, and new capital expenditures in manufacturing facilities in waterfront counties were over twice those for nonwaterfront counties.

The number of new or expanded plants and the resultant estimated increased employment in just four industries along the inland waterway system of America during the fourteen years ending in 1966 is quite remarkable. Almost 100 chemical and allied products plants have added 172,308 jobs. Primary metal industries have added 274 plants and almost 85,000 new jobs. Some 65 transportation equipment plants brought almost 35,700 new positions, and 157 new petroleum and coal products plants added 33,441 persons to their payrolls.

As I indicated earlier, the most conservative estimates of future transportation demands are almost overwhelming. Per capita demand has grown from about 5000 ton-miles of freight in 1940 to 9000 ton-miles today. This trend, coupled with the projected population increase, indicates a demand for double the present volume within the lifetime of most people alive today. Viewed in this context, it is reasonable to suggest that the appropriate question is *not* "Can this nation afford to develop waterways?" but rather "Can this nation afford *not* to develop waterways?"

But, of course, the proper policy is not one of developing any and every stream to have a 9-foot channel. It is necessary to have standards to judge the desirability of development and to measure the benefits of the improvements against the cost. While few will quarrel with this kind of a statement, when it comes down to decisions of how to implement the policy, differences of viewpoint come into the open. How is "desirability" determined? What are the "benefits" to be measured? How are the costs to be calculated? Who are the beneficiaries? Generally speaking, the answers to these questions will determine what is going to be accomplished. Agreement on these issues is at least as important as agreement on a general statement of policy. And, when it appears that answers to these questions are being fashioned which may well frustrate the purpose of the policy, it is the responsibility of the policy-making body—the Congress—to give unequivocal direction on how to implement its stated policy.

Thus, last year, after changes in the manner in which navigation benefits historically had been calculated, and navigation development was thereby slowed down, Congress had the clear responsibility to act. I was proud to be a member of the conference committee which discharged that responsibility in section 7 of the act creating the Department of Transportation, restoring the vitality of national navigation policy.

The development of navigation is not a "numbers" game. What can be measured, should be; but the whole answer is not obtained this way. Improvement of navigation can open whole new areas of resources to industrial development. This has been seen time and time again; and the full impact has yet to be measured, *before the fact*, by accountant, engineer, or economist.

There is a diversity of opinions about navigation. There is a view which pictures navigation simply as another way of moving freight from one point to another. There is another view which sees navigation investments as part of a broader spectrum of water resource development, offering industries increased opportunities for geographical diversification and providing America's people expanded opportunities for more effective use of their talents. The founders of this nation had the broad vision. Many of our leaders today do also.

This broader vision was clearly indicated exactly a year ago by Congressman Wilbur Mills as he spoke to you about being asked to have the Committee on Ways and Means consider user fees or taxes on inland waterways. Chairman Mills observed, "It may be significant to you that the Committee has neither held hearings on this subject nor considered it in executive session."

He brought this matter up-to-date last month in a telegram read to a meeting in Little Rock in which, in part, he said: "The proposal has just recently been sent to us again. My position has not changed. So far as I am aware the Committee on Ways and Means will have no schedule for its consideration any time in the future."

As a member of the Senate Finance Committee, let me add my observation that our committee also has no plans to consider such a proposal, and I trust it will not develop any such plans.

The national water resource development policy championed by the five outstanding Senators of all time is as valid today as it was when one of these great men, Robert M. La Follette, said: "I hope to see the day when . . . all of the people can enjoy a share of the lower transportation charges which our great waterways can secure to us when improved."

I can only add the hope that America will continue onward toward the full realization of that dream.

PROFILES IN THE NEW MORALITY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. Jacobs] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. JACOBS. Mr. Speaker, we have all heard about the new math. Herewith read profiles in the new morality for moralticians.

Item No. 1—The New York Times on September 20 ran an article datelined Washington, September 19, concerning statements Barry Goldwater made on September 18 when he and 1964 running mate William E. Miller appeared on a 1-hour national educational television network program called, "That Was the Election That Was." Goldwater, in reminiscing about the 1964 Republican National Convention in San Francisco, was reported in the article to have said on television:

> I will not reveal the names of people responsible, but we had every cable of every television company and every radio company marked up in the loft of the Cow Palace.
>
> If anybody got a little too obnoxious to our—us—they could always have cable trouble.
>
> These are little things that you do. It is perfectly fair in love and war. We had all kinds of things planned.

Interviewed September 19 on "ABC Reports," Goldwater was quoted as stating in the same New York Times article of September 20:

> There never was any thought of cutting lines.

Then he was kidding, he was asked.

> Well, yes, this was a kidding program.

Later in the article it was stated:

> Told that the New York Times, in a page one article today had treated the cable-cutting plan as a "serious remark," Mr. Goldwater said:
>
> "The New York Times will say anything, so I disregard anything they come up with."

Item No. 2—On October 18 aboard the SS *Independence*, Governor Reagan released the text of a radiogram from Marvin Watson to Price Daniel which mysteriously found itself into Reagan's hands.

In an article in the Washington Post on October 19, it was stated:

> Reagan told reporters the Watson radiogram had been delivered to him by mistake and that he had used it at the Republican caucus to solidify opposition to the resolution (supporting the President's Vietnam policy) being urged by Democratic governors.
>
> Governor George Romney of Michigan said he had urged Reagan to make the radiogram public.

CONGRESSMAN ANNUNZIO COMMENDS PETE STANIEC AND OTHER EMPLOYEES OF CHICAGO DOWNTOWN SOCIAL SECURITY DISTRICT OFFICE

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Annunzio] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, the House of Representatives has already passed the 1967 amendments to the Social Security Act, and the other body will begin consideration of these amendments tomorrow. Because of this, I wish to bring to the attention of my colleagues a significant factor that has made it more readily feasible for Congress over the years to improve and expand the social security program as desired by the people of our Nation.

During the three decades since 1935 when the Social Security Act was first passed, and in the ensuing series of periodic amendments which have expanded and improved the social security protection now reaching virtually all of the Nation's 200 million people, this steady growth, acceptance, and success of the program was in a large measure attained because of the loyal, dedicated, and selfless thousands of competent social security employees throughout the country, such as the ones I have witnessed in my own Seventh Illinois Congressional District at the Chicago downtown social security district office, 22 West Madison Street.

Heading the office is district manager Marjan "Pete" Staniec, a career service employee of more than 25 years of outstanding administrative public service, who has also distinguished himself by voluntary service on numerous civic projects serving the youth, aged and the less fortunate. He and his well-trained loyal staff of employees are known to have always strived to faithfully and diligently provide excellence in their service to the public—the kind of service, the concern in people, and the interested treatment that has instilled in the people and the Congress a confidence that the social security program is in competent administrative hands.

On December 1, 1967, the Chicago downtown office will hold a public ceremony of employees rededication, which will be attended by several hundred leading representatives of Chicago's business, labor, industry, and other community activities. All these employees will repledge themselves to the highest ideals and excellence of public service, in a ceremony at which Hon. John S. Hastings, chief judge, U.S. Circuit Court of Appeals, Seventh U.S. Circuit, will officiate.

It is my privilege to commend Pete Staniec and thousands upon thousands of loyal and able civil servants like him, who are serving the people of America with real dedication. I am proud of the great contribution which has been made to our social security program by the employees of the Social Security Administration, and I congratulate Commissioner Robert M. Ball under whose leadership this esprit de corps and record of fine service have been established.

On this occasion, I want to express the hope that the other body will take speedy and favorable action on the Social Security Amendments of 1967 so that people all over America will benefit from the added improvements in the social security program.

ONE APPROACH TO THE AUTO THEFT PROBLEM

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Ottinger] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. OTTINGER. Mr. Speaker, law-enforcement officials throughout the Nation are increasingly concerned over the drastic rise in automobile thefts during recent years. Last year, there were 557,000 car thefts reported, compared with 493,000 in 1965. A car was stolen in the United States every 57 seconds. At the rate car thefts have been increasing, 1970 will see more than a million thefts, or one every 30 seconds.

Since 1960, this crime has risen steadily and the total increase for that 7-year period is 71 percent. It cannot be validly stated that there are more thefts just because there are more cars, since the percentage of increase in auto theft is more than double the percentage increase in automobile registrations. It is particularly disturbing to me, as the Representative of western Westchester County and Putnam County, N.Y., that our Nation's suburban areas registered a 14-percent increase in auto theft last year, while in large cities this crime was up 10 percent and rural areas showed an 8-percent increase.

The economic aspects of auto theft are as serious as the purely criminal considerations. The National Automobile Theft Bureau told the Senate that although nearly nine out of 10 stolen cars are recovered, auto theft continues to cost the public and the insurance industry more than half a billion dollars each year.

One aspect of this problem which has come to my attention concerns the easy availability of motor vehicle master keys. I understand that mail order firms in such States as Maryland, Florida, California, and Pennsylvania advertise motor vehicle master keys by direct mail and through advertisements in publications that are mailed throughout the United States. They apparently fill these mail orders without even the most cursory investigation to ascertain the nature of the recipient. It seems to me that law enforcement officials have enough problems preventing car thefts without giving the thief the additional advantage of being able to purchase a master key to any American car through the mails.

I am today introducing legislation which will put a stop to this deplorable and dangerous practice and am pleased to announce that the Department of Justice shares my view that a legislative remedy is needed. The Attorney General is, in fact, considering submitting a similar bill to the Congress.

I present herewith for inclusion in the RECORD a copy of a letter I received from Public Safety Commissioner Daniel F. McMahon of Yonkers, N.Y., my correspondence with the Justice Department, and the text of my bill to end the indiscriminate sale and advertising of master automobile keys in interstate commerce:

CITY OF YONKERS, N.Y.,
October 27, 1967.

Congressman RICHARD L. OTTINGER,
Post Office Building, Yonkers, N.Y.

DEAR CONGRESSMAN: An interested citizen, Mr. Barton Chapin, Jr., has sent me the attached advertisement offering the sale of master keys for all major automobiles on the market.

While this ad purportedly is addressed to interested agencies, it is indeed an open invitation to car thieves. It is little wonder that the F.B.I. has reported spiralling automobile thefts across our nation.

Since this is an inter-state operation (it is mailed from Saint Petersburg, Florida), it is requested that you look into this subject to see if there is an appropriate federal action that would be helpful to police agencies on this vexing problem.

Thank you for your anticipated prompt attention to this request.

Sincerely,

DANIEL F. MCMAHON,
Commissioner of Public Safety.

HOUSE OF REPRESENTATIVES,
Washington, D.C., November 2, 1967.

Hon. RAMSEY CLARK,
Attorney General of the United States,
Department of Justice, Washington, D.C.

DEAR MR. ATTORNEY GENERAL: The attached advertisement for the sale of master keys for major American automobiles recently came to my attention. In my view, this is a deplorable practice and should not be permitted. I know you are concerned about recent FBI reports of spiraling auto thefts throughout the nation, and this could well be a factor.

I would appreciate your advising me whether there is any Federal law or regulation which could prevent or control such sales. In the event there is not, I would be grateful for your opinion with respect to the advisability of such legislation and your thoughts on what might be the most feasible approach.

I look forward to hearing from you.

Sincerely,

RICHARD L. OTTINGER,
Member of Congress.

NOVEMBER 8, 1967.

Hon. RICHARD L. OTTINGER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: This is in response to your letter of November 2, 1967 concerning companies which sell master keys for automobiles to the general public.

The Justice Department is currently considering the submission of legislation to Congress which would outlaw the movement in interstate commerce or through the mails of so-called motor vehicle master keys. We are in complete agreement with you in objecting to the indiscriminate sale of such keys, which are definitely a factor in the severe auto theft problem now confronting the country.

As always, it is a pleasure to be of assistance.

Sincerely,

FRED M. VINSON, Jr.,
Assistant Attorney General.

H.R. 14003

A bill to provide criminal penalties for the introduction, or manufacture for introduction, into interstate commerce of master keys for motor vehicles, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) chapter 113 of title 18, United States Code, is amended—

(1) by adding at the end thereof the following new section:

"§ 2319. Introduction, sale, distribution, or advertisement for sale to the public of motor vehicle master keys

"(a) Whoever knowingly introduces, or manufactures for introduction, into interstate commerce or transports or distributes in interstate commerce any motor vehicle master key shall be fined not more than $10,000 or imprisoned not more than five years, or both.

"(b) Whoever knowingly disseminates or knowingly causes to be disseminated by means of the United States mails, or in interstate commerce by any means, any advertisement of sale to the public of motor vehicle master keys shall be fined not more than $10,000 or imprisoned not more than five years, or both.

"(c) This section shall not apply to—

"(1) the introduction, manufacture for introduction, transportation, distribution, sale, or possession in interstate commerce of motor vehicle master keys for use in the ordinary course of business by any bona fide locksmith, common carrier, contract carrier, new or used car dealer, rental car agency, automobile club or association operating in more than one State or an affiliate thereof, or any department, agency, or instrumentality of (A) the United States, any State, the District of Columbia, the Commonwealth of Puerto Rico, or any possession of the United Sates, or (B) any political subdivision of any such entity; or

"(2) the shipment, transportation, or delivery for shipment in interstate commerce of motor vehicle master keys in the ordinary course of business by any common carrier or contract carrier.

"(d) As used in this section, the term 'motor vehicle master key' means a key which will operate all of the ignition locks of two or more motor vehicles each of which can be operated by a key which will not operate the ignition locks of other such vehicles."

(2) by adding at the end of the chapter analysis of such chapter the following:

"2319. Introduction, sale, distribution, or advertisement for sale to the public of motor vehicle master keys."

(b) Section 1716 of such title is amended by inserting immediately after the seventh paragraph thereof the following new paragraph:

"All keys adapted to fit the ignition of two or more motor vehicles the ignition switches of which are designed to be operated with different keys are nonmailable and shall not be deposited in or carried by the mails or delivered by any postmaster, letter carrier, or other person in the postal service. Such keys may be conveyed in the mails, under such regulations as the Postmaster General shall prescribe—

"(1) to any bona fide locksmith, new or used car dealer, officer or employee of a common carrier or contract carrier, or officer or employee of any rental car agency for use in their business;

"(2) to any officer or employee of any automobile club or association operating in more than one State or an affiliate thereof for use in connection with the activities of such club or association; and

"(3) to supply or procurement personnel of (A) any department, agency, or instrumentality of the United States, any State, the District of Columbia, the Commonwealth of Puerto Rico, or any possession of the United States, or (B) any political subdivision of any such entity, for use in connection with the activities of such department, agency, or instrumentality.

The Postmaster General may require, as a condition of conveying any such key in the mails, that any person proposing to mail such key explain in writing to the satisfaction of the Postmaster General that the mailing of such key will not be in violation of this section."

SEC. 2. This Act shall take effect on the sixtieth day after the date of its enactment.

[News release from Congressman RICHARD L. OTTINGER, Nov. 14, 1967]

OTTINGER HITS CAR THEFT PROBLEM; BILL LIMITS MASTER KEY SALES

WASHINGTON.—Predicting that a car will be stolen in the United States every 30 seconds by 1970 if the current trend continues, Congressman Richard L. Ottinger, D–N.Y., introduced legislation today to eliminate one factor in the recent car theft wave—the indiscriminate advertising and sale of automobile master keys.

At the same time Mr. Ottinger made public a letter from Assistant Attorney General Fred M. Vinson, Jr., disclosing that the Justice Department is considering sending a similar bill to Capitol Hill. The November 8 letter to Congressman Ottinger stated: "The Justice Department is currently considering the submission of legislation to Congress which would outlaw the movement in interstate commerce or through the mails of so-called motor vehicle master keys. We are in complete agreement with you in objecting to the indiscriminate sale of such keys, which are definitely a factor in the severe auto theft problem now confronting the country."

In introducing his bill, Congressman Ottinger pointed out that in 1966, a car was stolen in the U.S. every 57 seconds, but that the rate has risen 20 per cent in the last two years. "If that continues," he asserted, "more than a million cars will be stolen in 1970—one every half minute."

Mail-order sale or advertising of automobile master keys would be punished by prison terms of up to five years and fines up to $10,000 under the Ottinger bill. Locksmiths, car dealers, rental agencies and automobile clubs are exempt from the bill's provisions.

Congressman Ottinger, in a House speech today, pointed out that although nearly nine out of every ten stolen cars are eventually recovered, auto theft costs the public and the insurance industry about half a billion dollars yearly. Mail order firms in such states as Florida, Pennsylvania, Maryland and California freely advertise motor vehicle master keys and are totally indiscriminate in filling orders, he said. Only four states—Texas, Oregon, Massachusetts and Michigan—have laws limiting such sales but they are powerless to stop mail-order operations.

FEDERAL AID TO STATE AND LOCAL GOVERNMENTS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. VIGORITO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. VIGORITO. Mr. Speaker, as we debate and vote upon the Office of Economic Opportunity bill today, I would like to say a few words relating to statistics recently made public on the amount of domestic Federal aid to State and local governments.

An article in the November 9 issue of the Washington Post said that the Federal Government spent a record $17.8 billion on grants-in-aid and related payments to State and local governments and individuals in fiscal 1966.

It was encouraging to see that due primarily to the passage of the 1965 Elementary and Secondary Education Act by the 89th Congress, we are now helping our Nation's children by contributing $2.248 billion in aid to education programs. It is also significant that we are working toward a better life for all citizens by assisting public health programs to the tune of $1.1 billion.

What disturbs me is that we shelled out to States and local agencies $3.5 billion in fiscal 1966 to various public assistance programs while giving them only $892.3 million for the war on poverty.

One of the finest features of the war on poverty is its various self-help programs. By educating and training our underprivileged children and men and women, we are giving them skills to make them productive members of our society. I feel that if we were to fund the OEO program as the administration requests, we would in the years to come be able to take a large number of persons off our public assistance rolls.

Let us not fool ourselves. There are many people now receiving public welfare payments who could be out working. If these persons were trained in certain job skills by OEO and other programs, they could help themselves by earning a living for their families and take themselves off a public welfare dole.

Let us, therefore, recognize the extreme good the war on poverty has done and give it sufficient funds to carry on its many worthwhile programs.

WE NEED A TRUTH-IN-LENDING BILL THIS YEAR

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HANNA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. HANNA. Mr. Speaker, in the rush for adjournment the dismal prospect of postponing needed and meaningful truth-in-lending legislation looms large. This ugly prospect is galling and regrettable; particularly so since we are now so close to putting a decently strong statute on the law books.

In these closing days of the first session every effort must be bent toward getting the truth-in-lending bill through the multiple hurdles still before it. I believe many of the obstacles now combining to make passage of the bill this year almost impossible, could be short circuited if the House Banking and Currency Committee quickly reports a measure framed around the compromises unanimously adopted in the Senate.

Mr. Speaker, it took 7 years for the U.S. Senate to pass a truth-in-lending bill. While the Senate bill leaves much to be desired, it still represents a meaningful beginning in providing the consumer with accurate comparative credit information.

Our responsibility in the House must be, in these waning days, to do all we can to insure that the work started in the Senate is completed this year. I believe we can do this if we are willing to turn our attention to strengthening the Senate-passed measure in the areas which will be most meaningful to the consumer, while at the same time facilitating the road the legislation must take through conference.

In September I introduced legislation which substantially improved the Senate bill. My measure adds a truth-in-credit advertising provision to the language of the Senate legislation, as well as tightening up the $10 credit exemption. The strengthened sections my bill adds to the Senate version, especially the truth-in-advertising provisions, provides the consumer with the kind of useful information now not available. However, these additional provisions will not jeopardize the passage of truth-in-lending legislation this year.

There are some now giving the impression that the Senate bill, even with the improvements provided in my bill will provide the consumer with little, if any protection. This is obviously untrue. My bill—and even the Senate bill—provide for detailed disclosure of credit charges. While I believe my measure substantially improves upon the Senate version, both bills offer the consumer significant protections. In these last days of the first session the best service Congress can perform for the consumer is to put a statute on the books. We can do this, and do it meaningfully if we pay attention to the work done in the Senate, and strengthen that body's measure in a way which will be of the most use to the consumer as soon as possible.

Over the next few days I will put in the RECORD a number of representative editorials from major newspapers around the Nation which help put the truth-in-lending issue into perspective. All the editorials point to the need for legislation now, and suggest the House use the Senate-unanimously-passed measure as a basis for expeditious consideration. I commend these editorials to the Members, as follows:

[From the Chicago (Ill.) Daily News, July 17, 1967]

MORE HELP FOR CONSUMERS

In spite of its catchy nickname, the "truth-in-lending" bill was stalled for seven years in the Senate. It has now passed by a remarkable 92-to-0 vote, partly because Sen. William Proxmire (D-Wis.), who took over the bill's management after the defeat of its original sponsor, Sen. Paul Douglas (D-Ill.), was willing to make compromises Douglas was not.

The concessions by Proxmire do not, in our opinion, weaken the bill unduly. They lie in an area where understanding was foggy and enforcement uncertain in any case. Bypassing this area achieves the main purpose of the bill, which is to give the consumer better protection against the gougers on fringe of the legitimate credit business.

There has never been serious objection to this basic purpose, either in the Senate or in the responsible business community. It is merely good business to make sure that the buyer knows in advance how much interest he will pay on a loan and how much the carrying charge will add to the total bill when he buys on long-term credit.

The obstacles arose in trying to formulate a law to require that "true" interest rates be shown. This requirement, seemingly so simple, proved to be anything but that. So many different ways of figuring interest were paraded before the senators at hearings on the bill that at times it seemed arithmetic had abdicated as an exact science.

This year the Treasury Department came up with a book of standardized tables to cover most credit transactions. With the help of these tables, the interest problem may be overcome, though it is bound to be confusing for a time to clerks and customers alike if the House concurs and the bill becomes law. To cite one of the simplest examples, a standard 6 per cent bank loan paid off in 12 installments on a declining balance will have to be restated as 11 per cent "true" interest.

The Senate gave up on revolving credit accounts offered by many department stores and bank credit card plans, and exempted them from the "true interest" requirement. Also exempted were first mortgages, margin accounts with stockbrokers, and other commercial credit transactions.

In its final form, however, the bill approved by the Senate should mark a long step toward acquainting the consumer with the true cost of the product he is buying—a cost often overlooked in the attraction of an easy-monthly-payment contract.

Coupled with the credit-reform package passed this year by the Illinois Legislature, the federal measure promises better protection for the consumer than he has yet known. We hope the House joins with the Senate in putting the law on the books.

[From Newsday, July 19, 1967]

Truth in Lending

The "Truth in Lending" bill was first introduced in Congress seven years ago by Sen. Paul H. Douglas (D-Ill.), who has since retired. At long last, under the sponsorship of Sen. William Proxmire (D-Wis.), and with the firm backing of the President, it has passed the Senate 92–0 and has been sent to the House. High time, and let's see affirmative action quickly.

Under the bill, merchants and loan agencies extending credit will, in all but a few cases, be required to disclose the total cash price of the article or service purchased, all service and financing charges, and the total amount to be paid, expressed in dollars and cents and as a simple annual interest rate percentage. Too many consumers have been gulled by inflated charges; too few have been able to figure out what they actually pay.

The bill therefore should be passed by the House and sent to the President at the earliest possible date. It is a valuable protection for the millions of Americans who rely so heavily on credit to finance their purchases or to pay their bills.

[From the Denver (Colo.) Post, July 13, 1967]

Truth in Lending: Welcome Victory

The seven-year campaign by ex-Sen. Paul Douglas, D-Ill., and Sen. William Proxmire, D-Wis., for truth-in-lending legislation has succeeded in the Senate. It is a welcome sign for consumers.

The prospect in Washington is for favorable House action late this year and a quick signature by President Johnson, who has sought this kind of legislation since 1964.

If that happens, installment lenders will be required by federal law to furnish borrowers with full, accurate statements of interest and finance charges. Only two states (not including Colorado) now require this type of disclosure.

What will it mean to the consumer? When he signs a note to buy a car or a television set he will be told how much he is being charged for credit. It will mean he has a better chance to decide intelligently where and how to borrow money.

Without a truth-in-lending law, about all the borrower knows is how much he is paying every month and how many months he must continue to pay. With a truth-in-lending law, he also will know the annual interest rate he is paying and the total amount of finance charges, stated in dollars and cents.

What will it mean to the lender? He will certainly have to be more frank with his customers and probably more competitive with his rivals. We do not believe for a moment, though, that the bill will "disrupt or destroy the system of extending credit," as one frantic lobbyist told Congress.

Senator Proxmire deserves credit for pressing on with a crusade that seemed to have little hope early this year. Some observers said then the main battle would be fought in a Senate banking subcommittee, where bills sponsored by Senator Douglas had been buried so many times before. Proxmire got his bill through that subcommittee and then the full Banking Committee last month.

The unanimous Senate vote Wednesday was still surprising. It could not have been foreseen a few weeks ago.

One major amendment seems to have eased the way considerably. The amendment, accepted by Proxmire, gives a partial exemption to ordinary, short-term, revolving credit accounts.

Department stores and other lenders extending this short-term unsecured credit will not, under the bill, have to quote to customers an annual rate of interest—which they say they can't do anyway. But they will have to tell customers their monthly interest rate (usually 1.5 percent) and their monthly finance charges in dollars and cents.

We do not think the Proxmire bill was seriously hurt by this compromise. We do not think the major abuse of credit occurs in this type of account. And, anyway, the customer will still have a pretty clear idea of his credit costs.

We do not expect the Proxmire bill to cure all the ills of the credit industry. It will not make all borrowers prudent. Many will go right ahead borrowing up to the hilt, without thinking about interest rates, so long as they think they can meet all the monthly payments.

But the bill will give thinking consumers an opportunity to bargain effectively for credit in the same way they now bargain for merchandise. We think that's fair, and in the long run, it's good for business, too.

[From the Danbury (Conn.) News-Times, July 27, 1967]

Federal Truth-in-Lending Bill

The Connecticut legislature earlier this year adopted a truth-in-lending bill designed to make consumers aware of what they are paying in finance charges.

Congress is now taking similar action, although the bill is somewhat weaker than the Connecticut law.

The Senate has sent to the House a bill which, among other things, provides:

1—That the annual percentage rate be made known to a customer before credit is extended.

2—That the seller make clear the cash price of an item, minus any down payment, plus all other charges included in the total amount to be financed; also the amount of the finance charges, expressed in dollars and as a percentage rate.

3—Disclosure of all charges to be included in the total amount financed by a lender, the amount of the finance charge, in dollars and a percentage rate, to be paid on the declining balance, and details on payments and penalties.

Disclosure of finance charges for open end retail credit is also required.

If adopted by the House, this bill will not affect or annul state truth-in-lending laws. In fact, if a state has a law as strong as or stronger than the federal law, credit transactions in that state will be exempt from the federal statute.

The Senate bill is a good one. It should be adopted by the House.

[From the Racine (Wis.) Journal-Times, July 15, 1967]

Truth-in-Lending Bill Meets Need

A recent radio commercial for a finance company declared that borrowing money was like any other transaction for the rental of someone else's property. The borrower, or renter, would be expected to return the property and pay a fee for its use.

It stands to reason, then, that the borrower, or renter, should be informed in advance what he is paying for the use of this property.

That is what the Truth in Lending Bill, adopted unanimously by the United States Senate the other day, is all about. If the House of Representatives approves this bill (and it is expected to do so quickly), federal law will require that a lender inform the borrower how much a loan is costing him, both in interest rates and in dollar costs.

Reputable lending institutions have never actually tried to deceive borrowers. But it has been long-standing business practice to state interest or credit fees as a rate or percentage of the money borrowed. Thus, loan rates were stated as "six per cent a year" or "one per cent a month on the unpaid balance." Frequently, interest was compounded, making it much more difficult for the borrower to understand exactly what a loan was costing him in dollars.

Most states, like Wisconsin, have usury laws, but they merely set a ceiling on the interest rate that can legally be charged. Borrowers do not always know that, when they pay interest on a monthly basis, they are actually being charged up to 12 per cent a year, which is near the usual legal limit.

Under the new Truth in Lending Bill, the borrower will know exactly, and in terms of dollars, what he is paying for a loan.

The bill exempts three classes of loans from the prior information requirements: first mortgages, revolving credit plans used by retail stores, and small credit contracts where the debt service would be less than $10.

Revolving credit plans are exempted because it is often impossible to state, in advance, what interest charges will be; it depends upon how the creditor uses the plan. Small contracts are exempted for the obvious reason that they are small. Mortgages are a different kind of credit, secured by real property and stated in rates; the mortgagee is informed, as he repays the debt, how much is being credited to interest and how much to principal.

The Senate's unanimous acceptance of the Truth in Lending Bill, considered the major piece of consumer protection legislation in this session of Congress, is a tribute to the energy of Sen. William Proxmire of Wisconsin, who held the final hearings and steered the bill to passage. But Proxmire gives credit to former Sen. Paul Douglas of Illinois, who fought for seven years for the idea of truth in lending.

There is credit enough for both senators. They have scored a victory for one of the few pieces of important bread-and-butter legislation to come from this session.

THE SAVINGS AND LOAN INDUSTRY

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman Pennsylvania [Mr. Barrett] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. BARRETT. Mr. Speaker, I will place in the Record following my remarks a speech given by John E. Horne, Chairman, Federal Home Loan Bank Board, before the 75th annual convention of the U.S. Savings and Loan League, in San Francisco, Calif., yesterday.

In the speech, Mr. Horne states the goal that the Board hopes to achieve, that is, to enable the great savings and loan industry to continue to serve to the maximum the public welfare.

He tells of some things that the Board has already accomplished and of plans for the future. He likewise stresses the importance of the legislative programs submitted by the Board, part of which the Congress passed last year in the form of the Financial Institutions Supervisory Act of 1966.

The other two parts of the legislative program recommended by the Board are the Federal savings institutions bill and the savings and loan holding company bill now before Congress.

I commend Mr. Horne's speech to each of you. I particularly urge that all Members particularly read that part of the speech that explains the great urgency for the enactment in this session of the Congress of a savings and loan holding company bill. Such a measure has already passed the Senate without a dissenting vote. It is now before the House Committee on Banking and Currency, of which I am a Member. The chairman, the gentleman from Texas [Mr. PATMAN], has advised members of the committee that the bill is to be taken up on November 27 to 29. As one member of that committee, I am impressed by Mr. Horne's explanation and I shall work to the best of my ability to obtain committee approval and House passage of an adequate and sound Holding Company Act.

The speech referred to follows:

Current Issues and Policies

(Address by Hon. John E. Horne)

There are those who poke fun at conventions and other group meetings. In my view they overlook the opportunity that such gatherings provide for understanding, exchange of ideas, and even the social enjoyment derived from being with one another. Thus, while I do not endorse the views of Marshall McLuhan that the printed word is becoming less important, I do not believe that the printed word alone or any one medium by itself can serve all of our communication needs.

I have said before, and I repeat today, that there are few if any Government regulatory agencies that meet with or otherwise communicate with those they regulate as frequently and as freely as does the Federal Home Loan Bank Board. Stockholders' meetings, regional conventions, State League conventions, industry group meetings on special problems or interests, several meetings each year with the Advisory Council, conferences with industry representatives by request, hundreds of letters from leagues and individuals either voluntarily or in response to Board proposals—all these are among the media that make it possible for you and the Board to be at least reasonably well apprised of and to benefit from one another's thoughts.

Even so, there is still lack of understanding at times among us. We at the Board cannot always know and appreciate your individual problems—even though in addition to the above-mentioned media we keep in close touch with the District Bank Presidents and field personnel. And you in individual associations cannot possibly be aware of all the considerations with which the Board has to be concerned in its deliberations and decisions.

The Board is a part of, not apart from, the Federal Government. This great industry is a part of, not apart from, the total national economy. It is extremely important that we all understand this fact because it cannot—and developments in very recent years have forced the issue to the point that it will not—be disregarded in the future as it sometimes was prior to the decade of the 1960's.

So for the reasons stated and implied in my remarks thus far, and for reasons I shall elaborate on as I proceed, I want to stress that the Board and its staff welcome the opportunity to attend and participate in the proceedings of your annual conventions. It affords the opportunity of face-to-face discussion with a larger part of the industry, and thus is a better medium, than any other occasion.

Suspecting that your President, Otto Preisler, would speak in some depth about the savings inflow of 1967 and the condition of the housing market generally, I decided to make only brief reference to those subjects. I do want to recall with you, though, that just a year ago, the industry was still trying to recover from the severe conditions of 1966. At that time I hesitated to say that we thought the recovery in savings flow would be substantial. Perhaps you will forgive me if I now lay claim to some foresight since my colleagues and I did feel late last year and so stated, that the results of 1967 would be far more favorable than those of 1966.

However, it is not enough to take pride in predictions no matter how closely they are realized. We have to look at what has been done with the opportunities that have resulted. In this connection, I should like to congratulate you on a number of grounds. First, the overwhelming majority of you have used the opportunities our regulations offer for attracting funds successfully and judiciously. This has meant learning to handle new instruments, avoiding the pitfalls of a too avid pursuit of one type of account as against another, and gauging the needs of your market. Second, you have contributed to an improvement in housing starts which, despite the severe pressures of recent months, has so far been well maintained. Yet, at the same time most of you have kept commitments in reasonable relationship to your flows. Third, most of you have improved your liquidity position. In doing so, you have not only improved your own position, but are in a far better position to continue support of the mortgage market. For each of these steps you deserve recognition and I am pleased to extend the Board's commendation.

Even more heavily than in 1967 and the immediately preceding years, I believe that in 1968 the savings and loan industry will be called on to serve as the main supplier of mortgage funds. This will place on you a grave responsibility, and likewise a wonderful opportunity to choose wisely the investment of funds you do have available.

And as to 1968, I believe that many if not all of you are aware that in anticipation you may need our help, the Board and Bank Presidents have been carrying within the System approximately $2 billion of liquid funds.

The major point, however, that I want to communicate to you today is the deep desire of the Board to help build a climate and condition under which your industry can continue to grow in size, to improve in soundness of operations, and to become increasingly more capable of meeting the housing needs of the future and of serving the public.

We want this industry ever to be proud of its service to the public; and we want the public to be proud of this industry.

It is easy to state this goal, but I can assure you from experience that it is difficult to achieve it. You have my promise, though, that so long as I serve on this Board that will be my aim.

Already in very recent years some steps directed toward achieving this goal have been taken within the Board and through legislation.

Examinations and Supervision have been consolidated in the Washington office and more closely coordinated in the Districts. I won't take the time to elaborate on the improvements made in this area, but discussions with the staff, improvements that otherwise I have noticed personally, and letters from many of you convince me that substantial progress has been made. Larry Walters and his staff have indeed done a conscientious and good job and deserve your commendations.

Bob Rand is spending a great part of his time in Examinations and Supervision, and with his industry experience in sound management and lending techniques and the experience and knowledge we all are acquiring, I am confident we can and will make further improvements. Just recently Bob discussed with Mike Greenebaum and me some good suggestions which I hope we can soon implement.

Another office that has been modernized in operations and is vital to the well-being of this industry is the Federal Savings and Loan Insurance Corporation. Without the creativity and ingenuity shown by Jerry Worthy and his staff in arranging supervisory mergers and financial assistance for troubled associations, you can be sure that the Corporation would have paid out far more to savers and would be much more deeply involved in the liquidating of assets than is presently the case.

A similar compliment should be paid Clarence Smith and the Office of Applications for their streamlining improvements in the handling of applications for new charters, branches, insurance of accounts, mergers, and a myriad of other types of requests. The number of items handled has grown far in excess of the increase of employees.

The Board could not function intelligently under today's conditions without the kind of information supplied by Harry Schwartz and his staff in the Office of Research and Home Finance.

And in my opinion one of the greatest contributions made to enabling this industry to serve the nation's needs is the clarification of what accounts are insured, and the parity officially established between your insurance of accounts and that of commercial banks.

This accomplishment is a credit to Ken Scott. There are many other very meaningful ways in which Ken Scott and his staff have assisted the Board and the industry, and I particularly want to stress this in Ken's case since, as I am sure most if not all of you know, he will be leaving the Board later on this year to join the law faculty of Stanford University.

With the exception of the Office of Bank Operations which is directed exceptionally well by Bob Day, I have mentioned only those offices of the Board in which the steps taken to strengthen your capacity to serve the public would be of direct concern to you. For the record, though, I want to emphasize that other offices of the Board have acted similarly. And I also stress that on the whole I do not believe any agency of Government or any private company has a more dedicated group of employees than the Federal Home Loan Bank Board and the twelve District Banks.

But much more than improvement of Board procedures is required "to help build a climate and conditions under which your industry can continue to grow in size, to improve in soundness of operations, and to become increasingly more capable of meeting the housing needs of the future and of serving the public."

Legislation was and is necessary.

The Supervisory Act of 1966 is part of this legislative program. It was necessary to provide greater flexibility on the part of the Board and also on the part of the bank regulatory agencies to deal with problem institutions. With the new flexibility the Act affords, we can often restrain or correct practices before they cause serious difficulties. We can cope with unsound practices before they proceed to the point where they damage the reputation of all institutions. It is only a very small segment of the industry which engages in unsound practices, but there is necessity for this type of tool to protect the reputation of the vast majority which operates soundly. In fact, even the institution which needs to be corrected benefits from this procedure. Its problem is brought to its attention early, and the correction which results can prevent it from becoming a serious case.

In administering the Supervisory Act, three broad principles encompass almost all of the areas that give rise to supervisory concern over individual associations. These areas are: (1) the soundness of assets and their structure; (2) satisfactory expense ratios; and (3) the reserve position of institutions.

In essence, these three characteristics paint a vivid picture of an institution's performance. They afford a guide to how well an association is complying with statutory provisions and intent. Initially, we try education and persuasion to obtain improved performance. Only if it is apparent that informative comments or persuasion will not do the job will a cease-and-desist order be issued. The authority contained in the Supervisory Act thus provides for reasonable procedures at a stage of development which permits correction of practices before they continue to damage an institution. The Supervisory Act protects the many against the few; and serves also to protect the few.

This vitally important legislative accomplishment could not have been achieved without the support of an enlightened organization such as yours, and I want to express the gratitude of the Board to the League and to the vast majority of its members whose support helped to make this possible.

The most important parts of the Board's current legislative program are:

(a) The Federal Savngs Institutions Bill; and

(b) The Savings and Loan Holding Company Bill.

The Federal Savings Institutions Bill is designed primarily to comply with recommendations that have been made for many years that the investing and lending authority of savings and loan associations be broadened and that Federal charters should be provided for mutual savings banks.

The Commission on Money and Credit, a privately sponsored body, endorsed these proposals in 1961. Similar recommendations were made in 1963 by the Committee on Financial Institutions appointed by President Kennedy. These proposals are based on the recognition that there is a need for more diversification of lending and investing authority for your institutions. They are also based on the desirability of unifying thrift institutions, combining the best features of mutual savings banks and Federal savings and loan associations. The broader lending and investing authority contained in the bill recognizes two needs.

First, since this industry has reached very substantial size, it is apparent that there are periods when the mortgage market, on which you depend almost entirely, does not absorb on a sound basis the funds you generate. Diversification would preclude the need for having to reach out for unsound assets or the equally unpalatable alternative of shrinking your operation. Second, it is apparent that a limited, narrow asset structure imposes more of an earnings restraint on your associations than is desirable. With a more diversified portfolio, including more short-term assets, you could adjust your earnings to market conditions more readily than is now possible. Properly utilized, diversification would improve your operations, your competitive position and, in particular, your ability to attract savings in a tight money period.

This last point, the ability to attract savings in a tight money period, is crucial. While there is some merit to the point that, with diversification, you might be inclined to put a somewhat lower proportion of your funds into the mortgage market, it is clearly better to put 60 percent or more of a good flow into that market than 100 percent of a very poor flow.

The Federal Savings Institutions Bill, therefore, embodies ideas that are an essential forward step for you and the economy. Though considerable discussion of that bill is still underway, I would strongly recommend that you study what has been published. Your support of the major principles in the Bill would advance its prospect of passage, a result in which you have more at stake than anyone else.

And in weighing your decision, let me urge that you concentrate on the positive gains you would obtain rather than on some relatively insignificant supervisory feature or other such item you might not desire. Without such a measure, I frankly think it will require a decade or more for you to obtain the advantages that the measure introduced as H.R. 13118 would, if enacted, grant you overnight.

The last legislative proposal I want to mention today and one which in my opinion is as important—perhaps even more so—as any measure proposed during this decade is the Savings and Loan Holding Company Bill.

For several reasons, which will be obvious to you as I proceed, I hope you will listen carefully to what I have to say. Believe me, if this Bill is not passed, you will be adversely affected both directly and indirectly. The Senate passed a reasonably good Bill on June 26 of this year without a dissenting vote. But in the House no Bill has been recommended as yet by the Banking and Currency Committee.

First let me state that by no means are all holding company associations in difficulty, but taken as a group or in comparison with non-holding company associations there are enough in difficulty to cause the Board and the industry grave concern.

Secondly, in support of the need for this legislation, I want to quote from information placed in the November 2 issue of the Congressional Record by the Honorable Leonor K. Sullivan, a Member of Congress from Missouri and a Member of the Committee handling the Bill:

"Mr. Speaker, several large savings and loan holding companies in the Far West are in trouble. These companies overextended themselves by borrowing large sums of money with which to finance speculative real estate developments. As long as demand exceeded supply and ample mortgage funds were available at reasonable rates of interest, things looked good. However, subsequent events have demonstrated the speculative nature of these holding company operations, and, today's high interest rates and tight money have made it exceedingly difficult—if not impossible—to develop and sell their properties.

"As a result, these holding companies have been hard pressed to pay interest and principal required by their top-heavy debt structure, and they have exerted pressure upon their savings and loan subsidiary associations for funds.

"The unfortunate result has been the milking of Federally insured savings and loan associations to meet debt service demands made upon the parent holding company. Moreover, the holding companies have caused their subsidiary insured associations to make risky high-yield loans to generate maximum income. Now, many of these otherwise healthy savings and loan associations find themselves with substandard assets. This situation is detrimental to the entire savings and loan industry as well as to the Federal Savings and Loan Insurance Corporation.

"A letter I recently received from the Honorable John E. Horne, Chairman of the Federal Home Loan Bank Board, spells out this situation with great clarity, and I strongly recommend that Mr. Horne's remarks be carefully considered by all Members.

"The public interest in a sound and solvent insurance corporation absolutely requires that the Congress enact a strong holding company bill in this session. Agency authorization to prevent excess holding company debt is a vital necessity.

"Mr. Horne's letter follows."

And now I want to quote Congresswoman Sullivan quoting Chairman John E. Horne:

"DEAR CONGRESSWOMAN SULLIVAN: This letter is intended to summarize for the Committee some of the consequences and risks of savings and loan holding company operations. It is also to state that neither under the existing statute nor the bill as reported by the Subcommittee can the Board prevent or correct holding company problems that threaten both the public interest and the welfare of the $140,000,000,000 savings and loan industry.

"1. Holding companies control one-eighth (⅛) of the savings and loan industry but account for five-eights (⅝) of the institutions in most serious financial jeopardy. (Both figures relate to total assets.)

"2. The tendency toward higher risks operations of associations controlled by holding companies far exceeds that of the remainder of the industry. For example, holding company associations:

"a. have a foreclosure rate over three times as high as the rest of the industry.

"b. have a level of substandard assets almost three times the rest of the industry.

"The result is a level of capitalization in relation to risk that is far below the rest of the industry and that correspondingly increases the exposure of the Federal Savings and Loan Insurance Corporation (FSLIC).

"3. Nearly 10% of holding company associations (and also 10% of holding company association's assets) are in the serious problem case category. But as regards mutual associations (which comprise about 78% of the savings and loan business) only 8/10 of 1% of associations (and only 6/10 of 1% of association assets) are in the serious problem book.

"4. The assets of serious problem associations ($1.6 billion) controlled by holding companies just about equal the liquid assets ($1.7 billion) of the Insurance Corporation. This poses an unwarranted risk to the safety of the insurance system.

"It is argued that thus far there has been little loss incurred by the Insurance Corporation on holding company operations. The significant points to consider are the disturbing trends already shown by this relatively new development of holding companies in the savings and loan industry and the precarious condition into which some holding company operations have gotten their savings and loan subsidiaries.

"5. For every dollar of problem mutual association assets, the mutual association sector has contributed to the Federal Savings and Loan Insurance Corporation nearly $3.00 in premiums and earnings thereon. But for every dollar of assets in holding company associations, the corresponding contribution by the holding company sector has been less than 20%. In effect, the risks of holding company operations are being underwritten by mutual associations throughout the country.

"6. It is argued by opponents of the legislation that holding companies can provide financial strength to their associations. The contrary has been true in nearly every instance. And in 1966, the worst year in two decades for the savings and loan business, holding companies put a mere $1.8 million into subsidiary associations as capital contributions but took out $17.1 million in dividends and fees.

"7. Holding companies exist in eleven states . . ., with 83% of the assets of their associations being in California. Why should the industry in the non-holding company states, and indeed the non-holding company associations throughout the entire country, have to bear the burdens created by holding company operations?

"8. The vast majority of the total industry—the mutuals, some of the independent stock associations, and some of the holding companies—support a measure at least as strong as the Senate version. Moreover, the Board and its staff, the twelve District Bank Presidents and their staffs, and the National Association of State Savings and Loan Supervisors—the authorities responsible for examining and supervising the savings and loan industry—have strongly urged the passage of legislation at least as strong as S. 1542.

"It seems illogical and unfair that the self-interest of a few should be served at the expense of many others who conduct their affairs in a sound and reasonable manner."

Let me stress that for those who have savings accounts in holding company associations, their money is just as safe as in other insured associations. This safety, of course, is made possible by the Federal Savings and Loan Insurance Corporation through premiums from your associations. But the safety of savings in associations controlled by holding companies does not justify holding companies being free of supervisory authority any more than it would justify any other insured association from being free of supervision.

The Senate Bill is itself a reduction in what the Board recommended as necessary to provide maximum protection to non-holding company associations—and indeed to the entire industry. The Senate adopted what it thought was a reasonable compromise and one that would receive broad support.

The Board has made clear in public testimony and in letters to Members of the Committee that it considers the Senate Bill to be a reasonably good measure. Moreover, the Board agreed to accept two amendments urged by your League, primarily to comply with requests of independent stock associations.

The Senate Bill has the overwhelming support of the industry. In fact, with but scattered exceptions, the opposition stems from holding companies located largely in California. I should add that I do not regard this as a California problem but as a holding company problem. The associations in California outside the holding companies have a better record than the holding company associations. And opposition to the Bill does not come from all the California savings and loan industry, but only from certain segments.

Holding company spokesmen have literally lived in Washington since the Senate began consideration of the Bill last spring. Seemingly what they want is what the Board warned against in testimony before both the Senate and House Committees; that is, no Bill at all or one that would grant them broad expansion rights but with few or no strings attached.

Let me give you three or four arguments opponents use against the Bill, and tell you in a sentence or two the truth about each:

1. Opponents say it is a case of the Board seeking too much authority.

Answer: The truth is that the Board is asking for less authority over holding company operations than it has always had over Federal associations and for less authority than it was granted last year, with your help, over state-chartered, Federally-insured independent associations.

2. Opponents say that the Supervisory Act last year gives the Board adequate authority to cope with holding company problems.

Answer: The truth is that under existing law the Board cannot reach the source of the problem, the holding company itself; the Board has always explained that separate legislation is necessary. For example, present law does not give the Board any control over the debt structure of holding companies. Yet top-heavy debt is the primary cause for those in control of holding companies to direct their subsidiary associations into high-risk undertakings in an effort to support the debt of the parent company. In fact, when the first holding company act (the Spence Act) was passed in 1959, Congress itself acknowledged that it was a stopgap; that further legislation would be required, and asked the Board to make its recommendations.

3. Opponents say that holding companies can be a source of strength to their subsidiary associations.

Answer: Perhaps, in theory, they could be; but as my letter to Congresswoman Sullivan explains, the contrary has been true in fact. To repeat, in 1966, the worst year in two decades for the savings and loan business, holding companies put a mere $1.8 million into subsidiary associations as capital contributions but took out $17.7 million in dividends and fees.

4. Spokesmen for holding companies, in an effort to gain support from independent stock associations, say that stock marketability would be adversely affected.

Answer: The truth is that the marketability of independent associations would be enhanced, by virtue of the fact that the definition of holding company control would be increased from 10% to 25%. As to the Board having the right to screen a prospective buyer, it seems elementary that it is to the industry's interest to prevent a company with incompetent or dishonest management or in a weak financial condition from buying an association. Moreover, the Board screens applicants for new charters or insurance of accounts, and the principle of protection for the public and the industry is the same.

Let me assure all independent stock associations that the Board has worked with spokesmen of your sector of the industry and with Senate leaders to assure you that marketability will not be lost in the event you want to sell. And let me urge that you not be drawn into opposing legislation imperative to your protection by those who would use your voice to obscure their own motives.

I would make the same plea to those holding companies whose associations are soundly managed.

The public is not sufficiently sophisticated to know the difference between holding company and non-holding company associations. And there is a limit to the risk that the corporation should be required to take; a limit to the time the Board and staff should be required to devote; and a limit to the cost the rest of you should have to pay through potential loss of public confidence and premiums paid to the Corporation for unsound and unrestrained holding company operations.

I am pleased that your President, Otto Preisler, makes clear in his remarks that the U.S. League stands firm in support of this needed legislation. I am also gratified that President Johnson requested the legislation and that no Democrat or Republican voted against the Senate Bill.

I am hopeful and—in spite of what has transpired so far—I remain confident that bi-partisan action in the House Committee and the House itself will result in legislation at least similar in strength to that passed in the Senate.

In conclusion, let me state the Board's pleasure that there have been other occasions since I have been on this Board that you and we have labored together in pursuit of the goal I expressed earlier of "building a climate and conditions under which this (your) industry can continue to grow in size, to improve in soundness of operations, and to become increasingly more capable of meeting the housing needs of the future and of serving the public."

The passage of strong and adequate holding company legislation would be one more essential rung on the way to the top of that important ladder.

THE THOMAS EAKINS "AMERICAN PAINTING" COMMEMORATIVE STAMP

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. DULSKI] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. DULSKI. Mr. Speaker, on November 2 I had the privilege of attending the first-day-of-issue ceremony for the Thomas Eakins "American Painting" commemorative stamp which was held at the National Gallery of Art.

The Assistant Postmaster General for Finance and Administration, Ralph W. Nicholson, delivered the principal address at this impressive ceremony, which I wish to append to my remarks.

With permission, I also include the comments of a recognized authority on Thomas Eakins, Mr. Seymour Adelman of Philadelphia, Pa., who covered some interesting highlights of this great American painter's life.

The remarks follow:

FIVE-CENT THOMAS EAKINS "AMERICAN PAINTING" COMMEMORATIVE STAMP

(Address by Assistant Postmaster General Ralph W. Nicholson, National Gallery of Art, Washington, D.C., November 2, 1967)

It is always nice to return to the Gallery for a stamp ceremony. These occasions, I might add, are becoming pleasantly repetitious.

In the past five years, the Post Office Department has been indebted to The National Gallery of Art for nine postage stamps. A few days from now, our new Christmas stamp will be issued. The original hangs here in the Gallery. Early next year, another Gallery property will be converted into a stamp.

To use the language of commerce, this makes the Gallery our leading source of supply. If this degree of collaboration is to continue—and I hope it does—perhaps the time is ripe for John Walker and Postmaster General O'Brien to start talking about a merger.

When we announced that the 1967 addition to the American Painting Series of stamps would be "The Biglin Brothers Racing" by Thomas Eakins, we began to receive letters from the Biglin family, from Brooklyn to Florida. These descendants told us we were misspelling the family name. It was B-I-G-L-I-N. Not L-E-N. They had family records to back up the claims. So we corrected the error, which probably was first made nearly 100 years ago in an art catalog and had been faithfully misspelled thereafter by museums.

Without appearing boastful, and with due deference to the Gallery and to the Metropolitan, which owns a Biglin watercolor by Eakins, I think we can say that now, at last, we are showing the Biglin Brothers racing under their correct name.

Newspaper publicity about the stamp also brought us another letter, which, I must confess, we side-stepped as diplomatically as possible. This letter was from an admirer of Josh Ward, a professional sculler of the last century, from Newburg, New York. Josh Ward and his brothers could beat the living daylights out of the Biglins in a race, we were told. It was suggested that if we did not remove the Biglins from the stamp and substitute Josh Ward we would be guilty of an unpardonable faux pas. According to a story that appeared in the Sing Sing, New York, Republican, September 28, 1865, the Biglins finished a poor second to the Wards in a five mile race on the Hudson for a purse of $2,000, so perhaps there was some merit in the proposal.

A moment ago, I mentioned facetiously the possibility of a merger between the Gallery and the Post Office Department. If this is seriously entertained by the Gallery people, I thought in all fairness we ought to tell the story of Josh Ward as a reminder that we do not operate our business in an ivory tower, but are constantly on the firing line when new stamps are proposed.

Our postage stamp being dedicated today obviously is not a tribute to the athletic prowess of the Biglins, but rather to the lately-discovered genius of Thomas Eakins.

In honoring him now we are reversing the judgment of his generation, which condemned him to obscurity.

When young Tom Eakins was studying art in Paris, he wrote these encouraging words to his father in Philadelphia: "I could even now earn a respectable living in America, I think, painting heads."

How wrong he was.

When Eakins died at 71 in 1916, his widow estimated that forty years of painting had brought him only about $10,000. Eakins painted some 300 pictures, a few of which he was able to sell. His friends—and he had many—sometimes accepted portraits as gifts, but frequently these were hidden away from sight.

The pictures he did sell were at bargain basement prices, while lesser artists were being paid ten times as much for their commissions. Sometimes he had to haggle genteelly in order to receive payment at all.

When Eakins was old and disillusioned, he painted a self-portrait—and he painted a twinkle in his eye. I think that twinkle is quite self-revelatory. For it seems to say, "I have done my work well. Someday it will be recognized."

The paradox of Thomas Eakins is that he handled the tools of his trade so well, and yet went virtually unnoticed.

No artist of the day knew more about anatomy, which he studied at Jefferson Medical College, in Philadelphia. He was equally adept in perspective. To sharpen this ability, he read books on mathematics. As a result, his paintings have a three-dimensional effect that certainly many other artists envied.

And he was not an artist who lived at the wrong time in the wrong place. Interest in art was at a high point. This was the period in the late 19th century that Mark Twain ironically called "The Gilded Age." Men had made fortunes and they were building great mansions to prove this. Consequently art was fetching good prices. This was a bull market for the artist.

Further, Eakins as a young artist was attacking new themes with a vigor that the critics were watching with interest. He was painting America—not in the veneered Romanticism of contemporary European artists, but with Realism. Winslow Homer was doing the same thing at the same time, and he pulled it off. Today, when this developing school of American Realism is discussed, Eakins is mentioned in the same breath with Homer.

It would not be difficult to build up a case that Eakins' failure in his day was the result of some rather ridiculous slings and arrows of outrageous fortune.

His ill-fated portrait of President Rutherford B. Hayes is a good example of that. In 1877, the Union League Club of Philadelphia gave Eakins his first important commission, suggesting that he paint the President from a photograph. Eakins told the Club gently that this wouldn't work out very well. Instead, Eakins came to Washington where the President sat for him. It was a hot summer and the President's face was flushed. Eakins painted the flush.

The Union League Club accepted the portrait reluctantly, then shortly removed it from display. The story is that some of the more sensitive Club members believed that the flush on the President's face might be misinterpreted. President Hayes was well known for his total abstinence from alcohol, and the flush on his face, it was thought, might indicate that the President was nipping a bit of brandy on the sly.

So Eakins' portrait of the President was replaced by a more satisfactory one executed by a W. Gail Brown. I asked our research people for more information on Mr. Brown. They ran into a dead end. Apparently the Hayes portrait is Mr. Brown's only claim to fame. There is no record of what happened to Eakins' painting of the President, but presumably it was destroyed.

This type of treatment nettled and bedeviled Thomas Eakins again and again. Such as the time he was discharged as instructor in art at the Pennsylvania Academy because he used nude models in his class. And the public scorn he suffered when one of his greatest paintings, "The Gross Clinic" was displayed. This depicted a surgical operation, and people objected to the blood on the surgeon's hands.

Fourteen years later, Eakins executed another controversial surgical painting, "The Agnew Clinic" which was rejected for exhibition by the Society of American Artists and by the Pennsylvania Academy. This painting was viewed by hundreds of thousands of people this year when it was exhibited at EXPO '67 in Montreal.

Eakins was a down to earth man who enjoyed down to earth people. He painted prize fights and baseball players and boat races. He completed at least seven paintings of the Biglins racing on the Schuylkill River and he also liked to scull. Almost all of the final phase of his career was devoted to painting portraits, and some of his best work was his last work.

I think it is characteristic of the man that he called himself a "painter," not an "artist." And that the place he painted was his "workshop," not his "studio." Nor did he wear a valvet smock as did the fashionable artists of the day. He liked to paint in his undershirt.

Eakins was a born teacher, and it is said that his students idolized him. He was born in Philadelphia in 1844 and died there in 1916. With the exception of his student days in Paris, he spent his life in Philadelphia.

Upon his death, the tide began to turn in his favor. An Eakins' exhibit was held in the Pennsylvania Academy in 1916, and a Philadelphia newspaper said: "This is a Philadelphian whom Philadelphians have never thought it worthwhile to honor."

The Metropolitan Museum began to buy his paintings, and other galleries followed suit. This new interest in, and appreciation of, Eakins was climaxed in 1961 when an Eakins' retrospective of 103 paintings was displayed here in the National Gallery and in Chicago and in Philadelphia. His place as a great American painter was now undisputed.

The handsome stamp we are issuing today marks a departure from production methods formerly used. Instead of being printed by intaglio, this stamp has been produced by five-color lithography. This is an experiment for us, so we are anxiously awaiting public reaction.

"The Biglin Brothers Racing" by Thomas Eakins is the seventh in the "American Painting" series. Previous stamps have honored Frederic Remington, Winslow Homer, John James Audubon, Charles M. Russell, John Singleton Copley and Mary Cassatt. Each of these stamps won acclaim, not merely from stamp collectors, but from almost everyone who wanted a stamp with which to mail a letter.

I am confident that this stamp will enjoy similar popularity. It certainly is my hope that 120 million reproductions of the painting will serve to reaffirm in the eyes of the world, the greatness of Thomas Eakins.

Thank you.

SPEECH BY SEYMOUR ADELMAN AT FIRST-DAY-OF-ISSUE CEREMONY FOR THE THOMAS EAKINS "AMERICAN PAINTING" COMMEMORATIVE STAMP, NOVEMBER 2, 1967

I am honored by your invitation to speak here today. And it is always a happy moment for me to renew acquaintance with John and Barney Biglin. Years ago, around 1930, I often saw this great painting on the living-room wall of the house in which Thomas Eakins painted it.

It was a thrill just to walk into the living-room of 1729 Mt. Vernon Street, in Philadelphia. I can see it now. Over the mantelpiece, there was 'Max Schmitt in a Single Scull'. On the wall opposite, this very picture of the 'Biglin Brothers Racing'.

And I recall an occasion when I had this painting all to myself, so to speak. That moment came when I happened to mention to Mrs. Eakins, one day, that I was driving up to New York the next morning. She asked me if I would mind taking the Biglin picture along with me to a 57th Street gallery.

Of course I didn't mind—but I do remember that I drove to New York very, very carefully, with an almost religious devotion to every traffic light. For I was pretty sure, even in those distant days, that what I had in the back of the car was not just a painting, but a national treasure. And I think the mere fact that I delivered it safely entitles *me* to a small but secure place in the history of American art.

So it is really a happy moment to see this old friend again, in all its glory here in Washington. Eakins himself always had a warm spot in his heart for Washington. He often sent pictures to the Corcoran Gallery shows. I wish he could know that many of his best canvases are now located here permanently.

Perhaps no other artist of comparable stature was ever so cruelly neglected during his lifetime as Thomas Eakins. There is the incredible fact that Eakins, in all his 71 years, never had even *one* magazine article written about his work. He never had a one-man show in New York. No dealer ever represented him. No art group ever gave a reception, or a tea, or a party, or anything else in his honor.

In his home town—Philadelphia—it is true that he did have, on a single, solitary occasion, a one-man show. That is, if you can call sharing a gallery with a display of hand-decorated china, by a gifted local lady, a one-man show.

So it is no wonder that when Eakins died in 1916, his Mt. Vernon Street house was literally filled with unsold pictures. Moreover, they remained unsold long after his death. Among them were the many portraits which Eakins had offered in vain as a *gift* to the sitters. Sitters who never had bothered to take their portraits home. Sitters whose present-day descendants, whenever they think about the matter, doubtless have one thing in common—high blood pressure.

Even the great rowing pictures suffered almost total neglect throughout Eakins' life. He painted about a dozen in all. They are the finest sporting scenes ever done in America, possibly anywhere. And yet, of all that splendid dozen, only one was sold while Eakins was alive. He received eighty dollars for it.

But of course this picture was just a moderate-size water-color, showing only John Biglin. The larger oil-paintings, which included *both* John and Barney Biglin, were naturally priced much higher, perhaps unreasonably so. You can judge for yourself. Here are Eakins' original prices: For the 'Biglin Brothers Turning the Stake-Boat'—now in the Cleveland Museum—$250. For the 'Pair-Oared Shell'—that marvelous view of the Biglin brothers passing under a bridge, now in the Philadelphia Museum—$150.

I am willing to hazard a guess that they would probably bring somewhat higher sums today. I often wonder what John and Barney Biglin might have thought about all this—about being the subject of a United States stamp, and being enshrined in such world-famous museums as this National Gallery.

I suspect they would have mixed feelings on the subject. Proud and pleased, surely. But I think their pleasure would be tempered with the regret that one always feels for a friend who has frittered away his life. For John and Barney Biglin always insisted that Tom Eakins had missed his true calling —he was so good at sculling that he might have become a professional champion himself

But it occurs to me that the Biglin brothers *also* may have missed *their* true calling. Perhaps *they* should have given up sculling and turned to a more intellectual pursuit. For it is at last clear: that in permitting themselves to be painted by Thomas Eakins, away back in the 1870s, the Biglin brothers proved—then and there—that they were America's most perceptive art critics.

For that reason alone they deserve to have their name spelled correctly—and I am glad this point was cleared up before the stamp was issued. Nevertheless, I still feel a bit nostaligic about the old familiar spelling. Eakins himself always spelled Biglin B-i-g-l-e-n—that was how he wrote the name whenever he sent the pictures to exhibitions. And when one considers that the name owes its immortality entirely to Eakins, I don't think the Biglin family really holds the error against him.

Personally, I would rather have my name spelled wrong by Thomas Eakins than right by anyone else.

We honor in Eakins not only a great artist but a great human being. The two are not often found in the same individual. But there is no doubt whatever about Eakins the man. When I first became interested in his work, forty years ago, many people who knew him personally were still alive. I often talked with them about Eakins. They were people in all walks of life, from Samuel Murray, his closest friend and associate, to "Turkey Point" Billy Smith, the tough little featherweight who posed for the great boxing pictures.

Never once, from any of them, did I hear a derogatory word about Eakins. From every account, he was a *really* admirable person—warm-hearted, modest, understanding. He had a sense of responsibility. You could depend on Eakins. When he promised to meet you at three o'clock Monday afternoon, he would arrive on the dot.

There was not a trace of the eccentricities and the tantrums that so often make genius hard to live with. In fact, Eakins' disposition was so mild, so forgiving, that his friends sometimes despaired of him. No matter how outrageous the provocation, it was almost impossible to get Eakins to retaliate. No one could remember *ever* hearing Eakins raise his voice in anger.

Indeed, Samuel Murray said it was always hard to tell when Eakins *was* angry: the only sign he gave was to whistle, very softly, one of the more familiar hymns. "Abide With Me" and "Rock of Ages" were the two usually called into service on these occasions.

What a wonderful friend he must have been! A man who studied under Eakins told me about a fellow-student who had painted a picture which he wanted to send to an exhibition. But he lacked the money to buy a frame. The next morning he was presented with a frame by Eakins, who had stayed up half the night to make it. A characteristic act of kindness. And also, I suspect, the one instance in art history when the only touch of genius in a painting was its frame.

One last word. If there are any autograph collectors in this audience, they know that Eakins' autograph is very rare. In fact, his letters are even scarcer than his paintings, because he always hated to write.

So I wish more than ever that today's stamp could have been issued during Eakins' own lifetime. For in that event, he surely would have written many more letters, if only for the sheer satisfaction of affixing this particular stamp to the envelopes.

THE PRESIDENT'S CRITICS SHOULD KNOW WHAT THEY WOULD BE MISSING IF—

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MULTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. MULTER. Mr. Speaker, that perceptive analyst, Howard K. Smith, has come to the heart of the matter concerning President Johnson and the critics.

Mr. Smith notes that if President Johnson was merely concerned about his place in history above all other things, then he should not run again—for his place in history as a strong President is already assured.

> Nobody, not even FDR, has passed so much landmark social legislation as Johnson has.

Mr. Smith writes. And he adds that if the President left the scene, it is easy to envision today's crop of outraged liberals attacking his successors with the opening line: "At least you could say this about Lyndon Johnson."

> I have visions—

Mr. Smith writes—

> of a silver-haired Lyndon Johnson appearing as the main guest speaker at a future ADA convention and being cheered to the rafters.
>
> And those Negro leaders who have been often critical of the President will find themselves more and more harkening back to the days of Lyndon B. for examples of the great things a real leader can do: Integration was multiplied by six; more Negroes rose to middle incomes than ever before, Negroes won the right to vote in the South, and Negroes appointed to high places rose from zero to an impressive legion.

How right you are, Mr. Smith. Perhaps it is the fate of strong and great Presidents to be appreciated only after they leave office. But those of us who know and appreciate all that Lyndon Johnson has accomplished, can only hope that many of his irresponsible critics would open their eyes long enough to see that they would lose a valued friend if President Johnson ever decided to step down.

I believe the majority of the American people realize this fact. And that is why President Johnson will be returned to office in 1968.

I commend Mr. Smith's provocative column, entitled "What Makes Johnson Run?" to the attention of our colleagues:

[From the Washington (D.C.) Sunday Star, Nov. 12, 1967]

WHAT MAKES JOHNSON RUN?

(By Howard K. Smith)

This is the bleak wintry season in the President's career. Congress is killing much of his program and passing just enough fragments of the rest to guarantee that they will be ineffective.

His own party is cutting him up worse than the Republicans are, and polls show that any Republican contender could beat him as of this week. This is the season which raises the old, old question—why are all those handsome and eager Republicans so anxious to get his job? When you think about it, an even stranger old question arises—why does Mr. Johnson want to keep the job?

If it is his place in history that the President is concerned about, one of the best things he could do is to take the nearest exit when it shows up in 1968. It is hard to think of an issue troubling our much troubled time that is not almost certain eventually to go his way and make him look like a prophet and a path-breaker.

I can be wrong but I am convinced that the most divisive issue of today will prove in the perspective of time to have been the most one-sided—the President's Vietnam policy. The alternatives being offered constitute a vast wasteland of pernickety notions trying to resemble ideas. Why not leave it to a Republican successor to have to prove the harsh truth?

Nobody, not even FDR, has passed so much landmark social legislation as Johnson has. Why not leave the scene before crotchety Congresses knock out the wedges he has so arduously hammered into doors leading to the future?

If he left the scene, the future is easy to envision. One can hear the outraged liberals attacking his successors with the opening line, "At least you could say this about Lyndon Johnson. . . ." followed by praise for the things they are criticizing him about today. I have visions of a silver-haired Johnson appearing as the main guest speaker at a future ADA convention and being cheered to the rafters.

Negro leaders of the future, the self-righteous ones like Dr. King and the savage ephemeral young radicals alike, will pour bile on that buffoon (Nixon, Romney, Reagan, Rockefeller or whomever) in the White House. And they will harken back to the days of Lyndon B. for examples of the great things a real leader can do: Integration was multiplied by six, more Negroes rose to middle incomes than ever before, Negroes won the right to vote in the South, and Negroes appointed to high places rose from zero to an impressive legion.

There would seem to be every incentive for Mr. J. to ride off into the sunset. In awhile, Peter Hurd's portrait may become the conventional image: The big cowman with eyes scrunched tight to suggest both his far-sighted vision of distant frontiers and his resolve to explore them.

Altogether the prospect is so attractive that one can predict a wholly different reaction on Johnson's part from the one outlined here: He will probably be consumed with the wish to get another crack at the job to see if he may not be the man to break the jinx on a President whose honeymoon is past.

1968 is going to be quite a year. Everybody involved is behaving with the normal irrationality which Presidential fever induces, and all the eligible prospects are scrambling for a chance at the desk where the slings and arrows of outrageous fortune stop. This will be the tensest political year since 1912 with nothing but fight, fight, fight, down to the final bell.

THE PRESIDENT OF THE UNITED STATES GREETS A STANCH ALLY—THE PRIME MINISTER OF JAPAN

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentlewoman from Hawaii [Mrs. Mink] may extend her remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mrs. MINK. Mr. Speaker, the President of the United States, and through him the American people bid a cordial welcome to the Prime Minister of Japan who represents one of our stanchest allies in Asia.

Japan and America are allies in trade. We are allies in aid through the Asian Development Bank. And we are allies in the cause of freedom and liberty in Asia.

The friendship between Japan and the United States is a bulwark for freedom in Asia and Southeast Asia. Indeed Prime Minister Sato did not utter idle words when he said in response to President Johnson's greeting that—

> It will not be our two countries alone, but all of Asia I am sure, who will benefit from close relations of mutual trust between Japan and the United States.

The mutual trust between Japan and the United States has been strengthened in the last 4 years by the excellent trade and foreign policies of President Johnson.

Asian nations such as Japan know why we support the mutual security of Asia through treaties, men, and materials.

The visit of Prime Minister Sato and his words of encouragement for American policies reaffirm what we all knew before.

Mr. Speaker, I take great pride in inserting in the Record the meaningful exchange of greetings between President Johnson and Prime Minister Sato of Japan:

Exchange of Remarks Between the President and Prime Minister Eisaku Sato of Japan

The President. Mr. Prime Minister and Mrs. Sato, Mr. Secretary of State, Distinguished Ladies and Gentlemen:

Mr. Prime Minister, Mrs. Johnson and I are delighted to be able to welcome you here today to the garden of the White House to express to you our great pleasure that you have been able to come and visit with us. We appreciate very much the cooperation that has been extended by your government and your people to our country, and the very close manner in which we have worked together for the last several years.

We have great pride in the fact that our Cabinet has paid periodic visits to your country and they have always been received with a very warm welcome. They feel that the visits have been quite productive.

The channels between us have always been open. The dialogue has been continuous. We, I think, both recognize the very great responsibilities that our governments have to the people of Asia. We have joined together in a good many enterprises for this general betterment.

I think the objectives of the American people and the Japanese people are very much the same.

First of all, we want peace in all the world, and particularly in that troubled part of the world where we do not have it now.

We want education of our children, health for our people, a small amount of recreation that can make us enjoy the good things of life, and by working closely together, we have moved in that direction.

You have been playing a major role in the new regional organizations in that part of the world that we think will bring Asia forward. We have reference particularly to the Asian Development Bank. We have great hopes for that enterprise.

We meet this morning as the spokesmen for two quite powerful nations in the world, but I hope two very responsible nations.

I believe that our destinies are very closely linked together by geography, by national interests, and by humanitarian concern.

We are glad we have good weather for you. We trust that it will last during our discussions.

We believe those discussions have much to recommend. We hope they will be productive. We know this: that we will certainly profit from your observations concerning your views of your own country in that part of the world in matters of mutual interests.

We hope you enjoy your stay here. We want it to be a happy one.

Prime Minister Sato. Mr. President, Mrs. Johnson, Mr. Secretary of State, distinguished guests, ladies and gentlemen.

I recall it was just three years ago that you greeted us most warmly here at the White House. I have come again to Washington, this time with my wife. We are most grateful for the cordial welcome you have accorded us today.

As on my previous visit I have come again to your country representing the government and people of Japan, an ally closely bound by ties of friendship with the United States.

I look forward to having frank talks with you, Mr. President, on matters of common concern with our two countries.

I wish to express my deep respect to you, Mr. President, for the great efforts being made by the United States under your able leadership to bring peace and stability to the world, particularly in Asia at this moment.

The basic purposes of our foreign policy are the safeguarding of freedom and a dedication to peace.

There have been many developments in Asia since my previous visit there three years ago. Some have been desirable and encouraging while others have been causing deep concern.

But I am firmly convinced that as long as we face these changes with wisdom and courage, with the common objective of safeguarding freedom and peace, the road to stability and prosperity in Asia will be opened before us.

The need for cooperation between our two countries based on mutual trust and understanding has never been greater than it is today for the future of Asia and indeed for the entire world. Therefore, Mr. President, I look forward to frank discussions with you on problems between our two countries with the view to seeking an adjustment and expansion of our basic national interests.

It will not be our two countries alone, but all of Asia I am sure, who will benefit from close relations of mutual trust between Japan and the United States.

Thank you.

TRAINING CONFERENCES TO PREVENT AND CONTROL CIVIL DISTURBANCES

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Corman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. CORMAN. Mr. Speaker, President Johnson has recently set into motion a far-reaching effort to reduce the chances of violence and riots recurring in our cities.

The President directed the Department of Justice to conduct a series of training conferences for city officials this winter on the prevention and control of civil disorders. Dates and locations for these conferences will be worked out at a planning session in Washington on November 17.

This endeavor has enormous potential among the Presidential programs to meet this serious national problem. It affords an opportunity for the exchange of information among officials who have experienced civil strife firsthand and other experts in the field of social and community relations.

How better to reach workable solutions than to meld such knowledge, develop and refine methods of prevention and control, and finally to search for new methods?

I commend the President for taking effective action during the short, cold winter to avoid another long hot summer. I recommend to my colleagues a reading of the Attorney General's announcement of this program and include it in the Record at this point:

Release by Department of Justice,
November 1, 1967

Attorney General Ramsey Clark announced today that the Department of Justice will hold training conferences for city officials on the prevention and control of civil disturbances.

Mr. Clark said the conferences will be held this winter at the direction of President Johnson.

Mayors, police chiefs and other municipal officials from throughout the nation will be invited to attend, the Attorney General said.

"The purpose of the conferences will be to combine knowledge on effective methods of preventing and controlling disturbances, to develop and refine these methods, and to search for new methods," said Mr. Clark.

"The melding of knowledge gained by various officials in various situations in various cities will provide a base for the better maintenance of law and order in our great urban areas.

"It is hoped that this endeavor will decrease any chance of a recurrence of the violence and riots which seared the face of many of our cities last summer."

Among the topics to be covered, Mr. Clark said, will be techniques for controlling disorders, joint operations involving different police jurisdictions and the military, and police-community relations.

Such a series of conferences was recommended to the President by the National Advisory Commission on Civil Disorders.

The President directed the Attorney General to arrange the series.

"These conferences," the President said, "should make maximum use of the skills and experience gained by several agencies of the government, and of local officials who have been successful in preventing or controlling civil disorders."

"As you are well aware, this is a matter of great urgency," the President told the Attorney General. "Effective conferences and consultations with key officials at all levels of government during the winter months require careful planning now."

Mr. Clark said he has scheduled a meeting in Washington, D.C. on November 17 to work out the dates, locations, curriculum and other details of the conferences. Thirteen outstanding police and city leaders from throughout the nation have been invited to attend the planning session. They are:

Arthur Naftalin, Mayor of Minneapolis.

Beverly Briley, Mayor of Nashville, Tennessee.

John Gold, City Manager, Winston-Salem, North Carolina.

Superintendent James B. Conlisk, Chicago Police Department.

Chief Thomas Reddin, Los Angeles Police Department.

Chief John Layton, Washington, D.C. Police Department.

Chief Curtis Brostron, St. Louis Police Department.

Chief Oliver Kelly, Newark Police Department.

Chief William Hanger, Pontiac, Michigan Police Department.

Chief Herbert Jenkins, Atlanta Police Department.

Colonel Frederick E. Davids, Michigan State Police.

Quinn Tamm, Executive Director, International Association of Chiefs of Police.

Michael N. Canlis, Sheriff of San Joaquin County, Stockton, California.

The conferences will be co-sponsored by the International Association of Chiefs of Police (IACP), which will furnish a number of the instructors. The cost of the conferences will be borne by the Department of Justice.

The Department, through its Law Enforcement Assistance program, is already funding several projects to improve law enforcement in urban areas. It has financed two conferences held by the IACP: one in June, 1966 at Indianapolis on police-community relations and another last spring in Memphis on the prevention and control of disturbances.

THE FARM BUREAU

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Resnick] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. RESNICK. Mr. Speaker, while reading Kansas Attorney General Londerholm's report on the Kansas Farm Bureau, the Kansas Farm Bureau Insurance Companies and the Kansas Department of Insurance, I was reminded of the not too inappropriate proverb that "we often give our enemies the means of our own destruction." What was billed as a conclusion that my charge of improprieties between these organizations was unfounded is actually a carefully documented vindication of that charge. And, what is even more ironic, it supplies new and unsolicited support for my conviction that a full-scale investigation is urgently needed.

First, I am of the old fashioned belief that a State regulatory agency—supported by taxpayer dollars—must maintain a scrupulous neutrality in dealing with all of those organizations it is supposed to regulate. Thus, my surprise and concern when I learned that football and basketball tickets paid for by the Farm Bureau Mutual and Kansas Farm Life Insurance Cos. were being used by the commissioner and staff of the Kansas Department of Insurance.

In light of the opportunities for favoritism that this can lead to, I expected nothing less than a complete refutation by the attorney general. But, to my amazement, no such refutation has been made. Instead, the attorney general makes an absurd distinction between the purchase of season tickets for the insurance commissioner and the purchase of season tickets which are offered to the commissioner on a week-to-week basis, and then concludes that the Farm Bureau companies "have offered to make available guest tickets if the commissioner or a member of the staff wished to come up to a game." He then reports that on a few occasions the insurance commissioner, and on many occasions other staff members, have represented the department at the games.

Second, in light of the new evidence he has supplied, I cannot understand how the attorney general could conclude that there is nothing improper about the relationship of the Kansas Farm Bureau and its insurance companies. For the last 5 months, I have been charging that the Farm Bureau represents the interests of the insurance industry and not the interests of the American farmer. If it weren't for his responsibilities to the people of Kansas, I would ask the attorney general to join me in documenting this charge.

For example, I was under the naive impression that Farm Bureau directors were paid for their services out of membership dues or out of other assets of the Farm Bureau. This standard method of compensation would be some assurance of that undivided loyalty which members of an organization have a right to expect of their managers. In the Kansas Farm Bureau however, the attorney general reports that:

> Board members are compensated on a per diem basis and are also reimbursed for their travel expenses. These amounts are paid by the Farm Bureau *which is then reimbursed by the insurance companies in proportion to the services rendered to them by the board members.* (Emphasis added.)

In other words, the salaries and expenses of the board of directors are being paid by the insurance companies and not by the farmers. Since it is the person who signs the paycheck who calls the shots, there could be no clearer evidence that the Farm Bureau people are working for the insurance companies and not for the farmers.

The attorney general supplies considerably more evidence of this blatant overlap of the insurance companies and the Farm Bureau. For example, if the Farm Bureau were concerned with the needs of its members, its legislative department would conduct research, provide information and perform lobbying services for the Kansas farmer—and only the Kansas farmer. Instead, I was dumbfounded to learn that in Kansas, "the Farm Bureau insurance companies do not employ separate research and lobbying services but instead contract with the legislative department of the Farm Bureau to perform these functions for them." The Farm Bureau, in short, is receiving substantial payments from its insurance companies—totalling about 40 percent of the department's budget—to lobby for insurance bills. That is, it spends at least two-fifths of its time buttonholing legislators, testifying before committees, and writing and introducing bills for projects totally unrelated to farming.

I am sure that many Kansas farmers will be surprised to learn that the Farm Bureau rents out its lobbying services to insurance companies that are making its living off the farmer. I would like to know how many other State Farm Bureaus are doing the same thing.

In this so-called exoneration of the Kansas Farm Bureau, the attorney general also reports that it carries on an extensive safety education program throughout the State. I was at a loss to explain what relationship driver education bears to the needs of farmers until I learned who finances this program. The attorney general reports that 97.4 percent of the total safety department budget is contributed by the insurance companies "on the theory that safety education reduces accidents and this keeps down insurance claims and costs." There is, of course, nothing objectionable about the insurance companies conducting such a campaign, but why is it necessary to disguise it as a Farm Bureau project? The boundaries between State Farm Bureaus and their insurance companies are much fuzzier than they should be. Why do they claim to be different organizations for some purposes and one organization for others?

This amazing report to exonerate the Farm Bureau and refute my charges accomplishes neither of these tasks. The highest legal official in the State of Kansas has shown that Farm Bureau insurance companies set aside football and basketball tickets for the Kansas insurance commissioner and that there is an overlap between the Farm Bureau and its insurance companies. I can only conclude that the report of the attorney general confirms my conviction that a full-scale investigation of these activities is urgently needed.

POVERTY PROGRAM A MUST

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. Adams] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to

the request of the gentleman from Hawaii?

There was no objection.

Mr. ADAMS. Mr. Speaker, while rejecting the nihilism of black power extremists, we should listen carefully and with respect to the voices of responsible Negro spokesmen. This is especially the case where the war on poverty is concerned, for responsible Negro leadership places the greatest importance upon the successful prosecution of this program.

A very trenchant editorial, entitled "Poverty Program Must," appeared recently in the Washington Afro-American, and because I think it worthy of my colleagues' attention, I insert the editorial at this point in the Record:

Poverty Program Must

The real tragedy in the House of Representatives' callous attitude toward the Poverty Bill is not the quibbling over dollar figures or even over amendments to the basic legislation. Rather, the tragedy is to be found in the shocking revelation of the contempt in which an alarming number of Congressmen hold the poor.

Forgotten in the attempts of the Republican reactionaries and the Dixiecrats to either kill the poverty program or so emasculate it as to make it meaningless, are the poor. If these sources had their way, the poor would forever remain exactly as they are, poor. They would continue to be locked up inside the ghetto of the cities and the slums of rural America without any hope of escape.

It is as if the poor have ceased to exist, as if there is no need to continue a program that for the first time in the history of the country, held out the prospect that the poor could be assisted out of the poverty rut through outside help.

The poverty program has never had enough money to give it adequate support, but at least, at the very least, some things of a positive nature were being accomplished.

In Washington, the United Planning Organization, set up neighborhood centers, which provided the poor with a number of services including legal aid, consumer education, employment and training assistance.

Head Start classes were begun, youngsters found employment through the Neighborhood Youth Corps., and at long last, there was a faint ray of light at the end of the long tunnel of poverty.

Now all that is threatened by a narrow-minded Congress that in part is frightened by the idea of poor people becoming articulate members of society, by assaults of the poor on institutions that have never been responsive to their heeds and by the desire to punish all poor people as a lesson to those who have rioted.

Add to this the feeling on the part of some Congressmen that colored people are the chief beneficiaries of the poverty program, and an atmosphere develops in which anything is possible.

An indication of what can develop came last week when the United Planning Organization announced that it was dropping its youth work programs—including part of PRIDE—Because no funds were available.

All across the country, thousands of youths who depended on poverty programs to remain in school, are being thrown out of work because of the inaction of Congress. At least 35 Community Action Agencies have already been forced to shut down and VISTA volunteers have to rely on the charity of others to survive.

This, however, is only a prelude of what is to come if Congress does not approve a poverty bill with at least the $2.06 billion requested by President Johnson. Anything below this amount would severely cripple poverty programs, and would be a sell-out of the poor.

Despite the horrendous consequences of Congressional cuts, in the budget, there is no assurance that Congress really cares enough not to make the cuts. Congress in fact, seems blind to reality.

It seems to have learned nothing at all from the events of the past summer, which revealed the need for jobs, education and housing in the slums, if these events are not to be repeated.

HAWAII'S ROLE OF PREPARING PEACE CORPS VOLUNTEERS FOR SERVICE "WEST OF EDEN" LAUDED BY JACK VAUGHN

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. MATSUNAGA. Mr. Speaker, I would like to direct attention to a major policy address, as excellent in its literary quality as it is inspiring in its message, which was given in Hawaii last week by the Director of the Peace Corps, Jack Hood Vaughn.

In speaking of the significant and vital elements of the Peace Corps, Mr. Vaughn noted particularly the opportunities for further service in the Pacific basin. It is here, he said, that in the decade ahead the people of the Pacific basin countries will take the kind of giant steps the Pacific demands to confront the problems of economic, social, and political development.

The Peace Corps Director also paid great tribute to Hawaii in his speech. He mentioned that 4,000 young men and women had received their training in the islands for overseas service. More than 50 different groups of them have left the island State, destined for service in 11 different countries in East Asia and the Pacific. Said Mr. Vaughn:

> Hawaii has seen more volunteers and given more of itself in their preparation, than any other State in the Union.

I take considerable pride in Hawaii's contribution to the work of the Peace Corps as it enters its seventh year of service as a vibrant and effective instrument of peace throughout the world.

Mr. Speaker, it is a distinct pleasure for me to enter Mr. Vaughn's memorable speech, "West of Eden," in the Congressional Record so that it can be read in its entirety by my colleagues in Congress:

[From the Honolulu Advertiser, Nov. 8, 1967]

West of Eden

(Address by Jack Hood Vaughn, Director of the Peace Corps)

Distinguished guests, ladies and gentlemen:

I see that I'm billed this evening for a major policy address. I think $5 per person entitles you to some very significant policy indeed, encased in a comfortably brief address befitting the latest fashions: short on surface, long on message.

Actually a mini-skirt, well suited to the wearer, does convey the intention of a policy statement, for the observer becomes fascinated equally with what is and what ain't and it's the blend of both, after all, that makes policy.

I am honored to be with you this evening, on such an auspicious anniversary in political history: on this date, in 1805, Messrs. Lewis and Clark sighted the Pacific Ocean, proving for the first time the contiguity of the American land mass. Congress paid $2,500 for that trip. Some Federal outlay for Pacific exploration, development and defense has continued, although with a certainty at times difficult to predict.

I want to thank all of you for the very warm welcome I have received here. You know, sometimes I wonder whether the generous Hawaiian greeting is not rooted in the historic isolation of the Islands' people, whose forebears traveled so perilously to reach these shores that anyone who followed deserved their sympathy and kindness. I hope the ease of modern travel will never change that wonderful greeting, and the good feeling it generates in the malihini.

Well, friends should not hasten to business, but I think the business of this evening is friendship itself, and the will to make it succeed is powerful enough to move me away from Hawaiian greetings and back to policy.

Let me say at the outset that I find absolutely no evidence that the Hawaiians need some special stimulation—least of all from me—for their enthusiasm about the Peace Corps.

FOUR THOUSAND TRAINED HERE

Four thousand young men and women have been trained for overseas service in these Islands. More than 50 different groups of them have left here, destined for service in 11 different countries in East Asia and the Pacific. Hawaii has seen more volunteers, and given more of itself in their preparation, than any other state in the Union.

It's about time the Peace Corps added "thank you" to "aloha" and since it is one Hawaiian word even I can try: "mahalo."

I count myself very lucky this evening because I believe I have a very simple message to convey. No great dilemmas conjured up to enrich the challenge; no pot of gold, no rainbow.

Simply: The Peace Corps needs Hawaii.

You see—you started something.

You, the teachers or the parents or the training officers or the newsmen or the businessmen or the political leaders or the Peace Corps staff members or the returned volunteers themselves. This Peace Corps, this idea with a thousand American roots, is no longer a "maybe." It's a fact, with a solid record of performance and nothing in sight but growth.

Where you sent one volunteer in 1961, three are asked for now.

Where several joined in 1961—now, more people are leaving school to enter the Peace Corps than to enter any other American institution, except the military.

I can't tell you why they join with any more certainty than they could explain it themselves. Let me assure you of one thing—it's not the draft: the proportion of men and women in the Peace Corps remains the same.

Returned volunteers still face military service. And some, ironically, are actually summoned home after a sizable U.S. investment in their training and transportation, to be drafted, leaving vital tasks undone abroad. Yet still they come, risking their time in return for the chance to serve in this remarkable way.

Do you still ask why? Then I say with Pascal: "Le coeur a ses raisons que la raison ne connait point." (The heart has its reasons, which reason knows nothing of.)

THEY DON'T JUST HAPPEN

But now I would reverse the target and ask the same of you:

Peace Corps don't just happen. They take an act of Congress—repeatedly; they require solid cash; they need public support, and understanding, and patience.

Why then, did you "join" the Peace Corps?

If I asked you, what's in it for you? You would probably be as confused—yes, even as dismayed and angry as any volunteer.

Let's face it: for Americans, the reason an idea attracts us is sometimes very difficult to articulate without sounding so sugar-coated as to border on the "soft" or worse, "irresponsible."

I like the Peace Corps idea because, with half a lifetime in overseas service, something told me it was "right."

And with an average lifetime of preparation under an American sense of values, something far removed from professional consideration led me to the same conclusion.

The Peace Corps is a particularly robust affirmation of ourselves.

Sometimes volunteers blunder. So do we.

Sometimes they speak up too loudly. Free speech is our way—even at times of trial.

Sometimes they bite off more than they can chew. How did our nation come this far west?

I confess to a good deal of pride in the Peace Corps but I discover almost daily that proximity is no measure of possessiveness. People everywhere seem just as proud of the idea, just as pleased with the young people who have served in it—and frankly, just as secretly relieved that the thing works.

TWO VITAL ELEMENTS

For most Americans, therefore, I think two elements in combination make the Peace Corps something they can live with:

First, identity with its youthful spirit, with the idea of challenge, of curiosity with the self and the world about us; and second, the happy realization that volunteers can get a job done overseas, that they can survive strangeness and become productive, that people and institutions can respond to them—in short, that it works.

I said that such Peace Corps qualities are attractive to most Americans.

And to the Hawaiian Islands?

Where more than here have men and women survived strangeness, become productive, and responded to each other? As in countless other lands, the sun and earth and water fashion circumstance and the human disposition. But where more than here have people more consciously sought to fashion themselves?

I would think it especially easy for Hawaiians to sense the groping, the gentleness, the tolerance and respect for the dignity of others, which successful Peace Corps work entails.

Above all, I think, you would be foremost to understand that tolerance, progress and mutual confidence are just not "happening."

They are wrested in precious niches of human understanding and enlightment, scantily noticed, grudgingly surrendered from ignorance and despair, toiled after, lost, missed and sought after again. None ought to know better than you that paradise is hardly a condition of the firmament. It is an understanding among people.

None ought to know better than you, moreover, that time and events rarely blend just perfectly to encourage such understanding.

And if the circumstances are favorable, then, where are the tools? Where are the eyes and ears to sense just the right moment? Where is the leadership, to judge and quicken the pace? And where is the right "oahu"—the gathering place?

Does the Peace Corps now seem a bit more logical instrument for you? To just such service, volunteers everywhere have turned.

USEFUL TO FELLOW MEN

Four thousand volunteers have ventured west from here, and from them, perhaps more productively than from any other group of Americans, we have learned how to be useful to our fellow men in Asia and the Pacific.

It's nearly 200 years since James Cook. That's rather a long lead time.

I can tell you this: the time is ideal for some unusually productive steps—right now. Volunteers have been very well received in the region. It is our area of greatest growth in the past two years.

Everywhere the theme is the same: Volunteers like where they are; more often than in any other region, they extend their service to complete a job which holds their attention—whether it be fighting to suppress malaria in Thailand, or bringing new math teaching to the Philippines, or preparing the first comprehensive disease survey in Micronesia.

I think their spirit is evident in the words of the volunteer who summed up his work casually: "I cured the blind, healed the sick, and built a 42-story latrine."

The foreign minister of Thailand put it more kindly: "We are all aware of the might and the power of the U.S., but we tend to forget that it was ideas and ideals such as the Peace Corps that made America what it is. That is the secret of your greatness."

I think the happiest side of our effort is that, literally, there are no "Peace Corps" programs in these countries. Volunteers serve where host leaders elect, in programs of local design.

As cautious as any of us at first, now officials overseas are placing volunteers in tougher and more responsible jobs. Equally important—officials overseas are building enough confidence to plan ambitious programs, and muscle them along through their own ranks.

There are veterans present tonight who can recall painfully that such signs of confidence and determination abroad have been rare indeed. And all of us can agree with Ambassador Reischauer's observation, with regard to our own American efforts, that the way one does something is usually as meaningful as what one does.

POLITICAL PRESSURES

These then are happy tidings. But often our efforts are framed in the pressures of political ferment.

This is certainly the case in East Asia. Almost every move the Peace Corps makes in that part of the world, is taken in the footsteps of some courageous leader—a national, regional or local officer who makes it clear to others that he trusts these young foreigners.

Such decisions are not without risk. Often they are made in the face of colonial tradition or the cross currents of ideology; or the complications of insurrection or insurgency.

I am certain that we shall wait many years before Peace Corps volunteers or any other willing hands will be able to grapple with full force in East Asia. Thus while our determination will be sorely tested there, it is our patience which will undergo the greater trial.

Lest there be any here who might mistake my words, let me make very clear that I am not speaking of any intent to curtail programs in East Asia.

Merely, I think we should understand that our friends must find their own path. They must set their own priorities and their own pace. Where they lead, we shall follow as we can. But one does not shove one's friends along dark alleys, nor try to light them from behind lest they stumble in their own shadow.

Darkness, however, suggests another opportunity—and as usual, it is right in front of us.

I dare say there are some Navy veterans here—and many others—who learned that if you would see far off in the darkness, you must shift your focus somewhat below the horizon, because night vision is best from the eye's periphery.

If we were to do this, the more closely to see Asia, we would find ourselves looking right at the islands of the Pacific.

I am proud to say the Pacific Islands have discovered the Peace Corps—in fact, Peace Corps volunteers were the first foreigners the people of Micronesia ever invited to live and work in their islands.

Now Western Samoa, Tonga and Fiji have joined the list of Peace Corps countries—and just recently, the South Pacific Commission issued the first multilateral invitation for Peace Corps volunteers to serve in areas within its jurisdiction.

PACIFIC BASIN ON THE MOVE

The Pacific Basin is on the move. Last month in the meeting of the South Pacific Commission, territorial delegates, with the support of the so-called metropole countries, showed new power. New leaders—young, vigorous, determined and intelligent—have appeared. In the decade ahead they and their people will take the kind of giant steps the Pacific demands to confront problems of economic, social and political development.

We see old enemies in the lists—the same catalogue of challenges facing developing nations everywhere: disease, deprivation, poor education, low productivity.

Yet if I could mark one enemy missing, or at least, not quite so formidable, I think I would name it "despair." These new nations come late to development. But they need not agonize through the post-war years of trial and error. Resources have grown and they are at hand.

Moreover, these nations are not weighted down with the baggage of defense budgets. Unlike the emerging nations of Africa, Asia and Latin America, the islands are not quite so caught up in the confrontations of ideology and the cold war.

Nor are they plagued with insurgency. Their priorities are clear: economic development outranks political security. Given a period of political stability and dependable leadership, the people of the Pacific will have an ideal opportunity to move forward.

We want to help.

For the Peace Corps, the time could not be better. Pardon the metaphor, but we have already gotten our feet wet. Volunteers in Micronesia already have learned enough to afford relevant insight into the needs of people throughout the Pacific Basin. Programs are already underway in Micronesia in education, health and economic development.

LITTLE TECHNICAL HELP

From elsewhere in the Pacific, we have learned how painfully little technical assistance is presently available: some experts are provided through the United Nations; few others.

We have learned, moreover, that many problems current and approachable in Pacific Basin—health, family planning, for example—are current but not quite so approachable in East Asia, where action for the moment may be delayed. But what we learn in the Pacific surely we can put to use in Asia, when the time is right.

For these and a host of other reasons this audience surely knows as well as I, the Peace Corps is ready right now, to supply as many volunteers as is possible for service in the Pacific Basin. We think their time will be well spent, and their work productive for the people they will serve.

But we cannot do it alone.

Simply, once again: the Peace Corps needs Hawaii.

If we are going to be the very best we can be, west from these Islands, then we are going to need the very best within the Islands.

We know already, what the results can be:

When we undertook to aid in Trust Territory health programs, we knew we would need high level support. We found it here in the University's School of Public Health.

Their involvement at every level of program planning, training and field support has emerged as an outstanding example of professionalism and competence in Peace Corps service abroad.

Under their guidance, volunteers have completed the first population census in the islands, and embarked on the first medical survey every initiated in Micronesia. The results, computed and analyzed here, form the basis for territorywide disease detection and control.

Such a landmark in Peace Corps work and in public health work generally is the quality of effort we shall expect.

Volunteers who have come through Hilo, and more recently through Molokai, have had a little "something extra" in terms of elan. Thus we have sought a broader partnership, culminating in the Peace Corps training institute which we expect to see in full operation by next spring.

And with the School of Public Health, we expect shortly to begin laying out plans for a nation-wide program in population control, requested by the King of Tonga.

Now if we can just get the School of Tropical Agriculture and the East-West Center involved next week at the latest, I'd say we might be off to a promising start.

HAWAII DEEPLY CONCERNED

But don't stop there. You may be a sovereign state, but you are an island people. Surely Hawaiians everywhere can sense the need of their fellows to the west. From Governor Burns, I know how deeply the people of Hawaii are concerned for other peoples in the Pacific.

Some of your remote communities share with Mainland towns many of the problems volunteers will encounter to the west. I hope the people of those communities will welcome volunteers and teach them lessons they will sorely need if they are to be of help on other islands.

I hope your industries can teach us what they have learned of operation in the South Pacific.

Most of all, I pray these Islands will embark with us upon this course in a sense of partnership we earnestly solicit. The job demands the best. The best from you—the faculties, the administrators, the resources, the experience and the imagination. And the best from us—in the young men and women upon whom responsibility, in the end, must fall.

I urge you to teach them well, for we have found already that volunteers heading east from Eden have their eyes opened to new challenges and new responsibilities at home. Already they have infused our cities and school systems and universities with a welcome transfusion rich with ambition and determination to be of service. Perhaps you can gather some back for yourselves.

These volunteers will be the product of our partnership.

But for Hawaii, there are surely other ends in sight. You Island people, your Government, your University—you know you are a very potent force in the Pacific.

Looking west, I think it not unrealistic to mark you the first rays of some very necessary illumination. For a while, perhaps, Peace Corps volunteers can precede you westward, but in time, you may wish to be ahead of them, waiting to teach them their lessons on the scene. New universities are in formation in the Pacific Basin. The University of Hawaii has a prime opportunity now to be of help. That is but one example.

Surely there will be others. I hope we shall learn of them and serve in them together.

DEALING IN HUMAN LIVES

Above all, I hope we supply each other, and the people we serve, with the finest quality at our command. I can tell you from experience that we shall be dealing in human lives, and stimulating very responsive aspirations.

In such an undertaking, we shall not serve our nation well, unless we serve its friends with rare distinction, building patiently, proving our partnership only where results are reckoned: out where people live, seeking a chance to cope such as providence has given them.

This is no task for an evening or for a year. Certainly it is worth a lifetime. It may be worth many, many lives. If in the process, Manoa Valley replaces Pearl Harbor as the ultimate bulwark of American presence in the Pacific, we, and our friends, will be the stronger for it, in the end.

In such a venture, we will be proud to share.

Thank you.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MacGregor (at the request of Mr. Gerald R. Ford), for the balance of this week, on account of official business.

Mr. Laird (at the request of Mr. Gerald R. Ford), for the balance of this week, on account of death in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Ryan, for 10 minutes, tomorrow; to revise and extend his remarks and include extraneous matter.

Mr. Hall, for 30 minutes, today.

Mr. Wolff (at the request of Mr. Matsunaga), for 20 minutes, and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Quie and to include extraneous matter in his remarks made during debate in the Committee of the Whole today.

(The following Members (at the request of Mr. Ruppe) and to include extraneous matter:)

Mr. Scott.

Mr. McDonald of Michigan.

Mr. Halpern.

Mr. Cowger.

(The following Members (at the request of Mr. Matsunaga) and to include extraneous matter:)

Mr. Dow.

Mr. Resnick.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 320. An act to authorize the Secretary of the Army to release certain use restrictions on a tract of land in the State of North Carolina in order that such land may be used in connection with a proposed water supply lake, and for other purposes; to the Committee on Armed Services.

S. 633. An act to promote the foreign policy of the United States by strengthening and improving the Foreign Service personnel system of the U.S. Information Agency through establishment of a Foreign Service Information Officer Corp; to the Committee on Foreign Affairs.

S. 2428. An act to authorize the Secretary of the Army to convey to the State of Washington certain lands in the countries of Yakima and Kittitas, Wash., in exchange for certain other lands, and for other purposes; to the Committee on Armed Services.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1552. An act to amend the Highway Safety Act of 1966.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 5784. An act to authorize the disposal of molybdenum from the national stockpile;

H.R. 5787. An act to authorize the disposal of rare-earth materials from the national stockpile and the supplemental stockpile; and

H.R. 5788. An act to authorize the disposal of bismuth from the national stockpile and the supplemental stockpile.

ADJOURNMENT

Mr. MATSUNAGA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 52 minutes p.m.), under its previous order, the House adjourned until tomorrow, Wednesday, November 15, 1967, at 11 o'clock a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. Senate Joint Resolution 101. Joint resolution amending title XI of the Merchant Marine Act, 1936, to authorize the Secretary of Commerce to guarantee certain loans made to the National Maritime Historical Society for the purpose of restoring and returning to the United States the last surviving American square-rigged merchant ship, the *Kaiulani*, and for other purposes (Rept. No. 917). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. S. 706. An act to amend section 27 of the Shipping Act, 1916 (Rept. No. 918). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. S. 1566. An act to amend sections 3 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a sea-level canal connecting the Atlantic and Pacific Oceans; with amendment (Rept. No. 919).

Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 9473. A bill to amend provisions of the Shipping Act, 1916, to authorize the Federal Maritime Commission to permit a carrier to refund a portion of the freight charges; with amendment (Rept. No. 920). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 10923. A bill to authorize the Secretary of the Interior to convey the Argos National Fish Hatchery in Indiana to the Izaak Walton League; with amendment (Rept. No. 921). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 12638. A bill to authorize the exchange of certain war-built vessels for conversion and operation in nonsubsidized service between the west coast of the United States and the territory of Guam; with amendment (Rept. No. 922). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 13369. A bill to amend section 509 of the Merchant Marine Act of 1936, to provide for construction aid for certain vessels operating on the inland rivers and waterways; with amendment (Rept. No. 923). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 13439. A bill to correct and improve the Canal Zone Code, and for other purposes (Rept. No. 924). Referred to the House Calendar.

Mr. HÉBERT: Committee of conference. H.R. 2. An act to amend titles 10, 14, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and clarify the status of National Guard technicians, and for other purposes (Rept. No. 925). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO (for himself, Mr. Rooney of Pennsylvania, Mr. Minish, Mr. Gallagher, Mr. Daniels, Mr. Farbstein, Mr. Eilberg, Mr. Giaimo, Mr. Foley, Mr. Howard, Mr. Moorhead, Mr. Irwin. Mr. Kyros, Mr. William D. Ford, Mr. Multer, Mr. Dulski, Mr. Delaney, Mr. Rosenthal, and Mr. Zablocki):

H.R. 13991. A bill to amend the Merchant Marine Act, 1936, and other statutes to provide a new maritime program; to the Committee on Merchant Marine and Fisheries.

By Mr. EILBERG:

H.R. 13992. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. ESHLEMAN:

H.R. 13993. A bill to amend the tariff schedules of the United States with respect to the rate of duty on certain tobacco stems; to the Committee on Ways and Means.

By Mr. GILBERT (for himself, Mr. Wolff, Mr. Brasco, Mr. Leggett, Mr. Tiernan, Mr. St Germain, Mr. Burke of Massachusetts, Mr. Fulton of Tennessee, Mr. Joelson, Mr. Rodino, Mr. Thompson of New Jersey, Mr. Patten, Mr. Vigorito, Mr. Olsen, Mrs. Hansen of Washington, Mr. Adams, Mr. Dent, Mr. Murphy of Illinois, and Mr. Tenzer):

H.R. 13994. A bill to amend the Merchant Marine Act, 1936, and other statutes to provide a new maritime program; to the Committee on Merchant Marine and Fisheries.

By Mr. HALPERN:

H.R. 13995. A bill to permit Federal employees to purchase shares of Federal- or State-chartered credit unions through voluntary payroll allotment; to the Committee on Banking and Currency.

By Mr. HAYS:

H.R. 13996. A bill to regulate imports of ferroalloys and related products into the United States; to the Committee on Ways and Means.

By Mr. LUKENS:

H.R. 13997. A bill to require an applicant for a permit to hold a demonstration, parade, march, or vigil on Federal property or in the District of Columbia to post a bond to cover certain costs of such demonstration, parade, march, or vigil; to the Committee on Public Works.

By Mr. MORGAN:

H.R. 13998. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. MOSS:

H.R. 13999. A bill to provide full and fair disclosure of the nature of interests in real estate subdivisions sold through the mails and instruments of transportation or communication in interstate commerce, and to prevent frauds in the sale thereof, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. NEDZI:

H.R. 14000. A bill to amend the Federal Water Pollution Control Act to authorize research and demonstration programs for the control of lake pollution and acid and other mine water drainage, and to prevent pollution by oil; to the Committee on Public Works.

By Mr. NIX:

H.R. 14001. A bill to amend the Merchant Marine Act, 1936, and other statutes to provide a new maritime program; to the Committee on Merchant Marine and Fisheries.

By Mr. REUSS:

H.R. 14002. A bill to amend the Federal Water Pollution Control Act, as amended, to authorize a program of research and demonstration for the control of pollution in lakes; to the Committee on Public Works.

By Mr. OTTINGER:

H.R. 14003. A bill to provide criminal penalties for the introduction, or manufacture for introduction, into interstate commerce of master keys for motor vehicles, and for other purposes; to the Committee on the Judiciary.

By Mr. AYRES (for himself, Mr. Quie, and Mr. Goodell):

H.R. 14004. A bill to provide an Economic Opportunity Crusade, to authorize funds for the continued operation of economic opportunity programs, and for other purposes; to the Committee on Education and Labor.

By Mr. HAMMERSCHMIDT:

H.R. 14005. A bill to authorize the disposition by the city of Hot Springs, Ark., of certain property heretofore conveyed to the city by the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HANLEY:

H.R. 14006. A bill to amend the Merchant Marine Act, 1936, and other statutes to provide a new maritime program; to the Committee on Merchant Marine and Fisheries.

By Mr. McDADE:

H.R. 14007. A bill to restrict the mailing of unsolicited credit cards; to the Committee on the Judiciary.

By Mr. BERRY:

H.J. Res. 926. Joint resolution to establish a Commission on Balanced Economic Development; to the Committee on Interstate and Foreign Commerce.

By Mr. PUCINSKI:

H. Con. Res. 581. Concurrent resolution expressing the sense of the Congress with respect to the elimination of the Castro-Communist regime of Cuba; to the Committee on Foreign Affairs.

H. Res. 976. Resolution authorizing travel for certain members of the Committee on Education and Labor; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII,

292. The SPEAKER presented a memorial of the Legislature of the State of Wisconsin, relative to the issuance of a commemorative stamp to honor Dr. William Beaumont, which was referred to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ADDABBO:

H.R. 14008. A bill for the relief of Leonardo Melillo; to the Committee on the Judiciary.

By Mr. ADAMS:

H.R. 14009. A bill for the relief of Ricardo R. Calma; to the Committee on the Judiciary.

H.R. 14010. A bill for the relief of Leopoldo R. Trinidad and his wife, Florentia N. Trinidad; to the Committee on the Judiciary.

By Mr. ANNUNZIO:

H.R. 14011. A bill for the relief of Dr. Marcelino Reysio-Cruz, Jr.; to the Committee on the Judiciary.

H.R. 14012. A bill for the relief of Francesco Ribaudo; to the Committee on the Judiciary.

By Mr. CONYERS:

H.R. 14013. A bill for the relief of Dr. Isaac P. Dionaldo; to the Committee on the Judiciary.

By Mr. DOW:

H.R. 14014. A bill for the relief of Miss Felisa-Adoracion Iglesias Corral; to the Committee on the Judiciary.

By Mr. FASCELL:

H.R. 14015. A bill for the relief of Dr. Rogelio J. Barata; to the Committee on the Judiciary.

H.R. 14016. A bill for the relief of Dr. Augusto Usategui; to the Committee on the Judiciary.

H.R. 14017. A bill for the relief of Dr. Rogelio Giraldo Vidal-Lopez; to the Committee on the Judiciary.

By Mr. MAILLIARD:

H.R. 14018. A bill for the relief of Francisco R. Palma; to the Committee on the Judiciary.

By Mr. PIRNIE:

H.R. 14019. A bill for the relief of Juan E. Llovet; to the Committee on the Judiciary.

By Mr. PUCINSKI:

H.R. 14020. A bill for the relief of Jan Kozlowski; to the Committee on the Judiciary.

By Mr. RESNICK:

H.R. 14021. A bill for the relief of Vladimir Bibic; to the Committee on the Judiciary.

By Mr. SHRIVER:

H.R. 14022. A bill for the relief of Kimiko Nakandakari Kline; to the Committee on the Judiciary.

SENATE

Tuesday, November 14, 1967

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

Dr. Edward B. Lewis, pastor, Capitol

Hill Methodist Church, Washington, D.C., offered the following prayer:

Dear Lord, we are grateful for the presence of Thy spirit which gives us balance for living. We become unbalanced in our minds and spirits with the necessary pressures and tensions. Thus, we come in prayer to the source of all life, to that from which we live, and move, and have our being. Breathe upon us with forgiveness wherein we have failed Thee. Give us power to serve mankind in a just and noble way, as we begin renewed.

Be with the Members of this U.S. Senate. Guide them in their important work. Bless their families. If any are ill, comfort and heal them. God bless their homes as centers of love, rest, and peace. We pray in the Master's name. Amen.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H.R. 5784. An act to authorize the disposal of molybdenum from the national stockpile;

H.R. 5787. An act to authorize the disposal of rare-earth materials from the national stockpile and the supplemental stockpile; and

H.R. 5788. An act to authorize the disposal of bismuth from the national stockpile and the supplemental stockpile.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, November 13, 1967, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING THE TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Jones, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. SPONG in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

REPORT OF COMPTROLLER GENERAL

The PRESIDING OFFICER laid before the Senate a letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on substantial interest savings available if program funds are advanced to States only as needed, Federal Extension Service, Cooperative State Research Service, Department of Agriculture, dated November 1967, which, with an accompanying report, was referred to the Committee on Government Operations.

PETITION

The PRESIDING OFFICER laid before the Senate the following joint resolution of the Legislature of the State of Wisconsin, which was referred to the Committee on Post Office and Civil Service:

SENATE JOINT RESOLUTION 71

Joint resolution memorializing the U.S. Post Office Department to issue a stamp commemorating Dr. William Beaumont

Whereas, Doctor William Beaumont, a military surgeon, in and after 1822 conducted pioneering experiments in the physiology of digestion, which experiments form the basis of our present day knowledge of the digestive process; and

Whereas, these experiments were conducted by Doctor Beaumont at Fort Crawford, Prairie du Chien, Crawford County, Wisconsin; and,

Whereas, the work of Doctor Beaumont and his contributions to man's welfare are deserving of honor and remembrance; and,

Whereas, the year 1972 will mark the 150th anniversary of the start of Doctor Beaumont's historic experiments; now, therefore, be it

Resolved by the senate, the assembly concurring, That the legislature of the state of Wisconsin proposes and respectfully requests that in 1972 the United States Post Office Department issue a Beaumont commemorative stamp to honor the great American physician, Doctor William Beaumont; and, be it further

Resolved, That properly attested copies of this resolution be sent to Lawrence O'Brien, Postmaster General of the United States, to the secretary of the United States Senate and the chief clerk of the House of Representatives and to each member of the Congress from Wisconsin.

WILLIAM P. NUGENT,
Senate Chief Clerk.
HAROLD V. FROELICH,
Speaker of the Assembly.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, without amendment:

S. 2447. A bill to amend section 2 of the Migratory Bird Conservation Act (Rept. No. 745).

By Mr. HOLLINGS, from the Committee on Commerce, with an amendment:

H.R. 480. An act to amend the act of October 4, 1961, relating to the acquisition of wetlands for conservation of migratory waterfowl, to extend for an additional 8 years the period during which funds may be appropriated under that act, and for other purposes (Rept. No. 747).

By Mr. HOLLINGS, from the Committee on Commerce, with amendments:

S. 322. A bill to amend the Migratory Bird Conservation Act to provide that no land contained in the national wildlife refuge system shall be sold, transferred for any other use, or otherwise disposed of without the approval of the Migratory Bird Commission, and for other purposes (Rept. No. 746).

By Mr. ERVIN, from the Committee on Armed Services, with amendments:

H.R. 12910. An act to establish a Judge Advocate General's Corps in the Navy, and for other purposes (Rept. No. 748).

BILL INTRODUCED

A bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURPHY:

S. 2653. A bill for the relief of Mrs. Hok An Khoe, Giok Lan Khoe, and Donald Khoe; to the Committee on the Judiciary.

RESOLUTIONS

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT TO ACCOMPANY H.R. 12080, THE SOCIAL SECURITY AMENDMENTS OF 1967

Mr. LONG of Louisiana, submitted an original resolution (S. Res. 184) authorizing the printing of additional copies of the Senate report to accompany H.R. 12080, the Social Security Amendments of 1967, which was considered and agreed to.

(See the above resolution printed in full when submitted by Mr. LONG of Louisiana, which appears under a separate heading.)

AUTHORITY TO PRINT THE PUBLICATION, ENTITLED "CHRONOLOGY OF THE HISTORY OF THE UNITED STATES OF AMERICA," AS A SENATE DOCUMENT

Mr. MUNDT submitted the following resolution (S. Res. 185); which was referred to the Committee on Rules and Administration:

Resolved, That the publication entitled "Chronology of the History of the United States of America," compiled by the Educational and Research Foundation of the Department of State Post No. 68, Inc., American Legion, be printed as a Senate document; and that there be printed five thousand one hundred and fifty additional copies of such document for the use of the Senate.

ADDITIONAL COSPONSORS OF BILLS

Mr. ALLOTT. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Michigan [Mr. GRIFFIN] be added as a cosponsor of the bill (S. 1611) to require annual approval by the Congress of aggregate amounts of expenditure authorizations contained in general appropriation acts.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, on behalf of the Senator from Minnesota [Mr. MONDALE] I ask unanimous consent that, at its next printing, the name of the distinguished senior Senator from Minnesota [Mr. McCARTHY] be added as a cosponsor of the bill (S. 2527) to encourage the movement of butter into domestic commercial markets.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, November 14, 1967, he presented to the President of the United States the enrolled bill (S. 1552) to amend the Highway Safety Act of 1966.

TOWARD EFFECTIVE CAREER DIPLOMACY

Mr. KUCHEL. Mr. President, there is perhaps no more critical need in America's response to the complex problems in the modern world than the maintenance of an effective organization of our diplomacy. Recently, a group of dedicated officers of the American Foreign Service serving in the Department of State, in the U.S. Information Agency, and the Agency for International Development put forth a series of principles upon which improvement of our career diplomatic establishment should be based.

They have pointed out that America vitally needs a diplomatic organization broad enough to meet all the challenges of the modern world. Their goal remains a Foreign Service of the United States—representing all our people and all our civilian national interests. This was the basic policy of the Rogers Act of 1924, which established the career Foreign Service. It was reaffirmed in the Eisenhower administration, and was clearly expressed in the recommendations of the late Christian Herter, the distinguished diplomat, in the report of his Commission to President Kennedy.

Mr. President, I ask unanimous consent that the report of the Committee on Career Principles of the American Foreign Service Association be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

[From the Foreign Service Journal, Nov. 1967]

INTERIM REPORT OF THE COMMITTEE ON CAREER PRINCIPLES

LANNON WALKER, Esquire,
Chairman of the Board of Directors,
American Foreign Service Association,
Washington, D.C.

On behalf of the Association's 1967 Career Principles Committee, I transmit to the Board of Directors a report of the main findings and tentative conclusions of the studies we have undertaken during the year.

This interim report summarizes our present thinking on general propositions and first principles. These are not specific proposals for organizational change but postulates concerning the identity and structure of a foreign affairs community organization and a personnel system that might best be suited to foreseeable needs. While some of us have reservations about one or more of them, there was a surprising Committee consensus on what the future might—and should—bring. We believe these propositions and principles deserve careful consideration within the Association.

We have found, in preparing this report, that our discussions have led us to accept most of the broad principles and many of the specific proposals which characterized, among others, the Foreign Service Act of 1946, the program of Wristonization begun in the mid-1950s, the Herter Report of 1963 and the Hays Bill of 1965. They have also led us to a better awareness of the problems of shepherding proposed changes through the executive and legislative machinery—much less of gaining their acceptance by those affected. While the membership of the Committee has been greatly enlarged this year, we believe it most important in this connection that the membership of the Association be involved as actively as may be possible in discussing the content and implications of our report.

I. THE YEAR'S AIM

As the 1967 Committee began its work, there were portents of change in the air. There were debates internal to the Foreign Service on present role and future purpose. There were stirrings elsewhere in the Executive Branch on new forms of reorganization and amalgamation. There were intimations from the Congress that the time might have come again to study the larger question of how the foreign affairs of the United States should be organized and conducted.

There were also strong views inside the Committee that the Association should be in position to make recommendations of its own in these matters or to participate in the shaping of proposals that others might advance. And there were subsequent informal indications that senior officers in the Department would welcome Association views.

So the Committee set itself a large and basic task, realizing that the product of a year's work could at best be only the end of a beginning. Two sentences from one of its earliest working papers defined its aim:

"The fundamental question to be considered is how the foreign affairs of the United States can best be organized and conducted consistent with NSAM–341 and various other directives related to the preeminent authority and responsibility of the Secretary of State. . . . [The Committee] believes that the psychological moment is at hand for a reexamination of the role of the Department of State and the Foreign Service in the over-all 'foreign affairs community' and the structure and organization of the career service or services required to carry out that role."

II. EXTERNAL ENVIRONMENT AND INTERNAL IMPLICATIONS

The Committee began its work by attempting to make some general statements about the environment in which foreign affairs might be conducted in the 1970's. The assumptions we derived are not startling. The main ones, included here, set a framework for much of what follows and helped shape many of our conclusions about first principles:

1. The central process of dealing with power and influencing the relations of states will remain. The problems will become increasingly complex and technical. Risks of nuclear proliferation, threats of rural insurgency, equations of food/population and development, decrease in psychological distance and reaction time between nations, and the impulse of a growing number of problems to require solutions which violate traditional geographic boundaries are a few of the parameters.

2. U.S. responsibilities as a world power will not substantially diminish but the exercise of its authority will be more circumscribed by domestic and international constraints.

3. There will almost certainly be a greater number of independent players abroad and a large number of agencies and institutions active in foreign affairs at home.

4. National resources available for foreign affairs will be scarce relative to demands. Claims on available resources inside our society will be more competitive.

5. Throughout the foreign affairs community, there will be requirements for wider ranges of functional competence and more advanced planning and programing tools to deal with instability in the world order, increasing scientific and technological information, and more rapid and more frequent national interactions.

6. In interagency matters, there will be more emphasis on integrated overseas programs, rapid response capabilities, and contingency planning. This emphasis will be reinforced by increasing demands upon the energies of the President and the Secretary of State and further centralization of responsibility at the Presidential level.

7. For the Department of State, new requirements will be levied for interagency leadership and coordination in the tasks of developing more orderly and lucid objectives, more rational allocations of resources, and more effective policy audits of the use of available assets.

8. Demand for sophisticated leadership in foreign affairs will grow. Supply of special skills required to deal effectively with foreign power structures will remain short.

III. A SET OF GENERAL PROPOSITIONS AND FIRST PRINCIPLES

1. *Those who do not recall the past are condemned to repeat it.* This was perhaps the basic conclusion which emerged from our review of reform movements in the U.S. foreign affairs community since the end of World War II. There were some in the Committee who drew a corollary: those who recoil from the future are likely to regress in the present.

2. *The Department of State has primary responsibility for direction and coordination of the overseas activities of the U.S. Government.* The Committee found no persuasive arguments for a sweeping reorganization of the Executive Branch. It was not impressed by the case for an omnibus Department of Foreign Affairs. It believes that the Department of State will almost certainly share foreign affairs functions in the 1970s with a growing number of agencies, institutions, and individuals—if it continues to develop the role envisioned in NSAM 341.

3. *The authority of the Secretary of State and the Chief of Mission are the central elements in foreign affairs community architecture.* Nothing in the Committee's view of the period ahead suggested that the role and function of either would or should substantially alter in the 1970s. The new vigor being given the SIG/IRG concept in Washington and the continuing validity of the Country Team concept in the field seemed to us to mark the right forward movement. But both the Secretary and the Chief of Mission will need to be supported by greater use of managerial tools, more subtle and pertinent planning mechanisms, more sophisticated techniques of coordination, greatly increased technical skills among personnel, and qualitatively different ways of handling information. A few illustrations follow.

a. *The planning function* is now both too close to, and too removed from, operations: *too close* because so much of policy is made on an *ad hoc* basis in response to emergent and volatile situations and *too removed*, because planning institutions are not sufficiently related to operational concerns. As operations must increasingly be disciplined by well-defined and communicated objectives, so the policy-making mechanisms must be related more directly to the imperatives and deadlines of operational urgencies. If the SIG/IRG structure is the crucial element in the foreign affairs decision-making system, then it may be that both the SIG and the IRG should be supported by small but skilled analytical staffs drawing on resources now available in INR, the Bureau of Economic Affairs, the Policy Planning Council and other agencies in foreign affairs.

b. *The budgetary process* is now not systematically related to national policy objectives. There is only the loosest and most inefficient mechanism for the allocation of increasingly scarce resources across a widening range of critical problems. The Committee believes that some form of program budgeting (which is not simply administrative gimcrackery) is essential to the rational conduct of foreign affairs and indispensable to the discharge of the Department of State's responsibilities under NSAM 34.

c. *Information-handling* is a much neglected area. Better coordination of policies requires as a minimum a common data base among participating agencies. The agencies in foreign affairs are already late in automating their information-handling facilities and have not yet begun to attack the related and even more fundamental problem of deciding what information is relevant to their tasks.

4. *Policy-making is a centralized function; operational control a decentralized responsibility.* In the Committee's view, these considerations strengthen the case for a programing system for foreign affairs—with the regional Assistant Secretaries as the pivotal offices for the integration of policy, programs and resources. In the field the role and the responsibility of the Chief of Mission should be extended and staffed to provide a strong link between policy planning and budget execution. The mission abroad should be expected to participate in a better definition and audit of U.S. objectives in the country to which it is accredited. In Washington, the role and function of the Office of Country Director needs new attention, substantial upgrading, and broader interagency representation—as the basic support element of the IRGs and as the primary organizational equivalent in Washington of the Country Team in the field.

5. *The foreign affairs community of the 1970s should ideally be able to satisfy most of its personnel needs by recruitment at junior levels and promotion from within but it must remain open to regulated entry from the outside at all levels.*

While the Committee is deeply committed to the concept of a career foreign service, it believes the demands of the 1970s will require increasing numbers of professional and technical personnel from outside. The Committee sees no reason to blink this fact.

The public interest in seeking and finding the best man for each job will remain for the agencies in foreign affairs the overriding consideration of any durable personnel system—whatever the competitive claims of career mobility or security. And we doubt that the Department of State can perform its indispensable functions of interagency leadership and coordination without enlisting—by TDYs, exchange tours, or regulated lateral entry—larger numbers of qualified personnel from other departments and agencies.

We think certain innovations or extensions of present practice deserve new attention. A few follow:

a. An increasing use of professionals detailed from other actual or potential foreign services, such as those of the Departments of Agriculture or Treasury, seems to us to present few structural problems. We think the principle should be strengthened, however, that experts seconded to missions abroad—from whatever agency—report to the Ambassador and through him to the Secretary of State and their parent agencies. This was the solution devised by the Plowden Commission in its reform of the British foreign services, and it appears to have worked well in practice.

b. A good deal of the hostility and fear aroused by temporary appointments to a career service—and some of the abuses of the reserve category—might be avoided by more extensive use of the contracting mechanism for the employment of scarce or temporary skills. Both AID and USIA seem considerably ahead of the Department of State in this respect.

c. Not the least of the causes of what has been called "organizational ineffectiveness" has been the closed nature of the foreign services. One can argue that the value of, for example, the Rand Corporation to the United States Air Force was less the research performed than the exchange of ideas and people back and forth between the bureaucracy and a more contemplative environment. The foreign services have no Rand Corporation, have tended to be isolated from outsiders with new or unorthodox ideas, and have wished (or been obliged) to maintain a guild-like structure out of keeping with the newer methodologies in foreign affairs. Our ability to recognize and reverse this process may be more indicative of our capacities to deal with the problems of the future than anything else we might do.

6. *Present distinctions between "generalists" and "specialists" (whether functional or language and area) and between "line" and "staff" are increasingly obsolescent.* Our discussions led us to suggest that more significant distinctions might be made among those in foreign service (a) whose role is to deal directly with foreign power structures, (b) whose role is primarily to analyze and interpret those power structures, and (c) whose role is to provide staff support or technical assistance. This distinction may have relevance for a reconsideration of present recruiting techniques and the examination process. Beyond entry criteria, it cuts across existing agency boundaries and may further reinforce the arguments in favor of broadening the selection and promotion base at all levels. Our attempts to define the older terms led only to the conclusion that the best "generalist" is likely to have the depth of training and the analytical capacities that characterize the "specialist"—plus the ability to deal effectively with people and operate systematically in policy terms.

7. *The problem of senior officer over-supply has for too long been regarded too negatively.* Too much of the discussion of this question has concentrated on the construction of freer exit systems for what has been regarded as a temporary post-Wristonization phenomenon that hardened promotion arteries throughout the system. There is a good deal to be said for the encouragement of voluntary early retirement—just as there is need for an honorable and recognized career goal within technical or functional fields short of the DCM level.

But we doubt that senior congestion is short-term. We think it more likely an inherent and persisting characteristic of the 1970s. We are reluctant to conclude that a superabundance of senior officers—short of retirement age but with a foreign affairs experience upwards of 20 years—should be viewed as either a national disaster or an institutional embarrassment. These officers may in fact be an under-exploited asset of considerable importance.

We think the possibility deserves new exploration. And, just as we suggest that personnel systems in foreign affairs be more open, so we urge the wider use of senior officers on tours outside—in details to other federal, state, and local agencies; to foreign policy associations or research institutions; to universities and staff colleges. The gains to foreign service, to our public relations, and to the officers concerned seem to us worth testing.

8. *"The Foreign Service of the United States" remains the goal.* It was formulated as a first principle in the Rogers Act of 1924. It was reaffirmed in the Foreign Service Act of 1946. On both occasions it was strongly supported by the Foreign Service officer corps. It has not yet been achieved.

The Committee generally and strongly favors the type of integration which would ultimately produce—from the several principal foreign services now extant—"The Foreign Service of the United States." It considers recent proposals to bring certain AID employees under the Foreign Service Retirement Plan and to establish a career service for the USIA steps in the right direction. It believes the three principal foreign services should move more rapidly and energetically to eliminate superficial and artificial distinctions among the *de facto* career services and to achieve the longer term goal of effective integration of the foreign services of the Department of State, AID and USIA.

To the Committee, the case for this finding rests on (a) reducing the more obvious inefficiencies, inequalities, and frictions inherent in the present separation of career personnel systems; (b) broadening the career base from which senior officers—and those at other levels—can be selected for program direction responsibilities; and (c) making the foreign services a more flexible and dynamic instrument at the disposal of the President and the Secretary of State.

In reinstating "The Foreign Service of the United States" as the ultimate goal, it is important that the Committee's concept of integration be understood. We *do not propose* a single service without distinctions between kinds of skills or levels of responsibility. We *do believe* that the public interest requires a foreign service separate from a civil service. The Foreign Service's distinguishing elements—rank-in-man, operational effectiveness abroad, and world-wide availability will be no less indispensable to the pursuit of national purpose in the 1970s. We *also* believe, however:

a. that at given levels of skill or responsibility there are more similarities than differences across the boundaries of agencies which operate overseas;

b. that the extent of "commonality" should be thoroughly explored; and

c. that a start should now be made by establishing common standards of recruitment, promotion, and assignment for comparable levels of skill and responsibility.

In its own discussions the Committee has referred to these concepts as "commonality" within the foreign services. We consider there are now practical limits to the process of integration, but we believe that the elements of commonality should be pressed as far as they can logically be carried. We have no doubt that the personal and intellectual standards of the Foreign Service officer corps will make this process easier to accomplish. We believe that officers of comparable ability and background in the other services can help us take these further steps in the transition to "The Foreign Service of the United States."

IV. CONCLUSIONS AND RECOMMENDATIONS

Almost a Foreign Service generation ago, those who had entered the Service before World War II were confronted with something akin to the present Service crisis of identity, role, and purpose in a rapidly changing external environment. That period of ferment and creativity inside the administration led to the formulation of many of the concepts of the Foreign Service Act of 1946. Today the problems if not entirely dissimilar, involve, in much greater degree, not the Foreign Service alone but the foreign affairs community.

In summarizing its work to date, the Committee hopes that it has rescued from the past a number of ideas which have relevance for the future—and may have formulated a few suggestions of its own for more effective planning, coordination, and budgeting in the foreign affairs process at home and abroad.

We believe that the case for sweeping reorganization of the foreign affairs community is less persuasive than getting on with the significant improvements that are possible in the present system. We think the Association can and should play an active role in considering and proposing these improvements. None have greater stake in foreseeable changes than its members, and few can make as substantial inputs to the consideration of these fundamental problems of organization.

The Committee intends shortly to present to the Board a more detailed study of the operational implications of the foreign affairs environment anticipated over the next decade. The Committee believes that it is now in position to develop its general propositions and principals into specific recommendations for the consideration of the Board and the membership of the Association on:

The uses of "commonality" for a more effective integration of the several foreign service personnel systems.

Implications in newer distinctions among foreign affairs functions for recruitment, examination, assignment and training.

Future organization of the foreign affairs community and its planning and coordination requirements.

Applications of programing techniques and information handling systems in foreign affairs.

The Committee recommends that the Board approve the general directions it has taken, direct it to continue on these lines, and indicate the priorities the Board attaches to the tasks outlined above.

William Leonhart,
Chairman.

(The following people participated in the work of the Committee during February-October 1967, although not all of those listed were still active when this report was prepared:

(William Leonhart, Chairman; Outerbridge Horsey, Vice Chairman; Richard W. Aherne; M. R. Barnebey; Adrian A. Basora; William Belton; Charles W. Bray III; Gerald S. Bushnell; Frederic L. Chapin; R. T. Curran (USIA); Curtis Cutter; Morris Draper; Robert Duemling; John E. Harr; Norris Haselton (Ret.); Thomas J. Hirschfeld; William E. Knight; Charles Nelson (AID); W. Haven North (AID); Mary Olmstead; Hewson Ryan (USIA); William Sherman; Richard L. Sneider; Peter Tarnoff; Sheldon Vance; Carol Westenhoefer; Frank S. Wile; Larry Williamson.)

HOW TO LEARN TO LOVE THE SONIC BOOM

Mr. PROXMIRE. Mr. President, Arthur Hoppe has a superb sense of humor, and when he turns his wit, as he did in a recent column, on the dubious merits of that marvelous addition to everyday life in the 20th century, the sonic boom, the effect can be devastating.

Life in the supersonic age, which will break over us in full fury when the Anglo-French Concorde and our own Boeing SST's begin flying sometime within the next decade, will be, as Hoppe puts it, "an exciting, booming sort of life with hardly a dull, quiet moment. And all of us holed up in our foam-lined, windowless, concrete, 20th century, pillboxes will take comfort from knowing that we are helping a few of our more fortunate fellow citizens save 180 minutes in getting from coast to coast."

I commend Mr. Hoppe's column, which appeared in the Evening Star, to the attention of other Senators and ask unanimous consent that it be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Your Friend, the Sonic Boom

(By Arthur Hoppe)

Ah, progress. The government's spending billions to build the Boeing SST so that tomorrow's jet setters can be whisked from coast to coast in a couple of hours—plus another six or seven to get to and from the airport at each end.

But thanks to brilliant research, incredible technological advances and this huge outpouring of money, the sleek new airliner promises to be perfect in every respect—every respect, that is, but one:

Every time it flies overhead it leaves in its wake a 50-mile-wide swath of broken crockery, shattered plaster and fist-waving home owners.

But with $28 billion in sales at stake, the government and Boeing are naturally determined to lick this sonic boom problem. And they're going to lick it in the modern, progressive way:

They're going to make us like it.

The opening salvos in the "Love Your Sonic Boom" campaign may be discerned in Business Week magazine.

It notes in passing a Boeing brochure that calls the sonic boom "a 20th century sound" and quotes a company official as being confident that "the overwhelming majority" of people could learn to live with it.

This opening skirmish over, we can now look forward to a series of full page ads stressing the economic importance of the SST and headed, perhaps, "Boom or Bust!"

These will point out in a gentle way that the SST brings as much money into the community as, say, a freeway through your back yard. And they will warn, of course, against "government interference with our cherished free enterprise system" except through subsidies.

The ground prepared, the campaign will turn to the positive approach. "Tired of that same old crockery pattern? Sick of old-fashioned plaster walls? Weary of polishing that plate glass window? A happy surprise is coming your way!"

This will be followed by a hard-hitting attack on peace and quiet, pointing out that silence drives strong men mad. "Wake up," the ads will say, "to the 20th Century Sound!" several times nightly.

In no time at all, home owners will be eagerly looking forward to the 20th Century sound.

"Close the steel shutters, dear, while I strap baby in her high chair," says Mrs. Home Owner happily, "the 5:18 from Newark's due." And after it's passed, she gets to rearrange the furniture. To back where it was.

So it will be an exciting, booming sort of life with hardly a dull, quiet moment. And all of us holed up in our foam-lined, windowless, concrete, 20th century pill boxes will take comfort from knowing that we are helping a few of our more fortunate fellow citizens save 180 minutes in getting from coast to coast.

Of course, some cynics will say that the great American public, no matter how extensively manipulated and brain washed, will never buy the patently irrational concept that sonic booms are something we have to learn to live with.

Nonsense. If we can learn to live with the war in Vietnam, we can learn to live with anything.

UNITED STATES-BRAZIL MARITIME RELATIONS

Mr. LONG of Louisiana. Mr. President, there has come to the attention of the Committee on Finance, of which I have the honor to be chairman, a most disturbing development in our commercial relations with Brazil. For some years, our friendly neighbor to the south has evinced a desire to participate to a larger extent in the transportation of its own foreign commerce—primarily the exportation of coffee. This is an aspiration with which we do not quarrel—all nations are entitled to take all legitimate steps to develop their maritime services. The U.S. Government itself is at this moment in the throes of reexamining its maritime policies with a view to the further development of our own merchant fleet. I am pleased to note that Chairman Magnuson of the Senate Commerce Committee and Chairman Garmatz of the House Merchant Marine and Fisheries Committee both introduced legislation on Thursday, November 9, to expand and modernize America's shrinking merchant marine. This is a necessary step, long overdue.

Brazil, however, is undertaking to accomplish by governmental fiat what it has not been able to accomplish by fair negotiation with the other maritime fleets of other nations.

A few days ago, two American-flag lines were presented with what was purported to be a proposal by the Brazilian lines. In fact, however, our lines were presented with a fait accompli—an agreement between Brazilian lines and Scandinavian and European cross-traders, which had already been approved by the Merchant Marine Commission of Brazil. The American-flag lines were informed that this agreement was final. Under this viciously discriminatory agreement, entered into by Brazil without consultation with the American-flag lines—in fact, without the latter even permitted to be present—the traditional coffee trade of the American-flag lines, particularly to the gulf ports, would be reduced to absurdly low levels. Moreover, to add insult to injury, the Scandinavian/European lines would be guaranteed a participation in government-sponsored cargoes from this country to Brazil. This is a flagrant violation of U.S. law. Now, the American-flag lines are being subjected to the equally distasteful alternatives of accepting the agreement or facing exclusion by Brazilian law from Brazilian commerce with the United States if they refuse.

I am advised that, much to their credit, the American-flag lines, joined by the Argentine line and the Uruguayan line, rejected the discrimination sought to be imposed upon them by the Brazilian agreement.

Everyone now is expecting the ax to

fall—waiting for the Brazilian Government authorities to carry out their threat to exclude American-flag lines from participating in the commerce between Brazil and the United States.

Mr. President, this is not a new problem. On January 27, 1965, during hearings before the Committee on Finance on the International Coffee Agreement, the then chairman, the late and distinguished Senator Harry Flood Byrd, questioned Under Secretary of State George Ball, about the Brazilian Government refusal to allow American coffee importers to choose how their coffee would be transported to this country. The Brazilian Government required that their coffee be shipped mostly on slow, poorly ventilated Brazilian boats, with the end result that the coffee not only arrived late in this country but also suffered damage in the process. The U.S. coffee importers preferred to ship their coffee on U.S. vessels.

Mr. Ball said:

> Mr. Chairman, this is a matter which has caused us concern. There is no doubt that the Brazilian Government has attempted to secure for its national flag a very large part of the Brazil-United States coffee trade, and that this has had, because of the inadequacies of some of the transport provided, some of the effects that you suggest. This is a matter which our Embassy in Brazil has taken up with the Brazilian Government . . . We have pressed for a minimum of interference by governments with the right of shippers or consignees of cargoes to select their cargoes.

The chairman of our Finance Committee—the late Senator Byrd at that time—pressed Mr. Ball to resolve this issue with the Brazilians, and Mr. Ball promised he would do just that.

Well, apparently our diplomacy did not get the message across, for here we are, some 2½ years later, again threatened by discriminatory action by a country into which we have poured $3.4 billion in direct foreign aid, and to which we continue to give indirect foreign aid through artificially supporting the price for Brazilian coffee.

Mr. President, this is absurd. As soon as the Congress of the United States attempts to do something for our own people and industries, a hue and cry goes up that we are becoming protectionists, isolationists, and every other taboo in the dictionary of international diplomacy. But when another country, which may be subsidized by the American taxpayer—and, in the case of coffee, by the American consumer—acts to promote its national interests at our expense, we seem to turn the other cheek.

This Senator, for one, is not going to turn his cheek. If the Brazilians insist on discriminating against our shipping industry, then I can see no reason why we should enter into any more coffee agreements with them in order to subsidize their economy. In fact, I do not see why we should give hundreds of millions of dollars in foreign aid to any country which refuses to treat us with respect and reciprocity.

Mr. President, I want to advise the Senate of this situation. I consider it so serious that unless it is cured promptly, I shall urge that the Committee on Finance, and the Senate, reexamine the participation of this country in the International Coffee Agreement. I shall also call for a reexamination of the policy under which we refrain from imposing import duties on Brazilian coffee. We are, I believe, the only Nation in the world which does not impose such duties, and we are Brazil's largest and best customer. We should also reexamine our laws and policies with respect to permitting Brazil's merchant marine to participate in the transportation of goods financed by this country. Finally, if U.S.-flag lines are excluded from Brazilian trade, I will seek a reexamination of our entire aid program as it relates to Brazil.

I do not want to do these things. Brazil long has been considered one of our good friends, and our dealings with Brazil have been on that basis, but the action now threatened by its maritime authorities is not the act of a good friend. If they persist, this country should undertake a complete reexamination and reevaluation of our relations with that country.

In addition to such reexamination and reevaluation, there are already in the laws of the United States a number of provisions for counteraction which we should consider invoking. In particular, section 19 of the Shipping Act of 1920, requires that the Federal Maritime Commission take appropriate action in the event of foreign discrimination against American-flag shipping. In addition, section 338 of the Tariff Act of 1930, directs the President to—

> Specify and declare new or additional duties * * * upon articles wholly or in part the growth or product of, or imported in a vessel of, any foreign country which discriminates against the commerce of the United States directly or indirectly, by law or administrative regulation or practice . . .

I am privileged to serve on the two Senate committees whose jurisdiction oversees the operation of these acts. In the event that the present situation is not cured promptly—I shall insist that appropriate agencies of this country take quick and effective action to implement those provisions of our law. I understand that the Maritime Administration and other concerned agencies are watching this Brazilian situation closely and are in complete agreement with the position of the U.S.-flag lines on this discriminatory agreement which the Brazilians are trying to impose upon them.

For its part, the Congress should stand ready to undertake the necessarily more deliberate reconsideration and reevaluation of the position of this country in its relationship to our friends of the south.

I sincerely hope we can further our economic cooperation with our neighbors to the south and I trust our good Brazilian friends will not jeopardize our hopes and plans by taking action contrary to the interest of our U.S.-flag shipping or other foreign trade interests of this country.

Mr. President, some years ago one of the states of Brazil undertook to nationalize the holdings of the International Telephone & Telegraph Co. in Brazil. At that time I said if that was how that government was going to conduct itself I was going to insist on an amendment to the Foreign Aid Act which would provide that countries could not receive our foreign aid if they were taking American investments and nationalizing them, or taking them in any other form, without providing proper compensation for those investments. I am happy to be able to say that I was successful in getting that proposal agreed to.

That proposal provided that we would cut off aid without the discretion on the part of the President to continue and if the President found it to be in the national interest to give the aid to countries confiscating American investments. Subsequently the amendment was elaborated on by the Senator from Iowa [Mr. HICKENLOOPER] and it bacame known as the Hickenlooper amendment.

I believe that I made the original breakthrough for the principal that under no circumstances should this country continue to aid countries which were confiscating American investments. We turned the State Department down on what, up to that time, had been a completely ineffectual arrangement. For instance, when voting in the United Nations those countries would put pressure on our President to continue aid, even though they were confiscating American investments. We said that Congress would not permit such a result to continue. We added a similar provision to the Sugar Act, which I proposed as a conferee, in the conference between the Senate and the House of Representatives. We found that when countries thought about the cost to them to confiscate U.S. investments, they found it so much to their disadvantage that they were forced to discontinue the practice.

Mr. President, in this case this is the height of discrimination against Americans who have gone out of their way to help Brazil. Imagine this. We sponsor coffee agreements that make it necessary for U.S. consumers to pay more for coffee. We passed the bill knowing that it would mean that American consumers would have to pay more for Brazilian coffee, and what thanks do we get?

The Brazilians say that American ships cannot haul that coffee even though we pay a premium price for it. They would discriminate against us in favor of their merchant marine. I do not criticize them for that. They go beyond that and discriminate against the U.S. shippers and in favor of Europeans. It is my position that we should call a halt to this situation unless it is straightened out.

Heretofore we have had to pass laws telling all nations that we were not going to permit them to discriminate against us and at the same time receive our aid, and we have made all nations respect it because of some mischief going on in Brazil several years ago. If other nations want to play the game that way again, we are prepared to proceed again. We are prepared in Congress to show that we can protect American interests with laws that leave the President no discretion when people are treating Americans unfairly. If the worst comes to the worst, we will do so again.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. LAUSCHE. Mr. President, I subscribe substantially to what the Senator from Louisiana has said. However, I wish to ask the Senator, What about our country compelling the hauling in American ships of American military and food products under Public Law 480, in the amount of 50 percent of the shipment of food and 100 percent in the case of the military? Can Brazil say to us that she is doing nothing more than we are doing when we say that 50 percent of all food disposed of under Public Law 480 must be carried in American ships? I should like to have the Senator's reaction to that requirement.

Mr. LONG of Louisiana. Brazil is doing that sort of thing already with respect to its merchant marine, and I do not complain about that. If Brazil wants to haul coffee in Brazilian bottoms, she has the power to insist on carrying their share. But why should Brazil discriminate in favor of the Scandinavians and Europeans in connection with commerce between the United States and Brazil?

It seems to me that we are entitled to be treated equally and fairly with all other customers, especially since we are the ones who have been helping Brazil in many ways that other countries have not.

Mr. LAUSCHE. I have always doubted the wisdom and propriety of making compulsory the hauling in American ships of 50 percent in the aggregate of the food we sell. The result is that the cost is raised 25 cents a bushel. This hinders our competitive position in the world.

The PRESIDING OFFICER (Mr. Spong in the chair). The time of the Senator has expired.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that I may proceed for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. This Nation requires that 50 percent of the food we are giving away be hauled in American bottoms. Brazil is making that sort of requirement in regard to food for which we are paying dollars and for which we are willing to pay in gold if necessary. I am not complaining about that. That is in their power. Brazil has the right to build up her merchant marine, as we have the right to build up our merchant marine.

Mr. LAUSCHE. The Senator is correct.

Mr. LONG of Louisiana. What I complain about is that Brazil further discriminates against American trade by saying that we are forbidden to haul coffee at all unless we agree to arrangements which discriminate drastically and unfairly against American shipping and in favor of European shipping in hauling the remainder.

Mr. LAUSCHE. I thank the Senator.

ADDRESS BY SENATOR KUCHEL BEFORE THE 69TH ANNUAL CONFERENCE OF LEAGUE OF CALIFORNIA CITIES

Mr. KUCHEL. Mr. President, I was honored to speak before the 69th Annual Conference of the League of California Cities, held at the Hilton Hotel, San Francisco, Calif., on October 16, 1967.

I ask unanimous consent that a portion of my remarks on that occasion be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

California's Cities and the Future of America

(Partial text of remarks by U.S. Senator Thomas H. Kuchel)

I am deeply honored to come before the 69th Annual Conference of the California League of Cities and to have this opportunity to discuss with you one of the major isues of our time—the future of urban civilization in America. You are all far more expert in the problems of the city than I. You each can speak from deep experience in meeting the rapidly growing and changing problems that beset our society. I come before you, therefore, with a simple theme, which I believe must be a guide through difficult days which lie ahead. From the American experience, indeed, from the California experience, we can draw the inspiration to preserve the freedom, peace and prosperity, which we cherish in our society.

Today, there are some in our world who doubt the presence of any inspiration, or our capacity to preserve our system. Last summer whole sections of our largest cities were devastated by civil disorder and destruction reminiscent of the war-torn wastes of Europe 20 years ago. Newark, Detroit, even a model city like New Haven, witnessed nightmares of hostility. Years of patient, devoted labor toward neighborhood improvement and racial understanding vanished in an instant, as the arsonist's torch was applied. In some respects, our country, 100 years after a bloody struggle to end human slavery, seems today little farther down the road to true social harmony than we were before the War Between the States began.

These events, taken together, are unprecedented in our history. They are more agonizing because they come at a time of increasing concern over our involvement in Southeast Asia. Some half a million Americans are committed, and some two billion dollars a month are spent in the task of saving the people of South Viet Nam from domination by Communist totalitarianism. This commitment gives force to a policy which the large majority of Americans support—the common defense of free nations against those who would subjugate them and destroy their independence.

The cost of our effort in Viet Nam is far higher than the sum of the present Federal effort in meeting the problems of our cities. This large overseas expenditure has come under particular criticism from those chiefly concerned with urban problems. Many civic leaders in our nation regard the issue as primarily a financial matter. My friend, Mayor Lindsay, for example, has called for $50 billion to meet the needs of New York.

I do not dispute that, from whatever source, substantial sums of money are vitally needed if we are going to cure urban ills. But I believe strongly that the solution to the problem of the cities depends more on the method of our attack than on the simple mustering of our national resources through the Federal Government.

There is much we do not know about the causes of urban blight. The state of the art is not far advanced—at least not so far that the cure can be found in billions of dollars of hasty Federal spending. Indeed, we might not be able to use wisely the vast sums now committed to freedom in Southeast Asia, even if they were immediately available to spend in addition to our present programs.

The "money tree" is not the simple answer. I am also particularly opposed to the "crash project" approach. Some of my colleagues have sought to apply the shopworn policies of make-work projects to areas where civil disorders have erupted. There is no question that expanded employment opportunity is vital. But it must be achieved as part of a well-ordered plan to provide training and long-term job possibilities. In this year's legislation for the Poverty Program, I seriously questioned the wisdom of an emergency $2.8 billion job-creating program. Instead, I supported a Republican counterproposal to set up job training programs and to ensure the immediate and necessary cooperation of free, competitive enterprise. This was, in my view, the more carefully considered proposal. My view remains the same.

We are still learning. Our approach to urban problems will have to be based on limited experience with the urban crisis and on common sense. Ongoing programs must be viewed patiently. The costs of the Job Corps are particularly high. There are many who believe it should be abolished. I disagree with them, and last month I voted against its abolition. At this stage of its growth, the cost of abandoning this program, for all its faults, would mean the loss of valuable experience and the squandering of millions of dollars in start-up invetsment only now accruing to the public benefit. We cannot afford, out of any misplaced partisan zeal, to throw away what we have gained.

There is no doubt that we have a crisis in our cities. Timely action is needed. We must meet the challenge, as Americans have always done, with the common sense bequeathed from our national experience. Programs, like Model Cities and Rent Supplements, which were the products of considerable research and careful examination in both the Executive and Legislative Branches, were, as you know, widely endorsed by Congress this year. We must not panic. Neither must we fail to appreciate the full range of the threat that is upon us.

Our first need is knowledge. We don't know enough about the problem, or rather the vast range of problems, which beset our cities. We must disenthrall ourselves of old myths. We must understand the forces at work in our society.

Migration—the mass movement of millions of Americans from rural to urban areas, from south to north, from east to west—is often cited as the cause for all urban ills. It is easy to assume that urban blight results from a flow of uneducated, low-income minorities coming from rural to urban areas.

But what everyone "knows" may not be true. Recent studies indicate that today's migration is largely from city to city. Today's migrant evokes a far different image than the rustic stereotype of yesteryear. Migrants tend now to rank higher in education and occupational status than those on hand to meet them. Once in the city, these migrants may be less likely to be criminals or delinquents.

Evidence uncovered by the McCone Commission on the Los Angeles riots reveals that Watts was not set aflame by country folk who had not learned how to behave in a city, or whose hopes for the Promised Land were suddenly disappointed. Over half of the juveniles arrested during that riot had been born in California; over three-fourths had been there for over five years.

The centers of our largest cities have always had high crime rates, no matter who may have lived there. There can be cruel forces within an urban community that generate conditions conducive to criminality. Living in an impersonalized, formally controlled urban society means regulation of conduct by distant symbols of authority.

When this anonymity is combined with poverty, dilapidation, ignorance, unemployment, broken homes, overcrowding and a thousand other assorted social and economic ills, a man's frustration may well explode in contempt for society and all its rules for order. In the midst of the rubble of Newark and Detroit, crime cannot alone be explained by "migration," or even by "over-population." It has its cause deep in the human spirit, in an urge to flaunt the established order.

California has had long experience with the problem of receiving and settling new residents. Indeed, our State has for many years been the annual host to hundreds of thousands of new arrivals. We know at first hand both the problems, and the benefits, of this movement of people.

The record of local government in California has been exceptionally good. I have remained in close touch with the staff of your League who have been of the greatest assistance to me on many occasions. In the national Congress, much of the educational, welfare and health policies practiced in California are taken as models for the rest of the nation.

But we cannot pretend that we are entirely immune. The urban ills which dramatically erupted in the older cities of the East last summer have afflicted us here in the West, as well. The plight of the impoverished family at city center is a compound of many problems. Perhaps, most important, is unemployment. But the opportunity to put men and women to work runs up against inadequate educational possibilities, racial prejudice, limited public transport to and from work sites and countless other problems. The man at city center is also more affected by the modern plagues of air pollution and neighborhood decay.

Man is the cause of these problems; he is also the victim. The more people, the greater the problems, and the more unbearable the consequences. It is a vicious circle and the man at city center finds no place to begin. When he seeks self-improvement, where does he turn. Which problem must he answer first? More important, who will help him find the solution?

The urgent issues of the cities throw into striking perspective a growing challenge to our American political system. Ours is a government of shared responsibility—of balance between government at all levels. A headlong rush to turn the problem of the cities over to the Federal Government might completely destroy this valuable mechanism which has been an effective guarantee of public initiative and human freedom. The increasing centralization of power in Washington would be greatly accelerated, if Federal agencies were to move into each one of your cities and counties to hamstring your efforts with guidelines, directives and reports.

This is to say nothing of the proper role of state government. Under our Constitution, those powers not delegated to Washington belong to the several states. Yet, a growing and direct Federal involvement in urban affairs leaves little latitude for state activity. This may not be a tragedy in states which have failed to keep up with modern times. But where initiative has been taken at the state level, it must not be discouraged. The history of California has been the enactment of some of the most advanced legislation in our nation. California has demonstrated what effective state government can do.

The very urgency of the urban crisis in our nation invites a solution on a national basis. But we must all be well aware of the pitfalls of this approach. America must not, and she need not, sacrifice her cherished system of checks and balances.

An important aspect in this effort to save our cities is the fast multiplying impact of modern technology. It can be either an adversary or an ally, depending on how we choose to use it. The problems of modern life derive in part from the striking contrast between the skills demanded by advanced society and the limited educational opportunity to acquire them. They derive, too, from the ability of affluent men and women to learn by television and radio of the troubles of society—and, all too often, to seek to avoid them by remaining aloof.

The advance of technology is leaving behind the culturally deprived members of our society at an ever-increasing rate. That is not all. Modern science is continuing to place in human hands new and frightening secrets of nature and, perhaps, regrettably, some powers over them. And science is not about to stop unlocking other doors. My friend, Joshua Lederberg, Stanford's Nobel Prize-winning geneticist, has told me that in a few short years science may provide a formula to double the size of the human brain. The power to produce a race of supermen would then ultimately be in our grasp. Some will seek to improve the race and others will try to dominate it. Science's threat to give man the awesome power to produce a race of subhumans to act, perhaps, as beasts of burden, is a frightening possibility for tomorrow.

What of the political problems these potentials bring? Will society have the ability to decide rightly what must be done? Can it make this decision unless there remains room for give and take, for initiative, original thinking and free competitive enterprise?

A highly centralized bureaucracy would not provide such freedom. The issue is not one of socialism versus democracy as a matter of economics, but of the right to rational choice. Thus, we must force the imp back into the bottle. We must put technology to work to create a genuine equality of opportunity that will allow free society to endure through the years of challenge ahead.

An effective attack on the urban crisis in America will require leadership, imagination, daring, and civic-mindedness from all of its citizens. It will also require a little compassion. Every problem we face is man-caused. And only man can find the answers. Dedicated participation by each of us is indispensable. A total effort is required from our society.

One key to progress is to put technology and modern knowledge to work in a way that will maintain free choice in our society and preserve the concept of balanced government. Most important in this effort is the assurance of a sound system of revenue sources for local government. This would mean an effective counter to the continued call for overwhelming Federal involvements in local problems. There are a number of ways in which each state can retain its autonomy and produce needed revenue. I have opposed the concept of sharing Federal income taxes with the states. It would simply insure a high level of Federal taxation as a gigantic engine of redistributing our natural wealth, with some states, like our own, unfairly treated by imperfect yardsticks.

As a former State Controller of California, I have long believed that the best revenue system is a sharing of the tax base rather than the revenues themselves. Traditional state revenue sources, such as inheritance taxes, were taken over by the Federal Government during World War I on what was then called "a temporary" basis. That was a half century ago. The ground so seized has not been returned. I believe it would be far wiser to look to this and other sources from which the states and local entities may generate their own income to deal with the problems of urban America. This would give local and state government a stronger voice, backed up by the muscle to make that voice count.

Constitutional balance must also be maintained. There is an important role for state government as a monitor of Federal activity. I have long supported the right of governors to veto projects under the Poverty Program. Only the governor can be effectively aware of statewide conditions; this is particularly so when, as is often the case in social issues, significant matters of local policy are involved.

But the most important, and most hopeful access of approach is the application of modern technology as our ally, rather than our adversary. The job is to reverse the social thrust of technical advance, to make it bring people together rather than widening the chasm between the affluent and the deprived. California ranks first in the nation, and in the world, as a center for scientific research and development activity. Our space, aeronautics, high-energy physics and defense activities are producing a growing number of new industrial applications of the knowledge they have gained. This industrial spin-off can be used not only in the creation of new jobs, but in the application of such technical know-how in meeting urban problems in the field of transportation, pollution elimination, and housing.

Here in this banquet hall are the men and women who can help to see that a successful start is made putting that knowledge to the task of solving our problems. We must find the applications which will give the man at city center, with his vicious circle of unending problems, a way out. New industry provides new hope, and new locations for new people.

It is fully within the capability of civic organizations and local governments to take an inventory of the skills and knowledge and other resources available in their communities which can be brought together to provide a receptive host to new industries which are created by our technological advance. We need not only an inventory of what can be done; we must also know what help is vital and what is not. I speak here about the possibility of establishing new businesses with the inventiveness and the investment of free competitive enterprise. These new activities can become the source, not only of new jobs, but of a new kind of knowledge and new payrolls for your community.

We have a great challenge here in California to show that modern America has within it the capacity to solve the modern urban dilemma. California will inevitably be in the van. We have the unique and priceless opportunity to make productive use of the world's largest research and development complex.

And, for the first time, Congress and the nation are beginning to recognize the importance of employing the vast resources of private enterprise in meeting the problems of our cities. This country represents to most of our 200 million people a fulfillment of man's desire to stand on his own. There is no reason to doubt that free initiative can be put to the task.

Last year, I introduced a bill to permit and encourage Federal Housing Administration mortgage insurance in riot areas. Using Watts as an example, lending agencies were afraid to make loans for home purchases. Riot areas were understandably considered a high risk for mortgage insurance.

It was a difficult task to get this legislation through the Congress and, more important, to get FHA to implement it. Today, almost one year from the date of enactment, hundreds of applications are being taken from riot areas under this proposal. Some of our nation's largest insurance companies recently banded together to commit $1 billion to finance housing in urban poverty areas—something they could not have done without this legislation and the encouragement provided by FHA mortgage insurance. This shows, it seems to me, that free competitive enterprise can and will participate in meeting the urban crisis.

The main job, however, rests with the ability of local leaders to bring together the men and women of vision—to make every citizen aware of the value of his participation in this urgent endeavor. The ideas of man will never succeed without the dedicated participation of each of us, the kind that is indispensable to free enterprise and balanced government, the kind upon which our republic and our nation were founded.

The task before us requires a total effort in our society. People have chosen too long to ignore the growing problems of urban America. They have left the bulk of the work to a handful of dedicated community leaders. Given the support it deserves, local government, together with free enterprise, can be relied on to take the lead.

If you will meet this crisis effectively; if you will maintain balance in our system of government; if you will keep from making the cities a Federal problem, you, the leaders of urban California and urban America, must take the lead. The Federal Government, I am confident, will willingly follow. The challenge is yours. It can be met when citizens join together in their communities in firm resolve. This total effort is the only way in which this new and existing challenge can be met without sacrificing the very fabric of American society in our time.

ADDRESS BY SENATOR KUCHEL BEFORE TROJAN BARRISTERS IN LOS ANGELES, CALIF.

Mr. KUCHEL. Mr. President, I had the honor of speaking before the Trojan Barristers in the Ambassador Hotel, Los Angeles, Calif., on October 24, 1967.

I ask unanimous consent to have a partial text of my comments on that occasion printed in the RECORD.

There being no objection, the partial text was ordered to be printed in the RECORD, as follows:

PROTECTING OUR LAW SOCIETY

(Partial text of remarks by U.S. Senator THOMAS H. KUCHEL before the Trojan Barristers, Los Angeles, Calif., October 24, 1967)

I am most honored and deeply grateful for having been selected as the recipient of the Albert Lee Stephens Achievement Award. The late Judge Stephens was a great and good man who possessed in the highest degree the judicial qualities of honesty, wisdom, courtesy and learning. He was dedicated to the principle of equal justice under law. His long life of great service to the legal profession and to his fellow man serves as an inspiration to each of us sworn to uphold and defend that law.

I am most proud, therefore, to be here with you tonight as a servant of the people, as a lawyer and as an alumnus of the same Law School that produced Judge Stephens. These ceremonies are in the memory of what Judge Stephens so magnificently accomplished during his long and fruitful life, and which remains a high and illustrious beacon by which the rest of us seek to be guided along the way. That path is a path of equal dignity and equal opportunity for all our fellow Americans, and of equal justice under law.

Tonight, I am also pleased to be able to spend a few moments with you, my fellow alumni of the University of Southern California Law School. It was in 1935, some 32 years ago, that I received that small bit of parchment which declared me to be a Bachelor of Laws, which I add parenthetically, I am trading in for a J.D. degree.

I hold Southern California in the highest esteem, and, surely, I am proud of her Law School, one of the finest in our country. And my respect for the law and our system of justice forever will be that of a lawyer. It is an education which has served me well in seeking to understand the issues facing our nation and, beyond that, in seeking to understand the human race. Above all, my legal background has helped to prod me, as I am sure it has all of you, towards a keener insight into the real meaning of justice and, hopefully, to a better appreciation for the real value and importance of order and of law in any human society.

Today, we live in that instant of time when it can be said that never before have 200 million people enjoyed so many material things, however imperfect their distribution. But the multiplication of consumer wealth is subordinate to our greatest accomplishment—the fashioning of the law society. This open democratic republic of ours is man's highest achievement in this extremely complicated business of living together, not only for what it has already accomplished, but, more important, because it affords the greatest opportunity of any human group for orderly change and for the realization of man's self-renewing aspirations.

Our goals are set forth in the Declaration of Independence and buttressed by the Constitution. Our tri-partite system, with its built-in checks and balances, permits the continuation of Western civilization's most spirited and, sometimes, most inspiring dialogue. It makes possible the opportunity continuously to approximate, through our legislative and judicial systems, our moral and spiritual goals.

The law society is both the pinnacle of man's struggle to date and the foundation for his future hope. As attorneys, we recognize that there is an obligation to that law society; an obligation not only for the lawyer but for the citizen. Abraham Lincoln stated it plainly in these passionate words:

> "Let every American, every lover of liberty, every well-wisher to his prosperity, swear by the blood of the Revolution, never to violate in the least particular, the laws of the country . . . Let every man remember that to violate the law is to trample on the blood of his father and to tear the character of his own and his children's liberty . . ."

No society founded on law and order can give its citizens the "right" to break the law. There can be no law to which obedience is optional, no command to which the state can attach an "if you don't mind" clause. Today, alas, the very fabric of our American society is being challenged by some who contend that violence is the path to equal rights, and that civil disorder is the key to true justice. These people openly flaunt our laws with the cry for "freedom," and yet true freedom, as we all know, is founded not in a contempt of, but in a respect for, law and order.

No one denies that there are no easy solutions for man's inhumanity to his fellow man. Justice Frankfurter once declared: "Only those lacking responsible humility will have a confident solution to problems as intractable as the frictions attributable to differences of color, race, or religion.

Violence is not new to our society. It has been too often a way of life throughout mankind's history. Whole continents have been involved in riot, rebellion, revolution and bloodshed. Human rights problems exist in Asia, in the Middle East and in Africa. A large part of the world lives behind the iron and bamboo curtains of tyranny.

But a history of violence is no basis for the sanction of terror in the streets of Newark, Detroit or Watts. Retaliation is not justified by bitterness of past disillusionment. No individual or group, at any time, for any reason, has a right to exact self-determined retribution. All too often, retaliation injures the innocent at random and provokes counter-retaliation against those equally innocent. Our imperfections do not justify tearing down the structures which have given us our progress. The only means by which a lasting solution will come is by an abiding faith in and a respect for our free and open law society.

Concepts such as "freedom now" are an illusion. The desire for self-expression can be satisfied only in an atmosphere of freedom, and only by fully recognizing the rights of others, for freedom, as Justice Holmes so clearly emphasized, is no an absolute. It exists only within the confines of the necessary restraining measures of society. I wish it were possible to have the ideals of justice and freedom in all their perfect form at this moment. But the cry for immediacy is the cry for impossibility. What is possible is to continue patiently to build the structures which permit the development of fuller justice in a human society governed by the rule of law. The question here is not whether "Justice delayed is justice denied" but rather "How can real justice be achieved without unjustly trampling on the rights of others?" The fact that particular reforms have not been achieved at all or only in part does not justify rejecting the orderly procedures of our society, for if you do reject them, anarchy is taking over.

The demand for equality cannot be converted into a fight for superiority. We must be for equality under the rule of law. We can only be for freedom under law, not for freedom against the law. To ask, "Is justice more important than order?" is to deal in a non sequitur. Order is the sine qua non of our constitutional system and justice itself.

There can be no justification for violent disobedience under our constitutional system. But what of the concept of nonviolent disobedience? This is equally incompatible with the American legal system and society, which more than any other provides a means for orderly change. I cannot accept the right to disobey when the law is not static, and when increasingly effective channels for orderly change are increasingly available. Where there is a wrong, it is pretty evident in our society now, there is a remedy. The law is not only a guardian of freedom, but the affirmative agent for freedom.

Our thinking here should not be restricted to the area of civil rights. Consider the person who feels he has the right to interfere with the launching of a Polaris submarine, who demands the right to sail into an area restricted for military testing; who thinks he has the right to close down the Pentagon or an Army Induction Center. Every constitutional right must be circumscribed by the rule of reason.

Civil disobedience is an ad hoc device at best, and ad hoc measures in a law society are dangerous. It is at best deplorable and at worst destructive.

The legal profession teaches us that our grievances, whatever they might be, must be settled in the courts, and not in the streets. Man-made law, with all its weaknesses, can be changed and improved by well-organized and well-directed persuasion and orderly process, better to assure fulfillment of the human needs and spiritual aspirations of all men—not only within nations but also among nations in the still woefully lawless areas of the globe we all inhabit. The comparatively peaceful, orderly transformation of the law of our own society during the last half century demonstrates that a law-abiding, orderly society may overcome ills and make progress for its people.

As lawyers, we live in the shadow of men like Judge Albert Lee Stephens; men dedicated to upholding the law. It is our duty to insist on the integrity of the means. We cannot settle for lip service to legality nor can we be "sometime" lawyers. We must renew our understanding, and improve our articulation of the basic issue of freedom under law. And some day, in God's good time, that noble human concept Americans cherish will be the guideline for the human race.

PRESIDENT JOHNSON WOULD DO WELL TO SEEK AND LISTEN TO ADVICE OF EMINENT AND DISTINGUISHED RETIRED GENERALS

Mr. YOUNG of Ohio. Mr. President, Gen. Lauris Norstad, retired Supreme Commander of the North Atlantic Treaty Organization, and a famed fighting general in World War II, has joined other extremely knowledgeable and qualified generals who have expressed views on our involvement in the civil war in Vietnam which are directly contrary to those of the Joint Chiefs of Staff. I refer, as three of many, to Lt. Gen. James Gavin, former Chief of U.S. Army Plans and Operations, a famed combat paratrooper, and former Ambassador to France; to Gen. Matthew B. Ridgway, former Army Chief of Staff and commander of our forces in the Korean war; and to Gen. David M. Shoup, former Commandant of the Marine Corps.

General Norstad has urged that President Johnson give serious consideration to an immediate and complete unilateral cease-fire if necessary to help bring our Vietnam involvement to the negotiating table.

He recommended unconditional cessation of U.S. bombing of North Vietnam. He termed the loss of so many thousands of Americans as horrifying, and he questioned the results accomplished by bombing North Vietnam as being worth the loss of pilots and airmen killed and missing in action and the destruction of many hundreds of the finest bombing planes any nation has ever sent into combat.

The general added that while all such courses involved elements of military risk, he considered there was a fair promise that if his recommendations were followed they would lead to the peace table. General Norstad emphasized that any risk seemed at this juncture worth taking and, as there was fair prospect that this course of disengagement would lead to the peace table where all wars ended, he believed that Hanoi officials might then consider it profitable to come to the peace table instead of fighting on for years.

The general added in an interview:

> I tried to support the President. I find myself supporting him but not uncritically. The singlemost important objective must be to unite the people of the United States in a sense of national purpose with a recognition of our obligations as a leader of the free world with a willingness to meet these obligations with faith in our ability to achieve them.

General Norstad added his approval not only of the unconditional cessation of bombing of North Vietnam but also his approval of a cessation of all military action or offensives by U.S. forces as experimental courses our Nation should undertake and without delay.

> I urge that my ideas be molded into a clear, positive, direct plan of action—

The general said—

> without which there can only be dissension at home and distrust abroad.

At about the same time, Gen. David M. Shoup again expressed his outspoken opposition to the American ground and air war President Johnson has been waging in Vietnam. More than a year ago he said:

> In my judgment, the whole of Southeast Asia as related to the present and future safety and freedom of the American people is not worth the life of a single American.

General Shoup has also stated:

> The danger attributed to world communism has been vastly overrated.

As befits a fighting general, he stated loudly and clearly that if the United States would only keep its "bloody dollar-crooked fingers" out of the business of policing these nations "so full of depressed, exploited people" we will arrive at a solution to our own problems more quickly.

Lt. Gen. James M. Gavin maintains that the reasons given for U.S. intervention in Vietnam are too shallow and narrow. He expressed his fear that no matter how carefully and slowly the military escalation proceeds, President Johnson by his policies may be projecting us toward catastrophe. The general expressed the fear voiced recently by Gen. Matthew B. Ridgway that the course we are on might well lead to our direct confrontation with Communist China and then bring on world war III with all its devastation and death.

General Gavin and General Norstad hold firmly to the view that instead of destroying North Vietnam and bombing its bridges, dams, and railroads right up to the Chinese border, it would be far better for the peace of Asia and the world were North Vietnam to remain as a nationalist Communist country, independent, as it has been, of Communist China. These generals state that North Vietnam as an independent nationalist Communist nation, the same as Yugoslavia in Europe, would be independent of Communist China the same as Yugoslavia is independent of the Soviet Union. Yugoslavia is in no sense a Soviet satellite.

We should preserve instead of destroy an independent nation that could be and would be a barrier against any Chinese aggression in Southeast Asia, was the view expressed by those eminent generals.

Mr. President, if President Johnson and his White House advisers seek the advice of military leaders, then it should be balanced advice, and they should also give careful consideration to the views of knowledgeable retired generals who served their country wisely and well over the years.

Mr. President, every effort must be made to counteract the pressures of those generals and admirals including in particular present members of the Joint Chiefs of Staff, who strive to override the decisions of their civilian superiors. Let us hope that President Johnson will soon announce an unconditional cessation of our bombing of North Vietnam and take meaningful steps toward obtaining a cease-fire and an armistice.

Whatever risk is involved—and of course, there is a risk involved—it is worth taking in order that we may bring an end to this unconscionable war in which President Johnson has involved us. From the 685 military advisers who were in Vietnam at the time President Eisenhower left the White House, and the comparatively few thousand military advisers who were in Vietnam at the time our late great President Kennedy was assassinated, President Johnson has now committed to combat, in a little country 10,000 miles distant from our shores of no strategic or economic value to the defense of the United States, more than 500,000 of the finest ground troops that this Nation has ever had. In addition, he has committed to that war more than one-third of the entire fleet of the United States and more than 40 percent of the tremendous airpower of our country.

He has committed all those forces without a declaration of war from the Congress, and he and the Joint Chiefs of Staff are waging this war in spite of the arguments of the generals that I have cited.

He has unwisely involved our Nation in the most unpopular war in which the United States has ever engaged and, with the sole exception of the Revolutionary War, the longest war in which we have ever been involved. It is becoming, in terms of the loss of priceless and precious lives of American youngsters, the most devastating war in which we have been involved, unfortunately, since our own War Between the States.

The PRESIDING OFFICER. Is there further morning business?

SOCIAL SECURITY AMENDMENTS OF 1967—REPORT OF A COMMITTEE—AUTHORIZATION FOR PRINTING OF MINORITY VIEWS (S. REPT. NO. 744)

Mr. LONG of Louisiana. Mr. President, on behalf of the Committee on Finance, I report favorably, with amendments, H.R. 12080, the Social Security Amendments of 1967. I file the report of the majority with regard to that bill and ask unanimous consent that the minority of the committee be permitted to file minority views for inclusion in this report by midnight tonight, Tuesday, November 14, 1967.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar; and, without objection, the request of the Senator from Louisiana is agreed to.

PRINTING OF 1,800 ADDITIONAL COPIES OF REPORT TO ACCOMPANY H.R. 12080

Mr. LONG of Louisiana. Mr. President, as the Chair and other Senators will note, this is a voluminous bill and there is a rather voluminous report. There will be a great number of requests for copies of the committee report. I believe it will be necessary to print additional copies.

I, therefore, send a resolution to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated.

The assistant legislative clerk read the resolution (S. Res. 184) as follows:

S. RES. 184

Resolved, That there be printed for the use of the Senate Committee on Finance one thousand eight hundred additional copies of its report to accompany H.R. 12080, An Act to amend the Social Security Act to provide an increase in benefits under the old-age survivors and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution was considered and agreed to.

AN EDITORIAL

Mr. LONG of Louisiana. Mr. President, there appeared in the Washington Post of this morning, Tuesday, November 14, an editorial commending the Finance Committee of the Senate for its action with regard to the social security measure which I have reported.

I ask unanimous consent that the editorial be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOUND A CHEER

The Senate Finance Committee rates a cheer, not so much for what it accomplished in reporting out a Social Security bill, but for avoiding a pitfall. At one point the Committee embraced the strategy of resolving the dispute over the income-tax surcharge by the backdoor route. It tentatively voted a sharp payroll tax increase, effective on January 1, 1968, which would have increased the surplus in the Social Security fund by more than $5 billion in 1968. But the members beat a wise and hasty retreat when it was protested that their method of reducing the Federal cash deficit would place the principal burden on those in the lowest income brackets.

The Senate Finance Committee's bill contains few surprises. As was anticipated, the majority went beyond the House in increasing benefits and the maximum wage and salary income that would be subject to taxation. It wisely rejected the House freeze on the number of recipients under the aid-to-dependent-children program and raised the funds voted by the House for birth control counseling. But no progress was made in grappling with such fundamental issues as how much revenue should be raised through taxes on labor, which fall heavily on the young and the poor, and how much should be raised by general taxation. Fresh thinking about Social Security, one of the largest and fastest growing of the Federal programs, will be the task of another Congress.

The PRESIDING OFFICER. Is there further morning business?

Mr. LONG of Louisiana. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LAUSCHE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

REIMBURSEMENT FOR AMERICAN FISHERMEN SUFFERING LOSSES FROM FISHING IN INTERNATIONAL WATERS

Mr. LAUSCHE. Mr. President, last Friday, November 10, the Committee on Commerce reported to the Senate a bill that will require the U.S. Government to reimburse private commercial fishermen of the United States who are allegedly fishing in international waters. The claim is made that Peru and Ecuador have been seizing American tuna fishermen who are fishing outside the 12-mile zone. These fishermen have argued for the last decade that whenever their ships are seized or their owners fined, the United States should reimburse the fishermen for their losses. The losses ordinarily result from a confiscation of the cargo of fish, delay in the use of the ship, and imposition of the fine.

Peru and Ecuador have said that the waters in which the fish have been taken are the waters of those nations.

The American fishermen have taken the position that they have not been fishing in the waters of Peru or Ecuador, but in international waters.

The thought was conceived that the U.S. Government should pay the fishermen for the losses which they sustain. The Committee on Commerce has adopted the view of the fishermen. If the Senate approves the proposal, it means that we shall have entered a new field of subsidy. The principle will have been established that whenever government fails to protect an individual in his rights, the government shall reimburse him for the losses sustained.

To illustrate what that principle means, I point out that we can expect that, some day in the future, a bill will be introduced to provide that the U.S. Government shall indemnify citizens who have suffered losses through riots.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LAUSCHE. I ask unanimous consent that I may have 3 more minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Second, if the U.S. Government is to indemnify the fishermen who have suffered losses, why should not a call be made upon all governments to indemnify citizens who have suffered because of theft, robbery, rape, or otherwise? The answer would have to be "Yes" on the basis of the principle established.

The bill will probably be passed by the Senate on the basis that the amount involved is inconsequential. But if the principle is established, Mr. President, we can expect that within the next half or full decade, bills will be introduced in the Senate saying, in effect, "You have failed to protect my rights. I was robbed. I was damaged by a riot; therefore, the Government shall reimburse me for my losses."

The fishermen argue that the U.S. Government should fire at the vessels that seize them, and add, "Since you are unwilling to fire at them, you should reimburse us for the losses which we sustained."

I invite the attention of Senators to this new principle, because I think it portends serious problems. We cannot undertake to say, "The Government will guarantee you against all loss." For how could we undertake to tell, for example, the victims of riots, "We will pay you for all the losses that you sustain"? Furthermore, if we tell the fishermen that they will be paid, will it not induce foreign governments to seize with even greater alacrity the ships that are allegedly outside their waters?

I am finding opposing views on the bill, not because I feel antagonistic to the tuna fishermen but because the precedent which will be established will mean a further unlimited burden upon the taxpayers, who cannot bear their present burden because of its weight.

SENATOR SPONG REACHES HUNDREDTH HOUR AS PRESIDING OFFICER

Mr. BYRD of West Virginia. Mr. President, as our great poet Longfellow said:

> The heights by great men reached and kept,
> Were not attained by sudden flight,
> But they, while their companions slept,
> Were toiling upward in the night.

Longfellow also said:

> Learn to labor and to wait.

As Milton put it:

> They also serve who only stand and wait.

The scriptures remind us:

> Seest thou a man diligent in his business? he shall stand before kings.

Mr. President, the distinguished young Senator from Virginia [Mr. SPONG], who presently presides over the Senate, has learned to labor and to wait. While he has waited, he has also served. And he has been toiling upward through the night. He has been diligent in his business, and, at approximately this hour, 15 minutes before 1 o'clock today, he has presided over the Senate for a total of 100 hours during the first session of the 90th Congress.

He has presided in a most efficient and gracious manner. He has been alert to those who seek the attention of the Chair. He has preserved order in a most effective way. He has been an excellent presiding officer. His fellow Senators respect him. I thought it sufficiently deserving of the attention of the Senate that I should mention the fact that the junior Senator from Virginia [Mr. SPONG] has attained this fine record in presiding over the Senate.

Mr. President, we need good presiding officers in this body. I am sometimes disturbed at the impression which our deliberations may give to the observing public, as they sit in the galleries. Sometimes we are perhaps a bit careless of order in the Senate. I salute this good presiding officer. I think we Senators ought to encourage those of our colleagues who preside in such an efficient way as does the Senator from Virginia [Mr. SPONG]; therefore, I congratulate him. I want him to know that his excellent service is not going unnoticed by other Senators. He is doing a good job, and the people of the great State of Virginia have every right to be proud.

The PRESIDING OFFICER. The Chair thanks the Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

(The VICE PRESIDENT assumed the chair at this point.)

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

APPOINTMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. The Chair appoints the Senator from Alaska [Mr. Bartlett] to attend the dedication of the Mangla Dam, West Pakistan, November 23, 1967.

PRESIDENT JOHNSON AND PRIME MINISTER SATO OF JAPAN REAFFIRM THEIR COMMITMENT TO ASIAN FREEDOM, PEACE, AND DEVELOPMENT

Mr. INOUYE. Mr. President, the freedom, peace, and development of Asia received new support today with the meeting of President Johnson and Japan's Prime Minister Sato at the White House.

The United States and Japan are stanch allies today—and not only in areas of commerce.

Both our nations share deep commitments to the economic and democratic political development of the new struggling nations of Asia and Southeast Asia.

Both our countries are prime movers and contributors to the historic Asian Development Bank.

Both our countries believe that we are in Vietnam because we believe in stability, not war; freedom, not tyranny; peace, not anarchy.

Japan and the United States have built a 20th century alliance founded on respect, strength, and common interests.

Each year members of our two respective Cabinets exchange visits.

American and Japanese travel to and from each land in growing numbers.

Trade and commerce between us has grown to a very significant level.

Therefore, the mutual discussions of President Johnson and Prime Minister Sato cannot help bringing our two nations closer together.

American foreign policy—the Johnson foreign policy—has been successful in relationship to Japan. That success will increase and multiply as a result of friendly visits of the kind taking place at this moment in the White House.

I ask unanimous consent to have printed in the Record the exchange of remarks between President Johnson and Prime Minister Sato of Japan as they met on the White House lawn this morning.

There being no objection, the exchange of remarks was ordered to be printed in the Record, as follows:

Exchange of Remarks Between the President and Prime Minister Eisaku Sato of Japan, the South Lawn

The President. Mr. Prime Minister and Mrs. Sato, Mr. Secretary of State, Distinguished Ladies and Gentlemen:

Mr. Prime Minister, Mrs. Johnson and I are delighted to be able to welcome you here today to the garden of the White House to express to you our great pleasure that you have been able to come and visit with us. We appreciate very much the cooperation that has been extended by your government and your people to our country, and the very close manner in which we have worked together for the last several years.

We have great pride in the fact that our Cabinet has paid periodic visits to your country and they have always been received with a very warm welcome. They feel that the visits have been quite productive.

The channels between us have always been open. The dialogue has been continuous. We, I think, both recognize the very great responsibilities that our governments have to the people of Asia. We have joined together in a good many enterprises for this general betterment.

I think the objectives of the American people and the Japanese people are very much the same.

First of all, we want peace in all the world, and particularly in that troubled part of the world where we do not have it now.

We want education for our children, health for our people, a small amount of recreation that can make us enjoy the good things of life, and by working closely together, we have moved in that direction.

You have been playing a major role in the new regional organizations in that part of the world that we think will bring Asia forward. We have reference particularly to the Asia Development Bank. We have great hopes for that enterprise.

We meet this morning as the spokesmen for two quite powerful nations in the world, but I hope two very responsible nations.

I believe that our destinies are very closely linked together by geography, by national interests, and by humanitarian concern.

We are glad we have good weather for you. We trust that it will last during our discussions.

We believe those discussions have much to recommend. We hope they will be productive. We know this: that we will certainly profit from your observations concerning your views of your own country in that part of the world in matters of mutual interests.

We hope you enjoy your stay here. We want it to be a happy one.

Prime Minister Sato. Mr. President, Mrs. Johnson, Mr. Secretary of State, distinguished guests, ladies and gentlemen.

I recall it was just three years ago that you greeted us most warmly here at the White House. I have come again to Washington, this time with my wife. We are most grateful for the cordial welcome you have accorded us today.

As on my previous visit I have come again to your country representing the government and people of Japan, an ally closely bound by ties of friendship with the United States.

I look forward to having frank talks with you, Mr. President, on matters of common concern with our two countries.

I wish to express my deep respect to you, Mr. President, for the great efforts being made by the United States under your able leadership to bring peace and stability to the world, particularly in Asia at this moment.

The basic purposes of our foreign policy are the safeguarding of freedom and a dedication to peace.

There have been many developments in Asia since my previous visit there three years ago. Some have been desirable and encouraging while others have been causing deep concern.

But I am firmly convinced that as long as we face these changes with wisdom and courage, with the common objective of safeguarding freedom and peace, the road to stability and prosperity in Asia will be opened before us.

The need for cooperation between our two countries based on mutual trust and understanding has never been greater than it is today for the future of Asia and indeed for the entire world. Therefore, Mr. President, I look forward to frank discussions with you on problems between our two countries with the view to seeking an adjustment and expansion of our basic national interests.

It will not be our two countries alone, but all of Asia I am sure, who will benefit from close relations of mutual trust between Japan and the United States.

Thank you.

PRESIDENTS LYNDON BAINES JOHNSON AND GUSTAVO DIAZ ORDAZ RECEIVE GREAT OVATIONS IN EL PASO, TEX., AND CIUDAD JUAREZ, MEXICO, AS THEY PUT THE FINISHING TOUCHES ON HISTORIC EL CHAMIZAL TREATY

Mr. YARBOROUGH. Mr. President, President Johnson and Mexican President Gustavo Diaz Ordaz received a tremendous and overwhelmingly affectionate reception on Saturday, October 28, 1967, from residents of both sides of the Mexican-American border at El Paso and Juarez during ceremonies attendant upon the final ratification and exchange of territory under terms of a treaty settling the century-old Chamizal boundary dispute.

More than half a million people, nearer 600,000, lined the streets of El Paso and Juarez to greet the two Presidents.

The outpouring of affection for both men was well deserved, for the peaceful settlement of this ancient disagreement marked—as an airport banner welcoming the two Presidents put it—"a moral victory for democracy."

As President Johnson said:

> Too many times the world has seen disputed boundaries changed through force. *El Chamizal* stands as a shining example of how such matters should be settled.

The Chamizal settlement demonstrates in President Johnson's words, "what two nations, working together, can accomplish." This victory for democracy symbolizes the patient statesmanship of Presidents Kennedy and Lopez Mateos and Presidents Johnson and Diaz Ordaz. I join the 100,000 Mexican and United States citizens who witnessed this historic ceremony at the El Chamizal Monument in Juarez and the half million or more who crowded both border cities of El Paso and Juarez in extending a hearty "Viva" to them both.

On invitation of the President of the United States, several Members of the Congress accompanied President and Mrs. Johnson and Mexican President and Mrs. Diaz Ordaz from Washington to El Paso on Air Force One on October 28. Accompanying the President were Senate Majority Leader Mike Mansfield and Mrs. Mansfield; Senator Wayne Morse, chairman of the Subcommittee on American Republics Affairs of the Committee on Foreign Relations, and Mrs. Morse; Senator Bourke Hickenlooper, ranking minority member of the Committee on Foreign Relations, and Mrs. Hickenlooper; New Mexico Senator

CLINTON ANDERSON and Mrs. Anderson; New Mexico Senator JOSEPH MONTOYA and Mrs. Montoya; and Mrs. Yarborough and I. Also with us were a number of Members of the House of Representatives from several States; Mexican Foreign Minister Antonio Carrillo Flores and Mrs. Carrillo Flores; Mexican Ambassador to the United States Hugo B. Margain and Mrs. Margain; and the following members of the Mexican President's family:

Mr. and Mrs. Salim Nasta, son-in-law and daughter of President and Mrs. Diaz Ordaz; Mr. Gustavo Diaz Ordaz Borja, a son of the Mexican First Family, and another son, Mr. Alfredo Diaz Ordaz Borja.

Mr. Thomas C. Mann, formerly our Ambassador to Mexico, and Raymond Telles, chairman of the U.S. section of the United States-Mexican Border Development and Friendship Commission, also were on board.

We arrived at El Paso International Airport at 10:45 a.m., El Paso time, and were given a rousing greeting. An impressive assembly of local, State, and Federal officials formed a welcoming committee for the two Presidents prior to the motorcade into downtowns El Paso and Juarez.

Thousands of persons lined the motorcade route to welcome this distinguished group, and 15 bands serenaded them along the way. When we arrived at the Sante Fe Bridge, which is located in the oldest section of the two cities, the two Presidents and their ladies were escorted to the side of the bridge for a view of the area, commemorating this historic settlement, and the formerly disputed territory itself, and the raising of the national flags of the United States and Mexico at the line marking the newly settled border.

From the bridge, the Presidential motorcade continued into the bustling city of Juarez, the largest city in Mexico on the border of the United States, as the twin city of El Paso is the largest American city on the Mexican border. We moved slowly through hundreds of thousands of cheering Mexicans in downtown Juarez and drove to the Chamizal Monument site where the formal transfer ceremony took place.

Because we were on Mexican soil, the privilege of introducing our President was accorded to Mexican Foreign Minister Carrillo Flores, who was Mexico's Ambassador to the United States in 1962, when the talks which led to the Chamizal settlement began. After President Johnson delivered his address, Minister Carrillo Flores introduced President Diaz Ordaz. Both Presidents spoke in their own national languages, with rapid translations.

After their speeches the Presidents descended from the podium together to sign a proclamation formally transferring 437 acres of land previously claimed by the United States, to the Republic of Mexico, and certain other acreage to the United States.

The party then returned to cars and motored to the Cordova Island Bridge, closest of the international bridges to the Chamizal site. There, at 1:40 p.m., the two Presidents and First Ladies walked to the center of the bridge and cut the ribbon to open the bridge to traffic between the two nations. The area around the bridge has been transformed into an international exposition area, and there President Johnson raised the American flag, and President Diaz Ordaz raised the Mexican flag, marking the newly adjusted international boundary, as the national anthems of both nations were played, climaxing the ceremony.

I ask unanimous consent to have printed in the RECORD the text of the very appropriate speech made by President Johnson, an English translation by the Library of Congress of the remarks made by President Diaz Ordaz, and with them the text of the declaration signed by the two Presidents.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

REMARKS OF PRESIDENT LYNDON B. JOHNSON AT THE CHAMIZAL MONUMENT, JUAREZ, MEXICO, OCTOBER 28, 1967

Mr. President, distinguished guests, ladies and gentlemen:

For almost a century the word "Chamizal" stood for dispute and disagreement between the United States and Mexico.

Even 13 years ago when I introduced a resolution in the United States Senate calling for a commission that could help us settle the question of the Chamizal, there seemed no way to bring the best efforts of both countries to bear in resolving it. My resolution got no further than the committee to which it was referred. The Chamizal remained in dispute.

Yet in the last four years, it has become—for both our peoples—an inspiring symbol of friendship and mutual respect. An old argument has ended. More importantly, a lasting bond has been forged between our two countries. This is a very proud achievement.

Let this monument, and this place, stand as testimony to the world of what two nations, working together, can accomplish.

Too many times the world has seen disputed boundaries changed through force. El Chamizal stands as a shining example of how such matters should be settled.

For the last half century, each President of the United States has faced the moral issue of America's commitment to the Chamizal Convention of 1910. In that treaty, we agreed that the decision of the arbitral commission "shall be final and conclusive upon both governments, and without appeal."

I do not propose to review all the legal history that has transpired since then. But I do want to say that I am very proud that the plain language of the Convention of 1910 has become a reality today.

On other occasions I have said that it is important to the peace of the world that both our friends and our enemies believe that we in the United States mean what we say. Here in El Chamizal we have honored our pledged word. And we will continue to honor all of our commitments.

The great Mexican patriot, Benito Juarez, said: "Respect for the rights of others is peace." That principle is the foundation stone of our hemispheric relations.

A generation ago, fascism threatened that principle. Today it is another doctrine. We see it at work in the subversion and concealed aggression in Bolivia, Venezuela, and other countries. The challenge has confronted the American States with hard choices. And we know that the American States must stand together if we are to assure that the weak are protected, that might does not make right, that our peoples are to have the privilege of democratic choice.

Our concern and our commitments are not always easy to uphold. But we cannot abandon them simply because the price is high or the going is rough.

If Abraham Lincoln had done so, the United States, as we know it today, would not exist.

If Benito Juarez had done so, Mexico would not be Mexico.

But we have been true to our principles. Though we have followed our separate stars, we meet here today as two neighbors strong and prosperous, at peace with one another.

This is the final act of a long drama. It is a fulfillment possible only to those who respect the rights of others, and so insure their own.

That is the real message of El Chamizal.

It has been our great privilege, and has brought us great happiness, in these last few days, to receive the very able President of Mexico and his gracious First lady in our country.

All the people they have seen they have made friends of.

President Diaz Ordaz is not only a leader of Mexico—a leader of this hemisphere—but he is a leader of the world, and the works that he has done are being known throughout all of the countries of the world.

More people eat more food because of the enlightened policies of the Government of Mexico under the leadership of the President of Mexico.

On your farms, in your laboratories, you are producing a wheat that is being copied in many nations of the world.

It is a great privilege and occasion of great happiness to me and Mrs. Johnson to be able to come here today and take part in this ceremony on behalf of the United States. We think we have no better friends in the world than the Mexican people, and we know that we are their friends.

Long live the friendship of Mexico and the United States.

ADDRESS OF HON. GUSTAVO DIAZ ORDAZ, PRESIDENT OF THE REPUBLIC OF MEXICO, DELIVERED DURING THE FINAL TRANSFER OF THE CHAMIZAL ON OCTOBER 28, 1967.

Mr. President of the United States of America, Distinguished Mrs. Johnson, Mr. President of the Hon. Congress of the Union, Mr. President of the Hon. Supreme Court of the Union, Distinguished Guests, Countrymen:

Don Benito Juarez ordered the first claim to be made for the land in the Chamizal which the Rio Grande had separated from the Fatherland. He was always present when there was cause to defend anything belonging to Mexico.

Almost half a century passed without any solution being reached to redeem this land through diplomatic channels. The Governments of Mexico and of the United States then decided to submit the matter for arbitration; it was thus resolved that Mexico was entitled to eminent domain over that part of the Chamizal which, in 1864, was south of the line in the middle of the river-bed.

On June 30, 1962, President Adolfo Lopez Mateos of Mexico submitted to President John F. Kennedy of the United States the matter of the Chamizal, and both gave instructions for a complete solution to the problem.

The recommendations formulated by the Ministry of Foreign Relations of Mexico and the Department of State of the United States were approved on July 18, 1963, by both Presidents, and on August 29th of the same year the Treaty was signed.

It fell to you, Mr. President Lyndon B. Johnson, aided by your collaborators, Dean Rusk, Secretary of State, and Thomas C. Mann, then United States Ambassador to Mexico, and with the able support of Senator Yarborough, Senator from the State of Texas, to seek the approval of the Senate of the United States which made possible the ratification by you of such treaty, and to join, very near to this site, with President Lopez Mateos on September 25, 1964, in a ceremony symbolizing the transfer of the land.

Ten years ago an event took place which you, Mr. President, have just mentioned: The intervention of the then Senator Johnson in the Senate of your country, proposing that an amicable solution be reached in the Chamizal dispute.

Today, as the representative of the people of Mexico, I have the honor of ending more than a century of history upon the restitution to us of this piece of land.

More than one hundred years were necessary before a just solution to the claim initiated by Don Benito Juarez could be reached. To him, our most profound respect. To President Lopez Mateos, to President John F. Kennedy and to President Johnson, I publicly recognize that they conjugated their loyalty to their respective people with their love of justice.

The new river-bed of the Rio Grande follows the boundary accepted by President Lopez Mateos, in the Chamizal as well as on Cordova Island, as the international boundary between Mexico and the United States.

Mr. President Johnson and I had agreed when we met in Punta del Este to invite President Lopez Mateos to accompany us to this ceremony, and it is an act of just recognition for the illustrious Mexican whose fate did not permit him to accompany us today that his name be forever linked to the happy solution of the ancient controversy.

I am deeply gratified to announce that our friend, President Johnson, without hesitation approved the suggestion which I permitted myself to make to him to name the new river-bed "Adolfo Lopez Mateos."

I have just recognized in this distinguished gathering, the then Minister of Foreign Relations of Mexico, and now Senator of the Republic, Don Manuel Tello, and I also remember Don Jose Gorostize who was Minister of the same Secretariat during the various stages of the agreements which were reached in order to arrive at this solution, during the regime of President Lopez Mateos.

In the names of these two illustrious Mexicans, I include all of those who contributed their efforts, their intelligence and their good will in order to arrive at the solution.

Today's action is an example of what can be accomplished when reason, good will and the sincere desire to preserve friendship between the people of both Nations prevails. This is not an isolated case of understanding but a long process of common effort which has made it possible for our relations to continue to improve. We are two countries with a tremendous common boundary; our relations each day become more extensive and complex, and for this reason it is encouraging to note that bitterness has disappeared, bitterness which in other eras obstructed the road to understanding and friendly relations.

Mexico and the United States know that they can discuss their problems frankly and calmly in order to arrive at a solution which is equitable and just, and that truth does not offend anyone but that it is an indispensable prerequisite for arriving at just solutions, then they know, too, that all international conflicts, regardless of their magnitude, can also be resolved whenever the opposing parties can sit down at a conference table to reasonably discuss the problem.

The past should not be considered to be ballast, but to be a rich experience which should be repeated and be a living warning of what must not happen again.

The Chamizal, ancient symbol of dispute, is now an expression of understanding, depicting the triumph of right, reason and justice, and I do not believe that I err in believing that it can attain universal significance.

This same river, the root of the dispute which lasted more than a century, presented a dramatic occasion during these days, which demonstrated the solidarity between two neighboring peoples. For when the spirit of friendship is alive, not only can the most difficult judicial problems be resolved, but they can also jointly oppose adversity.

You, Mr. President, in order to combat the attack of the elements of nature, immediately proposed, in a noble and cordial gesture, that we make a joint effort to oppose our common danger, and we accepted it in a spirit of sincere friendship. We devised a joint plan for relief, men from both countries forming one physical army, and without weapons of war, won an important battle for peace.

In Washington, I expressed to you our thanks in the name of the people and of the Government of Mexico, for the cooperation given us, consisting of ten American helicopters along the border, and five in the State of Guerrero; on other occasions we have pointed out how the extensive border which unites our two countries can serve as an example of peaceful co-existence because there is no need for soldiers to guard it. Now, in the presence of the cyclone(s) and the floods which injured the people on both sides of the Rio Grande, soldiers of both countries went into action, and they did so in conjunction with the civil authorities, to save those who were isolated, to save lives, to relieve pain, to deliver food and clothing, to prevent further material losses, to calm anguish and to dissipate the fear of thousands and thousands of Mexicans and Americans.

Poor and rich, laborers and farmers, doctors, engineers, lawyers, bankers, workers, soldiers, sailors; in fact, men from all walks of life, mutually helped each other; help also came in a helicopter flying the stars and stripes, as well as from one which flew the Mexican tricolor, and from airplanes from both countries whose owners risked their own lives in order to try to save their fellowmen.

Nationality was not of prime importance, but what was important were human beings; thousands of Mexicans found refuge in the neighboring country, while thousands of Americans found refuge in our country; they received a food package with a label in English or one from CONASUPO, and were attended to by a civilian doctor or by another whose jacket bore the insignia of the Marines or of the Army of either of our two countries.

This was, in the midst of tragedy and anguish, a glorious reality, a promising hope, an example of what should and can be an authentic and united friendship.

I must repeat to you our appreciation, especially on this soil which always belonged to Mexico, and which, after more than one hundred years of absence, now returns to its Native land, as an expression of justice, as a symbol of the vigor of the principles which must reign forever over international coexistence.

Mr. President, the profound and noble significance of the Act which we are performing should set a precedent which should oblige us to invariably maintain the same strong will which led our countries to the solution of this dispute. If, in such a delicate matter as this a solution could be reached, acceptable to both nations, there is no reason whatsoever why other problems can not be resolved in a just and friendly manner.

Whenever our nations are confronted with any difficulty which might appear to be insurmountable, I hope that they remember the Chamizal Dispute. I am sure that as soon as the protective shadow of Juarez is invoked, it will revive the spirit which inspired Lopez Mateos, Kennedy and Johnson to point the way to understanding, friendship, justice and mutual respect.

Upon making restitution to us of this Mexican territory, I accept it in the name of my people, all of whom are present here in spirit, opening their arms to jubilantly receive this small parcel of our land which returns to its Nativeland after having been torn away from us for more than a century; henceforth our fates will be joined together, its future residents will live with us in hours of happiness as well as of anguish, and their efforts shall join those of their countrymen in the noble and interminable task of glorifying Mexico.

Justice does not humble those who bow to it, it is he who respects Justice who raises himself by honoring it. Justice does not stop as does inequity; Justice unites, and today, October 28, 1967, we are all contemplating an example of how Justice unites men.

Moreover, we have seen that our peoples wish to be friends, if the leaders of our two great Nations do not understand the profound feeling of the will of the people and disturb it, we have not only opposed the interests of another country, we have also injured the legitimate desires of our own people.

Let us this day, Mr. President Johnson, make the solemn promise that all of the leaders of our two countries shall attend to the desires of the people of both of our Nations and assist so that they shall always be friends in Justice, Equality and mutual respect.

I have just given expression to my thoughts of this ceremony which shall become historical because of its contents and its symbolism, and I now wish to fulfill another mission: To inform my people in three words, that we have been received cordially, affectionately, effusively, and respectfully in the Capitol of the United States.

That the President of the Republic, as well as Mrs. Johnson, the President of the Senate, the Speaker of the House of Representatives, Members of Congress, the Chief Justice of the Supreme Court of the United States, the chauffeur, the elevator operator, the helpers, everyone expressed cordiality to those of us who so modestly represented our country.

In the name of the people and of the Government of Mexico, President Johnson and Mrs. Johnson, I give you on this native land on which you have now set foot, the cordial of welcomes, hoping that reciprocal visits will be repeated always when there is a necessity for nourishing the spirit of understanding between our people or for resolving with justice some of our mutual problems.

This piece of land shall always be your home.

Declaration of the Presidents of the United States and the United Mexican States

At 12:01 this morning, the boundary between the United States and Mexico changed at El Paso and Ciudad Juarez. In accordance with the Convention of August 29, 1963, the area known as El Chamizal has been returned to the jurisdiction of Mexico.

We thus lay to rest a century-old dispute. Reason, understanding, and good will have achieved a settlement of which both our peoples can be proud. This victory has been achieved while protecting our respective national interests, and assuring equity and justice for those whose lives and property were affected.

The monument which the people of Mexico have already erected on this site will stand forever as a symbol of good will between our two nations—and as a sign to the world of what men can accomplish when they approach their differences in a spirit of compromise and mutual respect.

From this great monument, we see the

pass carved through the sierra by the Rio Grande. We recall the explorers who marched through this gateway and we look ahead to the progress and prosperity which the Chamizal Settlement will bring to future generations in these sister communities.

A relocated Rio Grande means a new boundary; a new boundary means new bridges linking our two countries. Today we dedicate three such bridges.

Mindful of the history of El Paso and Ciudad Juarez, we name the bridge closest to the Sierra the "Paso del Norte Bridge." It stands as a memorial to those who pioneered this area.

The bridge to the east joining our two countries, we name the "Bridge of the Americas". It is a reminder that the cities stand upon a major route of travel and commerce between the United States and Mexico.

We name the bridge rising between the two the "Good Neighbor Bridge", in commemoration of the spirit uniting our nations.

The new channel of the relocated Rio Grande running under these bridges we name the "President Adolfo Lopez Mateos channel".

May these links between our two countries, like the Chamizal itself, stand as testimony to the world of how good neighbors conduct their affairs.

Done at Ciudad Juarez, in duplicate, in the English and Spanish languages, this twenty-eighth day of October, 1967.

For the Government of the United States of America:

LYNDON B. JOHNSON.

For the Government of the United Mexican States:

GUSTAVO DIAZ-ORDAZ.

THE PRESIDENT SALUTES THE U.S. COAST GUARD ON VETERANS DAY

Mr. BYRD of Virginia. Mr. President, on Veterans Day, 1967, President Lyndon B. Johnson made a remarkable cross-country journey which took him to Virginia and to the Coast Guard station at Yorktown.

The President was undoubtedly tired after a 5,000-mile journey yet he had come to Virginia to praise and thank the men and women of our National Coast Guard for their service, their dedication, and their efficiency.

He described Coast Guardsmen in war and peace as "the watchmen of our shores" and "among the first to answer the call of battle."

But he praised them, too, for their works of peace, explaining how every U.S. Coast Guard ship in Vietnam donates medical help, schoolbooks and other materials to the areas which they patrol.

Mr. President, the U.S. Coast Guard—and the Armed Forces of which it is a part—is the best patrol force ever put into the water by the United States.

As President Johnson said throughout his Veterans Day trip, our military is powerful, efficient, intelligent, and compassionate.

I think that is a good way to describe the United States as a whole, as well as its men and women in uniform in Vietnam and throughout the world.

I am pleased the President came to Virginia and I salute the proud men of the U.S. Coast Guard.

I ask unanimous consent to insert in the RECORD President Johnson's remarks at the Yorktown Coast Guard Station, Yorktown, Va.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE PRESIDENT AT YORKTOWN COAST GUARD STATION, YORKTOWN, VA., NOVEMBER 11, 1967

Secretary Hutchinson, Admiral Trimble, Congressman Downing, Admiral Smeder, Admiral Allen, Captain Kincaid, Secretary Sutton, Ladies and Gentlemen:

Yesterday morning at Fort Benning I began a journey and a tribute.

This evening at Yorktown my journey ends—but the tribute that I bring you is larger for what I have seen and for what I have experienced.

The gratitude that I bring you is greater for the miracles that I have witnessed.

I have seen a mighty and unshakable resolve. I have felt the courage and faith of six million men and women of America's Armed Services. And I have heard the echoes of honor that come from the performance of our 26 million American veterans in these United States.

Both these are not really miracles. They are the clay of our history. They are the fresh earth in which freedom is planted and in which liberty grows. They are the strong roots of our unbreakable faith and our unshakable purpose. These are ordinary things—as ordinary and as extraordinary as the love of freedom itself.

I have come here this evening to speak from my own heart—to tell you, to tell all of you, how much the heart of all America treasures you, your sacrifices and your service.

It is fitting, I think, that I climax my journey this evening with the Coast Guard. The American people see and the American people applaud the works of the Coast Guard.

At this very moment, more than 30 Coast Guard vessels are patrolling the shores of South Vietnam. They have already cruised over 2 million miles. They have searched more than a quarter of a million junks. They have destroyed more than 120 boats trying to smuggle arms to the enemy. They are preventing the aggressors from getting supplies and from getting reinforcements from the sea. In all of this they are contributing mightily to your Nation's fight for peace in the world.

Your achievements in Vietnam are no surprise to those who know the history of the Coast Guard. You are the watchmen of our shores. You are the guardians of our sea lanes and all of those who sail them. And you are always among the first to answer the call of battle. The first Axis ship captured by the United States in the Second World War was captured by the Coast Guard. The Coast Guard took part in every single campaign of that war.

The official mission of your service is: "In service of country and humanity." Those words hang in every room of the Coast Guard Academy where your great leaders are trained.

You are true to that tradition today. In the midst of war, you are carrying on the vital works of peace.

Every Coast Guard boat on patrol in Vietnam has adopted an island for its own. The crews of those boats give the people of their adopted islands medical help, school books and buildings, and many other things that are so important to try to help those poor people have a decent way of life.

These selfless, constructive acts of friendship mean as much to our struggle as acts of valor in the face of fire.

You uphold the valor, the humanity, the love of freedom that has been the soul and spirit of America since America's birth as a nation. Tonight, I share with you, and I share with your wives and your families, a very great pride. With men like you to lead us, our Nation cannot fail, and freedom will prevail.

Thank you and goodnight.

"THE WISER CHOICE"—ADDRESS BY BOYD L. RASMUSSEN, DIRECTOR, BUREAU OF LAND MANAGEMENT

Mr. BIBLE. Mr. President, from October 29 through November 2, 1967, the venerated and distinguished American Forestry Association met in Nevada to hold its 92d annual conference. Its principal meetings were at Las Vegas, and American Forestry Association members visited various parts of Nevada to view firsthand conservation accomplishments and problems.

The theme of their meeting was "Water," and this splendid conservation association, with members from every State, explored the various facets of resources and land use and their impact on water resources.

During this meeting, which I addressed, it was also my privilege to dedicate the Bureau of Land Management's Red Rock Canyon recreation lands near Las Vegas. Here 70,000 acres of spectacular yet accessible public land is being developed for its recreation potential under the concepts of multiple use to serve not only the expanding Las Vegas and Clark County area but also the millions of visitors from other States who come to enjoy Nevada each year.

The unique and scenic Red Rock Canyon recreation lands is the product of a fine cooperative spirit on the part of private citizens, local government, and the Federal Government as represented by the Bureau of Land Management. It is the first of its kind in the Nation.

With 173 million acres of public land in the various Western States, exclusive of Alaska, the programs of the Bureau of Land Management have major impacts. Nevada alone has 48 million of these public land acres—over two-thirds of my State.

The principal speaker at the American Forestry Association annual awards luncheon on October 31 was Boyd L. Rasmussen, Director of the Bureau of Land Management.

His was a significant address to Nevadans and to all with an interest in natural resources. His theme "The Wiser Choice" describes the complex problems facing public land administrators as they seek to resolve the tough resource issues in the public interest.

I ask unanimous consent that his remarks be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE WISER CHOICE

(Remarks of Boyd L. Rasmussen, Director, Bureau of Land Management, U.S. Department of the Interior, at the 92d annual meeting of the American Forestry Association, Las Vegas, Nev., October 31, 1967)

It's a distinct pleasure for me to talk to you on the occasion of your ninety-second annual meeting. It's a pleasure to be here in many ways, not the least of which is the fact that the American Forestry Association, a highly cosmopolitan group, is meeting again in the West. More particularly, you're in an arid region of the West where trees are scarce, and commercial forestry is only a minor industry. That you are here to see and learn something of a desert environment reflects your broader interest in the whole field of conservation.

AFA was founded on the principle of wise use of natural resources, expressing the textbook definition of the word "conservation." From the very beginning, your Association recognized that wise use meant *use*—not just preservation for the sake of preservation. At the same time, you recognized the many values of non-commercial forests. Under one roof, you have been able to join the efforts of forest products industries, wilderness enthusiasts, and all devotees of the outdoors.

Natural resource managers in the government are deeply interested in the growth and continued broadening of AFA. We applaud the goals of your organization. We respect the sound influence of "American Forests" Magazine, especially in today's conservation arena—where the uninformed must pick his way with care.

May I propose today still another definition for the practice of "conservation." I'd like to call it "making the wiser choice"—with stress on the word "wiser." We *do* have many choices in the management of our natural resources. We can exploit them to exhaustion, we can preserve them intact, or we can seek a happy balance between consumption and renewal.

Choices have to be made—constantly. As one Federal administrator of public lands, I must frequently choose between the desires of individuals or single industries and that vague, fuzzy thing called the broad public interest. One must search long and hard for wisdom to make the wiser choice. Having made a decision, one must be then prepared for inevitable disagreement, partial agreement—and the rare but sweet music of those who are completely in accord.

We all know that there is no easy shortcut to making the wiser choice, the right decision. We know, too, that the decision won't always please everyone. What's right for the hunter may be wrong for the rancher, and each may have good reason on his side. The wilderness enthusiast argues against an invasion of the forest, while the lumberman sees it as a resource to be harvested for the betterment of mankind. And both may be right.

But progress cannot be halted while we straddle the horns of a dilemma. Decisions have to be made, even if the choice is to do nothing. The running thread through the decision-making process is doing what is best in the public interest.

The broad public interest is a nebulous thing. Some political philosophies have been founded, and some have failed upon definitions of what is the public interest. As we see it, part of the job is to bring to market the annual surplus of the renewable natural resources, to stretch the supply of nonrenewable resources with a minimum of waste, and to obtain the fairest price for the taxpayer when we dispose of his resources.

But unlike the private property holder who may consider just the short-range economics of a business proposition, we have to consider more. We must bring to market such intangible goods and services as a clear mountain brook teeming with trout, the quiet of an undisturbed landscape.

I don't believe the present-day natural resource administrator can make major policy decisions alone—or even aided by the talents of his staff. He must listen to the advice of special interest groups. He must also seek counsel from the broadest range of individuals and organizations. Then, and only then, can he be certain that he considered the alternatives in the public interest.

Fortunately, we have a knowledgeable Congress that is deeply concerned over the choices we make. I think that there is a growing awareness that the choices we make on Western public lands affect all our citizens.

We have a President who is concerned that we do the best possible job of managing public resources. But he too must make some hard decisions, in allocating funds to resource agencies—hard decisions at a time when much of the Nation's productive effort is devoted to carrying out our country's obligations in Southeast Asia.

No one who reads a daily newspaper could entertain any delusions about the status of our Federal budget. The President has steadfastly supported conservation. He has initiated many new programs aimed at enhancing our environment. But today he is faced with difficult budgetary decisions as to where the Federal budget is to be spent.

I'm optimistic that conservation programs will be considered of the highest priority whenever possible. But priorities abroad may influence the rate that conservation programs are able to move ahead on the domestic scene.

No one can accurately predict how long we will be committed in this conflict—which we all want to bring to an honorable conclusion.

It's equally impossible to predict how quickly it could be over.

This brings me to the point of my remarks today. Where then, do conservation's wiser choices fit in today, and where then *after* Vietnam?

The million people now engaged in supporting the military effort are working in industrial plants, in the transportation industry, in the production of a multitude of goods and services. I'm sure that leaders of industry are making plans for a smooth transition back to a more normal economy. I'm equally sure the Federal Government should be ready to help cushion the changeover.

Today, to maintain a healthy economy it may be necessary to make downward adjustments in needed long-term programs. Tomorrow, it may be equally necessary for a healthy economy to ease normal budgetary restraints on conservation projects. The conservation agencies had better be ready and waiting

The time may come when, on a short term basis, we will be able to make some of the resource investments that have been postponed so long. If we are to take full advantage of the opportunity, we will need the sober and considered judgement of informed people such as you.

We have some ideas of our own, of course. But we need your ideas too, so we can stretch our bureaucratic imaginations to make more and better uses of our limited land resources.

The days of boundless territorial expansion are over. We're down to the hard question—how to survive on the lands we have. Multiple use can no longer be just a catchword, or an academic philosophy. It's a necessary way of life in a world we must expect will soon be a little bit hungrier, dirtier, and more crowded. This month, somewhere in the United States, the 200 millionth living American joined the ranks. By the time he reaches voting age, there'll be 300 million U.S. citizens.

So we must expand our imaginations today, for the decisions we now make will have far-reaching consequences tomorrow.

Outdoor recreation is a case in point. To some people, outdoor recreation means puttering around the back country on a trail bike. To others, who love that same back country, the trail bike is noisy distraction in their search for solitude. Who's right? We need to find more ways, and better ways, to accommodate the outdoor public. But we need, too, to find a reasonable balance between the many forms of recreation that people want.

Many of you joined with us Sunday in dedicating the Red Rock Canyon Recreation Lands. This 70-thousand-acre recreation complex is just part of an 800-thousand-acre planning unit that runs from the valley floor, in the Lower Sonoran Desert, to almost alpine vegetation high in the mountains. Here is room to roam, land large enough to accommodate many needs of our many publics.

This single planning unit is larger than the State of Rhode Island. With enough time and money, we can make this into a tremendous asset—not just for the people of Las Vegas, but for visitors from the cities beyond the Sierras.

We can have room for the trail bikes. But we can have room too for those who seek simply peace and tranquillity. We can preserve the priceless archeological treasures in this area. The prehistoric Indians left many rock carvings on those lonely canyon walls.

We can develop the area for wildlife. If you wonder how there could be *any* wildlife in the desert, take a closer look. In the planning unit are antelope, deer, bighorn sheep, and even elk—plus an astonishing variety of smaller animals.

We could also make mistakes, here in the desert. We're dealing with a very fragile environment—where it may take a century for the scars of our mistakes to heal. So we must make the wiser choice, armed with knowledge and understanding of the priceless values we manage.

We're faced with a multitude of hard choices. As many of you know, millions of acres of public lands are in poor condition—from over-use, from natural erosion by wind and water. Millions of acres are less productive than they could be, because the water that does fall quickly runs off.

These long-neglected rangelands will respond to treatment. In the years to come, I think we must see these lands more as a storehouse of many values. Our objectives must be better range condition, not forage production alone. Good range condition is the key to a sustained yield of forage for domestic livestock, wildlife habitat, and watershed.

One cannot travel across this country, and see the magnificent open land that lies between the cities, without developing a great sense of pride. Perhaps a lack of pride lies beneath the unrest today, a lack of meaning in the day-to-day routine. Wherever we can make a choice that will lead to more meaningful and satisfying employment on the land, I think we will have made the wiser choice.

I know that you share my concern for our future, and hope you share my optimism for conservation in the days ahead. Let us hear from you. We need your constructive voice if the wiser choice is to be made.

Thank you.

ADMINISTRATIVE CONFERENCE

Mr. LONG of Missouri. Mr. President, in 1964, I sponsored legislation to create the Administrative Conference of the United States. Hearings were held before the Subcommittee on Administrative Practice and Procedure, of which I am chairman, and on August 30, 1964, President Johnson signed the Administrative Conference Act.

For a number of years, too long perhaps to suit many of us, the administration searched for an appropriate chairman to head up the Administrative Conference. Recently, Jerre S. Williams, of the University of Texas Law School, was appointed, and his nomination confirmed by the Senate, as chairman of this Conference. It is my understanding that Professor Williams is an able and astute individual. Because of this long delay, it is even more imperative that the Administrative Conference begin immediately to study the many problems which confront the administrative agencies. Areas of concern which I hope the new Conference will consider include—but should not be limited to—delay in administrative proceedings, bureaucratic abuse of individual citizens, adaptation of the concept of ombudsman to our Federal system, and continuing review of the newly enacted Freedom of Information Act.

Last Sunday's Washington Post contained an editorial entitled "Agency-Improvement Device." I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 5, 1967]

AGENCY-IMPROVEMENT DEVICE

Few acts of Congress have been as grossly neglected as the law to set up the U.S. Administrative Conference to improve the operations of the Government's quasi-judicial agencies. This act, devised by an eminent group of experts and passed unanimously by Congress in 1964, is designed to do for the administrative agencies what the Judicial Conference of the United States has done for the judicial system. Yet three years passed with nothing being done because the top position in the new system was left vacant.

Now at last Jerre S. Williams, law professor of the University of Texas, has been nominated and confirmed to be chairman of the Conference and it is hoped that the venture will get into motion. The Conference is to be a clearing house for complaints of all kinds, involving the administrative process. It will be Mr. Williams' task to screen these complaints, dismissing the frivolous ones and sending the others to a 12-man council, which is, incidentally, yet to be named. The end result would be an expert study of meritorious complaints, debate of the findings in the Conference (made up largely of agency representatives) and finally recommendations to change faulty procedures and practices.

The courts have found their self-improvement mechanism to be highly useful. In the far-flung administrative agencies there is still greater need to focus attention upon arbitrary conduct, inefficiencies and citizen grievances. Now that the first step has been taken toward setting up this hopeful Administrative Conference the President and Congress ought to make a special point of giving it the tools it will need so as to overcome the consequences of its slow start.

MR. BOYD'S HUMAN CONCERN

Mr. ERVIN. Mr. President, on October 28, 1967, the Greensboro Daily News of Greensboro, N.C., published a thoughtful editorial entitled "Mr. Boyd's Human Concern," which pays just tribute to Secretary of Transportation Alan S. Boyd.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. BOYD'S HUMAN CONCERN

The nation's first Secretary of Transportation, Alan S. Boyd, appears to be setting an exciting precedent which, if continued by the federal government, promises to make him a folk hero of the American public. According to Washington columnist Charles Bartlett, Mr. Boyd is interpreting his new department's charter broadly "to exert its leverage in behalf of the victims as well as the beneficiaries of new methods of transportation."

Secretary Boyd himself has said: "We can no longer afford to ignore the fourth dimension in transportation—its effect on the environment. Transportation today determines not only how well we can move in our cities; it determines how well we can live in them."

Three cheers and a chorus of "amen" to that. Hearing that attitude from a man of such high position should gladden the hearts of every motorist who is stopped regularly at railroad crossings and every pedestrian who must risk his neck crossing busy freeways. More applause is due from home owners whose peace is destroyed by the rumble of trucks or the boom of jet planes, from city workers who must endure the noise of traffic and commuter trains, and from beach visitors who must dodge petroleum globs spilled by tankers.

Since the dust of our first unpaved highways seeped into otherwise immaculate homes we have been aware that modern transportation is a mixed blessing. As mechanical insolence has increased, so has human indignation. People have closed some shopping areas and parks to traffic, and they have blocked highway bulldozers with their bodies. Residents near expanding airports have insisted that, by thunder, no aircraft will roar over their homes and one German even devised a catapult to sling dumplings at low-flying planes.

It was past time for the people's government to take up the people's cause, and Secretary Boyd—despite pressure from manufacturers and movers of the transportation industry—is demonstrating that he is the man for the mission. He is insisting, for a starter, that the Federal Aviation Act's concept of "public convenience and necessity" include people adversely affected by air transportation as well as those who cheerfully and profitably use it. Furthermore, he is putting architects, sociologists and city planners to work with traffic engineers in proposing Interstate highways—with a Baltimore route as a pilot project.

In his concern for the people "who have to live with" major highways, Mr. Boyd is requiring two public hearings on proposed routes that need federal financing. One meeting concerns the impact of the highway upon the residents along its corridor, so that the quality of life at home need not be sacrificed to transportation efficiency.

This emphasis on the environment of transportation, on how its technology and construction affect the people whom it is supposed to serve, reflects a true devotion to the public interest. If Mr. Boyd's admirable intentions prevail, the U.S. Department of Transportation can help us all to plan for man over machines. And that is why the office was created

LEGALITY OF GENERAL HERSHEY'S INDUCTION RECOMMENDATION

Mr. HART. Mr. President, on October 26, 1967, the Director of Selective Service, Lt. Gen. Lewis B. Hershey, recommended in a letter to the Nation's local draft boards that anyone liable to induction who interferes with Selective Service processes or with military recruitment be deprived of his deferment, if he has one, be declared delinquent and drafted.

Mr. President, General Hershey's recommendation appears to be contrary to the official opinions of the Department of Justice and the courts of the Nation.

On January 6, 1966, in response to my letter of December 21, 1965, protesting the reclassification of University of Michigan students who sat in at the office of the Ann Arbor draft board in October 1965, Hon. Fred Vinson, Assistant Attorney General, stated:

> I am satisfied, as a matter of both law and policy, that sanctions of the Universal Military Training and Service Act cannot be used to stifle constitutionally protected expression of views. In short, where opinion is expressed, if there is no transgression of law, then no sanctions can be imposed. If there is a transgression, then the sanctions which attach to it are all that should be applied.

On January 30, 1967, Judge Medina, speaking for the U.S. Court of Appeals for the Second Circuit in a case involving reclassification of two Michigan University students because of their participation in the October 1965 sitdown demonstration at the Ann Arbor draft board, stated:

> We hold that the Local Boards lacked authority to decide that Wolff and Shortt were "delinquents" by reason of their violation of the terms of this portion of Section 12. Accordingly, as these two students have never been indicted or tried or convicted of this offense in a District Court, the two Local Boards, appellees, exceeded their jurisdiction by reclassifying the two students I–A.
>
> There is nothing to prevent the prosecution of registrants or others for conduct by them in violation of either federal or state criminal laws, subject to such defenses as may be alleged and established. What we hold in this case is that it is not the function of local boards in the Selective Service System to punish these registrants by reclassifying them I–A because they protested as they did over the Government's involvement in Vietnam. *Wolff* v. *Selective Service Local Bd. 16*, U.S.C.A. 2nd Circuit decided Jan. 30, 1967.

Let me make it clear that I, like you, Mr. President, do not want to encourage illegal or irresponsible protest over our involvement in Vietnam. Many of the recent protests involve illegal acts which cannot be condoned. However, under State and Federal law, sanctions in the form of fines and jail terms can be applied to illegal acts of protest. Cancellation of a student's deferment is not, however, one of the sanctions, under either the existing selective service law or its regulations, which can be applied by General Hershey to draft protesters. Further, such cancellation appears to violate the Constitution's due process guarantee and curtail the exercise of First Amendment rights.

It takes no Harris or Gallup poll to know that young men who throw a rock through their draft board's front window are not popular—but their constitutional rights are not dependent upon their popularity.

On November 10, 1967, I wrote Attorney General Clark requesting an opinion of the Department of Justice on the legality of General Hershey's recommendation.

Mr. President, I ask unanimous consent to have printed in the RECORD General Hershey's letter of October 26 and several recent newspaper stories and editorials concerning General Hershey's recommendation.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

National Headquarters,
Selective Service System,
Washington, D.C., October 26, 1967.

Letter to all members of the Selective Service System.

The basic purpose and the objective of the Selective Service System is the survival of the United States. The principal means used to that end is the military obligation placed by law upon all males of specified age groups. The complexities of the means of assuring survival are recognized by the broad authority for deferment from military service in the National health, safety, or interest.

Important facts too often forgotten or ignored are that the military obligation for liable age groups is universal and that deferments are given only when they serve the National interest. It is obvious that any action that violates the Military Selective Service Act or the Regulations, or the related processes cannot be in the National interest. It follows that those who violate them should be denied deferment in the National interest. It also follows that illegal activity which interferes with recruiting or causes refusal of duty in the military or naval forces could not by any stretch of the imagination be construed as being in support of the National interest.

The Selective Service System has always recognized that it was created to provide registrants for the Armed Forces, rather than to secure their punishment for disobedience of the Act and Regulations. There occasionally will be registrants, however, who will refuse to comply with their legal responsibilities, or who will fail to report as ordered, or refuse to be inducted. For these registrants, prosecution in the courts of the United States must follow with promptness and effectiveness. All members of the Selective Service System must give every possible assistance to every law enforcement agency and especially to United States Attorneys.

It is to be hoped that misguided registrants will recognize the long-range significance of accepting their obligations now, rather than hereafter regretting their actions performed under unfortunate influences of misdirected emotions, or possibly honest but wholly illegal advice, or even completely vicious efforts to cripple, if not to destroy, the unity vital to the existence of a nation and the preservation of the liberties of each of our citizens.

Demonstrations, when they become illegal, have produced and will continue to produce much evidence that relates to the basis for classification and in some instances, even to violation of the Act and Regulations. Any material of this nature received in National Headquarters or any other segment of the System should be sent to State Directors for forwarding to appropriate Local Boards for their consideration.

A Local Board, upon receipt of this information, may reopen the classification of the registrant, classify him anew, and if evidence of violation of the Act and Regulations is established, also to declare the registrant to be a delinquent and to process him accordingly. This should include all registrants with remaining liability up to 35 years of age.

If the United States Attorney should desire to prosecute before the Local Board has ordered the registrant for induction, full cooperation will be given him and developments in the case should be reported to the State Director and by him to National Headquarters.

Evidence received from any source indicating efforts by non-registrants to prevent induction or in any way interfere illegally with the operation of the Military Selective Service Act or with recruiting or its related processes, will be reported in as great detail as facts are available to State Headquarters and National Headquarters so that they may be made available to United States Attorneys.

Registrants presently in Classes IV–F or I–Y who have already been reported for delinquency, if they are found still to be delinquent, should again be ordered to report for physical examination to ascertain whether they may be acceptable in the light of current circumstances.

All elements of the Selective Service System are urged to expedite responsive classification and the processing of delinquents to the greatest possible extent consistent with sound procedure.

Lewis B. Hershey,
Director.

[From the Detroit Free Press, Nov. 13, 1967]

General Hershey Once More Charges Up Wrong Hill

Gen. Lewis B. Hershey, director of the Selective Service System, has unsheathed his sword and cried "Charge!" to his troops and it's all very perplexing.

The general once again seeks to use the nation's draft laws to punish dissent. He has instructed government appeal agents and local selective service board members to put "delinquents" in uniform and delinquents in his view are those who might sit-in and block the operations of a draft board or perhaps turn in their draft cards.

It is all very perplexing because the Department of Justice advised the general last year that the nation's draft laws could not be used to punish dissent and because one of the most prestigious courts in the nation ruled earlier this year precisely on this point.

Those who violate laws, the trespass laws for example, ought to be punished, but they ought to be punished under the trespass laws, not under the selective service laws. Thus, the Department of Justice said last year:

"As a matter of law and policy the sanctions of the universal military training and service act cannot be used to stifle constitutionally protected expression of views. In short, where opinion is expressed, if there is no transgression of the law, then no sanctions can be imposed. If there is a transgression, then the sanctions which attach to it are all that should be applied."

The sanctions which attach to sitting-in at a draft board office or blocking the doorway to an office do not include induction into the armed services.

Judge Harold R. Medina, speaking for the Second Circuit Court of Appeals in January, overruled the reclassification of students who had sat-in at an Ann Arbor draft board office. Said this respected judge:

"What we hold in this case is that it is not the function of local boards in the Selective Service System to punish these registrants by reclassifying them 1–A because they protested as they did over the government's involvement in Vietnam."

Nonetheless Gen. Hershey charges up this same hill.

More than merely seeking to have those protesting against the war in Vietnam reclassified and put into uniform, Gen. Hershey also appears intent on having those who might counsel opposition to the war punished in some way. The sweep of his latest fire seems to include some clergymen of conscience.

In addition, he directs one letter of instruction to "governmental appeal agents." These agents perform a public defender function, aiding those who wish to appeal draft board decisions. The effect of the general's letter is to ask these agents to serve as spies and stool pigeons for the draft board.

There's been a steadily growing protest among young people against this nation's involvement in Vietnam and demonstrations against the administration's policies have often been demonstrations at draft board offices. These have sometimes gotten out of hand. Rowdiness ought to be punished and constitutional guarantees do not allow anyone to abuse recruiters.

But there are laws enough to prosecute these offenses. To try to use the draft laws as criminal statutes and to translate military service into punishment is to subvert the laws and denigrate the armed forces.

Gen. Hershey lost this wrongheaded battle before. He will lose it again. And the protest he so arrogantly seeks to stifle will only grow in the process.

[From the Boston Globe, Nov. 9, 1967]

Demeaning the Draft Act

Selective Service Director Lewis B. Hershey's letter to local draft boards urging that college students who interfere with military recruiting officers be drafted immediately is so silly and irresponsible that one wonders whether the draft chief has not outlasted his usefulness.

The idea is, of course, not a new one. It keeps bobbing up only to be knocked down by those who know something about the law and how it is supposed to work. Last year, when the general was talking about an immediate call-up for draft-card burners, a spokesman for the Justice Department issued an official warning that the draft could not be used as a way of punishing dissent.

To be fair, the general is now referring to conduct that goes beyond dissent. He is referring to acts of physical interference with military recruiting, and, as he points out, such acts are forbidden by law. But the difference is inconsequential, because the criminal statutes carry their own penalties, and these penalties do not include forfeiture of draft deferment.

What the Selective Service Director is suggesting is that the local draft boards set themselves up as judge and jury to try violations of law and then apply penalties which the law does not recognize.

Draft deferments are given "only when they serve the national interest." And they may presumably be withdrawn when they cease to serve that interest. But the armed services of the United States are not a penal colony and it serves no discernible "national interest" to make them such. Rep. Emanuel Celler (D-N.Y.) called one of the general's previous brainstorms "demeaning the draft act," and he was right.

The excesses which some students perpetrate in the name of dissent are to be deplored, but because they are dissent-connected and often well-motivated they must be dealt with circumspectly and in strict conformity to law. The general's meat-axe approach is not a help. It is time for someone to crack down on the crack-down Selective Service Director.

[From the Washington Post, Nov. 11, 1967]

Hershey Should Retire

The latest decree from the office of Selective Service Director Hershey ought to be sufficient to convince even his most ardent supporters that he should retire. In a letter to draft boards, General Hershey recommended that college students who interfere physically with military recruiting officers should be drafted immediately.

The harassment that recruiters, both military and civilian, have received on some college campuses is deplorable, but the General's proposal is outrageous.

The Selective Service Act is not a penal statute intended to prescribe the penalty for illegal or immoral or otherwise reprehensible behavior. The officials who operate under it are not courts or judges empowered to ascertain guilt and prescribe penalties. To put the brand of a criminal statute upon the draft laws is to denigrate and demean the young men who cheerfully and bravely accept military service as a patriotic necessity. If service is a "punishment" what are they being punished for?

The General's silly recommendation ought to be disregarded and some very drastic step should be taken to see that he does not repeat this folly.

[From the New York Times, Nov. 12, 1967]

RABBI ASSAILS HERSHEY PROPOSAL TO DRAFT SELECTIVE SERVICE FOES

A New York rabbi took sharp issue yesterday with Lieut. Gen. Lewis B. Hershey's recommendation that draft registrants who interfered with Selective Service procedures be declared delinquents and inducted.

Dr. Israel Margolies told worshipers at Beth Am, The People's Temple, 71 Thayer Street, that the Selective Service director's "directive" was a "disgrace to our democracy."

He said such a "punitive policy would convert every draft board in the country into a coercive arm of the Government, and the Army into an instrument of penal servitude for dissenters."

On Oct. 26 General Hershey sent his recommendation to the nation's 4,100 local draft boards. His recommendations are normally interpreted by the boards as instructions.

REAFFIRMED ON FRIDAY

On Friday, the general said in Washington in an interview that he had no intention of rescinding his recommedation, even if the Justice Department failed to support him.

The White House, according to Rabbi Margolies, raised no objection to the general's recommendation.

"This would seem to indicate," he said, "that President Johnson, despite his frequent deference to every American's right to dissent, approves of a plan that is clearly intended to deter and punish dissent.

"Apparently despairing of achieving that elusive consensus that would provide him with a broad base of support on Vietnam, Mr. Johnson is now prepared to use the war as a means of bludgeoning our young people into silence. This is a brutal form of blackmail that contradicts the basic principles of our democracy, and is unworthy of the President."

Reminding the worshipers that yesterday was Veterans Day, the rabbi said he was impelled to ask the veterans' groups, "who often act as though they had cornered the market in patriotism, whether they indeed serve the memory of our dead and the ideals of our nation best by approving every aggressive move that the United States makes overseas."

"BARBARISM" CHARGED

"It is my earnest belief," he continued, "that those who demonstrate for peace are more compassionately concerned about our boys in Vietnam than those who fulminate for more men, more arms, more bombing, yes, and more barbarism in the conduct of the war.

"Those who object to the Americanization of an internal power struggle, in which far more American soldiers are fighting and dying than Vietnamese, are more devoted to both America's boys and its democratic principles than those who wave the flag and demand victory."

[From the New York Times, Nov. 11, 1967]

HERSHEY IS FIRM ON DRAFT POLICY—HE WOULD CALL UP PROTESTERS DESPITE LAWYERS' STAND

(By Neil Sheehan)

WASHINGTON, November 10.—Lieut. Gen. Lewis B. Hershey said today that he did not intend to rescind his recommendation, even if the Justice Department did not support him, that draft registrants who interfered with Selective Service procedures be declared delinquents and inducted.

The 74-year-old Selective Service director made the statement in a telephone interview after he had been informed that Justice Department attorneys concluded tentatively that a proposed executive order to reinforce his recommendation would be unconstitutional.

The attorneys, informed sources said yesterday, therefore reached an initial determination that the general's original recommendation was unconstitutional as well.

"I have no intention of rescinding my recommendation," the general said.

The recommendation was contained in a letter from General Hershey on Oct. 26 to the nation's 4,100 local draft boards. The general's recommendations are normally interpreted by the boards as instructions.

WOULD HEED JOHNSON

Although the general has denied that he is attempting to suppress protests arising from the Vietnam war, his move has been widely interpreted as an effort to bring to a halt the recent outbreak of demonstrations, some violent, against the draft and military recruitment by threatening any students or other draft registrants involved with imminent induction.

He said that at this point he would revoke his recommendation only if he was told to do so by President Johnson.

"If somebody told me that the policy of the United States Government at its top was different," he said, "then I would change it [the recommendation]."

He noted that he had reversed his position on a draft lottery last year, after long opposition, when he was told that the President had decided to advocate the creation of one.

"I changed my position pretty quick when the word came down," he said. "But so far," he added, referring to his recommendation of Oct. 26 "I haven't heard anybody up there say a word about this one."

General Hershey said that he believed that Attorney General Ramsey Clark would support him in the end and would reject the findings of lower-ranking Department of Justice attorneys on the proposed executive order.

WILL STAND FAST

"They," he said, referring to these attorneys, "don't make the final decision over there. I don't always accept the advice of my general counsel, you know."

But he said that whatever the outcome, he did not intend to rescind the recommendation.

General Hershey asserted that the Selective Service Act and its accompanying Federal regulations, which have the force of law, already contained authority for the local boards to implement his recommendation, and that he did not legally need the executive order.

"I think we've already got it," he said. "I thought it was there two years ago. I'm not much on usurping the law and the Constitution."

He said that he had submitted the proposed executive order simply to "reinforce" his recommendation and "to be quite sure there isn't any division of opinion between us and our lawyers."

He used the term "our lawyers" to refer to the Justice Department as the legal department of the Federal Government.

"If the Justice Department went along," he said, "then I didn't have to worry about them being doubters."

[From the New York Times, Nov. 10, 1967]

PROFESSORS SAY HERSHEY TRIES TO USE DRAFT TO STIFLE DISSENT

(By Neil Sheehan)

WASHINGTON, November 9.—The American Association of University Professors accused Lieut. Gen. Lewis B. Hershey today of attempting to stifle dissent by urging the drafting of students and others who interfere with the draft or the recruitment of volunteers.

The association asked in a telegram to the Selective Service director that his letter of Oct. 26 to local draft boards recommending such action be "promptly rescinded."

The association contended that General Hershey's letter "would allow penalty without regard for the American tradition of due process of law."

"More importantly," it said, "your letter sets down such a vague standard that local boards may induct persons for the exercise of constitutional rights. The mere existence of this undefined power to use the draft as a punitive instrument must therefore have a chilling effect upon academic freedom and free speech and assembly as guaranteed by the First Amendment."

The telegram was sent in the name of the association by Clark Byse, a Harvard law professor who is its president, and Bertram H. Davis, its general secretary. The association is the country's leading organization of college teachers.

General Hershey recommended in his letter to the nation's 4,100 local draft boards that anyone liable to induction who interferes with Selective Service processes or with military recruitment be deprived of his deferment, if he has one, declared a delinquent and drafted as soon as possible.

Delinquents are placed at the head of the draft list. General Hershey's recommendations are normally interpreted as instructions by local boards.

The general contended that deferments were granted only "when they serve the national interest" and that interference with draft procedures or recruitment was not "in the national interest."

The telegram from the Association of University Professors asserted, however, that the general's letter was not in the "national interest" and thus "we urge that it be promptly rescinded."

Capt. William Pascoe, a spokesman for Selective Service headquarters here, said he had no comment to make on the telegram.

The telegram was understood to reflect a belief in academic circles that General Hershey is attempting to suppress the recent eruption of demonstrations, some violent, on college campuses and in the cities by threatening any students involved with imminent conscription.

The latest incident occurred in mid-October when the police in Oakland, Calif., used tear gas and clubs to disperse 3,000 students and other opponents of the Vietnam war who were besieging the induction center and recruitment station there.

The White House appeared to be attempting to avoid becoming associated with General Hershey's letter. The general said yesterday that he had conferred with "somebody" at the White House before issuing the letter, but George Christian, the Presidential press security, declined to comment when asked about this today.

ANN ARBOR ACTION

General Hershey took a similar if less sweeping action after Michigan University students staged a sit-down demonstration in front of an Ann Arbor draft board in October, 1965, ordering 10 of the demonstrators deprived of their deferments and reclassified as eligible for induction.

The United States Court of Appeals for the Second Circuit declared the action illegal last January, however, and ordered the draft boards to rescind the reclassification.

Senator Phillip A. Hart, Democrat of Michigan, contended today that the general's latest move was "inconsistent" with the position of the Attorney General's office as outlined to him in a letter of January, 1966, from Assistant General Fred M. Vinson.

WON'T COMMENT ON LEGALITY

Clifton Session, a spokesman for the Attorney General's office, declined to comment on the legality of General Hershey's intention to have registrants who interfere with the draft process or military recruitment declared delinquent and drafted.

Mr. Session said, however, that the question of classifying an individual as a delinquent was an "administrative matter not a legal one."

If the individual subsequently refuses to be inducted his action would then become a legal question, Mr. Session said, and "we would prosecute him as a violator."

Section 12 of the Military Selective Service Act of 1967 states that anyone "who shall knowingly fail or neglect to perform such duty" as specified by the act or who "knowingly counsels, aids or abets another to refuse or evade registration or service in the armed forces . . ." becomes a violator of the act.

Section 1642.1 of the Federal regulations implementing the act, which have the force of law, declares that any violator of the act who is liable to service may be declared a draft delinquent and conscripted as such.

Meanwhile, seven Democratic House members issued a statement today protesting against General Hershey's action as "a flagrant denial of due process clearly designed to repress dissent against the war in Vietnam."

They were Benjamin Rosenthal and William Ryan of New York; Donald Fraser of Minnesota; Phillip Burton, Don Edwards and George Brown of California, and Robert Kastenmeier in Wisconsin.

Senator Hart declared today that the general's move was a danger to democracy" and "demeans the military service."

CESSATION OF BOMBING IN VIETNAM—VIEWS OF MARINE LANCE CORPORAL

Mr. ALLOTT. Mr. President, in the past few weeks a great deal has been said here about Vietnam. I do not want to belabor my colleagues as to whether or not I agree or disagree with them.

Much of the debate has centered around our bombing policy in Vietnam, and what the future of this policy holds. Some of my colleagues advocate an unconditional cessation of the bombing, and some advocate that we step up the bombing. In this regard, I would like to call to the attention of my colleagues some comments from one of our men in Vietnam.

This young man is Marine Lance Cpl. J. L. Meltabarger, and he hails from Littleton, Colo. I do not know where in Vietnam he is stationed, but from the contents of his letter I assume it to be close to the demilitarized zone. I would like to read the pertinent portions of his letter:

> For about the last four or five days we had been being hit by N. V. A. (North Viet Nam Army) artillery, but I don't think we have taken any incoming rounds today. It makes things rather bad having to jump into bunkers or holes every hour or so but no one has been hurt so far. At least they have only been hitting us in the day time which lets us get a little sleep at night. We haven't been hit today, so maybe the B–52's got them last night. A "Recon" patrol found one gun four miles north of here that they were hiding in a tree; they would lower it and fire and then drag it back up again.
>
> I have been reading and hearing about a lot of Congressmen at home that want to stop bombing the North. When they do, the only thing they are doing is signing the deaths of a lot of Marines. If they do stop, the NVA will have a chance to resupply and they will blow this base, and every other one up this way, apart. If any of our Congressmen are taking this stand I wish you would write and tell them you are against it. I think that I am in a pretty good spot to know what I am talking about. So far, I think we have been through over 80 mortar, rocket and artillery attacks!

Mr. President, I read only the pertinent portions of this young man's letter because the rest of the letter is of a personal nature to his family in Littleton. I received permission from the young man's mother, Mrs. J. W. Meltabarger, to place these portions of her son's letter in the CONGRESSIONAL RECORD.

I have only one other comment to make about this. When Mrs. Meltabarger sent her son's letter to me, she penned at the bottom of his letter his full name and rank, and the following comment:

> He will come home in October, God willing.

I am sure that all of my colleagues would join me in her prayer for her son's safe return.

Mr. President, I yield the floor.

ADVOCATE ON THE BENCH

Mr. BREWSTER. Mr. President, for the past couple of years I have been most fortunate in having as a summer intern on my staff a young man of exceptional capabilities.

Mr. Paul Sandler is a native of Baltimore, took his undergraduate degree at Hobart College in New York State, and is now a law student at Georgetown University. He is soon to enter the U.S. Air Force, but will continue the study of law after his military service.

Mr. Sandler has been of invaluable assistance to me and my staff. He demonstrates the finest qualities of American youth—intelligence, an inquiring mind, and a healthy interest in politics and American government.

Mr. Sandler's undergraduate thesis on the career of Justice Thurgood Marshall as a Federal judge has just been condensed and printed in the current issue of the Georgetown University law center's quarterly. I think all who read it will agree with me that he is an exceptional young man.

Mr. President, I ask unanimous consent that this article, "Advocate on the Bench," be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THURGOOD MARSHALL: ADVOCATE ON THE BENCH

(By Paul Sandler*)

Few men living today have done more to alter social trends in our nation than Thurgood Marshall. As a result of Marshall's victories before the Supreme Court, Negroes have earned their right to vote in southern primaries,[1] to be free from "Jim Crow" restrictions when traveling interstate,[2] and to attend public schools on an integrated basis.[3]

Marshall was born in Baltimore, Maryland, on July 2, 1908. That same summer, a bitter race riot erupted in Springfield, Illinois; two Negroes were killed, and many were driven from the city. Troops had to be used to calm the community. Appalled by the tragedy, a group of white citizens organized the National Association for the Advancement of Colored People, to work for the attainment of a society of "equity, security, and freedom for all." In later years, it was Thurgood Marshall who did much to help the NAACP fight its legal battles and bring the organization closer to achieving its goals.

In 1933, Marshall graduated from Howard University Law School *magna cum laude* and entered private practice in Baltimore. In only three years he established one of the largest practices in the area, specializing in civil rights cases; but like most civil rights lawyers, he seldom earned anything but respect. Marshall became known as "the little man's lawyer"; yet such appellations did not help him pay his rent, which in 1934 he could hardly afford.

In 1936, when Dean Charles Houston left Howard University Law School to become special counsel to the NAACP, he invited Marshall to assist him. Two years later Houston retired into private practice, with Marshall succeeding him. Within a few years, Marshall was named Director-Counsel to NAACP's Legal Defense and Education Fund, a separately incorporated, tax-exempt entity which relies entirely on contributions.

Beginning in 1938, Thurgood Marshall and the NAACP launched a full-scale offensive against racial discrimination. In his capacity as counsel for the NAACP, he earned the reputation of "Mr. Civil Rights." He established such a fine record as an advocate, that judges would descend from the bench and personally congratulate him for his superlative courtroom presentations.[4]

The first brief which Marshall prepared in his new position was brought against the University of Missouri to admit a Negro to the Law School. Lloyd Gaines, the plaintiff, applied for admission to the University of Missouri Law School, and was denied admission on the grounds that a state provision to finance the graduate and professional training of Negroes in schools outside the state constituted equality. Marshall challenged this view, and so did the Supreme Court. In December, 1938, it ruled six-to-two that equality of education must be provided within the borders of the state.[5]

In the late thirties and forties, Marshall and the NAACP progressed at what seemed to be a rapid pace. The organization often handled over 500 cases at the same time. In 1944, *Smith* v. *Allwright*, 231 U.S. 649, declared the "white primary" unconstitutional as a violation of the Fifteenth Amendment. Marshall had established the right of Negroes to vote in primary elections. *Morgan* v. *Virginia*, 328 U.S. 373, declared unconstitutional the state's segregation law as it applied to interstate bus passengers. *Shelley* v. *Kraemer*, 334 U.S. 1, made state enforcement of racially-restrictive housing covenants a denial of the rights guaranteed by the Fourteenth Amendment.

Toward the end of the forties, the NAACP leaders began to realize that much of their success was really failure in disguise. Rather than continue to define and clarify equality under the "separate but equal" doctrine of

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*Mr. Paul Sandler, who is presently a first-year student at the Law Center, originally wrote an undergraduate thesis on Thurgood Marshall's career as a Federal Judge. *Res Ipsa* has been granted permission to print a condensation of Mr. Sandler's paper, edited by Clifford J. Alexander, of our editorial board.

[1] *Smith* v. *Allwright*, 321 U.S. 649.

[2] *Morgan* v. *Virginia*, 328 U.S. 373.

[3] *Brown* v. *Board of Education*, 374 U.S. 483.

[4] "May It Please The Court," *Time*, December 21, 1965, p. 19.

[5] *Missouri ex Rel. Gaines* v. *Canada*, 305 U.S. 337.

Plessy v. *Ferguson*, 163 U.S. 537, the leaders of the NAACP decided to go directly to the crux of the problem, that is, segregation itself. They hoped to reverse the ruling that "separate but equal" was constitutionally legal. In 1950, two of Marshall's court victories emboldened their hopes. *Sweatt* v. *Painter*, 339 U.S. 629, required the University of Texas to admit Mr. Sweatt to its Law School. The state had originally responded to Sweatt's application by hastily establishing a separate law school for Negroes, but the Supreme Court declared that such a law school was not equal to the University of Texas Law School. In *McLaurin* v. *Oklahoma State Regents for Higher Education*, 339 U.S. 637, the Supreme Court held that Oklahoma violated "equality of education benefits" when it forced McLaurin to sit apart from students in class. A conference was called at Howard University and the NAACP organized its plans and objectives. The organization decided first to attack segregation on all school levels, not just the graduate level.

Five cases were considered together before the Supreme Court in 1952.[6] Marshall himself argued the Clarendon County, South Carolina, cases, which was crucial. The Supreme Court, in June, 1953, gave Marshall and his opponents in court a list of questions to be answered concerning the historical background of the Fourteenth Amendment. Marshall, finding the resources of Howard University Law School to be insufficient, organized the greatest cooperative team in legal history. More than seventy-five white and Negro historians, psychologists, and sociologists met at their own expense in September, 1953, to assist Marshall and his cause. They filed a 235-page brief in the Supreme Court that November.

In the courtroom Marshall was uneasy. He was always nervous before his Supreme Court presentations, but once he began his delivery he remained relaxed and confident.[7] He was arguing against John W. Davis, known to many as the "Dean of American Law." The night before the court session, Marshall and his organization went through a unique exercise, which Dean Houston had organized years before. Lawyers, acting as judges, and students sitting in the moot court room of the Howard University Law School would try to anticipate the most difficult questions that the Supreme Court Justices might ask Marshall. Once, prior to the *Brown* case, a student raised a question that put Marshall and his team to work far into the night in an attempt to arrive at a sound answer. The following day, Justice Frankfurter asked the exact question.[8]

The outcome of the *Brown* decision was Marshall's greatest victory. He had achieved his goal. The doctrine of "separate but equal" was dead. Chief Justice Warren, in his opinion for the Court, declared, "We conclude that in the field of public education the doctrine of separate but equal has no place. . . ."

ON CIVIL LIBERTY

The concept of civil liberty, according to Marshall, can be traced back to the Judaeo-Christian concept that all men are equal. He maintains that the rights of the individual are protected and guaranteed by the constitution, and in particular the Fourteenth Amendment, a "live, warm, vibrantly active part of the constitution."[9] Liberty means the right of the individual to conduct his life by the rights and privileges guaranteed to him by the constitution.[10] He is an activist, always protective of individual rights, never hesitant to strike out at government actions which limit an individual's freedom. Marshall's contribution to the legal system while on the bench of the Circuit Court was his advocacy of this philosophy.

In *United States ex Rel. J. McGrath* v. *La Vallee*, 319 F. 2d 308, John McGrath was indicted for first degree robbery. On the day the case was called for trial, McGrath withdrew his plea of not guilty of second degree robbery during the course of a conference in the chambers of the trial judge.

McGrath, on appeal, petitioned for writ of *habeas corpus*, claiming his plea of guilty was not really of his own volition and that due process was violated. He stated that the trial judge had told him "off the record" in a conference *in camera*, that he had no chance of escaping, and that if he pleaded guilty to second degree robbery, he would have a chance of receiving a lenient sentence. As it turned out, McGrath was sentenced to twenty-nine years, just short of the maximum sentence. The court transcript shows that McGrath agreed to enter a guilty plea, based upon the advice of the trial judge. When McGrath made his appeal, however, the stenographic transcript and records offered by the state refuted his contention that he was either threatened or coerced in rendering his plea. The Court denied McGrath's writ of *habeas corpus*.

Judge Waterman, for the Second Circuit Court of Appeals, held that the District Court erred, because it did not have a hearing as to the authenticity of the questioned stenographic transcript. Thus the decision of the District Court was reversed and remanded to determine the authenticity of the *in camera* transcript.

Marshall, however, disagreed with the result reached by the majority decision. He believed that the controlling question involved in the case was whether the transcript itself was sufficient to support the appellant's claim; and in his view, it clearly was.

Here, said Marshall, is an open violation of due process of law. Before the facts were actually determined, the judge made a conclusion, and advised the defendant of what to do. The state of New York, said Marshall, requires that a plea of guilty can be offered only by the defendant himself in open court. "The safeguard of procedural due process," said Marshall, "remains adequate only so long as it is inexorable."

Toward the end of 1963, a most important issue was before the Second Circuit, in *United States* v. *Fay* 333 F.2d 12. The case involved the search of George Angelet's apartment by state officials without a warrant. His subsequent trial and appeal occurred after the decision in *Wolf* v. *Colorado*, 338 U.S. 25, which held that evidence produced by unreasonable searches was not admissible in a state court regardless of state law, and before *Mapp* v. *Ohio*, 367 U.S. 642, which overruled the *Wolf* case by making the Fourth Amendment applicable to the states. The critical question before the Court was whether the *Mapp* decision should be applied retroactively.

Thurgood Marshall, joined by Judge Smith, disagreed with the majority. He suggested that *Mapp* v. *Ohio* was not intended to be exclusive only to incidents occurring after the 1961 decision, and that the Supreme Court actually did consider the issue of retroactivity. Marshall explained that the majority opinion by Judge Medina, in supporting the proposition that the primary reason for the Mapp decision was to deter illegal searches and seizures in the future, ignored the intent of the Supreme Court to completely overrule *Wolf*.

Marshall, in his insatiable search for details, proceeded to examine footnote nine of the *Mapp* decision, which stated:

"As is always the case, however, state procedural requirements governing assertion and pursuance of direct and collateral constitutional challenges to criminal prosecutions must be respected. We note, moreover, that the class of state convictions possibly affected by this decision is of relatively narrow compass when compared with *Burns* v. *State of Ohio; Griffin* v. *People of State of Illinois*. . . ."

From this footnote, Marshall explained that two points were made unmistakably clear. First, that the likelihood of retroactive application was before the court, or it would not have cited *Burns* and *Griffin*. Second, the footnote sets the conditioning for application of the new *Mapp* doctrine.

Without exception, argued Marshall, retroactive application had been given to the principles of constitutional law developed over the years. Just prior to the case under consideration, the Supreme Court reversed a 1959 Ohio conviction based on a guilty plea entered without counsel on the basis of *Gideon* v. *Wainwright*, 372 U.S. 335. The Supreme Court has also given retroactive application to many involuntary confession cases, many of which arose from the *Mapp* decision. The only difference between the confession cases and the *Mapp* case is that applying *Mapp* in a retroactive manner would involve overruling prior precedence. And as for Judge Medina's statement that New York has an interest in the retroactive application of *Mapp*, constitutional rights are personal, said Marshall, and may not be balanced away.

In 1964, Angelet was granted *certiorari* by the Supreme Court; and the fate of retroactive application was sealed when the Supreme Court rejected it by a seven-to-two decision, the same margin as the decision of the Second Circuit. Nevertheless, Marshall displayed in his dissent to *United States* v. *Fry* the thoroughness, objectiveness, and superb argumentative style which is so characteristic of many of his opinions.

Perhaps Marshall's most ingenious opinion—if not his most classic—was in *Hetenyi* v. *Walter Wilkins*, 248 F. 2d 844. In 1959, the wife of George Hetenyi was murdered. One month later Hetenyi was indicted for murder in the first degree, and was later tried three times on the same indictment. At each trial the evidence presented against him was found to be circumstantial, but he was finally sentenced to forty years to life imprisonment.

Writing for the majority on appeal, Marshall argued that the due process clause of the Fourteenth Amendment imposes certain restrictions on a state's power to reprosecute. He explained that although the Supreme Court had not to that day invalidated any conviction obtained in the state courts on the ground that the state had transgressed federal constitutional limitations, nevertheless, authority for their overruling the lower court decision could be derived from the previous Supreme Court decisions in which a "double jeopardy" claim was interposed against a state, and also from the doctrine of selective incorporation supported by a majority of the Court.

Marshall paid particular attention to *Palko* v. *Connecticut*, 302 U.S. 319, in which Justice Cardozo had avoided the questions of due process and double jeopardy. The difference between the two cases, Marshall argued, lay in the fact that in the former case the state suffered from legal error, and it appealed not on the conviction obtained but on the conviction it failed to obtain. In *Hetenyi*, however, the defendant had petitioned for writ of *habeas corpus* after being imprisoned without due process of law.

The decision, says Marshall, did not rest on any "federal," "basic core," or "fundamental fairness" standard, which he considered to be both unnecessary and undesirable. Nor, for that matter, did the decision rest on any Fourteenth Amendment or Bill of Rights considerations. ". . . Prosecuting Hetenyi for the first degree murder, after the completion of the first trial was cruel and inhuman imposing on the accused a 'hardship so acute and shocking that our policy will not endure.' "[11]

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[6] *Brown* v. *Board of Education, supra.*

[7] Oliver Allen, "Chief Counsel for Equality," *Life Magazine*, June 13, 1955, pp. 141–152.

[8] "The Tension of Change," *Time*, September 19, 1955, pp. 23–27.

[9] Interview with Thurgood Marshall, October 26, 1965.

[10] Marshall, Interview.

ON TORT QUESTIONS

Although Marshall's opinions involving tort litigation do not reflect a trend as glamorous as his civil liberty opinions, certain important aspects of his philosophy do emerge. One trait is his desire to preserve the conformity of the law.

In *Shenker* v. *United States*, 322 F. 2d 622, American Stevedores, Inc., and the United States filed an appeal against the District Court's award of $12,500 to Maxwell Shenker, a stevedore time-keeper on the ship *Lt. Robert Craig*, owned and operated by the United States. As Shenker was walking with a stevedore official aboard the vessel, he suddenly tripped, injured his foot on a wooden plank, and fell from a platform. The accident caused Shenker to sustain severe injuries and a permanent limp. When he brought suit in the District Court, the *Lt. Robert Craig* was found unseaworthy based upon the Public Vessels Act; Shenker, however, was found fifty percent negligent, therefore received only one half of the relief which he demanded. The United States was awarded $12,500 indemnity.

The appellants, the United States and Stevedores, Inc., did not view Shenker's duties as time-keeper within the scope of the traditional seaman's work, and therefore challenged the District Court's ruling, which entitled Shenker to sue upon the ship owner's warranty of seaworthiness. Marshall, however, demonstrated that the Supreme Court had established that it was the duty of a ship owner to furnish and maintain a seaworthy vessel not only to seamen, but also to stevedores in the course of their employment aboard the vessel.

The United States and Stevedores, Inc., also claimed that the District Court had erred when it did not permit an entry made in official log, which mentioned that Shenker had tripped over "lattern" and not "dunnage."[12] Marshall, however, refused to accept the appellants' claim that the District Court was in error, and he compared the situation to that of *Palmer* v. *Hoffman*, 318 U.S. 109. In that case, the Supreme Court refused to admit as evidence an accident report offered by a defendant railroad which had been prepared by the engineer of a train involved in a crossing accident. The reasoning of *Palmer* was directly applicable to the *Shenker* case. Since the presentation of this type of evidence was rejected by the higher court, Marshall deemed it necessary to make a similar ruling in the *Shenker* case.

There are judges who would not agree with Marshall's heavy reliance on tradition.[13] Judge Friendly, for instance, in the *Shenker* case dissented with Marshall and accused him of exaggerating the concept of *stare decisis*. Friendly quoted Justice Cardozo, " 'the pushing of a principle or precedent . . .' to the limit of its logic . . . may take it to a point where it collides with another of greater pertinency or applicability." Judge Friendly felt that Marshall relied too heavily on precedent and was incorrect in not accepting the statement in the ship's log. Nevertheless, Marshall was writing the majority decision, and the Supreme Court apparently did not violently disagree with him, since it denied *certiorari* to the United States and Stevedores, Inc.

Another of Marshall's attitudes which emerges in his opinions in tort cases is a confidence in the jury system and a determination to permit judges to take as little as possible out of jury hands. In *Hooks* v. *New York Central Railroad Co.*, 327 F. 2d 259, he refused to permit the District Court to set aside a jury verdict for the plaintiff under Rule 50 of the Federal Rules of Civil Procedure on contributory negligence grounds. Again in *Shepard* v. *New York and Hartford Railroad*, 300 F. 2d 129, Marshall demonstrated a decided reluctance to hold that the evidence was insufficient to support the jury's verdict.

In his last opinion involving a tort situation, *Ephraim* v. *Safeway Trails*, 341 F. 2d 815, Marshall seems to abandon procedural rigidity and reliance on precedent to disagree with a majority opinion which reversed a District Court judgment in favor of a Negro woman assaulted on a Safeway motor coach. The case was clearly treated by the majority of the court as presenting a mundane tort issue; and it is worth our attention to observe that until this particular case, he had maintained a rather uniform attitude in tort adjudication.

Mrs. Ephraim, the plaintiff, while traveling from New York to Montgomery, Alabama, transferred from the main transit line of Safeway Trails and continued en route on a secondary carrier to her destination. When she refused to vacate her seat at the front of the bus for a white person, she was mercilessly beaten. The question before the court was whether Safeway Trails was liable for Mrs. Ephraim's injuries, which were actually received on a secondary carrier not connected with the Safeway Trails Line.

Judge Lumbard, in the majority opinion, pointed out that the Supreme Court, in *Louisville and N.R.R.* v. *Chatters*, 279 U.S. 320, had settled that an initial carrier may not be held liable for the torts of a connection carrier. Marshall, nevertheless, did not accept the Supreme Court case as controlling, and radically differed from his brethren of the court. In this case, Marshall seems to have retreated from his previous convictions of following precedents established by the Supreme Court and of not disrupting the conformity set by the high tribunal, as in the *Shenker* case. The key to understanding his position is not difficult to find. The only question left is to what extent will the color of civil rights in a non-civil rights section affect his approach in an individual case.

ON BUSINESS LAW AND THE ECONOMIC REALM

When Thurgood Marshall was appointed to the bench in 1961, few people were aware that his legal experience extended into the realm of business law. During his law practice in Baltimore, Marshall represented three of the largest Negro corporations in the area; a steam laundry, a newspaper, and a loom company.[14] Although there were certain aspects of business law in which Marshall lacked great experience,[15] he was in no way ill prepared to face the most intricate and controversial problems of labor law, corporation law, and the tax law.[16]

An opinion which well suggests this point is one of Marshall's most complicated, *Nassau Lens Co.* v. *Commissioner*, 308 F. 2d 39. The case involved a petition by the Commissioner of Internal Revenue against Henry J. Pildes, corporate taxpayer of the Nassau Lens Co. The issue centered around the income tax deduction made by Nassau for the amortization of an original issue discount on certain debenture notes. The discount was based on the difference between the value of the debentures at maturity and the alleged purchase price.

The Tax Court upheld the petition of the Commissioner to disallow the deduction on the ground that the transfer of the notes to Pildes, sole stockholder in the corporation, was made for purposes other than business, i.e., solely to avoid taxes. The Tax Court, in ruling against Nassau, did not bother to make any judgment on Pildes.

Marshall remanded Nassau's petition and withheld decision on the Commissioner's, pending the outcome of remand. Marshall said that the Tax Court applied an erroneous legal standard when it placed emphasis on Pildes' lack of business purpose. Rather than concern itself with "business purposes", Marshall thought that the Tax Court should have decided the question solely on the basis of "non-at-arms-length loans." He also explained that the Tax Court, by its own admittance, could not find whether Nassau had a *bona fide* indebtedness to Pildes. Since the legality of an amortization deduction hinged upon the indebtedness of Nassau, Marshall demonstrated that the Tax Court could not properly reach a final verdict.

In essence, Marshall was saying that where Pildes transferred his business to a corporation in exchange for all of the stock of the corporation pursuant to an agreement whereby the corporation issued debenture notes to him, the corporation was not deprived of its rights to an amortization deduction on the grounds that there was solely a lack of business purpose on the part of the corporation.

The significance of the *Nassau* case is great. Here, Marshall, a non-specialist in tax law, is remanding a case to the tax court. The reaction to this highly erudite opinion was more than favorable,[17] although many of Marshall's colleagues could hardly comprehend the intricacies of his craftsmanship.[18]

Marshall's approach toward government intervention in business and economics is one of maximum permissiveness. In *Seneca Nations* v. *United States*, 338 F. 2d 55, the Seneca Nation of Indians appealed from a summary judgment in a condemnation suit. In October, 1963, the United States began condemnation proceedings to acquire certain land from the Seneca Indians in Cattaraugus County, New York, in connection with the Allegheny Reservoir Project. The Seneca Nation filed an answer specifically denying that the portion of its land was necessary for the dam, and further denied that Congress had authorized the taking of the land in question.

Marshall, reluctant to restrict the government actions, explained that the issue at stake was a very narrow one. He pointed out that the Treaty of November 11, 1794, between the United States and the Seneca Nation, which insured the Indians the right to their lands, also recognized the power of Congress to take, or sanction the taking of, the lands for public purposes, without regard for the Treaty.

It was Judge Moore, dissenting, who argued that the majority was upholding a violation of the Treaty of 1794, and who quoted Justice Black as saying "Great nations like great men should keep their word."

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[11] Marshall, Interview.

[12] If the appellants could prove that Shenker tripped over "lattern" as opposed to "dunnage," the ship would not be considered unseaworthy.

[13] Marshall, Interview.

[14] Marshall, Interview.

[15] Sidney. E. Zion, *New York Times Magazine*, August 22, 1965, p. 70.

[16] Interviews with Professor Elwood Chisolm, Professor of Law, Howard University, September 22, 1965; Ralph S. Spitzer, First Assistant to the Solicitor General, October 7, 1965; James O. Freedman, former law clerk of Judge Marshall, currently Assistant Professor of Law, University of Pennsylvania Law School, October 23, 1965; and Owen Fiss, former clerk of Judge Marshall, and presently law clerk for Justice Brennan, November 7, 1965.

[17] Freedman, Interview.

[18] Fiss, Interview.

Although not invariable,[19] Marshall's permissive attitude is carried out to a surprising extent. In *Rutland Railway Corp.* v. *Brotherhood of Locomotive Engineers*, 307 F. 2d 21, for example, the majority held that a railroad is not entitled to an injunction in minor disputes arising out of the railroad's right to change train runs and reversed the District Court judgment against the union. Marshall however, while recognizing that the labor union had been treated unjustly, argued in a dissenting opinion that the union did not possess the legal right to strike without first participating in arbitration. In Marshall's opinion, the arbitration procedure would have resulted in a more judicious settlement for all parties involved.[20]

CONCLUSION

During his four years as a member of the Court of Appeals for the Second Circuit, Marshall participated in approximately four-hundred fifty decisions and wrote nearly one-hundred fifty opinions.[21] Throughout this time his position on the bench was that of a liberal in social and economic thought. He was always willing to render a generous interpretation to the Bill of Rights and the Fourteenth Amendment and he consistently upheld government activity in areas not affecting civil rights.

In the procedural aspects of adjudication, however, Marshall manifested indications of being somewhat conservative. His reliance upon *stare decisis*, his desire to maintain conformity in law almost suggest that he would be more interested in reaching a consistent decision in a case rather than an ethical settlement. Marshall himself has admitted that there were numerous admiralty cases in which he decided in favor of the injured seaman not because of any belief in the seaman's moral right to recover compensation, but because the Supreme Court has established a precedent which Marshall felt obligated to follow.[22]

Regardless, however, of the legal problem before the court, questions involving personally protected constitutional rights seem to have taken priority over every other consideration. Behind Marshall's attitude, apparently, is the belief that in the field of business and economics, statutes and regulations are self-explanatory and give no moral comfort or protection to an individual. When the issue involves the Fourteenth Amendment or the Bill of Rights, however, there is a morality question at stake.

ADDRESS BY SENATOR CASE AT STATE UNIVERSITY BICENTENNIAL DINNER

Mr. COOPER. Mr. President, last Friday, November 10, the distinguished Senator from New Jersey [Mr. CASE] delivered an address at the State University Bicentennial Commission dinner in honor of Mason Gross, president of Rutgers University. In the main body of his speech, Senator CASE gave his views on the utility and value of responsible questioning of policy to the United States. His address closes with a theme we have all heard him eloquently declare on the floor of the Senate:

> My suggestion tonight is that we cannot determine a right course for this nation by shutting off debate, by substituting incantation for reason, or by ignoring the facts. The issues in Vietnam are too important to the nation to be left uncritically to the judgment of a handful of men at the top of our government.
>
> All of us must continue to insist that we look at the facts and the realities and that we deal with things as they are, not as we would wish them to be. In a democracy like ours, there is no other way.

Because of the importance of Senator CASE's views on this issue, I ask unanimous consent that the text of his address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PARTIAL TEXT OF REMARKS BY SENATOR CLIFFORD P. CASE AT STATE UNIVERSITY BICENTENNIAL COMMISSION DINNER IN HONOR OF MASON GROSS, PRESIDENT OF RUTGERS UNIVERSITY, NEWARK, N.J., NOVEMBER 10, 1967

Apparently it is a universal custom to bring a celebration to a close by having a banquet. So it is certainly appropriate that we should mark the conclusion of Rutgers' 200th Anniversary observance by this dinner.

Almost as broadly established is the, to me, considerably more dubious, notion that all dinners have to be followed by after-dinner speeches.

Well, the Committee believes in tradition and, so, it arranged for this dinner and for at least two speeches. I can make my own contribution by assuring everyone that at least one of these will be brief.

The central purpose of this occasion is to honor Mason Gross, our president.

This is altogether proper and altogether non-controversial.

Mason has been, and is, what Rutgers very much needs. He will rank among the great presidents of a university which has become increasingly prominent in the academic world since his presidency began and, in large measure, because of it. Under his leadership we look forward to even greater service by the university to the youth of New Jersey and the nation.

As I said, we can all agree it is good to honor Mason Gross. Yet, like everyone else, I like to find, if I can, some authority out of the past for my actions. In this instance, there come immediately to mind the words of Ecclesiasticus from the Apocrypha:

"Let us now praise famous men and our fathers that begat us.

* * * * *

"Leaders of the people by their counsels, and by their knowledge of learning meet for the people, wise and eloquent in their instructions."

Such as found out musical tunes, and recited verses in writing.

There may be some who would question the complete appositeness of these verses. There are a good many of us with whose begetting Mason could have had nothing whatever to do. After all, he is a generation or two our junior.

Then, too, I don't know whether he is very good at musical tunes or even verses in writing. He may be—I just don't know.

If we have to go to another authority, certainly Joseph Wood Krutch will do. He has pointed out that what Samuel Johnson called "the tardy bust" is no comfort to the man it honors too late. Sooner or later someone is going to have to honor Mason Gross. It is much better that we should do it now when he, and all of us too, are here to enjoy it.

But the best reason for doing this is that we all like Mason and respect and admire him and it is our pleasure to pay him honor.

Now my remarks might very well stop there. But tradition decrees also that there has to be a message of some kind on an occasion such as this.

In thinking what I might say along that line, I could not get away, as I know none of us has been able to get away, from the brooding shadow of Vietnam. So much has this problem come to engross the attention of all of us that it hardly makes sense for anyone in my line of work to make a public speech without some reference to it.

And there is one aspect of the matter which seems especially appropriate in a gathering of university men and women—that of the defense and exercise of the right of free speech and free discussion.

The concept of academic freedom is no mere adornment to the quest for truth that engages the scholar. It is not a gown to be donned or doffed with each change in the climate of opinion.

Freedom to question the validity of prevailing dogma is as crucial to the vitality of scholars and universities as is breath to life itself.

Just so, it is the right of Americans generally to challenge the wisdom of public policy and the conduct of public affairs that sustains our democratic process and, indeed, provides our only real check against error by those entrusted with leadership.

Dissent on public issues is not, therefore, something to be tolerated in quiet times but discouraged in times of trouble. Nor is it something that we can call "good" in the area of domestic policies, but "bad" when applied to matters of foreign policy. To the contrary, it is precisely as the importance of national involvement increases that the value of responsible criticism is enhanced.

And, so, I cannot accept as valid any suggestion that it is unpatriotic to take issue with the Administration's conduct of the war in Southeast Asia.

Equally, I cannot accept as valid suggestions that any such criticism is necessarily tainted with partisanship and, therefore, may be ignored.

Some critics may intend to give aid and comfort to the enemy. Some critics may be partisan in motive.

But, regardless of motivations, there is no doubt of the basic validity of the principles underlying the right to discuss and to criticize as well as to support our government's conduct in domestic or in foreign matters.

We must believe, indeed, most of us, especially those of the university do believe, that free speech and free dissent are worth far more than they cost. Through, and only through, their exercise can the conduct of public affairs be guarded against fatal error and can our country's course gain the united support of the American people.

The process is sometimes a painful one, but, as President Truman, in his pithy way, admonished all of us, "If you can't stand the heat, you had better get out of the kitchen."

Lincoln didn't like the criticism he was subject to. You remember that on one occasion he complained that "the great mistake of the War was to make all of the great generals newspaper editors." Yet the country survived in the 1860's. It will survive and be stronger for free speech and free discussion in the 1960's as well.

Several weeks ago Singapore's Prime Minister Lee Kuan Yew visited Washington. He made it pretty clear to all of us that he had come to find out whether the United States has the will to stick it out in Vietnam. And he left the impression, on his departure, that he has considerable doubts. He expressed these doubts, among other places, at an informal reception for him by our Foreign Relations Committee. In no spirit of hostility or even judgment, he made it very clear he thought a democracy might well be unable to carry out for any length of time an operation of the sort we had undertaken in Southeast Asia.

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[19] See *Borax* v. *Commissioner*, 349 F.2d 666.

[20] Marshall, Interview.

[21] As a matter of interest, of these opinions, only three were granted *certiorari*: *U.S.* v. *Donovan and Andrews*, 371 U.S. 812, a concurring opinion; *Eddie Wittstein* v. *American Federation of Musicians*, 376 U.S. 942, and *United States ex Rel. Angelet* v. *Fay*, 381 U.S. 654, both dissenting opinions. The *Donovan* case was vacated and remanded, although the other two decisions were not.

[22] Marshall, interview.

It is quite natural, I think, that he should have such doubts. His own experience, though it has been exciting and extensive, has always involved government by an elite. It was very clear that he had no understanding how the mass of the people of a nation could be trusted to make wise decisions and to stay behind any policy other than that of narrow self-interest for a sustained period.

It is my own conviction that Prime Minister Lee, however plausible his doubts may seem on the surface, will be proven wrong.

I am confident that our democratic process will make it possible for the people of this country as a whole to understand the great problems that we face, to reach the right decisions about them and to give us the sustaining power to support those decisions.

But this requires one thing—free discussion by dissenters as well as supporters of the Administration, its policies and its performance.

Whether or not the United States should have become so deeply involved in South Vietnam is a question on which Americans hold deep—and opposite—convictions. But this is not the problem presently before us, nor, I believe is it the issue that is so disturbing to so many Americans.

Nor do most Americans, in my view, reject the proposition that stability of the international order is in the vital interests of the United States and requires the responsible use of our power and influence on a global basis.

What is so deeply troubling to the American people about Vietnam, I am convinced, is what they see as the steady and apparently inexorable escalation of the war, and especially of United States involvement in it, when they sense, rightly, in my judgment, that the trend should be not escalation but deescalation.

Four years ago, President Kennedy put his finger on the heart of the problem in these words:

"I don't think that unless a greater effort is made by the government (of South Vietnam) to win popular support the war can be won out there. In the final analysis, it is their war. They are the ones who have to win or lose it. We can help them, we can give them equipment, we can send men out there as advisors, but they have to win it, the people of Vietnam, against the Communists."

Before, during and since my visit to Vietnam last May, I have followed as closely as I could the first-hand press reports from Vietnam and I have talked directly to many of the reporters and other competent observers of developments there. I have been struck, and I am sure you have been struck, by the fact that the great majority of these reporters have been increasingly somber in their appraisal of the course of events.

Newsweek magazine for November 13, 1967 gives four examples:

R. W. Apple Jr., who heads the three-man New York Times bureau in Saigon, argued in August: "In the opinion of most disinterested observers, the war is not going well. Victory is not close at hand. It may be beyond reach."

Robert Shaplen, The New Yorker's Far East correspondent, wrote on September 29: "The assumption—primarily an American one—that the Vietnamese elections . . . have had, or are likely to have, any salutary effect on the war or on the internal political situation here is regarded by most Vietnamese as unwarranted and unrealistic."

Peter Arnett, the Associated Press's Pulitzer Prize winner, wrote in mid-September: "The dispirited Vietnamese Army, shot through with inefficiency, often lacks the will for combat and is increasingly prone to let Americans do the fighting . . . the loss of American lives traceable to Vietnamese inaction or incompetence is expected to rise . . ."

Merton D. Perry, a Newsweek correspondent in Saigon, added in a report last month: "The South Vietnamese Army, in short, is sick. Like the society which created it, it is riddled with factionalism, nepotism, corruption, inefficiency, incompetence and cowardice."

I cannot reconcile these judgments with the continuing optimistic reports by military and civilian officers of our government.

The conflict between these two sets of reports, press and official, is, in my opinion, at the bottom of much of the increasing public concern. Surely this conflict must be thoroughly dissected and analyzed, and open and free discussion is the only way in which this can be accomplished.

Surely, too, we must bring out into the open such thoughtful analyses as that of the Ripon Society which suggests, among other things, that if we continue to follow our present course in Vietnam, we can only win the war by uprooting the vast majority of peasants (who constitute 85 per cent of the people) from their farms and turning all of South Vietnam into one great refugee camp. Senator Edward Kennedy's current hearings on the refugee situation are bringing out most usefully many striking aspects of this matter.

Surely, too, we must give full hearing to the testimony of thoughtful and knowledgeable people who have worked for years among the Vietnamese people. One of these is Donald Luce, who recently returned after many years of service in Vietnam as a member of the International Voluntary Services mission. Mr. Luce reported to newsmen that he had been "quite hawkish" for a time after the Diem regime was destroyed in 1964, but his support of American policy diminished and then turned to revulsion as the war began to be Americanized in 1965. Mr. Luce told me personally he supports as accurate the basic statements of the Ripon Society and its conclusion that the war as presently waged is "self-defeating."

It isn't the easiest thing in the world to carry on a thoughtful discussion of these problems.

There is the tendency on the part of many to insist upon categorizing any critic of the President's conduct of the war as either a hawk who wants to escalate or a dove who wants to cut and run. It is so much easier to do this than to attempt to understand what someone is really trying to say. And I must say that the President himself has on occasion sounded as though he would like people to believe that unless one is an extremist, i.e., either a hawk or a dove, he must support the President who is following "the middle road."

Be that as it may, we must break through and make ourselves heard. We also must listen.

For honest discussion by thoughtful people all over America of how we are doing, whether we are doing things in the right way, as opposed to whether our objectives are noble and our intentions honorable, must continue until the American people emerge from the deep uneasiness and anxiety which presently grip the nation.

The American people cannot be coerced into supporting a course they do not understand and believe in.

Thus it seems quite clear that General Hershey's "recommendations" to local draft boards that persons interfering with draft procedures or military recruitment be speedily conscripted is wrong. General Hershey is right that all who violate the law in expressing their opposition to the war should be prosecuted but the penalties should be those prescribed by law and should be meted out by the courts after trial. The Selective Service system should not be the means of punishing violations of law.

The principle, it seems to me, is the same as that which impelled the Court of Appeals for the Second Circuit last January to hold that a draft board which, on General Hershey's recommendation, deprived of their deferments students who participated in a demonstration in opposition to the draft violated their right to free speech under the First Amendment.

Of course, it is not just the authorities who sometimes interfere with free discussion. Reasoned discussion of the war is hindered rather than promoted by many of those who, for whatever motives, insist on lawless and disorderly demonstrations. They are equally to be condemned and any lawlessness should be punished.

Regrettably, the Secretary of State has refused for some months now to testify publicly before the Senate Foreign Relations Committee. At the urging of our Committee this week, he has agreed to reconsider his position. The Secretary has spoken extensively all over the country during the last many months. It is unthinkable that he will finally refuse a public dialogue with the members of the Foreign Relations Committee of the Senate of the United States.

The avoidance or repression of discussion will lead to increased frustration, bitterness and division in the country.

On the other hand, full and free discussion will, I believe, lead to a sounder course in the conduct of the war and, thus, to far more unified and general support of that course.

There are some in this country, though few, I believe, who want to see us fail in Vietnam. There are an increasing number who, though reluctantly, have become convinced that the war is unwinnable. Most of us, I believe, and I am one, still consider that success is attainable if we pursue the right course.

My suggestion tonight is that we cannot determine a right course for this nation by shutting off debate, by substituting incantation for reason, or by ignoring the facts. The issues in Vietnam are too important to the nation to be left uncritically to the judgment of a handful of men at the top of our government.

All of us must continue to insist that we look at the facts and the realities and that we deal with things as they are, not as we would wish them to be. In a democracy like ours, there is no other way.

DR. DONALD A. WILLIAMS' WELL-DESERVED AWARD

Mr. McGOVERN. Mr. President, I am delighted with this opportunity to congratulate Dr. Don Williams on receiving the Rockefeller Public Service Award for Administration. This is a well-deserved tribute to a man who has spent his lifetime working for the people of this country.

Dr. Williams joined the Soil Conservation Service in 1935, and has been its Administrator since 1953. In the years since then, he has given dynamic and effective leadership to a wide variety of conservation programs designed to meet our land and water problems.

Don Williams has been associated with the small watershed program since its inception in 1953. An engineer by training, Mr. Williams has long been convinced that soil and water management are inseparable, that their wise use is far more than an agricultural problem, and that these basic resources could be developed best through planning for an entire small watershed. He has never lost sight of the fact that soil and water conservation is for people, and that local people themselves should do much of the planning, funding, operating and maintenance of such programs.

Today, more than 800 small watershed projects are completed or under construction, another 500-plus are being planned, and more than 1,300 other applications have been received.

In my own State of South Dakota—the home State of Don Williams also—I am familiar with the Great Plains conservation program, which developed under his guidance. It includes accelerated long-range conservation measures for a major land area where nature and past mistakes have resulted in severe conservation problems.

The history of the Great Plains has forcibly shown us that the real laws of the land are not made here in Washington, but are natural laws we can neither vote on nor repeal. We can only ignore them, as we once did to our peril, or work with them and prosper. The Great Plains may always have uncertain rainfall and varied climatic conditions, but crippling dust storms and their attendant social and economic misery for the entire Nation need not again occur if we use the land wisely.

Conservation planning has come many light years from the 1930's, when patch jobs of erosion control were, of necessity, the major order of business. Today, conservationists are still concerned with repairing past land use mistakes, but new techniques and a greater understanding of ecology mean it can be done in a more orderly manner.

We know that our natural resources are the foundation of our economy, and the way we develop them will, in large measure, shape our society and our institutions. Resource conservation and development projects conceived and administered by Dr. Williams since 1962, are one means whereby local people themselves, with Federal assistance, can do the job.

Don Williams has insisted that resource conservation and development projects must start with local people as they recognize their community problems and want to do something about them. He feels that the town and country leaders of a community must get together and work out their ideas of what they need and want, and what they can support. At this point, and not before, Federal participation can be effective. The soundness of this concept is now being demonstrated in more than 40 resource conservation and development projects.

The conservation story has seldom, in the past, been a cliff hanger for people in towns and cities. But it is today. It is a continued story of how we use our basic resources, and we do not yet know the ending. Will we use our land and water wisely enough to meet our ever increasing needs? Will we learn from past mistakes? Or will too many of our people become eager once again for the fast, exploitive dollar and the even faster waste and pollution?

Dr. Williams is a major leader in the fight for good land and water use. I am happy to say he enjoys my confidence and the confidence and support of a great many of my colleagues in the House and Senate. His forceful and vigorous administration of Soil Conservation Service programs has earned the bipartisan praise of all of us concerned with our land and water resources.

I am happy that Dr. Williams will receive the Rockefeller Public Service Award for Administration. He richly deserves this honor. But his real tribute lies in the green American countryside, and in the communities where watershed projects and other conservation works have revitalized the area and brought a new and better way of life.

His accomplishments are out in the open, on the land itself. I am sure, knowing Dr. Williams, this is precisely where he would want them to be.

ATHABASCA TAR SANDS

Mr. ALLOTT. Mr. President, in the Oil and Gas Journal of October 23, 1967, a most interesting editorial appeared relative to the startup of commercial oil production from the Athabasca tar sands in Canada.

The Athabasca tar sands contain more oil than all of the world's known conventional reserves combined. I cite this in order to give Senators some concept of the significance of the technological breakthrough to the total energy picture.

The real significance of this startup of commercial production, however, lies in the fact that it displays what can be done by American private industry in the field of research and development where governmental policies are not hostile.

The arrangement worked out by American private industry and the Canadian Government should not be viewed as a blueprint for our efforts to bring into being a viable synthetic fuels industry, but it is, certainly, an example of what can be done.

It is my hope that we in this country are not so arrogant that we cannot learn from the example of others. We have the largest single deposit of hydrocarbons in the world in the Green River Formation of Colorado, Utah, and Wyoming. This oil shale can be converted into synthetic crude; however, the processes for extraction of shale oil are not now economically competitive. Research is now proceeding which, hopefully, will make extraction of shale oil economically competitive with conventional crude. However, competitiveness of shale oil will, to a large extent depend upon realistic and reasonable governmental policies.

Mr. President, I ask unanimous consent that the editorial "What the Tar Sands Startup Really Means" be inserted in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

WHAT THE TAR-SANDS START-UP REALLY MEANS

The start of commercial production of synthetic crude from the Athabasca tar sands has been hailed as the dawn of a new era, the fore-runner of vast new supplies of hydrocarbon energy, assurance of hemispheric self-sufficiency in petroleum, and a threat to conventional crude oil.

It may turn out to be all of those things, but only time will tell.

In the meantime it is well to look at this milestone project in proper perspective with relation to the world energy situation.

The 45,000 B/D of crude which the new plant will produce is only a drop in the North American oil bucket.

It will take several years for additional plants to come on stream, and demand will be much greater then. So tar-sand crude will be only a minor supplement to total supply for the foreseeable future.

Success of this pioneer plant will spur development of other tar sands, which total more reserves than the world's proved crude reserves. But different technology, probably some in situ process, must be worked out before most of these can be tapped. This puts large-scale availability farther down the road.

Development of synthetic crudes from other sources—such as shale and coal—will not be particularly hastened, because the technical, political, and economic problems are largely different from tar sands.

The cost of synthetic crude appears to be higher than the cost of producing crude from most oil wells, making it barely competitive. The differential should narrow over the years, thus imposing something of a ceiling on crude prices and stimulating more efficient operations.

The success of this first tar-sands project is a tremendous technologic triumph, a landmark in the world's history of energy use, and a first step away from total dependence on oil exploration for our future supplies of liquid fuels.

But it is only a first step. Synthetic fuels will phase into an expanding market gradually, and conventional oil can anticipate a long and active future.

Private capital and private risk are entirely responsible for this project. The Canadian Government aided only with modest tax and legal incentives.

This fact should be noted by governments everywhere, and the example followed in fostering industrial development.

Given the incentive of a fair chance to make a return on investment, private enterprise will risk the capital and perfect the technology to keep consumers adequately supplied with oil and gas—or anything else—if not by conventional, then by new and imaginative means.

DEATH OF MAJ. GEN. BRUNO A. HOCHMUTH IN VIETNAM

Mr. TOWER. Mr. President, it is with the deepest regret that I inform the Senate of the death in Vietnam of Maj. Gen. Bruno A. Hochmuth, a native Texan, a graduate of Texas A. & M. University, and commander of the 3d Marine Division.

It is understood that General Hochmuth was killed when his helicopter crashed about 30 miles below the DMZ. His death and the deaths of hundreds of other Texans and thousands of other Americans confirms once again the Nation's determination to preserve world order and freedom and the desperate need for us to use the power we have to bring the Vietnam war to a successful conclusion.

General Hochmuth was born May 10, 1911, in Houston and completed high school there in 1930. In June 1935, he was graduated from Texas A. & M. His military career was a distinguished one. He is survived by his widow, the former Mary

Stovall, of Houston, who now lives in San Diego, and by two daughters, Mrs. Robert L. Ruiz and Mary Lynn Hochmuth, and by his father, Walter E. Hochmuth, of Houston.

Mr. President, I ask unanimous consent to have printed in the Record an official biography of the general and the article published in this evening's Washington Star recounting the loss of his helicopter, probably because of hostile fire.

There being no objection, the items were ordered to be printed in the Record, as follows:

Maj. Gen. Bruno A. Hochmuth, U.S. Marine Corps Commanding General, 3d Marine Division, Vietnam

Bruno Arthur Hochmuth was born May 10, 1911, in Houston, Texas, and completed high school three in 1930. In June 1935, he was graduated from Texas A & M College, receiving a Bachelor of Science degree in Industrial Education. He was commissioned a Marine second lieutenant in July 1935, upon resigning a U.S. Army Reserve commission.

After completing Basic School at the Philadelphia Navy Yard, he joined the Marine Detachment at the Texas Centennial, Dallas, Texas, in June 1936. In December 1936, he was transferred to the 2d Battalion, Sixth Marines in San Diego, California. Departing for Shanghai, China, in August 1937, he served briefly with the Sixth Marines, then served two and one half year duty with the Fourth Marines. While overseas, he was promoted to first lieutenant in July 1938. Upon his return to the United States, Lieutenant Hochmuth was attached to the 7th Defense Battalion in September 1940. The following February, he embarked with the battalion for American and British Samoa. He was promoted to major in May 1942.

In March 1943, after two years overseas, he was assigned briefly to the Antiaircraft Artillery School, Camp Lejeune, North Carolina. From June 1943 until May 1944, Major Hochmuth served as Assistant Director, Command and Staff School, Quantico, Virginia, prior to embarking again for the Pacific area. He participated in the campaigns at Saipan and Tinian as Assistant Operations Officer with the 3d Amphibious Corps, and later served as Commanding Officer of the 3d Battalion, Fourth Marines, in the Okinawa campaign. For meritorious service during the assault on Okinawa, he was awarded a Legion of Merit with Combat "V".

As Executive Officer of the Fourth Marines, he made the initial landing on Japan August 29, 1945, and on September 2 of the same year attended the formal surrender ceremony at Yokosuka. He then commanded the Marine Barracks at Yokosuka for almost two years. For his service there, he was awarded the Navy Commendation Medal.

Returning to the United States in August 1947, he saw three years duty at Headquarters Marine Corps, then entered the Industrial College, Fort McNair, Washington, D.C. He was graduated in June 1951, and returned to Camp Lejeune as Commanding Officer, 2d Marines, 2d Marine Division. In July 1952, he was named G–1 Officer, 2d Marine Division at Camp Lejeune. He was promoted to lieutenant colonel in August 1947 with rank from October 1942, and to colonel in January 1951.

Ordered to Kingston, Ontario, in September 1953, he served as Instructor, Canadian Army Staff College, for two years. He again went to the Far East in August 1955 to serve as G–4 Officer, 3d Marine Division, Japan and Okinawa. In August 1956, Colonel Hochmuth was assigned to Quantico, Virginia, as a member of the Advanced Research Group, Marine Corps Education Center.

In July 1957, he was transferred to the Marine Corps Recruit Depot, San Diego, serving as Chief of Staff through October 1959. While stationed in San Diego, he was promoted to brigadier general in November 1959, and served briefly thereafter as Commanding General of the Marine Corps Recruit Depot and, later, as Commanding General of the Recruit Training Command.

In January 1960, General Hochmuth reported to Headquarters Marine Corps where he served as Deputy Chief of Staff (Research and Development). While serving in this capacity, he was promoted to major general in August 1963. That November, he returned to the West Coast and assumed duty as Commanding General, Marine Corps Recruit Depot, San Diego, California. For meritorious achievement from November 1963 to February 1967, General Hochmuth was awarded a Gold Star in lieu of the second Navy Commendation Medal. He assumed his current assignment in March 1967.

The general's medals and decorations include: the Legion of Merit with Combat "V", the Navy Commendation Medal with Gold Star in lieu of a second award, the Presidential Unit Citation with one bronze star indicative of a second award, the China Service Medal, the American Defense Service Medal, the American Compaign Medal, the Asiatic-Pacific Campaign Medal with three bronze stars, the World War II Victory Medal, the Navy Occupation Service Medal with Asia clasp, and the National Defense Service Medal with one bronze star.

General Hochmuth and his wife, the former Mary Stovall of Houston, Texas, have two daughters, Joan Elizabeth (now Mrs. Robert L. Ruiz), and Mary Lynn. The general's father is Mr. Walter E. Hochmuth of 2034 Colquitt Street, Houston. His mother is deceased.

Major General Hochmuth Killed as Copter Explodes in Air

Da Nang, Vietnam.—Maj. Gen. Bruno A. Hochmuth, 56, commander of the U.S. 3rd Marine Division, was killed today when his helicopter exploded in the air and crashed near South Vietnam's "Street Without Joy." He was the first American general killed in Vietnam.

The cause of the explosion was not immediately known. U.S. military headquarters in Saigon said it was not believed there was any enemy fire in the area at the time, but Marine officers in Da Nang said they did not rule out that possibility.

Four other men—two American pilots, the American crew chief and a Vietnamese interpreter—died in the explosion and crash about 10 miles north of Hue and 400 miles north of Saigon.

That is the area author-historian Bernard Fall named the "Street Without Joy" because of action there during France's Indochina war. Fall was killed by a booby trap in the area last Feb. 21.

KEY OFFICER

As commander of the 3rd Marine Division, Hochmuth had been a key officer in some of the bloodiest fighting American troops have seen in South Vietnam. His Marines were repeatedly engaged in major battles along the demilitarized zone that divides Vietnam and in other regions of the northernmost 1st corps area.

Hochmuth was killed on an inspection trip. The pilot of the "chase" helicopter flying behind said the general's HU1E craft was flying at about 1,000 feet when it appeared to explode in the air and broke in two.

The helicopter arched over and plunged into a lake, landing on its back about 100 yards west of National Highway One. While the chase helicopter hovered over the crash, Marine ground troops were rushed from a regimental command post four miles to the north and arrived in a few minutes.

PARTLY UNDER WATER

The fuselage of the helicopter was under about five feet of water. The second chopper winched the craft partially out of the water but there were no survivors.

Hochmuth's aide, Capt. R. B. Starke Jr. of Denver, Colo., normally would have been with the general, but he was bitten by a centipede recently and did not make the trip.

Hochmuth left his headquarters at Phu Bai this morning to confer with Brig. Gen. Ngo Quang Truong, commander of the 1st Vietnamese Division at Hue. After the meeting with Truong he was flying north toward the demilitarized zone fighting area when the crash occurred about noon.

Identification of the other American victims was withheld until next of kin were notified.

LEAVES WIFE, DAUGHTERS

Hochmuth's widow is the former Mary Stovall of Houston, Tex., and lives in the San Diego, Calif., area.

The general is also survived by two daughters, Mrs. Robert L. Ruiz and Mary Lynn Hochmuth, and his father, Walter E. Hochmuth of Houston, Tex.

Lt. Gen. Robert Cushman Jr., commander of the U.S. Marines in Vietnam, went to the scene of the crash from Da Nang. He and Hochmuth were close personal friends.

Hochmuth, a lantern-jawed Texan, took command of the 3rd Division last March 18. In the eight months of his command he directed his Leathernecks in dozens of major operations, including some of the roughest of the war along the DMZ.

Some of the most significant were the battles of the mountain tops north of Khe Sanh in late April; Operation Hickory, when allied forces swept into the DMZ for the first time, and the artillery siege of the Marine strongpoint at Chon Thien just south of the DMZ.

MADE REGULAR TOURS

As most of the field commanders, Hochmuth made regular helicopter tours to his command bases and units in the field.

The assistant division commander, Brig. Gen. Louis Metzger, 51, of San Francisco, is expected to take temporary command of the division.

Hochmuth was graduated from Texas A. & M. in 1935 and was commissioned a second lieutenant in the Marines that July. During World War II, he was in the Saipan, Tinian and Okinawa campaigns. He was in the initial landing in Japan in August 1945 as executive officer of the 4th Marine Regiment.

INSTRUCTOR IN CANADA

In 1953 he served as instructor at the Canadian Army Staff College in Kingston, Ont. Later he returned to Japan and Okinawa with the 3rd Marine Division.

He was promoted to brigadier general in November 1959, while serving at the Marine Recruit Depot at San Diego. His second star was awarded in August 1963, when he was promoted to the staff for research and development at Marine Corps Headquarters in Washington.

FLANNER HOUSE HOMES

Mr. BAYH. Mr. President, on previous occasions I have invited the attention of the Senate to some of the accomplishments of Flanner House and its parent organization, the Board for Fundamental Education, which is located in Indianapolis, Ind. Not the least of its many projects has been assisting in the construction of a large number of homes for low-income people on a self-help basis.

A detailed report on how several hundred Negro families in Indianapolis have been able, largely through their own efforts and under the guidance of Flanner House, to construct "neat rows of attractive frame and brick homes" in areas which were previously run-down slums, was printed in the Wall Street Journal of Monday, November 13. This article, written by Stanford Sesser, portrays dramatically how a group of low-income people, unskilled and lacking previous training in the construction industry, were able with proper instruction and supervision to help solve their own housing problem. Moreover, this was accomplished without Government funds or subsidy of any kind.

In view of the general interest in seeking methods of alleviating the Nation's housing problems, I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Slum Therapy: Indianapolis Negroes Build Their Own Homes With Assembly Line—Sweat Equity Takes Place of Cash Down Payments by Low-Income Residents—Color-Coded, Pre-Cut Wood

(By Stanford Sesser)

Indianapolis.—One way to conquer slums: Take up hammer and saw and do the job yourself.

Several hundred Negro families here have done just that. Their low incomes might have doomed them to lifelong slum existence. But with the aid of an ingenious system for group-building houses, they have transformed dozens of blocks of rotting wooden tenements and rubbish-strewn lots into neat rows of attractive frame and brick homes.

And they did it without a cent of Government subsidy (though one is being sought now).

The people involved don't claim that their effort is a panacea for the nation's slums. But in a struggle that often seems a series of inconclusive skirmishes, they have scored a triumph. Urban planners and politicians have been flocking here to see their work.

SURPRISES

The project consists of two groups of houses on opposite sides of town. It is run by Flanner House Homes, a private self-help organization formed in 1945. Most impressive to visitors here is the fact that 397 men, many of whom had never used a tool, built their own homes from scratch. But there have been these other surprises:

The normally conservative Indianapolis business community rallied behind the project. Businessmen contributed much of a $200,000 revolving fund used to purchase construction materials, and the city's largest banks made most of the necessary mortgage loans.

The creation of solid communities from slums produced a dramatic increase in political organization. The residents got 98% voter registration and formed neighborhood groups that persuaded city hall to provide an elementary school and a new swimming pool.

The transformed neighborhoods became attractive to private developers, who stepped in to put up houses on adjacent land. They found that a number of middle-income Negroes wanted to move to the area.

There still are crumbling slums around the two neighborhoods, but the ranch-type homes in the Flanner House projects look like those in a first-rate suburban housing development. Although some are 16 years old, none shows signs of deterioration, in contrast to the "instant slums" that critics contend urban renewal projects often produce.

The resident families had meager incomes, ranging from about $3,500 to $4,200, and most of them hadn't previously owned anything more expensive than a second-hand automobile. So what made the project possible?

ASPIRATIONS AND ENERGY

One answer comes from Cleo W. Blackburn, executive director of Flanner House and of its parent organization, the Board for Fundamental Education, a non-profit corporation that conducts a number of self-help programs. "They were people with aspirations who didn't want to live in public housing," he says.

Mr. Blackburn, a 59-year-old Negro who began drumming up support for a home-ownership program in the late 1940s, gives all the credit to the residents. Their fight to "upgrade themselves" was the key factor, he suggests.

"The simplest part of the whole process is building the house," Mr. Blackburn declares. But a tour of the Flanner House "factory" leaves the impression that a minor miracle of engineering has taken place. Some of the residents note that they "knew which side of the hammer is up, but that's about all." However, they began building homes without a day of instruction.

The key to the program is an elaborate assembly-line process developed with help from Purdue University. The men in families accepted by Flanner House must be able to work 20 hours a week at night, in addition to holding a regular job. Groups of at least 20 persons build the houses, each performing a specialized task on each home.

Completion of a house (there are four types) takes nine to 12 months. Most components are prefabricated at the factory on large frames. One, for instance, represents the side of a house. Lumber is ordered precut to specified dimensions and is color-coded, so that often there is no need to read blueprints.

Supervisors give instructions and handle technical details. The functions requiring highly developed skills—plumbing, heating and electrical wiring—are done by contractors hired for the job. Local construction unions have given their blessings to the Flanner House methods.

EVERYBODY WORKS

The women are active too. They get class instruction in how to reupholster furniture, and they organize discussion groups that later can make sure the new communities aren't being slighted by the city. This kind of concern is a prerequisite for getting into the Flanner House project.

What makes the whole thing possible financially is "sweat equity." Labor is a major factor in the cost of building a home. "There are families across the nation who have sufficient income to pay for a home mortgage," Mr. Blackburn notes, "but they don't have an income sufficient to save for the down payment."

At the Flanner House Homes there is no down payment. The 900 hours of labor contributed by each man make it unnecessary. A finished home is worth $14,000, but the owner needs a mortgage loan of only $9,500 to return construction costs to the revolving fund.

The residents get mortgage loans insured by the Federal Housing Administration. Payments, including the mortgage, taxes and insurance, generally have been about $90 a month—less than most of the home owners previously paid in rent.

"The truth is that it was very good business for us," says William P. Flynn, retired chairman of the Indiana National Bank, which made many of the mortgage loans. "There wasn't any real risk about it. If we had to do it over again we'd grab it."

The residents say the sweat equity principle represented the only way out of the slums. "We couldn't have continued paying rent and at the same time saved up $2,000 for a down payment," says one home owner.

The Flanner House method produced another kind of saving. Because the homes are built in large groups, the project gets discounts of up to 40% on products ranging from lumber to appliances. Theodore H. Simpson, director of the housing program, says private industry is eager to make the mass sales. "Sometimes you can't get into the office, there are so many salesmen," he says. "They're calling all day long."

Flanner House has run into one difficulty. The $90 a month mortgage payments were made possible by interest rates far below the current average of 6½%. The Flanner House program had to be suspended in late 1965 due to rising rates and scarcity of land.

Another large tract of land has been assembled this year, but home-building can't start again without a subsidy to offset high mortgage payments. This time, Mr. Blackburn is turning to the Government for help. He hopes the Model Cities program will provide funds.

Demand from Indianapolis Negroes to get into the project is rising steadily. "We could build as many self-help houses as we wanted to if we had the land," Mr. Blackburn says. Flanner House competes in the market for land; it must submit bids for areas cleared by the Indianapolis Redevelopment Commission.

Flanner House hasn't been able to make a large dent in the housing problems of the city's 110,000 Negroes. The slums of the Indiana capital are growing, like those of other cities. And urban renewal experts note that single-family homes of the Flanner House type couldn't be put in crowded cities like New York.

But planners nevertheless consider the Indianapolis project a heartening initiative. "Here is a place where the public and private sectors can join hands," says Mr. Blackburn. A home ownership bill recently passed by the Senate housing subcommittee could spawn other similar projects. It would provide Federal funds to lower interest payments on mortgages.

"What we're involved in is an effort to get people to uplift their aspirations," Mr. Blackburn says. It seems to work; he notes that many of the families have doubled their incomes since moving into the new homes. Many have added rooms, garages and air conditioning units.

"These people are interested in their property values," says one home owner, and he suggests a reason why: "I know something has to be done about the slums, but things can be given on too much of a silver platter. We've had to work for everything we had."

I REPEAT: WHERE IS THE ARMY OF SOUTH VIETNAM?

Mr. MONTOYA. Mr. President, I have constantly sought to retain a strong faith in the geopolitical correctness of our actions in South Vietnam. It has been my belief that we must deny victory to a Communist movement that would aline itself with Communist China by dint of geographical proximity. With this thought uppermost in my mind, I have supported our position there.

But from time to time there have come to light facts about our South Vietnamese allies that have caused me severe disquiet. Many of these revelations concern the armed forces of South Vietnam. I realize we cannot create instant parliamentary democracy in that land. With this in mind I have reserved judgment regarding regimes that have followed one another in Saigon.

But continuing revelations regarding the armed forces of South Vietnam have at times appalled me.

If we invest significantly in terms of men and wealth in the war effort there, we are at least entitled to see the armed forces of that nation play a meaningful role in its defense. In many areas and over a painful period of time, this has been the exception rather than the rule. I have referred to this previously in this Chamber.

Mr. President, every time another revelation comes to light on nonperformance by the armed forces of South Vietnam, I am filled with an almost indescribable feeling of indignation. I also note with distaste profiteers and incompetents who surface in any situation like this. But there is no need to tolerate them in the armed forces, especially with American military personnel playing their present role.

I refuse to silently countenance this type of behavior on the part of the South Vietnamese armed forces. I demand that steps be taken to make these people come up to snuff and play the role they must if we are to accomplish our announced goals there.

The latest series of revelations are contained in a Washington Post article written by Lee Lescaze and published on November 14, 1967. They dwell mainly on the inability and lack of desire on the part of these, our allies, to perform night actions against the Vietcong. They deal in part with a lack of support on the part of the Government of South Vietnam for those irregular forces made up of former Vietcong who are fighting effectively against the enemy. They further mention continued incompetence of highly placed officials of the Government of South Vietnam in the delta area.

Mr. President, I ask that this situation be corrected. I ask that incompetents such as those referred to in the article be summarily dismissed. I request that we not tolerate this type of Trojan horse within our ranks. Our Government must apprise the Saigon government that the American people expect at least equal dedication and sacrifice on the battlefield on the part of the South Vietnamese.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A DAYTIME WAR—SAIGON'S MEN FIGHT FROM 8 TO 4, BUT REDS MOVE AT NIGHT IN DELTA

(By Lee Lescaze)

CANTHO, SOUTH VIETNAM, November 13.—The war in the Delta still belongs to the South Vietnamese army and by day it is hardly visible.

Soldiers rest in their outposts along the main roads and canals. Occasionally a farmer moves in the thousands of rice paddies where the mud and green shoots hide any shell craters of past battles.

The three Vietnamese divisions in the 16 provinces making up IV Corps launch repeated daylight operations with only occasion results.

"They are a precision outfit," a well-informed source in one province said of the ARVN. "They arrive at 8 a.m. and leave at 4 in the afternoon."

One ARVN division commander knew the Vietcong commander in his area at school. After launching an operation, the ARVN general frequently gets on his radio and challenges his opponent to fight. The Vietcong leader sends back a standard reply: "I'm here. Come and get me."

At least two spotter planes are in the air over each Delta province all day and American and Vietnamese patrol boats run frequent checks on canal and river traffic.

Only a few treelines along canals provide any cover in the vast mud plain. American officials say it is almost impossible for the enemy to move during the day. The Vietcong apparently agrees.

To find the Vietcong, as many Americans have argued for years, the Vietnamese army must operate at night.

"There is increasing emphasis being placed on night, small-unit operations," one U.S. adviser said. "But they are still the wrong kind of operations. Each night the battalion takes up a couple of positions—the same positions every time."

RELUCTANT AT NIGHT

The reluctance of the Delta's three ARVN divisions, the 21st, 7th and 9th, to work at night has led to numerous experiments with irregular troops. It has also resulted in impatience with the performance of the ARVN.

In several areas the irregular troops have been highly successful. During the last six months, 200 irregulars operating only at night in small units killed more Vietcong in Baxuyen Province than the regular army killed in three years.

Most of these irregulars are the Provincial Reconnaissance Units, who were better described by the former name Counterterror Teams. They are financed and run by the CIA and include some Vietcong defectors.

EFFECTIVE FIGHTERS

In Baxuyen, the Armed Propaganda Teams, made up entirely of defectors, have been equally effective night fighters. The province chief, regular Vietnamese army commanders and other government officials are never told where these irregular forces are going or when. Their operations also surprise the Vietcong.

Saigon never talks about these irregular units. It also gives them little support. The Baxuyen Armed Propaganda Team was not paid for six months once and finally the province chief advanced them the funds from his own operating budget.

U.S. estimates of Vietcong strength are about the same as a year ago: 36,000 main force troops and around 40,000 political cadre and support personnel.

It is argued that the Vietcong are no longer able to recruit a surplus of men in the Delta, where a third of the population lives. The surplus, about 800 monthly, used to be sent north to join other Vietcong units.

U.S. officials also believe the enemy is having trouble maintaining strength in the Delta. In some battles, boys less than 16 have been killed or captured, they report. There are no North Vietnamese troops in the Delta.

There is no doubt that some Vietcong units have been hurt. Until recently, they chose to make fewer large-scale attacks than a year ago. But for the 40 per cent drop in the rate of Vietcong-initiated incidents, it is impossible to show a similar increase in pacification—or people won to the government side.

Where the Vietnamese do make any progress it is slow and threatens to collapse if not constantly followed up.

Gaixuan village is one of the 11 priority pacification areas in the Delta. For months it had been one of the models of success and was visited by numerous VIPs.

When the Revolutionary Development teams that had done the initial pacification work in Giaixuan moved out on Sept. 4, there was trouble within a week. One of the new schools closed down and the village chief and the self-defense force had vanished.

ELUSIVE GOVERNMENTS

There the province chief acted quickly. He fired the village chief, ordered the district chief to spend some time there and sent in an extra regional force company to provide security. Giaixuan is now working well again.

More difficult than finding the Vietcong units is finding and destroying the local governments that the Vietcong established throughout the Delta.

"There isn't one hamlet in this province without a completely undisturbed VC government," one official in Baxuyen said. "There isn't a store in Soctrang (capital of Baxuyen) that doesn't pay Vietcong taxes."

Baxuyen, one of the richest provinces, is not considered one of the hardest nuts to crack. From a map in the province headquarters, in Cantho, one gets the impression that Baxuyen is more pacified than at least half the Delta provinces.

VC'S ADVANTAGE

"The Vietcong have had 20 years in the Delta," one experienced American said. "What they've built won't be destroyed easily. The Saigon government has had five years. It exists only on paper; it's a shadow."

The Vietcong don't have to make constant trouble in the Delta, he said. Although they have been militarily reduced, their political organization is intact. One of the biggest successes the government has achieved in this province, he said, was in the timing of a pacification campaign in one hamlet.

The RD cadre arrived just in time to prevent Vietcong from collecting their annual 60 per cent rice harvest tax. The people welcomed the RD cadre.

However, in most of the Delta, the Vietcong still offer an attractive life to young men. There is no way out of the paddies to a job of responsibility with the Saigon government or its army. The Vietcong will give a 13-year-old boy a mauser and tell him to guard a path. He takes the job seriously more often than not.

Also the Vietcong permit a more fluid social structure than the outside world. School training makes little difference, and a man who performs well is advanced.

The Saigon government is trying to build allegiance on the basis of the old village and hamlet loyalties. Many people working with the Vietnamese find these loyalties remarkably weak. For the Vietnamese, families come first.

The society based on family which refuses to unite with, or even know, its neighbor would be workable in a time of peace.

"In a society with pressure on it," one observer said, "it is a catastrophe."

The catastrophe is being dealt with by able American advisers like Lt. Col. Ronald A. Roberge, Lt. Col. Josiah A. Wallace, Hugh Lobit and Steve Shepley.

Incompetent Vietnamese officials have been fired. Some corrupt ones have been dismissed and the quality is getting better every month.

In the last three weeks, the Vietcong have become newly active in the Delta. The province capital of Chaudoc was overrun, villages on the outskirts of the province capital of Mochoa were attacked, Kienhoa's province capital, Bentre, was mortared and is waiting for an attack.

The Delta war has been least changed by the arrival of American troops. It is a war that many able Vietnamese and Americans think can be won, but they know it will take time and continued pressure for improved tactics.

Barring an early negotiated peace, these men see the struggle in the Delta continuing well into the next decade. And if the other side were to accept President Johnson's offer to talk peace, most of them believe, the enemy would retain its ability to make war should the peace fail.

BUSINESS LEADERS VOTE SECURITIES AND EXCHANGE COMMISSION MOST POPULAR FEDERAL AGENCY

Mr. McINTYRE. Mr. President, my attention has been called to an interesting article published in the Los Angeles Times of September 20. It deals with a survey of the reactions of west coast businessmen to Federal regulatory agencies.

According to the members of the Commonwealth Club of San Francisco, the highest rating for capable performance and avoidance of overregulation was given to the Securities and Exchange Commission.

Club members were asked to express their views on the SEC, the Civil Aeronautics Board, the Federal Reserve System, the Maritime Administration, the Interstate Commerce Commission, the Federal Trade Commission, the Federal Power Commission, and the Antitrust Division of the Department of Justice.

The persons surveyed apparently represent a cross-section of conservative views on Federal authority. Sixty-four percent of those questioned felt that existing Federal regulation should be decreased. In view of this, the high rating given to the SEC is most significant.

I think that the publication of this survey is particularly appropriate at the present time, in view of the expanded authority to be given to the SEC under S. 1659, the Investment Company Act amendments. At least in the minds of members of the Commonwealth Club, there seems to be little fear that this new authority will be abused.

I ask unanimous consent that the article, entitled "SEC Rates Highest in Agency Popularity Poll," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Los Angeles Times, Sept. 20, 1967]

SEC RATES HIGHEST IN AGENCY POPULARITY POLL

(By Robert E. Nichols)

Good guys were separated from bad guys by some 1,800 West Coast business and civic leaders the other day when San Francisco's venerable Commonwealth Club polled its members for their reaction to the Big Eight federal regulatory agencies.

It's the result of a 25-month study into "How Much Government Is Good for Business?" The secret-ballot survey asked for one of three appraisals of the eight agencies performance: does it exercise too little, too much or just about the right amount of control over business?

Three of the eight agencies received substantial approval for the job they do: the Securities & Exchange Commission (83% of respondents felt it was either doing enough or too little), the Civil Aeronautics Board (82% ditto), and the Federal Reserve System (67%).

Low man in popularity was the Antitrust Division of the Department of Justice (67% felt it exercised too much control, only 19% said it was doing just right), followed by Federal Power Commission (59% too much, 30% just right), Federal Trade Commission (58% and 28%), and Interstate Commerce Commission (52% and 38%). The Federal Maritime Administration scored a tie: 42% felt it regulates too much, 42% felt it's doing just enough, leaving 16% of the opinion it needs to do more.

The survey did not seek an opinion of the ninth regulatory agency, the Federal Communications Commission. But when Commonwealth members were asked, considering everything, did they think the area of federal regulation should be increased, decreased or remain as is, 64% voted for a decrease, 9% favored more regulation and 27% preferred to leave things generally as they are.

CONCLUSION OF MORNING BUSINESS

The VICE PRESIDENT. Is there further morning business? If not, morning business is concluded.

MILITARY CONSTRUCTION APPROPRIATIONS, 1968

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The VICE PRESIDENT. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 13606) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). Without objection, it is so ordered.

ORDER FOR ADJOURNMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 12 o'clock meridian tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 780) to amend the Clean Air Act to authorize planning grants to air pollution control agencies, expand research provisions relating to fuels and vehicles, provide for interstate air pollution control agencies or commissions, authorize the establishment of air quality standards, and for other purposes.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 1552) to amend the Highway Safety Act of 1966, and it was signed by the Vice President.

ORDER OF BUSINESS

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

INCREASED PARTICIPATION IN CROP INSURANCE PROGRAM BY FLORIDA CITRUS GROWERS

Mr. HOLLAND. Mr. President, recently, I was pleased to note that Florida citrus growers again this year increased their participation in the Federal crop insurance program, protecting more acres of the 1967 citrus crop with greater total coverage than ever before.

The crop insurance program is administered by the Federal Crop Insurance Corporation of the U.S. Department of Agriculture. John N. Luft, the Manager of FCIC, addressed a gathering of agency employees in Orlando, Fla., November 1 of this year. He commented on the outstanding program of coverage of the citrus crop in Florida and commended the FCIC people for their role in encouraging citrus growers to obtain this valuable protection for their crops.

At this point in the RECORD I ask unanimous consent to have printed as part of my remarks excerpts from Mr. Luft's able remarks on that occasion.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

The million dollar premium milestone for Florida citrus that you've passed is a far cry from the early beginnings of citrus crop insurance here. The first year, 1951, premium was for only $81,000 and total protection was a bit over $1 million. Today, premium alone is over $1 million, and represents a total liability of nearly $14,750,000.

This means, as I don't need to tell you folks here tonight, that you have contributed importantly to setting up a protection fund of nearly $15 million that FCIC stands ready to pay to Florida citrus growers in event hurricane or freeze occurs . . . A protection amount which, generally, guarantees these insured growers they will get their high production expenses back.

It is protection to the economy of small communities which make their livelihood by serving citrus growers in surrounding localities. It is protection which not only gives growers peace of mind in good years but pays them loss-claims in disaster years. It also gives them an extra measure of bank credit which sometimes is needed to finance current operations or to expand for increased profits.

So again I congratulate you on a great achievement. The goal you reached against the odds you've had hasn't been duplicated any place else in the country since I've been with Federal Corp Insurance. What you've done in Florida with the citrus program is important to all 39 states and 1,300 counties we serve, for it helps in FCIC's growth and stability, and your success must certainly be an inspiration to hundreds of FCIC people over the country.

In the last 20 years, we've operated nationally almost exactly as Congress decreed we should: That is, paying losses out of premium income. Nationally, since 1948, we've returned nearly $400 million in loss payments to farmer-policyholders for crop damage. During this time we've paid out about 96¢ for every premium dollar taken in, and in recent years we've paid a sizable portion of our administrative expenses out of premium income, too.

In the last five years Crop Insurance has more than doubled in scope—the number of farmers insured, the premiums they pay, the loss-payments they received, and the number of counties where crop insurance is available. It's a big operation now, with more than $650 million in protection over the nation as an ace in the hole for over a third of a million 'farmers—protection of their crop investments, protection of their bank credit and a bolstering effect on their communities' economy.

Most of you have a pretty good understanding of these things, I know. I wonder, though, if most of you realize how throughout the world Federal Crop Insurance has become a sort of model to which many nations turn for information and guidance as they, too, start and develop varying styles of crop insurance themselves?

Hardly a month goes by but what one or two delegations from other nations come to our Washington offices for advice, statistics, background information, and counsel. We always supply it willingly and enthusiastically.

In this connection, I want to ask each of you to consider for a minute what you mean to Florida Crop Insurance, what Florida means to the whole Federal Crop Insurance program, and what Federal Crop Insurance in the United States could some day mean to the future of the world in terms of food for hungry people and as a possible contributor to world peace.

People hold all kinds of jobs. Some preach from the pulpit. Some drive buses, some play baseball. Some are doctors who save lives, others are lawyers who straighten out problems. You here, tonight, are workers with Federal Crop Insurance—A Government program that has brought a better life to literally millions of people over its nearly 30-year lifetime. Your part in Florida, lately, has been helping this State make such a remarkable record in citrus that you've attracted attention throughout the whole Department of Agriculture—and that's why we're here tonight, to celebrate this remarkable success.

To the degree that you yourself helped, to that degree you have helped Florida inspire the whole Federal Crop Insurance program. I think perhaps we can extend our pride a little here tonight. Because the day surely will come when the problem of feeding the world's exploding population will be man's greatest problem. Licking it will take all of mankind's experience and technical know-how. Licking it will have to be profitable for the people who grow the crops.

For them to profit, they must be relatively safe from financial disaster. That's what Federal Crop Insurance does for Florida citrus growers, and for farmers of 25 crops all over America. And because it is doing it twice as well as it did five years ago—thanks largely to the kind of remarkable dedication you folks here tonight have shown the program—it is attracting world-wide attention.

Aren't you proud of this? The deepest thinkers are saying, that when you boil it all down, wars are nearly all economic with the have-nots wanting what the others have. When hunger stalks, a nation may look beyond its borders for help—and might go to war to obtain its objectives. That is one of the great threats today—that unless a way is found to solve the problem, hunger in the densely-populated nations may prevent real peace for many years to come.

Today Japan has a national program of Crop Insurance, India is working on it, South Africa and Ceylon and Mexico and Iran and a dozen or so other countries have honored us with visits in the last several years, either in connection with starting or with further developing a crop insurance program—as a part of a long range plan to help feed their peoples with the utmost efficiency.

We ate well here tonight. Most of America eats well. Part of the reason is that we have democracy, free enterprise, and well-working industrial and agricultural programs. Some day, perhaps, all nations can be as fortunate . . . and if so, perhaps they also can live in peace.

I hope it comforts you a little tonight to feel—for it's certainly true—that you, in your job, are helping just that little bit toward making life a little better, not only for the farmers of your time right here in Florida, but perhaps also for generations of farmers yet to come throughout this troubled, interesting and challenging world.

Mr. HOLLAND. Mr. President, for the special information of the Senate, I invite its attention to the fact that the Florida citrus industry this year, for the first time, is paying over $1 million in premiums for the protection afforded through this Government corporation and not available from any private or any other source; and likewise, the fact that the total liability of the FCIC under the premiums now outstanding on the Florida Citrus Corp. alone is $14,750,000.

Mr. President, I commend the FCIC. I think that the good judgment of the Florida citrus growers is well demonstrated by the fact that they participate in this program which, while it does not offer them any largess in the event of a hurricane, a freeze, or other great calamity which can destroy a large part of crops, at least it assures them of getting back their full cost of production.

ORDER OF BUSINESS

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll. The bill clerk proceeded to call the roll.

Mr. YARBOROUGH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILINGUAL REPORT CARDS MARK PROGRESS FOR AMERICANS OF LIMITED ENGLISH-SPEAKING ABILITY

Mr. YARBOROUGH. Mr. President, I would like to call my colleagues' attention to a recent development in the New York City public schools. To build better understanding between the schools and the parents of Spanish-speaking youngsters, the parents of over 65,000 children will receive bilingual report cards.

During the recent hearings in New York City held by the Senate Special Subcommittee on Bilingual Education—and both distinguished Senators from New York [Mr. JAVITS and Mr. KENNEDY] were there to participate in those hearings—we were told that there were about 225,000 Puerto Rican students, or about 20 percent of the total number of students in the New York City public schools. While bilingual report cards are only a small step in breaking with traditional educational ideas in dealing with the bilingual students, it is nevertheless a step toward progress.

The need for bilingual report cards is the same need that we have for vast programs of bilingual education to give the limited English-speaking children of this Nation an opportunity for educational achievement. The Senate will have an opportunity to act upon such a proposal when the elementary and secondary education bill comes before us for consideration, as the Bilingual Education Act has been incorporated in the bill as an amendment. To illustrate the need for more emphasis on bilingual education, I ask unanimous consent that the article from the New York Times of Thursday, November 9, 1967, entitled "Schools To Give Bilingual Report Cards" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SCHOOLS TO GIVE BILINGUAL REPORT CARDS

Beginning next fall, report cards will be used to build better understanding between teachers and Spanish-speaking parents of thousands of pupils in the city's public schools.

Report cards for the Spanish-speaking parents will have Spanish translations of the English texts. They will be sent to the parents of 65,000 children in grades 2 through 6 of the elementary schools here.

In addition, parents of 5,000 children in the 14 pilot intermediate schools, will receive Spanish-English report cards.

Truda T. Weil, assistant superintendent in charge of the office of elementary schools, said of the new cards:

"The Spanish-English report card, which evaluates the progress of these children, will be better understood and help parents to join us in guiding their children."

The decision for the bilingual report cards was reached after discussions among principals, teachers and members of local school boards, parent associations and community groups.

DEVELOPMENT OF TARIFF-FREE AREAS IN MEXICO PRESENTS PROBLEMS AS WELL AS ADVANTAGES

Mr. YARBOROUGH. Mr. President, on November 6, 1967, the New York Times published an article discussing the problems and opportunities which are occurring along the border between the United States and Mexico since the Mexican Government has instituted a policy of establishing free-trade areas for the processing of goods which are imported from the United States into Mexico, processed there with cheap Mexican labor, and then returned across the border, with the processor paying only the duty on the increase in value caused by the labor done in Mexico.

In view of the interest in Congress in this problem, I ask unanimous consent that the New York Times article by Mr. Henry Giniger be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNIONS IN TEXAS FEAR A LOSS OF JOBS TO MEXICO

(By Henry Giniger)

MATAMOROS, MEXICO, November 2.—Joe Barrera and Agapito Gonzalez are good friends with strong bonds of common ancestry, common professions and common language. But they represent vastly different economic levels and these days they are working at cross-purposes.

Just across the Rio Grande in Brownsville, Tex., Mr. Barrera, the American son of Mexicans who emigrated to the United States is the international representative of Local 173 of the Amalgamated Meat Cutters and Butcher Workers of North America. Here in Matamoros, Mr. Gonzalez heads the local chapter of the Confederation of Mexican Workers.

A shrimp peeling and deveining plant employing 100 local girls has just begun operations here. Mr. Gonzalez is happy about it and hopes there will be other plants like it in a city where half the work force is unemployed or underemployed.

But Mr. Barrera and his brother, Dagoberti, who run the largest union in Brownsville covering the considerable food processing industry there are concerned about the effects of this kind of development on the lives of the people they represent on the other side of the border.

INDUSTRY DEVELOPED

All across the vast frontier from the extreme eastern end here on the Gulf of Mexico to the western end on the Pacific, the Mexican Government is trying to raise the economic level of millions of Mexicans living in small towns and large cities. It is trying to develop industry, and has hit upon a plan to allow United States companies to establish operations on the Mexican side of the border with tariff-free privileges provided they export their products from Mexico.

The advantage to the United States concern is cheap labor for certain operations. Thus far, more than 70 companies have taken advantage of this system, including Alberti Food Products with headquarters in Harlingen, Tex., 25 miles north of here.

Alberti is the first company to use the new system in Matamoros, but there is talk of an electronics concern and another shrimp plant to follow. Inside the small Alberti plant, which carries the name of Alfa, sits a Mexican customs official making sure that every shrimp goes back across to the American side for final processing and does not compete with the products of Mexican companies.

WHITE-CLAD GIRLS

The white-clad girls stand at long tables handling thousands of shrimp at about $2.08 a day. In Harlingen and Brownsville, girls who look very much like them, and often speak better Spanish than English, earn about the Federal minimum of $1.40 an hour. The difference has created two incompatible worlds.

Lee Thomas, general manager of Alberti in Harlingen, said in an interview that he was satisfied with the move since it resulted in savings in production costs. He asserted that the Mexicans were better workers and that the Mexican unions were easier to deal with than the American ones.

He said nobody had lost a job in Harlingen because of the move. But Dagoberti Barrera asserted that he had pay slips to prove that the Mexican-American girls in Harlingen were now working four to five hours less a day. Furthermore, he said, in contract negotiations with other food processing concerns, the possibility of moving operations from Mexico has been used as a threat to limit union demands.

CHEAP LABOR SITES

Those who are pushing the new program on both sides of the border contend that American labor is not being hurt since the companies moving to Mexico were or would be using such cheap labor locations as Hong Kong, Formosa or Puerto Rico.

American labor officials, like the Barreras, say they wish the Mexicans well and want to see them develop. But in trying to raise living standards on their side, the Americans are faced with the existence of a large pool of cheap labor on the Mexican side much less demanding about wages and working conditions.

Brownsville now has an unemployment rate of 6 per cent of the Barreras say "we should take care of our own first." Because so many of the American workers in the border area are of Mexican origin, ethnic and family ties lend a poignant quality to the competition.

THOUSANDS CROSS OVER

Long before American companies decided to come to where the working force was on the Mexican side, Matamoros and other Mexican border cities sent much of their work force over to the American side to work.

Before dawn here and in other cities, thousands of persons cross the bridges to work in United States plants and stores at wages that are low by general American standards but are infinitely better than they could hope to earn in Mexico if they could find work.

The American unions are trying to organize them, against stiff employer opposition, and to instill a sense of militancy in them. But coming from a much lower economic level, unfamiliar with their rights under United States laws, and feeling insecure and afraid, they have not responded well to the American union methods.

Little by little, standards in Mexico are rising. But Mr. Gonzalez, the Matamoros labor leader, said he was now trying to get a minimum wage the equivalent of $4 a day established in his area for a worker with a wife and five children. This is a maximum demand and he does not expect to get much more than about $2.40 a day.

The gap between a developing Mexico and a developed United States is still enormous.

CLAYTON FRITCHEY WRITES IN HARPER'S OF ATTORNEY GENERAL RAMSEY CLARK

Mr. YARBOROUGH. Mr. President, the November issue of Harper's magazine contains a sympathetic and understanding portrait of Attorney General Ramsey Clark. The article by Clayton Fritchey well describes the high goals, capabilities, and accomplishments of Ramsey Clark, and I ask unanimous consent that it be printed in the CONGRESSIONAL RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON INSIGHT: WATCH ON THE ATTORNEY GENERAL

(By Clayton Fritchey)[1]

(NOTE.—To some observers he is the "wrong guy in the wrong post at the wrong time"; to others he seems almost too good to be true.)

The Honorable Sam J. Erwin, Jr., senior Senator from North Carolina and a former judge, is a ranking member of the Senate Judiciary Committee, which last spring passed on the appointment of the new U.S. Attorney General, Ramsey Clark. Shortly after the Detroit riots, Senator Ervin had occasion to question Clark on civil-rights bills, which he said ran to 1,212 pages and weighed fifteen pounds, six ounces. "I'd just like to know," he grumbled, "how many more pages we're going to have?" Clark said, "As many pounds and pages as we need to ensure the rights of all Americans."

About the same time, in the House, Joe Pool, bulging Representative from Texas and a ranking member of the Un-American Activities Committee, was very busy pushing legislation against flag burners and other anti-Vietnam demonstrators. But he wasn't getting much help from the Attorney General, who is from Texas himself. Since all of the states already have laws against flag burning, Clark plainly thought the bill was mostly nonsense. Old Joe couldn't understand why. "I'm not trying to run Ramsey Clark out," Pool said. "Why, he's from my hometown, and he's a nice feller. But he's wrong . . . I just don't know why he got off on this kick."

And then Clark had to testify before Senator John McClellan's Subcommittee on Criminal Laws and Procedure, which is angry at the Supreme Court for "all those decisions" extending the Constitutional rights of defendants vis-a-vis the police. Clark thinks the Court is on the right track. His appearance before the committee was summed up by the right-wing magazine, *Human Events*, in a column which said, "You could tell from Clark's responses to the questions that his solution to the crime problem in America was the sociological one. . . . He's more interested in reforming society than rescuing it. He's the old-shoe type. He drives a small car instead of riding in the Justice Department's long limousine. He's as nice a young fellow as you'll ever meet. But what's more to the point is that President Johnson has appointed the wrong guy to the wrong post at the wrong time."

Then Representative William Minshall (Republican, Ohio) introduced a bill that would remove the Justice Department from control by the President. It is obvious, the Congressman said, "that Justice is not enforcing federal statutes involving persons who incite rebellion or insurrection, engage in sedition, advocate the overthrow of government, interfere with the morale and discipline of our military, or encourage and abet evasion of the Selective Service Act. Despite repeated appeals from Congress, Justice continues to ignore flagrant violations of federal law."

If this is the reaction (in some quarters) to Clark's first few months in office, what will it be when he really gets under way, and has a chance to bring to bear the full force of his full devotion to civil liberties and civil rights, to say nothing of his penchant for trust-busting and his distaste for capital punishment, wiretapping, bugging, and other invasions of privacy? The prospect may worry some of his friends, but it doesn't seem to disturb Clark himself. He has a serene political temperament. He takes opposition and criticism for granted; he sees it as impersonal and a natural part of the give-and-take of government and politics. He seems to feel if he does his job as best as he knows how, all will work out, and if it doesn't, it can't be helped. To liberals, in Washington and elsewhere, who are accustomed to political-minded men running the Justice Department, the Clark performance so far seems almost too good to be true.

From the outside, there is not a great deal to know about this "new" figure on the Washington scene, for his life has been relatively placid and uneventful. The eventful part is subjective, and is just beginning to surface. His father, Tom Clark, who retired from the U.S. Supreme Court to pave the way for his son's appointment, says Ramsey "takes after his mother," and she says "Ramsey was born a little old man." It is hard at first to see what she means, for her son is a good six-foot-three, and (at thirty-nine) is the second-youngest man in the Cabinet, as well as the seventh-youngest Attorney General in history. But Mrs. Clark had a point. It was her way of saying that he has always acted like a rational being; and "little" was her indulgent way of suggesting that he goes about it unostentatiously, which is notably the case.

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[1] Mr. Fritchey keeps track of the capital as "Harper's" correspondent, and columnist for the Newsday Syndicate. He formerly served as special assistant to Ambassador Adlai E. Stevenson at the U.S. Mission to the U.N.

He had been the Acting Attorney General for five months when he was made the head of Justice on February 28, 1967, but not many of the newspaper correspondents recognized him when he made his first speech to the Washington Press Club on April 13. It was long before this year's urban riots began. Nevertheless, Clark quietly warned that the nation "must move forward on broad fronts" to meet the needs of the Negro "while they can be met." He thought "our achievements are remarkable," but for all that has been done, "our relative position, because of the sweeping changes in which we are caught, has not really improved. Indeed, we may have slipped."

This was blunt talk for a brand-new Cabinet member. It made news, just as almost everything Clark has since said also has. Only the President himself has been involved in more controversial issues in the last few months.

WHY WAS HE CHOSEN?

William Ramsey Clark (he never uses his first name) was born on December 18, 1927. His father is also very tall and also was U.S. Attorney General before going to the Supreme Court, but there the resemblance pretty much ends, although father and son are devoted to each other. Ramsey Clark was born and raised in Texas like his forebears. He went to the University of Texas, and then to the University of Chicago for a law degree, plus a master's in history. He married a University of Texas coed (who also has a master's degree) shortly after graduation, and soon settled down in Dallas to practica law and raise a family, both inconspicuously. After ten uneventful years in the smallish legal firm founded by his grandfather, he went to Washington (courtesy of Lyndon Johnson) in 1961 as Assistant Attorney General in charge of the unexciting Lands Division. The Clark and Johnson families have been friends for many years, and Ramsey (while no politician) had campaigned for the Democratic ticket in 1960. He became Deputy Attorney General on January 28, 1965, and Acting Attorney General on October 3, 1966. Then a few months later he became the head of Justice. No pushing, no shoving, no maneuvering, no publicity, no spectacular achievements. But suddenly everybody in Washington wanted to know who he was and how he got there.

What had he been doing all those quiet years to produce the poised, informed, candid official that Johnson finally tapped for this politically sensitive job? It seems he had mostly been reading, studying, and thinking. Even as Acting Attorney General his grasp of the job began to be noticed inside the Administration, as well as his special way of speaking his mind. According to Clark, clinical psychologists contend that individuals "can't go thirty seconds without something on their minds." But, he adds, "I am living proof that this is wrong." He also says his attractive wife, Georgia, has been asking him for eighteen years. "What are you thinking about, dear?" And for eighteen years he has been answering, "Nothing." Not since Adlai Stevenson has a public official so slandered himself, for few members of the Johnson Administration currently have more on their minds.

Most Presidents want a reasonably acquiescent man for Attorney General; a stiff-necked one can be a nuisance in this acutely political office, which is why most appointments have a political flavor. So why did Johnson choose Clark? One thing is certain, it was not a case of Presidential absentmindedness. Johnson knew, or ought to have known, what he was getting, for Clark served a long probationary period as the Acting Attorney General. He went all out against wire-tapping and bugging; asserted control over FBI policy; dropped the politically hot sixteen-year-old spy case against Judith Coplon. He persuaded the President to veto a harsh crime bill which Congress passed for the District of Columbia because he felt it would violate Constitutional rights. He made it clear to Congress that he does not share its agitation over the Supreme Court's *Miranda* decision, which requires police to inform all arrestees (before interrogation) of their right not to talk.

Last winter Clark met with a group of law-enforcement officials in Memphis, Tennessee, who also were worked up over the *Miranda* ruling and strongly felt it would handicap law enforcement. Clark said he doubted it. The officials were somewhat taken aback, for they were aware that Justice Clark had dissented from that decision. One of them said, "Isn't Tom Clark your father?" The answer, of course, was yes. "But," said the official, "your position is entirely different than his." "Well," said Clark softly, "don't tell him what I said."

One reason Johnson knows Ramsey Clark so well is that he borrowed him from Justice from time to time to serve as a White House troubleshooter on race matters. After the rioting in Watts, he was named chairman of a special federal task force to investigate the causes of the outbreak. Earlier in 1965 he had been made chief officer of the federal forces in Alabama for the famous Selma to Montgomery civil-rights march. Clark drafted the 1967 civil-rights act, a proposal intended to wipe out discrimination in housing and employment. He has also stepped up enforcement of the 1964 and 1965 civil-rights acts, and he is known to have prodded the Equal Employment Opportunities Commission to get a move on.

THE KEY WORD

While he was at the White House Clark learned a little about the President, as well as vice versa. On one occasion the boss wanted a written brief on a very complicated matter. Clark dashed one off, but it came back with a short note saying, "You wouldn't want to argue that before your daddy, would you?" Clark then prepared an exhaustive memo, and this time the comment was, "Now you can take this up and argue it before your daddy and Earl Warren." The detractors of the Chief Justice, incidentally, get short shrift from the new Attorney General. This spring he introduced Warren as the main speaker at a luncheon meeting of the National Conference on Crime Control. Many of the policemen, prosecutors, and judges present had been openly blaming Warren and the liberal majority on the court for making law enforcement more difficult. In his introduction, Clark said, "Because Earl Warren lives and serves, our lives are enriched with justice, as will be the lives of our children's children for generations to come." Everybody got the point. Much later in the day, however, a reporter found Clark sitting alone at the rear of the large auditorium in which the crime conference was being held. What was he doing there when most of the delegates had lost interest in the program and left? "I thought I might learn something," Clark said.

The key word is "learn." He reads for business, then for pleasure, and then out of habit. It is a habit that changes men. It stirs doubts—in Clark's case, a "lingering doubt" in the summer of 1960 as to whether there was any "real fulfillment" in his professional life. That's when he decided he had to go into public service. And so he went, but not very prominently. The Department of Justice under Robert Kennedy in 1961 was full of well-known New Frontiersmen. The new Assistant Attorney General for Lands, this lanky James Stewart type from Texas, was a stranger in their midst, but not for long. John Seigenthaler, Kennedy's able administrative assistant at Justice, summed up the ultimate New Frontier judgment on Clark: "If I were asked for reservations about Ramsey Clark's quality and character, I couldn't think of one. I couldn't even nit-pick a fault."

Shortly after his appointment as Attorney General the Women's National Press Club gave a dinner in honor of both Tom Clark and his son. The president of the club, Eve Edstrom, said, "Now that Ramsey Clark is Attorney General he has special privileges—the key to the executive men's room and the right to call J. Edgar Hoover for an appointment." It was not too great an exaggeration. The FBI is supposedly only a branch of the Justice Department, but for years Hoover has been granting audiences—but not too frequently—to various Attorney Generals. Clark has been courteous and respectful to Hoover, but just the same the idea is getting around that he doesn't regard the FBI as a separate branch of the government. In the past there has been some ambiguity on how much wiretapping Justice was permitting the FBI to indulge in, and whether Hoover or Bob Kennedy was responsible for it. Clark has made it crystal clear that he regards the responsibility as his, and that he has expressly forbidden all but a "very few" for national security cases alone. Thirty-eight taps, to be exact.

SIMPLE TASTE IN JUSTICE

Clark seems to have only one ostentation—motor cars. He drives to work in a battered, eighteen-year-old Oldsmobile convertible whose top caved in during a heavy snowstorm last winter. His associates have tried to convince him he could get more work done if he commuted in a chauffeur-driven limousine—like any other self-respecting Cabinet Member—but the A-G insists the one-hour round trip between home and office is his best chance for daily thinking. Happily, his tastes are also simple when it comes to legal matters, such as selecting juries, for instance.

In his first appearance before a Congressional committee in behalf of civil-rights legislation, he urged reform of the federal jury selection process. The present system of "blue ribbon" juries, it is contended, discriminates against Negroes and the poor in general. But a powerful bloc of conservative Senators is against selecting jurors at random from a cross section of the community. Senator Ervin insisted to Clark that jurors should come from "the best and the most intelligent." Clark's answer was, "I don't know how you choose intelligence, common sense, and probity. We should try to include all of our people in the judicial process."

There are key Congressmen and Senators who think the Supreme Court's *Miranda* decision is an open invitation to crime. What did Clark think of that? His answer was: "I don't think court rulings cause crime. People don't commit crime with anything so sophisticated as the view that, 'Well, I can commit this crime now because I won't be interrogated.' If a fellow is that well informed of his rights, why he knew that he didn't have to be interrogated before *Miranda* anyway." In any case, the conviction rate, he said, is about the same among those who refuse to talk as it is with those who talk. He cited a study of two thousand cases in New York. Confessions were at issue in 275 of them, Clark said, "with only twenty-two cases where the defense raised the question of the legality of the confession, and only two out of two thousand where a motion to suppress the confession was actually granted, or one in one thousand."

One of the most thankless tasks at Justice is administering the antitrust laws, or, as in most administrations, *not* administering them. Tom Clark, as Attorney General, showed a surprising interest in trust-busting, and his son apparently intends to carry on where his father left off, only more so. It is only fair to note, however, that other Attorney Generals have started off more bravely against the "trusts" than they finished.

Now that he is a member of the Cabinet, Clark finds it increasingly difficult to duck speaking engagements. He is no orator, but he does have inspirations. He had to do the introducing at a dinner honoring Representative John McCormack, the Speaker of the House. Clark's father and mother were present, so when he rose he said, "Ladies and gentlemen, Mr. Speaker, Congressmen, Mr. Justice Clark . . . (pause) . . . and Mother." That got him nicely by. More recently he spoke to the student body at Hendrix College in Arkansas and afterward answered some sharp questions. One student wanted to know why he favored the registration of firearms. His answer was: "We don't mind registering our wives when we marry them. It's not going to hurt us to license our firearms."

Of course, Clark had good reason to register his wife; she's the kind of mate every man in public life ought to have. On the day her husband was appointed to head up Justice, Mrs. Clark heard the news (via car radio) on the way to a meeting of the Washington Urban League, of which she is a board member. She went right on to the meeting.

The Clarks have one great desert in their lives—they can't stand television. So they try to make do with music (classical), books (lots of history), food (plenty of Mexican and Italian), and friends (all kinds). It gets them by somehow.

MILITARY CONSTRUCTION APPROPRIATIONS, 1968

The Senate resumed the consideration of the bill (H.R. 13606) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes.

Mr. JAVITS. Mr. President, I wish to acquaint the Senate with what I have in mind, so Members of the Senate may be advised as to when to come into the Chamber and listen—there is a rather slim attendance at the moment but I hope the Senate will give me the yeas and nays when I ask for them, as is our custom.

As a lawyer, I shall attempt first to tell what I think this is about. I shall, in due course, offer an amendment—amendment No. 437, which has already been printed. It requires a slight modification, although that is not necessary to its technical effect, to reflect the fact that since yesterday another statutory reference is required.

If a point of order is made against the amendment, which I understand from the manager of the bill will be made, then I shall move to suspend the rules to enable the Senate to consider the amendment under a suspension of the rules. That will require a vote of two-thirds of the Senators present and voting.

The purpose of the amendment—and I hope it will enlist the interest of Members of the Senate—is to enable the Office of Economic Opportunity to continue its operations at the same rate of expenditure and obligation which is contained in the appropriation for fiscal 1967, which is, in round numbers, $1.6 billion.

I shall, in due course, as I lay the case before the Senate, point out that this deadlock between the Senate and the other body, which really has nothing to do with OEO frontally and directly, is crippling it and is distressing hundreds of thousands of the poor, and may distress, millions, if we do not act as I urge we do, this unwarranted delay tends to dismantle the program, with the resultant frustration and distress, and also with the resultant expenses necessary when we endeavor to reestablish if we ever do, existing programs, on a wholesale level from coast to coast.

Anybody who reads the newspapers and who does not know the folkways of the U.S. Senate would be absolutely amazed that he reads so much in the newspapers and hears so little here. So, for some hours—perhaps even for more than that, although I have never taxed my colleagues' patience, and I will not now—we shall lay the case before the Senate.

I hasten to point out—and I will again when we get more Senators in the Chamber—that the Senate is not to blame for this situation—not at all. On the contrary, the Senate has done its utmost to continue the programs of the OEO at the 1967 fiscal year rate until both the Senate and the House could pass the bill.

I must say, in that regard, the Senate has not been overgenerous, because the 1967 Senate authorization for the poverty program comes to over $2.2 billion whereas the 1967 rate of expenditure is about $1.6 billion. So it represented, really, considerable frugality in providing that the program continue at the previous rate until a new law could be passed. But our brethren in the other body, which always prides itself on being very close to the people and as being immediately responsive to the views and needs of the people, has seen fit to stand against the continuation of this operation even at the low rate, on grounds which seemed to them to be proper but which to the Senate are untenable. I shall explain what is contained in the other body's continuing resolution, which we do not find acceptable, in a minute. Hence, there is a complete stalemate.

We did have continuing authority for the OEO and other agencies, which was incorporated in a continuing resolution, which took us to October 23, 1967. From that point on, the OEO has been unable to continue with its operations except to pay the salaries of Government employees and to pay salaries of two categories of workers which come within the same purview—that is, the Job Corps enrollees, who get an allowance, and the VISTA workers, who get a very modest salary. Other than that, there has been no opportunity to fund any program or to continue the funding of the program pursuant to previous commitment.

So we have seen a gradual wave of closings with respect to the poverty program move across the country; and the hardest hit, increasing interestingly enough, is Headstart, the favorite program of the whole Congress. The program for little children is hardest hit by the deadlock between the Senate and the other body, which I consider very arbitrary. As I have said, it continues under a previous appropriation, at a lower rate than what the Senate has already authorized for this fiscal year, and at a lower rate than the administration requested. The administration wanted $2.600 billion, and the 1967 funding is $400 million less than that.

This is a very tragic situation. When I detail what is occurring, it will be seen it is very heartbreaking, especially when we consider it is hitting not only the poor generally, but the very little children, as I have described the older people, and the sick people. And it is thoughtless, because everybody knows we will pass the program. We have already passed one. The other body is arguing it now and voting on amendments. Nobody argues that no program should be adopted. One could not marshal a corporal's guard for that, even in the other body. So some kind of poverty program will be passed. But it may be too late. It took so long to set the agencies up. We heard the criticisms that were leveled at the OEO, and quite properly in many cases, because starting up is difficult. Giving a role to the poor is even more difficult than that. That was the genius of the whole program, and yet it is being dismantled, with the gnashing of teeth and the losing of hope, and with the sick, tired feeling at the pits of millions of stomachs because we are at a deadlock between the Senate and the other body—not because of our fault, I hasten to say. Very few Members of this body think differently from the way in which the Senate has expressed itself on the program. The Senate has been very clear and constant and specific. I think the case should be marshaled and the people should understand to whom they must appeal if they wish a change.

I should like to describe the legal situation in detail, because there are Members of the Senate present on the floor who are deeply involved in it and who will correct me if I am in error in stating the situation.

Mr. President, it is most regrettable that the operations of our body are such that everything I say now I must in advance ask my fellow Senators who are present to excuse me if I repeat at least once, or, before we are through, perhaps three or four times, so shifting is the listening audience of the U.S. Senate. But I shall begin, because I do not think it is a particularly good picture for the country for us to be sitting here having slow quorum calls, and I shall do it again as often as may be necessary to inform Senators who come into the Chamber and wish to know what is going on.

The legal situation is as follows:

Our first action on this issue took place on June 30, 1967, "right on the nose," as the saying goes. It was a continuing resolution, which carried us through October 23, 1967, and continued the obligating authority of the Office of Economic Opportunity. The operative language in section 101(b) of that resolution reads as follows:

> Such amounts as may be necessary for continuing projects or activities which were conducted in the fiscal year 1967 and are listed in this subsection, at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower and under the more restrictive authority.

Nothing could be clearer than that that was an effort to minimize what was being done. One of the items listed was the activities of the Office of Economic Opportunity.

It was thought when that resolution was passed that things would go along under that resolution and any extension of it which might prove to be necessary until all the appropriations bills were enacted into law, and that then the joint resolution would no longer be necessary, since the appropriations would then take the place of the continuing resolution.

Mr. President, we have now passed all the appropriations except two—aside from the usual supplemental appropriation which forms a sort of wrap-up at the end of the session. If we pass military construction, we shall have passed everything except foreign aid and the appropriation for the Office of Economic Opportunity itself.

We do have a continuing resolution, insofar as Government salaries are concerned, only until November 9, which, as is very clear, is a date which is already behind us. The reason why it was expressly made a date which is behind us—and I must say I am a little puzzled as to why the White House did not sign this bill on the 9th rather than waiting until the 13th, which it did, because that course would have left a few hours in which something might have been done to commit funds. The problem with signing the bill 4 days after its authority expired is that it is post facto, and therefore the only thing it does is provide money for salaries which had accrued, and provides no continuing authority into the future, even to a limited extent.

Other than that, the Senate acted on a continuing resolution which expires tomorrow, November 15. That is the resolution upon which the House of Representatives put all the conditions which I shall, in due course, describe, which is deadlocked in conference, and which the Senate conferees cannot accept. I would be the first to fight its acceptance, because that would really kill the OEO as effectively, if not more so, than the fact that there is no continuing resolution.

So, by this back-door method of inaction, which has nothing whatever to do with authorizations or appropriations, and which is really thoughtless in the extreme, now several hundred thousand dollars—and tomorrow we shall be talking about millions—are effectively cut off with respect to the antipoverty program—as effectively as if we turned down the law, or refused to make appropriations.

There is no question in my mind but that the responsibility clearly lies at the other end of the Capitol, with the other body. I think it is high time that this fact was laid out in specific detail for the information of the States and the projects that are being affected, and of the whole country. In due course, I shall, insofar as one Senator can, endeavor to right the situation. Whether I shall succeed or not I do not know.

I am very much interested, I might say, to see what those who would oppose the move that I shall make will suggest as an alternative. I say that for this reason: Even the Senate could be exposed, if we do not act either as I have suggested or upon another continuing resolution, to the same criticism which I think is properly to be leveled at the deadlock which has ensued in the House of Representatives, because the resolution which we passed expires tomorrow. So the conferees could very well say there is nothing in conference; it is all academic.

Therefore, we have to do something ourselves, assuming that we would still persist in the posture—which has been an exemplary posture—that we have assumed up to now.

If the highest dictates of protocol indicate that most of the Members of the Senate, perhaps all the members of the majority, do not feel they should put this in a bill on my motion, for whatever reason—I do not criticize the reason or the feeling—then the only other way it could be done is if the Appropriations Committee will bring in another continuing resolution on its own, or if perhaps the manager of the bill or the leadership would itself insert whatever provision it thought desirable to continue what I consider to be the exemplary posture of the Senate in this bill, as we did in the District of Columbia appropriations bill, which covered the salaries until November 9.

But, as the Lord helps those who help themselves, Mr. President, I have proposed a way in which this can be done. It is by no means exclusive, but that something needs to be done in the Senate is now very clear.

Mr. President, that is the outline of the case; and I shall, as I say, give details. In view of the fact, Mr. President, that as many Senators as possible ought to listen to what is going on, in order to be able to vote on it properly, because this is a matter which has just developed, really, overnight—for the reasons that I have described in terms of these various dates—I should like, now that Senators know what it is I shall be raising, again to suggest the absence of a quorum, to see if we can get some more Senators who may listen.

Mr. YARBOROUGH. Mr. President, will the Senator withhold that request?

Mr. JAVITS. I withhold my request.

Mr. YARBOROUGH. Mr. President, recently people connected with the poverty program in my State have been in Washington and they report to me many of the things the Senator from New York reports, and that there is demoralization among the employees because they do not know whether there will be money to meet the next payroll, with the attacks on the poverty program which have been occurring. There is a fear, in many areas in the State, that portions of the poverty program will be discontinued.

I have had letters in Texas telling me of the good work in certain areas, particularly of the Camp Gary Job Corps Center, and of the employment found for its graduates. I have had communications from people of my State about the Headstart programs, and the advantages they afford to children starting school after they have been enrolled in the Headstart program. I know, from personal visitation in classes and from talking with the teachers, of the advantages of the adult education program in the Houston-Harris County area.

There is a threat to cut off the funds in all of these areas. The fact that the funds have been exhausted for some areas is having a damaging affect on the poverty program.

Some of the people chosen by the State administration in my State were not originally in sympathy with the poverty program, but after a very short contact they had with it, they became enthusiastic supporters of the program. Some of the very conservative business elements of our society, when they saw what the program was doing, said that this is a good program, and they support it.

The program has support across the board in my State. I do not mean unanimous support, of course. There are many attacks on the program, but support comes from all segments of our society.

I share the concern voiced by the distinguished senior Senator from New York as to what will happen to these poverty programs after hope has been held out that there will be funds, if the funds are cut off and people are forced to leave and seek other employment, or to be on the lookout for other jobs for fear that the program will be torn apart, riven asunder, cut to pieces, emasculated, and destroyed by piecemeal attacks. Great harm has been done to the war on poverty by our failure to appropriate money to continue the program. I hope to see the program saved; it gives much promise of improving the quality of life for millions of our people.

Mr. President, I commend the Senator from New York for bringing this matter to the attention of the Senate.

Mr. HOLLAND. Mr. President, merely for the record I wish to call the attention of my friend, the distinguished senior Senator from New York, to two or three facts which I think he may have overlooked.

First, while November 9 was the date of the expiration of the continuing resolution—which we at last extended and which we included in the District of Columbia appropriations bill—that date applied to appropriations made as of that date. As a matter of fact, payrolls up to almost 2 weeks after that date can be paid under that resolution.

The distinguished Senator will recall that during that debate attention was called to the fact that some of the payrolls which were intended to be met if that resolution were accepted by the House of Representatives—which it was—were to be paid as late as November 17.

The second thing I wish to call to the attention of the Senator from New York is that I do not think he is accurate in his observation that since November 15 was the date fixed by the Senate for the expiration of the continuing resolution, which resolution is now in conference between the Senate and the House of Representatives, there is nothing to remain in conference after tomorrow, November 15. To the contrary, we, by that resolution, struck out most of the House resolution which had to do with the so-called Whitten amendment and the so-called Bow amendment, and two other amendments with which the Senator is familiar. So that matter will be continually in conference, at least until November 23, which is the date fixed by the other body for the expiration of that continuance.

Without going into the debate of the principal matters mentioned by him, I also invite the attention of the Senator to the fact that the House of Representatives is even now debating the OEO authorization bill and conceivably will have passed that bill within the next day or two, because the hours during which that debate is being held, were limited by rule, as I recall.

Once that debate is terminated and that bill passed, as I believe it will be passed—and I agree with the Senator that it will be passed—there will be two amounts, one in the Senate bill and one in the House bill. And customarily in these extension resolutions, when a bill has passed both Houses, the continuing resolution has three options, either the level of the 1967 operation—that is, the level of the prior year—or the lowest level between that level and the two levels passed by the two Houses of Congress.

I have not discussed this matter with anyone else, but I have every confidence that once the House bill is passed—and the Senator knows that the conference now underway has been a very difficult conference, and the Senator has fully concurred, as he has already said, in the attitude of the Senate conferees not to surrender to the provisions of the House resolution—there will be before us an option then of picking up just the OEO resolution, if we want to, and adapting the resolution now in conference simply through a continuation of the OEO appropriations to a certain day.

I am not one of those who believe that the Members of the House of Representatives, or a majority of them, would ever be willing to cut off the salaries of people working for the United States, of which there are thousands, as I understand, now on the payroll of the OEO, after those salaries have been earned, or would ever be a party to the termination of the program approved by Congress and thought by many in the United States to be of immense importance, simply because no appropriation was made available for the payment of salaries already earned by hard-working people.

I simply call to his attention the fact that I think not only will the conference continue after tomorrow, but also that we will have an option in the very field in which the Senator is deeply concerned. I appreciate his concern and honor him for it. I refer to the field of the operation of the OEO.

We will have as one of our options the possibility of going into that subject entirely and exclusively, if the House does so in conference, for the purpose of clearing it up for the future.

So, without going into the matter in any great detail, I call the attention of the Senator to those three matters, which they may change.

I also remind the distinguished Senator, if he is disappointed at the fact that few Senators are on the floor today—and so is the senior Senator from Florida—that the Senator from New York did yesterday quite fully give notice to the Senate that he intended to call up the very amendment which he has referred to already in his remarks today, and he did give notice in general as to his reasons for calling it up.

That statement appeared in the CONGRESSIONAL RECORD this morning. That statement was heard by all Senators on the floor yesterday, and it is quite possible that many of them may have already made up their minds as to what they want to do on this particular issue.

Aside from that, as the distinguished Senator knows, there are important committee meetings and conferences being held. I attended this morning a meeting which has been reconvened since noon, at which the full Senate Appropriations Committee, or all of the members who could be present, are hearing matters under the foreign aid appropriations bill which is an important matter still confronting us for passage.

So, there are many Senators attending meetings of that committee and other committees and doing work which they think is important.

I simply want the Senator from New York to realize that, having given notice, as he did yesterday, and having laid down the issue which was to be pending on his motion today, it is quite possible that those Senators may have decided it was more important for them to be present at those committees, turning out that vastly important work, rather than to listen to debate here from the Senator from New York or the Senator from Nevada or the Senator from Florida or other Senators on an issue as to which they had already made up their minds.

Mr. President, I yield the floor.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MUSKIE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). Without objection, it is so ordered.

CLEAN AIR ACT—CONFERENCE REPORT

Mr. MUSKIE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 780) to amend the Clean Air Act to authorize planning grants to air pollution control agencies, expand research provisions relating to fuels and vehicles, provide for interstate air pollution control agencies or commissions, authorize the establishment of air quality standards, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceedings of this day, pp. 32320–32328, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. MUSKIE. Mr. President, this bill as agreed to unanimously by the conferees contains the essential authority of S. 780 as it was approved by the Senate, July 18, 1967. In some respects the legislation has been improved over the Senate-passed version. The only disappointment to the Senate conferees was in the total level of the authorization.

The House kept almost all of the new concepts in the Senate version of S. 780. Those areas of similarity included:

First. Expanded planning grants to States and local government to assist in implementation of air quality standards;

Second. Two-year full Federal financing for interstate planning bodies established by Governors to assist in development of air quality standards in interstate air quality control regions;

Third. Authority for the Secretary to define the Nation's air basins;

Fourth. Authority for the Secretary to define air quality control regions: problem areas where standards are required;

Fifth. Expanded definition of the Secretary's air quality criteria development responsibility;

Sixth. Authority for the Secretary to develop and distribute information on air pollution control technology;

Seventh. Provision for development and enforcement of air quality standards;

Eighth. Broadened participation in and improved procedures for enforcement conferences;

Ninth. Authority for the Secretary to act in the event of air pollution episodes which pose an imminent and substantial threat to health;

Tenth. Authority for States and local government to set standards for stationary sources more stringent than those approved by the Secretary;

Eleventh. Establishment of an Air Quality Advisory Board to the President;

Twelfth. Federal preemption of the right to set standards for new motor vehicles and new vehicle engines except in California where more stringent standards may be set;

Thirteenth. Federal assistance to the

States to develop vehicle emission inspection programs;

Fourteenth. A study of the efficacy of national emission standards;

Fifteenth. Comprehensive study of the economic costs of air pollution and a study of the personnel needs for effective air pollution control programs;

Sixteenth. Annual reports to the Congress on various programs authorized by the act.

Mr. President, this is an impressive list of agreements. Within some of the above there were technical disagreements on particular legislation language but the Senate's intent was not changed by the House. Because the Senate's intent was maintained and because by and large the House amendments to the above-mentioned provisions improved the act the Senate receded from these differences.

Those differences include:

First. Clarification of the language under section 105 relating to Federal program and planning grants;

Second. Clarification of the language under section 106 relating to interstate planning agencies;

Third. Establishment of a 1-year deadline to define the Nation's air basins; and

Fourth. Clarification of the language relating to development on implementation of air quality standards.

Mr. President, now that I have cited the agreements between the two versions of S. 780 and those areas on which the other body helped to clarify the legislation, I should like to indicate the major differences between the two bills.

The House version did not contain the major provision of the Senate bill relating to research. As passed by the Senate the Air Quality Act of 1967 included a section authorizing $375 million to develop and demonstrate through grants and contracts methods to control pollution for combustion of fuels. This was the proposal advanced by the distinguished chairman of the Senate Committee on Public Works, Mr. RANDOLPH.

The basic act provides general authority for this type of research and demonstration and the House continued that authority without earmarked funds. The Senate did not consider that authority adequate to stimulate the needed research and development of improved techniques for the control and abatement of air pollution from fuels.

The conferees agreed to reinstate a modified version of the Senate provision. As reported from conference this research section provided for development and demonstration, by contract with industry, and grants to public or nonprofit agencies and to individuals, of new or improved techniques to control pollution from fuels combustion. At the insistence of the House the Senate receded on this section and agreed to delete grants to industry for these purposes.

The House also insisted, due to current budgetary restrictions, that the total funds authorized by the act not to exceed the $428.3 million figure suggested to them by the administration.

The Senate conferees did not accept the argument that current budgetary restrictions provide a sound basis for legislative authorizations. That is a function more properly left to the appropriations process. Nevertheless, in the interest of getting the program underway, the Senate conferees agreed to recede on the total authorization and accept the House figure of $428.3 million for fiscal years 1968, 1969, and 1970. The House conferees agreed to accept a Senate compromise of $35 million for fiscal year 1968, and $90 million for fiscal year 1969 for fuels combustion research and development. Operations authorizations are $74 million for fiscal year 1968, $95 million for fiscal year 1969, and $134.3 million for fiscal year 1970.

The second major disagreement related to provisions in both bills which required registration of fuel additives. The House conferees were concerned by the requirement in the Senate version that fuels be registered as well as additives. A compromise was reached whereby the fuel manufacturer is required to notify the Secretary as to the name, the range of concentration and the purpose in use of any additive contained in any fuel delivered in interstate commerce. The additive manufacturer is required to register the additive as to chemical composition, recommended range of concentration and recommended purpose in use. When the information is known, the additive manufacturer is also required to provide the Secretary with information on the chemical structure of the additive. The House also accepted the Senate language for protection of trade secrets with a minor amendment. Provisions for enforcement were identical in both bills.

Mr. President, several minor differences with the House bill were compromised without difficulty or sacrifice.

The House bill included a provision which expressed the intent of Congress that any State not a part of a designated air quality control region should not participate in an air pollution compact. As a part of this provision the House deleted that portion of the Senate bill picked up from the basic act which encouraged interstate compacts. The conferees agreed to accept both provisions.

The House bill moved a subsection relating to research advisory committees from the specific fuels research section 104 as provided in the Senate bill to the general research section 103. The Senate conferees accepted this change.

The House bill lowered from 12½ to 10 percent of total funds appropriated the share of Federal funds which could be allocated for air pollution control programs in any one State. The conferees agreed that with 50 State programs as envisioned by this bill, it would be unlikely that any single State could expect even 10 percent. Therefore, the Senate conferees receded.

The House bill included a provision requiring designation of air quality control regions within 18 months after enactment. This provision was modified to permit the Secretary to revise such regions or to add regions as he deems it necessary to protect the public health and welfare. It was not the intent of the conferees that the Secretary wait 18 months before making the first designations.

The House bill did not contain a Senate amendment providing for continuation of existing enforcement procedures during the standards development period. The conferees agreed that circumstances would arise wherein this basic authority should be used and the House conferees receded.

The House included provision calling for a study of the feasibility and practicality of controlling aircraft emissions. The Senate conferees accepted this provision.

The House bill included the so-called Davis-Bacon labor standards program which the Senate conferees accepted.

Mr. President, the conference agreement represents an excellent compromise. While the Senate did not prevail in its dollar figure, the basic approach unanimously approved earlier this year was maintained. The Air Quality Act of 1967 represents a significant expansion in Federal, State, and local air pollution control responsibilities. It focuses the attention of our national program where it should be: on the enhancement of our air quality.

The Federal role is expanded both as a supporter of State programs and, in the event the States fail to act, as an active participant in the development and implementation of air quality standards.

This new role will cost more money, more effort and more effective administration. No longer can air quality criteria be developed on an ad hoc basis. The people of the Nation have spoken. Congress has responded with the act, and now the effectiveness of our combined efforts will be judged by the creative abilities of the Secretary of Health, Education, and Welfare.

Mr. JAVITS. Mr. President, will the Senator yield for a question?

Mr. MUSKIE. I yield.

Mr. JAVITS. I understand that the Senate accepted a very sharp cut in the amount authorized for appropriation. This relates to air pollution, a matter of the most burning interest to many of us in the big cities. I should like, first, to continue, as so many of us have done before, our tribute to Senator MUSKIE for his outstandingly fine leadership in this matter.

As I understand, there was a considerable cut. I wish the Senator would tell us, for the record, how much of a cut was absorbed in the authorization and also—because this is of the utmost importance—what ameliorating changes in the provisions of the bill he feels help us to make up for the cut in money.

Mr. MUSKIE. The resolution of the money problem is somewhat complicated. I will try to explain it.

In the Senate version, we authorized a total of $700 million. Of this amount, $375 million was authorized over a 3-year period for research—the section 104 research program which was authored by the distinguished Senator from West Virginia [Mr. RANDOLPH], and which the Senate committee and the Senate as a whole considered very important. The remainder of the Senate authorization, or $325 million, was for all other purposes supported by the bill; and of that amount, $66 million had been authorized under existing legislation for the current fiscal year.

The House figure of $428.3 million was not broken down between research and general operations so that the total House figure of $428.3 million included an unspecified amount for research, and the remainder was for operations.

In order to resolve the figure, we had to undertake some mathematical gymnastics to get the House to compromise. The House was not prepared to go along on anything above the $428.3 million because of the mood of the House—which the Senator from New York has described in connection with the problem he has discussed this afternoon.

We first considered a 2-year authorization, with an authorization figure which would be closer to the Senate figure for those 2 years. The House was receptive to this suggestion, but felt that they were risking a point of order on the House side. So the Senate conferees then proposed to retain the 3-year authorization for general operations and concentrate earmarked research money in the first 2 years. We agreed to eliminate research money for the third year, on the theory that we could come back to Congress for that money, while retaining the operating funds—that is, the authorization for all other purposes—at a figure of $303 million. The $303 million for operations should be compared with the Senate figure of $325 million.

As a result we have, in the first 2 years, a total of $125 million for research, which compares with the Senate figure for research for those 2 years of $225 million and the House figure, implicit in their total authorization, of $75 million. We are a little closer to the House figure for research than to the Senate amount. However, we are very close to the Senate figure on operations.

By eliminating research funds for the third year of the 3-year period, we were able to resolve the fiscal differences in the two bills in a way that came some distance toward the Senate authorization. And, most importantly the House agreed to accept modified language of section 104. With this specific directive to the agency and the earmarked funds the research program can proceed at an accelerated pace even though that pace will be somewhat slower than we had hoped.

A couple of other important changes were made in the bill which came in the direction of the Senate version. For example, the key to the bill is the setting of air quality standards and this activity is triggered by the establishment of air quality control regions across the country by the Secretary. Under the House version, the Secretary would have had to designate all of these regions within a period of 18 months from the date of the enactment of the act after which his authority would run out. He would have no authority to modify the regions as experience indicated they should be.

The House conferees agreed to a modification of that language, which requires that the Secretary must designate the existing problem areas within 18 months; but he will have authority thereafter to add new areas as they emerge and, in addition, will have authority to modify those regions if necessary. We considered this modification important to preserve the intent of the Senate bill.

One other important provision dealt with the registration of fuel additives which, as the Senator knows, are extremely important in connection with air pollution. Lead, for example, is the most obvious one which threatens to create an air pollution problem. The House version would have required only the registration of the additives. The Senate committee felt that the registration would be meaningless unless information was supplied by both the additive and the fuel manufacturer. We felt the Secretary needed to know concentrations of the additives in the fuel, the chemical structure and composition of the additives, and the purposes for which they are added to the fuels. The House receded on this point.

All in all, I would say to the distinguished Senator from New York that the result of the conference represents a fair compromise between the House and the Senate versions, with give and take on both sides.

Mr. JAVITS. I thank the Senator.

Mr. MUSKIE. I thank the distinguished Senator from New York.

Mr. COOPER. Mr. President, the Clean Air Act of 1967, S. 780, which will go to the President to be signed into law following this final action in the Senate today, represents a great deal of work by the Senate Subcommittee on Air and Water Pollution, under the leadership of its chairman, Senator MUSKIE. I think it fair to say that it is almost a creation of the Senate Committee on Public Works in which Senator EDMUND MUSKIE, of Maine, gave leadership. I believe it to be landmark legislation.

I know that Senator BOGGS, the ranking Republican member of the subcommittee, and all of us who worked together on this measure, have great hope for what can be accomplished under this act.

And I wish to pay special tribute to our chairman, Senator RANDOLPH, whose contribution has been so constructive, and who continues to guide the committee into fields of opportunity for helpful and useful legislation.

I consider S. 780 a strong bill—providing opportunity for the exercise of local initiative by the States and local communities in planning, establishment of air quality standards, and enforcement of pollution controls. It places upon the States and municipalities the responsibility for determining the quality of air they wish to maintain and achieve—and for the abatement of any pollution that degrades that standard. It places upon the Federal Government, through the Public Health Service and the Department of Health, Education, and Welfare, the definition of air quality control regions, the publication of air quality criteria, the dissemination of existing technology, and the development of promising new technology for the prevention of pollution and control of sources of pollution.

As one of the members of the Senate-House conference which worked out the final form of the bill to be enacted today, I would make one other comment. The amount of the authorization is less than that originally approved by the Senate—which was $700 million over a period of 3 years. We agreed instead to an amount equal to the authorizations in the bill as amended by the House—$428 million. But the very important section included by the Senate and omitted by the House—section 104—was restored by the conference.

It is this section 104 which provides specific authority to the Secretary of Health, Education, and Welfare, first, to conduct research in the combustion of fuels—including coal and automobile fuels; second, to provide grants to public and nonprofit private groups; and third, to contract with private industry in pilot plants studies and large-scale demonstrations of new controlling air pollution associated with fuel combustion. I am very glad that the bill reported by the conference maintains the Senate provision which, I think, expresses the intention of the Congress that greater emphasis must be given to this work. I think the Senator from West Virginia will agree with me that the committee expects that special effort and more effort, be devoted to developing these improved processes—without which, after all, attempts at regulation would not be able to accomplish the purposes of the bill.

The conference bill authorizes $35 million for section 104 in fiscal 1968, and $90 million in fiscal 1969. By that time, the committees will have the benefit of an appraisal by the Department of Health, Education, and Welfare of the need for continuing work, and will be in a better position to recommend an authorization for fiscal 1970 and succeeding years.

This bill—developed after thorough hearings, months of study and full consideration by the Senate and House committees—provides a practical and effective means of dealing with the serious problem of air pollution. I urge the Senate to adopt the conference report on S. 780.

Mr. MURPHY. Mr. President, the acceptance of the conference report on the Air Quality Act of 1967 completed the legislative journey of a measure which I believe will become one of the most important steps ever taken by Congress in protecting the health of Americans everywhere.

The bill, which I was proud to cosponsor, represents the collective effort of a great many Senators and Members of the other body, as well. I am especially cognizant of the role played by the distinguished Senator from Maine [Mr. MUSKIE] in its passage. As chairman of the Subcommittee on Air and Water Pollution, the Senator from Maine deserves much credit for guiding this legislation in a spirit of full cooperation with the minority members of the subcommittee. I know that I reflect the view of the ranking minority member of the subcommittee, the distinguished Senator from Delaware [Mr. BOGGS], when I express my appreciation to Senator MUSKIE for his bipartisan approach to the Air Quality Act of 1967.

The intention of the legislation is abundantly clear: it is to move further along the path of providing clean, breatheable air to Americans in every State. While much remains to be done in this long neglected field, the Air Quality Act of 1967 represents the greatest single step taken by any Congress so far toward eliminating filthy air.

The people of California are very much aware of the importance of reducing polluted air. California was the pioneer State in controlling such sources of pollution as backyard incinerators, other open-air burning and, most important of all, exhaust emissions from motor vehicles. The regulations for controlling motor vehicle emissions in the Air Quality Act of 1967 were patterned after those currently in effect in California.

It was my concern for allowing California to continue its pioneering efforts in the field of air pollution that led to an amendment of this bill which the Senate and, later, the House accepted. I refer to section 208(b) of the legislation granting California a waiver from Federal preemption of the field in control of motor vehicle emissions. The Senator from Maine, the Senator from Tennessee [Mr. BAKER], and other members of the subcommittee were most understanding of California's special problems in this area, and I thank all of my colleagues for allowing this important amendment to remain in the bill.

Mr. President, I am firmly convinced that the United States as a whole will benefit by allowing California to continue setting its own more advanced standards for control of motor vehicle emissions. In a sense, our State will act as a testing agent for various types of controls and the country as a whole will be the beneficiary of this research. The smog situation in California is a serious one. Our State intends to continue its efforts to eliminate air pollution without letup and asks only that no roadblocks be put in its path.

The Los Angeles Times, the San Diego Union, and the Oakland Tribune recently published editorials discussing the Air Quality Act of 1967 and, in particular, the effort made in the House to preserve the Murphy amendment granting California a waiver of preemption.

I ask unanimous consent that the editorials be printed in the RECORD.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Los Angeles (Calif.) Times, Nov. 6, 1967]

SMOG: THE POWER OF THE PEOPLE

An aroused and united California has won the right—for itself and the rest of the nation—to overcome auto-caused smog.

Los Angeles, along with every other urban area, will eventually breathe easier as the result of the House vote on new air pollution legislation. As in the Senate, the members decided that the public interest was more important than special interests.

High-powered lobbying efforts conducted by the auto industry failed to win approval of its amendment denying California the right to impose stricter auto emission standards than those set by the federal government.

"The government still belongs to the people," said Sen. George Murphy (R–Calif.), who won a unanimous Senate vote for California's right to protect itself.

The House vote means that this state can continue to lead the fight for more effective controls of the auto exhaust fumes that cause 90% of the smog in the Los Angeles Basin. And when better control devices are thus developed, the entire country will share in California's victory, for 60% of all air pollutants in the United States are caused by motor vehicles.

The vote proved something else: Although the government does belong to the people, the people and their representatives must be united if they are to prevail.

It also demonstrated how effectively urban states can work for necessary legislation—if they make common cause and their cause is worthy.

Stirred by newspapers, radio and television, smog-weary Californians fired hundreds of thousands of letters to their congressmen protesting the auto industry amendment introduced by Rep. John Dingell (D-Detroit). The state delegation was unanimous on a controversial issue for the first time in years.

The tremendous public concern was also reflected in the strong and unified efforts of public officials in California at every level.

Gov. Reagan, members of the Legislature, the Board of Supervisors, Mayor Yorty, the City Council, the county's Air Pollution Control Department, its chief, Louis Fuller, the State Motor Vehicle Pollution Control Board and its executive officer, Eric Grant, and many others contributed to the outcome.

But it must be strongly emphasized that smog can't be merely voted away.

All that Congress has done is to permit California to set more stringent air purity standards and to goad the auto industry into meeting them.

Detroit can, if it will. A recent report by a panel of experts to federal agencies stated that it is "commercially feasible" to reduce emission from motor vehicles "well below the initial federal standards that took effect with the 1968 model cars."

Those are the same inadequate standards that California has had in effect since 1966. Tougher restrictions can now be effectively imposed in 1970, as scheduled, if the same state-wide unified pressure is exerted.

The auto industry must be reminded now of its primary responsibility for a worsening air pollution crisis that annually forces 10,000 persons to leave the state to find breathing room.

Similar public concern should now be voiced in support of protecting other aspects of our environment. Water as well as air must be safeguarded against pollution. Natural and recreational resources must be preserved from urban sprawl.

California has won an important battle, but the war against pollution and ugliness is far from ended.

[From the San Diego (Calif.) Union, Nov. 4, 1967]

STATE WINS CONGRESS SMOG TEST

In an almost unparalleled and certainly exemplary exhibition of unanimity the California members of the House of Representatives successfully fought for their state's right to cleaner air Thursday.

The target: the unwanted and unlamented Dingell amendment to the Air Quality Act, 1967. This would have precluded California's right to impose directly higher anti-pollution standards than federally required.

In effect, the battle became a showdown between Rep. John Dingell, Democrat of Detroit, where most autos are made, and the people of California, where most autos, proportionately, are used.

Through their 38 elected representatives in the House and their two senators, the voice of the people of the state was loud, clear and insistent on an issue of vital importance to our future here.

By accepting the amendment made in the Senate by Sen. George Murphy, Republican of California, the House has eased its own conscience and pacified Californians. The Murphy amendment allows the state to set its own standards without having to prove the need to the federal agency of health.

The action of the legislators clearly indicated that the pressure of public opinion can still overcome uniformity and conformity federally applied. It showed with emphasis that the right of Californians to cleaner air is more important than the appeal of specious arguments by high powered lobbyists.

It proved that the urgent needs and clearly expressed wishes of the hundreds of thousands who wrote protesting and the millions who live here were not lightly to be brushed aside.

California has led in the fight against smog. This insidious, deadly hazard to health might still have been largely ignored had it not been for pioneer work in this state. The anti-pollutant standards which have blazed the trail toward a national awareness and recognition of the dangers are in large part due to California's efforts.

These are the minimum standards which have been accepted federally, controlling smog devices on vehicles. It was this state's need to aim even higher which led to the House debate. The support from New York and other large states in the vote was gratifying recognition of California's role.

But the fight is by no means ended. The menace of smog grows steadily worse as more and more vehicles travel our roads. California cannot afford to choke itself to death on the pollutants from its auto exhausts. Neither can the nation.

By 152 votes to 58 the voice of the people prevailed Thursday when tested in the House. The voice must constantly be heard in the future to achieve the eventual eradication of all man-made causes of the smog which precipitated the debate.

[From the Oakland (Calif.) Tribune, Nov. 6 1967]

VICTORY FOR SMOG CONTROL

California's 38-member Congressional delegation registered a significant triumph in the federal battle over motor vehicle smog control.

In a House Commerce Committee maneuvering Michigan congressmen, supporting their state's auto industry, had succeeded in killing Sen. George Murphy's amendment allowing California to set and administer its own auto exhaust standards. California standards are stricter than those proposed nationally in the 1967 Clean Air bill. Without the Murphy exemption the state would have needed special permission from the Secretary of Health, Education and Welfare to set tougher smog control standards than the rest of the nation.

The benefit to the auto industry of having to comply with only one common level of smog control protection is obvious. But such a convenience for the auto industry ignores the possibility that this state might have extraordinary smog problems or that it might want to do a better job of smog control than other states.

The California delegation's campaign was both energetic and effective. Every member of the House received a special six-page written plea from the California delegation. During House debate, pictures of smog hanging over Los Angeles were displayed, as were cans of imported California smog and chest

X-rays of a three-year-old girl suffering from a smog-induced bronchial infection.

The final 152 to 58 House vote to restore California's special exemption was a tribute to the California delegation's ingenuity and bipartisan efficiency.

Mr. MUSKIE. Mr. President, I move the adoption of the conference report.

The report was agreed to.

ADDITIONAL FUNDS FOR THE COMMITTEE ON THE JUDICIARY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate proceed to the consideration of Calendar No. 482, Senate Resolution 130.

The PRESIDING OFFICER (Mr. MONTOYA in the chair). Without objection, it is so ordered.

The resolution will be stated.

The ASSISTANT LEGISLATIVE CLERK. A resolution (S. Res. 130) that the sum of money authorized for the expenditure of the Committee on the Judiciary, or any duly authorized subcommittee thereof, under Senate Resolution 25, 90th Congress, first session, be increased from $165,000 to $200,000.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LONG of Missouri. Mr. President, Senate Resolution 130 would increase the funds for the Subcommittee on Administrative Practice and Procedure by a sum of $35,000 for the current fiscal year. The increase is needed because of the stepped-up activity of the subcommittee, especially in the fields of invasions of privacy and a complete revision of the Administrative Procedure Act.

Before introduction, Senate Resolution 130 was unanimously approved by the members of the subcommittee.

The resolution was subsequently unanimously approved by the Committee on the Judiciary and reported by the Committee on Rules and Administration without dissent. At this point in the record, I ask unanimous consent to have printed Report No. 497, which accompanies Senate Resolution 130.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

The Committee on Rules and Administration, to which was referred the resolution (S. Res. 130) authorizing additional expenditures by the Committee on the Judiciary for a study of administrative practices and procedures, having considered the same, reports favorably thereon without amendment and recommends that the resolution be agreed to.

Senate Resolution 130 would increase by $35,000, from $165,000 to $200,000, the limitation on expenditures by the Committee on the Judiciary for the study of administrative practices and procedures it is currently engaged in pursuant to Senate Resolution 25 of the present Congress.

Senate Resolution 25 as agreed to by the Senate on February 17, 1967, authorized the expenditure of not to exceed $165,000 by the Committee on the Judiciary, acting through its Subcommittee on Administrative Practice and Procedure, from February 1, 1967, through January 31, 1968—to make a full and complete study and investigation of administrative practices and procedures within the departments and agencies of the United States in the exercise of their rulemaking, licensing, investigatory, law enforcement, and adjudicatory functions, including a study of the effectiveness of the Administrative Procedure Act, with a view to determining whether additional legislation is required to provide for the fair, impartial, and effective performance of such functions.

Justification for the additional funds which would be authorized by Senate Resolution 130 is expressed in a letter to Senator B. Everett Jordan, chairman of the Committee on Rules and Administration, from Senator James O. Eastland, chairman of the Committee on the Judiciary, transmitting a letter addressed to him by Senator Edward V. Long, chairman of the Subcommittee on Administrative Practice and Procedure, which letters are as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
August 8, 1967.

Senator B. EVERETT JORDAN,
Chairman, Committee on Rules and Administration, U.S. Senate.

DEAR MR. CHAIRMAN: The Committee on the Judiciary at its meeting on August 2, 1967, unanimously ordered reported a resolution (S. Res. 130) requesting additional funds for the operation of the Subcommittee on Administrative Practice and Procedure. The resolution proposes that an additional $35,000 be allocated for the subcommittee during the budget period ending January 31, 1968.

The Committee on the Judiciary supports the studies being conducted by the Subcommittee on Administrative Practice and Procedure and recognizes that the requested funds are absolutely necessary to continue the work of the subcommittee.

I enclose a copy of the resolution (S. Res. 130) authorizing the additional funds, together with a copy of Senate Resolution 25 as it was agreed to by the Senate on February 17, 1967.

Also, I enclose a copy of a letter, dated May 31, 1967, from Senator Edward V. Long, chairman of the subcommittee, which sets forth in detail the need for additional funds to carry out the work of the subcommittee.

I sincerely hope that the Committee on Rules and Administration will give its approval to Senate Resolution 130.

Kind regards.

Sincerely,

JAMES O. EASTLAND, *Chairman.*

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
May 31, 1967.

Senator JAMES O. EASTLAND,
Chairman, Committee on the Judiciary, Senate Office Building, U.S. Senate.

DEAR MR. CHAIRMAN: On May 23, 1967, I introduced Senate Resolution 130, which would increase by $35,000 the funds available to the Committee on the Judiciary and any authorized subcommittee thereof for study and investigations of administrative practice and procedure. All of these funds may not be needed; and, of course, any unexpended funds will return to the Treasury; but there are certain vital activities of the Subcommittee on Administrative Practice and Procedure which would have to be curtailed if the present funds are not supplemented.

When funds were sought earlier this year (S. Res. 25, 90th Cong., 1st sess.), it occurred to me that the amount allotted ($165,000) might well be insufficient for two reasons: (1) We were attempting to "absorb" last year's pay raise; (2) our request was cut by $10,000. At that time, it was decided to wait and see.

Since February, our financial situation has worsened because of the additional and unexpected workload absorbed by the subcommittee. For example, it was expected that the Senate's redraft of the Administrative Procedure Act (S. 1336 of the 89th Congress) would be processed by the subcommittee quickly and with brief hearings. To our surprise, it has been necessary to hold lengthy hearings in March, April, and May on S. 518, and we are only now preparing the new draft for reconsideration by the Committee on the Judiciary and the Senate. We believe this work has been rewarding, but also expensive.

Additionally, the subcommittee had referred to it S. 928, the administration's proposed Right to Privacy Act of 1967. Lengthy hearings have also been held on this bill during the past 3 months.

The subcommittee hopes next to proceed to consider S. 924, dealing with "trial by publicity" and S. 1195, the legislation on administrative ombudsman, as well as hearings generally on bureaucratic abuse.

We consider all of these activities valid and important. We have requested $35,000. You may be sure that we will use these funds carefully and return to the Treasury any that are not absolutely necessary to our subcommittee's activities.

For your information, this request has been submitted to the subcommittee and is forwarded to you without dissent.

Kind regards.

Sincerely,

EDWARD V. LONG, *Chairman.*

Mr. LONG of Missouri. Mr. President, the funds originally designated for subcommittee use this year have been depleted by an unusual and unforeseen call upon the subcommittee's facilities. For example, we held extensive hearings—March 6, 7, 16, and 17; April 12; and May 3—on S. 518, a bill to provide a new Administrative Procedure Act; this legislation is still far from complete.

In addition, the administration's Right of Privacy Act of 1967 was sent to the subcommittee for consideration. Hearings were held on this legislation for 9 days.

We had additional hearings on other subjects. In short, our activities were unexpectedly intense and unexpectedly expensive.

The additional funds in Senate Resolution 130 are needed to carry on the activities of the subcommittee for the remainder of the fiscal year.

These activities, stated as briefly as possible, are:

First. A complete revision of the Administrative Procedure Act;

Second. A continuing investigation into electronic eavesdropping;

Third. Consideration of S. 924, dealing with "trial by publicity";

Fourth. Consideration of the adoption in one form or another of the Swedish institution of ombudsman;

Fifth. Hearings on "bureaucratic abuses" in several administrative agencies;

Sixth. A continuing study of invasions of privacy by the growing use of computerized information, especially on the part of the Federal Government; and

Seventh. Legislative oversight over the Freedom of Information Act which came into effect on July 5, 1967.

There are several other projects, but I have listed the major ones. In my view and that of the other members of the Subcommittee on Administrative Practice and Procedure and the members of both the Judiciary and Rules Committees, they warrant close attention and that is the basis of the request for funds.

Needless to say, we will not spend any more of the requested funds than necessary and any remaining funds will automatically be returned to the Treasury.

Mr. President, I ask for approval of Senate Resolution 130 without amendment.

The PRESIDING OFFICER (Mr. MONTOYA in the chair). The question is on agreeing to the resolution.

Mr. WILLIAMS of Delaware. Mr. President, on February 17, 1967, the Senate approved Senate Resolution 25, thereby authorizing expenditures of $165,000 by the Subcommittee on Administrative Practices and Procedures.

Under this resolution it was specified that this $165,000 should be expended in the manner which would finance the operations of this committee through January 31, 1968.

On May 23, 1967, the chairman of this subcommittee, the Senator from Missouri [Mr. LONG], submitted a resolution to the Committee on the Judiciary asking for an additional $35,000.

No action was taken on this resolution until August 8, at which time it was ordered to be referred to the Committee on Rules and Administration, and on August 9 the Senator from North Carolina [Mr. JORDAN], speaking on behalf of the Committee on Rules and Administration, reported the resolution recommending that the $35,000 be allowed.

At that time I filed an objection with the result that the bill has been retained on the Senate Calendar until today.

I still oppose this resolution and will vote against its approval for two reasons.

First, as I stated last February, in my opinion the Senate has been entirely too free in approving expenditures for a proliferation of subcommittees, which has reached the point where now practically every majority member of a committee feels he must have a special subcommittee with a full staff under his jurisdiction. In fact, there is a suspicion being developed that these subcommittee chairmanships are becoming too much of a status symbol.

There is no reason whatever why a substantial amount of the work now being financed under separate subcommittees could not more readily and far more economically be performed by the full committee, which likewise has a considerable staff.

The amount involved here may be small, but there is a principle involved.

Every Member of the Senate knows full well that this subcommittee as well as the numerous other subcommittees will have no opportunity to perform any functions between now and the convening of the next session of Congress, so why should we vote additional funds?

However, there is a second and perhaps the more important reason for my objection as referred to in my statement of June 7, 1967. There are special circumstances involving this particular request with which every Member of the Senate is well aware, and I do not think that this is the appropriate time for the Senate to make a decision as to the feasibility of continuing the authority of this subcommittee.

Mr. President, I ask for the yeas and nays on the resolution.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assitant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUSCHE. Mr. President, when this issue was last before the Senate I asked certain questions about it. My recollection is that it was pointed out that this subcommittee was to operate for one year; then came a second year, a third year, and a fourth year, with the amount of money requested by it being increased each year.

Mr. President, I wish to propound a question to the Senator from Delaware. Does the measure which is now before the Senate provide additional money to that which we have already provided for the financing of the work of this committee?

Mr. WILLIAMS of Delaware. The Senator is correct. The Senate action last February under Senate Resolution 25 provided for $165,000. The pending resolution would provide an additional $35,000 for the same subcommittee.

Mr. LAUSCHE. How many years has the committee been in existence?

Mr. WILLIAMS of Delaware. I could not answer that question.

Mr. LONG of Missouri. Five years.

Mr. LAUSCHE. Five years.

Mr. WILLIAMS of Delaware. Mr. President, as I stated before, there has been a proliferation of these subcommittees almost to the extent that the question is sometimes raised as to whether they are looked upon as a status symbol. Each year we have a package of these resolutions, all asking for special appropriations.

It seems that now everybody has to have a subcommittee with a full staff. It is my position that the full committee can do much of the work. Furthermore, there is not going to be any more subcommittee work done during the remaining days of the session. For that reason, along with the other reasons I have given, I believe the resolution should be rejected.

Mr. LAUSCHE. When the measure was last before the Senate I know that I was disturbed by the fact that what was to have been a temporary committee for an ad hoc purpose had become a permanent committee.

I wish to ask the Senator from Missouri why this money should be given.

Mr. LONG of Missouri. My understanding is that this was not a temporary committee. It has been in existence for a number of years and it was approved by the Senate.

The extra money is needed because there have been a number of bills referred to the committee of which we had no knowledge when original funds were provided. As I said, we had a bill pending before us to provide a new Administrative Procedure Act, which was sponsored by the Senator from Illinois and me. We held hearings on that measure on March 6, 7, 16, 17, April 12, and May 3. Those were very extensive hearings.

Then the administration's bill having to do with invasion of privacy was referred to this committee. We held hearings on that measure for 9 days. There is other legislation pending before the committee on which hearings must be held and reports submitted. There are numerous reports that must be printed. All of these matters have required much more time and have been much more expensive than was originally anticipated. Out of the amount requested, perhaps $5,000 would go to pay the staff until the first of February.

Mr. WILLIAMS of Delaware. Mr. President, I shall only take 1 additional minute.

As I pointed out earlier, I think we are all aware of the fact that there will be no further investigating done by these subcommittees during the remainder of this session of Congress. In addition, there are certain circumstances involving this particular request which are well known to every Senator and which in my opinion would justify our delaying action on this request at this time.

The PRESIDING OFFICER. The question is on agreeing to the resolution. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Alaska [Mr. BARTLETT], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. JORDAN], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Oregon [Mr. MORSE] are absent on official business.

I also announce that the Senator from Nevada [Mr. CANNON], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from New York [Mr. KENNEDY], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Connecticut [Mr. RIBICOFF], the Senator from Florida [Mr. SMATHERS], the Senator from Alabama [Mr. SPARKMAN] the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr TALMADGE] are necessarily absent.

I further announce that, if present and voting, the Senator from Idaho, [Mr. CHURCH], the Senator from Florida, [Mr. SMATHERS], the Senator from New York [Mr. KENNEDY], the Senator from Nevada [Mr. CANNON], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Massachusetts [Mr. KENNEDY] would each vote "yea."

Mr. KUCHEL. I announce that the

Senator from Utah [Mr. BENNETT], the Senator from Massachusetts [Mr. BROOKE], the Senator from Nebraska [Mr. HRUSKA], the Senator from California [Mr. MURPHY], the Senator from Kansas [Mr. PEARSON], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Iowa [Mr. MILLER] is absent on official business.

The Senator from Colorado [Mr. DOMINICK] is detained on official business.

If present and voting, the Senator from Utah [Mr. BENNETT] and the Senator from Iowa [Mr. MILLER] would each vote "nay."

On this vote, the Senator from Massachusetts [Mr. BROOKE] is paired with the Senator from Colorado [Mr. DOMINICK]. If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Colorado would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from California [Mr. MURPHY]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from California would vote "nay."

The result was announced—yeas 49, nays 25, as follows:

[No. 318 Leg.]

YEAS—49

Baker
Bayh
Bible
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Clark
Dirksen
Eastland
Ervin
Fong
Gruening
Harris
Hart
Hartke
Hayden
Hill
Holland
Hollings
Inouye
Jackson
Javits
Long, Mo.
Long, La.
Magnuson
Mansfield
McGee
McGovern
McIntyre
Metcalf
Mondale
Monroney
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Smith
Spong
Stennis
Thurmond
Tydings
Williams, N.J.
Yarborough
Young, N. Dak.

NAYS—25

Aiken
Allott
Boggs
Carlson
Case
Cooper
Cotton
Curtis
Ellender
Fannin
Griffin
Hansen
Hatfield
Hickenlooper
Jordan, Idaho
Kuchel
Lausche
Morton
Mundt
Percy
Prouty
Russell
Tower
Williams, Del.
Young, Ohio

NOT VOTING—26

Anderson
Bartlett
Bennett
Brooke
Cannon
Church
Dodd
Dominick
Fulbright
Gore
Hruska
Jordan, N.C.
Kennedy, Mass.
Kennedy, N.Y.
McCarthy
McClellan
Miller
Morse
Murphy
Pearson
Ribicoff
Scott
Smathers
Sparkman
Symington
Talmadge

So the resolution (S. Res. 130) was agreed to.

Mr. LONG of Missouri. Mr. President, I move that the vote by which the resolution was agreed to be reconsidered.

Mr. BYRD of West Virginia. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 2) to amend titles 10, 14, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and clarify the status of National Guard technicians, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RIVERS, Mr. HÉBERT, Mr. HARDY, Mr. BATES, and Mr. BRAY were appointed managers on the part of the House at the conference.

The message also announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 10805) to extend the life of the Civil Rights Commission; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CELLER, Mr. RODINO, Mr. ROGERS of Colorado, Mr. MCCULLOCH, and Mr. BIESTER were appointed managers on the part of the House at the conference.

MILITARY CONSTRUCTION APPROPRIATIONS, 1968

The Senate resumed the consideration of the bill (H.R. 13606) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes.

Mr. JAVITS. Mr. President, if I could have the attention of Senators who are present in the Chamber, I could explain what is afoot here very quickly.

In due course—I have not done so yet—I shall move to amend the bill before us to provide a continuing resolution for all Government departments to operate at the rate of expenditure of the 1967 fiscal year, until such time as the appropriation for that department comes through. The two agencies particularly are the antipoverty administration and the Agency for International Development.

What we are seeking to do, in view of the fact that the Senate and House are deadlocked on the issue of a continuing resolution which is now before them, is to add a continuing resolution to a working appropriation bill, when there is a far greater chance of agreement upon a continuance than there is in a continuing resolution standing alone that is now deadlocked in conference, the date of which, so far as the Senate is concerned, expires tomorrow, anyway. Therefore, I shall move a continuing resolution until November 30, 1967.

The fact is that the Office of Economic Opportunity is now compelled to see the closing of many, many programs across the country. The following States are materially affected by these closings. It affects hundreds of thousands of people—very importantly, Headstart people. It affects New York, New Jersey, Connecticut, Massachusetts, Delaware, Kentucky, Virginia, West Virginia, Maryland, Georgia, Mississippi, Florida, Alabama, Wisconsin, Michigan, Ohio, Indiana, Minnesota, Colorado, and California.

I would point out that the States where the heavy impact, involving programs of over half a million dollars in amount, is being felt are: New York, New Jersey, Delaware, Kentucky, Mississippi, Florida, Alabama, and Ohio.

This is but a partial list, as many more States will join this list after November 23, when money runs out for these programs.

As I said a minute ago, the main programs being hit are the Headstart program, which involves small children, and programs which affect the aged, as well as the other poor.

I should like to make it very clear, to begin with, that we do not have any continuing resolution beyond October 23, 1967, to continue the authority of any community action programs, or any programs other than those operated by Government workers. The only thing we have got is the ability to pay Government workers compensation, which, under the poverty program, includes allowances to the Job Corps people, the VISTA workers, and the direct employees of the OEO, and that is all. So any other programs, private or otherwise, which are funded—such as private programs funded by agreement between OEO and the community action programs which receive lump sum funding—are not able to continue unless they have money in the bank which they previously received. Beyond the date of October 23, they can get nothing. That is where we stand now.

Mr. President, this situation has been brought about, in my judgment, through no fault of the Senate, but the responsibility is clearly vested in the other body. The reason is that the House of Representatives has refused to join in any continuing resolution unless such resolution contained completely unacceptable conditions with respect to cuts in appropriations for the OEO and for many other Government departments—broad cuts, Mr. President, running to the extent some estimate, of more than $12 billion.

I would point out, Mr. President, that the Senate passed a regular continuing resolution which would have enabled the OEO to operate in all its present programs on the same level that it did in fiscal 1967—which incidentally is considerably less than the Senate has already authorized for this year as well as less than the administration asked for—but it would have permitted that to take place only through November 15, 1967. The House of Representatives has been unwilling to accept that disposition, has remained obdurate and, from everything we know, remains obdurate still. That is what I wish to emphasize.

There should be no misinformation as to the fact that there is no resolving this matter except by agreeing to a continuing resolution like that passed by the Senate, operative until November 15, which expires tomorrow. The only thing that was accomplished by the measure which we did get enacted; that is, the District of Columbia appropriation rider was extension of payment of Government salaries, and only that, until November 9. As a matter of fact, affected workers, since November 9—even Government workers—are now working on credit, because the only thing they can be sure of is that they will be paid for the pay period ending November 28, for the time worked to November 4, and then there will be 5 more days' work for which they can be paid, and that is all.

It must be remembered that the timelag does not represent time for which they will be paid, but exists only because the pay period is 2 weeks later than the actual earning date.

Mr. President, the reason that I feel that we should adopt a continuing resolution while we have an opportunity on this appropriations bill—which is pretty much the last one upon which it is practicable to do so, because the next appropriation bill will probably be on foreign aid, and the one after that on the antipoverty program itself—is that it is expected that an enormous range of programs, serving in New York City alone a million people, will have been closed down because of the situation which has been created by this deadlock, brought about by the House of Representatives but nonetheless very effective as far as tens of thousands of children and old people are concerned.

Mr. President, I have had placed upon each Senator's desk an information sheet which shows exactly how serious the situation is. I shall refer to that now, and I ask unanimous consent that it be printed in the RECORD at this point.

There being no objection, the information sheet was ordered to be printed in the RECORD, as follows:

AMENDMENT TO EXTEND THE CONTINUING APPROPRIATION FOR THE WAR ON POVERTY UNTIL NOVEMBER 30, 1967

BACKGROUND

Once the military construction appropriation bill is passed, only two programs—the war on poverty and the foreign aid related programs such as Peace Corps and A.I.D.—will be without funds for fiscal year 1968. The continuing appropriation bill already passed by the Senate is still in conference. The Senate version extended temporary funding until November 15 so that even if accepted it would not bridge the gap until the regular OEO funding can be enacted; the House version of the bill extends the continuing appropriation until November 23 but with important restrictions.

THE ANTIPOVERTY PROGRAM IS CLOSING DOWN IN THE FIELD

Last week the Congress passed an extension of the continuing appropriation to November 9, specifying that the new money should be available only to pay salaries and not to make grants. Federal agency employees, VISTA volunteers, and Job Corps enrollees will be paid through that date; this means that on the regular pay day of November 28, they will be paid for only the four working days from November 6 through 9. Hence, as of today, 2,500 OEO employees, 4,000 VISTA volunteers, and 38,000 Job Corps enrollees are working as "volunteers."

More serious is the fact that OEO has lacked authority to make any program grants since October 23. Thus, any project whose program year ran out after October 23, or before that date if the agency was unable to renew it in time, is without any new Federal funding. Programs are closing down throughout the country, in every region and of every level of quality. By November 23, these closings will affect about 40 community action agencies; hundreds of individual projects, including 27 Headstart projects involving over 18,000 children; about $110 million of normal antipoverty programming.

Programs in the following States will be without Federal funds by November 23 (asterisk indicates programs of over $500,000): New Jersey*, New York*, Connecticut, Massachusetts, Delaware*, Kentucky*, Virginia, West Virginia, Maryland, Georgia, Mississippi*, Florida*, Alabama*, Wisconsin, Michigan, Ohio*, Indiana, Minnesota, Colorado, California. More States will join the list quickly after November 23. In addition, the OEO is unable to pay the private corporations which are running Job Corps centers and is in debt to those organizations for over $2 million.

MAJOR PROGRAMS WILL RUN OUT OF FEDERAL FUNDS, INCLUDING NEW YORK CITY

Among the community action programs whose Federal funds will run out by November 23 are those in several major cities, including New York City, Miami and Akron. In New York City alone the result will be chaos: over 1 million persons are being served by these programs; over 7,000 antipoverty employees, most of whom are poor people, will be payless; 4,700 Headstart children will have their program terminated; 50 Neighborhood service centers will be closed down; and 6 neighborhood health centers serving over 100,000 persons will be without funds.

THIS IS THE LAST CLEAR CHANCE TO SAVE THESE PROGRAMS

The regular continuing appropriation, even if enacted, could not extend beyond November 23, and there is no sign of a break in the conference. The OEO appropriation for FY 1968 will certainly not be ready until some time after that. The foreign aid appropriation will not be ready for some days and will not be a good vehicle for an amendment of this type.

Mr. JAVITS. Mr. President, Federal agency employees, VISTA volunteers, and Job Corps enrollees are the only ones who will be paid through November 9. Mr. President, 2,500 OEO employees, 4,000 VISTA volunteers, and 38,000 Job Corps enrollees, as I said a moment ago, even as of today, are working as volunteers. Even they, as technically Government employees, have no assurance of payment.

But let us assume that somehow or other they will be paid. That still leaves, Mr. President, the following closings by November 23, unless we pass a continuing resolution of the kind I have laid down here:

About 40 community action agencies.

Some hundreds of individual projects, including 27 Headstart projects, involving over 18,000 children.

About $110 million of work in the antipoverty field, which would normally be programed in that period.

I have already named the States which are being directly affected in the cutoff of the program. Indeed, as I said a few minutes ago in starting the debate on this matter, it is fantastic that so much about it has appeared in the press, and so little has been heard on the floor of the Senate until today.

There are widespread complaints by delegations—such as a large delegation of mothers and fathers from New York that I have just addressed, who came down here on the bus today expressly for that purpose. Other cities are sending similar delegations.

Mr. President, major cities will be affected by this run-out of funds, among them New York, Miami, and Akron. In New York City alone, the result will be chaos. As I have stated, more than 1 million people are being served by these programs. Seven thousand antipoverty employees who are on community action payrolls, most of whom are poor people, will be payless; 4,700 Headstart children will have their programs terminated; 50 neighborhood centers will be closed down; and six neighborhood health centers, serving more than 100,000 persons. That, Mr. President, is in only one city, the city of New York.

Mr. President, I shall refer now to a series of charts developed by regions, region 1 being New England, New York, and New Jersey; region 2 being the Middle Atlantic States; region 3 being the Southeast; region 4 being the north central region of the United States; region 5 being the Rocky Mountain area; and region 6 being the west coast.

In every one of those regions, programs which have taken years to build up, and which have been the very essence of the promise made to the poor in the antipoverty program, are here being dismantled, literally, in an afternoon, thoughtlessly, without any concept of the agony which went into their establishment and the agony which will go into the effort to rebuild them, not to mention the expense.

Mr. President, I do not feel that the Senate, which has started so auspiciously in respect to its own record in this very vexing matter, should not continue in that very fine precedent which it has begun. It is for that reason that I have urged the Senate, and am urging it today, to vote a continuing resolution which is meaningful, and to attach it to an appropriation bill which will itself be meaningful, because it will have to be the subject of conference incidental to the bill itself.

There are many millions, Mr. President, who have much at stake in this $2 billion military construction bill, involving construction all across the country.

It is a great opportunity, also, to let the people know what is really going on and why the OEO programs are closing. If this happens, it is very likely to worsen the situation which has already produced riots and violence in almost 70 American cities. Some of these disturbances were extremely serious last summer.

Many people predict that next summer could be an even hotter summer than last summer. If Congress fails to act now it will be feeding ammunition to such unrest by this kind of thoughtless handling of programs which are very difficult to build up and can be very quickly and easily torn down and are being closed all around us now.

Personally, I do not believe that it is central how many votes may be cast for or against the particular matter which I shall place before the Senate. I would feel guilty in every way if I did not do everything humanly possible to enable the Senate to act with the wisdom with which it has already acted in this matter by extending these funds beyond the 15th of November. We should extend these funds until at least the end of the month, and we should also make clear to the people of the country that the responsibility lies in the other body if these community action programs are thoughtlessly—and I repeat the word "thoughtlessly"—permitted to go out of business and to be dismantled, with the consequent tremendous dashing of the hopes and aspirations of the poor.

I see such action as nothing but a back-door means of trying to kill the very best of the OEO.

If people of the United States really believe in this program, and I believe they do, it seems to me that it is high time that belief is represented and made very clear by at least Senate action, which I hope will come upon this amendment. I deeply feel it will have a very salutary effect and will call the attention of the people of the country to what is lacking in terms of the same kind of conviction in the other body.

Mr. President, I wish to cite a few other examples of what is going on in our country. In Atlantic City, N.J., 250 antipoverty workers have pledged 10 percent of what is scheduled to be their last paycheck to pay for food for Headstart children.

In Indiana, a Job Corps contractor, the Westinghouse Learning Corp., is paying the entire cost of operating its center since the OEO has been unable to deliver on its promised contract renewal.

In New York City, a neighborhood health center program operated by one of our most distinguished hospitals, the Montefiore Hospital, servicing 10,000 persons, will not be able to meet its November 15 payroll.

A foster grandparents program in Watertown, Conn., serving 315 retarded children, ran out of funds on November 3 and the Governor has asked for an emergency State appropriation to keep the program alive.

Plainfield, N.J., one of the cities which witnessed tragic riots this past summer, has run out of funds, as have Headstart programs for thousands of children in Mississippi.

The New York City antipoverty officials have indicated that Federal funds for all community action programs in the city will run out about the third week in November, including all Headstart programs, which involve 9,400 children. These programs will be out of Federal funds by, of all days, Thanksgiving Day.

Among the programs which will be shut down by November 23 are 27 Headstart projects involving 23,000 children—out of a total national enrollment of 215,000.

This is only a partial list. It does, however, include projects in every region of the country. The list will grow if this deadlock continues after November 23. And we have not even gotten the final computation from the OEO as to exactly what will happen, except that we have heard cries of anguish from all over the country in the daily press.

Mr. President, I close my part of this debate by pointing out again that the only thing which has been done by the extension resolution contained in the District of Columbia appropriation bill is to allow Federal employees working for the OEO, VISTA volunteers who work in the same status, and Job Corps enrollees to be paid. As I pointed out, even these employees are no longer protected as to their prospective earnings after November 9.

It is contrary to the established practice of the Congress to dismantle or cause to be dismantled these community action programs which I have described. It thwarts the will of Congress and very seriously jeopardizes the success of the whole antipoverty effort and tends to discredit it in the eyes of the people.

As the antipoverty bill has passed the Senate time and again by heavy majorities, I can hardly conceive how any Senator who supports the antipoverty program can do other than to vote affirmatively on the amendment which I shall offer.

Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read, as follows:

> At the end of the bill insert the following new section:
>
> "Section 18 of the Act of November 13, 1967, making appropriations for the District of Columbia (P.L. 90–134) is amended by striking out 'November 9, 1967' and inserting 'November 30, 1967'."

The PRESIDING OFFICER. Does the Senator from New York ask unanimous consent to modify the original amendment which he had submitted and printed under the notice to waive the rule previously entered?

Mr. JAVITS. Yes.

The PRESIDING OFFICER. Without objection, the amendment is accordingly modified.

Mr. JAVITS. Mr. President, I point out that the date of November 30 replaces the date of November 9 which also relates back to the resolution of June 30, 1967.

If my amendment is agreed to, either directly as an amendment or on a suspension of the rules, the activity of the Office of Economic Opportunity may be continued under the following stipulation which I read from the joint resolution of June 30, 1967:

> Such amounts as may be necessary for continuing projects or activities which were conducted in the fiscal year 1967 and are listed in this subsection at a rate for operations not in excess of the current rate or the rate provided for in the budget estimate, whichever is lower, and under the restrictive authority.

That specifies activities of the Office of Economic Opportunity.

On that basis, projects or activities now running out of funds may be funded and carried on at the 1967 fiscal year rate until such time as Congress passes the enabling legislation, which is still to be passed by the other body, and then enacts an appropriation for the OEO. And we know very well that that cannot be done until after November 30. The House has not even passed enabling legislation.

Mr. President, the enabling legislation, let alone an appropriation, cannot possibly be signed until after November 30, and the conferees are hopelessly deadlocked on the continuing resolution which, in the Senate version, contains an already obsolescent date of November 15, although the House resolution, which is completely unacceptable, has a date of November 23.

Our experience with the District of Columbia appropriations bill indicates that if you really mean business in this matter, and if you really want to see the poverty program continued at least at its present level, whatever may be its future, then a continuing provision of this character must be carried in this appropriations bill, as we did the District of Columbia appropriations bill.

Mr. President, I hope that this will be done by the Senate.

I yield the floor momentarily, though I might tell my colleague that I shall suggest the absence of a quorum, because Senator CLARK will follow me in speaking.

The PRESIDING OFFICER (Mr. BYRD of Virginia in the chair.) The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, we are considering the military construction appropriation bill for 1968. I wish to ask the manager of the bill, the able Senator from Nevada [Mr. BIBLE], one or two questions to establish for the record where we stand on this matter.

As I understand the first page of the report, the budget estimates for this bill were almost $3 billion or $2,937,000,000. Is that correct?

Mr. BIBLE. The Senator is correct.

Mr. CLARK. Out of that amount, the House of Representatives shaved almost $800 million.

Mr. BIBLE. The Senator is correct. To be exact, the figure is $793 million-plus

Mr. CLARK. Then, the Senate did what with the House bill; they cut another $43 million?

Mr. BIBLE. The Senator is correct; for a total of $837 million under the budget.

Mr. CLARK. So that, in effect, Congress has not quite, but almost, cut in half the amount of the administration recommendation.

Mr. BIBLE. No. I think the actual cut, percentagewise, a 28-percent cut from the budget.

Mr. CLARK. In order to get my thinking clarified, the administration recommended $2.9 billion.

Mr. BIBLE. The Senator is correct.

Mr. CLARK. And the Senator is supporting $2.1 billion.

Mr. BIBLE. The Senator is correct.

Mr. CLARK. I think the committee should be warmly congratulated for the very significant cuts which have been made over the administration estimate. I suspect that this is the largest single cut made in any appropriation which has come to the Congress this year. The Senator is a knowledgeable member of the Committee on Appropriations, and he will advise me if I am correct.

Mr. BIBLE. Percentagewise, that is correct. I am not sure if it is correct dollarwise; it is correct percentagewise.

Mr. CLARK. I was not thinking dollarwise. We hear a lot of talk about the need to economize and cut appropriations because of the difficult financial condition in which we find ourselves, with which I am in accord. I have been concerned that so far, particularly in the other body, the only effort to cut has been made out of domestic programs, which are extremely important; but in this instance I think I am correct in stating a very large cut has been made out of a military appropriation.

Mr. BIBLE. The Senator is correct. This is a military construction bill. This bill was the result of extremely careful hearings. We think the figure we are reporting to the Senate today is a realistic figure. We think it gives to the military all that it actually needs to carry on its responsibilities. There are certain things, of course, that the military departments like, but which of necessity must be deferred. So we think overall this is a fine military construction bill.

Mr. CLARK. So I am correct, then, in stating that the administration is probably not particularly happy about this bill in view of the large cuts the committee made; is that correct?

Mr. BIBLE. I do not think that would necessarily follow. They have clamored for certain items which have been deleted from the bill. They should recognize that there are certain items here, although important to them and they may consider to be justified, which of necessity must be deferred. Many items can properly be deferred. I can illustrate, but I do not want to take the Senator's valuable time. There are examples where we have deferred items important to the military which can be put over for 1 year, 2 years, or even 3 years.

Mr. CLARK. I would take it that the cuts which have already been made by the committee have no direct bearing on the war in Vietnam?

Mr. BIBLE. I think everything directly connected with Southeast Asia has been adequately taken care of.

Mr. CLARK. I notice in the report of the committee that some of the reductions are due to large unobligated balances which, I assume, carry over into the present fiscal year; is that correct?

Mr. BIBLE. That is correct. Some of that was due to the freeze order imposed by the Secretary of Defense on October 9, and previous freeze orders. The unobligated balances are shown on pages 5 and 6 of the report.

Mr. CLARK. So that the unobligated balances, in all candor, should be added to the new appropriations in order to determine how much money is available for military construction; is that correct?

Mr. BIBLE. No. I do not think that would necessarily follow because, by and large—and I am making a generalization here—the large unobligated balances which we show on pages 5 and 6 of the report would carry forward the construction items which were previously authorized and funded in either fiscal 1966 or fiscal 1967.

Mr. CLARK. So, in effect, then, the $2,099 million is new money?

Mr. BIBLE. Is new money is correct.

Mr. CLARK. Can the Senator give me a rough idea of how much additional money is represented by unobligated funds for projects underway? That would be, I suppose, some kind of sophisticated summary of the detailed figures on pages 5 and 6, and I wonder whether the Senator's able staff can supply that?

Mr. BIBLE. Would the Senator kindly reframe his question, because I am not sure I completely understand the Senator from Pennsylvania.

Mr. CLARK. What I am interested in knowing is, in addition to the $2,099 million which the bill calls for, how much more money is available for expenditure because it is unobligated, but for projects which were heretofore approved?

Mr. BIBLE. I think that would appear on pages 5 and 6, which is the best figure made available to us as of September 30, and excluding Southeast Asia military construction. In the various items under Army, Navy, and Air Force, it would be approximately $349 million for the Army; approximately $300 million for the Navy—these are hard figures to give the Senator because of the reimbursables, where they perform work for others, but that is a good round figure; and the Air Force would be approximately $183 million.

The total there would be about $800 million unobligated to the three services as of September 30, 1967. These amounts include Southeast Asia.

Mr. CLARK. Well, I want to congratulate the Senator from Nevada and his colleagues for the significant cuts they have made in this bill as recommended by the administration, and would only hope that the same kind of cuts could have been made in the enormous military appropriations bill which, as I understand it, runs over $70 billion, and where the cuts were not to an extent so significant as in the military construction bill.

Mr. BIBLE. I realize the concern of the Senator from Pennsylvania in this field. Of course, I think that in the overall defense appropriation bill, there was something like a 1 billion, 600 million dollar reduction made from the budget amounts. Percentagewise, of course, that obviously is not so large as the percentage reflected here, which is 28 percent.

Mr. CLARK. I thank the Senator from Nevada for his answers. I shall happily support the bill because I think the Appropriations Committee has done an outstanding job in cutting it. It is a real pleasure to come onto the floor of the Senate and support a military bill realizing that, in my judgment at least, the Appropriations Committee has done its full duty in cutting it back to a realistic figure in line with the very serious fiscal commitments and problems facing us.

Mr. BIBLE. I appreciate the comments of the Senator from Pennsylvania.

Mr. CLARK. Mr. President, I want to speak at some length about the amendment proposed by the Senator from New York [Mr. JAVITS], which would make it possible during the next few weeks to keep the poverty program going and not have us continue what is becoming a greater crisis every day; namely, that the antipoverty program is closing down day by day and week by week in the field.

Mr. HART. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. HART. Mr. President, I am delighted that the Senator from New York [Mr. JAVITS] and the Senator from Pennsylvania [Mr. CLARK] have given us this opportunity to do this minimum best for a program which historians will note to be one of the dramatic successes of recent Congresses.

The reason for the amendment has been described most eloquently by its sponsor, the Senator from New York [Mr. JAVITS], and the Senator from Pennsylvania [Mr. CLARK] has underscored it.

I rise to say an "Amen", in addition, to report that over the past two weekends I have spent most of my time, while in Michigan, at meetings with various community leaders who are concerned about the poverty programs. In Grand Rapids, Battle Creek, Pontiac, Ferndale, and Detroit, all have voiced deep concern about the poverty program.

On Sunday I met at Ferndale, Mich., with a group of knowledgeable, concerned leaders in our war on poverty in Oakland County. Just as was true a week ago when I reported similar meetings in western Michigan, I came back here more convinced than ever that our poverty war must be stepped up. A school administrator involved in Headstart asked the question to which there is no satisfactory answer: How can Government operate on authorization and appropriation practices such as the poverty program is subject? Another school official made the point that no continuity, no planning is possible at the local level under these conditions. He urged programing for longer periods than 1 year. Yet here we are trying by this amendment to keep the fight afloat for a few days.

Here is a war which is achieving success over terrain that man never thought would be conquered and it is in danger of drying up; drying up because Congress cuts off the money to pay the troops.

The fact is, this war is one we can no more afford to lose than any other we have ever fought. This is a war which is more exciting in its participation, once it is understood, than any that has a band out in front. It is a war which, if lost, will bring down the wrath of the people on our heads, and deservedly.

It is essential that this unresolved problem of financing this poverty war, the subject of the amendment of the Senator from New York [Mr. JAVITS], be resolved.

Mr. JAVITS. Mr. President, will the Senator yield, with the permission of the Senator from Pennsylvania?

Mr. CLARK. Mr. President, I am happy to yield to the Senator from New York so he may direct an inquiry to the Senator from Michigan.

Mr. JAVITS. Can the Senator think of any other way—and I would be delighted to yield to him or to any other Senator—that we could find to reflect on the Senate floor what is raging in the newspapers of every big city in the country? And is not the Senator as appalled as I am about the fact that the tremendous outcries going around in the country will find no echo in this Chamber until we find some procedural base, to wit, this one, in which at least the Senate's position could be made clear as to their plight?

Mr. HART. I know the Senator is asking a rhetorical question. No, I do not know of any other way. I am delighted the Senator's ingenuity produced this one.

He is right in saying that the newspapers, many of which have a canned editorial condemning Federal spending, have temporarily put that copy on the shelf and are seeking to penetrate the conscience of the Congress with a message that in their cities there is the highest urgency attached to the business of funding the war on poverty.

Two weeks ago I put into the Record a series of very small, undramatic stories of successes that had been achieved in western Michigan. I included in it a letter from a woman, not a beneficiary of the war on poverty except as all of us are, but a volunteer, a white American, a professional woman, who had written an open letter to the Congress. Then her mother had told her not to mail it; it sounded so strong that she thought it might get her in trouble. She handed it to me with an explanatory note, saying that if I thought it appropriate, to use it. I inserted it in the Record some days ago.

At that time I was very much afraid that the bookkeepers were going to win. And now I get the feeling, and I ask the Senator from New York if this is not his impression, that at this very late hour, all of a sudden—I hope it applies to the House as well as the Senate—Members are getting the message. They are getting the message not just from those traditionally labeled big spenders around here, but they are getting the message from hardheaded members of local boards of education; from hardheaded businessmen who have found, from participating in many voluntary programs in the war on poverty, that they had never understood what it was like to live in those poverty-ridden sections of their community. It was not that they were not concerned, but they simply did not understand. I suppose none of us who have never lived in poverty ever fully will understand. But I get the feeling we are turning around, and we will get the program back on the track in time. That is precisely what the Senator from New York offers to do by his amendment.

Mr. JAVITS. I thank the Senator. On the time point, what has disturbed me and other Senators, as he well knows, is that these programs are closed down because there is no money. They go along for so long on hand-me-downs, with corporations like Westinghouse carrying on, and then they close down. Many of them are closing down.

Mr. CLARK. If the Senator will yield, and many of them continue because of the willingness of many poverty workers to work without pay.

Mr. JAVITS. And without the expectation of getting it.

Mr. HART. Many of us read in the Washington papers last week, I believe, that two VISTA volunteers in the hard core of the District of Columbia were finding shelter and food from a family which was itself a beneficiary of the poverty program.

Mr. JAVITS. What bothers me is that we are talking in terms of over 1 million people when we dismantle these programs, and many more who will experience resentment. We must consider what is involved in the actual dismantling of these operations, and the sheer waste if we want to reopen them. We are doing this thoughtlessly, because even the other body has beaten down the idea of cutting the program below the 1967 figure. So how does it make any sense to let those programs close down when we are going to start them all over again, anyway?

Mr. HART. It would make just as much sense—think of the ridicule that would be heaped on Congress—if we said to our troops in South Vietnam, "We will get around to payday. Stay there. You are doing a great job." That is what we are telling the people in a war which is just as essential, the morality of which very few people question, as compared with that thing in Vietnam. Last week we shot off the Saturn rocket. That was great. Those bills are paid for. What about the people poverty workers in our cities?

Mr. JAVITS. I take it that the two Senators who are joining in what I think is a very essential and very desirable effort feel, like myself, that our country, by dint of tremendous power and ability, can do both. We are not afraid of shooting the Saturn rocket, but we are also very concerned about shooting off a dud, which we are doing right now in the antipoverty program.

I must express my gratitude to the Senator from Michigan and the Senator from Pennsylvania. Senator Clark and I have joined hands in all these antipoverty efforts. This is another stage in it. I cannot begin to tell the Senator the gratitude I have in being joined by two such stalwart sponsors of that program.

ADDITIONAL COSPONSOR

Mr. CLARK. Mr. President, I ask unanimous consent that I may be joined as a cosponsor with the Senator from New York on his pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CLARK. Mr. President, the essence of this amendment has been so well and cogently presented by the Senator from New York [Mr. Javits] and the Senator from Michigan [Mr. Hart] that I do not intend to take much time in restating what they have said. I would hope that the small number of Senators on the floor would give careful thought to approving this amendment.

Congressional courtesy would not permit me to publicly state my view of what the other body has done to the poverty program by cutting off funds so that, as of today, program after program is grinding to a halt.

I agree with the Senator from Michigan that this poverty effort is one of the most important of our domestic programs and should be taking a far higher priority than many whose employees are continuing to be funded under the continuing resolutions, but more particularly under the appropriations bills, as they have passed. And, to measure my words, I can find no justification for the action of the other body in singling out the poverty program for punishment in the devious way in which the continuing resolutions have been handled.

The end result is that two programs which the other body, by majority at least, indicated some weeks ago it did not like, are being penalized by their action and those programs have ground to a halt, while all the other operations of the Federal Government are being continued.

The majority, I may add, was not a record vote, and I have some hope that wiser heads will prevail in the House today and tomorrow and we will find that in the end the House will pass a good poverty bill.

To me, the action by the other body in this regard was comparable to action taken earlier in the session when, in a display of pique, the administration's program to permit money to kill rats in the slums was laughed off the floor of the House.

There was such a public outcry at that display of—what shall I say? misguided enthusiasm, perhaps—that the House reversed its position and put the rat-control bill into another piece of legislation, thus remedying the injustice which had been done.

I hope that the amendment will be agreed to, so that when the military construction bill—which I strongly support, because I think the committee did an excellent job in cutting down very drastically the recommendations of the administration—goes to conference, the conferees on behalf of the House of Representatives may accept it, and thousands of employees who are facing a payless payday, and hundreds of programs which have had to be curtailed, can be reinstated, at least until the end of the month, by which time one would hope that the two remaining appropriation bills, other than this one, will have been passed and there will be no further need for a continuing resolution.

The Senator from Michigan stated a few moments ago—and he was quite right—that he was concerned about what this arbitrary cutoff of pay and of the continuation at last year's level, inadequate though it was, of the poverty program, was doing to the big cities of this country. I am sure he agrees with me that it is doing the same thing in many a rural area. I can mention the delta counties of Mississippi, and the Appalachian counties of the whole string of States running from New York down to the Deep South, where the same thing is happening. The Senators from Alaska tell me that programs to help the badly deprived Eskimos are also coming to an end. It may well be that there are some poverty programs in the upper peninsula of the Senator's State which are suffering as badly as those of the cities. I do not know. But this is a plea for the poor people all over the United States. I believe I am correct in my figure that 43 percent of them live in rural areas. So let no Senator think he is asked to agree to this amendment to help out the big cities. This is a program for all of America, rural as well as urban.

Unfortunately, it is necessary, at least briefly, to refer to the procedural aspects of this amendment. This military construction appropriation bill is the third from the last of all of the appropriation bills which Congress will be called upon to pass at this session, after which it may well be that there will be a stampede to adjourn and go home. Remaining are only the foreign aid appropriation bill and the supplemental appropriation bill, in which the poverty programs are funded. If those two appropriation bills are passed, all the appropriation bills will have been disposed of, and there will be no further need for a continuing resolution.

But unless we can get the present proposed continuing resolution adopted as a part of this bill, the poverty workers will go without pay, and the poverty programs will continue to fold up, until the poverty appropriation bill, which is a part of the supplemental appropriation bill, is passed by both Houses and signed by the President; and that cannot be done until the authorization for the poverty bill has come out of conference, is passed, and is signed by the President. That could easily be another month. So we are really confronted with a crisis, and unusual though the procedure proposed in this amendment may be, it is, as the Senator from Michigan and the Senator from New York agreed a minute or two ago, the only way in which we can do belated justice, not only to a large number—thousands upon thousands—of dedicated Federal employees, but to an even larger number of individuals working at the State and local levels on projects which have already had their funds cut off as a result of what I can only describe as the unfortunate action of the House of Representatives.

So we have to bridge the gap until the regular OEO funding can be enacted. The only way we can do that is by passing this amendment.

Let me say just a word or two about what has happened already as a result of the cutoff of poverty funds, due to the fact that no continuing resolution was agreed to by the two Houses with respect to the foreign aid and poverty programs and the Peace Corps.

We did persuade the House of Representatives, not too long ago, to continue appropriations until November 9 for the poverty program, but the compromise which had to be entered into in order to persuade the other body to accept that provision specified that the new money should be available only to pay salaries, and not to make grants.

So November 9 having come and gone, the present situation is that Federal agency employees, VISTA volunteers, and Job Corps enrollees will be paid only through November 9. On the regular payday, November 28, they will be paid only for the 4 working days between November 6 and November 9. As of today, 2,500 OEO employees, 4,000 VISTA volunteers, and 38,000 Job Corps enrollees are working without pay. To me, this is grossly unfair.

More serious is the fact that OEO has lacked authority to make any program grants since October 23. Thus any project whose program expired after October 23, or before that date if the agency was unable to renew it in time, is without any continuing Federal funding. So programs are closing down all over the country, in every region and in every area. By November 23, unless this amendment shall be agreed to, 40 community action agencies will be out of funds and unable to operate, except on a volunteer basis. Hundreds of individual projects, including 27 Headstart projects which involve more than 18,000 little children under the age of 5, will come to a halt, and it will not be possible to proceed with $110 million, more or less, of normal antipoverty programing.

The States which will be out of Federal funds by November 23 are: New Jersey, New York, Connecticut, Massachusetts, Delaware, Kentucky, Virginia, West Virginia, Maryland, Georgia, Mississippi, Florida, Alabama, Wisconsin, Michigan, Ohio, Indiana, Minnesota, Colorado, and California.

More than $500,000 worth of programs will be affected in New Jersey, New York, Delaware, Kentucky, Mississippi, Florida, Alabama, and Ohio. More States, including Pennsylvania, will join this list very shortly after November 23, I regret to say. The Poverty Action Committee in Philadelphia will shortly run out of funds.

In addition, the OEO will be unable to pay private corporations, such as Packard-Bell and Litton Industries. They are large private corporations which are operating Job Corps centers. The Government is already in debt to those corporations to the tune of more than $2 million.

Among the community action programs in which Federal funds will run out by November 23 are those which serve major cities, including New York City; Miami, Fla.; and Akron, Ohio.

In New York City alone, the result will be chaos. More than 1 million people are being served by these programs. Over 7,000 antipoverty employees, most of whom are poor people, will be payless; 4,700 Headstart children will have their programs terminated; 50 neighborhood service centers will be closed down; and six neighborhood health centers, serving over 100,000 persons, will be without funds.

Mr. President, one must ask, Why is this action being taken to penalize these particular individuals in these particular programs? I search in vain for an answer. It is impossible for me to comprehend how literate men, elected to public positions of importance by their constituents to serve the Federal Government, could have done such a thing.

I hope that the Senate will remedy this deficiency and enable, on a very short time basis, these people to be paid until such time as in the wisdom of the other body, and of this body, we are able either to fund the poverty program again, or, if the other body should decide in the next couple of days to terminate it, we will at least have had legislative action out in the open, and not by a nonrecord vote in which the other body will have told the whole world that they want to kill the poverty program.

I hope, and indeed I pray, that that will not happen. I hope very much that today, tomorrow, or the next day the House will give us a good poverty bill and that we can get an even better one out of conference. But this is in essence the rather narrow question which confronts us today. And this is the last clear chance to save these programs.

The regular continuing appropriation, even if enacted, could not extend beyond November 23. There is no sign of a break in the conference between the two Houses on the continuing appropriation because the other body has refused to yield, so that these programs may be funded.

The OEO appropriation for fiscal year 1968, as I pointed out earlier, will certainly not be ready until some time after this. A foreign aid appropriation bill will not be read for some days, and it would not be a good vehicle for an amendment of this type. Therefore, I say, as the Senator from New York and the Senator from Michigan said earlier, that this is our last clear chance to keep the program rolling until the end of this month.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. PASTORE. Mr. President, I compliment the Senator from Pennsylvania [Mr. CLARK], the Senator from New York [Mr. JAVITS], and the Senator from Michigan [Mr. HART] for taking this action, because we have a difficult row to hoe. There is no question about it. This is because of the parliamentary procedure that confronts us here. We would need a two-thirds majority.

Mr. CLARK. Only if a point of order were made.

Mr. PASTORE. I regret to say that I think efforts will be made to that effect. There is no doubt about that. The committee has already taken a position on it. So we may anticipate what will happen.

I agree with the Senators that this is the last clear chance to get something done on this matter. I am in sympathy with the amendment of the Senator from New York, and I said to the Senator from New York at our meeting, that if it came up for a vote, surely I would vote with the Senator from New York on his amendment.

I think frankly that the continuing resolution sent over by the House is not, in fact, an extension resolution. It is a resolution calling for cuts in spending. I think probably that some cuts in spending may be made.

Mr. CLARK. We are making a number of them in this bill.

Mr. PASTORE. The Senator is correct. However, I do not think that the way we are going about it is a businesslike way of doing it.

The President of the United States has already stated that he will analyze every appropriation heretofore made. He said he will cut wherever he feels a cut can be made and yet preserve the welfare of the Nation and guarantee the security of the country. I think the Senate ought to go along with the amendment. After all, what great harm would be done? This is only an extension until the end of the month, and the mood of the House is better. The House only yesterday refused to cut the antipoverty program by $600 million. This cut was on a motion made by a Republican on the other side. I say that in deference to our friend, the senior Senator from New York. I wish the Senator could lobby some of his friends over there to do the right thing.

Mr. JAVITS. I try.

Mr. PASTORE. The fact that the House refused to accept that cut would be a good reason why they should take this amendment and extend funding until the end of the month.

I see no great harm to be done. After all, we should not ring the death knell of the antipoverty program by this procedure. We should be given a fair chance to debate and vote on the matter. However, until that time, we are asking only that for 2 additional weeks the program be continued at the same level and scale as last year.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. CLARK. I yield.

Mr. JAVITS. The Senator from Rhode Island knows me well enough to know that I would not butter him up. We could not have a more knowledgeable member of the Appropriations Committee than the Senator from Rhode Island. He has been engaged in this work for much longer than I have.

There are a few misunderstandings of fact going around. And I would greatly appreciate it—and I think the Senate would appreciate it—if the Senator from Rhode Island would set us straight on the facts.

One fact that needs emphasis is that the continuing resolution which we did get in the District of Columbia bill, as I said, affects only the salaries of Government workers up to November 9, and excludes the whole mass of workers for local poverty programs which are not run by Government employees, but which are funded as local projects.

That is why we have had all of these program closings, and that is why we have experienced the difficulty. Am I correct in my statement?

Mr. PASTORE. I feel the Senator is correct. However, I do not think the Senator ought to come to me for authority. I think the matter would require some study.

Mr. JAVITS. I have done the study, and I would like to submit the situation.

Mr. PASTORE. If the Senator knows the answer——

Mr. JAVITS. I understand it, but many others do not. This question has been asked of me by not less than five Senators. It is asserted and alleged that we passed a continuing resolution last week, and they ask me what I have to complain about.

The fact is that the general continuing resolution contained authority to fund existing programs so that they could continue what they were doing, but that bill is locked in conference. Then we come to the November 9 provision in the District of Columbia bill, and that bill having been signed after November 9, we did not give the OEO the opportunity to continue to fund existing local programs. That grant-making authority expired October 23, and you could not continue it by a post facto enactment, which was the one of November 9. In other words, the November 9 authority expired before the bill was actually signed, so OEO has not had any power to obligate funds for programs since October 23.

Therefore, you are in that position now, and the fact is that the only people who have been paid are those who work directly for the Government, and that the great mass of antipoverty programs, community action programs, and so forth—Headstart is particularly hard hit—we have no way of paying their people under the manner in which we have proceeded. That is why I termed our action "thoughtless."

I am not appealing to the Senator rhetorically, but this actually has been challenged. So I submit that to the Senator, as an experienced member of the Appropriations Committee.

Mr. PASTORE. Even if some of these programs could be funded up to November 9, the fact remains that today is beyond November 9. Regardless of the legal question involved as between October 23 and November 9, according to the amendment that was put on the District of Columbia bill, the fact remains that you have reached the end of the road on November 9.

Mr. JAVITS. I will accept that.

Mr. PASTORE. I do not believe we have to be technical at all. Let us assume that everything is all right. Let us assume that everything is satisfactory until November 9. Where do we go from there? That is where the vacuum exists, and you gentlemen are trying to fill that vacuum.

Mr. JAVITS. The Senator is correct.

Mr. PASTORE. And unless we do something now, the way the situation remains with reference to the conference on the extension resolution, I am afraid that these programs will die.

The trouble is that once you dismember this organization, it will cost a great deal more money to reinstate it, and then you will have many more headaches than you now have.

I believe there is a simple and reasonable solution. All we are saying is that this matter should be given a chance until the end of the month. I do not believe this is an unreasonable request. It should be taken to conference; and if you cannot get by the conference, to the extent that it will kill the military construction bill, then you can relent in conference. But take it there and give it a chance.

Mr. JAVITS. I point out that we did exactly that with the District of Columbia bill.

Mr. PASTORE. And it worked.

Mr. JAVITS. And it worked.

Mr. PASTORE. They took it in conference. We had a good man then, and we have a good man now; and I hope the two of them will get together and give us a result that will be truly good.

Mr. CLARK. I thank the Senator for his helpful comments.

I point out that the continuing resolution which is presently pending applies to the military construction appropriation bill, so that that program will continue to be funded at the rate of $1.6 billion, which is the 1967 appropriation, whether or not we are able to sustain this amendment in conference. So that I would suggest there is every reason in the world why we could go ahead with the Javits amendment.

Mr. President, I yield the floor.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. YARBOROUGH in the chair). The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[No. 319 Leg.]

Aiken
Allott
Baker
Bible
Boggs
Brewster
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Case
Clark
Cooper
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Griffin
Gruening
Hansen
Harris
Hart
Hartke
Hatfield
Hayden
Hickenlooper
Hill
Holland
Hollings
Inouye
Jackson
Javits
Jordan, Idaho
Kuchel
Lausche
Long, La.
Magnuson
McCarthy
McGee
McGovern
McIntyre
Mondale
Monroney
Montoya
Morse
Morton
Moss
Mundt
Murphy
Muskie
Nelson
Pastore
Pell
Percy
Prouty
Proxmire
Randolph
Ribicoff
Russell
Smith
Spong
Stennis
Thurmond
Tower
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

The PRESIDING OFFICER. A quorum is present.

Mr. JAVITS. Mr. President, if I may have the attention of the Senate, the Senator from Pennsylvania [Mr. CLARK] and I are now cosponsoring this amendment. I hope that we can now sum up the arguments and have a vote on it some time in the next 10 or 15 minutes. A live quorum was asked for expressly so that Senators might be on notice and as many as possible could be brought into the Chamber.

Mr. President, the essence of the arguments and the reasons for making this motion today is that a whole range of programs financed by the OEO cannot continue to be financed, and they are continuing programs and not new ones, since there is no authority in the OEO to make grants unless we adopt an amendment of the character which I am proposing to the bill.

The reason for that is, the continuing resolution we passed as a separate bill and which would expire November 15 is deadlocked in conference with the House with the resolution which they passed which expires on November 23. So that does not do anyone any good. The provision contained in the District of Columbia appropriation bill sets a date of November 9 as the date up to which Government salaries can be paid. It does not do any good because all the local poverty programs are left out.

Thus, poverty programs are being closed all across the country. Let me read the States again: New Jersey, New York, Connecticut, Massachusetts, Delaware, Kentucky, Virginia, West Virginia, Maryland, Georgia, Mississippi, Florida, Alabama, Wisconsin, Michigan, Ohio, Indiana, Minnesota, Colorado, and California.

Those being hit worst are the Headstart kids. That is not just in salaries for running Headstart operations but it means food and pieces of equipment which the Headstart children need.

Already many of these projects are closed. By November 23, Federal funds will have run out for 40 community action agencies, 27 Headstart projects involving over 18,000 children, and many other individual projects—hundreds of them; $110 million in antipoverty programs is affected.

The only way to save the programs is to act as the Senator from Pennsylvania [Mr. CLARK] and I together urge the Senate to act.

Apparently, this is the only ground upon which we can get together with the other body. They accepted the November 9 date in the District of Columbia bill. We would, then, if we adopted the amendment, offer them a November 30 date which would enable a continuance of the funding of the antipoverty programs which otherwise would be dismantled.

The clinching argument would be that once we dismantled the programs, it would cost a great deal of money later to restore them, to say nothing of the tremendous frustration, resentment, and dissatisfaction engendered in the hearts of hundreds of thousands of our poor—and all for no real reason, just thoughtlessness, because on any basis it now seems clear that the programs will be continued at least at the 1967 level.

Mr. President, that sums up our arguments.

I have just been given some new figures in which the Senate may be interested:

There will be more closings of poverty projects between November 23 and December 1 if we do not act in this way.

Legal services will be foreclosed in Cape May, N.J.; Trenton, N.J.; in Nassau and Suffolk Counties in New York; in Coos, Carroll, and Grafton Counties in New Hampshire—that is a tri-county community action program; in Henderson County, Tex. Also the Norfolk and Cherokee community action program in Marietta, Okla.; in Jefferson and Love Counties, the community action programs there; a community action program in Tennessee—which includes a Headstart program; and a major CAP program in Providence, R.I.

Mr. President, let me close as I began in this debate by pointing out that in our newspapers day after day we have read about the tremendous sweep of denunciation, complaints, anger, and condemnation of what is going on, but it has not been acted upon here in the Senate. The reason was we apparently had no vehicle by which to do it. Now we do have such a vehicle to which we can actually attach an agreed-upon amendment.

In my judgment, the other body has certainly made life very difficult for the poor people concerned in this matter—if not impossible—by its obdurate stand.

I am not trying to use the continuing resolution as a major cutting vehicle for expenditures. The Senate has not gone along with that, to its eternal credit. But if the Senate wishes to persevere in its position, then it must extend the date on which it takes its stand.

It is for that reason that we urge the date of November 30 as the right way in which to do the right thing.

Mr. BIBLE. Mr. President, I have listened with a great deal of interest to the arguments of the Senator from New York and the Senator from Pennsylvania and the Senator from Rhode Island during the course of the afternoon. I know of their great sincerity and their great feeling about the particular amendment which is pending before the Senate at this time. I certainly have not any quarrel whatever with the objective which they are attempting to accomplish by this amendment. As a matter of fact, it seems to me that the continuing resolution should be extended until the Congress completes action on all its appropriation bills.

The difficulty, I think, as we probably all know, is House Joint Resolution 888, which is now in conference as between the Senate and the House. If I am correctly advised—and I believe I am—there is nothing whatever to prevent that group of conferees from putting in the date of November 30, as suggested by the Senator from New York.

It is not the continuing resolution as such that is causing the difficulties as between the Senate and House conferees, but it is the restrictive provisions that are embraced within the continuing resolution which have caused this difficulty which has been before the Senate prior to this and which was so extensively and fully argued at the time the Senate passed the continuing resolution.

I know the conferees on the part of the Senate have worked long and hard and faithfully in attempting to break this impasse.

The chairman of the conference is the able chairman of the House Committee on Appropriations, Representative MAHON, from Texas. I am advised—unless this happened this afternoon—that no further meeting of the conference committee has been set.

It seems to me it would be a mistake for us to include the so-called Javits-Clark amendment in the military construction appropriation bill, for the simple reason that we still have the same problem. We still have the same difficulty. We still have the question of resolving it in conference and convincing the Members of the House of Representatives to accept a simple continuing resolution.

The factual statements made, I think, are almost completely correct. This next pay period, which begins on November 5, and extends to the 18th, calls for the actual delivery of checks upon November 28; and as for that period of time, the checks will be delivered. As for the period from November 5 forward, unless there is action on a continuing resolution, as has been said in the debate this afternoon, that is extended only through November 9, which is the date contained in the District of Columbia Appropriation Act.

As to the obligational authority, which is contained in a good many of these funds, I think it is correct that that will lapse unless there is some kind of action by continuing resolution.

But it seems to me we have the same problem confronting us in a very, very important military construction appropriation bill. I would think the end result would be just to complicate the issue that much more; to put the same issue on another bill; to send it back to the same House of Representatives; and quite probably with the same result. We have the vehicle to solve the problem, that of a continuing resolution. The Members working on the part of the Senate and the House of Representatives on that continuing resolution have it within their power to do exactly what the so-called Javits-Clark amendment attempts to do in the bill before us.

This is a very important bill. It is a military construction bill carrying some $2 billion in appropriation funds to be used in Southeast Asia and around the world in strengthening our defenses.

I think this is not the proper bill or the proper vehicle on which to attempt to again try the problem of the continuing resolution involving the foreign assistance program and the OEO, which is so important, and which has been argued very effectively and very vigorously here this afternoon.

This matter was discussed in the full Senate Appropriations Committee, which met on Thursday. The Senator from New York at that time advised us of what he intended doing. The Senate Appropriations Committee rejected the amendment of the Senator from New York.

The amendment offered by the distinguished Senator from New York is very obviously legislative in character, and I make a point of order against the amendment on the ground that it is not in order on a general appropriation bill.

I take this action pursuant to a directive of the Committee on Appropriations and as the floor manager of the bill and as chairman of the Military Construction Subcommittee of the full Appropriations Committee. This is pursuant to a directive of the Committee on Appropriations adopted on December 18, 1931, which reads:

> Any member or ex-officio member of the Committee on Appropriations of the Senate who has in charge an appropriation bill, is hereby authorized and directed to make points of order against any amendment offered in violation of the Senate rules on the floor of the Senate to such appropriation bill.

Pursuant to that directive, and in accordance with the instructions by the Appropriations Committee, I now make that point of order and ask for a ruling.

The PRESIDING OFFICER. The Chair sustains the point of order, under rule XVI, paragraph 4, prohibiting legislation on a general appropriation bill. This paragraph reads:

> No amendment which proposes general legislation shall be received to any general

appropriation bill, nor shall any amendment not germane or relevant to the subject matter contained in the bill be received.

Mr. JAVITS. Mr. President, having given notice that I will move to suspend the rules on last Thursday, I now move to suspend the rules and to add the amendment which I have at the desk.

The PRESIDING OFFICER. The question is on the motion of the Senator from New York.

Mr. JAVITS. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, while I have the floor, the notice which I gave carried reference to what was then the legal situation, to wit, Public Law 90–102, the joint resolution of October 5, 1967, containing the date of October 23, 1967, for the extension.

The amendment I have at the desk deals now with the law as it has since been designated, which was signed by the President since I gave notice. It has a different public law designation.

Any Member of the Senate would have a right to object to my making the change. That would be immaterial. I could go ahead with this one. I would hope no Member would object, because that is the correct legal way in which to make the amendment.

Mr. BIBLE. Mr. President, as floor manager of the bill, I certainly have no objection.

The PRESIDING OFFICER. The Parliamentarian advises the Chair that the previous record shows the Senator from New York had received unanimous consent.

Mr. JAVITS. I thank the Chair.

Mr. ALLOTT. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ALLOTT. Is the motion just made by the distinguished Senator from New York that he moves to suspend the rules and add the amendment he has pending at the desk? The inquiry is this: Can these two items be incorporated in this one motion?

The PRESIDING OFFICER. It is a two-step proposition, the first step being the suspension of the rules, and then the amendment.

Mr. ALLOTT. One is on the suspension of the rules, and in the event that prevailed, then upon the amendment?

The PRESIDING OFFICER. Then the Senator would offer the amendment.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. MUNDT. Mr. President, I rise very briefly to endorse the logic and the presentation of the distinguished manager of the bill, the Senator from Nevada [Mr. BIBLE]. I think it would be a mistake for the Senate now to support the motion presently before it to suspend the rules, and I think it would be a more grievous mistake for us to add this legislative language, at this time if in fact the rules are suspended.

I think the Senator from Nevada has stated the reasons for that very cogently. I simply wish to emphasize, as one of the members of the conference between the Senate and House of Representatives Appropriations Committees, that we have been very diligently pursuing all the possibilities and probabilities whereby we could bring about a meeting of minds to effectuate that we all realize are some much needed economies in the Government spending programs. We have met at least five times, perhaps six, I have forgotten. We have reviewed all the proposals submitted by the House of Representatives. We have set up a joint staff operation, which has been highly illuminating and informative, certainly, for all the conferees. We have held a stethoscope of inspection up to the Federal budget and the Federal expenditure picture. Some very interesting proposals have been offered for bringing about the needed economies.

No votes of any kind have been taken by the conferees. No proposals have been finally rejected and none accepted. There has been free exchange of viewpoints. At the last meeting, the Senator from Florida [Mr. HOLLAND] came up with another approach whereby we might move in the direction of economizing. We are trying our best to find out where we can squeeze some fat out of the budget or out of the expenditure program, without doing injury to any of the essential programs of this country. To halt that whole process now, to discontinue that operation, and to accept a new date, it seems to me, would be a step directly backward from achieving the economy we are trying to effectuate.

Mr. CLARK. Mr. President, will the Senator yield for a question?

Mr. MUNDT. I am happy to yield.

Mr. CLARK. I ask the Senator, as one of the able conferees representing the Senate on this continuing resolution, is it the problem of paying these poverty workers, and seeing that they do not have any more payless paydays, which is holding up the conference?

Mr. MUNDT. No; that is not the problem. That is among the many problems we are considering. The fundamental problem holding up the conference is to try to find out, within the whole framework of Federal expenditures, what kind of formula might be used with optimum results, and whether or not it is possible to bring about some meaningful decreases in expenditures, without doing injury to some vital function of the Government. There is no disposition, on the part of any member of the conference from any part of the country, that I know anything about, to put the OEO program in the target circle or to discriminate against it.

Mr. CLARK. There is no need to ask the Senator from South Dakota whether he agrees, because I know he does not, but to me, the whole issue of the vote we are about to have is whether thousands of workers of the OEO, and tens of thousands of workers for community action programs, Job Corps programs, and all of the other programs which are part of the war on poverty, shall have one or two more payless paydays, having been singled out, solely and alone, by the House of Representatives, for payless paydays, or whether, by adopting this simple amendment, we can assure that at least until the end of this month, they can get the pay which in my judgment has been so unjustly denied them.

To me, that is the only issue involved in the vote we are about to take.

Mr. MUNDT. I cannot agree with the Senator, because, while we are talking about one narrow issue in the whole fabric of our economy, as far as the Javits-Clark amendment is concerned, it has a direct impact on the whole spending program with which we are confronted, and I do not think we are following a piecemeal approach. We have, within the authority of the conference committee, the right to come up with some constructive suggestions which I think will be helpful to the program the Senator has in mind.

When I offered an amendment on the Senate floor to take a 5-percent cut from those controllable expenditures which we are able to deal with, we came within the narrow margin of 3 votes of having that amendment adopted. Other economy measures were also suggested, and some came close to passage; and if the Senator will survey the voting record, as I have done over and over again, he will find that well over 50 percent of the Senators voting, voted for one or the other of those economy measures. For reasons best governing their own decisions, some liked one approach, some another, but it is not only the House of Representatives which is seeking to dampen the fires of inflation, which singe the poor more roughly than they do any other element of our society. The Senate has also expressed an interest in economizing.

The conferees have not been able to arrive at a determination. Perhaps we will not. I am hopeful we will. We are certainly giving it the old college try, with a degree of zeal and a degree of penetration and analysis the like of which I have never before experienced in all my years of sitting on conference committees on appropriations between the Senate and the House of Representatives.

Mr. CLARK. Will the Senator yield further?

Mr. MUNDT. I yield.

Mr. CLARK. While I do not agree with the Senator from South Dakota in the efforts, from my point of view, unsuccessfully to make the cuts on the Senate floor in terms of the overall appropriation, I certainly honor him for his views, and commend him for his industry in attempting to work out some arrangement with the House of Representatives by which some significant dollar cuts might be made.

But to me, that is entirely irrelevant and immaterial to the issue of whether these poverty workers should be paid down to the 28th of November.

I wish the Senator would explain to me why he would oppose helping these Federal, State, and local employees get their normal wages while he and his colleagues and the conferees of the House of Representatives are trying to work out a technical, difficult problem, to which the payment of employees seems to me, at least, to be irrelevant.

Mr. MUNDT. There is no disposition

on the part of the conferees to deprive anyone of wages. We have tried to advance the continuation date from time to time, to achieve the result which the Senator has mentioned.

We are now in the very closing days of this session. I think it is important not only to the country as a whole, but especially to the poor, who are being so vitally hurt by the fires of inflation and the constantly rising cost of living, that we try to do something to get our economy in hand and in balance. This is what we are trying to do. If we relieve all pressure upon the conferees by attaching a continuation expiration date almost a week or 10 days before we hope to adjourn, I am afraid that all of the long sessions and all of our efforts and the joint actions of the two bodies will come to naught. We will continue to have the serious problem of imbalance, with overappropriated funds and overexpenditures, and be confronted with a plea for more taxes, but will have done nothing constructive to help either the poor or the economy of the country as a whole. Certainly the fate of the poverty-stricken is related to the viability of the entire national economy.

Mr. CLARK. Mr. President, will the Senator yield one last time? Then I shall be through.

Mr. MUNDT. I yield.

Mr. CLARK. When will the next meeting of the conferees take place?

Mr. MUNDT. I cannot tell the Senator, because the chairman of the conference is the chairman of the House conferees, Representative MAHON. The conference is adjourned subject to his call. However, I should say to his credit that he has called us together frequently. We have presented some new possibilities to the staff of the joint conference committee. I am sure that as soon as we have obtained some answers, the conferees will be called together again.

Mr. CLARK. Is it not entirely possible that with Thanksgiving coming along, no further meetings of the conferees will be held until after the next payless payday?

Mr. MUNDT. I doubt very much whether that will be the case; but that is in the hands of the chairman of the House committee, for whom I have great respect.

Mr. YOUNG of North Dakota. Mr. President, will the Senator yield?

Mr. MUNDT. I yield.

Mr. YOUNG of North Dakota. I had not intended to talk on the subject today. However, I think we would make a mistake in attaching an amendment such as this to this important military construction appropriation bill. It might really hurt us, because the conferees for the House on the military construction bill will include several of the House conferees on the continuing resolution. I do not think they would approve of this procedure, and their opposition to a reasonable compromise is likely to stiffen.

Certainly, the House, with its large representation from the big cities, has the ability to get its views across to the House conferees so that the question can be resolved. If they have not that much influence in the House, there is no chance of getting a resolution of any kind through.

I think it would be a serious mistake to try to take this problem away from the existing conference committee.

Mr. MUNDT. I think so, too.

I shall yield in a moment to the Senator from Ohio and then to the Senator from New York.

The distinguished Senator from Nevada pointed out very clearly that this would complicate and confuse the whole procedure. Suppose we were to add the proposed language to the military construction bill. The first big casualty would be military construction because it would delay the implementation of a bill vitally needed to the progress of the war.

I have heard the dissenters of the war say in this body: "We disagree with the war effort. We do not have any confidence in the President. We think it is bad. We should not be in it. We should have stopped bombing. We should send the matter to the United Nations. We should pull back or pull out. We should negotiate now. However, we will vote for every dime for appropriations for the war."

Let us find out if they mean that. This bill is for the war.

If we delay this, what will happen? The economizers in the House will put on the same riders they put on the other bills.

We will then have two sets of conferees involved in a conference, discussing how to bring about some economy. This would slow down the whole thing and create hopeless confusion and unmanageable complications. I do not think we would save 15 minutes in terms of giving payments to the OEO employees.

Mr. President, I yield to the Senator from Ohio.

Mr. LAUSCHE. I ask a question for purposes of information, and it may be that the Senator from Nevada will be able to answer the question, or perhaps the Senator from South Dakota.

Mr. MUNDT. I will be glad to yield with the understanding that the Senator may ask the question of the Senator from Nevada.

Mr. LAUSCHE. Mr. President, in the amendment of the Senator from New York, is there involved only the matter of pay, or is there also involved the matter of making continuing grants to agencies operating under the programs involved in the appropriations?

Mr. BIBLE. I believe the correct answer to the question is that the amendment of the Senator from New York—and I think he would say the same thing—is not limited simply to the wages that go to the various employees, but also includes programs that could be funded under the OEO program.

Mr. JAVITS. Mr. President, will the Senator yield to me to make a comment?

Mr. MUNDT. Mr. President, I will yield in just a second. It is my understanding of the Senator's amendment that the Senator from Nevada has described it properly and correctly. However, I certainly yield to the Senator from New York for a correction, if there be one.

Mr. JAVITS. There is one. The correction is that it is directed at a rate of expenditure for the fiscal year 1967. We cannot pay anybody. We cannot do anything. We cannot fund any project except what is included in the total funding for the fiscal year 1967. In addition, we could not start a new project. We could only fund the continuing projects.

With those two critically important qualifications, that is what we are contending for. That includes the compensation of the workers in Headstart and in other poverty programs which are today being dismantled because the workers are not being paid.

Mr. LAUSCHE. Mr. President, does the amendment authorize the making of grants to continue old projects and to finance new projects for which applications were filed prior to the time that the right expired?

First, let me hear from the Senator from Nevada.

Mr. BIBLE. My understanding of the correct answer to the question of the Senator from Ohio is that it does permit that within the levels of $1.67 billion, or whatever the correct amount is.

Mr. LAUSCHE. That means that there is not only involved the matter of pay, but also the matter of making grants.

Mr. BIBLE. It is my understanding that that is correct.

Mr. JAVITS. There is one error in the answer and there is one error in the question. The amendment does not involve new projects. Certainly there are grants. How else would the employees be paid their salaries without grants?

Mr. LAUSCHE. It does, however, involve projects which have been stopped and for which money is being asked to continue these projects.

Mr. JAVITS. That is correct. It would continue projects which were projects before, but would not establish new projects.

Mr. LAUSCHE. That is the issue.

Mr. JAVITS. No. The issue is whether the poor shall continue in these projects that have been carried on for a year. And that is the only issue. Any other answer would beg the question.

Mr. MUNDT. The issue is whether we shall continue to heap coals on the fires of inflation which do such harm to the poor.

I do not think we can isolate one particular part of the matter from another. I think we should continue, as we are doing in the conference committee, to try to work out some adjustments and adjudications which will be helpful to the economy and to the poor and will make the poverty program more meaningful because it will continue to harden the dollars for those who need such help.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. JAVITS. Mr. President, will the Senator yield? I wish to ask a question of the Senator from South Dakota.

Mr. MUNDT. I understand that the Senator from Florida has the floor.

Mr. HOLLAND. I yield to the Senator from New York so that he might ask a question of the Senator from South Dakota.

Mr. JAVITS. Mr. President, I ask the Senator from South Dakota how he differentiates the provision we put in the District of Columbia appropriations bill concerning the date of November 9, from the provision which I seek to put in this bill—which is also an appropriation bill.

Mr. MUNDT. There is one big difference—the element of time. We did it in the District of Columbia appropriation bill because we had to do it the day before. We hit the payday. Nobody suffered.

The pending amendment proposes now to delay the stimuli which have been applied to the conferees until November 30, if I have the date correct, and that is far too long a delay.

We can meet the contingency very promptly, if it arises, as we have proved in the District of Columbia appropriations bill. However, we should not turn our back on some meaningful and constructive efforts to bring about meaningful economy if it is possible to do so. And the conferees on both sides of the aisle have been diligently working in that direction. The Javits proposal should be defeated at this time.

Mr. HOLLAND. Mr. President, I will just take a few minutes of the time of the Senate.

I think we would make a very serious mistake if we were to waive the rule and agree to include the pending amendment in the bill.

The matter is already in conference. The conferees have made progress, and the distinguished Senator from South Dakota was kind enough to suggest that the Senator from Florida had made one suggestion which is being studied.

One of the eminent conferees from the other body, Representative Bow, from Ohio, had agreed to raise the figure from a ceiling of $131.5 billion for expenditures in 1968 to $134.5 billion, which is a difference of $3 billion. That does not support the statement that no progress is being made. To the contrary, progress is being made.

The conferees include some of the more serious Members of both the House and the Senate. I ask unanimous consent that the names of the conferees be printed at this point in the Record.

There being no objection, the list of conferees was ordered to be printed in the Record, as follows:

SENATE

Messrs. Hayden, Russell, Ellender, Hill, Holland, Pastore, Young of North Dakota, Mundt, Mrs. Smith.

HOUSE

Messrs. Mahon, Kirwan, Whitten, Rooney of New York, Boland, Natcher, Bow, Jonas, and Laird.

Mr. HOLLAND. Mr. President, we have had five meetings. We will continue to meet just as soon as the staffs have made a complete study of the proposals now pending.

Nothing new would be put before whoever were conferees at the time, because under the conference now pending there can come a resolution of continuing effect that would cover the ground covered by the proposed amendment or even greater ground, if that was the object of the conferees.

A word now about the vehicle to which the amendment is offered. This is a military construction bill being considered at a time when we are engaged in war. The measure is already 4½ months late. It has already cut $800 million or more than $800 million from the budget request. That indicates the closest study.

No cut has been made in the appropriation for work to be done in Vietnam. Seventy-five million dollars is proposed for needed work and needed construction in Southeast Asia, in Vietnam, or adjacent thereto.

That entire field of construction is classified. I cannot tell anyone what it is. The Senator from Nevada knows what it is. Some of the rest of us know some of the elements. But it is regarded as highly important that the projects get underway, and they should have been gotten underway before this time.

Now, it is proposed to throw back into a conference, which already has jurisdiction and already has proceeded a long way, a matter known to be of the highest controversial nature. Mr. President, I cannot see any wisdom in that type of approach.

The $75 million for Vietnam is not the only classified item in the bill. The clerk of the committee told me a few minutes ago—and his remarks were backed up by the able chairman of the subcommittee, the Senator from Nevada—that other classified items in the domestic field, of great importance, are already past due, and they have not been started. Yet, it is proposed to hold up a bill of this nature.

What could the House do to it? It might put the Bow amendment on it. It might put the Whitten amendment on it. It might put on it any of the highly controversial matters which are already before the conferees, who are now acting and sweating blood over trying to get an answer to this difficult question.

Mr. President, I cannot believe that the Senate, in its good judgment, would seriously consider appending an amendment such as this to any bill now pending, but particularly to this bill.

One other word in closing: I am not concerned too much about what will happen to employees in general, because I know that the House is debating, and will pass in the next few hours of debate, an OEO authorization bill for 1968; and I know that, having passed that bill, we will have two levels, and possibly it will be just one level, of appropriations authorized for that program. We will then be in a more advantageous position than we have ever been, up to this moment, for getting a continuing resolution applicable to that item, applicable also to the foreign aid item on which we passed an authorization bill a day or two ago.

Mr. President, our situation is clearing up with every passing day and with every passing conference. The idea of injecting into a bill of this nature something as controversial as this proposal, with all the terrible complications that would be permitted under it, is to me a most serious suggestion, and to me it is highly objectionable.

I hope the Senate will refuse to waive the rules and will refuse to adopt any such amendment to this bill at this time.

Mr. AIKEN. Mr. President, my understanding is that many Members of both Houses of Congress are planning on a trip to Europe next week to attend the NATO Conference. Usually, approximately 70 people attend. I believe it is just as important for some of these poor people who have not received their checks to have something for Thanksgiving as it is for the Members of Congress to get a good trip to Europe.

I shall vote with the Senator from New York.

Mr. JAVITS. Mr. President, I am deeply ly grateful to Senator Aiken who, with his customary New England shrewdness and wit, cuts through to the heart of a problem.

When you strip this argument of all the persiflage about this being a sensitive military construction bill, every Member knows that if the amendment is adopted and Senator Bible takes it to conference and he chooses to strike it out in conference, the military construction bill will be left impregnable and secure and serene. And if they cannot agree on the military construction bill and it goes back to the House, the House can still ride in on it any amendment they choose, including the Whitten amendment.

Mr. President, the essence of the argument made by the Senator from South Dakota interests me greatly. What he says, in effect, is that it is all right to put an extension to November 9 on the District of Columbia appropriation bill because that time was only a day before—as a matter of fact, the bill was signed a day or 2 after—the time when people would have stopped getting paid, but it is not all right to put it on this bill because it is prospective.

Mr. President, that is the whole ballgame. The whole ballgame is that this is another way to kill the poverty program. If it is prospective, then OEO can go ahead and continue the poverty projects, such as Headstart, in which people are not being paid and in which children will not be fed, and will have to be discontinued. But if it is only post facto, if it relates to a day that has passed, only Government salaries may be paid. That is it; that is the whole ballgame. You take your choice. Either you pay only Government employees or you carry on the poverty program at least to the extent that it was carried on in 1967.

Senator Aiken is absolutely correct. Local CAP employees will not be paid, and these projects will be dismantled; and delegations will be down here, screaming bloody murder, as they have a right to do, that the things they have been led by Congress to believe will be are not going to be. That is the answer; that is the ultimate fact—not how we try to dress it up in terms of all these wrinkles.

What about this conference that is deadlocked? We all know it is deadlocked. It started on October 25, and this is November 14. Tomorrow is the expiration day of the Senate resolution, and they have not even called a meeting. Yet, we men over 21 are asked to believe that they are in negotiation and will work it all out, and that the fires of inflation will be checked. The fires of inflation will not be checked, but they will consume those poverty programs which have a start and which will be killed if we do not act.

The Senate is right about this matter, and I say to my colleagues, "Stay right; don't turn wrong." And in order to stay right, you have to continue the posture which you adopted before, which was to fix your date with your continuing resolution that is prospective and gives people a chance to breathe and to operate, instead of being post facto and therefore doing nothing but pay Government salaries. That is the essence of the argument.

I find no moral fault with my colleagues who argue the other way. This is their privilege and their right and their deep conviction. But I believe the argument must stand so that when men vote yea and nay, they know what they are doing.

This is the opportunity for the Senate to assert that it wants the poverty program continued on the level of 1967 until such time as there is a new disposition. The only way in which the Senate can do that is to act prospectively rather than post facto.

Mr. President, that is the case, and Members must consult their consciences. I have consulted my conscience, and have felt it my bounden duty to do as I have. Senator CLARK is of the same opinion. It will be a difficult vote. A two-thirds vote is required to accomplish this; but, my colleagues, it is richly deserved, and I hope the Senate justifies itself and votes affirmatively.

The PRESIDING OFFICER. The question is on agreeing to the motion to suspend the rule. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. JORDAN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], the Senator from Montana [Mr. MANSFIELD], and the Senator from Montana [Mr. METCALF] are absent on official business.

I also announce that the Senator from Nevada [Mr. CANNON], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from New York [Mr. KENNEDY], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Florida [Mr. SMATHERS], the Senator from Alabama [Mr. SPARKMAN], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] are necessarily absent.

On this vote, the Senator from Massachusetts [Mr. KENNEDY] and the Senator from New York [Mr. KENNEDY] are paired with the Senator from Georgia [Mr. TALMADGE]. If present and voting, the Senator from Massachusetts and the Senator from New York would vote "yea" and the Senator from Georgia would vote "nay."

I further announce that, if present and voting, the Senator from Nevada [Mr. CANNON] and the Senator from Florida [Mr. SMATHERS] would each vote "nay."

I further announce that, if present and voting, the Senator from Missouri [Mr. SYMINGTON] would vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. HRUSKA], the Senator from Kansas [Mr. PEARSON], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Iowa [Mr. MILLER] is absent on official business.

The Senator from Kentucky [Mr. MORTON] is detained on official business.

If present and voting, the Senator from Nebraska [Mr. HRUSKA] would vote "yea," and the Senator from Iowa [Mr. MILLER] would vote "nay."

On this vote, the Senator from Utah [Mr. BENNETT] and the Senator from Pennsylvania [Mr. SCOTT] are paired with the Senator from Kentucky [Mr. MORTON]. If present and voting, the Senator from Utah and the Senator from Pennsylvania would each vote "yea," and the Senator from Kentucky would vote "nay."

The result was announced—yeas 44, nays 31, as follows:

[No. 320 Leg.]

YEAS—44

Aiken
Baker
Boggs
Brewster
Brooke
Burdick
Case
Clark
Cooper
Cotton
Dirksen
Fong
Griffin
Gruening
Harris
Hart
Hartke
Hatfield
Inouye
Javits
Jordan, Idaho
Kuchel
Magnuson
McCarthy
McGee
McIntyre
Mondale
Montoya
Morse
Moss
Murphy
Muskie
Nelson
Pastore
Pell
Percy
Prouty
Proxmire
Randolph
Ribicoff
Tydings
Williams, N.J.
Yarborough
Young, Ohio

NAYS—31

Allott
Bible
Byrd, Va.
Byrd, W. Va.
Carlson
Curtis
Dominick
Eastland
Ellender
Ervin
Fannin
Hansen
Hayden
Hickenlooper
Hill
Holland
Hollings
Jackson
Lausche
Long, La.
McGovern
Monroney
Mundt
Russell
Smith
Spong
Stennis
Thurmond
Tower
Williams, Del.
Young, N. Dak.

NOT VOTING—25

Anderson
Bartlett
Bayh
Bennett
Cannon
Church
Dodd
Fulbright
Gore
Hruska
Jordan, N.C.
Kennedy, Mass.
Kennedy, N.Y.
Long, Mo.
Mansfield
McClellan
Metcalf
Miller
Morton
Pearson
Scott
Smathers
Sparkman
Symington
Talmadge

The PRESIDING OFFICER. On this vote there are 44 yeas and 31 nays. Two-thirds of the Senators present and voting not having voted in the affirmative, the motion to suspend the rule is rejected.

Mr. JAVITS. Mr. President, I am proud of the Senate.

This particular motion has just carried by a good majority of the Senate and has expressed the will of the Senate. I made it plain that in the Appropriations Committee the amendment was heavily defeated. That is not the view of the Senate. We have ways and means to make our will felt. This is the will of the Senate.

I hope that two things will happen. One, that the country will understand this to be the will of the Senate, and that the responsibility will be clearly fixed where it belongs, not in the Senate, but in the other body. That is where it belongs. We live in a democracy, a bicameral government, and I do not think there is any particular protocol or courtesy involved not to let the country know what is going on here in Washington.

The second point which is critically important is that I hope and pray, in deference to the will of the Senate, that the conferees on the various bills, especially the continuing resolution, may now proceed with very much more strength, vigor, and determination, to assert the position of the Senate upon the other body and in the country.

As I said when I began, I am proud of the Senate for this moment.

We have recognized what should be recognized; namely, the right of decent people to a helping hand and not being completely lost in the obfuscation of parliamentary affairs. I have deep confidence in our form of government.

I believe it will work out, now that the Senate has, by a majority, manifested its will.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

Mr. BIBLE. Mr. President, for the information of the Senate, I anticipate that we will be prepared to come to a rollcall on final passage within a few moments, but the Senator from Texas [Mr. YARBOROUGH] wishes me to respond to some questions which he has concerning one of the items in the bill.

However, at this time, I ask for the yeas and nays on final passage.

The yeas and nays were ordered.

Mr. YARBOROUGH. Mr. President, I invite the attention of the Senator from Nevada [Mr. BIBLE] to page 45 of the report, under the heading "Army: Brooke Army Medical Center"—the Department of Defense request for $8,300,000. The House action was for $8,300,000, but it was taken out by Senate action.

I invite the attention of the Senator from Nevada to pages 778 and 779 of the hearings, regarding the Brooke Army Medical Center at San Antonio, Tex. I want to advert to what the distinguished Senator from Florida said a few moments ago, concerning the motion of the Senator from New York. He pointed out that this is a bill which has been stripped to its bare bones, leaving in it only items needed because of the action in Vietnam.

I invite attention to the fact that in the showing made before the committee for this item, it was stated that it was for an administration and classroom building, a medical field service school, which was authorized in fiscal year 1966, but not yet funded.

This is the only medical field service school in the Army, now housed in old World War II temporary buildings—shacks they generally are called all over the country. It is the only facility they have for that. There are improvised barracks there even at the present time. The money is needed to construct a building of 416,000 square feet for the medical field service school.

This school trains doctors and corpsmen to go out to the front to save the lives of our boys when they are wounded at the front.

I was in Texas the day before yesterday and someone told me about his nephew who was out on patrol with 12 other soldiers. A mine exploded. All the men were hit. His nephew was very badly wounded; yet within 30 minutes he was taken out by helicopter, with a corpsman on board, and taken back to a hospital. In a short time they had him back in this country, at Clark Field—I think it was the next day—and his life was saved. Today, he is walking around.

That is the kind of medical service for which men at Brooke Army Medical Center in Texas are trained.

This nephew had never seen any previous combat. The shock he sustained would have been enough to kill any man, but because of the kind of emergency training the corpsmen and doctors had, he was saved.

Brooke Army Medical Center is the only school in the country that trains doctors for this kind of emergency treatment.

The Medical Field Service School is unique in the Army school system in that we bring in professional people, doctors, dentists, nurses, engineers, and so forth, and one function is to indoctrinate them into the military service and instruct them in their responsibilities during their tour of duty in the Army.

Mr. President, in order to save time, I refer Senators once more to pages 778 and 779 of the hearings on this subject.

I reiterate, this is the only hospital in the country which trains men to save such a high percentage of the lives of our men wounded in combat.

I would say to the distinguished Senator from Nevada, who has given such great care to the bill, that there is a critical need for this medical field service school. It seems to me that even if we are considering only emergency needs in the bill, this school is certainly qualified.

The Army, Navy, and Air Force do have the same type of schools, but we all know that most of the losses in the ground fighting in Vietnam, if we look at the overall losses suffered by our men, except for the Marine Corps, are in the Army.

I therefore ask the distinguished Senator from Nevada about this $8.3-million item and ask if it could not be accepted if an amendment were offered to restore that item in the bill.

Mr. BIBLE. The Senator from Texas makes a very persuasive case. He made the same case as a member of the Military Construction Committee before the subcommittee of the Appropriations Committee. It is an important project and we recognize that it is; but I think that we should keep the record clear and point out that the Brooke Army Medical Center is an administration and classroom building. It is not a hospital. We allowed a total of seven hospitals in the present bill. We have a great interest in our wounded boys who come back from Southeast Asia.

One of the great hospital units in the United States today is right here in Washington, D.C., at Walter Reed. Its buildings and barracks date back to 1909. Certainly they need either rebuilding or extensive renovating. We were persuaded to put in the $3.6 million to start this project on its way.

We treated Letterman Hospital on the Pacific coast very well, and it should be treated well, because it is one of the greatest hospitals in this land of ours. We had a deplorable condition in the hospital in Tennessee. We allowed that one. We had one in Chelsea, Mass. We allowed that one. I could go on and on.

This is an important part of the training of doctors for the Army. Money has been allowed in the past. These are not shanties or rundown shacks. I have been advised by the staff people who actually visited there that these buildings—I think they are 15 in number now—and some are temporary in nature. They are not exactly what we would want.

I assure the Senator from Texas that next year we will take a good, close, and careful look at this matter. We think we did that on the various items that came before us. We allowed seven hospitals. We attempted to be responsive to the needs of the military in this country, in Southeast Asia, and around the world, and we attempted to do so in our considered judgment. This matter was discussed at length in the subcommittee, and was disallowed at the subcommittee level.

Come another year, I assure the Senator from Texas we will take another close look at it.

Mr. YARBOROUGH. I want to thank the distinguished Senator from Nevada. We appealed to him to restore the Fort Hood item, which was only a little over $1 million. He did restore that. This was a $8 million item. We were unable to prevail upon the committee to restore it.

Let me read what the Chief of Staff for Logistics of the U.S. Army said with respect to this item and why they needed this construction:

> We propose to construct a building of about 416,000 square feet for the Medical Service School. At the present time, the facilities are in improvised barracks and World War II temporary buildings. These structures make for poor classrooms and other teaching facilities, and, consequently, degrade the instruction which is provided for the professional personnel and the enlisted technicians.

The Army brings in doctors from all over the country and puts them in these so-called temporary World War II buildings. It tends to degrade medical men who are not accustomed to such quarters. Brooke Army General Hospital at Fort Sam Houston, Tex., run by the Army, has probably saved more lives in Vietnam than any other school or factor in this conflict.

Mr. BIBLE. I appreciate that it has made a great contribution to our military. I am sure it will continue to perform that function. I am sure examination of the record will show that over the past years we have treated this installation very well in renovating and building. I assure the Senator we will again next year.

Mr. YARBOROUGH. I want to thank the Senator for his promise of consideration next year. As he knows, we need to make progress on these facilities. We hope that in the conference, if the House should see fit to put this item in the total bill, the Senator will consider that. I do not know what the House conferees will do.

I want to thank the Senator for considering our plea both in committee and on the floor, even though, due to budgetary problems, he could not take this item. It was authorized previously, and I hope that it will not be passed over.

Mr. BENNETT. Mr. President, I support the military construction appropriations bill which is before the Senate today. I urge that it be approved with dispatch so that overdue construction vital to our defense needs can be started in the near future. These funds are necessary to strengthen our military installations throughout the world and conduct the war in Vietnam.

The $2.1 billion measure recommended by the Appropriations Committee contains $2,438,000 for construction in the State of Utah. This includes $680,000 for Tooele Army Depot for construction of maintenance, production, and supply facilities.

Hill Air Force Base—the largest military installation in Utah—will receive authorization to renovate and construct new facilities totaling $1,758,000.

The Ogden Air Material Area, Hill Air Force Base, Utah, is one of the largest depots of the Air Force Logistics Command. This installation has prime responsibility for the Minutemen missile and also for the RF–4C aircraft. The Minuteman is a key weapon in the U.S. missile system and consequently is one of the strategic facilities in our Nation's defense. The RF–4C aircraft is making a primary contribution to our efforts in Vietnam.

The 2705th Airmunitions Wing is stationed at Hill and it has the responsibility for testing many of the munitions and weapons systems used by the U.S. Air Force. The base is also a major supply depot for aircraft and missile parts, and last year this installation moved more than 150 million pounds of cargo to air bases all over the world. Consequently, I feel that the request made in the military construction bill for updating and renovating a number of buildings at Hill Air Force Base is fully justified.

Mr. President, I am concerned over the long delay in getting the military construction bill to the Senate floor for consideration. Normally this legislation is one of the first matters considered by Congress. Usually the bill is called up early in the session so that the Department of Defense might advertise for bids during the summer months for the renovation of existing buildings and the construction of new buildings authorized by this legislation. This year we are approaching the halfway mark in the 1968 fiscal year as the vital measure reaches the Senate floor.

In many areas of our country it is impossible to begin construction of new facilities during cold weather. This means that much construction which could have been started this fall will have to wait until next spring. In the future I hope an effort will be made to get this military bill to us at an earlier date.

I fully support the military construction authorization bill and urge speedy passage of it by the Senate.

Mr. TOWER. Mr. President, in passing the military construction appropriation bill today the Senate will be achieving a goal of fair play which I have been seeking for more than 3 years. The bill will for the first time provide funds for a homeowners' assistance program which the Department of Defense is pledged to carry out.

Senators will remember that a few weeks after the 1964 presidential election Secretary of Defense McNamara summarily announced the closing of numerous military bases around the country. In doing so the Secretary failed to make any provision for amelioration of the financial losses incurred by military and civilian defense employees who were forced to move from homes they had purchased at bases now suddenly to be closed down.

Congress was quick to recognize that the families concerned, many of whom had their life savings tied up in a house, could not be expected to sustain crippling losses on their real estate when transferred under such unusual circumstances to some still-viable base.

In 1965 the Housing Act written in the Senate Housing Subcommittee of which I am ranking minority member contained a homeowner relief provision which I had suggested. We provided the opportunity for mortgage moratoriums and direct Defense Department purchase of some properties.

By 1966, when it became evident the Secretary of Defense did not intend to implement the wise, bipartisan provisions of Congress, I introduced separate legislation to accomplish homeowner relief. The 1966 housing bill presented to the Senate by the Housing Subcommittee flatly mandated the Secretary of Defense to implement the relief program. At this juncture the Secretary saw the handwriting on the wall and finally, belatedly, proposed a limited program of his own. Nevertheless, he took personal responsibility for further prolonging the hardship of affected defense personnel by refusing to use funds authorized last year by Congress for a relief program.

Finally, this year the Secretary of Defense has come to an agreement with Congress. The military construction authorization bill approved a substantial homeowners' relief program. The House of Representatives has appropriated $20 million to get it started, and the Senate will join in that approval today.

Although this provision will be particularly beneficial at the cities of Waco and Amarillo in my own State, it should be noted that about 128,000 military personnel and 86,000 civilian defense employees nationwide will be affected. Some of these people got tired of waiting for fair play from the Defense Secretary and have accepted financial losses and solved as best they could their own problem, but it is estimated some 33,150 homeowners will be eligible for homeowners' assistance within the next few months. Administrative delays, already too evident at the Department of Defense undoubtedly will limit this program to a slow start. It is expected the ultimate cost of the program will be more nearly $50 million.

I am very pleased that we finally have been able to achieve this goal so important to and so deserved by our dedicated defense personnel who have no control whatsoever over the arbitrary actions of the Defense Secretary and who can plan their careers only on good faith and trust. I only regret that the Secretary of Defense, who has many times proclaimed his deep concern about and relief planning for cities and individuals caught up in his base-closing exercises, so completely failed to provide administratively for the prompt relief these homeowners are due.

It is unfortunate that Congress must do things the Defense Department ought to have done anyhow. It is amazing that when Congress first acted the Defense Department should have refused to expend funds. I trust that the overwhelming vote approving this bill will be evidence to the Department of Defense that Congress expects the homeowners' relief program to begin immediately and to proceed expeditiously without redtape.

I invite any defense employee who encounters bureaucratic delay and confusion on his just application for this relief to call his case to my personal attention. I will leave no stone unturned to see that he receives prompt, courteous, and effective action.

Mr. COOPER. Mr. President, when the authorization bill for military construction came before the Senate several weeks ago I voted against it.

Today I vote against the appropriation bill for military construction, calling for an expenditure of $2,099,350,000.

Of this vast sum almost $2 billion—approximately $1,880,000,000—is scheduled for construction purposes in the United States and approximately $219,000,000 outside the United States. Very little of the $219,000,000 spent abroad will have any bearing on the war in Vietnam or the support of our troops.

In this regard I have voted for every bill to support our fighting men. Many of the construction projects in the United States will have value, but their postponement will not adversely affect, in my view, our support of the war in Vietnam or our national security.

With an estimated budget deficit of $29 billion and the growing cost of the war in Vietnam, the construction of buildings and facilities in the United States ought to be postponed, or at least those facilities not absolutely necessary to our military effort.

We know that many projects in the bill are of low priority and could be postponed. It is for these reasons that I voted against the authorization bill and I now vote against the appropriation bill.

NAVAL RADIO STATION, SUGAR GROVE, W. VA.

Mr. BYRD of West Virginia. Mr. President, I invite attention to an important project contained in the family housing portion of this military construction bill, namely, a request to construct 20 family quarters at a cost of $400,000 for Navy enlisted men at the Naval Radio Station, Sugar Grove, W. Va. I am pleased to see the Navy proceed with the development of this vital installation which is scheduled to become operational in December 1968. Sugar Grove will be the main receiver site for worldwide Navy radio communications coming into Washington, D.C.

In view of industrial development and general growth in metropolitan Washington, we must look ahead in providing for such things as radio communications. The Naval Radio Station at Sugar Grove is urgently required now and will become even more valuable as time goes by.

Sugar Grove, W. Va., is located in a large national radio quiet zone set aside in 1959 for radio and electronic propagation developments. Not only is this zone unique to the United States, but I understand it is also the only such area in the free world. This 100-mile-square area is remote from industrial and other manmade electronic interference sources and should be developed for electromagnetic propagation purposes as one of our fast disappearing resources.

The 20 units of housing proposed in the bill and 20 units now under construction will provide for the minimum essential personnel for operations and maintenance. The Naval Radio Station at Sugar Grove, W. Va., is in an isolated, sparsely populated mountain area. There is no suitable housing within commuting distance. The nearest town of any size is 38 miles away and must be reached over a winding mountainous road, which is especially hazardous in winter. It is, therefore, essential that Congress approve and the Department of Defense proceed with work on these housing units and the development of the radio station itself.

Mr. MORSE. Mr. President, I shall take only a moment. I want to announce that I shall vote against the appropriation bill. There are many items in it I would like to vote for, the hospital construction, for example. There are many items that should be postponed. We already have such a large military complex in this country that, in my judgment, it is running the economy of the country. Here, in my judgment, is a place where there can be a postponement of some items and a saving of millions of dollars.

I shall, therefore, vote against the bill. I see no reason for the construction of the intelligence headquarters and some of the other construction being proposed. As far as luxuries of the military are concerned, they should tighten their belts, too.

It is too bad that we have in this bill a good many items that I would like to vote for, but as long as they are mixed in with what I consider to be a great deal of waste in this bill, I shall vote against it.

The $835 million available to the services in unobligated balances indicates that there is a far larger saving that could be made in the bill than has been made by the appropriations committees.

The committee report also shows, for example, $60 million for NATO infrastructure, at a time when NATO is becoming defunct and when U.S. resources being sucked into Asia should be replaced entirely in Europe by Europeans.

It shows $3 million for construction for the Army National Guard and $3 million for the Army Reserve, when neither one is being used at a time of national need.

Going down the list of funds by states, one finds $38,366,000 for Navy installations in the State of Virginia, just to pick an example. Most of this is in the Norfolk area for construction that in no way is depicted as urgent. In Texas, $20,625,000 is provided for such items as outlying field and land acquisition, aircraft support facilities, and officers' quarters at an air station at Kingsville.

Why should the taxpayers be expanding facilities like that when we are tightening the best on nonmilitary budgets?

Other examples of nonessential, postponable items are $16,812,000 for the Air Force in Europe. Here again, retrenchment is what is called for, not new outlays. Air Force Reserve construction would get $3,900,000 and Air National Guard $9,500,000 for construction, even though neither is being called into service.

Finally, this is another appropriation for the pursuit of the Vietnam war, and the widening and deepening of our unilateral military activities in Southeast Asia. I do not intend to endorse our misguided policy in that part of the world by providing the money to carry it out.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico [Mr. ANDERSON], the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. JORDAN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Missouri [Mr. LONG], the Senator from Montana [Mr. MANSFIELD], and the Senator from Montana [Mr. METCALF] are absent on official business.

I also announce that the Senator from Nevada [Mr. CANNON], the Senator from Connecticut [Mr. DODD], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from New York [Mr. KENNEDY], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Florida [Mr. SMATHERS], the Senator from Alabama [Mr. SPARKMAN], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] are necessarily absent.

I further announce that, if present and voting, the Senator from Alaska [Mr. BARTLETT], the Senator from Indiana [Mr. BAYH], the Senator from Nevada [Mr. CANNON], the Senator from Idaho [Mr. CHURCH], the Senator from North Carolina [Mr. JORDAN], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. KENNEDY], the Senator from Maryland [Mr. LONG], the Senator from Montana [Mr. MANSFIELD], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Florida [Mr. SMATHERS], the Senator from Alabama [Mr. SPARKMAN], the Senator from Missouri [Mr. SYMINGTON], and the Senator from Georgia [Mr. TALMADGE] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. HRUSKA], the Senator from Kansas [Mr. PEARSON] and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Iowa [Mr. MILLER] is absent on official business.

The Senator from Kentucky [Mr. MORTON] is detained on official business.

The Senator from North Dakota [Mr. YOUNG] is absent because of death in his family.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Nebraska [Mr. HRUSKA], the Senator from Iowa [Mr. MILLER], the Senator from Kentucky [Mr. MORTON], the Senator from Pennsylvania [Mr. SCOTT] and the Senator from North Dakota [Mr. YOUNG] would each vote "yea."

The result was announced—yeas 71, nays 3, as follows:

[No. 321 Leg.]

YEAS—71

Aiken
Allott
Baker
Bible
Boggs
Brewster
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Case
Clark
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Griffin
Hansen
Harris
Hart
Hartke
Hatfield
Hayden
Hickenlooper
Hill
Holland
Hollings
Inouye
Jackson
Javits
Jordan, Idaho
Kuchel
Lausche
Long, La.
Magnuson
McCarthy
McGee
McGovern
McIntyre
Mondale
Monroney
Montoya
Moss
Mundt
Murphy
Muskie
Nelson
Pastore
Pell
Percy
Prouty
Proxmire
Randolph
Ribicoff
Russell
Smith
Spong
Stennis
Thurmond
Tower
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, Ohio

NAYS—3

Cooper
Gruening
Morse

NOT VOTING—26

Anderson
Bartlett
Bayh
Bennett
Cannon
Church
Dodd
Fulbright
Gore
Hruska
Jordan, N.C.
Kennedy, Mass.
Kennedy, N.Y.
Long, Mo.
Mansfield
McClellan
Metcalf
Miller
Morton
Pearson
Scott
Smathers
Sparkman
Symington
Talmadge
Young, N. Dak.

So the bill (H.R. 13606) was passed.

Mr. BIBLE. Mr. President, I move that the Senate insist on its amendments and request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BIBLE, Mr. RUSSELL, Mr. ELLENDER, Mr. MANSFIELD, Mr. PROXMIRE, Mr. YARBOROUGH, Mr. HAYDEN, Mr. YOUNG of North Dakota, Mr. KUCHEL, and Mr. SYMINGTON (ex officio) conferees on the part of the Senate.

Mr. STENNIS. Mr. President, will the Senator from Nevada yield?

Mr. BIBLE. I yield to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I highly commend the Senator from Nevada for the very fine job that he has done in handling this measure. My thanks and compliments go also to the other members of the committee; but I know that a good bit of the burden falls upon the chairman; he has the responsibility more than many Senators realize, for one of the chief committees under our military program, because it is through the construction of billeting that new programs are started, and it is through the standards and specifications, unit costs, and items of that kind that real savings are effected.

It is through the work of this subcommittee, too, that a great deal of unnecessary military construction requests can be pared out and stricken from the bill.

I note that the bill as passed is 28 percent under the budget request for military construction. That is a considerable reduction, and I venture to say that not one bit of the bone and muscle is cut out of the military program in eliminating that 28 percent. I highly commend the Senator from Nevada, and thank him for his long work upon this bill, and the contribution he has made to a sound military program.

I point out also that the Senator from Washington [Mr. JACKSON] made a fine contribution to this effort in handling the authorization bill on behalf of the Armed Services Committee.

Several Senators addressed the Chair.

Mr. BIBLE. Mr. President, I yield first to the Senator from Louisiana [Mr. LONG].

Mr. LONG of Louisiana. Mr. President, I too compliment the Senator from Nevada for the fine job he has done in finding ways that economies could be effected in this matter. I once struggled with the problem of trying to economize on some of these military construction requests, and came to the conclusion that a great deal of money could be saved if someone would carefully study each individual item and allot only such material as he was convinced was truly necessary for the purpose.

That means that in many instances the military is disappointed in not getting everything requested, but it also means that a great deal of money can be saved, in some instances by postponing expenditures and in other cases by reducing them to the bare minimum.

The Senator is certainly to be congratulated. A 28-percent saving is a very large saving, and I am glad to see that this result was achieved, not by resorting to the meat-ax approach, but simply by removing nonessential items after thorough consideration.

Mr. BIBLE. I thank the Senator from Louisiana. I appreciate his comments, as well as those of the Senator from Mississippi.

This bill did receive very careful attention, not only by the Committee on Appropriations but by the authorizing Armed Services Committee, and I simply wish to state that for the first time this year, we held joint hearings for more than 2 weeks, and then, after the House Appropriations Committee completed its action, we spent several days in further examining individual items.

We hope this is a good bill. We think we have cut out the nonessential items. Perhaps some of them are important. But at this particular time, with the fiscal problems we have, I believe that the bill that leaves the Senate today to go to the House of Representatives for the appointment of conferees and then a conference, is a good bill. I think it gives the military what it wants.

I appreciate the sentiments of the Senator from Louisiana.

Mr. JAVITS. Mr. President, I, too thank my colleague and congratulate him on his handling of the bill.

I took a lot of time today, and so did others in behalf of the cause for which I fought. As always, the Senator from Nevada was a very fair, honorable, and most gracious and courteous adversary.

We are together on many occasions. We oppose each other sometimes. However, I must pay tribute to his unfailing courtesy and distinction as a Senator.

Mr. BIBLE. Mr. President, I thank the Senator from New York. I hope the message which he has made very clear on the floor of the Senate today is heard elsewhere and that the continuing resolution can be finally worked out.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. BIBLE. I yield.

Mr. BYRD of West Virginia. Mr. President, I join with my colleagues who express commendation for the fine way in which Mr. Bible, the distinguished chairman of the Senate Appropriations Subcommittee on Military Construction, has conducted his hearings and presented the bill to the Senate today.

This is the first year in which the distinguished Senator from Nevada has handled this appropriation bill, and he has done a masterful job. I think it reflects the painstaking care, study and work he has given to the bill.

I join with the Senator from Louisiana [Mr. Long], the Senator from Mississippi [Mr. Stennis], the Senator from New York [Mr. Javits], and others in saluting our colleague from Nevada for the very, very fine job he has done. We are all proud of him.

Mr. Bible. I thank the Senator from West Virginia.

The work of the committee would never be possible without the work of the staff members.

I pay special tribute to Mike Rexroad, Edmund L. Hartung, and Francis Hewitt on the Appropriations Committee, and Gordon A. Nease of the Armed Services Committee for the invaluable work they perform year after year.

They go into the field and look at these installations, barracks, and hospital projects, and bring us back firsthand reports so that we can understand some of the needs of various military installations throughout the United States and throughout the world and be better briefed and better able to make a sound and reasoned judgment.

Mr. President, I yield the floor.

AN EX-OFFICER'S VIEWS ON VIETNAM

Mr. MORSE. Mr. President, it is often said of the war in Vietnam that no matter how we got in, we are in and have to see it through, with no questions.

A fine response to that contention was written to the Register-Guard, in my hometown of Eugene, Oreg., by Mr. Carl Nelson, of Eugene.

I ask unanimous consent to have his letter of November 4, 1967, printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Ex-Officer's Views

You heard the general, "The fact is, we are there!" And by this same irrefutable logic, Napoleon was in Russia; Hitler was in France; and the British were in the American colonies. Apply this rule of thumb again and we find that 13 years ago we were not in Vietnam; and, by virtue of a simple decision in the White House, two years hence we may have left.

As an officer in the Marine Corps during World War II, I know that military men were instructed not to make public statements, especially in regard to domestic and foreign policy. Policy (politics) was the function of civilians. It is strange switch, therefore, to have generals touring the country today telling us what to think. It is also a switch to have generals on blue-ribbon committees telling us what is "responsible" civilian behavior. The next step is for the military to tell newspapers what to print, and congressmen what to legislate.

And here are further "empirical" data. In 1964, with the escalation of "The fact is, we are there!" the Dow Jones stock market average stood at $646. Two years later it hit the high of $995. It is now dallying around $900, and many people hurrying to the bank with their dividends are mightily for the war.

Well over 700 American planes have been shot down in Vietnam, probably averaging a cost of a million dollars apiece. A not-too-distant aircraft manufacturing company is 150 per cent for the war. But Oregon, without war industries of consequence, has more congressmen opposing the war than any other state in the Union.

Unemployment in this area stands at 5.7 per cent. A labor analyst reports that if our boys were not in Vietnam, unemployment would probably be 7 per cent. Labor unions have come out for the war.

In 1964 our military manpower stood at over 2½ million. Yet when escalation began, the overwhelming number of casualties were of boys between 18 and 21, barely out of high school, drafted because they had neither the vote nor money with which to defend themselves. Where were the 2½ million professionals? Undoubtedly our general and the blue-ribbon committee generals will die in bed.

And personal income (involving us all) is rising annually at about 3.5 per cent. How many of us turned lights on "in support of our boys" in brand new model cars?

A simple device might bring us to our senses. Subject all men between 21 and 55 to the draft on a lottery basis with absolutely no deferments of any kind, even for congressmen. I'll take my chances again with all the rest, but I suspect the war would come to a screeching halt.

Carl J. Nelson.

Eugene, Oreg.

PRESIDENT JOHNSON HONORS GEORGE MEANY AND REAFFIRMS AMERICA'S COMMITMENT TO PROGRESS

Mr. MORSE. Mr. President, last Friday, President Johnson made a surprise visit to New York to honor one of the great leaders in the history of the American labor movement—Mr. George Meany.

Mr. Meany was honored by the Jewish Labor Committee for, in President Johnson's words, a lifelong belief "that what is good for America is good for American labor."

The President used this memorable occasion to reaffirm the administration's commitment to champion the causes that men like George Meany have worked so hard and long to bring to fruition.

These national needs—better housing, better education, better health, better cities, cleaner air and water—will be met.

> I ought to tell you and tell the country tonight that we can meet our commitments, and we can keep our word at home and abroad—and we will—

The President declared.

> Our problems are great—

Lyndon Johnson said—

> but America's resources are much greater—and they include the great human and moral resources of the American labor movement. We can, if we will, find the means to answer the most pressing human problems in America and the world tonight.

I commend the President for these sentiments. I commend him for what he has said about the domestic economy. I make no comment about his views on foreign policy because my views in disagreement are well known. Nonetheless, I commend him for the position he took with regard to domesitc economy and for his very deserved commendation of George Meany.

I proudly join with the President in the belief that in unity and purpose and will, the American people can master the challenges of contemporary life at home and abroad. I also join him in honoring George Meany whose great record in support of the free labor movement in the United States is his great monument of public service.

Mr. President, I ask unanimous consent to have printed in the Record at this point President Johnson's address to the Jewish Labor Committee on last Friday evening.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks by the President at Meeting of Jewish Labor Committee, New York City, November 9, 1967

Mr. Meany, Secretary Wirtz, Senator Javits, Mr. Randolph, Mrs. Meir, David Dubinsky, Members of the AFL–CIO Executive Council, ladies and gentlemen:

I am delighted to be here tonight to join with the Jewish Labor Committee in honoring a great American. The fact that I am here bears out an old New York advertising slogan: "You don't have to be Jewish to enjoy George Meany."

When Mr. Dubinsky had told me that he and George Meany were going to be here in the same room together tonight I naturally assumed it would be for a gin rummy game.

That game, you know, has been played for many years under very special rules. The really special thing is that George doesn't know Dave's rules and Dave doesn't know George's rules.

Someone once called this contest "the oldest, established, permanent, floating gin game in the world."

It has, in fact, been going on for almost 30 years in every convention site in America, wherever men who speak for labor have gathered. But one very important thing should be pointed out here tonight: Between gin sessions, American history has been remade—always to the benefit of all the American people.

George Meany has been busy remaking American history since his young manhood.

Some of you may remember what life was like in New York in those days when George Meany was a young man. It was in 1910—two years after I was born—when Mike Meany's 16-year-old son George became a plumber's apprentice in the Bronx. Downtown that year—in the garment district—six-year-old children were working in the sweatshops, and when the workers asked for a day off every week, the bosses said: "If you don't come in on Sunday, don't come in on Monday."

I am glad to say that things are different now—and they are different in part because George Meany has fought the good fight. He has fought it in good company—he has fought it with a band of dedicated men and women across this country who knew that America could not become great unless its workers could live and labor in dignity. They were men like Mr. Dubinsky, Mr. Stulberg, Mr. Hillman, Mr. Rose, Mr. Bill Green, Phil Murray, Phil Randolph, John L. Lewis and a number of others who I don't have time to mention tonight.

These men fought and worked—and in time, their dreams came true: the minimum wage, the forty-hour week, the right to organize, the right to bargain or strike, the child labor laws, safer working conditions, social security.

But there is more to the story—there is very much more.

By the time George Meany became President of the AFL in 1953, some critics were saying that the labor movement had gone soft. They said that it had lost its fighting spirit—that it sold out for a few more dollars, two weeks of vacation, and a house in the suburbs.

George Meany had a different idea. He saw new battles to fight. He believes that what is good for America is good for American labor—and that is why we have come here to honor him tonight.

Tonight we can look back—although George Meany never looks back—but we can look back and we can count our victories. Tonight I can report to you, not about how labor has fared under George Meany's leadership—I think all of you know that—but what I want to report to you is how America has fared in a time when labor has put its shoulder to the work of social justice.

I have played some little part in these efforts. Together—

We have fought for and we passed through the Congress of the United States and through the law of the land one civil rights bill and a second civil rights bill, and a third civil rights bill. George Meany and the American labor movement backed every single one of them to the hilt every time.

We fought for and we passed Medicare. George Meany was there for the battle—and he was there for the victory.

We fought for and we passed the greatest series of education bills in history—36 in all—and George Meany's leadership helped that cause to triumph.

We fought for and we launched a war on poverty. When that war began, George Meany was already a five-star general.

Now, the struggle for progress and reform in America has never been easy. George Meany will testify to that. And I can tell you tonight that it is not easy going now.

On the one hand is the old coalition of stand-patters and nay-sayers.

They never wanted to do anything. But this year they say they can't do it because of Vietnam. That is just pure bunk.

This crowd was against progress before Vietnam. They are against progress tonight and they will be against progress tomorrow. And they will be against it when the war is over and when it is nothing but a dim memory.

And far off at the end of the political spectrum, there are those who say, "What America has built is rotten. Let's tear it apart."

I say they are wrong. They will be wrong tomorrow.

I ought to tell you and tell the country tonight that we can meet our commitments, and we can keep our word at home and abroad—and we will.

The world has lived through two remarkable decades since World War II. In those years, two hundred million Americans and hundreds of millions of other men in other countries have found a measure of dignity, security, and freedom. Why? In great part, because this nation will be willing to make—and to meet—commitments far from our shores.

Tonight as we meet here in peace and safety our commitment to a small and distant country in Southeast Asia is being tested. And along with it, America itself is being tested on the anvil of war.

If we fail, we may forfeit our hope for world stability. We may risk a far more terrible war in the future because we didn't see this one through.

The same kind of issues are at stake tonight in the Middle East.

The last thing I did before I left my office and kept my people waiting for 15 minutes was to review a series of messages that have great importance to the world in which we live.

There in the Middle East, we see the agony of men struggling toward peace amid the great danger of war hovering all around them. We see people who have been threatened by war—hot and cold—for more than 20 years. Peace—even meaningful negotiations—may seem remote where there is so much tension and where there is so much ancient hostility.

But we know we must try for peace until it is established. We know that we must help make it possible for men and women to live together in dignity and in mutual respect. We know that failure in the Middle East can condemn the children of that region to endless—and to senseless—warfare.

What we want in that troubled region—America wants all over the world.

I believe that Americans can defend these precious principles abroad without relaxing and giving up on the job we need to do at home.

This year at home we won only partial funding of a Model Cities Bill. But before long, with your support, we are not only going to have a Model Cities Bill: We are going to have model cities—cities that are a credit to this nation, cities where the races can live together in friendship; where a life of poverty is not the inevitable fate of children who are born in it; where men and women can walk their streets without fear—day or night.

Americans want—and Americans should have—cities and a countryside where people drink clean water and where people breathe clean air; where children study in schools that are worthy of a prosperous and a hopeful land where our gross national income will be $850 billion next year.

All of this will come—it will come in time—but it will never come easy. It will not come at all if we ever yield to the forces of division and the forces of paralyzing dissension. And let me tell you, my friends—tonight, those forces are abroad in this land at this hour. They are the enemies of constructive action. Men who want to move this nation forward must join up in resisting them.

Our problems are great. But America's resources are much greater—and they include the great human and moral resources of the American labor movement. We can, if we will, find the means to answer the most pressing human problems in America and the world tonight.

Let me give you one example:

Last year, under the leadership of that great American, Willard Wirtz, the Labor Department contracted for the first of a series of programs to recruit and to prepare young men to qualify for apprenticeship training. That pilot project—begun right here in New York by the Taconic Foundation in partnership with the Workers Defense League—showed great success. It enabled very poor boys to qualify for apprentice slots in unions, and it worked, because New York union officials helped to make it work.

Earlier this year, on the basis of the New York story, 10 new apprenticeship training programs were launched in 10 other cities scattered all over America.

Tonight, I came here to tell you that we are moving forward still more. Within the next few days six more cities are going to have these programs—Dayton, Oklahoma City, Tulsa, Denver, Milwaukee, Atlanta.

Broadening the horizons of opportunity has always been a matter of great concern for the man whom you honor so widely tonight, George Meany. He understands that America's most urgent problems are also the union's most urgent problems. Civil rights, the rights of the poor, the rights of the consumers, the rights of citizens to a pure and safe environment—all of these constitute the human rights of human beings and of our fellow Americans. We came here to honor this great champion of human rights this evening.

In the morning a little after 7:00 o'clock I will take off for a trip that will carry me to the Aircraft Carrier Enterprise out on the shores of California. I will visit the Americans in the Navy, Army, Coast Guard and the Air Force before I come back on Sunday.

We will see veterans who have protected our freedom tomorrow. But we came here tonight to see the veterans in civilian clothes who protected it for this century.

I am happy to say that George Meany has realized all along with most trade unionists that as we stand at the outer frontier of disorder in Southeast Asia, we stand also at the inner frontier of disorder in our cities.

This is not merely a question of fighting in Vietnam or not merely a question of policing our cities.

A leader is always impelled by a vision that is driven by an inner conviction that a new world can be built.

Thus, George Meany, and the other pioneers of the great American labor movement, have never taken the time to relax in a record of the past accomplishment.

They are not concerned very much with what has happened in the past two centuries. They are concerned with that century that is coming up that begins in 1976 and what happens in the next one hundred years.

They are constantly driving the road forward into the unchartered wilderness:

They are working to solve the novel problems of the world's great urban industrial society.

A society of many peoples, a society of many religions, a society of many and varied dreams and hopes—

A society of strong minded free men and women who have time and time demonstrated—despite the recurring prophesies of disaster—and the voices of calamity, the critic and complainer—that their dedication to the principles of democratic life is stronger than their economic and social interests—stronger than their social and religious prejudices.

As I walked through my plane this evening I had a letter delivered to me from a friend of mine in another branch of the Government.

He said: "My Dear Mr. President: The Lord should feel good about this Nation's achievements exhibited this last week—

One, two Negroes elected as mayors of two of our greatest cities;

Two, the first Negro Justice of the United States Supreme Court politely and wisely questioning the Assistant Attorney General of Alabama who was arguing a segregation case before the Court;

Three, just now the Negro Senator from the Commonwealth of Massachusetts moved the admission to the Bar of the Supreme Court of the United States of his friend, a white lawyer,

and I know that when on October 21 standing on the stage of Constitution Hall Pablo Casals embraced a Negro girl who was a member of the fine Howard University Chorus the Lord must have smiled.

Only a few years ago that stage was barred from Marion Anderson. I hope, Mr. President, you feel good deep down in your heart about helping to make all of this possible. I am sure history will recognize that part and that unique role in the great progress that mankind has made."

I feel deeply in the debt of the Jewish Committee for recognizing that role that this great leader of social justice has courageously carried on all these years throughout this country.

That is why I came here tonight at the end of a long day—and the beginning of another one—to say that much has been written about him, about his being tough. He tries to look that way sometimes I think when he is talking to me.

About how hard-boiled he is—well, he said of himself and of his trade union, "that anybody who has any doubt of the ingenuity and resourcefulness of a plumber never got a bill from one."

In adversity, the family will always come a little closer together and as the lower clouds hover around us and when we seek peace throughout the world we seek prosperity at home, and we have all the problems—of health, conservation, and human rights—I think it is good that we could be here and be in the same room together tonight.

You and I know George Meany. We know him pretty well. We know him better than those who think he is so tough and hard-boiled. He is a kind man. He is a warm man.

He is a thoughtful gentleman. I never made a note on anything he ever told me because he always told me what he meant and meant what he told me—and kept his commitments up to the last.

I may be telling some secrets to the men who he negotiates with. But to his fellow workers in the labor movement, to his great friends, the Jewish Committee, I tell you no secret when I say that he has a soft touch when the people's welfare is at stake.

He is a great labor leader. He is a greater American leader. And I feel a lot better because I took the time to come here tonight and to salute him.

PRESIDENT JOHNSON'S REPORT ON THE STATUS OF THE NEGRO AMERICAN

Mr. MORSE. Mr. President, the President of the United States last week released a report on the status of the American Negro which is of profound concern to every citizen of this country.

The study, prepared at the direction of President Johnson, reports the gains and the gaps in the economic and social status of the Negro citizen.

It depicts how far major segments of the American Negro population have come in housing, in career and vocational opportunities, in schooling and college education.

In many ways the picture is brighter for millions of Negroes: doors to opportunity are opening, the Negro shares in the benefits, as well as the burdens of our society.

Yet, the tragic side of this report underscores the great and widening gap between the haves and the have-nots in our society.

That gap is alarming and dangerous.

We saw the calamitous and disastrous results of that division last summer in cities across this Nation.

One theme kept running through my mind as I went through this crucial study—how could anyone reading these statistics stand up in the Congress of the United States and oppose an antipoverty bill?

How could anyone oppose a rent supplement program or cut model cities appropriations to a level of ineffectiveness? How could anyone oppose an extension of civil rights laws? How could anyone oppose continuation of Federal aid to local public schools? How could anyone oppose increased Federal aid to help the American Negro move from fourth-class citizenship to first-class citizenship.

But there are men who do oppose these programs of President Johnson.

I believe they are wrong. I believe they are shortsighted. I believe they should support the President's programs in this domestic area.

Lyndon B. Johnson has a clear vision of what this country is, and what it could be as far as meeting the domestic crisis is concerned.

He shares with his greatest predecessors in office an image of an America—tranquil, prosperous and rich at home, respected and magnanimous abroad.

I urge every American to read this report commissioned by the President, entitled "Social and Economic Conditions of the Negroes in the United States," and then reflect on what we have done, and how much more we must do to achieve a better America.

I salute the President for his wisdom in having this report written, and I ask unanimous consent to insert the full text of it in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT ON THE REPORT ON SOCIAL AND ECONOMIC CONDITIONS OF NEGROES IN THE UNITED STATES, NOVEMBER 2, 1967

This summer, I asked two highly respected government statistical agencies to draw together the latest and most relevant data concerning the social and economic conditions of Negroes in America—the bad with the good; the disappointing with the encouraging—in a simple format that could be easily understood.

That report, prepared by the Bureau of Labor Statistics and the Census Bureau, is now ready and I commend it to all Americans for serious study. As the report indicates, no set of statistics can present a complete picture of all aspects of life. We have not yet learned to measure on a yardstick all the elements that contribute to a sense of equality among people. Yet much can be learned from the evidence at hand.

This report, as I view it, backs up neither of the extreme positions that emerged in the wake of the summer disturbances. It does not confirm the diagnosis of bleakness and despair: that there has been no recent progress for Negroes in America and that violence is therefore a logical remedy. It does not confirm the opposite view: that "Negroes have been given too much."

We know those views to be fruitless. This report shows them to be false as well.

Far from showing "no progress", the picture revealed is one of substantial progress. As the nation rode a great tide of social and economic prosperity over the past seven years, Negroes in America not only kept up with the general advance, but in important ways moved ahead of it. In education, in occupations, in income, in housing, most Negroes have made gains over the past few years. Today, for the first time, a substantial number of Negroes in America are moving into the middle class.

But that is only one of the meanings in this data, and taken alone it is of only limited value. The second meaning is grim.

The gap between Negro and white levels of living in America is still large despite progress. What is most troubling is that in many of the worst slum areas of America, life is not getting better for Negroes—it is getting worse.

Any set of data is subject to a wide variety of interpretations, and I am sure that this report will not be an exception, I have formed my own judgment about its deeper meaning.

The Negro progress made over the past six years was earned by millions of Negro Americans going to school, getting better jobs, making higher wages—motivated by the same drives for a better tomorrow that motivated white Americans during this period of economic expansion. Government helped by opening doors of opportunity. Our civil rights laws have opened doors to jobs, schools, housing, public accommodations and voter participation that were once closed to Negroes. Manpower training programs have opened doors for skill improvement. Aid to education is providing better schools with better teachers and better facilities. Medicare and Medicaid and other programs are opening the way to better health.

The American system places a premium on individual enterprise and initiative. The data in this report show again that when people have a chance to better themselves—they will better themselves.

The data show that our job is not ended. Millions of Americans—whites as well as Negroes, children as well as adults, in every region of the nation—remain unreached by the opportunities of the day.

In the urban areas—large cities particularly—as I have pointed out time and time again, the nation faces a major problem. Successful Negroes are moving out of the worst slum areas, leaving behind communities that are inhabited largely by the deprived, the unskilled, the handicapped and new immigrants from the rural South. It makes all the more urgent that the federal programs for reclaiming these slums be adequately funded. We must put our country first by giving top priority to the problems of our cities. This must be without regard to party or politics.

The data in this report show that people do make progress, great progress, when they have the opportunity to do so. Our job in the coming days and the coming years is to continue and to intensify our efforts to offer people a chance.

Let us get on with the job.

SOCIAL AND ECONOMIC CONDITIONS OF NEGROES IN THE UNITED STATES, OCTOBER 1967

PREFACE

This report is the joint work of the Bureau of the Census and Bureau of Labor Statistics staff. Herman P. Miller of the Bureau of the Census and Dorothy K. Newman of the Bureau of Labor Statistics directed the project and prepared the text.

We wish to acknowledge especially the contributions of Mrs. Nampeo D. R. McKenney of the Census Bureau and Mrs. Sylvia S. Small of the Bureau of Labor Statistics.

Much of the material in this report was assembled from other agencies whose personnel contributed willingly and with the exercise of outstanding professional judgment. We are deeply grateful to the Department of Defense, the Department of Health, Education, and Welfare, the Department of Housing and Urban Development, and the Veterans Administration. Respected and knowledgeable private sources, such as the Southern Regional Council, the Potomac Institute, and Ebony Magazine, filled gaps in our knowledge about voting and voter participation. To all of these and others who provided guidance we wish to express appreciation.

ARTHUR M. ROSS,
Commissioner,
Bureau of Labor Statistics.
A. ROSS ECKLER,
Director,
Bureau of the Census.

(NOTE.—In this report data are shown for both the "Negro" population and for the "nonwhite" population as a whole. In both text and tables the term "Negro" is used only when the relevant data are available exclusively for Negroes. The term "nonwhite" is used whenever data for Negroes alone are not available or not available over the period of time shown. Generally, statistics for the national nonwhite population reflect the condition of Negroes, since about 92 percent of the nonwhite population is Negro.)

INTRODUCTION

This is a statistical report about the social and economic condition of the Negro population of the United States. It shows the changes that have taken place during recent years in income, employment, education, housing, health and other major aspects of life. The report was prepared jointly by the Bureau of Labor Statistics and the Bureau of the Census.

Virtually all of the statistics are from the census or from Federal Government studies designed and conducted by technical experts. Many of the figures have been previously published. Others are scheduled to appear soon in regularly recurring government reports. Some of the data were tabulated specially for this report.

The aim throughout has been to assemble data to be used by government agencies at all levels, and by the general public, to help develop informed judgments on how the Negro is faring in this country.

A statistical report cannot present the complete picture because it is necessarily limited to those aspects of life which can be measured. Many elements which are crucial for a dignified life in a society of equals cannot be measured. Yet much can be learned from a careful examination of the factual evidence at hand.

The statistics provide a mixed picture. There are signs of great improvement in some sections and of deterioration in others. The data show that large numbers of Negroes are for the first time in American history entering into the middle-income bracket and into better environments in which to raise their families.

Yet others remain trapped in the poverty of the slums, their living conditions either unchanged or deteriorating.

The kaleidoscopic pattern begins to make sense only when we stop thinking of the Negro as a homogeneous, undifferentiated group and begin to think of Negroes as individuals who differ widely in their aspirations, abilities, experiences and opportunities.

Millions of Negroes have uprooted themselves in search of better jobs, greater freedom and wider horizons. Many have taken advantage of education and training programs in recent years. The fact that these opportunities exist, and that large numbers of Negroes are using them, proves that there are open avenues of upward mobility in our society. Many who were at the bottom are finding their way up the economic ladder.

The substantial improvement in the national averages for Negroes in income, employment, education, housing and other subjects covered in this report reflect the widespread nature of the social and economic gains experienced by most Negroes in recent years.

Yet, large numbers are living in areas where conditions are growing worse.

In part, the deterioration in the poorest Negro neighborhoods reflects the fact that these areas are constantly losing their most successful people to better neighborhoods, leaving behind the most impoverished. As a first home in the city, these areas also attract rural newcomers who come with the hope—as did immigrants of previous generations—of making a better living, but with few skills to equip them for urban life.

This complicated pattern of progress mixed with some retrogression makes it hazardous to generalize about the social and economic conditions of Negroes in America. The statistics show dramatic achievements; they also reveal a large remaining gap between the circumstances of whites and Negroes.

The single most important fact in the economic life of most Americans—white and Negro alike—is the great productivity of our economy. Millions of Negroes who just a few years ago had small jobs, small incomes and even smaller hopes have made considerable gains.

Although Negro family income remains low in comparison with the rest of the population, the incomes of both whites and Negroes are at an all-time high and during the last year the gap between the two groups has significantly narrowed.

Still, despite the gains, Negro family income is only 58% of white income. A majority of Negro families still live in the Southern Region where incomes are far below the national average and where employment opportunities for them are more restricted than elsewhere. Outside the South, Negroes do much better. In the Northeast Region—the median family income for Negro families is $5,400—two-thirds the white median; in the North Central area, the income of Negro families is $5,900—about three-fourths the white media.

Today, over 28% of the nonwhite families receive more than $7,000 a year—more than double the proportion with incomes that high seven years ago, as measured in constant dollars taking into account changes in prices. Outside the Southern Region, the percentage of Negro families with incomes of $7,000 or more rises to 38%.*

The incidence of poverty among nonwhite families remains high, with about one out of three classified as poor. Still, just six years ago one out of two of the nonwhite families were poor. Last year, the number of nonwhites in poverty was reduced by 151,000 families. The majority of nonwhites who are poor work for a living and are not dependent upon welfare assistance.

Whites and Negroes have both benefited from the prosperous conditions of recent years. Continued prosperity for more than six years has brought with it increased job opportunities. Many who had been out of work have moved into jobs; others who worked only part time are now working full time or over time; and still others who were employed at menial tasks have taken advantage of the opportunity for upgrading their skills or status.

Unemployment rates for nonwhites are still twice those of whites, but the level for both groups has dropped dramatically. For nonwhite married men, who are the chief providers in nearly three-fourths of the nonwhite homes, the unemployment rate dropped at a faster rate than for white married men during the last five years and now stands at about 3½%.

Despite the decline in the unemployment rate, nonwhite males are somewhat more likely to be "not in the labor force," that is, neither working nor looking for work.

Further, unemployment has not decreased sharply everywhere. Teenage unemployment continues very high at 26%. In one of the worst areas of Cleveland (Hough) unemployment rates from 1960 to 1965 moved downward less than 2 points—and remained at 14% in 1965. The subemployment rate, which reflects part-time work, discouraged workers, and low-paid workers, was 33% in 1966 in the "worst" areas of nine large cities.

The decline in unemployment and the rise in income reflected an expanding range of well-paying jobs. The number of nonwhites in professional, white-collar and skilled jobs went up by nearly half during the past six years.

Even with this substantial progress, it should be noted that Negroes are still far less likely to be in the better jobs. For the first time, however, the numbers of Negroes moving into good jobs has been of sizeable proportions. Since 1960, there has been a net increase of about 250,000 nonwhite professional and managerial workers, 280,000 clerical and sales workers, 190,000 craftsmen, and 160,000 operatives in the steel, automobile, and other durable goods manufacturing industries. There was a net increase of nearly 900,000 nonwhite workers in jobs that tend to have good pay or status during the past six years. Yet, many Negroes remain behind: a nonwhite man is still about three times as likely as a white man to be in a low-paying job as a laborer or service worker.

Education has often been considered as the key to economic success in our society. Recent improvements for nonwhites in this area parallel those previously described in employment and income.

Six years ago, nonwhite young men averaged two years less schooling than white young men. Today the gap is only one-half year. Nonwhite teenage boys are completing high school and going into college in increasing proportions, and for the first time the typical nonwhite young man can be said to be a high school graduate.

Despite the gains in "years of education attained," the only data available that deal with the "level of achievement" show a major gap: Negro students test out at substantially lower levels than white youths; up to 3 years less in the twelfth grade. Further, about 43% of Negro youth are rejected for military service because of "mental" reasons, compared with an 8% rate for white youth.

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*Data for "Negroes" were used where available; in all other cases the data are shown for "nonwhites." Statistics for "nonwhites" generally reflect the condition of Negroes.

One of the encouraging signs revealed by this statistical study is the very active participation of Negroes in voting and registration.

Outside of the South, almost as large a proportion of Negro as white adults voted in the 1964 Presidential election. Almost 70% of all registered Negroes voted in the 1966 Congressional election. By 1966 there were over 140 Negroes in State legislatures, almost triple the number four years earlier.

One of the somber notes sounded by this report concerns the increase in residential segregation: a survey of 12 cities in which special censuses have been taken shows increased rates of segregation in eight cities.

But perhaps the most distressing evidence presented in this report indicates that conditions are stagnant or deteriorating in the poorest areas.

About half a million poor Negro families—10% of the total—have lived all their lives in rural areas with very limited opportunities for improvement in education, employment, housing or income.

Another 10%—half a million Negro families—have incomes below the poverty line and live in poor neighborhoods of large central cities. This tenth lives in comparatively wretched conditions—many have poor housing; a sizeable proportion are "broken families"; they are at the bottom of the job ladder; and they have the highest unemployment rates.

The unevenness of social and economic progress among Negroes can be seen most dramatically in the results of the Census that was taken in Cleveland two years ago.

Outside of the poor neighborhoods in Cleveland, Negro families made major gains between 1960 and 1965. Average incomes rose, the incidence of poverty and the number of broken families were reduced.

But in the poorest neighborhoods, all of these social indicators showed decline.

In Hough, which is one of the worst of the poor neighborhoods, the incidence of poverty increased, the proportion of broken homes increased, and the male unemployment rate was virtually unchanged. A similar study was made in various neighborhoods in South Los Angeles after the riot in Watts several years ago, and showed much the same pattern.

Despite the general improvement in the conditions of life for Negroes nationally, conditions have grown worse in places like Hough and Watts. As Negro families succeed, they tend to move out of these economically and socially depressed areas to better neighborhoods where they and their children have the opportunity to lead a better life. They leave behind increasing problems of deprivation in the heart of our largest cities.

The facts in this report thus show a mixture of sound and substantial progress, on the one hand, and large unfulfilled needs on the other. They do not warrant complacency. Neither do they justify pessimism or despair.

I. POPULATION DISTRIBUTION

The percent of Negroes in the total population has remained about the same since the turn of the century.

TOTAL AND NEGRO POPULATION, 1900, 1940, 1950, 1960 AND 1966

[In millions]

	Total	Negro	Percent Negro
1900[1]	76.0	8.8	12
1940[1]	131.7	12.9	10
1950[1]	150.7	15.0	10
1960	179.3	18.8	11
1966	194.0	21.5	11

[1] Data exclude Alaska and Hawaii.

Source: U.S. Department of Commerce, Bureau of the Census.

Despite Negroes' substantial migration from the South during the past 26 years, 55 percent of all Negroes still live in the South.

PERCENT DISTRIBUTION OF THE POPULATION, BY REGION,[1] 1940, 1950, 1960, AND 1966

	Negro				White			
	1940[2]	1950[2]	1960	1966	1940[2]	1950[2]	1960	1966
United States	100	100	100	100	100	100	100	100
South	77	68	60	55	27	27	27	28
North	22	28	34	37	62	59	56	55
Northeast	11	13	16	17	29	28	26	26
North central	11	15	18	20	33	31	30	29
West	1	4	6	8	11	14	16	17

[1] Except where noted, when data for regions are shown in this and succeeding tables, the standard census definition for each region is used. In that definition, the South includes the States of the Old Confederacy as well as Delaware, the District of Columbia, Kentucky, Maryland, Oklahoma, and West Virginia.

[2] Data exclude Alaska and Hawaii.

Note: In this report, numbers or percentages may not always add to totals, because of rounding.

Source: U.S. Department of Commerce, Bureau of the Census.

The percent of Negroes has been declining in the South and rising elsewhere. Negroes, nevertheless, are less than 10 percent of the population in the North and West, but 20 percent in the South.

NEGROES AS A PERCENT OF THE TOTAL POPULATION IN THE UNITED STATES AND EACH REGION, 1940, 1950, 1960, AND 1966

	1940[1]	1950[1]	1960	1966
United States	10	10	11	11
South	24	22	21	20
North	4	5	7	8
Northeast	4	5	7	8
North-central	4	5	7	8
West	1	3	4	5

[1] Data exclude Alaska and Hawaii.

Source: U.S. Department of Commerce, Bureau of the Census.

A net total of 3.7 million nonwhites left the South for other United States regions between 1940 and 1966.

ESTIMATED NET MIGRATION,[1] BY REGION, 1940–66

[In thousands]

	Nonwhite	White
South	−3,704	+930
All other regions	+3,722	+5,084

[1] Includes net migration from abroad.

Source: U.S. Department of Commerce, Bureau of the Census.

More than half the nonwhites but only one-third of the whites living in metropolitan areas in 1958 were born in small cities, towns, rural areas, or on farms.

PERCENT DISTRIBUTION BY BIRTHPLACE OF POPULATION LIVING IN METROPOLITAN AREAS, 1958[1]

	Nonwhite	White
Born in:		
United States	100	100
Metropolitan areas	46	67
Small cities, towns, and rural	54	33

[1] Later data are not available.

Source: U.S. Department of Commerce, Bureau of the Census.

The population increase among Negroes since 1950 has been almost all in central cities of metropolitan areas—5.6 million in a total increase of 6.5 million. On the other hand, most of the whites' increase has been in the urban fringe or metropolitan suburbs—27.7 million in a total increase of 35.6 million.

POPULATION CHANGE BY LOCATION, INSIDE AND OUTSIDE METROPOLITAN AREAS, 1950–66

[Numbers in millions]

	Population					
	Negro			White		
	1950	1960	1966	1950	1960	1966
United States	15.0	18.8	21.5	135.2	158.8	170.8
Metropolitan areas	8.4	12.2	14.8	80.3	99.7	109.0
Central cities	6.5	9.7	12.1	45.5	47.7	46.4
Urban fringe	1.9	2.5	2.7	34.8	52.0	62.5
Smaller cities, towns, and rural	6.7	6.7	6.7	54.8	59.2	61.8

	Change, 1950–66			
	Negro		White	
	Number	Percent	Number	Percent
United States	6.5	43	35.6	26
Metropolitan areas	6.4	77	28.7	36
Central cities	5.6	87	.9	2
Urban fringe	.8	42	27.7	79
Smaller cities, towns, and rural	([1])	1	7.0	13

[1] Rounds to less than 500,000.

Source: U.S. Department of Commerce, Bureau of the Census.

A growing majority of both Negroes and whites live in metropolitan areas. The Negroes in metropolitan areas are concentrated in the central cities where 56 percent of all Negroes now live. Whites live predominantly outside of metropolitan central cities—either in suburbs or small places. Only about one-fourth of the white population is in central cities.

PERCENT DISTRIBUTION OF POPULATION BY LOCATION INSIDE AND OUTSIDE METROPOLITAN AREAS, 1950, 1960, AND 1966

	Negro			White		
	1950	1960	1966	1950	1960	1966
United States	100	100	100	100	100	100
Metropolitan areas	56	65	69	59	63	64
Central cities	43	51	56	34	30	27
Urban fringe	13	13	13	26	33	37
Smaller cities, towns, and rural	44	35	31	41	37	36

Source: U.S. Department of Commerce, Bureau of the Census.

Negroes today are 20 percent of the total populaton of central cities in metropolitan areas, compared to 12 percent in 1950. The larger the city involved, the faster the Negro population is growing and the greater the percent of Negroes. Negroes are 26 percent of the population in cities of metropolitan areas with 1,000,000 or more people, compared to 13 percent in 1950. Only 4 percent of the suburban population is Negro.

NEGROES AS A PERCENT OF TOTAL POPULATION BY LOCATION, INSIDE AND OUTSIDE METROPOLITAN AREAS, AND BY SIZE OF METROPOLITAN AREAS, 1950, 1960, AND 1966

	Percent Negro		
	1950	1960	1966
United States	10	11	11
Metropolitan areas	9	11	12
Central cities	12	17	20
Central cities in metropolitan areas[1] of—			
1,000,000 or more	13	19	[2] 26
250,000 to 1,000,000	12	15	[2] 20
Under 250,000	12	12	[2] 12
Urban fringe	5	5	4
Smaller cities, towns, and rural	11	10	10

[1] In metropolitan areas of population shown as of 1960.

[2] Percent nonwhite; data for Negroes are not available. The figures used are estimated to be closely comparable to those for Negroes alone, using a check for Negro and nonwhite percentages in earlier years.

Source: U.S. Department of Commerce, Bureau of the Census.

Among the 30 largest cities of the Nation, only the District of Columbia had more Negroes than whites by 1965. In most of the remaining cities Negroes were substantially less than one-third of the population in 1965. Nevertheless Negroes are increasing as a percent of the total population in almost all of the largest cities.

PROPORTION OF NEGROES IN EACH OF THE 30 LARGEST CITIES, 1950, 1960, AND ESTIMATED 1965

	1950	1960	Estimate 1965[1]
New York, N.Y	10	14	18
Chicago, Ill	14	23	28
Los Angeles, Calif	9	14	17
Philadelphia, Pa	18	26	31
Detroit, Mich	16	29	34
Baltimore, Md	24	35	38
Houston, Tex	21	23	23
Cleveland, Ohio	16	29	34
Washington, D.C	35	54	66
St. Louis, Mo	18	29	36
Milwaukee, Wis	3	8	11
San Francisco, Calif	6	10	12
Boston, Mass	5	9	13
Dallas, Tex	13	19	21
New Orleans, La	32	37	41
Pittsburgh, Pa	12	17	20
San Antonio, Tex	7	7	8
San Diego, Calif	5	6	7
Seattle, Wash	3	5	7
Buffalo, N.Y	6	13	17
Cincinnati, Ohio	16	22	24
Memphis, Tenn	37	37	40
Denver, Colo	4	6	9
Atlanta, Ga	37	38	44
Minneapolis, Minn	1	2	4
Indianapolis, Ind	15	21	23
Kansas City, Mo	12	18	22
Columbus, Ohio	12	16	18
Phoenix, Ariz	5	5	5
Newark, N.J	17	34	47

[1] Except for Cleveland, Buffalo, Memphis, and Phoenix, for which a special census has been made in recent years, these are very rough estimations computed on the basis of the change in relative proportions of Negro births and deaths since 1960.

Source: U.S. Department of Commerce, Bureau of the Census.

In most of the 12 large cities where special censuses were taken in the mid-1960's the percent of Negroes living in neighborhoods of greatest Negro concentration had increased since 1960.

PERCENT OF ALL NEGROES IN SELECTED CITIES LIVING IN CENSUS TRACTS GROUPED ACCORDING TO PROPORTION NEGRO IN 1960 AND 1964-66[1]

	Year	All census tracts	75 percent or more Negro	50 to 74 percent Negro	25 to 49 percent Negro	Less than 25 percent Negro
Cleveland Ohio	1960	100	72	16	8	4
	1965	100	80	12	4	4
Phoenix, Ariz	1960	100	19	36	24	21
	1965	100	18	23	42	17
Buffalo, N.Y	1960	100	35	47	6	12
	1966	100	69	10	13	8
Louisville, Ky	1960	100	57	13	17	13
	1964	100	67	13	10	10
Rochester, N.Y	1960	100	8	43	17	32
	1964	100	16	45	24	15
Sacramento, Calif	1960	100	9	0	14	77
	1964	100	8	14	28	50
Des Moines, Iowa	1960	100	0	28	31	41
	1966	100	0	42	19	39
Providence, R.I	1960	100	0	23	2	75
	1965	100	0	16	46	38
Shreveport, La	1960	100	79	10	7	4
	1966	100	90	0	6	4
Evansville, Ind	1960	100	34	27	9	30
	1966	100	59	14	0	27
Little Rock, Ark	1960	100	33	33	19	15
	1964	100	41	18	22	19
Raleigh, N.C	1960	100	86	0	7	7
	1966	100	88	4	2	6

[1] Selected cities of 100,000 or more in which a special census was taken in any of the years 1964-66. Ranked according to total population at latest census.

Source: U.S. Department of Commerce, Bureau of the Census.

II. INCOME

The ratio of nonwhite to white family income rose in 1966, to the highest on record. The ratio is still only about 60 percent for all nonwhite families, and 58 percent for Negro families separately.

MEDIAN INCOME OF NONWHITE FAMILIES AS A PERCENT OF WHITE FAMILY INCOME, 1950-66

	All nonwhite	Negro[1]
1950	54	(1)
1951	53	(1)
1952	57	(1)
1953	56	(1)
1954	56	(1)
1955	55	(1)
1956	53	(1)
1957	54	(1)
1958	51	(1)
1959	52	(1)
1960	55	(1)
1961	53	(1)
1962	53	(1)
1963	53	(1)
1964	56	54
1965	55	54
1966	60	58

[1] The annual figures shown are based on the current population survey. The percent of Negro to white median family income (instead of the percent of nonwhite to white as shown) is available from this survey only from 1964.

Source: U.S. Department of Commerce, Bureau of the Census.

The greatest disparity between Negro and white family income is in the South. In recent years, Negro median family income has ranged from about one-half of the white median in the South to about three-fourths of the white median in the North Central Region.

FAMILY INCOME IN 1966, AND COMPARISON OF NEGRO AND WHITE FAMILY INCOME, 1965 AND 1966, BY REGION

	Median family income, 1966		Negro income as a percent of white	
	Negro	White	1965	1966
United States	$4,463	$7,722	54	58
Northeast	5,397	8,056	64	67
North Central	5,925	8,051	74	74
South	3,422	6,773	49	51
West	5,926	8,217	69	72

Source: U.S. Department of Commerce, Bureau of the Census.

Nonwhite families are moving in large numbers into the middle-income groups. The proportion of nonwhite families with incomes of $7,000 or more was almost 5 times greater in 1966 than in 1947—28 percent compared to 6 percent adjusted for price changes. As large a percent of nonwhite families had over $7,000 income in 1966 as did whites in the midfifties. Outside of the South, 38 percent of nonwhite families had $7,000 income or more in 1966.

PERCENT OF FAMILIES WITH INCOME OF $7,000 OR MORE,[1] 1947-66 (ADJUSTED FOR PRICE CHANGES, IN 1965 DOLLARS)

	Nonwhite	White
1947	6	21
1948	5	19
1949	4	19
1950	5	22
1951	5	22
1952	5	24
1953	9	28
1954	8	28
1955	9	31
1956	10	35
1957	11	35
1958	11	35
1959	13	40
1960	17	41
1961	17	43
1962	15	45
1963	18	47
1964	21	50
1965	23	53
1966:		
United States	28	55
South	15	46
Other regions	38	59

[1] A $7,000 income today was equivalent in purchasing power to about $5,000 in 1947. The proportion of families with incomes of $7,000 to $8,000 in 1947 was 2 percent for nonwhite families and 6 percent for the white.

Source: U.S. Department of Commerce, Bureau of the Census.

The rise in incomes in the past 20 years has been shared by nonwhite and white families. While the dollar gap between nonwhite and white family income has increased since 1947, the proportionate increase was greater for the nonwhite. The percent of nonwhite and white families with less than $3,000 purchasing power has been cut in half, adjusted for price changes.

PERCENT DISTRIBUTION OF FAMILY INCOME IN 1947, 1960, AND 1966

[Adjusted for price changes, in 1965 dollars]

	Nonwhite			White		
	1947	1960	1966	1947	1960	1966
Number of families (in millions)	3.1	4.3	4.9	34.2	41.1	44.0
Percent	100	100	100	100	100	100
Under $3,000	65	44	32	27	18	13
$3,000 to $4,999	22	24	24	32	18	14
$5,000 to $6,999	7	16	17	20	23	19
$7,000 to $9,999	5	11	16	13	23	25
$10,000 to $14,999	2	5	9	8	13	20
$15,000 and over		1	3		5	10
Median income	$2,284	$3,441	$4,481	$4,458	$6,244	$7,517
Change, 1947–66:						
Amount	(1)	(1)	$2,197	(1)	(1)	$3,059
Percent	(1)	(1)	96.2	(1)	(1)	68.6

[1] Not applicable.

Source: U.S. Department of Commerce, Bureau of the Census.

Fifty-five percent of all Negro families had more than one earner in 1966 compared to one-half of the white families. Although family income rises with the number of earners, Negro families with multiple earners averaged less income than white families with one earner.

INFLUENCE OF NUMBER OF EARNERS ON FAMILY INCOME, 1966

	All families	No earners	1 earner	2 earners	3 earners (or more)
Negro:					
Percent	100	10	35	40	15
Median income	$4,463	$1,914	$3,728	$5,652	$6,583
White:					
Percent	100	8	43	36	13
Median income	$7,722	$2,358	$6,877	$8,801	$11,464
Negro median income as a percent of white	58	81	54	64	57

Source: U.S. Department of Commerce, Bureau of the Census.

Nonwhite as well as white men earn more than women in all regions.

MEDIAN INCOME OF NONWHITE MALE AND FEMALE PERSONS, BY REGION, 1966

	Median income of nonwhite workers		Ratio of female to male income	
	Male	Female	Nonwhite	White
All wage and salary workers [1]	$3,864	$1,981	.51	.47
Year-round full-time workers [2]	4,508	2,934	.65	.58
Northeast	5,196	3,281	.63	.58
North Central	5,703	3,448	.60	.56
South	3,366	2,142	.64	.60
West	6,048	3,875	.64	.59

[1] With wage and salary income, and including full-time and part-time workers.

[2] All persons with income, but most of income from wages and salaries.

Source: U.S. Department of Commerce, Bureau of the Census.

At each educational level, nonwhite men have less income than white men. The disparity is greatest at the college level.

MEDIAN INCOME OF MEN 25 YEARS OLD AND OVER, BY EDUCATIONAL ATTAINMENT, 1966

	Median income, 1966		Nonwhite income as a percent of white
	Nonwhite	White	
Elementary:			
Total	$2,632	$3,731	71
Less than 8 years	2,376	2,945	81
8 years	3,681	4,611	80
High school:			
Total	4,725	6,736	70
1 to 3 years	4,278	6,189	69
4 years	5,188	7,068	73
College: Total	5,928	9,023	66

Source: U.S. Department of Commerce, Bureau of the Census.

About 1.7 million nonwhite families and 4.4 million white families were still poor in 1966—about one-third of the nonwhite families and one-tenth of the white. The decline in poverty from 1959 has been substantial for both groups, but somewhat greater among whites.

FAMILIES BELOW THE POVERTY LEVEL,[1] 1959–66

	Percent		Number (in millions)	
	Nonwhite	White	Nonwhite	White
1959	50	15	2.1	6.2
1960	49	15	2.1	6.2
1961	48	14	2.2	5.9
1962	47	13	2.1	5.6
1963	44	12	2.1	5.3
1964	39	12	1.9	5.0
1965	39	11	1.9	4.6
1966	35	10	1.7	4.4

[1] Poverty as defined by the Social Security Administration taking into account family size, number of children, and farm-nonfarm residence, as well as the amount of family money income. As applied to 1966 incomes, the poverty level of nonfarm residents ranges from $1,560 for a woman 65 years or older living alone to $5,440 for a family of 7 or more persons; it was $3,300 for a nonfarm family of 4 with 2 children.

Source: U.S. Department of Commerce, Bureau of the Census.

Nonwhite families in poverty are more likely to be younger and with children to support than are white families who are poor.

CHARACTERISTICS OF FAMILIES BELOW THE POVERTY LEVEL, 1966

[Percent]

	Nonwhite	White
United States	100	100
Aged family heads [1]	8	25
All other families	92	75
Nonfarm	84	69
Male head	46	47
Female head	38	22
Farm	8	7
All families with children [2]	80	57

[1] Includes only 2-person families with head aged 65 years or over.

[2] Unmarried children under 18.

Source: U.S. Department of Commerce, Bureau of the Census.

Large metropolitan areas (of at least 250,000 population) contain two-thirds of all nonwhite families, but only half of all nonwhite families who are poor. The percent who are poor is least in the largest places and greatest on farms and in relatively small places. Half a million of the 1.9 million nonwhite families who were poor in 1965 lived in the largest metropolitan areas (1,000,000 population or more).

LOCATION OF ALL NONWHITE FAMILIES AND OF NONWHITE FAMILIES BELOW THE POVERTY LEVEL, 1965

	Percent distribution of nonwhite families		Nonwhite families below the poverty level in each location	
	Total	Below the poverty level	Number (in millions)	Percent
United States	100	100	1.9	39
Farm	5	9	.2	68
Nonfarm	95	91	1.6	35
Small towns and rural areas	21	32	.6	56
Metropolitan areas	74	59	1.0	30
1,000,000 or more	45	31	.5	25
250,000 to 1,000,000	21	19	.3	34
Under 250,000 population	8	9	.2	41

Source: U.S. Department of Commerce, Bureau of the Census

The great majority of the population and of the poor—nonwhite and white—do not receive welfare assistance. Nonwhites are much more likely to be poor and are proportionately more likely to receive welfare.

NUMBER AND PERCENT OF PERSONS BELOW THE POVERTY LEVEL AND OF PERSONS RECEIVING WELFARE, 1966

[In millions]

	Nonwhite	White
Total population	23.2	170.2
Below poverty level	9.6	20.1
Percent of total population	41.0	12.0
Receiving welfare	3.2	4.5
Percent of total population	14.0	3.0

Source: U.S. Department of Health, Education, and Welfare.

III. EMPLOYMENT

Employment has increased almost steadily in the past 7 years and unemployment has declined for both nonwhite and white workers. The number of nonwhite employed rose 1.1 million in the 7-year period, a 16 percent increase.

NUMBER OF EMPLOYED AND UNEMPLOYED PERSONS,[1] 1960-67

[Numbers in millions]

	Employed [1]		Unemployed [1]	
	Nonwhite	White	Nonwhite	White
1960	6.9	58.9	.8	3.1
1961	6.8	58.9	1.0	3.7
1962	7.0	59.7	.9	3.1
1963	7.1	60.6	.9	3.2
1964	7.4	61.9	.8	3.0
1965	7.6	63.4	.7	2.7
1966	7.9	65.0	.6	2.3
1967 [2]	8.0	66.1	.6	2.3
Change 1960-67 [2]				
Number	+1.1	+7.2	−.2	−.8
Percent	+16	+12	−25	−26

[1] The information on unemployment is obtained from a monthly sample survey of households. All persons 16 years and over are classified as employed, unemployed, or not in the labor force for the calendar week containing the 12th of the month.

The unemployed are persons who did not work or have a job during the survey week, and who had looked for work within the past 4 weeks, and were currently available for work. Also included are those waiting to be called back to a job from which they had been laid off or waiting to report to a new job.

The sum of the employed and the unemployed constitutes the civilian labor force.

[2] Average of first 9 months, seasonally adjusted.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

The nonwhite unemployment rate in 1966 and 1967 has been the lowest since the Korean War, but the ratio of nonwhite to white unemployment has remained roughly the same: 2 to 1. Since 1961, the most recent recession year, the nonwhite unemployment rate has dropped by more percentage points than the white.

UNEMPLOYMENT RATES,[1] 1949-67

	Nonwhite	White	Ratio: nonwhite to white
1949	8.9	5.6	1.6
1950	9.0	4.9	1.8
1951	5.3	3.1	1.7
1952	5.4	2.8	1.9
1953	4.5	2.7	1.7
1954	9.9	5.0	2.0
1955	8.7	3.9	2.2
1956	8.3	3.6	2.3
1957	7.9	3.8	2.1
1958	12.6	6.1	2.1
1959	10.7	4.8	2.2
1960	10.2	4.9	2.1
1961	12.4	6.0	2.1
1962	10.9	4.9	2.2
1963	10.8	5.0	2.2
1964	9.6	4.6	2.1
1965	8.1	4.1	2.0
1966	7.3	3.3	2.2
1967 (1st 9 months seasonally adjusted)	7.3	3.4	2.1

[1] The unemployment rate is the percent unemployed in the civilian labor force.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Married men—the largest component of both the nonwhite and white labor force—have the lowest unemployment rates. Unemployment rates for nonwhite married men have been declining more rapidly than those for white married men. However, the nonwhite rate is still twice the white rate. Of every 100 nonwhite married men in the labor force, 96 have a job.

UNEMPLOYMENT RATES FOR MARRIED MEN, 1962-67 (20 YEARS OLD AND OVER)

	Nonwhite	White
1962	7.9	3.1
1963	6.8	3.0
1964	5.3	2.5
1965	4.3	2.1
1966	3.6	1.7
1967 (1st 9 months) [1]	3.4	1.6

[1] Average, not seasonally adjusted.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Nonwhite teenagers have the highest unemployment rates in the labor force. The total unemployment rate among nonwhite teenagers was over 26 percent in 1967, more than double the white teenage rate.

UNEMPLOYMENT BY SEX AND AGE, 1967 (1ST 9 MONTHS)[1]

	Number unemployed (thousands)		Unemployment rate	
	Nonwhite	White	Nonwhite	White
Total	634	2,315	7.3	3.4
Adult men (20 years and over)	194	870	4.3	2.1
Adult women (20 years and over)	236	827	7.0	3.8
Teenagers [2]	204	618	26.5	10.6

[1] Average, seasonally adjusted.

[2] "Teenagers" include those 16 to 19 years old.

Source: U.S. Department of Labor, Bureau of Labor Statistics

An increasing proportion of unemployed nonwhite teenagers are enrolled in school and also looking for work[1]—1 in 3 compared with 1 in 5 a few years ago. However, this is still less than among white teenagers.

UNEMPLOYED TENAGERS[1] AND PERCENT STILL IN SCHOOL 1963, 1966, AND 1967

	Unemployment rate		Unemployed			
			Number (thousands)		Percent still in school	
	Nonwhite	White	Nonwhite	White	Nonwhite	White
1963	30.2	15.5	175	708	22	34
1966	25.4	11.2	185	650	27	39
1967 (1st 6 months).[2]	26.3	11.2	182	615	32	38

[1] Teenagers include those 16 to 19 years old. Full-time students are also counted as unemployed if they want a job and have been actively looking for work during the 4-week period prior to interview in the monthly survey of the labor force.

[2] Not seasonally adjusted.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Most nonwhite teenagers are in school. Of those out of school, a fifth are unemployed, and a third are not at work or looking for work. The majority of these latter are keeping house.

WORK AND SCHOOL STATUS OF NONWHITE TEENAGERS, 1967 (1ST 6 MONTHS)[1]

	Number (thousands)	Percent
Out of school	703	100
Unemployed	124	18
Employed	347	49
Not in the labor force	232	33
Keeping house	137	19
Unable to work	10	1
Other reasons [2]	86	12
In school	1,083	100
Unemployed	58	5
Employed	165	15
Not in the labor force	860	79

[1] Average, not seasonally adjusted.

[2] Includes many waiting to be called to military duty.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Nonwhite men are less likely to be in the labor force than white men, except for ages 18-24. Among women, participation in the labor force is much greater for nonwhites except for those under 20.

LABOR FORCE PARTICIPATION RATES,[1] BY AGE AND SEX, 1966

	Men		Women	
	Nonwhite	White	Nonwhite	White
Total, 16 years and over	79	81	49	39
16 and 17 years	41	47	24	32
18 and 19 years	67	65	44	53
20 to 24 years	90	84	55	51
25 to 34 years	96	98	55	38
34 to 44 years	94	98	61	45
45 to 54 years	91	96	61	51
55 to 64 years	81	85	49	41
65 years and over	26	27	13	9

[1] The "labor force" is composed of those at work or looking for work. A person "not in the labor force" is neither at work nor looking for work. Participation rates equal percent of population group in labor force.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

The reasons men are not in the labor force are roughly the same for whites and nonwhites in most age groups. Young people are likely to be in school, and white youth especially so; most old people are retired. In the middle and older working years, a larger proportion of nonwhites than whites are not at jobs because they are disabled.

MEN NOT IN THE LABOR FORCE, BY AGE, 1967 (AVERAGE 1ST 8 MONTHS)

	Total not in labor force (thousands)	Reason not in labor force (percent)			
		Total	Going to school	Unable to work [1]	Other [2]
16 to 19 years:					
Nonwhite	407	100	79	1	20
White	2,349	100	80	1	19
20 to 24 years:					
Nonwhite	85	100	58	7	35
White	769	100	77	4	19
25 to 54 years:					
Nonwhite	200	100	9	40	52
White	878	100	14	37	49
55 to 64 years:					
Nonwhite	155	100	0	45	55
White	1,134	100	([3])	31	69
65 years and over:					
Nonwhite	465	100	0	20	80
White	5,226	100	([3])	10	90

[1] Includes only those who have serious, long-term physical or mental illness.

[2] Includes retired workers, those keeping house, and a large number preparing to enter or reenter the labor force or awaiting military service.

[3] Less than 0.5 percent.

Source U.S. Department of Labor, Bureau of Labor Statistics.

Nonwhite workers are twice as likely as white workers to be unemployed and among the long-term unemployed. About one and one-half percent of the total nonwhite labor force is among the long-term unemployed.

AVERAGE UNEMPLOYMENT AND LONG-TERM UNEMPLOYMENT[1] IN THE LABOR FORCE, 1967 (1ST 9 MONTHS)[2]

	Total	White	Nonwhite	Percent nonwhite
Total civilian labor force	77,095,000	68,482,000	8,613,000	11
All unemployed workers	3,015,000	2,370,000	646,000	21
Percent of labor force	3.9	3.5	7.5	(3)
Long-term unemployment [1]	461,000	353,000	108,000	23
Percent of labor force	0.6	0.5	1.3	(3)

[1] Unemployed for at least 3½ consecutive months, 35 weeks or more.
[2] Not seasonally adjusted.
[3] Not applicable.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

The Census Bureau estimates that its Current Population Surveys miss about 13 percent of the nonwhite population of working age and 2 percent of the white (the "undercount"). The undercount is greatest among nonwhite men in prime working years. Assuming that unemployment rates for the undercounted are twice those for the counted,[2] the adjusted total unemployment rate would change by less than half a percentage point. For any particular group, the greatest difference from the current unemployment rate would be 2.5 percentage points. The undercount also has the effect of reducing the nonwhite birth and death rates.

ESTIMATED EFFECT OF SURVEY UNDERCOUNT

	Reported	Adjusted [1]
Unemployment rates, 1967 (first 8 months): [2]		
All workers	3.8	4.0
All nonwhite workers	7.3	8.2
Nonwhite males:		
16 to 19 years	24.0	25.8
20 years and over	4.4	5.2
20 to 24 years [2]	7.7	10.0
Birth and death rates, 1965:		
Nonwhite birth rate	28.5	26.0
Nonwhite death rate	9.6	8.8

[1] In making the adjustment, it was assumed that the unemployment rates for those not covered by the employment survey were twice those interviewed and the percentage not covered was 6 percent for all persons in the labor force, but as much as 30 percent for nonwhite males 20 to 24. These estimates of undercoverage were obtained by noting the difference between the initial, unadjusted survey estimates and independent estimates of the population adjusted for net census undercount. Inasmuch as nothing is known about the labor force characteristics of the population not interviewed, the assumption made about unemployment is arbitrary though thought to be a maximum. Unemployment rates may not be much, if any, higher for those not interviewed than for those interviewed, since persons missed include people who may be away at work when the interviewer calls and in occupations which the missed persons may not wish to discuss.
[2] Seasonally adjusted except for nonwhite males 20 to 24 years old.

Source: U.S. Department of Commerce, Bureau of the Census.

The percent of nonwhite workers in the high-skill, high-status, and good-paying jobs, and jobs in manufacturing increased much more sharply than among white workers from 1960 to 1966. Nonwhite employment in most of the less desirable occupations tended to stabilize or decline.

EMPLOYMENT BY OCCUPATION,[1] 1966, AND CHANGE, 1960-66

[Numbers in thousands]

	Employed, 1966		Change, 1960-66			
			Number		Percent	
	Nonwhite	White	Nonwhite	White	Nonwhite	White
Total	7,968	66,097	+927	+6,457	+13	+11
Professional, technical, and managerial	758	15,968	+251	+1,893	+50	+13
Clerical	751	11,095	+244	+1,791	+48	+19
Sales	149	4,610	+36	+316	+32	+7
Craftsmen and foremen	602	8,996	+187	+825	+45	+10
Operatives	1,786	12,093	+371	+1,537	+26	+15
Service workers, except private household	1,558	5,881	+326	+991	+26	+20
Private household workers	941	1,308	−66	+115	−7	+10
Nonfarm laborers	934	2,756	−38	+72	−4	+3
Farmers and farmworkers	488	3,389	−384	−1,144	−44	−25

[1] Data on occupation are annual averages.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

The upward movement of nonwhite workers since 1960 has resulted in a gain of over one million jobs in white-collar, skilled and semi-skilled occupations.

EMPLOYMENT BY BROAD OCCUPATIONAL GROUPS, 1960 AND 1966

	White-collar workers, craftsmen, and operatives		All other workers	
	Nonwhite	White	Nonwhite	White
Number (in millions):				
1960	3.0	46.4	4.1	13.3
1966	4.1	52.8	3.9	13.3
Change, 1960-66:				
Number (in millions)	1.1	6.4	−.2	(1)
Percent	37	14	−4	(2)

[1] Rounds to less than 50,000.
[2] Less than 0.5 percent.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Despite 6 years of occupational advances, over two-fifths of the nonwhite men and three-fifths of all nonwhite women workers in 1966 remained in service, laboring, or farm jobs—substantially more than twice the proportion among whites.

EMPLOYMENT BY OCCUPATION AND SEX, 1966 (PERCENT DISTRIBUTION)

	Nonwhite		White	
	Male	Female	Male	Female
Total employed (in thousands)	4,655	3,313	42,983	23,114
Percent	100	100	100	100
Professional, technical, and managerial	9	10	27	19
Clerical and sales	9	15	14	43
Craftsmen and foremen	12	(1)	20	(1)
Operatives	27	16	20	15
Service workers, except household	16	26	6	14
Private household workers		28		6
Nonfarm laborers	20	(1)	6	(1)
Farmers and farm workers	8	4	7	2
Other	(2)	2	(2)	2

[1] A few workers included in "other."
[2] Not applicable.

Source: U.S. Department of Commerce, Bureau of the Census.

The increased penetration (percent of total) of nonwhite workers has been notable since 1960 in professional and technical occupations, especially in teaching and health work. Nonwhites are also a larger percentage now of workers in construction crafts. Despite the progress, nonwhites remain a far larger than average percent in the lower-paid, lesser-skilled jobs.

NONWHITES AS A PERCENT OF ALL WORKERS IN SELECTED OCCUPATIONS, 1960 AND 1966

(Penetration of nonwhites into each occupational group)

	Percent nonwhite	
	1960	1966
Total, employed	11	11
Professional and technical	4	6
Medical and other health	4	7
Teachers, except college	7	10
Managers, officials, and proprietors	2	3
Clerical	5	6
Sales	3	3
Craftsmen and foremen	5	6
Construction craftsmen	6	7
Machinists, jobsetters, and other metal craftsmen	4	6
Foremen	2	4
Operatives	12	13
Durable goods	10	11
Nondurable goods	9	12
Nonfarm laborers	27	25
Private household workers	46	42
Other service workers	20	21
Protective services	5	5
Waiters, cooks, and bartenders	15	16
Farmers and farmworkers	16	13

Source: U.S. Department of Labor, Bureau of Labor Statistics.

IV. EDUCATION

The nonwhite dropout rate among 16 and 17 year olds has fallen sharply. The school enrollment gap has narrowed for these ages and for kindergarteners, but has widened for persons in the late teens and early twenties.

PERCENT ENROLLED IN SCHOOL, BY AGE, 1960 AND 1966

	1960		1966	
	Nonwhite	White	Nonwhite	White
5 years	51	66	66	74
6 to 15 years	98	99	99	99
16 to 17 years	77	85	83	89
18 to 19 years	35	40	39	48
20 to 24 years	8	10	14	21

Source: U.S. Department of Commerce, Bureau of the Census.

Six years ago the education gap between nonwhite and white young men was 2 years of school experience. Today the gap is one-half year of school experience. A majority of nonwhite young men 25 to 29 years old now have a high school diploma, and, unlike 6 years ago, they tend to have more years of schooling than nonwhite young women.

EDUCATIONAL ATTAINMENT OF PERSONS 25–29 YEARS OLD, BY SEX, 1960 AND 1966

	Male		Female	
	Nonwhite	White	Nonwhite	White
Median years of school completed:				
1960	10.5	12.4	11.1	12.3
1966	12.1	12.6	11.9	12.5
Percent completing 4 years of high school or more:				
1960	36	63	41	65
1966	53	73	49	74

Source: U.S. Department of Commerce, Bureau of the Census.

Negroes, especially Negro young men, have made substantial gains since 1960 in completing a college education. By 1965, about 7 percent of all Negroes 25 to 34 years old had completed college compared to about 14 percent of all whites in this age group, and the gap has narrowed since 1960.

PERCENT OF POPULATION 25 TO 34 YEARS OLD WHO COMPLETED 4 YEARS OF COLLEGE OR MORE, BY SEX, 1960 AND 1965

	Negro			White		
	Total	Male	Female	Total	Male	Female
1960	4.3	3.9	4.6	11.7	15.7	7.8
1965	6.8	7.4	6.4	13.7	17.9	9.7

Source: U.S. Department of Commerce, Bureau of the Census.

Most Negroes go to predominantly Negro schools, except for high schools in the North.

PERCENT OF NEGRO PUPILS IN SCHOOLS IN WHICH THEY ARE IN THE MAJORITY, BY REGION,[1] FALL 1965

	Grade 1	Grade 12
United States	87	66
Metropolitan North	72	35
Metropolitan South	97	95
Nonmetropolitan North	70	8
Nonmetropolitan South	92	85

[1] According to the report, Equality of Educational Opportunity, the South includes the States of the Old Confederacy as well as Arizona, Kentucky, New Mexico, Oklahoma, and West Virginia. All other States are defined as being in the North.

Source: U.S. Department of Health, Education, and Welfare, Equality of Educational Opportunity, James S. Coleman, 1966, p. 40.

The average Negro youngster in the final year of high school is performing at a ninth-grade level. The gap in achievement level between Negro and white students widens between the sixth and twelfth grades.

ACHIEVEMENT ON NATIONAL STANDARDIZED TESTS OF READING AND OTHER SCHOOL SUBJECTS, FALL 1965

	Test level grade	
	Negro	White
Grade in school:		
6th	4.4	6.8
9th	7.0	9.9
12th	9.2	12.7

Source: U.S. Department of Health, Education, and Welfare, Office of Education. Computed from basic data prepared for the Fall 1965 Survey of Equality of Educational Opportunity, by James S. Coleman.

V. HOUSING

The proportion of nonwhite households living in housing that either is dilapidated or lacks basic plumbing facilities decreased sharply since 1960 in all areas, especially large cities. Yet about 3 in 10 nonwhite households still live in such dwellings, compared to less than 1 in 10 of the whites.

PERCENT OF OCCUPIED HOUSING NOT MEETING SPECIFIED CRITERIA,[1] BY LOCATION, 1960 AND 1966

	Nonwhite		White	
	1960	1966	1960	1966
United States	44	29	13	8
Large cities [2]	25	16	8	5
Urban fringe	43	29	7	4
Smaller cities, towns, and rural	77	64	23	14

[1] Housing is classified as "not meeting specified criteria" if it either is dilapidated or lacks one or more of the following basic plumbing facilities: hot running water in the structure, flush toilet for private use of members of the household, and bathtub or shower for private use of members of the household. Housing is reported as "dilapidated" if defects are so critical or so widespread that the structure would require extensive repairs, rebuilding, razing, or was of inadequate original construction. Information is collected also on housing condition rated as "deteriorating"; that is, having one or more defects of an intermediate nature that require correction if the unit is to continue to provide safe and adequate shelter. Based on these classifications, deteriorating and dilapidated housing for nonwhite households in the Nation as a whole was 45 percent in 1960 and 39 percent in 1966.

[2] Of 50,000 population or more in metropolitan areas.

Source: U.S. Department of Commerce, Bureau of the Census. Data for 1966 are preliminary.

In the South, nearly half of all nonwhite households live in dwellings that either are dilapidated or lack basic plumbing facilities, compared to less than one-fifth in the North and West. In all regions housing is far worse in the smaller cities, towns, and rural areas than in the metropolitan centers, for both nonwhites and whites.

PERCENT OF OCCUPIED HOUSING NOT MEETING SPECIFIED CRITERIA,[1] BY REGION AND LOCATION, 1966

	North and West		South	
	Nonwhite	White	Nonwhite	White
All housing units	16	6	46	11
Large cities	15	6	19	4
Urban fringe	15	4	51	5
Smaller cities, towns, and rural	32	11	75	19

[1] Housing is classified as "not meeting specified criteria" if it either is dilapidated or lacks one or more of the following basic plumbing facilities: hot running water in the structure, flush toilet for private use of members of the household, and bathtub or shower for private use.

Source: U.S. Department of Commerce, Bureau of the Census. Data for 1966 are preliminary.

Dwellings occupied by nonwhite households not meeting specified criteria [1] declined by one-fourth in the past six years, compared to one-third for whites. On the other hand, the percentage increase of housing meeting the specified criteria was greater for nonwhite households.

CHANGE IN QUALITY OF HOUSING, 1960–66

[Numbers in thousands]

	Not meeting specified criteria [1]		Meeting specified criteria [1]	
	Nonwhite	White	Nonwhite	White
Number of housing units:				
1960	2,263	6,211	2,881	41,669
1966	1,691	4,027	4,135	48,003
Change, 1960–66:				
Number	−572	−2,184	+1,254	+6,334
Percent	−25	−34	+44	+15

[1] Housing is classified as "not meeting specified criteria" if it either is dilapidated or lacks 1 or more of the following basic plumbing facilities: hot running water in the structure, flush toilet for private use of members of the household, and bathtub or shower for private use. Housing is classified as "meeting specified criteria" if it is not dilapidated and has all basic plumbing facilities.

Source: U.S. Department of Commerce, Bureau of the Census. Data for 1966 are preliminary.

Almost all of the increase in nonwhite households' share of housing meeting the specified criteria [1] since 1960 was in metropolitan areas, mostly in the central cities.

INCREASE IN OCCUPIED HOUSING MEETING SPECIFIED CRITERIA,[1] BY LOCATION, 1960–66

	Nonwhite		White	
	Number (thousands)	Percent	Number (thousands)	Percent
United States	1,254	44	6,334	15
Metropolitan areas	1,152	46	4,133	15
Central cities	860	40	1,177	8

[1] Housing is classified as "meeting specified criteria" if it is not dilapidated and has all basic plumbing facilities.

Source: U.S. Department of Commerce, Bureau of the Census. Data for 1966 are preliminary.

A much larger proportion of the housing for nonwhites than for whites was overcrowded according to the 1960 Census.[1] Overcrowding was much greater in rural places.

PERCENT OF HOUSING OVERCROWDED OR SERIOUSLY OVERCROWDED, 1960[1]

[Occupied by homeowners and renters]

	Overcrowded (1.01 or more persons per room)		Seriously overcrowded (1.51 or more persons per room)	
	Nonwhite	White	Nonwhite	White
United States	28	10	14	2
Urban areas	25	8	11	2
Rural areas	41	13	25	4

[1] Later data are not available.

Source: U.S. Department of Housing and Urban Development.

Nonwhite and white homeowners had about the same proportion of debt outstanding on their mortgaged homes, but a smaller percent of nonwhite homes had a mortgage. Nonwhite homeowners were more likely to have loans which were a larger percent of the purchase price than white homeowners, and they paid higher interest rates. A smaller percent of nonwhite than white homeowners had government-assisted loans; a much larger percent had loans of relatively short duration.

FINANCIAL CHARACTERISTICS OF OWNER-OCCUPIED SINGLE-FAMILY HOUSES, 1960[1]

	Homes occupied by—	
	Nonwhite	White
All properties purchased	100	100
No mortgage	51	42
Mortgage	49	58
Properties with mortgages:		
Total	100	100
FHA insured	10	19
VA guaranteed	19	24
Conventional	71	58
2 or more mortgages	13	7
Mortgage under $4,000	31	13
Mortgage $10,000 or more	13	40
Mortgage term less than 18 years	61	38
Interest rate of 6 percent or more	56	26
Mortgage loans as a percent of purchase price (median)	88	81
Outstanding debt as a percent of purchase price (median)	54	53

[1] Later data are not available.

Source: U.S. Department of Commerce, Bureau of the Census.

VI. LIVING CONDITIONS AND HEALTH

Negroes and whites spend their money in about the same way—except that, in each income class, Negroes are less likely to own a car or a house.

PERCENT OF FAMILY EXPENDITURES[1] AND FAMILY CHARACTERISTICS BY INCOME GROUP, FOR THE URBAN POPULATION, 1960-61[2]

	Income					
	Under $3,000		$3,000 to $7,499		$7,500 and over	
	Negro	White	Negro	White	Negro	White
Total expenditures	100	100	100	100	100	100
Three "basic" expenditures	64	63	57	54	53	50
Food	29	29	25	25	21	23
Shelter	25	27	19	19	16	16
Clothing	10	7	13	10	16	11
All other expenditures	36	37	43	46	47	50
Household operation	11	9	11	11	13	12
Medical care	5	9	5	7	4	6
Transportation	6	8	13	15	14	16
Miscellaneous	14	11	14	13	16	16
Family characteristics:						
Size (number of persons)	2.4	1.8	3.8	3.1	4.1	3.9
Percent who own homes	24	41	33	52	54	75
Percent who own automobiles	17	31	59	82	88	95

[1] Includes single consumers.
[2] Later data are not available.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Negroes own less.

PERCENT OF HOUSEHOLDS OWNING SELECTED DURABLES, JANUARY 1967

	Negro	White
Automobiles:		
1	41	55
2 or more	10	28
1 or more recent model automobiles (1966-67)	6	17
Durables:		
Black and white TV	83	87
Color TV	5	16
Dishwasher	3	13
Room air conditioner	7	19

Source: U.S. Department of Commerce, Bureau of the Census.

Life expectancy of nonwhite persons in 1965 was lower than for whites in all age groups in the prime working years. The differences were about the same as in 1960.

LIFE EXPECTANCY[1] IN PRIME WORKING YEARS, 1960 AND 1965

[In years]

	1960			1965		
	Nonwhite	White	Difference	Nonwhite	White	Difference
At age:						
25	43.1	48.3	−5.2	43.3	48.6	−5.3
35	34.3	38.8	−4.5	34.6	39.2	−4.6
45	26.2	29.7	−3.5	26.6	30.0	−3.4
55	19.3	21.5	−2.2	19.6	21.8	−2.2

[1] Additional years of life expected.

Source: U.S. Department of Health, Education, and Welfare.

Mortality rates have dropped sharply during the past 2½ decades among both nonwhite and white mothers and infants. However, the nonwhite maternal mortality rate was four times the white rate in 1965. Nonwhite infant mortality rates are also much higher than for whites.

MATERNAL AND INFANT MORTALITY RATES, 1940, 1950, AND 1960-65

[Per 1,000 live births]

	Maternal		Infant			
			Less than 1 month old		1 month to 1 year old	
	Nonwhite	White	Nonwhite	White	Nonwhite	White
1940	7.7	3.2	39.7	27.2	34.1	16.0
1950	2.2	.6	27.5	19.4	17.0	7.4
1960	1.0	.3	26.9	17.2	16.4	5.7
1961	1.0	.2	26.2	16.9	14.5	5.5
1962	1.0	.2	26.1	16.9	15.3	5.5
1963	1.0	.2	26.1	16.7	15.4	5.5
1964	.9	.2	26.5	16.2	14.6	5.4
1965	.8	.2	25.4	16.1	14.9	5.4

Source: U.S. Department of Health, Education, and Welfare.

Visits for medical and dental care are somewhat less frequent among the nonwhite than white population, regardless of income. Nonwhites are more likely than whites to receive care in hospital clinics and less likely to be seen at the physician's office.

PHYSICIAN AND DENTAL VISITS WITHIN THE PAST YEAR, AVERAGE AND FOR SELECTED INCOME GROUPS, JULY 1963-JUNE 1964

	Family income			
	$2,000 to $3,999		$7,000 to $9,999	
	Nonwhite	White	Nonwhite	White
Percent of population making 1 or more visits last year to—				
Physician	56	64	64	70
Dentist	20	31	33	52
Percent of all visits to physicians made in—				
Physician's office	56	68	66	73
Hospital clinic	35	17	16	7
Other (mainly by telephone)	9	15	18	20

Source: U.S. Department of Health, Education, and Welfare, Public Health Service.

Disabling illnesses and chronic conditions that limit activities are greater among nonwhites than whites.

DAYS OF DISABILITY PER PERSON PER YEAR, JULY 1962-JUNE 1963, AND PERCENT OF POPULATION WITH ACTIVITY LIMITATIONS RESULTING FROM CHRONIC ILLNESSES

	All income groups	
	Nonwhite	White
All types of restricted activity [1]	21	16
Bed disability days	9	6
Days lost from work [2]	9	6
Days lost from school [3]	4	5
Percent of population with chronic illnesses and activity limitations	15	12

[1] Per person per year. For all types of illness, including chronic conditions, adjusted for age differences in the white and nonwhite populations.
[2] Among those currently employed.
[3] Among children ages 6-16 (data are for June 1965-July 1966).

Source: U.S. Department of Health, Education, and Welfare.

VII. THE FAMILY

Three-fourths of all nonwhite families are headed by a man, compared to 90 percent of white families. The proportion of nonwhite families headed by a woman has increased since 1950.

COMPOSITION OF FAMILIES, 1950, 1955, 1960, AND 1966

[In percent]

	Husband-wife		Other male head		Female head[1]	
	Nonwhite	White	Nonwhite	White	Nonwhite	White
1950	77.7	88.0	4.7	3.5	17.6	8.5
1955	75.3	87.9	4.0	3.0	20.7	9.0
1960	73.6	88.7	4.0	2.6	22.4	8.7
1966	72.7	88.8	3.7	2.3	23.7	8.9

[1] Female heads of families include widowed and single women, women separated from husbands in the armed services or otherwise away from home involuntarily, as well as those separated from their husbands through divorce or marital discord. In 1966, divorce and marital discord accounted for 46 percent of the nonwhite female family heads and 31 percent of the white.

Source: U.S. Department of Commerce, Bureau of the Census.

An increasing proportion of both nonwhite and white women heads of families are separated or divorced. The percent separated or divorced is greater among the nonwhite women heads of families, but the increase since 1960 has been less than among whites. The percent widowed is declining in both groups but remains greater among whites than nonwhites.

MARITAL STATUS OF FEMALE HEADS OF FAMILIES, 1960 AND 1966

[Percent distribution]

	Nonwhite		White	
	1960	1966	1960	1966
Total	100	100	100	100
Single (never married)	4	4	10	8
Separated or divorced	42	46	25	31
Separated	29	33	9	11
Divorced	14	13	16	20
Married, husband absent	15	16	10	11
In Armed Forces	2	2	2	3
Other reasons	13	14	8	8
Widowed	40	34	55	50

Source: U.S. Department of Commerce, Bureau of the Census.

At middle and upper income levels, the proportion of Negro families with men at the head is almost the same as for white families. The Negro-white gap widens with each lower income group and is widest at incomes under $3,000.

FAMILIES BY SEX OF HEAD, BY INCOME GROUP, 1966

[In percent]

	Negro			White		
	Total	Female	Male	Total	Female	Male
All families	100	25	75	100	9	91
Under $3,000	100	42	58	100	23	77
$3,000 to $4,999	100	27	73	100	17	83
$5,000 to $6,999	100	16	84	100	9	91
$7,000 and over	100	8	92	100	4	96

Source: U.S. Department of Commerce, Bureau of the Census.

Nonwhite married women are much more likely to be separated from their husbands than are white women, but there has been virtually no change in the incidence of separation or divorce since 1960.

PERCENT OF EVER MARRIED WOMEN SEPARATED FROM HUSBANDS BECAUSE OF MARITAL DISCORD 1950-66

	Separated[1]		Divorced	
	Nonwhite	White	Nonwhite	White
1950	11	2	3	3
1951	9	([2])	3	([2])
1952	10	1	3	3
1953	8	2	4	3
1954	14	1	4	3
1955	12	2	3	3
1956	11	2	4	3
1957	10	1	4	3
1958	12	2	3	3
1959	14	2	4	3
1960	11	2	5	3
1961	11	2	5	3
1962	11	2	5	3
1963	11	2	6	3
1964	12	2	5	4
1965	12	2	5	4
1966	11	2	5	4

[1] Excludes separations for reasons such as spouse being in Armed Forces, employed and temporarily living considerable distance from home, or inmate of institution.

[2] Not available.

Source: U.S. Department of Commerce, Bureau of the Census.

Estimates show that a much larger proportion of nonwhite than white babies are illegitimate—26 percent compared to 4 percent. The percent of estimated illegitimate births has been increasing among both groups.

ILLEGITIMATE BIRTHS,[1] 1940–65

	Number (thousands)		Percent illegitimate of all live births	
	Nonwhite	White	Nonwhite	White
1940	49	40	16.8	2.0
1945	61	56	17.9	2.4
1950	88	54	18.0	1.8
1955	119	64	20.2	1.9
1960	142	83	21.6	2.3
1965	168	124	26.3	4.0

[1] As stated in the source cited, "No estimates are included for misstatements on the birth record or for failure to register births * * *. The decision to conceal the illegitimacy of births is likely conditioned by attitudes in the mother's social group toward her and toward children born out of wedlock. Also, the ability (economic or otherwise) to leave a community before the birth of the child is an important consideration. These factors probably result in proportionately greater understatement of illegitimacy in the white group than in the nonwhite * * *."

34 States and the District of Columbia report legitimacy status on birth certificates. For the remaining States the illegitimacy ratio is estimated from the reporting States in each of the 9 geographic divisions. The following States do not report legitimacy: Arizona, Arkansas, California, Colorado, Connecticut, Idaho, Maryland, Massachusetts, Nebraska, New Hampshire, New Mexico, New York, Oklahoma, Vermont, Georgia, and Montana. The last 2 States reported before 1957.

Source: U.S. Department of Health, Education, and Welfare

Another view of illegitimacy: Although the number of nonwhite births per 1,000 unmarried women (illegitimate births) is much larger than the white at every age level, the nonwhite rate has declined since 1960 at all ages under 30 years, whereas the white rates have been rising since 1940.

ESTIMATED ILLEGITIMATE BIRTHS PER 1,000 UNMARRIED WOMEN, BY AGE, 1940, 1950, 1960, AND 1965

	1940	1950	1960	1965
Age of mother and color:				
Nonwhite, 15 to 44 years[1]	35.6	71.2	98.8	97.7
15 to 19 years	42.5	68.5	78.8	75.9
20 to 24 years	46.1	105.4	160.7	152.6
25 to 29 years	32.5	94.2	169.0	164.7
30 to 34 years	23.4	63.5	104.9	137.8
35 to 39 years	13.2	31.3	35.0	39.0
40 to 44 years[2]	5.0	8.7		
White, 15 to 44 years[1]	3.6	6.1	9.3	11.6
15 to 19 years	3.3	5.1	6.7	7.9
20 to 24 years	5.7	10.0	18.6	22.2
25 to 29 years	4.0	8.7	17.6	24.3
30 to 34 years	2.5	5.9	10.6	16.6
35 to 39 years	1.7	3.2	3.9	4.9
40 to 44 years[2]	0.7	0.9		

[1] Rates computed by relating total births, regardless of age of mother to women 15 to 44.

[2] Rates computed by relating births to mothers aged 40 and over to women aged 40 to 44.

Source: U.S. Department of Health, Education, and Welfare.

About 7 in 10 of all nonwhite children live with both parents. Ninety percent of white children live with both parents. The nonwhite rate has decreased slightly since 1960, but remained constant since 1963.

PERCENT OF CHILDREN[1] LIVING WITH BOTH PARENTS 1960-66

	Nonwhite	White
1960	75	92
1961	76	92
1962	73	92
1963	70	92
1964	71	92
1965	71	91
1966	71	91

[1] Unmarried children under 18 years old living in families.

Source: U.S. Department of Commerce, Bureau of the Census.

The percent of both nonwhite and white children living with both parents increases sharply towards the middle and upper income levels. At such incomes there is little difference between nonwhites and whites. The nonwhite-white difference in the percent of children living with both parents is sizable only when family incomes are very low.

PERCENT OF CHILDREN[1] LIVING WITH BOTH PARENTS, BY FAMILY INCOME IN 1959[2]

	Nonwhite	White
Under $2,000	59	69
$2,000 to $3,999	82	88
$4,000 to $5,999	92	96
$6,000 to $7,999	94	98
$8,000 and over	95	99

[1] Unmarried children under 18 years old living in families.

[2] Later data are not available.

Source: U.S. Department of Commerce, Bureau of the Census.

Birth rates are higher among nonwhite women than among whites. In recent years these rates for both nonwhite and white have dropped sharply.

FERTILITY RATES, 1955–65[1]

[Births per 1,000 women age 15–44]

	Nonwhite	White
1955	155	114
1956	161	116
1957	163	118
1958	161	115
1959	162	114
1960	154	113
1961	154	112

Footnote on following page.

FERTILITY RATES, 1955-65[1]—Continued
[Births per 1,000 women age 15-44]

	Nonwhite	White
1962[2]	149	108
1963[2]	145	104
1964	142	100
1965	134	91

[1] Births 1955–59 adjusted for underregistration of births.
[2] Excludes data for New Jersey.

Source: U.S. Department of Health, Education, and Welfare.

At low levels of education nonwhite women have more children than whites; at high levels of education they have fewer children. Fertility is the same for both nonwhite and white women high school graduates.

CHILDREN EVER BORN TO ALL WOMEN[1] 35 TO 39 YEARS OLD, BY LEVEL OF EDUCATION
[1960 figures]

	Nonwhite	White
Elementary school completed	3.0	2.8
4 years of high school	2.3	2.3
4 years of college	1.7	2.2
5 years or more of college	1.2	1.6

[1] Married or unmarried.

Source: U.S. Department of Commerce, Bureau of the Census.

VIII. MILITARY AND VOTING

A Negro youth is somewhat less likely to enter the Armed Forces than a white youth.

PERCENT OF MEN 18 TO 24 YEARS OLD ENTERING THE ARMED FORCES, 1966

	Negro	White
Men entering the Armed Forces	7.9	9.1
Inductees	4.1	3.5
Enlistees	3.7	5.7

Source: U.S. Department of Defense and U.S. Department of Commerce, Bureau of the Census.

Just about 2 in 5 of all Negro draftees who were tested at preinduction examinations were accepted in 1966 compared to 2 in 3 of all white men. Negro rejections were chiefly because of inability to pass the written Armed Forces Qualification Test, designed to predict success in military training and service. The majority of white rejectees did not pass the medical test.

RESULTS OF PREINDUCTION EXAMINATIONS OF DRAFTEES[1] BY SELECTIVE SERVICE, 1966

	Negro	White
Number (in thousands)	173	1,436
Percent	100	100
Accepted	43	65
Rejected[2]	58	35
Mental reasons	43	8
Medical reasons	13	26
Administrative reasons	2	1

[1] Does not include volunteers.
[2] Rejections are chiefly for failure to satisfy minimum medical standards or to pass a written test (the Armed Forces Qualification Test) which measures word knowledge, arithmetic, mechanical understanding, and ability to distinguish forms and patterns. The latter test is specifically designed to predict success in military training and service. Those rejected for administrative reasons include a few aliens and persons with significant criminal records, antisocial tendencies, such as alcoholism or drug addiction, or other traits which would make them unfit in a military environment.

Source: U.S. Department of Defense, Office of Surgeon General.

Negroes made up 9 percent of the Armed Forces in 1967 (first half), 11 percent of those serving in Vietnam, and 15 percent of those who died in Vietnam combat. They were as large a proportion of those in noncombatant as combatant occupations in Vietnam.

NEGRO MEN IN THE ARMED FORCES, JUNE 30, 1967
[Numbers in thousands]

	Total	Negroes	Percent Negroes
Total	3,365	305	9
Outside Vietnam	2,878	253	9
In Vietnam	487	53	11
In combat occupations/operations	182	19	10
Other	304	34	11
Deaths in Vietnam	12	2	15

Source: U.S. Department of Defense.

Negroes were 2 percent of all officers in the Armed Forces and 3 percent of those in Vietnam as of June 30, 1967. About 1,000 in a total of 8,000 Negro officers were serving in Vietnam. Negroes were 10 percent of all enlisted men and 12 percent of those in Vietnam—50,000 in Vietnam in a total of 300,000 Negro enlisted men in the Armed Forces.

NEGRO OFFICERS AND ENLISTED MEN IN THE ARMED FORCES, JUNE 30, 1967
[Numbers in thousands]

	Total	Negroes	Percent Negroes
Total	3,365	305	9
Officers	384	8	2
Outside Vietnam	342	7	2
In Vietnam	43	1	3
Enlisted men	2,981	297	10
Outside Vietnam	2,536	246	10
In Vietnam	444	51	12

Source: U.S. Department of Defense.

About 45 percent of all Negroes in the Armed Forces who were eligible reenlisted after their first tour of duty. The percent reenlisting has been the same for the past 3 years. Among whites the reenlistment rate has remained at or about 20 percent in the same period.

1ST TERM REENLISTMENTS[1] OF SERVICEMEN, 1964, 1965. AND 1966

	Total eligible for reenlistments[2]		Reenlistments			
			Number		Percent of total eligible	
	Negro	White	Negro	White	Negro	White
1964	24,501	295,339	11,216	59,384	46	20
1965	21,948	301,849	10,041	51,552	46	17
1966	23,202	335,456	10,615	60,271	46	18

[1] 1st term reenlistments do not include reenlistments of career servicemen.
[2] Servicemen who have earned honorable status and otherwise demonstrated the qualities necessary for career service in the Armed Forces. Only 1st-term servicemen are included.

Source: U.S. Department of Defense.

A larger proportion of nonwhite than white war veterans availed themselves of GI bill training by early 1963, but proportionately fewer had received other benefits. A much lower percent were able to get GI home loans.

PERCENT OF ALL WAR VETERANS[1] WHO OBTAINED SPECIFIED BENEFITS
[Figures as of late 1962 and early 1963]

	Nonwhite	White
Program:		
GI bill training and vocational rehabilitation	53	45
VA home, farm, or business loans	14	35
GI home loan—		
Obtained	14	34
Tried but failed	12	7

[1] World War II and Korean war (noninstitutional).

Source: U.S. Veterans' Administration.

In recent elections, Negroes have been exercising their right to the ballot in large proportions. Almost as high a proportion of Negroes as whites voted in the North and West in the 1964 Presidential election. A larger percent of Negroes in the North and West voted than Southern whites.

PERSONS VOTING, 1964 AND 1966

	1964 presidential election		1966 congressional election	
	Negro	White	Negro	White
Persons of voting age (thousands)	10,340	99,353	10,560	101,291
Percent voting:				
United States	59	71	42	57
North and West	72	75	52	62
South	44	60	33	45
Persons registered (thousands)	(1)	(1)	6,365	72,544
Percent voting:				
United States	(1)	(1)	69	80
North and West	(1)	(1)	76	83
South	(1)	(1)	62	70

[1] Data not available.

Source: U.S. Department of Commerce, Bureau of the Census.

Except in the South, two-thirds or more of all nonwhite persons of voting age cast their ballot in the 1964 Presidential election. A larger proportion of nonwhites than whites voted in the North Central Region.

PERCENT OF PERSONS OF VOTING AGE WHO VOTED IN THE PRESIDENTIAL ELECTION OF 1964, BY REGION

	Nonwhite	White
United States	[1] 59	71
Northeast	69	75
North-central	80	76
South	44	60
West	65	72

[1] For Negroes only.

Source: U.S. Department of Commerce, Bureau of the Census.

Negro voter registration in the South increased 30 percent, to 2.8 million, from 1964 to 1967.

Negro voter registration in the South, March 1964 and June 1967*
[Source: Southern Regional Council]
(Numbers in thousands)

March 1964	2,164
June 1967	2,819

*In Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Texas, and Virginia.

The number of Negroes elected to State office has risen sharply in the past few years.

NEGRO LEGISLATORS AND NEGROES ELECTED TO OTHER PUBLIC OFFICE, 1962, 1964, AND 1966

	1962	1964	1966
Congress	4	5	7
House of Representatives	4	5	6
Senate	0	0	1
State legislatures:			
United States	52	94	148
South[1]	6	16	37

[1] Includes border States.

Source: Potomac Institute, Democratic National Committee, Ebony Magazine.

IX. CONDITIONS IN LOW-INCOME AREAS

The proportion of nonwhite families in large cities living in "poverty areas" has declined sharply since 1960. The drop has been greatest in cities within the largest metropolitan areas. The total number of nonwhite families in large cities has increased, while the number living in poverty areas has tended to stabilize.

NONWHITE FAMILIES IN POVERTY AREAS[1] OF LARGE CITIES, 1960 AND 1966

[Numbers in thousands]

	All families		Families in poverty areas[1]			
			Number		Percent of all families	
	1960	1966	1960	1966	1960	1966
All large cities[2]	2,024	2,558	1,561	1,588	77	62
Central cities in metropolitan areas of:						
1,000,000 or more	1,392	1,770	1,062	1,042	76	59
250,000 to 1,000,000	633	788	499	542	79	69
New York City	260	388	200	210	77	62
Chicago	187	239	150	130	80	54
Los Angeles	100	128	60	60	61	47

[1] Poverty areas were determined by ranking census tracts in metropolitan areas of 250,000 or more in 1960, according to the relative presence of each of the following equally weighted poverty linked characteristics: (1) family income below $3,000, (2) children in broken homes, (3) persons with low educational attainment, (4) males in unskilled jobs, (5) substandard housing. It includes an adjustment for changes brought about since 1960 by urban renewal. In general, the lowest 25 percent of census tracts are included.

[2] In metropolitan areas of 250,000 or more in 1960.

Source: U.S. Department of Commerce, Bureau of the Census.

For the country as a whole, little change has occurred since 1960 in the percent of nonwhite families who live in the "poverty areas" of large cities and have incomes below the poverty level. The proportion has declined somewhat in the largest of these cities, taken as a group. In New York and Chicago, however, for which separate data are available, the percent of nonwhite families living in poverty areas who are poor has increased.

PERCENT OF NONWHITE FAMILIES LIVING IN THE POVERTY AREAS OF LARGE CITIES WITH INCOMES BELOW THE POVERTY LEVEL,[1] 1960 AND 1966

	1960	1966
All large cities[2]	38	36
Central cities in metropolitan areas of—		
1,000,000 or more	34	34
250,000 to 1,000,000	45	40
New York City	28	35
Chicago	33	37
Los Angeles	32	29

[1] Poverty as defined by the Social Security Administration, taking into account family size, number of children, and farm-nonfarm residence, as well as the amount of family money income. As applied to 1966 incomes, the poverty level of nonfarm residents ranges from $1,560 for a woman 65 years or older living alone to $5,440 for a family of 7 or more persons; it was $3,300 for a nonfarm family of 4 with 2 children.

[2] In metropolitan areas of 250,000 or more in 1960.

Source: U.S. Department of Commerce, Bureau of the Census.

For Negroes living in the poverty areas of Cleveland, the incidence of poverty and unemployment did not change much between 1960 and 1965, and the percent of families with female heads increased. In the Hough area incomes declined appreciably, and there was a sharp rise in the incidence of poverty and in the percent of families with female heads. In contrast, in the remainder of Cleveland, the Negro population increased, the median family income rose, and the percent of Negro families in poverty declined.

CHANGES IN CONDITIONS OF NEGROES IN THE POVERTY AREAS OF CLEVELAND, HOUGH, AND THE REMAINDER OF CLEVELAND, 1960 AND 1965

	Poverty area[1]				Remainder of Cleveland	
	Total		Hough			
	1960	1965	1960	1965	1960	1965
Population (in thousands)	203	202	53	52	48	75
Percent change	(2)	(3)	(2)	−2	(2)	+55
Percent of families below the poverty level	29	31	31	39	15	13
Percent of families with female head	22	27	23	32	13	12
Median family income[4]	$4,756	$4,772	$4,732	$3,966	$6,199	$6,929
Male unemployment rate	13.8	12.1	15.7	14.3	8.8	7.5

[1] Includes Glenville neighborhood, partially in the poverty area. In 1960, about 65 percent of the total population of Glenville was in the poverty area.

[2] Not applicable.

[3] Less than 0.5 percent.

[4] Income in 1959 and 1964, adjusted for price changes, in 1964 dollars.

Source: U.S. Department of Commerce, Bureau of the Census.

Between 1960 and 1965 the Negro population declined in Watts and most conditions had not improved.

CHANGES IN CONDITIONS OF NEGROES IN THE WATTS AREA OF LOS ANGELES, 1960 AND 1965

	1960	1965
Number of families	6,180	5,300
Percent change	(1)	−14
Percent of families below the poverty level	44	43
Percent of families with female head	36	39
Median family income[2]	$3,632	$3,771
Male unemployment rate	16	14
Condition of housing units:		
Percent deteriorating	14	21
Percent dilapidated	2	4
Median gross rent	$63	$73

[1] Not applicable.

[2] Income in 1959 and 1964, adjusted for price changes, in 1964 dollars.

Source: U.S. Department of Commerce, Bureau of the Census.

Unemployment in a selected group of city slums (studied by the U.S. Department of Labor in 1966) was almost 3 times the national average. When intermittent employment, low-wage work, and other factors are also included in a measure of deprivation, conditions in slums are seen to be especially acute.

EMPLOYMENT CONDITIONS IN 9 SERIOUSLY DISADVANTAGED SLUM AREAS,[1] NOVEMBER 1966

Unemployment rate in United States	3.5
Unemployment rate in 9 slum areas (estimated average)	9.3
Subemployment[2] rate (unemployment and estimated underemployment):	
Total, 9 slum areas	32.7
Boston: Roxbury area	24.0
New Orleans: Several contiguous areas	45.0
New York City:	
Central Harlem	29.0
East Harlem	33.0
Bedford-Stuyvesant	28.0
Philadelphia: North Philadelphia	34.0
Phoenix: Salt River Bed Area	42.0
St. Louis: North Side	39.0
San Francisco: Mission-Fillmore	25.0

[1] The areas included are predominantly Negro or substantially so. Excluded are the East and West Sides of San Antonio which were studied by the Labor Department in November 1966, but are chiefly Mexican-American. Included are Roxbury area of Boston; several contiguous areas (central city, Irish Channel, lower 9th ward, Desire, and Florida Avenue) in New Orleans; Central Harlem, East Harlem, and Bedford-Stuyvesant in New York; North Philadelphia of Philadelphia; Salt River Bed area in Phoenix; North Side of St. Louis; and Mission-Fillmore in San Francisco.

[2] Subemployment includes (1) the unemployed as usually defined (those unemployed and actively looking for work); (2) part-time workers wanting full-time employment; (3) full-time workers with weekly earnings as follows: heads of households under 65 years old earning less than $60 per week working full time and individuals under 65 who are not heads of households and earn less than $56 per week in a full-time job; (4) half the adult males not in the labor force; and (5) half the adult males estimated to have been missed in the survey.

Source: U.S. Department of Labor, Office of the Secretary.

THE BLIND AND DISABLED—THE SOCIAL SECURITY BILL

Mr. HARTKE. Mr. President, yesterday I outlined the major provisions of H.R. 12080, the Social Security Amendments of 1967. Today I wish to emphasize those aspects of the bill which are of special concern to the blind and the disabled. I also wish to point out where improvements have been made and where improvement is still necessary.

The committee's bill provides disabled widows and widowers with benefits equalling 82½ percent of the deceased spouse's primary insurance amount or $70, whichever is more. Under the present law, a widow would only be covered if there were children under 18 in her care and if she was not working for that reason. The House bill went further to say that she may receive benefits at the age of 50 whether or not there are children. However, if a widow under 50 is so disabled that she cannot work even if she has no children, she would still be unable to provide for herself, and yet she would not receive any assistance under the House bill. Therefore, the bill reported out by the Senate committee will cover her if she becomes disabled within 7 years after her spouse's death or within 7 years after the youngest child reaches 18. About 70,000 disabled widows and widowers would be covered under these provisions and would be eligible to receive about $71 million in benefits during the first full year of coverage.

Another provision of the bill reported out by the committee would change the definition of blindness to 20/200 or less in the better eye, which is the standard definition of blindness in use today. However many of the blind do not meet the existing definition of disabled because some jobs—frequently only temporary or requiring little skill—are occasionally open to them. Yet these jobs are insecure and pay poorly. This bill would make it automatic for those persons who meet the Internal Revenue blindness standards to receive disability insurance payments. It would also reduce the number of quarters of coverage required from 20 quarters to six quarters of coverage. By giving the blind a modest floor of security, we can give them encouragement to make their own way in the world as many of them do. It is a minimal acknowledgement that we care about them and understand that their inability to see is indeed a disability and handicap in this complex world. Twice before the Senate has passed this amendment by overwhelming majorities. Yet twice it has been killed—once in conference and once when the bill itself was tied up in a deadlock. Let us see that this does not happen again, and that this section of the bill for which the blind have waited so patiently and so long will be the one most certain of success.

But may I remind my colleagues that the job is only partly done by the bill which has been reported. There has been a major omission: The disabled are among those most likely to require medical attention, more so than the ordinary person. Yet they have not been included in medicare. Just as the elderly should obtain health insurance benefits because their age makes them more likely to need medical assistance, so too those who qualify for disability insurance should also qualify for medicare. Many of the disabled have a condition which is chronic. Frequent hospitalization, operations, laboratory work and X-ray treatment are required. It is precisely these people who need medicare the most. When we approved medicare a major argument was made that because those who need care the most were often those least able to pay, they were the ones who should be covered. Yet somehow this argument has been reversed by some who now say that we cannot afford to help those who need it most. If we cannot afford to help those who need it most, how dare we to presume to help those who may not need as much assistance. The first priority coverage for medicare should be those who need it most in combating the rising costs of medical care. That is why I shall urge the Senate to amend the bill as reported to include those who are disabled under medicare.

Often my constituent mail speaks more eloquently than I can upon these matters. A short while ago I received a letter from Mr. C. Fanticella of East Chicago, Ind. I would like to read his letter:

> DEAR SENATOR: I guess there were thousands like me who woke up Thursday morning, got our pins knocked out from under us when we read about the social security bill that was accepted and rejected.
>
> I wrote to you and to other Senators for support on medicare for the disabled under 65. I see where the Senate Finance Committee voted this down 9 to 8. Why Mr. Hartke? Isn't their duty to help those who are in need of help. I notice that whenever anything is voted down its always 9 to 8. Are these nine against everything that is proposed? Does the faith of the American people depend in just 17 men?
>
> I understand you had an amendment favoring medicare for the disabled under 65, is this in the hands of just 17 men or does the whole Senate approve or not of the amendment? Is there any hopes left for us? Couldn't they OK about 12 or 13% raise in benefits and use the other 2 or 3% towards medicare for the disabled? I know with my medical bills I am living in poverty and I know there are thousands like me.
>
> Would you please list me the 9 who rejected this bill. As I said, are we all hopeless or is there still hope? God I hope there is. Thank you.
>
> MR. C. FANTICELLA.

Mr. Fanticella, as long as there are people who can speak for the disabled as you can, there is hope. And I should hope that the full Senate will see to it that the disabled are included in medicare.

NATIONAL GRANGE

Mr. JAVITS. Mr. President, this year marks the 100th anniversary of America's oldest farm organization, the National Grange, and the people of New York, who have always formed an active part of the Grange movement, take great pride in the fact that the National Grange is celebrating its centennial session this week in Syracuse, N.Y.

The Grange movement was organized during the difficult time of Reconstruction when all Americans were faced with serious political, economic, and social crisis. From its beginning, the Grange has encouraged self-reliance and self-discipline. It has always promoted the values of individual integrity and individual responsibility, and in time of economic recession, it has been a source of courage and confidence to the American farmer and consumer.

The development of the National Grange has contributed significantly to the historic progress of U.S. agriculture since 1867. It is in this light, Mr. President, that I take great pride in saluting the National Grange for its devoted activities in the public interest over the past 100 years. I know we can look forward to its continued leadership in the same spirit in the years ahead.

DR. ORLANDO O. LOPEZ

Mr. LONG of Louisiana. Mr. President, it is my understanding that this matter has been cleared on both sides of the aisle. It is on that basis that I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1556.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1556) for the relief of Dr. Orlando O. Lopez, which was, in line 6, strike out "July 16, 1962" and insert "July 19, 1962".

Mr. LONG of Louisiana. Mr. President, on October 12, 1967, the Senate passed S. 1556 to grant lawful permanent residence retroactively.

On November 7, 1967, the House of Representatives passed S. 1556 with an amendment adjusting the grant of permanent residence from the date of arrival to the date of parole.

The amendment is technical and does not affect the benefits provided by the bill.

I move that the Senate concur in the House amendment to S. 1556.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

THE SOCIAL SECURITY ACT AMENDMENTS OF 1967

Mr. LONG of Louisiana. Mr. President, I move that the Senate proceed to the consideration of H.R. 12080. I do this so that the bill will become the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to, and the Senate proceeded to consider the bill which had been reported from the Committee on Finance with amendments.

Mr. MORSE. Mr. President, will the acting majority leader yield for an inquiry?

Mr. LONG of Louisiana. I yield.

Mr. MORSE. Mr. President, I have no objection to proceeding with the consideration of the social security bill.

As the Senator knows, I am chairman of the Subcommittee on Education and the majority leader is not here. It was my understanding that the Senate might take up the elementary-secondary school bill on Thursday, the 16th. Perhaps the Senator from Louisiana knows something that he can tell me at the present time. The plan may be to lay aside the social security bill on Thursday and take up the elementary-secondary school bill. I only wish to say to the acting majority leader that I shall be ready to proceed with the elementary-secondary school bill on Thursday.

The Senator from Louisiana knows of a conference in which some of us will be engaged tomorrow with regard to one problem that may be involved in that bill; and what comes out of that conference will, of course, in some measure determine when we proceed with the bill, if we do proceed with it in this session of Congress.

I shall be ready, I say to the acting majority leader, to make my explanatory speech on the bill late tomorrow afternoon, so that it can be a matter of record, and thus save time on Thursday.

I am not asking the Senator to make a decision tonight, but I wish only to serve notice on him that I will be ready to speak late tomorrow afternoon on the education bill, to make the legislative history on it, and then I will be ready to come in early on Thursday morning.

If we can resolve the differences in the informal conference tomorrow afternoon, I hope we can dispose of the bill in 1 day; because I bring to the Senate a unanimous report from the committee on the bill.

Mr. LONG of Louisiana. Mr. President, I would be disposed to follow whatever procedural suggestion in this connection the majority leader cared to make. I inquired of the majority leader when he desired to bring up the social security bill, and he said that he would like to have it brought before the Senate this evening and that the debate begin tomorrow.

I am sure we can work the matter out to the satisfaction of the Senator from Oregon. So far as I am concerned, I am disposed to abide by the judgment of the majority leader.

Mr. MORSE. I shall abide by it, also. The majority leader is not here. I have just returned from Columbus, where I addressed the joint conference of the land-grant college presidents and the university presidents. It was my understanding, prior to the weekend, that I should be ready to take up the elementary and secondary education bill on the 16th. I do not care when we take it up. We can take it up at any time later. We can take it up after Thanksgiving or just before Christmas, so far as I am concerned.

Mr. LONG of Louisiana. I hope we can dispose of the matter in short order, because I would like to see Congress adjourn at the earliest time possible. I also hope we can dispose of the social security bill expeditiously. We do not plan to discuss it tonight. As the Senator knows, it is a big bill and has a great deal in it. If we move expeditiously, I would hope that we could dispose of it in a couple of days of debate, if Senators would be willing to limit discussion on some reasonable basis, to try to vote as frequently as possible, because a number of votes will be required in connection with this matter, perhaps including one involving an amendment that the Senator from Oregon joined me in sponsoring, with regard to the manner in which drugs should be bought and paid for, to protect the public interest.

I have nothing further to say on this subject at this time.

ADJOURNMENT

Mr. LONG of Louisiana. Mr. President, if there is no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 12 o'clock meridian tomorrow.

The motion was agreed to; and (at 6 o'clock and 4 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, November 15, 1967, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate November 14, 1967:

U.S. MARSHAL

Francisco R. Santos, of Guam, to be U.S. marshal for the district of Guam for the term of 4 years, vice Antonio C. Baza, retired.

IN THE AIR FORCE

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

To be captains, medical

Bennett, Richard H., FV3126794.
Conklin, Thomas R., FV3141056.
Delemos, Robert A., FV3140489.
Martin, Benjamin G., FV3141146.
May, Robert O., FV3142818.
Vondrell, John J., FV3126129.
Wilbourn, Asa J., FV3164534.

To be first lieutenant, medical

Culpepper, Burford, FV2245868.

To be captains, dental

Elston, Robert E., FV3125477.
Hill, William J., FV3140823.
Polk, Howard H., FV3141559.
Sorenson, Donald C., FV3165177.
Tuggle, Dewey H., Jr., FV3091006.

To be first lieutenant, dental

Brannon, Robert B., FV3187488.

To be first lieutenants, medical service

Genco, Louis V., FV3167366.
Welsh, Kenneth W., FV3167070.

To be second lieutenant, medical service

Taucher, Donald F., FV3167649.

To be first lieutenant, judge advocate

Shanman, James A., FR3205033.

The following Air Force officer for appointment in the Regular Air Force, in the grade indicated, under the provisions of section 8284, title 10, United States Code, with date of rank to be determined by the Secretary of the Air Force:

To be captain

Frazier, Charles B., Jr., FV3026450.

The following distinguished graduates of the Air Force Officer Training School for appointment in the Regular Air Force in the grade of second lieutenant, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

Barker, Richard F., FV3208541.
Berry, Dennis J., FV3220415.
Bonn, Russell H., FV3215985.
Byde, Thomas E., FV3208484.
Catherwood, Dwight W., FV3220646.
Cusick, Terry L., FV3220171.
Erickson, James E., FV3220305.
Fahey, Michael G., FV3204326.
Fowler, Jonathan P., FV3207755.
George, Peter B., FV3204386.
Grant, Donald R., FV3220605.
Hampton, William M., FV3220662.
Hodgson, James R., FV3208826.
Holland, Robert L., FV3220436
Howell, John L., FV3220843.
Kelley, Dennis S., FV3220864.
Kelley, Stephen E., FV3220721.
Kilikauskas, Romualdas, FV3220845.
Kirby, David P., FV3220725.
Lamorte, David L., FV3204330.
Lancaster, Detlev L., FV3220421.
Lynch, Gary L., FV3215920.
Mitchell, Donald R., FV3220740.
Mitchum, Samuel A., FV3220491.
Odell, Michael A., FV3208143.
O'Hare, Patrick J., FV3220871.
Peterson, Maxie J., FV3215946.
Pfile, Robert D., FV3220873.
Reineck, Michael H., FV3220810.
Rogers, David P., Jr., FV3220811.
Sanders, Phillip E., FV3215958.
Saunders, Morriss A., FV3220857.
Schmicker, William D., FV3220509.
Schneeweis, John E., Jr., FV3220657.
Self, Kenneth G., II, FV3220977.
Shaw, Lewis W., II, FV3208455.
Silverstein, Fred P., FV3208595.
Stakely, Henry W., FV3220878.
Wallace, Edward L., FV3215984.
Weber, Robert H., FV3220481.
Williams, James R., FV3207968.
Wood, Dougas B., FV3220424.

IN THE MARINES CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of major, subject to qualification therefor as provided by law:

Gerald G. Abel
William R. Barnard
Kenneth P. Knuebel
Herbert R. Edson
John T. Gray
Dale L. Tinsley
Duane E. Eley
Kenneth W. Earls
William C. Wessel, Jr.
Eugene O. Marquette III
Donald E. Williams
Robert C. Kropinack
Duan K. Sinclair, Jr.
James S. Loop
Armin H. Frank
Theodore W. Taylor
Frederick A. Carolan
Horace F. Herlihy
William R. Wildprett
George B. Barner, Jr.
John K. Palmer
Donald M. Douglas
Theodore V. Cassidy
Anthony Trent
James P. Dawson
Bradley F. Cate
Donald A. Langrock
John R. Dewan
John D. Little
Bobbie K. Brodie
Louis M. Brdar
Richard W. Marsden
Earl R. Allen
George S. Prescott
Robert W. Layer
Ralph J. Salvati
Douglas P. Hibbs
Richard C. Wells
William J. Walker
Michael L. Whitehouse
Illiam F. Horner
Francis A. Hocevar
Robert J. Esposito
Herman F. Misitis
Thomas D. Love
Billy M. Floyd
Rodney H. Alley, Jr.
William H. Marshall
Abraham W. Wolson
Byran A. Gallup
John T. Cline
James L. Underwood
John A. Rooke
Stanley M. McGeehan, Jr.
Richard H. Glass
John R. Behm
Charles L. Daugherty, Jr.
George F. Cox
Walter C. Sagebiel
William S. Baldwin
Paul G. Judkins
Robert H. Wakefield
Edward B. Foster
Robert C. Prewitt
Theodore R. McElroy
Bruce B. Boman
Samuel H. Stevenson
Jacob E. Iles
Rodney L. Bown
Daniel J. Keating, Jr.
Gene A. Deegan
Noel J. Keller
Joseph F. Molineaux, Jr.
John F. McNelly
John R. Rasavage
Allan J. Steffen
Jerome G. Cooper
Ronald A. Smaldone
Anthony W. Stremic
Robert S. Charles
Edward L. House, Jr.
Robert J. Graham
Jerry H. Jenkins
Joseph M. Gratto
Oliver M. Whipple, Jr.
John M. Willmarth
Thomas H. Aiken
George H. Douse
James F. Sherry, Jr.
Howard V. Bucknam
Robert C. Knowles, Jr.
John W. Hemingway
Ronald W. Wright
Horace W. Baker
Warren L. Martin
Bruce C. Taylor
Edward W. Butchart
George J. Lattimore
Joseph C. Burger, Jr.
James T. Brackman, II
John C. Chambliss
John J. Carty
Francis D. Booth
Arthur P. Brill, Jr.
William F. Uren, Jr.
Roger E. Knapper
Jerry R. Smiley
James A. Honse
Robert E. Langton
Russell J. Caswell
Matthew T. Cooper
David E. Vowell
Bennett R. Dean
John J. Houtchens
Smith Sweeney
Dale R. Thibault
Leonard A. Wunderlich
Gerald F. Reczek
Harold M. Owens
Donald N. Kennon
Gerald L. Peterson
Roger A. Gurley
Warren S. Walters
Ray W. Bowles
Michael D. Salmon
James H. Kirkham
Kenneth W. King, Sr.
Thomas J. Smyth
Donald C. Brodie
Anthony D. Miller
Richard H. Moore
Donald H. Cormack
Jesse G. Mulkey
Charles H. Manazir
James E. Dalberg
Richard C. Raines
David K. Shroyer, Jr.
Larry K. Brown
William J. Griffin
William B. Ludwick
Reid H. Olson
James E. Sniffen
John W. Quist
Harper L. Bohr, Jr.
John M. Campanelli
Drew J. Clark
John F. O'Brien
William H. Beckwith
Emmett C. Merricks, Jr.
James H. Curd
George T. Lengauer, Jr.
John E. Harms
Robert B. Wilson
Clifton L. Rushing, Jr.
Pieter L. Hogaboom
Robert R. Thrasher
William A. Renner
Philip T. Starck
Barrie O. Delp
James E. Toth
John D. Lanigan
Michael J. Zachodni
Richard A. Kerr
Roy G. Breitenbach
Charles R. Patton
Randall W. Austin
Amos D. Thompson, Jr.
Richard C. Lawe
John G. McCabe
Michael J. Hanley
Geoffrey A. York
Sanford B. Wanner
Billy H. Adams
John F. Spangler
Richard H. Alexander
Anthony J. Fraioli
Richard W. Morgan
Myrl W. Allinder, Jr.
Robert F. Edwards
Wayne R. Swenson
Harry F. Philson
William P. Hillsman
Cledith E. Oakley
John R. Murphy
Dennis M. Cunningham
Paul E. Westphal, Jr.
Charles E. Davis III
Franklin H. Marsh
Paul B. Tubach
Donald E. Andersen
Larry J. Polk
Raymond Velasquez
Thomas J. Faleskie
Charles D. Small
Bernard C. Day
Francis L. Gould
Daniel F. Bergen
Matthew P. Caulfield
William T. Sinnott
John D. Kelley
John H. Vanniman
John P. Burke
William D. Bauer
Richard L. Brinegar
Edward R. Whiting
Thomas M. Pratt III
David L. McEvoy
Joseph J. Oravits
Oscar W. Britton
Richard C. Reynolds
Clifford C. Doughty
Jack L. Omer
John J. Hilgers
James L. Stewart
Bobby L. Daniels
Bennie L. Parks
John D. Durrant
Philip J. Fehlen
Robert V. Evans
Miles E. Mixson
Richard A. Miller
James W. Mizell
John M. Eichelberger
John H. Buchanan
William E. Loftus
Leon Cohan, Jr.
Jack R. Spence
William L. Thomas

James A. Marks
John E. Harris
John M. Mahoney
Charles B. Sperry
Alton E. Nicol
Daniel F. Trenski
James E. Herlocker
Harold W. Hale
Ronald M. Abshire
Joseph G. Vindich
Lyndell M. Orsburn
Donald A. Powell
Richard W. Beason
Bobby G. Anthis
Robert J. Ulses
Walter G. Smith, Jr.
John J. Rozman
Wallace R. Nugent
Christopher M. Wogan
John Kazalunas
Donald A Hodgen
William G. Reddick
Robert D. Shoptaw
Edwin L. Huff
Peter C. Brown
Michael F. Keane, Jr.
Howard C. Wood
Melvin N. Wall
Everett L. Cowley
Richard H. Taylor
Robert T. Himmerich
Billy G. Phillips
Henry W. Tutterow, Jr.
Eugene B. Burleson, Jr.
Glenn D. Bratcher
Dale D. Dorman
Robert A. Sutton
Curtis D. McRaney
Richard J. Ahlers
David W. Mailler
William L. Stein
John M. Green, Jr.
Thomas A. Silvear
James S. McGuire
Ralph L. Close
David G. Vest
Gene E. Berbaum
Ralph C. McCormick
Robert G. Crabtree
Neil Molsbee
John A. Rohde
Gerald F. Dooley
Arnold L. Klinkenberg
Samuel E. Thames
George R. Polyak
Paul W. Dyer
Joe E. Miller
Jack B. Lakes
George W. Atteberry
Grant L. Yenerall
Glen Golden
Carson N. Robinson
Thomas J. Power
Bert P. Krages
Jacque W. Telford
William F. Lee
Marcel J. Dube
Paul D. Morris
William H. Hale, Jr.
Ronald A. Ayers
Joseph J. OBrien
Malcolm T. Bird
Carroll M. Lacroix
Rudolf M. Nebel
Roger D. Walters
Frederick J. Schober
Laurence Delmore III
James B. Brown
Henry C. Stackpole, Jr.
James F. Gazzale
Paul F. Cameron, Jr.
James D. Simpson
William H. Rever, Jr.
Thomas P. McBrien
Conrad W. Heinzerling, Jr.
John A. Chancey
Harold H. Clark
Floyd H. Keller
John M. Shields
Herman B. West, Jr.
Robert L. Reed
Walter R. Huf
Leroy H. Gonzales
Leon E. Obenhaus
Peter M. Heiman
Victor F. Pacheco
Michael H. Conner
Joseph J. Wheeler
J. R. Duckworth
Kelton M. Wilson
Dennis A. Cavagnaro
Shaun J. Doherty
Dayton A. Lewis
Larry K. Grissett
Thomas L. Watkins
Warren D. Kalas
John J. McMenamin, Jr.
Billy R. Bridgewater
Carey B. Connell, Jr.
Robert L. Daniels
Thomas C. Hargrove
Robert E: Ilzhoefer
William H. Seward
Michael W. Tierney
William J. Nevins, Jr.
Anton E. Therriault
Edward C. Brinkley, Jr.
Roland S. Merrill
Michael J. Wasko, Jr.
Donald Festa
Michael S. Gering
David S. Drum
Jean P. Cole
Thomas J. Dalzell
William Gilfillan III
Albert J. McCarthy, Jr.
John T. Garcia
Charles J. Eltringham
Robert M. Fitzgerald
Allen B. Ray
Ross T. Bailey
Richard E. Theer
Jerry L. Kershner
Herbert L. Seay
James J. Omeara
Harry L. Solter, Jr.
Thomas H. Shannon
Malcolm E. Smith, Jr.
John P. Atherton
Thornton L. Youngman
Lewis D. Volger
William D. Seymour
Richard B. Scibeck
David A. Villeneuve
Richard H. Schwartz
Edward M. Ringley, Jr.
Gerald F. Kruth
Donald F. Herman
John T. Radzyminski
Gerald A. Enos
Robert V. Brennan
Alec Gillespie
James R. Brandon III
Charles R. Speth
Terry C. Drew
Eugene P. Richter, Jr.
Donald G. Doherty
Thomas L. Elser
Charles W. Latting
Michael G. Oneill
John H. Reece
David T. Tierney
Gerald P. Criscuolo
James B. Leonard, Jr.
Johnny B. Gobble, Jr.
David L. Cartwright
Thomas R. Jensen
Edward R. Doane
John G. Flynn
Warren A. Culpepper
Robert G. Whaley
Leonard A. Sollberger, Jr.
John R. Fritsch
Robert V. Nicoli
Donald L. Davis
Thomas R. Odonnell
Lloyd W. Hyatt, Jr.
Louis O. Smith
Robert E. Burgess
Albert P. Barry
William R. Carroll
Earnest Jarvis
James C. Deemer
William F. Tremper
George Gibbs
Orlando L. Busby, Jr.
John C. Diebert III
Wilton J. Norris, Jr.
Edwin G. Meixner
Neil D. Koch
Leon D. Tyrrell
George W. Sims, Jr.
Thomas E. Murley
Dwight L. Bledsoe
James P. Faulkner
Daniel T. Wallace
Robert E. Odare
William R. Belcher
Rodney R. Letchworth
Henry E. Lecy
William R. Kelley
Robert H. Melville
Dan F. Evans
Charles R. Coxe
Frank E. Millner
Robert M. Balch
Edward J. Dyer, Jr
Lawrence E. Reid
Henry L. Eisenson
Ronald M. Losee
Ronald G. Schwenkler
James E. Strawn
Jack Bartlett, Jr.
James D. Strickland, Jr.
Donald B. Campbell
William J. Burrows
Dawson P. Hansen
Edmund P. Noll
Jacques C. Naviaux
John S. Grinalds
Louis C. Gapenski
John M. Tuttle
Harold T. Ward, Jr.
Albert K. Dixon II
James E. Reilly
Gary M. Larson
Gerald W. Boston
Norman W. Huddy, Jr.
Grant D. Wright
James P. Souders
Kenneth R. Town
Roger L. Redelman
Jack D. McNamara
Gordon O. Booth
Alphonse A. Bernotas
Frank E. Deal
Francis X. Farrington
Clyde J. Johnston
Richard S. Cooper
Robert C. McFarlane
Leroy A. Bickley
William J. Lannes III
Frank J. Breth
James V. Sullivan
James M. Updyke
Jerrald E. Giles
Lawrence A. Rolstad
Walter H. Metscher
Richard C. Bradfield
William T. McFall
Gordon W. Keiser
Joe C. Adams
Charles A. Fleming
William A. Barry, Jr.
James R. Brown, Jr.
Richard J. Pereira
Harry L. Bauknight
Samuel E. Black
James H. Tinsley
Charles W. Gibson, Jr.
Ellsworth M. Dunn, Jr.
James J. Bruce
Philip C. Mikkelson
Robert L. Vogt
Robert B. Savage, Jr.
Jimmie A. Creech
Harry A. Ling II
Raymond G. Leidich
Charles G. Bryan
Robert A. Furtado
Joseph F. Flynn
Jonathan K. Osgood
Raymond F. Findlay, Jr.
Leslie D. Burnett
John R. Burns, Jr.
Reginald E. Armstrong
Robert E. Hamilton
Clifford L. McCraw, Jr.
Herbert H. Hawkins, Jr.
George A. Kupets
Richard W. Bailey
Edward L. Green
Roger K. Ryman
Henry L. Kunkel
Ben A. Meharg
Ray D. Ammon
John H. Butler
Jimmy L. Brown
Donald B. Messerschmidt
Robert W. McGowan
Bobby D. Lain
Edgar G. Dyer
William J. Smith
Thomas P. Kirland
James W. Rider
Charles M. Johnson
Dave G. Drewelow
Poindexter M. Johnson
Merle G. Sorensen
Walter M. Fitts
John K. Goodyear, Jr.
Richard K. Young
Lynn A. Behymer
Richard J. Barnes
William S. Moriarty
Donald B. Hirsch
Orson G. Swindle III
Robert L. Bowersox
Michael W. Sayers
Frank L. Capin
James E. Givan
Richard K. Joiner
Robert V. Kurilich
David J. Frie
Clifton L. Deornellas
Bruce G. Brown
Glenn O. Kennedy, Jr.
Edward H. Boyce, Jr.
Edmund B. Burns
Ray L. Hanle, Jr.
Joel I. Westfall
George A. Ostermann
John D. Haynes
Chauncey R. Fairchild
Philip M. Hinkle
Stanley R. Smith
Ramiro Saenz
Jerry W. Elliott
Robert S. Morris, Jr.
Jay A. Freeman
George H. Braman, Jr.
David V. Shuter
Edward M. Weber
William C. Reed, Jr.
Glenn D. Kelly, Jr.
Francis J. Lennartz IV
John V. Brennan
Perry D. Lyons, Jr.
Faustin E. Wirkus, Jr.
Robert A. Carnes
Carroll G. Hollman
Robert F. King
Frederick H. Menning, Jr.
Basil K. Wiederhold
William J. Feind
James R. Shaffer
Robert E. Johnson
Francis X. Chambers, Jr.
Charles W. Kappelman
James P. Connell, Jr.
Jon A. Rindfleisch
Paul S. Weathers, Jr.
Daniel B. Cone
Wayne R. Hyatt
Francis A. Losik
James J. Neal
James P. Crowley
Joseph E. Gardner
Larry B. Hannah
Daniel W. Schrader
Denis J. Kiely, Jr.
Royall W. Geis
Charles J. Wolk, Jr.
Daniel B. Chapla
James F. Vaillancourt
Larned V. Bearce
Angelo Fernandez
Vincent R. Burdelski
George R. Griggs
Leonard L. Etcho
Robert C. Gregor
Donald S. Creal, Jr.
Frederick J. Snyder
Robert B. Gardner
Wilbur C. McMinn, Jr.
William P. Eshelman
John K. Shannahan
John T. Komar
Thomas M. Collins
Harold E. Itchkawich
John J. Kilday
Robert A. Mallard
James E. Stanton
David H. Calhoun
William H. Ganz
Richard J. Weidner
Herman C. Brown
Henry S. Heffley, Jr.
Jack R. Lousma
David G. Workmon
Roger J. Ranta
James L. Riggs, Jr.
Dick D. Hendricks
Lloyd G. Pool
Herbert E. Craig
Lawrence P. Reiman
Joseph H. White
Edward E. Dixon
Clifford A. Jackson
Stephen H. Kaster
Jesse E. Anderson, Jr.
Billy W. Adams
Donald O. Lyman
Richard E. Thomas
Billy H. Draffen
Michael E. Dominguez
Gerald L. Diffee
Richard N. Pegler
Reginald C. Kelley, Jr.
Bobby G. Butcher
Edward J. Land, Jr.
David T. Howe
Hugh S. Jolley
Edward R. Bailey
Robert L. Neff
Harry G. Todd
Francis L. Pieri, Jr.
Frederick E. Boone
Charles R. Upshaw
George L. Cates
Steven E. Field
John R. Cooper
William E. Everett
Robert F. Warren
David L. Steele
H. W. Shaw
Paul Scarborough III
Vincent R. Gallery
Paul L. Carlson
James L. Hughes
Ronald R. Grega
John C. Marshall
Gaetano Marino
Mark T. Brown

The following-named officers of the Marine Corps for permanent appointment to the grade of major, subject to qualification therefor as provided by law:

Wayne R. Dearth
Walter E. Ovelgonne
John M. Barberi
Lauritz W. Young
Robert W. Greene
Bobby N. Jackson
Frank J Cox, Jr.
Richard White
Earl C. Gleim
Daniel C. Georgia
Charles T. Knight

The following-named woman officer of the Marine Corps for permanent appointment to the grade of lieutenant colonel, subject to qualifications therefor as provided by law:

Ruth J. Oholleran

The following-named women officers of the Marine Corps for permanent appointment to the grade of major, subject to qualification therefor as provided by law:

Barbara M. Boyd
Marie M. Broetzman
Carol A. Vertalino
Nannette L. Beavers

The following-named women officers of the Marine Corps for permanent appointment to the grade of captain, subject to qualification therefor as provided by law:

Barbara W. Entriken
Anne S. Tallman
Karen J. Grant
Jean M. Panzer
Carolyn E. Woodson
Margaret M. Sassaman
Charlene M. Summers
Dolores R. Noguera
Dianne L. Marsh
Alice K. Kurashige

The following-named officers of the Marine Corps for permanent appointment to the grade of colonel, subject to qualification therefor as provided by law:

James P. Bruce
George D. Kew
Leo R. Jillisky
Adlin P. Daigle
Robert L. Parnell, Jr.
Eugenous M. Hovatter
Donald T. Doxey
Charles E. McPartlin, Jr.
James A. Gallo, Jr.

Leslie L. Page
William C. Doty, Jr.
Robert O. Carlock
James G. Fox
Harold H. Stirling, Jr.
Paul J. Dupre
Stanley Davis
Lyle S. Stephenson
John L. Ostby
Paul B. Watson, Jr.
Norman W. Gourley
Guy M. Cloud
Alfred M. Cordes
Christopher M. Canan
Robert F. Shields
William L. Traynor
Dellwyn L. Davis
William R. Morrison
Marvin R. Russell
Oliver W. Curtis
Richard C. Browning
Richard J. Schriver
Willmar M. Bledsoe
Laurence H. Woods
Frederic T. Watts, Jr.
Neil E. Barber
Samuel F. Martin
Allen R. Semb
Harrel K. Jobe
Roland S. Helstrom
Bill E. Horner
James D. Johnson, Jr.
Philip A. Davis
Dale L. Ward
Richard L. Michael, Jr.
Allen L. Phillips
Marshall S. Austin
James M. Weidner
Thirl D. Johnson
Arthur T. Hill
Jack K. Knocke
Paul G. Graham
Robert D. Slay
Richard J. Fellingham
Matthew A. Clary, Jr.
William E. Barrineau
Wilbur C. Kellogg, Jr.
Milton B. Cooper
Joseph F. Holzbauer
Eugene B. Fallon
George J. Edelmann, Jr.
Gerald Fink
Erskine B. Crew
Edward J. Artnak
Henry Hart
Charles B. Armstrong, Jr.
Darrell L. Ritter
Emmons S. Maloney
Walter Sienko
Thomas J. Johnston, Jr.
John L. Herndon
Laurence J. Stien
William L. Beach
Oliver R. Davis
Rex C. Denny, Jr.
Kenneth T. Dykes
Walter C. Stewart, Jr.
Nicholas J. Dennis
Paul W. Seabaugh
Arnold W. Barden
Sylvester F. Leis
Lawrence McGlade
Warren E. McCain
Robert S. Robertson
James R. Weaver
Donald H. Foss
John V. Hanes
William M. Crooks
James Leon
Thomas W. Clarke
Harry Hunter, Jr.
Joseph Di Frank, Jr.
William R. Quinn
Stanley G. Dunwiddie, Jr.
Elwin M. Jones
Julian G. Bass, Jr.
James W. Shank
Clement T. Corcoran

The following-named officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel, subject to qualification therefor as provided by law:

John A. Reames
Cullen C. Zimmerman
Charles R. Kennington, Jr.
Basile Lubka
Robert G. Hunt, Jr.
Miles M. Hoover, Jr.
Theophil P. Riegert
Ivil L. Carver
Littleton W. T. Waller II
Edgar F. Musgrove
George H. Grimes
Thomas E. Bulger
Robert E. Wehrle
Douglas E. Wade
Johan S. Gestson
Jack Erwin
Henry V. Martin
Elliott R. Laine, Jr.
Howard L. Barrett, Jr.
Francis C. Cushing, Jr.
William J. Galyon
Robert E. Miller
Frank R. Smoke
Richard E. Percival
Leslie L. Darbyshire
Dalvin Serrin
Douglas E. Erway
Paul W. Niesen
Rollin Q. Blakeslee
Clinton Roberson
Charles E. Spence, Jr.
Paul F. Henderson, Jr.
Whitlock N. Sharpe
Joseph R. Donaldson
Louis J. Bacher
Mark P. Fennessy
William E. Caslin
James H. McGee
John R. Hansford
Marshall B. Armstrong
Robert F. Koehler
Albert W. Wallach
Robert K. Damon
Tom W. Williams
George L. Newton
Richard V. Molesky
William J. Spiesel
Walter E. Kiracofe
Gary Wilder
William J. Dinse
George L. Bartlett
Raymond J. O'Leary
William D. Kent
Albert O. Nelson
Gordon M. B. Livingston
John E. Watson, Jr.
Edwin C. King
Elmer N. Snyder
Alan D. Albert, Jr.
Robert N. Burhans
William R. Miller, Jr.
Robert J. Norton
Arnold G. Ziegler
Paul E. Wilson
Richard E. Kutz
Frank L. Bourne, Jr.
Henry Englisch
Harry L. Morris, Jr.
Rodger E. Rourke
Ermil L. Whisman
Garry M. Pearce, Jr.
Conway L. Austin
Robert L. Simonis
Billy M. Adrian
William C. Vielhauer
Joseph F. Schoen, Jr.
Herbert L. Fogarty
Joseph K. Griffis, Jr.
Roland L. McDaniel
Jack W. Evans
James S. G. Turner
Charles R. Figard
Richard L. Robinson
Thomas A. Hodges
Roger H. Barnard
William M. Clelland
Edward R. Toner
Richard C. Schulze
Donald H. Hildebrand
William H. Stoetzer
William C. Jaeck
William O. Butler
Edward Z. Grabowski
Louis Z. Slawter, Jr.
Robert J. Chadwick
John B. Carr, Jr.
Charles G. Little
Charles Fimian
Richard B. Twohey
William C. Simanikas
Thomas C. Smith
Walter F. Glowicki
Karl E. Moore
William S. Daniels
William R. Kephart
Lowell R. Burnette, Jr.
John W. Parchen
Richard K. Jones
Dale E. Shatzer
John G. Metz, Jr.
Richard I. Sudhoff
Hillmer F. De Atley
John J. Unterkofler
Haig Donabedian
John H. Cobb, Jr.
Henry J. Conlin
Robert E. B. Palmer
Broman C. Stinemetz
Kenyon J. Frazier
Robert W. Howland
LaVern W. Larson
Robert L. Christian, Jr.
William H. Thousand
Robert Schueler
Eric B. Parker
John J. Donahue
Richard P. Johnson
Lee C. Reece
Ralph Thuesen
Philip N. Frazier
Val R. McClure
Donald E. Newton
Robert P. Chaney
Stephen G. Olmstead
John L. Coffman
Robert C. V. Hughes
Richard C. Marsh
Elvyn E. Hagedorn
Thomas R. Kelly
Malcolm S. Jolley, Jr.
Gerard E. Lawler
Peter A. Wickwire
John W. Clayborne
Dale N. Davis
William C. Holmberg
Edward H. Utley
Vincente T. Blaz
Richard A. Pape
Ben C. Rowe
Frank S. Cannon
Gerald C. Thomas, Jr.
William E. Hutchison
Chester T. Jones
David E. Jones, Jr.
Robert G. Riddle
Jack E. Dausman
Joseph P. Goodson
Leonard E. Wood
James P. Connolly II
Donald L. Sellers
Hugh R. Bumpas, Jr.
Drew I. Matthews
John R. Collin
Richard B. Taber
Charles D. Roberts, Jr.
Bernard E. Trainor
Charles G. Boicey
Richard C. Stockton
Robert R. Meeker, Jr.
Lewis H. Abrams
Richard S. Hartman
Raymond B. Ingrando
Richard W. Smith
Charles W. Tonnacliff
Harold E. McKinney
Phillip E. Megna
Duncan D. Chaplin III
Charles R. Casey
Stuart T. Clark
Frederick F. Mallard
William R. Maloney
Paul L. Siegmund
William R. Beeler
Gilbert C. Hazard
James B. McMath
Paul A. Shrader
John R. Love
Herbert M. Hart
William A. Lawrence
Thomas J. Culkin
Marc A. Moore
John J. Grace
Fred D. MacLean, Jr.
John J. P. Reddy
Philip J. Dooley
Robert J. Miille
Robert M. Searles
Thomas C. Fields
David B. Barker
Robert E. Haebel
Harry U. Carpenter
Tullis J. Woodham, Jr.
Charles T. Williamson
Charles B. Webster
Speros D. Thomaidis
Charles J. Keever
Brooke F. Read, Jr.
Frank J. Murray
Gary L. Yundt
Richard E. Hawes, Jr.
Robert E. Eidson
Samuel M. Morrow
Thomas G. Davis
Milton D. Drummond, Jr.
Eugene R. Howard, Jr.
Harry E. Atkinson
Victor G. Fortin
Richard E. Wray III
William G. Bates

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of 10 U.S.C. 3283 through 3294, and 3311:

To be majors

Gore, Albert L., O1634811.
Grier, Reginald C., O1938568.
Penny, H. Glenn, Jr., O1916056.

To be captains

Appleby, Howard A., Jr., MM3063.
Baxter, Warner R., O4072238.
Bonfanti, Anthony J., O5409770.
Clark, James W., O4051637.
Coan, Ralph M., O2309340.
Cole, Julian V., O2300429.
Connell, Frank M., O5304004.
Crotty, Christopher C., O5003581.
Dixon, Leon E., O5303409.
Doran, William K., O5203970.
Dunagan, Clarence M., O4035735.
Fanning, Joseph J., O4047436.
Forsberg, David G., O5310876.
Funk, David L., O5506518.
Gajeski, Edwin A., O4059796.
Grantham, Carl R., O5301754.
Hammond, Charles W., MM2298864.
Haney, James D., O5409610.
Henson, Robert L., Jr., O5305897.
Homel, Harvey B., O2299520.
Horne, Douglas E. S., O4006573.
Kidd, Stewart R., O4059798.
Koneck, Anna, N902458.
Murray, Charles R., O2308082.
Page, William C., Jr., O2300380.
Powell, Robert B., MN2293992.
Quigley, Richard W., O4374541.
Reynolds, Roger D., O5502631.
Riviello, Carmen F., MN805789.
Robinson, John W., MN902829.
Seaton, Owen B., O5310675.
Seaver, Charles W., O5225906.
Stevenson, Carl B., O4031182.
Staudenmaier, William O., O4075817.
Taliaferro, Wallace C., O2031591.
Trevino, Gilberto, O2207824.
Tyrrell, Edward W., O5301925.
Vaught, Ray L., Jr., O4047878.
Vines, Ronald C., O4031376.
Whitten, William M., O5211572.
Wilson, Mildred H., N5407348.

To be first lieutenants

Achenbach, Garland U., O5213216.
Allen, Richard B., O5017967.
Arnold, Edward D., O2310754.
Bailey, Hugh W., O2318671.
Barnhart, Fred P., O2320811.
Barron, Robert C., O5513809.
Beller, Richard L., O5416903.
Blanchard, Edward W., O5417647.
Bobar, Robert L., O5017106.
Brodsky, William M., O2328804.
Brown, James N., III, O5320824.
Buchta, Bernard R., O5530717.
Cade, Carolyn S., N5229819.
Chapman, Keith E., O5517830.
Cherin, Harris A., O2325871.
Cole, Robert E., O5517276.
Comi, Thomas R., O5019746.
Coyne, Richard J., O5312113.
Crackel, Theodore J., O5517572.
Dailey, John N., O5011566.
Davies, James, III, O5417152.
Donaghue, Daniel A., MJ2316306.
Dutczak, Edward R., O5011927.
Eubank, Gerald T., O5216522.
Evans, John O., III, O5415027.
Gierke, Herman F., O5534371.
Greenwell, Edmund S., O2306422.
Hammond, George E., Jr., O2315655.
Harms, Roger D., O2299512.
Heard, Jerry D., O5317693.
Hill, Anthony W., O5224896.
Hill, William H., O5414761.
Hippensteele, Tom, O5313659.
Holden, Robert A., O5223460.
Hospodar, Edward J., O5215344.
Janas, John A., O5017450.
Jones, Jesse F., III, O5313398.
Junnier, Barry C., O5323620.
Kee, Lawrence L., O5317443.
Kennedy, James E., O5312155.
King, Leroy S., MR2313266.
Kneubuehl, Richard D., O5533287.
Kreutter, Dale T., O5329376.
Larson, Ronnie R., O5531346.
Lichtenberger, Robert N., O5406732.
Liles, Robert D., Jr., O2298361.

Lippincott, Robert C., O5406905.
Lofton, Hoyt D., O5405925.
Luker, Charles F., O5412856.
Maguire, Roger F., O5010907.
Manning, Robert, Jr., O5316623.
McCarthy, John T., O2309124.
McGeachy, Clinton B., O5223361.
McKinley, Bruce T., O2328283.
Meek, Donald L., O3139595.
Montgomery, Charles A., Jr., O5423377.
Montrey, Richard D., O5525916.
Murphy, Jack R., O5223361.
Novotny, Samuel, O5333205.
Pelaez, Laraine M., N3243243.
Raab, David H., O5534186.
Ray, Marlan E., O5525799.
Redmond, Robert C., O5218060.
Reichard, Lawrence M., O5320513.
Renquist, David M., O2320605.
Roberts, James E., Jr., MM5412302.
Ryan, Lawrence B., O5221902.
Schneider, Dorothy F., J5417246.
Selman, Charles J., MN2311884.
Sessoms, William R., O5315282.
Sinclair, James V., O5312202.
Skilton, Robert H., O5531363.
Spruill, Matthias A., III, O5322722.
Swaim, Royce M., O5412185.
Swedlund, Jerry G., O5517691
Syczylo, Rodney S., O5310827.
Szczesniak, Edward J., O5021211.
Thomes, Linwood J., MJ2317206.
Trapnell, Franklin W., Jr., O5320092.
Turner, Russell W., O5318283.
Ungerer, David C., O5218699.
Vaughn, Lonnie D., O5224270.
Ward, Harry J., O5323242.
Ward, James E., O5900111.
Washburn, Curtis J., O5010057.
Watts, James W., O5324727.
Whitworth, William E., O2300236.
Woodcome, Andrew H., O2311754.
Yager, Lawrence W., O5010336.

To be second lieutenants

Ambrose, Richard S., O5323998.
Bishop, Gilbert L., O2314707.
Bresler, David L., O5326677.
Clements, Miles T., Jr., O5327697.
Dawson, Robert G., O5426490.
Day, Lawrence W., Jr., O5329334.
Doane, Robert D., O2321229.
Dollander, Lowell T., MN5520776.
Ellsworth, Paul D., MJ2320862.
Foust, Jerome V., O2326127.
Fritz, John F., MN5422001.
George, Wayne D., O5422604.
Harrison. Lyle C., O5324060.
Hollis, James B., Jr., O5328792.
Hunt, Russell C., O5225218.
Jackson, Fred O., Jr., O5326587.
Lee, Charles B., O5324278.
Monday, Joseph A., O5419720.
Moody, William S., Jr., O5424230.
Mundy, Andrew J., Jr., O5324379.
Mutchler, Robert W., O5419219.
Peterson, David B., O5424792.
Stockhaus, John A., O5024196.
Thomas, Daniel W., O5328977.
Usry, Robert T., O2322281.
Webster, George K., O5536878
Wesselmann, Albert H., O5534904.
Wilkinson, Robert A., Jr., O5230096.

The following-named distinguished military and scholarship students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under the provisions of 10 U.S.C. 2106, 2107, 3283, 3284, 3286, 3287, 3288, 3290:

Carter, William W.
Chrietzberg, Walter
Davidson, John C.
Donatello, George V.
Finke, Richard E.
Garin, Paul V. III
Grannis, Herbert L.
Greenspane, Ira R.
Gregory, Ronald K.
Hardesty, Duane E.
Harris, William H., Jr.
Hezmall, Frank N.
Hooper, Richard A.
Horne, Kelso C., Jr.
Johnson, Wayne M.
Koopman, Garold A.
Leatherberry, Roy J.
Lopez, Manuel A.
Marczak, Stanley A.
Murphey, Samuel L. W.
Rose, Duston E.
Stempson, Douglas W.
Stoll, Hugh P.
White, Oliver B.
Willis, Maxl

EXTENSIONS OF REMARKS

Your Congressman: Bill Scott Reports

EXTENSION OF REMARKS

OF

HON. WILLIAM LLOYD SCOTT

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1967

Mr. SCOTT. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following newsletter for November 1967:

YOUR CONGRESSMAN: BILL SCOTT REPORTS, NOVEMBER 1967

DISTRICT VISITS

It is difficult to determine when Congress will adjourn although I had hoped it would be by the middle of this month and had made tentative plans for visits in each County in the District. Those plans have been revised to include Friday and Saturday visits this month and all of the first two weeks in December. Hopefully we will adjourn by the end of the month. The full schedule follows:

November 17, Fredericksburg.
November 18, Hanover.
November 24, King William, King and Queen.
November 25, Lancaster.
December 1, Spotsylvania.
December 2, Caroline.
December 4, Loudoun.
December 5, Fauquier.
December 6, Prince William.
December 7, Louisa.
December 8, Goochland.
December 9, Charles City and New Kent.
December 11, Northumberland.
December 13, Richmond and Essex.
December 14, Westmoreland and King George.

If you have any suggestions for me or if I can be of service to you, please contact me during these visits. The Fredericksburg visit will be in my District office at the Post Office, and the other locations will be announced through the news media. There will be no visit to Fairfax County because I have lived there for more than 20 years and see these folks daily.

ACADEMY APPOINTMENTS

Twenty boys took the Civil Service Designation Examination November 4th, and 25 took the test in July. When the November 4th list of grades is received from Civil Service, we will merge it with the July list and use this as a basis for the nominations which will be made after the first of the year. There are a few boys who have not sent me three letters of recommendation, a picture, and a transcript of high school records. I would like to have these as soon as possible. The Coast Guard Academy does not require Congressional appointment, but uses the College Entrance Examination as the basis for selection. Further information on entrance requirements may be obtained from my office.

POVERTY BILL

The House of Representatives is spending a considerable period of time considering the Economic Opportunity Amendments of 1967. The bill, commonly known as the "poverty program," is one of the most controversial to reach the floor of the House.

All of the members appear to want to alleviate poverty, deplore substandard living conditions and lack of opportunity of many citizens in our affluent society, but many feel that the Office of Economic Opportunity is poorly administered and that what the President refers to as the "War on Poverty" is not being won. In fact, statistics show that there are over a million more people receiving welfare payments now than a year ago.

Among the programs included in the bill are the Job Corps, Community Action and VISTA programs. The goals of these organizations are all worthwhile. However, it does cause you to wonder when you see an amendment in the bill to require that the operating cost for each Job Corps enrollee be reduced from $7500 to $6500.

The committee report indicates that poverty workers have spent portions of their time reviewing county records to determine who is and who is not registered to vote and then going in government vehicles to take people to places of registration so that they will be qualified to vote. Poverty workers have been accused of particpating in riots and violence in our cities and their officials accused of lobbying to obtain favorable action by Congress in violation of a Federal Criminal Statute.

In the last few weeks we have received a considerable number of personal visits, telephone calls, telegrams and letters urging that I support the bill without any Amendments. These contacts would ordinarily be persuasive. However, as you know, we had a questionnaire early in the Spring in which 93% of you said to cut government spending, and 80% said to cut the Poverty Program. There are few more unpopular programs and I'll vote to restrict it. Of course I'll try to pick and choose as various amendments are offered, and will vote in favor of the Headstart Program and others which seem beneficial in helping people to help themselves. We all must be seeking ways in which we can be truly helpful to the deserving poor.

NO NEWSLETTER IN DECEMBER

In view of the holidays and the visits throughout the District, there will be no December newsletter. However, in January I want to seek your views on next year's legislative program and so I will send the newsletter and a questionnaire to all homes in the District.

SUMMER JOBS

The Civil Service Commission has announced an examination for Summer Jobs in Federal Agencies for students next year. The examination will be for GS–1 through GS–4 typists, stenographers, clerks and engineering and science aides, and for seasonal assistant jobs in the postal service. Candidates who achieved eligibility for summer jobs this past summer must compete again if they wish to be considered for summer work in 1968.

The exam will be given throughout the nation on December 9, January 13, February 10, and March 9. Federal agencies will begin making selections after the second test has been processed, so the Commission urges interested persons to apply early. Complete information about the summer job program and complete application procedures may be found in the Civil Service Commission's Announcement No. 414, "Summer Jobs in Federal Agencies." The announcement is available at high school counseling offices, college placement offices, the Civil Service Commission and many Post Offices.

AGRICULTURE PUBLICATIONS

A limited supply of the 1967 Agriculture Yearbook, "Outdoors: USA" is still available through my office. Also available are the bulletins "Your Child from 1 to 6" and "Infant Care" which may be ordered by title.

A RECENT BILL

I have introduced a bill limiting to 10 the number of questions to be asked by the Bureau of the Census in 1970, with authority to ask additional questions only if they are specifically approved by the appropriate Committees of each House of the Congress. A census has been taken since time immemorial, but the first American census was taken in 1790 and contained only five questions. This number has grown to 165 in 1960 and additional questions are proposed for 1970. Many of the questions are of a personal nature, and it does not appear essential for the government to have the answers to all of them, but rather it seems an invasion of the privacy of our citizens. In a column published in most of our weekly papers last month, this proposal was mentioned and constituents have been unanimously in favor of the bill in their responses. Certainly if anyone is going to keep the government from continuing to invade the private lives of individuals, it should be their elected representatives. Not only will this bill, if enacted, prevent intrusion by the government, but it will also cost considerably less than the anticipated questionnaire.

WASHINGTON METROPOLITAN AREA TRANSIT AUTHORITY

On Monday the staff of the MATA briefed me on the proposed rapid transit system. I am not entirely satisfied with the proposals for Northern Virginia, and hope, therefore, that people in Fairfax and the surrounding counties who can, will attend public hearings and make their views known to their rapid transit representatives. Transportation in and out of Washington is a vital problem, and an informed citizenry can assist in providing a better system.

SOMETHING TO PONDER

Communications is the beginning of understanding.

In Honor of Our Veterans

EXTENSION OF REMARKS

OF

HON. SEYMOUR HALPERN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1967

Mr. HALPERN. Mr. Speaker, I wish to take this opportunity to point out that this past weekend we honored our country's veterans in ceremonies around the country. But in fact we have continually honored our veterans, and rightfully so, by materially demonstrating our gratitude through the passage of numerous veterans' benefits measures.

We know that the entire fabric of American life is strengthened by adequate veterans' assistance. Forty-three percent of all Americans are veterans and their families. By insuring that such an overwhelming portion of our population receives in just one example, adequate assistance for resuming educations interrupted by the call to arms, we better insure that America's educational advancement is sufficient to support its accelerated progress in all fields of human endeavor.

We in Congress, then, adhere to that most basic duty which from the time of the American Revolution has been defined and is still defined, as caring "for him who shall have borne the battle and for his orphan." When we perform this duty, we are acting on behalf not only of veterans, but of all America.

During the last months of World War II, while the Allied armies were pouring across the Rhine, Congress added an entire new dimension to the concept of veterans assistance by enacting the GI bill of rights. The bill embodied the novel, and previously unheard of plan of helping veterans readjust to civilian life by granting them educational assistance. To say that the investment in our veterans has more than paid for itself is an understatement.

The original cost of the bill was $14.5 billion, yet in terms of the skills and increased national income produced by his investment, it is estimated that the GI bill has paid for itself at the rate of close to $1 billion a year. This return comes in the form of higher taxes paid by better educated, higher earning veterans.

Since the enactment of the GI bill, we have demonstrated time and again that we will not forget the veterans. We demonstrated this again just a few weeks ago, during this present session of Congress when we again improved upon the original act. At that time we increased the amount of educational assistance so that it corresponded to the increased cost of living. Furthermore, the new law just signed by President Johnson provides that veterans who return to high school, not just those who go to college, will receive the assistance. Many of the future veterans now entering the service have not finished high school. Surely, they should not receive less educational opportunity simply because they answered the call to arms at an earlier stage of their educational careers.

As I said, Mr. Speaker, this area is but one thread in the total fabric we here have woven to cover our veterans. We must not, and I am sure we will not, for one moment forget those who have placed their lives on the line in defense of their country.

Support for the Poverty Program

EXTENSION OF REMARKS

OF

HON. WILLIAM O. COWGER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1967

Mr. COWGER. Mr. Speaker, I speak in favor of continuing our war on poverty and the funding of every dollar necessary to win that war. Having served as mayor for 4 years of one of our largest cities, I can say to you that the poverty program has been successful in my city, Louisville, Ky. As a matter of fact, on our own initiative we started our program before the Federal bill was passed. Our "learn more-earn more" project was a joint effort with the city, the school boards, and the employment service all cooperating. When the poverty bill was passed in Congress, Louisville was one of the very first cities receiving a grant. We presently have almost 25,000 people involved directly, or indirectly, in the program. I cannot turn my back on the people in my community who have benefited and who will continue to benefit under this plan. I refuse to be influenced by scandals and improper management in other cities. I can only say to you that we should individually assess the programs in our own districts and be guided accordingly.

The U.S. Economy: Critical Decisions Lie Ahead—An Address by U.S. Senator Robert P. Griffin

EXTENSION OF REMARKS

OF

HON. JACK H. McDONALD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1967

Mr. McDONALD of Michigan. Mr. Speaker, on November 2 my good friend and colleague from the State of Michigan, Senator ROBERT P. GRIFFIN, addressed the Detroit chapter of the American Institute of Banking.

I believe Senator GRIFFIN's views on the current economic situation are particularly noteworthy, and I commend them to the attention of my fellow Members:

> Distinguished guests and friends, it is a distinct privilege to meet with you this evening.
>
> Several months ago, when your Committee first invited me to speak, I felt certain that Congress would be adjourned by this time.
>
> Which just goes to prove how wrong a politician can be, even about his own profession.
>
> I know that the matters which keep us in session—taxes and spending—are very much on your minds.
>
> The noted British author, C. P. Snow, once wrote a book, which discussed a gulf that separates scientists from literary intellectuals.
>
> Between these two groups, he said, there "exists a gulf of mutual incomprehension—sometimes hostility and dislike, but most of all a lack of understanding. They have a curious, distorted image of each other. Their attitudes are so different that, even on the level of emotion, they can't find much common ground."
>
> It occurs to me that a similar gap in understanding sometimes separates businessmen from politicians. Although it may not be as formidable, a gulf of "mutual incomprehension" is often evident, particularly when discussions focus on taxes, spending, and the state of the economy.
>
> When the prestigious Business Council met recently at Hot Springs, Virginia, the *New York Times* reported that businessmen were angered about the stalemate over the President's tax proposal.
>
> "In their private conversations," the *Times* noted, "the business chiefs said that Mr. Johnson and Congress were both being irresponsible in attempting to force each other to take the lead in cutting the budget.

"They feared extreme inflation and crisis in the financial markets if Congress adjourned this fall or winter without passing the tax bill."

I do not doubt the validity of that assessment.

However, it is revealing that members of the Business Council do not take into account the *political* realities of the economic dilemma.

I know that the standard formula for obliging an audience of this type is to analyze the economy, and to refer nonchalantly to a dizzying array of statistics.

But I should like to escape that precedent this evening and to explore, instead (on a non-partisan basis, of course) some of the political consideration which seem to have us entrapped on Capitol Hill.

Regardless of what your professional view may be, there are still many members of Congress who are not convinced that it would be in the public interest to grant President Johnson's request for a tax increase.

It is true that the House Ways and Means Committee did hear testimony from an impressive parade of economic specialists. And the Committee did receive a statement signed by 260 of the Nation's leading economists, including Walter Heller, urging enactment of the tax bill.

Monetary officials, led by William McChesney Martin, have appeared and warned of the inflationary consequences of Congressional inaction.

An enormous budget deficit approaching $30 billion looms as a distinct possibility. And *most* economic indicators are pointing upward.

Yet Congress still refuses to budge.

Indeed, as Senator John Williams of Delaware pointed out the other day, the President's tax proposal is so unpopular that no one has yet introduced the measure in either House of Congress. With a wry expression of sympathy, Republican John Williams said he would volunteer to introduce the bill for the President since it appears that he can't get anyone from his own party to do it.

As you read, the House Ways and Means Committee, by an overwhelming vote of 20–5, decided recently to put the tax issue aside in the absence of concrete evidence of meaningful co-operation from the White House to cut back on spending. I can assure you that Congressman Mills and the other members of the Ways and Means Committee are very much concerned about the economic trends. But Chairman Mills is very much aware of the temper of the Congress, and the American people; he is not about to push a bill out on the House floor until and unless there is a climate in which the bill can be passed.

It is interesting to note that before the President's surtax request was announced, the Democratic Congressional leaders were summoned to the White House for a briefing session. Mr. Johnson mustered and presented all the fearsome economic statistics to defend his request for the 10% surtax.

It is reported that a wise old politician, Speaker John McCormack, counseled the President *against* trying to sell the proposition purely in economic terms. He contended that neither the people nor the Congress would be moved by heady statistics concerning excessive demand, cost-push, price inflation, and inventory adjustment.

The only way to achieve the tax increase, McCormack told the President, is to talk about Vietnam and patriotism—and "wrap it in the flag."

In the end, as you know, Mr. Johnson rejected Speaker McCormack's advice. He decided to stick to his economic data and to play down the war.

But in so doing he was also refusing to recognize something referred to as the "credibility gap." It is quite apparent to almost everyone but President Johnson that Congress has grown suspicious of Administration forecasts and statistics.

When Treasury Secretary Fowler unveiled impressive charts and diagrams before the House Ways and Means Committee, calculated to instill fear of impending economic calamity, they were treated rather casually by Committee members.

During each of the past three years, the Administration drastically underestimated the costs of the Vietnam war. Last year it was finally discovered that the military spending estimates presented in the budget were based on the misleading assumption that war would be over by this past summer. The result was a $10 billion underestimate in defense outlays.

In January, 1967, the President told Congress and the American people that the budget deficit would run only $8.1 billion for the current fiscal year. But later, in August, the Administration suddenly seemed to "discover" that the deficit would reach $29 billion if the 10% surcharge were not enacted.

Congress has not appreciated this confusing pattern which has plagued budgetary planning. Such abrupt shifts in direction have seriously eroded confidence in the Administration.

As Senator James Pearson, of Kansas, has pointed out, there is at work in the country something which could be described as the opposite of "crying wolf" too often. After too many false alarms have been sounded, a point is finally reached when people will not respond to a genuine alarm.

And the reverse is also true. In this case, the Administration had told Congress and the people, over and over again, that we can have *both* guns *and* butter, without any serious dislocation of our economy. President Johnson has "pooh-poohed" concern about deficit spending for so long that people are now skeptical when he suddenly reverses himself.

Needless to say, the budget process is immensely complicated. Its impact upon economic growth, and ultimately upon the private decisions of millions of people is substantial. But instead of providing a reliable guideline for rational planning, the budget has become a propaganda tool which is manipulated along with the news.

There is widespread resentment that the January budget figures cannot be relied upon by Congress—that the budget has become an instrument of propaganda, rather than an honest handbook to guide the appropriations process.

Obviously, overuse of the budget as a tactical, short-term political weapon seriously threatens its integrity as an influence for long-term, balanced growth.

It seems obvious that resistance to the President's tax bill is closely related to his fading influence as a leader within his own party. His failing popularity has had serious reverberations in Congress, where his pet programs are either stalled in Committee or manhandled by members of his own party on the floor of the House.

Keep in mind that there are 248 Democrats and only 187 Republicans in the House of Representatives. In the Senate the margin is 2 to 1. After all, Mr. Johnson wouldn't have to convince Republicans in Congress of his credibility—if only he could convince the Democrats.

Really,—I do not particularly want to present a partisan discourse.

But there *is* a crisis of confidence in Washington. And it has affected the fortunes of every legislative issue, including the tax proposal.

I have attempted to sketch the political climate which, to a large extent, has undermined the force of the President's tax recommendations.

But it would be wrong to conclude that members of Congress are therefore indifferent to the economic warning signals on the horizon.

But most members of Congress—and most of the Americans believe that meaningful cuts in domestic spending can be made. They know—perhaps instinctively—that a $1 reduction in spending carries nearly twice as much anti-inflation impact as a $1 increase in taxes.

While attempts to cut the budget and legislate expenditure ceilings are necessary, in the face of a massive federal deficit, I want to point out that Congress needs to make some changes in its procedures if we are to do a thorough and responsible job of appropriaiting funds.

It may come as a surprise but, under present procedures, Congress never has the opportunity to consider or vote on the budget *as a whole*. Congress passes one appropriation bill at a time. It may cover one or several Departments and agencies. Congress proceeds in a hit-or-miss fashion. This is no way to run a business enterprise, and it is no way to direct government finances.

I have proposed that Congress reform its own appropriation procedures so that no single appropriation bill would be finally enacted until after all had been considered, and a resolution carrying the total amount of expenditures were adopted.

I have already alluded to the prospective federal deficit and the lack of rational budgetary planning.

Without adequate restraints, government spending will spur the inflationary psychology which is already gaining momentum. Since March of this year, the consumer price index has risen at an annual rate of 4%. Cost pressures are accelerating, with wage demands far exceeding the now defunct wage-price guidelines.

Moverover, I want to emphasize that if Congress should give way to the protectionist pressures which are now building up rapidly on Capitol Hill, the situation can become much worse.

In this session of Congress, no less than 90 Senators have already introduced or cosponsored bills to impose rigid import quotas on a wide variety of items ranging from textiles to strawberries. Although I have not added my name to any of these measures, you may be sure that I am acutely aware of the pressures as well as the problems involved.

Taken together, the various quota bills would affect nearly 50% of our total imports.

Needless to say, Secretary of State Rusk has received mountains of diplomatic notes indicating that, as surely as night follows day, retaliatory action will follow if we move unilaterally to clamp down on imports. As everyone in this room knows, the United States depends heavily upon a favorable trade balance in helping to narrow the deficit in our international payments.

It is apparent, of course, that trade barriers serve to distort the market mechanism. They create artificial economic terms for potected industries, which then have a shield against the hard discipline of competition. Such restrictions generally operate to seal off protected industries from technological innovation—which is the hallmark of American industrial greatness.

This is no time to forget that everything we do in this field must be framed with reference to the world around us. Trade policy is part and parcel of our foreign policy. The shape and scope of the Nation's economic relations are intrinsically bound up with our international relations.

We would be foolish to ignore the effect that such moves would have on the Kennedy Round of tariff agreements recently concluded—or on the whole forward thrust of our trade policy during the past three decades.

In general, our policy has been based on the proposition that competition is a strong, healthy stimulus for world trade, and that expanding world trade is the surest path to real economic growth for all members of the international community.

This lesson was born from the global depression of the nineteen-thirties. We should keep in mind that it is not beyond the realm of possibility that a massive return now to rigid trade restrictions could once again spark the kind of economic dislocation that proved disastrous in an earlier age.

Traditionally, we have prided ourselves as exponents of the free-market system. Americans continue to believe in the existence and the importance of competition—despite the protests of the John Kenneth Galbraiths.

We are often reminded that jobs here at home can be affected when foreign-made goods are introduced in our markets. But, we should not overlook that millions of jobs in America depend upon international trade.

Exports provide employment for one out of every eight farm workers in the country. In Michigan alone, where the St. Lawrence Seaway is so important, eight out of ten industrial workers are employed by firms which are actively engaged in international business. One out of every seven workers in our State depends upon international trade for his job.

I am suggesting, therefore, that we take a long, hard look before we move unilaterally to erect rigid, across-the-board barriers which stifle international trade.

Instead of taking refuge behind trade barriers, I suggest that we had better come to grips with the tough economic problems which confront us on the domestic scene.

More trade barriers will serve only to hide us temporarily from the difficult decisions which we should be facing up to here at home.

To meet the problem of imbalance in our international accounts, we must sustain a margin of exports over imports—which means that our goods must remain competitive in world markets.

And the underlying, related problem is the accelerating wage-price spiral in our country, which threatens inflation that is unacceptable—unacceptable from the standpoint of the consumer, unacceptable from the standpoint of our balance of payments.

Recent wage settlements are nearly double the rate at which productivity is increasing.

As you well know, higher costs—for labor, for capital goods, for credit—are ultimately passed on to the consumer in the form of higher prices. I need not remind you that inflation is the cruelest form of taxation which penalizes millions of consumers while it operates to price our goods out of world markets and our workers out of jobs.

Mr. Henry Bodman, chairman of the board of the National Bank of Detroit, expressed the problem in this way:

"Wage levels which put severe pressure on profit margins will always result in higher prices and, sooner or later, higher unemployment. The federal government interprets these results as calling for new spending programs to employ the now unemployed, and for vast injections of new credit and money to clear the market of the new higher priced goods. Then the whole dreary process starts over again."

Recent wage settlements hold out little hope that we can escape from this vicious cycle.

The monopoly of union power—the imbalance of power—has already undermined the process of collective bargaining. The classic ideal of free, collective bargaining, which we were told about in school, is not very much in evidence today.

The value of contemporary collective bargaining procedures, as an equitable means for resolving labor-management disputes, is highly questionable in many industries.

This conclusion is inevitable in reviewing the history of last year's airline strike, as well as the more recent railroad impasse which required Congressional intervention.

The contract just negotiated at Ford must be viewed from the standpoint of the national pattern it tends to establish, and not just the impact it may have on the prices of Ford automobiles.

Balanced wage agreements are essential if we expect to curb inflation and to promote *real* economic growth.

The breakdown of traditional methods in the labor-management arena cries out for a thorough and searching review which will point toward reform.

To date, the President has never fulfilled the promise he made in January, 1966, to recommend reforms in the available legal machinery which is applicable to crippling strikes and the collective bargaining process.

But, even though the President has refused to provide any leadership, there is no excuse for Congress. We should be considering a number of proposals, including legislation which I have introduced to abolish the National Labor Relations Board and replace it with a U.S. Labor Court.

I believe we will have to move toward limited compulsory arbitration in an area like transportation, where competition is limited and rates are already regulated by the government.

In other segments of the economy, the answer—or at least a part of the answer—is to apply anti-monopoly principles to labor unions.

I have focused a good deal tonight upon unsettling factors in the economic situation.

Ironically, our economic troubles arise at a time when the country is enjoying a long period of sustained expansion, uninterrupted by recessions.

We should not overlook that is, in and of itself, is an historic achievement.

But we are finding out that prosperity—or affluence—produce problems as well as rewards.

As a nation, we face a critical test: Will we be wise enough and strong enough to heed the warning signals that are before us? Will we take the actions that are essential to restore needed balance and discipline at home so that we can keep alive the hope for peace and prosperity abroad.

It will not be easy to arouse interest in such decisions and actions, particularly when so many seem to be lulled by soft comforts into a state of complacency.

Of one thing I am certain: Your help is absolutely essential. The wisdom and the influence of groups like the American Institute of Banking are very much needed today.

Secretary Freeman Addresses Outlook Conference

EXTENSION OF REMARKS
OF
HON. JOHN G. DOW
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Tuesday, November 14, 1967

Mr. DOW. Mr. Speaker, the 45th annual outlook conference opened at the Department of Agriculture on Monday. This outstanding event, attracting agricultural specialists from all over the United States, was keynoted by the Secretary of Agriculture, Mr. Freeman.

In his remarks Secretary Freeman pointed out the close relationship between domestic agricultural policy, foreign trade and aid to the less developed nations, and cited some of the dangers to all three posed by those who would abolish our domestic farm programs.

I believe Members will read the Secretary's remarks with the greatest of interest. I submit them as follows:

A National Food Budget—Can We Make It Work?

It is always a pleasure to be in the company of courageous men. I use the word advisedly for many of you—including the speaker—will hazard prophesies during the next three days. This takes courage, for as Samuel Butler once said:

"New Jerusalem, when it comes, will probably be found to resemble the old in that it will stone its prophets freely."

Josh Billings was even more pointed:

"Don't *never* prophesy," he said, "for if you prophesy wrong, nobody will forget it, and if you prophesy right, nobody will remember it."

With these admonitions, let us proceed.

Saturday I returned to the United States from the 14th conference of the Food and Agriculture Organization of the United Nations in Rome.

This meeting brought home most forcibly the close, inseparable relationship between agriculture in the United States and the needs of a hungry world. We live in a world of compressed space, one in which it is no longer possible to separate agricultural policy into tidy compartments—label them "domestic farm programs," "foreign aid," "commercial sales"—and deal with them as separate entities

All are inseparable parts of the whole. There is a word for this—synergism—meaning, roughly, that the whole is greater than the sum of the separate parts. This word describes my own thinking on a national/world food budget, and the agricultural policy that can make it a reality. I will have more to say on this in a few moments.

The FAO meeting also allowed me to view American agriculture through the eyes of others . . . in this case, agricultural experts from nearly every nation on the globe. It was a stimulating and thought-provoking experience, one that sharply etched both the opportunity and the peril facing American agriculture in a revolutionary era.

The challenge is no less than the cause of peace itself. American agriculture has the opportunity to make a major contribution to world peace by providing food to hundreds of millions of people around the globe while—at the same time—it exports the technology so desperately needed by the poorer nations to feed themselves. We must do both, for unless we do, the War on Hunger will end in ignominious surrender to famine. Unless we win that War, our children will inherit a world wracked by chaos and misery.

This is the challenge, and, like most great endeavors, it is fraught with peril. For unless we can maintain the economic health of our own agriculture, there is little chance that this Nation can meet the challenges ahead.

You are agricultural professionals, intimately aware of these challenges, and the complicated interplay of domestic farm policy, world trade and world economic development. You know, far better than most, that there are no simple answers, no instant solutions, to the problems facing this Nation and the world. This is why I am here today, to continue a fruitful dialogue the Department began some 45 years ago, and one in which I have participated since 1961.

In 1961, shortly after assuming my present job, many of us in this room began working toward the goal of a national food budget, an agricultural policy that would allow us to produce what we needed while avoiding continued buildup of the surpluses that had depressed farm prices and income during the fifties. In addition, the policy had to prevent equally disastrous shortages that would cost us foreign commercial markets and blunt our leadership in the War on Hunger.

This was our stated goal. At the time I pointed out that I had no magic formula to accomplish it—to bring into balance demand and supply so that we could meet our objectives at home and abroad. But I did express confidence that—given some time, determination and elbow grease—we could develop the necessary machinery to do the job.

In the six years since 1961, by dint of trial and error, with considerable political strife and many close votes in the Congress, I believe we *have* developed the necessary machinery to make a national food budget a reality. It is now possible for the United States, as a matter of national policy and with the cooperation of government, farmers and the trade—to avoid the boom and bust of surplus or scarcity; and to produce the kind of agricultural products we need, in the right amounts.

This year, 1967, marks the beginning of the third year of the Food and Agriculture Act of 1965, one half of the machinery that makes possible our goal of a national food budget. The other half, Food for Freedom, is now in its second year. Thus, passage of the Food and Agriculture Act of 1965 and Food for Freedom in 1966 has made *possible* a true national food budget for the sixties, seventies, and beyond.

But the mere fact the machinery exists doesn't automatically mean success. That depends on the wisdom and leadership we apply to make the gears go round. Whether we have *these* crucial elements remains to be seen. Some groups are throwing sand in the gears right now. The concept of a national food budget is being severely tested—if not threatened—as we meet here at this historic Outlook Conference.

The Food and Agriculture Act of 1965 (which I'll call the "*Act*") and the Food for Freedom Program (which I'll call the "*Program,*" hereafter), are twins. They complement each other. Neither can be effective in isolation, nor can a true national food budget be viable unless the Act and Program are closely coordinated.

The *Act,* of course, is designed to prevent surplus or scarcity through a working balance between supply and demand, one which will result in farm prices at as high a level as possible consistent with remaining competitive in world markets. If world prices are too low to return parity of income prices, the difference is to be made up to the farmer in direct payments.

These payments, in turn, can be used when necessary to withdraw acreage from production to avoid surpluses.

The Act traces its immediate lineage to the five major commodity bills enacted in the sixties, and its remote ancestry to the New Deal legislation of the thirties.

But it is fundamentally different from its progenitors. One of the single most outstanding differences between this legislation and that which preceded it *is a recognition that stabilization of market supplies of basic commodities is a continuing—rather than a temporary—problem.*

This was evident in the authorization of a four-year bill, rather than a one or two-year bill, as in earlier postwar legislation.

And there are other fundamental differences: The Food and Agriculture Act of 1965 provides for price supports at near-world levels for the major crops, with the stabilization and acreage adjustment programs necessary to avoid surpluses. This is in sharp contrast to earlier legislation with prices supported at higher than world levels.

How *much* acreage is to be withheld depends upon world production, domestic needs, dollar sales and the needs of aid-recipient countries—for the Secretary, under P.L. 480, is to make food available to those needy nations that act in good faith to meet the self-help requirements of the *Program.*

This is very different from the way Food for Peace operated for more than a decade in the past, and marks another departure from past programs. Under earlier P.L. 480 legislation, foods moving in aid programs had to be in surplus. This requirement was removed in the 1966 *Program.*

Removed in the 1965 *Act* (and earlier) were the mandatory acreage restrictions and the large export subsidies that accompanied high-level price supports. Adjustment programs for almost all the major crops are now on a voluntary basis; government payments are used to achieve adjustments, export subsidies are minimized.

Thus, the 1965 Act gives the Secretary some flexibility in adjusting annual programs as necessary to meet both commercial market and food aid needs at stable prices. At the same time, United States producers can be protected against sharp price and income drops if supplies exceed market needs for short periods.

There are still those—an influential and sizeable minority—who deny the necessity for a National Food Budget. They deny the necessity for farm programs and would abolish them. But to do this, in my considered judgment, would drastically affect our domestic agriculture and commercial and aid shipments because of the close interrelationship among them.

The basic disagreement, I think, is between those who would put their faith in random conduct of our affairs, versus those who would seek to shape events through conscious action.

Certainly most of the problems which precipitated farm programs in the first place have not changed. American farmers still have the capacity to produce more than the market can absorb at a fair price to them. Our experience this year, with production up substantially in almost every commodity, ought to drive home this point dramatically once again.

Other things haven't changed either. No one has discovered, over the past 37 years, how to control the weather and its impact on production. World trade is still an absolute necessity to a healthy U.S. agricultural plant, and world prices cannot be established by fiat. Although we often hear that "farm prices are made in Washington," in fact, they are also determined in Ottawa, the Chicago pit, Canberra, Buenos Aires, and a hundred other spots around the globe.

Finally, of course, the relentless march of agricultural technology continues unabated, with its advances immediately and widely diffused throughout the developed agricultural world.

These are very fundamental conditions that existed at least four decades ago, continued seven years ago, when I became Secretary, and still exist today. According to every indicator I have studied, they will still exist tomorrow and for a long time to come.

What I have called the "New Era" farm programs were designed to allow farmers to cope with these bedrock problems; to allow them to participate in the shaping of their own destiny through the mechanism of government, just as Food for Freedom was designed to meet the bed-rock problems of a hungry world which needs desperately to develop its agriculture and its economy.

The New Era programs, in a short seven-year period, have made notable progress. In contrast to the close of the 1960–61 crop year, when 1.4 billion bushels of wheat and 85 million tons of feed grains were stockpiled, only about 500 million bushels of wheat and 40 to 45 million tons of feed grains are expected at the end of this marketing year. Compared to the peak CCC years of 1956 and 1959, investment in farm commodities is down $5 billion this year, and down almost $2 billion from last year. The nasty label of "surplus and subsidy" has been largely scrubbed from the farmer's back.

U.S. products are moving freely in world trade, at competitive prices. Compared to fiscal 1961, total agricultural exports were up nearly 40 percent—to $6.8 billion—in fiscal 1967, and sales for dollars were $5.2 billion, a gain of more than 50 percent over 1961 and higher than our *total* agricultural exports—commercial and concessional combined—in any year prior to 1964.

The U.S. now accounts for 37 percent of world wheat trade, about half of world feed grain trade, and over 90 percent of world soybean trade.

Favorable world weather and near-record crops in virtually every nation for two years have had their effect on our exports, and on domestic farm income. But this year and last have been exceptional weather years worldwide, not likely to continue uninterrupted.

Last year (1966) gross farm income set an all-time record, as did net income per U.S. farm. National net farm income climbed to $16.4 billion, the second highest in the history of the United States, a 40 percent rise over 1960 and 18 percent higher than a year previous.

This year, net farm income will decline some 10 percent from last year's high, although it will still be substantially above levels of most years of the 1950–1960 decade.

This, of course, is terribly disappointing, and no one is more disappointed than the Secretary of Agriculture. As Mr. Dooley once said to his friend Hinnissey:

"When you build your triumphal arch to your conquering hero, Hinnissey, build it out of bricks so the people will have something convenient to throw at him as he passes through."

The bricks hurt, gentlemen.

What has taken place over the past year is ironic—but we have always recognized the danger. A year ago the evidence on world food production and supplies was most unfavorable. The monsoons in India were failing for the second successive year, short crops in the Communist countries had required large purchases from Western exporters. The disappearance of excess stocks in the United States and an unfavorable wheat yield outlook contributed to the uncertainty. The world was clearly in a short grain supply position.

As a result, after a careful assessment of probable world needs in the 18 months ahead, the national wheat acreage allotments for the U.S. 1967 crop were increased sharply. Action was taken to increase acreage in feed grains and soybeans as well.

Then within a few weeks after these decisions were made, the world outlook changed sharply with favorable prospects in almost every major grain-producing country.

Canada, Australia and the Soviet Union harvested record wheat crops. Argentina and Western Europe harvested good crops of both wheat and feed grains. Feed grain harvests in Eastern Europe were good and a few months later South Africa produced a record corn crop.

In the U.S. we have a record grain crop in 1967, with an overall increase of from 4 to 5 percent. The 1967 feed grain crop is up 12 percent, wheat crop up 19 percent, and rice and soybeans are up 7 percent over 1966. Cotton, on the other hand, is down 16 percent and there's been a substantial drop in the 1967 fruit crop.

Although demand expansion and somewhat lower prices will lead to some increased domestic use—particularly in feed grains and soybeans—as well as larger exports, some increase in carryover stocks will occur for these two commodities, as well as wheat.

The cotton crop, down some 5½ million bales below expected utilization this year, may well reduce next year's carryover to under 7 million bales, compared to 12½ million bales this year.

Until milk utilization prospects become clearer, it is difficult to make production and price projections. The five percent drop in commercial utilization this year is the greatest in U.S. dairy industry history. If any of you have a theory as to the "why" of this situation, I would like to hear from you. As you know, I am deeply concerned over the low milk prices farmers are receiving. Yet consumption has dropped while our population continues to climb.

This, in short, is the situation in the major commodities. Now, what are we doing about it?

As I said earlier, we do not yet have control of the weather, nor do we even have an absolutely foolproof system of predicting it. As a result, we realize that our best estimates of production may, at times, miss the mark. Someday, with a global system of satellite stations reporting daily on crop conditions around the world, we will do better. But for now we have to work here on earth to refine our forecasting and to take action—based on the best information available—to bring supply and demand into closer balance.

This is what we're doing this year with our New Era farm programs. In contrast to a year ago, the world grain position is strong. Therefore, we are acting to tailor supply to demand in order to increase farm prices and prevent costly surpluses.

The first of these adjustments, for wheat, was announced on July 7. The 1968 program should reduce the harvested land by some 5 million acres below this year's level.

This will assure us an ample supply of wheat to meet all needs, foreign and domestic, commercial and concessional. It should result in total wheat income for 1968, some 500 to 600 million dollars higher than in the years prior to the Food and Agriculture Act of 1965.

Two weeks ago last Friday, I made a similar announcement for the feed grains. Our target is to divert about 30 million acres from production—some 10 million more than in 1967—in order to change this year's 2 to 3 percent overproduction to a 2 to 3 percent underproduction in 1968.

Fulfilling this target, of course, depends upon a great many factors, not the least of which is grower participation. With good cooperation, we estimate producers will receive more than $400 million more feed grain income than in 1967, and nearly $200 million more than they did in 1966, which was an all-time record income year.

We're also making changes in cotton.

When the four-year cotton program authorized by the Food and Agriculture Act of 1965 went into operation, we had an all-time high carryover of 16.6 million bales of upland cotton. We wanted to reduce this to normal carryover levels, to improve producer income, keep cotton competitive and reduce government expenditures.

We had extremely high farmer participation in both 1966 and 1967 programs. This—coupled with an abnormal weather cycle and insect infestation—accomplished the supply adjustment in two years rather than the expected four. At the same time, cotton has been kept competitive with other fibers, farm income has improved and, as you also know, government expenses have been materially reduced.

The national marketing quota for cotton has been increased to 16.1 million bales, to encourage more production of the medium and longer-staple cottons that are in highest demand. With the new cotton promotion program now manned and getting underway, the outlook for producers is looking up.

I have gone into some detail on our recent actions for this reason: I feel that our programs, domestic and Food for Freedom alike, are in a critical period in a number of ways. It is of greatest importance that they be more completely understood. In contrast to 1961 through 1966, a period of acreage reductions and stock drawdowns, 1967 marked a turn-around point. Modest rebuilding of stocks was thought to be necessary, for with surpluses eliminated we are operating our programs without the cushion of security those stocks provided. For those who don't follow world conditions closely, such a turn-around may be hard to understand—especially when unexpected weather intervenes and we are forced to reverse field and again reduce acreage.

The market has been jumpy for over a year. In my opinion, it over-reacted to last year's rumors of shortages and over-reacted again this year, when supplies are ample, but not burdensome.

Clear understanding is vital if we are to achieve a workable national food budget. So is improvement. These are two areas in which I solicit your help and that of your colleagues.

I am most anxious to receive your suggestions for strengthening our present programs to make them more effective. I had hoped to be able to discuss such an action today—the Purcell bill for strategic reserves, that would have enabled us to raise the incomes of grain and livestock producers in 1968. Unfortunately, this legislation was killed in a subcommittee of the House Agriculture Committee two weeks ago.

It has been evident for some time that there is a limit to the amount of grains the commercial trade will carry without forcing prices down. Millers and exporters are naturally reluctant to buy and hold grain when bumper crops might lead to lower prices. It is equally evident that there are limits to what the present New Era voluntary farm programs can do in tightening down oversupplies, the proximate cause of recent price slumps. Obviously we can't take a chance of running out of grain completely.

Had the Purcell bill been enacted, in the future the Secretary of Agriculture could have adjusted annual supplies more closely to market needs—with resultant stronger prices for the farmer and with no danger of shortage for domestic consumers or overseas' markets. Both must concern him now. In bumper crop years the government would have been able to buy grain, firming up prices; in short years, supplies could have been sold under the most carefully prescribed conditions. It would have been another valuable tool to make our national food budget system work effectively.

Unfortunately, it was voted down. The statements of those who killed it make it clear that partisan politics, rather than the welfare of American farmers, carried the day.

If the bill had passed, I believe it would have strengthened market prices not less than 10 cents per bushel for wheat and feed grains, resulting in from $300 to $500 million in additional income for farmers. It is significant that, upon its defeat, the wheat market reacted sharply downward.

I hope that every farmer in the United States noted this partisan action and will remember it, for the negative vote has the widest implications.

On March 16 of this year, a bill was introduced to abolish price supports, acreage allotments, and base acreages for wheat and feed grains—in effect, to abolish the present programs altogether. Since this time, 20 additional bills, identical or virtually identical to this bill, have been introduced. Clearly the enemies of farm programs are poised to strike.

At the time the wheat and feed grain programs expire, around the end of 1969, so do the wool payment program, the dairy milk base plan for federal order markets, cropland adjustment, and some provisions covering cotton diversion and price support payments.

Anyone who thinks these other programs will stand if the wheat and feed grain programs are abolished is, I believe, badly mistaken. They won't, and this goes for the rice, tobacco, and several others as well.

And so the classic choice facing us next year and the year after, is between workable programs and no programs at all, with the deepest implications for farm income, commercial sales and Food for Freedom.

I don't think we should seriously pursue the chimera of a return to mandatory programs. It is true that if we had them, they would cost far less than the present voluntary programs, with strict controls on a bushel, bale, and poundage basis. But both the Congress in 1962, and farmers, in 1963, have rejected this approach. As a practical matter, for most commodities, it's a dead issue.

So there aren't three choices ahead, there are only two.

Most of you are familiar, I'm sure, with the recent study by Dr. Wilcox and his colleagues titled "Farm Programs Needs, 1968–70," and so I won't repeat it in detail. Its main findings point to an approximate one-third drop in net farm income in the absence of support and diversion programs for wheat and feed grains.

I'm sure you're equally familiar with the study done by the Center for Agricultural and Economic Development at Iowa State University upon commission by the Food and Fiber Commission. This report says that by 1980, in the absence of programs, wheat would sell for $1.27 a bushel with no certificates, corn at 75 cents a bushel with no payments, cotton at 17 cents with no payments, and soybeans for around $1.23 a bushel.

I have seen no serious refutation of these findings, but there are a great many who feel that, somehow, we can find our salvation in an unlimited overseas concessional market. Unfortunately, this isn't true.

First of all, the amount of food that can move in aid programs is limited by several very practical factors. These include the ability of the developing nations to handle such food—dock, storage and distribution facilities—the amount that can be absorbed without complete disruption of their own agricultural development, and the extent to which political leaders in these nations will permit their countries to become dependent on U.S. food.

On agricultural development rests all subsequent economic development in the less-developed nations. The Congress wisely recognized this basic truth when they wrote self-help requirements into the new Food for Freedom legislation, making it very clear that aid must help—not hinder—development. Hence, food aid must be used with skill and economic understanding as well as compassion.

Second, the mirage of an unlimited overseas demand overlooks the findings of a recent USDA long-range study of the world food situation through 1980, one that showed more continuing world capacity to produce grain than effective world demand can absorb at stable prices. Strong competition in commercial markets will continue and so will the potential for overproduction, for a long time to come.

Some of you may disagree with my analysis this morning of the world and national agricultural situation, and the tools we have devised to deal with the problems besetting us. But few of you, I suspect, would minimize the magnitude of the problems themselves, or believe that blind change, slogans or dogma, are sufficient to meet and solve them.

And so I would close by impressing upon you, to the best of my ability, the strong sense of urgency I feel for the two years immediately ahead. In 1968 the Nation will make its decision on whether or not to extend existing P.L. 480 legislation. In 1969—or perhaps in 1968—it will similarly determine the fate of the Food and Agriculture Act of 1965. Both are—and will be—under heavy attack. The President's position—and my own—are clear. We stand in support of these measures for the reasons I have listed this morning.

By using them, and by improving them, I am confident that we can meet both the Nation's obligations to its farmers and our obligations to a hungry world. In the debate that will rage in the next months and years, I would ask for your leadership—that you separate the wheat from the chaff, the emotional from the intellectual, the fact from the fancy. If we do this, I am confident that a national food budget—viable, workable, economic—can and will be a reality. And as it does, the Nation will meet its responsibilities to its producers and to the world.

My fellow prophets, thank you.

President Johnson's Remarkable Tribute to a Remarkable Labor Leader—George Meany

EXTENSION OF REMARKS

OF

HON. JOSEPH Y. RESNICK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 14, 1967

Mr. RESNICK. Mr. Speaker, two remarkable leaders came together last week at a testimonial dinner given by the Jewish Labor Committee in New York—President Lyndon B. Johnson and President George Meany of the AFL–CIO.

President Johnson had come to join a well-deserved testimonial for Mr. Meany.

Yet, it seems to me, reading the text of the address, that the President in honoring Mr. Meany was also honoring a larger group of men and women, in Government and out, who have embodied the idealistic and responsible tradition of American social and economic reform.

In tracing the achievements of reform, the President was also tracing the history of the achievements of the Democratic Party.

We all know that many of the gains of labor, the gains of the workingman, the gains of the poor and the minority, the gains of the vast majority of the American people, are attributable solely to the heroic efforts of leaders like Franklin D. Roosevelt, Harry Truman, John Kennedy, and Lyndon Johnson.

When the President recited the litany of social security, minimum wage, child labor laws, the right to organize, medicare, the war against poverty, civil rights—he was talking about established facts in the history of the Democratic Party.

I insert in the RECORD the remarks of the President at the meeting of the Jewish Labor Committee in New York City, November 9:

REMARKS BY THE PRESIDENT AT MEETING OF JEWISH LABOR COMMITTEE, NEW YORK CITY, NOVEMBER 9, 1967

Mr. Meany, Secretary Wirtz, Senator Javits, Mr. Randolph, Mrs. Meir, David Dubinsky, Members of the AFL–CIO Executive Council, ladies and gentlemen:

I am delighted to be here tonight to join with the Jewish Labor Committee in honoring a great American. The fact that I am here bears out an old New York advertising slogan: "You don't have to be Jewish to enjoy George Meany."

When Mr. Dubinsky had told me that he and George Meany were going to be here in the same room together tonight I naturally assumed it would be for a gin rummy game.

That game, you know, has been played for many years under very special rules. The really special thing is that George doesn't know Dave's rules and Dave doesn't know George's rules.

Someone once called this contest "the oldest, established permanent floating gin game in the world."

It has, in fact, been going on for almost 30 years in every convention site in America, wherever men who speak for labor have gathered. But one very important thing should be pointed out here tonight: Between gin sessions, American history has been remade—always to the benefit of all the American people.

George Meany has been busy remaking American history since his young manhood.

Some of you may remember what life was like in New York in those days when George Meany was a young man. It was in 1910—two years after I was born—when Mike Meany's 16-year-old son George became a plumber's apprentice in the Bronx. Downtown that year—in the garment district—six-year-old children were working in the sweatshops, and when the workers asked for a day off every week, the bosses said: "If you don't come in on Sunday, don't come in on Monday."

I am glad to say that things are different now—and they are different in part because George Meany has fought the good fight. He has fought it in good company—he has fought it with a band of dedicated men and women across this country who knew that America could not become great unless its workers could live and labor in dignity. There were men like Mr. Dubinsky, Mr. Stulberg, Mr. Hillman, Mr. Rose, Mr. Bill Green, Phil Murray, Phil Randolph, John L. Lewis and a number of others who I don't have time to mention tonight.

These men fought and worked—and in time, their dreams came true: the minimum wage, the forty-hour week, the right to organize, the right to bargain or strike, the child labor laws, safer working conditions, social security.

But there is more to the story—there is very much more.

By the time George Meany became President of the AFL in 1953, some critics were saying that the labor movement had gone soft. They said that it had lost its fighting spirit—that it sold out for a few more dollars, two weeks of vacation, and a house in the suburbs.

George Meany had a different idea. He saw new battles to fight. He believed that what is good for America is good for American labor—and that is why we have come here to honor him tonight.

Tonight we can look back—although George Meany never looks back—but we can look back and we can count our victories. Tonight I can report to you, not about how labor has fared under George Meany's leadership—I think all of you know that—but what I want to report to you is how America has fared in a time when labor has put its shoulder to the work of social justice.

I have played some little part in these efforts. Together—

We have fought for and we passed through the Congress of the United States and through the law of the land one civil rights bill; and a second civil rights bill, and a third civil rights bill. George Meany and the American labor movement backed every single one of them to the hilt every time.

We fought for and we passed Medicare. George Meany was there for the battle—and he was there for the victory.

We fought for and we passed the greatest series of education bills in history—36 in all—and George Meany's leadership helped that cause to triumph.

We fought for and we launched a war on poverty. When that war began, George Meany was already a five-star general.

Now, the struggle for progress and reform in America has never been easy. George Meany will testify to that. And I can tell you tonight that it is not easy going now.

On the one hand is the old coalition of stand-patters and nay-sayers.

They never wanted to do anything. But this year they say they can't do it because of Vietnam. That is just pure bunk.

This crowd was against progress before Vietnam. They are against progress tonight and they will be against progress tomorrow. And they will be against it when the war is over and when it is nothing but a dim memory.

And far off at the other end of the political spectrum, there are those who say, "What America has built is rotten. Let's tear it apart."

I say they are wrong. They will be wrong tomorrow.

I ought to tell you and tell the country tonight that we can meet our commitments, and we can keep our word at home and abroad—and we will.

The world has lived through two remarkable decades since World War II. In those years, two hundred million Americans and hundreds of millions of other men in other countries have found a measure of dignity, security, and freedom. Why? In great part, because this nation will be willing to make—and to meet—commitments far from our shores.

Tonight as we meet here in peace and safety our commitment to a small and distant country in Southeast Asia is being tested. And along with it, America itself is being tested on the anvil of war.

If we fail, we may forfeit our hope for world stability. We may risk a far more terrible war in the future because we didn't see this one through.

The same kind of issues are at stake tonight in the Middle East.

The last thing I did before I left my office and kept my people waiting for 15 minutes was to review a series of messages that have great importance to the world in which we live.

There in the Middle East, we see the agony of men struggling toward peace amid the great danger of war hovering all around them. We see people who have been threatened by war—hot and cold—for more than 20 years. Peace—even meaningful negotiations—may seem remote where there is so much tension and where there is so much ancient hostility.

But we know we must try for peace until it is established. We know that we must help make it possible for men and women to live together in dignity and in mutual respect. We know that failure in the Middle East can condemn the children of that region to endless—and to senseless—warfare.

What we want in that troubled region—America wants all over the world.

I believe that Americans can defend these precious principles abroad without relaxing and giving up on the job we need to do at home.

This year at home we won only partial funding of a Model Cities Bill. But before long, with your support, we are not only going to have a Model Cities Bill: We are going to have model cities—cities that are a credit to this nation, cities where the races can live together in friendship; where a life of poverty is not the inevitable fate of children who are born in it; where men and women can walk their streets without fear—day or night.

Americans want—and Americans should have—cities and a countryside where people drink clean water and where people breathe clean air; where children study in schools that are worthy of a prosperous and a hopeful land where our gross national income will be $850 billion next year.

All of this will come—it will come in time—but it will never come easy. It will not come at all if we ever yield to the forces of division and the forces of paralyzing dissension. And let me tell you, my friends—tonight, those forces are abroad in this land at this hour. They are the enemies of constructive action. Men who want to move this nation forward must join up in resisting them.

Our problems are great. But America's resources are much greater—and they include the great human and moral resources of the American labor movement. We can, if we will, find the means to answer the most pressing human problems in America and the world tonight.

Let me give you one example:

Last year, under the leadership of that great American, Willard Wirtz, the Labor Department contracted for the first of a series of programs to recruit and to prepare young men to qualify for apprenticeship training. That pilot project—begun right here in New York by the Taconic Foundation in partnership with the Workers' Defense League—showed great success. It enabled very poor boys to qualify for apprentice slots in unions, and it worked, because New York union officials helped to make it work.

Earlier this year, on the basis of the New York story, 10 new apprenticeship training programs were launched in 10 other cities scattered all over America.

Tonight, I came here to tell you that we are moving forward still more. Within the next few days six more cities are going to have these programs—Dayton, Oklahoma City, Tulsa, Denver, Milwaukee, Atlanta.

Broadening the horizons of opportunity has always been a matter of great concern for the man who you honor so widely tonight, George Meany. He understands that America's most urgent problems are also the union's most urgent problems. Civil rights, the rights of the poor, the rights of the consumers, the rights of citizens to a pure and safe environment—all of these constitute the human rights of human beings and of our fellow Americans. We came here to honor this great champion of human rights this evening.

In the morning a little after 7:00 o'clock I will take off for a trip that will carry me to the Aircraft Carrier *Enterprise* out on the shores of California. I will visit the Americans in the Navy, Army, Coast Guard and the Air Force before I come back on Sunday.

We will see veterans who have protected our freedom tomorrow. But we came here tonight to see the veterans in civilian clothes who protected it for this century.

I am so happy to say that George Meany has realized all along with most trade unionists that as we stand at the outer frontier of disorder in Southeast Asia, we stand also at the inner frontier of disorder in our cities.

This is not merely a question of fighting in Vietnam or not merely a question of policing our cities.

A leader is always impelled by a vision that is driven by an inner conviction that a new world can be built.

Thus, George Meany, and the other pioneers of the great American labor movement, have never taken the time to relax in a record of the past accomplishment.

They are not concerned very much with what has happened in the past two centuries. They are concerned with that century that is coming up that begins in 1976 and what happens in the next one hundred years.

They are constantly driving the road forward into the unchartered wilderness:

They are working to solve the novel problems of the world's great urban industrial society.

A society of many peoples, a society of many religions, a society of many and varied dreams and hopes—

A society of strong minded free men and women who have time and time demonstrated—despite the recurring prophesies of disaster—and the voices of calamity, the critic and complainer—that their dedication to the principles of democratic life is stronger than their economic and social interests—stronger than their social and religious prejudices.

As I walked through my plane this evening I had a letter delivered to me from a friend of mine in another branch of the Government.

He said: "My Dear Mr. President: The Lord should feel good about this Nation's achievements exhibited this last week—

One, two Negroes elected as mayors of two of our greatest cities;

Two, the first Negro Justice of the United States Supreme Court politely and wisely questioning the Assistant Attorney General of Alabama who was arguing a segregation case before the Court;

Three, just now the Negro Senator from the Commonwealth of Massachusetts moved the admission to the Bar of the Supreme Court of the United States of his friend, a white lawyer,

and I know that when on October 21 standing on the stage of Constitution Hall Pablo Casals embraced a Negro girl who was a member of the fine Howard University Chorus the Lord must have smiled.

Only a few years ago the stage was barred from Marion Anderson. I hope, Mr. President, you feel good deep down in your heart about helping to make all of this possible. I am sure history will recognize that part and that unique role in the great progress that mankind has made."

I feel deeply in the debt of the Jewish Committee for recognizing that role that this great leader of social justice has courageously carried on all these years throughout this country.

That is why I came here tonight at the end of a long day—and the beginning of another one—to say that much has been written about him, about his being tough. He tries to look that way sometimes I think when he is talking to me.

About how hard-boiled he is—well, he said of himself and of his trade union, "that anybody who has any doubt of the ingenuity and resourcefulness of a plumber never got a bill from one."

In adversity, the family will always come a little closer together and as the lower clouds hover around us and when we seek peace throughout the world we seek prosperity at home, and we have all the problems—of health, conservation, and human rights—I think it is good that we could be here and be in the same room together tonight.

You and I know George Meany. We know him pretty well. We know him better than those who think he is so tough and hard-boiled. He is a kind man. He is a warm man.

He is a thoughtful gentleman. I never made a note on anything he ever told me because he always told me what he meant and meant what he told me—and kept his commitments up to the last.

I may be telling some secrets to the men who he negotiates with. But to his fellow workers in the labor movement, to his great friends, the Jewish Committee, I tell you no secret when I say that he has a soft touch when the people's welfare is at stake.

He is a great labor leader. He is a greater American leader. And I feel a lot better because I took the time to come here tonight and to salute him.

SENATE

WEDNESDAY, NOVEMBER 15, 1967

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

Rev. Lowell Russell Ditzen, D.D., director, National Presbyterian Center, Washington, D.C., offered the following prayer:

Eternal God, who didst create this orb on which we live—and the endless firmaments whose boundaries we know not—give us humility as we think of Thy majestic creation of which we are so small a part.

But as we remember also that we are created in Thy image—inspire us to act nobly as we face the portentous issues and tasks that come to our hands.

In this moment of meditation renew within us Thy spirit—the spirit of righteousness, justice, and mercy for all the sons of men. Amen.

REPORT ON U.S. PARTICIPATION IN THE UNITED NATIONS—MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which, with the accompanying report, was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am pleased to transmit the annual report on U.S. participation in the United Nations for the calendar year 1966.

This report documents our continuing support for the United Nations, and our efforts to help it move toward the lofty goals set forth in its charter.

Its pages reflect encouraging progress in the effort to further international peace and security, economic and social progress, human rights, and the rule of law among nations. They also reveal some discouraging setbacks.

One outstanding accomplishment during 1966 was the successful negotiation of the Outer Space Treaty, which bans weapons of mass destruction from space and calls for peaceful cooperation in its exploration and use. By unanimous vote, the General Assembly commended the treaty and urged all nations to adhere to it.

Not all progress made by the U.N. was dramatic, or widely reported. Within the U.N. system—as elsewhere—disputes and crises make headlines, while the quiet works of peace go largely unnoted. Yet, day by day, in the capitals of more than a hundred nations and in thousands of villages around the world, U.N. representatives work with governments and peoples to carry on man's endless struggle against ignorance, hunger, and disease. About 80 percent of the U.N.'s resources—not including those of international financing institutions—are used to promote economic and social development.

To improve these efforts, two particular U.N. activities during 1966 deserve special attention:

The United Nations development program completed its first year of operation. Merging two previously separate agencies, the new organization is designed to provide a more uniform and effective U.N. program of economic assistance. It is becoming one of the key organizations for multilateral assistance.

The General Assembly approved the charter of the U.N. Industrial Development Organization, which will help new nations create industries best suited to their development needs.

The General Assembly adopted two covenants to protect basic rights of mankind. One pertained to civil and political rights, the other to economic, social, and cultural rights. Their passage completed a task which the United Nations set for itself in 1948 with its Universal Declaration of Human Rights.

In addition, Ambassador Goldberg signed, on behalf of the United States, the Convention on the Elimination of All Forms of Racial Discrimination. Our signature reflects this Government's commitment to promote the cause of human rights and the end of racial discrimination.

Race repression still exists, however; and during 1966 the United Nations was intensively concerned with its manifestation in Southern Africa.

The United States proposed and supported measures designed to deal with the problem realistically, peacefully, and with concern for the provisions of the United Nations Charter.

We endorsed the limited economic sanctions invoked by the Security Council against the rebel regime in Southern Rhodesia. This was an effort to deal in moderate but responsible fashion with an emerging threat to the peace in the region. It is this Government's hope that the cumulative effect of the sanctions—and of the aroused international opinion which produced them—will persuade the Rhodesian regime to return to constitutional rule.

The United States also supported responsible efforts to enable the people of the former mandated territory of South-West Africa to advance toward self-determination and freedom from race discrimination.

We did not, however, join in extreme proposals which we considered unrealistic and consequently harmful to the United Nations and the achievement of its human rights goals.

One great disappointment during the year was the failure to find a peaceful solution to the war in Vietnam.

The United States sought unsuccessfully to obtain action on the problem in the Security Council. It persistently encouraged the Secretary General and member states to do what they could to bring about negotiations.

Those efforts have never abated. This Nation continues to search for an honorable settlement in Vietnam. It continues to hope that the United Nations will make its contribution toward such a settlement.

Another setback was the failure to prevent the violence which later broke out in the Middle East.

Throughout 1966 there was evidence of increased tension in that part of the world. The Security Council met three times to consider terrorism and reprisal raids on Israel's borders. The United States maintained the position that the parties concerned should refrain from the use of violence, and instead use U.N. peacekeeping machinery to seek redress.

As the world was to learn later to its sorrow, counsels of moderation did not prevail.

Deep differences over the organization and financing of future peacekeeping operations continue. The constitutional and financial deadlock which had severely hampered the Organization during 1964 and 1965 no longer stood in the way of day-to-day operations, but little headway was made in settling financial problems for the future. The United States endeavored to seek agreement—and will continue to, for fundamental issues of peace are clearly involved.

On other financial matters, the U.N. made greater progress. In March, I directed the Secretary of State to help the Organization achieve the greatest possible efficiency in the planning and operation of its programs. Pointing out that the United States is the largest single contributor to U.N. programs, I said in that directive:

> If we are to be a constructive influence in helping to strengthen the international agencies so they can meet essential new needs, we must apply to them the same rigorous standards of program performance and budget review that we do to our own Federal programs.

In line with this objective, the General Assembly approved recommendations to introduce a more effective use of funds and better coordination into its operation.

Our national interest and the high ideals of our tradition combine in American support of the United Nations.

Like other U.N. members, we seek to advance our own interests in this international forum.

But using the processes of persuasion, we also seek to foster that wide community of interest among nations which is man's best hope of establishing peace with honor and progress with justice.

We shall continue that search in the years ahead.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *November 15, 1967.*

MESSAGE FROM THE PRESIDENT—APPROVAL OF BILL

A message in writing from the President of the United States was communicated to the Senate by Mr. Geisler, one of his secretaries, and he announced that on November 14, 1967, the President had approved and signed the act (S. 223) to authorize the disposal of the Government-owned long-lines communication facilities in the State of Alaska, and for other purposes.

THE JOURNAL

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, November 14, 1967, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. LONG OF Louisiana. Mr. President, on the calendar are a number of unobjected-to measures which I believe could be passed by the Senate at this time. I ask unanimous consent that the Senate proceed to the consideration of Calendars Nos. 729, 730, and 731.

The PRESIDENT pro tempore. Without objection, it is so ordered.

AMENDMENT OF SECTION 2 OF THE MIGRATORY BIRD CONSERVATION ACT

The bill (S. 2447) to amend section 2 of the Migratory Bird Conservation Act was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2447

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Migratory Bird Conservation Act is amended by striking out "the Secretary of Commerce" and inserting in lieu thereof "the Secretary of Transportation".

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 745), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The Migratory Bird Conservation Act of 1929 established the Migratory Bird Conservation Commission and designated the Secretary of the Interior as Chairman and the Secretaries of Agriculture and Commerce as members, together with two Senators and two Representatives.

Department of Commerce jurisdiction over public roads apparently was one of the reasons for naming the Secretary of that Department to the Commission. With the establishment of the Department of Transportation and the transfer of jurisdiction over public roads from Commerce to that Department, the Secretary of Commerce, who has served ably on the Commission, should be replaced by the Secretary of Transportation as a member of the Migratory Bird Conservation Commission.

MEMBERS OF THE COMMISSION

The present congressional members of the Commission are:

Roman L. Hruska, Senator from Nebraska.

Lee Metcalf, Senator from Montana.

Frank M. Karsten, Representative from Missouri.

Silvo O. Conte, Representative from Massachusetts.

COST OF THE LEGISLATION

There will be no additional cost to the Federal Government as the result of favorable consideration of this bill.

AMENDMENT OF THE MIGRATORY BIRD CONSERVATION ACT

The Senate proceeded to consider the bill (S. 322) to amend the Migratory Bird Conservation Act to provide that no land contained in the national wildlife refuge system shall be sold, transferred for any other use, or otherwise disposed of without the approval of the Migratory Bird Commission, and for other purposes which had been reported from the Committee on Commerce, with amendments, to strike out all after the enacting clause and insert:

That section 4(a) of the Act of October 15, 1966 (80 Stat. 927; 16 U.S.C. 668dd(a)), is amended by adding at the end thereof the following new sentences: "No acquired lands which are or become a part of the System may be disposed of under any provision of law, except by exchange pursuant to subsection (b)(3) of this section, unless the Secretary of the Interior determines after consultation with the Migratory Bird Conservation Commission that such lands are no longer needed for the purposes for which the System was established. In no event shall acquired lands of the System which were purchased with funds from the migratory bird conservation fund be transferred or otherwise disposed of by the Secretary unless an amount equal to the acquisition costs of such lands is paid into such fund; and in no event shall acquired lands of the System which were donated to the System be transferred or otherwise disposed of by the Secretary unless an amount equal to the fair market value of such lands, as determined by the Secretary, is paid into the migratory bird conservation fund."

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 746), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

S. 322, as amended, states that no acquired lands which are or become a part of the system may be disposed of under any provision of law unless the Secretary of the Interior determines after consultation with the Migratory Bird Conservation Committee that such lands are no longer needed for the purposes for which the system was established.

When such a determination is made involving lands acquired with funds from the duck stamp trust fund or donated to the system, the taking agency shall reimburse the fund for the acquisition of land purchased with duck stamp funds, or in the case of donated land, the reasonable present market value of the land taken.

GENERAL DISCUSSION

Proponents of S. 322 stated that the Migratory Bird Conservation Commission performs an important function in screening *acquisitions* for addition to the national wildlife refuge system, insofar as purchases with duck stamp moneys are concerned, and they are of the opinion that the Commission could perform an equally valuable function in screening *disposals*.

At the hearing, they also made the point that the sportsman, the purchaser of the duck stamp, will be appreciative of this extra protection to the well-being of the duck stamp lands.

To all of those in support of this proposal, it seemed logical and in order that the Migratory Bird Conservation Commission should have the authority to pass upon disposals of land from the refuge system.

The committee being of the opinion that the Secretary of the Department of the Interior should consult with the Migratory Bird Conservation Commission before disposing of any lands which are or become a part of the system decided that the bill, S. 322 as amended be adopted.

AMENDMENT

The committee has amended the bill by striking out all of the language proposed and inserting a new provision to accomplish its purpose which more clearly defines and clarifies the authority of the Migratory Bird Conservation Commission to review disposals of lands acquired as part of the national wildlife refuge system.

The text of the committee amendment is as follows:

"That section 4(a) of the Act of October 15, 1966 (80 Stat. 927; 16 U.S.C. 668dd (a)), is amended by adding at the end thereof the following new sentences: 'No acquired lands which are or become a part of the System may be disposed of under any provisions of law, except by exchange pursuant to subsection (b)(3) of this section, unless the Secretary of the Interior determines after consultation with the Migratory Bird Conservation Commission that such lands are no longer needed for the purposes for which the System was established. In no event shall acquired lands of the System which were purchased with funds from the migratory bird conservation fund be transferred or otherwise disposed of by the Secretary unless an amount equal to the acquisition costs of such lands is paid into such fund; and in no event shall acquired lands of the System which were donated to the System be transferred or otherwise disposed of by the Secretary unless an amount equal to the fair market value of such lands, as determined by the Secretary, is paid into the migratory bird conservation fund.' "

Title is amended so as to read: "A bill to restrict the disposition of lands acquired as part of the National Wildlife Refuge System."

The title was amended so as to read: "A bill to restrict the disposition of lands acquired as part of the national wildlife refuge system."

ACQUISITION OF WET LANDS FOR CONSERVATION OF MIGRATORY WATERFOWL

The Senate proceeded to consider the bill (H.R. 480) to amend the act of October 4, 1961, relating to the acquisition of wet lands for conservation of migratory waterfowl, to extend for an additional 8 years the period during which funds may be appropriated under that act, and for other purposes which had been reported from the Committee on Commerce, with an amendment, on page 2, line 13, after the word "fiscal", strike out "year.' ", and insert a semicolon and "*Provided further*, That no land shall be acquired with moneys from the migratory bird conservation funds unless the acquisition thereof has been approved by the Governor of the State or appropriate State agency."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 747), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE LEGISLATION

On October 4, 1961, the Congress enacted Public Law 87-383, which authorized to be appropriated over a 7-year period $105 million.

LEGISLATIVE BACKGROUND

The bill was introduced January 10, 1967, by Congressman John D. Dingell. Subsequently, Congressmen Conte and Reuss introduced identical bills. The bill was passed by the House of Representatives by a vote of 329 to 8 and was sent to the Senate of the United States, June 20, 1967. H.R. 480 was referred to the Committee on Commerce and assigned to the Subcommittee on Merchant Marine and Fisheries. An identical bill S. 1078 was introduced in the Senate, February 24, 1967, by Senators Metcalf and Nelson.

The Subcommittee on Merchant Marine and Fisheries held hearings on S. 1078 and H.R. 480, August 16, 1967. No opposition was expressed by any Government agency and all witnesses testifying at the hearing supported the objectives of the legislation as amended.

NEED FOR THE LEGISLATION

Originally in the 48 contiguous States there were 127 million acres of wetlands. By 1955, this total acreage had been reduced to approximately 74 million acres. Of this amount, only 22.5 million acres were of significant value for migratory waterfowl use. Since it was anticipated that 10 million acres would remain in private ownership, there remained to be acquired for public control 12.5 million acres. Of this amount, available information indicated that about 5 million acres would be secured by the States, leaving 7.5 million acres to be purchased by the Secretary of the Interior from the migratory bird conservation fund. By 1958, purchases and donations consisted of approximately 3.5 million acres. Another 1.5 million acres were added by 1961, leaving 2.5 million acres to be acquired by the Secretary under the original goal.

In 1961, Congress enacted the Wetlands

Loan Act (75 Stat. 813), which authorized an advance appropriation to the migratory bird conservation fund of up to $105 million over a 7-year period beginning in fiscal year 1962. When the 1961 act was considered, it was estimated that the remaining acreage could be acquired during this period by using about $35 million in estimated duck stamp receipts and the $105 million authorized by the act. Unfortunately, the program has not proceeded at the pace estimated. Since 1961, only 750,000 additional acres have been acquired in fee and easement, leaving 1.75 million acres of the original goal to be acquired. This was caused by three basic factors:

First, the program was slow in getting started because preliminary work was necessary in the first year; namely, fiscal year 1962, and it was not until fiscal year 1963 that any funds were appropriated.

Second, during fiscal years 1964 and 1965, the program was delayed due to local opposition in some of the key States to Federal land acquisitions with their resultant adverse impact on county revenues. However, in 1964, Congress amended the antiquated Refuge Revenue Sharing Act of 1935, thus providing a more equitable formula for the distribution of revenues beginning in fiscal year 1966 from the national wildlife refuge system to the local counties. This new revenue formula will permit the Department of the Interior to carry out this program at a much better pace with available funds.

Third, some delay was, and still is, caused by the rising cost of land acquisitions.

All departments reporting on the legislation and all witnesses testifying at the hearings were unanimous in their support of this program. Recently President Johnson—in proclaiming December 8, 1966, as "Migratory Waterfowl Day"—in support of the program, said:

"December 8 marks the 50th anniversary of the day President Wilson proclaimed a treaty with Great Britain for the protection of migratory birds which fly between Canada and the United States.

"A similar treaty with the Republic of Mexico was proclaimed in 1937.

"A 1940 treaty, ratified by 11 American countries, also protects nature and wildlife in the Western Hemisphere.

"All three of these treaties recognize the value of migratory birds for food and commerce. At the same time they recognize that for so many thousands of sportsmen, game hunting is a part of healthy outdoor recreation. This, too, is part of our heritage. * * *

"But laws, treaties, and regulations are not enough. We cannot sit idly by as the bulldozer and dredge destroy the natural environment that birds must have for survival.

"More land in public ownership is needed. We shall continue to accelerate land acquisition for waterfowl and other birds."

GENERAL DISCUSSION OF WHAT THE BILL DOES

Present law (16 U.S.C. 718d) requires the proceeds from the sale of Federal migratory bird hunting stamps to be set aside into a special fund known as the migratory bird conservation fund. After paying expenses connected with the printing and selling of such stamps by the Post Office Department, the remainder of the fund is available for the acquisition of migratory bird refuges and waterfowl production areas.

To expedite the purchase of such lands, in 1961, Congress enacted the Wetlands Loan Act (75 Stat. 813), which authorized an advance appropriation, without interest, to the migratory bird conservation fund of up to $105 million over a 7-year period beginning in fiscal year 1962. Beginning with fiscal year 1969, such appropriated funds are to be repaid annually to the Treasury out of the migratory bird conservation fund, the repayment being 75 percent of the moneys accruing annually thereafter to such fund.

This legislation would extend for an additional 8 years—to the end of fiscal year 1976—the period during which funds may be appropriated under the act and defer, beginning with fiscal year 1977, the date when the advance must be repaid to the Treasury.

THE AMENDMENT PROPOSED BY THE COMMITTEE ON COMMERCE

Your committee is of the opinion that the following amendment to page 2 of H.R. 480 be adopted:

On page 2, line 13, strike out all after the word "fiscal" and insert the following: "year: *Provided further,* That no land shall be acquired with moneys from the migratory bird conservation funds unless the acquisition thereof has been approved by the Governor of the State or appropriate State agency."

This amendment will retain, in the existing law, the veto power of the Governors.

CONCLUSION

Each year untold acres of valuable habitat are lost forever. These lands are rapidly disappearing because of the accelerated pace in which marshes and swamps are being ditched, dredged, drained, burned, filled, paved, and polluted in order to meet the demands of modern civilization. These encroachments are caused by the constant need for more agricultural lands, more industrial sites, more urban housing developments, more roads, and more airports. Once you encroach on these areas and destroy natural habitat, you also destroy the wildlife and once they are destroyed, they are gone forever.

Your committee is convinced that completion of the original goal is even more urgent than it was when initiated.

COST OF THE LEGISLATION

Funds appropriated under the $105 million advance appropriation authorization, passed October 4, 1961, which this legislation would extend for an additional 8 years, are as follows:

Fiscal year:	*Millions of dollars appropriated*
1962	0
1963	7.0
1964	10.0
1965	8.0
1966	7.5
1967	6.0
Subtotal	38.5
1968 (included in H.R. 9029 of 90th Cong.)	7.5
Total	46.0

The maximum cost of this legislation—after allowing for fiscal year 1968 appropriation request—would be $59 million, subject however, to being repaid to the Treasury out of duck stamp sales beginning with fiscal year 1977.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT OF PROCUREMENT RECEIPTS FOR MEDICAL STOCKPILE OF CIVIL DEFENSE EMERGENCY SUPPLIES AND EQUIPMENT

A letter from the Acting Secretary, Department of Health, Education, and Welfare, reporting, pursuant to law, the actual procurement receipts for medical stockpile of civil defense emergency supplies and equipment, for the quarters ended June 30 and September 30, 1967; to the Committee on Armed Services.

REPORT UNDER EXPORT CONTROL ACT OF 1949

A letter from the Secretary of Commerce, transmitting, pursuant to law, the 81st Quarterly Report covering the third quarter of 1967 (with an accompanying report); to the Committee on Banking and Currency.

DISTRICT OF COLUMBIA TEACHERS' SALARY ACT AMENDMENTS OF 1967

A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to amend the District of Columbia Teachers' Salary Act of 1955, as amended (with accompanying papers); to the Committee on the District of Columbia.

REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report determining the review of determination of requirements for aircraft ground support equipment shows need for management improvement, Departments of the Navy and the Air Force, dated November 1967 (with an accompanying report); to the Committee on Government Operations.

REPORT OF THIRD NATIONAL CONFERENCE ON PUBLIC HEALTH TRAINING

A letter from the Surgeon General, Public Health Service, Department of Health, Education, and Welfare, transmitting, pursuant to law, the report of the Third National Conference on Public Health Training, which was held August 16–18, 1967 (with an accompanying report); to the Committee on Labor and Public Welfare.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. BURDICK, from the Committee on the Judiciary, without amendment:

H.R. 2517. An act to amend sections 64a, 238, 378, and 483 of the Bankruptcy Act and to repeal sections 354 and 459 of the act (Rept. No. 749);

H.R. 2518. An act to amend sections 337 of the Bankruptcy Act and to add new section 339 (Rept. No. 750);

H.R. 2519. An act to amend sections 334, 355, 367, and 369 of the Bankruptcy Act (Rept. No. 751); and

H.R. 8632. An act to amend section 40c(1) of the Bankruptcy Act so as to reallocate part of the filing fee from the clerk's earnings to the referees' salary and expense fund (Rept. No. 752).

By Mr. EASTLAND, from the Committee on the Judiciary, without amendment:

S. 687. A bill for the relief of Tin Shik Chin (Rept. No. 753);

S. 964. A bill for the relief of Roberto Perdomo (Rept. No. 754);

S. 1470. A bill for the relief of the Ida group of mining claims in Josephine County, Oreg. (Rept. No. 755);

S. 1664. A bill for the relief of the city of El Dorado, Kans. (Rept. No. 756);

S. 1918. A bill for the relief of Dr. Gabriel Gomez del Rio (Rept. No. 757);

S. 1925. A bill for the relief of Dr. Ricardo Martinez Serrara (Rept. No. 758);

S. 2153. A bill for the relief of Dr. Jose Rafael Montalvo y Urrutibeascoa (Rept. No. 759);

S. 2206. A bill for the relief of Dr. Jorge Rolando Guerra-Reyes (Rept. No. 760);

S. 2264. A bill for the relief of Chi Jen Feng (Rept. No. 761);

S. 2301. A bill for the relief of Dr. Francisco Guillermo Gomez-Inguanzo (Rept. No. 762);

S. 2381. A bill for the relief of Dr. Jesus Adalberto Quevado-Avila (Rept. No. 763);

S. 2384. A bill for the relief of Jorge A. Marrero (Rept. No. 764);

S. 2386. A bill for the relief of Dr. Luis F. Rodriguez Iznaga (Rept. No. 765);

S. 2468. A bill for the relief of Dr. George S. Ioannides (Rept. No. 766);

S. Res. 154. Resolution to refer the bill (S. 2224) entitled, "A bill for the relief of N. M. Bentley, a partnership consisting of N. M. Bentley and George Markwalter" to the chief commissioner of the Court of Claims for a report thereon (Rept. No. 767);

H.R. 1963. An act for the relief of employees of General Services Administration (Rept. No. 768);

H.R. 3403. An act for the relief of Harry LeRoy Jones (Rept. No. 769);

H.R. 3474. An act to require the Foreign Claims Settlement Commission to determine the amount and validity of the claim of Ike Ignac Klein against the Government of Hungary, and for other purposes (Rept. No. 770);

H.R. 3727. An act for the relief of Elpidio Dimacali Damazo and Natividad Simsuangco Damazo (Rept. No. 771);

H.R. 3799. An act for the relief of the city of Pawtucket, R.I. (Rept. No. 772);

H.R. 6324. An act for the relief of John A. Danisch (Rept. No. 773);

H.R. 7599. An act for the relief of Dr. Emanuel Marcus (Rept. No. 774); and

H.R. 7811. An act for the relief of Richard Alan White (Rept. No. 775).

By Mr. TYDINGS, from the Committee on the Judiciary, without amendment:

S. 2349. A bill to provide for the appointment of additional circuit judges (Rept. No. 782).

By Mr. McCLELLAN, from the Committee on the Judiciary, without amendment:

H.R. 2834. An act to amend the act of June 10, 1938, relating to the participation of the United States in the International Criminal Police Organization (Rept. No. 780).

By Mr. EASTLAND, from the Committee on the Judiciary, with an amendment:

S. 2031. A bill for the relief of certain employees at the Naval Air Test Center, U.S. Naval Air Station, Patuxent River, Md. (Rept. No. 776);

S. 2265. A bill for the relief of Christopher Nicholas Rushton (Rept. No. 777);

S. 2382. A bill for the relief of Dr. Jose R. Sanchez (Rept. No. 778); and

H.R. 7427. An act for the relief of Maria Kolometroutsis (Rept. No. 779).

By Mr. TYDINGS, from the Committee on the Judiciary, with an amendment:

H.R. 6111. An act to provide for the establishment of a Federal Judicial Center (Rept. No. 781).

By Mr. EASTLAND, from the Committee on the Judiciary, with amendments:

S. 1040. A bill for the relief of certain civilian employees of the U.S. Naval Ammunition Depot Bangor, Bremerton, Wash. (Rept. No. 783);

S. 1652. A bill for the relief of Anastasia D. Mpatzian (Rept. No. 784); and

S. 2199. A bill for the relief of Oscar J. Enriquez (Rept. No. 785).

REPORT ON DISPOSITION OF EXECUTIVE PAPERS

Mr. MONRONEY, from the Joint Select Committee on the Disposition of Papers in the Executive Departments, to which was referred for examination and recommendation a list of records transmitted to the Senate by the Archivist of the United States, dated November 6, 1967, that appeared to have no permanent value or historical interest, submitted a report thereon, pursuant to law.

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

James M. Carter, of California, to be U.S. circuit judge for the ninth circuit; and

Herbert N. Maletz, of Virginia, to be a judge of the U.S. Customs Court.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KUCHEL (for himself and Mr. Murphy):

S. 2654. A bill to provide for the establishment of the King Range National Conservation Area in the State of California; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. Kuchel when he introduced the above bill, which appear under a separate heading.)

By Mr. MOSS:

S. 2655. A bill for the relief of Muck Sang Mok, Fuk Yu Wong, Fat Kong, Tin Kang Kong, Hsueh Lien Wan, and Tak Lam Ngai; to the Committee on the Judiciary.

By Mr. MAGNUSON (by request):

S. 2656. A bill to authorize the Department of Commerce to make special studies, to provide services, and to engage in joint projects, and for other purposes; to the Committee on Commerce.

(See the remarks of Mr. Magnuson when he introduced the above bill, which appear under a separate heading.)

By Mr. JACKSON (by request):

S. 2657. A bill to authorize the use of funds arising from a judgment in favor of the Spokane Tribe of Indians; to the Committee on Interior and Insular Affairs.

By Mr. MAGNUSON (for himself, Mr. Bartlett, Mr. Bennett, Mr. Bible, Mr. Cannon, Mr. Church, Mr. Dominick, Mr. Fannin, Mr. Fong, Mr. Gruening, Mr. Hansen, Mr. Hatfield, Mr. Hayden, Mr. Inouye, Mr. Jackson, Mr. Jordan of Idaho, Mr. Kuchel, Mr. McGee, Mr. Montoya, Mr. Morse, Mr. Moss, and Mr. Murphy):

S. 2658. A bill to amend section 127 of title 23 of the United States Code relating to vehicle weight and width limitations on the Interstate System, in order to make certain increases in such limitations; to the Committee on Public Works.

(See the remarks of Mr. Magnuson when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE:

S. 2659. A bill to amend the District of Columbia Teachers' Salary Act of 1955, as amended; to the Committee on the District of Columbia.

By Mr. McINTYRE:

S. 2660. A bill for the relief of Ofelia Becerra Ron; to the Committee on the Judiciary.

By Mr. MAGNUSON:

S. 2661. A bill to amend the Public Health Service Act to provide for the establishment of a National Institute of Marine Medicine and Pharmacology in the National Institutes of Health; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. Magnuson when he introduced the above bill, which appear under a separate heading.)

By Mr. KENNEDY of Massachusetts:

S. 2662. A bill for the relief of Lorenzo Lombardo; and

S. 2663. A bill for the relief of Franscesco Napoli; to the Committee on the Judiciary.

By Mr. TOWER:

S. 2664. A bill to establish a commission to study and report to the Congress on the effects of tariff concessions made and to be made by the United States and other countries as a result of the Kennedy round negotiations;

S. 2665. A bill to provide for the duty free entry of nozzles for agricultural sprayers; and

S. 2666. A bill to provide that income derived by tax-exempt organizations from advertising in periodicals published by them shall not be subject to tax on unrelated business income; to the Committee on Finance.

(See the remarks of Mr. Tower when he introduced the above bills, which appear under a separate heading.)

By Mr. FANNIN (for himself, Mr. Bennett, Mr. Murphy, and Mr. Thurmond):

S. 2667. A bill to provide for strike ballots in certain cases; to the Committee on Labor and Public Welfare.

By Mr. TOWER:

S.J. Res. 121. A joint resolution to authorize the President to issue a proclamation designating March 21, 1968, as "National Service Station Operator Day"; to the Committee on the Judiciary.

(See the remarks of Mr. Tower when he introduced the above joint resolution, which appear under a separate heading.)

KING RANGE NATIONAL CONSERVATION AREA

Mr. KUCHEL. Mr. President, I introduce, for appropriate reference, a bill to create the King Range National Conservation Area in the State of California. This bill would allow the Secretary of the Interior to consolidate the Government's holdings in the King Range area on the north coast of California and to create an area in which multiple-use conservation practices will be employed. The area is presently held in a checkerboard ownership pattern by Government and private owners. By consolidating this area into a solid management unit of about 30,000 acres, the Secretary can make improvements and issue directives so as to enable a true multiple-use plan to be put into effect. The area will be used for such varied activities as sheep grazing, hunting, fishing, timber harvesting, camping, and the like. The area may well serve as a model for the enlightened development of future conservation areas throughout the country.

Mr. President, I ask unanimous consent that the bill lie on the desk until the close of business today, in the event any Senators wish to cosponsor it.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be held at the desk, as requested by the Senator from California.

The bill (S. 2654) to provide for the establishment of the King Range National Conservation Area in the State of California, introduced by Mr. Kuchel, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

AUTHORIZATION FOR DEPARTMENT OF COMMERCE TO MAKE SPECIAL STUDIES

Mr. MAGNUSON. Mr. President, by request of the Department of Commerce, I introduce a bill, for appropriate reference, and ask unanimous consent that a letter from the Acting Secretary of Commerce and an analysis of the bill be printed at this point in the Record.

The PRESIDENT pro tempore. The

bill will be received and appropriately referred; and, without objection, the letter and analysis will be printed in the Record.

The bill (S. 2656) to authorize the Department of Commerce to make special studies, to provide services, and to engage in joint projects, and for other purposes, introduced by Mr. Magnuson, by request, was received, read twice by its title, and referred to the Committee on Commerce.

The letter and analysis, presented by Mr. Magnuson, are as follows:

The Secretary of Commerce,
Washington, D.C.

Hon. Hubert H. Humphrey,
President of the Senate,
U.S. Senate,
Washington, D.C.

Dear Mr. President: There are enclosed four copies of a draft bill "To authorize the Department of Commerce to make special studies, to provide services, and to engage in joint projects, and for other purposes" and four copies of a Statement of Purpose and Need in support thereof.

We have been advised by the Bureau of the Budget that there would be no objection to the submission of our proposed legislation to the Congress.

Sincerely,

David R. Baldwin,
Acting Secretary of Commerce.

Enclosures.

Statement of Purpose and Need for Legislation To Authorize the Department of Commerce To Make Special Studies, To Provide Services and To Engage in Joint Projects, and for Other Purposes

This legislation would provide more uniform authority for the Secretary of Commerce to undertake upon request special studies of matters falling within the province of the Department of Commerce, to prepare from records of the Department special tabulations and reports, and to furnish transcripts or copies of Department records, upon payment of the cost of such work. Funds received would be deposited in a special account and used to pay the costs of performing the requested work. A proviso in Section 2 preserves present legal authority to deposit such funds directly into existing working capital funds. In the case of nonprofit organizations, research organizations, or government agencies, the Secretary would be authorized to perform services or undertake joint projects with costs shared as determined by the Secretary, or waived under criteria approved by the Bureau of the Budget.

The bill is similar to S. 3370 introduced in the 89th Congress. Several modifications have been made as a result of comments made by the Comptroller General of the United States in his letter of August 11, 1966, B-134944, to the Honorable Warren C. Magnuson, Chairman, Committee on Commerce, United States Senate. Section 1 of the bill has been amended to eliminate the phrase "falling within the province of the Department of Commerce", which the Comptroller General objected to, and substituting the phrase "within the authority of the Department of Commerce".

The Comptroller General also objected to the provision in S. 3370 giving the Secretary very general authority to waive payment of costs in connection with joint projects or services furnished selected nonprofit and governmental organizations. Regulations of the Bureau of the Budget now provide for waiver of costs when the furnishing of the service without charge is an appropriate courtesy to a foreign country or international organization; when the recipient is engaged in a non-profit activity designed for the public safety, health or welfare; or when payment by a State, local government, or non-profit group would not be in the interest of the program. We propose to follow these Bureau of the Budget guidelines and have modified the last sentence of Section 1 to so provide.

As suggested by the Comptroller General, Section 2 of the former bill has been deleted since P.L. 89-473 now makes available to all agencies the provisions proposed by this section. A sentence has also been added at the end of the new Section 2, authorizing the Congress to limit annual expenditures under this Act whenever they feel it is desirable to do so, to meet the objections expressed by the Comptroller General to Section 3 of S. 3370.

The Department of Commerce now has authority under a number of different statutes to perform such services with respect to certain areas of the Department's work. These statutes are conflicting or overlapping and vary as to the extent to which payment may be required for the services and the use of the funds received in payment for such services. The proposed legislation would repeal a number of these statutes and substitute for them the general uniform authority described above.

The first paragraph of Section 1 of the proposed legislation combines the language of several existing statutory authorities and also includes a reference to the statute authorizing the activities of the Clearinghouse for Federal Scientific and Technical Information. Thus, the first paragraph authorizes the continuance of existing activities with the assistance of reimbursement authority Joint projects and performance of services under the second paragraph of Section 1 will be limited in availability to non-profit or research organizations or government agencies, and in applicability to matters of material interest to the Department and the cooperating group.

The services and projects which would be performed under this proposed legislation with the assistance of reimbursement authority cover a wide range of Department activities. Among the more significant are:

(1) Making available to the public a large amount of unpublished data of the Office of Business Economics. Special compilations of this data could be made in the form most usable by the requesting agency. At present such data in special forms can be compiled only with difficulty because of the restraint imposed by limitations upon the use of appropriated funds. In addition, joint analytical studies of the raw data undertaken in cooperation with non-profit research organizations would greatly enhance the knowledge available on the workings of our economy.

(2) Promotion of tourism. The authority to engage in joint projects with non-profit organizations would be most helpful to our efforts in this field since it would facilitate joint preparation with non-profit organizations and State and local governments of travel promotion materials and films and in conducting cooperative research programs.

(3) Making available copies of records, charts and other services of the Environmental Science Services Administration on a reimbursable basis. The authority to conduct joint operations and research with government agencies would be particularly valuable in the development of improved geodetic and meteorological information systems.

(4) Provision of direct service to friendly countries and their institutions with respect to standard reference materials, samples of highly characterized materials sold by the National Bureau of Standards for such scientific uses as checking chemical analyses, temperature, color, viscosity, heat of combustion and various basic properties of materials. Special measurement services could be provided to other nations to assist in the correlation of our national measurements system with that of other nations.

The following laws or portions of laws would be repealed by the proposed legislation:

The proviso in the appropriation act of 1919 which refers to moneys received by the Bureau of Foreign and Domestic Commerce and provides for coverage of charges into the Treasury as miscellaneous receipts (40 Stat. 1256). Although the law appears to have been impliedly repealed by the Act of May 27, 1935, it should be removed from the books.

The Act of May 27, 1935 (49 Stat. 292; 15 U.S.C. 189a, 192, 192a) which authorizes the Department to make special studies and prepare statistical compilations and to deposit the moneys received in a special account. However, the provisions relating to use of funds to employ persons who are neither officers nor employees of the United States are no longer pertinent under Civil Service laws and regulations.

The proviso in the appropriation act of May 15, 1936 (49 Stat. 1335; 15 U.S.C. 189) which authorizes the Secretary of Commerce to charge for lists of foreign buyers and other services and to deposit the moneys collected into miscellaneous receipts.

The Act of December 19, 1942 (56 Stat. 1067; 5 U.S.C. 606) which authorizes the Secretary to establish schedules of reasonable fees or charges for services or publications, except services performed for or publications furnished to the Federal Government, State Governments and the District of Columbia. The Act further provides that moneys collected shall be deposited into miscellaneous receipts.

Those provisions of the Act establishing a clearinghouse for technical information (64 Stat. 823; 15 U.S.C. 1153) which authorizes the Secretary to establish fees or charges for services performed or for documents or publications furnished under the Act, and the proviso in the Act of October 22, 1951 (65 Stat. 586; 15 U.S.C. 1153a) authorizing use of such funds to reimburse the applicable appropriation. Replacing the above provisions with the reimbursement provisions of this legislation will enable the Department to recover more of the costs of clearinghouse services. Present authority to recover costs has been interpreted restrictively by the Comptroller General (34 Comp. Gen. 58).

In the drafting of this proposal consideration was given to the repeal of other provisions relating to the collection of fees (13 U.S.C. 8(b), 13 U.S.C. 8(d), 15 U.S.C. 273, and 15 U.S.C. 275(a)), which concern the Bureau of the Census and the National Bureau of Standards, but it was decided not to recommend repeal since those provisions are part of their organic acts.

In the case of Bureau of the Census, although the draft legislation is nearly identical to the authority available to the Bureau of the Census under 13 U.S.C. 8(b) and 13 U.S.C. 8(d), these sections are interwoven with the confidentiality provisions of the basic Census data and the Census studies and surveys conducted under their organic act. Since the provisions are so nearly identical, it is believed that no purpose would be achieved in repealing the Census law. Modifications of the Census organic act would have to be very carefully worded to protect the confidentiality of Census information.

In the case of the National Bureau of Standards, the sections 15 U.S.C. 273 and 275(a) are cross-referenced through the Bureau's organic act to other special provisions of law therein. These provisions have fund implications involving the use of the NBS Working Capital Fund, the requiring of advance payments for services, and the special authority regarding equipment and property utilized by the Bureau of Standards in the conduct of its work. Accordingly it would be undesirable to repeal these provisions.

The draft legislation would permit the Department to make more widely available the valuable data, statistics and other material collected by it without additional appropriations. Similarly the authority to conduct joint projects on a cost-sharing basis would enable us to expand our basic knowledge in important fields with less appropriations than would otherwise be required.

The Department of Commerce therefore urges early enactment of the proposed draft legislation.

INTRODUCTION OF BILL RELATING TO VEHICLE WEIGHT AND WIDTH LIMITATIONS ON THE INTERSTATE SYSTEM

Mr. MAGNUSON. Mr. President, the purpose of this bill is to correct a situation which is severely hampering necessary improvements and economies in the Nation's transportation system. Today, more than ever before, due to the rising volume of transportation and the pressures of increased costs, we must seek every way possible to reduce the cost of moving goods in the Nation's commerce. In the case of motor truck transportation, which is the major mover of freight in the Nation, the opportunity to achieve economies and improve technology is stymied by provisions of the Federal-Aid Highway Act of 1956.

In 1956, when Congress decided to move ahead with the building of the national system of Interstate and Defense Highways, it placed certain limits on truck single-axle weights, tandem-axle weights, gross weights, and width. The limitations which were placed in the 1956 law were old standards. They were taken from the 1946 policy statement of the American Association of State Highway Officials. The AASHO standards were dictated and controlled by the less modern and inferior types of roads and bridges generally in existence at that time. Recognizing that the standards placed in the 1956 act were stopgap standards borrowed from the AASHO standards for older roads, Congress ordered the Secretary of Commerce to study and recommend proper Federal standards.

It is apparent from the 1956 legislation, which called for the aforementioned study, that the size and weight limitations were intended to be temporary pending results of the study. The Department of Commerce report was originally scheduled for submission to Congress in 1959, but this was later extended and the report was not actually transmitted to Congress until August 1964. It has now been 11 years since Congress applied the temporary "freeze" in the act of 1956. Thus the trucking industry and the Nation find themselves faced with truck size and weight limitations which are in fact 20 years old.

Hardest hit and precluded from making any progress since 1956 because of the application of 20-year-old standards have been the Western States. The 1956 act did provide that any State having standards above those contained in the act could keep these higher standards but could not exceed them at any time. As far as the Western States were concerned, however, the freeze caught them with a considerably lower uniform axle limitation than that which existed in many other portions of the country. The heavy dependence of the Western States on highway transportation has been brought to our attention many times by State legislators, highway officials, industrial groups, as well as by the Western Conference of the Council of State Governments.

Over 3 years ago, 23 of my western colleagues, of both parties, joined with me in calling this subject to the attention of the then Secretary of Commerce. There has still been no action, although it becomes more imperative with each passing day that the economy of the Nation, and particularly of the West, be permitted full utilization of the highway system which is so vastly improved beyond that which existed in 1956, not to mention the improvements since 1946 when the present standards were actually devised.

It is true that some changes have been made since 1956 in those States where standards were below the Federal limits. But the fact today is that since 1963 all States are at a standstill as far as the effective size and weight improvements are concerned. Thus, while mile after mile of new highway has been laid down in large part with enormous tax payments made by the trucking industry, the Nation's truck fleet has been denied the opportunity to combine increased truck efficiency with improved highway standards. The new highway system is designed for and entirely capable of sustaining more liberal standards. Until such standards are authorized the Nation's economy, particularly in the West, will continue to be artificially restrained.

The legislation which I am introducing today would not change truck size and weight laws in any State. The bill would merely raise the Federal limits and thus remove the straitjacket from the States and allow them to set standards up to the new limits provided in the bill. In each case, however, improvement would be contingent upon action by a State legislature reviewing the laws of its own State.

We are aware that continuing investigation in this field is going on in the Bureau of Public Roads under the Department of Transportation. This is appropriate and necessary. There is no reason, however, why we should not now permit the States to allow improvement and appropriate increases, concerning which there is little debate, while the pertinent studies continue.

The bill I am introducing merely raises the allowable limits of the four items now under Federal control to higher levels more in keeping with the design standards of our modern highways.

As I have mentioned above, the basic control of sizes and weights remains with the States in my proposed legislation, just as it does in the present statute, but until we revise the existing law the States are unable to move, and the application of improved technology in transportation is being denied the trucking industry and the Nation.

Regulation of vehicle sizes and weights is and has been a traditional responsibility of the individual States. Congressional action in 1956 in setting Federal limits was designed to protect the Federal investment in highways. It may well be that the time has come when the subject should once more be returned to the States. If, however, Federal limits are to be retained, the time has long since passed for a realistic liberalization of these limits of the type proposed in the bill I am introducing.

One further consideration bears importantly on this subject. We have now created the Department of Transportation. In that Department we have vested power and authority to deal with all matters of traffic safety. Dr. Haddon has ample authority under that act to see that all vehicles which operate upon the highways of the United States are subject to such standards of construction and operation as will be proper.

I have asked my Western colleagues to join with me in the introduction of this bill, and the following Senators have agreed to cosponsor: Senators BARTLETT and GRUENING of Alaska; HAYDEN and FANNIN of Arizona; KUCHEL and MURPHY of California; DOMINICK of Colorado; FONG and INOUYE of Hawaii; CHURCH and JORDAN of Idaho; BIBLE and CANNON of Nevada; MONTOYA of New Mexico; MORSE and HATFIELD of Oregon; BENNETT and MOSS of Utah; JACKSON of Washington; and MCGEE and HANSEN of Wyoming. This constitutes the majority of the Senators from the 13 Western States so adversely affected by this matter.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2658) to amend section 127 of title 23 of the United States Code relating to vehicle weight and width limitations on the Interstate System, in order to make certain increases in such limitations, introduced by Mr. MAGNUSON (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Public Works.

Mr. BIBLE. Mr. President, I am pleased to join with the distinguished Senator from Washington on legislation which I feel is long overdue.

As he has so ably stated, vehicle limitations placed in the 1956 Federal-Aid Highway Act, with respect to weights and measures are outmoded and need to be revised in line with our new up-to-date and more modern highways and bridges.

Representatives of the Nevada Motor Transport Association and individual trucking, mining, and ranching interests have discussed this problem with me on innumerable occasions. They have impressed upon me the need for removing the embargo placed by Federal legislation on the individual States, which now limits the weight and width of trucks and has actually frozen these out-of-date State standards in this industry.

Many of our Western States including Nevada have not had the opportunity to revise these standards for some 11 years, although as exists in my State, standards set by the Nevada Legislature years ago, are well below those in many of the Eastern and Midwestern States. This restriction has worked a hardship on the trucking industry, and mining industry, and the livestock industry in Nevada.

Single-axle limitations in Nevada now preclude trucks from hauling cargo with over 18,000 pounds of weight. Tandem-axle limitations are 20,000 pounds while other States exceed these limits by as much as 10,000 pounds. Width limitations, once a problem with respect to narrow highways and bridges also are outmoded with the superhighways and more modern bridges.

This bill does not permit the Federal Government to make the necessary changes. It does permit the State legislatures in the various States to revise statutes and bring weights and measures up to those standards which they believe are desirable to meet the needs of the trucking industry and still be within safe and reasonable limits.

I was one of a number of western Senators, who joined with Senator MAGNUSON and others over 3 years ago, when we called this problem to the attention of the Secretary of Commerce.

There has been no action since this time at the Federal level. It seems reasonable and imperative that we pass legislation which will permit the States to revise their statutes and let the trucking industry upgrade their standards to where at least the industry can become more competitive.

Regulation of vehicle sizes and weights, as Senator MAGNUSON has stated, are properly and traditionally the responsibility of the individual States. I believe this responsibility should be returned to the States.

Federal limitations imposed in 1956 are much too restrictive with the newly improved highways and more efficient vehicles now existent.

It is my further information that officials of the motor transport association in Nevada have held many conferences with our very able director of the Nevada Highway Department and other State officials. I am advised they are ready and willing to make recommendations at the State level revise present State laws and see that the vital trucking industry in our State is given the latitude it needs, and should have, without doing any damage to our excellent highway system.

I strongly endorse this bill and recommend favorable action.

Mr. MOSS. I am delighted to join with Senator MAGNUSON in presenting this bill to correct—at long last—the unrealistic size and weight limitations which burden highway transportation in many sections of the Nation.

As a westerner, and as a former member of the Committee on Public Works, I have been particularly concerned with this problem.

It was in 1956—before I came to the Senate—that Congress passed the legislation which has become known in the West as "the freeze." Frozen into the law was inequity—a system of size and weight limits that vary widely from State to State. It is ironic that the "freeze" has operated to hamper the Western States, precisely the region which most needs low-cost transportation for economic growth. It hampers these States because they generally had lower limits when the bill was enacted.

It is true that the limits were intended to be temporary. Congress expected the Department of Commerce to promptly present recommendations on national size and weight limits. The first schedule called for the report to be submitted in 1959. This was extended, and the report did not get to Congress until 1964.

Just last year, the State of Utah faced a serious situation which was precipitated by the freeze, and which illustrates concretely the need for this bill. The circumstances were as follows:

In order to make a phosphate mining operation financially feasible in a section of the State not served by a railroad, the Utah State Legislature enacted authorization for the issuance of overload permits in special circumstances. The Utah State Highway Commission then issued such a permit for the carrying of phosphate on Highway 40, a State primary road. The highway was in need of reconstruction along certain stretches between Vernal and Salt Lake City. But the Bureau of Public Roads adamantly refused to authorize the use of Federal aid funds on Highway 40 unless the special permits were revoked. This was true even though the State offered to pay the difference between the cost of the road built to 1946 standards—those in the freeze—and the cost of the road built to carry the overweight trucks.

The distinguished chairman of the Committee on Commerce and the distinguished chairman of the Committee on Public Works joined me in signing a letter urging the Federal Highway Administrator to reverse this edict.

> What is now prohibited in Utah under threatened withdrawal of Federal funds would be perfectly legal in many other States—

Our letter pointed out. And we noted that, in many States, such loads could be carried even on the Interstate System which is almost entirely federally financed.

In the Utah case, the ban was lifted, but only after a sustained fight and a considerable period of delay.

As Senator MAGNUSON has also pointed out, the trucking industry and the Nation have in effect been operating under truck size and weight limitations that are actually 20 years old. This is because the limitations in the 1956 law were standards taken from the 1946 policy statement of the American Association of State Highway Officials. Since then, billions have been spent on highways that can safely take larger and heavier trucks than are permitted in many Western States.

This bill does not set the standards. What it does do is permit State legislatures to raise the limits on truck single-axle weights, tandem-axle weights, gross weights, and width, but only to limits already recognized as sound.

Mr. President, it is my hope that this bill will be enacted speedily.

NATIONAL INSTITUTE OF MARINE MEDICINE AND PHARMACOLOGY

Mr. MAGNUSON. Mr. President, I introduce, for appropriate reference, a bill to establish in the Public Health Service of the Department of Health, Education, and Welfare, a new Institute of Health, the National Institute of Marine Medicine and Pharmacology.

The bill also would create a National Council on Marine Medicine and Pharmacology such as the National Cancer Advisory Council, National Advisory Heart Council, National Advisory Dental Research Council, National Advisory Mental Health Council, and other councils which advise and assist the appropriate national institute.

Oceans and the life within them have opened vast new frontiers to research in medicine and health; a new world that holds high promise to mankind. The bill I have introduced today is designed to speed this promise.

As the Panel on Oceanography of the President's Science Advisory Committee stated in its 1966 report "Effective Use of the Sea":

> The list of pharmacologically active substances extracted from marine organisms is expanding as more investigators enter this virtually untapped field of research in natural products.
>
> With development of biochemical analyses and refined techniques for cultivating the many marine organisms that produce chemicals which may prove to be of medical importance, the time is now ripe for intensified research in marine biochemistry and pharmacology.

Mr. President, the time is now ripe for the Federal Government, through its Public Health Service of HEW to participate in expediting this research by creating an Institute of Marine Medicine and Pharmacology and an advisory council to specialize in the distinctive environment that covers 70 percent of the earth's surface.

Again quoting from "Effective Use of the Sea":

> The value of biochemical studies on the great diversity of marine plants and animals is indicated by the isolation of chemicals that have antiviral, antimicrobial, cancer-inhibiting, nerve-blocking, or heart-stimulating properties in laboratory experiments.

And elsewhere the report states:

> The great variety of plant and animal life in the sea offers abundant opportunity for study in many areas of biomedical research. . . . There is an obvious need for larger scale projects, but it is clear that advances in marine biology will always depend heavily on individual research. It is therefore essential that support for these scientists be continued and increased. . . . The broad outlines of the subject are clear. What is needed is a much greater emphasis on the problem area reviewed above.

That the "time is now ripe" to provide greatly augmented impetus to what may be called medical oceanography is evidence also by the nationwide interest that has developed in this sphere of medical science.

In 1960, when hearings were held on the first of three comprehensive bills to advance oceanography which I introduced—a bill which, incidentally, passed the Senate without dissent but received no further action—the Navy Department could supply a list of no more than 13 scientists conducting research "expected to yield results of medical interest or leading to the development of new medical techniques and concepts in oceanography."

I carried on a fruitul corresopndence with a number of these scientists which convinced me of the great potential of marine medicine, and which I shall touch on later in my remarks.

In 1961, when hearings were held on the second oceanographic bill, testimony was offered on this potential by Dr. John J. A. McLaughlin, of the Haskins Laboratories, New York, and statements for the record were made by a number of other eminent scientists and specialists in marine medicine.

These included Dr. Albert Szent-Gyorgyi, Nobel Prize winner in medicine and head of the Laboratory of the Institute for Muscle Research, Woods Hole, Mass.; Dr. Harry Sobatka, director, Department of Chemistry, Mount Sinai Hospital, N.Y., and Dr. Paul R. Burkholder, then director of research, Kitchawan Research Laboratory, Ossining, N.Y., and now with the Lamont Geological Observatory, Palisades, N.Y.

Others with whom I corresponded during this period of the development of legislation for the expansion of marine sciences, and who provided valuable information included Dr. Ross F. Nigrelli, Laboratory of Marine Biochemistry and Ecology, New York Zoological Society; Dr. Luigi Provasoli, Haskins Laboratories; Dr. John M. Sieburth, of Narragansett Marine Laboratory and, incidentally, a graduate of Washington State University, and Dr. Bruce Halstead, Colton, Calif.

Mr. President, their thinking is reflected in the Marine Resources and Engineering Development Act, approved last year, and in its "Declaration of Policy and Objectives" which includes the development, encouragement, and maintenance of a long range national program in marine science to benefit mankind in the protection of, among other things, our health.

In this legislation, one of the duties of the National Council on Marine Resources and Engineering Development is to establish long-range studies of the potential benefits to the U.S. health and welfare to be gained from marine science, and the council is today engaged in inaugurating these studies.

Enactment of the bill I have introduced today to create a National Institute of Marine Medicine and Pharmacology will implement and further these studies.

I am not a scientist or a doctor of medicine, but during the period when the major legislation was in preparation, I had several highly respected authorities prepare for me a paper titled "Medical Aspects of Oceanography."

This paper stated that these medical aspects fall into several broad categories, including:

First. Studies related to the production or extraction of medically important substances from sea water or marine organisms.

Second. Investigations of unusual toxins and their pharmacological properties.

Third. Research on the nature of parasitism.

Fourth. Analysis of physiological mechanisms, including both those that are widespread and those that are unique.

In some of these categories, the paper stated, the relationship to medicine is readily recognized; in others it is obscure and indirect.

Specific examples were cited:

> In the first category, a number of potentially important antibiotics are known to be produced by marine organisms, and more recently, an effective antiviral agent has been found in the muscles of Abalone. Some marine animals (certain Crustacea and Penguins) harbor no enteric bacteria.
>
> Whether this is due to production of antibiotic or lysin agents by the digestive tissues is not at present known, but if it could be determined, the information might have important implications for treatment of a number of bacterially caused digestive ailments in man.
>
> Vitamin B–12 is abundant in the sea; in certain ecological situations, e.g. Phosphorescent Bay in Puerto Rico, it occurs in such concentrations as to be, perhaps harvestable. Other vitamins, health foods, blood extenders, are all known to be produced by a variety of marine plants and animals. Utilization of these and other medically important substances is possible, but only if more knowledge about the circumstances under which they are produced is gained by research.

A second category dealt with the toxins produced by certain marine organisms and added:

> Study of the wide variety of toxins produced by marine animals promises to add enormously to medical knowledge; only very recently has medical research recognized the enormous potential of marine invertebrate pharmacology.

In this connection, it will be recalled that at hearings on the oceanographic bill considered in March 1961, Dr. Dixy Lee Ray of the University of Washington cited that among marine invertebrates "there has never yet been a single case of cancer found."

The third category, dealing with research on the nature of parasitism states:

> Much progress has been made in recognizing the symptoms of parasitism, but little in understanding the reasons for it . . . Study of these species as tools for research could reveal much about the basic cause of the parasitic mode of life.

The paper further stated:

> For some disease-causing bacteria, sea water has apparently, a sterilizing effect; conversely, certain types of wounds (e.g., scratches from corals and from spines of sea urchins) are very apt to become infected. Reasons for this are still not known.

Progress in medical science depends in large part upon progress in knowledge of normal physiological functions, the statement amplifies in respect to the fourth category.

It continues:

> Because many physiological processes are basically similar throughout the animal kingdom and because Man obviously cannot be used for many kinds of laboratory experiments, the study of other animals contributes importantly to knowledge that in turn contributes to human health and welfare.
>
> Marine animals provide essential information in many such physiological studies: much of present understanding of the function of the nervous system comes from studies of the remarkable nerves and ganglia in squid; experiments on the brain of octopus contributes to information about learning and mental disorders; crabs, lobsters and shrimp are the forms that make it possible to isolate specific substances that function in the normal nervous system to inhibit passage of impulses.
>
> In heart research, clams and worms are studied for their cardiac responses which differ from those of vertebrates, and often by examining the unique or unusual, one can find the key to understanding the normal.
>
> One of the most active fields of medical research today involves studies of tissue compatability and the nature of immunity; sponges are especially useful here as are the embryos of many marine forms. Although fishes may suffer from cancer and neoplasms, no marine invertebrate is known to do so, yet no one knows why this should be so. How can whales and porpoises dive without suffering from the bends? Why do certain species of marine organisms concentrate certain substances, including their radioisotopes, to such an excessive degree over the concentration in sea water?
>
> All of these topics and more pose questions whose answers are or should be sought, and all have medical implications.

Summing up, this important report on the relationship of the marine environment and marine life to humanity concludes:

> The medical implications of oceanography are vast. Some are being explored; most are claiming the attention of relatively few investigators and many are being ignored. Reasons for this lie not in the ignorance or indolence of scientists, but in the lack of proper opportunity, of proper facilities where such studies could be made.
>
> Great laboratories are built to investigate questions of health and disease and these medical research centers are vitally important—but most exist far from the sea and none have provision for exploiting the rich reservoir of experimental organisms that live in the marine environment.
>
> For our medical scientists to utilize marine materials in their research, they must journey to marine laboratories that are few in number, overcrowded, generally outmoded or even dilapidated, and usually without modern research equipment. Shipboard biological research is possible only under the most difficult conditions, generally in vessels where research laboratories are either inadequate or lacking completely.
>
> As long as these conditions persist, progress in the medical aspects of oceanographic research will continue only at its present slow rate.

Mr. President, these are conditions my bill to establish a National Institute of Marine Medicine and Pharmacology will, when enacted, greatly alleviate. The Institute will provide encouragement and assistance to those scientists, physicians, and pharmacologists now struggling despite the handicaps detailed above in this vital field.

The Institute will, of course, cooperate with the other Institutes of Health. In addition to pursuing distinctive areas of medical research, it will supplement the investigations of the National Cancer Institute, National Heart Institute, and other Institutes of Health in their specialized fields.

In addition to opening up a new frontier of medical research, existing frontiers will be broadened and all of the institutes will be mutually strengthened.

There is precedent for such an institute and the laboratories which it will support or maintain.

The French equivalent of the Public Health Service today maintains at Nice a well-staffed Laboratory of Medical Oceanography. Five of its voluminous reports have been transmitted to me, one of which I have had translated. The contents of this report are very interesting as, I am sure, the others, still in their original French, must be also.

An Institute of Marine Medicine and Pharmacology in the United States undoubtedly will report results of value to the health and welfare of our citizens.

Mr. President, early in my remarks, I noted that in 1960, the Navy had supplied me with the names of 13 scientists in the United States engaged in effective research in medical oceanography. Today, there are many more, although in comparison with other fields of medical research their numbers are limited and they are widely scattered.

In August of this year, the Marine Technology Society and American Institute of Biological Sciences with support from the Office of Naval Research conducted the first of three planned symposiums on "Drugs From the Sea" at the University of Rhode Island, Kingston, R.I. Where the next two symposiums will be held has not yet been determined.

Scientists from 33 States and three foreign countries attended. My own State of Washington was well represented and there were addresses by more than a score of specialists in marine medicine or pharmacology whose residences ranged from Hawaii to Maine and from Ontario, Canada, to Alabama. Inland States such as Oklahoma and Tennessee were also represented at the conference.

Dr. Herber W. Youngken, Jr., dean of the College of Pharmacy, University of Rhode Island, and chairman of the initial session of the conference, told the several hundred participants:

> Unlike the great surge of man's inquiry and development of the use of land plants and animals for medicines since very early times, the flora and fauna of the ocean shelves and estuaries has remained comparatively untouched. In no small measure, this has been due to the lack of a suitable means for getting into these ocean resources. It has been due also to our lack of sufficient knowledge of the marine ecology of the oceans and the dearth of enough trained personnel to develop the drug resources of this environment. . . .
>
> If we take inventory of the more than 400,000 species of land plants, of which at least 10,000 have been chemically and pharmacologically screened in one way or another, our record of success has been somewhat impressive. This is true despite the fact that many compounds are usually replaced by chemical synthesis or end up on the pharmaceutical chemist or organic chemist's shelf because of a lack of testing facilities. And surely here too we have hardly scratched the surface in terms of numbers of lower and higher plants that have been screened for drugs. But nevertheless, a significant number of natural products from land plants and animals are therapeutically useful as antibiotics, cardio-vascular drugs, antileukemia agents, narcotics, analgesics, anticoagulants, vitamins and certain hormones and enzymes.
>
> Recent findings of biochemical precursors from these materials have also led to important breakthroughs in chemical syntheses and the entire field of culture and fermentation techniques has opened up still greater vistas for natural product studies.
>
> Should not the carbohydrates, amino acids, biotoxins, enzymes, steroids and other chemical products of the sea have similar therapeutic uses in pharmacy and medicine? The gains from the years of studies with land organisms for chemical isolation and pharmacological evaluation and more sophisticated equipment and methods now available in the modern laboratory for these studies are surely assets for our turn to the resources of the sea.

Dr. Jean B. Lockhart, M.D., Assistant for Medical Resources, Bureau of Medicine, Food and Drug Administration, addressed the conference banquet.

> To help meet the enormous need for advances in therapeutic agencies—

She said—

> the Public Health Service has joined the search, together with universities, pharmaceutical companies, and private research organizations, to discover plant and animal sources of new drugs.
>
> Last month—

She continued—

> the National Cancer Institute contracted for two projects to collect, identify, grow and extract a wide variety of algae species, to evaluate the anti-cancer potential of algae extracts.
>
> These studies—

She said—

> together with many others sponsored or conducted by many of you here, can be expected to identify many new pharmacologically active products; anti-metabolites, steroid hormones, neuro-toxins, antimicrobial substances and more.
>
> The sea is not lonely, except perhaps in the deepest lightless zones. It is filled with highly diverse forms of life representing over 350 million years of long evolutionary chains. . . . It is not inconceivable that a marine creature's solutions of problems may help man solve some of his.

The next few years, she predicted, will see first, biochemical and in vitro studies, then animal pharmacological studies, of the most promising products. Finally, she added, they will be tried on humans, and at this point, the Food and Drug Administration will play an active role.

Mr. President, the Institute of Marine Medicine and Pharmacology will speed the research and investigations that are necessary before the Food and Drug Administration enters its "active role."

> This world of ours is an impatient one—

Dr. Lockhart told her large and attentive audience—

> a world of instant coffee, instant electronic communication, instant riots. The expotentially expanding population wants cures, not palliation, and prevention, in preference to cures.
>
> Somewhere there are drugs that can perform these seeming miracles, just as surely as the miracles of smallpox and polio vaccines and of penicillin were found.
>
> The humble Mexican yam is today the source of most of the contraceptive drugs used around the world. The humble algae of the sea may provide the prototype anticancer agent, or, along the lines of Dr. John Sieburth of Kingston, certain of the algae may prove to be the antibacterials of tomorrow.

Mr. President, earlier in my remarks, I stated that I would quote from some of the correspondence I received during considerations of several of the "omnibus" oceanographic bills, I introduced, and which indicated some of the exciting potentials of medical oceanography.

As early as 1960, Dr. Ross F. Nigrelli was writing:

> It is my belief that intensive biochemical studies of primitive animals of the sea will yield new organic compounds, and many new chapters will be written in organic chemistry and biochemistry.
>
> The rationale for undertaking studies on the biochemistry of marine animals, especially the lower invertebrates, is based on the fact that many species show a diversity of form and function (polymorphism) and many of them have great powers of regeneration, reproduction, growth and control of sex. Most of them are resistant to diseases and elaborate powerful toxins.

And Dr. Szent-Gyorgyi, who, as previously noted is both a doctor of medicine and a doctor of philosophy, and who has received a Nobel prize in medicine, wrote me, also in 1960, as follows:

> As you of course well know, the marine fauna is much more varied and richer than the fresh water fauna. We find in the ocean, forms which have unusual specialized chemical, physiological and morphological features which make them particularly valuable for the investigation of basic medical problems.
>
> Problems in cell division and multiplication, its acceleration and inhibition, the basic problem in cancer, can be effectively investigated in the marine eggs of many different forms.
>
> Problems in nerology, the mechanisms of nerve activity, can be carried out very profitably on the cephalopods with their giant nerve fiber.
>
> There is, in progress, work at this laboratory on the metabolic disturbances in diabetes in fish, the animals being rendered diabetic by operative removal of the insulin producing tissue, an operation which is impossible in higher forms. The environment of the Marine Biological Laboratory has been very fortunate for the development of my own research in the chemistry of the contractile proteins of muscle tissue, work which can have important significance in understanding the muscle dystrophies.

Dr. Szent-Gyorgyi concluded this letter with a note that has application, I think, to the bill I have introduced today. He states:

> In closing, it should be pointed out that any support provided for Marine Biology by the Government should be administered by an agency or agencies which are experienced in administering funds for basic biological research, which have the confidence of the medical and biological investigators and which have personnel to properly evaluate projects submitted for support.

Mr. President, the Public Health Service and its Institutes of Health are, in my opinion, such agencies as Dr. Szent-Gyorgyi contemplates, and the particular medical research which he refers to will be advanced by an Institute of Marine Medicine and Pharmacology, created under this bill I have introduced today.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2661) to amend the Public Health Service Act to provide for the establishment of a National Institute of

Marine Medicine and Pharmacology in the National Institutes of Health, introduced by Mr. MAGNUSON, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

ESTABLISHMENT OF COMMISSION ON DOMESTIC AND FOREIGN TRADE

Mr. TOWER. Mr. President, I introduce, for appropriate reference, a measure that would establish a Commission on Domestic and Foreign Trade. This Commission will be comprised of nine members, five of whom shall be appointed by the President, one from the executive branch of the Government and three from private life; two members to be appointed by the President of the Senate from the Members of the Senate, one from the majority party and one from the minority party; and two members appointed by the Speaker of the House of Representatives, one from the majority party, and one from the minority party. It shall be the duty of this Commission to study and report to the Congress the effects of tariff concessions made and to be made by the United States and other countries as a result of the Kennedy round negotiations.

Mr. President, much has been said recently about the effect of the Kennedy round tariff negotiations on the economy of the United States. I have heard facts and figures that show the recent agreements will be of great benefit to the U.S. industries in general. I have also seen reported facts and figures that would indicate that just the opposite is the case. What we need is a thorough, impartial investigation of all facets of the matter so that we in the Congress can be better informed as to what industries will be affected and whether such effects will be adverse or beneficial.

In some instances it is clear that we need to protect our domestic industries, not only to safeguard jobs in America that could not be replaced if lost, but also to insure that certain areas of our economy that would be called upon to perform great services in the event of a national emergency remain strong and capable of producing at a level that would be required of them. Where our national security is at stake, we must have all of the facts before us so that we will not make mistakes that could, in the long run, prove indeed bad for us.

In conclusion, I would like to stress the point that the main thing that I am asking is prudence in the consideration of tariff matters that will have an impact on our economy for a long time to come.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2664) to establish a Commission to study and report to the Congress on the efforts of tariff concessions made and to be made by the United States and other countries as a result of the Kennedy round negotiations introduced by Mr. TOWER, was received, read twice by its title, and referred to the Committee on Finance.

DUTY-FREE ENTRY OF NOZZLES FOR AGRICULTURAL SPRAYERS

Mr. TOWER. Mr. President, I introduce, for appropriate reference, a bill to amend item 662.45 of the Tariff Schedule of the United States. The change that I propose in this item would allow the duty-free entry of nozzles for agricultural sprayers. The sprayers themselves are allowed to enter duty free because they have been classified as "suitable for agricultural or horticultural use." However, the nozzles, without which the sprayers are for the most part inoperable, are taxed upon entry into this country. I would hope to remedy this incongruous situation.

The agricultural community of the United States is very much in need of new innovations. Farm profits are certainly not what they should be in a time when nearly every other segment of the economy is enjoying record profits. It is unfair that we ask the farmer to pay an additional tax to improve his situation. I ask therefore that the situation be remedied.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 2665) to provide for the duty-free entry of nozzles for agricultural sprayers, introduced by Mr. TOWER, was received, read twice by its title, and referred to the Committee on Finance.

TAX EXEMPTION FOR NONPROFIT PERIODICALS

Mr. TOWER. Mr. President, the Internal Revenue Service has proposed to start collecting taxes on advertising revenues obtained by nonprofit organizations for ads in their periodicals. It is my understanding that such a ruling would adversely affect such publications as the National Geographic magazine and such organizations as the Boy Scouts and the Girl Scouts. If carried out, the IRS regulation would have an adverse effect on many of the 700 or so periodicals issued by the Nation's cultural, educational, scientific, trade, and labor organizations.

There is some doubt that the IRS has the requisite power and authority to issue such a regulation without prior congressional action. I think the matter calls for clarification.

To that end, I introduce legislation today which would prohibit the IRS from taking the action it proposes.

I do not think there is any question that these publications—Boys' Life for instance—are in competition with profit-oriented publications. It was never the intent of Congress that these very worthy organizations and publications should be taxed and to levy such a tax now would put many out of business.

It is a matter which I hope the Senate will decide in favor of these organizations. I ask the bill I now introduce be printed at this point in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2666) to provide that income derived by tax-exempt organizations from advertising in periodicals published by them shall not be subject to tax on unrelated business income, introduced by Mr. TOWER, was received, read twice by its title, referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

S. 2666

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 513(a) of the Internal Revenue Code of 1954 (defining unrelated trade or business) is amended by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; or", and by adding after paragraph (3) the following new paragraph:

"(4) which consists of activities of soliciting, selling, and publishing commercial advertising in a periodical published by the organization, if the publishing of such periodical (except for such advertising) is substantially related to the exercise or performance by such organization of its charitable, educational, or other purpose of function constituting the basis for its exemption under section 501 (or, in the case of an organization described in section 511(a) (2) (B), to the exercise or performance of any purpose or function described in section 501(c) (3))."

(b) The amendment made by subsection (a) shall apply to taxable years to which the Internal Revenue Code of 1954 applies.

INTRODUCTION OF A MEASURE TO AUTHORIZE "NATIONAL SERVICE STATION OPERATOR DAY"

Mr. TOWER. Mr. President, I introduce, for appropriate reference, a joint resolution which would authorize the President to proclaim March 21, 1968, as "National Service Station Operator Day." It would also invite the mayors of the local governments and the Governors of the States to issue similar proclamations.

Mr. President, the service station operators in the various communities provide a valuable service to their customers in all sorts of adverse conditions, night and day. If only for this season alone they should be honored. However, they also perform many other services that are not in their particular line of duty. For example, they have been active in seeing that the particular area that they serve remains attractive and that it is beautified. Also, they have a moving force in seeing that highway beautification activities are carried out and that they are done in good taste.

For these reasons, then, Mr. President, I ask that the Senate favorably consider this joint resolution.

The PRESIDENT pro tempore. The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 121) to authorize the President to issue a proclamation designating March 21, 1968, as "National Service Station Operator Day," introduced by Mr. TOWER, was received, read twice by its title, and referred to the Committee on the Judiciary.

SOCIAL SECURITY AMENDMENTS OF 1967—AMENDMENT

AMENDMENT NO. 439

Mr. BYRD of West Virginia. Mr. President, on behalf of the junior Senator from Florida [Mr. Smathers], who is necessarily absent, I submit an amendment, intended to be proposed by him, to H.R. 12080, the social security bill.

The PRESIDENT pro tempore. The amendment will be received, printed, and lie on the table.

DRUG AMENDMENT TO H.R. 12080, THE PROPOSED SOCIAL SECURITY AMENDMENTS OF 1967

AMENDMENT NO. 440

Mr. MONTOYA. Mr. President, I submit for printing, an amendment to H.R. 12080, the proposed Social Security Amendments of 1967, on behalf of myself and Mr. Bartlett, Mr. Bayh, Mr. Brewster, Mr. Brooke, Mr. Byrd of Virginia, Mr. Clark, Mr. Eastland, Mr. Gruening, Mr. Hart, Mr. Inouye, Mr. Javits, Mr. Kennedy of Massachusetts, Mr. Kennedy of New York, Mr. Long of Missouri, Mr. McGee, Mr. McIntyre, Mr. Magnuson, Mr. Mansfield, Mr. Metcalf, Mr. Mondale, Mr. Morse, Mr. Moss, Mr. Nelson, Mr. Pell, Mr. Tydings, Mr. Yarborough, and Mr. Young of Ohio.

The purpose of my amendment is to fill a critical gap in the coverage afforded millions of older Americans under the medicare program. Under the present program, the aged do not have any protection against the costs of prescription medicines, costs which represent a heavy financial burden upon the limited, fixed income resources of our elderly citizens.

This amendment would establish a new prescription drug benefit under the voluntary supplementary insurance program of medicare.

In many respects, this amendment is similar to an amendment which the Senate unanimously adopted previously but which has not been carried through conference into enactment.

Mr. President, the major provisions of my amendment are:

First. Would add a benefit under medicare for drugs prescribed outside of a hospital or nursing home and certain nonprescription drugs.

Second. The patient would pay the first $25 of expense himself.

Third. Costs over and above $25 would be eligible for reimbursement.

Fourth. A Formulary Committee, made up of the Surgeon General, the Food and Drug Commissioner, and the Director of the National Institutes of Health would determine qualified drugs and allowable expenses. An advisory group would assist the Committee.

Fifth. Allowable expenses would be based on the acquisition cost of the drug, when purchased in the lowest cost form which is of acceptable quality.

Sixth. The cost basis would be the cost to ultimate dispensers for most frequently prescribed quantities, plus a reasonable professional fee.

Seventh. Doctors could prescribe and patients purchase drugs under any brand name they wish but would be reimbursed only the amount allowed by the Committee based on the lowest cost form of acceptable quality.

Eighth. Effective date, July 1, 1969.

Ninth. Financing would be provided by the patient paying 50 cents a month and the Federal Government matching this.

Since the proposal is a financing mechanism only, aimed at helping those with catastrophic drug expenses, payments would be made directly to the patient after he submitted bills which exceed the deductible amount. This is the same procedure which is used in many of the private drug benefit programs. In no way does this proposal interfere with the right of the physician to prescribe in any manner he sees fit, nor does the bill interfere in any way with the retail drug pricing methods used by the Nation's pharmacists. The bill establishes a program which says, in effect, that regardless of the charges for drugs which the aged require, the medicare program will pay "this much" toward those expenses.

I introduced this amendment on the first day of the session as Senate bill 17. I have subsequently been joined by a substantial number of our colleagues who see the need to press forward with this legislation. I have been heartened by the favorable response.

I urge overwhelming adoption of my amendment so there can be no doubt in anyone's mind that the Congress of the United States is capable of identifying proposing and enacting legislative remedies on its own.

Mr. President, I will call up my amendment at the appropriate time.

I ask unanimous consent that it be printed in full at this point in the Record.

The PRESIDENT pro tempore. The amendment will be received, printed, and will lie on the table; and, without objection, the amendment will be printed in the Record.

The amendment (No. 440) is as follows:

On page 164, between lines 5 and 6, insert the following:

"COVERAGE OF CERTAIN DRUG EXPENSES UNDER PART B OF TITLE XVIII OF THE SOCIAL SECURITY ACT

"Sec. 149c. (a) Section 1832(a) of the Social Security Act is amended (1) by striking out 'and' at the end of paragraph (1), (2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof '; and' and (3) by adding at the end thereof the following new paragraph:

" '(3) entitlement to be paid for allowable expenses (as defined in section 1845(a)(2)), or, if lower, actual expenses, incurred by him for the purchase of qualified drugs (as defined in subsection (a)(1) of such section).'

"(b) Section 1833(a) of such Act is amended (1) by inserting 'or qualified drugs' after 'incurs expenses for services', (2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof '; and', and (3) by adding at the end thereof the following new paragraph:

" '(3) in the case of expenses covered under section 1832(a)(3)—100 per centum of such expenses.'

"(c) Section 1833(b) of such Act (as amended by the preceding sections of this Act) is further amended—

"(1) by inserting '(insofar as subsection (a) relates to expenses incurred with respect to services referred to in paragraphs (1) and (2) thereof)' after 'Before applying subsection (a)';

"(2) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively; and

"(3) by inserting '(1)' immediately after '(b)', and

"(4) by adding at the end thereof the following new subparagraph (2):

" '(2) Before applying subsection (a) (insofar as subsection (a) relates to expenses incurred with respect to qualified drugs, as referred to in paragraph (3) thereof) with respect to expenses incurred by an individual during any calendar year, the total amount of the expenses incurred by such individual during such year (which would, except for this subsection, constitute incurred expenses from which benefits under subsection (a) are determinable) shall be reduced by a deductible of $25; except that (A) the amount of the deductible for such calendar year as so determined shall first be reduced by the amount of any expenses incurred by such individual in the last three months of the preceding calendar year, and (B) for purposes of determining amounts to be counted toward meeting the $25 deductible imposed by this paragraph, the actual expenses incurred by an individual with respect to qualified drugs shall be used instead of the allowable expense (as established pursuant to section 1845).'

"(d) Part B of title XVIII of such Act is amended by adding at the end thereof the following new sections:

" 'ALLOWABLE EXPENSES FOR QUALIFIED DRUGS

" 'Sec. 1845. (a) For purposes of this part—

" '(1) The term "qualified drug" means a drug or biological which is included among the items approved by the Formulary Committee (established pursuant to section 1846(a)).

" '(2) The term "allowable expense" when used in connection with any quantity of a qualified drug, means the amount established with regard to such quantity of such drug by the Formulary Committee and approved by the Secretary.

" '(b) Amounts to which an individual is entitled by reason of the provisions of section 1832(a)(3) shall be paid directly to such individual. No individual shall be paid any amount by reason of the provisions of section 1832(a)(3) prior to the presentation by him (or by another on his behalf) of documentary or other proof satisfactory to the Secretary establishing his entitlement thereto.

" '(c) The benefits provided by reason of section 1832(a)(3) may be paid by the Secretary or the Secretary may utilize the service of carriers for the administration of such benefits under contracts entered into between the Secretary and such carriers for such purpose. To the extent determined by the Secretary to be appropriate, the provisions relating to contracts entered into pursuant to section 1842 shall be applicable to contracts entered into pursuant to this subsection.

" 'FORMULARY COMMITTEE

" 'Sec. 1846. (a) There is hereby established a Formulary Committee to consist of the Surgeon General of the Public Health Service, the Commissioner of the Food and Drug Administration, and the Director of the National Institutes of Health.

" '(b)(1) It shall be the duty of the Formulary Committee, with the advice and assistance of the Formulary advisory group (established pursuant to section 1847), to—

" '(A) determine which drugs and biologicals shall constitute qualified drugs for purposes of the benefits provided under section 1832(a); and

" '(B) determine, with the approval of the Secretary, the allowable expense, for purposes of such benefits, of the various quantities of any drug determined by the Committee to constitute a qualified drug; and

"'(c) publish and disseminate at least once each calendar year among individuals insured under this part, physicians, pharmacists, and other interested persons, in accordance with directives of the Secretary, an alphabetical list naming each drug or biological by its established name as defined in the Federal Food, Drug, and Cosmetic Act, as amended, and by each other name by which it is commonly known, which is a qualified drug, together with the allowable expense of various quantities thereof, and if any such drug or biological is known by a trade name, the established name shall also appear with such trade name.

"'(2)(A) Any drug or biological included on the list of qualified drugs shall, if listed by established name, also be listed by its trade name or names, if any.

"'(B) Drugs and biologicals shall be determined to be qualified drugs if they can legally be obtained by the user only pursuant to a prescription of a lawful prescriber; except that the Formulary Committee may include certain drugs and biologicals not requiring such a prescription if it determines such drugs or biologicals to be of a lifesaving nature.

"'(C) In the interest of orderly, economical, and equitable administration of the benefits provided under section 1832(a)(3), the Formulary Committee may, by regulation, provide that a drug or biological otherwise regarded as being a qualified drug shall not be so regarded when prescribed in unusual quantities.

"'(3) In determining the allowable expense for any quantity of any qualified drug, the Formulary Committee shall be guided by the acquisition cost to the ultimate dispenser (generally, community pharmacists) for the quantities most frequently prescribed plus a reasonable professional fee for dispensing to the patient the prescription or other authorized lifesaving drugs, or biologicals not requiring a prescription, with a view to determining with respect to each qualified drug a schedule of prices for various quantities thereof. In any case in which a drug or biological is available by established name as defined in the Federal Food, Drug, and Cosmetic Act, as amended, and one or more trade names any one of which is different from such established name, the cost of such drug or biological, for purposes of the preceding sentence, shall be deemed to be the lowest cost of such drug, however named, which is of a quality acceptable to the Formulary Committee. Whenever the lowest cost (to the ultimate dispensers thereof) of a particular drug or biological differs in the various regions of the United States, the Formulary Committee shall establish, for the various regions of the United States, separate schedules of allowable expense with respect to such drug or biological so as to reflect the lowest cost at which such drug or biological is generally available to the ultimate dispensers thereof in each such region.

"'ADVISORY GROUP TO FORMULARY COMMITTEE

"'SEC. 1847. (a) For the purpose of assisting the Formulary Committee to carry out its duties and functions, the Secretary shall appoint an advisory group to the Formulary Committee (hereinafter in this section referred to as the "advisory group"). The advisory group shall consist of seven members to be appointed by the Secretary. From time to time, the Secretary shall designate one of the members of the advisory group to serve as chairman thereof. The members shall be so selected that each represents one or more of the following national organizations: an organization of physicians, an organization of manufacturers of drugs, an organization of pharmacists, an organization of persons concerned with public health, an organization of hospital pharmacists, an organization of colleges of medicine, an organization of colleges of pharmacy, and an organization of consumers. Each member shall hold office for a term of three years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and except that the terms of office of six of the members first taking office shall expire, as designated by the Secretary at the time of appointment, two at the end of the first year, and two at the end of the second year, and two at the end of the third year, after the date of appointment. A member shall not be eligible to serve continuously for more than two terms.

"'(b) Members of the advisory group, while attending meetings or conferences thereof or otherwise serving on business of the advisory group, shall be entitled to receive compensation at rates to be fixed by the Secretary, but not exceeding $75 per day, including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"'(c) The advisory group is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the advisory group such secretarial, clerical, and other assistance and such pertinent data obtained and prepared by the Department of Health, Education, and Welfare as the advisory group may require to carry out its functions.'

"(e) The amendments made by this section shall become effective on July 1, 1969."

THE FARM PRICE CRISIS—ADDITIONAL COSPONSORS OF S. 2617

Mr. McGOVERN. Mr. President, farm prices have declined to alarming levels. I regard the farm price crisis as the most serious economic problem before the Nation today. I have never been more concerned about low farm prices than I am at this hour.

I have been making weekend trips to South Dakota all fall and each week more and more farmers, businessmen and bankers have told me in worried tones of the deepening crisis in agriculture.

I have visited at length this fall with hundreds of the most experienced farmers and businessmen in South Dakota.

Almost without exception, they have said that they cannot remember a time when the gap was so wide between agricultural prices and the costs of things farmers buy.

The cost-price squeeze has seized the farmer and rancher, and if we do not find some way to break that squeeze, we are headed for an economic wreck.

The poultry, egg, and turkey market is in a shambles. Farmers in South Dakota are sacrificing their eggs at 15 or 16 cents a dozen, and they cannot even give away their laying hens in some cases.

Good corn is going for less than a dollar a bushel, and oats and wheat are selling at or below the cost of production.

Neither cattle nor hogs are bringing anything like a fair price.

Yet, the costs of living, including industrial prices, credit, taxes, and services, continue to rise.

How long can we continue on this course before we destroy the foundation of family-type farming and ranching?

Already, the last farm census indicates that we are losing farms and farm families at the rate of 1,200 a year in South Dakota.

And the last business census shows that for every six farms we have lost in the last 5 years, one mainstreet business has folded.

If we continue on our present course, we are going to replace our independent farmers, ranchers, and businessmen with corporate ownership.

I regard that prospect as a dangerous economic, social, and moral challenge to rural America.

Indeed, it is a threat to urban America, too, because it means that we will continue to drive more and more people out of our small towns and off the farm to be dumped into already overcongested cities.

I plead for support for the commodity reserve bill which I recently introduced that is designed to raise wheat, corn, feed grain, and soybean prices by pulling the excess out of the market and storing it on the farm or in country elevators as a public investment in food reserves.

I also urge greater use of eggs and poultry in Government domestic and international feeding programs as a means of improving prices and contributing to better human health.

I hope that Members of the Senate and Representatives will get behind the measure I have introduced to which I have referred. The Senator from Oklahoma [Mr. Monroney] has joined with me as a cosponsor of the commodity reserve bill (S. 2617).

Mr. President, I ask unanimous consent that the names of the following Senators be added as cosponsors of S. 2617: Mr. Mansfield, Mr. Young of North Dakota, Mr. Burdick, Mr. Metcalf, Mr. Cooper, Mr. Harris, Mr. Long of Missouri, and Mr. Morse.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ADDITIONAL COSPONSORS OF BILLS

Mr. BURDICK. Mr. President, I ask unanimous consent that at its next printing, the names of the Senator from Pennsylvania [Mr. Clark], the Senator from Kentucky [Mr. Cooper], the Senator from Michigan [Mr. Hart], the Senator from Oregon [Mr. Hatfield], the Senator from New York [Mr. Javits], the Senator from Illinois [Mr. Percy], the Senator from West Virginia [Mr. Randolph], and the Senator from Maryland [Mr. Tydings] be added as cosponsors of the bill (S. 2648) to authorize the Administrator of Veterans' Affairs to pay the total cost of a member's servicemen's group life insurance during any period that such member is serving in a combat zone.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I ask unanimous consent that, at its next printing, the names of the senior Senator from New Mexico [Mr. Anderson], the Senator from North Dakota [Mr. Young], the Senator from Utah [Mr. Moss], the Senator from New York [Mr. Kennedy], the Senator from Kentucky [Mr. Cooper] the Senator from Maine [Mrs.

SMITH], the Senators from Ohio [Mr. YOUNG and Mr. LAUSCHE], and the Senator from West Virginia [Mr. BYRD] be added as cosponsors of the bill (S. 2147), which I introduced on July 21, to modernize our State and Federal meat inspection programs.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I also ask unanimous consent that, at its next printing, the name of the Senator from Wyoming [Mr. HANSEN] be added as a cosponsor of the bill, which I introduced, (S. 2625) to amend the U.S. Housing Act of 1937 to extend coverage to all classes of low-income families in Indian areas.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NOTICE CONCERNING NOMINATION BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nomination has been referred to and is now pending before the Committee on the Judiciary:

Francisco R. Santos, of Guam, to be U.S. marshal, District of Guam, term of 4 years, vice Antonio C. Baza, retired.

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in this nomination to file with the committee in writing, on or before Wednesday, November 22, 1967, any representations or objections they may wish to present concerning the above nomination, with a further statement whether it is their intention to appear at any hearing which may be scheduled.

FINAL ACCOUNTING

Mr. BYRD of West Virginia. Mr. President, I noted in this morning's Washington Post that the Department of Justice has come up with its final tabulation on the number of persons who were arrested during the antiwar demonstration at the Pentagon last month.

According to the Department, a total of 683 persons were arrested, of whom 58 were juveniles and 625 were adults. Of the adults, 580 were convicted of Federal law violations.

I bring these figures to the attention of the Senate because I do not believe that simply because this demonstration is now history, we can afford to forget its lesson or its meaning.

That so many persons were arrested—and that the percentage of convictions was so high—makes it clear that this demonstration was planned to foment the maximum unrest and dissention.

Had the organizers of this demonstration planned that it be peaceful, there may have been none of the disgraceful incidents and subsequent arrests to which these figures bear clear and disturbing testimony.

I ask unanimous consent that the article entitled "Final Accounting" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FINAL ACCOUNTING

The Justice Department yesterday released final arrest and conviction figures on last month's antiwar protest at the Pentagon. Of 625 adults arrested, 580 were convicted of Federal law violations. There were 58 juveniles arrested, bringing the arrest total to 683.

VIETNAM—SPEECH BY GENERAL MURPHY

Mr. BURDICK. Mr. President, I recently had the pleasure of attending a homecoming banquet in Fargo, N. Dak., in honor of Francis J. Beaton, commander of the Disabled American Veterans. I have known Commander Beaton for many years, and was proud to have joined in honoring him.

At this banquet, the main speaker was a native Fargoan and friend, Gen. John R. Murphy of the U.S. Air Force. I believe that General Murphy's discussion of the war in Vietnam will be interesting reading for my colleagues in the Senate. I ask unanimous consent that these remarks be printed in the RECORD at this point.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

It is with mixed emotions that I speak to you today. Firstly, my emotions are mixed because I have a sense of joy and pride that you extended me an invitation to speak to this distinguished gathering of fellow North Dakotans, and secondly, I sense a feeling of dismay since I know my audience is composed of not only service veterans but those veterans who have suffered disabling injuries, while I stand before you and have bravely or foolishly chosen to discuss the war in North Vietnam. God knows you have had enough of war—three wars are more than enough for me also. It is my sincere hope that I shall not offend any listener here today—my experience is obviously orientated towards the United States Air Force—if you are a Marine, Navy, or Army veteran, please do not assume I deliberately slight your former branch of the service. My remarks must necessarily originate from my own experience, therefore these remarks will undoubtedly emphasize the Air Force side of the Southeast Asian operation. I intend to limit what few remarks I make to that portion of the Southeast Asian operation north of the so-called Demilitarized Zone—the line dividing North and South Vietnam.

Let me begin by stating that I know much concern has been shown about the quality of our weapon systems utilized in this war. From the Air Force standpoint we are admirably prepared to prosecute our efforts in Southeast Asia and are improving every day. As a comparison, our tactical fighters carry as many as eight 750 pound bombs against fixed targets whereas in Korea and World War II we were generally limited to one or two bombs. Now our fighters are equipped with a rapid firing cannon of large projectile size which fires rounds at the rate of 6,000 rounds per minute. This compared to the cyclic rate of World War II and Korea aircraft—250 to 350 rounds per minute. Furthermore, in the control systems of our aircraft are incorporated the most sophisticated, yet reliable, systems man can devise. By means of these control systems one man can monitor the guns, bombs, airborne radar and missiles while continuously flying his aircraft to and from the target. In addition, this pilot has cockpit aids known as a (1) Radar Homing and Warning Device and as an (2) Electronic Counter Measures System. These devices provide him warning of enemy radar directed guns or surface-to-air missiles and a counter to these enemy guns and missiles. Proper utilization of these devices allows the pilot to skillfully evade enemy guns and ground fired missiles. As an example, over 3500 surface-to-air missiles have been fired against our aircraft in North Vietnam but have accounted for only 76 of our aircraft. Because of the reliability of our airborne radar incorporated in the aircraft we have managed to destroy 85 MIG aircraft while losing only 25 of our own in air-to-air combat. These figures, of course, do not include the many aircraft of North Vietnam which have been destroyed on the ground as a result of our attacks vs their airfields. What does this sophisticated fire control system mean to you?

In simple words it means that your pilots operating over North Vietnam are able to accurately and precisely navigate to a target, initiate precise combat tactics, and deliver the appropriate weapons against that target in such a fashion to neutralize it with minimum corollary damage. It may not be inappropriate at this time to mention to you my complete confidence in the determination and capability of our combat crews to attack and destroy only military targets, and to assure you, as one who has participated in this operation, that all combat pilots have shown the highest degree of skill and care in minimizing to the greatest extent possible, any civilian casualties.

This leads me to a subject that is very near and dear to my heart. I would like to say a few words about our combat pilots and the airmen who maintain and support the operation. It has been estimated that the cost of training one fully qualified combat pilot comes to $250,000. As a fellow taxpayer I am interested too in what that money gives us. A number of years ago I spent five years in the U.S.A.F. training program and, with the improvements that have been made since that time, I can testify to the high quality of that program. This quality is being demonstrated every day in North Vietnam. If there is one distinguishing feature between our pilots and those of the opposing forces, it has to be our high quality of training.

The high incommission rate of our aircraft, great aircraft reliability under combat conditions, and high utilization rates of those aircraft are further testimony to the exceptional quality of training given to our ground crew men who keep these aircraft flying. I could sum up my remarks in regard to our pilots and crew men by stating that the highest state of morale exists in our units assigned to Southeast Asia. This high morale has developed outstanding discipline, military as well as personal. I would have to say that based upon my personal observation in three wars, your Air Forces in Southeast Asia are the most highly motivated Air Force units this country has ever fielded.

Perhaps the most significant and unique contribution to air operations in Southeast Asia is the rescue force assigned and the manner in which it performs its mission. These unselfish and courageous men have saved over 300 combat pilots since the war effort began. For every 16 combat crews only one rescue man has been lost. If you bear in mind my previous estimate that the training cost for one combat pilot amounted to $250,000, you perhaps can appreciate to some degree the value of this rescue operation. But even more important to the men who fly our combat fighter aircraft is the realization that the rescue capability is there and will be activated to recover downed pilots in spite of opposing fire.

Perhaps the most important single item for rescue of a downed airman is his radios. Each pilot carries three self-contained battery operated radios. When he finds it necessary to eject from the aircraft the first radio automatically signals a safe eject from the aircraft and successful parachute opening. After landing the crew then establishes radio voice contact with the covering fighters who hover overhead to provide protection. Within minutes a rescue flotilla of helicopters, and escort aircraft for the helicopters, arrive on the scene.

Despite sometimes intense ground opposition, these hovering helicopters, in the teeth of enemy fire, perform the rescue. I must say that from my 14 months of close personal observation of this rescue operation it has provided me the greatest source of admiration and appreciation of the extent to which dedicated officers and airmen will go to save their fellow man. You mothers and fathers can rest assured that the American concern for life and limb has not been neglected in this air operation in Southeast Asia.

This country has been very fortunate in at least one respect in Southeast Asia. It has found a staunch and firm ally. That ally is Thailand. This country considered by many as the next to go if South Vietnam falls, has courageously provided us the use of their air bases from which we launch strikes against North Vietnam on an hourly, daily, basis. This unwavering support is being provided while the first serious sign of insurgency takes place in their own country in the Northeast portion of Thailand.

The United States Agency for International Development in conjunction with all other United States agencies in Thailand, is assisting in whatever way is possible to aid the Thais in stamping out this insurgency in Northeast Thailand. Naturally, the Communist insurgents would have very rough going in an environment where there is a high degree of satisfaction with the central government and the standard of living were adequate. A student of history of Thailand would readily point out to you this is the reason why Northeast Thailand is the target for insurgent Communism today. Over 40,000 North Vietnamese live within the area, many of whom, if not most, are loyal to Ho Chi Minh. It is estimated there are presently between 1,000 to 2,000 reasonably well-equipped and dedicated and well-trained insurgents among the 40,000.

Our efforts to assist the Thai government in their internal counter-insurgency effort has not involved the United States in any way except economic support, encouragement, and advice where needed. We have attempted to improve the lot of the villagers by means of medical assistance and instruction in hygiene, but our main effort is to train the Thais to follow this program on their own.

I would like to conclude my remarks with some general statements which hopefully clarify in your minds some of my reasons why we are there in Southeast Asia and what results we have achieved.

Firstly, I would like to quote a remark of General McConnell's, Chief of Staff, United States Air Force.

"It should be borne in mind that our national objective in Southeast Asia is, first, to help defeat the forces of aggression against South Vietnam itself and, second, to impose a prohibitive cost on North Vietnam's support of aggression while refraining from the destruction of its government. In the accomplishment of both phases of this objective, airpower has assumed a vital and still expanding role that has many facets.

Our interdiction campaign against transportation routes through North Vietnam and the so-called Demilitarized Zone has proved its effectiveness by one of the most reliable of all standards—its effect on the enemy's tactics. I am referring here to his discontinuance of large-scale military campaigns deep within the interior of South Vietnam and to his concentration of attacks along the southern portion of the Demilitarized Zone which greatly shorten his lines of communication. This clearly indicates that the enemy's rate of infiltration has been 'held far below the level which he had planned or could otherwise have achieved."

I am not here to argue or debate this issue. It was not my intent to explain or deny the National policy in regard to Southeast Asia, but I must admit a major concern of mine. I have spent over 25 years in the military service subsequent to graduation from the United States Military Academy, and I am fully aware of my unusual interest in and approval of a degree of discipline which does not appear popular in this country today. Chauvinism undoubtedly has seen its last days and this I applaud, but surely you can allow me the opportunity to deplore what I hope you agree is equally repelling—that is the seemingly unreasonable and emotional ciety today. In this regard I would like to quote Mr. Cyrus R. Vance, former Deputy conduct of dissenters so evident in our so- Secretary of Defense.

"In America today," he said, "one of the greatest barriers to understanding is the very nature of the dialogue which has developed over the issue of Vietnam. It is heated and intolerant. The lines, on both sides, are too sharply drawn.

"We need, I think, to restore the national sense of balance," he continued, "for there is little enlightenment in the dark words which pass back and forth over a gulf of misunderstanding today. We can agree to disagree. But, surely, we must all seek meaningful communication as a bridge to reasoned understanding and rational action.

"Vietnam has been viewed too often in absolutes of black and white. The situation is not so starkly apparent as it is sometimes painted by the several sides in the debate. There are gray tones. The issues are complex and sometimes ambiguous." "This," he concluded, "is what makes it difficult to discuss or understand Vietnam."

It is too easy to reject the statements of the former Deputy Secretary of Defense since obviously you may very well consider him to have prejudged the case in view of his former position in the Administration. Perhaps you feel that only an Oriental can really judge the true state of affairs in that part of the world, that is, the Orient. In that regard the Nation that has most hesitated to commit itself on any major international issue since World War II is Japan. These people, based upon my close personal observation of 6 years, have studiously avoided committing themselves to one side or the other on matters of international disagreement. Ever since their unfortunate and ill-fated adventures in Southeast Asia, prior to and during World War II, they have been most circumspect in their discussion on an international level regarding actions taking place in that portion of the globe. Perhaps then, it would be significant to you to point out that recently the Japanese Prime Minister (Sato) got to the head of the matter and said that the United States is right in the conditions it set for ending the bombing in North Vietnam, and I quote:

"In any suspension of the bombing in North Vietnam there should be a firm assurance that it will lead to a suspension of hostilities in the south." And then the Prime Minister said: "Although the United States for its own part may wish for peace in Vietnam, it's important that such a desire should come from the other side as well."

VERMONT REPUBLICAN PUBLISHER SUPPORTS PRESIDENT JOHNSON'S VIETNAM POLICIES

Mr. McINTYRE. Mr. President, it is reassuring to know that amidst the emotional demonstrations directed against our Government's Vietnam policies, a vast majority of Americans support President Johnson and the honorable peace he is trying to achieve.

Support for the President was never more clearly articulated than in an excellent editorial published in the Manchester, Vt., Journal.

The writer expressed the sympathies of all Americans when he wrote:

> I don't like war and I wish there were some honorable means to avert wars. . . . I think that too many people who have so much to say about what the President should or should not do are talking off the top of their heads. . . .
>
> I am a Republican, but I don't think that the placing of a Republican in the White House would change the situation . . . I am sure that the President is just as human as any of us, and he hates to see lives taken—any life—just as much as you or I do. But the situation is there and must be faced up to, and I feel sure that he and his advisors are facing up to it in just the best way possible, with all the information they have at their command.

Faced with a situation which has been faced by three Presidents, Lyndon B. Johnson has chosen to pursue a sane middle course between suicidal escalation and mindless withdrawal.

This is a policy which disturbs some Americans; but is approved by most Americans.

The President does have the best information available on Vietnam.

He does have some of the best advisers in the United States at his side.

He does hate the loss of even one life in battle.

Yet he must persevere, and the American people must persevere with him.

The editor and publisher of the Manchester, Vt., Journal has given us all a little lesson in political humility.

I ask unanimous consent that his excellent editorial be printed in the RECORD. I hope that many Americans will read it and ponder its meaning for our troubled country.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

> I am a peaceful man. I dislike altercations; I don't care for arguments. I like to go along a peaceable way just as much as I can. I don't like war and I wish there was some honorable means to avert wars.
>
> I do not like the war (undeclared war) that is going on in Vietnam. I heartily wish that it might be stopped at once. But I know that it cannot, and I have no solution to offer and I do not approve of much of the talk about ending the war by this or that means.
>
> I think that too many people who have so much to say about what the President should or should not do are talking off the tops of their heads. They really do not know what they are talking about, although I am sure that many of them really feel that they do know.
>
> I am a Republican, but I don't think that the placing of a Republican in the White House would change the situation. We might wish that President Johnson would do this or that in the situation, but we know that the President has every shred of information possible to have on the situation in Southeast Asia and he is apprised of every slight change. He has at his beck and call the best informed staff it is possible to assemble. Much of this information is highly classified and is available only to him. It must be that way. On that information the President must

base his decisions, and we must be assured that the actions taken are the best at the time they are taken. And conditions change, and change quickly, and these changes we may not even hear about.

I am sure that the President is just as human as any of us, and he hates to see lives taken—any life—just as much as you and I do. But the situation is there and must be faced up to, and I feel sure that he and his advisers are facing up to it in just the best way possible, with all the information they have at their command.

And I'm not at all sure that all this war information that is viewed daily on the TV screen is doing us any good. I think it stirs people up much more than reading newspaper accounts, or even hearing news by radio.

PEKING IS THE REAL ENEMY

Mr. McGEE. Mr. President, in the light of the relatively recent outcries against Secretary of State Rusk's views on the danger of the aggressive purposes and power of mainland China, it is illuminating to read today the column by Roscoe Drummond in the Washington Post. He cites recent statements by Soviet writer Ilya Ehrenburg, Lt. Gen. James M. Gavin, President Bourguiba of Tunisia, and Prime Minister Lee Kuan Yew of Singapore, all of whom have backed up the Secretary of State by expressing, independently, much the same view.

This remarkable agreement by men of such varied background should help alert everybody, as Mr. Drummond writes, to what is at stake in Southeast Asia today. I ask unanimous consent that Mr. Drummond's column be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

World Leaders and Rusk Agree that Peking's the Real Enemy

(By Roscoe Drummond)

When Secretary of State Dean Rusk, Soviet writer Ilya Ehrenburg, Lt. Gen. James M. Gavin, Prime Minister Lee Kuan Yew of Singapore, and President Habib Bourguiba of Tunisia are in agreement—that's something.

When they are in agreement, specifically and in detail, about the danger of the aggressive purposes and power of Red China—that is indeed news.

It should help alert everybody to what is at stake in Southeast Asia today.

This remarkable agreement in pinpointing the common peril has come into focus in the past few days.

However much they may differ in their reasons for reaching this conclusion, these five men cite the same threat to world peace and describe that threat in almost the same words.

Rusk, Ehrenburg, Gavin, Bourguiba, and Lee have each spoken separately at different times and under different circumstances. But all sound exactly the same warning.

Taken singly, the warning from each of these five could conceivably be dismissed as having some ulterior motivation. Taken together, these warnings cannot rationally or safely be dismissed.

Secretary Rusk, at a recent press conference, spoke of the danger of "a billion Chinese armed with nuclear weapons."

Mr. Ehrenburg, a leading Soviet author and journalist, talked with Harrison Salisbury of the New York Times just before Ehrenburg died last summer and used almost exactly the same words as Secretary Rusk.

"The root of the problem," Ehrenburg said, "is their population. They have so many people and the population continues to grow. The larger China gets, the greater the danger."

Gen. Gavin, a critic of the American defense of South Vietnam, said on "Meet the Press" Sunday that he agreed with Secretary Rusk that Communist China is "the real enemy." He said that "China is the power that is providing the means for Ho Chi Minh to fight."

President Bourguiba, the moderate leader of a North African Arab nation, warns directly against the danger of Red Chinese expansion.

"China," he said recently, "has entered the (cold war) contest and, by inciting Hanoi to intransigence, it seeks nothing less than to confound its opposing Soviet brother, and to prove to him that guerrilla warfare can get the better of the American army.

"China would then be able to entertain any hope and nothing would stop the unleashing of its masses upon Vietnam, Asia, and Russia itself. What's more, China would assume the leadership of the Communist world."

This is why Bourguiba joins in warning that unchecked Chinese expansionism threatens "the equilibrium of the world."

This is why Prime Minister Lee of Singapore joins in warning that unchecked Chinese expansionism imperils the independence of all the nations of Southeast Asia and the freedom of their 260 million people.

SUPPORT FOR U.S. ACTION IN VIETNAM

Mr. CURTIS. Mr. President, we have heard many points of view expressed by Members of Congress and others about the war in Vietnam. For better or for worse, many of the speeches and statements have dealt with the question of rightness or wrongness of American involvement.

An excellent letter to the editor of the Garden County News, of Oshkosh, Nebr., has come to my attention. This letter, by Woodrow M. Hedlund, written from Vietnam, makes what I regard as a well-stated and well-reasoned presentation in relatively few words to support what our country is doing in Vietnam.

I want to make it clear that I do not agree with everything our Government has done in Vietnam, but I think this letter expresses well what we are trying to do there.

I ask unanimous consent that the letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Letters to the Editor

October 15, 1967.

Gentlemen: It would seem that all the literature that we receive here in Vietnam tends to show a large split in the feelings on the popularity of what the allies are trying to achieve in Vietnam, and why we are over here. Justification of these acts in the minds of the American people is rather ominous. War and destruction are not an ideal condition for a country where we cherish above all PEACE. What I hope to show is our real reason for Vietnam.

The role of the military in South Vietnam and in the air over the North is not particularly directed against a people of any race whether it be Vietnamese, Cambodian, Laotian or Chinese, but forwardly and directly pointed at stopping Communism. The goal is not easily achieved, as we have found to be true in the last 20 years. We have also found the Communist to be an effective opponent and dedicated to his cause.

Looking back to the early 50's we see a similar, and I place emphasis upon the word similar, because again we were fighting Communism but under different conditions. In Korea we achieved no complete military victory but we did accomplish one large thing, the Communists were stopped and South Korea still remains a free country. A country that knows the effects of the Communist and the ever present threat that shadows any free country. Korea has shown its feelings by sending two of her finest divisions, the Tiger and the White Horse, to Vietnam to help in this conflict.

Getting back to the original topic and justification of the war in Vietnam let's look at how this conflict is progressing. Most of the actual fighting has been left to the American and allied forces, with a limited number of Vietnamese troops in the field. Currently strong emphasis has been placed upon the Vietnamese troops to lead in the pacification of the Vietnamese people. This delegation of duty may be good and it may be bad, but one thing is true, it's working. The American troops in Vietnam have been labeled American Imperialist, War Mongers, and War Lords, but the fact remains that there is a job to be done here and the results of which we can see a little more each day. With the American military knowledge, equipment, and communications the effects upon the North and the Viet Cong are starting to be rigorously felt. The fact that they are no longer fighting the French has become quite evident and extremely costly to them. Maybe this is why some 30,000 of them have come over to our side this year alone.

The fact remains that the United States Government has not sent her troops to Vietnam for a clear cut military victory but to stop oppression by the North and keep the country free to govern themselves. This oppression takes varied forms from terrorism on the village hamlets, slaughter of the Vietnamese nations, stealing of rice and young people for the thinning units. When I speak of young people I refer to boys of 12 being inducted into the Viet Cong ranks, this is not an uncommon practice. There is also taxation of a people already so poor that they cannot meet the basic needs of survival, and of course slavery which many Vietnamese have felt from their Viet Cong brothers. The United States military has given the people food, clothing, medicine, education, and a safe place to live in many locations in Vietnam, but the job is only started, and now the people are starting to see for themselves the true results in turn causing the hold from the North to slip, a good sign that maybe we are winning. Again I would like to stress that we are here to assist these people and by every means available to us, even if this means an armed conflict.

In closing I would like to say one thing: Peace as we know it in our country is worth fighting for even if we have to do it here in Vietnam or any other country of the world. You may ask yourself, "Why should I care about that place, it's 12,000 miles away and I don't owe them anything?" This is not an unfair question and I've asked myself this many times, but of this I am sure. If we don't stop Communism when and where it starts, life as we know it today and the life we hope to leave our children will not be the same, it will not exist. Democracy will be a meaningless word and forgotten in time.

Sincerely,

Woodrow M. Hedlund.

SENATOR RANDOLPH COMMENDS SOIL CONSERVATION SERVICE ADMINISTRATOR WILLIAMS ON BEING NAMED A WINNER OF THE 1967 ROCKEFELLER PUBLIC SERVICE AWARD—PRAISES WILLIAMS' DEVOTION AND SERVICE TO NATION

Mr. RANDOLPH. Mr. President, we are continually reminded of our Nation's needs in resource conservation. Often we fail to honor those who are gallantly serving its cause.

One such person is Dr. Don Williams, Administrator of the Soil Conservation Service of the U.S. Department of Agriculture.

Dr. Williams, at a ceremony in December, will receive the coveted Rockefeller Public Service Award in the field of administration and I am convinced that a more just recipient could not be found. He is a servant to both the rural and urban population.

I speak from firsthand knowledge. As one deeply interested in resource conservation—during my years in both the House and the Senate—and as chairman of the Senate Committee on Public Works, I have had the opportunity of observing and working with Don Williams for most of the 14 years he has been Administrator of the Soil Conservation Service.

Most of the Federal legislation affecting his agency has come about during that period—the small watershed program, the Great Plains conservation program, and resource conservation and development projects. The acceptance and success of all these programs attest to his ability in administering a truly creative agency.

In addition he has broadened the scope and effectiveness of the national cooperative soil survey, the snow survey, and water supply forecasting activity.

Sensing the need for a national inventory of land use and conservation needs, he undertook a survey in 1957 and in 1961 he published the first authoritative report of land conditions, conservation needs, watershed potentials, and land-use trends on the private land of this Nation. This extremely valuable study is currently being broadened and updated to better serve land use planners throughout the country.

In July of 1964, I had the privilege of accompanying Don Williams and Secretary of Agriculture Orville L. Freeman on a tour of conservation work in my home State of West Virginia.

One of the activities which impressed me most on that trip was the work being done by the West Virginia Soil Conservation Districts in the reclaiming of strip-mined areas. Projects of this nature are of great concern to me and I well remember remarks made by Don Williams.

I inserted into the July 21, 1964, RECORD an excerpt from Don Williams' statement on that occasion. He said:

> West Virginia has taken the lead among the Appalachian States in its strip mine reclamation work. Here is wonderful evidence of cooperation on privately owned lands through team effort. Strip mine operators are financing the vegetating of spoil areas by contracting with local soil conservation districts for the tree, shrub, grass and legume planting. This work is done in conformity with the requirements of the State Department of Natural Resources and as planned by the U.S. Soil Conservation Service. Excellent results have been obtained at reasonable costs. This cooperative and voluntary approach benefits all concerned and may well be an example for other States having this kind of problem.

Based on this experience, I introduced a bill in the Congress earlier this year, S. 2040, which would authorize a nationwide program for assisting communities in the prevention of water pollution from sediment. If enacted into law, the proposed Antisediment Water Pollution Act would:

First. Recognize that erosion of roadsides, streambanks, and surface mines is a critical source of sediment causing pollution of rivers and streams.

Second. Recognize that State, local, and private resources are not adequate to overcome and remedy these erosion damages to the Nation's water resources.

Third. Provide for Federal participation and assistance in a project-type program of pollution abatement from sediment damages resulting from roadside erosion on existing State, county, and public rural roads, from streambank erosion, and from unrestored surface mined non-Federal lands.

Fourth. Authorize work following the development of a mutually acceptable project plan between the Federal Government and sponsoring local organizations.

Fifth. Authorize the Secretary of Agriculture to provide—upon request of States, counties, local public agencies including soil and water conservation districts, and private nonprofit agencies—technical assistance for developing a plan on a watershed or community basis for controlling erosion from roadsides, streambanks, and surface mines.

Sixth. Authorize the Secretary of Agriculture to provide long-term cost sharing agreements for installing planned works of improvement.

Seventh. Require local sponsors to projects to provide all easements and rights-of-away and pay for at least 25 percent of the construction costs for roadsides and streambanks.

Eighth. Require local sponsors to operate and maintain installed works of improvement.

Don Williams is anything but a sideline observer. He has always fought for what he believes to be in the best interest of the public he serves.

He began his distinguished career with SCS in 1935 as a conservation engineer. His gift for organization and administration soon became evident and he steadily rose through the ranks, assuming more and more responsible positions, until 1953, when he was appointed administrator of SCS.

Today Administrator Williams is recognized as one of the foremost administrators in the resource conservation field. He has been an adviser to the governments of 17 countries, including India, Turkey, and New Zealand, on soil and water conservation problems, programs, and organization.

We are indeed fortunate to have such a dedicated and knowledgeable man at the head of one of our most important Federal agencies. He richly deserves the honor bestowed on him by the Rockefeller Public Service Awards Committee and I commend him for his devotion and service.

DODD SUBCOMMITTEE HEARINGS ON HUMAN RIGHTS CONVENTIONS PROVE OVERWHELMING SUPPORT FOR U.S. RATIFICATION

Mr. PROXMIRE. Mr. President, I think it is important to point out to the Senate that at hearings on the Human Rights Conventions on Forced Labor, Political Rights of Women, and Slavery before the Dodd Subcommittee on the Committee on Foreign Relations, a total of 23 witnesses appeared to represent 74 organizations—composed of millions of people—and to support Senate ratification of these conventions.

I note too, that only two witnesses representing one organization appeared before the subcommittee to state opposition.

While the Senate on November 2 did approve the Supplementary Convention on the Abolition of Slavery, it remains a grievous disservice to the United States and the United Nations that these other Human Rights Conventions have not received approval on this floor.

The observance of these conventions, in other parts of the world, would contribute significantly to the sum total of human freedom. I again point out that ratification of these conventions in our country would not require any implementing legislation but would simply represent an affirmation of our genuine desire to universalize those rights which now exist in our land.

In the subcommittee hearings some of the 74 organizations represented by their national leaders and spokesmen included the following: Department of Labor, American Civil Liberties Union, Americans for Democratic Action, American Baptist Convention, American Jewish Committee, American Jewish Congress, American Veterans Committee, B'nai B'rith, Episcopal Church, American Roumanian National Committee, Friends Committee on National Legislation, General Board of Christian Social Concerns, Methodist Church, National Association for the Advancement of Colored People, National Board YWCA, National Community Relations Advisory Council, National Conference of Christians and Jews, National Council of Women of the United States, United World Federalists, Catholic Association for International American Association of University Women, and the National Federation of Business and Professional Women.

I support with all my strength the ratification of these human rights conventions. I feel that each is a very important agreement to which the United States should adhere in its own interest, aside from the position of this country as a world leader in the area of human rights.

Once again I urge the Senate to give

its advice and consent to the Conventions on Forced Labor, Freedom of Association, Genocide, and Political Rights of Women.

THAILAND'S INCREASED COMMITMENT TO THE WAR IN VIETNAM

Mr. McGEE. Mr. President, I ask unanimous consent to have printed in the RECORD a report by Correspondent Jack Foisie, of the Los Angeles Times, from Bangkok regarding the decision of the Government of Thailand to increase its troop commitment to South Vietnam to a full division. This is good news, indeed, and is further evidence that our allies in Southeast Asia realize the importance of the Vietnam war to them and wish to do what they are capable of in resisting aggression. Mr. Foisie's report is taken from today's Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THAILAND TO PUT A DIVISION IN VIETNAM

(By Jack Foisie)

BANGKOK, November 14.—The Thailand government announced today it will increase its combat contingent in South Vietnam to a full division—about 10,000 to 12,000 men. There are now 2300 Thais fighting alongside American and Vietnamese allies.

The increase, approved at a cabinet meeting, raises Thailand's contribution in the Vietnam struggle to third largest, behind that of the United States and South Korea. It also is certain to bring more denunciations from Hanoi and Peking, whose leaders have attacked the Thais for providing airfields from which the U.S. Air Force does most of its bombing of North Vietnam.

The Thai military government moved relatively rapidly toward this major commitment, perhaps reflecting the concern of Thai officials over the swelling antiwar sentiment in the United States and President Johnson's political problems as he faces an election year. It is known that Mr. Johnson has sought more military support in Vietnam from Asian nations.

[The State Department in Washington expressed satisfaction with the Thai decision. Its spokesman, Robert J. McCloskey, said "the substantial contribution is further evidence of allied solidarity in supporting the government of Vietnam and the security of Southeast Asia."

[U.S. officials also confirmed that the U.S. is holding discussions with Thailand over handling the Thai troop contribution and acknowledged that questions of Thai air defense and the supply of Hawk ground-to-air missiles was being discussed.]

The Thai cabinet approval presumably meant agreement had been reached with the United States over increased military aid, both for the Vietnam-bound force and for Thailand's 90,000-man army.

U.S. officials would not disclose terms other than to say the new expeditionary contingent would be equipped with U.S. weapons and equipment, as was the initial unit.

The Thai announcement did not say when the new force would be sent to Vietnam. If infantry training follows the pattern of the past, troops will be combat-ready in three to six months. U.S. advisers assist in the training.

The announcement did say the division would be recruited from "volunteers." Although civilians volunteered for the original unit sent to Vietnam, only regular army volunteers were accepted. The unit has been in combat about a month and has lost eight dead.

MAINTENANCE OF LAW AND ORDER

Mr. TALMADGE. Mr. President, Mr. Allan Shivers, former Governor of Texas and now president of the Chamber of Commerce of the United States, recently spoke at the annual dinner meeting of the De Kalb Chamber of Commerce in Decatur, Ga. As president of one of the largest business associations in our Nation, Governor Shivers enjoys a unique perspective from which to view the work of American business on one of our most vital social problems today—that of maintaining law and order.

In this fine speech by Governor Shivers, he reviews what he believes to be some of the basic reasons for the upsurge in crime and civil disorder in our country, and tells of efforts by the business community to help alleviate social problems found in slum areas. The former Governor states that business leaders are providing more job training and job opportunities to those in the ghettos and are devising new techniques to help ease the transition from slum life. These efforts by business are indeed commendable, and I wish to bring Governor Shiver's address to the attention of the Senate and ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

LET'S COOL IT

A plain fact of life today is that we Americans are venturing onto streets of many of our large cities with about the same risks and apprehensions as our forebears had when they chanced near San Francisco's Barbary Coast.

Or onto lower Canal Street in New Orleans when Lafitte's buccaneers were in town.

The probabilities of getting robbed, assaulted or engulfed in a riot have never been more widespread than they are now, in this advanced day of our social progress. According to the FBI, five major crimes are committed every minute; a murder, forcible rape or assault to kill happens every two minutes.

This crime wave is growing steadily worse and occasionally getting out of hand. Mass insurrection is being preached, and the advocates not only roam free; they go on television to condemn and threaten law abiding citizens.

Our police forces are getting military instruction and battle equipment.

Businesses in some robbery-ridden areas, among them a bank in the nation's capital, have closed down because of prohibitive insurance costs.

The federal government even condones some types of crime by selling tax stamps to those who violate certain laws.

If all this seems to make too much of the matter, then let us ask ourselves what better treatment we can expect from historians when they get around to telling the story of 1967 America.

Crime is our national disgrace, and if we are to keep it from becoming a national disaster as well, we must recognize the new nature of our problem and find more suitable remedies. It's up to us, the responsible citizens, to do this, because the arm of the law has been twisted out of joint by some popular new notions about justice and obedience.

Law enforcement authorities, by and large, are doing the best they can, but they can't fight the dangerous ideas and human frustrations involved in the root causes of this crime wave. That part is up to us, and let me get ahead of myself for just one moment to say that in many cities, under business leadership, a promising new approach is being taken to the whole crime-related area of human problems.

I could stand here all day discussing the causes of crime and still not cover some of those you already know about. So I will refer only to two basic questions: How do people dare commit so many more crimes today? And why do so many more people want to do so?

One big reason why they do it is apparent. Any policeman can tell you all about it. The police have been shackled in their own handcuffs by the U.S. Supreme Court in its zeal for protecting criminals' rights.

In several landmark decisions the court has made it impossible for police to question suspects without their consent; or to hold them as long as 24 hours in order to gather evidence before arraignment; or to obtain search warrants on the kind of evidence that has always sufficed in the past, but is now ruled out as "hearsay."

The Supreme Court itself has not hesitated to order confessed, dangerous criminals turned loose on society to make its points. A rapist named Andrew Mallory, involved in one test case, went out and raped again. A convicted murderer, Danny Escobedo, who was freed in the police questioning decision, was indicted twice in one recent week on federal narcotics charges. But the great bulk of the mischief has been done in courts and police departments all over the country which are bound by the high court's rulings.

In spite of this, however, it would scarcely be true to say that we have a runaway Supreme Court. If that were the case our Congressional and Constitutional remedies would be clear. But there's more to it than that. The court's brand of justice represents a trend in public opinion which crops up in other places. New York State has just forbidden its policemen to shoot criminals fleeing the scenes of crimes. Police may shoot only to prevent certain crimes from being committed, but not after the crime is over.

We are contending with a theory that it is better for 10,000 guilty to go unpunished than one innocent person to be punished.

This is an idealistic concept of justice that we learned mainly from literature, as when we debated in school the nature of the wrongs imposed on Captain Dreyfus of the French army, or on the fictional British seaman, Billy Budd. We pride ourselves in thinking that such things can't happen in our time, and the Supreme Court is finding legalistic ways to make sure they don't. So the one person who might be innocent along with the 10,000 who certainly aren't, are all granted amnesty in honor of our advance in civilization.

The trouble is, we aren't hearing very well the cries for justice from all the victims of the guilty 10,000. In New York City a mother confessed that she taped her little boy's mouth shut so he couldn't yell and then beat him to death with a broomstick and a rubber hose, and she went free because the police questioned her before advising her of her rights. Let's hope we don't have to wait for a novelist to come along and make a Billy Budd out of that little boy before we wake up.

Why do they commit more crimes? Because their chances of getting away with it were never so good. A big part of the reason at least, is that simple.

As to why so many more persons want to commit crimes today, there is also an apparent reason. Large groups of our people are being incited to crime. Demagogues are stirring up the disadvantaged, so many of whom are crowded almost hopelessly into dismal big city ghettos, where they are easy prey to promises that arouse their false expectations or to appeals to reckless behavior.

Now I do not have the civil rights question in mind at all. I'm talking about law and order—and nothing else. I am talking about the same concern we would have if we were dealing with a modern version of draft riots or a whiskey rebellion. I'm talking about the fact that the nation cannot survive without respect for law. We couldn't possibly have enough police to suppress crime if the people wouldn't voluntarily obey the laws. Look how prohibition failed! Think what would happen if everyone suddenly decided to ignore traffic laws!

President Johnson, in discussing the Watts riot in Los Angeles, said this: "A rioter with a Molotov cocktail in his hands is not fighting for civil rights any more than a Klansman with a sheet on his back and a mask on his face. They are both . . . lawbreakers, destroyers of Constitutional rights and liberties, and would ultimately destroy a free America."

We have, of course, the armed force necessary to suppress any number or size of outbreaks that could possibly be imagined under present conditions, and no one doubts that this force would be used if necessary. We also have laws against sedition and stirring up riots, and we can be sure authorities will get around to enforcing them. There are, however, subtler forms of demagoguery that can not be dealt with so easily.

For example, one of the most prominent civil rights leaders, who is classed as a moderate, urges his followers to commit "nonviolent disobedience." He tells them there is no moral guilt in breaking a law as a means of protesting injustice, if they are willing to pay the law's consequences. This is leading to a form of selective obedience, in which people are deciding for themselves which laws they will obey, and they, by their disobedience, are contributing to the crime wave.

And so, for that matter, are teachers who strike in violation of the law and clergymen who lie down in the streets and have to be carted off to jail.

Quite clearly, some widely accepted new attitudes are required to deal with crime. We must all make adjustments. The criminal now gets all our attention. The sob stories are all about him, usually about his blighted background; and society is made to share in his guilt. We expect the murder victim's obituary to be merely factual and dull. There never is any mention of our loss of his companionship, his talents, or the achievements he might have contributed to society. We have got to straighten out our thinking about the rights of those 10,000 guilty who are being turned loose deliberately.

Another part of the problem is to overcome the miseries and hopelessness that make the ghettos natural breeding grounds of crime, and this is the job many business leaders are now tackling. Their progress is the newest development in the great urban crisis.

It's an enormous problem. Almost half—47 per cent—of slum families are on relief. A million unemployed are concentrated in the slums of our 20 largest metropolitan areas and most of these are classed as unemployables. They haven't enough education or motivation to qualify for available job training. To make a dent in this hard core of need, businessmen are having to devise entirely new forms of help, and they must offer it convincingly because they are competing with the appeals of demagogues who preach the lawless way out.

So we now see job recruiting stations set up in the slums, offering opportunities for part-time work and part-time study. Work projects, even in such highly exacting industries as aerospace, are being broken down into simple components so that some of the work can be performed with minimum skills. The McDonnell Douglas Corporation in St. Louis, which makes the Mercury space capsule, has started accepting high school dropouts for training in these simplified jobs.

To help ease the transition from slum life, some companies provide "buddy" services to recruits on the job, and counseling on such personal matters as medical, debt and transportation problems.

In Houston there is a training center operated by private enterprise which takes hardcore unemployed and leads them one step at a time through a full corrective program. These persons, who have been habitual failures, are given remedial education, social skills, prevocational training with private counseling, and eventual on-the-job training and job placement.

The Buffalo Chamber of Commerce teamed up with Negro leaders to sponsor a program known as JET—jobs, education and training—which places unemployed persons on jobs and provides them with two hours a day of tutoring.

The Omaha Chamber called its project YES—youth employment services.

In Newark, New Jersey, a bi-racial job training and placement program is handled by a Business Industrial Coordinating Council.

This type of effort is spreading rapidly with financial support from the federal Manpower Development and Training Act funds.

Innovations are being introduced by individual companies. Carson, Pirie and Scott, a Chicago department store, has a work-study program under which high school dropouts spend two days a week on the job and three days in school.

Long before President Johnson announced the test program of federal support for businesses willing to locate or expand in the ghettos, the Aerojet General Corporation set up a small tent-making subsidiary in the riot-torn Watts area of Los Angeles, using labor from the neighborhood. Its a going enterprise and has been expanded to several times its original size.

Business is bringing more than jobs to the ghettos. It's bringing understanding and encouragement. By being so thorough and enterprising in its approach, it's clearly showing a determination to help, and this, I think, will account for much of the success.

Jobs alone can't prevent crime. But they can reduce poverty and relieve the ghetto pressures. Any businessman or anyone else helping to bring jobs closer to the disadvantaged is serving the cause of an orderly society.

As for dealing with the rest of the crime problem, the citizen will do well to remember what President Eisenhower said on the subject.

"The clearest way to show what the rule of law means to us in everyday life," he said, "is to recall what has happened when there is no rule of law . . . the dread knock on the door in the middle of the night."

THE TERRITORIAL SEA AND FISHING INTERESTS

Mr. MURPHY. Mr. President, remarkable progress has been made toward international agreement on many aspects of the law of the sea. In the four law of the sea conventions which came out of the Geneva Conferences of 1958 and 1960 some 80 items of the international law of the sea were codified. All four of these conventions have finally come into force. The Convention on Fishing and Conservation of the Living Resources of the High Seas was the last. It entered into force on March 20, 1966.

Despite this good work, however, there still remains one of the most vital problems of the law of the sea, and one which greatly affects the fishing interests of various nations, including ours. That still unsolved problem is concerned with the breadth of the territorial sea.

The Fisheries Convention, as it is popularly called, had to do with conservation. The High Seas Convention covers the waters beyond the territorial sea. But the territorial sea itself is still to be defined as to its width. Herein lies the trouble. For although the fishing industries are covered so far, that is, the fisherman of all countries can "roam the seven seas" and drop their nets therein, they must stay beyond the boundaries set by each nation's claim to its territorial sea.

What should be the breadth of the territorial sea? This problem is itself a multiple one. There are various aspects of international law, navigation, defense security, air space for overfly, customs, and, probably most complicated of all, of fishing, which must be considered in settling upon the width of the territorial sea which each nation might find it expedient and reasonable to claim. Small wonder that common agreement among the nations has not yet been reached.

Yet some agreement must be reached. That fishing conservation has been agreed upon to a remarkable degree is indeed encouraging. But fishing interests as a livelihood continue to be plagued by disputes over the extent of the territorial sea and the contiguous zone. The claims of some states are far from reasonable as the Convention of the High Seas says they should be. With little "regard to the interests of other states in their exercise of the freedom of the high seas"—I quote that convention—several South American states have laid claim to a territorial sea or contiguous zone for fishing which extends to 200 miles beyond their coasts.

Since that claim was made, American fishermen who had habitually made their living from their journeys to the high seas of the South Pacific Ocean have been captured, fined, their boats seized and, in some instances, confiscated. This has happened because on the open seas they may have wandered within 200 miles of the coasts. Without being a seafarer one wonders how even an expert navigator could know when he was trespassing across an invisible line 200 miles out from a jagged coastline. Most coasts are deeply indented, with no regularity, and often subject to change by the washing waves. How could a fisherman know? Yet even if he did know, 200 miles is by any standard unreasonable.

The International Law Commission of the United States, in preparation for the Conferences on the Law of the Sea, reached the conclusion that although international practice is not uniform as regards delimitation of the territorial sea, it nevertheless considers that international law does not permit an extension of the territorial sea beyond 12 miles. In its view, the far-reaching claims of the Latin American countries jeopardize the principle of the freedom of the seas. Also, in the Convention on the Territorial Sea and Contiguous Zone, as adopted, in article 24 it is stated that the contiguous zone for customs, fiscal, sanitary, and immigration purposes shall not exceed 12 miles.

Obviously there is a need for agreement with regard to the fisheries interests. Another conference would seem to be in order.

Although at the conferences held at Geneva in 1958 and 1960 no accord was reached, an effort was made to find a basis of agreement among the divergent opinions as to what the breadth of the territorial sea should be. Some progress was made toward a compromise which it was thought might lead to some future agreement. A 6-mile territorial sea plus a 6-mile contiguous fishing zone was suggested.

And, although it was rejected, it did, no doubt, have its effect upon the later action of a number of countries, which have unilaterally and multilaterally adopted 12-mile limits for fishing since the conference. In 1964, some of the greatest maritime nations, including the United Kingdom, became party to an international agreement calling for a 6-mile exclusive fishery limit plus a contiguous 6-mile fishing zone—with certain "historical" exceptions. This was the European Fisheries Convention, London, 1964, signed by 12 countries of Europe.

Also, both Canada and the United States have taken unilateral action to extend their fishery limits to 12 miles. At the same time both Canada and the United States and also Great Britain have announced that for other purposes they still adhere to the 3-mile limit of the territorial sea.

On this point alone, then, the conferences would have proved useful. When we consider also the amazing number of points on which accord was reached, especially in 1958, on the law of the sea, we are encouraged to plead for another try at wider agreement among the countries of the world on a territorial sea limit. Already the method of measurement, no matter how complicated, has been agreed upon, in the Territorial Sea Convention.

More strongly, however, are we urged on to call for such a conference by the immediate needs of our fishermen. Their frustrations and harassment must cease. Their seizures are intolerable. The U.S. Government has had to come to the aid of a number of its citizen fishermen. This aid is only right; but it should not be necessary. To some it may seem that only a small segment of the population is affected. But no matter how small, the situation is very serious.

A BUSY MAN

Mr. McGOVERN. Mr. President, a few days ago I placed in the RECORD an excellent statement by the junior Senator from Montana [Mr. METCALF] before the Interstate Commerce Commission concerning proposed freight rate increases which would bear most heavily on agriculture.

I have just come across an editorial entitled "A Busy Man," published in the November issue of Rural Electrification, which lauds Senator METCALF for speeches he had made recently in regard to electric power rates and the electrical power industry.

The caption of the editorial appropriately describes the Senator from Montana. Few of us are working more diligently in areas of public interest than Senator METCALF.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

A BUSY MAN

Benjamin Franklin is perhaps the most-quoted man produced by this country of ours. If he said everything he's quoted as saying, he must have been talking in his sleep part of the time. And most of the things he's said to have said contain the seeds of wisdom.

Today there's a man in the U.S. Senate much like Ben Franklin . . . loaded with "quotes," particularly with reference to the electric power industry.

He's Lee Metcalf, the gentleman from Montana who has co-authored a book about "Overcharges" which has won him no friends in the commercial utility industry. He's the man who lifted a line from power company ads, "Investor-Owned Utilities," and applied the Washington penchant for alphabetizing to come up with "The IOU"s. This, too, hasn't won him many friends among power company executives.

To a great extent, the power company people have met Metcalf's efforts in stony silence, with only an occasional whimper of refutation.

Maybe they figure if they ignore him, he'll go away.

But Lee Metcalf is not the going away kind. He keeps probing and needling and digging and coming up with interesting little tidbits about the power companies.

That wouldn't be so bad from the power company standpoint if he didn't keep insisting on talking about them.

Like one power company representative who said utilities live in a goldfish bowl, they have nothing to hide, that all their activities are out in the open for everybody to see. Senator Metcalf disagrees.

Out at Des Moines, during a speech in September, the Senator said: "Utilities profess that they live in a goldfish bowl. Nothing is further from the truth, however. They move quietly and efficiently to kill off studies of their operation.

"You can't find out who owns power companies.

"You can't find out who is on their payroll.

"You can't find out the details on how they spend the money they collect from their captive customers."

If you don't believe the Senator's charges, just try to find out those things he mentioned.

And one of the IOU's favorite ploys is to talk about how bad Federal power projects are, how they're leading America down the primrose path to socialism, and how cheap Federal power and electric co-ops are about to put them out of business. They use this angle in attacking the preference clause in Federal power legislation.

But what does the Senator say about this in a speech in Maine?

"In actual practice . . . private industry and private utilities buy one-third of the output of the Federal power plants. They obtain almost three times as much of the Federally-produced power as all the rural electric cooperatives together."

Now, back to that Des Moines speech. Senator Metcalf says that power companies are very nearly an arm of government.

"Let me point out first that utility corporations are more like government than like free enterprise businesses.

"They have boundaries, just as states and nations do.

"Both governments and utilities are empowered to require public payments, the one through taxes, the other through rates.

"Neither utilities nor governments go broke. They simply adjust the rates or taxes, or increase the debt.

"Utility corporations have one of the most powerful rights of government, the right of eminent domain.

"Also, unfortunately, public officials and utility officials are often the same people. A number of legislators have been retained by utilities, in some states, despite the conflict of interest."

Senator Metcalf does not say these things because he's "against" the power companies, nor do rural electrics nurture such an attitude. It is, rather, that there exists a natural distrust of placing absolute control of any human necessity in the hands of one person or one organization.

In one of his most quotable quotes, Senator Metcalf put it this way: "Whoever has a monopoly on electricity, communications and water has a monopoly on the precious ingredients of civilization."

Benjamin Franklin would probably have said it something like that.

ADDRESS BY SENATOR PEARSON AT SYMPOSIUM ON THE SCIENCE AND TECHNOLOGY OF RESIDUAL INSECTICIDES

Mr. PEARSON. Mr. President, I recently had the opportunity of addressing a group of scientists and government administrators at a symposium on the science and technology of residual insecticides on the subject, "The Role of Scientific Information in Public Policy; With Emphasis on Pesticides and Public Policy."

I ask unanimous consent that this statement, delivered October 26, 1967, at Gaithersburg, Md., be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE ROLE OF SCIENTIFIC INFORMATION IN PUBLIC POLICY; WITH EMPHASIS ON PESTICIDES AND PUBLIC POLICY

(Statement by Senator JAMES B. PEARSON at Symposium on Science and Technology of Residual Insecticides, Gaithersburg, Md., October 26, 1967)

In my remarks this evening I do not intend to talk about the technical aspects of pesticides because I am a lawyer and a politician, not a scientist. Nor am I going to talk about the importance of residual pesticides in American agriculture in the past or their potential importance in world food production in the future. All of you know how great are the world food needs and most of you know with far greater precision than I the part that pesticides will play in assuring adequate food supplies for the world's population in future years. Rather, I want to talk generally about the role that scientists and scientific information play in the public policy making process, with particular emphasis on the public policy of pesticide production and use.

My remarks will be organized around three points: First, a statement as to why we must have a public policy regarding the production and use of pesticides and an identification of some of the factors affecting the making of this policy; second, a review of the work of the Senate Subcommittee on Reorganization which made an extensive study of the whole pesticide question; third, I will conclude with some remarks about the responsibilities of the scientific community in its relationships with policy makers and the public.

Now, the reason we have public policies regarding the production and use of pesticides is very simple, but worth stating before we proceed any further: Chemical pesticides kill pests because they are toxic and because they are toxic some are also potentially capable of causing illness and even death in people and non-target wildlife. Thus, while the development of and use of chemical pesticides has produced immeasureable benefits, the potential hazard entailed in their use means that the public interest requires that they be regulated and controlled.

As you well know, virtually every technological innovation has its attendant risks. Penicillin saves millions of lives, but some people have been killed by it. The automobile kills and maims, but, at the same time, has changed our lives generally for the better. Chemical pesticides are an excellent example of this type of benefit-risk technology.

The task of the policy maker then is to translate the concept of the benefit-risk equation into law. But going from this very appealing and simplistic sounding principle to actual practice is always attended with disagreement and conflict.

Conflict occurs for two principal reasons. First, our society characterized by a diverse range of material and aesthetic interests and values. Thus, the wildlife conservationist and the chemical manufacturer approach the benefit-risk equation for pesticides from different perspectives. The housewife buying food at the supermarket has different concerns than the farmer who grows the food.

Second, it is often the case that in the introduction and use of technological innovations there isn't sufficient scientific information available by which we can measure with complete precision all the factors of the benefit-risk equation. Differing social, economic and political interests generate disagreements about what the policies should be, but the sharpness of these disagreements is closely related to the quantity of reliable information which is available; the less certain the information the sharper the disagreement.

With these very general comments as background I now turn to a discussion of the work of the Senate Subcommittee on Reorganization, of which I was a member, and which between 1963 and early 1966 conducted an exhaustive study of the pesticide question. The experience of that Committee demonstrated in several different ways just how vital a role reliable information and scientific data play in the debate and resolution of public issues of this type.

The Committee's public hearings were started not long after the publication of Rachel Carson's best seller, *The Silent Spring*. And then shortly after the hearings were commenced the Mississippi River fish kill incident occurred. In addition, in the spring of 1963 we had the report of the President's Science Advisory Committee which recommended the adoption of a policy of zero tolerance in setting standards for pesticide residues in food.

Because of these events, the hearings were begun at a time when the general public had become aware, really for the first time, of chemical pesticides and their widespread use. And because of the character of these events, this first public awakening tended to focus to a large extent on the risk side of the equation.

Thus, the hearings, particularly in the initial stages, attracted rather unusual attention and were characterized by an emotionalism not normally associated with technical issues of this type. This atmosphere affected much of the testimony received by the Committee. Fearing the worst, some witnesses argued for the virtual abolition of persistent pesticides. In an over-reaction to this perceived threat, some pesticide producer and user groups argued or at least implied that no problem even existed. Likewise we heard some Government witnesses attempt to exaggerate the competence of their past regulatory and surveillance work. The emotionalism of the period also provided an opportunity for Federal scientists and administrators to air their inter-agency jealousies and squabbles. Thus, disagreement was, at times, sharp and passionate.

However, by the time the work of the Committee was completed, a much calmer atmosphere prevailed. And by the time we issued the Committee report in the spring of 1966 it attracted almost no public attention.

The reason for this development is rather simple and can be explained primarily, I think, by the fact that on the basis of information we had gathered we were able to conclude that there was no reliable evidence to suggest that the benefit-risk equation was *presently* unbalanced in any *significant* way.

In short, the policy makers and the public knew a great deal more in 1966 than in 1963. And had we attempted to write new legislation in 1963 I believe we would have made some very serious mistakes.

The Committee's experience also highlighted another related point which is worth noting. The question in this type of situation is often not that of whether adequate research has been done, but whether the results of existing research has been widely distributed and assimilated. Our Committee, for example, did not directly, at least, produce any new information. All we did really was to collect and assemble what information was already known.

Thus, we found that the quantity and quality of existing empirical information as to both the benefits and risks of chemical pesticides was far more extensive than was originally assumed. The earlier predictions of impending disaster aroused great anxiety, not because there was insufficient evidence available to challenge these prophecies, but because the public and many policy makers as well were simply not sufficiently aware of the existence of this information.

After having made this point that we found the state of knowledge to be of greater quantity and sophistication than expected, I want to hasten to add that we also concluded that we needed to know a great deal more. Therefore, we urged more research to assure the maintenance of favorable balance in the benefit-risk equation in the future.

I will refer you to the Committee report regarding our other recommendations, but drawing from our experience, I would like to point to some conclusions that can be applied in a general way to the relationship between scientific information and man's ever increasing capacity to alter and manipulate his human and natural environment.

First, the Government, in cooperation with the universities and private industry is going to have to develop some type of centralized information retrieval program. This is vital not only so we can eliminate duplication of research efforts, but, more importantly, so that we can bring together all that is currently known on a given subject as quickly as possible.

For example, the Committee was struck by the fact of just how difficult and time consuming was the process of collecting and digesting all the relevant information on pesticides that was already available, but not assembled.

Second, we have got to do a better job of coordinating Government regulatory activities and research efforts. And particularly we must speed up the process of information exchange among scientists, government administrators and legislators.

Third, we must do a better job in the general area of public education. This is necessary to assure that the public is informed as to the proper and safe use of such technologies as pesticides. But this is only one side of the coin. It is also vitally important that the public be well enough informed so that when such incidents as the Mississippi River fish kill, for example, occur, you don't get an outburst of confused anxiety and outright public fear.

We live in an era which, quite properly, exhibits a great concern for consumer safety. Food, of course, is such an absolutely fundamental and basic item of consumption that the public must always be able to feel confident that this product above all other products is safe and wholesome. Thus, unless there is the counterbalance of an informed citizenry any incident which even suggests food contamination could start a chain of events which could result in the hasty adoption of unwise and undesirable regulatory policies.

Now let me turn to the third and final portion of my remarks—a brief discussion of some of the responsibilities of the scientific community.

A good portion of my remarks this evening have stressed the importance of reliable information. Scientists are the principal source of this information; thus, much of what I have already said has been concerned with the responsibilities of scientists, but I would mention three rather specific points at this time.

First, a few comments about the relationship between the scientists and the legislator. We rely heavily upon information provided by the scientist in deciding whether and how to write new laws. But the scientist's responsibilities go beyond that of supplying accurate information per se, he must present that information in an understandable and meaningful form. Most Congressmen are reasonably intelligent, but they are also extremely busy. They cannot become experts in every technical area of public policy nor do they have the time to dig out the relevant information from a professionally competent but complex testimony. The relevant information is of no value unless it is communicated to the legislator.

The other point I would make is that the scientist often has a too narrow interpretation of his potential contribution. While we can no more expect the scientist to become an expert in the political process than we can expect the politician to become an expert in science I believe the scientists' contribution could often be enhanced if he were more informed about the broad issues and public policy questions at stake and able to think in terms of presenting, or at least responding to questions about, policy alternatives. The making of public policy cannot be reduced to yes and no absolutes. The legislator must have alternatives from which to choose. Basically what I am saying is that the scientists who pictures himself as immune from the political processes deludes himself and diminishes his possible contribution to the making of public policy.

A second aspect of the responsibilities of the scientific community has to do with public education.

We, as legislators, of course, have a responsibility to develop programs to help assure adequate public education. But as in so many other areas, the Government can't do everything—thus the scientific community itself has a major responsibility here and it can do a great deal acting on its own behalf rather than waiting for Government direction and supervision.

A third area of responsibility that I would mention is more difficult to describe but has to do with the relationship between the new knowledge which the scientific community generates and how that knowledge is put to use in our society.

The search for facts, unfettered by the dogmas of social custom or the dictates of political ideology, is the hallmark of modern Western science. The dedication to empirical truth should never be altered. However, it seems to me that at times the scientific community shirks its responsibility when it tells society: Here are the facts; do with them as you will.

Now I am not saying that an individual scientist should ever attempt to set himself up as the conscience for society. He should never say this new fact, this theoretical insight, this discovery, might be used in a way that will be harmful to society; therefore, I will withhold it from the public.

If this type of attitude prevailed, then such things as DDT and the more exotic chemical pesticides such as aldrin and dieldrin, for example, might never have been developed.

However, while it would be most dangerous for the scientific community to attempt to act as society's conscience, I believe it can be more sensitive to the impact that the results of a scientific investigation may have on society and it can do this by generating additional research designed to demonstrate all the undesirable and desirable ramifications that might be associated with the introduction of some new technological process.

For example, the Land Grant Universities and Experiment Stations have played a major role in both development of chemical pesticides and encouraging their use through farmer education programs. Because of this, it would seem to me that these same colleges and universities could have been doing more to explore all the ramifications of pesticide use, including both risks and benefits, and disseminating this information to the public and to policy makers.

I suspect that had more of this supporting research and public education been carried out, the resulting upgrading of public awareness would have prevented the near crisis in public confidence that occurred in 1962 and 1963. Likewise, we in Congress would have had better information as to trends in agricultural production at a time we were trying to write legislation to strengthen farm prices and improve the farmer's economic situation.

In closing, let me stress again the importance of the dialogue between scientists and legislators. My earlier comments concerned the relationship between the two in the rather formal, official situation such as Congressional committee hearings. But of equal importance is the exchange of ideas in an informal unofficial setting. Exchanges of this type are all too infrequent. Part of this, to be sure, is the fault of the legislator. But the scientist can do a great deal on his own to correct this. I think many of you would be surprised as to just how accessible most politicians are and how receptive they are to new ideas. After all, to be a truly successful politician one must be a successful broker of ideas.

UTILIZATION OF GENERAL REVENUES TO FINANCE BENEFITS

Mr. HARTKE. Mr. President, on Tuesday, November 14, the Washington Post published a rather discerning editorial on the actions of the Committee on Finance in reporting the social security bill. The Post's clear-sighted perspective on what has been achieved and what remains yet to be done deserves our thoughtful attention as we consider the social security legislation on the Senate floor. The editorial's recommendation that we need fresh thinking about the utilization of general taxation in order to ease the burden on the wage earner is indeed a proposal which merits our utmost concern. The proposal has its precedent in a law enacted during the 1940's, in which provision for authorizing appropriations from the general revenue fund to finance benefits was included. In view of this precedent the Post's editorial seems quite appropriate for our consideration at this time.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SOUND A CHEER

The Senate Finance Committee rates a cheer, not so much for what it accomplished in reporting out a Social Security bill, but for avoiding a pitfall. At one point the Committee embraced the strategy of resolving the dispute over the income-tax surcharge by the backdoor route. It tentatively voted a sharp payroll tax increase, effective on January 1, 1968, which would have increased the surplus in the Social Security fund by more than $5 billion in 1968. But the members beat a wise and hasty retreat when it was protested that their method of reducing the Federal cash deficit would place the principal burden on those in the lowest income brackets.

The Senate Finance Committee's bill contains few surprises. As was anticipated, the majority went beyond the House in increasing benefits and the maximum wage and salary income that would be subject to taxation. It wisely rejected the House freeze on the number of recipients under the aid-to-dependent-children program and raised the funds voted by the House for birth control counselling. But no progress was made in grappling with such fundamental issues as how much revenue should be raised through taxes on labor, which fall heavily on the young and the poor, and how much should be raised by general taxation. Fresh thinking about Social Security, one of the largest and fastest growing of the Federal programs, will be the task of another Congress.

ECONOMY IN GOVERNMENT—OPERATION TOPSY

Mr. BAKER. Mr. President, we hear a lot about the need for economy in government. But very infrequently do we hear of concrete action being taken to reduce Government spending and to effect the economies everyone seems to want. Therefore, I was pleased to read recently in the Washington Star of the initiative taken by one of our Ambassadors to reduce the size of his Embassy staff by 50 percent, thereby saving the Treasury about $15 million annually. This is an insignificant amount when compared to the billions we must trim if we are to restore fiscal sanity to our Government operations, but it is a start. I refer to John W. Tuthill, American Ambassador to Brazil. Ambassador Tuthill is to be most highly commended for taking this initiative. I request unanimous consent that the Washington Sunday Star report from Rio de Janeiro which describes Mr. Tuthill's action be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A 50-PERCENT CUT IN U.S. BRAZIL STAFF MAY SERVE AS GLOBAL TEXT

RIO DE JANEIRO, BRAZIL.—Ambassador John W. Tuthill has launched Operation Topsy, which aims to cut the sprawling U.S. diplomatic, aid and military roster in Brazil by 50 percent within the next year or two.

Tuthill has been given official approval to begin pruning half of the 1,000 Americans affiliated with the embassy. His plans do not affect the 700 Peace Corps volunteers or, for the time being, the 1,200 Brazilians who work for the U.S. here.

When "Topsy" gets into full swing, informed sources believe it will be used by all affected agencies as a textbook for performing similar surgery all over the world.

Informed sources say the huge buildup of U.S. representatives grew like Topsy over recent years and found Americans involved in nearly every phase of Brazilian official and cultural life.

FREE WHEELING NOTED

Some second level officials of the embassy were acting as if they were ministers of the various Brazilian government departments and expected the ambassador to function like a prime minister. They proliferated so rapidly under the previous government of President Humberto Castelo Branco that it required several skyscrapers in Rio and innumerable square footage of office and residential space over the nation to contain them.

Tuthill decided something had to be done last July. He started by ordering no new jobs for Americans in Brazil without his express approval.

Perhaps his attitude took final form when he, and all ambassadors around the world, received an official cable from Washington ordering that they look into the need for a study in each country of the impact of bats, rodents and "noxious birds." A copy of this cable, with all its imposing array of signatures and clearances, is framed in Tuthill's office.

The ambassador notified Washington of his conviction and asked permission to conduct an official review for the 50 percent cut. From Secretary of State Dean Rusk came a laconic, "Go ahead." USIA Director Leonard Marks indicated the Brazil staff could be cut 75 percent if Tuthill so desired.

MILITARY RELUCTANT

There was some foot-dragging by the military mission, which maintains a fleet consisting of one C54, two C47s and a Convair. They warned darkly that the proposed cutback would mean the end of the PX, the commissary, the embassy airline and other services. Tuthill simply replied, "good."

The six-man study group is here now, under Tuthill's chairmanship, and will return its proposals for his scrutiny next month. Officials explained that there will be no meat-ax elimination of manpower but rather a process of attrition as contracts of AID employes end.

Tuthill can work a little faster with the diplomatic staff, roughly 18 percent of the total. Part of his pruning will be elimination of several consulates in backwaters of Brazil where trained diplomats do little more than stamp visas and provide an American presence.

Castelo Branco was closely aligned with the U.S. and depended on Americans for many functions that Brazilians should have been performing. The public posture of the government of President Arthur da Costa e Silva is quite different.

OWN DECISIONS STRESSED

The new government is no less interested in U.S. economic and military aid and private investment, but Costa e Silva's stress is on independent decisions on basic questions without influence by the Americans.

Tuthill is completely of a mind to reduce this influence, despite grumbling from lower down on the embassy pyramid. He is willing to let Brazilians make mistakes and it is difficult to argue with the idea that if the Americans remain deeply enmeshed in Brazilian affairs, the U.S. will inherit the blame for such errors as are made.

It is clear that most of the pruning will affect the AID mission and its technical assistance programs, of which 12 have been tagged "high priority" over the last two years.

LOCAL DISCRETION

As far as "noxious birds" directives from Washington are concerned, the embassy now is replying to them by slow boat mail and exercising local discretion, which is a polite way of ignoring them.

The reduction-in-force plan has been fully communicated to the Brazilian government so it will understand there is no lessening of interest with the nation's wellbeing. The Brazilians approve wholeheartedly.

And it is not peanuts so far as the Tuthill project is concerned. If it costs $30,000 to train, transport and support the average embassy employe for one year, Tuthill will be saving $15 million for the Treasury. The usual tour is two or more years, which raises the saving to $30 million.

U.S. MILITARY LEADERS WHO OPPOSE U.S. POLICY IN VIETNAM

Mr. GRUENING. Mr. President, quite a few of our Nation's military men agree with the position I have taken for nearly 4 years, that our military intervention in Southeast Asia is folly. Among them are generals of the Army, Air Force, and Marine Corps, and Navy admirals. Of course, these are necessarily on the retired list since those on active duty are bound by their oath to "support and defend the Constitution of the United States against all enemies foreign and domestic." In addition, of course, any officer in active service would court dismissal if he voiced views contrary to those enunciated by the Commander in Chief, the President of the United States.

But the adverse views of those who have spoken out publicly are impressive. When in one of my earlier remarks on the floor of the Senate, I gave my view that "all South Vietnam is not worth the life of a single American boy" and I said that before any of those boys had been sent into combat, I did not dream that statement of mine would be escalated by no less an authority than Gen. David M. Shoup, who was the Commandant of the Marine Corps for the 4 years from January 1, 1960, on.

General Shoup, a Congressional Medal of Honor recipient, addressing over 2,000 teachers and students in southern California a year and a half ago gave his view that "the whole of Southeast Asia 'was not' worth the life or limb of a single American."

Addressing a Memorial Day group of American Legionnaires in Madison, Wis., this year, Brig. Gen. Robert L. Hughes, retired, the recipient of the Silver Star, Bronze Star with Oak Leaf Cluster, Combat Infantry Badge, and Purple Heart which he received as a result of serious wounds received in World War II in New Guinea, after expressing sympathy for "those who have suffered the loss of a loved one in the present conflict in Vietnam," continued:

> They died in support of an unstable foreign government that is maintained only by the strength of the United States . . . We are prosecuting an immoral war in support of a government that is a dictatorship by design. It represents nothing but a ruling clique and is composed of morally-corrupt leaders who adhere to a warlord philosophy.
>
> We are losing the flower of American youth in a war that could stretch into perpetuity. After four years of fighting, we cannot be sure of the security of villages three miles from Saigon because we can't tell the good guys from the bad guys. This is one hell of a war to be fighting. We must disengage from this tragic war.

This is precisely what I have advocated, and will continue to urge and work for until we cease our participation in this needless, unjustifiable, unconstitutional, costly, and immoral war.

The dissenting views of other high military personnel are found in an interesting article by James Deakin in the current December issue of Esquire, entitled "Big Brass Lambs."

I ask unanimous consent that it be printed in full in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BIG BRASS LAMBS

On the morning of May 14, 1966, General David Monroe Shoup, former Commandant of the Marine Corps, a hero of the Battle of Tarawa, winner of the Congressional Medal of Honor, the Distinguished Service Medal, two Purple Hearts and a host of other decorations for gallantry and dedication to his country, stood before an audience of twenty-two hundred college students and teachers from the Los Angeles area. "I want to tell you," he said, "I don't think the whole of Southeast Asia, as related to the present and future safety and freedom of the people of this country, is worth the life or limb of a single American."

The occasion was a world affairs conference, the theme was "War and Peace," and Shoup, in a business suit, was the principal speaker. It can be conjectured that the students were expecting the general to invoke God, motherhood and Montezuma before proceeding to blast North Vietnam, verbally, back to the Stone Age. If so, they got the surprise of their lives..

Shoup continued, "I believe that if we had and would keep our dirty, bloody, dollar-crooked fingers out of the business of these nations so full of depressed, exploited people, they will arrive at a solution of their own. . . . And if unfortunately their revolution must be of the violent type because the 'haves' refuse to share with the 'have-nots' by any peaceful method, at least what they get will be their own, and not the American style, which they don't want and above all don't want crammed down their throats by Americans."

Shoup's views were calculated to arouse the nation, if anyone was listening. The Administration, he said, has never realistically assessed whether the United States' own self-interest is at stake in Southeast Asia. The Administration has never presented a timetable proving that there would be "irreparable effects upon this nation at the end of five, ten, fifteen, fifty years" if South Vietnam were overrun by the Communist Vietcong guerrillas. The danger of world communism, Shoup said, has been vastly overrated, since communism tends historically to evolve into capitalism. Attempting to check the spread of communism eight thousand miles from America's shores, he argued, is a sadly misplaced effort. "The reasons fed to us [for U.S. intervention in Vietnam] are too shallow and narrow for students, as well as other citizens," said the general. "Especially so, when you realize that what is happening, no matter how carefully and slowly the military escalation has progressed, may be projecting us toward world catastrophe."

Shoup quoted from Mark Twain: "The loud little handful—as usual—will shout for the war. . . . A few fair men on the other side will argue and reason against the war with speech and pen, and at first will have a hearing and be applauded, but it will not last long; those others will outshout them, and presently the anti-war audiences will thin out and lose popularity. Before long you will see these curious things: speakers stoned from the platform, and free speech strangled by hordes of furious men. . . . And now the whole nation—pulpit and all—will take up the war cry and shout itself hoarse, and mob any honest man who ventures to open his mouth, and presently such mouths will cease to open. Next the statesmen will invent cheap lies, putting the blame upon the nation that is attacked, and every man will be glad of those conscience-soothing falsities. . . ."

Thus somberly did David Shoup, who commanded the United States Marine Corps for four years, from January 1, 1960, to December 31, 1963, join the ranks of the dove generals with regard to Vietnam—the small group of senior military men who have publicly expressed the belief that America is on an erroneous and tragic course in that Southeast Asia country.

Shoup's speech, which went almost entirely unnoticed by the nation's newspapers, magazines and television networks, demonstrated something that Americans are only beginning to realize: the military establishment of the United States is not nearly as monolithic as it seems to civilians. Within the ranks of professional military men there are wide variations of opinion on the proper role of the U.S. in world affairs, on the changing nature of warfare and the use of military power, and on the character and intentions of the Soviet Union and Communist China and on Vietnam.

Sitting in the living room of his comfortable home in Arlington, Virginia, overlooking the Pentagon, Shoup remarks in a soft, mildly profane voice: "Vietnam has become a goddamn cliché. We are supposed to be protecting the United States from creeping communism, but where the hell is it creeping to? It wasn't very successful in Indonesia or Africa or the Middle East. What scary, frightening timetable was shown to our government? Why haven't they shown it to the American people?"

At sixty-two, Shoup is square, solid, trim, bespectacled, and he looks more like a small-town businessman than a stereotype Marine (he was born on a farm in Indiana, near the site of the Battle of Tippecanoe). Although appointed commandant in the last year of the Eisenhower Administration, he was John F. Kennedy's favorite Marine. Kennedy, impressed by the way Shoup resisted efforts to indoctrinate the Marine Corps with right-wing teachings and the artful tactic he used to do away with the swagger stick, pleaded unsuccessfully with Shoup to serve another term as commandant; on the general's coffee table is a silver cigar box engraved with a quote from J.F.K.: "With due respect to all the immortalized Marines who have gone before, in my time Dave Shoup is my Marine."

The danger of international communism, Shoup believes, has been vastly oversold to Americans as a threat to capitalism. "Communism carries the seeds of its own destruction," he argues. "In the underdeveloped nations, where there are a very few rich and a great many poor, communism is sometimes an easy sell. But as soon as the riches are redistributed, a middle class emerges who quickly see that they are receiving in accordance with their capability. You're on your way to capitalism, as the Russian experience has shown."

Like the other dove generals with regard to the Vietnam war, Shoup believes that it is imperative to negotiate a settlement, and he has a detailed plan that goes beyond a halt in the American bombing raids on the North. He proposes that President Johnson and Premier Nguyen Cao Ky or whoever succeeds him send a joint message to Ho Chi Minh, asking Ho, with such collaboration with the N.L.F. as he, Ho, deems advisable, to set a time and place for peace talks. The U.S. and South Vietnam would pledge to halt all ground and air fighting at the moment actual negotiations began, reserving only the right to fire in self-defense if attacked. And they would promise to withhold offensive action as long as negotiations continued.

"This would leave it up to Ho to decide how long the negotiations would go on," Shoup explains. "It would leave it up to him whether he wanted to talk or fight, since we would reply if attacked. There would be a de facto ceasefire as long as Hanoi wanted one. At the same time, it would avoid the built-in failure element that has been present in all previous U.S. peace proposals, which have insisted on de-escalation by North Vietnam as a price for negotiations. It would also avoid the built-in failure element in the Russian proposal that the U.S. stop the bombing permanently, since we would pledge to halt offensive action only so long as negotiations were going on. Moreover, if Ho turned it down, world opinion would turn against him, and the United States and international opinion generally would be quite clear about the extent of Communist China's domination of Hanoi's policy."

Under Shoup's plan, both the U.S. and South Vietnam could continue aerial and ground reconnaissance to guard against surprise attack, and could continue troop and supply buildups if they chose to. "I think one of the chief virtues of this plan is that it would give Ho the recognition he rates," says Shoup. "Up to now, we have failed to recognize that he is a national leader."

In the dreary box-step that Vietnam debate has become in this country, the military hawks—General Curtis E. LeMay, former Chief of Staff of the Air Force, and Admiral Arleigh A. Burke, former Chief of Naval Operations, and others—are ranged against the military doves, a relative term. Among the Vietnam doves are General Matthew B. Ridgway, former Army Chief of Staff; General Shoup; Lieutenant General James M. Gavin, who was Chief of Army Research and later Ambassador to France; Brigadier General Samuel B. Griffith II, a retired Marine who is an authority on China; Rear Admiral Arnold E. True, an expert on destroyer warfare and a hero of the Battle of Midway, and Brigadier General Robert L. Hughes, who was on General Douglas MacArthur's staff in the Pacific. There is Brigadier General William W. Ford, who served in both World Wars and who believes that it is the highest patriotism to oppose further escalation of the Vietnam fighting. And there is Brigadier General Hugh B. Hester, who says that the Vietnam war is against the basic interests of the American people and "in the profit interests of only a very few."

More than anywhere else, the words "hawk" and "dove" are confusing and inadequate when applied to professional military men, a great many of whom consider themselves only trained technicians carrying out policy set by civilians. Those on active duty, however, are silent because their oath as officers binds them to "support and defend the Constitution of the United States against all enemies, foreign and domestic," and because regulations prohibit them from criticizing official foreign policy as laid down by the President.

It is a fundamental tenet of democracy that military officers on active duty should not publicly criticize or oppose the decisions of the civilian heads of government, and only those with a liking for military coups would argue otherwise. Following out this primordial principle, President Harry S. Truman fired General MacArthur, and Abraham Lincoln threw Major John J. Key out of the Army for implying that the Administration intended to compromise with the South and preserve slavery. Experienced Pentagon reporters including Charles W. Corddry of the Baltimore *Sun* and William M. Beecher of The New York *Times* say they know of no instance in which an active-duty officer has spoken publicly against U.S. involvement in Vietnam.

The situation confronting retired officers is more complicated. It is generally understood that these men can engage in critical public discussion of policy, but the regulations are not always clear. The Army exempts retired personnel from its political regulations; the Air Force permits retired officers to engage in "free discussion regarding political issues" but prohibits them from using "contemptuous words in speech or in print against the President, the Vice-President, Congress, the Secretary of Defense" and a long list of other officials, on pain of court-martial; the Navy, in a recent unpublicized incident, threatened disciplinary action against Admiral True, a retired officer, for speaking out against the Vietnam war. But the Navy backed down when Senator J. William Fulbright, chairman of the Senate Foreign Relations Committee, came to the admiral's defense.

Yet there are abundant signs that a large number of American military men, on active duty and retired, have grave *private* doubts about the U.S. role in Vietnam. Starting with MacArthur's statement some years ago that anyone who thought America should get involved in a land war in Asia "ought to have his head examined," and Ridgway's observation in his memoirs that U.S. intervention in Indochina would be a "tragic adventure," many military authorities have warned against precisely the situation in which the U.S. now finds itself. Shoup says flatly that "in all my time, I've never known a single high-ranking officer who wasn't completely opposed to the U.S. getting involved in a land war in Asia." Gavin, who retains extensive military contacts through his lectures at the National War College, the Industrial War College and the Naval War College, remarks that "you would be surprised at the reservations that many senior military men have about our Vietnam policy." And General Hughes, from his vantage point in the Middle West, reports that "among retired military men, I find a good deal of concern about Vietnam."

For most Americans, the first intimation that some senior retired officers, and by implication some active-duty men in the Pentagon, had serious reservations about the Vietnam war probably came when Gavin testified before the Senate Foreign Relations Committee in a televised hearing on February 8, 1966. Gavin, who was in charge of Army Plans and Development when Ridgway was Chief of Staff, had written a letter to *Harper's* magazine. The editors of *Harper's*, in a preface, described the letter as calling for "withdrawal of American troops to defend a limited number of enclaves along the South Vietnamese coast"—an interpretation with which Gavin disagreed. Overnight, the "enclave theory" became a national rallying cry for moderate doves as an alternative to continued escalation. In the resulting furor, Gavin's real arguments were obscured.

What Gavin argued was that the United States held certain strong positions on the South Vietnamese coast, among them Camranh Bay and Danang, that it should continue to hold these enclaves with the troops it then had in Vietnam (about 250,000 men), and that it should concentrate on trying to make the South Vietnamese army a more effective fighting force while the U.S. supplied logistical support. Gavin opposed a further increase in U.S. troops, but he denies strongly that this was equivalent to advocating a withdrawal to coastal enclaves and a "backs-to-the-sea" strategy. "We must do the best we can with the forces we have deployed to Vietnam, keeping in mind the true meaning of strategy in global affairs," he told the Senators.

Nevertheless, General Earle G. Wheeler, chairman of the Joint Chiefs of Staff, and General Maxwell D. Taylor, former J.C.S. chairman, seized on the word "enclave" to assert that the doves were suggesting that the U.S. put its back to the sea, allow the rest of South Vietnam to be overrun by the Vietcong and expose America to a long siege and a humiliating defeat. President Johnson, scornful of the idea, privately told visitors that the enclave theory was "just slow surrender" and said that if South Vietnam fell, the Communists would be in Pearl Harbor in a week and in San Francisco not long after that.

In recent months, however, as the Vietnam war has moved closer to military stalemate despite massive infusions of U.S. troops, White House aide Walt W. Rostow, a leading hawk, has begun saying privately that the Administration has been following a "modified enclave" strategy right along. This may make Gavin a prophet, like Ridgway before him, but it is probably too late. For Gavin now considers it likely that matters have gone so far that enclave tactics and revitalization of the A.R.V.N. (the South Vietnamese army) are no longer possible.

In his office at Arthur D. Little, Inc., of Cambridge, Massachusetts (now sixty, he retired from the Army in 1958 and is board chairman of this worldwide research and engineering firm), Gavin reflects aloud on the melancholy course of the war in the two years since he issued his lonely warning that "we had better look hard at our Vietnamese commitment." The continued U.S. military escalation, he believes, may have forced Ho Chi Minh into an ever-increasing reliance on Peking, with the result that America could find itself confronted by China's resources, not Hanoi's, ruling out enclave strategy—ruling out just about everything but disaster. For China, as James Reston has observed, is down to its last 700,000,000 men.

A few months ago, as his concern over the U.S. course in Vietnam increased, Gavin resigned from the Massachusetts Democratic Advisory Council and said he "simply cannot support President Johnson for reelection in 1968." Explaining his decision, he added: "Obviously our domestic programs are grossly underfunded, especially in the poverty area, and I look on this as a consequence of the Vietnam war, and the money we're pouring in there."

The key to Gavin's Vietnam proposals before the Senate committee was the term "strategy in global affairs." No longer, Gavin argued, is military power alone the ultimate force in international relations; the determining factor is the total technological-economic-diplomatic-military strength that a nation can bring to bear. "In the nineteenth century and before," he said, "military power was used to seize economic resources through the colonialization and exploitation of backward nations. But in the international equations of the twentieth century, the technological standing of a nation is of the first importance since it is technology that produces economic strength and new weapons systems."

It is from this direction that Gavin approaches the Vietnam problem. The United States' preoccupation with Vietnam, he believes, has thrown our national policy "alarmingly out of balance." At home, the war drains away resources (both money and ideas) that should be applied immediately and in force to solving imperative social problems. Abroad, the oversize Vietnam burden impairs America's ability to meet its "total spectrum of global commitments."

The result, in Gavin's view, is an unbalanced foreign policy, or more properly, an unbalanced *national* policy. Thus his recommendation two years ago that we make do with what we have in Vietnam.

The same concern over imbalance in Vietnam emerges in a conversation with Samuel B. Griffith II, a retired Marine Corps brigadier general, an authority on China and, like Gavin, a lifelong student of world affairs. Griffith has crammed two careers into one varied life: graduating from Annapolis in 1929, he was an adviser on guerrilla warfare in Nicaragua, then went on to China in 1935 as a language student. For six months before World War II, he studied commando tactics with the British. He was wounded on Guadalcanal. He holds the Navy Cross, the Army Distinguished Service Cross and the Purple Heart. After the war, two more years in China, then the Naval War College, then various staff jobs before retiring in 1956, at which point he hurried off to Oxford to get a Ph.D. in Chinese history. Griffith, now sixty-one and a research associate at the Hoover Institution at Stanford University, translated Mao Tse-tung's treatise on guerrilla warfare and the Sun Tzu, the Chinese classic on the art of war. His books include *The Battle for Guadalcanal* and *The Chinese People's Liberation Army.*

The Vietnamese situation, says Sam Griffith, "is entirely out of balance. I have serious reservations about it. The weight of our effort is seventy-five percent military and twenty-five percent political." To this soldier-historian, the Administration has failed to read several key Vietnam barometers correctly, one of them being the pacification barometer—the largely unsuccessful effort to secure the South Vietnamese countryside against guerrilla attack and reconstruct a shattered political fabric.

Griffith believes that "the largest proportion of American military men favor an all-out effort to win in Vietnam. They don't want to bomb China, but they speak of an all-out effort. When you ask them if they want to commit a million and a half men, they say no. When they say that North Vietnam should be bombed back to the Stone Age, as LeMay suggests, I ask them: Well, suppose you do? What will you have accomplished? North Vietnam is essentially an agricultural society. Bombing it back to the Stone Age is not going to stop the guerrillas from operating. They will come in from Cambodia, from Laos, from northern Burma. We can pour troops into Vietnam to fight conventional warfare and still have guerrillas operating there fifty years from now."

Time is against the U.S. in Vietnam, Griffith believes. "As far as Vietnam is concerned, I think Mao is just as happy as a lark, sitting there drinking tea and smoking those awful cigarettes. It took him twenty-two years, from 1927 to 1949, to get from south China to Peking. They don't look at time the way we do. So there's no substitute for negotiations, but if we are really sincere, it will have to be done through secret, private contacts. When we put on one of our big public peace offensives, Peking considers this a snowstorm."

"You know," says Griffith, "the Chinese have a proverb: i i chih i, meaning, 'Encourage other people to fight your enemies.' China and Indochina have been hostile for a thousands years, and the Chinese have cast us within the proverb with regard to South Vietnam." In other words, U.S. foreign policy lost another opportunity when it lined up with Saigon—Ho Chi Minh might have been an Asian Tito.

For General Matthew Bunker Ridgway, who led the nation's troops through the bitter tribulations of Korea, the Vietnam war assumes ironic proportions. It was Ridgway who warned at the outset that the game was not worth the candle and would be played under heavy handicap. The name of the game at that time was Dienbienphu.

In Spring, 1954, as the French came to the end of the road in Indochina, John Foster Dulles and Admiral Arthur Radford, then chairman of the Joint Chiefs of Staff, proposed Operation Vulture, an air strike by American bombers to relieve 12,000 besieged French troops at Dienbienphu, an isolated village in North Vietnam. Key members of Congress, including the Senate Democratic leader, Lyndon B. Johnson, were highly skeptical of the idea, fearing that it would lead to massive U.S. involvement in Indochina. ("We will insist upon clear explanations of the policies in which we are asked to cooperate," said Johnson on May 6, 1954, just before the fall of Dienbienphu. "We will insist that we and the American people be treated as adults, that we have the facts without sugar coating.")

Equally skeptical was the Army Chief of Staff, Ridgway. He had sent a team of engineers, signal and communications specialists and experts on combat terrain to Vietnam. Their report bore out his belief that air power would not be decisive and that American ground forces—five divisions at the outset, ultimately ten or more—would be necessary if U.S. intervention was to be successful.

"In Korea," Ridgway said later, "we had learned that air and naval power alone cannot win a war and that inadequate ground forces cannot win one either. It was incredible to me that we had forgotten the bitter lesson so soon—that we were on the verge of making that same tragic error. That error, thank God, was not repeated." Not at Dienbienphu, that is. President Eisenhower, at Ridgway's urging, overruled the air strike.

Now Ridgway, in retirement at his Pittsburgh home and having just finished a book on the Korean conflict (it mentions Vietnam in relation to the problem of Korea), sees the United States involved in the type of open-ended war against which he warned in 1954, and he is worried. He fears that no clear-cut limit has been placed on U.S. military objectives in Vietnam, that the military effort may have outrun political policies, that, in short, the war could get out of the control of the civilian policymakers. Is victory at any cost our objective? he asks. That could only be, Ridgway says, if the United States had adopted an unlimited political objective—"the complete subjection of the outside world to American domination"—as its national policy.

At a Memorial Day observance in Madison, Wisconsin, this year, a crowd of American Legionnaires and other citizens assembled on the grounds of the state capitol to hear some speeches suitable to the occasion. As the principal speaker, the Legion had invited Brigadier General Robert L. Hughes, a member of MacArthur's staff in World War II, who had impressed them by a talk he had given at a Legion post two months before Hughes, who retired from the Army in 1961, was in full uniform, wearing the ribbons of the Silver Star, Bronze Star with Oak Leaf Cluster, Combat Infantry Badge and Purple Heart (he was severely wounded at Buna, on New Guinea).

The general began in the prescribed manner, with a tribute to Memorial Day as a national expression of gratitude to America's war dead and especially "to those who have suffered the loss of a loved one in the present conflict in Vietnam." The sentiments were familiar; the crowd half-listened.

"They died," Hughes continued, "in support of an unstable foreign government that is maintained only by the strength of the United States. . . . We are prosecuting an immoral war in support of a government that is a dictatorship by design. It represents nothing but a ruling clique and is composed of morally-corrupt leaders who adhere to a warlord philosophy."

The crowd was awake now. Hughes went on: "We are losing the flower of American youth in a war that could stretch into perpetuity. After four years of fighting, we cannot be sure of the security of villages three miles from Saigon because we can't tell the good guys from the bad guys. This is one hell of a war to be fighting. We must disengage from this tragic war."

Hughes, who was a full colonel at the age of thirty-six and a brigadier general at forty, is another two-career man. After retiring from the Army, he became assistant dean of the college of agriculture at the University of Wisconsin. With considerable understatement, he says that his Memorial Day speech came as "something of a surprise to my military friends—they considered me a hawk."

If he ever was a hawk, he is not now. "There is not a piece of real estate over there that has any particular strategic value to the United States," says Hughes. The search-and-destroy tactics in South Vietnam, he believes, have been a failure, and so has the pacification program—"You clear out one area and a month later, you have to go back and do it again." But when he says the U.S. should disengage, he does not mean outright withdrawal without negotiations. Rather, the U.S. "should withdraw to defensible enclaves and hold on for negotiations—I agree with Gavin on enclaves."

Retired Brigadier General William Wallace Ford lives in Amherst, Massachusetts. As an artillery officer at Fort Sill, Oklahoma, after the attack on Pearl Harbor, he was in charge of developing the Army aviation system of spotter and supply planes that has found its fullest use in Vietnam—but he is profoundly opposed to the war. "It is an immoral business, and we shouldn't be in it," he says. "We are crucifying our souls. We are pursuing a war that has no moral or political justification."

Now sixty-nine, Ford was an enlisted man in the First World War, graduated from West Point in 1920, commanded the artillery of the Eighty-seventh Division in its march across France, Belgium and Germany in World War II. He fought "every day of these wars," a record only a few men can match, but Vietnam leaves him very cold and very worried. Like Ridgway, he fears escalation up to the nuclear Götterdämmerung. He says frankly, "I think we should go back to the 1954 Geneva agreements and hold free elections in Vietnam. I have no doubt they would go Communist, but our own political morality demands that we abide by the results of free elections."

From Asheville, North Carolina, another voice: "Johnson is on a collision course. The Chinese will not stand by and watch North Vietnam destroyed. I agree with U Thant that this is a war of national independence, not a case of Communist aggression. I go much further than Gavin. I think we ought to get out the way we went in—unilaterally. And then we should do what we can to help to rebuild their economy. That would be the way to restore the respect we had after World War II as a moral nation. We are in the wrong in Vietnam, morally and from a military standpoint. It is against the national interests of the United States."

This is Hugh B. Hester, a retired brigadier general, a veteran of Château Thierry and the Argonne, served in MacArthur's command in the Pacific and, after the war, U.S. military attaché in Australia. Decorated by his country and France for gallantry on the battlefield in World War I, he is a vigorous seventy-two now, and an outspoken opponent of the Vietnam war who has crisscrossed the nation three times since 1958 to argue against U.S. involvement in Southeast Asia. Hester says he has been "pleasantly surprised at the number of officers who have written to me expressing substantial agreement with my views." He has had no critical letters from officers, on active duty or retired, but "some very critical letters from enlisted men and, of course, a lot of criticism from civilians."

Within the ranks of the dove generals, there are shadings of opinion on the fundamental role of the U.S. in Indochina. Shoup, Hughes and Admiral True rate Southeast Asia as having little if any strategic importance to America in an era of intercontinental nuclear missiles; Ridgway, Gavin and General Griffith, with some reservations, consider the area important to America's interests. All of them, however, agree on the most urgent, immediate need—negotiations to end the war. All of them favor a halt in the U.S. bombing raids on North Vietnam as the first step in obtaining peace talks—with exception of Ridgway, who discusses this step in a gingerly, general fashion. And in the conversations with these military men, one salient point emerges above all others: U.S. involvement in a land war in Asia is, as General Omar Bradley once said, "the wrong war in the wrong place at the wrong time."

Having said their piece on Vietnam, what has happened to the dove generals? The dread tattoo of court-martial drums? Midnight visitations from the F.B.I.? Sulphurous rumblings from the White House? Ostracism by military colleagues? Blackballing and snubs?

Not at all, says Ridgway: "I've had no reaction from the Defense Department or the White House. There's been no effort whatsoever to stop me from speaking out. The reaction from other retired military men has been overwhelmingly favorable, judging by the letters I've received." Gavin's experience is similar: "No repercussions from Washington" on his testimony before the Foreign Relations Committee, and he is still being invited to speak at the War Colleges. General Griffith: "No repercussions from Washington." General Hughes: "No friendships lost, no snubs, although one military friend said jokingly that perhaps I was getting senile [Hughes is forty-nine]." General Shoup: Still eating pleasant dinners at the Army-Navy Country Club near his home, and when he walked into the Army-Navy Club in downtown Washington after his speech, "three or four retired officers made a point of coming over and shaking hands." (One source close to top Marine brass reports ill-will toward Shoup, more so because he expressed his views publicly; not suitable for a former commandant is the feeling.)

Nevertheless, it is not quite safe to assume that the Pentagon and the White House only smile indulgently when military men of stature call the Vietnam war, in Gavin's words, "a helluva mistake." In the case of Rear Admiral Arnold E. True, for instance, the era of good feeling fell somewhat short.

Arnold True is an active man of sixty-six who graduated from Annapolis in 1920, served in the Asiatic fleet for seven years and commanded the destroyer U.S.S. *Hamman* at the Battle of Midway (it was sunk by Japanese torpedoes as it aided the stricken aircraft carrier *Yorktown*; the *Hamman* lost two-thirds of its crew, eleven of its thirteen officers). True, an authority on destroyer tactics—he revised the Navy's basic manual on the subject—retired from active duty in 1946; now he runs a thousand-acre cattle ranch in La Honda, California, and is professor of meteorology at San Jose State College. He is also a peaceable man, and after World War II he joined the Quakers.

In the U.S. involvement in Vietnam, True sees "an anti-Communist paranoia which has no real basis in fact" (so does General Shoup). "Our anti-Communist adventures bring us no return, while social programs suffer at home and twenty million of our citizens are in such despair that there is rioting in the streets." The Vietnam war, True believes, is a civil war between Vietnamese factions, into which America has thrust itself; "the only way to settle it is for the Vietnamese to negotiate. We can't make peace with Hanoi from Washington."

Three years ago, True began setting forth his views on Vietnam in talks to various groups in the San Francisco area and in letters to newspapers and magazines. He and his wife, also a Quaker, took part in a peace vigil in Palo Alto, and one of his letters, to the *Progressive* magazine, was reprinted as an ad in the Escondido *Times-Advocate*, paid for by some members of the First Congregational Church there.

For a while, nothing happened, but on December 27, 1966, Rear Admiral John E. Clark, commandant of the Twelfth Naval District in San Francisco, wrote asking True to come to his office.

In the meeting Admiral Clark told True that "Washington was getting restless and that I had better stop or the consequences would be unpleasant." True recalls. Clark read paragraph F-2016 of a Navy regulation dealing with public affairs. "No member of the Naval service," it said, "will utter any public comment reflecting adversely on, or belittling the role of, any other branch of the Armed Forces, the Department of Defense or the foreign policy of the United States." It also directed that "copies of proposed speeches . . . concerning foreign or military policy will be submitted . . . to the [Navy] chief of information for clearance." True felt that Clark, by reading him the regulation, intimated it had been interpreted as applying to retired Naval officers as well as those on active service.

True interpreted the "unpleasant consequences" to imply court-martial, although it wasn't referred to specifically as such.

Clark recalls: "I did say to True that the next interview might not be pleasant. Certainly it would not have been pleasant for me, since a potential matter of discipline was involved.

"We weren't trying to interfere with his protests at all," the Commandant continued, "but we were concerned that he was identifying himself as an admiral. The Navy had no ax to grind; we were not trying to force our philosophy on Admiral True. It was simply a matter of a Naval regulation that was in existence and that he was violating."

After leaving Clark's office, True wrote to Senator Fulbright, giving him the details. The Senator, in turn, wrote to Paul H. Nitze, then Secretary of the Navy, inquiring politely but pointedly whether Regulation F-2016 was being interpreted as "preventing retired officers from criticizing the Administration's foreign policy."

Back came a letter from Nitze, on May 10. Yes, he said, the regulation had been interpreted that way, but "subsequently . . . we have been advised by the office of the Secretary of Defense that it was not intended that the SecDef directives (which the Navy regulations implemented) should apply to retired personnel. Accordingly, we intend to adopt that interpretation as to our own regulations." Behind the officialese was a decision by Cyrus R. Vance, then Deputy Secretary of Defense, for Admiral True and against the Navy.

As he had arrived at Admiral Clark's office on that interesting day in January, True had noticed a large poster in the lobby of the San Francisco federal building. "Let it be clear," the poster said, "that this Administration recognizes the value of daring and dissent—that we greet healthy controversy as the hallmark of healthy change." The signature at the bottom was "John F. Kennedy." True asked Clark if that policy had been changed. "He told me, 'No, it has not, but it doesn't apply to members of the Naval service.' "

COAST GUARD PATROL SERVICE IN THE GULF OF MEXICO

Mr. TOWER. Mr. President, the Brownsville-Port Isabel Shrimp Producers Association has very courteously forwarded me a copy of a resolution passed November 9 concerning patrol of the Gulf of Mexico off the coast of Mexico.

The resolution evidences a concern on the part of the shrimp fishing industry that there be no curtailing of patrol services by the Coast Guard, a position I support. I ask that the text of the resolution be reprinted at this point in the Record.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution, Brownsville-Port Isabel Shrimp Producers Association, Brownsville, Tex.

Whereas, it is reported that under the current economy movement now underway in the United States Congress a suggestion has been made that the Campeche patrol, and perhaps other patrols of the U.S. Coast Guard in the Gulf of Mexico, be reduced; and

Whereas, such Campeche patrol and other patrols of the U.S. Coast Guard are of long standing and are vital for the protection of life and property for the vast fleet of United States shrimp vessels operating in the Gulf of Mexico, and it clearly would be false economy and a disastrous move of grave consequences to the shrimp industry of the United States for any of such Coast Guard patrols to be reduced:

Now, therefore, be it resolved by the Board of Directors of the Brownsville-Port Isabel Shrimp Producers Association, regularly convened in emergency called session this 9th day of November, 1967, on motion duly made, seconded and unanimously passed, that the dire consequences of any reduction of such Coast Guard patrols in the Gulf of Mexico be called to the attention of the President of the United States, and of the two United States Senators from Texas, and of the United States Congressman, from Texas, and that they be requested to take all possible steps to avoid any such action being taken.

Adopted this 9th day of November, 1967.

N. G. Conner,
President.

Attest:

Moble A. Harder, Jr.,
Secretary-Treasurer.

PRIORITIES IN FUNDING FEDERAL PROGRAMS

Mr. MAGNUSON. Mr. President, all Members of the Senate, I am sure, and particularly those on the Committee on Appropriations, will agree that the appropriations process this year has been difficult.

The public has shared our concern in arranging the proper priorities in funding the many Federal programs.

The mail has been heavy and often critical. However, on occasion a letter will reach our desks pointing up the willingness of a taxpayer to bear the responsibility of our country's increased activity and growth.

For this reason, Mr. President, I ask unanimous consent to have printed in the Record a letter that I have received from the State of Illinois.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Pontiac, Ill., *October 22, 1967.*

Hon. Warren Magnuson,
U.S. Senate,
Washington, D.C.

Dear Mr. Magnuson: We were shocked this morning to read of the cut in the National Aeronautics and Space Administration budget, so great a cut that it probably will result in the non-use of our two greatest launch vehicles, Saturn I and Saturn V, and the cancellation of much of the highly useful Apollo Applications Program. Several weeks ago, cuts were made that resulted in the cancellation of the Mars and Venus exploration programs. We also read the requests of many congressmen for drastic cuts in the poverty program, and even suggestions that we cut back military operations because economically they are becoming a burden.

Never have our people been so prosperous. All of us are living better than we ever dreamed a few years ago. But we seem so unwilling to accept the challenges that this 20th century brings to us, so unwilling to give, whether monetarily or of ourselves.

If we really want to, we can solve our great social problems, support our military program, and continue and increase our exploration of space, and we will become a greater people in the doing of it. If we withdraw into ourselves, decide the game is too expensive and risky to play, then we are diminished as a people and an inward, downward spiral will begin.

Some say this spiral has already begun. We do not believe this. But when challenges and opportunities present themselves, it is not the time to cut back, retrench, retreat. We must step forward, expand and increase our efforts in every area, work to the best of our ability at every task.

Surely this is not the time to decrease spending and reduce taxes. When you wish something good and of quality, you must pay for it. What better can we buy for our money than the excellence and eminence of our country and the welfare of its citizens?

We are a lower middle income family and have difficulty making ends meet sometimes, but we have no desire to increase our personal budget at the expense of our country's progress.

We are in favor of a tax increase and against a decrease in spending, particularly in the areas of aid to the poor, the cities, transportation, education and the space program.

Yours truly,

MARY ELLEN SWEITZER.
ROY E. SWEITZER.

WELCOME TO PRIME MINISTER SATO, STANCH ALLY AND STATESMAN

Mr. FONG. Mr. President, Washington is being honored by the visit of Prime Minister Eisaku Sato of Japan, who is here in the United States at the invitation of President Johnson. This will be Mr. Sato's second state visit to our Nation's Capital since he became Prime Minister in November 1964.

At that time the selection of Mr. Sato as Prime Minister Hayato Ikeda's successor came as no surprise to most people. Aside from enjoying deep respect in political circles and wide popular support throughout his country, Mr. Sato brought to his high office outstanding experience and service in almost all the important positions of the Japanese Government and of his party.

Mr. Sato entered politics in 1948 when he was appointed Chief Cabinet Secretary by former Prime Minister Yoshida. He served as chairman of the Policy Affairs Research Council of the Liberal Party in 1949 and then as secretary-general of the party. He has also served as Minister of Postal Service, Minister of Telecommunications, Minister of Construction, Minister of Finance, Minister of International Trade and Industry, and Minister for the Tokyo Olympic Games. Distinguished by such a vast array of talents in his public service, Mr. Sato was recommended by Prime Minister Ikeda as his successor to head the Liberal-Democratic Party 3 years ago.

Prime Minister Sato's party was established on November 15, 1955, with the merger of the Japan Democratic Party headed by the late Ichiro Hatoyama, then Prime Minister, and the Liberal Party, whose president was the late Taketora Ogata.

Since the amalgamation of the two large conservative parties, several significant and far-reaching achievements have been accomplished under the various administrations of the Liberal-Democratic Party. Some of these political milestones include the signing of the new Japan-United States Security Treaty, the tremendous growth of the national economy, and the signing of the Japan-Republic of Korea Treaty. In the treaty normalizing relations with South Korea, Japan agreed to provide South Korea with $300 million in aid as an outright grant, $200 million in soft loans, and several hundreds of millions on commercial terms.

Prime Minister Sato's administration also launched a program of overseas technological aid by volunteers similar to our Peace Corps. Japan also clearly demonstrated her willingness to play a major and active role in the newly formed Asian Development Bank—matching our $200 million contribution with an equal amount on her part. To my knowledge, this was the first time since the war that a major American contribution to an international body was matched by any country in the world.

Feelings in Japan and elsewhere are currently running strongly in favor of her taking a more active and larger role in international affairs. Japan seems to be entering a new and major phase in the postwar history of not only Asia but the world.

Now the question arises, just what kind of a role will this be? It probably will not be in the military arena. For the idea of a major military role abroad for Japan is anathema to the majority of her people. As former U.S. Ambassador to Japan Edwin O. Reischauer pointed out, "the disaster of the war left them with a strongly pacifist approach to world problems."

However, her reluctance to participate militarily in the frontlines of defense against Communist aggression should not be mistakenly interpreted as a sign that she is not aware of or concerned with the threat of communism to freedom-loving countries in Asia and elsewhere.

It appears clear that Japan's role in world affairs will be in the economic realm as an important source of economic aid and technological assistance. In fact, there is no reason why Japan, considering her relatively light military burdens, should not devote a great deal more than her goal of earmarking 1 percent of her gross national product to foreign aid.

Working hand in hand, Japan and the United States can provide the leadership in assisting the developing countries of Asia to acquire a better way of life and to strengthen them against potential external aggression and attack.

It is generally agreed that no matter how much Japan, considering her geographic and strategic position, were to budget for her military needs, she would still need the defense shield of the United States for real security. This defense relationship could be used as the foundation for a strong two-country policy of assistance in Asia. Japan could expand her foreign aid program and accept a larger responsibility for economic assistance and development in those Asian countries which welcome her assistance. Such a role would be very much in line with the Japanese Government's policy.

On the other hand, the United States could concentrate more on providing for the military and physical security of her allies. With America's military power and capabilities available in the Far East, there is little need for Japan to duplicate much of what we already maintain in the Far East. Such a policy would have the United States take the initiative and the bulk of the responsibility in the area of military defense while Japan would do the same in the field of economic assistance.

This plan of complementing and developing the strength of both countries would involve utilizing the best that each could put forth. For Japanese this would mean stepping up her economic assistance considerably. Such a requirement should not pose too much of a problem since she is carrying a relatively light military budget at the present time, due to her security treaty with the United States.

In fact Japan has been able to limit her military spending to a mere 1.4 percent of her gross national product. This percentage represents about a fourth to a fifth of the amount invested by most other industrialized nations of comparable economic strength. The United States, on the other hand, has been spending about 10 percent of its gross national product or more than 50 percent of her national budget on its military establishment in recent years while Japan has been spending less than 2 percent of its gross national product or less than 10 percent of its national budget for defense purposes.

The time is at hand to devise and carry out a closer working partnership between our two countries for the security and economic growth of Asian nations. The past couple of years have seen repeated efforts being made by countries of East and Southeast Asia for greater regional cooperation and solidarity. These nations are looking for ways to establish a greater community of interest in which they can find Asian solutions to Asian problems.

Among the group of Asian nations seeking greater cooperation and coordination, Japan, as the major industrial member, recognizes she has a vital place in this unfolding Asian picture. But Japan, nevertheless, looks to the United

States as a necessary partner. In the words of Ambassador Takezo Shimoda:

> The existence of a close relationship between our two countries will be indispensable for Japan in playing its future role in Asia and in improving its relations with other countries.

We should bear in mind that the American military effort in Vietnam and the Japanese effort in furthering regional cooperation and the economic development of Asia have the same basic goal—peace and economic advancement for all. It is only in the spheres of responsibility and in the approach to the attainment of this goal that we need closer understanding.

The United States recognizes that the provisions of the Japanese Constitution forbids the use of force as a means of settling international disputes; consequently, her inability and failure to offer military assistance to South Vietnam. However, our actions and policy in Vietnam have received the Japanese Government's understanding and moral support.

Despite differences that exist even between such good friends and allies as the United States and Japan, we have always worked hard to resolve them and to arrive at mutually satisfactory settlements. We have never hesitated to discuss any problem that has arisen between our two countries. Our two Governments have always been willing to understand and respect each other's viewpoint through frank and friendly exchange of views.

Okinawa represents a problem which calls for fair and forthright discussions. The Japanese Government is looking for a timetable whereby she can regain jurisdiction over Okinawa and the other islands of the Ryukyu Archipelago, once a prefecture of Japan. At the same time, Japan recognizes the reality that a formula for reversion must take into consideration the weakened defense posture of the United States in that area should we leave Okinawa.

Our military leaders strongly feel that the Okinawa military bases are indispensable to America's strategic defense of the Far East. Likewise, I am sure that the Japanese leaders are also fully aware of Okinawa's importance to the defense of Japan as well as its critical role in the Vietnam war.

I am hopeful that out of the current discussions on the Okinawan status question will come understanding for an eventual solution to this complex and difficult problem.

To clarify our country's approach to the whole problem of U.S. overseas holdings, including the status of Okinawa, I submitted in April of this year a concurrent resolution to establish a bipartisan Joint Committee of the Congress on Overseas Insular Areas Under U.S. Administration. The purpose of this committee would be to conduct a thorough investigation of the relationship of such areas with the United States.

In my speech to the Senate I pointed out that the central issue concerning the political status of our overseas holdings was to devise "ways by which the aspirations for more self-government by the peoples of our island territories and dependencies can be fulfilled without impairing or imperiling the authority of the Federal Government to carry out its essential responsibilities in terms of national defense and the promotion of the commonweal."

I continued by saying that "while recognizing the political aspirations of territorial peoples, the Federal Government must face the reality of any threat or potential threat to the national security which may result from a change in the political status of a territory. This point is particularly relevant to the strategic role of the Trust Territory and of the Ryukyu Islands. The Pacific islands represent a major geographic region of the world which has not been infiltrated by a hostile power since World War II. The national interests demand that this should remain so. Having won these island areas at great cost in lives and treasure to save democracy from totalitarianism a generation ago, this Nation should rightfully question any move which would jeopardize the American defense posture and hamper the free world movement of our forces in this vast and vital ocean region."

The visit of Prime Minister Sato, I am confident, will go a long way toward improving and strengthening the bonds that unite our two great countries and their peoples. Experience has shown that there is much that both countries can learn and benefit from each other.

In our commercial relations, trade between the United States and Japan has more than tripled in the past ten years from a combined total of $1.4 billion to over $5 billion a year. Japan is both the largest overseas customer and the largest overseas supplier of the United States. This is a striking example of the close partnership that exists between Japan and the United States.

It is indeed miraculous and fortunate that our two countries, which were engaged in a life-and-death struggle only two decades ago, have been able to establish such a close relationship in political, economic, and cultural affairs, and have also been able to develop a broad basis for mutual understanding and cooperation.

To Prime Minister and Mrs. Sato, I say, welcome to America. May your stay and visit to the United States be a memorable and enjoyable one. The greetings and best wishes that you bring from the Japanese people to the people of America are much appreciated. May our two countries forge even stronger ties of friendship and respect for each other for generations to come.

VIETNAM

Mr. MOSS. Mr. President, in the wake of the recent march on the Pentagon to protest the war in Vietnam—a march in which several hundred young men hated their country so intensely that they carried Vietcong flags or wore war symbols of North Vietnam on their jackets—it is refreshing to receive a letter from an American father who is proud of the fact that his three sons all served in the armed services, two of them in Vietnam.

Mr. Andrew W. Clements, a past commander of the VFW in Utah, writes that he has only pity for young men who cannot bring themselves to serve their country when it is engaged in battle.

I ask unanimous consent that the letter from Commander Clements be carried in the CONGRESSIONAL RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

VETERANS OF FOREIGN WARS OF THE
UNITED STATES,
November 5, 1967.

Senator FRANK E. MOSS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FRANK E. MOSS: Less than a year ago I had three sons in the service of our great Nation. I was indeed the proudest father in Morgan County, Utah. My oldest son Andrew Warren Clements finished his hitch in the Marines and elected to work for the Boy Scout of America. My other two sons are in the U.S. Navy and U.S. Air Force, both have seen action in Vietnam.

I know there are many in our country today, who lack the courage to fight our great Nations' Wars. For them I have only pity. For the red blooded Americans, who fight our Nation's Wars, I share their pride.

I am proud to live in a free country and I am proud to be a member of an organization dedicated to preserving that freedom. The Veterans of Foreign Wars of the U.S. do support the position of Our United States government in Vietnam.

With kindest personal regards always,

Sincerely yours,

ANDREW W. CLEMENTS,
PDC of Utah VFW.

FISHERY POLICIES OF THE UNITED STATES—ADDRESS BY DONALD L. McKERNAN

Mr. MAGNUSON. Mr. President, I have had a long interest in the fishery policies of the United States, particularly as they relate to international affairs. In June of this year the Special Assistant to the Secretary of State for Fisheries and Wildlife, Mr. Donald L. McKernan, delivered an address at the Law of the Sea Institute at Kingston, R.I., which I feel would be of interest to all.

Mr. McKernan, who I am proud to say, now enjoys the rank of Ambassador when negotiating with other countries, makes a strong point of the threat of overfishing and possible depletion of our fishery resources.

Mr. President, I have long advocated a world fisheries conference that we may better preserve and insure our renewable ocean resources.

As Ambassador McKernan's address will indicate, international fisheries are "developing"; that is, there is little that can be necessarily defined as agreeable to all nations concerned with the oceans. This, again, reemphasizes my long effort toward a thorough discussion on the preservation of our great renewable ocean resources.

I ask unanimous consent that the address mentioned be printed in the RECORD at this point.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

A DEVELOPING POLICY FOR INTERNATIONAL FISHERIES

(Address by Donald L. McKernan, Special Assistant to the Secretary of State for Fisheries and Wildlife, June 29, 1967, at Second Annual Law of the Sea Institute Conference, Kingston, R.I.)

A policy dealing with international fisheries development and conflict cannot be viewed in isolation from the broad foreign policy interests of the U.S. Yet, while decisions on international fishery questions have been made contrary to the interests of U.S. fisheries from time to time, it has more often been true that the policy of the U.S. in seeking resolutions to fishery disputes between our fishermen and the fishermen of other countries has been designed to protect to the maximum, by peaceful means of course, the interests of U.S. fishermen.

It seems useful at this time of great national interest in the expanding use of the resources of the ocean to review the way in which this government has approached discussions in the international fishery field in recent years, first with a view to examining the effect of this approach on U.S. fisheries and second to ascertain whether or not there has been a consistent development of policy in dealing with these problems.

This examination is not intended as a declaration of existing U.S. fishery policy, nor is it likely that the thoughts expressed here by the author will stand for long in the light of the rapidly changing condition of national and international fishery affairs.

Before looking at the result of recent international fisheries negotiations, it would seem appropriate to state our national goals. That is, to ascertain whether or not we have been consistent in dealing with our international fishery problems, we should state clearly what objective we have in mind. I would think that few would argue that one way to express our national goal with respect to living resources of the sea is that we want our people now and in the future to have the maximum opportunity to use the resources of the seas. A secondary objective might well be stated as wanting to ensure the maximum use of the living resources of the sea for the lasting benefit of mankind.

It does seem entirely reasonable that the U.S. Government look at the use of world fishery resources in terms of the benefits to the U.S. from both a long and short term view. Furthermore, it seems logical to expect that in all likelihood other nations are looking at the use of the sea's resources in much the same way; that is, they would like to use the resources of the ocean to the maximum for the benefit of their people; and we cannot fault that view.

It is in seeking to achieve these goals by large numbers of nations on a world ocean that still remains for the most part open to all, that international conflicts arise between fishermen of nations and between their governments.

These conflicts can quite often but not always be expressed in some general form. The most common kind of conflict arises from competition on the fishing grounds between competing fishermen of one or more nations for the available harvest from a common stock of fish with the consequent threat of over-fishing and possible depletion of the fishery resource.

Other conflicts arise from the physical interference on the fishing grounds between vessels and between competing forms of fishing gear with the consequent loss of gear or equipment. Often the efficiency of one or both parties is adversely affected by the physical presence of the other. Still another type of conflict occurs when vessels of one country begin catching fish from a stock that has long been harvested by fishermen of another country. In this case the traditional fishery is adversely affected economically, causing complaints from the fishermen who have traditionally fished the stock. In the last and perhaps the most common kind of conflict, the mere presence of foreign fishing vessels off the coast of a coastal state raises the specter in the minds of local fishermen of the loss of their traditional fisheries to foreign fishermen. While the tangible evidence of actual loss is often absent, nevertheless this type of situation has caused serious difficulties, as witnessed in the long-continuing dispute between the U.S. and the CEP countries, Chile, Ecuador and Peru, over the jurisdiction of waters off the coasts of these countries. In this case, although the motivations are complex and do not entirely rest on the fishery issue, these countries for the most part catch little yellowfin tuna, the species most sought by U.S. vessels, yet the presence of foreign vessels off their coasts causes severe public criticism.

Let us examine more specifically the kinds of international fisheries disputes that the U.S. has become involved in and see how they fit into a general pattern, if in fact they do.

The fisheries of the U.S. are and have been mostly coastal fisheries. The yield from off our coasts and in estuarine waters at the present time amounts to between 80 and 90 percent of the total landed value of the U.S. catch. Yet two of our most valuable fisheries, shrimp and tuna, are to a very significant degree dependent upon resources found on the high seas off the coasts of neighboring countries. Thus, our ocean fishery conflicts involve us on one hand as coastal fishermen, defending our traditional fisheries off our own coast, and on the other hand as high seas fishermen defending our right to fish freely on the high seas.

It might appear that the dichotomy of position of U.S. fisheries is impossible to reconcile. At the same time, the criticism has been heard that the U.S. solutions to complex international fishery disputes are solely based on pragmatism and that the solutions have been temporary in nature without any consistent basis in principle.

It is obvious from the record that the U.S. is trying to follow a policy leading to the goals mentioned. earlier in this paper, has surely made mistakes; yet, there is a consistency to our policy in international fisheries affairs that leads back many years. (It is not a coincidence that the two men who have to a considerable degree shaped this policy within our Government have been active participants of both of these Law of the Sea conferences. Of course I speak of Dr. W. M. Chapman and William C. Herrington.)

As many participants in this conference have mentioned, the U.S. is a member of several conservation treaties on fisheries. If you choose to call the Fur Seal Treaty and the International Whaling Conventions fisheries treaties, then we are members of eight active international fishery conservation conventions. The purpose of these has been to resolve conservation issues that have arisen when two or more nations, including our own, have been heavily fishing or hunting common stocks of fish or marine mammals, and as a result there has been danger of over-fishing and depletion of the stocks. In some cases such as the fur seals, halibut and Fraser River sockeye, severe depletion had occurred before the Commissions were formed. In other cases, such as the Northwest Atlantic Fisheries Convention, Inter-American Tropical Tuna Commission, and the International North Pacific Fisheries Commission, there was danger of over-fishing which led the U.S. in consort with some other fishing nations to seek a solution through the formation of a conservation convention.

At this point it is well to recognize that some economists have been critical of the purely conservation objectives of these fishery conventions. One must agree that it would be desirable to maximize the economic output from these fisheries; however, the bilateral and multilateral fishery conservation conventions collectively have been quite successful in maintaining viable U.S. fisheries and I for one would be reluctant to set them aside in favor of another system of international control that at the present has not been accepted even for strictly domestic fisheries of the U.S. That is not to say that the present systems are perfect or even satisfactory for the future, but it is to say that they have in a number of respects resolved the problems for which they were designed.

In several instances, through joint research efforts—including of course independent research by some of the Commissions—the work of these Commissions has resulted in a larger total average yield and in addition, the preservation of the resources has been assured. Several of these commissions have resolved, for the short and medium range span of time at least, difficult economic and political problems between countries.

For example, the Pacific halibut catch had declined from about 60 million pounds in the early part of the century to only 44 million pounds before regulation began 37 years ago. Scientific management of this fishery by the International Pacific Halibut Commission has rebuilt the stocks to the extent that they have produced on the average about 68 million pounds annually during the past six years. One could also cite the Inter-American Tropical Tuna or the International Pacific Salmon Fisheries Commissions as examples of highly successful conservation commissions that are accomplishing their objectives year after year.

Some Commissions have accomplished much less; the Whaling Commission was faced with a wholly unexpected problem quite outside its terms of reference. In this case it was not enough to establish that depletion had occurred; it was necessary then to allocate among several nations, with very large monetary investments in whaling, the very small allowable catch. The Commission had no great trouble deciding that something needed to be done to conserve the Antarctic whaling stock; they also were able to put quite precise quantitative limits on the allowable catch. Yet the allocation of this catch among those countries that had traditionally fished the resource for a long time and other countries that had only recently entered the fishery was a problem of a different order of magnitude. It has only been partially solved to date.

By confining ourselves primarily to conservation problems, by omitting the more difficult economic problems, we have been relatively successful over the past 20 years since the war in minimizing the effects of rapidly expanding fleets of fishing vessels of foreign origin fishing in areas and on species that had traditionally been fished exclusively by U.S. or U.S. and Canadian fishermen. The success or failure as the case may be of U.S. fisheries during the period have not been greatly influenced by foreign competition for the resources. However, in the past five years, the increase in these foreign fleets off our coast has brought into sharp focus the potential danger of serious conflicts between the distant water and coastal fishermen.

These new problems posed by the rapid increase in foreign vessels fishing off our coasts are in their bare essentials economic in nature and they involve who gets the fish and in some cases who gets the fishing grounds. The conservation conventions now in effect were not designed to resolve these new questions, and it is now quite imperative that we find new methods of resolving these new kinds of disputes.

But participation in conservation conventions has not been the only course of action taken by the U.S. during the past 20 years. As these new problems appeared on the horizon those in this country who were thinking about the deficiencies in existing regimes of the sea began to cast about for alternative solutions. The 1958 and 1960 Law of the Sea Conferences were to some extent the result of such attempts. In addition the U.S. has helped to strengthen, along with other North Atlantic nations such as the U.K. and Canada, the fisheries group within FAO. Many of the people in fisheries—both within government and without—felt that increased knowledge of the ocean, including increased international cooperation in ocean research, would not only help increase the probability of achieving our national goals but would provide as well a background of scientific information for resolution of controversies in international fishery affairs. As a result, domestically the National Academy of Science and the Interagency Committees on oceanography both began to promote ocean research and internationally the Inter-governmental Oceanographic Commission was formed after much struggle within UNESCO.

These efforts have not been uniformly successful, but they have served their purpose well and have improved our capability of solving, on the bases of improved knowledge of fisheries and the ocean, serious conflicts that have arisen in recent years. In other words, they have increased the number of acceptable alternatives to any given problem.

Thus, in summing up our policy of the past two decades, we have tried through bilateral and multilateral fishery conventions to set up arrangements which would ensure the conservation of resources of most concern to us, and at the same time we have sought to build through the UN's Law of the Sea Conferences and through international bodies such as FAO, UNESCO, and most recently again the UN, devices that might more effectively deal with the complex problems of the future.

Most of these efforts have been helpful, but much more needs to be done if we are to keep pace with the rapidly increasing use of ocean resources by all of mankind.

Successful or unsuccessful as you may think the efforts have been thus far, there are some new dimensions that cannot—in my view—be resolved by present international rules or practices. I have mentioned before in this discussion that I consider these problems essentially economic in nature although they manifest themselves in many ways. They arise in some instances because of the difference in the technological level of the fishing equipment of high seas fishing nations; in other cases the sheer numbers of new fishing units appearing on restricted fishing grounds near the coastal state cause excessive competition between the fishermen with a concomitant reduction in the catch and income of special seriousness to the coastal fishermen who cannot move readily to new fishing grounds.

These problems have arisen on both coasts of the United States and have caused great distress among U.S. coastal fishermen. They brought about an agonizing reappraisal of this country's long-standing three-mile fishery limit and resulted in an extension of that limit to 12 miles only last year. It has been alleged that our fishermen fishing off the coasts of several other countries have caused similar problems.

Thus, we must concern ourselves in the future with this problem. Our coastal fishermen seek some protection from what they consider unfair and unwarranted competition for a limited catch and fishing space; a 12-mile fishery limit is not adequate to ensure either to them.

Our long-range fishermen wish to maintain the greatest possible fishing area everywhere on the ocean and they cannot economically operate with vast areas of the ocean closed to their free movement. On the other hand, the long-range fishermen of the U.S. have no need to compete so intensively for fish stocks found in the waters of the high seas off the coasts of foreign countries—nor enter fisheries off foreign coasts that are already being heavily fished by coastal fishermen to the degree that would endanger the livelihood of those fishermen.

Nevertheless, it is my view that some additional assurances must be given the coastal fishermen beyond those given in the 1958 Convention on Fishing and Conservation. They must be assured that not only will the fish stock of particular concern to them be conserved but that they will have a reasonable opportunity both to participate in the harvest of those resources not now used by them and to take their traditional share of those stocks which they have fished in the past.

Some few coastal nations are attempting to protect their interests in the fishery resources off their coasts by unilaterally extending their fishery limits beyond any acceptable limit. Such action in the absence of any legal basis is an unacceptable alternative. Such unwarranted extensions of jurisdiction would serve to set aside vast productive areas of the ocean and in many cases would allow them to lie fallow and unproductive, thus preventing full development of the food resources of the world ocean.

It is becoming popular to advocate turning over to the United Nations or some other supra-national body title to the resources of the sea with the view that this body could license an appropriate number of vessels to harvest at optimum efficiency the food resources of the sea. It is not at all clear how this nation can achieve its goals under such a system. Some other objectives might be accomplished by this move, but I doubt that this nation's fisheries would long prosper under such a system.

The alternative, it seems to me, is to pursue a strong course of action under the four Law of the Sea Conventions that provide among other things for freedom of fishing and for the conservation of the food resources of the ocean. To these current components of our high seas fishing policy I would add some consideration for the special problems of the coastal state—a consideration well within the general intent of the Geneva Conventions. With such considerations, I believe we could develop a viable system capable of providing better protection for the coastal fisherman while allowing a reasonable exercise of the important principle of freedom of fishing on the high seas, thus protecting the rights of our distant water fishermen.

It appears to me that such a system will have considerable general appeal to nations of the world.

All high seas fishing nations that I know of have problems similar, more or less, to ours. These nations also are interested in pursuing their current distant water fisheries without constant difficulty or harassment by coastal states. Witness our recent discussions with Japan and the USSR. Agreement was reached on the basis of mutual give and take—with major compromises on both sides, but important principles embodied in the four 1958 Law of the Sea Conventions were maintained. Where the coastal fisheries of the U.S. had special problems on the high seas beyond the 12-mile contiguous fishing zone, consideration was given to these problems by the high seas fisheries. By means of these important negotiations, provisions were made for the high seas fishermen to fish stocks not being utilized by U.S. fishermen even within the contiguous zone of the U.S. Thus, we were consistent in providing the opportunity for full use of the ocean's food resources while resolving to a reasonable degree the problems of the coastal fishermen. I believe we should seek further agreements of this kind. Furthermore, such arrangements ought to have broader application world-wide. For example, they ought to be equally effective with those countries off whose coasts our distant water fishermen fish.

It will be remembered by those who attended the 1960 Law of the Sea Conference that the proposal which came within one vote of receiving the two-thirds majority required for adoption contained a very similar idea. In that case a coastal state, subject to certain conditions, could claim preferential fishing rights in areas adjacent to its contiguous fishing zone.

In summary, it would appear that the development of a policy for dealing with international fishery problems has proceeded at a reasonable rate in this country. Action by this government to resolve international fishery disputes, with some notable exceptions, have lead to reasonable solutions of the problems. The conservation policies that have been useful in the past are likely to be less useful in the future as international disputes involving economic issues become more prevalent. It has been suggested that a useful policy for the future would be to give more attention to the special fishery problems of the coastal state while protecting the principle of freedom of fishing on the high seas and insisting on a reasonable exercise of the use of this right by distant water fishermen.

JIM FLINCHUM AND SOME REFLECTIONS ON 100 YEARS

Mr. **HANSEN**. Mr. President, the Wyoming State Tribune of Cheyenne is celebrating its 100th anniversary. Its age is exceeded in the West by only three other newspapers which are still being published.

The eyes of few mortals have watched history unfold for as long a period.

Looking back into history, Jim Flinchum, editor of the Wyoming State Tribune, makes some observations that are noteworthy. With his perceptive mind, he calls attention to the duties and responsibilities of a newspaper, bringing into sharp focus what he considers the primary obligations of this information media.

The editorial should serve to stir within each of us a greater sense of responsibility to our Government and to the role we should aspire as active, interested citizens.

In the Tribune's fine special edition, Paul Harvey, noted columnist and radio personality, told Robert S. McCracken, publisher:

> A lot of ink has gone over the dam in a hundred years. How many jots and tittles you've had to place just right in order to earn and keep the reputation for integrity which the Wyoming State Tribune now enjoys.

Harvey says:

> As day by day I see Cheyenne reflected in your pages I know that you deserve each other—and that is the highest compliment I know.

The Wyoming State Tribune, born as the Cheyenne Leader on September 16, 1867—and first published on September 19, 1867—has come a long, long way and has witnessed a great deal of dynamic history in the making.

Jim Flinchum, a person who I consider to exemplify the best in newspapering, is well noted for his trenchant editorials. He has written another great one for the

100th anniversary, along with an excellent quote by Thomas Jefferson. I want to include them both in the Congressional Record.

The editorial is a fine example of Jim Flinchum's great skill and I commend it to the attention of my colleagues.

Mr. President, I ask unanimous consent that the Jefferson quotation and the editorial be placed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

"Enlighten the people generally, and tyranny and oppressions of body and mind will vanish like evil spirits at the dawn of day.

"I know of no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion."—Thomas Jefferson.

Some Reflections on 100 Years

It is given to few men, and fewer still their works, to live on this earth for 100 years.

Looking about us, it seems somewhat incredible that the Wyoming State Tribune, metamorphosis even though it may be of predecessor publications, should have existed for so long.

Even under its own name dating from 1869, or for 98 years, this seems a rather singular achievement.

Newspaper mortality is even more severe than in the human realm; on a percentage-wise basis there are perhaps fewer such in existence today than among people.

When today's Tribune was born as the Leader in 1867, another Tribune was the nation's great newspaper. This was the New York Tribune, a name that undoubtedly inspired the founders of this newspaper two years later to so name it; that under the editorial pen of Horace Greeley exerted one of the most powerful influences in America.

A younger Tribune was just emerging in Chicago that survives. In our own part of the nation only the Deseret News, Rocky Mountain News and the Santa Fe New Mexican that still publish, were in existence. Most of America's newspapers of today had not even been thought of, much less commenced. Thousands of communities they now serve had not come into existence, nor even the conditions that made them possible.

In 1867 the Union Pacific Railroad that had been given only formal breath of life five years earlier, was still a-building across Wyoming toward its historic junction with the Central Pacific at Promontory, Utah, two years hence, the same year that the Tribune under its own name was engendered.

It is worth some reflection that dating from the year 1867, the railroad and the newspaper are the oldest things hereabouts after the city itself in this centennial year 1967.

Abraham Lincoln was only two years in his tomb at Springfield; Ulysses S. Grant still was a general, commander of the Armies of the United States; another Johnson was President and likewise having his troubles with an increasingly hostile Congress; and both the Territory and the State of Wyoming lay ahead in the hands of the future.

This was Dakota Territory, the land of the Sioux, Shoshones, Crows and Cheyennes; and George Armstrong Custer's rendezvous with destiny lay nine years ahead, an occurrence that was to be reported first to the people of Wyoming by this newspaper.

Even further hence were the climactic events of the Indian wars themselves; Geronimo was a young Apache, still an unknown name. William McKinley was merely another war veteran, late a major of the Union Army. A rich young New Yorker named Theodore Roosevelt was yet a small boy, as was a Georgia preacher's son named Woodrow Wilson.

Calvin Coolidge had not yet been born; and a youth who had won the Congressional Medal of Honor in the late war named Francis E. Warren was restless in his Massachusetts home, not yet set out to seek fame and fortune in the raw little town in the West where he would one day become not merely a local but a state leader of national prominence as well.

Alexander II, the direct lineal descendant of 17-year-old Michael Romanov who became czar of all the Russias in 1613, sat on the Russian imperial throne and 1917 was a half-century in the future. But in that year 1867 the ruler of all the Russians affixed his imperial seal to a document transferring Alaska to the United States; in that year also, the Emperor Maximilian of Mexico was executed, and the Dominion of Canada was established.

Spain was a major power still, three decades to go before the Spanish-American War that signalled an end to that empire, and very likely no one had envisioned the appalling prospect of the great holocausts that were to sweep across western Europe and later much of the world, the mightiest conflicts of mankind.

In this 100 years, the Wyoming State Tribune has reported in its pages all of these things, the highlights of history as well as the day-to-day events, the deaths and births, marriage licenses and political contests, the triumphs and tragedies, the doings of kings and commoners, the famous and the infamous, the proper and the notorious.

Many things that seemed important at the time have faded from both the pages of history or the memories of today's living, as no doubt will be the case a century in the future. It is not the role of the newspaper to serve as historian, nor even a recorder of daily occurrences; but to attempt to communicate to its readers which form one-half of the quality of the newspaper, that which it thinks they should know or would be interested in knowing about, in community, state, nation and all the world around them.

Each day it is our privilege to perform this function; each day we live, and die, in a sense, and live and die again on each succeeding day. Every day provides its problems, challenges, crises and occasional rewards; day upon day, year after year, decade following decade. So that now we have reached the centenary that people only rarely, and newspapers even more seldom, achieve.

For newspapers, and for the people whose doing they reflect, it has been a great 100 years of awesome events and of accelerating human change. Having survived for so long, the Wyoming State Tribune probably shall be around for another 100 years. This too shall undoubtedly be a great period in human existence.

And so, for as great a part of it as may be within God's power to provide, we hope that each of you may be able to share as much of the coming 100 years as may be possible along with us through this newspaper, the Wyoming State Tribune.

URBAN TRANSPORTATION

Mr. CASE. Mr. President, among the great problems besetting our cities, one of the most complex is that of transportation. Moving hundreds of thousands of people each day is a difficult job at best. It becomes a monumental one when the transportation systems employed are better suited to the requirements of an earlier day.

The situation is particularly acute in the northern New Jersey-New York City metropolitan area. Each day an army of commuters pours across State boundaries en route to work in Manhattan or parts of New Jersey. Contrary to the belief of many, the majority does not travel by train or bus, but takes to the highways in private automobiles.

The problems created by the increased use of automobiles, by the losing race to provide still more highways to keep up with traffic growth, and by the inadequacy of mass transportation are perceptively outlined in a recent series of articles written by Edward J. Flynn in the Hackensack, N.J., Record.

Mr. Flynn's series is a constructive contribution to our understanding of the transportation problems of a major metropolitan area. I commend it to the attention of my colleagues who have metropolitan transportation problems in their own States.

Mr. President, on behalf of Senator Williams of New Jersey, and myself, I ask unanimous consent that Mr. Flynn's excellently written series in the Hackensack Record, along with a number of other articles, be printed in the Congressional Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

[From the Hackensack (N.J.) Record, Sept. 11, 1967]

Transit Is Urban Pulse Beat: Destination Confusion

(Note.—This is the first of five articles dealing with the critical transportation problems in the Metropolitan Area. Today's story analyzes the traffic crisis in terms of highway construction costs, lack of funds, and the commuter rush-hour crush.)

(By Edward J. Flynn)

When the New York City subway strike virtually clamped a death hold on the City in the early days of last year, city dwellers and suburban commuters got a quick lesson in what it's like without mass transportation.

Every approaching highway and city street became a belching sea of exhaust fumes. Commuters left home cursing before the crack of dawn and returned home beaten, often after midnight. Others just stayed home.

New York-based firms operated with skeleton crews and coaxed workers to their desks with promises of extra vacation days. All the while, the City took a financial beating, losing millions of sales dollars.

Even with New York subways operating it's an awesome task for Fun City officials to handle the movements of 3½ million persons who work in the City each day. During peak rush hours, the subways are arenas for pushing, and shoving contests, so much so that they have been described by a City task force on urban design as the most squalid public environment in the United States—dank, dingily lit, fetid, raucous with screeching clatter; one of the world's meanest transit facilities.

And what about those lucky enough to escape the subways? When they are not stalled in traffic on a freeway in their expensive cars capable of 100 miles an hour, they are crawling around the City's central business district at speeds averaging 8½ miles an hour during the business day.

And the situation isn't much better in the suburbs. Whether the worker commutes to his Manhattan job or works closer to home, he is mostly confined to his car.

Economists have come up with some startling statistics relative to urban transportation. The worker who moves to the suburbs and commutes to the city during peak rush hours by private car invests $2,300 in its purchase and expects government to match it with a $23,000 highway investment.

"The total cost to the individual and the community of transporting an additional person downtown at the rush hour by private car may be from $5 to $8 a day while the cost of public transportation would be between 50 cents and $1.60," according to economist Jack Grye of the Middle West Labor Bureau.

"In some cases," he says, "it is estimated that gasoline tax for peak-hour driving would have to be raised to 75 cents a gallon before the motorist would be paying his own way."

George Eastland of the Erie Lackawanna, a major supplier of commuter rail service in North Jersey, puts it another way:

"People think it's economical to drive a car, but they fail to realize that the average motorist is being subsidized 50 cents a mile. Most people only calculate the costs of gasoline, oil, tolls, and parking, and fail to realize the highway-construction and other costs they pay through taxes."

Without a doubt, transportation experts agree that the private automobile is the most expensive way of commuting, both to the individual and the community in general. At today's economic level a mile of expressway costs between $7 million and $25 million, and with the construction of each mile of highway the community not only loses forever valuable taxable property, but pre-empts land that could be used for civic purposes such as parks and schools.

LOVE AFFAIR WITH CAR

"We've been hypnotized by the car," says New Jersey Senator Ned J. Parsekian (D., Bergen), a former State Director of Motor Vehicles. "We've had a love affair with that maiden of our adolescence. We've never grown out of it."

In 10 years, he predicts, traffic will have a stranglehold on the region. "Roads in the region are the umbilical cords which should have been cut 10 years ago," says Parsekian. "They are choking the transportation system and some one better find a pair of shears—it's an emergency."

He continues, "Roads gave the region life when it needed it. If we don't have the intelligence to cut it away, growth will come to a standstill."

Just how acute the road situation is in the Metropolitan Area is reflected by New Jersey Commissioner of Transportation David J. Goldberg who says the State needs $810 million just to bring existing roadways up to existing traffic demands. "The problem becomes more acute," he points out, "when you consider there is a 5-percent increase each year in traffic."

BACKLOG OF $2 BILLION

He goes on, "The total backlog in road funds in New Jersey exceeds $2 billion and could reach $3 billion. That's if you want to build those roads."

His director of planning, Keith Rosser, points up the problem this way: "The George Washington Bridge will reach capacity peak in 1971, at the same time Route 80 is scheduled to be completed. Route 80 will accelerate traffic congestion on the present road network. The Holland Tunnel is at capacity now and the Lincoln Tunnel is near capacity."

Says Ernest Erber, New Jersey area director for the Regional Plan Association, "The City and the automobile are not compatible in the long run."

He points out that cities such as Newark and Paterson have a downtown growth potential, but can't attract new business until they can handle a larger number of employees. Speaking of Newark, he says, "The number of cars and buses are almost at a maximum; we've crammed about all we can in here."

Just how bad the urban transportation situation has become throughout the country was pointed out recently by Governor Richard J. Hughes before an international conference in Pittsburgh.

CRITICAL MATTER

He said urban transportation is becoming one of the most critical areas of public concern and perhaps the greatest single domestic issue the nation faces today.

Hughes said that nowhere in the nation is the problem more striking than in New Jersey, the most urban and densely populated state. He pointed out that traffic crossing the New Jersey-New York boundary is greater than that crossing any other state. He added that New Jersey's highway system must contend with the highest traffic density in the country—more than four times the national average.

"But despite all of this," Hughes said, "it is no secret that New Jersey is far behind in satisfying present demands on its highway system. Even with the current rate of highway expenditures . . . we are not gaining on the demands—indeed, larger expenditures than the entire cost of our interstate system would be required to make our primary state routes adequate to today's traffic. And we have also to consider the needs and demands of the future."

CONCEPT OUTDATED

Hughes went on to warn that the time-honored concept of the private automobile as the primary answer to daily transportation needs is no longer efficient or practical.

At the same Pittsburgh conference, New York Governor Nelson A. Rockefeller looked at the transportation problem from another viewpoint.

"If every one who comes into Manhattan by train were to drive in," Rockefeller said, "we would need another 50 additional lanes of tunnels or bridges at an estimated cost of over $5 billion."

Even as state officials express growing concern over the inadequate road system leading to Manhattan, there is a more alarming concern on the part of county and municipal officials regarding inter- and intra-county travel.

While the populations of North Jersey and Rockland and Orange Counties in New York have exploded in the post-World War II years, little has been accomplished regarding local road construction.

Today in Bergen County, for example, every major thoroughfare is at or near capacity during peak hours. "In the next 5 years," predicts Bergen County Road Supervisor Charles W. Kraus, "driving in Bergen County will be worse than present driving conditions in Manhattan."

"While there has been a lot of talk about tomorrow's problems," says Kraus, "we have failed to solve today's or even yesterday's problems."

In the last 5 years, Bergen County has concentrated on repairing roads, he says, and, as a result, the County has not begun a major road-construction project to meet the growth of the past, much less the future.

Kraus estimates there are a quarter-million cars daily on Bergen County roads with major peak-hour bottlenecks wherever a County road intersects a State highway.

The only primary road in Bergen County which can handle capacity traffic is a small stretch of Forest Avenue, between Route 4 and Westwood, and the 4-lane road ends abruptly there.

Kraus terms the daily commuter the bread and butter of Bergen County. "From his pocket comes the taxes, yet he is the forgotten man. Somebody better start thinking about him."

Bergen County problems of a few years ago now are being felt to the north in Rockland County, N.Y., where a 1965 population of 187,000 is expected to more than double in less than 20 years.

ROADS INADEQUATE

"The road network in the County is insufficient and has to be improved," says Aaron D. Fried, Rockland County Planning Director. A 1960 plan, he says calls for an estimated $140 million in road improvements during the next 20 years. If the funds aren't spent, he says, "We just won't be able to handle 350,000 people."

Says Clarkstown Supervisor Paul F. Mundt, "Auto traffic is growing in Rockland and we're relying on the State to build roads. At present Route 59 is the only major east-west highway in the County and it's already loaded and has bottlenecks."

Mundt points out there is opposition from merchants who object to widening the highway, adding that if officials had foresight a few years ago, today they wouldn't have to worry about condemning high-ratable land for highway reconstruction.

"It is hard to get local officials," he said, "to fly in the face of their constituents. People are opposed to altering the rural characteristics and a widening program is looked upon as synonymous with a speedway and accidents."

Even where there has been highway construction, the roadbed is at capacity soon after it is completed.

"The shortcomings of public transportation in New Jersey," notes a report from the New Jersey Committee of the Regional Plan Association, "cause 80 percent of those who both live and work in its nine northeastern counties to travel to work by automobile.

"Since most of the 20 percent who use public transportation are bus riders, the highways and local streets carry almost the entire intrastate journey-to-work load."

A warning and an indictment also is contained in the report: "The inadequacy of transportation in northern New Jersey continues to be a serious impediment to the full realization of its potential for economic vitality and liveability. Both rail and highway facilities in northern New Jersey are less adequate than in those sectors of the Metropolitan Region east of the Hudson River."

The same can be predicted of Rockland County where officials look upon solutions to the transportation crisis as being interwoven with North Jersey, particularly Bergen County.

[From the Hackensack (N.J.) Record, Sept. 12, 1967]

RAILROAD DECLINE COMPOUNDS AREA'S TRANSPORTATION WOES

(By Edward J. Flynn)

Problems facing today's commuter railroads can be traced directly to the way the suburbs were settled.

North Jersey and Rockland County have a combined population today in excess of 5.3 million persons, yet the largest city in the region has less than 500,000 residents. Bergen County with a population nearing a million does not have a municipality with a population of 50,000.

Home development in the suburbs concentrated on single-family dwellings and earned the title bedroom communities. They focused on New York City—looking to it for employment, entertainment, education, culture, and marketing.

What tied the suburbs to the city was basically the commuter railroad. It took dad to work in the morning and brought him home at night, mother shopping in the afternoon, and the two out for a night in the city. All the while, the railroad rushed goods to the suburbs for the local stores, including coal—the in source of heat three decades ago.

With a good passenger volume backed by a healthy freight operation, the railroads were making money.

Soon, however, the suburbs began spreading out and so did the commuter. As travel time became longer, commuters demanded express trains, stations closer together, and other features which only added to the railroads expenses.

With the post World War II building boom, the suburbs took a giant step, far outdistancing the railroad's existing lines. Then along came Detroit's assembly lines, producing cars by the mile, as federal, State governments ran along paving the way with millions of highway construction dollars.

No longer did the commuter worry about catching the 8:10. He found freedom, convenience, and comfort in the family chariot turned commuter express. Still commuter trains operated, until other factors began pulling off riders and taking away the freight business.

Suburban shopping centers substituted for Manhattan's Fifth Avenue for most housewives; oil and gas replaced coal in suburban basements; and television took care of Broadway, bringing the curtain down on late-night commuter trains.

Even Manhattan Island did not stand still for the suburban railroads. Business began moving uptown and to the East Side, until commuters discovered trains didn't go where they wanted them to. "For more than a hundred years the railroads were oriented downtown, and commuter numbers gradually went down as business moved uptown," recalls George Eastland of the Erie Lackawanna Railroad.

As a consequence of various shifts in locations of homes, jobs, and department stores, the number of daily rail commuters from North Jersey and Rockland County totals about 70,000—half of what it was 20 years ago.

"Today we are left with only the rush hour commuter business and this has to carry the financial load for 24 hours," says Eastland. Like any business, railroads determined they could not operate 3 or 4 hours a day and make a profit.

"Two years ago," Eastland says, "the Erie-Lackawanna determined its so-called unavoidable cost at $9 million a year which included taxes, depreciation, reinvestment, mortgages, and retirement of facilities.

"We went to the Legislature, commuter groups, and service clubs and told every one what we were going to do. We hoped enough people would be interested to get action on the State level. Nothing happened so we went to the Public Utilities Commission with a request to discontinue all passenger service, and were allowed to discontinue half."

What has happened to the Erie-Lackawanna is typical to other railroads in the area. Where they have not gone out of business or declared bankruptcy, they have been forced to either eliminate certain lines altogether or to curtail service on them.

SIX RAIL LINES

In recent years, no less than four major and two smaller commuter lines have been abandoned in the Bergen-Passaic-Rockland area. The Erie-Lackawanna alone folded two of its main branches, the Northern Branch which handled commuters in East Bergen, Northern Valley commuters in Bergen County and residents on eastern Rockland County, and the Newark Branch, which connected Passaic County and Newark by rail.

A railroad which folded its commuter service complete was the New York, Susquehanna & Western, looked upon by many as having been probably the best commuter line in the metropolitan area.

How does a commuter railroad with that type of reputation go out of business? The Susquehanna had diesel engines, air-conditioned, self-propelled individual commuter cars, and the line ran through the heart of Passaic and Bergen County with stops in Paterson and Hackensack.

For 10 years, the Susquehanna petitioned and was denied a request to discontinue commuter service. Then one day in June of 1966, conductors informed homebound commuters there would be no trains the next morning.

Says Susquehanna president, Irving Maidman, "The line lost at least $5 million and probably $7 million in the 10 years of operation. The railroad couldn't earn money and there's no reason why private industry should subsidize a commuter operation."

Maidman contends the line was capable of carrying 3,000 commuters a day and that when it finally abandoned service it carried only a few hundred daily.

There is some disagreement, however, as to which came first—the commuter's abandoning the railroad, or the railroad's abandoning the commuter.

Frank E. Tilley, Jr. of Wyckoff, chairman of the Bergen County Board of Public Transportation, says bluntly, "The Susquehanna sabotaged the passenger service by cutting service, running trains late, and increasing fares.

"Patronage went down," he continues, "in direct proportion to reduction in service. When it had 30 trains a day it was carrying 3,000 passengers; when it cut it to two trains a day it had only 200 passengers."

INHERENT DEFICIT

Commuter rail service is looked upon by many railroad men as an inherent deficit operation. Only the morning and evening rush hour trains carry anywhere near sufficient passenger volumes to sustain service. Off-peak service is a money loser and the rush-hour patronage cannot support the operation.

There is also another problem. As long as commuter service loses money, or just barely shows a profit, the owners are reluctant to invest in costly new equipment—even if it might bring back some lost patronage.

As a result most commuter railroad cars are dirty, without air conditioning, and old. The newest Erie-Lackawanna train, for example, is more than 30 years old. "The rolling stock is not in good shape," admits Eastland, "We're not proud of it; it's old and the users deserve better equipment.

"We can't afford it, and we can't ask the board of directors for money. They wouldn't give to a business which has been losing money at an alarming rate. We feel it's the State's obligation. It's a public service, and we can't raise the fares to meet the cost or we would be driving away passengers."

New Jersey, as well as other states, has been subsidizing commuter rail operations. "Faced with continuing pressure from the railroads to discontinue an unprofitable operation," says New Jersey Governor Richard J. Hughes, "we have been engaged in, and will continue, a program of millions of dollars in State subsidies and capital improvements to preserve this essential service."

For the fiscal year which began in July, New Jersey is giving commuter railroads $9.4 million in subsidy. Of this the Erie-Lackawanna, which operates rail service throughout Bergen, Passaic, and Rockland, will receive $4.2 million to maintain its present service. The State is also putting up an additional $1.8 million, which will be matched by federal funds, to purchase 17 air-conditioned coaches and two diesel engines.

MINIMAL PROGRAM

Continuation of the Erie's passenger service was assured for at least 5 more years when the State agreed last month to give the railroad a minimum of $80 million during the next 5 years in exchange for a supervisory role in the commuter operation.

Specifically, the State plans to give the Erie a $4-million-plus subsidy for the next 5 years and the State further committed itself to spend a minimum of $58 million during the same period for capital improvements and new equipment.

The minimum program includes 105 new passenger cars and 28 diesel locomotives. The units would replace 190 ancient cars. In addition, the State plans to provide the Erie with 150 self-propelled electric cars to replace 235 old ones. Because the new cars are bigger, the line needs less new cars.

Many transportation observers contend, however, that State subsidy is at best a patchwork approach, and that what is really needed is an entire new transportation outfit.

"The existing system of rail subsidy", says New Jersey State Senator Ned J. Parsekian of Bergen, "is outrageous. Subsidy is a losing cause, and besides, people don't want the kind of railroad they are getting.

"It's absolutely peanuts what the government spends on mass transportation. It's indicative that the government doesn't want to develop mass transportation."

Whether or not continuing doses of State subsidy can save a sick rail commuter operation remains to be seen, but there is widespread agreement among transportation experts that it cannot be allowed to die. The reason is that the transportation balance today in the metropolitan region is so delicate the disappearance of the railroad would cause chaos on roads leading to Manhattan.

Although the 70,000 New Jersey and Rockland County rail commuters appears to be an insignificant number, experts, such as J. Douglass Carroll, executive director of the Tri-State Transportation Commission, estimate if the 70,000 were to drive to New York during the rush hour it would require 10 more tunnels under the Hudson and 20 lanes of new expressways.

Regional agencies, such as Tri-State Transportation Commission, have been established to study ways of helping the railroads. A number of demonstration projects, backed by federal grants, are underway or completed. Many of them are not merely aimed at helping mass transportation, but to a larger degree are looking for ways of making mass transportation attractive enough to lure the ever-increasing number of commuters out of their cars.

PARK-AND-RIDE PLAN

For example, a park-and-ride demonstration project, providing abundant free parking, was set up at New Brunswick's Pennsylvania Railroad station. The object was to determine whether a station on the outskirts of a suburban town would attract new patrons and at the same time divert passengers away from the congested area of the inner city.

After the first month, an average of 148 commuters used the facility daily. The count grew monthly, and after the 18-month project ended, about 300 rail riders were using the station daily.

Througout the metropolitan area other demonstration projects are being attempted. The Long Island Railroad is experimenting with gas turbine cars and is proposing a test on an electric drive system that would eliminate electrification of the entire line.

Westchester commuters on the New Haven were given increased off-peak train service to determine whether it would attract new customers. Elsewhere, projects looked into cutting down railroad operating expenses through such devices as automatic ticket collection and station platforms at car-floor level, the latter which would also decrease time at station stops.

CUT OPERATING COSTS

These improvements, if applied to railroads serving the area could reduce operating costs, lessen commuting time, increase time schedules, and make the railroads more attractive.

However, the monumental problem facing commuter railroads is that most of them end on the wrong side of the Hudson River. Only two lines operate into New York City, the Pennsylvania Railroad which has a terminal there, and PATH, the old Hudson & Manhattan tubes which have been modernized and are now operated by the Port of New York Authority. The Port Authority Trans-Hudson (PATH) system is a limited, yet heavily travelled feeder system, connecting Newark, Jersey City, and Hoboken with the Hudson Terminal and a few stops between Christopher and 33rd Street on the East side of the River.

The Erie-Lackawanna's estimated 26,000 daily commuters are forced either to use the ferry to cross the River or walk and pay a 30-cent fare for a PATH ride.

There have been a number of proposals to interconnect various rail lines, construct interfacing transfer facilities, and even build new rail tunnels under the Hudson. The financial cost of each is staggering, and neither the railroads nor the State has the funds.

A $200 million price tag—and it would probably go higher—has been estimated for reequipping, electrifying, and making necessary station improvements to co-ordinate rail service.

Yet, as a Tri-State report says, "No substitute transportation means can economically duplicate the service capabilities of a modernized suburban rail system."

[From the Hackensack (N.J.) Record, Sept. 13, 1967]

COMMUTER BUSES RUN AT A DEFICIT: DESTINATION CONFUSION

(By Edward J. Flynn)

Private automobiles travel on the same rubber fiber over the same asphalt and concrete carpets thereby gaining the title of the true competitor with buses—the backbone of mass transportation west of the Hudson River.

The fastest and most convenient means of travel in the tri-county Bergen-Passaic-Rockland area continues to be the automobile. In Passaic County, 80 percent of all travel is done by car; in Bergen it's 90 percent; and it's even higher in Rockland.

The impact of this is seen every day. Stand virtually anywhere during the rush hour and watch the traffic heading in all directions—Palisades Interstate Parkway at 8 o'clock in the morning, Broadway in Paterson at 4:30 in the afternoon, or even the intersection of Routes 4 and 17 on a Saturday. The scene is the same—miles of red tail lights inching along.

Just how much the suburban family has come to rely on the private car can be seen in Bergen County, for example. Bergen's population by the next census is expected to reach 1,050,000, exceeding Essex as the most populous county in New Jersey. It reflects a Bergen population increase of about 33 percent since 1960. However, in a comparable 10-year period—1955–65—the number of cars registered in Bergen rose approximately 50 percent to 374,156.

Knowing the tremendous percentage increases in passenger car registrations in the tri-county area, it would seem to follow that the number of commuters using buses and trains is also increasing. Not so. In the past 20 years, commuter rail patrons have been cut in half to approximately 70,000 in New Jersey, while in the past dozen years the number of bus riders has remained the same.

The sharp drop in commuter rail passengers is understandable. The railroads have been on the verge of financial disaster for years. As a result, they could not invest in new equipment and in many cases were forced to curtail or abandon service completely.

But the same is not true of a majority of the bus companies. Bus officials have tried to compete with the private automobile for business. Buses have been air-conditioned and made more roomy, schedule-frequency increased, more vehicles purchased to cut down the number of rush-hour standees, and express-service inaugurated on many lines.

"Passenger totals have remained about the same since 1954, despite the fact that the company is running more daily trips than in past years, and buses are also bigger with increased seating capacities," says Virden Rittgers of New Milford, general traffic manager of Rockland Coaches, Inc. (Red and Tan Lines.)

Red and Tan is typical of the area's commuter bus service. It's daily passenger count in 1954 was approximately 24,600; today, it's about a hundred less. Inter-City, which recently filed a declaration of bankruptcy, has carried about 26,000 daily commuters for the past 10 years.

Red and Tan handles the bulk of the commuter bus business between New York City and Rockland County and also the northeast section of Bergen County. Inter-City is one of the biggest haulers serving the heart of Passaic County and south, central and northwest Bergen County.

The biggest problem of these bus companies, the same as for the commuter railroads, is caused by the commuter morning and afternoon rush hour. Inter-City and Red and Tan officials estimate 90 percent of their business comes from the peak hours, taking commuters into and out of Manhattan.

HEADACHE TO FIRMS

This presents a special headache to the bus business. "It costs the company more to provide rush-hour service," says Rittgers, "than the company receives in fares. Commuters are a money-losing proposition year in and year out."

Rittgers estimates that for every 100 buses the company purchases (cost: $45,000 to $48,000 per bus), 75 are needed exclusively for the rush hour.

In addition to the initial cost of these vehicles, companies must contend with the usual problems of maintenance and upkeep, along with special problems of ample garaging facilities and the need for extra drivers.

The 1-way nature of the commuter business—getting the commuter into the City in the morning and taking him home at night—causes what is known in bus parlance as dead-heading. For example, five buses leave from Ridgewood or Nyack between 7:30 and 8 in the morning bound for mid-Manhattan. Only one of the five is needed to handle travelers leaving mid-Manhattan for Ridgewood or Nyack. The other four return empty—dead-head back, and the rush hour is over before they can make another run into the city.

WORKSHIFTS, DELAYS

Driver workshifts, because of the short duration of the rush hour and the relative absence of reverse passengers, also present a problem.

This means that for every four drivers needed to handle rush-hour volumes, only one is needed for regular-service runs. A bus company, according to Rittgers, must manipulate its drivers and buses to meet the peak commuter rushes.

Red and Tan handles this by having its regular drivers work the rush hours with some slight overlapping to cover the mid-day routes. The company also employs split-shift drivers, those who can make a trip into the City early in the morning and return in time to make another half-trip, starting at a point closer in. The same driver reverses this in the afternoon. There are also single-trip drivers, who make only a morning or afternoon trip, and who can fill in on vacations or be used for charter-bus service.

Why then do bus companies invest so heavily in equipment and manpower to serve a commuter operation which loses money?

The Red and Tan, for example, depends upon its charter service for a financial profit at the end of the year, according to Rittgers.

Bus companies must keep up their commuter operations—even at a loss—or face loss of franchise which entitles them to operate in the highly-competitive charter business. At least on charter runs, profits can be determined in advance, using equipment already owned, and unlike commuter business, they can refuse the contract.

Whether bus companies will continue to vie for charter operations, or whether they will stand in line behind the railroads waiting for State subsidy, or whether they will be forced out of business by their commuter operations remains to be seen.

But as Rittgers says: "If the commuter wants a dollar's worth of transportation which costs $1.50 or $2 to provide—above what he's willing to pay in fares—the money will have to come from somewhere."

CRITICAL OF SERVICE

Yet to many commuters, bus service is synonymous with waiting in inclement weather for buses that never seem on time, getting to work and home late, and always being faced with fare increases.

Time is the most important factor in the life of the commuter, especially for those who have migrated from the close-in core area to the thinly populated suburbs. Time and distance are almost interchangeable to the commuter, and he will choose that mode of transportation which is fastest, regardless of cost.

Many residents of western Rockland and northern Bergen County can get into New York City faster by bus than their neighbors living closer to the city. The reason of this is express bus service which has been instituted on a number of routes.

For example, Red and Tan started express bus service earlier this year from Spring Valley to mid-town. Buses pick up passengers from Spring Valley to Montvale, then becomes express to New York City, using the Garden State Parkway and Route 3. Other express routes have been instituted with a result of increased patronage.

The express service caused a major change in the commuter travel patterns of Red and Tan riders. While its total patronage remained approximately the same between 1954 and present, there was a noticeable shift to the mid-town service routes.

In 1954, Red and Tan carried approximately 23,500 daily passengers across the George Washington Bridge and only 1,051 to midtown. In 1966, the number of riders who rode across the George Washington Bridge dropped to 16,000 approximately while those using the mid-town service increased to nearly 8,000.

Whether the shift can be attributed exclusively to faster service to mid-town cannot be ascertained. There were a number of other factors involved. Increased subway fares and the notoriety of subway crime undoubtedly played a role in the change in commuter preference.

While construction of the Garden State Parkway has done much to speed bus service in the northwestern area, lack of adequate roadways in the eastern part of the area and the increase in traffic only adds to total travel time.

Two of the most pressing road needs, according to transportation and highway officials, are the construction of a major east-west road across Bergen County, north of Route 4, and a north-south road extending south from Rockland County to the New Jersey Turnpike and paralleling the Hackensack River.

In lieu of these much-needed highways, some bus company and municipal officials propose limited bus use of the Palisades Interstate Parkway as a means of reducing traffic on existing streets and speeding commuters to New York.

"We're prohibited from using it to get to the George Washington Bridge," says Rittgers, "although the addition of one bus on the Parkway during rush hour would eliminate 25 to 30 cars." Clarkstown Supervisor Paul Mundt points out that there are approximately 7,000 commuters using their cars daily on the Palisades Interstate Parkway to get to work, and would like to see it opened to buses.

Complicated legal ramifications stand in the way of the Parkway's being used by buses, according to Rittgers, who advocates its use for peak rush-hour commuter operations.

In the meantime, buses are plagued with the same traffic problems as the private car. The situation becomes more critical the closer the traffic is to Manhattan. "Our big complaint," says Howard Edmonds, Inter-City's general manager, "is that traffic is so bad in the afternoon that we can't get buses back into mid-town to get more commuters out."

Inter-City's patronage is 90 percent commuter rush-hour business and 95 percent of it comes from Bergen and Passaic residents. The volume is so concentrated, especially in the afternoon, that almost every bus leaving the Port of New York Authority's Midtown terminal carries standees. Inter-City's Route 30 buses which serve Paterson commuters, for example, leave at 2- or 3-minute intervals in the afternoon with standing-room-only calls.

The situation for the area's bus commuters becomes intolerable in bad weather or highway traffic accidents which delay buses. Either or both in the afternoon cause commuters to queue nervously and impatiently in lines extending farther than a football field.

"All we need is a wrapup on Route 3," says Edmonds, "and there's nothing you can do about it, unless there is some way of detouring around the accident which is almost impossible with no alternate roads."

PLANNING SOLUTIONS

Bus companies look to governmental and planning agencies for highway and traffic-control improvements that could speed commuter service. But their voices are neither loud nor persistent.

Highway lanes reserved for commuter buses during peak hours could expedite traffic flow, Edmonds allows, "But bus companies never made such a request probably because—although such a proposal would benefit the public—there still would be a certain amount of resentment."

Such a proposal has been endorsed by Roger H. Gilman, the Port Authority's director of planning and development, who told a Hackensack audience last year, "On the basis of test runs, we believe there is an excellent opportunity to speed up bus travel, by designating as an exclusive bus lane in the morning rush hours, the innermost westbound lanes of the helix from the Lincoln Tunnel through the Union City cut to the meadows."

PARK AND RIDE

Still another proposal put forth to lure the commuter out of his car calls for park-and-ride facilities located along major expressways and highways, similar to the Lincoln Tunnel facility in Secaucus. The difference is that they would be located farther from the central core, thus relieving close-in traffic congestion.

It is similar to proposals expounded to increase commuter rail service. Such an interlacing system, however, would require acres of land for parking, in addition to the construction of comfortable bus shelters.

There also have been a number of less spectacular and less costly proposals which, if put into effect, could speed commuter bus service appreciably. They include more realistic speed limits on major arteries served by buses, rush-hour parking restrictions on local streets used by buses, additional 1-way streets, wider street corners which would allow buses more maneuverability, and synchronized traffic-light control.

All of these, plus more and better roads, are needed to get the commuter out of his car and onto some form of mass transportation. The alternative—get behind the wheel of the car, get in line, and wait.

[From the Hackensack (N.J.) Record, Sept. 14, 1967]

SUBWAY-RAIL LINK VITAL TO SUBURBIA: DESTINATION CONFUSION

(By Edward J. Flynn)

"We can get to the Moon, but we can't get to the suburbs."

"We're spending millions of dollars developing a supersonic jet that will take us from London to New York in 2 hours and then we'll spend 2 more hours going 20 miles from the airport to home."

"We can cross the country almost faster than we can cross the county."

"Mass transportation is a mess."

These are typical remarks heard about transportation in the Metropolitan Area.

What many observers say is needed is a new approach to old transportation problems, and a number of proposals have been advanced—ranging from monorail to mini-buses.

"If New Jersey were to get all the money it needed and put it in a road-building program, it would be a mistake," says State Senator Ned J. Parsekian of Bergen County, a former director of the State Division of Motor Vehicles.

What Parsekian proposes as an answer to the area's transportation problems is a major rail network located west of the Hudson River and connected to the New York subways. The key to the proposal is a rail hub in the North Jersey Meadowlands.

"Either we have such a system," says Parsekian, "or the growth of the area will be frozen. To put New Jersey where it should be would take a billion dollars in rails."

The center of Parsekian's proposed rail hub would be located in the meadows in the vicinity of East Rutherford, between the Hackensack River and Berrys Creek, near the junction of Routes 3 and 20.

He envisioned a spider-like network of rails extending as far north as the Tappan Zee Bridge and south to Perth Amboy. Six other rail routes would fan out with radial lines from the hub reaching in the directions of Plainfield, Morristown, Paterson, and Morris County, and diagonally through Bergen into New York State.

Three circumferential rail routes would ring the system west of the Hudson River, with an additional route connecting it to New York City's rapid-transit lines, Grand Central Station, and the airports on Long Island.

The radial and circumferential lines would bisect major highways with rail stops or stations which would serve as the hub for local bus routes.

CONNECTS SHOPPING CENTER

The innermost radial ring would connect key locations such as the Bergen Mall shopping center in Paramus, Paterson, and Newark Airport. A Rockland County resident, for example, who wanted to go to Paterson would take a train to a connection in the vicinity of Route 4 in Teaneck where he could transfer to a line to Paterson.

Likewise, a Paramus resident who wanted to travel to Kennedy Airport would take a train to hub in the Meadowlands which would continue through to New York and Kennedy, or transfer to an airport-bound train.

"There's a latent demand for mass transportation," says Parsekian. "Anyone who has paid tolls and spent hours looking for a parking space in Manhattan is in the market for it."

He continues: "The same kind of thinking has to be adapted to commuters as there has been for the car and the airplane. People wouldn't buy a car every year unelss it was improved every several years, and they wouldn't fly a trimotor airplane to the same extent they fly today's jets.

"If we can afford to invest millions of dollars in supersonic jets for an industry that's already well served, and millions more on intercity rails, we can afford to spend an equal amount or more on commuter mass transportation."

FEDERAL MONEY NEEDED

Parsekian says he would like to see the federal government—along with the states of New Jersey, New York, and Connecticut—invest substantial funds immediately to draft a commuter rail transportation system as keystone to the development of the Meadowlands.

"Commuters," he says, "don't know anything about boundaries. They know where their homes are, where their jobs are, where they shop, and where recreation is.

"They're interested in 'P.S.' for Paramus shopping, 'J.F.K.' for the airport, 'S' for sales outlet, 'H' for home, and 'O' for office—not in 'N.J.' or 'N.Y.'—that exists on a map."

MUST HAVE COMMITMENT

States ought to encourage other states so that a task force could be set up, says Parsekian, adding, "or we should go it alone and make available what we learn, if the others don't join us. Somebody has got to lift a banner for the people to see and follow.

"It's absolutely peanuts what the government spends on mass transportation. It's indicative that the government doesn't want to develop mass transportation. Those of us who do want it have got to prevail," he says.

The first thing needed, according to Parsekian, is a commitment. "Then," he continues, "we can explore private or public funding. Up to this point there has been no commitment on mass transportation."

He adds that the New Jersey master plan says nothing about mass transportation.

"We're still dedicated to roads and are building a self-defeating project," he said.

Parsekian's plan calls for a 2-pronged task force which would attack the mass transportation problem. Half of the task force would include engineers, architects, and experts in the field of traffic, economy, population growth, and urban development. The other half would consist of experts from the fields of banking, bonding, finance, and taxation.

A more limited plan, but one which could go a long way to solving much of the north-south traffic congestion in the eastern part of Bergen County is envisioned in a consultant's report to the Bergen County Board of Freeholders.

Submitted by the engineering firm of deBiasi, Purcell, and Setteducato of East Orange and Hartford, the proposal suggests a rail-wheel conversion for buses so that they could travel both on rail and pavement.

The buses would operate similarly to those now being used in experiments in Long Island. There, rail-bus system is being tested on a quarter-mile of Long Island Railroad track. It may lead to a rail-bus shuttle between the East Side Airlines Terminal in New York City and Kennedy Airport.

USE WEST SHORE

The auto-rail system as proposed for Bergen County would involve unused tracks of the old West Shore Branch of the New York Central Railroad and would require the cooperation of Rockland Coaches (Red and Tan Lines) whose buses now serve the area around the West Shore tracks.

As outlined by Nicholas M. Setteducato, a partner in the firm which conceived the autorail plan, buses which can travel on railroad rights-of-way could cut commuting time drastically between Rockland County, northern Bergen County, and midtown New York.

The auto-rail plan would work like this:

Buses would follow their regular routes, picking up passengers. When capacity was reached the bus would travel a short distance to a rail-access point at either Old Hook Road in Closter or Main Street in Bergenfield.

Buses would travel on rails until they reached an exit site either near the junction of Route 46 and the New Jersey Turnpike, or farther south near the Route 3 approach to the Lincoln Tunnel.

The total distance from Old Hook Road to Route 3 is 14.75 miles, while from Main Street in Bergenfield, it is 11.35 miles.

Buses on four Red and Tan routes using conventional roads have an elapsed travel time of 43 to 62 minutes on runs from the Montvale-Northvale area to the Turnpike Toll Plaza.

Buses using rails for part of the run could cut this time to 26 to 31 minutes, 39 to 51 percent shorter than on conventional service.

The use of rails, says Setteducato, would allow auto-rail vehicles to travel at uninterrupted speeds of about 60 miles an hour. In addition, inclement weather and traffic accidents which ordinarily slow and snarl traffic would not appreciably affect auto-rail time.

A shorter auto-rail system, leaving the rails in the vicinity of Route 46 and continuing on conventional rubber wheels via the New Jersey Turnpike to Route 3, also showed a time saving over conventional routes, although time-savings percentages would not be as large.

However, the report points out, should an auto-rail system extend as far south as Route 3, it would take many conventional buses off the Turnpike, thus freeing it for additional car capacity.

In addition to reducing commuter time, auto-rail buses can move more commuters in a shorter time than either conventional buses or private automobiles. Fully-loaded auto-rail vehicles, seating 53 passengers and running on 1-minute headways, could handle 3,180 1-way riders during an hour.

Auto-rail buses also could be coupled, in a manner similar to trains, thereby doubling capacity. This would facilitate rapid movement of commuters in large numbers. By way of contrast, it now requires three lanes of highway to handle 1,500 private cars an hour.

COST IN MILLIONS

Construction costs of the auto-rail system range from $2.15 million to $4.85 million, depending on track design and the location of the southern terminal.

Estimates of construction costs, whether for the 9.5-mile shorter distance to the New Jersey Turnpike exist or the 14.75-mile run to Route 3, is cheaper than the cost of a single mile of expressway in Bergen County.

Financing such a system could be done in a number of ways: jointly among the County, State, and federal governments; through a single federal demonstration-project grant; by County-State cooperation; or by the County itself.

"While we're hunting for a Buck Rogers answer to our mass-transportation problems," Setteducato says, "the auto rail could be serving the area for 20 to 25 years."

[From the Hackensack (N.J.) Record, Sept. 15, 1967]

REGIONAL COMMUTER PLAN VITAL: DESTINATION CONFUSION

(By Edward J. Flynn)

Symptoms of it are seen every day—highways at capacity, local streets congested, commuter railroads disappearing, a need for better suburban bus service.

To the man traveling to work or to the housewife who plays chauffeur all day the causes of it are not so evident, but the illness is a transportation crisis that threatens to paralyze the area.

What has caused this crisis will have to be studied by urban planners, transportation experts, and officials at all levels of government. And from it will have to come a cure.

As the situation now stands, New Jersey does not have a comprehensive transportation plan and New York's just about excludes Rockland County. This too will have to change. Washington, long silent while handing out billions of highway construction dollars, has reorganized its various transportation agencies under the new Department of Transportation.

With it comes the announcement and warning that federal participation will depend upon regional approaches to transportation problems, geared to a comprehensive system that includes various modes of transportation, not just road-building projects.

Speaking of the new agency, Secretary Alan J. Boyd says, "The Department's creation reflects an awareness throughout the Government, the industry, and the nation that our transportation problems have outgrown the fragmented approach which we have relied upon in the past."

Just how fragmented that approach has been can be witnessed in various amounts of federal spending: more than $15 billion a year to build and maintain highways; a total of $25 billion to put three astronauts on the moon; a billion dollars to develop two supersonic airplanes; a half-billion on oceanography research; and less than $15 million a year on ground transportation—about a dime for each urbanite.

While city officials throughout the country were allocating billions of dollars for highway construction projects, little attention was given to over-all ground transportation. The results were miles of expressways and freeways which became giant parking lots during rush hours, until it became apparent that the city and the automobile just can't mix. Then cities such as Chicago and San Francisco began to look again to mass transportation, reviving old commuter lines and building new ones.

Here in the New Jersey-New York metropolitan area the warning signal is finally being heard. Studies are underway to determine not only how many people will live in the area and how many jobs there will be, but where these people will live and where their jobs will be located 20 years from now.

New Jersey, in particular, has a special problem allied to the establishment of any mass transportation system. It is zoning, set up and controlled by each municipality individually. Before a meaningful transportation system for the future can be mapped out, zoning must be studied and if necessary controlled regionally.

ZONING PROJECTION

For example, transportation planners would be required to know with a degree of certainty how the northwest part of Bergen County would be zoned 10 years from now, before they could determine which mode of mass transportation would best serve the area. What type of transportation system should serve an area zoned predominantly for single family, half-acre plots? Surely not the same system that would be needed for an East Bergen area zoned for high-rise apartments.

It would appear that a bus route or a park-and-ride facility connected with a commuter rail or rapid transit line would better serve low-density areas, while a rail or rapid-transit station would handle high-density areas.

Unless zoning and local opinion can be anticipated, a forecast for the best system of mass transportation cannot be made. They are nearly inseparable. The alternatives seem to be a limited transporation system, or worse—none at all.

SHIFT AS A LAST RESORT

"If you had a high-speed transit system and ran it at a loss for 15 years, you could reshift land use," would appear to be the last resort, according to Ernest Erber, area director of the New Jersey Committee of the Regional Plan Association.

"Because New Jersey has never distinguished between its inner and outer cores," he says, "it doesn't have high-speed efficient service for its suburbs and no rapid transit with a time schedule for the inner core. It's a truncated facility which doesn't take the commuter where he wants to go in many cases." The analysis is especially true of the commuter railroads, he says, most of which end on the wrong side of the Hudson River.

New York City, Erber theorizes, would have developed in the same way as North Jersey has, if it had not been for the subways which reached north into upper Manhattan and the Bronx before the population did. With subway construction, land values increased, necessitating high-rise apartment construction for a return on real estate investments.

PROPORTIONATE RENTALS

Apartment rentals were proportionately higher closer to subways stops, Erber points out. "But even these would have been meaningless, unless the subway took the rider where he wanted to go."

Daily use and convenience, coupled with sufficient numbers of users, appear to be necessary ingredients for the success of a mass transportation system.

For North Jersey and Rockland County it would mean a rapid-transit system that would take the rider into New York City, as well as to other key locations within the area. "If it served only New Jersey," says Erber, "it would result in a heavy liability and couldn't be carried off." He adds, "Good transportation shapes its own use; highways create users; so does good mass transportation."

One agency given the task of investigating future trends in population, housing, and jobs in the Tri-State Transportation Commission, which for the past 5 years has been taking inventory of every square mile of the metropolitan area in an effort to determine what the face of the region might look like in 20 years.

RAIL STUDY SLATED

The Commission also is preparing a rail study for New Jersey to determine the number of riders, where they are likely to reside, and the cost of building a rail system. The study was requested by New Jersey Transportation Commissioner David J. Goldberg whose Department is looking into possible mass transportation systems which could serve the northeastern part of the State, an area from Elizabeth north to the Rockland County boundary.

"We're looking for something which could provide a meaningful solution to a problem common to the region," says Goldberg. "The question is to find out whether such a network is financially feasible. If there is no over-all network, there might be a lesser program."

Not being overlooked in the study are the possibilities of reactivating abandoned commuter lines, tieing together existing rail lines, and the development of the North Jersey meadowlands as a transportation hub. "The big problem with the railroads," Goldberg says, "is that they were built to service a home-job transportation need."

Goldberg will not be pinned down to any single approach that could limit the study. "Whether the abandoned Susquehanna or West Shore lines would work into an over-all pattern we don't know. . . . We want to have the West Shore right-of-way available. . . . If in the over-all system the meadows play a key role, that's another thing.

"The long-range thinking contemplates running the Erie and the Central through the Pennsylvania (railroad) tunnel which would require electrification of those lines."

Yet, Goldberg contends, "I don't think mass transportation can be deemed the answer to New Jersey's transportation needs. It won't solve the road shortage in other parts of the State, or even in northern Bergen County.

"There is a need for both roads and mass transportation. It's a mistake to build mass transportation for Bergen, Hudson, Passaic, and Essex and think everybody will give up their car."

Summing up the transportation problem, Goldberg says, "Mass transportation can't solve the highway shortage, yet it would be a mistake to build roads to the exclusion of mass transportation. There's a problem in the northeastern part of the State highways can't solve."

J. Douglas Carroll is the executive director of the Tri-State Transportation Commission which is conducting a New Jersey rail study for Goldberg's department. Says Dr. Carroll, "We would like to arrest the move away from public transportation; but people being what they are change their travel patterns. It's unrealistic to return to the 1920s or 30s."

He goes on to point out that traffic crossing the Hudson River has not grown in people-per-day nearly so fast as the population of New Jersey. What has increased tremendously since World War II, he explains, is the volume of auto traffic.

What this seems to indicate is that the population is spreading out farther than existing modes of transportation can reach. Commuter railroads have not followed the population spread and bus companies wait for population densities to reach sufficient proportions to financially justify adding or extending routes. In the meantime, the commuter must rely on his car.

INCENTIVES REQUIRED

"My view," says Dr. Carroll, "is that there just isn't enough risk money invested by public transportation suppliers and there's little incentive to do anything new."

There's no question but that abundant federal assistance must be made available if today's level of public transportation is to be maintained without thinking of improving it, says Dr. Carroll. "In 20 years it would take $3 billion—roughly 100 times present federal assistance to the entire country—just for spending in the metropolitan area."

This brings up a gray area in mass transportation. Is it a public service, the same as education, police protection, libraries, parks and road construction—to be publicly operated and paid for through taxation? Or should mass transportation be the domain of private enterprise? Or should it be shared by both? And, if so, to what extent?

The approach in the past has been largely to leave it in the hands of private industry. But with each passing year, private industry, for the most part, has been unable to show a profit in the mass transportation business. Where many commuter operations have not declared bankruptcy, they've been kept running through government subsidy.

Commuter railroads, for example, pay high taxes to local municipalities. Almost all of them would be bankrupt and out of business today were it not for the State subsidies they receive.

Even where commuter transportation is not being soaked by taxes, subsidies are needed in lieu of fare increases—the case of New York subways—or the increase would probably drive the commuter off the line.

It would appear that only a public or quasi-public agency can solve the transportation crisis in the metropolitan area. It would have to be a bi-state or tri-state agency with broad planning rights and heavy spending powers. Its financial functions would be predicated on the ability to sell bonds and/or borrow from state treasuries. It would have to have control over local zoning to a degree. And it should be allowed to contract with existing transportation industries—commuter railroads, subways, and buses—as well as invest in new methods and facilities to work out a meaningful solution to the entire transportation problem.

New York State is taking giant steps in solving its transportation crisis. Voters this fall will pass on a $2.5 billion bond issue as part of a $5.3 billion planned expenditure over the next 5 years—a total five times greater than Congress has appropriated in federal aid for urban mass transportation for the entire country in the same period.

New York State is also combining most of its transportation agencies under a single umbrella next March—the Metropolitan Transportation Authority, which if New York City agrees to a bonding option, would permit using some excess tolls to offset needed, but not self-sustaining, rail rapid transit operations.

In New Jersey, however, the picture is not so bright. The State in past years has been unable for the most part to come up with funds even to match the federal dollars to complete its highway program. As a result, only about half of New Jersey's interstate highway program has been completed and the State is 10 years behind in its primary-roadbuilding program.

PROGRESS IN JERSEY

Nevertheless, New Jersey is showing signs of progress with the creation of the Department of Transportation and the passage of a sales tax which should free hard-pressed State dollars for transportation spending.

The only bi-state agency empowered by law to spend money to deal with the transportation problems of New Jersey and New York is the Port of New York Authority. Thus far, the Port Authority which was established 46 years ago, has been able to keep free of involvement in an integrated transportation system for the two States.

It did, however, take over operation of the old Hudson & Manhattan railroad tubes which it operates today as PATH. In return for becoming that much involved in rails, the two States agreed to let the Port Authority build the World Trade Center in Manhattan, a high price for a small concession when viewed from the over-all transportation problems facing the two States.

While the P Authority has been praised for its past efficiency, it has been criticized by Congressmen and State senators for not assuming proper responsibility in the broad transportation field.

IS VISION DATED?

"The conception of the Port Authority was imaginative and visionary in the 1920s and it worked wonders," says New Jersey State Senator Ned J. Parsekian of Bergen County. But he adds quickly that the concepts needed for the 1970s can't be built on the same foundation and thinking.

While the Port Authority planned for roadways, waterways, and airways, it steadfastly denied railways. "It's not the Port Authority's error," says Parsekian, "but the error of the states in not demanding it."

Whether or not the Port Authority will ever be induced into examining whether rails and rapid transit are an integral part of metropolitan life remains to be seen. Whether or not a new bi or tri-State agency is needed also remains to be seen.

Whether the transportation tangle is resolved remains undecided. Will we build roads or mass transportation? Says Commissioner Goldberg, "There's a fair likelihood we'll do neither which has been the approach in the past; in which case there will be even greater congestion."

[From the Hackensack (N.J.) Record, Sept. 11, 1967]

TRI-COUNTY AUTOS CAUSE ROAD WOES

If you took all the cars and trucks registered in Bergen County and put them bumper to bumper on a road they would extend from here to about Dallas, Texas.

Add to this the number of vehicles registered in Passaic County and the road would reach past Salt Lake City, Utah. And if you added Rockland County's registered vehicles, the line would extend almost to Los Angeles.

Or to put it another way, if the registered vehicles in the Bergen-Passaic-Rockland area were to make a 1-mile trip to the store and back, each using a different road, the pavement required would cover a distance equivalent to three 1-way trips to the moon.

Just how much residents of the 3-County area rely on the automobile can be reflected another way. While the Bergen-Passaic-Rockland area was busy building an estimated 108,900 dwelling units in the 5 years after 1960, its residents were even busier, adding 180,475 vehicles to the already congested roads.

LEADS THE STATE

Today in the three counties there are about 700,000 registered vehicles, with nearly 6 out of every 10 garaged in Bergen County, the State's leading County in vehicle registration, according to the R. L. Polk & Co. In addition, traffic in the tri-county area is about four times the national average.

For every mile of existing road under the control of the County of Bergen there are more than 900 cars registered within its boundaries.

And the future doesn't look promising for an abatement of traffic congestion. Bergen County's 1965 population of 920,000 is expected to increase nearly 50 percent to more than 1.3 million by 1985; Passaic will increase its 450,000 by 31 percent to 591; Rockland's population is expected to double its 1965 population of 187,000 to 380,000.

This will mean more housing units, more jobs, and of course, more cars.

The big percentage boom in jobs, according to a Port of New York Authority forecast, is expected in Rockland County where its 52,700 employees are expected to reach 116,200 by 1985—a 120.5 percent increase.

Jobs in Bergen County are expected to increase 37.7 percent from the 1965 total of 285,200 to 392,800, while Passaic County jobs will expand from 187,800 to 246,300, a 31.2 percent increase.

NECESSARY TRIPS

In addition to getting people from their homes to their jobs and back again, there will be added problems not only for the roadbuilders but also for public transportation planners. It is expected there will be ever increasing numbers of persons who will be either too young to drive a car or who are advancing in years and will not want to drive. Still these junior and senior citizens will need transportation to schools, hospitals, shopping centers, not to mention parks, playgrounds, and other cultural and recreational facilities.

It is estimated that construction of priority roadways needed in northern New Jersey would cost an estimated $1.25 billion dollars. This construction is needed by 1975, according to a Tri-State Transportation Commission report, and the funds would only pay for 270 miles of new roads.

By comparison, New Jersey in the past 6 months of the fiscal year awarded $68.172 million in highway construction contracts for the entire State. This will build only 23 miles of new roads, according to State Department of Transportation Commissioner David J. Goldberg.

The New Jersey contracts awarded during this period is the sixth highest in total dollars among the 50 States. By contrast, Minnesota, the fifth highest State in highway contracts, awarded $69.192 million, yet this will pay for 567 miles of new roads in that State.

The reason for the differences in the miles of roads which construction dollars buy between the two States is the high cost of land in New Jersey.

E. J. F.

[From the Hackensack (N.J.) Record, Sept. 12, 1967]

RAPID TRANSIT CAN PAY WAY

While thousands of miles of highways and freeways have been constructed in the United

States since World War II, no major rail or rapid transit systems have been completed.

However, there have been two noteworthy achievements in the country, one involving construction of an entirely new railroad which, when completed in a few years, will serve the 3-county San Francisco Bay area; and the other, a complete overhaul of a dying railroad which has turned the Chicago North Western Railroad into a commuter and financial success.

Only slightly more than a decade ago, the Chicago North Western Railroad showed a staggering $212 million debt, against $22 million in equity and was the butt of more jokes than Chicago commuters care to remember.

DECREPIT AND DIRTY

Most of C.N.W. equipment was more than 30 year old; interiors of coaches were soot- and dirt-covered; windows were smashed; when it rained, commuters opened umbrellas in the coaches. Crewmen fought with one another and at times combined to fight with passengers; train schedules were masterpieces of fiction; and on at least one occasion, the engineer and fireman abandoned a train and commuters to have dinner.

The turning point in the history of the C.N.W. came one day in April of 1956 when a then 42-year-old corporate lawyer assumed chairmanship of the board of directors on behalf of a group which held 30 percent of the voting stock and wanted a voice on the board.

As chairman, lawyer Ben W. Heineman moved fast and with deadly accuracy. He immediately sold 74 valuable acres of unneeded railroad property, built a modern assembly-line work shop, fired one of every six employees, and declared "There's too damned much management."

The C.N.W. situation didn't improve overnight, and, at one point, the railroad was so close to insolvency that it had to sell rails for scrap to meet the payroll.

IN BUSINESS TO STAY

The board of directors, nevertheless, decided it was in the commuter railroad business to stay and borrowed $50 million for a capital-improvement program. Heineman's decision called for a commuter operation to compete with private automobiles. It had to be as swift, dependable, and economical as the car.

A commuter railroad, he reasoned, should not be designed to stop every half-mile, nor should it compete with the functions of city buses and streetcars. To that end, he eliminated 22 stations, near the heart of the City, deliberately abandoning 3,000 riders.

The C.N.W. ordered new double-decked air-conditioned coaches with almost double the capacity of the old coaches. He also instituted a push-pull locomotive system which does away with the time-consuming crew-costly expense of switching engines to the opposite end of the train at the conclusion of a run.

SINGLE FARE HIKE

Another Heineman innovation centered on increasing fares in single jump, rather than by a slow rise over a number of years. He also determined that fares should not be based on distance traveled, but on passenger use of the service. He, therefore, decided on what amounted to a monthly rental of a commuter seat, regardless of commuter use of the seat, just as one would rent an apartment or business.

As a result of bold planning, tight management, and improved service, the Chicago North Western turned a $2.1 million 1956 loss on its suburban service into a $706,000 net moneymaker in 1964; and this despite, Chicago's building two new expressways since 1960 which parallel C.N.W. tracks.

An ever more spectacular commuter operation is San Francisco Bay Area's B.A.R.T. (Bay Area Rapid Transit). A $1.2 billion venture, it represents the only entirely new rapid transit system actually under construction in the United States.

REGIONAL SOLUTION

B.A.R.T. is a regional system, according to B. R. Stokes, its general manager, covering most of the counties of Alameda, Contra Costa, and San Francisco and including the 3-city core area of San Francisco, Oakland and Berkeley.

The key to the B.A.R.T., similar to that of Chicago North Western is to compete with the private automobile in terms of speed, convenience, and economy.

During current peak travel hours, for example the B.A.R.T. rapid transit system cuts the automobile time between San Francisco's financial district to the heart of Oakland from 30 minutes to 8.

Unlike the C.N.W. rental-like fare system, B.A.R.T. plans to make passengers pay for miles actually traveled. For a daily 20-mile round trip, B.A.R.T. consultants estimate its riders will pay $1.30, including connecting transportation and station parking. Considering automobile operating costs at 5 cents a mile ($1.00 for 20 miles) and 80 cents for city parking, the daily cost would be $1.80. And rapid transit, the consultants says, often would obviate the need for a second car.

In addition, B.A.R.T. coaches will be the most modern in the country. They will feature carpeting, airline-type seats, lighting, and picture windows.

E. J. F.

[From the Hackensack (N.J.) Record, Sept. 13, 1967]

FIRST ASK THE RIGHT QUESTION

Sometimes, contemplating the tri-State traffic jam, the thoughtful citizen fears they'll never get a transit system for the Metropolitan Area planned, financed, and completed. Yet there are days when he can conceive something worse to worry about: that they will.

"They" means transportation people in government, the railroads, the universities, and private planning agencies. By and large, they've worked with a problem that looks radial on paper or a flip chart or the screen. New York City is a hub. Spokes radiate from it north, south, and west.

Problems: How shall we move hundreds of thousands of people into New York in the morning and back to the suburbs at night, and how shall they be moved—how many by road, how many by rail, helicopter, or the sort of 200-m.p.h. torpedo in a vacuum tube projected for the 21st Century by the I.I.T. Research Institute of Chicago?

Maybe there are bigger problems that should be solved first.

One of them is raised in a new study made by The New York Times of the phenomenon called reverse commuting. The phenomenon is familiar enough. The worker lives in New York City and commutes to a job in New Jersey, Connecticut, or up-State New York or on Long Island. The news is that reverse commuters now total 140,000, that their number is growing, and that to thousands of people New York is just another town along their commuting route—irrelevant to their life except as a place where they avail themselves of a local bridge or an expressway. The Dictaphone sales manager who lives in Point Pleasant and commutes to Rye. (1 hour 45 minutes each way) is the case in point. Nobody knows how many of him there are. The name is Legion.

That tidy wheellike pattern of the planners no longer corresponds with reality. The reality of commuter patterns intra-State (how do you get from a house at Erskine Lake to a job in Englewood Cliffs?) comes closer every day to the figure of speech former Highway Commissioner Palmer devised: the Spaghetti bowl.

If they were to solve for the radial problem they might find they'd spent our billions for a transit system that had everything except users, customers.

Nothing herein should be construed as an excuse for their failure to finish Route 208 or connect the Turnpike with Route 80.

But if they seem to go slowly in evolving a strategy for the final solution, they should.

[From the Hackensack (N.J.) Record, Sept. 14, 1967]

MOST CITIES IN MIDWEST LACK SUBWAYS

CHICAGO.—Only two major midwestern cities, Chicago and Cleveland, have any rail mass transit. All the others have apparently cast their lots with the Detroit system, which is merely an adaptation of the Los Angeles dedication to expressways.

What has happened to transit in Cleveland and Chicago indicates some important rules to be observed in a transit system. The most important is that the city must have a central place to which people want to travel or a string of such places. The second is that a transit system must give meaningful competition to other modes of travel.

Cincinnati, the only other midwestern city to have a serious go at transit, built itself four miles of subways, six passenger stations, and 15 miles of right-of-way between 1920 and 1927 and finally retired its transit bonds in 1966 after having spent $19 million. But no one has ever ridden on the expensive oddity. Even the city's busloads have dropped 50 percent in the past two decades and the city has cast its lot with the automobile.

TIME IS NEEDED

The case histories of Chicago and Cleveland indicate that a long time is needed in planning a transit system and that the execution is uncertain.

Planning on Cleveland's rapid transit system started about 1930, but it was 1955 before the first 13 miles of the system opened. Recently, ground was broken for a 4-mile extension to Hopkins Airport, which will give Cleveland the nation's first transit line directly from an airport into the city.

In 1956, the first year of operation, the Cleveland system carried 14.7 million people and in 1960 it carried 18.3 million. However, by 1965, that figure had dropped back to 16.6 million. Also, old bus routes which would have competed with the rapid line were cut by 75 percent when the rapid opened and there is some indication the Cleveland transit system was simply shifting its passengers from rubber to rail.

On the other side of the city, a surface rapid line which is essentially a modified streetcar line has operated for 40 years between downtown Cleveland and the wealthy suburb of Shaker Heights. In 1948, the Shaker rapid route carried 7.4 million people, but only 5.4 million rode it in 1965 despite an enormous growth in the population of the east side suburbs.

Partly, the slow decline of Cleveland's rapid systems reflects a general decline in the city's downtown business activity.

Cuyahoga County Engineer Albert Porter, who says the whole rapid system is a wasteful sham, points out that the city has recently lost two big downtown department stores and that another store which has its headquarters literally on top of the downtown terminal has opened four luxurious suburban shopping centers.

Chicago has the advantage of a tightly concentrated business center which is growing and a city history which favors rail transit of several types.

In another way, the city is a prototype of the American development: it was deliberately planned in the last century for a dominant private vehicle traffic, out in its neighborhoods, where through streets cross the city at every mile and half-mile.

STARTED IN 1940'S

The transit system in Chicago, involving both private suburban railroad commuter lines and the city's rail transit, was from the beginning focused on the loop. This type of focus has unquestionably stabilized the city's center and given a centrifugal share to the entire area. But it has also led to some interesting mistakes in the planning of expressways, which in general have followed the rail lines to create enormous corridors of traffic, all of it centered on one small place.

Rail transit in the city has two major parts, the Chicago Transit Authority which operates the elevated and subway lines plus the city's buses, and five class I railroads which operate seven major commuter rail lines with stops inside the city as well as in the suburbs.

The C. T. A. was set up in the late 1940s to take over the operations of two private companies, one which operated the rail lines and one which ran the buses. Both companies had complained that they could not make a profit on transit.

C. T. A. receives very little help in its operations from either local or state government. City bonds are used to extend trackage and build stations, and the State of Illinois gives the Authority several million dollars a year to carry Chicago school children at reduced prices. Otherwise, the C. T. A. must make its operating revenues out of fares, and it has held these steady at 25 cents for 10 years and foresees no immediate future price rise.

The system carries more than 500 million persons a year, but only 115 million of these ride the rail lines. The greatest traffic is on the bus lines, but the number of riders on both systems has been creeping upward slowly in the past two years, possibly a significant reversal of the annual trend since the end of World War II. Nonetheless, ridership on the elevated and subway lines is still only about two-thirds of what it was in 1946.

Last year, voters approved $28 million in new bonds allowing the system to build new rail lines.

Two extensions of existing lines are being built in 15 miles of expressway median strips to the northwest and southwest in the city.

Building the transit lines in the median strips has been an important experiment in the meshing of transport facilities. It was first proposed in 1939 when a traffic study suggested a major boulevard into the western suburbs with a transit line down the middle.

That idea was realized in 1952 when the State completed the Eisenhower Expressway, which cuts through the city down the median strip into the suburbs. This line runs into the subway in the loop.

Another important experiment was tried in 1964 when the C.T.A. bought five miles of track from an abandoned interurban system and opened a 1-step line from the north city limits into heavily populated suburban Skokie. C.T.A. traffic experts believe the only factor inhibiting further growth of the already heavy traffic on this line is the lack of sufficient parking facilities at the Skokie end.

In addition to the C.T.A. lines, all of which converge on downtown Chicago, the suburban commuter railroads are major carriers and four of the five are making money on their urban commuter lines.

[From the Hackensack (N.J.) Record, Sept. 15, 1967]

ALDENE PLAN RESCUES RAILROAD FOR 40,000 COMMUTERS IN STATE

The Aldene Plan was conceived by the New Jersey Department of Transportation's railroad division in an attempt to preserve commuter rail service for an estimated 40,000 North Jersey residents.

Even more significant was the co-operation provided in a 5-way partnership involving the Department of Transportation, the ailing Central Railroad of New Jersey, the Port Authority Trans-Hudson Corp. (P.A.T.H.), the Pennsylvania Railroad and the Lehigh Valley Railroad.

FERRIES ARE GONE

Basically the Aldene Plan, named after a railroad junction near Cranford, re-routes all Jersey Central trains—which formerly terminated in Jersey City into Penn Station in Newark. According to the Plan which began in May, commuters can then switch from Jersey Central trains either to the modernized P. A. T. H cars or Pennsylvania Railroad trains to continue their journeys into New York.

Under the Aldene Plan, the Jersey Central's mainline trains switch to the Lehigh Valley tracks at the Aldene Junction, while the Central's shore line uses Pennsylvania tracks from Perth Amboy.

The new routes enabled the line to abandon its ferry service which had been a heavy financial drain on the already bankrupt Jersey Central. The new routes also allow the Jersey Central to get rid of its Jersey City passenger terminal and save an estimated $440,000 in taxes.

The Aldene Plan was put in operation at a cost of exceeding $25 million, including a $15 million Port of New York Authority expenditure for 44 new air-conditioned rapid-transit cars to handle Jersey Central passengers traveling to New York.

The Jersey Central also is rehabilitating 140 passenger coaches and is converting 38 for use as push-pull trains, an operation which allows the train to be operated in either direction without time-consuming locomotive switching.

In addition, a 2-mile section of Lehigh Valley tracks had to be elevated to eliminate three grade crossings in three communities, a new passenger station was constructed in Roselle Park with high-level platforms, as well as an adjacent 130-car parking lot.

P. A. T. H., which celebrated its fifth birthday September 1, is a 13-station, 14.2-mile rapid-transit system, formerly operated by the bankrupt Hudson and Manhattan Railroad.

Since the advent of the Aldene Plan, P. A. T. H. trains average 115,000 commuters daily, more than 27,000 in the 7 to 9 morning rush hours, and more than 33,000 in the 4 to 7 afternoon rush hours.

In addition to upgrading the entire system and scrapping old coaches, many of which dated back to 1908, P. A. T. H. wants to undertake construction of an estimated $34.3 million Journal Square Transportation Center in Jersey City.

The Center, according to the Port Authority, would provide a modern transportation terminal with improved P. A. T. H. station facilities, including platforms capable of handling 10-car trains. It also would provide parking for 1,000 cars, and a new bus terminal with approximately 30 berths.

If the proposals are approved, two-thirds of the construction cost would be provided through federal funds. Presently, final plans for the center are being reviewed by the Department of Housing and Urban Development. —E. J. P.

THE SERIOUSNESS OF THE ECONOMIC SITUATION

Mr. TOWER. Mr. President, I am greatly concerned, as are a number of Members of the Senate and House, on both sides of the aisle, lest the present, seriously adverse economic situation devolve into economic chaos.

A budget deficit of several billion dollars is not wise in my opinion, though it can be contended with; however, a deficit of $20, $30, or $40 billion, I believe, may well bring chaos to our entire financial community—our Federal and State banks, savings and loan institutions, mortgage bankers, mutual fund interests, the stock market, and so forth.

Mr. President, we are facing such a tremendous deficit situation now. Instead of recognizing it and bringing it into line, we are adding to it. A tax increase is not the answer, reduced Federal spending is. Budget gimmickry is not the correct approach; reasonable, responsible, close scrutiny of the Federal bureaucracy is.

The tight money and high interest rate problems are going to become even more serious. We must move now, to determine if legislative involvement is necessary to stave off such chaos.

I ask unanimous consent that the articles published in the Washington Post of November 15, 1967, bearing on certain aspects of the uncertain economic situation, be printed in the RECORD.

The PRESIDING OFFICER. There being no objection, the articles were ordered to be printed in the RECORD.

(See exhibit 1.)

Mr. TOWER. In any event, Mr. President, I am of the opinion, as I have noted, that we must move immediately to focus proper attention upon the seriousness of the developing economic situation. I will therefore propose to the Senator from Alabama [Mr. SPARKMAN], Chairman of the Committee on Banking and Currency, on which I serve, that we hold economic-oriented hearings following the Thanksgiving Day recess, and call before our committee the members of the Federal Reserve Board, representatives from the Bureau of the Budget, the Secretary of the Treasury, and others from Government, as well as knowledgeable individuals representing the privately oriented financial community.

EXHIBIT 1

[From the Washington Post, Nov. 15, 1967]

FRB SUPPORT ASKED FOR HOUSING CREDIT—CANNOT AFFORD INSTABILITY, LEAGUE TOLD

(By Julius Duscha)

SAN FRANCISCO, November 14.—The Federal Reserve Board was urged today to make certain that adequate funds are available for home mortgages even in periods of extremely tight money.

The proposal that the Federal Reserve System support housing credit was made to the 75th annual convention of the United States Savings and Loan League by Preston Martin, California's savings and loan commissioner.

Martin presented his plan amid indication that interest rates on home mortgages will continue to be high and probably will increase.

A survey conducted by the Savings and Loan League showed that two-thirds of the loans now being made on conventional home mortgages are at interest rates of from 6.5 per cent to 6.9 per cent. Last spring, only 43 per cent of such loans were made at those rates.

COMMITMENT PROPOSED

Commissioner Martin proposed "a commitment of the board of governors of the Federal Reserve System to support housing credit in times of severe money tightness . . . support which may run contrary to a possible shift 'away from ease' in general credit in the case of 1963."

He said that this commitment should be implemented where feasible through the purchase and sale of Federal Home Loan

Bank obligations on the open market and "directly from the system where necessary."

Martin said that "this is a most propitious moment to bring housing credit policies clearly into the mainstream of monetary policy."

"We cannot afford," he added, "the instability in the flows of mortgage funds in the construction industry which characterized the period of 1963–66, of 1956–57, and 1959–60."

Martin said that such instability adds to housing costs because it means "moving economic resources into and out of construction every three or four years."

BACKGROUND MUSIC

"The background music," Martin went on to say, "is one builder bankrupt, with the surviving builders marking up their homes $1000 and $2000 per year, and passing on land price increment plus 15 percent. Housing is pricing itself out of the market."

Although many of the savings and loan executives attending the convention remained fearful that tight money restrictions such as those applied in 1966 may be used by the Federal Reserve again in 1968, the Savings and Loan League Committee on Trends was optimistic about next year.

"The mortgage outlook for 1968 is reasonably bright," said the Committee's report. "Adequate funds will generally be available to maintain mortgage loans. Terms will remain unchanged or become slightly more restrictive."

[From the Washington Post, Nov. 15, 1967]

FRB SUPPORT ASKED FOR HOUSING CREDIT—REALTORS HERE REPORT RISING LOAN RATES

(By John B. Willmann)

Developers are finding it necessary to pay 6¾ to 7¼ per cent for commercial loans, it was reported yesterday by six leading realtors representing major sections of the country.

Within a two-year period the lending costs have advanced from about 5½ per cent to the current level, the realtors agreed. And despite a recent upsurge in available money, interest rates continue to climb due to competition from higher-yield investments in all categories.

The six realtors, who appeared at a press conference held in conjunction with the 60th annual convention of the National Association of Real Estate Boards here, also agreed that the tight-expensive mortgage money market in the past 18 months has contributed strongly to solving the problems of overbuilding in single homes and the high vacancy rates in apartment buildings.

DRAMATIC TURNAROUND

"On the West Coast," said C. J. Duncan of Oakland, Calif., "we have seen a dramatic turnaround from a period of overbuilding in both single and multi-family units to a low inventory of sale housing and high occupancy rates in rental housing. After a period of foreclosures on holders of undeveloped land, we now have opportunities for sound investments by developers with good credit."

Allen Morris of Miami, president of the Real Estate Brokers Institute, said that inflation is now making real estate investments more attractive, despite higher interest rates. "We now are seeing unimproved land being held in strong hands and being readied for development," he added.

Office building space is nearing 100 per cent occupancy in the Chicago area, where space in the O'Hare Airport sphere commands prices commensurate with downtown rates. Clifford A. Zoll of Chicago added that major tenants now are seeking space, tailored to their requirements, on one large floor.

PEAK ACTIVITY

John J. Herd of Philadelphia cited a "peak of industrial real estate activity" in the Northeast megalopolis despite higher construction and lending costs. Besides industrial expansion around metropolitan areas, he indicated, forced relocations due to highways and urban renewal have accentuated industrial activity in new real estate.

W. Max Moore of Denver said that all phases of real estate are highly active in his area, where new housing starts are off and where listings on existing properties are difficult to obtain. Poche Waguespack of New Orleans said there is now a shortage of single homes in his area.

TRIBUTE TO WILBUR COHEN

Mr. MORSE. Mr. President, I have learned with gratification that the distinguished services rendered to our country by the Under Secretary of Health, Education, and Welfare, Wilbur J. Cohen, have been recognized through his selection as the recipient of an award given annually by the Rockefeller Public Service Award Committee of Princeton.

It is a fitting tribute to the splendid record of public service Mr. Cohen has made in the education and welfare fields. I congratulate him upon having achieved this recognition and I congratulate the Rockefeller Public Service Award Committee for having selected him.

Mr. President, it is altogether fitting that today as the Senate prepares to consider H.R. 7819, the Elementary and Secondary Education Amendments of 1967, I bring to the attention of the Senate an article by Mr. Cohen which appeared in the September 1967 issue of the Annals of the American Academy of Political and Social Science. The article is entitled "Education and Learning." In its short compass it presents a distillate of the hearings that we have had in this area since 1963. Coupled with this is a wealth of factual information which can be of assistance to every Senator in reviewing the proposed legislation.

The article also contains basic questions to which I hope we can find answers in the next few years. These questions go to the heart of the difficulty that we have as Senators in meeting the educational needs of American children. They relate to the structure of the information flow. We badly need, as Mr. Cohen points out, to have constructed true educational research indicators which we can use to inform our decisions.

I very much hope that the educational community will become fully conversant with the material presented by Mr. Cohen and that from this knowledge there will ensue analytic tools of the type he has proposed. In H.R. 7819 among the provisions which the committee added to the bill in its markup sessions are those concerned with the problem of educational planning. It is my hope that the funding we have provided in title V–B will initiate activities among school administrators which will result in the creation of the new statistical devices of the type Mr. Cohen has set forth.

Mr. President, I ask unanimous consent that at this point in my remarks there appear in the CONGRESSIONAL RECORD material concerning the award to Mr. Cohen and the article to which I have alluded.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRINCETON, N.J., November 13.—Wilbur J. Cohen, Under Secretary of Health, Education and Welfare, known as father of Medicare, was named today winner of the 1967 Rockefeller Public Service Award by Princeton University in the field of General Welfare.

The Milwaukee man who started his Government career at the age of 21 with a salary of $1,540 was honored for his rise in 36 years to what Theodore H. White has called "the most provocative and propelling influence on all American government and politics." As Number 2 man to Secretary John W. Gardner in the U.S. Department of Health, Education and Welfare, he has a record of having handled 65 major legislative proposals which became law during 4½ years as Assistant Secretary for Legislation, including liberalization of social security, child welfare, legislation, aid to education, protection of the consumer, as well as Medicare.

While the Rockefeller Award, which carries a cash prize of $10,000, is in recognition of his outstanding service as a career Government official, Mr. Cohen feels that, contrary to what some people say, the Government offers its able employees opportunity for advancement and job satisfaction.

"Some of the most challenging and complex jobs in the world are in Federal service," says the Under Secretary who shares responsibility for the $40 billion HEW budget. "If you have ability, work hard and are willing to take risks instead of playing it the cautious way, there is unlimited opportunity."

Mr. Cohen declares, however, that he is not really the "father" of Medicare, although he started working for it in the early 1950's, but "the chief of staff." Hundreds of people were involved in the long and arduous effort that resulted in the program which began in July 1965, he said; it just needed someone "to pull together all the staff work."

Born in Milwaukee 54 years ago, son of Aaron Cohen, Scotland-born proprietor of a variety store, Wilbur Cohen was graduated from the University of Wisconsin in 1934 and accompanied his professor, economist Edwin E. Witte, to Washington immediately thereafter. As research assistant for the Committee on Economic Security, he was responsible for the original Social Security Act passed in 1935. He remained with the new Social Security Administration for two decades in both Democratic and Republican administrations.

Mr. Cohen left the Government temporarily in 1956 to become Professor of Public Welfare Administration at the University of Michigan, a post from which he has been on leave since 1961. President Kennedy appointed him Assistant Secretary for Legislation, HEW, at that time and President Johnson named him to his current position in June of 1965. Although he has top level administrative responsibility for the Medicare program, involving the enlistment of from 6,000 participant hospitals and 6,000 new employees, Mr. Cohen has played a major role in other legislation such as the Elementary and Secondary Education Act of 1965, the Heart Disease, Cancer and Stroke Amendments of 1965 and the reorganization of the Social Security Administration

Mr. Cohen lives in Silver Spring, Maryland with his wife, the former Eloise Bittel of Kerrville, Texas, and their three sons, Christopher, 25, a lawyer who lives in Chicago; Bruce, 23, who is in the Peace Corps in Santa Cruz, Bolivia; and Stuart, 21, on leave from Harvard College following an automobile accident.

Mr. Cohen has not yet decided what he will do with his $10,000 Rockefeller Public Service Award. He would like to consider using it some day when he takes time off to write another book, having already authored three. His present schedule of working from 8:30 a.m. to 8 or 9 p.m., including Saturdays, leaves little time now for writings. On Sundays he indulges in his hobbies: stamp-collecting, listening to concerts and string quartets, and sawing wood.

He will receive his Rockefeller Award from

President Goheen of Princeton University in Washington on December 6th.

[From the Annals of the American Academy of Political and Social Science, vol. 373, September 1967]

EDUCATION AND LEARNING

(NOTE.—Wilbur J. Cohen, Washington, D.C., is the Under Secretary of Health, Education, and Welfare. He was Assistant Secretary (for Legislation) of Health, Education, and Welfare from 1961 to 1965. Mr. Cohen is on leave from his position as Professor of Public Welfare Administration, University of Michigan, where he taught from 1956 to 1961. In 1960, President Kennedy appointed him Chairman of the Task Force on Health and Social Security, which recommended Medicare and other significant health and social security proposals. In 1934–1935, Mr. Cohen served as research assistant to the Executive Director of President Roosevelt's Cabinet Committee on Economic Security, which drafted the original Social Security Act. He is the author of several books and many articles in the social security, health, and welfare fields.)

(By Wilbur J. Cohen)

Abstract: The American people have set important social goals to improve the quality of American life. Although there is some evidence of progress toward these goals, there are few accurate indicators of the changes actually taking place and the problems encountered along the road to attainment. The development of statistics and other pertinent information is essential because of the rapid and reverberating changes that are taking place. Significant changes are being generated in the American educational system in terms of people, expenditures, activities, and innovations. The educational indicators that are developed must take into account the variety of goals, as well as the changes in definitions and emphases of the goals. There is a need for both quantitative and qualitative data. Although some quantitative indicators exist, the data disclose little about the quality of the educational system or its products. New indicators relating to educational opportunities, the quality of education, fundamental human behavior, and political and economic behavior are needed. The responsibility for developing these indicators must be shared by public and private interests—government, business, educators, labor unions, and civic and community groups.

"A Nation's greatness is measured by its concern for the health and welfare of its people. Throughout the history of our democracy, this commitment has grown and deepened."

LYNDON B. JOHNSON.

The American people from their beginnings as a nation have set ambitious social and economic goals to improve the quality of life. The evidence of history shows that the nation has made remarkable progress. And further advancement toward these goals continues. But few accurate indicators are available to gauge the rate of progress or to measure the changes in American society that are currently under way and the obstacles that impede attainment of the goals.

PROBLEMS OF ESTABLISHING INDICATORS OF NATIONAL ACHIEVEMENT

The task of enunciating meaningful and relevant national goals is an essential first step for achieving them. Pertinent statistics and other facts are necessary to develop effective programs and plans, to evaluate progress, and to assess resources needed for accomplishing the nation's aims.

Setting up relevant indicators is not an easy undertaking. Not only must they be applicable to complex ideas and concepts, they also are concerned with vital and challenging issues. But the urgency of the task is great. There has already been widespread public discussion of the social changes which are occurring with a rapidity unequaled in history and of the problems concerned with vastly increasing population and mass migration to urban-suburban areas; with substandard education, substandard jobs, and substandard housing for millions of people who do not fully share in the benefits of a prosperous society; with mass communications, rapid travel, mass production, and automation. These discussions have revealed facts related to change. The information, while significant, is only a fraction of the knowledge needed to understand and adjust to life in the twenty-first century.

THE IMPORTANCE OF AN EDUCATED SOCIETY

Not too long ago, education was considered the privilege of only the wealthy—the leisure class. The evolution of the American idea of free public education for all, with public schools locally managed, and largely locally financed, has been closely bound to the development of the nation itself. United States educational history reflects the American commitment to the ideal of education for everyone—the conviction that an educated population is essential to an effective democracy, to freedom, and to economic growth.

The right to an education

The national urge to raise the quality of life for all, which—in turn—required providing educational opportunities for all, has produced an addition to the list of basic American rights: the right to an education—or, at least, the right to have an opportunity to acquire an education. Despite a gradually increasing public acceptance of the idea of "full education for every citizen to the limits of his capacity to absorb it," the most casual sampling would reveal thousands of young people who are not accorded this right. From the point of view of the welfare of society—and of the individual as well—this right must be assured.

The task for education in the twenty-first century

As society becomes increasingly more highly developed and changes occur with ever greater rapidity, not only a person's livelihood, but indeed the very essence of the life he leads—his way of life—will depend upon his education. His ability to discard much that he has learned as it becomes obsolete or irrelevant and to acquire new knowledge—most of it not yet discovered—that will be pertinent to his needs will determine his ability to make the successful transition from life in this decade to a future vastly different in terms of economic and technological achievements.

The development of the nation's schools has been alternately praised and criticized in educational circles, as well as in congressional committees, in industrial conferences, and by the public at large. There is no disagreement, however, that, in its most simple terms, the success of the future will depend to a large degree upon providing more knowledge to more people in less time than is being done today. And this will be a costly enterprise. But perhaps failure to do so would carry an even higher cost.

A NEW ERA IN EDUCATION

This is an era of innovation and change. The methods of gaining new knowledge, transmitting it, and diffusing information and ideas throughout the country must be speeded up. It has become clear that the changes in one area reverberate and indicate new perspectives in others. As an outstanding illustration, the demographic, economic, and social forces fermenting throughout American society are generating significant changes in the nation's educational system. There are new and unprecedented challenges in education, on a national scope, to meet unconventional educational demands—to shift from the traditional school-system emphasis on instruction designed for learning patterns of school-age youth to innovative methods concerned with the learning capabilities of very young children and of adults.

Newly discovered phenomena of early learning capacity and the increasing need for modern adults to have opportunities for "refresher" learning experiences to update and upgrade their knowledge and skills raise provocative questions about restricting the delivery of educational services generally to the "school-age" population. Today's circumscribed educational process, viewed by many as a "preparation for life," is not likely to be applicable and acceptable to people living in an age characterized by space exploration, the crumbling of barriers of time and distance, the rising aspirations of all citizens, the proliferation of knowledge, the advances in technology and computerized methods, high productivity, and growing wealth. Modern man will likely regard the continuation of his learning experience as a normal lifetime activity.

Training manpower in relation to needs

There is wide recognition that the pressures of new technology combined with a growing number of students put a huge burden on education.[1] Increasingly, business leaders are directing their attention to science and technology as they relate to education and the labor market of the present and future, as indicated in the following statement of concern:

> It has been predicted that in 1975 some three-fourths of our labor force will be producing goods and services that have not yet been developed. Unless educators—and other public and private policy makers—demonstrate unusually keen foresight, our future economic and technological achievements could be tarnished by a large and growing reserve of inadequately or inappropriately prepared workers.
>
> If the challenges of the future are to be met, business and education must in fact greatly increase their interaction. Corporate giving doesn't complete business' responsibility to the world of study and schooling.[2]

TABLE 1.—SCHOOL ENROLLMENTS, UNITED STATES, 1962–75

[In millions]

Educational level	1940	1950	1960	1965	1970[1]	1974[1]
Total	29.9	31.5	46.0	55.4	63.0	68.4
Preschool	.7	1.3	2.7	3.1	5.3	6.8
Elementary school	20.6	21.0	29.7	33.3	34.2	34.7
Secondary chool	7.1	6.5	9.6	12.8	15.1	16.4
Higher education	1.5	2.7	4.0	6.2	8.4	10.5

[1] Projected.

Emerging patterns in education

As the public school system developed, intensive efforts have been made to provide better educations and equal educational opportunities for more and more students. Continued interest must now be devoted to assuring that the system will reach out to disadvantaged minority groups which have been largely ignored in the past.

The formal educational system must be

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[1] For further discussion of problems and issues concerning education, see James D. Finn and Gabriel D. Ofiesh, "The Emerging Technology of Education," *Educational Implications of Technological Change*, Vol. IV, Appendix: *Technology and the American Economy: The Report of the Commission*, February 1966, p. 34.

[2] Excerpt from a speech by M. A. Wright, President of the U.S. Chamber of Commerce, at Shaw University in Raleigh, North Carolina, on February 13, 1967.

adaptable to the changing role and meaning of education. The line of distinction between the formal education program, ending with a diploma, and informal educational activities continued as a lifelong process is becoming faint and fading rapidly. Education acquired prior to graduation can no longer be relied upon as an adequate preparation for a lifetime career. The acceleration of technological change and new scientific discoveries, which make old jobs obsolete and create entirely new kinds of work, has been much discussed as posing requirements for continuing education and skill-renewal. Indeed, it has been suggested that a worker now entering the labor force may expect to be employed in not one, but probably two, and possibly even three or four entirely different kinds of work over his lifetime.

The impact of changing labor-force requirements on the locus and modus of education

The probability that many of today's school children will be working in the twenty-first century—on jobs not yet created—challenges the educational system to foster the art of learning and to provide pupils with the kind of broadly based general education they need in order to adapt to changes that will occur in their lifetimes. In other words, the educational system is charged with offering a student a sound basic education as well as opportunities for continuous learning at all levels of education and throughout his lifetime.

New and different kinds of educational services must be developed for a generation which will become increasingly involved in leisure-time and cultural pursuits. The educational system will have to become increasingly involved in the affairs of the community and of the world as it helps each child, woman, and man to adapt to the revolutionary changes in his life. Education will become a vital process of innovation and interaction—for the students, the teachers, the educational institutions, the local communities, and the nation.

PRESENT EDUCATIONAL TRENDS

The educational system, like many other institutions in American society, is in a state of evolution—some might even say revolution. Beginning with the past decade, a whole continuum of new methods for organization and delivery of educational services is being developed—indeed, *has* to be developed—to cope with the ever larger numbers of students and ever growing mass of knowledge.

The growing learning force

The most significant aspects of change in the American educational system over the past decade have been the explosive increase in school enrollments and the continuing rise in educational attainment. The growth in the number of persons engaged in formal learning activities has been phenomenal.[5]

Regular school enrollments: School enrollments—kindergarten through college—increased by 9.4 million from 1960 to 1965, an average increase of nearly two million a year.

As reflected in Table 1, elementary and secondary school enrollments are projected to reach 51 million by 1974. The largest enrollment increases over the past decade have been at the high school level, mainly because children born in the years of very high birth rates immediately following World War II are now progressing through high school. Their impact on elementary schools leveled off as they reached high school age and moved up to swell the enrollment rates for secondary schools. Enrollment in grades nine through twelve nearly tripled in the years 1950–1965, and is expected to reach 16.4 million in 1974. Proportionately smaller increases have been projected for elementary school enrollment because the number of five- and six-year-old children entering the school system is approaching a relatively stable figure.

The largest percentage increase in enrollments in recent years has been at the higher education level. Enrollment figures have climbed from 2.7 million in 1950 to 6 million in 1965. By 1974 enrollment may reach 10.5 million.

Vocational, technical, and professional training activities outside the formal educational structure: In addition to the growing regular enrollments, there have been dramatic increases in specialized learning activities of a vocational, technical, and professional nature. Although valid statistics have not been compiled on enrollments in correspondence courses or in specialized institutes and commercial schools, reference to city classified directories reveals a large volume and wide variety of such facilities. Recent attempts to determine the extent of participation in such learning activities have produced some rough estimates, which are presented in Table 2.

Other formal education activities: The hunger of the American people for education is evident in the great proliferation of formal educational opportunities offered under a variety of sponsorships. Some courses are conducted as commercial enterprises, employing high-pressure advertising and sales techniques to attract customers. Others are provided by institutions (libraries, museums, churches, and charity or other groups) and private instruction of neighborhood or other small groups (for example, Great Books Discussion Groups; literary, poetry, art-appreciation, music, drama, and political and current-events discussion groups; adult leadership training for civilian defense, recreational, or youth work; and first-aid, cooking, home nursing, and other classes conducted by the American Red Cross, Girl Scouts, and other organizations, as well as similar activities offered by industry to employees or members of their families).

TABLE 2.—VOCATIONAL, TECHNICAL, AND PROFESSIONAL TRAINING OUTSIDE THE FORMAL EDUCATIONAL STRUCTURE, UNITED STATES 1940–74

[In millions]

Training institution	1940	1950	1960	1965	1970[1]	1974[1]
Total	11.8	15.3	18.9	25.0	34.0	48.7
Professional and technical training	2.5	3.5	4.0	7.8	9.6	18.1
Company schools	4.7	6.0	6.7	7.2	12.0	17.5
On-the-job training	2.4	2.0	3.4	4.5	6.0	6.0
Correspondence schools	1.0	1.5	2.0	2.4	2.8	3.2
Armed Forces	1.0	2.0	2.4	2.6	3.0	3.0
All other	.2	.3	.4	.5	.6	.9

[1] Projected.

Table 3 presents some preliminary estimates based on a study, initiated by Mr. Bertram M. Gross and the author, of audit educational activity and how it is changing in the United States.

Ratio of learning force to labor force: **While the estimates and projections of total educational activity in the United States are still relatively undeveloped, the gross figures on enrollments reflected above are significant. They represent a new area of inquiry into the widely diffused educational function. It must be noted that, because the formal training periods reflected under the various categories vary in duration between two weeks and a two-year or longer period, the number of participants is not equivalent to man-years of training. Indeed, the data limitations suggest further research for more reliable statistics on these largely unidentified—or at least less visible—educational resources and conversion of the participation figures into school-year equivalents.**

The estimates do not include any assessment of the very considerable volume of education acquired in learning situations represented by basic training in the home, religious instruction in churches, knowledge and skills gained by children in youth-group activities, unorganized individual learning from television, radio, and other informational media, and self-education, including learning from experience. Even with such an omission, the sum of the learning-force components reach a magnitude approaching 100 million participants—a startling total, nearly a quarter of a million higher than the number in the total United States labor force! The fact that today the learning force is greater than the labor force, and by 1974 the ratio—even by conservative estimates—will be considerably higher, emphasizes the great dimension of the pending tasks for the educational complex.

TABLE 3.—U.S. ADULT EDUCATION, 1940-74

[In millions]

Form	1940	1950	1960	1965	1970[1]	1974[1]
Total	5.6	6.9	9.6	19.2	24.3	31.1
General	1.5	1.8	3.4	4.5	5.0	6.0
Specialized	2.4	3.0	3.4	4.5	5.5	7.0
Correspondence courses	1.6	1.9	2.5	2.6	2.9	3.5
All other	.1	.2	.3	7.6	10.9	14.6

[1] Projected.

The increasing number of teachers

As noted earlier, the rate of increase in the numbers of school-age children is not so rapid now as it was over the last two decades; nevertheless, the absolute numbers of school children are larger, with the corollary result of increasing demands for teachers.

The teaching force, has, of course, increased. This year, more than two million grade and high school teachers and nearly a half-million college and university instructors were teaching the increasing number of students. The shortage of teachers and staff to supplement and support their work probably poses the single greatest obstacle to general improvement in education programs. As reflected in Table 5, the number of regular school classroom teachers and other instructional staff is projected to reach 3.2 million by 1974.

TABLE 4.—RATIO OF U.S. EDUCATION FORCE TO LABOR FORCE, 1940–74

	1940	1950	1960	1965	1970[1]	1974[1]
Learning force to labor force ratio (percent)	84.2	82.9	101.9	127.0	141.7	159.4
Learning force (in millions)	47.3	53.7	74.5	99.6	121.3	148.2
Labor force (in millions)	56.2	64.8	73.1	78.4	85.6	93.0

[1] Projected.

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[5] In discussions with the author in late 1965 and early 1966, Bertram M. Gross, Professor of Political Science, Syracuse University, first used the term "learning force" to express a broad concept of all of the people involved in some kind of organized group-learning process. He later defined the term "learning force" as embracing "the total number of people developing their capacities through systematic education—that is, where learning is aided by teaching and there are formal, organized efforts to impart knowledge through instruction," and subsequently referred to the terms in his article on the State of the Union Message, published in the May/June 1966 issue of ***Challenge—The Magazine of Economic Affairs***, **Vol. 14, No. 5.**

Rising educational expenditures

From time to time, there have been some scattered and unrelated attempts to assess total expenditures for all educational activities. As might be expected, wide variations occur in what has been termed "knowledge industry" expenditures, depending upon the components used in the computations.

TABLE 5.—U.S. TEACHING FORCE, 1940–74

[In millions]

Educational level	1940	1950	1960	1970 [1]	1974 [1]
Total	1.0	1.3	2.0	3.0	3.2
Elementary schools	.6	.7	1.1	1.4	1.4
Secondary schools	.3	.4	.6	1.1	1.2
Higher education	.1	.2	.3	.5	.6

[1] Projected.

In 1958, a figure of $136.4 billion was estimated to cover expenditures for research and development activities, all communication media, and information machines and services, in addition to regular formal educational expenditures.[4] More recently, a $195 billion figure has been used as roughly equivalent to the 1958 estimates, with adjustments for the great expansion in audio-visual materials and educational technology (computers, programmed instruction, and the like) that has occurred.

Although these estimates appear to be extremely high, they may actually be somewhat understated if consideration is given to the increase in total expenditures (both public and private) for formal education, which have been rising steadily by more than 10 per cent a year—a rate greater than the increase in the gross national product (GNP). This year, expenditures for formal education are expected to reach $49 billion, or about 6.5 per cent of the GNP. It has been estimated that they may reach 8 per cent of GNP by 1975.[5]

Spending by all levels of government for education has increased dramatically, from $13 billion in 1956 to $34 billion in 1966; and most of the funds have come consistently from state and local government sources. However, in the last two years the federal share increased from 12 to 16 per cent of the total. Most of the increase in federal funds can be attributed to new support under the Elementary and Secondary Education Act and the Higher Education Act.

Since 1964, federal expenditures for elementary and secondary education have more than doubled, from about 4 per cent to nearly 9 per cent; while the share in higher education rose from 20 per cent to about 22 per cent. However, there has been a shift in the allocation of federal funds; whereas in 1964, 58 per cent of all federal grants for education were made for higher education, the figure dropped to 43 per cent last year, with a resulting increase in support for elementary schools.

For more than a decade, state and local governments have used about 90 per cent of their construction funds to build elementary and secondary schools. From the mid-1950's until about 1962, more than half of the federal government's construction expenditures also went to elementary and secondary schools. Since 1962, however, there have been increasing authorizations for new federal programs for college construction, and last year 93 per cent of federal construction funds went to institutions of higher learning because this is where the great impact of enrollments is, and will be in the future. Because of population trends, elementary and secondary school enrollments will begin to level off, whereas college enrollment will increase dramatically.

The importance that Americans place on education is also reflected in private spending. Since 1955, the amount spent has nearly tripled, due mainly to investments in higher education. In 1955, the private sector was investing $1.3 billion in higher education. By 1966, the outlay was about $3.5 billion.

Changing methods to meet new demands

In addition to the millions of youth in compulsory school attendance, millions of adults also attend classes of one sort or another. Thus, acceptance by a most significant segment of the population of the desirability and real need for a continuous, lifelong process of upgrading and expanding knowledge and skills is an educational phenomenon demanding new ways to satisfy the quest for education. The steadily increasing ratio of learning force to the labor force indicates that educational services are reaching upward, downward, and throughout the whole age-range of our population.

The institutions that are being developed or vastly expanded in number are of many kinds, including junior colleges and vocational and technical schools. During the past decade, junior-college enrollments multiplied two and one-half times—a growth rate nearly twice that of four-year colleges (Chart 1). [Not printed in RECORD.]

Innovations are also being introduced into the classroom, with experiments involving new concepts of learning, course content, and patterns of teaching. As research and development gain a foothold in the traditional conservative school, old notions of how education should be conducted are questioned and revamped. The pressure of the number of students alone forces change: the introduction of more technology into the classroom; innovations in instruction methods and curricula content at all levels, including graduate schools;[6] more research into learning and motivation; and curriculum research—research into what is taught and how it is taught.

EDUCATIONAL GOALS AND ISSUES

With the outlines of change in economic and social institutions everywhere apparent, the rapid pace of events in the world today demands a closer look at the changes occurring, particularly a critical analysis and evaluation of what is happening in education and the direction it is taking. Difficult questions, at present left unexamined or inadequately explored, must be answered. Is the educational system fulfilling the responsibilities that the American people have assigned to it? Is it meeting the requirements of today, and will it meet them in the future? What is the nature of the learning process? How, precisely, does one human being teach another? What functions can a machine perform better than a human instructor? How could schools and classrooms be organized to make it possible for every student to learn at his own pace? These are questions that educators—in co-operation with a host of other specialists—must ask, and for which they must produce reliable answers. Accurate, meaningful educational indicators are a prerequisite for valid answers and for planning effective remedies when needed.

TABLE 6.—GROSS NATIONAL PRODUCT RELATED TO TOTAL EXPENDITURES [1] FOR EDUCATION: UNITED STATES, 1929–30 TO 1965–66

Calendar year	Gross national product (in millions)	School year	Expenditures for education: Total (in thousands)	Expenditures for education: As a per-cent of gross national product
1	2	3	4	5
1929	$103,095	1929–30	$3,233,601	3.1
1931	75,820	1931–32	2,966,464	3.9
1933	55,601	1933–34	2,294,896	4.1
1935	72,247	1935–36	2,649,914	3.7
1937	90,446	1937–38	3,014,074	3.3
1939	90,494	1939–40	3,199,593	3.5
1941	124,540	1941–42	3,203,548	2.6
1943	191,592	1943–44	3,522,007	1.8
1945	212,010	1945–46	4,167,597	2.0
1947	231,323	1947–48	6,574,379	2.8
1949	256,484	1949–50	8,795,635	3.4
1951	328,404	1951–52	11,312,446	3.4
1953	364,593	1953–54	13,949,876	3.8
1955	397,960	1955–56	16,811,651	4.2
1957	441,134	1957–58	21,119,565	4.8
1959	483,650	1959–60	24,722,464	5.1
1961	520,109	1961–62	29,366,305	5.6
1963	589,238	1963–64	[2] 36,600,000	6.2
1965	676,300	1965–66	[2] 45,100,000	6.7

[1] Includes expenditures of public and nonpublic schools at all levels of education (elementary, secondary, and higher education).

[2] Estimated.

Note: Beginning with 1959–60 school year, includes Alaska and Hawaii.

Sources: U.S. Department of Health, Education, and Welfare, Office of Education, "Biennial Survey of Education in the United States"; "Statistics of State School Systems"; "Financial Statistics of Institutions of Higher Education"; and unpublished data. U.S. Department of Commerce, Office of Business Economics, "Survey of Current Business," August 1965 and April 1966.

Qualitative issues

Whatever indicators are developed must take account of the variety of educational goals and the changes in definitions and emphases of these goals. One kind of indicator, for example, would be used to measure the quality of education: Are students' abilities being developed more fully today than yesterday? Are adequate attention and funds being concentrated on improving the quality of educational services? Are educational programs developing technical competence to meet work-force requirements—a technical competence founded on a good grounding in basic general principles?

Quantitative issues

A different kind of indicator would be required to measure the quantity of education: Are more people being educated today than yesterday? Are the numbers of young workers who cannot find jobs being reduced as a wider range of vocational education and job-training opportunities are offered?

Education and the individual

The importance of education to the individual has been elevated to one of the highest values in our democratic society. A primary goal of education is to offer each individual an opportunity to develop his abilities to the fullest capacity. Education should help him adapt to a rapidly changing world, to think rationally and creatively, to be independent, and to enjoy a rewarding life. Education should provide him with the skills and knowledge he must have to be a productive member of society; it should elevate his economic status as well as enhance his self-confidence, judgment, creativity, and humanity. Education should contribute to his enjoyment of life and widen the range of choices available to him throughout his life.

Education and society (public policy)

The great basic goals of education are to foster individual fulfillment and to nurture the free, rational, and responsible men and women without whom our kind of society cannot endure. Educated citizens are essential to an effective democracy and a healthy economy. They are politically active, responsible citizens, less subject than others to corruption and less easily influenced by demagoguery. The related problems of poverty and racial injustice are closely linked to the restricted educational opportunities of the disadvantaged. Yet, too often, schooling offered to children in depressed areas is ill-suited to their needs, and public educational programs have not coped adequately with the special educational problems of disadvantaged children.

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[4] Fritz Machlup, *The Production and Distribution of Knowledge in the United States* (Princeton, N.J.).: Princeton University Press, 1962).

[5] Leonard A. Lecht, *Goals, Priorities and Dollars: The Next Decade* (New York: Free Press, 1966), p. 160.

[6] For changes in curriculum in recent years, see James B. Conant, *The Comprehensive High School* (New York: McGraw-Hill 1967).

Education and economic productivity

Educated citizens are productive citizens, whose efforts and abilities and increased demands will add to the nation's economic growth. Economist Theodore Schultz, for example, has estimated that:

> As a source of economic growth, the additional schooling of the labor force would appear to account for about one-fifth of the rise in real national income in the United States.[7]

Education is expected to help break the vicious cycle of poverty, which is often perpetuated from generation to generation. Low educational attainment is a product—and in turn a producer—of poverty, unemployment, and discrimination. Investment in education is expected to pay off in still other gains to the economy: in research and development of new products and in economic efficiencies that result when the labor force has high literacy and higher educational attainment.

Defining goals

In addition to the broader, basic goals of education mentioned above, there are other—more narrowly defined—goals within the educational system that lead to attainment of the broader aims:

1. to provide equality of educational opportunities to all of the nation's citizens, and
2. to improve the quality of education for all.

To achieve goal number one, action is needed, for example, to increase the quantity of education, provide continuous learning opportunities, and improve the efficiency and economy of the delivery of educational services.

To achieve goal number two, the system will have to revise and improve curricula, improve the quality of teaching, stimulate research and development, and adopt innovations.

It can be clearly seen that these goals are complementary, each contributing to the other. Both are concerned with the conservation and development of individuals. And both will produce the benefits that result from strengthening the individual through education: not only will the manpower resources of the nation be improved, but, at the same time, the quality of life for the individual will be enhanced.

EDUCATIONAL INDICATORS

Much discussion, debate, and ferment are going on today about the attainment of national goals. Probably never before in history has there been a period when greater attention was focused on education. Surely there never has been a time when so much money has been spent on education. But much of the discussion, debate, and spending proceeds without basic knowledge of what is happening.

When we survey the voluminous, yet unsuitable, data now available for assessing the products of education, we must conclude that practically none of it measures the output of our educational system in terms that really matter (that is, in terms of what students have learned). Amazement at the revelation of the tremendous lack of suitable indicators is almost overshadowed by the incredible fact that the nation has, year after year, been spending billions of state and local tax dollars on an enterprise without knowing how effective the expenditures are, or even if they are being directed to stated goals. Indicators would provide an insight into changes taking place in education and into existing and potential problems. They would also offer a means of evaluating progress toward defined goals.

It is generally acknowledged that effective plans for achieving educational objectives and the execution of those plans depend upon the availability of continuing, regularly collected, comprehensive information pertinent to the status of education. But what are the data that are pertinent? What information will reflect where we are today, and what must we know to measure the changes that will take place in the future?

Present indicators

Although, as already indicated, there is an urgent need for new indicators, a preliminary examination of those that exist is appropriate.

More than one hundred years ago, the United States Office of Education was directed by the Congress, when it established the Office, to collect "such statistics and facts as shall show the condition and progress" of American education. Thus, the Office has counted the numbers of pupils, teachers, classrooms, equipment, and other relevant items such as the kinds and numbers of degrees awarded.

In co-operation with the Bureau of the Census, the Office of Education has developed some national historical series showing illiteracy rates of the population, percentage of school-age groups enrolled, retention rates of school population, educational attainment of the population by specific age groups, the median years of school completed by the labor force, the correlation of income and years of school completed, sources of educational revenues, and other quantitative data related to formal education.

But the gaps between what is known and what needs to be known are great.

In addition, there is a critical need to develop new data—through either simple counting procedures, longitudinal studies, or more limited case studies.

But perhaps most important is the need for basic research in education. There are still great gaps in knowledge about learning, motivation, and other aspects of human behavior—the foundations upon which an educational system should be built.

Educational opportunity: To some extent, available data are indicators of how well the goal of providing equal educational opportunities to all is being met. At least it is known that 25 million more students are enrolled in formal education today than were in school 25 years ago. The data also enable projections of future needs. In addition, they permit some comparisons among states and regions of educational inputs—pupil-teacher ratios, pupils per classroom, average salaries, and expenditures per pupil.

Much of the support for federal assistance to education grew from the realization that local support varies widely and that when education is inadequate in any one section of the country, the entire nation suffers. Comparisons showing state expenditures per student in 1966–1967—ranging from $335 in Mississippi to $912 in New York—sharply point up the vast disparities and resulting inequities in educational input. Recognition that poor states, though often spending relatively more of their personal income per capita on education, are still not able to provide satisfactory education helped to bring about federal legislation designed to eliminate the disparities in the amount of education offered students in different sections of the nation and from different segments of the population.

TABLE 7.—EDUCATIONAL FINANCES (STATE RANKINGS)

[In 1966–67, the estimated annual current expenditure per pupil in average daily attendance ranged from $912 in New York to $335 in Mississippi, and averaged $569 for the Nation. Per capita expenditures for public schools in 1964–65 ranged from $176 in Alaska to $72 in Arkansas, and averaged $115 for the Nation. Per capita expenditures for education ranged from $247 in Alaska to $98 in Tennessee and averaged $149 for the Nation]

Rank	Average annual current expenditure per pupil in average daily attendance 1966–67		Revenue receipts from Federal funds as percent of total receipts for elementary and secondary schools, 1963–64 [1]		Per capita expenditures			
					For public schools, 1964–65		Direct State and local expenditures for education, 1964–65	
	State	Amount	State	Percent	State	Amount	State	Amount
1	New York	$912	Hawaii	12.0	Alaska	$176	Alaska	$247
2	Alaska	877	Arkansas	11.1	Nevada	170	Colorado	221
3	New Jersey	740	New Mexico	10.5	California	156	Utah	219
4	Hawaii	669	South Dakota	9.7	Colorado	154	Wyoming	205
5	Wyoming	668	Virginia	9.5	Utah	153	Oregon	204
6	Montana	665	Mississippi	8.2	Oregon	146	California	203
7	Connecticut	657	Arizona	8.2	Wyoming	146	Nevada	200
8	Oregon	645	Idaho	8.1	Delaware	144	Delaware	199
9	Arizona	635	Tennessee	8.1	Montana	136	New Mexico	197
10	Nevada	635	Alabama	7.6	New York	136	Washington	189
11	Minnesota	634	South Carolina	7.6	New Mexico	135	Arizona	185
12	Delaware	626	Nevada	7.4	Minnesota	134	Montana	182
13	California	613	Oklahoma	7.3	Washington	133	Minnesota	179
14	Wisconsin	608	North Dakota	7.3	Arizona	130	Michigan	178
15	Maryland	603	Georgia	7.1	Michigan	129	Indiana	176
16	Massachusetts	599	Florida	7.1	Iowa	126	Wisconsin	175
17	Pennsylvania	597	Kentucky	6.6	Wisconsin	125	Iowa	175
18	Michigan	596	Montana	6.5	Indiana	124	North Dakota	174
19	Rhode Island	596	Colorado	6.4	Kansas	120	Kansas	167
20	Illinois	591	North Carolina	6.1	North Dakota	120	New York	165
21	New Mexico	586	Utah	6.0	New Jersey	120	South Dakota	161
22	Washington	581	Maine	6.0	Texas	120	Hawaii	158
23	Indiana	580	New Hampshire	6.0	Maryland	118	Vermont	157
24	Vermont	578	Maryland	6.0	Connecticut	117	Idaho	147
25	Colorado	570	Rhode Island	5.7	South Dakota	117	Texas	146
26	Iowa	567	Nebraska	5.6	Idaho	111	Maryland	146
27	Louisiana	567	Kansas	5.4	Nebraska	108	Nebraska	144
28	Virginia	556	Wyoming	5.2	Illinois	106	Oklahoma	143
29	Kansas	552	Washington	5.0	Pennsylvania	105	Connecticut	140
30	Oklahoma	533	West Virginia	4.9	Massachusetts	105	Illinois	138
31	New Hampshire	523	Louisiana	4.8	Hawaii	104	New Jersey	136
32	South Dakota	521	Massachusetts	4.8	Ohio	101	Florida	128
33	Missouri	506	Texas	4.6	Virginia	101	Rhode Island	128
34	Utah	500	Delaware	4.4	Vermont	99	Pennsylvania	126
35	North Dakota	485	Missouri	4.3	Florida	99	Ohio	126
36	Florida	479	Alaska	4.1	Oklahoma	98	Virginia	126
37	Ohio	468	Iowa	3.6	Rhode Island	97	Louisiana	123

See footnotes at end of table.

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[7] Theodore W. Schultz, *The Economic Value of Education* (New York: Columbia University Press, 1963), p. 11.

TABLE 7.—EDUCATIONAL FINANCES (STATE RANKINGS)—Continued

[In 1966-67, the estimated annual current expenditure per pupil in average daily attendance ranged from $912 in New York to $335 in Mississippi, and averaged $569 for the Nation. Per capita expenditures for public schools in 1964-65 ranged from $176 in Alaska to $72 in Arkansas, and averaged $115 for the Nation. Per capita expenditures for education ranged from $247 in Alaska to $98 in Tennessee and averaged $149 for the Nation]

Rank	Average annual current expenditure per pupil in average daily attendance 1966-67		Revenue receipts from Federal funds as percent of total receipts for elementary and secondary schools, 1963-64[1]		Per capita expenditures: For public schools, 1964-65		Per capita expenditures: Direct State and local expenditures for education, 1964-65	
	State	Amount	State	Percent	State	Amount	State	Amount
38	Nebraska	464	California	3.6	Missouri	97	Massachusetts	122
39	Texas	449	Vermont	3.5	Louisiana	92	Missouri	121
40	Georgia	430	Ohio	3.1	Georgia	88	New Hampshire	119
41	Maine	430	Minnesota	3.1	North Carolina	87	North Carolina	117
42	Idaho	418	Wisconsin	3.1	New Hampshire	87	Georgia	114
43	North Carolina	411	Illinois	2.8	Maine	83	West Virginia	113
44	West Virginia	411	Michigan	2.7	West Virginia	82	Kentucky	110
45	Tennessee	404	Indiana	2.7	South Carolina	80	Maine	108
46	Kentucky	400	New Jersey	2.6	Alabama	76	Alabama	108
47	Arkansas	393	Pennsylvania	2.6	Kentucky	76	Mississippi	105
48	Alabama	390	Connecticut[2]	2.5	Tennessee	74	South Carolina	103
49	South Carolina	373	Oregon	2.5	Mississippi	73	Arkansas	99
50	Mississippi	335	New Jersey	2.1	Arkansas	72	Tennessee	98
	District of Columbia.	693	District of Columbia.	1.9	District of Columbia.	101	District of Columbia.	103
	United States[3]	569	United States[3]	4.2	United States[3]	115	United States[3]	149

[1] Includes value of commodities distributed under the school lunch and milk programs.
[2] Partially estimated by Office of Education.
[3] Includes 50 States and District of Columbia.

Source: U.S. Department of Health, Education, and Welfare, Office of Education, advanced data, "Fall 1966 Statistics of Public Schools," (OE-20007-66), "Statistical Summary of State School Systems, 1963-64" (OE-20006-64), U.S. Department of Commerce, Bureau of the Census, "Governmental Finances in 1964-65," Series G-GF 65-No.8, "Current Population Reports, Population Estimates," Series P-25-No. 301.

Quantity of education: Statistics now compiled also are indicators of quantitative output of the educational system. There is, for example, an indicator of the increasing level of educational attainment in the United States, which can be correlated with indicators of variations in the financial support given the schools by different states and regions. In 1960, 30 per cent of the adults in Mississippi were high school graduates, compared with 41 per cent in the entire country.

Also, some already existing indicators show educational output by race; for example, the average years of schooling for the nonwhite population over age 25 in 1965 was 9.0 years, compared with 11.8 years for total population over age 25. Among those aged 25-29, nationwide, some 12.4 per cent of total population had completed four or more years of college, but only 8.3 per cent of nonwhites had done so (Table 8).

TABLE 8.—LEVEL OF SCHOOL COMPLETED BY PERSONS 25 YEARS OLD AND OVER AND 25 TO 29 YEARS OLD, BY COLOR, UNITED STATES, 1940-65

Date, age, and color	Percent by level of school completed: Less than 5 years of elementary school	Percent by level of school completed: 4 years of high school or more	Percent by level of school completed: 4 or more years of college	Median school years completed
1	2	3	4	5
WHITE AND NONWHITE				
25 years and over:				
March 1965	6.8	49.0	9.4	11.8
March 1964	7.1	48.0	9.1	11.7
March 1962	7.8	46.3	8.9	11.4
March 1959	8.0	42.9	7.9	11.0
March 1957	9.0	40.8	7.5	10.6
October 1952	9.1	38.4	6.9	10.1
April 1950	10.8	33.4	6.0	9.3
April 1947	10.4	32.6	5.4	9.0
April 1940	13.5	24.1	4.6	8.4
25 to 29 years:				
March 1965	2.0	70.3	12.4	12.4
March 1964	2.1	69.2	12.8	12.4
March 1962	2.4	65.9	13.1	12.4
March 1959	3.0	63.3	11.0	12.3
October 1952	3.8	56.7	10.0	12.2
April 1950	4.6	51.7	7.7	12.1
April 3940	5.9	37.8	5.8	10.4
NONWHITE				
25 years and over:				
March 1965	18.4	28.6	5.5	9.0
March 1964	18.6	27.5	4.7	8.9
March 1962	22.1	24.8	4.0	8.6
March 1959	23.5	20.0	3.2	8.1
March 1957	26.9	17.8	2.8	7.7
October 1952	30.3	14.7	2.4	7.1
April 1950	31.5	13.2	2.2	6.8
April 1947	31.4	13.2	2.4	6.9
April 1940	41.1	7.5	1.3	5.8
25 to 29 years:				
March 1965	4.8	52.2	8.3	12.1
March 1964	5.3	48.0	7.0	11.8
March 1962	6.1	41.6	4.2	11.2
March 1959	7.8	39.1	4.6	10.9
October 1952	15.2	27.8	4.6	9.3
April 1950	15.6	22.9	2.8	8.7
April 1940	26.7	12.1	1.6	7.1

Note: Beginning in 1962, includes Alaska and Hawaii. Statistics for 1962 and subsequent years are not strictly comparable with earlier data.

Source: U.S. Department of Commerce, Bureau of the Census, "Current Population Reports," Series P-20, Nos. 99, 121, and 138; Series P-19, No. 4; and unpublished data.

Quality of education: Although there is a considerable amount of quantitative data, little of it reveals information about the quality of the educational system or its products. Practically none of the data measures output of the system in terms of what students have learned, or inputs in terms of how good the teaching is that is provided for students.

Only very recently have efforts been started to develop and analyze statistics that may furnish some clues as to geographical or racial variations in the quality of the educational output.

The adverse effects of unequal facilities, staff, and services, reinforced by handicaps brought to the school by many minority-group children, are reflected in these recent studies of educational attainment. The effects are clearly apparent in the mental scores of the Armed Forces Qualification Test (AFQT)—about as close a national indicator of educational strengths and weaknesses as now exists—and in a more limited survey conducted by the Office of Education on equality of educational opportunity.[8]

The AFQT shows that:

Southern Negroes are behind Southern whites, who are behind whites in all other regions of the country; Southern Negroes are behind Negroes in other parts of the country;

In every State, test performance is significantly higher for whites than for Negroes;

Negroes who fail the AFQT have, on the average, one more year of schooling than whites who fail the test.[9]

The Office of Education survey showed that Negro students at each grade level tested (grades 1, 3, 6, 9, and 12) scored distinctly lower than white students in the same grades; by the twelfth-grade level, the differences were still greater. Negroes were 10.7 points below white children in nonverbal scores; for example, at the first-grade level, on tests with an average of 50 and a standard deviation of 10, by the twelfth grade, the gap had grown to 11.1 points.[10]

The Office of Education study revealed further that Negroes generally are offered fewer of the facilities assumed to contribute to academic achievement, such as laboratories, libraries, textbooks, and audio-visual aids.[11] However, the results of the survey also implied that differences in family background account for more variations in achievements of white and Negro children than do differences in school facilities.[12] The study, which contains much valuable information, emphasizes the need for further inquiry into the problem of equal educational opportunities. To gain insight into the problems raised by the report requires the development of a number of indicators dealing with unequal opportunities for education.

Tests—usefulness and limitations: Over the years, a considerable amount of testing activity has been undertaken in individual schools in attempts to measure Intelligence Quotient (IQ), attainment levels in subject matter, and other student characteristics. However, the test results have not been compiled in any meaningful way or in a way that permits analyses on broad comparative bases. Furthermore, the primary purpose of IQ testing has been to locate an individual child on a scale—not to determine the range of knowledge of a group of children at a given grade or age level.

In addition, there is considerable controversy over the use of IQ tests. Some educators contend that the tests have been misused by teachers who use the test results to limit the opportunities available to a child by placing him in a rigid mold that determines the way he is treated in the school system and hampers him from accomplishing much that he, perhaps, has the ability to do.

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[8] Section 402, Civil Rights Act, 1964 (P.L. 88-352), directed the Commissioner of Education to carry out a survey on equality of educational opportunity. The survey was conducted, under contract, for the Commissioner by James S. Coleman, Johns Hopkins University.

[9] Richard de Neufville and Caryl Conner, "How Good Are Our Schools?", *American Education* (October 1966), p. 4.

[10] *Ibid.*, p. 6.

[11] *Ibid.*, p. 7.

[12] James Coleman, "Equal Schools or Equal Students," *The Public Interest* (July 1966), p. 73.

Others question exactly what it is that IQ or attainment tests measure. What, for example, is meant by "intelligence"? Would not a test that measures creativity be just as useful? Certainly, today's IQ tests take little account of creativity. But this line of inquiry leads to still a further problem: how to measure creativity.

Needed indicators

To extend educational opportunities: In spite of the existing multitude of quantitative statistics, additional quantitative as well as qualitative data are needed to measure progress in extending equal educational opportunities. The present series fail to distinguish between rural and urban schools or to show variations among the schools within a community. There is no accurate picture of inputs—in terms of money, students, or resources—for rural schools, or what the output is in levels of student attainment. Similarly, there are no accurate statistics on the input-output of urban slum schools, compared with middle class, suburban schools. On a national basis, it is not known how many children fail at each grade level and repeat the grade, or how many skip a grade, let alone why.

Data are almost completely lacking on the very important matter of the distribution of dropouts by geographic areas, socioeconomic levels, and degrees of urbanization of their communities. The proportion of dropouts who would have completed high school with adequate financial support or other incentives is not known; nor is there information, on any systematic basis, about what happens to dropouts, although it is clear that many fall into the ranks of the unemployed. An equal lack of information exists about college dropouts (Chart 2).

Chart 2, estimated retention rates, fifth grade through college graduation—United States, 1957–69

For every 10 pupils in the 5th grade in 1957–58: 9.4 entered the 9th grade in 1961–62, 8.1 entered the 11th grade in 1963–64, 7.1 graduated from high school in 1965, 3.8 entered college in fall 1965, 1.9 are likely to earn 4-year degrees in 1969.

Accurate national data on school segregation—actual or *de facto*—are not yet available. And a whole new area for research could be devoted to the effects of segregation on the child.

Indicators related to staffing are also needed. No information has been compiled to show the numbers of teachers and professors who leave the profession each year, why they leave, or what subsequently happens to them. How many go to better-paying jobs? Are those who do so among the most experienced teachers? Is there a pattern of returning to teaching, say, for women who quit to raise a family? What is the flow of personnel back and forth among college teaching and business organizations and government agencies? What are the migration patterns of teachers within school districts and from lower-paying districts to higher-paying districts?

Although great emphasis is placed on the need for continuing education, very little accurate data exists about learning activities outside the usual classroom setting.

Although many people say that learning activities are expanding, almost no data have been collected to back up such a conclusion. And only very rough estimates have been made about the back-and-forth interchange or duplication that exists between the labor force and the learning force. Likewise, little is known about the extent to which employers conduct in-service training or management-improvement courses or provide other opportunities for employees to upgrade their skills and knowledges.

Nor are there any valid measures of the extent of educational activities of social clubs, labor unions, or fraternal organizations. No count has been made of those who engage in self-education with the help of libraries, museums, and cultural facilities, or of those who take advantage of the vast new opportunities through educational television programs.

Without basic quantitative data, it is almost impossible to analyze some of the problems involved in education today. And, clearly, in this age of computers with almost limitless capabilities, it is feasible to begin collecting the data—although that beginning could be on a somewhat limited basis. Perhaps a case-study approach in certain areas would eventually develop into statistical series that could serve as indicators, and any other promising possibilities for developing meaningful indicators should be explored.

To improve the quality of education: When measurement of progress toward the second goal—to improve the quality of education—is attempted, it becomes clear that few significant indicators exist. First, few measures show the output of the system in terms of what students learn, even at the point where formal instruction is given.

A nationwide assessment of educational progress would be of great value not only for allocating public funds to the educational enterprise, but also to the educational community, as well as to educational policymakers at all levels.

One project concerned with devising testing instruments to assess learning in several subjects is being developed under the leadership of Ralph W. Tyler, Director for the Center for Advanced Study in the Social Sciences. This study, supported by the Carnegie Corporation and the Ford Foundation, represents the first attempt to get nationwide indices of educational output. It is expected to provide greatly needed insights into the strengths and weaknesses of the present educational system.

The problems involved in trying to measure the quality of teaching are as complex as those concerned with measuring student ability. Today there are few, if indeed any, indicators available. Of course, there never has been a nationwide assessment of teaching, and it is doubtful that there ever will be. Although educational statistics reveal that the proportion of public school teachers with substandard certification is higher today than it has been during the last three years, this does not necessarily indicate that the *quality* of teaching has deteriorated. In fact, it is possible that the infusion of "new blood"—Peace Corps veterans, retired persons, and other normally nonteaching, professional workers who were recruited last year to help ease the teacher shortage—could have improved the quality of teaching. It is by no means certain that present accreditation qualifications are necessary for high-quality teaching. Teacher-licensing by state governments affects the entry of persons into the profession. The certification process, clearly, should be looked into, and changes and revisions made, where necessary.

The need for basic research into what constitutes high-quality teaching is urgent. What are the characteristics of a good teacher? How are such characteristics developed? What improvements could be made in recruiting and training teachers? Can measures be developed to show the relative value of in-service training? What would be the effects of new ways to encourage in-training and upgrading of teachers' skills? Can old standards and concepts of professional training be discarded? Could people without teacher training be used effectively in new methods of teaching? Would the injection of a large number of teacher aides or assistants improve the quality of teaching by allowing the instructor to concentrate on important subject matter and individual students?

The development of yardsticks to evaluate the quality of teaching would be important not only for a social inventory—but also as the key to put teaching back into the center of education, particularly higher education. Rewards in terms of salaries, for example, could be more accurately related to measures of the quality of the teaching. Very little is known about the effect of salary levels on high-quality teaching or whether present salary levels attract and retain highly qualified teachers. Likewise, it is not known whether the prestige attached to certain teaching positions is a measurable factor in high-quality teaching.

CHART 3.—U.S. SCHOOL DISTRICTS, 1945–66

Region	School districts		Average enrollment per district
	Number	Percentage distribution	
United States	26,983	100.0	1,562
North Atlantic	4,006	14.8	2,463
Great Lakes and Plains	14,744	54.6	804
Southeast	1,821	6.8	5,336
West and Southwest	6,412	23.8	1,669

Source: Department of Health, Education, and Welfare, Office of Education, OE-20007-65. Fall 1965 Statistics of Public Schools, and OE-10021-65. Digest of Educational Statistics, 1965 edition.

To improve the organization and direction of the system: Similarly, very few attempts have been made to assess the efficiency and economy of the operation of the formal educational system. The long-term trend toward consolidation of school districts may be cited as an indicator of improved efficiency. Ten years ago there were 55,000 local school districts; today, only 23,500—a reduction of nearly 60 per cent. Last year alone, more than 3,500 school districts were eliminated (Chart 3).

Nevertheless, the impression is widely held that the educational system is slow to adopt new ideas and techniques. How can this impediment to change be overcome?

To assure appropriate emphasis and future orientation of content of the educational system: Traditionally, the educational system has been both conservative and innovative, transmitting the wisdom of the past and attempting to equip man to cope creatively with an unknown future. Too often, however, emphasis has been on acquiring knowledge of the past. Frequently, there has been neglect for building into the individual a respect for learning in the present, a hope for the future, and a sense of purpose and direction in sharing the problems, challenges, rewards, and responsibilities of society.

In deferring to tradition and continuity, there has—perhaps naturally—too often been resistance to imaginative departures from conventional methods of education. New concepts of what should be taught, as well as *how* and *when* it should be taught have failed to gain wide acceptance.

Clearly, more attention must be given to building a future-oriented educational system. The importance of doing so becomes even more evident if the extension of man's knowledge during this century is contemplated. While it was reasonable, in the eighteenth century, to expect the well-educated man both to have obsorbed most of the knowledge from the past and also to keep abreast of new trends, such expectations are not realistic in the twentieth century. In the wake of the information explosion produced by advances in this era, the knowledge problem has become one of collecting, storing, transmitting, and retrieving the multitude of complex facts being produced almost daily.

Since today's youth needs broadly based knowledge and skills to equip him for life in a world vastly more complex than any visionary imagined a generation ago, the educational system is challenged to change methods that, although successful in the past, are no longer enough. What was accepted and fitting in another era may be inadequate for today. Nevertheless, change must be carefully accepted and evaluated. It is necessary to assess the value for the future of present plans for the organization and content of the educational system. Most planning has been confined narrowly to the outlines of ongoing institutions, and has not moved into the new dimension of what is possible for the present and necessary for the future—a new conception of where, and how, and when, and to whom educational services will be provided.

To assure application of experimentation and innovation results to the school system: As the results of research and development efforts become available to help to reorganize the schools and what is taught in them, hard questions must be asked about alternative and better uses of technology in bringing about the comprehensive changes needed in education today. Recent federal legislative support for research and innovation in education reflects growing national concern for improving curricula, methods of teaching, individualized instruction, and experimentation in new patterns for the delivery of services.

It is a truism that the way to excellence in education is through research, which leads to innovation, and then into generally applied practice. But the United States has lagged in applying this principle to education. While financial support for educational research and development has increased in the past few years as a result of federal legislation, the amount is still small when compared with spending by other basic industries. Less than one-half of one per cent of the nation's total outlay for education is spent on research and development, compared with 10 per cent of total outlay in other major industries—nearly twenty times as much is spent on health research and sixty times as much, on defense research.

Not only are the amount and the quality of research in education low, but there is relatively little feedback—even from good research—to the local school system. Unpublicized innovations—however successful in experimental application—are far too often not adopted simply because they are unknown. Thus, the results of research in education are too long delayed in application, or lost. It has been estimated that, over-all, there is a thirty-year lag between development of an innovation in education and its widespread adoption. It is fifteen years before 3 per cent of the school districts have made the change. The twenty experimental regional educational laboratories established under federal legislation in 1965 are designed to close this gap by speeding up dissemination of research findings and making research results operative.

It would be fallacious, of course, to assume that all research findings and resulting innovations will be productive. More intensive evaluations are needed of the relative costs and benefits of much high-priced technology, teaching machines, use of television, new teaching methods, and changes in organizational structure before they are widely istituted. Some evaluations may require long-term study, and the results cannot be immediately applied.

Lack of feasible indicators—implications for educational research

The more readily apparent areas inviting inquiry already noted leave largely unphrased an almost infinite number of questions about education. And as answers for some questions are found, they stimulate still further inquiry. Many separate efforts will be necessary to develop the wide-ranging variety of indicators needed for measuring progress toward the diverse goals in education.

Behavioral indicators: First, and of great importance, fundamental research into human behavior is needed. Should children with the highest learning abilities be grouped in classes with children of lowest learning abilities? Should children be grouped according to their parents' earning abilities or some other home factors? What are the effects of different groupings on individual children? What are the effects of racial discrimination on learning? What are the reactions of teachers to desegregation policies?

Can potential dropouts be identified at any early age? What are the characteristics of school dropouts? Answers could point the way for action to reduce the dropout rate. Present data show that although the percentage of students entering college has increased tremendously, the college dropout rate has remained about the same over the past twenty years. Why has the system failed to retain a progressively larger number of students? Outside of a great deal of discussion, relatively little has been done to find valid answers.

Learning and education: There is also urgent need for research into the learning process itself. Do we know what really constitutes "intelligence?" How people learn? The factors that motivate them? How knowledge or "learned experience" is retained? What test scores indicate? How to relate early test scores to achievements in later life? Can valid indicators of learning rates be developed? What are the optimum situations for learning by children?

It may be that computers will help to uncover many secrets of learning, may, in fact, offer more promise of learning about learning than any other approach. Studies by Patrick Suppes and Richard C. Atkinson, of the Institute for Mathematical Studies in the Social Sciences at Stanford University, may provide some further answers. They point out that computers keep a minute record of a child's progress so that the point at which learning may falter or stop can be immediately determined.[13]

John Gardner also pointed out that self-teaching machines seem certain to have an impressive impact on the teaching process: "The self-teaching device can individualize instruction in ways that are not now possible—and the student is always an active participant." [14]

Other recent studies have been concerned with the importance of early education.[15] According to Benjamin Bloom, half the growth in intelligence takes place between birth and age 4; a 30 per cent increase, from age 4 to age 8; and only about a 20 per cent gain is made between age 8 and age 17. Such findings suggest that our entire philosophy of education should be re-examined and our present expenditure pattern for education should be reassessed.

Additional experience with Headstart projects, which emphasize the importance of early education and the value of parent involvement, may substantiate some of the research conclusions. Some significant conclusions have already been drawn from Headstart results—the importance of teacher aides and assistants for individual attention to children and the value of follow-through programs in the early school years. Potential effects of the innovative program are far-reaching. Indicators could be developed quite simply to measure changes attributable to Headstart. Longitudinal studies of enrollees in the program could show what happens to them in elementary school, in high school, and beyond. The extent to which local school districts adopt Headstart techniques—parent involvement, use of teacher aides, regular classes for three- and four-year-olds—might also be measured.

Education and human behavior: Other interesting questions could be explored by researchers in the educational field. For example: How does the level of a person's education relate to his personal adjustment, happiness, or fulfillment? Are there correlations between various levels of educational attainment and rates of different types of mental illness?

The answer to some questions of this type would depend upon information which could be obtained only from longitudinal studies. And few such studies have been attempted so far, primarily because the price-tag on them is high. However, unless data cover a significant period to permit assessment of results and causative factors, educational policy decisions will be made on the basis of shaky conclusions reached in the light of only fragmented knowledge.

Correlation between educational level and political participation: Another area for inquiry concerns the effects of education on political behavior. Political scientists could examine whether a correlation exists between levels of education and political participation rates. Further study of voting behavior, related to educational level, might produce indicators of how well the educational system is producing politically responsible citizens. Case studies of political leaders could give further insights into the attributes that are associated with leadership ability, and how these characteristics are related to various educational factors.

Economic indicators: Recently expressed interest by economists in human-resources investment opens up an entirely new area of research. Theodore Schultz, for example, when he became President of the American Economic Association, chose this as the subject of his address.[16] Original work could develop indicators of progress toward education goals, stated in terms of the relationships between education and economics.

Further study of the relationship of education to earnings levels would also be helpful. What is the relationship of his educational level to an individual's lifetime earnings? Where does the greatest payback come, in terms of educational input at different levels? Is it at the preschool, elementary school, high school, or graduate school level? (See Table 9.)

TABLE 9.—ESTIMATED LIFETIME INCOME FOR MALES, BY YEARS OF SCHOOL COMPLETED: UNITED STATES, 1949, 1956, AND 1961

Years of school completed	1949	1956	1961
1	2	3	4
	Income, age 18 to death		
Elementary:			
Total	$113,330	$154,593	$176,008
Less than 8 years	98,222	132,736	151,348
8 years	132,683	180,857	204,530
High school:			
1 to 3 years	152,068	205.277	234,960
4 years	185,279	253,631	272,629
College:			
1 to 3 years	209,282	291,581	333,581
4 years or more	296,377	405,698	452,518
	Income, age 25 to 64		
Elementary:			
Total	$91,932	$127,047	$145,519
Less than 8 years	79,654	108,310	124,930
8 years	106,889	148,033	168,810
High school:			
1 to 3 years	121,943	169,501	193,082
4 years	148,649	208,322	224,417
College:			
1 to 3 years	173,166	243,611	273,049
4 years or more	241,427	340,131	360,604

Source: U. S., Department of Commerce, Bureau of the Census, "Statistical Abstract of the United States," and unpublished data.

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[13] Patrick Suppes, "The Uses of Computers in Education," *Scientific American* (September 1966) p. 9.

[14] John W. Gardner, "National Goals in Education," *Goals for Americans* (New York: American Assembly, Columbia University, 1960), p. 90.

[15] Benjamin Bloom, *Stability and Change in Human Characteristics* (New York: John Wiley, 1964).

[16] Theodore W. Schultz, "Investment in Human Capital," *American Economic Review*, 51: 1–17 (March 1961).

An interesting study was made of post-college careers of June 1958 college graduates—their further studies, work activities, and continuity between studies and work.[17] Longitudinal studies correlating education, experience, and earning levels of diverse occupational groups could furnish valuable insights into whether people use skills they acquire in college, and into a number of other questions.

Further studies of the payback to employers who upgrade their employees through in-service training and mangement-improvement courses would reveal information about optimum investment return from training expenditures. Studies to ascertain short-term and long-term manpower needs would provide meaningful guides to education-expenditures allocations. Indicators of trends in occupational requirements could be matched with indicators of educational output. Are schools training people today for the jobs that are now available and for jobs that may be available in the next century? Most likely, the three-year-old child of today will be living in the year 2020. Will his educational experience prepare him for that world?

Education is a long, lead-time operation. A college graduate has normally spent sixteen years in school. Since curricula planning and development require perhaps four years, educators should be developing school curricula today for those who are going to be entering the work force from high school in 1982 or college in 1986. Failure to plan or poor planning for the future by this generation will penalize the next generation.

Provision in the short run of an appropriate mix of skills in the labor force requires not only projection of future manpower requirements but also knowledge of the present mix of skills and how the mix is changing through death or retirement. The schools must fill the gap between the pool of existing manpower, what will exist in the future, and what will be required. To do this, the school system needs information for projecting future requirements to fill demands for trained manpower. And there is little information about the composition by age levels of various groups of skilled and professional workers—for example, physicians, engineers, and teachers. A study by Frederick Harbison and Charles Myers[18] of high-level manpower available and potentially available in individual countries is an example of the inquiries that are needed.

RELEVANT INDICATORS: POWERFUL FORCES FOR CHANGE AND MODERNIZATION IN THE EDUCATIONAL SYSTEM

Looking again at the multiple and diverse goals set for education confirms the importance of developing more than the traditional yardsticks to measure progress. There can be no confidence that decisions *are* the best possible without more data than are now available. The need to educate greater numbers of the population and to open up educational opportunities for those who have not had them in the past also underscores the need to make high-quality educational services available to the entire population.

New measures of educational activities and achievement must be developed and old measures revised to present a composite picture of the status and direction of the American educational system. The urgency of doing so cannot be overstated. The high purpose of American education places this task in a rank of high priority; its accomplishment must proceed without delay. Developing the needed indicators is the joint responsibility of both public and private interests—government, business, educators, labor unions, and civic and community groups.

As noted earlier, some of the data needed for meaningful indicators already exist, but are scattered and fragmented. There are gaps to be filled, new data to be developed. And most importantly, the data must be presented in an orderly, comprehensive fashion; they must be analyzed and interpreted in a way that will contribute to effective planning and revision of plans for achieving national goals in education.

BERNARD KILGORE

Mr. BYRD of Virginia. Mr. President, I wish to say a few words about a great newspaperman, one of the Nation's greatest, in my opinion, Bernard Kilgore died last evening. He was chairman of the board of the Wall Street Journal. He became managing editor of that publication in 1940. He was well known in Washington, having served here as Washington correspondent for the Wall Street Journal. In recent years, he developed that newspaper into a great American and national newspaper.

Barney Kilgore was one of those unusual men who had the knack to be a top reporter; who had a sense of the news; who was a newspaperman in the finest sense of the word; and at the same time, he had the business capacity to develop the Wall Street Journal into not only a great newspaper, with the emphasis on news, but also a highly successful financial enterprise.

I am proud to have been able to call Barney Kilgore my friend. I had known him for a good many years and I had a most affectionate regard for him. I feel he was one of the outstanding men of our Nation.

With others in the newspaper profession and his associates on the Wall Street Journal, I mourn his passing. I want to express to his widow, Mary Lou, my deep sympathy.

FCC COMMISSIONER JOHNSON DISCUSSES TV PROBLEMS WITH "YOUTH WANTS TO KNOW" PANEL

Mr. HARTKE. Mr. President, one of the important public discussion forums of the Nation, nationally broadcast for many years, is the "Youth Wants To Know" program whose creator and producer is Theodore Granik. Here high school students sit down in a give-and-take session with a guest expert on each program, often posing penetrating questions which would do their elders credit and exhibiting an interest in public affairs which gives reassurance as to the leadership capacities of the next generation.

A recent "Youth Wants To Know" program featured as its guest the Federal Communications Commissioner, Mr. Nicholas Johnson. His young questioners offered up penetrating and provocative questions on the present and future of the broadcasting industry, pertinent to all who viewed the program and particularly so to those of us who deal with these questions in the Commerce Committee and its Communications Subcommittee.

Responsible television programing is a continuing source of much debate and concern. "Youth Wants To Know," as the transcript of the program of September 17 to which I have referred will show, is a good example of the broadcast medium at work responsibly in the public interest. Theodore Granik, who has been called the dean of panel moderators by the New York Daily News critic and columnist Ben Gross, has devoted his career to this and other public affairs, documentary and dramatic television series, including "American Forum of the Air," "All America Wants To Know," "Women on the Move," and "House on High Street."

As one who has appeared on the "Youth Wants To Know," program, as have many of my colleagues in both branches of Congress, I want to congratulate the young people who take part in these productions, dealing with issues of genuine public concern, and Mr. Granik for his award-winning program. Also deserving of recognition is the service of WETA–TV, the Washington educational television station, for presenting the program locally, and in particular also Mrs. Allie S. Freed, president of Buckingham and Claremont Communities in Arlington, for her role in that achievement.

I ask unanimous consent that a transcript of the program of September 17, with Commissioner Nicholas Johnson, be printed in the Record.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

Youth Wants to Know

(Created and produced by Theodore Granik; associate producer, Jay B. Cutler; assistant to producer, Susan Gallagher)

Youth Wants to Know presents Hon. Nicholas Johnson, Commissioner Federal Communications Commission.

Mr. Granik. "Youth Wants to Know." The penetrating provocative questions of America's young people. Welcome to "Youth Wants to Know." Our guest is Federal Communications Commissioner Nicholas Johnson. A law professor, Commissioner Johnson was appointed to the FCC after heading the Federal Maritime Administration. Mr. Johnson is admiringly termed "a rugged crusader who bears a restless impatience with the status quo." The impact of the electronic revolution on our national life and economy will be the subject of many questions by our panel of high school students. Now let's begin with Ken.

Question: Commissioner Johnson, do you feel that television is still a vast wasteland?

Mr. Johnson. I wouldn't so characterize it. You might rather say it is a vast land clearly, and in many ways it's wasted. There are those who say that the greatest tragedies are not the evil that television does but what it fails to do. And I think that problem will always be with us so long as men have aspirations and television producers have to put out shows day to day. So perhaps a better characterization would be a "wasted vast land."

Question: Do you think that the government should have a station to subsidize the arts and put on some higher level programs?

Mr. Johnson. Well, Lee, I don't know that I would characterize it as a government owned station. I think that probably we would not prefer that in this country, but the Public Television Bill related to what you are talking about, and this would involve some measure of public funding for educational broadcasting and for the station where we are now.

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[17] Bureau of Social Science Research, *Two Years after the College Degree* (Washington, D.C.: U.S. Government Printing Office, for the National Science Foundation, 1963).

[18] Frederick Harbison and Charles Myers, *Education, Manpower, and Economic Growth* (New York: McGraw-Hill, 1964).

Question: Do you think that it is the role of the FCC to determine what is better programming, to get it on the networks, or to regulate it?

Mr. JOHNSON. That's a very good question, Ann, and a very tough one. It strikes at the heart, I think, of what broadcasting is all about. The FCC regulates the painting of antenna towers and the location of transmitter sites. I think, in fact, broadcasting *is* programming, and to fail to recognize that is to miss much of the beauty of what broadcasting is all about. We have to give some attention to programming, the question is what kind of attention. Clearly you do not want the FCC viewing programs in advance and permitting some to be shown and not others. That is censorship by anyone's definition, and presumably you don't want the FCC saying that you must put on this program and not this program, and so forth.

Question: You were talking about the radio stations and they had a list of some that weren't coming up to the standards. Well, what type of standards do you want to have? Should you refuse to renew these licenses, or just what do you plan to do?

Mr. JOHNSON. The broadcaster holds his license at the pleasure of the public that he serves, and if the public is dissatisfied I most certainly would withdraw a license.

Question: How can you tell if the public is dissatisfied?

Mr. JOHNSON. I think there are ways in which the public could be more substantially involved than it now is in the FCC's process. I think individuals could take a greater interest in writing the FCC or the stations. I think local hearings could be held. I think citizen's advisory committees could be formed. I think the citizenry could simply be *informed* that all the licenses in a given community come up for renewal every three years. It's a ready made process for public involvement—if there were those who were interested in becoming involved. And I think there are ways to encourage that. And I think that would probably be desirable. I think it would be better than unilateral action by the FCC.

Question: Mr. Johnson, you have often said that "broadcasting is programming," as you just did. But isn't say requiring a certain percentage of time for each station—donated to public affairs or news—isn't putting a limit like that actually censoring what the station would have put on by itself otherwise? And the Communications Act says act "in the public interest." And according to the free enterprise system of advertising this really would be, what the station wanted would be, "the public interest."

Mr. JOHNSON. I think we must make a distinction between "censorship," which has a fairly precise sense and the prescribing of programming categories. It's one thing, I think, to tell a station, "You can run essentially whatever commercials you want but not more than twenty or thirty minutes of commercials per hour. You can run whatever you want by way of news or public affairs, but at least five per cent of your programming must be news and public affairs." And that, I think, is quite appropriate. I don't know that it's necessarily the best solution, or a wise solution, but I don't think there's any question about the legality of it. "Censorship," on the other hand—to insist upon approving a program ahead of time—is clearly forbidden—by the Act, and by the constitution, and just simply as a matter of good sense.

Question: It would be indirect censorship. You would never know exactly what you were censoring because you would be censoring what the station would have put on if it had had its way.

Mr. JOHNSON. Well, in that sense we censor by having as few stations as we have. We censor by having as few newspapers and magazines as we have, because nobody knows what would be put on if we had another.

Question: Mr. Johnson, I'm more interested in the FCC itself. You have often expressed dislike of the apathy that you find within the FCC. They seem to like painting antenna towers better than doing what you consider important things in the field of communications. Isn't it the commisisoners' job to do the reorganization, or to create the motivation to point the FCC in the right direction?

Mr. JOHNSON. I think you are quite right. And I think that there are seven commissioners who are genuinely, earnestly endeavoring to do just that. And I think that as they were all selected by individual presidents for good reason, they are individuals and have their own views as to what the commission ought to do, and it's quite natural and logical that there would be seven wholly different views as to what best to do with the Commission. I think the principal problem, as I would characterize it, is that the sociologists describe as "conception of self." What do those who work for a regulatory agency think they are supposed to be doing? One might very well say, "goodness, the problem in our cities is not the problem of controlling automobile traffic at the intersection. The problem is one of designing better systems of transportation, mass urban transit. And you, policeman on the corner, why are you just standing there, blowing your whistle and directing traffic? You ought to be designing rapid transit systems for your city." And he can quite properly turn to you and say, "That is not my job. It is my function to regulate traffic." And I think there are those within most regulatory commissions who look upon their jobs very much in that way. Their job is to regulate traffic. Their job is to take the paper that comes into the "in" basket every morning, and do something with it, and put it in the "out" basket.

Question: It's really though an arm of the Congress. Doesn't Congress have some role in this formulating and planning and designing, Commissioner?

Mr. JOHNSON. I think the distinction between those agencies which are part of the executive and those which are an arm of Congress can really be overdone in terms of the practical day-to-day functioning of the agency, but clearly Congress has a role with regard to communications policy as it does with regard to every other area of national policy, and it happens to be one in which congressmen are especially interested in since congressmen stand for election, and forty per cent of campaign expenses represent broadcasting expenses.

Question: Commissioner, one of the reasons that is often given for this lack of direction, lack of action in the FCC is that it doesn't have enough money. How much relation do you think there is between the big political power of the broadcast industry and the small amount of money that Congress allots for the FCC?

Mr. JOHNSON. Well, I think, of course, there is a relationship, Irene, and yet I wouldn't want to say that the only solution to the problems of the FCC is more money. I think it's too pat, it's too simple, it's not responsive. The more major question is what would you do with the money if you had it? How wisely are you spending the money you have now? But I think anyone viewing the FCC's budget would conclude that it clearly could use, and use wisely, somewhat more than it now has.

Question: Commissioner, some people say that the FCC is obsolete. Do you think that a Department of Communications on the Cabinet level should be formed? Is it necessary for that? Can the Commission handle, as it has been handling—I don't think very well as you have said in many of the speeches. Do you think that a Department of Communications should be formed?

Mr. JOHNSON. Well, I would say only this: that none less than the President of the United States has recognized the relevance of the question you just asked. And in a really unprecedented message of August 14th sent to Congress a communications message calling for a complete re-evaluation and development of a national communications policy, establishing a Task Force, and directing to the Bureau of the Budget the responsibility for answering the very question you posed. Namely, "What is the most appropriate organization within government—regulatory commissions, executive branch agencies, staff within the Executive Office of the President—to deal with these extraordinary significant and sophisticated questions?" And one of the alternatives, presumably, that the Bureau of the Budget will be examining is the question of a Department of Communications, or giving an executive cabinet post that now exists the responsibility for communications along with its other responsibilities. How that comes out remains to be seen.

Question: To change the subject a little bit, why are you so strongly against the merging of the ABC and ITT and would this have anything to do with the merging of NBC and RCA?

Mr. JOHNSON. Because that case is now pending before the United States Court of Appeals, I think it would probably be wiser for me to rest with those opinions with which I was associated: a dissent in December of 1966 to the Commission's first action, and as one of three commissioners dissenting to the FCC's action on its second hearing.

Question: Mr. Johnson, what do you see as the purpose behind the FCC's "fairness doctrine?"

Mr. JOHNSON. It can be summarized as well as any in the word "fairness." I think we recognize, all of us here, that broadcasting is probably the most powerful social force in our society today. This is where we get our information, opinions, ideas, values, and so forth. There are a limited number of stations, a very limited number of networks. The monopolistic power or capacity to control thought is immense as a result of this, and with any such responsibility, or with any such power comes a responsibility, to see to it that all sides of views are fairly presented. This is again not to say that a given view must be presented. It is only to say that views must be presented fairly. If you hear one side you must present the other. It's about as fundamental a principle as we know in human life, and this is its embodiment and application in the field of broadcasting.

Question: Commissioner, wouldn't you say, though, that the "fairness doctrine" is in violation of the First Amendment in the Bill of Rights, because it seems to violate "freedom of the press?"

Mr. JOHNSON. Well, no, I would not say the "fairness doctrine" violates the First Amendment, but I would be curious to know why you think it has anything to do with "freedom of the press."

Question: Well, you are stopping them from doing exactly what they want to do. That seems to take away their power to print what they want or to say what they want over TV.

Mr. JOHNSON. No, not at all. The broadcaster is free to broadcast whatever message he wishes. And the only responsibility he bears is that having done so he must then offer to others—who have not been given by their government the right to a monopoly in the community for the expression of views by radio and television—he must give to others the opportunity to have their voices be heard as well.

Question: It seems that because of the handicaps that the "fairness doctrine" puts on a station, like extra paper work or having to donate free time that they don't have, that's not being paid for, out of fear of the FCC, it seems like the tenancy, the results of the "fairness doctrine," would be for all stations to more or less shy away from anything controversial, to refuse to carry programs which may have a controversial or personal attack, and in this way the end result, the logical projection, seems to be a watered-down, wishy-washy type of programming that you never really get into the controversial issues on.

Mr. JOHNSON. This is an argument. All I can cite is evidence to the contrary that operating under the "fairness doctrine" there are some station managements and producers who chose to do very controversial and stimulating programming and seem to find the "fairness doctrine" no inhibition.

Question: Some in fact do editorials and invite criticism, don't they?

Mr. JOHNSON. Right, right.

Question: Commissioner, what about the FCC's policy of the copyright bill for the CATV? Should the FCC apply that to the CATV, the House proposed bill?

Mr. JOHNSON. Well, this again is very involved and difficult to give a quick answer to. Cable television—just by way of background—is a means of bringing programming into the home over a cable rather than over the air. It is a technology. It is also an industry. There are companies that provide cable television service that are not in the broadcasting business. The cable operator gets his program off the air from the licensed broadcasters without paying for it. He then transmits it to viewers. This would amount to theft but for the fact that he who is stolen from is delighted to have the advertising and programming spread over a wider area. So in that sense he has not really been hurt. The FCC presently regulates by prohibiting the importation of signals into the top 100 markets. The alternative you are posing is legislation that has been suggested that the CATV operator simply pay for his programming, pay the copyright owner, and then be free to use it as he wishes. But the matter is now before Congress rather than the FCC, the copyright issue.

Question: That brings up the idea of pay television. Is that going to be an opponent of public television or is it going to be something else? I don't know.

Mr. JOHNSON. Well, so far its very definitely been something else. Indeed it's been almost nothing else. There has not been anything like a national network of pay television.

Question: Commissioner, can I change the subject just a little bit.

Mr. JOHNSON. You have.

Question: To the impact of television on the national scene. What weight do you put on the argument that TV sometimes makes news rather than reports it; to tie it in with the claim that television may have helped to spread the recent riots like in Detroit?

Mr. JOHNSON. Well, as I mentioned earlier, I think there is no question about the fact that it's impossible to talk about anything going on in our society today without talking about it in terms of its relationship to television. Television is that big, it's that powerful. Clearly, mass behavior, like a riot, must be thought about in terms of its interrelationship with television. What that relationship was, whether, in fact, those who operate the station have done anything wrong, is another question and Chairman Magnuson recently expressed the view, as a result of the committee's study, that he felt the broadcasters had an obligation to cover the news, and defending freedom of speech at time of attack is more difficult than in pleasant times, but that it was equally important.

Question: What impact does that create in other cities that see that, Commissioner? Does this create new ideas to people. You can't prevent that, can you?

Mr. JOHNSON. No, you can't. This is the argument, this is the responsibility, this is the problem, and this is the subject that has been and will continue to receive a considerable amount of study, I'm sure.

Question: Chairman, Commissioner, what do you think of regulations of TV commercials about alcohol, tobacco commercials, and things like this between the prime time and when children are watching TV, say between 3:00 P.M. and 10:00 P.M., as it has been proposed in Congress?

Mr. JOHNSON. At the present time, Sandy, we have a "fairness doctrine" ruling from the FCC that provides that a cigarette advertisement is dealing with "a controversial issue of public importance," within the language of the FCC regulation, and therefore the broadcaster must provide an equal opportunity for the expression of contrary views, namely those of the Surgeon General and the American Cancer Society, and so forth. The industry—if I may amply finish this question—does engage in self policing in this regard and at the present time it is as a result of the industry's own standards, imposed upon itself, that hard liquor for example is not advertised on radio and television, but at the present time the industry has not seen fit to apply this to cigarettes. The FCC does have the "fairness doctrine" decision in effect and Congress has, as you say, been talking about the prospect of banning tobacco, cigarette, advertisements.

Mr. GRANIK. They're all bubbling up there, Commissioner.

Question: What about the Cancer Society. They haven't taken the free time that's been offered them. Why? They have all the free time, the cigarette commercials are going on. Why haven't the Cancer Society come in—the stations have given them the free time, why haven't they taken it? Why?

Mr. JOHNSON. Well, you're more informed about this than I am.

Question: Sir, concerning another section of the "fairness doctrine" dealing with personal attack. Who has the standard universal definition of what personal attack is and who decides? If the person attacked can decide, couldn't he just sit back and wait until his name is mentioned and then say, "I was attacked," and then ask for his free time on radio?

Mr. JOHNSON. As a practical matter virtually all of the kinds of regulations we have been talking about is carried on by the broadcaster, it is a measure of self-regulation: the concept of "equal opportunity" during political campaign time, the concept of fairness; the administration of the personal attack rule, is in large measure left in the hands of the broadcasters. In the event of dispute it is taken to the FCC and all I can say is that it is resolved there the way the courts for hundreds of years have been resolving cases under the common law on a case by case basis doing the best they can.

Question: Well certain shows have been discontinued by stations on the basis that the station is afraid to tangle with its "fairness doctrine." Isn't that true?

Mr. JOHNSON. This would be an option open to the station, obviously, if what they're presenting is covered by the Communications Act and the FCC regulations, and would result in the station incurring a responsibility of putting on the other point of view, one option available to them is to simply cancel the program.

Question: Mr. Johnson, in the case of Shirley Temple Black, what if—and this is pretty hypothetical—but *if* she was elected to Congress, then what kind of ruling would the FCC put on her old movies, when she was five years old?

Mr. JOHNSON. Well, this is not as hypothetical as it may sound, and it came up in the case of the present Governor of California, who I understand was serving as a host on a television show that was running movies, and he simply made the decision during the course of the campaign to have someone fill in for him. Because this would be a showing of the candidate. But it is a peculiar wrinkle that comes about as a result of the movie stars in politics.

Question: Commissioner, in connection with political campaigning, there's a lot of talk about image in politics. Do you think television has played a part in making a man's physical image in a political campaign over important, of overemphasizing it?

Mr. JOHNSON. Oh, gee, that's very hard to say. It's a very visual medium, obviously. If people have always given some attention to physical appearance, presumably, in politics, in personal appearances, in newspaper photographs, campaign posters, and so forth, television to the extent that it is a force, has certainly exasperated it.

Question: Wasn't that important in California, the very election there to which you referred, Commissioner?

Mr. JOHNSON. Well, again I would say you know more than I do.

Question: Commissioner, to change the subject a little bit, and to project a little bit into the future, what do you think TV will be like ten years from now or say twenty years from now? Or hope it will be?

Mr. JOHNSON. Well, that's a stimulating question . I am hopeful that the Public Broadcasting Act will be passed this year and that twenty years from now that corporation will be providing strong and effective programming. I anticipate in terms of technological development a tremendous increase in the variety and diversity of programming available for a number of interrelated technological reasons: increase in UHF, the possibilities from satellites communication, the ease of entry into the networking business, cable television and the now increasingly cheaper video camera, the capacity to record television programs on a record and play them at home at your own convenience, like the LP record, the home video tape recorder and play-back machine.

Question: What about the domestic communications satellites? How are they going to set them up? And who is going to be able to send them up? Are they going to do it by contracts? Or how are they going to set it up, set up the safety procedures and things like that?

Mr. JOHNSON. Again, this is a question that is now before us. The FCC has a domestic satellite proceeding. Comsat has prepared that it be chosen to operate a plot project. The Ford Foundation has proposed as you know, probably, that we use domestic satellites as a source of revenue for educational broadcasting, and to provide free interconnection of the public broadcasting stations. This was a part of the President's message on Communications and is clearly one of the hottest series of issues open at this time.

Question: Commissioner, if the satellites were put up by private companies wouldn't regulation by the FCC constitute an infringement of private business by the government? If *they* put up the funds to put the satellites in orbit, wouldn't regulation by the FCC as to what should go through them, like educational television, constitute an infringement as to what they are able to broadcast by the government, and the government is setting up standards as to what may go through these satellites.

Mr. JOHNSON. Well, I would need to give you a number of answers. In the first place, there is a substantial public investment in the technology that made communication satellites possible, billions of dollars in the space program. So to refer to this as private investment is, I think, to overlook the most significant thing about the space program. It was not possible through private investment. It was *only* possible because of public investment. And the question now is what kind of return, if any, are the people going to get from this investment, and that was what led Friendly and Bundy to their "peoples dividend" concept.

Question: Well, isn't the concept really a marriage between the private sector and government: The selection of board members and so on and open to the public to purchase stock, and so forth?

Mr. Johnson. It is very much a blend, yes, of the present common carriers into a new entity with some public involvement and private investment in stock. You are quite right.

Question: Commissioner, you have criticized the FCC for not having some kind of central office or central agency to sort of take care of gathering in all these new scientific developments, and that the FCC relies heavily on industry research. Do you think this might pose the problem that the FCC could become an arm of the industry it is trying to regulate?

Mr. Johnson. Yes.

Question: Sir, what would be your solution to the problems which could result from announcing election results before the polls are closed on the West Coast during a presidential election?

Mr. Johnson. Well, this again is a public issue. As you know, the Congress has taken a great interest in it. It cuts both ways. One could become more stimulated to go out, or less, depending on his watching of television.

Question: I remember reading you said you were very interested in getting a center for research in the communications area, a place for storage of video tapes, and things like that. Has anything been *done* about such a research center? Are other people interested in this? Is the government interested in this?

Mr. Johnson. Yes, very much. I have been very heartened at the interest in the concept of a broadcasting library—for audio tapes and video tapes—the product of television which is one of the richest parts of our culture today, that is daily being thrown away and wasted. I think that's a great tragedy and I think more and more people are becoming concerned about that. So far as research programs are concerned, both the budgets of the FCC and the Director of Telecommunications management were increased this past year for that purpose and I am quite hopeful.

Question: Doesn't the Department of Defense have a library of sorts of its own pertaining to matters which it's interested in, that it has collected all the communications from all the different media about things that interest it and couldn't you guys perhaps get access to that library to use it?

Mr. Johnson. To my knowledge the Defense Department does not have a collection of radio and television products of the kind I've described.

Mr. Granik. I am sorry to interrupt. I know there are many more questions. There just isn't time. Thank you Commissioner Johnson for being our guest on "Youth Wants To Know." Our thanks to you, panel, for your most interesting questions, and to you, ladies and gentlemen, for being with us. Please join us again next week on "Youth Wants To Know," where, through the eyes of youth, we explore, we discover, we measure the important people, ideas and events of our time. And now this is Theodore Granik bidding you goodbye.

CONCLUSION OF MORNING BUSINESS

Mr. LONG of Louisiana. Mr. President, if there is no further morning business, I ask that morning business be concluded.

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The PRESIDENT pro tempore. The bill will be stated by title.

The Assistant Legislative Clerk. A bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate resumed the consideration of the bill.

Mr. LONG of Louisiana. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent, notwithstanding the previous order, that the Senator from Delaware [Mr. Williams] may be allowed to proceed for 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

JOURNALISM SOCIETY CRITICIZES ADMINISTRATION FOR DISTORTING FACTS

Mr. WILLIAMS of Delaware. Mr. President, in the Washington Evening Star of November 13, 1967, there appeared an article entitled "White House Distorts Facts, Newsmen Say."

This article refers to a report compiled by the Sigma Delta Chi, the 18,000-member professional journalism society, wherein the Johnson administration is criticized for "deliberately misleading the public, press, and the Congress through half-truths and through clever use of statistics that distort."

I ask unanimous consent that this article may be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

White House Distorts Facts, Newsmen Say

Chicago.—Sigma Delta Chi, the 18,000-member professional journalism society, has criticized the Johnson administration for "deliberately misleading the public, press and the Congress through flat lies, through half-truths and through clever use of statistics that distort."

The attack came in a report yesterday by the Society's national Freedom of Information Committee which accused some of the highest officials in the administration of "inaccurate and misleading statements that contradicted most of the fine words" President Johnson has spoken on freedom of information.

The report leveled some of its sharpest thrusts at the State Department, Department of Defense, National Aeronautics and Space Administration, and the President's news conferences.

The report, released in advance of the society's convention Wednesday in Minneapolis, said a continuing major problem is the President's refusal to conduct regular press conferences with "reasonable advance notice."

SNOW JOB ALLEGED

"His style of press conferences makes it impossible for any but the White House regulars (reporters) to be present, and it makes it unlikely that he will face any pattern of consistent hard questioning on any subject. He has it well organized for 'a White House snow job,' even though it is doubtful if he is as successful in accomplishing his purpose as he was a year or more ago."

The report accused the State Department of "misusing a claim of national security for purposes of hiding or obscuring the record."

The committee, which included Washington correspondents, questioned the State Department decision in conducting a "secret hearing" in the case of Otto F. Otepka, former chief security evaluator. He was accused of improperly leaking information to congressional committees.

The report said: "The Defense Department continues to be the Washington reporter's biggest single challenge." But the report praised the department for abolishing a 1962 rule requiring Pentagon officials to report all contacts with the press.

INACCURACIES CHARGED

The Pentagon continues, the report said, to "pour out inaccurate information on everything from the controversial TFX plane matter to the question whether there was joint chiefs disagreement over the conduct of the Vietnam war."

NASA was described in the report as "infamous for holding back a report which warned of shoddy work by private contractors building the Apollo space capsule, the one that killed three astronauts in a launching pad fire." It has changed little under pressure from the Freedom of Information Act, the report said.

The committee warned of "dangers inherent in the American Bar Association's efforts to restrict information on arrests, trials, and the whole criminal law enforcement area."

The report said the ABA's Fair Trial and Free Press Committee wants to forbid lawyers from releasing information on pending criminal cases, including prior records, existence of a confession and identity of witnesses.

OPEN BID SEEN

The SDC committee said this is "an open invitation for arbitrary actions by courts that are corrupt or blind to the necessity of avoiding undue restraints on information. . . ."

The Sigma Delta Chi committee was headed by Clark Mollenhoff, Washington correspondent of The Des Moines Register and Tribune and The Minneapolis Star and Tribune.

Vice chairmen are Murray Seeger of Newsweek magazine, Washington; L. L. Sisk of the San Diego (Calif.) Evening Tribune, William J. Small of CBS, Washington, and Alvin E. Austin, University of North Dakota.

GOVERNMENT GRANT FINANCES RESEARCH PROJECT ON "THE ACT OF CHEWING"

Mr. WILLIAMS of Delaware. Mr. President, in the October 23, 1967, issue of Sports Illustrated there appeared an article calling attention to a recent Government grant of $142,798 to finance a research project on "the act of chewing." I suppose their next project will be to teach them how to spit.

At a time when the Federal Government is operating with a deficit of approximately $2 billion per month, I most respectfully suggest that since the Department of Health, Education, and Welfare apparently has so much money to toss around, a more worthy project would be to initiate a study on the reactions of the American taxpayers when they get their annual bills to finance these screwball ideas.

I ask unanimous consent that the article on this research project may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CHEWING ON A BIG WAD

For three years dentists at Case-Western Reserve, a college in Cleveland, have been doing research for the U.S. Department of Health, Education and Welfare on the "act of chewing." The studies have been limited mostly to methods of correct chewing, but the researchers say they believe that chewing greatly aids athletes by reducing muscular tension and giving them a sense of well-being. Dr. Theodore Messerman, who heads the project, would like to test his theory that big-league chewing—that done by, say, the Twins' Ted Uhlaender or the Yankees' Steve Hamilton—is a "neurotic activity." But by the time the research has advanced that far the doctor's wad may be expended. The government allocated only $142,798 for the project. So far, $71,000 has been chewed up.

ADDRESS BY SENATOR KUCHEL BEFORE ANNUAL MEETING OF COUNTY SUPERVISORS ASSOCIATION, FRESNO, CALIF.

Mr. KUCHEL. Mr. President, on October 18, 1967, in Fresno, Calif., I was honored to speak before the annual meeting of the County Supervisors Association of California.

I ask unanimous consent that a partial text of my comments may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE PARADOX OF MODERN TECHNOLOGY

As we meet here today, two-thirds of the twentieth century has elapsed. The first sixty-seven years have brought great changes in man's way of life—changes which were barely perceptible on the horizon in 1900.

At the beginning of the century, H. G. Wells put his fertile imagination to work to guess what life would be like by the year 2000. He was successful in predicting the coming urban sprawl, the blight of central cities and the growth of our freeway systems, but he also foresaw efficient urban rapid transit systems which, regrettably, few of our communities have achieved. Of air transportation he said:

"I do not think it at all probable that aeronautics will ever come into play as a serious modification of transport and communication . . . Man is not, for example, an albatross, but a land biped, with a considerable disposition toward being made sick and giddy by unusual motions, and however he soars he must come to earth to live."

Wells viewed the world of the year 2000 without the knowledge which we have accumulated during the first two-thirds of the century. Today our vision of the future is obscured by two conflicting images of what lies in store for the human race. The mushroom-shaped cloud reminds us that man has developed the capacity to destroy mankind. The earth satellite, circling the globe, is a symbol of man's ability to solve the most difficult technical problems for the benefit of the human race.

In a simple world, we could pigeon-hole each new idea, good or bad, mushroom cloud or satellite. But the world of 1967 does not admit of those simple judgments. The weapons research which has brought us to a capability of complete obliteration bears the seed of unlimited peaceful bounty. It represents part of the paradox of this age. And America's great burst of industrial and technological creativity carries the latent potential to make our environment unifit for human habitation.

The whole melange of environmental problems—air pollution, water pollution, radiation, contamination, noise pollution, dangerous insecticides and pesticides, and urban blight—is with us as a stark reality.

The gravity of these threats to human life is amplified by the rate at which population is growing in the world.

In Latin America, for example, a million people die each year from starvation and malnutrition. That situation can only get worse, since by the end of this century Latin America will have, by estimate, one billion people.

There is a temptation to ignore any danger in crowding as long as we can produce enough food to feed our people and enough goods to sustain our economy. Yet, overpopulation can destroy the quality of human life.

Some scientists have studied field mouse population explosion to learn about the strains of overpopulation on a society. The end of a mouse outbreak is always abrupt. At the peak, food begins to run short and crowding leads to tension and fighting. Tension, food shortage, crowding, disease, fighting, cannibalism—all these appear and lead into the descending spiral, a rapid decline that ends in mass die-off.

The dangers of overpopulation will be increased by the extreme adaptability of the human race. Humans can become adapted to almost anything—polluted air, treeless hills, traffic jams, water shortages, or urban and suburban blight. But in one way or another, we have to pay later for the adjustment we make to undesirable conditions.

Even feeding the skyrocketing population may prove impossible. The spread of American cities eats up at least a million and a half acres of open land every year.

One hundred and fifty years ago California's population consisted of scattered Indian tribes and a handful of new settlers. The Indians have long since disappeared, and our population has grown to 20 million. By the end of this century we will need space for 50 million Californians. Dr. Maurice L. Peterson, Dean of Agriculture for the University of California, has said:

"Urbanization of prime farmland is one of the most serious problems facing us in agriculture. The population is increasing at a far more rapid rate than our ability to produce food, and farmers are being forced up into the hills where it costs more to produce. California produces 25 per cent of the nation's table food, 43 per cent of the fresh vegetables, 42 per cent of the nut and fruit crops, but conservative estimates show that half of California's farm cropland will go to housing and industry in the next 33 years."

What are the lethal by-products of modern technology which reveal a potential twenty-first century apocalypse?

The clear, fresh air which was America's heritage has long since disappeared from every major city in the country. The most tragic single air pollution incident occurred in Denora, Pennsylvania, in 1948. The community was blanketed for several days by a fog that gathered the chemical wastes of the tiny coal mining town. Half the population of the town fell ill, and 17 persons died.

The highly salubrious climate of the Los Angeles basin has always contained the meterological building blocks for severe air pollution problems. By the mid-40's increasing population, industrialization and automobiles brought on smarting eyes, coughing, and sore lungs. By 1980 the use of gasoline in the Los Angeles area will have increased fourfold since smog was first noticed around 1945.

More than a decade ago, I was privileged to be the author of the first legislation to bring the resources of the federal government to bear on air pollution research—the Air Pollution Control Act of 1955. More recently I have co-sponsored the Clean Air Act of 1963, and have urged a more active role for private industry in fighting the scourge of air pollution.

California, recognizing the danger of air pollution, mobilized its efforts years before other states. As a result, our state controls are the most advanced in the nation. The Senate, recognizing that fact, made a special exemption in the Air Quality Act of 1967 which it recently passed. The Senate exemption would preserve California state standards for the control of motor vehicle emission, rather than allowing the weaker federal standards to pre-empt the field. Although the exemption recognizing California's leadership was stricken by a House Committee, I believe we will be successful in retaining the exemption in the bill as it is finally enacted

In recent decades man has begun to burn the fossil fuels, coal, petroleum and natural gas, that were locked in sedimentary rocks over 500 million years, releasing vast quantities of carbon dioxide into the atmosphere. The best approximations are that by the year 2000 there will be 25 per cent more atmospheric carbon dioxide than was present during the nineteenth century. Scientists predict that the concentration of carbon dioxide will heat up the polar areas and cause the Antarctic icecap to melt. They say that in one thousand years sea level will rise 400 feet.

Other scientists are concerned that the increase of pollutants, other than carbon dioxide, which filter the sun's heat rather than creating a natural greenhouse, will cause the polar icecaps to expand, bringing on a second ice age.

As the hazards increase, the nation gropes for effective answers or solutions to meet the challenge of air pollution. Nothing short of an all-out exploitation of federal, state, local and private resources should be tolerated by the people whose lives and surroundings are at stake.

Recently, nine children in Washington County, Utah, were hospitalized to determine the cause of abnormal nodules in their thyroid glands. The tests were inconclusive, but as a grim reminder of the age in which we live, the doctors found that fifteen years earlier each of these children had been exposed to radioactive iodine produced on the nearby Nevada atomic test site.

In 1953 the Atomic Energy Commission predicted that fallout would be evenly distributed over the globe so that no area would receive an excessive amount. By 1958 we had learned that fallout levels in the north temperate zone were more than ten times higher than at the equator or the poles.

As our nuclear technology expands, so must our understanding of side effects. We may pay for our bad guesses for countless generations.

America is blessed with abundant water supplies, but our industrial and urban society has been built on the false asumption that our waters are bottomless pools into which waste can be dumped, much as we slip razor blades into the slot at the back of the medicine cabinet. Well, the space behind the slot is filled, as far as our nation's waters are concerned. We can no longer afford the luxury of using our waterways as a common waste receptacle.

Some thirty years ago chemical technology produced synthetic detergents which were much more efficient washing agents, especially in hard water, than soap. A multi-billion dollar detergent industry was founded without any adequate knowledge of the side effects of these detergents. But when Americans began to dump three billion pounds of detergent into our water each year, mounds of foam appeared in rivers and good stiff heads of foam formed on glasses of water.

Only then did we realize that the new detergents differed from soap in an important aspect. Soap is readily broken down by bacteria, but detergents are not. Fortunately, the worst is past. The industry developed new "biodegradable" detergents which are broken down by bacteria in modern urban sewage treatment plants. The detergent episode is a classic example of the failure of scientists to predict the effect of a seemingly beneficial change in our environment.

Over forty years ago, the City of Pomona saw that it was wasteful and wrong to use water only once, pollute it, then dispose of it. Imitating Mother Nature, the city built one of the first waste water reclamation units in the United States.

The local governments of the semi-arid southern part of our state have pioneered in the re-use of waste water. Many California cities and counties are now looking to reclaimed water as a major source of their future supply.

Since World War II and the advent of DDT, we have seen a revolution in the use of insecticides. But wholly unexpected side effects can often create problems worse than the one the substance was developed to cure. In one Bolivian town, DT sprayed to control malarial mosquitoes also killed most of the cats. With the cats gone, the town was invaded by wild mouse-like animals that carried black typhus. Before new cats were brought to restore the balance of nature, several hundred people were killed by the disease.

Last month, a news bulletin out of Tijuana told of thirty-four children dead from insecticide in their bread. Death and serious illness from insecticide poisoning are rare in the U.S., but everyone in this room has a measurable quantity of these substances in his body, accumulated mainly from contaminated food and water. It is estimated that twenty tons of DDT residue is contained in the bodies of the people of this country.

Noise itself can be a dangerous type of pollutant to our environment. Urban noise, for example, damages the hearing and degrades the quality of life in our cities. Jet noises are among the worst, and as we move on to the supersized and supersonic jets of the future, we must learn what the mental and physical cost will be for persons living near airports and under flight patterns.

In downtown Los Angeles, 66 per cent of the land is taken up by parking lots or streets. We are developing urban complexes so fast that one can travel a hundred miles or more before reaching open country. The leapfrogging, haphazard pattern of development hastens the process of spread.

The value of parks, lakes, streams and open green spaces is not wholly aesthetic. In many areas they modify the climate, purify or humidify the air, and maintain thermal control for the metropolitan area. It has been estimated that filling of the San Francisco Bay would raise the temperature of the Bay Area by five to ten degrees and blanket it with a thick layer of smog.

In 1965 I supported a program to make $235 million in open space grants available. This year the Senate Interior Committee has acted favorably on my bills for a Redwood National Park and the San Rafael Wilderness near Santa Barbara. But more such measures are needed to create a viable environment for tomorrow's Californians.

Overpopulation, water and resource shortages, and an environment made unfit for human life by man's own intrusions on nature might discourage us from moving on to the twenty-first century, were it not for the other image—the image of technology as the good provider.

My profession is legislating, and I am happy to leave the technological speculation to the experts. In a recent study, Herman Kahn and Anthony Werner listed one hundred innovations likely in the next thirty-three years. I read but a few:

"Lasers and masers for sensing, measuring, communicating, cutting, heating, welding, power transmission, illumination, destructive (defensive), and other purposes.

"New or improved super-performance fabrics (papers, fibers, and plastics).

"More reliable and longer-range weather forecasting.

"New sources of power for ground transportation (storage-battery, fuel-cell propulsion or support by electromagnetic fields, jet engine, turbine).

"Extensive and intensive world-wide use of high-altitude cameras for mapping, prospecting, census, land use, and geological investigations.

"Major reduction in hereditary and congenital defects.

"New or improved uses of the oceans (mining, extraction of minerals, controlled 'farming,' source of energy).

"Three-dimensional photography, illustrations, movies, and television.

"Some control of weather or climate.

"Human hibernation for relatively extensive periods (months to years).

"Capability to choose the sex of unborn children.

"General and substantial increase in life expectancy, postponement of aging, and limited rejuvenation.

"Permanent manned satellite and lunar installations—interplanetary travel.

"Permanent inhabited undersea installations and perhaps even colonies.

"Practical large-scale desalinization."

These things will not come about without the expenditure of money on basic research and development, and the federal government has moved boldly in the expenditure of research and development funds over the last two decades. In 1940 the federal government spent only $74 million in basic research and development. By 1966 that had multiplied two hundred times over to an expenditure in excess of $15 billion. Incidentally, over one-third of the total federal research and development dollar is spent in California. No state will play a greater role in shaping the technological future of this nation than the state we are honored to call our home.

The future holds dangers, but it also holds limitless promise. The first order of business is, I believe, a long, hard and thorough look at the federal executive effort to understand and cope with man's environment. The ad hoc creation of federal environmental programs has resulted in a crazy patchwork quilt, full of duplication and full of holes.

I count at least eighteen federal agencies having responsibility in the area of man's environment. There are seven agencies dealing with air pollution problems alone:

Environmental Science Services Administration, Environmental Health Services Centers, the Bureau of Mines, the Solid Waste Office, the Air Pollution Control Division, the Atomic Energy Commission, and, of all things, the Tennessee Valley Authority.

In water pollution, the Federal agencies abound. Thirteen have responsibility in the area:

Environmental Science Services Administration, Environmental Health Sciences Center, the Water Pollution Control Administration, the Bureau of Reclamation, the Army Corps of Engineers, the Soil Conservation Service, the Fish and Wildlife Service, the Bureau of Mines, the Atomic Energy Commission, the Agricultural Research Service, and TVA.

An executive reorganization to bring some semblance of rationality and order to these frentic, unguided and competitive efforts should be given top priority. Both political parties ought to make a pledge that it will be done.

If we delay too long, it will be more difficult to achieve earthbound institutional reform than to place a man on the moon. We will pay dearly if we do not face the need for fundamental reorganization of the federal effort in environmental control. The price we pay will be the continued degradation of man's surroundings.

Simultaneously, we should take a new look at the structure and organization of local governments. Local government in California has a distinguished history. In areas of education, health and labor legislation, California has provided a model for the nation. But, in most of our metropolitan areas, government is frozen in outmoded patterns. The metropolis is one housing market, one transportation grid, one labor market. It is covered by one sky. But the core city represents only a minority of the total population. As population growth has spilled over into the suburbs, environmental problems which transcend the historical political boundaries have become unmanageable.

Efforts to bring about reform lie on your shoulders. It is a difficult task, for the existing local governmental structure is built on many sound reasons and a century of history. Reform will not come overnight, but it must be pursued in all areas where a population sprawl has outrun the boundaries of the original core city. If the challenge is not met, I fear that the federal government will step into the void and force federal solutions to many essentially local problems.

There must be an increased emphasis in government at all levels, and in the private sector, on domestic utilization of technology developed for military or space applications.

Our research today is primarily devoted to improving our defense and space capability. The technological innovations derived in work on weapons and space research might remain an unlocked treasure, unless we pursue systematic and energetic efforts to turn them to the benefit of all mankind.

This is especially important in California. Within the past decade a decline in aircraft manufacturing grievously damaged one of our large southern counties. Between 1958 and 1965, aerospace employment there dropped from 80 per cent to 64 per cent of the area's total manufacturing employment.

Space related activities at Vandenberg Air Force Base, on the other hand, have increased. During the same period, the proportion of manufacturing employment in the Santa Barbara area involved in the aerospace industry rose from 30 per cent to 60 per cent. The vagaries of defense and aerospace contracts, and their adverse impact on the economy, would be considerably lightened by successful efforts to turn technology to beneficial domestic uses. An idea turned to domestic use can sustain employment while defense contracts come and go.

Finally, programs which promise to benefit people should be emphasized. In my view, two federal programs deserve the highest priority. The first, a cooperative program of NASA and the Interior, Agriculture and Navy Departments involves earth resource surveys from space. The other is the desalination of the waters of the ocean.

By using remote sensing devices, such as cameras, radar, and other instrumentation, in airplanes and ultimately in orbiting satellites, vast quantities of new information for the good of mankind can be derived. A satellite circling the globe can inventory crop species, locate insect and disease infestation and pinpoint storms and fires. It can tell the density of snow-pack in the mountains, and is able to predict floods and water supply.

Space photography can be used by cartographers to map the surface of the earth and the bottom of the ocean with greater precision than has ever been possible before. From space, geologists can discover features of the earth's surface never before detectable. Instruments in the satellite can pinpoint water pollution, petroleum, minerals and subsurface water.

The information available from satellites will revolutionize the fishing industry. Wherever they may be in the oceans, large schools of fish will be detectable. Volcanic eruptions can even be predicted.

With the vast and seemingly limitless potential of this program, it is, nonetheless, a poor stepchild of our nation's space efforts. Despite the huge NASA budget, the earth resources project has never been adequately funded. The potential of an earth resources satellite is so great that it should no longer be shunted aside. While we are putting a man on the moon and sending spacecraft far beyond into outer space, NASA ought also to utilize what we have already learned to unlock some of the unknown potential of the earth on which we live.

Desalination of sea water is another program which must be pursued aggressively. I have been privileged to co-sponsor every piece of legislation on desalination which has passed through the Senate in my years in that body. Just this year, my bill to authorize federal participation in a massive desalination project off the coast of my home County of Orange was enacted.

In this effort, the Metropolitan Water District of Southern California, which has one-half the population of our state within its service area, has joined a unique partnership of local, private and public utilities, and the federal government to build the world's largest sea water conversion plant. The plant will be built on a man-made 43-acre island and will produce 150 million gallons of fresh water each day, enough to supply the domestic needs of a city the size of San Francisco, and 1,800 megawatts of power, enough to supply the domestic needs of two million people.

This summer, former President Eisenhower and his Atomic Energy Commission Chairman, Admiral Lewis L. Strauss, proposed a daring new approach to bring water to the Middle East. The Eisenhower proposal would locate three massive dual-purpose nuclear powered desalting and electric power generating plants in the Middle East. Two plants would be located on the Mediterranean coast of Israel, the other at the northern end of the Gulf of Aqaba in Jordan or Israel.

The first stage of the bold Eisenhower proposal will be a 450 million gallon per day plant three times the size of the recently authorized California plant. This first plant would produce electric power far in excess of the present needs of the Middle Eastern deserts, but industry and prosperity would quickly follow the availability of abundant water and power.

The Senate Foreign Relations Committee has pending before it a resolution to put the Eisenhower plan into action. It was introduced by Senator Baker of Tennessee and co-sponsored by dozens of Senators, including myself.

The ability to talk seriously about the possibility of economically feasible large-scale desalination is based on fifteen years of federal research. But we have not arrived. We merely are at a point where we predict that substantial quantities of fresh water can be produced cheaply enough to be used for municipal purpose. We have not yet produced large amounts of cheap desalted water. Aggressive support of the federal desalting program now is vital to peace and the well-being of the world in the year 2000.

Soon it will be too late to cope with the choking and crowding that is becoming our very environment. Indeed, for those who have died from polluted air and contaminated water, it is already too late. We have to get out ahead of our technology, or technology and the debris it leaves behind will reduce mankind to a pitiful nothingness. We must create new human institutions to cope with our environment. We must make better use of the institutions we have. Failing that, we leave a sorry legacy for the coming twenty-first century.

ORDER OF BUSINESS

The PRESIDING OFFICER (Mr. BARTLETT in the chair). Under the order entered on Thursday, the Senator from West Virginia [Mr. RANDOLPH] is recognized for 20 minutes.

WHAT ARE CONSEQUENCES OF ALLOWING ARMED AGGRESSION TO SUCCEED?—PEACE CANNOT BE "NEGOTIATED" BY ONE SIDE ALONE, SENATOR RANDOLPH POINTS OUT—SEES NEED TO ASCERTAIN WHERE WE MIGHT FIND OURSELVES IF WE FOLLOW PRECEDENTS ESTABLISHED BY POLICIES OF THE PAST—RECOMMENDS CAREFUL STUDY OF SENATOR SYMINGTON'S POSITION PAPER ON VIETNAM—MONITOR EDITOR IS QUOTED

Mr. RANDOLPH. Mr. President, until now I have not spoken in the Senate Chamber on the subject of America's commitment in Vietnam. But this afternoon I shall reopen the subject, hopefully make certain statements on an interchange-of-thought basis in the interest of stimulating a sense of proportions and reevaluations as the conflict of arms continues in Southeast Asia.

Mr. President, I wish to express my personal and official appreciation to the Members of this body, regardless of whether they have been Republican or Democrat, who have expressed their views and convictions on our country's involvement in Southeast Asia. This is a subject which is fraught with considerable differences of opinion and of approach and, yes, of understanding.

Mr. President, I ask some questions: First, What would be the consequence of allowing armed aggression against South Vietnam to succeed? Second, What would follow? And a third question: What kind of world are we prepared to live in 5 months or 5 years from now or beyond?

The President of the United States has asked essentially these questions that I have posed, and he asked them in San Antonio, Tex., in September of this year. The questions then, as I repeat them, perhaps in paraphrase, are pertinent; they are pertinent not only for the consideration of the Members of this body and the Congress as a whole, but they are pertinent for the people of the United States of America, and the citizenry of the free world.

I have indicated that my questions are not new. I do not wish to rise as someone who can bring something peculiarly creative to this subject. However, I think the President of the United States, in raising these questions during a period of approximately 3 years, has focused attention on and perhaps has stimulated answers. They may be debated as to pertinence and validity, but they are in the record, and this is helpful.

We should realize that not only President Johnson has posed these questions but, also, these are inquiries which, in one form or another were made by other American Presidents—in 1950, in 1941, and in 1917. Every time our Nation has faced a vital decision involving armed conflict with aggressors, our leaders have had to think in similar terms and ask such questions.

We should review what our Chief Executive has said:

> We cherish freedom—yes. We cherish self-determination for all people—yes, but the key to all we have done is really our own security. Those who tell us now that we should abandon our commitment, that securing South Viet-Nam from armed domination is not worth the price we are paying, must also answer this question: What would be the consequence of letting armed aggression against South Viet-Nam succeed?

The President asked that question. I repeat it in different language today.

The President continued:

> What would follow in the time ahead? What kind of world are they prepared to live in 5 months or 5 years from tonight?

Perhaps too often we have attempted to avoid or forget or ignore or postpone these questions, but they remain omnipresent. We remember the events of the late 1930's. I remind Senators, however, that we waited until 1941 to provide the answer from the United States.

I think that the President of this Republic gave cogent answers to pertinent questions when, in that same San Antonio speech, he said:

> I cannot tell you as your President—with certainty—that a Communist conquest of South Vietnam would be followed by a Communist conquest of Southeast Asia. But I do know there are North Vietnam troops in Laos. I do know that there are North Vietnamese trained guerrillas in northeast Thailand. I do know that there are Communist-supported guerrilla forces operating in Burma. And a Communist coup was barely avoided in Indonesia.—

And then he added something which is very important, when he said of Indonesia—

> the fifth largest nation in the world.

Again, the question is implicit: What are the consequences of allowing armed aggression to succeed? What would follow?

I speak quietly, but I speak strongly, as I repeat: What would follow in the years ahead?

I have been reading the remarks of Assistant Secretary of State Bundy recently, and he had a very thought-provoking comment. His discussion centered around the "Path to Vietnam," and he reasoned:

> Vietnam still constitutes a major, perhaps even a decisive test case of whether the Communist strategy of "wars of national liberation" or "people's wars" could be met and countered even in the extraordinarily difficult circumstances of South Vietnam. Then as now, it has been, I think, rightly judged that a success for Hanoi in South Vietnam could only encourage the further use of this technique by Hanoi, and ultimately, by the Communist Chinese, and might well have the effect of drawing the Soviets into competition with Peking and Hanoi and away from otherwise promising trends that have developed in Soviet policy in the past ten years.

So, as I read and reread what Assistant Secretary Bundy was saying, the question continues to arise; namely, What are the consequences of permitting armed aggression to succeed in this constantly shrinking world in which we live?

Today, Mr. President, there is no longer much time or distance on this earth where we work and have our being. Time and distance are gone in terms of what we knew them to be in the past.

We used to ask: Because it was so far away, what is our interest? Mr. President, because Southeast Asia is so close to us, it is our concern.

Mr. President, what is the pulling power, the urge, that caused nearly 1 million North Vietnamese to turn their backs on a government and literally pile belongings on their shoulders and move from the familiar north to the unknown south in order to escape a system which was neither desired by them nor was it their choice?

I think we are inclined to forget that there were 1 million North Vietnamese who moved—not reluctantly but moved of their own free will away from the straitjacketing of communism, in whatever name it is dressed—away from their familiar north and moved into the unknown south to escape a system which was not desired. We forget this fact, but it is a fact and it is a documented fact; yet, in so much of the debate and discussion on this subject, it has been overlooked.

Well, let us consider conditions as they existed there in 1954. Let us think about those North Vietnamese people who moved. Those were the people who were most militantly opposed to the Communist regime. We do not hear much about that. These people who fled from North Vietnam, I point out, Mr. President, voted with their feet—not with their ballots—as they walked out of North Vietnam, their familiar land, into the unknown area of the south. And so they voted with their feet against the domination of communism—make no mistake about it—because they sought to escape this insidious grip.

We do not hear so much about this. Yet I speak of it this afternoon.

There were those who remained behind. We know that. We find a different result and a different story. So let us go to that. I say to the acting majority leader, my colleague from West Virginia [Mr. BYRD], who is very gracious to listen to my remarks this afternoon, and I say to the Members of this body and this Congress and the people of this country, I am thinking also of those persons who remained.

Was it all sweetness and light for these people? No. There were repressions—and I use that word advisedly—after 1954. What happened in 1955 and 1956? Nearly 50,000 political opponents of the tentacles of communism were killed. We do not hear very much about that. This is what happened to many of the people who stayed home in North Vietnam and in that number.

Consider the situation of the South Vietnamese people who had rejected this regime 13 years. What might happen? Perhaps no person has the exact answer. It must lie in conjecture. What would follow in South Vietnam if the North Vietnamese and the Vietcong capture the south?

The PRESIDING OFFICER (Mr. BREWSTER in the chair). The Senator's 20 minutes have expired.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the senior Senator from West Virginia may continue to address the Senate for a period of 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RANDOLPH. I thank my colleague. Mr. President, I repeat, let us tell the truth about what took place in South Vietnam. The facts have been verified. I just take one village.

On April 15, 1967, the village of Soui Chanh in Long Khanh Province was overrun in a midnight attack. The relief force found six dead civilians. Of these, five were revolutionary development team workers. They had been tied to poles and shot through their heads. The sixth person was burned beyond recognition. Village elections, Members of the Senate, had been scheduled for the following day.

I now quote the President again:

> It has been said that the Vietcong killed more civilians in 4 weeks trying to keep them from voting before elections than our bombers have killed in the big cities of North Vietnam in bombing military targets.

Many of the people in the western area of Pleiku Province in the Vietnamese highlands left their homes and land, their customs and their cultures, their traditions which they valued very much, and became refugees.

Mr. President, the records prove that they did so to escape control by the Vietcong. That is the reason. They were not interested in travel. They wanted to stay where they had their customs and culture and traditions and land. They did not want to take a trip. They were impelled, as I have indicated here, to escape Communist domination.

As I said, many of the people in the western area of Pleiku Province in the Vietnamese highlands left their homes and lands and traditions and became refugees. Records prove they did so to escape control by the Vietcong. The mountain people of Tuyen Duc Province to Pleiku's south abandoned their tribal lands and clustered, literally huddled together, close to the city. They, too, needed, as did these other people I have mentioned, to escape serving as involuntary laborers and bearers for the Vietcong.

Now, Mr. President, we should consider the question: What kind of a trust must we inspire in the people with whom we share treaty commitments? I remind my colleagues that we do share these commitments. The President of the Philippines, the Foreign Minister of Thailand, the Prime Minister of Australia, the President of Korea, the Prime Ministers of Malaysia, New Zealand, and Singapore have spoken to our commitment. It is a matter of public record.

President Park, of Korea, believes he was justified, as he said, in dispatching troops to Vietnam because any aggression against the Republic of Vietnam represented a direct and grave menace to the security and peace of a free Asia, and therefore directly jeopardized "the very security and freedom," as he said, "of our own people."

I pause for a moment to think of a departed President of this country, John F. Kennedy. There are some who prefer not to refer to it, but he made a decision in 1962, I remind Senators, concerning our commitment in Southeast Asia. I invite my colleagues to recall with me and listen to his words:

> For us to withdraw from that effort—

I remind you, ladies and gentlemen, he did not say "a small effort." He did not say a "medium-sized effort." He did not say "a large effort."

He said:

> For us to withdraw from that effort would mean a collapse, not only of South Vietnam, but Southeast Asia.

These were the words of John F. Kennedy. He added:

> So we are going to stay there.

That was not President Johnson speaking. That was the former President, John Kennedy, who uttered those words.

Some persons said Europe was close to us, Mr. President, and because Europe was close to us, it was necessary to the security of the United States that we join in defending Europe; and we did act, in 1941, as I earlier stated.

We call it "the Far East"—and I think the very name is misleading, because it is only a matter of hours away; though people continue to think of it in terms of being thousands of miles from where we stand. Since I have had an intense interest in the development of aviation in this country and throughout the world, I shall return, for a moment, to 1941. At that time we had an airplane called the DC-4. It was the best we had in 1941. It could fly to Europe by way of Gander in Newfoundland and Prestwick in Scotland in a period of approximately 24 hours' flying time. I have traveled that route on many occasions.

I remind Senators that is approximately the same length of flying time it now takes a Boeing 707 to complete a flight from the United States to Vietnam, by way of Guam. It is true, as I emphasized earlier, that aircraft and missiles have vastly lessened time and distance.

I say to the Senator from Kansas [Mr. Carlson] that his State is as close to South Vietnam today as it was to Europe in 1941. And that is readily understandable, when one compares the type of plane we had then, the DC-4, with that which we have now, the Boeing 707.

Mr. President, we must not fail to recognize these facts, because they are facts. Security is, in large measure, a question of the range and the speed of aircraft—and of course, in 1967, of the latest missile.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. RANDOLPH. I do yield to my colleague from West Virginia.

Mr. BYRD of West Virginia. I hesitate to interrupt the Senator's very interesting theme, but, in connection with the statement he has just made, I recall that when I was a boy in high school, there was a book, which was required reading, entitled "Around the World in Eighty Days."

Mr. RANDOLPH. Yes.

Mr. BYRD of West Virginia. Today, man is circling the globe in 80 minutes.

I think my colleague is making a very fine thoughtful and meaningful statement today. He is emphasizing the sacrifices that are made and have been made by those North Vietnamese who have indeed voted with their feet, in leaving an area that is under the control of the Communists to seek freedom and liberty in South Vietnam. This is a point that is too often overlooked.

The Senator is also emphasizing the very important fact that although South Vietnam may be thousands of miles away in terms of distance, in terms of time it is only hours away, and that whatever happens in South Vietnam affects people in our own country, and certainly will affect future generations everywhere.

I congratulate my colleague upon his very succinct and cogent presentation of the matter which I think is uppermost in the minds of the peoples of the world today, and certainly in the minds of our fellow Americans.

Mr. RANDOLPH. Mr. President, I am grateful for the comment of my colleague from West Virginia. I suspect there was a time when he traveled from Charleston, our State capital, to his little community of Sophia, hidden, as it were, in the hills of Raleigh County, and it would take much longer to travel that distance of perhaps 35 or 40 miles, when he was a boy and young man, than it would now take to travel from Sophia to New York City, just to make a comparison.

Mr. BYRD of West Virginia. Or from New York City to London.

Mr. RANDOLPH. Or from New York City to London, indeed. So time and distance, as we once considered them, are lesser barriers, and, indeed, not the safety factors we knew them to be in earlier times.

I do not wish to be overly repetitive, but, speaking of the people of North Vietnam, I have reminded my fellow Senators, men whom I esteem, that at least 1 million of those people voted with their feet. They traveled out of North Vietnam. This is probably the most dramatic type of balloting ever known—to move away from the communism with which they were unable to cope in North Vietnam. Of those who stayed behind and sought to hold the line, at least 50,000 were murdered. So, South Vietnam did not spring up overnight. The problems there have not come about except as the problems have come to the people of the world through the years.

The PRESIDING OFFICER. The additional time of the Senator has expired.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the senior Senator from West Virginia may proceed for an additional 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. RANDOLPH. I yield.

Mr. LONG of Louisiana. Mr. President, I commend the Senator for the very eloquent and excellent address he has made on this subject. I feel very strongly that the facts he has brought before the Senate very much highlight what the problems are and the direction in which we should proceed.

Mr. RANDOLPH. Mr. President, I appreciate the feelings expressed by the assistant majority leader.

I have restated some of the questions asked by the President, a President who carries very heavy burdens on his shoulders in these hours. I have tried not only to ask some of these questions and attempted to answer them, but I have also asked some questions of my own. I have tried to provide some answers, as I see the answers to those questions as a Member of the U.S. Senate.

So, I thank the junior Senator from Louisiana very much for the comments he made.

Many times I have asked myself what the consequences would be of not halting or attempting to halt armed aggression in South Vietnam. None of us knows. I am not a clairvoyant, and no other person can say with certainty. But I do think that we learn by history, and we learn by experience and we learn by the considered judgment of people who have been faced with this problem in nations that believe in freedom and justice, as does the United States.

Our President has said that we shall stand firm in Vietnam. Time will have to answer whether this is the wisest policy and the correct decision. Meanwhile, we must know that when and where there are two or more antagonists—as the Communist participants versus the United States and our allies in Vietnam—peace cannot be negotiated by one party alone. One side can withdraw in abject surrender or withdraw to regroup and fight again another day. But such an action would not be a guarantee of peace.

So, until the Communist side agrees to come to the conference table and negotiate with the United States and the new Government of South Vietnam, or until the United Nations—and I think it is tragic that the United Nations has shown such incompetency in this area—takes forthright action on the Southeast Asian problem, there is just one course to follow.

We must support our men and we must support our huge investments and, with our allies, protect them and ourselves against Communist aggression in South Vietnam.

Mr. President, I have very little patience with those who speak about the lack of sincerity on the part of the United States to negotiate peace. But, Mr. President, while awaiting the hopeful day when there will come sincere negotiations for peace—whether through actions by and within the United Nations, or through direct negotiations between the Communist forces and our non-Communist side—it is our duty to make evaluations of the nature and in the depth which I think has been demonstrated by our colleague, the senior Senator from Missouri [Mr. Symington].

He has prepared and disseminated a very thought-provoking memorandum.

His memorandum, position, and statement grows out of tours he has made to Vietnam and many other sensitive areas, especially in 1965 and 1967.

I think as one Senator, I should look at that memorandum and study it, not once, but numerous times. And that is what I have been doing. It demonstrates the viewpoint of a knowledgeable Senator, one who understands foreign affairs and military security subjects.

The Senator from Missouri has certain reservations, and I want to give very careful attention to this.

For that reason, I ask unanimous consent—since I think that perhaps it has been overlooked to a degree, although it has been quoted—to have printed at this point in the Record the memorandum containing the analysis and statement of position by the distinguished Senator from Missouri [Mr. Symington].

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Memorandum: Position on Vietnam (1965-67, Inclusive)

(By Hon. Stuart Symington)

Some people have asked, "Why have you changed your position on Vietnam?" even "Why have you reversed your position?" Apparently they are not aware of my thinking, as on the record, with respect to this matter over recent years.

Upon returning from Vietnam, the Middle East and Europe in January 1966, I said that developments out there were serious; I emphasized that we should either "move forward or move out."

In May 1966, upon returning from Europe, I emphasized in my report to the Congress that we were over-extended, politically, militarily and economically, all over the world.

In January 1967, after a trip to Vietnam, the Middle East, and Europe, I stated: (1) I was much more inclined towards moving out than I had been the previous year, and (2) a situation was developing in the Middle East to the point where hostilities were only a matter of time. The chief reason for this latter thinking was the heavy amount of war materials that were being delivered to the the Arab countries by the Soviets. (The Egyptian Air Force that was destroyed by Israel last June in three hours was far larger in quantity and better in quality than the combined Air Forces of North Vietnam and Red China.)

The Prime Minister of Israel has stated

in the press only this week that 80% of the war materials destroyed in the Arab countries of Egypt, Syria, Jordan and Iraq has now been replaced by the Soviets. That percentage effort has been roughly confirmed to me informally by members of the State Department.

In summary fashion are listed herewith advantages and disadvantages with respect to this Vietnamese war.

ADVANTAGES

1. Military success in the Second, Third and Fourth Corps, i.e., the Highlands, Saigon area, and the Delta. Partial success in I Corps, where current North Vietnamese are so heavily concentrated just north of the DMZ.

2. Increase of Australian troops to 6300, with talk of some 1700 additional on way.

3. Recent permission to hit more meaningful military targets in North Vietnam, granted early last August.

4. Additional grants for use of sea power. This development will not actually begin, however, for about another year.

POSITIONS MAINTAINED

Political Leadership—Able high echelon diplomatic representation. Example, Ambassador Bunker, capable and wise.

Military Leadership—Westmoreland and Sharp continue to lead superbly their people, who still have high morale. In this connection, however, it is only fair to note that, for various reasons, i.e., (1) unprecedented restrictive regulations on the war, (2) division in this country re the war, (3) differences in Congress re same, and (4) basic differences between civilian Pentagon leadership and military as to how war should be fought, there has resulted growing frustration in the field. If this continues, it can only affect morale. The edges are becoming evident.

DISADVANTAGES

Political Disadvantages—1. There is increasing negativism, in all countries, with respect to the reasons why we believe it necessary to be in Vietnam, also about our operations out there in general. This is well illustrated in the recent position taken by the *London Sunday Times,* normally staunch United States supporter.

This situation is growing, not only because of the nature, but also because of the degree, of our commitment in Vietnam. From a political as well as military standpoint, it is felt that the United States is so tied down in Vietnam it could be difficult for us to honor various other commitments in case (1) another confrontation somewhere else developed, or (2) hostilities actually broke out. (Example of latter the Middle East where, during the recent Israel-Arab hostilities, scores of additional foreign warships were in the Mediterranean).

2. Part of the growing unfavorable political aspect is contained in the so-called "Pacification" program in Vietnam, now, in effect, under the control of the Military (the dynamic Komer reporting to Westmoreland). This pacification program is having difficulties. (Dayan opinion, Dayan quotes.)

3. Increasing disillusionment to the point of bitterness, even at times hostility, of the South Vietnamese people, towards the people of the United States. Large numbers of their homes and crops have been destroyed, many of the people therefore are herded as refugees into little better than warehouse barracks, in various parts of South Vietnam. This is necessary to protect them from the Viet Cong.

For these and other reasons, in many parts of South Vietnam our position with the South Vietnamese populace is not improving.

4. Perhaps most important of all is the lack of stability, lack of any true concept of "nationhood" in the South Vietnamese Government. Upon returning from Vietnam last January, I stated that the Ky Government (now the Thieu-Ky Government) did not, in my opinion, represent a majority of the people of South Vietnam. For this I was criticized by some, but in the recent elections, the Thieu-Ky ticket actually received only 34.8% of the vote.

Military disadvantages

1. First and foremost in the military picture has been the unprecedented application of what would now appear the questionable military theory of "gradualism," a refusal to recognize that, even in a limited war, once a decision to fight with heavy quantities of troops has been made, it is important to knock out, at the source, the increasingly sophisticated weaponry being supplied the enemy; instead of waiting until said weaponry is either in place, or close to in place over the Ho Chi Minh and Sihanouk Trails.

Whereas the policy of air attacks over North Vietnam has been changed in recent weeks, in that additional meaningful military targets have been authorized to be hit in North Vietnam, there are still many restrictions (example, an important military airfield, the one that has long been bothering our pilots most, has never been struck, despite the pilots pleading this be done for nearly two years. Such continued refusal can only affect morale.)

In addition, the weather, because of the northern monsoon, will now be bad for some six months; therefore, even if more of the present restrictions are lifted, it will be more difficult to accomplish successfully any missions over North Vietnam.

2. When targets have been authorized, in order to keep civilian casualties to a minimum, our pilots have been restricted with instructions as to exactly how to attack said targets to the point where these instructions (1) increased the danger to their own lives, and (2) decreased their chances of performing their mission successfully. This has not helped morale.

3. Partially political, partially military operations have been badly hindered because of the sanctuary given by Cambodia, ground sanctuary as well as air.

Not long ago some were maintaining that Cambodia was not being used by the North Vietnamese. Today, however, the headquarters of various North Vietnamese units in Cambodia are listed as a routine matter.

This sanctuary aspect not only extends into Cambodia, and to some degree in Laos, but also into North Vietnam, because the primary reason Marines today stay crouched behind sandbags at Conthien, constantly taking their heavy casualties, is because they are not allowed to cross the DMZ into North Vietnam so as to take out the mortar positions which have been killing them. (This is not a recommendation for invasion, rather a statement of fact.)

4. Open as well as executive testimony before various Senate Committees has been emphatic in asserting that previous bombing pauses have resulted in additional American casualties (photographs of the activities of the North Vietnamese over the Tet holiday are convincing on this point).

5. The new, so-called "Maginot" Line, just south of the DMZ has little military support, especially from the standpoint of cost effectiveness.

One-third of this proposed Line is not really a line at all, merely a normal defense in depth. The rest of the extension is theory, actually a broad interpretation of the "enclave" concept.

They believe it comparable to certain weaponry that has gone into the Vietnam theater, and which has been described as follows: "This damn thing is a research engineer's dream, and has nearly cost me my life twice; and will never be used again by me or my men."

6. Military problems are by no means confined to North Vietnam, or even around the DMZ. In all of the four Corps areas in South Vietnam more troops are considered necessary.

In summary, major problems incident to the military would seem to come under two broad categories: (1) unprecedented restrictive rules and regulations with respect to military operations; and (2) possibly because this major war has never been declared a war, with nobody in this country giving up anything except those giving up everything there is some justification for considering the application of our force as "Too little and too late."

Economic negatives

1. It is now estimated this war is costing between $2 and $2½ billion per month (some say that if the true costs were developed it would be higher); and despite all our pride in our steadily growing Gross National Product, the financial position of this country, specifically its fiscal and monetary problems, are growing rapidly, to the point where runaway inflation is becoming steadily more of a danger. Anyone who doubts this should talk to people in Europe, where most of the heavy gold balances against us are owned.

Other countries note the continuing cannibalization of our material and personnel, all over the world; and their political apprehension at this development can only increase their skepticism with respect to our economic plans to control our national finances.

They view a United States military consisting of hundreds upon hundreds of thousands of people, which was originally scheduled to stay in Europe for a maximum of 18 months, now there for over a quarter of a century; also the large army of occupation that has been in Korea for over 17 years; and the fact we have had tens of thousands of people—91,000 as of now—in Japan for over a quarter of a century, even though we are supposed to be largely out of Japan. They note also that we are making certain countries steadily more prosperous as a result of our war effort, even though we receive from these countries little or no assistance in return.

2. Despite the some $100 billion we have put into Europe in effort to get that part of the world back on its feet, these countries, who now control so much of the financial destiny of the United States, express their complete disagreement with our Vietnam policy in practical fashion by contributing little if anything to our efforts in this war, and often attacking our participation.

The economic situation does not only extend to the United States, however. It is also vital with respect to the future of South Vietnam and its relatively unstable government. At least as disillusioning as any other aspect is the tremendous amount of corruption in South Vietnam; with often the frank admission that no one knows how to stop it. It is no secret that so many South Vietnamese are becoming prosperous off the billions of dollars the United States is putting into their country it is difficult to obtain proper civilians for Government service.

One can well imagine the reaction of an American G.I. who goes down the street and sees, as we have, materials such as modern Army boots, short in the field and needed badly, for sale openly in the stalls of the black markets of Saigon.

Able representatives of the United States have tried hard to head off inflation in Vietnam, primarily by demanding the South Vietnam Government take all necessary measures to this end, but, because of the gigantic amount of money—currently tens of millions of dollars a day—penetrating what was, until recently, an old-fashioned Oriental country, it would appear that our best efforts to this end, over the long pull, can only be a losing battle.

The Vietnam involvement is expensive in prestige, in military posture, in growing cost. and above all, in the taking of the lives of so many of the best of our youth.

Some now believe that the United States has comparable world leadership in the 20th Century to that of the British in the 19th Century. (Pax Americana as against Pax Britannica.)

There are two major differences, however: (1) The British maintained their world empire primarily for profit, and (2) the British were careful to lay their plans on the basis of utilizing in the main foreign mercenaries.

In summary, one asks, what is the definition of "success" in this war, especially in its relation to our some forty other commitments to other countries. Regardless, South Vietnam, is but one square on the checker board of our commitments to these other nations.

Advocates of the proposed new Maginot Line, and advocates of the so-called "enclave" theory—forts of the white man on the Asian mainland—should ask themselves whether, at least subconsciously, they are laying plans to stay in Vietnam permanently, plans comparable to the ones laid previously which have resulted in our staying so long in many other countries.

If this be our policy, recognizing the gigantic amount of money required to hold together the basic fabric of our society at home—education, mounting problems of the cities, unemployment, proper care of our own elderly and sick, control of water and air pollution, development of all our resources so as to maintain adequate standards for our rapidly growing population—where is the money coming from?

It is for these reasons that I have become increasingly apprehensive about the plans, programs and purposes incident to the conduct of the Vietnam war.

Mr. RANDOLPH. Mr. President, two editorials in recent editions of the Christian Science Monitor are thoroughly pertinent to this discussion. I shall comment and quote portions of them.

The Monitor editor pointed out that, over the months, that newspaper has both agreed and disagreed with portions of the protest made against present American policy in Southeast Asia.

The editor says:

> But even when disagreeing, we have strongly supported both the right and the desirability of such protest. Not only is such disagreement an inalienable right of every American citizen, but it serves the invaluable purpose of sharpening issues, increasing public awareness of what is or is not being achieved, and of the risk being run.

Here, my colleagues, I emphasize and express agreement with this further pointed comment of the Monitor editor:

> Thoughtless unanimity is often a greater danger to a nation than is the voicing of heated disagreement. We regret, however, the increasing disorder which is coming into the anti-Vietnamese war protest movement.
>
> If there is to be rational national debate on Vietnam, the present trend must be reversed. The movement must be back toward a calm, reasoned, insightful discussion of the issues. There must be the presentation of suggestions for achieving peace which have some semblance of reality. In short, America must return to a thoughtful level of debate.
>
> We believe that it will. There is a fundamental hardheadedness about the American public which in the end causes it to shy away from dreamy exaggeration and get down to fundamentals. This is a moment for clear, prayerful thought. It is a time for Americans to examine and reexamine their actions and policies in line with their highest sense of right and justice. This will open the path to right decisions on Vietnam.

And, as the Monitor editor wrote in concluding another cogent editorial, the United States must not oppose change, and neither must it seek to impose a fossilizing status quo. But make no mistake about it: Free men everywhere do have a vested interest in the United States being a steadying influence in the world—particularly in places where world peace is at stake.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2) to amend titles 10, 14, 32, and 37, United States Code, to strengthen the reserve components of the Armed Forces, and clarify the status of National Guard technicians, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 13606) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SIKES, Mr. MCFALL, Mr. PATTEN, Mr. LONG of Maryland, Mr. MAHON, Mr. CEDERBERG, Mr. JONAS, Mr. TALCOTT, and Mr. BOW were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 1556) for the relief of Dr. Orlando O. Lopez.

JESSE R. NICHOLS—30 YEARS OF SENATE SERVICE

Mr. WILLIAMS of Delaware. Mr. President, we who have served on the Senate Finance Committee have always been proud of the excellent service rendered by the staff, and today I join my colleagues in paying tribute to one of our respected staff members who on this date, November 15, 1967, will have completed 30 years of service to our committee.

Mr. Jesse R. Nichols began his service under the late Senator Harrison, of Mississippi, and continued his service under the four succeeding chairmen. He served under the late Senator Walter F. George, of Georgia, the late Senator Eugene Millikin, of Colorado, and more recently under the chairmanship of the late Senator Harry F. Byrd, of Virginia, and is now serving under the chairmanship of Senator RUSSELL LONG, of Louisiana.

Mr. Nichols, or Jesse as he is known to his friends, is a native of Mississippi, where he first attended Alcorn College and later he attended Howard University.

During his 30 years of service on the Senate Finance Committee, Jesse has earned the respect of those former giants of the Senate, each of whom was proud to call him a friend.

At a time when criticism is ofttimes being expressed against those in Government service, it is refreshing to meet a man who throughout the years has served the Senate and his country with but one thought in mind; and that is, to do his job to the best of his ability, always remembering that as a Government employee he is a servant of the people.

I join his host of friends on the committee as well as throughout the Capitol in extending to Jesse and his family our congratulations and very best wishes.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. Mr. President, I should like to associate myself with the remarks of the distinguished Senator from Delaware in praise of Jesse.

I congratulate Jesse on his splendid record. Without detracting from the friendship and admiration of the present chairman of the committee, I hope that Jesse continues to serve until he serves under the chairmanship of the distinguished Senator from Delaware.

Mr. WILLIAMS of Delaware. I thank the Senator.

Mr. CARLSON. Mr. President, I wish to associate myself with the remarks that have just been made by my distinguished colleagues, the Senator from Delaware [Mr. WILLIAMS] and the Senator from Nebraska [Mr. CURTIS] in regard to Jesse Nichols.

Jesse has been one of the most courteous, efficient, accommodating, and loyal staff members of that committee for many years.

The Senator from Delaware has mentioned outstanding great Americans and great statesmen under whom Jesse had the opportunity of serving: two terms under the distinguished Senator from Mississippi, Senator Pat Harrison; five terms under the leadership of an equally great Senator from Georgia, Senator George; two terms under a very distinguished Senator from Colorado, Senator Millikin; five terms under the distinguished Senator from Virginia, Senator Byrd, and now he serves under our present chairman, the Senator from Louisiana [Mr. LONG].

It certainly would be a great experience to any young man, coming to the Senate in 1937, to begin his service under Senator Harrison, and then to have the opportunity of working for and being associated with men of the caliber, standing, and ability of the great Americans who have headed this most important committee of the U.S. Senate.

During all these years, Jesse Nichols has served with great faithfulness. He has had an intense desire to be of service. Those of us who are privileged to work with him today find him an invaluable member of the staff of the Committee on Finance. It has been a pleasure to me to work with him, and I hope he has many more years of service in that committee.

Mr. WILLIAMS of Delaware. I thank the Senator from Kansas.

Mr. LONG of Louisiana. Mr. President, probably the highest honor that has come to me in my 19 years as a U.S. Senator is having been chosen chairman of the Committee on Finance. This committee symbolizes to me all that is great about the U.S. Senate—its tradition, prestige, responsibility, and dedication.

The men who have served on the Finance Committee since its establishment in 1816 have been the principal factor in making it the great institution that it is. The committee membership has numbered many of the foremost statesmen in the Nation's history.

Today, however, I salute not a Finance Committee Senator, but a member of the staff of the committee who has himself made a large contribution to the quality of the committee.

I am glad the ranking minority member of the committee, the senior Senator from Delaware, has paid a well deserved tribute to Jesse Nichols for the very fine job he has done in working for our committee for 30 years.

Jesse Nichols is really one of God's best people. He works any hours that may be required, does anything requested of him to the best of his ability, serves everyone with courtesy and provides any assistance he can, without complaint about long hours or inconvenient times.

Through the years, it has been a pleasure to have him as a member of our committee staff—the oldest member of the staff in length of service. He certainly deserves every tribute that can be paid to him. We who are associated most closely with him know his great worth, and we commend that worth to all who are here today and to all who will read this Record.

I join with the Senator from Delaware in wishing Jesse the very best returns on this 30th anniversary of his service to the Senate, and I hope that he will be with us for many years in the future.

Mr. WILLIAMS of Delaware. I thank the Senator.

In paying our respects to Jesse, it should be pointed out that he is the only member of the staff who outranks any member of the committee in length of service. In other words, he is truly the senior member so far as that committee is concerned.

Mr. LONG of Louisiana. Yes. I believe that when the day should come that Jesse feels he should retire, we should pay him a tribute as the senior member of the committee; because he is one of our own and has been for many years.

Mr. TALMADGE. Mr. President, it is my pleasure to pay tribute to Mr. Jesse R. Nichols on his long and devoted service of 30 years to our Senate Committee on Finance.

Mr. Nichols, the document clerk, was born and reared in Clarksdale, Miss., and attended Alcorn College, Alcorn, Miss., a land-grant college, and Howard University here in Washington, D.C. He served 3½ years with the Reconstruction Finance Corporation and in 1937, Senator Pat Harrison asked Mr. Nichols to come to the Finance Committee as the document clerk. He has served under the chairmanship of such outstanding Senators as Senator Harrison, Senator George, Senator Millikin, Senator Byrd, and our present chairman, Senator Long.

It has been my privilege to be associated with Mr. Nichols since first assuming a position on the Senate Committee on Finance. In our work in the committee, Mr. Nichols has been of great assistance and proven himself to be an able, knowledgeable, and conscientious public servant whose main concern has been assistance to members of the committee.

He is highly respected by all of the members of the Finance Committee and we all consider him our close friend.

It is my pleasure today to salute Mr. Nichols and commend him for his outstanding work and to wish him every success in the future.

TRIBUTE TO WILBUR J. COHEN, AN EXTRAORDINARY PUBLIC SERVANT

Mr. PROXMIRE. Mr. President, Wilbur J. Cohen, the distinguished Under Secretary for Health, Education, and Welfare, is the personification of the dedicated and talented public servant that the Rockefeller Public Service Awards were established to honor. It was, therefore, with great pleasure and much pride—for Mr. Cohen was born and educated in Wisconsin—but with no surprise whatever that I learned Mr. Cohen will be among the five Federal employees who will receive this year's Rockefeller awards for their "high degree of general excellence and wide-ranging activities." To sum up Wilbur Cohen's magnificent career in those words, however, is to understate the significance of this man's efforts. His contribution of toil and time, of genius and devotion, has touched the lives of every single American and given to each more security against the accidents of fate and thus has given to each more hope. Monuments have been raised for far lesser accomplishments. But the very hope Wilbur Cohen's efforts have brought to so many is the only kind of monument I am sure he would care to have.

We debate today a bill designed to bolster the hope and security established when the Social Security Act of 1935 was first passed. Wilbur Cohen was one of the chief architects of that act as well as of the bill now before us. Senator Paul Douglas, himself one of the social security system's architects, once said:

> A Social Security expert is anyone who has Wilbur Cohen's telephone number.

Wilbur Cohen is also "the man who built medicare." Maxwell Geffen, publisher of Medical World News, described Mr. Cohen's role best:

> Obviously, Wilbur Cohen doesn't run every facet of the medicare program. But he is largely responsible for putting the pieces together . . . and working incessantly for a rapproachment between government agencies and the medical profession.

But the social security system and medicare are not the only living monuments to Wilbur Cohen's efforts. During his 4½ years as Assistant Secretary of Department of Health, Education, and Welfare for Legislation, he was responsible for handling some 65 major legislative proposals which became law. During the 89th Congress, he guided through such major pieces of legislation, for example, as the Elementary and Secondary Education Act, the Older Americans Act and the Water Resources Planning Act.

Wilbur Cohen does not confine himself to medicare and liberalizations of social security, as you can see. As a recent article in Oasis pointed out:

> He is just as intense with such topics as school dropouts, protection of the consumer, Indian health, compliance by school districts and hospitals with title VI of the Civil Rights Act of 1964, appropriations for the Public Health Service grants and the budgetary needs of St. Elizabeths Hospital in Washington—

To name only a few.

Theodore H. White, in a superb article in Life magazine, described Secretary Cohen as an "action intellectual," as one of that "brotherhood of scholars" with the "most provocative and propelling influence on all American government and politics."

White said of Cohen in the article:

> After all his years in the Capital, Cohen has lost none of his humanitarian glow—"as though," an acquaintance once said, "he feels every person in the country who is home sick is his personal responsibility."

Secretary Cohen is one of that very small and unique group of Government officials who, as Congressman King of California once said, are "ready to risk their reputations and their professions to do their duty as they see it."

Medical World News gave this description of what makes Secretary Cohen tick:

> Those who have worked with Cohen regard him as one of the most cooly efficient, pragmatic, and persistent innovators Washington has ever seen. They view him as a man committed to social justice, one who knows his way through the Capital's jungle of politics and bureaucracy. And they have an abiding respect for the breadth and precision of his technical and sociological experience.

What has made Wilbur Cohen such an effective legislative innovator? Oasis magazine put it well in the August 1967 article on the Under Secretary which I referred to earlier:

> First, Wilbur Cohen makes sure that key persons inside and outside of Government concerned with any aspects of the bills are consulted and given an opportunity to express themselves. He takes advantage of their ideas to get all possible force and drive behind the bills. He is flexible and imaginative in getting around what seem to be impasses. He compromises without surrendering his ideals and, through person-to-person diplomacy and force of logic, converts many opponents to his side. He is fond of quoting his father, who still runs a variety store in Milwaukee. Says the Under Secretary: "He taught me to look at things from the viewpoint of the fellow who's buying the merchandise."

Wilbur Cohen was born in Milwaukee on June 10, 1913. He is married to the former Eloise Bittel of Ingram, Tex., and is the father of three sons. He graduated from the University of Wisconsin in 1934. At the university, he was trained in labor economics at the famed "experimental college" there, studying under Profs. John R. Commons, Selig Perlman, and Edwin E. Witte. When Dr. Witte was appointed by President Franklin Roosevelt to head the Committee on Economic Security, Wilbur Cohen became his assistant and it was in that capacity that, although in his early twenties, he became one of the chief architects of the original Social Security Act.

For 22 years thereafter, Mr. Cohen was associated with the Social Security system in one capacity or another. He was technical adviser to the first Chairman of the Social Security Board and to the Commissioner for Social Security. He was subsequently Director of the Bureau of Research and Statistics in charge of program development and legislative coordination work with Congress.

He was lured away from the Government to become professor of public welfare administration at the University of Michigan where he taught from 1956 to 1961. He was Chairman of President Kennedy's Task Force on Health and Social Security in 1960, which recommended medicare and other health and security proposals. President Kennedy appointed him Assistant Secretary of Health, Education, and Welfare for Legislation shortly after taking office and, in 1965, President Johnson elevated him to the number two post at Health, Education, and Welfare, Under Secretary.

I am proud that this son of Wisconsin has done so much for his country and I am pleased that his contributions have been honored with the Rockefeller Public Service Award. Wilbur Cohen is one of the men in the national government who makes the wheels go around, to use the words of President Robert F. Goheen of Princeton in announcing the awards. He is one of those, in Goheen's words, "who set the example for thousands of younger promising officials, and who year by year increase the efficiency and the accomplishments of the many departments and agencies that serve the American people."

I ask unanimous consent that the recent article on the Under Secretary printed in Oasis be included at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

Wilbur Joseph Cohen, Under Secretary of Health, Education, and Welfare, wears many hats, including those of legislative expert, student of politics, administrator, educational policymaker, advisor to Presidents, congressmen, and governors, and college professor on leave of absence from the University of Michigan.

Man of many facets, Wilbur Cohen is one of the "action intellectuals" described by Theodore H. White in a recent *Life* article that focused on a "brotherhood of scholars" with the "most provocative and propelling influence on all American government and politics." About him White wrote:

"After all his years in the Capital, Cohen has lost none of his humanitarian glow—'as though,' an acquaintance once said, 'he feels every person in the country who is home alone sick is his personal responsibility.' "

The Milwaukee-born, University of Wisconsin-educated Under Secretary has been characterized by *Medical World News* magazine as "The Man Who Built Medicare." Publisher Maxwell Geffen goes on to state that, "Obviously, Wilbur Cohen doesn't run every facet of the medicare program. But he is largely responsible for putting the pieces together . . . and working incessantly for a rapprochement between government agencies and the medical profession."

In his book, "A Sacred Trust," author Richard Harris, in writing a history of the 30-year battle for passage of health insurance legislation, attributes to former U.S. Senator Paul Douglas of Illinois the following: "A Social Security expert is a man with Wilbur Cohen's telephone number."

The Wilbur Cohen story and the activities that have made his name synonymous with HEW legislation have their beginnings in 1934, when at age 21 and fresh out of the University of Wisconsin, he came to Washington as research assistant to his former professor, Edwin Witte, who had been appointed Executive Director of President Roosevelt's Cabinet Committee on Economic Security.

This meant working closely with such distinguished social welfare exponents as Secretary of Labor Frances Perkins, and Arthur Altmeyer, who went on to become chairman of the Technical Board which drafted the bill that was destined to become the Social Security Act of 1935, first chairman of the Social Security Board, and Commissioner for Social Security.

Mr. Cohen proved to be a good learner and a persistent innovator. Though out of school only a few months, he became one of the drafters of the original Social Security Act and then joined the Social Security Board as technical advisor to Mr. Altmeyer. Subsequently, the young man from Wisconsin became Director of the Bureau of Research and Statistics in charge of program development and legislative coordination work with Congress.

From 1956 to 1961, as Professor of Public Welfare Administration at the University of Michigan, the social security expert often served as a consultant in many areas of health, education, and welfare. He has also, over the course of years, authored a number of books and articles and received a number of awards for distinguished service in the welfare and social security fields.

In 1960, President-elect John F. Kennedy named Professor Cohen to head up a Task Force on Health and Social Security which would make recommendations for improving national programs in these areas. Shortly after taking office President Kennedy appointed Mr. Cohen Assistant Secretary (for Legislation) of Health, Education, and Welfare; and, in 1965, President Johnson elevated him to the Department's number two post, Under Secretary.

Of the total legislative program sent to Congress by the President in the past 5 years, more than half the major bills enacted have come out of HEW where Mr. Cohen and his staff have worked long and hard on legislation to bring about many and varied programs.

And this legislation runs the gamut of all DHEW activities, not confining itself to medicare, liberalizations in social security, or problems in welfare. When it comes to legislation, Wilbur Cohen is just as intense with such topics as school dropouts, protection of the consumer, Indian health, compliance by school districts and hospitals with Title VI of the Civil Rights Act of 1964, appropriation for the Public Health Service grants, budgetary needs of St. Elizabeths Hospital in Washington.

How does he do it? Well, several factors enter into being a successful legislative innovator. First, Wilbur Cohen makes sure that key persons inside and outside of Government concerned with any aspects of the bills are consulted and given an opportunity to express themselves. He takes advantage of their ideas to get all possible force and drive behind the bills. He is flexible and imaginative in getting around what seem to be impasses. He compromises without surrendering his ideals and, through person-to-person diplomacy and force of logic, converts many opponents to his side. He is fond of quoting his father, who still runs a variety store in Milwaukee. Says the Under Secretary: "He taught me to look at things from the viewpoint of the fellow who's buying the merchandise."

Medical World News gives this description of what makes the Under Secretary tick: "Those who have worked with Cohen regard him as one of the most cooly, efficient, pragmatic, and persistent innovators Washington has ever seen. They view him as a man committed to social justice, one who knows his way through the Capital's jungle of politics and bureaucracy. And they have an abiding respect for the breadth and precision of his technical and sociological experience."

The bouncy, energetic, indefatigable Mr. Cohen, will go just about anywhere, either to rally support for a piece of legislation to attempt to convince opponents that the cause is just. Whether it's the 1967 Washington Citizenship Seminar sponsored by the YMCA–YWCA, a conference on Social Welfare and Alcoholism, a meeting of the National Medical Association, or a group of senior citizens, Mr. Cohen will speak out loud and clear for what he believes and ask others to join him.

Any member of his staff will confirm that his day starts early, ends late and doesn't have a dull moment in it. If variety is the spice of life, Wilbur Cohen is one of the more seasoned men in Washington. Arising at 6:45 a.m., the 54-year-old Under Secretary might start the day off "on the Hill" where he breakfasts with a group of congressmen who have asked him to discuss a legislative proposal. Then it's back to the office where, in rapid fire order, there's a draft of a speech to check out, telephone calls to and from the White House, committee chairmen, Senators, congressmen, and organizations like the AFL–CIO, American Medical Association, and American Hospital Association, interested in what HEW is doing and that their concerns, often conflicting, are recognized. There are memorandums to write and respond to, conferences with Secretary of HEW John Gardner or other Departmental officials, on legislation, program, budget.

This might be the day the Under Secretary testifies before a congressional committee, and works in executive session with another. Somehow lunch gets squeezed in, and later dinner, followed by a shave, change of shirt and a speaking engagement. Says Deputy Commissioner of Social Security Arthur Hess:

"Under Secretary Cohen's day is a series of crises, any one of which could overwhelm him if he let it. But he has the amazing ability to grasp a problem quickly, get things rolling toward a solution, and move on."

Coming out of school in the midst of the great depression imbued with the "Wisconsin idea" of social justice as extolled by John R. Commons, Professor of Economics, and others, Wilbur Cohen started fast and never slowed down. He's left his mark and there's more to come.

SOCIAL SECURITY LEGISLATION

Mr. BAKER. Mr. President, the unique importance of the pending legislation is evidenced in many ways. It is made physically manifest by the sheer volume of the documents that lie on our desks in this Chamber. It has been underscored by the long and tireless work of members of the Committee on Finance, under the distinguished leadership of its chairman, the Senator from Louisiana, and the Senator from Delaware. It has been carefully and fully documented by the national press. It is emphasized by the large volume of mail that has flowed steadily into our offices during the course of the year. It is seen in the fact that many of us have canceled or postponed important commitments at home so that we might be here to carefully follow the fashioning of responsible legislation. It will be made more evident as debate proceeds and many able men seek to hone and improve aspects of the bill in which they as individuals and those that they represent have a deep and vital interest.

These, Mr. President, are some of the ways in which the great importance of this bill manifests itself. But what is it about this bill, and about programs that had their genesis over thirty years ago; what is it in the nature of this issue that generates such a unique amount of interest and concern in this country?

The most obvious answer to this question is that the programs represented by this bill provide billions of dollars annually for Americans of all ages. This bill would greatly increase the amount received by those already receiving benefits, and it would include for the first time many who now receive nothing. The sheer fact of providing, Mr. President, alone makes this a vastly important issue.

But the aspects of the bill, and the programs which it seeks to modify, that are of the greatest significance to me, Mr. President, are the questions of why that provision is made and how that provision is made. Because it is these questions, and the answers that we have fashioned and will fashion for them, that bear inestimable significance for the future of this Nation as an enlightened society of civilized men.

Reduced to its most simplified level, Mr. President, what these programs represent, what they give flesh and bone and sinew to, is the conviction of our Nation that it desires to take care of its own. This is a free decision, freely made. Few recipients of these benefits claim any sort of unalienable right to them. This, Mr. President, is the why of these programs.

The how of these programs is a question of infinitely complex mechanics—devising intricate ratios of participation by individuals, employers, and governments. But the how of the programs is also an expression of a more basic determination, which is essentially that of who shall provide these benefits. This, Mr. President, is probably the question around which most of our deliberations this week will revolve. And this is as it should be, for those who determine to make these transfers should be permitted the authority of determining the manner in which they are made.

Mr. President, there are many aspects of H.R. 12080, as reported in the Senate, which make changes in the system that I have long believed desirable. I am particularly pleased to see increases in benefits for uninsured persons over 72, an increase in amounts that can be earned by retired persons without losing eligibility, and the reduction to 60 of the age at which all aged beneficiaries can receive reduced payments. Committee members in both Houses deserve, in my view, particular commendation for these provisions.

There are other provisions, Mr. President, that I wish had been included and that I hope will be included in the near future. One is some sort of automatic cost-of-living increase to provide assurance that the cruel tax of inflation need not be feared by beneficiaries. I do not believe that such a provision would diminish the authority of the Congress over the program. I am also hopeful that, in the near future, provision will be made for widows who are without children and who have demonstrated need but who are not yet eligible for full social security benefits. And I hope that eventually limitations on income for eligibility may be eliminated in their entirety.

I might end, Mr. President, by expressing the further hope that, in our discussions on the complex details of this immensely intricate measure, we do not lose sight of the essential and basic issues at hand: the why and the how of these programs. I hope that in the course of our deliberations on this landmark legislation we will come to understand more deeply the profound implications of these programs and the way in which they are structured. And I hope that out of this debate the possibility of new departures and directions will emerge.

Such new departures and directions for the future might include some sort of benefit structure, with regard to the welfare programs, that would provide two scales of payment—one bare, minimal payment to those unwilling to work at full capacity, and a second to provide an incentive for those who are. Why, I often wonder, should the many and variegated programs that have been added on to the original concept be paid for out of social security funds and not out of the general funds of the Treasury.

A large volume of the mail received by our office reflects the concern of younger wage earners for the fact that the amount of money that they contribute is probably far in excess of their reasonable expectation of return. Generally these correspondents recognize the necessity for increased payments in order to accommodate the humane demands made of the system for the elderly, the infirm, and the unfortunate; but it seems to me that a basic inequity exists in the present structure and system which might be rectified with a skillful new approach.

I profess no special expertise or competence in this highly complex field and I make no specific proposals, but I think we might all benefit from a reidentification and a reexamination of the fundamentals and relationships of the system to the need.

Therefore, I would propose for consideration in the future, among other things, a system whereby a realistic tax structure would approximate the actuarial requirements of the system for participants who enter the work force at, say, age 18 and continue their contributions through retirement. Such a tax would probably be less than the present rate and far less than the proposed rates.

Perhaps the welfare aspects of the program, the payments which result from extraordinary circumstances and to which people are legally entitled after shortened participation in the system, should be recognized as an additional measure of security which should not be the unique and exclusive burden of the younger work force, and thus might be funded from the general resources of the Federal Treasury.

Notwithstanding the complexities of this bill and the intricacies of the debate which will precede the adoption of the ultimate form, I feel that we owe ourselves the duty and the obligation to bear in mind the fundamental concepts of the system.

I again commend the distinguished members of the Finance Committee for the fruits of their long labors. I will follow the debate with keen interest. And I am confident that the Congress will fashion a piece of legislation that will bring new hope to the lives of many.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. LONG of Louisiana. Mr. President, there are a large number of amendments to the pending bill, and I ask unanimous consent that the committee amendments be considered and agreed to en bloc, that the bill as thus amended be considered original text for the purpose of amendment, and that the amendments not be printed in the Record.

I make the last request because the Parliamentarian has advised me that it would be a great chore to print these amendments in the Record, and that doing so would achieve no purpose. The amendments are before us, they are a matter of public record, they are in the bill, and we will print any floor amendments as we proceed.

I am advised by the Parliamentarian that printing them in the Record would be a waste of time and an unnecessary expense, and that it would unduly burden the Record.

Because of the large number of committee amendments, I ask unanimous consent that we agree to them en bloc, each subject to amendment in the first and second degree, and that they be considered as original text, and that they not be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAMS of Delaware. Reserving the right to object—I will not object; but, for the record, it should be pointed out that this protects the interests of any Senator who may wish to offer amendments so far as committee amendments are concerned. I believe it would be more advantageous to the Senate to proceed in the manner suggested by the Senator from Louisiana, and I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. I thank the distinguished Senator.

PRIVILEGE OF THE FLOOR

Mr. President, in the course of the consideration of the pending bill, it will be helpful for the Senate to have the advice of certain experts in the field of social security and public welfare legislation. We of the Committee on Finance asked these experts to help us in the consideration of the measure because the expertise in this field is limited, and it would be somewhat inefficient use of manpower to maintain all this available help on the committee staff for a year, when we call on them to help us and to advise only when we need them.

I therefore ask unanimous consent that Mr. Frederick B. Arner, Chief of the Education and Public Welfare Division of the Legislative Reference Service; Miss Helen Livingston, Assistant Chief of the Division; Mr. William Fullerton, social welfare specialist; and Mr. Francis Crowley, social welfare specialist, be given privileges of the floor during consideration of the Social Security Amendments of 1967.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. PASTORE. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily.

The PRESIDING OFFICER. Without objection, it is so ordered.

AEC OMNIBUS BILL FOR 1967

Mr. PASTORE. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 727, S. 2644.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 2644) to amend the Atomic Energy Community Act of 1955, as amended, the Atomic Energy Act of 1954, as amended, and the Euratom Cooperation Act of 1958, as amended.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. PASTORE. Mr. President, the bill (S. 2644), which was reported by the 18-member Joint Committee on Atomic Energy without dissent, is in my opinion a noncontroversial one. Moreover, it is desirable that this bill be enacted by Congress now to provide the AEC with necessary authority to carry out certain features of its program, including completion of sale of the Government's interest in housing at Los Alamos, N. Mex., and continued cooperation with the European community in atomic energy matters.

The AEC has followed the practice of submitting proposed omnibus bills to the Joint Committee from time to time in order to effect amendments to the Atomic Energy Act of 1954 and related legislation. The committee believes this is a necessary practice, in view of the rapid changes in the field of atomic energy and the need to maintain an appropriate statutory framework for this program.

I shall briefly summarize the bill.

Section 1 would amend section 58 of the Atomic Energy Community Act of 1955, by revising the system of priorities applicable to the sale of presently Government-owned apartment houses at Los Alamos, N. Mex. As amended, section 58 would authorize sale of these dwellings on a priority basis not only to housing cooperatives, but to certain others as well. The amendment is necessitated by the difficulties experienced by the Commission and the Department of Housing and Urban Development in selling these apartment houses at the affected community.

Sections 2, 3, and 4 would also amend the Community Act. In addition to authorizing the AEC to continue to make assistance payments to the cities of Oak Ridge, Tenn., and Richland, Wash., and to the Richland School District, the proposed legislation would state more explicitly the criteria for making such payments, including the objective that assistance payments by the AEC be reduced or terminated at the earliest practical time.

The Commission's present authority to make such payments to these entities expires in fiscal year 1969. Under the amendment, any contracts entered into by the AEC to provide such assistance after June 30, 1979, would be subject to the availability of appropriations. The amendments also provide that no appropriations shall be made to carry out the provisions and purposes of the Community Act unless previously authorized by legislation enacted by Congress.

Sections 5 through 12 of the bill would effect amendments to the Atomic Energy Act of 1954.

Sections 5 and 6 would amend the act to confer on the Director of the AEC's Division of Military Application the new title of Assistant General Manager for Military Application. The amendment also provides that the officer serving in the position shall have general or flag rank, and that his Service shall be reimbursed by the Commission for his pay and allowances. The Commission believes that this statutory change will facilitate its ability to continue to obtain highly qualified officers from the Defense Department to fill this key military position within the Commission.

Section 7 of the bill would amend section 33 of the Atomic Energy Act to provide certain additional authority for the AEC to perform research for others pertaining to the protection of the public health and safety. This authority is intended to permit the AEC to utilize its excellent facilities, equipment, and personnel to help solve important health and safety problems in areas where the Commission's specialized and often unique resources can make significant contributions.

Section 8 of the bill would amend subsection 41(b) of the Atomic Energy Act to eliminate the statutory requirement for determinations by the President of the quantities of special nuclear material to be produced under section 41, and the amounts to be available for distribution by the AEC pursuant to sections 53 and 54 of the act. Related section 9 of the bill would amend subsection 53(f) of the act to eliminate a reference to the Presidential determinations under subsection 41(b) of the act which, because of the change made by section 8 of the bill, would no longer be applicable.

Sections 10, 11, and 12 of the bill are perfecting amendments to the Atomic Energy Act. They correct certain technical defects in the existing law, without making any substantive change.

Section 13 would amend the Euratom Cooperation Act of 1958 to effect three changes. This amendment would, first, authorize the transfer of an additional 145,000 kilograms of contained uranium 235 to the European Atomic Energy Community; second, authorize the transfer of an additional 1,000 kilograms of plutonium to Euratom; and third, authorize the AEC to perform uranium enrichment services for Euratom. Enriched uranium and plutonium made available by the AEC under these increased authorizations would be transferred on a cash basis, and would be subject to safeguards against diversion of this material from authorized uses.

Finally, section 14 of the bill would add a new heading in the table of contents of the Atomic Energy Community Act of 1955, reflecting the amendment of that act that would be effected by section 1 of the bill.

Mr. President, I urge the Senate to act favorably on this bill without delay.

Mr. President, I have one printing amendment.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. On page 8, line 16, it is proposed to delete the word "the".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Without objection, the amendment is agreed to.

Mr. PASTORE. Mr. President, I stand ready to answer any questions that any Senator might have in connection with this legislation.

The PRESIDING OFFICER. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 58 of the Atomic Energy Community Act of 1955, as amended, is amended to read as follows:

"Sec. 58. Priority Sale of Apartment Houses.—

"a. The Commission is authorized at Los Alamos to grant to occupants, project-connected persons, and persons residing in the community both at the time of offering of an apartment house for sale and for the preceding six months, and to any of the foregoing persons acting together, such priority interests and priority rights for the purchase of the apartment house as the Commission determines to be fair and reasonable: *Provided,* That a first priority right to purchase may be granted only to an occupant or a group of occupants, or an assignee (whose membership or ownership is composed of occupants, or project-connected persons, or persons residing in the community both at the time of offering of an apartment house for sale and for the preceding six months, or any of the foregoing persons) of the priority interests of such occupants, who or which has obtained the priority interest of at least 60 per centum of the occupants of the apartment house: *Provided further,* That a second priority right to purchase may be granted only to an entity whose membership or ownership consists of occupants, or project-connected persons, or persons residing in the community both at the time of offering of an apartment house for sale and for the preceding six months, or any of the foregoing persons (provided that such entity has obtained the priority interest of at least one occupant), and whose membership or ownership equals in number, and occupies or agrees to occupy, at least 70 per centum of the housing units in the apartment house. The 15 per centum deduction specified by subsection 35 a., the deduction provided by subsection 36 d., the financing provisions of section 62, and the indemnity provided by sections 63, 64, 65, and 66 shall be applicable to such priority sales of apartment houses. Priority interests granted by the Commission under this section shall be transferable as the Commission may by rule or regulation prescribe, but no priority right to purchase shall be transferred except as provided by section 43.

"b. Any occupant who does not participate in the purchase of an apartment house with respect to which a priority right to purchase has been granted shall be entitled, at the time of sale by the Commission, to a lease for occupancy of his housing unit for a period not to exceed fifteen months from the date the property was first offered for sale: *Provided,* That the occupant makes application for such a lease within 30 days of the grant of such priority to purchase. In selling any apartment house with respect to which a lease executed under this section is in effect, the Commission is authorized to provide for the purchaser to assume any or all obligations of the lessor. The Commission in such event shall guarantee the lessee's performance of the lease.

"c. Persons who have purchased, either individually or jointly with other persons, a single-family house or duplex house (or a single-family unit in a duplex house) at Los Alamos pursuant to a priority right under this Act shall not be eligible to participate in the priority purchase of an apartment house.

"d. The Commission is authorized to prescribe by rule or regulation such other conditions as it may find necessary or desirable for qualification of priority interests and rights for the purchase of an apartment house."

Sec. 2. Section 91 of the Atomic Energy Community Act of 1955, as amended, is amended—

(1) by striking out subsection a. and inserting in lieu thereof:

"a. From the date of transfer of any municipal installations to a governmental or other entity at or for the community, the Commission shall, for a period of ten years, make annual assistance payments of just and reasonable sums to the State, county, or local entity having jurisdiction to collect property taxes or to the entity receiving the installation transferred hereunder: *Provided, however,* with respect to the Cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District, the Commission is authorized to continue to make assistance payments of just and reasonable sums after expiration of such ten-year period. In determining the amount and recipient of such payments, the Commission shall consider—

"(1) the approximate real property taxes and assessments for local improvements which would be paid to the governmental entity upon property within the community if such property were not exempt from taxation by reason of Federal ownership;

"(2) the maintaining of municipal services at a level which will not impede the recruitment or retention of personnel essential to the atomic energy program;

"(3) the fiscal problems peculiar to the governmental entity by reason of the construction at the community as a single purpose national defense installation under emergency conditions;

"(4) the municipal services and other burdens imposed on the governmental or other entities at the community by the United States in its operations in the project area; and

"(5) the tax revenues and sources available to the governmental entity, its efforts and diligence in collection of taxes, assessment of property, and the efficiency of its operations.";

(2) by striking out subsection d. and inserting in lieu thereof:

"d. With respect to any entity not less than six months prior to the expiration of the ten-year period referred to in subsection a. (or not less than six months prior to June 30, 1979, in the case of the Cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District), the Commission shall present to the Joint Committee on Atomic Energy its recommendations as to the need for any further assistance payments to such entity."; and

(3) by adding the following new subsection e.:

"e. In exercising the authority of subsection 91 a. the Commission shall assure itself that the governmental or other entities receiving assistance hereunder utilize all reasonable, available means to achieve financial self-sufficiency to the end that assistance payments by the Commission may be reduced or terminated at the earliest practical time."

Sec. 3. Section 94 of the Atomic Energy Community Act of 1955, as amended, is amended to read as follows:

"Sec. 94. Commission Contracts.—The Commission is authorized, without regard to section 3679 of the Revised Statutes, to enter into a contract with any governmental or other entity to which payments are required or authorized to be made pursuant to section 91, obligating the Commission to make to such entity the payments directed or authorized to be made by section 91: *Provided, however,* That the term of such contracts, in the case of the Cities of Oak Ridge, Tennessee, and Richland, Washington, and the Richland School District, shall not extend beyond June 30, 1979."

Sec. 4. Subsection 118 a. of the Atomic Energy Community Act of 1955, as amended, is amended to read as follows:

"a. No appropriation shall be made to carry out the provisions and purposes of this Act unless previously authorized by legislation enacted by Congress."

Sec. 5. Subsection 25 a. of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"a. a Division of Military Application and such other program divisions (not to exceed ten in number) as the Commission may determine to be necessary to the discharge of its responsibilities, includng a division or divisions the primary responsibilities of which include the development and application of civilian uses of atomic energy. The Division of Military Application shall be under the direction of an Assistant General Manager for Military Application, who shall be appointed by the Commission and shall be an active commissioned officer of the Armed Forces serving in general or flag officer rank or grade, as appropriate. Each other program division shall be under the direction of a Director who shall be appointed by the Commission. The Commission shall require each such division to exercise such of the Commission's administrative and executive powers as the Commission may determine;"

Sec. 6. Section 28 of the Atomic Energy Act of 1954, as amended, is amended by revising the first two sentences thereof to read as follows: "Notwithstanding the provisions of any other law, the officer of the Army, Navy, or Air Force serving as Assistant General Manager for Military Application shall serve without prejudice to his commissioned status as such officer. Any such officer serving as Assistant General Manager for Military Application shall receive in addition to his pay and allowances, including special and incentive pays, for which pay and allowances the Commission shall reimburse his service, an amount equal to the difference between such pay and allowances, including special and incentive pays, and the compensation established for this position."

Sec. 7 Section 33 of the Atomic Energy Act of 1954, as amended, is amended to read as follows:

"Sec. 33. Research for Others.—Where the Commission finds private facilities or laboratories are inadequate to the purpose, it is authorized to conduct for other persons, through its own facilities, such of those activities and studies of the types specified in section 31 as it deems appropriate to the development of atomic energy. To the extent the Commission determines that private facilities or laboratories are inadequate to the purpose, and that the Commission's facilities, or scientific or technical resources have the potential of lending significant assistance to other persons in the fields of protection of public health and safety, the Commission may also assist other persons in these fields by conducting for such persons, through the Commission's own facilities, research and development or training activities and studies. The Commission is authorized to determine and make such charges as in its discretion may be desirable for the conduct of the activities and studies referred to in this section."

Sec. 8. Subsection 41 b. of the Atomic Energy Act of 1954, as amended, is amended by deleting the last sentence.

Sec. 9. Subsection 53 f. of the Atomic Energy Act of 1954, as amended, is amended by revising the first sentence thereof to read as follows: "The Commission is directed to distribute within the United States sufficient special nuclear material to permit the conduct of widespread independent research and development activities to the maximum extent practicable."

Sec. 10. Subsection 53 c. (1) of the Atomic

Energy Act of 1954, as amended, is amended to read as follows:

"c. (1) The Commission may distribute special nuclear material licensed under this section by sale, lease, lease with option to buy, grant, or through the provision of production or enrichment services: *Provided, however,* That unless otherwise authorized by law, the Commission shall not after December 31, 1970, distribute special nuclear material except by sale or through the provision of production or enrichment services to any person who possesses or operates a utilization facility under a license issued pursuant to section 103 or 104 b. for use in the course of activities under such license; nor shall the Commission permit any such person after June 30, 1973, to continue leasing for use in the course of such activities special nuclear material previously leased to such person by the Commission."

Sec. 11. Subsection 161 n. of the Atomic Energy Act of 1954, as amended, is amended by striking out "57 a. (3)" and inserting in lieu thereof "57 b.".

Sec. 12. Section 223 of the Atomic Energy Act of 1954, as amended, is amended by striking out the letter "p." appearing after the word "or" and inserting in lieu thereof the letter "o.".

Sec. 13. Section 5 of the EURATOM Cooperation Act of 1958, as amended, is amended to read as follows:

"Sec. 5. Pursuant to the provisions of section 54 of the Atomic Energy Act of 1954, as amended, there is hereby authorized for sale or lease to the Community—

"two hundred fifteen thousand kilograms of contained uranium 235;

"one thousand five hundred kilograms of plutonium; and

"thirty kilograms of uranium 233;

in accordance with the provisions of an agreement or agreements for cooperation between the Government of the United States and the Community entered into pursuant to the provisions of section 123 of the Atomic Energy Act of 1954, as amended: *Provided,* That the Government of the United States obtains the equivalent of a first lien on any such material sold to the Community for which payment is not made in full at the time of transfer. The Commission may enter into contracts to provide, after December 31, 1968, for the producing or enriching of all, or part of, the above-mentioned contained uranium 235 pursuant to the provisions of subsection 161 v. (B) of said Act, as amended, in lieu of sale or lease thereof."

Sec. 14. The table of contents of the Atomic Energy Community Act of 1955, as amended, is amended by inserting a new heading entitled

"Sec. 58. Priority sale of apartment houses."

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. LONG of Louisiana. Mr. President, H.R. 12080, the Social Security Amendments of 1967, was reported from the Committee on Finance by a vote of 11 to 6. I regret to say that not a single Republican member of our committee saw fit to vote to improve the plight of our millions of elderly citizens who rely on social security and public welfare as a bulwark for their very sustenance. would have hoped that our committee could have brought to the floor a bill which had the same nonpartisan support that H.R. 12080 enjoyed when the House passed it by a vote of 414 to 3 earlier this summer. Unfortunately that is not the case.

A social security bill is always a product of many minds, many conflicting ideas and desires. This program is a program for people—and the people make known to their duly elected representatives their individual needs—pointing out where inequities exist in the program and where improvements can be made.

In acting on such a bill, we in Congress must balance social and economic priorities, keeping in mind always that benefits allowed must invariably be balanced by taxes. The decisions and recommendations of the Committee on Finance are reflected in the documents before the Senate today. As Senators look at this bill, which is over 400 pages, and the report, which is almost as long, they will see the handiwork of many authors. Many of the House bill provisions, which the Committee on Ways and Means had labored on for months, are worthwhile additions and improvements to the Social Security Act. We accepted about 50 of them without amendment. But we had our own ideas also—and many of them were generated by Senators who do not serve on the Committee on Finance. As a result of their suggestions and our own deliberations, Senators will find over 80 items in the bill before the Senate which are either new or which make substantial modifications of features contained in the House bill.

H.R. 12080, as reported by the committee, recommends major improvements in the provisions of the Social Security Act relating to the old-age, survivors, and disability insurance program, the hospital and medical insurance programs, the medical assistance program, the aid to families with dependent children, and other public assistance programs, and the child welfare and child health programs.

Looking first at the cash social security program, the committee bill provides for the payment of additional benefits totaling $5.8 billion during calendar year 1969, the first full year of operation of all the new benefit provisions—$2.4 billion more than would have been paid under the House bill. This cash benefit increase represents the largest percentage increase Congress has considered since 1950. It is the largest Congress ever considered in terms of absolute dollars. In total, $29 billion would be paid out in cash benefits in 1969 as compared to $23.2 billion if present law were not changed.

About 24 million social security beneficiaries would have their benefits increased because of this bill and 1¾ million people would become eligible for benefits under the bill after all the new provisions become operative. By far the most important change is an across-the-board increase in benefit payments which would average about 19 percent, with a guaranteed increase in monthly cash benefits of 15 percent for all beneficiaries on the social security rolls and with a new minimum benefit of $70 a month. Today, the minimum is a pitifully small $44 a month.

The level of living of all of these people would be improved under the committee amendments; 1.6 million aged people would be moved out of poverty, and about 200,000 of the aged could be taken off the public assistance rolls.

The higher benefits under the committee amendments would become payable for March 1968 and the first checks reflecting the increased benefits would be received by beneficiaries early in April 1968.

Moreover, to relieve the plight of people receiving old-age assistance, the committee added a new provision under which State old-age assistance programs would have to provide an average increase of $7.50 a month to elderly people getting assistance payments. The cost of this provision generally would be met out of the savings to the States that would result from the payment of increased social security benefits to people getting old-age assistance. With this amendment we are assuring that the social security increases provided by in this bill will not serve merely to reduce the cost of old-age assistance to the States—they will have to pass much or all of the savings on to the poor and the old people on their welfare rolls.

Let me describe briefly just how these social security increases would affect the average beneficiary.

The average monthly benefit paid to retired workers and their wives now on the rolls would increase from $145 to $171—$164 under the House bill. Monthly benefits would range from the new minimum of $70 to $163.30 for retired workers now on social security rolls who begin to draw benefits at age 65 or later, compared with $44 to $142 under present law and $50 to $159.80 under the House bill. There would be an increase, too, in the special payments for people now age 72 and older—from $35 to $50 for a single person and from $52.50 to $75 for a couple. Moreover, these amendments will have a very beneficial effect on people still working because of the earnings base increases under the bill to $8,000 in 1968, to $8,800 in 1969 and to $10,800 in 1972. This is a feature generally overlooked by those who question a change in the earnings base. A man age 50 in 1968, for example, who earns $8,800 a year until he is 65 will get a benefit of $204 at age 65—32 percent higher than he could get under present law, and about 10 percent higher than he would get under the House bill. If he earns $10,800 a year or more his benefit will be $223—nearly 44 percent higher than he would get under the present law, and 20 percent higher than under the House bill.

Moreover, survivorship and disability protection would be similarly increased for people earning above $6,600. For example, if a worker aged 35 in 1968 with annual earnings of $8,800 died in 1970, his widow and child would receive a monthly benefit of $267.60, or $44—

nearly 20 percent—more than is provided now. And his widow at age 62 would get a monthly benefit of $147.10 or $24.10—nearly 20 percent—a month more than under present law. If the worker became disabled in 1970, he would get a monthly disability benefit of $178.30, an increase of $29.30—nearly 20 percent—a month over the amount he would get under present law.

Another important amendment the committee added to the House bill would permit individuals who have attained age 60 to retire and receive social security benefits. This amendment was ably sponsored by the Senator from West Virginia [Mr. BYRD]. It is an amendment that the Senate has agreed to previously. Hopefully, this time we can convince the House to accept it. Under existing law, full benefits can be received only when the individual reaches age 65 but both men and women may voluntarily elect to receive reduced benefits after they attain age 62—widows can now receive benefits on a reduced basis at age 60. Benefits under this committee amendment would be reduced to reflect the longer period over which the individual would be receiving them. This earlier retirement age feature would become effective December 1968 and the first checks reflecting the change would be received in January 1969. This would mean that an estimated 775,000 people would start getting benefits sooner than they would under present law. Retired workers and their wives, aged parents and widowers, who cannot get benefits before age 62 under present law, will get some $555 million in benefits in the first 12 months of operation under this provision.

Mr. President, I am pleased to see that the Senator from West Virginia [Mr. BYRD] is now in the Chamber. He has fought for this provision over a period of years. At least on one occasion we took it to conference. I say we took it to conference, but the Senator from West Virginia fought valiantly for it, and the Senate went along with him. We labored for it in conference but I was disappointed when the House would not accept any part of it.

The Senator offered the amendment successfully to a bill just this year, but when it was eliminated, we assured him that it would be considered when the finance committee met. I am pleased to see that his handiwork is now a part of the bill before the Senate. I believe that it is a very good proposal and has great merit. I hope that this time we can prevail upon the House to agree to it.

Mr. BYRD of West Virginia. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I am happy to yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. I thank the Senator from Louisiana for the consideration he has repeatedly given to my amendment. He has been most sympathetic to the idea of allowing voluntary retirement at the age of 60 for those who wish to retire. He has, in the past, been most helpful in promoting the amendment.

I am very glad that the committee has, in its judgment, seen fit upon this occasion to include the amendment in the bill before it was brought to the floor of the Senate.

I hope that the House conferees, in this instance, will accept the amendment. I believe that by virtue of the fact that the Senate has twice or three times accepted the amendment, and that in this instance the committee itself has adopted the amendment, the House conferees will be more persuaded to accept the amendment.

As I see it, many individuals in areas such as the State of West Virginia are to young to qualify under the present law for old-age and survivors insurance, yet because of some physical problem they are unable to find employment, their unemployment compensation may have expired, they have no income, they may or may not have saved a little money during their lifetime of work, or if they had been fortunate enough to have saved some money for a rainy day, they are forced to draw upon that. They may be forced to go to their children and stand at the gate with hat in hand. Their children have problems trying to raise their own families. In some instances, I suppose the only possible alternative that could provide sustenance for them would be welfare; so they are forced to go on welfare.

Thus, it was my thought and, I am sure, the thought also of the distinguished Senator from Louisiana [Mr. LONG] that this proposal would at least give people in such circumstances an opportunity to make a choice, depending upon the facts confronting them at the time; the choice of accepting social security at an actuarially reduced rate, or to wait until later when they might be able to receive a higher payment; but if physical incapacitation or other circumstances dictate that they should retire at the time, at least they would have the opportunity to do so if his amendment were agreed to.

Mr. LONG of Louisiana. The Senator from Louisiana was privileged to offer such an amendment in committee and to press for its adoption. He did so because he had worked with the distinguished Senator from West Virginia down through the years when the Senator from West Virginia had sponsored this proposal.

In the long run the cost would be zero, although in the short run, for its first year of operation, the cost would be approximately $555 million. But it is a very fine proposal, one which should be enacted.

There are all sorts of situations that make this a better proposal now than it was when the Senator from West Virginia first offered it, labored hard for it, and succeeded in persuading the Senate to agree to it.

For those reasons the committee was persuaded to agree to the amendment, notwithstanding the substantial case that could be made that if it were not agreed to in committee, for the Senator from West Virginia could again offer it on the floor of the Senate, and it would prevail.

I regard this as a good amendment. The Senator from West Virginia [Mr. BYRD] labored long and hard for it. It has more merit now than it did in the beginning, and I am satisfied that it was right when it was first agreed to. One reason why it has more merit today is that a person who is unable to find a job—not because he is disabled, but because he just cannot get a job—would be privileged to retire; but even if he could find a job if he met the liberalized earnings test effective in 1969, which we have placed in the bill, namely that he could earn $2,000 a year under the Byrd amendment, he could retire, continue working and still receive all of his reduced benefits. If he could receive that much and in addition receive social security benefits, even though the benefits were reduced by one-third, his retirement benefits plus what he could earn would enable him to get along pretty well. He might earn $150 a month and receive benefits of $75 or $80. Thus he could draw his benefits and supplement them with earnings under the liberalized base provided in the bill. So if the two factors are considered together, such a person would be helped substantially.

In addition, he might be receiving an additional benefit, such as a veteran's compensation check for disability or injuries incurred during wartime. Or he might have other resources which could help him to supplement his retirement benefit. Such income plus the reduced benefit, stretched over a longer period of time, could be of great importance to him.

I personally visualize this proposal as something that will help a large number of people who are not able to get the kind of jobs the Senator from West Virginia and I would like to see them have, but who could find some kind of employment to enable them to earn enough to supplement what they would receive as retirement benefits. In any event, if a person cannot get any employment at all, but assuming he is living with relatives, he can hold his head higher at supper time, knowing that he is helping to bear a part of the family burden.

Mr. BYRD of West Virginia. Do I correctly understand that, even though there will be an initial cost, over the long run the initial cost will be more or less washed out across the board and that there will be an evening out of the cost, so that in the long run there will not be any additional burden on the trust fund?

Mr. LONG of Louisiana. Yes, that is correct. But I must advise the Senator from West Virginia and the Senate that, unfortunately, it will be a considerable number of years—I believe it will be more than 20 to 25 years—before the amendment would begin to reduce the amount of money flowing out of the fund and start to increase the amount the fund would receive. But the long-term cost would be zero. The Senator is correct. However, in the long run, this provision can well be viewed as self-financing because of its reduced-benefits feature.

Mr. BYRD of West Virginia. I should like to see full benefits paid at age 60; but I think we must recognize that that would, indeed, place a great burden upon the social security trust fund. The public must understand that when the payments are increased or when there are costly innovations somebody has to pay the cost.

In this instance, over the long run, there will not be any additional cost. But if full benefits were paid at age 60, the public should realize that that would constitute a considerable additional burden on the fund. An additional tax would have to be imposed on the employee and the employer, and conditions have about reached the point where the tax already constitutes a tight pinch upon the employer. In order to avoid such an additional burden upon the employer and the employee, it was thought by me, in presenting this amendment, that at least an opportunity should be provided for an individual to retire at an actuarially reduced benefit, which would not cost the employee or the employer any additional tax. Otherwise, I think we would meet with considerable opposition in attempting to lower the retirement age to 60. Is that not true?

Mr. LONG of Louisiana. The Senator is correct. We do not, either now or in the future, need to increase the tax to cover this benefit. We feel the savings that will be achieved down through the years at a future point will be such that there is no necessity for increasing the tax on those who perhaps could not stand it, and as people achieve further benefits farther down life's path, the cost washes itself out.

Mr. BYRD of West Virginia. If we were to provide full benefits at age 60—which I think both of us would like to see—we would have to recognize that the cost would be inordinately high, and somebody would have to pay this cost and it would require additional taxes upon the employee and employer, and therefore would engender considerable opposition to the proposal, and we might not be able to get our colleagues to accept the proposal.

Mr. LONG of Louisiana. Mr. President, I am rather fully convinced that, meritorious as the proposal is to reduce the retirement age to 60 with full benefits, the cost would be so great and the group benefiting from age 60 retirement would be so small in number by comparison, that the result would be that there would be strong opposition to it unless we did what the Senator has suggested.

May I say that there is an additional problem here, in that it is not just whether this is desirable. The question is, Is this more desirable than a number of other things we could do if we had the same amount of money with which to work? For example, if we had an equal amount of money available, we might want to completely eliminate the so-called earnings test. As it stands now, when somebody retires, he can make $1,500 a year without reducing the social security benefits he receives. The House raised that limitation to $1,680 effective in 1968. The Senate Finance Committee raises it, starting in January 1969, to $2,000.

To eliminate it completely, as has been suggested, would cost about $2 billion a year. That is indeed a lot of money. The only reason we do not do it, frankly, is that the cost is tremendous—and thus, prohibitive.

That could be compared with the Senator's suggestion that there be full retirement benefits at age 60, which has much to recommend it. Many people would have that privilege and exercise it. It would be a popular thing, but it would cost so much money that it might discount the benefits from the actuarial point of view and undermine the system. When we consider that, we have to think in terms of what that money could buy for some other benefits for the retired workers. Those already retired probably would be in favor of completely lifting the earnings limitation. On the other hand, those who are ill would rather have more medical benefits. So we have to weigh these proposals, which are meritorious in their own right, against what we could do if the same amount of money were used for something else. We must weigh all the equities.

However, I would think that at a later date we could explore it again.

Mr. BYRD of West Virginia. Mr. President, if the Senator will yield, I want to say that if we were suggesting a mandatory or forced retirement at age 60 with reduced benefits it would be an unfortunate thing; but this is entirely voluntary, and if it is the wish of individuals who have jobs to work until they reach age 65, and then receive full benefits at that time, they may do so. But there are those individuals who are unable to work perhaps because of physical reasons but who are not physically incapacitated to the point where they can obtain disability benefits under social security. Yet, they cannot get a job. Their unemployment compensation benefits may have been exhausted. The wolf may be at their door. This amendment gives them an opportunity of making a choice. They may accept benefits at an earlier age, even though the benefits are reduced, and thus keep the wolf away from the door, and thereby avoid imposing themselves on their children, who may have problems of their own in trying to raise families. The amendment therefore benefits not only the prospective recipients but their children as well, and it might help relieve the welfare caseloads in some instances where these particular individuals might have to resort to public welfare to keep body and soul together.

Mr. LONG of Louisiana. If it would not do quite that, at least it would lessen the welfare load, because if a person were drawing $50 a month from social security, he would not need as much welfare assistance as he would need in the event he was not drawing any social security benefits. So he would not be as heavy a burden on the State welfare program, and the two programs working together would be to his advantage.

We provide in this bill that a person can draw public welfare benefits, in addition, and can make certain earnings to go along with them. So his payments would be more on balance, because he would be receiving his voluntary retirement benefits, and if he had some other income to go along with it, the two working together could solve the problem.

If someone loses his job and cannot get another one at age 60, the fact that he is entitled to get social security benefits starting at age 65 does not do him much good if he starves until he gets those benefits. So a large number of people would find it to their advantage to use this provision.

As I have said, we estimate that there would be 775,000 people who would avail themselves of this provision immediately, because of the proposal of the Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President, I again thank the distinguished chairman, Mr. LONG, for the kind consideration that he has given heretofore, and for the consideration he has given in this instance. I believe that the action we have taken is a humanitarian step. I believe it is a good amendment, and I have greater hopes than ever before that the House of Representatives will accept it.

Mr. LONG of Louisiana. I thank the Senator.

Mr. President, the committee also agreed to liberalize the treatment of disabled widows and widowers of deceased workers. Under the committee amendment, which incidentally was agreed to by a rollcall vote of 15 to 0, these widows and widowers would become entitled to a full benefit of 82½ percent of the amount their spouse would have been entitled to receive if he had retired at age 65. Under the House bill these persons would have received benefits of only 50 percent at age 50. This group was considered particularly deserving of aid because of their inability to go to work and earn incomes after their spouses had died. The provision would be effective in March and would make some 70,000 disabled widows and widowers eligible for benefits. An additional $71 million would be paid out to them in the first 12 months of operation.

The bill also contains a further liberalization of the retirement test in the social security law which today serves to reduce the benefits payable to an individual who earns more than $1,500 a year. The committee amendment authored by the senior Senator from Indiana [Mr. HARTKE] permits a retiree to earn as much as $1,680 a year in 1968 and $2,000 a year after 1968 without reduction of his social security benefits. This amendment would make it desirable for more social security retirees to accept part-time employment without losing any of their benefits.

The committee bill also provides for payment of disability benefits to blind persons having vision of less than 20/200 if they have at least six quarters of coverage under the social security program. This was the same proposal suggested by the Senator from Indiana some years ago, which he suggested again on this occasion.

Mr. RIBICOFF. Mr. President, will the

distinguished chairman of the committee yield?

Mr. LONG of Louisiana. I yield.

Mr. RIBICOFF. I take this opportunity, Mr. President, of commending in the highest terms the distinguished chairman of the Committee on Finance for the results of the task that he has undertaken, as chairman, in working out the bill that is before us.

This is the most significant series of amendments to the Social Security Act that has been brought forth since the inception of the social security system itself. I commend the distinguished chairman for his patience, his courtesy, and his understanding in working out solutions to the basic problems that we have.

I think the chairman, on behalf of his committee, here offers to the American people for the first time a social security bill that is responsive to the realities of the economic conditions in America today. It makes it possible for those on social security, for the first time, to share in the general affluence that this Nation has enjoyed over the past decade, but which has been denied, to a great extent, to the millions of retired individuals who have done so much to build up American affluence.

I believe, too, that we should not overlook the fact that while most of its emphasis is in the field of retirement income, the Social Security Act contains many general social welfare provisions.

Although great advances have been made in social security, the Senator from Louisiana has carefully worked out a series of amendments to the welfare provisions which I consider to be potentially one of the most significant features in the entire war on poverty, and the moving forward of an entirely new emphasis on welfare.

Very little attention has been given to this particular program, because it is so far down in the voluminous document which is the bill before us, covering some 423 pages.

For the first time the committee has included meaningful work provisions. Under the leadership of the Senator from Louisiana, it has worked out a series of provisions that make work training for people on welfare a reality. Not only that but the chairman has worked out a series of provisions under which individuals, once they are trained and qualified, will be afforded opportunities to work in either public institutions or public service institutions.

My prediction is that the future will show that these provisions the chairman has been able to work out will have a most significant impact on the war on poverty, and will have a beneficial effect in taking people off of welfare; and I did not wish to let this opportunity go by without commending the imagination, the leadership, and the depth of understanding of these overall problems of the distinguished Senator from Louisiana, and paying him the tribute he deserves.

Mr. LONG of Louisiana. Mr. President, I thank the Senator for the high compliment he has paid me.

May I say that when I first applied for membership on the Committee on Finance, I was not so much interested in taxes, tariffs, and trade laws, or even in the national debt. The thing that had most impressed me, when I asked to be a member of the Committee on Finance, was that it is the committee that handles social security, public welfare, veterans insurance programs, and other measures to help the disabled and unfortunate veterans who are handicapped as a result of their service to their country. This area of helping people that comes within the jurisdiction of the Finance Committee impressed me even more than the tax jurisdiction we have, though it, of course, is enormously important.

Therefore, it was a matter of great joy to see the Senator from Connecticut [Mr. RIBICOFF] assigned to the committee. The Senator has tremendous experience in areas of helping people. He has served in the House of Representatives, and has served as Governor of his State, where he had responsibility for administering the welfare program of Connecticut. He came to us after service as Secretary of Health, Education, and Welfare. In that capacity, he brought major bills before us to provide care for the needy and the unfortunate, as well as the social security retirees, and struggled long and hard urging Congress to pass a bill to provide medical care for the aged.

He subsequently ran for and was elected to the Senate, and, to the pleasure of many of us, as one of his first assignments, came to the Committee on Finance. We have had no better qualified Senator to be assigned to work in the social security and public welfare area than the Senator from Connecticut, who has such profound knowledge and such a wealth of experience in this field.

I have sometimes had occasion to point out to the Senate, in reporting a bill, that there is more language in the bill suggested by the Senator from Connecticut than by any other member of the committee. I would not be surprised if that were the case here. If it is not the case directly, indirectly I am sure it would be, because when anyone made a suggestion as to what should or should not be in the bill, the Senator from Connecticut who has usually had more practical, down-to-earth experience than any other member of the committee, has been able to tell us whether he thinks the idea is good or bad.

So on this occasion, as on others, there are a great many things in the bill which the Senator thought should be added as amendments to the House of Representatives provisions.

I particularly appreciate the kind words of the Senator in view of the great contribution he has made in this field.

Mr. RIBICOFF. Mr. President, what I would like to see further achieved by the Finance Committee under the able leadership of the chairman is a little more overview in the whole medicare field.

Medicare has so many problems and has such a great impact that, as I have observed medicare working during the past year, I believe there is much more that we have to do as a finance committee in the field of oversight. If we do not do this as a committee, I have great fears that the burdens will continue to multiply and we may be faced with tremendous costs.

The costs of medicare are going up astronomically, with respect to both medical and hospital fees. I think that the question of the management of medicare is going to require the careful scrutiny of the Finance Committee and the Ways and Means Committee who have the basic task of making sure that this program does not get away from us. But, again, I do want this record to show what the Senator from Louisiana has achieved in the welfare section of the pending bill. In many ways it will have a great impact on the future of our Nation.

I pay my highest compliments to the Senator from Louisiana.

Mr. LONG of Louisiana. I thank the Senator. As the Senator so well knows, in many respects, this is the most important social security bill that we will have passed. We have to judge these things relatively speaking.

The Senator from Connecticut played a major part in the passing of the Social Security Act of 1965, which included the medicare amendment.

That was a tremendous advance in the social security program and a very controversial advancement, may I say. And the Senator is quite correct that just as soon as we can find some time to do it and assign Senators to that task, we should take a greater look in depth at the medicare problem and see if we can find ways in which the law can be improved and see if the law is being administered as efficiently and effectively as it might be.

I know that no one can make a greater contribution in that area than can the distinguished Senator from Connecticut.

I look forward to working with him on this particular problem.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. ELLENDER. Mr. President, I am proud of the fact that the distinguished Senator from Connecticut has paid such high tribute to my colleague. I join in everything the Senator from Connecticut had to say in that regard.

The junior Senator from Louisiana has worked hard and constantly on this program. I know that the bill is in good hands.

I have not had the chance to study the report and go over the bill. However, in view of the fact that larger payments will be made and more people will be taken under social security, I wonder what impact these additions will have on the trust fund that has been created up to this moment.

Mr. LONG of Louisiana. The trust fund in 1968, which is the first year that this law will go into effect, will collect approximately $2.2 billion more in taxes than it pays out in terms of benefits.

The bill as proposed by the Committee on Finance does not start the increased benefits until the month of April. The benefits are payable for the month of March, but the first check will be sent in April. The increase in taxes is not achieved by an increase in the rate of tax in 1968, but is achieved by raising the base from $6,600 to $8,000.

This wage base increase will raise $100 million a year more, when compared to the House bill, than would be paid out.

It was originally estimated that there would be about a $4.1 billion surplus under present law flowing into the fund.

The administration recommended that benefits should be paid to the extent that that surplus would be reduced to $300 million. The House did not see fit to so reduce the surplus flowing into the fund, but did reduce it by approximately $2 billion, with a $2.1 billion excess of income over outgo.

On balance, what the Committee on Finance has done would cause the surplus flowing into the fund to be increased by about $100 million a year over the increase occasioned by the action of the House for the fiscal year 1968.

Mr. ELLENDER. In the long run, is it my colleague's view that the taxes imposed will not in any manner impair the amount necessary to meet all these obligations in the future?

Mr. LONG of Louisiana. They will not. This bill would maintain a surplus flowing into the fund every year.

Mr. ELLENDER. Over and above the payments?

Mr. LONG of Louisiana. The Senator is correct. For example, I show the Senator a compilation here, which I will discuss later, showing that in 1968 we would have a surplus flowing into the fund under the Senate bill of $2,200,000,000. In 1969 the tax would increase, so that there would be a surplus of $3,600,000,000.

Mr. ELLENDER. After paying these additional benefits?

Mr. LONG of Louisiana. The Senator is correct. In 1970, there would be a surplus of $3,600,000,000. In 1971, there would be a surplus of $6,600,000,000. In 1972, there would be a surplus of $8,600,000,000.

I say to my friend, the senior Senator from Louisiana, whom I have always admired for his dedication and service to his country, that this excess is so great that it sometimes causes me to ask whether, perhaps, in some future year we might not want to postpone some of the tax increases we vote here.

It was the judgment of the committee, however, that this amount would be about what would be needed to maintain an amount in the fund adequate to meet about 1 year's benefit payments if no additional money were to flow into the fund.

Mr. ELLENDER. I am certain that my colleague is familiar with many of the charges made to the effect that by adding these additional benefits—and I think we did it in the past on two or three occasions—we would tend to impair the soundness of the fund. The fear was that those who are paying into the fund now in order to be entitled to payments in, say, 25 or 30 years hence, might not be able to collect because the fund would be so taxed by withdrawals that there would not be a sufficiency to meet all obligations.

Mr. LONG of Louisiana. That charge would not be correct at all. It is a false and misleading one. On page 124 of the report, there is a summary of an actuarial study made by the chief actuary of the social security system, a man who is regarded as one of the best experts on the subject. I shall read only one sentence from that page.

He said:

> Accordingly, the old-age and survivors insurance program, as it would be changed by the committee-approved bill, is in close actuarial balance, and thus remains actuarially sound.

Mr. RIBICOFF. Mr. President, will the Senator yield for a comment on this point?

Mr. LONG of Louisiana. Mr. President, I yield to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, is it not true that before action was taken, the chairman and the majority of the committee were most careful to solicit from the actuarian the assurance that every step that was taken in this bill was actuarially sound and that, as a matter of fact, the amount that the contributions exceed benefits in the Senate bill is in the sum of $100,000,000 more than provided by the House bill, even though the Senate bill contained additional benefits.

Is it not also true that, concerning the soundness of the fund, the Advisory Committee on Social Security, which meets from time to time under the law to make its survey and review to the President and Congress, time and time again has assured the Nation and the executive branch of the Government and the Congress that the social security fund is actuarially sound.

The people who serve on this advisory committee are top people in the field of insurance and banking and time after time they have made very careful scrutiny and surveys of everything that has been done. We have been assured of the actuarial soundness of the fund.

The House bill provided for wages up to $7,600 being subject to taxation, and I believe the chairman insisted that the wages upon which taxes be paid go up to $8,000, to assure that there would be additional revenues in the fund, as well as pay for the additional benefits which the committee approved.

Mr. ELLENDER. I simply wish to express the hope that my colleague and those who helped draft this bill will stick by their guns and make sure that enough funds are provided to take care of the additional expenses caused by drawing many more recipients into social security. It will be an easy matter to increase the payments on the floor of the Senate, or perhaps to leave them as they are. On the other hand, efforts might be made to cut back on the tax portion of it, so that the fund might be impaired unless Congress insists that the tax structure remain in line with what the committee believes is needed in order to pay all recipients.

Mr. RIBICOFF. In watching the chairman work in that committee, I have never known him not to insist that that is exactly what should take place. I believe the chairman has been very careful and very solicitous to be assured that whatever benefits are voted will be more than compensated by the taxes that are received.

There is a difference of opinion as to what method should be used and what timetable should be used; but, basically, so far as the chairman is concerned, the plan ultimately adopted by the majority was one that he was assured was actuarially sound.

Mr. LONG of Louisiana. May I add that in past years, the House Committee on Ways and Means has been most conservative in estimating both receipts and expenditures, to assure that every one of these additional benefits would be accompanied by a tax more than adequate to pay for it. This would, in effect, build up these reserves, with the result that we have projected into the social security trust funds, under present law and at the time the House looked at this problem, a surplus of $4,100 million for 1968.

The Senator well knows that so long as you take in more money than you pay out, you will never go broke.

The $4,100 million of projected surplus was so impressive that at one time the ranking Republican member of the House committee actually suggested an 8-percent increase in social security benefits, without any accompanying increase in social security tax, because of the large surplus coming into the fund. The administration actually recommended that we reduce such surplus by $4 billion. I do not believe the President would press for anything such as that at this time because of other fiscal and monetary problems, with which my colleague is more familiar than I, because he serves on the Committee on Appropriations.

However, the House did not buy all of the suggestion to deplete the surplus. The House chose to fund a part of the benefits that it was voting in this bill; and rather than reduce the surplus by $4 billion, it reduced it by only $2 billion for 1968. Whereas the House would raise taxes to pay for only a small portion of additional benefits voted by the House, the Senate Committee on Finance in a responsible fashion raises $100 million more than necessary to pay for the benefits that we voted.

So this committee has not been at all reluctant to vote for the payment of the benefits we included. At one time, we even went to the extent—I believe, from hindsight, we went too far—of voting to actually raise enough money to fund both what the House had done and what we had done; not only maintain the surplus but even increase it. Frankly, when it was pointed out to us that such action might subject us to the charge that we were trying to balance the budget by raising social security taxes, we decided that we would like to have a second look at the matter. We concluded that so long as we raised as much money as we proposed to pay out, we were being very responsible, so far as the Senate was concerned. We reported this bill with the committee recommendation that everything added to the bill be funded in the year in which the additional increases would be provided.

Mr. ELLENDER. I hope Congress will stick with the amounts fixed in the bill, both as to payments and the tax necessary to meet the additional costs.

Mr. LONG of Louisiana. Please understand that the House voted to reduce the surplus of that fund by $2 billion. Before anyone points a finger of scorn at the House, it should be clearly understood that the House of Representatives—and in particular the chairman of the Ways and Means Committee, Mr. MILLS—is more responsible than anyone else in Congress for the fact that the fund was projected to have a surplus next year of $4.1 billion.

Mr. WILLIAMS of Delaware. The Senator points out that the benefits in calendar year 1968 as approved by the Senate committee would be approximately $300 million more than the House bill, whereas the tax provided in the Senate bill would bring in additional revenue above the House bill of approximately $400 million in calendar year 1968, which leaves a $100 million so-called surplus that would be paid.

Mr. LONG of Louisiana. That is compared with the House bill. I am only talking about what the Senate committee did.

Mr. WILLIAMS of Delaware. That is correct. But it should be pointed out that, to arrive at that figure, the Senator is proceeding on the premise that the Senate bill will be in effect for 9 months of the calendar year 1968, and he is comparing that with the House payments for 12 months. If you put them on the same monthly basis you get an entirely different picture.

Mr. LONG of Louisiana. I do not quarrel with the Senator about that. We put a tax into effect for 12 months, and we bring in $100 million more than we pay out in 9 months. So we assert a tax sufficient to pay the benefits.

To the extent the committee voted additional benefits for calendar year 1968, we put the tax on to pay for it. Similarly to the extent we voted for additional social security benefits in 1969, we put the tax on to pay for it.

Mr. WILLIAMS of Delaware. The bill as reported by the Committee on Finance provides three and a half billion dollars additional benefits for 9 months in calendar year 1968. This amount is over and beyond the benefits which would be paid under existing law. The bill as reported by the Committee on Finance would raise $1.6 billion over the amount provided in existing law, which means that in calendar year 1968 we would pay out $1.9 billion more than would be raised in revenue. So I believe we should have the benefits and the income more properly balanced before we put any halos around our head for balancing the budget.

Mr. LONG of Louisiana. If one adopts the attitude that the Senator from Delaware takes, that you should pay for the benefits for which you voted, this was achieved by the committee since to the extent we added benefits to this bill, we have paid for them, plus $100 million for added good measure.

Mr. WILLIAMS of Delaware. But when the Senate committee reported the bill we did not report just the Senate amendments. We reported the House bill as amended by the Senate, and that is the bill now before the Senate. We are talking about the bill as it is presently before the Senate and its full impact both in benefits and taxes.

Mr. LONG of Louisiana. If one wants to look at the entire matter—what the House did, plus what the Senate committee proposes to do—we would raise $2 billion more in taxes than we would pay out in 1968. So the fund would have $2 billion more in January, 1969, than it would have if we do not have this bill.

Now, I would be happy to concede that if the President vetoed the bill, there would be $2 billion more in the fund than otherwise. The ranking Republican member of the House Ways and Means Committee, the counterpart of the Senator from Delaware, at one time proposed an 8-percent increase in social security benefits, with no increase in the tax, because there was so much surplus falling into the fund. That suggestion would have completely eliminated any excess. This excess became available to the fund mainly because the chairman of the House committee, the Honorable WILBUR MILLS, the Representative from Arkansas, has been very conservative through the years and has fought valiantly for the position that every time we add benefits, we should add a sufficient tax so that the social security fund would in no way be impaired.

When the House reduces the surplus flowing into the fund I do not point a finger of scorn. The Senate is responsible for what happens to surplus here.

Mr. RIBICOFF. Mr. President, I support the social security bill now before us, and I extend my congratulations to the Senator from Louisiana, who, as chairman of the Committee on Finance, has worked long, hard, and skillfully to produce this bill. The proposed changes in the social security program would continue the progress that has been made toward providing a better life for older Americans. The major part of this progress would be accomplished through substantial improvements in the cash-benefits provided under the social security program. It is important that these proposed changes in the social security program be enacted into law.

The cash benefits that are provided under this program, on which almost 24 million Americans—one out of nine of our people—rely to meet their basic needs, are inadequate in our society today. The level of cash benefits under the current program are too low.

The average benefit for retired workers today is about $85 a month; for aged widows, the average is $74 a month. In a country like ours, our retired citizens should share in the expanding prosperity most of us have come to know and enjoy. The 15-percent across-the-board benefit increase provided by the bill is a needed increase. A great many social security beneficiaries must live only on their social security benefits, and for almost all beneficiaries, social security benefits are their main source of support. It is for this reason that the level of social security benefits is the all-important factor in determining how well these people will be able to live. Under the 15-percent across-the-board benefits that now range from $44 to $142 for retired workers will be increased to a range of $70 to $163. Under the bill, a worker getting a benefit equal to the average benefit now payable—about $85 a month—will get about $98 a month. The average benefit for an aged retired couple will be increased from $145 a month to $171 a month.

The bill not only provides an increase in current cash benefits averaging 19 percent, but, as a result of the higher amounts of annual earnings that would become creditable toward benefits—from the present $6,600 to $10,800 ultimately—provides for an increase of about 70 percent in the maximum benefit that will ultimately become payable under the program. Under present law, the maximum benefit is $168—based on average monthly earnings of $550 to $6,600 a year—under the House bill, the maximum benefit would be $212—based on average monthly earnings of $633 to $7,600 a year—and under the committee bill, the maximum benefit would be $288—based on average monthly earnings of $900 to $10,800 a year.

In general, the new maximum retirement benefits would be paid to workers who are now young, and who consequently will pay contributions on the higher amounts of earnings that would count for social security contributions and benefits purposes over a considerable period of time before they retire. Because of the higher contribution and benefit base, though, benefit amounts would be increased significantly over those that would be payable under present law and under the House bill for workers who are much older now and who consequently will pay on these higher amounts for a much shorter period.

A man age 50 in 1968, for example, who earns $8,800 a year until he is 65 will get a monthly benefit of $204 at age 65—32 percent higher than he could get under present law, and 10 percent higher than he would get under the House bill. If he earns $10,800 a year or more his monthly benefit will be $223—44 percent higher than he would get under present law, and 20 percent higher than he would get under the House bill.

Also, because of provisions of the law which allow the substitution of years of higher earnings after age 65 for years of lower earnings before that age in figuring retirement benefits, workers who continue working after age 65 could get the higher benefits made possible by the increase in the contribution and benefit base even more quickly than those who retire at 65. For example, if the worker described above were able to work 5 additional years before retiring he would get a monthly retirement benefit at age 70 of $249 under the proposal—an increase of $87 a month—54 percent—over the amount he would get under present law and $51 a month—26 percent—more than he would get under the House bill.

Survivorship and disability protection would be even more quickly increased for all those earning above $6,600. For example, if a worker aged 35 in 1968 with annual earnings of $8,800 died in 1970, his widow and child would get a monthly benefit of $267.60—$44 more than is provided now and $11 more than would be provided under the House bill. And his widow at age 62 would get a monthly benefit of $147.10—$24.10 a month more than is provided under present law, and $6 more than would be provided under the House bill. If the worker became disabled in 1970, he would get a monthly disability benefit of $178.30, $29.30 more than is provided under present law and $7.30 more than would be provided under the House bill. In each of these cases, the increase would be 20 percent more than under present law and 4 percent more than under the House bill.

These improvements in benefits will help present and future generations of aged and disabled workers and their dependents and survivors live in decency and dignity when they cannot depend on current earnings.

When the Congress brought the social security program into being in 1935, the purpose was "to assure support for the aged as a matter of right rather than as a public charity" and to provide benefits in "amounts which assure not merely subsistence but some of the comforts of life." This bill will enable us to take a big step forward toward the goal we set for ourselves more than 30 years ago.

The 15-percent increase in benefits and the increase in the minimum benefit provided by this bill will enable retired and disabled workers and their families to take part in the level of living enjoyed by other Americans. Today more than 5 million older Americans live in poverty. The increase provided in H.R. 12080 will remove more than 1½ million of these older citizens from a life of poverty. It will take them away from a life dependent upon public charity.

The social security program is soundly financed and it is a good buy for the covered worker. Both the House Committee on Ways and Means and the Senate Committee on Finance have examined the social security system in great detail and recommended changes to strengthen the present program.

The Congress has always been concerned about the financing of the program and has always made full provision for meeting the cost of the benefits it has provided. This bill also makes full provision for the cost of present benefits and for the cost of the additional benefits that are provided in the bill. We have before us a bill which gives consideration to the needs of the elderly and the disabled and equal consideration to the needs of those who will call upon the program in the future. Every citizen can be assured that his contributions are supporting a sound program and that the schedule of contributions provided in this bill will be sufficient to pay adequate benefits to those who are now eligible and to those who will become eligible in the future.

There is no question in my mind, or in the minds of those on the Committee on Finance who have recommended that the Senate pass this bill, that the proposed improvements in benefit levels are needed and that the bill makes full provision for meeting the cost of the improvements. As in the past, we have adopted, under the leadership of the distinguished chairman of the committee, a financing provision that will assure the financial soundness of the program both in the near future and over the long range.

Under this schedule, the combined employee rate for cash benefits and for hospital insurance for 1968 would be 4.4 percent—the same as provided under present law. The rate would be slightly lower for 1969 and 1970—4.8 percent instead of 4.9 percent—and for 1971 on, the rate would be higher than present law, eventually reaching an ultimate rate of 5.8 percent in 1980, as compared to an ultimate rate of 5.65 percent in 1987 under the present schedule.

This tax schedule, along with the increases in the amount of annual earning subject to the tax and the current favorable actuarial balance of the present social security program, will meet the cost of the additional benefits both in the short run and in the long-range future. In 1968, under the committee bill, an estimated $25.7 billion in cash benefits would be paid out and contribution income to the program for those benefits would be $27.1 billion. This is an additional $300 million in benefit payments and an additional $300 million in contribution income for 1968 over the House bill. Thus, the bill as reported out by the Finance Committee is as financially responsible as was the bill passed by the House.

Social security is the Nation's basic system for assuring income for workers when they retire or become disabled and for their survivors when they die.

This is a program that is vital to our society. As times change, as the needs of the people change, the social security system must stay abreast of the times, to meet new needs and changing conditions.

The social security legislation before us is timely, responsible, financially sound, and responsive to the needs of America as we approach the 1970's. These proposed amendments to social security should be approved.

(At this point, Mr. YOUNG of Ohio assumed the chair.)

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. CURTIS. Is it not true that the increased revenue up through the year 1970 comes from raising the wage base?

Mr. LONG of Louisiana. Partly, there is a scheduled rate increase from 4.4 to 4.8 percent in 1969.

Mr. CURTIS. Is it not true that that will raise social security taxes only for about one-third of the social security tax?

Mr. LONG of Louisiana. For 1968, yes; about one-third.

Mr. CURTIS. Is it not true that the tax rate that will prevail through the year 1970 is lower than that provided by existing law?

Mr. LONG of Louisiana. Will the Senator repeat his question, please?

Mr. CURTIS. Is it not true that the tax rate provided for in the bill before us through the year 1970 is lower than the rate provided for by existing law?

Mr. LONG of Louisiana. I do not know what the Senator refers to. My impression was that the tax is 4.4 percent in 1968.

Mr. CURTIS. I shall restate the question. Under present law, in 1969 the rate goes to 4.9.

Mr. LONG of Louisiana. Yes.

Mr. CURTIS. Under the bill before us the rate goes to 4.8, so that for the years 1969 and 1970, the rate provided in the bill before us is below the rate provided in the present law.

Mr. LONG of Louisiana. Yes; for 1969 and 1970.

Mr. CURTIS. So that in other words we have a bill before us——

Mr. LONG of Louisiana. But the Senator should understand that that does not mean we are not going to collect more money; we increase revenue because we raise the wage base.

Mr. CURTIS. Oh, yes.

Mr. LONG of Louisiana. We are taxing more money but at a lesser rate.

Mr. CURTIS. Fewer people. You have raised benefits for everybody and lowered the tax rate from the existing law from two-thirds——

Mr. LONG of Louisiana. Perhaps two-thirds may think they have gotten a tax cut, because that rate will be 4.8 percent, 1 percent less than present law. As far as those people are concerned they are going to look upon that as a 20-percent increase in the social security tax. The fact that it could have been 4.9 percent is not going to make them happier. The rate will not be as high but we would tax a higher base and bring in more revenue.

Mr. CURTIS. My point is that you are increasing the revenue over existing law by extracting that increase from those who make more than $6,600 a year.

Mr. LONG of Louisiana. One could look at it that way if he chose to.

Mr. CURTIS. Yes.

Mr. LONG of Louisiana. Others view it on the same basis as when inflation shrinks the purchasing power of money. In order to maintain benefits at the same purchasing level one must apply the rate against a larger amount of dollars. Thus benefits could be raised and still have the money to pay for them.

Now let me describe for the Senate how the benefits provided for in the committee's bill will be paid. We propose to put this program on as close to a pay-as-you-go basis as we possibly can keeping in mind the financing actions taken by the House of Representatives when it approved the bill by a vote of 414 to 3 earlier this summer.

The House proposed to finance its $3.2 billion of benefits for 1968 partly by using up about $2 billion of the excess cash which had built up in the social security trust fund and which was not needed for a long-range solvency of the benefit system. The remaining $1.2 billion of cost would have been financed through additional taxes in 1968 resulting from an increase in the taxable wage base for that year from $6,600 to $7,600.

Our committee bill increases the level of benefits proposed to be paid out in 1968 by $300 million over the level of the House bill—making our total cash payment $3.5 billion for that year. The additional $300 million which the committee added to the House bill would be fully paid for by increasing the wage base limitation to $8,000 in 1968. With this higher wage base our bill will produce $1.6 billion of revenue for the system in 1968—$400 million more than the House bill would raise. Thus the benefits we add to the House bill for 1968 are fully paid for by the taxes we add to the House bill.

There have been discussions of the impact this legislation may have on the economy in 1968. It has been suggested in some quarters that H.R. 12080 would exert inflationary pressures in 1968 and that this would be unwise in light of today's economic situation. This argument develops from the method of financing chosen by the House of Representatives—a method endorsed by a vote of 414 to 3, or almost unanimously. As I have pointed out, that body felt the anticipated trust fund surplus was more than was needed to insure the integrity of the social security system, particularly after the 1966 actuarial revisions revealed significantly lower long-term costs for the old age and survivor insurance portion of the system.

Congress has taken the position for many years under both Democratic and Republican administrations that we should not assess greater taxes through the social security system than are actually needed to keep it sound. The financing features in H.R. 12080 adhere to this principle.

In essence, the committee bill, while increasing 1968 benefits by $300 million over the House bill and by $3.5 billion over the present law, also provides for tax increases sufficient to produce $2.2 billion more revenue for the trust funds than would be paid out in benefits. This $2.2 billion surplus of income over outgo compares with the $2.1 billion surplus which would occur under the House benefit and tax structure. It contrasts sharply with the result which would have come about if the original administration's recommendations had been enacted. Under those proposals the surplus would have been reduced to only $300 million for 1968.

Compared with those recommendations our committee bill cannot be viewed as inflationary. If one chooses not to make this comparison, however, but prefers to relate our bill to the existing law under which the 1968 excess would be $4.1 billion, let me respond by pointing out three facts:

First, the gross national product of our Nation is running at an annual rate of almost $800 billion, and personal consumption expenditures are more than $465 billion a year. The vast nature of these economic indicators cause me to wonder just how significant a factor either the House bill or the Finance Committee bill can be in exerting pressure on our immense economy. And, I would like to remind Senators that the $2 billion we are talking about is almost precisely the amount of the tax handouts this Senate and this Congress voted for big business when it reinstated the investment tax credit earlier this year. Senators who voted for that measure, and I did, were not concerned with inflationary pressure although it was the boom in the capital goods industry which prompted us to suspend the credit in the first instance a year ago, for which I also voted. It is inconceivable to me that a Senator would vote a tax bonanza of almost $2 billion for business and then proceed to deny widows, widowers, orphans, and poor old retired people a small increase in their social security pension on grounds that that might inflate the economy.

Second, the types of expenditures for which social security checks are generally spent—food, clothing, and shelter—are the least inflationary types that could be imagined. These people do not heat up the economy by buying an extra dozen eggs. They do not start an inflationary panic by purchasing that pair of shoes they had been doing without. They are very likely to want to hoard a part of the increase to help with future doctors bills or for some other unforeseen, but feared, emergency. In my opinion, the inflationary argument when applied to this social security bill is a fiscal bugaboo—a specter designed to frighten, but wholly lacking in substance.

Third, it is an incontrovertible fact that the social security fund is in the black now and will be in the black in 1968, 1969, and 1970, and all into the future to the year 2010 for we do not project beyond that year. Since it is operating with an excess of income over outgo now and will continue to so operate, it can only be concluded that the social security trust fund acts not as a stimulant to the economy, but as a depressant because it is taking more money out of circulation than it is putting back in.

For the benefit of Senators and others who desire more information regarding this aspect of the bill, I refer them to a table which compares the contribution income and benefit outgo of the social security program under present law to the House bill and the Finance Committee bill, and ask unanimous consent to have it printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

OASD HOSPITAL INSURANCE INCOME AND OUTGO, PRESENT LAW AND H.R. 12080

[In billions]

Year	Contribution income			Benefit outgo			Excess of contributions over benefits		
	Present law	House bill	Committee bill	Present law	House bill	Committee bill	Present law	House bill	Committee bill
1967	28.5			24.2			4.3		
1968	29.6	30.8	31.2	25.5	[1] 28.7	[2] 29.0	4.1	2.1	2.2
1969	33.7	34.9	36.3	26.9	30.3	32.7	6.8	4.6	3.6
1970	35.2	36.5	38.3	28.2	31.7	34.4	7.0	4.8	3.9
1971	36.2	40.3	42.5	29.4	33.1	35.9	6.8	7.2	6.6
1972	37.2	42.0	46.0	30.8	34.6	37.4	6.4	7.4	8.6

[1] Assumes that increased benefits will be payable for all 12 months of 1968 (as would have been the case if bill had been enacted when it passed the House).

[2] Based on effective date of March (payable at beginning of April) for increased benefits.

Note: Benefit outgo data include increase in hospital insurance benefit-cost estimates made following passage of House bill.

Mr. LONG of Louisiana. Mr. President, the present social security employee contribution rates—4.4 percent for cash benefits and for hospital insurance, combined—would be retained through 1968 and the rate schedule for 1969 would be slightly lower under the bill than under present law—4.8 percent as opposed to 4.9 percent. These rates would be increased in steps until reaching an ultimate rate of 5.8 percent in 1980 and thereafter—an increase of only 15 one-hundredths over the 5.65 percent rate now scheduled as the ultimate rate, and one-tenth of 1 percent lower than the ultimate rate in the House bill.

Our rate structure is identical to that in the House bill through 1980. The House bill would have increased the rate on to 5.9 percent in 1987, but we did not adopt this last step increase because of the higher wage base that we have included in the bill. As I have pointed out, our wage base goes to $8,000 in 1968. In 1969, it would increase further to $8,800 and in 1972 it would go to $10,800 on a permanent basis.

In the area of medicare, the committee made an important improvement in the billing procedures provided for by existing law. Today, a patient must first pay his doctor and receive a receipted bill in order to be reimbursed for his medical expenses under the program—unless his doctor agreed to take an assignment and submit his bill directly to medicare. Under the committee amendment, initially offered by the junior Senator from Connecticut [Mr. RIBICOFF], this pay-first requirement would be deleted, and instead, the patient would be allowed to submit an itemized bill from his physician to medicare, receive his payment under the program, and then pay the doctor's bill. This desirable change should eliminate a great deal of procedural problems in medicare. However, as under existing law, the alternative would be continued under which doctors who choose to do so could elect to take assignments from their patients and bill medicare directly for their fees.

The committee also has improved the medicare program by adding additional days of hospital care, and by including certain services of podiatrists, chiropractors, and optometrists under medical insurance, as well as by making numerous changes which simplify administration and bring greater equity to this fine program passed by the Senate just a little more than 2 years ago. In connection with these changes, I should like to recognize the important roles played by the distinguished Senator from Connecticut [Mr. RIBICOFF]; the Senator from Minnesota [Mr. MCCARTHY]; the Senator from Georgia [Mr. TALMADGE]; the Senator from Montana [Mr. METCALF]; the Senator from Oklahoma [Mr. HARRIS], and the Senator from Kansas [Mr. CARLSON].

The committee also adopted a modification of the amendment introduced by the distinguished senior Senator from New Mexico [Mr. ANDERSON] to coordinate hospital insurance and public assistance reimbursement with State planning under the Partnership for Health Act. The members of the committee felt that the medicare program should not be negative and disruptive to the efforts of local, State and areawide planning agencies who are trying to bring some order to our health care system and thereby help slow down soaring hospital costs. The medicare and medicaid programs would not pay depreciation or interest on debt for a large capital expenditure made by a hospital or other health facility over the specific disapproval of the State "partnership for health" agency.

Another amendment in the medical area deals with the deduction of medical expenses by persons age 65 and over. Until the Social Security Amendments of 1965, these aged taxpayers could deduct their medical expenses without limit, whereas those under age 65 could deduct only their extraordinary medical expenses. The 1965 amendments subjected taxpayers age 65 and over to the same limitations applicable to younger taxpayers and made the restriction effective in 1967. The committee amendment, a modified version of the amendment of the Senator from Florida [Mr. SMATHERS], would restore the full deduction for medical expenses for persons age 65 and over, but only if they elect to forego their rights to all benefits under the medicare program.

Mr. President, in that connection, we felt that something should be done to create a better equity and also to moderate the cost. It was the suggestion of the Senator from Delaware [Mr. WILLIAMS] to make it possible for us to work out an arrangement we thought would be appropriate and feel that it would not be unduly favorable to those with high incomes but would be offering persons the choice of having a higher deduction which, in some instances, would be more advantageous to them. I am very pleased that the Senator from Delaware [Mr. WILLIAMS] was able to work out a way wherein this could be resolved.

Important as the social security and medicare amendments are, this bill may be recognized as the most significant public assistance bill since the 1935 act.

Like the Committee on Ways and Means of the House, this committee has become concerned about the continued growth in the number of families receiving aid to families with dependent children—AFDC. In the past 10 years, the program has grown from 646,000 families that included 2.4 million recipients to 1.2 million families and nearly 5 million recipients. Moreover, according to estimates of the Department of Health, Education, and Welfare, the annual amount of Federal funds allocated to this program will increase greatly—from $1.46 billion to $1.84 billion—over the next 5 years unless constructive and concerted action is taken now to deal with the basic causes of the anticipated growth. Our concern is not only fiscal but human. We are worried about the effect on the human spirit of protracted periods on "welfare"—periods which are beginning to stretch from generation to generation.

Because of its concern, the Committee on Finance recommends the enactment of a series of amendments to carry out its intent of reducing the AFDC rolls by restoring more families to employment and self-reliance.

The first series of amendments is designed to encourage and make possible the employment of adults in AFDC families. These provisions are aimed at this purpose:

First, the establishment of a work incentive program under the Department of Labor for the purpose of restoring members of AFDC families—including those with little or no work experience—to regular employment through counseling, placement services and training, and arranging for all others to get paid employment in special work projects to improve the communities in which they live;

Second, a requirement that all States furnish day-care services and other social services to make it possible for adult members of the family to take advantage of the work and training opportunities under the work incentive program; and

Third, a requirement that all States exempt part of the AFDC recipient's earnings to provide incentives for work in regular employment.

The second series of amendments would set up new protections for the children in AFDC families and would make more certain the fulfillment of parental responsibilities:

First, a requirement that the States establish a comprehensive plan of social services for each AFDC child to assure the child the maximum opportunity to become a productive and useful citizen;

Second, a requirement that State welfare agencies refer cases of child abuse or neglect to appropriate law-enforcement agencies and courts;

Third, a requirement that protective payments and vendor payments be made where appropriate to protect the welfare of the children;

Fourth, Federal payments for additional foster care situations under the AFDC program;

Fifth, a requirement to assure that fathers who desert or abandon their families will contribute to the support of their families by using available tax records and the tax collecting and enforcement power of the Internal Revenue Service. This is a matter in which I have been particularly interested. In addition, there would be a requirement that the States establish separate units to enforce the child-support laws, including financial help to the courts and prosecuting agencies to enforce court orders for support;

Sixth, a program of emergency assistance to families with minor children for a temporary period; and

Seventh, a more definitive and uniform program for unemployed fathers, under which there would be a Federal definition of "unemployment" and an opportunity for parents with short attachment to the labor force to receive welfare benefits and participate in the work incentive program I shall describe in just a moment.

The third series of amendments would make other changes in the program designed to deal with the expanding AFDC rolls.

First, a requirement that all States establish programs to reduce the number of children born out of wedlock; and second, a requirement that all the States offer family planning services to appropriate AFDC recipients. Although the House bill contained provisions along these lines the junior Senator from Maryland [Mr. TYDINGS] made a number of quite helpful suggestions for improving the House bill.

I would be remiss if I did not express my appreciation to all the members of the Finance Committee for their fine work in this regard. The work incentive program is, indeed, a product of the complete committee, fashioned, designed, and shaped by their hard work.

Now, let me describe the work incentive program. It is one of the main features of our bill—just as the work program was one of the main features of the House bill. It states the position that those persons receiving welfare payments under the aid to families with dependent children programs who are determined by the State agency to be appropriate for work should perform some useful service to society in return for the support they receive from society.

On the other hand, and I want to emphasize this, the work incentive program is not designed to coerce mothers with small children or disabled persons to work under the threat of losing their welfare benefits. As stated in the bill, the purpose of this part of the bill is the establishment of a program utilizing all available manpower services, including those authorized under other provisions of law, under which individuals receiving aid to families with dependent children will be furnished incentives, opportunities, and necessary services in order for first, the employment of such individuals in the regular economy; second, the training of such individuals for work in the regular economy; and, third, the participation of such individuals in special work projects, thus restoring the families of such individuals to independence and useful roles in their communities. It is expected that the individuals participating in the program established under this part will acquire a sense of dignity, self-worth, and confidence which will flow from being recognized as a wage-earning member of society and that the example of a working adult in these families will have beneficial effects on the children in such families.

We modified the House bill by placing the administration of the work program under the Department of Labor and by defining more precisely than in the House bill those AFDC recipients who would be referred to the program. The State welfare agencies would decide who was appropriate for such referral, but would not include first, children who are under age 16 or going to school; second, any person with illness, incapacity, advanced age, or remoteness from a project that precludes their effective participation in work or training; third, persons whose substantially continuous presence in the home is required because of the illness or incapacity of another member of the household; or, fourth, a mother who is in fact caring for one or more children of preschool age, if her presence in the home is necessary and in the best interest of the children; fifth, or persons whose participation in the program would not, as determined by the State, be in their best interest and that of the program.

The Senate committee feels work should not be required as a condition of drawing welfare payments as to certain people. We spell out those people we think should not be required to go to work. We say to the States, "if you want to, go ahead and put some other provisions in here with respect to people whom you do not think should be required to go to work. For example, it might well be that a State would say where a childbirth is imminent, a person should not be expected to go to work. The State might want to add that additional proviso. Thus, having challenged the imagination of the States as well as that of the committee, we ask the question, "Can you tell if there is any other sufficient reason why an individual should not do something and help society as a condition to receiving welfare money?" If the State or the committee or the House or the Senate or the executive cannot think of any additional reason, then it seems to me that person ought to be doing something and that if he should be offered a job be told to either take it, and if he refuses, he will not be entitled to welfare payments.

For all those referred the welfare agency would assure necessary child care arrangements for the children involved. Individuals who are not required to work but who desire to participate in work or training would be considered for assignment and, unless specifically disapproved, then would be referred to the program.

There are many young people, 16, 17, or 18 years of age, whose families are drawing welfare payments, who could do something useful and worthwhile. A great many things occur to the Senator from Louisiana, not the least of which is keeping law and order with regard to our Interstate Highway System, where juvenile delinquents have a habit of standing on an overpass and dropping a Coke bottle as a car goes into the underpass. Some young people might be assigned to keep law and order and protect interstate traffic going under such underpasses, and receive additional money to what is being received as welfare payments.

People referred by the State welfare agency to the Department of Labor would be handled under three priorities. Under phase I, the Secretary of Labor, through the over 2,000 U.S. employment offices, would make arrangements for as many as possible to move into regular employment and would establish an employability plan for each other person.

Under phase II, all those found suitable would receive training appropriate to their needs and up to a $20 weekly incentive payment. After training, as many as possible would be referred to regular employment.

Under phase III, the employment office would make arrangements for special work projects to employ those who are found to be unsuitable for the training and those for whom no jobs in the regular economy can be found at the time. These special projects would be set up by agreement between the employment office and public agencies or private nonprofit agencies organized for a public service purpose. Private employers generally would not be allowed to utilize this labor service.

Our bill would require that workers receive at least the minimum wage—but not necessarily the prevailing wage—if the work they perform is covered under a minimum wage statute.

Moreover, the work performed under projects created under the committee bill must not result in the displacement of regularly employed workers and would have to be of a type which, under the circumstances in the local situation, would not otherwise be performed by regular employees. We did not want to put other people out of work in order to find jobs for the welfare recipients.

The special work projects would work like this: The State welfare agency would make payments to the employment office equal to: first, the welfare benefit the family would have been entitled to for each individual who works in the project, or, if smaller; second, that part of the welfare benefit equal to 80 percent of the wages which the individual receives on the special project.

The Secretary of Labor would arrange for the participants to work in a special work project. The amount of the funds paid by him into the project would depend on the terms he negotiates with the agency sponsoring the project. The amount of funds put into the projects by the employment office could not be larger than the funds sent to the Secretary of Labor by the State welfare agency.

The extent to which the State welfare expenditures might be reduced would depend upon the negotiating efforts of the Secretary of Labor. If he is successful in placing these workers in work projects where the pay is relatively good, the contribution the State must make into the employment pool would be less.

Employees who work under these agreements would have their situations reevaluated by the employment office at regular intervals—at least every 6 months—for the purpose of moving as many employees as possible into regular employment.

An important facet of this work program is that in most instances the recipient would no longer receive a check from the welfare agency. Instead, he would receive a payment from an employer for services performed. The entire check would be subject to income, social security, and unemployment compensation taxes, thus assuring that the individual would be accruing rights and responsibilities as other working people.

In those cases where an employee receives wages which are insufficient to raise his income to a level equal to the welfare grant he would have received had he not been in the project plus 20 percent of his wages, a welfare check equal to the difference would be paid. In these instances the supplemental check would be issued by the welfare agency and sent to the worker.

A refusal to accept work or undertake training without good cause by a person who has been referred would be reported back to the State agency by the Labor Department; and, unless such person returns to the program within 60 days—during which he would receive counseling—his welfare payment would be terminated. However, protective and vendor payments would be provided to protect dependent children from the faults of others. Under the House bill, such payments would be optional with the States but under the committee proposal the children must be given this protection.

These modifications of the House provisions on the AFDC work incentive program include the contributions of many members of the committee. They were worked out with the detailed comments and reactions of the whole committee.

Because of the constructive provisions of the bill, particularly those relating to the work-incentive program, family planning, and parental support, the committee has stricken from the House bill the provision which would impose a limitation, for Federal financial participation purposes, on the number of children whose eligibility is based upon the absence from the home of a parent. The committee believes that these other provisions will do what the House had in mind without running the risk of depriving needy children of the assistance they require.

The bill also contains a provision which, like the House bill, places limitations on the amount of Federal funds that would be made available to States for the purpose of financing their medicaid programs. These provisions provide for medical care for welfare recipients, and in many States they also provide medical care for persons characterized as medically indigent under the State laws—those with enough money to meet everyday living costs but not expensive medical care.

The committee bill limitation would reduce Federal expenditures for this purpose by over a billion dollars a year after 1970—approximately the same amount the House bill would save. The philosophy of the committee bill varies somewhat from that of the House bill in that it would allow more latitude to the States to determine the medically indigent they may cover under their medicaid program.

On the other hand, the committee bill would reduce the Federal matching share for medically indigent persons from a range—based upon the per capita income of the State—of 50 percent to 83 percent under present law to a lower range of 25 to 69 percent, with the larger amount going to the poorer States. The committee reemphasizes the original purpose of title XIX that needy persons have first call on Federal funds and, thus, the bill would not change Federal participation for persons whose income qualifies them for cash welfare payments.

Other medicare amendments would allow States, with respect to the medically indigent, first, a broader choice of required health services under the program; or, second, the option of imposing deductibles or cost-sharing requirements for hospital care. The committee bill also contains an important package of amendments related to nursing homes and other institutions. These would require the States, as a condition of participation in the program, to have a professional medical audit program, and to license only nursing homes which meet certain health care and safety conditions. Further, nursing home administrators would be licensed as properly qualified health professionals. Additionally, Federal matching would be available for care in facilities which provide more than skilled nursing home care. All of these amendments will operate to improve quality of care and reduce costs.

A final but important amendment would provide Federal matching on behalf of individuals who live in intermediate care homes which do not meet the standards of a skilled nursing home under the medicaid program. Principal credit for these amendments goes to the Senator from Utah [Mr. Moss], the Senator from Iowa [Mr. Miller], and the Senator from Massachusetts [Mr. Kennedy], who proposed amendments of this nature to the committee.

The committee bill also makes significant liberalizations in both the child health and the child welfare programs. Increased authorizations in child health are earmarked for family planning, due primarily to the efforts of the Senator from Maryland [Mr. Tydings] who has worked diligently in this area, and dental health projects for children are provided for. Increased authorizations under the child welfare provisions are intended to strengthen foster care and day care services. The increase in the emphasis on day care is due to joint efforts of Senators Ribicoff and Harris.

All in all, this bill must rank as one of the greatest social security bills ever placed before the Senate. The committee bill not only introduces new programs, but it corrects, in the light of subsequent experience, deficiencies in existing programs. It proves once again that the Social Security Act is dynamic legislation geared responsibly to its clients—all the people of the United States.

Mr. President, I am pleased to see the Senator from Nebraska [Mr. Curtis] in the Chamber. The Senator made a number of important contributions to the bill, particularly in the area of insuring adequate child care, which I believe very much improved the bill. I am also pleased that the Senator from Kansas [Mr. Carlson] is present. He made a number of important and significant suggestions which I believe will improve the measure. I regret that when the time came to report the bill in its final form, we could not all vote affirmatively on it. I believe every member of the committee has made his best efforts to improve the bill as he felt it should be. We have worked on this measure for more than 10 weeks, and while we may not all agree on everything in it, there are in it a number of provisions to which I think we all do agree.

Mr. CURTIS. Mr. President, will the chairman yield?

Mr. LONG of Louisiana. I yield.

Mr. CURTIS. I thank the chairman for his kind remarks. I am sure that every member of the committee appreciates the courtesies extended by the chairman. We appreciate his fairness to every member who suggested amendments.

This bill contains a number of helpful features intended to correct undesirable features in the newly enacted medicare program, and corrects some features in the old-age survivors' insurance program. We are not faced here with an issue where the minority is opposing the legislation.

Actually, the position the minority has taken, as shown by the report, is in support of the tax rates, the wage base, and the level of benefits enacted by the House of Representatives.

In other words, our minority report is, in fact, in support of the position taken by the distinguished chairman of the House Ways and Means Committee, Representative Wilbur Mills. And to that extent, there was disagreement in committee and in the final reporting of the bill. However, I believe that it should be fully understood that, rather than advancing a minority plan, the minority are supporting the financial provisions of the pending bill, including benefits, taxes, and wage bases proposed by the Ways and Means Committee headed by the distinguished Representative Wilbur Mills.

Mr. LONG of Louisiana. I thank the Senator.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. CARLSON. Mr. President, I commend the distinguished chairman of the Finance Committee for his patience and diligence and hard work in getting the pending bill to the floor.

As the chairman has stated, it took weeks of time to do so. The pending bill is a very controversial and complicated piece of legislation. It required great patience and skill.

The distinguished chairman of the committee, the junior Senator from Louisiana, has demonstrated that he has both.

We have a bill pending that, as the chairman has so well stated, did not meet with the approval of every member of the committee. However, there is much merit in the bill. It is a good bill. And while there will be differences of opinion, as we debate the measure and have some votes on amendments, I am confident that in the final analysis we will report a good bill.

The Senator from Louisiana is entitled to much credit for this.

Mr. LONG of Louisiana. Mr. President, I thank the Senator very much.

Mr. President, it has been a great honor for me to work on this measure, because I do believe there is a great deal in it that certainly deserves the approval of the Senate. And, of course, there will be changes and modifications made in the bill on the floor.

In order that a full description of the bill be available, I ask unanimous consent that the following summary of all of the provisions of the bill be printed at this point in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

I. OLD-AGE, SURVIVORS, DISABILITY AND HEALTH INSURANCE PROGRAMS

A. Old-age, survivors, and disability insurance

Increase in Social Security Benefits

The bill would provide an increase in benefit payments averaging 19 percent, with a guaranteed increase in monthly cash benefits of 15 percent for all beneficiaries on the social security rolls. The benefit increases proposed by the Senate Finance Committee are the same as those recommended by the President and exceed those adopted by the House. The House bill would have provided for an increase in cash benefits of 12½ percent, with a minimum worker's benefit of $50 per month. Under the provisions adopted by the Finance Committee, the average monthly benefit paid to retired workers and their wives now on the rolls would increase from $145 to $171 ($164 under the House bill). The minimum benefit would be increased from $44 to $70 a month ($50 under the House bill). Monthly benefits would range from $70 to $163.30, for retired workers now on social security rolls who began to draw benefits at age 65 or later, compared with $50 to $159.80 under the House bill. Under existing law, the benefit range for such retired people now receiving old-age benefits is $44 to $142 a month.

The amount of earnings which would be subject to tax and could be used in the computation of benefits would be increased from $6,600 to $8,000 in 1968, $8,800 in 1969, and to $10,800 in 1972. The House bill provided for one increase in the base—to $7,600 a year, effective January 1, 1968.

The $168 maximum benefit (based on average monthly earnings of $550—or $6,600 per year) eventually payable under present law would be increased to $193.20 compared with $189 under the House bill. The increase in the amount of earnings that can be used in the benefit computation would result in a maximum benefit of $288 (based on average monthly earnings of $900—$10,800 a year) in the future; the maximum benefit under the House bill would be $212 (based on average monthly earnings of $633—$7,600 a year). The maximum benefits payable to a family on a single earnings record would be $540 ($423.60 under the House bill). Of course, to qualify for the maximum retirement benefits just outlined, a wage earner must have earned the maximum under the new earnings bases for a number of years.

Although to qualify for the maximum retirement benefits just outlined, a wage earner must have earned the maximum under the higher bases for many years in the future, benefit amounts would be increased significantly over those that would be payable under the House bill in the near future.

The increased benefits would be first payable for the month of March 1968 and will be reflected in checks received early in April. It is estimated that 23.8 million people would be paid increased benefits beginning early in April. As a result of the benefit increase, $4.1 billion in additional benefits would be paid out in the first 12 months.

Special Benefits for Uninsured

The special payments made to uninsured individuals aged 72 and over would be increased from $35 to $50 a month for a single person and from $52.50 to $75 a month for a couple. Under the House bill these payments would be increased to $40 and $60, respectively.

Reduced Benefits at Age 60

Under present law, full-rate benefits are payable at age 62 to people qualifying for benefits as widows and parents, and reduced benefits are payable at age 62 to workers and to people qualifying for benefits as wives and husbands. Only people getting benefits as widows now have the option of taking reduced benefits at age 60.

Under the bill, the age of eligibility would be lowered to 60 for all categories of aged beneficiaries, with the benefits payable before age 62 reduced according to the same principle as that applied under present law. The reduction rate in present law for a wife's (or a husband's) benefit is twenty-five thirty-sixths of 1 percent, and for a worker's (and a widow's) benefit it is five-ninths of 1 percent, for each month that the beneficiary is under age 65 (62 for a widow) when he begins to get benefits.

H.R. 12080, as passed by the House of Representatives, contained no comparable provision.

Monthly benefits would be payable under this provision beginning with the month of December 1968 and will be reflected in checks received in January 1969. An estimated 775,000 additional people would get benefits amounting to $555 million during the first 12 months of operation. Since the benefit amount payable at age 60 would be reduced to take account of the longer period over which benefits would be paid, the payment of these benefits would not result in any additional long-range cost to the program.

Retirement Test

The committee modified the provision of the House bill which would have increased from $1,500 a year to $1,680 the amount a person may earn without having his social security benefits withheld. Under the committee bill the House provision would apply in 1968, but the amount of the exemption would be increased to $2,000 a year in 1969. The amount to which the $1 for $2 reduction would apply would range from $1,680 to $2,880 in 1968 and from $2,000 to $3,200 in 1969 and thereafter. Also the amount a person may earn in 1 month and still get benefits for that month (regardless of how much he earns in the year) would be $140 in 1968 and would increase to $166.66⅔ in 1969 and thereafter.

Disabled Widows and Widowers

The committee's bill would provide full-rate benefits for many totally disabled widows and widowers—the benefits equalling 82½ percent of the deceased spouse's primary insurance amount. Under the provision in the House bill, reduced benefits—ranging from 50 percent to 82½ percent of the spouse's primary insurance amount—would have been provided for disabled widows and widowers aged 50 and over. The committee's bill would not only increase the benefit amounts provided by the House but would also eliminate the requirement that the disabled widow or widower be at least age 50 to receive benefits on the basis of disability. As in the House bill, to be eligible for the benefits, the widow or widower must have become totally disabled not later than 7 years after the spouse's death, or in the case of a widowed mother, before the youngest child reaches age 18 or within 7 years thereafter. About 100,000 disabled widows and widowers would be eligible for benefits and about $72 million in benefits would be paid during the first 12 months of operation.

Benefits for the Blind

The committee added a new provision (to be effective with respect to checks received in January 1969) which would make blind persons with at least six quarters of coverage eligible for disability insurance benefits without regard to their ability to work. In order to qualify for benefits a person would have to have vision of less than 20/200, rather than 5/200 as in present law.

Family Employment

The committee added a provision to the House bill to extend social security coverage to employment performed in the private home of the employer by a parent in the employ of his son or daughter where there is a clear need for the parent to perform the work. The employment would be covered if the son or daughter is (*a*) a widow or widower with a child under age 18 or a disabled child or (*b*) a person with such a child who either is divorced or has a disabled spouse. The bill would continue to exclude from coverage employment performed in a private home by a parent when these conditions are not met, employment of a child under age 21 by his parent, and employment of a husband or wife by the spouse.

Financing of Social Security Program

Taxes, tax rates, and the taxable wage base under present law and under H.R. 12080 as passed by the House of Representatives and as ordered reported by the Senate Finance Committee are shown in tables 1 and 2. Income and outgo are shown in table 3.

TABLE 1.—MAXIMUM TAX CONTRIBUTIONS UNDER PRESENT LAW AND UNDER H.R. 12080

Period	OASDI			HI			Total		
	Present law	House bill	Committee bill	Present law	House bill	Committee bill	Present law	House bill	Committee bill
By employee:									
1967	$257.40	$257.40	$257.40	$33.00	$33.00	$33.00	$290.40	$290.40	$290.40
1968	257.40	296.40	304.00	33.00	38.00	48.00	290.40	334.40	352.00
1969–70	290.40	319.20	369.60	33.00	45.60	52.80	323.40	364.80	422.40
1971	290.40	349.60	404.80	33.00	45.60	52.80	323.40	395.20	457.60
1972	290.40	349.60	496.80	33.00	45.60	64.80	323.40	395.20	561.60
1973–75	320.10	380.00	540.00	36.30	49.40	70.20	356.40	429.40	610.20
1976–79	320.10	380.00	545.40	39.60	53.20	70.20	359.70	433.20	615.60
1980–86	320.10	380.00	545.40	46.20	60.80	81.00	366.30	440.80	626.40
1987 and after	320.10	380.00	545.40	52.80	68.40	81.00	372.90	448.40	626.40
By self-employed:									
1967	389.40	389.40	389.40	33.00	33.00	33.00	422.40	422.40	422.40
1968	389.40	448.40	464.00	33.00	38.00	48.00	422.40	486.40	512.00
1969–70	435.60	478.80	554.40	33.00	45.60	52.80	468.60	524.40	607.20
1971	435.60	524.40	607.20	33.00	45.60	52.80	468.60	524.40	660.00
1972	435.60	524.40	745.20	33.00	45.60	64.80	468.60	570.00	810.00
1973–75	462.00	532.00	756.00	36.30	49.40	70.20	498.30	581.40	826.20
1976–79	462.00	532.00	756.00	39.60	53.20	70.20	501.60	585.20	826.20
1980–86	462.00	532.00	756.00	46.20	60.80	81.00	508.20	592.80	837.00
1987 and after	462.00	532.00	756.00	52.80	68.40	81.00	514.80	600.40	837.00

TABLE 2.—TAX RATES UNDER PRESENT LAW AND H.R. 12080

[In percent]

Period	OASDI			HI			Total		
	Present law	House bill	Committee bill	Present law	House bill	Committee bill	Present law	House bill	Committee bill
	Employer-employee, each								
1967	3.9	3.9	3.9	0.5	0.5	0.5	4.4	4.4	4.4
1968	3.9	3.9	3.8	.5	.5	.6	4.4	4.4	4.4
1969–70	4.4	4.2	4.2	.5	.6	.6	4.9	4.8	4.8
1971–72	4.4	4.6	4.6	.5	.6	.6	4.9	5.2	5.2
1973–75	4.85	5.0	5.0	.55	.65	.65	5.4	5.65	5.65
1976–79	4.85	5.0	5.05	.6	.7	.65	5.45	5.7	5.7
1980–86	4.85	5.0	5.05	.7	.8	.75	5.55	5.8	5.8
1987 and after	4.85	5.0	5.05	.8	.9	.75	5.65	5.9	5.8

Period	OASDI			HI			Total		
	Present law	House bill	Committee bill	Present law	House bill	Committee bill	Present law	House bill	Committee bill
	Self-employed								
1967	5.9	5.9	5.9	0.5	0.5	0.5	6.4	6.4	6.4
1968	5.9	5.9	5.8	.5	.5	.6	6.4	6.4	6.4
1969–70	6.6	6.3	6.3	.5	.6	.6	7.1	6.9	6.9
1971–72	6.6	6.9	6.9	.5	.6	.6	7.1	7.5	7.5
1973–75	7.0	7.0	7.0	.55	.65	.65	7.55	7.65	7.65
1976–79	7.0	7.0	7.0	.6	.7	.65	7.6	7.7	7.65
1980–86	7.0	7.0	7.0	.7	.8	.75	7.7	7.8	7.75
1987 and after	7.0	7.0	7.0	.8	.9	.75	7.8	7.9	7.75

Note: Maximum taxable earnings base under present law is $6,600. Maximum taxable earnings base under House bill is $7,600, beginning in 1968. Maximum taxable earnings base under committee bill is $8,000 in 1968, $8,800 in 1969–71, and $10,800 in 1972 and after.

TABLE 3.—COMPARISON OF CONTRIBUTION INCOME AND BENEFIT OUTGO UNDER PRESENT LAW, HOUSE BILL AND FINANCE COMMITTEE BILL, 1967–72

[In billions of dollars]

Calendar year	Present law	House bill	Finance Committee bill
	Contribution income		
1967	28.5	----------	----------
1968	29.6	30.8	31.2
1969	33.7	34.9	36.3
1970	35.2	36.5	38.3
1971	36.2	40.3	42.5
1972	37.2	42.0	46.0
	Benefit outgo		
1967	24.2	----------	----------
1968	25.5	[1] 28.7	[2] 29.0
1969	26.9	30.3	32.7
1970	28.2	31.7	34.4
1971	29.4	33.1	35.9
1972	30.8	34.6	37.4
	Excess of contributions over benefits		
1967	4.3	----------	----------
1968	4.1	2.1	2.2
1969	6.8	4.6	3.6
1970	7.0	4.8	3.9
1971	6.8	7.2	6.6
1972	6.4	7.4	8.6

[1] Assumes that increased benefits will be payable for all 12 months of 1968 (as would have been the case if bill had been enacted when it passed the House).

[2] Based on effective date of March (payable at beginning of April) for increased benefits.

Note: Benefit outgo data include increase in HI benefit-cost estimates made following passage of House bill.

Child's Benefits for Those Disabled Before Age 22

The committee added to the House bill a provision which would provide child's insurance benefits for an otherwise qualified disabled child if his disability began after age 18 but before age 22. Under present law, a person must have become disabled before age 18 to qualify for childhood disability benefits as the son or daughter of an insured disabled, retired, or deceased worker.

Policemen and Firemen

The committee added a provision to the House bill to permit Nebraska and Puerto Rico, if they so desire, to provide coverage under social security for policemen and firemen who are now covered only under a State or local retirement system. Present Federal law prohibits social security coverage of policemen and firemen who are under retirement systems but excepts 19 specified States from this prohibition; the addition of Puerto Rico and Nebraska would raise the number of excepted jurisdictions to 21.

In addition, as part of any coverage extension, the State of Nebraska would be permitted to validate the coverage of certain firemen, in the group being covered, for whom social security contributions were erroneously paid.

Coverage of Firemen

The committee added a new provision which provides that social security coverage could be extended under the referendum provisions to firemen under a retirement system in States not listed in the Social Security Act as States permitted to cover policemen and firemen retirement system members if the Governor of the State certifies that the overall benefit protection of the group of firemen which would be brought under social security coverage by the referendum would be improved by reason of the extension of social security coverage to the group.

Employees of the Massachusetts Turnpike Authority

The committee added a new provision to permit the State of Massachusetts to modify its agreement for social security coverage so as to exclude employees of the Massachusetts Turnpike Authority who are in positions being brought into a new State retirement system.

State and Local Employees Receiving Fees

The committee added a provision to the House bill modifying the social security coverage provisions applying to State and local government employees who are compensated solely on a fee basis (such as constables and justices of the peace). Under present law, fee-basis employees, like other State and local government employees, may be covered only under a State coverage agreement. Under the provision approved by the committee, in the case of employees who are compensated solely on a fee basis, fees received after 1967 which are not covered under a State agreement would be covered under the self-employment provisions of law, except that people in fee-basis positions in 1968 could elect not to have their fees covered under the self-employment provisions. Under the committee bill, a State could, as under present law, modify its coverage agreement to provide coverage for fee-basis employees as employees. However, unlike present law, the committee bill would permit States to remove from coverage under its agreement persons who are compensated solely on a fee basis.

Coverage for Erroneously Reported Former State or Local Government Employees

The committee added a provision to the House bill to permit a State, when it provides retroactive coverage for a coverage group under a modification of the State's agreement, to provide coverage for former employees of the coverage group with respect to earnings that previously had been erroneously reported for them for quarters in the retroactive period, if no refund has been made of the taxes paid on the erroneously reported earnings.

Exclusion of Prisoners From Coverage Under Certain Programs

The committee bill provides that any employment by an inmate of a prison will not be creditable for purposes of establishing entitlement to unemployment insurance compensation, or for purposes of the Federal civil service retirement system. The bill would also broaden the present exclusion from social security coverage of most Federal employment to exclude all employment performed by a prison inmate for a Federal agency.

Coverage of Ministers

The committee amendment would modify the House-passed bill by deleting the provision providing coverage for members of religious orders who have taken a vow of poverty (thus retaining present law for this group). It would also permit a clergyman to elect not to be covered if he is conscientiously opposed to social security coverage, as in the House bill, or if he opposes such coverage on grounds of religious principle.

Benefits Paid on Basis of Erroneous Reports of Death in Military Service

The committee added a new provision which would provide that all benefits paid on the basis of official reports of death issued by the Department of Defense will be considered lawful payments even though it is later determined that the person who was reported dead is still alive.

Payments to Certain Children

The House bill provided that benefits payable to certain children who became entitled to benefits under the 1965 amendments could not exceed the difference between the total amounts payable to other persons and the family maximum amount. As a substitute, the committee bill would provide that the benefits payable to a person on the effective date of the 1965 amendments which were reduced because a child became entitled to benefits under the 1965 amendment will not be reduced in the future. For people who became entitled after the effective date of the 1965 amendments or become entitled in the future the provisions of present law will apply.

Underpayments

The committee modified the House-passed provision relating to benefits due after a person has died. The committee's amendment would provide that amounts due under supplementary medical insurance (pt. B) of medicare after the beneficiary's death be paid first to the person who paid for the services or the person who provided the services. (If the person who paid for the services is the decedent, the payment would be made to the legal representative of his estate, if there is one.) If there is none, the benefits would be paid under the following uniform order of payment for both cash benefits and part B benefits:

1. Spouse living with individual at time of his death or to spouse not living with individual but entitled to benefits on same earnings record.
2. Child entitled to benefits on same earnings record.
3. Parent entitled to benefits on same earnings record.
4. Spouse who was neither entitled to benefits on same earnings record nor living with individual.
5. Child not entitled to benefits on same earnings record.
6. Parent not entitled to benefits on same earnings record.
7. Legal representative of individual's estate, if any.
8. Person related to individual by blood, marriage, or adoption determined by Secretary to be proper person to receive the payment due.

Recovery of Overpayments

The committee bill would authorize the Secretary of HEW to recover overpaid benefits by requiring the overpaid beneficiary or his estate to refund the overpayment or by withholding the benefits payable to him, his estate or to any other person entitled to benefits on the same earnings record. A similar provision was adopted by the Senate in 1965 but was deleted in conference. A provision of this type was suggested in a GAO report dated July 25, 1961. (Under present law, overpayments may be recovered from the overpaid person while he is getting benefits; recovery may not be made from any other person getting benefits on the same account. There is no specific provision for recovering an overpayment while the beneficiary is alive if he is not getting benefits.)

Marriage of Child in School

Under present law a child's benefits generally stop when the child marries. The committee bill would provide that a child's benefits would not stop when the child married if the child was under age 22 and a full-time student and, in the case of a girl, her husband was also a full-time student.

U.S. Treaty Obligations—5-Year Residence Requirement

The bill would provide that the present 5-year residence requirements that uninsured people must meet in order to qualify for hospital insurance, or for special age 72 payments, or under the supplementary medical insurance program would not apply where they would be contrary to treaty obligations of the United States.

Payments to Aliens Outside the United States

The committee bill would modify the effective date of the provisions in the House bill which would (a) restrict benefit payments to an alien while outside the United States, and (b) prohibit payment of more than 12 months of accumulated benefits, and all future benefits, to an alien who is living in a Communist-controlled country. Under the committee amendment, the effect of these House provisions would be delayed until after December 31, 1968.

Separate Authorization for Social Security Research Programs

The committee bill includes a provision under which there would be a separation of the authorizations for cooperative research and demonstration grant programs (now one combined program) of the Social Security Administration and the Social and Rehabilitation Service. (This amendment would not increase the funds available for these research programs.)

State and Local Divided Retirement Systems

The committee added a provision to the House bill to grant an additional opportunity, through 1969, for election of social security coverage by employees of States and localities who did not elect coverage when they previously had the opportunity to do so under the provision of present law permitting specified States to cover only those members of a retirement system who desire coverage.

Expedited Benefit Payments

The committee bill would provide for the establishment of special procedures to expedite the payment of benefits. The provision would not apply to disability benefits or negotiated checks. Also, the provision would not limit the Secretary's authority to make earlier payments in appropriate cases.

Advisory Council on Social Security

The committee's bill would modify the House-passed provision relating to the time at which Advisory Councils would be appointed and would issue reports to provide that the Advisory Councils be appointed at any time after January 31 (rather than in February as in the House bill) in 1969 and every 4 years thereafter. As in present law each Council would report to the Secretary not later than the first day of the second year following the year in which it is appointed, such report to include any interim reports the Council may have issued.

Extension of Retroactivity of Disability Applications

The committee added a provision to the House bill to allow a longer period of time after termination of disability for the filing of a disability freeze application by an individual whose mental or physical disability interfered with his filing a timely application. This would enable workers who are totally disabled over an extended period but fail to file timely applications to nevertheless have the period of disability frozen, and thus not counted against them in subsequent determinations as to whether they are insured for social security benefits or the amount of such benefits.

B. Health insurance benefits

Payment of Physician Bills Under the Supplementary Medical Insurance Program

The committee modified the provision in the House bill which would provide for payment under the medical insurance program on the basis of an itemized bill submitted by a patient who has not paid the bill. Under present law, payment may be made only upon assignment to the physician or to the patient upon presentation of a receipted bill. The House bill provided for retention of present law provisions and added new ones for payment to the physician or patient on the basis of an unpaid bill. As modified by the committee, only two methods of payment would be provided. The committee's bill would permit payment either to the patient on the basis of an itemized bill (which could be either receipted or unpaid) or to the physician under the present assignment method. This provision would make it possible for patients to pay their medical bills, without depleting their savings or resorting to loans.

Payment for Services in Nonparticipating Hospitals

The committee added a provision to the House bill which would permit payment for services received in certain nonparticipating hospitals. At present, payments can be made to participating hospitals and, in an emergency case, to a nonparticipating hospital which meets certain standards only if the hospital agrees to accept the reasonable costs as full payment for the services rendered.

For a temporary period, almost all of which has already expired, the committee bill would permit direct reimbursement to be made to an individual who was furnished hospital services during the period in a nonparticipating hospital. This coverage would not extend to admissions after 1967. Payment would be limited to 80 percent of the hospital ancillary charges and 60 percent of the room and board charges, for up to 20 days in each spell of illness (subject to the $40 deductible and other statutory limitations of payment in present law) if the hospital did not formally participate in medicare before January 1, 1969. If it did participate in medicare before that date and if it applied its utilization review plan to the services it provided before its regular participation started, the full 90 days of coverage could be provided. Thus, there would be an incentive for presently nonparticipating hospitals to participate because participation is a condition for covering past services beyond 20 days and a condition for future coverage.

A similar provision would apply beginning January 1, 1968, but only as an alternative to present coverage of emergency care. Hospitals could apply for payment for a period of up to 90 days under present law provisions, or if the hospitals did not apply, the patient could obtain payment on the basis of 60 percent of room and board charges and 80 percent of ancillary services charges under the new provision.

A new definition would be used for hospitals eligible under these transitional and emergency care provisions. Under it, a qualifying hospital must have a full-time nursing service, be licensed as a hospital, and be primarily engaged in providing medical care under the supervision of a doctor of medicine or osteopathy. This definition would apply back to July 1, 1966 so that some hospitals which today would be ineligible to receive payment for emergency services may receive such payments in behalf of beneficiaries back to the beginning of the program provided they apply for such payments. If they do not apply, the patient would be paid under other provisions.

This provision would afford financial relief to those medicare beneficiaries who have received services in certain nonparticipating hospitals since July 1966, sometimes entering such hospitals without realizing the services would not be covered under medicare.

Payment Under the Medical Insurance Program for Noncovered Hospital Ancillary Services

The committee added a provision to the House bill which would permit payment under the medical insurance program for presently noncovered ancillary hospital and extended care facility services, principally X-ray and laboratory services, furnished after the patient has been covered for the full period of eligibility. Under present law if a person is in a hospital or extended care facility qualified to participate under medicare, payment may not be made for services which could be paid for under part B if not received in a qualified hospital or extended care facility. As a result, sometimes the services are not covered under either part B or part A. The committee bill would allow payment to be made for services ordinarily not paid for under part B, wherever part A payments could not be made, if the appropriate hospital or independent laboratory standards are met. Payment would be made to participating providers under the usual part B provisions applying to the $50 deductible and 20 percent coinsurance.

Limitation on Special Reduction in Allowable Days of Inpatient Hospital Services

Under the House bill the limitation on payment of hospital insurance benefits during the first spell of illness for an individual who is an inpatient of a psychiatric or tuberculosis hospital at the time he becomes entitled to benefits under the hospital insurance program would be made inapplicable to benefits for services in a general hospital if the services are not primarily for the diagnosis or treatment of mental illness or tuberculosis. The committee accepted the change in the House bill with respect to psychiatric hospitals, but modified that part relating to tuberculosis hospitals. The committee would remove such hospitals from the provision in present law under which days in a tuberculosis institution immediately before entitlement to hospital insurance are counted against the days of coverage an individual would otherwise have. In effect, the committee's change would make an individual's entitlement to hospital insurance benefits the same if he received hospital services in a tuberculosis hospital as it would be if he received services in a general hospital.

Payment for Blood

The committee modified the provision in the House bill which provides that the patient would have to replace 2 pints of blood for the first pint of blood received for purposes of the 3-pint deductible. Under the committee's bill, replacement would be on a pint-for-pint basis, as under present law. The committee accepted the provisions of the House bill that would broaden the definition of "blood" to include packed red blood cells as well as whole blood and would extend the application of the 3-pint deductible provisions to the supplementary medical insurance program as well as to the hospital insurance program. The provision would encourage donations of blood, as under the House bill, but would not require the beneficiary to increase his payments for blood when he is an inpatient of a hospital and unable to replace as many as 4 pints.

Payment for Certain Hospital Services Furnished Outside the United States

The committee added to the House bill a provision which would permit payments of medicare benefits to the individual for certain inpatient hospital services furnished in a country contiguous to the Unitd States by a hospital which is not more than 50 miles from the border of the continental United States. In the case of nonemergency care, the patient would have to be a U.S. resident and the hospital would have to be the nearest one to the patient's residence which is suitable to treat his illness. Benefits would be payable for the nonemergency services covered under this provision only on the basis of an application for direct reimbursement filed by the medicare beneficiary and only if the hospital met standards that are essentially comparable to those required of hospitals participating under the program in the United States. This provision would relieve the hardship imposed on the medicare beneficiary who, living in an area of the United States that is directly adjacent to the continental border, finds that the nearest hospital suited to his care is located outside the United States. The committee bill also provides that payment may be made for emergency inpatient hospital services furnished outside the United States in a hospital within 50 miles of the border if the beneficiary is a U.S. resident temporarily outside the United States (present law provides emergency coverage outside the United States only if the emergency occurs in the United States).

Hospital Insurance Benefits for State and Local Employees

The committee added to the House bill a provision which would permit the States, at their option, to contract with the Secretary of Health, Education, and Welfare for hospital insurance coverage for State and local governmental employees, retired or active (and their dependents and survivors), age 65 or over who do not otherwise qualify for medicare hospital insurance protection. The States would reimburse the medicare program for the actual costs of benefits paid and administrative expenses incurred with respect to these employees.

Services of Podiatrists, Chiropractors, and Optometrists

The House bill modified the definition of a physician to include a doctor of podiatry. The committee would also include within the definition of physicians, a chiropractor and a doctor of optometry but only with respect to functions the practitioner is authorized to perform by the State in which he practices. With respect to coverage of podiatry services, no payment would be made for routine foot care whether performed by a podiatrist or a medical doctor; with respect to optometric services, no payment would be made for services involving the diagnosis or detection of eye diseases unless the optometrist is legally authorized to treat the disease or for an optometrist's diagnostic services where the optometrist provides no treatment. In addition, no payment would be made for expenses for eye refraction procedures (other than procedures performed in connection with furnishing prosthetic lenses) whether performed by an optometrist, a medical doctor, or other physician.

Physical Therapy

The committee extended the provisions of the House bill which cover physical therapy when provided in a patient's home under the supervision of a hospital to also cover outpatient physical therapy services furnished by physical therapists employed by or under an agreement with and under the supervision of hospitals and other providers of services as well as approved clinics, rehabilitation centers, and local public health agencies. The patient would not have to be homebound for the physical therapy services to be covered.

Supplementary Medical Insurance Enrollment Periods

The committee added to the House bill a provision effective January 1, 1969, under which the general enrollment periods of the supplementary medical insurance program would be placed on an annual basis and run from January 1 to March 31, rather than October 1 to December 31 of each odd-numbered year as under present law. The Secretary would determine and promulgate during December of each year the premium rate which would be applicable for a 12-month period to begin the following July 1. When the Secretary promulgates a rate change for part B, he would also be required to issue a public statement setting forth the actuarial assumptions and other bases upon which he arrived at the new rate. Persons wishing to disenroll could do so at any time, but such disenrollment would not take effect until the close of the calendar quarter following the quarter in which the notice of disenrollment was filed.

Additional days of hospital care

The committee modified the provisions of the House bill which extend the number of hospital days covered during a "spell of illness" from 90 to 120 days, with a $20 coinsurance requirement from the 91st day through the 120th day. Instead, each medicare beneficiary would be provided with a lifetime reserve of 60 days of added coverage of hospital care after the 90 days covered in a "spell of illness" have been exhausted. Coinsurance of $10 for each day would be applicable to such added days of coverage. Under the House bill persons who are more or less permanently institutionalized, and who therefore have only one spell of illness during their lifetime would qualify for only 30 additional days of hospital care. Under the committee provision they would qualify for up to 60 additional days of care during their lifetime.

Incentive Reimbursement Experimentation

The committee modified the House provision which would authorize the Secretary of Health, Education, and Welfare to experiment with various methods of reimbursement to organizations and institutions participating under medicare, medicaid, and the child health programs which would provide incentives for keeping costs of the program down while maintaining quality care. Under the committee bill, the authorization would also cover similar experiments with respect to physicians' services, but only with physicians who wished to take part.

Coordination of Reimbursement With Health Facility Planning

The committee added a provision under which the Secretary of Health, Education, and Welfare would take into account any disapproval by State agencies, normally those carrying on planning under the Partnership for Health Act, of expenditures by hospitals or other health facilities for substantial capital items. Depreciation and interest attributable to substantial capital items found in accordance with a State's overall plan would not be includable as a part of the "reasonable cost" of covered services provided to individuals under titles V, XVIII, and XIX. The provision would be effective with respect to depreciation and interest attributable to items purchased or otherwise acquired after June 30, 1970, or earlier at the option of a state.

Study of Drug Proposals

The committee added to the House bill a provision which would require the Secretary to study and report to the Congress, prior to January 1, 1969, the savings which might accrue to the Government and the effects on the health professions and on all elements of the drug industry which would result from enactment of two proposals relating to drugs: (1) a proposal to cover prescription drugs under medicare, and (2) a proposal to establish, through a formulary committee, quality and cost control standards for drugs provided under the various Federal-State assistance programs and the hospital insurance part (part A) of the medicare program.

II. PUBLIC WELFARE AMENDMENTS

Work Incentive Program for AFDC Families

The committee modified the provisions of the House bill by establishing a new work incentive program for families receiving AFDC payments to be administered by the Department of Labor and by defining more precisely than in the House bill those AFDC recipients who would be referred to the program. The State welfare agencies would decide who was appropriate for such referral but would not include (1) children who are under age 16 or going to school; (2) any person with illness, incapacity, advanced age or remoteness from a project that precludes effective participation in work or training; (3) persons whose substantially continuous presence in the home is required because of the illness or incapacity of another member of the household; or (4) a mother who is in fact caring for one or more children of preschool age, if such mother's presence in the home is necessary and in the best interest of the children; (5) or persons whose participation in the program would not as determined by the State be in their best interest and that of the program. For all those referred the welfare agency would assure necessary child care arrangements for the children involved. An individual who desires to participate in work or training would be considered for assignment and, unless specifically disapproved, would be referred to the program.

People referred by the State welfare agency to the Department of Labor would be handled under three priorities. Under phase I, the Secretary of Labor, through the over 2,000 U.S. employment offices, would make arrangements for as many as possible to move into regular employment and would establish an employability plan for each other person.

Under phase II all those found suitable would receive training appropriate to their needs and up to a $20 weekly incentive payment. After training as many as possible would be referred to regular employment.

Under phase III, the employment office would make arrangements for special work projects to employ those who are found to be unsuitable for the training and those for whom no jobs in the regular economy can be found at the time. These special projects would be set up by agreement between the employment office and public agencies or nonprofit agencies organized for a public service purpose.

It would be required that workers receive at least the minimum wage (but not necessarily the prevailing wage) if the work they perform is covered under a minimum wage statute.

Moreover, the work performed under such projects must not result in the displacement of regularly employed workers and would have to be of a type which, under the circumstances in the local situation, would not otherwise be performed by regular employees.

The special work projects would work like this: The State welfare agency would make payments to the employment office equal to:

(1) The welfare benefit the family would have been entitled to for each individual who works in the project, or, if smaller,

(2) That part of the welfare benefit equal to 80 percent of the wages which the individual receives on the special project.

The Secretary of Labor would arrange for the participants to work in a special work project. The amount of the funds paid by him into the project would depend on the terms he negotiates with the agency sponsoring the project. The amount of funds put into the projects by the employment office could not be larger than the funds sent to the Secretary of Labor by the State welfare agency.

The extent to which the State welfare expenditures might be reduced would depend upon the negotiating efforts of the Secretary of Labor. If he is successful in placing these workers in work projects where the pay is relatively good, the contribution the State must make into the employment pool would be less.

Employees who work under these agreements would have their situations reevaluated by the employment office at regular intervals (at least every 6 months) for the purpose for making it possible for as many such employees as possible to move into regular employment.

An important facet of this suggested work program is that in most instances the recipient would no longer receive a check from the welfare agency. Instead, he would receive a payment from an employer for services performed. The entire check would be subject to income, social security, and unemployment compensation taxes, thus assuring that the individual would be accruing rights and responsibility as other working people. In those cases where an employee receives wages which are insufficient to raise his income to a level equal to the grant he would have received had he not been in the project plus 20 percent of his wages, a welfare check equal to the difference would be paid. In these instances the supplemental check would be issued by the welfare agency and sent to the worker.

A refusal to accept work or undertake training without good cause by a person who has been referred would be reported back to the State agency by the Labor Department; and, unless such person returns to the program within 60 days (during which he would receive counseling), his welfare payment would be terminated. Protective and vendor payments would be provided to protect dependent children from the faults of others. Under the House bill, such payments would be optional with the States but under the committee proposal the children must be given this protection.

Earnings Exemption

Under the present aid to families with dependent children program, the States, at their option, may disregard not more than $50 per month of earned income of each dependent child under age 18 but not more than $150 per month in the same home in computing a person's income for public welfare purposes. The States also have the option of disregarding $5 of income from any source before applying the child's earned income exemption.

Under the House bill, all earned income of each child recipient under age 16 and of each child age 16 to 21 who is a full-time student would be excluded in determining need for assistance. In the case of child over 16 who is not in school or an adult relative the first $30 of earned income of the group plus ⅓ of the remainder of such income for the month would also be exempt. The option of the States to disregard $5 a month of any type of income would be continued. The provision exempting $50 a month of a child's income would be superseded by these provisions.

Under the committee bill, the earnings exemption provision would be enlarged to require States to exempt the first $50 and one-half of family earnings over $50 rather than $30 and one-third of family earnings above $30. After July 1, 1969, the same earnings exemption would have to be extended to the old-age assistance program and the aid to the permanently and totally disabled program.

Under the committee bill the exemption of all earnings would not be available to any child whether above or below age 16 unless he was attending school full time.

Limitation on Federal Participation in Medical Assistance (Medicaid)

Under the House bill, States would be limited in setting income levels for Federal matching purposes to the lower of (1) 133⅓ percent of the AFDC income level, or (2) 133⅓ percent of the States per capita income applied to a family of four.

In lieu of the House provisions the committee bill would apply *both* of the following provisions:

(1) Beginning July 1, 1968, the Federal Government would not participate in matching the cost of medical assistance to persons whose income exceeds 150 percent of the old-age assistance standards in a given state; *and*

(2) Beginning July 1, 1969, Federal participation will be at the rate of—

(1) The Federal medical assistance percentage (which varies according to States per capita income from 50 percent to 83 percent) applicable with respect to all cash assistance recipients and persons whose incomes are less than 100 percent of the cash assistance standards in a State; *and*

(2) The square of the Federal medical assistance percentage (which gives a result which varies between 25 percent and 68.89 percent) with respect to the medically needy (subject to the limitation in (1)) above.

This formula results in savings to the Federal Government of the following amounts.

Year:	*Amount (in millions)*
1969	$45
1970	702
1971	998
1972	1, 294

After the squaring rule becomes effective in 1969 the savings under the House bill and the Senate amendment are approximately the same. The lower savings under the amendment estimated for 1969 results entirely from the application of a higher standard (the old-age assistance standard) in determining who may be covered under the State plan than the House bill employed (the aid to families with dependent children).

Skilled Nursing Home Standards Under Medicaid

The bill would require the States, as a condition to participation in the medicaid program, to place assistance recipients only in those licensed nursing homes which meet certain conditions. The conditions include requirements which relate to environment, sanitation, and housekeeping now applicable to extended care facilities under medicare, as well as fire safety standards of the Life Safety Code of the National Fire Protection Association (unless the Secretary finds that a State's existing fire code is adequate).

The committee amendment would also require the States to have a professional medical audit program under which periodic medical evaluations of the appropriateness of care provided title XIX patients in nursing homes, mental hospitals, and other institutions will be made.

Effective July 1, 1970, States which provide skilled nursing home care under medicaid will also be expected to provide home health care services.

Federal Matching for Assistance Recipients in Intermediate Care Facilities

Under current law, vendor payments may be made with Federal sharing only in behalf of persons in medical facilities, such as skilled nursing homes. There is no Federal vendor-payments matching for people who need institutional care in the intermediate range between that which is provided in a boarding house (for which eligible persons may receive a money payment under the money payment programs), and those who need the comprehensive services of skilled nursing homes.

The committee bill would provide for a vendor payment in behalf of persons who qualify for OAA, AB, or APTD, and who are living in facilities which are more than boarding houses but which are less than skilled nursing homes. The rate of Federal sharing for payments for care in those institutions would be at the same rate as for medical assistance under title XIX. Such homes would have to meet safety and sanitation standards comparable to those required for nursing homes in a given State.

This provision should result in a reduction in the cost of title XIX by allowing States to relocate substantial numbers of welfare recipients who are now in skilled nursing homes in lower cost institutions.

Maintenance of State Effort

Present law contains certain provisions which in effect require that the additional Federal dollars States received as a result of the Social Security Amendments of 1965 are passed on to recipients or are otherwise used in the State's welfare program, for a period ending July 1, 1969. The House approved bill modifies the provisions describing the kinds of expenditures States may count toward meeting this provision to broaden the scope of expenditures which may be counted. Under the committee bill, the House provisions are retained, but the expiration date is advanced to July 1, 1966, and the effective date changed from January 1, 1966, to July 1, 1966.

Direct Billing

Under present law, the States are required to pay for health services under medical assistance programs directly to the provider of the services. The House bill would permit States to make a direct payment to the recipients who are not also receiving cash assistance. Under the committee bill, the provision is broadened to include dentists as well as physicians and to apply also to those recipients who are receiving cash assistance. The Secretary would establish safeguards to assure that charges by physicians to the welfare recipients are reasonable, and that the State agency has methods and procedures to safeguard against unnecessary utilization of care, and to assure the reasonableness of any charges paid by any welfare recipient.

General Accounting Office and Department of Health, Education, and Welfare Audit Authority

Under the committee bill, it would be made clear that auditors of the General Accounting Office and Department of Health, Education, and Welfare are authorized, on a spot check basis or in cases where there is good cause to believe fraud may be present, to review records and inspect premises of providers of services who receive funds through medical assistance (title XIX) and other medical assistance programs in which there is Federal participation.

Required Services Under Medicaid

Under current law, States must provide, as a minimum, five basic services: Inpatient hospital services, outpatient hospital services, other laboratory and X-ray services, skilled nursing home services, and physician's services. States may select a number of other items from an additional list in the law. The House bill provided that a State, as an alternative to taking the basic five items of services, may select any seven of the first 14 services listed in the law. In addition to the basic five, the additional services from among which States can make their selection are: (1) Medical care or any type of remedial care recognized under State law, furnished by a licensed practitioner within the scope of his practice as defined under State law; (2) home health care services; (3) private duty nurse services; (4) clinic services; (5) dental services; (6) physical therapy and related services; (7) prescribed drugs, dentures, and prosthetic devices and eyeglasses; (8) other diagnostic, screening, preventive, and rehabilitative services; and (9) inpatient hospital services and skilled nursing home services for individuals over the age of 65 in an institution for mental diseases.

Under the committee bill, States would be required to provide the basic five services for all money payment recipients, the most needy receiving help under the program. With respect to the medically indigent, States would be allowed to select either the first five, or seven out of 14, services authorized under present law, except that if nursing home or hospital care services are selected, a State must also provide physician's services in those institutions. Subsequent to July 1, 1970, a State would also be required to provide home health services for its cash assistance recipients.

Christian Scientists—Welfare Health Programs

The committee added a provision to the House bill under medical assistance (title XIX) and the child health programs (title V), to make clear that no provision in such titles would require an individual to undergo medical screening, diagnosis, or treatment except in cases involving contagious disease or environmental health.

Hospital Deductibles and Copayment for Medically Indigent

Under present law, States may not impose any deductibles or cost sharing provisions with respect to hospital care under the medicaid program. Under the committee bill, the costs of hospital care received by the medically needy could be subject to deductibles or other cost sharing if a State desired to have such provisions in its program. No such deductible or cost sharing could be imposed with respect to the money payment recipients, as under existing law.

Essential Person—Medicaid

The committee bill extends medical assistance to certain "essential persons." At present there is no provision in title XIX which permits a State to receive Federal matching for medical assistance provided to "essential persons." An "essential person" is defined as the spouse of a cash public assistance recipient who is living with him, and essential or necessary to his welfare and whose needs are taken into account in determining the amount of his cash payment. The wife of an OAA recipient, for example, who herself is not eligible for cash assistance because she is under age 65 could be eligible for medical assistance if the State plan so provided.

Licensing of Nursing Home Administrators Under Medicaid

The committee bill includes an amendment which would require States to license administrators of nursing homes. Administrators currently operating a home who do not qualify initially would have until July 1, 1972, to qualify. In the meantime, the States would be required to offer programs of training to assist administrators to qualify.

Optometric Services Under Child Health Programs

The committee bill includes a provision to insure that persons receiving health services under child health programs are free to utilize the services of optometrists when appropriate. The provision recognizes that when health services are provided through a public clinic or on a similar basis that the inclusion of optometric services may not always be feasible.

Family Planning

Family planning expenditures are now made under the maternal and child health program in title V and through medical assistance under title XIX, as a medical services expenditure. States are free to offer family planning services to AFDC recipients under title IV, but there are no Federal requirements. Under the House-approved bill, the States would be required to offer family planning services to all appropriate AFDC recipients. Federal matching of these expenditures would be provided. Under the House bill, authorization for the maternal and child health programs would be increased and, though funds are not earmarked for family planning, an estimated $15 million would be spent for that purpose under the 1969 authorization, with some increases thereafter. Demonstration projects would need to be developed for the provision of family planning services for mothers in needy areas.

Under the committee bill, the House provisions in the AFDC program are retained with language added to clarify that the acceptance of family planning services would be voluntary and not a requisite for the receipt of assistance. The House-approved amounts for the maternal and child health program would be raised by $30 million in 1970, and $60 million for later years, with an eventual 20 percent of all maternal and child health funds earmarked for family planning purposes.

Administration of the Program for Services for Crippled Children

The House bill combined maternal and child health services and crippled children's services into one program and consolidated the authorizations. The committee bill goes further and assures administration of the crippled children's program by the Children's Bureau.

Training of Personnel for Health Care and Related Services for Mothers and Children

The committee has modified the House language to direct the Secretary of Health, Education, and Welfare "to give special attention to" rather than "priority to" programs providing training at the undergraduate level in making grants for training of such personnel.

Increased Authorizations for Child Welfare Services

The House bill increased child welfare authorizations from $55 million for fiscal year 1969 to $100 million, and from $60 million for later years to $110 million. The committee bill would further increase these authorizations to $125 million and $160 million respectively. The greater amounts in the committee bill are designed to meet the day care costs of working women who are not AFDC recipients.

Provision of Family Service State Plan Requirement

There is a provision in present law requiring State welfare agencies to make a plan for providing welfare service for each child in an AFDC family. Under the committee bill, the plan would also have to provide for welfare services for the adults in the family.

Study of Services Given to Recipients

The committee bill directs the Secretary to study and report to the Congress, by July 1, 1969, the extent to which staff of welfare agencies are serving the needs of assistance recipients in securing the full benefits and protection of local, State, and Federal laws relating to health, housing, and related laws and the degree to which assistance recipients are helped to take advantage of the public welfare and other related programs in the community. The report is to contain the Secretary's recommendations on how these services might be made more effective. The study is to include the Secretary's findings and recommendations on the extent to which public assistance programs may be used as a means of enforcing State, local, and Federal law in the field of health, housing, and related laws.

Use of Subprofessional and Volunteer Staff

The committee bill requires the States, effective July 1, 1969, to train and use subprofessional staff, with particular emphasis on the use of welfare recipients and other persons of low income, as community service aides for the kinds of jobs appropriate for them in the public assistance, child welfare, and health programs under the Social Security Act. The committee amendment would also direct the States to make use of volunteers in the program both for the provision of service to recipients, and to serve on advisory committees.

Parent Involvement in Day Care—Day Care Standards

The committee bill adds a State plan requirement to the child welfare day-care provisions for development of arrangements for the more effective involvement of parents in day care programs. Also, the day care standards in the child welfare services programs will be made applicable to day care provided to AFDC children.

Repatriation Extension

The committee bill would extend for 1 year, until July 1, 1969, the temporary legislation which authorizes assistance to Americans who have been repatriated to the United States by the Department of State from foreign countries.

Demonstration Projects

Two million dollars annually is currently available to encourage the States to develop demonstrations in improved methods of providing service to recipients or in improved methods of administration. The House approved bill increased this amount to $4 million annually. The committee amendment provides for $10 million a year.

Increasing Income of Old-Age Assistance Recipients

Under the committee bill, the States would be required to adjust their standards of need and maximum payment provisions to guarantee that old-age assistance recipients, both those eligible for social security benefits (about 1 million) and those who are not (also about 1 million) will receive, on the average, an increase in total income equal to $7.50 a month. Any increases the States have made in OAA payments since January 1, 1967, would count toward this requirement. The effect of this requirement is that old-age assistance recipients as a group will share in the savings which the States will realize because of reduction in assistance payments for those recipients who are also eligible for the social security benefit increase.

Many States can finance this increase in payments out of the savings they will realize from the increase in social security benefits. For those States unable to finance the cost of this increase from the savings it will achieve from the social security increase, the Federal Government will pay the cost for a 2-year period. This provision would also apply to the blind and disabled public assistance recipients.

Limitation on Federal Matching in AFDC Program

The House bill sets a limitation on Federal financial participation in the AFDC program related to the proportion of the child population that could be aided because of the absence from the home of a parent. Federal financial participation would not be available for any excess above the percentage of children of absent parents who received aid to the child population in the State as of January 1, 1967.

This limitation is not retained in the committee bill.

Single State Agency

Under the House approved bill, States would be required to provide all the child welfare services needed by children under the program of aid to families with dependent children under a single State and local agency. The committee bill modifies this to exempt those separate State agencies which were in existence on July 1, 1967, namely those agencies in Illinois and Kentucky.

States are also exempted from the requirements for single local agencies.

Simplicity of Administration

The committee bill includes a requirement that States determine eligibility and provide assistance under their cash assistance program in a manner consistent with simplicity of administration and the best interest of recipients.

Emergency Assistance

The committee bill would extend from 30 to 60 the number of days during a 12-month period during which emergency assistance authorized by the House bill may be provided to a child under 21 and to his family. This emergency aid could also be extended to migrant workers who have dependent children.

Protective or Vendor Payments

The House bill removes the limitation of 5 percent of recipients for whom protective payments could be made because they were unable to manage their funds. The committee bill would put a 10-percent limitation on the number of recipients for whom the State can make vendor payments or protective payments but excludes from this overall limitation those recipients for whom such payments have been made because of the refusal, without good cause, of an individual to work, register for work, or to participate under a training or work program.

Payment for Home Repairs

The House bill amended the cash public assistance programs, other than the AFDC program, to allow 50 percent Federal matching for home repairs (up to $500) if to do so would be more economical from the standpoint of the program. The committee bill would extend this provision to the AFDC program.

Unemployed Fathers Program

The committee bill removes certain provisions contained in the House bill which affect eligibility of children on AFDC when their father is unemployed. Specifically, the requirement that the father have six calendar quarters of work or have been entitled to unemployment compensation would be removed. In addition, the committee bill would restore present provisions under which a State may at its option make payments for any part of a month in which the father received any unemployment compensation. Under the House bill, receipt of any unemployment compensation would bar assistance for the month.

Purchase of Social Services

The House bill permits the purchase by welfare agencies of child care and other services, under title IV of the act, aid to families with dependent children. Such services may now be provided by welfare agency staff but existing law does not permit their purchase except from other State agencies.

The committee bill makes a similar change in titles I, X, XIV, and XVI under which Federal participation in payments to aged, blind, and disabled persons is authorized, thereby permitting the purchase of such services as homemaker or rehabilitation services under programs authorized under those titles.

III. EMPLOYMENT AND INCOME TAX AMENDMENTS

Runaway Parents Location and Liability

In an attempt to compel a parent who deserts or abandons his dependent child to comply with a child-support court order, the House bill required disclosure of the address of the parent or his employer to the court issuing the order and provided for Federal participation in the cost of a State agency entering into an agreement with law-enforcement personnel to press collection of the support payment.

The committee added a provision to give the State agency making payments to the family with a dependent child in which a parent has deserted and failed to make support payments, the assistance of the Department of Health, Education, and Welfare, and the Treasury Department in locating the parent. If the runaway parent is located outside the State where his dependent children reside and if he refuses to comply with the court order for their support, the tax collector is to collect by levy or distraint an amount equal to the Federal share of the welfare payments to his family or the court-ordered support payment whichever is lower.

The committee amendment also makes information regarding the runaway parent's whereabouts available to both courts in interstate support proceedings.

Tax-Exempt Status for Entities Servicing Tax-Exempt Hospitals

The committee added to the House bill a provision which would extend tax-exempt status to a joint enterprise organized and operated on a cooperative basis to perform joint services solely to its members all of which are tax-exempt hospitals or governmentally owned hospitals and which services would be considered an integral part of the tax exempt or governmental functions of the hospitals if performed by the hospitals individually.

Medical Expense Tax Deduction for Aged

The committee added to the House bill a provision that would restore with a qualification the Federal income tax treatment of medical care and drug expenses of persons 65 years of age and over which had been changed by the Social Security Amendments of 1965. Before the 1965 change, an income tax deduction was permitted for all the medical care and drug expenses of a taxpayer 65 or over or of the dependent parents, age 65 or over, of the taxpayer or his spouse. However, the 1965 amendments provided, effective in 1967, that the deduction for persons 65 and over would be limited to expenses of medical care in excess of 3 percent of the taxpayer's adjusted gross income, and the cost of medicines and drugs would be treated as a medical expense only to the extent they exceed 1 percent of the taxpayer's adjusted gross income. (These limitations generally have applied in the case of taxpayers under age 65.)

The committee amendment would make the medical care and drug expenses of a person 65 or over fully deductible without regard to the 3-and-1-percent limitation, if the person 65 or over waives all future entitlement to all medicare benefits upon reaching age 65, or within 1 year after enactment of the bill, whichever is later.

Hospital Insurance Contributions by Persons Employed Both Under Social Security and Railroad Retirement

The committee has added to the House bill a provision under which, beginning with 1968, persons employed both under the social security and the railroad retirement programs who pay hospital insurance contributions on combined wages which are in excess of the taxable wage base would be entitled to a refund of the excess contributions.

Truckloaders and Unloaders and Certain Fishermen

This committee amendment clarifies the status of truckloaders and unloaders and certain commercial fishermen by fixing rules under which the trucker or owner of the vessel will be treated as their employer for employment tax purposes. It also provides rules for treating other persons as the employer in appropriate situations. Under the amendment the persons treated as employers would be liable for employment taxes in 1968 but the employees would be treated as if their work had been in covered employment from 1951 on.

Time for Filing Applications for Exemption From Self-Employment Tax by Amish

The committee added an amendment to permit members of a religious sect which is opposed to social insurance to file an application for exemption from the self-employment tax by December 31, 1968, if the person has self-employment income for years ending before December 31, 1967. If he first receives self-employment income in later years, the application would be timely if filed by the due date for the income tax return for the year in question. However, in these latter cases, the amendment also provides that valid applications may be filed within 3 months following the month in which the person is notified in writing by the Internal Revenue Service that a timely application has not been filed.

Designation of Employer of Employees Performing Services for Tax-Exempt Organizations

The committee added to the House bill a provision which would authorize the Treasury Department, upon the request of tax-exempt organizations all of which are being provided with services by the employees of one, to designate which organization is to be considered the employer for purposes of employment taxes and pension plans.

PROVISIONS OF H.R. 12080 WHICH WERE NOT CHANGED BY THE COMMITTEE

I. Old age, survivors, disability, and health insurance program

The committee accepted the following provisions of the House bill:

A. Old-Age, Survivors and Disability Insurance

The dependency of the child on his mother

The provision under which a child would be deemed dependent on his mother under the same conditions that, under present law, a child is deemed dependent on his father. As a result, a child could become entitled to benefits if at the time his mother dies, or retires, or becomes disabled, she was either fully or currently insured. Under present law, currently insured status (coverage in six out of the last 13 quarters ending with death, retirement or disability) is required unless the mother was actually supporting the child.

Eligibility of adopted child for monthly benefits

The provision which would permit a child adopted by a surviving spouse to get benefits even though the adoption is not completed within 2 years after the worker's death, if adoption proceedings had begun before the worker died.

Definition of "disability"

The provision which would provide a more detailed definition of "disability." New guidelines would be provided in the law under which a person could be determined to be disabled only if he is unable to engage in any kind of substantial gainful work which exists in the national economy even though such work does not exist in the general area in which he lives.

Insured status for workers disabled while young

The provision which would allow a worker who becomes disabled before the age of 31 to qualify for disability insurance if he worked in one-half of the quarters between the time he is 21 and the time he is disabled, with a minimum of six quarters of coverage. This requirement would be an alternative to the present requirement that the worker must have had a total of 5 years out of the last 10 years in covered employment.

Additional wage credits for servicemen

For social security benefit purposes, the provision which would provide that the pay of a person in the uniformed service would be deemed to be $100 a month more than his basic pay. The additional cost of paying the benefits resulting from this provision would be paid out of general revenues.

Definition of "widow," "widower," and "stepchild"

The provision under which a widow, widower, or stepchild would be considered as such for social security purposes if the marriage existed for 9 months, or, in case of death in line of duty in the uniformed service, and in case of accidental death, if the marriage existed for 3 months, unless it is determined that the deceased individual could not have reasonably been expected to live for 9 months at the time the marriage occurred. Under present law a marriage must have existed for 12 months.

Disability benefits affected by the receipt of workmen's compensation

The provision would modify one of the provisions in present law for determining the amount of combined social security and workmen's compensation benefits that can be paid when a disabled worker is eligible under both programs. In cases where social security disability benefits are subject to reduction because the combined benefits would otherwise exceed 80 percent of the disabled worker's average current earnings, the computation of average earnings can include earnings in excess of the annual amount taxable under social security.

Limitation on wife's benefit

The provision under which there would be instituted a limitation on the wife's benefit of a maximum of $105 a month. The effect of this provision will not be felt until many years into the future.

Requirements for husband's and widower's insurance benefits

The requirement in present law that a dependent husband or widower may become entitled to social security benefits on his wife's earnings only if his wife is currently insured at the time she died, became disabled, or retired would be repealed.

Retirement income of retired partners

The provision under which certain partnership income of retired partners would not be taxed or credited for social security purposes.

Simplification of benefit computation

Where wages earned before 1951 are used in the benefit computation, the provision which would allow certain assumptions to be made so that the benefit could be computed by mechanical means.

Extension of time for filing reports of earnings

The Secretary of Health, Education, and Welfare would be authorized to grant an extension of the time in which a person may file his report of earnings for earnings test purposes if there is a valid reason for his not filing it on time. Permission to file a late report may be given in advance of the date on which the report is to be filed.

Penalties for failure to file timely reports of earnings

Under the present law, it is possible for a person to be penalized, because of his failure to file a timely report of earnings under the retirement test, in an amount in excess of the benefit that must be withheld. The provision which would eliminate the possibility of this occurring in the future.

Coverage of State and local employees ineligible for membership in a State retirement system

The provision that would facilitate social security coverage for workers in positions under a State or local government retirement system who are not eligible to join the system. Under present law, these workers cannot be covered under social security in connection with the procedure for extending coverage to members of a retirement system by means of the provision permitting specified States to cover only those members of a retirement system who desire coverage. The provision in the bill would permit these workers to be covered under this procedure.

Exclusion of emergency services by State and local employees

The provision that would mandatorily exclude from social security coverage services performed for a State or local government by workers hired on a temporary basis in case of emergencies such as fire, storm, flood, or earthquake.

Election officials and election workers

The provision which would permit a State to exclude from social security coverage, prospectively, service performed by election workers and election officials if they are paid, for such services, less than $50 in a calendar quarter. The exclusion could be taken for the election officials and workers of the State or any of its political subdivisions either at the time coverage is extended to employees of the State or the subdivision or at a later date. Under present law these services may be excluded only at the time coverage is extended to the employees of the State or the subdivision.

State and local coverage in Illinois

The provision to add Illinois to the list of States (19 under present law) which are permitted to extend social security coverage to those current members of a State or local retirement system who desire coverage, with all future employees being compulsorily covered.

Report of board of trustees

The date on which the annual report of the trustees of the social security trust funds is due would be changed from March 1 to April 1. The report would contain a separate actuarial analysis of the benefit disbursements made from the old-age and survivors insurance trust fund with respect to disabled beneficiaries.

General saving provision

Where a person becomes entitled to benefits as a result of the Social Security Amendments of 1967, the benefit paid to any other person on the same account would not be reduced by the family maximum provision because the new person became entitled to benefits.

Disability insurance trust fund

The bill would increase the percentage of taxable wages appropriated to the disability insurance trust fund (now at 0.70 of 1 percent) to 0.95 of 1 percent and would increase the percentage of self-employment income (now at 0.525 of 1 percent) to 0.7125 of 1 percent.

B. Health Insurance

Physician certification

The provision under which physician certification of the medical necessity for hospital outpatient services and admissions to general hospitals would be eliminated. Such services and admissions are almost always medically necessary. The change would simplify administration of the program by eliminating unnecessary paperwork.

Transfer of outpatient hospital services to the supplementary medical insurance program

The provision which transfers hospital outpatient diagnostic services from the hospital insurance program to the supplementary medical insurance program. The effect of the change is that all hospital outpatient benefits would be covered under the supplementary medical insurance program and thus subject to the deductible ($50 a year) and coinsurance features (20 percent). This provision would simplify the procedure for paying benefits for hospital outpatients by making such payments subject to a single set of rules for determining patient eligibility, patient and medicare liability and trust fund accountability.

Hospital billing for outpatient services

The provision which permits hospitals, as an alternative to the present procedure, to collect small charges (if not more than $50) for outpatient hospital services from the beneficiary without submitting a bill to medicare. (The amounts collected would be counted as expenses reimbursable to the beneficiary under the medical insurance plan.) The payments due the hospitals would be computed at intervals to assure that the hospital received its final reimbursement on a cost basis. This provision would bring the requirements of the medicare program more closely into line with the usual billing practices of hospitals.

Radiologists' and pathologists' services

The provision which would permit the payment of full reasonable charges for radiological or pathological services furnished by physicians to hospital inpatients. Under existing law, a 20 percent coinsurance is applicable. This provision would improve the protection of the program as well as facilitate beneficiary understanding and simplify hospital and intermediary handling of medicare claims by bringing the requirements of the medicare program more closely in line with the usual billing practices of hospitals and the payment methods of private insurance.

Payment for portable X-ray services

The provision which would permit payment for diagnostic X-rays taken in a patient's home or in a nursing home. These services would be covered under the supplementary medical insurance program if they are provided under the supervision of a physician and if they meet health and safety regulations.

Payment for purchase of durable medical equipment

The provision which would permit payment to be made for durable medical equipment needed by an individual whether rented or purchased. If purchased, payment would be made periodically in the same amount as if equipment were rented, for the period the equipment was needed but without covering more than the purchase price.

Reimbursement for civil service retirement annuitants for premium payments under the supplementary medical insurance program

The provision under which the Federal employee health benefit plans would be permitted to reimburse certain civil service retirement annuitants who are members of group health plans for the premium payments they make to the supplementary medical insurance program.

Date of attainment of age 65 of persons enrolling in SMI program

The provisions under which a person who is over 65, but believes, on the basis of documentary evidence, that he has just reached age 65, would be allowed to enroll in the supplementary medical insurance program as if he had attained age 65 on the date shown in the evidence.

Use of State agencies to assist health facilities to participate in the various health programs under the Social Security Act

The provisions whereby States could receive 75-percent Federal matching for the services which State health agencies perform in helping health facilities to qualify for participation in the various health programs under the Social Security Act (including medicare, medicaid, and the child health programs) and to improve their fiscal records for payment purposes. Similar provisions in the medicare program (which finances such services on a 100-percent basis from the Federal hospital insurance trust fund) would be repealed effective July 1, 1969, when this provision would go into effect.

Transitional provisions for uninsured individuals under the hospital insurance program

The provision which provides that a person who attains age 65 in 1968 could become entitled to hospital insurance benefits if he has a minimum of three quarters of coverage (existing law requires six), with the number of quarters of coverage needed by persons who reach age 65 in later years increasing by three in each year until the regular insured status requirement is met.

Appropriation to supplementary medical insurance trust fund

The provision which provides that whenever the transfer of general revenue funds to the supplementary medical insurance trust fund, after June 30, 1967, is not made at the time the enrollee contribution is made, the general fund of the Treasury would pay, in addition to the Government share, an amount equal to the interest, that would have been paid had the transfer been made on time. Also, the contingency reserve now provided for 1966 and 1967 would be made available through 1969.

Health Insurance Benefits Advisory Council

The provision whereby the Health Insurance Benefits Advisory Council established under present law would assume the duties of the National Medical Review Committee called for under present law. The Medical Review Committee has not yet been formed. The Health Insurance Benefits Advisory Council membership would be increased from 16 to 19 persons.

Study of coverage of services of health practitioners

The provision which requires the Secretary of Health, Education, and Welfare to study the need for, and to make recommendations concerning, the extension of coverage under the supplementary medical insurance program to the services of additional types of personnel who engage in the independent practice of furnishing health services.

Creation of an Advisory Council to make recommendations concerning health insurance for disability beneficiaries

The provision which would require the Secretary of Health, Education, and Welfare to establish an Advisory Council to study the problems relative to including the disabled under the health insurance program, and also any special problems with regard to the costs which would be involved in such coverage. The Council is to make its report by January 1, 1969.

II. Public assistance amendments

A. AFDC and Child Welfare

Federal payments for foster home care of dependent children

Effective July 1, 1969, States would have to provide AFDC payments for children who are placed in a foster home if in the 6 months before proceedings started in the court they would have been eligible for AFDC if they had lived in the home of a relative. The provision would be optional with the States before July 1, 1969. Under present law, children in foster care are eligible for AFDC payments only if they actually received such payments in the month they were placed in foster care. Federal matching would be available for grants up to an average of $100 a month per child.

Social work manpower and training

The bill authorizes $5 million for the fiscal year ending June 30, 1969, and $5 million for each of the 3 succeeding fiscal years for grants to public or nonprofit private colleges and universities and to accredited graduate schools of social work, or an association of such schools, to meet part of the costs of development, expansion, or improvement of undergraduate programs in social work and programs for the graduate training of professional social work personnel. Not less than one-half of the amount appropriated would have to be used for grants for undergraduate programs.

B. Title XIX Amendments

Coordination of title XIX and the supplementary medical insurance program

States would have until January 1, 1970 (rather than Jan. 1, 1968, as under present law), to buy-in title XVIII supplementary medical insurance for persons eligible for medicaid. Also, the bill would allow people who are eligible for medicaid but who do not receive cash assistance to be included in the group for which the State can purchase such coverage and would make persons who first go on the medicaid rolls after 1967 eligible to be bought in for. There would be no Federal matching toward the State's share of the premium in such cases. The bill would provide that Federal matching amounts would not be available to States for services which could have been covered under the supplementary medical insurance programs but were not.

Modification of comparability provisions

States would not have to include in medicaid coverage for recipients less than 65 years old the same items which the aged receive under the supplementary medical insurance program which is furnished to them under the buy-in provisions discussed above.

Extent of Federal financial participation in State administrative expenses

States would be able to get the same 75-percent Federal matching for physicians and other professional medical personnel working on the medicaid program in the State health agencies which they now get when such personnel work in the "single State agency," usually the public assistance agency. Under present law, the matching is 50 percent in such cases.

Advisory Council on Medical Assistance

An Advisory Council on Medical Assistance, consisting of 21 persons from outside the Government, would be established to advise the Secretary of Health, Education, and Welfare in matters of administration of the medicaid program.

Free choice for persons eligible for medicaid

Effective July 1, 1969 (July 1, 1972, for Puerto Rico, the Virgin Islands, and Guam), people covered under the medicaid program would have free choice of qualified medical facilities and practitioners.

Use of State agencies to assist health facilities to participate in the various health programs under the Social Security Act

States could receive 75-percent Federal matching for the services which State health agencies perform in helping health facilities to qualify for participation in the various health programs under the Social Security Act (including medicare, medicaid, and the child health programs) and to improve their fiscal records for payment purposes. Similar provisions in the medicare program (which finances such services on a 100-percent basis from the Federal hospital insurance trust fund) would be repealed effective July 1, 1969, when this provision would go into effect.

Payments for services and care by a third party

States would have to take steps to assure that the medical expenses of a person covered under the medicaid program, which a third party had a legal obligation to pay, would not be paid or if liability is later determined that steps will be taken to secure reimbursement.

III. Child health amendments

Consolidation of Earmarked Authorizations

In place of a number of separate earmarked authorizations in present law, the bill consolidates all authorizations into one single authorization with three broad categories.

Additional Requirements on the States Under the Formula Grant Program

The bill requires that State plans provide for the early identification and treatment of crippled children. Title XIX is amended to conform to this requirement. The States must also devote special attention to family planning services and dental care for children in the development of demonstration services.

Project Grants

Until July 1972, the bill authorizes project grants (1) to help reduce the incidence of mental retardation and other handicapping conditions caused by complications associated with childbearing, and to help reduce infant and maternal mortality; (2) to promote the health of children and youth of school and preschool age; and (3) to provide dental care and services to children. Beginning July 1972, responsibility for these projects will be transferred to the States.

The fiscal year 1968 authorization for maternity and infant care special projects grants would be increased from $30 to $35 million.

Limitation on Federal Matching for Puerto Rico, Guam, and Virgin Islands

The dollar limit for Federal financial participation in public assistance for Puerto Rico would be raised from the present $9.8 million to $12.5 million for 1968, $15 million for 1969, $18 million for 1970, $21 million for 1971 and $24 million for 1972 and thereafter. Up to an additional $2 million could be certified for family planning services and expenses to support work incentive programs.

Under medicaid an overall dollar limit of $20 million would be imposed (in lieu of the limitation made applicable to the States by the bill) and the ratio of Federal matching would be changed from 55 percent to 50 percent.

Proportionate increases in the dollar maximums for Guam and the Virgin Islands would be made.

Mr. LONG of Louisiana. Mr. President, it is my hope that we will be able to proceed expeditiously to consider and discuss the various amendments that Senators may wish to offer, and that we may in the very near future enter into an agreement to limit debate on amendments and provide both sides a chance to be heard and to vote on the amendments.

I know that the Senate would like to adjourn sine die as soon as possible. I would certainly like to see this happen.

I urge Senators who want to offer amendments to bring them forth as soon as it is appropriate for them to do so.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, at a later time I expect to speak in detail on the various provisions of the bill.

I rise at this time merely to state the general position that I hold. In doing that, I want to pay tribute to the House Ways and Means Committee. No one in Congress has a better grasp of tax legislation and social security legislation than has the distinguished chairman of the House Committee on Ways and Means, Representative WILBUR MILLS.

There is a vast difference in the ultimate impact of the House-passed bill and the measure that was recommended to the Senate by the majority members of the Finance Committee.

Let me say first that there are many amendments recommended by the Finance Committee that are not in dispute, but they do not involve the long-range financial implications that are in dispute.

In the case of medicare, at present either the doctor has to make out the papers and be reimbursed from the medicare intermediary, or the patient must pay the bill and send in a receipted bill and ask for reimbursement. This procedure is changed so that the patient under medicare can merely obtain an itemized bill and submit it, because many old people are unable to advance the money. There is no dispute about doing that. We find a number of amendments of that nature in the Senate bill.

There is disagreement on the financing. There is disagreement on the level of benefits. There is disagreement on the wage base. At the time social security started, the wage base was $3,000. That means that regardless of how high wages were paid, the tax was applied to the first $3,000 or as much thereof as the worker earned in a given year. Under the Committee on Finance bill, the wage base is raised to $10,800—not right now, but in a few short years.

The House of Representatives accepted the findings of the Committee on Ways and Means, headed by the distinguished WILBUR MILLS, and fixed the increase in benefits at 12½ percent. The Committee on Finance raised the percentage of benefits from 12½ percent to 15 percent and provided a certain minimum benefit of $70. The 15 percent, however, is a small part of the raise that is actually carried in the Committee on Finance bill. Here is the reason:

By raising the wage base, the benefits are automatically raised, because the benefit formula is applied to the average monthly wage, so-called, covered as wages. As a result, there is a sharp difference between the Mills bill and the Long bill, if we may so distinguish them. By the Mills bill, I mean the bill that was written by the Committee on Ways and Means and passed the House of Representatives. The Committee on Ways and Means is presided over by the distinguished gentleman from Arkansas [Mr. MILLS].

I can illustrate in this way: Under the Mills bill, which is the House bill, the maximum employee annual tax, which will be reached in the year 1987, is $448.40. Under the Committee on Finance bill, the maximum employee tax will be reached in the year 1980, 7 years earlier, and it will be $626.40. In other words, the difference between the House bill and the bill recommended by the majority of the Committee on Finance involves, to a large degree, the magnitude of the future commitment for social security. It involves the burden that we will place upon the young worker, the worker who will enter the labor force next year, 5 years from now, or 10 years from now. In this regard, the House bill shows more restraint and more regard for the burdens that must be borne by the young people of the future, the workers who will work and pay the taxes at the present time.

By the very nature of social security, sometimes the real costs are difficult to detect. We pick up our newspapers and we read that $21 billion is in the reserve of the trust fund. Actually, it is only enough to pay the present benefits for 12 months to those on the benefit rolls. When we started to pay benefits, there was sufficient money for 29 years. Of course, the benefits did not amount to very much then. But the amount has decreased steadily.

If we have a dip in our economy, more benefits will be paid out, because more people will retire and more people will retire earlier. Fewer people will be working, and they will be working for less, and there will be less income.

So this reserve cannot accurately be measured in dollars. It must be measured in the length of time it would carry the program.

It is my belief—and I believe it is shared by the minority—that the Mills bill, the bill that passed the House of Representatives, is better for the economic well being of our country than those features relating to the tax rate, the wage base, and the level of benefits which have been recommended by the majority of the Committee on Finance.

I hope that every Member of the Senate will read the minority views. They are found in the report beginning on page 335. They are rather brief and extend from page 335 to 341. As Senators read the minority views I would remind them that this is not a statement in support of any proposal that the minority have devised, but it is a statement in support of the House bill, and it gives the reasons therefor.

Many things can be said about the proposal that was recommended by the Senate Committee on Finance. One of them is that benefits would generally be raised for everybody beginning next year and that two-thirds of the social security taxpayers would pay less taxes through the year 1970 than they would if existing law were allowed to operate.

One of the principles that have been helpful in social security in years past has been the balance between those who pay taxes and those who receive benefits. We cannot act responsibly unless we give consideration to both groups. The people who are eligible for benefits are entitled to consideration. We of the majority say that they should receive increased benefits, because of the increase in the cost of living. But we also point out that the young person, who will be paying social security taxes for 30 or 40 or 45 years, is entitled to consideration. I doubt that the majority of the Committee on Finance realized fully the burden they were placing on these people when they chose the particular method of financing this program. I do not believe it was intended, but I believe it will be an unjust burden not only on young workers who are in the work force now, but also on those who will enter in the years to come. And it will be an unjust burden on the middle class, because they will bear the brunt of the increase in social security taxes from a dollar standpoint.

It begins right away: Under the Finance Committee bill, the wage base is raised to $8,000 for next year. It is now $6,600. That means that the middle-class person who is making in excess of $6,600 has a substantial increase in his social security taxes. That is one-third of the people.

That is the group that produces our leaders. That is the group that is buying homes. That is the group that is supporting every good cause in the country. And they would be called upon alone—alone—to carry an increase in social security taxes.

Under existing law, the tax rate for 1969 and 1970 would be 4.9 percent. In this bill, it is actually reduced to 4.8 percent. I contend that that would produce an undesirable result. It would not be good for our economy. It is not fair to pick out the middle class and give them a tax rate, a substantial one, and a graduated one, and actually reduce the burden for others at a time when all people are getting an increase in benefits.

This would be a marked injustice right away, but in the long run it would place a burden on these middle-class people. It is not only unjust, but also it is not good for our economy. It will very likely discourage the establishment of private pension plans. It will very likely prevent existing private pension plans from being further liberalized. It will make it more difficult for these middle-class people to save and accumulate for themselves, so that they have money to provide for both their needs and luxuries throughout life and in old age. It will make it more difficult for this middle-class to buy Government bonds that need to be purchased.

Mr. President, I cannot overstress the point that the choice that the Senate will have to make is narrowed down to the financial part of the social security problem.

The Mills bill provided for an immediate 12.5-percent increase in benefits The majority of the Committee on Finance went up to 15 percent, and along with that bill there was a great increase in the wage base that brought about a new turn in social security. I do not think it was intended, but it places the added burden on a few people.

The long-range impact on the middle class is discriminatory. I would point out that the people of the country are very sensitive to taxes. A vote to support the House bill on the subject of tax rate, wage base, and level of benefits means that Senators are voting for an ultimate maximum social security tax of $448.40; but if we accept the recommendation of the Committee on Finance, the recommendation of the majority, Senators are casting a vote for a system of social security that will lead to a maximum tax, not of $448.40, but $626.40, and we will arrive at that maximum 7 years early.

Now, what does that all amount to, in addition to shifting an undue proportion of the burden onto the middle class? It has other damaging effects. I am convinced that it will be detrimental to private pension plans.

But, listen to this. If a young man at age 21 enters the work force in 1972, under the Senate Finance Committee bill that young man and his employer would pay in $16,528 in additional taxes by the time he was 65. This would accumulate, at 4-percent interest, during those 44 years, up to $43,449.96.

What could that young man buy for that amount of money and its accumulation?

Here is what he could buy:

A single life insurance annuity, beginning at age 65, which would pay him $354.00 a month.

How much would he gain under social security from that extra money? $120 a month

That young man could buy a joint survivors' annuity for himself and wife which would pay $312 a month during their joint lives, and $171 for the survivor.

What would he get in added social security benefits from the increased taxes? $141 during his life with his wife, as compared to $312. The survivor would get only $99 compared to the $171.

In other words, it would be a very poor bargain.

Unwittingly, the majority of the Senate Finance Committee made some drastic changes in the long-range course of social security.

When we provide for most of the increased money by raising the wage base, we are, in effect, financing on a graduated tax basis.

Mr. LONG of Louisiana. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I yield.

Mr. LONG of Louisiana. The Senator starts out by doing two things. He wants, one, to assume that a worker takes what he paid, plus what his employer paid on his behalf, adds them together, and purchases an annuity benefit. He is not talking about the hospital benefits that man would get when he is old and needs it—when most older people require health care. He is not talking about the benefits his wife would get in addition to his annuity, in the event he dies before she does. He is not talking about what his wife would get if he dies and she is disabled, or if he dies and she has a lot of children to look after. He is not talking about many other benefits which are less important to the program but are, nevertheless, a part of it.

He is talking about only one benefit. He is talking about what that one benefit would be if one bought it with what he puts in, plus what the employer puts in. This, it seems to me, is not a fair comparison.

My thought would be that if we want to try to see what a person could buy for the same amount of money, we should take what a person could buy with what he alone puts up, looking at the employer's contribution as a tax on employees to help the program take care of all working people, plus some who are only incidentally covered by social security.

If we take a look at what that man buys, and what he puts up, even if we assume that he is a single man and never marries and will live a great number of years, the annuity he would have available to him would still be more insurance, if he lived the normal life expectancy, than he could buy under any insurance program available anywhere in the United States.

So that if we look at all the benefits available, if a man assumes that he would marry at some time in his life and that he would be blessed with children, even if he is in the highest bracket or is self employed, he could not buy anything like the protection he would get under this program.

I think the Senator knows that. My guess is that he will find that to be true even with the committee amendments added.

In regard to some of the things in the bill—one may call it the Long bill—and I am flattered if it is referred to as the Long bill—but many other Senators made material contributions to it. In fact, the able and distinguished Senator from Nebraska himself made suggestions for improving the program which were adopted and have made the Committee bill a better bill.

But if we look at the various things in the bill and what one would pay even in the highest bracket, I believe that we would find every one of the benefits for retirement and protection of a wife and children which becomes available if the husband dies. Regardless of whether he leaves a large family or a small one—just look at what his wife gets. Even if he is self employed, the rate will be approximately 50 percent higher than an individual worker—he still could not buy that much protection with a private company.

I have seen the comparison the Senator makes, but I do not think it will stand up under close analysis, particularly when viewed solely upon the individual contribution of the worker.

Mr. CURTIS. I should like to answer the distinguished chairman of the committee. I have a complete answer to his contentions.

The social security system has estimated that 28 percent of the taxes are required to carry the disability and survivor benefits. Thus, in this computation, we did not take the total increased taxes that the man would pay, but 72 percent of it. Thus, in this illustration, we are directing our remarks to the added taxes that he must pay into that portion for retirement benefits. We have excluded the 28 percent.

Now, it is true that this actuarial statement was worked out on the basis of including both employee and employer.

Here is how it figures out:

After excluding 28 percent of the tax for things other than retirement, the private annuity would pay him $354 for the added tax. Social security would be $120. So, if we cut the $354 in half, it would still be substantially over the $120.

Thus, while it is true I asked for the computation to be made, and it was made on the basis of employee and employer taxes both, it still shows a mighty poor bargain under social security. There are two factors entering into this. I am sincere in my statement of belief that I do not think it was fully realized what the future impact of the Senate committee amendments would be on the financing of the program.

There are two factors involved. One is that our system generally, our social security system at the very best, is going to have a heavy burden on future taxpayers, and has had and is having a light burden in the past and the present.

Senators will find in the minority views some figures showing how this system works. It is not a system under which, in the past, individuals and even employers, have paid into the fund, or for some time in the future will pay into the fund, sufficient to pay for the benefits. The system is kept in motion and keeps going because of the taxes that are paid this month, next month, and in the future.

For example, at the end of 1966 there were 4,500 individuals receiving benefits who had started to receive them in 1940. The most any one of them could have paid into the fund, as a total in his lifetime, was $90. Each one of them already has drawn, through September 1967, $22,458.90.

How about the individual who is retiring this year at age 65? If he has paid all the taxes that he could pay from 1937 through 1966, including accumulated interest at 3¾ percent, it would amount to $3,449. If that man of 65 has a wife who is 65 years of age, the present value of the couple's future benefits is $26,844.

Where will the difference come from? It will come from the people who are working now and will work in the future.

The average benefit drawn by someone who retired this year illustrates the same principle. The person who has paid the average amount—in other words, paid a tax on the median income each year from 1937 through 1966, together with accumulated interest at 3¾ percent—has paid in $2,564. If he has a wife and they are both 65 years of age, the present value of the couple's future benefits is $23,901.

It is also possible for someone to retire this year at age 65 and not have paid in more than $16 total in his lifetime, including accumulated interest. If he is married, the present value of the couple's future benefits amounts to $9,022.

At the very best, the burden is on our future employees and our future self-employed, and the burden upon individuals who provide employment in the future is going to be very, very hard. By action of the Finance Committee, that is now accentuated.

When social security started, it cost $300 a year to employ 10 men. By the time this bill gets in motion, what will it cost an employer to employ 10 men? If they reach the maximum pay, it will cost $6,264 to employ 10 men. Is he likely to provide a company pension? No. Will he have to raise prices on products he sells? Surely, he will.

So we see here the chickens coming home to roost. We have had a level of benefits all through the years far beyond the taxes paid for those benefits. So, at best, the future load will be greater. Now the committee bill accentuates that burden more than does the House bill, and it adds that burden in a different way. It raises so much of the added revenue by raising the wage base, which is a penalty on effort. It is a penalty on those young people who belong to the middle class, who work hard and succeed and keep our communities going.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. LONG of Louisiana. I am advised that the average person who is retired today will receive benefits, if he lives out his life expectancy, 10 times as much money in cash, as both he and his employer paid into that fund. If one looks at just what that man himself paid into the fund, he will receive, by the time he lives out his normal life, 20 times as much in cash payments as he paid into that social security fund. I refer to those who have retired and who are retiring today.

Anything of that sort would be impossible if someone had been providing for his own retirement income with a private insurance policy, even so fine a policy as that suggested by the Senator from Nebraska. The reason for that is that insurance companies are not permitted—there are none of them, so far as I can determine, that pay more in benefits than the premiums of the group provide. That is something we have been able to do with the social security program that cannot be done with private insurance policies. If someone had taken out a private insurance policy, as the Senator knows, he would be receiving dollars that had depreciated in value, through no fault of anyone in particular. When those events occur, that person's insurance income could not be boosted, as social security can, to offset the fact that the purchasing power of the money has depreciated. But under the social security programs, retirees can be protected. As a matter of fact, under the committee bill, we have gone beyond offsetting the cost of living and added higher benefits to make possible a good retirement.

While there are some things in the bill put in by the Senate committee that the Senator does not like, he knows, as well as I do, that there are some things in it that he does like. I can recall some years ago when the Senator from Nebraska stood on the floor and made a speech in which he urged eliminating the earnings test under the social security program. It had a good bit of appeal. One of the most expensive things we have in this bill is the liberalization of the retirement provisions so a person can earn $2,000 without reducing his social security income. So while I know there are some things in the bill the Senator does not like, I know there are some things he likes, because he has advocated and fought for them over the years.

Mr. CURTIS. I thank the Senator. I repeat, there are many things in this bill which are not in dispute. The dispute is narrowed to the financing of the program and the level of the benefits.

I want to thank the Senator for reenforcing my argument. He says someone retiring now draws in benefits more than what the individual and his employer paid into it. Who pays the difference?

The kids; our grandchildren. The individuals who go into business tomorrow, next year, or 5 years hence, who try to find employment for them.

When my distinguished chairman points out that we have been paying a benefit 10 times what the employee and the employer paid for, we must also follow that with the statement that that burden will have to be carried by the young. The past is past; we cannot change that; and it is doubtful whether at any time we could have had a social insurance system that would have eliminated that difference altogether.

But we should practice a minimum of restraint. The least we should do is try to impose gently the burden that we place on the future, and seek to distribute that burden equitably.

I say that in this bill we have done neither. It is very simple. We have, under the Mills bill, a maximum tax increase of $448. That is what the minority are contending for. That is the maximum. Under the Senate Finance Committee bill, the maximum increase would be $626. That is quite a difference; and that is the issue.

Under the Mills bill, more of the added income will come from increasing the tax on all, and less of the added income will be from increasing the charges upon the middle class.

In this bill, by raising the taxable base from $6,600 up to an ultimate $10,800, per year, we put the burden of all that increase on one-third of the workers—the middle class; that group who, in every community, in every organization, in every neighborhood, carry the burdens which propel America forward.

I say we are doing too much to them. Examine the bill. The benefits always have been proportionately greater, and I think rightly so, for people of low income, who have been treated more generously. I believe that should be true. I think the people who make more money should pay some more taxes. But I do not believe they should pay as much more tax as this measure provides.

So the issue here is not a dispute over these many corrective amendments we have brought in, that everybody agrees to. Some of them, in fact, I proposed. The issue is on the financial provisions, on whether we enact a reasonable increase, as suggested by Wilbur Mills, with some restraint on the amount of taxes to be paid, or whether we impose much higher taxes on the middle class in the future.

Mr. President, it was not my purpose to speak as long as I did. I shall have something further to say before action on this legislation is completed. I again commend to the attention of every Senator the minority report, which is found at pages 335 to 341, not because it supports some theory of the minority, but because it supports the House bill and the recommendations of Chairman Wilbur Mills and the majority of his committee, who, I believe, have sent over a good bill.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. WILLIAMS of Delaware. In addition to that, it supports the position taken by 414 Members of the House of Representatives.

Mr. CURTIS. Yes.

Mr. WILLIAMS of Delaware. Who likewise voted for this same position which the minority members of the Senate Finance Committee support.

Mr. CURTIS. In that regard, I wish to say this: I have a very high regard for the U.S. Senate and its Members, but I have always felt that the House of Representatives, the Members of which stand for reelection every 2 years, has its finger more surely on the pulse of America than does the body in which we serve.

The House of Representatives said that a maximum increase of $448 is enough. They will all be up for reelection next year. This is a proposal to come in 7 years earlier with a maximum tax of $626.

I yield now to the distinguished Senator from Kansas.

Mr. CARLSON. Mr. President, I commend the distinguished Senator from Nebraska for an excellent and thought-provoking statement on a very difficult problem confronting the Senate.

I know of no one better qualified to discuss this problem than the distinguished Senator from Nebraska. He served for many years as a member of the House Committee on Ways and Means. He not only served as a member of that committee, but took a very active interest in the social security program. He held some very lengthy hearings, and distinguished himself as a member of that committee by the thorough study he made, for some years, of that program. So I think his statement is not only timely, but thought provoking, and needs to be called to the attention of the country.

I expect to speak later on the matter, but I should like at this time to mention one item, if the Senator will give me about a minute.

Mr. CURTIS. I am happy to do so.

Mr. CARLSON. One of the problems in this legislation which required much time on the part of the chairman and the committee, as I am sure the chairman will agree, was how to furnish an incentive program for mothers with dependent children who are AFDC recipients.

The committee wrote language that would seek to furnish training and financial support for the children. It is interesting to find that Geary County, Kans., has demonstrated that a program of training for mothers can be carried on locally, without Federal funds. I can assure the Senate that that is unusual, when there are Federal funds available for both Federal and State programs. I call that matter to the attention of the Senate, because this demonstration project for working mothers, which started 2 years ago, is the only one in the Nation being carried out under title I, section 115 of the Social Security Act which has not requested Federal funds.

I think these people in Kansas deserve some credit for this achievement. The program has been handled by Mr. Claude Frese, who is director of the Geary County Department of Social Welfare.

A newspaper article, which I shall ask to have printed in the Record, states:

> This project encourages full- or part-time employment of mothers receiving welfare assistance for dependent children by providing for job related expenses.

It is interesting that 33 mothers who have participated in the program are no longer on the welfare rolls. Nineteen left the program and are still receiving assistance. Currently, 24 mothers are enrolled. They qualify for $8,160 in welfare assistance, but are earning $3,839 of that amount. With the approximately $1,450 in extra grants for job-related expenses, the savings in this welfare program in that county is $2,339 a month.

In view of the extended discussions we had on this problem—and they were quite lengthy, and sometimes we really entered into it with some vigor, and we came out with what I hope will be a solution—it is interesting to know that such a matter can be handled and funded locally; and I feel this one such county in the Nation is entitled to much credit.

I ask unanimous consent, Mr. President, to have printed in the Record an article entitled "Aid Program for Working Mothers Here Operates Without U.S. Help," written by Bob Honeyman, and printed in the Junction City, Kans., Union.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AID PROGRAM FOR WORKING MOTHERS HERE OPERATES WITHOUT U.S. HELP

(By Bob Honeyman)

A demonstration project for working mothers started here two years ago is the only one in the nation being carried out under Title I, Sec. 1115 of the Social Security act which has not requested federal funds. Claude Frese, director of the Geary County Department of Social Welfare, said today.

Miss J. Shiveley, consultant, regional office, Department of Health, Education and Welfare, was told by HEW officials in Washington that "Operation Fair Play" in Geary county hasn't used any federal grants.

"It is unusual in this day and age when someone doesn't ask for federal funds when they are available," Dr. Frese said. "I am proud this is not the only county in the United States to carry out a project by using its own and state resources. "Operation Fair Play," has actually reduced the cost of assistance."

The pilot project encourages full or part-time employment of mothers receiving welfare assistance for dependent children by providing for job related expenses. Thirty-three mothers who have participated in the program are no longer on the welfare rolls. Nineteen left the program and are still receiving assistance.

Currently 24 mothers are enrolled. They qualify for $8,160 in welfare assistance, but are earning $3,839 of that amount. With the approximately $1,450 in extra grants for job related expenses, the savings to the welfare agency is $2,339 monthly.

Based on an average of $200 per month welfare grants to Geary county mothers receiving aid-to-dependent children, the savings on the 33 clients no longer on the welfare rolls is approximately $80,000 annually.

Marvin Larson, Topeka, director of the State Department of Social Welfare, said the Kansas Welfare board is interested in implementing the program on a statewide basis.

"The results of the Geary county project indicates "Operation Fair Play" has produced the desired results and it would be a wise policy to extend it to the entire state," Mr. Larson said. "This will require budget approval from the state legislature for initial starting funds, although over a long period of time a substantial savings would result."

Under provisions of the program, working mothers are allowed extra funds to cover food, clothing, incidentals, transportation, child care and miscellaneous expenses which are job related. The average for the mother currently enrolled is $60 per month.

Purchase of uniforms, tools and other necessary items is allowed at the time the mother starts work. Replacements are considered to be included in the standard monthly allowance.

The extra funds bring the net amount left to the working mother for ordinary living expenses in line with welfare clients who are not employed so there is no financial penalty for working. The mothers must have the dual responsibility of caring for minor children and being the principal wage earner.

Originated in September, 1965, the project requires a waiver from the Department of Health, Education, and Welfare because the extra payment to the working mothers deviates from statewide rules and regulations. It was designed to cover three years and an annual renewal of the waiver is necessary.

An application, approved by the state agency, is pending in Washington.

Mr. Frese said 10 mothers started on the program in the 12 month period ending September 30. Their assistance grants without employment totaled $2,513 monthly. After employment they totaled $1,807, a reduction of $706.

"When the project was implemented I thought that with the increased grants most of the working mothers would stay on the welfare rolls," said Mr. Frese. "It didn't work that way.

"A great majority of the women had a desire to be self-sustaining and 'Operation Fair Play' enabled them to get over the hump.

"By being gainfully employed, the working mother greatly enhances her chances for remarriage. A man is more apt to marry a woman with children if she is earning part of her needs rather than depending 100 per cent on welfare."

Sixteen of the 33 persons who were able to leave the welfare program after participating in "Operation Fair Play" did so because of remarriage. Five others did so because of better income.

Mr. Frese said case workers in counseling with clients found that many of the mothers receiving aid to dependent children would like to earn part of their income.

Eight of the 19 persons who dropped from the program but are still receiving assistance did so because of a reduction in force. Seven dropped because of illness.

Occupations of the current participants include nine waitresses, four clerks, three laundry workers, two sales clerks, two cashiers, and one each beautician, bus driver, clerk-typist, and telephone operator.

Occupations of the 52 persons who participated in "Operation Fair Play" since its beginning, but are no longer enrolled, included 18 waitresses, eight maids, five laundry workers, four each telephone operators, clerks and cooks, two dispatchers, and one each auditor, beautician, bookkeeper, cafeteria supervisor, nurse's aid, secretary, stenographer.

Mr. Larson said Senator Abraham Ribicoff, former secretary of Health, Education and Welfare, has introduced an amendment to the Social Security act which would allow mothers receiving aid to dependent children to retain the first $50 of income without deduction from her welfare grant.

"If the bill passes we will have to follow the federal law and "Operation Fair Play" would become a moot point because it accomplishes the same thing," Mr. Larson said.

If the Geary county project is implemented statewide a waiver of federal regulations will not be necessary, according to Mr. Larson. The waiver is necessary only when the rules are not applied to all counties of the state.

Mr. Frese said the local project has had the full support and encouragement of the Geary county commissioners, who comprise the county social welfare board, since its inception.

"The county welfare director, case workers and members of the state welfare department staff put in extra work so that extra federal funds weren't needed," Mr. Frese said. "This is work all were willing to do because they believed in the program.

"One of the things that pleases me the most is that there hasn't been one word of criticism of "Operation Fair Play" from citizens of the county and we have received a lot of support from community leaders."

Taking part in a review October 11, of the program's first two years were Miss Shiveley; Miss Ruth Lainge, director, public assistance division, Mrs. Annabelle Long, home economist, both of Topeka, and Mrs. Miriam P. Harper, social service supervisor, division of field services, state department of social welfare.

Mr. CARLSON. I thank the Senator from Nebraska.

Mr. CURTIS. Mr. President, I say to the distinguished Senator from Kansas that his people who pioneered in this project are entitled to our consideration and applause. Its success bears out what I have always contended: That Kansas is next to the best State in the Union.

Mr. CARLSON. I thank the Senator.

Mr. CURTIS. Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, I shall discuss this measure in more detail at a later time, but I do wish to point out certain facts.

So that we may understand the scope of the pending bill I point out that it would provide for approximately $6.5 billion in benefits when it becomes fully operative. These are payments over and beyond the amount provided for in the existing law.

The bill as passed by the House of Representatives would have increased benefits in the first full year of operations by $3.2 billion.

The bill with amendments as reported by the Finance Committee, when it gets into the first full year of operaitons, would cost practically double. It would produce increased benefits of $3.5 billion in 1968, $5.8 billion in 1969, and $6.2 billion in 1970.

These are extra benefits that will be paid from the trust fund. In addition, there will be increased payments under the welfare sections of the bill, which in the first full year of operation, 1969, will cost around $700 million.

Much has been said by the President and by the Secretary of the Treasury about their concern over inflation. There has been a suggestion that we should even enact a 10-percent surtax to combat the inflation and to help the Government finance its operations. This deficit today is estimated at $20 billion to $25 billion annually.

It should be pointed out that the pending bill has a directly opposite effect. The pending bill would provide for a period of 9 months in the calendar year 1968 additional benefits of $3.5 billion, assuming that the first payment is on April 1.

It provides additional benefits in 1969 of $5.8 billion over and beyond the existing law.

This bill would provide additional benefits in 1970 of $6.2 billion.

This would amount to a total of $15.5 billion in extra payments for the first 3 years of operation.

To offset this cost the pending bill would raise taxes during that same 3-year period sufficient to provide additional revenue over and beyond that provided for under existing law. In 1968 it would increase revenue by $1.6 billion in additional taxes; in 1969, $2.6 billion; in 1970, $3.1 billion. This would amount to a total of $7,300,000,000 in additional taxes over and beyond what would be collected under the existing law in the first 3 years of its operations.

That means that additional benefits in the amount of $15.5 million would be paid out. We would raise $7.3 billion of that in new taxes. Thus this bill would pump an extra $8.2 billion into the economy in the next 3 years over and beyond the amount which would be pumped into the economy under existing law.

I recognize that as we deal with a social security measure and consider providing the revenue to pay for the new benefits we do not plan to regulate the economy, and we should not. However, we do have to take into effect the impact the law would have on the economy if enacted.

When we examine the effect in 1971 we find that the pending bill provides additional benefits of $6.5 billion over the amount in the existing law, and the additional tax revenue in 1971 as a result of the tax formula under the pending bill would be $6.3 billion.

So it would practically cancel out, within $200 million, in 1971. Beginning in 1972, the additional benefits would be $6.4 billion whereas the additional taxes levied under the bill are $8.8 billion. In this year an extra $2.4 billion would be added to the trust fund.

Under the Hartke-Long tax plan we would collect in taxes $2.4 billion more in 1972 than we would pay out in benefits. This would be done in order to replace the loss in the trust fund as a result of the first 3 years of operations, when we would be paying out $8.2 billion more than we took in.

This is what has been referred to as the Hartke-Long fly-now, pay-later tax plan.

I point out that the pending bill does not reduce taxes one iota from the tax formula which was first approved by the Finance Committee by a vote of 10 to 6 the week before the pending bill was reported.

All that the Hartke-Long tax formula does is to change the effective date of the taxes so that the effective date of the increase in these taxes would come after the 1968 elections, not before.

However, the effective date of the benefits would begin April 1, 1968, or 7 months before the election.

The increased benefits would be received before the election, but the increased taxes to pay for this increase would not take effect until January 1, 1969, and beginning in 1972 the full impact of the tax load would go into effect.

Why should the tax and the benefits not be effective the same date?

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LONG of Louisiana. Mr. President, I have listened to the arguments of the Senator from Delaware [Mr. WILLIAMS] and found them to be very persuasive statements, so much so that, from my point of view, I voted for at least a part of the measure. At one time I voted to impose a tax of as high as 5 percent, to be matched by 5 percent, starting next year to pay not only for everything that the House did and that the Senate did, but also to increase the surplus flowing into the fund.

Having voted that way, I realized that it would be a very heavy tax increase and would be levied in a highly retrogressive manner, one that would hit harder on the workingman than any other tax.

I felt it would be rather useless for the Senate to think that we could make the House levy a tax to pay for what the House does if the House does not see fit to do it themselves. I am constrained to believe that the House would not have accepted any big increase in the rate, even if we had voted it and taken it to them.

I assume that the Senate will sustain us, but we did vote to raise the tax by enough to pay for the increased benefits that we voted for this next year, 1968.

It seems to me that, at least to that extent, I was doing what the Senator from Delaware wanted me to do. I was voting to pay for everything we voted to put in the bill.

We voted to raise the tax next year to pay for all of the benefits we placed in the bill that year. So to that extent we were following the John Williams doctrine.

I am somewhat dismayed that, having done so, we did not attract the support of the Senator from Delaware. I thought we were doing it the way he wanted us to do it.

There is no doubt that these benefits will be expensive and my guess is that in the future years we shall probably be compelled to take a look and see whether we should try to fund this program completely with the payroll taxes or consider looking at some other source of revenue, the more general revenues, or some less regressive tax with which to pay for a part of these benefits.

I thought that, to a very large extent, we did—and certainly I did—vote to support the position that the Senator from Delaware would have liked us to take.

A rate high enough to do what the Senator would have liked to do, I believe, would have been extremely high. I believe he will agree that we are following a position that will allow us to pay for everything that the House voted and everything that the Senate committee voted.

Mr. WILLIAMS of Delaware. Mr. President, I thank the Senator from Louisiana for his remarks. He did vote for the so-called Williams formula which would put this program on a pay-as-you-go basis. I appreciated his support for the brief time I had it. I only regret that he reversed his position. If he had stood pat we would be together today.

When the Senator points out that the Senate committee——

Mr. LONG of Louisiana. Mr. President, if the Senator will yield, I regret to say that I am afraid we would not be together today.

I detected this difference as we proceeded with the deliberations. I believe the Senator's position would have been that, while he is in favor of those of us on our side voting to fund immediately everything we propose to do from now into the future, as well as everything that the House would do, he did not intend to vote for that much tax because he did not want to vote for that much in benefits.

Mr. WILLIAMS of Delaware. I was and still am in favor of a 12½-percent increase in social security benefits and stand willing to vote not only for these benefits but also for the necessary tax to pay for them. My argument is that the same Senators who want to increase the benefits should provide a method of financing with the effective date of such taxes to be the same day as the benefits. Then when Members of the Senate go back home and stand on the platform boasting to their constituents of all the increased benefits we are giving them they can look at us and say, "Yes, but you also raised our taxes."

The Senator from Louisiana wants to distribute the benefits before election and have the tax go into effect after the election.

Much has been said about a 5-percent wage tax being regressive; 5 percent is a staggering tax rate, but I call attention to the fact that under the Hartke-Long formula it goes not to 5 percent but to 5.2 percent in 1971.

Under the Hartke-Long plan it goes to 4.8 percent in 1969, just 60 days after the election. It goes to 5.65 percent in 1973. It goes to 5.7 percent in 1976. The Hartke-Long plan would jump to 5.8 percent in 1980 and thereafter.

It is true that the tax rate would increase somewhat under existing law, but it is an indisputable fact that the Hartke-Long tax formula increases taxes a substantial percentage for the individual wage earner over both the existing law and the rates in the bill as it was approved by the House.

In fact, unless reversed by the Senate the Hartke-Long tax formula for 1968 may go down in history as the largest social security tax increase ever approved by the Congress.

Let us examine this Hartke-Long new tax plan. In 1969 a man earning $8,800 would pay 45 percent more wage tax than he is paying in 1967. In 1972 a man earning $8,000 would pay 43 percent more tax. A man earning $10,800 under the Hartke-Long formula would pay 93.4 percent more wage tax in 1972 than he pays today. A man earning $1,000 in 1972 would have an 18-percent increase in his wage tax over the 1967 rates under the Hartke-Long formula.

I mention this to show that the Hartke-Long formula is not a tax reduction as it has been hailed. It is only a tax postponement with the real impact coming after the Members have been reelected. So let us get it straight. Taxes would not be reduced under the Hartke-Long formula; they are only being postponed. Taxes would be increased.

Why not let the voters in Louisiana, in Delaware, and in every other State know that when Members of Congress voted for the benefits they also voted for the tax increase.

What is wrong with a little truth in Government?

As one Member of the Senate, I have become rather impatient with a group of free-wheeling spenders who vote for the benefits and then shout, "Hallelujah. Look at what we are giving away"; and then the next moment shed crocodile tears for the poor taxpayer. Let the record be clear to the taxpayer before the votes are counted in November.

Certainly the Hartke-Long formula is more harsh than the existing law. The Hartke-Long formula provides for taxes much higher than the House bill. All their new plan does is to delay the day of reckoning.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LONG of Louisiana. Mr. President, the rates to which the Senator has made reference—he can call them the Hartke-Long rates if he wishes—were sent to us by the House. We did not change it a bit. All we did was to take out the final increase, so that in the end the rates under the bill the committee reported do not wind up as high as they do under the House bill. We did not raise any of them. That is what the House did, and the Senator said he was prepared to vote for that.

The difference is that we provide that the rates would apply against a higher wage base, and we provide that those who pay on that higher base will have benefits that will be geared to the higher base, so that they will have higher benefits than they would have if they were not paying at the higher base.

May I also suggest to the Senator that when he says we want to pay now and fly later——

Mr. WILLIAMS of Delaware. There is quite a difference. This is a fly-now-and-pay-later plan.

Mr. LONG of Louisiana. We do not do it that way at all. The 1968 tax would go into effect in January, and we have raised the wage base to $8,000 beginning in January, and people would begin paying at the higher base. So they would be paying more taxes beginning in January, and they would not begin receiving the higher benefits until April. That is when they would get their first checks.

So that, on the contrary, far from flying now and paying later, we pay in January and start flying in April. So that we put the tax ahead of the benefits. We adopt the Williams formula with a vengeance, and we proceed then to say that additional benefits go into effect in January 1969, when the tax goes up; and, once again, it is fully funded, and the people start paying the tax in January. In that instance they do it exactly according to the Williams formula—they pay more taxes in January, and they receive a larger check in April.

Mr. WILLIAMS of Delaware. One group, whose earnings are over $6,600, starts paying taxes in January 1968 and pays taxes for 12 months; but beginning in April in 9 months you would spend $1.9 billion more than they would pay in the entire 12 months. There would be $3.5 billion more paid out in benefits before the election against extra taxes collected of $1.6 billion. That is based on the committee bill. You would pay out $3.5 billion in 9 months under the committee bill as reported, and you would collect $1.6 billion in the full 12 months' operation. So that the benefits paid out in 9 months under the committee bill exceed the tax collected in the 12 months of 1968 by $1.9 billion.

In 1969 the additional benefits paid out would be $5.8 billion, and the additional tax collected would be $2.6 billion; or $3.2 billion more would be paid out in 1969 than would be raised in revenue.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I should like to complete this statement, because I believe the chairman should understand it.

In 1970 $6.2 billion would be paid out, and $3.1 billion would be collected—an additional $3.1 billion paid out in 1969.

All together in the 3-year period there would be $8.2 billion more paid out in benefits than would be received in taxes. This is an extra $8 billion being pumped into the economy.

Then it would be reversed under the Hartke-Long formula. In 1971 it would be practically even. There would be $6.5 billion paid out and $6.3 billion collected. But in 1972 you would pay out $6.4 billion and you would collect $8.8 billion in new taxes. In other words in 1972 you would pick up $2.4 billion extra, and that would be used to pay back the deficiency that is being created in the years 1968, 1969, and 1970. In the next 5 years under the Hartke-Long tax plan you would collect approximately $2 billion per year over the amount in the House bill and over what would be paid out in extra benefits approved in this same bill.

I believe these features should be pointed out.

So far as the increased benefits are concerned, for these newly taxed $10,800 wage earners, it is true that as the base rate is raised to $10,800 their social security benefits would be computed at a higher figure. I know that Commissioner Ball had a table showing how spectacular the increase in retirement benefits would be for the $10,800 man under the Administration bill as compared with existing law.

But what the Senator did not point out is that that increase, which was emphasized so much by Commissioner Ball, an increase which is emphasized so much, here today by the committee report, will not become effective for that man until the year 2008. It will be 40 years from the effective date of the bill before the maximum benefits, as provided in the bill can be collected. They are graduated upward, but the worker will start to pay the maximum tax in 1972, while the bill dangles in front of him maximum benefits that he will be lucky to collect in the year 2008, if he is then living.

He pays the tax, but he will not have his benefits increased proportionately. They will be increased somewhat, surely; but they will not be increased to the full extent to offset his extra taxes paid.

Mr. President, I ask unanimous consent to have printed in the RECORD a table which was compiled with the assistance of the Joint Committee on Internal Revenue Taxation.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL
REVENUE TAXATION,
Washington, November 13, 1967.

Hon. JOHN J. WILLIAMS,
U.S. Senate,
Washington, D.C.

DEAR SENATOR WILLIAMS: Enclosed are the two tables you requested this morning.

The first table gives the actual OASDI and HI tax rates, maximum earnings subject to tax and tax liability for 1937–1967 and the rates, earnings, and liability from 1968 on as adopted by the Senate Finance Committee. The time periods have been grouped in the manner requested.

The second table compares, for wage or salary levels of $8,000, $9,000, $10,000, and $11,000, OASDI and HI tax liability under present law, under the House version, and under the (Hartke Plan) Senate Finance Committee version of H.R. 12080 for each of the years from 1968 on.

Sincerely yours,
LAURENCE N. WOODWORTH.

(Enclosures.)

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE AND BASIC HOSPITAL INSURANCE TAX RATES, BASE, AND LIABILITY APPLICABLE TO EMPLOYEES; SELECTED LEVELS OF WAGE OR SALARY INCOME; 1937–80 AND AFTER [1]

Years	Rate (percent)	Base [2]	Wage or salary income						
			$3,000	$4,000	$5,000	$6,000	$8,000	$10,000	$12,000
Roosevelt administration: 1937 to 1945	1	$3,000	$30.00	$30	$30.00	$30.00	$30.00	$30.00	$30.00
Truman administration:									
1945 to 1949	1	3,000	30.00	30	30.00	30.00	30.00	30.00	30.00
1950	1.5	3,000	45.00	45	45.00	45.00	45.00	45.00	45.00
1951 to 1952	1.5	3,600	45.00	54	54.00	54.00	54.00	54.00	54.00
Eisenhower administration:									
1953	1.5	3,600	45.00	54	54.00	54.00	54.00	54.00	54.00
1954	2	3,600	60.00	72	72.00	72.00	72.00	72.00	72.00
1955 to 1956	2	4,200	60.00	80	84.00	84.00	84.00	84.00	84.00
1957 to 1958	2.25	4,200	67.50	90	94.50	94.50	94.50	94.50	94.50
1959	2.5	4,800	75.00	100	120.00	120.00	120.00	120.00	120.00
1960	3	4,800	90.00	120	144.00	144.00	144.00	144.00	144.00
Kennedy administration:									
1961	3	4,800	90.00	120	144.00	144.00	144.00	144.00	144.00
1962	3.125	4,800	93.75	125	150.00	150.00	150.00	150.00	150.00
1963	3.625	4,800	103.75	145	174.00	174.00	174.00	174.00	174.00
Johnson administration:									
1964–65	3.625	4,800	108.75	145	174.00	174.00	174.00	174.00	174.00
1966	4.2	6,600	126.00	168	210.00	252.00	277.20	277.20	277.20
1967	4.4	6,600	132.00	176	220.00	264.00	290.40	290.40	290.40
Hartke-Long tax plan:									
1968	4.4	8,000	132.00	176	220.00	264.00	352.00	352.00	352.00
1969 to 1970	4.8	8,800	144.00	192	240.00	288.00	384.00	422.40	422.40
1971	5.2	8,800	156.00	208	260.00	312.00	416.00	457.60	457.60
1972	5.2	10,800	156.00	208	260.00	312.00	416.00	520.00	561.60
1973 to 1975	5.65	10,800	169.50	226	282.50	339.00	452.00	565.00	610.20
1976 to 1979	5.7	10,800	171.00	228	285.00	342.00	456.00	570.00	615.60
1980 and after	5.8	10,800	174.00	232	290.00	348.00	464.00	580.00	626.40

[1] 1937–67, actual; 1968 and after, as adopted by Senate Finance Committee.

[2] Maximum earnings subject to tax.

Source: Statistics furnished by Joint Committee on Internal Revenue Taxation, Nov. 13, 1967.

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE AND BASIC HOSPITAL INSURANCE TAX LIABILITY OF EMPLOYEES, UNDER PRESENT LAW AND UNDER HOUSE VERSION AND SENATE FINANCE COMMITTEE VERSION OF H.R. 12080, 1968–87 AND AFTER; SELECTED LEVELS OF WAGE OR SALARY INCOME

Wage or salary income	Year	Present law	House bill	Hartke-Long tax plan
$8,000	1968	$290.40	$334.40	$352.00
	1969–70	323.40	364.80	384.00
	1971	323.40	395.20	416.00
	1972	323.40	395.20	416.00
	1973–75	356.40	429.40	452.00
	1976–79	359.70	433.20	456.00
	1980–86	366.30	440.80	464.00
	1987 and after	372.90	448.40	464.00
$9,000	1968	290.40	334.40	352.00
	1969–70	323.40	364.80	422.40
	1971	323.40	395.20	457.60
	1972	323.40	395.20	468.00
	1973–75	356.40	429.40	508.50
	1976–79	359.70	433.20	513.00
	1980–86	366.30	440.80	522.00
	1987 and after	372.90	448.40	522.00
$10,000	1968	290.40	334.40	352.00
	1969–70	323.40	364.80	422.40
	1971	323.40	395.20	457.60
	1972	323.40	395.20	520.00
	1973–75	356.40	429.40	565.00
	1976–79	359.70	433.20	570.00
	1980–86	366.30	440.80	580.00
	1987 and after	372.90	448.40	580.00
$11,000	1968	390.40	334.40	352.00
	1969–70	323.40	364.80	422.40
	1971	323.40	395.20	457.60
	1972	323.40	395.20	561.60
	1973–75	356.40	429.40	610.20
	1976–79	359.70	433.20	615.60
	1980–86	366.30	440.80	626.40
	1987 and after	372.90	448.40	626.40

Source: Statistics furnished by the staff of the Joint Committee on Internal Revenue Taxation.

Mr. WILLIAMS of Delaware. Mr. President, the table shows the background of taxes paid by the wage earner of $3,000, $4,000, $5,000, $6,000, $8,000, $10,000, and $12,000. It shows what he paid, first, under the Roosevelt administration from 1937 to 1945; then under the Truman administration from 1945 to 1952; under the Eisenhower administration from 1953 to 1960, under the Kennedy administration from 1961 to 1963, and under the Johnson administration from 1964 through 1967, and then the tax as it will be in the years to come under the Hartke-Long formula.

As the Senator from Nebraska [Mr. CURTIS] has pointed out, the largest tax increase is in the middle-income group; for example, the worker earning $10,000, in 1967 will pay a tax of $290.40. Under the Hartke-Long formula the same person would pay a tax in 1980 of $580, or a 100-percent increase. That is quite an increase under the Hartke-Long formula.

A wage earner who is making $6,000 today is paying $264; in 1980 and thereafter he will be paying $348.

A wage earner who is earning $5,000 and paying $220 today, under the Hartke-Long formula in 1980 will be paying $290.

A wage earner who earns $4,000 today and is paying $176, under the Hartke-Long proposal would pay $232 in 1980.

A $3,000 wage earner—a person just skimming the poverty level as defined by the administration—is paying $132 wage tax today, and under the Hartke-Long formula he would pay $174 in 1980.

The man with $12,000 in income jumps from $290.40 to $626.40, or a 115-percent increase under the Hartke-Long formula.

The year 1968 happens to be an election year, and it is significant that in 1968 there will be no tax increase for those earnings $6,600 or less and that there is only a slight increase for those earning over $6,600 a year.

Two-thirds of the wage earners, or 45 million to 50 million wage earners, can be thankful that under this bill they will have no increase in wage taxes during 1968. They can feel very comfortable for all of 1968, or until after they have voted, but after those votes are counted they had better be ready, because effective January 1, 1969, the Hartke-Long tax increase will be there. Under the Hartke-Long tax plan taxes are increased far more than under the House bill.

Mr. President, this record should be clear to the people as we go. The House bill does increase the rate some, but nothing compared to the increases under the Hartke-Long formula.

In the case of the man earning $8,000 under the present law in 1968 he will pay $290.40. Under the House bill in 1968, he would pay $334.40. Under the Hartke-Long plan in 1968 he would pay $352.

This chart shows the breakdown for each year to 1980. In 1980 this $8,000 salary man would, under existing law be paying $366.30; under the House bill he would pay $440.80; and under the Hartke-Long tax plan in 1980 he would pay $464.

The $9,000-a-year man has his taxes increased proportionately for 1980. Under the present law he would pay $366.30 in 1980; under the House bill, in 1980 he would pay $440.80, and under the Hartke-Long plan he would pay $522. That is an increase of $82 over and above what he would pay under the House bill, and $156 above what he pays under the present law.

The $10,000-a-year man in 1980 under the present law would pay $366.30, compared with payments of $440.80 under the House bill and $580 under the Hartke-Long plan, or practically double the $290.40 he is paying in 1967.

Mr. President, I think it is well for these middle-income groups, and they are the backbone of America, to know that under the Hartke plan the bulk of the cost of this $6 billion bill is being placed on them. Those who are in the $6,000 to $12,000 bracket pay the most of the increased taxes. There is a smaller part, perhaps 25 to 30 percent, being placed on the lower brackets, but in every single instance, from the $3,000-a-year man all the way through, as shown by these charts there is nothing for him to look forward to but taxes and more taxes if this bill is passed. All he gets from the Johnson administration is the sympathy he got from the majority members of the committee who did not have the hard heart to put this increased tax on him before election day. However, after election day he gets more tax increase under this bill than he would under the House bill.

(At this point, Mr. HOLLINGS assumed the chair.)

Mr. LONG of Louisiana. Mr. President, does the Senator subscribe to the views expressed by the Senator from Nebraska who said a short time ago in this Chamber that he could have voted for the Mills bill but could not vote for the Long bill, as reported by the committee? Does the Senator subscribe to that statement by the Senator from Nebraska, that he could vote for the Mills bill which was passed by the House of Representatives by a vote of 414 to 3?

Mr. WILLIAMS of Delaware. Yes; I voted for that 12½-percent increase in committee. I said I would be glad to vote for the House bill as a substitute. As the Senator recalls, the first rollcall vote we had in the committee was for the provisions of the House bill.

The Senator from Louisiana is correct. My first motion was to move the effective date of the payroll tax in the House bill from January 1, 1969, to make it effective January 1, 1968. This would have increased the tax in 1968, and then deferred the next tax increase back a year or two from 1971. I said that any bill should be placed on a pay-as-you-go basis. I would support now the proposal advocating such benefit increases.

I think there are some benefit increases justified for these elderly retirees because as a result of inflation their purchasing power is lower. By the same token, let us not create an inflationary situation where we destroy the increase we give them in this bill within 12 months after it is enacted. That is where I am concerned about pouring $8 billion extra money into the economy.

Inflation is a real threat in this country, and it will not be checked by a series of new multibillion-dollar spending programs.

Look at interest rates today; and what causes these high rates? Excessive Government borrowing to finance a multibillion-dollar deficit.

Tomorrow I will mention these high interest rates in a little more detail.

Inflation is a real threat today. This is the reason I have been a strong advocate of the position that the Treasury Department should have sent its tax bills to Congress earlier—that is, if the administration really wants an increase in taxes. The Senator from Louisiana will confirm my insistence on an early decision on tax policies.

Last January the President said he would ask for a 6-percent surtax, but in February the Secretary of the Treasury reversed that position when he was testifying before our committee asking for a $2 billion tax reduction in the form of the restoration of 7 percent investment credit.

Why this sudden reversal of position?

I was one of two Members of the Senate, and I think the only member of the Finance Committee, to oppose that $2 billion tax reduction. I said then that it was contradictory to the President's January message. I agree with the Senator; I do not think we can justify a $2 billion tax reduction for one segment of the economy and then speak against these extra benefits under the pending bill. I shall agree completely with that, but I think the Senator will admit that I have been consistent on the point that we must finance the Government. We should not, in my opinion, have approved that tax reduction; however, once having done so I have been urging the

Secretary of the Treasury, day after day—I have had several conferences with him, telephone conversations and correspondence—urging him to get the administration's tax bill down here to the House. If he cannot get it introduced in the House then I told him that perhaps the chairman of the Finance Committee would want that honor, but if he would not do it then I will do it. I renew that offer today whether I am for or against the bill; the question should be definitely decided before this Congress adjourns. The President is entitled to have the bill introduced and at least given a hearing.

The ridiculous part of it is that today we have a situation where for 10 months the President of the United States has been speaking about how enthusiastic he is for a tax increase, but to my knowledge he has not sent a bill to Congress yet. Constituents of mine have requested copies of the tax bill; I must tell them that there is no tax bill, that the administration, at this very moment, does not have a tax bill and has not sent one down to be introduced in either the House or the Senate.

I have been here 20 years, and I have never heard of a situation where the President of the United States cannot find one member of his own political party, particularly when he controls both House and Senate, sympathetic enough to his program or who had respect enough for the Office of the President to introduce his recommended legislation, even upon request.

Time and again bills have been introduced when a Member would say that he may not support it but that the President was entitled to consideration. Bills are introduced out of respect for the Office of the President.

I say again: Let them send the bill down if they are really serious and if they really want a tax bill considered. Send it down, and if the President's own party will not introduce his bill, I will introduce it this afternoon or tomorrow. I will join him in asking the chairman of the Finance Committee to hold hearings in the Senate. Let us find out whether the administration is serious or if this is just so much political propaganda.

Let us vote a tax bill up or down before we go home and remove the cloud of uncertainty which now hangs over the whole economic structure of this country.

Otherwise, let the Johnson administration stand ready to accept 100-percent responsibility for the higher interest rates and inflation.

Mr. AIKEN. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. AIKEN. The Senator from Delaware does not mean, does he, that the President is insisting on the passage of a tax bill which he will not submit to the Congress? That does not sound reasonable. I suppose the Senator from Delaware has some reason for making that statement, but it really does not make any sense to anyone not a member of the committee.

Mr. WILLIAMS of Delaware. It does not make sense. I have had several requests from my constituents back home for copies of the administration tax bill, but there is no administration tax bill which has been introduced in either the House or the Senate. I have written to the Secretary of the Treasury about this matter. I have asked him to send his bill to the Congress, and, whether we are for it or against it, let us vote it up or down before we adjourn. Let us settle the issue or shut up about it. If the administration is for it, at least it should have a bill. But I repeat, there is no bill. There is no bill before Congress today.

All we are hearing from the administration is its criticism of Congress.

I said in February that it was contradictory for the President of the United States to come down to Congress in January and say, "I want a 6-percent surcharge to combat inflation and to help balance the budget," and then a month later to send down a $2 billion tax reduction proposal.

Mr. President, to be frank, I sometimes wonder whether the administration even wants a tax bill now or whether it is more interested in a political issue.

Mr. President, never in my 20 years in the Senate have I known of a situation where the President of the United States has said so much about any one program and done so little about it. As yet he has not had any Member of his own party in either the House or the Senate introduce his tax bill.

As a member of the minority, I respect the Office of the President enough to introduce his bill if he really wants a bill. In any event it is time to put up or shut up about the question of whether there will or will not be a tax increase in 1968.

Mr. President, in view of the fact that the Senator from Vermont [Mr. PROUTY] wishes to make a statement at this time, I shall conclude my remarks by pointing out that as we approach consideration of the pending bill we cannot separate from our minds what we are doing as it will relate to the necessity for a tax increase later any more than we can act on the bill which was reported today by the Committee on Post Office and Civil Service providing for a $2.6 billion increase in salaries without considering the tax that will be required to finance that measure.

I do not think we can separate these proposals. I think that if we vote for increased social security benefits and increased salaries, it is well for those supporting them, at the same time, to remember that the request for increased taxes to finance them will follow. In the long run, whether the additional taxes are increased wage taxes, increases in postal rates, or an increase in income taxes, will not make any difference, it will be increased taxes so far as the American citizen is concerned.

That is the reason I supported in committee a proposal to make the effective date of the tax to pay for the benefits the same day as the benefits.

An amendment to carry out that objective will be offered before we dispose of the pending bill.

Mr. PROUTY. Mr. President, today the Senate has convened to commence consideration of a piece of legislation which is not only vitally important, but also for the first time in many years, of superior quality. I speak of the Social Security Amendments of 1967 which lie before us today. The Finance Committee has carefully considered and reported a multiplicity of amendments, all of import. I am particularly overjoyed, however, by the inclusion in the bill of the provision which raises all retirement benefits by 15 percent and the minimum benefits to a respectable $70 monthly. I congratulate the Finance Committee for its action and pledge my wholehearted support to this provision.

This is the 12th time in 32 years that the Senate has amended the Social Security Act. If the present amendments are enacted into law, they will constitute the most massive adjustment in benefits to date. These days in future years may well be recorded as a time of critical importance in the annals of social security legislation.

Mr. President, the eminent Canadian statesman, W. L. Mackenzie King, once said:

> The era of freedom will be achieved only as social security and human welfare become the main concern of men and nations.

We in the United States have always recognized that social security and human welfare are major concerns. The enactment of the Social Security Act, over 30 years ago, represented a commitment at the national level to efficiently and effectively provide social security and human welfare.

The Social Security Act, which has provided both social insurance and social assistance, has been a prime force in enabling us to move toward elimination of certain human suffering and want. Progress in this area has only been limited by our national willingness and ability. Over the years, however, I, for one, have felt that all too often our national willingness to provide necessary security and human welfare has lagged far behind our national ability to do so. One such area of unnecessary delay has been the minimum monthly social security benefit provided older Americans.

Mr. President, social security benefits have been grossly inadequate for a number of years, and I take pride in being numbered among the ranks of those who realized this before 1967—before 1965—even before 1961. Others disagreed, Mr. President, and for this reason, the events of today are not without their touches of subtle irony. For example, is it not ironic, Mr. President, that many Senators who periodically referred to just such benefit increases as a "shoot the moon" proposal now stand before us asking all to adopt a $70 minimum? These same Senators were dubious about the drastic nature of the increases proposed by the administration as late as April of this year. However, they and the members of the Finance Committee have at long last come to the realization that such action was exceedingly important for the well-being of 20 million Americans. We who have long known of the great disparity between need and benefit amount welcome the administration and the Finance Committee of the U.S. Senate into our midst.

Mr. President, I feel particularly fortunate to be actually participating in a debate today which vindicates my own suggestion first extended in 1961—that we should enact legislation establishing a $70 minimum benefit. The plight of the aged and the meagerness of their monthly pittances worried me and other members of this body even before that date, however. In 1960, I noted these facts and urged action, saying:

> Testimony before the Senate Subcommittee on Problems of the Aged and Aging has shown that as men and women grow older not only do they need more medical attention but the cost of that care increases at the same time that their income decreases. Three-fifths of our older age group, or about nine million men and women in the United States, have incomes of less than one thousand dollars a year.
>
> Under our system of a free society, it cannot be denied that the responsibility primarily belongs to the individual and his family. However, if the need is shown to be extensive among our population, and the consequences of failure to provide for this need affects society generally, then it becomes a social, as well as a personal problem.

In 1961, Mr. President, I determined that mere concern for our older Americans was not sufficient. The conditions were so bad that my heart and conscience dictated affirmative action. Consequently, I joined with several other Senators, cosponsoring in that year a bill which would, among other things, have significantly improved benefits by increasing the minimum benefits. The magical number suggested as the minimum was $70 monthly.

Although this bill did not succeed, I gather that my efforts were not entirely in vain, for in 1962, our distinguished minority leader nominated me to the Senate Subcommittee on Problems of the Aged and Aging, an appointment of great importance to me.

Testimony continued to reveal to me the diversity of needs confronting Americans over 65. Prior to 1962–63—the Senate was preoccupied with the medical needs of the aged. Although thoughts about the paucity of the minimum benefits of social security continued to plague me, I joined forces with others seeking to evolve a workable medicare plan. However, my thoughts continued to return to social security benefits. In July 1962, I said:

> As earnings from employment go down or cease altogether most persons 65 and over must get along on limited resources. It is sad to note that a very high portion of the aged have incomes which fall far below the threshold of adequacy.
>
> * * * * *
>
> We have a Social Security System because there is a great need for it. As a class the aged have found it difficult or impossible to provide for their security in old age. The object of the Social Security System is to replace some of the wages lost because of old age disability, or death. The object was to provide income maintenance for a group which otherwise would have insufficient income to insure a decent and dignified existence.

It became apparent late in 1963 that we would be unable to reach a satisfactory agreement about a comprehensive medicare plan and make it operational until another Congress had convened. The time seemed right to forge ahead in attempting to secure significant social security increases and a higher minimum monthly benefit for older Americans over 65.

Mr. President, in August 1964, I offered the first of numerous amendments designed to increase the minimum monthly social security payment from $40 a month to $70 a month. I felt then—as I do now—that our Nation, with a gross national product in excess of half a trillion dollars, had the ability to alleviate significant human suffering affecting our older citizens. As our Nation mouthed a willingness to wage war on poverty, it seemed incredible to me that we did not act immediately to win a major battle in that war. We could do so by enacting legislation which would provide 5½ million older Americans living in abject poverty, because age and inflation have robbed them of economic security, with a greater than subsistence income. I said in a speech on the floor of the Senate:

> It is time our government recognized that there is a severe gap between the needs of our elderly and their Social Security benefits. . . . If we are willing to spend a billion dollars in a war on poverty we must be willing to give $70 to our aged and infirm.

Mr. President, I ask unanimous consent that a memorandum containing the history of my legislative attempts to raise the minimum benefit be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PROUTY. From 1964 until the present day, Mr. President, I have introduced similar bills every session of the Senate. I often felt discouraged and disheartened about my failure to secure passage of a decent minimum benefit—a $70 monthly amount. As letters, facts, and figures revealing the plight of older Americans continued to pour in, however, my resolve toughened. I determined to stand before Congress three or four times a year until recognition of their need was sufficient to secure passage of constructive legislation.

I often felt that I was batting my head against a brick wall. I felt as ineffective as Ionesco's characters in "The Chairs" who babbled incoherently about the solution of problems in the world. I felt, Mr. President, like one famous American who began to roar with rage and frustration after he saw three old ladies foraging in his garbage can for food. Upon being requested to stop his flow of expletive and rhetoric, he refused, saying:

> I'm going to continue until the whole country hears me.

I was compelled, Mr. President, to continue to speak until opinion was mobilized toward the end of enacting legislation which would lessen the plight of the retired American. I vowed "to return to the floor until equity and justice was done to the millions of older Americans who have been denied social security." I was undoubtedly repetitive—and many Senators undoubtedly grew fatigued with my words.

Nevertheless, I cannot help but feel that my words had some impact and swayed some opinions.

In a speech made in 1966, after passage of my blanketing-in proposal, I noted:

> It has been said that a journey of a thousand miles must begin with a single step. We have taken that one step and we are going to make the entire journey.

Passage of the bill containing the $70 minimum benefit and the 15-percent across-the-board increase will constitute another important step in that journey.

Mr. President, as we are about to take another step in our 1,000-mile journey, it would not be inappropriate to consider exactly how far we have come in that journey over the years and to determine exactly where we are headed.

We will naturally be presented with alternative paths, and only if our ultimate goals are kept in sight, will our destination be reached. In other words, Mr. President, I wish to briefly consider the progress of and the problem to social security legislation.

Over the years since 1935, there have been several basic structural changes in the original act which have served to redirect its thrust and to redefine its scope and intent.

The first policy change occurred in 1939, when Congress shifted the emphasis of the program from a private insurance principle approach whereby an individual was given equity, to a family program in which benefits were to be given to dependents and survivors rather than exclusively to the worker himself.

The second change took place in 1950. In that year the social security concept was expanded from a plan in which retired workers in commerce and industry were the prime beneficiaries to a universal plan in which benefits were to be given to all individuals and families dependent upon earnings of any kind.

In the third change, which came about in two steps in 1954 and 1956, new programs were added to the social security program for the benefit of the severely disabled.

In other words, Mr. President, we have continually broadened the scope of social security to the point where most Americans over 65 receive some benefits. The scope of social security has also been broadened to include disabled workers and dependents of deceased workers. The more universal a program we have, the better it will be. Senator Robert Taft in 1950 well expressed this sentiment when he said:

> I think the sooner we recognize that old-age pensions are desired by the people on a pay-as-you-go basis, on a universal basis, the better off we shall be. I think social insurance is not, in fact, insurance. It is not anything in the world but the taxing of people to provide free services to other people.

There remain, however, conceptual, structural and functional problems with social security. For example, many people still insist that social security is similar in form to private insurance, which it definitely is not. The program is decried by many as not being as remunerative as insurance policies provided by private industry. The law is not structured so that it includes all Americans. The program is not in my opinion utilizing the most effective means of financing. And, Mr. President, the law sometimes functions to the detriment rather than to the benefit of some groups of older Americans. Their problems must be ironed out if we are to achieve a more equitable and universally applicable system.

Mr. President, I can honestly say that the bill as reported by the Finance Committee will make significant and long overdue improvements in the system. However, the bill could be improved in some respects. In particular, I believe that the bill falls short in five major areas.

First, Mr. President, I believe that the committee bill contains an undesirable provision with respect to the income tax deduction formerly provided to individuals aged 65. As you know, Mr. President, from 1948 to 1966 taxpayers 65 and over benefited from a provision which allowed them to deduct the cost of medical care up to certain specified maximums. The medicare bill in 1965, however, provided for the elimination of this special tax deduction for calendar year 1967.

Mr. President, 1967 is here. Unless we act now older taxpayers will suffer a tax increase when they file their returns next spring. Mr. President, I am certain that millions of older Americans will be faced with additional hardships in having to pay taxes for items previously deductible for 17 years.

Mr. President, I am convinced that the only reason the special tax deduction was deleted by the 1965 medicare amendment to the social security bill was because of the erroneous assumption that medicare would pay for 100 percent of the medical cost. Medicare does not cover 100 percent of the medical expenses of the older American. In reality, only from 50 percent to 60 percent of costs are covered. Let us consider what costs must be met by the individual over 65 himself:

Under hospital medicare insurance the first $40 must be paid by the individual.

After 60 days care, the individual must pay $10 a day for the next 30 days of treatment.

Under medical insurance, the individual must pay $3 a day to receive benefits.

All drug costs except those provided in the hospital must be met by the individual.

Last year, Mr. President, the Committee on Finance sought to retain the full medical expenses deduction for individuals age 65 and over. The committee added an amendment to the Foreign Investors Tax Act which was designed to prevent the tax restrictions included in the 1966 medicare law from going into effect. The Senate passed the amendment, but unfortunately the House conferees refused to accept it and it was stricken from the final bill.

I had great hopes, Mr. President, that the Finance Committee, because of its previous concern over the plight of the aged, would act to reinstate the medical expense tax deduction. Indeed, last Friday when the press release describing the committee bill was released, I scanned it eagerly, until I came to the section in which medical tax deductions were explained.

At first I was encouraged to read that, and I quote:

> The Committee amendment would make the medical care and drug expenses of a person 65 or over fully deductible without regard to the 3 and 1 percent limitation.

Then I was disappointed and horrified to learn of the conditions under which the tax benefit would apply. Only those people who, and I quote, "waive all future entitlement to all medicare benefits upon reaching age 65 or within 1 year after enactment of the bill, whichever is later," would be eligible for this tax deduction. The decision to select medicare or a tax deduction would be an irrevocable one.

Mr. President, I believe this amendment as reported by the Finance Committee would do great harm to millions of older Americans. It not only denies them a tax advantage which has been enjoyed for 17 years, but it also presents them with an impossible choice.

Equally important, Mr. President, the amendment represents a major policy shift with respect to the principle of compulsory insurance. I sincerely hope that the members of this body will carefully consider the necessity for continuation of the special medical deduction provided for individuals aged 65 and over. I do not feel that the recommendation of the Finance Committee is desirable.

Second, Mr. President, I believe the committee bill contains an undesirable provision with regard to eligibility for hospitalization benefits under medicare.

Beginning January 1, 1968, only those individuals who are eligible for social security or railroad retirement will be able to obtain hospitalization insurance under medicare. As we will remember, Mr. President, the 1965 medicare law provided that all citizens aged 65 or over would be entitled to hospitalization insurance under medicare regardless of their eligibility for social security. However, the original provision was effective only through December 31, 1967. Consequently, many individuals who become 65 on or after January 1, 1968, will be ineligible for medicare.

The Social Security Administration has indicated that about 70,000 older Americans would be excluded from medicare annually merely because they lack the necessary quarters of coverage under social security.

The present law requires that individuals have six quarters of coverage in order to be eligible for benefits. The Finance Committee has generously reduced this to three quarters, acting on the House findings that the six quarters requirement "is too sharp" an increase.

What does this mean, Mr. President? It means that simply because an individual did not at some point during his lifetime earn $150—$50 a quarter—from which social security taxes were deducted, he is not eligible for hospitalization benefits under medicare. The contribution to the social security fund which such an individual and his employer would make at the present payroll taxation rates, would amount to a staggering total of $13.20. What we are saying in effect is that 70,000 Americans who are gainfully employed in jobs not under the Social Security Act will be deprived medicare merely because they did not contribute $13.20 to the trust fund.

I believe that we must seriously consider whether or not we really want to exclude 70,000 Americans from medicare coverage. We must consider this, Mr. President, because a little over 2 years ago we were quite willing to provide every American age 65 and over with hospitalization insurance.

Third, Mr. President, as I waded through the complex and comprehensive bill reported by the Finance Committee, I searched and searched for some provision which would have the effect of preventing recipients of veterans' pensions from suffering from a reduction of income because of the social security increase. Unfortunately, Mr. President, the bill as reported by the Committee on Finance does not contain such provision.

I am sure that most Members in this Chamber remember the tragic situation which occurred following the last social security increase. Our good intentions went awry, Mr. President, because the 7-percent benefit increase provided in the Social Security Amendments of 1965 hurt rather than helped over 26,000 individuals receiving pensions from the Veterans' Administration. These 26,000 individuals, Mr. President, actually ended up receiving less money as a result of the social security increase. I, for one, Mr. President, do not wish a repetition of that event.

During April of this year the Subcommittee on Employment and Retirement Incomes of the Special Committee on Aging conducted hearings on the reduction of retirement benefits due to social security increases. As a member of that committee, Mr. President, I felt that the greatest problem in this area concerned the effect of social security increases on veterans' pensions.

Earlier this session we enacted legislation to provide additional benefits for individuals receiving veterans' pensions. That bill as it passed the Senate contained a specific provision insuring that these individuals would not be penalized by social security increases. During the conference with the House that particular provision was deleted from the bill.

I believe that it was correctly deleted from the bill, Mr. President, because at that time no one knew whether or not there would in fact be a social security increase. However, Mr. President, I am disappointed that the Finance Committee did not see fit to incorporate that provision in this bill.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. PROUTY. I yield.

Mr. LONG of Louisiana. Mr. President, I commend the Senator for his determined efforts to help the aged and the disabled and the sick down through years.

I have had a similar interest in those matters and have advocated some of the same things the Senator is discussing, such as the $70 minimum, even before the Senator from Vermont was a Member of the Senate. Generally speaking, I believe we have pretty much the same sentiments in providing adequate benefits and helping the needy.

Mr. PROUTY. I appreciate what the Senator has said. While I was a Member of the other body, I was also very much interested in this matter.

Mr. LONG of Louisiana. Mr. President, the $70 to which the Senator refers, as he knows, will not buy as much as the $70 that he was suggesting back in the days when he first started advocating a $70 minimum. We still have a way to go before we can provide as much as $70 would have bought then. But we are doing as much as we believe we can do in that area.

With regard to the veterans' pension matter, I believe that I voted for more benefits in the conference committee than I did as a member of the Finance Committee.

We made an effort to try to persuade the House Veterans' Affairs Committee to agree to an amendment along the lines the Senator discussed earlier this year. When we were in conference with them, the chairman of the Veterans' Affairs Committee, Representative **TEAGUE**, of Texas, assured us that his committee would send us a bill to assure that veterans' pensions would not be reduced when the social security payments were increased.

It is the Veterans' Affairs Committee on the House side that has jurisdiction of this matter, rather than the Ways and Means Committee which reported the House bill we are presently considering.

I share the desire of the Senator that an adverse result to veterans will not come about, and I believe the only reason that we did not place a provision dealing with the veterans' pension reduction in the bill was because we thought that if we did, the House Ways and Means Committee members in conference would probably bow to the jurisdiction of the House Veterans' Affairs Committee and insist that we should await a bill from the House, reported by the House Veterans' Affairs Committee.

The Senator is well aware of the jurisdictional problems which exist in the House. This is one of the most serious impediments that would prevent us from doing what the Senator would like to have us do. I share his objective, and I agree that this must be done before final action is concluded by Congress on the proposed legislation.

Mr. PROUTY. I agree with the Senator. It seems to me, however, that we are going to have a social security bill—I hope in the reasonably near future—and we are approaching the end of the session. Again, that is a prayerful hope.

It does seem to me that, since the Finance Committee acts on veterans' affairs the same as it does on tax questions, it is a very logical approach to take, in view of the circumstances. I cannot understand why the members of the Veterans' Affairs Committee in the House would object simply because of a jurisdictional question.

Mr. LONG of Louisiana. They are waiting to see how much we increase the social security payments. Then they would propose to increase the amount that veterans could receive as income for veteran purposes—not only under social security, but under any other retirement programs—by an amount equal to the maximum increase in the social security bill. This was positively agreed to in conference, as the recent veterans bill S. 16 now Public Law 90–17, such action would assure that veterans would not have their overall income reduced.

If the Senator would offer an amendment along that line, I would have no objection to it, although I believe the House conferees probably would insist that we wait and let the House Veterans' Affairs Committee initiate such a measure. I am in favor of the result the Senator wishes to achieve in this regard.

Mr. PROUTY. I appreciate what the Senator has said. I hope he will be equally receptive to other amendments I shall offer later.

I am hopeful that before this bill is passed we can add an amendment which will protect veterans' benefits.

Fourth, Mr. President, I was disappointed that the committee bill did not contain a provision to extend special social security benefits to individuals who through no fault of their own have never worked at jobs covered by social security.

You may remember, Mr. President, that the Senate advanced further along the path of universal coverage under social security in March of 1966. At that time, the Senate accepted my amendment to the Tax Adjustment Act of 1966 which extended a special benefit to individuals over age 72 who unfortunately were never covered by social security. The latest figures I have from the Social Security Administration reveal that well over 800,000 individuals have benefited from that amendment.

I was certainly pleased, Mr. President, to see that the report of the Finance Committee proposes increasing the special age 72 benefit from $35 for an individual to $50 and from $50 for a couple to $75. While this is not an overly large amount, I am sure that every Member in this Chamber has received letters of gratitude from hundreds of older Americans for whom this benefit has made life a little easier.

As you know, Mr. President, the Prouty amendment expires on December 31 of this year. I wish I could say that it had taken care of all the needy older Americans who had never had the benefit of social security coverage.

I cannot say that, Mr. President, because nearly a million older Americans were bypassed when Congress decided who was to be covered by the Social Security Act. I sincerely hope that these forgotten Americans will be remembered by this Congress.

Fifth, Mr. President, another part of the social security system which we should seriously attempt to improve is its financing aspect. Thirty years ago, when the social security system was established, a small regressive payroll tax was shared by both employees and employers. Today that "small" payroll tax is becoming larger and larger. The result of years of increase is that more and more individuals in lower income brackets are seriously and disadvantageously affected by the regressive nature of the payroll tax.

Over the years, Mr. President, I have continually urged that general revenue financing be used to make up any difference between the income and outgo of the social security trust fund. Since I first advocated this method of financing, I have watched it attract additional support both inside and outside of this Chamber.

Did you realize, Mr. President, that Dr. Edwin E. Witte, who was the executive director of the Committee on Economic Security, which drafted the original Social Security Act, recognized the need for general revenue financing as early as 1935? Professor Witte in his book "Development of the Social Security Act" states:

> Any deficit, the old age security staff proposed, should be met through contributions from the United States Treasury, although there was no way in which it could be guaranteed that when the deficits developed contributions would be actually made from general tax revenues, rather than be met through reduction of benefits or increase in the contribution rates.

Mr. President, did you realize that the original proposal given to President Roosevelt by his Committee on Economic Security provided that general revenues should be used to help finance the social security system beginning in 1965? It has been suggested by many historians that this provision was deleted from the original act only for the reason that it made the social security system more acceptable politically.

Just 2 years after the original act became law, the Advisory Council on Social Security emphasized the desirability of Federal financial participation. During 1939 hearings on social security before the Ways and Means Committee the Council stated:

> Since the Nation as a whole, independent of the beneficiaries of the system, will derive a benefit from the old-age security program, it is appropriate that there be Federal financial participation in the old-age insurance system by means of revenues derived from sources other than payroll taxes.

Did you realize, Mr. President, that during the 1940's the Social Security Act did contain a provision which provided that any deficits in the social security trust funds should be paid for from general revenue? As a matter of fact that provision was in effect until the Social Security Amendments of 1950.

I believe that Congress erroneously removed the provision providing for Federal financing contributions of social security. I believe this, Mr. President, because the regressive feature of the social security payroll tax is acting at cross purposes with our war on poverty. I believe this, Mr. President, because the designers of the Social Security Act anticipated general revenue financing. I believe this, Mr. President, because the Advisory Council of 1939 and the Advisory Council of 1947–48 recommended the use of general revenue financing. I believe this, Mr. President, because a 1966 study made by the Brookings Institute supports the use of general revenue financing.

As I have pointed out, this is a comprehensive social security bill which has been reported by the Finance Committee. However, I believe that we cannot and should not avoid the question of long-range financing for the social security.

I believe that the proposals I have just discussed and perhaps others, are worthy of serious consideration by the Members of this body during the next week or so as we take up the Social Security Amendments of 1967. In addition, to immediate action concerning these proposals, I believe that we should look ahead down the road on which we are journeying. I have suggested necessary short-range steps. But it is not too soon to map out long-range progress or to consider our ultimate destination.

One step which needs to be taken at some time in the future, is action to alleviate the distress of widows, who currently receive only 82½ percent of their deceased husband's benefits. We should consider whether or not this amount is equitable or adequate. I personally do not believe that it is. How is a widow, who in all probability has children to raise and educate, to make do on only 82½ percent of what her husband would have received when he retired.

Aged widows are equally disadvantaged. According to the poverty criteria utilized by the Social Security Administration, an aged widow, in March 1965, not living on a farm, was considered poor if she had an annual income of under $1,465. The poverty threshold for aged couples with a male head was $1,850. In other words, Mr. President, a single individual or widow requires approximately 79 percent of the income required by an aged couple for minimum subsistence. Unfortunately, however, the social security system provides a widow with only 55 percent of the combined benefits payable to husband and wife. At some point in time we must ask ourselves whether or not we can justify such a low figure.

Another step which must be taken is a reevaluation of the requirement or earnings limitation. We should consider whether or not stringent restrictions are necessary or desirable. As you know, Mr. President, the Finance Committee has proposed increasing the earnings limitation to $2,000. For a number of years I have proposed increasing the earnings limitation to $2,400. At some point in the future, we must seriously consider whether or not the whole concept of an earnings limitation is outdated.

Finally, Mr. President, I believe that we must be flexible enough to continually revise our thinking concerning the adequacy of the social security system. Our abundance is continually increasing. Every year we should be more capable of doing more for those Americans who have performed well and worked diligently to make our country great in the past and who now deserve more than subsistence, worry, and unhappiness during their retirement years. To paraphrase the remarks of one great President, we must no longer ask what our older Americans can do for us, but consider what we can do for them.

Only in this way will we reach the point in time—the destination of our journey envisioned by President Franklin Delano Roosevelt, who said:

> I see an America where those who have reached the evening of their life shall live out their years in peace, in security, where pensions and insurance . . . shall be given as a matter of right to those who through a long life of labor have served their families and their nation so well.

I see this America as well, Mr. President. There are bridges to be built across chasms and rivers in order to arrive there, but I have no doubt that American know-how, resources, and affluence will make continued progress possible.

EXHIBIT 1

MEMORANDUM CONCERNING SENATOR PROUTY'S CONTRIBUTION TO SOCIAL SECURITY

At an early date in my Senate career I attempted to assess the needs of older Americans. I have tried to be consistent in my analysis of these needs and persistent in my attempts to remedying their distressing condition through legislative effort. The following memorandum covering the period from 1960 to 1967 illustrates my concern and my approach.

Year 1960: Cosponsored the Javits bill to establish a voluntary health insurance assistance plan for older Americans.

August 23, 1960, made major speech outlining problems of the aged and supporting Javits bill.

Year 1961: Cosponsored Javits bill which would have significantly improved benefits by increasing the minimum amount of benefits, increasing benefits to widows; and making more people not presently covered by Social Security eligible.

Year 1962: Appointed by Dirksen to replace Cotton on Aging Committee.

Supported Saltonstall Amendment, and made major speech in favor of that Senator's health insurance plan on July 12, 1962.

Year 1963: Resolved to draw up own proposals to increase Social Security benefits; set staff working on proposals to increase minimum benefits; to blanket in those over age 70 not covered; and to increase widow's benefits.

Year 1964: Introduced an amendment to raise minimum benefit to $70, increase widow's benefits and to provide benefits for those otherwise not eligible at age 72.

Introduced amendment, adopted by Finance Committee, to prevent veterans from having reductions in pension benefits due to increases in Social Security. The amendment was struck in conference.

Cosponsored bills with Scott, Keating and Randolph which would increase benefits and facilitate employment of older workers.

Prouty Amendment was voted on September 3, 1964, and was defeated.

Year 1965: Introduced several amendments: to liberalize retirement earnings test, to blanket in all those over 70 not covered by Social Security, to increase benefits to a $70 minimum.

Year 1966: Introduced amendments similar to those proposed in 1965.

The Prouty Amendment to "blanket-in" individuals over age 70 was adopted by the Senate. In Conference Committee, however, the age when benefits were to fall due was raised to 72 and the benefit to be received was reduced to $35. The latest figures indicate that over 800,000 Americans have benefitted from the Prouty Amendment.

Year 1967: As amendment to the Tax Investment Bill introduced proposal with Cotton to extend blanketing-in to those over 70 and to increase the amount of their benefits.

Also introduced were bills similar to the Administration bill to liberalize benefits.

The following bills and amendments are illustrative of those introduced by Senator Prouty since 1964, or co-sponsored with another Senator.

H.R. 11865 (AMENDMENT No. 1260)

Amendments proposed by Mr. PROUTY to H.R. 11865, an act to increase benefits under the Federal Old-Age, Survivors, and Disability Insurance System, to provide child's insurance benefits beyond age 18 while in school, to provide widow's benefits at age 60 on a reduced basis, to provide benefits for certain individuals not otherwise eligible at age 72, to improve the actuarial status of the Trust Funds, to extend coverage, and for other purposes

Strike out the table appearing on pages 2 and 3 of the bill, and insert in lieu thereof the following table:

"I (Primary insurance benefit under 1939 Act, as modified)		II (Primary insurance amount under 1958 Act, as modified)		III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—		Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—	At least—	But not more than—	At least—	But not more than—		
--------	$19.24	$40	$49	--------	$83	$70.00	$105.00
$19.25	24.20	50	59	$84	101	77.00	115.50
24.21	29.25	60	69	102	132	84.00	126.00
29.26	35.00	70	79	133	178	91.00	142.40
35.01	41.76	80	89	179	225	98.00	180.00
41.77	--------	90	99	226	272	106.00	217.60
		100	109	273	319	116.00	254.00
		110	119	320	365	126.00	266.00
		120	127	366	412	134.00	284.80
				413	450	144.00	300.00"

SEC. 2. Add at the end of the bill the following new section:

"SEC. —. In addition to amounts appropriated under other provisions of law to the Federal Old Age and Survivors Insurance Trust Fund, there are hereby authorized to be appropriated to such fund, from time to time, such amounts as may be necessary to equal, with respect to each individual who becomes entitled to a benefit under title II of the Social Security Act by reason of the amendments made by this Act, payments to such individuals to the extent that they exceed additional contributions to such trust fund provided for by this Act.

"SEC. —. Notwithstanding any other provision of the Act no increase in any social security benefit provided for by this Act shall be counted in determining the annual income of an individual receiving benefits under chapter 15 of the Veterans Pension Act of 1959 or under the first sentence of section 9(b) of such Veterans Act."

H.R. 6675 (AMDT. No. 314)

Amendments intended to be proposed by Mr. PROUTY to H.R. 6675, an Act to provide a hospital insurance program for the aged under the Social Security Act with a supplementary health benefits program and an expanded program of medical assistance, to increase benefits under the Old-Age, Survivors, and Disability Insurance System, to improve the Federal-State public assistance programs, and for other purposes

Strike out the table appearing on pages 205 and 206 of the bill, and insert in lieu thereof the following table:

"I		II		III		IV	V
(Primary insurance benefit under 1939 Act, as modified)		(Primary insurance amount under 1958 Act, as modified)		(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—		Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—	At least—	But not more than—	At least—	But not more than—		
	$19.24	$40	$49		$83	$70.00	$105.00
$19.25	24.20	50	59	$84	101	77.00	115.00
24.21	29.25	60	69	102	132	84.00	126.00
29.26	35.00	70	79	133	178	91.00	142.40
35.01	41.76	80	89	179	225	98.00	180.00
41.77		90	99	226	272	106.00	217.60
		100	109	273	319	116.70	254.00
		110	119	320	365	127.40	292.00
		120	127	366	412	138.00	312.80
				413	450	146.00	328.00
				451	496	156.00	346.40
				497	550	168.00	368.00".

SEC. 2. Add at the end of the bill the following new sections:

"SEC. . In addition to amounts appropriated under other provisions of law to the Federal Old-Age and Survivors Insurance Trust Fund, there are hereby authorized to be appropriated to such fund, from time to time, such amounts as may be necessary to equal, with respect to each individual who becomes entitled to a benefit under title II of the Social Security Act by reason of the amendments made by this Act, payments to such individuals to the extent that they exceed additional contributions to such trust fund provided for by this Act.

"SEC. . Notwithstanding any other provision of the Act no increase in any social security benefit provided for by this Act shall be counted in determining the annual income of an individual receiving benefits under chapter 15 of the Veterans Pension Act of 1959 or under the first sentence of section 9(b) of such Veterans Act."

S. 3902

A bill to amend the Social Security Act and related provisions of law to extend hospital insurance benefits to persons presently not insured therefor, to increase old-age, survivors, and disability insurance benefits payable under title II of such Act, to provide minimum benefits to persons who, at age 65, are not insured for benefits under such title, to increase the amount of income individuals may earn without suffering deductions from benefits payable under such title, and otherwise to improve the social security program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Social Security Amendments of 1966".

COVERAGE FOR HOSPITAL INSURANCE BENEFITS FOR PERSONS NOT INSURED THEREFOR

SEC. 2. (a) Subsections (a) and (b) of section 103 of the Social Security Amendments of 1965 are amended to read as follows:

"(a) Anyone who—

"(1) has attained the age of 65,

"(2) is not, and upon filing application for monthly insurance benefits under section 202 of the Social Security Act would not be, entitled to hospital insurance benefits under section 226 of such Act, and is not certifiable as a qualified railroad retirement beneficiary under section 21 of the Railroad Retirement Act of 1937,

"(3) is a resident of the United States (as defined in section 210(i) of the Social Security Act), and is (A) a citizen of the United States or (B) an alien lawfully admitted for permanent residence who has resided in the United States (as so defined) continuously during the 5 years immediately preceding the month in which he files application under this section, and

"(4) has filed an application under this section in such manner and in accordance with such other requirements as may be prescribed in regulations of the Secretary,

shall (subject to the limitations in this section) be deemed, solely for purposes of section 226 of the Social Security Act, to be entitled to monthly insurance benefits under such section 202 for each month, beginning with the first month in which he meets the requirements of this subsection and ending with the month in which he becames (or upon filing application for monthly insurance benefits under such section 202 of such Act would become) entitled to hospital insurance benefits under such section 226 or becomes certifiable as a qualified railroad retirement beneficiary. An individual who would have met the preceding requirements of this subsection in any month had he filed application under paragraph (4) hereof before the end of such month shall be deemed to have met such requirements in such month if he files such application before the end of the twelfth month following such month. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1), (2), and (3) shall be accepted as an application for purposes of this section.

"(b) The provisions of subsection (a) shall not apply to any individual who—

"(1) is, at the beginning of the first month in which he meets the requirements of subsection (a), a member of any organization referred to in section 210(a)(17) of the Social Security Act, or

"(2) has, prior to the beginning of such month, been convicted of any offense listed in section 202(u) of the Social Security Act."

(b) The amendments made by subsection (a) shall be effective on and after the first day of the month after the month in which this Act is enacted.

INCREASE IN OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS

SEC. 3. (a) Section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

"I		II		III		IV	V
(Primary insurance benefit under 1939 Act, as modified)		(Primary insurance amount under 1958 Act, as modified)		(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—		Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—	At least—	But not more than—	At least—	But not more than—		
	$19.24	$40	$49		$83	$70.00	$105.00
$19.25	24.20	50	59	$84	101	77.00	115.50
24.21	29.25	60	69	102	132	84.00	126.00
29.26	35.00	70	79	133	178	91.00	142.40
35.01	41.76	80	89	179	225	98.00	180.00
41.77		90	99	226	272	106.00	217.60
		100	109	273	319	116.70	254.00
		110	119	320	365	127.40	292.00
		120	127	366	412	138.00	312.80
				413	450	146.00	328.00
				451	496	156.00	346.40
				497	550	168.00	368.00"

(b) The amendment made by subsection (a) shall be effective with respect to monthly benefits under title II of the Social Security Act for months after the month following the month in which this Act is enacted.

INCREASE IN AMOUNT OF WIDOW'S BENEFITS

SEC. 4. (a) Section 202(e) (1) and (2) of the Social Security Act is amended by striking out "82½ per centum" wherever it appears therein and inserting in lieu thereof "100 per centum".

(b) The amendments made by subsection (a) shall apply with respect to monthly benefits under section 202 of the Social Security Act for months after the month following the month in which this Act is enacted.

ELECTIVE EXEMPTION FROM FUTURE COVERAGE BY CERTAIN INDIVIDUALS WHO ARE ALREADY FULLY INSURED

SEC. 5. (a) Subsection (c) of section 211 of the Social Security Act (as amended by section 8(a) (1) and (2) of this Act) is further amended (1) by striking out "or" at the end of paragraph (4) thereof, (2) by striking out the period at the end of paragraph (5) thereof and inserting in lieu of such period a semicolon followed by the word "or", and (3) by adding after paragraph (5) thereof the following new paragraph:

"(6) The performance of service by an individual during the period for which there is in effect a certificate filed by such individual under section 1402(h) of the Internal Revenue Code of 1954."

(b) Subsection (c) of section 1402 of the Internal Revenue Code of 1954 (as amended by section 8(b) (1) and (2) of this Act) is further amended (1) by striking out "or" at the end of paragraph (4) thereof, (2) by striking out the period at the end of paragraph (5) thereof and inserting in lieu of such period a semicolon followed by the word "or", and (3) by adding after paragraph (5) thereof the following new paragraph:

"(6) the performance of service by an individual during the period for which there is in effect a certificate filed by such individual under subsection (h)."

(c) Subsection (a) of section 210 of the Social Security Act is amended (1) by striking out "or" at the end of paragraph (18) thereof, (2) by striking out the period at the end of paragraph (19) thereof and inserting in lieu of such period a semicolon followed by the word "or", and (3) by adding after paragraph (19) thereof the following new paragraph :

"(20) Service performed by an individual during the period for which there is in effect a certificate filed by such individual under section 1402(h) of the Internal Revenue Code of 1954."

(d) Subsection (b) of section 3121 of the Internal Revenue Code of 1954 is amended (1) by striking out "or" at the end of paragraph (18) thereof, (2) by striking out the period at the end of paragraph (19) thereof and inserting in lieu of such period a semicolon followed by the word "or", and (3) by adding after paragraph (19) thereof the following new paragraph:

"(20) service performed by an individual during the period for which there is in effect a certificate filed by such individual under section 1402(h)."

(e) Section 1402 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(h) INDIVIDUALS WHO HAVE ATTAINED AGE 65 AND ARE FULLY INSURED UNDER TITLE II OF THE SOCIAL SECURITY ACT.—

"(1) EXEMPTION CERTIFICATE.—Any individual who has attained age 65 and is a fully insured individual (as defined in section 214(a) of the Social Security Act) may at any time file a certificate (in such form and manner, and with such official, as may be prescribed by regulations made under this chapter) certifying that he elects to have exempted from coverage by the insurance system established by title II of the Social Security Act any employment performed by him, or any self-employment engaged in by him.

"(2) EFFECTIVE PERIOD OF CERTIFICATE.—A certificate filed by an individual pursuant to this subsection shall be effective, in the case of employment (as defined in section 3121(b) and section 210(a) of the Social Security Act), performed by him on and after the first day of the first calendar quarter which begins more than 30 days after the date such certificate is filed, and, in the case of self-employment in a trade or business (as defined in subsection (c) and section 211(c) of the Social Security Act), engaged in by him for the taxable year in which the certificate is filed and all succeeding taxable years."

INCREASE IN AMOUNTS INDIVIDUALS MAY EARN WITHOUT SUFFERING DEDUCTIONS IN THEIR BENEFITS

SEC. 6. (a) Paragraphs (1), (3), and (4) (B) of subsection (f) of section 203 of the Social Security Act are each amended by striking out "$125" wherever it appears therein and inserting in lieu thereof "$200".

(b) The first sentence of paragraph (3) of such subsection (f) is amended by striking out "year, except of the first $1,200 of such excess (or all of such excess if it is less than $1,200), an amount equal to one-half thereof shall not be included" and inserting in lieu thereof "year".

(c) Paragraph (1)(A) of subsection (h) of section 203 of such Act is amended by striking out "$125" and inserting in lieu thereof "$200".

(d) The amendments made by the preceding subsections of this section shall apply only with respect to taxable years ending after the date of the enactment of this Act.

REDUCTION FROM 72 TO 70 THE AGE AFTER WHICH DEDUCTIONS ON ACCOUNT OF EARNINGS ARE NO LONGER IMPOSED

SEC. 7. (a) Subsections (c)(1), (d)(1), (f)(1), and (j) of section 203 of the Social Security Act are each amended by striking out "seventy-two" and inserting in lieu thereof "seventy".

(b) Subsection (h)(1)(A) of such section 203 is amended by striking out "the age of 72" and "age 72" and inserting in lieu thereof in each instance "age 70".

(c) The heading of subsection (j) of such section 203 is amended by striking out "Seventy-two" and inserting in lieu thereof "Seventy".

(d) The amendments made by the preceding subsections of this section shall apply only with respect to monthly insurance benefits under title II of the Social Security Act for months in taxable years (of the individual whose earnings are involved) ending after the date of the enactment of this Act.

BENEFITS AT AGE 65 FOR UNINSURED INDIVIDUALS

SEC. 8. (a)(1) The heading to section 228 of the Social Security Act is amended to read as follows:

"Benefits at Age 65 for Certain Uninsured Individuals"

(2) Section 228 of such Act is amended to read as follows:

"SEC. 228. (a) Every individual who—

"(1) has attained age 65,

"(2) (A) is not and would not, upon filing application therefor, be entitled to monthly benefits under section 202 or 223, or (B) is entitled, or would upon filing application therefor, be entitled to monthly benefits under such section 202 or 223 which is smaller than the amount shown by the first figure in column IV of the table in section 215(a),

"(3) is a resident of the United States (as defined in section 210 (i)), and (A) is a citizen of the United States or (B) an alien lawfully admitted for permanent residence who has resided in the United States (as so defined) continuously during the 5 years immediately preceding the month in which he files application under this section,

"(4) has filed application for benefits under this section,

shall (subject to the limitations in this section) be entitled to a benefit under this section for each month beginning with the first month after December 1966 in which he becomes so entitled to such benefits and ending with the month preceding the month in which he dies. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1), (2), and (3) shall be accepted as an application for purposes of this section.

"Benefit amount

"(b) The benefit amount to which an individual is entitled under this section for any month shall be an amount equal to whichever is the larger: (1) zero, or (2) the amount determined by subtracting from the amount shown by the first figure in column IV of the table in section 215 (a) an amount equal to the amount of the monthly benefit to which such individual is entitled under section 202 or 223. For the purpose of the preceding sentence, the amount of the monthly benefit to which an individual is entitled under section 202 means the amount to which he is entitled after any reduction in such amount made by reason of the provisions of subsection (q) of such section.

"Reduction in benefit amounts

"(c)(1) The benefit amount to which any individual is entitled under this section shall be reduced in accordance with regulations promulgated by the Secretary in accordance with paragraph (2).

"(2) Regulations promulgated by the Secretary under this subsection shall be designed to assure that individuals receiving benefits under this section shall be in need thereof, taking into consideration all income of such individuals. Such regulations shall not provide for reduction of such benefits on account of the lack of need therefor if—

"(A) in the case of any individual who is unmarried, such individual's annual income is less than $1,000; and

"(B) in the case of any individual who is married and is living with or providing more than one-half of the support of his spouse, such individual's income is less than $2,000.

If any individual entitled to benefits under this section is the parent of any child under 18 years of age, or the parent of any child over 17 years of age who is physically or mentally disabled, and such child lives with or receives more than half of his support from such individual, then, for purposes of the preceding sentence, the figures referred to in clause (A) or (B) thereof (as the case may be) shall be deemed to be increased by $500 for each such child.

"Suspension when individual is residing outside United States

"(d) The benefit to which any individual is entitled under this section for any month shall not be paid if, during such month, such individual is not a resident of the United States (as defined in section 210(i)).

"Treatment as monthly insurance benefits

"(e) For purposes of subsections (t) and (u) of section 202, and of section 1840, a monthly benefit under this section shall be treated as a monthly insurance benefit payable under section 202."

(b) Notwithstanding subsection (a), section 228 of the Social Security Act, as in effect prior to the amendment of the Social

Security Amendments of 1966, shall remain in force with respect to any individual for any month if such individual—

(1) would have been entitled to a benefit under such section, as in effect prior to the enactment of such Amendments, but would not be entitled, for such month, to a benefit under such section, as in effect after enactment of such Amendments, or

(2) if the amount of such individual's benefit under such section, as in effect prior to the enactment of such Amendments, would (after all reductions provided in such section) be larger than the amount of the benefit to which he is entitled under such section, as in effect after enactment of such Amendments.

APPROPRIATION AUTHORIZATION

SEC. 9. In addition to all other sums authorized under any other provisions of law to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to each of the aforementioned Funds, for the fiscal year in which the Social Security Amendments of 1966 are enacted, and for each fiscal year thereafter, such sums as may be necessary to place each of such Funds in the same financial position as that which it would have been in if such Amendments had not been enacted.

S. 350

A bill to improve the old-age, survivors, and disability insurance program by providing minimum benefits for certain individuals who have attained age seventy

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Social Security Amendments of 1965".

MINIMUM BENEFITS FOR CERTAIN INDIVIDUALS WHO HAVE ATTAINED AGE SEVENTY

Entitlement

SEC. 2. (a) (1) Section 202 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Benefit Payments to Persons Not Otherwise Entitled Under This Section

"(v) (1) Every individual who—

"(A) has attained age seventy,

"(B) is not and would not, upon filing application therefor, be entitled to any monthly benefits under any other subsection of this section for the month in which he attains such age or, if later, the month in which he files application under this subsection,

"(C) is a resident of the United States,

"(D) (i) is a citizen of the United States, and has resided in the United States continuously for not less than eighteen months before the month in which he files application for benefits under this subsection, or (ii) has resided in the United States continuously for the ten-year period preceding the month in which he files application for benefits under this subsection, and

"(E) has filed application for benefits under this subsection,

shall be entitled to a benefit under this subsection for each month, beginning with the first month in which he becomes so entitled to such benefits and ending with the month preceding the month in which he dies. Such individual's benefit for each month shall be equal to the first figure in column IV of the table in section 215(a).

"(2) (A) If—

"(i) any individual is entitled to a benefit for any month under this subsection, and

"(ii) it is determined that a periodic benefit or benefits are payable for such month to such individual under a pension or retirement system established by any agency of the United States or of a State or political subdivision thereof (or any instrumentality of the United States or a State or a political subdivision or subdivisions thereof which is wholly owned thereby),

then the benefit referred to in clause (i) shall be reduced (but not below zero) by an amount equal to such periodic benefit or benefits for such month.

"(B) If any periodic benefit referred to in subparagraph (A) (ii) is determined to be payable on other than a monthly basis (excluding a benefit payable in a lump sum unless it is a commutation of, or a substitute for, periodic payments), the reduction of such individual's benefit under this paragraph shall be made at such time or times and in such amounts as the Secretary finds approximates, as nearly as practicable, the reduction prescribed in subparagraph (A).

"(C) In order to assure that the purposes of this subsection will be carried out, the Secretary may, as a condition to certification for payment of any monthly benefit to an individual under this subsection (if it appears to the Secretary that such individual may be eligible for a periodic benefit which would give rise to a reduction under this paragraph), require adequate assurance of reimbursement of the Federal Old-Age and Survivors Insurance Trust Fund in case periodic benefits, with respect to which such a reduction should be made, become payable to such individual and such reduction is not made.

"(D) Any agency of the United States which is authorized by any law of the United States to pay periodic benefits, or has a system of periodic benefits, shall (at the request of the Secretary) certify to him with respect to any individual such information as the Secretary deems necessary to carry out his functions under this paragraph. For purposes of this subparagraph, the term 'agency of the United States' includes any instrumentality of the United States which is wholly owned by the United States.

"(3) Benefits shall not be paid under this subsection—

"(A) to an alien for any month during any part of which he was outside the United States;

"(B) to any individual for any month during all of which he was an inmate of a public institution; or

"(C) to any individual who is a member or employee of an organization required to register under an order of the Subversive Activities Control Board as a Communist-action organization, a Communist-front organization, or a Communist-infiltrated organization under the Internal Security Act of 1950, as amended."

(2) The following provisions of section 202 of such Act are each amended by striking out "or (h)" and inserting in lieu thereof "(h), or (v)":

(A) subsection (d) (6) (A),

(B) subsection (e) (4) (A),

(C) subsection (f) (4) (A),

(D) subsection (g) (4) (A), and

(E) the first sentence of subsection (j) (1).

(3) Section 202(h) (4) (A) of such Act is amended by striking out "or (g)" and inserting in lieu thereof "(g), or (v)".

(4) Section 202(k) (2) (B) of such Act is amended by striking out "preceding".

Reimbursement of Trust Fund

(b) (1) With respect to every individual who becomes entitled to a benefit under title II of the Social Security Act by reason of the amendments made by subsection (a), the Secretary of the Treasury shall transfer to the Federal Old-Age and Survivors Insurance Trust Fund, from the general fund of the Treasury, an amount equal to the sum of—

(A) The total amount of employee and employer taxes that would have been paid under the provisions of sections 3101 and 3111 of the Internal Revenue Code of 1954 (or the corresponding provisions of prior law) if such individual had been paid wages (as defined in section 209 of the Social Security Act) equal to the first figure in column III of the table in section 215(a) in each month of the period beginning with January 1951 (or January of the year after the year in which he attained age 31, if that is later) and ending with December of the year in which he attained age 69 (or, if later, December 1962); and

(B) Interest, compounded at 3 percent per annum, on the total amount determined under subparagraph (A), for each year in the period referred to in such subparagraph.

(2) The transfer of funds from the general fund of the Treasury to the Federal Old-Age and Survivors Insurance Trust Fund with respect to any individual pursuant to paragraph (1) shall be made not later than the end of the calendar quarter following the calendar quarter in which such individual becomes entitled to benefits under title II of the Social Security Act by reason of the amendments made by subsection (a).

Effective Date

(c) The amendments made by subsection (a) shall apply only in the case of monthly benefits under title II of the Social Security Act for months beginning on or after the thirtieth day after the date of the enactment of this Act based on applications filed on or after March 1965.

S. 787

A bill to amend the Social Security Act and related provisions of law to extend hospital insurance benefits to persons presently not insured therefor, to increase old-age, survivors, and disability insurance benefits payable under title II of such Act, to provide minimum benefits to persons who, at age 65, are not insured for benefits under such title, to increase the amount of income individuals may earn without suffering deductions from benefits payable under such title, and otherwise to improve the social security program

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Social Security Amendments of 1967".

COVERAGE FOR HOSPITAL INSURANCE BENEFITS FOR PERSONS NOT INSURED THEREFOR

SEC. 2. (a) Subsections (a) and (b) of section 103 of the Social Security Amendments of 1965 are amended to read as follows:

"(a) Anyone who—

"(1) has attained the age of 65,

"(2) is not, and upon filing application for monthly insurance benefits under section 202 of the Social Security Act would not be, entitled to hospital insurance benefits under section 226 of such Act, and is not certifiable as a qualified railroad retirement beneficiary under section 21 of the Railroad Retirement Act of 1937,

"(3) is a resident of the United States (as defined in section 210(i) of the Social Security Act), and is (A) a citizen of the United States or (B) an alien lawfully admitted for permanent residence who has resided in the United States (as so defined) continuously during the 5 years immediately preceding the month in which he files application under this section, and

"(4) has filed an application under this section in such manner and in accordance with such other requirements as may be prescribed in regulations of the Secretary, shall (subject to the limitations in this section) be deemed, solely for purposes of section 226 of the Social Security Act, to be entitled to monthly insurance benefits under such section 202 for each month, beginning with the first month in which he meets the requirements of this subsection and ending with the month in which he becomes (or upon filing application for monthly insurance benefits under such section 202 of such Act would become) entitled to hospital insurance benefits under such section 226 or becomes certifiable as a qualified railroad retirement beneficiary. An individual who would have met the preceding requirements of this subsection in any month had he filed application under paragraph (4) hereof before the end of such month shall be deemed to have met such requirements in such month if he files such application before the end of the twelfth month following such month. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1), (2), and (3) shall be accepted as an application for purposes of this section.

"(b) The provisions of subsection (a) shall not apply to any individual who—

"(1) is, at the beginning of the first month in which he meets the requirements of subsection (a), a member of any organization referred to in section 210 (a)(17) of the Social Security Act, or

"(2) has, prior to the beginning of such month, been convicted of any offense listed in section 202(u) of the Social Security Act."

(b) The amendments made by subsection (a) shall be effective on and after the first day of the month after the month in which this Act is enacted.

INCREASE IN OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE BENEFITS

SEC. 3. (a) Section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

"I		II		III		IV	V
(Primary insurance benefit under 1939 Act, as modified)		(Primary insurance amount under 1958 Act, as modified)		(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—		Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—	At least—	But not more than—	At least—	But not more than—		
	$19.24	$40	$49		$83	$70.00	$105.00
$19.25	24.20	50	59	$84	101	77.00	115.50
24.21	29.25	60	69	102	132	84.00	126.00
29.26	35.00	70	79	133	178	91.00	142.40
35.01	41.76	80	89	179	225	98.00	180.00
41.77		90	99	226	272	106.00	217.60
		100	109	273	319	116.70	254.00
		110	119	320	365	127.40	292.00
		120	127	366	412	138.00	312.80
				413	450	146.00	328.00
				451	496	156.00	346.40
				497	550	168.00	368.00"

(b) The amendment made by subsection (a) shall be effective with respect to monthly benefits under title II of the Social Security Act for months after the month following the month in which this Act is enacted.

INCREASE IN AMOUNT OF WIDOW'S BENEFITS

SEC. 4. (a) Section 202(e)(1) and (2) of the Social Security Act is amended by striking out "82½ per centum" wherever it appears therein and inserting in lieu thereof "100 per centum".

(b) The amendments made by subsection (a) shall apply with respect to monthly benefits under section 202 of the Social Security Act for months after the month following the month in which this Act is enacted.

ELECTIVE EXEMPTION FROM FUTURE COVERAGE BY CERTAIN INDIVIDUALS WHO ARE ALREADY FULLY INSURED

SEC. 5. (a) Subsection (c) of section 211 of the Social Security Act is further amended (1) by striking out "or" at the end of paragraph (5) thereof, (2) by striking out the period at the end of paragraph (6) thereof and inserting in lieu of such period a semicolon followed by the word "or", and (3) by adding after paragraph (6) thereof the following new paragraph:

"(7) The performance of service by an individual during the period for which there is in effect a certificate filed by such individual under section 1402(i) of the Internal Revenue Code of 1954."

(b) Subsection (c) of section 1402 of the Internal Revenue Code of 1954 is further amended (1) by striking out "or" at the end of paragraph (5) thereof, (2) by striking out the period at the end of paragraph (6) thereof and inserting in lieu of such period a semicolon followed by the word "or", and (3) by adding after paragraph (6) thereof the following new paragraph:

"(7) the performance of service by an individual during the period for which there is in effect a certificate filed by such individual under subsection (i)."

(c) Subsection (a) of section 210 of the Social Security Act is amended (1) by striking out "or" at the end of paragraph (18) thereof, (2) by striking out the period at the end of paragraph (19) thereof and inserting in lieu of such period a semicolon followed by the word "or", and (3) by adding after paragraph (19) thereof the following new paragraph:

"(20) Service performed by an individual during the period for which there is in effect a certificate filed by such individual under section 1402(i) of the Internal Revenue Code of 1954."

(d) Subsection (b) of section 3121 of the Internal Revenue Code of 1954 is amended (1) by striking out "or" at the end of paragraph (18) thereof, (2) by striking out the period at the end of paragraph (19) thereof and inserting in lieu of such period a semicolon followed by the word "or", and (3) by adding after paragraph (19) thereof the following new paragraph:

"(20) service performed by an individual during the period for which there is in effect a certificate filed by such individual under section 1402(i)."

(e) Section 1402 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"(i) INDIVIDUALS WHO HAVE ATTAINED AGE 65 AND ARE FULLY INSURED UNDER TITLE II OF THE SOCIAL SECURITY ACT.—

"(1) EXEMPTION CERTIFICATE.—Any individual who has attained age 65 and is a fully insured individual (as defined in section 214(a) of the Social Security Act) may at any time file a certificate (in such form and manner, and with such official, as may be prescribed by regulations made under this chapter) certifying that he elects to have exempted from coverage by the insurance system established by title II of the Social Security Act any employment performed by him, or any self-employment engaged in by him.

"(2) EFFECTIVE PERIOD OF CERTIFICATE.—A certificate filed by an individual pursuant to this subsection shall be effective, in the case of employment (as defined in section 3121(b) and section 210(a) of the Social Security Act), performed by him on and after the first day of the first calendar quarter which begins more than 30 days after the date such certificate is filed, and, in the case of self-employment in a trade or business (as defined in subsection (c) and section 211(c) of the Social Security Act), engaged in by him for the taxable year in which the certificate is filed and all succeeding taxable years."

INCREASE IN AMOUNTS INDIVIDUALS MAY EARN WITHOUT SUFFERING DEDUCTIONS IN THEIR BENEFITS

SEC. 6. (a) Paragraphs (1), (3), and (4) (B) of subsection (f) of section 203 of the Social Security Act are each amended by striking out "$125" wherever it appears therein and inserting in lieu thereof "$200".

(b) The first sentence of paragraph (3) of such subsection (f) is amended by striking out "year, except of the first $1,200 of such excess (or all of such excess if it is less than $1,200), an amount equal to one-half thereof shall not be included" and inserting in lieu thereof "year".

(c) Paragraph (1)(A) of subsection (h) of section 203 of such Act is amended by striking out "$125" and inserting in lieu thereof "$200".

(d) The amendments made by the preceding subsections of this section shall apply only with respect to taxable years ending after the date of the enactment of this Act.

REDUCTION FROM 72 TO 70 THE AGE AFTER WHICH DEDUCTIONS ON ACCOUNT OF EARNINGS ARE NO LONGER IMPOSED

SEC. 7. (a) Subsections (c)(1), (d)(1), (f)(1), and (j) of section 203 of the Social Security Act are each amended by striking out "seventy-two" and inserting in lieu thereof "seventy".

(b) Subsection (h)(1)(A) of such section 203 is amended by striking out "the age of 72" and "age 72" and inserting in lieu thereof in each instance "age 70".

(c) The heading of subsection (j) of such section 203 is amended by striking out "Seventy-two" and inserting in lieu thereof "Seventy".

(d) The amendments made by the preceding subsections of this section shall apply only with respect to monthly insurance benefits under title II of the Social Security Act for months in taxable years (of the individual whose earnings are involved) ending after the date of the enactment of this Act.

BENEFITS AT AGE 65 FOR UNINSURED INDIVIDUALS

SEC. 8. (a)(1) The heading to section 228 of the Social Security Act is amended to read as follows:

"Benefits at Age 65 for Certain Uninsured Individuals"

(2) Section 228 of such Act is amended to read as follows:

"SEC. 228. (a) Every individual who—

"(1) has attained age 65,

"(2)(A) is not and would not, upon filing application therefor, be entitled to monthly benefits under section 202 or 223, or (B) is entitled, or would upon filing application therefor, be entitled to monthly benefits under such section 202 or 223 which is smaller than the amount shown by the first figure in column IV of the table in section 215(a),

"(3) is a resident of the United States (as defined in section 210(i)), and (A) is a citizen of the United States or (B) an alien lawfully admitted for permanent residence who has resided in the United States (as so defined) continuously during the 5 years immediately preceding the month in which he files application under this section,

"(4) has filed application for benefits under this section,

shall (subject to the limitations in this section) be entitled to a benefit under this section for each month beginning with the first month after September 1967 in which he becomes so entitled to such benefits and ending with the month preceding the month in which he dies. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1), (2), and (3) shall be accepted as an application for purposes of this section.

"Benefit Amount

"(b) The benefit amount to which an individual is entitled under this section for any month shall be an amount equal to whichever is the larger: (1) zero, or (2) the amount determined by subtracting from the amount shown by the first figure in column IV of the table in section 215(a) an amount equal to the amount of the monthly benefit to which such individual is entitled under section 202 or 223. For the purpose of the preceding sentence, the amount of the monthly benefit to which an individual is entitled under section 202 means the amount to which he is entitled after any reduction in such amount made by reason of the provisions of subsection (q) of such section.

"Reduction in Benefit Amounts

"(c)(1) The benefit amount to which any individual is entitled under this section shall be reduced in accordance with regulations promulgated by the Secretary in accordance with paragraph (2).

"(2) Regulations promulgated by the Secretary under this subsection shall be designed to assure that individuals receiving benefits under this section shall be in need thereof, taking into consideration all income of such individuals. Such regulations shall not provide for reduction of such benefits on account of the lack of need therefor if—

"(A) in the case of any individual who is unmarried, such individual's annual income is less than $1,000; and

"(B) in the case of any individual who is married and is living with or providing more than one-half of the support of his spouse, such individual's income is less than $2,000. If any individual entitled to benefits under this section is the parent of any child under 18 years of age, or the parent of any child over 17 years of age who is physically or mentally disabled, and such child lives with or receives more than half of his support from such individual, then, for purposes of the preceding sentence, the figures referred to in clause (A) or (B) thereof (as the case may be) shall be deemed to be increased by $500 for each such child.

"Suspension When Individual Is Residing Outside United States

"(d) The benefit to which any individual is entitled under this section for any month shall not be paid if, during such month, such individual is not a resident of the United States (as defined in section 210(i)).

"Treatment as Monthly Insurance Benefits

"(e) For purposes of subsections (t) and (u) of section 202, and of section 1840, a monthly benefit under this section shall be treated as a monthly insurance benefit payable under section 202."

(b) Notwithstanding subsection (a), section 228 of the Social Security Act, as in effect prior to the enactment of the Social Security Amendments of 1967, shall remain in force with respect to any individual for any month if such individual—

(1) would have been entitled to a benefit under such section, as in effect prior to the enactment of such Amendments, but would not be entitled, for such month, to a benefit under such section, as in effect after enactment of such Amendments, or

(2) if the amount of such individual's benefit under such section, as in effect prior to the enactment of such Amendments, would (after all reductions provided in such section) be larger than the amount of the benefit to which he is entitled under such section, as in effect after enactment of such Amendments.

APPROPRIATION AUTHORIZATION

SEC. 9. In addition to all other sums authorized under any other provisions of law to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to each of the aforementioned Funds, for the fiscal year in which the Social Security Amendments of 1967 are enacted, and for each fiscal year thereafter, such sums as may be necessary to place each of such Funds in the same financial position as that which it would have been in if such Amendments had not been enacted.

S. 1325

A bill to amend title II of the Social Security Act to increase the insurance benefits payable thereunder and to raise the minimum monthly insurance benefits thereunder from $44 to $70

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

"I (Primary insurance benefit under 1939 Act, as modified)		II (Primary insurance amount under 1965 Act)	III (Average monthly wage)		IV (Primary insurance amount)	V (Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
		$44.00	----------	$67	$70.00	$105.00
		58.00	$91	92	70.00	105.00
		59.00	93	94	70.80	106.20
	$23.08	60.00	95	96	72.00	108.00
$23.09	23.44	61.00	97	97	73.20	109.80
23.45	23.76	62.10	98	99	74.60	111.90
23.77	24.20	63.20	100	101	75.90	113.90
24.21	24.60	64.20	102	102	77.10	115.70
24.61	25.00	65.30	103	104	78.40	117.60
25.01	25.48	66.40	105	106	79.70	119.60
25.49	25.92	67.50	107	107	81.00	121.50
25.93	26.40	68.50	108	109	82.20	123.30
26.41	26.94	69.60	110	113	83.60	125.40
26.95	27.46	70.70	114	118	84.90	127.40
27.47	28.00	71.70	119	122	86.10	129.20
28.01	28.68	72.80	123	127	86.70	130.10
28.69	29.25	73.90	128	132	88.00	132.00
29.26	29.68	74.90	133	136	89.20	133.80
29.69	30.36	76.00	137	141	90.50	135.80
30.37	30.92	77.10	142	146	91.80	137.70
30.93	31.36	78.20	147	150	92.30	138.50
31.37	32.00	79.20	151	155	93.50	140.30
32.01	32.60	80.30	156	160	94.80	142.20
32.61	33.20	81.40	161	164	96.10	144.20
33.21	33.88	82.40	165	169	97.30	146.00
$33.89	$34.50	$83.50	$170	$174	$97.70	$146.60
34.51	35.00	84.60	175	178	99.00	148.50
35.01	35.80	85.60	179	183	100.20	150.30
35.81	36.40	86.70	184	188	101.50	152.30
36.41	37.08	87.80	189	193	102.80	154.40
37.09	37.60	88.90	194	197	103.20	159.60
37.61	38.20	89.90	198	202	104.30	161.60
38.21	39.12	91.00	203	207	105.60	165.60
39.13	39.68	92.10	208	211	106.90	168.80
39.69	40.33	93.10	212	216	108.00	172.80
40.34	41.12	94.20	217	221	108.40	176.80
41.13	41.76	95.30	222	225	109.60	180.00
41.77	42.44	96.30	226	230	110.80	184.00
42.45	43.20	97.40	231	235	112.10	188.00
43.21	43.76	98.50	236	239	113.30	191.20
43.77	44.44	99.60	240	244	113.60	195.20
44.45	44.88	100.60	245	249	114.70	199.20
44.89	45.60	101.70	250	253	116.00	202.40
		102.80	254	258	117.20	206.40
		103.80	259	263	118.40	210.40
		104.90	264	267	118.60	213.60
		106.00	268	272	119.80	217.60
		107.00	273	277	121.00	221.60
		108.10	278	281	122.20	224.80
		109.20	282	286	123.40	228.80

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

"I		II	III		IV	V
(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1965 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
		$110.30	$287	$291	$123.60	$232.80
		111.30	292	295	124.70	236.00
		112.40	296	300	125.90	240.00
		113.50	301	305	127.20	244.00
		114.50	306	309	128.30	247.20
		115.60	310	314	128.40	251.20
		116.70	315	319	129.60	255.20
		117.70	320	323	130.70	258.40
		118.80	324	328	131.90	262.40
		119.90	329	333	133.10	266.40
		121.00	334	337	133.20	269.60
		122.00	338	342	134.20	273.60
		123.10	343	347	135.50	277.60
		124.20	348	351	136.70	280.80
		125.20	352	356	137.80	284.80
		126.30	357	361	138.30	288.80
		127.40	362	365	138.90	292.00
		128.40	366	370	140.00	296.00
		129.50	371	375	141.20	298.00
		130.60	376	379	142.40	299.60
		131.70	380	384	142.90	301.60
		132.70	385	389	143.40	303.60
		133.80	390	393	144.60	305.20
		134.90	394	398	145.70	307.20
		135.90	399	403	146.80	309.20
		137.00	404	407	147.20	310.80
		138.00	408	412	147.70	312.80
		139.00	413	417	148.80	314.80
		140.00	418	421	149.80	316.40
		$141.00	$422	$426	$150.90	$318.40
		142.00	427	431	151.20	320.40
		143.00	432	436	151.60	322.40
		144.00	437	440	152.70	324.00
		145.00	441	445	153.70	326.00
		146.00	446	450	154.80	328.00
		147.00	451	454	155.10	327.60
		148.00	455	459	155.40	331.60
		149.00	460	464	156.50	333.60
		150.00	465	468	157.50	335.20
		151.00	469	473	158.60	337.20
		152.00	474	478	158.90	339.20
		153.00	479	482	159.20	340.80
		154.00	483	487	160.20	342.80
		155.00	488	492	161.20	344.80
		156.00	493	496	162.30	346.40
		157.00	497	501	162.50	348.40
		158.00	502	506	162.80	350.40
		159.00	507	510	163.80	352.00
		160.00	511	515	164.80	354.00
		161.00	516	520	165.90	356.00
		162.00	521	524	166.10	357.60
		163.00	525	529	166.30	359.60
		164.00	530	534	167.30	361.60
		165.00	535	538	168.30	363.20
		166.00	539	543	169.40	365.20
		167.00	544	548	169.50	367.20
		168.00	549	550	169.70	368.00."

(b) The amendment made by subsection (a) shall be effective with respect to monthly benefits under title II of the Social Security Act for months after the month following the month in which this Act is enacted.

H.R. 6950 (Amendment No. 138)

Amendment intended to be proposed by Mr. PROUTY to H.R. 6950, an act to restore the investment credit and the allowance of accelerated depreciation in the case of certain real property

On page 4, after line 6, insert the following new section:

"SEC. 5. (a) Section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

"'TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

"'I		II	III		IV	V
(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1965 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
		$44.00		$67	$70.00	$105.00
		58.00	$91	92	70.00	105.00
		59.00	93	94	70.80	106.20
	$23.08	60.00	95	96	72.00	108.00
$23.09	23.44	61.00	97	97	73.20	109.80
23.45	23.76	62.10	98	99	74.60	111.90
23.77	24.20	63.20	100	101	75.90	113.90
24.21	24.60	64.20	102	102	77.10	115.70
24.61	25.00	65.30	103	104	78.40	117.60
25.01	25.48	66.40	105	106	79.70	119.60
25.49	25.92	67.50	107	107	81.00	121.50
25.93	26.40	68.50	108	109	82.20	123.30
26.41	26.94	69.60	110	113	83.60	125.40
26.95	27.46	70.70	114	118	84.90	127.40
27.47	28.00	71.70	119	122	86.10	129.20
$28.01	$28.68	$72.80	$123	$127	$86.70	$130.10
28.69	29.25	73.90	128	132	88.00	132.00
29.26	29.68	74.90	133	136	89.20	133.80
29.69	30.36	76.00	137	141	90.50	135.80
30.37	30.92	77.10	142	146	91.80	137.70
30.93	31.36	78.20	147	150	92.30	138.50
31.37	32.00	79.20	151	155	93.50	140.30
32.01	32.60	80.30	156	160	94.80	142.20
32.61	33.20	81.40	161	164	96.10	144.20
33.21	33.88	82.40	165	169	97.30	146.00
33.89	34.50	83.50	170	174	97.70	146.60
34.51	35.00	84.60	175	178	99.00	148.50
35.01	35.80	85.60	179	183	100.20	150.30
35.81	36.40	86.70	184	188	101.50	152.30
36.41	37.08	87.80	189	193	102.80	154.40

" 'TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

" 'I		II	III		IV	V	" 'I		II	III		IV	V
(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1965 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)	(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1965 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—	If an individual's primary insurance benefit as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—			At least—	But not more than—		At least—	But not more than—		
$37.09	$37.60	$88.90	$194	$197	$103.20	$159.60			$130.60	$376	$379	$142.40	$299.60
37.61	38.20	89.90	198	202	104.30	161.60			131.70	380	384	142.90	301.60
38.21	39.12	91.00	203	207	105.60	165.60			132.70	385	389	143.40	303.60
39.13	39.68	92.10	208	211	106.90	168.80			133.80	390	393	144.60	305.20
39.69	40.33	93.10	212	216	108.00	172.80			134.90	394	398	145.70	307.20
40.34	41.12	94.20	217	221	108.40	176.80			135.90	399	403	146.80	309.20
41.13	41.76	95.30	222	225	109.60	180.00			137.00	404	407	147.20	310.80
41.77	42.44	96.30	226	230	110.80	184.00			138.00	408	412	147.70	312.80
42.45	43.20	97.40	231	235	112.10	188.00			139.00	413	417	148.80	314.80
43.21	43.76	98.50	236	239	113.30	191.20			140.00	418	421	149.80	316.40
43.77	44.44	99.60	240	244	113.60	195.20			141.00	422	426	150.90	318.40
44.45	44.88	100.60	245	249	114.70	199.20			142.00	427	431	151.20	320.40
44.89	45.60	101.70	250	253	116.00	202.40			143.00	432	436	151.60	322.40
		102.80	254	258	117.20	206.40			144.00	437	440	152.70	324.00
		103.80	259	263	118.40	210.40			145.00	441	445	153.70	326.00
		104.90	264	267	118.60	213.60			146.00	446	450	154.80	328.00
		106.00	268	272	119.80	217.60			147.00	451	454	155.10	327.60
		107.00	273	277	121.00	221.60			148.00	455	459	155.40	331.60
		108.10	278	281	122.20	224.80			149.00	460	464	156.50	333.60
		109.20	282	286	123.40	228.80			150.00	465	468	157.50	335.20
		110.30	287	291	123.60	232.80			151.00	469	473	158.60	337.20
		111.30	292	295	124.70	236.00			152.00	474	478	158.90	339.20
		112.40	296	300	125.90	240.00			153.00	479	482	159.20	340.80
		113.50	301	305	127.20	244.00			154.00	483	487	160.20	342.80
		114.50	306	309	128.30	247.20			155.00	488	492	161.20	344.80
		115.60	310	314	128.40	251.20			156.00	493	496	162.30	346.40
		116.70	315	319	129.60	255.20			157.00	497	501	162.50	348.40
		117.70	320	323	130.70	258.40			158.00	502	506	162.80	350.40
		118.80	324	328	131.90	262.40			159.00	507	510	163.80	352.00
		119.90	329	333	133.10	266.40			160.00	511	515	164.80	354.00
		121.00	334	337	133.20	269.60			161.00	516	520	165.90	356.00
		122.00	338	342	134.20	273.60			162.00	521	524	166.10	357.60
		123.10	343	347	135.50	277.60			163.00	525	529	166.30	359.60
		124.20	348	351	136.70	280.80			164.00	530	534	167.30	361.60
		125.20	352	356	137.80	284.80			165.00	535	538	168.30	363.20
		126.30	357	361	138.30	288.80			166.00	539	543	169.40	365.20
		127.40	362	365	138.90	292.00			167.00	544	548	169.50	367.20
		128.40	366	370	140.00	296.00			168.00	549	550	169.70	368.00.'
		129.50	371	375	141.20	298.00							

"(b) The amendment made by subsection (a) shall be effective with respect to monthly benefits under title II of the Social Security Act for months after the month following the month in which this section is enacted."

H.R. 6950 (AMENDMENT No. 139)

Amendment intended to be proposed by Mr. PROUTY to H.R. 6950, an act to restore the investment credit and the allowance of accelerated depreciation in the case of certain real property

On page 4, after line 6, insert the following new section:

"SEC. 5. (a)(1)(A) The heading to section 228 of the Social Security Act is amended to read as follows:

" 'BENEFITS AT AGE 65 FOR CERTAIN UNINSURED INDIVIDUALS'

"(B) Section 228 of such Act is amended to read as follows:

" 'SEC. 228. (a) Every individual who—

" '(1) has attained age 65,

" '(2) (A) is not and would not, upon filing application therefor, be entitled to monthly benefits under section 202 or 223, or (B) is entitled, or would upon filing application therefor, be entitled to monthly benefits under such section 202 or 223 which is smaller than the amount shown by the first figure in column IV of the table in section 215(a),

" '(3) is a resident of the United States (as defined in section 210(i)), and (A) is a citizen of the United States or (B) an alien lawfully admitted for permanent residence who has resided in the United States (as so defined) continuously during the 5 years immediately preceding the month in which he files application under this section.

" '(4) has filed application for benefits under this section,

shall (subject to the limitations in this section) be entitled to a benefit under this section for each month beginning with the first month after September 1967 in which he becomes so entitled to such benefits and ending with the month preceding the month in which he dies. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1), (2), and (3) shall be accepted as an application for purposes of this section.

" 'Benefit Amount

" '(b) The benefit amount to which an individual is entitled under this section for any month shall be an amount equal to whichever is the larger: (1) zero, or (2) the amount determined by subtracting from an amount equal to 80 percent of the amount shown by the first figure in column IV of the table in section 215(a) an amount equal to the amount of the monthly benefit to which such individual is entitled under section 202 or 223. For the purpose of the preceding sentence, the amount of the monthly benefit to which an individual is entitled under section 202 means the amount to which he is entitled after any reduction in such amount made by reason of the provisions of subsection (q) of such section.

" 'Deductions in Benefit Amounts

" '(c)(1) Notwithstanding the preceding provisions of this section, payments of amounts as benefits provided by this section shall not be made to an individual otherwise entitled thereto if, and to the extent, that the making of any such payment would result in such individual receiving, for any calendar year, income in excess of $2,840 in the case of an individual who is married and is living with or providing more than one-half of the support of a spouse who is not entitled to benefits under this section, or $1,840 in the case of any other individual. For the purposes of the preceding sentence, the term "income" means income from any and all sources (including monthly benefit payments under this title).

" '(2) Deductions, in such amounts and at such time or times as the Secretary shall determine, shall be made from any payment or payments to which an individual is entitled under this section so as to carry out the limitation set forth in paragraph (1).

" 'Suspension When Individual Is Residing Outside United States

" '(d) The benefit to which any individual is entitled under this section for any month shall not be paid if, during such month, such individual is not a resident of the United States (as defined in section 210(i)).

" 'Treatment as Monthly Insurance Benefits

" '(e) For purposes of subsections (t) and (u) of section 202, and of section 1840, a monthly benefit under this section shall be treated as a monthly insurance benefit payable under section 202.'

"(C) Notwithstanding subsection (a), section 228 of the Social Security Act, as in effect prior to the enactment of this section, shall remain in force with respect to any individual for any month if such individual—

"(1) would have been entitled to a benefit under such section, as in effect prior to the enactment of this section, but would not be entitled, for such month, to a benefit under such section, as in effect after enactment of this section, or

"(2) if the amount of such individual's benefit under such section, as in effect prior to the enactment of this section, would (after all reductions provided in such section) be larger than the amount of the benefit to which he is entitled under such section, as in effect after enactment of this section.

"Increase in Benefits for the Transitionally Insured

"(b)(1) The second sentence of section 227(a) of the Social Security Act is amended by striking out 'be $35 and the amount of the wife's insurance benefit of his wife shall, notwithstanding the provisions of section 202(b), be $17.50' and inserting in lieu thereof 'be an amount equal to 80 percent of the amount shown by the first figure in column IV of the table in section 215(a) and the amount of the wife's insurance benefit of his wife shall, notwithstanding the provisions of section 202(b), be an amount equal to 37½ percent of the amount shown by such first figure'.

"(2) The second sentence of section 227(b) of such Act is amended to read as follows: 'The amount of her widow's insurance benefit for each month shall, notwithstanding the provisions of section 202(e) (and section 202(m)), be equal to 37½ percent of the amount shown by the first figure in column IV of the table in section 215(a).'

"(3) The amendments made by this section shall be effective in the case of monthly payments under title II of the Social Security Act for months after September 1967.

"Appropriation Authorization

"(c) In addition to all other sums authorized under any other provisions of law to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to each of the aforementioned Funds, for the fiscal year in which this section is enacted, and for each fiscal year thereafter, such sums as may be necessary to place each of such Funds in the same financial position as that which it would have been in if this section had not been enacted.

"Medicare Benefits Extended

"(d)(1) Subsections (a) and (b) of section 103 of the Social Security Amendments of 1965 are amended to read as follows:

" '(a) Anyone who—

" '(1) has attained the age of 65,

" '(2) is not, and upon filing application for monthly insurance benefits under section 202 of the Social Security Act would not be, entitled to hospital insurance benefits under section 226 of such Act, and is not certifiable as a qualified railroad retirement beneficiary under section 21 of the Railroad Retirement Act of 1937,

" '(3) is a resident of the United States (as defined in section 210(i) of the Social Security Act), and is (A) a citizen of the United States, or (B) an alien lawfully admitted for permanent residence who has resided in the United States (as so defined) continuously during the 5 years immediately preceding the month in which he files application under this section, and

" '(4) has filed an application under this section in such manner and in accordance with such other requirements as may be prescribed in regulations of the Secretary, shall (subject to the limitations in this section) be deemed, solely for purposes of section 226 of the Social Security Act, to be entitled to monthly insurance benefits under such section 202 for each month, beginning with the first month in which he meets the requirements of this subsection and ending with the month in which he becomes (or upon filing application for monthly insurance benefits under such section 202 of such Act would become) entitled to hospital insurance benefits under such section 226 or becomes certifiable as a qualified railroad retirement beneficiary. An individual who would have met the preceding requirements of this subsection in any month had he filed application under paragraph (4) hereof before the end of such month shall be deemed to have met such requirements in such month if he files such application before the end of the twelfth month following such month. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1), (2), and (3) shall be accepted as an application for purposes of this section.

" '(b) The provisions of subsection (a) shall not apply to any individual who—

" '(1) is, at the beginning of the first month in which he meets the requirements of subsection (a), a member of any organization referred to in section 210(a)(17) of the Social Security Act, or

" '(2) has, prior to the beginning of such month, been convicted of any offense listed in section 202(u) of the Social Security Act.'

"(2) The amendments made by subsection (1) shall be effective on and after the first day of the month after the month in which this section is enacted."

AMENDMENT TO H.R. 6950

Amendment intended to be proposed by Mr. Prouty to H.R. 6950, an act to restore the investment credit and the allowance of accelerated depreciation in the case of certain real property

On page 4, after line 6, insert the following new section:

"Sec. 5. (a) Subsections (a) and (b) of section 103 of the Social Security Amendments of 1965 are amended to read as follows:

" '(a) Anyone who—

" '(1) has attained the age of 65,

" '(2) is not, and upon filing application for monthly insurance benefits under section 202 of the Social Security Act would not be, entitled to hospital insurance benefits under section 226 of such Act, and is not certifiable as a qualified railroad retirement beneficiary under section 21 of the Railroad Retirement Act of 1937,

" '(3) is a resident of the United States (as defined in section 210(i) of the Social Security Act), and is (A) a citizen of the United States or (B) an alien lawfully admitted for permanent residence who has resided in the United States (as so defined) continuously during the 5 years immediately preceding the month in which he files application under this section, and

" '(4) has filed an application under this section in such manner and in accordance with such other requirements as may be prescribed in regulations of the Secretary,

shall (subject to the limitations in this section) be deemed, solely for purposes of section 226 of the Social Security Act, to be entitled to monthly insurance benefits under such section 202 for each month, beginning with the first month in which he meets the requirements of this subsection and ending with the month in which he becomes (or upon filing application for monthly insurance benefits under such section 202 of such Act would become) entitled to hospital insurance benefits under such section 226 or becomes certifiable as a qualified railroad retirement beneficiary. An individual who would have met the preceding requirements of this subsection in any month had he filed application under paragraph (4) hereof before the end of such month shall be deemed to have met such requirements in such month if he files such application before the end of the twelfth month following such month. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1), (2), and (3) shall be accepted as an application for purposes of this section.

" '(b) The provisions of subsection (a) shall not apply to any individual who—

" '(1) is, at the beginning of the first month in which he meets the requirements of subsection (a), a member of any organization referred to in section 210 (a)(17) of the Social Security Act, or

" '(2) has, prior to the beginning of such month, been convicted of any offense listed in section 202(u) of the Social Security Act.'

"(b) The amendments made by subsection (a) shall be effective on and after the first day of the month after the month in which this Act is enacted."

H.R. 6950 (AMENDMENT NO. 142)

Amendment intended to be proposed by Mr. Prouty to H.R. 6950, an act to restore the investment credit and the allowance of accelerated depreciation in the case of certain real property.

On page 4, after line 6, insert the following new section:

"Sec. 5. (a) (1) (A) The heading to section 228 of the Social Security Act is amended to read as follows:

" 'BENEFITS AT AGE 65 FOR CERTAIN UNINSURED INDIVIDUALS'

"(B) Section 228 of such Act is amended to read as follows:

" 'Sec. 228. (a) Every individual who—

" '(1) has attained age 65,

" '(2)(A) is not and would not, upon filing application therefor, be entitled to monthly benefits under section 202 or 223, or (B) is entitled, or would upon filing application therefor, be entitled to monthly benefits under such section 202 or 223 which is smaller than the amount shown by the first figure in column IV of the table in section 215 (a),

" '(3) is a resident of the United States (as defined in section 210(i)), and (A) is a citizen of the United States or (B) an alien lawfully admitted for permanent residence who has resided in the United States (as so defined) continuously during the 5 years immediately preceding the month in which he files application under this section,

" '(4) has filed application for benefits under this section,

shall (subject to the limitations in this section) be entitled to a benefit under this section for each month beginning with the first month after September 1967 in which he becomes so entitled to such benefits and ending with the month preceding the month in which he dies. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1), (2), and (3) shall be accepted as an application for purposes of this section.

" 'Benefit amount

" '(b) The benefit amount to which an individual is entitled under this section for any month shall be an amount equal to whichever is the larger: (1) zero, or (2) the amount determined by subtracting from an amount equal to 80 percent of the amount shown by the first figure in column IV of the table in section 215(a) an amount equal to the amount of the monthly benefit to which such individual is entitled under section 202 or 223. For the purpose of the preceding sentence, the amount of the monthly benefit to which an individual is entitled under section 202 means the amount to which he is entitled after any reduction in such amount made by reason of the provisions of subsection (q) of such section.

“‘Deductions in benefit amounts

“‘(c)(1) Notwithstanding the preceding provisions of this section, payments of amounts as benefits provided by this section shall not be made to an individual otherwise entitled thereto if, and to the extent, that the making of any such payment would result in such individual receiving, for any calendar year, income in excess of $2,840 in the case of an individual who is married and is living with or providing more than one-half of the support of a spouse who is not entitled to benefits under this section, or $1,840 in the case of any other individual. For the purposes of the preceding sentence, the term "income" means income from any and all sources (including monthly benefit payments under this title).

“‘(2) Deductions, in such amounts and at such time or times as the Secretary shall determine, shall be made from any payment or payments to which an individual is entitled under this section so as to carry out the limitation set forth in paragraph (1).

“‘Suspension when individual is residing outside United States

“‘(d) The benefit to which any individual is entitled under this section for any month shall not be paid if, during such month, such individual is not a resident of the United States (as defined in section 210(i)).

“‘Treatment as monthly insurance benefits

“‘(e) For purposes of subsections (t) and (u) of section 202, and of section 1840, a monthly benefit under this section shall be treated as a monthly insurance benefit payable under section 202.’

“(C) Notwithstanding subsection (a), section 228 of the Social Security Act, as in effect prior to the enactment of this section, shall remain in force with respect to any individual for any month if such individual—

“(1) would have been entitled to a benefit under such section, as in effect prior to the enactment of this section, but would not be entitled, for such month, to a benefit under such section, as in effect after enactment of this section, or

“(2) if the amount of such individual's benefit under such section, as in effect prior to the enactment of this section, would (after all reductions provided in such section) be larger than the amount of the benefit to which he is entitled under such section, as in effect after enactment of this section.

“Increase in benefits for the transitionally insured

“(b)(1) The second sentence of section 227(a) of the Social Security Act is amended by striking out ‘be $35 and the amount of the wife's insurance benefit of his wife shall, notwithstanding the provisions of section 202(b), be $17.50’ and inserting in lieu thereof ‘be an amount equal to 80 percent of the amount shown by the first figure in column IV of the table in section 215(a) and the amount of the wife's insurance benefit of his wife shall, notwithstanding the provisions of section 202(b), be an amount equal to 37½ percent of the amount shown by such first figure’.

“(2) The second sentence of section 227(b) of such Act is amended to read as follows: ‘The amount of her widow's insurance benefit for each month shall, notwithstanding the provisions of section 202(e) (and section 202(m)), be equal to 37½ percent of the amount shown by the first figure in column IV of the table in section 215(a).’

“(3) The amendments made by this section shall be effective in the case of monthly payments under title II of the Social Security Act for months after September 1967.

“Appropriation authorization

“(c) In addition to all other sums authorized under any other provisions of law to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to each of the aforementioned Funds, for the fiscal year in which this section is enacted, and for each fiscal year thereafter, such sums as may be necessary to place each of such Funds in the same financial position as that which it would have been in if this section had not been enacted.

“Monthly benefit increases

“(d)(1) Section 215(a) of the Social Security Act is amended by striking out the table and inserting in lieu thereof the following:

“‘TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

“‘I		II	III		IV	V
(Primary insurance benefit under 1939 Act, as modified)		(Primary insurance amount under 1965 Act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
		$44.00		$67	$70.00	$105.00
		58.00	$91	92	70.00	105.00
		59.00	93	94	70.80	106.20
	$23.08	60.00	95	96	72.00	108.00
$23.09	23.44	61.00	97	97	73.20	109.80
23.45	23.76	62.10	98	99	74.60	111.90
23.77	24.20	63.20	100	101	75.90	113.90
24.21	24.60	64.20	102	102	77.10	115.70
24.61	25.00	65.30	103	104	78.40	117.60
25.01	25.48	66.40	105	106	79.70	119.60
25.49	25.92	67.50	107	107	81.00	121.50
25.93	26.40	68.50	108	109	82.20	123.30
26.41	26.94	69.60	110	113	83.60	125.40
26.95	27.46	70.70	114	118	84.90	127.40
27.47	28.00	71.70	119	122	86.10	129.20
28.01	28.68	72.80	123	127	86.70	130.10
28.69	29.25	73.90	128	132	88.00	132.00
29.26	29.68	74.90	133	136	89.20	133.80
29.69	30.36	76.00	137	141	90.50	135.80
30.37	30.92	77.10	142	146	91.80	137.70
30.93	31.36	78.20	147	150	92.30	138.50
31.37	32.00	79.20	151	155	93.50	140.30
32.01	32.60	80.30	156	160	98.80	142.20
32.61	33.20	81.40	161	164	96.10	144.20
33.21	33.88	82.40	165	169	97.30	146.00
33.89	34.50	83.50	170	174	97.70	146.60
34.51	35.00	84.60	175	178	99.00	148.50
35.01	35.80	85.60	179	183	100.20	150.30
35.81	36.40	86.70	184	188	101.50	152.30
36.41	37.08	87.80	189	193	102.80	154.40
37.09	37.60	88.90	194	197	103.20	159.60
37.61	38.20	89.90	198	202	104.30	161.60
38.21	39.12	91.00	203	207	105.60	165.60
39.13	39.68	92.10	208	211	106.90	168.80
39.69	40.33	93.10	212	216	108.00	172.80
$40.34	$41.12	$94.20	$217	$221	$108.40	$176.80
41.13	41.76	95.30	222	225	109.60	180.00
41.77	42.44	96.30	226	230	110.80	184.00
42.45	43.20	97.40	231	235	112.10	188.00
43.21	43.76	98.50	236	239	113.30	191.20
43.77	44.44	99.60	240	244	113.60	195.20
44.45	44.88	100.60	245	249	114.70	199.20
44.89	45.60	101.70	250	253	116.00	202.40
		102.80	254	258	117.20	206.40
		103.80	259	263	118.40	210.40
		104.90	264	267	118.60	213.60
		106.00	268	272	119.80	217.60
		107.00	273	277	121.00	221.60
		108.10	278	281	122.20	224.80
		109.20	282	286	123.40	228.80
		110.30	287	291	123.60	232.80
		111.30	292	295	124.70	236.00
		112.40	296	300	125.90	240.00
		113.50	301	305	127.20	244.00
		114.50	306	309	128.30	247.20
		115.60	310	314	128.40	251.20
		116.70	315	319	129.60	255.20
		117.70	320	323	130.70	258.40
		118.80	324	328	131.90	262.40
		119.90	329	333	133.10	266.40
		121.00	334	337	133.20	269.60
		122.00	338	342	134.20	273.60
		123.10	343	347	135.50	277.60
		124.20	348	351	136.70	280.80
		125.20	352	356	137.80	284.80
		126.30	357	361	138.30	288.80
		127.40	362	365	138.90	292.00
		128.40	366	370	140.00	296.00
		129.50	371	375	141.20	298.00
		130.60	376	379	142.40	299.60

"'TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

"'I		II	III		IV	V
(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1965 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income hall be—
At least—	But not more than—		At least—	But not more than—		
		$131.70	$380	$384	$142.90	$301.60
		132.70	385	389	143.40	303.60
		133.80	390	393	144.60	305.20
		134.90	394	398	145.70	307.20
		135.90	399	403	146.80	309.20
		137.00	404	407	147.20	310.80
		138.00	408	412	147.70	312.80
		139.00	413	417	148.80	314.80
		140.00	418	421	149.80	316.40
		141.00	422	426	150.90	318.40
		142.00	427	431	151.20	320.40
		143.00	432	436	151.60	322.40
		144.00	437	440	152.70	324.00
		145.00	441	445	153.70	326.00
		146.00	446	450	154.80	328.00
		147.00	451	454	155.10	327.60
		148.00	455	459	155.40	331.60
		149.00	460	464	156.50	333.60
		150.00	465	468	157.50	335.20
		$151.00	$469	$473	$158.60	$337.20
		152.00	474	478	158.90	339.20
		153.00	479	482	159.20	340.80
		154.00	483	487	160.20	342.80
		155.00	488	492	161.20	344.80
		156.00	493	496	162.30	346.40
		157.00	497	501	162.50	348.40
		158.00	502	506	162.80	350.40
		159.00	507	510	163.80	352.00
		160.00	511	515	164.80	354.00
		161.00	516	520	165.90	356.00
		162.00	521	524	166.10	357.60
		163.00	525	529	166.30	359.60
		164.00	530	534	167.30	361.60
		165.00	535	538	168.30	363.20
		166.00	539	543	169.40	365.20
		167.00	544	548	169.50	367.20
		168.00	549	550	169.70	368.00.'

"(2) The amendment made by subsection (1) shall be effective with respect to monthly benefits under title II of the Social Security Act for months after the month following the month in which this subsection is enacted."

H.R. 6950 (AMENDMENT NO. 143)

Amendment intended to be proposed by Mr. PROUTY to H.R. 6950, an act to restore the investment credit and the allowance of accelerated depreciation in the case of certain real property

On page 4, after line 6, insert the following new section:

"SEC. 5. (a) (1) (A) The heading to section 228 of the Social Security Act is amended to read as follows:

"'BENEFITS AT AGE 65 FOR CERTAIN UNINSURED INDIVIDUALS'

"(B) Section 228 of such Act is amended to read as follows:

"'SEC. 228. (a) Every individual who—

"'(1) has attained age 65,

"'(2) (A) is not and would not, upon filing application therefor, be entitled to monthly benefits under section 202 or 223, or (B) is entitled, or would upon filing application therefor, be entitled to monthly benefits under such section 202 or 223 which is smaller than the amount shown by the first figure in column IV of the table in section 215(a),

"'(3) is a resident of the United States (as defined in section 210(i)), and (A) is a citizen of the United States or (B) an alien lawfully admitted for permanent residence who has resided in the United States (as so defined) continuously during the 5 years immediately preceding the month in which he files application under this section,

"'(4) has filed application for benefits under this section,

shall (subject to the limitations in this section) be entitled to a benefit under this section for each month beginning with the first month after September 1967 in which he becomes so entitled to such benefits and ending with the month preceding the month in which he dies. No application under this section which is filed by an individual more than 3 months before the first month in which he meets the requirements of paragraphs (1), (2), and (3) shall be accepted as an application for purposes of this section.

"Benefit amount

"'(b) The benefit amount to which an individual is entitled under this section for any month shall be an amount equal to whichever is the larger: (1) zero, or (2) the amount determined by subtracting from an amount equal to 80 percent of the amount shown by the first figure in column IV of the table in section 215(a) an amount equal to the amount of the monthly benefit to which such individual is entitled under section 202 or 223. For the purpose of the preceding sentence, the amount of the monthly benefit to which an individual is entitled under section 202 means the amount to which he is entitled after any reduction in such amount made by reason of the provisions of subsection (q) of such section.

"'Deductions in benefit amounts

"'(c) (1) Notwithstanding the preceding provisions of this section, payments of amounts as benefits provided by this section shall not be made to an individual otherwise entitled thereto if, and to the extent, that the making of any such payment would result in such individual receiving, for any calendar year, income in excess of $2,840 in the case of an individual who is married and is living with or providing more than one-half of the support of a spouse who is not entitled to benefits under this section, or $1,840 in the case of any other individual. For the purposes of the preceding sentence, the term 'income' means income from any and all sources (including monthly benefit payments under this title).

"'(2) Deductions, in such amounts and at such time or times as the Secretary shall determine, shall be made from any payment or payments to which an individual is entitled under this section so as to carry out the limitation set forth in paragraph (1).

"'Suspension when individual is residing outside United States

"'(d) The benefit to which any individual is entitled under this section for any month shall not be paid if, during such month, such individual is not a resident of the United States (as defined in section 210(i)).

"'Treatment as monthly insurance benefits

"'(e) For purposes of subsections (t) and (u) of section 202, and of section 1840, a monthly benefit under this section shall be treated as a monthly insurance benefit payable under section 202.'

"(C) Notwithstanding subsection (a), section 228 of the Social Security Act, as in effect prior to the enactment of this section, shall remain in force with respect to any individual for any month if such individual—

"(1) would have been entitled to a benefit under such section, as in effect prior to the enactment of this section, but would not be entitled, for such month, to a benefit under such section, as in effect after enactment of this section, or

"(2) if the amount of such individual's benefit under such section, as in effect prior to the enactment of this section, would (after all reductions provided in such section) be larger than the amount of the benefit to which he is entitled under such section, as in effect after enactment of this section.

"Increase in benefits for the transitionally insured

"(b) (1) The second sentence of section 227(a) of the Social Security Act is amended by striking out 'be $35 and the amount of the wife's insurance benefit of his wife shall, notwithstanding the provisions of section 202(b), be $17.50' and inserting in lieu thereof 'be an amount equal to 80 percent of the amount shown by the first figure in column IV of the table in section 215(a) and the amount of the wife's insurance benefit of his wife shall, notwithstanding the provisions of section 202(b), be an amount equal to 37½ percent of the amount shown by such first figure'.

"(2) The second sentence of section 227(b) of such Act is amended to read as follows: 'The amount of her widow's insurance benefit for each month shall, notwithstanding the provisions of section 202(e) (and section 202(m)), be equal to 37½ percent of the amount shown by the first figure in column IV of the table in section 215(a).'

"(3) The amendments made by this section shall be effective in the case of monthly payments under title II of the Social Security Act for months after September 1967.

"Appropriation authorization

"(c) In addition to all other sums authorized under any other provisions of law to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, there are hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, to each of the aforementioned Funds, for the fiscal year in which this section is enacted, and for each fiscal year thereafter, such sums as may be necessary to place each of such Funds in the same financial position as that which it would have been in if this section had not been enacted."

Mr. TALMADGE. Mr. President, I would like to take a few minutes to comment on the Social Security Amendments of 1967.

First, I should like to say that I think my colleagues on the Finance Committee and the committee staff deserve to be commended for their work on this bill, and in particular, Chairman Long deserves recognition for directing the detailed and comprehensive study given this legislation.

While reviewing this legislation, I have attempted to keep in mind both the needs of our senior citizens and the young taxpayers. Spiral inflation has pushed the cost of living up to a point where many of our retirees are forced to live in poverty or subpoverty conditions. These people obviously deserve our consideration and help. At the same time it is very important that we do not overburden the young with a large tax increase. With both of these factors in mind, and after reviewing the financial condition of the social security program, I have concluded that the committee bill which retains the 4.4-percent tax rate and raises benefits an average of 15 percent, provides the best alternative while maintaining the actuarial soundness of the social security program.

I am happy that I was able to add certain provisions to this bill that are, I feel, much needed additions to the Social Security Act, and I would like to make a few brief comments on my amendments.

One such amendment added a provision to the House bill which would permit medicare payment for services received in certain nonparticipating hospitals. At present, payments can be made to participating hospitals and, in an emergency case, to a nonparticipating hospital which meets certain standards only if the hospital agrees to accept the reasonable costs as full payment for the services rendered.

For a temporary period, almost all of which has already expired, my amendment would permit direct reimbursement to be made to an individual who has furnished hospital services during the period in a nonparticipating hospital. This coverage would not extend to admissions after 1967. Payment would be limited to 80 percent of the hospital ancillary charges and 60 percent of the room and board charges, for up to 20 days in each spell of illness—subject to the $40 deductible and other statutory limitations of payment in present law—if the hospital did not formally participate in medicare before January 1, 1969. If it did participate in medicare before that date and if it applied its utilization review plan to the services it provided before its regular participation started, the full 90 days of coverage could be provided. Thus, there would be an incentive for presently nonparticipating hospitals to participate because participation is a condition for coverage.

A similar provision would apply beginning January 1, 1968, but only as an alternative to present coverage of emergency care. Hospitals could apply for payment for a period of up to 90 days under present law provisions, or if the hospital did not apply, the patient could obtain payment on the basis of 60 percent of room and board charges and 80 percent of ancillary service charges under the new provision.

A second amendment that was added to this bill is designed to increase the purchasing power of persons receiving old-age assistance. This provision requires States to adjust their standards of need and maximum payment provisions to guarantee that old-age assistance recipients, both those eligible for social security benefits and those who are not, will receive, on the average, an increase in total income equal to $7.50 a month. This will not cost the State any additional money.

A third amendment added a provision to the House bill modifying the social security coverage provisions applying to State and local government employees who are compensated solely on a fee basis, such as constables and justices of the peace. Under present law, fee-basis employees, like other State and local government employees, may be covered only under a State coverage agreement. Under the provision approved by the committee, in the case of employees who are compensated solely on a fee basis, fees received after 1967 which are not covered under a State agreement would be covered under the self-employment provisions.

A fourth amendment granted an additional opportunity, through 1969, for election of social security coverage by employees of States and localities who did not elect coverage when they previously had the opportunity to do so under the provision of present law permitting specified States to cover only those members of a retirement system who desire coverage.

I was especially pleased that the committee has seen fit to adopt the recommendations of Commissioner Sam Caldwell, Georgia Department of Labor, placing the new work incentive program for families receiving AFDC payments under the jurisdiction of the U.S. Department of Labor. This Department has all the necessary facilities to assist these families and are better equipped to do the job than welfare departments.

Mr. CLARK. Mr. President, now that the Committee on Finance has reported out the social security improvements bill, I wish to extend my congratulations to the members of that committee for a job well done. The committee was faced with an exacting and often exasperating task. There were vexing questions of priorities and fiscal limitations. But by and large these questions were resolved by the committee in an equitable and wise manner.

There is, however, one problem area of particular importance in my home State of Pennsylvania, with regard to which the committee bill fails to make adequate provision. Pennsylvania, I am proud to say, is still very much a steel State, and as a result the problems which are experienced by workers in the steel industry because of unique developments in that industry are of very great concern to me.

One of the more serious of these problems arises from the spread of automation throughout the steel industry, and the loss of jobs through plant shutdowns. As a result of these developments, workers too often find themselves without jobs at age 50, with no real hope to get a new job, and with no chance of getting their social security benefits.

In order to make a start toward correcting this situation I cosponsored an amendment to the social security bill with the Senator from Indiana [Mr. Hartke]. Much to my regret the committee did not include this amendment in the bill.

In view of the committee's action on the Hartke amendment, I am aware that there is little hope that the Senate can be persuaded to provide an equitable solution to the problem this year. Nevertheless I would like to take this occasion to place this matter on the agenda for consideration when Congress reconvenes next year. Although the prospects at the moment are not bright, I am confident that ultimately the Congress will take action to remove this inequity from our social security law.

BILL TO GIVE UNION MEMBERS A VOICE IN DETERMINING WHETHER TO REMAIN ON STRIKE

Mr. FANNIN. Mr. President, I introduce, for appropriate reference, a bill to give union members a voice in determining whether they wish to remain on strike. I ask unanimous consent that the text of the bill be printed in the Record at this point.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the Record.

The bill (S. 2667) to provide for strike ballots in certain cases, introduced by Mr. Fannin (for himself, Mr. Bennett, Mr. Murphy, and Mr. Thurmond), was received, read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the Record, as follows:

S. 2667

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That as used in this Act—

(1) The term "Board" means the National Labor Relations Board.

(2) The term "labor organization" means any organization of any kind, or any agency

or employee representation committee or plan, in which employees participate and which exists for the purpose, in whole or in part, of dealing with employers concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work.

(3) The term "commerce" means trade, traffic, commerce, transportation, or communication among the several States, or between the District of Columbia or any territory of the United States and any State or other territory, or between any foreign country and any State, territory, or the District of Columbia, or within the District of Columbia or any territory, or between points in the same State but through any other State or any territory or the District of Columbia or any foreign country.

(4) The term "affecting commerce" means in commerce, or burdening or obstructing commerce or the free flow of commerce, or having led or tending to lead to a labor dispute burdening or obstructing commerce or the free flow of commerce.

(5) The term "strike" includes any concerted stoppage of work by employees, including a stoppage by reason of the expiration of a collective bargaining agreement, and any concerted slowdown or other concerted interruption of operations by employees.

SEC. 2. Upon the filing with the Board of a petition therefor signed by at least 20 per centum of the employees in the appropriate bargaining unit or units involved in a strike which has been pending for thirty days or more in any industry affecting commerce, the Board shall conduct a referendum among the employees of such unit or units on the question whether such strike should be continued. If a majority of the employees voting in the referendum vote against the strike, the labor organization representing the employees shall order such employees to discontinue the strike and such strike shall not be resumed until at least ninety days have elapsed following the referendum. If a majority of those voting in the referendum vote in favor of the strike no subsequent petition may be filed under this section until at least sixty days have elapsed following such referendum, and unless such subsequent petition has been signed by at least 30 per centum of the employees in the appropriate bargaining unit or units involved in the strike.

SEC. 3. Any employee who participates in a strike which has been continued, or resumed prior to the expiration of ninety days, after a majority of the employees in the appropriate bargaining unit or units involved in the strike voting in the most recent referendum conducted with respect to such strike under this Act shall have voted against such strike, shall not during the existence of the strike or thereafter, unless reemployed or reinstated by the employer, be considered to be an employee of such employer for the purposes of the National Labor Relations Act or the Railway Labor Act.

SEC. 4. Referenda provided for in this Act shall be conducted by the Board, except that the Board may delegate, generally or in specific cases, authority to conduct such referenda to any public or private agency or organization which, in the opinion of the Board, is qualified to conduct such referenda.

SEC. 5. Nothing contained in this Act shall be construed to supersede or modify in any way the requirements of section 8(d) of the National Labor Relations Act.

Mr. FANNIN. Mr. President, the theme of the "forgotten man" is not new to public affairs. It has been used for centuries to dramatize the plight of some special category of citizens for whom public sympathy can and should be developed—the poor, the disabled, the racial minorities, the aged, and so forth. Sometimes even the taxpayer has been called the "forgotten man" and given special consideration.

The time has come to talk about another category of forgotten men and women—the workers whose lives and livelihoods are directly affected by vast power struggles between the giants of labor and the giants of industry. These are the "forgotten men" in labor disputes that drag on in long and costly strikes. I know about these "forgotten men" because we have more than 10,000 of them in the State of Arizona right now—the victims of a copper strike that this very day has entered into its fifth month. My distinguished colleagues from New Mexico, Montana, Nevada, and Utah, as well as the other copper-producing States, have thousands more of these "forgotten men" in their constituencies.

I do not want to dwell at length on the current situation in the copper industry, because it is merely symptomatic of a nationwide problem that can affect almost every working man and woman in America. But let us look for a moment at the copper worker as he goes into this fifth month of enforced idleness.

The union's initial economic demands on the copper companies, while specific with respect to all other items, did not quantify the usually vital matter of an increase in rates of pay—the amount for this item lay hidden under the phrase "plus a substantial increase in wages." Whether or not the copper worker, at the time he was called out on strike, knew the amount of this important part of the economic demand, I do not know. I am informed, however, that the copper companies were not given the figures until notice of the strike had been issued and then only shortly before the commencement of the strike.

As a result, there had been no real bargaining prior to the strike. Notwithstanding this fact, before the strike started most of the copper companies had made offers of wage and benefit increases in an effort to reach a settlement. The offers of the major producers called for an increase of about 12 percent spread out over the life of a proposed 3-year contract, the increase in the first year alone, however, to amount to about 5 percent.

The union's initial, unquantified demand was reported by some of the copper companies, as interpreted by them and applied to their operations, to be a demand for an increase of in excess of 68 percent over the same 3-year period, and if we assume the benefits were to be spread equally over the 3-year period, the increase in the first year would be about 23 percent. Within the past 6 weeks, however, the union has reduced this initial demand and as it now stands, in the case of the major copper producer in my State the demand is for about 40 percent over the 3-year period with a 14-percent increase coming in the first year. Demands on other major producers are only slightly less.

The major copper producers have been standing on their initial prestrike offers of about 12 percent over a 3-year period, and no significant bargaining is taking place. In assessing these offers of the employers, particularly the 5 percent for the first year, it should be noted that the recent UAW strike against the Ford Motor Co. is reported to have been settled at about 6 percent after a 46-day walkout, and that the national median wage and benefit settlement in key industries in the first three quarters of 1967 is in the neighborhood of 4.9 percent.

These figures on demands and offers in the copper situation and settlements in other industries have great significance for the copper worker. Where does he find himself after 4 months of no work and with the union officials and his employer, from a practical standpoint, about as far apart as they were at the beginning—at least in an unrealistic stalemate of a 3-year 40-percent demand against a 3-year, 12-percent offer and a first year 14-percent demand against a first year 5-percent offer?

In 4 months the average copper worker in Arizona has lost over $3,000 in wages. In many cases this is a loss that he can never make up during his working lifetime, regardless of the basis on which the strike is ultimately settled. Even if the strike were settled today at a point midway between the union's wage demand and the companies' wage offers, it would take him over 20 years to make up what he has lost during the past 4 months. And, of course, if the settlement is below that midpoint, it will take him even longer. In the meantime, in many instances, he has lost his car and other things he was buying on time, his credit is stretched to the limit and he is deeply in debt.

Now I ask you: do you think that the average copper worker, after the point of no economic return had been reached and he knew that from then on it was all uphill, would have chosen of his own free will to continue this strike? The answer is probably "No." The American working people, given a choice, do not often make decisions that are clearly against the best interests of themselves and their families. The point is that these copper workers have had no choice in the matter. They are the unprotected pawns of union leaders who are engaged in a great power struggle—a struggle to maintain monopoly power over the labor market at whatever cost to the working men and women of America. And that is why I say that these copper workers, and others throughout the Nation who are forced into similar situations, are the "forgotten men."

Holding in abeyance the plight of the copper worker for a minute—we cannot forget him for long because he is looking to you and me for help right now—and see what the situation is in other industries around the Nation. I think it can be said with accuracy that almost any time a strike lasts more than 30 days, the worker stands to lose more than he can gain. Take the recent Ford strike, for example. It will take the average automobile production worker at Ford many, many years to make up what he lost during those 46 days of enforced idleness. And yet the knight in shining white armor who led him down that primrose path claims a great victory. I say, "That's right, Walter Reuther, you showed 'em who was boss all right. But you did it by grinding a lot of economic lives into the dust."

Take the machinists' strike against the major airlines during the summer of 1966—73 days of enforced idleness. Who won? Only the high chiefs of the IAM—they showed them who was top dog, all right. And they showed the general public, too, and thousands of travelers who had their plans disrupted or who were left stranded around the country.

Take the strike in the rubber industry earlier this year—107 days of enforced idleness; or the long steel strike in 1959; or the General Motors strike in 1964—it is the same story right down the line. Who wins? Well, really nobody wins in a strike, but in each instance the union high command shows them who is running the ball game, who has the economic stranglehold. And who loses? The worker. Every time it is the worker.

And would he do it if he had the choice? I doubt it. That is why I say he is the "forgotten man" of the modern-day strike. And that is why I say that the time has come for the Congress of the United States to remember this "forgotten man" and do something about his plight.

What can we do about it? Well, I can suggest one thing that we can do quickly and simply—give him a choice, give him a chance to decide his own economic fate. And this is the purpose of the bill I have just introduced "to give the working men and women of America a protected right to decide for themselves whether or not they want to continue strikes that have reached the point of no economic return." If, in the exercise of that right, they choose freely to pay the price for some noneconomic goal, well and good. Under my proposal they will at least decide that question for themselves.

There is nothing new in the basic idea embodied in this proposal: freedom of choice. Secret ballot strike vote legislation has been recommended to the Congress and introduced often over the past 20 years. President Eisenhower specifically recommended such a measure in 1954. But nothing has ever come of these efforts. Why? Well, mainly because the high chiefs of the labor hierarchy have fought them with every ounce of their political strength. They do not want the workers of America to have freedom of choice in exercising their right to strike, or remain on strike. And there are also some in management who oppose legislation of this sort—they think the union's hand would be too greatly strengthened if they happened to get a favorable vote in a strike election. But the "forgotten man" in this ball game wants it, and it is about time we gave him a vote when it is his pay, his livelihood, his job that are at stake.

I have given careful consideration to the legislative history of prior efforts in this regard and have studied all the arguments that have been advanced pro and con. As a result of this study, the bill I have just introduced is different from any that have been offered before. That difference is, I think, a vitally important one. Let me explain briefly what it is and the reason for it, because if these things are understood I do not see how there can be any bona fide opposition to this proposal.

Over the years the strike vote proposals that have been presented to Congress have concerned themselves in the main with prestrike votes—secret ballot elections supervised by a governmental agency to decide whether a strike should be called in the first instance. My bill takes an entirely new approach, one that I think is in keeping with the realities of modern labor-management relations. It does not concern itself with the prestrike situation. It deals only with the matter of continuing strikes beyond the economic point of no return to the worker.

The reason for this different and new approach is based on a careful consideration of the impact of legislation of this sort on the process of free collective bargaining. I have concluded on analysis that there is considerable merit in one of the grounds which both unions and management have advanced in opposition to prestrike elections. I am inclined to share the view that a requirement of a prestrike election would tend to reduce the effectiveness in bargaining of the right to strike and to eliminate the flexibility of position of both parties at a time when both of these factors can play a crucial role in producing a reasonable settlement of a labor dispute—ordinarily the time when an existing contract is about to expire or for some other reason a walkout is imminent.

This objection is not applicable to my proposal, for it provides for secret ballot elections only after the right to strike has been exercised and the positions of the parties have tended to become stalemated. Under my proposal a petition for an election to determine whether a strike should continue could not be filed until after a strike had been in effect for at least 30 days. And as a safeguard to the union's ability to continue to bargain effectively after a vote favorable to the continuation of a strike, it provides that no more than one strike vote election can be held within any 60-day period.

Nobody will get hurt by legislation of this sort except overreaching labor leaders and unreasonable employers—and I do not think the Congress should be concerned about either of them.

Strikes are costly for all concerned, the public, the employer, the union and the worker. They are not costly to union officials; they are least costly to the union but most costly to the worker.

The right to strike for lawful objectives under lawful circumstances is essential to the worker and should not be denied. Just as important, however, as is the worker's right to select his bargaining representative by secret ballot, is his right—in fact, his essential need—to participate by secret ballot in a decision of whether or not to exercise his right to strike to the point of economic ruin of himself and his family.

During the past 10 years the number of man-days of idleness caused by strikes in this Nation has been increasing almost constantly. In 1957 they totaled 16.7 million. In 1966 they were 25 million, an increase of 50 percent in 10 years. And for the first 9 months of 1967 they already total over 28 million, so that this year they will far exceed last year. Of course, not all of these increased man-days of idleness are the result of long, drawnout strikes in which the worker has lost far more than he gained. But I would venture the guess that the increases are roughly proportionate. If this be so, then each year these titanic struggles between labor and industry are creating more and more "forgotten men," more and more workers who are denied a freedom of choice over their own economic fate.

I do not offer the secret ballot strike vote as a panacea for all the ills of labor-management relations in this country. But I do offer it as a simple and practical measure for freeing the working men and women of America from this phase of the bondage of union dictatorship. The time has come to enfranchise them at these critical junctures in their economic lives. The time has come to let the "forgotten man" in the modern strike show them who really is the boss when the economic chips are down and his livelihood is at stake.

The need is urgent. I ask my colleagues in the Congress to give it immediate attention.

ADJOURNMENT

Mr. LONG of Louisiana. Mr. President, if there be no further business to come before the Senate, I move that the Senate stand in adjournment until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 28 minutes p.m.) the Senate adjourned, until tomorrow, Thursday, November 16, 1967, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

WEDNESDAY, NOVEMBER 15, 1967

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

In all these things we are more than conquerors through Him who loves us.—Romans 8: 37.

Almighty and everlasting God, who art always more ready to hear than we are to pray, and art wont to give more than we desire or deserve, we humbly beseech Thee to take our lives into Thy loving hands and to hold us steady in the midst of these troubled times that we may feel Thy power underneath us, Thy love about us, Thy truth above us, and Thy spirit within us.

Help us to cast out every fear, strengthen us to walk in all good ways, set our affections upon things above, and give us the joy that humble service bestows and the peace of heart that comes to those committed to Thee and to the coming of Thy kingdom.

Bless Thou our President, our Speaker, and all these representatives of our people. Grant unto them the spirit of wisdom, goodness, and truth; and so rule their hearts and bless their endeavors, that law and order, justice and peace may everywhere prevail to the honor of our Nation and glory of Thy name, through Jesus Christ our Lord. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday were read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Geisler, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On November 8, 1967:

H.R. 5894. An act to amend titles 10, 32, and 37, United States Code, to remove restrictions on the careers of female officers in the Army, Navy, Air Force, and Marine Corps, and for other purposes;

H.R. 10196. An act making appropriations for the Departments of Labor, and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1968, and for other purposes;

H.R. 10345. An act making appropriations for the Departments of State, Justice, and Commerce, the judiciary, and related agencies for the fiscal year ending June 30, 1968, and for other purposes; and

H.R. 12474. An act making appropriations for the National Aeronautics and Space Administration for the fiscal year ending June 30, 1968, and for other purposes.

On November 9, 1967:

H.R. 5364. An act to provide for the conveyance of the interest held by the United States in certain real property situated in the State of Georgia.

On November 13, 1967:

H.R. 8569. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending June 30, 1968, and for other purposes.

On November 14, 1967:

H.R. 845. An act to authorize the Secretary of the Interior to construct, operate, and maintain the Nebraska Mid-State division, Missouri River Basin project, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 13606. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 13606) entitled "An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. BIBLE, Mr. RUSSELL, Mr. ELLENDER, Mr. MANSFIELD, Mr. PROXMIRE, Mr. YARBOROUGH, Mr. HAYDEN, Mr. YOUNG of North Dakota, Mr. KUCHEL, and Mr. SYMINGTON (ex officio) to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1556. An act for the relief of Dr. Orlando O. Lopez.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 780) entitled "An act to amend the Clean Air Act to authorize planning grants to air pollution control agencies; expand research provisions relating to fuels and vehicles; provide for interstate air pollution control agencies or commissions; authorize the establishment of air quality standards, and for other purposes."

ELECTION TO COMMITTEE ON PUBLIC WORKS

Mr. GERALD R. FORD. Mr. Speaker, I offer a resolution (H. Res. 977) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 977

Resolved, That CLARENCE E. MILLER, of Ohio, be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Public Works.

The resolution was agreed to.

A motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 13606, MILITARY CONSTRUCTION APPROPRIATIONS, 1968

Mr. SIKES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H.R. 13606, making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

The Chair hears none, and appoints the following conferees: Messrs. SIKES, MCFALL, PATTEN, LONG of Maryland, MAHON, CEDERBERG, JONAS, TALCOTT, and BOW.

TRIBUTE TO THE LATE MAJOR GENERAL BRUNO HOCHMUTH

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. RIVERS. Mr. Speaker, the Nation has suffered a grievous loss in the tragic death of Maj. Gen. Bruno A. Hochmuth, commanding general of the 3d Marine Division.

Every casualty in Vietnam is a sad and tragic incident and my heart goes out to all who have lost loved ones in this vital conflict in Southeast Asia.

And, especially, I wish to express to General Hochmuth's family my deepest sympathy in the loss of their husband, father, and son.

General Hochmuth's steadfastness, courage, and professional competence inspired those he led.

He was a marine's marine, and I know from my personal observation that he had much more to offer the world had he been spared.

Those who served under him were loyal to the core. Those above him lauded him. This is the true test of a great leader.

The Nation and the Marine Corps have suffered an irreplaceable loss and I have lost a friend for whom I had great personal admiration.

MESSAGE FROM THE PRESIDENT

The SPEAKER. The Chair lays before the House a message from the President of the United States.

CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 385]

Andrews, Ala.
Annunzio
Ashley
Aspinall
Bell
Broomfield
Brown, Calif.
Brown, Ohio
Button
Clawson, Del
Conte
Curtis
Dawson
Dingell
Dulski
Everett
Flood
Foley
Ford,
  William D.
Fountain
Heckler, Mass.
Herlong
Irwin
Kornegay
Kuykendall
Laird
McClory
MacGregor
Martin
Mathias, Calif.
Mathias, Md.
Multer
Purcell
Railsback
Resnick
Rhodes, Ariz.
St. Onge
Scherle
Tunney
Ullman
Utt
Van Deerlin
Williams, Miss.
Willis

The SPEAKER. On this rollcall 386 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ANNUAL REPORT OF U.S. PARTICIPATION IN THE UNITED NATIONS FOR THE CALENDAR YEAR 1966—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER. The Clerk will read the message from the President of the United States.

The following message from the President of the United States was read, and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed with illustrations:

To the Congress of the United States:

I am pleased to transmit the annual report on U.S. participation in the

United Nations for the calendar year 1966.

This report documents our continuing support for the United Nations, and our efforts to help it move toward the lofty goals set forth in its charter.

Its pages reflect encouraging progress in the effort to further international peace and security, economic, and social progress, human rights, and the rule of law among nations. They also reveal some discouraging setbacks.

One outstanding accomplishment during 1966 was the successful negotiation of the Outer Space Treaty, which bans weapons of mass destruction from space and calls for peaceful cooperation in its exploration and use. By unanimous vote, the General Assembly commended the treaty and urged all nations to adhere to it.

Not all progress made by the U.N. was dramatic, or widely reported. Within the U.N. system—as elsewhere—disputes and crises make headlines, while the quiet works of peace go largely unnoted. Yet, day by day, in the capitals of more than a hundred nations and in thousands of villages around the world, U.N. representatives work with governments and peoples to carry on man's endless struggle against ignorance, hunger, and disease. About 80 percent of the U.N.'s resources—not including those of international financing institutions—are used to promote economic and social development.

To improve these efforts, two particular U.N. activities during 1966 deserve special attention:

The United Nations development program completed its first year of operation. Merging two previously separate agencies, the new organization is designed to provide a more uniform and effective U.N. program of economic assistance. It is becoming one of the key organizations for multilateral assistance.

The General Assembly approved the charter of the U.N. Industrial Development Organization, which will help new nations create industries best suited to their development needs.

The General Assembly adopted two covenants to protect basic rights of mankind. One pertained to civil and political rights, the other to economic, social, and cultural rights. Their passage completed a task which the United Nations set for itself in 1948 with its Universal Declaration of Human Rights.

In addition, Ambassador Goldberg signed, on behalf of the United States, the Convention on the Elimination of All Forms of Racial Discrimination. Our signature reflects this Government's commitment to promote the cause of human rights and the end of racial discrimination.

Race repression still exists, however, and during 1966 the United Nations was intensively concerned with its manifestation in Southern Africa.

The United States proposed and supported measures designed to deal with the problem realistically, peacefully, and with concern for the provisions of the United Nations Charter.

We endorsed the limited economic sanctions invoked by the Security Council against the rebel regime in Southern Rhodesia. This was an effort to deal in moderate but responsible fashion with an emerging threat to the peace in the region. It is this Government's hope that the cumulative effect of the sanctions—and of the aroused international opinion which produced them—will persuade the Rhodesian regime to return to constitutional rule.

The United States also supported responsible efforts to enable the people of the former mandated territory of South-West Africa to advance toward self-determination and freedom from race discrimination.

We did not, however, join in extreme proposals which we considered unrealistic and consequently harmful to the United Nations and the achievement of its human rights goals.

One great disappointment during the year was the failure to find a peaceful solution to the war in Vietnam.

The United States sought unsuccessfully to obtain action on the problem in the Security Council. It persistently encouraged the Secretary General and member states to do what they could to bring about negotiations.

Those efforts have never abated. This Nation continues to search for an honorable settlement in Vietnam. It continues to hope that the United Nations will make its contribution toward such a settlement.

Another setback was the failure to prevent the violence which later broke out in the Middle East.

Throughout 1966 there was evidence of increased tension in that part of the world. The Security Council met three times to consider terrorism and reprisal raids on Israel's borders. The United States maintained the position that the parties concerned should refrain from the use of violence, and instead use U.N. peacekeeping machinery to seek redress.

As the world was to learn later to its sorrow, counsels of moderation did not prevail.

Deep differences over the organization and financing of future peacekeeping operations continue. The constitutional and financial deadlock which had severely hampered the organization during 1964 and 1965 no longer stood in the way of day-to-day operations, but little headway was made in settling financial problems for the future. The United States endeavored to seek agreement—and will continue to, for fundamental issues of peace are clearly involved.

On other financial matters, the U.N. made greater progress. In March, I directed the Secretary of State to help the organization achieve the greatest possible efficiency in the planning and operation of its programs. Pointing out that the United States is the largest single contributor to U.N. programs, I said in that directive:

> If we are to be a constructive influence in helping to strengthen the international agencies so they can meet essential new needs, we must apply to them the same rigorous standards of program performance and budget review that we do to our own Federal programs.

In line with this objective, the General Assembly approved recommendations to introduce a more effective use of funds and better coordination into its operation.

Our national interest and the high ideals of our tradition combine in American support of the United Nations.

Like other U.N. members, we seek to advance our own interests in this international forum.

But using the processes of persuasion, we also seek to foster that wide community of interest among nations which is man's best hope of establishing peace with honor and progress with justice.

We shall continue that search in the years ahead.

LYNDON B. JOHNSON.

THE WHITE HOUSE, *November 15, 1967.*

THE GOOD SHIP SINKS

Mr. HAYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

Mr. HALLECK. Mr. Speaker, reserving the right to object, I will say I am not going to object, but I am going to reiterate what I said yesterday evening. This is no reflection on the gentleman from Ohio. I have no objection to his speaking at any time he wants to. I always like to hear him. However, I do think when we have important matters like the one presently before us we ought to get on with it as best we can and not take the time of so many rollcalls during the 1-minute speeches. I want to make that clear.

I am not going to object to this one and I will not object to any more, but in the interest of expediting the business of the House, having said as much yesterday evening, I want to say it again, because there are more people here now than there were yesterday.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HAYS. Mr. Speaker, I thank the gentleman.

I was just going to make some very brief remarks on the subject of a shipwreck which occurred on a "Black" night last night in California when the good ship "Lollipop" went down. I just wanted to point out that the whole thing after today has a Hollywood, Alice in Wonderland character because the defeated candidate said she would be back. She has not been here yet, so how can she be back?

PEACE IN THE MIDDLE EAST

Mr. FARBSTEIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FARBSTEIN. Mr. Speaker, the failure of the Security Council to reach any agreement on the continuing crisis in the Middle East emphasizes the burden that rests with the United States for keeping the peace. Once again, the Arab States, in the Security Council negotiations, reveal their detachment from reality. Having threatened Israel with annihilation last spring, they continue to insist that Israel forswear all the benefits of the war they provoked, without their renouncing their evil objectives. Mr. Speaker, this detachment from reality may very well lead the Arabs into starting another round of fighting, as the Jordanian foreign minister himself indicated. Such fighting would serve only Russia's purposes. I trust that our Government will see to it that Israel is kept so strong that sensible Arabs will understand the inevitable futility of any resumption of the war.

U.S. FLIGHTS OVER CHINA

Mr. DOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOW. Mr. Speaker, it is with grave concern that I point out a remark attributed to a State Department spokesman in a recent editorial in the Saturday Review about flights by U.S. planes over Chinese territory.

According to this spokesman, and I quote the editorial:

> There is nothing new about flights by United States planes over Chinese territory. United States military planes have been flying authorized missions over Communist China for several years.

Further, the State Department spokesman, according to the editorial, stated that Communist China has full knowledge and understanding of our military flights over her territory and does not regard them as provocative.

Mr. Speaker, I view this revelation with great alarm. I would like to ask, first, is this true? And, if it is true, does it not pose a grave risk of all-out nuclear warfare with China's 750 million people?

Further, as the editorial points out, if China "understands" our flights over its sovereign territory, why did China recently shoot down two U.S. planes which our authorities assured us had "mistakenly wandered off course"?

Mr. Speaker, I do not think I am overstating the case when I say that the answers to these questions involve no less than the fate of this Nation in an all-out nuclear confrontation with China and the Communist bloc.

INVITATION EXTENDED TO MEMBERS OF CONGRESS TO VISIT HISTORIC FREDERICKSBURG

Mr. SCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER.** Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. SCOTT. Mr. Speaker, by this time Members of the House have probably all received an invitation to visit historic Fredericksburg, from the mayor, Josiah P. Rowe III. I would like to recommend this trip, which is just an hour's drive from Washington along Interstate Route 95, in the center of my congressional district, and one of the many pleasant historic spots in the district.

For those of you who are not too familiar with Virginia's history, you will be well rewarded by a relaxing visit as well as a lesson in the early development of our country.

RESERVE FORCES BILL OF RIGHTS AND VITALIZATION ACT—CONFERENCE REPORT

Mr. HÉBERT. Mr. Speaker, I call up the conference report on the bill (H.R. 2) to amend titles 10, 14, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and clarify the status of National Guard technicians, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The **SPEAKER.** Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 925)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) to amend titles 10, 14, 32, and 37, United States Code, to strengthen the reserve components of the armed forces, and clarify the status of National Guard technicians, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

That this Act may be cited as the "Reserve Forces Bill of Rights and Vitalization Act".

SEC. 2. Title 10, United States Code, is amended as follows:

(1) Section 136(b) is amended by inserting below the first sentence the following: "One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Manpower and Reserve Affairs. He shall have as his principal duty the overall supervision of manpower and reserve component affairs of the Department of Defense."

(2) Section 136 is amended by adding at the end thereof a new subsection as follows:

"(f) Within the Office of the Assistant Secretary of Defense for Manpower and Reserve Affairs there shall be a Deputy Assistant Secretary of Defense for Reserve Affairs who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. Subject to the supervision and control of the Assistant Secretary of Defense for Manpower and Reserve Affairs, the Deputy Assistant Secretary shall be responsible for all matters relating to reserve affairs within the Office of the Assistant Secretary of Defense for Manpower and Reserve Affairs."

(3) Section 175(a)(2) is amended to read as follows:

"(2) the Assistant Secretary of the Army for Manpower and Reserve Affairs, the Assistant Secretary of the Navy for Manpower and Reserve Affairs, and the Assistant Secretary of the Air Force for Manpower and Reserve Affairs;".

(4) Section 175 is amended by striking out subsections (b), (c), (d), and (e), and inserting in lieu thereof the following:

"(b) Whenever the Coast Guard is not operating as a service in the Navy, the Secretary of Transportation may designate an officer of the Regular Coast Guard or the Coast Guard Reserve to serve as a voting member of the Board.

"(c) The Board, acting through the Assistant Secretary of Defense for Manpower and Reserve Affairs is the principal policy adviser to the Secretary of Defense on matters relating to the reserve components.

"(d) This section does not affect the committees on reserve policies prescribed by section 3033, 5251, 5252, or 8033 of this title.

"(e) A member of a committee or board prescribed under a section listed in subsection (d) may, if otherwise eligible, be a member of the Reserve Forces Policy Board.

"(f) The Board shall act on those matters referred to it by the Chairman and, in addition, on any matter raised by a member of the Board."

(5) Section 262 is amended by striking out "the reserve components" and inserting "each reserve component" in place thereof.

(6) Section 264 is amended to read as follows:

"§ 264. Reserve affairs: designation of general or flag officer of each military department; personnel and logistic support for reserves; reports to Congress

"(a) The Secretary concerned may designate a general or flag officer of the armed forces under his jurisdiction to be directly responsible for reserve affairs to the Chief of Staff of the Army, the Chief of Naval Operations, the Chief of Staff of the Air Force, the Commandant of the Marine Corps, or the Commandant of the Coast Guard, as the case may be. This subsection does not affect the functions of the Chief of the National Guard Bureau, the Chief, Office of Army Reserve, or the Chief, Office of Air Force Reserve.

"(b) The Secretary concerned is responsible for providing the personnel, equipment, facilities, and other general logistic support necessary to enable units and Reserves in the Ready Reserve of the Reserve components under his jurisdiction to satisfy the training requirements and mobilization readiness requirements for those units and Reserves as recommended by the Secretary concerned and by the Joint Chiefs of Staff and approved by the Secretary of Defense, and as recommended by the Commandant of the Coast Guard and approved by the Secretary of Transportation when the Coast Guard is not operated as a service of the Navy.

"(c) The Secretary concerned shall submit a written report to the Committees on Armed Services of the Senate and the House of Representatives each year regarding the extent to which units and Reserves in the Ready Reserve of the Reserve components under his jurisdiction have satisfied the training and mobilization readiness requirements pursuant to subsection (b) of this section for the year with respect to which such report was submitted. Reports under this subsection shall be made on a fiscal year basis and the report for any fiscal year shall be submitted within 60 days after the end of the fiscal year for which it is submitted."

(7) The section analysis at the beginning of chapter 11 is amended by striking out

"264. Reserve affairs: responsibility for.".

and inserting in lieu thereof

"264. Reserve affairs: designation of general or flag officers of each military department; personnel and logistic support for reserves; reports to Congress.".

(8) Section 268 is amended by inserting the designation "(a)" at the beginning thereof and by adding the following new subsections:

"(b) Within the Ready Reserve of each of the Reserve components defined in section 261 of this title, there is a Selected Reserve, consisting of units, and, as designated by the Secretary concerned, of Reserves, trained as prescribed in section 270(a)(1) of this title or section 502(a) of title 32, United States Code, as appropriate.

"(c) The organization and unit structure of the Selected Reserve shall be approved—

"(1) in the case of the Coast Guard Reserve, by the Secretary of Transportation upon the recommendation of the Commandant of the Coast Guard, and

"(2) in the case of all other Reserve components, by the Secretary of Defense based upon recommendations from the military departments as approved by the Joint Chiefs of Staff in accordance wtih contingency and war plans."

(9) Section 269(e) (1)–(6) is amended to read as follows:

"(1) he served on active duty (other than for training) in the armed forces for an aggregate of at least five years; or

"(2) he served on active duty (other than for training) in the armed forces for an aggregate of less than five years, but satisfactorily participated, as determined by the Secretary concerned, in an accredited training program in the Ready Reserve for a period which, when added to his period of active duty (other than for training), totals at least five years, or such shorter period as the Secretary concerned, with the approval of the Secretary of Defense in the case of a Secretary of a military department, may prescribe for satisfactory participation in an accredited training program designated by the Secretary concerned."

(10) Section 270(a)(1) is amended to read as follows:

"(1) participate in at least 48 scheduled drills or training periods during each year and serve on active duty for training of not less than 14 days (exclusive of traveltime) during each year;".

(11) Section 511(d) is amended to read as follows:

"(d) Under regulations to be prescribed by the Secretary of Defense, or the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, a non-prior-service person who is under 26 years of age, who is qualified for induction for active duty in an armed force, and who is not under orders to report for induction into an armed force under the Military Selective Service Act of 1967 (50 App. U.S.C. 451–473), except as provided in section 6(c)(2)(A)(ii) and (iii) of such Act, may be enlisted in the Army National Guard or the Air National Guard, or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve, for a term of six years. Each person enlisted under this subsection shall perform an initial period of active duty for training of not less than four months to commence insofar as practicable within 180 days after the date of that enlistment."

(12) The text of section 3013 is amended to read as follows:

"There are an Under Secretary of the Army and four Assistant Secretaries of the Army in the Department of the Army. They shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. One of the Assistant Secretaries shall be the Assistant Secretary of the Army for Manpower and Reserve Affairs. He shall have as his principal duty the overall supervision of manpower and reserve component affairs of the Department of the Army."

(13) The first sentence of section 5034(a) is amended by striking out "three" and inserting in lieu thereof "four".

(14) Section 5034(b) is amended by adding at the end thereof the following: "One of the Assistant Secretaries shall be the Assistant Secretary of the Navy for Manpower and Reserve Affairs. He shall have as his principal duty the overall supervision of manpower and reserve component affairs of the Department of the Navy."

(15) The text of section 8013 is amended to read as follows:

"There are an Under Secretary of the Air Force and four Assistant Secretaries of the Air Force in the Department of the Air Force. They shall be appointed from civilian life by the President, by and with the advice and consent of the Senate. One of the Assistant Secretaries shall be the Assistant Secretary of the Air Force for a Manpower and Reserve Affairs. He shall have as his principal duty the overall supervision of manpower and reserve component affairs of the Department of the Air Force."

(16) Chapter 303 is amended by adding at the end thereof a new section 3019 as follows:

"§ 3019. Office of Army Reserve: appointment of Chief

"(a) There is in the executive part of the Department of the Army an Office of the Army Reserve which is headed by a chief who is the adviser to the Chief of Staff on Army Reserve matters.

"(b) The President, by and with the advice and consent of the Senate, shall appoint the Chief of Army Reserve from officers of the Army Reserve not on active duty, or on active duty under section 265 of this title, who—

"(1) have had at least 10 years of commissioned service in the Army Reserve;

"(2) are in grade of brigadier general and above; and

"(3) have been recommended by the Secretary of the Army.

"(c) The Chief of Army Reserve holds office for four years but may be removed for cause at any time. He is eligible to succeed himself. If he holds a lower reserve grade, he shall be appointed in the grade of major general for service in the Army Reserve.

(17) The following new item is added to the analysis of chapter 303:

"3019. Office of Army Reserve: appointment of Chief."

(18) The text of section 3033 is amended to read as follows:

"(a) There is in the office of the Secretary of the Army an Army Reserve Forces Policy Committee which shall review and comment upon major policy matters directly affecting the reserve components of the Army, and the Committee's comments on such policy matters shall accompany the final report regarding any such matters submitted to the Chief of Staff and the Assistant Secretary responsible for reserve affairs.

"(b) The Committee consists of officers in the grade of colonel or above, as follows:

"(1) five members of the Regular Army on duty with the Army General Staff;

"(2) five members of the Army National Guard of the United States not on active duty; and

"(3) five members of the Army Reserve not on active duty.

"(c) The members of the Committee shall select the Chairman from among the members on the Committee not on active duty.

"(d) A majority of the members of the Committee shall act whenever matters affecting both the Army National Guard of the United States and Army Reserve are being considered. However, when any matter solely affecting one of the reserve components of the Army is being considered, it shall be acted upon only by the Subcommittee on Army National Guard Policy or the Subcommittee on Army Reserve Policy, as appropriate.

"(e) The Subcommittee on Army National Guard Policy consists of the members of the Committee other than the Army Reserve members.

"(f) The Subcommittee on Army Reserve Policy consists of the members of the Committee other than the Army National Guard members.

"(g) Membership on the Committee is determined by the Secretary of the Army and is for a minimum period of three years. Except in the case of members of the Committee from the Regular Army, the Secretary of the Army, when appointing new members, shall insure that among the officers of each component on the Committee there will at all times be two or more members with more than one year of continuous service on the Committee.

"(h) There shall be not less than 10 officers of the Army National Guard of the United States and the Army Reserve on duty with the Army General Staff, one-half of whom shall be from each of those components. These officers shall be considered as additional members of the Army General Staff while on that duty."

(19) Chapter 803 is amended by adding at the end thereof a new section 8019 as follows:

"§ 8019. Office of Air Force Reserve: appointment of Chief

"(a) There is in the executive part of the Department of the Air Force an Office of Air Force Reserve which is headed by a chief who is the adviser to the Chief of Staff, on Air Force Reserve matters.

"(b) The President, by and with the advice and consent of the Senate, shall appoint the Chief of Air Force Reserve from officers of the Air Force Reserve not on active duty, or on active duty under section 265 of this title, who—

"(1) have had at least 10 years of commissioned service in the Air Force;

"(2) are in grade of brigadier general and above; and

"(3) have been recommended by the Secretary of the Air Force.

"(c) The Chief of Air Force Reserve holds office for four years, but may be removed for cause at any time. He is eligible to succeed himself. If he holds a lower reserve grade, he shall be appointed in the grade of major general for service in the Air Force Reserve."

(20) The following new item is added to the analysis of chapter 803:

"8019. Office of Air Force Reserve: appointment of Chief."

(21) The text of section 8033 is amended to read as follows:

"(a) There is in the Office of the Secretary of the Air Force an Air Reserve Forces Policy Committee on Air National Guard and Air Force Reserve Policy which shall review and comment upon major policy matters directly affecting the reserve components of the Air Force and the Committee's comments on such policy matters shall accompany the final report regarding any such matters submitted to the Chief of Staff, and the Assistant Secretary responsible for reserve affairs.

"(b) The Committee consists of officers in the grade of colonel or above, as follows:

"(1) five members of the Regular Air Force on duty with the Air Staff;

"(2) five members of the Air National Guard of the United States not on active duty;

"(3) five members of the Air Force Reserve not on active duty.

"(c) The members of the Committee shall select the Chairman from among the members on the Committee not on active duty.

"(d) A majority of the members of the Committee shall act whenever matters affecting both the Air National Guard of the United States and Air Force Reserve are being considered. However, when any matter solely affecting one of the Air Force Reserve components is being considered, it shall be acted upon only by the Subcommittee on Air National Guard Policy or the Subcommittee on Air Force Reserve Policy, as appropriate.

"(e) The Subcommittee on Air National Guard Policy consists of the members of the Committee other than the Air Force Reserve members.

"(f) The Subcommittee on Air Force Reserve Policy consists of the members of the Committee other than the Air National Guard members.

"(g) Membership on the Air Staff Committee is determined by the Secretary of the Air Force and is for a minimum period of three years. Except in the case of members of the Committee from the Regular Air Force, the Secretary of the Air Force, when appointing new members, shall insure that among the officers of each component on the Committee there will at all times be two or more members with more than one year of continuous service on the Committee.

"(h) There shall be not less than 10 officers of the Air National Guard of the United States and the Air Force Reserve on duty with the Air Staff, one-half of whom shall be from each of those components. These officers shall be considered as additional members of the Air Staff while on that duty."

(22) Section 8850 is amended by inserting before the period at the end of the first sentence "and who are not assigned to a unit organized to serve as a unit."

SEC. 3. Section 404(a) of title 37, United States Code, is amended by striking out "and" at the end of clause (2), striking out the period at the end of clause (3) and inserting in place thereof "; and", and adding the following new clause:

"(4) when away from home to perform duty, including duty by a member of the Army National Guard of the United States or the Air National Guard of the United States, as the case may be, in his status as a member of the National Guard, for which he is entitled to, or has waived, pay under this title."

SEC. 4. The last sentence of section 502(b) of title 32, United States Code, is amended to read as follows: "However, to have a series of formations credited as an assembly for drill and instruction, all parts of the unit must be included in the series within 30 consecutive days."

SEC. 5. From December 1, 1967, through June 30, 1969, appointments and promotions may be made without regard to the authorized strength in grade prescribed by or under chapter 831 of title 10, United States Code, to fill vacancies in units of the Air National Guard, and in units organized to serve as units in the Air Force Reserve, as follows:

(1) Before July 1, 1968, in the Air National Guard, 250 in the grade of lieutenant colonel and 340 in the grade of major, and in the Air Force Reserve, 270 in the grade of lieutenant colonel and 240 in the grade of major, and

(2) After June 30, 1968, in the Air National Guard, 220 in the grade of lieutenant colonel and 300 in the grade of major, and in the Air Force Reserve, 125 in the grade of lieutenant colonel and 175 in the grade of major.

SEC. 6. Section 412 of Public Law 86-149, as amended, is amended by adding at the end thereof a new subsection as follows:

"(c) Beginning with the fiscal year which begins July 1, 1968, and for each fiscal year thereafter, the Congress shall authorize the personnel strength of the Selected Reserve of each Reserve component of the Armed Forces; and no funds may be appropriated for any fiscal year begining on or after such date for the pay and allowances of members of any Reserve component of the Armed Forces unless the personnel strength of the Selected Reserve of such Reserve component for such fiscal year has been authorized by law."

SEC. 7. The provisions of this Act shall become effective on the first day of the first calendar month following the date of enactment.

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate to the title of the bill and agree to the same.

L. MENDELL RIVERS,
WILLIAM H. BATES,
F. EDW. HÉBERT,
WILLIAM G. BRAY,
PORTER HARDY, Jr.,
Managers on the Part of the House.
RICHARD B. RUSSELL,
JOHN C. STENNIS,
STUART SYMINGTON,
HENRY M. JACKSON,
MARGARET CHASE SMITH,
STROM THURMOND,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2), an act to amend titles 10, 14, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and clarify the status of National Guard technicians, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The House, on February 20, 1967, passed and referred to the Senate H.R. 2, a bill, the basic purpose of which was to provide statutory changes in the organizational and administrative structure of the Reserve components of the Armed Forces so as to enable each of the Reserve components to more fully and effectively meet their mobilization readiness requirements as dictated by our contingency and war plans.

A secondary objective of H.R. 2 was to provide a Federal employee status for technicians employed by the National Guard so as to enable these National Guard units to continue to maintain an adequate force of capable, efficient, and dedicated career employees.

The Senate, on November 8, 1967, amended the House bill, H.R. 2, by striking all after the enacting clause and substituting new language in the form of an amendment.

As a consequence of the Senate action, there existed a number of substantive differences in the House and Senate versions of H.R. 2. Each of the major differences are identified below, together with a resolution of the differences as agreed upon by the conferees.

DIFFERENCE NO. 1

Mandatory strength floors for each of the Reserve components

The House version of H.R. 2 provided for permanent mandatory minimum strengths for the Selected Reserve in each of the Reserve components.

The Senate was unwilling to establish minimum strengths for the Selected Reserve as a matter of permanent law, and substituted language which provided that the personnel strengths of each of the Selected Reserves of the Reserve components shall hereafter be authorized by law on an annual basis as a prior condition for the appropriation of funds for the pay and allowances for the Reserve components.

The Senate language would therefore require annual authorizations before appropriations for pay and allowances for the Reserve components may be made for any fiscal year after the year ending June 30, 1968.

The House conferees agreed to the Senate language and therefore receded from their position.

DIFFERENCE NO. 2

Mandatory language on the procurement of equipment for Reserve units

The House bill contained mandatory language which required the Secretary concerned to expeditiously procure equipment necessary for the training and mobilization capability of the Reserve components.

The Senate eliminated the House language and substituted language which makes clear as a congressional mandate that each of the Secretaries of the Military Departments shall be responsible for the equipment, facilities, and other general logistical support necessary to enable the Ready Reserves of their Department to meet training and mobilization requirements.

The House conferees therefore receded and accepted the Senate language.

DIFFERENCE NO. 3

Position of Assistant Secretary of Defense for Reserve Affairs

The House language would have increased the Assistant Secretaries of Defense from seven to eight and provided for a new Assistant Secretary of Defense for Reserve Affairs.

The Senate eliminated the House language and substituted language which would create the statutory position of Deputy Assistant Secretary of Defense for Reserve Affairs within the Office of the Assistant Secretary of Defense for Manpower and Reserve Affairs. The Deputy Assistant would be appointed from civilian life by the President with the advice of the Senate and would be responsible for matters relating to Reserve affairs within the Office of the Assistant Secretary.

The House conferees opposed the Senate language since in their view it did not provide the Reserve components with a civilian Secretary of sufficient stature who could effectively coordinate and revitalize the Reserve components. The House conferees pointed out that the present obvious lack of readiness in all of the Reserve components is essentially due to a failure in the civilian secretariat to give proper consideration to the needs of the Reserve components.

The House conferees therefore strongly believe that the only long-term solution to this problem is the creation of the statutory position of an Assistant Secretary of Defense for Reserve Affairs.

The Senate conferees expressed their appreciation of the House view and agreed that if the proposed statutory position of Deputy Assistant Secretary of Defense for Reserve Affairs did not prove completely responsive to the current need of the Reserve components, the Senate Armed Services Committee will give prompt consideration to any future legislative proposal which would increase the stature of this civilian Secretary to that of Assistant Secretary of Defense.

In view of the adamant position of the Senate conferees, the House receded and accepted the Senate language.

DIFFERENCE NO. 4

Unit promotion authority

The House language would have authorized the Army and Air Force to exceed the statutory Reserve officer personnel ceilings in order to make unit Reserve promotions.

The Senate deleted this provision in its entirety.

The Senate conferees pointed out that the Congress had for approximately 10 years until 1965 permitted the Air Force to exceed the authorized grade ceilings of the Reserve Officer Personnel Act of 1954 in order to continue to make unit promotions. Therefore, the Senate was of the view that a further extension of this authority should not be granted.

The House conferees pointed out that it is the intent of the Air Force to proceed with administrative screening action which it anticipates will bring the numbers of officers in the Air Force Reserve components in the various grades within the statutory grade ceilings. However, the Air Force will require approximately 2 years to accomplish this objective. Therefore, without temporary relief for the Air Force Reserve components, the promotion and acquisition of key officers (e.g., medical and pilots) will continue to be blocked in major and lieutenant colonel grades.

The House conferees therefore insisted that the Air Force be given temporary statutory relief during fiscal years 1968 and 1969 to fill unit vacancies in the grade of major and lieutenant colonel without regard to statutory grade ceilings. The temporary authority recommended for the Air Force would affect the following number of officers:

	Lieutenant colonel (0-5)	Major (0-4)	Total
For fiscal year 1968:			
Air National Guard	250	340	590
Air Force Reserve	270	240	610
Total	520	580	1,200
For fiscal year 1969:			
Air National Guard	220	300	520
Air Force Reserve	125	175	300
Total	345	475	820

In view of the adamant position of the House conferees, the Senate conferees receded and accepted the House position and inserted new language to effect this temporary authority. The new language appears as section 5 of the bill as reported by the conferees.

DIFFERENCE NO. 5

National Guard technician retirement program

Title II of the bill as passed by the House related to civilian technicians who are employed by the National Guard in connection with the administration, training, and the maintenance of supplies for the National Guard. These persons now number about 40,000 and are non-Federal employees except for those in the District of Columbia.

The principal purpose of title II as passed by the House was to convert the Guard technicians to Federal employee status with the technicians becoming Federal employees and therefore eligible for all the benefits afforded Federal employees, including civil service retirement.

The Senate deleted title II in its entirety.

The Senate conferees pointed out that the Senate Armed Services Committee had voted unanimously to defer action on the technician matter in order to permit further review of a number of complicated questions. The issues involved in converting the technician program to Federal employee status present many actuarial problems as well as legal and equitable questions.

Some of the issues presented by title II with respect to the technician program include the following:

(*a*) The effect of title II on the Federal/State relationship of the National Guard.

(*b*) The precedent which may be established by title II with respect to other employee groups now paid wholly or in part from Federal funds who may in the future desire inclusion in the civil service retirement system and other Federal benefit programs.

(*c*) The effect of title II on the employees who might desire to remain within the State retirement system.

(*d*) The actuarial and cost implications involved in the legislation.

(*e*) Other possible legislative alternatives for meeting the technician retirement problem.

The House conferees were unanimous in their view that an effective and adequate retirement program for technicians in the National Guard is long overdue. Therefore, the House conferees were unwilling to accept elimination of this title of the bill without an assurance that the Senate Armed Services Committee would give prompt and full consideration to this problem early in 1968.

The Senate conferees agreed that the matter would be taken up for disposition in the early months of the next session of the Congress and, therefore, the House conferees reluctantly receded from their position and accepted the Senate action.

L. MENDEL RIVERS,
WILLIAM H. BATES,
F. EDW. HÉBERT,
WILLIAM G. BRAY,
PORTER HARDY, Jr.,
Managers on the Part of the House.

Mr. HÉBERT. Mr. Speaker, this conference report today brings us to the end of a long, long trail which started some 3 years ago.

H.R. 2, as reported by the conferees, is a highly significant legislative item affecting the future of all our Reserve components.

The common objective of the entire bill is to provide for a number of organizational changes which enable our Reserves to more effectively fulfill their role as a vital part of our national defense forces.

I will not attempt to review every specific provision in the bill. However, suffice it to say, each of the provisions in the bill will contribute significantly toward providing us with a genuinely combat ready Reserve force.

The bill, as agreed to by the conferees, creates a Selected Reserve in each of the Reserve components with the requirement that there be an annual authorization for the strength of these Selected Reserves before pay and allowances can be appropriated by the Congress.

Thus, this bill provides a new statutory basis for that portion of our seven Reserve components which will receive the highest priority in terms of personnel, training, and equipment. This is the Selected Reserve which necessarily represents the first line of defense in our Ready Reserve Forces.

The Congress, as well as the American public, is will aware of the unfortunate lack of combat readiness in our Reserve components. A significant contributing factor to this unfortunate condition is the historic failure of the Department of Defense and the individual service departments to adequately support these various Reserve components in terms of personnel, training, and equipment.

Under the terms of this bill there is a statutory mandate making each of the Secretaries having Ready Reserve Forces within their Department personally responsible for the personnel, equipment, facilities, and logistical support necessary to fully satisfy the training and mobilization requirements for these elements of our Ready Reserve Force.

This provision clearly establishes the intent of Congress that our civilian Secretaries must take all the steps necessary within their Departments to insure that our Reserve components, particularly those in the Selected Reserve, will satisfy their training and mobilization requirements and thereby achieve the high state of readiness which is essential to the fulfillment of our war and contingency planning.

Unfortunately, one of the key provisions in the bill relating to the establishment of a retirement program for National Guard technicians did not survive the conference. Every House conferee felt most strongly that it was essential that our dedicated National Guard technicians be given the benefits now provided our Federal employees in respect to retirement, medicare, et cetera. We all felt, and I might add that the Senate conferees generally shared this view, that we must do something very quickly to insure that our National Guard will continue to be manned in the most vital positions by dedicated career technicians. Despite the position of the House conferees, the Senate conferees were of the view that the proposal recommended by the Department of Defense and passed by the House embraced many vital problems whose resolution, in their judgment, was quite unclear. Therefore, the Senate conferees were absolutely adamant in their unwillingness to include any provision in this bill which would establish a retirement program for National Guard technicians. However, the Senate conferees agreed that in view of the critical nature of this problem, they would reconsider this provision of H.R. 2 early in the next session of the Congress. It was on this basis that the House conferees agreed to recede from their position and accept the Senate action.

Mr. Speaker, I submit to the Members of the House that this piece of legislation is one of the most important pieces of legislation that we have considered in many, many years. It insures the economy of operation and the integrity of the Reserves and of the National Guard. It makes it compulsory upon the part of the Department of Defense to make a report every year in order that we may review the Reserve situation as administered by the Department of Defense.

Mr. Speaker, it returns the legislative prerogative insofar as the personnel strengths of the Reserve Forces are concerned, to the House Armed Services Committee and the Senate Armed Services Committee. This removes from the Committee on Appropriations the necessity of including legislation on this matter in the annual Department of Defense appropriation bill.

Mr. Speaker, this position is concurred in by the chairman of the Committee on Appropriations, who has long sought to give to the legislative committee of the House of Representatives its full jurisdiction.

Mr. Speaker, I hope that the conference report is adopted. I have nothing further to add except this: I would feel remiss if I did not pay a compliment to the members of my subcommittee, and particularly to my opposite member on the Republican side, the gentleman from Indiana [Mr. BRAY], who has been a very strong individual in helping the subcommittee resolve this complex problem.

I also wish to pay tribute and to give credit for the complete support given to me by the chairman of the full committee, the gentleman from South Carolina, MENDEL RIVERS. At no time was the subcommittee handicapped or given any instructions other than full support of our efforts. I am sure every member of my subcommittee appreciates the attitude of the chairman.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Florida.

Mr. SIKES. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I wish to commend the distinguished gentleman from Louisiana, the chairman of the subcommittee, and the author of the bill H.R. 2.

Passage of this measure has indeed been a long and rocky road. Nevertheless, the measure now before us represents a definite step forward. It provides stabilizing factors which we have long needed in the efforts to insure that America will have strong and effective Reserve components. H.R. 2 as it passed the House, provided additional guarantees that are not spelled out in the present version, but I recognize the fact the bill now before us is the best solution which could be achieved in conference.

It is very important that the terms of this bill be implemented speedily and that advantage be taken of the cooperative attitude which now exists between the Congress and the Pentagon to provide more efficiency and greater readiness in the Reserves. I am certain there is general satisfaction in the fact that such an opportunity now is provided. The gentleman from Louisiana and his committee have rendered a valuable service which I feel will be reflected in an improved and more effective Reserve organization and consequently in a stronger national defense.

Mr. HÉBERT. Mr. Speaker, I yield such time as he may consume to the gentleman from Indiana [Mr. BRAY].

Mr. BRAY. Mr. Speaker, the gentleman from Louisiana has set out very clearly the details of this conference report. This is, as has been said, the end of a long road in attempting to bring some understanding and stability out of the chaos existing in the present administration of Reserve affairs.

If the Members of this body will recall, the second bill passed this year was this bill, H.R. 2. It was one of the earlier bills passed the year before and, as I recall, even before that, but we were never able to get the Senate to act on it. This time they did act, and as soon as they acted the conference committee was appointed and met.

Mr. Speaker, generally this is a very good bill, but frankly it is not, in my opinion, as good a bill as left the House, and I shall explain the reasons for this statement.

First, the other body did eliminate the retirement technician program, but there is a logical reason for this action. Many States have different regulations on the subject of technican retirement. It is going to take time and very careful study to prepare proper legislation to cover this. If this bill had been passed and had become law at the time it was originally passed by this body, we would not have had that problem because, since that time, many of the States have passed regulations that must be considered in the enactment of proper legislation on the retirement pay of Reserve and Guard technicians. Many of these laws had not been passed by the States at the time the House originally passed this bill.

There is another matter that I regret that we had to agree to in the conference. The House had made arrangements in our bill for the appointment from civilian life of an Assistant Secretary in Charge of Reserve Guard Affairs, to be approved and confirmed by the Senate. This was very fine. The other body in their bill had set up a deputy to the Assistant Secretary, also to be confirmed by the Senate. The House version of this is clearly superior to that of the Senate. This gives the Secretary the prestige and influence that he so badly needs.

I will tell the Members of the House very frankly that the House conferees worked diligently to get the Senate to accept our version, but we were unsuccessful. I hope that the accepted version works satisfactorily. If it does not, we have the promise of the Senate conferees to go into the matter next year.

But, Mr. Speaker, in summing it up, I will say this is a very good bill, and it is absolutely necessary, because the desire of the Department of Defense for the last 6 years was to make continual changes in the status, strength, and units of the National Guard and the Reserve.

Every year, the Office of the Secretary of Defense had new ideas as to making major changes usually to cut down the strength of the Reserve components. These actions threw the whole Reserve and Guard into a very difficult position because they could not plan. Such actions and attempted actions on the part of the Secretary of Defense was detrimental to the morale and effectiveness of our Reserve components. This, in my opinion, contributed a great deal to the many Reserve problems that we have.

In order to really save the Reserves and Guard, in the past, we had to legislate on an appropriation bill to fix the Reserve and Guard strength which we never like to do unless it is necessary.

But I do want to commend the Committee on Appropriations for saving the stability of the Guard and the Reserve until we could get this bill passed.

Now the strength will be fixed by the legislative body, the legislative committees, which always should have been the case—but it was impossible to do so until this legislation, H.R. 2, was passed.

Mr. Speaker, in closing I want to say that this legislation is the "Reserve bill of rights," and while not as good a bill as passed the House, it is a good bill and with the action as promised by the Senate conferees next year, this legislation shall be the cornerstone making an era of better and more capable Reserve components in the years to come.

Mr. WHITTEN. Mr. Speaker, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Mississippi.

Mr. WHITTEN. Mr. Speaker, I congratulate the gentleman from Louisiana and his conferees for the job they have done both in passing the original bill H.R. 2 with regard to Reserve components of the armed services and in working out this agreement with the Senate, though I am sure there will be disappointments on the part of technicians because House conferees were unable to retain civil service benefits.

Mr. Speaker, I hope this bill will give to the Reserve components of the armed services the stability which we have tried so hard to preserve against the desires and efforts of the Department of Defense.

Notwithstanding article I, section 8, of the Constitution which gives to the Congress the power "to provide for the common defense," to raise and support armies, to provide for organizing, arming, and disciplining the militia, and notwithstanding the fact that the Congress has made its views plain, since 1959, each year the Committee on Appropriations has had to write language providing for a "mandatory minimum strength level of 300,000 for the Army Reserve and a mandatory minimum level of 400,000 for the Army National Guard."

Despite this action at times there has been little effort to see that these forces were fully equipped.

Mr. Speaker, I hope that even the Secretary of Defense cannot misunderstand the intent of Congress, but if he does, I trust we can take appropriate action to maintain the Reserves and Guard, which have proven so effective in time of war and at present so necessary in many areas to maintain peace and order at home.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman.

Mr. RIVERS. Mr. Speaker, the Congress and the Nation owes the distinguished gentleman from Louisiana [Mr. HÉBERT] and his dedicated subcommittee a great debt of gratitude for the final resolution of this Guard-Reserve matter. Therefore, with the exception of resolving the technician matter contained in title II of this bill, for which the gentleman from Louisiana has a solid commitment from the Senate Armed Services to take up the technician retirement program early next year, this bill puts into positive statutory language the future status of our Reserve forces.

I want to call to the attention of the House that the House of Representatives and the Congress will have control of both the ceiling and the floor as to the number of reserves contained in our Reserve elements. Each year we must—we must legislate on this matter. I want to congratulate the gentleman from Louisiana [Mr. HÉBERT] and his committee for a magnificent job and they deserve the thanks of the Nation.

Mr. HÉBERT. I thank the distinguished gentleman.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman.

Mr. MONTGOMERY. Mr. Speaker, I also would like to join my colleagues in commending the chairman of the Subcommittee on Armed Services for bringing this bill back to the House floor in this conference report. I think passage of the bill will mean a great deal to the Reserve components of our country. Strength controls have now been set by Congress and will be reviewed each year by Congress. The Secretary of Defense will not be able to juggle strength figures as he has done in the past.

As you know, this bill, H.R. 2, is known as the Reserve bill of rights. I would say though to the distinguished gentleman from Louisiana, I was disappointed that title II of this bill had to be taken out, which was the technicians part of the bill, which put technicians under the retirement system of the civil service. I hope the gentleman as chairman of this committee can reconsider this step taken by the conferees and that next year we can consider putting the technicians under the retirement system.

Again I want to join my colleagues in congratulating the gentleman and his committee. I think this is a definite step in strengthening the Reserve forces of this country.

Mr. HÉBERT. I thank the gentleman from Mississippi. I would repeat what I said in my earlier statement. Nobody is more disappointed than the members of our subcommittee because we had to abandon, at this time, the legislation with reference to technicians in the Guard. But we have a positive and definite assurance that it will be taken up immediately. It was a question of getting a bill now or not getting a bill and recognizing the realities and the facts of life, we receded in that respect but we do have a commitment on that.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Texas.

Mr. PICKLE. Does the gentleman think it is possible that we might have some relief in this field during the coming year?

Mr. HÉBERT. Of course, we are pretty nearly at the beginning of the coming year. I cannot speak for the Senate, except that we do have a direct and positive commitment from Senate conferees. Keep in mind that on two occasions this body has passed the technicians section of the bill. On each occasion it has met its fate over in the Senate. I cannot speak for the other body except to say again that Senator RUSSELL and Senator STENNIS both have committed themselves to a thorough review at the earliest possible time. I cannot go beyond that. But I have great respect for the integrity of both of those gentlemen.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1967

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (S. 2388) to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill S. 2388, with Mr. SIKES (chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee rose on yesterday, it had been agreed that section 103 of the committee substitute ending on line 21, page 211, would be considered as read and open to amendment at any point. Are there further amendments to section 103?

AMENDMENT OFFERED BY MR. HAWKINS

Mr. HAWKINS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HAWKINS: Beginning with line 5 on page 171, strike out everything down through line 9 on page 172, and insert in lieu thereof the following:
>
> "COMMUNITY ACTION PROGRAMS
>
> "SEC. 210. (a) A 'community action program' is a program which—
>
> "(1) mobilizes and utilizes in an attack on poverty resources, public or private, of any community;
>
> "(2) provides services, assistance, and other activities of sufficient scope and size to give promise of progress toward elimination of poverty or a cause or causes of poverty through developing employment opportunities, improving human performance, motivation, and productivity, or bettering the conditions under which people live, learn, and work;
>
> "(3) is developed, conducted, and administered with maximum feasible participation of residents of the areas and members of the group served; and
>
> "(4) is conducted, administered, or coordinated by a public or private nonprofit agency (other than a political party) or a combination thereof (hereinafter referred to as a 'community action agency')."
>
> On page 173, strike out lines 4 through 17 and insert in lieu thereof the following:
>
> "(d)(1) The Director shall not approve or continue to fund a community action program which is conducted, administered, or coordinated by a board which contains representatives of various geographical areas in the community unless such representatives are required to live in the area they represent.
>
> "(2) The Director shall not approve, or continue to fund a community action program which is conducted, administered, or coordinated by a board on which representatives of the poor do not comprise at least one-third of the membership. The representatives of the poor shall be selected by the residents in areas of concentration of poverty, with special emphasis on participation by the residents of the area who are poor. In communities where substantial numbers of the poor reside outside of areas of concentration of poverty, provision shall be made for selection of representatives of such poor through a process, such as neighborhood meetings, in which the poor participate to the greatest possible degree."
>
> Beginning with line 1 on page 174, strike out everything down through line 15 on page 176.

(By unanimous consent, Mr. HAWKINS was allowed to proceed for 5 additional minutes.)

Mr. HAWKINS. Mr. Chairman, this amendment, which is sponsored by Mr. REID of New York and me, simply continues without change the existing law in respect to organizing community action agencies. Nothing new is added.

The Green amendment to completely restructure community action agencies so as to require them to be the State or one of its political subdivisions seeks to redirect the war on poverty from its original objective, of creating self-sustaining and productive citizens, to one of retreating to a welfare program.

Since the war on poverty is being redirected, the American people have a right to know precisely how and in what direction we now intend to travel. Unlike the redirection of the long-debated opportunity crusade, the Green amendment redirection has never been subjected to scrutiny in open hearings, and is, therefore, more imprecise as to meaning, probable effects, and even as to what commitments have been made and to whom.

The reason for the sudden redirection is even more obscured by the findings of the committee which state on page 22 of the committee report:

> The committee finds that there is no correlation between an agency's legal form and the success of its program. Effective and ineffective programs can be found under both the public and private nonprofit structures.

Strengthening the role of elected public officials is not the issue. This field of dealing with poverty has historically belonged to locally elected public officials. And I am sure all of us would be delighted to leave, if we could, the problem to them.

But we recall too vividly the 17th century welfare practices that have prevailed in many counties of the Nation, and the orphan homes, poorhouses, and snakepit instance asylums. It was such practices that gave birth to Federal concern and leadership.

The Economic Opportunity Act, however, attempts to mobilize not just public officials but the total community in an all-out attack on the root causes of poverty. If the Green amendment encouraged real honest involvement of public officials without destroying broadly based community action, it would be highly desirable.

What it seems to be saying, however, is this: the Office of Economic Opportunity is wasteful and poorly administered, and we need locally elected public officials to curb the abuses of this agency which we created and which we alone can reach legislatively.

If, as the gentlewoman from Oregon [Mrs. GREEN] says, it was the Congress that gave this so-called white knight, the OEO, his armor and his mission, then it is this Congress, not local public officials, who should defrock, if it is necessary, the "white knight in shining armor." And we should not leave any implication as she did that this Federal agency might be handling funds improperly and is fiscally not accountable to its creator, this Congress. The lady from Oregon says, "let us have faith in local officials." I say, let us have faith in ourselves as the creator of the OEO.

The amendment requires not only that the umbrella community action agency be dominated by elected public officials but that even neighborhood centers, boards and committees also include one-third elected public officials or their representatives—section 211(c) of the Green amendment, page 175, S. 2388.

This double-barrel attack on existing law could easily result in creating a Tammany Hall superstructure downtown, and little neighborhood wigwams in various political precincts that would completely submerge community groups and the poor.

Not content with this, however, the amendment attacks representation of the poor in community action by repealing outright section 202(a) of the existing law. This section defines a "community action program," among other things, as one "which is developed, conducted, and administered with maximum feasible participation of residents of the areas and members of the groups served."

Take this away and you have destroyed the very essence of the program, the involvement to the "maximum feasible" extent of the poor themselves in the decisions and operation of programs that affect their lives.

Repeal this concept and you have taken away what is the Magna Carta of the rights and privileges of the poor to have first claim on the benefits and services provided under the act, and an assurance of maximum initiative and self-determination by the poor, without which they cannot hope to escape poverty.

But even the "representatives of the poor" under the Green proposal will presumably be selected by public officials and not as now "by the residents in areas of concentration of poverty," for section 202(c)(3) of existing law is also being repealed—page 89 of the report.

However, just the reverse is also being promised. In the RECORD of November 7, 1967, on page 31417, in answering the gentleman from New York [Mr. FARBSTEIN], the gentlewoman from Oregon [Mrs. GREEN] said this:

> One-third of the board would be representatives of the poor, *elected* in a democratic process by the poor.

If this is the intent, I challenge the advocates of the Green amendment to write it into the law. In the one place above all, that of creating expectations among the poor, it is essential that we be precise.

I firmly believe that those who believe in States rights and home rule will not object if we insist on a little democracy in the war on poverty which affects all Americans, rich and poor, white and black.

Now, when we are just beginning to see tangible results of the poor becoming self-sufficient and productive citizens, is not the time to turn the program into a giant welfare scheme in which the poor will have meaningless participation in decisions or operations, or a lack of feeling of doing things for themselves.

Those who advocate the Green amendment would make the poor subservient. They want them to go hat in hand to welfare offices and city hall. They want the poor to feel inferior, humble, and grateful. They demand of the poor that they surrender their independence, self-reliance, and dignity for an antipoverty program. I believe the poor are too proud to pay such a price.

And I believe that the Congress, which is the hope of free peoples everywhere, would not want to project such an image of America's integrity and leadership.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, it is the hope of the members of the committee that we will be able to complete the legislation today and go to conference and get the bill signed before Thanksgiving. I am hopeful that we can proceed along here today expeditiously and wind this thing up at a reasonable hour.

Mr. Chairman, I regret to walk down here in the well and oppose the distinguished gentleman from California on his amendment. He has been diligent and constructive in his efforts to bring this bill to the floor of the House. He has made outstanding contributions not only to this bill but also other significant legislative enactments originating in our committee. I can see the gentleman's point of view.

Mr. Chairman, the crucial issue before us is whether we are to repudiate the judgment of a large majority of the committee—and a bipartisan majority—that the changes in the law reflected in sections 210 and 211 of the committee bill are necessary to the proper implementation of the community action program, and should be retained. Equally at stake, I would remind the gentleman from California, is the formula which has thus far provided us with the key to success for the House bill. Should we jettison this formula, which was carefully worked out by our distinguished colleagues on the committee, we may well be passing a death sentence upon this bill.

Mr. Chairman, it is absolutely vital to the success of community action that duly-elected local officials play a leading role in the local programs. Such a role will be guaranteed under the provisions of the committee bill this amendment would delete. We must reject this attempt to deny local and State officials their appropriate role in the war on poverty.

Mr. Chairman, the committee bill will not deny the poor a role in the program, nor will it deny such a role to the private sector. Allegations to the contrary are simply untrue.

It is important that the central thrust of sections 210 and 211 be retained, and that efforts to undermine this vital part of the committee bill be turned back.

Mr. Chairman, the amendment should be defeated.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Chairman, I wonder if the gentleman would be good enough to comment upon the provisions of section (b) of the bill and if it is brought into play, that the author of the amendment feels that the poor people will not have an opportunity to participate?

Would the chairman of the committee care to comment on that question?

Mr. PERKINS. The gentleman is correct under paragraph (b) of section 211 at least one-third of the board must be representatives of the people to be served—the poor.

The CHAIRMAN pro tempore (Mr. SIKES). The time of the gentleman from Kentucky has expired.

Mr. REID of New York. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I rise in strong support of the amendment which has been offered by the distinguished gentleman from California [Mr. HAWKINS]. It is very clear in its intent. It would retain the language of the existing statute with respect to community action agencies.

Mr. Chairman, my concern can be stated quite simply: I believe that the Green amendment could stifle innovation and move community efforts back to the smoke-filled rooms and to the political clubhouses and could permit city hall to take direct political control of community action.

Mr. Chairman, I do not believe the Green amendment is an amendment involving just better coordination. In my opinion, the thrust of that amendment is very clear: It opens the way for community action programs to come under direct political control.

Certainly, Mr. Chairman, I would state that I believe it is very important that we not stifle innovation, that we encourage flexibility in our community action programs.

Local governments clearly differ. They have different capacities and different initiatives.

I believe it is unwise to bind into the political structure of every community the innovative spirit and capacity of community action.

Further, and this is the third point, I believe the amendment is necessary because the committee bill now pending before the House could wreak havoc with the 1,100 existing CAP groups. There is not a permissive word in the language contained in this section of the bill. It is a mandatory change for some 1,100 community action groups.

And this, in my judgment, could result in complete chaos. But above all what we are talking about is the spirit of community action and the importance of involving the poor themselves in their own future. What we are talking about—and I believe this is most important—is the basic necessity of encouraging at the local level a spirit of initiative and a feeling in the people of the area that they have a part to play in the action in their community; that they can do something concerning the betterment of their own lives. Community action means that their skill and their dedication and their interest do indeed matter, and we insure that they will continue to matter.

To leave the language in the bill as reported by the committee in my judgment would place the dead hand—the dead hand—of the political clubhouse on the community action program. I believe that that is not the way to spur or encourage social innovation or progress or commitment or spirit, particularly by the people most directly involved.

I believe this House should support the amendment of the gentleman from California. Let us place our faith in the people and in local innovation, and not in the political clubhouse.

Mr. Speaker, the committee amendment would be, in my judgment, a serious mistake, and I urge the support of the Members for the amendment offered by the gentleman from California.

Mr. SCHEUER. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the amendment.

Mr. Chairman, I would like to congratulate my colleague from California for having presented this amendment which I heartily endorse. He and I voted against the Green amendment in committee, and I join him in urging that the Members support his amendment.

We have heard explanations that the Green amendment would make the community action process more orderly; would organize it, harmonize it, and so forth. I do not believe that for a moment. On the contrary, I believe it would give a clear and unmistakable signal to the poor that we are reneging on the promise inherent in the warp and woof of the Equal Opportunity Act to give the poor a voice in their future, the promise to give them a grasp on the lever of power to affect their lives and prospects positively, and productively, the promise to let them participate in the design of the engines of their escape from poverty.

This would simply add to the frustration, resentment, and bitterness that has already been produced by the painfully and pathetically meager level of resources which we have been willing as a nation to channel into the program thus far. Our stated national commitment to the eradication of poverty has seemed increasingly hollow and insincere to the poor, as we have dillied and dallied and delayed in investing dollars even remotely appropriate to our goals; that commitment will seem emptier than ever if we appear to be removing the poor from power and decisionmaking over programs designed to liberate them from the shackles of poverty.

Mr. RYAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I want to commend the very thoughtful statement of the gentleman from California [Mr. HAWKINS].

What the amendment proposes very simply is to retain the present statutory framework for community action programs. The issue is whether or not to continue and develop the unique concept of the "maximum feasible participation of the poor" by adopting the Hawkins amendment.

The issue is not whether or not one should have confidence in local public officials.

I believe there has been a confusion as to functions all through this debate. The function of a legislator, a public official elected to legislative office, is not to administer local programs. I have heard the argument here that legislators should serve on community action boards.

Under the present law, the local communities have been free to determine the composition of their community action boards except for the requirement, which we wrote into the law 1 year ago, that one-third be representatives of the poor, selected by the poor.

In some cities that provision has not been satisfied. But to require that local community action boards be dominated by local public officials and others selected by them through the mechanism of the Green amendment is to lock the indigenous poor out of the decisionmaking process.

The idea of involving the poor in planning and administering their own program is working. The distinguished minority leader pointed out yesterday that in his area the local mayor did not want the present structure changed.

The fact that it is working may be very upsetting to the status quo and to the local political machinery, for it has stimulated a new awareness and a new consciousness among the poor, who recognize that poverty is not only economic poverty but the poverty of power. In the past hopelessness and powerlessness has characterized the poor.

Now there has been a discovery that by involvement—by meaningful involvement in this program—there can be hope. Power can produce hope and change. If local government had been responsive to the challenge, there would have been no need for bold new programs.

The committee recommends city hall domination of the overall, umbrella agencies, as well as the subsidiary boards.

The poor will view this as an effort to destroy programs which they have worked diligently to establish. Structures, which have been laboriously put together, will have to be reorganized. It will affect community action programs all over this country.

For instance, in the city of New York the membership of the community corporation in central Harlem has been worked out over a long period of time and consists of 90 members. Now it is proposed to tell those who have worked so hard to devise a structure that of the 90, only 17 can serve, since one-third of the maximum of 51 are to be public officials and the other one-third are to be representatives of various groups, whose selection will no doubt be influenced by the public officials. That is destroying the very promise which this program held out.

The proposed composition of the community action boards and the community action governing boards is inconsistent with the maximum feasible participation of the poor which was the concept originally written into this legislation.

Submerged in the rhetoric of "giving responsible public officials a share in the decisionmaking process" is a very basic political question. Will the poor be able to conduct necessary programs to fight poverty which may offend powerful local interests? If the Green amendment remains in the bill, the answer will be no. The so-called "responsible public officials" are those whose indifference—at best—toward the plight of the underprivileged necessitated a Federal antipoverty program. Will the community action programs be able to operate with the same flexibility that has facilitated their success in the past? If they are completely under the control of local government, the answer will be no. By requiring that a community action agency be a political subdivision of the State or its designee, its ability even to function will depend on the attitude of the governmental unit to which it belongs, which varies from favorable to hostile.

Turning community action over to local government control creates administrative problems caused by widely varying State and local laws.

For example:

First, under many State laws employees of government agencies must be hired through civil service. This would preclude employing many of the nonprofessional employees—in other words, poor people—who now hold jobs through community action agencies.

Second, some States have laws prohibiting persons other than public officials from disbursing public funds. If a community action agency were a public body, the poor themselves would have no way of influencing how the funds would be spent.

Third, many community action agencies, especially in rural areas, have programs cutting across existing political boundaries. If each local city or county government exercised its option to form its own community action agency, there would be tremendous waste and duplication of effort and money. In Massachusetts, for example, if this option were exercised, the eight existing umbrella community action agencies could be broken into as many as 75.

Fourth, under the existing community action program many community agencies are able to enlist the aid of volunteer workers. If these were taken out of the hands of the community and turned over to the local government, the morale of the program would suffer, the community might cease to feel the program was "theirs," and there would be a corresponding disinclination to volunteer. The result would be a weakening in the effectiveness of the program as well as an increased cost.

Fifth, in certain States there are actually statutes prohibiting political subdivisions from complying with Federal desegregation guidelines. In certain States political subdivisions are not permitted to operate public community action agencies at all. These States, which tend to have the most distressing conditions of economic and social privation, would not benefit from the community action program at all.

Mr. Chairman, under the existing statute community action agencies may be either private, nonprofit groups or governmental bodies. Eighty percent have chosen the private, nonprofit route. Thirty have switched from public to private. This is hardly testimony to the failure of nonprofit, community groups to perform; it is hardly testimony to the willingness of local governmental bodies to accept the responsibility for the community action program that the language of the committee bill would place upon them.

The CHAIRMAN. The time of the gentleman from New York [Mr. RYAN] has expired.

Mr. RYAN. Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. RYAN]?

Mr. CAREY. Mr. Chairman, reserving the right to object, I make this reservation for the purpose of asking the gentleman in the well if he will yield as soon as he gets his 5 minutes for the purpose of talking about the superstructure in New York?

Mr. RYAN. I will be happy to yield to the gentleman if the gentleman will permit me to finish my statement. Then I will yield for the balance of the time.

Mr. PUCINSKI. Mr. Chairman, further reserving the right to object, and I will not object, if the gentleman will be good enough to yield some time to discuss just exactly where he finds a difference between this legislation before us now and the existing law, as to the participation of the poor in these programs.

Mr. RYAN. I will be very happy to.

Mr. PUCINSKI. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from New York [Mr. RYAN]?

There was no objection.

The CHAIRMAN. The gentleman from New York [Mr. RYAN] is recognized for 5 additional minutes.

Mr. RYAN. Mr. Chairman, I said previously that the Green amendment will affect the morale of those who have volunteered and who are working now in this program.

I believe we have to recognize that, since the inception of this program, there has been a basic difference in philosophy between those who view community action as simply an extension of local welfare programs controlled by local government and those who view community action as a new and a unique concept, one which is experimental and in which there are going to be mistakes, but which will involve people locally for the first time.

It offers an innovative, fresh approach to a profound problem that neither local efforts nor conventional welfare programs have been able to solve.

The major element here is the participation and leadership on the part of the poor themselves, instead of leaving it to established welfare officials and agencies to mandate to the poor what they should have.

It is ironic that the greatest critics of welfare programs are now prepared to turn the one program that is taking a new approach to the root causes of poverty into little more than an embellishment on local welfare programs.

The key difference of the antipoverty program is its emphasis on participation and leadership by the poor themselves, instead of leaving them to the whim of bureaucrats. This is accomplished through private, nonprofit community agencies which are responsible to boards composed to the maximum feasible extent of the poor themselves. The committee amendment destroys both of these principles.

In addition to turning community action programs over to local governments with all of the disadvantages which I have described, the amendment stacks the composition of the boards—subsidiary boards as well as umbrella community action boards—against the poor.

Under section 211 one-third are to be public officials. One-third are to be members of business, labor, religious, and other groups. The bill is deliberately silent on how they are to be selected, but presumably the public officials would have the major voice in their selection. The remaining one-third are to be "persons chosen in accordance with democratic selection procedures adequate to assure that they are representatives of the poor in the area served." The bill eliminates the existing language of section 203(c)(3) requiring that "the representatives of the poor shall be selected by the residents in areas of concentration of poverty with special emphasis in participation by the residents of the area who are poor."

Even with this reduced voice for the poor, there is serious question whether the community action boards would have any power at all in those cases where a State or local government has designated itself as the community action agency. The powers are not specified.

In summary, Mr. Chairman, by altering the character of community action agencies and the composition of community action boards, the committee would fence out the poor from meaningful leadership in the Federal program which has done most to better their condition. The result of this can only be a lapse into stale welfare remedies, dominated by many of the least imaginative units of government. And this destruction of the most unique and positive aspect of the community action program will not lead to renewed apathy; it will lead to redoubled frustration.

The community action program has been the first device to draw upon the initiative of disadvantaged Americans and give them the means to lift themselves out of their poverty. It is inconceivable that we should have extended this promise only to take it away.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. RYAN. I yield to the gentleman from New York.

Mr. CAREY. I thank the gentleman for yielding. During his statement, the gentleman made reference to the administrative structure and the redtape that would be set up if the present language of the bill is maintained. I hope that the gentleman is not indicating that he is satisfied with the administrative structure of the New York City program at this juncture. Do I correctly get that impression? Is the gentleman satisfied with the administrative structure of the New York City program?

Mr. RYAN. Quite to the contrary.

Mr. CAREY. I thank the gentleman for yielding. If he will yield further, I should like to say I do not think he could be satisfied, nor could I be satisfied when, for instance, the New York City structure as presently organized, with all the officials appointed by the mayor and the community boards appointed by subalterns in the community, has so well organized itself that on June 30 it received a grant for narcotics addiction in the amount of $4.7 million. I know that is a very important field in the gentleman's district and other districts where narcotics addiction is a very serious problem among the poor.

As of today not one nickel of that $4.7 million has been expended because there is an administrative hangup on who is going to spend the money and how. Is that the kind of administrative structure the gentleman wants? I am sure he does not want to continue with the present system. I am sure he feels that it can stand some improvement. And that is the design and function of the Green amendment.

Mr. RYAN. In response to the observations of the gentleman, the Green amendment is no cure for the administrative failures in any city. The cure for the difficulties in the city of New York is effective administration by the local government of programs for which it is responsible. The Office of Economic Opportunity should require the city administration to comply with the present law, which is very clear in what it requires. New York City is not in compliance with section 202(c) of the Economic Opportunity Act. New York City's problems will not be solved by giving city hall greater control or by turning local community action programs over to local "Tammany Halls" to run. It will only stifle the program.

One answer is to provide a substantial amount of direct Federal funding to local community action programs in order to achieve a balance between the city and private nonprofit agencies. Unfortunately, the Green amendment makes independent funding almost impossible.

Mr. **PUCINSKI**. Mr. Chairman, will the gentleman yield?

Mr. **RYAN**. I yield to the gentleman from Illinois in order to answer the question he asked before.

Mr. **PUCINSKI**. If my colleague will read the committee bill, he will find that the bill merely alters the transfer of taxpayers' funds. It provides that taxpayers' funds at the Federal level shall be transferred to a local government agency. But it in no way—and if I am wrong, I want the gentleman to show me where in this bill—would alter the relationship of the participation of the poor from that prescribed in existing law.

Mr. **RYAN**. I will do so.

Mr. **PUCINSKI**. I would like the gentleman to comment on page 174——

Mr. **RYAN**. I will answer the first question. The Green amendment would eliminate from present law section 202(a) (3), which requires that a community action program be "developed, conducted, and administered with the maximum feasible participation of residents of the areas and members of the groups served."

That is No. 1.

Mr. **PUCINSKI**. Will the gentleman read page——

Mr. **RYAN**. I will not yield further until I complete my answer. No. 2. The Green amendment would eliminate—and this is very important—section 202(c) (3), which requires—

> The representatives of the poor shall be selected by the residents in areas of concentration of poverty, with special emphasis on participation by the residents of the area who are poor.

The Green amendment is silent on the question of how representatives of the poor are to be chosen. In fact, it changes the present statutory language. If the intent was to have local elections or to have the poor select their own representatives, then why is the language changed? The committee bill changes the present formula, and it stacks the boards against the poor.

AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN TO THE AMENDMENT OFFERED BY MR. HAWKINS

Mr. **STEIGER** of Wisconsin. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from California.

The Clerk read as follows:

> Amendment offered by Mr. STEIGER of Wisconsin to the amendment offered by Mr. HAWKINS: On page 2, bottom line, strike the period and insert the following: ", on which officials (duly elected or appointed) of local government, or their representatives, not to exceed one-third of the membership, are not included: *Provided, however*, That such officials or their representatives are available and willing to serve; and on which the remainder of such membership does not consist of representatives of educational, welfare, religious, business, labor, and other organizations, selected thereby".

Mr. **DENT**. Mr. Chairman, will the gentleman yield for a question? I do not have a copy of the gentleman's amendment.

Mr. **STEIGER** of Wisconsin. I am pleased to give the gentleman a copy of the amendment.

Mr. Chairman, I support the amendment offered by the gentleman from California [Mr. HAWKINS] because I believe it would be a substantial improvement over the present committee bill in its handling of local community action agencies. However, I offer the amendment to the amendment in order to correct what has been an error and a mistake in the operation of the law as presently constituted.

I do concur in and completely understand and appreciate the concern of the majority members of the committee about the fact that local units of government have not been involved. The distinguished minority leader yesterday reiterated on this floor a point which I think is of vast importance, and that is it is important that community action agencies be in cooperation with local units of government, but not dominated by them.

The amendment offered by the gentleman from California [Mr. HAWKINS], sponsored together with the gentleman from New York [Mr. REID], would return us to the present law. I think we should move one step further, however. I think we should provide for that necessary cooperation between local government and the community action agency. That is why I have proposed the amendment now before us, because it would say simply that there shall be a local, independent community action agency which shall have at least one-third representatives of the poor, selected democratically to insure the maximum feasible participation of those to be served. In addition, there shall be at least one-third representative of local government, provided they are willing and able to serve, and the balance of the board shall be representative of the community as selected by business, labor and other social and eleemosynary organizations.

I think the adoption of the amendment now under consideration, with my amendment, would provide for that direct participation, for that involvement, for that actual engagement, and for that commitment that is so absolutely necessary if we are going to give the poor a meaningful voice.

I am sure each of us has received scores of letters from constituents and others who are concerned with the committee bill in its present form. The League of Women Voters of Madison, Wis., wrote to me and said:

> One of the most salutary features of the CAP was its separation from local politics. The proposed change in the structure of the CAP board not only increases control by the very leaders who have often turned a deaf ear to the problems of the poor, but decreases the opportunities for active citizen participation, another most creative feature of CAP.

If I may say, the Secretary of Labor, Mr. Wirtz, in a speech he gave on November 10, 1967, at the University of Colorado, said this—and while he was directing it specifically to youth protest, I think his point is valid and applies here:

> Youth is persuaded—

And if I may interject here, I would say the poor and others are also persuaded—

> that government, church, corporations, labor unions, political parties, universities, even the family, have come to be considered too much as ends and individuals too much as means to those ends; that as these institutions now operate they offer too little opportunity for actual, direct involvement of the individual in the conduct of his own and the community's affairs.

The adoption of my amendment to the Hawkins amendment and the adoption of the Hawkins amendment would provide for that direct involvement, for that engagement, for that meaningful participation which is not provided unless we reverse the committee bill as it now stands.

I urge the Committee to adopt my amendment to the Hawkins amendment and then the Hawkins amendment to the committee bill.

Mr. **QUIE**. Mr. Chairman, I rise in support of the amendment offered by the gentleman from Wisconsin [Mr. STEIGER].

Mr. Chairman, I support the amendment just offered by the gentleman from Wisconsin [Mr. STEIGER] to the Hawkins amendment.

The reason why the Steiger amendment to the amendment is necessary is the committee did make some important improvements; that is, that in a community action board the public officials do have an opportunity to serve if they are willing and available to do so. Public officials could not comprise more than one-third.

This language is preferable to that of the committee bill.

The amendment also would require that representatives of education and welfare organizations, of business and labor, serve on the board as well. However, the amendment would require that they select their own representatives on the board, rather than to permit the public officials to appoint them to the board as is the case in the committee bill language. Those are important improvements.

If any of the Members on the other side of the aisle want to get the Hawkins amendment passed, they need the Steiger amendment as a part of the amendment. I ask, "Where were you yesterday when Congressman GOODELL offered his amendment?" His was a far superior amendment to the Hawkins amendment. It would have done the job. It would have reversed the Green of Oregon amendment. I saw very few from the other side of the aisle walk up the aisle in support of that amendment.

I want the Members to know, I am going to walk up the aisle in favor of the Hawkins amendment, even though it is offered by a Democrat. I believe we have to reverse the Green amendment and to make certain that the poor have a voice in these programs.

In doing that, let us understand the mood of the House. The mood of the House is to want public officials at least to have a voice. There should not be an objection to that. It is important, if we are to have their help and benefit in these programs, that they do have a voice, but they should not dominate. They should have a voice.

The same is true if we are going to

solve the problems of poverty with the help of business leaders. We need them. They ought to select those who will represent them in this program. The decision ought to stay with them as to who should represent them.

We also need the help of organized labor. In many areas of the country organized labor is an important factor in the community. It may not be in some areas, but in other areas it is. It is important that we have on the board their support from the person on the board, through their choice, rather than a labor person an elected public official puts on the board. If there is any selection, each group to be selected should be permitted to select their own.

The same is true for the welfare education and other participating groups. They ought to be involved and ought to select their own representatives.

This would reverse the Green of Oregon amendment, which states that a local political subdivision can be a community action agency. My amendment would mean they cannot be a community action agency themselves. The governing board will be running every community action agency. The local political subdivision will be involved, but it could not dominate. That is the significant part of it.

If we want this program to function with the gem of the new idea—the only one I can see in the entire poverty program; that is, the involvement of the poor in a meaningful way in their own destiny—this is the amendment we need to adopt.

It is not easy to bring about involvement of the poor. It comes slowly. The poor people are not used to self-government. We have to work with them. They are going to make mistakes in some places. We are going to be upset with them. But we should give them a chance. Only if they are involved will they be able to come out of poverty. We cannot do it to them. We cannot do it for them. We can give them an opportunity, but they must have a voice themselves. Without that, I do not believe there will be success.

Therefore, I strongly support the amendment.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Illinois.

Mr. PUCINSKI. The gentleman said to give them a voice, to let them make mistakes, to work with them. Is it not a fact that the gentleman has been a most severe critic of the mistakes which have been made?

Mr. QUIE. I have been a severe critic of the people who ought to know better, of the people who are hired professionals at high salaries. Never has anyone heard me criticize the poor person who has tried his best, never in all the criticism I have made of the program.

Any individual we pay $15,000 or $20,000 has no reason to make those mistakes of the extravagant misuse of the money.

We ought to get a dollar's benefits out of a dollar spent.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from New York.

Mr. CAREY. Mr. Chairman, I am delighted that the gentleman brings up the question of high salaries and powerful professional figures. Is it not true that in many community action organizations right now under the present law, being interpreted at the local level, that high salaried professionals have gained control of the organizations with their staffs and actually manipulate the poor? And is it not true that their interpretation of maximum feasible participation is the control of the poor by them and not the control of the poor by the poor people? Is that not happening in many community action agencies?

Mr. QUIE. Yes, it is happening in many.

Mr. CAREY. Is that not a good reason for the committee revision?

Mr. QUIE. No. I do not believe that the committee revision will solve the problem without throwing the baby out with the bath water.

Mr. CAREY. Does not the gentleman feel, then, that if we do this which he is suggesting, that in many cases the poor will be controlled by the high-priced professional?

Mr. QUIE. I will say to the gentleman from New York that with the Steiger amendment there will be ample voice for the public officials.

Mr. DENT. Mr. Chairman, I rise to oppose the amendment.

Mr. Chairman, while the gentleman from Minnesota is still available, I would like to say that a year ago he convinced me the language we have in the Green amendment was proper, and I voted for that part of the Green amendment which he introduced last year, in which he said at least one-third of the membership of the boards and the agencies must be the poor. That is exactly what the Green amendment now says in its final version.

I might also remind the gentleman from Minnesota, that Mr. Shriver, testifying before our committee this year, when asked the question as to whether the Quie amendment had been sufficiently implemented, said that very few of the boards and agencies had been able to come up to that standard. In other words, the Quie amendment of last year, which is part of the Green amendment of this year, requiring that at least one-third of the poor be represented, has not been implemented as yet because of the fact that it is difficult for the group to get the full participation of the poor.

When we are talking about the poor no one seems interested in the amendment that I suggested many times that at least 50 percent of the representatives of the poor had to be the poor themselves—those receiving the benefits under this legislation. So, when you are talking about the poor, remember that it is the representatives of the poor, many of whom are not poor, because of their financial condition or because of their community status. They want to serve on the board many times for the very reason that you are opposing this amendment by the gentlewoman from Oregon [Mrs. GREEN] today. It is because they want to get a springboard to get into politics and a place to get some publicity and notoriety so that they can become known by the public and they can run for political office. I find in my lifetime those who complain most about city hall are the ones who know the path to city hall the best to ask for favors and consideration, and those who complain most about political participation are the ones who knock on the door of the politician the most times to get the influence of the politician so that they can get in a position to complain about it.

It is just like the old story of the Arab who was out with his camel in a sandstorm. He puts up his tent to protect himself from the sand, and the animal then coaxes him to take him inside the tent with him, just as these people who were appointed by politicians coaxed their way into political office. Once the camel got inside the tent it kicked the owner out.

Most of these people have gone to politicians to be named to the jobs that they are holding right now.

I listened to television on the eve before our election last Tuesday one of the few moments that I get for television, and I heard one of the representatives of the Pittsburgh CAP agency giving the thousands of listeners and viewers of that TV a complete misrepresentation of this committee amendment. The statement was a baldfaced lie in which he said that this committee amendment would eliminate the participation of the poor.

Mr. Chairman, I think it strengthens the position of the poor, because those who are responsible to the people, recognize the need for satisfying the people. An elected official knows best what he has to do and who understands better the things that have to be done for the good of the community than an elected public official, because, at least, he has to be reelected.

Therefore, Mr. Chairman, the poor will get better representation and they will be the poor themselves that will be represented on these boards.

Mr. Chairman, I admire the distinguished gentleman from California [Mr. HAWKINS] as much as any man I have known for many years for his political integrity, his experience in the legislative halls. Mr. Chairman, were this a vote at this time, either by tellers or by a record vote as to the gentleman from California [Mr. HAWKINS] himself, I can assure the members of the Committee that I would vote "aye."

But, Mr. Chairman, I cannot vote for his amendment because it is misconceived, and the action of the committee is misinterpreted and in many cases misrepresented.

Certainly, Mr. Chairman, we want local officials to participate in this program.

Permit me now to say that one of the best and most beneficial benefits which we derive by having local officials to participate——

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. DENT. Mr. Chairman, I ask

unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

Mr. DELLENBACK. Mr. Chairman, reserving the right to object, and I do not intend to object, may I say that it bothers me to find that as we get along with the debate there are those on the other side of the aisle who on the one hand seek to extend time for individual debate and on the other hand object to an extension of the debate when it comes to certain Members on this side of the aisle by later moving to limit debate.

The CHAIRMAN. Does the gentleman from Oregon object or does the gentleman not object?

Mr. DELLENBACK. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania that he be permitted to proceed for 5 additional minutes?

There was no objection.

Mr. DENT. Mr. Chairman, one of the lasting benefits and one of the corrective measures that will come because of the adoption of this type of amendment will be that we will be in a position of having an elected official, either in person or his designee, to sit on the board in its proportionate membership composition, so that they can determine the expenditures of the board, and so that they can determine the salary schedules.

Mr. Chairman, for instance, we have in Westmoreland County, a county which is located in the heart of the congressional district which it is my honor to represent, three commissioners who are paid the sum of $12,500 a year, commissioners who look after the welfare and look after the interest of over 400,000 people, commissioners who have the responsibility for miles and miles of roads, who have the responsibility for millions and millions of dollars worth of public institutions, as well as the responsibility for hundreds of employees. Yet they only receive the sum of $12,500 a year for their efforts.

On the other hand, Mr. Chairman, the head of an agency with 3,500 or 3,600 employees who participate in the program can receive a salary of $16,000, $15,000, or even more a year. There comes a time when we must face the reality of the problem of comparability of salaries. In other words, we have to pay salaries that measure up to the salaries paid in a community. When they hire a man to work and pay him $40,000 a year, that action certainly establishes a base rate of pay for people similarly employed all over the country. And, when you do that, you get into this question of disproportionate spending, you get into the question of disproportionate spending for overhead as compared to the welfare benefits that will accrue.

Mr. Chairman, we have conditions that have come to our attention where there have been as much as 80 percent of the funds involved spent for overhead in the operation of this program. That could not happen with participation by the people who are elected to public offices.

Why, then, Mr. Chairman, can the gentleman from New York [Mr. RYAN] say in his remarks, with respect to the amendment, that would bring in Tammany Hall? Mr. Chairman, Tammany Hall is a red herring and belongs to the pages of yesterday. Let us talk about the realities of today.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from New York.

Mr. CAREY. Does not the point which the gentleman is making really put to the fallacy test this notion that under the present situation the poor have a real voice in determining their own affairs?

Mr. DENT. Absolutely.

Mr. CAREY. Is it not true that a very small percentage of the poor actually get into contact with the program?

Mr. DENT. Absolutely.

Mr. CAREY. In some cases the members of the staff and the staff director manipulate this small group of the poor according to their own design to approve their own salaries and budget, and so on.

Mr. DENT. I agree with everything the gentleman has said.

Mr. CAREY. Is it not true that the committee bill, however, will provide for definite representation of the poor on a one-third basis, or even on a two-thirds basis?

Mr. DENT. I was coming to that. We say at least one-third, and it can be more than one-third.

Mr. CAREY. That is right.

Mr. DENT. But another important facet of this that seems to have been ignored by those critical of the so-called committee amendment, they seem to fail to realize that many times the poor are the kind of people who are the meek ones of the world; they are backward, they are not forward, they do not have the push to make their way in. And you will find that when they bring in a director or a high-priced agency head what happens is the poor do not even go into the office, the door is closed. But find me the door of an elected official that is closed to the poor, and I will find you an elected official that will be defeated at the next election just as sure as you are alive.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. DENT. I am happy to yield to my good friend from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate my distinguished friend from Pennsylvania yielding to me.

May I say to the gentleman in the well that it seems to me that in fact what we can learn from independent CAP agencies is that that characterization is not accurate. I can take the gentleman to Fond du Lac, Wis., and I can show you people who, even presuming they are the ones who are "the meek" of the world, when they had an opportunity to really mold their future through independent CAP agencies, not dominated by politicians, they found their voice, and it is now being heard.

Mr. DENT. I will say to the gentleman from Wisconsin that even though I have not much time left, I just want to say that I am happy to hear the gentleman refute the statements of his colleagues who have said that the OEO program has not done any good, and because the gentleman is telling me that actually in Fond du Lac, Wis., there are people who have been rehabilitated and are now in the productive stream of America as ordinary human beings, like the rest of them. That is a great, great story to tell.

Mr. STEIGER of Wisconsin. What my good friend has just said does not accurately reflect what many of us have said.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOWARD. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have been interested in insuring that there is some way to keep the local elected officials out of the poverty program if that should be in the best interest of the program.

I have been somewhat confused in believing that the Hawkins amendment would do this, and realizing that an amendment to mandate politicians out has no chance of passage, so I would like to seek some information from a member of the committee concerning the present operation of the poverty program and the bill that is before us, and I thank the gentleman from New York [Mr. CAREY] for offering to give me that information.

In the present bill on page 174, beginning on line 18, it states: "One-third of the members of the board are public officials, including the chief elected official or officials, or their representatives, unless the number of such officials reasonably available for such service is less than one-third of the membership of the board."

Could that one-third, which might be available, or less than one-third, possibly go down to zero?

Mr. CAREY. If the gentleman will yield?

Mr. HOWARD. I yield to the gentleman from New York.

Mr. CAREY. Yes; that is entirely possible. The key words are the words "reasonably available" to serve. If someone has stated and announced his opposition to the poverty program, in fact, has led the force to oppose the poverty program, it would be interpreted that he would not be an official reasonably available to serve. That takes care of it.

Mr. HOWARD. So this one-third could go down to zero?

Mr. CAREY. That is the possibility if there is no one who can fit the description. However, I believe there has been too much talk here about elected officials and politicians. We are aiming at getting into poverty community contact on the board such people as your elected school board members, and your other officials of the county in health and housing, who have to do with the carrying out of such functions in the community.

Because we think they should be on those boards immediately accessible to those who need their aid the most.

There is no other way to get on those boards unless it is provided by statute as we are doing here because the gentleman, I think, has before him the guidelines under the present law and the guidelines if they were written into the bill, they would be the Green amendment. Unfortunately, the guidelines do not have the force of law and the local officials have chosen, at the OEO, as long as they got the money to refuse to follow the guidelines.

Mr. HOWARD. I thank the gentleman. I would like to ask him another question.

According to the guidelines to the present law on page 17, it says "there shall be representation from private or public agencies and it shall include at least one representative of the chief elected official for officials."

Is there any provision that this may be negated—that either the chief elected official or his representatives be on the board?

Mr. CAREY. No; not in the present law. However, there have been instances where elected officials have sought to be removed from the program, and end their responsibility for the program. Where this has happened, the Director of the OEO has made arrangements that other agencies may serve.

A specific case in point is in the Suffolk County, N.Y., Board of Supervisors. They decided not to operate the CAP program and they so notified the OEO. Through the participation of a nonprofit organization, with their tolerance and support—the Suffolk County—a private group became the CAP agency. It has happened before and it can happen again.

Mr. HOWARD. I am concerned by the fact that these different elected officials may be on the board or have a representative on the board.

I am aware of instances where these elected officials in connection with their county CAP, have said, "I am going to do my part to handle this money but do not blame me if the program is no good. It is a Democratic program."

I do not think that is the kind of official who should be in charge of a community action program.

Would the gentleman then finally agree with me that if we want an opportunity to have the local officials out of the program, it can be better done by the bill that is before us rather than the Hawkins amendment or the present situation. Therefore, those who want the chance to get the local officials out should oppose the amendment and support the committee bill.

Mr. CAREY. The gentleman is entirely correct because in the committee bill we can even have cooperative efforts with public officials and those who are sympathetic to the program.

But under the present law, as I read the guidelines, actually there may be more mischief under the present law than under the Hawkins amendment and the committee bill.

Mr. KYL. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would respectfully ask the gentleman from California, who is the author of the amendment, a couple of questions relative to his amendment.

Has the district, sir, which you so ably represent, had actual experience in the process of having the poor elect their representatives for the CAP board?

Mr. HAWKINS. Yes, at the present time in Los Angeles the EYOA agency, which is the local community action agency, has obtained its representation from the poor through elections.

Seven individuals now serve as those persons elected in those elections.

Mr. KYL. Then I would ask the gentleman, about how many of the poor people actually participated in the election compared with the total number who could be eligible?

Mr. HAWKINS. A very small percentage as I recall—about 1 percent. It was very disappointing, but may I say in connection with that, that I, among others, opposed the election, not on the basis of the theory involved, but in the way that the election was being conducted. The election was being conducted by local public officials who had gerrymandered the districts—so that one person is representing at the present time, for example, a district stretching from my district next to the Vernon area to the area represented by the distinguished gentleman from California [Mr. BELL].

Can you imagine a district 15 miles long in which a person who was supposed to be poor was attempting to campaign among poor people and trying to locate even his constituents? So we anticipated the election would be a failure. The districts were gerrymandered. They were asking seven individuals to represent 15 poverty areas. They were asking each person who was to vote in the election to swear or affirm that he was a poor person before he could vote in the election.

Mr. KYL. What qualifications are listed, and how does an individual actually prove that he fits the qualification as an eligible voter in these elections?

Mr. HAWKINS. They use the poverty standards as a qualification for both candidates and those who would be entitled to vote. We objected to that requirement on the basis that people who live in poverty areas certainly should not be required to say that they are poor. We feel that an individual who lives in a poverty area has as much right to represent the poor as any other individual.

I live in a poverty area myself, but I could not be a candidate in the election, even though I represent about 300,000 poor people. We feel that an individual who is a resident of a poverty area has as much right to vote as anyone else.

Mr. KYL. In other words, the representation that the law allows only the poor to participate in the election is really a misrepresentation.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentlewoman from Oregon.

Mrs. GREEN of Oregon. I thank the gentleman from Iowa for yielding. I think the point the gentleman has made is very important in this debate. I really cannot understand why my dear friend and colleague from California is supporting so enthusiastically a system which he at the same time condemns as not having worked.

The gentleman from Iowa has asked what percentage of the voters in the Watts district voted in the election to select poor people to serve on the board. The facts are in that election there were 400,000 people who were eligible, and six-tenths of 1 percent turned out to vote; 2,659 cast their votes.

In addition, we have examples in other places in the United States where in the selection or the election of the poor we have had 14-year-olds voting. We have had a recent case brought to our attention where in an election in a community action agency they bused in people from outside the target area. They were the ones who were really the balancing power to select the people who were to represent that area, even though they did not live in it.

I thank the gentleman from Iowa for drawing attention to this part of it. When we argue about the election of the poor, when we have elections where six-tenths of 1 percent of the people turn out, when we have elections in two cases—in Philadephia where 2.7 percent of the eligible voters turned out and in another election where 3.2 percent turned out—the need for change is evident.

Mr. BURTON of California. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to commend my colleague, the gentleman from California [Mr. HAWKINS], and our colleague on the committee, the gentleman from New York [Mr. REID], for offering this very important amendment.

I was one of the minority on the Education and Labor Committee that opposed the provision in the proposed legislation because I felt that it invited city hall and statehouse control of the community action programs.

The essence of the potential—if not the genius—of the war on poverty, in my view, is the involvement of the poor, giving them the authority and the responsibility to help shape their own destiny in their own communities. The democratic process, though painful, is, in my view, in the long run the most productive method by which peoples resolve their own problems and reach their own solutions.

This is a question about which there is serious disagreement. It is my very strong view that the proposed virtual city hall and statehouse control of the community action agencies will rob the CAP program of the one new factor that distinguishes the war on poverty from existing public agency efforts to meet the problems of the poor of this land.

The war on poverty has been reduced to a skirmish in this legislation. The proposal before us is, at best, most inadequate to meet the challenge confronting the rural and urban poor of our land.

The adoption of the Hawkins amendment would, at least, preserve that which is most unique in the war on poverty.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. BURTON of California. I yield to the gentleman from New York.

Mr. GOODELL. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I agree with the statement the gentleman made. I wonder if the gentleman will comment on the colloquy that occurred a few minutes ago, in which the contention was made that the committee bill actually would involve fewer politicians in the program than the Hawkins amendment or the present law would. The comments were directed primarily to the technical section, saying that if a number of officials reasonably available for such services is less than the one-third of the board, we may have zero members of local officials on the board.

As a practical matter, is it not the case here that the local community action agency under the so-called Green amendment is local government, and that any board created under this technical language is a creature of that local government? Would the gentleman agree to that?

Mr. BURTON of California. First, I would not want to rewrite the history that the proponents of the so-called Green amendment are writing on the floor. However, the gentleman from New York [Mr. GOODELL] and I have been in agreement on this aspect of the poverty program since the inception of the program. The CAP agency, under the committee proposal, in most instances is going to be the public agency. It is going to be city hall.

I have difficulty in following the logic that says that city hall shall be the father and mother, and yet the child, CAP, shall be free of city hall domination under the program.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield?

Mr. BURTON of California. I yield to the gentleman from Illinois.

Mr. PUCINSKI. Mr. Chairman, the gentleman is one of the most responsible members of our committee. I wonder if he would comment on this language in the committee bill: "at least one-third of the members are persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served."

Would the gentleman also comment on this provision:

> The Director shall . . . provide a continuing and effective mechanism for securing broad community involvement in programs under this title and that all groups or elements represented on those boards have a full and fair opportunity to participate in decisions affecting these programs.

Would the gentleman comment on these two provisions and show us how they would deny the poor people in the community the right—not the privilege, but the right—to participate in the development of these programs? Will the gentleman please comment on that?

Mr. BURTON of California. Of course, I did not make the statement that the proposed amendment to the OEO legislation would deny the right of the poor to participate. I did not say that. What I did say was that this would increase the likelihood of city hall or statehouse domination of the program. I stand on that statement.

Mr. HAWKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. CAREY. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. CAREY. Mr. Chairman, I have no wish to foreclose the right of my colleague from California to be heard, but I believe he has already spoken on the floor for 10 minutes in support of his amendment.

The CHAIRMAN. Since the time the gentleman from California addressed the Committee with regard to the Hawkins amendment, another amendment has been offered, which is an amendment to the Hawkins amendment, and the gentleman from California has not yet spoken on that.

Mr. CAREY. Mr. Chairman, I withdraw my point of order.

Mr. HAWKINS. Mr. Chairman, I rise briefly to address my remarks to the amendment offered by the gentleman from Wisconsin [Mr. STEIGER] but, before I do that, I would like to clarify one point with respect to elections in the city of Los Angeles, with which I am as well acquainted as any Member of this House.

We considered this to have been an election called by a group of public officials, an election which was poorly conducted, in districts which were gerrymandered, and we considered its requirements for voting to have been un-American. These elections really did not reflect the interest of the poor people of this country, but assuming they did, I think it indicates the tremendous job we have to arouse the poor people to an interest in their own affairs. That is the reason why we have presented these amendments, in order to give to them that meaningful participation, to arouse them.

I believe that if this election had been successful those who now refer to it as being a great example of why we should not have elections would be more fearful that the poor are being aroused by the poverty program. In my opinion, that goes to the essence of the opposition of those who are afraid of the poor people becoming organized. They are very much afraid that they will perhaps wonder why they have dirty streets, wonder why they are unemployed, wonder why they are being neglected.

I believe that is also the reason why those individuals who now talk about democratic elections are so afraid that some of this money might be used to register voters. That is why there is a restrictive provision in this bill against registering and voting. They do not intend to have elections. They have indicated, when they talk about selection in the Green of Oregon amendment, they do not in any way intend for those democratic processes ever to include elections.

As to the Goodell amendment, offered last night, it seems to me those who today are talking about public officials and have been crying that we do not have faith in public officials had a golden opportunity in the Goodell amendment last night to involve more public officials, because that would have involved the State officials as well as the local officials. They were opposed to that also.

Now there is an amendment offered by the gentleman from Wisconsin [Mr. STEIGER] before us, which seeks only to put in the law the present OEO guidelines, which require one-third of the members of these agencies to be public officials. Again we see them opposing this, an amendment which would require one-third of the Board to be public officials. They say they do not want this to be put into the law because the OEO guidelines do not have the effect of statutory law.

It seems to me they do not want public officials. This is only their excuse. What they want to do is to strike out of the existing law those references to the maximum feasible participation of the poor, to representation from the poor being elected or selected by the poor themselves. That is really all they are after, but they are not saying that.

I submit, they have no greater faith in public officials than the rest of us, because if they did they would not have written into their proposal all of the restrictions against public officials. They would not be writing new penalties into the administration of the program by local public officials. They certainly would not be requiring from local public officials $1 for every $9 they get of Federal money. So they have little faith in public officials. Otherwise they would give to the public officials the Federal money and say, "You do with it as you see fit, because we have faith in you." Apparently they do not have such love.

They use this as a guise under which they are really attacking the poor in a poverty program which is designed certainly to aid the victims of poverty.

I believe that is the intent of the Green of Oregon amendment. I submit that the Steiger of Wisconsin amendment would do no more than what is already in the OEO guidelines. It should be approved by this committee. It will improve the amendment we have offered to this bill. Therefore, I support the amendment offered by the gentleman from Wisconsin [Mr. STEIGER].

Mr. PUCINSKI. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise to oppose the amendment proposed by my colleague from California.

I support the committee's position—and I do so with a clear conscience and without misgivings.

The secret to the success of our national strategy against poverty, Mr. Chairman, is the total involvement of all our people and the total employment of all our resources in an assault on the problems of the poor.

I am convinced, Mr. Chairman, that this total involvement—this total use of all resources—can best be achieved under the community action structure as proposed by the Committee on Education and Labor.

We are saying, in this bill, that local governments—local elected public officials—must take a greater role in this community effort to reduce and eliminate poverty where it exists.

This greater involvement of local governments offers many advantages.

It obviously will bring into play greater governmental resources.

It will assure greater responsibility in the handling of public funds—responsibility exercised by people with experience in handling taxpayers' money.

It will assure greater administrative expertise in the operation of programs—expertise that already exists at the local level.

It will assure greater accountability at the local level for local programs—by administrators accountable to the people who elect them.

And, as a result, Mr. Chairman, I am convinced that we will see a greater participation in this important effort by all segments of our society if for only one reason.

That reason is trust.

This is a good program, Mr. Chairman, and many good people are already involved in the effort.

But there are still too many of our citizens standing on the sidelines. Some will always be on the sidelines—that is the nature of a few members of our society.

But some are on the sidelines, Mr. Chairman, because they are still not sure about the program—they still have reservations—they are apprehensive about who is involved, what it is supposed to do, and how it is to be done.

By tying this important program more closely to local governments, we can inspire confidence in what is being done. We can assure that the responsibility for a sound operation—for the proper use of taxpayers' funds—is in the hands of people they have elected.

With this confidence developed, our strategy against poverty will attract more warriors—more citizens ready to get involved in the business of helping poor people work their way out of poverty.

Beyond this, Mr. Chairman, and more important certainly, is the clear evidence that public antipoverty agencies—as we have in Detroit, New York, Chicago, and other places—are having greater and faster success than private agencies in bringing about institutional changes to the advantage of the poor.

This should not surprise anyone here.

With mayors and the local governments involved in the local antipoverty program, institutional change can be effected more rapidly than if the impetus came from outside.

The employment service, our schools, our welfare departments—all of these local agencies—are responding to the new call of the antipoverty program.

That call, of course, is not just to care for the poor but to provide them with ways out of poverty.

Evaluations show that public antipoverty agencies are responding to the call at least as rapidly as private agencies and offering solid support for the committee's position.

Mr. Chairman, I urge that the amendment be defeated and that the committee be supported in its definition of a community action agency as one that will include all segments of society—public officials as well as the poor, labor as well as business, and civic organizations as well as churches.

This is the way we must go forward.

The big issue is, Who shall be responsible for expenditure of public funds, the elected officials of a community who are responsible to their electorate or those who never have to account to anyone but the auditors of the OEO? That is the issue here.

Mr. ALBERT. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the distinguished majority leader.

Mr. ALBERT. Mr. Chairman, I want to commend the gentleman on his statement. It seems to me the preservation of this so-called Green amendment is important to public acceptance and greater public support of the program. I appreciate what our distinguished and very sincere friend from California has said about his amendment, but in my opinion acceptance of the bill as reported will mean much to the success of the program among those for whom it was intended, that is, the poor themselves, and it will add to the support of the program in the country and in the House itself.

Mr. PUCINSKI. I agree with the majority leader.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. Yes; I yield to the gentleman from California.

Mr. BELL. Is it not true that one of the greatest criticisms of the Poverty Act in the community action area is its looseness or lack of tight control? It is criticized because of the fact that the funds are frequently badly administered at the local level and a direct line of responsibility is not clear. Is that not the basis of the whole problem? Is it not also true that if the responsibility for these programs, and for the administering of the money, were laid more heavily at the feet of elected officials would it not tend to make the program more responsibly handled?

Mr. PUCINSKI. Yes; that is the basis of the whole problem. In cities where local officials have been tied closely into the program you have good programs and no criticisms or scandal. It has been in those communities of the country where public officials have been excluded that you had the greatest criticism and scandals. I agree with the gentleman.

Mr. BELL. So that what you are really trying to do here is to tighten up the program to what both the public and to what the Congress basically wants.

Mr. PUCINSKI. Yes; I hope that the Committee of the Whole will stand with the committee bill, which is a carefully thought out bill. We sincerely and honestly believe by staying with the committee bill you will move the poverty program forward so in 2 or 3 years from now this will not be controversial legislation if you put it in the hands of the responsible elected officials of the community.

Mr. CONYERS. Mr. Chairman, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Michigan.

Mr. CONYERS. I thank the gentleman for yielding.

Does he recognize that the Conference of Mayors, in a letter to the committee members, indicated that they were disturbed by reports that the committee might act to limit the ability of the community to determine the structure and nature of the community action agencies and ask that we put more flexibility at the local level and not less?

Mr. PUCINSKI. The gentleman will also note that the Conference of Mayors did not come out against the committee bill.

Mr. CONYERS. They did not support the Green amendment, either.

Mr. PUCINSKI. They supported the whole bill and the whole program, so it would be incorrect for us to say here that the Conference of Mayors somehow is opposed to this particular principle proposed by the committee.

Mr. O'HARA of Michigan. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I really believe that a great deal is being read into this amendment and into the intent of the sponsors of the amendment.

It is my opinion that all of us recognize that if a community action program is going to be truly successful, the community's public officials must be involved and must cooperate with the community action program.

We are not going to make any real progress toward the objectives of this legislation, if the community action agency and the duly elected representatives of the people of that community are at loggerheads. Poverty is not a problem that anyone can solve without complete community cooperation. The entire idea behind the language of the committee bill is community action working in cooperation with all similar programs to achieve our objective, of eliminating the causes of poverty and alleviating conditions created by poverty.

Mr. Chairman, we are not going to kill anything through the adoption of this provision of the committee bill. The Green amendment as contained in the committee bill simply provides for an orderly way of achieving our objectives. It says that the community action agency shall be one established by or designated by the local governing body, and approved by the Director of the Office of Economic Opportunity.

I cannot see anything wrong with that. Do we really believe that a community action agency will do better if it is one that the local governing body does not want, if it is one that the elected representatives of the people in that community are opposed to? Is that what we want?

Mr. Chairman, the Green amendment assures us that this will not be the case, that we will have a community action agency so constituted that it will be able to work in concert with the other official bodies of the community concerned with the problems of poverty.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the distinguished gentleman from California.

Mr. HAWKINS. Mr. Chairman, I greatly appreciate the ability and the integrity of the distinguished gentleman in the well. I know that the gentleman speaks very fervently to the question of ending poverty. I agree with what the gentleman has said, up to this point at least, anyway.

But, may I ask the gentleman whether or not that is the issue, since all of us agree that the locally elected public officials should certainly constitute at least one-third of the representation on these boards? It is my opinion that that was the original intent when we discussed the bill, and when the gentleman was present, in 1964. We discussed the idea of having the board composed of one-third elected officials and two-thirds community groups.

Is it not true that this is today the Office of Economic Opportunity guideline, and that if this were to be followed, perhaps, there would be no necessity for us to debate the issue. And, further, this same opportunity is offered in the amendment. What we really want to do is what you express as being the ideal and that is that we have this opportunity. But, is it not also true that under the Green amendment, it goes beyond that and repeals section 202(a) and section 202(c) of the existing law with reference to representation on the board?

Now, why is it necessary to repeal these sections in order to have public officials serve on the board?

Mr. O'HARA of Michigan. I do not believe it was necessary to repeal those sections. If I had had any idea that doing so would create all of the doubts that seem to exist in the minds of some of the Members of this House, I would have favored leaving them in.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

(By unanimous consent, Mr. O'Hara of Michigan was allowed to proceed for 2 additional minutes.)

Mr. O'HARA of Michigan. I believe the gentleman from California will agree that, during our discussion of this provision in committee, there was no intention expressed to change the selection process, or to somehow or other rearrange things so that the poor did not have an opportunity to choose their own representatives. That is not one of the intentions of the committee bill, and I know the gentleman from California agrees that certainly no such intention was ever expressed.

I would like to make it clear now, as one of those who supported this committee provision when it was before the committee, and support it now, that I had no intention nor can I construe any intention on the part of the committee, to eliminate or change or bypass the democratic selection of representatives of the poor by the poor themselves. That would still be a part of this operation under the committee bill.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Michigan. I yield to the gentleman from New York.

Mr. RYAN. Is it not a fact that, under the committee bill and the Green amendment, section 202(c)(3) of the present statute is eliminated, which requires that "representatives of the poor shall be selected by residents in areas of concentration of poverty" and which expressly emphasizes "participation by the residents of the area who are poor"? That language has been stricken by the committee.

That is the language of the present law. It is stricken. There must have been a purpose in removing that language, and eliminating the requirement that the representatives of the poor be selected by the poor.

Mr. O'HARA of Michigan. I yield to the gentlewoman from Oregon [Mrs. Green] to respond to that.

Mrs. GREEN of Oregon. As far as the language referred to, and the language of the new bill, if there is any difference between those two I fail to see it.

The gentleman has read the language of the present law. The committee bill recommends this language that at least one-third of the members of the representatives of the poor shall be chosen in accordance with democratic selection procedures adequate to assure that they are representatives of the area of the poor served.

The CHAIRMAN. The time of the gentleman from Michigan has again expired.

(On request of Mr. Ryan, and by unanimous consent, Mr. O'Hara of Michigan was allowed to proceed for 1 additional minute.)

Mr. RYAN. Mr. Chairman, I might say in response to the gentlewoman from Oregon that the language of the committee bill, which the gentlewoman just read, does not say, as the present law does, that the representatives of the poor shall be selected by the poor. That is quite a difference.

Mr. O'HARA of Michigan. The gentleman is talking about a distinction without any difference. The plain fact of the matter is it is not the intention of the committee, or of this Committee of the Whole, to change this selection process, and that is that.

Mr. CONYERS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Wisconsin [Mr. Steiger] to the amendment offered by the gentleman from California [Mr. Hawkins].

I would like to explain at this time, very briefly, my objection to any provision that elected officials will have up to one-third of the places of leadership in the community action programs. It seems that under the present law—and that is all that the Hawkins amendment attempts to do—is revert back to the present legislation which would permit, even under that law, to have elected officials if we so desired.

Contrary to some of the statements that have been made here about the amendments under debate, they are very crucial. These are not distinctions without a difference. I think a number of the Members here are becoming aware as this debate proceeds, just how important this discussion is.

As one who comes from a city where the disruptions in July and thereafter which started in my district, I want to say to the membership here that we have been having struggles in Detroit about the involvement of the poor in the community action program for a number of years. It is a serious problem and we are not going to solve it by putting more elected officials on the program of the community action program, and if things are not any different than they are in Detroit, we will find that there is already a great deal of city hall involvement. All of the heads of the community action program in Detroit have come out of the city administration. Many employed in the program are persons who have worked for the city. A number of the key positions are manned and operated by former local government employees. So for us to gather here and argue about whether we want to make this program more responsible by adding more elected officials would be a grievous mistake.

I am not speaking against city hall. I happen to consider myself a very good and close friend of the mayor of the city of Detroit and of the entire administration including the common council. But they do not need a greater role in determining who is going to make the decisions in the community action programs. There is already plenty of city hall representation. What we want to do is to try to get some more poor people involved.

I think it shameful that we sit here and point to the small number in the election as some evidence of the disinterest of the poor.

We are trying to arouse them to this kind of program, and the only way we can do it is to follow the suggestion made not by national legislators but by the U.S. Conference of Mayors, Mr. Chairman, who have written a letter to every member of this Committee.

They have said that it would be a mistake at this point to move further into the area of requiring all of the local community action programs to be either units of government or private nonprofit corporations.

On behalf of the Conference of Mayors, we urge that we be permitted to move ahead in the communities with our programs as we have developed them.

We cannot afford at this time to stop for total reorganization.

We need more flexibility at the local level—not less.

Mr. Chairman, this injunction is from an organization of mayors. This is from the very people that we seem to think need more of a hand and control in these programs.

I hope that both of these amendments will be voted up and that a very crucial part of this program will be maintained.

Mr. OTTINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment of my friends and colleagues, the gentleman from California [Mr. Hawkins] and the gentleman from New York [Mr. Reid].

I think this amendment goes to the very heart of the program. It is not just something that is peripheral.

My friend and colleague the gentleman from New York [Mr. Carey] indicated that this really was not anything important, but that the Green amendment is the same as existing law plus the guidelines presently in existence. Mr. Chairman, that is not so.

Section 210, the Green amendment, says that community action agencies shall be a State or political division of a State or a private agency appointed by the State. This is entirely different from existing law under which a community action agency is a creature of the community.

It seems to me that the Green amendment denies the whole concept of community action.

This program came to us in a large measure from the experience we had in the Peace Corps. Sargent Shriver, who is now director of the OEO, was the head of the Peace Corps, as you all know. Community action very largely came from our Peace Corps experience with community development.

Overseas in the underdeveloped countries poverty is measured, not by the thousands of dollars income per family each year as it is here, but by the hundreds of dollars per family per year. In the foreign aid programs we have been spending literally billions of dollars on improving the lot of the poor in the underdeveloped countries. Much good has been done. Additional hospital and educational facilities have been built for the communities. Food has been provided some of the needy.

But, all this foreign aid money comes from outside of the community—it represents things being done for, not by, the community.

These foreign aid projects for the most part have not changed the hopelessness, the despair, the way of life in the communities of the poor one iota.

Only when we got Peace Corps volunteers moved right into the community, when the community itself thought that it had some ability to change its own way of life, when it had the feeling that it could make the officialdom react to its needs, we began to see changes in those communities.

This is the essence of community action—that the program is controlled by the community. Therefore, I think the Hawkins-Reid amendment is very fundamental. I do not buy the logic of my respected friends on the committee that this provision is needed to pass the bill. If community action does not emanate from the community itself, it is meaningless. If this amendment is not adopted, I think the most important fundamentals of the program would be destroyed.

Mr. Chairman, I urge support of the Reid and the Hawkins amendment and the Steiger amendment as well.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I am glad to yield to my good friend and colleague from New York.

Mr. REID of New York. I thank the gentleman for his comments. I think it is very clear that the amendment offered by the gentleman from California, as amended by the gentleman from Wisconsin [Mr. STEIGER] is in the public interest. I think it does involve the poor. I think this is the core of what we are trying to do. It makes very clear that the existing law will remain the law, as amended by the amendment of the gentleman from Wisconsin [Mr. STEIGER] which provides that the number of public officials is not to exceed one-third. I believe that the amendment as amended should be supported.

Mr. OTTINGER. I thank the gentleman and commend my colleague from Westchester for the very salutary leadership that he has provided with respect to this bill generally and with respect to this amendment.

Mrs. GREEN of Oregon. Mr. Chairman, I rise in opposition to the amendment.

Mr. PERKINS. Mr. Chairman, will the gentlewoman yield?

Mrs. GREEN of Oregon. I am glad to yield to the distinguished chairman.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and all amendments thereto close at 2:15 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. QUIE. Reserving the right to object, judging from the number of Members who are standing, could you make that 2:25?

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. DELLENBACK. Reserving the right to object, can we get a line on how many Members wish to speak?

The CHAIRMAN. I think if the gentleman will turn around, he can make as good a guess as can the Chair.

Mr. DELLENBACK. Mr. Chairman, as I asked my question, I noticed that at least four or five Members who were standing sat down. For that reason I asked the question.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. DELLENBACK. Mr. Chairman, if there are that many Members who would like to speak, I object.

Mr. PERKINS. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 2:15 p.m.

The CHAIRMAN. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

The CHAIRMAN. The gentlewoman from Oregon is recognized.

Mrs. GREEN of Oregon. Mr. Chairman, first, may I again say that the committee bill comes to the House with bipartisan support. There were about as many Republicans on the committee in favor of it as there were opposed. The same is true on the Democratic side.

Mr. Chairman, there have been three arguments, if I understand the debate of the last hour, against the committee bill:

First, it would prevent maximum feasible participation of the poor;

Second, it would prevent broadly based community action;

Third, it would destroy the morale of the people who are working in the program.

Mr. Chairman, may I say as emphatically as I know how that it is not the intention of any of the members of the committee who support this committee bill to prevent maximum feasible participation of the poor. We want that participation. But what the committee bill does is prevent the maximum control of the programs by a minimum participation.

A few moments ago I gave the percentage of voter turnout in recent elections and the gentleman from California explained why there was only six-tenths of 1 percent voter turnout in that election. But the gentleman did not explain that this is a familiar pattern across the country—that when there have been elections of the "poor" or representatives of the poor to serve on these boards, there has been a 2- or 3-percent voter turnout. Twelve percent turnout is the highest I have heard about in any such election.

I would suggest that when the people in the poverty areas, in the target areas, are represented by the people who have been elected at an election where we have had 85-percent turnout of all people, they might well be better represented than when they are represented by a person who is chosen by a six-tenths of 1 percent vote.

Second, this bill does not destroy, on the contrary it assures, broadly based community action. This bill provides that one-third are going to be the public elected officials; that one-third are going to be broadly representative of community business, industry, labor, religious, welfare, education, and any other major group; and that at least one-third shall be representatives of the poor.

As one of the authors of this amendment, I completely agree with the gentleman from Michigan [Mr. O'HARA] that we do not change in the least the selection by the poor and the election of their one-third representatives by the people in these areas.

The committee bill, Mr. Chairman, does not destroy the morale of the people who are working on the program. I submit that it does just exactly the opposite. It improves the morale of the countless thousands of people across the country who, as a measure of devotion and concern and dedication, want to work in these programs to help as many people as possible out of this "airtight cage of poverty." But they become very discouraged and their morale is indeed ruined when they go to a meeting attended by two or three hundred people and they have dilatory action, disruption, and an effort by a very small minority to take over the meeting. These few dissidents are able to stay until 1 or 2 o'clock in the morning, and all the other people who have already had their morale ruined have left. The result is, we have the control of the community action agency by a very small number who represent no one as much as themselves and their own special interests.

Mr. Chairman, I think the committee's bill is a vast improvement on present legislation. I think it will accomplish what this Congress is determined to accomplish, and it shows that we are concerned and we mean further to do something about the poor of this country, so they become a part of the mainstream of American life.

A few moments ago the gentleman from Michigan talked about the mayors as being opposed to this.

Mr. Chairman, the committee bill is sponsored by the National League of Cities, which is composed of official delegates representing 14,300 cities. In the telegram it says they recommend that "the institutional structure for the development and administration of local antipoverty programs must, among other things, strengthen general local government."

The committee amendment to title II is also supported by the National Association of Counties, the Los Angeles County Board of Supervisors, the New Jersey Association of Chosen Freeholders, as well as other groups. Their telegrams read as follows:

Washington, D.C., *October 18, 1967.*

Hon. Edith Green,
U.S. House of Representatives,
Washington, D.C.:

Reference committee debate on OEO bill section 2.402 of national municipal policy 1968 adopted by official delegates representing 14,300 cities recommends that institutional structure for development and administration of local antipoverty programs must, among other things, "strengthen general local government" and specifically states "to the extent practical, appropriate local governmental units should be designated as the lead agency or should otherwise play a major role in the channeling or approval of projects."

Patrick Healy,
Executive Director,
National League of Cities.

Washington, D.C., *October 17, 1967.*

Hon. Edith Green,
House Office Building,
Washington, D.C.:

On behalf of the National Association of Counties I should like to express our strong support of Rep. Edith Green's amendment to strengthen the role of elected officials and of State and local governments in the community action programs of the war on poverty. We feel that such actions would have the maximum effect in accomplishing the program's objective.

Bernard F. Hillenbrand,
Executive Director.

Los Angeles, Calif.,
October 17, 1967.

Hon. Edith Green,
U.S. Capitol, Washington, D.C.:

Los Angeles County Board of Supervisors enthusiastically and unanimously support Representative Green's amendment to poverty bill stating Community Action agencies should be States or political subdivision of States with elected governing officials overseeing local poverty agencies. All board members have in the past endorsed desirability of utilizing already established public agencies and institutions to administer poverty funds. Board further believes this would result in more effective and economical use of each tax dollar allocated to poverty program.

Frank G. Bonelli,
First District, Chairman.
Kenneth Hahn,
Second District.
Ernest E. Debs,
Third District.
Burton W. Chace,
Fourth District.
Warren M. Dorn,
Fifth District.

Trenton, N.J.,
October 17, 1967.

Hon. Edith Green,
Chairman, House Labor and Education Committee, U.S. House of Representatives,
Washington, D.C.:

The New Jersey Association of Chosen Freeholders wishes to express its support of your efforts to expand a decision making role of elected public officials in the operations and financing of programs of the Office of Economic Opportunity.

Jack Lamping,
Secretary, New Jersey Association of Chosen Freeholders.

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut [Mr. Giaimo].

Mr. GIAIMO. Mr. Chairman, I have been waiting here patiently, not being a member of the committee, to get some time to speak on this matter. I believe this is the most critical issue before us so far as this legislation is concerned. It is a shame, on a matter of this importance, that we cannot have adequate time to debate.

We have heard many comments made here today about the participation of the poor and about turning these programs over to Tammany Hall and the like. I agree with the gentleman from Pennsylvania, that the issue of Tammany Hall is just a "red herring" brought into the Chamber.

The single most important thing we should be considering is this: we all want to help the poor. We want to get greater participation by the poor. Also, we want to get more of the money in these programs down to the action level. Our complaint for a long time has been with the community action programs because they have not been effective.

Contrary to what some people in this Chamber would have us believe, the Green amendment would make the CAP more effective. It would insure that there would be people serving on the boards of CAP's who are accountable to the voters, who must produce or suffer the consequences.

If we are ever to make a meaningful dent in the poverty cycle, Mr. Chairman, we must stop treating existing agencies and programs as sacred cows. We must not fear to reevaluate existing programs for to do so would be to abandon our responsibility to the very people we are supposed to be helping. It is for this reason that I support the committee legislation. Without it the CAP's will continue along as they have; with it, there is a great possibility that more of the money will get where it should go, down to the action programs.

Therefore, I suggest that we should support the committee legislation and vote down the amendment.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

The Chair recognizes the gentleman from Illinois [Mr. Michel].

Mr. MICHEL. Mr. Chairman, under the strict limitation of time it is going to be a little difficult to make a point in a minute. Possibly others will ask for an opportunity to yield.

I believe we all know what is in the committee bill. The gentlewoman from Oregon makes a very persuasive case in support of the committee's position to this Member.

I am pretty much in the same position I was in yesterday. I can be had, so to speak, depending upon the weight of the argument. I have listened here intently all afternoon, but I am still confused.

I should like to give the gentleman from California [Mr. Hawkins] or the gentleman from Wisconsin [Mr. Steiger] an opportunity now, in succinct and simple form, to state what is the difference between what they are proposing and what is in this committee bill, because if they do not have anything good and substantial to tie to, I am persuaded that what is in the committee bill is good enough for me.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

The Chair recognizes the gentleman from Michigan [Mr. Conyers].

Mr. CONYERS. Mr. Chairman, to answer the question of the distinguished gentleman who was just in the well, this is now down to whether we are more interested in control or in participation, in control by local elected officials or in participation by the poor.

I am in favor of keeping the language of the original bill. That is what the amendments offered by the gentleman from Wisconsin [Mr. Steiger] and the gentleman from California [Mr. Hawkins] intend to do—to give the poor a real opportunity and not to get so many local elected officials doing some extracurricular work on the poverty program, assuming they have time and assuming they are favorably disposed to it.

The CHAIRMAN. The Chair recognizes the gentleman from Alaska [Mr. Pollock].

Mr. POLLOCK. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Reid].

Mr. REID of New York. Mr. Chairman, I ask unanimous consent that I may yield my time to the gentleman from New York [Mr. Goodell].

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

Mr. BROWN of Ohio. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to my colleague.

Mr. GOODELL. Mr. Chairman, I favor the amendment offered by the gentleman from Wisconsin [Mr. Steiger]. I favor the amendment offered by the gentleman from California [Mr. Hawkins]. I believe this would be far better than the committee language in the bill.

I want to make it clear that I believe we should have adopted the language proposed last night. In that proposal we could have reversed the Green amendment in the committee bill if we had any help at all from the Democratic side of the aisle. We had no help from that side. Many of the proponents of this amendment spoke against and voted against the one amendment, offered by me yesterday, that had a chance to pass.

That amendment would have preserved the involvement of the poor and the independence of community action boards.

I do feel, at this stage, our last faint hope of reversing the regressive action taken by the committee, which in my opinion would destroy community action, is the Hawkins-Steiger of Wisconsin amendments. Many of us on both sides of the aisle have spoken in favor of this concept. It is a concept that has bipartisan support and is the key to success ultimately in conquering poverty in this country.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from Wisconsin [Mr. STEIGER].

Mr. STEIGER of Wisconsin. Mr. Chairman, I take this time first to clearly indicate that my amendment to the Hawkins amendment is to provide for participation, not to exceed one-third, on local community action boards which would be independent, of local public officials provided they are willing and able to serve.

Let me, if I may, in response to the question asked by the distinguished gentleman from Illinois [Mr. MICHEL] simply say this. It seems to me that what we will do if we adopt the Steiger amendment to the Hawkins amendment and the Hawkins amendment is to provide for a partnership between local government and community action as compared to the committee approach, which provides for domination by local government and not a partnership or cooperation. That, in my judgment, would be what would happen if we stay with the committee bill. We will not give the poor and we will not give local government the kind of cooperative effort that is necessary in order to truly get at the root causes of the problem.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. Mr. Chairman, I rise in support of the Hawkins amendment as amended by the Steiger amendment.

I think there is still a good question that has not been answered as to the effect of the committee bill in requiring that a community action agency, whether it be a State or local community have the power under local law and under the constitution of the State to receive Federal funds and give them to private nonprofit agencies as grantees. I think many State constitutions would prohibit this. I think many characters of municipalities would prohibit this. I do not think this Committee knows how many State or local communities could comply with this requirement of the law.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman, the fundamental question is whether there will be meaningful involvement of the poor in making their own decisions and developing their own programs or whether there will simply be tokenism. The present law, section 202(a), defines a community action program as one "developed, conducted, and administered with the maximum feasible participation" of the poor. The Green amendment incorporated in the committee, the bill strikes out that definitive language and defines a community action agency in section 210 as a State or political subdivision. That is the basic difference: Whether the poor will be involved and participate to the maximum feasible event or whether the program will be dominated and controlled by the local political subdivision.

Community action has obviously disturbed the status quo to such an extent that the big city machines and the southern sheriffs have found common cause. It is a sad spectacle.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. DELLENBACK].

Mr. DELLENBACK. Mr. Chairman, I had intended, if there were more time, to engage in a colloquy with someone on the committee relative to another point of section 211 which has not been faced. This is the question of the difference between an administrative board and a governing board. If you look carefully at the language in section 211(a), you will see that if a State or a political subdivision is involved it will only administer its program through each board while it remains the policymaker. If you look further in the same subparagraph, you find something else. If a private or public nonprofit agency is designated by a State or political subdivision, then there is in fact a governing board. I submit to this committee that only in the second event of a designated agency are you dealing with a board with real effective power. In the first instance of the State or political subdivision it will be a board charged with administrative responsibilities, but not policymaking authority. I urge adoption of the amendments.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. ROGERS].

Mr. ROGERS of Florida. Mr. Chairman, I oppose the amendment to the committee bill in this instance. I think it is very necessary for us to bring in local officials to help to run these programs. If we cannot have trust in the local officials who are responsible to the people in that area through the ballot, then certainly we cannot turn these programs over to groups who have no responsibility at all to the electorate.

I would urge the defeat of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. SLACK].

Mr. SLACK. Mr. Chairman, I rise in opposition to the amendment of the gentleman from California and in support of the committee position.

The success of the community action program is predominant in the areas of this country where the program has been in the hands of responsible elected public officials. On the other hand, the program has been criticized, and rightfully so, in those areas where an accounting is only made to the OEO auditors.

The language in the committee bill brings responsibility into this program. I therefore urge the defeat of the pending amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, I just want to correct one statement that the distinguished gentlewoman from Oregon made when the gentlewoman stated that as many Republicans on the Committee on Education and Labor voted for the amendment as did members of the Democrat Party.

Mr. Chairman, only four members of the Republican Party voted for her amendment.

Mr. Chairman, let me say that the main difference between the committee bill and the Hawkins amendment as amended by the Steiger amendment is this: that in the committee bill the political subdivision can choose to be the community action agency. On the other hand, they can designate a public or private nonprofit agency as the community action agency if they do not wish to be the community action agency themselves. But in so doing, they not only appoint their own officials, but they can appoint the representatives of education, representatives of labor, representatives of welfare and representatives of business or other groups to serve thereon.

Also, public officials can appoint, as I read the committee bill, representatives of the poor.

Mr. Chairman, in the Hawkins amendment, and in the amendment which has been offered by the gentleman from Wisconsin [Mr. STEIGER], the community action agencies would be governed in all cases by a board made up of three groups—that is, made up of public officials, and they would appoint their own members made up of representatives of education, business, labor, religious, welfare, and other groups, as well as the third group representatives of the poor, at least one-third to be chosen by the members of the neighborhood involved; that is, chosen by the poor. The second group, the representatives of the private interested groups, would also select their own representatives.

Mr. Chairman, this is the real basic difference between the language of the amendment which has been offered by the gentleman from California [Mr. HAWKINS] and the language as contained in the committee bill.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. GIBBONS].

Mr. GIBBONS. Mr. Chairman, I rise in favor of the committee language.

Mr. Chairman, the distinguished gentlewoman from Oregon is correct because about as many Republicans voted for her amendment as voted against her amendment. Actually, Mr. Chairman, the vote was 5 to 4. So, there were just about as many on one side voting for as there were voting against.

Mr. Chairman, in my opinion, this is a bipartisan issue.

The issue is whether or not we are going to bring responsibility into the operation of this program. If we adopt the Hawkins amendment—and I do not care about the Steiger amendment since it is just like adding an eyedropper of water to a gallon of soup, which does not mean anything in this stew because the proposed amendment throws responsibility out the window.

Therefore, Mr. Chairman, those of us who are for responsible administration of the program, no matter on which side of the aisle one sits, will vote against the Hawkins amendment and vote for the committee bill and the language as proposed by the Green amendment which is now in the bill.

Therefore, Mr. Chairman, I ask the members of the Committee to vote against the Hawkins amendment.

The CHAIRMAN. The time of the gentleman from Florida has expired.

The Chair recognizes the gentleman from New York [Mr. Carey].

Mr. CAREY. Mr. Chairman, I plead for the language as contained in the committee bill.

Mr. Chairman, I am not one of those who rises to be parsimonious one day toward the poor and to be paternalistic toward the poor the next day. I have been in the vanguard of the program since its infancy.

Mr. Chairman, I rise in support of this program and in support of the committee language.

Mr. Chairman, language represents the intent of the Congress when this bill was originally passed. I was for this bill then and now. I speak for and in support of the fact that when this concept was brought to this committee, it was under the auspices of the distinguished gentleman from Georgia [Mr. Landrum].

Mr. Chairman, let it be remembered that the gentleman from Georgia [Mr. Landrum] was the author of this provision and he never intended that there be such a construction as the proponents of this amendment place upon it.

Mr. Chairman, in the manner in which this program has been operated, the greater part of the money involved has not been going to the poor. That is why we seek to give and entrust to responsible officials, and leads in the communities, and the eligible poor the duty to see that the primary portion of this money goes to the poor and does not go into the cost of high-level administration in a disproportionate fashion. This new language in the committee bill should truly be called the full community involvement amendment. Instead of a system where a small percentage of the poor gain control of all the Federal resources for the poor, we provide that all the strength and leadership of the region and the poor themselves will plan and work together for maximum effect. The present arrangement has permitted chaos which has caused fractionation in great cities. In New York, Negroes have been pitted against Puerto Ricans and vice versa. This must end.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. Perkins].

Mr. PERKINS. Mr. Chairman, I rise in opposition to both the Steiger amendment, and to the Hawkins amendment. We are strengthening the effectiveness of community action agencies, we are strengthening the hand of the poor, and we are going to bring about better, bona fide representation on the part of the poor through the committee bill.

Mr. Chairman, I urge all Members of this body to support the committee bill, and I will do my best in conference along with the conferees to see that we hold this amendment in conference.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from Wisconsin [Mr. Steiger] to the amendment offered by the gentleman from California [Mr. Hawkins].

The question was taken; and on a division (demanded by Mr. Steiger of Wisconsin) there were—ayes 34, noes 142.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Hawkins].

The question was taken; and on a division (demanded by Mr. Hawkins) there were—ayes 57, noes 153.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. REID OF NEW YORK

Mr. REID of New York. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Reid of New York: On page 196, line 19, after "services" strike out "except that at least one-half of the non-Federal contribution shall be in cash" and insert a period after "services".

Mr. REID of New York. Mr. Chairman, my amendment is simple in character. It would eliminate the requirement in the committee bill that one-half of the non-Federal contribution to community action funding—amounting to 10 percent of the total funding—be made in cash rather than in kind.

Under the present law the local share may be "in cash, or in kind, fairly evaluated, including but not limited to plant, equipment, and services."

The amendment I offer along with the gentleman from California [Mr. Hawkins] would retain the present language of the statute.

I need not, I think, belabor here on the floor today the reason for this amendment. To put it bluntly, the imposition of a 10-percent cash requirement will work a very serious—and in some cases a fatal—hardship on many community action agencies throughout the country.

As I indicated during the debate yesterday, many communities do not have the cash resources, and sadly, some do not have public officials willing to obligate new tax funds for these purposes.

The community action concept has breathed new life into many urban, suburban, and rural areas which were stagnating in despair and hopelessness.

Let us not underestimate the value of contributions made in kind to the community action program. Donated buses, classrooms, materials, food, and perhaps most important, countless hours of work by volunteers dedicated to the service of humanity have enriched the effectiveness of community action throughout the Nation. The volunteers have, in many cases, made possible the existence of community action programs, and have contributed much toward improving the lot of the destitute and the disadvantaged and toward brightening their future.

Voluntary support of the community action program is basic to the spirit of innovation. The cash requirement would seriously cripple this effort as the work of volunteers is credited as an in-kind contribution. It would curtail much of the effective work of the YMCA's, the church groups, religious organizations and other groups. I feel very strongly that we should remove this cash requirement and make it possible for the community action programs to continue and with full voluntary participation.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from New York.

Mr. OTTINGER. I heartily support the amendment offered by the gentleman. The amendment would eliminate severe injustices which strike hardest the community action programs that can least afford it.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Pennsylvania [Mr. Dent].

Mr. DENT. I believe we ought not to take too much time on this particular amendment, but I think we ought to know one thing. Under present law there is a provision for a 10-percent contribution in kind. The committee felt that we ought to keep the 10 percent in kind and add a provision for 10 percent in cash. However, the waiverability clause is in the act, and if a community or a sponsoring agency, a nonprofit organization such as a YMCA, or any of the well-known service groups that would sponsor a project would act under the waiverability clause, that agency would not have to contribute anything toward the program either in kind or in cash.

Mr. REID of New York. I would say to the gentleman that I have discussed this very point with the Office of Economic Opportunity. They tell me that there is not a clear waiver in the present language, and that the waiver provision which some may think is there would not be effective.

I would say, in addition, that even if there were a waiver provision in the statute, it would mean that in each case a judgment must be made. We still have something called the Bureau of the Budget in Washington.

Mr. CLEVELAND. Will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from New Hampshire.

Mr. CLEVELAND. I thank the gentleman from New York [Mr. Reid] for yielding. I support his amendment to repeal the Gibbons amendment requiring that 50 percent of the local contribution of 20 percent be cash. That requirement would jeopardize many fine programs in my district.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Hawkins], a member of the committee.

Mr. HAWKINS. Mr. Chairman, I rise in support of the amendment. I have offered an amendment which is somewhat similar to the one offered by the gentleman from New York, but which went even beyond this amendment. Many cities, counties, and other political subdivisions throughout the country cannot afford even the 10 percent, whether in cash or kind. So I would have made it 20 percent that could be contributed in kind.

I certainly wish to concur in the statement made by the gentleman from New York [Mr. Reid]. I would like to point out that in those cities or those school districts that actually encompass the poorest areas of our country that they would be the ones who could least afford even the 10 percent.

It is to these that I think we direct this amendment. I would not hesitate to ask the city of Los Angeles, for example, to put up 10 percent. I think it would be an excellent thing. But I believe by requiring them to do it, I would severely handicap some small hamlet or some small village in some other area that cannot afford this but which has poor people in it. For example, may I say the school district of Los Angeles, the second largest throughout the world, could, I believe, afford this 10 percent, but just a few miles away, if I may use another example, is the Willowbrooks district, which has 90 percent poor people in it, and they cannot afford this 10 percent. So we are crippling those who are the neediest.

In addition to that I would point out even if municipalities or counties can afford this, the effect of this amendment in the committee bill goes beyond these and to those private nonprofit organizations that have volunteered their services, such as the YMCA and the YWCA, and church groups operating Headstart projects, and others. In my area, for example, there is a group now acting as foster grandparents to the mentally retarded. To ask them to put up 10 percent in cash, I think, is certainly a rather ridiculous situation.

It may be true that the Director can waive this provision. This is the Director that many of us have already tried to indict as not being competent in many instances already, and now we want to pass on to him this additional administrative responsibility. I think he can do a good job, but I think he would find certainly it is a hopeless situation to try to judge which areas are entitled to this waiver and which are not.

I believe this House should not abdicate this responsibility to an official in the executive branch. I believe the amendment, therefore, is an excellent one. I think it removes what I believe to be an almost unbearable barrier to the operation of community action agencies and particularly those that are indigenous, those that are offering volunteer services, but which cannot possibly put up the cash.

Also, I would like to point out the legal services program which today is using cutrate figures in employing many lawyers throughout the country, would have to put up 10 percent, so we are crippling, in my opinion this and many other fine organizations which have volunteered their services in the war on poverty. Therefore, I support the amendment.

Mr. BOLAND. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from Massachusetts.

Mr. BOLAND. Mr. Chairman, I associate myself with the gentleman from California and support the amendment of the gentleman from New York [Mr. Reid]. There is no question as has been pointed out by the gentleman from New York, that it would cripple and handicap to a great extent the voluntary agencies that have been and desire to be involved in the program—YWCA.

As many Members know, these voluntary agencies operate on a tight budget. Much of their funds come from Givers and United Funds. These agencies like the YMCA's, YWCA's and many similar groups have difficulty with their budgets. This section of this bill providing for a 10-percent cash contribution would impair the activity of agencies that can offer and have offered much to the poverty programs. I support Mr. Reid's amendment.

Mr. BELL. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from California [Mr. Bell].

Mr. BELL. Mr. Chairman, I thank the gentleman for yielding. I associate myself with the remarks of the gentleman from New York [Mr. Reid], and the gentleman from California [Mr. Hawkins]. I support this amendment and hope it is passed.

SUBSTITUTE AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from New York [Mr. Reid].

The Clerk read as follows:

> Amendment offered by Mr. Quie as a substitute for the amendment offered by Mr. Reid of New York: On page 196, line 20, strike out the period and insert in lieu thereof the following: ": *Provided, however,* That the Director may waive all or part of such cash requirement in situations where a strict application of that requirement would result in unnecessary hardship."

Mr. QUIE. Mr. Chairman, I feel the Reid of New York amendment goes too far in eliminating the 10-percent-cash requirement. There are many instances in which the community ought to put up 10 percent cash. Anybody who can ought to do it. It is good for them to exert some effort in raising money for programs they believe in.

One has only to look at the successful programs—like Dr. Leon Sullivan's OIC in Philadelphia and the bootstrap project in Los Angeles—to know that people can raise money locally and ought to.

There are some ongoing programs where the 10-percent-cash requirement would be an unnecessary hardship—would probably eliminate a program—if there were hard and fast use of this requirement. My amendment would prevent that from happening.

There is a provision in the law for the Director not to exact the full 20 percent in cash or in kind, but that comes before the requirement for one-half non-Federal contribution in cash.

I feel that my amendment would give the latitude to the Director to permit any programs to continue if they could not raise the cash. There should be pressure on the local communities, where possible, to raise 10 percent of the money.

If programs are as good as all the letters flooding in the past week and a half say they are, they ought to be able to shell out some money of their own.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman from Florida.

Mr. GIBBONS. I am the author, as the gentleman knows, of this requirement that there be at least 10 percent cash in the law. As the author of that provision, I intended for it to read so that it would be waivable.

I have discussed the matter with the Office of Economic Opportunity. They said they were opposed to my amendment but they thought it was waivable. They just did not want to do it, anyway.

I have no objection, speaking as an individual, to the substitute offered by the gentleman. As the author of the original language in the bill, I would accept the gentleman's substitute as a better statement of what I intended to do at that time.

Mr. QUIE. Mr. Chairman, rather than take more time, I yield back the remainder of my time so that we can get on to a vote.

Mr. JOELSON. Mr. Chairman, I rise in favor of the amendment offered by the gentleman from New York [Mr. Reid].

I congratulate the gentleman from New York on his amendment. I believe it is much more persuasive and clear than the substitute.

Just as we have poor people, we have poor cities. It would be just as ridiculous to ask a poor city to pay for an antipoverty program as it would be to ask the parents of a child in the Headstart program to pay his share of the expense.

Tax rates are high in cities. If we saddle this type of additional cost on them they will get higher. People are running to the suburbs now. It is ironic that the worse conditions are in a community, the higher taxes rise. Suburban communities which do not have crushing health problems, crime problems, and welfare problems also have the attraction of lower taxes.

I do not believe this Congress should do anything to encourage the flight to the suburbs by imposing additional taxes on the people of the municipalities because the exodus to suburbia compounds and aggravates the problems of our teeming cities.

The amendment offered by the gentleman from Minnesota [Mr. Quie], although laudable in its intent, is so vague that the term "unnecessary hardship" would just be impossible to define. I urge support of the amendment offered by the gentleman from New York.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. JOELSON. I yield to the gentleman from New York.

Mr. REID of New York. I thank the gentleman for his thoughtful comments in support of the amendment.

I assume that the State of New Jersey is similar to the State of New York. The New York State Congress of Parents and Teachers has indicated that retaining a cash requirement "will make it almost impossible for new programs to get started because many low-income communities, where the need is greatest, were only able to afford these programs because of the 10-percent contribution in 'kind.' "

The point the gentleman makes is correct. I do not believe that a waiver provision will meet the problem.

I thank the gentleman for his comments.

Mr. HECHLER of West Virginia. Mr. Chairman, will the gentleman yield?

Mr. JOELSON. I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Chairman, I thank the gentleman from New Jersey for yielding. I rise in support of the entire bill, and at this point to express my approval of the Reid of New York amendment. There are so many communities with effective programs which cannot afford to provide cash, and I believe the present requirement of contributions in kind is very effective. I hope that the Reid of New York amendment will prevail, and that we may overwhelmingly approve this bill. This program has been very beneficial to the people of West Virginia and the Nation.

Mr. JOELSON. I thank the gentleman.

I should just like to emphasize in cities where there are many poor there are higher tax rates because there are health problems, crime problems, and housing problems.

In addition to this, we do not want to impose the burden of the cost of an antipoverty program.

Mr. KAZEN. Mr. Chairman, will the gentleman yield?

Mr. JOELSON. I yield to the gentleman from New York.

Mr. KAZEN. Mr. Chairman, I wish to associate myself also with the remarks made by the gentleman in the well in connection with the amendment offered by the gentleman from New York [Mr. REID].

Mr. Chairman, I rise today representing the people of my district in general support of the antipoverty bill, even though the committee substitute does not meet with my approval in all things.

Mr. Chairman, had I been a member of the Labor and Education Committee which heard this bill, I would not have changed some of the provisions which were contained in the Senate bill. I am referring particularly to the increase to 20-percent involvement by local units, out of which 10-percent participation must be in cash. This provision contained in the committee substitute will discriminate against communities and areas not as economically blessed as some others but who wish to fight the battle against poverty. And certainly, these are the areas to be especially recognized.

My remarks, Mr. Chairman, are in response to pleas from my district. I am sure that I am not the only one who has received a large volume of mail on this subject.

But, Mr. Chairman, the large majority of the mail I have received this past week—pleading with the Congress to pass an effective antipoverty bill—is from persons I know to be responsible citizens of their communities.

In several recent trips back to my district, I have talked to many constituents who echo these sentiments and ask that local communities continue to be allowed to provide "in kind" shares for their participation in the war on poverty.

These are persons from all walks of life—churchmen, community action workers, elected officials, and those living in the neighborhoods—where we have firm hopes that the Office of Economic Opportunity will be able to provide a ray of light into the damp darkness of a now futureless life.

I am constantly reminded by school and public officials, as well as interested private citizens, of their continuing efforts to provide more services to the disadvantaged in their communities and of the increasing drain on city and county funds for worthwhile programs.

One after the other, they tell me that inclusion of the provision doubling the original contribution rate and requiring that one-half be in cash—contained in subsection (d) of section 223 under title II—would simply mean that many worthwhile programs funded principally by OEO would have to shut down.

Many such projects—including Headstart, Upward Bound, and Neighborhood Youth Corps—are among the most valuable that OEO and the communities themselves have produced.

Discontinuance of such programs would in many cases be a tragedy and I would be remiss in my duties if I did not make known the wishes of my constituents at this time.

It is for this reason that I rise in support of this amendment which does away with the requirement that one-half of the local contribution be in cash.

Mr. Chairman, with all my heart I wish the people of my district were less in need of this program. But the facts, which I cannot ignore, show that in my hometown alone, the jobless ratio to the total labor force stands at 8.4 percent, which is double the national average.

Mr. Chairman, these are not the shiftless and lazy or the disinterested—these are men and women who are not only willing to work but who have asked for employment—human beings asking for a chance.

I cannot turn my back on them and I cannot conceive that any of the Members of the House can ignore them or the needs of other disadvantaged people throughout the Nation.

While the provisions of the present act have, in many respects which I have mentioned, brought many victories in the battle against poverty, the war has not yet been won.

Even though there has been much progress made, much is left to be desired and to be achieved in the future.

We are pointedly reminded by the Office of Economic Opportunity that many American cities with effective community action programs have escaped destructive riots; that the number of poor in our country has decreased in the last year; that the poor are becoming more aware each day of how the American system works, of how they can equip themselves to rise above the poverty level.

If we fail to do our own part by failing to pass a constructive antipoverty bill, not only the poor will suffer. All of us will have to live in a country worsened by the lack of positive contribution by a large segment of our population, who unless given the tools which will enable them to help themselves, will continue to be denied active participation in the economic and social structure of our country.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. JOELSON. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Mr. Chairman, I appreciate the gentleman yielding. I rise in support of the amendment offered by the gentleman from New York [Mr. REID], and cannot too strongly urge its adoption. I have a similar amendment at the desk. I have placed in the RECORD for the information of the committee a number of letters on this question. I want to call to the attention of my colleagues the following letters I have received which clearly point to the damage which will result unless we adopt the Reid of New York amendment.

Sister M. Bernetta of the School Sisters of Notre Dame in Mequon, Wis., wrote in part as follows:

SCHOOL SISTERS OF NOTRE DAME,
Mequon, Wis., November 11, 1967.

Mr. WILLIAM STEIGER,
House Office Building,
Washington, D.C.

DEAR MR. STEIGER: Since the beginning of the Head Start program, the School Sisters of Notre Dame have been involved as directors, teachers, volunteers, and in Milwaukee as the sponsoring agency of Head Start which has helped over 700 disadvantaged young children and their families. We are a teaching congregation and have been thrilled by the wonderful things Head Start has done for the children educationally, socially, and emotionally. We teach in the Inner City schools and know already what this program has meant to the further education of these children.

The Amendments to S. 2388 cause us particular concern, especially the *local Agency Amendment*. If the Amendment passes, we, as a sponsoring agency of Head Start would have to furnish 10% in cash toward the Head Start program which we operate. Currently, this would mean $15,000.00. We who are struggling already to stay within the Inner City so that the ghetto children will have quality education, could never contribute such an amount, and the parishes which donate rooms and facilities could never do so either. This demand for 10% from the sponsoring agency *would kill the Head Start program run by the Sisters,* and deny hundreds of children the rich educational and cultural experiences they are entitled to.

We are counting on you, Mr. Steiger, to do all in your power to help these poor minority groups who have no one to speak for them.

Very sincerely yours,
Sister M. BERNETTA, SSND.

Sister Marie LeClerc, director of Notre Dame Headstart in Milwaukee, sent a telegram from which I quote the following:

Milwaukee, Wis.,
November 14, 1967.

Representative William Steiger,
House of Representatives,
Washington, D.C.:

Notre Dame Headstart has cared for over 700 children. Vote against amendments. Especially 10 percent cash contribution.

Sister Marie LeClerc,
Director, Notre Dame Headstart.

Carol Edwards also wrote to me and said in part:

Wauwatosa, Wis.,
November 12, 1967.

Hon. William Steiger,
House Office Building,
Washington, D.C.

Dear Congressman Steiger: I wish to urge your strong support for the Office of Economic Opportunity and its programs.

As a teacher for Head Start in the inner core of Milwaukee, I have become more and more aware of the need for Head Start and other poverty programs, and have begun to realize that only if these programs are expanded and intensified with follow-through provided, can we begin to dissolve the crisis which exists in most of our urban areas and to unify our country and build its strength. As a poverty worker, I believe that I, along with other poverty workers, am helping the poor to help themselves and that these people cannot escape their problems without this kind of help. Only when one comes in direct contact with the impoverished can one begin to understand the hopelessness of the problems which poverty generates and the inability to escape without help and active encouragement.

The reaction from parents as well as volunteers and workers outside the core that I have received in regard to Head Start has been one of recognition of the benefits of the program for all concerned, and of the need for this program to continue, be expanded, and followed through. Therefore I am particularly concerned that the measure which provides that at least one-half of the 20% nonfederal share of Head Start funds be in cash be *defeated*. While the poor are more than willing usually to contribute time and energy, it is logical to assume that they have not the money to contribute to the program.

Sincerely,
Carol Edwards.

There can be little question that the letters I have received reflect the deep concern that many have about the 10 percent cash requirement. I do feel that many worthwhile projects would be crippled.

There are two further letters which I would call to the attention of the Committee which speaks directly to this matter in words which deserve consideration.

In part they say:

November 12, 1967.

Hon. William Steiger,
House Office Building,
Washington, D.C.

Dear Congressman Steiger: The crisis that the city of Milwaukee is facing right now is very much of my concern. I urge your support for the Office of Economic Opportunity and its programs. I am particularly concerned with the provision that at least one-half of the 20% non-federal share must be in cash. This is an Anti-Poverty Program, you have the money, but we don't have that 10% cash. I urge you to eliminate this 10% cash of local funding.

Please use your vote and influence to defeat this provision and others similar to these, that will destroy our War on Poverty.

Mrs. Luz Jones.

Milwaukee, Wis., *November 12, 1967.*

Hon. William Steiger,
House Office Building,
Washington, D.C.

Dear Sir: The most important one is the provision that at least one-half of the 20% non-federal share must be in cash. My husband and I feel this is grossly unfair, because of it being a anti-poverty we the poor people need it. Please use your vote and influence to defeat these provisions.

Sincerely,
Mr. and Mrs. Richard Packard.

While the adoption of the Quie substitute amendment would be an improvement over the present committee bill I hope it is not adopted so that the Reid of New York amendment can be adopted.

Mr. THOMPSON of Georgia. Mr. Chairman, will the gentleman yield?

Mr. JOELSON. I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. Mr. Chairman, I rise in support of the Reid of New York amendment and in opposition to the Quie substitute. The problem of financing by the cities is critical. Certainly the Reid of New York amendment will assist the cities in areas where they need it. The requirements of the Quie amendment may be invoked in cities where it should not be and can cause a loss of programs in these cities.

Mr. GIBBONS. Mr. Chairman, I move to strike the last word.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me for a unanimous-consent request?

Mr. GIBBONS. I will be glad to yield to the gentleman.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at a quarter to 3.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. RANDALL. Mr. Chairman, I object.

Mr. PERKINS. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 3 o'clock.

The CHAIRMAN. The question is on the motion offered by the gentleman from Kentucky.

The motion was agreed to.

Mr. GIBBONS. Mr. Chairman, I had hoped we could dispose of this matter long before this. As I stated in my colloquy with the gentleman from Minnesota [Mr. Quie], I proposed this proposal that there be a 10-percent cash contribution on these programs. I am surprised so much opposition has developed toward it, because there was so little controversy in the committee, but I realize how things change. I do not use that as an argument as to the worth or the lack of worth of it. Let me say there are many of us in the Congress who have been trying to bring to all of the programs funded by the Office of Economic Opportunity a greater degree of responsibility and of participation. There are some of us who have a strategy to win the war on poverty. It is not just to win a bill or to help a particular community out of a tight spot that they are in. Our strategy is to get involvement not only of the poor and of the welfare agencies public and private around the Nation but to involve all of the people in this. I have found from long experience one of the ways to get involvement of all the people is to ask them to put some of their hard-earned cash on the line. I am as aware as everyone else is of the problems of our cities. I do not want to impose any more problems on them, but in every Federal aid program we have we require as much as 66⅔ percent matching. We require as much as 50-percent matching in others. Even on the Federal Interstate System we require 10-percent matching by the States. This has to be in cash because you have to acquire rights-of-way and things of that sort. So this is in keeping with the great tradition of this country to have participation by the communities in the programs and bring responsibility into the program. That is the purpose of my proposal and that is the purpose of the language that the committee supported here.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. GIBBONS. I yield to the gentleman from North Carolina.

Mr. JONAS. I thank the gentleman from Florida for yielding.

I think the gentleman has already responded to the comment I wanted to make. Is it not true, generally speaking, that the best way to get active and interested and efficient operation is to have participation in money on the part of the people you seek to bring into a program?

And, Mr. Chairman, I think the gentleman from Florida has already answered that question in the affirmative. I agree with the gentleman that this would be calculated on the basis that if the local people have a financial stake, they would desire to bring about more responsibility.

Mr. GIBBONS. Mr. Chairman, I discussed my proposed amendment with representatives of the Office of Economic Opportunity before I presented it. I told them what I intended to do. I did not receive any direct rebuff from them as to my proposed amendment.

Mr. Chairman, it seems to me that we can bring more responsibility into this program by supporting the committee bill. It is my opinion that the Quie amendment does exactly what I intended to do, and that is to allow the citizens and the people who are involved in this program in cases of hardship to get out of it.

That was my intention when I discussed this matter with the Office of Economic Opportunity. I have not received any rebuff from them and, therefore, I am surprised that the representatives of that Office told the gentleman from New York [Mr. Reid] what they told him.

However, Mr. Chairman, the purpose of the language in the bill which I presented is to bring more responsibility into the operations of this program and not to place a heavy burden upon those who do not have the wherewithal with which to cooperate.

Mr. Chairman, the language does not come into conflict with the great tradition which we have established in this Congress to the effect that Federal funding of 100 percent of the cost of programs is a very dangerous thing, because it really establishes a group of Federal enclaves around the Nation.

Mr. Chairman, I urge the support of the committee bill.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. OTTINGER].

Mr. OTTINGER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman, I rise in support of the Reid of New York amendment which would eliminate the 10-percent cash requirement under section 223(c).

Mr. Chairman, the present law increases the local contribution from 10 to 20 percent after fiscal year 1967. Now the committee bill requires that at least one-half of the non-Federal contribution be in cash. This is known as the Gibbons amendment.

Mr. Chairman, this provision will work an undue hardship not only upon various communities throughout the country, but upon private nonproft community action agencies. This cash requirement would cause these agencies to depend upon local public funds, which might generate legal complications, or cause the poor to try to raise the funds. How ironic to ask the Nation's poor to foot 10 percent of the bill in cash. If the money were available through the poor, we might not need an antipoverty program.

Mr. Chairman, the Office of Economic Opportunity has pointed out to me the probable results of the 10-percent cash requirement. OEO has said, in fact, that it would result in closing down many worthwhile programs. They suggest that in the South, 101 local community action agencies might not be able to operate; in New England, 61 agencies might not be able to operate; in Pennsylvania, 16 agencies might not be able to operate.

St. Louis, which has one of the most effective community action programs, would have to raise nearly $1 million from the community of poor people, or drastically cut back its operations—to the extent of $10 for every $1 that could not be raised locally.

In Kansas, where a State law prohibits spending public money for private programs, the poor would have to raise the money themselves, or shut down the program altogether. In Minnesota, State law prohibits citizens of one county from spending the tax revenues of citizens of other counties. Multicounty programs would therefore, be jeopardized by this requirement.

Mr. Chairman, the point I am trying to make is that the 10-percent cash requirement would be even more detrimental to the rural communities than to the big cities, because those communities are often not able to raise the money.

This requirement will create hardship and confusion. The community action program needs incentives—not obstacles—if it is to succeed.

The defeat of the Hawkins amendment earlier this afternoon carried a message to the Nation's poor, in effect saying, "City hall will be in charge of these programs." At the same time let us not impose an additional burden on the poor by telling them that they have to put up 10 percent of the cash.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. RYAN. Yes, I yield to the gentleman from New York.

Mr. REID of New York. I thank the gentleman for his comments, and I would merely add that in many cases this requirement would involve new tax money, and some communities could not or might not wish to raise new tax money. We are dealing with community action, working with the poor and destitute, much of it through voluntary help, and if we retain the cash requirement there is no question but this would cripple the efforts of the YMCA, the church groups, and all other volunteer agencies that are making community action a reality.

Again I thank the gentleman for his comments.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. RANDALL].

Mr. RANDALL. Mr. Chairman, I rise in support of the amendment of the gentleman from New York [Mr. REID] and against the substitute of the gentleman from Minnesota [Mr. QUIE]. The reasons I advance are substantially different from those heretofore given. The concern up to now has been the effect of the provision in the committee bill that one-half of the non-Federal contribution must be in cash will have upon urban areas. I submit we must look to the effect a cash non-Federal contribution will have upon the rural areas.

There is no way I know under this title of the bill a multicounty arrangement can be avoided. That means three or four or perhaps five or six counties in the rural areas must band together. With this number of counties it is quite possible one of them may have already reached its constitutional limitation against the levy of any larger county tax. If this situation is true, it means this particular county has no way to produce its cash contribution.

If the stipulation which was written into the bill by the gentleman from Florida [Mr. GIBBONS] is not taken out, I think it is a fair statement to say there will not merely be some impairment or reduction of community action programs in the rural areas but it may well mean the complete elimination of our rural programs. To put the matter in stronger language the requirement that at least one-half of non-Federal contribution be in cash will mean the death of the community action programs outside the urban areas.

In larger counties or in larger cities, there is perhaps no problem to raise a large cash contribution. There is a danger that even in the metropolitan and suburban areas this large cash contribution could mean the elimination of activity by such nonprofit organizations as the YMCA and YWCA. But it is an altogether different story in the rural areas. It simply means the end of the program.

I have seriously considered support of this bill this year if the amount authorized is not increased over last year's figures. But I must say in all candor I cannot support a bill which sets up stipulations and provisions that further increases the already existing imbalance between the urban and rural programs.

Mr. Chairman, there has been a lot of talk about efforts to arrest the trend of migration of population from the rural areas to the cities. Various solutions have been proposed. Many different approaches have been suggested.

One has been to offer tax incentives for industry to locate in rural areas. Several different plans have been advanced. But may I say to my friends from the big cities that there may not be enough money in the world to solve the problems of the big cities through the model cities program and the rent subsidies plan and all the other proposals advanced to help our cities, because even if some of the slums are rebuilt and some people relocated the vacuum will be refilled by those thousands coming all the time from the rural areas to the cities. About the only way we can make true progress to solve this problem is to make it desirable for the rural population to stay in the rural areas.

Rural community action programs if they are not starved can very likely be of some help.

But if we do not knock out the requirement for one-half of the non-Federal contribution to be in cash we can look for the early death of the program in the rural areas.

Therefore, Mr. Chairman, the amendment should be adopted.

Mr. REID of New York. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from New York.

Mr. REID of New York. Mr. Chairman, I thank the gentleman for his comments, and I would say that I believe he is exactly right.

Mr. RANDALL. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota [Mr. QUIE].

Mr. QUIE. Mr. Chairman, if the Reid of New York amendment is adopted you are saying to every community that they do not have to put up any cash, only participate in kind, not cash.

Mr. Chairman, there are some communities who are capable of putting up cash, so then why should they not put it up? There are some counties who, if they wanted to dig down with a little effort they could come up with the cash, so why should they not put up the cash? The Federal Government is $29 billion in the red for this year, and it is going further into the red all the time. Many communities are not as hard-pressed as the Federal Government. My amendment says that if it is impossible for the community to provide any of the cash, however, then the Secretary can waive part of the local cash requirement, or all of it. This is the opportunity for him to permit all the existing programs to continue, even if they cannot find the money locally. But if they can find the money locally, then why should they not put it up? This will make this program go further, this will permit the Director to be able to include some additional programs that he would not otherwise be able to fund.

I would suggest to the Members to stop and think a little bit, these programs are supposed to be extremely worthwhile for each of the communities. Since they are so worthwhile, then why should they not pay something for the programs? If they are really interested in their programs they will put in the money if they can find it.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. QUIE. Yes; I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. Let me ask the gentleman this: Based on the eloquence of the gentleman's comments, there may be support for this amendment, but what happens in the budgetary process, if the Office of Economic Opportunity has waived this requirement in certain localities, the 10-percent requirement, and as the gentleman knows each community action agency program comes up for rebudgeting and refinancing over a period of time, and if we adopt your amendment, the communities that come up first may have their 10-percent requirement waived, but the ones that come up later in the year may be in trouble when the budgetary situation is tight and the Bureau of the Budget may not let the OEO waive the 10-percent cash requirement—they may have as much need as the first ones that were waived. How are we going to handle this under your amendment?

Mr. QUIE. It has always been the case, as I have observed in the operation of OEO, that they budget their money as they go along. In fact, they do not use up all their money at the end of the year. Last year, as you know, we appropriated about $1,687,000,000, and at the end of the fiscal year this total amount was not used up. If I recall correctly, that figure was something a little less than $1,600,000,000. So there is latitude there for the OEO to operate. Section 616 gives the Director flexibility in the use of the money between titles of this act. The decision to waive the cash requirement comes at the time a contract is written for each community action agency. This would be no different than the problems which face the Director when he waives the in-kind requirement.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. QUIE. I yield to the gentleman.

Mr. JOELSON. Can the gentleman tell me how in the world the OEO is going to administer or define such a vague term as "unnecessary hardship"?

Mr. QUIE. I used that term because the bill already carries this same language in another subsection of the section to be amended, and so if he can define "unnecessary hardship" in another subsection of the bill, I figure he has the competence to define it in this subsection.

Mr. POLLOCK. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. POLLOCK. Mr. Chairman, I rise in support of the substitute amendment offered by the gentleman from Minnesota [Mr. Quie]. If communities can afford to make a cash participation of 10 percent, they certainly should do so. However, if communities cannot make a cash participation without undue hardship, they should not be excluded from the program.

In the event the Quie substitute fails, then I urge passage of the Reid amendment which is vitally important for many, many communities that would find it impossible to participate, for they would have no means whatever to fund the required 10 percent in cash. In my own State of Alaska, the Indian, Eskimo, and Aleut village communities could not possibly find the means necessary to fund the 10-percent cash requirement for the community action program. The net result is that the extremely poor communities are too poverty stricken to participate in this portion of the poverty program. Why require cash from the extremely disadvantaged before they can be helped? It is indeed a sad commentary when the poor are too poor to be aided. Communities can be just as destitute as individuals, for the communities are but collections of individuals.

There are many ways to kill a program without voting against it, and the proposal of the committee to compel a cash participation is one way to kill it for the poorest, most needy communities in the Nation.

I most strongly urge my colleagues to support the Quie substitute for the Reid amendment, and in the event of its failure, then I most strongly urge that my colleagues overwhelmingly support adoption of the Reid of New York amendment. This is a vitally important vote in support of the poorest of all the communities that need help under the poverty program.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. Perkins].

Mr. PERKINS. Mr. Chairman, I think we are ready to vote, and I yield back the balance of my time.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Minnesota [Mr. Quie] for the amendment offered by the gentleman from New York [Mr. Reid].

The substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. Reid].

The question was taken; and on a division (demanded by Mr. Perkins) there were—ayes 66, noes 89.

Mr. REID of New York. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Reid of New York and Mr. Perkins.

The Committee again divided, and the tellers reported that there were—ayes 95, noes 117.

So the amendment was rejected.

The CHAIRMAN. For what purpose does the gentleman from Florida [Mr. Gurney], a member of the committee, rise?

Mr. GURNEY. Mr. Chairman, I have an amendment at the desk.

Mr. PERKINS. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Kentucky rise?

Mr. PERKINS. For a unanimous-consent request.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on all amendments to section 103 close at 4 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky that all debate on all amendments to section 103 close at 4 o'clock?

Mr. ROSENTHAL. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. GURNEY. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. GURNEY. Mr. Chairman, I am a member of the committee. I was on my feet. The Chair recognized me, and I did not yield for a unanimous-consent request on the other side.

The CHAIRMAN. The Chair asked the gentleman for what purpose he rose.

Mr. GURNEY. And I said to offer an amendment, and I was recognized for that purpose.

The CHAIRMAN. The Chair had not recognized the gentleman from Florida at that point.

The Chair now recognizes the gentleman from Florida.

AMENDMENT OFFERED BY MR. GURNEY

Mr. GURNEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Gurney: On page 188, after line 18, insert:
>
> "No funds or personnel made available for such program (whether conducted pursuant to this section or any other section in this part) shall be utilized (A) to organize or assist in organizing any unlawful demonstration, or civil disturbance, or (B) for the defense of any person charged with participating therein or with the commission of a crime committed in the course thereof, if such person organized or assisted in organizing any such demonstration, or civil disturbance."

Mr. PERKINS. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. GURNEY. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 20 minutes after 3; that is, in 10 minutes.

The CHAIRMAN. Is there objection to

the request of the gentleman from Kentucky?

There was no objection.

The CHAIRMAN. The gentleman from Florida [Mr. GURNEY] is recognized.

Mr. GURNEY. Mr. Chairman, what this amendment would do is to prohibit the too eager legal beavers in the OEO program from defending people charged with participating in disturbances if they are leaders in these disturbances, and also in helping organize civil disturbances.

Last summer we observed specific instances where this occurred. Actually, there were several in the city of Newark, the lawyers of the Newark legal service project financed by OEO actually requested complaints be filed against two police officers. They also participated in a suit which was brought by the American Civil Liberties Union in which it was requested that the Federal courts take over and operate the Newark Police Department.

I do not know anything about the Newark Police Department, but I do not believe that the Legal Services Department of the OEO was intended by Congress to participate in this kind of business. My amendment would prevent this.

Then there was an example in New York that I should like to point out. The scene here was the great Cathedral of St. Patrick in New York City. Earlier this year a group of 23 demonstrators at a Sunday morning mass arose in the church and attacked the foreign policy of this country in Vietnam, the third largest war in our history. Twenty-three of these people were arrested, and 10 of them later were defended by the legal services project of OEO on the lower East Side.

As a matter of fact, most of these 10 people were college graduates, and only one was unemployed. They were hardly the kind of poor people intended to be defended by this legislation, even if what they did had not been as reprehensible as it was.

In testimony and from newspaper reports this year, Sargent Shriver and Earl Johnson, the director of the legal services program, have admitted that OEO financed legal services have been involved and used by people arrested in demonstrations. It seems to me that this was not what Congress intended when we passed this legal services section of the act.

We did want to help the poor and needy who were not able to secure legal counsel, but not in riots and demonstrations.

There is another thing I want to point out, because I believe it is very important. The amendment is worded carefully. It is not intended to strike out against all the poor people who may get caught up in a riot and demonstration. I am giving them the benefit of the doubt, that they could be innocent, or misguided, might not be able to employ counsel, and it is possible that this Legal Services Division ought to be used in that respect. I am leaning over backwards to protect the poor.

What I am aiming at are the leaders involved in these kinds of things, who organize the riots and demonstrations, to cover both the lawyers employed in the Legal Services project and those whom they are defending through Legal Services project.

It seems to me Congress never intended this be done, and that the House could well amend the act by adopting my amendment.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. GURNEY. I yield to the gentleman from New York.

Mr. RYAN. Does not the gentleman believe that anyone charged with the commission of a crime is entitled to legal representation and counsel and entitled to present his defense, and not to be judged before a trial? This amendment would deny basic constitutional guarantees.

Mr. GURNEY. I do not yield further, but I will answer the gentleman's question.

It is not a question of prejudging a defendant. What we are talking about here is what Congress intended to be done through this legal services program of the Office of Economic Opportunity.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. MEEDS].

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me?

Mr. MEEDS. I yield to the chairman of the committee.

Mr. PERKINS. Mr. Chairman, I yield my time to the gentleman from Washington.

Mr. MEEDS. Mr. Chairman, I think it is very noteworthy what the gentleman from Florida said. He said the purpose of this amendment was not to strike down the rights of all the poor. I might add it was just meant to strike down the rights of the poor people who make mistakes. I would like to ask him what he defines as a civil disturbance. We have many crimes which are civil disturbances, which are not riots or demonstrations, and which do not come under these categories. This amendment would automatically take the right to counsel or to legal services counsel from those people who might be tried for civil disturbance.

I say further, Mr. Chairman, that this amendment goes much too far in some instances, and it might even deprive the right to counsel or to legal services counsel to those people who try to stop a riot or civil disturbance or a demonstration because in there he says "or anyone involved in such a civil disturbance or riot." I suggest this amendment is very mischievous, Mr. Chairman, and I hope that everyone will vote against it.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. Mr. Chairman, I rise in support of this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, this amendment is a very mysterious one. It is very difficult to comprehend its exact meaning. As I read it, it is unconstitutional, because it does not afford equal protection of the law. I do not have the time to expand on that argument. I hope the amendment will be voted down, because I believe you are treating the poor quite differently than you are treating the rich. The person who might be rich and who would head or organize this demonstration would have the means to retain counsel, but the poor and indigent individual, if he heads up this organization or heads this procession is without the right to counsel because he does not have the means to hire one. In that sense you have a differentiation made between the rich and the poor. Thus a right is accorded one but denied another. For that reason, Mr. Chairman, I think the amendment is unconstitutional. Furthermore, we have a statute already which accords to the indigent the right in criminal cases to have counsel assigned by the court. It is difficult to apprehend the effect of this amendment upon the statute which we passed some months ago. Which prevails? I do not know. I do not suppose the author of the amendment knows.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. GARDNER].

Mr. GARDNER. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I yield to the gentleman from Florida [Mr. GURNEY].

Mr. GURNEY. Mr. Chairman, I would like to point out all of these constitutional arguments made here on the floor of the House are very fine, but what we are doing is simply putting some guidelines in the bill so that when the lawyers in a legal services project in the communities in which we live have come before them one of these indigent people who may be participating or may have been participating in organizing a riot, actually what they are going to do is sit down and ask the facts and circumstances about what happened and use these guidelines to decide whether they should defend them or not. That is all we are doing here. It seems to me a very sound and practical thing to do. We do not have to get involved in a lot of legal rigmarole about constitutional law here.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. PERKINS] to close debate.

Mr. PERKINS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. GURNEY].

The question was taken; and on a division (demanded by Mr. GURNEY) there were—ayes 75, noes 59.

Mrs. MINK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GURNEY and Mr. PERKINS.

The Committee again divided, and the tellers reported that there were—ayes 122, noes 82.

So the amendment was agreed to.

Mr. PERKINS. Mr. Chairman, I would like to make a unanimous-consent request, but before doing so I would like to find out how many amendments to section 103 are at the desk.

The CHAIRMAN. The Chair will state there are 19 amendments at the desk.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on amendments to section 103 and all amendments thereto close at 5 p.m.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that all debate on all amendments to section 103 and all amendments thereto close at 5 p.m.

Is there objection to the request of the gentleman from Kentucky?

Mr. GROSS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. GROSS. Mr. Chairman, do I understand there are 19 amendments at the desk with reference to section 103?

The CHAIRMAN. The Chair will state that there are.

Mr. GROSS. Mr. Chairman, I object.

Mr. PERKINS. Mr. Chairman, I move that all debate on all amendments to section 103 and all amendments thereto close at 5:15 p.m.

The CHAIRMAN. The question is on the motion offered by the gentleman from Kentucky.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. PERKINS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PERKINS and Mr. QUIE.

The Committee divided, and the tellers reported that there were—ayes 102, noes 87.

So the motion was agreed to.

AMENDMENT OFFERED BY MR. RANDALL

Mr. RANDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RANDALL: On page 202, line 11, delete the period and insert a comma, and add the following: "(7) persons receiving minimum social security benefits or special benefits for the uninsured."

Mr. RANDALL. Mr. Chairman, I would hope there would be no controversy concerning this amendment. It simply adds a seventh criteria to the six that are enumerated on page 202 of the bill under section 241. Six guidelines are enumerated to help the Director set up rural programs—such as low-income families, incidence of unemployment, welfare recipients, school dropouts, and military rejects. My seventh guideline would consider the aging—that is those who receive only minimum social security benefits or those over 72 who receive special benefits for the uninsured.

It is my judgment that this bill, S. 2388, can be improved by the adoption of this added criteria, which should help thousands and perhaps millions of elderly men and women in our rural areas from coast to coast who live at or below the poverty level in the midst of our unprecedented affluence.

I am sure we all agree that the Headstart project has been accepted. Also some of the Job Corps programs. But for some unexplained reason OEO programs to date seem to reflect a curious bias against the elderly. We have had prosperity in this country, and economic progress. Our standards of living have been raised to unprecedented heights for the majority of Americans, but this has worked in reverse for the elderly.

One of the classes of Americans that are actually worse off now than they were when this unprecedented and uninterrupted prosperity began back in 1961 are the elderly. Secretary Gardner of HEW estimates that there are in this country nearly nine million men and women 65 years of age or over who meet the established criteria for being poor or in poverty. One of the tragic things about our country is that old age too often means financial hardship. There is a slowing of the physiological responses that comes with aging. There are other things that go on in the minds and physiology of elderly people. Along with this slowing of their physiology comes the shock of transition from productive work to retirement, and this is often accompanied by the feeling of having no place in our youth-oriented society.

To the praise of our committee, the bill that is reported does aim to help in this tragic and even pitiful predicament by providing job training and employment opportunities for these able-bodied elderly who want gainful employment.

This is done under section 126 for the elderly in general, but please note it is without regard to the imbalance between urban and rural. My amendment by adding a new criteria to section 241 would place emphasis on the elderly who live in rural districts. There are various social agencies that keep check and a sort of surveillance over some of the elderly in the urban areas. There are even some job training and employment opportunities for those able-bodied elderly who want employment in the urban areas. But in my judgment the truly forgotten are those elderly who live in the rural areas. It is for this reason that I offer the amendment to this section 241, especially pertaining to the rural areas.

I have supported this amendment for the reason we should remember there are many old people in rural areas who have never had any social security coverage. This is true because being self-employed there was no compulsory coverage, and in addition, only in recent years has coverage been optional or voluntary.

Those 72 years of age and over with no coverage receive only $35 a month under the current law. Under the new House version they will receive $40 a month, and under the new Senate version, $50 a month.

I do not know what is an acceptable or adequate definition of poverty. OEO says that any single person receiving under $1,450 per annum is below the poverty line. Certainly in this group all of them are below $600 per year, and I submit no one can do very well on $35 per month.

Then there are thousands and perhaps millions who receive the minimum under social security. Part of this is because of their residence in the rural areas, and because their low income failed to build up coverage for higher benefits. This group is nearly as bad off as those over 72 who had no previous coverage. Minimum social security payments for this group, and there are many of them in the rural areas, are: current law, $44 a month; new House version, $50 a month; new Senate version, $70 a month.

Mr. Chairman, this seventh criteria should be added to section 241 pertaining to rural areas. There is no reason this should be opposed by anyone on either side of the aisle.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. RANDALL. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Chairman, I commend the gentleman from Missouri [Mr. RANDALL] for his fine amendment which recognizes the urgent economic problem of many aged Americans today. I think it has much more pertinency than several of the other criteria, and the gentleman has offered a very worthwhile amendment. I hope the amendment will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. RANDALL].

The amendment was rejected.

AMENDMENT OFFERED BY MR. ROSENTHAL

Mr. ROSENTHAL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment Offered by Mr. ROSENTHAL: On page 193, line 14, after "Welfare", add a new section:

"(10) A 'comprehensive consumer action program' to develop and support projects to aid poor consumers of goods, services and credit. The program shall emphasize the broadening of existing institutions and the creation of new institutions to provide the poor consumer with means for proper economic judgments and consumer self-sufficiency.

"Projects shall (a) provide the opportunity for the poor consumer to assemble buying information, and compile comparative shopping data through the creation of voluntary consumer institutions and associations designed to meet these needs; and (b) develop the capability for capital accumulation by the poor and promote its use in voluntary self-help enterprises which will develop leadership while meeting consumer needs."

Mr. ROSENTHAL. Mr. Chairman, I am a totally frustrated member of this Committee. I spent about 2 months working on this amendment, and I have been in constant touch with people and groups all over the country, with legislative counsel, and with members of my staff. I went to the trouble of sending a written communication to all Members of this body. I sat on this floor for every minute that this debate has been had, with the exception of taking a phone call or a sandwich in the back room. Now I am given the liberal opportunity of talking about something I spent dozens of hours on, working on, and I am totally inadequate to do that task in 2 minutes.

The only comment I have—and I must restrain myself—is that the Committee does a disservice to the legislative process in doing this kind of thing.

I need no support from the other side. I do not even welcome it.

I have not the slightest intention of talking about this amendment. I could not do a service to the people that worked so hard for this amendment and the people who need the programs and the philosophy that would emanate from the enactment of this amendment. This is a very despairing moment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me to discuss the amendment?

Mr. ROSENTHAL. I would be happy to yield to the gentleman if he could explain to me why, with 19 amendments pending, we should divide the time 2 minutes each.

Mr. PERKINS. As I understand the gentleman's amendment, the gentleman proposes to offer another national emphasis program, under the community action section, for consumer education. I personally cannot see any need for the gentleman's amendment, since he can accomplish exactly what he is seeking to do under existing law and under the committee bill. There is ample authority to fund programs for consumer education in the bill reported by the committee. I would state, too, that many such programs have been funded and will continue to be funded under existing authority.

Mr. ROSENTHAL. Apparently, Mr. Chairman—and I say this with great respect and deference—you could not see the need for adequate debate on this amendment.

The CHAIRMAN. The time of the gentleman from New York has expired.

The Chair recognizes the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Chairman, I understand the frustration of the gentleman from New York. He has offered a very constructive amendment. I believe we ought to understand what it is.

The purpose is, very simply, to add to the category of special emphasis programs under section 222, consumer action programs which would be concerned with the commercial exploitation of the poor. This is a major source of unrest and discontentment.

The President's Advisers on Consumer Affairs said recently that gouging of consumers was one of the causes of the civil disorders of last summer.

We ought to vote overwhelmingly for this amendment, because it is addressed to a very serious problem.

There have been consumer education programs, comparison shopping projects, and cooperative purchasing services undertaken under the present OEO program, but, I say to the distinguished Chairman of the Committee, they have been demonstration projects. Now that their effectiveness has been proven, it is important to include them as part of the ongoing antipoverty program. If the program is going to really help the poor and help them to help themselves, why should there not be programs which offer protection from those who would overcharge them, from those who would sell them inferior merchandise, from those who would gouge them?

In low-income areas in New York City buying clubs and consumer groups have been a significant source of consumer education for consumer protection. One such group, MEND, or massive economic neighborhood development, in East Harlem undertakes comparative shopping to inform consumers of where they are overcharged. Another such group, which operates in my district, the La Mia buying club, is presently assisted by an OEO grant to undertake a program of consumer education. The club also provides a cooperative purchasing service.

Another group which is successfully operating in New York is the Harlem Consumer Education Council, of which Florence Rice is the director and which lists as its goals: "Educating Harlem residents to be intelligent consumers"; "bringing fraudulent merchandising practices to the attention of the community and the proper authorities"; "providing advice and assistance to consumers who are victimized and whose wages are garnisheed"; "promoting an awareness of the best aspects of family life"; "teaching Harlem mothers how to prepare well-balanced meals using foods familiar to them and their families"; and "showing housewives how to make their apartments more attractive without spending lots of money."

These are surely goals in the best tradition of self-help, and worthy of encouragement.

These activities are extremely beneficial to the welfare of low-income consumers, and need to be encouraged further.

In slum areas, where consumers can afford least, studies have shown that they tend to be overcharged most.

Fraudulent practices include the advertising at low prices of products which are never intended to be offered for sale, the sale of identical items at higher prices in low-income areas, the sale at a widely advertised price of inferior merchandise in slum neighborhoods, the sale of goods on the installment plan at outrageous rates of effective interest. Unscrupulous merchants in low income areas, where consumers may be more gullible, less aware, or unable to shop elsewhere, are tempted to pursue unethical practices. Frequently these practices are illegal as well; but enforcement is difficult, and the lack of a vigilant public makes it almost impossible.

The poorly educated, low-income consumer faces his own brand of inflation in the form of bloated rentals, false bargains, and higher consumer prices in general. This constitutes one more aspect of de facto discrimination against the poor and one more cause of unrest.

Consumer action programs are a necessary and logical extension of the war on poverty. Where they have been undertaken, they have been an effective instrument of self-improvement and self-protection.

I urge support for the amendment.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. ERLENBORN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. ERLENBORN. If I sought recognition to support the pending amendment and used my 2 minutes, would that preclude me from explaining later an amendment I have at the desk?

The CHAIRMAN. The gentleman would have used his 2 minutes.

Mr. ERLENBORN. I thank the chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. ROSENTHAL].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. GARDNER].

AMENDMENT OFFERED BY MR. GARDNER

Mr. GARDNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARDNER: On page 211, line 6, after the word "partisan" insert the words "or nonpartisan".

Mr. GARDNER. Mr. Chairman, I believe this is a most important amendment. We have seen time and time again this year OEO participation in political activities in many, many nonpartisan elections. We had this happen in my own State of North Carolina in Durham.

When I brought this to the attention of Sargent Shriver, the head of OEO, and also of the Civil Service Commission, I was told that the reason they were allowed to participate in heavy voter registration drives, in the carrying of people to the polling places on election day and furnishing them with marked ballots, was simply because this was a nonpartisan election.

I say it is far past the time for this House to set down some stringent requirements for the OEO. One of them will be that they will have no political activity whatsoever, in a partisan or nonpartisan election. This will happen not only in the city of Durham, N.C., but in cities like Houston, Tex.; Portland, Oreg.; and Charlotte, N.C.; as well as numerous other cities throughout the United States.

Mr. Chairman, I feel very strongly that the OEO has no place in political activities, and I hope that the members of this committee will feel likewise.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. TAFT].

Mr. TAFT. Mr. Chairman, I would like to rise in support of the amendment of the gentleman from North Carolina [Mr. GARDNER]. There is no activity in which the community action programs have engaged which has been more damaging from a public relations point of view and from a public opinion point of view than participation in political activity whether it be partisan or nonpartisan.

I think all of us are realists enough to know that a voter registration drive immediately before any partisan election—and indeed there is always a partisan election coming up in the future—is bound to be viewed as being to the advantage or the disadvantage of one candidate or another. Thus, when you are voting on this issue, you should consider the addition of the word "nonpartisan" so the present language of the bill will have the effect of taking politics out of the community action program and of engaging further support for a community action program from the community in general.

The CHAIRMAN. The Chair recognizes the gentlewoman from Oregon [Mrs. GREEN].

Mrs. GREEN of Oregon. Mr. Chairman, I am in complete agreement with the intent of the amendment expressed by the two preceding speakers. It seems to me that the bill already does this. We made it abundantly clear that we do not want any of the OEO money to be used in either partisan or nonpartisan activities or in voter registration drives.

Mr. GARDNER. Mr. Chairman, will the gentlewoman yield to me?

Mrs. GREEN of Oregon. I yield to the gentleman from North Carolina.

Mr. GARDNER. I agree with the gentlewoman that with the exception of section 246 and the following section 1, any partisan political activity is removed, however the word "nonpartisan" has been omitted from this section and I believe it should be included.

Mrs. GREEN of Oregon. When we amended section 603, which covers the entire bill, we put in the word "nonpartisan." So it covers every single title and even those where "nonpartisan" was not in it before.

I am in complete agreement with the gentleman's objective and with his other colleague from North Carolina [Mr. GALIFIANAKIS], that they do not want to see these funds used for any political purposes.

Mr. GARDNER. Mr. Chairman, if the gentlewoman will yield further, would you have any objection to inserting the word in order that it also pertains to section 246?

Mrs. GREEN of Oregon. I have no objection to it. I just believe it is redundant.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. GARDNER].

The question was taken; and on a division (demanded by Mr. GARDNER) there were—ayes 69, noes 50.

So the amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. STEIGER].

AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STEIGER of Wisconsin: On page 211, after line 21, insert the following new parts F and G:

"PART F—HEADSTART AND EARLY YEARS PROGRAMS

"ALLOTMENT OF FUNDS

"SEC. 251. (a) From the funds made available under section 260 to carry out this part for each fiscal year, the Secretary of Health, Education, and Welfare (hereinafter referred to as the 'Secretary') shall reserve (1) such amount, but not in excess of 3 per centum thereof, as he may determine, and shall allot such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands, according to their respective needs under this part, (2) such amount as he may determine necessary to carry out the purposes of sections 253(b) and 256, and (3) not more than 15 per centum during the fiscal year ending June 30, 1968, for the purpose of adjusting State allocations to assure the continuation during such fiscal year of programs which could not otherwise be funded out of a State's allocation for such year. From the remainder of such sums the Secretary shall make allotments among the States as follows:

"(1) he shall allot for each State an amount which bears the same ratio to 50 per centum of such remainder as the number of children aged three to eight, inclusive, in the State bears to the number of such children in all the States, and

"(2) he shall allot for each State an amount which bears the same ratio to 50 per centum of such remainder as the number of families having an annual income of less than $3,000 in the State bears to the number of such families in all the States. For the purpose of this subsection, the term 'State' does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

"(b) The number of children aged three to eight, inclusive, and the number of families having an annual income of less than $3,000 in a State, and in all the States, shall be determined by the Secretary on the basis of the most recent satisfactory data available to him.

"(c) The amount allotted for any State under subsection (a) for any fiscal year which the Secretary determines will not be required for the period for which that amount is available shall be available for reallotment from time to time, on such dates during that period as the Secretary may fix, among other States in proportion to the amounts originally allotted among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Secretary estimates that State needs and will be able to use for that period; and the total of these reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection from funds made available pursuant to section 260 for any fiscal year shall be deemed to be a part of the amount allotted to it under subsection (a) for that year.

"USES OF FEDERAL FUNDS

"SEC. 252. Grants under this part may be used, in accordance with applications approved under section 254, for—

"(a) planning for and taking other steps leading to the development for preschool and early elementary school programs for economically deprived children, as described in paragraph (b), including training of personnel and pilot projects designed to test the effectiveness of plans so developed; and

"(b) the establishment, maintenance, and operation of programs, including the lease or rental of necessary facilities and the acquisition of necessary equipment and for supplies, designed to provide a total preschool child development program for economically deprived children and followup programs for such children in kindergarten and the first three grades of elementary school, including activities and services such as—

"(1) comprehensive physical and mental health services for children needing such assistance in order to profit fully from their educational opportunities;

"(2) food and nutritional services, including family consultations to improve nutrition in the home environment;

"(3) specialized social services designed to improve the home environments of such children and to involve parents in the child's development;

"(4) a program of daily activities designed to develop fully each child's potential;

"(5) the provision of special teachers, counseling personnel, and other remedial and noncurricular services and programs for economically deprived children in kindergarten and the first three grades of elementary school to maintain the advances realized in preschool programs and to assist such children to overcome educational handicaps;

"(6) other specially designed health, social, and educational programs for economically deprived children both in school and out of school (including summer, weekend, and vacation programs); which meet the purposes of this part; and

"(7) direct participation in development, conduct, and overall program direction at the local level by parents of the children benefited by programs assisted under this part.

"STATE COMMISSIONS AND PLANS

"SEC. 253. (a) Any State desiring to participate in the grant program under this part shall designate (or create) for that purpose a State agency (hereinafter referred to in this title as the 'State commission') which shall be broadly representative of public and private education (including the State educational agency), community action agencies qualified under title II of this Act (hereinafter referred to as community action agencies or agency, as the case may be) and public and private child welfare and health agencies in the State: *Provided*, That any State community action commission designated or established by the State for the purposes of title II of this Act shall be deemed the State commission for the purposes of this part; and submit to the Secretary through the State commission a State plan for such participation. The Secretary shall approve any such plan which—

"(1) provides that it shall be administered by the State commission;

"(2) sets forth objective standards and methods for determining the school attendance areas in the State having the highest concentrations of economically deprived children, and a method for determining the highest priorities for preschool and early elementary school programs among such areas;

"(3) provides (A) for assigning priorities solely on the basis of such criteria, standards, and methods to eligible programs submitted to the State commission and deemed by it to be otherwise approvable under the provisions of this part, and (B) for approving and recommending to the Secretary, in order of such priority, applications covering such eligible programs;

"(4) provides for affording to every applicant which has submitted a program to the State commission an opportunity for a hearing as to any determination of the State commission adversely affecting such applicant; and

"(5) provides (A) for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting for Federal funds paid to the State commission under this part, and (B) for the making of such reports, in such form and containing such information, as may be reasonably necessary to enable the Secretary to perform his functions under this part.

"(b) The Secretary is authorized to expend not exceeding $10,000,000 during each of the fiscal years of this program under this part in such amounts as he may consider necessary for the proper and efficient administration of the State plans approved under this part, including expenses which he determines were necessary for the preparation of such plans.

"APPLICATIONS FOR GRANTS AND CONDITIONS FOR APPROVAL

"SEC. 254. (a) Applications for grants under this part may be submitted by any (1) community action agency, (2) local educational agency or other nonprofit agency, with the approval of a community action agency, or (3) local educational agency or other nonprofit agency in an area where there is no community action agency. Any such application shall be made at such time or times and in such manner as may be required by or pursuant to regulations promulgated and published by the Secretary for the purpose of enabling him to make the determinations required of him under this part.

"(b) The Secretary shall approve an application which—

"(1) has been approved and recommended by the State commission;

"(2) has been assigned, in accordance with the State plan, a priority that is higher than that of all other applications within such State (chargeable to the same allotment) which meet all the requirements of this section (other than this clause) and for which Federal funds have not yet been reserved;

"(3) provides that the funds under this part will be administered by the applicant agency and that at least 20 per centum of the cost of the program (which may be in the form of goods, services, or the reasonable rental value of facilities) shall be met from non-Federal funds in administering this subsection, except that, in exceptional cases, the Secretary may reduce or waive the non-Federal share requirement. The value of buildings, facilities, equipment, and other in-kind contributions from non-Federal sources shall be assessed and appropriately credited as part of the non-Federal contribution required herein;

"(4) sets forth a program for carrying out the uses and purposes described in section 253 and provides for such methods of administration as are necessary for the proper and efficient operation of the program;

"(5) provides assurances that in the planning of such program there has been, and in the carrying out of such program there will be, active participation of parents of economically deprived children in the areas to be served;

"(6) provides satisfactory assurances that the educational and developmental programs will be carried out by public or nonprofit private agencies possessing the capabilities necessary to the success of the program;

"(7) provides, with respect to any program carried out by a local educational agency, that adequate methods are employed to involve eligible children in the area served by such program who attend nonpublic schools, and that in no case shall economically deprived children in such area be denied the benefits of the program because of their attendance in nonpublic schools;

"(8) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this part; and

"(9) provides for making such reports, in such form and containing such information, as the Secretary may reasonably require to carry out his functions under this part and to determine the effectiveness of the program in meeting the purposes of the part, and for keeping such records and affording such access to as the Secretary may find necessary to assure the verification of such reports.

"(c) Amendments of applications shall, except as the Secretary may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

"(d) During the fiscal year ending June 30, 1968, the Secretary may approve applications of eligible agencies in those states for which there is no approved State plan, providing that the application meets all the requirements of this part except those relating to a State plan, and for any fiscal year thereafter the Secretary may in like manner approve applications in any State which has failed to designate or create a State commission, or to submit a satisfactory State plan;

"(e) If, in the opinion of the Secretary, a State plan or implementation thereof fails, or will fail, to carry out the purposes of this part because (1) State constitutional, legislative, or administrative restrictions prevent full participation of qualified private agencies or organizations in the operation of Headstart or Early Years programs under this part, or (2) it does not meet the needs of eligible children without regard to race, color, sex, or national origin, the Secretary shall withhold the allocation provided for such State until he has assurances satisfactory to him that the State plan or implementation thereof has been corrected, and in the absence of a satisfactory plan or implementation the Secretary is authorized to make grants from such State allocation directly to eligible applicants within such State for the provision of Headstart and Early Years programs.

"PAYMENTS

"SEC. 255. (a) From the amounts allotted to each State under section 251 the Secretary shall pay to each applicant in that State which has an application approved under this part an amount (subject to the requirements of section 254 (b)(3)) equal to the total sums expended by the applicant under the application for the purposes set forth therein.

"(b) Payments under this part may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

"(c) The Secretary shall immediately cut off funds to any applicant agency when he determines that such agency is not complying with the conditions for grant approval in section 254(b).

"(d) Payments made under this part are to be considered and treated by the State commission and by each grantee as Federal funds and shall be kept entirely separate from any other public or private funds.

"SEC. 256. The Secretary is authorized to reserve an amount not to exceed 2 per centum of the funds made available pursuant to section 260 in any fiscal year to provide, either directly or through grants to or contracts with institutions of higher education or other public or private nonprofit agencies and organizations, for research, demonstration, evaluation activities, and technical assistance designed to support the programs authorized by this part.

"ADVISORY COMMITTEE

"SEC. 257. (a) The Secretary shall establish an Advisory Committee on preschool and early elementary programs, consisting of a Chairman, and not more than fourteen members appointed, without regard to the civil service laws, by the Secretary.

"(b) The Advisory Committee shall advise the Secretary in the preparation of general regulations and with respect to policy matters arising in the administration of this part, including the development of criteria for approval of applications thereunder. The Secretary may appoint such special advisory and technical experts and consultants as may be useful in carrying out the functions of the Advisory Committee.

"(c) Members of the Advisory Committee shall, while serving on the business of the Advisory Committee, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including traveltime; and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

"BONUS GRANTS

"SEC. 258. (a) In addition to the sums authorized to be made available for part A of this title by section 260, there is hereby directed to be made available to the Secretary the sum of $35,000,000 for the fiscal year ending June 30, 1968, and $100,000,000 for the succeeding fiscal year, for increasing the amount available to States making an additional effort consistent with the purposes of this section.

"(b) A State's allotment under section 251 for a fiscal year, shall be increased, through the use of funds appropriated under this section, by an amount equal to 50 per centum of the aggregate amount by which [attributable costs] during the fiscal year by applicants in the State for carrying out programs described in their applications exceed 100 per centum of the State's allotment (including any reallotment) for such year: *Provided*, That the State shall provide a matching 50 per centum of such amount to such programs.

"(c) In the event the sums appropriated for a fiscal year to carry out this section are less than the amount necessary to make all the increases in allotments required by subsection (b), the amount of each increase under subsection (b) shall be reduced pro rata.

"DEFINITIONS

"SEC. 259. As used in this part—

"(1) 'economically deprived children' means children of families having an annual income (as determined by the State commission pursuant to criteria established by the Secretary) insufficient to provide a home environment conducive to learning, or who are recipients of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, except that in no case shall a local educational agency or a private nonprofit school be required to apply an income test to establish the eligibility of elementary school children in need of the in-school services provided under this title;

"(2) 'the first three grades of elementary school' may in addition include kindergarten school in those areas in which kindergarten is provided as a part of a program of free, public education.

"PROGRAM AUTHORIZATION; ALLOCATION OF FUNDS

"SEC. 260. (a) The Secretary is authorized to make grants pursuant to the provisions of part A of this title during the fiscal year ending June 30, 1968, and the succeeding fiscal year, for the purpose of assisting State commissions to arrange for the conduct of preschool and early elementary school programs for economically deprived children and for the funding of such programs.

"(b) For the purpose of carrying out this part, there is hereby directed to be transferred to the Secretary from amounts appropriated pursuant to section 2 of this Act the sum of $375,000,000 for each of the two fiscal years ending June 30, 1968, and June 30, 1969: *Provided, however,* That such amount for the fiscal year ending June 30, 1968, shall include any sums expended by or under the authority of the Director after June 30, 1967, for such programs.

"(c) The Secretary and the Director shall develop procedures for the orderly transfer of existing programs, including jointly-developed regulations, which shall assure that policies affecting existing grants shall remain in effect until changed by the Secretary.

"PART G—UPWARD BOUND

"TRANSFER OF PROGRAM

"SEC. 261. (a) The program known as 'Upward Bound' and conducted under the authority of section 205 of the Economic Opportunity Act of 1964, as amended, shall be carried out by the Secretary of Health, Education, and Welfare (hereinafter in this part referred to as the 'Secretary'), as provided by this part.

"(b) The Secretary shall assume administrative responsibilities with respect to all grants, contracts, or other arrangements made by or on behalf of the Director of the Office of Economic Opportunity for the conduct of Upward Bound programs to be carried out in whole or in part after June 30, 1967.

"ALLOCATION OF FUNDS

"SEC. 262. There is hereby directed to be transferred to the Secretary from amounts appropriated pursuant to section 2 of this Act for each of the two fiscal years ending June 30, 1968, and June 30, 1969, the sum of $15,000,000 to enable the Secretary to enter into arrangements pursuant to the provisions of this part: *Provided, however,* That such amount for the fiscal year ending June 30, 1968, shall include any sums expended by or under the authority of the Director after June 30, 1967, for such program.

"DESCRIPTION OF PROGRAM

"SEC. 263. (a) The Secretary shall conduct a program to be known as "Upward Bound" designed to generate skills and motivation necessary for success in education beyond high school and among young people from low-income backgrounds who have inadequate secondary school preparation for continuing their education beyond high school.

"(b) The program shall be conducted by means of grants to or contracts with public and private nonprofit agencies and institutions which shall include:

"(1) arrangements for cooperative efforts among one or more institutions of higher education and one or more secondary schools;

"(2) assurances satisfactory to the Secretary that the project will include a curriculum designed to develop the intellectual processes, skills, and attitudes needed for success in postsecondary education; and

"(3) necessary health services and such recreational and cultural activities as the Secretary may deem appropriate.

"COORDINATION OF PROGRAMS

"SEC. 264. The Secretary shall take such action as he deems necessary to coordinate the operation of Upward Bound with the program of educational opportunity grants authorized by title IV of the Higher Education Act of 1965, as amended, and he shall take necessary steps to consult with State and private agencies and institutions with a view to developing a coordinated effort to achieve the purposes of this part.

"ALLOCATION OF FUNDS

"SEC. 265. Of the funds appropriated or allocated for the purpose of carrying out this part, the Secretary shall first reserve not in excess of 3 per centum thereof for allotment among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs, and he shall allot the remainder among the States, in accordance with the latest available satisfactory data, so that (1) 50 per centum is distributed on the basis of the relative number of children enrolled in grades 9 through 12 (both inclusive) in each State, and (2) 50 per centum is distributed on the basis of the relative number of school-age children in families with annual incomes of less than $3,000 in each State. That part of any State's allotment which the Secretary determines will not be needed may be reallotted, at such dates during the fiscal year as the Secretary may fix, in proportion to the original allotments, but with appropriate adjustments to assure that any amount so made available to any State in excess of its needs is similarly reallotted among the other States."

Mr. STEIGER of Wisconsin (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

Mr. GIBBONS. Mr. Chairman, I object.

Mr. STEIGER of Wisconsin. Mr. Chairman, I renew my unanimous-consent request that the amendment be considered as read and printed in the RECORD at this point.

Mr. HAYS. Mr. Chairman, I object.

Mr. STEIGER of Wisconsin. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Wisconsin will state his parliamentary inquiry.

Mr. STEIGER of Wisconsin. Mr. Chairman, the Committee has ordered debate limited to the hour of 5:15 p.m.

This amendment is lengthy.

My query to the Chair is this: From whose time comes the reading of this amendment?

The CHAIRMAN. In reply to the inquiry of the gentleman from Wisconsin, the Chair can assure the gentleman that somebody is going to lose some time, because all debate ends at 5:15 p.m.

Mr. STEIGER of Wisconsin. Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ERLENBORN].

AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. ERLENBORN: On page 184, line 19, strike out the words "without limitation".

Mr. ERLENBORN. Mr. Chairman, section 221 on page 184 provides for the programs that can be funded through OEO in the area of community action. The words that are the subject of this amendment appear on line 19, and the phrase there in full is as follows:

> These component projects may involve, without limitation, activities providing services, together with necessary related facilities—

and so forth. And then lists successively thereafter six very broad purposes.

It seems to me that any program we might want to fund, which has not yet been funded in the area of community action, is described in those six broad areas following the words "without limitation."

The words "without limitation" open up new additional projects that could be funded. I believe that if there are any projects that are not included in this very broad description that OEO should want to fund in the area of community action, they should come to this Congress to get the authority. Certainly the authority provided in this section is sufficiently broad so that additional projects that they might want can be funded unless it might be something like the negative income tax they are trying out on an experimental basis in the State of Wisconsin.

But, in any event, if they want to go beyond the very broad area of authority now contained in the bill they should come back to this Congress for that authority, rather than to leave OEO without any limitation on the type of project they can fund. Therefore this amendment would remove the words "without limitation."

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment that seeks to strike the words "without limitation."

Mr. Chairman, if we strike those words we are stating that no program other than those specified in the section can be funded. This amendment would completely rob local communities of the local initiative now given them to devise programs to meet their own special needs.

Mr. Chairman, I ask the Committee to vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. ERLENBORN].

The amendment was rejected.

AMENDMENTS OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I have three amendments at the desk, and I would like to have them considered en bloc in order that I might speak upon all of them at one time.

I, therefore, ask unanimous consent that they be considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

Mr. GIBBONS. Mr. Chairman, reserving the right to object, do we have copies of these amendments anywhere?

Mr. QUIE. I can give the gentleman copies, I have some in my hand. I can give them to the gentleman right now.

Mr. GIBBONS. Thank you.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota that these amendments be considered en bloc?

Mr. HAYS. Mr. Chairman, reserving the right to object, are they related amendments, or are they on different subjects?

Mr. QUIE. You could say they are related; they are all related to this title, they affect the same section of the title.

Mr. HAYS. Do they do different things?

Mr. QUIE. They are related in this way, that they require that the board representatives—that is, the business and labor leaderships, or their representatives on subsidiary boards—do not need the full subsection (b) membership requirement.

Mr. PERKINS. Mr. Chairman, reserving the right to object, would the gentleman just tell us briefly the effect of these three amendments?

Mr. QUIE. I would be glad to tell you what the effect is of the amendments.

Mr. PERKINS. What are you proposing to do, that is the question.

Mr. QUIE. The three amendments do this.

The first amendment is to section 211 (b) so that, where representatives of the poor are concerned, they shall select their own representatives.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota [Mr. QUIE] that the amendments be considered en bloc?

The time consumed under a reservation of objection will deprive other Members of time to speak.

Mr. GIBBONS. Mr. Chairman, reserving the right to object, we do not want to be dilatory, but we are really trying to figure out what this is, and under a reservation of objection, or before objecting, would the Chair be a little more lenient with us on this, since the point is, we are trying to protect the committee.

The CHAIRMAN. The gentleman will be recognized to explain his amendments after they are reported.

Is there objection to the request of the gentleman from Minnesota [Mr. QUIE] that the amendments be considered en bloc.

There was no objection.

The CHAIRMAN. The clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. QUIE: On page 174, line 23, after the word "chosen" insert "by residents of the area to be served"; line 24, after the word "procedures", insert "in which the poor are given opportunity to participate to the maximum feasible extent, and which are".

On page 175, line 2, immediately after the word "of" insert the following: "and chosen by".

On page 175, line 18, immediately after the word "of" insert the following: "clause (2) of".

The CHAIRMAN. The gentleman from Minnesota is recognized.

Mr. QUIE. Mr. Chairman, these three amendments will provide that the political subdivision will not be able to appoint the representatives of the community action board other than their own.

The first amendment uses language that is presently in the act, that where the representatives of the poor are concerned, the poor shall select their own representatives.

The second one affects the Green amendment including on each board officials or members of business, industry, labor, religious, welfare, educational, or other major groups and interests in the community. My amendment that these representatives shall be chosen by those groups, not by the public officials.

The third amendment goes to subsection (c) of section 211 which applies to subsidiary boards, councils or similar agencies like the neighborhood councils or any other subsidiary group where the umbrella agency permits them to conduct business in a specific neighborhood. All the requirements of subsection (b) would not prevail in my amendments. The only requirement would be that the subsidiary board must consist of at least one-third representative of the poor.

As to subsidiary groups now where some of them have only representatives of the area, and are all in effect representatives of the poor, it will permit that to continue. It does not change the Green amendment in any way as it applies to the umbrella community action agencies with the exception, of course, that it could not be contrued if my amendment is adopted, so that the mayor could appoint all of the representatives on the board.

These are changes that I think are necessary to clear up the language.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendments.

The CHAIRMAN. The gentleman from Kentucky has used his time.

The question is on the amendments offered by the gentleman from Minnesota [Mr. QUIE].

Mr. PUCINSKI. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state the point of order.

Mr. PUCINSKI. Is it too late to raise a point of order that this amendment does the same thing that the House has already rejected?

The CHAIRMAN. The Chair would inform the gentleman that such a point of order comes too late.

Mr. GIBBONS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. GIBBONS. Mr. Chairman, I withdraw the point of order.

Mr. GROSS. Mr. Chairman, I object.

The CHAIRMAN. Withdrawal of a point of order does not require unanimous consent; so the point of order is withdrawn.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and thirty-eight Members are present, a quorum.

The question is on the amendments offered by the gentleman from Minnesota [Mr. QUIE].

The question was taken; and on a division (demanded by Mr. QUIE) there were—ayes 35, noes 84.

So the amendments were rejected.

AMENDMENT OFFERED BY MR. ECKHARDT

Mr. ECKHARDT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ECKHARDT: On page 175, line 9, after the period, insert: "However, when a community action board which has been designated by the Director and is presently acting in a community is composed of more than 51 members, and the Director finds that a reduction would impair the operation of the program, it may continue with its existing composition provided that the same conforms to standards provided in this section other than the numerical limitation; or, with the approval of the Director, the board may qualify without being required to lessen its total number of members if it shall conform its composition to such standards."

The CHAIRMAN. The gentleman from Texas is recognized in support of his amendment.

Mr. ECKHARDT. Mr. Chairman, time is relatively short, but I believe I can explain this amendment. It is an extremely noncontroversial amendment. The only thing the amendment would do would be this: It states that if a community action board which now exists has more than 51 members and it is determined that it would impair its operation to decrease its number to 51, it may retain the additional members.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Kentucky.

Mr. PERKINS. I sympathize with the gentleman's peculiar problem in the district that he is privileged to represent, but the committee in its judgment decided that we should place a limitation on the number.

In fact, I personally felt that the limitation we wrote in the bill was high. We have to keep this at a level where the local community action boards will not become unwieldy. I regret I cannot support the amendment.

Mr. ECKHARDT. Mr. Chairman, I, too, would prefer rather small boards, but my amendment does not give any blanket authority permitting large boards. It merely permits the Director to determine whether or not a reduction would impair the operation of the program. If it would, then the Director may permit an existing board not to be disturbed, if it complies, or is made to comply, with the provisions of the act providing that one-third of the members of the board be from the poverty areas, one-third from local governmental personnel, and one-third from interest groups in the community.

There are 55 CAP's in Texas; 16 of them have boards with more than 51 members—Abilene 90, Beaumont 108, Dallas 150, Fort Worth 93, Houston 150.

Public officials and/or representatives of public agencies comprise one-third of the board membership of 85 percent of all CAP's in Texas.

Every Texas CAP is sponsored—that is, designated as the only antipoverty agency in the area—by a politically responsible body—city or county government or both.

Sixteen CAP's are multicounty organizations which would be adversely affected by the Green amendment. They would probably have to cut representation.

I think the situation in Texas is more representative than unique.

If this amendment is not adopted then under section 210(a), the CAP agency is the political subdivision. The local political authority, say the city and county politicos, must cut a board of some 150 members back to 51 or less, under the mandate of section 211(b).

In Harris County, 50 members of the board have been elected in the poverty areas. The act, if not amended in this way, would require the politicos to cut this number back to about 17 and to remove at least 99 members of the board. Thus the committee's bill, as now constituted would require city hall and the county court house to reconstitute the board whether they want to or not.

My amendment would simply permit a good, balanced board which is presently operating to be left alone.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to my colleague from Texas.

Mr. BURLESON. Mr. Chairman, I support the gentleman's amendment and had hoped the committee would do likewise.

I understand, of course, the reasoning behind the committee's decisions to limit the number of members on boards of the community action programs to 51. I can understand that perhaps, on the average, this is more realistic and workable. On the other hand, I have a situation in my town of Abilene, Tex., similar to that described by my colleague from Houston, Tex.

Our community action program has just been reorganized after some difficulty, and for them to now be forced to drop back from 90 to 51, is going to be awkward and will not do the program any good. It is entirely possible that, with time, this might be done, but to force it so soon after its reorganization would appear to be unwise.

I hope the gentleman's amendment will be accepted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. Eckhardt) there were—ayes 27, noes 57.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. Dellenback].

Mr. DELLENBACK. Mr. Chairman, I have an amendment at the desk which dealt with the same general subject as that of the gentleman from Texas [Mr. Eckhardt]. A parliamentary inquiry: Are we precluded now from making any amendment in this regard? It is an amendment to the same section.

The CHAIRMAN. The gentleman from Oregon certainly could not offer the same amendment.

Mr. DELLENBACK. Mr. Chairman, it deals with the same section.

At this stage, Mr. Chairman, I will yield to my friend from Minnesota [Mr. Quie].

Mr. QUIE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, we can see what a disgraceful operation is going on in the House now. As the gentleman from New York [Mr. Rosenthal] said, Members have spent long hours in trying to draft amendments to improve this legislation. Now, because of a motion to cut off debate on this entire section—not just on each amendment to which I had agreed with the chairman of the committee to limit debate, but on the entire section—we are going to come to the end of this time with amendments to be offered by Members who will have little time or no time to explain their amendments. This House will not be able to give adequate consideration to the amendments when they are offered.

Mr. Chairman, this is supposed to be a great deliberative body. I question whether it can be after the sham of this afternoon.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 199, beginning with line 3, strike out everything through line 8 on page 200.

On page 201, after the word "programs" on line 9, strike all that follows through the word "activities" on line 12.

On page 201, line 16, strike "(3)" and insert "(2)" in lieu thereof; line 21, strike "(4)" and insert "(3)" in lieu thereof.

Mr. GROSS. Mr. Chairman, as the gentleman from New York [Mr. Rosenthal], and the gentleman from Minnesota [Mr. Quie], have said, you have now succeeded in making a shambles of this legislation by the arbitrary act of cutting off debate on some 19 amendments.

The amendment I have offered deals with research and pilot programs. It would strike out the language beginning on page 199, line 3, on through to line 8 on page 200, with two technical amendments to correct the language which would be affected on page 201 of the bill.

There have already been far too many costly research and pilot programs in this business. I am surprised this section was not stricken in committee in order to get rid of one of the provisions in current legislation that has given as much trouble as any other.

This section provides that 10 percent of the $1 billion devoted to this title of the act, can be used for research and pilot programs.

It is beyond comprehension that after 2½ years of the poverty program as much as $100 million can be spent on research and experimentation.

If that money is to be spent let it be for serving the poor of this country rather than expend it on a bunch of broken-down political hacks high-priced so-called experts.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. Gross].

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 36, noes 72.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from New Mexico [Mr. Morris].

AMENDMENT OFFERED BY MR. MORRIS OF NEW MEXICO

Mr. MORRIS of New Mexico. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Morris of New Mexico: On page 188, at the end of line 18, insert the following: "In carrying out this paragraph, the Director shall encourage, foster, and stimulate the adoption of legal services programs which (1) permit each user of the program to choose his attorney from among those participating in the program, and (2) provide that the fees of participating attorneys will conform to criteria prescribed by the Director."

Mr. MORRIS of New Mexico. Mr. Chairman, I am sure every Member believes his amendment is very important. I want to join all the others who believe their amendments are important.

Mr. Chairman, equal justice for every American is one of the great ideals of our society. It is for this reason that I offer this amendment. My amendment would direct the Office of Economic Opportunity to foster and stimulate the adoption of those legal services programs which permit an indigent to freely choose his own attorney from those participating in the program. My amendment would not make the client's choice program mandatory across the entire Nation, but rather it would encourage this type of programs whenever the local communities involved preferred such a method in contrast to the present OEO setup which provides that a salaried Government lawyer handle the indigent's case. My amendment provides that the fees of the attorneys would conform to criteria based upon the regional fee schedules prescribed by the Director of the Office of Economic Opportunity.

Essentially the program I propose would permit each eligible person to choose his own attorney from among those participating in the program. The attorney would provide the services requested and would then be reimbursed from Federal funds provided by an OEO grant according to a prescribed fee schedule. Although the method of financing my client's choice proposal would be different from that of the medicare program, the operation of the two programs would be similar. They will both be based upon the principle that each eligible individual should have the right to services, whether medical or legal, and to the right of choice.

A major reason why I favor this approach to the provision of legal services to the poor is that I feel, without question, it is more consistent with our free enterprise system than the alternative of hiring "Government-salaried" lawyers to serve one segment of our population. In our system we believe that each American should have the right to shop at any store, to avail himself of any service and not be restricted to certain facilities and services just because he is poor. Rich or poor, each is entitled to some freedom of choice.

I point out that my amendment would encourage clients choice programs whenever the local community preferred such a system instead of the type now eligible under the Economic Opportunity Act. It may be that the existing program of neighborhood legal services is more suited to certain populations and locations. In such event, my amendment would make no change. On the other hand, clients choice may well be a unique and preferable program in small communities and rural areas where a full-time attorney for the poor is not needed.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. MORRIS of New Mexico. I yield to the chairman of the committee.

Mr. PERKINS. Mr. Chairman, let me say I am entirely in sympathy with what the gentleman is stating. However, we do not have the funds in the bill to take care of this situation. It would take three times as much money if the gentleman's amendment were adopted before it would serve as many as are being served. For that reason, Mr. Chairman, I regret to oppose the amendment.

Mr. MORRIS of New Mexico. Mr. Chairman, I want to say to the members of the committee that my amendment does not make it mandatory that this type of program be carried out but it permits it in areas where it would be advisable. The language in your bill and in the committee report seems to be consistent with it, because on page 188 you say that the program must be consistent with a lawyer-client relationship consistent with the best standards in the legal profession.

Mr. STEIGER of Wisconsin. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. STEIGER of Wisconsin. Mr. Chairman, before we decide to alter the thrust of an already successful legal services program, we should have empirical data, not just abstract arguments, on the actual advantages and disadvantages of the judicare and staff-type programs. Only in this way can we make a reasoned comparison and informed decision. No business firm would make such a change, involving millions of dollars, without preliminary objective research and study.

I wish to point out that the Office of Economic Opportunity is already doing this work for us. OEO does not have an ax to grind on this or that method; its only interest is in achieving the basic goals of the poverty program in the best way possible. It has itself carefully considered the possible merits of a judicare program and, unwilling to make a hasty and perhaps unfortunate decision without adequate information, is already funding several judicare-type experimental programs in different types of areas and with different features. It has recognized that only by doing so can it answer intelligently the question of whether judicare would indeed be desirable and to what extent. For instance, it is possible that under certain types of local or regional conditions judicare might function well. In order to see if this is true, and to what extent, it is necessary to compare the successes and failures of the judicare-type program in a particular area with the comparable successes and failures of a staff-type program in the same area. This is exactly what has been done and is still being done with two major OEO-funded judicare demonstration projects. One has been operating in a number of rural counties in northern Wisconsin, one in a township in California. In addition, there are a number of minor judicare-type projects being funded and examined.

In order to insure that its conclusions about these demonstration projects are sound, OEO is not simply drawing upon its own evaluations. It is having in-depth evaluations performed by objective third parties such as the University of New Mexico. Plans are underway for a comprehensive 12-month evaluation of the Wisconsin and other judicare programs by a sociologist at the University of Wisconsin. These evaluations are comparing quality, cost, impact, and other factors of judicare programs with one or more staff programs in closely similar and usually adjoining areas. In addition, important evaluations of the overall legal services program done by the American Bar Foundation and the Georgetown University Law Center will supply OEO with valuable material to assist it in appraising the relative merits of judicare programs.

I submit that the approach to the problem already being taken by OEO is the only sound one—experimenting and assessing to learn in which, if any, situation judicare is appropriate, rather than jumping blindly into this very expensive and perhaps less effective method of providing meaningful legal services to our poor. We cannot afford to make in haste such a significant and costly decision on the basis of unproven facts and unexamined assertions.

Mr. COHELAN. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. COHELAN. Mr. Chairman, the U.S. Constitution assures certain fundamental rights to all Americans. None of these rights is more basic nor more important than the right to equal protection of the laws. Yet, the fact is that our legal system is such that justice frequently carries a price tag. And when the poor cannot afford to retain counsel or are otherwise ignorant of their legal rights, they are often victimized by callous and unscrupulous people.

Attorneys for slumlords, unethical creditors and others who prey on the poor and defenseless have been able to use the courts to frighten, overwhelm and defeat the poor. Our impoverished citizens, entrapped by the unscrupulous, are bewildered by the complexity of the law; they cannot afford to pay anyone to explain it to them, or defend them from it. Nor have they been able to make the law work for them.

Mr. Chairman, the legal services program of the Office of Economic Opportunity has addressed itself to this most serious problem. The program enjoys the full support of the American Bar Association, and now publications as otherwise diverse as the Wall Street Journal and the New Republic have just recently paid it tribute.

The New Republic has said that the legal services program "has potential as a steam valve in the slums, an outlet for pent-up anger in the courts." Equally important, as the article points out, the program has already had positive and far-reaching effects on legal education and the law itself.

The Wall Street Journal has observed that, until recently, "leading lawyers tended to share Supreme Court Justice William Brennan's observation that 'built-in bias' against the poor frequently infects the courtroom." Now, notes the Journal, some 1,400 war on poverty attorneys are working hard to erode that bias.

Each of these respected journals has devoted special attention to one highly successful component of the antipoverty legal services program—California rural legal assistance—CRLA.

Operating in poverty areas of California, CRLA has enforced the law to prevent Governor Reagan from slashing several million dollars from California's system of medical assistance to the needy and has gotten the U.S. Department of Labor to enforce its own regulations with respect to the importation of fieldworkers.

Involved in these suits was the relatively novel issue of federally financed attorneys instituting suit against a political subdivision or Government agency. But as the Wall Street Journal so correctly points out, these CRLA cases are "no different in principle from, for example, Justice Department lawyers filing suit against the Federal Communication Commission's approval of the ITT–ABC merger." The Journal cites an even more important fact:

> And there's a larger issue at stake which ought to make conservative-minded lawmakers pause before voting to immunize governments against legal attack from within. It has always been a tenet of the conservative creed that government unchecked erodes liberty.

Mr. Chairman, the two articles which follow are but a small portion of the evidence that the OEO legal services program has achieved tremendous success.

Part of that evidence is the fact that in the last year, 1,200 attorneys in this young program handled some 300,000 individual cases for the poor.

Part of that evidence are the innovations at our Nation's law schools, now equipping our lawyers to serve the poor as in the past they have been groomed for corporate and creditor service.

For my part, Mr. Chairman, I fully support this program. It has already earned the admiration of the bar, the approval of legal scholars, and the gratitude of the poor.

The articles referred to follow:

[From the New Republic, Nov. 11, 1967]

LAWYERS FOR THE POOR

Those who oppose the poor having anything to do with the way federal antipoverty funds are disbursed are especially eager to do in the legal services program which has offered the poor an opportunity to contest arbitrary acts of government in the courts.

LSP has 1,800 lawyers operating out of 850 slum neighborhood offices around the country to represent poor people. They handle divorces, grievances with landlords and creditors, and so forth, but their most significant cases have been against government agencies. CRLA, the California Rural Legal Assistance program, is the largest and most controversial of the 300 such OEO-funded programs in the country. It provoked the animosity of Governor Reagan by staving off through court suits cuts in the state's Medi-Cal program, and by contesting the continued importation of Mexican labor and unjustified denials of welfare benefits in California's Sutter County. Reagan is expected to veto refunding of CRLA when it comes up in December. Whether Sargent Shriver, under pressure from the California congressional delegation, will override the veto remains to be seen. In the meantime another attack on the legal assistance program is being made which could effectively destroy it nationally.

At issue is the novel concepts of the government paying lawyers to represent clients suing the government. California's Senator George Murphy is one of many politicians who has questioned the "propriety and the enormous expense to the taxpayer of a legal service program bringing suit against an agency of the federal, state, county or local government. In such instance, the taxpayer is paying the legal fees of both the plaintiff and the defendant—which does not seem quite right to me." Murphy introduced an amendment to the poverty bill when it was in the Senate that would prohibit all such suits by legal services attorneys. It failed.

Earl Johnson, who heads the legal services program at OEO has articulated another view, that the right to equal justice requires that people without money have the same access to an attorney and the same opportunity to sue the government as the better-off. Without it, he says, the poor are at the mercy of the bureaucrats and can't defend themselves against arbitrary, unconstitutional treatment. Moreover, he maintains, the legal services program has "brought disputes into the courtroom which might otherwise have generated picketing, demonstrations and violence." This riot prevention "benefit" is probably exaggerated, but it is politically productive at the moment and is being exploited by news releases from OEO ("Washington, D. C. Legal Services Program Helps to Avert Riots" was the title of one such story; "Cleveland LSP Helps Avert Violence" another). Nevertheless, the program has potential as a steam valve in the slums, an outlet for pent-up anger through the courts. In addition to providing relief to a few litigants and alleviating somewhat the feeling of powerlessness among the poor, the legal services program has begun to have important effects on the law itself. For example, a recent Connecticut court ruling, rendering unconstitutional the state's one-year residency requirement for welfare benefits, is expected to affect practices in other states and benefits thousands of poor people who may never have heard of LSP.

The program is now in trouble, the OEO maintains, not because it has been inadequate but because it has done so well. LSP officials have fears of what will happen when the poverty authorization bill for fiscal 1968 reaches the House floor within the next few days. Attacks are expected on three fronts.

First, the Murphy amendment to forbid suits against government agencies at all levels may be introduced under another name in the House. It stands a better chance of success than in the Senate. Between seven and 10 percent of the 320,000 cases handled by legal services lawyers last year were against welfare, social security, workmen's compensation, Veterans Administration, education and other government agencies. Among them were the most important law reform cases handled by LSP. "The Murphy amendment," says an OEO spokesman, "would eliminate those cases aimed directly at the causes of poverty. . . . The effect would be to deny equal justice to the poor in a year when the nation's urban ghettos have erupted in rioting."

The second attack feared by LSP is an amendment to operate legal services as a "judicare" program. Under such a setup, persons who had first been certified indigent would be eligible to go to the private attorney of their choice and he would be reimbursed, as in Medicare, by the federal government. The poor would no longer have easy access to law offices set up in their own neighborhoods and staffed by specialists in poverty law zealous for law reform as well as for serving the interests of their individual clients.

The third amendment expected by LSP is one that would require OEO to gain the approval of local bar associations if neighborhood legal services offices are to be funded in a community. Although the American Bar Association has praised the program, local bar associations, particularly in the South, have been critical and OEO officials predict that were the amendment to become law, LSP would be effectively killed.

[From the Wall Street Journal, Nov. 8, 1967]

Legal Aid Skirmish in Poverty War

(By Jerry Landauer)

Washington.—The scene last summer in Judge Alexander Holtzoff's Federal District courtroom here put a blush on believers in tidy government.

Here were attorneys paid by Sargent Shrivers' poverty warriors determinedly pressing a lawsuit not against some Scrooge-like finance company but against another Government agency. "It is a strange thing," Judge Holtzoff remarked, and as the months rolled by other judges in other communities were similarly moved to wonder how the Government could possibly justify financing legal actions against itself.

Now this apparent anomaly is engaging Congress' angry attention for the first time. When voting starts today on amendments to recast the entire antipoverty crusade, members of the House may petulantly put an end to what many consider plain foolishness—the provision of free legal aid to the poor in courtroom jousts against local, state and Federal agencies.

Indeed, Congress quite probably would stop this program if President Earl F. Morris and other leaders of the American Bar Association weren't busily lobbying to uphold Mr. Shriver's hand. Far from being another haphazard wastefulness, these ABA leaders believe, such suits are necessary to restrain Big Government's arbitrary tendencies.

"FIRE BRIGADES"

Behind the scenes, it's understood, ABA President-elect William T. Gossett has been working with some success to neutralize and perhaps even convert House Republican Leader Gerald Ford of Michigan; Mr. Gossett is a former Ford Motor Co. vice president and general counsel. "We've lobbied for this program, we've sponsored meetings and we've had fire brigades out to beat down the opposition," a bar association spokesman confides.

Until recently the poverty war's legal aid services seemed to be its least vulnerable flank.

For one thing, it seemed quite proper to provide free representation for poor people seeking to assert contractual rights, once it had become routine for states and localities to grant free counsel to indigent defendants in criminal cases as required by the Supreme Court. Then, too, leading lawyers tended to share Supreme Court Justice William Brennan's observation that "built-in bias" against the poor frequently infects the courtroom. In Congress, finally, detractors of the poverty war as an unconscionable waste often agree that the ignorant poor in a complex society need protection against grabby landlords, shabby sales tactics and loan sharks masquerading as legitimate finance companies.

Finding this fertile reception, Mr. Shriver's legal aiders moved to placate the bar lest it come to regard Government-paid lawyers litigating civil suits as one step toward socialized law. Among other safeguards, neighborhood law offices financed by the poverty program but operating under local control aren't supposed to accept cases from which a private lawyer might earn a fee; these "fee-generating" cases are referred instead to private practitioners.

As a practical matter, many state and local bar associations came to realize that Federal money carefully spent could be a boon to the profession. Besides opening job slots on the Federal payroll (1,400 so far), to stimulate recognition by the poor of their legal rights might ultimately tap a vast reservoir of new legal business. Earl Johnson Jr., Chief Shriver's director for legal services, cites an American Bar Foundation survey that suggests that not more than a few thousand of 14 million "legal problems" rising among the poor each year receive professional treatment.

Having won general support from the bar (state associations in Tennessee and North Carolina, among others, swung from opposition to neutrality or support), the legal aiders quickly established a national network of 200 neighborhood offices, mostly in slum areas, supplemented by much-advertised "circuit riders" traveling in trailers to rural places. Federal dollars also began flowing to law schools in the hope that courses in "poverty law" would join tax law, real estate law and corporate law as traditional components of the curriculum.

Mostly the Government-paid lawyers (on the average they earn $9,500 a year) handle juvenile misdemeanors, divorces, paternity problems, landlord-tenant disputes and creditor-debtor controversies. When the poverty lawyers undertook to defend several dozen defendants accused of participation in race protests or riots, there were grumbles but remarkably few loud squawks. Nor did the first suits against local government agencies awaken Congressional concern—suits in Ohio on behalf of Mexican-American migrant workers requiring motor vehicle bureaus to give license tests in languages other than English: suits in New York prohibiting public housing projects from barring unwed mothers; suits in several states challenging eligibility requirements for relief recipients.

It was a welfare suit brought by the District of Columbia legal services agency that prompted Judge Holtzoff to note with surprise in dismissing it that "here are lawyers being paid by the Government to sue another Government department." But another such suit in Hartford could reshape the welfare laws of 40 states that impose a one-year residency requirement upon relief applicants, the maximum permitted by Federal law.

UNCONSTITUTIONAL INCURSION

The first round in the Hartford suit was won by legal services lawyers, who persuaded a three-judge Federal panel that Connecticut couldn't deny public assistance to a needy mother moving from Massachusetts to be near her family. Denial of aid under such circumstances is an unconstitutional incursion on the right to travel, the judges held, and they went on to declare that Connecticut can't withhold relief from newcomers even if their "sole or principal purpose in entry is to seek aid."

If upheld, this language may knock out residence requirements in every state with a consequent strain in tax revenues. Yet in part because newspapers scarcely noted the role of Federally financed legal aiders, the suit generated surprisingly little flak against the "professional law advocates of the poor," to use Director Johnson's description. What touched off the Congressional tempest was a rapid series of suits in Gov. Ronald Reagan's state by California Rural Legal Assistance, a statewide service to migrant workers.

The CRLA received its first Federal infusion of $1,756,000 (more than enough to last a year) on May 24, 1966, and $756,000 more on Dec. 31—less than a week before Gov. Reagan's inauguration. Thus the legal aiders craftily sidestepped the certainty of a gubernatorial veto, and Poverty Chief Shriver avoided the sensitive necessity of overriding it.

Amply financed, the CRLA went to work. Starting last September it enraged Gov. Reagan by thwarting his proposed cutback of several million dollars in the state's Medi-Cal system of medical assistance to the needy, then blocked a proposal by a local school district to shut down classes for a week so students could help bring in the late grape harvest. Next the organization went after bigger game, the U.S. Department of Labor.

Acting on an application by California growers, Labor Secretary Wirtz had certified the need to bring in thousands of Mexican braceros to pick tomatoes and other crops, and the CRLA threatened suit to block the importation. The Labor Department responded not by fighting but by assigning the aggressive poverty lawyers a role in changing certification procedures.

EMBARRASSMENT A FACTOR

One factor in the settlement, no doubt, was the Labor Department's embarrassment at the prospect of lining up publicly with the powerful growers. "Instead of fighting the suit, as advised by the Department of Justice, the Labor Department rolled over and played dead," Democratic Rep. B. F. Sisk complained, while in the Senate Republican George Murphy denounced the "ludicrous spectacle" of both sides in a threatened lawsuit being financed by Federal taxpayers.

Yet whatever the merits of the California legal scrambling, the spectacle attracting Sen. Murphy's ire is no different in principle from, for example, Justice Department lawyers filing suit against the Federal Communication Commission's approval of the ITT–ABC merger. And there's a larger issue at stake which ought to make conservative-minded lawmakers pause before voting to immunize governments against legal attack from within. It has always been a tenet of the conservative creed that government unchecked erodes liberty. As legal aider Johnson puts it:

"In this age of Big Government, ever increasing in size, it's refreshing to know that some bureaucratic mistakes won't go unchallenged."

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Mexico.

The amendment was rejected.

AMENDMENT OFFERED BY MR. SCHERLE

Mr. SCHERLE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SCHERLE: On page 201, line 7, after the period insert: "The Director shall ascertain the percentage of impoverished residents of rural areas to the impoverished residents of the nation and shall take appropriate action to assure that the percentage of funds expended in rural areas under this title is proportionate to the incidence of poverty in such areas as compared with the incidence of poverty in the nation as a whole."

Mr. SCHERLE. Mr. Chairman, this amendment does nothing more than ask that the rural poor be granted the same consideration as those living in the urban areas. As many of you know, a great migration from the rural areas of America has taken place in the last 6 years. Farm income has been down $2 billion since last year. What is the difference between a deprived farm child and a deprived urban child? I have never noticed any difference. Under the present poverty program, 30 percent of the funds are going to the urban areas while 45 percent of the poor in America today are rural. Now, is this amendment asking too much when it asks that the rural poor in America be granted the same opportunities in education and retraining and rehabilitation? I do not think so, and I do not think that this House does, either.

Mr. Chairman, would anyone in this House be willing to take a 10-percent cut? Would they take a 10-percent cut? This has taken place in farm income in America today. All this amendment does is to say, "Give us an equal chance to educate, retrain, and rehabilitate the poor of rural America."

Mr. Chairman, witness after witness appearing before the House Committee on Education and Labor and earlier hearings in the Senate have testified that nearly half of this Nation's poor live in rural areas, from 44 to 50 percent. In rural America, 26.9 percent of the people are poor, while the figure for the urban area is 14.4 percent.

The rural American poor are not receiving their fair share of the Government's antipoverty effort. In fiscal 1966, only 15 percent of the poverty expenditures were devoted to the eradication of rural poverty.

In fiscal 1967 this figure was 33 percent. Many close observers of the rural American scene dispute the contention that 33 percent of the antipoverty funds were spent in rural areas. Others point out, as did the Des Moines Register, that while money may be spent in rural areas, it is not necessarily being put in the hands of those who qualify under the Government's standards of poverty. In either event, we are not giving proper attention to this segment of the Nation's poor. It has been argued that in the initial stages of the war on poverty the rural areas were not equipped to handle the funds and that this accounted for their having been ignored.

Mr. Chairman, it has also been stated that the reason the rural poor have been ignored is because an administrator of national programs is under the gun to get the biggest bang for the buck, so he does not operate in areas where he encounters the highest cost per unit of program output.

Whatever the facts may have been in the past, the Office of Economic Opportunity should now be capable of administering effective programs to eliminate rural poverty. Our committee received testimony to the effect that with the contemplated expansion of the community action program in fiscal 1968, all rural counties which fall into the "contemplated poverty bracket" will be covered by a community action agency.

Agriculture Secretary Freeman has urged that more war on poverty funds be devoted toward rural poverty and he insists that the Department of Agriculture now has the capability and the legal authority to see that these funds are properly spent. It is unfortunate that he does not follow through.

Mr. Chairman, in spite of the indications that we are now prepared to fully handle the attack on rural poverty, the Office of Economic Opportunity proposes, for fiscal 1968 to allocate only 36 percent of its total expenditures to efforts on behalf of the rural poor. Why should almost 50 percent of the Nation's poor be relegated to this disproportionate share of the antipoverty effort?

Members of Congress representing urban areas may assume that my amendment would be against the best interests of the metropolitan areas. However, the facts are plain for all to see that the rural poor of today will be the urban poor of tomorrow unless we take immediate steps to see that they are provided with meaningful education and job opportunities. While there are probably many ways to achieve this result I believe that an earmarking proposal is the best approach. The reason was well stated by Mr. Lowell H. Watts, of Colorado's extension committee on organization and policy, when he said:

> Rural communities do not have a professional talent to enable them to compete effectively with metropolitan regions for Federal assistance. Specific earmarking of funds to be used in rural areas would protect the interests of rural Americans and equalize Federal assistance.

I urge the adoption of the amendment.

Mr. Chairman, I include a statistical breakdown of OEO expenditures for fiscal 1967 and proposed fiscal 1968 expenditures at this point:

OEO EXPENDITURES AND PROPOSED EXPENDITURES, BY PROGRAM, WITH RURAL PERCENTAGES

[Dollar amounts in millions]

	Fiscal year 1967—Expenditures			Fiscal year 1968—Proposed expenditures		
	Total	Rural	Percent rural	Total	Rural	Percent rural
Job Corps	$211.0	$84.4	40	$295	$118.0	40
Neighborhood Youth Corps	372.0	104.16	28	321	102.72	32
Work experience	100.0	27.0	27	70	18.9	27
Adult work training and special impact	98.0	19.6	20	258	36.12	14
Community action program	807.5	250.325	31	1,022	367.92	36
Migrants	33.0	33.0	100	27	27.0	100
Rural loans	24.0	24.0	100	20	20.0	100
VISTA	26.0	13.52	52	31	16.12	52
General direction and administration	15.0	5.1	34	16	5.28	33
Total	1,686.5	556.545	33	2,060	721.0	35

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. SCHERLE].

The question was taken; and on a division (demanded by Mr. SCHERLE) there were—ayes 48, noes 68.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. SISK].

AMENDMENT OFFERED BY MR. SISK

Mr. SISK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SISK: On page 200, after line 8, insert a new subsection (d) as follows:

"(d) No pilot or demonstration project under this section shall be commenced in any city, county, or other major political subdivision except with the approval of the local community action agency or, in the absence of a community action agency, the local governing body for that subdivision."

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me at this point?

Mr. SISK. Yes; I shall be glad to yield briefly to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I wish to state that the members of the Committee on Education and Labor on this side of the aisle have had an opportunity to observe the amendment which has been offered by the gentleman from California and we do not have any objections to it insofar as the chairman knows.

Mr. SISK. Mr. Chairman, I thank the distinguished gentleman from Kentucky [Mr. Perkins].

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. Sisk].

The amendment was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. Randall].

AMENDMENT OFFERED BY MR. RANDALL

Mr. RANDALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Randall: On page 202, line 18, after the period, strike out the remainder of line 18 and all of lines 19, 20, and 21, and substitute the following: "To encourage equitable distribution of assistance, the director shall reduce or waive requirements relating to matching non-Federal assistance when there is a 10 per centum or greater imbalance between urban and rural areas with respect to any part or all of subsection (b) (1), (2), (3), (4), (5), and (6). When this condition exists in any rural area, the director shall utilize the community action agency and public or private non-profit agencies, or any combination thereof, to promptly achieve equitable distribution of assistance."

Mr. RANDALL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. RANDALL. Mr. Chairman, under limitation of time it will not be possible to fully debate my amendment which commences at line 18 of page 202, being a part of subsection (c) of section 241, which concerns community action programs in the rural areas.

My amendment calls for a seventh guideline to be added to subsection (b) of section 241 by providing that the Director of the Office of Economic Opportunity shall in addition to the other six criteria or guidelines take into account the number of aging in a rural area who receive only minimum social security benefits and/or the number of those over 72 years of age who receive special benefits and who have had no previous coverage.

My amendment allows the Director to reduce or waive the requirements as to matching non-Federal assistance where there is a 10 percentum or greater imbalance between urban and rural areas in respect to anyone of the six criteria listed in the original bill.

Mr. Chairman, there should be better assurances written into the bill that the rural areas will get an equitable share of the community action programs. The rural areas may have received a fair and reasonable share of the youth and adult work programs, but the community action programs in the rural areas have been woefully shortchanged. This is true of the rural areas it is my privilege to represent.

I am offering this amendment to try to make it assured that the rural areas will indeed receive the equitable treatment that the law now provides. Section 241(b) with its six guidelines was added to the old law in 1965. But frankly, unless there are stronger directives the rural areas will have to continue to go along as recipients with much less than one-fourth of the program. Without meaningful directives, the situation cannot be corrected.

My amendment is an effort to require an equitable distribution. There is no strict demand that the distribution be 100 percent equitable all of the time, but when the proper ratio on the basis of need in the rural areas lags 10 percent or more behind urban areas then something should and must be done.

My amendment simply requires that the Director of OEO may reduce or waive requirements for matching non-Federal assistance when there is a 10 percent or more imbalance.

The progress has been slow on these programs in our rural areas—painfully slow—as compared with the swift action developed in the big cities, but the committee bill has some changes which will help the rural areas. It also contains some steps backward. One such step is the Gibbons amendment, now a part of the committee print, which would put a number of community action agencies in our district out of business. Perhaps an urban area will have no trouble making up the 20-percent contribution with half of it in cash. But it is quite another story for four or five or more counties in the rural areas, plus a number of small towns to negotiate an agreement to commingle their tax moneys into a nonprofit community action board. Not only is the process of negotiation difficult and the details of pooling the money hard to work out, but it is equally difficult for the counties to raise the cash because their tax levies are now at their legal maximum. But these counties can contribute something. Each county and each small town can contribute facilities, transportation, and personnel services, and a real joint effort is the result.

In practice no separate community action agency is needed or desirable for each county or each town. The multicounty community action agency is an effective way to combat the problems in rural areas, since the problems are about the same in each county. Rather than destroy this multicounty effort by these cash contributions, we should encourage and strengthen it and make it more effective. In our State and in our congressional district, without our present amendment perhaps as many as half of the rural community action agencies would be closed down or so restricted that they would be ineffective.

We all know about the continuing migration of population from the rural areas to the big cities. This movement is continuing and will continue to overtax schools, transportation, and housing facilities of our big cities. It will make more complex and increase the problems of race relations and crime control. The practical direction to take in attacking this migration to the cities is to attack it where it starts. In other words, provide options for rural citizens to remain in rural areas if they desire.

It has been charged by several that there is an antirural bias in OEO. On the other hand, there is a strong effort going on in the Department of Agriculture under a program known as RAD or rural areas development. It is most significant that its advisory committee in a recent policy statement to Secretary of Agriculture Freeman urged a push toward a national policy of better rural/urban balance, for greater application of Federal aid outside of metropolitan areas to ease population problems in large cities and to restore job opportunities in the countryside. The President recognized this problem in a recent message. The Senate has given recognition to this in its reports. Even the House report mentioned greater equity for rural areas. My amendment would eliminate some loose language which the agency could ignore, and provide more specific direction to the agency to reduce this tough non-Federal contribution provision.

My amendment does not mean there should be any added quota or earmarking of funds, but simply a guideline for corrective action when there is an imbalance in this program. I urge you to accept the amendment.

The reason it is so important to emphasize an equitable distribution of these funds for the rural areas, instead of the disproportionate share, or existing inequitable distribution to the urban areas involves or embodies the philosophy of "A stitch in time may save nine." We all know a little repair work or maintenance to buildings or facilities may save greater costs later. This is called preventive maintenance. Emphasis is increasingly placed today upon what is called preventive medicine, to prevent an illness from taking hold or to spend some time and money to prevent illness.

Hardly anyone denies some of our cities seem to have an illness. There are only two or three directions for that illness to go. Become worse, remain the same, or hopefully improve.

Our amendment should certainly appeal to those who want to improve the condition of the cities, because funds of this program spent in the rural areas can go a long way toward preventing the situation in our cities from becoming worse.

In Monday's Washington Daily News there was a story about a plan to "reroute" the rural poor. The headline states "New Way To Deal With City Slums." It pointed out that both the Commerce Department and the Agriculture Department were working on this plan.

The entire idea is based upon the fact that it is useless to try to disperse the poor within the innercity or to clear the big city slums, so long as these inner city areas continue to fill up with more unskilled people arriving from the rural areas.

All the money that we spend on welfare, training, education and even so-called "income maintenance" for the poor in the cities to lift them from their present condition will do little good unless there is some measure taken to prevent new buildups of slum problems from the newcomers that continue to fill up the crowded areas.

There are many plans to prevent this continued migration from the rural areas to the big cities, but one of the ways we can do something about it here today is by voting for this amendment, which should help in arresting the migration from the rural areas to our large cities.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. RANDALL].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. HALL].

AMENDMENT OFFERED BY MR. HALL

Mr. HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HALL: On page 210, after line 22, add the following:

"(7) Notwithstanding any other provision of this Act, no financial assistance shall be extended for the construction, alteration, or acquisition of any medical facility or for the provision of health services, unless the facility or the service conforms with any plan established for the area under the provisions of section 314 of the Public Health Service Act, as amended."

Mr. HALL. Mr. Chairman, the amendment is on page 210 after line 22, and it simply adds an additional special limitation to section 245. It is submitted for the ranking minority member of the Committee on Interstate and Foreign Commerce, who had to be off the floor on account of illness. The amendment is self-explanatory. It would avoid duplication of OEO medical, diagnostic clinic, research facilities, and even hospitals, without clearing with the partnership for health amendments—USPHS Amendments of 1967—which have passed this House as H.R. 6418 and the other body and which is now in conference.

Mr. PERKINS. As I understand the gentleman's amendment, it would require the Surgeon General's approval of a health program before it could be funded by OEO. Am I correct?

Mr. HALL. That is correct. It would simply restrict the extent of these health facilities where we have a critically limited supply of people. I do not believe it would limit them because he would surely approve them, where needed. The House has already passed the bill H.R. 6418 which provides for $932 million over a 4-year period for this purpose, and this adds an additional $60 million.

Mr. PERKINS. Does the gentleman not believe this will hamstring the present program here, though?

Mr. HALL. No, I do not believe that. This means that they will have to be approved by professional surveys as to needed beds and other facilities before such services can be placed in the various States, just as in Hill-Burton——

Mr. PERKINS. But does the gentleman not believe——

Mr. HALL. Mr. Chairman, I have not yielded to the gentleman.

The CHAIRMAN. The gentleman declines to yield.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. HALL. Yes; I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Chairman, I just want to compliment my colleague for introducing this amendment. This is completely in tune with the legislation that we have passed here, as recommended by the Committee on Interstate and Foreign Commerce, and the Subcommittee on Health and Welfare, and I believe this would protect the public by providing proper supervision of facilities in the public interest. I believe this House should support this amendment. I believe it is a very good one and should be supported.

Mr. HALL. I thank the distinguished gentleman, and Mr. Chairman, the Surgeon General has said today at Colorado Springs that those programs must be kept under professional control and second, there is the power of consultation in the laws at this time, with other Federal agencies; this amendment would simply make it a matter of required coordination and need. Of course, it will also save $60 million.

I urge support of this amendment.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the amendment offered by the gentleman from Missouri [Mr. HALL].

The question was taken; and on a division (demanded by Mr. HALL) there were—ayes 56, noes 66.

Mr. HALL. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. HALL and Mr. PERKINS.

The Committee again divided, and the tellers reported that there were—ayes 77, noes 85.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. CABELL].

AMENDMENT OFFERED BY MR. CABELL

Mr. CABELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CABELL: On page 210, after line 22, insert the following:

"(7) The Director shall issue necessary rules and regulations to assure that no person shall be employed to carry out community action program activities receiving financial assistance under this title who has been convicted of a felony within the preceding five years, or who is then subject to a felony indictment.

"(8) The Director shall issue necessary rules and regulations to assure that programs assisted under this title are not carried on in a manner involving the use of program funds or property, the provision of services, or the employment or assignment of personnel in a manner affecting, or intended to affect the outcome of a labor dispute. Rules and regulations issued under this section shall provide for enforcement procedures, which shall include provision for summary suspension of assistance, termination of employment, or other action necessary to permit enforcement on an emergency basis."

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. CABELL. Mr. Chairman, adoption of this amendment would answer a large percentage of all the charges about bad spots that have developed in our community action programs. Briefly, it would provide for the Director of OEO the right yardsticks or guidelines, if you please, which would prohibit an employee of an OEO project from being employed by the OEO if he is under a felony indictment, or if he has been convicted of a felony within the previous 5 years. The 5-year provision does not prohibit rehabilitated men from being able to serve.

The other portion of the amendment would require that people employed in a community action program cannot take part in any manner in a labor-management dispute, either as a strikebreaker or as those who would in any way further the progress of a certified labor-management dispute. I certainly hope that the Committee will see fit to adopt the amendment.

Mr. SCHEUER. Mr. Chairman, will the gentleman yield?

Mr. CABELL. I yield to the gentleman from New York.

Mr. SCHEUER. Is my colleague aware that there are possibly 500,000 auto thefts annually in the United States, and that in most jurisdictions auto theft is a felony, and that in the case of kids involved in very serious juvenile crime, in a large percentage of those cases an auto theft was the first step down the road to much more serious criminal activity? Should rehabilitation programs not be available to a youngster who has been convicted of auto theft?

Mr. CABELL. I would be glad to include those in the amendment.

Mr. SCHEUER. They would be excluded from any of the rehabilitation features of the program, and from employment as corrections and parole aides, where they are serving very usefully in the new careers program on the west coast.

Mr. CABELL. They would be excluded only from being on salary; they would not be excluded from benefits other than being employed by the OEO.

Mr. SCHEUER. I thank my colleague.

The CHAIRMAN. The gentleman from Rhode Island [Mr. ST GERMAIN] is recognized.

Mr. ST GERMAIN. Mr. Chairman, I rise in opposition to the amendment. Just a few short months ago, I reported to this House exactly how the incidences in the city of Providence were so effectively handled and law and order restored completely in 2 days.

At that time, I had inserted in the RECORD, newspaper accounts of the incidences and certain statements by the mayor, the chief of police, and the rank and file of the department. All singled out for special commendation the fine assistance given to them by the so-called "soul patrol" which was composed of young men who spontaneously reacted to the incidences by working side by side with the police department. The majority of the membership of the soul patrol at that time were associated with the poverty program, either as employees or as elected members of the neighborhood advisory committees.

I have in my hand right now police records of members of the soul patrol. Our juvenile code makes privileged the records of many of these young men. However, they have authorized the mayor of Providence to use their names and their records if it will help preserve the poverty program. I have no intention of entering these documents into the

Record of this House, but I do feel their authorization is a truly significant demonstration of the deep feeling of many people for the continuation of this program.

Mr. Chairman, I oppose the first part of my colleague's amendment because many of the people involved who were responsible for deterring these riots and for keeping them down to a minimum disturbance were people with police records. Many of them were associated with the program but were not being paid; some of them were on a payroll. As far as rehabilitation is concerned, I cannot see where one has to wait 5 years. If you are going to tell a man he has to wait 5 years, he may well return to crime.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. Cabell].

The amendment was rejected.

AMENDMENT OFFERED BY MR. BUCHANAN

Mr. BUCHANAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Buchanan: On page 168, line 15, after "103." insert "(a)".
>
> On page 184, line 10, before the period insert "; except that the Director shall provide no financial assistance to any church or other religious body, other than assistance for the use of buildings or real property at a normal rental."
>
> On page 211, after line 21, insert the following:
>
> "(b) The requirement in the first sentence of section 221(a) of the Economic Opportunity Act of 1964 that the Director provide no financial assistance to any church or other religious body, other than assistance for the use of buildings or real property at a normal rental, shall not apply with respect to programs approved prior to the enactment of this Act; but no payments of any assistance of the kind involved with respect to any program shall be made after the end of the current contract, or the end of the current fiscal year, whichever is sooner, or for any new contract."

The CHAIRMAN. The Chair recognizes the gentleman from Alabama in support of his amendment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield briefly?

Mr. BUCHANAN. I yield briefly to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I take it the gentleman's amendment would preclude the church from serving as a delegated agency and would bar a church from operating a Headstart program. Am I correct?

Mr. BUCHANAN. The gentleman is partially correct. A church could donate its facilities or charge a normal rental for their use. A church could also carry on any program it chose so long as it received no Federal funds to support such a program.

Mr. Chairman, in today's world, as in yesterday's, keeping peace and making war usually requires the forging of alliances. Any student of history is familiar with such terms as the "grand alliance," the "holy alliance," or the "unholy alliance."

In waging the war on poverty this administration has forged what may well be called an "uneasy alliance." Some even believe it to be an unconstitutional alliance. I refer to the entangling alliance of church and state in general and to that with the Office of Economic Opportunity in particular. By his own admission, Sargent Shriver made this clear when he stated to the national convention of the AFL–CIO in San Francisco, on December 9, 1965, the following:

> Three or four years ago it was practically impossible for a Federal agency to give direct grants to a religious group. Today we have given hundreds without violating the principle of separation of Church and State.[1]

Mr. Chairman, many of us were not convinced then, and I am not convinced now that OEO has kept faith with the principle of separation of church and state. In 1965 and 1966 I offered amendments to the antipoverty legislation in an attempt to clarify what I believed to be the intent of Congress in this area hoping to restore the "wall of separation" between church and state in the conduct of the war on poverty. I insisted then, as I insist now, that OEO and the Congress are engaged in building a house of cards which will, by ultimate court decisions, come tumbling down, if the OEO persists in making grants to and contracts with churches and church-related organizations.

In a special interview with Walker Knight, editor of Southern Baptists' Home Missions magazine last June, Mr. Shriver was asked, "Do you see any organized participation by the denominations?" Mr. Shriver replied:

> Yes, I do. We have something called the Interfaith Committee in support of the war against poverty—composed of the Catholics, and Jews. We have an organization called WICS—Women in Community Service—composed of United Church Women, the National Council of Catholic Women, the United Jewish Women, and the National Conference of Negro Women. *We have many church groups that get direct help from us through community action.* . . .
>
> Young peoples' organizations connected with all the churches can do work . . . they can run summer day camps. *All are possible for church organizations to do while they remain church organizations. And we finance all that.* There is a chart, "Where did the war against poverty go—moneywise last fiscal year?" Forty-five percent went directly to private non-profit organizations—YMCA's, church groups . . . and so on. Of the total, three percent went for administration by OEO. Most all the rest went either to educational institutions, business organizations, or to private non-profit groups.[2]

In some instances, grants are given directly to churches or church-related agencies. In many other cases, grants are made indirectly through a private or quasi-public umbrella agency and then, in turn, distributed to church-related delegate agencies to run specific programs.

Germane to both situations is the opinion of Supreme Court Justice William O. Douglas in Abington against Schempp:

> Financing a church either in its strictly religious activities or in its other activities is equally unconstitutional, as I understand the establishment clause. Budgets for one activity may be technically separable from budgets for others. But the institution is an inseparable whole, a living organism, which is strengthened in any department by contributions from other than its own members. Such contributions may not be made by the State even in a minor degree without violating the establishment clause. It is not the amount of public funds expended. . . . it is the use to which public funds are put that is controlling. For the First Amendment does not say that some forms of establishment are allowed, it says "no law representing an establishment of religion" shall be made. *What may not be done directly may not be done indirectly lest the establishment clause become a mockery.*[3]

The concept of separation between church and state is one of the primary bulwarks of religious liberty. But this bulwark may be rendered ineffective through a process of gradual erosion. Time and again history has shown that too close a liaison between church and state ultimately works to the detriment of both. A relationship in which church and state are essentially independent is an indispensable safeguard both of religious and of political liberty.

One of the monumental concepts the American Republic brought to the world is that of separation between church and state. The first amendment to the Constitution marks a dramatic break with church-state patterns of the past. The practice of strict separation has enabled both the Government and the churches to thrive. As a consequence, our Nation has avoided the controversy and corruption which have characterized involvement of the church in government affairs and of government in church affairs of other countries.

The philosophy of complete separation has served Americans well since out of the furnace of colonial controversy our forefathers hammered out on the anvil of experience the words of the first amendment:

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; . . .

After the adoption of the Bill of Rights, while the strength for disestablishment was still in process in some States, Thomas Jefferson wrote a letter to Baptists in Danbury, Conn., in which he said:

> I contemplate with sovereign reverence that act of the whole American people which declared that their legislature should "make no law respecting an establishment of religion, or prohibiting the free exercise thereof;" thus building a wall of separation between Church and State.[4]

Every American from that day to this has benefited by the erection of that wall. Those of us who live today did nothing to build it, and some have done nothing to preserve it. Consequently, we face today the danger of losing by default that which our forefathers paid for with imprisonment, persecution, and bloodshed.

Some of the dangers we face are the very ones the founders of this Republic sought to avoid: That the government, in seeking to achieve secular ends, will be allowed to use religion and the churches as a means to achieve them; and that churches, in seeking to achieve sectarian ends, will seek to use the government. This is exactly what the first amendment sought to prevent.

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[1] OEO Press Release, December 10, 1965, (as recorded in Judicial Review, S. 2097, P. 740).

[2] "Shriver Interview: The Church and the Poverty War," *Home Missions*, Southern Baptist Convention, June, 1967, p. 10.

[3] Abington School District v. Schempp, 374, U.S., pp. 3–5.

[4] *Writings of Thomas Jefferson* (Monticello Edition) Vol. XVI, pp. 281–282.

Quite recently, however, modifications of the meaning of church-state separation have been expounded. It is pertinent to ask ourselves whether these modifications will merely alter the rigid concept of separation or transform it so as to destroy it. Concern that the church control the government, or the government control the church seems less pronounced today than yesterday.

Perhaps a lesson in history is in order here. R. Freeman Butts in his work, "The American Tradition in Religion and Education," has stated that, in general, the process of separation from the pre-Revolutionary to the early national periods passed through three identifiable stages: First. Toleration by the single establishment of dissenting groups; second, multiple establishments wherein more and more churches were admitted into the establishment and given the legal rights of taxation for their own public worship; and third, that of complete separation. In conclusion, Mr. Butts states:

> It was soon discovered that the compromise of establishing all recognized churches even on an equal or impartial basis was not sufficient. It might be possible to reconcile this kind of establishment with the outward forms of free exercise of public worship, but it was soon clearly seen that it could not be reconciled with genuinely equal rights of conscience. So long as the State was in the position of determining which churches should have legal and financial privilege of support, there could be no real equality of religious conscience. It was still a grant of privilege by the State to a religious doctrine. . . . Therefore, the struggle went on to sever all legal connections and to prohibit all financial support for any and all religious beliefs. It was recognized that if the State could grant a privilege, it could define which religious beliefs were entitled to that privilege.[5]

Thus it was that the final stage of separation came when all forms of establishment were abolished. Complete disestablishment of financial and legal support for religion by the State was necessary to achieve a genuinely free exercise of religion resting upon the solid grounds of equal rights of conscience. This final step was clearly in the minds of those who proposed and worked for the adoption of the first amendment to the Constitution. The first amendment, then, can be understood as an integral part of the larger definition of civil rights as contained in the other amendments which made up the American Bill of Rights.

Despite this lesson of history, there are those who say that the establishment clause neither means nor requires complete separation but only prohibits favoritism. Addressing his remarks to just such a situation Justice Douglas, in Abington against Schempp, stated:

> The establishment clause is not limited to precluding the state itself from conducting religious exercises. It also forbids the state to employ its facilities or funds in a way that gives *any church, or all churches, greater strength in our society than it would have by relying on its members alone.*[6]

In a stronger statement, the Supreme Court has decreed that:

> The establishment of religion clause of the First Amendment means at least this: Neither a state nor the Federal Government can set up a church. Neither can pass laws which *aid one religion,* aid *all* religions, or prefer one religion over another.[7]

Justice Clark in the Schempp case declared:

> If there is anything settled in Constitutional law today, I believe it is the principle that the First Amendment forbids aid to *all* religions, no less than it forbids aid to a particular religion.[8]

Mutual establishment has been forgotten, conveniently overlooked, or never understood by the various groups today who urge that cooperation between church and state is admissible so long as the state treats all religious groups fairly and equally. But the state would always have to decide what was and what was not a religious group if it set out to "cooperate" with them all.

The principle of separation has allowed every religious body, sect, and denomination to develop independently in an atmosphere free from governmental interference and sectarian struggles for a larger share of the public till. Yet, this is the very direction in which we are headed as seen in the words of Sargent Shriver himself. In answer to, "What plan does the OEO follow to insure the conditions you impose on those transactions with church-related institutions will be adhered to?" he stated:

> The conditions are very well known and we have the benefit that everybody watches everybody else. I don't think the Catholics are going to get away with something in Detroit because the Protestants will be watching them. The Protestants aren't going to get away with something because the Catholics, and the Jews, or the atheists will be watching.[9]

Justice Rutledge long ago pointed up the fallacy in this kind of reasoning and said in his opinion on the Everson case in 1947:

> The reasons underlying the amendment's policy have not vanished with time or diminished in force. . . . Public money devoted to payment of religious costs, educational or other, brings the quest for more. It brings, too, the struggle of sect against sect for the larger share or for any. Here one by numbers alone will benefit most, there another. That is precisely the history of societies which have had an established religion and dissident groups. It is the very thing Jefferson and Madison experienced and sought to guard against . . . The dominating groups will achieve the dominating benefit; or all will embroil the state in their dissensions.[10]

Referring to the first amendment, Justice Jackson has said that its strength is in its rigidity and that:

> It was intended not only to keep the State's hands out of religion, but to keep religion's hands off the State and above all, to keep bitter religious controversy out of public life by denying to every denomination any advantages from getting control of public policy or the public purse.[11]

Already four Protestant denominations have set up a corporation known as Urban America, Inc. Located at 1717 Massachusetts Avenue NW., Washington, D.C., this corporation is designed to serve as a broker to provide all services in obtaining government funds for housing projects for a church and to carry it through to completion.

Since August 20, 1964, when the President signed into law the Economic Opportunity Act, the protective barrier between church and state has come to resemble a sieve more than a wall. There is mounting evidence that the wall is being undermined by a steady stream of Federal money channeled into sectarian hands.

Yet the principle of separation has preserved our religious liberty since it was fashioned by those gallant men in the 18th century, and is essential still. If there is a break in this important dike, it is time, past time, that we repaired it. Closing our eyes to the trickle will not stop its flow nor turn back the flood when the dike, at last, comes tumbling down.

If money is taxed from a Jewish citizen by force of law and given by Government without his consent to support a Baptist program in violation of his conscience, the constitutional rights of that citizen have been violated. This must be the case if the church benefits in any way, whether financially, in reputation, in propagation of its faith, or otherwise, by such a grant. The only way such violation can be prevented is if the church denies its faith, resigns its ministry, forgets its mission and pretends its sacredness is secular in the conduct of such a program.

Suppose, for example, a church agrees to cooperate with the Government in an antipoverty program by sharing its facilities with the Federal project. Once having agreed, the Federal directors of the project rightly advise the church that Government funds cannot be used to support religion, so all religious symbols must be removed from the church and no religious instructions or propagation of its faith permitted in the program. The church agrees, removes its symbols, pretends it is not a church, and the Government "cooperates" in the use of its facilities. Is this not ample example that religion and the state function best when they are separate rather than when they "cooperate"? After all, the same first amendment which prohibits establishment by the Government also guarantees "the free exercise thereof."

For positive evidence that the wall of separation is in a sad state of repair it is unnecessary to look any further than the press releases issued by the OEO itself. In three separate press releases[12] OEO announced grants to a number of church institutions to assist its upward bound program during the 67–68 school year. Those named were Arkansas College and Coe College—Presbyterian; Norman College—Southern Baptist; Mundelien College, Barat College of the Sacred Heart, Fordham University, Marist College, and Loyola University—Roman Catholic.

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[5] R. Freeman Butts, *The American Tradition in Religion and Education.*

[6] Abington v. Schempp, 374 U.S., pp. 3–5.

[7] Everson v. Board of Education, 330 U.S., p. 1.

[8] Abington v. Schempp, 374 U.S., p. 15.

[9] "Shriver Interview," *Op. Cit.*

[10] Everson v. Board of Education, 330 U.S., p. 1.

[11] *Ibid.*, p. 22, 26.

[12] OEO Press Releases: CAP–67–522, March 10, 1967; CAP–67–392, February 24, 1967; CAP–67–385, February 24, 1967.

Still another OEO release announced that the Arizona Council of Churches, a predominantly Protestant group, was to be the recipient of an additional grant of $1.3 million to continue its program among immigrants in the State.[14]

Why not look around our own doorsteps in the Nation's Capital? I refer to Washington's summer enrichment program directed by Dr. Herman Tyrance, professor of physical education at Howard University. In one instance it was discovered that public program funds were used to repair a church sanctuary, a church school, and church grounds.[15]

When confronted with the evidence, Mr. Tyrance said,

> This is an obvious violation . . . the use of public money for a religious institution is wrong, without question.[16]

It was reported that Mr. Tyrance acknowledged that there were other conflicts in connection with churches that run projects. The revealing disclosure went on to say:

> Some ministers serve as Summer Enrichment officials and their churches get program money; some churches discarded their regular youth programs to participate in the summer program and obtain funds, . . . some ministers conduct religious services under summer program.[17]

Nadine Winters of Hospitality House, a delegate agency under the program in the near northeast said:

> Some ministers have a racket going.[18]

She charged that some ministers were not only collecting rent money for the use of their buildings, but also other money for other projects.

She said one church—

> merely added summer program persons to its regular staff.[19]

If such irregularities exist in the shadow of the Capitol and OEO headquarters, one can well imagine what violations exist in the more remote sections of this country.

Permit me to digress at this point to interject what may well be a pertinent point.

It has been estimated that the President's proposed tax increase will yield an estimated $5.1 billion in new revenue. How much would be saved if Federal expenditures of Government funds presently flowing to church institutions were cut off?

Figures prepared by the research staff of Americans United for Separation of Church and State, indicate that Federal aid is presently going to church institutions in seven main categories—education, higher and elementary; the antipoverty program; research programs; housing; surplus foods and property; foreign aid; and public health. It is estimated "that at least $5.5 billion flows to church-related institutions and groups in the various categories."[20]

Should anyone here doubt the existence of grants made directly to religious and sectarian groups, the following grants on record[21] at the office of Economic Opportunity should be convincing:

Church and church-related OEO programs as of September 26, 1967

ALABAMA	
Catholic Charities of Huntsville—2 VISTA volunteers.	
Archbishop Toolen's antipoverty committee	$825,032
Archbishop Toolen's Project Headstart	470,000
Archbishop Toolen's Neighborhood Youth Corps	472,510
ALASKA	
Alaska Methodist University (Upward Bound)	122,980
ARIZONA	
Arizona Council of Churches (CAP)	349,307
Arizona Council of Churches (migrant workers)	613,144
Arizona Council of Churches (day care)	684,818
Central United Presbyterian Church of Phoenix (day care)	57,161
Southminister Presbyterian Church of Phoenix (day care)	112,414
ARKANSAS	
Ouachita Baptist College (Upward Bound)	51,395
GEORGIA	
Emory University (Methodist) (Upward Bound)	15,645
Emory University (legal service program)	233,281
ILLINOIS	
Greater Institution AME Church of Chicago (Headstart)	56,460
First Presbyterian Church of Chicago (Headstart)	73,222
Greater St. John's AME Church of Chicago (Headstart)	56,738
Union Tabernacle Church of Chicago (Headstart)	39,042
St. Ambrose Catholic Church of Chicago (summer education program)	13,232
Barat College of the Sacred Heart (Upward Bound)	169,707
Barat College of the Sacred Heart	28,233
INDIANA	
University of Notre Dame (study of metropolitan deprived areas)	276,680
KENTUCKY	
Bellarmine College of Louisville (Upward Bound)	62,984
LOUISIANA	
Methodist Community Center (day care)	119,833
Xavier University (Upward Bound)	106,507
Xavier University (Upward Bound)	79,764
MARYLAND	
University Methodist Church, Baltimore (day care)	50,932
MASSACHUSETTS	
Boston College (Upward Bound)	124,745
MINNESOTA	
College of St. Theresa, Winona (Upward Bound)	56,444
MISSISSIPPI	
Father Sweeney Memorial School (Headstart)	$372,882
Wesley Methodist Church, Winston (day care)	254,123
MISSOURI	
St. Stephens Church, St. Louis (educational programs for children-adults in public housing projects) four VISTA volunteers.	
NEBRASKA	
Midland Lutheran College, Freemont (Headstart)	7,393
NEW YORK	
St. Augustine Church, Erie County (CAP)	25,744
Bethel AME Zion Church (CAP)	143,880
OKLAHOMA	
Salina Indian Methodist Mission	6,700
OREGON	
Portland Council of Churches	12,688
PENNSYLVANIA	
Diocesan School Board of Pittsburgh, Inc. (NYC)	947,040
Diocesan School Board of Pittsburgh, Inc. (CAP)	53,139
Catholic Chantise of Lackawanna County (CAP)	17,892
Jewish Federation of Lackawanna County (CAP)	11,056
TENNESSEE	
Carson-Newman Baptist College (Upward Bound)	18,000
Carson-Newman Baptist College (Upward Bound)	117,554
Carson-Newman Baptist College (Upward Bound)	2,000
VIRGINIA	
First Baptist Church, Midlothian (Headstart)	42,520
WISCONSIN	
Parochial Education Project, Menominee Co. (CAP)	21,603
Total	7,366,424

At this point I should like to include a partial list of those grants made directly to religious and sectarian bodies as recorded in the status of OEO programs as of June 30, 1966.

ALABAMA	
Bullock County: Union Springs, First Baptist Church, Headstart, summer 1965, 240 children, May 14, 1965	$38,950
First Baptist Church, Headstart, summer 1966, 378 children, 17 classes, May 31, 1966	64,418
Jefferson County: Birmingham, First Unitarian Church, Headstart, summer 1965, 87 children June 10, 1965	16,315
Perry County: Marion, Berean Baptist Church, Headstart, summer 1966, 120 children, May 31, 1966, 8 classes	25,791
ARIZONA	
Arizona Council of Churches: Migrant and Indian Ministry, health and education projects for migrant children, counties of Maricopa, Navajo, Pima, Pinal, Yuma, CAP, migrant worker grant section 311, June 3, 1966	632,316
Arizona Council of Churches; migrant opportunity programs:	
Training	246,315
Improvement program and counseling	77,290

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[14] OEO Press Releases: CAP-67-275, February 2, 1967.

[15] Washington *Sunday Star*, July 30, 1967, Page A6.

[16] *Ibid.*

[17] *Ibid.*

[18] *Ibid.*

[19] *Ibid.*

[20] *Church and State*, March, 1967, Page 10.

[21] *Status of OEO Programs*, September 26, 1967.

ARKANSAS	
Clark County: Arkadelphia, Ouachita Baptist College, Project Upward Bound, Apr. 7, 1966	$51,395
CONNECTICUT	
Middlesex County: Middletown, Wesleyan University, Project Upward Bound, Apr. 7, 1966	102,889
FLORIDA	
Pinellas County: St. Petersburg, Fla., Presbyterian College, Project Upward Bound, Apr. 15, 1966	169,551
GEORGIA	
Bibb County: Macon, Mercer University (Baptist), Project Upward Bound, Apr. 15, 1966	119,232
Dekalb County: Atlanta, Emory University (Methodist), Project Upward Bound, Apr. 7, 1966	75,681
Free for All Missionary Baptist Church, Headstart, summer, 1965, 226 children, May 15, 1965	26,486
ILLINOIS	
Cook County: Chicago, Lutheran Camp for Retarded	14,769
American Friends Service Committee, Inc., Districts 1 through 13, Vista Volunteers, urban, 5 requested, 6 in service	20,100
INDIANA	
Richmond County: Wayne, Earlham College (Friends), Apr. 15, 1966	87,793
IOWA	
Decatur County: Lamoni, Graceland College (Latter Day Saints), Project Upward Bound, Apr. 8, 1966	78,111
Winneshiek County: Decorah, Luther College (Lutheran), Project Upward Bound, April 7, 1966	127,332
KANSAS	
Montgomery County: Independence, First Methodist Church of Independence, Headstart, 60 children, 4 classes, June 7, 1966	15,569
LOUISIANA	
Caddo County: St. Paul C.M.E. Church, Headstart, 30 children, May 24, 1965	5,023
Shreveport: The Williams Memorial C.M.E. Temple, Headstart, 54 children, June 15, 1965	9,791
Caddo County: Shreveport, Hollywood Heights Presbyterian Day Care Center, Headstart, 49 children, June 15, 1965	6,576
St. Joseph Baptist Church: Headstart, 51 children, June 9, 1965	9,848
MARYLAND	
Baltimore: First Baptist Church, child care program, CAP-demonstration, Grant, Aug. 30, 1965	83,900
Baltimore: Douglas Memorial Community Church, Headstart, 60 children, May 24, 1965	7,488
St. James Episcopal Church; Headstart, 75 children, June 1, 1965	11,705
Knox Presbyterian Church Community Center: Headstart, 90 children, June 10, 1965	14,496
MICHIGAN	
Wayne County: Detroit, Protestant Community Services, preparatory school, voter education, and community development, Vista volunteers, 11 requested, 11 active	36,850
MINNESOTA	
Ramsey County: St. Paul, Jewish Vocational Service, Neighborhood Youth Corps, 220 participants, Feb. 16, 1966	$211,835
MISSISSIPPI	
Winston County: Louisville, Wesley Methodist Church, Headstart, full year program, Mar. 8, 1966	155,498
Wesley Methodist Church: Headstart, 127 children, May 15, 1965	21,266
MISSOURI	
St. Louis: United Church of Christ Neighborhood Houses, supplement existing staff of three settlement houses, VISTA Volunteer—Urban—6 requested, 5 in service	16,750
NEW MEXICO	
New Mexico Council of Churches (statewide), CAP—Migrant Workers Grant, sec. 311, June 25 1965	1,360,313
NEW YORK	
Erie County:	
Williamsville, Methodist Home for Children, Headstart, 30 children, May 15, 1965	5,280
Beth Israel Medical Center, develop model medical service program, CAP-demonstration grant, Dec. 21, 1965	661,151
NORTH CAROLINA	
North Carolina Council of Churches; Health, education, and housing programs for migrants (statewide), CAP-migrant workers grant, sec. 311, Mar. 19, 1965	270,444
Day care program, migrant families, same grant, Apr. 12, 1966	190,864
Guilford County: Greensboro, Grace Lutheran Day School, Headstart, 30 children, June 10, 1965	4,445
OHIO	
Council of Churches of Christ in Greater Cleveland, Neighborhood Youth Corps, 116 participants, June 30, 1965	51,180
Hancock County Council of Churches day care program, migrant children	16,714
OREGON	
Multnomah County: Portland, Stone Church, Inc., DBA, Christian preschools, Headstart, 46 children, June 10, 1965	12,156
PENNSYLVANIA	
Bucks County: Friends Service Association for the Delaware Valley, Inc., Neighborhood Youth Corps, 40 participants, June 11, 1965	26,260
Friends Social Order Committee Work Corps, counseling in self-help, housing, health, employment, and municipal, service, VISTA volunteers, urban, 4 requested, 4 in service	13,400
SOUTH CAROLINA	
Aiken County: Second Baptist Church, Mount Canaan Baptist Association, Headstart, 100 children, June 10, 1965	16,207
TENNESSEE	
Anderson County: Oak Ridge, Council of Church Women, Headstart, 105 children, May 10, 1965	18,142
TEXAS	
Harris County: Houston, Protestant charities, Headstart, 70 children, May 13, 1965	$11,038
VIRGINIA	
City of Danville: The Society of Christ Our King, Inc., Headstart, 54 children, June 15, 1965	5,602
Arlington County, Macedonia Baptist Church, recreation and remedial education, CAP-demonstration grant, July 6, 1965	10,150
Chesterfield County, First Baptist Church, Headstart, 205 children, June 15, 1965	20,193
Chesterfield County, Midlothian, First Baptist Church, Headstart, 196 children, May 31, 1966	38,807
Total	5,313,695

A comparison of the two exhibits is highly significant. At first glance the difference in number is negligible—50, as compared to this year's number of 44. Quite frankly, to avoid charges of sectarianism, I included in last year's list only Protestant and Jewish churches and church-related institutions. No Catholic groups were listed at all. The current list of 44 includes Protestant, Jewish, and Catholic. On first impression one would surmise that since that is the case the number of grants to churches and church-related institutions must be on the decrease or even in the process of being phased out.

My experience in studying the two editions of the "Status of Programs," as well as Sargent Shriver's own statements, however, indicate that such is not the case. Evidently OEO has now come to feel that a more expedient practice is to group as many grants as possible under one large heading identified only by the umbrella agency and the general type of program; that is, CAP, Headstart, Upward Bound, and so forth, funded. Upon examination of the Status of Programs as it is now recorded there is no possible way to discover the total number of grants made to sectarian groups.

It would be of great service to the health and well-being of this country if OEO were to make known publicly every grant, direct and indirect, to a church or church-related institution along with the amount. In fact, I ask Mr. Shriver to do so at the earliest possible date.

Mr. Chairman, a fitting description of of the involvement of the OEO with the church is that of an iceberg. Turning through the pages of the enormous "Status of Programs Record," one sees the overt examples totaling $7,366,424 which extrude above the surface like the known portion of the iceberg. But there is that involvement which exists covertly, buried beneath the seas of "umbrella" agencies in the fashion of the unseen portion of the glacier. The exact sum of taxpayer's money dispensed by OEO through churches and church-related institutions may never be known. But this money, whenever the church program becomes more efficient, whenever the poverty stricken believe that their help come through a church, whenever any church is endowed to a greater extent than it would ordinarily be through the voluntary gifts of its members, constitutes religious establishment which is a direct violation of the intent and meaning of the establishment clause of the first amendment.

Those men who drafted the language of the first amendment were not irreligious. To the contrary, they were God-fearing religious men. And because they were, they insisted on preserving and bequeathing the religious liberty they had sought and found in this new land of freedom. Like them, my intent is to preserve the pluralistic religious society that is ours. It is my intention to seek to preserve the Church and State in their distinct and separate roles knowing that each serves best when it serves separately that each may freely serve.

When I read the Economic Opportunity Amendments which we reported out of the Committee on Labor and Education, I was highly encouraged by the language in title II which requires community action agencies to be State, city, and county governments. In my judgment, this is a step in the right direction to the restoration of the wall between church and state. Besides decreasing the bureaucratic administration of the poverty program by putting more authority in the hands of the States and local officials, it will give them great screening power through which the involvement of church with state and state with church may be reviewed.

Mr. Chairman, our forefathers saw the wall of separation as a wall of protection for both church and state. It was and is free of state control, the church has flourished here as in no other land. Freed from clericalism, the state has become as nowhere else the guardian of liberty.

Should the end come to such liberty as we have known in this country to what land could our children flee?

Mr. Chairman, this is the third time I have offered this amendment. I urge its adoption now. I do believe the churches should continue their war on poverty, in which they have been engaged for 2,000 years. I do not believe such churches should participate in the war on poverty with tax funds. This is a violation of the first amendment to the Constitution of the United States, not just in my judgment but according to the words of the framers of that amendment and acccording to the words of the present Supreme Court concerning situations such as this.

There is a place for churches, and a major place, to fill in the war on poverty, but churches are not so weak in our time that they must have tax funds on which to operate. Such action is like propping up the Rock of Gibraltar with a toothpick. If the sad day should come when Washington lies in dust and New York City is an ancient, crumbling ruin, even in that day the Christian Church will stand, and serve, and continue her great ministry among men. With faith in the power of the church to fulfill her holy mission without the assistance of the OEO or the support of tax funds, I urge the adoption of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Alabama [Mr. BUCHANAN].

The amendment was rejected.

AMENDMENT OFFERED BY MR. OTTINGER

Mr. OTTINGER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. OTTINGER: On page 196, line 12, strike "80 per centum" and substitute therefor "90 per centum."

Mr. OTTINGER. Mr. Chairman, this amendment would strike another very onerous provision of the so-called Green amendment for those communities that can least afford to increase their contribution. The Green provision requires that after June 30, 1967, communities will have to put up 20 percent as their non-Federal share of poverty program costs.

Unfortunately, this committee did not see fit to support the amendment offered by the gentleman from New York [Mr. REID] that would have eliminated the requirement for half cash contributions.

The combination of the two Green provisions increasing to 20 percent the proposed local contribution and requiring half that contribution in cash, will kill the program for many needy communities.

For example, for the city of Yonkers, these two dilatory Green provisions will mean, based on the first year's OEO allotment, the city will have to come up with a local contribution of approximately $240,000, of which $120,000 will have to be contributed in cash. The city of Yonkers is already desperately hard pressed for funds, having exhausted the entire limit of its borrowing power, and may well be unable to make the required contribution and hundreds of the city's most needy residents will have to suffer.

There are many ways to kill this OEO program besides voting against it. This requirement of a 20-percent local contribution plus half in cash would in effect kill the program for many communities which need it the most. It is one of the many very damaging changes included at the instance of the gentlewoman from Oregon which will have the effect of undermining this important program in the guise of its support.

I urge the adoption of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. OTTINGER].

The question was taken; and on a division (demanded by Mr. OTTINGER) there were—ayes 33, noes 63.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentlewoman from Hawaii, Mrs. MINK.

Mrs. MINK. Mr. Chairman, as we arrive at the closing hours of this debate, and particularly as we conclude the debate on the section relative to community action programs, I would not want the country to believe that there are only critics of this program without recognizing that there are large numbers of persons who are strong supporters of this program who urge its continuation without any major changes.

It gives me a great deal of pleasure to have been given the task of reading a letter sent to the distinguished Speaker of the House of Representatives by the Most Rev. John F. Dearden, president of the National Conference of Catholic Bishops, dated November 14, 1967.

Mr. McCORMACK. Mr. Chairman, will the gentlewoman yield?

Mrs. MINK. I yield to the distinguished Speaker.

Mr. McCORMACK. That is Archbishop Dearden.

Mrs. MINK. The archbishop, yes.

The letter reads as follows:

NATIONAL CONFERENCE OF
CATHOLIC BISHOPS,
Washington, D.C., November 14, 1967.

Hon. JOHN MCCORMACK,
Speaker of the House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: May I, as President of the National Conference of Catholic Bishops, respectfully submit a formal resolution adopted unanimously by the Catholic Bishops of the United States, giving evidence of our concern for the welfare of a large impoverished group among our brother citizens.

Religious agencies throughout the country have worked cooperatively in the communities for an effective war against poverty. We are desirous that that war continue in an intensified manner and we pledge our further cooperation.

We urge you to convey to the members of the House of Representatives the recommendation of the bishops that the pending legislation be adopted.

We assure you, Mr. Speaker, of our prayers for the members of Congress who bear a heavy burden in guiding the destiny of our great nation.

Most sincerely yours,
JOHN F. DEARDEN,
President.

RESOLUTION BY NATIONAL CONFERENCE OF CATHOLIC BISHOPS

The Catholic Bishops of the United States, convened in formal session in Washington, D.C., November 14, 1967, planning the fulfillment of their own responsibilities in fields of education and welfare as these are related to the services of the Church to the nation, respectfully recommend the immediate passage of strong and adequate legislation supporting the War on Poverty. We urge the House of Representatives to defeat amendments which would destroy the ability of our nation and its citizenry to keep faith with the commitments already made to the socially and economically handicapped segment of our population. To formalize this conviction of the Catholic Bishops of this country, the following resolution was passed unanimously.

Resolved, That the National Conference of Catholic Bishops strongly urge the House of Representatives to maintain the momentum of our national attack on poverty and its causes, thus reinforcing the confidence of our impoverished brothers that the United States and all its citizenry will keep faith with them in the increasing pursuit of justice, fairness and equal opportunity for all citizens by enacting legislation continuing the War on Poverty as administered by the Office of Economic Opportunity with an adequate budget which will enable it to preserve the basic program now in force.

The CHAIRMAN. The time of the gentlewoman from Hawaii has expired.

The Chair recognizes the gentleman from Wisconsin [Mr. STEIGER].

AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. STEIGER of Wisconsin: On page 200, line 11, strike the words "the Director shall appoint" and insert in lieu thereof the following: "Of the assistant directors authorized to be appointed by section 601(a) of this Act, there shall be appointed".

Mr. STEIGER of Wisconsin. Mr. Chairman, the effect of the amendment would be to make certain that the legislation would not create two additional posts in the OEO hierarchy. The legislation now reads:

> The Director shall appoint two assistant directors for the purpose of assisting the Director in the administration of the provisions of this title.

With the amendment it would read:

> Of the assistant directors authorized to be appointed by section 601(a) of this Act, there shall be two assistant directors for the purpose of assisting the Director in the administration of the provisions of this title.

The present wording of the bill could be interpreted as meaning that the Director could appoint two more assistants to handle the title provisions exclusive of the directors authorized by section 601(a). Law now standing authorizes four assistant directors and one Deputy Director.

Mr. Chairman, for the purpose of clarifying the law, I trust that this amendment will be adopted.

Mr. Chairman, I also want to add my voice to those of the gentleman from New York [Mr. ROSENTHAL] and the gentleman from Minnesota [Mr. QUIE] in protesting the limitation of time. It is truly regretable that the legislative process is so stifled by limiting the time.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. Yes. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, as I understand the gentleman's amendment, it precludes the appointment of two additional assistant directors in addition to the four we have at the present time.

Mr. STEIGER of Wisconsin. It would preclude?

Mr. PERKINS. Yes. It would prohibit the appointment of two assistant directors.

Mr. STEIGER of Wisconsin. The answer to the question of the gentleman is yes, it would prevent the appointment of the two assistant directors for community action by the Director of OEO and would require them to be appointed by the President pursuant to the authority of title VI of the EOA.

Mr. Chairman, I wish also to pay tribute to the effort and dedication of both the gentleman from Minnesota [Mr. QUIE] and the gentleman from New York [Mr. GOODELL], and wish to call to the attention of the Members the following editorial from the Corning, N.Y., Leader, which appeared on November 13, 1967, entitled "Open Season on Goodell":

[From the Corning (N. Y.) Leader, Nov. 13, 1967]

OPEN SEASON ON GOODELL

Congressman Charles Goodell of the Congressional District encompassing Steuben on the east to Chautauqua on the west, is the target of those who would resist reform of the poverty program to one of helping the poor instead of the politicians and pressure groups seeking power.

Goodell deserves commendation for his overall approach to the Poverty Program and his reluctance to look at narrow concepts rather than see how the entire program is presently administered in the United States. The Administration proposal would give local control to the city halls of the country. Mr. Goodell wants community participation and poverty participants.

The Goodell approach would cut down the total expended by the government and if the perennial do-gooders will take their blinders off they will recognize that weaknesses do exist within the present structure of the program. They will also realize that, unless check reins are established; unless efforts are made to utilize all resources—government and private—that the minority groups are going to be shifted—the taxpayers to the minority and their ability to carry the tax load precariously impaired if not eliminated.

The hue and cry, based on emotional and even isolated cases, is the best known tricks of the trade.

It is time that some one spoke up for all those who need help . . . the poor and the taxpayers.

Mr. Goodell's proposals eliminate the programs that have become pork barrels for politicians and pressure groups who want to build power rather than human dignity and initiative. He proposes a combined government-private enterprise approach on costs and projects. He proposes a dollar return value on every governmental dollar spent.

Because of his proposals he is being called an obstructionist by poverty groups and leaders of the free-spending elements in and out of the administration.

He and those who want realism brought into the war on poverty and who want economy instead of extravagance in salaries and operating costs, deserve support of the taxpayers and those poverty war leaders who want a realistic rather than an emotional program.

Mr. Goodell is fighting an unpopular fight but his premise is sound and will be helpful to those the program is designed to help . . . the poor rather than the politicans and perennial freeloaders.

In addition, Mr. Chairman, as I have previously pointed to the handling of this legislation let me also call to the attention of the committee the following perceptive article from the Monday, November 13, 1967, National Observer, "Why the Poverty Program Is in Trouble":

[From the National Observer, Nov. 13, 1967]

WHY THE POVERTY PROGRAM IS IN TROUBLE

To all appearances, Sargent Shriver's Office of Economic Opportunity (OEO) and its War on Poverty are on the verge of being wrecked in the House of Representatives by a callous coalition of Southern Democrats and Republicans. But it isn't so.

When the House decides the immediate future of the antipoverty program this week, the outcome, whatever it is, will be the total responsibility of President Johnson and the Northern Democrats. The floor debate last week left beyond question the fact that OEO is in trouble only because the Administration Democrats refuse to draw a compromise with the GOP. It is also clear that grounds for compromise exist, that the Republicans are anxious to come to terms, and that the end result, while it would be of some annoyance to President Johnson and Mr. Shriver, might actually benefit the antipoverty effort.

First of all, there is no coalition between the Republicans and Southern Democrats. If anything, the Republicans have been trying to discourage an alliance with the Dixie Democrats, even to the point of being nasty to them.

Rep. Charles Goodell, New York Republican, last week called proposed Democratic changes in the antipoverty program "the bosses' and boll-weevil amendment because it is an amendment for the big-city bosses and for the Southerners. . . ."

The amendment, advanced by Rep. Edith Green, Oregon Democrat, is primarily an attempt to lure the Southern Democrats into support of the OEO. It would make community-action programs, which are now independent local agencies that co-ordinate antipoverty programs, subservient to local governments—either city halls, county governments, or state agencies.

Mr. Goodell, who with Rep. Albert Quie, Minnesota Republican, has authored the "Opportunity Crusade," the GOP alternative to the OEO programs, was not winning friends among his Southern colleagues by calling them "boll weevils." Asserted Rep. James Gardner, a freshman Republican from North Carolina, in saying that he supported the Green amendment: "In the South we are perfectly able to take care of our own problems."

The provocation of the Southerners was deliberate and calculated. Mr. Goodell and Republican leaders know it's almost impossible for Northern and Southern Democrats to stay united on the antipoverty issue. As much as the Green amendment pacifies the Southerners, it upsets the Northern liberals, who are inclined to agree that the "bosses' and boll weevil" label is appropriate.

The Republicans believe that if they can crack this rare alliance among Democrats, the Administration supporters will be forced to come to them and agree to compromise. "Let us remember the needs of the poor and the deprived," Mr. Quie told the House. "The hard reality of poverty will be with us far beyond the elections of 1968. Democrats and Republicans should join forces to write a bill which will truly begin to end the tragedy of poverty in this land of affluence."

To Mr. Quie the issue comes down to this: Why should the minority party feel a responsibility to save a Great Society program when their own ideas for improving that program are rejected without consideration? Mr. Quie's compromise would involve taking the Head Start and Job Corps programs out of OEO and having them administered in the Department of Health, Education, and Welfare. He would want a softening of the Green amendment, so the poor would be guaranteed some measure of control in community-action programs. Finally, he seeks a budget compromise at $1.6 billion, $460,000,000 less than Mr. Johnson requested. But the Administration can't realistically expect that its alliance with the Southern Democrats will obtain a higher figure for the program.

Privately, House Democratic leaders say they would buy this compromise. "I can't see that it would be a national disaster to take Head Start and the Job Corps out of OEO," says one. But the White House insists that the War on Poverty be a totally Democratic program.

While this shaky Democratic alliance may hold together this week, it does Mr. Shriver little good to threaten to quit unless Congress gives him what he wants, as he did the other day. His problem is with the President, who has only to agree to make the War on Poverty a bipartisan effort. Then many of OEO's annual problems with Congress will be diminished.—JUDE WANNISKI.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. STEIGER].

The amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Alaska [Mr. POLLOCK].

Mr. POLLOCK. Mr. Chairman, I think I am a fairly friendly and easy-going fellow, but this performance today has really gotten to me. Today the Committee has been continuously doing a gross disservice to the American people by very severely limiting the debate. There were 95 minutes of total time allotted to 45 Members of this body to discuss 19 amendments. This is virtually impossible of realistic accomplishment. It is certainly impossible to do an adequate job. What right have we to fear that we here in Congress may work too long today or tomorrow or the next day? I thought the steamroller tactics of the previous Congress were ended, but obviously this is not the case. This is a disgraceful and disheartening exhibition. In my humble estimation, this Committee does not seem as interested in helping the poverty-stricken as it is in making a show of power politics.

Mr. CAREY. Mr. Chairman, will the gentleman yield to me?

Mr. POLLOCK. If I have time, when I am through, I will; otherwise, I will not yield.

Mr. Chairman, whatever decisions we make here for the benefit of the American people should certainly be done after full debate and due deliberation. Our hasty and ill-considered action on important amendments is tantamount to denial of the rights of interested Members to be heard, and to that extent we fail the people who sent us here to represent them.

Mr. DENNEY. Mr. Chairman, will the gentleman yield to me?

Mr. POLLOCK. I yield to the gentleman on my right.

Mr. DENNEY. Mr. Chairman, I have listened for 3 days to the debate on S. 2388, the authorization bill for funding the Office of Economic Opportunity. I have seen my colleagues go to the microphone and use every example known to the fertile minds of men as to why this bill should be passed. I have read the entire bill, and am concerned about some facts that I hope my colleagues other than those on the committee have been able to glean from it.

One major fact is that approximately 149 times in this bill the Director of OEO is given discretionary authority in the different facets of the program to expend $2,060,000,000. I have listened with avid interest to the massive program from the cradle to the grave with Headstart, Followthrough, day care, family planning and payment to the heirs of the VISTA volunteers in the event any of them do not survive the paycheck period.

I would specifically like to call my colleagues' attention to page 163, section 125, wherein it states:

> The Director, in consultation with the Social Security Administrator, shall establish criteria for low income, taking into consideration family size, urban-rural and farm-nonfarm differences, and *other relevant factors*. Any individual shall be deemed to be from a low-income family if the family receives cash welfare payments.

In other words, the determination of who is considered poverty stricken is also left to the discretion of the Director.

I was also interested in page 183, section 220, which states:

> The Director may provide financial assistance to community action agencies to assist them in developing community action programs in accordance with this title. He may also provide financial assistance to other public or private nonprofit agencies to aid them in planning for the establishment of a community action agency or participation in a community action program, including assistance to local governments in connection with planning activities and organizational changes to support or improve the effectiveness of such programs.

This, in effect, gives the Director authority to spend money and to find ways to spend more money.

On page 185, subsection B, under section 221, it states:

> If the Director determines that a limited purpose project or program involving activities otherwise eligible under this section is needed to serve needs of low-income families and individuals in a community, and no community action agency has been designated for that community pursuant to Section 210, or where a community action agency gives its approval for such a program to be funded directly through a public or private nonprofit agency or organization, he may extend financial assistance for that project or program to a public or private nonprofit agency which he finds is capable of carrying out the project in an efficient and effective manner consistent with the purpose of this title.

And further, on page 196, line 13:

> The Director may, however, approve assistance in excess of such percentages if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title.

Mr. Chairman, in any type of poverty program that does not have as its main thrust the building of conditions wherein the poverty recipient can raise himself to economic stability and be proud of himself, we have as result one of two alternatives: The individual recipient of poverty funds is angry because he has to receive charity or else he is angry because he is not given enough.

I believe it is our sworn duty to see to it that every war on poverty tax dollar is spent in such a manner that it is invested in long-range future planning to help the proven poverty-stricken of this Nation to become self-sufficient and productive.

Mr. Chairman, the way this bill is worded, vesting so much power in the Director here in Washington and granting the right of a few people to control the destinies of millions, it is my firm belief that this will continue the erosion of our representative form of government. By voting for this bill, we are admitting that the time has now arrived in America when we take from the "haves" and give to the "have nots," this is the socialist's battle cry without the incentive to try to prepare the "have nots" to get themselves in the position where they can be self-sufficient, reliable, productive, economy-minded citizens who will continue to make this great country move forward.

Mr. Chairman, I call upon each one of my colleagues to carefully analyze at the time of the rollcall vote how they are going to explain to their constituents why they voted to give $2,060,000,000 of the taxpayers' money to one man to administer under rules and regulations that he establishes, and at his discretion can expend funds to cover every conceivable situation that might arise. I contend that this Congress should not abrogate power of this nature by giving it to the executive branch of the Government.

The CHAIRMAN. The Chair recognizes the gentleman from Indiana [Mr. BRADEMAS].

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. BRADEMAS. I yield to the distinguished gentleman from New York.

Mr. CAREY. Mr. Chairman, I thank the distinguished gentleman from Indiana for yielding.

Mr. Chairman, I was much intrigued by the last statement made by the gentleman from Alaska [Mr. POLLOCK].

Mr. Chairman, the gentleman from Alaska indicates that there has not been sufficient time during which to fully debate the issues involved in this bill. I would point out to the gentleman that we have been engaged in the debate on this bill since a week ago Monday. No measure which has come to the floor of the House for consideration this year has received as much debate as has this particular measure.

Mr. Chairman, I think it ill becomes the gentleman from Alaska to make this complaint.

I say this because I recall that there was a rather hurry-up measure needed for the relief of the constituents of the gentleman in Alaska and on which action was urgent. It was at the gentleman's urgent request that we brought forth a bill, with no debate, under a suspension of the rules, and passed the bill, in order to accommodate the Economic Development Administration in Alaska.

Mr. Chairman, I cooperated on that expeditious action on the part of the House for the Member on that legislation for Alaska as chairman of the subcommittee. There was, however, no debate to speak of on it.

Mr. POLLOCK. Mr. Chairman, if the gentleman will yield, I do not think your comments are germane at all. The point I was making was that it is impossible to adequately consider 19 amendments which are at the Speaker's desk when 45 Members are allowed only 2 minutes each to discuss all 19 amendments. This is utterly ridiculous and totally irresponsible.

Mr. CAREY. No, I do not yield to the gentleman from Alaska. In other words, the gentleman states what is good for Alaska is not good for the balance of the country? We have had plenty of debate on this legislation, as the record will show.

The CHAIRMAN. The Chair will remind the gentleman that the gentleman from Indiana [Mr. BRADEMAS] has the floor.

Mr. BRADEMAS. Mr. Chairman, I do not yield further to the gentleman from Alaska.

The CHAIRMAN. The Chair recognizes the gentleman from Oregon [Mr. DELLENBACK].

AMENDMENT OFFERED BY MR. DELLENBACK

Mr. DELLENBACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELLENBACK: Beginning on page 188, strike all of lines 19 through line 6 of page 190 and insert in lieu thereof, the following:

"(4) A program to be known as basic health services designed to aid in developing and carrying out basic health services projects focused upon the needs of urban and rural areas having high proportions of poverty and a marked inadequacy of health services for the poor. These projects shall be designed—

"(A) to make possible, with maximum feasible use of existing agencies and resources, the provision of certain fundamental health services including preventive medical advice, examination for, diagnosis, and treatment of tuberculosis, heart disease, venereal diseases, and inadequate vision or eye disease, and basic dental care and services; and

"(B) to assure that such services are made readily accessible to the poor of such areas, are furnished in a manner most responsive to their needs and with their participation and wherever possible are combined with, or included within, arrangements for providing employment, education, or other assistance needed by the families and individuals served.

Funds for financial assistance under this paragraph shall be allotted according to need and capacity of applicants to make rapid and effective use of that assistance, and may be used, as necessary, to pay the full costs of projects. Before approving any projects, the Director shall consult with appropriate Federal, State, and local health agencies and take such steps as may be required to assure that the program will be carried on under competent professional supervision and that existing agencies providing related services are furnished all assistance needed to permit them to plan for participation in the program and for the necessary continuation of those related services.

"(f) A program to be known as legal services designed to provide legal advice and representation to the poor when they are unable to afford the services of a private attorney, or to obtain such advice or representation through other public programs. Projects involving legal advice and representation shall be carried on in a way that assures maintenance of a lawyer-client relationship consistent with the best standards of the legal profession. Prior to the initiation of any such program and annually thereafter, the agency shall review the program with local bar associations for their comments and recommendations on such proposal (or program). If administered locally by a delegate or substitute agency such program shall be subject to the direction and control of the governing board of such agency or executive committee thereof, at least one-third of whose members shall be selected by and representative of the poor in the area served by such agency."

Mr. DELLENBACK (during the reading). Mr. Chairman, I ask unanimous consent that further reading of the amendment be dispensed with and that it be printed in full at this point in the RECORD.

Mr. PERKINS. Mr. Chairman, reserving the right to object, I would like to ask the gentleman as to what the proposed amendment contains.

Mr. GROSS. Mr. Chairman, regular order.

The CHAIRMAN. The regular order is—Is there objection to the request of the gentleman from Oregon?

Mr. PATTEN. Yes, Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk concluded the reading of the amendment.

Mr. DELLENBACK. Mr. Chairman, I can explain very briefly the difference between this amendment and the committee print. The committee print deals with comprehensive health services. This deals with basic health services. One of our great problems is making the dollars go as far as they will go. In the health field, we face the basic question, shall we take a relatively few people and go into great depth and oftentimes spend a great deal of money in order to take care of a relatively few people? I pose the following alternative question:

Why do we not use the same limited number of dollars to reach as far as we can across the field and give broad scale coverage in basic health services?

We have here provided for supplying the specific medical coverages that the medical people tell us are the most needed coverages.

Within those basic coverages, that service program, we should be reaching with our limited number of dollars as far as possible, so that we would be able to assure that as many people as possible are given essential and needed medical services.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. DELLENBACK].

The question was taken; and on a division (demanded by Mr. DELLENBACK) there were—ayes 33, noes 105.

So the amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. WAGGONNER].

Mr. WAGGONNER. Mr. Chairman, after 6 days of debate on a rather controversial piece of legislation, things sometimes go awry when we do not intend them, so I would simply like to take this moment to say that there is an amendment pending which could undo everything that some of us have tried to prevent being done during these 6 days. That is, there is a spinoff or fragmentation amendment pending at the desk which would turn over to the Department of Health, Education, and Welfare the administration of much of this program.

Mr. Chairman, I am very much opposed to that. I believe all the Members would agree by now that I have made this point clear in that respect. So, as I say, I oppose the spinoff, and I do so specifically for this reason:

I believe that it is vitally important that we in the Congress know what the poverty program does and does not do. We need to know what it costs. We need to reevaluate it from time to time.

Some 20 years ago we undertook a program on foreign aid. We called it the Marshall plan. We had only one program. It was estimated that it would require 6 years and $15 billion to rehabilitate 16 countries. This would have been $2½ billion a year. But 20 years and $150 billion later we now have not one but 16 different foreign aid programs costing, for example, $9.206 billion this year for aid going to 100 countries and five territories. This is what spinoff or fragmentation does. If we fragment this program by transferring it to a number of different agencies we will suffer the same fate with this program. Not only will it grow out of all proportion, but never again will we be able to control it. Never again will we know where it is, what it does, or what it costs. This is a mistake we cannot afford and must not make again.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from Washington [Mr. MEEDS].

Mr. MEEDS. Mr. Chairman, I, too, would like to speak out in opposition to the proposed amendment on a spinoff.

Mr. Chairman, it seems to me that of all the things that the Office of Economic Opportunity has done, the best thing it has done was to commit this Nation to a total commitment against a total problem, and that problem is poverty.

It takes a total commitment. It takes our efforts all in one place to meet that commitment. I submit that we must keep this program intact. We must keep it directed toward this problem. The old-line agencies have done a good job combating poverty problems one at a time. Under OEO we are recognizing the totality of the reasons for poverty and are making a concerted attack on them.

The CHAIRMAN. All time has expired.

Are there further amendments to section 103?

AMENDMENT OFFERED BY MR. QUIE

Mr. QUIE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. QUIE: On page 211, after line 21, insert the following new parts F and G:

"PART F—HEADSTART AND EARLY YEARS PROGRAMS

"ALLOTMENT OF FUNDS

"SEC. 251. (a) From the funds made available under section 260 to carry out this part for each fiscal year, the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") shall reserve (1) such amount, but not in excess of 3 per centum thereof, as he may determine, and shall allot such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands, according to their respective needs under this part, (2) such amount as he may determine necessary to carry out the purposes of sections 253(b) and 256, and (3) not more than 15 per centum during the fiscal year ending June 30, 1968, for the purpose of adjusting State allocations to assure the continuation during such fiscal year of programs which could not otherwise be funded out of a State's allocation for such year. From the remainder of such sums the Secretary shall make allotments among the States as follows:

"(1) he shall allot for each State an

amount which bears the same ratio to 50 per centum of such remainder as the number of children aged three to eight, inclusive, in the State bears to the number of such children in all the States, and

"(2) he shall allot for each State an amount which bears the same ratio to 50 per centum of such remainder as the number of families having an annual income of less than $3,000 in the State bears to the number of such families in all the States. For the purpose of this subsection, the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

"(b) The number of children aged three to eight, inclusive, and the number of families having an annual income of less than $3,000 in a State, and in all the States, shall be determined by the Secretary on the basis of the most recent satisfactory data available to him.

"(c) The amount allotted for any State under subsection (a) for any fiscal year which the Secretary determines will not be required for the period for which that amount is available shall be available for reallotment from time to time, on such dates during that period as the Secretary may fix, among other States in proportion to the amounts originally allotted among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Secretary estimates that State needs and will be able to use for that period; and the total of these reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection from funds made available pursuant to section 260 for any fiscal year shall be deemed to be a part of the amount allotted to it under subsection (a) for that year.

"USES OF FEDERAL FUNDS

"SEC. 252. Grants under this part may be used, in accordance with applications approved under section 254, for—

"(a) planning for and taking other steps leading to the development of preschool and early elementary school programs for economically deprived children, as described in paragraph (b), including training of personnel and pilot projects designed to test the effectiveness of plans so developed; and

"(b) the establishment, maintenance, and operation of programs, including the lease or rental of necessary facilities and the acquisition of necessary equipment and for supplies, designed to provide a total preschool child development program for economically deprived children and followup programs for such children in kindergarten and the first three grades of elementary school, including activities and services such as—

"(1) comprehensive physical and mental health services for children needing such assistance in order to profit fully from their educational opportunities;

"(2) food and nutritional services, including family consultations to improve nutrition in the home environment;

"(3) specialized social services designed to improve the home environments of such children and to involve parents in the child's development;

"(4) a program of daily activities designed to develop fully each child's potential;

"(5) the provision of special teachers, counseling personnel, and other remedial and noncurricular services and programs for economically deprived children in kindergarten and the first three grades of elementary school to maintain the advances realized in preschool programs and to assist such children to overcome educational handicaps;

"(6) other specially designed health, social, and educational programs for economically deprived children both in school and out of school (including summer, weekend, and vacation programs); which meet the purposes of this part; and

"(7) direct participation in development, conduct, and overall program direction at the local level by parents of the children, benefited by programs assisted under this part.

"STATE COMMISSIONS AND PLANS

"SEC. 253. (a) Any State desiring to participate in the grant program under this part shall designate (or create) for that purpose a State agency (hereinafter referred to in this title as the "State commission") which shall be broadly representative of public and private education (including the State educational agency), community action agencies qualified under title II of this Act (hereinafter referred to as community action agencies or agency, as the case may be) and public and private child welfare and health agencies in the State: *Provided,* That any State community action commission designated or established by the State for the purposes of title II of this Act shall be deemed the State commission for the purposes of this part; and submit to the Secretary through the State commission a State plan for such participation. The Secretary shall approve any such plan which—

"(1) provides that it shall be administered by the State commission;

"(2) set forth objective standards and methods for determining the school attendance areas in the State having the highest concentrations of economically deprived children, and a method for determining the highest priorities for preschool and early elementary school programs among such areas;

"(3) provides (A) for assigning priorities solely on the basis of such criteria, standards, and methods to eligible programs submitted to the State commission and deemed by it to be otherwise approvable under the provisions of this part, and (B) for approving and recommending to the Secretary, in order of such priority, applications covering such eligible programs;

"(4) provides for affording to every applicant which has submitted a program to the State commission an opportunity for a hearing as to any determination of the State commission adversely affecting such applicant; and

"(5) provides (A) for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting for Federal funds paid to the State commission under this part, and (B) for the making of such reports, in such form and containing such information, as may be reasonably necessary to enable the Secretary to perform his functions under this part.

"(b) The Secretary is authorized to expend not exceeding $10,000,000 during each of the fiscal years of this program under this part in such amounts as he may consider necessary for the proper and efficient administration of the State plans approved under this part, including expenses which he determines were necessary for the preparation of such plans.

"APPLICATIONS FOR GRANTS AND CONDITIONS FOR APPROVAL

"SEC. 254. (a) Applications for grants under this part may be submitted by any (1) community action agency, (2) local educational agency or other nonprofit agency, with the approval of a community action agency, or (3) local educational agency or other nonprofit agency in an area where there is no community action agency. Any such application shall be made at such time or times and in such manner as may be required by or pursuant to regulations promulgated and published by the Secretary for the purpose of enabling him to make the determinations required of him under this part.

"(b) The Secretary shall approve an application which—

"(1) has been approved and recommended by the State commission;

"(2) has been assigned, in accordance with the State plan, a priority that is higher than that of all other applications within such State (chargeable to the same allotment) which meet all the requirements of this section (other than this clause) and for which Federal funds have not yet been reserved;

"(3) provides that the funds under this part will be administered by the applicant agency and that at least 20 per centum of the cost of the program (which may be in the form of goods, services, or the reasonable rental value of facilities) shall be met from non-Federal funds in administering this subsection, except that, in exceptional cases, the Secretary may reduce or waive the non-Federal share requirement. The value of buildings, facilities, equipment, and other in-kind contributions from non-Federal sources shall be assessed and appropriately credited as part of the non-Federal contribution required herein;

"(4) sets forth a program for carrying out the uses and purposes described in section 253 and provides for such methods of administration as are necessary for the proper and efficient operation of the program;

"(5) provides assurances that in the planning of such program there has been, and in the carrying out of such program there will be, active participation of parents of economically deprived children in the areas to be served;

"(6) provides satisfactory assurances that the educational and developmental programs will be carried out by public or nonprofit private agencies possessing the capabilities necessary to the success of the program;

"(7) provides, with respect to any program carried out by a local educational agency, that adequate methods are employed to involve eligible children in the area served by such program who attend nonpublic schools, and that in no case shall economically deprived children in such area be denied the benefits of the program because of their attendance in nonpublic schools;

"(8) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this part; and

"(9) provides for making such reports, in such form and containing such information, as the Secretary may reasonably require to carry out his functions under this part and to determine the effectiveness of the program in meeting the purposes of the part, and for keeping such records and affording such access to as the Secretary may find necessary to assure the verification of such reports.

"(c) Amendments of applications shall, except as the Secretary may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

"(d) During the fiscal year ending June 30, 1968, the Secretary may approve applications of eligible agencies in those States for which there is no approved State plan, providing that the application meets all the requirements of this part except those relating to a State plan, and for any fiscal year thereafter the Secretary may in like manner approve applications in any State which has failed to designate or create a State commission, or to submit a satisfactory State plan;

"(e) If, in the opinion of the Secretary, a State plan or implementation thereof fails, or will fail, to carry out the purposes of this part because (1) State constitutional, legislative, or administrative restrictions prevent full participation of qualified private agencies or organizations in the operation of Headstart or Early Years programs under this part, or (2) it does not meet the needs of eligible children without regard to race, color, sex, or national origin, the Secretary shall withhold the allocation provided for such State until he has assurances satisfactory to him that the State plan or implementation thereof has been corrected, and in the absence of a satisfactory plan or implementation the Secretary is authorized to make grants from such State allocation directly to eligible applicants within such State for the provision of Headstart and Early Years programs.

"PAYMENTS

"SEC. 255. (a) From the amounts allotted to each State under section 251 the Secretary shall pay to each applicant in that State which has an application approved under this part an amount (subject to the requirements of section 254(b)(3)) equal to the total sums expended by the applicant under the application for the purposes set forth therein.

"(b) Payments under this part may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

"(c) The Secretary shall immediately cut off funds to any applicant agency when he determines that such agency is not complying with the conditions for grant approval in section 254(b).

"(d) Payments made under this part are to be considered and treated by the State commission and by each grantee as Federal funds and shall be kept entirely separate from any other public or private funds.

"SEC. 256. The Secretary is authorized to reserve an amount not to exceed 2 per centum of the funds made available pursuant to section 260 in any fiscal year to provide, either directly or through grants to or contracts with institutions of higher education or other public or private nonprofit agencies and organizations, for research, demonstration, evaluation activities, and technical assistance designed to support the programs authorized by this part.

"ADVISORY COMMITTEE

"SEC. 257. (a) The Secretary shall establish an Advisory Committee on preschool and early elementary programs, consisting of a Chairman, and not more than fourteen members appointed without regard to the civil service laws, by the Secretary.

"(b) The Advisory Committee shall advise the Secretary in the preparation of general regulations and with respect to policy matters arising in the administration of this part, including the development of criteria for approval of applications thereunder. The Secretary may appoint such special advisory and technical experts and consultants as may be useful in carrying out the functions of the Advisory Committee.

"(c) Members of the Advisory Committee shall, while serving on the business of the Advisory Committee, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including traveltime; and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

"BONUS GRANTS

"SEC. 258. (a) In addition to the sums authorized to be made available for part A of this title by section 260, there is hereby directed to be made available to the Secretary the sum of $35,000,000 for the fiscal year ending June 30, 1968, and $100,000,000 for the succeeding fiscal year, for increasing the amount available to States making an additional effort consistent with the purposes of this section.

"(b) A State's allotment under section 251 for a fiscal year, shall be increased, through the use of funds appropriated under this section, by an amount equal to 50 per centum of the aggregate amount by which [attributable costs] during the fiscal year by applicants in the State for carrying out programs described in their applications exceed 100 per centum of the State's allotment (including any reallotment) for such year: *Provided,* That the State shall provide a matching 50 per centum of such amount to such programs.

"(c) In the event the sums appropriated for a fiscal year to carry out this section are less than the amount necessary to make all the increases in allotments required by subsection (b), the amount of each increase under subsection (b) shall be reduced pro rata.

"DEFINITIONS

"SEC. 259. As used in this part—

"(1) 'economically deprived children' means children of families having an annual income (as determined by the State commission pursuant to criteria established by the Secretary) insufficient to provide a home environment conducive to learning, or who are recipients of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, except that in no case shall a local educational agency or a private nonprofit school be required to apply an income test to establish the eligibility of elementary school children in need of the in-school services provided under this title;

"(2) 'the first three grades of elementary school' may in addition include kindergarten school in those areas in which kindergarten is provided as a part of a program of free, public education.

"PROGRAM; ALLOCATION OF FUNDS

"SEC. 260. (a) The Secretary is authorized to make grants pursuant to the provisions of part A of this title during the fiscal year ending June 30, 1968, and the succeeding fiscal year, for the purpose of assisting State commissions to arrange for the conduct of preschool and early elementary school programs for economically deprived children and for the funding of such programs.

"(b) For the purpose of carrying out this part, there is hereby directed to be transferred to the Secretary from amounts appropriated pursuant to section 2 of this Act the sum of $375,000,000 for each of the two fiscal years ending June 30, 1968, and June 30, 1969; *Provided, however,* That such amount for the fiscal year ending June 30, 1968, shall include any sums expended by or under the authority of the Director after June 30, 1967, for such programs.

"(c) The Secretary and the Director shall develop procedures for the orderly transfer of existing programs, including jointly developed regulations, which shall assure that policies affecting existing grants shall remain in effect until changed by the Secretary.

"PART G—UPWARD BOUND

"TRANSFER OF PROGRAM

"SEC. 261. (a) The program known as 'Upward Bound' and conducted under the authority of section 205 of the Economic Opportunity Act of 1964, as amended, shall be carried out by the Secretary of Health, Education, and Welfare (hereinafter in this part referred to as the 'Secretary'), as provided by this part.

"(b) The Secretary shall assume administrative responsibilities with respect to all grants, contracts, or other arrangements made by or on behalf of the Director of the Office of Economic Opportunity for the conduct of Upward Bound programs to be carried out in whole or in part after June 30, 1967.

"ALLOCATION OF FUNDS

"SEC. 262. There is hereby directed to be transferred to the Secretary from amounts appropriated pursuant to section 2 of this Act for each of the two fiscal years ending June 30, 1968, and June 30, 1969, the sum of $15,000,000 to enable the Secretary to enter into arrangements pursuant to the provisions of this part; *Provided, however,* That such amount for the fiscal year ending June 30, 1968, shall include any sums expended by or under the authority of the Director after June 30, 1967, for such program.

"DESCRIPTION OF PROGRAM

"SEC. 263. (a) The Secretary shall conduct a program to be known as 'Upward Bound' designed to generate skills and motivation necessary for success in education beyond high school and among young people from low-income backgrounds who have inadequate secondary school preparation for continuing their education beyond high school.

"(b) The program shall be conducted by means of grants to or contracts with public and private nonprofit agencies and institutions which shall include;

"(1) arrangements for cooperative efforts among one or more institutions of higher education and one or more secondary schools;

"(2) assurances satisfactory to the Secretary that the project will include a curriculum designed to develop the intellectual processes, skills, and attitudes needed for success in postsecondary education; and

"(3) necessary health services and such recreational and cultural activities as the Secretary may deem appropriate.

"COORDINATION OF PROGRAMS

"SEC. 264. The Secretary shall take such action as he deems necessary to coordinate the operation of Upward Bound with the program of educational opportunity grants authorized by title IV of the Higher Education Act of 1965, as amended, and he shall take necessary steps to consult with State and private agencies and institutions with a view to developing a coordinated effort to achieve the purposes of this part.

"ALLOCATION OF FUNDS

"SEC. 265. Of the funds appropriated or allocated for the purpose of carrying out this part, the Secretary shall first reserve not in excess of 3 per centum thereof for allotment among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs, and he shall allot the remainder among the States, in accordance with the latest available satisfactory data, so that (1) 50 per centum is distributed on the basis of the relative number of children enrolled in grades 9 through 12 (both inclusive) in each State, and (2) 50 per centum is distributed on the basis of the relative number of school-age children in families with annual incomes of less than $3,000 in each State. That part of any State's allotment which the Secretary determines will not be needed may be reallotted, at such dates during the fiscal year as the Secretary may fix, in proportion to the original allotments, but with appropriate adjustments to assure that any amount so made available to any State in excess of its needs is similarly reallotted among the other States."

Mr. WILLIAM D. FORD (during the reading). Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The amendment has not yet been read.

The Clerk will continue reading the amendment.

The Clerk proceeded to read the amendment.

Mr. PERKINS (during the reading). Mr. Chairman, I think we all understand the spinoff since it has been debated so much and at length. So I ask unanimous consent that the further reading of the amendment be dispensed with.

The CHAIRMAN. Is there objection

to the request of the gentleman from Kentucky [Mr. PERKINS]?

Mr. QUIE. Mr. Chairman, reserving the right to object, this is the amendment which was offered previously by the gentleman from Wisconsin [Mr. STEIGER] and as to which Members objected to the request that further reading of the amendment be dispensed with and that the amendment be considered as read, which request was made to dispense with the further reading because we felt it was unwise that the Clerk spend time reading the amendment when there were Members who were waiting to be heard.

The gentleman from New York [Mr. GOODELL] was not recognized or called upon even though he was standing.

Therefore, Mr. Chairman, since Members wanted the amendment to be read, I think it should be read and I object to the request to dispense with the further reading of the amendment.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. QUIE].

The question was taken; and on a division (demanded by Mr. QUIE) there were—ayes 33, noes 135.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GOODELL

Mr. GOODELL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODELL: On page 200, after line 8, insert the following new section 233:

"AUTOMATION OF JOB OPPORTUNITY DATA

"SEC. 233. (a) Sections 106 and 107 of the Manpower Development and Training Act of 1962 are amended to read as follows:

"'SEC. 106. (a) The Secretary of Labor is directed, using every appropriate facility, to develop, compile, and make available information regarding skill requirements, occupational outlook, job opportunities, labor supply in various skills, and employment trends on a National, State, area, or other appropriate basis which shall be used in the educational, training, counseling, and placement activities performed under this Act. In the administration of this Act, the Secretary shall give the highest priority to performing the duties prescribed by this section with particular emphasis on identifying and publishing those occupations, skills, industries, and geographic areas in which the supply of qualified workers is insufficient to meet existing and foreseeable future needs.

"'(b) The Secretary of Labor is further directed to develop and establish in the United States Employment Service a program for matching the qualifications of job applicants with employer requirements on a local, interarea, and nationwide basis. Such programs shall be designed to provide a quick and direct means of communication among local offices of the Service in the interarea and nationwide referral, recruiting, and placement of unemployed and underemployed workers, and the referral of workers to industries which need them wherever located throughout the Nation. In the development of such program, the Service shall establish a network utilizing electronic data processing and telecommunication systems for the storage, retrieval, and communication of job and worker information.

"'SEC. 107. The Secretary of Labor shall make such reports and recommendations to the President as are appropriate pertaining to manpower requirements, resources, use, and training; and the President shall transmit to the Congress within sixty days after the beginning of each regular session (commencing with the year 1968) a report pertaining to manpower requirements, resources, utilization, and training. Such reports shall contain a specific and detailed account of the administration, utilization, and operation of the functions and activities prescribed by section 103 of this Act.'

"(b) The Director is hereby directed to transfer to the Secretary of Labor, from the sums appropriated or allocated for the purpose of carrying out title II of this Act, the sum of $10,000,000 for the fiscal year ending June 30, 1968, and the sum of $25,000,000 for the fiscal year ending June 30, 1969, to be used for the purpose of carrying out the Manpower Development and Training Act of 1962 as amended by subsection (a)."

Mr. GIBBONS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. GROSS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

The Clerk concluded the reading of the amendment.

PREFERENTIAL MOTION OFFERED BY MR. GOODELL

Mr. GOODELL. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

Mr. GOODELL moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

The CHAIRMAN. The gentleman from New York [Mr. GOODELL] is recognized for 5 minutes.

Mr. GOODELL. Mr. Chairman, I rise at this time not so much in anger as in shame and sadness. We have had a lively and enlightening debate up until midafternoon today. Members from the other side of the aisle where there is now jeering a little bit—Members who are not on the committee—worked for weeks developing amendments to this legislation, and when they presented them in disgust they even refused to try in the 2 minutes' time allotted to them to explain those amendments.

Now, is that fair, I ask you Democrats and Republicans? Is it proper legislative procedure? Can you really be proud of the House performing in that fashion?

Mr. Chairman, we are here representing our people, each of us from large districts. The committee members have had ample time to present amendments up until we reached this point in the bill. When the debate limitation was put on there were 19 amendments pending at the desk. Everyone knew there would be no time to debate. We have seen a travesty. The Members have come down here who have worked hard, most of them not on the committee, most of them without having an opportunity to speak to this Committee on such amendments, and have had to have them just read up here and have them explained in a short period of time. Even after the debate limitation was put on, a long amendment was offered on our side, and the Member who was a proponent of that amendment stood up and wanted to save the Committee time, and asked unanimous consent that it not be read. You just heard it read, because there was objection from the other side of the aisle to the unanimous-consent request to save this Committee time, and to offer the members of the Committee time to explain their amendments. It took a half an hour to read that amendment. A waste of time for all of us that could have been much more productively used.

But, Mr. Chairman, when parliamentary tactics are used on one side to put a clamp on debate, then there is only one device left for the other side to use, and that is to use parliamentary tactics to punish in return.

It is a sad, sad day when we get into such a dilatory parliamentary tactic instead of debating the legislation that is pending.

This amendment that I have offered is a very important amendment.

Mr. MOSS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. MOSS. Mr. Chairman, the gentleman is not proceeding in order—he is not discussing the preferential motion.

Mr. GOODELL. I am leading up to that.

Mr. MOSS. Mr. Chairman, I ask that the gentleman be instructed to proceed in order.

The CHAIRMAN. The Chair will state that the preferential motion opens up the whole bill for discussion, and the gentleman is in order.

Mr. GOODELL. Mr. Chairman, this amendment is an important amendment. It should be discussed. It involves trying to find out where the job vacancies are in our country so we can fit people with skills into those vacancies. We cannot even debate this issue. No one is going to have the opportunity, except for answering on the preferential motion, to debate it. I am more fortunate, because I am the last one, and offer the preferential motion, so I at least have time to stand up and object to this procedure.

But, Mr. Chairman, I say to all the Members that poverty is too important an issue to be decided in this manner. This is a legislative travesty of shameful proportions. We appear to be leading now to a point where other debate limitations will be imposed. It will not be so much a penalty on me and other members of the committee as it will on those Members of the House who are not members of the committee, and want to debate.

The greatest voice raised against this procedure was one of your distinguished and respected Members on your side of the aisle who had worked for weeks and could not explain his amendment and have it considered in a deliberative fashion.

You appear to be playing now the game of chicken with this important legislation—go right up to the end—close up debate, no changes, no deliberative process, and when we get to the brink you think that enough Members on both sides of the aisle will hold their nose and vote for something that they do not like.

Well, the legislation may survive—it may survive this Committee today, but it goes on from there into the appropriation process and thereafter it will survive without the confidence of this Committee and without the necessary appropriations to implement a good program if we had made this a good program. It is a sad day for this Committee, a sad day for the country, but most somberly and seriously, it is a sad day for the poor.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the preferential motion.

Mr. HAYS. Mr. Chairman, will the gentleman yield to me for an observation?

Mr. PERKINS. I yield to the gentleman, briefly.

Mr. HAYS. I would just like to observe that for a good many years I have sat here and have watched a certain coalition at work. It seems to me that the gentleman from New York, for the first time that we have a coalition of Democrats working, he cannot take it.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman.

Mr. CAREY. I do agree that we are being deprived to some degree because we never had a chance today to discuss the fact that the minority has now introduced a third crusade—a third opportunity crusade.

I note that in terms of history and in the chronology of time the bill, H.R. 14004, which is the third crusade, is akin to the fact that the third crusade took place in the year 1087.

So the minority are moving up pretty close to the present generation now.

I notice that there are three sponsors of this bill, just as there were three leaders of the third crusade, and they were Richard the Lion Hearted, Frederick Barbarossa, and Philip Augustus of France—and you can guess which one is leading this bill.

Mr. PERKINS. Mr. Chairman, I am somewhat surprised at the remarks of my distinguished colleagues across the aisle, especially after we have taken so much time and have given this legislation such thorough consideration.

This is the sixth day that we have had this legislation on the floor for consideration. The gentleman in his amendment yesterday virtually offered every amendment that was offered today and that he is now complaining about.

Mr. Chairman, the record will speak for itself.

The amendments on yesterday were thoroughly debated. Now, minority proceeds today with practically identical amendments and say: Let us have more time—let us have more time.

The time allocation was reasonable. We all knew what we were voting on. I want to state for the benefit of the gentleman from New York that he had an opportunity since last June to produce any witness that he wanted to produce, and he did so before the Committee on Education and Labor. They were not identified as Republican or Democratic witnesses, and he participated actively. I might add that I do not recall any witness supporting the approach being taken by the sponsors of these amendments. There was never a moment in those hearings that the gentleman did not get exactly what he wanted or what he requested in the way of witnesses to be heard.

Now he is complaining about the procedures here today. The gentleman knows, and I know, that the amendments which were considered within this time limitation were considered yesterday—many of them were considered yesterday—in his amendment that he offered and in other amendments that were offered here by the minority.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. I yield to the gentleman from New York.

Mr. GOODELL. First, not a single amendment that was offered today has been offered previously in any form in this debate. For the Record, I would like you to tell us which ones have been previously offered, because none of them have.

Mr. PERKINS. Mr. Chairman, I do not yield any further.

It is true that some of the packaging of the amendments may be different, but in substance they would accomplish the same objective.

Mr. Chairman, I would like to take a moment at this time to respond publicly to questions which my distinguished colleague from Florida [Mr. Pepper] has just put to me.

Mr. Pepper has a deep concern for the problems facing elderly persons, and he has asked me about several provisions that the committee has adopted in the bill it has reported.

I want to state that we have provided in several places for the participation of older persons in programs authorized by the committee bill.

The elderly will be participants in all training programs authorized by title I-B of the Economic Opportunity Act.

A new special emphasis program providing a wide range of services and opportunities for the elderly has been added to title II of the act.

And finally, the committee has provided for the participation of older persons of VISTA volunteers, and has called for VISTA to design more programs that aid the older poor.

I have had many conversations with my good friend from Florida on these matters, and I just wanted to assure him that the bill before the House contains these added features, which the committee felt would be of great assistance to the elderly. I would add that the committee expects that qualified elderly citizens will be used in administrative, technical, and professional capacities throughout the program.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the preferential motion offered by the gentleman from New York [Mr. Goodell].

The preferential motion was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. Goodell].

The question was taken; and on a division—demanded by Mr. Goodell—there were—ayes 58, noes 136.

So the amendment was rejected.

AMENDMENT OFFERED BY MR. GONZALEZ

Mr. GONZALEZ. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Gonzalez: On page 190, strike out line 6 and insert in lieu thereof the following: "related services. In carrying out this paragraph, the Director shall formulate and carry out programs for the prevention of narcotic addiction and the rehabilitation of narcotic addicts; and such programs shall include provision for the detoxification, guidance, training, and job placement of narcotic addicts."

Mr. PERKINS. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. PERKINS. Have we not already finished section 103?

The CHAIRMAN. The amendment would amend section 103, and that section is still open for amendment.

Mr. GONZALEZ. Mr. Chairman, my amendment would restore to the war on poverty eight local programs across the country which have been providing comprehensive health services to narcotic additcs under the provisions of section 211-2(b) of the OEO amendments of last year.

There can be no doubt that narcotic addiction is a predisposition to poverty. Nor can there be any doubt that narcotic addiction is a health and social problem of national concern. Last year Congress provided for projects for comprehensive treatment and service to narcotic addicts. Eight projects were given life. They will be less than a year old next June 30 and, unless my amendment is adopted, will then die a premature death.

This should not happen. Beyond the human misery involved, beyond the terrible economic loss associated with supporting a "habit," the problems of narcotic addiction demand much for effective techniques of treatment. We need experience on how to work with addicts while they still hold jobs and live with their families; we need to test likely innovations; we need continuity in rehabilitation programs, for it takes years to know whether addicts will remain "clean."

The eight new programs in existence are in Chicago, Washington, D.C., several counties in New Jersey, New York City, Los Angeles, Puerto Rico, Tacoma, and in my district of San Antonio. The reports of their work have been favorable. The project of the Patrician movement in San Antonio, operated by the dedicated and experienced Father Dermot Brosnan, has been singled out for special praise by the official Texas summary of progress in the war on poverty.

The Patrician movement has a three-pronged program to assist in the rehabilitation of addicts, nearly all of whom come "off the streets." First, the addict is detoxified at a local general hospital. This fills an obvious need, since there are only two Public Health Service hospitals in the country which have any space at all for voluntary commitment of narcotic addicts. And there is obviously less disruption to whatever job or family life an addict might have in staying in the home community. Second, an addict's family is involved in his rehabilitation, and let to understand the various tenacles of addiction. And finally, the Patrician movement follows-up their detoxified addicts, assisting with job training and job placement, and continuing medical supervision. Father Brosnan still maintains contact, for example, with a former addict who is working as an airline technician in Guam.

In a task force report, the recent crime commission of the President declared:

> Treatment of narcotic addiction is by no means a certain or perfected medical art. The Commission therefore considers it imperative that treatment programs be flexible enough to follow each promising idea and technique as it emerges.

Adequate health and support services for narcotic addicts is in terribly short supply, and the need for new treatment techniques is great. My amendment would allow for the continuation of those projects which are proving their worth. Mr. Chairman, I urge its adoption.

A possible question on the amendment is: Cannot these projects switch and get funded under the Narcotic Addiction Rehabilitation Act of 1966?

There are several problems with NARA. For one, it does not even have its guidelines out yet, and there is question whether the level of their appropriations will be above subsistence. And further, its assistance is limited to addicts who have been charged with a crime; addicts charged with certain crimes have the option of possible criminal commitment or narcotic commitment. And, I understand, there is a constitutional question about the commitment of NARA.

Another possible question on the amendment is: How much was spent on last year's narcotic addiction program of OEO?

Nationally, it is $11.2 million. Operation CHAPS of the Patrician movement received $417,900 as its Federal share, matching it with $59,000 of local funds. CHAPS has reached about 375 families, and is servicing 300 addicts and their families at present. One addict has a family of 10; while some are divorced. The cost per addict is not low. For one thing, it costs $75 a day for a hospital bed to detoxify an addict. But compare the per addict cost of rehabilitation to its alternatives: It can easily cost $7,000 a year to pay for a habit, and if the addict is stealing to support his addiction, the value of the thefts he must make are five or ten times that amount. Or if imprisoned, the Government pays more than that for his confinement.

Another possible question on the amendment is: Why not leave narcotic addiction up to the States, the PHS hospitals, or to private concerns?

While a few States, California and New York especially, have some sort of narcotics rehabilitation program, Texas and most other States have none.

There are only two PHS hospitals expressively for narcotics addicts in the country, Fort Worth and Lexington, Ky. Half of their beds are for Federal prisoners; the beds for addicts who commit themselves voluntarily are on a space-available basis.

The programs of private groups, though highly desirable, are generally small and ill-financed, and inadequate to the dimensions of the drug addiction problem nationally.

Mr. RYAN. Mr. Chairman, I support the amendment offered by the gentleman from Texas [Mr. GONZALEZ] which would provide specifically for programs for the prevention of narcotic addiction and the rehabilitation of narcotic addicts, including plans for the detoxification, guidance, training, and job placement of narcotic addicts. In 1966 the Committee on Education and Labor wrote similar language into the comprehensive health services section of the antipoverty legislation—section 211-2(b). As a result, eight projects for the rehabilitation of narcotics addicts have been approved at a cost of $11.2 million which is small compared to the social costs which they are designed to obviate.

Section 222 of the committee bill omits explicit language authorizing programs for the prevention of addiction and the rehabilitation of addicts. While it is possible that they might continue to receive funds under section 232—pilot and experimental programs—or under section 221, the limited funds under these sections are available for carefully circumscribed programs. Existing rehabilitation programs may be cut back, and no new programs are likely to start.

One of the eight programs approved under this section should be of great significance to New York City. It is a $4.7 million 18-month grant to the office of the coordinator of addiction programs intended for a citywide, comprehensive program to cope with narcotics addiction, including steps toward prevention, counseling, treatment, job placement, and local community participation. Unfortunately, although Federal funds have been made available, this program has not yet been put into operation by the city.

I urge that we take action to retain the specific authorization for narcotic addiction and rehabilitation programs. The amendment deserves support.

The question is on the amendment offered by the gentleman from Texas [Mr. GONZALEZ].

The amendment was rejected.

AMENDMENT OFFERED BY MR. DELLENBACK

Mr. DELLENBACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DELLENBACK: On page 174, beginning on line 16, strike out the words "shall" through "and" on line 17.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. DELLENBACK].

The amendment was rejected.

The CHAIRMAN. If there are no further amendments to be offered to section 103, the Clerk will read.

The Clerk read as follows:

AMENDMENTS TO TITLE III—RURAL AREAS PROGRAMS

SEC. 104. (a) Title III of the Economic Opportunity Act of 1964 is amended by (1) inserting immediately under the title heading a new part heading to read "PART A—RURAL LOAN PROGRAM", and (2) striking out the heading immediately before section 302 and inserting in lieu thereof a new heading to read "LOANS TO FAMILIES".

(b) Section 301 of such Act is amended to read as follows:

"STATEMENT OF PURPOSE

"SEC. 301. It is the purpose of this part to meet some of the special needs of low-income rural families by establishing a program of loans to assist in raising and maintaining their income and living standards."

(c) Section 302(a) of such Act is amended (1) by inserting the word "principal" after the word "aggregate", and (2) by inserting after "families" the following: ", and, in the case of the elderly, will contribute to the improvement of their living or housing conditions".

(d) Section 606 of such Act is transferred from title VI thereof to the end of part A of title III, is redesignated as section 306, and amended by striking out "titles III of this Act" in subsections (a) and (d) and inserting in lieu thereof "this part".

AMENDMENTS TO TITLE IV—EMPLOYMENT AND INVESTMENT INCENTIVES

SEC. 105. (a) Section 401 of the Economic Opportunity Act of 1964 is amended by striking out "enterprises;" and inserting in lieu thereof "enterprises, with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals, or (2) owned by low-income individuals;".

(b) Section 402(a) of such Act is amended by—

(1) striking out "employment of the long-term unemployed" in the first sentence and inserting in lieu thereof "the preservation or establishment of small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals or owned by low-income individuals";

(2) striking out the period at the end of the next to last sentence and inserting, in lieu thereof, a colon; and

(3) inserting immediately preceding the last sentence, "*Provided, however,* That any management training program so approved must be of sufficient scope and duration to provide reasonable opportunity for the individuals served to develop entrepreneurial and managerial self-sufficiency."

(c) Section 402 of such Act is amended by striking out the first subsection (b), and by adding at the end of the second subsection (b) the following: "To insure an equitable distribution between urban and rural areas for loans between $3,500 and $25,000 made under this title, the Administrator is authorized to use the agencies and agreements and delegations developed under title III of the Act as he shall determine necessary."

(d) Title IV of such Act is amended by—

(1) renumbering section 405 to read "407" and inserting in such section "and the Secretary of Commerce" immediately following the word "Administration";

(2) striking out section 404; and

(3) inserting new sections 404, 405, and 406 to read as follows:

"DISTRIBUTION OF FINANCIAL ASSISTANCE

"SEC. 404. The Administrator of the Small Business Administration shall take such steps as may be necessary to insure that, in any fiscal year, at least 50 per centum of the amounts loaned or guaranteed pursuant to this part are allotted to small business concerns located in urban areas identified by the Director as having high concentrations of unemployed or low-income individuals or to small business concerns owned by low-income individuals. The Administrator of the Small Business Administration and the Director shall jointly define the meaning of low income as it applies to owners of small business concerns eligible to be assisted under this part, and such definition need not correspond to the definition of low income as used elsewhere in this Act.

"LIMITATION ON FINANCIAL ASSISTANCE

"Sec. 405. No financial assistance shall be extended pursuant to this title where the Administrator of the Small Business Administration or the Secretary of Commerce determines that the assistance will be used in relocating establishments from one area to another if such relocation would result in an increase in unemployment in the area of original location.

"TECHNICAL ASSISTANCE AND MANAGEMENT TRAINING

"Sec. 406. (a) The Secretary of Commerce is authorized to provide financial assistance to public or private organizations to pay all or part of the costs of projects designed to provide technical and management assistance to individuals or enterprises eligible for assistance under section 402, with special attention to small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals.

"(b) Financial assistance under this section may be provided for projects, including without limitation—

"(1) planning and research, including feasibility studies and market research;

"(2) the identification and development of new business opportunities, and the stimulation of new private capital resources through the use of guarantees, pooling arrangements, or otherwise;

"(3) the furnishing of centralized services with regard to public services and government programs, including programs authorized under section 402;

"(4) the establishment and strengthening of business service agencies, including trade associations and cooperatives;

"(5) the encouragement of the placement of subcontracts by major businesses with small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals, including the provision of incentives and assistance to such major businesses so that they will aid in the training and upgrading of potential subcontractors or other small business concerns; and

"(6) the furnishing of business counseling, management training, and legal and other related services, with special emphasis on the development of management training programs using the resources of the business community, including the development of management training opportunities in existing businesses, and with emphasis in all cases upon providing management training of sufficent scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individuals served.

"(c) The Secretary of Commerce shall give preference to projects which promote the ownership, participation in ownership, or management of small business concerns by residents of urban areas of high concentration of unemployed or low-income individuals, and to projects which are planned and carried out with the participation of local businessmen.

"(d) To the extent feasible, services under this section shall be provided in a location which is easily accessible to the individuals and small business concerns served.

"(e) The Secretary of Commerce shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this title.

"(f) The Secretary of Commerce shall provide for the continuing evaluation of programs under this section and the results of such evaluation together with recommendations shall be included in the report required by section 608."

Mr. PERKINS (during the reading). Mr. Chairman, I ask unanimous consent that section 104 be considered as read, printed in the Record, and open to amendment at any point.

Mr. GROSS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard. The Clerk will read.

The Clerk concluded the reading of sections 104 and 105.

AMENDMENT OFFERED BY MR. GURNEY

Mr. GURNEY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gurney: On page 215, line 1, strike out "Director" and insert the following "Administrator of the Small Business Administration, after consideration of any recommendations of the Director,".

On page 215, beginning in line 4, strike out "and the Director shall jointly" and insert in lieu thereof the following: ", after consideration of any recommendations of the Director, shall".

On page 215, line 13, strike out "or the Secretary of Commerce."

On page 215, line 19, strike out "Secretary of Commerce," and insert "Administrator of the Small Business Administration."

On page 217, line 10, strike out "Secretary of Commerce" and insert "Administrator of the Small Business Administration."

On page 217, line 20, strike out "Secretary of Commerce" and insert "Administrator of the Small Business Administration."

On page 218, line 3, strike out "Secretary of Commerce" and insert "Administrator of the Small Business Administration."

Mr. GURNEY. Mr. Chairman, as could be observed from the reading of the amendment, what this would do is to remove the Department of Commerce from the administration of this portion of the act and substitute the Small Business Administration and put it in charge. As a matter of fact, it would continue the present state of affairs.

The bill last year transferred the administration of this entire program to SBA. It was the feeling of the House at that time that SBA had better expertise to handle this program more effectively, because the whole purpose of the Small Business Administration is to encourage and help small businessmen.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me at this point?

Mr. GURNEY. I yield to the chairman of the committee.

Mr. PERKINS. Mr. Chairman, I have had the opportunity to discuss these amendments with several Members on our side of the aisle and on the Committee on Education and Labor. It is the consensus among the Members, although not unanimous, that the amendments should be accepted. Personally I have no objection to the gentleman's amendments.

Mr. GURNEY. Mr. Chairman, I thank the chairman of the committee for that statement.

This amendment amends section 406 of title IV to substitute wherever the words the Secretary of Commerce occur, Administrator of the Small Business Administration.

This portion of the act focuses special attention in carrying on programs to encourage small business to locate in urban and rural areas with a high proportion of unemployed and low-income individuals; it seeks to promote, develop, and encourage private enterprise, small businesses, to be owned by low-income people.

I think every one of us in this House would agree that this is a most important part of this act. I wholeheartedly support this part of the amendments of 1967 to the poverty war.

The original act contained such a provision. For the first 2 to 2½ years of the act the Office of Economic Opportunity ran this program, with the help of the Small Business Administration as far as processing the loans were concerned.

The bill last year transferred the administering of this entire program to SBA. The feeling was that SBA had the expertise to handle the program better. The whole purpose of SBA is to encourage and to help small businessmen who do not have either sufficient capital or the means to get sufficient capital to operate their businesses.

Now, in this present bill before us, there is an attempt to shove SBA out of this picture, to push it aside, and to transfer the functions of this part of the act to the Department of Commerce.

All of us here in the House know that attempts have been made over the years to downgrade or wipe out the Small Business Administration and to get its functions over into the Department of Commerce.

We see here in section 406 this broken record being replayed once again.

The only argument that I have seen made by any proponent of this section 406, is that we "need a concentrated approach" to the development of small business in slum areas; that we need technical assistance in management training. No one argues with that, and that is what the language of section 406 provides. But there is no evidence that the huge Department of Commerce, completely oriented toward big business, is going to concern itself with the problem of developing, nurturing, encouraging, and making successful small businessmen in slum areas.

The Small Business Administration was created for the very purpose that small businessmen were being neglected by the Department of Commerce and that a special agency should be set up to help them.

As nearly as I can determine, the record of SBA in carrying out the provisions of this part of the Economic Opportunity Act has been pretty good. For example, when this portion of the act was being handled by OEO from January 1965 to November 1966, 22 months, 3,800 loans were processed involving $29 million.

After SBA took over full control in the just concluded period of 12 months SBA put out 3,112 loans totaling $32 million.

It seems to me the record speaks for itself.

It is possible that SBA needs to make greater efforts in this assistance program to slum businessmen. Perhaps this performance could be improved. So could the performance of any one of us, or any agency of Government for that matter.

But, I see no earthly reason for taking away these functions from the only agency in Government especially created for and oriented in the direction of the small businessman and lodging those in a department of big business, the Department of Commerce.

What we have here in section 406 is definitely an attempt to pirate the functions of one agency of Government away from it for the benefit of another agency of Government. I certainly hope that the House refuses to be any part of this shoddy kind of business and I hope that my amendment passes.

Mr. ALBERT. Mr. Chairman, I ask unanimous consent that the gentleman from Tennessee [Mr. Evins] may extend his remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EVINS of Tennessee. Mr. Chairman, I want to associate myself with the remarks of the distinguished gentleman from Florida [Mr. Gurney] and rise in support of his amendment which would delete from the bill under consideration section 406 which would set up a duplicating "SBA" in the big business-oriented Department of Commerce.

I trust the distinguished chairman of the committee, the gentleman from Kentucky [Mr. Perkins], will accept the amendment.

This is the third time in 2 years, Mr. Chairman, we see the enemies of SBA seeking to dilute its independence and duplicate or tranfser its basic functions to the Department of Commerce.

The enemies of SBA have tried the front door through outright reorganization and transfer of SBA to Commerce—the side through creation of a new department to absorb SBA—and now they are trying the back door through the Economic Opportunity Amendments of 1967.

I want to emphasize that members of both parties in the House Small Business Committee have taken a strong position in opposition to section 406 of this bill on the grounds that section constitutes an assault upon the independence of SBA.

Section 406 would authorize the Department of Commerce to establish divisions to perform such SBA functions as financial assistance, management assistance, and procurement assistance.

Section 404 would again create a duplicating SBA–OEO effort in the antipoverty business loan program.

Section 406 would be primarily an urban program to the exclusion of the rural and small town sections of our Nation. I urge approval of the amendment to delete 406 from the bill.

Section 404 which relates to section 406 was added to the bill in the Senate and would have the effect of again introducing divided authority and divided responsibility in the antipoverty loan program of the Small Business Administration.

These provisions would bring about duplication, inefficiency and overlapping functions between SBA and the Office of Economic Opportunity.

The gentleman from Michigan [Mr. Dingell] introduced an amendment in 1966 similar to the one now pending and his amendment was adopted, which provided for an efficient pattern of operation by vesting sole authority for the antipoverty loan program with the SBA.

Under the language of the bill, it is now proposed to return to a system of divided authority and divided responsibility and result in more confusion and redtape and inefficiency in administering an antipoverty loan program.

Officials of OEO testified before our House Small Business Committee that they are not sure of their competence to handle a business loan program.

The SBA is competent, is capable, and experienced and is doing an effective job, and we should not provide for divided authority and duplication and inefficiency.

The proof of the wisdom of the action of Congress in vesting the loan program with the SBA is best shown by the figures on numbers of loans—the antipoverty loans made.

Prior to giving SBA sole authority to make antipoverty loans—and when we had a system of overlapping functions, duplication, and much redtape—very few antipoverty small business loans were made. Since SBA has been given sole responsibility for making antipoverty loans, the number of antipoverty small business loans has greatly increased. Here are the facts:

During the 22-month period with divided authority, a total of 2,800 loans were made—$29 million. After giving SBA sole authority, some 3,112 antipoverty loans have been made for a total of $32 million in a period of 1 year.

In other words, in 1 year SBA has made almost twice as many loans as were made in a 2-year period with the divided authority and divided responsibility.

Rather than return to inefficiency and duplication, as sections 404 and 406 would accomplish, I urge deletion of these sections from the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Florida [Mr. Gurney].

The amendment was agreed to.

Mr. CURTIS. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. CURTIS. Mr. Chairman, there were gentlemen on the floor seeking recognition to speak on the amendment.

The CHAIRMAN. The gentlemen were not on their feet at the time.

Mr. CURTIS. I was not, but I observed others who were. Now, the Chair has been acting very peremptorily, I might observe, and it is about time we had a little order here.

The CHAIRMAN. I want the gentleman from Missouri to know that the Chair is here to protect the rights of the minority and see that the will of the majority shall prevail.

Mr. CURTIS. How about the minority? The Chair has not been acting in order, I might say.

Mr. QUILLEN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a number of my constituents from Washington County, Tenn., have written to me recently expressing their concern over a directive reportedly issued by Sargent Shriver, Director of the Office of Economic Opportunity, that the Pledge of Allegiance to our flag cannot be used in OEO programs because the Pledge contains the words "under God."

I am appalled but hardly shocked by this attitude on the part of Mr. Shriver. His outrageous directive is just one more reason for my belief that he should be fired and OEO abolished.

The letters I received express my own feelings so completely that I would like to pass a portion of them for your thoughtful consideration:

> This should be a matter of great importance to all of us who believe in our Country and the Christian principles upon which it was founded and by which it must continue if we are to survive the threats of Godlessness which threaten the foundations of our very existence. This is just one more instance of moral breakdown which is all too prevalent today and if not protested by many of our citizens will inevitably lead to the utter collapse of freedom, morality and Christian precepts which we love and for which many of us have fought and died to preserve.

It is a sad day when the people involved in the OEO programs are to be denied the privilege of reciting the Pledge of Allegiance to the flag. If we have but one responsibility to these people, it is to instill in them a love for their country and the principles upon which it was founded. We must not allow the Director of OEO to deprive anyone of this precious right.

I call upon Sargent Shriver to make an immediate reply to either confirm or deny this shocking allegation by many very responsible people of my district. If the charge is true, the order should be rescinded immediately.

Do not delay any longer, Mr. Shriver. The people are entitled to know. I would not be surprised should anyone call your office that they would get an automatic denial, because I have been unable to contact you. I wired you 3 months ago on a matter and you have refused to answer my wire and you have refused to return my telephone calls.

Now I yield to the gentleman from New Jersey.

Mr. JOELSON. Mr. Chairman, I was interested in the gentleman's statement that the Office of Economic Opportunity should be entirely abolished. I assume you would fight poverty by throwing rocks at beggars.

Mr. QUILLEN. I just want to make sure that my position is clearly made known to everyone. I advocate abolishment of the OEO, and I believe the good programs should be put under responsible Federal agencies.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

Mr. QUILLEN. I yield to the gentleman from Michigan.

Mr. WILLIAM D. FORD. Has the gentleman a copy of the directive to which he makes reference?

Mr. QUILLEN. I do not have it.

Mr. WILLIAM D. FORD. Has the gentleman ever seen such a directive?

Mr. QUILLEN. I have not seen it. Therefore, I am calling on Sargent Shriver to confirm or deny.

Mr. WILLIAM D. FORD. The gentleman is acting solely on hearsay?

Mr. QUILLEN. I am not acting solely on hearsay. I am acting on the letters which I have received from responsible constituents of my congressional district.

Mr. WILLIAM D. FORD. Mr. Chairman, if the gentleman will yield further, did the gentleman's responsible constituents allege that they saw a directive to this effect?

Mr. QUILLEN. That is right.

Mr. WILLIAM D. FORD. Did they give any information or reference to the directive by date or any kind of number? As the gentleman knows, most directives are numbered. Is there any way in which the gentleman could identify the directive?

Mr. QUILLEN. No. I say, however, that Sargent Shriver should either deny it or confirm it.

Mr. WILLIAM D. FORD. I would say to the gentleman from Tennessee that the gentleman should have more precise information upon which to proceed.

Mr. QUILLEN. I did call his attention to it.

Mr. Chairman, I refuse to yield further to the gentleman from Michigan. I yielded to the gentleman for a question. I am happy to have the gentleman's response.

Mr. Chairman, in my opinion this is a shocking day in American history, if this is true, that one of the Federal agencies of this Government would say that we cannot have the Pledge of Allegiance because it contains the words "under God." I think it is most shocking.

Mr. WILLIAM D. FORD. Mr. Chairman, the gentleman from Tennessee [Mr. Quillen] who has taken the trouble to circulate the scurrilous rumor that OEO, of all things, is opposed to the Pledge of Allegiance to the flag, has distinguished himself principally by his implacable opposition to every conceivable facet of the war against poverty. He is one of those critics of the program for whom every charge or statement ever uttered against OEO or any antipoverty activity automatically assumes the aura of unimpeachable truth. In this case, as in most others which the gentleman has seen fit to become involved in, the charge against OEO is totally false.

The facts are as follows: A middle level program official serving with OEO's north central regional office in Kansas City, Mo., made an initial judgment, based upon his understanding of constitutional restrictions regarding the use of Federal funds to support church-related activities, that required recitation of the Pledge of Allegiance was perhaps impermissible. I do not understand that gentleman's reasoning but in any event do not have to defend his judgment, because it was promptly overruled in a memorandum issued by the OEO General Counsel's Office. This memorandum clearly stated that recitation of the Pledge of Allegiance is both praiseworthy and to be encouraged and that under no circumstances is a decision on the part of an OEO-funded project director to require such a pledge as part of a program activity to be either discouraged or interfered with.

Unfortunately, as seems to be the case in every single instance in which any individual connected with an OEO program deviates for one moment from what might be considered the purest strain of patriotism, this incident received a ridiculously disproportionate amount of press coverage. There is simply nothing to the gentleman's charge that OEO opposes the Pledge of Allegiance and any assertion to the contrary is both irresponsible and false. Mr. Chairman, that should dispose of this frivolous allegation.

Mr. STEIGER of Wisconsin. Mr. Chairman, I rise in opposition to the amendment.

Mr. HALL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman from Missouri will state his parliamentary inquiry.

Mr. HALL. Has not the amendment passed and been so announced by the Chairman?

The CHAIRMAN. That is correct. There is no amendment pending.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the last word.

Mr. Chairman, may I propound a parliamentary inquiry as to the disposition of the Gurney amendment to section 105.

The CHAIRMAN. The Chair will state in response to the parliamentary inquiry of the gentleman from Wisconsin that the Gurney amendment was agreed to.

Mr. HALL. That is correct; yes.

Mr. BUCHANAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the case to which the distinguished gentleman from Tennessee [Mr. Quillen] has referred is indeed shocking. And, if it is true this represents a perfect example of "straining at a gnat and swallowing a camel," because according to the testimony of Sargent Shriver himself, many grants have been given to churches and other religious organizations through the Office of Economic Opportunity for the operation of various programs.

Mr. Chairman, for the period of 2 years I have been working toward passage of the amendment which I discussed a few moments ago. That amendment, at the outset, was intended to nip in the bud a practice which seemed to me to be clearly unconstitutional and a practice which I felt violated the intent of the Congress as contained in the original legislation.

No reasonable person could find a violation of the first amendment in the Pledge of Allegiance to our flag, but many would feel concerned if they knew the amount of Federal funds flowing into church treasuries, directly or indirectly from the Office of Economic Opportunity.

It is my understanding that OEO has, in fact, sought to prevent a participating church from displaying religious symbols or in any other way influencing participants in an OEO program toward the adoption of that church's faith.

Mr. Chairman, I pose the question as to in just what position does this place the church? It means that the church must submit to restrictions of its function and witness, indeed to pretend it is not what it is, in order to attempt to avoid violation of the Constitution while participating in a program whereby that particular church receives Federal funds.

Mr. Chairman, if the gentleman from Tennessee is correct, he is correct because we got into an unconstitutional area in the first place and no one knows just what ramifications this unconstitutional practice may ultimately have.

Mr. ZION. Mr. Chairman, will the gentleman yield?

Mr. BUCHANAN. I yield to the distinguished gentleman.

Mr. ZION. Mr. Chairman, in my district one of these CAP programs was discontinued. One of the reasons given for not funding the program was that the director permitted prayer in the Headstart program. The region director of OEO is reported to have complained of this unauthorized activity and the CAP director was severely criticized.

Now Mr. Chairman, I certainly am not opposed to the Headstart program and would like to see it expanded. But not under the expensive reactionary leadership of the OEO.

Mr. BUCHANAN. Mr. Chairman, such may be the price of violation of the Constitution in the first place.

Mr. STEIGER of Wisconsin. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in my judgment the only portion of the war on poverty directed at the economic development of ghetto and slum areas will suffer a serious setback this afternoon by the adoption of the amendment to title IV.

Title IV is the only portion of the poverty program aimed strictly at the economic development of this Nation's urban poverty areas. Although the program contained in title IV will remain if the bill is adopted and goes to conference, the House version is inferior to that which came from committee because it assigns the jurisdiction of this vital program to the Small Business Administration rather than the Department of Commerce.

It is my hope that the vote of the Committee on Education and Labor adopting the original provisions of title IV by a 21-to-6 margin will prevail in the House-Senate conference and I urge the conferees to give this matter serious consideration during their deliberation.

Mr. Chairman, nowhere in the debate on the provisions of title IV which took place between myself and several of my colleagues through statements inserted in the Record was an argument advanced against the concept contained in title IV. Nowhere was an argument advanced against a program of management assistance for our Nation's ghettos. The program has support and must be maintained. It should not, however, be confined to the Small Business Administration.

In previous statements in the Record I have outlined the merits of such a program. I have indicated the value of creating responsible citizens in the ghetto areas. I have pointed out the value of building local ownership of industry and the value of aiding members of minority groups in their attempts at private enterprise. I will not here restate what has already been said.

I do want to point out, however, that throughout the discussion of this issue, there has been a basic misunderstanding of what is involved. This misunderstanding has been perpetuated by a feeling that the assignment of this program to the Commerce Department would in some way sound the death knell of the Small Business Administration. Let me say as I have so often said previously, nothing could be further from the intent of the title IV program which I offered in the Committee on Education and Labor.

The Small Business Administration is involved in the loaning of funds to private citizens who are reasonably good "risks." SBA does an excellent job with this program and should continue its jurisdiction over it. What we are talking about in title IV, however, is not really a loaning program but a management assistance program aimed at seeking out and training those capable of owning small businesses in ghetto areas. Such a program is not simply the reviewing of applications that might be submitted but it consists of the active solicitation and training of ghetto residents.

It is my feeling that the Commerce Department is better equipped to handle such a program of management assistance than is the Small Business Administration. It is also my feeling that a program of this sort assigned to SBA would create hardships on that agency. And lastly, it is my belief that a business program and a loan program should not be mixed. Although they should work together and one should not and must not exclude the other, to mix them would be, as former SBA Director Bernard Boutin said, like mixing "gasoline and matches."

For these reasons I have fought to hold title IV as voted out of the Committee on Education and Labor and as adopted in the other body. It is my hope that the House conferees on this legislation will take this important matter into consideration during their deliberations and will sustain the House Committee on Education and Labor.

Mr. GONZALEZ. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I have been listening off and on to the various charges and countercharges, but I have never heard anything to compare with what I have just heard. In the first place, we have august colleagues of this House getting up and building up a shadowy charge as if something has happened that has not even been so much as substantiated.

Mr. Chairman, I can testify from personal experience, at least, in my own district, and in a half dozen other districts in Texas, that the oath of allegiance has been read and repeated during the course of the poverty program there, such as in Headstart, and NYC, and other meetings that I personally can testify to as being present and witnessing. Therefore, I can hardly reconcile the charges that have been raised this afternoon on the House floor with anything that approximates the truth.

I can hardly visualize such a directive coming from the national office of OEO. The gentleman from Tennessee who raises this charge by indirection fails to state that he has at any time attempted to obtain an answer from Sargent Shriver prior to bringing up this issue this afternoon. But having seen that the inveterate enemies of the program since 1964 have resorted to every means—flag, home, motherhood, and now God—it does not surprise me. It suggests to me Dorothy Parker's little ditty that goes like this:

Higglety-pigglety, my little white hen,
She lays eggs only for gentlemen.
I can't persuade her with pistol or lariat
To come across for the proletariat.

Mr. Chairman, I yield back the balance of my time.

Mr. GRAY. Mr. Chairman, I move to strike the requisite number of words.

I rise in support of the bill.

Mr. JONES of Missouri. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to ask a question of the chairman of the committee.

On page 212 on line 8, there is inserted new wording for section 301. In referring back to the original bill I find that there is no reference to loans.

Now, it says under the new section 301:

> It is the purpose of this part to meet some of the special needs of low-income rural families by establishing a program of loans to assist in raising and maintaining their income and living standards.

What is the limitation, or what is the amount, or what is the duration with regard to the loan?

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Kentucky.

Mr. PERKINS. The maximum maturity of the loan is 15 years and the aggregate principal indebtedness may not exceed $3,500.

Mr. JONES of Missouri. The present bill we are operating under, before this bill is adopted, section 301 does not make any reference to loans at all. So I would presume that this creates the authority for making loans. Is that correct?

Mr. PERKINS. This does extend authority for making the loans.

Under the original act, and I have it here, there is authorization to make loans having a maximum maturity of 15 years and in amounts not resulting in any aggregate or principal indebtedness of more than $3,500 at any one time to a low income rural family where in the judgment of the director such loans have a reasonable possibility of effecting permanent increases in the income of such families.

All the way through the history of the act, it has been the purpose to make loans to low income rural families.

Mr. JONES of Missouri. I see that you are reading from section 302.

But at the same time you do not read all of that section where it also says in the new wording there, "in the case of the elderly will contribute to the improvement of their living or housing conditions."

Mr. PERKINS. That is true. We made the elderly eligible for the loans this year.

Mr. JONES of Missouri. I would just like to have the gentleman explain what you mean by this.

Mr. PERKINS. We made the elderly eligible—that is the low income elderly people on public assistance.

Mr. JONES of Missouri. Are those loans to be repaid or do you expect them to be repaid?

Mr. PERKINS. Oh, yes, they are repayable. The administration is carried out through the Farmers Home Administration—the loans are for 15 years at lower rates of interest.

Mr. JONES of Missouri. Where is the reference to the Farmers Home Administration? I do not find that anywhere.

Mr. PERKINS. They administer this program by delegated authority from the Office of Economic Opportunity.

Mr. JONES of Missouri. I will accept that, but I have not been able to find any reference to that or who the loans are to be made by.

On page 214, on line 6, of the bill, the language reads:

> To insure an equitable distribution between urban and rural areas for loans between $3,500 and $25,000 made under this title, the Administrator is authorized to use the agencies and agreements and delegations developed under title III of the Act as he shall determine necessary.

Is that what you mean when you say the Farmers Home Administration—do you mean the Farmers Home Administration or the Small Business Administration are included—all of these included? Or are they set forth anywhere in the act? Because I see some reference to the Small Business Administration but I do not see any reference to it at a point where the loans are authorized—except in a general way.

Mr. PERKINS. The rural family loans under title III are administered by the Farmers Home Administration and are limited to $3,500. The Small Business Administration administers the loan program under title IV which is directed to small businesses, and limited to $25,000.

Mr. JONES of Missouri. Are those the only two agencies through which loans can be made?

Mr. PERKINS. That is correct.

Mr. JONES of Missouri. Is there any limitation upon the amount of money which can be loaned under the authority of this subsection (c)?

Mr. PERKINS. Yes, $25,000.

Mr. GROSS. Mr. Chairman, I move to strike the last word.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. WILLIAM D. FORD. Mr. Chairman, I ask unanimous consent to revise and extend my remarks at the point where the exchange took place with the gentleman from Tennessee [Mr. QUILLEN].

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. GROSS. Mr. Chairman, reference was made a few minutes ago to a "shadowy set of facts" concerning the poverty program operation.

I want to deal for a minute or two with something about which apparently there is nothing "shadowy" so far as the General Accounting Office is concerned.

That is the report on the operation of the Parks Job Corps Center in California.

I would like to have the attention of the gentlewoman from Oregon to ask her if she, having written to the chairman of the committee, the gentleman from Kentucky [Mr. PERKINS] on October 26 asking for additional information with respect to the situation at Parks—what she heard from the chairman with respect to that and whether she ever got the report that she requested which was critical of this California poverty operation.

Mrs. GREEN of Oregon. I do not have my file of correspondence here, and I do not remember the date. I wrote our chairman, as I recall, about another matter, the McKinsey reports. I also objected to one of the people in the Office of Economic Opportunity trying to invoke executive privilege. I think this matter has been straightened out.

As far as the Camp Parks report is concerned, that has been given to all members of the committee by the General Accounting Office. The General Accounting Office made a review in August, 1967. It is an up-to-date report, and it is available to every Member of the Congress.

Mr. GROSS. Does the gentlewoman have a copy of the report which Mr. Shriver refused to make public to Members of Congress, including myself, claiming executive privilege in refusing to make the report available?

Mrs. GREEN of Oregon. I would say to the gentleman at this time that I have every report which I have requested. At times it has been difficult to get some.

Mr. GROSS. Then I suppose I shall have to go to the gentlewoman from Oregon to get a copy of this so-called critical report for which the taxpayers paid $250,000 prepared by McKinsey & Co., Inc.

Was this the report that the gentlewoman was able to obtain?

Mrs. GREEN of Oregon. Yes; I do have about a half dozen copies of the McKinsey report. The Camp Parks report is not the McKinsey report. It is a General Accounting Office report.

Mr. GROSS. It is a General Accounting Office report?

Mrs. GREEN of Oregon. That is correct.

Mr. GROSS. And the gentlewoman says that the General Accounting Office is satisfied with the report that it received from the Office of Economic Opportunity?

Mrs. GREEN of Oregon. If the gentleman will yield, I would say that the General Accounting Office, as a rule, does not say whether they are satisfied or dissatisfied. They report on the facts, and they report on them in an objective way. I have criticism of the Job Corps, but these reports are available. The report on Camp Parks, I am sure, is available to the gentleman from Iowa, if he will call up the GAO and merely ask for a copy.

Mr. GROSS. I have a copy of everything the GAO has on the subject, but I have not been able to obtain a copy of the so-called critical report that is in the possession of Shriver because he claims executive privilege. I cannot think of anything in connection with the Job Corps that ought to be withheld from a Member of Congress on the basis of executive privilege. I have the GAO report for November of 1967, which is this month, and in which the statement appears—

> Our review in August 1967, indicates that the remedial action claimed to have been taken at Parks Air Force Base in certain situations was not effective.

If there are additional reports I would like to have them, because it seems to me that this is all too typical of the poverty operation throughout the entire country.

Mr. WILLIAM D. FORD. Mr. Chairman, I move to strike the requisite number of words.

I have taken the time to look into the Parks GAO report, among others, concerning the Job Corps. Other members of the committee have been doing so also. In fact, I have before me a somewhat lengthy analysis of specific points made in the GAO report and responses adduced from responsible representatives of the executive branch with respect to those points raised in the report. I shall not take the time to burden the Committee with them at this time, but I shall place them in the RECORD for the gentleman who just appeared in the well and any other Member of the Congress who has sufficient interest to read the facts about the Camp Parks Job Corps Center.

In the House I will ask permission to include that information in the RECORD.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. WILLIAM D. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. Will that include the information provided to Sargent Shriver who claims executive privilege in refusing to release it to certain Members of the Congress?

Mr. WILLIAM D. FORD. That will include the GAO report which, unfortunately, should not have been released without being properly identified as containing information some 14 months old. There is a great deal of confusion about what that report did cover. I will try to explain that confusion and it will be in the RECORD for the gentleman and everyone else.

The Parks GAO report that has been referred to had to do with a report covering the period of April 1965 to September 1966. The most recent information contained in the report was 14 months old. This report does not reflect what the Job Corps at Parks is today.

The specific findings by the GAO were:

First. The contractor had limited data on placement of corpsmen. The GAO comment that no continuous followup and evaluation of terminated corpsmen is accurate as far as Litton is concerned, because these tasks are not called for in Litton's contract. The responsibility for placement evaluation and followup is shared by Job Corps headquarters, the OEO regional offices, and the U.S. Employment Service. No one contractor at any one location can make any substantial contribution to keeping track of 85,000 youngsters that emerge annually from the Job Corps. Records at Job Corps headquarters show that since inception through July 1967, 2,650 of the 3,395 corpsmen who have left Parks have been placed—A placement rate of 78 percent.

Second. The GAO found that the direct operating costs from January 1965 to December 1966 were $9,672 per corpsman year. The costs cited by GAO are for the first contract period which includes high initial activation expenses. Since December 1966, the costs have been been steadily reduced and the planned cost for the current year is even lower. For July 1967 to September 1967, the annual cost per man-year was $7,691. For fiscal 1968, it is planned at $6,500.

Third. The GAO found that the manner of recordkeeping, particularly the records relating to enrollee progress, deserved attention. Initially, records were maintained on a decentralized basis to insure maximum accessibility by the staff working directly with the corpsmen. Later, Job Corps, as well as an independent consultant, identified the need to centralize portions of the corpsmen's records and improve certain recordkeeping procedures. The contractor for the past several months has been engaged in the task of centralizing all corpsmen data and writing programs for maintaining a computerized central data retrieval system. Today, a data retrieval system is in operation at Parks.

Fourth. The GAO found that the center had acquired material and equipment which had doubtful usefulness. The subject material and equipment were and are currently being used to a very substantial extent. It may well be that the report reflects the dissent of some staff members toward the use of certain techniques of training through mechanical devices. Recent review of the use of instructional TV indicates that, as programs are developed, more and more usage is being made of that technique.

Fifth. The GAO found that standards to govern entrance into various programs were not consistently applied and an individual's lack of aptitude, as indicated by test scores, was not a controlling factor in considering him for entry into more difficult programs. Comprehensive standards and basic requirements have been established for entry into each vocational training course at each center, including parks. In June 1967, these criteria were distributed in Job Corps manual JCH 343.16, entitled "Vocational Course Entry Requirements for Job Corps Men's Urban Centers." Further delineation of requirements is currently being made which will involve tests for such additional factors as "fine motor activity," "eye-hand coordination," "agility," and "ability to lift and carry." The consistent application of these standards and entry level criteria is required of all urban centers.

The GAO report made the following recommendations:

First. They recommended that a policy be adopted whereby appropriate reduction in the corpsman's monthly salary and readjustment allowance be made in those cases where the corpsman's conduct and attendance is not satisfactory.

JOB CORPS POSITION

Job Corps concurs, and had instituted such a policy before the GAO report was issued. It is Job Corps policy that:

The time a corpsman is AWOL is docked from his readjustment allowance;

Each center may institute a system of fines that deducts money from a corpsman's living allowance for poor attendance, misbehavior, and so forth;

A corpsman receives no readjustment allowance if he stays less than 90 days and only a partial allowance if he stays less than 180 days;

A positive incentive is available to the Corpsmen in the form of an increased living allowance for exemplary performance. The basic living allowance of $30 a month may be increased in $5 increments to a maximum of $50.

Second. GAO recommended that a study to determine what a reasonable schedule of education and of the Corpsman training should be and on the basis of this study instituting a uniform time schedule for all men's centers.

JOB CORPS POSITION

Job Corps feels that a study to determine a reasonable time schedule for all men's centers is not necessary because the Job Corps attitude on this subject is clear cut: Each center should keep each Corpsman meaningfully occupied—either in class, physical education, recreation, on-the-job training, and so forth. All time should be structured, on the simple proposition that the devil finds work for idle hands. For these reasons, the structured activities at Job Corps centers average 60 hours per week.

Third. The GAO report recommended that a review be made of the implementation of the center's "correction system" to insure that the system is providing reasonably complete data in the counseling area.

JOB CORPS POSITION

Parks Job Corps Center has a corrections system which sets forth the sanctions and jurisdictions for specified types of misbehavior. Some offenses result in extra work performed on center. Others result in monetary fines. An accumulation of offenses can result in dismissal from the center.

Fourth. GAO recommended that the cost/benefit relationships and the suitability of proposed purchases of training material and equipment be made prior to approval.

JOB CORPS POSITION

Job Corps procedures require Parks—and every other contract-operated center—to submit property requirement lists to Job Corps and the OEO contracting officer and that approval be obtained prior to purchase by the contractor. Two separate offices reporting to different authorities in OEO pass judgment on these purchases. This precludes the acquisition of any items prior to the establishment of the cost-benefit ratio and appropriate utilization studies. The cost of any materials bought by the contractor that have not been approved on the property requirement list are disallowed upon discovery when the contract is audited.

In summary, Job Corps feels these four recommendations are fair and reasonable comments, the intent of which it subscribes to wholeheartedly. We are also gratified that the mild nature of the recommendations indicates that the second largest Job Corps Center, one that opened over 2 years ago, is on the track and doing the job charged to it by OEO and the Congress. Were this not the case, we would expect that GAO would recommend to Congress that the center be closed, drastically revamped or be managed by a different arm of the government. Rather, we find that GAO's four comments have to do with recordkeeping, administrative approvals, and other operational details of running a complicated enterprise.

I think it is obvious from these findings and recommendations that the Parks Job Corps Center does not deserve the criticism placed on it by some of the opponents of the whole Job Corps concept. It is obvious that Job Corps has profited and responded to the findings of the GAO.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me for a unanimous-consent request?

Mr. WILLIAM D. FORD. I yield to the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this section close in 5 minutes. I know of no amendments pending to the section. If there are pending amendments, I shall withdraw the unanimous-consent request.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent that all debate on section 105 close in 5 minutes. Is there objection to the request of the gentleman from Kentucky?

Mr. HALL. Mr. Chairman, I object.

Mr. PERKINS. Mr. Chairman, if there is no pending amendment, I will move that all debate on this section close in 5 minutes.

Mr. DELLENBACK. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. DELLENBACK. Mr. Chairman, do I understand there are no amendments at the desk?

The CHAIRMAN. The Chair knows of no amendments to be offered.

The Clerk will read.

The Clerk read as follows:

AMENDMENTS TO TITLE VI—ADMINISTRATION AND COORDINATION

SEC. 106. (a) Section 601(a) of the Economic Opportunity Act of 1964 is amended by striking out "four" in the third sentence and inserting in lieu thereof "six".

(b) Section 603(b) of such Act is amended (1) by striking out "authorized" and inserting in lieu thereof "directed", (2) by inserting "or nonpartisan" after "partisan", and (3) by inserting before the period at the end thereof the following: ": *Provided,* That the Director may issue such regulations as are appropriate to insure that each person seeking benefits under this Act has made a reasonable effort to become a registered voter according to the laws of the State of his residence".

(c) Section 609 of such Act is amended to read as follows:

"DEFINITIONS

"SEC. 609. As used in this Act—

"(1) the term 'State' means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for purposes of title I and part A of title II the meaning of 'State' shall also include the Trust Territory of the Pacific Islands; except that when used in section 223 of this Act this term means only a State or the District of Columbia. The term 'United States' when used in a geographical sense includes all those places named in the previous sentence, and all other places continental or insular, subject to the jurisdiction of the United States;

"(2) the term 'financial assistance' when used in titles I, II, and III–B includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services; and

"(3) the term 'permanent resident of the United States' when used in titles I–A and I–B shall include any native and citizen of Cuba who arrived in the United States from Cuba as a nonimmigrant or as a parolee subsequent to January 1, 1959, under the provisions of section 214(a) or 212(d)(5), respectively, or any person admitted as a conditional entrant under section 203(a)(7), of the Immigration and Nationality Act." (d) Section 610 of such Act is amended by striking out "carry out such investigations and studies, including consultation with appropriate agencies and organizations, as may be necessary" and inserting in lieu thereof "work in cooperation with the Director in lieu thereof work in cooperation with the Director of the Administration on Aging".

(e) Section 610–1(a) of such Act is amended by striking out part A of title II" and inserting in lieu thereof "title II".

(f) Part A of title VI of such Act is amended by inserting after section 610–1 the following new section:

"LIMITATION ON BENEFITS FOR THOSE VOLUNTARILY POOR

"SEC. 610–2. The Director shall take such action as may be necessary to assure that, in determining a person's eligibility for benefits under this Act on account of his poverty, such person will not be deemed to meet the poverty criteria if his lack of income results from his refusal, without good cause, to seek or accept employment commensurate with his health, age, education, and ability."

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 218, in line 12, strike out "(b)" and insert "(c)", in line 21 strike out "(c)" and insert "(d)", and after line 11 insert:

"(b) Section 601 of such Act is amended by inserting a new subsection as follows:

"'(f) Of the positions approved for the OEO and its field offices positions in the classification category of GS 16, 17, and 18 of the General Schedule of section 5332, title V, U.S.C. shall not exceed one for every 100 employees.'"

The CHAIRMAN. The gentleman from Ohio is recognized in support of his amendment.

Mr. ASHBROOK. Mr. Chairman, I know it is getting late. We have a lot of other business. In the words of my good friend, the gentleman from Maryland [Mr. FRIEDEL], this amendment speaks for itself.

One of the major complaints lodged against the poverty program is the superabundance of supergrades, in the OEO.

I authorized this amendment in 1966, and it carried. It was deleted in conference.

I merely point out that the most recent statistics on the OEO indicate that of the 2,350 administrative employees almost 1,700 are receiving more than $10,600 per year. Six of them were in the $26,000 to $30,000 category. Twenty-four of them received from $25,000 to $26,000.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the chairman of the committee.

Mr. PERKINS. The gentleman, if I understood him correctly, told the committee that he offered this amendment not this year but in 1966.

I should like to ask the gentleman a question. In view of the thorough hearings we had this year and in view of the consideration that we gave this bill when we were considering it line by line, is it a fact that the gentleman did not offer this amendment in the committee?

Mr. ASHBROOK. That is a fact. I do not believe that would in any way diminish the need for it.

Mr. PERKINS. Does the gentleman not believe that to come here on the floor and undertake to place a limitation on the grades would be acting in haste? To cripple the Office of Education is certainly no way to improve the administration of this act.

Mr. ASHBROOK. I can assure the gentleman that no one is trying to get even with them.

So far as offering the amendment is concerned, I merely say the House passed it before, and I do not believe in haste.

After 7 years on the committee, I have great respect for the committee; but I would go by which the Committee of the Whole House on the State of the Union says with respect to my amendment. That is why I offered it.

Mr. WILLIAM D. FORD. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I yield to the gentleman from Michigan.

Mr. WILLIAM D. FORD. I believe another committee of the House ought to be considering the subject matter of the gentleman's amendment, the Post Office and Civil Service Committee. I believe a subcommittee of that committee has already indicated its intention to make a study not only with respect to this particular agency but also with respect to other agencies to determine whether there is a ratio that can be or should be established.

I hope the gentleman will not take us who serve on the Committee on Education and Labor into the work of the Committee on Post Office and Civil Service.

Mr. ASHBROOK. I believe very much that this is a problem of our committee.

Perhaps I sound like a broken record, bringing up this amendment again, but the same argument was given against the amendment a year ago. Nothing has been done on it by the Committee on Post Office and Civil Service.

Mr. PERKINS. I believe the gentleman ought to tell the members of the committee how the OEO compares with other agencies.

Mr. ASHBROOK. I will be glad to.

Mr. PERKINS. On the grades 16, 17, and 18.

I will ask if there is not presently an average of 9.3 in the OEO, whereas in the Bureau of the Budget and the Office of Emergency Planning they are up to 11.3 and 11.4.

Mr. ASHBROOK. They do not operate programs. The gentleman is comparing employees who do not operate programs with those who have accountants' backgrounds and so forth.

Let us look at some of the other agencies. In the Department of Defense there is one supergrade for every 1,175 employees. In the Department of Agriculture there is one supergrade for every 525. In the Department of Health, Education, and Welfare there is one supergrade for every 372 employees. This would be a more reasonable comparison.

Mr. PERKINS. Mr. Chairman, will the gentleman yield further?

Mr. ASHBROOK. I would believe that if the Department of Health, Education, and Welfare can scrape by on one supergrade out of every 372 permanent employees, Mr. Shriver should be able to run his operation on a ratio 3½ times better, even under my amendment. Under my amendment they would still be 3½ times better off than HEW.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. I will yield to the gentleman from Iowa after I yield to the gentleman from Kentucky.

Mr. PERKINS. I personally feel that the gentleman from Michigan [Mr. WILLIAM D. FORD] struck the nail on the head. This is a matter for the Committee on Post Office and Civil Service.

They have made this allocation of supergrades and OEO is well below many other governmental agencies.

Mr. GROSS. Mr. Chairman, I move to strike the last word.

Mr. PERKINS. Mr. Chairman, will the gentleman yield to me for a unanimous-consent request?

Mr. GROSS. For what purpose does the gentleman ask me to yield?

Mr. PERKINS. For a unanimous-consent request.

Mr. GROSS. To limit debate?

Mr. PERKINS. Just a unanimous-consent request. Let me make it.

Mr. GROSS. Then, I do not yield.

Mr. PERKINS. I was going to ask unanimous consent that debate close in 5 minutes and you would be entitled to the 5 minutes.

Mr. GROSS. I do not yield for that purpose, I will say to the gentleman.

Now, let me ask the gentleman from Ohio if this is not supposed to be a poverty program?

Mr. ASHBROOK. Yes. But according to the argument on the other side, we are not supposed to have any particular concern about the employees working for the program. It is a unique argument, I might say.

Mr. GROSS. I am a member of the Manpower Subcommittee of the House Committee on Post Office and Civil Service, and this is a lush payroll by comparison with the Department of Defense and many other agencies of this Government.

Mr. ASHBROOK. Might I add with most other agencies.

Mr. GROSS. Yes. And all the while I thought that this was a barebones program. Instead of that it has one of the costliest payrolls in the Federal Government.

Mr. CAREY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes. I will yield if you do not want to limit the time.

Mr. CAREY. I am sure the gentleman believes in the theory of comparability at least of all of these people and what they are worth over in OEO. The difficulty we experience is keeping the people in the pay grades that they are in over there when they are attracted by much higher salaries in places like New York City.

Mr. GROSS. But with all of the mismanagement all over this Nation in this program, you have been paying some pretty fancy salaries to a lot of misfits.

Mr. CAREY. The gentleman is probably correct, because I recall one instance where a regional employee was making only $15,000 in OEO and now that same employee is in New York City handling only a unit of this poverty program and he is getting $32,500. The only thing we can do is keep a level of comparability so that the Republican mayor of New York City will not hire them away from us.

Mr. GROSS. Since New York has the highest per capita debt of any city in the United States, I am not surprised by the salaries paid there. I hope that the amendment offered by the gentleman from Ohio is adopted. The payroll of this poverty outfit should be cut down to size.

Mr. BENNETT. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I have generally supported the committee on its position on numerous amendments to this legislation. I think this is a sound procedure because of the close and careful attention given by the committee in their efforts to make the program as practical and effective as possible. If I have any serious criticism of the overall thrust of this bill, other than costs, it is that it does not give enough attention to the creation of new job opportunities for the less able. Training the poor for jobs that do not exist is a futility. Just upgrading the status of particular persons to oust less able persons from employment is no solution.

I hope in future years that legislation of a job-producing type can pass Congress. I have introduced such legislation but have been unable to secure hearings on it.

As to my vote on final passage of this measure, that will be determined by whether or not I think our country can afford a program of this type and magnitude at this time. Of course that will depend on what the amended bill will consist of at that time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ASHBROOK].

The question was taken; and on a division (demanded by Mr. ASHBROOK) there were—ayes 74, noes 74.

The CHAIRMAN. The Chair votes "No."

Mr. ASHBROOK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Ashbrook and Mr. Perkins.

The Committee again divided, and the tellers reported that there were—ayes 118, noes 110.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Ashbrook: On page 220, after line 18, insert the following:
>
> "(g) Section 619 of such Act is amended to read as follows:
>
> "'Sec. 619. The total administrative expenses, including the compensation of Federal employees, incurred by any Federal agency or other agency assisted under this Act, for any fiscal year shall not exceed five percent of the amount authorized to be appropriated by this Act for that year; *Provided, however,* That grants, subsidies, and payments to any individual employed by any such agency who either (1) serves as a teacher or is paid as a trainee, or (2) falls within the poverty classification as determined by the Director, shall not be counted as an administrative expense.'"

Mr. ASHBROOK. Mr. Chairman, again I will not take the full 5 minutes.

This is an effort to once more limit what many of us feel to be the excessive expenditures that go to the administrative portion of the program. There is a provision in the law as it now stands, but there is no definition on what "administrative" is. So this is in effect to bring about such a definition.

The amendment would limit to 5 percent the administrative costs of a program, whether it be operated at the local level or at the national, with the following exceptions: We have excepted those who fall within the poverty classification. I do not believe they should be counted as administrative. Those who serve as teachers. Obviously those who teach in the Headstart program should not be counted as administrative for the purposes of this amendment. Or any trainee who is enrolled and receiving any funds from the program will not be counted as administrative.

All others would be counted as administrative, and would be subject to the 5-percent limitation.

I would say at the outset this was not offered in the committee, and was not even thought of until today. So when that question is asked I will answer it in advance—it was not offered in committee. I believe the amendment speaks for itself.

Mr. Chairman, I yield back the balance of my time.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the effect of this amendment of course is to reduce the absolutely necessary amount of administrative moneys for teachers in Headstart and otherwise.

It comes at this late hour with the admission from the gentleman from Ohio that the committee has never seen it; that it has never been debated and has never been discussed. It comes so late, I think beyond question without a full discussion of it and an understanding of it that it deserves to be defeated and I so move.

Mr. GOODELL. Mr. Chairman, I move to strike out the last word.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman.

Mr. ASHBROOK. What the gentleman from New Jersey [Mr. Thompson] said in part is certainly true. It does come late. But I would hope that we are competent legislators so that anything that did come so late could be given careful consideration.

He was incorrect and I would want to correct the Record and I am sure the gentleman would. It would not cut into the teachers in the Headstart program. The amendment specifically excepts and exempts teachers and trainees and those who fall within the classification of the poor. I want the Record to be completely correct. The gentleman from New Jersey, I am sure, would not want the Record to show that teachers are covered in this amendment because they are specifically exempted.

Mr. GOODELL. May I ask the gentleman further—your amendment would also exclude from administrative costs any wages or any payments made to the poor themselves; is that correct?

Mr. ASHBROOK. That is as to anyone who falls within that classification—plus trainees in a program—they would not be included in this amendment.

Mr. GOODELL. It would exclude the Neighborhood Youth Corps?

Mr. ASHBROOK. Absolutely.

Mr. GOODELL. And it would exclude Job Corps enrollees and Headstart teachers and it would exclude all those who are employed in the training of the poor?

Mr. ASHBROOK. Absolutely.

Mr. GOODELL. If I may say further then, as I understand the amendment, you say that 5 percent of the total authorized appropriations is the ceiling on the amount that could be expended for administrative costs?

Mr. ASHBROOK. The gentleman is correct.

Mr. GOODELL. And the present law says 10 percent?

Mr. ASHBROOK. But it is not being enforced.

Mr. GOODELL. It is loosely worded, so that it has no impact?

Mr. ASHBROOK. It has no real meaning.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman.

Mr. EDMONDSON. I want to ask the gentleman if he could comment or if the author of the amendment would comment on what the effect would be of this particular amendment if we had a vastly cut back program in terms of appropriations and had a community action organization that was unable to get programs funded, with the result that the administrative cost that was planned at about a 10-percent level went up to about 20 or 25 percent because of the lack of funding for the individual programs. What would be the effect under those circumstances?

Mr. GOODELL. I will say first, and then I will yield to the gentleman from Ohio to confirm my reaction to that—the amendment as I understand it is drawn as a 5 percent of authorization, and that means, I think we can all understand, that the authorization is likely to be $1.6 billion or more under the present circumstances and that is the present operating level of the program—or somewhat less than that I might say.

Mr. EDMONDSON. Do I understand that this figure of 5 percent is only on the national allocation for administrative costs and not upon the individual county or the individual cities, which would in the latter case be disastrous for some counties?

Mr. GOODELL. That is my understanding of the amendment, that is an overall national 5-percent limitation.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman.

Mr. ASHBROOK. It says, for any fiscal year—shall not exceed 5 percent of the amount authorized to be appropriated which is just what the gentleman from New York said about the effect—for that year—and then it goes on with the exception.

Mr. GOODELL. Is it limited overall nationally and not to apply down to the local level?

Mr. ASHBROOK. It applies, I would say to the gentleman, to Federal employees in any Federal agency or other agency assisted by this act. It would be all the agencies.

Mr. GOODELL. In other words, over all the agencies and it would be 5 percent of the overall national authorization.

Mr. EDMONDSON. I had not understood it that way.

Mr. RIEGLE. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Michigan.

Mr. RIEGLE. Will the gentleman from Ohio respond to a question?

Mr. ASHBROOK. Yes.

Mr. RIEGLE. If this program is later cut back seriously in the funding area, it strikes me that we ought to cut back on the administration of the program.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. GOODELL. I yield to the gentleman from Ohio.

Mr. ASHBROOK. It seems rather interesting that there would be any question that this would be the first place to cut. We want the money to go to poor people, and the less money that is directed to administrative expense the more that will go to help the poor.

Mr. RIEGLE. So you are saying that there would be more dollars for the poor if we can cut out dollars for the bureaucrats?

Mr. ASHBROOK. Yes.

Mr. RIEGLE. That seems sensible to me.

Mr. ASHBROOK. The gentleman from Michigan will note that there is an exception for those who are in the classification of poor. They would not be covered under this amendment.

Mr. RIEGLE. I agree with the gentleman that the poor ought to be an exception from the amendment.

Mr. GOODELL. Mr. Chairman, the gentleman has a sensible amendment. Under the amendment we would try to get more of the money going to the poor themselves, whether in wages, salaries, training, or other costs, and cut down on the overall amount that is going for overhead and high salaries in this program.

Mr. ASHBROOK. I thought it was a rather liberal amendment because it states "Poverty classification as determined by the Director."

Mr. GOODELL. I do not want the gentleman exposed to the position of offering a liberal amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ASHBROOK].

The question was taken; and on a division (demanded by Mr. ASHBROOK) there were—ayes 82, noes 87.

Mr. ASHBROOK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ASHBROOK and Mr. PERKINS.

The Committee again divided, and the tellers reported that there were—ayes 131, noes 131.

The CHAIRMAN. The Chair votes "No."

So the amendment was rejected.

Mr. GERALD R. FORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. GERALD R. FORD. It was my understanding that the original reported figure by the teller in the negative was 114, and that seven more were added, which would make 121 by any new or old mathematics.

The CHAIRMAN. The original figure in the affirmative, the Chair will state to the gentleman, was 114, and there were 17 additional, which makes 131. The original figure reported by the gentleman from Kentucky was 124, with seven additional, which makes 131.

AMENDMENT OFFERED BY MR. GARDNER

Mr. GARDNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GARDNER: On page 220, after line 18 insert the following: (g) Part A of title VI of such Act is amended by inserting, after section 610-2, the following new section:

" 'SEC. 610-3. (a) No individual employed or assigned by any community action agency or other agency assisted under this Act shall, pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted by such community action agency or such other agency, plan, initiate, participate in, or otherwise aid or assist in the conduct of any picketing, protest, demonstration, riot, or any similar group activities.

" '(b) No part of the funds appropriated to carry out the provisions of this Act shall be used to provide payments, assistance, or services, in any form, to any individual who is convicted in any Federal, state, or local court of competent jurisdiction of inciting, promoting, or carrying on a riot, or any group activities resulting in material damage of property or injury to persons.' "

The CHAIRMAN. The gentleman from North Carolina is recognized in support of his amendment.

Mr. PERKINS. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. GARDNER. I will not yield at this time.

Mr. Chairman, I believe it is unfortunate today that we have to have an amendment of this type, but certainly the things we have been reading about and hearing concerning OEO activity in picketing and protest movements call for legislation at this time to prohibit it in the future. Every day we pick up the newspapers or see television, I am frankly astounded by the activities carried on by the Office of Economic Opportunity.

I could cite example after example. However, the hour is late today. I would only go back to refer to what I believe is a very clear-cut indictment of OEO and these activities which have been carried on for far too long. I refer to a committee report of the Committee on Education and Labor made when our investigators went to Newark, N.J.

In the city of Newark, where an OEO agency was continually involved in trouble, the investigators from the Committee on Education and Labor went into Newark, on their memorandum that they turned into the chairman of the committee, in section 5, they say:

> Whatever the intention, the facts concerning the role of UCC personnel in publicizing and organizing a "Police Brutality Mass Rally"—

I have a copy here of the pamphlet made in the UCC committee room and handed out all over the city of Newark—

> at No. 4 Precinct the evening of July 13th did significantly contribute to the volatile climate which prevailed.

This happens to be the very same night the riots broke out in the city. This has absolutely no place in the poverty program. It caused and created problems throughout America.

Mr. Chairman, I hope this Committee today will see fit to put in legislation that will put a stop to it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. GARDNER].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. GARDNER. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. GARDNER and Mr. PERKINS.

The Committee divided, and the tellers reported that there were—ayes 133, noes 124.

So the amendment was agreed to.

AMENDMENT OFFERED BY MR. DELLENBACK

Mr. DELLENBACK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. DELLENBACK: On page 220, after line 18, insert:

"(g) Title VI of such Act is further amended by inserting at the end thereof a new Part C as follows:

" 'PART C—INVESTIGATION AND EVALUATION BY THE COMPTROLLER GENERAL

" 'INVESTIGATION

" 'SEC. 631. The Comptroller General of the United States (hereinafter in this title referred to as the Comptroller General) is directed to investigate and examine programs and activities financed in whole or in part by funds authorized under section 2 of this Act, and to evaluate to the extent practicable—

" '(1) the efficiency of the administration of such programs and activities by the Office of Economic Opportunity and by local public and private agencies carrying out such programs and activities; and

" '(2) the extent to which such programs and activities achieve the objectives set forth in the relevant part or title of the Economic Opportunity Act of 1964 authorizing such programs or activities.

" 'REPORTS

" 'SEC. 632. The Comptroller General shall make such interim reports as he deems advisable and shall transmit a report to the Congress not later than May 1, 1968, summarizing his findings and conclusions to date. Such report shall include also such recommendations, including legislative recommendations, as he deems advisable.

" 'POWERS OF THE COMPTROLLER GENERAL

" 'SEC. 633. (a) The Comptroller General or, on the authorization of the Comptroller General, any officer or employee of the General Accounting Office, may, for the purpose of carrying out the provisions of this title, hold such hearings, take such testimony, and sit and act at such times and places as he deems advisable. Any officer designated by the Comptroller General may administer oaths or affirmations to witnesses appearing before the Comptroller General or such designated officer or employee.

" '(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Comptroller General, upon request made by him, such information as he deems necessary to carry out his functions under this title.

" '(c) The Comptroller General is authorized—

" '(1) to appoint and fix the compensation of such staff personnel as he deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, and

" '(2) to procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

" '(d) The Comptroller General is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of his duties under this title.

" 'ALLOCATION

" 'SEC. 634. From the sums appropriated pursuant to section 2 of this Act, the Director shall transfer to the Comptroller General such sums as he may require, but not in excess of $5,000,000 in the fiscal year ending June 30, 1968, to carry out the purposes of this part.' "

Mr. DELLENBACK (during the reading). Mr. Chairman, I ask unanimous consent that the further reading of the amendment be dispensed with, and that it be printed in the RECORD at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

Mr. O'HARA of Michigan. Mr. Chairman, reserving the right to object, is this the amendment found in the Senate bill?

Mr. DELLENBACK. This is substantially the amendment found in the Senate bill. There is one modification in the very last section. Except for that, it is word for word. The only distinction between that and the amendment in front of us is that instead of saying "such funds as may be required", we have placed therein a figure, "such funds as may be required not in excess of $2 million". We have placed a limitation on top of the general provision.

Mr. THOMPSON of New Jersey. Mr. Chairman, will the gentleman yield?

Mr. DELLENBACK. I yield to my friend from New Jersey.

Mr. THOMPSON of New Jersey. Mr. Chairman, the language in the amendment as the gentleman has explained it, with the modification, is substantially that of the amendment of the Senator from Vermont in the other body. There is no objection to the amendment from this side.

The CHAIRMAN. Is there objection to the request of the gentleman from Oregon?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. DELLENBACK].

The amendment was agreed to.

Mr. PERKINS. Mr. Chairman, I would like to ask how many amendments there are at the desk on this particular section?

The CHAIRMAN. The Chair will state that there are seven amendments at the desk.

Mr. JONES of Missouri. Mr. Chairman, I have an amendment.

The CHAIRMAN. The Chair will state that now there are eight amendments at the Clerk's desk.

Mr. PERKINS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. ALBERT. Mr. Chairman, reserving the right to object, may I ask the gentleman to clarify that this request relates to this section, and not to the bill?

Mr. PERKINS. That is correct, just to this section.

The CHAIRMAN. The gentleman from Kentucky has asked unanimous consent that all debate on this section and all amendments thereto close in 30 minutes.

Mr. PERKINS. At 8:05 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. GROSS. Mr. Chairman, reserving the right to object, to what section is this request addressed?

The CHAIRMAN. The Chair will state that this is with reference to section 106.

Mr. GROSS. Mr. Chairman, further reserving the right to object, does that include the remainder of the bill?

Mr. PERKINS. No, it does not. It does not include section 107, or the remainder of the bill. It includes through section 106.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. EDWARDS of Alabama. I object, Mr. Chairman.

Mr. PERKINS. Mr. Chairman, I move that all debate on this section 106 and all amendments thereto close at 8:05 p.m.

The question was taken; and on a division (demanded by Mr. GARDNER), there were ayes 123, noes 73.

So the motion was agreed to.

The CHAIRMAN. The Chair has noted the names of Members standing at the time of the limitation on debate. For what purpose does the gentleman from Missouri rise?

PREFERENTIAL MOTION OFFERED BY MR. JONES OF MISSOURI

Mr. JONES of Missouri. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. JONES of Missouri moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. JONES of Missouri. Mr. Chairman, this reminds me of the night we were here on the highway beautification bill. We are being cut off in the same way. I am predicting that this House will adjourn over tomorrow until Monday, instead of taking the time to consider and improve the bill.

I have asked the members of the committee for some interpretations of some of the wording in this bill—and I have been referred to the technical staff to answer those questions.

I say when members of the committee do not know what is in the bill, we should have more time to have it explained to us.

I also want to say, and I am not saying this as a personal reflection on the chairman, but I think it was a mistake a minute ago when an amendment was offered having to do with the riots and things like that and people who have been convicted, and the committee did not accept that amendment.

I think it showed mighty poor judgment in that respect because, as an American citizen, I do not want to give my money to anybody who is going around here raising hell and having riots and stuff like that.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman for a reply to that question.

Mr. PERKINS. I want to say to the gentleman that if he has ever sought any information from any member of the Committee on Education and Labor, I believe he could obtain the answers. You did direct some questions tonight to the chairman. I thought I had answered your questions in regard to the rural loan program. Those are the only questions that you have ever addressed to me.

I do not need to defend this committee. The members of the Committee on Education and Labor know what is in this bill. This is one of the most thoroughly considered bills ever to come to the House.

Mr. JONES of Missouri. Mr. Chairman, I refuse to yield any further.

Mr. PERKINS. I just want to tell you that we know what is in the bill.

Mr. JONES of Missouri. I want to ask you the question right now, the question that I asked a member of the committee from the State of Florida who I thought would be familiar with an incident, and he said, "I do not know. I will refer you to a member of the staff back here to tell you what it is." I refer to page 219, line 17 of the bill:

> (3) the term "permanent resident of the United States" when used in titles I-A and I-B shall include any native and citizen of Cuba who arrived in the United States from Cuba as a nonimmigrant or as a parolee subsequent to January 1, 1959,——

Can you tell me what that language means?

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. Wait a minute. I want the chairman to tell me.

Mr. PERKINS. Certainly I will tell you what that means. The gentleman well knows about the Cuban problem and about the Cuban refugees in Florida and elsewhere. We treat them as citizens for the purposes of Job Corp and NYC enrollment.

Mr. JONES of Missouri. Mr. Chairman, I refuse to yield any further.

Mr. PERKINS. Let me answer your question.

The CHAIRMAN. The gentleman from Missouri does not yield further.

Mr. JONES of Missouri. You made the statement that I know what has happened in Florida. I do not know everything that happens in Florida, but I do know this, that under some of our relief programs we have been more generous with the refugees from Cuba than we have with our own citizens of the United States. I know there was a time when we were giving $200 a month to Cuban refugees and we were requiring our people at the same time to live on, maybe, $75 a month. That is not fair, and I do not want any provision in this bill to give preferential treatment to a Cuban or any other noncitizen of the United States. That is the thing I want to tell you about.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Florida.

Mr. HALEY. May I say to the distinguished gentleman from Missouri that I think this is a terrible situation. The President of the United States asked approximately 35 or 40 Members of the House to attend a reception where members of the veterans' organizations of this Nation were meeting with the President to discuss various and sundry things. The gentleman has just said that we will probably go over and have nothing to do on Friday. We have had many of those days. But I think it is a rebuff to the President of the United States that the leadership of this House allows us to sit here until just a few minutes before 8 o'clock when none of us can attend that meeting.

Mr. JONES of Missouri. I concur thoroughly in what the gentleman has said. The same thing happened when we considered the highway beautification bill. There was an occasion at the White House that night we could not attend.

Mr. THOMPSON of New Jersey. Mr. Chairman, I rise in opposition to the preferential motion.

The CHAIRMAN. The gentleman from New Jersey is recognized.

Mr. THOMPSON of New Jersey. I rise in opposition to the motion to strike the enacting clause.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON of New Jersey. I yield to the gentleman from Florida.

Mr. GIBBONS. I guess I am the gentleman from Florida that Mr. JONES was referring to, and I was really trying to be helpful to him. I had a lot of other things to do and did not want to spend as much time as I was afraid I would have to spend to explain it to him.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Missouri [Mr. JONES].

Mr. JONES of Missouri. Mr. Chairman, I demand tellers.

We can vote down this bill now and come back tomorrow and finish it.

Tellers were ordered, and the Chairman appointed as tellers Mr. JONES of Missouri and Mr. PERKINS.

The Committee divided, and the tellers reported that there were—ayes 40, noes 109.

So the preferential motion was rejected.

The CHAIRMAN. There is a limitation on debate. As a result of the recent teller vote and other proceedings, there are but 15 minutes remaining to consider five amendments.

Mr. ERLENBORN. Mr. Chairman.

The CHAIRMAN. For what purpose does the gentleman from Illinois [Mr. ERLENBORN] rise?

Mr. ERLENBORN. Mr. Chairman, I wonder if I would be in order now to ask for unanimous consent to extend the time limitation to 25 minutes after eight, in view of the fact that so much time has been taken up by the preferential motion.

The CHAIRMAN. The Chair will put the request of the gentleman.

Mr. ERLENBORN. I make that unanimous consent request.

Mr. JOELSON. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

AMENDMENTS OFFERED BY MR. ERLENBORN

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. Mr. Chairman, I have two amendments at the desk. I was seeking recognition at the time debate was cut off.

The CHAIRMAN. The Clerk will report the amendments.

The Clerk read as follows:

Amendments offered by Mr. ERLENBORN: On page 218, line 14, immediately after the first comma, insert the word "and"; on the same line, strike out the second comma and insert a period in lieu thereof.

Strike out all of lines 15 through 20.

On page 220, after line 18, insert the following:

"(g) Section 616 of such Act is repealed.

Mr. ERLENBORN. Mr. Chairman, twice this afternoon I have been seeking recognition and have been ignored by the Chair and then heard a motion made on the other side to cut off debate, to the point that although I have serious amendments I want to offer I do not really have an opportunity to explain them.

I wish, really, the Members would look at this one amendment. If you people have any consideration for what kind of job we are doing today, look at page 218 and the proviso:

> *Provided*, That the Director may issue such regulations as are appropriate to insure that each person seeking benefits under this Act has made a reasonable effort to become a registered voter according to the laws of the State of his residence.

I suppose this means that a Headstart student has to go in and try to get registered as a voter and then be turned down because of his age, and then, and only then, would he be eligible for benefits as a Headstart student.

What kind of foolishness is this to be in the Economic Opportunity Act? This proviso is nothing more than a bold attempt to say that one has to be ready to vote for the administration before he will get any benefits.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

For what purpose does the gentleman from Wisconsin [Mr. STEIGER] rise?

Mr. STEIGER of Wisconsin. Mr. Chairman, I have an amendment at the desk.

Mr. GOODELL. Mr. Chairman, there is an amendment pending. May I be recognized?

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. GOODELL].

Mr. GOODELL. Mr. Chairman, I yield to the gentleman from Illinois [Mr. ERLENBORN].

Mr. ERLENBORN. I thank the gentleman for yielding.

There is another amendment pending. I do not know what the parliamentary situation is this afternoon. I did not ask that the amendments be considered en bloc, but the other amendment was also read. It would strike section 616 from the Economic Opportunity Act, which provides that 10 percent may be transferred at the discretion of the Administrator of OEO. In other words, with a $1 billion appropriation for community action he can take out $100 million and put it into the Job Corps. As a matter of fact, he has made some substantial transfers like this, to defeat the intent of the Congress.

I hope this amendment also will receive support, so that Congress will determine where this money is spent instead of having the Director of the OEO transfer it around.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. PERKINS. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky.

Mr. PERKINS. Mr. Chairman, the gentleman here proposes to strike out the transfer of funds authority which is carried in section 616 of the present law.

Mr. ERLENBORN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. Does the gentleman from Kentucky yield for a parliamentary inquiry?

Mr. PERKINS. I do not, Mr. Chairman.

The CHAIRMAN. The gentleman refuses to yield.

Mr. PERKINS. The Director now has discretionary authority to transfer, for the good of the program, no more than 10 percent of the funds.

He proposes to take that authority away from the Director by strking out the authority for the transfer of funds, which is very necessary in many cases.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

Mr. GARDNER. Mr. Chairman, I utilize my time to yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, a parliamentary inquiry. Which of my amendments is now under consideration, so that at least I will know which of them I am voting for. I do not know whether anyone else in this House cares, but I have two separate amendments, and I did not ask that they be considered en bloc.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. No. I certainly do not. Every time I yield to you I lose some more time.

The CHAIRMAN. The vote will be taken separately on each amendment. The question now is on the first amendment.

Mr. ERLENBORN. Which is that?

The CHAIRMAN. The gentleman ought to know which of his amendments is the first and which is the second amendment.

Mr. GARDNER. Mr. Chairman, a parliamentary inquiry. Will the Chair tell us?

The CHAIRMAN. The regular order is the question on the first amendment offered by the gentleman from Illinois.

Mr. THOMPSON of Georgia. Mr. Chairman, I rise to utilize my time.

The CHAIRMAN. The gentleman is too late to utilize his time insofar as these amendments are concerned.

The question is on the first amendment offered by the gentleman from Illinois.

Mr. CURTIS. Mr. Chairman, a parliamentary inquiry. Will the Chairman please explain why it is too late?

The CHAIRMAN. I do find the gentleman's name on the list, and the gentleman is recognized.

Mr. THOMPSON of Georgia. Thank you, Mr. Chairman. I appreciate your consideration.

Mr. Chairman, I do not know which amendment we are voting on. However, I do wish to speak on the amendment which would strike:

Provided, That the Director may issue such regulations as are appropriate to insure that each person seeking benefits under this Act has made a reasonable effort to become a registered voter according to the laws of the State of his residence.

Mr. Chairman, I now yield to my colleague from Illinois [Mr. Erlenborn].

Mr. ERLENBORN. Mr. Chairman, I thank my colleague for yielding.

I understand this is the first amendment we will be voting on, so the membership will be advised. It will remove the requirement that all persons seeking benefits under the act——

The CHAIRMAN. The time of the gentleman has expired.

The question is on the first amendment offered by the gentleman from Illinois [Mr. Erlenborn].

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. ERLENBORN. Mr. Chairman, I demand tellers.

Tellers were ordered; and the Chairman appointed as tellers Mr. Erlenborn and Mr. Perkins.

The Committee divided, and the tellers reported that there were—ayes 169, noes 126.

So the amendment was agreed to.

The CHAIRMAN. The Chair wishes to announce that the hour of 8:05 p.m. has arrived and although the Chair tried to protect the minority Members, and all other Members who were on the list as having offered amendments what has happened as a result of there being no further time will be that the Clerk will re-report the second amendment offered by the gentleman from Illinois.

The Clerk read as follows:

Amendment offered by Mr. Erlenborn: On page 220, after line 18, insert the following: "(g) Section 616 of such Act is repealed."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. Erlenborn].

The amendment was agreed to.

PREFERENTIAL MOTION OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman I offer a preferential motion.

The Clerk read as follows:

Mr. Steiger of Wisconsin moves that the Committee do now rise and report the bill back to the House with the recommendation that the enacting clause be stricken out.

Mr. STEIGER of Wisconsin. Mr. Chairman, I take this time in order to explain the amendment which will soon be voted on by the members of this committee.

In a report that was issued in April 1967, by the staff of the Committee on Government Operations, it was pointed up that slightly under $70 million has been used by the Office of Economic Opportunity for the purposes of social research, but to quote the report this "research does not include programs of demonstration, training, or education, routine data collection; construction of buildings or facilities; or the development of equipment, materials, devices, systems methods, prototypes, and processes."

One of the great difficulties of the past few months has been the fact that the Congress has been unable to readily obtain the results of the OEO financed research.

The amendment I am offering would require the director or the head of any Federal agency administering a program under this act to make a public announcement concerning: First, the title, purpose, intended completion date, identity of the contractor, and proposed cost of any contract with a private or non-Federal public agency or organization for any study, evaluation, demonstration or research project; and second, the results, findings, data, or recommendations made or reported as a result of such activities.

The public announcements required by subsection (a) shall be made within 30 days of entering into such contracts and thereafter within thirty days of the receipt of such results.

It shall be the duty of the Comptroller General to assure that the requirements of this section are met, and he shall at once report to the Congress concerning any failure to comply with these requirements.

Mr. Chairman, I urge that the amendment be adopted.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I am delighted to yield to my colleague, the gentleman from Ohio.

Mr. ASHBROOK. I thank the gentleman for yielding.

I am going to have to speak on another amendment and I hope that this does not interrupt the train of thought of the Members of this committee. But this is the only way I can get some time to explain an amendment that I have at the desk and which amendment I am going to offer and which I will not be able to debate.

The amendment I have to offer does one simple thing. It strikes the authority of the Director of the OEO to pay up to $100 per diem for those who are called consultants for a program.

I think we are all agreed on this side that there are far too many consultants and it has been my experience that many of these consultants are used for direct lobbying purposes for the program rather than to advise the Director.

So, Mr. Chairman, the amendment when offered will be to strike out the authority of the Director of the program to hire consultants to be paid up to $100 per diem.

Mr. GOODELL. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman.

Mr. GOODELL. With reference to the gentleman's amendment, you referred to the $70 million that has been spent by the OEO on research in the past 3 years. This was the product of a report made by the Government Operations Subcommittee under the gentleman from Wisconsin [Mr. Reuss], I believe, and which clearly said that this figure of $70 million did not include any demonstration programs. It was $70 million spent on research that could have been going to help the poor in this country.

I strongly favor the gentleman's amendment because I think his amendment is fair. It requires the Director of the OEO to give notice to the Congress and to the General Accounting Office when he makes such grants so that we can at least have the right to see the results of these research reports. We, the Members of Congress, on both sides of the aisle cannot get most of the results of the researchers that the taxpayers of the country are paying for.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's comments.

Mr. GIBBONS. Mr. Chairman, will the gentleman yield?

Mr. STEIGER of Wisconsin. I yield to the gentleman.

Mr. GIBBONS. Mr. Chairman, I appreciate the gentleman yielding to me.

I recognize that the gentleman has a good amendment to offer and I am prepared to accept it.

I would suggest if the gentleman would withdraw his motion to strike out the enacting clause, we are prepared on our side to accept the amendment that the gentleman wants to offer.

I am sorry that the gentleman did not suggest this in the committee. I think it is a good amendment and I rise in support of his amendment and if he will withdraw his motion to strike out the enacting clause, I am ready to accept his amendment and the Committee will be able to get on with its work.

Mr. STEIGER of Wisconsin. Mr. Chairman, I ask unanimous consent to withdraw my preferential motion.

The CHAIRMAN. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDMENT OFFERED BY MR. STEIGER OF WISCONSIN

Mr. STEIGER of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Steiger of Wisconsin: On page 220, immediately after line 18 insert the following:

"Sec. 610-3. (a) The Director or the head of any other Federal agency administering a program under this Act shall make a public announcement concerning:

"(1) The title, purpose, intended completion date, identity of the contractor, and proposed cost of any contract with a private or non-Federal public agency or organization for any study, evaluation, demonstration or research project; and

"(2) The results, findings, data, or recommendations made or reported as a result of such activities.

"(b) The public announcements required by subsection (a) shall be made within thirty days of entering into such contracts and thereafter within thirty days of the receipt of such results.

"(c) It shall be the duty of the Comptroller General to assure that the requirements of this section are met, and he shall at once report to the Congress concerning any failure to comply with these requirements."

On page 220, line 9, strike out the word "section" and insert in lieu thereof the word "sections."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. Steiger].

The amendment was agreed to.

Mr. ALBERT. Mr. Chairman, I ask

unanimous consent that the order limiting the time to 8:05 p.m. be vacated, and that all time on this section be closed at 8:45 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

AMENDMENT OFFERED BY MR. JONES OF MISSOURI

Mr. JONES of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Missouri: On page 219 strike out all of line 17 through line 24.

Mr. JONES of Missouri. Mr. Chairman, I make a parliamentary inquiry at this time.

The CHAIRMAN. The gentleman will state it.

Mr. JONES of Missouri. Would I be in order to make a motion that the Committee do now rise so that if we could get back into the House I could make a motion to adjourn?

The CHAIRMAN. A motion that the Committee do now rise is a privileged motion.

MOTION OFFERED BY MR. JONES OF MISSOURI

Mr. JONES of Missouri. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from Missouri.

The motion was rejected.

Mr. JONES of Missouri. Mr. Chairman, I will use the rest of my time to continue my comments on the highway beautification program. The gentleman from Florida made a very good statement, but I am predicting again that what we are now doing is similar to the highway beautification bill. You know, they told us it was a perfect bill. We must stay here. We have to pass it. And we passed it though we remained in session approximately 12 hours that day.

Then the first of this year we came back and one of the first things the chairman of the subcommittee said was:

> You know, we made a little mistake. We got it a little too strict. We've got to change the Highway Beautification Bill.

Well, this bill has been pretty well loused up during the evening here, and I have contributed my part to it. I voted for every amendment that I thought would make it unacceptable. I think that we ought to use a little judgment here and use some time to think about it. I have seen people go through the aisle here voting for principles that I know they have been against all their lives. They have spoken against those principles because they feel it is a matter of party loyalty. I am a Democrat, but I will be darned if I am going to walk down the aisle blindly because some administration or some leadership says that this is what the administration wants. As far as the administration is concerned, I am going to vote for what is good for the people down in the 10th District of Missouri and for the people of America. I think we ought to take that into consideration.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. JONES of Missouri. I yield to the gentleman from Florida.

Mr. HALEY. May I say to the gentleman from Missouri that if we tried to run a business like we run the Congress of the United States, we would be in the bankruptcy court in 90 days.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. JONES].

The amendment was rejected.

Mr. ASHBROOK. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. ASHBROOK. Under the unanimous-consent request of the gentleman from Oklahoma, the previous order was vacated. Does that mean the allocation of time under that was also vacated?

The CHAIRMAN. Yes. The Chair then allocated the additional 30 minutes among the Members on the list he had before him.

Mr. ASHBROOK. What about Members who were not in that previous listing?

The CHAIRMAN. They may not be recognized. The Chair is attempting to do what he has been trying to do since the first limitation of time was proposed, and that is to dispose of the amendments at the desk.

Mr. QUIE. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. QUIE. If a Member has an amendment at the desk but his name is not on the list, he will not be precluded from offering his amendment; is that correct?

The CHAIRMAN. No. There is no question about that. If a Member's name is not on the list, he will not have any time, but his amendment will be voted on.

Does the gentleman from Minnesota [Mr. QUIE] have an amendment?

Mr. QUIE. No. The gentleman from Ohio [Mr. ASHBROOK] has an amendment, and I yield now to him.

The CHAIRMAN. The Chair will recognize the gentleman from Ohio if he has an amendment.

AMENDMENT OFFERED BY MR. ASHBROOK

Mr. ASHBROOK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ASHBROOK: On page 218, after line 11, insert the following new subsection (b) of section 106:

"(b) Subsection 602 (b) and (c) of such Act are repealed, and subsections 602 (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), and (n) are redesignated as subsections 602 (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), and (l), respectively. Subsections (b), (c), (d), (e) and (f) of section 106 are redesignated as subsections (c), (d), (e), (f), and (g), respectively."

Mr. ASHBROOK. Mr. Chairman, I refer those who have the committee report to page 124, and suggest they read the first 21 lines, because I will not have the time to go through it. These lines indicate the authority the Director has to hire consultants and pay up to $100 per diem.

We all admit this program is going to be cut. Even the most optimistic supporters of the poverty program feel it will be lucky to have more than $1.64 billion. They have requested $2 billion to operate the program. It is my thinking we ought to help them by suggesting a few places to cut expenditures of funds. I would suggest a good place to cut would be the $100 per diem for consultants.

Mr. ICHORD. Mr. Chairman, will the gentleman yield?

Mr. ASHBROOK. Mr. Chairman, I yield to the gentleman from Missouri.

Mr. ICHORD. Mr. Chairman, is the gentleman putting a lower amount on the amount the Director can pay consultants, or is he abolishing that authority altogether?

Mr. ASHBROOK. I would say we are abolishing the authority of the Director to hire or retain consultants as authorized previously in the law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. ASHBROOK].

Mr. ASHBROOK. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. ASHBROOK and Mr. PERKINS.

The Committee divided, and the tellers reported that there were—ayes 157, noes 126.

So the amendment was agreed to.

The CHAIRMAN. Are there any further amendments to be offered to section 106? If not, the Clerk will read.

The Clerk read as follows:

AMENDMENT TO TITLE VII

SEC. 107. Section 701(b) of the Economic Opportunity Act of 1964 is amended (1) by striking out "July 1, 1965" and inserting in lieu thereof "July 1, 1968", and (2) by inserting before the period at the end thereof the following: "; nor shall funds be withheld from any such State by reason of any action taken pursuant to a State statute which prevents the State from complying with the requirements of such subsection, until the first day of the fourth month after the State legislature next adjourns following the effective date of the Economic Opportunity Amendments of 1967".

AMENDMENT OFFERED BY MR. BYRNES OF WISCONSIN

Mr. BYRNES of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BYRNES of Wisconsin: On page 220, strike out line 23 and all that follows down through page 221, line 4, and insert in lieu thereof the following: "adding at the end thereof the following: 'With respect to any period after June 30, 1968, subsection (a) shall not apply.'"

Mr. BYRNES of Wisconsin. Mr. Chairman, while the amendment itself may appear to be complicated as you read it in the legislative language, really the purpose of the amendment is quite simple. In fact, I would call the attention of the members of the committee to the fact that the purpose of this amendment and what it would attempt to do was offered in the Committee on Education and Labor by the chairman of that committee.

Mr. PERKINS. Mr. Chairman, I do

not think that the gentleman is exactly right.

Mr. BYRNES of Wisconsin. All right. Then, let us not waste any more of my time on it. I thought you had, and I am mistaken on it. Period.

Mr. PERKINS. I offered the amendment but——

Mr. BYRNES of Wisconsin. As the gentleman will recognize, this was drafted to accomplish the same identical thing by the Legislative Drafting Service.

Mr. PERKINS. But you put a limitation on it of July 1, 1968.

Mr. BYRNES of Wisconsin. We have no limitation. The basic effect of this is to eliminate the special requirement that is contained in the Economic Opportunity Act with respect to the income that can be considered as additional income for people on old age assistance, aid to dependent children, aid to the aged, aid to the blind, and other public assistance programs. That is all that it does.

Now let me explain it. I am sure that anybody who checks with the Legislative Drafting Service and everybody else will recognize, as I say, that it has to be drafted, unfortunately, in a complicated way, because we already have on the books the original 701 (a) and (b) that this section attempts to amend. So we have to go back and amend something which really, in a sense, we do not have the language before us. That is why you get into the complications. But the issue is quite simple. The question is whether in determining a person's need for public assistance, we are going to have a different rule for those receiving special assistance under the poverty program than we have for those not under that program?

The bill before us would set up a special rule for those under the poverty program. My amendment would eliminate this special rule.

Section 107 of the bill amends section 701(a) of the Economic Opportunity Act to require the States—in the administration of the various aid programs—to apply a special earnings exemption for those employed under the Economic Opportunity Act—a more liberal exemption than would apply to any other recipient of aid.

Under this bill—that is section 701(a) as amended—a person receiving welfare payments can have greater earnings under the poverty program than they could have from any other source—public or private—without suffering a reduction in public assistance.

Or put another way—they could have greater earnings under the poverty program and still qualify for public assistance than a person not on a poverty program.

Mr. Chairman, what the committee has done—and the gentleman will admit this—they set up a special rule to the effect that if you are under a program related to the poverty program as contained in this bill, then you can earn more in outside income and still receive aid under the old-age assistance program or under any of these other programs than you could if you were working for a private employer.

Mr. Chairman, I do not think we ought to engage in that kind of discrimination.

Really, this does not go to the question of changing the poverty program. It goes to what is the rule going to be in connection with the administration of our general public assistance programs.

And, Mr. Chairman, I would hope that this would not be considered as a conflict between two committees of the Congress. What I am trying to do and all that we should try to do here is to have a single rule. I say this because we must remember that all of these are poor people. One does not get on old-age assistance unless one is in need and one is poor. There is connected with that program an income limitation.

Mr. Chairman, one does not get on the program of aid to the blind under the State and Federal programs unless one is also poor and in need.

Mr. Chairman, these are poor people. These are the programs which we have had in existence for a long period of time.

Recognizing that we should encourage those who are in need to get out and help themselves, whenever and to the greatest extent possible, the social security law also provides that for each category—the blind, the disabled, the aged, and dependent children—a certain amount of outside earnings should be disregarded in determining need. Otherwise, there would be no incentive for anyone on assistance to do any work. The first dollar earned would operate to reduce the amount of aid they could receive.

There must be some incentive to work, and the Social Security Act recognizes this.

In the social security amendments recently adopted by this House, we added a provision that also exempted certain income of adults under the aid to families with dependent children program. That bill provides that in determining the eligibility for such aid the States must disregard the first $30 of earnings per month and one-third of any earnings over $30 per month of an adult in the family, together with all of the earnings of the children except those over 16 who are not attending school.

This exclusion in the social security bill applies across the board. It applies to earnings in private employment and to earnings under any Federal, State, county, or other work-training program.

Similar exclusions apply to the earnings of those receiving aid to the blind—those receiving aid to the disabled—and those receiving aid to the aged. All earnings are treated the same regardless of source.

In determining how much earnings should be disregarded—in each of these categories—the Ways and Means Committee went into the problem in great depth. Ours was not an arbitrary decision.

For example, in considering the AFDC program, we were facing the tremendous growth in the numbers of those receiving aid. In the space of 10 years, those receiving aid had more than doubled. As of today, we are providing aid for more than 1 million adults and 3½ million children under this program alone—4½ million on AFDC.

Everyone recognized that if we are to encourage the parents of these children receiving aid to seek work and to undertake work training, some part of the earnings should be excluded in determining eligibility for assistance in order to get them "over the hump."

On the other hand, we also recognized that if the income exemption was set too high, a large number of those presently working—and thereby ineligible for public assistance—would automatically become eligible under the new earnings limitation. In other words, if we were not careful, instead of getting people off the program, we would be blanketing-in additional beneficiaries.

After weighing these considerations, the committee concluded that an exemption of $30 per month plus one-third of any excess for each adult in the family would best meet the situation confronting us. It would encourage the adult to seek employment—but not extend the program to many who were already employed.

The Economic Opportunity Act and the bill before us would change this rule. Those employed under the Economic Opportunity Act could have earnings of $85 per month without any reduction in aid—and for earnings over $85 per month—one-half would be excluded—not one-third—in determining their need for assistance. We would have not just one rule but two. There would be one rule for employment in private industry—the rule in the Social Security Act. There would be another rule for employment under the Poverty Act.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. BYRNES of Wisconsin. Mr. Chairman, I hate to do this——

Mr. ALBERT. Mr. Chairman, I ask unanimous consent that the distinguished gentleman from Wisconsin may proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BYRNES of Wisconsin. Mr. Chairman, I appreciate that, and frankly, I really hate to use additional time at this late hour. But I feel this is an important amendment, not so much as it relates to the poverty program, but what it does currently and for the future with reference to the other welfare programs which we now have in existence.

Mr. Chairman, these programs, insofar as the financing of them is concerned, is something that must give us some real concern and to which we must give serious attention and consideration.

But, even that is not the issue here. The issue here is whether a person on one of these programs should shop around.

Let us look at the practical result of having two different rules. Let us assume that under the AFDC program a mother and three children receive a grant of $200 a month. Assume that the mother gets part-time work in a hospital and earns $120 per month. Under the rules established in the Social Security Act, the family can have earnings of $120 plus $140 of the grant, or a total of $260. The basic grant is reduced by $60 for earnings of $120.

Now let us assume that the same mother—instead of taking a job in private industry—takes a job under the poverty program—and makes $120 a month. Under the rules established by the Economic Opportunity Act, the family grant would be reduced by $17.50—one-half of the amount earned over $85. The family would receive overall $302.50.

The net result of the two different rules is to place an incentive—a premium—on employment under the poverty program as distinguished from any other form of employment. The same family—with the same resources—would get $42.50 more from public assistance if the mother had a part-time job under the poverty program, than the family would get if the mother had a part-time job in a hospital.

The rule established by the bill before us would encourage these people to stay on the poverty program rather than try to obtain private employment.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the distinguished chairman of the Committee on Ways and Means.

Mr. MILLS. Mr. Chairman, may I ask the distinguished gentleman from Wisconsin [Mr. BYRNES] a question?

Mr. BYRNES of Wisconsin. I yield to the distinguished gentleman from Arkansas for that purpose.

Mr. MILLS. Mr. Chairman, if I understand what the gentleman is talking about, the gentleman is talking about the amount of public assistance that one may receive free of the so-called needs test or the family budget. Income, in other words, not considered for purposes of determining need?

In our committee we developed a formula of $30 plus one-third of the amount above $30. What the gentleman is complaining about is that if that individual happened to get a spot in a poverty program of some sort, for training, that person would have an advantage over anybody else who got a job or a training opportunity in private industry, or with the county government, or anything else.

Mr. BYRNES of Wisconsin. Absolutely.

And what this does, if this provision remains, if my amendment is not adopted, what it means is that people will shop around to get on the poverty program rather than to go and try to find private employment. And is it not basically our objective to get the poor into training and into private employment, and not onto Government programs? It would seem to me that that should be our objective, to get them in some kind of position where they are not dependent upon Government programs.

If we are to help these people, we must encourage them to get out from under all of these Government programs—neither the welfare programs nor the poverty program should be a way of life.

My amendment is very simple. It eliminates the special rule for those under the poverty program. In other words, all types of earnings will be treated the same—whether those earnings result from the poverty program or whether those earnings result from other forms of employment.

The amount of earnings which should be exempted certainly can be subject to differences of opinion. As a matter of fact, in the Social Security Act, there are different earnings limitations under the various welfare programs.

Some of us might differ as to how much income should be exempted for the blind—for the disabled—for the aged—and for the other recipients of public welfare. I do not know how anyone can argue, however, that within these groups earnings from one source should be treated any differently than earnings from another source.

In determining "need"—which is an essential element in qualifying for public assistance—my amendment would mean that a dollar of earnings will be treated the same—without regard to whether those earnings may have been subsidized by the poverty program. That is all my amendment would do—it would require that in determining eligibility, earnings are earnings, regardless of source.

Mr. MILLS. Mr. Chairman, will the gentleman yield further for the chairman of the committee to make a statement?

Mr. BYRNES of Wisconsin. I yield to the gentleman from Kentucky.

Mr. PERKINS. Now, this year since the House had already passed the Social Security Act containing provisions on this matter I offered the Mills amendment in the House Committee on Education and Labor during the committee work-up of this bill. So I have no personal objection to this amendment. In fact, the House, as I have indicated, has already voted on the amendment in the social security bill and, so far as I am concerned, I am ready to accept the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. BYRNES].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

VOLUNTEER PROGRAMS

SEC. 108. Title VIII of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE VIII—DOMESTIC VOLUNTEER SERVICE PROGRAMS

"VOLUNTEERS IN SERVICE TO AMERICA

"STATEMENT OF PURPOSE

"SEC. 801. This title provides for a program of full-time volunteer service, for programs of part-time or short-term community volunteer service, and for special volunteer programs, together with other powers and responsibilities designed to assist in the development and coordination of volunteer programs. Its purpose is to strengthen and supplement efforts to eliminate poverty by encouraging and enabling persons from all walks of life and all age groups, including elderly and retired Americans, to perform meaningful and constructive service as volunteers in part-time or short-term programs in their home or nearby communities, and as full-time volunteers serving in rural areas and urban communities, on Indian reservations, among migrant workers in Job Corps centers, and in other agencies, institutions, and situations where the application of human talent and dedication may help the poor to overcome the handicaps of poverty and to secure and exploit opportunities for self-advancement.

"PART A—FULL-TIME VOLUNTEER PROGRAMS

"AUTHORITY TO ESTABLISH FULL-TIME PROGRAMS

"SEC. 810. (a) The Director may recruit, select, and train persons to serve in full-time volunteer programs, and upon request of Federal, State, or local agencies, or private nonprofit organizations, may assign such volunteers to work—

"(1) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands;

"(2) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities; and

"(3) in connection with programs or activities authorized, supported, or of a character eligible for assistance under this Act.

"(b) The assignment of volunteers under this section shall be on such terms and conditions (including restrictions on political activities that appropriately recognize the special status of volunteers living among the persons or groups served by programs to which they have been assigned) as the Director may determine, including work assignments in their own or nearby communities; but volunteers under this part shall not be assigned to duties or work in any State without the consent of the Governor.

"TERMS OF SERVICE

"SEC. 811. (a) Volunteers under this part shall be required to make a full-time personal commitment to combating poverty. This shall include a commitment to live among and at the economic level of the people served, and to remain available for service without regard to regular working hours, at all times during their term of service, except for authorized periods of leave.

"(b) Volunteers under this part shall be enrolled for one-year periods of service, excluding time devoted to training. The Director may, however, allow persons who are unable to make a full one-year commitment to enroll as volunteer associates for periods of service of not less than two months where he determines that this more limited service will effectively promote the purposes of this title.

"(c) All volunteers under this part shall take and subscribe to an oath or affirmation in the form prescribed by section 106 of this Act, and the provisions of section 1001 of title 18, United States Code, shall be applicable with respect to that oath or affirmation.

"SUPPORT OF FULL-TIME VOLUNTEERS

"SEC. 812. (a) The Director may provide a stipend to volunteers under this part while they are in training and on assignment, but the stipend shall not exceed $50 per month during the volunteer's first year of service. He may provide a stipend not to exceed $75 per month in the case of persons who have served for at least one year and who, in accordance with standards prescribed by him, have been designated volunteer leaders on the basis of experience and special skills. The Director may also provide volunteers such living, travel (including travel to and from the place of training), and leave allowances, and such housing, supplies, equipment, subsistence, clothing, health and dental care, or such other support, as he may deem necessary or appropriate for their needs.

"(b) Stipends shall be payable only upon completion of a term of service; except that in extraordinary circumstances the Director may from time to time advance accrued stipend, or any portion thereof, to or on behalf of a volunteer. In the event of the death of a volunteer during service, the amount of any unpaid stipend shall be paid in accordance with the provisions of section 1 of the Act of August 3, 1950 (5 U.S.C. 5582).

"(c) The Director may provide or arrange for educational and vocational counseling of volunteers and recent volunteers to encourage them to use the skills and experience which they have derived from their training and service in the national interest, and particularly in combating poverty as members of the helping professions.

"PART B—AUXILIARY AND SPECIAL VOLUNTEER PROGRAMS

"COMMUNITY SERVICE PROGRAMS

"SEC. 820. (a) The Director shall develop programs designed to expand opportunities for persons to participate in a direct and personal way, on a part-time basis or for shorter periods of service than is required for enrollment under section 810, and in their home or nearby communities, in volunteer activities contributing to the elimination of poverty. Pursuant to appropriate plans, agreements, or arrangements the Director may provide financial, technical, or other assistance needed to carry on projects that are undertaken in connection with these programs. These projects may include, without limitation, activities designed (1) to encourage greater numbers of persons to participate, as volunteers, in local programs and projects assisted under this Act, with particular emphasis upon programs designed to aid youth or promote child development; (2) to encourage persons with needed managerial, professional, or technical skills to contribute those skills to programs for the development or betterment of urban and rural neighborhoods or areas having especially large concentrations or proportions of the poor, with particular emphasis upon helping residents of those neighborhoods or areas to develop the competence necessary to take advantage of public and private resources which would not otherwise be available or used for those programs; and (3) to assist existing national and local agencies relying upon or in need of volunteers to obtain volunteer services more readily, or to provide specialized short-term training, with particular emphasis on agencies serving the most seriously disadvantaged, operating in areas of the most concentrated poverty, or having similar critical needs.

"(b) Persons serving as volunteers under this section shall receive no living allowance or stipend and only such other support or allowances at the Director determines, pursuant to regulations, are required because of unusual or special circumstances affecting the project.

"(c) The services of any person, if otherwise allowable as a non-Federal contribution toward the cost of any program or project assisted under this or any other Federal Act, shall not be disallowed merely by reason of actions of the Director under this section in providing for or assisting in the recruitment, referral, or preservice training of such person.

"SPECIAL VOLUNTEER PROGRAMS

"SEC. 821. The Director is authorized to conduct, or provide by grant or contract for, special volunteer programs designed to stimulate and initiate improved methods of providing volunteer services and to encourage wider volunteer participation, in furtherance of the purposes of this title. Not to exceed 10 per centum of the sums appropriated or allocated from any appropriation to carry out this title for any fiscal year may be used for programs under this section.

"PART C—GENERAL PROVISIONS

"COORDINATION WITH OTHER PROGRAMS

"SEC. 831. The Director shall take necessary steps to coordinate volunteer programs authorized under this title with one another, with community action programs, and with other related Federal, State, local, and national programs. These steps shall include, to the extent feasible, actions to promote service by volunteers or former volunteers in the full-time programs authorized under part A in providing necessary support to programs under part B and actions to encourage persons serving as part-time or short-term volunteers to make commitments under part A as regular or associate full-time volunteers. The Director shall also consult with the heads of other Federal, State, local, and national agencies responsible for programs related to the purpose of this Act with a view to encouraging greater use of volunteer services in those programs and establishing in connection with them systematic procedures for the recruitment, referral, or necessary preservice orientation or training of part-time volunteers serving pursuant to this part.

"PARTICIPATION OF OLDER PERSONS

"SEC. 832. In carrying out this title, the Director shall take necessary steps, including the development of special projects where appropriate, to encourage the fullest participation of older persons and older persons membership groups as volunteers and participant agencies in the various programs and activities authorized under this title and, because of the high proportion of older persons within the poverty group, shall encourage the development of a variety of volunteer services to older persons, including special projects, to assure that they are served in proportion to their need.

"APPLICATION OF FEDERAL LAW

"SEC. 833. (a) Except as provided in subsection (b), volunteers under this title shall not be deemed Federal employees and shall not be subject to the provisions of laws relating to Federal employment.

"(b) Individuals who receive either a living allowance or a stipend under part A shall with respect to such services or training, (1) be deemed, for the purposes of subchapter III of chapter 73 of title 5 of the United States Code, persons employed in the executive branch of the Federal Government, and (2) be deemed Federal employees to the same extent as enrollees of the Job Corps under section 116(a) (1), (2), and (3) of this Act, except that for purposes of the computation described in 116(a) (2) (B) the monthly pay of a volunteer shall be deemed to be that received under the entrance salary for GS-7 under section 5332 of title 5, United States Code.

"SPECIAL LIMITATIONS

"SEC. 834. (a) The Director shall prescribe regulations to assure that service under this title is limited to activities which would not otherwise be performed and which will not result in the displacement of employed workers or impair existing contracts for service.

"(b) All support, including transportation provided to volunteers under this title, shall be furnished at the lowest possible cost consistent with the effective operations of volunteer programs.

"(c) No agency or organization to which volunteers are assigned hereunder, or which operates or supervises any volunteer program hereunder shall request or receive any compensation for services of volunteers supervised by such agency or organization.

"DURATION OF PROGRAM

"SEC. 835. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."

TITLE II—CRIMINAL PROVISIONS

SEC. 201. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any agency receiving financial assistance under the Economic Opportunity Act of 1964 embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of assistance pursuant to the Economic Opportunity Act, as amended, shall be fined not more than $10,000 or imprisoned for not more than two years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed $100, he shall be fined not more than $1,000 or imprisoned not more than one year, or both.

(b) Whoever, by threat of procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a grant or contract of assistance under the Economic Opportunity Act of 1964 induces any person to give up any money or thing of any value to any person (including such grantee agency), shall be fined not more than $1,000 or imprisoned not more than one year, or both.

TITLE III—EFFECTIVE DATE

SEC. 301. The amendments made by this Act shall be in effect immediately upon its enactment, except as provided in this section. Until June 30, 1968, the provisions of section 202 of the Economic Opportunity Act of 1964 as in effect immediately prior to the enactment of this Act shall apply to community action agencies in existence and funded prior to the enactment of this Act, except that in any grant or funding agreement made with such an agency prior to June 30, 1968, adequate provision shall be made for transfer of functions, obligations, records, authority, and funds to any community action agency designated pursuant to sections 210 or 211 of the Economic Opportunity Act of 1964 as amended by this Act.

Mr. ALBERT (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. Mr. Chairman, reserving the right to object, will this serve to expedite the junketeers getting on the high seas and on their way to the foreign countries?

Mr. ALBERT. I could not imagine the bill opening up any junketeers.

Mr. GROSS. Mr. Chairman, on a more serious note, do we have any assurances that debate will not be severely circumscribed if this permission is granted for the remainder of the bill?

Mr. ALBERT. Not so far as I know.

Mr. GROSS. There will not be any attempt to severely limit debate?

I thank the gentleman, and I withdraw my reservation of objection.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Chairman, VISTA is often referred to as the domestic peace corps—and through the constructive and effective efforts of its 8,000 volunteers, VISTA has earned the right to the same kind of bipartisan support that Congress has given the Peace Corps. By acknowledging VISTA's past performance and encouraging its future promise, Congress will be responding to the nationwide enthusiasm VISTA has gained.

The national coalition of support for VISTA has just emerged in the last 10 days. When the continuing resolution under which OEO has been operating was allowed to lapse, VISTA Director Bill Crook wrote to the volunteers and told them they might soon be without their meager subsistence allowance. Mr. Crook asked the volunteers to continue serving as long as they possibly could.

The first positive reaction came from the volunteers themselves. But it was quickly followed by unprecedented offers of support from Governors, mayors, industrialists, lawyers, businessmen, sheriffs, clergymen, universities, newspapers, and most importantly and impressively, by the poor themselves.

There was, to begin with, a telegram—to be followed by hundreds of others—from a group of volunteers in San Antonio, Tex.:

> We will stay because the poor must stay.

A group of 29 volunteers in Denrer sent a telegram to the President:

> We want you to know that we intend to keep our commitment to the people with whom we live and work.

And the people with whom the volunteers live and work responded, too. In Cotulla, Tex., the tiny town where Lyndon Johnson taught school over 30 years ago, the community pooled its resources to keep their six volunteers on the job.

> If the volunteers have to leave—

Said the local Catholic priest—

> we will be lost wthout them because they are the only thing we have.

A Colorado mother told a VISTA volunteer:

> We haven't got much but what we have we'll share with you.

The sheriff in St. Albans, Vt., opened his jail and put up four volunteers on an open door basis.

Among those who are determined to stay with VISTA regardless of whether funds are withdrawn is Mr. Philip Bobbit, who happens to be the nephew of the President of the United States. The account of the resolution of this young man is set out more clearly than I can state it in an article which appeared in the Chicago Tribune on November 18, 1967. I include the article at this point with my remarks:

L. B. J.'s Kin Stays in VISTA

Los Angeles, November 12.—Philip Bobbitt, 19, President Johnson's nephew who is working here as a member of the domestic peace corps, says he won't leave the poverty plagued Negro area of suburban Venice, even if funds are withdrawn from the project.

"The programs are one thing," Bobbitt says. "But we are neighbors and often friends of people who have never known a white friend, and many who have never before wanted one."

Bobbitt works for the Volunteers in Service to America. [VISTA].

Seven months ago, Bobbitt was kicked, beaten and had his cheekbone broken by a gang of teen-agers while walking down a Venice street.

RETURNS TO AUSTIN

After the attack, Bobbitt returned to his family home in Austin, Tex., to convalesce, but he came back to Venice.

"I have a job to do," he said in an interview. "That's what I said then, and I, along with the other VISTAs, have a job to do still. It only pays $150 a month, but we believe it's an important job."

Bobbitt was a student at Princeton university a year ago, when he decided to join VISTA. He is the son of President Johnson's younger sister, Becky.

Last week, when VISTA headquarters ordered the project here to begin phasing out, Bobbitt and the other volunteers voted unanimously to try to continue the program.

"Black doors are closing to white idealists fast everywhere in the ghetto," said Bobbitt. "If we blow this chance, I don't believe Venice will give us another one."

Congressional delays have threatened antipoverty funding for the crumbling beach town, considered one of the most concentrated pockets of poverty in Southern California.

TELLS VENICE STATISTICS

Bobbitt mentioned what he calls the "walking statistics" of Venice. There are about 7,000 unemployed, and most of those collect government welfare aid. About 67 per cent of the unemployed are unskilled and under 26, according to the state employment service.

Bobbitt says the efforts of federal and state governments are failing with the people of Venice.

"None of the corporations is willing to counsel beyond working hours, or even attempt to bridge the confidence and communication gap between the unskilled black and prospective employer," Bobbitt said.

He said that he is considering the possibility of introducing a community-run employment agency.

"I want something that will appeal to a black man who is 35 and has failed repeatedly in everything he has tried and who is not willing to sit down and talk to a white interviewer."

The American business community's response was swift and startling. Giant corporations such as Polaroid and H. J. Heinz offered assistance. A large Texas chainstore offered free food and an electric company promised not to shut off the volunteers' lights.

The Cincinnati Chamber of Commerce started an emergency fund for VISTA, and in Baltimore business leaders pledged $10,000 to keep the volunteers in service. The Associated Press reported that 25 New York corporations had agreed to back VISTA with a $100,000 fund.

Landlords joined the campaign. In Kentucky a landlord offered a volunteer 2 months of rent-free housing. The housing authority of McKeesport, Pa., provided apartments for the volunteers and in Franklin County, Maine, a local hotel offered them free room and board.

Public officials were quick to respond to the volunteers' plight. Governors from Hawaii to New Hampshire pledged support.

"Kirk leads flood of VISTA gifts" headlined a Florida newspaper which went on to report that the Governor of the State had given a personal check to help the VISTA cause.

Mayors like John Lindsay, of New York, and Joseph Barr, of Pittsburgh, who is currently serving as chairman of the U.S. Conference of Mayors, pledged their help.

In Arizona a group of lawyers raised $2,000, and volunteers working with the Philadelphia Bar Association were offered use of the city jail but the bar foundation came up with a grant.

The Episcopal bishop of Atlanta, Ga., promised to mobilize the religious community in support of VISTA.

The Chicago News seemed to sum up the whole story last week when it said:

> Everybody seems to love the VISTA Volunteers except their government.

And a Philadelphia Inquirer columnist was led to write of a young VISTA volunteer:

> Her government recruited her, her government trained her, her government assigned her to Philadelphia. And after a little more than two months, her government left her flat—how about talking a kid into signing up for a year's service and then stopping the check. How about that?

Mr. Chairman, I am happy to share with my colleagues information which has come to my attention regarding the work of VISTA volunteers in my State of Oklahoma. In Cherokee County, for example, VISTA volunteers made it possible for a public health clinic to operate on a monthly basis for rural families who previously had no such service.

A very dedicated young lady, Miss Faye Delph, organized a Cherokee Indian women's association in Hulbert, Okla. The Cherokee women of this community now work together to help solve common problems. They recently raised funds for a neighbor's much-needed dental work and this enabled the neighbor to become gainfully employed.

In Oklahoma City, VISTA volunteers Ann Finley and Steve Shaw worked closely with the Oklahoma City Board of Education in setting up a citywide tutoring progam which will involve hundreds of local volunteers. Four Oklahoma City schools have approved and are participating in this VISTA-inspired program. These schools are Shiedler, Paige, Dunbar, and Harmony.

And VISTA volunteers are being welcomed into Oklahoma classrooms as valuable "teacher aides." Mary Cole, Marie Holden, and Minnie Welch are serving as teacher aides with the full approval and praise of Oklahoma City teachers and school authorities.

VISTA volunteers are performing in the vital areas of job training and community organization: VISTA volunteers played a major role in helping northeast Oklahoma City residents establish a $140,000 community recreation and job-training program which hired more than 300 young people out of the hard-core poverty neighborhoods. The VISTA volunteers worked closely with the YMCA and other community organizations in this really productive program.

In rural programs, such as the establishment of a women's hospital auxiliary at the Tahlequah Indian Hospital which gave Indian women in the area their first opportunity to participate in volunteer hospital service, or urban involvement with the problems of the high school dropout and hard-core delinquent, VISTA volunteers in Oklahoma are performing responsibly and quietly to bring hope and opportunity into the lives of many of our less fortunate fellow Americans.

VISTA takes special pride in the 67 citizens from Oklahoma who are serving in the program—out of more than 680 who have applied to work with it.

VISTA volunteers do not make headlines or magazine covers during their service among the poor of America. Their work is often removed from the front pages and the TV screens by the more sensational activities of some of our younger generation. For this reason particularly I want to share with you the genuinely exciting and constructive accomplishments of VISTA volunteers which I have described.

This Congress cannot leave these dedicated Americans flat. The country has spoken in support of VISTA and so must we.

AMENDMENT OFFERED BY MR. GUBSER

Mr. GUBSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GUBSER: On page 229, after line 25, insert a new subsection, as follows:

"(d) No funds authorized to be appropriated herein shall be directly or indirectly utilized to finance labor union or related activity."

Mr. GUBSER. Mr. Chairman, I am sure both sides of the aisle agree that Federal funds should not be used in labor union activity or for organizing purposes. Labor union organization is a proper activity, but it should not be financed by the Federal taxpayers. I am sure we all agree to that.

This is the present policy of the Office of Economic Opportunity. Regulations promulgated by Mr. Shriver state very clearly that labor union activities cannot be financed through OEO funds. But, unfortunately, as is the case in every large organization, this policy has not always worked out in practice. I hold in my hand a General Accounting Office report entitled "Report on Investigation of Alleged Use of Federal Funds in Support of Labor Union Activities by the California Center for Community Development Under Grants by the Office of Economic Opportunity and the Department of Health, Education, and Welfare."

I requested the General Accounting Office to make this report and I received it just yesterday.

The letter of transmittal is signed by the Comptroller General, Mr. Elmer B. Staats, who verifies that a grantee financed by the Office of Economic Opportunity has utilized funds in support of labor union and related activity. Mr. Staats' letter states further that the General Accounting Office will ask the Office of Economic Opportunity to seek restitution of those funds from its grantee.

All that my amendment does is to simply state in the law what is the present policy of the Office of Economic Opportunity. In light of the fact that this policy has been violated, I believe that it behooves us to write it into the statute.

Mr. ROGERS of Florida. Mr. Chairman, will the gentleman yield?

Mr. GUBSER. I yield to the gentleman.

Mr. ROGERS of Florida. I join the gentleman in his statement. I had the same experience in my district and I would strongly urge the adoption of this amendment.

I see no objection to the amendment offered by the gentleman from California and ask for a vote in favor of the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. GUBSER].

The amendment was agreed to.

Mr. ALBERT. Mr. Chairman, I ask unanimous consent that the gentleman from Minnesota [Mr. KARTH] may extend his remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. KARTH. Mr. Chairman, 3 years ago our great Nation made an unprecedented commitment to itself to work toward the goal of eliminating from our society that timeless scourge of humanity, poverty.

This was surely a noble dedication worthy of our great heritage. A massive antipoverty program which provides a wide spectrum of guidance, training, educational, and other services to people who need help to help themselves is indeed worthy of Americans who traditionally have given generously of their treasure and themselves wherever such efforts are needed.

No one who knows the proportions of the problems of the millions of poor in this rich land of ours really expects that the programs created under the original Economic Opportunity Act of 1964 can in 3 years substantially do away with the heartbreaking accumulation of ages of misfortune, illness, neglect, and ignorance which afflict those people who have been relegated to our cities' slums.

But, at least we have made a significant beginning in the praiseworthy effort to stop what we had been doing, in effect, through our neglect—of penalizing the unfortunate poor for the achievements of the able. Before the Economic Opportunity Act our Nation had essentially defaulted in attending to the task of large-scale human salvage of slumdwellers. But 1964 started changing that.

I want to say that in the operation of antipoverty programs in Saint Paul I have witnessed the rekindling of human spirit in bewildered and hopeless men, women, and children who have through assistance been helped to cope with the demands of society and have become useful individuals. It is an inspiring experience.

With the consideration of these 1967 amendments to the Economic Opportunity Act we are really at a critical point in our history. There are observers of the American scene who doubt that our people at this time have the willpower to carry through in this crusade against poverty and believe that the people are willing to let it die here before us on the floor of this House under the rain of damaging amendments which will effectively destroy it.

I refuse to believe that the American people are so uncharacteristically lacking in resoluteness to abandon now this great human adventure to banish the specter of poverty from our land.

We here in the House must repudiate those with little faith in America, defeat decisively crippling amendments to the committee's bill and stanchly reaffirm our support in the war against that most relentless of enemies, poverty.

Mr. ALBERT. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The CHAIRMAN. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Chairman, last Thursday I called the attention of the House to the widespread support for the Office of Economic Opportunity from mayors throughout the country. I want to add to those expressions of support the following telegrams, letters, and resolutions which have been sent to Mayor Joseph Doorley, of Providence, R.I. In addition to the previous list of mayors throughout the country urging the House to enact a strong OEO bill are the mayors of the following cities: Redding, Calif.; Baltimore, Md.; Baton Rouge, La.; Boston, Mass.; Albuquerque, N. Mex.; North Providence, R.I.; Chester, Pa.; Fargo, N. Dak.; and Bristol, R.I.

Mr. Chairman, I think these endorsements speak for themselves. They signify the growing awareness of the contribution and importance of the Office of Economic Opportunity in improving the lives of the less fortunate and giving hope to the poor of our Nation.

NOVEMBER 8, 1967.

Hon. JOSEPH A. DOORLEY:

The Town Council of Bristol supports you in your efforts to have the House of Representatives pass an OEO fundings bill similar to the Senate bill S. 1545 passed.

ARTHUR R. ROERICK,
President, Bristol Town Council.

NOVEMBER 9, 1967.

Mayor JOSEPH DOORLEY,
Washington, D.C.

DEAR MAYOR DOORLEY: The North Providence Town Council is in complete agreement and supports your efforts in securing the money for the anti-poverty program.

JOSEPH T. MORRISSEY,
Council President.

BATON ROUGE, LA.,
November 9, 1967.

Mayor JOSEPH A. DOORLEY,
City Hall, Providence, R.I.:

I enthusiastically support the increased appropriation for the anti-poverty programs. I am recommending to our congressional delegation that they support this bill, and I emphatically stated to Sargent Shriver that if it were not for the anti poverty programs that have been in existence since 1965 many of the problems created in other cities may have been created here in Baton Rouge. It is of utmost importance that Congress appropriate these funds for all the cities and especially for the city of Baton Rouge.

W. W. WOODY DUMAS,
Mayor.

CITY OF CHESTER, PA.,
November 6, 1967.

Hon. JOSEPH A. DOORLEY, Jr.
Mayor of Providence, Providence, R.I.

DEAR MAYOR DOORLEY: We have a common interest in the OEO Programs and I have been in contact with our Congressmen and our Senators and leaders of both houses to give us the necessary funds and legislation to do the work in urban areas that must be done to insure their future.

Thanks for your letter and be assured of my cooperation.

Very truly yours,
JAMES H. GORBEY, *Mayor.*

CITY OF FARGO, N. DAK.,
November 8, 1967.

Hon. JOSEPH A. DOORLEY, Jr.,
Mayor, Chairman, Mayors' Coordinating Committee, City Hall, Providence, R.I.

DEAR MR. DOORLEY: I am pleased to advise you that at a meeting of the City of Fargo's governing body held last night, a Resolution was adopted by a two to one vote requesting our Congressman to support the legislation pending before the House of Representatives for the authorization and funding of the Office of Economic Opportunity and its anti-poverty programs.

The text of my telegram is as follows:

"The Honorable MARK ANDREWS,
"Member of Congress, House Office Building, Washington, D.C.:

"I respectfully call to your attention the Resolution adopted by Fargo's City Commission last evening urging you to support position of United States Conference of Mayors and National League of Cities as set forth in its National Municipal Policy regarding Office of Economic Opportunity and anti-poverty programs, its authorization and its appropriations now penidng before the House of Representatives.

"The crisis in American urban centers requires strong bi-partisan support of anti-poverty programs as requested by these two highly respected organizations representing American cities.

"With kindest regards,
"HERSCHEL LASHKOWITZ,
"Mayor of Fargo, N. Dak."

I am sorry that long-standing commitments make it impossible for me to be in Washington; however, I hope that the telegram containing the Resolution will be helpful in your worthwhile endeavor.

It is apparent that in these uncertain and dangerous times through which we are passing, that a much greater understanding of the various programs will be necessary by people throughout this country if we are to develop the necessary support to meet the urban crisis. I hope that we will have a chance to evaluate in some depth, after the Congress will have acted, as to ways and means that can be taken to develop a greater awareness and a greater sense of individual responsibility of the crisis facing American cities. Our task is a great one and I think it is necessary that we review in depth all of these programs and their administration. There is a great wave of indifference, cynicism, and hostility to many of our programs which can only be offset and counteracted by a process of self-evaluation and careful study.

I hope that the Resolution will be helpful and please advise me as to the progress of these matters.

With kindest regards.
Sincerely,
HERSCHEL LASHKOWITZ,
Mayor and President.

BALTIMORE, MD.,
November 3, 1967.

Hon. JOSEPH A. DOORLEY, Jr.,
Mayor, City of Providence, Executive Chamber, Providence, R.I.

DEAR MAYOR DOORLEY: This is to acknowledge receipt of your recent letter in which you urge an organized concerted effort by the Mayors of the Nation's cities to prevent the house from cutting the anti-poverty appropriation or the passage of the "Continuing Resolution," which would cut Community Action programs to a mere $600,000,000. I heartedly endorse your recommendation that the heads of city governments convey to the Congress their sense of urgency for the continuation and expansion of the programs funded by the Office of Economic Opportunity.

I can attest to the value of these programs, which seek to give the poor "maximum feasible participation," in helping them help themselves. I have urged the Congressmen from Maryland to maintain the Office of Economic Opportunity and to support an effort that would increase the appropriation to the agency. I also have urged the Congress to support the appropriations for Model Cities, Urban Renewal, and most other domestic programs.

The apparent insensitiveness of many of our Congressmen who seem bent on drastically slashing appropriation for domestic programs alarms me. One of the reasons for civil disturbances last summer was said to be city governments that were not responsive to the legal grievances of the disadvantaged and poor.

Of course, I will do whatever I can to further impress upon the Congress the need for a continuation and expansion of Community Action programs and I am prepared to assist in a concerted effort by heads of municipal governments to further emphasize this sense of urgency to Washington.

Sincerely,
THEODORE R. MCKELDIN,
Mayor.

CITY OF BOSTON,
Boston, Mass., November 6, 1967.

Hon. JOSEPH A. DOORLEY, Jr.,
Mayor, Providence, R.I.

DEAR JOE: I have taken the liberty of answering your letter of October 27, as well as the one I received today, November 6. I agree with your position and I can assure you that I have been contacting Congress on a continual basis.

I regret that I cannot join you in Washington, as I am trying to get a lot of business cleaned up before going out of State on Friday.

With kindest personal regards,
JOHN F. COLLINS,
Mayor.

CITY OF ALBUQUERQUE,
Albuquerque, N. Mex., November 8, 1967.

Hon. JOSEPH A. DOORLEY, Jr.,
Mayor, City of Providence,
Providence, R.I.

DEAR MAYOR DOORLEY: Thank you for your letter of November 2, 1967, to former City Commission Chairman Ralph S. Trigg.

We understand the importance of continued Federal funding of the Economic Opportunity Programs at helpful levels for the local communities, and we will do everything possible to urge upon our Senators and Representatives the maximum possible current appropriation.

Best regards.
Sincerely yours,
PETE V. DOMENICI,
Chairman.

CITY OF REDDING, CALIF.,
November 7, 1967.

Mayor JOSEPH A. DOORLEY, Jr.,
City of Providence,
Providence, R.I.

DEAR JOE: In reply to your letter of November 4th, although I will be unable to join you in Washington in support of the authorization bill for the Office of Economic Opportunity, I am enclosing a Certified copy of the resolution adopted at the regular meeting of the Redding City Council last night in support of this Bill.

Certified copies of this resolution have been forwarded to Congressman Harold T. "Bizz" Johnson; Congressman Carl D. Perkins, Chairman of the House Committee on Education and Labor; and Congressman Gerald Ford, House Minority Leader.

Sincerely,
GEORGE K. MOTY,
Mayor.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDDING URGING CONGRESS TO ENACT LEGISLATION WHICH WOULD CONTINUE THE PROGRAMS NOW INSTITUTED PURSUANT TO THE ECONOMIC OPPORTUNITY ACT

Whereas, the City Council of the City of Redding is advised that there has been passed by the Senate and is now being considered by the House of Representatives certain legislation which would authorize the continuation of existing programs now operated in accordance with the provisions of the Economic Opportunity Act, and

Whereas, this City Council is familiar with the Shasta County Community Action Program and collectively feel that this program has been of benefit to the citizens of the City of Redding and of Shasta County, and

Whereas, it is the collective opinion of this City Council that the discontinuation of this program would work a hardship on all of the citizens of this City and particularly upon the disadvantaged citizens of this City,

Now, therefore, be it resolved by the City Council of the City of Redding, California, that they do collectively and unanimously urge the House of Representatives of the United States of America to favorably consider and enact the necessary legislation required to authorize the continuation of the programs presently instituted and carried on under the provisions of the Economic Opportunity Act.

Be it further resolved that the City Clerk be and she is hereby instructed to send copies of this Resolution to Congressman Harold T. "Bizz" Johnson; Congressman Carl D. Perkins, Chairman of the House Committee on Education and Labor; and Congressman Gerald Ford, House Minority Leader.

I hereby certify that the foregoing Resolution was authorized at a regular meeting of the City Council of the City of Redding, California, on the 6th day of November, 1967, and was duly adopted at said meeting by the following vote:

Ayes: Councilmen: Chatfield, Denny, Doherty and Moty.
Noes: Councilmen: None.
Absent: Councilmen: Fulton.

GEORGE K. MOTY,
Mayor of the City of Redding.

CITY OF SALISBURY, N.C.
November 8, 1967.

Hon. JOSEPH A. DOORLEY, Jr.
Mayor of Providence,
Providence, R.I.

DEAR MAYOR DOORLEY: Thank you for keeping us posted on the status of the Economic Opportunity Program.

It will not be possible for Mayor Bernhardt or the writer to come to Washington at the present time. However, we will have a representative there. Councilman O. K. Beatty left Salisbury yesterday for Washington. The main purpose of his visit will be to encourage our legislators to support the requested funding of the Economic Opportunity Program and to do what he can to discourage any setback in the program.

Councilman Beatty is the only Negro serving on our City Council. He is a college professor and is well qualified to speak for the Salisbury City Government.

Very truly yours,
C. L. LINEBACK,
City Manager.

Mr. SIKES. Mr. Chairman, this has been a long, controversial, and sometimes heated debate. It deals with one of the most difficult problems before Congress. There is genuine sympathy for the poor and the underprivileged. But there is deep-seated concern about mismanagement and waste. There also is reluctance to approve any program which is expendable in this difficult period of deficit spending and growing debt.

Each of us must vote his conscience as expressed in the needs of the people we represent and sometimes as tempered by their desires. That is the way Congress functions—for good or bad. And because I see this program as one which—although useful in part—can be dispensed with in this difficult period for America, I shall vote "no."

In all of this long and difficult process of arriving at an answer to the question before us, one thing has stood out; the leadership of one man has towered; the stature of a champion of honest dealing and fair play has grown.

I speak of the distinguished gentleman from Kentucky the chairman of the committee, the Honorable CARL PERKINS.

This very kindly and personable individual has given one of the finest examples of sincere and responsible service to the Congress that I have seen. In the long and tedious process of preparation of the bill for House consideration, he worked tirelessly to eliminate flaws and to produce a product which would be acceptable to the House and the Nation. With patience and tolerance he endeavored to build a good bill, regardless of pressures from any source. Then on the floor, even when debate was most heated, he has continued to demonstrate capable leadership tempered with fairness, and without partisanship.

CARL PERKINS has shown that he is indeed a great committee chairman, an effective leader and a true American. The legislative processes have again produced a champion of the American way.

Mr. CULVER. Mr. Chairman, the Clinton-Jackson Community Action Organization is an example of the effective operation of the economic opportunity program in the Second District of Iowa. With the leadership and support of the citizens of the communities in this two-county area, notable successes have already been achieved, particularly in Headstart, the adult high school completion program, and a day care center for handicapped children.

This is the kind of project which we should support and encourage with our approval, here in the House of Representatives, of the program and full appropriations for it.

Recently, Mr. Lee White, of the Clinton Herald, reviewed this activity in relationship to the debate in the Congress today, and I include his excellent article at this point in the RECORD:

PRUNE TOO CLOSELY AND YOU KILL TREE

(By Lee F. White)

Shotgun attempts to rectify controversial conditions may achieve their end but at the same time can have some serious side-effects.

This is the kind of a situation which could develop if Congress makes all of the drastic cuts which have been proposed in trimming appropriations for the war on poverty.

In programs which have been developed under pressure such as has been the case with many of the anti-poverty programs, some are sure to turn out poorly.

When the Clinton Community Action Program was launched a little more than two years ago it was under considerable pressure to get organized and functioning. Because quite a few community-minded citizens of both political parties devoted a great deal of time to it, organization was accomplished in less than three months.

In the functioning of the Clinton county organization and its merger with the Jackson county CAP program, the pressure for program preparation came from the top rather than from beneath.

It has been significant, however, that the Clinton-Jackson CAP organization developed and encouraged the Head Start program to help prepare disadvantaged children for school; the expanded program of Skyline Center for Handicapped Persons; and the Jackson county high school completion program.

Although no funds were made available to it, the Clinton CAP organization helped foster the Clinton County Alcoholic Guidance commission by providing office space.

Those who have had experience with the three programs mentioned do not doubt their value. Head Start has given many Clinton children a new insight into life and has acquainted them with the world around them in a way they might never have experienced otherwise.

Anyone who has visited Skyline Center to observe the dedication of those who staff it, including the Job Corps girls, and the response of the children, could not help but be impressed. Some remarkable achievements have been recorded by Skyline Center children, as a result of the instructional methods used and the personal attention which they receive.

Success of the Jackson county evening high school completion program has been little short of phenomenal. Scores of young men and women have been able to pick up where they left off in school. Through hard work and perseverance they have obtained high school equivalency. The economic benefits to them are almost incalculable. Enrollment in the current classes is excellent and resulted from the great success of the first year.

While there are some programs which, if dropped, would mean no great loss, it would appear that somehow funds should be made available for those which give genuine benefits. The Clinton-Jackson organization has dropped some programs of its own volition when it was seen they did not confer benefits corresponding to their cost. This is as it should be.

We would not like to see a single dollar spent on boondoggling or valueless programs but we think the pruning knife should be used with caution for fear of damaging the whole tree.

The shotgun approach is not the best one.

Mr. LEGGETT. Mr. Chairman, I rise in support of the Economic Opportunity Amendments as substantially passed out by the committee. For years I have stated that we have spent much too much time selling programs to the poor and not nearly enough time selling the programs to the taxpayers.

While there is truth in the statement that the poor are not going to upgrade themselves without disturbing the Establishment, I do not think it necessary for poverty programs to pit class against class or the ins versus the outs.

I am going to cite some examples which I consider to be good examples of poverty programs operating in my congressional district. I obviously could cite some poor examples also as could, I am sure, many members of this Committee. Little is to be gained, however, by a negative review of what we have done. Our mistakes have been thoroughly reviewed by the Education and Labor Committee. The point is that we have a problem—we have many problems in these United States.

Expanding populations, technological unemployment, population shifts to suburbia, concentrations of impoverished Americans in our cities and rural areas, expanding requirements for technically trained manpower, an increase in urban crime, underemployment and unemployment among young Negro and other minority group youth.

True, it is not solely the function of the big Federal Government to totally resolve the inequities of a social system. Local government and school districts must act; business must participate; and counties and States must contribute their full resource talents. In addition, I believe that in our war to redevelop America we must enlist to a greater extent the greatest, brightest, most creative and disciplined sociologists, psychologists, educational, and medical people in this country. We must not preclude the effective utilization of these experts.

I mentioned that I was going to speak positively about what is right with OEO in my congressional district.

I believe I have one of the finest, most cost effective rural Job Corps camps in the country. At my request, the Forest Service provided a report to my office concerning the Alder Springs Job Corps Camp under date of October 12, as follows:

Supervisor Millar has provided us with the information that you requested following your recent visit to the Alder Springs Job Corps Center.

His analysis of the Alder Springs Job Corps Center program which follows is presented under the headings entitled: Education, Work and placement:

"EDUCATION

"The Job Corps enrollees enter the program at all academic levels. We have varied programs to match the levels of all entrants.

"The Corpsmen that begin very low in reading are scheduled into a half day of education and a half day of work. Emphasis is placed on reading in classroom, work habits and attitudes during work.

"Most Corpsmen advance to higher educational experiences and more advanced vocational training in a short time.

"The majority of Corpsmen are in education every other week. During the week devoted to education they receive some classroom training. Basic reading and arithmetic skills are immediately applied to on-the-job experiences. The products of their work are quickly put to use. We may not be able to give each Corpsman exactly the training he desires, however he can see the value of the work he is doing. For example, the carpentry class learns carpentry skills while manufacturing picnic tables and constructing outbuildings or pouring cement sidewalks. The welding class is learning welding while building fire grates for campgrounds. The academic program is designed for quick and lasting success. We have many successes. For most Corpsmen this educational accomplishment is a new and wonderful experience. They are learning to read and do arithmetic. They are learning how to get a job, how much they can make and how to keep a job. They are advancing two years in reading ability. When you add work skills and the value of

> adjustments in community living, the true value of the program is apparent.
>
> "WORK
>
> "The Corpsmen at Alder Springs are in the process of constructing two Work Centers on the Mendocino National Forest. Each Work Center consists of a 10-man barracks and a kitchen-dining hall building. These improvements are located at Howard Mill in Lake County and Log Springs in Tehama County and will be used to house Forest Service workers for forest management projects.
>
> "A campground is being constructed at Board Tree in Glenn County. There is repair and improvement work at the Stonyford Ranger Station in Colusa County. Many smaller work projects are also in progress, including installing quail guzzlers, construction of erosion control structures, road maintenance and repair, tree planting, fire suppression and seed collection.
>
> "While working on these projects the Corpsmen learn to use many tools and they acquire basic job skills which will help them to obtain gainful employment later. The primary objective of the Alder Springs Center is to teach the Corpsmen good work habits.
>
> "PLACEMENT
>
> "A goal is set for each new Corpsman when he arrives. These goals are realistic and within reach of the individual's grasp as determined by psychometric and personal interviews. Upon attainment of these goals, the Corpsmen is prepared to enter the Armed Services, get and hold a job, continue schooling, or enter some program of technical training; any of which constitute graduation from the Conservation Center Program.
>
> "When a Corpsmen has attained the prescribed goals in education and training, and the vocation of his choice is not available, he is transferred to an Urban Center.
>
> "The ultimate objective is to prepare the Corpsmen for successful, productive community living—academically, socially and vocationally. He is taught cultural traits and social interaction skills, along with pride and leadership to help him be successful when he returns to a community. The social adjustments are very difficult for some enrollees.
>
> "The Alder Springs Center has graduated 190 Corpsmen into various activities which include jobs and back to school. Some of the job placements are hospital attendants at Veterans Hospitals, cooks, bakers, welder apprentices, mechanic helpers and forestry workers. In addition to this the Center has raised the academic achievement of 198 Corpsmen to meet qualifying standards for specialized training which has led to transfers to Urban Centers for continued training."
>
> The average cost of putting a young man through the Job Corps program at Alder Springs for the fiscal year of 1967 was $5,416. This figure included $1,143 for work project supplies and equipment operation. To further offset the above cost, it is estimated that each Corpsman performed work valued at $1,559 for the 12-month period. The remainder, $2,714, is a relatively small investment for the Government to make in the future lives of our less fortunate young people. In the long run, the increased earning power and higher tax returns of these citizens should more than repay the Government for its participation.
>
> We feel that the Job Corps program at Alder Springs is a success and is meeting the objectives. It is reorganizing the lives of the enrollees as indicated by the 388 successes to date.
>
> You asked for a comment on the effect of exclusive operation under the Forest Service. The overall program management was reorganized as of the first of July. As it has been in effect only three months there are no major differences to report; however there is less confusion and more efficiency, with the Center Director taking orders from one manager rather than two as it was before.
>
> If you need additional information on the Alder Springs Center or further explanation of the material we have given you, please let us know.
>
> Sincerely yours,
>
> J. W. DEINEMA,
> *Regional Forester.*

A second program I want to mention is the Vallejo community action Mare Island training project. The Mare Island project, at a cost of $80,000 over the past 9 months, has effectively trained and placed in jobs better than 50 heads of families who formerly had received AFDGU welfare assistance for many years. This project has received material recognition and will result in savings of many million dollars over the next 10 years to Federal, State, and county welfare funds. Some months ago I received a preliminary analysis of the operations of the program from the Mare Island Naval Shipyard, as follows:

> This is in reply to the oral request made of the Director of Industrial Relations on 26 April for a statement concerning the success of the Worker-Learner Program established under provisions of Title II-a of the Economic Opportunity Act. This Program commenced 25 January 1967 and subsequent to that date the Shipyard has provided training opportunities for some 50 adult men from the Vallejo-Solano County area who were previously on the welfare rolls.
>
> The Shipyard has not as yet evaluated this Program. However, reports indicate that many of the persons employed under this Program are considered good workers, have developed good work habits, are dependable and have accepted supervision. A few have already moved out into private industry and two have been given temporary positions as Laborer at the Shipyard. A few have been dropped from the Program for civil offenses and not reporting for work.
>
> These Worker-Learners will have an opportunity to compete in the Civil Service examinations for Apprentice, Trainee Draftsman, Helper and Laborer. Thus, they will have the opportunity to be considered for positions in our regular work force.
>
> We are pleased to cooperate in this community program and, for the time being at least, will continue to play host to 50 people in the Program. As some persons drop out, others may be added.
>
> I trust this will give you the information you desire.
>
> With kindest personal regards, I remain,
>
> Sincerely,
>
> J. H. MCQUILKIN,
> *Rear Admiral, USN,*
> *Shipyard Commander.*

In a third phase program under the OEO, we have funded three projects to establish temporary agricultural housing. These projects in my rural California district are now completed and are in full operation at Dixon, Solano County; Yuba City, Sutter County; and Madison, Yolo County. A total of 300 units have been constructed.

The units are operated under the management of the local housing authorities and are limited to agriculture worker occupancy. Nominal rents are charged. The effect of the program is to provide better living conditions to a ready pool of workers who are making a meaningful impact on California agriculture. The units, constructed at a total cost of nearly $1 million are integrated with day-care centers and health facilities.

In all of these programs, whether Job Corps, worker training, or agriculture housing, Federal poverty funds are used in a meaningful way.

In the first case, the Job Corps is providing leadership to reorient desperate lives along the line of productivity for the individual and society.

In the Mare Island worker training program, the beneficiaries are the individual who is trained to do a day's work and the shipyard which gets the benefit of his productivity.

The housing program helps a progressively better paid people in California agriculture to live like people, not animals, during the agriculture harvest. We have a way to go to improve opportunity, housing and hygiene in my home State. The OEO has taken some meaningful first steps.

The program as passed out of committee requires the further integration of local government in the operation. I think this is good. While local government may exercise some restraint, it also has the capability to provide excellent leadership, community facilities, and good public relations. If local communities dedicate themselves to upgrading themselves from city hall to county seat, I think that we can even further meet the requirements of the underprivileged.

My constituency has expressed a real interest in the problems of the poor and has demonstrated patience in understanding the growing pains of OEO.

Most of the mail which I have received on OEO is positive in tone. Certainly, many of my constituents have written to me suggesting improvements or refinements in the program, but the consensus in my district seems to be that we must continue; to move ahead.

Mr. ADDABBO. Mr. Chairman, as we close the debate on S. 2388, I wish to add a few words as to the experience with the various Office of Economic Opportunity programs as they have worked and affected my congressional district. This bill has received much bad publicity, but we all know that that which is bad seems to always get more publicity than that which is good. I believe that the good in the poverty program far outweighs the bad. Certainly, mistakes have been made, but corrective action has been taken, and I believe that as it progresses, the program grows better.

In my congressional district I have a large area which has been designated as a poverty area. While many large cities have had riots and other turmoil, this has not occurred in my district. I believe a great deal of the credit for this can be attributed to the effectiveness of the programs such as Headstart, the Job Corps, Neighborhood Youth Corps, community action, and senior opportunities, as they have worked in my district. These programs are really just getting established after what might be termed a "shakedown cruise." Many of the "bugs" have been ironed out. In my opinion, it would be foolhardy to now "scrap the ship" when it is ready for truly effective and productive action.

Mr. Chairman, I urge my colleagues to think carefully on this legislation and to oppose any motion to recommit which is designed to damage these programs.

Let us not cripple the programs but rather let them go forward with renewed vigor to perform the many tasks for which they were designed. Let the needy and deprived of our Nation know that we have not turned our backs on them.

Mr. HALPERN. Mr. Chairman, I would like to rise again in support of the bill before the Committee. During the past few days we have seen attempts to amend the legislation before us and while I will grant that many of these attempts were well intentioned, I can only express my gratitude that provisions which might have emasculated this necessary legislation were defeated.

I further ask bipartisan support for this measure and in particular, support for the bill from this side of the aisle.

During the 3 years since the enactment of the Economic Opportunity Act, we have seen a major social change, a major revision in social outlook, a new concern sweep across this country. This concern, this change is in our view of poverty. We now have a national acceptance that mass poverty does exist in the midst of plenty. We have seen a strong outpouring of concern from all classes of Americans for the poor. We as a political party, we as elected representatives of all the people, must reflect this local and national concern for our poverty stricken and do something about it.

Our political party has often been concerned with individual freedom, with individual rights, and with individual self-sufficiency. We have praised rugged individualism and have seen the benefits and rewards from this type policy. Because of this past record, this should be a reason for Members on this side of the aisle to support the programs provided under the economic opportunity act. The basic concept of the Act is to provide people a helping hand so that they really can help themselves. No program under this bill provides a dole or any benefits or service without asking a return from the recipient. This program in many ways is a bootstrap operation.

How can the poor pull themselves up by the bootstrap if they have no bootstrap? I maintain this program is one that is designed to provide the bootstrap and to teach the poor how to pull their way, work their way out of poverty. Is this not truly the American way?

Mr. Chairman, the major programs in operation under the act, community action, Job Corps, Neighborhood Youth Corps, VISTA, have had problems and mistakes. Yet have not all the great national programs had some problems in the startup years?

It was a Republican President—President Eisenhower—who proposed and initiated the Federal-Aid Highway Act—the program which has provided us the vast network of interstate highways which are coming into use across the Nation. Yet there were startup problems there too. There has been waste and even fraud in the highway program and we have had no cries to shut it down. Instead we have worked to improve the highway program and to eliminate waste and unethical practices. I give the committee and the OEO credit for working to eliminate waste and inefficient practices in our war on poverty and believe the present bill will go far in this endeavor.

We have also heard criticism of the program for being slow in eliminating poverty. I am quick to say we have not made enough progress. But again let us look at the Interstate Highway System. This act was passed in 1956 and the program is not completed. The war on poverty as directed by the OEO is only 3 years old. Let us be on with it through a nonpartisan approach.

Mr. Chairman, the war on poverty during its initial years has made a very deep impression upon the minds and consciences of the American public. If we are to remain a great nation we must no longer neglect the human resources of the poor. We must turn these citizens into full participants in the American dream. Our party by choice should participate in this and by necessity as responsible representatives we must. I urge support of the committee bill.

Mr. BROYHILL of Virginia. Mr. Chairman, I strongly oppose the President's recommendations for the continuation and extension of his so-called war on poverty. Without listing the endless examples of how this program has been misguided, mismanaged, and miserably abused over the last several years, I intend to cite only the salient reasons for my opposition. I feel it is significant that this program has been sharply criticized by Democrats as well as Republicans; by friend as well as foe; and, by virtually everyone who has taken the trouble to study it. No program, in memory, has so richly deserved such criticism.

The Office of Economic Opportunity was established for essentially two purposes: First, it was to coordinate the many aproaches of combating poverty; second, it was to create new programs to attack the root causes of poverty and to break the so-called poverty cycle. In both objectives the war on poverty has failed. Depending on how they are classified, Federal spending programs that have been in existence for many years, and not including those of the Office of Economic Opportunity, account for $25 to $40 billion of our annual budget. The Office of Economic Opportunity has poorly and inadequately duplicated some of these programs, introducing confusion rather than coordination. The OEO has simply added another layer of administrative cost to an already costly process.

As far as innovating new programs designed to strike at the root causes of poverty, the OEO record is also sadly lacking. Generally the President's program can be divided into two parts: the community action programs and the work training programs.

The community action programs may have a valid concept but if so the OEO has lost this concept in the execution of the program. Perhaps the most revealing criticism that can be raised is that no one seems to know for what purpose it was established or by whom it will be run. My colleague, the Honorable SAM M. GIBBONS, of Florida, who was the floor manager of the 1966 antipoverty bill, told a reporter from Congressional Quarterly:

> If you ask 100 people what community action means, you'll get 100 different responses, even from people who deal with it every day.

However, the most vicious abuse of this program, and one that I devoted much of my floor speech to, was perpetrated in many parts of our Nation by those who used Federal funds to develop a political power block. It was their purpose to use this power to force political, economic, and social changes in the community. This certainly is contrary to the constitutional aims of our Government and is personally repugnant to me and should be to every American. Such an abuse cannot be tolerated any longer.

The main criticism I have of the so-called work training programs is the terrible waste created by duplication and incredible inefficiency. The Department of Health, Education, and Welfare and other Federal agencies are better prepared to cope with the problem of poverty than is the OEO. Any programs developed by this office worthy of continuing should be turned over to the proper Federal department.

I find it altogether unbelievable that we are asked to authorize the expenditure of over $2 billion on a program that has been so thoroughly discredited and is largely a duplicate of existing programs when the President is asking for an extraordinary surtax to fund our other commitments. Before Congress consents to seriously considering this tax legislation, the administration should demonstrate a willingness to cut back throughout its spending programs. The poverty program represents perhaps the weakest link in the chain and should therefore be rolled back.

Mr. WILLIAMS of Pennsylvania. Mr. Chairman, because of the dismal record in achieving any degree of success, the antipoverty program has proven to be a monumental waste of Federal tax money.

The Office of Economic Opportunity has carelessly administered this program and most of the antipoverty money has been spent on administration and salaries. The high cost of attempting to assist the poor comes with a price tag in the 1968 fiscal budget of $25.6 billion under the category of "Federal aid to the poor" and in less than a decade this country has spent nearly $120 billion for this purpose.

While this money would have been well spent if it really helped the poor, in spite of these enormous expenditures the problems of the poor are becoming more acute in our urban areas, as indicated by the riots this summer. This proves that welfare programs are not the answer to the problems of the poor.

John B. Parrish, a noted economist on the faculty of the University of Illinois, claims that there is now a poverty cult in the country composed of intellectuals from every social science discipline, every religious denomination, and every political and science institution. Parrish cites increases in juvenile delinquency, a skyrocketing illegitimacy rate, increases in crime, and spiraling youth unemployment as definite problems that the current kind of antipoverty war is not solving. Mostly, he says, motivation is being destroyed and this in turn causes problems of discripline and promotes lack of education. This seems to be an accurate analysis of the antipoverty war.

Columnist Robert S. Allen lists some of the verified instances of OEO personnel participating in lawlessness as antipoverty workers that were arrested in Jersey City and New York City after looting downtown stores, VISTA volunteers who threatened a Buffalo, N.Y., City Council member with riots if certain job demands were not met and the threatened riots subsequently occurred, and raids on Kentucky antipoverty workers homes that turned up literature which resulted in sedition charges. These are only a very few of such instances which have occurred throughout the country.

Dr. George A. Wylie, director of the Washington, D.C., Poverty Rights Action Center, which receives poverty program money for purchase-of-services contracts, was instrumental in forming the National Organization for Welfare Rights that picketed the Health, Education, and Welfare Building in Washington, D.C., and called Federal officials "dirty conniving brutes."

Poverty program money has been used to encourage people to file for bankruptcy and to prepare and distribute political literature, as in the case of the recent mayoralty race in Philadelphia. The Cleveland, Ohio, Plain Dealer reported that a Mrs. Carol King, a mother on welfare, returned in late September from a Liberation Peace Committee conference in Czechoslovakia. There was no explanation as to how people on welfare take trips to Europe, who sponsors them, and why the money was not spent to feed and clothe her children instead of being spent to send her to get Communist indoctrination. There just is not a logical answer to these questions.

Job Corps programs are costing more per enrollee per year than a college education costs per year and less than 15 percent of many Job Corps program graduates are obtaining jobs. In most instances, courses superior to those offered in the Job Corps program are already available in public schools. However, many civil rights leaders, some of whom are paid by antipoverty program money, completely fail to encourage the children of poor families to take advantage of existing educational opportunities. In addition, the number of people on the public assistance rolls have increased from 7 to 9 million people since the OEO program was instituted in November 1964.

It is apparent that the record of gross inefficiency and mismanagement of the war on poverty, along with the fact that the conditions that they are supposed to be correcting are becoming worse, makes it totally illogical to continue the OEO and the war on poverty.

Mr. KUYKENDALL. Mr. Chairman, we have heard a great deal about the pressure to pass this legislation without any attempt to improve the poverty program. We are asked to approve all the waste, inefficiency, political shenanigans, and even the corruption which has been brought out during this debate because, we are told, this is what the people want.

I would like to ask, Where is the pressure coming from? I can tell you it is not coming from the people of the Ninth District of Tennessee. I have just received a report which I would like to share with my colleagues. One of the major TV stations in Memphis, WMCT–TV, in conducting a citywide poll, last night asked the question, "Should Congress reduce antipoverty funds?" In 2 hours the station received 9,668 calls, 71 percent of those voting said "yes," and 29 percent said "no."

Mr. Chairman, I think perhaps we should listen to the people before we ram this legislation through intact as demanded by the administration.

Mr. TUNNEY. Mr. Chairman, I feel that the enactment of S. 2388, a 2-year extension of the economic opportunity program, would be in the best interest of all Americans. This program has been an overall success in originating and implementing new programs for economic and social opportunity. There, of course, remain very serious problems but these can be worked out if given a chance. The Office of Economic Opportunity, despite severe growing pains, will, I believe, serve as an effective and efficient agency for concerted and coordinated action in behalf of the disadvantaged. A great deal of work has been done, but a great deal more is needed. Now is not the time to cut back and weaken our effort. This is not a supersonic transport program which can be and should be postponed. Our effort to create economic and social opportunity and therefore reduce our welfare rolls must be continued. We must bring those living under poverty into the mainstream of American life. The economic opportunity program has been a small, but good beginning. I hope that the Congress will give the program continued support.

The Job Corps program is a residential human resources program providing remedial education, training in job skills, health services, guidance and counseling to disadvantaged young men and women, aged 16 through 21. The purpose of this program is to increase the employability of the disadvantaged by useful work experience and practical work experience. Over 700 Job Corps men trained in firefighting have assisted in controlling the recent fires in the States of California, Idaho, Montana, Oregon, and Washington. Their efforts contributed a great deal to the safety of communities and homes in these areas. This program has had its share of problems but overall has been a worthwhile investment.

The Neighborhood Youth Corps also provides job opportunities and counseling to the disadvantaged youth but for the purpose of enabling them to stay in or reenter school, or improve their chances for gainful employment in a highly competitive job market. Both the Job Corps and the Neighborhood Youth Corps can be of great benefit in reducing the upsurge in juvenile delinquency.

The unemployment rate for youths 16 to 21 is almost three times higher than the national average. The cost to the Nation of youth crime is estimated to be $4 billion annually. Arrests of juveniles increased 9 percent in 1966. Youths between 11 and 17 comprising 13 percent of the population, were convicted of 50 percent of all burglaries, larcenies, and car thefts. I do not believe that we can turn our backs on this problem. Programs such as the Job Corps and the Neighborhood Youth Corps must be continued.

The economic opportunity program also provides for adult work training programs for the disadvantaged including a community employment and training program for urban slums. These programs are designed to help severely disadvantaged men and women become self-sufficient. The work experience section seeks to move unemployed parents and other needy persons from welfare to self-support. This has obvious economic benefit for tax users become tax payers. In 1965, the Federal, State, and local governments spent $6.1 billion on welfare programs. Removing the nonaged and nondisabled families from welfare would save over $17 billion over the next 10 years. Each man-year of unemployment costs the economy over $3,000 in lost wages and production. A reduction in unemployment of 500,000 people would add over $1.4 billion a year to the economy. I doubt if anyone would object to this goal and I believe the work-training program will help to achieve this goal.

The community action program provides a stimulus to local mobilization of resources to aid the disadvantaged. The program is implemented and directed at the local level by community action agencies. It combines and coordinates Headstart, legal assistance, neighborhood health centers, and various other locally developed projects.

Another aspect of this program is designed to bring to migrant workers special adult and youth education, day care, housing, sanitation, and other basic services. In conjunction with this is a rural opportunities loan program which combines supervised credit and family education to increase the ability of poor rural families to earn higher incomes, through their own efforts, and to join with others in cooperatives that increase incomes and reduce costs. Headstart is a highly successful community action program for preschool children. The program provides for the correction of health deficiencies, the improvement of communication abilities, and the teaching of self-reliance.

Project VISTA provides full- and part-time volunteers to serve in urban and rural slums or wherever there is a need to assist the disadvantaged. They have had a special success in rural communities.

I believe that the economic opportunity program combines self-help and local initiative to provide an effective and imaginative program to develop jobs and better education and training for the disadvantaged.

In Riverside County, Calif., which I represent, the Office of Economic Opportunity provides assistance in the following areas:

First. Some 150 unemployed persons monthly are offered vocational counseling and job placement services.

Second. Full-time day care to 270 disadvantaged children whose parents are either employed, seeking work, or in training.

Third. Catchup education for 1,200 preschool children in the Headstart program.

Fourth. Prevocational training and other activities to 1,000 disadvantaged youths in the youth outpost program.

Fifth. Legal services to over 300 low-income persons monthly.

Sixth. Approximately 20 local action group meetings monthly for local residents and particularly the poor to help solve some of their problems.

Seventh. Guidance and coordination to other organizations and agencies attacking the various problems of poverty and is thus making a major contribution to its final eradication.

Eighth. A training program to assist 250 welfare recipients to become employed.

Ninth. Work and income for 340 disadvantaged in-school youths so they will be able to continue their education.

Tenth. Summer employment for over 100 youths in tension areas of the county.

These programs are an important beginning and must be continued if the vicious cycle of poverty is to be broken. This cannot be done overnight but requires time and a great deal of patience. Of course, mistakes have been made, but the benefits have far outweighed them. It is not enough to talk about the underlying causes of urban sickness; vigorous action is needed to solve them. The economic opportunity program is a program of action. History has taught us an important lesson. Welfare checks do not eliminate the rootcauses of poverty—if anything they reinforce and prolong poverty. The economic opportunity program will help to provide education and work for the unskilled and the unemployed.

I am pleased that the bill provides for the continuation of Project Headstart and for a comprehensive day-care services proposal. This will help to allow low-income families to become self-supporting.

However, I am opposed to the provision to require a doubling of local contributions. It will be most difficult, if not impossible for local school systems or other operating agencies in low-income areas to find the necessary funds for the 10-percent cash contribution for Headstart programs already underway. The effect of this provision will be to eliminate Headstart programs in those communities where it is needed most. I also feel that a more adequate authorization is needed to support the programs for legal services, Headstart, emergency food, day care, and senior citizens opportunities.

I also feel that it would be a mistake to require local community action programs to be placed under either units of government or private nonprofit corporations. The U.S. Conference of Mayors has opposed this amendment and I do not believe it should be imposed upon them. It would be better to continue to have the flexibility of the present law. Restructuring of the program at this time would only result in confusion, delay, and inflexibility.

The present program should be continued with flexible participation in program development and implementation of all segments of a community—State and local government officials, local business and labor leaders, social workers, educators, and the poor themselves. I intend to oppose the amendment to limit control and participation to local government officials.

The economic opportunity program is one of the most promising weapons we have against crime. Certainly there are other weapons, and we must attempt to find more, but the economic opportunity program strikes at the very taproot of crime. In order to be ultimately successful in our efforts, we must remove the factors that give rise to lawlessness. We must provide all our people a stake in society, a will to succeed as a nation. Without this, nothing else we can do will have any real, lasting effect. As long as people have nothing to gain by obeying the law, they will feel that they have very little to lose by disobeying it.

This country has belatedly become concerned enough about poverty and deprivation to begin attempting to improve the conditions and the opportunities of its poor. The effort against poverty has only begun; and it cannot be won overnight.

Let us not now dismember this effort. The reduction of poverty cannot be postponed. We are dealing with precious human resources, which must be stimulated toward self-improvement and involvement in the community. I urge that the Congress continue this effort through the Office of Economic Opportunity.

Mr. MILLER of Ohio. Mr. Chairman, I stand to affirm my support for a war on poverty. Unfortunately, I regret that proposals which would have proved of far greater benefit to the individuals we seek to aid have been defeated in vote after vote by the majority. The bill which is now presented for a final yea or nay is one of questionable value. Programs which have been discredited are beihg presented right along with those which have proven of solid benefit.

We who must now decide have been unable to excercise successfully our option for changing the program. We are left with the choice of voting to accept a program which has some good, or voting against one which has serious failings and excessive costs. I do not believe good legislation can come out of a situation like this.

I strongly supported and voted for the Appalachian program, because this is a program aimed at improving the economic base of a region, and therefore has permanent and solid benefit. Conversely, this so-called war on poverty program has a minimum of long-range benefit activities. I believe that this program in its present form does not contain enough benefit to those in need of help to offset the danger of increased Federal spending. The majority party in Congress has managed to continually increase spending programs, even in the face of a $29 billion deficit.

The phenomena of shrinking dollars, devalued life insurance, and struggling pensioners are all symptoms of the disease of inflation which now threatens to rack this Nation. If we do not stop increasing Federal spending, inflation will act to reverse the trends toward economic betterment which this, or any conceivable war on poverty could ever hope to advance.

For these reasons, I must regrettably vote against this bill's passage.

Mr. SCHWENGEL. Mr. Chairman, I have been listening avidly and intently to the debate on the floor as we are struggling with the bill for the Office of Economic Opportunity. I certainly do not question the sincerity of the proponents of the legislation. I believe they sincerely believe that this approach is the kind that is best. Nor, Mr. Chairman, do I believe the opponents of this legislation are against the resolution of the problem. Both sides want to attain the same objective. We only disagree on how it can be best done. In other words, the question is not whether we should do this. The question and debate is how should we do it and how to do it better.

I am concerned about the implication of the proponents who imply that if we are opposed to the present bill, then we are against solving the problem—we are against the poor. Nothing could be further from the truth. It is a truth to note that oftentimes a "no" vote is a constructive or positive vote. So, I suggest if the proposition before us is not passed, we will not ignore the problem. In fact, I am sure we would find other and better answers.

Proof of what I have said about ways the objectives could be attained was brought out by Sargent Shriver, Director, Office of Economic Opportunity in a letter to me and I want to place his letter in the Record and my answer to it, which is further explanation of my position.

Office of Economic Opportunity,
Washington, D.C., November 13, 1967.
Hon. Fred Schwengel,
House of Representatives,
Washington, D.C.

Dear Congressman Schwengel: Did you see the women's ad in this morning's New York Times in support of the War on Poverty? In case you did not, I am enclosing a copy for your interest.

As you may note, this ad is certainly bipartisan in nature since many of the signatories are wives of leading Republican figures—Mrs. Jacob K. Javits, Mrs. Winthrop Rockefeller, and Mrs. John A. McCone.

Furthermore, several of these women, such as Mrs. Robert Claytor, and Mrs. Robert J. Stuart, are outstanding leaders in the Midwest.

It is our sincere hope that the War on Poverty is above politics and that there will be bipartisan support for the poverty bill.

With every good wish.

Sincerely,

Sargent Shriver,
Director.

Congress of the United States,
House of Representatives,
Washington, D.C., November 14, 1967.
Mr. Sargent Shriver,
Director,
Office of Economic Opportunity,
Executive Office Building,
Washington, D.C.

Dear Sarge: Received your letter of the 14th. Good to hear from you again.

Yes, I read the women's ad in the New York Times in support of the War on Poverty. My good friend, let me remind you what you must know from several conferences in my office and in the Capitol with you, your staff and people from Iowa, that I am in as much support of a program to eliminate poverty as anyone could be. I do oppose the terminology—the reference to "War on Poverty." It seems to me that we are too much involved in war now. What we need is an efficient and adequate approach to the real problems of those who find themselves in poverty. This may be caused by their own neglect or because the moral community failed to keep pace with our progress. I recognize that in either case there is an obligation to resolve the problem.

I have found, sir, that in public life there are right and wrong ways to approach solutions, there are adequate and inadequate ways to accomplish tasks. Based upon my studies, observations and conversations with people who have been close to this program, too often we have tried to do the right thing the wrong way. It appears to me you have been forced to hire people who have not been completely prepared either by experience or training for this kind of a challenge. I say that knowing that you were probably the best selection the President could make for the top position and knowing, too, that you have worked extremely hard and given the program a sense of dedication seldom matched in public service.

Let me assure you that whether I vote for the final version of this program or not, my vote will be cast because I do share a concern with you. I can speak from experience because I was a poverty case myself, though I didn't realize it at the time.

Thank you for your letter, your helpfulness, your success and your dedication. Be assured I am as much interested in solving the war on poverty as anyone could be. I want to do what is right. The record I make is for the permanent *Record* and I want it to be as right as possible.

Sincerely yours,

FRED SCHWENGEL,
Member of Congress.

Now, Mr. Chairman, to indicate that I am for a solution and, I believe a better solution, I submit the following summary of a proposition entitled "Opportunity Crusade." I think this is a better title because it does not catagorize the people who are in poverty and do not like to be designated as such and who are in the unfortunate position of poverty oftentimes, through no fault of their own. Mr. Chairman, the job of taking care of the unfortunate who need better opportunities is so great that we need to employ all the talent and all of the forces we can especially the force and talent of industry. Therefore, I am for this other approach called, "Opportunity Crusade."

Opportunity Crusade places its primary emphasis on jobs for the poor, involvement of private enterprise, involvement of the States and local governments as partners with the Federal Government and education. It would authorize $1.4 billion Federal expenditure, providing a total of more than $3 billion for the poor through government and private enterprise combined.

Community action boards would continue to be independent of city hall.

Under opportunity crusade, some very desirable changes would be made in the community action program.

It would bar all political activities, partisan or nonpartisan, including voter registration.

We would require at least one-third of the community action boards to be representative of the poor, up to one-third representative of local public officials, and the balance representative of private and public human resource agencies.

Under community action boards, we would require the establishment of job opportunity boards with at least one-third representative of the poor and a majority representative of private employers. JOB's would be charged with the important responsibility for development of programs to find jobs, develop jobs, provide supportive services, and provide appropriate job training for the poor.

Another essential step under opportunity crusade would be the establishment of a State community action commission which would be representative of local community action boards and private and public human resources agencies and the State with no more than one-third of the membership representative of State and local officials.

A State plan would allocate money to local community action boards and to administer the program within the State.

Under this plan, the Director would have the full authority to make grants directly to community action boards in the absence of the State commission and to bypass the State commission if the commission is not fulfilling its responsibility.

The final change in the community action program would be to completely separate the allocation of funds for rural and urban programs.

Headstart would be transferred to the Office of Education with allocations through State commissions to local community action boards.

Job Corps would be under the Office of Vocational Education with authority to carry on present programs to phase-over present Job Corps centers into community and regional training facilities combined with community and regional residential training facilities integrated with area vocational schools and technical institutes.

A portion of the Neighborhood Youth Corps authorization would be used for an Industry Youth Corps which would provide private, meaningful, and productive employment for youngsters 16 to 22.

Military career centers would be established to give young men an opportunity of upgrading themselves so they can more readily meet military service requirements.

Finally, to aid in charting a course of a long-range crusade for opportunity, a three-man Council of Economic Opportunity Advisors would be established in the Office of the President to help eliminate poverty, undertake appropriate research studies, evaluate existing programs and recommend reorganization to eliminate waste and duplication.

Mr. COHELAN. Mr. Chairman, we have been considering the future of the poverty program for more than a week. In the course of this consideration, it has occurred to me that it would not have taken us this long if, instead of using the words "poor" and "poverty," we thought of the broken windows, heatless homes, rotting garbage, rats, roaches, shredded clothing, aching, hungry stomachs, meatless meals, sagging health, and the jobless men, women, and children which are behind these words "poor" and "poverty." If we really let ourselves think of these conditions, of the hopeless futures of the people in this environment, we would not tarry so long over an authorization to continue the most effective antidote to these conditions which we have yet been able to devise.

The conditions in which many of our citizens are living are intolerable—intolerable not only for those who live in them but for all of us as civilized, humane people in our affluent world. For the first time in the history it is physically possible for all the people in this country to have an adequate and decent life. What is wanting is the resolve of the people of this country and of this legislature to bring this possibility into reality.

Three years ago, when we passed the Economic Opportunity Act of 1964, we promised that we would try to bring about the end of poverty. We promised the poor people—those living in slum tenements and in rural cardboard shanties, those with jobless fathers and empty stomachs—that we would provide them with the help to help themselves.

These people believed this promise. They want to share in the world that exists in the movies and on television. The American dream is their dream too.

Especially young people are dreaming and hoping. They are tormented by the affluence that surrounds them but somehow seems to elude them. They want desperately to believe there will be the help that will let them earn their way in the world. But youth is impatient, and youth in the intolerable conditions of poverty, conscious of surrounding wealth, is doubly impatient and susceptible to the siren call of the demagogues who are everywhere.

The poverty program is vital for such young people. They have their lives ahead of them, lives which can be useful and productive, or if rejected and ignored, can become social dynamite. The poverty program is a bridge, a ladder, which will enable young people, both racial minorities and whites, to share in the good life that our country offers to most of us.

To the extent that we curtail our efforts to alleviate poverty, we can expect only anger, frustration, and despair. This vast group of frustrated young Americans will reject America, because of their own deep feelings of hopelessness, if we turn our backs on them.

None of us likes crime, violence, or riots, but we can be certain that these events will be with us until we relieve the pressures stemming from the frustrations and bitterness of broken promises and the denial of full opportunity. This the poverty program tries to do, and this we must continue to do until we have eliminated the problem. Until we act positively, the entire country will be set back, deprived of the productive work of these individuals, and at the same time repelled by conditions in the slums where they live, and frozen by middle-class fears of violence and hatred.

Ghetto conditions are intolerable, but

they are not insoluble. The Office of Economic Opportunity has been at work for 3 years, and the result has been revolutionary.

When OEO started, its task was to rush headlong into an area where no one possessed experience or proven ideas or even hard facts. Well, today, our universities, our schools, our cities, our Armed Forces, our newspapers, our authors, and most of all the poor, are at work and are concerned with the problems of poor people.

Where we had almost no information about the extent and depth of poverty in this country, we now have reams of data.

Where we had no experience, we now have tried techniques.

Where we had a very small store of ideas about poverty, we now have a proliferation of experiments and projects numbering in the thousands.

And most importantly, where we had no program, we have an innovative, established program which has made its impression in every State.

Of course this program has made mistakes. And surely there will be mistakes in the future. But the accomplishments of this program are remarkable.

OEO has established a legal services program which for the first time is bringing effective legal counsel to the poor. The law and the courts are no longer a tool only of the moneyed and well-lawyered people.

OEO has built comprehensive health care centers for the inner cities, bringing medical care to people who have not seen a doctor or a dentist in their lives.

OEO has helped to develop the leadership and organizational skills of the poor. They have helped to start daycare centers, consumer education projects, and family planning clinics.

And through OEO we have a Headstart program for disadvantaged children, with the involvement of the parents of those children and their middle-class counterparts.

Through OEO, too, we have the Neighborhood Youth Corps to help young men and women stay in school, earn the money to go back to school, or get the experience they need to get and hold a job.

OEO has run the Job Corps, where government and industry have combined to bring a new and constructive environment and outlook to thousands of youngsters.

OEO has fostered the Upward Bound program to encourage poor youngsters to achieve their academic potential and a college education.

OEO, too, has brought things never before thought possible to the migrant workers in this country.

OEO has programs to bring assistance to the quiet and often unnoticed poverty of rural areas.

And OEO has run the VISTA program where thousands of men and women of all ages have contributed their talents and most of all their dedication and inspiration to the task of making life better for all Americans.

This list is not complete. But it will suffice to indicate what has been done by this agency, and all within the short space of 3 years. And these things have not gone unnoticed. The people in our cities, the labor unions, the churches, the mayors, the lawyers and the schools have noticed and are supporting this program. The poor people recognize that efforts are being made to help them. They are on the wave of rising expectations and are dreaming the American dream. We cannot desert these people now.

And we will, I hope, not desert these people. We will pass a bill to continue the poverty program, and I would like now to address myself to two of the many areas deserving of attention in the consideration of the Economic Opportunity Amendments of 1967.

In my judgment, one of the most damaging provisions of the bill reported by the committee is section 223(c) which would require one-half of the local contributions to the poverty effort to be in cash.

I need not remind my colleagues of the difficulties which our local governments have in raising the revenues to meet even their most essential needs. In fact, it was this very difficulty which first led us to enact a whole series of Federal grant-in-aid programs.

There is a great and tragic irony in enacting a grant-in-aid program which would require communities with large numbers of impoverished residents to raise cash in order to get any help. The one thing poor people and poor communities do not have is cash.

The poverty program has helped communities to mobilize the resources they do have. Thousands of lawyers have volunteered their time. Thousands of classrooms which would otherwise go empty have been used for summer Headstart and adult education and training projects. Office space and telephones, buses and equipment have been contributed. The increased utilization of our resources is a tribute to the efforts of our communities. We should not reward this effort by abolishing the incentive for it.

Most importantly, however, we should not cripple the poverty effort as this provision would. For lack of cash, millions of dollars will be denied to the poorest communities, which cannot raise the funds. Local efforts will be needlessly and foolishly diverted from community action projects to other Federal programs or to less important poverty related programs not requiring cash contributions.

Mr. Chairman, I am opposed to the cash contribution requirement, and I would support an amendment to strike it from the bill.

There is another important part of the bill which is also facing serious debilitating amendments. I am speaking of the legal services program.

The neighborhood legal services program deserves the respect and commendation of us all. The lawyers working in this program, together with hundreds of volunteer attorneys, have brought a new confidence in the law to thousands of poor people in this country. These lawyers have brought fair and legal treatment not only to their clients, but to many others in similar situations who will receive the benefits of these efforts without the need of going to court. These lawyers have served as ombudsmen. They have protected all of us against the excesses and thoughtless decisions of what often seems to be a distant bureaucracy. These lawyers have provided the more usual legal services also. They have handled domestic relations matters, tenancy problems, debts and the like. And in so doing, they have curbed the illegal practices of many unscrupulous sellers, lenders and landlords.

The result is that we have learned that one of the most effective tools we have in helping the poor is the legal services program.

Now this effective program is faced with several crippling amendments.

The most invidious of these would prevent the lawyers in this program from bringing suits against the Government on behalf of their clients. Equal protection of the law is guaranteed to all of us by the Constitution. But the realization of this right is dependent upon access to the courts and the law. The idea of the legal services program is to insure this equal access. To deny access of the poor to lawyers, is to deny them access to the law. And to deny them access to suits against the Government is to deny them equal protection in the application of the law by the Government.

Perhaps even more importantly, to deny these people the right to petition their Government through the courts is to force them to petition their Government in the streets.

Some have objected to the idea of one federally paid attorney opposing another federally paid attorney. But this is not a novel concept. It occurs when the Justice Department appears before the Federal Communications Commission, and it occurs by constitutional mandate when the Federal courts appoint federally paid attorneys to represent the rights of accused felons who cannot afford a lawyer. Federal agencies and the courts have recognized that it is not possible to obtain one's full legal rights without a lawyer. We should not allow indigent litigants to be deprived of their rights against their Government by denial of counsel.

Another amendment to the legal services program would abolish it in favor of a so-called judicare system. The judicare system has considerable merits, but until there is enough money to provide lawyers for everyone who can afford them, this system will not provide the same constructive thrust which poverty-oriented lawyers provide. Further still, OEO is experimenting with this system, and I believe that we should await the outcome of that study before we depart from the present system that is working so well.

A third amendment to the legal services program would give a veto to local bar associations over the funding of local legal services projects. The committee bill provides that these associations be given the opportunity to present their views on the local programs. This is a considerable power to give to a local voluntary professional group. To give more power, in fact a veto, would be to allow a small group of nonelected officials to dictate to thousands of people.

These local bar groups are usually not

public bodies, and hence are free to discriminate in their membership practices. In fact, in some areas, lawyers have declined to join bar associations because of discriminatory membership practices. These nonpublic, nonregulated associations should not be given the power to regulate people against whom they may have discriminated.

Mr. Chairman, I would again like to urge our colleagues to support the Office of Economic Opportunity and our present efforts to meet the problems of poverty.

Mr. DONOHUE. Mr. Chairman, I most earnestly urge and hope that this House will overwhelmingly accept, with the adoption of substantial amendment improvements, this bill before us, S. 2388, the Economic Opportunity Amendments Act of 1967.

Back in 1964, our people and this Congress, through the enactment of the original Economic Act, declared war upon the poverty of some 30 millions of American citizens in this acclaimed land of abundance.

The bill now before us is intended to extend and carry on the programs that we then initiated for the successful conduct of the war. Let us further that intention and let us make certain there is sufficient appropriation ammunition made available in this bill to reasonably advance the war.

To those who entertain serious and sincere criticisms and skepticisms about various features of the overall operation of this great antipoverty program, let us give earnest and conscientious attention but let us also timely remind them that in every great war some weaknesses are bound to develop and even some battles may be lost. However, that may be, in this crusade for the poor and despairing among us, let us willingly accept wholesome improvements of majority will but, above all, let us get on with the war.

I very deeply believe that most Members here regard this national mission, basically to help the poor and the deprived to help themselves, as the most noble experiment and objective in which this Nation has ever engaged.

Embodied in this experiment and mission is the first real projection in our history of purposeful cooperative action on all governmental and private organizational levels, to help our poorer families reach for self-independence, to take young people off the street corners and train them for steady employment, and encourage the uncertain to remain in classrooms until they earn their diplomas.

Mr. Chairman, the original legislation initiated projects and programs to inspire our communities to create appropriate measures to eliminate the evil roots of poverty at the local level; to enlarge opportunities for our youth to obtain the basic education, skills, and experience they must have to take a proper place in our society and become responsible parents in the future; to provide a better base for the revitalization of poorer areas in our great metropolitan cities by expanding small business activities; to assist destitute rural families in achieving improved living standards through the extension of capital grants and loans; to project selective plans to benefit undereducated adults; to motivate more States to utilize public assistance as a means to help families help themselves; to throw off the discouragements of poverty and to recruit and train volunteers to carry out the war on poverty.

Mr. Chairman, I think any objective assessment of the programs and projects, as a whole, that were initiated by the original legislation, would show that they were soundly conceived and that they have mostly been faithfully and efficiently carried on.

Our business then today is to remedy and repair weaknesses that can be demonstrated and provide for the adequate continuation of this war to eliminate the desperations of tragic deprivation and dependency in this great Nation.

To those who would seriously question even the limited expenditures provided in this measure, we must ask them to just as seriously consider the cost of not approving this bill in terms of direct public assistance payments alone, which amount to some $4 billion per year.

In addition to these direct payments, it is commonly admitted that the indirect costs of poverty to this country, which show up in juvenile delinquency, crime, health hazards, higher police and fire protection costs, not to mention the loss of productive manpower, would total many billions more, and perhaps everlastingly, of the taxpayers money if we do not do something about it. From all the authoritative evidence and testimony that has been documented here during this debate, it should be obvious that this Nation cannot longer afford the dehumanizing effects of poverty upon our national morale and its tremendous economic drain upon government treasuries at all levels.

Let us, then, in an impartial legislative atmosphere, constructively build upon the experience of these past few years and proceed with the still unfinished task of eliminating the causes of poverty in this great Nation.

By no means do we suggest that programs of perpetual care are to be established. Our only intention is that poverty-stricken people, through no fault of their own, who need and will respond to help will continue to be given such help so that they will help themselves and gradually the desperate need of such help will diminish and the programs themselves can, accordingly, be correspondingly restricted and eventually eliminated.

Mr. Chairman, for those millions of Americans who are truly struggling to free themselves and their children from the haunting bonds of mass economic misery, let us extend our continuing help and encouragement for the simple reason that it is right for us to do so.

Also, Mr. Chairman, may I say it offers us here a timely opportunity to show our fellow citizens that this U.S. Congress is primarily concerned for, and obligated to, our own people who are still making great sacrifices for the cause of freedom and the promotion of peace and progress in so many other areas of an uncertain world.

Mr. RANDALL. Mr. Chairman, as we near the time of decision on this authorization for the poverty bill, I find it difficult to conceal my disappointment that the Committee of the Whole did not see fit to adopt the two amendments which I had proposed, which, in my best judgment, would have greatly improved the operation of the program in the rural areas.

True, there have been frequent and repeated complaints against the administration of the program in the suburban areas we represent. But the chief and principal complaints have come out of the eight rural counties it is my privilege to represent. They say their programs have never been adequately funded. I tried the best I could to put in language a formula to correct this imbalance between the rural and urban areas. Were it not for limitation of debate being imposed, my amendment might have fared better, because I believe our big-city colleagues are fairminded enough to realize that it is in their own interest to improve conditions in the rural areas.

Another amendment which I offered that I thought had a worthwhile purpose was to require consideration of the number of aging in a rural area as one of the criteria for the Director to correct an imbalance of programs. If it is true that the poverty program has a humanitarian purpose, and no one can be against the principle of the elimination of poverty, then the aged in the rural areas are truly the forgotten poor.

In supporting my amendment I made particular reference to and put emphasis upon those who receive only minimum social security benefits and those persons who receive special social security benefits because they have no record of coverage. All of these classes of persons receive well under $600 a year. Surely their lot should be bettered. I was keenly disappointed that this amendment was not accepted by the chairman of the committee, or at least favorably accepted by the Committee of the Whole. I feel certain the reason was because of the frantic hurry under limitation of debate without time enough for others of the same kind to join with me to explain the necessity as well as the importance of our amendment.

As I remarked near the end of general debate and before the bill was read for amendment I had an open mind on the authorization bill this year. At that time I said there had been a lot of criticism and complaint against the program but much of it concerned projects not in our congressional district. I reported there had been complaints made month after month against the administration of the program. Then within the last few weeks there have been some who spoke out in support. I noted these recent supporters were not our earlier correspondents who had changed their mind but were in praise of the program because of some direct or indirect connection with the operation of the program. I would have felt much better and this recent mail would have been much more persuasive had it been from those who had written earlier in complaint and had changed their mind to believe the program should continue at its present tempo.

To oppose a large authorization of over $2 billion at this time is not to be construed as being against those who are classified in one category or another as disadvantaged or in some particular or another as underprivileged. I have withheld final judgment on this authorization bill until all of the many amendments have been considered.

I am most disappointed there was a failure to eliminate the Green amendment which would provide for participation in the management of the program by political subdivisions. There have been many irregularities reported because of political participation but if this new part of the bill stands and becomes law as much as I regret to make the forecast it is my prediction we are going to have to listen in the year ahead to some most unpleasant news for mixing politics and poverty.

There are undoubtedly areas of our country, perhaps in Appalachia and maybe elsewhere that the economy is not good. In our congressional district with the exception of a portion of our rural areas the economy is the best it has ever been. In the suburban position of our district poverty has been taken care of by employment. As I try to reach a final decision whether or not to support this bill I cannot square in my own mind expenditures of near $2 billion nationwide when all the economists tell us we have an economy that is going so good they fear runaway inflation.

Mr. Chairman, it is not consistent to talk about reduction of all nondefense expenditures including the old established executive branches of gcvernment all to avoid a tax increase and then continue a new program such as the war on poverty without the same measure of cuts or reductions. If the fiscal year 1967 level of expenditures is to be fairly applied to all of the other executive departments the same rule should be applied to the Office of Economic Opportunity.

In reaching a decision to support a reduction in the overall authorization, I cannot be unmindful of the results of a poll we submitted to our constituents a few months ago. Fifty thousand questionnaires were sent out. Over 10 percent were returned. Only a small fraction of those who replied, or a little under 15 percent, favored continuing the program in its present form and the present amount of funding. Something less than 40 percent favored discontinuance or abolition of the entire program. About 37 percent favored transferring such worthwhile programs as Headstart and job training over to the appropriate Federal department or agency already peopled and housed to handle such programs and eliminate the Office of Economic Opportunity. While this effort to so transfer these failed in the amending process on the floor, reduced funding will permit these generally acceptable portions of the overall program to continue uninterrupted.

Mr. KEITH. Mr. Chairman, I understand that a motion to recommit the bill and cut the authorization to $1.6 billion will be offered. I will support that motion for several reasons.

First, although we have not made enough major improvements in the Economic Opportunity Act, we have made some changes which I feel will result in a better, more effective, and more efficient war against poverty.

On balance, the House has tightened up the antipoverty war in several major respects. There will be less politics involved, there will be closer supervision of programs, and more money should go to the poor now that we have eliminated supergrade positions and $100 per diem consultants. Community action programs which have elicited a good deal of controversy, such as voter registration drives, have been prohibited, and we have added penalties for inciting to riot, picketing, and demonstrating.

Unfortunately, efforts to promote closer cooperation with existing agencies and organizations, such as the United Fund, failed. I am also very concerned about the possible consequences of putting "city hall" in charge of poverty programs—enabling local politicians to use the poor as pawns in their struggle for power.

One program which I particularly wanted included in the bill we are about to vote on was the Industry Youth Corps. It would have enabled private industry to participate more in job training, at greatly reduced cost to the Federal Government, and provided productive jobs for our underemployed and unemployed. More money would have been available for the crucial area of job training than is currently available—at less cost to the taxpayer.

The second reason I can support the $1.6 billion figure is that this is the same amount of funds currently being utilized by the Office of Economic Opportunity. With cuts in administration costs, this $1.6 billion should go a lot further in combating misery and poverty in this Nation. In addition, it is nearly certain that the House and Senate conferees will come up with a compromise authorization somewhere between $2.3 billion and $1.6 billion—and I plan to support that increase in the House figure. Of course, Mr. Chairman, we all realize the vulnerability of an authorization figure to the appropriations process—and the House Appropriations Committee has already served notice that it does not intend to appropriate more than $1.6 billion for fiscal year 1968.

Mr. Chairman, two outstanding editorials which summed up my feelings on the povery program appeared recently in the New Bedford Standard Times. These editorials stress my point that although the war on poverty must be continued, and adequately funded, several aspects of the program could be much improved. I include these two editorials with my remarks:

[From the New Bedford (Mass.) Standard-Times, Nov. 8, 1967]

OEO Versus Congressional Irresponsibility

Undermined by ulterior motive, provincialism, partisan politics and evasive footdragging, the Congress pious declarations notwithstanding, has dealt a severe blow to the Office of Economic Opportunity by failing to provide promptly either funds or reform for OEO. As a result, thousands in the nation's trouble spots are on the threshold of bitter disillusion and OEO's director may resign.

At the moment, with no continuing resolution and no appropriation, OEO is out of funds. Its employes for the past week or two have been working as "volunteers," and between now and Nov. 30, approximately 50 community action agencies will have to close their doors unless Congress ends its anti-antipoverty harangue and acts.

The truth of the matter is that OEO has some good programs that have produced results, including the Job Corps, Head Start, Neighborhood Youth Corps and Upward Bound, for example.

It also is true that sensible reforms would insure more service per dollar. The original law creating OEO was loosely written; experience has shown that some programs consequently suffer from poor administration; others, such as legal services, compete with existing agencies or, in the social welfare areas, suffer from lack of professional competence.

OEO ought to be funded and reformed without delay and congressional reforms ought to concentrate on achieving greater community involvement and cooperation with existing private agencies, a need to which many OEO leaders would subscribe. There also ought to be increased recognition of the fact that no two communities are alike in need or makeup. For example, Small Business Development Center (SBDC) worked fine here, although this was not a national pattern, and perhaps also reflects variety in quality of leadership. Care also has to be taken in applying broad federal yardsticks of what is "good" for a local area.

As an example of the kind of OEO-community partnership that should be the national goal. New Bedford's Head Start program is outstanding.

OEO provides funds for health services and feeding in this preschool program; through HEW funds, the city's public school administration provides the other necessities, including professional services. This not only guarantees synchronization of school and preschool systems, as well as professional competence—it also means, because they share expenses, that both OEO and the schools have more dollars to spend elsewhere.

The basic weakness of OEO seems to have been rooted in the belief that since local agencies had not been able to eliminate community problems, it was necessary to set up totally new structures to cope with the same problems.

This ignores the fact that what frustrated most local agencies was lack of money. It also overlooks the fact that, in most cases, the best and cheapest way to handle a program is by supplementing the local agency and its professional staff—through making federal funds available to it—rather than competing with it, as has occurred in the case of legal services and other UF functions.

One of the biggest assets existing agencies and local professionals could give to OEO embraces (a) specific experience in the area, and (b) general experience in the professional field. Had OEO exploited these more fully from the beginning, much of its painful and wasteful experimentation—and the Job Corps is a good example of this—would not have been necessary.

Thus, proposals for OEO reform to which Congress should give serious attention are those, for example, that call for:

Consultation with courts, schools and other local authorities in Job Corps recruit screening.

Affording the community a "meaningful voice" in Job Corps center affairs.

Encouraging participation of employer and labor organizations and "capable public and private organizations" in work and training organizations, and authorizing programs to provide incentives to private profit-making employers to train low-income people.

Illustrating the area in which sensible reform can take place is the statement of purpose of OEO's community action programs. In the present law, it is stated very generally that the aim is to provide stimulation and incentives for communities to mobilize resources to combat poverty.

But the House committee spells this out, to include within this purpose "strengthening local capacity to relate assistance to local needs . . . and securing involvement of business, labor and private groups."

This is the key to a better OEO and more help for those who need it. Involve the community, and utilize its existing assets to the fullest.

Congress, which appears to have forgotten last summer's violent demonstrations in 27 communities and their obvious relationship to the hopelessness of the underprivileged, ought to wade out of the muddy waters of politics and get to work on a strengthened and improved OEO.

[From the New Bedford (Mass.) Standard-Times, Nov. 10, 1967]

A MORE EFFECTIVE WAR ON POVERTY

The nation's war on poverty ought not to be thwarted by congressional tightening of the purse strings, because the need for this type of effort is more, rather than less, critical than it was a year ago.

The general effort ought to be funded at the same, or even at a slightly higher level, that is, between $1.6 billion and $2 billion.

However, the evidence suggests that the new congressional appropriation ought to be accompanied by tighter and more competent Office of Economic Opportunity administration and the transfer of some OEO programs to existing federal or local agencies.

The OEO act of 1964 states: ". . . no funds appropriated to carry out this act shall be used to establish any new department or office when the intended function is being performed by an existing department or office."

It may well be, for example, that some of OEO's concern with education, such as the Head Start program, would be more appropriate in the Office of Education.

Onboard's legal services nationally might be turned over to legal aid societies or bar associations on a judicare concept, aimed at aiding low-income groups and giving them a choice of attorney. OEO already has done this in some Wisconsin counties.

There is insufficient critical analysis of OEO programs and their impact, locally and nationally. Present law requires Job Corps officials to "try to secure" information concerning "employment, etc." from former enrollees. The House Committee on Education and Labor bill would require "careful and systematic evaluation of the Job Corps program, including costs and benefits," and this is needed.

Similarly, with regard to OEO work and training programs, there is no provision in present law for program data and evaluation.

The House committee bill properly recommends "development and implementation of program data system and publication of results; continuing evaluation of programs as to effectiveness" and requires "comparative studies with other work and training programs; development and publication of standards of evaluation and achievement, to be used in decisions on financial assistance."

There is need within OEO for more coordination and cooperation with existing local welfare and service agencies. Purchase of services from existing agencies by OEO should be required, thus providing private agencies with new funds to acquire the expanded staff that would be needed.

The original purpose of OEO was to stimulate the private war on poverty, to utilize local resources—not to create a new federal structure to take over the job from already established agencies.

The United Fund spends approximately $600,000 yearly in this community. So does Onboard, Inc. Theoretically, this should mean twice the amount of service that UF alone could provide, but it does not because we now have competition, rather than coordination between the two.

In considering amendments to the OEO act, Congress should:

Place the emphasis on programs that educate and train for jobs, enabling the poor to help themselves.

Revise the community contribution formula. Communities now pay 10 per cent of OEO costs, in kind only. It is not unreasonable to increase the community contribution to 20 per cent, 10 of which could be in kind, and 10 in cash. This cash contribution would make taxpayers more concerned with the success or failure and general efficiency of OEO projects, which they now feel "cost us nothing." If OEO were required to purchase services from existing agencies, it might be possible to pay the 10 per cent in cash to UF agencies, for services provided for OEO programs.

Make it mandatory that officials of community action programs, such as ONBOARD, meet OEO's own professional and experience requirements. This is not always the case at present.

Keep Onboard and other war-on-poverty community action programs in independent non-profit corporations free of direct local political control. A House amendment would put local community action programs under control of local government and politicians.

Some OEO programs work reasonably well, including Neighborhood Youth Corps, Job Corps, Head Start, Small Business Development Center, and Upward Bound, at least as far as our local experience is concerned.

In other areas, such as legal services, Operation Mainstream, and Neighborhood Centers—especially bearing in mind that administrative salaries were listed as consuming an estimated $250,000-plus of New Bedford Onboard's fiscal 1967 appropriation—program purposes are intangible and results indefinite.

Further, it might reasonably be asked whether Onboard's Neighborhood Center information, referral and education functions are duplicating those of school and private agency programs.

Let's have money for OEO—but a tighter, more efficient OEO that serves more people more effectively.

Mr. DADDARIO. Mr. Chairman, debate in the House regarding the Economic Opportunity Act has occupied the broad attention of the entire Nation. In Hartford, Conn., where the public has been closely concerned with the opportunities and problems of the poverty campaign, a fine editorial appeared last week in the Catholic Transcript, publication of the archdiocese.

It warned of the dangers which might grow from the destruction of the program and of the bill. The Committee action removes those fears, but I believe the editorial deserves attention to show this domestic issue in balanced form. I therefore offer it for the RECORD, as follows:

FALSE ECONOMY IN THE HOUSE

The federal government's anti-poverty program is in immediate danger of assassination in the House of Representatives. The President has asked for an appropriation of about two billion dollars to fund the program for another year. Some leaders in the House propose cutting this by at least a half. Already, with available funds exhausted, anti-poverty projects are closing down in various parts of the country. The program as a whole is doomed to crippling, perhaps termination, if its enemies in the House prevail.

What is being requested by the President is roughly equivalent to what the Vietnam war is costing us each month. It is an anomaly, if not an obscenity, to contend that a country which can afford an outlay of two billion dollars a month for the prosecution of an apparently endless and bootless war on the remote Asiatic mainland, cannot afford a like sum for a whole year's effort to grapple with the root causes of the poverty which is blighting our cities and poisoning our society.

The attack on the anti-poverty program is being made in the name of economy. The program is said to be wasteful. Even if one grants that the Vietnam war is not, in its entirety, a monstrous waste unparalled in our history, there is still incalculable waste involved in it. Vietnamese profiteers have made fat fortunes at our expense. Huge amounts of supplies have been stolen. Hardly are they on the docks when the wholesale thievery begins. Other sizable amounts go into the black market. There have been allegations that some of our supplies expeditiously find their way into the hands of the forces we are fighting. The American taxpayers are taking a scandalous rooking. But the House economizers appear unconcerned. There is an occasional yelp of complaint, but nothing like the clamorous, concerted drive to kill the domestic anti-poverty program.

Why such stoic indifference to the greater waste, and such stern and self-righteous opposition to the lesser? And why, for that matter, such determination to economize at the expense of the desperately poor on the part of people who abruptly abandon concern about economy when it comes to legislation which reeks of the pork barrel and to tax legislation notoriously unjust in the favor it shows the richest of their constituents? It is small-mindedness, which fails utterly to grasp the critical situation in the cities and its fateful bearing on the health, stability, and future of the nation as a whole.

Some of the absurdly false economizers see their denial of adequate funds to the anti-poverty program as punitive. It is in some sense politically punitive, aimed at hurting the administration now in office. But this intention, although certainly operative, they would not admit. They do admit a wish to visit chastisement on those responsible for rioting in the cities. Yet the refusal of sufficient financing for the anti-poverty program is calculated not to quiet unrest but to increase and further embitter it. The punishment devised by the economizers will fall upon all the American people, as the consequences of a partial, pinchpenny address to the vast and critical problem of poverty begin to unfold.

Undoubtedly there have been mistakes in the anti-poverty program, some of them whoppers, most of them venial. But the program is still new, still experimental. There have also been mistakes in the space program, and far more costly ones. Is this a reason for abandoning or degutting the space program? We hear no such demands from the House or from any other quarter.

The conquest of poverty is incomparably more urgent than the conquest of space. A massive, sustained, imaginative, and expensive attempt to eliminate poverty, to give the poor means and incentive for self-betterment, to bring life and hope to a segment of our society which is turning gangrenous—with inescapably fatal consequences for the whole social organism: this is imperative. It is imperative not only in the interest of the poor, not only in that of the urban sector, but also in that of the country at large. It is probably the most important order of business now before the nation. But powerful forces in the House of Representatives are making monkey business of it.

Mr. MACHEN. Mr. Chairman, I rise in support of Senate bill 2388. I have listened with a great deal of interest to the debate on this bill, and I think that with exceptions the one thing that can be noted is the fact that we do have a problem to find ways to create constructively economic opportunities for disadvantaged people.

Many parts of the committee bill recognized the good points of the war on poverty effort and reinforced them. Likewise, many of the bad features of the program were recognized, and the committee made every effort to correct them in the bill it reported to the full House for consideration.

The committee recognized, among other things, the need for a greater emphasis on using existing facilities for the Job Corps, and for the more effective participation of the States in Job Corps programs and the coordination of the program with State-operated programs.

The bill also provides a comprehensive manpower approach with stronger provisions to insure better coordination at the local level and to include more private industry involvement. It gives State and local governments greater control over antipoverty community action programs.

I could go on and on about the good features of this bill but I think my point is clear. The program is too new to operate perfectly. No Federal program, no matter how well established, can claim this distinction.

It is my hope that passage of S. 2388 will mean that the echo of the war on poverty will no longer be going against the wind—but going with it instead. As more people hear about it, hopefully more will respond to the challenge it offers—not only to the poor but to all people.

By creating the war on poverty, we have established a means of bringing about social change, not social upheaval. I support the war on poverty because I believe that it is an investment in the future of the Nation. One of the best features of the programs being conducted by the Office of Economic Opportunity is the emphasis on education and motivation of the Nation's poor so that they will pull themselves up by their own bootstraps to become productive members of society. Once we do this, the need to spend staggering amounts of money on assistance programs will be eliminated.

I have been deeply disturbed that during the past 10 years of unprecedented prosperity the cost of public welfare programs has almost tripled. This makes it abundantly clear that the welfare programs of the past have not provided the proper solutions. We must remember that after the great depression there was a realization that there was a growing need for the Federal Government to establish broader and more extensive programs for assistance to the poor than had been undertaken previously.

Two of the major principles which were recognized in 1935 in establishing new programs of public assistance to the poor were that, first, the national interest requires all people have sufficient income to maintain a standard of living which is conducive to their health and well-being, and, second, all people should have the opportunity to meet their basic needs for living through their own efforts, with the Federal Government only helping where absolutely necessary.

In 1951, long before I was elected to Congress, and also long before the idea of the war on poverty under the Office of Economic Opportunity was conceived, I chaired a committee in Prince Georges County, Md., which looked into the welfare programs then in operation. The objective of this investigation was to determine whether these programs were attaining the objectives for which they had been established. The committee determined, that, as a means of moving any substantial number of recipients out of a state of dependency, these programs were, on the whole, proving to be dismal failures. Therefore, the committee recommended that the county of Prince Georges consider getting out of the Federal-State program and establishing a county program of rehabilitation and vocational training. It is almost 15 years later that we have seen this approach being used and at the same time not penalizing the poor by eliminating the dismal welfare approach of the last 30 years.

A recent article which I read on current trends in Federal aid indicated that during the calendar year ending December 31, 1966, about $3.5 billion in Federal funds had been distributed to the States to be passed on to those receiving public assistance. For this same time period, the States spent almost $2 billion and local contributions amounted to $0.6 billion. In one program alone, the aid for dependent children program, the Federal Government expended almost $1.2 billion, the States $0.6 billion, and the local contribution was $0.2 billion. It seems to me that this is a lot of money to be spending on programs which are doing nothing more than keeping people on the dole rather than providing them with incentives to get off it and become productive members of society.

The Social Security Act amendments to the aid for dependent children program, now being debated by the Senate, represent a new awareness on the part of Congress that there is a need for this program to be redirected. Even though the Senate has softened the provisions of the House-passed bill somewhat, it appears that the final bill will require for the first time, as a condition for receiving Federal funds, the establishment of mandatory work-training programs. This bill would also modify the senseless policy that has discouraged welfare recipients from working by deducting from their grants any amounts they are able, independently, to earn.

By creating a Job Corps, the work and training programs, the community action agencies, the rural area program improvement, investment incentive programs and the VISTA program—all these new approaches—I am sure we in Congress will be watching very closely their operation after the enactment of this legislation. I am not naive enough to think that even with the enactment of this bill we will cure or correct all the problem areas that develop through the operation of a broad fight against poverty. But with the enactment of this new legislation, we are deleting some of the inherent weaknesses and we are buttressing some of the strengths in order to move ahead comprehensively and constructively.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY of New York, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (S. 2388) to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act, and for other purposes, pursuant to House Resolution 966, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment adopted in the Committee of the Whole?

Mr. FINO. Mr. Speaker, I demand a separate vote on my amendment, which is on page 163, line 6.

The SPEAKER. Is a separate vote demanded on any other amendment?

Mr. GURNEY. Mr. Speaker, I demand a separate vote on my amendment on page 188, which is the amendment to prohibit funds or personnel to be utilized for unlawful demonstrations or civil disturbances.

The SPEAKER. The Clerk will report the first amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 163, strike the period and insert a semicolon in line 6, and after line 6, insert the following:

"(5) no person charged, in whole or in part, with responsibility for administration of the program is, or ever has been, a member of the Communist Party."

The SPEAKER. The question is on the amendment.

Mr. FINO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment on which a separate vote has been demanded.

The Clerk read as follows:

On page 188, after line 18, insert: "No funds or personnel made available for such program (whether conducted pursuant to this section or any other section in this act) shall be utilized (A) to organize or assist in organizing any unlawful demonstration or civil disturbance, or (B) for the defense of any person charged with participating therein or with the commission of a crime committed in the course thereof; if such person organized, or assisted in organizing, any such demonstration, or such civil disturbance."

The SPEAKER. The question is on the amendment.

Mr. GURNEY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 332, nays 79, not voting 21, as follows:

[Roll No. 386]

YEAS—332

Abbitt
Abernethy
Adair
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Arends
Ashbrook
Ashley
Ashmore
Ayres
Baring
Bates
Battin
Belcher
Bell
Bennett
Berry
Betts
Bevill
Biester
Blackburn
Blanton
Boggs
Boland
Bolton
Bow
Bray
Brinkley
Brock
Brooks
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson
Burton, Utah
Bush
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Chamberlain
Clancy
Clark
Clausen, Don H.
Cleveland
Collier
Colmer
Conable
Corbett
Cowger
Cramer
Cunningham
Curtis
Daddario
Daniels
Davis, Ga.
Davis, Wis.
de la Garza
Delaney
Denney
Derwinski
Devine
Dickinson
Dole
Donohue
Dorn
Dowdy
Downing
Dulski
Duncan
Edmondson
Edwards, Ala.
Edwards, La.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fallon
Fascell
Feighan
Findley
Fino
Fisher
Flood
Flynt
Foley
Ford, Gerald R.
Fountain
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Fuqua
Galifianakis
Gardner
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Goodell
Goodling
Gray
Green, Oreg.
Griffiths
Gross
Grover
Gubser
Gude
Gurney
Hagan
Haley
Hall
Halleck
Halpern
Hamilton
Hammerschmidt
Hanley
Hansen, Idaho
Hansen, Wash.
Hardy
Harrison
Harsha
Harvey
Hays
Hébert
Hechler, W. Va.
Henderson
Horton
Hosmer
Hull
Hungate
Hunt
Hutchinson
Ichord
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Kazen
Kee
Keith
Kelly
King, N.Y.
Kleppe
Kluczynski
Kornegay
Kupferman
Kuykendall
Kyl
Kyros
Landrum
Langen
Latta
Lennon
Lipscomb
Lloyd
Long, La.
Lukens
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McMillan
Macdonald, Mass.
Machen
Madden
Mahon
Mailliard
Marsh
Mathias, Calif.
May
Mayne
Meskill
Michel
Miller, Calif.
Miller, Ohio
Mills
Minish
Minshall
Mize
Monagan
Montgomery
Moore
Morgan
Morris, N. Mex.
Morton
Mosher
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
O'Konski
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pirnie
Poage
Poff
Pollock
Pool
Price, Tex.
Pryor
Pucinski
Purcell
Quie
Quillen
Railsback
Randall
Rarick
Reid, Ill.
Reifel
Reinecke
Rhodes, Pa.
Riegle
Rivers
Roberts
Robison
Rodino
Rogers, Fla.
Rooney, Pa.
Rostenkowski
Roth
Roudebush
Roush
Rumsfeld
Ruppe
St Germain
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Schneebeli
Schweiker
Schwengel
Scott
Selden
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Tiernan
Tuck
Tunney
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Walker
Wampler
Watkins
Watson
Watts
Whalen
Whalley
White
Whitener
Whitten
Widnall
Williams, Pa.
Wilson, Bob
Wilson, Charles H.
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Young
Zablocki
Zion
Zwach

NAYS—79

Adams
Barrett
Bingham
Blatnik
Bolling
Brademas
Brasco
Brown, Calif.
Burton, Calif.
Button
Byrne, Pa.
Celler
Cohelan
Conyers
Corman
Culver
Dawson
Dellenback
Dent
Diggs
Dingell
Dow
Eckhardt
Edwards, Calif.
Farbstein
Ford, William D.
Fraser
Gallagher
Gilbert
Gonzalez
Green, Pa.
Hanna
Hathaway
Hawkins
Helstoski
Hicks
Holifield
Holland
Howard
Irwin
Jacobs
Karsten
Karth
Kastenmeier
King, Calif.
Leggett
Long, Md.
McCarthy
Mathias, Md.
Matsunaga
Meeds
Mink
Moorhead
Morse, Mass.
Moss
Murphy, Ill.
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
Olsen
Pike
Price, Ill.
Rees
Reid, N.Y.
Resnick
Reuss
Rogers, Colo.
Ronan
Rooney, N.Y.
Rosenthal
Roybal
Ryan
Scheuer
Tenzer
Thompson, N.J.
Waldie
Wiggins
Yates

NOT VOTING—21

Andrews, Ala.
Annunzio
Aspinall
Broomfield
Clawson, Del
Conte
Dwyer
Everett
Heckler, Mass.
Herlong
Kirwan
Laird
McClory
MacGregor
Martin
Multer
Rhodes, Ariz.
St. Onge
Utt
Williams, Miss.
Willis

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. Kirwan with Mr. Broomfield.

Mr. St. Onge with Mr. Utt.

Mr. Annunzio with Mr. Conte.

Mr. Andrews with Mr. Rhodes of Arizona.

Mr. Herlong with Mr. Martin.

Mr. Aspinall with Mr. McClory.

Mr. Williams of Mississippi with Mr. Laird.

Mr. Everett with Mrs. Heckler of Massachusetts.

Mr. Multer with Mrs. Dwyer.

Mr. Willis with Mr. Del Clawson.

Mr. MOSS changed his vote from "yea" to "nay."

Mr. PATMAN, Mr. EVANS of Colorado, and Mr. MACDONALD of Massachusetts changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

MOTION TO RECOMMIT

Mr. AYRES. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. AYRES. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. AYRES moves to recommit the bill, S. 2388, to the Committee on Education and Labor with instructions that it forthwith be reported back to the House with the following amendment: On page 128, in line 6 strike out "$2,060,000,000" and insert "$1,600,000,000"; in line 8 strike out "$874,000,000" and insert "$667,500,000"; in line 10 strike out "$1,022,000,000" and insert "$776,500,000"; in line 13 strike out "$16,000,000" and insert "$14,000,000"; and in line 14 strike out "$31,000,000" and insert "$25,000,000".

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 221, nays 190, not voting 21, as follows:

[Roll No. 387]

YEAS—221

Abbitt
Abernethy
Adair
Anderson, Ill.
Andrews, N. Dak.
Arends
Ashbrook
Ashmore
Ayres
Baring
Bates
Battin
Belcher
Bennett
Berry
Betts
Bevill
Biester
Blackburn
Blanton
Bolton
Bow
Bray
Brinkley
Brock
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Burton, Utah
Bush
Byrnes, Wis.
Cabell
Cahill
Casey
Cederberg
Chamberlain
Clausen, Don H.
Cleveland
Collier
Colmer
Conable
Cramer
Cunningham
Curtis
Davis, Ga.
Davis, Wis.
Dellenback
Denney
Derwinski
Devine
Dickinson
Dole
Dowdy
Downing
Duncan
Dwyer
Edwards, Ala.
Edwards, La.
Erlenborn
Eshleman
Findley
Fino
Fisher
Flynt
Ford, Gerald R.
Fountain
Frelinghuysen
Fuqua
Gardner
Gathings
Gettys
Giaimo
Goodell
Goodling
Gross
Grover
Gubser
Gurney
Hagan
Haley
Hall
Halleck
Hammerschmidt
Hansen, Idaho
Hardy
Harrison
Harvey
Hébert
Henderson
Hosmer
Hull
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Keith
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Landrum
Langen
Latta
Lennon
Lipscomb
Lloyd
Long, La.
Lukens
McClure
McCulloch
McDonald, Mich.
McEwen
McMillan
Mahon
Mailliard
Marsh
Mathias, Calif.
May
Mayne
Michel
Miller, Ohio
Mills
Mize
Montgomery
Morris, N. Mex.
Morton
Mosher
Myers
Natcher
Nelsen
Nichols
O'Konski
O'Neal, Ga.
Passman
Pettis
Poage
Poff
Pollock
Pool
Price, Tex.
Pryor
Purcell
Quie
Quillen
Railsback
Randall
Rarick
Reid, Ill.
Reifel
Reinecke
Rivers
Roberts
Robison
Rogers, Fla.
Roth
Roudebush
Rumsfeld
Sandman
Satterfield
Saylor
Schadeberg
Scherle

Schneebeli
Schwengel
Scott
Selden
Shriver
Sikes
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Taft
Talcott
Taylor
Teague, Calif.
Thompson, Ga.
Thomson, Wis.
Tuck
Vander Jagt
Waggonner
Wampler
Watkins
Watson
Watts
Whalley
White
Whitener
Whitten
Widnall
Wiggins
Williams, Pa.
Wilson, Bob
Winn
Wyatt
Wydler
Wylie
Wyman
Zion
Zwach

NAYS—190

Adams
Addabbo
Albert
Anderson, Tenn.
Ashley
Barrett
Bell
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Brooks
Brown, Calif.
Brown, Mich.
Burke, Mass.
Burton, Calif.
Button
Byrne, Pa.
Carey
Carter
Celler
Clancy
Clark
Cohelan
Conyers
Corbett
Corman
Cowger
Culver
Daddario
Daniels
Dawson
de la Garza
Delaney
Dent
Diggs
Dingell
Donohue
Dorn
Dow
Dulski
Eckhardt
Edmondson
Edwards, Calif.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fallon
Farbstein
Fascell
Feighan
Flood
Foley
Ford, William D.
Fraser
Friedel
Fulton, Pa.
Fulton, Tenn.
Galifianakis
Gallagher
Garmatz
Gibbons
Gilbert
Gonzalez
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gude
Halpern
Hamilton
Hanley
Hanna
Hansen, Wash.
Harsha
Hathaway
Hawkins
Hays
Hechler, W. Va.
Helstoski
Hicks
Holifield
Holland
Horton
Howard
Irwin
Jacobs
Joelson
Johnson, Calif.
Karsten
Karth
Kastenmeier
Kazen
Kee
Kelly
King, Calif.
Kluczynski
Kupferman
Kyros
Leggett
Long, Md.
McCarthy
McDade
McFall
Macdonald, Mass.
Machen
Madden
Mathias, Md.
Matsunaga
Meeds
Meskill
Miller, Calif.
Minish
Mink
Minshall
Monagan
Moore
Moorhead
Morgan
Morse, Mass.
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill, Mass.
Ottinger
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pike
Pirnie
Price, Ill.
Pucinski
Rees
Reid, N.Y.
Resnick
Reuss
Rhodes, Pa.
Riegle
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ryan
St Germain
Scheuer
Schweiker
Shipley
Sisk
Slack
Smith, Iowa
Stafford
Staggers
Sullivan
Tenzer
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Walker
Whalen
Wilson, Charles H.
Wolff
Wright
Yates
Young
Zablocki

NOT VOTING—21

Andrews, Ala.
Annunzio
Aspinall
Broomfield
Clawson, Del
Conte
Everett
Heckler, Mass.
Herlong
Kirwan
Laird
McClory
MacGregor
Martin
Multer
Rhodes, Ariz.
St. Onge
Teague, Tex.
Utt
Williams, Miss.
Willis

So the motion to recommit was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Utt for, with Mr. Kirwan against.

Mr. Rhodes of Arizona for, with Mr. Annunzio against.

Mr. Martin for, with Mr. Multer against.

Mr. Andrews of Alabama for, with Mr. Broomfield against.

Mr. Everett for, with Mr. St. Onge against.

Mr. Herlong for, with Mrs. Heckler of Massachusetts against.

Mr. McClory for, with Mr. Aspinall against.

Until further notice:

Mr. Teague of Texas with Mr. Laird.

Mr. Willis with Mr. MacGregor.

Mr. Williams of Mississippi with Mr. Del Clawson.

Mr. CLANCY changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

Mr. PERKINS. Mr. Speaker, pursuant to the instructions of the House in the motion to recommit, I report back the bill S. 2388 with an amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

> On page 128, in line 6 strike out "$2,060,000,000" and insert "$1,600,000,000"; in line 8 strike out "$874,000,000" and insert "$667,500,000"; in line 10 strike out "$1,022,000,000" and insert "$776,500,000"; in line 13 strike out "$16,000,000" and insert "$14,000,000"; and in line 14 strike out "$31,000,000" and insert "$25,000,000".

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. PERKINS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 283, nays 129, not voting 20, as follows:

[Roll No. 388]

YEAS—283

Adair
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Ashley
Ayres
Baring
Barrett
Bates
Battin
Bell
Biester
Bingham
Blanton
Blatnik
Boggs
Boland
Bolling
Bolton
Bow
Brademas
Brasco
Brooks
Brotzman
Brown, Calif.
Brown, Ohio
Burke, Mass.
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Cabell
Cahill
Carey
Carter
Casey
Celler
Clark
Clausen, Don H.
Cleveland
Cohelan
Conable
Conyers
Corbett
Corman
Cowger
Culver
Cunningham
Daddario
Daniels
Dawson
de la Garza
Delaney
Dellenback
Dent
Diggs
Dingell
Donohue
Dorn
Dow
Downing
Dulski
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Edwards, La.
Eilberg
Esch
Evans, Colo.
Evins, Tenn.
Fallon
Farbstein
Fascell
Feighan
Flood
Foley
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Fulton, Tenn.
Galifianakis
Gallagher
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Hardy
Harrison
Harvey
Hathaway
Hawkins
Hays
Hechler, W. Va.
Helstoski
Hicks
Holifield
Holland
Horton
Hosmer
Howard
Hunt
Irwin
Jacobs
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Ala.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
King, N.Y.
Kluczynski
Kupferman
Kyl
Kyros
Landrum
Leggett
Lloyd
Long, Md.
Lukens
McCarthy
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
Macdonald, Mass.
Machen
Madden
Mahon
Mailliard
Mathias, Md.
Matsunaga
May
Meeds
Meskill
Miller, Calif.
Mills
Minish
Mink
Minshall
Monagan
Moore
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poage
Pollock
Price, Ill.
Pryor
Pucinski
Purcell
Railsback
Rees
Reid, Ill.
Reid, N.Y.
Resnick
Reuss
Rhodes, Pa.
Riegle
Roberts
Robison
Rodino
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Saylor
Scheuer
Schneebeli
Schweiker
Shipley
Shriver
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stephens
Stratton
Stubblefield
Sullivan
Taft
Talcott
Tenzer
Thompson, N.J.
Tiernan
Tunney
Udall
Ullman
Van Deerlin
Vender Jagt
Vanik
Vigorito
Waldie
Walker
Wampler
Watts
Whalen
Whalley
White
Widnall
Wilson, Bob
Wilson, Charles H.
Wolff
Wright
Wyatt
Wydler
Wylie
Wyman
Yates
Young
Zablocki
Zwach

NAYS—129

Abbitt
Abernethy
Arends
Ashbrook
Ashmore
Belcher
Bennett
Berry
Betts
Bevill
Blackburn
Bray
Brinkley
Brock
Brown, Mich.
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson
Byrnes, Wis.
Cederberg
Chamberlain
Clancy
Collier
Colmer
Cramer
Curtis
Davis, Ga.
Davis, Wis.
Denney
Derwinski
Devine
Dickinson
Dole
Dowdy
Duncan
Edwards, Ala.
Erlenborn
Eshleman
Findley
Fino
Fisher
Flynt
Ford, Gerald R.
Fountain
Fuqua
Gardner
Gathings
Gettys
Goodell
Gross
Gurney
Hagan
Haley
Hall
Halleck
Hansen, Idaho
Harsha
Hébert
Henderson
Hull
Hungate
Hutchinson
Ichord
Jarman
Jones, Mo.
Jones, N.C.
Kleppe
Kornegay
Kuykendall
Langen
Latta
Lennon
Lipscomb
Long, La.
McClure
McMillan
Marsh
Mathias, Calif.
Mayne
Michel
Miller, Ohio
Mize
Montgomery
Myers
Nelsen
Nichols
O'Neal, Ga.
Passman
Poff
Pool
Price, Tex.
Quie
Quillen
Randall
Rarick
Reifel
Reinecke
Rivers
Rogers, Fla.
Roudebush
Satterfield
Schadeberg
Scherle
Schwengel
Scott
Selden
Sikes
Smith, Calif.
Smith, Okla.
Snyder
Steiger, Ariz.
Stuckey
Taylor
Teague, Calif.
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Tuck
Waggonner
Watkins
Watson
Whitener
Whitten
Wiggins
Williams, Pa.
Winn
Zion

NOT VOTING—20

Andrews, Ala.
Annunzio
Aspinall
Broomfield
Clawson, Del
Conte
Everett
Heckler, Mass.
Herlong
Kirwan
Laird
McClory

MacGregor
Martin
Multer
Rhodes, Ariz.
St. Onge
Utt
Williams, Miss.
Willis

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Kirwan for, with Mr. Martin against.

Mr. St. Onge for, with Mr. Everett against.

Mr. Annunzio for, with Mr. Utt against.

Mr. Aspinall for, with Mr. Rhodes of Arizona against.

Mrs. Heckler of Massachusetts for, with Mr. Andrews of Alabama against.

Mr. Broomfield for, with Mr. Herlong against.

Until further notice:

Mr. Multer with Mr. Laird.

Mr. Williams of Mississippi with Mr. Del Clawson.

Mr. Willis with Mr. McClory.

Mr. COWGER and Mr. PETTIS changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The title was amended so as to read: "An act to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, and for other purposes."

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 2388, ECONOMIC OPPORTUNITY AMENDMENTS OF 1967

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the House insist on its amendments to the bill (S. 2388) to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, and for other purposes, and request a conference with the Senate on the disagreeing votes thereon.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? The Chair hears none, and appoints the following conferees: Mr. PERKINS, Mrs. GREEN of Oregon, Messrs. THOMPSON of New Jersey, DENT, PUCINSKI, DANIELS, ALBERT, GIBBONS, AYRES, QUIE, GOODELL, ASHBROOK, ERLENBORN, and DELLENBACK.

Mr. ARENDS. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. ARENDS. Mr. Speaker, could the Speaker inform us as to how many Members were appointed as conferees for both the majority and the minority parties?

The SPEAKER. It is 8 and 6.

Mr. ARENDS. I thank the Speaker.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. YOUNG. Mr. Speaker, I ask unanimous consent that the Committee on Rules have until midnight tonight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISTINGUISHED SERVICE CITATION AWARDED EARL J. MORGAN

Mr. PRICE of Illinois. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE of Illinois. Mr. Speaker, on many occasions in the recent past, members of the House Armed Services Committee have stood in this chamber and praised the very capable and dedicated professional staff members of our committee. Last year our chief counsel, John R. Blandford, was singled out for a Rockefeller Public Service Award. Now a member of our staff has been honored by the Reserve Officers Association of the United States. On November 4, at its fall meeting in Biloxi, Miss., the ROA presented Mr. Earl J. Morgan its Distinguished Service Citation in recognition of his outstanding service on behalf of National Defense and the Reserve Officers Association.

Many Members of Congress remember Earl as a page in the House of Representatives prior to World War II. I first met him in the fall of 1939 when I was a staff member in the office of my predecessor, the Honorable Edwin M. Schaefer. Earl left us in the fall of 1942 to enlist in the Army Air Corps as a private. He was honorably discharged in July 1945 after taking part in 33 combat missions as a navigator on B-24's with the 8th Air Force in Europe. His awards and decorations included the Distinguished Flying Cross and the Air Medal with four oak leaf clusters.

Earl again worked for us here on the House floor after the war while completing his college education at George Washington University. Shortly after that he accepted an appointment as a special agent with the Federal Bureau of Investigation and was stationed in St. Louis, Mo., just across the river from my congressional district.

The excitement and interest in being a part of the legislative process remained with him. In February 1955 he returned to the House to work for the Military Operations Subcommittee of the Committee on Government Operations. He joined the professional staff of the Armed Services Committee in July 1963.

The Distinguished Service Citation just bestowed upon him praises his outstanding service as a professional staff member of four important subcommittees. It has been my pleasure and good fortune to chair two of those subcommittees, Military Airlift and Research and Development, so I can attest to the merit of this award.

It is my great pleasure to call to the attention of the House the citation. It reads as follows:

RESERVE OFFICERS ASSOCIATION OF THE UNITED STATES DISTINGUISHED SERVICE CITATION AWARDED TO EARL J. MORGAN, NOVEMBER 4, 1967

Mr. Earl J. Morgan has performed outstanding service as a Professional Staff Member, Committee on Armed Services, United States House of Representatives from July 1963 to present date. During this period he has served with distinction as Counsel to four important Subcommittees; the Military Airlift Subcommittee, the Research and Development Subcommittee, and the Special Investigation Subcommittee on Commercial Air Transportation for Servicemen on Leave and on the M-16 Rifle. In each case his keen judgment and critical understanding, his splendid spirit of service and faithfulness of effort have received the fullest praise of his Chairman.

Having been a public servant most of his adult years he has brought to any purpose dignity and the very essence of excellence.

His expertness and efforts have contributed significantly to the strength and effectiveness of our Armed Services. Thus this Association honors Mr. Earl J. Morgan for his outstanding contribution to National Security.

GENERAL LEAVE TO EXTEND

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members be permitted to revise and extend their remarks during debate on section 103 of S. 2388 in the Committee of the Whole and immediately preceding the vote on my amendment.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

UNFAIR COMPETITION BY ECONOMIC DEVELOPMENT ADMINISTRATION HEARINGS

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, this morning the Special Subcommittee on Economic Development Programs of the Committee of Public Works, opened its third public hearings investigating and studying the Economic Development Administration. These hearings have been ably conducted by the distinguished gentleman from Oklahoma [Mr. EDMONDSON].

Today's hearing, which I have long urged, addressed itself to the overall status of our economic development projects, and in particular, to section 702 of the Public Works and Economic Development Act of 1965. Section 702 was designed to prevent unfair competition. There has been much confusion over the Administration's interpretation of this section. Indeed, one of the objects of these hearings is to clear up this confusion, for both the public and the EDA.

It is my hope that these hearings will resume after the Thanksgiving break, and consider some cases where the EDA has apparently failed to carry out the intent of the law. At least three serious and apparent violations have been brought to our attention: the United Clay Pipe case in Oklahoma, the Blue Ridge Nursery case in North Carolina, and the Sugar Refinery case in Maine.

Mr. Speaker, I wish to place into the Record at this point my opening statement before the special Subcommittee on Economic Development Programs this morning:

Opening Statement of the Honorable James C. Cleveland Before the Special Subcommittee on Economic Development Programs of the Committee on Public Works, November 15, 1967

Mr. Chairman, I would like this morning to welcome Secretary O'Malley and his associates. It is my understanding Mr. Davis has a meeting with the Vice President and thus cannot be here. I am somewhat disappointed, however, that these hearings come so late in the session.

A little over a month ago we enacted legislation amending the Public Works and Economic Development Act of 1965. I regret that today's hearings did not precede that legislation.

I understand that one of today's topics concerns section 702 of the Act which I offered, and which was amended by Congressman McCarthy. I am pleased that this has been selected as a topic, especially since our previous hearings have indicated much confusion in the administration's "interpretation" of this section. I am hopeful that today's session may lead to a clearer understanding of the direction which has been taken by EDA in administering section 702. There is presently reason to believe the legislative intent of 702 is not being fully implemented.

In my opinion, Mr. Chairman, much of the criticism I have heard directed toward the Economic Development Administration is the direct outgrowth of the Administration's failure to communicate adequately with this Committee. Obtaining copies of such obviously public documents as published regulations, policies and procedures has been a difficult, time-consuming chore. I hope that one mutually beneficial result of these hearings will be that the staff of the Economic Development Administration will be instructed to place the staff of this Subcommittee on the regular mailing list for all published regulations, policies and procedures, to respond promptly to requests for information and material, and, perhaps most important, to make an affirmative effort to keep the staff informed about actions and decisions which are likely to become controversial.

The Committee on Public Works reported the legislation which created the Economic Development Administration. The Committee should be kept informed as to the way the program is being carried out without having to launch an investigation every time a new question is raised.

A case in point is the interpretation of section 702 of the Act. The agency interpretation is evidently based upon a study entitled, "The Measurement of Industrial Capacity" prepared by Economic Associates, Inc. Although the report was dated October 1966, and despite the fact that the report "gratefully acknowledges" my assistance, the fact of the matter is that I did not see the report until long after its date of publication.

UNWANTED SPOTLIGHT

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Findley] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. FINDLEY. Mr. Speaker, a recent column in the Colpey newspapers by Dumitru Danielopol on Rumania brought out an unfortunate aspect on that country's current situation which negates somewhat the progressive developments that have been evident in that state, revealing unfortunate setbacks. I insert it in the Record at this point:

Unwanted Spotlight

(By Dumitru Danielopol)

Washington.—Romania's slip is showing.

Corneliu Manescu, Romania's foreign minister, was elected president of the United Nations General Assembly and he looks good on television, but that's not enough.

The Romanians figured that this honor—it is the first Communist country to seat a U.N. president—was going to give them carte blanche in the West.

Admittedly, the U.N. has long ceased to be the kind of organization its creators dreamed of 22 years ago, but it still passes as the world's greatest forum. And that is where Bucharest is getting into trouble.

The U.N. members still pay lip service to the rights and liberties which the charter guarantees and Manescu's election turns the spotlight on conditions inside Romania. Despite carefully arranged props, the fact remains that the Romanian government holds all the tyrannical powers of a Stalinist state.

The reshuffling of the police set-up last August tightened control over the population rather than relaxing it. Bucharest moved in the opposite direction of other satellites.

Romanians requesting exit permits to visit relatives abroad are immediately suspect. They come under closer police scrutiny than before.

Few permits are granted. It takes sometimes years before one is issued.

Requests from relatives abroad for passports for loved ones are rejected in the great majority of cases; even when the people involved are sick and old and have no further value to the "state."

Foreign embassies in Bucharest are out of bounds to most Romanians. Citizens cannot be invited to Embassy functions without prior approval by the foreign office. Even tourists visiting Romania are not secure.

Many former Romanians, who now have another nationality, have been arrested. "Agence France-Presse" recently reported from Bonn that 14 Germans of Romanian origin were sent to jail. The total of arrests of former Romanians reached 165 in September, it said.

The charge? The Romanian police said the persons had, in many cases, visited Romania too often, which qualified them as "spies."

"Of the Communist governments in Europe, Romania has been one of the most tightly organized and controlled," says the Washington Star correspondent from Bucharest.

How does Manescu behave at the U.N.?

Like any good Communist.

With brazen effrontery he slipped out of his chair the other day, passed the gavel to his Indian substitute and joined the other Communist delegations as they marched out when the delegate from South Africa rose to address the assembly. The Communists called it a protest against the apartheid policy.

But Manescu, as president of the assembly, is supposed to be neutral.

Little things like that will cause trouble for Romania.

Her economy is in shambles, despite claims to the contrary, and she is knocking at the door of Western Europe and the United States for long term credits, understanding and help.

Before she gets it, she'd better fix that slip.

She might start by making concessions to the people of Romania whose rights are guaranteed by the charter of the United Nations.

TRADING WITH THE ENEMY

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Findley] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. FINDLEY. Mr. Speaker, the House debate on the recommittal of the foreign aid conference report offered by the gentleman from Iowa [Mr. Gross] received wide publicity in South Vietnam. A copy of the news report as published in the Saigon Daily News of November 10 was sent to me by Sgt. Philip Watts who is on duty with Allied forces in South Vietnam.

Sergeant Watts is not only disturbed about our reluctance to bring economic pressures against nations trading with the enemy, but also is interested in the long-term objective of building a federation to link free world nations.

Here is the letter from Sergeant Watts together with the reprint from the Saigon Daily News:

APO San Francisco,
November 10, 1967.

Representative Paul Findley,
U.S. House of Representatives,
Washington, D.C.

Dear Sir: Thank you for your stand in support of us in Vietnam.

In reference to the enclosed copy of an article which appeared in the Saigon Daily News, November 10, I can only say that thousands of American G.I.'s who read it were shocked and bewildered that such a large number of their "Congressmen" would deny them the support necessary to win the war in Vietnam. It is a shame to know this at a time when we are coming so close to "VICTORY."

I have written to you, mainly because you are a friend of my father, Sylvan Watts, and I know from him and through your messages to the House of Representatives that you have devoted a tremendous amount of energy to Atlantic Union and endeavored through economics to provide the world with the material things which make the world a better place to live.

I know that sometimes Americans must make sacrifices, great sacrifices. We may even lose a few friends. But if they are really "friends" they wouldn't hesitate to put *right* before *might*. Abraham Lincoln said, "Right makes might."

Our Australian and New Zealand Allies in Vietnam are equally outraged with Great Britain's trade with North Vietnam, directly and indirectly. As a result, most Australian soldiers I have come in contact with in Vietnam are predicting "a break" with the Commonwealth and some kind of economic and military union with the United States. We must remember that Australia is basically a "young peoples country" with new ideas and old dreams which eventually will lead all of us to the Atlantic and Pacific Union (Community) we all are working for. I have spent a great deal of my time amongst the Australians and New Zealanders in Vietnam and can testify to the fact that we have a lot in common, including this trade problem with the enemy!

Talk about winning friends! We could really win some good ones by supporting the Americans, Australians, New Zealanders, Koreans, and Thais, who are fighting for us all in Vietnam. I can't think of a greater friend that one who would give up his life for another. This was demonstrated last April 7th, when an Australian Major gave his life by carrying two wounded American officers to safety and then charging the enemy single handedly and inflicting heavy casualties.

For this he was (posthumously) awarded the Victoria Cross, the highest decoration for heroism in the British Commonwealth.

You would be amazed to see the amount of supplies unloaded at Haiphong in a single day. I have seen it and it should be closed and destroyed as soon as possible. I realize that this would deny some basic necessities to the North Vietnamese, but it would greatly reduce their war making capability and shorten the war if not end it. The basic necessities could be airlifted under a flag of truce.

I would like to have a list of the "Congressmen" who voted on the resolution pertaining to "U.S. Sales Restriction to Nations Trading With North Vietnam." Many American G.I.'s will be anxious to write their congressmen and find out why they took their stand on the resolution!

I would like this letter read to the House of Representatives if you think it is appropriate.

Very truly yours,

PHILIP WATTS.

P.S.—I will be returning to the U.S. in December for reassignment to the 22 Bomb Wing, March AFB, California. Perhaps we could get together at your convenience and discuss Vietnam. There are many matters I would like to discuss with you which would not be appropriate by mail at this time.

[From the Saigon Daily News, Nov. 10, 1967]

PANEL VOTES ON U.S. SALES RESTRICTION TO NATION TRADING WITH NORTH VIETNAM

WASHINGTON.—The House by a vote of 201 to 196 Wednesday narrowly defeated a new attempt to bar U.S. sales to or purchases from any country that permits ships flying its flag to trade with North Viet Nam.

The vote came on a demand by Republican Congressman Harold R. Gross of Iowa. He wanted the House to insist on the restriction and send the entire foreign aid bill back to a Senate-House committee.

The vote was so close that at the end of the normal roll call, his motion had been approved with a two-vote margin.

Using parliamentary devices to delay announcement of the total, House leaders persuaded a few members to change their minds and put in hurried calls to others who had not voted, and succeeded in defeating it by six votes.

The amendment sought would have required the president, without option, to cut off all sales to, purchases from, trading or dealing in military equipment with any nation permitting ships flying its flag to trade with North Vietnam.

Opponents argued that it was so far-reaching it not only would force abrogation of the 3.2 billion dollar reciprocal arms sale agreement with Great Britain but might also have resulted in the forced closing of U.S. air bases in England.

Democratic Congressman Wayne Hays warned the House the action would mean that "in retaliation against seven little ships trading at Haiphong in one month, you want to wipe Great Britain off the map."

He said that not only is the trade insignificant, but there is no way for Britain to control it, since the ships involved bear a Hong Kong registry but are under long-term charter to Red Chinese.

"This could even mean the possible loss of Hong Kong, a valuable outpost to us as well as to Great Britain," he warned.

He said the amendment would "punish the United States more than it would punish Great Britain" if it meant closing the air bases in England or supplying their total requirements from outside Great Britain.

But Republican Congressman Charles E. Chamberlain argued that there were 53 British-flag vessels entering Haiphong in a one year period, and told the House "it means the British are renting out their flag to those opposing U.S."

Republican representative Paul Findley said that as long as American men are dying in Vietnam under fire, "we should use every economic tool at our command to help them."

Republican Congressman William S. Mailliard said Britain has control over these ships and would have to change her laws to compete with this amendment and democratic representative Cornelius Gallagher reminded the House that the fact is, on balance we are getting more support from Great Britain regarding our position in Vietnam than we are from most countries.

PUERTO RICAN ECONOMY

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from South Dakota [Mr. BERRY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. BERRY. Mr. Speaker, Sylvia Porter, writing from San Juan, P.R., verifies what I have been saying for the past number of years, that Puerto Rico has enjoyed an amazing economic spurt because of a tax advantage program given to that Commonwealth.

The article on Puerto Rico, carried in the Washington Star, November 14, 1967, is most revealing. It sets out the tremendous growth of this island country and all because of a tax advantage given to them under their Commonwealth law.

For years I have been fighting to get this same tax advantage and this same economic opportunity for the Indian people on Indian reservations in the United States. The Indian Department opposes it. Why I do not know, unless they realize that it would put them out of business because very shortly Indian reservations, like Puerto Rico, would become economically independent.

Instead of offering a bill this year which would give this advantage to all Indian reservations, Representative MORRIS UDALL and I have introduced legislation which would serve as a pilot program, and which could determine the cost of such a program to the Federal Government. Our bills would apply to the Indian reservations in South Dakota and Arizona. It would give the Congress and the Treasury Department an opportunity to determine the cost of such a program to the Federal Treasury and it would give the Congress an opportunity to determine the amazing benefits that would accrue to the reservation areas because smaller industry would move to these reservations to take advantage of this tax incentive. It would provide jobs, it would provide opportunity, it would put an end to the rural ghettos on these reservations and give these people an opportunity to be free and independent, and self-supporting.

The article is as follows:

PUERTO RICO ECONOMY ABLAZE

(By Sylvia Porter)

SAN JUAN—"We are in Puerto Rico because of two reasons: tax incentives and an ample supply of low-cost labor. All the other factors, such as pleasant climate and a tropical atmosphere, are basically unimportant. Puerto Rico offers us a chance to produce profitably. We are in business to make a profit. That's the whole story."

These comments were made recently by the head of the Puerto Rican subsidiary of a big U.S. manufacturing company. Most Puerto Rican executives agree with him. It is the heart of Puerto Rico's boom of the past 20 years.

Only two decades ago, this small island was sunk in poverty. The island's per capita annual income was a bare $121. Life expectancy was 46 years. Its economy was one crop (sugar.) About one in every five workers was jobless. An average of over five persons inhabited each dwelling. It was with pity that observers called it "the poorhouse of the Caribbean."

But then, following World War II, Puerto Rico leaders embarked on an extraordinary program of economic planning. Their objective: To spur private industry into building the island. Their prime weapons: Tax incentives piled on top of the fundamental tax fact that Puerto Rico pays no federal income taxes.

Specifically, under laws passed in 1947-48 and amended many times since, qualifying manufacturers who start or expand plants are granted 100 percent exemption from the island's corporation income taxes for periods ranging from 10 to 17 years. The longest exemption of 17 years is for industries locating in the island's less developed areas. Exempted businesses also are free of property taxes, excise taxes, municipal taxes, licenses and fees. And all this is, mind you, on top of no Federal income taxes.

Meanwhile, to attract private investments, the government created or strengthened key economic agencies.

For instance, the Economic Development Administration researches industrial targets, digs out investment opportunities and guides private investors to them. The Government Development Bank helps finance the projects by supplementing available credit facilities and by direct loans to investors when necessary. The Puerto Rico Industrial Development Co. constructs industrial buildings for sale or lease to private companies. The whole structure is deliberately geared to supporting private initiative.

As a result of this "Operation Bootstrap," nearly 1,500 manufacturing operations representing an investment value of over $1 billion and employing almost 88,000 workers, have been established. The island's gross national product has almost tripled in 10 years to $3 billion. Per capita income has soared to $1,000. Life expectancy is up to 70 years.

Now the island's industrial revolution is progressing by stages from the processing of agricultural products to apparel and metal products to petrochemicals. Now, in the words of Juan Labadie Eurite, president of the GDB, "our economy is diversifying from light to heavy industry which is coming here to stay." Now an uninterrupted flow of U.S. corporation funds to the island is assured by

Puerto Rico's recent overwhelming vote in favor of continued commonwealth status.

"Perhaps nowhere in the world has there been greater co-operation between government and the private sector to create a healthy economy," mused Labadie. "The co-operation works."

PERSONAL EXPLANATION

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FULTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. FULTON of Pennsylvania. Mr. Speaker, it was necessary for me on Thursday, November 9, 1967, to leave the House floor just before 5 p.m. in order to fly to Pittsburgh, because of the death of a longtime personal friend, Patrick O'Neill, of Pittsburgh.

Because of this obligation to my friend, I was unable to be present at the final vote on the passage of H.R. 8569, the District of Columbia Appropriation Act, 1968. On this rollcall No. 380 I would have voted "aye."

ECONOMIC OPPORTUNITY AMENDMENTS ACT OF 1967

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. MESKILL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. MESKILL. Mr. Speaker, S. 2388, the Economic Opportunity Amendments Act of 1967, is extremely important. I have frequently been critical of the way in which the OEO has conducted the war on poverty, and the OEO has deserved this criticism.

At the time the program was enacted, it was predicted that it would run into difficulties and be bogged down by political patronage and marred by frequent scandal and mismanagement. All this has come to pass and more.

I have followed the debate this week very closely.

I have voted for amendments to improve the program, unsuccessfully in most cases.

Now we approach the point of decision when each Member must solemnly ask himself whether he will accept this program, as it is now cast, with all its blemishes, its cumbersome methods, its clumsiness, or whether he will vote to end it.

I have made my judgment and I am going to vote for the bill. It is my earnest judgment that this is not the best bill this House could pass. Nor will it do the job as well as it could be done. But it is better than no bill at all.

Failing the enactment of a better program, I believe we should pass the bill which is before us.

But I couple this statement of support with a solemn warning to the administration not to misinterpret my vote. The errors of omission and commission in the war on poverty are numerous and large. They have been spread on the record for all to see. And I warn these administrators to clean up their houses. The bill was changed from a 2-year to a 1-year authorization. It will be up for renewal soon again. I warn the administration to stay clear of those who would lead agitation in the streets and cut loose those who would teach draft evasion or who would pit race against race.

It is a very wonderful thing that we have reached a time in America when we can even contemplate the elimination of poverty within the framework of free institutions.

The administrators must bear this in mind always and do nothing further to destroy the confidence of the people of the United States in this cause. It is very badly undermined now and all polls I have seen or taken myself reveal that the vast majority of Americans do not believe this program has been of significant help to poor people. That is a bleak indictment of an agency which spends so much time and money on public relations.

I suggest to them that they use their public relations money to improve the plight of the poor rather than the image of the OEO. A successful program will do more for the public relations of the OEO than all the press releases in the world. In short, less talk and more action.

Most of the attempts to improve this program legislatively have failed. I will support the program in the hope and expectation that it will be improved administratively.

The administrators of this program should keep in mind that the billions they have spent and are, presumably, yet to spend, are wrung from the paychecks of hard-working Americans—to the extent that they are not borrowed from the future at high interest which must be paid. They must remember that these funds do not come tumbling like manna from the big Congress in the sky. The citizens who furnish these funds—and the future generations who will be paying on this debt—will demand a strict accounting. Their representatives in Congress will not hesitate to terminate this program if it shows no improvement in the future.

While we can ill afford this expenditure of money now, neither can we afford to wait. The longer we wait to attack the problems of poverty, the more the problems will grow and the more an effective program will cost.

I believe that this investment carefully made and carefully nurtured, will pay for itself a thousandfold.

Thus I will vote to continue this program—but those responsible for the operation of it should understand that they are on notice.

CHRONIC ALCOHOLISM A DISEASE

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. GUDE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. GUDE. Mr. Speaker, in line with my earlier remarks on the problem of alcoholism and my legislation, H.R. 8523, to combat this national problem, I would like to call the attention of the House to a recent decision handed down by the common pleas court of Philadelphia, Pa. This decision has further advanced the judicial interpretation that chronic alcoholics are victims of a disease and should therefore be wards of public health rather than law enforcement authorities.

This ruling from our neighboring State has particular bearing upon Marylanders since our own Fourth Federal Judicial Circuit, along with State courts, previously handed down similar decisions.

In view of the increasing interest on this subject, I include this important Pennsylvania decision in the CONGRESSIONAL RECORD, as follows:

COMMONWEALTH OF PENNSYLVANIA EX REL. ROBERT EDWARD LEE *v.* EDWARD J. HENDRICK, SUPERINTENDENT, PHILADELPHIA COUNTY PRISONS, No. H.C. 0075—COMMONWEALTH OF PENNSYLVANIA EX REL. JOSEPH MITSCH *v.* EDWARD J. HENDRICK, SUPERINTENDENT, PHILADELPHIA COUNTY PRISONS, No. H.C. 0076

OPINION: J. WEINROTT

These two habeas corpus petitions bring before the Court a question important to a substantial segment of the public, yet never decided in Pennsylvania: Is habitual alcoholism a crime or merely a disease?

It is a familiar practice in Philadelphia and in other cities across the nation for the police to descend at night on "Skid Row," round up a batch of drunken derelicts, toss them into a bare cell known as the "tank" to sober up overnight, and line them up in the morning before a magistrate or equivalent functionary. Customarily the magistrate dismisses them all, with or without a lecture, to be brought before him again another day. Occasionally he singled out two or three, apparently at random, and commits them, on the perfunctory statement of an officer or with no testimony at all, to jail for a short period as a warning to the rest.

To obtain a decision on the legality of that practice as applied to a man habitually and compulsively addicted to alcohol, the Defender Association of Philadelphia, with the cooperation of the city's District Attorney, has selected the two instant cases as a test. In the public interest two civic organizations, the Philadelphia Diagnostic and Relocation Service Corp. and the National Council on Alcoholism, Delaware Valley Area, Inc. have filed an excellent brief as amici curiae.

Chronic excessive drinking ranks fourth among the public health problems of the United States. Five million men and women—one out of every fifteen, or about six percent, of our nation's adults—are estimated to suffer from alcoholism. In recent times two million arrests in a single year, or one-third of all in the country, were for drunkenness in public.[1] In the greater Philadelphia area, 200,000 alcoholics are said to require care.

Medical authorities look upon alcoholism as one facet of an enormous public health problem. As such, it constitutes numerically the largest branch of that subject.[2] Furthermore, addiction to alcohol is in its nature similar to narcotics addiction; and to our mind both may be viewed as belonging to the large category of compulsive abnormalities that includes Kleptomania, pyromania, homosexuality and other personality quirks.

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[1] Marvin A. Block, M.D., Alcoholism: Its Facets and Phases, 1, 44 (1965); President's Commission on Law Enforcement and Administration of Justice, Task Force Report; Drunkenness, 1 (1967).

The handling of alcoholism in the United States is deplorable. Facilities for the therapy that medical men say chronic drunkards must have are woefully insufficient. The usual approach to drunkenness is to punish it, by fine or jail, as a criminal offense.[3] Pennsylvania has two statutes, one going back to 1794, expressly punishing intoxication, and doubtful provisions in two laws relating to prisons. It would appear that our local magistrates assume authority to act under the latter. We will describe the tangent statutes subsequently.

In any event, whatever the laws upon which reliance was based, both relators were arrested in Philadelphia last June, and were promptly committed by magistrates to the House of Correction for thirty days, for habitual drunkenness.[4] Both relators filed separate petitions for writs of habeas corpus, asserting primarily that habitual drunkenness cannot constitutionally be punished as a crime.[5] The District Attorney filed pro forma answers, but his representatives made it clear that he is not actually taking an adverse stand. Psychiatric evidence adduced at the hearing established that the petitioner Mitsch is a chronic alcoholic, compulsively addicted to an excessive consumption of liquor, and that the petitioner Lee is a "problem drinker," who without essential treatment is virtually certain to become a full addict. For the purposes of the present issue, we regard both relators as subject to an urge which they cannot control without outside aid, and as coming within the general category of habitual drunkards.

Several experts produced by the defense, and one called by the Court,[6] gave testimony on the nature of chronic alcoholism. In substance, they agreed that the habitual drunkard is uncontrollably addicted to excessive drinking; at the start, he does not intend to get drunk, merely to take a few drinks; but once he begins, he cannot stop. Addiction is marked by three traits: a psychic dependence, or craving for liquor; a physiologic dependence, causing special symptoms upon a sudden withdrawal; and a tolerance, or increasing need for his potion. Alcoholism and drug addiction are basically alike; the difference in the substance ingested is immaterial. Indeed, one witness declared, eventually alcohol may cause more physical damage than do narcotics. Alcoholism at times leads to delirium tremens or to cirrhosis of the liver and other afflictions. It takes longer to become an alcoholic than a narcotics addict; hence the former tends to be the older of the two. In a general sense, the witness remarked, homosexuality also may be regarded as an addictive condition.

In the belief that punishment of habitual drunkards without therapy is useless, those testifying on the subject were unanimous. The victim serves his time, sobers up in jail, but goes out the same man as he entered. He returns to the same environment, is vulnerable to the same stresses, and becomes a public charge over and over again—at the expense of the community.[7] He is a man with a psychological problem, seeking escape in his drunken oblivion. What he must have is not jail but a search for his problem, physical and mental therapy, and help to break the habit which he cannot control without outside assistance.

The testimony adduced before the Court accords with current medical belief. Though some physicians dissent, the medical profession in general has officially accepted alcoholic addiction as an illness.[8]

That view has been one of slow growth. Likewise has been the approach to drug addiction as an ailment, and indeed to mental illness itself, of which many authorities regard both alcoholic and narcotics addictions as aspects. In England four centuries ago it was believed effective to beat an insane man "until he had regained his reason," and in early America the insane were jailed, whipped at the post, pilloried, and even hanged or burned at the stake.[9] In the case of drunkenness, around the beginning of the 19th century the famous Dr. Benjamin Rush in America and Dr. Thomas Trotter in England broached the illness view; in the 1830's some American physicians suggested special institutions for drunkards, and the French sociologist Dr. A. Freigier condemned the handling of inebriety as a crime. In the decades ensuing, a dozen nonprofit homes for inebriates were opened in our country, and in 1872 some of their managers organized a society to study inebriety and narcotics addiction. We consider the linking of the two addictions noteworthy. For 38 years the society published a journal advocating the thesis that alcoholism was an ailment. The growing "temperance" movement, and the resultant twelve years of national prohibition under the 18th Amendment, almost destroyed interest in the theory. With repeal of prohibition by the 21st Amendment such interest revived, and eventually the advocates of the thesis prevailed, at least among the medical profession.[10] The attitude of the general public, however, and of many police and other governmental authorities, is another matter.

A major breakthrough in legal opinion came with the landmark ruling of the United State Supreme Court five years ago in *Robinson* v. *California*.[11] That case declared unconstitutional a California statute making it a criminal offense to "be addicted to the use of narcotics." Drug addiction is an illness, said the Court; though the state might punish the actual use of narcotics within its borders, it could not make the "status" of addiction a crime, any more than it might penalize a man for being "mentally ill, or a leper, or . . . affected with a venereal disease." Imprisonment for drug addiction inflicts a cruel and unusual punishment in violation of the 8th and 14th Amendments, declared the Court, adding: "Even one day in prison would be a cruel and unusual punishment for the 'crime' of having a common cold." [12]

In principle, the *Robinson* decision applies as fully to habitual intoxication as it does to drug addiction. Alcoholism is a disease as much as is the uncontrollable urge for narcotics. If we had the question to consider de novo, our own inclination would be to rest on the 14th Amendment alone, without calling upon the 8th. If conceivably a state were to declare any disease a crime, even without attaching a penalty, in our view that state would be abridging the privileges and immunities of a citizen. If it added a fine or imprisonment, it would be depriving him of property or of liberty without due process.

Three key decisions of as many United States Courts of Appeal, following in the wake of *Robinson*, have specifically extended its theory to habitual alcoholism. First, pointing the way, came a ruling that chronic drunkenness, if proved, was a pathological condition, and hence it would be unreasonable and illegal to attach to a probation for a Federal offense the condition that an alcoholic defendant "refrain from the use of alcoholic beverages": *Sweeney* v. *United States*, 353 F. 2d 10 (7th Cir. 1965). Next came a pronouncement that the conviction of a chronic alcoholic under a North Carolina statute making public intoxication a misdemeanor, irrespective of penalty, was a cruel and unusual punishment; the mere branding as a criminal of a man whose condition was medically considered a disease was in itself unconstitutional: *Driver* v. *Hinnant*, 356 F. 2d 761 (4th Cir. 1966). Finally came a decision of similar purport under the District of Columbia code provision forbidding public drunkenness: *Easter* v. *District of Columbia*, 361 F. 2d 50 (D. of C. Cir. 1966).

Our Pennsylvania courts, as far as counsel and we have been able to ascertain, have never ruled expressly that chronic alcoholism may or may not be made a crime. From the civil aspect, our laws clearly demonstrate that the Pennsylvania Legislature for more than a century has looked upon habitual drunkenness as an affliction allied with mental illness itself.

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[2] Block, *op. cit.*, 1. The author cites a diversity of definitions of alcoholism, and the variety of patterns involved. The definitions range from "a progressive disease characterized by uncontrollable drinking" to his own broad characterization as "the use of alcohol or alcoholic beverages to the extent of causing any continuing adverse effect upon the individual or his family or community": *Op. cit.* 20–24.

[3] President's Commission, *op. cit.*, 1. Most laws prohibit drunkenness in public; some require a breach of the peace or attach other conditions. In jurisdictions lacking a drunkenness law police make arrests under disorderly conduct statutes.

[4] The commitments are not identical; one was for one month instead of for thirty days, and for "habitual intoxication" instead of for "habitual drunkenness." The Court considers the differences immaterial.

[5] The petitions raise subsidiary contentions also, but we will not detail them at this point.

[6] Dr. Martin D. Kissen, Director of the Institute for Alcoholism, Drug Addiction and Compulsive Gambling at 915 Corinthian Ave., Philadelphia. Among others who testified were Ronald J. Ottenberg, M.D., Medical Director of the Eagleville Hospital and Rehabilitation Center; Frederick B. Glaser, M.D., in charge of a narcotics program at Temple University, and Irving W. Shandler, M.A., Executive Director of the Diagnostic and Relocation Center at 304 Arch St., Philadelphia.

[7] This is the "revolving door"—the endless circle from Skid Row to jail to Skid Row to jail—spoken of by New York State Supreme Court Justice John M. Murtagh, long a crusader for better treatment for drunken derelicts. See Block. *op. cit.* (Note 1, *supra*) 69–70; Pittman and Gordon, Revolving Door, 2 (1958); article "Criminal Justice" in Time for July 28, 1967, page 72; President's Commission *op. cit.* (Note 1, *supra*), appendix A, 7 and Appendix E, 65. Incidentally, in cities like Philadelphia where the "flophouses" and sleazy stores of the area are on the way out through redevelopment, the phrase "Skid Row" becomes a figurative one.

[8] According to the late dean of experts on alcoholism, the noted Elvin Morton Jellinck, Sc. D., former consultant to the World Health Organization, in his work "The Disease Concept of Alcoholism", page 12 (1960).

[9] Concurring opinion of United States Supreme Court Justice William O. Douglas in *Robinson* v. *California*, 370 U.S. 660, 668, 82 S. Ct. 1417, 1421, 8 L.ed. 2d 758, 764 (1962).

[10] For this brief historical summary we are indebted to Jellinck, *op. cit.* (Note 8 *supra*), Chapter I.

[11] Cited in Note 9, *supra*.

[12] 370 U.S. at 666, 667; 82 S. Ct. at 1420, 1421; LL. ed. 2d at 763. The 8th Amendment reads: "Excessive bail shall not be required nor excessive fines imposed, nor cruel and unusual punishments inflicted." The 14th Amendment in part orders: "No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws."

An 1836 law [13] classed habitual drunkards with "lunatics" and provided inter alia for taking from them the control of their property. An act of 1903 [14] went a step further, and authorized a Quarter Sessions Court or any magistrate or justice of the peace of the proper county, on the petition of a person himself or his relatives or "next friends," to commit "any person so habitually addicted to the use of alcoholic drink, absinthe, opium, chloral or other intoxicating liquor or drug, as to be a proper subject for restraint, care and treatment in a hospital or asylum." Under those laws, said our own Common Pleas Court No. 2 in 1908: "The evident policy of the law is to treat habitual drunkenness as a curable disease." [15]

A 1912 law [16] still in effect permits a spouse to apply to a Common Pleas Court for leave to sell real estate, title to which is held by an habitual drunkard. The Mental Health Act of 1951 [17] deserves special examination. It defines mental illness as "an illness which so lessens the capacity of a person to use his customary self-control, judgment and discretion in the conduct of his affairs and social relations as to make it necessary or advisable for him to be under care." The definition specifically excludes "inebriety" (and a few other conditions) "unless mental illness is superimposed." It defines a "mental defective" separately, as a person not mentally ill but retarded and again it excludes the "inebriate." The latter is defined in another paragraph as "a person who is so hibitually addicted to the use of alcoholic or other intoxicating or narcotic substances as to be unable or unwilling to stop the excessive use of such substances without help." The paragraph concludes: "The term shall include 'dipsomaniac,' 'drug addict' and 'habitual drunkard'." [18]

The definitions demonstrate that the 1951 legislation, though it conjoined alcoholism and drug addiction, distinguished both from mental illness. Nevertheless it made similar provision for the voluntary admission or involuntary commitment of both the mentally ill and the non-criminal inebriate to mental hospitals.[19]

In the case of persons accused or convicted of crime, the act does not expressly mention inebriates in its provisions for placing such persons in institutions, but it does refer to those who appear "to be mentally ill or in need of care in a mental hospital," [20] and the latter clause would seem to embrace inebriates. In addition, the act provides for the appointment of guardians of the person of both inebriates and the "mentally ill." [21]

The companion Incompetents' Estates Act of 1951,[22] providing for guardianship of the property of incompetents, defines an "incompetent" as "a person who, because of mental infirmities of old age, mental illness, mental deficiency, drug addiction or inebriety, is unable to manage his property, or is liable to dissipate it or become the victim of designing persons." The defining paragraph concludes: "It shall include a person heretofore declared to be a lunatic, an habitual drunkard, insane or weak-minded." [23]

That act was replaced by a 1955 act, which repeats the main definition of "incompetent" but omits the concluding sentence last quoted.[24] The Mental Health Act of 1951 will go out of effect next July 1 through replacement by the new Mental Health and Mental Retardation Act of 1966.[25] The definitions in the latter omit particular mention of inebriety and drug addiction, and substitute for "mental illness" the broader term "mental disability," which it declares to mean "any mental illness, mental impairment, mental retardation, or mental deficiency," which (in substance) so lessens self-control and discretion as to call for care.[26] It specifically excludes senility as such, but not inebriety as did the 1951 act. We would interpret the new term as designed to embrace both alcoholism and drug addiction.

To be mentioned also is the 1953 act requiring the Department of Health to establish a Division of Alcoholic Studies and Rehabilitation, and to provide hospital facilities for alcoholics committed by a court voluntarily or involuntarily.[27] An earlier 1951 law required state institutions to provide care for drug addicts who might apply or be committed by a court.[28]

Such laws, and several others not necessary to mention, indicates that from the civil aspect, with some doubt when it comes to commitment of those accused or convicted of crime, the Legislature considers the inebriate as akin to the mentally ill. On the criminal side, by contrast, we encounter some legislative ambivalence.

The Penal Code of 1939 [29] lists a host of offenses. In the area which we are discussing, it prohibits inter alia opium joints, furnishing inmates of prisons or mental hospitals with liquor or narcotics, inducing minors to buy liquors, driving animals while intoxicated, performing a marriage ceremony for an intoxicated person, and administering narcotics to another.[30] It also contains a general prohibition against disorderly conduct.[31] Among its hundreds of felonies and peccadilloes, drunkenness itself as an offense is strikingly absent.

However, by its own express direction, the code preserves "every offense now punishable either by the statute or common law of this Commonwealth and not specifically provided for by this act." [32]

Still in effect, therefore, is the ancient act of 1794,[33] which imposes a fine of sixty-seven cents for each offense, upon conviction, on "any person (who) shall intoxicate him or herself, by the excessive drinking of . . . strong liquors." Nonpayment of the small fine brings commitment to the House of Correction for not more than 24 hours. Drunkenness on Sunday was especially offensive, and on neglect to pay the fine and costs immediately the offender not only went to jail but was "to be fed upon bread and water only, and to be kept at hard labour." [34] The early statute, it will be observed, did not specify drunkenness in public, or make any distinction between occasional and habitual intoxication. In the youth of our Commonwealth's existence, moral standards were more rigid than they are today.

Some six decades later, in 1856, the Legislature did specify intoxication in public, and increased the fine to five dollars.[35] However, that act of 1856 called merely for a levy on the offender's property, not for jailing. Despite the larger fine, we discern some loosening of moral stringency. Again, however, no distinction is made between single delinquencies and chronic inebriation. The view of alcoholism as a disease, which we have seen had already been broached by medical men, apparently had not had sufficient impact on the legislators to bring express action. Curiously enough, two years later the legislators softened the fine to a maximum of two dollars,[36] but repealed that enactment later.

The acts of 1794 and 1856 are the only Pennsylvania statutes expressly declaring intoxication an offense. In 1871 [37] the Legislature incorporated the existing Philadelphia correctional institution as the "House of Correction, Employment and Reformation," authorized its expansion, and quietly inserted provisions for committing to it, for terms from three to 24 months, certain persons including "drunkards" and "habitual drunkards," and in 1895 [38] the commissioners of any county were empowered, on certain conditions, to establish and operate a workhouse in their county, to which should be committed designated classes of persons for terms ranging from thirty days to two years. The classes included "any person convicted of drunkenness" and "habitual drunkards."

If necessary, we would declare that in our interpretation the acts of 1794 and 1856 punishing intoxication were intended to apply only to separate occurrences and not to the habitual state. We would rule also that the acts of 1871, relating to the House of Correction, and of 1895 for the establishment of workhouses—even if the latter applies to Philadelphia or were not intended to create new crimes, but merely to provide for housing of persons convicted under existing laws. If those statutes did contemplate the creation of crimes, we would hold them invalid to that extent as violating article 3, section 3, of the Pennsylvania Constitution restricting such statutes to one subject and requiring it to be clearly expressed in its title. It is apparently on a misconstruction of the two latter statutes that our local magistrates rely in sending men to the "Correction" for thirty days. We recognize the possibility that drunkenness may be held a common-law offense in Pennsylvania,[39] but we have found no indication that the English common law viewed habitual intoxication, as distinguished from the separate offense, as a crime.

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[13] Act of June 13, 1836, P.L. (1835–36) 589, now repealed.

[14] Act of April 16, 1903, P.L. 211, also repealed. Again we note the conjunction of alcoholic with drug addiction.

[15] *In the Matter of A*, 17 Dist. Rep. 644 (Phila., per cur., 1908).

[16] Act of April 6, 1921, P.L. 99, 50 P.S. 797–798.

[17] Act of June 12, 1951, P.L. 533, as amended, 50 P.S. 1071 et seq.

[18] *Id.* art. I, section 102, as amended, 50 P.S. 1072. We observe once more the joining of alcoholic with narcotics.

[19] *Id.*, art. III, sections 301, 326, as amended, 50 P.S. 1161, 1201. Inebriates may go also to special institutions. Those committed involuntarily may not be detained beyond one year: *Id.* art. III, section 329, as amended, 50 P.S. 1204.

[20] *Id.* art. III, sections 342, 344, as amended, 50 P.S. 1222, 1224.

[21] *Id.* art. IX, section 901, as amended, 50 P.S. 1451.

[22] Act of June 28, 1951, P.L. 612, 50 P.S. 1631–2041, now repealed.

[23] *Id.*, art. I, section 102, as amended, 50 P.S. 1632.

[24] Act of Feb. 28, 1956, P.L. (1955) 1154, 50 P.S. 3101–3801 (in 1966 pocket part). The definition is found in article I, section 102, as amended, 50 P.S. 3102.

[25] Act of Oct. 20, 1966, Special Session No. 3, P.L. ———, No. 6, 50 P.S. 4101–4704 (in 1966 pocket part).

[26] *Id.* art. I, section 102, 50 P.S. 4102. The paraphrased language at the end is identical with that of the 1951 act.

[27] Act of Aug. 20, 1953, P.L. 1212, 50 P.S. 2101–2113. Section 6 permits the committing court to appoint at the same time a guardian of the alcoholic's estate: 50 P.S. 2106.

[28] Act of June 14, 1952, P.L. (1951) 1868, 50 P.S. 2061–2069. A drug addict is defined as one habitually addicted to opiates: *Id.* section 1, 50 P.S. 2061.

[29] Act of June 24, 1939, P.L. 872, as amended, 19 P.S. 1401 et seq.

[30] *Id.* sections 608, 620, 677, 691, 692, 717, 18 P.S. 4608, 4620, 4677, 4691, 4692, 4717.

[31] *Id.* section 406, 18 P.S. 4406. The penalty is a fine not over $10, and in default of payment up to 30 days in jail.

[32] *Id.* section 1101, 18 P.S. 5101.

[33] Act of April 22, 1794, 3 Smith's Laws 177, section 3, 18 P.S. 1523.

[34] *Id.* section 4, 18 P.S. 632.

[35] Act of March 31, 1856, P.L. 200, section 29, 47 P.S. 722. The act is still on the books.

[36] Act of April 30, 1858, PL. 365, section 22, repealed, cited in footnote to 47 Purdon 722.

[37] Act of June 2, 1871, P.L. 1301, 61 P.S. 671 et seq. It is to be observed that the act contemplates the building, if deemed necessary, of a separate "hospital department" to house and treat (we would emphasize "treat") not only "inebriates" but also "all aged and sick persons" placed there.

[38] Act of June 26, 1895, P.L. 377, No. 269, 61 P.S., 751 et seq. This act also calls for a separate "inebriate asylum" to which, in application, the Common Pleas judges may commit habitual drunkards: *Id.* section 11, 61 P.S. 758. The proceeding is clearly a civil action.

Under our view, we need not enter upon such rulings. We declare that habitual intoxication is an illness, and as such may not constitutionally be made a criminal offense. It follows that the common manifestations of the compulsive habit, the staggering on the street, the rolling in the gutter, cannot convert the status of addiction into a crime any more than the violent sneeze, obnoxious (or even infectious) as it may be to another person within range, can render the common cold a crime.

We append a cautionary note to forestall possible misunderstanding of our position. Though neither the condition of habitual drunkenness nor its ordinary symptoms can be held a crime, when the alcoholic is guilty of assault or rape, or even of disorderly conduct, he still becomes a criminal. We need not enter upon the obscure area where drunkenness might conceivably wipe out consciousness of the separate criminal act and eliminate a requisite intent. What we would stress is that the crime is not the habitual condition itself but the concomitant separate prohibited act. The *Robinson* case discussed above brings out the distinction clearly.

Likewise, though we have intimated our inclination to regard the status of other compulsive abnormalities as an affliction rather than as a crime, we do not imply that any act committed under that compulsion is necessarily excusable. For instance, we would not condone the theft of a watch by the kleptomaniac, the burning of his neighbor's house by the pyromaniac, or the seduction of an innocent boy by the homosexual. In such cases it is not the status, but the consequent act—the larceny, the arson, the seduction—that we would denominate the criminal offense.

We are aware that to consider an uncontrollable kleptomaniac a sick man and yet to punish his theft may seem illogical. Nevertheless the rights of society may rise higher, in a particular area, than the protection even of the compulsive lawbreaker. Until the great day dawns when adequate facilities are at hand for the treatment and rehabilitation of all victims of psychological—if indeed such universal rehabilitation is possible—it may be unavoidable to keep at least some of them in jail, for want of a better alternative, and for the protection of the rest of the public.

We have concluded that chronic alcoholism is not a crime, and it follows that the petitioners in the instant case must be granted their writs of habeas corpus. What follows then? Should they remain free to roam the streets, to resume their drunken careers, or to return to Skid Row?

The medical experts who testified before us agreed that therapy and after-care are essential for the rescue of the chronic drunk. A comprehensive program, it was testified, would require first a detoxication or sobering-up period of several months in an institution, with medical and dietary supervision for physical restoration; second, a psychiatric study to ascertain the cause of the alcoholic's habit and to assess his needs, involving a short or sometimes a longer stay at an institution, or else outpatient care; and third, a supervised long-range period of working and living among companions, perhaps in special boarding houses, or in some other domiciliary environment furnishing at least a semblance of family life.

Such a program, of course, is aimed at the derelict, the homeless man without family or friends to help him, the outcast who haunts Skid Row and sleeps in the street or at best in a flophouse. The Skid Row "bum" is the core of the problem. The wealthy "lush" even the middle-class drunk fortunate enough to possess family connections, can obtain medical and institutional care, and does not go to jail. It is the derelict who is arrested and sent up to be handled like other criminals, fingerprinted, photographed, given a number and prison clothes, and herded with the average prison population.[40]

By a startling contrast, drug addicts are more apt to be found "in the well-to-do suburbs of the nation" than in Skid-Row.[41] Incidentally, estimates of the number of drug addicts appear difficult to reach, and range widely from 100,000 to more than a million.[42] It is a curious sidelight that opinion exists indicating marijuana to be less harmful to the body than alcohol, and that momentum is growing for the legislation of that narcotic.[43] We do not endorse the latter.

Institutions available for Philadelphia alcoholics, the witnesses we heard testified, are limited in number and capacity. The Eagleville Hospital and Rehabilitation Center near our city, opened about a year ago, has space for about 100 beds. Norristown State Hospital has aimed for 144 men, but actually can take only a half-dozen from Philadelphia at a time. A few can go from here to Chitchat Farms, covering the greater Reading area. Limited facilities exist at Haverford and Danville. Locally, some help is offered to alcoholics through the Institute for Alcoholism, Drug Addiction and Compulsive Gambling; the Diagnostic and Relocation Center, and the C. Dudley Saul Clinic for Alcoholics at St. Luke's Hospital. A Halfway House opened in 1963 is reported to have proved a failure. We recall no mention of the State Hospital at Byberry, but it is our understanding that little if any rehabilitation for alcoholics is offered there. Certainly none is attempted at the House of Correction—despite the grandiloquence of its full official name. State legislation already mentioned is forward-looking, and in due time, we hope, will bring worthwhile results. At the moment, as we have remarked previously, an enormous gap yawns between facilities and requirements.

The national picture is similar to the local one. The Vera Institute of Justice in New York City is making a study of the arrest process and of the willingness of drunks to come to a treatment facility. The South End Center for Alcoholics and Unattached Persons, with the aid of funds from the Office of Economic Opportunity, refers homeless inebriates to other community agencies, and plans to provide medical care and help in finding jobs and housing. A demonstration project financed by the Department of Justice is in operation in St. Louis, and another is in the planning stage at Washington, D.C. In response to a message to Congress in which President Lyndon B. Johnson designated alcoholism as a disease requiring "scientific research and adequate treatment," the Department of Health, Education and Welfare set up in February a National Center for Studies of the Control and Prevention of Alcoholism, as a part of the National Institute of Mental Health. In many localities, institutional treatment is available, but to a very limited extent, and federal grants for their extension are merely a possibility. The total of existing facilities merely scratches the surface of the need.[44]

Adequate provisions for the treatment, rehabilitation and follow-up supervision of the nation's alcoholics will require dedicated energy and enormous sums. Continuous research is another requisite.[45] The drug addict requires similar attention. Voluntary mutual aid programs, such as Alcoholics Anonymous for the drunkard and Synanon[46] for the drug addict, are helpful to those who choose them, but obviously cannot go nearly far enough. The needs of both groups of addicts are an aspect of the larger public health problem. In the case of the alcoholic derelict and of the poverty-stricken drug addict—for not all who have "the monkey on the back" come from the affluent suburbs—their treatment falls also within the scope of the nation's huge poverty problem. If the President's "Great Society" ever becomes more than a slogan, it should embrace within its purview the alcoholic as well as his kindred groups.

Meanwhile our nation's lawyers might well be of aid. Though we do not consider persons arrested for addiction constitutionally required to be given legal representation, we do suggest that bar associations study existing legislation affecting them and the propriety of amending, repealing, replacing or supplementing such legislation. The President's Commission on Law Enforcement and Administration of Justice recommends, with respect not only to the habitual but also to any other form of drunkenness, that intoxication alone, as distinguished from disorderly conduct, be outlawed as a crime.[47] We have referred also to a movement for the legalization of marijuana, with which we happen to disagree, but which nevertheless should be given study by lawyers as well as by physicians, psychologists and sociologists. Lawyers might participate not only in examining into the punitive laws, but also in studying legislation possibly needed for remedial treatment not now available.

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[39] "The common law is sufficiently broad to punish as a misdemeanor, although there may be no exact precedent, any act which directly injures or tends to injure the public to such an extent as to require the state to interfere and punish the wrongdoer": *Commonwealth* v. *Miller*, 94 Pa. Superior Ct. 499, 507 (1928). However, we do find text authority stating that drunkenness was not a crime at common law, unless attended with such circumstances as to become a public nuisance: 28 C.J.S. "Drunkards" 558.

[40] A witness at our hearing, however, said that at the House of Correction the man jailed for drunkenness was separated from persons incarcerated for major offenses. On the subject of differences in the handling of the derelict and the drunk of better class, the President's Commission declares (*op. cit.*, Note 1, page 3): "Because the police often do not arrest the intoxicated person who has a home, there is in arrest practices an inherent discrimination against the homeless and the poor." In fairness to the Skid Row denizens, Dr. Marvin Block (op. cit., Note 1, Chapter 11) points out that only half of them are alcoholics, the rest being psychopathic or inadequate men who cannot face the competitive world outside, and that the alcoholic half represents only three percent of the nation's alcoholic population. U.S. News and World Report, April 11, 1966, page 102, mentions that other authorities estimate the "wrecks" at 10 percent, not three.

[41] Saul Jeffee, narcotics—An American Plan, 6 (1966).

[42] Alfred R. Lindesmith, The Addict and the Law, Chapter 4 (1965).

[43] Van Gordon Sauter, Marijuana, "Today's World" Section of the Philadelphia Inquirer for Sunday, August 20, 1967. According to the author, who supervised a campus survey, some estimates state that 30 percent of students in American colleges have tried marijuana, and as many as ten million Americans have sampled "pot."

[44] The above information is a composite based on the President's Commission, *op. cit.* (Note 1), 4–6; U.S. News and World Report, *loc. cit.* (Note 40), and Time, *loc. cit.* (Note 7).

[45] Pittman and Gordon, *op. cit.* (Note 7, *supra*), Chapter 8. See also the President's Commission, *op cit.* (Note 1), 5–6.

[46] For interesting accounts see Daniel Casriel, M.D., So Fair A House: The Story of Synanon (1963), and Lewis Yablonsky, The Tunnel Back: Synanon (1965). Of interest locally is the Progress Report of the Philadelphia Parole Narcotic Unit of the Pennsylvania Board of Parole (1966), outlining results of a six-year experimental study of drug addicts coming out of prisons.

We are granting the prayers of the petitions before us. Strictly, our decision on that point is the only action required of us, and our consideration of related problems is obiter. Nevertheless we do not believe the petitioners should be left to their own devices without an effort to give them the help they obviously must have. We suggest to counsel an effort to ascertain the willingness of the relators to enter an institution for treatment, and, lacking such willingness to examine into the propriety of a proceeding for their commitment. The Pennsylvania statutes contain provisions for admission to institutions either voluntarily or by commitment, and we believe them valid for the suggested purpose. Locating an available institution, of course, poses a difficulty, but the Court stands ready to offer such aid as it may. To that end the Court will retain jurisdiction temporarily.

ORDER

And now, to wit, August 31, 1967, upon consideration of the petitions for habeas corpus filed in behalf of the relators Robert Edward Lee and Joseph Mitsch in the above-entitled cases, and after hearing thereon, the Court orders that the relators and each of them be released forthwith from any liability to serve out the sentences heretofore imposed upon them for habitual drunkenness or habitual intoxication, if any unserved portions of such sentences remain, and that any liability to custody thereunder be terminated immediately.

It is further ordered that any bond heretofore filed in these proceedings be and the same is cancelled.

The Court retains jurisdiction for fifteen days to permit any appropriate application for further action.

By the Court.

CONSERVATION AREA IN KINGS RANGE SECTION OF CALIFORNIA

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Don H. Clausen] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. DON H. CLAUSEN. Mr. Speaker, I am today introducing legislation designed to establish a 31,500-acre conservation area in the Kings Range section of northern California. Senator Tom H. Kuchel is introducing an identical bill in the Senate today.

The Kings Range area is a mountainous wilderness region along the coast in southern Humboldt County. This primitive area is virtually unspoiled by man. It contains varied topographical features from ocean beaches to open meadows to forested mountains.

At the present time, this region is partly under private ownership and partly under the jurisdiction of the Bureau of Land Management. Both the private owners and the BLM own approximately 30,000 acres but the ownership pattern is a checkerboard of mixed public and private ownership.

The bills which Senator Kuchel and I are introducing today will allow for the consolidation of the public ownership so that a management policy of multiple usage of the resources of the area can be achieved. The consolidation can be effected through exchanges with the private owners in the area and an outstanding wilderness area will be created at the minimum cost to the taxpayers.

This legislation has the support of the local residents as well as the Humboldt County Board of Supervisors and various conservation groups.

Enactment of this bill would create a multiple use conservation area with 30 miles of seashore. It would permit local landowners to improve their own production units, much of it sheep grazing, now restricted by checkerboard ownership patterns. It would result in an enhancement of the local tax base. And, it will provide unique opportunities for all types of recreational possibilities in a pastoral setting.

Mr. Speaker, earlier I offered this proposal as a separate title in my proposal to create a Redwood National Park and seashore on the north coast of California. I also proposed to increase the funding authorization for Point Reyes National Seashore in my district so that this top-priority project could be completed ahead of continued escalation of land prices.

It now appears clear from the action of the other body on the Redwood National Park issue, and from my personal talks with the appropriation gentlemen of the other body that the regional development concept will not be included in any redwood park bill. It is my understanding that they want to keep the redwood park issue free of other considerations.

Therefore, Mr. Speaker, I am offering this separate bill at this time to accomplish a necessary, agreeable, and uncomplicated purpose, and I request prompt action on it. The requested funding authorization is minimal at $3,425,000, providing up to $1 million to make up small differences when land exchanges are not equal, and $2,425,000 for construction of improvements such as trails, campgrounds, and other minimal recreation facilities.

SILVER ANNIVERSARY OF WOMEN'S RESERVE OF U.S. COAST GUARD RESERVE

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. Chamberlain] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. CHAMBERLAIN. Mr. Speaker, I am sure my colleagues in the Congress join with me in extending felicitations to the past and present personnel of the Women's Reserve of the U.S. Coast Guard Reserve on the occasion of their Silver Anniversary.

Appropriately enough, this occurs on Thanksgiving Day, November 23. It is equally appropriate that a thankful Nation salutes these veterans who came forward—11,000 strong—to volunteer their personal assistance to country for "the duration and six." Rather than be content to observe their husbands, brothers, and friends from the sidelines, the SPARs actively joined the millions of other Americans engaged in a struggle to regain a peaceful way of life for the world.

They lent their talents and esprit de corps to quickly and efficiently take over shore duties, thereby releasing men of the Coast Guard for combat at sea. The SPAR's were a select, highly-trained, and trusted group; loyal to their service and country. Each excelled in her particular assignment, whether it involved teaching, administration, clerical duties, care of the sick and wounded, parachute rigging, communications, or a host of other jobs relinquished by Coast Guardsmen.

From November 1942, until June 1946, civilians and military alike came to recognize the flashing smiles, to appreciate their willingness to help, and to respect and admire the girls in Coast Guard blue.

After the war the SPAR's picked up the interrupted pattern of their lives, advanced in their careers or earned collegiate and professional degrees. Many are married and raising families, instilling in their children the same traditions and zest for patriotic ideals. Their sons and daughters are serving in today's Armed Forces to insure an even better future.

A small number of SPAR's have entered the service since 1950 and have joined their older colleagues in attending Reserve drilling units. Although never made a regular component of the Coast Guard, a nucleus of SPAR's is serving on extended active duty performing various phases of the Coast Guard's peacetime responsibilities. They are prepared to assist in the rapid expansion of the Women's Reserve should the day ever come when the United States is forced to mobilize again.

The initial letters in the Coast Guard motto and translation—Semper Paratus, Always Ready—gave the SPAR's their name. Through the crisis of the past two and a half decades they have proven themselves worthy of it.

When the members and former members of the Coast Guard SPAR's gather for a reunion at their principal wartime training site in Palm Beach, Fla., they will be assured that a grateful people pause with them to pay tribute to those for whom taps have sounded. And to the living go our wishes for calm seas and smooth sailing and a promise that their sacrifices and devotion to duty have won for them an enduring place in history.

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[47] Its Task Force Report on Drunkenness, cited several times in these notes, declares (page 4): "Drunkenness should not in itself be a criminal offense. Disorderly and other criminal conduct accompanied by drunkenness should remain punishable as separate crimes. The implementation of this recommendation requires the development of adequate civil detoxification procedures."

M-16 RIFLE

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. Thompson] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. THOMPSON of Georgia. Mr. Speaker, many Members of this body continue to be upset and distressed over reports they are receiving from home and from the battlefields to the effect that American boys are dying due to jamming of the new M-16 rifle.

I received such complaints as early as May of this year, and I promptly wrote the Department of Defense asking about news reports that at least seven GI's were killed in Vietnam at that time due to misfiring of the new weapon. I requested information on steps which had been taken to prevent a recurrence of any loss of life.

Like many other Congressmen, I was assured that all proper steps were being taken to "minimize maintenance problems with this weapon." I was told that individual and unit training was being given, the Army Materiel Command team had provided care and cleaning and maintenance instructions to all units needing assistance in Vietnam, the commanding general of the U.S. Army in Vietnam had published instructions on care and cleaning of the rifle, and a weapons inspection and repair program for all units has been established.

Those Members of this body who are familiar with the report of the special subcommittee on the M-16 know that the subcommittee found that many of the assertions of the Army as to what was being done to prevent misfiring of the M-16 simply had not taken place.

Only last week, Parade magazine carried a report on four marines being killed in Vietnam because their rifles had jammed. Doubtless, many other men have been killed because of the negligent manner in which the entire M-16 project has been handled. In plain language, American fightingmen are dying because of Defense Department bungling.

The entire situation has prompted me to write the Secretary of Defense and ask that the Defense Department cancel a recent $3,476,935 contract for ball propellant ammunition for the M-16, since this is ammunition for which the M-16 rifle was not designed and which is one of the principal causes of misfiring. For the benefit of my colleagues, I am asking permission to set this letter out in the Record. However, I believe this body owes an obligation to the families of men fighting in Vietnam to go further than this.

We should demand that the Defense Department cancel any contracts it has awarded for ball propellant ammunition for the M-16. We should insist that the Defense Department immediately ship to Vietnam sufficient tubular-grain ammunition to replace all ball propellant ammunition now on hand for M-16 rifles in combat units. All available tests show that the incidence of misfiring with the M-16 would sharply drop if the correct ammunition is supplied. The only other alternative we have if correct ammunition is not provided our soldiers is to have all M-16 rifles withdrawn from service and replaced by the M-14, which has less firepower, more recoil, and more weight.

Congress of the United States,
House of Representatives,
Washington, D.C., November 9, 1967.

Hon. Robert McNamara,
Secretary of Defense,
The Pentagon, Washington, D.C.

Dear Mr. Secretary: I have read the report of the Special Subcommittee of the Armed Services Committee investigating the M-16 Rifle Program, and frankly I am appalled by the implications.

According to the report, the action of the Department of the Army borders on "criminal negligence." In attempting to boil down to basics, the trouble with the M-16 appears to have stemmed from a decision of the Army to substitute ball propellant ammunition for the tubular grain ammunition for which the weapon was designed.

According to the report of the Congressional Committee, the ball propellant has produced excessive chamber pressures and excessive cyclic firing rates.

A further reading of the report indicates that the Olin-Mathieson Company has had the sole source of powder for the 5.56 MM and 7.62 MM ammunition over the past 26 years, and when the Dupont Company was given the contract for the tubular grain, that this was, at the next available opportunity, changed by the Department of the Army back to the ball propellant produced by Olin-Mathieson, for which the rifle was not designed.

I know that you are undoubtedly sensitive about the TFX controversy; however, I would be less than honest with you were I not to state that after reading this report the question occurs to me, "Why is the Department of the Army insistent on favoring the Olin-Mathieson Company who has been a sole source for the past 26 years?" I particularly wonder why this is true in view of the fact that the report states that the rifle was specifically designed to use a different type of ammunition and, notwithstanding the Army's own testing and evaluation which indicated that problems would occur with the ball propellant, the Department of the Army insisted on awarding the contract to the Olin-Mathieson Company for the substitute type of ammunition.

It is my understanding that another $3,476,935 contract for ball propellant ammunition has just been awarded to this firm's plant in Anoka, Minnesota.

In view of the evidence contained in the Congressional Report, should not the Department of the Army return to the ammunition and propellants for which the weapon was designed, and should not this latest contract be cancelled?

I realize, according to the report, that attempts are being made to modify the weapon in order that it may use the substitute ammunition; but, in all candor, Mr. Secretary, I must state that this appears to be a rather ridiculous approach to solving a problem when simply returning to the original ammunition would effect the same solution.

I do not desire to become emotional on this issue, but I and other Congressmen have received a number of letters stating that American soldiers are dying in Vietnam because of the jamming of these weapons, and it is totally indefensible to allow American soldiers to continue to experience this problem, and possibly death, at the hands of the enemy simply because somebody in the Pentagon is insistent upon favoring a certain manufacturer who produces the substitute ammunition rather than that for which the weapon was designed.

May I please have an early response as to whether our troops will be supplied with the ammunition for which the weapon was designed, or whether we are going to continue to supply them with the ball propellant procured from a manufacturer who has been the sole source of ammunition for 5.56 MM and 7.62 MM weapons for the past 26 years.

Yours very truly,
Fletcher Thompson,
Member of Congress.

REAGAN BOOK IS GREAT

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, a year from now the American public will have voted upon its choice for the 37th President of these United States.

But, as of today, there are many potential contenders for that great honor. One of them is Gov. Ronald Reagan, of California. He is a newcomer in the public eye of politics, and many Americans have not had an opportunity to learn of his life, his career, and his many earlier contributions to our society.

Lee Edwards, a highly respected public-political relations consultant and astute political observer, known to many of you, has written an outstanding biography of Governor Reagan. It was released only this week and is entitled "Reagan: A Political Biography."

"Reagan" is an outstanding book about a fascinating and complex man. The book contains a wealth of original information about the Governor—and I commend Mr. Edwards for the thoroughness of his research. He has delved into Governor Reagan's life by interviewing members of the Governor's family, boyhood friends, high school and college professors, and individuals who worked with the Governor immediately after he was graduated from Eureka College in Illinois. Mr. Edwards, I might point out, has interviewed those who consider themselves foes of the Governor as well as those who are supporting and working closely with him in California. Mr. Edwards has also made some most interesting observations regarding Governor Reagan's prospectus for the White House. I, as I know all of you will, find "Reagan: A Political Biography" a most significant political book and one that everyone and anyone involved or interested in politics should read.

IRON AND STEEL IMPORT QUOTAS

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. BROTZMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. BROTZMAN. Mr. Speaker, I am today introducing a bill which would limit the growth of steel and iron imports to a level proportionate to the growth of the overall market.

It is ironic that, in the years following World War II, U.S. generosity enabled the stricken nations of Europe and Asia to build steel plants which were technically equivalent to those of our Nation, and today those plants—operated by workers who receive only a fraction of the wages paid to U.S. steelworkers—are slowly but surely taking over the U.S. market.

In 1957, imports comprised about 2 percent of the U.S. steel consumption. Ten years later, the import share has grown to 11 percent, and the trend is expected to continue almost indefinitely under existing U.S. policy. Already thousands of jobs have been eliminated and the economies of several communities have been undermined by the closing of U.S. steel mills.

Even in Colorado, where importers must absorb the relatively high cost of overland transportation, foreign steel can undersell Colorado-produced steel consistently.

I would reject any proposal which would simply erect protective trade barriers around the United States, because a viable and competitive world trade environment is in our Nation's interest.

The bill I am introducing today would erect no such barriers. It would simply assure that future growth of the U.S. domestic steel industry would be shared by U.S. and foreign producers alike.

The stabilization of quotas for domestic and foreign steel and iron could avoid a dependence upon foreign production which would harm the U.S. position during international emergencies. In addition, it would help alleviate the balance-of-payments crisis.

The bill would use percentages of foreign and domestic steel products used in the United States during the 1964–66 period as a basis for future quotas.

Mr. Speaker, I urge early enactment of this measure.

HOW MIRACLES ARE MADE TO HAPPEN

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Colorado [Mr. BROTZMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. BROTZMAN. Mr. Speaker, I normally write a few personal introductory remarks when I insert material in the RECORD which I think will be of interest to all of my colleagues.

In this instance, I will let a letter from the manager of the Boulder Chamber of Commerce, F. W. Reich, serve as the introduction to an editorial which ran recently in the Boulder Daily Camera.

> Let one University of Colorado student step out of line and it seems like the whole world will hear about it.
>
> Here is a case where the University students organized and gave of their time to help retarded children. What did they do? They raised over 6 million trading stamps to secure a school bus.
>
> These students are representative of the vast majority of our C.U. youngsters, and I think the country should hear about how they spend their time. It occurred to me that the Boulder Camera article is worthy of being reprinted in the CONGRESSIONAL RECORD.

The article follows:

HOW MIRACLES ARE MADE TO HAPPEN

> It was like a shower of pennies from heaven. And the pot of gold at the end of the rainbow turned out to be two.
>
> With a face value of only one-tenth of a cent each, Gold Bond trading stamps were swept up Sunday like leaves on the fenceline in an autumn breeze. Hundreds of Boulder citizens, and University and high school students went through the city Sunday like a great human vacuum cleaner in an effort to glean three and a half million trading stamps from generous householders.
>
> Object: to exchange the stamps for a 36-passenger bus to serve the Boulder County Sheltered Workshop and North Broadway Center. These facilities work with retarded children.
>
> Result: almost twice as many trading stamps as hoped for—more than six million—enough to get the anticipated bus plus a smaller nine-passenger vehicle and perhaps other needed equipment, too.
>
> Anybody who doesn't believe in miracles will have to think again when he notes that the whole job was done in just three hours and 40 minutes.
>
> Hippies and chronic protestors can wallow in their oddball philosophies, bemoaning the faults of society and doing nothing to cure them but make negative noises and show off in public.
>
> What an inspiring contrast we see in the positive action of young people and others last Sunday. They saw a job that needed doing and instead of shaking their heads or their fists and clucking their tongues, they rolled up their sleeves.
>
> That's the way the good society of America was built. And the way it will be perpetuated.

SPEECH OF THE HONORABLE BARRY GOLDWATER

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Arizona [Mr. RHODES] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. RHODES of Arizona. Mr. Speaker, it is my pleasure to bring to the attention of my colleagues the fine speech on America's commitment in Vietnam which was given on October 28 by the Honorable Barry Goldwater at the Republican Western Conference in Denver, Colo.

The speech follows:

> Let me warn you of something at the outset. I am one Republican, one American who is sick and tired of hearing the enemies of his country glorified, while the motives of his country are derided and doubted.
>
> I am one Republican, one American who is tired of hearing defeat defended and victory rejected; of hearing American soldiers villified while rioters are extolled.
>
> I am, finally, one Republican, one American who is tired, sick and tired of hearing big men play little games with a war that is costing lives every minute—a real war on a real battlefield, not some chess game in a cloister, not some debater's point on a platform.
>
> Let me also make it clear. I have not signed a blank check on my conscience about the war in Vietnam. There are points of profound disagreement about the way in which it has been waged, the way it has been defended, the way it has been reported by the President.
>
> I am one Republican, one American who is appalled that the mothers and fathers of this Nation are asked to send their most valuable possession—their sons and heirs—to fight half way around the world with the knowledge that their boys are not receiving the total backing of their country; that even as these boys are bleeding and dying the President and his Secretary of Defense are attempting to wage a war by consensus; are imposing on our fighting men impossible restrictions and unrealistic objectives.
>
> If the President has the right to ask our military men to risk their lives on foreign soil he has the corresponding duty to see that these same men receive a full measure of aid and assistance not only in military hardware, but in the essential yet intangible psychological support.
>
> Let us not forget that the American boys in Vietnam and their parents at home—are making the greatest sacrifice that any country can extract from its citizens and let us also not forget that right now these parents have justifiable doubts as to whether they are receiving their full measure of support from their President.
>
> Yes, there is no doubt that there is a credibility gap. There is no doubt that there are even doubts about the terms on which this administration will or will not end the fighting, or sign the peace, or go to the conference table. Yes, there is confusion. Yes, there is honest disagreement. Yes, there is responsibile dissent. Yes, there is need for all of this.
>
> But *no*, and let me repeat it, *no*, there is no way to avoid the basic facts. We *are* at war. We have the choice between winning and losing. We cannot end the war in any other way. We will either win or we will lose—and all of the sophisticated arguments and tongue-twisting, mind-bending haggling in the world won't change reality.
>
> Reality exists. The war exists. Our stake in it exists. We are there. The enemy is there. We cannot turn off the future in which we or they will emerge with what we want.
>
> War is that moment in a nation's life when it stands face to face with the facts of its own survival. There are no little wars and no big wars. There are just *war* wars; conflicts in which man's most basic possession, his life, is put into the scales. Some may say that there *are* little wars. But no life lost in a little war is a *little* life. Nor can we measure war by the arithmetic of dying. We can measure it only by the mathematics of our morality as a nation. In our case the figures are clear. We have yet to fight a war for gain or conquest. We have fought always in self-defense to further freedom and defend it. We are doing that today.
>
> If this war that we fight is just a little war, whose outcome may be bargained by

little deals, then we are a little nation, not a great one.

If this war that we fight today is an aggressive war, and not fought in self-defense, then we are wrong, we are vicious, and we would deserve to be defeated.

By every single objective measure, however, we are fighting in our self-defense. We are not immoral. We are not wrong. We do not deserve defeat and our enemies do not deserve the victory for which so many friends of the Vietcong weep, wail, march and work.

By every political measure, also, the Republican Party is committed to the principles involved in this war. This does not mean that we dare not or should not criticize the conduct of the war. Far from it. We should shout those criticisms from the housetops. They are criticisms only of those things which keep us from victory. They are not carping attempts to play politics with the war itself.

The Republican Party to which I belong is not a party that would play politics with war any more than it is a political party that would close its eyes to the reasons war exists, the reasons we are in a war, or the forces that in this time and in many places cause war.

But there are those who cry that we must be the peace party. *Be* the peace party? We *are* the peace party!

We are the peace party because we understand victory. We are the peace party because we understand that international criminals, just as with domestic criminals, must be stopped by the force of just men or they will kill peace where it stands, murder justice and end freedom.

No, my friends, do not let the temptations of weak men with weak ideas tempt you to believe that the partisans of peace must also be the partisans of give-up and get-out. Far from it.

The true partisans of peace in this world are those who want to *win* the peace. The partisans of endless conflict are those who want to buy the illusion of peace by giving away the war.

The only thing that America can win by selling out, getting out, dealing out, or surrendering in Vietnam is a defeat which will guarantee wars to come and, worse, defeats to come. We cannot buy life by dealing or double-dealing in the deaths we have suffered so far. We would buy only the slow agony of endless bleeding.

Yes, we *are* the peace party. *No,* we will never be the peace-at-any-price-party.

Just look at the great platforms of our party. They should speak more loudly and convincingly to us than the tired, tempting voices of appeasement and isolation which we hear squeaking in our woodwork from time to time.

In the last Presidential election, the platform of our party—not just the candidates, mind you—the platform of our party said this and said it flatly, without any weasel words. I quote:

"Our Nation's leadership must be judged by—indeed, American independence and even survival are dependent upon—the stand it takes toward communism.

"That stand must be: victory for freedom. There can be no peace, there can be no security, until this goal is won."

There you have it. There you have the Republican Party's stand on peace. No peace at any price; but peace worth having because it is worthy of the name.

Did this mean that our party was uncritical? Did it mean that, even while supporting victory, we could not support, also, debate about how that victory is to be won? Of course not. The Republican Party also is the party of responsible dissent. It is one party in our two-party political dialog. It is not a mute or echo party.

Our platform in 1964 said, specifically, that a vacillating foreign policy, and I quote again: "Has encouraged an increase of aggression in South Vietnam by appearing to set limits on America's willingness to act—and then, in the deepening struggle, it has sacrificed the lives of American and Allied fighting men by denial of modern equipment."

There is dissent, but there also is responsible dissent aimed at and not away from the security of our Nation.

And how prophetic a dissent it was.

How solid a credential it remains for presenting the Republican Party as the know-how party when it comes to winning the peace!

Was that platform something different in the way of Republican principles of peace? It was not. In the first pages of the platform for the 1960 presidential campaign, our party pledged itself to the mutual security pacts which are so vitally involved in our commitment in Vietnam; it named communism as the enemy, it pledged to maintain a firm policy against Communist aggression.

It did not speak, as some now speak, of giving in to communism because we are weary of the struggle. It did not speak of appeasing aggression. It spoke of stopping aggression.

This was not, of course, always the case. There was a time when Republicans did try to dig themselves deeply into the false fortifications of isolationism. But for years, Republican eyes have been open to a modern world in which there can be no maginot lines; in which the only protection is national strength in will and policy rather than geography.

The walls in the world today are to keep the victims of communism *in*. There are no brick and mortar walls to keep communism out. The only wall that can work there is the will of people who are determined to be free and to see freedom extended.

Exactly what, against the background, are the facts involved in Vietnam that transcend completely all partisan politics? The facts involved are the harsh facts of war as an instrument of policy—a tragic, horrible instrument of policy and yet one with which we must deal realistically in the world as it actually exists.

It would not be too far-fetched to say that unless we do understand these facts we can never win the war which all men of good will eagerly fight—the war against war itself.

I have referred many times to one of these facts as the fact of national honor. Let me define it so that there can be no misunderstanding. I do not mean in any sense, just a matter of pride or what some call "face."

Those who try to distort our position in Vietnam by saying we are simply trying to save face, and add that the cost is not worth it, shamefully distort the facts.

National honor in this instance means nothing less than our ability to live up to certain international contracts which we have signed—for our own very enlightened self-interest.

Those contracts are the mutual defense treaties which today bind us to more than three dozen nations around the world.

Without those treaties, communism would be tempted around the globe to escalate its adventures far beyond anything we have seen so far. It is these mutual security treaties which spell out to communism the will of all those who have signed them to resist aggression, to resist force with force if need be.

Tyrants and aggressors understand no language better than this!

One such treaty and promises have bound us to the defense of South Vietnam. Three American Presidents have taken steps to make good on our pledges there. Our involvement in Vietnam is an American involvement; not a partisan involvement.

Should we pull out of Vietnam, leaving it defenseless, or should we have failed to respond to its plight in the first place, we would have pulled the rug out from beneath the security of the entire free world.

Who would yank that rug now? I know that today we hear cries of concern from some of the very nations with whom we are joined in those defense treaties. I cannot help but wonder, however, how much louder would be those cries of concern—and how much more heartfelt—if we suddenly renounced our role in the world, our partnership in security, and turned tail in Vietnam to dig ourselves into an isolated America.

Our mutual security agreements must mean exactly what they say or they would mean nothing at all. And what they say simply is that an attack against any one nation shall be considered an attack against all or, in most practical terms, as an attack against us.

Under these treaties, in effect, *and necessarily,* any one of the nations involved can call us to *instant war* if attacked. Harsh as it sounds, there is no better way to assure peace. An aggressive enemy is never appeased by slow reactions to his ambitions. Instead, such slowness of reaction just breeds new recklessness and new perils.

Three Presidents, a Republican and two Democrats, have reacted point for point to the enemy's actions in Vietnam. The enemy has chosen, point by point, to go ahead. Does this mean that the policy of opposing him has failed? It does not and it has not.

First, the enemy has been stopped from a key conquest. Second, while he has been stopped in Vietnam he actually has been hurled back and out in Indonesia—a major success for the friends of freedom. A major success which, it seems to me, would have been altogether impossible had not our show of strength in Vietnam been underway at the same time.

If the policy in Vietnam has left anything to be desired—and I am one who agrees that it has—it has been that it has not been firm *enough* and fast *enough* and honest *enough*. It has, too often, held out to the enemy false hopes of our weakening and thus has encouraged him.

Today, all who see horror in Vietnam, and would turn their eyes from it, also must shut their eyes to the horrors to come should we get out by giving up.

It is not too much, I feel, to hope that Vietnam will, when we have won, represent more than a milestone of mutual security.

It may well represent a watershed of new hope for a world purged of violence between nations.

For, deeply involved in Vietnam is, at last, the free world's recognition that when violence is substituted for political process—no matter the disguise—that men who treasure peace must march to war.

This is the entire key to our involvement there. It is the deepest meaning of the concept of mutual security. It is the deep awareness that aggression in these times no longer parades only under the banners of regular armies marching across regular battlefields.

Aggression can take many forms and, of course, so may the defense against it.

The economic aggression of politically priced and aimed marketing is one form—and the greatest merchant nation on our earth surely should be able to counter that and even counter-attack.

The political aggression of international pressure and internal subversion is another form—and surely this Nation, with its unbroken record of freeing, rather than enslaving people should be able to counter that, and even counter-attack.

The psychological aggression of chanted slogans and slanted viewpoints is another form—and surely this Nation, with the world's most exciting story of progress and prosperity should be able to counter that and even counter-attack.

But when it comes to violence, let me remind you, there often is no time for the weapons of those other forms. When murder became the Vietcong substitute for reason in Vietnam it became a question of immediate self-defense at the most basic level.

Thus, beyond everything else, what we are saying by our deeds in Vietnam—what we are saying with our lives in Vietnam—is that we will *not* stand by, no matter the time or the place, when violence is thrust upon a friend and when violence is substituted for political process.

The day we seek is the day when no man's hand will be raised against another, when violence will be rejected everywhere as a substitute for reason.

Until that day, we can no more tolerate violence in the affairs of nations than we can tolerate violence in the affairs of our own people.

In self-defense, violence must be opposed. Thugs, whether international or in your neighborhood, cannot be given a license to murder. They will use it. Those who initiate violence anywhere must be stopped—even if they must be stopped violently.

That is what, at the root, Vietnam is about. That is why those who say that we should turn back do not seem to have the haziest notion of why we have gone ahead. They speak of everything but they do not speak of the most important thing—the fact that it was not we, but the enemy who substituted violence for the processes of peace in Vietnam.

It is that very use of violence that is being tested today. Should the cause of violence win, then, of course, days of new violence would dawn everywhere. Violence proven in Vietnam would be violence made useful everywhere.

By the same token, violence beaten back in Vietnam, violence deprived of reward and sanction, violence deprived even of sanctuary, would mean second thoughts about violence everywhere. Yes; even here at home.

If peace is to be won in this world, it must be won from those who threaten it and violently shatter it.

We seek such a victory in Vietnam; a victory over violence itself.

Let no Republican, let no American ever seek less.

POLL ON OFFICE OF ECONOMIC OPPORTUNITY

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. SMITH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. SMITH of Oklahoma. Mr. Speaker, during the last few days many of our offices, including my own, have been deluged with pleas from many organizations representing themselves to be in sympathy with the plight of the poor of America. Most of these communications have implored us not to "wreck the Office of Economic Opportunity" by voting to reduce the requested appropriation, or by transferring most of its programs to other departments and agencies as proposed under the opportunity crusade.

Judging from the defeat of many of the amendments offered to the committee bill we are now considering, it would appear that the effort put forth by the public relations machine of the Office of Economic Opportunity, organizations which depend for their existence on OEO funds, and some communications from those who are honestly concerned have had their telling effect.

However, I took the liberty during the summer to poll the constituents of my own district in Oklahoma concerning their thinking on the Office of Economic Opportunity's so-called war on poverty. The viewpoints of the people of southwestern Oklahoma do not coincide with the militant expressions my office has received from OEO organizations. I feel sure that the Oklahoman's views are representative of most Americans.

Of particular interest is the fact that 91 percent of those replying to the more than 180,000 questionnaires sent out do not think that the poverty program has been successful in their area. Over 94 percent registered their opinion that they did not believe that the $4 billion appropriated to date for the uses of OEO have been well spent.

I agree.

SPEAK UP, PLEASE

After almost three years, the Administration's War on Poverty has spent $4 billion of the taxpayers' money and has created a poverty bureau of 91,000 administrators. I believe it has lost sight of its goal.

That's why I have co-sponsored a bill called Opportunity Crusade which would dismantle the OEO, transfer the programs to other existing agencies, save the government $300 million the first year, and yet would provide funds for the Headstart and Community Action programs which are substantially more than now proposed.

But because I represent the more than 400,000 people in Sixth District, I want to know what you think. What is your opinion of the Poverty Program? Will you please answer these seven questions and return them to me? If you so desire, your name will be kept confidential.

[Answers in percent]

(1) Do you think the Federal anti-poverty program has been successful in your area?

Yes	5
No	91
No opinion	4

(2) Are the poor people in your community better off because of the Federal poverty program?

Yes	6
No	89
No opinion	5

(3) Are you satisfied with the Headstart program as it is being run by the OEO?

Yes	9
No	83
No opinion	8

(4) Would you favor transferring Headstart to the U.S. Office of Education?

Yes	64
No	20
No opinion	16

(5) Would you prefer an Industry Youth Corps (ages 16 to 22) where youths are trained for jobs in and by industry, rather than the current Neighborhood Youth Corps whose employees are generally employed in state, community and non-profit related projects?

Yes	83
No	10
No opinion	7

(6) Would you favor converting the Job Corps Training program to a Community Vocational Training Center program?

Yes	73
No	16
No opinion	11

[Answers in percent]—Continued

(7) Do you believe the $4 billion appropriated to date for anti-poverty programs has been well spent?

Yes	4
No	94
No opinion	2

THE LATE GINNY DUKERT

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. MORTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. MORTON. Mr. Speaker, Republicans throughout Maryland have had a sad day. Ginny Dukert, whose untimely loss saddens all our hearts, was a person whose sparkle, humor, and attractive way were an inspiration and source of pride to all who knew her. She exemplified the dedication of a wife whose husband faced every hour the responsibility of political leadership.

In this moment our hearts go out in deepest sympathy to her husband, chairman of our party in this State, to her family, and to her many friends.

OPERATION PUERTO RICO: JUNIOR ACHIEVEMENT OF UNION COUNTY, N.J.

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentlewoman from New Jersey [Mrs. DWYER] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mrs. DWYER. Mr. Speaker, our colleagues may recall that from time to time in recent years I have reported on the activities of Junior Achievement of Union County, N.J., in providing practical, on-the-job experience in the functioning of our free enterprise economy for the benefit of hundreds of youthful citizens of the area each year.

With the cooperation of local industry and of officials of sponsoring firms who serve as Junior Achievement advisers, thousands of school-age youngsters in the Union County area have received valuable experience, training and direction which have helped to equip them to be more productive and responsible adult members of society.

At a time when we seem to be inundated with reports of juvenile delinquency, misguided youths indulging in antisocial behavior of various kinds, and permissive parents whose interests are elsewhere than in their children, it is especially appropriate and encouraging to report on the progress of this outstanding example of Junior Achievement.

For the 1967–68 program year, Junior Achievement of Union County has planned a dynamic and positive youth incentive and economic education project entitled "Operation Puerto Rico."

The climax of this project, as the name implies, will be an award trip for about 30 of the more successful Junior Achievers, accompanied by approximately 12 adult representatives from business, education and government, to the Commonwealth of Puerto Rico which is itself an excellent case study of private enterprise at work.

This year, 30 junior achievement companies have already begun operations—the largest number to date. Approximately 900 boys and girls, representing 20 public and parochial high schools in the area, have been assigned to the various companies.

Through the courtesy of Mr. Harry P. Frank, publisher of the Daily Journal of Elizabeth, N.J., who has been a guiding light to the junior achievement program, I have received a detailed description of this year's "Operation Puerto Rico," prepared by Mr. J. Kenneth Roden, the outstanding executive vice president of Junior Achievement of Union County who is once again in charge of the project. Under leave to extend my remarks in the RECORD, I include this material for the interest and inspiration of our colleagues:

JUNIOR ACHIEVEMENT OF
UNION COUNTY, INC.,
Elizabeth, N.J., November 1, 1967.

To: Junior Achievement Sponsors, Advisers, Company Presidents, and High School Principals.

From: J. Kenneth Roden, Executive Vice President.

Subject: Operation Puerto Rico.

AWARD-WINNING JUNIOR ACHIEVERS TO VISIT CARIBBEAN COMMONWEALTH

There is a definite need for all who are associated with Junior Achievement to inspire our young people to rededicate themselves to the principles of Free Enterprise, and to effectively teach and demonstrate that our Free Enterprise System is not just a system for carrying on business, but much more: The best system for promoting human progress while preserving individual freedom—a system which leads the world in industrial growth and high standards of living.

Nationwide surveys of high school students confirm the need for dynamic, positive programs to create better understanding of how business operates, its problems, its invaluable contributions to a better life for all people.

Operation Puerto Rico will be a three-pronged youth incentive, economic education, and public relations project. It will continue throughout the Junior Achievement program year. It will be climaxed with a weeklong visit to Puerto Rico, beginning April 29, 1968, by about 35 Junior Achievers, and adult advisers from industry. There the Junior Achievers will have an opportunity to develop personal knowledge of the industrial, educational, scientific and cultural growth resulting from the Puerto Rican economic development program, long identified as "Operation Bootstrap". They will return better prepared to assume their future responsibilities as voters, community leaders, employees and managers in a world where international relationships are becoming increasingly more important.

The group will meet Puerto Rican government leaders and educators. Arrangements for these meetings are being worked out in cooperation with the Puerto Rico Economic Development Administration. This is a return visit. Twenty-eight of our outstanding Junior Achievers were guests of Puerto Rican officials in 1959.

Extensive press, radio and television coverage, locally and in Puerto Rico, will be planned throughout the 1967–1968 program year, as well as during the visit to Puerto Rico.

The Itinerary and Program for the visit will be distributed at a later date.

Why Puerto Rico?

Because Puerto Rico is one of the world's fastest growing industry-based economies and we believe it offers one of the best current case studies of private enterprise in action.

For almost two decades a confident, dynamic spirit has prevailed there and Puerto Rico has experienced amazing economic growth, its people demonstrating a keen awareness of both its accomplishments and its present needs.

In Puerto Rico there will be visits to industrial installations, educational and cultural centers. Arrangements will be made for the Junior Achievers to meet with student groups and to be guests in the homes of industrialists and their families, many of whom will be stateside citizens on assignment in Puerto Rico.

The most important phase of the visit will be meetings with industrialists who will discuss with the group the results of "Operation Bootstrap", pioneered in Puerto Rico as one of the first attempts of an undeveloped area to chart a course of economic development on a massive scale. They will also show them their modern manufacturing facilities and discuss the most up-to-date management techniques.

Puerto Rico today is bubbling with new ideas and excitement about the future, buttressed by solid achievements in economic development: 1,500 U.S. plants have been established under the "Operation Bootstrap" industrialization program; 92,500 jobs were created directly by these plants, with an annual payroll of over $212 million; The Commonwealth per capita income has passed the $1,000 mark compared with $279 in 1950; between 1950 and 1967 Puerto Rico Gross National Product rose from $775 million to over $3.2 billion and external trade soared from $580 million to $2.9 billion, with Puerto Rico becoming the fifth largest U.S. overseas market.

Objectives of Operation Puerto Rico

Operation Puerto Rico has been planned and developed by the Board of Directors of Junior Achievement of Union County to meet our present-day challenges. Its objectives are:

(1) *To provide Junior Achievers and Advisers with a positive educational and incentive program designed to stimulate full understanding of the principles, motivations and rewards of the American Private Enterprise System*

Operation Puerto Rico will demonstrate that every individual—whether employee, manager or community leader—must be ever aware that the vigor of the private enterprise system depends upon a heritage that attaches prime importance to liberty, opportunity for the individual, and personal initiative. It will emphasize the responsibility of the individual to adequately prepare himself to carry his share of the load, and to discharge his responsibilities to the best of his ability.

(2) *To give Junior Achievers actively engaged in owning and operating their own junior companies an opportunity to feel the pulsebeat of industry and international trade, and to learn first-hand the economic facts of life in business at home and abroad*

Emphasis will be on the need for profits and a high level of individual productivity, without errors. The effect of business profits upon the everyday lives of young people, their families, the community, and the economy as a whole will be stressed.

Operation Puerto Rico will demonstrate that each individual's contribution, if properly utilized, will result in a profit to himself, to his employer, to the community, and to the nation. It will further assure continued growth, prosperity and stability of the economy, all of which are more valuable and desirable than personal security through hand-out or a welfare state. It will show how corporate profits become job producers.

The experience of international travel by jet aircraft will demonstrate to the Junior Achievers how, under the Free Enterprise System, research and development in the transportation industry and aggressive promotion, have advanced international trade, travel and communications and generally narrowed the world's horizons. Discussions with Puerto Rican industrialists and students, and visits to industries there, will further enhance the Achievers' understanding of international trade and human relations.

(3) *To have successful businessmen, experienced in the various stages of education and business advancement, convince the Junior Achievers of the dollars and cents value of a high school diploma and to demonstrate clearly the increased income and opportunities available to young people who obtain higher education or seek technical or other specialized training*

The project will demonstrate how profitable and essential continued education can be and how short-range thinking with emphasis on short-term income opportunities and the desire for maximum job security and benefits, without personal initiative and productivity, and responsible leadership fail to develop the full potential of the individual.

(4) *To maintain the high standards of performance, productivity and prestige of the Junior Achievement program*

Special emphasis will be placed on stimulating superior performance at all levels of Junior Achievement activity, development of personal initiative, creative thinking, responsible leadership, good attendance, punctuality and accuracy. Improved production techniques to reduce operating costs will be encouraged. Aggressive safety and quality control programs will be required. Sales incentive programs will be sponsored.

(5) *To demonstrate to Junior Achievers, parents, educators and the community at large the degree of interest which local businessmen have in young people, and to give recognition to business and industrial sponsors and supporters of Junior Achievement for their unselfish efforts on behalf of young people*

This program will demonstrate to the community that local business and industrial organizations are good neighbors, willing to help prepare young people to accept responsibilities of business management and professional and community leadership.

There will be widespread publicity about Operation Puerto Rico and opportunities for good employee and community relations will be initiated by Junior Achievement on behalf of its sponsors and other participants.

(6) *To give Junior Achievers an opportunity to become goodwill ambassadors and to enable them to feel first-hand the pulsebeat of international relations*

The Junior Achievers will develop a keener understanding of the importance of sincere cooperation in international relations in all areas: human relations, government, and particularly business and industry. They will be introduced to the industrial, educational and cultural aspects of life outside of the United States through their visits and association with businessmen, their families, government officials and educational groups.

Community participation

There will be extensive community participation in Operation Puerto Rico. Every effort will be made to stimulate the entire community to rededicate themselves to the principles of Free Enterprise.

Nomination and selection of achievers for the award trip

In April, outstanding Junior Achievers will be selected for the award trip scheduled to begin April 29.

Provided that the Junior Achievement company and its individual Junior Achiever members have met the standards set forth in the Performance Standards Bulletin, the company will have the privilege of nominating members for participation in the Operation Puerto Rico award trip. Consideration should be given only to outstanding Junior Achievers based on performance in the following areas:

Leadership.

Personal initiative and creative thinking.

Appearance and grooming.

Poise.

Ability to get along with young people and adults.

Originality of product.

Production and sales techniques; their successful application.

Attendance and punctuality.

Adherence to and proper execution of safety regulations.

Rating under quality control program.

Accuracy of company records.

Knowledge of Junior Achievement company operations.

Knowledge of sponsoring company's activities.

Knowledge and understanding of the values, workings and benefits to the individual of the Free Enterprise System.

Knowledge of the culture, history and economic development of Puerto Rico.

Future educational and employment plans of the Junior Achiever and degree to which plans are being implemented.

The degree of personal participation in bringing the Junior Achievement company into full participation in Operation Puerto Rico should be an important factor in the selection of nominees. Bear in mind that the Junior Achievers who visit Puerto Rico will be representatives of our industrial and educational community and will be guests of important businessman and government and educational leaders there.

A nomination form will be provided by Junior Achievement with instructions for completion and the due date.

All nominees will be interviewed by a special Junior Achievement Awards Panel, at a time and place to be specified by Junior Achievement.

Selection of Junior Achievers who will participate in the award trip will be announced about three weeks in advance, when instructions will be issued for obtaining written permission from parents or guardians. Travel requirements and other pre-trip details will be discussed.

Incentive program committee

The Board of Directors of Junior Achievement of Union County has delegated responsibility for the planning and execution of Operation Puerto to Mr. J. Kenneth Roden, Executive Vice President. He will be responsible for liaison with American and Puerto Rican government officials and agencies, and other participating organizations.

The Board of Directors has named a Committee to advise and assist Mr. Roden, who will also serve on the Committee. Members of the Incentive Program Committee are:

James D. Abeles, President, Purolator Products, Inc.

William M. Bristol, III, Group Vice President, Bristol-Myers Company.

Joseph Ayares, President, New Jersey Chapter, Public Relations Society of America.

Harry P. Frank, Publisher, The Daily Journal.

John J. Conlon, Vice President, Phelps Dodge Copper Products Corporation.

John Mossey, President, Wayne Steel Company.

Honorable Richard R. O'Connor, O'Connor, Morss & O'Connor, General Counsel for Junior Achievement of Union County, Inc.

J. Kenneth Roden, Executive Vice President, Junior Achievement of Union County, Inc.

Priorities to realize full potential of Operation Puerto Rico

Our Junior Achievement companies must get off to a very good start this year with practical, top quality products which will sell well. Attendance must continue at a very good rate. Operation Puerto Rico is designed to help Advisers maintain this momentum of production and sales, and the enthusiastic participation of every Junior Achiever and Adviser. It will help your Junior Achievement company meet and maintain our Performance Standards.

Start now to prepare for Operation Puerto Rico.

Review this bulletin carefully and announce Operation Puerto Rico to your JA company members.

Tell your top management executives and your company publications editor about Operation Puerto Rico and review this bulletin with them in detail. Make sure they realize the potential for good employee and community relations through participation in this youth incentive and economic education project.

JUNIOR ACHIEVEMENT OF
UNION COUNTY, INC.,
Elizabeth, N.J.

INDUSTRIAL SPONSORS, 1967–68 PROGRAM YEAR

Sponsoring firm and junior achievement company name

Air Reduction Company, Shairco Co.

American Can Company, Am-Jay Co.

American Cyanamid Company, Cyanco Co.

Arthur Andersen & Co., Aaco Co.

The Austin Company, Au-Right Co.

Bishop Industries, Inc., Bi-Co Co.

Bristol-Myers Products, Bristol Myers Company, Comco Co.

Burry Biscuit Division, The Quaker Oats Company, Sirrubco Co.

Chevron Oil Company, Chev-Go Co.

Enjay Chemical Company, Jaymar Co.

FMC Corporation, Jacarco Co.

GM Assembly Division, General Motors Corporation, Gemco Co.

General Aniline & Film Corporation, Genco Co.

General Electric Company, Genel Co.

Humble Oil & Refining Company, Bayway Refinery, Humbilt Co.

International Business Machines Corporation, International Business Achievers.

Merck & Co., Inc., Lubrico Co.

New Departure-Hyatt Bearings Division, General Motors Corporation, Hyco Co.

New Jersey Bell Telephone Company, Cobel Co.

Phelps Dodge Copper Products Corporation, Copper Art Products Co.

Public Service Electric & Gas Company, Jaeco Co.

Purolator Products, Inc., Purco Co.

Quinn & Boden Company, Inc., Quinco Co.

Radio Corporation of America, Electro-Phone Co.

Schering Laboratories Division, Schering Corporation, Scher-Craft Co.

Peter J. Schweitzer Division, Kimberly-Clark Corporation, Kimco Co.

Simmons Company, Hassco Co.

The Singer Company, Sincraft Co.

Weston Instruments, Inc., Wesco Co.

White Laboratories, Inc., Ken-Co-Lab.

Participating high schools

Abraham Clark High School.
Arthur L. Johnson Regional High School.
Battin High School.
Carteret High School.
Cranford High School.
David Brearley High School.
Hillside Avenue Junior High School.
Hillside High School.
Linden High School.
Mother Seton Regional High School.
Orange Avenue Junior High School.
Rahway High School.
Roselle Catholic High School.
Roselle Park High School.
Sacred Heart High School.
St. Mary's High School.
St. Patrick's High School.
Thomas Edison Vocational School.
Thomas Jefferson High School.
Union High School.

GOV. GEORGE ROMNEY VISITS IOWA

Mr. POLLOCK. Mr. Speaker, I ask unanimous consent that the gentleman from Iowa [Mr. SCHWENGEL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Alaska?

There was no objection.

Mr. SCHWENGEL. Mr. Speaker, on October 7, Gov. George Romney, of Michigan, visited Iowa. He made several stops, including Iowa City in my district.

At all of the places, Governor Romney spoke, he talked about his tour of American cities. He emphasized the need for cooperation between private enterprise and government in attacking our urban ills. His comments were perceptive and demonstrated his grasp of the multitude of problems confronting urban America.

The substance of his remarks follows:

> I have just returned from a tour across America. It was the kind of tour that few Americans have taken, and few would care to take.
>
> Yet I wish that every American could have been with me for those 20 days, to listen to the voices of the streets, to see the squalor of the slums, and to share the insights, the frustrations, and the hopes of concerned Americans who are striving desperately to make America's promise come true before it is too late.
>
> For the America I saw was not America the beautiful, not the America of the travel posters, not the America of opportunity and affluence that most of us call home.
>
> Instead, I saw the other face of America, the America of ugly streets and rotted buildings, the America of congestion, illiteracy and want, the America of shattered expectations and rising fury.
>
> This is the America of the inner city, jam packed with refugees from rural areas, who came to an alien environment unprepared but hopeful of opportunity, only to have the dehumanizing trap of the ghetto shut around them.
>
> This is the America where ten people live crammed into two small rooms where a four room flat has only one light bulb where children sleep five in a bed where the accumulated litter and filth of many years breeds rats, roaches and foul odors.
>
> This is the America where men who want work cannot find it either because they lack needed skills, or because they cannot read and write and figure well enough to take advantage of job training programs, or because they find the doors to jobs for which they may be qualified slammed shut by racial and class discrimination.
>
> This is the America where people are locked into dependency by a welfare system

that sustains life at a bare subsistence level with a monthly handout in the mail, and penalizes initiative by withdrawing even that minimum support if the recipient makes the mistake of finding even a low paid, unskilled, entry level job.

This is the America where an unemployed father too often learns that the greatest material contribution he can make is to move away from home, so that his wife and children can qualify for welfare payments.

This is the America where children grow up like weeds in a jungle, untended and undisciplined, without a father's guidance and example, without the opportunity to learn the value of work, in a society whose examples of success are the pimps, the pushers, and the prostitutes.

This is the America where children enter school without being able to say a single word and where they leave school after eight, ten, or 12 years with only a third grade education.

This is the America where a young man or woman cannot aspire to go to college, where a family cannot aspire to own a home, where a would be small businessman cannot get capital.

This is an ugly America and an angry America.

I have walked its streets and listened to its voices. They were sometimes plaintive and dispirited, sometimes ardent, sometimes menacing.

Clearly, the conditions I saw and the problems the ghetto leaders voiced are neither local nor sectional. They are not exclusively Negro or white. They are not limited to one minority group. They are found in every part of the country where there are cities. They are national conditions and national problems.

As the manpower report of the President stated in April, 1967, "Social and economic conditions are getting worse, not better, in slum areas."

Last night, in Nashville, I suggested the outlines of a seven point strategy for a new America.

The elements of this strategy are:

1. Individual attitudes of mutual respect, which will establish human dignity;

2. Improved law enforcement, to insure both equal justice and law and order;

3. Recognition and development of the vast human resources of the ghetto;

4. Encouragement of the efforts of ghetto residents to help themselves.

5. Elimination of restrictions on job opportunities and the use of capital in the ghetto;

6. Revision of our priorities in the use of federal funds; and

7. Government and private leadership which can mobilize all of our resources, public and private, for the task.

Many elements of this strategy are being used now, in cities all over the country. I saw example after example.

Today, however, I'd like to concentrate on what business is doing, and can do, to play its part in dealing with our urban crisis.

I speak of urban slums before this audience of affluent businessmen because the problems of the slums will be solved only if the businessmen of the nation devote their abundant talents to them.

In the mobilization effort of World War II, I saw firsthand the greatest industrial response to public need in all history. As coordinator of the effort in the automotive industry, I learned what business can do.

There is growing recognition that business has a job to do in making the cities of the nation livable. As David Rockefeller has said, "urban rehabilitation is primarily a task for private enterprise . . . fundamentally, this is a job of massive financial and human investment that can best be accomplished by the private sector."

And Sol Linowitz, formerly chairman of the Board of the Xerox Corporation, has said, "American business and industry . . . will have to make social goals as central to its decisions as economic goals."

I can think of many basic reasons why private enterprise should extend its horizons, if we are to overcome the urban crisis before it overcomes us.

The job is too big for government alone. The dimension of the rebuilding task in the cities I have seen calls for the full commitment of the talents and resources of all the people, all the business and professional organizations, all the civic and philanthropic groups, and all the units of government that exist.

American private enterprise is the world's greatest reservoir of talent, initiative, technological advances, and engineering know-how. No nation, past or present, has ever had such an abundance of tools with which to attack major public problems. For example, systems analysis, pioneered by modern American industry, and the computer, its essential tool, are available to be adapted to rebuilding America's cities. We have used them in the combined efforts of government and industry for our defense and space programs. The foremost challenge to American life is now in the hearts of its urban centers. Surely this calls for the application of the most modern and efficient techniques.

Not only civic duty but enlightened business sense beckons the entrepreneur. In the long run, it is profitable in every sense for business to concern itself with urban problems.

Instead of spending for welfare which perpetuates dependency, let us spend to make people self-supporting. Instead of throwing money down ratholes, let us spend to make people productive.

It is better for the people involved that they engage in productive effort and contribute to the output of the economy.

The employment of the average Negro in a job as good as that of the average white worker would add 15 billion this year to the gross national product. Considering the multiplier effect it would no doubt be in excess of 45 billion. For business in general, this increase would mean more sales, more output, more profit, and for government, more taxes and less deficit.

One of the successful examples of combining our many resources is the management council in California. Industry, state and Federal government, and local schools have joined to provide meaningful job training and job opportunities.

Each has contributed importantly in its own particular area of competence:

Business: Ability to define job needs, training methods, and job opportunities;

Federal government: Funds for facilities;

State government: Coordinated employment opportunity information;

Local schools: Personnel for teaching and administration.

And all this has been done because business took the job seriously and provided the leadership.

For the construction industry, plagued currently with an unemployment rate of more than 7 percent, an expanded housing program to eliminate slum dwellings means more jobs and more profit.

In many places and in a variety of ways business is now involved in solving urban problems notably by job training programs, by housing rehabilitation and construction, and by educational projects. The effort is significant and praiseworthy. Unfortunately it falls short of the need.

Close to 3 million people of working age need basic education or job training in order to qualify for the job market on competitive terms. Federally financed programs to meet this need currently enroll less than 300,000. Business, which engages in training programs far greater than those sponsored by government, hardly touches these 3 million. The most optimistic appraisal of the present job training efforts could not claim that more than 10 percent of the need among the most disadvantaged is being met.

Almost a score of years has passed since the Congress articulated the goal of "a decent home and a suitable living environment for every American" in legislation conceived in great part by the late Robert A. Taft.

Progress has been dishearteningly slow. In 1966 new housing construction fell to the lowest level in 20 years. Progress for the poor has been imperceptible. In 1960, 5,300,000 poor families were in substandard homes. By 1969, the Department of Housing and Urban Development tells us, 5,260,000 poor families will be in substandard housing. This amounts to a reduction of ¾ of 1 percent over a period of 9 years in the number of poor families who are inadequately housed.

The most direct contribution that business can make in meeting America's most pressing domestic challenge is to train and employ those who are today unemployed or underemployed.

Business can contribute significantly to the solution of the problem of jobs by reexamining its standards for employment. Often they are needlessly rigorous and are hard to justify in a tight labor market. Among the practices that could be relaxed without loss to business are blanket bans on those who have any criminal record, tests keyed to the culture of middle class families, and rejection on the basis of correctible personal shortcomings. Business has gone far in using the services of the physically handicapped.

Business can recruit employees in the disadvantaged areas of our cities. While I was in Rochester, New York, a few weeks ago, the principal employers of that city in cooperation with representative ghetto leaders, announced the establishment of a recruiting office in the ghetto serving several major firms. Rochester's unemployment rate is very low.

Down largely to the hard core, so called "unemployables" but the new program intends to seek out, train if necessary, and place in a productive job every person able to work.

Business can, in some instances, locate itself in ghetto areas. After the Watts riots, Aerojet General established in the riot area a new plant, the Watts Manufacturing Company, which makes tents for the Defense Department, and now employs 438 workers.

There is urgent need for more jobs in and near the slums, particularly in enterprises owned and managed by residents of the area. Those who live there must be given every chance to lift themselves by their own bootstraps.

Those who are willing to go into business in such areas confront many obstacles, all of which add to costs and risks. City taxes are high. Crime, vandalism, dirt, and squalor are deterrents. Credit is hard to get, and so is insurance.

If jobs are to be multiplied near the problem areas of the cities, business and Government as well as the residents of the neighborhood must mount a concerted attack to remove such obstacles.

The established business can facilitate survival and progress by the indigenous businessman in the ghetto particularly in three fields: credit, technical and advisory assistance, and subcontracting.

Granting of franchises to ghetto entrepreneurs should be established policy of every national firm.

The greatest hurdle to matching unfilled jobs and idle men in the economy today is the fact that the jobs require training and skill that the idle men do not possess.

If anything is clear from our national experience with manpower training programs, it is that business does the most effective type of job training. Its training is for real jobs; its methods are current. And because the trainee can see a job for himself at the end of training, he is motivated to put forth his best effort. The office of economic opportunity has recognized that Job Corps centers managed and run by private business are more successful than others.

I saw significant results in job training of the uneducated and the hard-core unemployed in many places.

Frequently, job training for such people must include basic education; reading, writing, and arithmetic.

It is easy to underestimate the capacity to learn of those in America's undersociety.

Proven techniques exist for making such people useful employees.

Techniques developed by such organizations as the Indianapolis Board for Fundamental Education, and Mind, Inc., a subsidiary of Corn Products Company, and used successfully by many business enterprises.

This is a field in which progress could be accelerated by government encouragement. Such devices as a tax credit for training the unemployed and a temporary wage supplement paid by government would increase business activity to reduce hard core unemployment.

The list of what business can do in other fields to solve the problems of our cities could go on and on.

Business can work with schools to devise useful vocational education programs. Business advisory councils are doing this now in Milwaukee and Los Angeles.

Business can pursue research to improve educational methods. Xerox and Corn Products are doing this now.

Business can develop less costly techniques of constructing and rehabilitating housing. U.S. Gypsum, Alcoa, and Johns Manville are doing this now.

Business can provide in plant basic education for employees. Western Electric is doing this now.

Business, particularly financial institutions, can liberalize lending and credit policies to make possible more low income housing, more small business, and more jobs. First Pennsylvania Banking and Trust Company is doing this now.

Business can plan and build new cities unmarked by the scars that deface most of the older ones.

WASHINGTON EVENING STAR EXAMINES "McCARTHY'S BALLOON"

Mr. EDMONDSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. EDMONDSON. Mr. Speaker, I want to call to the attention of my colleagues and all Americans the fine editorial in the Washington Evening Star tonight entitled "McCarthy's Balloon."

The time has come to puncture the illusion that the American people are willing and eager to abandon a billion Asians to totalitarianism by pulling our power out of the struggle for self-determination in South Vietnam.

The United States is a free country, and Senator McCarthy has a right as a citizen and a Democrat to float a "dump Johnson" balloon and take his case to the primaries.

But like the editorial writer of the Star, I believe that the new McCarthyism of isolationism will be utterly punctured by farsighted Democrats in any primary where it appears.

Mr. Speaker, under unanimous consent, I include the Star editorial in the Record:

McCarthy's Balloon

That trial presidential balloon sent aloft the other day on behalf of Senator Eugene McCarthy seems to have generated somewhat less enthusiasm than anticipated. The original story that the Minnesota Democrat had decided to enter four key primaries to oppose President Johnson on the issue of the Vietnam war has been toned down considerably. Now, the Senator says, he is thinking things over and will announce his decision sometime next month.

We hope he decides to run.

There is a great deal of uninformed speculation both here and abroad about the depth of dissension in this country over the issue of Vietnam. It is time for some air-clearing.

No one in public life is better qualified than Senator McCarthy to present the voters with a clearcut alternative to the administration policy in Vietnam. He is a sincere and courageous man who believes that the war in Vietnam is immoral and that United States forces should be promptly pulled out. And he has the integrity to pursue his argument to its only logical conclusion. The United States should, he has said, begin the liquidation of all its treaty obligations in the Far East, and end our role as a Pacific power.

We have an abiding faith that the electorate, given the chance, will repudiate in no uncertain terms this attempt to write off the hope and the freedom of a billion anti-Communist Asians. And we hope that Senator McCarthy, by making a bid to wrest the nomination from President Johnson, will give the voters a chance to demonstrate to the world just how shallow the American neo-isolationist movement really is.

SWEDISH PREMIER'S REACTION TO REPORT OF COMMITTEE ON FOREIGN AFFAIRS STUDY MISSION TO SCANDINAVIA AND THE SOVIET UNION

The SPEAKER. Under previous order or the House the gentleman from Iowa [Mr. Culver] is recognized for 30 minutes.

Mr. CULVER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. CULVER. Mr. Speaker, I rise in reference to today's newspaper report on Swedish Premier Tage Erlander's reaction to the comments which were made with regard to Sweden in the report of our Foreign Affairs Committee study mission to Scandinavia and the Soviet Union.

I include this report from the Washington Post at this point in the Record:

Sweden Rebukes Congressmen

Stockholm, November 14.—Swedish Premier Tage Erlander has expressed resentment over an American congressional report which charged that Sweden is "debasing its neutrality" by having a negative attitude toward American policy while playing down Soviet shortcomings.

Commenting on the report by two members of the House Foreign Affairs Committee, Erlander told a press conference yesterday that "Sweden alone is to be the interpreter of its neutrality."

He declared that Sweden "could not withhold its opinion on vital developments that threaten world peace."

Swedish officials recalled today that the three-man congressional delegation, which visited here in early September, spent only three days in Sweden and had not met with any top Swedish officials.

The congressional group comprised Rep. John Culver (D-Iowa), John Buchanan (R-Ala.) and Marion Czarnecki, staff member of the House Foreign Affairs Committee. They also visited Norway and Finland as well as the Soviet Union.

Mr. Speaker, I also include the study mission's report concerning those sections to which the Swedish Premier apparently had reference in the Record, as follows:

Sweden's traditional policy of neutrality sets her apart from her neighbors. While the United States has had no problem in adapting its foreign policy undertakings so as to respect Sweden's international position, other factors have caused friction in the relations between our two countries. The holding of the Bertrand Russell "Vietnam war tribunal" in Stockholm, and the frequent anti-American demonstrations by Swedish youths which resulted in damage to the American Embassy, have evoked resentment. Although the blame is not to be fully shouldered by the Government, Swedish preoccupation with the negative aspects of U.S. domestic and foreign problems, and their failure to present objectively the facts about the world Communist movement, do not appear consistent with a genuinely balanced foreign policy based on principles of neutrality.

C. MASS MEDIA AND FOREIGN POLICY

The treatment of U.S. domestic and foreign activities by the mass media of Scandinavia brought great concern to our study mission.

Violence in the streets, crime, racial strife, "hippiedom," and poverty, as well as criticism of U.S. policy in Vietnam, are the subject of the bulk of the reports on the United States which one finds in the newspapers, magazines, radio, and television.

The positive aspects of the American society, and our Nation's efforts on behalf of the security and economic development of the free world, are accorded marginal and condescending treatment.

In contrast, the Soviet Union's imperfections, and her Government's actions at home and abroad, are treated with considerable tolerance or, when they reflect adversely on the Soviet leadership, ignored altogether.

The situation which we described obtains particularly in Sweden.

When we expressed our dismay about this state of affairs, our hosts hastened to assure us that the mass media treatment had little if any bearing on popular sentiments toward the United States.

We find it difficult to accept these assurances. It seems to us that the unrelieved effort of the mass media to find fault with the United States must in time affect the outlook of the people. The attitudes shaped by today's reporting will come to be reflected in national policies, with fundamental consequences to free world security and progress, when the younger generation assumes leadership.

In the light of these conditions, we find no justification for the continuing retrenchment in U.S. Information Agency programs and related activities in Western Europe. In Scandinavia USIS operations are being cut back, exchanges are being reduced, and consideration is being given to the closing of some of our overseas libraries.

We are unanimous in the conviction that the challenge of the coming decades requires the United States to maintain effective communication, and a sense of community, with our friends in Europe. Today's Europe has a new capacity for independent action within the Atlantic community because of our past close cooperation in military and economic matters. It is imperative for our mutual interests in peace and prosperity that this intimate and valued relationship be maintained.

Mr. Speaker I would also call attention to the extensive comments which we made about the very valuable Swedish contribution to the United Nations peacekeeping efforts. It is interesting that, in his comments yesterday Premier Erlander made no reference to these observations, which I include at this point in the RECORD:

B. UNITED NATIONS PEACEKEEPING

The Scandinavian countries have long demonstrated active interest in United Nations peacekeeping activities. At least one Nordic country has participated in every major U.N. peacekeeping operation. In addition when the prospects of effective United Nations peacekeeping appeared least encouraging, the Scandinavian countries and Canada were among the few U.N. members who initiated efforts to improve the United Nations capability to act within the framework of the collective peacekeeping arrangements provided for in article 46 of the U.N. Charter.

Sweden, despite its neutrality and noninvolvement in the great issues which have swept Europe for the past 150 years, provides an outstanding example. Swedish battalions have participated from the start in all of the major U.N. peacekeeping undertakings. They were a part of UNEF in the Middle East from the time of the Suez crisis in 1956 through May of 1967. They were in the Congo shortly after the U.N. Security Council approved that peacekeeping operation. And they have contributed for 3 years to stability along NATO's eastern flank by participating in the U.N. operation on Cyprus.

In addition, with the cooperation of Finland, Norway, Denmark, and a handful of other countries, Sweden has pioneered in working out procedures for the establishment and coordinated training of national military units earmarked for possible U.N. peacekeeping service.

As early as 1964, Sweden set up a provisional force of 1,000 men which is intended to be ready to respond to the U.N.'s appeal for personnel to undertake peacekeeping missions.

The motive for the creation of this standby force was to enable Sweden to act effectively when a request is received from the United Nations and if the Swedish Government, after considering the implications of Swedish participation, decides to accept it. It is also considered to be in the interest of the United Nations to have advance knowledge of the kind of facilities that could be made available by Sweden if Swedish participation should be sought by the organization and agreed to by the Swedish Government.

Because of the novel implications of this undertaking, our study mission felt that it would be useful to review the principles which underlie the operations of the Swedish standby force and to report on them.

The Swedish standby force is being recruited on a voluntary basis. Most of the volunteers appear to be young men completing their first term of compulsory military service.

All members of the force sign individual contracts for a period of 1 year. Should they be serving abroad at the end of this period, the contracts are automatically extended for up to 6 months. However, the volunteers are not obliged to serve abroad longer than 6 months.

A $100 enlistment bonus is paid to each volunteer who is then required to obtain various vaccinations and to make arrangements with his employer, landlord, and the like, which will allow him to respond on short notice to a call for active service. The Swedish National Parliament has approved legislation forbidding employers to dismiss employees on the grounds of their membership in a standby force intended for U.N. peacekeeping.

The enlisted men in the force receive two 3-week training courses in preparation for the tasks which United Nations peacekeeping operations are likely to involve. Officers and noncommissioned officers receive three periods of training, each of 4 weeks' duration.

Ultimately, the standby force will consist of two battalions equipped with small arms, motor vehicles, and bicycles. One special contingent will consist of technicians trained in the maintenance of public facilities including water supply, electrical power systems, and transportation. An air transport unit, to be equipped with helicopters and aircraft, is also contemplated.

In practice, the size of the Swedish "peacekeeping" battalions will be tailored to the specific mission which they are required to perform. For example, the original Swedish battalion in Cyprus numbered just over 1,000 men. After some on-the-scene experience, the battalion strength was reduced to 617 men.

The Swedish standby force is designed to be able to handle the initial stages of a United Nations peacekeeping operation in any part of the world. This force can also be used to give assistance in connection with such major disasters as earthquakes and floods. It is being organized for optimum flexibility so that, together with troops from other countries or on its own, the force, or portions of it, can be used in any particular operation.

Since 1960, extensive discussions have taken place between the governments of the Nordic countries regarding the technical problems entailed in the organization, training, and use of standby peacekeeping forces. As a result of these talks, the Nordic countries have attempted to divide various tasks among themselves and to emphasize particular specialties in the training of their respective standby contingents. This specialization does not mean that the units of any given Nordic country will be unable to participate alone in a given U.N. peacekeeping operation. It means, instead, that the principle of the division of labor will be followed, and increased efficiency assured, should a given operation require force contributions from two or more Nordic countries.

We should also like to add that each spring the Swedish Army conducts a 4-week course for U.N. observers and staff officers. It is interesting to note that instruction in this course is provided only in English. Finnish, Danish, Norwegian, Swiss, and Canadian officers, as well as those from Sweden, participated in the most recent course.

A special part of the Swedish standby force is the detachment of 50 technical specialists which is presently oversubscribed but underutilized. Nevertheless, the unit is ready for U.N. service in any emergency.

Premier Erlander suggests that because we were only in Sweden 3 days, and did not meet with what he would describe as top Swedish officials, we were not in a position to make such an observation.

I did have the opportunity to visit Sweden as a student in 1952, so this was a return trip for me. My grandmother came from Sweden to this country when she was 16 years old, and throughout her long life her love of Sweden was transmitted to our family. For this reason, present attitudes in that country are therefore of particular personal concern to me.

However, no one has to go to Sweden to be aware of that neutral nation's attitude toward American foreign policy or the incessant criticism of selected aspects of American domestic life. All you have to do is read the newspaper accounts of the repeated demonstrations and attacks on the American Embassy or the statements of public officials in the press.

And I can tell you that you only have to be in Sweden a matter of hours to have these impressions confirmed.

We were there 3 days, and we did meet with prominent persons who play a very direct role in the formulation of Swedish official policies as well as public opinion, including the Chief of the Information Division of the Foreign Ministry, the Chief of the U.N. Division of the Foreign Ministry, and the foreign editor of one of Stockholm's major newspapers.

Private assurances of the Swedish affection for the American people by top Government officials would not have been either effective or attractive when those same officials are publicly denouncing American motives, as indicated in the following news item which appeared in the Washington Post on October 24:

SWEDISH OFFICIAL DOUBTS U.S. MOTIVES IN VIETNAM

(By Wilfred Fleisher)

STOCKHOLM, October 23.—Swedish Foreign Minister Torsten Nilsson told a Social Democratic Party congress here today that he doubted American policy in Vietnam "is based on the ideals of peace, democracy and justice which American officials profess." Nilsson also declared bluntly that "the world is losing confidence in the United States."

He charged that American policy is "based on an over-simplification of world events in which communism is branded as evil in all circumstances and anticommunism is regarded as the only alternative. Those who claim to serve mankind by the increasing use of force," he said, "must produce overwhelming evidence that they really serve the cause they claim . . . American leadership has not been convincing abroad or at home . . ."

Nilsson said world opinion "is becoming increasingly critical and the United States risks to be morally and politically isolated."

Nilsson's speech, evidently intended to appeal to left-wing voters in next year's parliamentary election, is regarded here as the strongest attack on the United States made so far by any official Swedish spokesman.

The Social Democratic Party congress wound up a three-day session tonight by repeating a demand that the United States cease bombing North Vietnam unconditionally, that peace talks include the Vietcong and that all foreign troops be withdrawn from Vietnam.

It is one thing to criticize the wisdom of our policy in Vietnam, as is done by many here at home and abroad. But it is quite another thing to impugn the motives of the American Government, as did the Swedish Foreign Minister in the address before the Social Democratic Party Congress in Stockholm which I just cited. He said then that he doubted whether American policy in Vietnam "is based on the ideals of peace, democracy, and justice which American officials profess."

Sweden certainly raised no such question about the sincerity of American policy when we were fighting or prepared to fight for the maintenance of the freedom of Western Europe from Nazi or Communist domination. Those government officials who jealously safeguard their neutrality today might do well to stop and ask themselves if they could still enjoy this neutrality in the absence of United States sacrifice in two major wars and present dedication to the freedom of Western Europe.

Premier Erlander contends that—

> Sweden alone is to be the interpreter of its neutrality.

If that in fact is the case, then perhaps he would suggest that the United States alone should be the interpreter of its commitment in Vietnam.

I think that our Swedish friends would agree that a policy of neutrality does not confer a state of immunity or infallibility. Mutual criticism of imperfection in policy does not violate either standards of international conduct or the ideals which democratic nations share.

It is dismaying that some leaders in Sweden now seem to feel that criticism is one directional. If any tradition has typified Sweden in the past, it is the spirit of open inquiry and honest debate. I hope that these reactions by the Premier of Sweden represent only a momentary departure from that standard of fairness and good will.

Mr. BUCHANAN. Mr. Speaker, will the gentleman yield?

Mr. CULVER. I yield to the gentleman from Alabama [Mr. Buchanan].

Mr. BUCHANAN. Mr. Speaker, I rise to add a comment of support to the observations just made by the gentleman from Iowa [Mr. Culver].

As his colleague on this study mission to the Soviet Union and Scandinavia, I concur in his excellent statement. The conclusions of our report simply reflect the facts as we saw them. They were not the product of our imagination or prejudice nor were they random or trivial attempts to find fault with Sweden.

The fact that there may be some pertinence and validity in what we say is suggested by the excessive sensitivity and self-righteousness reflected in the statements made by the Prime Minister and Foreign Minister of Sweden. They seem to feel that they deserve a sanctuary from criticism or comment. That is a new and disturbing definition of neutrality. I commend my colleague for his reply to the reported statement of Prime Minister Erlander.

Mr. CULVER. Mr. Speaker, I thank the gentleman for his statement, and I yield back the balance of my time.

PRESIDENT JOHNSON'S WAR ON POVERTY CARRIED FORWARD

The SPEAKER. Under a previous order of the House, the gentleman from Illinois [Mr. Pucinski] is recognized for 30 minutes.

Mr. PUCINSKI. Mr. Speaker, this is an historic date for the American people. Just a few minutes ago this Chamber adopted by a spectacular vote of 283 to 129 a continuation of President Johnson's firm determination that poverty shall be stamped out from our society as Americans.

This is a historic date because it reflects on the tremendously impressive leadership of this House. Less than 3 weeks ago many of the pundits, political writers and analysts, and, yes, the leaders of the opposition, were confident in predicting that the war on poverty would be scuttled, and that the Office of Economic Opportunity would be eliminated, and it was just a matter of time, they were saying, before this would bring to an end the President's valiant efforts to stamp out poverty in this country. They had the votes, and they had the confidence. The newspapers all over this country were reflecting the propaganda being put out by our adversaries.

I believe that the vote today of 283 to 129 for the continuation of the President's war on poverty clearly reflects the good judgment of this House, and it reflects the dedicated leadership of the Speaker of this House, Speaker McCormack, who has worked tirelessly for the Members of this Congress to prepare a formula that would preserve this very important aspect of the President's domestic program.

Undoubtedly the war on poverty is President Johnson's most important domestic program, because the President well realizes that democracy cannot survive when a large segment of its people live in privation.

It reflects the unyielding leadership of the majority leader of this House of Representatives, the gentleman from Oklahoma [Mr. Albert]. It reflects the leadership of our whip, and the whip system that worked so well throughout the day in preserving this legislation and preventing it from being emasculated here on the floor.

It also reflects upon the impressive leadership of the gentleman from Kentucky, the chairman of the House Committee on Education and Labor, Carl Perkins, who tenaciously held to the idea that this was a program that could not be abandoned. Although on many occasions the situation looked very bleak so that one would be led to expect that the votes could not be marshaled in support of this legislation, by his patience and dedication and his true understanding of the great challenge that lies ahead, he held his committee together and carved out a bill and reported out a bill that was acceptable to the overwhelming majority of this House today.

It also reflects on the members of the Committee on Education and Labor who worked so tirelessly to put together a combination of ideas, restructuring the bill in those instances where it was weak, and shoring it up and firming it up and bringing to the floor a bill that brought the Democrats together as one party, dedicated to their fundamental and traditional policy of working for the people.

Mr. Speaker, since the early days of Jefferson this party has believed that when a nation invests in its people the return is manifold indeed.

So I say, Mr. Speaker, today was a great day because on vote after vote the Democrats in this Chamber stood together in the firm belief that the days of poverty in America must be eliminated.

So I say to the pundits who were so quick in trying to write off the Democratic Party that today clearly demonstrates to them to write no epitaphs for the Democratic Party. We are strong and virile and strong in our belief that so long as we serve the cause of the American people, we shall be victorious in all our efforts.

Mr. Speaker, I am not at all disturbed about the motion to recommit. That was an honest expression of many of the Members in this Chamber, Members who feel that perhaps because of the situation in Vietnam we may not be able to progress as far as we had hoped to through the committee bill.

But I think the important thing here is that the leadership of the House of Representatives can take great pride that the prophecies of despair and destruction so far as the Office of Economic Opportunity is concerned did not come true. Today as we leave this Chamber after many hours of hard debate and after many hours of voting, the future of the Office of Economic Opportunity is secure. It is going to continue working to help those communities in America that need help to eliminate the ravages of poverty.

I say to you, Mr. Speaker, I am proud of the fact that the leadership of the House of Representatives was able to put together a winning combination today and that those prophets of doom and gloom and those who thought they were going to bury the Office of Economic Opportunity and those who were openly suggesting that Sargent Shriver should look to new fields because there would no longer be any Office of Economic Opportunity and those who tried to dismember this bill and those who could not understand the totality of the challenge that confronts us were rejected by their colleagues in this Chamber today by overwhelming vote of 283 to 129.

I want to take this opportunity to congratulate the leadership of the House. I want to congratulate the chairman of our committee. I want to congratulate every single member of the House Committee on Education and Labor.

I have never been more proud of any group of men and women than I am today, proud of the Members of the House of Representatives.

Above all, Mr. Speaker, I want to congratulate the President. The President of the United States who has the vision and who has the depth of understanding and who has time and again said that democracy cannot survive when a vast number of people, some 30 million of its citizens live in privation and poverty—a President of the United States who has had the courage to marshal the resources of this country in this all-out war on poverty—a President who has bravely said that this country is big enough and wealthy enough to wage a war against communism and subversion in Vietnam and wage war against poverty and privation in this country.

I think it is an historical day, Mr. Speaker. It is an historical day for the Speaker of this chamber who in recent days has been maligned by men of little faith, little vision, and less understanding—men who do not understand the dynamics of the legislative process, men who do not understand what it takes to put together understanding among 435 Members in a chamber like this, the greatest deliberative body of the world.

I say that this is a proud day for the Speaker of the House, a proud day for the majority leader. It is a proud day for all of us Democrats who stood together on a crucial issue, probably the most crucial issue before the Congress. This has been a great day.

Just one footnote to some of the earlier debate. As to those who try to say that somehow or other we stifle debate, I want the RECORD to show that, unlike most bills before this chamber, this chamber spent 6 days of intensive debate on the amendments and the structure of the poverty program. Our committee spent 18 days in executive session marking up this bill, and those who scream the loudest today that somehow or other they were being foreclosed from debate were the men who not only voted against the bill today but who also tried to frustrate this committee from bringing the bill to the floor by not attending to committee meetings. It was not until the day that the chairman of the committee [Mr. PERKINS] took the brave move of opening up the executive hearings and letting the whole country see who were the obstructionists to helping the poor people of America that they began attending meetings, and the last 5 days were open sessions.

I would like the RECORD to show that this committee held 26 days of public hearings to see what America wants in the way of an antipoverty program. So for anyone to suggest that somehow or other we had stifled free debate is to run contrary to the facts and to torture the truth. No legislation has received more attention and more study by this Chamber than this poverty program, and I say it was because of the extensive debate that this bill today was adopted by an overwhelming majority of 283 to 129 votes, when 3 weeks ago the opponents of this legislation were confidently predicting that they would bury the program and the effort in the war against poverty.

Mr. CAREY. Mr. Speaker, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from New York.

Mr. CAREY. I thank my colleague from Illinois for yielding. I would like to associate myself with the remarks he has just made, and concur in his judgments as to the action of the House today.

Let me begin by stating that this is, indeed, a day of major victory. But it is not to exalt in victory but to be humble in the recognition that this program has gained the support it deserves I stand in the House now. I agree. President Johnson deserves credit for his stewardship in this legislation. From the day when he first, in a Presidential message, called upon Congress to deal with the problems of the needy he has been unswerving in his devotion to this program. Despite all the very many trying requests that are directed to him to fund vital programs both at home and abroad and in defense of our country, he has so well managed our fiscal resources that he has been able to make available not only the minimum sums with which we began to fight the war on poverty but an increased commitment to the war on poverty. In every year of its existence since 1964 the President has shown confidence in the administration of the war on poverty under Sargent Shriver.

In the person of Sargent Shriver we have a devoted public servant, one who has brought his considerable talents to bear on this most vexacious problem of our time. I think he deserves also to have the vote of confidence that the House gave him and his program tonight.

As to the leadership of the House, let me say to my colleague from Illinois that I cannot find adequate words to express my admiration for the leadership shown by our Speaker, by our majority leader, and by the chairman of our committee and all those who serve there, including the staff of the great Committee on Education and Labor, who have worked with cohesion and close cooperation to bring this bill to the point where it could receive the overwhelming support and the vote of confidence that it received here tonight.

I think possibly only the Speaker with his legislative experience, with his close contact with all the Members of the House on both sides, and with his ability to read the mood of the House from day to day, could have brought us to this juncture of victory tonight.

There were those who said, and said quite correctly and confidently and almost punitively, that the House would kill the poverty bill as soon as it came to the floor, and their predictions probably would have been true—probably would have been true. These were reckless predictions. Perhaps they wanted to see the havoc that would be created in the country if the poor had a new sense of frustration thrust upon them by the decimation of this program, but, true to his country as a great legislator, the Speaker read the mood of the House, and with his leadership team chose the time and the place to bring this bill up and to debate it thoroughly and have it discussed from end to end for day after day in this House.

When all this criticism was heaped upon it and all the unfair judgments cast upon it and all its enemies could do to it had been done to this bill, then the House rose up and backed its Speaker, after he gave a tremendous address here in the House supporting this program.

I think we can well express our own confidence again in the judgments the gentleman in the well and I have made in choosing Lyndon Johnson to be our leader and in choosing JOHN MCCORMACK to be our Speaker and CARL ALBERT to be our majority leader.

Let me just observe that this was made more than a simple crusade and cause here in this House—the debate as to whether we were for or against this program. In a way, this program spoke for itself—the things that have been done for the children, the things that have been done for the elderly, the starts of new housing and rehabilitation of housing for all people which have been begun under this program, and the Upward Bound work, and the VISTA work, and all the hopes and ideas that have been started to help people with their dreams.

This bill has turned out to be almost the "Unsinkable Molly Brown." No matter what was done to it, its merit came to the fore. That is why the bill was able to garner the votes it received here in the House tonight.

Let me suggest again briefly in closing these remarks, because words simply cannot express my admiration for the President and the Speaker and my comrades here and the gentleman in the well, to all who contributed to the passage of this bill, we go forth united in this House, united behind this cause for a better life, for a better America for all people, united on our platform, united in our pledge and promise to the American people that we can move forward under the leadership of Lyndon Johnson.

I think unwisely and not too well the opponents of our President thought they could seize a great political victory here on this bill. They thought they could show the people of America that President Johnson did not have enough followers and friends to pass a program behind which he has put the prestige of his high office. A defeat to President Johnson on this bill would, they thought, be interpreted by the American people as a vote of no confidence to a great President. Instead, overwhelming numbers of the President's party and men of good will in the Republican Party came together this day.

The President has proven his leadership in this program. He has wisely recommended additional sums. He has given this program his full support and the prestige of his office. We are not going to let the President down, because letting him down would be letting down the poor people of this country who have found in President Johnson and in the leadership of this House the friends they have needed for so many years.

I would recall to my friend in the well that it is not uncharacteristic of our President to be carrying a good fight for this program. Those who know him well recall that in his earliest service in government he was in a similar program in the National Youth Administration when, back in his native State, he gave his time and his energy and his leadership to helping young people gain careers in high school and college with the assistance of the National Youth Administration funds.

He was in the business of helping the poor then. He is in the business of helping the poor today. If we have given him a few additional tools to work with, then we have responded to his leadership as men of good will from any party should respond to leadership.

Let this bill be a warning, a note and a caveat to the opponents of our party and to the opponents of the poor. We will survive. We will move forward. We will continue to build his great society.

Thank God in this day of America's need we have men like President Johnson and JOHN MCCORMACK leading the fight.

I thank the gentleman for yielding.

Mr. PUCINSKI. I thank the gentleman for his eloquent remarks.

I thank the gentleman for putting into proper perspective the full significance of what happened here in this Chamber today.

I thank the gentleman for calling attention to the fact that had we faltered in our complete confidence in our leadership, in our great President, this would have been a message to people all over the world that our system was failing.

I believe that the vote which was scored here today was probably the most eloquent message we could send to people all over the world, "Democracy cares for all of its people, rich and poor."

The fact that we have voted this program tonight, by this overwhelming majority of 283 to 129 votes, clearly indicates that certainly the destiny and the future is on our side. The wave of nations now wavering as to which way to go will go with us.

I say again, this is an historic date.

The Speaker of this House, the majority leader, the chairman of the committee and the members of the committee who worked so hard to put together the kind of bill that would get this kind of overwhelming support can be proud Members of Congress today.

Above all, President Johnson can be proud of the team he has in this Congress to stand behind his program. We are grateful.

We are grateful for the support we got from the minority Members of this Congress, from those who voted with us for final passage of this legislation. We are grateful that they rejected the false prophets who tried to mislead them and joined us to work together in this great cause of making America the first nation in the history of civilization to eliminate poverty.

That is the great dream of a great President, President Johnson.

We are grateful to all those who joined in this huge victory today.

Mr. RUPPE. Mr. Speaker, will the gentleman yield?

Mr. PUCINSKI. I yield to the gentleman from Michigan.

Mr. RUPPE. Mr. Speaker, I want to congratulate the gentleman for his fine statement. I agree wholeheartedly with the effort made on the war on poverty, and I would like to congratulate the gentleman personally for his efforts in behalf of the poor, in behalf of community action agencies, and in behalf of many people involved in this particular struggle.

I would certainly agree with the gentleman and commend the leadership on the other side for putting together the entire party in such a spirit and manner. I trust it will be a good example for the rest of us. So often we have difficulty getting our geographic opponents on the same side of the aisle.

In all seriousness, I would like to ask the gentleman how I can go back and reply to questions I have already received from people in the community action agencies in my district. They say:

> Coming as we do from a poor and needy district, how are we expected to put up not 10 percent but 20 percent of the cost of the program? For the first time, frankly, as very poor and very needy communities, how are we to be called upon to put up 10 percent cash contribution?

Mr. PUCINSKI. I would be glad to try to help the gentleman.

As the gentleman knows, the beauty of our American system and of our legislative process, in our bicameral form of government, is that the other body has not written this kind of provision into its bill. This Chamber has. The vote was reasonably close.

I am sure the representatives of the gentleman's party and the representatives of our party, the Representatives of this Chamber, will go into conference. They will listen to all of the arguments. The arguments have been convincing and persuasive.

I do not want in any way to prejudge how the conference will act, but I certainly would not be at all surprised if the conferees heard the impassioned voices of those who today said perhaps this limitation might place great difficulty on some of the communities.

I would suggest to my colleague that we withhold judgment on this particular question until the conferees have had an opportunity to discuss this matter with the Members of the other body, and to see what kind of a report they come back with.

If the arguments made today in support of eliminating the 10 percent cash requirement were persuasive and convincing, then I think that the conferees are responsible Members of Congress, and I am sure that the arguments we heard today are going to bear on the ultimate decision. So I would suggest to my colleague not to write this question off at this time. We do have a conference. There is going to be considerable discussion and debate among various Members on this point.

Mr. POLLOCK. Mr. Speaker, will the gentleman yield on this point?

Mr. PUCINSKI. I yield to the gentleman.

Mr. POLLOCK. Mr. Speaker, I would like to say that I share the same concern as the gentleman who has just spoken here about this change which now requires a 20-percent participation, 10 percent of which must be in cash. I have many Indian and Eskimo and Aleut communities that need vitally to share in this program. In fact, they are too poor now to participate, because there is no way that they can get the 10 percent in order to do it. I sincerely hope that the Members of the House and the Senate in the conference committee will very seriously reconsider the position of the House in this regard. I think many good things were done to this bill today. There were a number of bad things done today, because a number of amendments did not get the consideration today that they should have gotten. This is one of the areas which is very serious. I happen to be one of the Republicans who voted to support the passage of the bill. I am very happy that it passed, but I am seriously concerned in this one regard. I hope that the final law which passes this 90th Congress will be one which will have rejected that portion of the proposition which passed the House today.

Mr. PUCINSKI. Mr. Speaker, I am sure the gentleman's voice will certainly be considered by the conferees and the arguments put forward by him earlier will be considered also. The fact of the matter is I think we can all rejoice. The gentleman addressing the House now and and all of us can rejoice that we came out of this day with a bill that will keep moving forward the war on poverty. This is the important thing. The comments made by the gentleman from Alaska and the earlier speaker are certainly going to be considered and are very valid, but I think the most important single thing here is that those who would have destroyed the OEO as a vehicle for waging this very important effort against poverty in America and those who would have stripped a tremendous American—and I know of few Americans who have given of themselves as much as Sargent Shriver has—and I know of few men in Government who are thoroughly dedicated to their job as Sargent Shriver is—those who have tried to strip him of his great effort to eliminate poverty in America have failed. Now we are going to move forward. Certainly in conference we are going to try to correct whatever shortcomings might have been voted by either chamber in the normal process of legislation. I am confident, though, that by the staggering vote of 283 to 129 this tremendous endorsement of President Johnson's program at a time when there were those who said because we lost 47 seats in the last election that the poverty program would be the first victim of last November's election have been proven wrong. Today we can move forward with a program. We are going to correct it and are going to work it out in conference. I am sure when we come back we will come back with a program every Member could and should support. I suppose we will continue the great effort of President Johnson to help the needy of this country to become decent, dignified citizens participating in the great dream as wage earners and not people dependent on the public dole. This is the great dream of a great President.

And, Mr. Speaker, I am delighted that 283 Members in this Chamber today said:

> Mr. President, we agree with you; we may have some differences here and there, but we agree upon your basic premise and we are going to give you an opportunity to continue this great program for America.

Mr. Speaker, I thank the gentlemen for their contributions.

Mr. Speaker, I yield back the balance of my time.

REVISION OF ORIGINAL REQUEST UNDER GENERAL LEAVE TO EXTEND ON THE BILL S. 2388

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that in connection with the order heretofore granted to permit Members 5 legislative days in which to extend their remarks on the bill S. 2388, that they may include extraneous matter if they desire to do so.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

AIRCRAFT PARACHUTES MAY SAVE PLANES AND LIVES

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. OTTINGER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. OTTINGER. Mr. Speaker, considerable attention has been focused on aviation safety in recent months. One proposal which has never really received the consideration it merits, however, is to equip small aircraft with parachutes which could guarantee a safe landing in the event of engine failure or some other serious malfunction.

Apparently such a parachute has been developed and tested successfully. I present herewith for inclusion in the RECORD a New York Times article describing a test of this device and commend it to the attention of all those interested in air safety:

THREE CHUTES SAVE PLANE AND PILOT AFTER EXPLOSION

(By William E. Burrows)

LAKEHURST, N.J., November 9.—A pilot flying 4,600 feet over the Naval Air Station here today used small explosive charges to blow the wings off his light plane to demonstrate that the craft could parachute safely to earth.

It was the first time that a disabled plane had landed by parachute, according to the technique's developers, Dario Manfredi and Angelo Raiti. Work on the safety device has taken 20 years and cost about $100,000, Mr. Manfredi said.

The single engine, four-seat Stinson was flown by Tommy Walker, a 52-year-old flight instructor and former World War II fighter pilot.

When the plane passed over a large, clear field, Mr. Walker pulled a lever above him that simultaneously shot off the wings of his 19-year-old plane and opened three parachutes.

A small parachute on each of the wings pulled them away from the fuselage, and a fuselage parachute 64 feet in diameter opened directly above the pilot.

PILOT REMAINS INSIDE

An instant after he had pulled the lever, the plane and Mr. Walker, still sitting at the controls, began dropping. Then the large chute blossomed, and the craft floated down slowly.

While the plane's wings plummeted straight down, the fuselage, its orange and white striped parachute billowing, settled at a much slower 17 or so feet a second (A parachutist descends at about 15 feet a second.)

Mr. Walker said later that the jolt he had felt when the three pins holding each wing to the fuselage were blown loose was less than the jolt caused by the opening of the large chute.

When the fuselage reached about 1,500 feet, Mr. Walker parachuted out of it. Mr. Walker landed safely and the fuselage settled right side up, virtually unscratched, in a swampy pine area about a mile and a half from the open field.

"It went fine," said Mr. Walker, as he removed his parachute harness. "If anybody had been in the plane, the worst they would have gotten was a broken arm or a broken leg."

WING EJECTION VITAL

The happy inventors, who have patented the system, were among the first to reach the pilot. They said the wing-ejection system and main parachute had functioned perfectly. The smaller chutes on the wings became tangled in each other, Mr. Manfredi said, causing the wings to crash on the ground.

On larger planes, such as airliners, the wings constitute more than 60 per cent of the weight of the plane, said Mr. Manfredi, and include fuel tanks and landing gear. Removal of the wings, he added, is a key part of the invention because it not only means less weight for the parachute; it also removes the danger of fire from the fuel tanks.

Mr. Manfredi and Mr. Raiti, who, besides being partners in a New York real estate company are founders of the Aircraft Safety Release Corporation, would like to see the wing-ejection system and parachute used on all planes.

The size and weight of the plane would not matter, Mr. Manfredi contended, because parachutes, like planes, can be made in all sizes. The loaded weight of the plane used today is about 2,500 pounds; empty, it weighs about 1,500 pounds. Releasing the wings lightened it by about 1,000 pounds.

RESOLUTION TO CONSIDER REQUEST FOR EMERGENCY MEETING OF UNITED NATIONS SECURITY COUNCIL TO CONSIDER THE CONFLICT IN VIETNAM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. MCCARTHY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. McCARTHY. Mr. Speaker, I am today joining with Congressman OLSEN, of Montana, and others in introducing the so-called Mansfield resolution. This resolution was signed by the majority leader of the other body and 54 other Senators.

It encourages the President to "request an emergency meeting of the United Nations Security Council to consider all aspects of the conflict in Vietnam and to act to end the conflict in accordance with article 25 of the charter," and "if the Security Council is unable to act, the United States should take all steps necessary to assure action on the issue by the General Assembly."

I realize that many people believe that the United Nations does not want the problem. And indeed the U.N. has shown no inclination to take it up. However, I think the American people would like to see this critical matter aired in the United Nations.

The resolution follows:

H. CON. RES. 582

Whereas the primary purpose of the United Nations is to maintain international peace and security and to take collective measures to remove threats to world peace; and

Whereas in ratifying the charter of the United Nations the United States undertook a solemn treaty commitment to settle international disputes by peaceful means; and

Whereas under the charter the Security Council has primary responsibility for the maintenance of peace which devolves to the General Assembly when the Council is unable to act: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of Congress that:

1. The President should request an emergency meeting of the United Nations Security Council to consider all aspects of the conflict in Vietnam and to act to end the conflict in accordance with article 25 of the charter.

2. If the Security Council is unable to act, the United States should take all steps necessary to assure action on the issue by the General Assembly.

3. The United States objectives in the United Nations should be to obtain—

(a) support for an immediate cessation of hostilities by all parties, and

(b) recommendations for appropriate measures, such as the convening of an international conference, for reaching a permanent settlement which will assure a lasting peace for Southeast Asia.

AIRLINE INDUSTRY FARE STRUCTURE—WHY PASSENGER HOUR SHOULD BE FARE BASE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. MOSS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. MOSS. Mr. Speaker, the October issue of Air Transport World contains the third article by Mr. Klabzuba dealing with use of the passenger-mile in determining air fares.

I have already shared the first two articles with my colleagues and wish at this point to insert the most recent one entitled "Why Passenger-Hour Should Be Fare Base":

WHY PASSENGER-HOUR SHOULD BE FARE BASE

(Third in a series by Richard Klabzuba, self-appointed missionary to promote a radical change from the passenger-mile in determining air fares.)

The airline industry needs a new fare structure—one geared to the productivity of jets. It should be based on the *passenger-hour.*

The passenger-hour would enable airlines to provide the public with more adequate and more efficient service, in a more economical manner. The passenger-hour would provide air carriers with greater operating flexibility, thereby encouraging the development of a system more properly adapted to the present and future needs of the world in the jet era.

The passenger-hour fare structure not only would decrease airline costs, but increase airline productivity and earnings.

When constructing airline rates, careful attention should be given the applicable rules of rate-making set forth in governing statutes and prior decisions of the regulatory agency.

In the United States, these rules are rather specific. They require, among other things, consideration be given the need of each air carrier for revenue sufficient to enable it to provide *adequate, economical* and *efficient* airline service at the *lowest cost* consistent with furnishing such service, and at *reasonable charges* (without unjust discrimination, undue preference or advantage, or unjust competitive practices).

Every airline serving the U.S. has a statutory duty to establish, observe and enforce just and reasonable individual and joint rates, fares, and charges.

What is the test by which the reasonableness of fares should be determined? The theory of rate-making ranges from a strict "cost-of-service" principle to an equally extreme "what-the-traffic-will-bear" concept. While it is doubtful whether any single rule can be laid down applicable to all cases, it is now well settled that the principal test in the U.S. is the cost of producing the service.

This is not a strict cost test however. Cost is not the sole criterion for determining reasonableness. The CAB repeatedly has stated that there may be special circumstances which warrant a departure from the cost principle—that economic considerations do not demand that rates must at all time cover fully allocated costs, "rather that rates must be at all times, reasonably related to costs."

It is generally recognized that hours are the best measure of airline operating costs. The major portion of the variable and direct costs are incurred by the number of aircraft-hours flown by type of equipment.

While the remainder of the expenses are either fixed or related to the number of ground handlings, there is a substantial amount of evidence indicating over-all costs historically have been proportional to the total number of aircraft-hours flown by equipment type.

A BETTER STANDARD

It is a phenomenon of airlines that the costs for a given aircraft remain about the same per flight-hour regardless of the number of passengers carried, duration of flight, or block-to-block speed.

In addition, regardless of how rates are constructed, once fares are fixed, sales and revenues become a function of aircraft utilization and speed.

With an aircraft, increasing its capacity, or utilization of available capacity, or block-to-block speed tends to simultaneously increase revenues and reduce unit costs.

Limiting the recommendation made herein primarily to airline fares, traffic routings, and legal rules pertaining to such fares and routings, it's evident that revenues can be significantly increased (and costs decreased) by:

(1) *Minimizing* the elapsed flight-time needed to render a service, and

(2) *Maximizing* the average load carried per aircraft-hour.

Unfortunately, it is becoming less feasible to achieve both objectives simultaneously. The increased speed, capacity, and range of new jet equipment is causing many markets to become marginal. Whereas a 40 passenger-a-day (15,000 per annum) market used to be more than adequate for 21-seat DC–3s, it is a borderline service for a 90-seat DC–9.

As a result, it is becoming increasingly necessary to weigh the advantages of minimizing the flight time against those maximizing the load carried.

While a direct nonstop flight will always provide the shortest en route time and lowest overall aircraft operating cost, it will not necessarily provide the greatest overall earnings, nor the lowest cost consistent with furnishing the service to an individual passenger or shipment.

In those cases where the traffic is no longer sufficient to support a direct point-to-point nonstop service at reasonable load factors, frequencies, or costs, the most practical alternative is to combine the traffic with other marginal markets. Usually this can be accomplished by simply increasing the distance factor slightly, and routing both markets through the nearest larger demand center or hub-point.

At present, there are many situations where a routing through a beyond hub-point not only would provide the highest average load, but also improve the frequency of service and reduce the elapsed enroute flight-time; e.g., Oklahoma City-Washington via Dallas, as opposed to via Tulsa and Nashville.

Although an airline is a business, it is also part of an international common carrier system. Unlike other businessmen, airline executives have a dual obligation which they must consider in setting fares.

A business is carried on with a view to private gain. Increased profits through increased business is a stimulating thought to a businessman. In fact, because increased business indicates growing demand (and increasing demand enhances values), it is a more stimulating thought than increased earnings through decreased costs.

To encourage such growth, businessmen take a variety of actions. Advertisements, solicitations, inducements, favors, etc., are all freely proffered to build up business in one place or another, or in one direction or another, with but a single purpose—increased business, higher revenues, and greater gain.

On the other hand, the objective of a pure system such as the post office or city water department is equal service to all at uniform rates. No person in any city or town can get a special rate for carrying his mail. No one can be favored in the promptness with which his mail is carried. No one can be assisted in the kind of service which is rendered without paying an additional fee.

BUT DIFFERENT OBJECTIVES

Growth, revenue, and profits are not the primary objective of a pure system like the post office. No effort is made through special inducements to build up increased business nor to balance the flow of traffic.

Instead, there is a simple classification and uniformity of rates. All persons and places are served with equal facilities. Should expenses exceed revenues, the deficit is subsidized by the general treasury.

Now if an airline was a mere private business, the public would leave entirely to the interest and judgment of management how the airline should be developed, giving to them thereby the power to foster industries and cities here and there. The effect of airline service on local property values is deserving of serious consideration.

By making metropolitan centers and non-hub points more or less accessible to a greater number of people, airlines (as a group) can have an effect on the value of local commercial and residential property.

When businessmen contemplate locating a factory, branch office, or hotel, they normally do not consider the cost of mail service. Rather, the frequency, availability, and cost of transportation are usually principal factors.

Just as the railroads provided New York with the opportunity to out-distance Boston and Philadelphia in economic importance, so the airlines have increased the importance of Atlanta, Bangkok, Dallas, San Juan, Sydney, and Tucson. They have literally brought into being such communities as Acapulco, Anchorage, Las Vegas, and Tahiti.

While the public is quite naturally reluctant to vest airline executives with the sole power to determine future property values, it is equally loathe to adopt a rigid pricing system which will not stimulate increased business activity. The test of reasonableness must, therefore, also include a recognition of variations in the ability of traffic to carry a full share of fully allocated costs, the effect of more equitable rates in generating new traffic, and the resultant effect of increased volume on increasing revenues and reducing unit costs.

The public is generally willing to accept a reasonable amount of preference, disadvantage, and discrimination, so long as it is not undue nor unjust, and provided there remains an overall absolute certainty and uniformity of rates.

Thus, to assure adequate, economical and efficient airline service in the jet age at the highest earnings and lowest cost consistent with furnishing such service, airline fares should be established in such a manner as to:

(1) Permit traffic in marginal markets to flow through hub-points without regard to the direction of flight;

(2) Recognize the natural advantage of each community's geographic location (proximity between two points), even when there is not sufficient traffic to make a direct jet flight economically feasible; and

(3) Consider the value of the service to the consumer.

The fare structure should not govern the pattern of airline service, nor vice versa. Individual and joint rates should be constructed in such a way as to minimize the passenger or shipment's enroute time, subject to maximizing the load carried per aircraft-hour.

Generally speaking, voluminous evidence indicates a sound fare structure requires that the respective fares increase with block-flight-time because costs increase with block-flight-time, and that a departure from this principle (except for considerations of value-of-service) will tend to lessen the revenues of the carriers, weaken their economic position, and impair their capacity to render adequate, economical and efficient service.

This principle does not set up an absolute bar to the establishment of lower, identical, or common fares to more distant points, but rather only indicates that such fares should not be established in the absence of special justification, such as geographic location, value-of-service, etc.

In its simplest form, a just and reasonable fare is the product of a base rate per block-hour (by class of equipment and service) multiplied by the selected block-time applicable to the points being served. This base charge should subsequently be adjusted upward or downward to conform to the value-of-service, competition, provide for costs peculiar to the particular service, etc.

A YARDSTICK FOR REASON

It cannot be stressed too strongly that, although it is mathematically possible to compute a fare from the foregoing formula, it does not follow that such a computed fare is necessarily the "correct" or "ideal" fare for any city pair. Rather, it merely represents a kind of average or norm by which the reasonableness of the published fare should be determined.

The distance or passenger-hour element should normally be established by computing the average scheduled block-time (in both directions by way of the shortest practical routing over which the *majority* of the traffic is expected to flow.

Between the major of primary demand centers or hub-points, this figure generally should be the nonstop flight-time. In most other cases, the distance element will nearly always involve one or more enroute stops.

The passenger-hour element must also take into consideration deviations in elapsed flying time. Weather conditions, traffic peaks, airways and terminal congestion alter block-times. Airline schedules are periodically amended to reflect such seasonal changes.

While these deviations have little or no affect on hourly costs, they do have an impact on revenues. Yield varies with block-time. These differences should be incorporated in the average scheduled block-time.

Increased airport congestions should not automatically increase the distance element. Neither should the inauguration of a faster service between two points imply an immediate reduction in the pasenger-hour element used to construct fares.

Normally, no change should be made until the airline and the regulatory agency have considered all the facts of the particular case. They may, for example, want to weigh the merits of a lower fare for a single nonstop service against a possible reduction in the frequency of service.

Second, there would appear to be little or no justification for charging a lesser amount for a superior service. It is obvious that a nonstop or faster service is superior to a multi-stop flight. It has a higher value-of-service. On the basis of value, the airline is justly entitled to a higher revenue yield per hour, provided the over-all revenues and rates are reasonably related to costs.

The new fare structure should greatly simplify tariffs. One reason for the multiplicity of fares to-day is fact they are constructed on a mileage basis. The present rigid pricing system can sometimes result in a single airline having four first-class, four coach, and maybe four youth/military fares between two points, each one being slightly different depending upon the route utilized.

With the greater routing flexibility of the passenger-hour, and emphasis on value and service rather than mileage, it is anticipated each airline will usually file only one first-class, one coach, and one youth/military fare for *all* routings. One fare for each class of service, three fares instead of 12.

The airline industry needs a new fare structure—one geared to the productivity of jets.

Everyone recognizes that the major markets produce the greatest revenue. The big problem is to serve the increasing number of marginal markets.

The larger capacity, higher speeds, and longer range of the new generation of subsonic and supersonic jets make it increasingly more desirable and profitable to route passengers via the fastest possible service regardless of mileage.

In view of these facts, it is recommended that the new fare structure be based on the passenger-hour.

With the greater operating flexibility of the passenger-hour, the airlines could provide the public with more adequate and efficient service, in a more economical manner. The passenger-hour fare structure would reduce airline operating costs, while increasing airline productivity and earnings.

A STEP FORWARD IN FOREIGN TRADE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. FARBSTEIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. FARBSTEIN. Mr. Speaker, as chairman of the Subcommittee on Foreign Economic Policy of the Foreign Affairs Committee, I have come to appreciate the important role that foreign trade plays in our international economic policy. I have been particularly interested in the broad economic base of American foreign trade, affecting, as it does, not only large corporations, but small businesses, and individual entrepreneurs. Thus, I was pleased to note that, on Monday of this week, the Secretary of Commerce, Alexander B. Trowbridge, and the Administrator of the Small Business Administration, Robert C. Moot, signed an agreement to join forces in a cooperative effort to help more of the Nation's small businessmen enter the field of foreign trade and expand U.S. exports. Increased exports lead to more jobs, increased profits, and a stronger dollar. The dollar is strengthened because of the contribution that exports make to our international balance-of-payments position. Under President Johnson, export expansion has been given a high priority in the various agencies of the executive branch.

According to the agreement signed this week, SBA will encourage small businesses to participate in U.S. commercial exhibitions, U.S. trade center exhibitions, trade missions, and trade conferences. SBA will give additional emphasis to loans to small business for participation in foreign trade. Commerce and SBA will cosponsor meetings with U.S. industry and small business concerns to develop international trade and investment.

SBA will seek to stimulate export trade in its counseling and assistance to small business, and will refer interested persons to the Commerce Department for substantive counseling. Commerce will designate a senior officer to serve as small business export advisor. SBA and Commerce will endeavor to extend the availability of foreign currencies owned by the United States to small business concerns for foreign trade purposes. Export trade subjects will be included in SBA-sponsored administrative management courses with public and private educational institutions and business associations. Commerce and SBA will develop publications, visual-audio aids, and promotional materials on foreign trade. Commerce will channel selected foreign trade opportunities to SBA, and SBA will seek to encourage joint ventures in the United States by foreign manufacturers of specialized goods to establish manufacturing facilities with American small business concerns, especially in the depressed areas.

To show that this new agreement is not just a paper partnership, on the same day that the signing took place, Secretary Trowbridge appointed Mr. E. Paul Hawk to be his Export Advisor for Small Business, and to represent the Department of Commerce in the new joint compaign.

At the Small Business Administration, the program responsibility will be with the Associate Administrator for Procurement and Management Assistance, Mr. Irving Maness.

I am confident that the action taken by these two agencies will return many dividends to both the private interests of small businessmen, and to the public interest which is served by our having a strong and effective foreign economic policy.

SUPPORT OF VISTA PROGRAM BY BALTIMORE BUSINESSMEN

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. GARMATZ] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. GARMATZ. Mr. Speaker, I have learned from an article in the Baltimore Sun of November 12 that the good people of Baltimore have banded together to raise money for the support of VISTA volunteers in that city. They are doing this to make sure that the volunteers will be able to carry on the good work that they have been doing for the old, the poor, and the underprivileged people of that city if we do not act to provide funds.

Mr. E. Clinton Bamberger, a delegate to the Maryland Constitutional Convention, heads the Baltimore VISTA Volunteer Fund Committee. The objective of the fund committee is to raise $6,000 per week and to locate private homes where the volunteers may stay rent free if we fail to authorize necessary funds for wages for these dedicated poverty workers.

Mr. Speaker, I believe that when the citizens of the city realize the value of a program and support it to such an extent that they are willing to raise $6,000 a week to keep the program going, it is the best recommendation that the program could have.

Mr. Speaker, under unanimous consent, I insert the Sun article in the RECORD at the conclusion of my remarks:

GROUP BACKS $10,000 LOAN TO AID VISTA—LAWYERS TO SEPARATELY RAISE FUNDS FOR BOND PROJECTS

(By Stephen J. Lynton)

A group of Baltimore businessmen announced yesterday that it has guaranteed a $10,000 loan to prevent the city's 94 Volunteers in Service to America from missing a payday.

At the same time, a separate group of Baltimore attorneys opened a fund-raising campaign to keep the city's highly praised but financially shaky VISTA bail bond projects in operation until December 31.

The ad hoc business men's committee, which calls itself the Baltimore VISTA Volunteer Fund, was established Tuesday by E. Clinton Bamberger, Jr., a delegate to the Constitutional Convention and one-time Democratic contender for the nomination for State attorney general.

The members of the committee acted as individuals rather than company representatives.

BACKERS LISTED

Among those who are backing the $10,000 loan are Mr. Bamberger; Irving Blum, a financier; W. Arthur Grotz, president of the Western Maryland Railway Company; Albert D. Hutzler, Jr., president and general manager of Hutzler Brothers; and Robert H. Levi, chairman of the Hecht Company and executive committee chairman of the Mercantile-Safe Deposit and Trust Company.

Others are Julian S. Neal president of the Fidelity and Deposit Company; Austin E. Penn, chairman of the board and chief executive officer of the Baltimore Gas and Electric Company; L. Mercer Smith, vice president of the Chesapeake and Potomac Telephone Company of Maryland and president of the Chamber of Commerce of Metropolitan Baltimore; and John E. Weyer, city treasurer and chairman of the board of the Union Trust Company of Maryland.

Mr. Bamberger said the ad hoc committee planned to increase the number of guarantors of the VISTA loan to 40 or more business men during the weekend. The loan will be repaid without interest, he noted, provided that the VISTA workers receive their full pay retroactively from the Government.

CONGRESS GIVES FUNDS

A spokesman for the Federal anti-poverty administration said that Congress has now appropriated funds to pay VISTA workers Tuesday for the wage period from October 23 to November 3. "But there is no telling whether there will be another pay check coming," he added.

The separate fund-raising drive for the VISTA bail bond project was announced by Charles P. Howard, Jr., an attorney, in letters dated November 10 to the city's lawyers.

The letters ask for contributions of $50 or more to support the financially pressed bail bond project, which is supervised by Richard O. Motsay, an assistant city State's attorney.

Because of financial difficulties, only two VISTA staff workers—George Walton and Nicholas Cannamela—are now carrying on the project, under which indigent criminal suspects are interviewed and their release is recommended if they seem unlikely to skip trial.

A request for a Federal antipoverty grant to permit the city's Legal Aid Bureau to take over the project is pending in Washington. The VISTA administration wishes to drop the bail bond project.

Mr. Howard estimates that $1,000 will keep the project in operation until December 31.

VIETNAM TODAY: THE VICE PRESIDENT'S VIEWS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PURCELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. PURCELL. Mr. Speaker, I was privileged on Monday to hear a firsthand report on the situation in South Vietnam from our Vice President, who has just recently returned from his participation in the inauguration of President Thieu in Saigon. The Vice President also stopped in Malaysia and Indonesia on his trip.

Vice President HUMPHREY gave his report at a noon meeting in New York City of the Grocery Manufacturers of America, Inc., on Monday of this week. I was present at this meeting.

Mr. Speaker, I wish every American could have been there to hear this address. Short of that, I wish every American could read it. I was disappointed to see the brief coverage of this speech which was deeply buried in the newspapers, while the front pages were splattered with pictures of four young Navy seamen who deserted their post of duty by jumping ship in Japan.

In the hope that my colleagues and others will take time to read it, I insert herewith the Vice President's remarks:

REMARKS OF VICE PRESIDENT HUBERT HUMPHREY AT MEETING OF GROCERY MANUFACTURERS OF AMERICA, INC., NEW YORK, N.Y.

A few days ago I returned from a mission, at the request of the President, to three nations of Southeast Asia. Today I wish to report to you the observations and conclusions which I bring home with me.

First, and most importantly, I come home with a reinforced belief that the safety, security, and independence of the nations of Southeast Asia are critical to the safety, security and independence of the United States—and that this will be even more true in the years ahead.

Secondly, I am convinced that our present struggle in Vietnam is critical to the security of all of Southeast Asia.

Thirdly, I am heartened by the progress I saw.

I visited three nations in Southeast Asia: South Vietnam, Malaysia, and Indonesia.

Each of these nations has its own distinctive character. But all share two vital common denominators: past and present resistance to Asian Communist subversion and aggression; urgent and priority efforts toward constructive nation-building.

These are the tasks in which we are helping—the tasks of national security and of national development, neither one of which can exist without the other.

And these are the tasks in which we must persist—or run the risk of chaos, disorder and war in a vast and strategic crossroads of the world.

I had the privilege of representing our country at the Inauguration of President Thieu in the Republic of Vietnam.

The Republic of Vietnam has not created overnight a carbon copy of American representative government. Nor should we either expect or want it to do so.

Our objective is not a Vietnam made by Americans and stamped made in U.S.A. It is a Vietnam, made by the Vietnamese for the Vietnamese.

It has succeeded in building for the first time in modern history—so far as I know—representative, civilian, constitutional government in the midst of war.

This is no small achievement. Nor should it be taken for granted. It took place in the face of calculated terrorism and disruption and amid warnings from a thousand directions that it could and would not happen.

A Constituent Assembly was freely elected.

A constitution was freely written.

Local, parliamentary and Presidential elections were freely held.

And a popularly elected government—elected in a voter turnout far higher than ours in the United States—was freely installed.

All these things were done despite widespread predictions that none of them could be done.

All these things were done by the Vietnamese themselves.

And today the Republic of Vietnam has something no Communist nation possesses: A government elected by the free votes of its people.

I met and talked with President Thieu, with Vice President Ky . . . with leaders of the government and of the newly-elected members of the Upper and Lower Houses. I met with non-governmental people, with students and labor leaders, with university professors and military officers.

It is clear that this new government will face massive problems. The war itself would be problem enough without the additional problems of young nationhood.

But I am encouraged by the determination and spirit of cooperation which I found among all these groups and people. And they deserve from all of us the benefit of the doubt—and should be judged not by ours but by their own standards—as they try to create a responsive framework of self-government in their country.

The next six months will be critical in this process—as a working relationship develops between the executive and legislative branches and as the Thieu-Ky government begins to follow-through on its plans and programs.

I had not been to Vietnam since early 1966—some 20 months ago. The political progress and development since then were clear and encouraging.

I was also encouraged by other progress in positive nation-building—specifically in the so-called Revolutionary Development program being carried on by the Vietnamese.

When I was in Vietnam early last year this program had barely started. By the end of 1968, there will be 70 to 75 thousand Revolutionary Development cadre in Vietnamese hamlets.

This program recruits young men—most largely unschooled "countryboys"—and trains them for responsible leadership.

They return to their home provinces for four-year tours of duty. Their task: To build so-called "communities of responsibility"—communities with local self-government and initiative—which can develop in time into "communities of prosperity."

Most of the present cadre are now serving in the northern provinces where the Viet Cong infrastructure has been entrenched for years. Their work is hard and demanding. They literally build communities with their hands. They are singled out by the Communists for abduction and assassination. But these young people are doing their job in face of Viet Cong terrorism and the long-established traditionalism and inertia of the old order.

I visited their training camp at Vung Tau. Major Be, who runs the training camp is a dedicated patriot. He is a former Viet Minh battalion commander who fought the French for six years and has fought communism for 16. The young people in training there are idealistic and highly-motivated.

Through this program, the Vietnamese are not only building secure and stable communities and localities. They are also training future political and civic leaders and setting the foundations for long-term political and social health.

The Vietnamese economic situation has also stablized over 20 months ago. The fires of inflation have been dampened—thanks in large part to massive importation of consumer and capital goods, strict U.S. and Vietnamese controls on spending, devaluation of the paster, and increased taxation.

I do not mean to overstate the progress made in these non-military areas. It is painstaking and slow, particularly to those of us possessing typical American impatience.

But there is progress—not marked from day-to-day or week-to-week, but clearly measurable over the course of months.

The greatest and most obvious progress of all is in the military effort.

We should remember that when our forces entered Vietnam in strength they were almost totally lacking in support facilities.

Today a full military infrastructure is nearly complete. A system of ports, airfields, communications and bases has been established.

With this infrastructure behind them, our troops have been able to concentrate over the past few months on fighting and defeating enemy main-force units.

At the same time the South Vietnamese forces—both regular forces and regional and popular forces are growing more competent. During my stay in Vietnam they achieved several victories over both North Vietnamese regular and Viet Cong units.

We don't hear much about South Vietnamese military successes, because our reporters travel almost exclusively with American forces. But those successes are more and more frequent. And their American military advisers told me South Vietnamese units are gaining pride and professionalism, just as our Korean allies did 15 years ago.

I think it should be remembered that, in the past six years the South Vietnamese army has lost 51 thousand men killed in action, 26 thousand missing in action and has had 109 thousand wounded in action. Since the first of this year almost 9 thousand Army of Vietnam troops have been killed in action. This is in addition to countless Vietnamese civilians who have been victimized since this war began.

The South Vietnamese, in relation to the population, now have an army which would be comparable to one of 8 million in the United States.

We are now joined in Vietnam by more allied forces than joined us in Korea. The Koreans, Australians, New Zealanders and Thais have all performed well.

By all measures—roads opened, villages cleared, enemy casualties and desertions—we are winning militarily.

What about the bombing? This is a question regularly asked here at home, but almost never in Vietnam.

I visited our troops near the Demilitarized Zone. They told me that bombing was the single greatest factor enabling them to hold off the three North Vietnamese divisions now deployed in and behind the DMZ. I talked with our pilots. I also reviewed photos and charts which indicate that our bombing further North is not only accurate, but that it has drastically slowed down the flow of Communist men and supplies in South Vietnam . . . and diverts hundreds of thousands of North Vietnamese to reconstruction and repair of facilities that support the aggression.

If you have questions about the bombing, I suggest you ask any of the American boys dug in under artillery fire along the DMZ. I suggest you ask our troops in the Central Highlands and the Delta who face mortars and guns carried in from the North.

I went to our Riverine Forces operating in the Delta . . . to the Third Marine Amphibious Forces and Naval Support Hospital at Danang . . . to the Americal Division at Chu Lai.

Wherever I went I found the highest level of American morale and the highest order of dedication and leadership. I was quoted as saying that I hadn't heard one American complaint during the entire time I was in Vietnam. And it was true.

There was one question I often heard from Americans in Vietnam, however. It was "Why are we winning the war here and seem to be losing it at home?"

That is a difficult question to answer, I can assure you.

It is particularly difficult when you read, as I do, the statements and captured documents of the North Vietnamese and Viet Cong leadership—statements and documents which indicate that they believe their only hope of winning is through division, despair and defeatism on the American home front.

It is particularly difficult when all evidence indicates that we are winning this struggle and that—if we persevere—Hanoi will eventually face a critical and inevitable decision: Whether to come to the conference table, or to de-escalate and withdraw.

I told our Americans in Vietnam that the overwhelming majority of Americans at home do support them and what they are doing. I told them that their President, their Vice President, and their fellow citizens do have the determination to see it through.

As a long-time dissenter myself, I ask no American who dissents in good conscience to still his voice. But I do ask all Americans, before they dissent, to search their hearts . . . to examine the facts . . . to know the effect of what they say will have on our civilians and soldiers in Vietnam—and on our adversaries as well.

I ask them to face, before they raise their voices, the hard fact of cynical Communist-initiated aggression and terror and to offer workable alternatives to meeting it.

I ask them to recognize that we face in Vietnam no peaceful reformer seeking power through parliamentary means.

We face not handbills, but hand grenades.

We face in Vietnam no indigenous movement of Robin Hoods, but one more Communist apparatus trying to seize land and people by brute force.

And to those who deplore war and use of arms, as I do, I ask: What other course do you recommend in meeting this challenge? If you can find it, we will use it.

So that is the picture I bring back from Vietnam.

Political, economic, social progress: Steady but slow.

Military progress: Steady and gaining momentum.

National security and national development: Both proceeding.

The clear and present need: Support by the American people—support which can give a clear, unmistakable signal to our adversary and thereby shorten the war.

For those who may lack patience today in Vietnam, I point to the example of the second country I visited: Malaysia.

Malaysia, with assistance from nations of the British Commonwealth, fought Communist terror and subversion within its borders for 12 almost-endless years.

Today Malaysia stands independent and strong. It has a stable government which is meeting the needs of its people through an integrated, national industrial and rural development program including the essentials of education, health, land reform, public works and vocational agriculture.

The Malaysians combined national development with national security, and they and their allies stayed with it against a strong and externally supported Communist insurgency—building their country, resisting force. And they won.

Today Malaysia not only earns its own way. It is a leader in the movement toward Asian regionalism. It is an effective partner in Asian freedom and progress. And, during my visit, the Malaysian government—at its own initiative—indicated a willingness to send additional assistance to Vietnam.

Malaysians have no doubts about the danger of communist aggression and subversion. Malaysians openly support our course in Vietnam.

My final stop was Indonesia.

I cannot over-emphasize the critical importance to Southeast Asia and to us of this potentially-rich, strategically-situated nation of more than 100 million people.

Here, too, a crude and brutal attempt at communist takeover had to be resisted and put down.

Here, too, the dual formula for eventual success is national security and national development.

The Indonesian nation is struggling. It is the victim of 20 years of mismanagement and neglect, of corruption and subversion and exploitation.

But today Indonesia, under Acting President Suharto, has an honest government which is providing leadership, the right priorities, and determination and energy.

Despite years of Anti-American propaganda there, I was met in the poverty-stricken, former Communist belts of Bali and Central Java by literally hundreds of thousands of cheering people gathered along the roadsides.

They wore no shoes. Most of them were hungry. But they knew that new leadership in their country cared about them. And they knew that America cared and that America was there in their neighborhood of Southeast Asia as a friend.

They know America means hope.

They greeted me with one word: "Merdeka" . . . "Freedom."

I challenge any American who asks for withdrawal within a Fortress America . . . who denounces foreign aid, to make the same journey and travel those roads.

Indonesia needs help. I return home determined to do my utmost to stimulate that help—not only by our own nation, but by others in the world who bear responsibility to the less fortunate. Indonesia doesn't ask for billions—she seeks only modest assistance. She asks for a little of our surplus food, some long-term loans, a few of our able technicians, and above all, our friendship and faith.

Will Indonesia make it? Despite its new leadership, the problems are staggering, the solutions yet to come. If it does not make it, the failure of a nation potentially equal in importance to India or Japan could bring fearful consequences both to Southeast Asia and the United States.

If there is doubt today about the rightness of our presence or our involvement in Southeast Asia, I point to what has happened over these past few months and years in that part of the world.

Behind the shield of power both of ourselves and our allies, the independent nations of Southeast Asia have withstood Communist pressure, have joined together in new regional development, have moved forward to provide peace and security to their citizens. Behind that shield, in fact, nations across the whole, broad Asian-Pacific arc—from Australia and New Zealand to the Philippines, Indonesia and Taiwan; from Korea and Japan to Thailand, Laos, Malaysia and Vietnam; to India and Pakistan—are joining together to provide both security and peaceful development to their peoples.

Should that shield now be removed?

Should we withdraw from the work of national security and national development in an area inhabited by over half the world's people?

Should we instead concentrate our attentions only on those nations which share a common Western cultural heritage with us . . . where the names and skin colors are more like our own?

I believe that to do so would be both shortsighted and dangerous.

There is no question what the leaders of Asia—in Vietnam, in Malaysia, in Indonesia, in the other countries I have visited these past three years think would be the result.

Without exception, they have told me that their governments, and their people, would be brought under immediate pressure—direct and indirect—to come to terms with the virulent, expansionist militant Asian communism which each of them has had to resist.

I believe, therefore, that we should apply in Asia the same formula which we have so successfully applied since World War II in Europe and other parts of the world: The dual formula of national security and national development which enables independent nations to stand on their own feet . . . which deters potential aggressors to more peaceful paths.

I believe that, if we do, we can see in Asia precisely the same process of consolidation, of regionalism, of peaceful growth that took place in Europe after World War II.

I believe that through such a policy, malignant Asian communism can be contained until its leaders change or choose a more moderate path.

I believe that, through such a policy, the energies, the aspirations and talents of vital peoples and civilizations can be channeled constructively into nation-building rather than violence and disorder.

East is East. And West is West. But, in this dangerous nuclear age, the twain have met. It is at our own peril that we ignore this fact.

We have no choice but to stand strong and last it out—with both power and compassion—not only for those who strive for freedom in Asia but for the futures of our own American children.

For I believe that, under a few inches of soft topsoil, there is within America courage, determination and strength built on solid rock.

Finally, may I add a word about the search for peace which must go on even while we pursue our military, political, economic, and social efforts in Vietnam and throughout all of Asia.

We have searched through every channel for some way to come to the conference table in Vietnam. Thus far, however, we have received no positive response.

Thomas Paine put it well: "Those who expect to reap the blessings of freedom, must, like men, undergo the fatigue of supporting it."

As I said earlier, our progress is such in Vietnam that our adversary sooner or later must surely see the inevitable necessity of negotiation or withdrawal.

In this light, I believe we must continue with ingenuity and imagination every possible effort to find a way to a just and honorable peace—through the United Nations, through third parties, through religious leaders, through whatever means can possibly be of use.

We cannot afford to be bogged down in old channels. We must, and will, consider each new initiative a fresh start.

If we do, and if we persist in the dual tasks of national security and national development in Vietnam, and in Southeast Asia, I am convinced that the time can come when nations can live together in Asia without regard for ideology, in peace and diversity.

EXPANDING EXPORT MARKETS FOR LATIN AMERICA

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. Boggs] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. BOGGS. Mr. Speaker, the importance of expanding export markets for Latin America—and for the other developing nations of the world—is particularly relevant now that the Congress soon will be considering legislation to impose import quotas on various products. The extent of the concern among Latin American nations about protectionist sentiment in Congress to enact such legislation was sounded last week in my home city of New Orleans by Dr. Jose A. Mora, Secretary General of the Organization of American States.

In an address to members of International House, an organization dedicated to world trade, peace and understanding, and members of the Foreign Relations Association, Dr. Mora stated:

> What is going to happen if the flow of public capital is reduced further, at a time when the earnings from Latin American exports are not growing? What will happen if a new wave of protectionism engulfs the industrialized nations, thus diminishing the possibilities of expanding Latin American exports to a still greater extent? We should ponder these questions because the ultimate consequences of such events would be serious indeed.

Dr. Mora said further.

> We are concerned with the tendency of the U.S. Congress to go back to a protectionist policy. We don't want to interrupt the free trade policy of Franklin D. Roosevelt and Cordell Hull.

The Times-Picayune newspaper of New Orleans took notice of Dr. Mora's remarks and cited them in an editorial to emphasize the point that there is wide disparity today between the richer, developed nations and the developing countries of the world. Wisely, the Picayune notes that greater efforts must be made to close the gap between the wealth of the developed and the developing nations. For the benefit of my colleagues, Mr. Speaker, I should like to insert into the Record this fine editorial in The Times-Picayune of November 10, 1967.

The editorial follows:

Protectionism Fears Assail Latins

> "What is going to happen if the flow of public capital is reduced further, at a time when the earnings from Latin American exports are not growing? What will happen if a new wave of protectionism engulfs the industrialized nations, thus diminishing the possibilities of expanding Latin American exports to a still greater extent? We should ponder these questions because the ultimate consequences of such events would be serious indeed."
>
> Thus OAS Secretary General Jose Mora, speaking in New Orleans on behalf of Latin America, but he could well have been speaking for all the world's undeveloped nations, expressing their frustration and pleading their case before the stronger, developed nations.
>
> The direction the "serious ultimate consequences" could take is indicated by other remarks made at the recent meeting of undeveloped nations at Algiers where the delegate from Peru said, "We come here because the haves won't let us into the 20th century." Liberia's minister of commerce said: "The removal of inequities between rich and poor is the key question of our time; it will decide the issue of war and peace." And Algeria's President Boumedienne, speaking for the extremists, called for a Maoist "class struggle" of the poor nations against the rich.
>
> The issue is an old one, but it gains daily in urgency. It comes up again as the U.S. Congress is becoming highly circumspect in allocating foreign aid. Cutbacks may hit programs especially designed for nations on the threshold of development—Indonesia, India, Pakistan, South Korea, Turkey and Africa generally.
>
> But it is not basically a matter of foreign aid. It is one of the world's current economic framework—"of the rich nations, by the rich nations, and for the rich nations," according to Malaysia's finance minister—that tends automatically to restrain development by nations locked in at their present low level. And it is one of selfhelp by the undeveloped nations, a determined retooling of their plants, human and institutional, to ease their entrance into the more sophisticated larger systems.
>
> Many ringing declarations of intent have been made by both sides, and much progress—or at least much movement aimed in that direction—has been made. But both sides must work harder to close a widening gap that could bring on a revolutionary or turbulent period that might injure all.

Mr. Speaker, I also would like to point out that two very prominent organizations—the board of commissioners of the Port of New Orleans and the executive committee of International House—have announced their opposition to the enactment of legislaticn to restrict imports into our country. This is quite significant in my city of New Orleans because these two groups are fully cognizant and aware of the need for expanding world trade so as to continue the growth and prosperity of the Port of New Orleans and the Mississippi Valley of our Nation.

At its meeting of October 26, 1967, the board of commissioners of the Port of New Orleans reiterated its support for the continued expansion of world trade and for the philosophy espoused in the Trade Expansion Act of 1962. Furthermore, the board also stated its opposition to any legislation which would tend to restrict the freer exchange of commodities among the nations of the free world.

In a letter to me and the other members of the Louisiana congressional delegation, Mr. W. J. Amoss, the port's director, expressed the board's opposition to the current group of bills to limit imports into our country. For the board, Mr. Amoss stated:

> The Board of Commissioners of the Port of New Orleans strongly opposes proposed import quota legislation now pending in the Congress, and any similar legislation which may be introduced. Such legislation would lead to retaliatory action by other countries and would reverse many years of trade policy progress, would prejudice essential markets for our surplus production of agricultural commodities and manufactured products, would promote widespread unemployment in these domestic industries, and would prejudice tremendous non-federal investment in port facilities and transportation in all modes.
>
> Higher costs resulting from imposition of protective quotas would increase consumer costs, and generate inflationary pressures while decreasing export earnings vital to the nation's balance of payments position.
>
> The net effect of the proposed quota legislation would be enormous and disastrous and would repudiate national policy. Such action would also greatly encourage construction overseas by U.S. interests of manufacturing and processing plants, giving employment and developing industries which logically are essential to United States progress.
>
> Our country, has for many years, urged on others the benefits of free competition. In our own interests nationally, and particularly in Louisiana's need for industrial expansion, we should encourage and practice it ourselves.
>
> For these and many other reasons, this Board urges you to vigorously oppose the import quota legislation bills now under consideration in the Congress.

Mr. Speaker, I believe the board of commissioners of the Port of New Orleans, in its letter to me of October 31, 1967, has stated quite clearly and succinctly the reasons for its opposition to any restrictive legislation to reduce our trade and that of the free world. I support this position, as I have noted in earlier remarks in the Record, because our own national interests would not be served by curtailing in any way the continued expansion of world trade.

On behalf of the executive committee of International House, Mr. Richard L. Hindermann, the organization's president, announced last week the committee's opposition against the various import quota restriction bills. In his statement for the executive committee, Mr. Hindermann stated:

> Protectionist measures would certainly hurt commerce in the Louisiana ports, would restrict our capability to sell our products abroad, and would in effect nullify the important results of the recently concluded Kennedy Round (of negotiations at Geneva).

Mr. Hindermann also noted that International House previously had taken a strong position on those measures which encourage the free flow of trade through the elimination of artificial barriers. He cited the fact that International House had supported the enactment of the Trade Expansion Act of 1962 and had endorsed the Kennedy round negotiations for encouraging tariff cuts to increase two-way trade.

Mr. Hindermann also said in his announcement of last week:

> The unanimous decision made for International House opposing the protectionist measures in Congress was preceded by a strong statement taken by the Board of Commissioners of the Port of New Orleans (the Dock Board) which stressed that the net effect of such legislation would be "disastrous and would repudiate national policy."
>
> I can only underline the importance of the statement of our Port Commissioners who point out that while we urge on others the benefits of free enterprise and competition we must practice it ourselves, in this case without friends abroad.

Dick Hindermann also emphasized that Louisiana's industrial expansion of recent years depends heavily on free access to foreign markets and that the expansion of these markets would be severely hindered, as he put it, "by economic isolationism" now promised by limited special interests.

International House, Mr. Speaker, is a vital organization which I helped to establish more than 20 years ago in New Orleans, and it has become a model of its kind throughout the world. International House and its members have devoted themselves to fostering world trade in order to increase the development and prosperity not only for the benefit of New Orleans, but also for the entire heartland of America. Remarkable results in expanded trade and increased understanding among the nations of the world have been achieved through the efforts of the officers and professional staff of International House, now under the able, dedicated direction of Mr. Paul Fabry as managing director.

Earlier this month, Mr. Fabry and some 20 leading transportation, banking, and port executives attended the 54th National Foreign Trade Convention in New York. There they heard our Nation's special representative for trade negotiations, Ambassador William M. Roth, and other prominent governmental and private officials recite the dangers to the United States of a return to a protectionist trade policy.

As an able and knowledgeable executive on trade and commerce, and a sharp reporter himself, Mr. Fabry dispatched to the Times-Picayune three fine articles on the salient events of the National Foreign Trade Convention. I would like to insert there articles in the RECORD from the Times-Picayune issues of November 2, 3, and 6, 1967. The articles, which also cite the adverse effects of the port of New Orleans of an adoption of any restrictive trade legislation, follow:

[From the New Orleans, (La.) Times-Picayune, Nov. 2, 1967]

Business Group Warned of Historical Repetition—Reference Made to Bill Before United States

(By Paul A. Fabry, managing director of International House)

New York.—More than 2,000 business executives, gathered here for the nation's leading trade convention, were warned by speaker after speaker that the prediction that every generation is condemned to repeat history may prove right.

The reference was to the legislation now before Congress which, in the words of a government spokesman would "not only undo past years of hard negotiations in Geneva, but would reverse in large part 30 years of success."

These words, and even stronger criticism of the new protectionist wave came from Nicholas deB. Katzenbach, Under Secretary of State, who added: "Should these proposals become law, the spiral of retaliation and protectionism unleashed by our unilateral act would rock the free world and its trading system to its foundations."

Private businessmen and government officials were joined by an impressive contingent of foreign diplomats at the 54th National Foreign Trade Convention here, and they seemed unanimous in their concern about trends that could detract from international trade and investment prospects. Over 20 New Orleans delegates are in attendance at the meetings which opened Monday at the Waldorf-Astoria.

TRADE RECORDS

While uncertainty about the future grows, Louisiana participants at the three-day convention expressed pleasure about new records in U.S. trade being made this year, and spoke optimistically about the share New Orleans and other Gulf ports may get from it.

In a forcefully worded statement, New Orleans Port Director W. J. Amoss, who is also regional vice-chairman of the National Convention Committee, warned of dangers that protectionist bills may bring U.S. commerce.

In his statement, Amoss, a member of the NFTC declaration committee, urged the council to consider opposing protectionist efforts in Congress to enact quota restrictive legislation. He defined the legislation as being a bill which could adversely affect the nation's essential foreign trade and would invite disastrous retaliatory measures from foreign trade partners. He pointed out that the bill would seriously damage our own as well as the world's economy, affect the employment of thousands and repudiate objectives of the Trade Expansion Act of 1962.

At the same time, however, U.S. oil and steel interests are lobbying with powerful forces in favor of protective quotas in Washington. But they seem to be a minority here at the NFTC convention.

Speakers in the huge hotel ballroom returned time and again to the Smoot-Hawley Tariff Act of 1930 and the great damage it caused to the U.S. economy and its trading partners.

"Those of us who lived through the Depression know how Smoot-Hawley became part of a world wide spiral of retaliatory and defensive trade and exchange restrictions. The largest trading nation in the world made the disastrous mistake of concluding that it could defend its own economy against depression by drastic tightening of import restrictions. The smaller and more vulnerable national economies had little choice but to follow our lead." Katzenbach said.

OPPOSE BILL

Delegates were reminded that the United States has already been formally put on notice by some 40 countries that they strongly oppose the proposed legislation. Not only have the European Six protested, but the four Scandinavian countries have sent a collective protest, as have the governments of the United Kingdom, Canada and Japan. Twenty-one Latin American countries in a joint letter have conveyed their concern, and President Diaz Ordaz of Mexico last Friday eloquently reminded a joint session of Congress of the consequences for the world of a resurgence of American protectionism.

A frequent visitor to New Orleans, Ambassador Alvaro C. Alsogaray, keynote speaker for Latin America, called the artificial trade barrier a "threat" and highly damaging to the Argentine government's efforts in broadening the base of the free enterprise system.

Other diplomats of nations who carry a huge portion of U.S.—and, for that matter, New Orleans—trade, expressed similar feelings to this reporter and did not leave any doubt that restrictive legislation in Washington would result in a serious spiral of retaliations by Europeans, Latins and Japanese alike.

MAY SELECT

"It would be a safe bet that other countries would select from among our exports those which have the greatest growth potential in their markets and represent the greatest competitive threat to their industries," Katzenbach predicted.

"Between $1 and $2 billion of the $5 billion of U.S. exports to the European Economic Community would become subject to retaliation; so would at least one-half—and probably more—of the $2.4 billion of U.S. exports to Japan," he added.

As to the prime candidates for such retaliation the government spokesman listed chemicals, farm equipment and industrial machinery. In agriculture, wheat, feed grains, soy beans, fruit and vegetables, and tobacco would seem to be likely targets.

These items, according to some New Orleans observers at the convention would particularly hurt Louisiana trade. It is also felt that a reversion to protectionism would have major political consequences.

"Dissension and disunity" would follow in the Western Alliance and political isolationism would be created in the Far East, according to diplomats who came to these meetings from Washington after weeks of unsuccessful lobbying against the new tariff bills. The quota legislation—it was pointed out by a Japanese banker here—is now in Senator Russell Long's Finance Committee, "perhaps prophetically, since Louisiana—where we are the leading trader—would be so heavily affected by the bill . . ."

[From the New Orleans (La.) Times-Picayune, Nov. 3, 1967]

Roth Continues Attacks on Protectionist Trends—Ambassador Speaks at Trade Convention

(Second in a series)

(By Paul A. Fabry, Managing Director, International House)

New York.—Continuing the administration's attack on protectionist trends coming from several industrial fields, the nation's chief trade negotiator, William M. Roth, warned that new quotas would lead American business to a "dead end."

Speaking to participants of the 54th National Foreign Trade Convention at the Waldorf-Astoria, Ambassador Roth asked these questions: "Are Americans to trade only with Americans, Europeans only with Europeans, Japanese only with Japanese? Are the developing countries to subsist by taking in each other's washing?"

Trade executives from some 1,000 leading international corporations, diplomats and port officials who gathered here for what amounts to an annual exercise in marathon speech-making by business and government on subjects that at times sound suspiciously reptitious, seemed unusually alert on the issue of the day, protectionism.

The Port of New Orleans, represented by a large and vocal group at the convention, brought to New York a firm stand, unanimously endorsed by its Dock Board last week, opposing trade quota legislation now before Louisiana Sen. Russell B. Long's Finance Committee. Port officals from New York, Pennsylvania, Maryland and California at the meeting were equally firm in their stand against what is frequently referred to as "new economic nationalism."

Pointing to the dimensions of the current drive which would fix import controls on such products as beef, petroleum, textiles, strawberries and mink furs, Ambassador Roth said it would affect 40 per cent, and if a general quota bill is put in, almost 80 per cent of United States dutiable imports.

In terms of Latin America alone, the latter could mean a loss of about $270 million annually in imports through the Port of New Orleans. As to Japan, the leading trader in the Gulf port, it would amount to an estimated loss of $74 million.

The importance of the pending trade legislation to the nation's ports would be so vital that Roth is considering a visit to New Orleans in the near future and made inquiries as to the feasibility of addressing the International House board of directors on the issue. Some observers felt that the administration's leading free trade exponent's interest in Louisiana was not entirely divorced from the fact that the protectionist bills ended up in Sen. Long's committee.

"Every American would pay the cost—in the food he eats, the clothes he wears, the household appliances he buys, and the multitudinous other ways, both direct and indirect. The very industries pleading for protection would find most Americans buying less of their products, because they could afford less. And the millions of Americans wholly or substantially dependent upon exports for their livelihood would be hit doubly hard. For, although the quota-seekers like to soft-pedal it, retaliation against our own exports is as certain as the night follows day," Ambassador Roth said.

Another speaker, Sen. Jacob K. Javits, R-N.Y., sounded similiar warnings against what he termed "U.S. foreign policy disaster." He stressed that $15.9 billion of foreign commerce is shipped through the Port of New York and much of this would be jeopardized by the quota bills.

More informally than at the crowded sessions in the Waldorf ballroom, New York's trade and traffic executives invited to luncheons given by New Orleans port representatives, in conjunction with the NFTC meetings, discussed very much the same topics. While oil and steel company executives expressed the feeling in private that quotas are necessary for the temporary protection of their industrial interests, others more dependent on exports and imports seemed as alarmed about the possible consequences of quota restrictions to their business as many port officials attending the convention.

Hosted by James Martin, director of trade development of the Port of New Orleans, the guest list for the luncheons given here this week looked like a who's who in international trade. Representatives of major domestic and foreign firms came to meet the New Orleans hosts and many made optimistic predictions as to the growth of their trade through the port.

Economists and bankers at the convention varied in their opinion about the effect of protectionist measures on the nation's balance of payments. "The way to improve our international balance is to expand exports more rapidly than our imports, and to do this business needs more, not less, free access to overseas markets," a leading financial expert commented.

Ambassador Roth went further, terming new protectionism "self-defeating" and "balkanization of world trade."

"It would leave the affluent much poorer and the poor sunk even deeper in poverty. It would leave all of us more dangerously divided than we can afford to be in this steadily shrinking world: one road leads to further trade expansion and wider competition; the other, the road of quotas, leads in my judgment only to a dead end—for us, for the other free nations, and for the free enterprise system itself," Roth told the delegates.

[From the New Orleans (La.) Times-Picayune]

Quota Restrictions May Cramp New Orleans Trade, Report—Foreign Retaliation Is Viewed in Survey

(By Paul A. Fabry, Manager, Director, International House)

New York.—A quick survey of diplomats and trade executives who gathered here for the 54th National Foreign Trade Convention indicates that if new quota restrictions were imposed by Congress, retaliations by European, Latin American and Far East governments would hurt many of the commodities on the top of the export list in New Orleans.

Mentioned as prime candidates for such retaliatory measures by leading trading partners for the Gulf port in the industrial field were chemicals, farm equipment and heavy machinery. In agriculture, wheat, soybeans, feed grains, tobacco and poultry are the most likely to be affected.

Over 20 New Orleans transportation, banking and port executives were among the more than 2,000 delegates attending the three-day conference at the Waldorf. Debates, panel discussions, promotional functions and banquets this week ended what has become an annual ritual of America's trading community.

In a declaration drafted to reflect substantial unanimity—which this observer often found difficult to detect—among United States international businessmen, the convention set forth a series of recommendations on foreign economic policy.

"The whole climate both in this country and abroad for further concerted action in expanding international trade and investment is being profoundly threatened by protectionist measures introduced into the United States Congress," the statement said.

APPRAISE COSTS

The Convention urged Congress to appraise such measures in terms of their costs to the United States economy as a whole, including those which can result from retaliatory measures detrimental to U.S. international trade and investments and adverse effects on our balance of payments.

In a comprehensive review of U.S. trade policy, the Declaration advocated:

Worldwide cooperative action "toward elimination of nontariff barriers" such as import quotas, border taxes and buy-national laws.

Extension until 1969 of the President's authority to make compensatory tariff concessions.

Continuing study of the developing countries' demands for preferential access to the markets of industrialized countries. It suggested a phasing out of discriminatory trading arrangements between individual advanced and developing countries.

On East-West trade, the declaration supported Government efforts to improve commercial relations with the Soviet Union and the countries of Eastern Europe. It favored the relaxation of restrictions on non-strategic exports, while opposing the export of advanced technology or the extension of long-term credit. It endorsed legislation to give the President discretionary authority under certain conditions to grant most-favored-nation tariff treatment to individual communist countries.

During the sessions a number of top-ranking executives of national corporations spoke in favor of expanding business with Eastern Europe. The Declaration, on the other hand, endorsed embargoes on trade with Communist China and Cuba.

EXPAND TRADE

The Declaration also said it is imperative to expand, modernize and support American-flag shipping and expressed "serious concern" at the slowness with which the Government is moving in enunciating a definitive U.S. merchant marine policy. Delegates also supported aviation agreements which give equal opportunity for U.S. airlines to compete in world markets and urged maximum utilization of United States-flag lines for passenger travel and cargo carriage.

The statement, which was issued here this week, finally urged the common markets of Europe, Latin American and other parts of the world "to resist any attempt to orient any of these regional groupings toward becoming narrowly protectionist or discriminatory devices."

An Alliance for Progress spokesman, Dr. C. Sanz de Santamaria, warned American businessmen that the sudden proliferation of proposed restrictions on imports to the U.S. poses dangers to Latin America's economic and social development. Several other speakers, including diplomats from Argentina, France and the Far East sounded similar warnings.

It was noted that the legislation in question is in Louisiana Senator Russell Long's Finance Committee. In private conversations, several diplomats expressed the hope that pressure from Louisiana, particularly its three world ports, may have beneficial effect on Senator Long's position in handling the proposed protectionist bills.

Talking more in political than trade terms, Ambassador Charles Lucet of France stressed the need "to make Europe a living reality."

"Europe believes itself to be an important element of equilibrium and peace," Lucet said, adding that the 10-year-old detente between East and West of the Continent "should one day bring about the removal of the iron curtain." This way alone, in the Ambassador's opinion, will it one day be possible to settle the problem of divided Germany.

ISSUES DEBATED

While economic and political issues were debated in the open and individual U.S. ports competed vigorously for the attention of New York traders in the private suites, some 1,000 executives listened to forecasts by a panel of experts from Newsweek. What at times resembled more of a Viennese cabaret than a serious analysis, the editors of The New York magazine answered questions from the floor that brought up the Kennedy assassination probe in New Orleans.

Trying to decide whether or not New Orleans D.A. Jim Garrison had something to go on, Newsweek Editor Osborn Elliott and his four experts opined that, regardless of the trial's outcome, John F. Kennedy's murder case will not be concluded in a generation and may still be debated and investigated 100 years from now.

INDEPENDENT CREDIT UNION AGENCY LEGISLATION

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Patman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. PATMAN. Mr. Speaker, today, I introduced, along with 18 Banking and Currency Committee cosponsors, legislation that would create an independent agency for the administration of credit unions.

Joining me in introduction of the legislation were Representatives Multer, Barrett, Mrs. Sullivan, Reuss, Ashley, Moorhead, Stephens, St Ger-

Main, Gonzalez, Minish, Hanna, Gettys, Annunzio, Rees, Bingham, Galifianakis, Bevill, and Halpern.

The new agency's primary responsibility would be for the regulation and supervision of Federal credit unions, but would also be set up to provide service to State credit unions, if individual States requested such assistance.

At the present time, there are more federally chartered credit unions than any other federally chartered financial institutions, and there are more credit unions, State and Federal, some 23,000, than all other financial institutions combined. Yet, despite the magnitude of credit unions, the Federal authority for credit union regulation and supervision lies in a Bureau buried in the Department of Health, Education, and Welfare.

Federal credit unions are regulated by the Bureau of Federal Credit Unions, but although this Bureau is charged with total responsibility for credit unions, in many instances it finds itself nothing more than a puppet in the setup of the Department of Health, Education, and Welfare. For instance, when the Banking and Currency Committee seeks to obtain the Bureau's position on a piece of legislation, the committee does not receive an answer from the Bureau, but rather from the Department of Health, Education, and Welfare.

In addition, the Bureau does not have its own legal section, including a general counsel, but must rely on part-time legal assistance from another section of HEW.

The legislation I have introduced would simply transfer the Bureau of Federal Credit Unions from under the wing of HEW. In its place, there would be created a National Credit Union Administration headed by an Administrator appointed by the President and confirmed by the Senate. There would also be a 23-member advisory board consisting of two representatives, one from a Federal credit union and one from a State credit union in each of the nine credit union regions, plus five members selected at large. This group would be similar to the small business advisory committee that works so effectively with the Small Business Administration.

COULD ASSIST STATE AGENCIES

The new Credit Union Administration would continue to exercise all of its present functions without any changes. In addition, the legislation would give the Administration, when requested by individual States, the power to assist that State in its credit union activities. Thus, if a State desired, it could call upon the National Credit Union Administration to train credit union examiners for use by the State or could ask the Administration, on a reimbursable basis, to conduct specific credit union studies for that State. And, if requested by the State, the Administration could supply examiners for use by the State on a reimbursable basis for examination of State-chartered credit unions.

NO INFRINGEMENT INVOLVED

I want to make it clear that this would not in any way infringe upon the rights of the States, since the bureau could not provide any assistance to the State unless that State first requested such assistance.

This would mean that the administration would not be operating as is the Federal Deposit Insurance Corporation by supervising State nonmember banks. In the case of the FDIC, the Corporation exercises that authority without the approval of the State. The Credit Union Administration could provide assistance to States only when the request came directly from the State.

Enactment of this bill would not cost the Government any additional funds, since the present Bureau of Federal Credit Unions is operated by funds received from assessments of individual Federal credit unions. The bureau must pay for any of the services, such as legal aid, that it receives from the Department of Health, Education, and Welfare. This means that additional expenses would not be incurred in that area by a new credit union administration. The only change in the financial appropriation structure would be that rather than spending the funds it receives from the credit union directly, these fees would be paid into the Treasury of the United States and the Credit Union Administration would come to Congress annually for its appropriation.

At the end of 1966, there were nearly 23,000 credit unions in our country, of which nearly 12,000 were Federal credit unions. More than 18 million Americans were credit union members, and this figure increased by 7½ percent last year. Credit unions have assets of more than $11½ billion and have loans of more than $9 billion outstanding. In short, credit unions are first-class members of the financial community, yet they are treated like stepchildren as far as the organizational setup of the Federal Government is concerned.

The legislation that I have introduced today seeks to correct the imbalance in the relationship of the Government to credit unions.

I encourage other Members to introduce their own independent credit union agency bill, and to obtain as many cosponsors as possible. To this end, I am including in my remarks a copy of my bill.

Passage of this legislation will salute our Nation's credit unions for the outstanding work they are performing.

H.R. 4030

A bill to provide for an independent agency for the supervision of Federal credit unions, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Section 1. Section 2 of the Federal Credit Union Act is amended by striking out paragraphs (2) and (3) thereof and inserting:

"(2) the term 'Administrator' means the Administrator of National Credit Union Administration; and

"(3) the term 'Administration' means the National Credit Union Administration."

Sec. 2. The Federal Credit Union Act is amended—

(1) by changing "Director" to read "Administrator" each place it appears therein;

(2) by changing "Bureau of Federal Credit Unions" to read "National Credit Union Administration" each place it appears therein; and

(3) by changing "Bureau", each remaining place it appears, to read "Administration".

Sec. 3. Section 3 of the Federal Credit Union Act is amended to read

"CREATION OF ADMINISTRATION

"Sec. 3. (a) There is created the National Credit Union Administration, which shall be an independent agency under the direction of the Administrator. The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall hold office at the pleasure of the President.

"(b) There is created the National Credit Union Advisory Committee. The committee shall consist of twenty-three persons appointed by the President for a term of twenty-four months. The terms of the Members shall be arranged so that twelve members shall be appointed on July 1 of each year. Five shall be appointed at large and two shall be appointed from each credit union region, of whom one shall be representative of State-chartered credit unions and one shall be representative of Federal credit unions.

Sec. 4. (a) Section 6 of the Federal Credit Union Act is amended by inserting "(a)" immediately after "Sec. 6." and by changing the next to the last sentence to read: "All such fees shall be covered into the Treasury as miscellaneous receipts."

(b) Section 6 of the Federal Credit Union Act is amended by adding the following new subsection at the end:

"(b) There are authorized to be appropriated such sums as may be necessary for the administrative, supervisory, and other expenses incurred in carrying out the provisions of this Act, including proper provision for office space."

Sec. 5. Section 21 of the Federal Credit Union Act is amended by adding the following new subsection at the end:

"(i) The Administrator may appoint an advisory committee within each of the Federal credit union regions."

Sec. 6. (a) All functions, property, records, and personnel of the Bureau of Federal Credit Unions are transferred to the National Credit Union Administration created by this Act.

(b) The Director of the Bureau of Federal Credit Unions in office on the date of enactment of this Act shall serve as acting Administrator of the National Credit Union Administration pending the appointment of an administrator in accordance with section 3 of the Federal Credit Union Act, as amended by this Act.

A SECOND CHANCE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Johnson] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, it is with great pride and pleasure I call to the attention of my colleagues an article which appears in the November issue of Reclamation Era. This article describes the activities of the Toyon Job Corps Conservation Center, located in my Second Congressional District, near Redding, Calif.

The 163 corpsmen in this center are receiving on-the-job training in 14 different areas and as they become proficient in these skills, their education too

is furthered. They are realizing the value of this combination, its formula for the future when their contributions to society as gainfully employed citizens will indeed have justified this second chance.

TOYON OFFERS SECOND CHANCE

(By Anne Voetsch, of Mount Holyoke College)

"Before they were dependent upon other people, now they have useful skills and can take opportunities which benefit themselves and the community."

Basil B. Sharp, Head Cook of the Bureau of Reclamation's Toyon Job Corps Conservation Center near Redding, Calif., was speaking of the 22 corpsmen who have graduated from the cook-trainee program at Toyon during the past 2 years.

As he watched two of the youths carry the remaining dishes from the cafeteria, Mr. Sharp described his part in the Toyon Center's program to give unemployed young men, aged 16 through 21, a chance to resume their education while learning the technical skills required in securing a job.

Twice daily, the former Army cook holds classes in the essentials of cooking. Enrollees begin their training in the kitchen's clean-up detail and, as their skill and knowledge increase, assume the responsibility of preparing portions of the three meals.

By dividing the 11 corpsmen currently interested in cooking into two groups, Mr. Sharp can give individual attention to each boy's progress. Practicing the skill of deep-fat frying or learning the various cuts of beef provides the corpsmen with on-the-job experience and the specialized knowledge that prospective employers demand.

Cooking is just one of 14 vocational areas in which Toyon's 163 corpsmen can receive on-the-job training.

Two of the most popular trades, according to Vocational Guidance Counselor Robert Hegge, are auto mechanics and heavy equipment. Although waiting lists of corpsmen anxious to learn these skills are often necessary, corpsmen are also eager to train for masonry, building repair, grounds-keeping, laundry work, carpentry, conservation, janitorial work, maintenance mechanics, warehousing, the medical corps, and as service station attendants.

The corpsman is free to switch vocational choices. After he discusses his decision with his counselor, the change is made as quickly as possible.

As he develops his job skills, he improves his employment potential with additional education. Toyon's program alternates one week of work with one of schooling.

The classroom, once a source of fear and hostility, becomes an important link to "being someone." Six dedicated teachers dispel the corpsman's former defeatist attitude.

For the first time the corpsman can see an outcome other than failure and he tries hard to take advantage of his "second chance." Even the boys who don't enjoy the classroom recognize their opportunity and voice a genuine desire to improve. As George, 17, remarked, "Well, all school is about the same, but I'd rather be here because you're learning a trade, too."

Unlike public school students, the corpsmen progress at their own learning rate by use of self-teaching materials. Nevertheless, the teacher is of utmost importance in maintaining the boys' morale.

Mrs. Marylynn G. Leiter, teacher of Language Arts and Beginning Reading, who has a reputation for strictness among the corpsmen, reports that she has never had any trouble in the classroom since she has taught at Toyon. She has never heard any cursing and has rarely seen a corpsman get discouraged and just quit. Like all the teachers, Mrs. Leiter offers "close supervision and much intuition."

The Sullivan series, used by all corpsmen, plays an important part in providing incentive to improve. After the corpsmen finishes two books of the series, he receives a $5 raise in his monthly allowance, which ranges between $30 and $50.

One of the most popular self-teaching devices is the Language Master Card Set, prepared especially for the Job Corps. To use the set, the beginning reader feeds a vocabulary card into the machine and then sees the word on a screen while he hears it pronounced through his earphones.

Health and physical education are also included in the program, as well as Drivers' Education, available to academically qualified corpsmen.

In contrast to their independent learning of the three R's, the corpsmen meet in groups to discuss procedures for finding a job and objectives and behavior necessary to keep a job. In this "World of Work" program, the corpsman is outside the classroom, with its maps of the United States and colorful reproductions of paintings by Wyeth, Manet, and Picasso, and in a more conference-table atmosphere, learning to cope with the impersonal working world.

Mr. M. H. Haban, who conducts the "World of Work" classes, feels that the corpsmen's main problem is that they "don't sell themselves." Often a boy feels guilty about presenting a totally positive self-image and wants to bring up the failures of his past.

Typical of this conflict is the response Mike, 17, made to the question "Why did you join the Job Corps?" Instead of stating that he couldn't find a job, Mike sat silently for several minutes, shifted, and then replied uncertainly, "Well, I could tell a few lies."

Toyon Job Corps Conservation Center operates on a budget of about three-fourths of a million dollars a year. The Center's work projects make a large contribution toward repaying the taxpayers' investment in the corpsmen.

Toyon corpsmen recently completed a half-mile nature trail near Whiskeytown Lake, for which they built eight rest benches and a foot bridge. They also sunk flagstone strips about every 15 feet along the trail to prevent erosion.

A 5-mile trail near Brandy Creek is one of their projects, and plans are to make Whiskeytown Lake, behind the Bureau's Whiskeytown Dam, the largest camping area in northern California by building from 350 to 500 campsites in the surrounding hills.

One ambitious project is the Judge Francis Carr Memorial at Whiskeytown Lake. They have recently completed a concrete walkway near the lakeside and have laid water and sewer lines and underground electric lines. Future construction includes a parking area, restroom building, lighting around the circular driveway, and a lighted fountain. Skilled craftsmen, hired from the Redding area, are helping the corpsmen learn the various skills involved.

Toyon corpsmen have also proved their value to the Redding area. On Memorial Day 30 corpsmen and three staff members volunteered to clean up the community cemetery in Red Valley.

In close cooperation with the U.S. Forest Service, they have spent 3,500 hours in firefighting. Sporting its own 1937 Ford fire engine and an ever-ready supply of canteens and well-sharpened axes, Toyon offers a 16-hour training course in firefighting to interested corpsmen. When called for assistance, the center's firefighters can mobilize within 30 minutes.

In the Toyon community itself, consisting of 52 buildings and 40 vehicles, corpsmen are largely responsible for keeping the Center running smoothly. Corpsmen service the Center's cars in the garage, aid Medic G. L. Ralston in the dispensary, and supervise the storage and distribution of supplies in the warehouse.

Last 4th of July, the corpsmen built a new barbecue pit and picnic tables for the holiday celebration. They are also developing a lily pond, complete with waterfall, mosquito fish, and a Polynesian bridge.

Toyon Center has an excellent record of good relations with the community of Redding as well as an absence of major incidents within the center. The challenge to succeed in the community is strong and maintained through the staff's ability to encourage self-improvement and the willingness of the residents to accept the corpsmen.

From the time the Toyon Conservation Center opened in April 1965, the Redding community has helped to make the project a success.

A local car dealer has donated two old cars for mechanic's training and the Redding Health Service frequently assists in the Dispensary. Regularly, an employee of the Redding Employment Agency visits the "World of Work" classes to conduct professional job interviews.

The cooperation of local businesses in giving opportunity to use their training on the job is especially valuable. Pacific Gas and Electric Co., Rother Auto Parts of Redding, and the Bureau of Reclamation have all set up on-the-job training programs.

Assemblies to recognize worthy corpsmen are held in the gym each Monday morning. At this time, promotions are announced, graduation certificates are awarded, and the naming of the "Corpsman of the Month" is accompanied by the presentation of a watch by the Shasta Dam Area Chamber of Commerce.

The points also help to determine which men will be promoted to the positions of Specialist and Senior Specialist, an indication that the corpsman has mastered particular trade skills, and to the responsible position of Corpsman Leader. Each promotion carries with it an increase in pay, up to $50 a month for the leaders.

Besides orienting newcomers, the corpsman leaders help smooth out possible trouble areas. Said Hector, 19, "The corpsmen who want to leave, you can spot right away. They're the ones who don't want to do anything, and just mess around."

Corpsman leaders may also earn the added privilege of living in houses with other responsible corpsmen. Since the houses offer more privacy, this prospect is very desirable.

Upon graduation, a corpsman can enter one of three different environments. If he has been in the Job Corps less than 2 years, the maximum period allowed for training, he can continue the program at one of the urban centers. Or he can make use of his newly acquired skills and seek employment. A Job Corps Occupational Specialist located in the State Employment Office makes a maximum effort to put graduates to work.

Frequently, the corpsman follows the third possibility and enters military service.

The Toyon graduate looks forward to a productive future of "being someone." But he looks backward, too. As he moves out into the working world he joins the ranks of the gainfully employed. Under the new pride in his performance, sense of responsibility, and competence in his trade, lies an unflagging desire to show that his "second chance" was a public investment that he can repay fourfold.

COLUMBUS IN THE NATION'S SPOTLIGHT ONCE AGAIN

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HAMILTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HAMILTON. Mr. Speaker, this week's issue of Life magazine, dated November 17, 1967, features an article on the architecture of Columbus, Ind., entitled "An Inspired Renaissance in Indiana."

The article advises Life's readers to—

> Look closer at Columbus: it is in fact a showcase of the best in modern U.S. architecture, a model and inspiration for other towns.

The article is a tribute to the citizens of Columbus, a unique and remarkable town, and to the man chiefly responsible for its fine architecture, J. I. Miller.

I urge my colleagues to read this article and enjoy the pictures accompanying it. Amid the problems that threaten to engulf each of us, this article comes like a breath of mountain air as we read of what the citizens of Columbus have done to improve and beautify their community.

The text of the article follows:

Introduction

Amid the creekbeds and cornfields of southern Indiana there stands a small city named Columbus. It has a main street like a thousand other main streets—two- and three-story commercial buildings, a fine old courthouse, parking meters, all clean, unremarkable. Its 27,000 residents, good Midwesterners, are for the most part neither richer nor more talented than anyone else in southern Indiana. But look closer at Columbus: it is in fact a showcase of the best in modern U.S. architecture, a model and inspiration for other towns. Rising above the cornfields and maples are buildings by such masters as Eliel Saarinen and his son Eero, I. M. Pei and John Carl Warnecke. They are buildings to use—churches, schools, a library, even a fire station. And they have been built by the people who use them, the citizens of Columbus. One man is behind the phenomenon, J. Irwin Miller, board chairman of the Cummins Engine Company, the town's main industry. Thirteen years ago he set up a foundation to pay design costs if his fellow townspeople would agree to use top architects for their new public buildings. It is this seed money—just over $2 million to date—that flowered into the present glories of Columbus and gave its inhabitants a taste for fine architecture they may never cease to savor.

Columbus has always been a town of churchgoers, and it was with a church that its architectural revolution began. The First Christian Church, finished in 1942, was not only the initial modern intrusion into the Columbus skyline but an early herald of a nationwide move toward new church design. The architect was Finnish-born Eliel Saarinen, and his aim was to break away from traditional Gothic and Georgian styles. "We have been using the dead styles of alien culture," he wrote, "until the last drop of expressiveness has been squeezed out of these once so expressive styles." This iconoclastic spirit blended neatly with that of Irwin Miller, who had acquired a distaste for "bogus Gothic" while a student at Yale. All of the land and most of the money for the First Christian Church were donated by Miller's great-uncle, W. G. Irwin, and grandmother, Linnie Sweeney, while Miller himself 20 years later commissioned Eliel Saarinen's son Eero to design the even more adventurous North Christian Church. Its needle spire rises from the flatland, the younger Saarinen wrote, as "a marvelous symbol of reaching upward to God."

Anything that mankind did that was really good in any age," says Irwin Miller, "goes well with anything he did that was good in any other age." This esthetic perspective has protected the town's 19th Century buildings, reminders of a more ornate and elaborate style. The city first began to prosper in the post-Civil War boom, and when its brick courthouse was completed in 1874 there was a day-long party topped by a banquet. The main street of that time, Miller says, "was composed of buildings done with taste, and related to each other well. It had an integrity which it now lacks." With Miller's encouragement, many of these old buildings were painted in pastel shades to accentuate their individuality, and their strident neon signs have been replaced by modest labels. Two blocks from its glass-walled successor, the bank built by Miller's great-grandfather still stands with its Victorian dignity intact. "I always preferred to have my roots down in one place," says Miller. "In this community you have a sense that you are part of something lasting."

When Mrs. Lyndon B. Johnson paid them a visit this fall during her "Crossroads, U.S.A." tour, the people of Columbus got a vivid impression of just how remarkable their city has become. On hand to help greet her was one of the most impressive arrays of architects ever gathered outside a professional convention. Each was represented in town by one or more works. As for Mrs. Johnson, when she finished looking around she gave her opinion succinctly: "You come here and you feel like you've had a shot of adrenalin."

How Columbus Started Building Two Landmarks Per Year

"First we shape our buildings and then they shape us." In the mouth of J. Irwin Miller, these words of Winston Churchill take on special meaning. They help explain why Miller, the prime mover behind Columbus' renaissance, chose architecture as his particular philanthropy and this city as the place to practice it.

Miller's roots are very deep in Columbus and Miller himself is a remarkable man. A Greek scholar, graduate of Yale and Oxford, an amateur musician who plays Bach on his own Stradivarius, an executive and director of several companies, he is also a public servant of extraordinary breadth and capacity. He is the first layman to have been president of the National Council of Churches, and is now on the central and executive committees of the World Council; he is a trustee of the Ford Foundation and of Yale University; and he is currently a member of three different presidentially appointed commissions. At the same time J. Irwin Miller is a citizen of Columbus, Indiana, and this to him is a matter of pre-eminent importance.

It was in this city that the Miller fortune was born and grew. His great-great-grandfather settled nearby in 1820. His great-grandfather, a storekeeper and later a banker, laid the foundations of the family wealth, and his great-uncle built it up. (Curiously, the Cummins Engine Company, the main element in Miller's present holdings and the biggest industry in Columbus, was sparked by the uncle's chauffeur. The family bankrolled his experiments with diesel engines and became major stockholders in the company formed when the experiments at long last proved successful.) Miller himself took over after his uncle's death in 1944.

His desire to improve Columbus architecturally sprang partly from corporate self-interest. The first modern buildings in town had been largely family undertakings. But a massive fortune would have been required to transform the whole city, and by the early 1950s it was evident to Miller that transformation was imperative if Cummins was to attract the well-educated and choosy executives and engineers it needed for its new research center.

The Cummins Engine Foundation, devoted to the proposition that "each of the best of today's architects can contribute something of lasting value to Columbus," was set up by Miller in 1954 and funded by the Cummins Engine Company. Its initial offering was to pay the design cost of any new school building, provided the school board agreed to pick an architect from a list compiled by prominent architectural leaders. Since then six schools have been cooperatively built and the plan has been expanded to cover other types of public buildings. The results are noticeable—two years ago *Architectural Forum* pointed out that Columbus has averaged "two landmarks per year" since 1955—and a feeling for quality is apparently spreading. When Fire District No. 2 needed a new station, a good modern design was chosen—despite the fact that the Cummins Foundation paid no part of the bill. Other local companies and businessmen, long-time contributors to civic projects, have been donating money and enthusiasm at an increasing rate.

"Not only does Columbus get the best architects, it gets the best out of them," says Architect Ed Barnes. "One challenge for a good architect is to see whether he can perform within the cost limitations of a tight school program." It would be hard to find a more cost-conscious group than a school board that has to issue bonds. The current cost-per-square-foot of the schools in Bartholomew County, where Columbus is located, is only slightly over the state average of $19.00. And, according to Columbus' Superintendent of Schools Dr. Clarence Robbins, "We are getting more for the dollar. These buildings help teach youngsters to want things better than average when they grow up."

Although public acceptance of the new architecture is virtually unanimous, some objections have been heard. Residents were quick to apply nicknames to some of the more surprising structures—Eero Saarinen's multi-domed bank became "the brassiere factory," the rectangular brick junior high school "the penitentiary," and the Eastbrook Plaza bank, with towers at each of its four corners, "the dead horse." There is also an occasional grumble about the importation of creative talent. "I think they could find enough good architects in the state of Indiana," complained a local merchant.

Another more serious problem is the fact that the new buildings are not yet integrated into any city plan but are scattered and unrelated. Much of the downtown section remains rundown and neglected. "The town is suffering from a lack of plan," laments Harry Weese of Chicago, who has designed 10 buildings in Columbus. "We're just discovering that architecture is not only the inside and outside of a building," says Miller. "It's the whole environment of the city, and I don't think we have really developed a good concept of total architecture yet."

Compared to big cities, however, Columbus has reason for optimism, Miller believes. It has applied for federal aid to renovate the downtown section. "If any community can stop decay, it would be a community of our size. And we have the opportunity to go farther and create an example of value to other communities." It is an opportunity that Columbus already has firmly in its grasp.

MARILYN WELLEMEYER.

APOLOGIES TO DEAN RUSK ARE IN ORDER

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. RESNICK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. RESNICK. Mr. Speaker, last night in New York, a screaming mob assembled outside the hotel where Secretary

Rusk addressed the Foreign Policy Association.

This incident was another of those well organized and carefully planned spontaneous demonstrations against the administration's policies in Vietnam.

And like all the others, it accomplished absolutely nothing useful or positive. In fact, these demonstrations are creating an opposite effect that works against everything the demonstrators claim to want.

These irresponsible mobs claim to want an immediate end to the Vietnam war.

Yet, the headlines they generate around the world serve only to stiffen Hanoi's mistaken notion that the United States is too crippled by dissention to stay in Vietnam.

Armed with this false reasoning, Hanoi stubbornly prolongs the fighting.

The demonstrators obviously hope to influence public opinion here at home and trigger a tidal wave of protest against the war.

But the wild and irresponsible tactics used by these so-called peace people, whom I prefer to call the surrender people have had an entirely opposite effect—they have alienated all responsible Americans. And most important, they have tended to make the hawks more hawkish, the Nation more unsettled, the issues more beclouded with emotionalism, and the task of finding a solution more difficult.

I know that New Yorkers are ashamed of what happened in their city last night. But our shame and anger over this incident will not stop such irresponsible mobs from creating future incidents.

We can only appeal to their reason and good sense and ask what they hope to accomplish through such tactics?

And, unfortunately, we can expect no response.

WE NEED A TRUTH-IN-LENDING BILL THIS YEAR—PART II

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HANNA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. HANNA. Mr. Speaker, the Christian Science Monitor concluded an editorial on the truth-in-lending issue with the following:

> The Senate-passed measure now goes to the House. The chairman of the House Subcommittee on Consumer Affairs, calling it "a mere skeleton of what it should be," says she plans to introduce a much stronger bill. But practically speaking, the House is unlikely to approve a measure stronger than the Senate's. The point is to get at least this truth-in-lending legislation on the books and then try to strengthen it later on.

Mr. Speaker, the conclusion reached by the Christian Science Monitor accurately and precisely calls to the attention of the House the practical necessities of today's circumstances vis-a-vis truth-in-lending legislation. That these practical realities are more vividly present now than when the Monitor editorial was written—July 14—are obvious. We are now backing up against adjournment. If the House Banking and Currency Committee reports a measure which radically departs from the careful compromises in the Senate version, the consumers' hopes of reasonably meaningful legislation this year will be dashed against the shoals and rocks of a conference committee whose mandate from the Senate is nothing less than a unanimous vote. In other words there probably will not be a truth-in-lending law on the books this year unless the House faces up to the present realities and quickly passes a measure similar to the one passed by the Senate.

Tragically, the consumer will be the unfortunate victim of the House's inability to measure the real necessities of the present circumstances. And, after 7 long years, to have the door slammed shut after the appearance of a sizable shaft of light will be particularly discouraging.

My approach from the beginning on this issue has been to take a sizable step forward now. A step forward now will assist the consumer. That step forward is available if we use the Senate bill as the framework for reasonable improvements, rather than radical departures from the careful Senate compromises which were endorsed by a unanimous vote. The same Christian Science Monitor editorial quoted earlier makes clear that the Senate "bill will, in many instances, help the consumer to avoid paying absurdly inflated interest rates when buying on installment or even when making personal loans, it—the Senate bill—does give the consumer a more accurate concept of what his actual charges will be and so helps him shop selectively for reasonable credit terms."

Is this not, after seven long, frustrating years, a major legislative accomplishment? Of course it is. Will not legislation of the type passed by the Senate substantially assist the consumer? Of course it will.

However, the key question now facing the House is—is it in the interest of the consumer to delay truth in lending protections an eighth year? Of course it is not in anyone's interest to delay this legislation further, but that will probably be what we will do if we demand in the House version of the bill those items which tied the measure up on the Senate for 7 years.

There are those who benignly assure us that we can entrust in the hands of some all wise and thoroughly reasonable conference committee to do our ultimate work. That some aspect of final decision will be vested in the conference is as obvious as it is inevitable. Therefore, what should dominate the intent and purpose of the Banking Committee and the House is the desire to present the best drawn and most practical vehicle to achieve legislative success. The work of the conference should be on the basis of the known and knowable and be as limited as possible as the conference is the least democratic and representative body that will work its will on the measure.

It seems clear to me that it is our responsibility to insure the consumer credit protections now. The list of abuses in the credit transactions covered under the Senate bill is startlingly large and we have waited too long to act. We have waited too long to take the first step. Our immediate obligation to the consumer is to avoid the pitfalls and traps that have prevented action to date.

We can act this year. We can pass meaningful legislation this year if we pay attention to the admonition of the Christian Science Monitor:

> The point is to get *this* (the Senate bill) truth-in-lending legislation on the books . . .

That is exactly the point.

Mr. Speaker, at this point in the RECORD I would like to insert five editorials, including the full text of the Christian Science Monitor editorial quoted earlier in my remarks. These editorials are representative of many others, and like the ones I inserted yesterday will help in highlighting the views I am attempting to present. I commend these well written editorials to the careful attention of my colleagues:

[From the Boston (Mass.) Christian Science Monitor, July 14, 1967]

TRUTH-IN-LENDING

Several bills to protect the consumer have now managed to survive formidable congressional hurdles. But not without much watering down in the process. The truth-in-lending bill, which passed the Senate 92-0, is proceeding true to fashion.

Former Sen. Paul H. Douglas fought for truth-in-lending legislation for six years without success. He preferred to see it defeated rather than eviscerated. But those who took up the fight after his defeat in November were willing to compromise, preferring half a loaf to none at all.

The Senate-passed measure, which will require full disclosure both in terms of annual interest rates and dollar amounts, excludes ordinary revolving credit accounts, first mortgages, and small accounts. It also allows approximate rather than precise disclosure of interest rates.

In spite of these exclusions, this bill will, in many instances, help the consumer to avoid paying absurdly inflated interest rates when buying on installment or even when making personal loans. Bearing out the need for this, studies have shown that consumers tend to grossly underestimate the rate they naively assume they are paying on their debts.

This bill does not set a ceiling on what can be charged for credit. But it does give the consumer a more accurate concept of what his actual charges will be and so helps him shop selectively for reasonable credit terms.

Massachusetts was the first state to pass a truth-in-lending law and Washington the second. Federal legislation is needed, at least until the other states adopt effective measures.

The Senate-passed measure now goes to the House. The chairman of the House subcommittee on consumer affairs, calling it "a mere skeleton of what it should be," says she plans to introduce a much stronger bill. But, practically speaking, the House is unlikely to approve a measure stronger than the Senate's. The point is to get at least *this* truth-in-lending legislation on the books and then try to strengthen it later on.

[From the Milwaukee (Wis.) Journal, July 12, 1967]

TRUTH IN LENDING

The unanimous endorsement given the truth in lending bill Tuesday by the senate virtually assures that this important measure is finally to become law.

This is an effort to clarify the confusing business of consumer credit. The measure provides that finance charges must be disclosed to buyers in writing at or before a time sale or a loan transaction. The cost of financing would have to be specified both in dollars and in terms of "approximate" annual interest on the declining balance of loans.

The bill is cluttered with more "ands, ifs and buts" than the original author, Illinois' Paul Douglas, would have preferred. But the man who assumed command of the legislation after Sen. Douglas' election defeat, Sen. Proxmire (D–Wis.), realized that it was destined for a paralysis of analysis unless key qualifications were made.

One major compromise, for instance, permits department stores to state interest charges on revolving credit accounts on a monthly instead of an annual basis. One reason for this, of course, is that 1.5% a month looks a lot less onerous than 18% a year.

Also, an 8% leeway is permitted in disclosing "approximate" annual interest rates. The stated reason for this is that precise figures are difficult to calculate. Thus, an actual annual charge of 24% could be stated as 22%. The bill permits a tiny bit of deception, in other words—8% worth.

Despite the shortcomings, the bill represents a significant advance. It should enhance public enlightenment and protection in one of the most important and fastest growing areas of the economy. At last count, total consumer credit outstanding amounted to almost $93 billion.

[From the Minneapolis (Minn.) Tribune, Aug. 9, 1967]

Keep the Lending Bill Uncluttered

"Truth-in-lending" is the description given to a bill passed by the Senate last month, and it carries the sound of unassailable virtue. A position against truth is so hard to argue. The issue, of course, is not that simple.

The House Banking and Currency Committee now has in subcommittee a similar measure. But a principal difference between the House and Senate bills is that the former would reinstate some controversial provisions eliminated—wisely, in our opinion—by the latter. An indication of the Senate bill's acceptability was its vote in passage: 92–0.

One provision the administration and the House subcommittee chairman would like to restore is the disclosure of true annual interest charges—percentages and dollar amounts—on retailers' revolving charge accounts.

Most department stores charge 1½ per cent per month on such accounts, which have continuously changing balances as the customer makes payments and in the meantime makes other purchases. Instead of being a sinister practice, this seems like a reasonable accommodation. Regular "disclosures" of dollar amounts of interest and annual rate calculations would be an interesting mathematical exercise of more benefit to the computer industry than the consumer.

The House also wants to require full disclosure on home mortgage interest charges. A simpler way to get at this is for the borrower to read the interest rate stated on the mortgage note. There are other costs in mortgage financing which the borrower ought to find out about before he agrees to the transaction; but they are not a part of interest.

The Senate "Truth-in-Lending" bill emphasizes standardization in presenting the terms of such consumer financing as personal, automobile, and appliance loans. We think the House should do the same.

[From the Philadelphia (Pa.) Inquirer, July 13, 1967]

Truth-in-Lending Progress

The 92–0 vote of the Senate in favor of the long-stymied truth-in-lending bill probably is as much a tribute to the adroit compromises worked out by the bill's sponsor, Senator William Proxmire (D., Wis.), as to the merit of the measure itself. But, after a seven-year stalemate, it obviously represents a long step forward for the consumer.

Complete disclosure of loan costs, in both annual percentage and dollars and cents, is required under the Proxmire bill (handled for years by former Senator Paul Douglas), but the compromises to get it through the Senate exempt first mortgages from this disclosure, as well as items on which interest charges come to $10 a year, or less, and ordinary revolving credit accounts.

The point of the bill, of course, is to give consumers an accurate idea what time payments cost them. The Senate Banking Committee hearings brought out the fact that some consumers badly need to be told; a survey of 800 representative families showed that they thought they were paying about 8.3 percent on borrowed money, on average, when actually it was 24 percent—a whopping difference when family budgets are being figured.

The bill should also serve to reduce, at least, the number of flagrantly abusive charges with which consumers are sometimes saddled by unscrupulous lenders: rates as fantastic as 289 percent were reported to the committee, and this did not involve illegal loan sharks.

In the House, it has been reported, an effort will be made to toughen up the measure at the points of compromise, but it may at least be hoped that Congressmen will not be so insistent on a "perfect" piece of legislation as to kill it or delay it still further. Seven years is long enough for the consumer to wait for at least a glimmer of what "buy now, pay later" is doing to his bank account—and a chance to "shop" for the best terms.

[From the Winston-Salem (N.C.) Journal, July 14, 1967]

At Last, the Lending Bill

From the way the truth-in-lending bill breezed through the U.S. Senate (92 to 0), it is hard to believe that it will have much trouble in the House. The proposal has been successful this year because Sen. William Proxmire of Wisconsin drew a realistic, workable bill and because consumer protection laws are becoming politically appealing.

Before Sen. Proxmire took up the cause, Sen. Paul Douglas of Illinois had labored unsuccessfully for seven years to get his truth-in-lending measures out of committee. The Proxmire bill won approval because its author was more willing to compromise than Sen. Douglas on some of the controversial details, but it achieves essentially the same purposes as the earlier proposals.

Basically, the Senate-passed bill will require on numerous credit transactions full disclosure of the annual interest percentage and the total finance charges in dollars and cents. Included are automobile loans, personal loans, purchases of appliances and other consumer goods, single payment loans and loans for repair and modernization. Exempted are first mortgages on homes and revolving charge accounts, deleted in Sen. Proxmire's major compromise.

The most important contribution of this legislation would be to require that merchants and lenders use simple, uniform methods in disclosing credit charges to customers. Under rules to be prepared by the Federal Reserve Board, the charges would be stated so that a buyer could compare credit costs in stores and lending institutions.

This simple requirement should not place an undue burden on the credit business. But it will provide a vitally needed safeguard in a country whose people now carry almost $100 billion in consumer debt (excluding long-term mortgages). It will help to prevent the consumer credit system from victimizing the poor, the ill-educated, the gullible and the careless.

Actually, though, Congress should never have had to consider truth-in-lending laws. State governments should have enacted them years ago but, as with so many other problems, they chose not to act. The states could regulate consumer credit far more efficiently because they have the power to enact usury laws (many of which are outdated) and could more easily develop uniform systems for disclosing credit costs.

If the House of Representatives approves the Proxmire bill, however, perhaps the new federal law will be an incentive to the state legislatures to develop their own laws for consumer protection and cover some areas of abuse not included in the congressional bill.

RELIGIOUS COMMUNITIES OF WASHINGTON SUPPORT ANTIPOVERTY PROGRAM

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Scheuer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. SCHEUER. Mr. Speaker, last night, 2,000 members of the Catholic, Jewish, and Protestant religious communities of the city of Washington participated in an appeal to the conscience of this Congress. They asked for our support of the antipoverty program now before us.

This rally was itself a near miracle. This was no rally staged by powerful national organizations with experienced staffs. It was organized within 3 days by a small group of priests and ministers who were working within the inner city.

They who are dedicating their lives selflessly to helping the poor ask us to search our consciences and decide whether we are doing our share. In the legislation before us, we are committing little more than 1 percent of our national budget. Can we do less?

I would like to pay special tribute to Father Kane and Father Broderick who sparked this appeal to conscience and to their fellow sponsors of all faiths.

Following are the appealing and incisive remarks of Patrick Cardinal O'Boyle whose speech keynoted the rally:

Remarks of Cardinal O'Boyle

These are critical times regarding the continuance of our national War Against Poverty. The Congress is now finalizing legislation designed to continue this essential program. Some members of the House of Representatives have leveled criticism against it and properly so. It stands to reason that in a program as extremely young as this program is, that there will be defects in its formulation and administration. Happily these difficulties are related to specific individuals and to splinter aspects of certain programs. These defects can, and must, be corrected. In evaluating the value of this effort, the criticisms do not pertain to the essence.

Nothing is being alleged against the rationale of the program nor against the principles on which it rests. It is important to keep in mind that the essence of the program is sound and practicable.

This is a workable method by which we can promote the projecting of the democratic process. First of all, it recognizes the innate worth and dignity of every citizen. Secondly, it recognizes the importance of being personally involved in the program or process designed to improve a citizen's level of living. Thirdly it assesses, positively, his potential for contributing to the solution of his own problems. Lastly it places in his hands the tools for improving his social, cultural and economic situation.

This program presents itself to Catholic people at a providential time, as well as, in a dramatic way. In the post-conciliar church, we must assume the responsibility of making the social teaching of the Church relevant to the severe problems of our times. This is one of those times.

The application of our own effort and the sharing of our christian motivation is the least we can do. By the leadership we give and the personal service we render we keep faith with our democratic ideals and with our christian principles. Let us not react, solely, to the danger of increased social unrest or the violence which it may produce as these programs are terminated. Our reaction must be to demonstrate the responsibility we now have to the poor in this situation. The best reaction is the most perfect exemplification of a christian performing up to his ideals in a truly democratic society. This reaction is based on an appreciation of the inherent worth of our neighbor and the love we must have for him. Among other efforts to meet the needs of the poor, we must continue our support of the War on Poverty.

THE SINKING OF THE "GOOD SHIP LOLLIPOP"

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. CHARLES H. WILSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. CHARLES H. WILSON. Mr. Speaker, at the pleasure of the House, I should like to indulge in a bit of commentary on certain news which has just reached the Nation's Capital City from across the Rocky Mountains. From a community on continental America's western shore comes word: "The 'Good Ship Lollipop' only recently having left a fictitious port after many years of public inactivity and a recent refitting—has sunk." She sank in a squall at sea.

On board was an invasion force of an undetermined number of screen personalities who were poised for an assault upon the mainland, under the admiralship of Mrs. Shirley Temple Black—a child star turned political warhorse.

The characters had begun the voyage under an aura of great expectations, having recently elected some of their own number to public office. The visions of an America overrun with successful political images spurred them on toward their goal.

Apparently the plan was to reach a landfall, have their images projected on moving picture screens, and assault the American audience in a Chinese manwave attack on political rationality. But alas, the ship was violently tossed at sea by what was described by those aboard—in one of their last messages—as a violent and illuminating storm. Reports from the coast, however, indicate that the disturbance was not even of gale intensity.

In any event, at the point of illumination, the images faded and the "Good Ship Lollipop" disappeared. All aboard were lost. In the end Mrs. Black was heard in a soliloquy in which she discussed her plight: "It was the light that did it. Curse the light."

"I will repair to the world of sweet fiction where the 'hobgoblins' of the real earth are harmless. For they have played a cruel game with my crew, but now I have mastered it, and shall on a far, far, better day return to fight."

Mr. Speaker, in a more serious vein, there is a moral to this story. The people of the 11th Congressional District of California have narrowed down the field of candidates being considered for filling a congressional vacancy in a special election. They have rejected the bid of yet another motion picture figure for public office.

Mrs. Shirley Temple Black, her reputation and impression in the American consciousness having preceded her entrance into politics, and with great financial backing, has lost to a lesser known, but more relevantly experienced candidate. The soft image projected on the screen, and so deeply imbedded in the memories of a generation or two of moviegoers, was not transferable to the lucid—albeit hard-bitten—world of politics. "Image politics" failed.

Let me say that no one here would dance on the grave of a career which was never born. But the principle of running people for public office because of the "recognition factor" of their names is a dubious practice at best, and a dangerous one, at the worst.

I do not think that we need to be reminded that the Oscar is neither the Pulitzer, nor the Davis Cup; and that a competent performance for one is not necessarily qualification for the other. Surely, as there are those who write as well as compete in tennis, there must be political competence among actors. But the mere ability to say lines well in front of the camera is not the essence of political understanding and statesmanship. By itself it does not even indicate a potential for it.

It is heartening, indeed, to see that perhaps the unfortunate trend to electioneering on the basis of image, rather than substance, has been stopped. A pretty face, fame or notoriety in a particular field do not necessarily indicate talent for another. Voters are becoming more aware of the nature of the challenges which face the country. They are more able to discern the type of professional background, experience, and attitudes that fit the elected representatives of an intelligent and free people.

All of Mrs. Black's natural advantages: her money, name, and fortune, could not get her even nominated in spite of her incompetence.

The ship of state is quite another sort of vessel than the "Good Ship Lollipop." Certain California voters have recognized it. They have made a first long step toward public reason. Come the general election, I sincerely hope that they remember this and vote on the basis of issues—not personalities. If they do, they will have taken a second step in that direction.

FEDERAL INSURANCE CORPORATION

The **SPEAKER** pro tempore (Mr. BROOKS). Under previous order of the House the gentleman from New York [Mr. WOLFF] is recognized for 15 minutes.

Mr. WOLFF. Mr. Speaker, in August a front-page article in the Washington Post declared "Insurance Hard to Get in the District of Columbia Ghetto," and outlined a major issue for Congress in its attempt to come to grips with the problems in our urban areas.

The plain fact is that ghettos today are risky business, and insurance companies have scaled their policies accordingly. The Detroit Common Council reports that city insurance companies actually drew red lines on a map around districts where "it was difficult to obtain insurance at standard rates, if at all." And the unfortunate result is that these areas of high premiums almost inevitably coincide with the ghetto districts.

Though it is just now receiving national attention, this problem is not a new one. The National Bureau of Casualty Underwriters states that premium rates for mercantile safe insurance in the District of Columbia have risen a remarkable 101.8 percent between 1964 and 1966, with the growth of other types of insurance almost as sharp.

But since the civil disturbances this past summer, insurance in certain urban areas is almost impossible to come by. A veteran insurance broker confided to the Washington Post:

> I can't say that there is an industry-wide policy to cancel insurance in high crime areas, but among the individual companies that I know about, I'm afraid the answer is yes.

There can be no question that the problem exists, and the result is that large areas of this Nation's cities are finding it virtually impossible to underwrite their businesses. The private insurance industry simply cannot meet the coverage demands of the urban ghetto.

I believe this need must be met, and am introducing today a bill which would establish a Federal Insurance Corporation which, working together with the private insurance industry, can provide the low cost coverage so urgently required.

Basically the Corporation would be authorized only to operate in areas where there is no insurance now, or only at exorbitant rates. There it would offer reinsurance to private firms who then could financially afford to provide reasonable premiums to its businesses. Where coverage is not available at reasonable rates and on a nondiscriminatory basis from private insurers, the Corporation would be empowered to write insurance directly.

In certain respects my bill is similar to others introduced in the Senate but there are important differences, the most fundamental of which is its emphasis on the nature of the Government's role. In these bills the Corporation can give discount rates, below actual estimated cost for direct insurance but not reinsurance.

I feel that there is at issue here the nature of Government-industry partnership with significant import for many of today's urban ills. Here we have a definite insurance problem and one which we would like the private sector to handle. When it is having difficulty as it is at present, Federal Government's first move should be to stand behind private enterprise. My bill would allow discounts on reinsurance premiums thereby attracting industry back into these high risk areas. This is by far the most logical solution with the Federal Corporation relieved of only the risks of disaster that are assumed by the Government under any circumstances. Only when insurance cannot be obtained at reasonable rates and on a nondiscriminatory basis would the Corporation be empowered to issue insurance directly, also at a discount rate. The result of this approach is an effective role for Federal Government aid to a beleaguered nation attempting to cope with problems of crisis proportions.

What is the alternative to this bill? What will the situation be if we do not act to provide adequate standard rate coverage?

Let us look at Watts where the story is clearly and tragically told. After the disorder was stilled, insurance companies declined to write policies against theft, vandalism, and malicious mischief. Crime insurance was available—at rates hiked from 300 to 500 percent. The predictable result was that only eight businesses reopened out of the 40 that were destroyed. Without coverage businesses simply will not stay in the ghetto.

I am not saying the problem is simple, far from it. The real problem is the vicious triangle of poverty, poor education, and poor jobs which traps people in city slums. And there is no easy way to break it.

But this one facet of the problem is clear: industry will not move into the ghetto to create those needed jobs unless their risk is covered. Looted stores will not reopen unless they can get insurance against future losses. Permanent order cannot be restored to riot-scared cities while burned shells of buildings stand to mock our empty promises.

By establishing a Federal Insurance Corporation we will be taking a firm constructive step toward breaking through the red line that outlines our ghettos from the rest of city life by giving them the same reasonable rates the rest of society has to pay. And that, in the end, is what democracy is all about.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. SCHWENGEL (at the request of Mr. GERALD R. FORD), for November 16 through November 28, 1967, on account of inspection of the U.S. Government facilities in Vietnam and Southeast Asia.

Mr. COWGER (at the request of Mr. GERALD R. FORD), for November 16 through November 28, 1967, on account of inspection of the U.S. Government facilities in Vietnam and Southeast Asia.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. CULVER, for 30 minutes, today; to revise and extend his remarks and to include extraneous matter.

Mr. PUCINSKI, for 30 minutes, today.

Mr. RYAN (at the request of Mr. PUCINSKI) to transfer his special order of today to tomorrow.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. BROWN of Michigan.

(The following Members (at the request of Mr. POLLOCK) and to include extraneous matter:)

Mr. LUKENS.

Mr. WYATT.

(The following Members (at the request of Mr. ALBERT) and to include extraneous matter:)

Mr. PUCINSKI.

Mr. KEE.

Mrs. SULLIVAN.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 1556. An act for the relief of Dr. Orlando O. Lopez.

ADJOURNMENT

Mr. ALBERT. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 58 minutes p.m.), the House adjourned until tomorrow, Thursday, November 16, 1967, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1216. A letter from the Secretary of the Army, transmitting a compilation of laws relating to the improvement of rivers and harbors, passed between January 2, 1939, and October 22, 1966, pursuant to the provisions of section 106 of the River and Harbor Act of June 30, 1948 (H. Doc. No. 182); to the Committee on Public Works and ordered to be printed.

1217. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a report that the appropriation to the Department of the Interior for "Management of lands and resources, Bureau of Land Management," for the fiscal year 1968, has been apportioned on a basis which indicates the necessity for a supplemental estimate of appropriation, pursuant to the provisions of section 3679 of the Revised Statutes as amended (31 U.S.C. 665); to the Committee on Appropriations.

1218. A letter from the Acting Secretary of Health, Education, and Welfare, transmitting the report of actual procurement receipts for medical stockpile of civil defense emergency supplies and equipment purposes, for the quarters ending June 30 and September 30, 1967, pursuant to the provisions of subsection 201(b) of the Federal Civil Defense Act of 1950, as amended; to the Committee on Armed Services.

1219. A letter from the Secretary of Commerce, transmitting the 81st quarterly report covering the third quarter 1967, pursuant to the provisions of the Export Control Act of 1949; to the Committee on Banking and Currency.

1220. A letter from the Commissioner of the District of Columbia, transmitting a draft of proposed legislation to amend the District of Columbia Teachers' Salary Act of 1955, as amended; to the Committee on the District of Columbia.

1221. A letter from the national treasurer, Blue Star Mothers of America, Inc., transmitting the audit report of the Blue Star Mothers of America, Inc., for the period September 16, 1966, to September 15, 1967; to the Committee on the District of Columbia.

1222. A letter from the Comptroller General of the United States, transmitting a report of improved inventory controls needed for the Departments of the Army, Navy, and Air Force and the Defense Supply Agency, Department of Defense; to the Committee on Government Operations.

1223. A letter from the Comptroller General of the United States, transmitting a report of substantial interest savings available if program funds are advanced to States only as needed, Federal Extension Service, Cooperative State Research Service, Department of Agriculture; to the Committee on Government Operations.

1224. A letter from the Comptroller General of the United States, transmitting a report of need for improvement in the management of equipment for the military assistance program, Department of Defense, Department of the Army; to the Committee on Government Operations.

1225. A letter from the Surgeon General, Public Health Service, Department of Health, Education, and Welfare, transmitting a report of the third National Conference on Public Health Training, held August 16–18, 1967, pursuant to the provisions of section 306(e) of the Public Health Service Act; to the Committee on Interstate and Foreign Commerce.

1226. A letter from the Postmaster General, transmitting a draft of proposed legislation to fix additional postage charges for certain nonstandard mail; to the Committee on Post Office and Civil Service.

1227. A letter from the Under Secretary of the Air Force, transmitting a draft of proposed legislation to amend section 1072(2) of title 10, United States Code, to include a foster child within the definition of dependent; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 11354. A bill to amend the Merchant Marine Act, 1936, to increase the Federal ship mortgage insurance available in the case of certain oceangoing tugs and barges; with amendment (Rept. No. 926). Referred to the Committee of the Whole House on the State of the Union.

Mr. FISHER: Committee on Armed Services. H.R. 12961. A bill to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members in a missing status (Rept. No. 927). Referred to the Committee of the Whole House on the State of the Union.

Mr. HICKS: Committee on Armed Services. S. 2428. An act to authorize the Secretary of the Army to convey to the State of Washington certain lands in the counties of Yakima and Kittitas, Wash., in exchange for certain other lands, and for other purposes, (Rept. No. 928). Referred to the Committee of the Whole House on the State of the Union.

Mr. THOMPSON of New Jersey: Joint Committee on Disposition of Executive Papers. House Report No. 929. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. YOUNG: Committee on Rules. House Resolution 978. Resolution waiving points of order against H.R. 13893, a bill making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes (Rept. No. 930). Referred to the House Calendar.

Mr. ANDERSON of Tennessee: Committee on Rules. House Resolution 979. Resolution providing for the consideration of S. 862, an act to amend the Small Reclamation Projects Act of 1956, as amended (Rept. No. 931). Referred to the House Calendar.

Mr. BOLLING: Committee on Rules. House Resolution 980. Resolution providing for the consideration of S. 1031, an act to amend further the Peace Corps Act (75 Stat. 612), as amended (Rept. No. 932). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DON H. CLAUSEN:

H.R. 14023. A bill to provide for the establishment of the King Range National Conservation Area in the State of California; to the Committee on Interior and Insular Affairs.

By Mr. COLLIER:

H.R. 14024. A bill to amend title 13, United States Code, to limit the categories of questions required to be answered under penalty of law in the decennial censuses of population, unemployment, and housing, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. DINGELL:

H.R. 14025. A bill to amend the Internal Revenue Code of 1954 to raise needed additional revenues by tax reform; to the Committee on Ways and Means.

My Mr. EILBERG:

H.R. 14026. A bill to amend title VI of the Public Health Service Act to establish a program under which assistance may be furnished for the construction of standby electrical systems in existing or proposed hospitals; to the Committee on Interstate and Foreign Commerce.

By Mr. GUBSER:

H.R. 14027. A bill to authorize the establishment of the site of the discovery of San Francisco Bay as a national historic site, and for other purposes; to the Committee on Interior and Insular Affairs.

H.R. 14028. A bill to authorize the Secretary of the Interior to designate the Skyline National Parkway in the State of California, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. OLSEN (for himself, Mr. Udall, Mr. Daniels, and Mr. Nix):

H.R. 14029. A bill to fix additional postage charges for certain nonstandard mail, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PATMAN (for himself, Mr. Multer, Mr. Barrett, Mrs. Sullivan, Mr. Reuss, Mr. Ashley, Mr. Moorhead, Mr. Stephens, Mr. St Germain, Mr. Gonzalez. Mr. Minish, Mr. Hanna, Mr. Gettys, Mr. Annunzio, Mr. Rees, Mr. Bingham, Mr. Galifianakis, Mr. Bevill, and Mr. Halpern):

H.R. 14030. A bill to provide for an independent agency for the supervision of Federal credit unions, and for other purposes; to the Committee on Banking and Currency.

By Mr. ROONEY of Pennsylvania:

H.R. 14031. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. WOLFF:

H.R. 14032. A bill to establish the Federal Insurance Corporation; to the Committee on Banking and Currency.

By Mr. BROTZMAN:

H.R. 14033. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. RYAN:

H.R. 14034. A bill to provide Federal assistance to enable tenants of multifamily housing in low- and moderate-income urban areas, organized as cooperatives, to acquire and rehabilitate such housing; to the Committee on Banking and Currency.

By Mr. RUPPE:

H.R. 14035. A bill to repeal the Uniform Time Act of 1966; to the Committee on Interstate and Foreign Commerce.

By Mr. GONZALEZ:

H.J. Res. 927. Joint resolution granting the consent of Congress to the States of Texas, New Mexico, Arizona, and California to negotiate and enter into a compact to establish a multistate authority to modernize, coordinate, and foster passenger rail transportation within the area of such States and authorizing the multistate authority to request the President of the United States to enter into negotiations with the Government of Mexico to secure its participation with such authority; to the Committee on the Judiciary.

By Mr. WOLFF (for himself, Mr. Adams, Mr. Addabbo, Mr. Bingham, Mr. Brasco, Mr. Button, Mr. Conyers, Mr. Daddario, Mr. Erlenborn, Mr. Findley, Mr. Halpern, Mrs. Hansen of Washington, Mr. Hechler of West Virginia, Mr. Joelson, Mr. Karth, Mr. Kupferman, Mr. Kyros, Mr. Leggett, Mrs. Mink, Mr. Olsen, Mr. Ottinger, Mr. Rosenthal, Mr. Tiernan, Mr. Wright, and Mr. Friedel):

H.J. Res. 928. Joint resolution to establish a joint investigatory committee on the U.S. civic action program in Vietnam; to the Committee on Rules.

By Mr. OLSEN (for himself, Mr. Adams, Mr. Daniels, Mr. Farbstein, Mr. Hicks, Mr. Johnson of California, Mr. Karth, Mr. McCarthy, Mr. Matsunaga, Mr. Minish, Mr. Nix, Mr. Rodino, Mr. Rogers of Colorado, Mr. Udall, Mr. Ullman, and Mr. Wolff):

H. Con. Res. 582. Concurrent resolution recommending sending the Vietnam question to the United Nations; to the Committee on Foreign Affairs.

By Mr. BOLAND:

H. Con. Res. 583. Concurrent resolution recommending sending the Vietnam question to the United Nations; to the Committee on Foreign Affairs.

By Mr. GONZALEZ:

H. Con. Res. 584. Concurrent resolution to express the sense of Congress with respect to an investigation and study to determine the potential of railroad passenger and mail transportation in the United States; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CONYERS:

H.R. 14036. A bill for relief of Robert Watkins; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 14037. A bill for the relief of Manuel De Sousa Da Silva; to the Committee on the Judiciary.

By Mr. ROGERS of Florida (by request):

H.R. 14038. A bill for the relief of D. Dudley Brill; to the Committee on the Judiciary.

By Mr. KUPFERMAN:

H.R. 14039. A bill for the relief of Dr. Gracia Y. Rualo Pasigan; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H. Res. 981. Resolution opposing the granting of permanent residence in the United States to certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

204. The SPEAKER presented a petition of the city of Redwood City, Calif., relative to Federal tax sharing, which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

Oregon Aviator Honored

EXTENSION OF REMARKS
OF
HON. WENDELL WYATT
OF OREGON
IN THE HOUSE OF REPRESENTATIVES
Wednesday, November 15, 1967

Mr. WYATT. Mr. Speaker, on the initiative of the Italian Defense Department, 64 American aviators received awards November 3 and 4, 1967. This marked the 50th anniversary of American participation on the Italian front during World War I.

I am proud to say that one of my constituents, Mr. Linus V. Windnagle of 901 Southwest King Avenue, in Portland, Oreg., was one of the 64 men so honored.

In ceremonies in Washington, D.C., Mr. Windnagle and his 63 distinguished colleagues were presented the Croce di Cavaliere—Knight's Cross—of the Republic of Italy and the honorary Golden Wings of the Italian Air Force by His Excellency Egidio Ortona, Ambassador of Italy.

In other ceremonies at the Smithsonian Institution, Mr. Windnagle and the other aviators received the Gold Medal of the city of Foggia from the mayor of that Italian city. Count Giovanni Caproni di Taliedo then presented each of the men with a medal from the Caproni Museum.

The pilots all graduated from the 8th Aviation Instruction Center in Foggia, Italy, during World War I, and flew Caproni war planes in the Italian Air Force.

I would like to take this opportunity to congratulate Mr. Windnagle on these awards and his past gallant achievements for the Italian Air Force. This high commendation from the Republic of Italy is richly deserved by Mr. Windnagle and his gallant compatriots from World War I.

The Kee Report: Veterans Day

EXTENSION OF REMARKS

OF

HON. JAMES KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1967

Mr. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include last week's public service television and radio newscast, "The Kee Report." The subject discussed is Veterans Day.

The report follows:

This is Jim Kee—bringing you the Kee Report.

During the course of each year, there are just seven days designated by the President and the Congress as legal holidays in the United States. The last one so designated is Veterans' Day on November 11.

Congress, of course, can declare a holiday only for the District of Columbia and Federal employees. But the states have responded with enthusiasm so that Veterans' Day is now observed in every state in the Union.

On this day, we pay our respects and devotion to the men and women who have worn the military uniform of the United States in time of war. On this occasion, we recall that the courage and sacrifice of brave men won freedom for America nearly 200 years ago, and that these same virtues of courage and sacrifice have kept it free ever since.

On this day, we remember that there are living veterans in every community in the Nation who deserve our gratitude. We recall our debt to the 100,000 sick and disabled veterans in the nation's hospitals. And, above all, we pay our deep devotion to the one million American war veterans who died for their country in time of war. It is our sacred duty to make sure that these heroic dead are never forgotten.

Veterans' Day has a special significance for West Virginia. The latest figures compiled by the Veterans Administration disclose that our State has nearly a quarter of a million veterans, a splendid showing in relation to our State's total population. Included in this number are 123,000 veterans of World War II and 20,000 veterans of World War I.

There are three hospitals in West Virginia operated by the Veterans Administration and two other service centers. The Veterans Administration expended more than 93 million dollars in the State during the last fiscal year. This sum included compensation and pension payments, funds expended on education and loans, plus administrative expenses.

I mention these activities of the Veterans Administration on our State for a special reason. After World War I, thousands of sick and disabled veterans returned from Europe only to find that provision for their peacetime care and treatment was either inadequate or totally non-existent. This was especially true for those suffering from shock or other psychic disturbances. There were no veterans hospitals and the military hospitals were filled to overflowing. The truth is no one had anticipated the need. Then it was that the organizations of veterans aroused the conscience of the American people. As a result, I believe there is no country in the world today where the sick and needy veteran is better cared for than he is here in the United States.

This is only one of the peacetime services performed by our organizations of veterans. Another one is to insist upon the maintenance of a strong defense force for the United States. There is a natural tendency to let down after every war. After two World Wars, many people hoped that mankind at last had learned the folly of war and that a long period of peace might set in. But Communist aggression after World War II upset that dream almost immediately.

The military power of the United States is the only force strong enough to prevent a Communist take-over of the whole world, and this strength results in large part from the timely warning given by our war veterans.

Thank you for listening.

In Support of Our Men in Vietnam

EXTENSION OF REMARKS

OF

HON. GARRY BROWN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1967

Mr. BROWN of Michigan. Mr. Speaker, some people think patriotism is no longer fashionable; that Fourth of July oratory has gone out of style. Recent waves of violent protest, mob action, and cries of "Hell no, we won't go" overshadow reports of those who are still patriotic, and are not ashamed to demonstrate for, instead of against, our country.

A broadcasting corporation, in the Third District of Michigan, recently sponsored and had reprinted in the two largest newspapers in my district, a full-page advertisement which originally appeared in the Chicago Tribune of October 20. The advertisement was an open letter to U.S. servicemen in Vietnam—from the silent millions back home in America—in support of our gallant GIs' efforts there.

Mr. Speaker, I strongly support the spirit of this message and I commend Gilmore Broadcasting Corp., and particularly its fine, civic-minded president, Jim Gilmore, Jr., for letting our fighting men know that responsible citizens are appreciative of the personal sacrifices they are making.

I hope it will encourage others to speak out instead of standing silently on the sidelines; for public gestures, such as this, are welcome demonstrations that most Americans acknowledge the great debt of gratitude owed to those who have answered their Nation's call—and that we are with our men in Vietnam 100 percent, regardless of where we stand on this grave national issue.

The political and philosophical struggle over Vietnam, now going on in America, represents the very thing for which the administration—the people's administration—has asked our soldiers to fight to keep for the people of Southeast Asia: the right to free speech, the right to criticize, the right to govern themselves.

The decision to become so involved—the decision to continue our involvement—can be reexamined, even criticized. But there can be no faltering of support; no suggestion of lack of appreciation about the commitment of the fathers, husbands, sons, and brothers engaged in this conflict.

They are there because it is our will, expressed through the democratic process. We can do no less than give them our unflinching support.

Appliance, Radio-TV Dealers Insist Revolving Credit and Installment Credit Be Handled Alike in Truth-in-Lending Legislation

EXTENSION OF REMARKS

OF

HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, November 15, 1967

Mrs. SULLIVAN. Mr. Speaker, as all of the Members know who have been following the course of the controversy over consumer credit and truth-in-lending legislation, the main issue which will have to be resolved by the Committee on Banking and Currency in our executive sessions next week, and by the House thereafter, is the question of the treatment of revolving credit.

This is the method of billing used by department stores, the big retail chains, catalog houses, and so forth, under which the customer usually makes a specified minimum payment each month and then is charged a credit fee of 1½ percent per month on his unpaid balance. There are many different ways of setting up these systems, but they generally require a computer and they are not generally used by smaller retailers. Instead, the smaller retailers customarily sell a "large ticket" item under an installment sales contract.

Under S. 5, the truth-in-lending bill passed by the Senate on July 11, revolving credit enjoys a special exemption from the requirement that all consumer credit transactions be accompanied by a statement of the annual percentage rate being charged. Revolving credit users, under the Senate bill, may state this charge on a monthly basis instead of an annual rate.

But all other types of consumer credit must provide the customer with a statement of the finance charge as an annual percentage rate.

The National Appliance and Radio-TV Dealers Association is one of many trade associations which opposes the special exemption in the Senate-passed bill for revolving credit. The furniture dealers also oppose it. The banks oppose it, too. H.R. 11601, the Consumer Credit Protection Act, avoids this discrimination by treating all forms of consumer credit in the same manner, requiring an annual percentage rate in all consumer credit transactions. However, the Subcommittee on Consumer Affairs split, 6 to 6, on the question of treating all competing forms of consumer credit alike.

Chairman WRIGHT PATMAN of the Committee on Banking and Currency has scheduled executive sessions of the full committee beginning next Monday to work on H.R. 11601. Many Members are receiving letters from retailers in their districts and from bankers and others who would be adversely affected by the discriminatory exemption which was in the Senate bill and which is contained also in the truth-in-lending bills introduced by the six members of the subcommittee who are not sponsors of H.R. 11601.

VIEW OF THE NONCOMPUTERIZED RETAILERS

Therefore, I think the Members might be interested in the following news dispatch in Monday's Home Furnishings Daily, a Fairchild publication, expressing the strong support of the National Appliance and Radio-TV Dealers Association for the kind of disclosure requirement contained in H.R. 11601:

[From Home Furnishings Daily, Nov. 13, 1967]

REVOLVING ACCOUNT TRUTH BILL URGED

Members of the National Appliance and Radio-TV Dealers Association are being urged to wire members of the Congressional Banking and Currency Committee that any "truth-in-lending" bill incorporate the same "disclosure" for revolving charge accounts as for installment sales.

Jules Steinberg, NARDA executive vice-president pointed out that NARDA president Upton R. Ziesler already has placed the association on record as favoring any so-called "truth-in-lending" legislation, provided the formula for "determining the percentage rate to be disclosed shall be figured on the same basis for both revolving accounts and installment sales."

AMERICAN BANKERS ASSOCIATION ALSO DENOUNCES UNWARRANTED DISTINCTION FOR REVOLVING CREDIT

Mr. Speaker, elsewhere in the same edition of Home Furnishings Daily there is an article quoting Charles R. McNeill, director of the American Bankers Association's Washington office, as charging an "unwarranted distinction" between retailing and banking interest rate disclosures on revolving credit in the Senate-passed truth-in-lending legislation. He urged bankers to take a strong interest in the issue on the grounds that the bill as passed by the Senate, and as endorsed by half of the members of the Subcommittee on Consumer Affairs, would require banks to disclose interest rates on an annual basis while permitting retailers using revolving credit to disclose only the monthly rate.

I Am a Loyal American Day Committee

EXTENSION OF REMARKS
OF

HON. DONALD E. LUKENS

OF OHIO
IN THE HOUSE OF REPRESENTATIVES
Wednesday, November 15, 1967

Mr. LUKENS. Mr. Speaker, on Monday, November 13, American Legion Post 218 in Middletown, Ohio—Glenn C. Bewley, commander—sponsored a highly successful Veterans Day program. John W. Brown, Lieutenant Governor of Ohio, and Phillip R. McBride, commander, Department of Ohio, the American Legion, were the featured speakers. During the ceremonies I was presented a petition containing 3,097 signatures collected in a week expressing support for maintenance of law and order and for encouragement of Americans in Vietnam. These names are all from the Middletown area, which is located in the 24th Congressional District. The petition was circulated by the "I Am a Loyal American Day Committee," and reads as follows:

> We, the undersigned residents of Middletown, Ohio, and surrounding area, being loyal citizens of the United States of America, do hereby assert our desire for the preservation of law and order in our Nation. Further, we take this means to express our sincere and patriotic support for Americans in the Armed Forces of the United States, serving the causes of Freedom and Justice. In particular, we reaffirm our support and encouragement for the men and women serving the interests of our Country, and of the Free World, in the present conflict in Vietnam.

Mr. Speaker, I am calling this to the attention of the House to publicly express to our boys in Vietnam the support of a large number of Americans within the 24th Congressional District and Middletown area and to demonstrate the concern of these same people for the rising crime rates. I am proud to be able to represent these people in Washington and to express their sincere concern to this body.

Medal Marking Poland's 1,000th Anniversary of Christianity

EXTENSION OF REMARKS
OF

HON. ROMAN C. PUCINSKI

OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Wednesday, November 15, 1967

Mr. PUCINSKI. Mr. Speaker, 1966 was the year of Poland's millenium—1,000 years of Christianity in Poland.

Throughout America there were celebrations and festivities as Americans of all nationalities joined with their Polish-American neighbors in commemorating this historic year.

In the year 966 Mieszko I, the first historical ruler of the lands of Poland, accepted Christianity and incorporated Poland into the family of the European-Christian nations. From this time on Christian customs were officially accepted, cities started to grow, churches were built, and the first coins of Poland were minted.

In the year 1966, 40 million Poles at home and abroad celebrated the 1,000th anniversary of this event. The Congress of the United States passed a law permitting the U.S. Treasury Department to strike and mint suitable medals marking this 1,000th anniversary of Polish Christianity.

Designs were submitted from all parts of the country. But one medallion design was so exceptional, it was judged superior to all the others. This medallion was the work of the Polish American Numismatic Association of Chicago.

With initiative and innovation, the numismatic association arranged for the private minting of this exceptional medal in bronze, silver, and yellow brass before the legislation to authorize the Bureau of the Mint to sell a similar medal was enacted.

Following are brief descriptions of the obverse and reverse sides of the medal.

In the upper left quadrant of the obverse side, the papal symbol for peace appears. The upper right quadrant has the combined letters PW for "Polska Walczaca"—"Fighting Poland," the sign used by members of the resistance forces in Poland during the occupation in World War II.

The figure of Mieszko I is located in the center of the medal. He unified the lands of Poland with his sword and baptized with a cross. Three nations, which for centuries jointly shielded Christianity in Europe from the assaults by the Mongol, Tartar and Turkish invaders from the east, are symbolized by the three knights on the left. The white eagle, the mounted knight and the angel on the shields represent the national emblems of Poland, Lithuania and Ruthenia respectively. The three soldiers on the right represent the Polish armies of the 20th century who fought against aggression from the East and West in 1920, and the armies of 1939 which fought Nazi and Communist armies, and also the Polish armies in exile which fought on the side of the allies during World War II.

In the lower left quadrant appears the first emblem of the Piast Dynasty shown on the first historical record of the name of Poland on a coin, "Princess Polonie' struck by King Boleslaus the Brave in the 10th century.

In the lower right quadrant appears the Syrena of Warsaw, which was adopted by certain fighting units as their symbol.

The reverse of the coin commemorates a thousand years of Polish coins, illustrated by four coins. Clockwise, from the top, the first Polish coin, a denarius, issued by the first historical ruler of Poland, Mieszko I.

At the right is the Trojak—three groszy—for Lithuania, issued by King Stefan Batory, 1576 to 1586. Beginning with this trojak, all Polish coins will bear two emblems: that of the Polish eagle and Lithuania's mounted knight.

At the bottom is the commemorative 10 zloty issued by contemporary Poland honoring its great astronomer, Mikolaj Kopernik.

At the left is the denarius of the Polish King Wladyslaw Jagiello, Grand Duke of Lithuania, who married Queen Jagwiga of Poland.

The center shows two eagles, American and Polish, embracing the first Polish coin—symbolic of historical ties between the United States and Poland.

Mr. Speaker, these medals can be purchased directly from the Polish American Numismatic Association of Chicago, 5029 South Ashland Avenue, Chicago, Ill. 60609 at a nominal cost. Further details may be obtained from the numismatic association itself.

In view of the availability of these handsome medallions and their truly reasonable cost, I do not believe it will be necessary for our U.S. Treasury Department to strike similar medallions to commemorate Poland's millenium, as authorized by the Congress in Public Law 89–527. While I am grateful to Congress for making it possible for the U.S. Mint to strike the medallions, I would not want to see the Government in effect competing with the very beautifully designed medallion being sold by the Polish American Numismatic Association.

I am sure the Polish American Numismatic Association deserves our highest commendation for its initiative.

SENATE

THURSDAY, NOVEMBER 16, 1967

The Senate met at 12 o'clock meridian, and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God of all truth, judge of all men, grant us the grace to keep our hearts with diligence, knowing that out of them are the issues of life.

When harsh voices are strident and cruel, may we know that the wisdom of the ages is in the affirmation of the Book that reveals Thy heart—he that ruleth his spirit is better than he that taketh a city.

Thou who committest to us the swift and solemn trust of life, teach us to number our days that we may apply our hearts unto wisdom. Consecrate with Thy presence the way our feet may go, and the humblest work will shine and the roughest places be made plain.

To Thee who knowest the secrets of our hearts, we commit ourselves and our Nation. We acknowledge our love of ease, our pride of race and place and possession, our hard, ruthless competition, our failure to take account of the needs of others, and to realize that in very truth humanity is one.

We ask it in the name of that One who is the kingdom, and the power, and the glory. Amen.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 2388) to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act, and for other purposes, with amendments, in which it requested the concurrence of the Senate; that the House insisted upon its amendments to the bill, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PERKINS, Mrs. GREEN of Oregon, Mr. THOMPSON of New Jersey, Mr. DENT, Mr. PUCINSKI, Mr. DANIELS, Mr. ALBERT, Mr. GIBBONS, Mr. AYRES, Mr. QUIE, Mr. GOODELL, Mr. ASHBROOK, Mr. ERLENBORN, and Mr. DELLENBACK were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 780) to amend the Clean Air Act to authorize planning grants to air pollution control agencies; expand research provisions relating to fuels and vehicles; provide for interstate air pollution control agencies or commissions; authorize the establishment of air quality standards, and for other purposes, and it was signed by the President pro tempore.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Wednesday, November 15, 1967, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider the nominations on the Executive Calendar.

The PRESIDENT pro tempore. Without objection, it is so ordered.

DEPARTMENT OF JUSTICE

The legislative clerk read the nomination of James M. Carter, of California, to be U.S. circuit judge for the ninth circuit.

Mr. KUCHEL. Mr. President, the Senate is about to confirm, as a U.S. circuit court judge for the ninth district, a distinguished judge and lawyer whom I am privileged to call my friend.

This will be the third occasion on which the U.S. Senate has passed its judgment on the Honorable James M. Carter. He was a U.S. attorney under former President Truman. Subsequently, he was appointed to the U.S. district court by President Truman. He presently is chief judge of the U.S. district court serving southern California.

I ask unanimous consent that a biographical sketch of Judge Carter be printed at this point in the RECORD.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

BIOGRAPHICAL SKETCH OF JAMES M. CARTER

Born: March 11, 1904, Santa Barbara, California.

EDUCATION

Pomona College, Claremont, California, A.B. degree, 1920–1924.

Harvard Law School, Cambridge, Massachusetts, 1924–1925.

University of Southern Calif. Law School, Los Angeles, Calif., JD degree, 1925–1927.

Bar: 1928, California.

EXPERIENCE

McKinley High School, Los Angeles, Calif., Part-time Instructor of Physical Education, 1925–1927.

Los Angeles Police School, Department of Police and Board of Education Instructor, 1930–1934.

Harry Irwin & John Packard, Los Angeles, Calif., Attorney, 1928.

Howard Shepherd, Los Angeles, Calif., Attorney, 1929–1930.

Stanley A. Phipps, Los Angeles, Calif., Attorney, 1931–1933.

John C. Packard, Los Angeles, Calif., Attorney, 1934–1940.

Director of Motor Vehicles, State of California, 1940–1943.

Assistant U.S. Attorney, Southern District of California, Los Angeles, Calif., 1943–1946

U.S. Attorney for the Southern District of California, Los Angeles, Calif., 1946–1949.

U.S. District Judge for the Southern District of California, At San Diego, October 18, 1949 to present.

Marital status: Married, three children.

Office: 325 West F St., San Diego, Calif.

Home: 1219 Coast Boulevard, La Jolla, Calif.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

U.S. CUSTOMS COURT

The legislative clerk read the nomination of Herbert N. Maletz, of Virginia, to be a judge of the U.S. Customs Court.

The PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 733.

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Without objection, it is so ordered.

IMPROVING THE ADMINISTRATION OF ESTATES IN SUPERSEDING BANKRUPTCY PROCEEDINGS

The bill (H.R. 2517) to amend sections 64a, 238, 378, and 483 of the Bankruptcy Act and to repeal sections 354 and 459 of the act was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 2517 is to improve the machinery for processing debts in superseding bankruptcy proceedings that were incurred in debtor relief proceedings under chapters X, XI, and XII of the Bankruptcy Act.

STATEMENT

The bill, with others, was the subject of a hearing before a subcommittee of the Senate Committee on the Judiciary on April 3, 1967.

In its favorable report, the Committee on the Judiciary of the House of Representatives said:

"Chapters X, XI, and XII of the Bankruptcy Act provide debtor relief proceedings wherein the object is to reorganize and rehabilitate a business rather than to liquidate it. A debtor in possession, a receiver, or a trustee generally operates the business and manages the property of the debtor under these chapters. Under existing law, where debtor relief under chapters X (corporate reorganizations), XI (arrangements), or XII (real property arrangements) is terminated, and a bankruptcy proceeding supervenes, administration of the estate is difficult because there is a lack of definitive information as to the nature and extent of obligations that were incurred in the prior proceedings. Although it is not uncommon for some courts to require the bankrupt to file an accounting for the superseded proceeding, at present there is no such express statutory requirement.

"H.R. 2517 amends sections 238, 378, and 483 of the Bankruptcy Act in a similar fashion. The amendments to these three sections require that a separate schedule listing all unpaid obligations incurred during the debtor proceeding and a statement of all contracts, executory in whole or in part, assumed or entered into after the filing of the petition initiating such debtor proceeding, be filed with the court within 30 days after adjudication. Such schedule is to be filed by the debtor before the qualification of a receiver or trustee and if a receiver or trustee has qualified, then the schedule and statement shall be filed by him for any obligations incurred and contracts assumed or entered into by him.

"Additional language to these sections provides for the rejection of any contract entered into or assumed in a debtor relief proceeding unless expressly assumed within 60 days after entry of an order directing that bankruptcy be proceeded with or the qualification of the trustee in bankruptcy, whichever is later. The resulting liability of such rejected contract is deemed a cost of administration of the superseded proceeding.

"The proposed amendments further provide for the statutory equivalent of the now existing bar order, for which there is no statutory authority in existence. These provisions specifically mandate the making of an order directing the filing of claims against the debtor in possession, receiver, or trustee in a debtor proceeding within 60 days from the date of the order and provide for the giving of requisite notice. Claims not contained in the schedule prepared by the debtor or trustee and claims arising from the rejection of executory contracts may be filed within such further time as the court may direct. Claims not filed in accordance with these sections shall be barred and the debtor in possession, receiver, or trustee shall be discharged therefrom.

"The proposed amendment to section 64 simply permits the allowance of expenses necessarily incurred in preparing the schedule and statement required to be filed by proposed sections 238, 378, and 483 and, thus, aids implementation of the proposed amendments of those sections. In view of the fact that the content of sections 354 and 459 of the act is embraced within the proposed amendments to sections 378 and 483, respectively, sections 354 and 459 are repealed.

"H.R. 2517 was introduced at the request of the National Bankruptcy Conference. A predecessor bill (H.R. 291, 89th Cong.) received the approval of the Judicial Conference of the United States. The committee believes that H.R. 2517 will have a salutary effect and recommends that it receive favorable consideration."

The committee believes that the bill, as recommended by the Administrative Office of the U.S. Courts and passed by the House of Representatives, is meritorious and reports it favorably.

CREDITOR COMMITTEE FUNCTIONS AND EXPENSES UNDER CHAPTER XI OF THE BANKRUPTCY ACT

The bill (H.R. 2518) to amend section 337 of the Bankruptcy Act and to add new section 339 was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to delineate creditor committee functions and to simplify the recovery of costs and expenses of such committees in arrangement proceedings under chapter XI of the Bankruptcy Act.

STATEMENT

The bill, with others, was the subject of a hearing before a subcommittee of the Senate Committee on the Judiciary on April 3, 1967.

In its favorable report, the Committee on the Judiciary of the House of Representatives stated:

"Chapter XI of the Bankruptcy Act provides a procedure by which a debtor may effect a composition or an extension settlement of his obligations while remaining in possession of his business. H.R. 2518 amends sections 337 and 338 and adds a new section 339 in chapter XI of the act.

"The proposed amendment of section 337(1) is intended (1) to expand by the addition of the debtor the persons eligible to serve as disbursing agent, and (2) to restrict the amount or rate of compensation which may be allowed to a person especially appointed as disbursing agent in a chapter XI proceeding. Under the proposed amendment, if no trustee has been elected or receiver appointed, then the judge or referee may designate the debtor as a disbursing agent or may specially appoint another as such agent. Only the latter would receive compensation for serving as disbursing agent, and the bill limits the rate to a minimal amount. Since the debtor is the ultimate beneficiary of the arrangement, he should not be paid any compensation for services as disbursing agent. Under section 337(1), as amended, a trustee or receiver, if any, would receive no additional compensation for serving as disbursing agent, thus eliminating any "double commission." The appointment of another person to serve as disbursing agent rests in the sound discretion of the judge or referee; however, the bill fixes the maximum compensation which may be allowed and thereby eliminates ambiguities now present in the existing statute. The proposed change affords the court an alternative to the designation of the debtor and is in accord with the general purpose of the act in that its purpose is the economical administration of the debtor's estate.

"The proposed amendment to section 338 of the act substitutes the word 'elect' for the term 'appoint or designate' in order to conform the statutory language to actual practice in arrangement proceedings. In such cases creditors elect—they do not appoint—the committee and the trustee.

"H.R. 2518 also proposes the adoption of a new section 339. Section 339(1) delineates the functions of a creditors' committee elected as provided in section 338 and thereby fills a void in existing law as to the duties of such committees.

"Section 339(2) relates to the expenses which may be incurred by a creditors' committee elected in accordance with section 338. Such expenses, including those incurred by the employment of agents, attorneys, and accountants, 'as may be necessary to assist in the performance' of the committee's functions, are to be allowed as an expense of administration as deemed reasonable and necessary by the court and provided further that the arrangement is confirmed. In addition, subdivision (2) provides that such expenses are not to be denied because they were incurred before the filing of a petition under chapter XI or because of a change in the committee's composition, provided a majority of the committee continue as members of the elected committee. This provision recognizes that some arrangements are the result of negotiations, compositions, and extensions which were initiated or entered into before the actual filing of the arrangement petition and must be considered as 'one ball of wax.'

"Committees in chapter XI are referred to colloquially as 'unofficial' or 'official.' They are deemed official if they have been appointed (elected) at a meeting called pursuant to the provisions of section 338 or designated in writing as set forth in section 337(2). Informal committees are deemed unofficial if they are formed prior to such appointment (election) or designation.

"The decision in *Lane* v. *Haytian Corporation of America*, 117 F. (2d) 216 (2d Cir. 1941), limited compensation to a committee's attorneys and agents from the time it became official, i.e., the initial meeting of creditors (now the first meeting of creditors), and restricted such compensation to passing judgment on the plan and making that judgment known to the debtor and creditors. It also provided very narrow areas for the committees' activities.

"In 1952, section 337(2) was amended with the purpose of overcoming the effects of the *Haytian* case. However, the designation in writings provided for in section 337(2) has not remedied the weakness of the *Haytian* case, because as a practical matter these designations were only possible in a limited number of cases where there were few creditors and in a cohesive industry which had a cooperative working group of creditors. Thus the two objectives of compensating a committee's attorneys, accountants, and agents, whether the committee was official or unofficial, and the broadening of the base of service to be performed, i.e., services which contributed to the confirmation of the plan, were not realized, even though the purpose of the amendments was to overcome the effect of the *Haytian* case.

"The proposed section 339, subdivision (1), defines a realistic area of activity by a committee, by delineating its functions. The purpose of this delineation is to set guideposts for the court which will indicate the type of work a committee is to perform in the ultimate consummation of an arrangement. These, in effect, are services which will contribute to the confirmation of a plan, and for which compensation should be allowed.

"In addition to this new feature, the amendment provides for compensation to the unofficial committee but only if a majority of its members become the official committee. Experience has shown that the unofficial committee is generally elected as the official committee. However, if a majority of the unofficial committee is not elected as the official committee, there is no reason for the official committee's being compensated for services not rendered by it.

"The proposed amendments will carry out the purposes of dealing fairly and realistically with the creditor's committee which performs a most important function in arrangement proceedings, i.e., in passing judgment on a plan and making that judgment known to the creditors. Without the countervailing position of a creditors' committee, chapter XI would be a unilateral proceeding proposed by a debtor and approved by an uniformed creditor group. The only method of strengthening the powers of the committee is to insure that its attorneys, accountants, and agents are compensated for their services.

"H.R. 2518 is designed to carry forward the congressional objective of permitting unofficial creditor committees to recover actual and necessary expenses, including the fees and expenses of attorneys, accountants, and agents. The bill proposes amendments to simplify the procedure for the recovery of costs and expenses of a representative committee and does not modify the substantive law. What is more, the bill does not make expenses of a creditor's committee recoverable as a first priority when an arrangement is denied confirmation; such expenses would continue to enjoy a third priority (sec. 64a (3)) as at present. This legislation was introduced at the request of the National Bankruptcy Conference. A predecessor bill, H.R. 293, 89th Congress, received the aproval of the Judicial Conference of the United States. The committee is persuaded that these amendments will expedite the administration of arrangement proceedings under chapter XI with a maximum of economy, and recommends that H.R. 2518 receive favorable consideration."

The committee believes that the bill, as approved by the Administrative Office of the U.S. Courts and passed by the House of Representatives, is meritorious and recommends it favorably.

FILING OF CLAIMS IN CHAPTER XI PROCEEDINGS UNDER THE BANKRUPTCY ACT

The bill (H.R. 2519) to amend sections 334, 355, 367, and 369 of the Bankruptcy Act was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to amend the Bankruptcy Act with respect to the filing of claims in arrangement proceedings under chapter XI.

STATEMENT

The bill, with others, was the subject of a hearing before a subcommittee of the Senate Committee on the Judiciary on April 3, 1967.

In its favorable report on the bill, the Committee on the Judiciary of the House of Representatives said:

"In 1963, the Congress enacted an amendment to the Bankruptcy Act (Public Law 88-175) which required that creditors file their claims in order to participate in distributions under chapter XI of the Bankruptcy Act. It also required that such claims must be filed within 6 months. The 1963 amendment corrected the prior practice of making distribution solely on the basis of the debtor's schedule which had permitted the filing of inflated or fictitious debts. The purpose of the 1963 legislation was to assure that distributions would be made on the basis of a comparative examination of the debtor's schedule with the claims of the creditors. By limiting the time in which creditors could file such claims, the 1963 amendments intended to assure expedition in the administration of chapter XI cases.

"The objectives of the 1963 legislation were salutary. However, the committee has learned that the time limitations imposed have created difficulties and confusion where reasonable certainty previously existed. H.R. 2519 retains the objectives of Congress as expressed in 1963 by permitting only those creditors who file claims to participate under the arrangement. However, in order to avoid imposing onerous and unrealistic burdens on creditors which may prevent them from participating and thereby provide a windfall or undeserved benefit to the debtor, the bill enables creditors to file their claims up to the date of confirmation. In some cases confirmation may occur before the expiration of the 6-month period. In others, it may come later, but by adopting the day of confirmation as the closing date for filing claims, much of the confusion and inconsistent application of chapter XI may be prevented.

"The principle of the 1963 amendment to chapter XI with respect to filing of creditor claims is retained in the bill. Creditors are still required to file a claim to participate. Two exceptions to the requirement that claims be filed by the date of confirmation are (1) a claim arising from the rejection of an executory contract of the debtor may be filed within such time as the court may allow, and (2) a claim may be filed late by a creditor—that is, after date of confirmation—if scheduled by the debtor but in that case shall not be allowed in an amount in excess of that set forth in the debtor's schedule.

"H.R. 2519 would restore the law as it existed prior to the 1963 amendment except that it would carry out the congressional objective of that amendment by requiring every creditor to file a claim before being permitted to participate under a confirmed arrangement. Furthermore, the bill would protect creditors listed on the debtor's schedule who failed to file their claims within the specified period and thus prevent the debtor from obtaining an undeserved windfall. The bill would also protect holders of claims that arise from the rejection of executory contracts.

"The purpose and effect of the proposed legislation is discussed in greater detail in the following memorandum submitted to the committee by the National Bankruptcy Conference:

"'The National Bankruptcy Conference recommends that sections 334, 355, 367, and 369 of the Bankruptcy Act be amended as proposed by it, for the reasons hereafter stated.

"Section 334 presently provides that within 10 days after a chapter XI petition is filed the court shall give notice by mail to interested parties of a first meeting of creditors to be held not less than 15 days nor more than 30 days after the mailing of such notice. It also provides that the last date for filing claims shall be set forth in such notice. It is proposed to amend section 334 so as to require that a first meeting of creditors be held not less than 25 nor more than 40 days after the arrangement petition is filed and to eliminate the provision that notice must be given of the last date for filing claims.

"'Except with respect to the requirement that the court must set forth in the notice of the first meeting the last date for filing claims, existing section 334 is unrelated to the purposes of the other sections of chapter XI sought to be modified. The requirement in the present act that the court must give notice within 10 days after the petition is filed imposes a heavy burden upon the referees and this requirement is unnecessary. The theme of chapter XI is expedition but a modification of section 334 as proposed will not unduly delay the chapter XI proceeding and will relieve referees of a heavy burden which in many cases simply cannot be sustained. At the present time a first meeting of creditors must be held not more than 40 days after the arrangement petition is filed. The proposed amendment retains this 40-day period. But under existing law the referee must send out notice within 10 days whereas under the amendment the notice can be sent out after the expiration of the initial 10-day period provided the meeting is held not more than 40 days after the petition is filed and provided further that at least 10 days' notice is given to parties in interest. It is true that the act as presently worded insures at least 15 days' notice to parties in interest of the date of the first meeting. However, creditors only receive 10 days' notice of a first meeting under section 55 by virtue of section 58a(3) and that would seem to be adequate notice in the light of the present speed in the delivery of mailed matter. Section 58a(3) would be applicable to amended section 334 since it is not inconsistent with or in conflict with the provisions of chapter XI.

"'The proposed deletion of the last sentence of section 334 which requires that the last date for filing claims shall be set forth in the notice of the first meeting of creditors is designed to eliminate problems which have arisen in regard to its application. It is difficult, if not impossible, for the referee to state with certainty in the notice the last date for the filing of claims. The statute as it now reads would seem to apply to original cases under section 322 of the act as well as to cases initiated under section 321 in a pending bankruptcy. It is doubtful that Congress intended that the first meeting of creditors called pursuant to section 334 should, in respect of section 321 cases, be substituted for the first meeting of creditors called under section 55a. A host of questions arise in the determination of the last date for filing claims. (See Seligson, Creditors' Rights, 1963 Annual Survey of American Law.)

"'Section 355 now provides that where a petition is filed under section 322, subdivision n of section 57 of the act shall apply. This is a new section which was added by H.R. 1049, Public Law No. 88-175, 88th Congress, first session (Nov. 13, 1963). It was undoubtedly designed to fix a 6-month limitation for the filing of claims in a section 322 case and it probably was thought that this section would bring the filing period for claims in section 322 cases in harmony with the filing period for section 321 cases. Unfortunately, the filing requirements of section 57n do not automatically have application in every section 321 case. It is questionable that the time limitation fixed in section 57n is operative while a section 321 case is pending.

"'Moreover, section 57n speaks only of provable debts. It does not apply to nonprovable debts which in ordinary bankruptcy cases cannot be filed and are not released by a discharge. In an arrangement proceeding there may be an arrangement providing for an extension of time for payment of debts in full, whether or not provable under section 63. The holder of a nonprovable debt would be materially and adversely affected by the arrangement but there would not be any prescribed time under section 57n for the filing of his claim. There are other problems in respect of section 355 which cannot be easily resolved. (See Seligson, Creditors' Rights, 1963 Annual Survey of American Law.)

"'It is proposed to amend section 355 so as to require all claims to be filed before confirmation except that if a claim is scheduled it may be filed within 30 days after the date of mailing notice of confirmation to creditors but that claim shall not be allowed for more than the amount set forth in the schedules and except that a claim arising from the rejection of an executory contract may be filed within such time as the court may direct. Under the proposed amendment section 355, as amended, would apply generally, that is to cases under section 321 as well as cases under section 322.

"'The proposed amendment rejects the 6-month period for the filing of claims and in place thereof requires that claims be filed before confirmation. As a practical matter, the filing time has not been shortened to any material extent, if at all, because under the law which obtained prior to the enactment of H.R. 1049, very few arrangements were confirmed within 3 or 4 months after the date of the filing of the original petition. The dilatory creditor or the creditor who failed to learn of the arrangement petition in time to file a claim is protected to the extent of being permitted to have a claim allowed in an amount not exceeding that in which his claim was scheduled. In effect the proposed amendment would restore the law as it existed prior to the 1963 amendments with the important proviso that it would carry out the congressional desire to safeguard the rights of legitimate creditors by requiring every creditor to file a claim before being permitted to participate under a confirmed arrangement. The proposed amendment also takes care of claims arising from the rejection of executory contracts and unliquidated claims which in many cases cannot be filed within the statutory 6-month period.

"'Section 367(3) states that the consideration shall be distributed to creditors who have filed their claims within the 6-month period whether prior or subsequent to confirmation. This poses many practical problems particularly in the area of financing arrangements. It is extremely difficult for a debtor to raise money to finance a settlement where claims may be filed after confirmation. This section also imposes a duty upon the referee to determine the amount to be deposited and this duty cannot be discharged with safety to the creditors if claims can be filed after an arrangement is confirmed.

"'It is proposed to modify section 367(3) so as to make distribution consistent with the provisions of section 355 in regard to the filing of claims.

"'Section 369 provides for the retention of jurisdiction by the court. That jurisdiction is limited to claims proved before confirmation, to disputed or unliquidated claims filed within the 6-month period and to claims arising from the rejection of executory contracts which are filed within the 6-month period. There is no retention of jurisdiction with respect to unscheduled debts which are disputed or unliquidated even though they are filed within the 6-month period but after confirmation. The holder of a claim arising from the rejection of an executory contract pursuant to the provisions of an arrangement is given no protection whatever if the arrangement is confirmed after the expiration of the 6-month period.

"'It is proposed to amend section 369 so as to retain jurisdiction until the final allowance or disallowance of all claims which have been filed as prescribed by amended section 355. This takes care of the disputed and unliquidated claims as well as claims arising from the rejection of executory contracts.

"'The problems created by the enactment of H.R. 1049 are outlined and fully discussed by Referee Asa S. Herzog in an excellent article appearing in the January 1964 issue of the Referees' Journal. These problems are as follows:

"'1. In instances where confirmation of a plan must take place less than 6 months after the date set for the first meeting of creditors, questions arise as to the amount and extent of claims which may be filed after confirmation but within 6 months of the first meeting in all the foregoing categories. Investment of new money into the debtor company might well be restricted or withheld altogether until the 6 months have elapsed so that liabilities may be definitively fixed.

"'2. A corollary of "1" above is that provision must be made in the order of confirmation retaining jurisdiction of disputed, unliquidated claims and claims resulting from rejection of executory contracts. Since the consideration required for confirmation under section 367(3) must be deposited for all claimants who have filed claims, whether disputed, unliquidated or are damages arising from a breach of contract, it is clear that this provision requires the debtor to liquidate these claims prior to confirmation, or else he will not have deposited the consideration necessary for confirmation. Another incidental problem under this section is the requirement that the claim be "scheduled by the debtor." Assume a case where there is no scheduling but a filing. Does this result in a situation where the court cannot retain jurisdiction?

"'3. Although executory contracts may be rejected in two ways, section 313(1) upon notice, and section 353 (in the arrangement), the person injured by such rejection is a creditor and unless he files his claim prior to the time limit provided by section 355 or confirmation, he will not participate. Retention of jurisdiction is therefore meaningless under section 367(2) and section 367(3).

"'4. Moreover, the amendments do not provide for payment of the consideration to those creditors who file after confirmation but before the time provided for by section 355. It would appear sound that the deposit of the consideration for confirmation, include a deposit of the consideration to the post-confirmation creditors.

"'5. The amendment adding section 355 refers only to an original petition filed under section 322 of the Bankruptcy Act, and no reference is made for proceedings pursuant to section 321. Although there is no reason for a distinction in treatment between chapter XI proceedings under these sections, at least a question is raised as to the applicability of the amendment.

"'The proposed amendments would bring an orderly procedure out of section 355 which is presently confusing; they would protect scheduled creditors who fail to file their claims within the specified period and thus prevent the debtor from obtaining an undeserved windfall; they would eliminate doubt as to whether sovereigns are included in the filing requirements; they would give necessary assurances with respect to the totality of claims to underwriters of proposed plants of arrangement; and they would provide adequate protection for the holders of claims arising from executory contracts and the holders of disputed and unliquidated claims.'

"H.R. 2519 was introduced at the request of the National Bankruptcy Conference. A predecessor bill, H.R. 5646, in the 89th Congress, received the approval of the Judicial Conference of the United States.

"The committee believes that H.R. 2519 embodies desirable amendments to chapter XI of the Bankruptcy Act and recommends that the bill receive favorable consideration."

The committee believes that the bill, as approved by the Administrative Office of the U.S. Courts, and passed by the House of Representatives, is meritorious and recommends it favorably.

REALLOCATION OF PART OF THE BANKRUPTCY FILING FEE

The bill (H.R. 8632) to amend section 40c(1) of the Bankruptcy Act so as to reallocate part of the filing fee from the clerk's earnings to the referees' salary and expense fund was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to reduce from $5 to $3 the clerk's portion of the filing fee for bankruptcy and to allow the remaining $5 to the referees' salary and expense fund.

STATEMENT

A similar Senate bill, S. 1893, has been introduced by Senator Burdick and is pending before the committee.

In its favorable report on the House approved bill, the Committee on the Judiciary of the House of Representatives said:

"The services required of the clerk of the Federal district court with respect to bankruptcy litigation have been substantially reduced since July 1947 when the present division of bankruptcy filing fees was established. Improvements in the reference of bankruptcy cases as well as simplified accounting, deposit and docketing procedures have relieved the clerk of the maintenance of active bankruptcy files and dockets. However, the expenses charged to the referees' salary and expense fund have significantly increased. Obligations have exceeded receipts into the fund during the fiscal years 1966 and 1967. In order to bring receipts into balance with obligations, the Judicial Conference of the United States recommended the reallocation of a portion of the filing fee. H.R. 8632 embodies this recommendation.

"On the basis of 1967 figures, it is estimated that allocating $5 of the present $8 clerk's fee to the salary and expense fund will increase the fund by approximately $825,000 annually. The reallocation proposed by the bill will obviate the possible need for increasing percentage charges against assets of bankrupt estates. H.R. 8632 will increase the income of the referees' salary and expense fund without increasing the cost of bankruptcy proceedings to bankrupts or creditors. It is believed that with this additional income to the fund our system for processing bankruptcy matters on a self-sustaining fee basis will be assured.

"The Treasury Department has informed the committee that it has no objection to the enactment of H.R. 8632.

"The committee believes that H.R. 8632 serves meritorious purpose, and accordingly, recommends its favorable consideration."

The committee believes that the bill, as approved by the House of Representatives, is meritorious and reports it favorably.

RESOLUTION PASSED OVER

The resolution (S. Res. 154) to refer the bill (S. 2224) entitled "A bill for the relief of N. M. Bentley, a partnership consisting of N. M. Bentley and George Markwalter," to the Chief Commissioner of the Court of Claims for a report thereon, was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The PRESIDING OFFICER. The resolution will be passed over.

TIN SHIK CHIN

The bill (S. 687) for the relief of Tin Shik Chin was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 687

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the provisions of paragraph (19) of section 212(a) of the Immigration and Nationality Act, Tin Shik Chin may be issued an immigrant visa and admitted to the United States for permanent residence if he is found to be otherwise admissible under the provisions of such Act. This Act shall apply only to the grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to waive the excluding provision of existing law relating to one who has attempted to obtain a visa or other documentation by fraud in behalf of Tin Shik Chin.

ROBERTO PERDOMO

The bill (S. 964) for the relief of Roberto Perdomo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 964

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Roberto Perdomo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of March 31, 1962.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

IDA GROUP OF MINING CLAIMS IN JOSEPHINE COUNTY, OREG.

The bill (S. 1470) for the relief of the Ida group of mining claims in Josephine County, Oreg., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1470

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That failure of the claimants to comply with the labor and improvement requirements of section 2324 of the Revised Statutes, as amended (30 U.S.C. 28), upon the Ida group of mining claims in Josephine County, Oregon, shall not, during the pendency of the case of C. F. Pruess, Sr., Executor et al., against Stewart L. Udall (civil numbered 1331–62, in the United States District Court for the District of Columbia) and for six months after final decision in any subsequent court action involving that suit, open such claims to relocation or otherwise jeopardize whatever rights the claimants may have in the claims.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 755), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the bill is to provide that the failure of the claimants to comply with the labor and improvement requirements of section 2324 of the Revised Statutes, as amended (30 U.S.C. 28), upon the Ida group of mining claims in Josephine County, Oreg., shall not open such claims to relocation or otherwise jeopardize whatever rights the claimants may have in the claims during the pendency of civil No. 1331–62 in the U.S. District Court for the District of Columbia, and for 6 months after the final decision in any subsequent action involving that suit.

STATEMENT

The Department of the Interior has no objection to the enactment of this legislation.

The report of the Department of the Interior sets forth the following:

"After a decision by the Secretary of the Interior declaring invalid the Ida group of mining claims because there was no discovery of a valuable mineral deposit within the meaning of the mining laws, the claimant filed suit in the U.S. District Court for the District of Columbia, contending the Secretary's decision was arbitrary, capricious, and contrary to evidence. The district court sustained the Secretary's decision. However, the U.S. Court of Appeals for the District of Columbia remanded the case. The court made no effort to review the administrative record. It held only that the district court had the obligation of determining whether the Secretary's decision was based upon substantial evidence; that the district court so determined; but that the record in the case showed that the district court had not consulted the administrative record prior to making that determination and, therefore, the district court's finding was improper (123 U.S. App. D.C. 301, 359 F. 2d 615 (1965)).

"Since the judgment was being reversed, the appellate court went into the question of venue. At the time the claimant originally filed his action on April 25, 1962, the only proper venue was in the District of Columbia. Subsequently on October 5, 1962, a new section added to 28 U.S.C. 1391 made it possible and proper to bring new suits of the type involved here in Oregon. The court concluded that 28 U.S.C. 1391(e) applied also to cases pending at the time of its passage and said:

"'If the trial judge finds that the convenience of the parties and the interest of justice would be served by transferring the case to Oregon, the policies of section 1391(e) and section 1404(a) would be furthered by permitting transfer in this case.'

"The case was 'remanded for further proceedings not inconsistent with this opinion.'

"From a February 20, 1967, per curiam decision of the U.S. Court of Appeals for the District of Columbia, September term, 1966 (No. 20,095), it appears that the district court did not transfer the case to the U.S. District Court for Oregon, and the court of appeals remanded the case with instructions to do so.

"Performance or nonperformance of assessment work does not affect the validity of the claim insofar as the United States is concerned. Performance of assessment work merely protects the claimant's possessory interest against relocation of the claim by others. Assessment work does little, if anything, toward development of the mineral interest. The value of one man's labor quickly satisfies the statutory requirement.

"Although we see no reason why the pendency of the litigation should free the beneficiary of this bill from the statutory obligation to perform assessment work, we have no objection to enactment of the bill."

After a study of the Department of the Interior report, the committee believes that the legislation is meritorious, and recommends that the bill, S. 1470, be considered favorably.

CITY OF EL DORADO, KANS.

The bill (S. 1664) for the relief of the city of El Dorado Kans., was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1664

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the city of El Dorado, Kansas, the sum of $10,071.81 in full settlement of all its claims against the United States for payment of civil defense matching funds for a civil defense communication system installed in the El Dorado emergency operating center located in the new public safety building for civil defense purposes: *Provided,* That no part of the amount appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 756), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the bill is to pay to the city of El Dorado, Kans., the sum of $10,071.81 as payment of civil defense matching funds for a civil defense communication system.

STATEMENT

A similar bill for this claimant in the 89th Congress, S. 2510, was approved by this committee and was passed by the Senate but no action was taken on it in the House of Representatives.

The Department of the Army has advised Congress that it has no objection to the enactment of the bill.

In its report to the Congress, dated March 3, 1966, the Department of the Army set forth the facts in the case as follows:

"In January 1965 the city notified the State of plans for the inclusion of a civil defense communications system in the center to be constructed during 1965. On being informed by the State that all but one item of listed communications equipment would qualify for matching funds under the Federal civil defense program (50 U.S.C. App. 2281) the city proceeded to award the procurement contract. When Federal personnel were contacted regarding possible Federal assistance, they found that procurement had been initiated prior to Office of Civil Defense receipt of the project application.

"Published regulations of the Office of Civil Defense (32 CFR 180.8(a)) provide for submission and approval of the project application prior to procurement of the equipment. Accordingly, the project application was disapproved by the Office of Civil Defense and returned to the State.

"Upon review the Office of Civil Defense has found that the 37 line items of communications equipment (including installation and diesel oil) for which a Federal contribution was requested meet civil defense capability requirements. The project application would have been approved if the procurement contract had not been awarded by the city prior to submission of the application to the Office of Civil Defense, regional office.

"However, in the absence of legislation, there is no way that the city of El Dorado can now receive Federal matching funds for one-half the cost of the communications equipment. The Office of Civil Defense is prohibited from making retroactive Federal contributions toward obligations incurred or expenditures made by the States (and political subdivisions) prior to the beginning date of the Federal appropriation available for obligation. (31 Comp. Gen. 308; 32 CFR 180.8(b)).

"The project application totaled $20,143.65 in estimated costs for 37 line items. Federal share $10,071.82. If the project application had been received and approved by the Office of Civil Defense prior to procurement, payment of the Federal contribution would have been limited to one-half the city's expenditure for the approved items. In addition to that regarding expenditures, a certification as to labor standards and advertisement to bid (with Federal share limited to one-half the lowest acceptable bid) requirements would have been required prior to payment of the billing for the Federal share. There having been no approval, such information was not received by the Office of Civil Defense.

"If the committee finds that the sum of $10,071.82 does not exceed one-half the cost of the city of El Dorado of the civil defense communications system for its emergency operating center, the Department of the Army has no objection to enactment of the bill. The Bureau of the Budget advises that, from the standpoint of the administration's program, there is no objection to the presentation of this report for the consideration of the committee."

The committee believes the bill is meritorious and recommends it favorably.

DR. GABRIEL GOMEZ DEL RIO

The bill (S. 1918) for the relief of Dr. Gabriel Gomez del Rio was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Gabriel Gomez del Rio shall be held and considered to have been lawfully admitted to the United States for permanent residence as of March 3, 1961.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. RICARDO MARTINEZ SERRARA

The bill (S. 1925) for the relief of Dr. Ricardo Martinez Serrara was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 1925

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Dr. Ricardo Martinez Serrara shall be held and considered to have been lawfully admitted to the United States for permanent residence as of May 10, 1961.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. JOSE RAFAEL MONTALVO Y URRUTIBEASCOA

The bill (S. 2153) for the relief of Dr. Jose Rafael Montalvo y Urrutibeascoa was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2153

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Jose Rafael Montalvo y Urrutibeascoa shall be held and considered to have been lawfully admitted to the United States for permanent residence as of April 29, 1963.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Dr. Jose Rafael Montalvo y Urrutibeascoa as of April 29, 1963.

DR. JORGE ROLANDO GUERRA-REYES

The bill (S. 2206) for the relief of Dr. Jorge Rolando Guerra-Reyes was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2206

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Jorge Rolando Guerra-Reyes shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 20, 1962.

CHI JEN FENG

The bill (S. 2264) for the relief of Chi Jen Feng was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2264

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Chi Jen Feng shall be held and considered to have been lawfully admitted to the United States for permanent residence as of August 1, 1954.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. FRANCISCO GUILLERMO GOMEZ-INGUANZO

The bill (S. 2301) for the relief of Dr. Francisco Guillermo Gomez-Inguanzo was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Francisco Guillermo Gomez-Inguanzo shall be held and considered to have been lawfully admitted to the United States for permanent residence as of October 20, 1960.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. JESUS ADALBERTO QUEVEDO-AVILA

The bill (S. 2381) for the relief of Dr. Jesus Adalberto Quevedo-Avila was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2381

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Jesus Adalberto Quevedo-Avila shall be held and considered to have been lawfully admitted to the United States for permanent residence as of June 7, 1961.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

JORGE A. MARRERO

The bill (S. 2384) for the relief of Jorge A. Marrero was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2384

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Jorge A. Marrero shall be held and considered to have been lawfully admitted to the United States for permanent residence as of April 10, 1962.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. LUIS F. RODRIGUEZ IZNAGA

The bill (S. 2386) for the relief of Dr. Luis F. Rodriguez Iznaga was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2386

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Luis F. Rodriguez Iznaga shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 3, 1963.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

DR. GEORGE S. IOANNIDES

The bill (S. 2468) for the relief of Dr. George S. Ioannides was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2468

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor George S. Ioannides shall be held and considered to have been lawfully admitted to the United States for permanent residence as of January 18, 1957.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to enable the beneficiary to file a petition for naturalization.

RELIEF OF CERTAIN EMPLOYEES OF GENERAL SERVICES ADMINISTRATION

The bill (H.R. 1963) for the relief of employees of General Services Administration was considered, ordered to a third reading, read the third time, and passed.

HARRY LeROY JONES

The bill (H.R. 3403) for the relief of Harry LeRoy Jones was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 769), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the proposed legislation is to provide that the services of Harry LeRoy Jones as Director of the Commission on International Rules of Judicial Procedure from January 1, 1960, to June 30, 1965, shall be creditable service for the purposes of the Civil Service Retirement Act. The bill would authorize recomputation of his annuity as though he were a voluntary retiree who was reemployed full time for at least 5 years and was paid from appropriated funds, and the recomputation shall be made on the basis that he had been compensated at a salary equivalent of Civil Service General Schedule 18.

STATEMENT

This proposal was introduced in the House of Representatives in accordance with the recommendations of an executive communication from the Commission on International Rules of Judicial Procedure transmitted to the Speaker of the House of Representatives on October 6, 1966, and passed the House in the same form as introduced.

Mr. Jones served as the Director of the Commission on International Rules of Judicial Procedure from January of 1959 until its termination on December 31, 1966. Legislative relief is necessary in this case because Mr. Jones served as a Director of the Commission in the period from January 1, 1960, through December 31, 1966, under circumstances where none of his employment in the period can be credited for civil service retirement purposes.

Mr. Harry LeRoy Jones was appointed Director of the Commission on International Rules of Judicial Procedure at the first meeting of the Commission in January of 1959. His salary was fixed as the equivalent of a GS–18, then being compensation at the rate of $17,500 per year. Mr. Jones took office as the Director of the Commission in April 1959 and served in a full-time capacity in that position up to the time of the termination of the Commission. The Commission was established by Public Law 85–906 by the act of September 2, 1958, and the life of the Commission was extended initially to December 31, 1961, and then twice more to December 31, 1963, and finally to December 31, 1966. Due to a lack of appropriations, the Commission operated with private funds from January 1, 1960, through December 31, 1962. It received an appropriation of $10,000 in 1963 and another of $25,000 in 1965. With the exception of a payment of $14,875.82 from the 1965 appropriation, Mr. Jones' employment was without compensation from Federal funds during that period.

The letter of the Commission summarized the circumstances of Mr. Jones' employment by saying that in the 7-year period from January 1, 1960, to December 31, 1966, Mr. Jones received a salary for only 3 years and 10 months, and only in the latter 10 months was the salary paid from Federal funds. As a result, he served 3 years and 2 months without any compensation at all. The significant point is that none of his employment during the period of January 1, 1960, to December 31, 1966, can be credited for civil service retirement purposes. The bill would grant such credit for the period from January 1, 1960, to June 30, 1965, when Mr. Jones reached compulsory retirement age.

The committee was advised that the Director carried out the duties of his office during this period. He handled correspondence, wrote articles on international procedure, and participated in symposiums sponsored by national and international bar associations and other legal institutions. He also in the course of his duties was required to respond to inquiries from Government departments and agencies and from private practioners on questions relating to international procedure.

The letter of the Commission summarizes the effect of the bill and the way in which Mr. Jones would obtain credit for his services in the following language:

"The draft bill would authorize recomputation of Mr. Jones' annuity as though he were a voluntary Federal retiree who was reemployed full time for at least 5 years and was paid from appropriated funds. The creditable service would extend from the date of Mr. Jones' involuntary retirement on January 1, 1960, to June 30, 1965, the approximate date when he reached the age of compulsory retirement. Mr. Jones would be afforded an annuity at the rate of $1,182 per month, in lieu of his present monthly rate of $697. His wife's potential survivor annuity would be raised from $378 to $708 per month. Payments would begin the first day of the month following enactment of the proposed bill.

"Eligibility for recomputation on this basis is conditioned upon deposit with interest covering the entire period of reemployment service. The approximate deposit payment to the retirement fund for the period from January 1, 1960, to June 30, 1965, would be $7,742. This amount would be paid to the fund by deducting $485 a month (the annuity proposed by this bill of $1,182 a month minus Mr. Jones' present annuity of $697 a month) for 16 months from his annuity payments until the full amount had been collected."

The Chairman of the Civil Service Commission, in reporting on the merits of S. 1041, a bill similar to the House-passed bill, advised that unlike most private relief legislation this bill would not afford one person benefits while discriminating against others similarly situated. The circumstances of Mr. Jones' case are unique and it could not possibly set a troublesome precedent. The Civil Service Commission, therefore, advises that it offers no objection to enactment of legislation for the relief of this claimant.

The committee is of the opinion that this bill has a meritorious purpose and accordingly recommends favorable consideration of H.R. 3403, without amendment.

BILL PASSED OVER

The bill (H.R. 3474) to require the Foreign Claims Settlement Commission to determine the amount and validity of the claim of Ike Ignac Klein against the Government of Hungary, and for other purposes, was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

ELPIDIO DIMACALI DAMAZO

The bill (H.R. 3727) for the relief of Elpidio Dimacali Damazo and Natividad Simsuangco Damazo was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to grant the status of permanent residence in the United States to Elpidio Dimacali Damazo and Natividad Simsuangco Damazo as of June 27, 1958, and July 11, 1959, respectively, in order that they may file petitions for naturalization.

CITY OF PAWTUCKET, R.I.

The bill (H.R. 3799) for the relief of the city of Pawtucket, R.I., was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 772), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to pay the city of Pawtucket, R.I., $5,313.45, in full settlement of its claims against the United States for the Federal share of the cost of a civil defense rescue truck purchased in March 1964.

STATEMENT

Records of the Department of the Army disclose that the project application of the city of Pawtucket, R.I., for the procurement of rescue tools and equipment was approved prior to the date of June 30, 1963. The Federal share of this purchase was $1,918.86. In March of 1964 the city also procured a rescue truck and was billed for it in October of that year.

However, the billing occurred in a subsequent fiscal year. For the reason that the amount of the Federal share exceeded the amount obligated and since a rescue truck could not be equated with rescue tools, it was impossible to amend the old project application, and since procurement of the truck had occurred in a prior fiscal year and could not support a new project application, the Office of Civilian Defense turned down the request for funds.

Had the project application been properly submitted within the fiscal year in which the equipment was purchased, it would have been approved as all other elements are in order. However, such submissions may not be approved when the procurement has occurred prior to the availability of the Federal appropriations sought to be charged (31 Comp. Gen. 308).

The Army report refers to the fact that relief similar to that provided for the City of Pawtucket, R.I., was extended by the Congress for retroactive Federal contributions for procurements made prior to June 30, 1960, which were ratified and affirmed. This relief was extended by Public Law 87–390 which was approved on October 4, 1961. The Army report also notes that from time to time, bills similar to H.R. 3799 have been approved by the Congress to provide for relief to municipalities.

The House Judiciary Committee had inquired into the circumstances surrounding the purchase of the truck. It appears that through inadvertence, the city failed to include the truck as an item in its project application in 1963 so that the application only related to rescue tools. As has already been noted, the truck was actually acquired by the city in March of 1964, approximately a year after the application has been submitted, and, of course, after it had been approved in June of the same year. By that time the application could not be amended nor could a new application be filed. However, it appears that the city proceeded in good faith and the Army has indicated that had the proper steps been followed, the application would have been approved. Under these circumstances, that committee has determined that relief should be extended to the city of Pawtucket.

This committee is in agreement with the findings of the House Judiciary Committee, and accordingly recommends favorable consideration of H.R. 3799, without amendment.

JOHN A. DANISCH

The bill (H.R. 6324) for the relief of John A. Danisch was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 773), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to provide that the period of time served by John A. Danisch with the Provisional Intergovernmental Committee for the Movement of Migrants from Europe (PICMME), a public international organization, from April 15, 1952, to February 9, 1954, shall be held and considered to be leave without pay from Federal employment for retirement purposes.

STATEMENT

The records of the U.S. Civil Service Commission disclose that Mr. Danisch had over 15 years of Federal service on November 1, 1950, at which time he transferred from the Department of the Army to the Department of State to accept an overseas limited appointment. He served with the Department of State in Germany until April 14, 1952, when he was persuaded by the Department of State to accept a position with the Provisional Intergovernmental Committee for the Movement of Migrants from Europe (PICMME), a public international organization as designated by Executive Order 10335 of March 28, 1952. He was with that organization until he returned to the Department of the Army on February 10, 1954. Since that time he has been trying to obtain credit toward civil service retirement for the service with PICMME because he was erroneously advised that such service would be counted as leave without pay.

The Commission, in its report, made it clear that its position with respect to the service in question performed by Mr. Danisch has been that it was not creditable because of the noncareer type of appointment in which Mr. Danisch was serving when he left State Department for employment with PICMME. Executive Order 9721 of May 10, 1946, as amended by Executive Order 10103 of February 1, 1950, grants reemployment rights to a classified career civil service employee who transfers to a public international organization if he makes application for reemployment within 90 days after being separated from the organization. While with the international organization the individual is considered to be in leave-without-pay status. Since Mr. Danisch was serving under a limited appointment, he did not have a classified civil service status within the meaning of the Executive orders when he transferred from the State Department to PICMME and, accordingly, has no reemployment rights with the State Department. Additionally, he was, in fact, not reemployed by the State Department but returned to Government employment under an indefinite appointment (in lieu of reinstatement) with the Department of the Army.

The Civil Service Commission, in its report, points out that they have consistently viewed private relief legislation as undesirable in principle, in exceptional instances where a patent inequity exists such legislation may be warranted. Mr. Danisch's case seems exceptional in this sense. The record shows clearly that he was erroneously advised that if he accepted the PICMME offer he could preserve the continuity of his Federal service by obtaining a position in any Federal agency within 90 days after separation from PICMME. This counsel was based on a memo from Washington signed by "Acheson" (presumably the then Secretary of State) which stated that time with PICMME would be considered leave without pay for retirement purposes if he were "appointed without a break in service to Federal Government agency." It is also clear that the transfer was in the Government's interest and that Mr. Danisch was encouraged by the Department of State to make the change but that he did not want to do so without complete assurance of continuity of Federal service. He agreed to the transfer under the impression that the service would be treated as leave without pay. That agency, therefore, believed that an inequity would exist if Mr. Danisch were penalized for the mistake of those who advised him. Accordingly, that agency states it would have no objection to H.R. 6324 as it was amended by the House of Representatives.

Favorable consideration of this legislation would give the claimant about 13 months creditable service for retirement purposes. Such additional service would increase the annuity payable to Mr. Danisch by an additional 2.16 percent of his average salary.

In view of the facts outlined in this report and the report submitted by the Civil Service Commission, the committee has concluded that this is an appropriate case for legislative relief, and therefore recommends favorable consideration of H.R. 6324, without amendment.

DR. EMANUEL MARCUS

The bill (H.R. 7599) for the relief of Dr. Emanuel Marcus was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 774), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to grant Dr. Emanuel Marcus credit for civil service retirement, annual and sick leave, and final salary payment for his employment in the Department of Medicine and Surgery of the Veterans' Administration between October 29, 1946, and April 15, 1966.

STATEMENT

The Veterans' Administration, in its report to the House Judiciary Committee, has recommended favorable consideration of this proposal and the U.S. Civil Service Commission, in its report to the House Judiciary Committee, indicates that it would interpose no objection to the bill's enactment.

The records of the Veterans' Administration disclose that Dr. Marcus was initially appointed as an associate medical officer in the Medical Service of the Veterans' Administration at $3,200 per annum effective August 1, 1941. On April 18, 1944, he went on military furlough. He was separated from military service effective June 14, 1946, and was converted to an excepted appointment probational, physician, full grade $5,905.20 per annum, effective October 29, 1946, under authority of section 6(b), Public Law 293, 79th Congress. He served continuously in the Department of Medicine and Surgery from October 29, 1946, until April 15, 1966, at which time he was separated as a physician, chief grade $18,235 per annum due to "failure to meet statutory requirements of 38 U.S.C. 4105. Not licensed to practice medicine or surgery in a State, Territory, or Commonwealth of the United States or in the District of Columbia."

At the time of Dr. Marcus' initial appointment on August 1, 1941, there was no statutory requirement of licensure as a prerequisite to employment as a physician in the then Medical Service of the Veterans' Administration. The Department of Medicine and Surgery of the Veterans' Administration, established on January 3, 1946, under the provisions of Public Law 293, 79th Congress, replaced the Medical Service of the Veterans' Administration. Section 5 of said act, in force at the time Dr. Marcus was appointed to a position in the Department of Medicine and Surgery on October 29, 1946, established as one of the prerequisites of such appointment that the individual be licensed to practice medicine in a State or the District of Columbia. A similar provision is now contained in section 4105 of title 38, United States Code.

Dr. Marcus has never technically been licensed to practice medicine in a State or the District of Columbia. He did, however, during 1942, apply for and receive a Federal registration certificate dated March 12, 1942, from the Commission on Licensure, Healing Arts Practice Act, District of Columbia, which authorized him to legally practice his profession in the District of Columbia so long as it was confined to Government practice only. Apparently, relying on this registration certificate and on the assumption that he was licensed to practice medicine in the District of Columbia so long as he remained in the Government service, Dr. Marcus executed a "Department of Medicine and Surgery Classification Questionnaire for Professional Service Personnel" on April 25, 1946, and indicated thereon that he was licensed in the District of Columbia. Subsequent to this time and during Dr. Marcus' entire service with the Veterans' Administration, his qualifications were reviewed periodically for promotion and reassignment. In none of these reviews was his licensure ever questioned.

On December 30, 1965, however, a review of Dr. Marcus' personnel folder failed to disclose positive evidence of his license to practice medicine. In response to a request to produce such evidence, he submitted the registration certificate referred to above. Pending consideration of this evidence he was continued on the rolls until April 15, 1966. It was determined that the registration certificate did not constitute a license to practice medicine as required by the statute. Dr. Marcus did not, therefore, meet the statutory criteria for appointment in the Department of Medicine and Surgery. He was separated from employment with the Department of Medicine and Surgery effective April 15, 1966. At the time of separation, Dr. Marcus had 84 days of accumulated annual leave, 66 days of sick leave, and the total amount of his retirement deductions in the civil service retirement fund was $13,329.73.

This matter was submitted to the Comptroller General on June 1, 1966, for consideration and decision as to the proper disposition of the amounts deducted for the civil service retirement fund, the lump-sum payment for annual leave, and a final salary payment withheld from Dr. Marcus at the time of his separation.

The Comptroller General in a decision, B–159325, dated August 1, 1966, concluded as follows:

"On the basis of the facts presented we must conclude that Dr. Marcus did not qualify for appointment as a physician in the Department of Medicine and Surgery by reason of his failure to fulfill the licensure requirement contained in the governing statute. In accordance with the decision of October 8, 1952, B–111684, which you cite, his status while working in the Department as a physician must be considered that of a de facto employee and as such he is entitled to retain the compensation he received while so employed but is not entitled to any additional payments by reason of such service.

"Accordingly, at the time of his separation on April 15, 1966, Dr. Marcus was not entitled to lump-sum leave or final salary payments. Furthermore, he may not be allowed a refund of retirement deductions made during his de facto service (see 38 Comp. Gen. 175)."

The report of the Veterans' Administration on the bill recognized that Dr. Marcus served the Government continuously and faithfully for over 24 years. That report further stated that he is presently afflicted with a coronary disease which has necessitated a long period of hospitalization and convalescence. The Veterans' Administration stated the harshness of the literal application of the rule concerning de facto employment in this particular case becomes manifest when it is considered that Dr. Marcus will be deprived of credit for this long period of Government service for retirement annuity purposes. To compound the unfairness of the situation, he cannot seek a recovery of the amounts paid into the retirement fund. Accordingly, at the age of 58, afflicted with a coronary disease he is faced with a future without the retirement security to which he would otherwise be entitled by reason of his long period of Government service. The Veterans' Administration recognized that this absence of retirement security will have a serious and severe financial impact on Dr. Marcus and his family.

This committee agrees that the information submitted in connection with this case establishes that Dr. Marcus acted in good faith in his employment with the Department of Medicine and Surgery. His apparent failure to be aware of the licensure requirements of the law is understandable in view of the fact that at the time of his initial appointment with the Medical Service there was no statutory requirement for licensure as a prerequisite to such appointment. Upon his return from military service and subsequent thereto, he was apparently not apprised as to the licensure requirements by appropriate officials of the Department of Medicine and Surgery.

In view of the facts outlined above and the favorable recommendation of the Veterans' Administration and the indication of the U.S. Civil Service Commission that under these particular circumstances, they have no objection to enactment of the bill, the committee has determined that this is a proper subject for legislative relief. Accordingly, it is recommended that the bill be favorably considered.

RICHARD ALAN WHITE

The bill (H.R. 7811) for the relief of Richard Alan White was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 775), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the bill is to provide that Richard Alan White, for the purposes of subchapter III of chapter 83 of title 5 of the United States Code, shall be held and considered to be the adopted son of Benny R. White, a deceased former employee of the Rural Electrification Administration, U.S. Department of Agriculture.

STATEMENT

In its favorable report on the bill the Committee on the Judiciary of the House of Representatives said:

"The U.S. Civil Service Commission in its report to the committee on the bill stated that it had no objection to its enactment and the Department of Agriculture in its report indicated that it would be guided by the recommendation of the Civil Service Commission.

"On July 2, 1965, Mr. Benny R. White, an employee of the Rural Electrification Administration, and his wife, Ruth, filed a petition to adopt Richard Alan White, who is the beneficiary of this bill. When the adoption petition was filed, Richard Alan White was about 1 month old; however, before the adoption could become final, Mr. Benny R. White died on November 13, 1965. Following his death his widow was granted a survivor annuity under the civil service retirement system which provided for $123 a month, a figure which included $72 for herself and $51 for her minor child, Nancy. Her claim in behalf of her adopted child, Richard Alan White, was disallowed because the adoption did not become final until after Mr. White's death. As is noted in the Civil Service Commission report, the fact that the adoption proceedings had not been completed on the date of Mr. White's death made it impossible for Richard Alan White to be considered the surviving child of a former Federal employee within the meaning of the civil service retirement law.

"This bill would make it possible to have Richard Alan White recognized as the adopted son of Mr. White for civil service retirement purposes. The effect of this bill would be to authorize an additional $56 a month benefit to the widow on the child's behalf from the date of enactment until the child marries, dies or reaches age 18, or 22 if he is a full-time student. The benefit would terminate upon the happening of any of the events just mentioned.

"This committee feels that this is clearly a proper subject for legislative relief. It would carry forth the intent of the deceased Federal employee when he with his wife initiated adoption proceedings. The widow completed the adoption proceedings after her husband's death and it is clearly just and equitable that the provisions of law which are intended to provide for children left in this manner upon the death of their parent be made applicable in this case. As is noted in the Civil Service Commission report, similar relief was granted in the 88th Congress by the enactment of Private Law 88–337. In that connection the Commission stated that cases such as this are most unusual and concluded with the words: '* * * we do not believe that the enactment of H.R. 7811 could possibly establish a troublesome or costly precedent.'

"In indicating that it has no objection to the bill, the Commission further observed that the evidence in the case justified the conclusion that Mr. Benny White intended to adopt this child. In this connection the Commission stated:

"'The Commission has no objection to the enactment of this bill. We conclude from the information furnished by Mrs. White that her husband intended to adopt this child. Accordingly, enactment of H.R. 7811 is necessary to provide equitable relief in this case and to give the child the annuity which has been denied him because Mr. White died before actually entered the adoption decree.'

"In view of the facts outlined in this report and in the report of the Civil Service Commission and the position taken by that Commission it is recommended that the bill be considered favorably."

The committee believes that the bill is meritorious and recommends it favorably.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, in view of the fact that some Senators are waiting to be recognized to transact routine business, I ask unanimous consent that we conclude the call of the calendar for the time being.

The PRESIDING OFFICER. Without objection, it is so ordered.

DONALD A. WILLIAMS, ADMINISTRATOR OF DEPARTMENT OF AGRICULTURE'S SOIL CONSERVATION PROGRAM, RECEIVES ROCKEFELLER PUBLIC SERVICE AWARD

Mr. ELLENDER. Mr. President, it was with great satisfaction that I learned that Donald A. Williams, administrator of the Department of Agriculture's Soil Conservation Service, is a recipient of the Rockefeller Public Service Award this year.

In my estimation, no better choice could have been made. For 15 years Dr. Williams has directed the operations of one of this Nation's largest and most important agencies. He has done so with dignity and intelligence. During this time his dedication to the cause of resource conservation has never wavered, his integrity has never been questioned.

A career civil servant, he started with the Soil Conservation Service at its beginning in 1935 working in the field as a conservation engineer. He came up through the ranks and became head of the agency in 1953.

At that time, the needs of this Nation were changing. It was necessary to give the Soil Conservation Service, still a fledgling agency, new direction to successfully meet those needs. Under Dr. Williams' leadership, SCS immediately took on new and challenging tasks—and it is still doing so today.

The Soil Conservation Service remains one of the most effective and efficient agencies in the Federal Government. Its staff, numbering more than 16,000, is made up primarily of professional people with specialities in soil and water conservation, hydrology, agronomy, soil science, biology, forestry, engineering, and range management.

Their technical competence is highly regarded throughout the Federal Government and—most important—by the farmers, ranchers, and others who operate the three-fourths of our land in private ownership.

Let me give just one example.

It was my privilege this past September to share the speakers' platform with Don Williams at the dedication of the privately owned 90,000-acre Homer Mitchell Tree Farm in Rapides Parish, La.

This was an exciting occasion for both of us for this dedication was a tribute to the type of professionalism that makes up the Soil Conservation Service. Homer Mitchell was a SCS woodland specialist who devoted his life in making the cutover, erosion-prone lands of the South once again a productive asset to the Nation. He was a soil conservationist of the first order and his contributions to forestry management will long be remembered.

In a way, the dedication was also a tribute to Don Williams, who has the facility of drawing top caliber men into SCS and getting the best out of them.

The mark of the SCS technicians can be seen throughout the countryside. Working through local soil and water conservation districts and with State and other Federal conservation agencies, they have had a profound influence in preserving and developing our natural resources of soil, water, woodlands, and wildlife for the good of all our people.

I see it every time I return to Louisiana.

Thirty years ago much of Louisiana was barren cutover hillside. Erosion was rampant, and rich topsoil muddied streams and choked waterways. Today most of this land is protected by tall trees and lush pastures.

This has come about largely through a unique cooperative venture between the Soil Conservation Services and locally governed soil and water conservation districts. These same districts may sponsor Public Law 566 small watershed projects and resource conservation and development projects.

In Louisiana, 20 small watershed projects are in operation on 1.8 million acres of land and 17 more are in the planning stage on 2 million acres of land.

These projects combine conservation measures and flood detention reservoirs on the upland streams where half of our annual flood damage occurs.

The small watershed program has been one of the most effective methods of stimulating rural area development. From its inception, Don Williams has played a most important role in the success of this program.

As chairman of the Senate Committee on Agriculture and Forestry, I have had the opportunity to work closely with Don Williams on resource conservation programs and policies over the past 15 years.

I am well aware of his outstanding administrative abilities, and I applaud his selection as one of the Rockefeller Public Service Award winners for 1967.

Mr. President, I ask unanimous consent to have printed in the RECORD a release from Princeton, N.J., dated November 13, 1967.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

PRINCETON, N.J., November 13.—Donald A. Williams, Administrator of the Soil Conservation Service of the U.S. Department of Agriculture, who was named today as winner of the 1967 Rockefeller Public Service Award in the field of Administration, sees his job as serving equally the rural and urban population.

The honor, made possible by funds granted by John D. Rockefeller 3rd and administered by Princeton University as a national trust, recognizes his 31 years of Government career service with a tax-free cash award of $10,000. The presentations will be made at a luncheon in Washington on Dec. 6th.

As the third head of the Soil Conservation Service since its establishment by Congress in 1935, Mr. Williams has guided the agency's program through its great change from "the dustbowl age" when erosion control was its primary responsibility, to current additional responsibilities for water conservation, flood control and land use planning.

"Soil and water have to be treated together," said Mr. Williams. "Conservation is everybody's business because it affects everybody—in the cities as well as on the farms.

"For example, it is necessary to keep silt out of harbors, in addition to keeping topsoil on the land. As early as 1948, water conservation activities were added to the technical programs of irrigation and drainage. A few years later it was recognized that much of the choicest agricultural land was being diverted to other uses—subdivisions, factories, airports, housing developments. So we began to classify soils for non-agricultural as well as agricultural uses.

"Today this work involves metropolitan planning and zoning boards, the blending of rural and urban interests in land use. Many watershed projects now are under the direction of state and local divisions of government, who seek technical and financial assistance from the Federal Government. Some 800 projects in actual operation in the United States receive advice and assistance from our technicians."

Mr. Williams was born in Clark, South Dakota, 62 years ago and received his B.S. in civil engineering from South Dakota State College. He later did postgraduate work at the same college and at the University of South Dakota. In 1956 he received an honorary degree of Doctor of Agriculture from South Dakota State University, the first such degree ever awarded to a civil engineer.

He is married to the former Ruth Christianson of Volga, South Dakota. They have one daughter, Mrs. Mary Cathryn Weir, of Edinburgh, Scotland, who is a Presbyterian minister and wife of a minister. His brother, Ross Williams, a farmer, still resides in Clark, S.D.; another brother, Clifford Williams, is a consulting civil engineer in Augusta, Ga., and a third brother, Reginald S. Williams, is a retired banker living in Toronto, Canada.

Despite his agricultural beginnings, Mr. Williams has spent most of his life in urban areas. He joined the SCS in 1935, holding various field jobs as a conservation engineer, but has lived in big cities many more years than on the farm. Among the cities in which he lived and worked are Spokane, Washington; Portland, Oregon; and for the last 17 years, Washington, D.C.

Mr. Williams also serves as a consultant to the Ford Foundation and has been adviser to the governments of seventeen countries, including India, Turkey, and New Zealand, on soil and water conservation problems, programs and organization. He has been consultant to the Agency for International Development in Latin America and in Asia and directs SCS projects in several countries for them. He left on Oct. 17th of this year for three weeks in India, where he is reviewing the Soil Conservation Service technical assistance program for India, and will return on November 20.

Mr. Williams received the Distinguished Service Award of the National Association of Soil and Water Conservation Districts in 1957 and the Distinguished Service Award of the U.S. Department of Agriculture in 1958.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of the calendar, beginning with Calendar No. 760.

The PRESIDING OFFICER. Without objection, it is so ordered.

CERTAIN EMPLOYEES AT THE NAVAL AIR TEST CENTER, PATUXENT RIVER, MD.

The Senate proceeded to consider the bill (S. 2031) for the relief of certain employees at the Naval Air Test Center, U.S. Naval Air Station, Patuxent River, Md., which had been reported from the Committee on the Judiciary, with an amendment, on page 3, in the material, at the beginning of line 27, from the top of the page, strike out "Jamek T. Smith," and insert "James T. Smith,"; so as to make the bill read:

S. 2031

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That each individual named in section 2 of this Act is relieved of all liability for repayment to the United States of the amount set forth opposite his name, which amount represents an overpayment of salary paid to each individual as a civilian employee of the Naval Air Test Center, United States Naval Air Station, Patuxent River, Maryland, as the result of administrative error. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amounts for which liability is relieved by this Act.

Sec. 2. The individuals referred to in the first section of this Act and the amount of the liability of each of them waived by this Act are as follows:

	Amount
James G. Adams, September 12, 1965 through October 23, 1965	$26.40
Helen Baroniak, January 19, 1964 through January 16, 1965	231.60
Patrick E. Beveridge, May 10, 1964 through June 7, 1964	17.60
Joseph T. Bradburn, January 17, 1965 through November 20, 1965	193.60
Elliot Bray, July 5, 1964 through September 10, 1965	$346.80
Samuel Brown, March 1, 1964 through April 12, 1964	26.40
Franklin L. Carroll, August 29, 1965 through November 20, 1965	57.60
Paul C. Chesnut, May 10, 1965 through December 4, 1965	112.00
Philip G. Clements, May 24, 1964 through November 20, 1965	364.00
Glenwood J. Coombs, May 24, 1964 through November 20, 1965	364.00
James W. Davis, September 27, 1964 through September 26, 1965	249.60
John Dawson, Junior, September 2, 1962 through September 1, 1963	204.16
George E. Denton, Junior, December 8, 1963 through November 20, 1965	460.60
Robert H. Dorsch, Junior, October 10, 1965 through October 23, 1965	16.80
Veronica D. Dorsey, May 24, 1964 through November 20, 1965	364.00
Lester R. Draheim, October 13, 1963 through December 7, 1963	102.40
Lois M. Field, March 1, 1964 through November 20, 1965	166.40
James M. Goldsborough, February 2, 1964 through January 31, 1965	283.40
Francis B. Gough, June 21, 1964 through November 20, 1965	348.00
John C. Groom, May 9, 1965 through November 20, 1965	113.32
Thomas F. Hammett, July 19, 1964 through November 20, 1965	392.80
Varner D. Henderson, March 29, 1964 through May 10, 1964	26.40
Jack L. Holcomb, July 5, 1964 through November 20, 1965	387.20
Norvall A. Hugg, March 15, 1964 through December 4, 1965	486.40
Francis L. Hurry, December 9, 1962 through December 6, 1964	457.60
Benedict P. Jarboe, January 17, 1965 through December 20, 1965	211.20
Edward P. Jaxtheimer, February 2, 1964, through January 31, 1965	282.40
Grady C. Jenkins, July 5, 1964, through November 20, 1965	523.20
Donald L. Jones, April 14, 1963, through May 9, 1965	440.37
Roy A. Longanecker, September 1, 1963, through December 4, 1965	442.40
Peter Lopitz, February 16, 1964, through December 4, 1965	420.06
Herman H. Martin, August 2, 1964, through November 20, 1965	326.40
Ralph M. Messick, March 31, 1963, through October 10, 1965	527.20
Jacob Nemerow, July 5, 1964, through November 20, 1965	371.20
Francis F. Nevins, January 19, 1964, through December 4, 1965	357.60
Harold L. Payne, March 3, 1963, through February 28, 1965	457.60
Luther L. Peterson, June 7, 1964, through December 27, 1965	366.40
Charles P. Pilkerton, March 3, 1963, through November 20, 1965	621.20
Samuel L. Porter, Junior, May 10, 1964, through November 20, 1965	403.20
James A. Ridgell, October 27, 1963, through October 10, 1965	464.80
Robert A. Russell, July 5, 1964, through November 8, 1965	392.00
William P. Russell, July 5, 1964, through November 20, 1965	404.00
Francis H. Smith, October 13, 1963, through November 20, 1965	428.16
James T. Smith, July 5, 1964, through November 20, 1965	678.40
Robert D. Strain, September 1, 1963, through January 20, 1965	$446.00
William R. Thompson, December 8, 1963, through November 20, 1965	460.00
Stephen E. Wathen, December 20, 1964, through December 4, 1965	192.40
Robert F. Wigginton, July 19, 1964, through November 20, 1965	386.40
Carroll M. Wilkes, December 8, 1963, through December 6, 1964	228.80
Leroy Willenborg, December 9, 1962, through December 6, 1964	457.60
Herman O. Wood, April 12, 1964, through November 20, 1965	388.00

Sec. 3. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each individual named in section 2 of this Act, the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act. No part of the amounts appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with any of these claims, and the same shall be unlawful, regardless of any contract to the contrary. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 776), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE

The purpose of the bill, as amended, is to relieve certain named individuals of liability for repayment to the United States of the amounts listed, which represent overpayment of salaries as a result of an administrative error.

The Department of the Navy recommends enactment of the bill.

In its favorable report on the bill, the Department of the Navy sets forth the facts in the case as follows:

"The records of this Department show that GAO payroll audit revealed certain administrative errors resulting in overpayments to 51 Naval Air Test Center employees. The overpayments of 28 of the employees were a result of erroneous interpretation of regulations concerning the appropriate waiting period for step increases in graded positions for professional employees paid special rates under 5 U.S.C. 5303. The remaining overpayments of 23 of the employees were a result of the delayed receipt of a change to applicable regulations concerning employees in ungraded positions being reassigned or promoted to graded positions after the personnel actions were effected. The overpayments range from $16.80 to $678.40. The total amount of all overpayments is $16,476.47."

The committee has in the past granted individuals relief in similar cases where overpayments were made through an administrative error and were received in good faith by the employees.

The committee believes the bill to be meritorious and recommends it favorably.

CHRISTOPHER NICHOLAS RUSHTON

The Senate proceeded to consider the bill (S. 2265) for the relief of Christopher

Nicholas Rushton, which had been reported from the Committee on the Judiciary, with an amendment, in line 6, after the word "of" strike out "June , 1947." and insert "July 1, 1947, upon payment of the required head tax."; so as to make the bill read:

S. 2265

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Christopher Nicholas Rushton shall be held and considered to have been lawfully admitted to the United States for permanent residence as of July 1, 1947, upon payment of the required head tax.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

DR. JOSE R. SANCHEZ

The Senate proceeded to consider the bill (S. 2382) for the relief of Dr. Jose R. Sanchez, which had been reported from the Committee on the Judiciary, with an amendment, in line 6, after the word "of" strike out "September 21, 1961" and insert "September 21, 1962."; so as to make the bill read:

S. 2382

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Doctor Jose R. Sanchez shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 21, 1962.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report (No. 778), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to enable the beneficiary to file a petition for naturalization. The bill has been amended in accordance with the suggestion of the Commissioner of Immigration and Naturalization to reflect the proper date upon which the beneficiary was paroled into the United States.

MARIA KOLOMETROUTSIS

The Senate proceeded to consider the bill (H.R. 7427) for the relief of Maria Kolometroutsis which had been reported from the Committee on the Judiciary, with an amendment, on page 1, at the beginning of line 9, strike out "the natural brother of the beneficiary shall not" and insert "no brothers or sisters of the beneficiary shall thereafter".

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to facilitate the entry into the United States in an immediate relative status of the alien child adopted by citizens of the United States. The purpose of the amendment is to conform the language of the proviso to prior enactments.

RELIEF OF CERTAIN EMPLOYEES OF THE U.S. NAVAL AMMUNITION DEPOT, BREMERTON, WASH.

The Senate proceeded to consider the bill (S. 1040) for the relief of certain civilian employees of the U.S. Naval Ammunition Depot, Bangor, Bremerton, Wash., which had been reported from the Committee on the Judiciary, with amendments, strike out all after the enacting clause and insert:

That each individual named in section 2 of this Act is relieved of liability to pay to the United States the amount set forth opposite his name in such section. Such amounts represent overpayments of compensation made to such individuals as a result of administrative error while they were employed at the naval installations listed in such section. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for amounts for which liability is relieved by this section.

Sec. 2. The names of each individual referred to in the first section of this Act, the amount of overpayments made to each individual, the period during which the overpayments were made, and the naval installation employing each individual, are as follows:

(1) United States Naval Ammunition Depot, Bangor, Bremerton, Washington.

Name of employee and period of overpayment:	*Amount overpaid*
Frank Grey, Junior, from December 23, 1962, through October 10, 1964	$607.20
Carroll L. Klieves, from April 16, 1963, through April 25, 1964	452.00
Helen M. Morehouse, from April 16, 1963, through Ocotber 9, 1965	1,391.10
Jerome R. Weathermon, from February 19, 1963, through October 9, 1965	1,063.93

(2) United States Polaris Missile Facility, Pacific.

Name of employee and period of overpayment:	*Amount overpaid*
George C. Solman, from November 22, 1964, through September 11, 1965	$235.20

(3) United States Torpedo Station, Keyport, Washington.

Name of employee and period of overpayment:	*Amount overpaid*
Howard K. Asher, from May 24, 1964, through September 25, 1965	228.80
Charles A. Bary, from December 23, 1962, through October 9, 1965	668.80
James L. Dalton, from January 19, 1964, through October 9, 1965	432.00
Francis J. Hedeen, from August 2, 1964, through March 2, 1965	109.45
Richard M. Lynch, from November 29, 1964, through January 2, 1965	$28.80
Douglas P. McAllister, from September 15, 1963, through September 11, 1965	459.60
Amos J. Pickrell, from January 19, 1964, through January 16, 1965	228.80
Robert B. Stewart, from February 2, 1964, through October 9, 1965	492.80
Richard L. Thompson, Senior, from July 19, 1964, through July 17, 1965	210.20

Sec. 3. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to each individual named in section 2 of this Act, the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act. No part of the amounts appropriated in this Act shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with any of these claims, and the same shall be unlawful, regardless of any contract to the contrary. Any person violating the provisions of this section shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.".

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

PURPOSE OF THE AMENDMENTS

The purpose of the amendments is to include all employees similarly situated, as recommended by the Department of the Navy.

STATEMENT

The bill, S. 1040, was introduced to relieve four civilian employees of the U.S. Naval Ammunition Depot, Bangor, Bremerton, Wash.

In reporting on the bill, the Department of the Navy advised the committee that it would have no objection to the enactment of the bill provided that it was amended to relieve all other employees similarly situated.

In its report on the bill, the Department of the Navy advised the committee that as a result of a Government Accounting Office payroll audit of August 31 through September 14, 1965, it was found that 14 civilian employees had received salary overpayments as a result of administrative errors made by the Consolidated Industrial Relations Office of the U.S. Naval Torpedo Station, Keyport, Wash.

The committee believes that the bill, as amended in accordance with the Department of the Navy recommendation, is meritorious and recommends it favorably.

The title was amended so as to read: "A bill for the relief of certain employees of the Department of the Navy."

ANASTASIA D. MPATZIAN

The Senate proceeded to consider the bill (S. 1652) for the relief of Anastasia D. Mpatzian, which had been reported from the Committee on the Judiciary, with amendments on page 1, line 5, after "Anastasia D." strike out "Mpatzian" and insert "Mpatziani"; so as to make the bill read:

S. 1652

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of paragraph (25) of section 212(a) of the Immigration and National Act, Anastasia D. Mpatziani may be issued an immigrant visa and admitted to the United States for permanent residence if she is found to be otherwise admissible under the provisions of such Act. This Act shall apply only to the grounds for exclusion under such paragraph known to the Secretary of State or the Attorney General prior to the date of the enactment of this Act.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Anastasia D. Mpatziani."

OSCAR J. ENRIQUEZ

The Senate proceeded to consider the bill (S. 2199) for the relief of Oscar J. Enriquez which had been reported from the Committee on the Judiciary with amendments, in line 4, after the word "Act," strike out "Oscar J. Enriquez" and insert "Oscar Juan Enriquez-Santos"; so as to make the bill read:

S. 2199

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Oscar Juan Enrique-Santos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of August 29, 1961.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Oscar Juan Enriques-Santos."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill, as amended, is to enable the beneficiary to file a petition for naturalization. The bill has been amended in accordance with the suggestion of the Commissioner of Immigration and Naturalization to correct the beneficiary's name.

PARTICIPATION OF UNITED STATES IN THE INTERNATIONAL CRIMINAL POLICE ORGANIZATION

The bill (H.R. 2834) to amend the act of June 10, 1938, relating to the participation of the United States in the International Criminal Police Organization was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of H.R. 2834 is to substitute $28,500 for the present statutory ceiling of $25,000 on the total annual dues authorized to be paid for the membership of the United States in the International Criminal Police Organization.

STATEMENT

The act of June 10, 1938 (52 Stat. 640; 22 U.S.C. 263a), as amended, authorizes the Attorney General to accept and maintain on behalf of the U.S. membership in the International Criminal Police Organization (commonly called "Interpol"), and to designate departments and agencies which may participate in the U.S. representation with that Organization.

The United States, through the Department of Justice and the Department of the Treasury, has been participating in this Organization since 1938. At present, the Treasury Department is the only Federal agency designated by the Attorney General for participation in Interpol. The participating agencies within the Treasury Department are the Bureau of Narcotics, the Bureau of Customs, the Secret Service, and the Intelligence Division of the Internal Revenue Service. Through its office in Paris, Interpol assimilates and distributes information and reports regarding international criminals and criminal activities.

The Treasury Department reports that it receives valuable assistance from the Organization, especially in the area of combating international narcotics traffic, smuggling, and counterfeiting. U.S. membership in the Organization is considered vital.

The bill as introduced was amended by the House of Representatives. As introduced, the bill proposed to eliminate all statutory limitations on the amount of U.S. membership dues. The House amended the legislation by placing the statutory limitation as $28,500 in lieu of the present $25,000.

In 1965, the Organization increased the assessment for group I countries (which includes the United States, the United Kingdom, France, Italy, and the Federal Republic of Germany) to approximately $28,500 a year. The Treasury Department has advised the committee that the other group I countries have been paying the full amount of the assessment, but that the United States is unable to do so because of the statuory limitation.

The Treasury Department has advised the committee that it concurs in the amendment made by House and urges that the legislation, as amended, be enacted.

The committee concludes that the proposed legislation as passed by the House of Representatives in meritorious and recommends that it be favorably considered.

ESTABLISHMENT OF A JUDGE ADVOCATE GENERAL'S CORPS IN THE NAVY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 732, which will be the last bill to be called on the calendar.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (H.R. 12910) to establish a Judge Advocate General's Corps in the Navy, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Armed Services, with amendments.

Mr. ERVIN. Mr. President, as referred to the committee this bill proposed to establish two new statutory positions of Assistant Judge Advocate General of the Navy. One of these positions would have been filled by a Navy officer with the rank and grade of rear admiral, lower half, and the other would have been filled by a Marine Corps officer with the rank and grade of brigadier general.

The Committee on Armed Services consolidated these two positions into one and provided that the occupant could be either a Navy officer in the grade of rear admiral, lower half, or a Marine Corps officer in the grade of brigadier general. The committee decided not to increase the number of flag officers in the Navy or general officers in the Marine Corps whose confirmations it would recommend to the Senate. Accordingly, the one additional flag or general officer involved in the committee version of the bill would have caused the Navy or the Marine Corps to accommodate this additional flag or general officer within the limitations now applicable.

After the committee's action the line officers of the Navy and the Marine Corps protested their inability to accommodate an additional uniformed lawyer as a rear admiral or a brigadier general and I have agreed to sponsor an amendment that establishes the two new statutory positions of Assistant Judge Advocate General of the Navy on a permissive basis instead of requiring that they be filled by a flag officer of the Navy or a general officer of the Marine Corps. If those in power in the Navy and the Marine Corps are later persuaded that additional flag or general officer positions should be filled by uniformed lawyers, the authority for flag and general officer grade for the occupants of these offices will exist.

My personal view is that the powers that be in the Navy and the Marine Corps are being somewhat shortsighted in their unwillingness to share the flag and general officer positions with uniformed lawyers. This unwillingness will undoubtedly make it more difficult for the Navy to attract and retain an adequate number of uniformed lawyers with the desired competence and qualifications.

Hence, I hope the Navy may alter its present position and share its prescribed flag and general officer positions with uniformed lawyers.

I shall be glad to attempt to answer any questions about these amendments.

The PRESIDING OFFICER. The clerk will state the first committee amendment.

The legislative clerk read, as follows:

On page 4, after line 7, strike out:

"(b) An officer of the Judge Advocate General's Corps who has the qualifications prescribed for the Judge Advocate General in section 5148(b) of this title shall be detailed as Assistant Judge Advocate General of the Navy. While so serving he is entitled to the rank and grade of rear admiral (lower half), unless entitled to a higher rank or grade under another provision of law. An officer who is retired while serving as Assistant Judge Advocate General of the Navy under this subsection or who, after serving at least twelve months as Assistant Judge Advocate General of the Navy, is retired after completion of that service while serving in a lower rank or grade, may, in the discretion of the President, be retired with the rank and grade of rear admiral (lower half). If he is retired as a rear admiral, he is entitled to retired pay in the lower half of that grade, unless entitled to higher pay under another provision of law."

And in lieu thereof, insert:

"(b) A judge advocate of the Navy or the Marine Corps who has the qualifications prescribed for the Judge Advocate General in section 5148(b) of this title shall be detailed as Assistant Judge Advocate General of the Navy. While so serving, he is entitled to the rank and grade of rear admiral (lower half), or brigadier general, as appropriate, unless entitled to a higher rank under another provision of law. An officer who is retired while serving as Assistant Judge Advocate General of the Navy under this subsection or who, after serving at least twelve months as Assistant Judge Advocate General of the Navy, is retired after completion of that service while serving in a lower rank or grade, may in the discretion of the President, be retired with the grade of rear admiral (lower half), or brigadier general, as appropriate. If he is retired as a rear admiral, he is entitled to retired pay in the lower half of this grade, unless entitled to higher pay under another provision of law. If he is retired as a brigadier general he is entitled to the retired pay of a brigadier general."

Mr. ERVIN. I shall offer these amendments with the approval of the chairman of the Committee on Armed Services for the purpose of accomplishing the overall objective of the Committee on Armed Services in approving the bill.

Mr. President, I offer an amendment to the committee amendment.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 4, beginning with line 24, strike out all down through line 17 on page 5 and insert in lieu thereof the following:

"(b) An officer of the Judge Advocate General's Corps who has the qualifications prescribed for the Judge Advocate General in section 5148(b) of this title may be detailed as Assistant Judge Advocate General of the Navy. While so serving he is entitled to the rank and grade of rear admiral (lower half), unless entitled to a higher rank or grade under another provision of law. An officer who is retired while serving as Assistant Judge Advocate General of the Navy under this subsection or who, after serving at least twelve months as Assistant Judge Advocate General of the Navy, is retired after completion of that service while serving in a lower rank or grade, may, in the discretion of the President, be retired with the rank and grade of rear admiral (lower half). If he is retired as a rear admiral, he is entitled to retired pay in the lower half of that grade, unless entitled to higher pay under another provision of law.

"(c) A judge advocate of the Marine Corps who has the qualifications prescribed for the Judge Advocate General in section 4158(b) of this title may be detailed as Assistant Judge Advocate General of the Navy. While so serving he is entitled to the rank and grade of brigadier general, unless entitled to a higher rank or grade under another provision of law. An officer who is retired while serving as Assistant Judge Advocate General of the Navy under this subsection or who, after serving at least twelve months as Assistant Judge Advocate General of the Navy, is retired after completion of that service while serving in a lower rank or grade, may, in the discretion of the President, be retired with the rank and grade of brigadier general. If he is retired as a brigadier general, he is entitled to the retired pay of that grade, unless entitled to higher pay under another provision of law."

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment.

The amendment was agreed to.

The committee amendment, as amended, was agreed to.

The PRESIDING OFFICER. The clerk will state the next committee amendment.

The legislative clerk read as follows:

On page 5, after line 17, strike out:

"(c) A judge advocate of the Marine Corps who has the qualifications prescribed for the Judge Advocate General in section 4158(b) of this title shall be detailed as Assistant Judge Advocate General of the Navy. While so serving he is entitled to the rank and grade of bridadier general, unless entitled to a higher rank or grade under another provision of law. An officer who is retired while serving as Assistant Judge Advocate General of the Navy under this subsection or who, after serving at least twelve months as Assistant Judge Advocate General of the Navy, is retired after completion of that service while serving in a lower rank or grade, may, in the discretion of the President, be retired with the rank and grade of brigadier general. If he is retired as a brigadier general, he is entitled to the retired pay of that grade, unless entitled to higher pay under another provision of law."

The committee amendment was agreed to.

The PRESIDING OFFICER. The next committee amendments, on page 6, will be stated.

The legislative clerk read as follows:

On page 6, at the beginning of line 10, strike out "(d)" and insert "(c)"; at the beginning of line 16, strike out "(c)" and insert "(d)"; in the same line, after the word "subsection" strike out "(d)" and insert "(c)"; in line 18, after the word "Judge", strike out "Advocates" and insert "Advocate".

Mr. ERVIN. Mr. President, I move that these committee amendments be rejected.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from North Carolina.

The motion was agreed to.

The PRESIDING OFFICER. The remaining committee amendments will be stated.

The legislative clerk read as follows:

On page 12, line 5, after the word "grade" strike out "all provisions of title 10, United States Code, not inconsistent with this Act, relating to officers of the Medical Corps of the Navy shall apply to officers of the Judge Advocate General's Corps of the Navy."; on page 13, at the beginning of line 6, insert "Redesignation of an officer under section 8(b) of this Act shall not operate to change the computation of his service for any purpose."; and, after line 12, insert a new section, as follows:

"SEC. 12. Title 10, United States Code, is amended by inserting the words, 'the Judge Advocate General's Corps,' after the words 'the Medical Corps' in section 5652a and by inserting the words 'the Judge Advocate General's Corps,' after the words 'the Medical Corps,' in sections 5581, 5702(b), 5708(c)(1), 5753(b), 5896(a) (3) and (4), 5897(c)(1), and 6378(b)(7)."

The committee amendments were agreed to.

Mr. ERVIN. Mr. President, the purpose of the amendments which I have offered is to make the assignment of a flag officer or general officer to the positions of Assistant Judge Advocate General of the Navy, which are created by the bill, permissive rather than mandatory; and it is merely to take care of the present objection of the Navy that it is unable to subtract from present authorized flag officers and general officers for these posts. The amendments would make it permissive rather than mandatory.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H.R. 12910) was read the third time, and passed.

PROPOSED LEGISLATION GRANTING MASTERS OF CERTAIN U.S. VESSELS A LIEN ON THOSE VESSELS FOR THEIR WAGES AND FOR CERTAIN DISBURSEMENTS

Mr. BARTLETT. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on H.R. 162.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 162) to grant the masters of certain U.S. vessels a lien on those vessels for their wages and for certain disbursements, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BARTLETT. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. BARTLETT, Mr. BREWSTER, Mr. GRIFFIN, and Mr. COTTON the conferees on the part of the Senate.

ENROLLED BILL SIGNED

The PRESIDING OFFICER announced that on today, November 16, 1967, the President pro tempore signed the enrolled bill (S. 1556) for the relief of Dr. Orlando O. Lopez, which had previously been signed by the Speaker of the House of Representatives.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDING OFFICER laid before the Senate the following letters, which were referred as indicated:

REPORTS OF THE COMPTROLLER GENERAL

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report on improved inventory controls needed for the Departments of the Army, Navy, and Air Force and the Defense Supply Agency, Department of Defense, dated November 1967 (with an accompanying report); to the Committee on Government Operations.

A letter from the Comptroller General of the United States transmitting, pursuant to law, a report on the need for improvement in the management of equipment for the military assistance program, Department of Defense, Department of the Army, dated November 1967 (with an accompanying report); to the Committee on Government Operations.

Proposed Amendment of Section 1072(2), Title 10, United States Code

A letter from the Under Secretary of the Air Force, transmitting a draft of proposed legislation to amend section 1072(2) of title 10, United States Code, to include a foster child within the definition of dependent (with an accompanying paper); to the Committee on Armed Services.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BARTLETT, from the Committee on Commerce, without amendment:

S. 2152. A bill to authorize the vessel *Orion* to engage in the coastwise trade (Rept. No. 786);

H.R. 168. An act to amend the act of June 20, 1918, relating to the retirement age requirements of certain personnel of the Coast Guard (Rept. No. 787);

H.R. 1006. An act to provide an increase in the retired pay of certain members of the former Lighthouse Service (Rept. No. 788); and

H.R. 3351. An act to amend the act of August 19, 1950, to provide annuity benefits for an additional number of widows of employees of the Lighthouse Service (Rept. No. 789).

By Mr. BARTLETT, from the Committee on Commerce, with an amendment:

S. 2247. A bill to amend the Merchant Marine Act, 1936, to increase the Federal ship mortgage insurance available in the case of certain oceangoing tugs and barges (Rept. No. 790); and

H.R. 169. An act to increase the amount of benefits payable to widows of certain former employees of the Lighthouse Service, and thereafter to provide for cost-of-living increases in benefits payable to such widows and to such former employees (Rept. No. 791).

By Mr. BARTLETT, from the Committee on Commerce, with amendments:

S. 2140. A bill to authorize the exchange of certain vessels for conversion and operation in nonsubsidized service between the west coast of the United States and the territory of Guam (Rept. No. 792).

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, without amendment:

H.R. 10442. An act to facilitate exchanges of land under the Act of March 20, 1922 (42 Stat. 465), for use for public schools, and for other purposes (Rept. No. 793).

By Mr. TALMADGE, from the Committee on Agriculture and Forestry, with amendments:

S. 2565. A bill to amend the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, and for other purposes (Rept. No. 794).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KUCHEL (for himself, Mr. Cooper, and Mr. Murphy):

S. 2668. A bill to amend section 402 of the Agricultural Trade Development and Assistance Act of 1954, as amended, in order to remove certain restrictions against alcoholic beverages under title I of such act; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. Kuchel when he introduced the above bill, which appears under a separate heading.)

By Mr. JAVITS (for himself, Mr. Brewster, Mr. Cooper, and Mr. Hartke):

S. 2669. A bill for the establishment of a Commission on Revision of the Antitrust Laws of the United States; to the Committee on the Judiciary.

(See the remarks of Mr. Javits when he introduced the above bill, which appear under a separate heading.)

By Mr. GORE:

S. 2670. A bill to authorize the Secretary of the Air Force to convey certain lands in Tennessee to the Industrial Board of Coffee County, Tenn., Inc.; to the Committee on Armed Services.

RECTIFYING AN INJUSTICE UNDER THE FOOD-FOR-PEACE PROGRAM

Mr. KUCHEL. Mr. President, in August of 1966, the Senate passed an amendment specifically excluding the sales or gifts of alcoholic beverages under Public Law 480—the food-for-peace program. This amendment became law in November of 1966.

It is clear that the Congress never intended that the donation of tobacco or the sale or gift of alcoholic beverages be included within the noble purposes of a program aimed at combating hunger and malnutrition in the underdeveloped nations of the world. This amendment served to clarify and strengthen that intent. But it also resulted in an effect which was not intended. The amendment was so drafted as to prohibit the alcoholic beverage industry from participating in another important aspect of the food-for-peace program; namely, the promotion of American agricultural commodities abroad. Such a consequence was never intended by the author of the amendment, the distinguished senior Senator from Kentucky [Mr. Cooper] nor by the Senate or the Congress in adopting that amendment.

One of the principal purposes of Public Law 480 was to increase the consumption of U.S. agricultural commodities in foreign countries. Pursuant to this authorization, the U.S. Department of Agriculture through its International Trade Fairs Division and the Department of Commerce sponsor trade fairs and promotions in various countries of the world. The American wine industry has only in recent years started to develop foreign markets. The industry has been requested by the U.S. Government to participate in such fairs and promotions. Such participation has not been deemed feasible until an actual placement of our products has been made in an area served by such a trade fair.

Mr. President, California is renowned for its wine industry. Our wines presently are in over 50 countries. It is imperative that if the wine industry and, for that matter, the entire alcoholic beverage industry, is to develop a proper foreign market, all vehicles of promotion should be available to it. Even more important, is the need to be sure that there are no restrictions placed against the promotion of such products through a definition such as that unintentionally written into Public Law 480 last year.

Such a definition not only jeopardizes the treatment of alcoholic beverages under the food-for-peace program but could well threaten its treatment as an agricultural commodity by other governmental agencies. A question is also raised as to the effect of an extension of this definition on the Marketing Act programs of the U.S. Department of Agriculture.

In August of 1967, the U.S. Department of Agriculture determined that the amendment had this unintended effect of prohibiting the promotion of any alcoholic beverages in the market development program. The Department recommended the need for legislative action. With the cooperation of the distinguished author of the original amendment, Senator Cooper, with the assistance of counsels at the Department of Agriculture, and with the advice of representatives of the Wine Institute of California, I have prepared a brief proposal to correct the injustice created by the 1966 proposal. It would allow representatives of the alcoholic beverages industry the right to participate in "market development activities carried out under title I of this act which have as their purpose the expansion of export sales of U.S. agricultural commodities."

I am hopeful that because of the overwhelming support and need for such a correction, this bill can be expeditiously acted upon by the Senate Agriculture Committee and the Senate.

I therefore introduce for myself, the distinguished Senator from Kentucky [Mr. Cooper], and my distinguished colleague from California [Mr. Murphy], a bill to amend section 402 of the Agricultural Trade Development and Assistance Act of 1954, as amended, in order to remove certain restrictions against alcoholic beverages under title I of such act.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2668) to amend section 402 of the Agricultural Trade Development and Assistance Act of 1954, as amended, in order to remove certain restrictions against alcoholic beverages under title I of such act, introduced by Mr. Kuchel (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

Mr. KUCHEL. Mr. President, the Senator from Kentucky [Mr. Cooper] is necessarily absent today. However, we discussed this matter earlier, and he has asked me to place in the Record his statement on this subject. I ask unanimous consent that it be included at this point in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

Statement of Senator Cooper in Support of S. 2668

I am very glad to join with the senior Senator from California (Mr. Kuchel) in sponsoring Senate bill 2668.

The purpose of the bill is to correct an unintended result of an amendment which I offered when extension of P.L. 480, the Food for Peace Act, was before the Senate last year—which was adopted by the Senate and became law. I am sure that any effect on the promotion of California wines at international trade fairs, which the Senator from California has referred to, was never intended when the Senate considered the amendment—and certainly was not intended by me.

The amendment which I secured arose in this way. The Senator from Delaware (Mr. Williams) had offered an amendment excluding from the definition of the term "agricultural commodity," alcoholic beverages and tobacco. That proposal would have prevented the sale of tobacco to other countries under title I of the Act, as well as prohibiting the donation of alcoholic beverages and tobacco under title II of the Act.

I offered a substitute amendment, limiting the application of the Williams amendment, so far as tobacco was concerned, to title II. In doing so, I pointed out that no tobacco had been given away under Public Law 480, and that it was not intended to do so. But tobacco is sold under the program, and the purpose of my amendment was to make clear that tobacco could continue to be sold for dollar credits or for local currencies under that program. I stated in the Senate:

"We propose in this amendment to make clear that it was not intended to sell or give away alcoholic beverages under this bill. Of course, it never was so intended.

"Our amendment would permit the sale of tobacco and its products, but it would not permit the charitable gift of tobacco. Tobacco is not given away now; it is sold.

"So when the vote comes upon our amendment, the Senate will be voting whether or not to continue the same program that we have known since 1954, when Public Law 480 was first enacted."

I think the legislative history is clear that no change was intended in the operation of the PL 480 program, or in the policies or practices of the Department of Agriculture in carrying out that program. Rather, the effect of my substitute was to remove the practical effect of the amendment of the Senator from Delaware, which would have been to prohibit the sale of tobacco. In fact, during the debate on August 31, 1966, the Senator from Delaware stated, and I think I quote him correctly:

"Mr. President, the adoption of the amendment of the Senator from Kentucky would nullify any effect whatsoever of the Williams amendment now pending."

He stated further:

"The fact is that its purpose is to defeat the original amendment. As I stated earlier, alcoholic beverages never have been in the bill and are not in the bill now. No one ever had any intention of putting them in.

"I am also advised that tobacco has not been given away under title II of the bill and outright gifts are not contemplated now.

"Therefore, adoption of the amendment which would prohibit giving away tobacco means nothing.

"There is no argument about the purpose of the Cooper amendment—it is intended to nullify the Williams amendment."

My amendment was adopted by the Senate by a vote of 50 to 16, and was maintained in the Senate-House Conference.

As I understand, the problem which the bill introduced today by the Senator from California is designed to correct arises because both the Williams amendment and my substitute for it, were directed to the definition of terms applicable to the Act. I am informed that the General Counsel of the Department of Agriculture has ruled that exclusion of agricultural beverages from the term "agricultural products" inhibits the authority of the Department of Agriculture under the Act to encourage or assist in the promotion by representatives of the California wine industry, of their product at international trade fairs.

I believe the amendment now proposed would correct this unintended result, and am glad to join as a cosponsor of the bill. I hope it may be promptly considered by the Committee on Agriculture, and that it will be adopted.

NEEDED REVIEW OF THE U.S. ANTITRUST LAWS

Mr. JAVITS. Mr. President, on behalf of myself, the Senator from Maryland [Mr. BREWSTER], the Senator from Kentucky [Mr. COOPER], and the Senator from Indiana [Mr. HARTKE], I introduce, for appropriate reference, a bill to establish a Federal Commission to carry out a much needed review of the antitrust laws of the United States, and I ask unanimous consent that the bill be printed in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2669) for the establishment of a Commission on Revision of the Antitrust Laws of the United States, introduced by Mr. JAVITS (for himself and other Senators), was received, read twice by its title, referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

S. 2669

Whereas the antitrust statutes of the United States are in certain major areas of their application in need of revision; and

Whereas there exists under the antitrust statutes of the United States conflicts in policy as to the proper standards of conduct required to be observed by American business; and

Whereas a thorough examination is essential in order to determine the impact of such statutes upon the productivity and long-range economic growth of the United States and upon United States foreign trade, investment, and economic policy: Therefore,

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

DECLARATION OF POLICY

SECTION 1. It is hereby declared to be the policy of the Congress to promote the economy of the United States, to increase the efficiency of the United States business (which is defined to include management, labor, investors, farmers, and consumers), to improve quality, stabilize prices, and increase output and real wages, to promote the free flow of goods and services to the American people and to enable United States business to play its proper role in the preservation and development of freedom and well-being at home and abroad by (1) improving the laws prohibiting monopoly and unreasonable restraints on trade and commerce; (2) clarifying standards of conduct under the antitrust laws in domestic and foreign business; (3) adjusting the antitrust policies of the Federal Government as they affect the productivity and long-range economic growth of the United States and United States foreign trade, investment, and economic policy; (4) eliminating conflicts in policy and inconsistencies in the said antitrust laws as interpreted by the courts, administrative and regulatory agencies; (5) providing limits upon the responsibility under said laws of business for acts performed at the request of duly authorized United States Government authorities; (6) revising Federal antitrust laws where their effect is to impair initiative and business development in the public interest; (7) coordinating the activities of the Government in relation to the administration and enforcement of the antitrust laws; and (8) improving the methods and procedures of administration and enforcement of such laws.

ESTABLISHMENT OF THE COMMISSION ON REVISION OF THE ANTITRUST LAW

SEC. 2. For the purpose of carrying out the policies set forth in section 1 of this Act, there is hereby established a bipartisan commission to be known as the Commission on Revision of the Antitrust Laws (in this Act referred to as the "Commission").

MEMBERSHIP OF THE COMMISSION

SEC. 3. (a) NUMBER AND APPOINTMENT.—The Commission shall be composed of twenty-four members as follows:

(1) Eight appointed by the President of the United States, four from the executive branch of the Government and four from private life.

(2) Eight appointed by the President of the Senate, four from the Senate and four from private life.

(3) Eight appointed by the Speaker of the House of Representatives, four from the House of Representatives and four from private life.

(b) POLITICAL AFFILIATION.—Of each class of four members mentioned in subsection (a), not more than two members shall be from each of the two major political parties.

(c) VACANCIES.—Vacancies in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made.

ORGANIZATION OF THE COMMISSION

SEC. 4. The Commission shall elect a Chairman and a Vice Chairman from among its members.

QUORUM

SEC. 5. Thirteen members of the Commission shall constitute a quorum.

COMPENSATION OF MEMBERS OF THE COMMISSION

SEC. 6. (a) MEMBERS OF CONGRESS.—Members of Congress, who are members of the Commission, shall serve without compensation in addition to that received for their services as Members of Congress, but they shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of the duties vested in the Commission.

(b) MEMBERS FROM THE EXECUTIVE BRANCH.—Any member of the Commission who is in the executive branch of the Government shall receive the compensation which he would receive if he were not a member of the Commission, plus such additional compensation, if any, as is necessary to make his aggregate salary not exceeding $30,000; and he shall be reimbursed for travel, subsistence, and other necessary expenses incurred by him in the performance of the duties vested in the Commission.

(c) MEMBERS FROM PRIVATE LIFE.—The members from private life shall each receive not exceeding $75 per diem when engaged in the performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred by them in the performance of such duties.

STAFF OF THE COMMISSION

SEC. 7. The Commission shall have power to appoint and fix the compensation of such personnel as it deems advisable in accordance with the provisions of the civil service laws and the Classification Act of 1949.

EXPENSES OF THE COMMISSION

SEC. 8. There is hereby authorized to be appropriated out of any money in the Treasury, not otherwise appropriated, so much as may be necessary to carry out the provisions of this Act.

EXPIRATION OF THE COMMISSION

SEC. 9. Sixty days after the submission to Congress of the report provided for in section 10(b), the Commission shall cease to exist.

DUTIES OF THE COMMISSION

SEC. 10. (a) INVESTIGATION.—The Commission for the purpose of recommending to the Congress measures required under and amendments to the antitrust laws to accomplish the policy declared in section 1 of this Act, and other measures deemed by the Commission necessary or appropriate thereto shall study and investigate and shall hear evidence with a view toward determining, but without limitation, (1) the effect of the existing price systems and pricing polices of trade and industry upon the general level of trade, employment, profits, production, and consumption; (2) the effect and operation of existing antitrust statutes as interpreted by and administered under judicial decisions and administrative regulations, decisions, and orders, upon competition, price levels, employment, profits, production, and consumption; (3) the extent and causes of concentration of economic power and financial control and their effect on competition and the public interest; and (4) the capability of trade and industry to assist our Nation in meeting its responsibilities at home and abroad.

(b) REPORT.—The Commission shall make a report of its findings and recommendations to the Congress on or before February 1, 1967, and may submit interim reports prior thereto.

POWERS OF THE COMMISSION

SEC. 11. (a)(1) HEARINGS.—The Commission or, on the authorization of the Commission, any subcommittee thereof, may, for the purpose of carrying out its functions and duties, hold such hearings and sit and act at such times and places, administer such oaths, and require, by subpena or otherwise, the attendance and testimony of such witnesses, and the production of such books, records, correspondence, memorandums, papers, and documents as the Commission or such subcommittee may deem advisable. Subpenas may be issued under the signature of the Chairman or Vice Chairman, or any duly designated member, and may be served by any person designated by the Chairman, the Vice Chairman, or such member.

(2) In case of contumacy or refusal to obey a subpena issued under paragraph (1) of this subsection, any district court of the United States or the United States court of any possession, or the District Court of the United States for the District of Columbia, within the jurisdiction of which the inquiry is being carried on or within the jurisdiction of which the person guilty of contumacy or refusal to obey is found or resides or transacts business, upon application by the Attorney General of the United States shall have jurisdiction to issue to such person an order requiring such person to appear before the Commission or a subcommittee thereof, there to produce evidence if so ordered, or there to give testimony touching the matter under inquiry; and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(b) OFFICIAL DATA.—Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Commission, upon request made by the Chairman or Vice Chairman, such information as the Commission deems necessary to carry out its functions under this Act.

Mr. JAVITS. Mr. President, our basic antitrust laws were written in the latter part of the 19th century and the early part of this century and, with few exceptions have not been overhauled since.

The bill I have introduced today is identical to a bill I introduced in the last Congress. It would establish a 24-member bipartisan Commission composed of 8 Members of Congress, four members of the executive branch, and 12 experts from the private sector. The Commission would be charged with the duties of examining the antitrust laws and making recommendations for revising them. Among other matters which the Commission would specifically be asked to investigate are first, the effect of the existing price systems and pricing policies of trade and industry upon the general level of trade, employment, profits, production, and consumption; second, the effect and operation of existing antitrust statutes as interpreted by and administered under judicial decisions and administrative regulations, decisions, and orders, upon competition, price levels, employment, profits, production, and consumption; third, the extent and causes of concentration of economic power and financial control and their effect on competition and the public interest; and fourth, the capability of trade and industry to assist our Nation in meeting its responsibilities at home and abroad.

Mr. President, in the 77 years since the Sherman Act was initially passed vast changes have taken place in the economic structure of America, changes which could hardly been foreseen at that time. The changes in our economy that have taken place during the past 77 years naturally have given rise to a whole host of specific questions, not resolved by the construction given the broad language in which our basic antitrust legislation is couched. I am particularly concerned that the manner in which the antitrust laws are now being applied may be having an adverse effect upon our domestic productivity, on our long-range economic growth, and on our foreign trade policy generally.

For the past few years we have been preoccupied not only with the question of the growth rate of the domestic economy, but with our balance-of-payments problems. Although the balance-of-payments problem is not as crucial now as it was a few years ago, it is still with us. In my opinion the problem is aggravated by the fact that our antitrust laws, as they operate abroad today, materially prejudice the ability of U.S. concerns to deal across national boundaries. It is well recognized that in order to meet our balance-of-payments problems we must keep our exports at the highest possible level. To do this our exporters must have a fair competitive status in relation to their competitors abroad. In my judgment and that of many experts in the field, our antitrust laws put our companies at a serious competitive disadvantage abroad. At home many of our businesses seek an expression of the Nation's antitrust philosophy and goals. Some legal experts have stated that the existing laws have contributed to rigid domestic price structures and prevented innovation of marketing techniques.

No less pressing is the need to encourage the investment of private capital of the United States and other developed countries in the underdeveloped countries. Again it is widely felt that our antitrust laws are an inhibiting factor, particularly to the establishment of consortia of United States and other private companies from industrialized countries grouping to invest in less-developed countries. In both instances, there is a deep conflict between our antitrust philosophy and other major national policies when there should be coordination and thoughtful accommodation between them.

The many experts who have called for reexamination of antitrust policy in the foreign field in recent years comprise an impressive array, including the Committee on International Trade Regulation of the Section of International and Comparative Law of the American Bar Association, 1953; the National Foreign Trade Council and the U.S. Council of the International Chamber of Commerce, 1955; the report of the Subcommittee on Subsidiaries in Foreign Trade of the Committee on Antitrust Problems in International Trade, Antitrust Section of the American Bar Association, 1955; the Special Committee on Antitrust laws and Foreign Trade of the Association of the Bar of the City of New York, 1957; the President's Committee on World Economic Practices, 1959; former Gov. Thomas E. Dewey, 1961; former Attorney General Herbert Brownell, 1962; the White House Conference on Foreign Trade, 1963; and the Committee on International Trade Regulation of the Section of International and Comparative Law of the American Bar Association, 1963.

All these experts have concluded that uncertainty about enforcement of U.S. antitrust laws extraterritorially is the greatest single inhibitor to increased foreign trade and investment. The report of the ABA Committee on Trade Regulation in 1963, for example, highlighted the following principal specific areas of uncertainty in this field:

First, uncertainty as to the terms under which a U.S. business may enter into a joint venture with a competitor, either American or foreign, to engage in business abroad;

Second, uncertainty as to the extent to which U.S. business may cooperate in association with foreign competitors, even when the association is required or permitted by the laws of the foreign country where the activity takes place;

Third, uncertainty as to the extent to which a U.S. business may include territorial and other limitations in patents, trademarks, and know-how licenses;

Fourth, uncertainty due to conflicts between antitrust laws of the United States and the laws of foreign countries and most unfortunately, economic communities, such as the European Common Market; and

Fifth, protests by foreign governments due to extraterritorial application of U.S. antitrust laws to their nationals.

Other areas for study include first, the extraterritorial application of the antitrust laws where potential United States and European private enterprise cooperate for development of underdeveloped nations; second, the development of business organizations along the lines of the Communications Satellite Corp., including the possibility of wide-scale joint cooperative efforts by Government and industry in partially public, partially private, corporations to undertake vast ventures in the realm of space and atomic technology. The size and complexity of the subject matter and the public interest involved in such undertakings may make wholly private ownership unfeasible and the productive capacity of private ownership and technological risks involved make wholly public ownership unsatisfactory. Numerous other potential applications of this novel and very hopeful technique make a thorough study of antitrust implications highly important.

Some legal experts, for example, have stated that the existing laws have contributed to rigid domestic price structures and prevented the innovation of marketing techniques and the full utilization of research and development. Others claim the uncertainties of post facto antitrust suits or prosecution is very inhibiting to business progress in the public interest.

The list of critical cases which the proposed Commission would be charged with studying could be elaborated at much greater length. But these are some of the major areas of concern.

In the last analysis the enormous job of studying, recommending, and enacting the antitrust laws is with the Congress. The tendency has been in recent years for a major part of antitrust policy to be articulated by the enforcement agencies and the courts. The Commission, I propose, would reassert a firm congressional voice in basic antitrust policy. I offered a similar bill in the 89th Congress and other Congresses and I hope action will now be taken.

SOCIAL SECURITY AMENDMENTS OF 1967—AMENDMENTS

AMENDMENT NO. 441

Mr. METCALF submitted an amendment, intended to be proposed by him, to the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 442

Mr. MILLER submitted amendments, intended to be proposed by him, to House bill 12080, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 443

Mr. MOSS submitted an amendment, intended to be proposed by him, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 444

Mr. KUCHEL submitted an amendment, intended to be proposed by him, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

(See reference to the above amendment when submitted by Mr. KUCHEL, which appears under a separate heading.)

AMENDMENT NO. 445

Mr. PROUTY (for himself and Mr. COTTON) proposed an amendment to House bill 12080, supra, which was ordered to be printed.

(See reference to the above amendment when proposed by Mr. PROUTY, which appears under a separate heading.)

ADDITIONAL COSPONSORS OF BILLS

Mr. HANSEN. Mr. President, I ask unanimous consent that at its next printing, the name of the Senator from Wyoming [Mr. McGEE] be added as a cosponsor of the bill (S. 2645) to authorize the distribution of certain funds on deposit in the Treasury of the United States to the credit of the Arapahoe Tribe of the Wind River Reservation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. Mr. President, I ask unanimous consent that, at its next printing, the name of the distinguished junior Senator from Pennsylvania [Mr. SCOTT] be added as a cosponsor of the bill (S. 644) to prohibit the transportation or shipment in interstate commerce of master keys to persons prohibited by State law from receiving or possessing them.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, on behalf of the Senator from Minnesota [Mr. MONDALE] I ask unanimous consent that, at the next printing, the name of the Senator from South Dakota [Mr. MUNDT] be added as a cosponsor of the bill (S. 2527) to encourage the movement of butter into domestic commercial markets.

The PRESIDING OFFICER. Without objection, it is so ordered.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, November 16, 1967, he presented to the President of the United States the following enrolled bills:

S. 780. An act to amend the Clean Air Act to authorize planning grants to air pollution control agencies; expand research provisions relating to fuels and vehicles; provide for interstate air pollution control agencies or commissions; authorize the establishment of air quality standards, and for other purposes; and

S. 1556. An act for the relief of Dr. Orlando O. Lopez.

THE CONTINUING MENACE OF WEEDS TO AGRICULTURE, HUMANS, AND LIVESTOCK

Mr. CARLSON. Mr. President, although weed control operations on privately owned lands in the United States is enormous, weeds continue to be a menace to our Nation's agricultural economy and a threat to the health of humans and livestock.

The scope of the weed menace is far more broad and serious than the average layman realizes. Weeds are a serious threat to food and fiber production. They reduce yields and lower the quality of crops and livestock.

Weeds lower the productivity and efficiency of land use and reduce the efficiency of water management. They impair human health and reduce the efficiency of labor. Weeds harbor insects and disease-producing organisms and reduce the efficiency of production and harvesting equipment. Weeds also ruin lakes, ponds, parks, and recreation areas; they are an unsightly blight on America's beautification program.

Faced with this menace, private interests have literally waged a war on weeds. Cultural, mechanical, ecological, and other biological methods of weed control are used on more than 400 million acres of cultivated crops each year. Weed control practices are also utilized on more than 1 billion acres of hay, pasture, and rangelands and millions of acres of nonagricultural lands, aquatic sites, and rights-of-way. Herbicides are now used as a standard farm practice on more than 120 million acres at a cost of $400 million each year.

Yet, despite significant developments in chemical and nonchemical methods of weed control, the annual losses caused by weeds are intolerable. The U.S. Department of Agriculture estimates that weeds reduce agricultural production on all levels about 8 percent each year.

Farmers spend about $2.5 billion each year to control weeds. Nevertheless, the losses caused by weeds and the cost of their control is estimated at $5 billion each year; a loss our country should not and cannot continue to bear.

Private interests have done much concerning weed control, however their fight against this agricultural menace is only one-half of the picture. Federal agencies are responsible for the management of about 1 billion acres of public land; land closely associated with private land used for crop production, grazing, and forestry.

Most of the public land is infested with one or more species of weeds, more than 10 million acres classified as noxious. Many States have enacted noxious weed control laws, however, State programs are ineffective unless noxious weeds are controlled on public lands.

The losses caused by weeds on privately owned lands cannot be reduced unless weeds on federally managed public lands are controlled. Weeds on public lands and nonagricultural lands are a constant source of reinfestation of privately owned farmlands. Annual reinfestation increases the cost of control by all methods. The burden becomes endless for those who produce our Nation's food and fiber supply.

The loss to farmers is only a part of the total picture concerning the national weed menace. Many acres of public land are infested with poisonous plants. In many of our national parks, poison ivy, poison oak, and other poisonous plants are a menace to many unsuspecting persons seeking recreation. Each year poison ivy, poison oak, and similar plants cause nearly 2 million cases of skin poisoning and other skin irritations, all of which adds up to an annual loss of 333,000 working days. In addition, these poisonous weed plants cause 3.7 million days of restricted activity and one-half million days spent in bed. We do not have statistics on the reduced efficiency, cost of medical care, and other information related to losses caused by ragweed and by other weed pollens to which hundreds of thousands of people are allergic. Weed pollens are a constant and expensive irritation to thousands of citizens who suffer from allergies.

I would like to stress that today's modern technology can provide us with the means of effectively winning the war against weeds. Recent advances in chemical and nonchemical weed control technology make it possible to control weeds effectively, safely, and economically on federally managed public lands.

We can win the war against noxious and other weeds that pose such a serious threat to health and agriculture. We must provide adequate authority and the resources needed to accomplish this important objective.

I would also like to insert in the Record two resolutions that expressly point out the importance of weed control; the resolution adopted by the National Association of State Departments of Agriculture and the resolution adopted by the Western Governors' Conference. Both resolutions demonstrate the growing national awareness over the need for action concerning noxious weed control. I ask unanimous consent that these two resolutions and a copy of the bill be printed in the Record.

There being no objection, the two resolutions and the bill were ordered to be printed in the Record, as follows:

Resolution XXII—Plant Industry: Weed Control on Federally Owned Lands

Whereas, the American farmer has been beset by continually increasing production costs in producing a bountiful food supply for the American public as well as a large part of the world; and

Whereas, noxious weeds and especially the perennial type annually cut production of crops a considerable amount; and

Whereas, the farmer through assessment in weed districts and personal expense has expended almost prohibitive sums of money in attempting to control and eradicate perennial weeds; and

Whereas, especially in our mountainous areas of the western states much of the land on the upper reaches of our rivers is federally owned; and

Whereas, much of this type of federal land is not easily accessible and is difficult to treat for perennial weed control and eradication; and

Whereas, the seed from perennial weeds on the upper reaches of our rivers is carried downstream and reinfests areas upon which private and public funds have been expended and negates much of the progress made in weed control: Therefore be it

Resolved, That The National Association of State Departments of Agriculture in convention assembled in Atlanta, Georgia, October 1–5, 1967, through its Board of Directors, lends its support to legislation now before the Congress to appropriate necessary funds that will enable the treatment of federally-owned lands for weed eradication and control; and be it

Resolved further, That The National Association of State Departments of Agriculture requests the Agricultural Research Service of the U.S. Department of Agriculture to increase its activities in the field of research on chemicals and methods to control perennial weeds on the upper reaches of our rivers.

VII. Noxious Weed Control

(Resolution adopted by 1967 Annual meeting Western Governors' Conference, June 28, 1967, West Yellowstone, Mont.)

Whereas, Noxious weeds are a problem in all states of the United States and it is difficult for states individually to control noxious weeds without interstate cooperation; and

Whereas, A large part of the land in many states is controlled by the federal government and therefore federal cooperation is essential to effective weed control; and

Whereas, Noxious weeds do invade the states from other states and foreign countries; and

Whereas, The United States Department of Agriculture is limited in its authority of noxious weed control to the protection and improvement of future productivity of range lands;

Now, therefore, be it resolved, By the 1967 Annual Meeting of the Western Governors' Conference at West Yellowstone, Montana, that the Secretary of Agriculture be urged to obtain a noxious weed control law affecting federally-owned lands.

S. —

A bill to provide for the control of noxious plants on land under the control or jurisdiction of the Federal Government.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the heads of Federal departments or agencies are authorized and directed to permit the commissioner of agriculture or other proper agency head of any State in which there is in effect a program for the control of noxious plants to enter upon any lands under their control or jurisdiction and destroy noxious plants growing on such land if—

(1) such entry is in accordance with a program submitted to and approved by such department or agency;

(2) the means by which noxious plants are destroyed are acceptable to the head of such department or agency; and

(3) the same procedure required by the State program with respect to privately owned land has been followed.

Sec. 2. Any State incurring expenses pursuant to section 1 of this Act upon presentation of an itemized account of such expenses shall be reimbursed by head of the department or agency having control or jurisdiction of the land with respect to which such expenses were incurred: *Provided*, That such reimbursement shall be only to the extent that funds appropriated specifically to carry out the purposes of this Act are available therefor during the fiscal year in which the expenses are incurred.

Sec. 3. There are hereby authorized to be appropriated to departments or agencies of the Federal Government such sums as the Congress may determine to be necessary to carry out the purposes of this Act.

"NORTHERN LINES" RAILROAD MERGER DECISION DUE SOON

Mr. MANSFIELD. Mr. President, yesterday morning, when I picked up the Wall Street Journal, I was quite concerned to read an article reporting that the Interstate Commerce Commission was planning to reverse its 1966 decision and approve the consolidation of the Great Northern, Northern Pacific, Burlington & Spokane, Portland & Seattle Railroads.

The Montana congressional delegation has opposed this plan for many years, and, insofar as my Senate colleague, Senator Metcalf, and I are concerned, we will still oppose the merger. In our estimation there is no need or basis for the consolidation and would be an economic blow to the State of Montana.

Yesterday, Senator Metcalf and I addressed a strong letter to the Chairman of the Interstate Commerce Commission which I ask unanimous consent to have printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Mr. President, in addition, I ask unanimous consent to have the November 15 article published in the Wall Street Journal printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Highball for Six Railroads: ICC Seen Voting "Northern Lines" Merger; Decision, Due Soon, Will Reverse 1966 Ruling

(By Todd E. Fandell)

Chicago.—The Interstate Commerce Commission, reversing a ruling it made 19 months ago, has decided to approve the long-pending "Northern Lines" merger, it was learned.

The commission hasn't yet taken its final and official vote, but approval of a lengthy staff-prepared report in favor of the merger is expected to be a formality, it is understood. Announcement of the decision is expected shortly, possibly within less than a week and almost certainly before the end of November, industry sources say.

The merger would create a mammoth 26,500-mile rail system (see map) stretching from Chicago to the Pacific Northwest coast and from the Canadian border to the Gulf of Mexico. It would exceed in rail mileage even the system to be formed by the pending merger of the Pennsylvania and New York Central railroads.

The big system would unify three major carriers: The Great Northern and Northern Pacific railways and the Chicago, Burlington & Quincy Railroad. The latter road is jointly controlled by the two Northern Lines. Also included in the system would be three lesser roads already controlled by the others: The Spokane, Portland & Seattle Railway, Colorado & Southern Railway and Fort Worth & Denver Railway.

In 1966, the six roads involved had combined operating revenue of $853,000,000 and net income of $96,700,000, although these figures aren't on a consolidated or pro-forma basis.

COURT TEST LIKELY

Approval of the merger, in the opinion of most analysts of the nation's muddled railroad-merger picture, will remove what could have been a major impediment to the merger ambitions of a flock of other Western railroads. In its 6-to-5 ruling in April 1966 against the Northern Lines, the commission had taken one of its few relatively recent steps to impede the progress of merger movement and raised issues of concern to other strong Western railroads with merger plans of their own.

The current effort to merge the Northern Lines and their affiliates dates back to 1956, when managements of the two parent companies first announced merger studies were under way. Clearance by the ICC 11 years later, while a key step, won't signal a clear track and make consummation immediately possible, sources say. Officials of the roads remain hopeful they can be united early next year, but the prevailing view among close observers is that, like most railroad mergers, this one still faces a test in the Federal courts.

Candidates among the opposition most likely to take the case to court are the Justice Department and the Denver & Rio Grande Western Railroad. Other opponents remain, such as a Northern Pacific shareholders committee and certain state government agencies, but they aren't considered likely to carry opposition further on their own. It's possible they would join any court fight instigated by the two primary opponents, however.

Justice Department sources decline any comment on the likelihood of an appeal. The department has been active, however, in proceedings following the Northern Lines' request last year for reconsideration of the original ICC ruling.

G. B. Aydelott, president of the Denver & Rio Grande, says that road will have to study the ICC's report, assuming it is favorable to the merger, before deciding on an appeal. It is expected, however, that the road will appeal unless the commission includes some unexpected surprises in the way of conditions to be attached to the merger. The Denver & Rio Grande wasn't active in the Northern Lines merger case prior to the first ICC decision, but it has since expressed serious concern over possible approval in the light of later merger developments among Western railroads. It believes the Northern Lines merger will touch off a "falling domino effect" by leading to approval of other mergers, to the detriment of the Rio Grande.

A court fight over the ICC's expected decision would delay completion of the merger, assuming it also receives an approval from the courts, for another year or possibly as much as two years, according to close observers.

NO ICC COMMENT

ICC Chairman William H. Tucker declined comment on the report the merger had been approved, strongly emphasizing that no official vote has yet been taken by the commission. While preliminary "straw votes" on pending decisions are made for guidance purposes only in the preparation of a report by the staff, such indications aren't binding and an official decision isn't made until a formal vote is taken at a commission conference just prior to release of a decision. This step hasn't been taken yet in the Northern Lines case, Mr. Tucker and other ICC sources asserted.

Reports that the decision was imminent and favorable have been circulating in the rail industry for several months. "Everybody has simply been assuming this was coming and that it would be favorable," says the chief executive of one big road that isn't involved directly. Reopened hearings in the case were held last March, and oral argument before the full commission took place last June. Later in June, Chairman Tucker, who last week announced he would leave the ICC at the end of the year, said he expected the decision before the end of the summer. In late August, it was still expected shortly after Labor Day.

But a series of subsequent delays postponed the decision several times since early September, leading to some concern on the part of Northern Lines officials. The delays, however, are understood to have been largely the result of ICC staff time required in dealing with new developments and problems in such areas as the Eastern railroad-merger situation. Also contributing to the delays, it's felt, is the commission's desire to fortify legally the grounds for reversing itself as strongly as possible, particularly in the face of possible continued Justice Department opposition.

TOUGH PROBLEM FOR PANEL

Reversing the 1966 decision has been a tough problem for the ICC to wrestle with. With one exception, there have been no new material developments of great significance directly involving the concerned roads. The exception was an agreement reached among the Northern Lines, the Chicago & North Western Railway and the Chicago, Milwaukee, St. Paul & Pacific Railroad. The latter two roads would be those most likely to be harmed by the merger. In return for certain traffic conditions to which the Northern Lines agreed (they had previously been opposed), the two roads withdrew any further opposition. The Northern Lines also agreed it wouldn't oppose the proposed merger of the North Western and Milwaukee if their own merger is approved.

Another important development, though it wasn't directly related, was consummation last year of the merger of the Seaboard Air Line and Atlantic Coast Line railroads. Like the Northern Lines, that merger involved the union of financially strong and competing systems. The merged system, known as the Seaboard Coast Line, survived a strong Justice Department attack in Federal courts that followed lines similar to those the agency would be expected to use in an appeal from a Northern Lines decision. The Supreme Court's ruling supporting the ICC in the Seaboard Coast Line case is said to have strengthened the commission's view that anticompetitive aspects of rail mergers needn't prevail in considering the overall public interest.

Other factors believed to have some bearing in the commission's expected reversal include criticism that its earlier decision hurt the whole merger movement. Also bearing on the case is a sharp decline in the financial condition of the rail industry this year, which has sharpened industry views on the necessity of mergers to preserve the vitality of the rails. Another development was an apparent lessening of the political pressures that are believed to have been a major factor in the first decision. Also, the Northern Lines themselves made peace with a number of previous opponents, including labor groups.

Approval of the Northern Lines merger is expected to insure a similar go-ahead from the ICC for the North Western-Milwaukee Road merger, rail industry sources say. That case is nearing completion of hearings before an ICC examiner and won't reach the decision stage before the full commission for more than a year, perhaps two.

Terms of the proposed merger call for each share of Great Northern stock to be exchanged for one share of common stock and half a share of new 5.5% $10-par preferred stock of a new company, tentatively known as Great Northern Pacific & Burlington Lines. Northern Pacific holders would receive one share of the new common for each of their shares. The railroads are known to be seeking a different name for the merged company.

The terms were agreed upon in July 1960 and approved by shareholders in the spring of 1961. Hearings before an ICC examiner were held in 1961 and 1962 and an examiner's report recommending approval was issued in August 1964. After the commission's adverse decision, announced in April 1966, the three roads petitioned for reconsideration in July 1966. The ICC agreed to reconsider the plan last January.

In its 1966 decision, the ICC estimated the merged system could achieve annual savings of $25,487,415 before Federal income taxes, but the lines themselves currently estimate the figure at more than $40,000,000. In addition to ranking first in mileage, the merged system would be among the top three or four railroads in assets, revenue and earnings.

EXHIBIT 1

U.S. SENATE,
OFFICE OF THE MAJORITY LEADER,
Washington, D.C., November 15, 1967.

Hon. WILLIAM H. TUCKER,
Chairman, Interstate Commerce Commission, Washington, D.C.

DEAR MR. CHAIRMAN: The Wall Street Journal reports this morning, "ICC Seen Voting 'Northern Lines' Merger's Decision, Due Soon, Will Reverse '66 Ruling." This report concerns us greatly. We have opposed the consolidation of the Great Northern, Northern Pacific and Burlington Railroads. We continue to object. Such a plan can only be harmful to the people of Montana and the Northwest.

If this report proves to be accurate, the Interstate Commerce Commission is placing itself in a position of subscribing to a railroad industry policy of retreat and withdrawal of services. We know of no compelling reason why the situation has changed since 1966. The approval of this consolidation of financially sound railroad companies would be a serious blow to the economy of the Northwest. The merger would place the largest segment of public surface transportation in the hands of a monopoly, without any guarantee against future service deterioration, abandonment and withdrawal.

Not only are we concerned for Montana, but we feel that the approval of this merger will have national implications of a far reaching nature. We seek assurances from the Commission in this matter.

With best personal wishes, we are,

Sincerely yours,

MIKE MANSFIELD,
U.S. Senator.
LEE METCALF,
U.S. Senator.

THE OKINAWA-BONIN QUESTION—PRIME MINISTER SATO'S VISIT TO UNITED STATES

Mr. MANSFIELD. Mr. President, on yesterday, the distinguished Prime Minister of Japan, Eisaku Sato, addressed the National Press Club in this city. His remarks were directed largely to the situation in the Asian-Pacific region. In particular, he focused on the emergent role of Japan and on the United States-Japanese relationship in which there has been a remarkable content of cooperation for many years.

In this connection, Mr. Sato knows whereof he speaks because out of his understanding, foresight, and acumen, he has made a major contribution to the basic ties between the United States and Japan. He has been a prime mover in the solution of problems of the relationship as they have arisen from time to time.

It is of particular significance, therefore, to note Mr. Sato's observations on the Okinawa-Bonin question which has been the most pressing issue between Japan and the United States. He advocates the return of these Japanese islands to Japanese administration in a most thoughtful and restrained fashion, going to the crux of the problem in the following comment:

> I do not believe that the restoration of the Ryukyus to the Japanese administration and the effective operation of the (U.S.) military bases on the islands are conflicting propositions. On the contrary, the early return of the Ryukyus to Japan, I am certain, would vindicate itself in establishing the relationship between our two countries, Japan and America, on an even firmer foundation and would contribute towards the achievement of security and peace throughout the whole of Asia.

In the light of Mr. Sato's comments, I am delighted that the meetings between President Johnson and the Prime Minister have produced considerable progress on this complex problem. According to press reports this morning, there has been an agreement to return the Bonins including the Volcanoes to Japan during the coming year. Insofar as the Ryukyus are concerned, there is now even more emphatic recognition on the part of both governments of the desirability of their return and also a promise of further progress in the re-Japanification, so to speak, of the islands on an interim basis. It would be my hope and expectation that both the State Department and the Japanese Foreign Office would proceed without delay to a consideration of the questions of security in the Western Pacific which need to be redefined, on a joint basis, in order that the return of the administration may be effectuated without delay and without danger to either nation or the stability of the Western Pacific. In this connection, I would renew the suggestion which was made in a report to the Foreign Relations Committee, calling for a tripartite exploration of the problems of peace and security in the Western Pacific—that is, an exploration on the part of the Soviet Union, Japan, and the United States.

With respect to Vietnam, Prime Minister Sato's comments seem to me to be most realistic. He is both understanding of Asia and sympathetic to our situation, sharing the view that:

> An unlimited expansion of hostilities in Vietnam would not be conducive to the restoration of peace in Asia.

On the other hand, he emphasizes:

> What we really seek is not the limited objective of the suspension of the bombing of the North but the realization of peace itself.

In pursuit of peace, the Prime Minister commits Japan, in cooperation with other nations, to try to foster the kind of atmosphere in which useful negotiations will become possible.

May I say that the Prime Minister could make no greater contribution to the entire region of Asia and the Western Pacific than to succeed in his efforts to find a basis for negotiations to end the war in Vietnam. In that endeavor, he should have every encouragement—and I have no doubt that he will have it—from this Government. The disciplined and constructive dynamism of Japan is, perhaps, the most important factor in the situation in the Western Pacific at this time. On the Japanese Government, therefore, falls a heightened responsibility in connection with the progress of the region.

I know that the Senate joins me in an expression of pleasure with Prime Minister Sato's visit and also in the fruitful results of his conversations with the President. Finally, his determination to help to bring the fighting in Vietnam to a conclusion at the earliest possible moment is both welcomed and appreciated.

I ask unanimous consent that the address of the Prime Minister at the National Press Club on yesterday be printed in the Record, as well as a report entitled "The Rim of Asia" which I made to the Foreign Relations Committee in September 1967. I would call particular attention to section IV, "Japan and the Western Pacific" which makes reference to the Okinawan-Bonin question.

There being no objection, the address and report were ordered to be printed in the Record, as follows:

Address by His Excellency Eisaku Sato, Prime Minister of Japan, at the National Press Club, Washington, D.C., November 15, 1967

Almost three years have passed since I last had the opportunity to address this distinguished forum, and it is a great honor for me to meet you once again. Three years ago, I spoke to you here about the viewpoint of Japan, which stands at the crossroads of East and West in Asia. So, today, too, I would like to start by examining the problems of Asia.

Since last summer, prior to my present visit to the United States, I have visited the Asian and Pacific nations east of Burma with which Japan has diplomatic relations, and have exchanged views freely and frankly with their leaders. Throughout these visits, I was deeply impressed by the fact that these Asian nations are striving for the attainment of true independence and the enhancement of their national dignity, and are moving in the direction of a cooperative effort based on a new sense of solidarity. War still rages in Vietnam, but in contrast, there is this earnest search for construction rather than destruction, harmony instead of strife, in the nations surrounding the area. Asia, indeed is beginning to unfold a new chapter in her history.

During these three years, the armed struggle in Vietnam has grown in depth and intensity. The United States has expended a vast amount of money and has sacrificed a great number of precious lives over a long period of time to protect South Vietnam from external interference. At the same time, as President Johnson recently pointed out in San Antonio, the American Government has time and again made clear its willingness to discuss peace with the North, at any time, at any place and with no conditions whatsoever. America has taken a consistently active and constructive stand in its search for a peaceful solution in Vietnam.

I was deeply impressed during my recent trip that the United States efforts in Vietnam were well understood and appreciated by the Governments and peoples of the Asian countries. I found that they clearly understood that if the United States loses interest in Asia at the present time, not only the peace and security of Asia but also the future of the world would be in serious jeopardy. I was also greatly heartened to observe on the occasion of my visit to Vietnam, that the newly elected leaders of the administration were acting with the utmost sincerity in their search for peace.

The countries in the Asian and Pacific region urgently desire an early restoration of peace in Vietnam. But it should be a durable peace based on justice, which will assure security and prosperity in this region for the years to come. From this point of view, the Asian leaders are convinced that the Asian countries themselves should play a more positive role in solving the Vietnam problem—which is indeed a problem of Asia. It is a matter of great regret that a people and its civilization are in danger of destruction by a conflict among themselves. This is the common sentiment shared by all the other peoples of Asia.

There are some Asian leaders who have hopes that suspension of bombing of the North by the United States might provide the occasion to bring the North Vietnamese to the conference table. I share the view that an unlimited expansion of hostilities in Vietnam would not be conducive to the restoration of peace in Asia. But we should not forget that what we really seek is not the limited objective of the suspension of bombing of the North but the realization of peace itself. There should, therefore, be some response on the part of North Vietnam that the suspension of bombing of the North would lead to meaningful talks that would lead to peace.

It is my conviction that something more than mere action is necessary to bring about a true peace. Be it a suspension of bombing of the North or something else, there must be an additional element, that is, the will and the desire to end the war, and the minimum necessary degree of trust in the other side's sincerity. I am well aware that the present realities of the conflict in Vietnam are too harsh to permit talk of "a minimum degree of trust" between the two sides. We must, nevertheless, continue our patient effort not to overlook the slightest signs of an awakening of this minimum degree of trust on both sides, and, if this is achieved, to try to protect and foster such a process. I am determined to devote my best efforts toward the cultivation of such an atmosphere of mutual trust in close coopertion with other friendly nations in the Asian and the Pacific area.

Although Asia is a collective term, each of the Asian countries has its own historical and cultural background, and the social, political and economic realities in those countries are widely divergent. In the matter of religion alone, Buddhism, Islamism, Hinduism and Christianity not only exist side by side, but many countries have other religions of their own. Some of the languages belong to entirely different linguistic systems from those of the others, and often a number of different languages are in use in one single country. The stages of economic growth also vary greatly from country to country. Politically, some are members of SEATO, others have bilateral security agreements with the United States, while some others advocate the principle of non-alliance and neutrality.

But what is common to all the widely divergent Asian countries is the fervent nationalism characteristic of newly independent countries in their search for freedom, as well as the ardent desire of the leaders and the peoples of these countries to rid themselves of poverty, disease and hunger.

Many of the Asian countries were once colonies of the European powers. Some countries were obliged to have recourse to drastic measures in order to achieve their political independence. However, every Asian country has now come to realize that the shortest road to the achievement of their fundamental national objectives is to promote a policy of moderate and unpretentious nation-building. The most outstanding example of this is the advent of the Government under General Suharto in Indonesia in September, 1965. Thus the dispute between Indonesia and Malaysia, which had long been a cause of tension in that part of the world, was resolved in favor of a peaceful settlement. It can be said that, as Communism in Asia became more and more uncompromising and dogmatic, it has invited the reaction of Asian nationalism.

On the other hand, freedom and democracy are, by their very nature, predicated upon the respect for the "individual" and tolerance towards different standpoints. I am confident that, as long as liberalism and democracy are able to provide workable solutions to the problems of poverty, disease and hunger in Asia, totalitarianism will not find the soil to grow in Asia of today. With such thoughts in mind, we should rather pursue a policy to understand and to support Asian nationalism, than to seek to form an anti-communist crusade or the like.

Even while the hostilities in Vietnam continue, there have been observed encouraging developments to turn the common desire to do away with poverty, disease and hunger into specific programs of regional cooperation in concrete terms. The establishment of the Asian Development Bank is one expression. The Ministerial Conference for Economic Development in Southeast Asia, which Japan took the initiative in organizing, is another example. We also note developments of regional solidarity not solely confined to the field of economic development, such as the ASPAC or the ASEAN which the Republic of Korea, or Thailand and Indonesia took the initiative to convene. Japan has either participated in or has rendered support to all of these organzations.

The recent trends toward regional solidarity and the interest in sound and steady nation-building which lies behind them are welcome developments in Asia. However, it is too heavy a task for these countries to try to accomplish on their own the modernization of their political and social systems and, at the same time, to promote their public welfare and economic development. Many of the ventures in the field of regional cooperation as observed in East Asia today are not motivated solely by a high ideal for Asian solidarity. Rather, they should be regarded as a consequence of the recognition by the countries of the region of the limits of their respective capacities and the practical needs to supplement their efforts through cooperation with other countries.

We must, therefore, encourage such efforts of Asian countries, being aware of the importance of self-reliance and regional cooperation, and to enable them to bring about concrete results by providing them with effective and timely international assistance. Otherwise, the welcome new wind in Asia may result in merely strengthening the feeling of despair and frustration of the peoples of Asia.

I have spoken about Vietnam in the broader context of the situation in Asia. Today, Japan and the United States are bound closely in a Pacific partnership. This United States-Japan relationship does not now serve for the respective self-interests of the two countries only. Our relationship has developed to the stage where both countries have to share the responsibility of attaining the common goal of establishing stability and prosperity in the world, especially in Asia. I was deeply impressed in April of the year before last when President Johnson revealed his far-reaching plan to contribute one billion dollars towards the development of Southeast Asia. Again, I felt greatly encouraged last July when President Johnson indicated that the United States was determined to continue its efforts to carry out its responsibility to Asia as a Pacific nation.

For its part, Japan is determined from its own standpoint to make further efforts toward the realization of stability and prosperity in Asia. As the complexity of the Vietnam situation indicates, long, patient efforts are necessary before the Asian problems can be solved. In the course of my recent visits to Asian countries, however, I received the deep personal impression that a strong current has begun to flow, with great intensity, toward overcoming these difficult issues. Recognizing that this strong, new current could lead to permanent peace and stability in the world, I have come to feel even more strongly that Japan and the United States should cooperate with each other to an even greater extent in this field.

As the relationsip between Japan and the United States has developed on the basis of the pursuit of common objectives over a wide field, the reversion of the administrative rights over the Ryukyu and Bonin Islands has come to pose an increasingly serious problem for our country. Today, even 22 years after the War, as many as one million residents in these islands are still under the administration of a foreign power. The islanders of Okinawa, having been unable to fully enjoy the inherent right to live similarly with their fellow nationals in Japan proper, entertain an increasingly fervent desire to attain eventual unification with the homeland. Indeed, the restoration of the Ryukyu and Bonin Islands to the Japanese administration is a nation-wide desire cherished by the entire Japanese people.

The security in the Far East is, of course, of a vital concern to us. We fully recognize the importance of the role played by the Ryukyus in the maintenance of peace and security in the Far East including Japan. However, I am convinced that the perpetuation of this "unnatural" situation in the Ryukyus will not only be a source of dissatisfaction to the Japanese people, but should be terminated if we are to maintain and develop the present happy cooperative relationship between Japan and the United States in all fields of our common endeavor.

I do not believe that the restoration of the Ryukyus to the Japanese administration and the effective operation of the military bases on the islands are conflicting propositions. On the contrary, the early return of the Ryukyus to Japan, I am certain, would vindicate itself in establishing the relationship between our two countries, Japan and America, on an even firmer foundation and would contribute towards the achievement of security and peace throughout the whole of Asia. With the national desire of the entire people of Japan behind me, I shall devote my utmost efforts towards the solving of the Ryukyu problem.

From this standpoint, I have exchanged views with President Johnson freely and frankly on this issue. I have been reassured, as a result, that this problem, though a difficult one, can be solved within the framework of mutual trust between Japan and the United States. By way of concluding my speech, I should like to express my sincere hope that the people of the United States will give their support to the deep desire of the Japanese people, and to the efforts being made by the Governments of both countries, concerning the solution of the Ryukyu and Bonin problems.

Thank you.

Letter of Transmittal

September 28, 1967.

Hon. J. W. Fulbright,
Chairman, Committee on Foreign Relations,
U.S. Senate, Washington, D.C.

Dear Mr. Chairman: An invitation to address the Japanese-American Assembly at Shimoda, Japan, in mid-September, provided me with an opportunity to bring myself up to date on developments in the Western Pacific and to make a brief survey of our relations with the nations of that region. I am transmitting herewith the results of that study, under he title "The Rim of Asia."

In connection with the preparation of this report, I traveled personally to the Philippines, Hong Kong, Macao, and Japan. At my request, Mr. Francis R. Valeo, the Secretary of the Senate, and Mr. James G. Lowenstein, of the Committee on Foreign Relations, went to other places in the Western Pacific.

Throughout the region, U.S. Embassies and missions were most helpful to me. I would like to record my gratitude, in particular, to Ambassador William McC. Blair, Jr. in the Philippines, Minister Edward E. Rice in Hong Kong, and Minister David L. Osborn (who was serving as Chargé d'Affaires in Tokyo at the time of my visit.) These officials and their staffs were of great assistance to me during the course of the study. In addition, I would note the most courteous help of the Embassies in Seoul and Taipeh to members of my party. It was my intention to confer with the distinguished Ambassador to Korea, William J. Porter, but shortness of time prevented me from journeying to Seoul.

Finally I would note the great assistance provided to my party by Gen. Ferdinand T. Unger in Okinawa, the High Commissioner of the Ryukyus, and by Mr. William H. Bruns, political adviser to the High Commissioner and their staffs.

I was deeply impressed by the knowledge and understanding of our Foreign Service officers in the Western Pacific. In particular, I would like to note the steady accretion of a "new breed" of younger officers, many of whom have exceptional linguistic skills. In my judgment, Mr. Chairman, the thorough training which the Department of State now provides in the languages of other nations owes a great deal to the legislation which has been sponsored by the committee under your leadership during the past few years.

I was received by President Marcos and Foreign Secretary Ramos in Manila, Prime Minister Sato and Speaker of the House Ishii in Tokyo, Governor General Cavarlho in Macao and the officer administering the government in Hong Kong, Mr. M. D. I. Gass. I am most grateful to them for permitting me to impose on their busy schedules.

While in Manila, Gen. William C. Westmoreland requested that I meet with him. This dedicated soldier who carries a heavy burden of responsibility gave generously of his time in order to bring me up to date on the situation in Vietnam.

Finally, I would like to thank the Secretary of State for the excellent assistance of his Department in administrative arrangements and for making available Mr. Kenneth R. Calloway as an escort officer.

Before closing I should note for, the record, Mr. Chairman, that I submitted to the President, in confidence, a memorandum of findings and observations, immediately on my return to Washington. That memorandum and the attached report will constitute the only formal issuances in connection with this brief visit to the Western Pacific.

Mike Mansfield.

The Rim of Asia

(Report of Senator Mike Mansfield to the Committee on Foreign Relations, U.S. Senate, on a study mission to the Western Pacific, September 1967)

I. INTRODUCTORY

The eyes of the United States are focused on Vietnam. Indeed, we could hardly direct our attention elsewhere with U.S. forces of over half a million involved in a struggle there. Nevertheless, there is another part of Asia whose importance commends it to the deep concern of the United States. It is the rim of Asia, the stretch of nations which share the waters of the Western Pacific, from the Soviet Union's maritime provinces to the Republic of the Philippines.

We have had a long association with this region. It was there that clipper ships established our first contacts with China and Commodore Perry opened the door to a secluded Japan, over a century ago. It was there that Admiral Dewey, at the end of the 19th century, paved the way for the acquisition of the Philippines in 1898—an adventure in imperialism which came to a close in 1946 when the pledge of political independence to the Filipino people was redeemed. And it was there that were fought many of the major engagements of World War II and the Korean conflict.

The Western Pacific is a crossroads where converge the territories and interests of three major world powers—China, Japan, and the Soviet Union—and into which the military power of the United States was heavily extended by the exigencies of World War II. Great changes are taking place on Asia's rim and it is safe to say of the future only that the more things change in the Western Pacific, the more they will continue to change.

II. THE WAR IN VIETNAM AND THE WESTERN PACIFIC

Every nation on Asia's rim is involved in some fashion in Vietnam. South Korea has in excess of 45,000 combat troops fighting there. The Philippine Army has sent a 2,000-plus civic action group. The Republic of China has farming, medical, and other technical and advisory groups in Vietnam. Japan has provided medical teams, ambulances, and supplies as well as credits.

On the Communist side, both China and the Soviet Union are engaged as suppliers of North Vietnam. For 2 years, at least, Chinese labor forces, totaling tens of thousands, have been at work in North Vietnam maintaining communications routes from China's southern provinces. There are increasing reports of the presence or the imminent arrival in North Vietnam of volunteers from North Korea and, perhaps, other Communist nations. To reiterate, all of the countries of the Western Pacific—both Communist and non-Communist—are already involved, directly or indirectly, in the war in Vietnam. All are deeply affected by its course.

Among the non-Communist countries on the rim of Asia, there are varying degrees of support for U.S. actions in Vietnam. There is unequivocal official approval from South Korea and strong endorsement from the Republic of China on Taiwan—countries in which every confrontation with communism assumes the character of a crusade and where there is a tendency to see war with China as the best hope of achieving important national goals. In the Republic of China, while it is supported, the conflict in Vietnam is seen as the wrong war in the wrong place. This view stems from the belief that Peking is the root of all trouble in Asia and that the place to strike is at the root.

As has been noted, the Philippines and Japan provide contributions to the defense of South Vietnam. The former's contingent of civic action forces in Vietnam, while small in numbers, represents 15 percent of the Philippine Army's total strength. Indeed, the large proportionate size of the forces gives rise to political criticism on the grounds that they could be better used for civic action at home.

Substantial segments of the Japanese intellectual community and the press as well as various opposition political parties are vehemently critical of the Vietnamese war and of even the restrained support which the Japanese Government gives to the United States in its pursuit. However, the predominant public attitude in Japan, at present, would appear to be one of acquiescence in current policies regarding the war. Nevertheless, the nagging fear persists that the United States may already be involved in an endless and ever-deepening struggle similar to the Japanese experience in Manchuria and on the Chinese mainland during World War II and that every intensification of the war increases the possibility of a conflict between the United States and China, into which Japan will be drawn.

In sum, although criticism of the war in Vietnam is not great along the non-Communist rim of Asia, there is—except in Korea and, possibly, in the Republic of China—little enthusiasm for this conflict. The general attitude is compounded of preoccupation with other matters, uneasiness with the purposes and prospects of the war and fear of their own deeper involvement.

III. THE "CULTURAL REVOLUTION" IN CHINA AND THE WESTERN PACIFIC

The specter of a war with the United States apparently also haunts the Chinese leadership in Peking. By all accounts, that leadership seems to expect such a conflict eventually and to be preparing for it. War with the United States is one of many current specters in China, some of which have precipitated the "great proletarian cultural revolution." This strange ideological disruption has persisted for months, churning a turmoil in all strata of China society and spreading to every part of the Chinese nation.

It should be noted at the outset that along the rim of Asia sources of information about China are severely limited. They include the reports of travelers and refugees, wall posters, the mainland Chinese press and radio, the reports of correspondents and the information gathered by usual diplomatic practices by the small corps in Peking. Much of the information coming out of China is obviously highly colored by the predilections of the source and it is extremely difficult to arrive at conclusions which are much more than uncertain estimates. In embassies and foreign offices, no less than among journalists and scholars, the fact is that what is not known about events in China and their implications far exceeds what is known.

It seems to be generally agreed, however, that the "cultural revolution" stems directly from the last great Chinese political convulsion, the Great Leap Forward in 1958. The Great Leap Forward was a frenetic effort to achieve rapid economic growth in order to constrict the time span for the transition from socialism to communism. When it failed, economic depression settled over China. The policies under which the Chinese economy pulled out of that depression were those of pragmatic economists, managers and regional and local bureaucrats. These policies included such steps as giving private plots to peasants, permitting free or semifree markets to be established and keying pay to productivity.

In this process, however, fears were engendered in segments of the central leadership of the Chinese Communist Party that China was on "the road back to capitalism." The "cultural revolution," in part at least, appears to be a response to those fears. When it began, the movement was simply an attack on old ideology, culture, customs, and habits. It was sanctioned on the grounds of Mao Tse-tung's teachings, and the entire party hierarchy apparently cooperated, or at least gave public endorsement to its purposes. Soon thereafter, however, the active leadership of the cultural revolution appears to have devolved upon a party-faction led by Gen. Lin Piao and Chiang Ching, the wife of Mao Tse-tung. The thrust of the cultural revolution soon centered on Liu Shao-chi, his political associates in Peking, and the organizational structure which his faction has apparently developed by means of local political and other alliances throughout China.

In the course of the "cultural revolution," colleges and middle schools were closed and great numbers of students were organized into Red Guard units. The Red Guards began as an agitational and propaganda corps which converged on the streets of Peking. After mass demonstrations there, the organization spread out to the provinces in an extension of the "cultural revolution" all over the mainland, from Manchuria to Tibet and from Sinkiang to Shanghai and Canton.

To reinforce the Red Guards, people were called upon by the Lin Piao-Chiang Ching groups to rise up within Government offices and economic enterprises throughout the country and to seize power. Countercalls were issued by other groups. The result was an extraordinary confusion of political pressures which led to a series of clashes that disrupted the transportation system, interrupted production in factories, mines and oilfields, and brought about uncertainties in the military establishment as well as in the Government bureaucracies.

How great has been the physical chaos? There has been extensive disruption; there still is. People have been killed but whether the number is 1,000, 10,000, or 100,000 is unknown. On the other hand, China functions as a society. People work in factories and on the farms. Products move in commerce within China and beyond its borders. To the best of anyone's knowledge the nuclear project in Lop Nor is uninterrupted. There are, in short, rumors and reports to fit any predilection or preconception, but the fact is that little firm knowledge exists outside China about what is going on inside China.

In the political turmoil, it is nevertheless, fairly clear that something akin to the historic Chinese phenomenon of war-lordism is reappearing on the Chinese mainland. It is to be noted particularly in border areas and other remote regions which are generally those that were absorbed primarily by political accession rather than military action at the time of the Communist conquest of China. This phenomenon may very well persist, at least until the struggle for the core control of Chinese society is spent and a new leadership emerges which can once again fuse ideology, party organization, and government bureaucracy.

It is the expectation that this inner struggle will go on for a long time, which gives rise to hopes in Taiwan that the Government of the Republic of China will be able to ally with one of the separatist regions and, in this fashion, return one day to the mainland to "pick up the pieces." Nevertheless, there are no indications that the present turmoil poses the prospect of China's imminent political disintegration. There is, as noted, disruption, but as yet there are no signs that it is of a magnitude which will bring on even a persistent debilitation.

The argument that the "cultural revolution" makes Chinese intervention in Vietnam far less likely, or makes it possible for nations to disregard Chinese national interests and concerns with impunity, are, in my judgment, dubious and dangerous assumptions. Indeed, what could be better calculated to restore unity among the quarreling factions than a threat to what is conceived to be the security interests of China or a direct attack on Chinese territory? In this connection it would be wise to recall that, notwithstanding almost unanimous predictions to the contrary, China intervened in Korea as American forces were approaching China's Yalu River boundary. At that time, too, the Peking regime, which had been in full power on the mainland only a short time, faced tremendous economic and political problems—including problems of internal unity.

IV. JAPAN AND THE WESTERN PACIFIC

The events in Vietnam and China which are so important to the future of the rim of Asia are violent and convulsive in nature. There has also been, however, a peaceful eruption of great significance in the Western Pacific. It is the little noted but powerful reemergence of Japan as a major modern industrialized power.

Japan has the highest sustained economic growth rate in the world and a virtually stable population. The Japanese gross national product, which is well over $70 billion, is now fifth highest in the world. According to some estimates, within 5 years Japan will be third highest. Thus, Japan is now the major economic power in Asia and is likely to remain so for a long time to come.

Japan's prosperity has brought in its train a new sense of self-confidence. The Japanese are reaching out in various directions—toward Korea, toward Southeast Asia, toward China, toward the Soviet Union—for broadened opportunities in new relationships. As a member of the Asian and Pacific Council and of the Development Assistance Committee, Japan has pledged 1 percent of its national income in economic aid to developing countries. It has not yet reached that goal but it does rank 10th in the world in economic assistance, as it does, incidentally, in per capita income.

Japan's contribution to the Asian Development Bank is as large as the U.S. contribution, and the first president of the institution is a Japanese banker. Japanese traders go everywhere, as do automobiles and other prized products of Japanese design and industry.

Japan has normalized relations with Korea and is evolving an increasingly important economic relationship with that country. The new Indonesian Government has received a significant helping hand from Tokyo with its difficult financial problems.

The war in Vietnam has benefited Japan. Commercial exports to Vietnam rose from $37 million in 1965 to $138 million in 1966, an increase of 273 percent, and a further substantial increase is anticipated for 1967.

At least until the eruption of the cultural revolution, closer economic ties were being developed with mainland China as well as with the Soviet Union, both of which are natural and traditional economic associates of Japan. Japanese attitudes toward the Chinese reflect a combination of respect for China as a cultural fountainhead of Japanese society, remembrances of World War II, curiosity regarding the operation of its Communist system, anxiety over China's growing modern power, and, more recently, considerable disillusionment stemming from the almost obsessive Chinese tendency towards disorder as evidenced in the "cultural revolution." China ranks fourth among Japan's overseas trading links. This trade is larger than Japanese trade with Taiwan or the Soviet Union. At the same time, Japanese tourism in China is increasing, with 4,000 Japanese having visited the mainland last year.

Japanese commerce with the Soviet Union is also increasing, and there have been developments in other aspects of Japanese-Soviet relations. Even in the absence of a formal peace treaty, a Japanese-Soviet consular agreement has been signed. A recent Japanese-Soviet air agreement has led to direct commercial flights between Tokyo and Moscow. An agreement which was reached in March provides for a 16-percent increase in overall trade. For some time, there has been serious discussion of joint Soviet-Japanese development of the natural resources of Sakhalin Island and Siberia.

Meanwhile, Japanese-American trade continues to be of immense importance to both countries. Japan is second in the world after Canada as a purchaser of American exports. In turn, the United States provided 28 percent of Japan's imports in 1966 and bought 30 percent of Japan's exports. The total United States balance of payments deficit with Japan in 1966 was about $430 million. While there are certain minor disagreements between the two Governments on such matters as trade liberalization and capital import restrictions, these would seem to be more in the nature of removable irritants rather than major headaches.

There is one difficulty in Japanese-American relations, however, which should command prompt and serious attention. That is the problem of the reversion of the Ryukyu and Bonin Islands (including the Volcanos). The issue arises from the fact that certain clauses were left dangling, so to speak, in the Japanese peace treaty of 1951. Under that treaty, Japan retained legal ownership of the Ryukyus and the Bonins, but no date was set for the surrender of administrative control by the U.S. Armed Forces. The United States has stated subsequently, and often, that there is no question of Japanese sovereignty over these islands. The question that remains however, is the reversion of administrative authority to Japan.

It does not seem to me that there are any circumstances so compelling as to require an indefinite postponement of the liquidation of our treaty commitment regarding the Bonins. No major U.S. military installations are located on these islands, and strategic questions do not seem of any great significance. Since the bond of our national word is involved in the matter, it would appear to me that this piece of unfinished business can and should be closed out not only without great difficulty but also without undue delay.[1]

The problem regarding the reversion of Okinawa and the other Ryukyus is much more complicated. The U.S. military installations on Okinawa are massive and immensely costly. They are related not only to Vietnam but to general security needs in the western Pacific—to Japan's needs at least as much as to ours. In the latter connection, a final decision on the Ryukyus therefore involves basic questions of the extent and nature of the military role which is projected for the United States in the western Pacific in the years ahead. It can hardly be made without full understanding and agreement respecting that role.

However, the nonmilitary aspect of the problem—that is a reversion to Japan of administrative powers on Okinawa other than those closely involved with our military base complex—bears only limited relation to these basic security problems of the Western Pacific. It is conceivable that this aspect of the problem, at least, could begin to yield to solution. Indeed, some adjustments have already been made which recognize that the inhabitants of Okinawa and the other islands of the Ryukyus regard themselves as Japanese nationals. Japanese passports, for example, are now being issued to Okinawans when they travel abroad. The Japanese Government itself is making ever larger contributions to the budget of the locally constituted Okinawan Government which still functions, however, under overall U.S. supervisory authority.

Even as increasing Japanese participation in the financing of Okinawa's needs is welcomed, it would seem that consideration could be given to a progressive increase in Japanese participation in the supervision of civilian affairs on Okinawa. What must be borne in mind in this process, however, is the necessity of safeguarding the effectiveness of the U.S. military installations in Okinawa until there is United States-Japanese agreement on the eventual U.S. military role in the Western Pacific.

There is a problem similar, though not analogous, to Okinawa in Japanese-Soviet relations. Under the Yalta agreements of 1945, Southern Sakhalin and the Kurile Islands were consigned to the Soviet Union in return for Stalin's promise to enter the war against Japan. Following the war, Soviet military forces occupied these territories.

Since the peace conference of 1951, Japan has claimed the islands of Etorofu and Kunashiri in the Southern Kuriles and Shikotan Island and the Habomai Island group off the coast of Hokkaido. The Japanese position is that Kunashiri and Etorofu are "inherently Japanese," and that Shikotan and the Habomais are not part of the Kuriles at all and thus are being occupied illegally by the Soviet Union. The Soviet position is that the question of Etorofu and Kunashiri has already been settled. As for Shikotan and the Habomai group, Moscow stated in a 1956 declaration ending the state of war with Japan that they would be returned upon the signing of a formal peace treaty.

As noted, the status of the Soviet held islands is not analogous to the question of the Ryukyus and the Bonins. The return of the latter two island groups has been pledged, and they are being administered only temporarily by the United States. The Soviet Union, however, holds the Japanese islands of Shikotan and the Habomais without the sanction of a treaty or agreement, and in the case of Etorofu and Kunashiri in the southern Kuriles, the Soviet Union has not accepted the contention that they are Japanese.

Nevertheless, both problems are cut from similar cloth in that they involve Japanese interests as well as the imponderable of the security of all three nations in the Western Pacific. In that light it would seem desirable to hold tripartite talks, involving Japan, the Soviet Union and the United States, on security and other major issues which mutually concern them in the Western Pacific. Such talks could bring additional clarity with respect to the positions and policies of the three nations in the region. A tripartite conference, in turn, might lead subsequently on the one hand to a more rapid resolution by Japan and the United States of the Okinawan question and, on the other, to a resolution by Japan and the Soviet Union of the so-called northern problem.

V. HONG KONG AND MACAO

The "cultural revolution" on the Chinese mainland has spilled over into Macao and Hong Kong. The precipitants, however, in both cases appear to have been local issues. In the case of Macao the trouble began last December when Communists rioted in the enclave, plastered the city with posters and defaced the British consulate. The disorder then descended upon Hong Kong and produced the first rioting of great consequence in the colony's history.

In each instance Communists in the colony, with articulate support from mainland Communists, have made a series of political demands in addition to those derived from alleged social or economic grievances which precipitated the disorders. In general, the Government of Macao has accepted these demands in a negotiated settlement of the problem. The response of the British authorities, however, has been to strengthen the Hong Kong military garrison and to direct the Hong Kong police in raids on the offices of Communist and pro-Communist organizations, arresting hundreds and confiscating propaganda material, explosives, and even fireworks.

Macao and Hong Kong are vastly different. One is a quiet, somewhat picaresque enclave of 300,000 which has maintained its identity for several centuries under Portuguese administration. Hong Kong is an assertive bustling metropolis with a population of almost 4 million. It has a growing industrial base and serves as a great entrepot of trade and services.

As there are differences, there are also strong similarities between Macao and Hong Kong. Both are 98 percent Chinese in population. Both depend on China for food and water. Both are essentially self-sustaining economically but do not represent an important economic asset to their home governments. Hong Kong, for example, costs the British Government 11 million pounds a year in defense expenditures and, according to the British Board of Trade, the British trade deficit with Hong Kong ran to about 15 million pounds in 1966. Insofar as China is concerned, Hong Kong is a major external market for its agricultural and other products. It is also a significant source of foreign exchange for the Peking Government, the $500 annual receipts in this connection constituting nearly half of China's total annual foreign exchange earnings.

The situation in Macao is now quiet. In Hong Kong, at least for the present, the riots have ceased. However, an organized pattern of terroristic bombing continues and the daily incidents of terrorism do have serious adverse consequences. In the face of the anxieties which are induced, it should not be surprising that there is some exodus of capital and skills and management and a contraction of income from tourism. Since the terrorists do not appear to enjoy significant popular support, in the end the British policy of no compromise could prevail. In the interim, however, there may well be economic repercussions from which the colony could be a long time recovering.

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[1] Some problems of adjustment may be involved in connection with the younger people among the several hundred indigenous inhabitants of the islands, many of whom are descendants of Americans and all of whom have been educated during the past two decades of U.S. military occupation in American schools.

Thus, Macao and Hong Kong have each responded to the challenge in different ways. Each, in its own way, has developed tactics to contain the threat of extinction which is implicit in any local hostility that has support from China. In Macao, the policy has been to bend "as the bamboo" before strong winds from China. In Hong Kong, policy has more in common with the oak. Each is a traditional approach which is rooted in a separate history, different experiences and dissimilar circumstances. In the end, however, the fate of both may well be intermeshed.

In any event, it is not the business of the United States to disparage either policy. On the contrary, it would seem most advisable to encourage contact, impartially, with both. In that light, it was difficult to understand at the time of our visit what appeared to be a policy of discouraging Americans from visiting Macao. As noted, Macao is quite calm, stable, and secure and has been so for some weeks.

VI. THE PHILIPPINES

By way of background, it should be emphasized that our tie with the Philippines is closer than with any other Asian nation. The tie is full of historic significance and current value for this nation as it is for the Philippines. Between the two countries, no issues exist of a magnitude which should jeopardize the fundamental relationship. The differences that there are have to do with commercial agreements, military bases, veterans benefits, the disposition of American aid and the like. They are, clearly, negotiable differences which should yield readily in an atmosphere of mutual deference. In the negotiation of these differences a wise and understanding attitude can do much to preserve and enhance the foundation of good will which has been earned by the generous gestures and shared sacrifices of the past.

At the present time, the principal inner difficulty of the Philippines has to do with lack of law and order. It centers on the rural areas, even as our similar difficulty has centered on the urban complexes. There has been a resurgence of the Hukbalahap movement in central Luzon which is reportedly led by an uncertain combination of Communist sympathizers and racketeers of one kind or another. The situation is recognized as serious, its dimensions suggested by the fact that over 100 government officials have been assassinated in the past year and a half.

The Government of the Philippines is alert to the problem and remedies are being sought not only by strengthening the capacity for maintaining law and order but also by action to overcome certain economic and social injustices. There are several particularly hopeful developments. The Government's "rice and roads" programs is one. It is a key program of the administration of President Ferdinand Marcos. It is designed to enhance agricultural productivity and to give the rural areas of the country greater accessibility to markets for their products. The basic element in the program is, with U.S. help, to bring about the rapid dissemination of a new hybrid, IR-8, which promises rice yields two or three times higher than at present. Indeed, the prospects are better than at any time in the post World War II years that within 2 or 3 years the Philippines will no longer need to import rice.

In the field of public welfare, a significant effort is under way with the sponsorship of the First Lady of the Philippines, Mrs. Imelda Marcos. A new reception and study center at Bago Bantay, Quezon City, which was dedicated during the time of my visit, is an example of the advanced and creative social work which is being done with children and youth in the Republic. This project is a harbinger of others which it is anticipated will be launched in the field of human service, some of which might well be expected to have relevance outside the Philippines.

In the field of foreign relations, the Philippine Republic has improved its contacts with Japan and Indonesia while restoring diplomatic relations with Malaysia. Unofficial efforts, largely through Filipino journalists, to establish access to the Chinese mainland have met with some success. There is also increasing interest in the Philippines in commercial and other contacts with the Soviet Union and the Eastern European Communist countries. Officially, however, the Philippines still do not have diplomatic relations with any Communist country.

These various new directions are reflective of a general stirring which is taking place within the Philippines. There is a youthful energy in the leadership of the nation which augurs for a continuance of an atmosphere of ferment. There may well be required some adjustments in our policies with respect to the Philippines in order to keep them attuned to the new outlook. It may help to make the adjustments if it is remembered that the emphasis of the historic U.S. effort in the Philippines has been directed at encouraging Filipino self-reliance in independence. The changes which are now taking place appear to be headed in precisely that direction.

VII. KOREA

The war in Vietnam has served to strengthen our relations with the Government of the Republic of Korea. In that conflict, Korean leadership has found an opportunity to fight a Communist enemy from a position of strength, to solidify the relationship with the United States and to make a reputation in the world that South Korea is a nation to be reckoned with. It is an opportunity which apparently is welcomed.

The war in Vietnam has also resulted in economic benefits for Korea, chiefly from procurement and from remittances of about $10 million a month from Korean civilians and soldiers in Vietnam. Nevertheless, there is some feeling that while Korea's contributions to the war are greater, Korea is benefiting less economically than Japan, the Philippines, or the Republic of China.

One other factor accounts for the fact that the war has raised our relations with Korea to a new level. The war is seen in Seoul as a clear indication that the United States does not intend to withdraw its forces from Asia. That is interpreted to mean that South Korea will not be left to the mercy of the North Korean Communists and their Chinese allies.

What opposition is expressed in Korea to sending troops to Vietnam seems to be based on concern with the continuing dangers to security at home which are posed by the uneasy truce line at the 38th parallel. In fact, attacks and penetrations into South Korea from the North have increased greatly this year. They numbered 25 in 1966. In the first 8 months of 1967, they totaled 150.

The Korean attitudes described above are reflective of the country's own experiences. So are Korean views on the present state of affairs in Vietnam. Thus, Korean leaders are not pessimistic about the future of Vietnam (provided the United States continues to lend massive support), because they remember the desperate situation in which they found themselves during the war and immediately after its end. They are enthusiastic about a South Vietnamese Government headed by professional military men, inasmuch as the Government in Seoul is also headed by military men, and in their view the army is the most stabilizing political institution. They are opposed to any negotiated settlement of the war because of what they regard as their own unsatisfactory experience in the negotiations which led to an armistice in Korea.

Korean leaders find fault with the military restrictions and limitations the United States has observed in Vietnam. They would like to see more free world troops in Vietnam, although no additional Korean forces are to be sent at this time. They favor an intensification of the bombing of North Vietnam. Some—both in and outside the Government—wish that the United States would invade the north.

Advocates of such actions tend to dismiss the threat of Chinese intervention, despite their own experience during the Korean war and an apparently contradictory conviction that the Chinese Communists are irrational and bent on the domination of Asia. Others acknowledge forthrightly that it is their hope to see the United States involved in a war with mainland China—a war which it is believed would mean the end of communism in Asia and thus make possible the reunification of Korea.

If participation in the war in Vietnam has been a factor in South Korea's new self-confidence, another is to be found in the country's continued rapid economic growth. Stimulated by more than $3.5 billion of American economic aid in the period 1946 through 1966 ($2 billion since 1953), and now by earnings from the Vietnamese war, the Korean gross national product has risen rapidly. In 1966 the rate of growth was at a record 13.4 percent. Exports increased 355 percent in the period 1962–66 and by the end of 1971 it is estimated that the economy will have exceeded the originally planned targets by 26 percent. The Korean economy has registered these gains despite scarce agricultural land, rapid population growth, few natural resources, and the burden of supporting a large army.

VIII. THE REPUBLIC OF CHINA

It should be noted at the outset that there has been an apparent shift in emphasis on the part of the Government of the Republic of China, from pressing for an armed invasion of the Chinese mainland to what is regarded as the more realistic alternative of political warfare. This change in emphasis was set forth in President Chiang Kai-shek's New Year's Day message on January 1, 1967. In that message he referred to the need for "political measures to take precedence over the military," and he added: "The question now is how to pick up the pieces left by Mao's collapse, not when to launch the counterattack or how to bury Mao's corpse."

On Taiwan, as throughout Asia, there is also a new feeling of confidence stemming from economic progress. It is a confidence which exists despite, or perhaps because of, the termination of American economic aid and a reduction in the American military assistance program. Like other Asian countries, the Republic of China has earned some benefits from the war in Vietnam through increased exports (which in 1966 composed 17 percent of the total exports compared to 11 percent in 1965), expenditures by American soldiers on leave in Taiwan and the remittances of Chinese in South Vietnam. The war, however, is only one reason—and certainly not the major reason—for the excellent state of the economy of Taiwan. Certainly partly responsible is the successful land reform program under which 66 percent of the farmers now own their own farms and 80 percent of the farmland is owner occupied. There has also been a considerable industrial development on the island. Chinese, United States, and other Western capital and, ever-increasingly, Japanese investments have resulted in a substantial growth of industry. It has been such as to permit, in turn, the export of Taiwanese capital and skills to Africa and other underdeveloped regions.

The future of political developments respecting Taiwan is somewhat more uncertain than the prospects for continued economic progress. Of major importance, for example, is the sensitive issue of relations between Chinese who look to the mainland as home and Chinese whose permanent home is on Taiwan. In the background of this question, of course, is the question of the so-called two-China policy. It should be noted in this connection that the Governments of the Republic of China and the People's Republic of China, which see little else in the same light, do insist with equal fervor that Taiwan is and must remain an inseparable part of China.

IX. CONCLUDING COMMENTS

1. We know little with certainty about developments in China, and the need to learn all that we can is obviously imperative. Size and economic potential alone insure that China's influence will inevitably be felt deeply throughout Asia and the world. What happens in China is bound to touch every Asian nation and the relations among these nations. Indeed, it is likely to be felt throughout the world. It has been said that by the time this century ends one quarter of the 7 billion people who it is estimated will be on the earth will be Chinese.

Whatever the government system under which they live, the Chinese on the mainland are intelligent, industrious, and gifted, as are the Chinese on Taiwan and in Chinese communities all over the world. They are not creatures from another planet. Their lives are marked, as are ours, by the human cycle of birth, marriage, and death. Their government—whatever its character—faces substantially the same problems as the government of other countries.

One path to knowledge between peoples is, of course, trade. Trade is an important medium of communication between countries because it brings an exchange not only of products and information but of people as well. An absence of trade relations distorts the general relationship between countries and constitutes a barrier to communications and to knowledge. And trade has been totally absent from the U.S. relationship with China for a decade and a half. Indeed, we are the only major country in the world today, as we have been for some years, which has maintained not only a total embargo on trade with Communist China but has sought to compound it with a secondary boycott. It is true that the Chinese are aiding the North Vietnamese and the Vietcong military effort and that the circumstances at this time are therefore hardly propitious for even consideration of the resumption of trade with China, however limited or nonstrategic it might be. Nevertheless, it is a good time to note our failure to face up to this question when circumstances were propitious, long before Americans began to die in Vietnam. It might be wise, therefore, to call to mind at an appropriate time the proposition that one of the best ways of helping to prevent future Vietnams may well be to increase communication between ourselves and the Chinese. Through the medium of trade in peaceful goods, as well as by an exchange of journalists and correspondents, it may some day be possible to begin to lower the level of mutual hatred and ignorance.

2. We must be careful to keep under constant review our policies and their administration, respecting countries on the rim of Asia to insure that both continue relevant to our long-run interests, including the most basic interest which is to maintain cordial and cooperative relations with each of these nations.

3. While we are being supported in Vietnam, in one way or another, by every non-Communist country of the Western Pacific, this support has many equivocal aspects. There is no visible prospect of any significant increase in assistance from these countries.

4. The friendly nations of Asia are tending to move toward greater international self-assertion and a diversification of their foreign relationships. It would be both unwise and inappropriate to insist on any pattern of behavior for Asian countries as an earnest of their continued close association with the United States. We could not, for example, block Japan's growing trade with the Soviet Union even if we were so inclined which, I would note, we are not. Similarly, having explored ourselves the prospects of "bridge-building" to Eastern Europe, it should not surprise us if the Philippines do the same. Tendencies of this kind have roots which derive largely from obvious economic motivations, as well as less obvious but no less significant assertions of national independence. Efforts to divert these tendencies would bring, in my judgment, more problems than they could hope to solve. In this light, our trade and aid policies and practices in the Western Pacific need constant reappraisal.

5. Japan is a major constructive force in Asia. The power of Japan will continue to find its primary outlets in economic rather than military efforts. Thus, the greater and more rapid the shift from military confrontation to economic interplay throughout the Western Pacific, the larger and more relevant will be Japan's contribution to the stability and progress of the region. For that reason, if no other, we should lose no opportunity, it seems to me, to shift the present emphasis of interest, and policy in Asia to economic development. It follows that attempts should not be made to urge or stimulate the Japanese to strengthen their defense establishment beyond the point which is determined as appropriate by the normal political processes within Japan. And, in this connection, it is necessary to question most closely the thesis that if Japan were to agree to take up more of the burden of the defense of the Western Pacific, we would be able to reduce our own efforts. The result might well be to create additional tensions and pressures in Asia which would reduce, rather than increase, our flexibility and delay, rather than hasten, the reduction of our own military presence in Asia.

6. Finally, and perhaps most importantly, there is a need to rearrange our attitudes toward the countries of the Western Pacific. The United States has been involved in that area for many years—in the Philippines before the war, all over the Pacific during the war, in Japan and Korea and the Taiwan Straits after the war, and now on the Southeast Asian mainland, notably in Vietnam. Undoubtedly, a massive American presence will persist in Southeast Asia for some time to come, and the United States will remain visible, to say the least, throughout the Western Pacific. At the same time, there is a difference between presence and predominance.

In my judgment, it is characteristic of the new self-confidence of the friendly nations of the region to welcome the first but increasingly to shrink from the second. There is a marked desire for less dependence on the United States which we should acknowledge and welcome. Indeed, we should give every reasonable and sympathetic encouragement to its full realization by generous, timely and understanding adjustments in our policies with respect to the nations on the rim of Asia.

We have a solid base of cordiality among those nations. We have friends everywhere, despite spots of anti-Americanism. We can maintain sound relationships if, on the one hand, we do not precipitately turn our back on our responsibilities and if, on the other hand, we recognize that the time has come when we should help the countries on Asia's rim to follow the path they wish to take and not a path that we think they should take or should want to take.

USE OF EXPORT-IMPORT BANK FUNDS TO FINANCE TRANSACTIONS WITH A NATION WITH WHICH THE UNITED STATES IS AT WAR

Mr. BYRD of Virginia. Mr. President, by a 7-to-7 tie vote, the House Rules Committee yesterday refused to clear the Export-Import Bank legislation for floor action.

I understand the Fino amendment was involved in the committee action.

The Fino amendment combines the Byrd amendment adopted by the Senate on August 10, and the Mundt-Byrd amendment adopted by the Senate on August 11.

The Fino-Byrd-Mundt amendments all do the same thing; namely, prevent the use of Export-Import Bank funds to finance transactions with a nation with which we are at war.

The second thing the Fino-Byrd-Mundt amendments do is to take away discretionary power from the President.

The House Banking Committee, in adopting the Fino amendment by a vote of 17 to 4, modified the Byrd amendment to the extent that the prohibition on the use of Export-Import Bank funds could be set aside by appropriate committees of the Congress 30 days after they determine that any such transaction would be in the national interest.

This modification is completely satisfactory to me. It takes the determination away from the President and invests it in the appropriate committees of the Congress.

I support the Fino amendment, a combination of the Byrd amendment and the Mundt-Byrd amendment.

The close fight in the House Banking Committee and the tie vote in the House Rules Committee indicate that the administration will make a determined effort to kill the Fino amendment when it comes to the floor of the House.

So there will be no misunderstanding, I want to assert on the floor of the Senate this 16th day of November that if the House eliminates the Fino amendment or if the Senate-House conferees eliminate the Fino amendment, I shall use whatever weapons an individual Senator may have to delay or kill the passage of the entire Export-Import Bank legislation.

There are two important principles involved:

The Senate spoke firmly on August 10, and again on August 11, that taxpayers' funds should not be used to finance transactions with nations trading with our enemy.

It simultaneously made clear that it was taking away from the President the right to set aside this prohibition, the President having already publicly stated that he planned to use $50 million of Export-Import Bank funds to help finance the building of a Fiat automobile plant for the Soviet Union.

I want to state frankly that the Fino-Byrd-Mundt amendments may, and possibly will, reduce the profits of some

American companies. But I want to say also that, so long as we are suffering casualties in North Vietnam, I am not concerned about business profits, if these profits must come from using tax funds to finance transactions with nations which trade with our enemy.

So as we go into the final few weeks of this session of the Congress, I want to make clear that I shall use every resource available to me to prevent the enactment of Export-Import Bank legislation unless such legislation contains either the Fino amendment, or the Byrd amendment or the Mundt-Byrd amendment, or an amendment which accomplishes the same dual objective of those amendments.

Mr. President, I ask unanimous consent that the text of the Byrd amendment adopted by the Senate on August 10, the text of the Mundt-Byrd amendment, and the text of the Fino amendment as adopted by the House Banking Committee, be inserted at this point in the RECORD.

There being no objection, the amendments were ordered to be printed in the RECORD, as follows:

TEXTS OF AMENDMENTS TO EXPORT-IMPORT BANK ACT

BYRD AMENDMENT

SEC. 2. Section 2 of the Export-Import Bank Act of 1945 is amended by adding at the end thereof a new subsection as follows:

"(d) The Bank shall not guarantee, insure, or extend credit, or participate in an extension of credit (1) in connection with the purchase of any product by any nation with which the United States is engaged in armed conflict (whether or not there has been a declaration of war), or any agency or national thereof; or (2) in connection with the purchase of any product by any nation (or agency or national thereof) the government of which is furnishing goods or supplies to a nation described in clause (1)."

MUNDT-BYRD AMENDMENT

SEC. 3. Section 2 of the Export-Import Bank Act of 1945 is amended by adding at the end thereof a new subsection as follows:

"(d) The Bank shall not guarantee, insure, or extend credit, or participate in an extension of credit in connection with the purchase of any product for the construction of a facility for manufacturing automobiles by the Union of Soviet Socialist Republics, or by any other nation or entity for use (to the knowledge of the Bank) in the Union of the Soviet Socialist Republics."

FINO AMENDMENT WITH COMMITTEE MODIFICATION

The Bank shall not guarantee, insure, or extend credit, or participate in the extension of credit in connection with the purchase of any product by a national or agency of any nation

(A) which engages in armed conflict, declared or otherwise, with armed forces of the United States; or

(B) which furnishes by direct governmental action (not including chartering, licensing, or sales by non-wholly-owned business enterprises) goods, supplies, military assistance, or advisers to a nation described in subparagraph (A);

nor shall the Bank guarantee, insure, or extend credit, or participate in the extension of credit in connection with the purchase by any nation (or national or agency thereof) of any product which is to be used principally by or in a nation described in subparagraph (A) or (B);

Any product which is to be used principally by or in a nation described in subparagraph (A) or (B); except that if the appropriate committees of the Senate and House of Representatives have reported to their respective houses their determination that any transaction would be in the national interest, then after 30 days after the filing of the last of such reports, the prohibitions of this paragraph shall not apply to that transaction.

ANOTHER MORATORIUM ON BOMBING

Mr. MOSS. Mr. President, I ask unanimous consent that I may proceed for 12 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MOSS. Mr. President, I rise to suggest another moratorium on bombing. As early as May 15, 1965, the United States announced and did stop bombing North Vietnam. It has done so several times since. The last moratorium was observed in February of this year. Most of these pauses in bombing took place during holiday periods such as the Vietnamese Lunar new year. There is no consensus on what these pauses have accomplished for this Nation.

However, I believe the moratorium I now propose would do much to emphasize the determination and unity of purpose of our country. As we approach Thanksgiving Day this year, I consider it timely to suggest another moratorium on bombing, but my suggestion does not relate directly to North Vietnam. A brief review of some recent developments in America appear in order before I suggest this moratorium.

During an address to the United Press International editors and publishers, in New York City last April, White House Correspondent Merriman Smith, a Pulitzer Prize winner, warned:

> President Johnson these days is the object of some of the worst vilification—even obscenity—that I've seen or heard in more than twenty-five years on the White House assignment.

Mr. Smith substantiated this statement by citing examples:

In New Orleans, variety stores sell metal auto license plates vividly associating the President with barnyard filth; in New York, grown men were carrying signs which openly and plainly challenged the President's normalcy; there are buttons around the country saying, "Lee Harvey Oswald, Where Are You Now?" among others.

Mr. Smith rejected such charges as enlightened social change or legitimate dissent or revolution and described them as anarchism—an effort to destroy confidence in Government plus an effort to pull down confidence in the press. He concludes that it is time for the American public to take some responsibility for its own image and stop blaming everything on either "President Johnson or Drew Pearson."

Mr. Smith's warning was echoed by columnists and was the subject of editorials in numerous news media. I had hoped his warning would be heeded.

However, during the past 6 months these attacks have not diminished; to the contrary, they now approach hysteria and seem to be a phobia with all too many Americans. The smut increases, and almost daily we see in print assertions that the President prolongs the Vietnam war because of a sadistic desire to napalm Asian women and children.

The peaceniks, beatniks, and hippies continue to stage their disgusting performance and, because of extensive news coverage, play to a large audience, both in this country and abroad, out of all proportion to the segment of society they constitute in this country. But a new element has been interjected into these attacks, which is even more appalling. I refer to supposedly responsible citizens who hurl charges that the President can end the tragic war in Vietnam anytime and is only waiting until it is politically opportune to do so. Such nonsense is the lowest form of political sniping.

In addition, many of the attacks are uttered under the guise of civil rights. The record will reflect that I steadfastly champion the civil rights cause—but the attacks I deplore are neither "civil" nor "right."

To summarize all of this, the 36th President of the United States is a daily target of vicious, insidious, and sadistic attacks from some Americans who oppose his policies. Recent dissent, in large part, has degenerated into emotional nonsense, void of logic, even decency, and has resulted in irrational condemnation.

Mr. President, I do not rise today to take a stand for or against the President's policies—they have been, are, and will be an area for free debate under our political system. Rather, I wish to endorse and renew the warning of Mr. Smith and others that the pathological attacks are harmful to this country. Against this background, Mr. President, I suggest a moratorium on this type "bombing" of the President, and will attempt to explain what I think such a moratorium would accomplish for our Nation.

It is our lot today to exercise—not what we sought, but what our Government has achieved—our position of world leadership. This burden has been entrusted to others in the past; like it or not, it now is ours. In addition, we are confronted with myriad domestic problems which attend a society such as ours, and for which a solution is not easily found. Thus our President shoulders the most awesome responsibility ever placed on one man. But he alone does not bear responsibility for all that is wrong in this Nation. Responsibility is part, parcel, and inherent in the privilege of being an American citizen. It follows then, that you and I and all Americans have a share of responsibility for the conduct of the affairs of this Nation. We cannot and should not shift our own responsibilities to the President. I think a vast majority of our citizens share this view and will reflect anew on how they can best serve our country in these troubled times.

There can be little doubt that the irrational condemnation I have described adversely affects our fighting men in Vietnam—and raises doubt in the minds of the leaders in Hanoi and elsewhere around the world as to our determination and unity of purpose. Such utterances obviously undermine confidence in all levels of our government; and they add a useless burden to our President. The time and effort involved in uttering, refuting, analyzing, and reporting this nonsense could be put to more constructive use.

Historically, in time of peril, we have united behind our President, but never, to my knowledge, has a President needed moral support more and received less than Mr. Johnson receives every day. Therefore, I suggest this moratorium as a time during which we should reflect on all the great problems which confront our Nation. We can ponder our own responsibilities, and those of the President, with respect to such issues as Vietnam, crime, poverty, and our role of world leadership, with less emotion and less frustration. From a period of calm deliberation, responsible constructive criticism might emerge which would be helpful to our President and hence to our country.

Anticipating that my remarks today will bring the false cry that this is an effort to stifle dissent, I wish to make it clear that if such were true, I would be as irresponsible as those I condemn. No American should ever challenge this hallowed principle of democracy—our national inheritance—the inviolate right to dissent. But the attacks I deplore are not rational criticism nor honest dissent; rather they are the products of irresponsibility and vulgarity.

The type of responsibility needed in this country today is set forth in the policy statement of the newly formed citizens Committee for Peace with Freedom in Vietnam. This committee, headed by former Senator Paul Douglas and Gen. Omar Bradley, counts among its members our two living former Presidents, Mr. Truman and General Eisenhower, as well as eminent Americans from many walks of life. I applaud the action of this group as being in the highest American tradition.

Other groups and individuals have expressed reasoned opinions—some supporting, some opposing, our presence and efforts in Vietnam, and certainly this is a constructive and healthy situation. Any President expects and accepts criticism when he assumes office. But what alarms me are vicious and irresponsible attacks which seem to arise out of near hysteria and obviously degrade the Office of the President and hence the Nation.

Whether we agree with his policies or not, the traditional sense of American fair play dictates respect for our President. Unfair attacks are repugnant to most Americans; just as the right to dissent is cherished.

We must not fail to keep this distinction in mind. Describe my observations as "patriotic flag waving" if you wish, but credit me with a sincere concern for my country.

Mr. President, these are but some of the areas of concern that compel me to ask all Americans to observe this moratorium, for I believe it would result in a more responsible and constructive dialog in the future—a dialog vital to our way of life and essential under our form of goverment.

Mr. MANSFIELD. Mr. President, will the Senator yield briefly?

Mr. MOSS. I am happy to yield to the majority leader.

Mr. MANSFIELD. Mr. President, I applaud the basic tenet which the distinguished Senator from Utah has brought forth in his comments today. I read the first amendment to the Constitution:

> Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

The first amendment to the Constitution does agree with what the Senator has in mind. He is not talking about those who assemble peacefully to express their feelings through free speech or to petition on a given subject. They have a right to do as they do, but not to do so on the basis of libel, obscenity, vulgarity or violence; nor to do so in the manner chosen by certain very small minorities of late, so as to curtail the desires and the wishes of the great majority of those who participate in the demonstrations. The first amendment grants no license for these highly objectionable actions. These small minorities debase dissent and flaunt the constitutional rights of the majority.

I, for one, am very much disturbed when, for example, lighted torches are thrown into the faces of soldiers and U.S. marshals at the Pentagon. I for one am disturbed when obscenities are printed on walls. I for one am disturbed when vulgarities are addressed to individuals in positions of prominence and responsibility; and I feel that it is about time that something be done to try to bring this matter to a position where it can be better understood.

In this respect I would like to pay my respects to the police of this country who have, by and large, conducted themselves responsibly and with great restraint. They have all too often been subject to abuse, violence, and name calling as they have sought to uphold the law they were sworn to defend.

The Senator has indicated in his remarks that he feels what he has said today may make it possible for some to say that he is endeavoring to stifle dissent. I would disagree with anyone who would make a charge of that nature against the distinguished Senator, because, as he says, if he were to advocate that, he would be as irresponsible as those whom he has condemned.

But he also states that:

> Groups and individuals have expressed reasoned opinions—some supporting, some opposing, our presence and efforts in Vietnam, and certainly this is a constructive and healthy situation. Any President expects and accepts criticism when he assumes office. But what alarms me are vicious and irresponsible attacks which seem to arise out of near hysteria and obviously degrade the office of the President and hence the Nation.
>
> Whether we agree with his policies or not, the traditional sense of American fair play dictates respects for our President. Unfair attacks are repugnant to most Americans; just as the right to dissent is cherished.

Mr. President, I have been disturbed and concerned by the type of attacks which are being directed and have been directed, not only toward the President of the United States, but also toward the First Lady of this country. I have been disturbed and concerned by the type of attacks made against the Secretary of State and the Secretary of Defense. I am all for dissent; provided it is constructive; provided it is reasonable; provided it is within constitutional bounds. But I am not for personal insults, rowdyism, harassment, violence, intolerance and disregard of the law. I believe that this small minority—and it is a very small minority of those who demonstrate—have strayed far, far out of the bounds of decency to vent their twisted personal hatred and their spleen on these people who occupy positions of great responsibility and importance.

I am sure that everyone knows how I stand on Vietnam. But regardless of how I stand, the office of the Presidency must and should be respected by all American citizens. It does not matter who occupies that office, because he occupies it only temporarily. And by the same token, the wife of the Chief Executive should be given the recognition which is her due, and she should not be subjected to abuse and vilification, as has been the case all too often. In my opinion, Mrs. Johnson has been one of the stalwarts in the present administration, and has brought great credit upon the administration and the Presidency.

Nor do I like to see these people who make it a point to walk out on responsible officials who have been requested to come to a university, let us say, to address the students at their commencement or otherwise. After all, there is such a thing as courtesy, good manners, and decency, and if a man is invited, whether it be to your house, to a college or university, or to a gathering in a hotel, it is my belief that that individual, regardless of the views of those in attendance or outside on the street, should be given the right to express his thoughts and to make his case.

I would hope that out of this speech made by the distinguished Senator from Utah there will come a sense of responsibility on the part of all Americans, regardless of how they feel on a particular subject; acknowledging that those who are in office by the will of the people or at the will of the President should be given the consideration, the decency, and the courtesy which is every American's right, whether he occupies the highest position in this land or whether he is the lowliest of our citizens.

Irresponsibility, on either side, has no place in our Nation. Neither does intolerance of one's views.

Mr. MOSS. Mr. President, I ask unanimous consent that I may have 3 additional minutes.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MOSS. Mr. President, I express my appreciation for the very forceful and thoughtful comments of the majority leader. I think he said far more eloquently than I could the things I was trying to say in my little talk this morning.

I think that when some of our citizens act as they have in the past, such acts are signs of weakness and immaturity and ill manners as the majority leader has stated.

I think the majority leader has, by his own example in speaking out on policies with which he does not agree, or in making suggestions in a rational, straightforward manner, demonstrated the type of criticism to which we are entitled under the first amendment.

I, like the majority leader, want to be among the first to acknowledge that the right to dissent is inviolate, but it must be exercised with reason. In the past people have exceeded the bounds of reason.

I associate myself with all the remarks of the majority leader and thank him.

Mr. YOUNG of Ohio. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. YOUNG of Ohio. Mr. President, I congratulate the distinguished Senator from Utah on the magnificent address he has made today. He has rendered a real and needed public service to the Nation in saying what should have been said, and in saying it in such a superior manner.

At the same time, I associate myself with the splendid remarks made by the distinguished majority leader, the Senator from Montana [Mr. MANSFIELD].

Mr. MOSS. I thank the Senator for his kind remarks.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. MOSS. I yield.

Mr. BYRD of West Virginia. Mr. President, I have listened to the statements made by the distinguished Senator from Utah [Mr. Moss], and the distinguished majority leader.

The statements, in my opinion, have been thoughtful, forceful, reasonable, responsible, and constructive.

I associate myself with the viewpoints expressed by both Senators, and I congratulate them.

Mr. MOSS. Mr. President, I thank the Senator.

I yield the floor.

SOUP KITCHENS AND BREAD LINES MUST NEVER AGAIN BE TOLERATED: OUR SOCIAL SECURITY SYSTEM MUST BE LIBERALIZED AND EXPANDED

Mr. YOUNG of Ohio. Mr. President, the pending bill, H.R. 12080, as amended in the Senate Finance Committee, is a great advance in social legislation. The 11 members of the Senate Committee on Finance who signed the majority report and reported the bill, as amended, are to be congratulated for the real and needful public service they have performed for the Nation.

Mr. President, more than 32 years ago, the most humane and advanced social legislation in our Nation's history, the Social Security Act, was enacted into law. The man who proposed this legislation and whose signature placed it on the statute books is dead. This is one of many imprints that Franklin D. Roosevelt left upon the pages of American history which will endure forever. I am very happy that during my first term as Congressman at Large from Ohio, I voted for and spoke in favor of passage of the first Social Security law.

Since passage of the Social Security Act of 1935, Congress has made changes in the act in keeping with fast-changing times. We have a duty to further expand and liberalize this program. The Social Security Amendments of 1967 will help assure that millions of Americans will enjoy a measure of security and dignity in their old age.

It is a happy personal recollection that as Congressman at Large from Ohio and a member of the Committee on Ways and Means in the House of Representatives, I helped draft our present liberalized and expanded social security program. Over the years I have always supported and voted for liberalizing amendments. I consider it a privilege to vote this week for this bill as reported by a majority of the Senate Committee on Finance and for some amendments which are among the most far-reaching improvements to our social security insurance program since its enactment more than 32 years ago.

When the Social Security Act became law, there were fewer than 7 million Americans 65 years or older. Today, there are more than 19 million men and women 65 years of age or older. By 1970 there will be more than 20 million.

The majority of men and women beyond 65 years old have inadequate incomes. Most do not receive private pensions. The majority cannot afford proper medical care. Many are ill-housed and, unfortunately, too many lack means to obtain proper diet and are undernourished. It is clear that social security benefits must be greatly increased and the social security program greatly expanded if we are to meet present needs of older Americans.

The proposal reported by the Finance Committee raises average benefits for nearly 24 million social security recipients—men, women, and children—by 15 percent across the board. It increases the monthly minimum benefit from $44 to $70. The optional retirement age is lowered from 62 to 60 at reduced benefits for those who may choose to retire at this earlier age. This will cause 760,000 additional Americans to be eligible for benefits amounting to $524 million during the first 12 months after this act goes into effect. Benefits have been liberalized for disabled widows and for widows of workers covered during their lifetime. This proposal eases eligibility requirements for payments to the blind.

Our social security system, which is actually the old-age, survivors, disability, and health insurance program, is an actuarially sound insurance system. The present surplus in the social security and disability trust funds exceeds $23 billion. Under the bill as amended by the Senate Finance Committee, this program will continue to be actuarially sound without imposing unduly heavy premium payments on Americans.

Mr. President, in the United States we have gone a long way under great leadership since those dark depression days of 1931 and 1932, when a high-placed Government official said, "Relief is a local problem."

The hope we all cherish is an old age free from care and want. To that end people toil patiently and live closely, seeking to save something for the day when they can earn no more. As age creeps on, there is a constantly declining capacity to earn, until at 65 many find themselves unemployable.

There was no more pitiful tragedy than the lot of the worker who had struggled all his life to gain a competence and who, at 65, was poverty stricken and dependent upon charity. The black slave knew no such tragedy as this. It was a tragedy reserved for the free worker in the greatest nation on earth in an era which now seems remote but in fact was as recent as the late 1920's and early 1930's.

Mr. President, back in 1931, in my home city of Cleveland, and in cities throughout the country, there were bread lines and soup kitchens. Unless one lived through and can recall the terrible depression, he would have difficulty in believing the conditions that existed at that time. Banks in 48 States were closed. Many had failed and the savings of millions of citizens were wiped away. In the final months of the administration of President Herbert Hoover, the entire financial structure of the United States had collapsed. Never at any time since the Federal troops streamed back into Washington in panic in July 1861, after the Battle of Bull Run, or Manassas, in the War Between the States, was our Nation so imperiled.

Farmers were not making enough money to pay their taxes and the interest on their mortgages. Groups of farmers gathered on courthouse steps threatening to hang judges, demonstrating against foreclosures of farms, and interfering with the orderly processes of the law. At that time, 14 million worthy and industrious men and women walked city streets jobless. This represented 26 percent of the Nation's workingmen and workingwomen, eager to be gainfully employed but denied any employment whatever. Time and events have proved that since the enactment of the social security law, under which checks totaling more than $20 billion in social security benefits were paid last year to almost 23 million beneficiaries, there has been and is no possibility of a cruel depression such as was experienced commencing in 1930.

Where would the American people have been without that law? Think of the distressful situation of our country during those three recession periods of the Eisenhower administration. Where would they have been except for social security and the payments that came in every month to the beneficiaries of the social security system? Those recessions would have become great, deep and sorrowful depressions. No one today seriously questions the need for our social security system or its importance in promoting economic and social stability.

Americans now know that private charities, bread lines and soup kitchens must never again be the answer of American intelligence and sense of justice to the problems of unemployment and indigent old age.

Mr. President, at present social security recipients may not earn more than $1,500 per year without suffering deductions from their social security benefits. The present limitation imposes a cruel financial burden on people still able to work after 65 and denies them a right which they have earned by their own contributions into the social security fund. It is reasonable to look forward to dramatic new breakthroughs in the search for cures for cancer and heart disease that will push higher and higher the life expectancy of Americans. Men and women of 65 and 70 and 75 will—and many now do—have the ability to participate in gainful employment after retirement.

It is unfair to bar these men and women from receiving social security retirement payments for which they have paid premiums during their more active years. This can be remedied at no cost whatsoever to taxpayers by increasing the earnings limitation.

In four successive Congresses I introduced legislation to increase the earnings limitation for social security recipients. I was very glad that the Senate Finance Committee has recommended that the earnings limitation be increased from $1,500 to $1,680 in 1968, and $2,000 annually thereafter, with no reduction in social security benefits. I am hopeful that in the future the earnings limitation will be increased even further and finally removed altogether.

Social security payments totaling more than $90 million are now delivered each month to 1,250,000, Ohio men, women, and children. With the enactment of the pending bill, this amount will be increased to more than $105 million. Soon, 24 million Americans—children, men, and women—will receive social security checks amounting to $2 billion, or more, each month.

Mr. President, I congratulate our colleagues who serve on the Senate Committee on Finance for their outstanding work. The Nation is indebted to them for the social security bill they have reported to the Senate and which we are considering today. It will truly be a great day in our Nation's history when the Social Security Amendments of 1967 are enacted into law.

ECONOMIC OPPORTUNITY AMENDMENTS OF 1967

Mr. CLARK. Mr. President, I ask that the Chair lay before the Senate a message from the House on S. 2388.

The **PRESIDING OFFICER** laid before the Senate the amendment of the House of Representatives to the bill (S. 2388) to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act, and for other purposes, which was, strike out all after the enacting clause and insert:

That this Act may be cited as the "Economic Opportunity Amendments of 1967."

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. For the purpose of carrying out programs under the Economic Opportunity Act of 1964 (other than part C of title I of such Act), there is hereby authorized to be appropriated for the fiscal year ending June 30, 1968, the sum of $1,600,000,000, of which subject to the provisions of section 616 of such Act, the amounts appropriated or made available by appropriation Act shall not exceed $667,500,000 for the purpose of carrying out the provisions of title I of such Act, $776,500,000 for the purpose of carrying out title II, $47,000,000 for the purpose of carrying out title III, $70,000,000 for the purpose of carrying out title V, $14,000,000 for the purpose of carrying out title VI, and $25,000,000 for the purpose of carrying out title VIII.

TITLE I—AMENDMENTS TO THE ECONOMIC OPPORTUNITY ACT

JOB CORPS AMENDMENTS

SEC. 101. Part A of title I of the Economic Opportunity Act of 1964 is amended to read as follows:

"PART A—JOB CORPS

"STATEMENT OF PURPOSE

"SEC. 101. This part establishes a Job Corps for low-income, disadvantaged young men and women, sets forth standards and procedures for selecting individuals as enrollees in the Job Corps, authorizes the establishment of residential and/or nonresidential centers in which enrollees will participate in intensive programs of education, vocational training, work experience, counseling, and other activities, and prescribes various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps. Its purpose is to assist young persons who need and can benefit from an unusually intensive program operated in a group setting, to become more responsible, employable, and productive citizens; and do so in a way that contributes, where feasible, to the development of National, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

"ESTABLISHMENT OF THE JOB CORPS

"SEC. 102. There is hereby established within the Office of Economic Opportunity a 'Job Corps'.

"INDIVIDUALS ELIGIBLE FOR THE JOB CORPS

"SEC. 103. To become an enrollee in the Job Corps, a young man or woman must be a person who—

"(1) is a permanent resident of the United States who has attained age fourteen but not attained age twenty-two at the time of enrollment:

"(2) is a low-income individual or member of a low-income family who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment participate successfully in regular schoolwork, qualify for other training programs suitable to his needs, or satisfy Armed Forces requirements;

"(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife, or other disorienting conditions as to substantially impair his prospects for successful participation in any other program providing needed training, education, or assistance;

"(4) is determined, after careful screening as provided for in sections 104 and 105, to have the present capabilities and aspirations needed to complete and secure the full benefit of the program authorized in this part, and to be free of medical and behavioral problems so serious that he could not or would not be able to adjust to the standards of conduct and discipline or pattern of work and training which that program involves; and

"(5) meets such other standards for enrollment as the Director may prescribe and agrees to comply with all applicable Job Corps rules and regulations.

"SCREENING AND SELECTION OF APPLICANTS—GENERAL PROVISIONS

"SEC. 104. (a) The Director shall prescribe necessary rules for the screening and selection of applicants for enrollment in the Job Corps. To the extent practicable, these rules shall be implemented through arrangements which make use of agencies and organizations such as community action agencies, public employment offices, professional groups, and labor organizations. The rules shall establish specific standards and procedures for conducting screening and selection activities; shall encourage recruitment through agencies and individuals having contact with youths over substantial periods of time and able, accordingly, to offer reliable information as to their needs and problems; and shall provide for necessary consultation with other individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers. They shall also provide for—

"(1) an interview with each applicant for the purpose of—

"(A) determining whether his educational and vocational needs can best be met through the Job Corps or any alternative program in his home community;

"(B) obtaining from the applicant pertinent data relating to his background, needs, and interests for evaluation in determining his eligibility and potential assignment; and

"(C) giving the applicant a full understanding of the Job Corps program and making clear what will be expected of him as an enrollee in the event of his acceptance.

"(2) the conduct of a careful and systematic inquiry concerning the applicant's background for the effective development and, as appropriate, clarification of information concerning his age, citizenship, school and draft status, health, employability, past behavior, family income, environment, and other matters related to a determination of his eligibility.

"(b) The Director shall make no payments to any individual or organization solely as compensation for the service of referring the names of candidates for enrollment in the Job Corps.

"(c) The Director shall take all necessary steps to assure that the enrollment of the Job Corps includes an appropriate number of candidates selected from rural areas, taking into account the proportion of eligible youth who reside in rural areas and the need to provide residential facilities for such youth in order to meet problems of wide geographic dispersion.

"SCREENING AND SELECTION—SPECIAL LIMITATIONS

"SEC. 105. (a) No individual shall be selected as an enrollee unless it is determined that there is reasonable expectation that he can participate successfully in group situations and activities with other enrollees, that he is not likely to engage in actions or behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintenance of sound discipline and satisfactory relationships between any center to which he might be assigned and surrounding communities, and that he manifests a basic understanding of both the rules to which he will be subject and of the consequences of failure to observe those rules. Before selecting an individual who has a history of serious and violent behavior against persons or property, repetitive delinquents acts, narcotics addiction, or other major behavioral aberrations, the Director shall obtain a finding from a professionally qualified person who knows such potential enrollee's individual situation that there is reasonable expectation that his conduct will not be inimical to the goals and success of the Job Corps and that the opportunity provided by the Job Corps will help him to overcome his problem.

"(b) An individual who otherwise qualifies for enrollment may be selected even though he is on probation or parole, but only if his release from the immediate supervision of the cognizant probation or parole officials is mutually satisfactory to those officials and the Director and does not violate applicable laws or regulations, and if the Director has arranged to provide all supervision of the individual and all reports to State or other authorities that may be necessary to comply with applicable probation or parole requirements.

"ENROLLMENT AND ASSIGNMENT

"SEC. 106. (a) No individual may be enrolled in the Job Corps for more than two years, except as the Director may authorize in special cases.

"(b) Enrollment in the Job Corps shall not relieve any individual of obligations under the Universal Military Training and Service Act (50 U.S.C. App. 451 et seq.).

"(c) Each enrollee (other than a native and citizen of Cuba described in section 609(3) of this Act or a permanent resident of the Trust Territory of the Pacific Islands) must take and subscribe to an oath or affirmation in the following form: 'I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies foreign and domestic.' The provisions of section 1001 of title 18, United States Code, shall be applicable to this oath or affirmation.

"(d) After the Director has determined whether an enrollee is to be assigned to a men's training center, a conservation center, or a women's training center, the center to which he shall be assigned shall be that center of the appropriate type which is closest to the enrollee's home, except that the Director, on an individual basis, may waive this requirement when overriding considerations justify such action. Assignments to centers in areas more remote from the enrollee's home shall be carefully limited to situations in which such action is necessary in order to insure an equitable opportunity for disadvantaged youth from various sections of the country to participate in the program, to prevent undue delays in the assignment of individual enrollees, to provide an assignment which adequately meets the educational or other needs of the enrollee or is necessary for efficiency and economy in the operation of the program.

"JOB CORPS CENTERS

"SEC. 107. (a) The Director may make agreements with Federal, State, or local agencies, or private organizations for the establishment and operation of Job Corps centers. These centers may be residential and/or nonresidential in character and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with education, vocational training, work experience (either in direct program activities or through arrangements with employers), counseling, and other services appropriate to their needs. The centers shall include conservation centers, to be known as Civilian Conservation Centers, to be located primarily in rural areas and to provide, in addition to other training and assistance, programs of work experience focused upon activities to conserve, develop, or manage public natural resources or public recreational areas or to assist in developing community projects in the public interest. They shall also include men's and women's training centers to be located in either urban or rural areas and to provide activities which shall include training and other services appropriate for enrollees who can be expected to participate successfully in training for specific types of skilled or semiskilled employment.

"(b) To the extent feasible, men's and women's training centers shall offer education and vocational training opportunities, together with supportive services, on a nonresidential basis to participants in programs described in part B of this title. Such opportunities may be offered on a reimbursable basis or through such other arrangements as the Director may specify.

"PROGRAM ACTIVITIES

"SEC. 108. (a) Each Job Corps center shall be operated so as to provide enrollees with an intensive, well-organized and fully supervised program of education, vocational training, work experience, planned avocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program for each enrollee shall include activities designed to assist him in choosing realistic career goals, coping with problems he may encounter in his home community or in adjusting to a new community, and planning and managing his daily affairs in a manner that will best contribute to long-term upward mobility, and shall aggregate at least sixty hours a week. Center programs shall include required participation in center maintenance support and related work activity as appropriate to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

"(b) To the extent practicable, the Director may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes where these institutions or institutes can provide training comparable in cost and substantially equivalent in quality to that which he could provide through other means.

"(c) Arrangements for education shall, to the extent feasible, provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from high school; and the Director, with the concurrence of the Secretary of Health, Education, and Welfare, shall develop certificates to be issued to enrollees who have satisfactorily completed their services in the Job Corps and which will reflect the enrollee's level of educational attainment.

"(d) The Director shall prescribe regulations to assure that Job Corps work-experience programs or activities do not displace presently employed workers or impair existing contracts for service and will be coordinated with other work-experience programs in the community.

"ALLOWANCE AND SUPPORT

"SEC. 109. (a) Enrollees may be provided with such living, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, medical, dental, hospital, and other health services, and other expenses as the Director may deem necessary or appropriate for their needs. Transportation and travel allowances may also be provided, in such circumstances as the Director may determine, for applicants for enrollment to or from places of enrollment, and for former enrollees from places of termination to their homes.

"(b) The Director shall prescribe specific rules governing the accrual of leave by enrollees. Except in the case of emergency, he shall in no event assume transportation costs connected with leave of any enrollee who has not completed at least six months' service in the Job Corps.

"(c) The Director may provide each former enrollee, upon termination, a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation in the Job Corps. No enrollee shall be entitled to a readjustment allowance, however, unless he has remained in the program at least ninety days, except in unusual circumstances as determined by the Director. The Director may, from time to time, advance to or on behalf of an enrollee such portions of his readjustment allowance as the Director deems necessary to meet extraordinary financial obligations incurred by that enrollee; and he may also, pursuant to rules or regulations, reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct during participation in the Job Corps. In the event of an enrollee's death during his period of service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.

"(d) Under such circumstances as the Director may determine, a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a spouse or child of an enrollee or to any other relative who draws substantial support from the enrollee, and any sum so paid shall be supplemented by the payment of an equal amount by the Director.

"STANDARDS OF CONDUCT

"SEC. 110. (a) Within Job Corps centers, standards of conduct and deportment shall be provided and stringently enforced. In the case of violations committed by enrollees, dismissals from the Corps or transfers to other locations shall be made in every instance where it is determined that retention in the Corps, or in the particular Job Corps center, will jeopardize the enforcement of such standards of conduct and deportment or diminish the opportunity of other enrollees.

"(b) In order to promote the proper moral and disciplinary conditions in the Job Corps, the individual directors of Job Corps centers shall be given full authority to take appropriate disciplinary measures against enrollees including, but not limited to, dismissal from the Job Corps, subject to expeditious appeal procedures to higher authority, as provided under regulations set by the Director.

"COMMUNITY PARTICIPATION

"SEC. 111. The Director shall encourage and shall cooperate in activities designed to establish a mutually beneficial relationship between Job Corps centers and surrounding or nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussion of common problems and for planning programs of mutual interest. Whenever possible, such advisory councils shall be formed by and coordinated under the local community action agency. Youth participation in advisory council affairs shall be encouraged and where feasible separate youth councils may be established, to be composed of representative enrollees and representative young people from the communities. The Director shall establish necessary rules and take necessary action to assure that each center is operated in a manner consistent with this section with a view to achieving, so far as possible, objectives which shall include: (1) giving community officials appropriate advance notice of changes in center rules, procedures, or activities that may affect or be of interest to the community; (2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees; (3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community; (4) encouraging the fullest practicable participation of enrollees in programs or projects for community improvement or betterment, with adequate advance consultation with business, labor, professional, and other interested community groups and organizations; (5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together; (6) providing community residents with opportunities to work with enrollees directly, as part-time instructors, tutors, or advisers, either in the center or in the community; (7) developing, where feasible, job or career opportunities for enrollees in the community; and (8) promoting interchanges of information and techniques among, and cooperative projects involving, the center and community schools, educational institutions, and agencies serving young people.

"COUNSELING AND JOB PLACEMENT

"SEC. 112. (a) The Director shall provide for the counseling and testing of each enrollee at regular intervals to follow his progress in educational and vocational programs.

"(b) The Director shall counsel and test each enrollee prior to his scheduled termination to determine his capabilities and shall seek to place him in a job in the vocation for which he is trained and in which he is likely to succeed, or shall assist him in attaining further training or education. In placing enrollees in jobs, the Director shall utilize the United States Employment Service to the fullest extent possible.

"(c) The Secretary of Labor shall make arrangements to determine the status and progress of terminees and to assure that their needs for further education, training, and counseling may be met.

"(d) Upon termination of an enrollee's training, a copy of his pertinent records, including data derived from his counseling and testing, other than confidential information, shall be made available immediately to the Department of Labor and the Office of Economic Opportunity.

"(e) The Director shall, to the extent feasible in accordance with section 611(d) of this Act, arrange for the readjustment allowance provided for in section 109(c) of this Act, less any sums already paid pursuant to subsection (d) of that section, to be paid to former enrollees (who have not already found employment) at the public employment service office nearest the home of any such former enrollee, if he is returning to his home, or at the nearest such office to the community in which the former enrollee has indicated an intent to reside. The Secretary of Labor shall make arrangements by which public employment service officers will maintain records regarding former enrollees who are thus paid at such offices including information as to—

"(1) the number of former enrollees who have declined the offices' help in finding a job;

"(2) the number who were successfully placed in jobs without further education or training;

"(3) the number who were found to require further training before being placed in jobs and the types of training programs in which they participated; and

"(4) the number who were found to require further remedial or basic education in order to qualify for training programs, together with information as to the types of programs for which such former enrollees were found unqualified for enrollment.

If the Director deems it advisable to utilize the services of any other public or private organization or agency in lieu of the public employment office, he shall arrange for that organization or agency to make the payment of the readjustment allowance and maintain the same types of records regarding former enrollees as are herein specified for maintenance by public employment service offices, and shall furnish copies of such records to the Secretary of Labor. In the case of enrollees who are placed in jobs by the Director prior to the termination of their participation in the Jobs Corps, the Director shall maintain records providing pertinent placement and follow-up information.

"EVALUATION; EXPERIMENTAL AND DEVELOPMENTAL PROJECTS

"SEC. 113. (a) The Director shall provide for the careful and systematic evaluation of the Job Corps program, directly or by contracting for independent evaluations, with a view to measuring specific benefits, so far as practicable, and providing information needed to assess the effectiveness of program procedures, policies, and methods of operation. In particular, this evaluation shall seek to determine the costs and benefits resulting from the use of residential as opposed to nonresidential facilities, from the use of facilities combining residential and nonresidential components, from the use of centers with large as opposed to small enrollments, and from the use of different types of program sponsors, including public agencies, institutions of higher learning, boards of education, and private corporations. The evaluation shall also include comparisons with proper control groups composed of persons who have not participated in the program. In carrying out such evaluations, the Director shall arrange for obtaining the opinions of participants about the strengths and weaknesses of the program and shall consult with other agencies and officials in order to compare the relative effectiveness of Job Corps techniques with those used in other programs, and shall endeavor to secure, through employers, schools, or other Government and private agencies specific information concerning the residence of former enrollees, their employment status, compensation, and success in adjusting to community life. He shall also secure, to the extent feasible, similar information directly from enrollees at appropriate intervals following their completion of the Job Corps program. The results of such evaluation shall be published and shall be summarized in the report required by section 608.

"(b) The Director may undertake or make grants or contracts for experimental, research, or demonstration projects directed to developing or testing ways of securing the better use of facilities, of encouraging a more rapid adjustment of enrollees to community life that will permit a reduction in the period of their enrollment, of reducing transportation and support costs, or of otherwise promoting greater efficiency and effectiveness in the program authorized under this part. These projects shall include one or more projects providing youths with education, training, and other supportive services on a combined residential and nonresidential basis. The Director may, if he deems it advisable, undertake one or more pilot projects designed to involve youth who have a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other behavioral aberrations. Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies conducting similar or related programs or projects and with the prime sponsors, as described in part B of this title, in the communities where the projects will be carried out. They may be undertaken jointly with other Federal or federally assisted programs, including programs under part B of this title, and funds otherwise available for activities under those programs shall, with the consent of the head of any agency concerned, be available to projects under this section to the extent they include the same or substantially similar activities. The Director may waive any provision of this title which he finds would prevent the carrying out of elements of projects under this subsection essential to a determination of their feasibility and usefulness. He shall, either in the report required by section 608 or a separate annual document, report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

"(c) In order to determine whether upgraded vocational education schools could eliminate or substantially reduce the school dropout problem, and to demonstrate how communities could make maximum utilization of existing educational and training facilities, the Director, in cooperation with the Commissioner of Education, shall enter into one or more agreements with State educational agencies to pay the cost of establishing and operating model community vocational education schools and skill centers. Such facilities shall be centrally located in an urban area having a high dropout rate, a large number of unemployed youths, and a need in the area for a combination vocational school and skill center. No such agreement shall be entered into unless it contains provisions designed to assure that—

"(1) a job survey be made of the area;

"(2) the training program of the school and skill center reflect the job market needs as projected by the survey;

"(3) an advisory committee composed of representatives of business, labor, education, and community leaders be formed to follow the center's activities and to make periodic recommendations regarding its operation;

"(4) arrangements have been worked out with schools in the area and the administrator of the skill center for maximum utilization of the center both during and after school hours; and

"(5) such accounting and evaluation procedures as the Director and the Commissioner of Education deem necessary to carry out the purpose of this project will be provided.

"ADVISORY BOARDS AND COMMITTEES

"SEC. 114. The Director shall make use of advisory committees or boards in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever he determines that the availability of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities. Nothing in this section shall be considered as limiting the functions of the National Advisory Council, established pursuant to section 605 of this Act, with respect to any matter or question involving the Job Corps; but this shall not prevent the establishment through or in cooperation with the National Advisory Council of one or more boards or committees under this section.

"PARTICIPATION OF THE STATES

"SEC. 115. (a) The Director shall take necessary action to facilitate the effective participation of States in the Job Corps program, including, but not limited to, consultation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards of enrollee conduct and discipline, the development of meaningful work experience and other activities for enrollees, and coordination with State-operated programs.

"(b) The Director may enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Director may, pursuant to regulations, pay part or all of the operative or administrative costs of such programs.

"(c) No Job Corps center or other similar facility designed to carry out the purpose of this Act shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor, and such plan has not been disapproved by him within 30 days of such submission.

"APPLICATION OF PROVISIONS OF FEDERAL LAW

"SEC. 116. (a) Except as otherwise specifically provided in the following paragraphs of this subsection, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those regarding hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits:

"(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

"(2) For purposes of subchapter I of chapter 81 of title 5 of the United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term 'employee' as defined in sections 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except as follows:

"(A) The term 'performance of duty' shall not include any act of an enrollee while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction and supervision of the Job Corps;

"(B) In computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for a grade GS-2 employee, and sections 8113 (a) and (b) of title 5, United States Code, shall apply to enrollees; and

"(C) Compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee is terminated.

"(3) For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered employees of the Government.

"(b) When the Director finds a claim for damage to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, United States Code, he may adjust and settle it in an amount not exceeding $500.

"(c) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Director for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

"SPECIAL LIMITATIONS

"SEC. 117. (a) The Director shall not use any funds made available to carry out this part for the fiscal year ending June 30, 1968, in a manner that will increase the residential capacity of Job Corps centers above forty-five thousand enrollees.

"(b) The Director shall take necessary action to insure that on or before June 30, 1968, of the total number of Job Corps enrollees receiving training, at least 25 per centum shall be women. The Director shall immediately take steps to achieve an enrollment ratio of 50 per centum women enrollees in training in the Job Corps consistent with (1) efficiency and economy in the operation of the program, (2) sound administrative practice, and (3) the socioeconomic, educational, and training needs of the population to be served.

"(c) The Director shall take necessary action to insure that for the first year ending June 30, 1968, the direct operating costs of Job Corps centers which have been in operation for more than nine months do not exceed $6,500 per residential enrollee, or $2,500 per nonresidential enrollee.

"(d) The Director shall take necessary action to insure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the operation of any conservation or training center shall become the property of the United States.

"POLITICAL DISCRIMINATION AND POLITICAL ACTIVITY

"SEC. 118. (a) No officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by law a disqualification for Government employment. No discrimination shall be exercised, threatened, or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Corps or any applicant for enrollment in the Corps because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

"(b) No officer, employee, or enrollee of the Corps shall take any active part in political management or in political campaigns, either partisan or nonpartisan, or in voter registration drives, except as may be provided by or pursuant to statute, and no such officer, employee, or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. Any officer, employee, enrollee, or Federal employee who solicits funds for political purposes from members of the Corps, shall be in violation of the Federal Corrupt Practices Act, 1925.

"(c) Whenever the United States Civil Service Commission finds that any person has violated the foregoing provisions, it shall, after giving due notice and opportunity for explanation to the officer or employee or enrollee concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective actions."

WORK AND TRAINING PROGRAMS

SEC. 102. Parts B and D of title I of the Economic Opportunity Act of 1964 are consolidated as a new part B of such title and amended to read as follows:

"PART B—WORK AND TRAINING FOR YOUTH AND ADULTS

"STATEMENT OF PURPOSE

"SEC. 120. The purpose of this part is to provide useful work and training opportunities, together with related services and assistance, that will assist low-income youths to continue or resume their education, and to help unemployed or low-income persons, both young and adult, to obtain and hold regular competitive employment, with maximum opportunities for local initiative in developing programs which respond to local needs and problems, and with emphasis upon a comprehensive approach which includes programs using both public and private resources to overcome the complex problems of the most severely disadvantaged in urban and rural areas having high concentrations or proportions of unemployment, underemployment, and low income.

"COMMUNITY PROGRAM AREAS AND COMPREHENSIVE WORK AND TRAINING PROGRAMS

"SEC. 121. (a) The Director shall designate or recognize community program areas for the purpose of planning and conducting comprehensive community work and training programs.

"(b) For the purpose of this title, a community may be a city, county, multicity, or multicounty unit, an Indian reservation, or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organizational base and possesses the commonality of interest needed for a comprehensive work and training program. The Director shall consult with the heads of other Federal agencies responsible for programs relating to community action, manpower services, physical and economic development, housing, education, health, and other community services to encourage the establishment of coterminous or complementary boundaries for planning purposes among those programs and comprehensive work and training programs assisted under this title.

"(c) A comprehensive work and training program must seek to provide participants an unbroken sequence of services which will enable them to obtain and hold employment. It shall provide a systematic approach to planning and implementation including the linkage of relevant component programs authorized by this Act with one another and with other appropriate public and private programs and activities. It shall also provide for evaluation.

"PRIME SPONSORS AND DELEGATE AGENCIES

"SEC. 122. (a) For each community program area, the Director shall recognize a public or private nonprofit agency which shall serve as the prime sponsor to receive funds under section 123 (except as otherwise provided in section 123(c)). This agency must be capable of planning, administering, coordinating, and evaluating a comprehensive work and training program.

"(b) The prime sponsor shall provide for the participation of employers and labor organizations in the planning and conduct of the comprehensive work and training programs.

"(c) The prime sponsor shall be encouraged to make use of public and private organizations as delegate agencies to carry out components of the comprehensive work and training program, including without limitation agencies governed with the participation of the poor and other residents of the neighborhoods or rural areas served, educational institutions, the public employment service, the public welfare agency, other health and welfare agencies, private training institutions, and other capable public and private organizations.

"(d) The prime sponsor and delegate agencies shall provide for participation of residents of the area and members of the groups served in the planning, conduct, and evaluation of the comprehensive work and training program and its components. Such persons shall be provided maximum employment opportunity in the conduct of component programs, including opportunity for further occupational training and career advancement.

"(e) The Director shall prescribe regulations to assure that programs under this part have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

"ELIGIBLE ACTIVITIES

"SEC. 123. (a) The Director may provide financial assistance in urban and rural areas for comprehensive work and training programs or components of such programs, including the following:

"(1) programs to provide part-time employment, on-the-job training, and useful work experience for students from low-income families who are in the ninth through twelfth grades of school (or are of an age equivalent to that of students in such grades) and who are in need of the earnings to permit them to resume or maintain attendance in school;

"(2) programs to provide unemployed, underemployed, or low-income persons (aged sixteen and over) with useful work and training (which must include sufficient basic education and institutional or on-the-job training) designed to assist those persons to develop their maximum occupational potential and to obtain regular competitive employment;

"(3) special programs which involve work activities directed to the needs of those chronically unemployed poor who have poor employment prospects and are unable, because of age, lack of employment opportunity, or otherwise, to secure appropriate employment or training assistance under other programs, and which, in addition to other services provided, will enable such persons to participate in projects for the betterment or beautification of the community or area served by the program, including without limitation activities which will contribute to the management, conservation, or development of natural resources, recreational areas, Federal, State, and local government parks, highways, and other lands;

"(4) special programs which provide unemployed or low-income persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or area served in fields including without limitation health, education, welfare, neighborhood redevelopment, and public safety, which provide maximum prospects for advancement and continued employment without Federal assistance, which give promise of contributing to the broader adoption of new methods of structuring jobs and new methods of providing job ladder opportunities, and which provide opportunities for further occupational training to facilitate career advancement;

"(5) special programs which concentrate work and training resources in urban and rural areas having large concentrations or proportions of low-income, unemployed persons, and within those rural areas having substantial outmigration to urban areas, which are appropriately focused to assure that work and training opportunities are extended to the most severely disadvantaged persons who can reasonably be expected to benefit from such opportunities, and which are supported by specific commitments of cooperation from private and public employers;

"(6) supportive and follow-up services to supplement work and training programs under this or other Acts including health services, counseling, day care for children, transportation assistance, and other special services necessary to assist individuals to achieve success in work and training programs and in employment;

"(7) employment centers and mobile employment service units to provide recruitment, counseling, and placement services, conveniently located in urban neighborhoods and rural areas and easily accessible to the most disadvantaged;

"(8) programs to provide incentives to private employers, other than nonprofit organizations, to train or employ unemployed or low-income persons, including arrangements by direct contract, reimbursements to employers for unusual training costs for a limited period when an employee might not be fully productive, payment for on-the-job counseling and other supportive services, payment of all or part of employer costs of sending recruiters into urban and rural areas of high concentrations or proportions of unemployed or low-income persons, and payments to permit employers to provide employees resident in such areas with transportation to and from work or to reimburse such employees for such transportation: *Provided*, That in making such reimbursements to employers the Director shall assure that the wages paid any employee shall not be less than the minimum wage which would be applicable to employment under the Fair Labor Standards Act of 1938 if section 6 of such Act applied to the employee and he was not exempt under section 13 thereof; and

"(9) means of planning, administering, coordinating, and evaluating a comprehensive work and training program.

"(b) Commencing July 1, 1968, all work and training component programs conducted in a community under this section shall be consolidated into the comprehensive work and training program and financial assistance for such components shall be provided to the prime sponsor unless the Director determines there is a good cause for providing an extension of time, except as otherwise provided by subsection (c). After that date, the work and training components of programs authorized by section 502 of this Act and by section 261 of part E of title II of the Manpower Development and Training Act of 1962 shall to the maximum extent feasible be linked to the comprehensive work and training program, including funding through the prime sponsor where appropriate.

"(c) The Director may provide financial assistance to a public agency or private organization other than a prime sponsor to carry out one or more component programs described in subsection (a) when he determines, after soliciting and considering comments of the prime sponsor, if any, that such assistance would enhance program effectiveness or acceptance on the part of persons served and would serve the purposes of this title. In the case of programs under subsection (a)(1) of this section, financial assistance may be provided directly to local or State educational agencies pursuant to agreements between the Director and the Secretary of Labor providing for the operation of such programs under direct grants or contracts.

"SPECIAL CONDITIONS

"SEC. 124. (a) The Director shall not provide financial assistance for any program under this part unless he determines, in accordance with such regulations as he may prescribe, that—

"(1) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

"(2) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal for other funds in conjunction with work that would otherwise be performed;

"(3) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant;

"(4) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of individual participants;

"(5) no person charged in whole or in part, with responsibility for administration of the program is, or ever has been, a member of the Communist Party.

"(b) For programs which provide work and training related to physical improvements, preference shall be given to those improvements which will be substantially used by low-income persons and families or which will contribute substantially to amenities or facilities in urban or rural areas having high concentrations or proportions of low-income persons and families.

"(c) Programs approved under this part shall, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement.

"(d) Projects under this part shall provide for maximum feasible use of resources under other Federal programs for work and training and the resources of the private sector.

"PROGRAM PARTICIPANTS

"SEC. 125. (a) Participants in programs under this part must be unemployed or low-income persons. The Director, in consultation with the Social Security Administrator, shall establish criteria for low income, taking into consideration family size, urban-rural and farm-nonfarm differences, and other relevant factors. Any individual shall be deemed to be from a low-income family if the family receives cash welfare payments.

"(b) Participants must be permanent residents of the United States or of the Trust Territory of the Pacific Islands.

"(c) Participants shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employment benefits.

"ELDERLY

"SEC. 126. The Director shall provide that programs under this part shall be designed to deal with the incidence of long-term unemployment among persons fifty-five years and older. In the conduct of such programs, the Director shall encourage the employment of such persons as regular, part-time, and short-term staff in component programs.

"PILOT PROJECTS

"SEC. 127. (a) The Director may provide financial assistance to public or private organizations for pilot projects which are designed to develop new approaches to further the objectives of this part. Such projects may be conducted by public agencies or private organizations.

"(b) The Director shall undertake pilot projects designed to encourage the maximum participation of private employers, other than nonprofit organizations, in work and training programs under this part.

"(c) Before the Director may approve a pilot project, he shall solicit and consider comments on such project from the prime sponsor, if any, in the community where the project will be undertaken.

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 128. The Director may provide (directly or through contracts or other appropriate arrangements) technical assistance to assist in the initiation or effective operation of programs under this part. He may also make arrangements for the training of instructors and other personnel needed to carry out work and training programs under this part. He shall give special consideration to the problems of rural areas.

"ROLE OF THE STATES

"SEC. 129. The Director may provide financial assistance to appropriate State agencies to—

"(1) provide technical assistance and training, as authorized by section 128, with particular emphasis upon service to rural areas and for this purpose preference shall be given to the State agency which administers programs assisted by section 231;

"(2) assist in coordinating State activities related to this part;

"(3) operate work and training programs in communities which have not yet established an acceptable prime sponsor; and

"(4) provide work and training opportunities on State projects and in State agencies: *Provided*, That these opportunities shall be made available to participants in community work and training programs.

"EQUITABLE DISTRIBUTION OF ASSISTANCE

"SEC. 130. Of the sums appropriated or allocated for any fiscal year for programs authorized under this title, the Director shall reserve not to exceed 20 per centum for the purpose of carrying out section 123(a)(5); but not more than 12½ per centum of the funds so reserved for any fiscal year shall be used within any one State. With respect to the remaining funds appropriated or allocated to carry out the provisions of section 123, the Director shall establish criteria designed to achieve an equitable distribution of assistance among the States. In developing those criteria, he shall consider, among other relevant factors, the ratios of population, unemployment, and family income levels.

"LIMITATIONS ON FEDERAL ASSISTANCE

"SEC. 131. Federal financial assistance to any program or activity carried out pursuant to section 123 of this part shall not exceed 90 per centum of the cost of such program or activity, including costs of administration. The Director may, however, approve assistance in excess of that percentage if he determines, pursuant to regulations establishing objective criteria for such determinations, that this is necessary in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. If in any fiscal year, a community provides non-Federal contributions under this title exceeding its requirements under this section, such excess may be used to meet its requirements for such contributions under section 223(c).

"PROGRAM DATA AND EVALUATION

"SEC. 132. (a) The Director shall provide for the development and implementation of a program data system consistent with similar data systems for other relevant Federal programs. Such data shall be published periodically.

"(b) The Director shall provide for the continuing evaluation of the programs under this part, including their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for the delivery of services, and he shall arrange for obtaining the opinions of participants about the strengths and weaknesses of the programs. This evaluation shall include comparisons with proper control groups composed of persons who have not participated in such programs, and shall seek to develop comparative data on the costs and benefits of work and training programs authorized by this Act and by other Acts, including the Manpower Development and Training Act of 1962. He may, for this purpose, contract for independent evaluations of such programs or individual projects. The results of such evaluations shall be included in the report required by section 608.

"(c) The Director shall develop and publish standards for evaluation of program effectiveness in achieving the objectives of this title. Such standards shall be considered in deciding whether to renew or supplement financial assistance provided by sections 123, 128, and 129."

COMMUNITY ACTION AMENDMENTS

SEC. 103. Title II of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

"STATEMENT OF PURPOSE

"SEC. 201. This title provides for community action agenices and programs, prescribes the structure and describes the functions of community action agencies and authorizes financial assistance to community action programs and related projects and activities. Its basic purpose is to stimulate a better focusing of all available local, State, private and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages in rural and urban areas, to attain the skills, knowledge, and motivations and secure the opportunities needed for them to become fully self-sufficient. Its specific purposes are to promote, as methods of achieving a better focusing of resources on the goal of individual and family self-sufficiency—

"(1) the strengthening of community capabilities for planning and coordinating Federal, State, and other assistance related to the elimination of poverty, so that this assistance, through the efforts of local officials, organizations, and interested and affected citizens, can be made more responsible to local needs and conditions;

"(2) the better organization of a range of services related to the needs of the poor, so that these services may be made more effective and efficient in helping families and individuals to overcome particular problems in a way that takes account of, and supports their progress in overcoming, related problems;

"(3) the greater use, subject to adequate evaluation, of new types of services and innovative approaches in attacking causes of poverty, so as to develop increasingly effective methods of employing available resources;

"(4) the development and implementation of all programs and projects designed to serve the poor or low-income areas with the maximum feasible participation of residents of the areas and members of the groups served, so as to best stimulate and take full advantage of capabilities for self-advancement and assure that those programs and projects are otherwise meaningful to and widely utilized by their intended beneficiaries; and

"(5) the broadening of the resource base of programs directed to the elimination of poverty, so as to secure, in addition to the services and assistance of public officials, private religious, charitable, and neighborhood organizations, and individual citizens, a more active role for business, labor, and professional groups able to provide employment opportunities or otherwise influence the quantity and quality of services of concern to the poor.

"It is further declared to be the purpose of this title and the policy of the Office of Economic Opportunity to provide for basic education, health care, vocational training, and employment opportunities in rural America to enable the poor living in rural areas to remain in such areas and become self-sufficient therein. It shall not be the purpose of this title or the policy of the Office of Economic Opportunity to encourage the rural poor to migrate to urban areas, inasmuch as it is the finding of Congress that continuation of such migration is frequently not in the best interests of the poor and tends to further congest the already overcrowded slums and ghettos of our Nation's cities.

"PART A—COMMUNITY ACTION AGENCIES AND PROGRAMS

"DESIGNATION OF COMMUNITY ACTION AGENCIES; COMMUNITY ACTION PROGRAMS

"SEC. 210. (a) Community action agencies shall be a State or political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or a public or private nonprofit agency or organization which has been designated by a State or such a political subdivision or combination of such subdivisions, which—

"(1) has power to enter into contracts with public and private nonprofit agencies and organizations to assist in fulfilling the purposes of this title, and

"(2) is designated as a community action agency by the Director.

A community action program is a community based and operated program—

"(1) which includes or is designed to include a sufficient number of projects or components to provide, in sum, a range of services and activities having a measurable and potentially major impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem;

"(2) which has been developed, and which organizes and combines its component projects and activities, in a manner appropriate to carry out all the purposes of this title; and

"(3) which conforms to such other supplementary criteria as the Director may prescribe consistent with the provisions of this title.

"(b) Components of a community action program may be administered by the community action agency, where consistent with sound and efficient management and applicable law, or by other agencies. They may be projects eligible for assistance under this title, or projects assisted from other public or private sources; and they may be either specially designed to meet local needs, or designed pursuant to the eligibility standards of a State or Federal program providing assistance to a particular kind of activity which will help in meeting those needs.

"(c) The community for which a community action agency is designated to carry on a community action program may be a city, county, multicity, multicounty, or other governmental unit, an Indian reservation, or a neighborhood or other area (whether or not its boundaries correspond with those of any political subdivision); but it must in any event provide the organizational base and possess the commonality of interest needed for an efficient and effective program conforming to the requirements of this section.

"(d) The Director may provide financial assistance to a public or private nonprofit agency as a community action agency other than a community action agency designated under subsection (a) for activities of the kind described in this title where he determines that the community action agency serving the community has failed, after having a reasonable opportunity to do so, to submit a satisfactory plan for a community action program which meets the criteria for approval set forth in this title, or that neither the State nor any qualified political subdivision or combination of such subdivisions is willing to be designated as the community action agency for such community or to designate a public or private nonprofit agency or organization to be so designated by the Director.

"(e) No political subdivision of a State shall be included in the community action program of a State, or of any political subdivision or combination thereof, if the elected or duly appointed governing officials thereof do not wish to be so included. Such political subdivision, and any public or private nonprofit organization or agency designated by it, shall be eligible for designation as a community action agency on the same basis as other political subdivisions and their designees.

"(f) For the purposes of this title, a tribal government of an Indian reservation shall be deemed to be a political subdivision of a State.

"COMMUNITY ACTION AGENCIES AND BOARDS

"SEC. 211. (a) Each community action agency which is a State or a political subdivision of a State, or a combination of political subdivisions, shall administer its program through a community action board which shall meet the requirements of subsection (b). Each community action agency which is a public or private nonprofit agency or organization designated by a State or political subdivision of a State, or combination of political subdivisions, or is an agency designated by the Director under section 210(d), shall have a governing board which shall meet the requirements of subsection (b).

"(b) Each board to which this subsection applies shall consist of not more than fifty-one members and shall be so constituted that (1) one-third of the members of the board are public officials, including the chief elected official or officials, or their representatives, unless the number of such officials reasonably available for such service is less than one-third of the membership of the board, (2) at least one-third of the members are persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served, and (3) the remainder of the members are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community. Each member of the board selected to represent a specific geographic area within a community must reside in the area he represents. No person selected under clause (2) or (3) of this subsection as a member of a board shall serve on such board for more than three consecutive years, or more than a total of six years.

"(c) Where a community action agency places responsibility for policy determinations with respect to the character, extent, and administration of programs to be carried on in a particular geographic area within the community in a subsidiary board, council, or similar agency, or where it places substantial reliance on the recommendations of such an agency in making such policy determinations affecting particular areas, such subsidiary board, council, or similar agency shall meet the requirements of subsection (b).

"(d) The Director shall promulgate such standards or rules relating to the scheduling and notice of meetings, quorums (which shall be not less than 50 per centum of the total membership), procedures, establishment of committees, and similar matters as he may deem necessary to assure that boards which are subject to subsection (b) provide a continuing and effective mechanism for securing broad, community involvement in programs assisted under this title and that all groups or elements represented on those boards have a full and fair opportunity to participate in decisions affecting those programs. Such standards or rules shall not preclude any such board from appointing an executive committee or similar group, which fairly reflects the composition of the board, to transact the board's business between its meetings. The quorum requirements for any such committee or group shall be established by the board.

"(e) The powers of every community action agency governing board shall include the power to appoint persons to senior staff positions, to determine major personnel, fiscal, and program policies, to approve overall program plans and priorities, and to assure compliance with conditions of and approve proposals for financial assistance under this title.

"SPECIFIC POWERS AND FUNCTIONS OF COMMUNITY ACTION AGENCIES

"SEC. 212. (a) In order to carry out its overall responsibility for planning, coordinating, evaluating, and administering a community action program, a community action agency must have authority under its charter or applicable law to receive and administer funds under this title, funds and contributions from private or local public sources which may be used in support of a community action program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit agency (as the case may be) organized in accordance with this part could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a community action program. A community action agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. This power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

"(b) In exercising its powers and carrying out its overall responsibility for a community action program, a community action agency shall have, subject to the purposes of this title, at least the following functions:

"(1) Planning systematically for and evaluating the program, including actions to develop information as to the problems and causes of poverty in the community, determine how much and how effectively assistance is being provided to deal with those problems and causes, and establish priorities among projects, activities and areas as needed for the best and most efficient use of resources.

"(2) Encouraging agencies engaged in activities related to the community action program to plan for, secure and administer assistance available under this title or from other sources on a common or cooperative basis; providing planning or technical assistance to those agencies; and generally, in cooperation with community agencies and officials, undertaking actions to improve existing efforts to attack poverty, such as improving day-to-day communication, closing service gaps, focusing resources on the most needy, and providing additional opportunities to low-income individuals for regular employment or participation in the programs or activities for which those community agencies and officials are responsible.

"(3) Initiating and sponsoring projects responsive to needs of the poor which are not otherwise being met, with particular emphasis on providing central or common services that can be drawn upon by a variety of related programs, developing new approaches or new types of services that can be incorporated into other programs, and filling gaps pending the expansion or modification of those programs.

"(4) Establishing effective procedures by which the poor and area residents concerned will be enabled to influence the character of programs affecting their interests, providing for their regular participation in the implementation of those programs, and providing technical and other support needed to enable the poor and neighborhood groups to secure on their own behalf available assistance from public and private sources.

"(5) Joining with and encouraging business, labor, and other private groups and organizations to undertake, together with public officials and agencies, activities in support of the community action program which will result in the additional use of private resources and capabilities, with a view to such things as developing new employment opportunities, stimulating investment that will have a measurable impact in reducing poverty among residents of areas of concentrated poverty, and providing methods by which residents of those areas can work with private groups, firms, and institutions in seeking solutions to problems of common concern.

"ADMINISTRATIVE STANDARDS

"SEC. 213. (a) Each community action agency shall observe, and shall (as appropriate) require or encourage other agencies participating in a community action program to observe, standards of organization, management and administration which will assure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the purposes of this title and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias or personal or family favoritism. Each community action agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each community action agency shall also provide for reasonable public access to information, including but not limited to public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible. And each community action agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employee benefits; to assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advanced under impartial procedures calculated to improve agency performance and effectiveness; to guard against personal or financial conflicts of interests; and to define employee duties of advocacy on behalf of the poor in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law.

"(b) The Director shall prescribe rules or regulations to supplement subsection (a), which shall include regulations governing matters relating to partisan or nonpartisan political activities and elections referred to in section 603(b) of this Act, and which shall be binding on all agencies carrying on community action program activities with financial assistance under this title. He may, where appropriate, establish special or simplified requirements for smaller agencies or agencies operating in rural areas. These special requirements shall not, however, affect the applicability of rules governing conflicts of interest, use of position or authority for partisan political purposes or participation in direct action, regardless of customary practices or rules among agencies in the community. The Director shall consult with the heads of other Federal agencies responsible for programs providing assistance to activities which may be included in community action programs for the purpose of securing maximum consistency between rules or regulations prescribed or followed by those agencies and those prescribed under this section.

"EVALUATION OF COMMUNITY ACTION AGENCIES AND PROGRAMS

"SEC. 214. (a) In determining whether, in what amount, and on what conditions, to extend financial assistance to a new community action program, the Director shall consider evidence of the extent of poverty in the community and the probable capacity of the agency to undertake an efficient and effective program in full conformity to the purposes of this title. In renewing or supplementing that financial assistance, he shall consider the progress made in carrying on such a program, consistent with needs and with due allowance for the special problems of rural and smaller communities, and the efficiency with which the agency has discharged its specific functions and duties to this end. The Director shall prescribe standards for evaluation of overall effectiveness and specific agency operations in accordance with this subsection. In developing those standards he shall consider, but not be limited to, the use of criteria covering: the number and incomes of persons or families served and seeking to be served and the length of their participation; the extent to which those persons and families have been aided in establishing specific goals and have in fact attained those goals; the extent to which resources have been committed which are over and above the contributions required by this title; the degree to which full use has been made of sources of financial assistance other than this title; the degree to which agencies, groups, and organizations, including the poor and area representatives, have actively participated in the formulation and implementation of the program in question; the extent and effectiveness of follow-through arrangements among agencies operating different components and related agencies in the community; and the extent to which activities or approaches initiated as part of the program have been incorporated in other ongoing programs in the community.

"(b) In addition to evaluations undertaken directly by him or by community action agencies, the Director may provide for, or require community action agencies to provide for, independent evaluations. Where appropriate, he may also require a community action agency to establish an independent group or committee to provide evaluation and advisory services on either a short-term or continuing basis.

"PART B—FINANCIAL ASSISTANCE TO COMMUNITY ACTION PROGRAMS AND RELATED ACTIVITIES

"DEVELOPMENT OF COMMUNITY ACTION PROGRAMS

"SEC. 220. The Director may provide financial assistance to community action agencies to assist them in developing community action programs in accordance with this title. He may also provide financial assistance to other public or private nonprofit agencies to aid them in planning for the establishment of a community action agency or participation in a community action program, including assistance to local governments in connection with planning activities and organizational changes to support or improve the effectiveness of such programs.

"GENERAL PROVISIONS FOR FINANCIAL ASSISTANCE TO COMMUNITY ACTION PROGRAMS

"SEC. 221. (a) In order to aid in the implementation of community action programs, the Director may provide general financial assistance to those programs in accordance with the provisions of this section. This assistance may be used, as approved by the Director, by community action agencies in order to enable them to carry out their planning, coordination, evaluation, and overall administration responsibilities as described in part A of this title. It may also be used for the development and operation of approved program components which are necessary for a fully effective program and for which assistance is not available, as needed, from other sources. These component projects may involve, without limitation, activities providing services, together with necessary related facilities, designed to assist families and individuals to secure and retain meaningful employment; to make better use of available income in connection with efforts for self-advancement; to attain basic educational skills needed for employment, family self-help, or successful participation in school; to better secure, use, and maintain housing required for a suitable living environment; to undertake family planning consistent with personal and family goals, religious and moral convictions; and to make more frequent and effective use of programs available to help in overcoming specific problems. Components providing these or other services may be focused upon the needs of specific low-income groups, such as the very young, youth, the elderly, the unemployed, and persons receiving public assistance, but shall wherever feasible be structured so as to foster family participation and progress.

"(b) If the Director determines that a limited purpose project or program involving activities otherwise eligible under this section is needed to serve needs of low-income families and individuals in a community, and no community action agency has been designated for that community pursuant to section 210, or where a community action agency gives its approval for such a program to be funded directly through a public or private nonprofit agency or organization, he may extend financial assistance for that project or program to a public or private nonprofit agency which he finds is capable of carrying out the project in an efficient and effective manner consistent with the purpose of this title.

"(c) The Director shall prescribe necessary rules or regulations governing applications for assistance under this section to assure that every reasonable effort is made by each applicant to secure the views of local public officials and agencies in the community having a direct or substantial interest in the application and to resolve all issues of cooperation and possible duplication prior to its submission.

"SPECIAL PROGRAMS AND ASSISTANCE

"SEC. 222. (a) In order to stimulate actions to meet or deal with particularly critical needs or problems of the poor which are common to a number of communities, the Director may develop and carry on special programs under this section. This authority shall be used only where the Director determines that the objectives sought could not be effectively achieved through the use of authorities under sections 220 and 221, including assistance to components or projects based on models developed and promulgated by him. It shall also be used only with respect to programs which (1) involve activities which can be incorporated into or be closely coordinated with community action programs, (2) involve significant new combinations of resources or new and innovative approaches, and (3) are structured in a way that will, within the limits of the type of assistance or activities contemplated, most fully and effectively promote the purposes of this title. Subject to such conditions as may be appropriate to assure effective and efficient administration, the Director may provide financial assistance to public or private nonprofit agencies to carry on local projects initiated under such special programs; but he shall do so in a manner that will encourage, wherever feasible, the inclusion of the assisted projects in community action programs, with a view to minimizing possible duplication and promoting efficiencies in the use of common facilities and services, better assisting persons or families having a variety of needs, and otherwise securing from the funds committed the greatest possible impact in promoting family and individual self-sufficiency. Programs under this section shall include those described in the following paragraphs:

"(1) A program to be known as 'Project Headstart' focused upon children who have not reached the age of compulsory school attendance which (A) will provide such comprehensive health, nutritional, education, social, and other services as the Director finds will aid the children to attain their full potential, and (B) will provide for direct participation of the parents of such children in the development, conduct, and overall program direction at the local level.

"(2) A program to be known as 'Follow Through' focused primarily upon children in kindergarten or elementary school who were previously enrolled in Headstart or similar programs and designed to provide comprehensive services and parent participation activities as described in paragraph (1), which the Director finds will aid in the continued development of children to their full potential.

"(3) A 'Legal Services' program to provide legal advice and legal representation to persons when they are unable to afford the services of a private attorney, together with legal research and information, as appropriate to mobilize the assistance of lawyers or legal institutions, or combinations thereof, in furtherance of the cause of justice among persons living in poverty. Projects involving legal advice and representation shall be carried on in a way that assures maintenance of a lawyer-client relationship consistent with the best standards of the legal profession. The Director shall establish procedures to assure that the principal local bar associations in the area to be served by any proposed project for legal advice and representation are afforded an adequate opportunity to submit comments and recommendations on the proposal before it is approved or funded. No funds or personnel made available for such program (whether conducted pursuant to this section or any other section in this part) shall be utilized (A) to organize or assist in organizing any unlawful demonstration or civil disturbance, or (B) for the defense of any person charged with participating therein or with the commission of a crime committed in the course thereof, if such person organized, or assisted in organizing any such demonstration, or civil disturbance.

"(4) A 'Comprehensive Health Services' program to aid in developing and carrying out comprehensive health services projects focused upon the needs of urban and rural areas having high proportions of poverty and a marked inadequacy of health services for the poor. These projects shall be designed—

"(A) to make possible, with maximum feasible use of existing agencies and resources, the provision of comprehensive health services, including but not limited to preventive medical, diagnostic, treatment, rehabilitation, mental health, dental, and follow-up services, together with necessary related facilities and services, except in rural areas where the lack of even elemental health services and personnel may require simpler, less comprehensive services to be established first; and

"(B) to assure that these services are made readily accessible to the residents of such areas, are furnished in a manner most responsive to their needs and with their participation and wherever possible are combined with, or included within, arrangements for providing employment, education, social, or other assistance needed by the families and individuals served.

Funds for financial assistance under this paragraph shall be allotted according to need, and capacity of applicants to make rapid and effective use of that assistance, and may be used, as necessary, to pay the full costs of projects. Before approving any project, the Director shall consult with appropriate Federal, State, and local health agencies and take such steps as may be required to assure that the program will be carried on under competent professional supervision and that existing agencies providing related services are furnished all assistance needed to permit them to plan for participation in the program and for the necessary continuation of those related services.

"(5) A program to be known as 'Upward Bound' designed to generate skills and motivation necessary for success in education beyond high school among young people from low-income backgrounds and inadequate secondary school preparation. Projects must include arrangements to assure cooperation among one or more institutions of higher education and one or more secondary schools. They must include a curriculum designed to develop the critical thinking, effective expression and attitudes toward learning needed for post-secondary education success, necessary health services and such recreational and cultural and group activities as the Director determines may be appropriate.

"(6) A program to be known as 'Emergency Food and Medical Services' designed to provide on a temporary emergency basis such basic foodstuffs and medical services as may be necessary to counteract conditions of starvation or malnutrition among the poor. The Director shall arrange with other Federal and State agencies or officials to insure the availability of such foodstuffs and services through a community action agency where feasible, or by other means if no such agency exists or is able to administer such foodstufs and services to needy individuals. Each community action agency shall be encouraged to develop projects such as the furnishing of information on nutrition, as will assist the poor to maintain an adequate and nutritious diet.

"(7) A 'Day Care' program to provide day care for children from families who need such assistance to become or remain self-sufficient or otherwise attain objectives related to the purposes of this Act. Projects shall provide health, education, social, and such other supportive services as may be needed, together with necessary related facilities and services. Preference for enrollment in such projects shall be given to children whose parents desire to participate in programs under this Act and to other children whose parents have especially critical needs for day care service which could not be secured under any other program. The Director and the Secretary of Health, Education, and Weffare shall take all necessary steps to coordinate programs under jurisdictions which provide day care, with a view to establishing, insofar as possible, a common set of program standards and regulations, and mechanisms for coordination at the State and local levels.

"(8) A 'Family Planning' program to provide assistance and services to low-income persons in the field of voluntary family planning, including the provision of information, medical assistance, and supplies. The Director and the Secretary of Health, Education, and Welfare shall coordinate, and assure a full exchange of information concerning, family planning projects within their respective jurisdictions in order to assure the maximum availability of services and in order best to meet the varying needs of different communities. The Secretary of Health, Education, and Welfare shall make the services of Public Health Service officers available to the Director in carrying out this program.

"(9) A program to be known as 'Senior Opportunities and Services' designed to identify and meet the needs of older, poor persons above the age of 55 in one or more of the following areas: development and provision of new employment and volunteer services; effective referral to existing health, welfare, employment, housing, legal, consumer, transportation, education, and recreational and other services; stimulation and creation of additional services and programs to remedy gaps and deficiencies in presently existing services and programs; modification of existing procedures, eligibility requirements and program structures to facilitate the greater use of, and participation in, public services by the older poor; development of all-season recreation and service centers controlled by older persons themselves; and such other activities and services as the Director may determine are necessary or specially appropriate to meet the needs of the older poor and to assure them greater self-sufficiency. In administering this program the Director shall utilize to the maximum extent feasible the services of the Administration of Aging in accordance with agreements with the Secretary of Health, Education, and Welfare.

"(b) In developing programs under subsection (a), the Director shall give priority to programs involving services or activities whose effectiveness has been tested in one or more community action programs, or in connection with other Federal, State, or local programs; public or private. The Director shall also cooperate with Federal and State agencies with a view to developing, pursuant to subsection (a), programs which will supplement or improve programs for which those agencies are responsible. Where appropriate, he shall provide for the operation of programs under subsection (a) by other Federal or State agencies, pursuant to delegations of authority or suitable agreements.

"(c) Programs under subsection (a) may include essential training, research, and technical assistance directly related to program development and implementation, and funds allocated for this purpose may be allocated and used in the manner otherwise provided under this title with respect to training, research, and technical assistance activities.

"(d) The Director shall provide for the continuing evaluation of the effectiveness of all programs under this section, including their impact in terms of the needs or problems at which they are directed, and their relationship to and effect upon related programs. For this purpose, he shall consult with other Federal agencies, or where appropriate with State agencies, in order to provide wherever feasible for jointly sponsored objective evaluation studies on a National or State basis. The reports of such studies, together with the comments of the Director and other agencies, if any, thereon, shall be public records and shall be reflected in the annual report of the Director.

"ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

"SEC. 223. (a) Of the sums which are appropriated or allocated for assistance in the development and implementation of community action programs pursuant to sections 220 and 221, and for special program projects referred to in section 222(a), and which are not subject to any other provision governing allotment or distribution, the Director shall allot not more than 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs. He shall also reserve not more than 20 per centum of those sums for allotment in accordance with such criteria and procedures as he may prescribe. The remainder shall be allotted among the States, in accordance with the latest available data, so that equal proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all States, (2) the average number of unemployed persons in each State as compared to all States, and (3) the relative number of related children living with families with incomes of less than $1,000 in each State as compared to all States. That part of any State's allotment which the Director determines will not be needed may be reallotted, at such dates during the fiscal year as the Director may fix, in proportion to the original allotments, but with appropriate adjustments to assure that any amount so made available to any State in excess of its needs is similarly reallotted among the other States.

"(b) The Director may provide for the separate allotment of funds for any special program referred to in section 222(a). This allotment may be made in accordance with the criteria prescribed in subsection (a), or it may be made in accordance with other criteria which he determines will assure an equitable distribution of funds reflecting the relative incidence in each State of the needs or problems at which the program is directed, except that in no event may more than 12½ per centum of the funds for any one program be used in any one State.

"(c) Unless otherwise provided in this part, financial assistance extended to a community action agency or other agency pursuant to sections 220, 221, and 222(a), for the period ending June 30, 1967, shall not exceed 90 per centum of the approved cost of the assisted programs or activities, and thereafter shall not exceed 80 per centum of such costs. The Director may, however, approve assistance in excess of such percentages if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services, except that at least one-half of the non-Federal contribution shall be in cash.

"(d) No program shall be approved for assistance under sections 220, 221, and 222(a) unless the Director satisfies himself (1) that the services to be provided under such program will be in addition to, and not in substitution for, services previously provided without Federal assistance, and (2) that funds or other resources devoted to programs designed to meet the needs of the poor within the community will not be diminished in order to provide any contributions required under subsection (c) or otherwise to qualify for assistance under this part. The requirement imposed by the preceding sentence shall be subject to such regulations as the Director may adopt and promulgate establishing objective criteria for determinations covering situations where a strict application of that requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes sought to be achieved.

"PART C—SUPPLEMENTAL PROGRAMS AND ACTIVITIES

"TECHNICAL ASSISTANCE AND TRAINING

"SEC. 230. The Director may provide, directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering programs under this title, and (2) training for specialized or other personnel which is needed in connection with those programs or which otherwise pertains to the purposes of this title. Upon request of an agency receiving financial assistance under this title, the Director may make special assignments of personnel to the agency to assist and advise it in the performance of functions related to the assisted activity; but no such special assignment shall be for a period of more than two years in the case of any agency.

"STATE AGENCY ASSISTANCE

"SEC. 231. (a) The Director may provide financial assistance to State agencies designated in accordance with State law, to enable those agencies—

"(1) to provide technical assistance to communities and local agencies in developing and carying out programs under this title;

"(2) to assist in coordinating State activities related to this title;

"(3) to advise and assist the Director in developing procedures and programs to promote the participation of States and State agencies in programs under this title; and

"(4) to advise and assist the Director, the Economic Opportunity Council established by section 604 of the Act, and the heads of other Federal agencies, in identifying problems posed by Federal statutory or administrative requirements that operate to impede State level coordination of programs related to this title, and in developing methods or recommendations for overcoming those problems.

"(b) In any grants or contracts with State agencies, the Director shall give preference to programs or activities which are administered or coordinated by the agencies designated pursuant to subsection (a), or which have been developed and will be carried on with the assistance of those agencies.

"RESEARCH AND PILOT PROGRAMS

"SEC. 232. (a) The Director may contract or provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this title. He may also contract or provide financial assistance for research pertaining to the purposes of this title.

"(b) The Director shall establish an overall plan to govern the approval of pilot or demonstration projects and the use of all research authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives. In formulating the plan, the Director shall consult with other Federal agencies for the purpose of minimizing duplication among similar activities or projects and determining whether the findings resulting from any research or pilot projects may be incorporated into one or more programs for which those agencies are responsible. As part of the annual report required by section 608, or in a separate annual report, the Director shall submit a description for each fiscal year of the current plan required by this section, of activities subject to the plan, and of the findings derived from those activities, together with a statement indicating the time and, to the extent feasible, the manner in which the benefits of those activities and findings are expected to be realized.

"(c) Not more than 10 per centum of the sums appropriated or allocated in any fiscal year for this title shall be used for the purposes of subsection (a).

"(d) No pilot or demonstration project under this section shall be commenced in any city, county, or other major political subdivision except with the approval of the local community action agency or, in the absence of a community action agency, the local governing body for that subdivision.

"PART D—GENERAL AND TECHNICAL PROVISIONS

"ASSISTANT DIRECTORS FOR COMMUNITY ACTION

"SEC. 240. The Director shall appoint two assistant directors for the purpose of assisting the Director in the administration of the provisions of this title. One such assistant director, to be known as the Assistant Director for Community Action in Rural Areas, shall be responsible for assuring that funds allotted for assistance to programs or projects designed to assist the rural poor are so expended. The other assistant director, to be known as the Assistant Director for Community Action in Urban Areas, shall be responsible for assuring that funds allotted for assistance to programs or projects designed to assist the urban poor are so expended. Each assistant director shall have such additional responsibilities consistent with the foregoing responsibilities as the Director may hereafter assign.

"RURAL AREAS

"SEC. 241. (a) In exercising authority under this title, the Director shall take necessary steps to further the extension of benefits to residents of rural areas, consistent with the extent and severity of poverty among rural residents, and to encourage high levels of managerial and technical competence in programs undertaken in rural areas. These steps shall include, to the maximum extent practicable, (1) the development under section 222(a) of programs particularly responsive to special needs of rural areas; (2) the establishment, pursuant to section 232(a), of a program of research and pilot project activities specifically focused upon the problems of rural poverty, including a more effective use of human and natural resources of rural America to slow the migration from rural areas due to lack of economic opportunity; (3) the provision of technical assistance so as to afford a priority to agencies in rural communities and to aid those agencies, through such arrangements as may be appropriate, in securing assistance under Federal programs which are related to this title but which are not generally utilized in rural areas; and (4) the development of special or simplified procedures, forms, guidelines, model components, and model programs for use in rural areas.

"(b) In order to further implement the policy described in subsection (a), the Director shall establish criteria designed to achieve an equitable distribution of assistance under this title within the States between urban and rural areas. In developing those criteria, he shall consider the relative numbers in the States or areas therein of (1) low-income families, particularly those with children; (2) unemployed persons; (3) persons receiving cash or other assistance on a needs basis from public agencies or private organizations; (4) school dropouts; (5) adults with less than an eighth-grade education; and (6) persons rejected for military service.

"(c) Notwithstanding any other provision of this title, the Director is authorized to provide financial assistance in rural areas to public or private nonprofit agencies for any project for which assistance to community action agencies is authorized, if he determines that it is not feasible to establish a community action agency within a reasonable period of time. The assistance so granted shall be subject to such conditions as the Director deems appropriate to promote adherence to the purposes of this title and the early establishment of a community action agency in the area.

"(d) The Director shall encourage the development of programs for the interchange of personnel, for the undertaking of common or related projects, and other methods of cooperation between urban and rural communities, with particular emphasis on fostering cooperation in situations where it may contribute to new employment opportunities, and between larger urban communities with concentrations of low-income persons and families and rural areas in which substantial numbers of those persons and families have recently resided.

"COORDINATION—FEDERAL AGENCIES; USE OF STATE FUNDS

"SEC. 242. (a) The heads of all Federal agencies shall cooperate with the Director in carrying out his responsibilities under this title and shall, to the extent permitted by law, exercise their powers so as to encourage implementation of the purposes of this title with respect to all programs appropriate for inclusion in community action programs. The Director may call upon other Federal agencies for advice, information, or assistance, including the establishment of working groups of Federal personnel, in dealing with specific problems of coordination arising under programs authorized in this title. Cooperative actions or undertakings initiated pursuant to this subsection may include evaluation of local programs on a common or joint basis, and actions to assist particular communities in overcoming problems arising out of diverse Federal requirements, or in developing long-range plans where justified by prior progress.

"(b) Pursuant to regulations prescribed by the President, where funds are advanced for a single project by more than one Federal agency to a community action agency or other agency assisted under this title, any one Federal agency may be designated to act for all in administering the funds advanced. In such cases, a single local share requirement may be established according to the proportion of funds advanced by each agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

"(c) In order to promote coordination in the use of funds under this Act and funds provided or granted by State agencies, the Director may enter into agreements with States or State agencies pursuant to which they will act as agents of the United States for purposes of providing financial assistance to community action agencies or other local agencies in connection with specific projects or programs involving the common or joint use of State funds and funds under this title.

"SUBMISSION OF PLANS TO GOVERNORS

"SEC. 243. In carrying out the provisions of this title, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within thirty days of such submission, or, if so disapproved, has been reconsidered by the Director and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title. This section shall not, however, apply to contracts, agreements, grants, loans, or other assistance to any institution of higher education in existence on the date of the approval of this Act.

"FISCAL RESPONSIBILITY AND AUDIT

"SEC. 244. (a) No funds shall be released to any agency receiving financial assistance under this title until it has submitted to the Director a statement certifying that the assisted agency and its delegate agencies (or subcontractors for performance of any major portion of the assisted program) have established an accounting system with internal controls adequate to safeguard their assets, check the accuracy and reliability of the accounting data, promote operating efficiency and encourage compliance with prescribed management policies and such additional fiscal responsibility and accounting requirements as the Director may establish. The statement may be furnished by a certified public accountant, a duly licensed public accountant or, in the case of a public agency, the appropriate public financial officer who accepts responsibility for providing required financial services to that agency.

"(b) Within three months after the effective date of a grant to or contract of assistance with an organization or agency, the Director shall make or cause to be made a preliminary audit survey to review and evaluate the adequacy of the accounting system and internal controls established thereunder to meet the standards set forth in the statement referred to in paragraph (a). Promptly after the completion of the survey, the Director shall determine on the basis of findings and conclusions resulting from the survey whether the accounting systems and internal controls meet those standards and, if not, whether to suspend the grant or contract. In the event of suspension, the assisted agency shall be given not more than six months within which to establish the necessary systems and controls, and, in the event of failure to do so within such time period, the assistance shall be terminated by the Director.

"(c) At least once annually the Director shall make or cause to be made an audit of each grant or contract of assistance under this title. Promptly after the completion of such audit, he shall determine on the basis of resulting findings and conclusions whether any of the costs of expenditures incurred shall be disallowed. In the event of disallowance, the Director may seek recovery of the sums involved by appropriate means, including court action or a commensurate increase in the required non-Federal share of the costs of any grant or contract with the same agency or organization which is then in effect or which is entered into within twelve months after the date of disallowance.

"(d) The Director shall establish such other requirements and take such actions as he may deem necessary and appropriate to carry out the provisions of this section and to insure fiscal responsibility and accountability, and the effective and efficient handling of funds in connection with programs assisted under this title. These requirements and actions shall include (1) necessary action to assure that the rate of expenditure of any agency receiving financial assistance does not exceed the rate contemplated under its approved program; and (2) appropriate requirements to promote the continuity and coordination of all projects or components of programs receiving financial assistance under this title, including provision for the periodic reprograming and supplementation of assistance previously provided.

"SPECIAL LIMITATIONS

"SEC. 245. The following special limitations shall apply, as indicated, to programs under this title.

"(1) Financial assistance under this title may include funds to provide a reasonable allowance for attendance at meetings of any community action agency governing board, neighborhood council or committee, as appropriate to assure and encourage the maximum feasible participation of members of groups and residents of areas served in accordance with the purposes of this title, and to provide reimbursement of actual expenses connected with those meetings; but those funds (or matching non-Federal funds) may not be used to pay allowances in the case of any individual who is a Federal, State, or local government employee, or an employee of a community action agency, or for payment of an allowance to any individual for attendance at more than two meetings a month.

"(2) The Director shall issue necessary rules or regulations to assure that no employee engaged in carrying out community action program activities receiving financial assistance under this title is compensated from funds so provided at a rate in excess of $15,000 per annum, and that any amount paid to such an employee at a rate in excess of $15,000 per annum shall not be considered in determining whether the non-Federal contributions requirements of section 223 have been complied with; the Director may, however, provide in those rules or regulations for exceptions covering cases where, because of the need for specialized or professional skills or prevailing local wage levels, application of the foregoing restriction would greatly impair program effectiveness or otherwise be inconsistent with the purposes sought to be achieved.

"(3) No officer or employee of the Office of Economic Opportunity shall serve as member of a board, council, or committee of any agency serving as grantee, contractor, or delegate agency in connection with a program receiving financial assistance under this title; but this shall not prohibit an officer or employee from serving on a board, council, or committee which does not have any authority or powers in connection with a program assisted under this title.

"(4) In granting financial assistance for projects or activities in the field of family planning, the Director shall assure that family planning services, including the dissemination of family planning information and medical assistance and supplies, are made available to all low-income individuals who meet the criteria for eligibility for assistance under this title which have been established by the assisted agency and who desire such information, assistance, or supplies. The Director shall require, in connection with any such financial assistance, that—

"(A) no individual will be provided with any information, medical supervision, or supplies which that individual indicates is inconsistent with his or her moral, philosophical, or religious beliefs; and

"(B) no individual will be provided with any medical supervision or supplies unless he or she has voluntarily requested such medical supervision or supplies.

The use of family planning services assisted under this title shall not be a prerequisite to the receipt of services from or participation in any other programs under this Act.

"(5) No financial assistance shall be extended under this title to provide general aid to elementary or secondary education in any school or school system; but this shall not prohibit the provision of special, remedial, and other noncurricular educational assistance.

"(6) In extending assistance under this title the Director shall give special consideration to programs which make maximum use of existing schools, community centers, settlement houses, and other facilities during times they are not in use for their primary purpose.

"LIMITATIONS ON POLITICAL ACTIVITY

"SEC. 246. The Director, after consultation with the Civil Service Commission, shall issue such regulations, or impose such requirements, as may be necessary or appropriate to insure that programs assisted under this title are not carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (1) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in any election for public or party office, or (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election, or any voter registration activity. Rules or regulations under this section shall provide for enforcement procedures, which shall include provision for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis.

"DURATION OF PROGRAM

"SEC. 247. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."

AMENDMENTS TO TITLE III—RURAL AREAS PROGRAMS

SEC. 104. (a) Title III of the Economic Opportunity Act of 1964 is amended by (1) inserting immediately under the title heading a new part heading to read "PART A—RURAL LOAN PROGRAM", and (2) striking out the heading immediately before section 302 and inserting in lieu thereof a new heading to read "LOANS TO FAMILIES".

(b) Section 301 of such Act is amended to read as follows:

"STATEMENT OF PURPOSE

"SEC. 301. It is the purpose of this part to meet some of the special needs of low-income rural families by establishing a program of loans to assist in raising and maintaining their income and living standards."

(c) Section 302(a) of such Act is amended (1) by inserting the word "principal" after the word "aggregate", and (2) by inserting after "families" the following: ", and, in the case of the elderly, will contribute to the improvement of their living or housing conditions".

(d) Section 606 of such Act is transferred from title VI thereof to the end of part A of title III, is redesignated as section 306, and amended by striking out "titles III of this Act" in subsections (a) and (d) and inserting in lieu thereof "this part".

AMENDMENTS TO TITLE IV—EMPLOYMENT AND INVESTMENT INCENTIVES

SEC. 105. (a) Section 401 of the Economic Opportunity Act of 1964 is amended by striking out "enterprises;" and inserting in lieu thereof "enterprises, with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals, or (2) owned by low-income individuals;".

(b) Section 402(a) of such Act is amended by—

(1) striking out "employment of the long-term unemployed" in the first sentence and inserting in lieu thereof "the preservation or establishment of small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals or owned by low-income individuals";

(2) striking out the period at the end of the next to last sentence and inserting, in lieu thereof, a colon; and

(3) inserting immediately preceding the last sentence, "Provided, however, That any management training program so approved must be of sufficient scope and duration to provide reasonable opportunity for the individuals served to develop entrepreneurial and managerial self-sufficiency."

(c) Section 402 of such Act is amended by striking out the first subsection (b), and by adding at the end of the second subsection (b) the following: "To insure an equitable distribution between urban and rural areas for loans between $3,500 and $25,000 made under this title, the Administrator is authorized to use the agencies and agreements and delegations developed under title III of the Act as he shall determine necessary."

(d) Title IV of such Act is amended by—

(1) renumbering section 405 to read "407" and inserting in such section "and the Secretary of Commerce" immediately following the word "Administration";

(2) striking out section 404; and

(3) inserting new sections 404, 405, and 406 to read as follows:

"DISTRIBUTION OF FINANCIAL ASSISTANCE

"SEC. 404. The Administrator of the Small Business Administration shall take such steps as may be necessary to insure that, in any fiscal year, at least 50 per centum of the amounts loaned or guaranteed pursuant to this part are allotted to small business concerns located in urban areas identified by the Administrator of the Small Business Administration, after consideration of any recommendations of the Director, as having high concentrations of unemployed or low-income individuals or to small business concerns owned by low-income individuals. The Administrator of the Small Business Administration, after consideration of any recommendations of the Director, shall define the meaning of low income as it applies to owners of small business concerns eligible to be assisted under this part, and such definition need not correspond to the definition of low income as used elsewhere in this Act.

"LIMITATION ON FINANCIAL ASSISTANCE

"SEC. 405. No financial assistance shall be extended pursuant to this title where the Administrator of the Small Business Administration determines that the assistance will be used in relocating establishments from one area to another if such relocation would result in an increase in unemployment in the area of original location.

"FINANCIAL ASSISTANCE AND MANAGEMENT TRAINING

"Sec. 406. (a) The Administrator of the Small Business Administration is authorized to provide financial assistance to public or private organizations to pay all or part of the costs of projects designed to provide technical and management assistance to individuals or enterprises eligible for assistance under section 402, with special attention to small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals.

"(b) Financial assistance under this section may be provided for projects, including without limitation—

"(1) planning and research, including feasibility studies and market research;

"(2) the identification and development of new business opportunities, and the stimulation of new private capital resources through the use of guarantees, pooling arrangements, or otherwise;

"(3) the furnishing of centralized services with regard to public services and government programs, including programs authorized under section 402;

"(4) the establishment and strengthening of business service agencies, including trade associations and cooperatives;

"(5) the encouragement of the placement of subcontracts by major businesses with small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals, including the provision of incentives and assistance to such major businesses so that they will aid in training and upgrading of potential subcontractors or other small business concerns; and

"(6) the furnishing of business counseling, management training, and legal and other related services, with special emphasis on the development of management training programs using the resources of the business community, including the development of management training opportunities in existing businesses, and with emphasis in all cases upon providing management training of sufficient scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individuals served.

"(c) The Administrator of the Small Business Administration shall give preference to projects which promote the ownership, participation in ownership, or management of small business concerns by residents of urban areas of high concentration of unemployed or low-income individuals, and to projects which are planned and carried out with the participation of local businessmen.

"(d) To the extent feasible, services under this section shall be provided in a location which is easily accessible to the individuals and small business concerns served.

"(e) The Administrator of the Small Business Administration shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this title.

"(f) The Administrator of the Small Business Administration shall provide for the continuing evalution of programs under this section and the results of such evaluation together with recommendations shall be included in the report required by section 608."

AMENDMENTS TO TITLE VI—ADMINISTRATION AND COORDINATION

Sec. 106. (a) Section 601(a) of the Economic Opportunity Act of 1964 is amended by striking out "four" in the third sentence and inserting in lieu thereof "six".

(b) Section 601 of such Act is amended by inserting a new subsection as follows:

"(f) Of the positions approved for the OEO and its field offices positions in the classification category of GS 16, 17, and 18 of the General Schedule of section 5332, title V, U.S.C. shall not exceed one for every 100 employees."

(c) Subsections 602 (b) and (c) of such Act are repealed, and subsections 602 (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), and (n) are redesignated as subsections 602 (b), (c), (d), (e), (f), (g), (h), (i), (j), (k), and (l), respectively.

(d) Section 603(b) of such Act is amended (1) by striking out "authorized" and inserting in lieu thereof "directed", and (2) by inserting "or nonpartisan" after "partisan".

(e) Section 609 of such Act is amended to read as follows:

"DEFINITIONS

"Sec. 609. As used in this Act—

"(1) the term 'State' means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for purposes of title I and part A of title II the meaning of 'State' shall also include the Trust Territory of the Pacific Islands; except that when used in section 223 of this Act this term means only a State or the District of Columbia. The term 'United States' when used in a geographical sense includes all those places named in the previous sentence, and all other places continental or insular, subject to the jurisdiction of the United States;

"(2) the term 'financial assistance' when used in titles I, II, and III–B includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services; and

"(3) the term 'permanent resident of the United States' when used in titles I–A and I–B shall include any native and citizen of Cuba who arrived in the United States from Cuba as a nonimmigrant or as a parolee subsequent to January 1, 1959, under the provisions of section 214(a) or 212(d)(5), respectively, or any person admitted as a conditional entrant under section 203(a)(7), of the Immigration and Nationality Act."

(f) Section 610 of such Act is amended by striking out "carry out such investigations and studies, including consultation with appropriate agencies and organizations, as may be necessary" and inserting in lieu thereof "work in cooperation with the Director of the Administration on Aging".

(g) Section 610–1(a) of such Act is amended by striking out "part A of title II" and inserting in lieu thereof "title II".

(h) Part A of title VI of such Act is amended by inserting after section 610–1 the following new sections:

"LIMITATION ON BENEFITS FOR THOSE VOLUNTARILY POOR

"Sec. 610–2. The Director shall take such action as may be necessary to assure that, in determining a person's eligibility for benefits under this Act on account of his poverty, such person will not be deemed to meet the poverty criteria if his lack of income results from his refusal, without good cause, to seek or accept employment commensurate with his health, age, education, and ability."

(i) Part A of title VI of such Act is amended by inserting, after section 610–2, the following new section:

"Sec. 610–3. (a) No individual employed or assigned by any community action agency or other agency assisted under this Act shall, pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted by such community action agency or such other agency, plan, initiate, participate in, or otherwise aid or assist in the conduct of any picketing, protest, demonstration, riot, or any similar group activities.

"(b) No part of the funds appropriated to carry out the provisions of this Act shall be used to provide payments, assistance, or services, in any form, to any individual who is convicted in any Federal, State, or local court of competent jurisdiction of inciting, promoting, or carrying on a riot, or any group activities resulting in material damage of property or injury to persons."

(j) Title VI of such Act is further amended by inserting at the end thereof a new part C as follows:

"PART C—INVESTIGATION AND EVALUATION BY THE COMPTROLLER GENERAL

"INVESTIGATION

"Sec. 631. The Comptroller General of the United States (hereinafter in this title referred to as the Comptroller General) is directed to investigate and examine programs and activities financed in whole or in part by funds authorized under section 2 of this Act, and to evaluate to the extent practicable—

"(1) the efficiency of the administration of such programs and activites by the Office of Economic Opportunity and by local public and private agencies carrying out such programs and activites; and

"(2) the extent to which such programs and activities achieve the objectives set forth in the relevant part or title of the Economic Opportunity Act of 1964 authorizing such programs or activities.

"REPORTS

"Sec. 632. The Comptroller General shall make such interim reports as he deems advisable and shall transmit a report to the Congress not later than May 1, 1968, summarizing his findings and conclusions to date. Such report shall include also such recommendations, including legislative recommendations, as he deems advisable.

"POWERS OF THE COMPTROLLER GENERAL

"Sec. 633. (a) The Comptroller General or, on the authorization of the Comptroller General, any officer or employee of the General Accounting Office, may, for the purpose of carrying out the provisions of this title, hold such hearings, take such testimony, and sit and act at such times and places as he deems advisable. Any officer designated by the Comptroller General may administer oaths or affirmations to witnesses appearing before the Comptroller General of such designated officer or employee.

"(b) Each department, agency, and instrumentality of the executive branch of the Government, including independent agencies, is authorized and directed to furnish to the Comptroller General, upon request made by him, such information as he deems necessary to carry out his functions under this title.

"(c) The Comptroller General is authorized—

"(1) to appoint and fix the compensation of such staff personnel as he deems necessary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, and

"(2) to procure temporary and intermittent services to the same extent as is authorized by section 3109 of title 5, United States Code, but at rates not to exceed $100 a day for individuals.

"(d) The Comptroller General is authorized to enter into contracts with Federal or State agencies, private firms, institutions, and individuals for the conduct of research or surveys, the preparation of reports, and other activities necessary to the discharge of his duties under this title.

"ALLOCATION

"SEC. 634. From the sums appropriated pursuant to section 2 of this Act, the Director shall transfer to the Comptroller General such sums as he may require, but not in excess of $2,000,000 in the fiscal year ending June 30, 1968, to carry out the purposes of this part."

(k) Section 616 of such Act is repealed.

"SEC. 610–4. (a) The Director or the head of any other Federal agency administering a program under this Act shall make a public announcement concerning:

"(1) The title, purpose, intended completion date, identity of the contractor, and proposed cost of any contract with a private or non-Federal public agency or organization for any study, evaluation, demonstration, or research project; and

"(2) The results, findings, data, or recommendations made or reported as a result of such activities.

"(b) The public announcements required by subsection (a) shall be made within thirty days of entering into such contracts and thereafter within thirty days of the receipt of such results.

"(c) It shall be the duty of the Comptroller General to assure that the requirements of this section are met, and he shall at once report to the Congress concerning any failure to comply with these requirements."

AMENDMENT TO TITLE VII

SEC. 107. Section 701(b) of the Economic Opportunity Act of 1964 is amended (1) by striking out "July 1, 1965" and inserting in lieu thereof "July 1, 1968", and (2) by adding at the end thereof the following: "With respect to any period after June 30, 1968, subsection (a) shall not apply."

VOLUNTEER PROGRAMS

SEC. 108. Title VIII of the Economic Opportunity Act of 1964 is amended to read as follows:

"TITLE VIII—DOMESTIC VOLUNTEER SERVICE PROGRAMS

"VOLUNTEERS IN SERVICE TO AMERICA

"STATEMENT OF PURPOSE

"SEC. 801. This title provides for a program of full-time volunteer service, for programs of part-time or short-term community volunteer service, and for special volunteer programs, together with other powers and responsibilities designed to assist in the development and coordination of volunteer programs. Its purpose is to strengthen and supplement efforts to eliminate poverty by encouraging and enabling persons from all walks of life and all age groups, including elderly and retired Americans, to perform meaningful and constructive service as volunteers in part-time or short-term programs in their home or nearby communities, and as full-time volunteers serving in rural areas and urban communities, on Indian reservations among migrant workers, in Job Corps centers, and in other agencies, institutions, and situations where the application of human talent and dedication may help the poor to overcome the handicaps of poverty and to secure and exploit opportunities for self-advancement.

"PART A—FULL-TIME VOLUNTEER PROGRAMS

"AUTHORITY TO ESTABLISH FULL-TIME PROGRAMS

"SEC. 810. (a) The Director may recruit, select, and train persons to serve in full-time volunteer programs, and upon request of Federal, State, or local agencies, or private nonprofit organizations, may assign such volunteers to work—

"(1) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands;

"(2) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities; and

"(3) in connection with programs or activities authorized, supported, or of a character eligible for assistance under this Act.

"(b) The assignment of volunteers under this section shall be on such terms and conditions (including restrictions on political activities that appropriately recognize the specal status of volunteers living among the persons or groups served by programs to which they have been assigned) as the Director may determine, including work assignments in their own or nearby communities; but volunteers under this part shall not be assigned to duties or work in any State without the consent of the Governor.

"TERMS OF SERVICE

"SEC. 811. (a) Volunteers under this part shall be required to make a full-time personal commitment to combating poverty. This shall include a commitment to live among and at the economic level of the people served, and to remain available for service without regard to regular working hours, at all times during their term of service, except for authorized periods of leave.

"(b) Volunteers under this part shall be enrolled for one-year periods of service, excluding time devoted to training. The Director may, however, allow persons who are unable to make a full one-year commitment to enroll as volunteer associates for periods of service of not less than two months where he determines that this more limited service will effectively promote the purposes of this title.

"(c) All volunteers under this part shall take and subscribe to an oath or affirmation in the form prescribed by section 106 of this Act, and the provisions of section 1001 of title 18, United States Code, shall be applicable with respect to that oath or affirmation.

"SUPPORT OF FULL-TIME VOLUNTEERS

"SEC. 812. (a) The Director may provide a stipend to volunteers under this part while they are in training and on assignment, but the stipend shall not exceed $50 per month during the volunteer's first year of service. He may provide a stipend not to exceed $75 per month in the case of persons who have served for at least one year and who, in accordance with standards prescribed by him, have been designated volunteer leaders on the basis of experience and special skills. The Director may also provide volunteers such living, travel (including travel to and from the place of training), and leave allowances, and such housing, supplies, equipment, subsistence, clothing, health and dental care, or such other support, as he may deem necessary or appropriate for their needs.

"(b) Stipends shall be payable only upon completion of a term of service; except that in extraordinary circumstances the Director may from time to time advance accrued stipend, or any portion thereof, to or on behalf of a volunteer. In the event of the death of a volunteer during service, the amount of any unpaid stipend shall be paid in accordance with the provisions of section 1 of the Act of August 3, 1950 (5 U.S.C. 5582).

"(c) The Director may provide or arrange for educational and vocational counseling of volunteers and recent volunteers to encourage them to use the skills and experience which they have derived from their training and service in the national interest, and particularly in combating poverty as members of the helping professions.

"PART B—AUXILIARY AND SPECIAL VOLUNTEER PROGRAMS

"COMMUNITY SERVICE PROGRAMS

"SEC. 820. (a) The Director shall develop programs designed to expand opportunities for persons to participate in a direct and personal way, on a part-time basis or for shorter periods of service than is required for enrollment under section 810, and in their home or nearby communities, in volunteer activities contributing to the elimination of poverty. Pursuant to appropriate plans, agreements, or arrangements the Director may provide financial, technical, or other assistance needed to carry on projects that are undertaken in connection with these programs. These projects may include, without limitation, activities designed (1) to encourage greater numbers of persons to participate, as volunteers, in local programs and projects assisted under this Act, with particular emphasis upon programs designed to aid youth or promote child development; (2) to encourage persons with needed managerial, professional, or technical skills to contribute those skills to programs for the development or betterment of urban and rural neighborhoods or areas having especially large concentrations or proportions of the poor, with particular emphasis upon helping residents of those neighborhoods or areas to develop the competence necessary to take advantage of public and private resources which would not otherwise be available or used for those programs; and (3) to assist existing national and local agencies relying upon or in need of volunteers to obtain volunteer services more readily, or to provide specialized short-term training, with particular emphasis on agencies serving the most seriously disadvantaged, operating in areas of the most concentrated poverty, or having similar critical needs.

"(b) Persons serving as volunteers under this section shall receive no living allowance or stipend and only such other support or allowances as the Director determines, pursuant to regulations, are required because of unusual or special circumstances affecting the project.

"(c) The services of any person, if otherwise allowable as a non-Federal contribution toward the cost of any program or project assisted under this or any other Federal Act, shall not be disallowed merely by reason of actions of the Director under this section in providing for or assisting in the recruitment, referral, or preservice training of such person.

"SPECIAL VOLUNTEER PROGRAMS

"SEC. 821. The Director is authorized to conduct, or provide by grant or contract for, special volunteer programs designed to stimulate and initiate improved methods of providing volunteer services and to encourage wider volunteer participation in furtherance of the purposes of this title. Not to exceed 10 per centum of the sums appropriated or allocated from any appropriation to carry out this title for any fiscal year may be used for programs under this section.

"PART C—GENERAL PROVISIONS

"COORDINATION WITH OTHER PROGRAMS

"SEC. 831. The Director shall take necessary steps to coordinate volunteer programs authorized under this title with one another, with community action programs, and with other related Federal, State, local, and national programs. These steps shall include, to the extent feasible, actions to promote service by volunteers or former volunteers in the full-time programs authorized under part A in providing necessary support to programs under part B and actions to encourage persons serving as part-time or short-term volunteers to make commtiments under part A as regular or associate full-time volunteers. The Director shall also consult with the heads of other Federal, State, local, and national agencies responsible for programs related to the purpose of this Act with a view to encouraging greater use of volunteer services in those programs and establishing in connection with them systematic procedures for the recruitment, referral, or necessary preservice orientation or training of part-time volunteers serving pursuant to this part.

"PARTICIPATION OF OLDER PERSONS

"Sec. 832. In carrying out this title, the Director shall take necessary steps, including the development of special projects where appropriate, to encourage the fullest participation of older persons and older persons membership groups as volunteers and participant agencies in the various programs and activities authorized under this title and, because of the high proportion of older persons within the poverty group, shall encourage the development of a variety of volunteer services to older persons, including special projects, to assure that they are served in proportion to their need.

"APPLICATION OF FEDERAL LAW

"Sec. 833. (a) Except as provided in subsection (b), volunteers under this title shall not be deemed Federal employees and shall not be subject to the provisions of laws relating to Federal employment.

"(b) Individuals who receive either a living allowance or a stipend under part A shall, with respect to such services or training, (1) be deemed, for the purposes of subchapter III of chapter 73 of title 5 of the United States Code, persons employed in the executive branch of the Federal Government, and (2) be deemed Federal employees to the same extent as enrollees of the Job Corps under section 116(a) (1), (2), and (3) of this Act, except that for purposes of the computation described in 116(a)(2)(B) the monthly pay of a volunteer shall be deemed to be that received under the entrance salary for GS–7 under section 5332 of title 5, United States Code.

"SPECIAL LIMITATIONS

"Sec. 834. (a) The Director shall prescribe regulations to assure that service under this title is limited to activities which would not otherwise be performed and which will not result in the displacement of employed workers or impair existing contracts for service.

"(b) All support, including transportation provided to volunteers under this title, shall be furnished at the lowest possible cost consistent with the effective operations of volunteer programs.

"(c) No agency or organization to which volunteers are assigned hereunder, or which operates or supervises any volunteer program hereunder shall request or receive any compensation for services of volunteers supervised by such agency or organization.

"(d) No funds authorized to be appropriated herein shall be directly or indirectly utilized to finance labor union or related activity.

"DURATION OF PROGRAM

"Sec. 835. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law."

TITLE II—CRIMINAL PROVISIONS

Sec. 201. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any agency receiving financial assistance under the Economic Opportunity Act of 1964 embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of assistance pursuant to the Economic Opportunity Act, as amended, shall be fined not more than $10,000 or imprisoned for not more than two years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed $100, he shall be fined not more than $1,000 or imprisoned not more than one year, or both.

(b) Whoever, by threat of procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a grant or contract of assistance under the Economic Opportunity Act of 1964 induces any person to give up any money or thing of any value to any person (including such grantee agency), shall be fined not more than $1,000 or imprisoned not more than one year, or both.

TITLE III—EFFECTIVE DATE

Sec. 301. The amendments made by this Act shall be in effect immediately upon its enactment, except as provided in this section. Until June 30, 1968, the provisions of section 202 of the Economic Opportunity Act of 1964 as in effect immediately prior to the enactment of this Act shall apply to community action agencies in existence and funded prior to the enactment of this Act, except that in any grant or funding agreement made with such an agency prior to June 30, 1968, adequate provision shall be made for transfer of functions, obligations, records, authority, and funds to any community action agency designated pursuant to sections 210 or 211 of the Economic Opportunity Act of 1964 as amended by this Act.

And amend the title so as to read: "An Act to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, and for other purposes."

Mr. CLARK. Mr. President, I move that the Senate disagree to the amendments of the House to S. 2388, that the Senate agree to the conference requested by the House, and that the Chair appoint conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Clark, Mr. Randolph, Mr. Pell, Mr. Kennedy of Massachusetts, Mr. Nelson, Mr. Kennedy of New York, Mr. Prouty, Mr. Javits, and Mr. Murphy.

ANNOUNCEMENT ON POSITIONS ON VOTES

Mr. PEARSON. Mr. President, on November 14 I was necessarily absent from the floor when three record votes were taken. At this time I should like to announce my official position on these three votes.

On No. 318—legislative—Senate Resolution 130, providing an additional $35,000 for the Subcommittee on Administrative Practice and Procedure of the Committee on the Judiciary, had I been present and voting, I would have voted "aye."

On No. 320—legislative—a motion to suspend the rules for the purpose of proposing modified amendment No. 437 to continue fiscal year 1968 appropriations until November 30, 1967, had I been present and voting, I would have voted "aye."

On No. 321—legislative—final passage of H.R. 13606, fiscal 1968 appropriations for military construction, had I been present and voting I would have voted "aye."

Mr. President, I ask unanimous consent that the permanent Record be corrected to show my announcement of position on these votes.

DEATH OF BERNARD KILGORE

Mr. JAVITS. Mr. President, I call attention to the passing late Tuesday night of Bernard Kilgore, chairman of the board of Dow Jones & Co., publisher of the Wall Street Journal.

Mr. President, Barney Kilgore was a friend of mine of many years standing. He was a man of great energy, a very exciting man, a man not afraid to become completely involved in whatever he then had underway. He built one of the country's greatest and most innovative newspapers. He was not only an innovator; he was also an activist and a businessman who built up the enterprise until it was a financial as well as a journalistic success. He founded the National Observer, and had simultaneous publication of the Wall Street Journal in many places in the country.

Barney Kilgore was a vibrant, modern man, and he was taken from us at a very early age, as things go today.

Mrs. Javits and I join in expressing our deepest sympathy to his wife and to the three children he leaves. He will be missed by all of us. He made his mark, but he had an enormous life of useful service still to live. I can only hope that the knowledge of his great success and of his great value to our people, our time, and our Nation, may be of some comfort to his family in these difficult hours.

Mr. President, I ask unanimous consent to have printed at this point in the Record an article from the Wall Street Journal, outlining Barney Kilgore's achievements, and editorials from the New York Times and the Washington Post.

There being no objection, the article and editorials were ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Nov. 16, 1967]

BERNARD KILGORE DIES—MADE A NATIONAL DAILY OF WALL STREET JOURNAL—DOW JONES CHAIRMAN, 59, CREATED NATIONAL OBSERVER AND BUILT UP BARRON'S, DJ NEWS SERVICE

Bernard Kilgore, the man who changed The Wall Street Journal from a small financial newspaper into the nation's only national daily, died late Tuesday night at Princeton, N.J., after a long illness. He was 59 years old.

As the dominant figure in Dow Jones & Co. Inc., the parent corporation, for the past quarter of a century, he was also responsible for the creation of The National Observer, the nation's first national weekly newspaper; for the growth of Barron's, a leading financial weekly; and for the expansion of the Dow Jones News Service into a world-wide supplier of business and financial news.

Although at his death Mr. Kilgore was chairman of the board of Dow Jones, he always proudly and accurately described his occupation as "newspaperman." In a career that spanned 38 years he had been a reporter, a copy-desk editor, Washington correspondent, political columnist, managing editor and general manager before he was named company president in 1945, at the age of 36.

He was also proud of his record as corporate president—Dow Jones earnings rose from $211,201 in 1945 to more than $13 million last year—because he was convinced that only a sound financial structure could support good journalistic enterprises. But he never forgot the purpose of his business management, and never ceased himself to be a shirt-sleeved newspaperman.

PIONEERED IN-DEPTH STORIES

Under his business leadership the company pioneered in technological advances. The Wall Street Journal is now published in eight plants from coast-to-coast to serve its million subscribers. Under his journalistic leadership, the newspaper pioneered the use of exhaustive stories-in-depth in daily journalism and led in the concept of delivering the same news and editorial content each morning to its subscribers, wherever located.

The unique enterprise that resulted marked him as one of the handful of men who have made a permanent impress on the journalism of this century. He perceived early that a new technology was necessary to gather the news, publish it and deliver it if there was ever to be a national newspaper. And he always saw that only the editorial content could make the paper useful to the reader, and therefore successful.

Thus "Barney," as he was known to his friends and colleagues, remained an untiring newspaperman, always in the thick of things. Even when his last illness kept him away from the office, his editors received frequent notes filled with ideas, suggestions—and an occasional criticism—that showed that his interest in the news and his newspapers never flagged.

SALVOS OF IDEAS

The only thing missing, these last days, was Barney Kilgore himself, necktie pulled down, sleeves rolled up, firing off salvos of ideas, praise for pieces he liked, censure for stories he found wanting; or equally probing with curious mind into other phases of the business—advertising, circulation and production.

Through it all he kept hammering at one credo: Simplify the complicated—and keep the reader interested. "The easiest thing in the world," he once said, "is to stop reading."

Barney Kilgore's major innovations in journalism began in the early 1940s when, as managing editor of The Wall Street Journal, he set about broadening the news coverage the Journal offered the business community and transforming its ways of reporting and writing the news. But these innovations sprang from long thought and a varied experience.

Bernard Kilgore, a heavy-set man with thinning dark hair, grew up in Indiana, and he never lost his Midwestern touch. He was born there Nov. 9, 1908, in the town of Albany, where his father, Tecumseh Kilgore, was superintendent of schools. His mother, the former Lavina Elizabeth Bodenhorn, was from a farm family in the area. He grew up in South Bend, Ind., his father having moved there to enter the life insurance business.

After graduation from South Bend High School—where he acquired top-flight grades, sharp skill as a debater and a ragtime jazz style on the piano—he entered Depauw University at Greencastle, Ind., where he majored in political science.

There he began working on the campus paper, The DePauw, and eventually became its editor. During his junior year he also served as editor of the college yearbook, The Mirage, a dual extra-curricular burden that won him an exemption from the college rule against owning a car, a privilege he exercised with a campus-renowned Model-T Ford.

In June 1929, armed with a Phi-Beta Kappa key, he set out to write prospective employers on the college newspaper letterheads. The first of these went to Kenneth C. Hogate, a DePauw alumnus who was then general manager of The Wall Street Journal and later president of Dow Jones. "Casey" Hogate was impressed by his fellow Hoosier, and thus the Kilgore career had its beginning.

There was plenty of excitement that summer for a 20-year-old on The Wall Street Journal. Stocks were soaring and the Journal had a circulation of 50,000, a high number in that day for a financial newspaper. Plans were afoot for starting a San Francisco edition of the paper, the first issue of which was dated Oct. 21, 1929. The stock market crash came on Oct. 29.

Already the young Kilgore was demonstrating his ability to look through the surface of the news. While the Journal was proclaiming editorially on Nov. 1 "The sun is shining again, and we will go on record as saying good stocks are cheap," Barney was writing his family in a different vein. He warned his father. "Put up a storm door to keep the wolf out, and hang on to your shekels."

This quality of perception and the ability to put commonsense ideas succinctly was not lost on his superiors. After assignments on the Journal's New York and San Francisco copydesks, Barney Kilgore was made news editor in San Francisco in 1931. There he hit upon the idea of a column in letter form to an imaginary correspondent confused about such concepts as deflation and other economic problems. His "Dear George" series displayed his talent for reducing complex financial and economic problems to easy-to-understand English, and by late 1932 he was back in New York as a regular editorial page columnist, at the age of 24.

PRAISED BY FDR

Two years later—in March 1934—he discovered that his reading public included President Franklin Roosevelt. At a Presidential press conference, when asked to explain a technical difference between two suggested ways of paying the soldiers' bonus, the President advised the reporters to "read Kilgore in The Wall Street Journal" because he had written "a good piece" on the subject.

And soon it happened again, when FDR was asked to explain a complicated Supreme Court decision on the National Industrial Recovery Act. The Journal tooted its own horn a bit with a story headlined: "President Tells Reporters To Read Kilgore Article."

That was an auspicious beginning for a new Washington bureau manager, which he became in early 1935, a post he was to hold until he became managing editor six years later.

It was as Washington bureau manager that many of Barney Kilgore's new ideas about The Wall Street Journal began to evolve, and that he developed his characteristic manner and method as an executive.

He was constantly urging his Washington reporters to avoid Governmental jargon, to say simply what they meant to say and to treat any story in the depth and fullness required to tell it properly. And he was constantly urging the New York office both to give the space, when needed, and to publish the wider ranging stories on politics and Governmental trends that would make the "hard" news of a subsequent day.

PROBLEM FOR A NEW BOSS

As an executive, the young man had a special problem, since The Wall Street Journal bureau, even then one of the largest in the capital, contained a number of reporters older and more experienced than the new boss.

He succeeded in spite of—or perhaps because of—an essential shyness belied by his aggressiveness as a newspaperman. Those he worked with were never "summoned" to the manager's office. Instead, the young boss would seek out the man. If he had praise to deliver, it was given publicly in the news room. If it was a complaint, it would be given privately, and usually mildly.

But the mildness dealt only with the manner, not the substance. Barney Kilgore knew what he wanted, which was the best possible story, and in his quiet way he insisted on getting it. The men he respected had wide latitude, and often he would accept their judgment on an event even when he did not share it. But he had little patience with incompetence.

The Washington years were important ones for him in other ways. As the newspaper's chief political writer and columnist, and a frequent contributor to magazines as well, he came to know well most of the important officials of his day and gain an insight into both politics and government. He also had a chance to show by example the kind of story he wanted, first from the Washington bureau and later for the newspaper as a whole.

It was during his Washington period, too, that on Oct. 1, 1938, he married Mary Louise Throop of Greencastle, Ind., whom he had met on a visit back to DePauw. She survives him, as do their three children; a daughter Kathryn, 22, and two sons, James Bernard, 19, and John Harvey, 15.

RADICAL CHANGES FOR JOURNAL

The 1930s were a tough time for all newspapers, but especially so for a business publication. The circulation of the Journal shrank from a high of 50,000 to a low point of only 28,000. It seemed clear that some radical changes were needed. In early 1941 Mr. Kilgore was called back to New York and, as managing editor, given the job of making the newspaper more appealing for a wider audience

Some articles about Mr. Kilgore's career have dated the major changes in The Wall Street Journal from 1945, when he was named president of Dow Jones, but the big changes began in 1941 when he took over as managing editor.

The story of this "revolution" in transforming the Journal has been told by Vermont Royster, the present editor, in the book. The World of The Wall Street Journal: Main Street and Beyond.

With William H. Grimes, then the Journal editor, "providing the leavening of experience and Kilgore the daring to 'do everything differently' the modern Wall Street Journal was created by building a new edifice atop the old foundations," Mr. Royster wrote. He went on to describe the transformation in some detail:

"Within the space of a few years the front page was completely revamped by developing a type of new story which, while dealing with current events, was not tied down by yesterday's developments. This permitted the staff to dig into a situation over a period of several days, write about it with care and then give the reader a comprehensive report.

"The 'What's News' column was strengthened in scope and manpower (it now takes sixteen man-hours daily to produce what it takes you six minutes to read) to cover all the 'spot' news of the day, with details, where necessary, carried in separate stories inside the paper.

"The concept of appropriate news for The Wall Street Journal was enlarged past its founder's wildest dreams. The hard core of the paper—accurate and full coverage of corporate affairs and the stock market—was still there, but it was reorganized, more carefully packaged, and no longer allowed to dominate the paper.

"It's hardly surprising that there was an electric air in the news shop just off Wall Street."

EDITING FOR "OUR ELKHART"

The Kilgore-instigated changes in The Wall Street Journal didn't please everyone, of course. A few Wall Streeters wondered what happened to *their* newspaper. A 1959 Time magazine article said: ". . . one Wall Streeter complained that the (new) Journal belonged to 'auto dealers in Keokuk.' Mr. Kilgore never denied it. Said he: 'If you are publishing in Elkhart, Ind., you have got to edit for the Elkhart reader. The business community is our Elkhart.' "

The readers in general, however, evidently agreed with the paper's broader approach. Circulation climbed swiftly. The Journal saw its number of subscribers rise from 33,000 in 1941, when Mr. Kilgore became managing editor, to 102,000 in 1947. By 1959 circulation had passed a half million. Today it is over 1,100,000.

Meanwhile, on the Kilgore theory that you have to get a newspaper to the reader promptly to make it useful to him, new regional printing plants were opened in Chicago; Dallas; Chicopee Falls, Mass.; White Oak, Md.; Cleveland; Palo Alto, Calif.; Riverside, Calif.; and Highland, Ill. All type is set automatically and simultaneously in the regional plants from punched tape transmitted from the East. The Riverside plant prints its papers by facsimile process; the Highland plant uses photo-composing and offset printing.

FROM RESTLESSNESS, NEW IDEAS

But for all his success, Barney Kilgore remained a restless man. He often warned staffers against the danger of "standing still." "Whether we like it or not," he once told the editors, "other publishers are getting smarter. We ought to keep our minds open to new ideas. We don't want to pattern tomorrow's paper on yesterday's."

Thus Journal newsmen were by no means startled in 1961 to learn they were going to have a sister newspaper. The National Observer, that was to bear no resemblance to The Wall Street Journal except for a six-column format.

As something new in journalism, the fledgling had a rocky childhood. This was due in part to a Kilgore idea that the paper didn't need reporters but "people who can put events together and explain what they mean." Characteristically, Barney Kilgore wasn't nonplussed when an idea came a cropper; he quickly liquidated a mistake and went on to better ideas.

Today nearly all National Observer stories are created by its own reporters, Mr. Kilgore lived to see the Observer rise from a circulation of about 200,000 on its first birthday, in February 1963, to the present total of about 500,000. Today the paper is edited in Silver Spring, Md., and printed in four cities.

GROWTH OF THE TICKER

Meanwhile, under Mr. Kilgore's guidance, the Dow Jones News Service has expanded throughout the U.S. and Canada; today it has clients in 742 cities in 49 of the 50 states. In a venture with the Associated Press, its service is now being extended overseas. Barron's, the national financial weekly, which is another Dow Jones publication, now has a circulation of more than 200,000.

The financial growth of the company under Mr. Kilgore has matched its growing readers. Total revenues rose to $83 million in 1966 from a little more than $3 million in 1940. In 1940 net income was only $169,723; in 1966 the company's net was $13,368,811.

Staff and organization has grown comparably. From 622 employes in 1940, the staff has grown to over 2,500.

One thing that didn't change over the years was Barney Kilgore's restless energy. Nobody was ever surprised when he dropped into the Riverside plant with curious inquiries about the facsimile printing, or into the Highland plant to watch the progress of the new equipment to set type by photocomposition. And newsmen were accustomed to meeting him anywhere.

In the company's executive offices in New York, he continued the informal executive ways of his Washington experience. Much of the company's business was conducted at a morning gathering of executives, fabled throughout the organization as the "koffeeklatch."

There, on a given morning, the conversation might turn on something as inconsequential as last Saturday's golf game, as speculative as the political situation, or as business-like as whether to build a new plant. There, in months of talk, The National Observer was born and other endeavors started or abandoned.

RESISTANCE WITHOUT REVERBERATIONS

Most of those present had known Barney and worked with him for many years, and all of them always felt free to tell him he was wrong. On occasions the conversations would grow heated, so much so that afterwards an executive might wonder if perhaps his language had been too forthright to the man who was, after all, the president of the company. But there were never any reverberations; in fact Mr. Kilgore seemed to enjoy the resistance.

When an executive apologetically said he hoped Barney "wasn't mad," Mr. Kilgore replied: "I'm the only man around here who can't afford to get mad."

An important result of his touch with people is that the top management team of the company today has worked with Barney Kilgore, and with each other, for more than a quarter of a century.

William F. Kerby, who succeeded to the presidency when Mr. Kilgore became chairman of the board in March of 1966, is a former managing editor of The Wall Street Journal. So in Buren H. McCormack, the company's executive vice president, and Robert Bottorff, vice president and general manager.

All three began as reporters for the Journal in the 1930s, and helped to carry out Mr. Kilgore's revolutionary ideas. Their cohesion as a group for so many years is a measure of Barney Kilgore's tolerance of strong disagreement among men he respected, and his desire to continue the company's tradition of placing top management responsibility in the hands of executives with editorial backgrounds.

One reason for this easy way with his colleagues was his ability to look at himself with self-amusement, and he could tell easily stories of his own gaffes.

Once in talking to a young political reporter he recalled how he had missed a big story at the 1940 Democratic convention. There Labor Secretary Frances Perkins told him that FDR was going to tap Henry Wallace as Vice Presidential replacement for John Garner. He thought it too fantastic to be true. Twenty-four hours later the story was front page news everywhere. This lack of embarrassment about his own "goofs" made for empathy with all who worked with him.

But if Barney Kilgore made his mistakes, they were far out-balanced by his successes, most of which stemmed from the application of good common sense coupled with a rare imagination.

READINESS FOR PEARL HARBOR

One illustration of this was a decision he made shortly after he became managing editor. Until then most of the type for the Monday edition of the Journal was set on Saturday, with only a skeleton composing room crew on hand Sunday. Mr. Kilgore insisted on changing this, to have a full crew in on Sunday even though it would add to the cost of production. The first Sunday the Journal had on hand its full crew of printers was Dec. 7, 1941, and the post-Pearl Harbor day edition of the Journal has become a classic.

His instinct for doing the right thing at the right time was illustrated again shortly afterwards when, as general manager, he had to deal with rationed wartime newsprint. He chose to forego increased advertising in favor of expanded circulation, the opposite of the path chosen by some other publishers. "Now is the time to build," he said. "There will be lots of time later to get advertising."

This same sound instinct led him, in the years when Dow Jones earnings first began to grow, to plough the new earnings back into plant and equipment and into an expanded news budget. The result is that today the organization's reporters travel the globe and the current news editors never have to worry about the cost of covering a story. It is not at all unusual for a team of reporters to spend weeks working on a single story.

Inevitably the Journal has been involved in controversies, both as a result of its editorials and its news stories. Having a publisher who was, first and foremost, a "newspaperman" meant that the editors got full backing from the president's suite.

THE GM CONTRETEMPS

This was spotlighted in 1954 in a short-lived but lively dispute between General Motors Corp. and The Wall Street Journal. The newspaper had run a story with sketches depicting what 1955 model cars would look like, to the unhappiness of the auto maker. As a result GM canceled all its advertising in the Journal and declined to give the newspaper news releases and entry to press conferences.

Barney Kilgore, as publisher, stood firm, remarking "our editors are perfectly willing to discuss these differences, but not under pressure." But he also added with a smile, "The Journal isn't mad at anybody. I have a General Motors car (a 1951 Chevy), and I certainly don't intend to sell it." Eventually the controversy was settled with smiles all around.

Once when William H. Grimes, then the editor, was being denounced for editorial outspokenness, Mr. Kilgore told an irate visitor: "Well, I suppose I might fire him, but how long could I keep an editor if he got fired every time a reader disagreed?"

This practice of delegating responsibility and letting the man alone as long as he did the job well was a characteristic he never lost. Shortly after Vermont Royster succeeded Mr. Grimes, the new editor offered to show the publisher a proposed editorial on a Presidential State of the Union Message, Mr. Kilgore declined with the remark, "I'll read it in the paper."

THE "UPCOMING" STORY

But, being a newspaperman, he didn't keep it to himself when something made him wince, whether it was an editorial viewpoint, incomplete reporting or sloppy writing. He read all Dow Jones publications thoroughly, and his memos, whether brickbats or bouquets, were to the point.

Jargon words he especially detested. A famous story among WSJ staffers concerns a note to one of his editors: "If I see 'upcoming' in the paper again, I'll downcoming and someone will be outgoing."

Recently, Mr. Kilgore expressed his fear to editors that as newspapers grow they take on some of the "bureaucratic aspects" of big business. "The news department tends to get outnumbered. This has been fatal to some publications, but I don't think it will be to us." He assured Journal newsmen that although company executives for some time had been seemingly preoccupied with the development of new facilities and technological changes, "the most important thing still is the content of the package which the facilities are designed to turn out."

Last year, when an editor wondered if "the top brass pay as much attention to the news department as they once did," Mr. Kilgore replied: "The most important thing for top management to do is to make sure that anyone does *not* interfere with the news content of the paper."

Barney Kilgore's interest in journalism took many forms, as his restless interest moved on. In 1955 he personally purchased The Princeton Packet, the oldest weekly newspaper in New Jersey and the fifth oldest in the U.S., and published in Princeton, where he lived.

Under his direction the Packet rose from a circulation of about 1,000 to more than 8,000. He modernized the old-fashioned format and in 1965 began producing it by the offset process. Later he became the publisher of five other New Jersey weeklies, The Central Post, The Windsor-Hights Herald, The Manville News, The Franklin News-Record and The South Somerset News.

"The Wall Street Journal got to the point where Barney couldn't play with it," a colleague explained. "He needed something like the Packet so he could try out new ideas."

Among Mr. Kilgore's chief interests was the raising of professional standards in journalism. He especially was concerned with attracting bright young people to work on newspapers. In 1956, he startled the newspaper field by announcing that The Wall Street Journal would pay beginning reporters a minimum starting salary of $100 a week (since increased to $130).

DEVELOPED JOURNALISM TALENT

In 1958, he set up The Newspaper Fund, a nationwide program designed to encourage and develop better talent for journalism. The fund has provided opportunities for thousands of high school teachers to attend summer workshops to learn the basics of putting out student publications. It also has helped provide summer newspaper work and scholarships for hundreds of students attending liberal arts colleges.

When he got interested in something new to him, Barney Kilgore usually wound up being somewhat of an authority on the subject. When one of his sons began studying rocks, Mr. Kilgore also immersed himself in the field and learned how to use a lapidary set.

Out of his work grew many of his hobbies, and from his hobbies came ideas for his publications. Techniques he learned when he took up photography seriously were put to work first with the Packet and later in the Observer. (He was pleased when colleagues he was photographing would refer to him as Staff Photographer of The Wall Street Journal.)

Music was a favorite form of relaxation. He played the piano and organ at home and, in earlier years, liked to take over the piano at a club's hospitality room and lead groups in singing old favorites.

SERVED IN MANY CAPACITIES

Mr. Kilgore was president of the board of trustees of DePauw University, a trustee of Phi Gamma Delta fraternity and the American Marketing Association. Long active in Sigma Delta Chi, the national journalistic society, he had served as honorary president, treasurer and on the board of directors.

He held the honorary degrees of LL.D. from DePauw, LL.D. from Colby College, and Doctor of Civil Law from Union College.

Among Mr. Kilgore's honors and awards are Sigma Delta Chi's Wells Memorial Kay; Distinguished Service in Journalism Award, University of Missouri; Hoosier of the Year in 1960; Fellow of Sigma Delta Chi; Indianapolis Front Page Award; Elijah Lovejoy Award, Colby College; Journalism Award, Columbia University Graduate School of Journalism; Distinguished Service to Journalism Award, Syracuse University; and Journalism Achievement Award, University of Southern California School of Journalism.

He was a member of the American Society of Newspaper Editors, Phi Gamma Delta, Phi Beta Kappa, Delta Sigma Rho, and the International Press Institute as well as Sigma Delta Chi. His clubs included Harbor View, Pinnacle and Princeton in New York City; Gridiron, Metropolitan, and National Press in Washington; Bohemian and LaQuinta in California; Chicago; and Bedens Brook, Springdale and Pretty Brook in Princeton, N.J.

In Princeton, he served on the board of trustees of the Princeton Theological Seminary and the Daily Princetonian, the student newspaper at Princeton University. He also was a member of the Advisory Council of Princeton University's Astro-Physics Department.

He was an elder in the First Presbyterian Church and a director of Palmer Square Inc. and the Inter-American Press Association.

In addition to his widow and children, Mr. Kilgore is survived by a sister, Mrs. William Stewart Lea, South Bend.

[From the New York Times, Nov. 16, 1967]

IMAGINATIVE EDITOR

For most Americans, news of business and finance was written in a foreign language until The Wall Street Journal began translating it into intelligible, interesting English a generation ago. The man chiefly responsible for that transformation was Bernard Kilgore, a genial but forceful innovator, who widened the informational horizons of the business community at the same time that he made its activities a fascinating source of daily exploration for readers who had no comprehension of a corporate balance sheet.

In the process he helped convert what had been an ultra-parochial publication into the country's nearest approach to a national—if somewhat specialized—daily. In a period when dozens of large newspapers were dying, he demonstrated that boundless opportunities for more effective communication of ideas remain open to men of creativity and imagination.

[From the Washington Post, Nov. 16, 1967]

BERNARD KILGORE

It was the day after the United States went off the gold standard, and President Franklin D. Roosevelt, who was many things but not an economist, was being hard pressed about the implications of this momentous event. In exasperation, he finally told his questioners: "Read Barney Kilgore in this morning's *Wall Street Journal* and you will get the answer." It was in this city, as the Journal's Washington Bureau chief (at the age of 26), that Bernard Kilgore first made his name as a reporter of the national political and financial scene. But it was as managing editor of the *Journal*, and subsequently president of its parent company, Dow Jones, Inc., that he became one of the authentic creative geniuses of the publishing world.

What he created was the first national newspaper and he founded it on the stunningly simple premise that people who are in business, or have some sort of stake in it, are still people, and therefore interested in war and peace, in education, in the arts and religion in the World Series and in the state of affairs in Liechtenstein. That was part of it; the other part was his belief, as his own newspaper has put it, that "the Nation at work is the same everywhere." He was restless, driving, creative, perceptive. He was convivial, in one sense, and in another, withdrawn. He never traveled beyond this hemisphere or mixed a great deal with the movers and shakers of the world. But he had a rare talent for getting quickly to the nub of things even when what he knew about them came second-hand.

Though William H. Grimes had much to do with the beginnings of the revolutionary change which the *Wall Street Journal* was to undergo, the prime mover and guiding spirit was Kilgore. When he became managing editor, 26 years ago, the *Wall Street Journal* was a financial paper, with advertisements on the front page, and a circulation of 30,000. There was a West Coast edition, but it was much smaller, and in no sense a duplicate. Yesterday's *Wall Street Journal* was simultaneously produced in eight plants across the country. In addition to stock market tables, it contained articles on the commercial use of nuclear energy, on problems besetting American exports, on polo as a growing sport, on Congressional reapportionment—and on poetess Marianne Moore. Its circulation was just a bit above 1 million which makes it the second largest newspaper in the land. In a very real sense, this is Bernard Kilgore's monument, and in a day when many newspapers are withering away, it is monument enough for any man.

PAN AMERICAN DEVELOPMENT FOUNDATION

Mr. JAVITS. Mr. President, one of the principal concerns of the foreign assistance program of the United States is to encourage effective, democratic institutions, both public and private, within the developing nations. An important program which encourages maximum participation in development efforts on the part of all citizens of a country has been launched by the U.S.-headquartered Pan American Development Foundation, a private, nonprofit institution organized at the initiative of the General Secretariat of the Organization of American States and governed by a board of trustees of leading citizens from both the United States and Latin America.

Mr. President, I ask unanimous consent that a list of the members of the board of the Pan-American Development Foundation be printed at this point in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PAN AMERICAN DEVELOPMENT FOUNDATION

José A. Mora, Chairman of the Board.

William Sanders, President.

Board of Trustees: Laurence W. Acker, Raymond B. Allen, Gonzalo Aguirre Beltrán, Luis Raúl Betances, Gabriel Betancur Mejía, Alberto Lleras Camargo, Erwin D. Canham, Milton S. Eisenhower, Francisco V. García-Amador, Segio Gutierrez Olivos, Felipe Herrera, Abraham Horwitz, Edward M. Kennedy, Tulo H. Montenegro, Peter R. Nehemkis, Jr., Rafael Picó, Victor G. Reuther, Carlos Forray Rojas, Rafael Sajón, Armando Samper, William Sanders, Carlos Sanz de Santamaría, Walter Sedwitz, Carl B. Spaeth, Gabriela G. de Tauler.

L. Ronald Scheman, Executive Secretary.

Mr. JAVITS. One of the foundation's primary purposes is to establish domestic institutions called national development foundations in Latin American countries. The national development foundation is designed to mobilize the energies and resources of the local private sector and to stimulate and reinforce participation in self-help efforts at all levels of society.

The national development foundation acts essentially as a financing institution. It derives its capital from contributions and membership subscriptions of local companies and individuals. Monthly dues from members assure steady income to defray administrative expenses. To provide maximum incentives for local donations, funds raised locally are matched from a reserve fund made available by the Pan American Development Foundation. This growing endowment, in turn, is neither spent nor given away in grants. Rather, it is invested in low-interest loans, predominantly to responsible marginal groups.

The Pan American Development Foundation maintains affiliation with the national foundations and provides technical assistance in foundation management and administration, and, as operations proceed, arranges for professional fundraising assistance.

The first national development foundation in Latin America, the Dominican Development Foundation, began operations in the Dominican Republic in July 1966. It is governed by a board of 18 prominent business and civic leaders who set its policies and manage its funds. Technical assistance funds for its establishment were made available to the Pan American Development Foundation by U.S. foundations. Substantial matching funds for use in the Dominican Republic were provided by a farsighted grant made to the Pan American Development Foundation by the U.S. Agency for International Development.

The investment is proving worthwhile. The founding group of 23 major Dominican companies has grown to 102 companies and individuals providing continuing support. Over $100,000 has been raised locally, despite a traditional belief that development is the Government's business. Sixty loans totaling more than $135,000 have financed a wide variety of projects, recommended to the foundation by public, private and international development agencies and technicians.

Most loans have been made to marginal groups. Cooperatives, with new equipment and materials, have increased their productivity, enabling members to raise their standard of living and participate more actively in the economic life of the country. Urban slum groups and entire rural communities are becoming consumers and "taxpayers" as they pay for such needed improvements as wells, schools, dispensaries and community centers. Repayment is made at the rate of a few pennies per family per week, with local committees establishing their own system of sanctions to enforce payment by all participating families.

Marginal sector response has been excellent. The Dominican Foundation reports that the poorer people actually prefer a loan to a government or charitable handout, and are proud they can pay their own way. Their dignity is preserved and even increased by the prestige of having qualified for a loan from an institution composed of the country's leading businessmen. The loan process itself, through its inherent learning experience and group discussion, reinforces group maturity and unity.

The private sector response has also been excellent. The board carefully manages the foundation's funds and evaluates the moral guarantees for repayment offered by each group. Involvement and concern are evident from the growing list of contributors and the participation of members in working committees, which provide the staff with managerial and administrative assistance. The business community is becoming increasingly aware of the potential of the marginal groups for responsible participation in the economic life of the country.

I believe recognition is due to this imaginative effort of the Pan American Development Foundation, which illustrates the potential to be realized from placing the method, means, and responsibility for development directly in the hands of the people.

PRESIDENT JOHNSON AND PRIME MINISTER SATO SET A NEW HARMONIOUS COURSE FOR JAPANESE-AMERICAN RELATIONS

Mr. MUSKIE. Mr. President, in one of the most successful and rewarding meetings between two national leaders in recent memory, President Johnson and Prime Minister Sato of Japan agreed on a number of essential diplomatic, military, and international economic policies.

The visit of Prime Minister Sato, his warm statement of support for U.S. efforts in Asia, and the remarkably harmonious joint statement issued by President Johnson and the Prime Minister demonstrate that relations between Japan and the United States are today at their highest point.

The mutual interest of Japan and the United States in the freedom and security of Southeast Asia will go far to support the independence of those new Asian nations struggling to maintain their national identity.

Japan's and America's common pledge to expand and improve the activities of the historic Asian Development Bank is another major step forward in stimulating regional economic development in Asia.

United States-Japanese cooperation in matters of trade brings our two nations closer together in the economic sphere.

A common pledge to explore the peaceful uses of atomic energy is still another positive scientific bond between our two nations.

The U.S. pledge to return administration of the Bonin Islands to Japan removes one of the last barriers to free and unfettered cooperation between our two peoples.

The United States and Japan are two of the greatest Asian powers in the world.

It is fitting that their leaders come together in such fruitful and friendly talks.

As one who is both a friend of the United States and a friend of Japan, and as one who had the pleasure of visiting Japan recently as a representative of our country, I have the honor of asking unanimous consent to insert in the RECORD the text of the joint communique between President Lyndon B. Johnson and His Excellency Prime Minister Sato of Japan on the conclusion of their recent talks at the White House.

There being no objection, the communique was ordered to be printed in the RECORD, as follows:

JOINT COMMUNIQUE BETWEEN PRESIDENT LYNDON B. JOHNSON AND HIS EXCELLENCY PRIME MINISTER SATO OF JAPAN

I

President Johnson and Prime Minister Sato met in Washington on November 14 and 15, 1967, to exchange views on the present international situation and on other matters of mutual interest to the United States and Japan.

II

The President and the Prime Minister declared that the United States and Japan, guided by common democratic principles of individual dignity and personal freedom, will continue to cooperate closely with each other in efforts to bring about world peace and prosperity. They took note of the importance of reinforcing the authority and role of the United Nations as a peace-keeping organization, of promoting arms control and a reduction of the arms race, including the early conclusion of a Non-Proliferation Treaty, as well as of rendering effective assistance to the developing countries, particularly those in Southeast Asia.

III

The President and the Prime Minister exchanged frank views on the recent international situation, with particular emphasis on developments in the Far East. They noted the fact that Communist China is developing its nuclear arsenal and agreed on the importance of creating conditions wherein Asian nations would not be susceptible to threats from Communist China. The President and the Prime Minister also agreed that, while it is difficult to predict at present what external posture Communist China may eventually assume, it is essential for the free world countries to continue to cooperate among themselves to promote political stability and economic prosperity in the area. Looking toward an enduring peace in Asia, they further expressed the hope that Communist China would ultimately cast aside its present intransigent attitude and seek to live in peace and prosper alongside other nations in the international community.

IV

The President reaffirmed the continuing United States determination to assist the South Vietnamese people in the defense of their freedom and independence. At the same time, he made it clear that he was prepared to enter into negotiations at any time to find a just and lasting solution to the conflict. The Prime Minister expressed support for the United States position of seeking a just and equitable settlement and reaffirmed Japan's determination to do all it can in the search for peace. He also expressed the view that reciprocal action should be expected of Hanoi for a cessation of the bombing of North Vietnam. The Prime Minister noted that he had found widespread support during his Southeast Asian trips for free world efforts to cope with Communist intervention and infiltration.

The President and the Prime Minister agreed that it is important that the new Government in South Vietnam continue its progress toward stable democratic institutions and the social and economic betterment of its people.

V

The President and the Prime Minister exchanged views frankly on the matter of security in the Far East including Japan. They declared it to be the fundamental policy of both countries to maintain firmly the Treaty of Mutual Cooperation and Security between the United States and Japan in order to ensure the security of Japan and the peace and security of the Far East. The President and the Prime Minister recognized that maintenance of peace and security rests not only upon military factors, but also upon political stability and economic development. The Prime Minister stated that Japan is prepared to make a positive contribution to the peace and stability of Asia in accordance with its capabilities. The President stated that such efforts on the part of Japan would be a highly valued contribution.

VI

Referring to his recent visits to the Southeast Asian countries, the Prime Minister explained the efforts these nations are making in a spirit of self-help toward achievement of greater welfare and prosperity for their peoples, but noted their continued need for assistance in their efforts. The Prime Minister stated that it is the intention of the Government of Japan, in meeting this need, to continue its efforts to provide more effective bilateral and multilateral assistance to the

Southeast Asian region particularly in the fields of agriculture, fisheries, transportation and communication, by increasing the amount of assistance and liberalizing its conditions. The Prime Minister described the encouraging trends which he had observed particularly in Southeast Asia toward greater regional cooperation and he cited the promising prospects for the Asian Development Bank and its Special Funds. He further stated that it is the intention of the Government of Japan to make greater use of these institutions by assisting in further expanding their operations. Recognizing the need to strengthen economic assistance to the developing areas, particularly to the Southeast Asian countries, the President and the Prime Minister agreed to maintain closer consultation with each other in this field.

VII

The President and the Prime Minister frankly discussed the Ryukyu and the Bonin Islands. The Prime Minister emphasized the strong desire of the Government and people of Japan for the return of administrative rights over the Ryukyu Islands to Japan and expressed his belief that an adequate solution should promptly be sought on the basis of mutual understanding and trust between the Governments and people of the two countries. He further emphasized that an agreement should be reached between the two governments within a few years on a date satisfactory to them for the reversion of these Islands. The President stated that he fully understands the desire of the Japanese people for the reversion of these Islands. At the same time, the President and the Prime Minister recognized that the United States military bases on these islands continue to play a vital role in assuring the security of Japan and other free nations in the Far East.

As a result of their discussion, the President and the Prime Minister agreed that the two Governments should keep under joint and continuous review the status of the Ryukyu Islands, guided by the aim of returning administrative rights over these islands to Japan and in the light of these discussions.

The President and the Prime Minister further agreed that, with a view toward minimizing the stresses which will arise at such time as administrative rights are restored to Japan, measures should be taken to identify further the Ryukyuan people and their institutions with Japan proper and to promote the economic and social welfare of the Ryukyuan residents. To this end, they agreed to establish in Naha an Advisory Committee to the High Commissioner of the Ryukyu Islands. The Governments of Japan and the United States of America and the Government of the Ryukyu Islands will each provide a representative and appropriate staff to the Committee. The Committee will be expected to develop recommendations which should lead to substantial movement toward removing the remaining economic and social barriers between the Ryukyu Islands and Japan proper. The existing United States-Japan Consultative Committee in Tokyo will be kept informed by the High Commissioner of the progress of the work of the Advisory Committee. It was also agreed that the functions of the Japanese Government Liaison Office would be expanded as necessary to permit consultations with the High Commissioner and the United States Civil Administration on matters of mutual interest.

The President and the Prime Minister also reviewed the status of the Bonin Islands and agreed that the mutual security interests of Japan and the United States could be accommodated within arrangements for the return of administration of these islands to Japan. They therefore agreed that the two Governments will enter immediately into consultations regarding the specific arrangements for accomplishing the early restoration of these islands to Japan without detriment to the security of the area. These consultations will take into account the intention of the Government of Japan, expressed by the Prime Minister, gradually to assume much of the responsibility for defense of the area. The President and the Prime Minister agreed that the United States would retain under the terms of the Treaty of Mutual Cooperation and Security between the United States and Japan such military facilities and areas in the Bonin Islands as required in the mutual security of both countries.

The Prime Minister stated that the return of the administrative rights over the Bonin Islands would not only contribute to solidifying the ties of friendship between the two countries but would also help to reinforce the conviction of the Japanese people that the return of the administrative rights over the Ryukyu Islands will also be solved within the framework of mutual trust between the two countries.

VIII

The President and the Prime Minister exchanged views on trade and economic policies following the successful conclusion of the Kennedy Round negotiations. They considered that a continued expansion of world trade would be in the best interests of both countries and pledged continued close cooperation in pursuit of this objective. They reaffirmed their support for policies which would lead to a freer flow of trade and further liberalization of other international transactions. They agreed that their two Governments should continue to consult closely regarding trade and economic problems between the two countries with a view to finding mutually satisfactory solutions. They noted that early restoration of balance in each of the two countries' worldwide international payments was of basic concern to both and agreed to assist each other toward this end. In this regard, and with a view to making possible the continuation and expansion of mutually beneficial trade and financial relationships between the two countries and promoting the development and stability of the Asia-Pacific area, they agreed to enhance the usefulness of the Joint United States-Japan Committee on Trade and Economic Affairs by establishing at an early date a subcommittee. This subcommittee will be a forum for consultation on economic and financial matters of importance to both countries, including the short and longer-range balance of payments problems of the two countries.

IX

The President and the Prime Minister expressed their satisfaction with the active and expanding scientific cooperation between Japan and the United States. They especially recognized the contributions made by the United States-Japan Cooperative Medical Science Program which was established as a result of their last meeting in January 1965, and the continuing achievements of the United States-Japan Committee on Scientific Cooperation.

The President and the Prime Minister discussed the peaceful exploration and use of outer space, and noted with satisfaction the recent entry into force of the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies, a new milestone in mankind's progress towards peaceful uses of outer space. They reviewed space cooperation to date between the United States and Japan, and surveyed possibilities for future cooperation. They agreed that the two Governments should look more closely into such possibilities, focusing on the development and launching of earth satellites for the scientific research and peaceful utilization of outer space.

The President and the Prime Minister, aware of the increasing importance of the oceans as a source of food for the world's growing population and as a source of minerals, have agreed to seek ways of greatly expanding United States-Japan cooperation in research and in development of technology for the utilization of marine resources through the United States-Japan Conference on Development and Utilization of Natural Resources. For this purpose they have agreed that as part of the United States-Japan natural resources program, there should be prepared a report and recommendations to the two Governments looking to cooperation between the two countries in this field.

The President and the Prime Minister recognized that the promotion of peaceful uses of atomic energy has immense possibility of furthering the welfare of mankind and noted with satisfaction that there exists a close cooperative relationship between the two countries in this field. In this connection, the two leaders expressed satisfaction with the smooth progress of the current negotiations to conclude a new agreement for cooperation in this field. The Prime Minister welcomed in particular the intention of the United States Government to increase the supply of such nuclear fuel as U235 and plutonium to Japan.

X

The President and the Prime Minister were satisfied with their second meeting which was extremely useful and expressed their desire that close personal contact continue in the future.

PRESIDENT JOHNSON'S PERSONAL TRIUMPH AT THE WILLIAMSBURG GRIDIRON DINNER

Mr. HARRIS. Mr. President, we all know that President Johnson is a personable, sincere, humorous, and candid gentleman when he meets with friend, foe, or colleague in private discussions of problems facing the presidency.

So it comes as no surprise whatsoever to read Walter Trohan's Chicago Tribune column describing the President's visit to the traditional Gridiron Dinner, held at Williamsburg last week as an "outstanding personal triumph."

The rules of the club forbid reporting of the President's actual remarks, but we can report, in Mr. Trohan's words, that the President "tossed piercing shafts at his political foes, quipped about issues of the day, and laughed at himself in the finest tradition of the 82-year-old organization."

I wish that all Americans could see our President in his relaxed moments, when at a meeting or a dinner his essential concerns are voiced for his fellow citizens and the world.

I wish that all Americans could see our President laugh at himself in the best American tradition, even though his mind is weighted down with some of the most profound problems ever to face a President.

I wish all Americans could hear him discuss his own beliefs, his commitment to the office of the Presidency, his own desire to be right in the eyes of his people and in the eyes of history.

For those who could not be present at the Gridiron Dinner as I had the privilege of being, I would like to call attention to the Chicago Tribune column of November 15 which comments on the President's talk and visit.

It was indeed a triumph, and it was

achieved before one of the toughest audiences any President could face.

I ask unanimous consent that the column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

REPORT FROM WASHINGTON: JOHNSON SCORES TRIUMPH AT GRIDIRON DINNER

(By Walter Trohan)

WASHINGTON, November 14.—President Johnson is a man of many facets. Among the least known, unfortunately for him, are his humor, his innate courtesy, and a genuine love of his fellow men.

Already I can hear the roars of derision from those who do not like him and never will like him, but if they could have seen and heard him last Saturday night, they would have been forced to like him in spite of themselves. Mr. Johnson scored an outstanding personal triumph at the extraordinary Gridiron club dinner in colonial Williamsburg.

It is to be regretted that rules of the organization, which is limited to an active membership of 50 capital newsmen, do not permit publication of his pointed quips and gentle humor. But even if they did, it would not have been possible to capture his delivery and timing, worthy of a Bob Hope or a Red Skelton, without radio and TV, which also are barred.

The chief executive demonstrated clearly that humor is the greatest weapon ever devised by the mind of man, and that includes the fearsome nuclear weapons. He tossed piercing shafts at his political foes, quipped about issues of the day, and laughed at himself in the finest tradition of the 82-year-old organization. And he laughed at himself, enjoying quips of the club in the skits.

Everything favors a President in speaking before the Gridiron club, but few, if any, have ever delivered a better speech than Mr. Johnson did last Saturday night. And because I sat beside him I can offer testimony that the best wisecracks were his own, because I saw him compose them as something in the club's skits struck his fancy or sparked thinking on issues of the day.

GODWIN BLENDS HUMOR, GRACE IN ADDRESS

At the Gridiron dinners it is customary for speakers to represent the two major parties. These speakers have very little to gain and much to lose. They are expected to be good, but if they are not, the reaction spreads, like the ripples of a stone in a still pond, to damage their image.

Saturday night Gov. Mills E. Godwin Jr. of Virginia, who spoke for the Democrats, blended humor and grace to deliver one of the finest speeches ever made by any party representative. Gov. Winthrop Rockefeller of Arkansas, spokesman for the Republicans, was most effective.

Obviously President Johnson was elated by the number of laughs and bursts of applause he received during his short speech and the warm reception at the end. But the man who may have received the greatest lift out of the dinner was Secretary of State Dean Rusk.

RUSK RECEIVES SPONTANEOUS STANDING OVATION

When he was introduced he received a spontaneous standing ovation rivalling anything of its kind in the history of the club. It is to be expected that any President gets a rising ovation before and after his remarks, but for a man to get it on being introduced to take a bow is rare indeed.

No doubt Rusk would not have been surprised by some indication of displeasure with his conduct of a foreign policy which has American troops dying in Viet Nam. Yet the audience of men and women—for the first time in 50 years women were guests at a Gridiron dinner—rose to their feet simultaneously to cheer and applaud a man who carries a great weight.

When world and national problems can be placed in better perspective by humor, it is to be regretted that our own personal problems cannot be resolved with the aid of more laughter and smiles.

TRIBUTE TO JESSE NICHOLS

Mr. METCALF. Mr. President, I wish to associate myself with the remarks made by some of my colleagues on the Committee on Finance acknowledging with appreciation the 30 years of distinguished service rendered the committee by Mr. Jesse Nichols, of the staff. I want to recognize the achievements of Mr. Nichols and add a few remarks of my own.

Though I was appointed to the Committee on Finance only in 1966 and have, therefore, enjoyed a relatively short association with Jesse in his committee capacity, his thorough knowledge of the work of the committee over a period of more than 25 years and his willingness to share that knowledge with me made him an invaluable friend. He carries in his head the history of three decades of committee work; I do not believe Jesse has forgotten the substance of a hearing or an executive session held in that time.

Jesse's father was a respected businessman, his mother a teacher. The children, encouraged by their parents, worked and went to school and entered the professions of teaching, medicine, and dentistry.

Jesse Nichols' service to the Members of the Senate has been faithful, exemplary, and noteworthy. I take great pleasure in commending this fine gentleman and valued associate for his contribution to our country for more than a quarter of a century.

REVOLUTIONARY PULPWOOD HARVEST CONCEPT UNVEILED

Mr. TALMADGE. Mr. President, a forestry research project now being conducted in Georgia may add a new dimension to the pulpwood growing and harvesting industry.

Not only could the harvest cycle be cut in 2 or 3 years, but the same equipment used to harvest corn silage could join the power saw as a standard tool for cutting this wood product.

Since sycamore has been used as the test wood for production of papermaking pulpwood, the system of growing and harvesting has been given the catchy title of "Sycamore Silage."

The researchers say, however, they see no reason why it cannot be applied to such hardwoods as sweetgum, yellow poplar, boxelder, red maple, ash, cottonwood, oak, and hickory for use in particular fiber products.

The research project is being conducted by the U.S. Department of Agriculture's Forest Service, the Georgia Forestry Commission, and the University of Georgia.

The potential benefits to pulpwood growers could be immense. It could mean quick returns on investment because of frequent harvests, ease of harvest and practically no costs of regenerating new stands of cellulose-producing wood.

The researchers began with the long-recognized fact that hardwoods send out sprouts from stubs or stumps and outproduce seedlings during early life.

With this knowledge, they found that these sprout stands, composed of large numbers of small, rapidly growing stems, could be efficiently and economically harvested with mechanical harvesters.

The method of harvesting was used successfully on 1-year-old sprouts, but the researchers say they foresee 2- or 3-year-old cycles as more likely to produce maximum amounts of fiber in the shortest time. At this age range, they say, the trees will still be small enough to be handled by the silage harvester, operated by one man. It can clearcut the stand at a stump height of 3 to 4 inches, chip the entire tree, and deliver the chips directly into a tractor-drawn wagon.

After the harvest, the stands will regenerate with new sprouts. This regeneration process can occur a number of times from the same stumps.

Tests have indicated 350 to 400 tons of green material per acre—4 to 5 cords a year—can be yielded in a 5-year "growing season," and the scientists feel this yield will be far exceeded on a 2- to 3-year cutting cycle. Thirty years is the normal pulpwood rotation using current methods of growth and harvest.

Preliminary pulping tests of young sycamores being used in the Georgia research have proved promising from the standpoint of cooking time, yields, and paper quality.

The sycamore silage system is still described as "a new concept, not a proved method of growing and harvesting pulpwood." But the researchers leave little doubt that they feel their efforts can lead to a revolution in the business of growing trees for fiber.

TRIBUTE TO GEORGE AUTRY

Mr. HART. Mr. President, at the end of this session of Congress, George Autry, chief counsel to Senator ERVIN's Subcommittee on Constitutional Rights, is returning to North Carolina to direct a manpower training program.

Mr. President, George Autry's departure not only will deprive Senator ERVIN of an exceedingly competent legislative aid but it will also deprive the Senate of one of its most outstanding staff members. In his past 6 years here on Capitol Hill, George Autry has won admiration and respect from every observer for his skillful handling of the Constitutional Rights Subcommittee and for his intellectual integrity, enthusiasm, and dedication. As one who has had the privilege of his counsel and the pleasure of his company, I want to thank him and wish him well.

At this point I ask unanimous consent to insert in the RECORD two recent North Carolina newspaper items describing George Autry's departure and some of the outstanding contributions he has made here in Washington over the past 6 years.

There being no objection, the editorial and article were ordered to be printed in the RECORD, as follows:

[From the Raleigh (N.C.) News and Observer, Oct. 25, 1967]

Promising Response

Given the extent of low income employment in North Carolina it is not probable that the new Manpower Development Corporation, whose executive director was named Monday, will soon bring about the kind of change it seeks. But it is indeed encouraging that the chairman of the group's policy board so clearly outlined the challenge it faces. That challenge, said banker Luther Hodges, Jr., is to provide a positive response to the North Carolina Fund's recent economic and manpower survey which showed that:

—Nearly one and a half million adult North Carolinians cannot read sufficiently well to qualify for jobs which pay a living wage.

—The income gap between this State and the rest of the country is not closing, even though our per capita income is rising. North Carolina ranks only 44th among the 50 states in this index of well-being, and there is little reason to expect relative improvement in the next decade.

Two-thirds of the new manufacturing jobs created in North Carolina each year since 1960 have paid wages below the State's average, and that average has ranked the State 49th or 50th, nationally, each year of the period.

The job-creating industrial and business development which has taken place has not benefited all North Carolinians. There were 37,000 fewer jobs for non-white males in 1960, for example, than there were in 1950.

Clearly these stark facts outline the State's number one problem in terms of providing education and job training to help the underemployed lift themselves. It also suggests that need for more careful search for higher quality industry.

The Manpower Development Corporation, a joint venture of the National Association of Manufacturers, the Office of Economic Opportunity and the North Carolina Fund, is an experiment in enlightened and co-operative help for the many thousands who subsist almost without hope of enjoying a better life. No more promising effort has been launched before. George Autry, the young attorney who will head its operations, has much ability. His task will demand it all.

[From the Winston-Salem (N.C.) Journal and Sentinel, Oct. 29, 1967]

Ervin Will Miss Autry's Services: Aide Takes Manpower Training Job

(By Bill Connelly)

WASHINGTON.—In just six years, George B. Autry became chief counsel to Sen. Sam J. Ervin's subcommittee on constitutional rights and began to be known as one of the most knowledgeable and well-connected North Carolinians in Washington.

Then, to the astonishment of his friends, he announced that he was leaving it all to return to North Carolina and run a manpower training program sponsored by the N.C. Fund and the National Association of Manufacturers.

His departure at the end of this year's session will deprive Ervin of both an aggressively efficient legislative aide and subcommittee boss and a trusted political confidant.

Autry, a 30-year-old native of Wilmington, will be especially missed if Ervin has serious opposition in next year's elections. Among the North Carolinians here, it is generally agreed that few have better political antennae than Autry.

SUBCOMMITTEE COUNSEL

But it is as subcommittee counsel that the young lawyer's work has been most important to the senator.

Like Ervin, Autry is indefatigable and totally absorbed in his job. He has dug deeply into constitutional law and has left his mark on several of Ervin's bills, such as those protecting the privacy rights of government employes. Liberalizing the immigration laws, reforming the bail system and protecting the rights of American Indians.

Although only six years out of Duke University's Law School, Autry has won respect in the Senate for his handling of the subcommittee (which has a staff of 16) and for his skill as a legislative strategist.

Most of all, however, he has been the man who knew the score—on the next committee vote, on the next floor fight, on the current political controversy at home. An inexhaustible source of information, he is so perpetually on the telephone that some friends wonder whether he sleeps with it.

His friends say Autry is not as conservative as Ervin on most social issues, but this does not appear to have any effect on their close working relationship.

In sum, Autry, a short man with slightly graying dark hair, seemed destined for a long career in Washington. It was hard to picture his going so far away that he would not know who had voted with whom and for what.

So how was he recruited to run the new Manpower Development Corp.—to take a job largely unrelated to law, politics or legislation and a job paying very little more than he made here?

"This job on the subcommittee is the greatest in the world," Autry said in beginning an explanation. "I would have been happy to sit here forever. I love it. I love the Senate. But the new job was so important I felt I didn't have any choice."

The job is important, he believes because the manpower program offers one effective way of eliminating poverty. The Manpower Development Corp. will select with a computer 3,000 unemployed, unskilled North Carolinians and attempt to match them with jobs for which they are suited. Then they will be trained through new teaching methods for specific jobs in a specific industry.

With the help of the National Association of Manufacturers, the program will try to persuade industrialists either to hire workers prepared by the program training center or to set up their own training programs for such people under government contract.

SKILL AND JOB IDEA

The idea is to give a man a skill and a job as well.

If it works, thousands of other North Carolinians will be recruited.

Although three other states are planning similar programs, this one will be the first to get started.

The prospect so appealed to Autry that, after some initial hesitation, he decided he wanted to be in on it. "It sounds trite," he said, "but it's that simple."

The change also will enable Autry to get to know more about his home state. He came to Washington in 1961, shortly after graduation from Duke Law School, on a one-year fellowship sponsored by the Richardson Foundation. He was assigned to Ervin's staff and, at the end of the year, decided to stay. Consequently his whole working life has been here.

During the first years that Autry was an aide to Ervin, his wife Bess worked in Sen. Hubert Humphrey's office. Both the Autrys have retained friendships with Humphrey and his staff, and Autry helped in the Humphrey campaign in 1964. This, plus his gregarious nature, has given him broader political friendships than the average North Carolina staffer here.

FRIENDSHIPS RANGE

His political friendships at home have ranged a bit, too. In 1960, as a law student, he supported Terry Sanford in Sanford's second primary race for governor. Now Sanford is a possible Democratic primary opponent for Ervin.

But Autry's devotion to Ervin now seems total. He calls the senator "a man of tremendous intellectual energy and rare political courage." He says that his only regret in returning to North Carolina is that he will have to leave Ervin in an election year, when the subcommittee and political duties could be burdensome.

Mr. TYDINGS. Mr. President, I want to add my hearty endorsement to Senator HART's remarks regarding George Autry. We in the Senate will miss Autry's counsel and his consummate good sense. The Senate's loss is, however, North Carolina's gain.

VIETNAM—ADDRESS BY THE VICE PRESIDENT

Mr. HARRIS. Mr. President, on October 23, 1967, the Vice President of the United States, speaking to the National Defense Executive Reserve here in Washington, D.C., made a clear, easily understood, and commonsense statement about the war in Vietnam.

Believing that Senators will want to have an opportunity to read it, I ask unanimous consent that the speech may be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Remarks by Vice President Hubert H. Humphrey to the National Defense Executive Reserve, Washington, D.C., October 23, 1967

Today I want to talk with you as men whose uppermost concern is the security of this nation.

I want to talk with you as men who have important and responsible roles in your home communities.

I want to talk to you about our responsibilities in the world—most specifically in Southeast Asia—and about some of the discussion now taking place right here in America concerning those responsibilities.

Why are we in the Southeast Asia and Viet-Nam?

We are there for two clear and inter-related reasons.

We are there in the interest of our own national security.

We are there to increase the possibilities of a stable and peaceful world.

We are facing today, in Viet-Nam and Southeast Asia, the most recent challenge we have had to meet since World War II in our effort to prevent World War III.

We are meeting aggression at a limited level so that it will not have to be met later at far wider and more dangerous levels.

We are resisting once again a militant, aggressive communism, but this time in Southeast Asia.

Since World War II—since the advent of terrible nuclear weapons—we have been tested many times.

We have been tested in Iran, in Greece and Turkey, in Berlin, in Korea and in the Cuban Missile Crisis. Each test has been filled with danger, but each has contributed to a more peaceful and stable world.

And we have always proved equal to the challenge—even when the danger was greatest.

Now, we are being tested again. And this time the test is perhaps the most difficult of all.

For today's aggression doesn't come in the form of conventional invasion—massed tanks and planes—across national frontiers.

The struggle doesn't take place on a continent where we have relatives or cultural ties . . . where the languages and last names are familiar.

And it is doubly painful because television, for the first time, has brought all the agony and misery of it into our living rooms every single day.

What is even more difficult is the fact that the burden of leadership and defense for free and independent nations seems to be ours in such a disproportionate measure.

But, because it is difficult, we don't have the luxury of turning away from it.

For if we, with our wealth and power, turn away when the weak and the poor are the victims of force, subversion and aggression, who will stand for freedom, for self-determination, for peace?

One disadvantage of being a peaceful country is that you can't, unfortunately, pick the time and place where you will be confronted with aggression.

Like it or not, the time is now and the place is Viet-Nam and Southeast Asia—and there is no escaping it.

I have talked, face-to-face, on many occasions with the leaders of Southeast Asia. I can tell you that, without exception, they have said that—if we failed in Viet-Nam—they would be under unbearable pressure from a nuclear-armed Communist China.

The overwhelming fact of international life in Asia today is a militant Asian communism backed and supported by a Communist China which still lives by irrational, revolutionary creed and preaches the doctrine of the "war of national liberation."

Leaders of free Asia would, they have told me, face the peril of aggression—overt, covert, or both.

If they were to survive, they would be compelled, they have told me, to make "some sort of new arrangement" with the militant power which is at their doorstep.

I give you the words of Thanat Khoman, the foreign minister of Thailand, speaking in Bangkok earlier this year:

"Thanks to the wisdom and courage of the President of the United States . . . we are now succeeding in putting out a small fire. It was a decision that will go down in history as the move that prevented the world from having to face another major conflagration."

I give you the words of President Park of Korea in his State of the Nation address last year:

"For the first time in our history, last year we decided to dispatch combat troops overseas . . . because in our belief any aggression against the Republic of Viet-Nam represented a direct and grave menace against the security and peace of Free Asia and therefore directly jeopardized the very security and freedom of our own people."

Prime Minister Holyoake of New Zealand:

"We can thank God that America at least regards aggression in Asia with the same concern as it regards aggression in Europe—and is prepared to back up its concern with action."

President Marcos of the Philippines:

"I find it honorable to say, in view of the resolution of the United States Government to help protect the freedom-loving peoples of Asia, that the least that the peoples of Asia can do is to fulfill their own part, and that is, demonstrate their own love for freedom by fighting with their own men, with their own complement, and their own soldiers, for freedom."

That is why all those nations are standing with us—along with others—in Viet-Nam.

That is why the combined military contribution of Asian and South Pacific nations in Viet-Nam now far exceeds the contribution of our allies in the Korean War.

Now it may be that all these Asian nations and leaders are *wrong*.

But their strong beliefs—taken together with the hard evidence of Asian Communist subversion and aggression over the past few years in Korea, in India, in Tibet, in Burma, in Thailand, in Indonesia, in Malaysia, in Laos, and in Viet-Nam—these beliefs and this evidence lead me to conclude that the United States of America would be foolish to act on any other assumption than that they are *right*.

So there are hard-headed, tangible reasons for our involvement in Southeast Asia and Viet-Nam, reasons clearly affecting the stability and the safety . . . the integrity and independence of a vast area of the world rich both in people and in resources.

It is not in our national interest to ignore these facts of international life.

Nor is our security served by permitting other vast areas of the world to fall victim to Communist pressure.

If our policy of mutual security and containment of Communist power in Europe has been right, then the same logic and compelling reasons require the application of such a policy in Asia.

Where are we headed? What does the future hold?

No one has power of prophecy. But I think we may have some idea from the course of postwar history.

We did go through a similar experience after World War II with an active, aggressive communism in Europe.

By our firmness and perseverance, and that of our allies, we are able today to live in "peaceful coexistence" with the Soviet Union and the nations of Eastern Europe. We are, in fact, able to engage in "bridge-building" . . . to join in a Nuclear Test Ban Treaty and a Space Treaty . . . to work toward a new agreement halting the further spread of nuclear weapons . . . to find ways to live together in peace.

I believe that, if we stand fast today with the independent nations of Asia, we can in time have a chance for the same experience there.

I believe that, with time and evolution, changes may take place in Communist China which will bring her back into the family of nations.

That is why I have talked of a policy of "containment without isolation". . . why our President has talked of reconciliation . . . why our Secretary of State has talked about peaceful coexistence with Mainland China.

We do not seek to make Mainland China our enemy. We do not seek to encircle and crush her.

What we seek to do is to help the independent nations of Asia strengthen themselves against subversion and aggression so that a new generation of Mainland Chinese leaders may, in time, see the futility of subversion, wars of liberation, and militancy . . . and peaceful coexistence may be possible. For our part, we would welcome that day.

But, were we to reduce our assistance to the nations on the Asian rim . . . were we to withdraw from Viet-Nam, short of a just and peaceful settlement, I believe the ultimate goal of reconciliation and peaceful coexistence would not be served.

It would be threatened.

So I support our policy in Southeast Asia and Viet-Nam—I support it now as I have over the past twelve years.

I support our policy of prudence and restraint—an effort carefully calculated to discourage further aggression but not to run the risks of triggering a nuclear and final World War III.

I support it because I believe it to be vital to our own national security. I support it because I believe it serves the long-term interest of a stable and peaceful world.

And were we to abandon that policy today, our children might have to pay the final, terrible price tomorrow.

I, for one, would *not* want to be responsible for a policy which deferred today's manageable troubles until they become unmanageable . . . a policy of Armageddon on the Installment Plan.

Now, for a moment, I want to talk with you about the discussion now taking place in America concerning our involvement in Southeast Asia and Viet-Nam.

I have heard many plausible arguments, and read many well-reasoned papers and articles over the past few months as to how the present conflict in Viet-Nam might have been avoided—in fact, how Mainland China might have been saved from communism . . . how France might have had a different colonial policy in Indo-China . . . how Ho Chi Minh might have been handled differently ten years ago . . . how any number of things might have been done to make unnecessary our involvement today.

All this has been very interesting. Some of it has been useful in understanding past mistakes so they might be avoided in the future.

Yet, it has not offered realistic alternative courses of action for today.

Nor is it enough to say: "The nations of Asia ought to be better able to fully take care of themselves."

Maybe so, but the fact is that—although they are working together and making progress—they are *not* able to do so.

It is not enough to say: "But the 'war of national liberation' concept makes no sense. Its success in Viet-Nam would not necessarily mean it could succeed elsewhere."

Maybe so, but the fact is that a powerful, presently-neurotic regime in Asia has given every indication of *believing* that it would.

It is not enough to say: "The Saigon Government is not a model of parliamentary democracy."

Maybe not, but few governments in the world are. The fact is that, over the past few months, the people of South Viet-Nam have made more progress toward representative self-government than they have in their entire previous history—and they have done so in the face of war and of calculated terror and disruption.

It is not enough to say: "We ought to seek peace."

We have, without ceasing, over many months, sought discussions leading to peace. We have "stopped the bombing" on five occasions, with no response other than a stepping-up of North Vietnamese infiltration and supply. We have sought the help of the United Nations and of third parties around the world in getting to the conference table.

The President has written directly to Ho Chi Minh.

Yet we are still to have our first positive response. The answer from Hanoi to the President, to the United Nations, to the Pope, to one and all has been *No!*

But despite North Viet-Nam's out-of-hand rejections of discussions, negotiations, cease-fire or other peace proposals—we shall continue to seek peace.

We stand ready now, without any preconditions, to meet and discuss the possibility of negotiations.

We have been and are ready to accept an immediate cease-fire by all combatants.

We are ready to attend a reconvening of the Geneva Conference—to cease all aerial and naval bombardment of the North when this will lead promptly to productive discussions.

The roadblock to peace is not in Washington. It is in Hanoi.

Peace-wishing is a good deal easier than peace-making. And peace-making is most difficult when your adversary still believes that time is on his side, as all the official statements of the North Vietnamese Government indicate he does.

It would be reassuring to believe that, under these circumstances, there is some magic formula which would bring peace tomorrow.

But I think it is time that all Americans realized that we are in the midst of a protracted, costly struggle—a struggle in which we are making slow but steady progress—which nevertheless will probably not end until Hanoi comes to believe that we have the will, the determination, the perseverance, patience and strength to see it through.

I will be criticized by some for saying it, but I have no doubt that expressions of American public support—or lack of support—have a good deal to do with convincing Hanoi, and Peking, and the independent nations of Asia, whether or not we can and will last the course.

Our hearts cry out at the misery and loss of life in Viet-Nam. We desperately want an end to the struggle.

But we must know that the enemy's hope for victory is not alone in his military power—but also in our division, our weariness, our uncertainty.

We must also know that the road to peace—peace with honor—lies in a large degree in our unity, in our steadfastness, in our purpose.

I believe in each American's right of dissent.

I have done my own share of dissenting.

But, in such a time, I would ask each American—when he considers dissent—to consider as well the policy options available to his government . . . to consider in his own mind whether he in fact has a constructive alternate course to offer . . . and to consider whether or not his dissent will add to, or subtract from, intelligent and well-reasoned discussion of this issue.

That is all I would ask.

Freedom carries with it responsibility.

Rights carry with them duties.

And I believe we as a nation must be aware of the questions being asked elsewhere about us—such as the one asked me only last week by the Chief-of-State of an independent Asian country. He asked: "If you cannot stand up in Viet-Nam, who will place any reliance in your capacity to stand up anywhere else?"

Finally, may I say a word about public opinion and the decisions which your President must make.

It is interesting to note that in our war for independence only half the population supported the Continental Army, a good percentage of which deserted.

I need not tell you of the terrible divisions which beset this nation during the period of the Civil War. Nor need I tell you of the fierce dissension and debate that raged before and during World War I.

President Wilson's request for a draft law was opposed by the Speaker, Majority Leader, and the Chairman of the Military Affairs Committee in the House of Representatives. Five Senate committee chairmen, including the chairmen of the Foreign Relations Committee, opposed President Wilson's declaration of war. More than 15 hundred people were arrested under two sedition laws. Riots and demonstrations took place all over the nation.

Only a short time before Pearl Harbor, Selective Service was extended by a margin of one vote in the House. In September of 1941, a prominent columnist called for a "clear decision to shrink the army . . ." All these things were happening, I might remind you, while Hitler was overrunning Western Europe and while Japan was marching to conquest in Asia.

In January of 1951, a Gallup Poll showed 66 percent of the American people favored withdrawal from Korea. When President Truman fired General MacArthur, only 29 percent of the people favored the President and 69 percent favored the General.

By 1952, President Truman's popularity had fallen to an all-time low of 26 percent.

The point of all this is that the President of the United States—if he is to truly serve this country—must be prepared to go forward with the course he believes to be right, even in the face of strong opposition.

And I believe there is not a single American who would want his President to act otherwise.

Today President Johnson is following the course he believes to be right in Viet-Nam and Southeast Asia. And I believe that, as other strong Presidents in the past, he will be proved right by history.

I support the President, and I support the course he is following because I, too, believe it is right. And no amount of popularity gained is worth the abandonment of conscience.

I mean it in no partisan way when I say that I believe the American people will express their support for a policy which they surely must ultimately recognize as one more hard but necessary step toward the security and the peace of this nation and the world.

In any case, we intend to pursue that course.

ICC DECISION ON FREIGHT-CAR RENTALS QUESTIONED

Mr. PEARSON. Mr. President, for several years, now, this country has been plagued with a chronic freight-car shortage. At one time or another all areas of the country have been affected, but the problem has been most persistent and most serious for the grain and lumber producers and shippers of the Midwest and the Northwest.

In response to this problem, the Committee on Commerce appointed a Subcommittee on Freight-Car Shortage, of which I am a member, as is the distinguished Senator from Oklahoma [Mr. MONRONEY], and whose chairman is the distinguished Senator from Washington [Mr. MAGNUSON]. Our task was to study the causes of the freight-car shortage and to consider corrective legislation.

Our findings, based on exhaustive studies, pointed to a variety of causes, but one of the most apparent was the disparity between the per diem rental charges that users pay the owners of freight cars and the actual earning value of the freight car. Because of this gap between the rate charges set by the ICC, which are based on the elements of ownership expenses, and the true earning value of these freight cars many carriers find it more attractive to pay the car rental charges rather than to own their own cars. Thus, the inequities in the current system of per diem has discouraged the building of new cars at the very time the Nation has been faced with a chronic shortage.

As a result of these findings, the subcommittee recommended, and in May 1966, Congress enacted, Public Law 89-430—the boxcar law—amending section 1(M)(a) of the Interstate Commerce Act by adding a provision which requires the Interstate Commerce Commission, in exercising its authority to fix compensation to be paid for the use of any freight car not owned by the carrier using it, to determine whether compensation computed solely on the basis of elements of ownership expenses should be increased by an incentive element. Thus the Commission was given a mandate to assure the adequacy of railroad freight-car supply.

Mr. President, in June 1966, the Interstate Commerce Commission began an investigation to determine whether information presently available warranted the establishment of incentive per diem charges on an interim basis pending further long-range study and investigation. On October 25, 1967, the ICC announced the results of this interim study. It concluded that currently available information did not warrant the establishment of interim incentive charges and announced it was discontinuing its current hearings until a number of other long-range studies and data gathering procedures had been completed.

Mr. President, I think that this decision by the ICC was unfortunate and unwarranted. First of all, it seems to me that a year and a half is an excessive amount of time for an interim study. This has been a costly waste of time and the public is the loser. Second, in addition to the excessive amount of time required for the study, the ICC's report raises questions about the Commission's ability to get the information that is needed. Third, questions can be raised concerning the Commission's interpretation of the information that was available. The Commission reports that the, "investigation produced no reliable information respecting the quantum of interest charges necessary to meet statutory standards and that we conclude the information necessary for this decision is not presently available." However, the fact remains that seven of the Nation's major railroads—Santa Fe, Baltimore & Ohio, Chesapeake & Ohio, Denver & Rio Grande Western, Great Northern, Illinois Central, and Northern Pacific—argued that the application of incentive per diem charges were justifiable and necessary to the alleviation of the freight-car shortage.

Also in this connection, while the Commission report points to the development of new types of freight cars and other innovations contributing to improved rail service, the fact remains that the current average freight-car shortage still exceeds 7,000 cars per day. Also, the number of serviceable freight cars has declined by 30,000 since January 1, 1966, to an alltime high of 407,333.

Mr. President, considering the above, one may quite properly ask whether the Commission has not wasted valuable time and also given short shrift to the mandate of Congress to insure the adequacy of the national railroad freight car supply as provided in Public Law 89-430.

Therefore, Mr. President, I welcome Senator MAGNUSON's announcement that the Subcommittee on Freight Car Shortage will initiate oversight hearings in early January of next year. The purpose of these oversight hearings will be to review the ICC's administration of the boxcar law and particularly to consider the Commission's plans for studies and hearings on permanent incentive and per diem charges contemplated by Public Law 89-430. I also support Senator MAGNUSON's request that the ICC and the Department of Transportation jointly conduct studies in order that the Department's resources and expertise be added to that of the Commission's eliminating car shortages and assuring adequate freight-car supply.

SUPERCITIES

Mr. HARRIS. Mr. President, I ask unanimous consent to have printed in the Record a statement prepared by my colleague [Mr. Monroney] and the article referred to in the statement.

There being no objection, the statement and article were ordered to be printed in the Record, as follows:

Statement by Senator Monroney

Tuesday's municipal elections across the nation focused additional attention on the extremely complex problems of our "super cities." No domestic situation demands greater attention and debate than the problems of our overpopulated metropolitan areas.

More and more frequently in recent weeks we have seen responsible leaders recommend the establishment, on an urgent basis, of a new national policy to halt the continuing migration from rural to urban areas. Studies of such a policy must be continued in order to restore the quality of life to city living now made impossible by lack of housing, public facilities, jobs, and most important of all, the absence of friendly and harmonious human relations.

A significant statement regarding this problem was made by Mr. William McCandless, Federal Co-chairman of the Ozarks Regional Commission, before the President's Advisory Commission on Civil Disorders recently.

[From the Sunday Oklahoman, Nov. 5, 1967]

City Politician Recommends Growth of "Super Cities" Be Stemmed

(By Allan Cromley)

Washington.—An Oklahoma City politician has urged creation of a national policy to prevent continued migration to the big cities.

To stem growth of super cities of several million people, William M. McCandless suggested that "many more" cities of 100,000 to 1 million persons should be created.

McCandless, a federal co-chairman of the Ozarks Regional Commission, made his recommendation in a closed meeting of the president's advisory commission on civil disorders.

McCandless is a former Oklahoma City furniture man and campaign manager for Fred R. Harris, who is a member of the president's commission.

McCandless said he does not propose depopulating the big cities.

"Rather, I am saying that what we need are more cities throughout the country, each of which in turn will develop the amenities and cosmopolitan atmosphere which our present cities now provide." He noted that on November 20 the census clock at the department of commerce building will report a population of 200,000,000. By 1980, it will be 250,000,000. And by the year 2000, it will is projected at 361,000,000.

McCandless said that in the next 33 years the nation will need 320 urban areas of 1-million population just to absorb the predicted increase.

The 134-county Ozark economic development region, which includes most of east Oklahoma, has a population of about 2,700,000.

"It is a very small part of the national economy, and yet I believe that this region may be embarked on a course of action which, if carried through to success will be a demonstration of what is required to bring a more harmonious urban-special environment in America," McCandless said.

He contended that creation of economic opportunity in "the open space areas where there is a potential for growth will diminish the flow of people into the already over crowded cities."

McCandless urged governmental policy that would emphasize more even distribution of the population.

He was the first nonurban witness the commission has heard in its investigation of riots last summer.

"Our people live in cities because they have been oriented to think there are relatively greater economic and social activities available to them in the cities . . .

"The aproach to the solution, I am convinced, lies in a forthright determination and evaluation of the causes of alienation and a willingness to experiment with our economic and social policies . . ." he said.

BUSINESS FREEDOM AND CONSUMER SOVEREIGNTY—ADDRESS BY HON. PAUL RAND DIXON, CHAIRMAN, FEDERAL TRADE COMMISSION

Mr. GORE. Mr. President, Hon. Paul Rand Dixon, Chairman of the Federal Trade Commission, made an eloquent and important address in Knoxville, Tenn., November 11, 1967. The address, delivered to a notable gathering at the Wilson-Kennedy dinner, held annually in Knoxville, is indicative of the high caliber of public service rendered by Chairman Dixon.

I ask unanimous consent that his address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Business Freedom and Consumer Sovereignty

(An address by Hon. Paul Rand Dixon, Chairman of the Federal Trade Commission, before the Knox County Wilson-Kennedy dinner, November 11, 1967)

The story is told that in the course of a trial a judge asked the defendant's lawyer whether his client, who had sold a dying mule to his neighbor, was familiar with the doctrine of *caveat venditor*. Without hesitating, the lawyer answered, "Your honor, in the hills of Tennessee where my client lives the people speak of little else."

This story, which of course is true, illustrates the social progressiveness of my Tennessee brethren. For it is only in recent years that most Americans have become familiar with the concept of *caveat venditor*, or "let the seller beware." In truth, I sometimes get the feeling that today people are speaking of little else.

The new movement of so-called "consumerism" is not really new. Americans have been concerned with protecting the interests of the consumer for over 50 years. The basic tenet of our economic system is that the consumer is sovereign. Adam Smith, who first articulated the workings of a competitive capitalistic system, put it succinctly when he said, "Consumption is the sole end and purpose of all production; and the interest of the producer ought to be attended to only so far as it may be necessary for promoting that of the consumer. The maxim is so perfectly self-evident, that it would be absurd to attempt to prove it."

But while all Americans agree with the basic objective of "consumer sovereignty," they differ over how it can best be achieved. Such differences are to be expected in democratic society. But I sometimes feel that many persons have forgotten, or fail to appreciate fully, the basic character of our economic system, and the key role which the consumer plays in it. I therefore would like to talk briefly this evening about some of the "first principles" of our economic system, and then explain the role played by the Federal Trade Commission in achieving these principles.

To comprehend fully our system we must start by defining its economic objective. As I see it, the term "economic freedom" best capsules this objective: The freedom of the businessman and the freedom of the consumer. We can't have one without the other.

Any discussion of "freedom" necessarily requires definition. As has been pointed out, "freedom seldom means the same thing to a wolf that it means to a lamb. If you should build a shelter to protect the lambs, the wolves howl that the lambs have lost their freedom."

So it is with business freedom. We have in this country nearly five million business firms. Over 90% of them—or more than 4½ million—are classified as "small businesses." That makes them, I suppose, industrial "lambs." Certainly this is true in the sense that, if a corporation with assets of $1 *billion* seriously covets the business of a firm with assets of only $1 *million*, probably the only thing that can save the little company's life is a rule of law which prevents the large business from using certain competitive practices. Economic skill and efficiency won't be enough to save the little man; efficiency is no defense when prices are plunged below cost, and held there until the little businessman must close his doors. That's brute force—the power of the long purse, as antitrust lawyers put it—not efficiency.

We want a definition of economic freedom, therefore, that covers both the large and the small businessmen, not just one of the business community's many groups.

But we want even more than that. We want a definition that will include not just the *existing* members of the business community—the nearly 5 million firms we have today—but also the additional millions that are now only *potential* businessmen, the millions that are now saving a part of their wages and salaries, building up their capital to start a business of their own. We want the door of opportunity kept open, to keep intact our proud boast that any man, with the right amount of industry and persistence, can succeed in his own business. We want to keep this heritage. Nor is this just a lot of 4th of July rhetoric. Remember this—in every year since 1960, about 400,000 new business enterprises were launched in America.

Now it's true that not *every* man in the country wants to launch a new business enterprise for himself, at least not at the moment. But I am sure that, on reflection, you will agree it is important to preserve these rights even though you are not interested in exercising them immediately. For example, one of our Washington lawyers, a native of New York City, was once asked what was so great about that big hometown of his. He thought a minute and said: "Well, in New York you can get a haircut at 3 in the morning." Another lawyer replied: "But, have you ever actually gotten a haircut at 3 in the morning?" "No," answered the big city man, "but it makes me feel good to know I could if I wanted to."

So it is, I think, with most of the country's approximately 60 million wage and salary workers. Even when they have no immediate urge to join the millions of persons who own their own businesses, it "makes them feel good to know they could if they wanted to."

Economic freedom, therefore, if it is to be given its full meaning, must be defined so that it includes not only the opportunities of all our *present* business population, but our *future* free-enterprisers as well.

Even this, however, is not enough. There is still another group that has a stake in the way we define "economic freedom." There is the consumer.

As I mentioned earlier, in a free economic society the consumer is supposed to be the sovereign. Although economists are inclined to say the consumer is king, you all know from personal experience that in our economy the consumer sovereign is a "queen." Queen consumer plays a key role in "planning" our economic system. First, by the way in which she spends her income she tells the producer *what* to produce. Some people say they're not too impressed with the consumer's judgment on this score, but no one has yet come up with a very convincing argument as to why the consumer should have to take not what *he*, the consumer, wants to buy, but what some other person thinks the consumer *ought* to want.

Further, the consumer tells each producer *how much* of each product should be turned out. If consumers, as a group, want more of some product, they bid the price up; if they want less, prices tend to drop. Businessmen must accommodate themselves accordingly.

Thirdly, the consumer compels each producer to be efficient, to cut costs as low as possible, to develop new technology, to shift his resources—capital and labor—so as to use them to their best advantage. The consumer, having the good sense to cast this economic "vote" for the producer that offers the *best product* at the *lowest price*, sets in motion a competitive rivalry that generates more and more goods, of higher and higher quality, at ever lower prices.

Finally, "consumer sovereignty" maximizes the *personal freedom* of every individual member of society. Economic power can be almost as oppressive as excessive political power. No man can be truly free if his next meal depends on the whim of some other man. So we like the idea of having the country's economic power dispersed into the hands of the nearly 200 million consumers, rather than having it concentrated in the hands of some centralized bureaucracy or some private oligarchy. As long as the consumer has the right to "vote" any one of our 5 million business firms right out of their high economic "office," we can feel pretty safe about *all* of our liberties.

Keeping an economic system going is a very serious business, a way of determining, in the last analysis, who gets to go on eating and how well. An economic system—any economic system—must ultimately be judged a success or failure according to how well it performs the tasks of producing and distributing the necessities and conveniences of life; how well it works in preserving our individual freedoms. If it impoverishes us, if it enslaves us, then it's a failure, no matter what else might be said on its behalf. But if it produces a growing abundance for our whole society, and if it distributes that abundance in accordance with the public's notions of basic fairness and justice, if it preserves and enhances our personal freedom, then it's a smashing success by every standard worth considering.

We know where our free enterprise system stands. It obviously does not work perfectly. But the all important point we must never forget is that it works so well. It generally *does* produce what the consumer wants, in the quantities demanded by the consumer. It *does* produce a vast variety of high quality products at reasonable prices. It *does* give us a degree of individual liberty that exists under no other economic arrangement.

We also know *how* it does these things. We know the machinery that provides it with its sensitive guidance system, its "invisible hand." We know these things because it is an "open" system, in contrast to the "closed societies" where decisions are made by private or public bureaucracies not publicly accountable to the consumer.

By the same token, we know how this market machinery can be wrecked. Since competition drives it upward and guides it forward, we know that the easiest way to smash it is to take out that lynchpin, *competition*. Take out competition and you don't have free enterprise any more. Importantly, many western countries have only learned this lesson in recent decades. As Germany's former Chancellor Ludwig Erhard observed, "A free economic order is out of the question where competition is suppressed and the price function eliminated. . . . If you drop competition and free price movement you lose every argument at your disposal against the planned economy. . . . As a champion of the market economy and free enterprise I take the view that this principle of freedom stands or falls with the principle of competition."

When Congress passed our various antitrust statutes beginning in 1890, it wasn't working in the dark; it had before it the record of the many "trusts" that had been built in the last half of the 19th century.

Let me review with you just one example from that era of what can happen to business freedom when there's no law to protect it. In 1878, about 15 of the country's largest oil refiners were persuaded to join the "oil trust," an organization that eventually controlled more than 90% of the nation's oil production. Several hundred other refiners had to be disposed of—they were "superfluous" as far as the trust was concerned. First, the oil trust persuaded the railroads that it should have a "rebate" on their freight charges. For example, the regular rate from Cleveland to New York was $1.30 per barrel at one point. A "rebate" of 40¢ dropped this to 90¢ a barrel for the combine, thus giving it a handy headstart over its competitors. Later, the amount of this rebate was raised to as much as 50% of the regular rate charged its competitors. Senator Sherman later estimated that the oil trust netted more than *$5 million per year* on illegal rebates alone!

Then a new twist was added. The trust demanded not merely a "rebate" on its own shipments, but a "drawback" on its *competitors'* shipments, a drawback that also went as high as 50%. In other words, for each $1 the competing refiners paid in freight charges to the railroads, the latter handed over as much as 50¢ to the oil trust.

Other techniques were used. The trust charged "drastically reduced rates for oil in one town, and twice as much in an adjacent town where the nuisance of competition no longer existed." Customers were harassed. One grocery store owner, a user of oil distributed by an "independent," was once told by officials of the trust: "If you do not buy our oil we will start a grocery store and sell goods at cost and put you out of business."

These various devices for softening up a competitor were called "turning the screw." That is, when one technique was tried and the competitor still didn't yield, the word went out from the trust: "Please turn another screw."

The final "turn of the screw" was what antitrust lawyers today would loosely refer to as a "merger." Battered by the price (rate) discriminations of the railroads, deprived of customers by below-cost selling and threats to destroy the customer himself, the "independent" was then ready for the final blow—an offer from the trust to buy him out. The offer generally ranged from one-third to one-half the initial *cost* of the independent's property. When he protested that this was highway robbery, the trust smoothly replied that, on the contrary, it was a very generous offer—considering the circumstances. As it was put to one man: "If you don't sell your property to us it will be valueless, because we have got the advantage with the railroads."

At the height of the trust-building movement there reportedly were 440 active "trusts." The most important and best known were: the "copper trust"; the "smelters trust"; the "sugar trust"; the "tobacco trust"; the "shipping trust"; the "oil trust"; and the "steel trust." The tobacco trust was a combination of 150 formerly competing companies; the oil trust, of 400; the steel trust, of 785. Even some of the so-called "lesser" trusts were combinations of as many as 200 former competitors.

From 1897 throughout the first decade of the 20th century the "trust" movement was an irresistible tide that left in its wake many important industries under the command of a single organization.

But even that wasn't the worst of the matter. The next step was the "super-trust," the organization that consolidated several single-industry trusts under a single management controlling several different industries. Thus, the Rockefeller combine included oil, railroad, and other interests. Morgan had "the Steel and Shipping Trusts, the Electrical Supply Trust, the Rubber Trust, and a score of smaller aggregations." Then Rockefeller and Morgan began to talk of a "merger."

In 1901, a publication called the *Banker's Magazine* summed it all up this way: "As the business of the country has learned the secret of combination it is gradually subverting the power of the politician and rendering him subservient to its purposes . . . That [government is not] entirely controlled by these interests is due to the fact that business organization has not reached full perfection."

Now, this country has grown up on laissez-faire economics. It stoutly believed that every man should have the largest possible freedom of action. But it was plain at this point that something had gone wrong, that we needed to take another look at that word "freedom." The country had come face-to-face with that troublesome dilemma, does freedom include the right to destroy freedom itself? Does one man's economic "liberty" include the right to monopolize—the right to have an entire industry to himself and to exclude all other businessmen from it?

Congress concluded that each man's freedom extends only to the point where he begins to encroach on someone else's rights. Or as one sage put it: "The rights of my first end where your chin begins." Congress decided that, in business as in other areas of life, there's a difference between liberty and license, between freedom and anarchy. It decided that, if we were to keep our economic liberties, we had to protect them from the lawless.

This brings us to one of civilized man's most ancient paradoxes—that there can be no liberty without laws that themselves restrain liberty. On the one hand, we want to be absolutely free; on the other hand, we know that, if the lawless are unrestrained, they'll take away the freedom of the rest of us.

This is where our so-called antitrust and consumer protection laws come in. They are designed to preserve freedom, for both the businessman and the consumer, in the long run by placing certain restraints on freedom in the short run. These laws are simply a legal expression of the rules by which the free enterprise system must be played. In essence, when the Congress passed the antitrust laws, they created the legal framework necessary for the effective functioning of Adam Smith's laissez-faire economics.

Now, there's an interesting bit of irony here. Up until the passage of the antitrust laws, Smith's free enterprise system was merely an economic theory, something to be accepted or rejected by each man according to his own tastes. If a group decided that they wanted no part of it, if they decided they preferred some sort of collectivist business system (such as price-fixing agreements, "pooling" arrangements, trusts, and so forth), if they decided competitive individualism was not for them, if they decided their economic freedom included the right to destroy their more efficient but financially weaker competitors, there was very little the law could do to stop them. But when Congress passed the antitrust laws, the situation changed. Free enterprise ceased to be "optional," it became "compulsory!"

The irony of it all, you see, is that the law now *insists* that the businessman remain free, even if he might prefer to convert his industry into a private socialist collective.

There are those who believe this is all wrong. Some people argue that the antitrust laws are a wrongful interference by the state with the liberty of the individual businessman. I am confident that most Americans, however, agree that when Congress passes a law to fence out the economic wolf, a law that frees the lambs from that menace, the sum total of all socially desirable liberties has been increased, not lessened.

All of this is not to say that the antitrust laws have brought, or were designed to bring, only sweetness and light to the world of commerce. Far from it. They demand a rigorous, exacting business rivalry. But no economic switch-blades or black-jacks. No false advertising to unfairly steal the honest competitor's customers. No secret "rebates" that put a favored customer at a decisive advantage over competitors. No below-cost selling to pin a more efficient competitor down and destroy him with a bigger war chest, a longer purse. No threatening of his customers. No long-term "exclusive dealing" contracts that tie up all the outlets, and bar competitors from access to the market. No bombardment of competitors with slashing territorial price discriminations that take away their customers, and leave them weak and ready for a "merger." No getting together and ganging-up on a troublesome competitor. No agreements to end competition and plunder the customer's purse.

Is any of this an invasion of the businessman's "freedom"? Does this deprive anyone of a "right" he ought to have? Will the strength of the Republic be sapped if honest commercial competition is insisted upon? Some may say yes. But I seriously doubt that any reasonable American would want it any other way.

The public has an interest in the way the country's 5 million business firms deal with both the public itself and with each other. If the consumer is to cast *intelligently* her economic "vote," she must not be deceived by false claims for competing products; full and accurate information is the first requirement in all intelligent decision-makng. Practices that threaten the continued existence of genuine competition in any field pose a very real threat to the consumer's freedom—and to her pocketbook.

So the "unfair" competitive weapons have been ruled out. Instead of attacking each other, producers are expected to attack the problem of producing goods and services. The producer's "social usefulness" to his society lies in his production of *more* goods, not in conspiracies to limit production; in his production of a product of better *quality,* not in agreements to suppress new technology and "standardize" quality at some mediocre level; in his cutting of costs and passing on a part of that saving in *lower prices* to the consumer, not in agreements to fix prices at some non-competitive level; in his promotion of this mass-produced, high-quality, low-cost product by truthful, informative advertising that builds honest volume and further reduces costs and prices, not in phony ad campaigns that divert business from honest competitors, and deceive the consumer into paying more than he would have paid if he had known the truth about the product.

These, then, are the "socially useful" forms of competition that are *encouraged* by the antitrust laws. I believe we can sum up the requirements of the antitrust laws of the United States very simply. Taking all of the major statutes together—the Sherman Act of 1890, the Federal Trade Commission Act of 1914, the Clayton Act of 1914, and the Robinson-Patman Act of 1936—it can be said that they have only two short commandments. First, "Thou Shalt *Compete,"* Second, "Thou Shalt Compete *Fairly."*

I've mentioned a number of the principal practices that antitrust considers "unfair," such as price fixing, price discrimination, and deceptive advertising. None of these things is beyond the understanding of men who have a real grasp of what their free enterprise system is all about, who have studied and thought about free enterprise, who know about its beginnings, its growth, its greatness, who understand that "freedom stands or falls with the principle of competition."

I fear that these simple truths are too often overlooked. Many persons seem to have forgotten these first principles. Business freedom and consumer sovereignty are but two sides of the same coin. Erase one side, and the entire coin will lose its value. This seems so self-evident to me that I am reminded of Justice Oliver Wendell Holmes' observation that, "at this time we need education in the obvious more than investigation into the obscure."

THE LATE ERNEST WOODRUFF GREENE

Mr. FONG. Mr. President, I wish to pay tribute to a distinguished name in the sugar industry, Ernest Woodruff Greene. Mr. Greene passed away on November 9 in Washington, D.C., at the age of 82.

Hawaii is proud to claim the late Mr. Greene as one of her prominent citizens for he represented Hawaii's No. 1 agricultural industry, ably and for many years, in the Nation's Capital.

Mr. Greene was born in New York City on March 23, 1885. He received a degree in technical engineering at Pratt Institute in Brooklyn.

In 1914, he began his association with the sugar industry when he was sent to the Hawaiian Islands by Catton Neil & Co., an engineering firm that designs and equips sugar mills.

In 1920, Mr. Greene was appointed assistant manager of Oahu Sugar Co. Three years later, he was appointed manager.

He continued as manager until 1937, when he resigned to serve temporarily as representative of the Hawaiian Sugar Planters Association in Washington.

In 1939, he became vice president of HSPA in charge of the Washington office, a post he held until his retirement in 1956.

From 1952 until 1963, Mr. Greene was president of the Sugar Association, Inc., New York. Following his retirement from that position, he served as a consultant to that organization. He was also a president of the Sugar Research Foundation.

The Sugar Club of New York honored Mr. Greene in 1959 as "Sugar Man of the Year," the first award of its kind in the industry. It was made in recognition of his leadership in the industry's campaign to promote the consumption of sugar through research and advertising.

The sugar industry nationally, and in Hawaii particularly, has lost a dedicated, able, and outstanding representative. His great contributions in this field will be long remembered and cherished.

Mr. Greene also served as a director of the National Savings & Trust Co. and of the Anson Mills Foundation in Washington. He was active in St. Margaret's Episcopal Church and in organizations of the Episcopal Diocese of Washington.

He was a member of the Metropolitan, Chevy Chase, and Burning Tree Clubs, the National Press Club, the Pacific and Oahu Country Clubs in Hawaii, India House, the Newcomin Society of North America, the American Society of Mechanical Engineers, and the American Institute of Electrical Engineers.

Having known Mr. Greene for many years, both in Hawaii and Washington, I feel a deep sense of personal loss in his passing. As a friend, he was personable, warmhearted, and generous. As a sugar expert, he knew the industry from the operations of a sugar plantation in Hawaii as intimately and knowledgeably as he knew the national and international aspects of the industry.

Mrs. Fong and I extend our heartfelt sympathy to his widow, the former Ethel J. Townsend; a daughter, Mrs. William C.—Barbara—Bentley; a grandson, Air Force Capt. Woodruff Bentley; a granddaughter, Miss Logan Bentley; and two great grandchildren.

PROBLEMS FACING THE AVIATION INDUSTRY

Mr. HARRIS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by my colleague [Mr. MONRONEY], and two addresses delivered by the Honorable Robert T. Murphy, Vice Chairman, Civil Aeronautics Board.

There being no objection, the statement by Senator MONRONEY and the address of Hon. Robert T. Murphy were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MONRONEY

The Senate has long been concerned with problems facing the aviation industry and has attempted to work closely with the Federal Aviation Administration and the Civil Aeronautics Board in seeking solutions to these problems.

Two recent reviews of some of these problems and solutions were very clearly and capably presented by the Honorable Robert T. Murphy, Vice Chairman of the Civil Aeronautics Board.

Mr. Murphy, a gentleman most knowledgeable in aviation affairs, has given valuable guidance to the Aviation Subcommittee and is frequently called upon to speak to gatherings of businessmen in all fields of aviation.

I was most pleased when Vice Chairman Murphy addressed the National Airports Conference of the American Association of Airport Executives meeting in the City of Norman in my home state, Oklahoma.

It was my privilege to share the platform in Boston with Mr. Murphy recently as we both spoke before the Fall Regional Meeting of the Association of Local Transport Airlines.

On both occasions, the very able CAB Vice Chairman addressed himself directly to the problems at hand and discussed matters of vital importance to the aviation industry.

Mr. Murphy's remarks should provide valuable background for our colleagues, and I commend his remarks on aviation matters to the Senate.

ADDRESS BY THE HONORABLE ROBERT T. MURPHY, VICE CHAIRMAN, CIVIL AERONAUTICS BOARD, BEFORE THE FALL REGIONAL QUARTERLY MEETING ASSOCIATION OF LOCAL TRANSPORT AIRLINES BOSTON, MASS., OCTOBER 13, 1967

I am pleased that we are meeting here in historic old Boston. For those, like you, who have been making America's aviation history this city has a special significance. It evokes recollections of the very beginnings of our Country. And to a native son of Providence Plantations, like myself, an invitation to a speaker's rostrum in Boston is always subject to the reminder that the founder of the Plantations and the State of Rhode Island, Roger Williams, was rather rudely hustled from the Bay Colony some 331 years ago for speaking too freely from certain forums in this general area—specifically preaching "newe and dangerous ideas." Those ideas are now part of the warp and woof of the Constitutional fabric of this Country.

As students of transportation you will recognize that the first attack on the problem of containerization began with the tossing of certain casks of tea into Boston harbor by the participants in the so-called Boston Tea Party. And, of course, the great American exemplar of intercity rapid transit was a Boston Silversmith, Paul Revere, whose famous midnight trip was forever memorialized by Longfellow. So, thanks to Les Barnes of Allegheny, who invited us here, and to General Joe Adams, your able Executive Director, who made all the necessary arrangements, we may draw upon the inspiration of America's great past to assist us in making this meeting a worthwhile dialogue.

This occasion affords us a chance to take an appropriate look backward as well as a glimpse at some "newe" but not very dangerous ideas for our future guidance.

I recall that at my first visit with you in Asheville, North Carolina, in 1961 we discussed our then continuing "Use It or Lose It" policy, your need for access to profitable and dense short-haul markets and the elimination of operating restrictions—all programs intended to facilitate a reduction in the overall subsidy. It is an interesting and significant fact of history that since that time we have witnessed a marked improvement in the subsidy picture with a reduction from the 1963 peak of $83 million down to $62.3 million in the recently concluded fiscal year 1967. "Use It or Lose It" cases are, for all practical purposes, at an end. A number of non-productive points have been eliminated from the systems and with few exceptions we have seen excellent traffic growth at most local service carrier cities. Most of those towns which have failed to meet "Use It or Lose It" standards have been reviewed and retained for reasons of isolation, etc. Significant steps have been concluded or are in process with respect to route realignment and further action along those lines may be expected in appropriate cases.

I am sure this group is very much aware of the Board's recent efforts to provide enhanced traffic opportunities for the local service carriers and I need not dwell upon our progress in that regard. Let me just say that we believe that the present time offers an excellent opportunity to consider new authorizations for all carriers which will meet a public need.

The general economy continues healthy and overall passenger traffic is growing at an excellent rate—around twenty percent a year. Local service carriers have been experiencing rates of growth at even higher levels—well over thirty percent. With the sound combination of escalating traffic levels, improved aircraft fleets and a capable and progressive management, it is, in our view, in the public interest to authorize operations which we believe can expand public service and at the same time accomplish subsidy reduction.

It is self-evident that we must pursue ways and means of reducing subsidy at the present time. At this moment in our national life the expenditure of public funds for such purposes must be clearly justified. Of course, I have always recognized the values inuring to our entire economy from the modest aviation subsidy program. Nevertheless, I believe we are all agreed on this point.

My Asheville remarks may be somewhat out of date today. The Board and the industry can take pride that the march of events since 1961 has made that the case. However, it is appropriate to repeat again some of the matters I discussed with you at Jackson Hole in 1964 when I talked about the quality of passenger service. With the new aircraft, high load factors and a highly satisfactory profits picture in the industry, all carriers must pay particular heed to the quality of their service to the customers. The high service standards for which our carriers have been known in the past may be more difficult to maintain with the huge increases in volume in recent years. However, service problems cannot be approached with a particular percentage margin of error. It is not satisfactory to have X percent oversales, X percent rude counter attendants, X percent misinformation or no information at the terminal building or on the telephone, X percent lost bags, X percent dirty airplanes, etc., etc.

As you are all aware, service complaints to the Board reached such serious proportions that we ordered an industry-wide investigation into the handling of customer complaints early in 1967. Attendant upon the publicity that announcement received was an even greater increase in the number of customer complaints received.

Our airlines provide a superior product for sale. However, management must continually see that these standards of excellence are maintained. As you know so well, a handful of dissatisfied customers can quickly destroy the good will months of good service and thousands of dollars of advertising have built up.

Mistakes occur and when they do they must be handled judiciously. A perfectly normal individual can be transformed into a frenzy of frustration when completely stranded by a "system" that breaks down. And who can blame him. The system is supposed to work. If it doesn't, fix it.

There is no excuse for repeated oversales and denied boardings. One purpose of our recent denied boarding regulation is to insure that this very serious matter receives attention at the highest levels of airline management.

There is no excuse for the not unusual lack of candor at the ticket counter about delayed flights. There is plenty of business for everyone at the present time and I am confident that in the long run no airline will lose if passengers are dealt with frankly and in a timely fashion when flights are delayed. Honesty is still the best policy for public service enterprises. Of course, there is never any excuse for discourteous personnel and no amount of apology from management will completely satisfy an insulted passenger.

Complaints of this character extend all the way across the board and of course these remarks are equally applicable to the trunkline industry.

These matters of customer service require your constant attention. In this day and age of vigorous competition between airlines and with future competition from improved surface modes, it is very simply a matter of good business.

May I turn now to another topic of possible interest. As I said before, the Members of the Board believe that the present time is propitious for considering new route grants which may improve public service—some of which may also reduce subsidy. With a highly developed domestic route pattern—a pattern already competitive in major part—it is difficult to define a case in a manner strictly limited to the market where the need for service improvements may be apparent. Carriers seeking route extensions and carriers seeking to protect present traffic flows from further competition all seek to inject themselves into new route cases. They also seek to expand issues so as to include additional markets in which they may have a present or potential interest. I do not feign surprise at such actions; nor do I suggest they are bad. However, as we all so well know, the more issues, the greater the number of parties in a case, the more time required for ultimate decision. The more complex the issues, the more complex the processing of the case at every stage.

We have no interest in denying a full and adequate hearing to all interested persons in our proceedings. We could not do otherwise. However, I believe that under the inspiring leadership of our hard-working Chairman, Charles S. Murphy, there is a firm resolve on the part of the Members that our procedures must be made to work more expeditiously.

We have, over the years, spent considerable time and effort on our procedural system and have utilized various techniques in an effort to dispose of our work. It is obvious, however, that no system is better than the resolve of the persons operating the system. It is easy to succumb to the temptations of a little slippage in the various stages of a proceeding. Without being fully conscious of the total effect, the entire process can be substantially lengthened by a day granted here and there for what appears to be good and sufficient reason. What I am saying is that it is Chairman Murphy's desire that we consider more carefully at Board level the time it takes us to conclude our work and that there be greater Board involvement in seeing to it that matters presented to us move promptly at all stages.

I believe we will be narrowing the issues in our cases more often than we will be expanding them. This is as it should be because most of the overall route system has been the subject of rather close "area type" scrutiny and review within the last ten years. There is relatively less need for such an approach in the domestic system at the present time. This is not to say that we will not set down area cases. It is rather to say that we will try to avoid them whenever we can.

We have limited facilities at the Board in terms of manpower. Therefore, we must assess our manpower expenditures carefully and must limit them to the most productive and necessary work. No case should be undertaken unless there is a rather persuasive basis before us that affirmative action of some kind is required. I do not believe that we can afford the luxury of general economic studies in the form of formal area route investigations. Thus we are, and will be, reviewing the adequacy of present services with an eye to markets where improvements are required. We will seek to limit new route cases to those specific markets where it appears that service should be improved.

We are and will continue to review the viability of the prehearing conference. Surely greater use can be made of the conference to limit issues upon which proof is required. It should be more than the recipient and generator of masses of paper—some of which are more interesting than relevant and some of which are neither.

I think you should use the prehearing conference more effectively to limit the general economic data included in exhibits. There is a wealth of general information available in official notice sources that need not clutter up the exhibits. I am convinced that a very high percentage of the material placed in the record in Board cases is dispositive of no issue and is immaterial in the legal sense. The administrative process rules of evidence are highly permissive and I surely would not suggest our adoption of the rules of evidence applicable in criminal cases. On the other hand, everyone is aware of the fact that there is no real reason to waste time and money to include much of the material presently included in our records. It would seem to me that a firming up in this regard would have a salutary effect in general because it is quite clear that all parties are justifiably concerned about the adequacy of the case they make. Therefore it is up to the Board itself to indicate it is not interested in sheer volume and to stand behind and encourage our examiners to limit exhibits to the greatest degree possible.

We must continue our recent success in stipulating testimony and eliminating argumentative material at the hearing itself. In some cases it seems to me that written briefs to the Examiner might be dispensed with and that the Examiner might hear oral argument on the record a few days after the hearing. The Examiner might also render his initial decision orally on the record a few days later.

I think in general we have made good use of the Reorganization Plan III review procedure and I am pleased that the number of cases reviewed by the Board is decreasing. "Declining review" is somewhat a misnomer. It means merely that the Board has decided to effectuate the Examiner's decision on the issues. It very certainly does not mean that the Board Members do not look into the cases. We do look into them and only after consideration do we either decline review of the Examiner's decision or decide upon some other procedural course of action.

The time periods prescribed in the regulations for review are very generous and we may very well consider changes in our procedures at this stage in a case. I think perhaps the Board can exercise its discretion to review a case at an earlier date than has been the practice in some instances in the past. We will be looking at internal procedures in this regard.

As far as the Board's actual decision-making processes are concerned, I think we have, in recent years, turned our attention to final decision very promptly after oral argument—in many cases on the same day as argument and in most cases within the same week. I do not mean to suggest by any means that all cases are decided at our first deliberation or in a hasty manner. However, we do try to "get to them" very promptly.

I have never felt that every argument raised by a party in a case must be exhaustively answered. Our responsibility is to set forth briefly and concisely the basis for our decision and no more. We are in the business of deciding issues which need not, in every case, be the subject of a profound, exhaustive discourse.

All of this is to say that you may see various evidences of a Board resolve to handle all our work more expeditiously. We may be proposing new procedures; we very definitely will be exercising firmer control over present procedures. Some may say these are "new and dangerous ideas," but we believe very sincerely that such a tightening up is in everyone's interest.

I suppose that many of you would now say that Board Members' speeches, as well as opinions, could be improved by terseness. On that issue I would not dissent. But at the risk of not practicing what I preach I would like to add one final note with respect to the future. Air taxi operations will be a subject of moment for the Board in the years ahead. I am happy to note that some of you have initiated programs of contract service with such entities on an experimental basis with the hope of both improving service and reducing expenses. At this early stage it is quite impossible for us to reach any conclusions or to define a policy that can only evolve from the crucible of experience, but I think it is commendable for you to work with, rather than against, this part of the air transportation industry in an effort to serve the general public.

In conclusion, may I say that I think the Board is generally satisfied with the performance and trends in your element of the industry and that we hope that present traffic and profits can continue. Certainly we are interested in doing our part consistent with the overall public interest.

Thank you very much for inviting me here to Boston. It is always a pleasure to meet with you.

Address by the Honorable Robert T. Murphy, Vice Chairman, Civil Aeronautics Board, Before the National Airports Conference of the American Association of Airport Executives, Norman, Okla., October 11, 1967

It is always a pleasure for me to meet and talk with the distinguished members of the American Association of Airport Executives. It is a particular honor to be asked back as a repeat performer at your National Airports Conference. It would have been particularly difficult for me to decline Chairman Casteline's gracious invitation under those circumstances.

I have availed myself of the opportunity on several occasions in recent years to comment generally on the very satisfactory state of the air transport industry and to note that most of our problems are those of keeping up with the burgeoning passenger and freight business. However, if any facet of the total air transportation system has immediate and serious problems, it is those interests which you gentlemen represent, namely our airports. Those of us interested in civil aviation have been calling attention to the so-called "airport crisis" for some time now. Many of you must struggle with the problems at your own airfields each day.

The most acute of the problems is, of course, the congestion at airports serving our major metropolitan centers. There is congestion in the air delaying take-offs and landings which inconveniences passengers and greatly increases airline operating costs and the costs of air traffic control. There is congestion in the terminal buildings with passengers waiting in long lines at ticket and baggage counters. There is often delay in finding public transportation out of the terminal. And finally, there is congestion in the ground approaches to the airports and in parking facilities. These problems are at a critical stage in many places and require immediate relief. Their solution, as you know only too well, will be very costly.

The inadequacy of airport facilities at major hubs has been exposed by and is the result of the tremendous recent growth in air traffic. Last year airlines carried over 100 million passengers and almost three billion ton-miles of cargo. Over 60 percent of all domestic inter-city common carriage of passengers is by air and over 90 percent of international movements are by air. Traffic has been increasing at annual rates of almost 20 percent a year and we expect this growth to continue in the immediate future at rates which will triple the present passenger traffic in the next ten years. Air cargo will increase six to eight fold in the same period. At present there are 2,300 aircraft in service and about 100,000 in the general aviation fleet. Ten years from now the general aviation fleet may have doubled and the airlines will be operating some 3,500 all-jet aircraft including the jumbo jets. These are the dimensions of the problem.

I have no intention of further belaboring the fact that an airport crisis exists and that solutions must be found promptly. We fully appreciate at the Board your worries about the capacity of the air traffic control system, what some of the newer airplanes are doing to your runways, your worries about your funded debt—where the money is coming from—and so forth and so on. There is, however, another side to this coin which perhaps a majority of the membership of this distinguished body appreciates. That is the fact that despite the over-saturation of many airports, there is a sizable number of airports throughout the country which are under-utilized. This too is a problem about which I have spoken for some years in various contexts.

The joint Civil Aeronautics Board-Federal Aviation Agency regional airport policy announced in May 1961 made sense and continues to make sense insofar as it constitutes a planning document. Obviously, it made and makes sense to locate and build new airports at locations which will serve the largest number of users. If an airport can be located so as to conveniently serve more than one population center, that is desirable. It may limit public expenditures by the Board to the extent subsidy is involved. It may limit the overall Federal aid to airports and certainly it limits total expenditures by state and local entities. However, insofar as implementation of that policy may have inconvenienced a volume of traffic which could sustain a respectable level of service by forcing all existing services into a single airport, it may well have been a step backward in some instances in the light of present day traffic volume and airport saturation.

In this same general connection, the Board in years past permitted a number of trunklines to discontinue services at some of their low traffic points. Trunklines serve about 40 less points today than they did 10 years ago. In certain instances this afforded a local service carrier full access to a potentially profitable market on a less competitive basis but on the other hand, in many instances, the trunkline deletion also netted out with a reduction in the total air transport service available.

To the extent this pattern of decisions at the Board "tightened up" the service pattern it was good. To the extent it may have accentuated the concentration of operations in the busiest hubs, it may have added a bit to the present congestion. In any event, it is quite clear that the demand for air service at the moment and for the foreseeable future calls for more and more service. It is also clear that our agency will do what we can to see that these public needs are met.

The airlines have the essential economic strength and talents to provide required increases in service and they now have, or soon will have, an adequate fleet of aircraft to do the job. It is by no means clear that adequate ground facilities at the major metropolitan areas will be available. As I said, everyone is talking about the airport problem and the need for action. Senator Monroney's Senate Aviation Subcommittee "Airports" hearings in late August and President Johnson's statements in late September should provide the necessary impetus.

Recognizing that a systems approach is necessary and that there are myriad problems involved, I would like to turn now to a general discussion of some peripheral aspects of the airport problem about which our Board can and is taking affirmative action.

As you are aware, traffic in and out of Washington's National Airport far exceeds the planned capacity of the facility. In an effort to exercise some control, the FAA has banned large four-engine jets and has fostered air carrier agreements which limit frequencies. These limitations have temporarily alleviated the congestion problem; however, as the Board recognized in June when we instituted the Washington-Baltimore Airport Investigation, the basic difficulties remain. The present saturation of National's facilities and the impact of that saturation on the quality of service to the Washington area raises questions of the adequacy of the carriers' service to the area.

Our investigation was instituted to determine what services should be removed from Washington National to Dulles or Friendship Airports. The issues include the question of precluding specific services at National Airport and the designation of a specific airport in the area for particular services by each of the carriers certificated to serve the area. We recognized the necessity of establishing standards to determine what services should be provided where and in our order of investigation suggested such considerations as length of nonstop hop, equipment type, total number of flights to Washington National Airport and the origin or destination of flights.

The problem in the Washington area may be unique. Here we have two major adjacent airports with present capacity to accept substantial volumes of additional traffic. I would not expect many instances in which a similar investigation would be required. The institution of the Washington investigation does indicate, however, the Board's conviction that it will undertake such action as it can in such instances to alleviate congestion and to make possible for the traveling public a service which we regard, in the overall, to be a required improvement.

Permit me to point to a somewhat different approach to the same basic problem in a slightly different context. One of the results of the completely revised bilateral air transport agreement between the United States and the United Kingdom, to which I devoted eight weeks of across the table negotiations in early 1966, was grant of operating rights for U.S. carriers between additional East Coast terminal points and Bermuda. In instituting a case to consider U.S. carrier service in these markets, the Board specifically placed in issue the question whether the Board should designate the airport through which a U.S. point should be served in those instances where the designated U.S. points are served by more than one airport. The Board said that consideration of such an issue would permit an evaluation of the relative convenience of airports to the traveling public, whether competitive service should be authorized through different airports in the same area and whether, if an airport is or is about to become saturated, additional service should only be authorized at a less congested alternate airport in the same area.

This course of action, that is specifically raising the airport designation issue in new cases and specifically deciding in pending cases what airport should be designated for newly authorized service, is a technique by which our Board can, we believe, play an important role in insuring against an aggravation of the congestion at certain airports. We have followed this technique in a number of cases and I expect that we will do the same in the future. One recent example is the proceeding to investigate the need for service between Seattle and Southern California. On our own motion we included as issues in that case consideration of specific designations at Los Angeles International Airport or the Ontario, Orange County, Long Beach or Hollywood-Burbank airports.

There is another avenue to a partial solution of the congestion problem. I recently delivered some remarks in Milwaukee, some of which I note were considered sufficiently topical to be included in your August 1 *Airport Report*. At Milwaukee I elaborated on a theme which has been of concern to me for some time. I had first mentioned the subject at Boston in November 1963 when I said, in effect, that all New England "air lanes" need not lead to Boston. At Milwaukee I indicated that increased attention should be paid to the airport facilities at medium-sized communities nearby the major hubs—communities which may be the true origin and destination of traffic now being shunted through the metropolitan airports.

Connecting service for any substantial flow of traffic is simply not good enough for this day and age. For example, well over 20 percent of the passengers boarding airplanes at Chicago's O'Hare—the country's busiest airport—do not want to be in Chicago and have no interest in Chicago. They are, however, forced through Chicago on their journey between two other cities either because of the necessity to connect betwen airlines or between single carrier flights or for a variety of other reasons. If we can identify the true origin and ultimate destination of this significant flow now moving through Chicago, we could alleviate the situation by certificating through, single carrier, single plane service or by insisting upon provision of such service if already authorized.

We are looking at a number of cases of this kind. For example, we are looking at the need for direct routes between Northern New England and points to the west such as Detroit and Chicago without requiring this traffic to move through Boston. Also, both Allegheny and Mohawk have been authorized to provide services between New York State and New England, on the one hand and Washington, D.C., on the other hand, which avoid New York City.

The availability of good connecting service over major hub airports will continue in the future, of course; however, to the extent that we can accommodate significant traffic flows on a through single-plane basis without adding to the congestion at the major hubs, it is our intention to do so. There is no reason to load O'Hare with traffic which can much more convenintly be handled through Milwaukee's General Mitchell Field—traffic which has no desire to go to O'Hare but which may do so at the present time in order to make use of the excellent services available only at O'Hare. This same satellite relationship may exist at other points. This undoubtedly has been the case at San Jose and San Francisco-Oakland. You may be aware that we have only recently authorized long-haul service at San Jose's airport by the carriers serving San Francisco and Oakland. We can also expect White Plains and Islip to carry an ever-increasing share of the traffic in and out of the New York metropolitan area.

In addition to examining the service potential of satellite airports, we will be looking at possibilities for revising what may have become standard traffic routings in those markets which have not been authorized for nonstop service or in which carriers have not provided nonstop service. Perhaps the best example to which I can refer is our recently instituted Service to Des Moines and Omaha Case.

Omaha requested the Board to investigate the adequacy of its service and the Board instituted a case to consider new authorizations to such major cities in the Midwest as Chicago, St. Louis, Kansas City, Denver and the Twin Cities. The request was also made to consider Des Moines and Omaha services to California and to New York and Washington. The Board pondered long and hard on how this might be accomplished and finally concluded that the best procedure would be to proceed with the Omaha case as previously constituted and to institute a separate case to consider the service needs of Des Moines and Omaha to California, New York City and the Washington-Baltimore area.

We are concerned about the time our procedures seem to take between institution of a case and the final authorization of new service. May I say parenthetically that we intend to take firm action in this regard in the very near future. In any event, obviously a case which could turn into a major transcontinental route case would be difficult to process and would engender interest from each and every carrier in the entire airline system.

Our purpose in instituting the case, however, was to consider much more limited needs; namely those of Des Moines and Omaha to the two coasts. We have decided initially to restrict the case to that narrow issue by requiring stops at Des Moines and Omaha on any transcontinental flights which may be authorized. Such a two-stop service would not be truly competitive with either a nonstop or one-stop coast to coast service in this day and age and, in our view, any grant will not impinge upon services which might become available over the other regional gateways in issue in the *Service to Omaha Case*.

What we have in mind in this case is twofold; First, to consider service authorizations which may be required between Des Moines and Omaha, on the one hand, and the two coasts, on the other hand, in the most direct and expedited manner possible. These are important cities and they deserve the best service that they can economically support. This may not mean four round trips a day in each direction and it may not mean huge profits for any carrier which may be selected. These, however, are not the appropriate criteria. If the markets in issue can support a more limited pattern of service and can provide the carriers with an adequate profit, the service should be made available.

Second, any new awards in the Des Moines-Omaha case may create additional gateway or connecting points for service to or from either coast for other cities in the middle western region. Thus Des Moines and Omaha may offer possibilities for connecting service in addition to the present area gateways of Denver, Twin Cities, Chicago, St. Louis or Kansas City. As I said before with respect to Chicago, to the extent that we can keep passengers out of the major metropolitan gateway cities when they do not want to go there, we will be alleviating airport congestion. This, we believe, is certainly an issue worthy of consideration. We would not presume and have absolutely no interest in taking services away from any major hub which are needed to accommodate its own traffic. However, we believe that the increasing expense of handling traffic at a busy hub airport is such that the local authorities will recognize the desirability of such a shift.

We at the Board understand the problems which you face today in light of the tremendous increase in airline traffic. Although our statutory responsibilities are not such as to provide a direct total solution to the problem, we are, as I have indicated, taking a number of steps which we believe will be helpful and which are directly related to our primary responsibility of insuring the best possible air service to the traveling public. We recognize our responsibilities to the traveling and shipping public and we are acting to insure for them the excellent air transportation product which it is possible to provide today. This is a vital industry with which we are associated and one which can harness great resources. I am confident that we will perform not only satisfactorily, but in line with the very high standards which have always characterized the air transportation industry.

THE CRISIS IN WORLD DEVELOPMENT

Mr. HARRIS. Mr. President, I ask unanimous consent to have printed in the RECORD a statement prepared by my colleague [Mr. MONRONEY], and an address delivered by Leonard B. Rist, Special Adviser to the President, International Bank for Reconstruction and Development.

There being no objection, the statement and address were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR MONRONEY

In 1958 I submitted a Senate resolution calling for a study of my proposal to establish an International Development Association as an affiliate of the International Bank for Reconstruction and Development, known as the World Bank. By the fall of 1960 that study had been completed, Congress had passed legislation authorizing the United States to participate, and the World Bank had approved a charter for IDA.

IDA's purpose was to provide loans to the developing nations on more flexible terms than the World Bank could offer. Its character as an international financial institution and its use of the expert staff of the World Bank would ensure the soundless of its loans and the efficiency of the development projects it would sponsor.

In its seven years IDA has not always concentrated on the kinds of projects I would have chosen for it. However, it has been soundly administered, and its value to the developing countries is unquestionable. Unfortunately IDA's funds are now exhausted, and for a variety of reasons, the industrial nations which are its major contributors have not agreed on a plan for replenishment.

I am hopeful that we will be able to revive IDA in the coming year, as I am convinced that it can provide aid economically and effectively. Our own national interest and the future peace and stability of the world demand that the rich nations continue to work together to help the emerging nations. IDA can help to ensure that our money for this task is well spent.

On November 7, at the opening session of the International Development Conference here in Washington, Mr. Leonard R. Rist, Special Adviser to the President of the World Bank, spoke on the crisis in world development.

Mr. Rist pointed out that since 1961 international aid to the developing countries has leveled off, even though more countries have given aid and some of the smaller donors have expanded their programs. In the meanwhile, foreign earnings of the developing countries have risen, but not enough to meet their debt service obligations or to maintain the momentum of growth.

We have seen dramatic growth in such countries as Iran, Israel, Korea, Malaysia, Mexico, and Taiwan, but many of the other countries are facing economic crisis because their sound investments in education, health, highways, agriculture, and other essential programs do not bring immediate financial returns.

THE CRISIS IN WORLD DEVELOPMENT

(By Leonard B. Rist, Special Adviser to the President, International Bank for Reconstruction and Development)

Mr. Chairman, Ladies and Gentlemen, all of us, I think, are aware of the existence of a crisis in world development.

The highest world authorities have only recently called our attention to the gravity of the situation, Pope Paul, in a memorable Encyclical, U Thant, Secretary General of the United Nations, the heads of several Specialized Agencies, including of course the President of the World Bank, the most responsible and influential statesmen, beginning with President Johnson, all have on various occasions over the last twelve months reminded us that we had responsibilities toward the less fortunate countries of the world. The coincidence of all these appeals underlines the reality of the crisis. What I would like to do today is to analyze its causes. I think we shall find more motives to press forward than to give way to despair.

It is often said that the main cause of the disillusionment prevailing in large segments of public opinion, not only here but in Europe also, is the fact that the Marshall Plan had in five or six years achieved such remarkable results and that public opinion rarely realized that development cannot be achieved by one brief contribution, however generous. This confusion between reconstruction and development may have prevailed in some quarters some years ago. I do not think that it is important any more. People are wiser now. Looking at their own history as well as at the picture of the world today, they don't expect spectacular results all at once.

A more serious cause of concern is that the *efficacy of development* is often subject to doubt. You can judge better than I the depth of this feeling in the United States but I can assure you that America has no monopoly on it. In my own country, which prided itself on contributing more to development per capita than most others, we even have a word for the thesis that development assistance can be called an exercise in wasting money: we call it "cartiérisme", after our most determined spokesman for that negative point of view. This attitude is important, whether we like it or not. And as a result, development finance is today inadequate. For the last six or seven years not enough capital and foreign currencies have been made available to the developing countries to maintain the momentum of their economic growth. The crux of the present difficulty is that development is suffering from financial anemia.

There is, of course, some room for development within each of the less developed countries on the basis of their own resources, but savings are not sufficient to provide the capital necessary for covering investment needs. We must concede, however, that the government of a developing country probably could accomplish the task on its own, provided it had enough time and, worse, provided it was prepared to extract the savings required by reducing, if not crushing, consumption to a level so low that only the harshest measures could enforce consent. I don't think that many of us would like to see them take that road. In addition, we cannot forget that foreign techniques, foreign equipment and foreign materials must be imported. To pay for them, the developing countries have only four ways of obtaining foreign currencies: their own exports, attracting foreign tourists, attracting foreign capital for investment or to finance imports, and for the balance, obtaining loans, grants, or both, from the governments of industrial countries and multilateral institutions like the World Bank and IDA, the Interamerican Bank, and so forth.

On tourism, let me just say that at present the main beneficiaries are the Mediterranean countries or those around the Gulf of Mexico and the Caribbean Sea. It is not often a major item in the total picture. Exports are, by far, the single most important factor, but no matter how hard they try, most developing countries have found it impossible to pay their own way. I am referring especially to the many countries who depend most heavily on exports of primary agricultural commodities. With their expanded production—and most of them have managed to expand it—their annual earnings increased nearly a third in the six years through 1965 in spite of the fact that prices all during that period were well below the level of ten years ago. But the prices of the manufactured goods that they import to keep their economy on an even keel or to forge ahead in development, have continued to rise. Result: an average deficit on trade account or nearly six billion dollars a year.

Private investment is the next most important conventional source. It has been considerable in many countries, particularly those endowed with mineral resources, or where economic development has created domestic demand for manufactured products. True, political attitudes or unwise legislation have sometimes played against a healthry growth in foreign industrial or mining investment. On the other hand, one could mention a few countries where, in spite of professed doctrines of the governments to the contrary, foreign private investment is more than welcome. In this respect it is encouraging to note that as of today as many as 55 countries have signed the Convention on the settlement of investment disputes, which was launched by the World Bank in March 1965 and took effect in October 1966. But the increase in the total amount of private foreign investment in developing countries has not been striking. More important, it hardly can do the whole job alone, since its operations require that the necessity infrastructure exists and that sufficient skills be available locally. Basic investment in communications, power, education and so forth is largely a direct or indirect responsibility of governments.

As a practical matter, only governments are in a position to mobilize the resources required for these purposes, either directly or by guaranteeing the obligations of others. And most of the developing countries find it difficult to do so without recourse to foreign financing, including that of international institutions such as ours.

For all these reasons, official foreign aid, both multilateral and bilateral, is indispensable. But to be effective the aid should be adequate. It should be sufficient to take advantage of the developing countries' ability to make efficient use of both their own resources and external assistance. Unfortunately, it is not. Speaking very broadly, international aid was roughly adequate until 1961. Its amount had risen rapidly in 1950's, more or less in harmony with the ability of the developing countries to use it, and development was able to gain significant momentum. Since 1961, however, international aid to development has leveled off in spite of yearly ups and downs, in spite of the fact that more countries have joined veteran donors such as the United States, and in spite of the fact that a few of the smaller donors have recently expanded their commitments.

Hence, there is now an increasing spread between what is available and the amount the developing countries can use effectively to increase the production and income of their people. Available aid and usable aid are far apart today. How far apart? A couple of years ago we in the World Bank tried to estimate this. We concluded that the minimum additional need was for three to four billion a year; that is to say, no more than 2½ tenths of one percent of the gross national product of aid givers, including Russia and other countries in Eastern Europe. If this had been added to last year's actual net flow of official aid, it would have raised their total assistance to about 7½ tenths of one percent on the average. But to the developing countries as a whole it would have meant a substantial increase of about nine percent in available foreign capital. These figures speak for themselves.

But the amount of aid is only one aspect. The terms on which it is made available can be equally critical. This applies not only to official loans but to the entire structure of debt, private as well as public, since payments on the whole must come from the same limited total of foreign exchange.

A large debt and a rising flow of payments abroad on principal, interest and profits is no cause for concern if it corresponds generally to increases in export and other foreign earnings and does not absorb an excessive proportion of their total. But a burden of service payments that rises consistently at a rate much faster than foreign earnings is a sign of trouble. This is what has been happening in some countries, including India, where debt service obligations rose by 84 percent from 1962 to 1966, while exports increased by only 14 percent.

Concern about this problem runs like a thread through the history of foreign aid. In each individual donor country the discussion on terms is revived year after year and all through the history of the World

Bank this problem has been in the foreground. Mr. George Woods, like his predecessor Mr. Eugene Black, has repeatedly warned against a rising tide of debt on terms unrelated to the repayment capacity of the country concerned.

And this feeling was shared by the many governments who, led by the United States, took the initiative to establish IDA eight years ago. Many of you in this room were in the forefront of that effort. It was in this same forum that Senator Monroney gave the proposal for IDA its first public exposure. The objective, as all of you know, was to relieve the rising threat of a debt service crisis by injecting a large flow of funds, contributed by governments and on soft terms, into the stream of multilateral development finance. It has achieved its purpose remarkably well within the limits of the funds available, but the need is still larger than the means for dealing with it.

It is unfortunate that this problem, so long foreseen, should be coming to a head just at a time when the principal aid-giving countries confront a galaxy of extraordinary difficulties in their own internal affairs or in their external relations. We are all familiar with the balance of payments problems of the United States and Great Britain and the budgetary concerns of countries in Western Europe. Together with a flood of urgent and competing calls for funds to deal with domestic crises and, in some countries, with unusual requirements for defense, these preoccupations tend to relegate development of foreign countries to an ever lower order of legislative priority. This is deplorable, but it is a hard political fact.

This tendency, already strong, is encouraged and intensified by each new example of turmoil and instability, and sometimes of patent irresponsibility, in some parts of the developing world. In part, of course, these conditions are merely symptomatic of the need for faster and more effective development. To some extent, they grow out of the painful processes of internal adjustment required by economic growth. In others, they are simply the result of political evolution. But in the context of the present situation, they are more likely than ever to serve as justification for the underlying sense of disillusionment with development which I mentioned at the outset.

So far as public support in the industrial countries is concerned, therefore, we come back to the problem of frustration and disillusionment. What is really at issue is the effectiveness of aid. Since so many people have doubts about it, let us examine this question.

It is important to realize that we are talking about something quite new—the first conscious, cooperative effort by rich nations to help poor nations stand on their own. Why are they making this effort? Humanitarian objectives, and trade interests, and even political interests are clearly very important. But there is an even more basic consideration. No one can say any more that country X is far distant or that it is somebody else's responsibility. Distances have been eliminated. The knowledge of other societies is now widespread all over the globe and the possibility of cultural exchange as well as trade has brought us all closer to one another. We were always vitally affected by the welfare of our immediate neighbors; today we are equally affected by the welfare of our most distant neighbors. In our own societies, the wealthy cannot remain indifferent to the standard of living of the less wealthy; they depend on them too much. The same is true of the relationship between the various societies which compose our world. We have become interdependent.

In a broad sense, this was already perceived at Dumbarton Oaks and Bretton Woods. In the documents establishing both the United Nations and the World Bank, economic development of the underdeveloped areas was accepted as a central post-war necessity. Precisely what would be involved in this nobody knew, but the objective was clear enough: to help the developing countries raise their production and living standards to the point of self-sustaining economic growth.

Fortunately, the need for doing this became imperative at a time when unprecedented economic and technological growth in the richer countries made it a practical possibility. With the goal established and some of the means at hand, the question was, *how?*

Almost everything had to be learned in practice. It took some time to learn that private capital alone could not do the whole job, or that the Marshall Plan formula had no relevance for this problem. This Conference had its origin in that realization. As the "Point Four Information Committee", it was established in recognition of the fact that the most important ingredient is what Americans call "know-how"—the accumulation of skills in economic organization which has been the major product of the industrial revolution. As you know, the first formal proposal to translate that knowledge into a practical, unified program was in Point Four of President Truman's message to Congress in January 1949.

At about the same time, the World Bank was learning by hard experience that a whole new style of banking would be required. Little by little, over a period of years, for this is a long and difficult process, wholly new techniques were evolved. This has led us into virtually every aspect of *technical assistance,* from economic studies of whole economies to help in recruiting key personnel, from advice on the formulation of national development policies to assistance in identifying and preparing specific high priority projects. This year, more than a fourth of our total budget is for these technical services to member governments.

I have emphasized the experience of the World Bank because I am familiar with it since its very inception. Many others have had similar experience and have reached the same conclusions about the overriding importance of technical assistance as an inseparable companion to development finance. Since President Truman obtained $27 million for his Point Four Program in 1950, the amount devoted to technical assistance has steadily increased; last year, nearly $1.7 billion was committed for this purpose by 15 members of the Organization for Economic Cooperation and Development. Furthermore, these countries were hosts to about 80,000 students from developing countries, while they sent more than 104,000 of their own experts and volunteers to give assistance in various ways.

Let us not imagine for one minute that technical assistance is easier to impart than financial assistance. Good international experts are just as difficult to come by in sufficient number as capital resources. It is all the harder as technical competence is only one of the qualities which are expected from them; they must also be good diplomats and be able to listen as well as to speak.

One of the lessons which those who deal in financial and technical assistance inevitably learn is the full significance of time as a factor in development. Only by working with these problems day by day is it possible to learn how deep and broad are the structural changes a traditional society must undergo. The process of learning, the absorption and diffusion of skills, the adaptation of foreign advice to local conditions, the acceptance and spread of new attitudes which give development life—all of these take time.

Similar long experience was required to grasp in all its significance the vast diversity of the less developed world—the fact that we were dealing not with one large set of problems, but with four score and more. The facts themselves were not new. Their meaning for development was, and its implications took time to learn. The more we know about the less developed countries, the less alike we find them to be. Each has its own unique constellation of assets, problems, aspirations and possibilities. Some will move fast, some only slowly. Some may never achieve the goal of self-sustaining growth short of collaboration with others in schemes of regional economic integration.

In this perspective, it may now be useful to examine what has actually been accomplished and attempt some assessment of results. This is difficult to do, for many technical reasons. There are various ways to go about it, each of which is valid within limits. One way is to look at the concrete evidence; another is to look at statistics. Each of them has its shortcomings.

As to visual evidence, I could tell of the remarkably prosperous settlements, financed by the World Bank, which I have seen in Kenya, with houses, fencing, good vegetable fields, good cattle, right in the middle of what had become a desert because of excessive fragmentation of the land. I could quote to you from the information published by CARE, a private charitable organization, as to what they did in Rajasthan, India. They supplied a school farm with wells, pumps, sprinklers and accessories to establish an irrigation system. The farm is now producing vegetables and other cash crops and trains the farmers who will work in the neighborhood tomorrow. I could try and describe to you how the USAID, about which you will hear more from Mr. Gaud himself, is financing a remarkably effective campaign to eradicate smallpox and measles through vaccination of millions of inhabitants of West Africa. I could mention what the Foundation for Cooperative Housing—another private group—has done to launch a self-help housing program for campesinos in Panama, a program which has received substantial help from USAID, under what is known as the Humphrey amendment.

I could describe San Salvador as it is today, with its well-lighted streets and modern factories, which were made possible by the power expansion program initiated by World Bank loans. I could point to the enormous advantages which trade and production in Ethiopia have derived from the development of the telephone services financed by several loans from our Bank.

These are only a few modest examples. There are thousands more, both small and large, or even very large. But in each case the real importance of these achievements can only be understood if one is fully aware of what the situation was before. The eroded land in Kenya, the destitution of the village in India or in Panama, the candle-lit gloom and lack of industry in San Salvador, the stagnation of commerce in Ethiopia for lack of communications: one must have seen them to appreciate the changes. A description of the scene today cannot do justice to the development effort.

If we now try to look away from individual cases and consider the overall picture, we find that statistics of foreign assistance do not describe adequately the real development which aid makes possible. To speak again from my own experience, we know that the World Bank group has actually disbursed about $9 billion on nearly 700 development projects in about 90 countries around the world. The total investment made possible by this assistance can only be broadly estimated since it includes other foreign capital and substantial domestic expenditures by the borrowing countries. Certainly it would be at least $20 billion.

But projects financed by us are only a part of the total, possibly little more than a fifth. Very roughly, then, we might assume that projects costing perhaps as much as a $100 billion have been realized with the help of external assistance. At least half that amount in domestic expenditures on the same projects has been paid by the developing countries, while much of the remainder has been borrowed and is being repaid out of their own earnings.

But the cost of these investments is not a fair measure of their contribution to development. They range from vast irrigation and power complexes, as in the Indus plain of West Pakistan where the great Mangla Dam will be inaugurated later this month, to small feeder roads and schools that have opened a new world to countless farmers and their children. They include railways, waterways, highways and cement plants, stockyards, fishing fleets, ports and paper mills, warehouses, teachers' colleges, iron mines and laboratories. Each of them will add to production and further stimulate economic activity. Eventually their yield will be far more than their cost, but not all of it will be seen for some time to come.

Another approach to the assessment of progress in development is to apply the technical methods of economists. This is useful, in fact indispensable, as long as we understand their limitations and apply all those that are relevant. It can be misleading, however, if one's examination is limited to a few aggregate measurements which by themselves cannot give an adequate picture of the development effort already made or still under way, and of its future results. The most common example is that over the last fifteen years, the per capita income of countries comprising half the world population has not risen by more than about two percent per annum. True, the population growth has been such that a part of the aggregate increase in income of 4 to 5 percent—no mean figure—has been lost to the average citizen. The fact remains that, in absolute terms, growth has been substantial and that, without foreign aid, a deterioration would probably have set in. More important, and by far, is the fact that the potential income arising from the past and present development effort has not had time to produce its full results.

An economist can estimate very roughly how long it will take for a particular project in a particular country to produce its full potential benefit in terms of increased production and income. In the case of education projects, as you know from your own experience, no significant result in these terms will be seen for quite a few years; the full economic benefit from investment in a child's education will be spread over most of his lifetime.

In the case of an irrigation project, we know that water is not likely to flow until three or five years after we approve a loan. After that, recognizable benefits are realized gradually, but it may take another 10 years before anything like the full benefit can be reflected in the growth of actual production. On this basis, about 90 percent of all our own investments for irrigation purposes will reach their full potential only gradually between now and 1982.

The time lag is somewhat shorter in the case of many infrastructure projects for power, transportation, communications and water supply. It is shorter still for industrial projects, which can only be constructed on the basis of existing infrastructure. Indeed, one sign that development efforts are bearing fruit is the fact that industry is progressing now faster than national income, namely at a rate of around 7 percent a year for developing countries as a whole. Eventually, as in the industrialized countries, the annual increase in GNP will become a more significant mirror of current, or at least fairly recent, investment activity. But for the developing countries generally, that time is some years in the future.

In short, my conclusion is that development is succeeding. With only some exceptions, the economies of all countries are growing. Their institutions are maturing, faster and more impressively in many cases than some of us had expected. Many countries where population growth is a serious problem, including some of the largest, are now taking firm and determined steps to overcome it. Some that were inclined for too long to emphasize the growth of domestic industry at the expense of exports and agriculture have, like India, made a dramatic shift in their order of priorities.

Wherever sufficient capital has been available on a regular, sustained basis, permitting continuity in planning, in investment and in administration, and where it has been possible to maintain relative stability, development has been a dramatic success. To mention a few examples, Iran, Israel, Korea, Malaysia, Mexico, Pakistan, the Republic of China, Thailand, Tunisia, Venezuela and Yugoslavia have clearly demonstrated the efficacy of development. Progress in many others, while less dramatic, has been substantial.

Yet the full effect on growth of investments already made is still to be felt in most countries. One of the main lessons we have learned is the importance of the time factor. As we have shown, investments, not only in education but in all sectors, do not yield their full benefit within a short period. Moreover, thanks to the marginal but indispensable stimulant of foreign aid, more momentum has been generated than is usually realized. Much of this can be lost if too little is provided to maintain it. Continuity is indispensable, but the momentum is such that more capital inflows are justified and required for this purpose. At least, let us not do less than yesterday. If we possibly can, let us do more and keep the movement going upward.

MEAT INSPECTION

Mr. CLARK. Mr. President, I am very hopeful that before long the Committee on Agriculture will report to the Senate a strong meat-inspection bill. I believe that there is a growing awareness among both the Senate and the general public that such legislation can be delayed no longer. As evidence that Pennsylvanians are becoming increasingly aware of the need for federally supervised standards of meat inspection, I ask unanimous consent that an editorial from the November 13, 1967, issue of the Harrisburg Patriot be inserted in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MEAT INSPECTION: TOUGHER LAWS ARE BADLY NEEDED

"This is one of the most deplorable plants I ever saw. Not a clean area in the building. Live animals are penned in the same area as the slaughtering and processing. In fact, the entire operation is done in one large room. A large door with no screen was open to the street, through which pass all live and dressed animals. Rusty metal and dirty wooden barrels are used for both edible and inedible meats and offal. The flies were so numerous it was next to impossible to carry on a conversation with the operator."

Sound like something out of "The Jungle," Upton Sinclair's 1906 novel exposing conditions in the stockyards of Chicago?

Well, it is not. It is from a report of 1960's conditions in a packing plant in Pennsylvania. Similar and even worse reports have come out of other states as a result of a U.S. Department of Agriculture survey of meat packing plants not covered by federal meat inspection.

The 60-year-old federal law, which the Sinclair book was instrumental in persuading Congress to pass, provides for federal inspection only of meat products sold in interstate commerce. The states are supposed to take care of inspecting the products sold within their borders.

They don't do it very well. Some of them don't do it at all. Nine states do not even have inspection laws. Pennsylvania is one of 13 states with "voluntary" inspection laws. That means just what it says. If plants want to be inspected, they are; but if they do not want to—in other words, if they really need to be inspected—they do not volunteer.

In Pennsylvania, 132 meat slaughtering or processing plants are federally inspected. But there are 1,263 such plants in the Commonwealth. And 54 "volunteers."

Pennsylvania Secretary of Agriculture Leland H. Bull says the USDA survey is misleading where Pennsylvania is concerned, but he concedes that a mandatory State meat inspection law should be passed to replace the State's "voluntary" law, which dates back to 1915.

On August 6, Pennsylvania House Democratic Leader Herbert Fineman said: "We absolutely need a law to protect the consumer from unwholesome meat and the Democratic Party will push for passage of such a measure." On August 14, in a memorandum to the House of Representatives, Governor Shafer, noting that 25 per cent of the five million animals slaughtered annually for meat in Pennsylvania receive no inspection by State or federal governments, recommended "immediate consideration" of a mandatory meat inspection law.

HB 1566 was scheduled for second reading in the Pennsylvania House today. It should be passed, there and in the Senate.

Meanwhile, at the federal level, the House of Representatives has turned down a bill backed by the Johnson Administration and passed an adulterated bill backed by meat lobbyists.

The House bill would emphasize state inspection—the very system which has so manifestly failed to protect the American consumer. A better measure can be devised and should be passed.

BARNARD FLAXMAN RETIREMENT

Mr. RIBICOFF. Mr. President, one of my closest friends and an outstanding Connecticut resident will retire on December 31 from the Hartford Insurance Group. The vice president and senior financial officer of the Hartford Insurance Group has earned his retirement.

Affectionately known to his friends as Barney, Mr. Flaxman is a nationally known financial expert who has devoted his career to the Hartford Group. Under his direction, the value of the common stock portfolio has grown from $87 million in 1952 to $686 million as of this past September. The investment income and the annual dividend payments as well as the unrealized capital gains have risen under the leadership of Mr. Flaxman.

Although he has been deeply involved in the growth of the Hartford Group, his interests have been wide and varied. He has been constructively and deeply concerned with many civic, educational, and charitable causes including the Newington Home for Crippled Children, the Institute of Living and as a trustee of Syracuse University. No man deserves retirement more. And yet, knowing Barney, he will continue an active and constructive life for his community. His commonsense approach to problems can be found in his retirement statement:

> While it might be true that the "old men" know where we have been, and while perhaps they can point to where we are going, only the young will ever get there. It is time for me to step away from the day-to-day business interests and pay more attention to many outside interests.

I wish for Barney and his gracious wife, Pat, many happy future years.

I ask unanimous consent that the news article from the Hartford Courant of Wednesday, November 15, 1967, be inserted in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FLAXMAN TO RETIRE AT HARTFORD GROUP, GRIFFIN TO HEAD FINANCIAL AFFAIRS

Barnard Flaxman of West Hartford, chairman of the Finance Committee of the Hartford Insurance Group, will retire Dec. 31 after 43 years with the organization.

William M. Griffin of West Hartford who has been vice president of the Hartford Group, will become the senior financial officer of The Hartford. He heads the Investment Dept. and will be responsible for the Treasurer's Dept.

He will continue as a director of the Hartford Fire Insurance Co., the Hartford Accident and Indemnity Co. and the Hartford Life Insurance Co. and will serve as chairman of a newly created Real Estate Committee.

Nationally known as a financial expert, Flaxman has devoted his entire career to the investments of the Hartford Group.

A graduate of Syracuse University, Flaxman joined the Hartford Fire in 1924. He was elected an assistant secretary of the company in 1937 and became vice president of the Hartford Fire, Hartford Accident and other fire insurance companies of the Hartford in 1952.

He was named a director of the Hartford Group in 1959 and chairman of the Finance Committee in 1963.

ACCOMPLISHMENTS CITED

Harry V. Williams, chairman and president of the Hartford Group, Tuesday outlined Flaxman's accomplishments. Under his direction, Williams said, the value of the common stock portfolio of the Hartford has grown from $87 million in 1952 to $686 million at the end of this past September.

The investment income of the Hartford in 1952, Williams continued, was $12.2 million, and this year it will be about $51 million.

During the 15-year period, unrealized capital gains totaled $313 million and realized capital gains on common stocks totaled $43 million.

Annual dividend payments, Williams continued, quadrupled during Flaxman's tenure, from $4.8 million in 1953 to more than $20 million this year.

"The direction in which he guided our investment policy has contributed significantly to the fact that capital resources of The Hartford have grown from a policyholders' surplus of $196 million and total consolidated resources of $580 million in 1952 to a policyholders' surplus of $669 million and total consolidated resources of $1.9 billion on Sept. 30.

Flaxman had a major role in the purchase of the Columbian National Life Insurance Co. of Boston in 1959 and the Pacific Insurance Co. Ltd. and the Sentinel Insurance Co., both of Honolulu, in 1963. He is a director and vice chairman of the executive committee of the two Hawaiian companies.

He has also directed the country-wide real estate operations of The Hartford, including the building of major structures in San Francisco, Chicago, Atlanta, and the new Hartford building here. He was honored as "Real Estate Man of the Year" by the Greater Hartford Board of Realtors this past summer.

Commenting on his retirement, Flaxman said "While it might be true that the 'old men' know where we have been, and while perhaps they can point to where we are going, only the young will ever get there. It is time for me to step away from the day-to-day business interests and pay more attention to many outside interests."

Flaxman is a director of Hartford National Bank and Trust Co., the Newington Home for Crippled Children, the Institute of Living, Seneca Falls Machine Co. and the Connecticut Spring Corp. He is a trustee of the Mechanics Savings Bank and of Syracuse University, where he is also chairman of the Endowment Fund Committee. He is a corporator of Mt. Sinai Hospital, St. Francis Hospital and Hartford Hospital.

He is a member of the New York and Hartford Societies of Security Analysts and the National Federation of Financial Analysts Societies.

A graduate of the Wharton School of the University of Pennsylvania, Griffin is a director of Texas Utilities Co., the Conn. Institute for the Blind, and is a member of the Associate Board of the Conn. Bank and Trust Co.

THE FIFTH ANNIVERSARY OF DULLES AIRPORT

Mr. BYRD of Virginia. Mr. President, Friday, November 17, marks the fifth anniversary of Dulles International Airport. This magnificent facility was constructed in 1962 at a cost of $110,000,000 to provide for the future airport needs of the Washington metropolitan area. It is rare in Government to see such foresight in preparing for the future.

Looking back over the last 5 years of operations, we can see a steady growth in the use of Dulles Airport.

In its first full year of operation, 666,000 passengers used that facility. By 1966, that figure had nearly doubled to 1,174,000.

In the first 9 months of 1967, Dulles Airport has almost equaled its 1966 total with 1,171,000 passengers.

Perhaps even more significant is the growth in total number of air operations out of Dulles Airport. In 1963, there were 90,000 operations. For the first 9 months of 1967 there have been 158,000.

Despite the growth realized at Dulles in the last 5 years, it must be pointed out that the facility is far behind the original estimate for its 5th year of operation. When the airport was planned it was predicted that it would be handling 3,700,000 passengers by 1967. As I have pointed out, only 1,171,000 passengers used Dulles Airport in the first 9 months of this year.

I believe the Washington area is in need of better airport services.

National Airport was designed to accommodate only 4 million passengers a year, but it has already reached the 10 million mark. This overcrowding at National creates a serious potential safety hazard and is the source of a great many complaints on the part of those who live in the flight pattern of National.

I think there is an urgent need to divert some of the flights now using National to Dulles Airport; it is time Dulles was permitted to realize its potential of being one of the world's greatest airport facilities.

It is my hope that the next 5 years will see a significant increase in the use of Dulles Airport. I think there is already growing public recognition that Dulles Airport is convenient and can serve its needs for airline travel.

What is required now is that our Federal agencies which control these matters begin to insist that the airlines schedule more and more of their flights to and from Dulles.

With that kind of cooperation, I believe we can look forward to significant progress at Dulles in the next 5 years.

THE WILLIAMSBURG PREACHER AND THE LESSONS OF VANITY

Mr. TALMADGE. Mr. President, much indignation has rightly been leveled at Rev. Cotesworth Pinckney Lewis, pastor of the historic church at Williamsburg, Va., who criticized President Johnson last Sunday while the President was a guest in his church.

The Griffin Daily News has taken note of this incident in a fine column written by Mr. Quimby Melton. Mr. Melton notes that the Book of Ecclesiastes warns against vanities, and wonders whether the Reverend Mr. Lewis "paid much attention to Ecclesiastes as he studied for the ministry?" Had he done so, Mr. Melton concludes, he never would have lectured President Johnson, but "refrained from a grandstand play, made we believe, to get publicity."

I agree completely. I ask unanimous consent that Mr. Melton's excellent column be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Griffin (Ga.) Daily News, Nov. 14, 1967]

GOOD EVENING

(By Quimby Melton)

"To every thing is a season, and a time to every purpose under the heaven:" So said "The Preacher" who wrote Ecclesiastes many centuries ago. This quote is from Chapter 3 verse 1. The first eight verses of this chapter list many things for which there is a "season" or a "time."

One who reads this book of the Old Testament will be struck with the number of times The Preacher refers to "Vanity"; in fact in the last chapter of the book he says in the 8th verse "Vanity of vanity, all is vanity."

Good Evening wonders if the Rev. Cotesworth Pinckney Lewis, pastor of the historic church at Williamsburg, Va., paid much attention to Ecclesiastes as he studied for the ministry at whatever theological institution he attended? Had he done so it might have been that he would have realized his sermon Sunday morning was neither the "season" nor the "time" for him to challenge the President to make a "straightforward explanation" of the situation in Vietnam.

President Johnson and his family were in the congregation, sitting in the same pew in the historic church where George Washington used to sit.

Evidently the minister was not familiar with the book attributed to "The Preacher", or he would have realized the big part vanity plays even in the life of a minister, and would have refrained from this grandstand play made we believe to get publicity.

Wonder what would have happened if the President of the United States had risen from his seat and answered the minister! But the President, no doubt irritated that the preacher had taken advantage of the situation, was more a gentleman than was the minister. He simply said nothing. As the President and his party left the church, there stood the minister, as is the wont of many preachers, at the front door shaking hands with the members of his flock and with visitors. The President shook his hand but said nothing.

But trust a woman to come through even in a situation like this.

Beaming her brightest smile, Lady Bird, shook the hand of the Preacher and said "You certainly have a fine choir," Nothing more. How that comment must have peeved this victim of Vanity.

To say the least, in our opinion, the minister showed poor taste in making the remarks he did. And there are others who agree with Good Evening. The governor of Virginia has sent an apology to the White House.

No doubt in thousands of other churches on this same Sunday ministers were praying for the nation and for the President himself. But here was a man, so devoid of good taste; so anxious to get some publicity, that he took advantage of the situation and shot off his mouth.

We feel sorry for the man. Of course there will be those who "glory" in his ill timed statement, hiding behind "freedom of speech" and all that, and before the smoke from this unfortunate situation has cleared we believe the minister will wish he had never departed from his sermon text and thrown in the remarks directed at the President.

The Rev. Mr. Lewis has not asked our advice; the Rev. Mr. Lewis does not know us from Adam's off ox, just as we had never heard anything about him until his unfortunate faux pas; but if he were to ask us what to do we'd suggest that he immediately apologize to the President; and ask that he be given an appointment at the White House to discuss the things he preached about. Good Evening believes the President would give him such an appointment.

Of course the Rev. Dr. Lewis has the right to ask as many questions of the President as he wishes. But "to everything there is a season, and a time to every purpose under the heaven."

VIETNAM—PACIFICATION OR NEGOTIATION

Mr. FULBRIGHT. Mr. President, Stanley Hoffmann, professor of government at Harvard, has written a most interesting letter to the New York Times which appeared in that newspaper on November 12. Professor Hoffmann's view is that two kinds of political solutions are possible in Vietnam: one through pacification and the other through negotiation with the Vietcong.

Professor Hoffmann goes on to point out that pacification has become an American undertaking and thus cannot be achieved because "no state can build someone else's nation." As for the other political solution, which would be to negotiate with the Vietcong, Professor Hoffmann remarks that this solution is impossible "as long as we remain unwilling to give the Vietcong, after a ceasefire, a share in an interim regime not controlled by our side. "Professor Hoffmann concludes, therefore, that "our only alternative is a military solution"—an alternative that he points out "could be effective only at a cost that exceeds by far the values it aims at preserving."

Mr. President, I ask unanimous consent that the full text of Professor Hoffmann's letter be inserted in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 12, 1967]

TOWARD MAJOR WAR IN ASIA

To the EDITOR:

In Vietnam the stake remains the control of the South. Two years ago we sent troops to prevent a Vietcong military victory, but our decision made sense only as a prelude to a political solution.

Two kinds are conceivable. One is pacification. But the scale of our military enterprise makes for destruction. Despite the recent elections, there are no political forces capable of rallying those South Vietnamese not won over by the Vietcong. This has made of pacification increasingly our undertaking, even though pacification (especially against a movement that is both Communist and nationalist) can be achieved only by trusted local leaders. No state can build someone else's nation.

The other political solution would be to negotiate with the Vietcong. But as long as we remain unwilling to give the Vietcong, after a cease-fire, a share in an interim regime, not controlled by our side, and to risk an ultimate takeover of a pacified South Vietnam by our adversaries, our only alternative is a military solution.

One dare not call a solution the Sisyphean job of exterminating enemies whose numbers increase along with ours. We have, therefore, escalated in the North.

But bombing strengthens the resolve of Hanoi. It adds an obstacle to negotiations (our insistence on a "reciprocal" move before we stop bombing must appear to the North Vietnamese as a blackmail in which we try to get them to reduce their strength in the real battlefield, the South, without any reciprocity there).

DILEMMA ON BOMBING

Moreover, we have locked ourselves in a dilemma. Either the bombing remains prudently limited but indecisive, or we keep escalating but reach the threshold of a major conflagration.

We have interpreted Soviet and Chinese restraint as an encouragement to escalate further rather than as a policy that combines few losses for them with ever-increasing entrapment for us. But failure so far and wishful thinking may push us into bigger moves, such as either an invasion of Laos (which would only spread our predicament) or an invasion of North Vietnam, which could provoke Chinese intervention.

Such a confrontation, far from helping us win in the South, would repeat on a colossal scale our experience in Vietnam. We could bomb China to the "stone age" without disposing of Chinese masses. The Soviet Union could keep Chinese resistance alive and America entangled without getting decisively involved. We would undermine what we like to consider our greatest achievement, the consolidation of free Asia's faith in America's reliability and wisdom.

A military mirage and prayers for a political miracle will not "see us through." Fictions, misplaced reliance on force, shortsighted bureaucratic decisions are no substitute for a political conception. A policy that is politically ineffective and morally objectionable for its means, or could be effective only at a cost that exceeds by far the values it aims at preserving, is indefensible. "Gray is the color of truth," but some grays are light, and others almost indistinguishable from black.

STANLEY HOFFMANN.

CAMBRIDGE, MASS., *November 3, 1967.*

NOTE.—*The writer, Professor of Government at Harvard, is the author of "The State of War."*

GEORGE F. KENNAN ON "MEET THE PRESS"

Mr. FULBRIGHT. Mr. President, on November 5, Ambassador George F. Kennan appeared on "Meet the Press." Ambassador Kennan's articulately expressed views on Soviet-American relations, and other matters, were so perceptive that I request unanimous consent that the full text of the interview be included in the RECORD so that Senators may read them.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

MEET THE PRESS

(Produced by Lawrence E. Spivak)

Guest: Professor George F. Kennan, Institute for Advanced Studies, Princeton.

Panel: Max Frankel, The New York Times; Carl T. Rowan, Chicago Daily News; Elie Abel, NBC News; Lawrence E. Spivak, Permanent Panel Member.

Moderator: Edwin Newman, NBC News.

Mr. NEWMAN. Our guest today on "Meet the Press" is one of the country's leading authorities on the Soviet Union, George F. Kennan. His latest book, entitled "Memoirs" covering his 25 years of diplomatic service, will be published tomorrow.

Mr. Kennan, a Pulitzer Prize winner, is a former United States Ambassador to the Soviet Union and Yugoslavia. He is now a professor at the Institute for Advanced Study at Princeton.

Mr. SPIVAK. Professor Kennan, since the Soviet Union is celebrating its fiftieth anniversary, or the fiftieth anniversary of the Communist take-over anyhow, I'd like to discuss for a moment the article you recently wrote in Foreign Affairs on the fifty years of the Soviet Union.

You say in it: "The Soviet regime can look back at this half century point on certain impressive accomplishments." What do you consider the impressive accomplishments of the Soviet regime?

Mr. KENNAN. Well, of course, in the first instance I would think the successful carrying forward of the industrialization program and the program of education in the Soviet Union. Above all, of course, the successful conduct of World War II, which was a tremendous, not only military effort, but popular effort and one of which any country could be proud. This regime has remained in power with continuity for fifty years and that, whether one welcomes it or does not welcome it, is a very considerable political achievement, it seems to me, measured against the great uncertainties of Russian political life at the time when it began.

Mr. SPIVAK. Which of the accomplishments that you have mentioned would you say is directly the result of the Communist system and could not have been made by less restrictive society?

Mr. KENNAN. I would not say that Russia would not or could not have been industrialized by another system. On the contrary, Russia was being very rapidly industrialized before the Revolution, and it seems to me likely that under almost any workable governmental system she would have arrived at roughly the same point that she has arrived at today.

The same, I think, is true of education. But, of course, no one can know whether another government could have given the sort of leadership during World War II which the Soviet Government gave. It seems to me to be superior, certainly, to the military and political leadership given by the Czar's government during the First World War.

Mr. SPIVAK. Now, would you say that the accomplishments were worth the cost in human freedom and life and suffering?

Mr. KENNAN. In my opinion, no.

I think that the positive achievements that have been made in Russia in the past fifty years could have been made at a far lower cost.

(Announcement.)

Mr. FRANKEL. Mr. Kennan, looking back on the Soviet Union at the end of World War II, as you recall in your book you perceived a very limited common interest between the Soviet Union and the United States in maintaining peace and the balance of power, but really no lasting basis for collaboration or cooperation. Do you think that is still so?

Mr. KENNAN. Not entirely, Mr. Frankel. You must remember that that was during the Stalin era, at the height of Stalin's power. It was also at a time when the Russians were a bit dizzy with success, with military and political success at the end of World War II. And when I think they themselves didn't know how far they could go, and were rather intrigued by the possibilities of extending communist power into Western Europe. There had to be a certain sobering process on the part of the Soviet leaders before there could be possibilities for developing our relations with them. But I do take a more hopeful view of it today than I did at that time.

Mr. FRANKEL. What would you say are some of the areas in which the United States and the Soviet Union could now collaborate in a more forward-looking sense?

Mr. KENNAN. When I answer that question I wouldn't want you to think that there are solutions that could be adopted tomorrow, but the areas in which I think, if Vietnam were not an impediment, we could begin to make progress would be, first of all, in overcoming the unfortunate division of Germany and the European continent and perhaps reducing if not eliminating what I consider to be the inordinate presence of both the Soviet Union and the United States in the very heart of Europe. That is the first one. And the second and perhaps even more important, is to get on with bringing the whole competition in the field of atomic weaponry down to a level that is less dangerous for both of us and for all of mankind. I believe there are possibilities of doing that. I think that the Soviet leaders too realize this is a danger and in a more normal atmosphere we ought to be able to make progress in that direction.

Mr. ROWAN. Mr. Kennan, in 1947 as the celebrated Mr. X you warned that Soviet policies were expansionist and you wrote these words: "The United States has it in its power to increase enormously the strains under which Soviet policy must operate, to force upon the Kremlin a far greater degree of moderation and circumspection than it has had to observe in recent years, and in this way to promote tendencies which must eventually find their outlet in either the breakup or the gradual mellowing of Soviet power."

Do you believe the Soviet Union is still expansionist today?

Mr. KENNAN. Not in the degree that it was before, and very little, in fact.

I think that the motivations of the Soviet leaders today are primarily defensive. Defensive almost more in the political sense, vis-a-vis China and other forces within the world Communist movement than they are vis-a-vis ourselves in the military and political sense.

Mr. ROWAN. One analyst of your 1947 statement attributes to you the view that we should bottle up the Soviets to increase internal pressure until one day the boiler would burst.

I take it you don't think this is the kind of policy we ought to follow today?

Mr. KENNAN. No, and I don't think that is a correct description of my position. I did say there that I thought if we provided the right environment, international environment, there would have to be either a mellowing, or some day a breakup of Soviet power.

Now, actually I think there has been a considerable mellowing. This is not the same Russia that we dealt with in 1945 and '46.

Mr. ABEL. Mr. Kennan, you mention in your book that the Mr. X article and the doctrine—well, you reject the word "doctrine," the "principle of containment" was widely misunderstood and misapplied.

I wonder, since you mention Vietnam, whether the Vietnam commitment may not be perhaps an instance in your view of the misapplication of the principle that you were trying to state there.

Mr. KENNAN. That is absolutely correct. I would not consider the concept of containment, which I put forward and with which I was connected 20 years ago, as applicable to support our present effort in Vietnam.

Mr. ABEL. Do you, however, see a way out of that commitment however unwisely entered into years ago, that does not involve perhaps a wider and more serious unsettling of the situation in the Far East?

Mr. KENNAN. You are referring to the Vietnam commitment?

Mr. ABEL. Right.

Mr. KENNAN. Nobody can see too far into the future here. One can only say—I could only say this, perhaps, that there are courses we could follow which we are not following today and which if we did follow would cause me to feel much more comfortable about our whole involvement there. I believe we could follow a different course than we are now following. We are not obliged to continue these bombings. We are not obliged to put the same emphasis that we have put on negotiations. We could see whether it would not be possible to let military operations simmer down. Whether we could not provide a better climate and environment for our friends to work on our behalf in the interests of a settlement, perhaps gradual, but after all, a settlement of this conflict.

Mr. SPIVAK. Mr. Kennan, do you think Moscow will accept the defeat of North Vietnam?

Mr. KENNAN. No, Mr. Spivak, I don't. I think that if we press this thing too hard, we are almost bound to put both the Russians and the Chinese into a position which they ought not to be put into, from our interests as well as theirs.

Mr. SPIVAK. Well, do you think that North Vietnam is vital to Soviet interests?

Mr. KENNAN. Not militarily, but politically I think it is. I do not think that they can afford to let us end this with some sort of a complete military victory on our terms.

Mr. SPIVAK. Do you think that the Soviet Union has the power to prevent victory in North Vietnam?

Mr. KENNAN. I think they could increase their commitment there and I think that they could raise very greatly the level of difficulty which we now encounter in that area.

Mr. SPIVAK. Do you think as some people do that the Soviet Union could, if she wished, bring about negotiations in Vietnam?

Mr. KENNAN. No, I doubt that she could today. I don't have much confidence in negotiations at this present stage of the game and when I speak of a termination of the bombing and of letting military operations simmer down, I do it not because I think that would lead to negotiations at any earlier date, but because I think it ought to be done whether it led to negotiations or not.

Mr. SPIVAK. You at one time thought that if pressure for a new Geneva Conference continued it would be difficult for the Soviet Union to refuse to call such a conference. Have you changed your position on that?

Mr. KENNAN. No, but this would assume a different course on our part. So long as we pursue these bombings at present intensity, I don't think there is much chance of getting ahead with any of this. I don't think the North Vietnamese would collaborate with any such negotiating effort.

Mr. FRANKEL. Mr. Kennan, even assuming that the containment policy is being misapplied in Vietnam by the United States today, do you think it is nonetheless relevant, as you originally meant it toward the Soviet Union, in our problems with Communist China? Should we be pursuing roughly the same kind of containment psychology until they mellow?

Mr. KENNAN. I would think yes, although there has not been so much occasion for it. The Chinese Communists have talked the language that breathes hatred and hostility toward us and would permit you to assume there is nothing they would not like to do that would make trouble for us but, as a matter of fact, when it comes right down to acts there have not yet been many Communist Chinese actions to which we would have had to apply the doctrine of containment.

Mr. FRANKEL. The fear in the present American government nonetheless seems to be that unless we establish a sizeable military presence and prove its credibility to non-Communist Asian countries all around China, that those countries will for one reason or another collapse internally, or fall under Chinese domination. Do you think that is valid?

Mr. KENNAN. Well, I think that requires a great deal of critical examination and reexamination at every stage as international developments proceed. We have quite a different situation in this respect than we had three years ago when our heavy involvement in Vietnam began. After all, at that time we had an Indonesia in which the Communists played a very important role. Today that is not true. That alone is a tremendous change in the environment of the Vietnam War.

I do feel this: If, of course—which I certainly do not recommend—we were to turn tail and simply withdraw from Vietnam and turn over to others, we might set in train, yes, a current of affairs which would end with just the things which you fear, that you talk about here, but I do believe there are other ways in which this conflict could be brought to an end which would not have the unsettling effect to which you have drawn attention.

Mr. ROWAN. Mr. Kennan, I gather from your book that you left government in 1950 with considerable dismay because Dean Acheson, Dean Rusk, John Foster Dulles, rejected your view that Communist China ought to be admitted to the United Nations. Is that a correct reading?

Mr. KENNAN. Mr. Rowan, that was not a major factor in my desire to leave government at that time. It was one of the points on which I had differences with some of my colleagues there, but they were not serious differences; they were not personal. I had respect for their position and saw the logic of theirs as well as of my own.

I did think that they over-rated the importance of keeping Communist China out of the United Nations.

Mr. ROWAN. Do you think we ought to move even now to open the U.N. to Peking or is it too late to make any difference?

Mr. KENNAN. Today I think the whole climate is decidedly unfavorable to that and I think the Chinese are in such a remarkable state of disarray that I certainly don't think they could play any profitable or useful role at this moment in the U.N. I am inclined to think, though, that we ought to perhaps not to stand in the way of it so firmly. Perhaps we should take our own position, but not attempt to influence other people on this.

Mr. ROWAN. I was intrigued by one comment you made about the climate in 1950. You said "Never before has there been such utter confusion in the public mind with respect to U.S. foreign policy. The President doesn't understand it, Congress doesn't understand it, nor does the public, nor does the press. They all wander around in a labyrinth of ignorance and error and conjecture."

Now, twenty years later what would you have to say about U.S. foreign policy?

Mr. KENNAN. Mr. Rowan, I could only say that I was very young at that time and my experience with American foreign policy was still relatively shallow. Twenty years later, I would find my mood of that moment not so unique.

Mr. ROWAN. Well, I am asking you if you think there is more or less public confusion today?

Mr. KENNAN. I think there is probably more today than there was then. That is why I say I was young. I hadn't seen the half of it yet.

Mr. ABEL. Mr. Rowan and you have spoken about the mellowing of the Soviet system since the death of Stalin. Yet those of us who have read your book recalling that younger George Kennan I think may have been struck with the toughness and pessimism with which you looked at the East-West confrontation at that time. I wonder whether this mellowing you speak of may not be the mellowing of George Kennan to a degree?

Mr. KENNAN. Well, it is perfectly possible, but on the other hand you must remember that Stalin did die. There has been the outbreak of the Chinese-Soviet conflict. This has basically altered the entire environment in which Moscow operates and that is a very great change. The changes are not just in myself.

Mr. ABEL. But there is, is there not, Mr. Kennan, a great continuity nevertheless? I think those of us who have been to Russia—perhaps more recently than you—are struck by the evidence that the essential system for maintaining power, for enforcing the state's will on the citizenry, has not changed at all.

Mr. KENNAN. Very little. The role of the Secret Police, fortunately, has changed and there is not the same degree of terror, or individual terror, terror against individuals that there was in Stalin's time. Otherwise, it has remained more or less the same and it still contains many disturbing features which I think interfere with Russia's ability to conduct her own foreign policy, interfere with our ability to have a normal relationship with the Soviet Union. I am quite prepared to admit that.

Mr. SPIVAK. Mr. Kennan, Eugene Lyons, who has just written a book called "Workers' Paradise Lost," believes that the struggle between Communism and freedom is more intense and fateful than ever and that the cold war is not coming to an end.

How do you today see the state of the cold war?

Mr. KENNAN. Oh, I think the cold war has been greatly altered by the factors that I have just mentioned, particularly the non-monolithic quality of the Communist community in this world today, which is quite different from what we faced before.

The Revolution has, after all, partly passed into history. We face today Russia as a great power, as a great power which suffers from certain distortions of governmental behavior which are traceable to the Revolution, but has many other qualities which were qualities you would have encountered in Russian regimes long before the revolution, and these great questions that we have at issue today with the Soviet Union, which I mentioned a few moments ago—the question of the division of Europe; the question of the competition in atomic weapons, nuclear weapons; these are questions which we could and probably would have had even had the Russia with which we allied ourselves in World War II not been a Communist one.

Mr. SPIVAK. Well, are you saying then that despite the nuclear race, despite the war in Vietnam, that the relationship between the Soviet Union and the United States today is not more dangerous than it has been in recent history?

Mr. KENNAN. It is more dangerous in the sense that we have more dangerous weapons in our hands than we have ever had before, and that is always dangerous because human beings are fallible creatures and cannot be fully depended upon to act rationally in given situations. But, otherwise, I do not think it more dangerous.

The great danger twenty years ago, after all, was the danger that we confronted in the Communist parties of France and of Italy and in the generally uncertain state of Western Europe and of Japan. Those dangers have been surmounted and I think that the outlook for the cold war today, if you could remove the Vietnam conflict, would be much more hopeful than it was twenty years ago.

Mr. NEWMAN. We have about three minutes left.

Mr. SPIVAK. You have spoken about the importance of the settlement in Europe. Do you see any possibility that the Soviet Union would be willing to help end the war in Europe for some sort of settlement—the war in Vietnam, for some sort of settlement in Europe, some sort of deal as some people say?

Mr. KENNAN. No, Mr. Spivak, I don't think that you could connect these two things and that you could have a sort of a deal with a quid pro quo in Europe for something done in Vietnam. I think we have to treat the Vietnam situation on its merits and then see what we can do in straightening out other great world problems.

Mr. FRANKEL. Mr. Kennan, in speculating rather pessimistically about the ability of a democracy to conduct what you call the mature foreign policy, I gather you mean that many of the American people have not been able, in time, to appreciate, say, the mellowing, or the opportunities for more collaboration with the Soviet Union.

How, then, would you explain to them not only Vietnam, but the Middle East crisis, and Soviet conduct there; the Cuban missile adventure?

Mr. KENNAN. Mr. Frankel, I don't think what I had in mind there was so much a failure on the part of the American public to understand international relations. I was thinking more of the difficulty that our form of government has—its lack of privacy in its operations, the difficulty that it has in organizing and disciplining thought and evolving a consistent line which is something that de Tocqueville called attention to 130 or 140 years ago and it still seems to me to be very true.

I don't think we can adopt a clear political line in foreign policy and pursue it consistently and in a sophisticated and able way very easily in a great democracy. I think this does place limitations on what we can hope to achieve in world affairs, and we ought to bear them in mind. This is why the older I get, the more sympathy I have for the isolationist principles of my forefathers. I don't say that I am isolationist in this sense, but I understand much better than I did 20 or 30 years ago why a country like ours should exercise a great degree of prudence before it involves itself in complicated affairs far from its own borders.

Mr. ROWAN. That leads to one of the criticisms of you by those who reject your views about Southeast Asia. They say first of all you are basically Europe-oriented and that you have become more and more isolationist as the years have gone by.

Mr. KENNAN. These statements are perhaps over-simplifications, but that they have a germ of truth in them I would not deny. I would say this, that I attach great importance to our relations with Japan.

Mr. ROWAN. You don't believe Vietnam is one of the vital areas?

Mr. KENNAN. I do not. I do not think, actually, that the mainland of Asia is a place where we can expect to exercise or have to exercise at this juncture in world affairs, any very decisive and direct influences.

Mr. ABEL. Mr. Kennan, in the light of your own long experience in frustration, would you advise a young man to go into the Foreign Service of the United States today?

Mr. KENNAN. It would depend on him and on his expectations. If he was ambitious, if he wanted to get ahead, if it was going to cause him pain if anybody got promoted ahead of him, I would tell him not to go into it. If he wants to live abroad, keep his eyes open and broaden his horizons intellectually, than I would say go right ahead.

Mr. NEWMAN. I must interrupt there. Our time is up. Thank you, Mr. Kennan, for being with us today on "Meet the Press."

PRESIDENT JOHNSON MAKES ELOQUENT APPEAL TO VETERANS TO AID EDUCATION IN GHETTO

Mr. YARBOROUGH. Mr. President, it was my pleasure to be present at the White House last evening at the President's reception for leaders of veterans organizations when the President laid down a ringing challenge to all of us concerned with veterans. The President's simple but exciting proposal is to enlist the talents of the veterans returning from Vietnam to teach in the schools where such men are needed.

This is a great and significant proposal; one that I wholeheartedly endorse. Let us mobilize the talents and energies of the young men returning from Vietnam; let us send them into the crowded schools of our cities and the remote schools of our countryside as examples and mentors for our young people.

President Johnson said last night:

> One of the things that I am most proud of is the compassion that our soldiers, particularly our Marines right up in the DMZ are showing for poor children—their health problems, their education problems. They fight all day and go at night to teach them. That is where I got this idea.

There have been many examples of the interest the American soldier has always taken in the children of the world; we can apply that spirit at home.

The cold war GI bill, which I urged for so long to benefit these soldiers, will provide a route for qualifying these returning veterans as teachers. If additional legislation is necessary, I pledge my help.

President Johnson made an eloquent appeal for this proposal; its merit was obvious to those who heard it:

> These men and women have something rare, something unusual, and I think something wonderful to offer if they have served in our uniform. They can bring to the ghetto classrooms what few others can. They can bring there whatever children need—example, experience, integrity, honor, courage, faith, hope, and love of country demonstrated by being there when they needed you.
>
> There are too many children who do not have a father or mother in the house. The men of Vietnam can show them what a man can be and what a real man is like—and what a man should be.
>
> I don't know anyone in the world who can show it better than the men who have worn the uniform in Vietnam or other places and come out.
>
> So who knows what the challenge to

democracy is better than they do? Many of our Veterans are no strangers to the agonies of the ghetto. They know the suspicion and hostility of the ghetto. They fought for their own freedom in the ghetto. Some of them came out of there.

Then they went to fight for a nation's freedom in Vietnam. Now they can come home to continue the fight as teachers to win freedom for others who need them desperately.

I ask unanimous consent to insert at this point in the RECORD the remarks of President Johnson at the reception for leaders of veterans organizations held at the White House last evening, November 15.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS OF THE PRESIDENT AT THE RECEPTION FOR LEADERS OF VETERANS ORGANIZATIONS, THE EAST ROOM, NOVEMBER 15, 1967

First I want to ask your understanding for my being late. I have been late most of my life. But I seem to be—as age advances and the Prime Minister has come to town—a little later than usual.

I am sorry that I couldn't be here with you when the reception began.

For all last year and this year we have been hoping that we could get together. Bill Driver has talked to us a number of times about it—also the Veterans Committees in the House and Senate—to have a little reception here in honor of the Veterans Organizations who provide the leadership for the veterans of this country.

There are 26 million men and women who have served this nation, who have protected it—and who are protecting it this hour.

Last weekend I saw thousands of them. General Wheeler asked me to try to come to see the Marines on the Marine Anniversary. I ate so much Marine cake I don't get on the scales anymore.

But I have had my problems with the Marines as some of you have observed from the newspapers.

All my life being an old Navy man—and seeing Senator Yarborough here an old Army man—we just have to put up with these Marines because every time you hear from them they say, "The Marines have landed and everything is in good shape."

So I told them on my visit that is just exactly what happened to me right here in the White House. The Marines landed and everything is in good shape and we are going to have a wedding here in a few days.

While we are working on this one over here in the Mansion for my daughter, one of them was messing around over here in my office and married my secretary.

But I went out to see these fighting young men and women who represent the very best in America.

We first went to Fort Benning, Georgia. I have never been more inspired than when I saw the men who were taking their parachute jumps there, and when I saw them out practicing guerrilla warfare.

Then we went to El Toro and Camp Pendleton for the Marines.

Then we went out on the Carrier Enterprise and spent the night with 5,000 men and saw them take 100 planes off in the afternoon and night and bring them in. The Enterprise, you know, has been on Yankee Station out in Vietnam and will be back out there again in January.

Then we went to the Air Force where our fighter and bomber pilots were just coming from Vietnam—men with over 100 missions.

Then we wound up in Yorktown with the Coast Guard.

So we covered them all.

I had dinner in the Captain's Cabin with enlisted men. They were looking down at Admirals who were sitting at the other end of the line. The fact that one of them was from Comfort, Texas was purely coincidental.

But I don't need to tell you that these young men and women and their fighting comrades in Vietnam represent the very best that this country produced.

If there is one thing I learned from talking to all the Generals, Admirals, enlisted men and the others, it is that we are giving them a quality product of manhood and womanhood today that they have never received before.

That is no compliment to you and I, Ralph. But they are better than we were.

Every man there told me they were better than we were. That, we are very proud of.

I know you veterans are very proud of it because we are going to need our best for the tough, demanding, unfinished business that is ahead. We have plenty of it.

I want to get down to business very quickly because I have an idea and I want to make a sale. I want to promote you. I want to get you in here to roll up your sleeves and start doing something for these veterans, as you have been all of these years.

Last year, 600,000 veterans returned to civilian life. Next year, it will be 800,000. Every month we are mustering out about 70,000 veterans—every month, 70,000.

Eric Hoffer, our longshoreman friend from out there in California, calls these veterans the "seed of the future." You city boys may not know what that means, but we farmers do.

They are a very great, tremendous, natural resource—and national resource. We ought to realize that and recognize it. Their energies, their ambitions, and their efforts are going to determine what kind of a country we live in and the kind my grandson lives in.

I want to plant this seed. I want to put it down where it will do the most good in the most fertile soil. I want it to grow. I want to harvest the children in this country because education is the guardian genius of democracy. If you don't want totalitarianism, if you don't want dictatorship, if you don't want communism, you just pour the education to them. That is what we are doing.

I talked to the leaders of the land-grant colleges this morning. I am talking about our elementary school problems tomorrow, but I am talking to you now about educated children—my own roots have been in the classroom. That is where the action is; that is where the future is. When I leave here, that is directly where I am going—to the classroom because nowhere is the challenge of tomorrow greater than it is in our schools and particularly in our elementary schools.

Nowhere is it more real or more urgent than in the ghetto schools.

I doubt that any of you here live in a ghetto. But you ought to live in one long enough to understand what it is about—and have a little compassion—to decide to do something about it.

If we don't, it is going to wreck our Nation. The children in these ghettos need the teaching most and they get it least.

If you were a teacher, would you like to be a college professor, or would you like to be a high school teacher? Yes, in that order—and an elementary school teacher? Yes, elementary school teacher in a ghetto? That is the last place you want to be.

So that all the good ones are pulled out of there. We have to put somebody back there who wants to do something about cleaning up those ghettos and doing something about those poor children—the ones who need it most. That is what I want to talk to you about right now.

These are the children who can't recognize the picture of a Teddy Bear. This is a serious situation when we are living in a world where four out of 10 children, and four out of 10 adults, and four out of 10 people cannot read "cat" and cannot spell "dog".

Then we talk about how proud we are of the 20th Century. They are A-plus students when it comes to recognizing a rat because they have had more experience with rats than they have had with Teddy Bears; or a garbage can, or a knife, or a beer bottle.

They can't tell you about colors because their lives are so drab. Why? Because too often there is no one in the house to ever teach them, no one to read to them, no one to give them any kind of good example, no one to give them loving discipline.

We have two wonderful daughters. I think the thing that is helping them more than any other thing is every morning when they wake up, every night when they go to bed, and every time their mother sees them in the daytime she always says, "Remember, mother has got confidence in you and mama cares. You are loved. You are loved." She says that to the two daughters all the time.

But these poor ghetto children don't have that, because their mother is gone and their father—they don't have one sometimes because he is not there.

Our figures show that between now and 1975 2½ million teachers will enter or reenter elementary school teaching. We will only need 2.2 million.

But here is the problem: Our high schools will have more than they need and our grade schools will not have what they need: 6,000 less than they will need every year between 1970 and 1975. But it is even worse than that.

The schools that are going to suffer are the schools where the children need the teachers the most—the ghetto schools, the forgotten rural schools, the little bordertown schools, the Indian reservation schools.

The richer schools can pay higher salaries, they can offer better working conditions—they can hire the teachers.

But the poor schools just cannot. Too often they get the drags and the leftovers. They need the best teachers the most. They get the worst ones.

Here is the job that I want you to do for me. Here is the new battleground where I think our Veterans belong. I want them not only to protect our freedom abroad—I want them to protect our freedom and our liberty right here in our cities.

I want to find Veterans who want to teach. I want to give them the chance to teach these neglected children. They are teaching in Vietnam now.

One of the things that I am most proud of is the compassion that our soldiers, particularly our Marines right up in the DMZ are showing for poor children—their health problems, their education problems. They fight all day and go at night to teach them. That is where I got this idea.

Four and a half million Veterans have been discharged since Korea. In that 4½ million only 100,000 of them are teaching—67,000 Veterans are discharged every month and only 1500 teach.

So I want to encourage many more Veterans to teach. All you Veteran Service officers from all of the States were invited here. Your representatives are here tonight. I got my picture made with you. Are you listening? I want to talk to you right now.

I want to encourage more Veterans to teach. If they don't know how to teach now, I want to, with some of my Senators' and Congressmen's help, help them be taught how to teach themselves—and we want to teach them how to teach.

These men and women have something rare, something unusual, and I think something wonderful to offer if they have served in our uniform. They can bring to the ghetto classrooms what few others can. They can bring there whatever children need—example, experience, integrity, honor, courage, faith, hope and love of country demonstrated by being there when they needed you.

There are too many children who do not have a father or mother in the house. The men of Vietnam can show them what a man can be and what a real man is like—and what a man should be.

I don't know anyone in the world who can show it better than the men who have worn the uniform in Vietnam or other places and come out.

So who knows what the challenge to democracy is better than they do? Many of our Veterans are no strangers to the agonies of the ghetto. They know the suspicion and hostility of the ghetto. They fought for their own freedom in the ghetto. Some of them came out of there.

Then they went to fight for a nation's freedom in Vietnam. Now they can come home to continue the fight as teachers to win freedom for others who need them desperately.

One month after I came into office I said: "Why can't we lower the IQ requirement, the mental requirements, and why can't we lower the physical requirements so we can get out and at least take some of these boys who might not be good soldiers or good fighters, but teach them to get up early in the morning to get a cold shower, shave and be on time—give them some discipline and training—and they might learn to mow the lawn.

I saw Mr. McNamara on the plane. Then I got Senator Russell down and went hunting with him—and got him to agree to take 12,000. Now we have 100,000. They have already enlisted 49,000 who have an average of fifth grade reading ability.

We are bringing them out of these places and putting them in there. You know the proudest thing I heard on this trip was one old seasoned, crusty General came up to tell McNamara the story of the program.

We said, "What about these at the bottom of the heap who we brought in and trained?"

He said, "I got the shock of my life. We have 47 of them who are going to officer's schools."

That shows you. I want to get some of these men who have come back from fighting for their country, trained to be teachers—we don't know what we will call them; we will call them the Veterans Teachers or something—to come and go into these ghettos over the country; go there, stay with them, and teach them so we can save those children, those cities, our country.

Therefore tonight I am requesting and appointing the Veterans Administrator, William Driver—there has never been a better government employee—he is like the rest of us. He has out-married himself.

But I am asking Bill Driver to work closely with Secretary Gardner, Commissioner Howe, and to keep in contact with the House Veterans Committee, members of both parties, and the Senate Labor and Welfare Committee, and Finance, who handle veterans legislation—work closely with them—because I want them to develop a plan to enlist the returning veterans in this challenging new assignment.

I want to invite your thoughts on it. I want your organizations to give us any suggestions you can about it. I talked to Mr. McNamara about it during my lunch hour today when Mr. Bunker was sitting there.

I said, "This is what I am going to suggest tonight if I can get there. I don't want somebody undercutting me tomorrow—how do you feel about it? Is it not a good idea or is it?"

He approves it wholeheartedly.

So we will go out before these men are discharged and, with the help of the veterans organization, we will say to these men, "You not only have protected our freedom wherever that flag has gone, you followed it and you brought it back without a stain on it. You can protect our citizens and our future right here at home by taking this job. If you are not qualified to do it now, we will qualify you to do it. We will give you training that is necessary and you get out there and give these children the kind of teaching they are entitled to in the richest Nation in the world—that is going to have a Gross National Product of $850 billion next year."

I think you care about the veterans. I think you care about the country. I don't think I am presumptuous in assuming that.

If you do care about the veterans, and you do care about the country, here is a chance to do something for both of them.

You always have to pay for your supper. You have paid by listening.

Thank you very much.

THE HUMAN RIGHTS CONVENTIONS NECESSARY TO ACHIEVEMENT OF PEACE AND STABILITY

Mr. PROXMIRE. Mr. President, the support of this Nation for the Human Rights Conventions on Forced Labor, Political Rights of Women, and Genocide stands as an essential and irreversible part of our tradition. I feel it is even more than that.

It more concisely serves as a basic ingredient of our role in the world as a major power.

I feel that through our leadership in international achievements on behalf of human rights we can add clarity to the fundamental problems which serve to present the problems agitating this world.

It is true that there are some countries which put human freedom at the bottom of their scale of necessary priorities. They suppress this human freedom in their misguided anxieties to become powerful or gain immediate economic importance.

I call attention to the fact that it is this American tradition—a belief in human rights—that certainly sets this great country apart from others who live under totalitarian rule and order.

This is why I continue to point out that anyone in our country who shares concern over the promotion of human rights in free societies, such as we have in this land, cannot fail to be concerned with this same idea on an international level.

It is my view that the same exists for people concerned with the search for peace. If we can make progress internationally in the vindication of human rights and the basic freedoms we also will achieve steps, important steps, toward creating a global peace and more stable world order.

We all know that five American presidents have pointed out this fundamental interrelation between this country's national interests and human rights.

It was President Franklin Delano Roosevelt who pledged this Nation to the "four freedoms"—everywhere in the world.

In calling attention to the beginning of the United Nations, President Truman stated:

> The U.N. Charter was dedicated to the achievement and observance of human rights and fundamental freedoms. Unless we can attain those objectives for all men everywhere—without regard to race, language or religion—we cannot have permanent peace or security.

In 1953, President Eisenhower declared that:

> Freedom is an indispensable condition to the achievement of a stable peace.

We all recall President Kennedy's famous American University speech which contained the line "peace and freedom walk together" and that peace is "in the last analysis, basically a matter of human rights."

While commemorating the United Nations, President Johnson stated:

> The world must finish once and for all the myth of inequality of races and peoples, with the scandal of discrimination, with the shocking violation of human rights and the cynical violation of political rights.

Adherence by this Nation to these conventions I cite can make a very real contribution to the basic national interest of the United States in promoting human rights throughout the world.

Again, I urge the Senate to give its advice and consent to these conventions—Forced Labor, Freedom of Association, Genocide, and Political Rights of Women.

A MEDAL OF HONOR TO SGT. CHARLES MORRIS

Mr. SPONG. Mr. President, only a few men in this country's history have been privileged to wear the Medal of Honor. Today, we in Virginia are proud to count another of our citizens in that honored group.

Sgt. Charles B. Morris, of Galax and Carroll County, Va., was awarded the Medal of Honor by President Johnson in ceremonies earlier today at the White House.

Sergeant Morris was so honored because of heroic actions as a squad leader in battle near Xa Xuan Loc, South Vietnam, on June 29, 1966. Last year he was awarded the Distinguished Service Cross.

In making the presentation of the Medal of Honor the President spoke movingly of the courage of Sergeant Morris and others who serve their country in time of war. Mr. President, I ask unanimous consent to include those remarks of the President in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

TEXT OF PRESIDENT'S REMARKS AT CEREMONY AWARDING MEDAL OF HONOR TO SGT. CHARLES MORRIS, NOVEMBER 16, 1967

One of America's greatest war correspondents wrote about courage—intimately and well.

He called decorations for bravery "pinnacles of triumph" in a man's life, "that will stand out until the day he dies."

Ernie Pyle spoke for all wars—for all those moments when men must reach down into their deepest reserves of courage. He celebrated those times when men risk life for a principle—or a comrade—or a country.

On whatever field, on whatever day—war is an agony of spirit and flesh and mind.

After thousands of years of civilization, the saddest of human failures is this—the precious wealth of man's courage must still be spent on the battlefield.

But all the wisdom of the earth has not yet found a way to preserve freedom without defending it.

Staff Sergeant Charles Morris is one of

those who defended freedom on the battlefield. He fought with dogged courage through long hours of hell. He fought above and beyond the call of his duty.

Just a few days ago, I returned from a journey across this land, where I met thousands of his comrades.

I stood with our sailors on the deck of a mighty carrier at sea—and with our airmen under skies filled with America's power. I saluted the men of the infantry and the Marines. I ended my trip at Yorktown, with the men of the Coast Guard.

Some of the men I saw were training for combat.

Many had already been there. They wore its badges—and some wore its wounds.

I saw other badges, too.

I saw the white carnations worn by wives of missing pilots.

I saw loneliness on the faces of waiting families.

I felt humble to be among these men and women. But I also felt a towering pride—pride in them—pride in this nation.

Some good day, war will be only a shadowed memory.

We will labor, with all our passion and strength, to quicken the coming of that day.

But until it comes, our lives, our safety, and our hope of freedom's survival are in the hands of all those who serve—here and in Vietnam.

Sergeant Charles Morris was there when America needed him.

Once before, I stood with him on one of his "pinnacles of triumph." At Cam Ranh Bay in Vietnam, just a little more than a year ago, I awarded Sergeant Morris the Distinguished Service Cross.

Today, I am proud to stand with him again—on a hero's highest summit.

Our nation is grateful to you, Sergeant Morris. God bless you.

Secretary Resor will now read the citation.

TRIBUTE TO SENATOR PASTORE ON HIS LEADERSHIP IN THE ENACTMENT OF THE PUBLIC BROADCASTING ACT OF 1967.

Mr. PELL. Mr. President, I would like to salute my senior colleague from Rhode Island, Senator JOHN O. PASTORE, for his leadership in the passage of the Public Broadcasting Act of 1967. Senator PASTORE's part in this legislative landmark is something for which every Rhode Islander and all other Americans should be grateful. The act, as you know, encourages an increase and improvement in noncommercial and educational TV and radio broadcasting in this country.

The practical requirement that commercial broadcasting appeal to the lowest common denominator of taste and intelligence in listening and viewing audiences has too often resulted in mediocre productions. Much has been said in criticism of this situation. But the Public Broadcasting Act, which Senator PASTORE worked so hard and effectively to move through the Congress, has provided at least a realistic and continuing means to upgrade noncommercial broadcasting throughout this country.

Mr. President, a good example of the new dimensions of intellectual stimulation which noncommercial broadcasting can bring the American public is the recent launching of the Public Broadcasting Laboratory. This wonderful new treat for American TV viewers is now appearing on Sunday nights.

The program is most stimulating and rewarding, and we are all indebted to the Public Broadcasting Laboratory of the Ford Foundation for its supporting grant.

Because of the quality of the show, I know that many will now look forward to future Sunday nights as this program series continues.

I extend my warm congratulations and very best wishes to those responsible including Mr. Av Westin, the producer; my good friend Edward P. Morgan, chief consultant and narrator; the Public Broadcasting Laboratory; the Ford Foundation; and all the others who gave of their time and talent for this major, forward step in television programing.

Mr. President, I ask unanimous consent to insert into the RECORD articles from the Washington Post, Washington Star, and Harper's magazine.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Post]

"PUBLIC LAB" SCORES SMASHING TV DEBUT

(By Lawrence Laurent)

The Public Broadcasting Laboratory served up a searing three hours on U.S. racial problems last night in a landmark, non-commercial television program.

This was the premiere of a two-year series of programs underwritten by the Ford Foundation with a $10 million grant. It was live and in color and was carried by 119 stations in all parts of the country.

It covered major elections where race is a big factor and a filmed confrontation between Negroes and whites in Chicago. It also offered a blistering "white minstrel show" called "Day of Absence."

At the end of the three hours PBL chief correspondent Edward P. Morgan concluded that, for this Nation, "the issue is recognition—recognition of the Negro as a card-carrying member of the human race."

Earlier, Morgan discussed the Nation's continued willingness to provide funds for the Vietnam war while cutting or destroying domestic programs that combat poverty and big city crises.

The non-commercial program, broadcast over Channel 26 (UHF), also took a couple of light-hearted digs at television supported by advertising. One "commercial" stressed that all aspirin gives the same amount of relief. Another jauntily pointed out that the new 100-millimeter cigarettes contain that much more tar and nicotine than king-sized or regular length cigarettes.

PBL ran 30 minutes past its 8:30 to 10:30 p.m. schedule, mainly because of the leisurely pace that was granted to the makers of the news documentary. The clock was disregarded while advocates made their points.

The filmed confrontation between Negroes and whites in Chicago included shouting and angry, hurt attempts to make illogical, emotional points.

The film was shot last summer but it was as timely as the telecast.

In one scene, pain registered plainly on the face of a white woman who has a Negro son-in-law and a Chinese daughter-in-law. The woman wanted to talk about the all-solving, redeeming virtue of Christian love.

She was clearly taken aback after writer Russ Meek, a self-identified admirer of Stokely Carmichael, shouted: "We don't want you to love us. We don't love you."

ILLUSION OF NEUTRALITY

Viewers tend to forgive a television network for the content of a documentary, apparently believing that the maker is somehow neutral. No such forgiveness in some areas will be attached to the telecasting of the drama "Day of Absence," by Douglas Turner Ward.

It was performed by Negroes in white face. It was a savage attack on the cliches offered in defense of white attitudes toward the Negro. Its main point was so broad, and repeated so often, that none could miss it: Southerners are economically and emotionally dependent on the Negro.

It was fantasy, of course. It is the story of a Southern town that is deserted by all of its Negroes. The economy collapses. The Southern belle can't tend her infant, cook or clean house. The city government cannot function.

PERFORMERS PRAISED

The performers, all members of the Negro Ensemble Co., were absolutely splendid.

A PBL producer, Lewis Freedman, introduced this 65-minute "minstrel show in reverse" as an attempt to answer the question: "Who speaks for the Negro?"

The answer, said Freedman, is that the Negro speaks for himself.

PBL offered something new in television with its use of instant, expert critics. The Chicago confrontation of Negroes and whites was evaluated by Dr. Robert Coles, a research psychiatrist at Harvard. His main point was that "intellectual liberals are often blind to their own arrogance."

He drew a parallel between the relationship of the Negro to the white and the relationship of a child who has just become an adult to his parent. The time has come, he said, when the child must end his dependent relationship and assert his manhood.

PLAY IS REVIEWED

Dr. John Hope Franklin, University of Chicago, historian, reviewed the play, "Day of Absence." He noted that some of the same views of 150 years ago are still being enunciated.

To him, the work represented the "ambivalence" of present white society. The Negro is "indispensible" but somehow he is to be "disregarded."

In all, it was a rare, absorbing evening and a brilliant start for a new force in television.

[From the Washington (D.C.) Star,
Nov. 6, 1967]

TV LAB SERIES BOWS, FOCUSES ON RACE ISSUE

(By Rick Du Brow)

HOLLYWOOD—The Public Broadcast Laboratory series of national educational television bowed in coast-to-coast last night, devoting almost all 2½ hours of its debut to the racial problem.

Extending its previously announced two-hour length, and apparently altering part of as befits a live, experimental series—the laboratory also offered two publicized anti-commercials. One mocked the ads for 100-millimeter cigarettes, telling the viewer they contained more tar and nicotine. The other said all aspirins are about equal in effectiveness and suggested that viewers just buy the cheapest ones.

"PBL," as the series is nicknamed, is, of course, part of non-commercial television. And the anticommercials, assuming their accuracy, are a splendid idea. One would hope for many more than just two on the 24 future weekly broadcasts of PBL this season. The series—in color—hopes to be a sample of what a national public television service can present.

UPS AND DOWNS

The laboratory had said it intended to stir things up, and it certainly did this in its premiere. It certainly made news, in a video sense, because of some of its content. Not that all of the content was successfully presented. It had ups and downs.

The first part of the program, focusing on political contests with racial aspects in Cleveland, Boston and Gary, Ind., was professional and visually effective, but not much different from what the commercial networks do—and PBL is, after all, aiming at being an alternative in reportorial dimensions.

Next, however, came a lengthy segment of genuinely exciting television—an open confrontation, a dialogue, among Negroes and whites, with varying views on the racial question. This confrontation, in which verbal sparks flew furiously, made the entire broadcast worthwhile in its revelation of some of the classic positions on the racial issue.

And somehow even the occasional hollering in the exchanges seemed more human than—and therefore preferable to—many of those ultracalm, ultrapolished career talkers we usually see, and know are usually not truly representative. This dialogue was by far the highlight of the PBL premier.

ANGRY BURLESQUE

The last half of the program was occupied mainly by a play, "Day of Absence," an angry burlesque in which a Negro troupe—in whiteface—acted out a fantasy of what happened on a day when all Negroes disappeared from a Southern town.

The play tried to make the point that the South needs Negroes for its own purposes and that it has remained glued together because of the presence of the Negro. However, regardless of the play's content and underlying anger, it was theatrically a heavyhanded, overly long tirade that eventually became very thin—not funny enough to be really comic restricted by its format from being frankly dramatic, and therefor wavering between.

PBL says that "balance among points of view should be achieved across the entire series and not automatically in each broadcast." Next Sunday it takes up the subject of Vietnam.

[From Harper's magazine, November 1967]

THE EASY CHAIR: THE HAPPENING ON THE NIGHT OF NOVEMBER 5

(By John Fischer)

(NOTE.—This is not an unbiased report. Mr. Fischer is a member of the Editorial Policy Board of the Public Broadcast Laboratory, and has been an advocate of a public television system for more than a decade. In 1960 he submitted a proposal for such a system in testimony before the Federal Communications Commission, and he has dealt with the subject in several of his "Harper's" columns. He is also a contributing editor of this magazine.)

What happens on televison Sunday, November 5, ought to be worth watching, with crossed fingers and a small prayer. For it will mark the beginning of an experiment which could change the whole nature of American broadcasting.

At 8:30 that evening the Public Broadcast Laboratory will launch, on a new network, the first of a series of programs designed to be entirely different from anything now on the air. They will carry no advertising. They will not be inhibited by any of the taboos, audience ratings, and profit-making obligations which now straitjacket all commercial broadcasting. Unlike the experiments in Pay TV, they will cost the viewer nothing and will be accessible to virtually everybody. Unlike most educational TV, they will be aimed at a large general audience. Most important of all, this series will be supported by the money and talent—which educational TV has always lacked—to produce programs as professional and technically polished as anything the commercial stations can offer.

If the experiment succeeds, it may lead eventually to the founding of a new broadcasting system—publicly financed but independent of the government—to supplement the existing networks. If the series fails, the nation's airways probably will be abandoned indefinitely to their present use: that is, a mass-marketing operation, geared of necessity to the lowest reachable levels of public taste.

The venture will last for forty-five weeks. During that period a two-hour program will be broadcast every Sunday evening over the 126 stations of the National Educational Television Network—linked together for the first time so they can all show the same program simultaneously. This linkup is crucial. Because NET never before had the money to pay for the expensive cable interconnections, it could not function as a "live" network. Instead it had to produce low-budget shows on tape or film, which could be shipped around the country for use in turn by its affiliated stations, over a period of months or even years. Such shows obviously cannot be very timely. All too often, alas, they display a panel of ruminating professors, or Julia Child grilling a trout.

The Public Broadcast Laboratory, however, can afford to be relevant. It plans to deal with news in the broadest sense: that is, whatever interests people right now. But it will be different from the conventional news programs in these ways:

1. *It will tackle a wider range of subjects, including many that the commercial networks don't dare touch.* Broadcasters who depend on advertising—and who have never developed the tradition of editorial independence which characterizes the best newspapers and magazines—naturally deal gingerly (if at all) with such matters as automobile safety, drug prices, the hazards of cigarette smoking, and the fatuities and deceptions of the advertising business itself. Moreover, as Robert Eck pointed out in his much-quoted article in *Harper's* last March, no network can survive in the merciless competition of commercial television unless it delivers—all the time—the largest possible audience at the lowest possible cost per thousand. Consequently it simply cannot risk programming which is "untested" (*i.e.*, original) or which might attract only a minority of the potential audience. The Laboratory, on the other hand, does not aim to please all the people all the time; it can pay attention to an important innovation in the theater—or music or sculpture or theology—even if it won't pull as big a crowd as *Gunsmoke*. And since it need not fear the wrath of advertisers, it may experiment with non-commercials: brief examinations of the actual truth about one product or another. Will a patent medicine really rejuvenate your tired blood? Which color TV set is the best buy?

2. *It will be more flexible in its treatment.* Instead of casting everything into rigid hour or half-hour chunks, it will edit its material like a magazine, giving each subject the space it is worth. Thus a typical program might contain a dozen segments, some taking only a couple of minutes, others running to nearly an hour. (On rare occasions, the whole period might be devoted to a single subject of overriding interest.) And, as in a good magazine, the elements will be arranged with an eye to contrast and diversity—interspersing the coverage of, say, an important election with reports on a Paris fashion opening, the changing patterns of courtship, a new medical discovery, and the Teatro Campesino, a wildly original (and funny) troupe of strolling players.

3. *Its commentary on events will be sharper, less superficial, and less bland than what we get from the commercial networks.* In addition to its own analysts, it will call in experts on many issues from the universities, industry, and government. The Laboratory will try to be fair, but it will not feel obliged to balance every opinion with an opposite one—giving equal time, so to speak, to the Mafia and the police. And, unlike commercial broadcasters, it will not be terrified by controversy.

To pay for all this the Ford Foundation has put up $10 million—for reasons to be examined in a moment. In comparison with the billions spent on commercial TV, this is petty cash; but in terms of the money previously available for noncommercial programming, it is magnificent.

The reason why educational TV generally has been so unexciting is, quite simply, poverty. It has never lacked for imaginative and dedicated people; for years the National Educational Television Network and its affiliated local stations have been able to persuade an astonishing number of talented producers to work for a pittance. Yet because they have had so little money to work with, their enthusiasm has been largely frustrated.

For television is, inescapably, an expensive business. It requires a lot of high-priced equipment—cameras, tape recorders, transmitters, mobile studios—and skilled technicians to handle them. It demands time for directors to decide how each piece of equipment can best be used, for rehearsals and retakes, for trial-and-error experiments with lights and camera angles while a crew of highly paid performers (maybe a whole symphony orchestra) stands by. As a consequence, the production cost of a typical program on commercial TV usually runs to at least $1,000 for every minute of air time, and the more ambitious efforts may well soar to $5,000 per minute. (The commercials themselves, since they are what the whole system exists for, naturally come higher; $35,000 a minute is not unusual.)

Educational television has never had that kind of money, or anything remotely like it. The Carnegie Commission on Educational Television recently reported that commercial TV has an operating income of more than $2 billion a year, while ETV takes in only about 3 per cent of that sum, mostly from donations and local taxes. Consequently, a typical ETV program has to be budgeted at roughly $500 an hour—not per minutes, but per *hour*. This means, in most cases, no time for rehearsals, no camera crews roaming the scene of action, no cash for sets or for up-to-the-minute equipment. It means heavy reliance on panel shows—the dullest, but cheapest, kind of programming. Even when its performers are willing to work for nothing, and its producers for a fraction of what they might get from NBC, the result usually is unimpressive. It looks cheap because it is cheap. Under such handicaps, it is almost miraculous that ETV has been able, quite often, to produce some remarkably interesting programs.

In setting up the Public Broadcast Laboratory, the Ford Foundation's immediate purpose is simply to prove that noncommercial television doesn't have to be a bore—that, given a reasonable budget, it can produce something different from anything we see now, and of real value to the nation. In a brief filed a year ago with the Federal Communications Commission, the Foundation explained that it hoped "to pull together the intellectual and cultural resources of this country, to speak directly, once a week, to the great issues of the day in every field of action. We are persuaded that if first-rate production can be married to first-rate minds, and focused on questions that matter, the nation can be offered enlightened comment at a level never seen before."

The chief responsibility for making that happen falls on a rather tense young man named Av Westin, Director of the Laboratory. Although he is only thirty-seven years old, he has had nearly twenty years of experience with CBS News. While there he collected almost all the honors his profession offers—a couple of Peabody awards, an Emmy, a George Polk award, a Lasker prize for medical journalism, and a string of others. What probably is more relevant, he earned the respect of Fred W. Friendly, which isn't easy.

Friendly is a demanding, opinionated, impatient, overarticulate, and unforgiving character who was once described by Carl Sandburg as always looking "as if he had just got off a foam-flecked horse." Other friends disagree; they think he behaves more like the horse. Ed Murrow, who worked in close partnership with Friendly for twelve years, once remarked that he was "a force of nature, something like Niagara Falls, and often just as uncomfortable." Many people, including Murrow, believed that in his years as a producer and later as president of CBS News, Friendly turned out some of the best programs yet seen on television. When he left CBS, with a loud pop, in 1966, he became a consultant to the Ford Foundation. Together with McGeorge Bundy, the foundation's president, he is the driving force behind the whole Ford concept of public television. Although he has no direct responsibility for the operation of the Laboratory, it is quite possible that, if pressed, he might give Westin the benefit of occasional criticism and advice.

Advice is one thing the harried Mr. Westin does not lack. Once a week he meets with an Editorial Policy Board which works something like a corporation's board of directors. Its chairman is Edward W. Barrett, dean of Columbia University's Graduate School of Journalism; its members include a Nobel Prize-winning physicist, a former U.S. attorney general, the provost of Princeton, a couple of magazine editors, the president of the Juilliard School of Music, the chief of the National Educational Television Network, and distinguished professors of history, education, and sociology. In addition to general policy guidance, their job is to assure the independence of the Laboratory. They are expected to absorb the pressures, protests, and abuse which any venture as unconventional as this is sure to generate. They also will have to cope with the disappointment of those viewers—probably including some Ford executives—who are bound to feel that the Laboratory's performance does not always reach the high goals set forth in the brief quoted above.

But suppose the experiment does succeed, at least reasonably well? The hope then is that Congress will be persuaded to set up a permanent system of public television, operating not just two hours a week, but on a full schedule.

The President already has asked Congress to do just that. In a special message last March, he urged it to create a non-profit corporation for public television, with an appropriation of $9 million to get started. To make sure that it would be "absolutely free from any federal government interference" he suggested that it be run by an independent board consisting of fifteen "leaders in education, communications, and the creative arts."

The idea was quickly endorsed by top executives of all three commercial networks. (This is not so surprising as it may seem. Presumably they figure that the new corporation would take over all responsibility for public-service programming, thus letting commercial TV devote its undivided attention to making money out of mass entertainment.) It also was acclaimed by an impressive array of public-opinion leaders, ranging from Walter Lippmann to Dr. James R. Killian, head of the Carnegie Commission on Educational Television. Indirect but powerful support came from the Louis Harris public-opinion poll. It found that "there is every sign of growing disenchantment with television on the part of affluent, better-educated adult Americans" and among many young people as well. The viewers it questioned wanted more of the kind of programming which public television could best provide: news and analysis of what is going on in the world, education, public affairs, drama, and music. They also wanted less of the commercial TV staples: horror comedy, soap opera, rock 'n' roll, Westerns, and old movies.

So far, however, Congress has shown little interest in the President's request. One reason, according to Congressmen I've talked to, is that they haven't yet felt much serious pressure from their constituents. When a voter gets fed up with the standard TV diet of violence-plus-hard-sell, he seldom writes his representatives in Washington; he just turns off the set. (That may change, once the viewers realize that a better alternative might be available.) Another reason is money. A full schedule of public TV, broadcast on a live network throughout the country, would cost at least $200 million a year.

Where would it come from? The Carnegie Commission suggested a tax on the sale of new TV receivers. The Ford Foundation has recommended tapping the income from a yet-untried communications-satellite system. Others have urged that commercial stations be charged a modest rental for their use of the public's airwaves. The few businessmen who are lucky enough to hold broadcasting licenses now have, in effect, free permits to print money. Their operating profits from this monopoly have been enormous; and whenever they choose to sell their licenses, their capital gains have been even more fantastic. They are, in short, the beneficiaries of the greatest giveaway of public property in the nation's history—and so far they have not paid a thin dime for this special privilege. So it would seem reasonable, as Dr. Joseph A. Pechman of the Brookings Institution has pointed out, to ask them to contribute a small percentage of their receipts to pay for public television.

Congress is not eager to consider any of these alternatives. So long as the federal budget is running a record deficit, and facing heavy demands for both the Vietnam war and the crisis of the urban ghettos, why take on new financial burdens? Besides, no politician in his right mind likes to raise new revenues in an election year. And the most obvious source—the monopoly profits of the commercial broadcasters—is something Congressmen don't even like to talk about. For one thing, many of them are investors (directly or through family connections) in broadcasting stations. For another, every incumbent politician likes to keep on good terms with people who can give him free air time.

Eventually, however, it seems likely that Congress will create some kind of public television system—if only because the United States is the only major nation without one. If the Laboratory can demonstrate the potential for a new kind of excellence in broadcasting, and if public demand for it gradually builds up, Washington can hardly avoid responding. For it is unthinkable that this country will ignore forever the possibilities in what Walter Lippmann has called "the most remarkable and the most poorly utilized invention since the coming of the printing press."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business?

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. Is there further morning business? If not, morning business is concluded.

Mr. MANSFIELD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill? The Chair hears none.

The Senate resumed the consideration of the bill.

PRIVILEGE OF THE FLOOR

Mr. MONTOYA. Mr. President, I ask unanimous consent that from now until disposition of consideration of my amendment No. 440 to H.R. 12080, Glen Marcus, of the Library of Congress, be permitted to be in the Chamber to advise me.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ERVIN. Mr. President, under existing law, the Secretary of Health, Education, and Welfare does not have authority to pay the counsel fee out of the recovery of an award to a claimant.

I introduced a bill, S. 1860, to provide that the Secretary of Health, Education, and Welfare could withhold from recovery of benefits where the benefits had been denied for counsel's fees paid direct to counsel rather than to the claimant whichever is the smallest of the following sums:

First, not to exceed 25 percent of past due benefits, or such fee as the Secretary might fix, or the amount of the fee agreed upon between the claimant and attorney as a fee for the attorney's services.

This is comparable to the allowances made where the attorney goes into court and sustains a claim. This is to cover cases where the claim is denied and the attorney sustains the claim in administrative proceedings.

Under Secretary of Health, Education, and Welfare, Wilbur J. Cohen, wrote a letter to the chairman of the Finance Committee on November 14, 1967, and sent me a copy of it, stating that the Department of Health, Education, and Welfare has no objection to the enactment of S. 1860.

Accordingly, I have incorporated the provisions of S. 1860 into this amendment which I now send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. On page 224, between lines 14 and 15, insert the following:

ATTORNEY'S FEES FOR CLAIMANTS

SEC. 176. Section 206(a) of the Social Security Act is amended by inserting, immediately before the last sentence thereof, the following new sentences: "Whenever the Secretary, in any claim before him for benefits under this title, makes a determination favorable to the claimant, he shall, if the claimant was represented by an attorney in connection with such claim, fix (in accordance with the regulations prescribed pursuant to the preceding sentence) a reasonable fee to compensate such attorney for the services performed by him in connection with such claim. If as a result of such determination, such claimant is entitled to past-due benefits under this title, the Secretary shall, not withstanding section 205(1), certify for payment (out of such past-due benefits) to such attorney an amount equal to whichever of the following is the smaller: (A) 25 per centum of the total amount of such past-due benefits, (B) the amount of the attorney's fee so fixed, or (C) the amount agreed upon between the claimant and such attorney as the fee for such attorney's services."

Mr. ERVIN. Mr. President, I ask unanimous consent to have a copy of the letter written by Mr. Cohen to the chairman of the Finance Committee printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF HEALTH, EDUCATION,
AND WELFARE.

Hon. RUSSELL B. LONG,
Chairman, Committee on Finance,
U.S. Senate,
Washington, D.C.

DEAR MR. CHAIRMAN: This letter is in response to your request of May 27, 1967, for a report on S. 1860, a bill "To amend title II of the Social Security Act to establish a procedure whereby attorneys representing successful claimants for benefits thereunder may be paid reasonable fees for their services out of the past-due benefits to which such claimants are entitled."

The Department of Health, Education, and Welfare has no objection to enactment of S. 1860.

The bill would permit the Secretary, when he determines an individual to be entitled to social security benefits and that individual was represented by an attorney in proceedings before the Secretary, to deduct from the claimant's past-due benefits and pay directly to the attorney the smaller of the following: (A) 25 percent of the past-due benefits; (B) the amount of the attorney's fee fixed pursuant to the regulations implementing section 206(a) of the Social Security Act; or (C) the amount agreed upon by the claimant and the attorney.

The bill's provision for certifying the fee amount for direct payment to the attorney is comparable to that in section 206(b) of the Act, which relates to fees for services before Federal courts. Added by P.L. 89–97 (July 30, 1965), section 206(b) provides that a court may allow, as part of a favorable judgment, a reasonable attorney fee, not in excess of "25 percent of the past-due benefits to which the claimant is entitled by reason of such judgment", and this amount may be withheld from the claimant's past-due benefits and paid directly to the attorney. When a favorable court decision is effectuated, 25 percent of the claimant's past-due benefits is automatically withheld, and the remaining 15 percent released to the claimant.

If the court allows no fee or the court allows less than the 25 percent maximum, appropriate payment is made to the claimant. If S. 1860 were enacted, similar procedures could be established to withhold the maximum amount which could be paid directly to the attorney, with any amount in excess of the attorney fee subsequently fixed to be released to the claimant.

Time has not permitted us to clear this report with the Bureau of the Budget in accordance with standard procedure.

Sincerely,

WILBUR J. COHEN,
Under Secretary.

Mr. ERVIN. Mr. President, I should like to state that I have consulted with the ranking minority member on the Finance Committee and he says he has no objection to this amendment.

I should like to ask the chairman if he does not look with favor upon this amendment.

Mr. LONG of Louisiana. Mr. President, the Senator from North Carolina [Mr. ERVIN] has discussed his amendment with a number of us serving on the committee, and we see nothing wrong with it. Insofar as I can determine, it is a meritorious amendment and I would be pleased to accept it. It will go to conference between the Senate and the House. I would certainly think that the amendment should be agreed to, in view of the fact we can find nothing wrong with it. I propose to vote for it.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina.

The amendment was agreed to.

AMENDMENT NO. 440

Mr. MONTOYA. Mr. President, I call up my amendment No. 440 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The assistant legislative clerk proceeded to read the amendment.

Mr. MONTOYA. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment offered by Mr. MONTOYA, is as follows:

On page 164, between lines 5 and 6, insert the following:

"COVERAGE OF CERTAIN DRUG EXPENSES UNDER PART B OF TITLE XVIII OF THE SOCIAL SECURITY ACT

"SEC. 149c. (a) Section 1832(a) of the Social Security Act is amended (1) by striking out 'and' at the end of paragraph (1), (2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof '; and' and (3) by adding at the end thereof the following new paragraph:

" '(3) entitlement to be paid for allowable expenses (as defined in section 1845(a)(2), or, if lower, actual expenses, incurred by him for the purchase of qualified drugs (as defined in subsection (a)(1) of such section).'

"(b) Section 1833(a) of such Act is amended (1) by inserting 'or qualified drugs' after 'incurs expenses for services', (2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof '; and', and (3) by adding at the end thereof the following new paragraph:

" '(3) in the case of expenses covered under section 1832(a)(3)—100 per centum of such expenses.'

"(c) Section 1833(b) of such Act (as amended by the preceding sections of this Act) is further amended—

"(1) by inserting '(insofar as subsection (a) relates to expenses incurred with respect to services referred to in paragraphs (1) and (2) thereof)' after 'Before applying subsection (a)';

"(2) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively; and

"(3) by inserting '(1)' immediately after '(b)', and

"(4) by adding at the end thereof the following new subparagraph (2):

" '(2) Before applying subsection (a) (insofar as subsection (a) relates to expenses incurred with respect to qualified drugs, as referred to in paragraph (3) thereof) with respect to expenses incurred by an individual during any calendar year, the total amount of the expenses incurred by such individual during such year (which would, except for this subsection, constitute incurred expenses from which benefits under subsection (a) are determinable) shall be reduced by a deductible of $25; except that (A) the amount of the deductible for such calendar year as so determined shall first be reduced by the amount of any expenses incurred by such individual in the last three months of the preceding calendar year, and (B) for purposes of determining amounts to be counted toward meeting the $25 deductible imposed by this paragraph, the actual expenses incurred by an individual with respect to qualified drugs shall be used instead of the allowable expenses (as established pursuant to section 1845).'

"(d) Part B of title XVIII of such Act is amended by adding at the end thereof the following new sections:

" 'ALLOWABLE EXPENSES FOR QUALIFIED DRUGS

" 'SEC. 1845. (a) For purposes of this part—

" '(1) The term "qualified drug" means a drug or biological which is included among the items approved by the Formulary Committee (established pursuant to section 1846 (a)).

" '(2) The term "allowable expense" when used in connection with any quantity of a qualified drug, means the amount established with regard to such quantity of such drug by the Formulary Committee and approved by the Secretary.

" '(b) Amounts to which an individual is entitled by reason of the provisions of section 1832(a)(3) shall be paid directly to such individual. No individual shall be paid any amount by reason of the provisions of section 1832(a)(3) prior to the presentation by him (or by another on his behalf) of documentary or other proof satisfactory to the Secretary establishing his entitlement thereto.

" '(c) The benefits provided by reason of section 1832(a)(3) may be paid by the Secretary or the Secretary may utilize the service of carriers for the administration of such benefits under contracts entered into between the Secretary and such carriers for such purpose. To the extent determined by the Secretary to be appropriate, the provisions relating to contracts entered into pursuant to section 1842 shall be applicable to contracts entered into pursuant to this subsection.

" 'FORMULARY COMMITTEE

" 'SEC. 1846. (a) There is hereby established a Formulary Committee to consist of the Surgeon General of the Public Health Service, the Commissioner of the Food and

Drug Administration, and the Director of the National Institutes of Health.

"'(b) (1) It shall be the duty of the Formulary Committee, with the advice and assistance of the Formulary advisory group (established pursuant to section 1847), to—

"'(A) determine which drugs and biologicals shall constitute qualified drugs for purposes of the benefits provided under section 1832(a); and

"'(B) determine, with the approval of the Secretary, the allowable expense, for purposes of such benefits, of the various quantities of any drug determined by the Committee to constitute a qualified drug; and

"'(C) publish and disseminate at least once each calendar year among individuals insured under this part, physicians, pharmacists, and other interested persons, in accordance with directives of the Secretary, an alphabetical list naming each drug or biological by its established name as defined in the Federal Food, Drug, and Cosmetic Act, as amended, and by each other name by which it is commonly known, which is a qualified drug, together with the allowable expense of various quantities thereof, and if any such drug or biological is known by a trade name, the established name shall also appear with such trade name.

"'(2) (A) Any drug or biological included on the list of qualified drugs shall, if listed by established name, also be listed by its trade name or names, if any.

"'(B) Drugs and biologicals shall be determined to be qualified drugs if they can legally be obtained by the user only pursuant to a prescription of a lawful prescriber; except that the Formularly Committee may include certain drugs and biologicals not requiring such a prescription if it determines such drugs or biologicals to be of a lifesaving nature.

"'(C) In the interest of orderly, economical, and equitable administration of the benefits provided under section 1832(a)(3), the Formulary Committee may, by regulation, provide that a drug or biological otherwise regarded as being a qualified drug shall not be so regarded when prescribed in unusual quantities.

"'(3) In determining the allowable expense for any quantity of any qualified drug, the Formulary Committee shall be guided by the acquisition cost to the ultimate dispenser (generally, community pharmacists) for the quantities most frequently prescribed plus a reasonable professional fee for dispensing to the patient the prescription or other authorized lifesaving drugs, or biologicals not requiring a prescription, with a view to determining with respect to each qualified drug a schedule of prices for various quantities thereof. In any case in which a drug or biological is available by established name as defined in the Federal Food, Drug, and Cosmetic Act, as amended, and one or more trade names any one of which is different from such established name, the cost of such drug or biological, for purposes of the preceding sentence, shall be deemed to be the lowest cost of such drug, however named, which is of a quality acceptable to the Formulary Committee. Whenever the lowest cost (to the ultimate dispensers thereof) of a particular drug or biological differs in the various regions of the United States, the Formulary Committee shall establish, for the various regions of the United States, separate schedules of allowable expense with respect to such drug or biological so as to reflect the lowest cost at which such drug or biological is generally available to the ultimate dispensers thereof in each such region.

"'ADVISORY GROUP TO FORMULARY COMMITTEE

"'Sec. 1847 (a) For the purpose of assisting the Formulary Committee to carry out its duties and functions, the Secretary shall appoint an advisory group to the Formulary Committee (hereafter in this section referred to as the "advisory group". The advisory group shall consist of seven members to be appointed by the Secretary. From time to time, the Secretary shall designate one of the members of the advisory group to serve as chairman thereof. The members shall be so selected that each represents one or more of the following national organizations: an organization of physicians, an organization of manufacturers of drugs, an organization of pharmacists, an organization of persons concerned with public health, an organization of hospital pharmacists, an organization of colleges of medicine, an organization of colleges of pharmacy, and an organization of consumers. Each member shall hold office for a term of three years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and except that the terms of office of six of the members first taking office shall expire, as designated by the Secretary at the time of appointment, two at the end of the first year, and two at the end of the second year, and two at the end of the third year, after the date of appointment. A member shall not be eligible to serve continuously for more than two terms.

"'(b) Members of the advisory group, while attending meetings or conferences thereof or otherwise serving on business of the advisory group, shall be entitled to receive compensation at rates to be fixed by the Secretary, but not exceeding $75 per day, including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

"'(c) The advisory group is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the advisory group such secretarial, clerical, and other assistance and such pertinent data obtained and prepared by the Department of Health, Education, and Welfare as the advisory group may require to carry out its functions.'

"(e) The amendments made by this section shall become effective on July 1, 1969."

Mr. MONTOYA. Mr. President, this amendment is designed to fill a critical gap in the coverage afforded millions of older Americans under the medicare program. Under the present program, the aged do not have any protection against the costs of prescription medicines, costs which represent a heavy financial burden upon the limited, fixed income resources of older people.

The amendment would establish a new prescription drug benefit under the voluntary supplementary insurance program of medicare. In many respects, this amendment is similar to an amendment which the Senate adopted in October of last year, but which we were unable to carry through conference into enactment. Under the amendment, which I am pleased to note has 27 cosponsors, the medicare beneficiary who is enrolled in the voluntary program would be entitled to benefits toward the costs of prescription medicines after meeting an annual $25 drug deductible. The purpose of this deductible is to assure that those who need help most in meeting prescription drug expenses benefit from the program.

The amount of benefits payable would vary on a drug-by-drug basis. Under some private drug plans, beneficiaries are normally reimbursed a fixed percentage of total prescription charges for covered drugs. Under my amendment, the program's financial liability would be based upon an amount equal to the lowest wholesale or acquisition cost of a covered drug plus an allowance representing the value of the services necessary to fill the prescription for the particular drug.

Under the amendment, benefit payments would be made directly to the beneficiary after he submitted bills which exceeded the amount of the deductible. The claim for reimbursement would be made in the same manner as claims for other expenses are made under the supplementary, or part B program. In no way does the amendment interfere with the right of the physician to prescribe in any manner he sees fit, nor does it restrict in any way the choice of medicines he wishes to prescribe for his older patients. The amendment actually assumes that the physician will continue to prescribe in the same manner as he has in the past. The amendment also in no way interferes with any pricing policies employed by pharmacists filling prescriptions for medicare beneficiaries. Pharmacists continue to fill prescriptions in their usual manner and render their customary charges for these prescriptions as they now do for medicare beneficiaries. The amendment proposes only to help the elderly finance part of the costs of these prescriptions by providing an allowance toward the amount of the actual charges.

There is clear need to provide some relief for older people who incur large drug expenses. The National Health Survey has reported that persons aged 65 and over acquire prescription medicines nearly three times more frequently than do persons under the age of 65. The average cost of each of these prescriptions was $4. In contrast, persons under age 65 acquired prescribed medicines at the rate of four prescriptions per person per year, and at an average prescription cost of $3.50 per prescription. The aged, therefore, not only acquire more prescribed medicines, but also pay more for each prescription than their younger counterparts.

A look at annual drug expenditures among the aged tells the real story about the financial burden they must bear. During fiscal 1965, older people on the average spent over $50 annually for medicines of all kinds. This was nearly three times the amount, on the average, spent by younger persons for all medicines. The disparity in expenditures between young and old becomes even more severe when we look at the portion spent for prescribed drugs. The aged spent an average of $41 annually—3.3 times the expenditures for prescribed drugs for those under age 65. Expenditures for prescribed medicines also rise sharply with the presence of chronic conditions or impairments and with the limitations which arise from these conditions and impairments. Since nearly 80 percent of persons aged 65 and over suffer from at least one or more chronic conditions, the requirements for life-sustaining and life-giving drugs among the aged are particularly important. It is estimated that three million older Americans spend more than $100 a year for drugs and medicines, and 600,000 have drug bills exceeding $250 each year. Can there be any doubt, then, Mr. President, that many older people need help with drug expenses, and that they need this help now?

As Senators know, medicare is designed primarily to cover the costs of short-term institutional care provided in connection with periods of acute illness. The costs of medicines requiring the order of a physician which are provided to inpatient beneficiaries are paid for under the hospital insurance program, their costs being included as part of the facilities' charges for services. But there is no provision to cover the costs of drugs prescribed for outpatient beneficiaries, the very drugs which help to keep these people ambulatory and away from more expensive forms of institutional care. This omission is an unfortunate and costly oversight.

It was pointed out to the Senate early in 1965, when the medicare program was still under consideration by this body, that the costs of prescription medicines were not covered under the House-passed bill. In the medicare bill which we passed later in 1965, the Senate adopted an amendment calling for a study of the drug purchase problems of the aged and a review of ways in which the cost of prescription drugs could be included under the supplementary medical insurance program. Although the provision calling for the study was deleted from the bill by conference action, we were assured that HEW and its many advisory groups would review the need for additional benefits under medicare, including drugs, as part of their overall responsibility to carry on studies of all the programs authorized under the Social Security Act.

Last year, the Committee on Finance reported and the Senate unanimously adopted an amendment to include a drug benefit under the supplementary insurance program. The committee, in its report, stated that the amendment represented a "reasoned and economic approach toward meeting a genuine need of our older people." The Senate, therefore, did more than just recognize the need; the Senate acted on behalf of millions of older people to do something about this need.

Regrettably, the amendment did not clear the conference committee. We now have an opportunity, in this bill, to sustain the commitment we made last year. The amendment I am proposing is, for the most part, identical to the amendment which we passed last year.

The amendment is designed to meet part of the costs of prescribed medicines acquired by beneficiaries enrolled in the voluntary program. The amendment does not propose to subsidize all drug costs of the aged, since there are many older persons who can manage to pay their drug bills themselves. The bill seeks to help those with catastrophic expenses—those who need assistance most.

There seems to have arisen some confusion about the provisions in the amendment which would be used to determine the extent of the program's liability for the drug expenses of the aged. To clear up any questions, I would like to briefly explain how these provisions would be implemented.

Under the amendment, a national formulary would review the range of prescription medicines required by older people for purposes of diagnosis, cure, treatment, and the prevention of disease. Formularies of the kind the amendment envisions have long been used in a number of private and public programs throughout the United States, so that we are not talking about a new and untried concept. Included in the formulary, which is simply a listing of substances for which reimbursement could be made, would be drugs which can be obtained only upon written order of a physician. The actual inclusion of a drug would be left to the professional judgment of the formulary committee and its advisory group, which would be composed of representatives of professional health organizations, including physicians, community and hospital pharmacists, manufacturers, public health officials, colleges of medicine and pharmacy, and representatives of the general public. From among the entire selection of drug products for any one particular drug, the committee would identify the wholesale price of the least expensive product meeting an acceptable level of quality as a matter of professional judgment. This price, together with an amount representing the value of the services in preparing a prescription for this drug, then becomes the "allowance" which the program would pay to the beneficiary.

Under this procedure, the physician is free to prescribe any drug he believes necessary for the proper treatment of his patient. This decision is a medical decision and can only be the responsibility of the physician. My amendment supports this concept that the physician, and only the physician, can make these judgments. Regardless of what the physician prescribes, insofar as the drug or its name are concerned—it makes no difference—the program will pay for a portion of the actual charge for a particular prescription on the basis of the allowances provided under the formulary. The pharmacist will fill the prescription just as he now does and charge what he usually charges. The patient pays the charge just as he now does, and then makes application for partial reimbursement of the charges to the amount allowed under the program. Only where the actual charges equal the allowance, can the beneficiary expect 100 percent reimbursement. If the physician prescribes a drug not included in the formulary, no reimbursement can be made to the patient. But, if the physician believes that such a drug is important to the treatment of his patient, he is completely free to write such a prescription. It is expected, however, that the formulary committee would include most of the kinds of drugs which the aged frequently require in their care.

Under present law, Mr. President, regardless of the manner in which any prescription is written for a medicare beneficiary, the patient can look forward to absolutely no assistance in financing his drug costs. Under my amendment, the beneficiary can at least expect to receive some help in meeting the high costs of prescription medicines, particularly when they constitute an inordinantly high part of their total health care bill. Since the allowance system is so structured as to provide benefits directly to the beneficiary only, the pharmacist is in no way harmed financially; the doctor's professional judgment is likewise secured.

The proposed effective date of the amendment is July 1, 1969. Since we are all aware of the need to control Federal expenditures at this time, I might point out that no appropriations would be required to finance this benefit until fiscal year 1970. The mid-1969 effective date of the amendment also would provide the executive branch with ample time to work out any administrative problems they foresee at this time. And even if circumstances are such that not all solutions can be found by that time—more time, by the way, Mr. President, than was needed to tool up for the immensely more complex medicare program itself—enactment of the amendment now would leave us in the position to provide this vitally needed benefit at the earliest possible moment. At the present time, I estimate the cost of providing this much needed benefit to result in an increase in the monthly insurance premium of about 50 cents for each beneficiary who is enrolled in the voluntary program. This amount, of course, would be matched out of funds from the general revenue, as are the other benefits provided in the part B, or voluntary, program. I am certain the Nation's millions of older people would welcome the opportunity to insure themselves against catastrophic drug expenses with this modest increase in premiums.

Like the amendment for which the Senate voted last year, this amendment, I believe, offers a "reasoned and economic approach toward meeting a genuine need of our older people."

I urge that the amendment be adopted.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. There is not a sufficient second.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, in order to save time, I ask unanimous consent that the yeas and nays be ordered on the pending amendment.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana?

There being no objection, the yeas and nays were ordered.

Mr. WILLIAMS of Delaware. Mr. President, the committee considered this amendment and rejected it, largely because its costs are somewhat prohibitive.

This is an entirely new program. It should be pointed out that the amendment, as offered, carries no method of financing. The latest estimate on the amendment as written, which we received just today, is that it would cost $690 million annually.

The PRESIDING OFFICER. The Senator from Delaware will suspend until order is restored. The Senate will be in order.

The Senator may proceed.

Mr. WILLIAMS of Delaware. The amendment, as has been described, proposes to initiate an entirely new program under the medicare section of the bill to include the cost of prescription and certain nonprescription drugs.

The chief actuary of HEW has furnished an estimate that the first year's cost would be $690 million. That is based upon today's current prices of drugs. While it is true that the amendment would not be fully effective until 1970, nevertheless, once initiated it would be a part of the medicare law.

Part B medicare payments today are costing those participating $3 per month. Secretary Gardner has already announced publicly that due to the increased cost of operating the medicare program that cost will increase next year to at least $4 per month, or an increase of 33⅓ percent. If this amendment is adopted and becomes a part of the medicare program it would raise the monthly cost of each participant under that program by an additional $1.60 per month. The total cost of financing the $690 million would be $3.20 a month for each participant, of which the Government would pay one-half. But if the amendment is adopted each participant would have to pay $1.60 per month more than he is presently paying, which is a 60-percent increase in the cost of the medicare program as compared to what he is paying today.

As I stated earlier, the participants are already confronted with an increase next year of $1 per month. Can they afford this additional $1.60 per month?

Furthermore, I believe that this is a poor time to consider initiating an entirely new program and that we should have the benefit of more experience with the medicare program as presently constituted before expanding it.

Mr. CURTIS. Mr. President, will the distinguished Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. I believe an examination of the amendment would show that it goes far beyond reimbursing medicare patients for the cost of prescriptions.

It involves Government policing and formulating a list of medicines that are acceptable. It involves price fixing and a number of issues on which several Senate committees have been working—I believe one of the subcommittees of the Judiciary Committee, the Select Committee on Small Business, and others.

When the distinguished Senator from Delaware yields the floor, it will be my purpose to suggest the absence of a quorum and insist that we have a live quorum because there is something involved here that goes far beyond the problem of paying for medicare prescriptions and the considerations to be taken into account which go far beyond what the Senator has mentioned and concern the cost.

Mr. WILLIAMS of Delaware. The Senator is correct; I was going to mention that particular point later. Those points were discussed in our committee and were some of the major items which prompted us to include in the bill a provision for the Health, Education, and Welfare Department to make a study and report on this and other phases of the drug proposal.

We should have the benefit of that study and report before we consider the initiation of an entirely new program on top of other programs, a program which is estimated to cost a minimum of $690 million a year and one which would raise the cost to all of those participating in the medicare program today by at least 60 percent.

I do not think this is the time to initiate a new program with the information we have available.

I hope that the amendment will be rejected.

CALL OF THE ROLL

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[No. 322 Leg.]

Aiken
Allott
Anderson
Baker
Bartlett
Bayh
Bennett
Bible
Boggs
Byrd, Va.
Byrd, W. Va.
Carlson
Case
Clark
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Fulbright
Gore
Griffin
Gruening
Hansen
Harris
Hart
Hartke
Hatfield
Hayden
Hickenlooper
Hill
Holland
Hollings
Hruska
Inouye
Jackson
Javits
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Lausche
Long, La.
Magnuson
Mansfield
McCarthy
McClellan
McIntyre
Metcalf
Miller
Montoya
Morse
Morton
Moss
Mundt
Muskie
Nelson
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Russell
Smith
Spong
Stennis
Symington
Talmadge
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, Ohio

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from North Carolina [Mr. JORDAN], and the Senator from Missouri [Mr. LONG] are absent on official business.

I also announce that the Senator from Maryland [Mr. BREWSTER], the Senator from North Dakota [Mr. BURDICK], the Senator from Idaho [Mr. CHURCH], the Senator from Connecticut [Mr. DODD], the Senator from Wyoming [Mr. MCGEE], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Minnesota [Mr. MONDALE], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Florida [Mr. SMATHERS], and the Senator from Alabama [Mr. SPARKMAN] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Massachusetts [Mr. BROOKE], the Senator from California [Mr. MURPHY], the Senator from Illinois [Mr. PERCY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from South Carolina [Mr. THURMOND] are necessarily absent.

The Senator from North Dakota [Mr. YOUNG] is absent because of death in family.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the amendment (No. 440) of the Senator from New Mexico.

Mr. CURTIS. Mr. President, amendment No. 440 involves, really, two questions. One is: Shall we add the cost of prescriptions to the medicare program? The other is: If that is done, how shall it be done?

For the moment, I wish to address myself to the manner in which the amendment would provide that medicare patients under part B could get their prescriptions paid for.

I suggest to Senators now in the Chamber that they turn to page 4 of amendment No. 440, beginning on line 5:

> ALLOWABLE EXPENSES FOR QUALIFIED DRUGS
>
> SEC. 1845. (a) For purposes of this part—(1) The term "qualified drug" means a drug or biological which is included among the items approved by the Formulary Committee (established pursuant to section 1846(a)).

Mr. President, this amendment would call for an OPA setup. This would be price control. This would be prescribing medicines for patients by bureaucrats.

Reading on, we find that if the patient is to be reimbursed, the prescription must be listed by the Formulary Committee which publishes a list once a year.

Reading on from line 11, page 4:

> (2) The term "allowable expense" when used in connection with any quantity of a qualified drug, means the amount established with regard to such quantity of such drug by the Formulary Committee and approved by the Secretary.

The Formulary Committee and the Secretary, or, in other words, the bureaucrats, will decide how many spoonfuls of medicine shall be taken. The language refers to the quantity.

It would be so much simpler, if it should be the will of the Senate to add prescription drugs to the program, it should be done by simply including the cost of prescriptions, period.

The rental on a wheelchair is provided. Should we set up an Office of Price Administration to control wheelchair costs?

This is the back door approach to control of the drug industry, which threat has been around Capitol Hill for months and years.

The medicare patient is being used to bring about control of medicines, their manufacture, and distribution.

Reading on:

> (b) Amounts to which an individual is entitled by reason of the provisions of section 1832(a)(3) shall be paid directly to such individual. No individual shall be paid any amount by reason of the provisions of section 1832(a)(3) prior to the presentation by him (or by another on his behalf) of documentary or other proof satisfactory to the Secretary establishing his entitlement thereto.

Skipping over to page 5, there is the machinery to be created to reimburse for a medical prescription:

> Section 1846(a) There is hereby established a Formulary Committee—

Where are we going to house such a committee? How many employees will it need? The committee will have power to say what drugs shall or shall not be listed, and that a patient cannot be reimbursed unless his prescription is on that list?

> FORMULARY COMMITTEE
>
> SEC. 1846. (a) There is hereby established a Formulary Committee to consist of the Surgeon General of the Public Health Service, the Commissioner of the Food and Drug Administration, and the Director of the National Institutes of Health.

Mr. President, everyone knows that those three gentlemen are all very eminent and well-qualified persons, but they are busy men and they will not perform this service personally. Those duties, for which they will be charged with responsibility, will be performed by a bureau which they will have to create.

Reading on:

> (b)(1) It shall be the duty of the Formulary Committee, with the advice and assistance of the Formulary advisory group (established pursuant to section 1847), to—

How much will that cost?

Here is their power:

> (A) determine which drugs and biologicals shall constitute qualified drugs for purposes of the benefits provided under section 1832 (a); and

Mr. President, if this amendment is agreed to, can a medicare patient who has been prescribed a new drug which has come out since the bureaucrats made their list public, be reimbursed for his prescription? No; he cannot be reimbursed for it.

All this machinery is not necessary. Let me repeat, that if it is the will of the Senate to pay for prescription drugs, let us do it without subjecting the drug industry to all this control.

Let me say at this point that I am not weeping for the drug industry. I am in no way connected with it. None of my family or none of those with whom I am intimately associated are connected with the industry. I have one interest, and that is the welfare of the patient. This is the backdoor to controlling the drug industry, which, in my opinion—and I respect those who disagree with me—is to retard the advance of it in this country, and it is not in the best interests of the patient.

Mr. HICKENLOOPER. Mr. President, will the Senator yield?

Mr. CURTIS. I yield.

Mr. HICKENLOOPER. I am not too familiar with this subject, because I am not on a committee that has anything to do with it, but I have read a prospectus on this proposal. In addition to what I think are the very serious points, which may be deficiencies in this proposal, that the Senator from Nebraska has pointed out, I wonder if the Senator has an opinion on whether or not the enactment of this particular bill would not seriously impede, if not almost destroy, independent research in this country in medicines and in drugs.

Mr. CURTIS. It will adversely affect it.

Mr. HICKENLOOPER. In other words, it will turn research for new drugs and new medicines in this country almost entirely over to the tender mercies of the bureaucrats?

Mr. CURTIS. That is correct. If we once establish a Formulary Committee that has the power to police both the type of drug and the quantity used in medicare, how long will it be until that system is extended to every other Government program, to public health hospitals, and veterans hospitals? The next step is a local hospital to which Federal money has been contributed. Then we will have the situation in which no one can prescribe drugs or sell or distribute them to this particular category of patients—which will include a great portion of our population—until they are approved by the Formulary Committee.

Mr. HICKENLOOPER. In other words, as I understand one of the points the Senator is making, it is that if someone has an ailment and the doctor says, "Well, there is a new drug that has come on the market. Nothing so far that we have tried does you any good. This has some potential. Would you mind if we tried this?" that person cannot get paid for it because the bureau has not put it on the list?

Mr. CURTIS. Yes.

Mr. HICKENLOOPER. And many a person has been cured by such experimentation or trial as that.

Mr. CURTIS. That is right. I emphasize that this is the back-door approach which will apply to medicare first; but once the principle is adopted, then the move will be toward a formula that will apply to all Government programs.

Now, I am reading from line 19, page 5, of the amendment, relating to the power of the Formulary Committee to "determine, with the approval of the Secretary, the allowable expense, for purposes of such benefits, of the various quantities of any drug determined by the Committee to constitute a qualified drug."

A person will have to get permission from Washington as to how many aspirins a medicare patient can be reimbursed for. Why is that necessary? If the Senate wants to pay for the drug, let us take the less expensive way, and just pay the bill.

If the object of this amendment is to serve patients who cannot pay for their own medicines, why do they include all these sections of control? Has our country become great because of controls? Have we made great advances in medicine because of freedom or because of controls?

Going now to page 5, line 23, it provides that the Formulary Commission shall "publish and disseminate at least once each calendar year among individuals insured under this part, physicians, pharmacists, and other interested persons, in accordance with directives of the Secretary, an alphabetical list naming each drug or biological by its established name as defined in the Federal Food, Drug, and Cosmetic Act."

That is the contest between trade names and generic terms.

Let us think about something else. This is a proposal which provides that the bureaucrats shall publish a catalog, and they must distribute it to everyone registered under medicare, and all the pharmacists, and all the physicians, and all other interested persons.

What will it cost to publish 25 or 30 million lists every year? What will it cost the Post Office Department to distribute 25 million lists of approved drugs?

It would be my hope that the distinguished Senator from New Mexico would withdraw that part of his amendment, which is not necessary, and which makes the measure more costly. And I still personally have doubts about enlarging the medicare program at this time. It is just getting started. Our elder citizens are paying $3 a month. That is going to have to be raised to about $4 a month without this provision.

We have a system which provides medicare benefits for everybody, regardless of income; and some consideration should be given to that fact, in light of the heavy costs.

I said a moment ago that my only concern in this drug controversy is the welfare of the patient. While I have no interest whatever in any drug business, I have had a great deal of interest in many people who are very dependent on medicine. I have endeavored to try to find out what is the right answer to the question involving generic terms or trade names.

I think we should totally disregard the business pressures and determine just simply what is best for the patient. I believe that it is the trade name. There are many things that go into the making a good medicine besides those ingredients listed in the generic terms. Would anyone say that all houses that have the same number of bricks and the same number of board feet of lumber are equal? Would anyone say that every cake made from the same recipe is equal with every other cake that follows the recipe? No. Workmanship, research, testing, filler ingredients, care in packaging—many, many things make a drug superior to another drug other than the ingredients that are disclosed by the generic term. I have secured the opinion of, among others, family doctors who have no interest in any drug store, any drug or manufacturing company. I have asked, "What is best for the patient?"

Every time, they point out that equally important with the ingredients described in generic terms are all of these other factors of care in manufacture, time in manufacture, process, filler ingredients, research, testing along the way, time on the shelf, and many other things. And just as one has the right to know who made an article that he buys for any other purpose, the purchaser should have a right to know who made the article of medicine.

That is what is involved here. It is written right out on page 6: They shall list it "by each other name by which it is commonly known, which is a qualified drug, together with the allowable expense of various quantities thereof."

The bureaucrats are not only going to publish a list of the drugs that can be used, but the quantity and the price.

Why is all that necessary? Do Senators realize that while hospital costs have gone up 68 percent in the last 10 years, and doctor bills and dentist bills have gone up from 20 to 25 percent, prescription drugs have gone down between 1 and 2 percent, over the last 10 years?

Next, beginning on page 6, line 11:

> (2)(A) Any drug or biological included on the list of qualified drugs shall, if listed by established name, also be listed by its trade name or names, if any.
>
> (B) Drugs and biologicals shall be determined to be qualified drugs if they can legally be obtained by the user only pursuant to a prescription of a lawful prescriber; except that the Formulary Committee may include certain drugs and biologicals not requiring such a prescription if it determines such drugs or biologicals to be of a lifesaving nature.

That gives the Formulary Committee the right to write a prescription, publish it, and distribute it to 25 million people.

> The Formulary Committee may, by regulation, provide that a drug or biological otherwise regarded as being a qualified drug shall not be so regarded when prescribed in unusual quantities.

Who is to determine whether they are unusual quantities, the physician in charge of the case? No. He has to look in the book of Government regulations.

> (3) In determining the allowable expense for any quantity of any qualified drug, the Formulary Committee shall be guided by the acquisition cost to the ultimate dispenser (generally, community pharmacists)—

If that is not price control, how do you establish it?

> for the quantities most frequently prescribed plus a reasonable professional fee for dispensing to the patient the prescription or other authorized lifesaving drugs, or biologicals not requiring a prescription, with a view to determining with respect to each qualified drug a schedule of prices for various quantities thereof. In any case in which a drug or biological is available by established name as defined in the Federal Food, Drug, and Cosmetic Act, as amended—

In other words, the generic term—

> and one or more trade names any one of which is different from such established name, the cost of such drug or biological, for purposes of the preceding sentence, shall be deemed to be the lowest cost of such drug, however named, which is of a quality acceptable to the Formulary Committee. Whenever the lowest cost (to the ultimate dispensers thereof) of a particular drug or biological differs in the various regions of the United States, the Formulary Committee shall establish, for the various regions of the United States, separate schedules of allowable expense with respect to such drug or biological—

We are even going to have regional Offices of Price Administration, under this provision—

> so as to reflect the lowest cost at which such drug or biological is generally available to the ultimate dispensers thereof in each such region.

Then it goes on and sets up an advisory to this newly created bureau.

The amendment before us provides payment of prescriptions for all including the wealthy.

Mr. President, in these days when we are considering an enlarged Social Security bill, and more and more people are becoming dependent upon the Government—including individuals able to pay for their own medical care—it is interesting to note what a newspaper editor in my State recently said. I refer to an editorial printed in the Hastings, Nebr., Daily Tribune, entitled "Snap In Service."

The editorial begins:

> A researcher whose identity has somehow become obscured in the passing of time came to the conclusion that nine steps occur in the collapse of a free society. They are:
>
> 1. From chains of slavery people rise to spiritual faith.
> 2. From spiritual faith they generate courage.
> 3. From courage they forge liberty.
> 4. From liberty comes abundance.
> 5. From abundance arises selfishness.
> 6. From selfishness, then, to complacency.
> 7. From complacency to apathy.
> 8. From apathy people degenerate to dependency.
> 9. And from dependency back again to bondage.

Mr. President, I ask unanimous consent that the entire editorial to which I have referred be printed in the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

Snap in Service

> A researcher whose identity has somehow become obscured in the passing of time came to the conclusion that nine steps occur in the collapse of a free society. They are:
>
> 1. From chains of slavery people rise to spiritual faith.
> 2. From spiritual faith they generate courage.
> 3. From courage they forge liberty.
> 4. From liberty comes abundance.
> 5. From abundance arises selfishness.
> 6. From selfishness, then, to complacency.
> 7. From complacency to apathy.
> 8. From apathy people degenerate to dependency.
> 9. And from dependency back again to bondage.
>
> It might be interesting, and vastly helpful in the light of current welfare trends, for each of us to estimate which of those nine steps America may now be taking.
>
> It might be even more helpful if, each in our own way, we would try to help adjust the nation's stride in a direction that assures a free society in perpetuity.
>
> And perhaps we should do it soon.

Mr. CURTIS. Mr. President, I again express the hope that the mover of this amendment will reoffer his amendment for reimbursement of the cost of drugs with all of these sections relating to control of the drug industry deleted. I still would not support it, because I understood the distinguished Senator from Delaware to say it would cost around $600 million.

Perhaps if the time comes when it is determined that the cost of medical prescriptions should be included, someone will come up with a formula whereby it is provided only for those people who do not have the money to pay for their prescriptions. That is not provided in the amendment of the distinguished Senator from New Mexico. All participants are to have their medicines paid for.

Mr. President, if the amendment remains in its present form, it will be my purpose to offer an amendment to the amendment, striking out section 1845 and all remaining sections of the amendment.

The PRESIDING OFFICER. Is the Senator from Nebraska offering an amendment to the amendment?

Mr. CURTIS. Not at this time.

Mr. MONTOYA. Mr. President, does the Senator from Indiana wish to speak on the amendment?

Mr. HARTKE. I do. I am in no hurry.

Mr. MONTOYA. I yield to the Senator from Indiana.

Mr. HARTKE. Mr. President, before I proceed to make any formal statement, I should like to know whether the Senator from New Mexico considers this comparison of Senator LONG's bill (S. 2299) and Senator MONTOYA's bill (S. 17) as a complete analysis or comparison of the two bills.

Mr. MONTOYA. No; not at all, Mr. President.

This is merely a capsule digest of the identification with respect to both bills.

Mr. HARTKE. Does the memorandums imply that the formulary aspect of the Montoya bill and the Long bill are the same?

Mr. MONTOYA. Not at all.

Mr. HARTKE. What does it do with regard to formulary?

Mr. MONTOYA. The purpose of my memorandums, which I have placed on the desk of each Senator, is to try to point out the objectives of my bill and the objectives of the Long bill.

Mr. HARTKE. The Senator from Nebraska has been discussing the formulary aspects of the bill for about a half an hour. I see nothing in the memorandums dealing with this aspect of the problem whatever. I wonder if the Senator considers it unimportant.

Mr. MONTOYA. I discussed it in my statement. I do not know whether the Senator heard my statement previously.

Mr. HARTKE. I heard the statement. I just wondered, though, because this is a brief comparison of them.

Mr. MONTOYA. I intend to go into it in rebuttal.

Mr. HARTKE. Does the Senator want to do that now?

Mr. MONTOYA. No. I would like to hear what the Senator has to say first.

Mr. HARTKE. Basically, as far as the overall purpose is concerned, I think the Senator from New Mexico describes a purpose with which everyone agrees, and that is that many aged people have big drug bills. This is nothing new to me.

I introduced a bill in the 89th Congress, first session, S. 1788. This was the Drug Stamp Plan Act which would have done substantially the same thing proposed by the Senator from New Mexico.

The point is that we found upon study, that some complicated features are involved, but I really still basically favor a program to determine the drug bills that aged people are paying. That question certainly presents a major problem in our society today. As we all know, the bills are higher for the older people. The problem needs a solution.

As the Senator knows, I was the author of an amendment which dealt basically with the subject which concerns the pending amendment and by the Long amendment also. It provided for a complete study by the Department of Health, Education, and Welfare. Such a study already had begun, but as the result of the amendment, the bill itself requires by law that a complete study of the entire matter should be made by the Department of Health, Education, and Welfare.

It is not an open-ended study. It requires a complete reporting to the House Ways and Means Committee, which authorized this legislation, and to the Finance Committee of the Senate which has jurisdiction. The reporting date on this study is January 1, 1969.

What, in effect the Senator from New Mexico is saying is that the study is worthless even though the Department of Health, Education, and Welfare insists that it is well worth while and even though Dr. Goddard, the Food and Drug Administrator, says it is an absolute necessity.

The study would be completed and reported back to the two responsible committees 6 months before the date that the bill introduced by the Senator from New Mexico intends to take effect.

What the amendment before us is saying, in effect, that in this category we do not need the facts, but would merely go ahead and operate on the basic theme of the conclusions which we deem desirable.

I would think, after the study is completed, if the Senator from New Mexico wanted a program that would be worth while for these people, that he would be willing to wait until those who have the responsibility for administering the programs come forward with the facts.

I am not one who is adverse to providing assistance to the aged. Quite honestly, I am accused of going too far in these respects by some of my colleagues—on the Republican side of the aisle at least.

Mr. MONTOYA. Mr. President, will the Senator yield at that point?

Mr. HARTKE. I yield.

Mr. MONTOYA. Mr. President, I should like to inform the Senator that a study was ordered pursuant to the introduction of a bill such as this in 1965. A study was then ordered in 1966.

I should like to ask my friend, the Senator from Indiana, how long a study we must endure before the old people of this Nation have prescription drug costs reimbursed.

Mr. HARTKE. I do not know how deeply the Senator from New Mexico has gone into this matter. I have gone into it in depth. I have looked at some of the problems posed by the study itself, problems to which the administrators and experts who have attempted to do something in this field at this moment cannot give definitive answers.

I do not think there is anything wrong with a study that would take as long as the bill provides. If one reads the hearings, he will find that the Department itself needs some time. The people involved with the actual determinations as to whether a drug is defective or safe have said in public hearings that they could not at this time in good conscience go to the American people and approve a program such as the Senator from New Mexico advocates.

I am not opposed to the purpose. If the Senator wants to give money to these people, he can give them whatever amount of money he wants to if Congress votes to pay for the bills. However, that is not all that is in the bill.

I might be inclined to support the Senator if he wants to provide that. I do not think the Senator from Louisiana, the chairman of the Committee on Finance, would support such an amendment, but that is neither here nor there.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. LONG of Louisiana. If we would have to pay 100 or 1,000 times what a product ought to be selling for, I would be against taxpayers paying for it. If we can do this at some reasonable cost, I would be willing to vote to put some taxpayers' money into the program.

Where the Government buys drugs for the Department of Defense or for Members of Congress, it does not permit drug companies to charge it anywhere from twice as much to 100 times as much as a product ought to sell for.

The Government pays no more than a reasonable price.

I am not here to find fault with the drug companies because they get rich. That is the whole idea of going into business, as I understand it.

However, if we are going to pay for something, it does not make a lot of sense to me that we should pay an exorbitant price for it. We have not done this in other programs where the Federal Government has bought drugs up to this time.

The drug companies have a $4 billion industry, and they spend fortunes putting their representatives in every agency of the Government that buys drugs and honeycombing them with people who try to find some way to make the Government pay 10 times what it ought to pay for its purchases.

I am opposed to letting them ever get started charging the Government 10 or 50 times what something ought to be selling for. Frankly, if we are going to let them sell drugs on that basis, we cannot afford to buy the drugs.

The taxpayers cannot afford it. If the drugs could be bought at a reasonable price, the Senator from New Mexico [Mr. MONTOYA] would like to have that done. I would be willing to vote for that. But if this proposal were to be a foot in the door for drug companies to charge 40 or 50 times the cost of production for something they are selling to Uncle Sam, I would be against it.

Two large drug companies are located in the State of the Senator from Indiana. I do not blame them for trying to make money for their stockholders. But Louisiana does not have any drug companies. I am trying to look after the poor old folks. I hope the Senator will forgive me when I try to look after them.

Mr. HARTKE. I hope the Senator will realize that I am working on behalf of the poor people of my State and of his State, as well. I was the author of a bill which provides substantially the same as the proposal we are considering. I was the author of a bill which was proposed in committee to provide a study in depth. But I think I have put my finger on a very sensitive point, because I have thrown the issue into focus. There is a big difference, a wide gap, between what the Senator from Louisiana proposes and what the Senator from New Mexico proposes.

There is a difference of approach. I can understand why the Senator from Louisiana does not want to divide the issue. The Senator from New Mexico has gone to great lengths to do one of two things: Either to draw a sharp distinction between the proposal of the Senator from Louisiana and his own; or he has attempted to draw a comparison to show that they are alike. But they cannot be both different and alike. I gather that the proposals are different. I understand why they are different. I understand why the Senator from Louisiana will not support the proposal of the Senator from New Mexico. It really goes back to what has to be done at this stage.

Mr. LONG of Louisiana. The difference between the Montoya amendment and the Long amendment was, I thought, fairly clear. As far as I am concerned, I was merely trying to save the taxpayers $100 million a year by reducing the amount of money which they are unnecessarily paying to drug companies now.

The Senator from New Mexico wants to provide drugs that the people are not getting. I was not making that offer. I was trying to reduce the ridiculous price the Government pays for drugs under the medicaid program as it is now operated.

I am aware of the problem that confronts Senators from States which have drug companies. I am not trying to harm them. There are legitimate interests in my State, and I have tried to represent them properly. But on this issue, the Senator from Louisiana is not torn; he does not have a mental conflict that tortures his conscience between the drug manufacturers on one hand and the poor old people on the other.

We do not have any drug manufacturers in Louisiana, so the Senator from Louisiana is in the position of thinking about the matter entirely from the point of view of the taxpayers and the old folks and from the viewpoint of the druggists, who, incidentally, are in favor of it. So, my position is simple. I am in a position to advocate what is good for the old people, good for the taxpayers, good for the druggists, and good for the public interest generally. Inasmuch as the Senator from Louisiana has no drug manufacturers to worry about in his State, this is an ideal proposal.

The only people at all angry about the position that the Senator from Louisiana takes are some of the doctors; and, frankly, if they would get over the business of taking free samples and having so many friends among the drug manufacturers, they would find that this is not a bad deal so far as they are concerned.

I must say that this $4 billion industry has done a pretty good job of trying to persuade some doctors that they have an interest in making some poor, old person pay 100 times what he should be paying for prescription drugs. Over a period of time, I believe we can reach an understanding about that, also; because we have enough good, broadminded doctors who, when they see the matter fairly presented, will understand that, in the last analysis, this might be good for them and that, if not good, at least it would not harm their profession. We do not want to harm the medical profession.

As I understand the amendment of the Senator from New Mexico, all it proposes is that we see which quality drug meets proper standards at the lower price, and you would pay that amount. The doctor could prescribe anything he wishes. He could prescribe a different brand, a different name, that costs four or five times more. But all you would pay for it would be what you think the drug that has the right quality would be selling at, plus a professional fee that would be sufficient to assure the druggist that he would make a profit.

To do otherwise, to pay these fantastic prices for the drugs, would be to do something that is not done by any intelligent hospital administrator. They do not buy the drugs in that manner. The Federal Government does not buy drugs in that manner, and should not do so. State governments try to find methods of protecting themselves from paying such exorbitant prices. City governments try to find ways to protect themselves from paying such exorbitant prices, if they are paying for the drugs.

It seems to me that this would be a good way to do it. If you are going to do it the other way, I would be opposed to the amendment, for a different reason.

Mr. HARTKE. I understand that.

The fact remains that what the Senator from Louisiana proposes and what the Senator from New Mexico proposes will do nothing for the people in 1968. It will do nothing for the people even in 1969.

Mr. MONTOYA. Mr. President, may I ask a question of the Senator from Indiana? What will a study do for these people at any time?

Mr. HARTKE. It will do a great deal. If the Senator from New Mexico is really sincere and wants to help these people, why does he not go ahead and join with the study, which would be completed by January 1, 1969, a full 6 months before the Senator from New Mexico intends for his bill to go into effect?

What the Senator is attempting to do is to appeal to the natural inclination in favor of alleviation of the payment of drug bills. But what good is that? Is it the intention to put it into effect in July 1970?

Mr. MONTOYA. 1969.

Mr. HARTKE. A full 6 months after the facts from the study will have been made available.

I do not know whether the Department of Health, Education, and Welfare has ever been accused of being a great protector of any special interest; nor that the Federal Food and Drug Administration has ever been accused of being a great protector of any special interest. Representatives of both these agencies testified before the committee that they would like to come to the Finance Committee, to the Ways and Means Committee, and to Congress on January 1, 1969, and tell us exactly how this problem can be met.

They have some pretty big problems. They have taken over a complete medicare and medicaid program, both of which have big problems. They have done a tremendous job of administration, in my opinion. They have a great deal of trouble with respect to hospital and doctor costs, but they are trying to work them out to the best of their ability. Now the Senator expects them to do something which they, themselves, say they cannot do.

I do not have to come in with a lame heart or weak feet. My 1965 proposal was before this body, before the Senator from New Mexico submitted a proposal, to do this very thing. I will be glad to join in this effort, but I do not believe a person should try to legislate facts. The facts must be determined. We do not have a legislative study committee. If the Senator wants the Finance Committee to do it, that is fine. I am not opposed to a study of the facts. But I believe we should operate on facts, not on emotions. This is an emotional amendment. It does not provide for anything for which the bill itself does not provide. It would be of no help, and, in fact, it may be a detriment to many people.

I ask the Senator from New Mexico on what authority he comes up with a proposal of 50 cents a month.

Mr. MONTOYA. The Senate Finance Committee, pursuant to inquiry of the Department of Health, Education, and Welfare, came to this conclusion; and I understand that the staff of the committee still clings to this actuarial requirement.

Mr. HARTKE. It clings?

Mr. MONTOYA. I read from page 80 of the committee report on the Foreign Investors Tax Act of 1966:

> The monthly cost of providing this benefit is estimated at 50 cents to the participant and 50 cents to the Federal Government. The participant's share would become part of the regular part (b) premium.

Mr. HARTKE. I understand that the Senator from Delaware now has in his possession a letter from the Department of Health, Education, and Welfare as to the actual cost involved. Is my understanding correct?

Mr. WILLIAMS of Delaware. Mr. President, I will have the letter confirming these estimates. I talked with the Department of Health, Education, and Welfare, and a letter will be here in a few minutes which will be printed in the Record. I ask unanimous consent that the letter be printed at this point in the Record.

Mr. LONG of Louisiana. Mr. President, I object. I am willing that it go into the Record, but I am not willing to permit a letter that has not yet been written to go into the Record.

Mr. WILLIAMS of Delaware. I will read the letter when it arrives, which should be within 10 minutes.

Mr. LONG of Louisiana. The Senator need not read it. The Senator can put it in when it is here. It has not yet been written.

Mr. WILLIAMS of Delaware. The figures which I have quoted as furnished by the chief actuary of HEW—the same estimates which have been furnished to the Senator from Louisiana—indicate that the proposed amendment would cost $690 million a year. The present participants in the part (b) program are paying $3 a month at this time for medicare benefits. Secretary Gardner has already announced that this cost will go up about $1 in January 1968, to $4. The Department's estimate is that the $690 million cost under this amendment would result in an additional cost of $3.20 per month, one-half of which would be borne by the Federal Government and one-half by the beneficiary.

If this amendment is adopted, when it becomes operative it will cost every participant in the medicare program an extra $1.60 per month, which will be added to the existing $4 that will be in effect on January 1. So it would bring the total cost to $5.60 per month for each beneficiary under the medicare program, compared with $3 at present.

Mr. President, I shall ask to have the Department's letter printed in the Record later. However, these figures I am quoting were furnished officially to the committee. I understand that the sponsors of the amendment have an estimate of their own. I do not question the right of anyone to make a guess. The Chief Actuary, Mr. Myers, furnished these figures, they were also furnished to the chairman of the committee, and they are available to anyone who is interested. That is the same source from which every one of these figures in the committee report came. The actuaries furnish all of the figures for the Committee on Finance. That is the only official source we have.

Mr. President, so many wild estimates are being thrown around about the cost of this program that I thought it was better to have an official statement from the actuary of the Department of Health, Education, and Welfare and that statement will be placed in the Record today.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. HARTKE. I have the floor. I shall yield later. First, I wish to ask another question.

Is it not true that in these programs frequently there have been errors on the conservative side?

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. HARTKE. The Senator from Delaware sometimes accuses me of being perhaps too liberal——

Mr. WILLIAMS of Delaware. There are, but this estimate is based on the cost as near as they could project the cost. Under this proposal it would be operative July 1, 1969, but it would not become fully effective until 1970. In all fairness it should be pointed out that this extra cost to which we refer is for a full year's operation. Nevertheless, once we initiate this program it is in the law and all of those who are taking part in medicare would either have to meet this extra cost or drop the program.

Mr. HARTKE. The cost would be about $67.20; is that correct?

Mr. WILLIAMS of Delaware. That is correct, compared with $36 per month today.

Mr. HARTKE. It would increase the cost to the person from $36 per month today to $67.20 per month.

Mr. WILLIAMS of Delaware. When this becomes operative.

Mr. HARTKE. And that would be in 1970.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. HARTKE. I am glad to yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I am delighted that the distinguished Senator from Indiana has brought up the figures from the Department of Health, Education, and Welfare as to the estimated cost. I was interested in the figures advanced by the proponent of the amendment to the extent that the patient would pay one-half and the Government would pay one-half, or 50 cents each, which would be $1 a month.

If that is the correct answer—and I do not believe it is—it would mean that the average cost of medicine to an aged person is $12 a year, and there is a $25 deductible in it. Therefore, by the figures advanced by the proponents—if they are correct, and I am sure they are intended to be correct but I believe there is an error—this could be done for $1 a month and there is a $25 per month deductible, so that nobody would get anything.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. MONTOYA. The figure which I read from the committee report was based——

Mr. HARTKE. Which figure?

Mr. MONTOYA. The figure of 50 cents as being the requirement for each participant under the program. That figure was based on complete coverage of drug costs without any deductions.

I have a $25 deduction in my proposal. With respect to the figure that has been thrown around here, that the title B program will be increased from $3 to $4 and then, eventually, to $60, we must discern here that my program will stand on its own on the basis of the initial premium payment of 50 cents a month; whereas the figure that has been thrown around here for the doctors' care and the medical plan in title B is now on the statute books.

Mr. HARTKE. The Senator from New Mexico is claiming that it will cost 50 cents a month, and the Department of Health, Education, and Welfare claims that the cost will be $1.60 a month. These figures are in direct conflict.

Mr. MONTOYA. The figure I used is as of a year ago. I am sure the Senator voted for this to be reported.

Mr. HARTKE. I voted to report it. These figures come from Robert Myers, of the Department of Health, Education, and Welfare. It is on his statement that the bill is presented to the committee.

Mr. President, this demonstrates to me that not only is there a study of factual matters needed to determine how to handle drugs, but information as to the actual cost of Senator MONTOYA's amendment is also needed. This conflict on the floor of the Senate demonstrates the need for a study which will be completed 6 months before the effective date which the Senator from New Mexico asks for in his proposal.

Mr. MONTOYA. I am not convinced by the figure presented here by the Senator from Indiana; the figure of $600 million as the cost. In a survey heretofore made by the Department of Health, Education, and Welfare, it was estimated that the total cost of drugs for people over the age 65 in this country was $716 million. There is a $25 deductible.

Mr. HARTKE. Does the Senator agree that there is a dispute?

Mr. MONTOYA. Yes, I agree.

Mr. HARTKE. Does not the Senator think that we should go back and determine the facts?

Mr. MONTOYA. I might say to my good friend from Indiana that there is a dispute as to whether or not it is advisable to wait for another study after previous studies have been ordained by the conferences and both Houses of Congress, and nothing comes of them. It is about time that the old people of this country avail themselves of the legislative process for the provision of free prescription drugs so that they may endure in health.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. WILLIAMS of Delaware. Mr. President, I wish to make clear that I am not trying to say who is right or wrong about the cost estimate of this program. However, the Committee on Finance, of which the Senator from Indiana is a member and the Senator from Louisiana is chairman, has always accepted and based its reports on figures furnished by the Chief Actuary, Bob Myers. These were the figures of Bob Myers as of today.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. LONG of Louisiana. Mr. President, that is one reason I objected to that letter being placed in the RECORD when the Senator does not have it.

We debated an amendment similar to the one the Senator is offering now, and we adopted it last year. That amendment was offered by former Senator Douglas, of Illinois. I think the Senator voted for it. I know I did. It was agreed to. We had the Foreign Investors Tax Act before us at that time. We had the cost estimate which was the best estimate we could arrive at at that time. There were two things in that Douglas amendment to cut the cost.

I want to compliment that $4 billion drug industry. I have never seen a more adequate lobbying job done in my service in the Senate. They kept our hearing room filled with lobbyists even when we were not talking about drugs. They importuned me and others about this matter.

They wanted this study and this amendment. Their position was "Beat the Long amendment; the Long amendment would save money; it would not cost anything. Please beat that Long amendment. If there is any way on earth to beat it, beat it, because it would take away from us $100 million of the exorbitant profits we plan to make and are not making."

They would be happy to see the Montoya amendment agreed to, if you can put a couple of hundred million dollars in exoribitant profits in it for them. But we do not do that where the Government buys medicine elsewhere and we should not do it here.

If we are going to pay for it, we should get it for a reasonable price.

Mr. President, now I am somewhat familiar with that business because my father was once a patent medicine salesman. He sold two patent medicines. One was named "High Poplarlorum" and the other was named "Low Poplarhirum." One sold for $1 a bottle and the other for 50 cents a bottle. It was the same size bottle.

The folks always bought the $1 bottle, not because there was much difference between the two, because there was not much difference. The only difference between the two products was that the High Poplarlorum was made from the bark that had been skinned down the tree, and the Low Poplarhirum was made from the bark that had been skinned up the tree.

All we are saying here is that if we are going to pay for it and it is all the same thing, why not buy the 50-cent bottle? That is what we are contesting here. The savings will be enormous, unless we let the drug manufacturers get their foot in the door. One pill may cost one penny to manufacture when it is in the public domain. If they have done the research and have a private patent on it, it is all right with me to charge more; but if it is in the public domain, everyone is privileged to manufacture it, and we should be able to buy it on a competitive basis.

Mr. President, the so-called cost estimate is obviously wrong. It could not be right by any stretch of the imagination. It was not prepared by Mr. Myers. It was prepared by some fellow in his office who is well known to the staff on the Finance Committee. Our people know more about the cost estimate than this fellow does. He cannot correct an obvious error when it is pointed out to him, but I am sure that with experience he will learn.

The total cost of drugs last year, as stated by the Senator from New Mexico [Mr. MONTOYA] was $716 million. That is what the old people paid even when they were paying 100 times what the medicine should have cost, if we look at what it is really worth and what it would cost with the $25 deductible.

As suggested by the Senator, the cost would be far below that. It would be about the same as the Douglas amendment and would be the same as the committee felt, after studying it with the best advice it could find, that the cost would be about 50 cents to the person taking part (b) in medicare and 50 cents out of general revenue.

So far as the druggists are concerned, those who dispense the prescriptions, they think that the Senator from New

Mexico is right about this. They also think that I am right about it. They think that charging fabulous and fantastically high prices for drugs on their shelves, when they have the same thing for a fraction of that price, is ridiculous. All they want to do is make a decent profit out of the stocks of drugs on their shelves which they sell across the counter. They have a staff to work on this through their association. Their estimate is about the same as the Senator's cost estimate in his amendment. It was about the same the committee determined the Douglas amendment would cost, to which we agreed last year.

Thus, when the Senator gets this letter, whether it has Mr. Myers' name on it or not, I am sure he would not make an obvious mistake like that on the cost estimates. We will send it out and have it studied and we will advise the Senator what it would cost. But I think it will be just about what the Senator's estimate is.

Now, Mr. President, I do not have the floor, so I will yield, but first let me thank the Senator for yielding to me at this point. I see the Senator from Wisconsin [Mr. NELSON] has come into the Chamber, and he knows a very great deal about this subject. I am happy to see him on the floor.

I am sorry to have trespassed upon the time of the Senator from Indiana.

Mr. HARTKE. The Senator from Louisiana is not trespassing on my time. It is the Senate's time.

Mr. WILLIAMS of Delaware. Mr. President, I have just received the letter from Mr. Myers, which I wish to read to the Senate. I sent a copy of it over to the Senator from Louisiana, the chairman of the Finance Committee, in the event he does not already have it.

Mr. LONG of Louisiana. I have not seen it.

Mr. WILLIAMS of Delaware. The letter is dated November 16——

Mr. HARTKE. That is today; is it not?

Mr. WILLIAMS of Delaware. Yes; that is today. It is from Robert J. Myers, and reads as follows:

MEMORANDUM

NOVEMBER 16, 1967.

From: Robert J. Myers, chief actuary, Social Security Administration.

Subject: Cost estimate for drug benefits proposal by Senator MONTOYA.

This memorandum will present a summary cost estimate for Amendment No. 440 introduced by Senator Montoya, which would amend H.R. 12080. This Amendment would add certain drug benefits to the Supplementary Medical Insurance program, with an annual deductible of $25, and with 100% reimbursement for allowable expenses of drugs in excess of this amount (and with a carry-over deductible provision from one year to the next). I estimate that this Amendment would increase the cost of the program by $3.20 per month (i.e. $1.60 payable by the enrollee, and $1.60 coming from the General Fund of the Treasury). The $3.20 figure is subdivided into $2.85 for benefit costs, and $.35 for administrative-expense costs. This cost estimate is for the first full year of operation of the proposal—namely, the period July 1969 through June 1970.

On the basis of an average enrollment of 18 million persons, the total annual cost is estimated at $691 million, of which half would be payable from the General Fund of the Treasury.

ROBERT J. MYERS.

Mr. MONTOYA. Mr. President, will the Senator from Indiana yield at this point?

Mr. HARTKE. I am happy to yield to the Senator from New Mexico, who has proposed an amendment which will take effect 6 months after the study in the bill has been completed.

Mr. MONTOYA. Mr. President, I should like to answer the Senator from Delaware on this particular point——

Mr. WILLIAMS of Delaware. This is a report by Mr. Myers, the Chief Actuary.

Mr. MONTOYA. I am going to answer him, too. This letter is a study and an opinion made by Mr. Myers with respect to 100-percent reimbursement. My bill is tuned to another approach, and I will give the Senate an example.

Suppose there are five drugs which will accomplish the same objective. Suppose drug A costs $1.20 and that drug E, the last in the same category, costs $20. There are situations like that. Under the evaluation which is the basis for this estimate, Mr. Myers estimates the high value of the drug, not the low value.

Mr. HARTKE. The Senator from New Mexico is making a statement or an assertion that I do not see in the letter.

Mr. MONTOYA. Let me read from the letter.

Mr. HARTKE. Very well.

Mr. MONTOYA (reading):

> This amendment would add certain drug benefits to the Supplementary Medical Insurance program with an annual deductible of $25, and with 100 percent reimbursement for allowable expenses of drugs.

My amendment does not contemplate 100-percent reimbursement; it contemplates reimbursement only for such expense as may be determined by the Formulary Committee to be a reasonable claim for reimbursement for a particular drug.

Mr. HARTKE. The Senator may contend that the actuary did not understand his amendment, but as I read the letter—and I am sure the letter will speak for itself—it is speaking about amendment No. 440, submitted by the Senator from New Mexico [Mr. MONTOYA]. Mr. Myers does not say anything about the actual cost at the drugstore.

I think this demonstrates quite conclusively that there is a dispute as to cost, as well as to some other factors.

Merely so that there will not be any further misunderstanding, there are some other facts to which I should like to return. I shall read them:

> This is further borne out, this high cost of drugs for such persons, in the same calendar 1963 report, which is that of the Division of Program Statistics and Analysis, Bureau of Family Services, in the Department of Health, Education, and Welfare, under date of May 25, 1964.

Before the Senator from New Mexico becomes too excited, these figures really back up the type of approach which the Senator from New Mexico is advocating. I continue to read:

> There a combined dollar figure is given for the total amount of payment for vendor medical bills in five types of public assistance. There the total of $96,425,000 paid for physicians' services was almost matched by the sum of $92,229,000 paid for prescribed drugs.

Those words demonstrate the high cost of drugs. They are from my statement at the time I introduced the Drug Stamp Act of 1965 in support of my own basic approach, which the Senator from New Mexico is also seeking to achieve. They appear in the CONGRESSIONAL RECORD, volume 111, part 6, page 7822.

What I am trying to tell the Senate, and I hope the Senate will understand it, is that I support a program which will provide for the paying of drug expenses, but I do not think we should do that without first determining facts which cannot be determined on the floor of the Senate. I really concur in the testimony of the Department of Health, Education, and Welfare that the implementation of this type of approach should await the completion of the study of costs of drugs. That is what I propose.

I am the author of an amendment which is now a part of the pending bill. It was approved by the Committee on Finance. The committee rejected the approach of the Senator from New Mexico and rejected, incidentally, the approach of the Senator from Louisiana by a rollcall vote in committee to continue the present study. The study which is underway is being conducted at this time in good conscience by the Department of Health, Education, and Welfare, and will be completed and ready for a report by January 1, 1969, 6 full months before the Senator from New Mexico even intends that his amendment should take effect.

If we had the study completed, it would enable this body to act in full knowledge of the circumstances and the facts, not only the facts with regard to the drugs, but also with regard to the costs, in order that we could present them to the Finance Committee.

This is nothing new. For many months the Senate and the House of Representatives have been forums for what is an increasingly bitter and emotional debate over drug quality and prices. Those studies and hearings are going on at the present time in this body, not only in the Finance Committee, but in other committees of the U.S. Senate.

It has been repeatedly stated—and as often denied—that as simple an expedient as prescribing or buying drugs by their generic names would produce major savings for Federal and State health and welfare agencies and for individual patients everywhere, with no loss in therapeutic—that is, medical—effectiveness of the products given to patients.

I fear that we are getting involved, not in questions of fact, nor in questions of debate and study as to what is involved, but in an emotional discussion over a whole series of complex medical, social, scientific, economic, and related issues, which have been oversimplified. And that is the approach of the Senator from New Mexico. That is exactly what the Senator from Indiana proposed in his drug stamp plan, which was rejected. I am not complaining about that. I am not complaining of the fact that I introduced an overall proposal, as to which it was demonstrated that more facts needed to be developed.

All of us are fully aware of the importance of the supporting role in the delivery of health care to our aged people. I was no newcomer to that. I helped draft the medicare bill in 1961. I have been a cosponsor of every one of these measures. I was not hesitant about these proposals. The administration proposed a 15-percent increase in retirement benefits and a $70 a month minimum, and several other proposals. If we had had the type of support which we now have on an emotional basis, perhaps we could have given the elderly people what they were entitled to, and have given them $100 per month, rather than $70. I prefer to give them the money to live on. Give the 20 million or more aged people $100, which would take them out of the level of poverty so that they can pay for their medicines.

This is more than what this body or the other body wants to do. The House of Representatives wants to give them only $50 a month.

So I do not have to apologize for my actions on this legislation.

If protecting the public health were not reason enough for us to act, and of course it is, protecting the public purse which finances the Government's expanding health programs requires that these lingering issues of drug quality and costs be resolved once and for all, and as promptly as possible.

I want to point out that there are two factors involved, not just that of cost, but of quality. They should be resolved as quickly as possible. That is what the bill intends to do. It intends to have a review of this matter and a report 6 months before the Senator from New Mexico could even have his present amendment in effect.

But dollars and cents, Mr. President, are not the only things at stake.

Assuring the quality of patient care must remain a first consideration. This has been one of the real, agonizing problems that the Department of Health, Education, and Welfare has had in putting the medicare program into effect. I compliment the Department for working out a very sticky situation and giving priority to the health of the aged people.

Our Nation's wise public policy of fostering progress of the medical and related sciences for every man's benefit must also be maintained. Only after careful consideration of all factors bearing on these crucial aspects can we really afford to get down to dollars and cents.

In recognition of the complexities of these issues, Mr. President, the Committee on Finance has added to the House-passed Social Security Amendments of 1967, H.R. 12080, a provision which was offered by the Senator from Indiana directing the Secretary of Health, Education, and Welfare to make a comprehensive investigation of the effects of two major legislative proposals in the field of health and welfare.

These legislative proposals, one introduced by the Senator from Louisiana, and the other by the Senator from New Mexico, were:

First, a bill to add certain prescribed drugs to the supplementary medicare insurance program under specific quality and cost controls; and, second, a bill to establish Federal standards of quality and cost for drugs provided under other health and welfare sections of the Social Security Act.

The Secretary of Health, Education, and Welfare would report back to the Congress with his findings and recommendations by January 1, 1969.

Consideration would be specifically given by the Secretary, under the bill, to the following factors:

First. Price savings which might accrue to the U.S. Government from the enactment of such legislation.

Second. Effects upon all segments of the health professions.

Third. Effects upon all elements of the pharmaceutical industry, including large and small manufacturers of drugs, wholesalers, and retailers of drugs.

Fourth. Such other medical, economic, and social factors as the Secretary determines to be material.

During hearings on these proposals, testimony was presented by officials of the Health, Education, and Welfare Department, including the Commissioner of the Food and Drug Administration. Witnesses from the professions of medicine and pharmacy, and from the pharmaceutical industry also appeared.

The overwhelming weight of this testimony was that action should be deferred by Congress pending the completion of comprehensive Health, Education, and Welfare Department studies of the professional, economic, social, and other effects of the proposed legislation.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. HARTKE. I am glad to yield.

Mr. TYDINGS. I have been following the debate and the dialog of the Senator from Indiana with some interest. I wonder what additional facts we need to know that a great many American people are paying exorbitant prices for the cost of drugs, particularly our elderly citizens.

Mr. HARTKE. May I say to the Senator from Maryland that the report of the HEW demonstrates that there are 12 items, which are complex and highly controversial, on which they have not been able to make a decision, and which I will read in a few moments.

Mr. TYDINGS. The overall problem is universally recognized, as between the work of the Antitrust Subcommittee and the Judiciary Committee, that this is one place where many American citizens are really taken advantage of.

Mr. HARTKE. Let me ask the Senator from Maryland how he proposes to do this any faster by following the procedure outlined by the Senator from New Mexico in his amendment today, other than by following that procedure which is outlined in the bill?

Mr. TYDINGS. In the first place, the activities of the opposition indicate that if the amendment were adopted, protection would accrue to the American citizens, particularly the elderly, in a much more rapid fashion.

Basically, the minute the drug companies come under the same restrictions, the minute our elderly have the same protection on the cost of drugs outside of a hospital that they now have in it, the protection begins; is that not a fact?

Mr. HARTKE. No, that does not correspond with the facts; but the question I asked was, How would he accomplish his goal any faster? The bill of the Senator from New Mexico would not go into effect next year. Read it.

I recall that the Senator from New Mexico complained about the letter from Mr. Myers, of the Social Security Administration. I read from line 2, under section 1832(a)(3), as follows:

> 100 percent of such expenses.

That happens to be in the Senator's bill, in case the Senator from New Mexico failed to read his own bill.

Mr. TYDINGS. Will the Senator yield further? If it is not to go into effect next year, why the big opposition?

Mr. HARTKE. There is not going to be any effect at all. This will destroy the effect of the study now being made by the Committee on Finance. Does the Senator from Maryland not want the study made?

Mr. TYDINGS. The Senator from Maryland, quite frankly, would like to see the people of the United States protected from the exorbitant cost of drugs, particularly our elderly people.

Mr. HARTKE. I would, too.

Mr. TYDINGS. I think the amendment is worthy of commendation, and I commend the Senator from New Mexico, and hope he perseveres in this fight.

Goodness knows, the people of the United States deserve a few champions in this field, and I am glad to see the Senator from New Mexico in there looking after the little man and the elderly man, who is hit hardest by these costs. I know what those prices are.

Mr. HARTKE. The Senator from Maryland is quite right in commending the Senator from New Mexico, because this is a noble purpose. But that noble purpose will not be accomplished as fast nor in as good a fashion as if we followed the provisions in the Senate bill.

But I am not competent to determine what drugs are to be used, and do not propose to try to tell them how to do it. I think it is better to follow the Department of Health, Education, and Welfare study. I shall detail those studies in a moment.

Mr. MONTOYA. Mr. President, will the Senator yield at this point?

Mr. HARTKE. I am happy to yield.

Mr. MONTOYA. As the Senator knows, one of the features of my bill is to establish a Formulary Committee, which I think is a good idea.

Mr. HARTKE. When would that Committee be established?

Mr. MONTOYA. Immediately after the effective date of the section, which would be July 1, 1969.

Mr. HARTKE. Let me——

Mr. MONTOYA. May I go further?

Mr. HARTKE. Well, let us just——

Mr. MONTOYA. And lay my premise for the question?

Mr. HARTKE. Well, all right.

Mr. MONTOYA. Under some of the State laws or practices, there have been formulary committees established. The Veterans' Administration has a formulary committee. Walter Reed Hospital operates under a formulary committee concept for the prescribing of drugs. The Naval Hospital at Bethesda does the same thing. Eighty percent of the hospitals in this country operate under a formulary committee.

The basis and reason for the Formulary Committee is to try to prevent the gouging of innocent people, and to enable the doctors to have guidelines that they can depend on.

I state an example: In studying the need for formulary recommendations, we found glaring discrepancies in costs for the same drugs. Take the drug named methyltestosterone, a male hormone; in the classification of drugs in this particular category, the cost for one form of that drug is $1.17 for 25 milligram tablets. The highest cost for the same drug in the same quantity is $20.40; a discrepancy of almost $19 for the same drug, but manufactured by different manufacturers.

Let me go into another comparison. On pentaerithrithol tetranitrate, for 10 milligram tablets, the minimum price is 25 cents, but another company charges $2.50. For the same drug prescribed in a different dosage, 20 milligram tablets instead of 10, the cost is 28 cents by one manufacturer, and $3.75 by another manufacturer, for the same quality drug in the same quantity.

That is what the Formulary Committee concept is trying to focus on: The discrepancy between charges by different manufacturers for the same drug, of the same quality.

I believe that the formulary concept is something Congress should look into. I think that my amendment would establish this concept and approach across the medical landscape of this country.

Mr. HARTKE. I do not know whether the Formulary Committee approach is right or not. I am not going to try to make that judgment. I am not against cutting down costs of drugs where excessive.

I am no Johnny-come-lately in this field myself. My bill was introduced in 1965. But if the Senator from Maryland thinks something great is going to happen, I call to his attention that what this does is delay the very study he wants until July 21, 1969, but if you follow the bill itself, you will have the study completed by January 1, 1969, the effective date of the amendment of the Senator from New Mexico.

I cannot even begin to understand all the things on page 5, all the things on page 6, or all the things on page 7 which deal with the complaints that the Senator from New Mexico has as to the drug industry. I am not talking about that. I am talking about getting an effective bill.

Mr. TYDINGS. Mr. President, will the Senator yield?

Mr. HARTKE. I am glad to yield.

Mr. TYDINGS. Is the Senator aware of the efforts that have been made by leaders of the Senate, over the years, dating back to the time of the late distinguished Senator Kefauver from Tennessee, to get some sort of exposure on the exorbitant costs of drugs before the American people, the efforts made to get the inquiry taken up in the Antitrust Subcommittee of the Committee on the Judiciary, and the tremendous lobbying efforts brought, time and again, to beat it down?

Is the Senator aware of the tremendous lobbying efforts now being made to beat down the proposal of the Senator from New Mexico? Does the Senator think there will be any less efforts next year, or 2 years from now, if they are successful in beating down this measure again now?

Mr. HARTKE. The Senator makes a highly emotional speech, and tries to talk about things which have nothing to do with what I am talking about. The Senator ignores the fact that section 1846 of the proposed amendment of the Senator from New Mexico will not go into effect until July 1969. I ask him, regardless of whether any effort is being made—I am not saying whether it is or is not——

Mr. TYDINGS. Does the Senator deny it?

Mr. HARTKE. Mr. President, I have the floor. The Senator from Maryland ought to first read and find out that all the same arguments that could be made against this proposition can be made just as well July 1, 1969, 6 months after the completion of the study provided for in this bill. He does a great disservice if he is really interested in helping people, and he does a great disservice to the elderly, by attempting to put off this type of study until July 1969. I suggest he read the bill. The bill provides that this study begin on January 1, 1969.

The fact of the matter is that I do not see why the Senator does not join me, if he believes what he says.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. HARTKE. Yes; I am happy to yield.

Mr. LONG of Louisiana. Mr. President, this amendment is not offered as a substitute for the study the Senator from Indiana wants. The Senator can have his cake and eat it, too, as far as the sponsors of the amendment are concerned. But we think we know what this study is all about. We think the drug companies are urging it.

I think their purpose is, hopefully, that in the next election they may be able to defeat a few of us who are running for office, some of us who want to protect the old people from paying high drug prices. They think that, after they get through with that effort, we certainly will not be able to legislate on the subject, and they will still be able to require the old folks to pay the high prices.

If the Senator wants to help the old people get drugs at a reasonable price, it would be better to try to do this when the legislators are here who want to do so. It would not be wise to wait until after the next election when the drug people will perhaps succeed in getting some people elected so that they may be sure that the drugs will not be purchased unless they are purchased on their terms.

That is what the drug people want to use this study for. They think that perhaps the 91st Congress might be more favorable to the drug manufacturers or, on the other side of the coin, less favorable to the old people than the 90th Congress.

That is basically, I suspect, why the drug companies prefer that a study be made, and nothing more. But the Senator from New Mexico prefers that we have the study and also act so that the people can have the drugs, and rather than paying a high price for the drugs, the people would pay 50 cents a month each.

That is what we are talking about, getting drugs for a reasonable price. The old people would pay half the cost and the Government would pay half the cost. And if we have to buy High Poplarlorum, it would be bought at a reasonable cost.

We can pay high tributes to some of the fine manufacturers who produce good drugs. But the executives get all on earth that the traffic can possibly bear and they find ways to keep from competing with their neighbors for the business.

Mr. HARTKE. I thank the Senator from Louisiana.

The committee bill would order studies to be made, and in fact work on certain aspects of this project is well underway.

I shall give a quotation concerning what Congress has been told about this very thing. I do not know whether I am as well informed as is the Senator from Louisiana on all of these facts. However, these words are important.

On January 23, 1967, in his message on older Americans, the President noted that—

> Medicare does not cover prescription drugs for a patient outside the hospital.

He told the Congress:

> We recognize that many practical difficulties remain unresolved concerning the cost and quality of such drugs. This matter deserves prompt attention. I am directing the Secretary of Health, Education, and Welfare to undertake immediately a comprehensive study of the problems of including the cost of prescription drugs under Medicare.

Those are the words of the President of the United States on January 23, 1967, less than a year ago.

Mr. LONG of Louisiana. Is the Senator prepared to say that the President is right about everything he says?

Mr. HARTKE. I have just called attention to the fact that the President did say that. Let me say that I have some difference of opinion with the President on some matters.

Subsequently, however, the Secretary of Health, Education, and Welfare established a special departmental task force on prescription drugs. The Secretary directed the task force "to measure the value of possible solutions not only in terms of dollars to be saved, but in the quality of health care to be delivered." The Secretary of Health, Education, and Welfare, in my opinion, should be applauded, Mr. President, for expressing the task force's mandate in these terms.

The committee bill would broaden the area to be studied by the Department of Health, Education, and Welfare and extend the completion date to January 1, 1969—6 months before the effective date or the beginning of the study of the formulary concept, which is not universally approved.

The fact of the matter is that even at Walter Reed, if the Senator from New

Mexico is familiar with that institution, the formulary committees are only advisory under the bill submitted by the Senator from New Mexico. They are not mandatory.

I do not pretend to know which is right. However, during the hearings on this legislation, compelling testimony was given by the Department of Health, Education, and Welfare and by the Food and Drug Administration, among others, that urged Congress to await the results of departmental studies before it acted on these proposals.

The fact of the matter is that the proposal of the Senator from New Mexico in effect says that we will make a predetermination of what the facts are now and then put this procedure into effect 6 months after possibly contrary conclusions are found by the HEW study.

Would it not be remarkable if we followed the suggestion of the Senator from New Mexico and then found from the study by the Department of Health, Education, and Welfare that they completely contradict the assumptions made by the Senator from New Mexico?

The Health, Education, and Welfare Secretary stated that he would be "extremely reluctant" to see any action taken by Congress before his Department's task force study is completed.

I do like Secretary Gardner, and he is very highly esteemed. I think he is an extremely dedicated and competent public servant. His assistant, Mr. Wilbur Cohen, is very dedicated also.

To say that these people are not interested in doing what is right for the aged would cast aspersions on them which would not be warranted.

When the Department has completed its study, the Secretary testified, it would be perfectly prepared to move ahead. And so would the Senator from Indiana.

I would hope at that time that the Senator from Louisiana and the Senator from New Mexico will join with us in moving rapidly to approach the matter on the basis of the facts established by the study.

The Secretary then went ahead and declared:

> But we want to be sure that before we undertake price-setting that affects 55,000 pharmacists, and before we undertake the very serious business of quality control, we could come to you with a confident statement that we can do it, that we know we are going to do it, and so forth. That is the only point.

I think that is a point well taken, indeed. I think it is a point in which, I am confident the Senate will concur, just as the Committee on Finance did concur in that recommendation.

I am sorry that the Senator from Maryland [Mr. Tydings] is not present. I want to document some of the factual material that he has either overlooked or forgotten.

Let me briefly summarize some of the uncertainties which caused the administration to conclude that a careful study should be completed before Congress acts on these legislative proposals.

The Secretary of the Department of Health, Education, and Welfare, in a report to the Committee on Finance, pointed out that the task force, though engaged primarily with the question of including outpatient prescription drugs in the medicare program, also had to concern itself with areas affected by these acts, and specifically by S. 2299, the proposed Quality and Cost Control Standards for Drugs Act.

This study will produce in organized form, for the first time anywhere or any place, the facts that the administration and the Congress sorely need in order to act responsibly on these matters of such grave concern.

Here are some of the subjects that the Health, Education, and Welfare Secretary reported are being examined by his task force on prescription drugs:

Analysis is being made of the economic and health needs of those over 65, in an effort to design programs which will provide maximum help to those who need it, without dissipating Federal funds on those who do not require such assistance.

Data from National, State, and local surveys of the elderly are being analyzed to provide a basis for predicting costs of a Federal program, and to determine potential savings which might be produced if reimbursement were provided only for the low-cost generics where such drugs are available. New surveys have been initiated by the task force to solve problems created by substantial inconsistencies in the available survey data.

Analyses have been undertaken to determine the relative advantages and disadvantages to the drug industry, to pharmacies, and to the Government of such reimbursement techniques as first, acquisition cost plus percentage fee; second, acquisition cost plus professional fee; third, acquisition cost plus "reasonable" fee; fourth, "reasonable price"; fifth reimbursement to the pharmacist; sixth, reimbursement to the patient; and, seventh, joint reimbursement.

Faced with the possibility of processing, auditing, paying, and conducting utilization reviews on an estimated 250,000,000 individual prescription bills per year, the task force is proceeding with research, design, development, and field testing of electronic and other data processing systems.

As an essential phase in the development of such a system, or any other system involving accounting procedures as well as adverse reaction reporting for any large-scale Federal prescription drug program, the task force is investigating a uniform nomenclature and coding system which can be utilized by all hospitals, pharmacists, manufacturers, insurance companies and other third-party institutions, and Government agencies. I am sure both the Senator from Louisiana and the Senator from New Mexico approve of this approach. I grant that they have made these conclusions, but the Department of Health, Education, and Welfare has not.

Faced with the serious possibility of coping with accidental or deliberate abuse of a program, the Task Force is initiating the design and testing of appropriate utilization review methods. These are not in the formulary system. Most of these factors are not considered. This is a broad, comprehensive approach which is recommended, and I believe it is a worthwhile program. It indicates the depth to which the Department of Health, Education, and Welfare has gone in making this intensified study.

Intensive studies are being conducted on the relative advantages and disadvantages of a wide variety of formularies now being used by Federal and State agencies, hospitals, insurance companies, and others, in order to determine their effects on cost, rational drug therapy, the interference with the professional prerogatives of physicians, and possible incentives to irrational diagnosis, irrational prescription, and other abuses.

Investigations are underway on the relative advantages and disadvantages of a variety of distribution systems, including community pharmacies, mail-order pharmacies, central or controlled pharmacies, Government or State stores, physician dispensing, and outpatient hospital dispensing.

Studies are being conducted of widely differing prescription drug programs now being operated by State welfare programs, labor unions, cooperatives, health insurance companies, group health plans, special drug insurance companies, and other groups. Similar studies are being made on selected programs in other countries.

Investigations are underway to provide an objective basis for settling the problem of clinical equivalency of generic counterparts, to identify those drugs for which a significant lack of clinical equivalency appears to be most probable and to represent a significant hazard to health, and to establish suitable protocols for necessary clinical testing. Preliminary clinical trials of selected generic counterpart drugs which most urgently require study are being initiated by the Public Health Service and Food and Drug Administration.

Through PHS and FDA, the task force is studying a variety of proposed procedures to improve the quality of all drugs, including improved plant inspection, increased batch testing, increased testing of market samples, establishment of approved formulation procedures, establishment of self-certification procedures, and the modification of existing laboratory test specifications.

The task force is considering possible methods to solve the problem of single-source drugs, still under patent, which may be available only at excessive cost.

Mr. President, with so many crucial issues unresolved, is it any wonder that the Health, Education, and Welfare Department and the administration are reluctant to see legislation passed by Congress before completion of these important studies?

I point out again to the Senate that even if the proposed amendment were adopted, we would be adopting a procedure and a system which can be clarified by the bill itself 6 months before the amendment would even begin to operate in any field, including the establishment of the studies as prescribed under the formularies approach beginning on page 3 of the amendment.

I ask unanimous consent, Mr. President, that the text of this brief HEW status report on the task force on prescription drugs be printed in its entirety at this point in the RECORD for the information of all Senators.

There being no objection, the status report was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE,
Washington, September 1, 1967.

Hon. RUSSELL B. LONG,
Chairman, Committee on Finance,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am pleased to have this opportunity of submitting to you this status report on the Task Force on Prescription Drugs, which was appointed on June 1, 1967, and directed to present its final report to me in twelve months.

Its mission is primarily a study of the possible inclusion of outpatient prescription drugs in the Medicare program. Many of its activities, however, touch areas which are also concerned in your proposed bill S. 2299, the "Quality and Cost Control Standards for Drugs Act."

As of August 23, the Task Force has not made any formal recommendations to me. The Task Force members and members of its staff have been undertaking intensive investigations in a number of significant fields.

1. A careful analysis is being made of the economic and health needs of those over the age of 65, in an effort to design programs which will provide maximum help to those who need it most seriously, without dissipating Federal funds on those who do not require such assistance.

2. Existing data from national, State, and local surveys of the elderly are being analyzed to provide a basis for predicting costs of a Federal program, and to determine potential savings which might be produced if such a mechanism as reimbursement were provided only for the low-cost generics where such drugs are available. New surveys have been initiated by the Task Force to solve problems created by substantial inconsistencies in the available survey data.

3. Comparative analyses have been undertaken to determine the relative advantages and disadvantages to the drug industry, to pharmacies, and to the Government of such reimbursement techniques as (*a*) acquisition cost plus percentage fee, (*b*) acquisition cost plus professional fee, (*c*) acquisition cost plus "reasonable" fee, (*d*) "reasonable price," (*e*) reimbursement to the pharmacist, (*f*) reimbursement to the patient, and (*g*) joint reimbursement.

4. Conferences between the Task Force and representatives of such agencies as the Department of Defense and the Veterans Administration are being conducted in an effort to determine how prescription drug acquisition and quality control policies utilized by such agencies could be adopted for a Medicare program.

5. Faced with the possibility of processing, auditing, paying, and conducting utilization reviews on an estimated 250,000,000 individual prescription bills per year, the Task Force is now investigating the essential research, design, development, and field testing of appropriate electronic and other data processing systems.

6. As an essential phase in the development of such a system, or any other system involving accounting procedures as well as adverse reaction reporting for any large-scale Federal prescription drug program, the Task Force is now investigating a uniform nomenclature and coding system which can be effectively utilized by all hospitals, pharmacists, manufacturers, insurance companies and other third-party institutions, and governmental agencies.

7. Faced with the serious possibility of coping with accidental or deliberate abuse of a program, the Task Force is initiating the design and testing of appropriate utilization review methods.

8. Intensive studies are being conducted on the relative advantages and disadvantages of a wide variety of formularies now being used by Federal and State agencies, hospitals, insurance companies, and others, in order to determine their effects on cost, rational drug therapy, the interference with the professional prerogatives of physicians, and possible incentives to irrational diagnosis, irrational prescription, and other abuses.

9. Investigations are underway on the relative advantages and disadvantages of a variety of distribution systems, including community pharmacies, mail-order pharmacies, "central" or "controlled" pharmacies, government or "State" stores, physician dispensing, and outpatient hospital dispensing.

10. Studies are being conducted on the relative advantages and disadvantages of such devices as deductibles, coinsurance, copay, dollar limitations, quantity limitations, added premiums, and control of rebates to limit costs and minimize abuse.

11. Studies are being conducted on the relative advantages, disadvantages, and costs of widely differing prescription drug programs now being operated by a number of State welfare programs, labor unions, cooperatives, health insurance companies, group health plans, special drug insurance companies, and other groups throughout the United States. Similar studies are being made on selected programs in other countries having experience with one or more features proposed for an American program.

12. Investigations are underway to provide an objective basis for settling the problem of clinical equivalency of generic counterparts, to identify those drugs for which a significant lack of clinical equivalency appears to be most probable and to represent a significant hazard to health, and to establish suitable protocols for necessary clinical testing. Preliminary clinical trials of selected generic counterpart drugs which most urgently require study are being initiated by the Public Health Service and Food and Drug Administration.

13. Through PHS and FDA, the Task Force is studying a variety of proposed procedures to improve the quality of all drugs, including improved plant inspection, increased batch testing, increased testing of market samples, establishment of approved formulation procedures, establishment of self-certification procedures, and the modification of existing laboratory test specifications.

14. The Task Force is considering possible methods to solve the problem of single-source drugs, still under patent, which may be available only at excessive cost.

In carrying out their mission, members of the Task Force and its staff are consulting with many highly qualified members of the scientific and medical communities, as well as with representatives of major consumer, union, pharmacy, brand-name manufacturing, generic manufacturing, medical and other interested groups. Equally valuable assistance is being provided by representatives of many State agencies and of the Department of Defense, the Veterans Administration, the Department of Justice, and other Federal agencies.

Enclosed is the memorandum you requested me to submit on "policy and Procedural Problems Under S. 2299 Which Require Further Examination."

I must tell you that after reviewing with members of the Task Force the formidable difficulties involved in this matter, I would be extremely reluctant to see any action taken before the Task Force study is completed.

Sincerely,

JOHN W. GARDNER,
Secretary.

Mr. HARTKE. The Secretary of Health, Education, and Welfare also supplied to our committee a brief staff report on policy and procedural problems with respect to the proposed Quality and Cost Control Standards for Drugs Act.

HEW staff explorations relating to this proposal produced many thought-provoking comments. Let me summarize a few of them:

Under this measure, reasonable charges for prescription drugs would have to be established, and this would be a protracted and complex undertaking, the staff report says. Even under the bill offered by the Senator from New Mexico, instead of doing it under the study proposed here, he would in effect wipe this study out and delay until July 1, 1969, all the beginnings of such a study, while the study could be completed 6 months before the bill of the Senator from New Mexico would be operative.

After 25 years of discussion of this subject, the elements to be included and excluded remain in controversy, this report declares.

Let me read a few more paragraphs from the HEW staff analysis:

> Cost ranges for drugs would be based on current market practices, with all the complexities of quantity discounts, hospital discounts, rebates, geographical differences in price, determination of prices which vary 'significantly' from others, and the need to consider claims of 'distinct therapeutic advantages' for certain products—ratesetting in a novel field presenting novel problems.
>
> Setting criteria to govern professional fees would have to take into account not only 'costs of overhead, professional services, and a fair profit' mentioned in the bill, but also such variables as volume of business done, drugstore as compared to hospital pharmacy operation, independent as against chain stores, extent of late hour and weekend operation, and many other factors.

These statements come from the Department of Health, Education, and Welfare, in their staff report.

> Establishment of both acquisition costs and professional fees would require consultation with the many interested groups, with State agencies, and with accountants and other advisers.

Under the system provided by the Senator from New Mexico, all these procedures would have to be delayed until July 1, 1969, when we could well have them 6 months earlier, if the Senator from New Mexico would be content to go along with an established procedure which the administration itself recommends:

> The difficulty of arriving at acceptable criteria would be greater if, as is understood to be the case, the concept that professional fees should be determined by the Federal Government is opposed by the National Association of Retail Druggists.

All these things are left undecided in the bill before the Senate at this time.

> It is problematical whether the States would be either willing or able, as contemplated by the bill, to undertake under the Federal criteria the actual fixing of professional fees in the infinitely varied situations that would exist within each State. This is a matter which requires exploration with the States.
>
> Once the cost and reimbursement patterns were worked out, the program would require not only dealing with 55,000 community pharmacies, 7,000 hospital pharma-

> cies, and more than 12,000 skilled nursing homes, but also dealing indirectly with about 200,000 prescribing physicians.

And this comes from the staff committee's report.

Discussing economic factors relating to manufacturers and retailers, the HEW staff report made several other important points:

First. Establishment of a "reasonable cost range," rather than a maximum reimbursable price, may in effect establish a floor for prices, and in some cases raise the cost of a drug.

Second. Using an approved cost—or cost range—of drug acquisition provides no incentive for the pharmacy to purchase at the lowest possible cost. While acquisition cost plus markup may encourage the pharmacist to dispense the highest cost drug, the acquisition cost plus fixed fee does not encourage the pharmacist to buy at lower prices.

Third. The exclusion of competitive therapeutically duplicative drugs may tend to eliminate competition among manufacturers.

Fourth. The advantage to a manufacturer of having his drug in the Formulary, while possibly equally good drugs are excluded, provides an economic advantage not related either to quality or to the marketplace.

Additionally, the HEW report points out, Federal setting of a basis of payment for outpatient drugs raises the question whether there should be similar Federal control of prices making up other major expenditures, such as those for physicians' services; that is, nationally prescribed criteria for State fee schedules.

I do not believe we have yet reached the point, Mr. President, where Congress is ready to establish Federal controls over fees charged by the health professions.

I, for one, oppose any such fixing of physicians' fees. But the HEW staff report properly raises the question—if we are to fix payments for one factor in medical costs, what about the others? Once we have fixed a fee for pharmacists, why should we not do the same for physicians, nurses, and even hospitals?

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. MONTOYA. Is not the report which the Senator is reading from directed toward the Long bill and not the Montoya bill?

Mr. HARTKE. It is directed at both of them.

Mr. MONTOYA. Does it so specifically state?

Mr. HARTKE. It comments on S. 17 and S. 2299. I think S. 17 is the bill of the Senator from New Mexico. Is that correct?

Mr. MONTOYA. Yes.

Mr. HARTKE. We have concluded that it does, then. The fact is that the Senator from New Mexico does require in his bill a Federal formulary committee.

Mr. MONTOYA. The Senator is correct.

Mr. HARTKE. And that is the point to which I am directing attention at this time, and I am commenting on the statement of HEW. I compliment them on their thoroughness and their interest in the welfare of the aged. They are interested on an objective basis. I share their objectivity in trying to help these people in a field which, as I said before, predates that of the Senator from New Mexico. I congratulate the Senator from New Mexico upon being concerned, but it is my position that his bill does not do what he wants done.

Here is what the Department of Health, Education, and Welfare said:

> The therapeutic equivalency of generic counterparts has not been established in all cases. In some instances agreement on "distinct, demonstrated therapeutic characteristics not otherwise available" will be difficult if not impossible to achieve.

Then they went on with another statement:

> The goal of minimizing the use of "therapeutically duplicative" drugs may be desirable, but an objective, noncontroversial method of determining which drugs [are] therapeutically duplicative has not been developed. The implications of this provision with respect to effects on quality of care, research, and competition need further study.

That is why I say that this is an emotional appeal. It is an emotional appeal when, in effect, all that we are doing is delaying a scientific approach to the problem by postponing it an additional 6 months beyond the date of the Committee on Finance, if it were voted for.

> The definition of "qualified drug" includes only those drugs listed in the Formulary of the United States or in a hospital formulary which are "prescribed or furnished in such quantities and under such conditions as are necessary to meet requirements established by the Formulary Committee under regulations designed to assure the orderly, efficient, and proper use of drugs." This means that the Formulary Committee should provide conditions of use of drugs with both therapeutic effect and cost of medication in mind. It could limit the use, for example, of high cost drug specialties in situations in which less costly drugs of the same class were the drugs of first choice, and in this way bring down the cost to the Federal program. But in doing this it would give the Committee the responsibility for regulating what types of drugs could be prescribed in what clinical situations, in what amounts, in what total quantities, and over how long a period.

Mr. MONTOYA. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. MONTOYA. Under my bill there would be no restriction as to what drugs could be prescribed for reimbursement. The formulary committee would list all drugs which were of equal quality in a certain category and the physician would be free to prescribe any drug in that category. There is no cost prescribed for reimbursement purposes.

Mr. HARTKE. I am fully aware of that.

Mr. MONTOYA. In the formulary committee.

Mr. HARTKE. I understand. However, the committee will have to make these determinations before making the determination of what the charge is to be.

Mr. MONTOYA. Yes.

Mr. HARTKE. So the reimbursement of the person is based on this. Therefore, the formulary committee is going to be the doctor and not the doctor himself.

This is the difference between the Long approach and the Montoya approach. The formulary committee represents a distinct difference in emphasis. If the Senator from New Mexico only wants to pay bills without determining the type of treatment, that is one thing. I might be inclined to give him limited support along that line. But if he agrees to that, then the Senator from Louisiana will oppose the bill and I understand why. This puts it in sharp focus. It does not make any difference how criteria are established. Once the formulary committee sets forth the conditions as to how the physician should prescribe this drug and this quantity for this disease, that is what they are going to get reimbursed for.

Mr. MONTOYA. I would not put it that way. This is the way it would work. The formulary committee would state certain drugs would take care of certain diseases.

Mr. HARTKE. Just a moment. Let me ask this. Would it say how many?

Mr. MONTOYA. How many what?

Mr. HARTKE. How many pills?

Mr. MONTOYA. No.

Mr. HARTKE. Why not?

Mr. MONTOYA. That would be up to the physician.

Mr. HARTKE. The physician might say he needs 100 but the committee said it should be 50.

Mr. MONTOYA. They would not do that.

Mr. HARTKE. Why not?

Mr. MONTOYA. They would merely be charged with the responsibility to categorize what drugs are of a quantitative quality to take care of a certain disease.

Mr. HARTKE. There are different drugs. How do you make the determination? You say, for instance, they are of an equal value. Would you divide the pill in half?

Mr. MONTOYA. No, if the physician requires 10 grams——

Mr. HARTKE. Of what?

Mr. MONTOYA. Of any certain medicine.

Mr. HARTKE. I am not a physician. As I understand it, there is a difference. They could be equivalent.

Mr. MONTOYA. One drug manufacturer has tablets containing only 5 grams; he would just double the pills in order to arrive at the required amount, but that is up to the physician and not the formulary committee.

Mr. HARTKE. The formulary committee has to make the determination according to this bill. This is the criticism and the questions posed by the staff of the committee, which I want to keep in effect and which the Senator from New Mexico, in effect, would say is unnecessary.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. LONG of Louisiana. I said there is nothing involved here telling a drug company what they have to charge or do not have to charge, or telling a physician what he must prescribe or not prescribe. I am not talking about the Long bill. Let us talk about the Montoya bill.

The Montoya bill, I understand, provides that if you want to order tetracycline—which is one of the wonder drugs which kill bacteria—if you want to order that you can get it from lots of people who manufacture it.

I am looking now at the formulary of the State of Illinois—it looks as if it has the name of a Democratic Governor on the front, Otto Kerner. Here is a list of items which they are willing to pay for. Here it says tetracycline prescribed in 500-milligram capsules. The maximum amount covered is 24. I am told if one were to take that much it would kill every bacterium in his body. I am told that 16 is the number that you should take, and so that means there are eight extra. You take those capsules and that is all you would need. How much would it cost to buy that many capsules, which is about what the doctor would prescribe, with a few left over?

How much should that cost? Five cents apiece is the most this formulary would pay for them under any circumstances because someone is selling it for 2 cents. He can make a profit or allow the pharmacist his $2 charge. So we say we think that 24 of them times 5 cents—all right—that is about $1.20—let the pharmacist make $2 as his professional fee. So it is $3.20. That is what the Montoya amendment says. We will pay $3.20. So that a fellow can buy tetracycline anywhere in America, assuming a manufacturer makes it for that price, so that he can buy it at that price; $3.20 for the prescription, $2 of which represents the druggist's cost and profit factor.

That is a small price compared to what the drug companies would like to charge. They have been holding that price up for a long time. They had a 50-cent capsule which cost them about one and a half cents to manufacture. I have been making speeches about it, and the price has been coming down; but if the drug companies had their way, they would charge us 50 cents a capsule for it.

So there are 40 capsules—24 times 40 is—what?—I am calculating offhand here—$9.60 compared to $3.20 and perhaps they might want a markup on top of that.

The point is, if we are going to pay $3.20, the $3.20 must be distributed between the druggist, and the drug company, and perhaps someone else who might be kept in the picture.

But they may want us to pay 10 times more for it. That is what it can be bought for. Here is what can happen: If a doctor wants to buy a drug from Squibb, instead of some other company, because he thinks it might be better—which is not necessarily true, because drug companies manufacture drugs of about the same quality—but let the doctor order from any firm he wishes. We know, as a practical matter, that the old folks will catch onto it, that they can buy it for a certain price when the doctor insists they pay more for it. They talk to each other about it and realize that they are getting the worst of it. Word gets around, and the price tends to come down.

Many people feel that Squibb is the only firm which manufactures good drugs, or Pfizer, but the manufacturers will all say that the other fellow is deserving, being in the same fraternity with them, because they all manufacture a sorry lot of drugs, now and then, themselves. If they sought to expose each other's "dirty linen" we would find out that none of them has ever been 100-percent correct, that at one time or another they have all manufactured a product that might not have been up to snuff at one time or another.

I say, let us pay a reasonable price for these products. Let the old folks pay 50 cents toward their drugs costs from now until God calls them home. We can study this from now until kingdom come, and we still will not come to grips with the real question.

Are we going to line up with the old people? Are we going to line up with the taxpayers? Are we going to line up with the druggists who are on the side of the old people? Or, are we going to line up with the pharmaceutical manufacturers and those doctors they have managed to brainwash? Are we going to vote for the public interest?

Louisiana does not manufacture many drug products. It does manufacture some patent medicines. Someone might possibly think that Squibb products are the best. I think someone in Louisiana puts out a shaving lotion, comprised of alcohol and some perfume which some people put on their face thinking they will get rid of blackheads. There are similar products which people think will make them beautiful. That is all right with me, too, but Louisiana is not famous as a drug manufacturing State.

There is no reason for people to have to pay exorbitant prices. This study is not going to answer any questions of that kind. By the time the drug manufacturers get through lobbying, contributing to our campaigns—although I do not think they will contribute to mine, the way things are going with me right now, but they might contribute to someone else's—but by the time they get through lobbying and doing the best they can to ingratiate themselves, to do everything they can to increase the profits of their business, how is Congress going to vote? Is it going to vote to buy drugs at twice the price, or at a reasonable price?

Let us face it. Since the Senator from New Mexico offered his amendment the opposition has worked fervently against the amendment so that the old people could not buy drugs with some help from the Federal Government. Indeed, the furious opposition goes to the point that the Government does not feel it should pay more than a reasonable price for it. Indeed, the Government does not pay more than the reasonable price whenever the Government buys a drug. Why should we start it now when we pay for drugs under medicare?

Mr. HARTKE. Mr. President, I have listened with great interest to what the Senator from Louisiana has said. I do not find that we have come anywhere near discussing the issue, but I do not find much fault with his presentation.

The point I wish to go back to is that I did not write the amendment. The Senator from New Mexico [Mr. MONTOYA] wrote the amendment. All I can say is that I did not make the staff report. To my knowledge, I do not think the staff at HEW can be accused of being the handmaiden of any of the drug lobbyists. If they are, there should be an investigation of that.

All I am doing is taking the words of the Senator from New Mexico. I am taking his amendment. I am taking his study. I am taking the study from HEW. It is not my study. I did not make it. I am just reading the words.

Mr. LONG of Louisiana. Mr. President, will the Senator from Indiana yield?

Mr. HARTKE. I yield.

Mr. LONG of Louisiana. We all know where that Department of Health, Education, and Welfare is. I was trying to get a report on the Long bill out of that Department. The Abbott Laboratories had it, but I could not get it. The lobbyists down there with the executive branch—just as there are lobbyists on Capitol Hill—Abbott Laboratories sent the letter around. It was distributed to Senators, but I could not get it myself out of the Department, a report on my own bill. They did not stop just lobbying in Congress. They worked overtime down at the executive branch as well. That is why we can find these estimates ridiculous. I do not know that Mr. Meyers actually made that estimate himself. We had previous estimates by the same Department, and by the same actuary. He does not make those same mistakes. But things of this sort could happen.

I am not finding fault. I know that many of those in the drug business are fine people. With the kind of progress they are making, I wish I held some stock in their business. I wish I could afford it. But those people have done a great job representing the industry on the Hill, and also down at those departments. I regret to say that when we wanted that letter on my bill we could not get it. People have been padding down the halls of the Department of Health, Education, and Welfare and in various other Federal agencies getting this letter on the Long bill such as Abbott Laboratories did and circulated it to Senators, but I—the author of the bill—could not get that same report on my own bill. They were doing a great job for those who were paying them.

Mr. WILLIAMS of Delaware. Much has been said about this, but I am wondering whether the Senator from Louisiana would feel, in light of his discussion about so many lobbying agents around if we could come to the conclusion that they were well oiled.

Mr. HARTKE. I want to come back—now that we have had this little escapade of going down side avenues—I want to come back to the situation at hand.

I honestly feel that Mr. Myers, and the rest of the people at the Department of Health, Education, and Welfare, including Mr. Gardner are extremely competent people.

Mr. Myers is now in the gallery. I know that there is no more dedicated, loyal public servant than he. I am sure that he would say so, if he knew he had made a mistake. And if he has, I am sure that it was an honest mistake since someone may have given him the wrong information. I also think that he would be the first to say he was not perfect.

I do think that there is a dispute on the cost. That much has to be agreed to. I am not talking about the cost. I am not talking about getting the price down. I am talking about the bill before the Senate, and that provides for the establishment of a formulary committee.

The report to which I am referring answers the very question and deals with the very point brought up by the definition of "qualified drugs." That is where we were interrupted.

To put the discussion back into proper focus, and not to deal with this emotionally or go down side avenues or on excursions, I said that the report of the HEW staff on S. 2299 went into the definition of "qualified drug." It stated:

> The definition of "qualified drug" includes only those drugs listed in the Formulary of the United States or in a hospital formulary which are "prescribed or furnished in such quantities and under such conditions as are necessary to meet requirements established by the Formulary Committee under regulations designed to assure the orderly, efficient, and proper use of drugs.

The Department's staff is going to have to complete the report before the Senator from New Mexico's amendment could start his study. The Senator proposes a method by which we will have to wait 6 months.

Here is the conclusion. These are not my words. This is the Department's staff report:

> This means that the Formulary Committee should provide conditions of use of drugs with both therapeutic effect and cost of medication in mind. It could limit the use, for example, of high cost drug specialties in situations in which less costly drugs of the same class were the drugs of first choice, and in this way bring down the cost to the Federal program. But in doing this it would give the Committee the responsibility for regulating what types of drugs could be prescribed in what clinical situations, in what amounts, in what total quantities, and over how long a period.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. PASTORE. I regret very much that I could not be here earlier, because this is a very important subject. I am conducting hearings on the foreign aid bill.

Could the Senator explain what his amendment does?

Mr. HARTKE. It is not my amendment. It is the amendment of the Senator from New Mexico.

Mr. PASTORE. Is the Senator from Indiana speaking in behalf of the amendment?

Mr. HARTKE. I am speaking in opposition to the amendment, because it does not do any good. If the Senator wants the Senator from New Mexico to explain it, I shall be glad to yield to him to do that.

Mr. PASTORE. Could the Senator from New Mexico give us a very simple explanation of it?

Mr. MONTOYA. Yes. The bill which I am offering in the nature of an amendment is designed to prescribe a program of insurance in which the enrollee over the age of 65 may participate by paying an estimated sum of 50 cents per month and the Government paying the other 50 cents on a matching basis similar to the matching concept in the medicare bill. The enrollee will be reimbursed for prescription drug costs which he incurs after leaving the hospital.

Right now there is no provision under the law for reimbursement to him after he leaves the hospital under the medicare program.

The amendment which I am offering will alleviate his financial stress by providing an allowance of reimbursement to him after he presents bills for prescription drug costs incurred by him, with the additional proviso that the first $25 of his cost shall have to be borne by him. It is a $25 deductible program.

Mr. PASTORE. Mr. President, will the Senator yield——

Mr. HARTKE. Mr. President, I may say there is a dispute as to the cost involved, whether one agrees with the Senator from New Mexico as to the cost involved or whether one agrees with the statement, which is in the RECORD, of the Chief Actuary of the social security system, who says that the cost will be approximately $3.20, or $1.60 for the enrollee, rather than the 50 cents. The effective date of the bill is July 1, 1970, 6 months after the study I have been referring to will be completed.

Mr. MONTOYA. Mr. President, if the Senator will yield, I do not think the dollar figure is correct.

Mr. HARTKE. I said it is in dispute.

Mr. MONTOYA. I have stated, on the basis of the actuarial study and information given to the committee, which appears in the committee report of last year, the requirement would be 50 cents a month. The Senator from Delaware [Mr. WILLIAMS] has brought in a new figure, which indicates the cost would be increased, with which the distinguished chairman of the Finance Committee, the staff, and I disagree.

Mr. HARTKE. Let me say to the Senator from Rhode Island that this is not my information. I will give him the letter. It is not my information. Mr. Myers is in the gallery. I am sure he will be glad to confirm the statement in that letter.

Mr. PASTORE. Is the Senator from Indiana resisting this amendment because of the cost or the principle involved?

Mr. HARTKE. Neither one. As a matter of fact, I espoused the principle involved before the Senator from New Mexico did.

Mr. PASTORE. Now may I ask a question of the Senator from New Mexico?

Mr. HARTKE. Yes.

Mr. PASTORE. Must it be a drug which is prescribed by a doctor?

Mr. MONTOYA. Yes, it must be a drug which is prescribed by a doctor.

Mr. PASTORE. In other words, it could not be a vitamin tablet or aspirin; it would have to be a prescription drug?

Mr. MONTOYA. If it was prescribed by the doctor and was contained in the formulary list put out by the HEW.

Mr. PASTORE. Which is already established?

Mr. MONTOYA. Which is already established under medicare. There is a medicare formulary established.

Mr. PASTORE. The person who is entitled to this relief under the social security law would make a payment of 50 cents on each dollar, himself?

Mr. MONTOYA. That is correct.

Mr. PASTORE. And the Government would make a payment of 50 cents?

Mr. MONTOYA. Yes.

Mr. PASTORE. In order to be reimbursed, his cost would have to be $25?

Mr. MONTOYA. Yes.

Mr. PASTORE. Over what period of time?

Mr. MONTOYA. The $25 deductible would have to be on an annual basis.

Mr. PASTORE. That is all I wanted to know.

Mr. HARTKE. Let me make a clarification. The study provided for in the bill would have to be completed 6 months before the effective date of Senator MONTOYA's measure.

Mr. PASTORE. What study are we talking about?

Mr. HARTKE. The same study the Senator from New Mexico would have made 6 months later.

Mr. MONTOYA. Mr. President, will the Senator yield at that point?

Mr. HARTKE. I yield.

Mr. MONTOYA. May I say, for the information of the Senator from Rhode Island, that in 1965 the Congress voted and mandated that a study be made on this particular subject. In 1966, when the same bill as my amendment passed unanimously here in the Senate and went to conference, the conferees took that bill out and substituted and mandated a study to be made by HEW. This was in 1966. So there has been a provision for a study for the last 2 years; and still the only defense that is offered to my amendment is that more study time is required.

The question that we have to resolve here is, Shall we wait for another study or shall we get down to brass tacks and provide free prescription drugs for the old people of this country? Can they afford to wait for this study?

Mr. PASTORE. It would not be free. They would have to pay $25 of the initial cost. Over and above that amount, there would be reimbursement. So what we are saying is there would be reimbursement in the case of dire sickness. I am sure no drug prescription would cost over $25 unless a person suffered a serious illness. After that there then may be reimbursement.

Mr. MONTOYA. May I point out that the $25 deductible is for the whole year.

Mr. PASTORE. Twenty-five dollars for the whole year.

Mr. MONTOYA. Yes.

Mr. PASTORE. A person would have to be pretty ill to spend that much on drugs.

Mr. MONTOYA. According to studies, the average annual cost for drugs for a person over 65 is about $47 a year.

Mr. PASTORE. About $47 a year?

Mr. MONTOYA. Yes.

Mr. HARTKE. Let me put this matter into focus again, because the point of it has been lost. The Senator from Rhode

Island is left with the first part of the bill. If we were to add to the first part of the bill what has been discussed, the Senator from Louisiana would oppose it, and has so stated publicly, on the floor.

There is the question of the formulary committee, which I am discussing at the present time. The whole study would start 6 months after this study would be completed, if we adopted the amendment.

Mr. ALLOTT. Mr. President, will the Senator yield for a question?

Mr. HARTKE. I yield.

Mr. ALLOTT. The Senator from Rhode Island and I and other Senators have been involved in committee meetings all afternoon. Was this amendment presented to the Finance Committee?

Mr. HARTKE. The Long amendment?

Mr. ALLOTT. No; the Montoya amendment.

Mr. HARTKE. The Montoya amendment was included with it, and the amendment of the Senator from Indiana was adopted by a 9-to-8 vote.

Mr. LONG of Louisiana. Mr. President, if the Senator will yield, what happened in the committee was that, by a vote of 9 to 8, the Hartke study motion was substituted for the Long amendment, which was aimed at holding down prices paid for drugs. Unfortunately, the Hartke motion as drafted, also applies to the Montoya amendment, which would undertake to keep the costs of insuring drugs at a reasonable level. The Montoya motion was never actually presented in our executive session. It was, in effect, brushed aside by the Hartke motion, which was offered as a substitute for the Long motion.

Mr. HARTKE. Mr. President, that is an accurate interpretation.

Mr. ALLOTT. Would it be fair to say that during the course of the committee meetings the Montoya amendment was offered to the committee and that, in the decisions the committee made, it had in mind the consideration of the Montoya amendment?

Mr. HARTKE. It was discussed in the hearings, but not brought up in the final vote.

Mr. ALLOTT. It is in an amendment of the first bill here on the floor of the Senate. That is what I am trying to say.

Mr. HARTKE. That is right.

Mr. ALLOTT. It was discussed in the committee.

Mr. HARTKE. And discussed at length in the committee report.

Mr. LONG of Louisiana. Let us put it this way: We knew about the amendment. The Hartke motion for a study, carried. It was a motion to provide a study rather than to provide affirmative action legislatively. But the Montoya amendment was never formally offered. As a matter of fact the amendment before us today was not even introduced until November 15, the day after our bill was reported.

Mr. ALLOTT. I understand. I thank the Senator for yielding.

Mr. AIKEN. May I ask a question?

Mr. ALLOTT. I am happy to yield to the Senator from Vermont.

Mr. AIKEN. Was not the Montoya amendment approved by the Senate a year ago, and lost in conference with the House of Representatives?

Mr. HARTKE. If I may respond to the Senator from Vermont, if I am not mistaken, the Senator from Vermont has presented a somewhat similar proposal.

Mr. AIKEN. I introduced a bill with eight proposed amendments. I went before the committee and described the bill with the eight amendments. One of them was similar if not identical to the Montoya amendment.

But now, I think, something has to be done. The most common complaint we receive from old people is that they cannot afford the cost of the drugs, and they are going up every day.

Take this little package I have in my hand here. At the present time, there are probably more people with sour stomachs in this country than there have been since I was born, and yet the cost of this little anti acid mint went up 33⅓ percent last week.

Can the Senator from Indiana tell me how it could cost 5 cents more to put up a roll of these—I do not know whether it is Indiana limestone, or what is in it—how it could cost 5 cents more to manufacture a 1-cent package than it did the week before? I think the drug companies are taking unmerciful advantage of the old people of this country.

Mr. HARTKE. If the Senator from Vermont will yield a moment, if the Senator wants to present his amendment alone, I would vote for it.

Mr. AIKEN. How does it differ from the Montoya amendment?

Mr. HARTKE. This is the very point I have been making all afternoon. When you seek to do that, you immediately have the opposition of the chairman of the Committee on Finance, who is supporting the Montoya amendment.

Mr. AIKEN. What is in it that is not in mine?

Mr. HARTKE. Mr. President, if the Senator from Vermont wants to cover this, this is the same question that I am dealing with now: The formation of this formulary committee. Reading, now, from the HEW report, it states:

> Formulary Committees in hospitals normally provide a mechanism by which the physician can justify and prescribe drugs not listed in the hospital formulary when his clinical judgment requires it. Such flexibility is needed to make the operations of the proposed Formulary Committee workable.

That is not included in the amendment of the Senator from New Mexico. These are all serious questions.

Mr. MONTOYA. Mr. President, will the Senator yield at that point?

Mr. HARTKE. I yield.

Mr. MONTOYA. My bill does not prohibit a physician from prescribing any medicine that is not in the formulary list. Does the Senator disagree with that?

Mr. HARTKE. But he cannot be reimbursed for it.

Mr. MONTOYA. That is true.

Mr. HARTKE. So he is locked out.

Mr. MONTOYA. But the formulary is designed to be almost all-inclusive, for all medicines available.

Mr. HARTKE. I am not one to disagree with the Department of Health, Education, and Welfare. It says this is a very serious problem. I know that the Senator from New Mexico thinks this is a good approach, but there are serious questions about potential interference with the physician in the practice of his art and science. Both the administration and the Congress should think long and hard before establishing any program that promises to prevent the American doctor from administering the therapy that, in his professional judgment, is indicated for a particular patient.

The administration is now attempting to find sound solutions to these difficult questions. The administration does not approve of the method suggested by the Senator from New Mexico at this time. They are trying to do this by careful analysis and examination. I think we in Congress should do no less than cooperate in this endeavor, and not try to thwart it. The Committee on Finance seeks to do the same thing through the broad study it now recommends, which was adopted in the Finance Committee.

Finally, the HEW Department's staff report included estimates for the Committee on the administrative costs of the program envisioned. There is a big question, for example, as to how much it will cost. These estimates take in all the drugs under the formulary. The first-year cost was estimated to be over $100 million. That is primarily for the clinical testing of drugs.

For the succeeding 5 years, the estimate was more than $90 million a year, including $50 million annually for clinical tests.

This study, again, under the approach of the Senator from New Mexico, would begin 6 months after we had already had the completed report. In other words, he just comes in 6 months late and wants to start doing what we are proposing to do by this committee action.

By the end of 6 years, the big job of clinically evaluating all drugs presumably would have been completed. So what we have here is an estimate by the department that by 1976, Senator MONTOYA's approach might start to take effect, according to HEW. I should like to do it a little quicker than that, if we are going to try to help old people. I would like to start in a couple of years. If we follow the approach the committee has outlined, we might have something around 1969 or 1970.

Mr. MONTOYA. Mr. President, will the Senator yield at this point?

Mr. HARTKE. I am happy to yield.

Mr. MONTOYA. The Senator has been referring to a report which appears, I believe, on page 396 of the committee hearings under the Social Security Amendments of 1967, is that correct?

Mr. HARTKE. I do not know, but it is probably in the report.

Mr. MONTOYA. I have been following the Senator, and it is verbatim from this particular page.

Mr. HARTKE. All right.

Mr. MONTOYA. This report relates to S. 2299, and not to the Montoya amendment.

Mr. HARTKE. It relates to both of them. If I have to go back to read the amendment, then I guess I will just have to do it.

Mr. MONTOYA. I would not want the Senator to go through that ordeal again.

Mr. HARTKE. It is no ordeal for me to correct the RECORD. Let me read it. I am going to read from the amendment in front of me; I am talking about the amendment proposed by the Senator from New Mexico [Mr. MONTOYA] to H.R. 12080, amendment No. 440. Is that the correct one?

Mr. MONTOYA. That is right.

Mr. HARTKE. Am I correct or incorrect, in reading from this, that on page 4 there is a definition of qualified drugs?

Mr. MONTOYA. That is correct.

Mr. HARTKE. Am I correct that on page 5, there is a discussion of a formulary committee?

Mr. MONTOYA. My bill so reads.

Mr. HARTKE. That is right. Then what I was reading about was identical—I was reading from their report—in which they discuss the definition of qualified drugs.

Mr. MONTOYA. But the provisions for the formulary committee in the Montoya bill and in the Long bill are separate and distinct, in function and in origin.

Mr. HARTKE. They both provide for the same one, however, and they describe them the same. In fact, the reports are the same.

I am not trying to mislead anyone. I am merely trying to say what the facts are. If one does not like the facts, I cannot help it.

But, it should not be overlooked that these proposed cost and quality controls would cost the Federal Government and the States, according to the Secretary of Health, Education, and Welfare, more than a half a billion dollars in the first 6 years. This figure, moreover, does not include the cost of the drugs themselves.

I ask unanimous consent that the entire text of the Health, Education, and Welfare staff report be printed at this point in the RECORD, so that the Senate can determine for itself exactly what the facts are.

There being no objection, the text of the staff report was ordered to be printed in the RECORD, as follows:

STAFF REPORT: POLICY AND PROCEDURAL PROBLEMS UNDER S. 2299 WHICH REQUIRE FURTHER EXAMINATION

This report reviews briefly the present status of staff explorations relating to the bill.

1. ESTABLISHMENT OF REASONABLE CHARGES FOR PRESCRIPTION DRUGS

In our experience the establishment of reasonable charges (the sum of the acquisition costs and reasonable professional fees) would be a protracted and complex undertaking. The only Federal requirement for reasonable costs in public assistance has dealt with hospital costs; after 25 years of discussion of this subject the elements to be included and excluded remain in controversy. Cost ranges for drugs would be based on current market practices, with all the complexities of quantity discounts, hospital discounts, rebates, geographical differences in price, determination of prices which vary "significantly" from others, and the need to consider claims of "distinct therapeutic advantages" for certain products—ratesetting in a novel field presenting novel problems.

Setting criteria to govern professional fees would have to take into account not only "costs of overhead, professional services, and a fair profit" mentioned in the bill, but also such variables as volume of business done, drugstore as compared to hospital pharmacy operation, independent as against chain stores, extent of late hour and weekend operation, and many other factors.

Establishment of both acquisition costs and professional fees would require consultation with the many interested groups, with State agencies, and with accountants and other advisers. The difficulty of arriving at acceptable criteria would be greater if, as is understood to be the case, the concept that professional fees should be determined by the Federal Government is opposed by the National Association of Retail Druggists. It is problematical whether the States would be either willing or able, as contemplated by the bill, to undertake under the Federal criteria the actual fixing of professional fees in the infinitely varied situations that would exist within each State. This is a matter which requires exploration with the States.

Once the cost and reimbursement patterns were worked out, the program would require not only dealing with 55,000 community pharmacies, 7,000 hospital pharmacies, and more than 12,000 nursing homes, but also dealing indirectly with about 200,000 prescribing physicians.

2. ECONOMIC FACTORS RELATING TO MANUFACTURERS AND RETAILERS

Further discussion with economists is necessary to explore the implications of the following factors:

(*a*) Establishment of a "reasonable cost range," rather than a maximum reimbursable price, may in effect establish a floor for prices, and in some cases raise the cost of a drug.

(*b*) Using an approved cost (or cost range) of drug acquisition provides no incentive for the pharmacy to purchase at the lowest possible cost. While acquisition-cost-plus-markup may encourage the pharmacist to dispense the highest cost drug, the acquisition-cost-plus-fixed-fee does not encourage the pharmacist to buy at lower prices.

(*c*) The exclusion of competitive therapeutically duplicative drugs may tend to eliminate competition among manufacturers.

(*d*) The advantage to a manufacturer of having his drug in the Formulary, while possibly equally good drugs are excluded, provides an economic advantage not related either to quality or to the market place.

3. FEDERAL-STATE RELATIONS

(*a*) The only present Federal determination of the basis on which States must pay for services in their medical care programs relates to the care of hospital inpatients, and was designed to correct inadequacy of payment. Federal setting of a basis of payment for outpatient drugs, designed to avoid excessive rather than inadequate outlays, raises the question whether there should be similar Federal control of prices making up other major expenditures, such as those for physicians' services (e.g., nationally prescribed criteria for State fee schedules).

(*b*) Since the proposed controls limit kinds as well as unit cost of drugs, a similar question arises about other health services: Should the Federal Government seek, in the interest of economy, to limit the use of kinds of health facilities and health personnel to those which the Secretary deems most efficient? Traditionally, Federal requirements have left the major decisions in these areas to the States, which have in turn left them in part to the health professions and the health institutions.

(*c*) Using limitation on Federal matching as the mechanism of control means that the financial risks inherent in so novel an effort (such as the risk of noncooperation by prescribing physicians) would fall either on the States or on the recipients of health care. In absence of effective control over the writing of prescriptions, the bill affords no assurance against the incurring of substantial costs in which the Federal Government would not share.

4. THE FORMULARY

(*a*) This Department would have new and heavy responsibilities in organizing and overseeing the operation of the Formulary Committee. Three of its principal health officials—the Surgeon General, the Commissioner of Food and Drugs, and the Director of the National Institutes of Health—would be members of the Committee. The Committee's assignment obviously cannot be a part-time operation. The Secretary would be responsible ultimately for the success of the program, and the Department would have to supply the resources in manpower and supporting facilities. The bill is not clear as to the responsibilities of the Secretary in relation to the Formulary Committee, which is established "within" the Department but with no clear delineation of the Secretary's responsibility for its actions.

(*b*) The Formulary Committee would have the duty of evaluating every prescription drug used in medical practice today—more than 5,000—and providing a formulary of drugs of choice. It would have to exclude drugs that it considered unnecessary, therapeutically duplicative, or of unacceptable quality. It would have to include drugs which it determined to be necessary and proper. And finally, it would be responsible for the promulgation of regulations establishing requirements to assure the orderly, efficient, and proper usage of drugs and biologicals.

The magnitude of this task should not be underestimated.

As one example of the seriousness of this problem, last year FDA entered into a contract with the National Research Council-National Academy of Sciences for a study of the validity of claims of effectiveness for drugs marketed between 1938 and 1962, when safety was the sole criterion for pre-market clearance. After a year and a half of intensive effort, this project is far from complete. Furthermore, after the reports are received, extensive administrative action will still be required to review the recommendations and put them into effect, and to deal with the challenges which will be made to some of them.

It is evident that any review of drugs, along with the promotional claims that are being made for them and the scientific data to support the promotional claims, calls for the efforts of the most highly qualified medical scientists, and that any large-scale effort must extend over a period at least of several years.

Under the bill all drugs—not only those cleared through the new drug procedures since 1938—would have to be reviewed. For many of these drugs there are no adequate, well-controlled scientific data on which the claims of therapeutic effectiveness could be properly evaluated. This is true even for a number of drugs which are widely accepted among physicians as apparently valuable in the treatment of disease.

(*c*) The procedures for hearings on drugs excluded from the Formulary, and for judicial review with trial *de novo* in the District Courts, could involve inordinate delay in the final establishment of the list. With large economic interests at stake, the prospect of substantial litigation is a serious one.

Difficult as this undertaking would be initially, the problem would be compounded by the need to keep a Formulary up to date. In view of the rapid advances in drug therapy, there is grave danger that revisions of the Formulary, and the reasonable cost determinations that would need to accompany them, could not keep pace with the ever-accelerating developments in this field. Here again, hearings and litigation would create serious factors of delay.

(*d*) Restrictions on the use of combination drugs in the bill appear to be too severe.

Some of these drugs often provide convenience and more assurance of proper drug usage when self-administered, even though they may not have intrinsic therapeutic advantages over several drugs used separately.

(*e*) There may be inconsistencies between hospital and outpatient practice with respect to drugs. A patient stabilized on a particular drug in the hospital may find that drug unavailable for non-hospital use under the welfare program.

5. THERAPEUTIC EQUIVALENCY

(*a*) The therapeutic equivalency of generic counterparts has not been established in all cases. In some instances agreement on "distinct, demonstrated therapeutic characteristics not otherwise available" will be difficult if not impossible to achieve.

(*b*) Under the bill the Formulary Committee would contract for production of reliable clinical data on which to base its judgments, but this would require the cooperation of medical centers and an array of patients. It would require in particular the involvement of individual investigators of high competency who would have to be induced to undertake routine investigations offering little promise of advancing medical knowledge.

6. THERAPEUTICALLY DUPLICATE DRUGS

(*a*) The goal of minimizing the use of "therapeutically duplicative" drugs may be desirable, but an objective, noncontroversial method of determining which drugs therapeutically duplicative has not been developed.

(*b*) The implications of this provision with respect to effects on quality of care, research, and competition need further study.

7. ORDERLY, EFFICIENT, AND PROPER USE OF DRUGS

(*a*) The definition of "qualified drug" includes only those drugs listed in the Formulary of the United States or in a hospital formulary which are "prescribed or furnished in such quantities and under such conditions as are necessary to meet requirements established by the Formulary Committee under regulations designed to assure the orderly, efficient, and proper use of drugs." This means that the Formulary Committee should provide conditions of use of drugs with both therapeutic effect and cost of medication in mind. It could limit the use, for example, of high cost drug specialties in situations in which less costly drugs of the same class were the drugs of first choice, and in this way bring down the cost to the Federal program. But in doing this it would give the Committee the responsibility for regulating what types of drugs could be prescribed in what clinical situations, in what amounts, in what total quantities, and over how long a period.

The promulgation of regulations applicable to the orderly, efficient, and proper use of drugs would limit physicians in their practice and would make the Formulary Committee the ultimate arbiter of the proper drug in clinical situations.

(*b*) Federal determination of the comparative efficacy of drugs used to combat the same infectious disease or to combat diabetes, for example, was considered and rejected by the Congress in 1962 as involving too large a measure of medical judgment to authorize the exclusion from the market of new drugs that were no better than already marketed products.

(*c*) Formulary Committees in hospitals normally provide a mechanism by which the physician can justify and prescribe drugs not listed in the hospital formulary when his clinical judgment requires it. Such flexibility is needed to make the operations of the proposed Formulary Committee workable.

8. REGISTRATION AND INSPECTION

(*a*) The bill would disqualify drugs for violation of either of two provisions of the Federal Food, Drug, and Cosmetic Act. The failure to meet other applicable misbranding and adulteration provisions of the law, or the new drug or antibiotic certification provisions, is of equal importance. A drug that was prepared in an insanitary plant, or one that failed to bear adequate directions for use and adequate warnings, should warrant disqualification.

(*b*) The administrative process of applying sanctions to prevent a firm from using its registration number, and thus from participating in the program, would require additional personnel and would give rise to a substantial volume of administrative hearings and litigation.

9. ADMINISTRATIVE COSTS

(*a*) Cost of operation of the Formulary Committee and its supporting staff are estimated to be approximately $10 million a year for the first three years, and $5 million a year thereafter.

(*b*) Federal costs to carry out planning, State plan review, program evaluation, auditing, and technical assistance to the States are estimated to be more than $600 thousand a year.

(*c*) Costs for printing, maintaining, revising and distributing the Formulary to physicians, pharmacists, hospitals and State agencies—but not to individual beneficiaries—are estimated to be $3 million per year.

(*d*) Increased Federal-State costs to administer the program are estimated to be at least $6 million per year. The States will have to support this increased cost in part from their own limited funds, which may require a reduction in the amount of benefits available to recipients.

(*e*) In addition, other costs should be considered which though arising from the bill, would benefit all patients whether or not they were covered by any governmental program. Thus, the improved quality control program would cost an estimated $25 million per year, primarily for an additional 2,000 FDA inspectors, space, necessary administrative support, and strengthening of the FDA product testing program. The necessary clinical testing ordered by the Formulary Committee could cost approximately $67 million for the first year and up to $50 million per year for the next five years; manufacturers might be required to undertake some of this cost. In any event, the task of clinical evaluation is large and will be a continuing one; the scientific manpower to undertake it is in short supply, the nature of the work is not attractive to top scientists, and the procedures are time-consuming and expensive.

10. EFFECTIVE DATE

(*a*) The provisions of the bill would require HEW to undertake a number of new and extended responsibilities. We do not believe that these responsibilities can be satisfactorily discharged by July 1, 1969.

(*b*) Determination of "qualified drugs" would require many months and possibly several years of work by the Committee. But implementation of the Formulary could be delayed for additional months or even years by administrative hearings and judicial review at suit of the parties affected.

(*c*) Establishment of the requisite improved quality control program would need many months for the recruitment and training of the inspectors and laboratory personnel.

(*d*) After establishment of other phases of the program, time would be needed for State agencies to develop their own program modifications to conform to Federal regulations.

(*e*) Development of an essential accounting, auditing, and utilization review system would require at least two years for the necessary research, development, design, and field testing.

Mr. HARTKE. Mr. President, the Commissioner of the Food and Drug Administration, Dr. James L. Goddard, put the issue in succinct terms when he testified before the Committee on Finance. He declared:

> The objectives of S. 2299, to introduce a greater rationality into the practice of drug therapy and to apply restraints to excessive costs, are obviously highly desirable.

I think this is what the Senator from New Mexico is trying to say and what I am trying to say.

But certain elements of the proposed bill, Dr. Goddard told us, raise grave problems. He said:

> We believe extended consideration and opportunity for discussion with the many affected groups is needed before decisions can be properly made.

A moment later, addressing the distinguished chairman of the Committee on Finance, Dr. Goddard went right to the heart of the issue involved in this legislation, and in addressing his remarks to the distinguished chairman of the committee, the junior Senator from Louisiana, chairman of the Finance Committee, he said:

> Senator, I know you want me to get down right to the guts of my objection. My problem with this bill is that the practicing physicians in this country have characteristically selected the drugs they are going to use for their patients. . . . Under the strictest terms of interpretation of this bill, I believe we are encroaching upon the practice of medicine in such a way that the physicians would rise up in wrath. Now, I am only sensing what my brother physicians' reaction will be. This is based on discussions and meetings with those who are familiar with the bill.

I must acknowledge that this statement gave me reason to pause, and I think it should give reason to the Senate to pause.

Now, what about the viewpoints of the professional and business groups that would be directly affected by these drug quality and cost control proposals? Where do they stand?

In summarizing these views, I must say that there is a difference between the two bills. There is no question of that.

I pointed out that difference because the Senator from Louisiana would not support the bill if we separated it in the form in which we would bring out those differences in the most clear fashion.

In summarizing their views and recommendations, I must distinguish between the two proposals that were before the committee.

First, with regard to S. 2299, pharmacy is sharply divided.

The American Pharmaceutical Association is in favor of enactment of this bill. But the National Association of Retail Druggists informed the committee that "we are opposed to many provisions of S. 2299." And the National Association of Chain Drug Stores recommended that Congress defer action until after the HEW Task Force study is completed.

The Pharmaceutical Manufacturers Association, which states that its members produce 95 percent of the prescription drug products made and sold in the United States, opposes this bill on grounds that it would first, reduce the quality of medical care; second, establish an involved and costly administrative mechanism that would be extremely difficult to administer fairly; third, interfere with physicians' prerogatives to treat their patients in line with their best professional judgment; and, fourth, jeopardize the research and development effort of the industry.

The American Medical Association opposed S. 2299. AMA suggested that "rather than to enact such legislation, it would be worthwhile at this time to study in depth all the economic and therapeutic factors which enter into the use of prescription drugs."

The AMA recommendation applied not only to S. 2299, the bill of the Senator from Louisiana, but also to S. 17—which, to all intents and purposes was identical to the amendment before us—to add drug benefits under the supplementary medicare insurance program and establish associated drug quality and cost controls.

With respect to S. 17, the positions of the other professional and business groups most directly affected, as revealed in our committee's hearings, are as follows:

The American Pharmaceutical Association is in favor of adding drugs and pharmaceutical services to part B of title XVIII, but the testimony of this association did not deal specifically with S. 17.

The National Association of Retail Druggists also favors the expansion of the supplementary medicare insurance program to include outpatient drugs, but, as stated with respect to S. 2299, the NARD opposes many of the bill's quality and cost control provisions.

The National Association of Chain Drug Stores took no position on S. 17.

I am trying to be fair.

Mr. MONTOYA. Is the Senator speaking of the American Pharmaceutical Association?

Mr. HARTKE. The American Pharmaceutical Association is in favor of adding drugs and pharmaceutical services to part B of title 18.

Mr. MONTOYA. Yes. I might state further that the American Pharmaceutical Association in April of 1967 at their annual convention in Las Vegas, Nev., unanimously endorsed the Montoya bill.

Mr. HARTKE. I did not say they did not.

Mr. MONTOYA. I want that for the record at this point.

Mr. HARTKE. I am glad it is in the record.

Finally, the Pharmaceutical Manufacturers Association, while stating that it does not oppose expansion of the supplementary medicare insurance program to cover drugs, urged that this new benefit not be adopted at this time because of the HEW task force study and other proposed changes in the Social Security Act affecting both benefits and tax rates.

Mr. President, such was the distressing picture of uncertainty and dispute about the many difficult issues involved and how best to resolve them—uncertainty not only in the directly affected professional and business groups but in the Health, Education, and Welfare Department and the administration. As a result, the Committee on Finance voted to adopt my amendment directing the Secretary of Health, Education, and Welfare to undertake a comprehensive examination of all medical, scientific, economic, and social effects of these two proposed bills, and report back to the Congress with its recommendations.

I am confident that the Senate will concur in this committee judgment, for the need is so clear.

I point out one rather glaring inconsistency with the whole general approach, that although there is a $25 deductible, there is no incentive to have anybody come off drugs under the proposal of the Senator from New Mexico. We provide for a 20-percent reduction in physicians fees under medicare in order to make sure of medical assistance under the bill. However, no such recommendation is contained in the bill of the Senator from New Mexico.

All I can say in good conscience and honesty is, that if we vote for the committee bill, we will have the drug costs for elderly people paid for quicker, and the result will be more scientific and safer than if we listen to an appeal which is only emotional and has no basis in fact whatever.

I share with our chairman, the Senator from Louisiana [Mr. Long] his determination that prescription drugs of the highest quality must be available to all who need them, on the most economic basis consistent with appropriate quality requirements and safe and effective use.

No one believes more strongly than I do, in this time of huge budgetary deficits and ever increasing strain on the Federal Treasury, that the Government's programs for drug procurement should function on an "orderly, efficient, proper and economical" basis, as the Senator's bill envisions, throughout the social security and related welfare systems.

Also, Mr. President, I join with the Senator from New Mexico [Mr. Montoya] in the conviction that the Nation's senior citizens should be able to obtain the prescription drugs they require, not only when in hospitals and nursing homes, as under the present social security law, but also as outpatients.

If there is a need that the Federal Government can properly fill in this respect, I will join with my friends from Louisiana and New Mexico in advocating prompt and responsible action.

But let us act responsibly, after the required consideration, to resolve these issues in the general public interest.

In conclusion, Mr. President, I remind the Senate that the bill now before us, H.R. 12080, contains provisions to undo certain enactments that we in the Congress adopted 2 years ago regarding the Federal-State program for aid to the medically indigent, often known as medicaid.

It is acknowledged that the administration and the Congress acted in haste on the medicaid provisions of the 1965 Social Security Amendments.

We have been confronted ever since with the necessity of undoing what was done with insufficient concern for the consequences.

Should we not learn from that costly experience?

If we do not, we may be trying, 2 years from today, to correct an even costlier error—in more than dollars and cents—in this crucial health field.

Mr. LONG of Louisiana. Mr. President, it is my hope that we can at least dispose of the pending amendment tonight.

We will have to have quite a few rollcall votes on these major issues, some of which involve heated debate and strong difference of opinion.

So we will have some controversial matters to vote on.

I hope we can dispose of the pending amendment tonight.

I should like to ask if there are other Senators who desire to speak on the amendment.

Mr. MONTOYA. Mr. President, I should like to have about 5 minutes to close.

Mr. LONG of Louisiana. Mr. President, I would then ask unanimous consent that there be 10 minutes debate, 5 minutes to be controlled by the Senator from Montana—

I withhold the request. I understand that the minority leader would like to know about the matter.

Mr. WILLIAMS of Delaware. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONTOYA. Mr. President, I should like to have the attention of the Senate for a few minutes, in order to conclude the debate on the pending amendment.

We have heard many arguments this afternoon with respect to the pending amendment, but not one argument has been advanced against the advisability of providing prescription drug reimbursement for the old people of this country.

The usual excuse when there is not a good frontal defense has pervaded the discussion this afternoon; namely, let us relegate this good amendment, this good objective, to a study, and postpone the enactment until we find out what that study will divulge.

Well, we have been doing this. We did this with medicare for many years. Yes, those who opposed the principle of medicare were always arguing, "Let's conduct a study." Every year when medicare was brought up—and I have been a Member of Congress for the last 11 years—the word "study" was the usual defense.

I believe it is time that we assert our responsibility as legislators and say to ourselves that we face a problem in this country of either providing reimbursement to the aged of this country for prescription drugs or we do not want to do it. That is the issue pending before the Senate today.

Now, some hobgoblins have been injected into the discussion. I say this with all due respect to those who have presented arguments. This proposal has been called an OPA by my good friend, the Senator from Nebraska. Well, nowhere in the bill is price fixing prescribed. Nowhere in the bill is a physician told what to prescribe for a particular disease. Nowhere in the bill is there any edict provided for telling the physician or the druggist what to charge for any prescription. The druggist is not enjoined to charge a specific price. He can charge the same price he charges now, and he will be paid by the enrollee, by the old person, who presents that prescription at the prescription desk. My amendment only provides that this old person, when he presents a receipt, shall be reimbursed in a certain amount for that particular expenditure. A formulary is provided under my amendment.

Now, this is not a new concept. The Senator from Indiana has tried to impress upon the Senate that it will take a long time, a long study, to provide for this formulary; but I say that the formulary already exists under medicare. Eighty percent of the hospitals in this country are already using the formulary concept. We have experience in this matter.

The Senator from Indiana also says:

> Let's wait for a study, the study that the Finance Committee ordained by virtue of adopting my amendment in lieu of the Senator Long bill or the Senator Montoya bill.

I might say that under the theory of his study, we would have to wait until January 1, 1969, before a report was offered. My amendment, if enacted, would become effective on July 1, 1969, 6 months later. So if the Senator is insistent upon a study being made, that study or its conduct is compatible with the effectiveness of my amendment. He can go through with his study. HEW can conduct its study while my amendment becomes effective as law. And from January 1, 1969, until July 1, 1969, when my bill would become operative, he could offer any amendments to my amendment—which would then be law—that he might deem advisable in order to correct deficiencies that might be pointed out by such a study.

I believe the great challenge we face today is not whether we want more studies—we have already had two ordained by Congress—but whether or not we, as Members of the Senate, desire to offer a vehicle, an opportunity, to the old people of this country, under a sound program, by which they could be reimbursed for prescription costs they incur when they leave the hospital. That is the vital issue we must face in the Senate today.

I urge the adoption of my amendment, Mr. President.

Mr. DIRKSEN. Mr. President, the distinguished Senator from Delaware has already referred to the letter from the actuary on whom we rely for information in connection with this program. In the Finance Committee room, the social security people have been present at all times, Mr. Myers has been present most of the time, and Dr. Wilbur Cohen has been present most of the time. So, when we want information, they sit right there and look at the books and give it to us while the committee is deliberating this bill. I do not believe anybody will take exception to what I am saying, because that happens to be the case.

If today is November 16, then this letter was written this morning. It cannot be much fresher than that, because that is just like the hen getting off the nest and there is a chicken egg—and here is the chicken egg that was laid this morning. And it is quite a good-sized egg, because this is what Mr. Myers says:

> This memorandum will present a summary cost estimate for amendment No. 440—

Now, that sounds very cryptic, until Mr. Myers says:

> introduced by Senator Montoya—

So, you see, we can be wrong—

> which would amend H. R. 12080.

Well, if I know anything about bill numbers, that is the House bill that came over and has been languishing in the Senate Finance Committee for quite a long time, until we finish the markup and send it to the calendar.

Mr. Myers continues. I must be careful not to put these words in my own mouth. This is Mr. Myers speaking:

> This amendment would add certain drug benefits to the supplementary medical insurance program, with an annual deductible of $25, and with 100% reimbursement for allowable expenses of drugs in excess of this amount (and with a carry-over deductible provision from one year to the next).

Now, this is Mr. Myers speaking. This is not the minority leader. He says:

> I estimate that this amendment would increase the cost of the program by $3.20 per month (i.e. $1.60 payable by the enrollee, and $1.60 coming from the general fund of the Treasury).

Now, they are paying $3 already, as I understand. And I thought I heard Mr. Myers say in the committee room that it was going up another $1.

I ask the Senator from Delaware if that is correct.

Mr. WILLIAMS of Delaware. The Senator is correct.

Mr. DIRKSEN. I thought it was correct. I did not think I was mistaken, and I listened.

> The $3.20 figure is subdivided into $2.85 for benefit costs, and 35 cents for administrative-expense costs. This cost estimate is for the first full year of operation of the proposal—namely, the period July 1969 through June 1970.
>
> On the basis of an average enrollment of 18 million persons, the total annual cost is estimated at $691 million.

Mr. President, you are not playing with hay, or with marbles here at this hour of the afternoon in connection with the Montoya amendment. You are playing with 691 million kopecks, if you want to call it that. That is a lot of money in anybody's coinage.

I have listened a little. I listened to the Senator from Nebraska this afternoon, and I have listened to my distinguished friend from New Mexico. He thinks there is nothing so very novel in this bill.

Well, start with section 1845. This committee to which he refers is going to have authority to determine what is a qualified drug. That is a pretty good chunk of authority in itself. Then, that committee is going to determine what the allowable expense is going to be when used in connection with any quantity of a qualified drug.

This formulary committee, who is it? It is the Surgeon General, the Commissioner of the Food and Drug Administration, and the Director of the National Institutes of Health. What is the duty of this Committee? Well, they are going to determine which drugs and which biologicals shall constitute qualified drugs. Mr. President, do you mean to tell me that is not autocratic power? If it is not, I have not seen a delegation of power that is autocratic.

The formulary committee shall "determine, with the approval of the Secretary, the allowable expense." Well, you are getting pretty close to control.

Then, section 1846 reads:

> Publish and disseminate at least once each calendar year among individuals insured under this part, physicians, pharmacists, and other interested persons, an alphabetical list naming each drug, or biological by its established name * * *.

It will be listed by ordinary trade name; it will be listed by so-called generic name. I dread the thought of how much printing is going to be done under this measure. It will be necessary to get extra printing presses over in the Government Printing Office. So it goes.

They are going to determine this language. I am a little alarmed about the language I find.

I am not about to vote for this proposal. As a matter of fact, I think one of the nicest, gentlest things we can do until we know a little more about this $691 million package is to put it on the table.

Mr. President, I move to table the amendment.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. AIKEN. Mr. President, will the Senator withhold his request?

The PRESIDING OFFICER. The motion to table is not debatable.

Mr. DIRKSEN. Mr. President, I withhold my motion.

Mr. AIKEN. Mr. President, I understand the Senator said that this proposal would cost nearly $700 million, which certainly the older people of this country, the beneficiaries——

The PRESIDING OFFICER. The motion is not debatable.

Mr. DIRKSEN. Mr. President, I withdrew the motion.

The PRESIDING OFFICER. Unanimous consent is required to withdraw the motion.

Mr. DIRKSEN. Mr. President, I ask unanimous consent to momentarily withdraw the motion.

The PRESIDING OFFICER. Is there objection? The Chair hears no objection, and it is so ordered.

Mr. AIKEN. Mr. President, all I want to say is that it will cost $700 million to finance this proposal. That means a good share of that $700 million is already being paid for drugs by the old people of this country.

I simply was going to suggest that perhaps the way to handle this matter would be to reduce the oil-depletion allowances from 27½ percent to about 20 percent, and get money enough to help out these old people who cannot afford drugs and who are writing letters every day to the effect that they cannot afford to pay for drugs.

Of course, we might be creating a severe hardship on some of our international corporations, but I would rather put the burden there than on the old people of this country.

I am sorry to disagree with my leader, but I think my suggestion is better than his.

Mr. DIRKSEN. That is a wholly irrelevant suggestion. What does oil depletion have to do with a bill like this? I remind my friend that half of this amount comes out of the general fund of the Treasury. Now, that is a red herring when the Senator talks about oil depletions. Here is an administration that is fairly distraught by a fiscal crisis and in the shank of the afternoon we come along and are willing to tax the Treasury for one-half of $691 million, or about $350 million.

Mr. President, where are you going to find it? We are being jockeyed every day about a tax bill and reduction in expenditures, and you hear it from all over; and you are going to put one-half of this or another $350 million on the general revenue.

Do not let anyone take you in with this talk about oil depletion and that sort of thing. Come in here with a bill on oil depletion and make the case. Then see what the Senate will do. Let us take this for what it is and what the Chief Actuary of the social security system has to say about it in a letter that is so fresh you can smell the nest of the chickens.

Mr. President, I renew my motion to table.

I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the senior Senator from Louisiana [Mr. Ellender]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withdraw my vote.

The rollcall was concluded.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Washington [Mr. Jackson], the Senator from North Carolina [Mr. Jordan], the Senator from Missouri [Mr. Long], the Senator from Washington [Mr. Magnuson], the Senator from Montana [Mr. Metcalf], and the Senator from New Jersey [Mr. Williams] are absent on official business.

I also announce that the Senator from Maryland [Mr. Brewster], the Senator from North Dakota [Mr. Burdick], the Senator from Idaho [Mr. Church], the Senator from Connecticut [Mr. Dodd], the Senator from Louisiana [Mr. Ellender], the Senator from North Carolina [Mr. Ervin], the Senator from Ohio [Mr. Lausche], the Senator from Minnesota [Mr. McCarthy], the Senator from Wyoming [Mr. McGee], the Senator from South Dakota [Mr. McGovern], the Senator from Minnesota [Mr. Mondale], the Senator from Oklahoma [Mr. Monroney], the Senator from Florida [Mr. Smathers], and the Senator from Alabama [Mr. Sparkman] are necessarily absent.

I further announce that, if present and voting, the Senator from Maryland [Mr. Brewster], the Senator from North Dakota [Mr. Burdick], the Senator from Washington [Mr. Jackson], the Senator from Washington [Mr. Magnuson], the Senator from Wyoming [Mr. McGee], the Senator from Minnesota [Mr. Mondale], the Senator from New Jersey [Mr. Williams], and the Senator from Nevada [Mr. Cannon] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. Cooper] and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Utah [Mr. Bennett], the Senator from California [Mr. Murphy], the Senator from Illinois [Mr. Percy], the Senator from Pennsylvania [Mr. Scott], and the Senator from South Carolina [Mr. Thurmond] are necessarily absent.

The Senator from North Dakota [Mr. Young] is absent because of death in his family.

If present and voting, the Senator from Utah [Mr. Bennett], the Senator from California [Mr. Murphy], the Senator from Pennsylvania [Mr. Scott], the Senator from Texas [Mr. Tower], and the Senator from South Carolina [Mr. Thurmond] would each vote "yea."

The result was announced—yeas 37, nays 33, as follows:

[No. 323 Leg.]

YEAS—37

Allott
Baker
Bayh
Bible
Boggs
Byrd, Va.
Carlson
Case
Cotton
Curtis
Dirksen
Dominick
Eastland
Fannin
Fong
Griffin
Hansen
Harris
Hartke
Hatfield
Hickenlooper
Holland
Hruska
Jordan, Idaho
Kuchel
McClellan
Miller
Morton
Mundt
Pearson
Prouty
Russell
Spong
Stennis
Symington
Talmadge
Williams, Del.

NAYS—33

Aiken
Anderson
Bartlett
Brooke
Byrd, W. Va.
Clark
Fulbright
Gore
Gruening
Hart
Hayden
Hill
Hollings
Inouye
Javits
Kennedy, Mass.
Kennedy, N.Y.
Long, La.
McIntyre
Montoya
Morse
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Smith
Tydings
Yarborough
Young, Ohio

NOT VOTING—30

Bennett
Brewster
Burdick
Cannon
Church
Cooper
Dodd
Ellender
Ervin
Jackson
Jordan, N.C.
Lausche
Long, Mo.
Magnuson
Mansfield
McCarthy
McGee
McGovern
Metcalf
Mondale
Monroney
Murphy
Percy
Scott
Smathers
Sparkman
Thurmond
Tower
Williams, N.J.
Young, N. Dak.

So the motion of Mr. Dirksen to lay Mr. Montoya's amendment on the table was agreed to.

Mr. DIRKSEN. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. HARTKE. I move to lay that motion on the table.

Mr. LONG of Louisiana. Mr. President, I ask for the yeas and nays.

Mr. WILLIAMS of Delaware. Are the yeas and nays now asked on the motion to table the motion to reconsider?

The PRESIDING OFFICER. Yes. There is a sufficient second. The yeas and nays are ordered on the motion to table the motion to reconsider.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

Mr. DIRKSEN. I thought we just voted on a motion to table the amendment.

The PRESIDING OFFICER. The question now is on the motion to table the motion to reconsider the vote by which the amendment was tabled. The question is not debatable. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll, and Mr. Aiken voted in the negative.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The rollcall has started, and a parliamentary inquiry is not in order.

Mr. DIRKSEN. Mr. President, rules or no rules, there is confusion and Members of the Senate are entitled to have the Chair tell them how to vote.

The PRESIDING OFFICER. The Chair will not tell Members of the Senate how to vote, but the Chair will state that there has been a motion to reconsider the vote on the previous motion, and then a motion to table the vote to reconsider the vote was made. The vote is on the latter.

Mr. DIRKSEN. So the vote of Senators who are against the Montoya amendment is "yea."

The rollcall was resumed.

Mr. SPONG (when his name was called). On this vote, I am paired with the senior Senator from Louisiana [Mr. Ellender]. If he were present and voting, he would vote "nay"; if I were permitted to vote, I would vote "yea." I therefore withhold my vote.

The rollcall was concluded.

Mr. BYRD of West Virginia. I announce that the Senator from Virginia [Mr. Byrd], the Senator from Nevada [Mr. Cannon], the Senator from Alabama [Mr. Hill], the Senator from Washington [Mr. Jackson], the Senator from North Carolina [Mr. Jordan], the Senator from Missouri [Mr. Long], the Senator from Washington [Mr. Magnuson], the Senator from Montana [Mr. Metcalf], the Senator from Georgia [Mr. Talmadge], the Senator from Maryland [Mr. Tydings], and the Senator from New Jersey [Mr. Williams] are absent on official business.

I also announce that the Senator from Maryland [Mr. BREWSTER], the Senator from North Dakota [Mr. BURDICK], the Senator from Idaho [Mr. CHURCH], the Senator from Connecticut [Mr. DODD], the Senator from Louisiana [Mr. ELLENDER], the Senator from North Carolina [Mr. ERVIN], the Senator from Ohio [Mr. LAUSCHE], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Minnesota [Mr. MONDALE], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Florida [Mr. SMATHERS], and the Senator from Alabama [Mr. SPARKMAN], are necessarily absent.

I further announce that, if present and voting, the Senator from North Dakota [Mr. BURDICK], the Senators from Washington [Mr. JACKSON and Mr. MAGNUSON], the Senator from Wyoming [Mr. MCGEE], the Senator from Minnesota [Mr. MONDALE], the Senator from New Jersey [Mr. WILLIAMS], and the Senator from Nevada [Mr. CANNON], would each vote "nay."

On this vote, the Senator from Maryland [Mr. BREWSTER] is paired with the Senator from Virginia [Mr. BYRD]. If present and voting, the Senator from Maryland would vote "nay" and the Senator from Virginia would vote "yea."

On this vote, the Senator from Georgia [Mr. TALMADGE] is paired with the Senator from Maryland [Mr. TYDINGS]. If present and voting, the Senator from Georgia would vote "yea" and the Senator from Maryland would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Utah [Mr. BENNETT], the Senator from California [Mr. MURPHY], the Senator from Illinois [Mr. PERCY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from South Carolina [Mr. THURMOND] are necessarily absent.

The Senator from North Dakota [Mr. YOUNG] is absent because of death in his family.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from California [Mr. MURPHY], the Senator from Pennsylvania [Mr. SCOTT], the Senator from Texas [Mr. TOWER], and the Senator from South Carolina [Mr. THURMOND] would each vote "yea."

The result was announced—yeas 34, nays 32, as follows:

[No. 324 Leg.]

YEAS—34

Allott
Baker
Bayh
Bible
Boggs
Carlson
Case
Cotton
Curtis
Dirksen
Dominick
Eastland
Fannin
Fong
Griffin
Hansen
Harris
Hartke
Hatfield
Hickenlooper
Holland
Hruska
Jordan, Idaho
Kuchel
McClellan
Miller
Morton
Mundt
Pearson
Prouty
Russell
Stennis
Symington
Williams, Del.

NAYS—32

Aiken
Anderson
Bartlett
Brooke
Byrd, W. Va.
Clark
Fulbright
Gore
Gruening
Hart
Hayden
Hollings
Inouye
Javits
Kennedy, Mass.
Kennedy, N.Y.
Long, La.
Mansfield
McIntyre
Montoya
Morse
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Smith
Yarborough
Young, Ohio

NOT VOTING—34

Bennett
Brewster
Burdick
Byrd, Va.
Cannon
Church
Cooper
Dodd
Ellender
Ervin
Hill
Jackson
Jordan, N.C.
Lausche
Long, Mo.
Magnuson
McCarthy
McGee
McGovern
Metcalf
Mondale
Monroney
Murphy
Percy
Scott
Smathers
Sparkman
Spong
Talmadge
Thurmond
Tower
Tydings
Williams, N.J.
Young, N. Dak.

So the motion to lay on the table the motion to reconsider was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

LEGISLATIVE PROGRAM

Mr. DIRKSEN. Mr. President, while Members of the Senate are present on the floor, I wish to ask the majority leader about the schedule for the balance of the day and also for tomorrow.

Mr. MANSFIELD. Mr. President, in response to the query raised by my distinguished colleague the minority leader, it is my understanding that when the distinguished assistant leader of the minority [Mr. KUCHEL] has completed his remarks, the distinguished Senator from Vermont [Mr. PROUTY] will lay down an amendment.

There will be no further yea-and-nay votes tonight.

ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent, with the minority leader's approval, that when the Senate completes its business this afternoon, it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDING OFFICER (Mr. Moss in the chair). Without objection, it is so ordered.

ORDER FOR RECOGNITION OF SENATOR HATFIELD—ORDER VACATED

Mr. MANSFIELD. Mr. President, I ask unanimous consent that at the conclusion of morning business tomorrow, the distinguished Senator from Oregon [Mr. HATFIELD] be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL subsequently said: Mr. President, I ask unanimous consent that the previous unanimous-consent agreement pursuant to which 15 minutes were to be allocated on tomorrow morning to the able junior Senator from Oregon [Mr. HATFIELD] be vacated.

I do this at the request of the Senator from Oregon.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION FOR COMMITTEES TO MEET UNTIL 11 A.M. DURING SENATE SESSION TOMORROW

Mr. YARBOROUGH. Mr. President, will the majority leader yield for a question?

Mr. MANSFIELD. I yield.

Mr. YARBOROUGH. If the Senate meets at 10 o'clock tomorrow, what will be the status of our committee meetings? A good many are scheduled to meet in the morning at 10 o'clock. The Committee on Labor and Public Welfare has a hearing on Longshoremen's and Harbor Workers' Act amendments.

Mr. DIRKSEN. Mr. President, I am not constrained to object, but there will be some voting here tomorrow, and I should be reluctant to see Senators scattered through committee rooms, and not here on the floor.

Amendments like the one today are important, and I would prefer that committees not meet, because with Senators present, we can expedite the business with respect to this bill.

The PRESIDING OFFICER. Is there objection?

Mr. DIRKSEN. Mr. President, if the majority leader is willing to permit committees to meet until 11 o'clock, I have no objection.

Mr. MANSFIELD. Mr. President, in accordance with the request of the distinguished minority leader, I ask unanimous consent that all committees ordinarily prohibited from so doing be permitted to meet during the session of the Senate tomorrow until 11 o'clock.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the following concurrent resolutions of the Senate:

S. Con. Res. 40. Concurrent resolution authorizing the printing of the report of the proceedings of the 43d biennial meeting of the Convention of American Instructors of the Deaf as a Senate document;

S. Con. Res. 42. Concurrent resolution authorizing the printing for the use of the Senate Banking and Currency Committee, of additional copies of its hearings of the present Congress on housing legislation; and

S. Con. Res. 46. Concurrent resolution to provide for the printing of additional copies of certain hearings of the Special Committee on aging.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

A COMMITMENT TO THE MEDICALLY NEEDY OF THE NATION—AMENDMENT NO. 444

Mr. KUCHEL. Mr. President, in 1965, the Congress made a pledge to help those low-income Americans unable to pay the cost of adequate medical care. It told these people that the Federal Government would provide matching funds to assist States operating Federal-State medical care programs established under title XIX of the Social Security Act. Today, the very existence of these programs is being threatened by the social security legislation now pending before the Senate.

In 1950, for the first time, the Federal law permitted States to pay vendors of medical care directly. The Congress in 1960 took a major step forward when it enacted the Kerr-Mills law which authorized vendor payments to aged persons who were not receiving cash assistance payments, but who required help to pay for medical care.

In 1965, the category of medical indigence was broadened significantly to include the medically needy in all public assistance categories: the blind, the permanently and totally disabled, and dependent children and their families as well as the aged.

In order for States to establish such a medicaid program under title XIX, they must provide medical care for all persons receiving cash assistance and, at their option, may include "medically needy" or "medically indigent" persons—those above the poverty line but unable to pay high medical bills. Each participating State must determine its own criteria on who will be deemed to be "medically indigent" under its own State laws.

Today, 29 States have approved medicaid programs providing care to over 8 million Americans. In my own State of California, close to 1.6 million needy Californians are participating in one of the largest medicaid programs in the Nation. In fiscal 1969–70, the estimated cost of this program in California will run close to $218 million.

The financing of this program is accomplished by a carefully balanced combination of Federal, State, and local funds. Federal participation ranges from 50 to 83 percent, depending on the State average per capita income. In California, the Federal Government pays for 50 percent of the program, with the State contributing 22.3 percent and the counties paying 27.7 percent.

The proposal reported by the Senate Finance Committee would strike drastically at this balanced combination of Federal and State funds. Under the committee bill, the full Federal percentage would continue to be available for medical care granted to cash assistance recipients but, with respect to the medically indigent, there would be substantial cutbacks in Federal matching funds.

Beginning July 1, 1969, Federal participation in the cost of medical services for the medically needy would be determined by squaring a State's Federal medical assistance percentage. Thus, States like California, whose Federal medical assistance percentage is 50 percent under present law, would, under the committee bill, receive only 25 percent Federal matching funds toward the costs of the medically needy. Using the 1969–70 estimated cost of the program in California of $218 million, the Federal Government will be paying approximately $54 million of matching rather than the $103 million figure required under present law.

This provision may result in a substantial reduction of Federal expenditures, but it also will result in a sharp escalation of expenditures by State and local governments who must now pick up the extra percentage abandoned by the Federal Government. To curtail the Federal obligation in meeting its responsibility for matching funds is not to reduce costs but merely to transfer the burden from one shoulder to another.

Congress ought not now to repudiate its initial pledge to the medically needy in the States of this Nation. Close to 200,000 needy Californians are receiving assistance under the term "medically indigent." These are families who have managed to pull themselves up from the depths of poverty and who are just becoming productive members of society. Are they now to be denied the assistance promised to them under medicaid? I cannot believe that the Congress is enacting the original legislation in this area intended to abandon half of an obligation it originally invited California to share in equally. Mayor Lindsay of New York, formerly a Member of Congress, phrased the result in these words:

> Will the medically indigent population of every State be encouraged, recruited, and enrolled and then offered quality medical services and then be told eventually that they must give up the protection they just began to receive . . . the original legislation declared the intent of Congress to protect a large proportion of the population from potential destitution by guaranteeing high quality medical care.

The State Welfare Department of California informs me that the financial burdens imposed by the committee bill could well threaten the existence of the medicaid program itself in California. Surely, this is not the end we seek in attempting to improve the operations of these Federal-State health programs.

It is my belief that the Congress need not resort to such drastic measures in attempting to reduce Federal costs. A reduction of expenditures can be achieved through placing a limit on Federal participation with respect to the income level States establish in determining who is medically needy. The Department of Health, Education, and Welfare proposed a limitation which I believe to be far more reasonable than the committee approach—the Federal Government would not participate in matching the cost of medical assistance to persons whose income exceeds 150 percent of the highest amount provided under the various federally aided public assistance programs within the State. This proposal establishes broad limitations on Federal participation but preserves for the State the power and flexibility to establish eligibility standards in accordance with their individual requirements. Such an approach further would eliminate the hazard of severe cutbacks were the committee proposal to become law.

I offer this approach as an amendment to the social security bill as reported out of the Finance Committee. I am hopeful that the Senate and the Congress will adopt this proposal and, in so doing, stand by the commitment to provide assistance to the medically needy of this Nation under the original medicaid program.

AMENDMENT NO. 444

Mr. President, I wanted to make that statement first. I submit an amendment intended to be proposed by me and ask that it be printed and lie on the table. It is my intention to take it up later in the debate.

The PRESIDING OFFICER. The amendment will be received and printed, and will lie on the table.

PUBLIC SILENCE FROM ADMINISTRATION WITNESSES

Mr. HARTKE. Mr. President, the strange pageant of silence continues. Meeting before the Foreign Relations Committee today, in a session closed to the public and to the press by request of these privileged witnesses, were the U.S. Ambassador to South Vietnam, Ellsworth Bunker, and the special representative of the President, Robert Komer. In the tradition of that great poobah of secrecy, Secretary Rusk, these worthy gentlemen will spare themselves public questioning in greater candor and depth by Senators who are longtime students of international affairs.

These appointed representatives will, however, subject themselves to less critical examination in public speaking appearances where their own prepared points of view have little likelihood of challenge.

In defense of their refusal to submit Vietnam policy to public scrutiny under cross-examination by the Foreign Relations Committee, I must admit that it is prudent of them to choose media of public expression more favorable to them. While it is a test of true democracy to present ideas and policy in the perspective of differing views and judgments, the refusal of this administration to allow its operatives to testify openly can only be construed as a judgment that its policy will not stand close examination.

RESERVE COMPONENTS OF THE ARMED SERVICES—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 2) to amend titles 10, 14, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and clarify the status of National Guard technicians, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The assistant legislative clerk read the report.

(For conference report, see House proceeedings of November 15, 1967, pp. 32631–32634, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. STENNIS. Mr. President, the matter before the Senate is the conference report on H.R. 2. The House yesterday agreed to the report with the result that only the pending action by the Senate remains prior to sending the bill to the President for approval. I will comment briefly on the bill as finally agreed to by the conference committee.

First, Mr. President, I would emphasize that there is only one difference between the bill as it passed the Senate as compared to the form in which it was agreed to in conference. In other words, with one distinction, the conference report before you represents the bill as passed by the Senate. This difference represents the authority, added in conference, under which the Air Force, until June 30, 1969, may exceed the statutory Reserve officer personnel ceilings in order to make unit promotions to the grades of major and lieutenant colonel in the organized units of the Air Reserve and Air National Guard. The bill as it passed the House contained a provision which would have permitted both the Army and the Air Force to exceed the statutory personnel ceilings in order to make unit promotions. Further, Mr. President, the House version would have permitted this authority in the form of permanent law, that is, without any limit on the duration of time for the suspension.

When this issue was considered in the Senate committee, it was observed that this was not a new question. For over 10 years from 1954 to 1965, the Air Force possessed the temporary authority for exceeding their Reserve ceilings in order to make unit promotions. The Senate in 1965 refused to further extend this temporary authority on the premise that over a 10-year period the Air Force should have taken such measures and rearranged its Reserve affairs in such a manner that such authority would be no longer necessary. The committee in the recent hearings, Mr. President, took somewhat the same position and deleted the House provision. The Senate committee report notes that this matter should have been resolved either in the form of administrative action by the Air Force or in the form of some suggested legislative relief other than a request to exceed the authorized strengths.

I am glad to report, however, that in the conference a compromise was worked out under which the Air Force will be given temporary authority until June 30, 1969, whereby they may exceed the authorized ceilings for the purpose of making a specified number of promotions to major and lieutenant colonel who are assigned to units in the Air Force Reserve and Air National Guard. It is anticipated that by June 30, 1969, no further authority will be needed. In the meantime, it was agreed that there are a number of deserving officers in the Air Reserve and Guard units and it was not wished that these officers fail to receive their promotions under the unit system because of the failure of the Air Force to bring its officer strength down to the authorized numbers for the grades concerned. I discussed this provision with the Secretary of the Air Force and Deputy Secretary of Defense for Reserves, each of whom assured me the provision was adequate for the need of the problem.

Mr. President, as I have indicated, the conference bill represents the legislation as passed by the Senate with the exception of the change on the unit promotions I have just discussed. I would, however, like to briefly refer to certain other issues in this legislation.

First, concern has been expressed to me that the newly created Office of Deputy Assistant Secretary of Defense for Reserve Affairs as contained in the Senate version of the bill might not do the job for which it is intended, that is, to provide a strong civilian voice at the highest level for the purpose of making certain that we have a vigorous Reserve program for the entire Department of Defense.

Under the House version, a new Assistant Secretary of Defense for Reserve Affairs would have been created. The Senate did not go along with this concept, however, on the premise that we did not desire to have two assistant manpower secretaries at the Department of Defense level. We recognize the need for a single coordinator on all reserve matters, both for the active and reserve forces at the Department of Defense level. At the same time the Senate committee did recommend that there be within the Office of the Assistant Secretary of Defense for Manpower and Reserve Affairs a statutory deputy assistant secretary who would be responsible exclusively for Reserve affairs. This deputy will be appointed from civilian life by the President with the advice and consent of the Senate.

Mr. President, the concern has been expressed that by virtue of being a deputy, the whole work of this office would be too subordinate to be effectively responsible for Reserve affairs within the Office of the Secretary of Defense. It should be made clear that the Congress intends that this person have direct access whenever necessary to the Secretary of Defense and we expect that he will have the authority necessary to carry out his responsibility for Reserve affairs.

Of course, like other secretarial assistants in the Department, he will be subject to the guidance of the Secretary of Defense. With respect to his own statutory duty, however, he will be looked to as the responsible spokesman for Reserve matters at the Department of Defense level. This means that we expect him to see to it that the needs are met in order for the Reserves to be an effective team of our national defense in terms of manpower, equipment, and other essentials.

The other matter I shall briefly comment on, Mr. President, relates to what was title II of this legislation regarding the proposal for converting the National Guard technicians to Federal employees. I would emphasize that, as the Senate knows, action on this title was deferred.

I would again emphasize, however, that the fact the Senate committee did not recommend title II should not be considered in any way an attempt to kill this legislation. It should be considered a deferment in order to permit further review of a number of complicated questions. The issues involved in converting the technician program to one of Federal employee status presents a number of legal and equitable questions as well as a number of actuarial problems.

It is the intention of the Senate committee to deal with this matter as early as possible during the next session of the Congress and I can assure the Senate and all persons concerned that consideration will be given this matter as early as practicable in 1968.

This statement is concurred in by all the conferees. The Senator from Maine [Mrs. SMITH] authorizes me to say that she concurs fully in the statement I just made.

Mr. President, I move that the conference report be agreed to.

The motion was agreed to.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. PROUTY. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PROUTY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

Add the following new section after line 21, page 423:

"PROTECTION OF VETERAN'S BENEFITS

"SEC. 508. (a)(1) Section 415(g) of title 38, United States Code, is amended by adding at the end thereof a new paragraph as follows:

"'(3) Notwithstanding the provisions of paragraph (1) of this subsection, in the case of any individual—

"'(A) who, for the month in which the Social Security Amendments of 1967 is enacted, is entitled to a monthly insurance benefit under section 202 or 223 of the Social Security Act, and

"'(B) who, for such month, or for any subsequent month, is entitled to dependency and indemnity compensation under this section,

there shall not be counted, in determining the annual income of such individual, any increase in benefits under such sections of the Social Security Act which result from the enactment of the Social Security Amendments of 1967.

"(2) Section 503 of title 38, United States Code, is amended by inserting '(a)' after '503', and adding at the end thereof the following:

"'(b) Notwithstanding the provisions of subsection (a) of this section, in the case of any individual—

"'(1) who, for the month in which the Social Security Amendments of 1967 is enacted, is entitled to a monthly insurance benefit under section 202 or 223 of the Social Security Act, and

"'(2) who, for such month, or for any

subsequent month, is entitled to pension under the provisions of this chapter, or under the first sentence of section 9(b) of the Veterans' Pension Act of 1959, there shall not be counted, in determining the annual income of such individual, any increase in benefits under such sections of the Social Security Act which result from the enactment of the Social Security Amendments of 1967'."

Mr. PROUTY. Mr. President, I ask unanimous consent that the name of the senior Senator from New Hampshire [Mr. COTTON] be listed as a cosponsor on the amendment I just sent to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROUTY. Mr. President, it is common knowledge that the best of intentions often create irreparable harm to other individuals. For example, I am sure that each one of us felt a certain sense of pride in having performed a vitally important service when we voted for the Social Security Amendments of 1965, and certainly, Mr. President, the establishment of medicare under those 1965 amendments and the 7-percent-across-the-board benefit increase aided millions of older Americans who had been crying out for help from their elected officials.

However, as tragic as it may seem, those 1965 amendments also created a great disservice to over 26,000 individuals receiving pensions from the Veterans' Administration. I am sure that every Member in this Chamber received numerous heartbreaking letters from widows of individuals who had given the supreme sacrifice for the love of their country. I am sure that every Member in this Chamber received numerous letters from veterans themselves who were stunned with disbelief that the Government would give them a pension one year and pass legislation the next year which would have the effect of substantially diminishing their income. Quite frankly, Mr. President, I am certain that most Members of this Chamber were as shocked and surprised as the VA pensioners who suddenly have a substantially decreased income.

Mr. President, the sad situation which existed after the last social security increase was not deliberate nor malicious on the part of Congress. In fact, Congressman TEAGUE, esteemed chairman of the Veterans' Affairs Committee in the House, guided to passage a bill in 1964 which was designed to take care of the effect of any social security increases on the means test applicable to VA benefits. In 1964 this bill was passed by the House and the Senate and signed into law, with the expectation that it would prevent hardship which might result from pending legislation designed to increase social security benefits. Unfortunately, there were no social security increases in 1964.

During the hiatus between passage of the veterans bill increasing the income limitation by 10 percent and the social security bill of 1965 which increased benefits by 7 percent, numerous individuals qualified for veterans benefits because of the more liberalized formula. Consequently, when the social security bill provided a 7-percent benefit increase, many of those individuals found their total income exceeded the limitations provided under the veterans pension law. Therefore, many of them either entirely lost their eligibility for veterans pensions or had their benefits cut by as much as 30 percent.

During this session of Congress, Mr. President, both the Senate and House favorably acted on S. 16, a bill which increased veterans pensions. In the version of S. 16 that passed the Senate, there was a specific provision for exempting future social security increases from counting toward income for purposes of veterans pensions. Unfortunately, this provision was deleted from the bill during the conference between the House and the Senate.

Mr. President, I can readily understand the reasons this provision was deleted from S. 16. Certainly it would be inadvisable to create a situation similar to the one created in 1964 whereby individuals could become eligible for veterans benefits only to face certain disappointment when and if Congress ever increased social security benefits.

Now it is my understanding that during the conference on S. 16, Congressman TEAGUE assured the conferees from the Senate that as soon as a social security bill was passed his committee would initiate action on a separate bill which would exempt veterans pensions from the effect of the social security increase on their income limitations. While I have no doubt that Representative TEAGUE would do his utmost to encourage prompt enactment of such legislation, I fear that since the time is growing late during this session of Congress and the press of unfinished business is upon us, we must be efficient and add a savings clause to the social security bill which is before us.

During April of this year, the Subcommittee on Employment and Retirement Incomes of the Special Committee on Aging, of which I am a member, conducted hearings on the reduction of retirement benefits due to social security increases. Now both H.R. 5710, the administration's proposal, and the majority of the members on the Special Committee on Aging, recommended that persons receiving veterans benefits be given the right to waive any social security increases so as not to jeopardize their veterans benefits. I felt, as did the minority of the Special Committee on Aging, that the waiver position is grossly unfair because it in effect penalizes beneficiaries of veterans pensions by not providing them the same benefit increases granted beneficiaries of social security who do not receive veterans pensions.

For a long-range solution to the problem of reduction of retirement benefits due to social security increases, I believe that the next session of Congress should seriously consider including an automatic cost-of-living increase proviso with respect to the income limitations contained in the veterans pension law. Only by the use of such a proviso will we be able to avoid the re-occurrence of the tragic situation which occurred after the 1965 social security increase.

Mr. President, for this session of Congress I believe that we should enact the short-term solution of permitting the veteran to disregard social security increases with respect to their income limitations. I believe that the Minority report of the Special Committee on Aging clearly stated the desirability of such a solution when it pointed out:

> Because the greatest absolute injury produced by social security increases, as disclosed in the subcommittee hearing, is that being experienced by many veterans who suffer actual loss of dollar income, we believe an additional word about possible emergency action is appropriate.
>
> Rather than use of a waiver of social security benefits by the veteran, we would prefer that part or all of such benefits be disregarded in determining his eligibility for pension.
>
> We recognize that this, like any narrow approach, fails to take into account the veteran who receives income increases—which may not increase his purchasing power—from sources other than social security. It is partly because the piecemeal, stop-gap approach so commonly generates new inequities that we urge the long range, fundamental approach to such problems.

There is nothing novel about this proposal, Mr. President. On at least two previous occasions, both the Senate and House have enacted similar provisions.

I think the desirability of the amendment which would in effect exempt this particular increase in social security benefits from counting toward the income limitation in the veterans pension laws cannot be questioned. After all, the purpose of increasing social security is to provide older Americans with some relief from the inflationary pressures which have become a way of life almost since the end of World War II. Moreover, Mr. President, the very basics of the social security system is that of a social insurance. As a social insurance, it contains a contributory feature whereby those Americans covered by the system pay for or earn a substantial portion of their benefits. It seems grossly unfair to me to deny recipients of veterans pensions the increased benefits merely because there is a clash between two Federal pension systems.

If we accept the desirability of passing social security increases on to the recipients of veterans pensions as well as other Americans covered by social security, then the only question which remains is whether or not this bill is the proper vehicle for accomplishing our desired purpose.

As far as the Senate of the United States is concerned, I am sure that it makes little difference since the Finance Committee handles both social security and veterans legislation. However, in the House there is a certain jurisdictional problem because social security legislation is handled by the House Ways and Means Committee and veterans legislation is handled by the Veterans' Affairs Committee.

During the hearings before the Ways and Means Committee, on H.R. 5710, Chairman MILLS stated:

> Why would it not be simpler to allow an additional percentage of the social security payment to be disregarded for the purpose of paying veterans payments? That is what he did before. I thought that is what he wanted to do this time.

At another point in the hearings, Representative CONABLE conducted the following colloquy with Wilbur Cohen, Under Secretary of Health, Education, and Welfare, and chairman of the Ways and Means Committee, WILBUR MILLS:

> Mr. CONABLE. Is there any way in which these pieces of legislation could be tied together so that if one failed and the other did not, you would not have a repetition of this kind of unfortunate thing?
>
> Mr. COHEN. I think that at the point at which we last time imposed it, the logic was to put it in the social security bill, and over in the Senate, where the Senate Finance Committee handles both programs, in the past that has somtimes been considered; if you keep them together in the social security bill, then I think you would have a closer, more intimate relation along the line of what the chairman himself said, but I think the last time the difficulty came because it was in a different bill.
>
> The CHAIRMAN. On the basis of the action taken in the House to provide for an increase in benefits in 1964, the Veterans' Affairs Committee passed legislation and sent it speedily through the House providing that 10 percent of the amount of the social security payment would be disregarded in determining one's eligibility for pension payments. That passed and our bill did not pass. It is our understanding that that immediately made people eligible for veterans' pensions who were not up until that time eligible for pension.
>
> Then later on we did increase benefits, you will remember, in 1965, and because there wasn't a comparable percentage reduction in social security payments for purposes of determining one's eligibility for pension payments, some people received $5 or $6 in the way of a social security increase and then lost $25 or $30 in pensions because they were cut back from say, $105 to $80.
>
> Mr. CONABLE. If there had been no hiatus, there would not have been this problem. This would have to be done on the Senate side.

Mr. President, I am sure that we all agree that we do not want to see veterans or their widows have a reduction in income because of social security increases provided by this bill. I believe that my amendment provides the most efficient and safest way to insure that veterans benefits are protected. It provides that this particular social security increase shall be disregarded when determining whether or not a veteran or his widow meets the eligibility requirements of the income limitations contained in the veterans pension law.

The adoption of this amendment with respect to this particular bill will avoid any confusion which might result either in Congress, the administrative agencies involved or the general public.

Mr. President, I have discussed this amendment with the distinguished chairman of the Finance Committee and with the ranking minority member, the distinguished Senator from Delaware. I understand that it is acceptable to them.

Mr. LONG of Louisiana. Mr. President, the Senator has a worthy project in mind.

The House Veterans' Affairs Committee proposes to meet the same problem in a somewhat different manner. Their approach would be to see how much the maximum increase would be under the final bill as reported from the conference committee, and then permit people to continue to get their veterans' benefits and to enjoy increased income from any source, including social security, up to the maximum provided in the bill.

Their approach, as I say, is different. However, the purpose of the Senator is what we have tried to do in the Senate on a number of occasions. We have been unable to prevail because the House conferees point out that it would be inequitable with respect to people receiving income from other sources—that they, too, should be considered.

I would be glad to take the amendment with the understanding that we anticipate difficulty on the House side because the House Veterans' Affairs Committee would propose to answer the question in a somewhat different way. However, it reaches the same result insofar as the veterans receiving the social security benefits are concerned.

I told the Senator, and I say to the Senate, that I have no objection to the amendment with the understanding and with his recognition of the fact that we will face a problem, and a difficult problem, when we reach the House side, because there is a jurisdictional problem as well as a difference in approach.

The amendment is meritorious, and I personally have no objection to it.

Mr. PROUTY. I am very grateful to the Senator for his consideration.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. PROUTY. I yield.

Mr. WILLIAMS of Delaware. I agree with what the chairman of the committee has said, and I shall be glad to take this amendment to conference. It does have a great deal of merit.

However, as the chairman has pointed out, we are confronted with a jurisdictional question when we get to the House, because the Veterans' Affairs Committee perhaps will insist upon acting on the proposal. However, I would be willing to accept the amendment and do the best we can.

Mr. PROUTY. In my judgment, adoption of the amendment as part of the Social Security Act will serve to expedite the matter in the House, if it does nothing else.

I am grateful to the chairman of the committee and the ranking minority member of the committee.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Vermont.

The amendment was agreed to.

AMENDMENT NO. 445

Mr. PROUTY. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PROUTY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

> Beginning on page 62, line 3, strike out all through line 6 on page 68 and beginning on page 73, line 13, strike out all through line 15 on page 77 and add the following new section after line 21, page 423:
>
> "PROVISION FOR MAINTAINING FINANCIAL BALANCE OF SOCIAL SECURITY TRUST FUNDS
>
> "SEC. 508. Title XI of the Social Security Act is amended by adding the following new section:
>
> " 'APPROPRIATIONS FROM GENERAL REVENUES
>
> " 'SEC. 1121 (a) Prior to the beginning of each fiscal year (except in the case of the fiscal year ending June 30, 1968, and in the case of such year, as soon as practicable after the enactment of the Social Security Amendments of 1967) the Secretary of Health, Education, and Welfare (hereinafter in this section referred to as the "Secretary") shall submit to the Congress his estimate of the amount, if any, by which the expenditures from the Federal Old-Age and Survivors Insurance Trust Fund during such year will exceed the amounts deposited (without regard to this section) into such Fund during such year, and his estimate of the amount, if any, by which the expenditures from the Federal Disability Insurance Trust Fund during such year will exceed the amounts deposited (without regard to this section) into such Fund during such year, such estimate to be increased or decreased, as the case may be, by the amount, if any, by which the appropriation for any prior year under this section was greater or lesser than the actual difference between the amounts of expenditures and deposits involved and for which a prior adjustment in the amounts appropriated under subsection (b) had not been made.
>
> " '(b) There are hereby authorized to be appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and to the Federal Disability Insurance Trust Fund, for the fiscal year ending June 30, 1968, and for each fiscal year thereafter, amounts equal to the estimates submitted to the Congress by the Secretary pursuant to subsection (a)'."

The PRESIDING OFFICER. Does the Senator request that the various amendments be considered en bloc? I notice that they are on various pages.

Mr. PROUTY. I believe it is the same amendment.

The PRESIDING OFFICER. It is all in one amendment. It refers to five different places in the bill.

Mr. PROUTY. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the amendments will be considered en bloc.

Mr. PROUTY. Mr. President, I ask unanimous consent that the distinguished senior Senator from New Hampshire [Mr. COTTON] be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PROUTY. Mr. President, I will explain briefly what the proposed amendment would do.

First, the present taxable salary base of $6,600 would be retained.

Second, the amendment would maintain the scheduled payroll tax rates as amended in 1965.

Third, it would retain the increased benefits provided in the social security bill as reported by the Finance Committee.

Mr. President, I have prepared a chart which illustrates the projected surpluses which would be created under existing tax rates with a $6,600 base.

In the judgment of Senator Cotton and myself, these surpluses are clearly ample to provide increased benefits without saddling employees and employers with unconscionable tax increases.

As a matter of fact, without a benefit increase, existing social security taxes would create a surplus of over $344 billion by the year 2000.

Mr. President, under the bill reported by the Finance Committee, increases in social security benefits would be financed by two means: First, by gradually increasing the payroll tax upon employers and employees from the present 4.4 percent to 4.8 percent in 1980; and, second, by gradually increasing the taxable income base from the present $6,600 to $10,800 in 1972.

To put it another way, under the committee bill, the maximum amount payable by an individual employee will increase from $290.40 in 1967 to $561.60 in 1972 to $626.40 in 1980.

The amendment which Senator Cotton and I propose is very simple. By striking the sections of the committee bill which change the payroll tax rates and annual base incomes subject to the tax, it leaves intact the more modest increases enacted in 1965 which are currently contained in the present law.

If my amendment is adopted, the maximum contributions by an individual employee will increase from $290.40 in 1967 to $323.40 in 1969–72 to $366.30 in 1980 to a high of $372.90 in 1987.

At the rates and bases contained in the existing law, it appears that there will be sufficient surplus each year to pay the increased benefits until 1971 or 1972, at least, and perhaps beyond that.

However, in the event that the social security surplus is not sufficient for this purpose, my amendment further provides that additional funds required to pay these benefits will be appropriated from general revenues.

Mr. President, I ask unanimous consent to have printed at this point in the Record a chart, that I have compiled, which represents a comparison of contribution income and benefit outgo under present law and other proposals.

There being no objection, the chart was ordered to be printed in the Record, as follows:

NO NEED TO INCREASE SOCIAL SECURITY TAX RATE OR SALARY BASE TO FINANCE H.R. 12080 AS REPORTED BY THE FINANCE COMMITTEE

COMPARISON OF CONTRIBUTION INCOME AND BENEFIT OUTGO UNDER PRESENT LAW AND OTHER PROPOSALS AS COMPILED BY SENATOR PROUTY

	Contributions under present law	Benefits provided under bill reported by Finance Committee	Surplus or deficit
1967	$28,500,000,000	$	$4,300,000,000
1968	29,600,000,000	29,000,000,000	600,000,000
1969	33,700,000,000	32,700,000,000	1,000,000,000
1970	35,200,000,000	34,400,000,000	800,000,000
1971	36,200,000,000	35,900,000,000	300,000,000
1972	37,200,000,000	37,400,000,000	[1] −200,000,000
Surplus			6,800,000,000

COMPARISON OF CONTRIBUTION INCOME AND BENEFIT OUTGO UNDER PRESENT LAW AND OTHER PROPOSALS AS COMPILED BY SENATOR PROUTY—Continued

	Contributions under Finance Committee bill	Benefits under Finance Committee bill	Surplus or deficit
1967			$4,300,000,000
1968	$31,200,000,000	$29,000,000,000	2,200,000,000
1969	36,300,000,000	32,700,000,000	3,600,000,000
1970	38,300,000,000	34,400,000,000	3,900,000,000
1971	42,500,000,000	35,900,000,000	6,600,000,000
1972	46,000,000,000	37,400,000,000	8,600,000,000
Surplus			29,200,000,000

	Contributions under House bill	Benefits under House bill	Surplus or deficit
1967			$4,300,000,000
1968	$30,800,000,000	$28,700,000,000	2,100,000,000
1969	34,900,000,000	30,300,000,000	4,600,000,000
1970	36,500,000,000	31,700,000,000	4,800,000,000
1971	40,300,000,000	33,100,000,000	7,200,000,000
1972	42,000,000,000	34,600,000,000	7,400,000,000
Surplus			30,400,000,000

	Contributions under present law	Benefits under present law	Surplus or deficit
1967	$28,500,000,000	$24,200,000,000	$4,300,000,000
1968	29,600,000,000	25,500,000,000	4,100,000,000
1969	33,700,000,000	26,900,000,000	6,800,000,000
1970	35,200,000,000	28,200,000,000	7,000,000,000
1971	36,200,000,000	29,400,000,000	6,800,000,000
1972	37,200,000,000	30,800,000,000	6,400,000,000
Surplus			35,400,000,000

[1] Deficit.

Mr. PROUTY. Mr. President, I yield the floor.

Mr. LONG of Louisiana. Mr. President, I yield to the Senator from West Virginia.

CORRECTION OF PRINTED AMENDMENT

Mr. BYRD of West Virginia. Mr. President, on yesterday, I offered on behalf of the junior Senator from Florida [Mr. Smathers] an amendment which was intended to be proposed by him to H.R. 12080, the social security bill.

In the printing of the amendment, my name was incorrectly shown as cosponsor of the amendment. Although I may very well vote for the amendment, I would not want to arrogate to myself any authorship of this amendment, and I would not want to take advantage of the distinguished Senator from Florida [Mr. Smathers] at a time when he was necessarily absent.

Therefore, I ask unanimous consent that the amendment be reprinted and that the correction be made. I was merely offering the amendment in his absence, and it was not intended to be proposed by me in behalf of myself and the junior Senator from Florida, as the printed amendment incorrectly states.

The PRESIDING OFFICER. Without objection the amendment will be reprinted, to show that it is offered by the Senator from Florida [Mr. Smathers] and was merely presented by the Senator from West Virginia [Mr. Byrd].

Mr. LONG of Louisiana. Mr. President, I should like to discuss some of the arguments that have been advanced as the debate has progressed; and I thought it might be well, particularly at a time when I would not be impeding the work of the Senate otherwise, to summarize the debate from the point of view of the manager of the bill.

From time to time, I will attempt to debate the general issues of the committee bill and answer the arguments that have been advanced against it.

Mr. President, on yesterday, Senators on the Republican side of the aisle charged that the social security bill was inflationary. I want to respond to that charge by pointing out that the social security program this year, next year, the following year, and every year into the future that we can predict will be collecting more in taxes than it would be paying out in benefits.

Between now and 1972, the committee-approved bill would raise $17 billion more in taxes for the old-age and survivors insurance trust fund than that fund would pay out in benefits. Over the same period of time, the disability insurance trust fund would accumulate almost $4 billion more in taxes than it would pay out in benefits and the hospital insurance trust fund would accumulate $3 billion more than it would pay out in benefits. That means that under the Finance Committee bill—for a period of 5 years—$24 billion more taxes would be collected than would be paid out in benefits.

In fact, Mr. President, it is against that very fact that the Senator from Vermont [Mr. Prouty] proceeds to suggest that we should not have any tax increase at all—the amendment that is pending at present. The logic of his position, as well stated by him, is that even without any tax increase, we would have enough funds to pay the benefits which the committee bill proposes.

When I studied economics, I was taught that taking money out of circulation was deflationary. Now, to the extent that the social security program will do that, it will continue to be deflationary, even as amended by the House committee and as amended by the Senate Committee on Finance. The program is now in the black. It will be in the black next year. It will be in the black the following year. It will stay in the black for as long as we can foresee into the future, under existing law, under the House bill, and under the Senate committee bill.

Furthermore, the social security program is not the sort of program that should be debated on fiscal policy grounds, although it is desirable that it should not be a burden on the Federal budget—as, indeed, it is not. It should be debated on social policy grounds, on humanitarian grounds. It should be debated from the heart and not from the pocketbook. Based on these consideraations, the bill reported by the Committee on Finance must be thunderously applauded, not criticized.

I have in my hand the long-range cost estimates for the old-age survivors disability insurance system, 1966. It is identified as actuarial study No. 67, published in January 1967, by the Office of the Actuary of the Social Security Administration. It states on page 17 in describing table 22:

> **Under all three estimates, the trust fund is projected to increase continuously, reaching a level of about $250 billion in the year 2000 under the high-cost estimate, and higher levels under the intermediate-cost and low-cost estimates. These high levels result from the fact that the OASI portion of the system has a significant positive actuarial balance under all three cost estimates (i.e. it is over-financed).**

Mr. President, in other words, the law today does not underfinance the social security program; it overfinances it.

Our bill does not underfinance it. If we are subject to any criticism, it would be the criticism of the Senator from Vermont [Mr. PROUTY] that we are putting too much in; not too little.

Mr. President, that is the fact. We are not subject to a charge that we are underfinancing the program as the Senator has pointed out.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. PROUTY. Mr. President, I appreciate the help that the Senator seems to be giving me at this time. I hope tomorrow it will be the same.

Mr. LONG of Louisiana. Before the Senator departs from the Chamber I wish to tell him that I am not supporting his amendment, and I do not intend to support it. I point out that any allegation that the program was underfinanced does not stand up.

It is the position of the actuaries, and this is attested to by our experts as well as those in the department, that the program is overfinanced; it is not underfinanced.

Mr. PROUTY. I could not agree more with the Senator.

Mr. LONG of Louisiana. I thank the Senator.

Mr. President, it was these considerations of overfinance which prompted the Committee on Ways and Means to approve a benefit and tax structure to put the system back into a more responsible balance.

Many Senators during the committee discussion on this bill pointed out that it should not be used for fiscal policy purposes. I submit to the Senate that if we were to enact a tax structure designed to fully pay for the benefits provided under this bill on a current basis, we would be using the social security system for fiscal purposes. I submit that even if we attempted to preserve the status quo we would be using the social security system for fiscal purposes.

Only by adopting the same sort of responsible approach to the financing of these social security benefits as was agreed to by the House Committee on Ways and Means can we prevent the social security trust funds from having fiscal policy implications. The House financed its 12½-percent increase with a modest increase in the progression of the tax rates up to 5.9 percent in 1987 and by increasing the taxable wage base. The Committee on Finance would pay for its 15-percent benefits by adopting virtually the identical rate structure approved by the House of Representatives and by further increasing the taxable wage base. For 1968 the Finance Committee bill produces a larger surplus of income over outgo than does the House bill. For 1969, 1970, and 1971 the House bill has a little larger surplus than our bill, but beginning in 1972, the Finance Committee bill again produces a larger balance and will continue to do so for many years into the future because of the high wage base in our bill.

Neither our bill nor the House bill is inflationary. Both bills represent good, sound financing for the social security benefits they recommend.

The Senator from Delaware has expressed a philosophy which has some fallacies from the point of view of some of us who voted to report the committee bill. For example, with regard to the Byrd amendment, this amendment would pay out benefits of a half billion dollars in 1969, but over the long run this amendment would not cost the system anything.

Under the Williams theory we would be forced to impose a tax rate increase effective in 1969 to raise funds to cover this benefit outgo and, of course, if we did do this we would be overfinancing the system over the long run. But the point is that we finance the system on a long-term basis trying, as best we can, to keep annual income and outflow on a roughly equivalent basis and a trust fund equal to about a year's benefit payments.

The same fallacy in the Williams theory is illustrated by the current actuarial surplus in the fund. At one time it was the basic Republican position to merely pay out an 8 percent benefit increase without any increase in taxes, a perfectly reasonable position if you believed that this was a sufficient benefit increase. Such an action, however, would violate the Williams theory and, incidentally, feed inflation since over $2 billion a year would be paid out of the trust fund with nothing coming in. This illustrates once again that we must balance both the long-term and short-term effects in making our decisions.

There appears to be some confusion in the Republican camp as to just what is good legislation. Senator CURTIS praises the House bill to the hilt. Senator WILLIAMS of Delaware says, however, that a bill such as the committee bill which increases the wage base when some of the benefits go into effect, but retains the present tax rate, is bad medicine. But the Ways and Means bill—which Senator CURTIS believes is perfect—provides tax rates through 1986 which are just like the committee bill. Down which path would the Republicans have us go?

Yesterday the distinguished Senator from Nebraska compared the increase in the earnings base under the committee bill with the original $3,000 earnings base. He implied that the program has gone way beyond its original intent in this respect. I would like to give some figures which I believe will reassure the Senator from Nebraska on this point.

In 1938 the $3,000 earnings base allowed about 94 percent of all regularly employed men to get credit for their full earnings. About 93 percent of all earnings in covered employment were taxed under the $3,000 base. Under the ultimate base of $10,800 in 1972 in the committee bill the full earnings of about 78 percent of all regularly employed men would be covered—well below the figure under the original base. Moreover, 90 percent of all earnings in covered employment would be taxable, still not as high as in 1938. Thus, Mr. President, if we were to have an earnings base in 1972 that would be equivalent to the original $3,000 base, it would have to be between $13,000 and $15,000, and we do not propose to put it that high.

Mr. President, I hope these figures will illustrate to the Members that the earnings base in the committee bill is responsible and is in line with the traditions of this program established more than 30 years ago.

Another one of the points raised against the Finance Committee's bill is that it is unfair to young workers. It is said that the burden of the increased taxes would fall on this group. The committee tried to be equitable in distributing the tax burden, and as a result those who can best afford to pay the increased taxes will pay them. This will be true next year and 20 years from now.

We are aware of the tax burden on the young, and the tax schedule will help the young. The young are those most likely to earn less than $6,600, and they would not be affected by the wage base increase.

Of course, we expect the young man of today, as well as the young man in the future, to improve his situation and to increase his earnings. As he becomes better off, his social security taxes will go up until, if he is fortunate enough to earn fairly substantial amounts, he will be just about paying his own way under the program.

Mr. RIBICOFF. Mr. President, the Social Security Act Amendments of 1967 represent a landmark in the administration of aid and services for the needy. This bill will substantially change the direction and emphasis within the public welfare programs. It holds the prospect of a reversal in the trend toward increasing numbers of dependent persons and increasing costs for the taxpayer. Closely associated with the public welfare programs for many years, first as Governor of my State and later as Secretary of Health, Education, and Welfare, I am aware of the complicated nature of the program and the intricate and frustrating problems which individuals in need bring to the public welfare agencies. The question we face is how best to administer these services and what can be done to reduce the number of persons who must rely on public assistance.

During my term as Secretary, the significant Public Welfare Amendments of 1962 were enacted. These amendments encouraged the States to establish programs of social services to help needy people to become self-supporting. In spite of these constructive measures, the number on welfare has continued to grow. We must look at the program again in the light of the situation we currently face in the Nation and see what additional changes are needed.

This essentially was the approach that was used in the House. The bill H.R. 12080 is the result of that consideration.

That body gave considerable study to the problem and set forth recommendations for a modified public welfare program designed to reduce the number of persons receiving aid. As a member of the Senate Finance Committee, I had the opportunity to contribute toward major modifications and improvements in that bill. The Senate Finance Committee has retained the essence of that bill and has included changes designed only to clarify some of the provisions to make more explicit the intentions of the Congress, and to set up some safeguards to assure proper administration of its provisions. I recommend the bill to everyone as a reasonable, humane, and effective approach to some of the most difficult problems the Nation faces.

A WORK-TRAINING EMPHASIS

The major feature in the bill has to do with a program of work incentives for families receiving aid to families with dependent children. These provisions are innovative because they recognize for public welfare purposes what has long since become a fact in our society—that women are working in the economy, that they want to work, and that it is possible for satisfactory arrangements to be made for the care of their children. This legislation provides funds for daycare services for the children of AFDC mothers and low-income working mothers.

It is appropriate for all parents and older children to have their circumstances reviewed to identify those who are available for a work or training experience. The Senate bill wisely identifies certain groups of people who ought not to be considered in the pool of those automatically considered appropriate for training or work experience. These include any person with an illness, incapacity, or advanced age; a person whose remoteness from a project precludes effective participation in work or training; persons whose presence in the home is required because of illness or incapacity of a member of the household; a mother who is actually caring for one or more children of preschool age if her presence in the home is necessary and in the best interest of the children. All other persons are to be considered available for training or work.

It is not anticipated that in very many instances will this decision by the welfare agency be questioned by the recipient. If he has such question, he has available to him the fair hearing machinery of the public welfare agency. Since training will lead to work and work will lead to earnings, very likely above the current level of assistance, it is hoped that assistance recipients will welcome this opportunity to be a participant in the labor force.

A major feature of the work-training program will be its administration by the Department of Labor using all of the manpower training skills of that agency. Under the provisions of the bill, that agency will be responsible for evaluating the work potential of everybody referred to them by the welfare agency as suitable for employment. Testing and analysis of the work history should enable the Labor Department to develop a plan for each individual leading to some kind of work. The individual referred may be immediately suitable for employment. If so, he will be placed by the Labor Department. He may need the benefits of some of the existing manpower training programs operated by the Department of Labor. If so, these will be available to him. He may need a program of compensatory education, training in work skills, and training on the job before he can be given employment. The Labor Department has accepted responsibility for the provision of such services to available people.

If the individual's background indicates he is not likely to benefit by training, or if employment for him is not actually available, the Department of Labor is instructed to negotiate with private and public employers for noncompetitive jobs for the people involved and the welfare departments are directed to pay to the Secretary of Labor an amount equal, approximately, to the assistance payment, which amount, when added to the amount the employer agrees to pay for the work performed, is then used to pay the individual an hourly rate. Under this plan, individuals who would otherwise not have the opportunity to work will be able to do so, employers will have work performed which needs to be done, and the individual will earn money beyond his assistance payment which will serve as an incentive for him to keep on the job. Thus, under the committee bill, the public welfare programs will be pointed toward employment and every employable person receiving AFDC will have an opportunity to become a wage earner and to benefit from his employment.

WORK INCENTIVES

Closely tied to this provision is the arrangement for the disregarding of some earned income for employed adults and older children in the AFDC program. For the first time, adults will have the encouragement to take a job and to retain some of their earnings for themselves. The first $50 a month from a household can be retained and one-half of all additional income earned. This provision responds to the accepted fact of life that we live in an incentive economy and people are more likely to work if they receive material benefit for such employment.

ASSISTANCE TO CHILDREN OF UNEMPLOYED FATHERS

The unemployed fathers program is strengthened and improved over both the existing program and the program as proposed for modification by the House. Under the committee bill, there will be a Federal definition of unemployment which should end the variations around the country in the determination of who is eligible. The House bill is improved by making the program available to persons even though they may have only a slight previous attachment to the labor force. If ever there were a group of people who need the advantages of the work-training program, it is the young fathers who have had very little work experience. Also, under the committee bill, it will be possible for the States to supplement the benefits paid by the unemployment insurance program, something the States are prohibited to do under the House bill.

CHILD CARE SERVICES

One of the keys to increased employment of women receiving AFDC is the availability of child care services. Two provisions are contained in the bill to help deal with this acute shortage in the Nation. Under the AFDC program, States would be required to provide adequate child care services and this could be done either by purchase or by the actual operation of facilities. States would receive, initially, 85 percent Federal sharing in the cost, and later, 75 percent. This provision is aimed at mothers of dependent children who are found available for work, and would not be available to persons who are not receiving assistance. The provisions relating to child welfare services under the Social Security Act would also be amended, however, for the purpose of increasing the funds for daycare services for low-income persons who are not receiving assistance. This will help to meet a very substantial need for these services throughout the whole Nation.

RELATIONSHIP TO LAW ENFORCEMENT AGENCIES

There are several provisions in the bill on the relationships of public welfare programs to the law-enforcement agencies. These provisions are designed to secure the legal rights of children by establishing paternity, in all instances of children born out of wedlock, and making sure that the law-enforcement people are informed of all instances of expected exploitation or neglect of children, and to enlist the total support of law-enforcement officials in the location of absent parents and the collection of support orders. To assist in the effective implementation of these provisions, the State welfare departments are directed to meet part of the cost of the State law-enforcement function that relate to services to needy children. The committee bill contains a unique provision to aid in the location of deserting parents and in the collection of the amounts due their children. Welfare agencies are to have the use of information in the files of the Internal Revenue Service in the location of absent parents, in addition to the resources they now have of the social security files. There may be some persons who owe support to their children who have the ability to pay the required sums and who have refused to do so. In those instances, the Internal Revenue Service is directed to proceed against the individual as though he had a tax obligation which he has not paid and to collect the sums due. We do not expect that very many cases will reach this point. We expect that the very existence of this provision and the knowledge of its possible use will help to bring about support from persons who are obligated to pay and that the actual collection machinery will be used only rarely.

MORE ADEQUATE ASSISTANCE

I am pleased that the Senate bill includes a provision for increasing the income of the recipients of old-age assistance, aid to the blind, and aid to the permanently and totally disabled.

Many of these people are now receiving social security benefits and these benefits will be increased under the bill. Without contrary provisions in the Federal law, the States will be making adjustments in the size of the assistance payment to take account of the increase in the social security benefit. Thus, the bill provides that States are to make such adjustments in their standards of assistance necessary to assure that all the needy adults will receive an increase in their assistance, or assistance and social security benefits, that totals $7.50 a month. States which have made very recent adjustments in these payments—during 1967—will be permitted to use the amount of the increase against the $7.50, if they wish. Thus, no State need feel compelled to increase assistance if it has done so recently.

FLEXIBILITY IN DEALING WITH EXCEPTIONAL CASES

Although nearly all recipients of public assistance are able to handle their money and spend it in the best interest of their family, there are a few persons who consistently fail to use the money for the purposes of their family needs. These cases often get in the newspaper and create public relations problems for the public welfare program. Already, it is possible for States to make a payment to a third party in behalf of the needy parent and child if the money is being misspent. These provisions will be broadened to take account of additional problems that States are encountering. Rather than the protective payment provision being optional with States, as under present law, the States will be required to have the machinery for these payments, including vendor payments, if needed. Some of the restrictions in the law which have made it difficult for States to use these provisions have been modified in the bill. In the event a parent refuses to take work or training without due cause, the payment to the family is to be made as a protective payment during the period the agency will be consulting with the individual about his refusal to take advantage of opportunities for employment.

Another change in the present law which the bill will make offers the States the opportunity to provide emergency assistance to families with children, either in the form of cash or as vendor payments. This is a very useful provision and takes into account the problems that poor families meet in the day-to-day life. Fires, desertions, and other emergencies constantly arise and welfare agencies need to have flexibility in dealing with these situations. Sometimes it is not possible, or perhaps desirable, for money to be given. States may use this provision to meet the needs of migrants.

DELETION OF LIMITATION ON AFDC

I am pleased that the committee bill has deleted the provision included by the House which would have limited, for Federal matching purposes, the number of AFDC children whose eligibility depends on the absence from the home of a parent. I can understand the reasons why the House Members included this provision. They wanted to control the overall Federal obligation and they wanted to provide an incentive for States to move ahead with efforts to restore persons to self-support. Other provisions included in the bill by the committee, in my opinion, make this provision unnecessary. Its inclusion, furthermore, raises the possibility of denying some children the assistance they need.

IMPROVEMENTS IN CHILD WELFARE AND HEALTH SERVICES

The bill contains some significant improvements in the child welfare program. Foster care for children will be opened up for Federal sharing of the cost in two respects. Under the AFDC program, the scope of federally matched foster care is broadened to include a substantial number of additional children. In addition, the child welfare services grant will also give further recognition to the needs of this aspect of the program. The bill also contains provisions to bring about a closer relationship between AFDC and child welfare services by moving toward the integration of these services in a single organizational unit. Daycare services, as mentioned earlier, will also be expanded for the care of children of working mothers.

The child health grants are consolidated and rewritten to make a more rational program. The authorization is increased with respect to a variety of services, including family planning services.

SOCIAL WORK EDUCATION

The bill contains a forward-looking provision to provide Federal support for social work education. This provision is one that I have strongly advocated both in the last Congress and in this one. There is a serious shortage of professional social workers as well as persons with social work training obtained in an undergraduate program. Programs continue to expand upon the assumption of social work manpower for their administration. Although the funds provided are small—$5 million—it should enable a beginning to be made on the expansion of social work education facilities.

CONCLUSION

This bill is forward looking and constructive. It will rank with the very significant legislation of this and other Congresses. If it results in a sound and substantial start being made, and more than this is likely, it will be a successful measure; for the problems it is dealing with are among those in our society that are most in need of correction and change.

ADJOURNMENT TO 10 A.M.

Mr. LONG of Louisiana. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the order previously entered, that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 23 minutes p.m.) the Senate adjourned until tomorrow, Friday, November 17, 1967, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate November 16, 1967:

U.S. CIRCUIT JUDGE

James M. Carter, of California, to be U.S. circuit judge for the ninth circuit.

U.S. CUSTOMS COURT

Herbert N. Maletz, of Virginia, to be a judge of the U.S. Customs Court.

HOUSE OF REPRESENTATIVES

THURSDAY, NOVEMBER 16, 1967

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

Watch and pray, that ye enter not into temptation.—Matthew 26: 41.

Slow us down, Lord, slow us down until in our inmost being we kneel quietly and reverently before Thee. For this moment deliver us from coldness of heart and wanderings of mind, that with steadfast thoughts and kindled affections we may worship Thee in spirit and in truth. Save us from the anxieties and confusion of the world and strengthen the tie that binds us together and to Thee.

Grant us in all doubts and uncertainties the spirit to seek what Thou wouldst have us do, that the spirit of wisdom may save us from false choices and lead us into all truth.

Guide, we beseech Thee, our Nation and the nations of the world into the ways of justice and good will, and establish among us the peace which is the fruit of righteousness. In Thy light may we see light and in Thy straight path may we not stumble in the Master's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed with amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 480. An act to amend the act of October 4, 1961, relating to the acquisition of wetlands for conservation of migratory waterfowl, to extend for an additional 8 years the period during which funds may be appropriated under that act, and for other purposes.

The message also announced that the Senate insists upon its amendments to the bill (H.R. 162) entitled "An act to grant the masters of certain U.S. vessels a lien on those vessels for their wages and for certain disbursements," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAGNUSON, Mr. BARTLETT, Mr. BREWSTER, Mr. GRIFFIN, and Mr. COTTON, to be the conferees on the part of the Senate.

The message also announced that the

Senate disagrees to the amendments of the House to the bill (S. 2388) entitled "An act to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act, and for other purposes," agrees to the conference requested by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Clark, Mr. Randolph, Mr. Pell, Mr. Kennedy of Massachusetts, Mr. Nelson, Mr. Kennedy of New York, Mr. Prouty, Mr. Javits, and Mr. Murphy to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 322. An act to restrict the disposition of lands acquired as part of the national wildlife refuge system;

S. 2447. An act to amend section 2 of the Migratory Bird Conservation Act; and

S. 2644. An act to amend the Atomic Energy Community Act of 1955, as amended, the Atomic Energy Act of 1954, as amended, and the Euratom Cooperation Act of 1958, as amended.

HON. JOHN J. ROONEY: THE VOICE OF BROOKLYN

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, it was a rough passage. The seas ran mountain high, and even the schooner *Hesperis* never battled winds that were more terrifying.

But when the beating of the winds and waves had subsided, still loud and above all the voices of the storm there was the voice of Brooklyn. I am referring, as my colleagues know, to the 3 days of hectic and often heated debate on the war on poverty that came to an end around midnight.

Mr. Speaker, since I have been a Member of this body there have been many able Chairmen presiding over the deliberations of the Committee of the Whole House on the State of the Union. We are accustomed to presiding officers of outstanding ability, true masters of the gavel and the art it signifies, men like the great Sam Rayburn, the great present Speaker of the House of Representatives, Mr. McCormack, our great majority leader, Mr. Albert, and others.

But, Mr. Speaker, never have I witnessed a better job of presiding at a time when fatigue had made captives of us all and tempers were short, than that of the gentleman from New York [Mr. Rooney] during the debates in the Committee of the Whole during the last 3 days. When the gentleman from New York stepped down on completion of the work of the Committee of the Whole House on the State of the Union, I would say every Member of the House on both sides was on his feet applauding.

Of course, Mr. Speaker, that will not show in the Congressional Record. So I am making these remarks in order that it may be a part of the history of the Congress and of our country.

MODEL CITIES—SAYS WHO?

Mr. MONAGAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MONAGAN. Mr. Speaker, the list of qualifying cities in the model cities program was announced today and they indicate a new high in bureaucratic ineptitude.

Looking through the list of communities where programs have been approved, one finds Secretary Weaver and the Department of Housing and Urban Development pouring further Federal funds into areas where the soil is already so saturated with Federal money that it can scarcely absorb any more. At the same time, areas which qualify by reason of need and a determination to catch up with the march of progress have been disregarded.

In Connecticut, funds have been allocated to New Haven which needs Federal funds like it needs a hole in the head. This city has already received the highest per capita allocation of Federal funds in the Nation and has been redeveloped until it is black and blue. Hartford, which has completed one of the most publicized redevelopment programs in the country has also received an allocation under today's decision.

At the same time, Waterbury, which seeks to emerge from a period of inactivity in the field of redevelopment and to reenter the race with other cities in the State and elsewhere, finds itself passed over. This city, by virtue of its past lack of attention to redevelopment, presents a most fruitful field for the application of the crash model cities program.

I am very much disappointed in this determination of Secretary Weaver.

It is true that other allocations will be made and other redevelopment programs are still available, but this initial action under the new program raises serious doubts about the criteria and judgment used in determining the qualifiers.

NATIONAL POVERTY PROGRAM

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Alaska [Mr. Pollock] may extend his remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. POLLOCK. Mr. Speaker, yesterday the House voted overwhelmingly to continue the national poverty program at a high level. The margin of passage—154 votes—is a measure of the true concern Congress has for the millions of our fellow Americans who are poor.

The bill is far from perfect, however. Perhaps no bill can be, but I feel that one great mistake was made that could seriously cripple much of what the legislation is intended to accomplish. That mistake is the requirement that community action agencies match Federal funds by not less than 20 percent of the total cost. This is double the present percentage. Even more damaging is the new requirement that at least half of the local share be in cash.

Presently, the entire share can be in other forms such as donated office space or land, other facilities, or labor. It is foolish, in my opinion, to require the poor to raise money. By definition, the poor lack money. The net result is that the poorest communities in the Nation who most need the assistance will in fact be just too poor to participate in the community action programs for the poor. It is indeed a paradox which must be corrected. There are many Indian, Eskimo, and Aleut villages, and other very poor communities as well, in Alaska that will be excluded just as surely as if a majority of the Members of Congress voted to eliminate the entire poverty program. I, therefore, hope that this harsh provision will be eliminated in conference and that the present law dealing with matching Federal funds will be retained.

TRIBUTE TO THE LATE MAJ. GEN. BRUNO A. HOCHMUTH

Mr. BUSH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BUSH. Mr. Speaker, I will make a very brief comment on the death of General Hochmuth, a native of Houston, Tex. General Hochmuth's parents reside in my congressional district.

I know all Members of Congress would want to pay their respects to his parents. This brave man gave his life for his country. He was a great marine, and he was a great man. He is going to be sorely missed. In these troubled times we can ill afford to lose a man like General Hochmuth, but it is also appropriate to note, and I think somewhat significant, that there are brave men and fearless leaders who are willing to give their lives for their country.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 389]

Abbitt
Anderson, Tenn.
Andrews, Ala.
Annunzio
Aspinall
Broomfield
Celler
Clawson, Del
Dawson
Diggs
Edmondson
Edwards, Ala.
Edwards, La.
Everett

Evins, Tenn.
Feighan
Fountain
Fulton, Tenn.
Green, Oreg.
Gude
Hansen, Idaho
Heckler, Mass.
Herlong
Jones, N.C.
Laird
Landrum
McClory
MacGregor
Martin
Mathias, Md.
Miller, Calif.
Multer
O'Hara, Mich.
Pettis
Pool
Purcell
Resnick
Rhodes, Ariz.
Rivers
Roybal
St. Onge
Springer
Stephens
Taylor
Teague, Tex.
Utt
Williams, Miss.
Willis
Wilson, Charles H.

The SPEAKER. On this rollcall, 381 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PRINTING PROCEEDINGS OF CONVENTION OF AMERICAN INSTRUCTORS OF THE DEAF

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 933) on the Senate concurrent resolution (S. Con. Res. 40) authorizing the printing of the report of the proceedings of the 43d biennial meeting of the Convention of American Instructors of the Deaf as a Senate document, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 40

Resolved by the Senate (the House of Representatives concurring), That the report of the proceedings of the forty-third biennial meeting of the Convention of American Instructors of the Deaf, held in West Hartford and Hartford, Connecticut, June 25–30, 1967, be printed with illustrations as a Senate document; and that five thousand additional copies be printed and bound for the use of the Joint Committee on Printing.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PRINTING HEARINGS OF CONGRESS ON HOUSING LEGISLATION

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 934) on the Senate concurrent resolution (S. Con. Res. 42) authorizing the printing for the use of the Senate Banking and Currency Committee, of additional copies of its hearings of the present Congress on housing legislation, and ask for immediate consideration of the Senate concurrent resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 42

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Committee on Banking and Currency one thousand five hundred additional copies each of parts 1 and 2 of the hearings before its Subcommittee on Housing and Urban Affairs during the Ninetieth Congress, first session, entitled "Housing Legislation of 1967".

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

TO PROVIDE FOR THE PRINTING OF ADDITIONAL COPIES OF CERTAIN HEARINGS OF THE SPECIAL COMMITTEE ON AGING

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 935) on the Senate concurrent resolution (S. Con. Res. 46) to provide for the printing of additional copies of certain hearings of the Special Committee on Aging, and ask for immediate consideration of the resolution.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 46

Resolved by the Senate (the House of Representatives concurring), That there be printed for the use of the Senate Special Committee on Aging five thousand five hundred additional copies each of parts 1 and 2 of its hearings of the Ninetieth Congress, first session, entitled "Retirement and the Individual".

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PROVIDING FOR THE PRINTING AS A HOUSE DOCUMENT OF THE STUDY ENTITLED "STUDY OF THE U.S. OFFICE OF EDUCATION"

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 936) on the concurrent resolution (H. Con. Res. 487) providing for the printing as a House document of the study entitled "Study of the U.S. Office of Education," and ask for immediate consideration of the resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 487

Resolved by the House of Representatives (the Senate concurring), That there be printed as a House document, and for the use of the Committee on Education and Labor, ten thousand additional copies of the study entitled, "Study of the U.S. Office of Education," prepared by that committee; and there be printed one hundred seven thousand additional copies, of which eighty seven thousand copies shall be for the use of the House of Representatives and twenty thousand copies shall be for the use of the Senate.

With the following committee amendments:

On page 1, line 4, strike out "ten thousand" and insert in lieu thereof "four thousand five hundred and eighty".

On line 6, strike out "one hundred seven thousand" and insert in lieu thereof "five thousand four hundred and twenty".

On line 7, strike out "eighty-seven thousand" and insert in lieu thereof "four thousand three hundred and ninety".

On lines 8 and 9, strike out "twenty thousand" and insert in lieu thereof "one thousand and thirty".

Add the following:

"SEC. 2 Copies of such document shall be prorated to Members of the Senate and House of Representatives for a period of sixty days, after which the unused balance shall revert to the respective Senate and House Document Rooms."

The committee amendments were agreed to.

The concurrent resolution as amended, was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRINTING OF ADDITIONAL COPIES OF "COMMUNIST ORIGIN AND MANIPULATION OF VIETNAM WEEK (APRIL 8–15, 1967)," 90TH CONGRESS, FIRST SESSION

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 937) on the resolution (H. Res. 834) authorizing the printing of additional copies of "Communist Origin and Manipulation of Vietnam Week (April 8–15, 1967)," 90th Congress, first session, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 834

Resolved, That there be printed as a House document with seven thousand additional copies for the use of the Committee on Un-American Activities the publication entitled, "Communist Origin and Manipulation of Vietnam Week (April 8–15, 1967)," Ninetieth Congress, first session.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRINTING OF EXTRA COPIES OF PART 3 OF THE HEARINGS RELATING TO "ACTIVITIES OF KU KLUX KLAN ORGANIZATIONS IN THE UNITED STATES," 89TH CONGRESS, SECOND SESSION

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 938) on the resolution (H. Res. 928) authorizing the printing of extra copies of part 3 of the hearings relating to "Activities of Ku Klux Klan Organizations in the United States," 89th Congress, second session, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 928

Resolved, That there be printed concurrently with the authorized number of hearings (part 3) relating to "Activities of Ku Klux Klan Organizations in the United States," Eighty-ninth Congress, second session, twelve hundred and twenty-five extra copies for the use of the Committee on Un-American Activities.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRINTING OF EXTRA COPIES OF PART 4 OF THE HEARINGS RELATING TO "ACTIVITIES OF KU KLUX KLAN ORGANIZATIONS IN THE UNITED STATES," 89TH CONGRESS, SECOND SESSION

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 939) on the resolution (H. Res. 929) authorizing the printing of extra copies of part 4 of the hearings relating to "Activities of Ku Klux Klan Organizations in the United States," 89th Congress, second session, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 929

Resolved, That there be printed concurrently with the authorized number of hearings (part 4) relating to "Activities of Ku Klux Klan Organizations in the United States," Eighty-ninth Congress, second session, eleven hundred and nineteen extra copies for the use of the Committee on Un-American Activities.

The resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING THE PRINTING OF EXTRA COPIES OF PART 5 OF THE HEARINGS RELATING TO "ACTIVITIES OF KU KLUX KLAN ORGANIZATIONS IN THE UNITED STATES," 89TH CONGRESS, SECOND SESSION

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 940) on the resolution (H. Res. 930) authorizing the printing of extra copies of part 5 of the hearings relating to "Activities of Ku Klux Klan Organizations in the United States," 89th Congress, second session, and ask for immediate consideration of the resolution.

The Clerk read the resolution, as follows:

H. RES. 930

Resolved, That there be printed concurrently with the authorized number of hearings (part 5) relating to "Activities of Ku Klux Klan Organizations in the United States," Eighty-ninth Congress, second session, twelve hundred and seventy extra copies for the use of the Committee on Un-American Activities.

The resolution was agreed to.

A motion to reconsider was laid on the table.

TO PROVIDE FOR THE PRINTING OF THE CONSTITUTION OF THE UNITED STATES AS AMENDED TO FEBRUARY 10, 1967, TOGETHER WITH THE DECLARATION OF INDEPENDENCE

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 941) on the concurrent resolution (H. Con. Res. 557) to provide for the printing of the Constitution of the United States as amended to February 10, 1967, together with the Declaration of Independence, and ask for immediate consideration of the resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 557

Resolved by the House of Representatives (the Senate concurring), That the Constitution of the United States, as amended to February 10, 1967, together with the Declaration of Independence, be printed as a House document, with an index, in such form and style as may be directed by the Joint Committee on Printing, and that one hundred and six thousand six hundred additional copies be printed, of which eighty thousand eight hundred and fifty copies shall be for the use of the House of Representatives and twenty-five thousand seven hundred and fifty copies shall be for the use of the Senate.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

AUTHORIZING CERTAIN PRINTING FOR THE COMMITTEE ON HOUSE ADMINISTRATION OF THE HOUSE OF REPRESENTATIVES, AND THE COMMITTEE ON RULES AND ADMINISTRATION OF THE SENATE

Mr. HAYS. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged report (Rept. No. 942) on the concurrent resolution (H. Con. Res. 519) to authorize certain printing for the Committee on House Administration of the House of Representatives, and the Committee on Rules and Administration of the Senate, and ask for immediate consideration of the resolution.

The Clerk read the concurrent resolution, as follows:

H. CON. RES. 519

Resolved by the House of Representatives (the Senate concurring), That there shall be printed for the use of the Committee on House Administration of the House of Representatives, two thousand copies of the hearings of the Commission on Political Activity of Government Personnel established by Public Law 89-617, and two thousand copies of such hearings for the use of the Committee on Rules and Administration of the Senate.

Mr. TALCOTT. Mr. Speaker, I am a member of the Appropriations Subcommittee on Independent Offices. We had under consideration a request for appropriations for this Commission, and we were advised during the hearings that $25,000 was necessary for the use of this Commission in the printing of hearings, reports, and legislation. I would like to inquire whether or not the printing requested here would be included within that $25,000 which has already been appropriated, or will additional funds be required for this purpose.

Mr. HAYS. I would like to yield to the author of the resolution, the gentleman from Maryland [Mr. FRIEDEL], to explain things briefly, precisely, clearly, and succinctly.

Mr. FRIEDEL. Mr. Speaker, I thank the gentleman for yielding.

In answer to the question of the gentleman from California, this will be in addition to the appropriations that were received for other studies. This is just for printing and binding of the reports.

Mr. TALCOTT. Mr. Speaker, how much money will this cost? I am informed it will cost about $13,500.

Mr. FRIEDEL. It will cost $13,519.90.

Mr. TALCOTT. Mr. Speaker, I would like to ask a member of the Commission—and I believe the gentleman from Minnesota [Mr. NELSEN] is one of the Commission members who is here—if the Commission was informed that $25,000 would be sufficient for concluding all of the work of this Commission and for printing of reports and hearings and legislation.

Mr. NELSEN. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I will yield to the gentleman from Minnesota briefly. If there is going to be much discussion, I will withdraw the resolution. Nobody appeared before the committee. It appeared to be unanimous.

Mr. NELSEN. Mr. Speaker, the request for the appropriation was for $200,000. We went before the committee for an additional $25,000, and I addressed a letter to the conference committee in which I pointed out this would include the cost of printing of hearings and reports. I do not want the House to misunderstand or get the idea that I tried to fool them, because the $25,000 referred to was supposed to cover the items that this resolution presently would cover.

Mr. HAYS. Mr. Speaker, I do not think there is any disposition on the part of anybody to blame the gentleman at all about this. I question very frankly, as chairman of the Printing Committee, many times whether printing of these reports is valid or useful, but if we spend $225,000 for the Commission, it looks like we ought to spend enough money to print those reports, or else we should not have spent the money in the first place.

Mr. NELSEN. Mr. Speaker, if the gentleman will yield further, we pointed out in our letter that our request for the $25,000 would include cost of printing. However, if the committee wishes to pass this measure and if there is anything left over, we will of course, turn it back. I hope we will be able to do so.

Mr. HAYS. We had the understanding if there was any left over, it would be turned back.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, has any money already been appropriated for the purpose of this printing? If so, then why pass this resolution?

Mr. HAYS. Because apparently they want the thing printed, as I understand it, as a House document.

Mr. GROSS. As a House document?

Mr. FRIEDEL. Mr. Speaker, I understand the Appropriations Committee appropriated the funds after this bill was introduced for printing. I would hope if there is any money left over, it will be returned.

Mr. GROSS. If the gentleman will yield, what makes him think they will return any money?

Mr. FRIEDEL. The gentleman just said they have $25,000 for printing, and if they do not spend it all, surely it will be returned to the committee.

Mr. GROSS. Suppose the funds are used for this printing, and the Commission retains the full $25,000 to put some people on the payroll or to keep them on the payroll.

Mr. FRIEDEL. That would be up to the Commission or committee.

Mr. HAYS. Mr. Speaker, I believe it might have been well to consider this when the $200,000 was voted for the Commission.

Mr. TALCOTT. I thank the gentleman for yielding and for the explanation of this resolution. I trust that at least $13,500 will be returned to the Treasury.

I move the previous question on the concurrent resolution.

The previous question was ordered.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 13893, FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATIONS, 1968

Mr. YOUNG. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 978 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 978

Resolved, That during the consideration of the bill (H.R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, all points of order against said bill are hereby waived.

The SPEAKER. The gentleman from Texas is recognized for 1 hour.

Mr. YOUNG. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California [Mr. SMITH] for purposes of debate, pending which I yield myself such time as I may consume.

Mr. Speaker, this resolution comes from the Rules Committee and will make in order the consideration of H.R. 13893, from the Appropriations Committee, making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes.

Mr. Speaker, the resolution speaks for itself. It is for the purpose, among other things, of expediting procedures at this late period in the session. I urge the adoption of the resolution.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. YOUNG. I am glad to yield to the gentleman to discuss this matter.

Mr. HALL. I would like to ask the question I often ask about waiving points of order.

In the first place, the Committee on Appropriations and the various subcommittees usually bring their bills to the floor by moving that the House resolve itself into the Committee of the Whole House on the State of the Union and allotting time for the purpose of considering the appropriation bill.

Here we have a rule, but the rule does not provide for amendments under the 5-minute rule. It does say that "all points of order against said bill are hereby waived."

Will the gentleman inform the Members of the House why our individual prerogatives are again to be taken away by the Committee on Rules?

Mr. YOUNG. I say to the gentleman, of course the Committee on Rules cannot take anything away. It has to be adopted by the House, as the gentleman knows.

There are a number of reasons why, if this matter is to be considered at this time, points of order will have to be waived.

The bill would be subject to innumerable points of order, as I see it, not any particular one.

As an example, the Peace Corps authorization has not been passed by the House and has not become law. There are other matters pertaining to legislative questions involved, which I understand are not new. I believe I am correct about that. They are being considered in other pieces of legislation. Those are contained in the bill, likewise.

I say to the distinguished gentleman from Missouri, if the bill is to be considered at all it will have to be with points of order waived, or it could not be considered by the House.

Mr. HALL. I am sorry; I could not hear the last sentence. Would the gentleman repeat it?

Mr. YOUNG. Of course, the 5-minute rule will apply.

Mr. HALL. I regret, because of the noise in the Chamber, that I could not hear the gentleman's last sentence, before he said that the 5-minute rule will apply.

The SPEAKER. The House will be in order.

Mr. YOUNG. I say to the gentleman, the plain fact is, if this piece of legislation is to be considered by the House at this time it will have to be considered with points of order waived. That is because it is subject to points of order all through it.

Mr. HALL. Because of such reasons as the gentleman listed in response to my request, namely, that we do not even have authorization for the Peace Corps appropriation?

Mr. YOUNG. I think that is right.

Mr. HALL. And there are other areas of restrictive language in the bill which, in the sum total of the opinion of the gentlemen on the Committee on Rules, would make it not possible to consider it?

Mr. YOUNG. That is right.

Mr. HALL. Can the gentleman tell me again on the usual question as to whether this was engendered in the Committee on Rules, requested by the Committee on Appropriations, or came from the Parliamentarian?

Mr. YOUNG. I think it came on the request of the Committee on Appropriations in seeking a rule that point of order should be waived.

Mr. HALL. I thank the gentleman. I well know that the House has to act on this resolution, as he so wisely said, before it becomes the action of the House, but we are creating "book and record," so to speak, on these waivers of points of order, and it is for this reason I appreciate the gentleman's cooperation.

Mr. YOUNG. I thank the gentleman.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. YOUNG. I am glad to yield for further discussion.

Mr. FRELINGHUYSEN. Mr. Speaker, do I understand the gentleman to say that it is necessary to have a waiver because if we do not have a waiver, then points of order could be made throughout the bill?

Mr. YOUNG. I think there are several points where they could be made.

Mr. FRELINGHUYSEN. Could I ask the gentleman why that is any reason for the waiver? Why should there not be points of order made if there are places in the appropriation bill where they could be made? Why is it necessary to make an exception for this case?

Mr. YOUNG. I will say to the gentleman, as I said to the distinguished gentleman from Missouri preceding him, if the House is to consider this matter at this time, it could not handle this bill without a waiver of points of order.

Mr. FRELINGHUYSEN. Why?

Mr. YOUNG. Because there will be nothing left of the bill.

Mr. FRELINGHUYSEN. I do not see why that is a reason at all. If we had no waiver, then points of order could be made against the legislation in the bill. The appropriation figures would remain, and I am sure action could be taken on the appropriation, which is actually the sole business of the Committee on Appropriations.

Mr. YOUNG. As the chairman points out, of course, these waivers of points of order are for the purpose, as I said to the gentleman from Missouri, of expediting the procedures and making it possible for the House to consider this legislation.

Mr. FRELINGHUYSEN. I do not understand the gentleman's point. In what way does it expedite anything to prevent points of order being made against parts of the bill? There would be no slowing down of the legislative process to allow points of order to be made against the legislation in the bill.

Mr. YOUNG. It is pretty obvious that we cannot consider the matters involved in this bill if they are subject to points of order.

Mr. FRELINGHUYSEN. Why should we be obliged to consider these matters, may I ask the gentleman? I do not understand the gentleman's reasoning. Why could not the appropriation aspect of the bill be considered if the legislation were stripped away from it?

Mr. YOUNG. For one reason, the authorizations for part of the appropriations in this bill have not been authorized.

Mr. FRELINGHUYSEN. That is only one. There might be no point of order raised with respect to the Peace Corps, but the legislation itself is permeated, as the gentleman from Texas just said, with other questions in addition which do not belong in an appropriation bill. They could be stricken.

Mr. YOUNG. Mr. Speaker, all I can say to the gentleman is that there are several areas here subject to points of order and if in the wisdom of the House points of order are not waived, this piece of legislation cannot proceed. I do not know how I can add any more to it than I have already said.

Mr. FRELINGHUYSEN. The gentleman has failed to say why this legislation could not proceed if it were possible to make points of order against the legislation in the bill.

Mr. YOUNG. I am unable to make it any clearer than that. The bill is subject to points of order in the judgment of those who have sought it. The rule provides for a waiver of points of order so that the House can consider it at this time and accomplish what the Appropriations Committee seeks to accomplish in this bill. Points of order will have to be waived in order to accomplish that.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, I would like to point out that it seems to me one of the reasons why the House is bogged down the way it is is because of this duplication of effort.

Now, Mr. Speaker, either we ought not to have an Appropriations Committee if it is going to be a legislative committee, or we ought not to have a legislative committee.

Mr. Speaker, there is no use going through this exercise twice.

Mr. Speaker, the House of Representatives yesterday, after a long period of time, worked its will on the poverty bill and set a figure of $1,600 million.

Mr. Speaker, if the Committee on Appropriations can come in here and get waivers on 19 separate pieces of legislative language as contained in the foreign aid bill, they can do it in any committee in this House of Representatives.

Mr. Speaker, I have the greatest respect for the distinguished gentleman from Texas [Mr. YOUNG] and I know that the gentleman is only trying to do a job and to expedite his task in presenting this rule.

Further, Mr. Speaker, I can make no apology for the long delay in getting the authorizing legislation for foreign aid passed and agreed upon and signed into law.

Mr. Speaker, we have been over that and Members of the other body would not come to the conference, and so on.

But the fact now remains that it has now been passed and signed into law by the President of the United States. If it had not been—and I told the distinguished gentleman from Louisiana if they did not meet with us and get a conference and come forth with a conference report, I would support him in going before the Committee on Rules in an effort to obtain a rule waiving points of order and bringing the legislation to the floor, without any authorization. But, Mr. Speaker, since we have had an authorization, I would like to point out to the Members of the House that this seems to me to be setting a kind of a precedent that most of the Members who are members of other committees—Agriculture, and any other committee one cares to mention such as the Committee on Education and Labor, and what have you—if this practice continues, then we could get out of here "by the end of July" in the statutory time—if we abolished the Committee on Appropriations and if we went back as we operated in 1922, or else abolish the various legislative committees and let the Committee on Appropriations handle the whole ball of wax.

Mr. Speaker, in my opinion it is appropriate to point out that these people downtown, representatives of the various agencies and departments involved, have to come up here and testify upon separate pieces of legislation every time such legislation is introduced in both Houses of this Congress; in fact, they have to come up and talk twice, once on the authorizing legislation to appear before the authorization committee and then before the Committee on Appropriations. As I said, the same procedure is followed in the Senate.

Mr. Speaker, we have received a lot of criticism in the newspapers about being hidebound and out of date as well as antiquated.

Mr. Speaker, I am not going to fight this any further, except I am going to vote against this whole appropriation. But if this practice continues, I am going to introduce a bill next year to abolish the Committee on Appropriations and let the Members of the House take their choice. I had it done the other day, but did not take advantage of it.

Mr. WRIGHT. Mr. Speaker, will the gentleman yield?

Mr. YOUNG. I yield to my distinguished colleague, the gentleman from Texas.

Mr. WRIGHT. Mr. Speaker, I am sure that my dear, personal friend, the distinguished gentleman from Texas [Mr. YOUNG], whose responsibility it has become to handle this rule on behalf of the Committee on Rules, realizes full well the extremely high regard in which I hold the gentleman personally.

Mr. YOUNG. I thank the gentleman.

Mr. WRIGHT. And, I want to say to the Members of the House that I want them to also realize that I regard the distinguished gentleman from Texas as one of the most dedicated, most deliberative, most courageous Members of this Congress.

I do not consider myself as exactly a legislative purist and I hope the gentleman from Ohio would not regard me as a cantankerous Member. Further, I think, perhaps, the gentleman on the other side of the aisle might feel that I am generally a kind of a Democratic loyalist—a sort of "leadership" man.

But, Mr. Speaker, just as a legislator, I find this particular rule and this particular bill that comes to us under a rule waiving all points of order, quite offensive to my sense of legislative propriety.

Mr. Speaker, I have examined the bill. I am sure that other Members are doing the same. The bill contains 21 pages. I earnestly believe that all of the appropriations contained in this bill could be confined to one page, or at the most two pages. The remainder clearly consists of legislation in an appropriation bill, which of course is forbidden under the Rules. It is a complete or, rather, nearly complete, rewriting of the legislation over which this House labored when we finally passed an authorization bill for foreign aid.

It strikes me that this is an extremely bad precedent for the House to pass a rule waiving all points of order against a bill which comes to us under the guise of an appropriation bill, but which in reality is new and in some cases entirely different legislation.

Mr. Speaker, as the gentleman from Ohio said, if this can be done with the legislation presented by the Committee on Foreign Affairs, then it can be done with the legislation presented after long deliberation by any other standing legislative committee of the House. And while I support the basic legislation, and am for the foreign aid program, just as a matter of legislative propriety I am going to have to be constrained to vote against this rule.

I thank the gentleman for yielding, and I want to say again that I respect and support the Committee on Rules, and the gentleman from Texas in particular, and the leadership in general and our distinguished Speaker, with specificity, and have great regard for the Appropriations Committee generally and my good friend its chairman, nevertheless I cannot vote for this rule.

Again I thank the gentleman for yielding.

Mr. YOUNG. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Wisconsin [Mr. ZABLOCKI].

Mr. ZABLOCKI. Mr. Speaker, I rise in opposition to the rule providing for the consideration of H.R. 13893, the bill containing appropriations for the foreign assistance program and related undertakings.

This is the first time in my entire service in the Congress that I have had to oppose a rule on this legislation. And the reasons for my position are simple and clear:

Mr. Speaker, it is a cardinal principle of this House, enshrined in our rules, that legislation may not be written through an appropriation bill.

We have the standing legislative committee of the House, and our regular procedures, for that purpose.

Yet what do we find happening today?

We have before us a bill which is ostensibly an appropriation bill. But in fact it contains numerous legislative provisions. In the first part alone—the section which deals with foreign aid appropriations—nearly one-half of the language involves legislation to an extent not permitted by the rules of the House.

A good many of these provisions were already considered—and either accepted or rejected—by the Congress.

I cannot recall any other appropriation bill which involved such a wholesale attempt to exercise legislative authority.

In spite of this fact—in spite of the very forceful presentation made on this point to the Rules Committee—it is deplorable the resolution before us prohibits the House from even challenging the violation of its rules.

This makes a mockery of the rules of the House, and raises some serious questions about our ability to function as a responsible lawmaking body.

Mr. Speaker, we have done some strange things during this Congress. But it seems to me that never before has the tendency to part with reality been as strongly in evidence as it is today.

This new attempt to have the House reconsider for the third or fourth time, this session—some key issues of our foreign policy, is reminiscent of some strange charade whose purpose is obscure and whose ultimate outcome may border on the absurd.

Mr. Speaker, if this rule is adopted, then I think we ought to do something about the organization of this House.

I agree with my colleague, the distinguished and able gentleman from Ohio [Mr. HAYS].

We should either abolish all of the standing legislative committees and do our legislating through the Appropriations Committee, or we should return to the system which was tried some time ago, and give the legislative committees the responsibility for both the authorizations and the appropriations.

Otherwise, our actions here simply will not make sense. We cannot legislate responsibly by approaching important foreign policy issues—issues involving our defensive alliances, our economic and political relations with the rest of the world, and our efforts to contain the Communist menace—by approaching these issues in a manner suggested in this rule on the foreign aid appropriation.

Mr. Speaker, it pains me greatly to differ with my leadership, with my good friend and esteemed colleague, the distinguished gentleman from Texas [Mr. YOUNG], the members of the Rules Committee, and with some of my valued friends and colleagues on the Appropriation Committee. But in conscience I can not be silent on this issue. I would rather see this resolution defeated and consideration of foreign aid appropriations delayed even further, than be a party to a wholesale abrogation of legislative responsibility.

I urge the defeat of the previous question on the resolution in order that amendments can be made to the resolution providing the rule for the consideration of H.R. 13893.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, I would say to the gentleman that if the rule is defeated the bill can be brought up this very afternoon, the only thing is that you will be able to make points of order against the things that points of order would lie against.

Mr. ZABLOCKI. The gentleman is exactly right. I hope the rule is defeated. The Appropriations Committee can then bring back the bill in proper order.

Mrs. KELLY. Mr. Speaker, will the gentleman yield?

Mr. ZABLOCKI. I am delighted to yield to the distinguished gentlewoman from New York.

Mrs. KELLY. Mr. Speaker, I want to associate myself with the previous speakers who are opposed to this rule. It is most unfortunate, I believe, that an important piece of legislation such as this is brought up at this point with this type of a rule. It is unnecessary, Mr. Speaker, and I feel badly, as I know many of the other Members do, being in favor of foreign aid, that I have to oppose a rule which will deny all of my colleagues the right to challenge particular sections of that appropriation bill.

Mr. Speaker, I intend to oppose this rule.

Mr. ZABLOCKI. Mr. Speaker, if we adopt this rule I agree with the gentleman from Ohio [Mr. HAYS]. We should make drastic changes in our House rules in order that we will not be operating in such a farcical manner as we are being asked to legislate under the proposed rule.

Mr. YOUNG. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH].

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I think this is one of the most interesting mornings we have had around here.

We have a Committee on Rules and every once in a while they come up and cry "Points of order are waived" and they cannot get a bill to the floor—so we do the best we can.

Then when we come down here to the floor we get harangued from all sides. Now it does not make any difference to me. We were asked to waive points of order and, of course, the Committee on Rules has the authority to do that. So we tried to cooperate. We hope we will get out of here sometime to get home for Christmas.

But, in any event, as I understand this particular situation, the distinguished Committee on Foreign Affairs passed the bill. Eventually it got to conference. It seems like the other body gave a lot of trouble during this particular conference. For a certain period of time the indications were, at least in the press and around the cloakroom, that maybe we were not going to have a conference report on the authorization bill. There was some talk that maybe we were going to have a continuing resolution. Then after a time there was an announcement made that maybe the Appropriations Committee would have to ask the Committee on Rules to waive points of order on this bill, so that it could be heard.

Then the able members of the Committees on Foreign Affairs got together in conference, and we did have a conference report. It was adopted. Then this request was made. It is my understanding that the foreign aid authorization bill was signed, I believe, the day before yesterday. That was brought up in the Committee on Rules—so why else do you need to waive points of order? The Peace Corps seems to be the next question. There is no authorization for the Peace Corps. There is money in this bill for the Peace Corps. We granted a rule yesterday on the Peace Corps. That bill is identical to the Senate bill. I would assume it will pass with very little debate. It simply extends the period for a year and increases the funds a little bit and undoubtedly will be up early next week.

Then the question came up about points of order. There is considerable language in this bill that is legislation on an appropriation bill. There is no question about that. Some of it is language that was in the conference report, of the Committee on Foreign Affairs.

Some of it is language that we have written into previous bills here on the floor of the House by way of amendment. It is not all language that is placed together by the Committee on Appropriations itself.

So we said, "Well, should we do it? Should we waive those points of order? What will happen if we do not?"

If we do not waive the points of order and somebody makes a point of order against the money for the Peace Corps that would have to be stricken out.

If anybody makes a point of order against section 105, Communist China and so forth and so on and Cuba—and the language in there—if a point of order is raised, it would be stricken out. Now, some Members like that language in this appropriation bill.

If we do not waive points of order, somebody will have to move that this language be deleted by way of amendment.

It may be rather difficult for a Member to stand up on the floor and ask to delete language which has to do with the restriction of sales to Communist China or other countries dealing with Vietnam. I think it places some Members—if not most Members—in an extremely difficult situation.

Assuming that we waive these points of order, if the rule is granted it will be 2 hours—and open for amendment.

Anybody can amend out any language or offer an amendment to delete any of the legislative language in the bill, if they so wish.

If you do not wish to adopt this particular rule—fine—just go ahead and instruct the Committee on Rules. We welcome your advice.

I voted against this rule in the Committee on Rules because I think it is going a little bit too far this time. But there are two sides to the coin.

We are trying to get out of here. We are simply trying to give a little help to get this bill out.

We are simply trying to give the gentlemen who brought in this bill some help—not with reference to points of order on the Peace Corps—no. But I must say in an effort to get it into conference. But maybe we will be here on this until Christmas and on the supplemental appropriation conferences.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I am happy to yield to the gentleman from Oklahoma.

Mr. ALBERT. I think what we face here is, as the old saying goes, "a situation." We are trying to move toward adjournment. I agree with what everyone has said about committees encroaching upon the jurisdiction of other committees. But many committees have come in with a number of items in their bills that perhaps should not have been in them, and the Committee on Rules in its judgment has granted rules permitting that to be done.

The House, of course, has the right, even if this rule is adopted, to amend this bill in any way it sees fit, and even to defeat the bill if it sees fit to do so. But it seems to me that what we are doing here is the part of wisdom under the circumstances in which we find ourselves.

Mr. SMITH of California. I thank the gentleman. I think that is correct. If the House does not wish to waive points of order, vote down the previous question.

You can have it pretty well any way you want it. The will of the majority of this body will prevail.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Ohio.

Mr. HAYS. I agree with the general principles stated by the majority leader, but the fact remains that 3 or 4 weeks ago, when the Senate was refusing to agree with us, I went to him and said, "Why don't you get a rule and go ahead with this measure?" The gentleman talks about trying to get us out of here. I was urging this action a month ago. I do not know exactly what this will do to get us out of here, because the authorizing legislation has already passed, been agreed upon, and signed by the President; so, except for the Peace Corps language—and a single waiver could have been made on that—there is nothing in here that needs a waiver or that will get us out of here a minute sooner than we could if they had brought the bill up under the regular order. The time to have done so was a month ago.

Mr. SMITH of California. Mr. Speaker, I think everyone pretty well understands what is before the body. I do have several requests for time. I now yield to the gentleman from Illinois 5 minutes.

The SPEAKER. The gentleman from Illinois is recognized.

Mr. ANDERSON of Illinois. Mr. Speaker, when the gentleman from Louisiana [Mr. PASSMAN] appeared on yesterday before the Committee on Rules in support of this resolution, to ask for a rule, he spoke with commendable frankness when he admitted that on a piece of paper about the size of which I hold in my hand you could write all the actual appropriation language contained in this bill. And that becomes of some significance when you consider that the bill is about 21 pages long.

Those of you who are lawyers in our midst may have followed, as I have, a very interesting series of articles which appeared recently in the American Bar Journal about something they call "the new legality." The theory of that apparently is that when you want to arrive at a given solution in any given case, you disregard any precedent that might stand in your way and you simply go ahead as if it did not exist.

I do not believe that we should uphold precedent as some idol that we worship. But I think we have had a very healthy discussion here in this Chamber this afternoon on the importance of not reporting out this particular kind of resolution and violating the precedents of this House. And as one who voted against it in the Committee on Rules, I welcome this opportunity to repeat my opposition here on the floor this afternoon.

Very frankly, I pay tribute to the minority members of the House Foreign Affairs Committee, the ranking three members, who appeared yesterday and testified in violent opposition to the rule. I only wish some of the eloquent and persuasive voices on the majority side of the aisle had been up there to repeat their message yesterday, and maybe we could have avoided, I think, the egregious blunder of the committee in reporting this rule out in the first place.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Ohio.

Mr. HAYS. I would have been delighted to have been there, but some people have been accusing me—and the press has been glad to pick it up—of having stayed away from the House Administration Committee because I was trying to kill the election bill. Yesterday that committee had a meeting on the election bill, and I went to the committee to try to kill parts of it. I did not want to try to kill it by staying away. That is why I was not in the Rules Committee. I do not want to kill the election bill, but I would like to do away with the provision for a $100-a-day, 5-man commission they want to set up. It was a question of priority.

Mr. ANDERSON of Illinois. I thank the gentleman for his explanation.

Mr. ZABLOCKI. Mr. Speaker, will the gentleman yield?

Mr. ANDERSON of Illinois. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. I would have been there as well. However, as the chairman of the Subcommittee on the Far East and Pacific scheduled to hear the Honorable Elsworth Bunker, our Ambassador to Vietnam, I was precluded from appearing before the Rules Committee.

Mr. ANDERSON of Illinois. Mr. Speaker, I do not intend to condemn Members who were not there, but I do think it would have been helpful to have had some bipartisan representation before the committee on this point, because it was important. We have gotten down to the point where the Foreign Affairs Committee has virtually only one major bill each year, and if we are going to report out this kind of appropriation bill, I do not know what they will find to keep themselves busy with during the next 12 months.

There is a solution, as my distinguished friend from California has suggested, and if Members will join me in voting down the previous question on the resolution when that motion is made, perhaps we can do something about it. I think a simple amendment can be made. We can insert words to this effect, language to this effect, that all points of order in the bill that concern appropriations for the funds for the Peace Corps shall be waived.

I think this is a legitimate reason for a waiver. We did report a rule yesterday on the authorizing legislation for the Peace Corps, but we have not considered it here on the floor of the House, and we have in the past, I think, waived points of order under similar circumstances. However, I cannot within my memory recall an appropriation bill where we have undertaken to waive points of order on as many different subjects and for as many different reasons as we have in this particular bill.

Again, as has been pointed out, I think it is most unfair to tell Members of this body to offer an amendment in lieu of making a point of order. If the Member wants to strike out language that pertains to a limitation on foreign aid, or to cuts dealing with Castro Cuba, strike it out. Offer an amendment, say the proponents of this rule, with its provision for a waiver of all points of order.

Who wants to be put in that kind of untenable position? Why in order to assert your interest in orderly legislative process do you require a Member to be recorded on what should be viewed solely within the context of a policy decision? So there is, I think, a very important substantive reason for opposing this rule because of its waiver of all points of order. It is not just procedural. There is an important substantive reason why we ought to preserve the right of Members to offer points of order to this particular bill.

I hope at the appropriate time that we can amend the resolution to provide for the single waiver dealing with the Peace Corps appropriation which I have already described.

Mr. SMITH of California. Mr. Speaker, I yield 4 minutes to the gentleman from New Jersey [Mr. FRELINGHUYSEN].

Mr. FRELINGHUYSEN. Mr. Speaker, I do hope we follow the advice of the gentleman from Illinois and vote down the previous question on this rule. It strikes me as a most unfortunate kind of rule and, in fact, an outrageous one.

No justification of any kind has been given for a rule that provides for a waiver of points of order on an appropriation bill which, as it is now written, is in effect a legislative bill.

A basic principle is involved here—there should not be a mixture of two responsibilities in an appropriation bill. We were told before the Rules Committee—and I was told privately—that one of the reasons this bill is so permeated with legislation was in order to get it through the Appropriations Committee. Well, perhaps support had to be bought in that way, but in my opinion that is not a justification for this kind of rule.

We should not be obliged to go through arguments as to the merits of legislative provisions that should have been included—and in many instances were included—in the foreign aid authorization bill. In some cases the proposals embodied and embedded in this bill are already in existing legislation. In many cases they have been in existing legislation for years. In some cases they are new legislative proposals. However, in no instance is there any justification for providing for this kind of legislation in an appropriation bill. Such proposals should be discussed, debated, and voted upon during debate on the authorization bill, and at that time only.

The only possible exception to what I have said is an exception to provide appropriations for the Peace Corps. I might point out that the Foreign Affairs Committee is not to blame for not having had that brought to a vote before now.

On October 24, a request was made to the Rules Committee for a rule which would make in order consideration of the Peace Corps authorization. And now that a rule has been approved it would probably take no more than an hour to dispose of the Peace Corps bill so as to provide the proper legislative base for appropriations for the Peace Corps. Since a rule was not approved until yesterday, presumably we cannot move on that aspect. However that situation provides no justification for the House to be obliged to accept or reject by amendment—which is not an easy process—all the various legislative proposals in this question.

I should like to stress that it is not a question of whether we like the policy proposals embodied in this bill. In my opinion we should not be obliged during consideration of an appropriations bill—in fact, we should not be given the opportunity—to discuss, for example, whether or not we oppose recognition of Communist China. That is the kind of question which belongs in the debate on the authorization bill.

The fact that a member of the Appropriations Committee feels strongly on some subject, and wants his point of view embodied in an appropriation bill is neither here nor there. Perhaps inclusion of a policy statement may have been necessary to gain a member's support for an appropriation bill, but this should not necessarily be of interest to the members generally.

Certainly it should be possible to make points of order against legislative provisions. Mr. Speaker, we would need no rule at all if we had before us a simple appropriation bill providing money for the foreign-aid program. As an alternative, as the gentleman from Illinois has suggested, we might have a simple modification of this rule which would provide a waiver with respect to the Peace Corps only.

I earnestly suggest that we are establishing a very undesirable precedent, and with no justification at all for such a course.

The majority leader has said we are trying to adjourn. He asserted that it is the part of wisdom under the circumstances to accept this kind of rule so as to move toward adjournment. What circumstances, may I ask, oblige us to take this action? There are absolutely none. We would not delay the final decision as to the level of funds for foreign aid by more than a few minutes if we could simply strike out the legislation in this bill.

The SPEAKER. The time of the gentleman from New Jersey has expired.

Mr. SMITH of California. Mr. Speaker, I yield 4 minutes to the gentleman from Illinois [Mr. FINDLEY].

Mr. FINDLEY. Mr. Speaker, many times when I have stepped onto the House floor it has been difficult to tell whether we were debating the rule or debating the merits of a bill in the Committee of the Whole. Without looking up to see where the mace is located, from the remarks being made it usually is difficult to tell. Rarely do we debate the rule.

Therefore it is really refreshing to me to find us actually debating the rule within the hour set aside in our procedures for that purpose.

I recall, when we had under consideration the legislative bill authorizing the foreign aid program earlier this year, an amendment in the bill which I initiated in the Committee on Foreign Affairs dealt with the use of excess currencies, currencies which we really could not realistically consider money of the United States. This amendment of mine was interpreted as being an appropriation in a legislative act.

The gentleman from New York [Mr. ROONEY] made a point of order against the amendment I had initiated. I felt it was a borderline case, because the money was really not dollars we can spend for ordinary purposes. Excess currencies can be used only under very tight rules. But I respected his point of order, and of course accepted it. I had no choice, but I did respect the procedure under which he acted.

Now we have the appropriation bill dealing with the same subject matter, but it is full of all kinds of legislation. If the gentleman from New York [Mr. ROONEY] and other members of the Appropriations Committee are insistent, and properly so, that legislative committees stick to legislation, I hope they will join us in insisting that the Appropriations Committee stick to appropriations.

I hope that we can defeat the previous question and thus have points of order possible.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. SMITH of California. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Speaker, the issue that is before the House today, in my opinion, transcends the Rules Committee, the Foreign Affairs Committee, and the Appropriations Committee. What is involved is whether or not the House of Representatives will respect its own rules. The House of Representatives is known throughout the world as the greatest of legislative bodies, and one of the reasons for this enviable reputation is the Rules of the House of Representatives.

When the Constitution of the United States was drafted, the House was directed to do certain things in a specified manner and then to the matters not specifically set forth, the House was given the privilege of making any rules it thought necessary to carry out the basic purposes of our legislative body.

The early rules of the House followed in many ways the practices and procedures of the English Parliament, but as the House developed its own character many of the procedures originally adopted were changed to meet the needs of a new and growing nation. Today, the Rules of the House have "evolved into a distinctive American system of procedures."

One of the first actions of every Congress, immediately following the selection of a Speaker, is to adopt the Rules for that Congress, and the 90th Congress was no exception. Our Parliamentarian, Lewis Deschler, has described these rules as follows:

> Today they (the House Rules) are perhaps the most finely adjusted, scientifically balanced, and highly technical rules of any parliamentary body in the world. Under them a majority may work its will at all times in the face of the determined and vigorous opposition of a minority.

Rule 11 of the 90th Congress defines the powers and duties of committees, and the jurisdiction of all the standing committees of the House are therein clearly defined. Nowhere can one find any authority for the Appropriations Committee to legislate. Their duty is to "provide for the appropriation of the revenue for the support of the Government."

Today the Rules Committee has presented us with a special rule asking that the House lay aside its rules and permit the Committee on Appropriations to present a bill, which clearly violates the rules of the House in 19 separate instances. While there might have been some justification for the Appropriations Committee adopting this unusual procedure at the time the bill was drafted by that committee, 18 of the legislative exceptions have now ceased to exist with the passage of the foreign aid authorization bill, and its being signed into law by the President.

There is an unusual situation with regard to the Peace Corps and its authorized legislation, for this an exception could be justified, as to the remaining items of legislation they are without justification in their request that a waiver be granted.

If this precedent is allowed to stand today, it will rise later in this Congress and in future Congresses to haunt the great House of Representatives when they have for political expediency abandoned their own rules. I urge Members to vote down the previous question.

Mr. SMITH of California. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Speaker, I hope that the rule will be adopted. Really, I do not know what some Members are getting so upset about with respect to a rule waiving points of order. The whole underlying fact seems to be that they are afraid to debate the amendments and let the House work its will. It is that simple. Not one of those who spoke made clear that this is really the issue here today.

There are two amendments——

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. CONTE. I will not yield to the gentleman, because I know how he feels about the amendments. He has spoken to me many times about my amendments.

Mr. HAYS. Will the gentleman yield?

Mr. CONTE. I do not care to yield. The gentleman knows I only have 2 minutes.

Mr. HAYS. You said we were afraid to debate.

Mr. CONTE. The gentleman has a surplus of courage. No one doubts that. I wish he had some other things besides courage.

Mr. Speaker, the amendments involved here deal with the selling of sophisticated weapons of war to most underdeveloped countries. One amendment will prevent the selling and the giving of these sophisticated weapons of war such as jet fighters and missile systems to these countries. The other amendment against which a point of order may lie would be that if these countries went out and bought sophisticated weapons of war such as jet fighters from any other country in the world, including the United States, then economic assistance would be cut down to that country accordingly. I am particularly concerned with the situations in Latin America and Africa.

Mr. Speaker, I have sat on the Subcommittee on Foreign Operations for 9 years on the Committee on Appropriations. I have never tried to trespass upon the jurisdiction of the Committee on Foreign Affairs. Mr. Speaker, for 9 years I have heard members from the executive branch come before our committee and testify that they agree with us that these developing nations and these underdeveloped nations throughout the world should not have these sophisticated weapons of war.

The SPEAKER. The time of the gentleman has expired.

Mr. YOUNG. Mr. Speaker, I yield the gentleman 2 additional minutes.

Mr. CONTE. And year after year when they would come back we would ask them the same question and they would have some excuse as to why they sold or gave these weapons of war to these underdeveloped nations.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. CONTE. Very briefly.

Mr. HAYS. Did the gentleman read the bill and does he know that in the authorization this is prohibited?

Mr. CONTE. That is right.

Mr. HAYS. Then, what is all this fuss about sophisticated weapons?

Mr. CONTE. Right.

Mr. HAYS. Well, Mr. Speaker, if the gentleman will yield further, what is all the fuss about the sophisticated arms amendment?

Mr. CONTE. Mr. Speaker, I have read the authorization bill and it simply does not go far enough with respect to the issues covered in our appropriations bill.

Mr. Speaker, if any of these countries in Latin America or in Africa get into an arms race in sophisticated weapons of war, their economic assistance should be cut down accordingly.

Mr. Speaker, these people in Latin America and Africa face very difficult circumstances. They have to overcome severe problems of poverty, disease, and illiteracy. They cannot afford this type of operation. Furthermore, to the extent they partake in these operations, they substantially diminish the effectiveness of our programs by not making sufficient efforts on their own.

Mr. Speaker, we had a four-star general appear before our committee several weeks ago. I asked him, "Why would you want to sell F-5 airplanes to Peru? Why do they need F-5 planes there?" He said, "Because of guerrilla warfare." I said, "How many guerrillas are there presently operating in Peru?" He responded by stating "none." I said, "Well, why do they need F-5 jet fighters?" He said, "These jet fighters could play an important role in any guerrilla activity, which develops."

I asked him, "How do you normally eliminate guerrillas?" He said, "With machetes, rifles and shotguns." I asked, "Why then do they need these very sophisticated weapons of war in Peru?" He said, "Congressman, you have to realize that they are air-minded in Latin America." I said, "I will tell you right now I will fight this on the floor of the House. I for one am not going to allow it to go on."

Mr. Speaker, I hope that this House will adopt the rule, because this is the only way—the only way—you can get to these issues. If you do not do it this way, someone on the Committee on Foreign Affairs will raise a point of order.

Mr. Speaker, I am sick and tired of the fellows with the striped pants coming up here and telling us what to do. I think it is time that we told them what to do.

Mr. YOUNG. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. Sisk].

Mr. SISK. Mr. Speaker, apparently we have created quite a tempest in a teapot here today. I normally do not repeat things that occur in executive session, and all I propose to mention now is my own action.

Mr. Speaker, I moved to table the request of the Committee on Appropriations yesterday. I received some support, but let us say not a majority. As a result thereof, and over my opposition, this rule was reported out.

Mr. Speaker, since the rule has been reported, I am going to support the members of the committee in the adoption of this resolution and thus permit the Committee on Appropriations to go ahead and proceed here.

Frankly, Mr. Speaker, I wish more of my good friends who have spoken here today had seen fit to have been there in support of my efforts on yesterday, because had they expressed their opinions at that time, we might have received enough votes in support of my motion to table and, thus, we would not be faced with this situation here now. However, I do want to say——

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. SISK. In just one moment. With all due respect to my good friends on the Committee on Appropriations—and I do have a very high respect for them—I understand that they had very specific problems and, certainly, they were frank in their statements before the Committee on Rules on yesterday. The gentleman from Louisiana [Mr. Passman] made the flat statement that all of the language contained in the bill for which this rule makes provision for consideration could have been written on a very small piece of flypaper. So, Mr. Speaker, I say now that since we have come this far and since the Committee on Rules, by a majority vote, recommended this waiver of points of order, then I am hopeful and I urge that the House adopt the resolution.

However, Mr. Speaker, I would hope in closing that this not be considered as a precedent and that this will serve notice upon our good friends on the Committee on Appropriations, to never, never, again ask for any such rule as this, because I think it is well recognized now that this goes far beyond anything which in my opinion we have ever been asked to do in the past.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. SISK. I yield to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, since the gentleman from Massachusetts [Mr. Conte], during the course of his remarks, implied, of course, that I had no ability, but courage—Mr. Speaker, I say to the gentleman that if one has to choose between having only one ability, I would choose courage rather than a loud voice.

However, Mr. Speaker, be that as it may, there is no secret as to why the gentleman from Massachusetts takes the position which he takes upon this resolution, because it was talked of all over the corridors that he would not have voted to bring the bill out, even though there was a sophisticated weapons amendment contained in the authorization. However, he wanted to have people believe that this amendment originated with him.

Well, I will tell him right now that it was already written into law before he got into the act. The authorizing legislation says that if they buy sophisticated weapons it is all over as far as aid is concerned.

The SPEAKER. The time of the gentleman from California has expired.

Mr. SMITH of California. Mr. Speaker, I yield 4 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Speaker, I rise in opposition to this rule because it is not orderly procedure to waive points of order in so many instances. I also arise to discuss briefly the bill that the rule makes in order.

This bill, the Members will be told, is a billion dollars below the budget estimate. Well, of course, the budget figure is the asking price—the inflated price—and this Johnson administration, as with other administrations before it, has no hesitance in ballooning the asking price of any bill giving foreigners a handout.

This bill would call for $2,775,000,000 of new money.

Mr. Speaker, I do not know where it is expected to get this money. We have, according to the gentleman from Louisiana [Mr. Passman], already spewed $152 billion around the world by way of the foreign giveaway program.

The point I am trying to make is, why do we have any bill, any foreign giveaway bill, before this House today, in a year when this Government is $340 billion in debt and faced with a deficit of $28 to $30 billion?

There is, according to the gentleman from Louisiana [Mr. Passman], $16,396,000,000 of unliquidated funds in the pipeline. I ask again why any foreign handout bill is before us today, with more than $16 billion of unliquidated funds in the pipeline?

How much more of the substance of the American people is it proposed to spew out around the world? And, remember, this does not take into account the $2 billion a month that is being spent to fight the war in Vietnam.

Is it not time to end this business?

Yes, let us defeat the rule and not even call up the bill. Let us save our taxpayers. Let the foreign aiders go to the pipeline to get their money. There is plenty of money in it—enough to run this program for years.

Mr. Speaker, I yield back the balance of my time.

Mr. SMITH of California. Mr. Speaker, I yield two minutes to the gentleman from Michigan [Mr. GERALD R. FORD].

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman.

Mr. BOW. I support this rule.

I regret very much that the Committee on Appropriations has had to bring in legislation. I hope this is not a precedent because I do not believe in the Committee on Appropriations bringing in legislation on an appropriation bill.

But early in the session we issued a schedule and we had this scheduled, that is foreign assistance, on June 23d.

If the legislative committees will bring in authorization bills in the time that they should, we would not need this and it would not be necessary. But it is necessary. It was after the Committee on Appropriations decided to adopt this procedure that we finally had a mutual security bill.

I would suggest, Mr. Speaker, that if there are those who want to offer objections to trading with Red China or with Castro or with some of the others, then they must vote down this rule. But it seems to me, Mr. Speaker, this is the one way we can get this bill out of the way and get toward an early adjournment.

Mr. LONG of Maryland. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman.

Mr. LONG of Maryland. Mr. Speaker, I rise in support of this rule. The amendments that were put into this bill were put in to prevent a hideous waste of the taxpayers' money. That is surely the fundamental purpose of the Committee on Appropriations.

Mr. Speaker, I hope that the House will approve this rule.

Under ancient rules and precedents, limitations may be written into appropriations bills. As Chairman Dingley, of Maine, wrote in 1896:

> The House in Committee of the Whole has the right to refuse to appropriate for any object, either in whole or in part, even though that object may be authorized by law. That principle of limitation has been sustained so repeatedly that it may be regarded as a part of the parliamentary law of the Committee of the Whole.

I should also like to quote Asher C. Hinds, clerk to the Speaker from 1881 until 1891, and editor of the Rules, Manual and Digest of the House of Representatives in 1899, and of Hinds' Precedents in 1908:

> Thus the power of limitation is solely a negative power, capable of setting up a barrier, and not a positive power, capable of creative functions. The appropriation may interfere with Executive discretion only in a negative way. It may decline to appropriate for ships to be built in a navy yard by saying that no part of the appropriation shall be used for that purpose. These negative prohibitions are within the power of the appropriation bill.

In the past, limitations have prohibited such measures as the payment of troops stationed in certain geographical locations, the appropriations for the repair of vessels in private shipyards, and appropriations for the return of a Reserve Force to active duty—Cannon's Precedents.

I feel that the amendments to the foreign assistance appropriations bill which we are considering today are limitations, and do not constitute legislation. They apply solely to the appropriations under consideration and do not operate beyond the fiscal year for which the appropriation is made. In addition, they do not prescribe affirmative directions to administrative action and they do not change or modify existing law.

Mr. YOUNG. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the Committee on Rules, the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I have been very much interested in this debate, using as its basis, the favorite whipping boy of the House—the Committee on Rules.

Let me say, if I may, as a premise, that I am against the bill that this rule authorizes the consideration of; and if I thought that the defeat of the rule would defeat the bill I would vote against it myself.

Let me add further, generally speaking, and I think my colleagues on the committee will verify this, I am opposed to waiving points of order. But as has been so well pointed out here by the able and distinguished minority leader, the gentleman from Michigan [Mr. GERALD R. FORD], this is a different situation.

What we thought we were trying to do was to expedite the consideration of this "must" legislation so that we can adjourn this Congress in the interest of the country itself—and get home in our own interest.

Now, much has been said here about a precedent. There is no precedent involved here. The action taken by the Committee on Rules has been taken repeatedly during both administrations in the more than 25 years that I have served as a humble member of the Committee on Rules. So there is nothing new here now.

I have heard those who oppose this rule say time and time again that they do not think points of order should be waived because of legislation in the bill. I have not yet heard one of them say what provision of the legislation they objected to.

I am told by the learned chairman of the Appropriations Committee, the gentleman from Texas [Mr. MAHON], that there are only three of the 19 legislative portions of this bill that are new, only three of them, and I am going to yield to the able and learned gentleman to tell the House, as briefly as he can, what those three provisions are.

SELECTED PROVISIONS IN THE BILL

Mr. MAHON. Mr. Speaker, I thank the distinguished chairman of the Committee on Rules for yielding. I will be brief.

On page 5 there is language that is new to the bill this year—it relates to military assistance. Let me say that while some might construe this to be legislation on an appropriation bill, actually it is a limitation on an appropriation bill as are most, if not all, the matters of contention. The provision to which I first referred is as follows:

> *Provided further*, That none of the funds contained in this paragraph and none of the funds contained in the military assistance credit sales revolving fund shall be used to finance directly or indirectly the purchase or acquisition of sophisticated weapons systems, such as missile systems and jet aircraft for military purposes, by or for any underdeveloped country—

And with certain exceptions, and so on.

In any event, it is in the nature of a limitation on the use of the proposed appropriation, and limitations on the use of proposed appropriations have been included in appropriation bills in abundance since the earliest days, when a majority thought that to be the best course under all the circumstances.

Mr. COLMER. Will the gentleman permit me to interrupt at that point? Who would favor helping Cuba, an enemy right off our border?

Mr. MAHON. Another of the legislative provisions in the bill, which seeks to apply a limitation, is on page 3 of the bill, reading as follows:

> *Provided*, That the President shall seek to assure that no contribution to the United Nations Development Program authorized by the Foreign Assistance Act of 1961, as amended, shall be used for projects for economic or technical assistance to the Government of Cuba, so long as Cuba is governed by the Castro regime—

This is a limitation which has been written into this bill from year to year over a period of years, and is again carried here. It is not new this year, as a matter of fact. But it is another example of the kind of provision found in the bill.

Another example I would like to point out appears on page 5 of the bill and this is new to the bill this year:

> *Provided further*, That the military assistance program for any country shall not be increased beyond the amount justified to the Congress, unless the President determines that an increase in such program is essential to the national interest of the United States and reports each such determination to the House of Representatives and the Senate within thirty days after each such determination.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Speaker, will the gentleman yield me an additional minute?

Mr. YOUNG. Mr. Speaker, I have no more time available.

The SPEAKER. The gentleman from California has 1 minute remaining; the gentleman from Texas has 2 minutes remaining.

Mr. SMITH of California. Mr. Speaker, I would be happy to yield my 1 minute to the gentleman from Texas.

Mr. YOUNG. Mr. Speaker, I thank the gentleman from California. I yield 1 minute to the gentleman from Illinois [Mr. O'HARA].

The SPEAKER. The gentleman from Illinois is recognized for 1 minute.

Mr. O'HARA of Illinois. Mr. Speaker, I thank the gentleman. This, to me, is a personal matter. I am a member of the Committee on Foreign Affairs, and like all my colleagues, I have pride in the committee of my assignment and am resentful of trespasses upon its prerogatives and its honor.

As far as I know, from my observations and my readings, this is the first time that a committee of the House has been slapped in the face as it is now proposed to slap the Committee on Foreign Affairs. The proposed rule would waive points of order on no less than 19 sections, thus almost completely depriving the Committee on Foreign Affairs of its legislative jurisdiction and vesting it in the Committee on Appropriations. I am standing for the honor of the Committee on Foreign Affairs, and against a rule that would set a precedent which if followed would completely ruin the committee system that for many years has been the strength of this body.

The SPEAKER. The time of the gentleman has expired.

Mr. YOUNG. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Texas [Mr. Mahon].

The SPEAKER. The gentleman from California has 1 minute remaining.

Mr. SMITH of California. Mr. Speaker, who is going to get this 1 minute?

Mr. YOUNG. Mr. Speaker, it was my understanding the gentleman from California put at my disposal the 1 minute, which I then put at the disposal of the gentleman from Illinois, leaving me 2 minutes to yield to the gentleman from Texas [Mr. Mahon].

The SPEAKER. Let the Chair understand.

Mr. SMITH of California. I yield the 1 minute to the gentleman from Texas.

The SPEAKER. The gentleman from California yields the 1 minute to the gentleman from Texas [Mr. Young], who then has 2 minutes remaining.

Mr. YOUNG. Mr. Speaker, I yield the gentleman from Texas the 2 minutes.

Mr. MAHON. Mr. Speaker, as was stated a few moments ago, this bill has in it a number of provisions which have been written in, often on the floor of this House or in the other body, and continued and repeated in the law from year to year.

The bill this year contains two additional limitations, one of which would deny direct aid or credit sales to under developed countries for jet aircraft or other technically highly advanced weapons systems. The other limitation would withhold an equivalent amount of aid in cases where underdeveloped nations, otherwise recipients of U.S. assistance, undertake to make such purchases with their own funds.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I have no time at the moment to yield; I am sorry.

This other limitation provides, on page 14:

> The President is directed to withhold economic assistance in an amount equivalent to the amount spent by any underdeveloped country . . . for the purchase of sophisticated weapons systems—

And with certain exceptions, and so on. These generally are limitations. To some extent some of them can be said to go further than limitations. Generally, though, they are just limitations.

We bring this bill in late. We have waited for months for an authorization bill, which has just been approved. The action in seeking a rule is by no means setting a precedent. The foreign assistance appropriation bill in 1965 was presented to the House with a rule; the authorizing bill had not even passed the Senate at that time.

I yield now to the gentleman from Ohio.

Mr. HAYS. Mr. Speaker, I just want to point out if they are pure limitations—and the two the gentleman happens to mention I agree with him on—we do not need to have a waiver of points or order to do this.

Mr. MAHON. I was endeavoring to respond to the gentleman from Mississippi, and I yield now to the gentleman from Mississippi [Mr. Colmer].

Mr. COLMER. Mr. Speaker, I do not want to take any of the gentleman's two minutes. I wanted to conclude the sentence I was in when I was cut off. I have no particular interest in this controversy. Let the House work its will. But I think the rule ought to be adopted, particularly because it would safeguard some of the limitations on the funds.

Mr. MAHON. Mr. Speaker, in view of all the circumstances, I hope the rule will be adopted.

The SPEAKER. All the time has expired.

Mr. YOUNG. Mr. Speaker, I move the previous question.

The SPEAKER. The question is on ordering the previous question.

Mr. ANDERSON of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 200, nays 190, not voting 42, as follows:

[Roll No. 390]

YEAS—200

Abernethy
Addabbo
Albert
Andrews, N. Dak.
Arends
Ayres
Bates
Battin
Bennett
Bevill
Biester
Blanton
Boggs
Boland
Bolling
Bow
Brasco
Bray
Brock
Brooks
Brotzman
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Byrnes, Wis.
Cabell
Carey
Carter
Casey
Cederberg
Celler
Chamberlain
Cohelan
Collier
Colmer
Conte
Corbett
Cramer
Cunningham
Curtis
Davis, Ga.
de la Garza
Delaney
Dorn
Dow
Downing
Dulski
Dwyer
Edwards, La.
Farbstein
Fascell
Feighan
Fisher
Flood
Ford, Gerald R.
Friedel
Fuqua
Galifianakis
Garmatz
Gettys
Giaimo
Gibbons
Gonzalez
Goodell
Gray
Gurney
Halleck
Hansen, Wash.
Hardy
Harrison
Harsha
Harvey
Hébert
Henderson
Horton
Hull
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Mo.
Karsten
Kastenmeier
Kazen
Kluczynski
Kornegay
Kuykendall
Kyros
Langen
Latta
Leggett
Lennon
Lipscomb
Long, Md.
McCarthy
McClure
McDade
McFall
Machen
Madden
Mahon
Marsh
Matsunaga
May
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Mills
Minshall
Mize
Montgomery
Morgan
Morris, N. Mex.
Morton
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Natcher
Nelsen
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Pickle
Pike
Pirnie
Poage
Pool
Price, Ill.
Pryor
Randall
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Reuss
Rhodes, Pa.
Riegle
Rivers
Roberts
Robison
Rogers, Colo.
Rogers, Fla.
Rooney, N.Y.
Rostenkowski
Roth
Roush
Ruppe
Satterfield
Schneebeli
Schweiker
Shipley
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Snyder
Stafford
Stanton
Steed
Stratton
Stubblefield
Talcott
Taylor
Teague, Tex.
Tenzer
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Watts
Whalen
Whitener
Whitten
Widnall
Wiggins
Williams, Pa.
Wilson, Bob
Winn
Wolff
Wyatt
Young
Zion
Zwach

NAYS—190

Adair
Adams
Anderson, Ill.
Anderson, Tenn.
Ashbrook
Ashmore
Baring
Barrett
Belcher
Bell
Berry
Betts
Bingham
Blackburn
Blatnik
Bolton
Brademas
Brinkley
Brown, Calif.
Brown, Mich.
Brown, Ohio
Buchanan
Bush
Button
Byrne, Pa.
Cahill
Clancy
Clark
Clausen, Don H.
Cleveland
Conable
Conyers
Corman
Culver
Daddario
Daniels
Davis, Wis.
Dellenback
Denney
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Dole
Donohue
Dowdy
Duncan
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fallon
Findley
Fino
Flynt
Foley
Ford, William D.
Fraser
Frelinghuysen
Fulton, Pa.
Gallagher
Gardner
Gathings
Gilbert
Goodling
Green, Pa.
Griffiths
Gross
Grover
Gubser
Hagan
Haley
Hall
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hathaway
Hawkins
Hays
Hechler, W. Va.
Helstoski
Hicks
Holifield
Holland
Hosmer
Howard
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Jones, Ala.
Karth
Kee
Keith
Kelly
King, Calif.
King, N.Y.
Kleppe
Kupferman
Kyl
Lloyd
Long, La.
Lukens
McCulloch
McDonald, Mich.
McEwen
McMillan
Mailliard
Mathias, Calif.
Mayne
Minish
Mink
Monagan
Moore
Moorhead
Morse, Mass.
Myers
Nedzi
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
Pettis
Philbin
Poff
Pollock
Price, Tex.
Pucinski
Quie
Quillen
Railsback
Rarick
Reinecke
Rodino
Ronan
Rooney, Pa.
Rosenthal
Roudebush
Roybal
Rumsfeld
Ryan
St Germain
Saylor
Schadeberg
Scherle
Scheuer
Scott
Selden
Smith, N.Y.
Smith, Okla.
Staggers
Steiger, Ariz.
Steiger, Wis.
Stuckey
Sullivan
Taft
Teague, Calif.
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tuck
Tunney
Udall
Ullman
Walker
Wampler
Watkins
Watson
Whalley
White
Wilson, Charles H.
Wright
Wydler
Wylie
Wyman
Yates
Zablocki

NOT VOTING—42

Abbitt
Andrews, Ala.
Annunzio
Ashley
Aspinall
Broomfield
Clawson, Del
Cowger
Dawson
Edmondson
Edwards, Ala.
Everett
Evins, Tenn.
Fountain
Fulton, Tenn.
Green, Oreg.
Gude
Hansen, Idaho
Heckler, Mass.
Herlong
Jones, N.C.
Kirwan
Laird
Landrum

McClory
Macdonald, Mass.
MacGregor
Martin
Mathias, Md.
Multer
Purcell
Resnick
Rhodes, Ariz.
St. Onge
Sandman
Schwengel
Springer
Stephens
Utt
Van Deerlin
Williams, Miss.
Willis

So the previous question was ordered.

The Clerk announced the following pairs:

Mr. Kirwan with Mr. Cowger.

Mr. Aspinall with Mr. Broomfield.

Mr. Annunzio with Mr. Gude.

Mr. St. Onge with Mr. Utt.

Mr. Everett with Mr. Springer.

Mr. Evins of Tennessee with Mr. Sandman.

Mr. Fountain with Mr. Martin.

Mr. Edmondson with Mr. Mathias of Maryland.

Mr. Andrews of Alabama with Mrs. Heckler of Massachusetts.

Mr. Stephens with Mr. Del Clawson.

Mr. Abbitt with Mr. Hansen of Idaho.

Mr. Fulton of Tennessee with Mr. Laird.

Mr. Purcell with Mr. McClory.

Mr. Herlong with Mr. Rhodes of Arizona.

Mr. Edwards of Louisiana with Mr. MacGregor.

Mr. Jones of North Carolina with Mr. Schwengel.

Mrs. Green of Oregon with Mr. Resnick.

Mr. Landrum with Mr. Macdonald of Massachusetts.

Mr. Willis with Mr. Van Deerlin.

Mr. Williams of Mississippi with Mr. Ashley.

Mr. FRASER, Mr. HELSTOSKI, Mr. FALLON, Mr. NEDZI, Mr. DANIELS, Mr. PHILBIN, and Mr. ST GERMAIN changed their votes from "yea" to "nay."

Mr. OTTINGER, Mr. STRATTON, and Mr. HARSHA changed their votes from "nay" to "yea."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the resolution.

Mr. HALL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FOR THE RELIEF OF DR. RICARDO VALLEJO SAMALA

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 2275), an act for the relief of Dr. Ricardo Vallejo Samala, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 1, after line 6, insert:

"In each State entitled in the Ninety-first Congress or in any subsequent Congress thereafter to more than one Representative under an apportionment made pursuant to the provisions of subsection (a) of section 22 of the Act of June 18, 1929, entitled 'An Act to provide for apportionment of Representatives' (46 Stat. 26), as amended, there shall be established by law a number of districts equal to the number of Representatives to which such State is so entitled, and Representatives shall be elected only from districts so established, no district to elect more than one Representative."

Amend the title so as to read: "An Act for the relief of Doctor Ricardo Vallejo Samala and to provide for congressional redistricting."

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. WHITE. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATIONS, 1968

Mr. PASSMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 13893) making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to not to exceed 2 hours, the time to be equally divided and controlled by the gentleman from Kansas [Mr. SHRIVER] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 13893, with Mr. PRICE of Illinois in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Louisiana [Mr. PASSMAN] will be recognized for 1 hour, and the gentleman from Kansas [Mr. SHRIVER] will be recognized for 1 hour.

The Chair recognizes the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I detected a bit of dissatisfaction over the type of rule under which this bill is being considered today.

I believe that there are two sides to the coin, and we should discuss both sides.

I want to thank the distinguished chairman of the Rules Committee [Mr. COLMER] and, for that matter, each member of the Rules Committee for granting this rule. It is unusual, of course, but not unprecedented.

Particularly do I want to thank the gentleman from Pennsylvania, Dr. MORGAN, the chairman of the Foreign Affairs Committee, for his understanding of the predicament the Appropriations Committee found itself in. This great chairman and legislator will tell you I stayed in close touch with him for the past 10 or 12 weeks discussing with him weekly the situation in which both of our committees found ourselves. At one point it appeared that this great chairman was agreeable for me to request a rule, and it was my proposal that we delay for 1 more week before our committee took action in the hope that a conference report on the authorization bill would come before the House shortly.

I certainly hope that the Members understand there is no intent on our part to take over the prerogatives of the great Committee on Foreign Affairs. But many members of the Committee on Appropriations had some very, very strong feelings about certain needed restrictive language that was not contained in the final version of the authorization bill. I am only one member of the committee, and as Members know, usually we move legislation, whether it is in the subcommittee, in the full committee, or on the floor of the House, by a majority vote.

I also want to thank the great chairman of the Committee on Appropriations for his good counsel during the year. I have spoken with him many times about this legislation and about other matters in which we have a mutual interest. Of course, we occasionally disagree, but when two men are in business, and they always agree, then one of them is unnecessary. I always reserve the right to disagree with any Member of this House because they, too, have that right. I respect our great chairman and, so far as I know, we are on very excellent terms, certain statements in the local press notwithstanding.

Mr. Chairman, I would be remiss in my responsibility as chairman of this subcommittee if I did not indicate very positively and for the RECORD that we also have a very wonderful Subcommittee on Foreign Operations, composed of men and women, who have, by their record, indicated that they have done their homework. Mr. SHRIVER, the ranking minority member of the Subcommittee on Foreign Operations, sits to my right on the subcommittee and has been extremely helpful. I do not think there is any Member of the House that understands this legislation any better than Mr. SHRIVER. He has given me his good counsel on many occasions. Much of the record that has been established in my name resulted when Mr. SHRIVER would whisper to me. "Do not forget to ask about this point."

All of you know Mr. CONTE. He is dogmatic and a realist and you do not play with him. I have never worked with a man that understood the technical aspects of this legislation, as well as its ultimate meaning, better than does Mr. CONTE.

We have two very wonderful ladies on our subcommittee—Mrs. REID of Illinois and Mrs. HANSEN of Washington.

Mrs. REID's questions are indeed penetrating. I have never known an individual who can get as much information with just a few short questions as this wonderful lady.

If I ever met a jewel of a man—a man that you cannot push—and if you think you can, you should try it sometime—that is this young man, DON RIEGLE. He is terrific.

Mr. Chairman, this young man has developed some information during our hearings this year which is indeed shocking, extremely informative, and beneficial.

Now, Mr. Chairman, if I may be permitted to mention the distinguished gentleman from Ohio [Mr. Bow], I will say that it has been a genuine pleasure to work with him this year.

Further, Mr. Chairman, the distinguished gentleman from New York [Mr. Rooney], who serves as the chairman of a great subcommittee of the Appropriations Committee, has the respect of everyone in the House of Representatives. The gentleman from New York understands not only this bill but all other bills which are brought up before the Committee on Appropriations to a far greater extent than they are understood by many Members. He is an old prosecutor. I find it to my advantage to have this distinguished gentleman in a good humor and on my side. I have crossed swords with the gentleman upon a couple of occasions and upon each occasion I swore to myself that I would never do it again.

Now, Mr. Chairman, I come to Mrs. Hansen, another very beautiful and talented lady who serves on our subcommittee. She can just cut one down to size quicker than any gentlewoman I have ever met. The fact of the business is that I was somewhat afraid of the distinguished gentlewoman for the period of about 3 months during which time we got acquainted with one another. The distinguished gentlewoman is also chairman of the Interior Subcommittee of the Committee on Appropriations. She has done a great job this year, not only for this House of Representatives, but for the people of America.

Now Mr. Chairman, I come to the distinguished gentleman from California [Mr. Cohelan]. Those of us who have worked with him during the course of his interrogation of the various representatives of the many departments, agencies, and programs, who appear before our subcommittee, are amazed at his vast knowledge of military affairs and the many remote places he has traveled to, and the information he gathered. The gentleman from California has been a great help and assistance to the subcommittee.

Then, Mr. Chairman, there is Dr. Long, this renowned college professor of economics. Based upon the depth of the gentleman's intellectuality and his grasp of the economics of the situation with which we are confronted, he almost causes me to have an inferiority complex. The distinguished gentleman from Maryland [Mr. Long] straightened me out on many things, and for that assistance I am profoundly grateful.

Then, Mr. Chairman, there is the distinguished gentleman from California [Mr. McFall], who has brought to us a great wealth of knowledge as a result of his experience in private life and his experience in Congress on military matters.

Therefore, Mr. Chairman, I can assure the members of the Committee of the Whole House that we have a very able subcommittee and that it is a particular pleasure for me to chair this subcommittee, and to serve wth these distinguished ladies and gentlemen of great knowledge. All of them have been helpful in formulating the legislation which we bring before you today. We have had during the course of our discussions very few disagreements and those were not serious. Without a doubt, Mr. Chairman, the members of this subcommittee have done their homework this year.

Mr. Chairman, we bring to you a bill that in my opinion should have the overwhelming support of this House of Representatives. The reductions which have been made by the Committee on Foreign Affairs in the authorization bill were very substantial, and reading their hearings and obtaining their advice helped greatly in writing our appropriation bill.

We, together, certainly have made some very substantial reductions below the budget request. We made these reductions based upon our belief that our recommendations would adequately finance our commitments and at the same time assist substantially in reducing the approaching staggering budget deficit.

Mr. Chairman, I do want to commend the AID agency for finally agreeing with your Committee's definition of "aid and assistance."

Mr. Chairman, may I quote their definition, verbatim:

> Broadly speaking, Foreign Assistance is any aid, military or economic, which is extended by one country to another as loans or grants. This definition includes assistance rendered to the various international agencies such as the United Nations, as well as that which is only on a strictly bilateral basis. Used in this context, foreign aid includes not only those programs carried out by the Agency for International Development, but also a number of other programs authorized by the Congress.

Mr. Chairman, the members of the Committee of the Whole House on the State of the Union may refer to the committee report for more particulars.

Mr. Chairman, I should like to explain as briefly as possible some of the detail contained in the bill and the handiwork of the Foreign Operations Subcommittee on Appropriations. The 1967 appropriation as contained in title I, amounted to $2,936,350,500.

Title I of the bill before us recommends an appropriation of $2,196,555,000, a reduction of $739,775,500 below the appropriation for the same items last year. This is a reduction of 25 percent below the final appropriation to finance title I activities for fiscal year 1967. The budget request for fiscal 1968, as you can observe in the report, amounted to $3,226,420,000.

May I say for comparison that the committee's reduction below the 1968 budget is $1,029,865,000, or 32 percent below the budget request.

The committee's reduction below the House authorization bill is $621,253,000. This is a reduction of 22 percent.

The Committee on Appropriations' reduction below the conference authorization bill signed by the President the day before yesterday is $478,473,000, or 18 percent below the amount authorized by the Congress.

Mr. Chairman, I must say that the AID Agency has been operating under a continuing resolution permitting them to obligate funds in fiscal 1968 at an annual rate of $2.9 billion since June 30. In marking up this bill we had to take into account that this House and the Congress gave the AID agency that authority.

Now, your committee before giving thought to any further reduction had to take into account that the fiscal year is getting old—we are now 4½ months into the new fiscal year, and if our recommendation in the bill of $2.2 billion is approved, if it should come out of conference in this amount, then the AID Agency must make adjustments, and retroactively to July 1 of this year, on the basis of $2,196,555,000.

May I refer the Members to page 34 of the report for some detailed information as to what we have recommended. We do not believe that we are perfectionists, but we have gone over this bill with a fine-tooth comb. We believe that we know where the cuts should be applied.

On many occasions in the past we have received information that the Committee on Foreign Affairs said, "Well, we will go along with this program estimate, and we will let the Committee on Appropriations make the reductions." That was a compliment to our committee.

This year we have gone into considerable detail as to what we would recommend for the consideration of the Members, insofar as trying to achieve reductions in all these many programs and still leave them where they can meet their commitments.

The budget asked for $242,815,000 for technical cooperation and development grants. Your committee recommends a reduction of $62,815,000.

The budget request for American schools and hospitals abroad was $13,900,000. We made a reduction of $2.4 million. We felt that we should make some reduction in this item inasmuch as most of us, if not all of us, understand that Hill-Burton funds for hospitals in this country have been withheld, and I am not too sure that very many of our constituents would approve of building hospitals abroad if we are denying funds to build hospitals in our own country.

One of the larger items is the supporting assistance item. You will observe that we have made a reduction of $120 million in the budget estimate.

For the contingency fund we are allowing $10 million. This is a reduction of $21 million but we are recommending the carryover of $29 million in unobligated funds into fiscal 1968.

If we go down to the total figures on title I of the bill, you will see, as I mentioned earlier, that the reduction below the budget estimate is $1,029,865,000 and the bill recommends a reduction of $739,775,000 below the fiscal year 1967 appropriation.

I think it is also important to call the attention of the committee to several provisions that should result in the tightening up of programs in this bill which we feel is essential.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman.

Mr. JOELSON. With reference to military assistance, the report says that we are recommending in this bill $365 million, or a reduction of $427 million below 1967.

But it is my understanding that in the defense appropriation, we have provided for foreign military assistance in such an amount that we will be spending more than we did in the last fiscal year and perhaps more than ever in our history. Would the gentleman comment on that?

Mr. PASSMAN. Of course, I do not handle the Defense Department appropriation bill. I only handle the military assistance program in this subcommittee bill. As I understand it, portions of the military assistance program have been transferred to the Defense Department appropriations and I guess there is a good reason for it. I am sure the gentleman is just as familiar with that amount as I am. Have I answered the gentleman's question?

Mr. JOELSON. I am not as familiar as the gentleman is with reference to that and I would like to know if the gentleman could supply me with the total figure.

Mr. PASSMAN. Yes; I would be very happy to do that. The figure, according to my information, is $1,622,800,000 for fiscal 1968.

Mr. JOELSON. Then is it not correct that we are spending more for foreign military assistance this year with these two combined appropriations than we did in the last fiscal year?

Mr. PASSMAN. That might be true if we were not recommending a substantial cut in the military assistance appropriation for fiscal year 1968. But I must mention that we are fighting a war in South Vietnam. Of course, we are providing money for military assistance programs for other countries in that general area.

I have not had the opportunity to check out any of the details.

Mr. JOELSON. I thank the gentleman.

Mr. PASSMAN. I should like to call attention to one item that, to me, is extremely important.

In the early days of this program, the AID agency could obligate funds for projects that had never been justified to the Congress. We put a stop to that practice for several years, but, for one reason or another, beginning in 1962 we permitted the AID agency to obligate funds for projects that had not been justified to any committee of the Congress. They have not had too good a record since then.

I might state for the benefit of the committee that 36 percent of all the active projects in the AID program were actually started without any justification to the Congress. This is what happens when you give an agency too much flexibility. This is documented—see page 603 of part 2 of the printed hearings.

For example, without justification to any committee of the Congress, the AID agency obligated to a project—and this is in the hearings—$2,838,000.

Upon questioning the witnesses about this project, they said, "Yes, that is true.

"This project you started without any justification—what is your estimate as to what the completion cost will be?"

The witness said, "$6,536,000."

We gave him a reprimand and said, "Well and good—but be careful please."

When they came back the following year, we returned to this project for which they had obligated $2,038,000 and had stated that completion costs would be $6,536,000, and we asked, "How much have you allocated to this project now?"

The witness said, "$26,312,000."

We asked, "What are you asking for this project this year?"

They said, "$11,697,000."

So that puts the total cost of the project up to $38 million, where originally they said it would be $6,536,000. Had they been forced to justify that project, it is very probable that we would not have been contending with these pie-in-the-sky figures.

I refer to another project which was started without justification with a $600,000 allocation. We asked them, "Did you justify this project?"

They said, "No, we did not."

"What do you think it will cost to complete this project?"

They said, "$2,150,000."

Returning the following year, we picked up at the point at which we left off the previous year. We said, "What did you obligate to this project?"

They said, "$4,261,000."

We asked, "What are your estimates to complete the project?"

They had gone up to $10,136,000.

I refer to another project to which the AID agency obligated $900,000 without any justification to Congress whatsoever. We asked them what the completion cost would be. They said $1,465,000.

When they returned this year, we asked this question:

"How much did you obligate to the project?"

They said, "$1,550,000."

We asked, "What is the estimate now to complete the project?"

They said, "$2,700,000."

Mr. Chairman, there are over 4,000 major projects, or prime projects and offshoots from those projects, in 100 countries and five territories of the world. I cannot go into detail on each and every project, but your committee believes, and we have clearly indicated in our report and in our bill, that these people should be required to justify these projects before the committees of Congress before they obligate a single penny to them.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I am happy to yield to the gentleman from New York.

Mr. BINGHAM. I thank the distinguished chairman of the subcommittee for yielding. I notice that in the section of the bill dealing with international organizations and programs the committee has recommended a similar sentence, that—

> No part of this appropriation shall be used to initiate any project, activity, or program which has not been justified to the Congress.

Would I be correct in assuming that you have reference there to the particular agency that is being assisted? I assume that the Congress would not want to be burdened, for example, with trying to review the many thousands of projects that the United Nations Children's Fund engages in over the years.

Mr. PASSMAN. No, the United Nations Children's Fund would be one project.

Mr. BINGHAM. One project?

Mr. PASSMAN. Yes. I think a better description in this case would be an "activity" or "program."

I just wanted the Members to know the voluminous instances of that sort of thing that are in the printed record. I believe there are over 4,000, if you take the basic projects and the offshoots from them. We are interested only in having the foreign aid agencies operate under the same criteria which agencies in this country operate. That is, they should come before the committees of Congress and justify these funds before the people who are elected to represent 200 million Americans. I think it is only proper to have these projects justified before they are started.

Mr. BINGHAM. I thank the gentleman for that statement. I am not aware of any case where a project of the kind I mentioned, that is, a project involving a contribution to an international organization where other countries are also contributing was inaugurated without any justification to the Congress. I think there has not been any such case.

Mr. PASSMAN. I might say this: If the gentleman would take the time to read our hearings of this year and prior years I think he would find where there have been such instances.

I am going to support this bill that contains the recommendations of a majority of the committee. I think it is the very lowest amount we can possibly provide and still carry out our commitments. We have privileges and with them responsibilities, and I must face up to my responsibilities and tell the Members here and now that I am going to support this bill. I think it is a very minimum bill.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, may I ask the distinguished chairman of this committee—and I think he has done a tremendous job every year in bringing this bill in and explaining it to the House: Does the gentleman see anywhere in the foreseeable future where this program can be brought to a close, so we can get rid of these parasites and these bloodsuckers and these leeches who are taking the very life blood of the economy of this Nation and scattering it all over the world?

Mr. PASSMAN. I am sure the gentleman would like to have me answer his question from actual facts as we have them presented to our committee. I have never been critical of all foreign aid. I think the Export-Import Bank is a very wonderful agency. It is an organization that provides financing for our exports, and it has been a very, very profitable venture. I think there are other parts of this bill which, in all probability, could be defended.

But we have indeed gone far afield. I can say to the distinguished gentleman from Florida that I have been a Member of Congress for over 21 years, 19 years on this committee, and 15 years as chairman of this subcommittee, and I have never been so encouraged as I am today that we are about to bring this program under control. When I say "we", I mean the Appropriations Committee and the Foreign Affairs Committee. I can see that this program is being tightened up, and I think in due time we will have a workable program.

Mr. HALEY. Mr. Chairman, will the gentleman yield further?

Mr. PASSMAN. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, the gentleman is well aware of the fact that we have poured into this program—which was supposed to be a $15 billion program originally—a sum now of $152 billion, which is approximately 40 percent of the public debt we owe.

I just wonder how much longer the American people are going to be able to stand this kind of drain, where we are pouring this money into the ratholes of the world and not making friends. I do not see where it is accomplishing one thing, because I think we have fewer friends today than we had when we originally started this program.

So the gentleman can give us no encouragement as to a stopping point for this program sometime in the future?

Mr. PASSMAN. I wish I could. But, as I stated a moment ago, I feel greatly encouraged. We had wonderful cooperation among the members of the committee. We have made some very drastic reductions. It surprised many Members of the House—and for that matter, many people in the country.

We believe and hope the House will support the committee and that there will be no effort to increase the amounts recommended. We believe this bill—more than a billion dollars below the budget request—is sufficient.

I feel with privilege comes responsibility. I think there is a lot of good in many of the programs. I am talking about the 16 spigots of foreign aid. I can defend a certain amount of money going to the Ryukyu Islands and to the Export-Import Bank.

I think I should be fair to the administration and to the Agency and to the Members of this House and to my responsibility in referring to what I call my annual recapitulation sheets which are first verified by the agencies downtown. These recapitulation sheets indicate that on June 30, 1967, we had a pipeline of $16,396,000,000 in the 16 spigots of foreign aid. The new money request of $9,206,000,000 again covers all 16 spigots of foreign assistance.

Today we have discussed only one item, and that is the mutual security part of the bill.

Mr. HALEY. Mr. Chairman, will the gentleman yield further?

Mr. PASSMAN. I yield to the distinguished gentleman from Florida.

Mr. HALEY. Of course, the statement the gentleman now is making is that there is approximately $16 billion in the pipeline. That is money not yet expended. Actually, even if no more money were appropriated, this program would run 3 or 4 years on momentum and on money already available, would it not?

Mr. PASSMAN. I would have to answer the gentleman this way. There is $16,396,000,000 in the pipeline. The entire amount, with the exception of $50 or $60 million has already been obligated or committed.

The request this year is to continue these projects beyond the present funding and also to start new projects.

It is true that if we made no appropriation whatsoever for mutual security this year certainly they would continue the program until they drained the pipeline, but they would not be able to start any new projects. Those people really responsible for our foreign affairs say that we need a foreign aid program. I do not agree with them.

Mr. HALEY. Of course, if we would stop just suddenly here, I believe the people of the United States would say, "God bless the Congress."

Mr. PASSMAN. I know there would not be very many unhappy people.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I am happy to yield to the gentleman from California.

Mr. COHELAN. I wanted to know if the gentleman would clarify a little the question raised by the gentleman from New York, in terms of justifying projects which come before the Subcommittee of the Appropriations Committee.

Is it not true that it has come to the attention of our subcommittee that from time to time, and within certain limits, there are certain projects for which the agency will make application when it appears before the committee, and then in the following or subsequent year it is determined that that project went down, or something did not happen to it, and the money was used without authorization by the Congress? Is that not what we are describing here?

Mr. PASSMAN. I thought I had already covered that point.

Up to this year the agency had the authority to deobligate funds from funds previously obligated for a project, and use those funds to start a new project.

Mr. COHELAN. Unlike the action taken by the Committee on Armed Services or other committees of the Congress in an equal or equivalent situation, when considered on a line item basis, they did not have to come back and get the item reprogramed if the money was not spent; is that correct?

Mr. PASSMAN. That is correct.

Mr. COHELAN. And all we are doing in this bill is insuring that on a legitimate project which has been deobligated, or for which the money was not used, before the agency can use the money they would have to come back to the Congress to get authorization for the specific activity or project involved; is that correct?

Mr. PASSMAN. Yes. However, I must recall for the gentleman that the subcommittee did not recommend this year the continuation of this so-called de-ob, re-ob authority. We must remember we are dealing with an illustrative program.

If we want to discuss this in the extreme, the AID agency could testify for a hospital in Brazil and then take that same money and use it to build a summer resort in Morocco and still be within the law. This is in illustrative program. They can put all of this money into one country, or divide it up into 50 countries. This year there is some type of aid, minor though some of it may be, to be distributed to 100 nations and five territories.

Mr. COHELAN. As the distinguished chairman of our subcommittee knows, I am a strong supporter of mutual security and economic assistance portions of the bill. It would not be my purpose in any way to slow down what I consider to be a very useful program.

On the other hand, it would seem to me it is very important that we understand and that the agency understand it is expected by the Members of Congress that any project which is undertaken should get at least the same attention we would give it under section 412, under aircraft, missiles and ships, under the Armed Services Committee, or any other particular capital project that would come under consideration of any committee of the Congress.

Mr. PASSMAN. I thank the distinguished gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to my distinguished friend from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

I am curious to know how this program can be brought under control, with the enormous amount of more than $16 billion in the pipeline, and with the 1961 Foreign Assistance Act, providing discretionary power to the President as to the use of these funds.

I am curious to know how with this huge amount of money in the pipeline it is proposed to bring this program under control.

Mr. PASSMAN. I am always hoping that we can bring it under control. Let me first say to the distinguished gentleman from California, because he always wants to continue the program, that I am doing everything in my power to slow it down. If they ever put me completely in the driver's seat, I will slam those brakes on and stop it. This is a new concept in foreign policy. The majority of the Members of the Congress, I believe, do not agree with me. Some people, in writing about the foreign aid program, describe it as one that does not have any constitutents. Now, I do not know of any program ever devised by the mind of man that has as many people lobbying for it. There are 62,290 individuals, U.S. nationals, participants, and foreign nationals getting some kind of subsistence check from the AID agency every month. There are some 100 embassies in the world and I am reasonably sure those wonderful people are all lobbying for more foreign aid, too. I think you need a few Passmans here. Some of us are going to have to get on the other side of this program and point out that not everything is right in this bill.

Mr. GROSS. Mr. Chairman, if the gentleman will yield once more, I noticed in your hearings a table showing that this country has been aiding a number of countries which have also been aided by Soviet Russia, but all of the information as to amounts has been deleted. For what reason would the amounts given by Communist Russia to countries that we also are aiding be deleted?

Mr. PASSMAN. I am not too sure that Russia is giving very much foreign aid. The data you refer to has been classified. I very seldom questioned the agency in their classification of material. If they say it is classified, I generally respect that definition.

Mr. GROSS. I hope that there is some answer for this. With all the money made available in the past to the African countries, perhaps the reason why the figures are not given in the Soviet aided countries is because our State Department feel that there have been so many failures in this program in Africa and it does not want to add to the list. Perhaps this is a coverup on the part of Foggy Bottom.

I would like to ask the gentleman a question about the $725,000 that has been paid out by AID for investment surveys in foreign countries. Do I understand that this fund has been stricken from this appropriation bill? Why should the D.C. Transit Co., Napco Industries, and Dole, Inc., among others get 50 percent of their expenses paid by the taxpayers to go to South America and other countries to look for business opportunities?

Mr. PASSMAN. Does not the report indicate we had cut it in half?

Mr. GROSS. I hope you cut it all out.

Mr. PASSMAN. I certainly support the gentleman's views.

Mr. GROSS. I do not know of any reason why the taxpayers should be called on to pay 50 percent of O. Roy Chalk's expenses to go down to South America or anywhere else in the world to decide whether he can set up a profitable business.

Mr. PASSMAN. I really appreciate the gentleman's contribution. It is rare indeed to have a rapport about foreign aid.

Mrs. HANSEN of Washington. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentlewoman.

Mrs. HANSEN of Washington. May I say to the distinguished gentleman from Iowa that it was I in the committee who asked for the list of the loans, grants, and so forth, given by Russia to various countries around the world. I had hoped and expected to see these in the Record.

However, I completely understand the reluctance on the part of the departments to put them in. When they say to me that they do not wish to compromise the authenticity of our intelligence sources, it is rather like that day in World War II when the high command, and General Eisenhower, refused to give the strength or number of soldiers which were to be involved in the invasion of France before D-day.

Mr. PASSMAN. Mr. Chairman, I wish to thank the distinguished gentlewoman from Washington and the distinguished gentleman from Iowa for their contributions.

This represents about the longest 10 minutes I have ever used on this bill. There are a lot of other statistics which I would like the members of the Committee to have.

Mr. Chairman, it is interesting as to the manner in which our gold is disappearing. Our gold stockpile is below the sum of $13 billion right now. Our public debt is going up. Our balance of payments is still in deficit and none of the agencies or witnesses who appeared before our subcommittee assumed any of the blame.

Mr. Chairman, I could enumerate some of the causes which could contribute to this problem. But when the balance-of-payments deficit continues to climb, when our gold continues to flow out, and when the public deficit continues to rise, I do hope that the members of the Committee of the Whole House on the State of the Union will support your Subcommittee on Foreign Aid Appropriations of the full Committee on Appropriations and approve this bill.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. Of course I yield to the gentleman from Minnesota.

Mr. FRASER. I was curious on one point, Mr. Chairman, namely the reduction in the appropriation for international organizations, which is approximately $15 million, according to the administration request.

I wonder if the distinguished chairman of the subcommittee could elaborate upon that question as to whether all international activities are to be cut under that reduction.

Mr. PASSMAN. Mr. Chairman, I can assure the gentleman from Minnesota that there is extreme flexibility.

It is my understanding that none of this cut will apply to the Children's Fund. In other words, it is going to be up to those who administer the program to determine the best manner in which to apply these cuts.

Mr. FRASER. Mr. Chairman, if the gentleman will yield further, would the gentleman state that the committee had no specific activity in mind with reference to this specific reduction?

Mr. PASSMAN. We had to take into account the very high percentage of contribution which we have been making. We had to take into account the fact that many of the contributors to the international organizations were also recipients of our economic aid and, thus, it may be that we are contributing 90 percent of the total. However, we shall not go into that detail at this time.

Mr. Chairman, the gentleman from Minnesota must remember that we are very free with our money. However, we had no intention of crippling any specific program.

Mr. FRASER. Mr. Chairman, if the gentleman will yield further, you do not show on the chart at page 34 of the report the amount authorized by this Congress for fiscal year 1968. You do not identify the amount that this House of Representatives agreed to with respect to authorization levels.

Mr. PASSMAN. The gentleman is talking about the authorization levels?

Mr. FRASER. Mr. Chairman, if the gentleman will yield further, yes, I am talking about the chart which appears on page 34 of the report. I do not find therein the authorization level in that chart. I only find reference to budget estimates.

Mr. PASSMAN. I can give the gentleman that information. The authorization bill by the House carried the sum of $2,675,028,000. The appropriation bill carries the sum of $2,196,555,000, which is $478,473,000 below the authorization.

Mr. FRASER. I thank the gentleman.

My last question comes with respect to the gold outflow chart on page 6. I note that the title of the chart is "Net Sales of U.S. Gold to Foreign Aid Recipients," and you identify the gold transfers for the year 1966. But I notice that there is listed such countries as Argentina, to whom to my knowledge we do not currently give any economic assistance, and Denmark, France, Italy, the United Kingdom, and Yugoslavia. To my knowledge these countries are not recipients of economic aid from the United States, and I find that, if you take out the gold transfers with respect to those countries, instead of a net gold outflow in 1966 of $637 million, which the chart states to be the truth, that in reality the amount is only $27 million.

Would the gentleman agree with that?

Mr. PASSMAN. May I say to the distinguished gentleman I do not agree that this would be proper. This chart is based on statistics given to us by the Treasury Department. We can only say that the 68 countries listed in the table have been or are recipients of U.S. foreign aid—either economic or military assistance during the 9-year period.

The CHAIRMAN. The gentleman from Louisiana has consumed 47 minutes.

Mr. HALEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Fifty Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 391]

Abbitt
Anderson, Tenn.
Andrews, Ala.
Annunzio
Arends
Aspinall
Bates
Bray
Broomfield
Chamberlain
Clawson, Del
Corman
Cowger
Dawson
Derwinski
Diggs
Edmondson
Edwards, Calif.
Evans, Colo.
Everett
Evins, Tenn.
Fountain
Fulton, Tenn.
Green, Oreg.
Gude
Hagan
Hanna
Hardy
Heckler, Mass.
Herlong
Hicks
Jones, N.C.
Kastenmeier
Laird
Landrum
Leggett
Lennon
McClory
MacGregor
Martin
Mathias, Md.
Nedzi
Pickle
Pike
Purcell
Resnick
Rhodes, Ariz.
Rivers
St. Onge
Schwengel
Snyder
Springer
Teague, Calif.
Utt
Williams, Miss.
Willis

Accordingly the Committee rose; and the Speaker pro tempore (Mr. Albert having assumed the chair), Mr. Price of

Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 13893, and finding itself without a quorum, he had directed the roll to be called, when 377 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. SHRIVER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I begin my remarks on this bill by quoting a young Kansas couple who have recently spent 21 months in India as Peace Corps volunteers. They said:

> The American people should take an interest in the aid program particularly since they are beginning to feel the pinch of the increased government spending.

These young people have accurately described the mood of the country and of the Congress today. It is regrettable that it has taken an economic "pinch" to get people to think seriously about this program. But nevertheless, it is an encouraging development.

The foreign aid program is generally justified on the basis of cold national interest policy or warm humanitarian actions, or, more correctly, a mixture of these two philosophies. However, a brief examination of the record reveals that the program is accomplishing neither of these objectives.

Where is the foreign policy muscle during the continuing conflict in the Middle East between recipients of our foreign aid on both sides? We certainly cannot claim any diplomatic achievements in regard to Cambodia, which has received more than $340 million in U.S. assistance over the years.

On the humanitarian side, the per capita gross national product of the United States for 1966 was $3,648. For the same year the GNP per capita for India, Indonesia, Nigeria, and Bolivia averaged $110. The GNP gap was $3,538. In 1960, this gap stood at $2,896. The gap has actually increased by 22.2 percent in the past 6 years. This is the situation all over the globe, in spite of all the foreign aid efforts of ourselves and others.

The committee has taken a good look at these results and has also kept an eye on our own domestic fiscal crisis and our heavy and expensive military commitment in Vietnam. As a result, the committee recommends a cutback of over $1 billion from the budget estimates. This is a cut of nearly 30 percent.

The subcommittee held 9 weeks of hearings on this bill and, as you would expect under the leadership of the distinguished chairman, the issues and programs funded in this bill were extensively investigated. I agree and concur with the chairman in his remarks. I would further give credit to all members of the subcommittee on foreign operations for their painstaking efforts to do a good job on this important responsibility. I especially am grateful to the other minority members for their loyal and dependable contributions to the committee.

One of the primary issues in a program of this type is its effect on our lagging balance of payments. Our Nation's gold stock has fallen to the lowest level in 30 years, $13 billion. Most economic observers agree that the situation will deteriorate further before it improves. Of this $13 billion, $10.3 billion is required for commitments to our Federal Reserve note currency and to international organizations such as the International Monetary Fund, leaving only $2.7 billion available to honor potential foreign demands for $30 billion in U.S. gold.

The fact that foreign aid has added, and continues to add, to our negative balance of payments is reason enough for drastic cuts in the AID program. The AID officials assure us that 90 percent of the expenditures for foreign aid commodities are spent here in the United States, and I accept that figure. However, commodity expenditures are but a small part of the total foreign aid picture.

In fiscal 1966, only $1.2 billion was spent on commodities out of a total of foreign grants and loans of $6.8 billion. These other expenditures include offshore purchases, foreign labor, and more than 3,300 American personnel who were stationed overseas to administer aid. The Department of Commerce reported that the amount of exports of goods and services financed by the Government in fiscal 1966 was $2.9 billion, still less than half the total $6.8 billion in foreign grants and loans.

Looking more specifically at appropriations recommended by the committee, the bill provides $400 million for development loans for fiscal 1968. This represents a reduction of $374 million from the budget estimates and is $100 million below the 1967 appropriation. To further understand these sizable cuts. It is worth while to look at the development loan picture in depth.

Two-thirds of all new loans from other governments now are being diverted by the recipient countries from building dams and raising food production to the dead-end task of debt repayment. And the problem is getting worse. These debts must be repaid in foreign currency, which is earned by exports. But exports from less-developed countries are not rising fast enough. Debt-service repayments are going up at the rate of 13 percent a year. While less-developed-country exports are rising only 6 percent a year and only 2.8 percent in India.

Since loans from our country and other donor nations will begin to draw interest on their principle in a very few years when the grace periods end, debt service is a potentially explosive political problem involving the whole world. Ghana, Indonesia, Argentina, Turkey, and Brazil have already had to call for help. Other countries with difficulties now are Chile, Colombia, Nigeria, and Pakistan. The solution to this problem will not be a simple one, but one can be sure that piling on more loans is not a good start.

One of the largest recipients of our development loan program is India However, there is adequate justification for a cutback in loan aid to India in addition to her already serious debt-service difficulties. The monsoon has been good to India this year. Everything indicates a bumper harvest after 2 lean years caused by drought. India is expected to reap 95 to 100 million tons of food grains this year.

In addition to the rain, the following factors have contributed to the bumper crops: The irrigation of more than 3 million acres of land; the high yielding varieties program wherein hybrid wheat, corn, sorghum, millet, and rice are providing unbelievable yield gains; the unparalleled use of fertilizer; the treatment of 63 million acres with pesticides; and the use of short-gestation seed for double cropping.

To the extent that these gains have resulted from the foreign aid program, AID is to be congratulated on a job well done.

In discussing India, I am pointing out some of the problems that that nation faces in addition to their food problem.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman from Missouri.

Mr. HALL. I hesitated to interrupt the gentleman, his statement is so interesting and I appreciate it so much—but I was particularly intrigued, and I have made some study of our gold outflow, which of course is based on the false premise that we will honor the debts of others by a reduction in gold, while not honoring our own. This is over 30 years old. But, would the gentleman reconfirm for the members of the Committee the fact that foreign countries receiving U.S. aid have purchased over $9 billion of our $13 billion outflow of gold deficit in the last 9 years—from 1958 through 1966 and that these same countries have been supplied with over $18 billion in foreign aid—and to the number of 68 such recipient countries?

Mr. SHRIVER. The gentleman has stated the facts as I understand them to be.

Some of those countries are not now receiving aid, but are countries that have received aid.

Mr. HALL. Yes; and the committee has very thoughtfully and wisely listed the countries in their report, which countries have in this 9-year period received foreign aid and which are these purchasers of our gold bullion which should be backing up our own currency.

But the thing that is omitted and the point to which I arose to interrupt the gentleman, is, What are we as a nation, and what is this committee, to do about that? Can we not simply desist in giving them aid, with which they can turn right around and purchase our gold?

Mr. SHRIVER. I believe the committee this year has done a good job in connection with looking at these programs over the world and cutting down where appropriation cuts could be made. You heard the debate earlier about legislating in connection with this bill.

Mr. HALL. I think it might be wise, if I might suggest to the gentleman and his subcommittee, to have an additional column in future years showing the action of the committee in deleting foreign aid to these nations that are the principal purveyors away from our shores, of the gold that we have earned, or mined from our soil and resources.

Mr. SHRIVER. I thank the gentleman for his contribution.

Mr. FRASER. Mr. Chairman, will the gentleman yield further on that same point?

Mr. SHRIVER. I yield to the gentleman from Minnesota.

Mr. FRASER. I thank the gentleman. I was reading the hearings of the subcommittee. I noticed that the gentleman in the well asked Mr. Gaud about gold outflow to nations which are currently receiving economic assistance from the United States. I noticed that Mr. Gaud had said that in 1955 the net outflow to such countries was $15 million and in 1966 the net outflow was $32 million, which is quite a different figure from that set out in the chart in the committee report.

Would the gentleman agree that the figures Mr. Gaud submitted to you in response to your question are a fair reflection of the facts with respect to those countries currently receiving aid?

Mr. SHRIVER. I think that the Agency has been doing a commendable job in connection with requests that have been made by the Congress previously in connection with this matter.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. SHRIVER. I yield to the gentleman from Louisiana for further answer to the question.

Mr. PASSMAN. Let me state for the record, without fear of successful contradiction whatsoever, that the chart in the report is correct. If you have any quarrel with the table, the only possible quarrel you could have would be with the title at the top on page 6. Possibly it should state, "Former and Present Recipient Aid Countries." But it follows, nevertheless, that our gold reserve from 1952 through 1966 has dropped from $23,252,000,000 to $13,159,000,000, and the figures in the report are figures given to us by the Treasury Department.

I thank the distinguished gentleman for yielding so that the record may be abundantly clear and so that Members will understand that point.

Mr. FRASER. Mr. Chairman, will the gentleman yield further?

Mr. SHRIVER. I yield to the gentleman from Minnesota.

Mr. FRASER. I appreciate what the chairman of the committee has said. If he had amended the title on that chart in the way he now suggests it should be amended, I think it would be accurate. I am sure the gentleman in the well would agree that probably the most important thing we could do as legislators is to stay with the facts that are currently important and operative in making policy judgments. That is why I asked the gentleman in the well if he did not agree that the figures Mr. Gaud supplied to him in response to his question reflected the facts.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield further?

Mr. SHRIVER. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I wish to commend the distinguished gentleman for citing Mr. Gaud's statement on this point. I feel I represent the 200 million Americans who are being overburdened with excess taxes for these so-called giveaway programs.

Mr. FRASER. If the gentleman will yield further, I am not trying to take Mr. Gaud's side. I am only trying to determine if the gentleman in the well agrees with the facts that Mr. Gaud gave the committee.

Mr. SHRIVER. I agree that Mr. Gaud so testified; yes.

Mr. FRASER. Thank you very much.

Mr. SHRIVER. One of the things I think our committee has very effectively done is to make every effort to determine the facts and get the truth. The report of the committee that has been mentioned here in the last few minutes is one that I would recommend for the reading of all Members. There are some fine additional views placed in the report by the gentleman from Massachusetts [Mr. CONTE] and the gentleman from Michigan [Mr. RIEGLE].

The committee recommends $75 million for Alliance for Progress technical assistance, which is $35 million below the budget request. It is a cut of $12.7 million from the 1967 appropriation. Since several of the Latin American countries have indicated that they are able to purchase sophisticated weapons on the world market, AID should not have too much of a problem deciding where cuts can be made.

The bill provides $370 million for Alliance development loans. This is $50 million less than the 1967 appropriation, but the bill also includes a $50 million increase in our contribution to the fund for special operations of the Inter-American Development Bank. As in the technical assistance cutback, those countries now shopping for supersonic jets and similarly unnecessary weaponry are placing themselves in a likely position for reductions in their programs.

In addition to these justifications for cuts this year in our programs in Latin America and the domestic fiscal situation in which we find ourselves, I submit there is a pressing need for a reevaluation of the Alliance for Progress.

Some of the most enlightening and sound observations on the development problems in Latin America came earlier this year from Thomas C. Mann, former Assistant Secretary of State and U.S. coordinator for the Alliance. Speaking on the effect of official graft and corruption in many of the Latin American countries, Mann said:

> It deprives the individual of his confidence and enterprise. We have talked for years about the level of foreign aid and the foreign capital investments for development, and very little about the need to mobilize domestic capital and to channel it into productive enterprise.

About 90 percent of the development capital in Latin America is of domestic origin and only about 10 percent is supplied by foreign public and private sources. Thus, Mann's point is very important. We must cooperate with our neighbors in Latin America to create modern competitive economic systems in which private enterprise can make its full contribution to the development process.

The committee added a provision to the technical cooperation and development grants section of the bill as follows:

> *Provided,* That no part of this appropriation shall be used to initiate any project or activity (except for family planning activities which shall not exceed $20,000,000) which has not been justified to the Congress.

At the start of the 1967 fiscal year, there were 1,368 active projects around the world, of which 488, or 36 percent, had been obligated by the administration before being justified to Congress. The cost of the projects when completed will be three-quarters of a billion dollars.

This situation arises from the "illustrative" basis on which AID projects are justified before our committee, as I pointed out to the House last year. AID officials could hypothetically justify an educational project in Brazil to Congress and then spend the money for a summer resort in Morocco. The only limitation on such a switch would be the necessity for a determination by these same AID officials that the summer resort met the "development needs" of Morocco.

Congress thus finds itself in the position of appropriating tax money at a level determined by a sub-Cabinet-level bureaucrat rather than a level set by Congress itself as it should be. This is a far cry from the exhaustive cost-benefit studies which are required before one dime is spent on public works projects in our own country.

Time after time during the hearings when aid officials were questioned on the necessity of starting these projects prior to justification, they admitted that these projects could have waited with no great harm done.

An identical provision was included in the Foreign Aid Appropriation Act of 1961. It should be reinstituted to adhere to the constitutional responsibility of Congress to the taxpayer. The present practice reverses the traditional and constitutional pattern wherein Congress appropriates and the administration spends accordingly. Now the administration spends on these aid projects, and Congress is called on to appropriate accordingly.

In closing, may I point out that criticism of the foreign aid program is not political. There is nothing as politically safe as a successful program. Many people of our Nation, including our own constituents, have spoken out that this is not a successful program. The blame for disappointing results can be directed at no specific individual or administration, as the foreign aid program itself is essentially a great experiment.

What has been neglected is the need for the abandonment of unsatisfactory approaches and programs. The actions of Congress on the authorization bill and this bill and the attitude of a majority of the people of this country as shown by their letters and various polls which have been taken should serve as a positive stimulus to the agency to make changes.

More attention should be paid to a realistic evaluation of what the aid program actually is accomplishing. In this respect both the executive and the legislative branches should broaden their supervision over the aid program.

The task now is to establish our priorities; to determine which involvements are crucial to our interests and which are not. We must exercise our responsibility in an enlightened manner toward those countries with which we share common goals, and restrain our compulsive "We will buy your friendship" attitude toward those countries which have made it pretty obvious that they are not selling for keeps.

I support this bill. As suggested by the chairman of the subcommittee, this is the minimum amount. The figures represent the studied judgment of the subcommittee and of the full Committee on Appropriations as to the amount that should be appropriated for the present fiscal year.

The CHAIRMAN. The gentleman from Kansas has consumed 23 minutes.

Mr. SHRIVER. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. CONTE].

Mr. CONTE. Mr. Chairman, as most Members know, I have a long record of strong support for the foreign assistance program. I believe that the United States, the wealthiest country in the history of the world, can and must help its less fortunate neighbors in Latin America, Africa, and Asia. We can support the development aspirations and programs of these countries because we have the resources to do so. We must shoulder this burden as responsible members of the world community and because it is in the best interests of this Nation to do so.

As a member of the Subcommittee on Foreign Operations, I reluctantly agreed to a $2.2 billion appropriations bill which would compel a substantial scaling down of this country's assistance to the emerging nations. Believing as I do in the importance of the foreign assistance program, I went along with this modest foreign aid program—the lowest ever—only because I also believe that all Federal programs must be subject to intensive scrutiny this year.

I would point out, however, that the appropriation of only $2.2 billion for foreign aid represents a one-third reduction from the amount requested and will be costly in terms of the United States important financial and political investment of the emerging nations.

Development programs are not like some projects which can be put off for a year or so if circumstances dictate. An emerging nation must somehow deal with the vicious circle of poverty—a national income so low that an insufficient portion is saved for investment, and therefore, the national income remains low. An emerging nation must spend less on everyday needs so that it can invest more in the future of tomorrow.

When an emerging nation undertakes the essential, although painful task of economic development, it must be able to count on an adequate level of foreign assistance. Otherwise, its institution-building and implementation of economic reforms is imperiled.

An emerging nation cannot launch a drive to increase wheat production so that it can feed all its people, and then find that the foreign exchange needed for fertilizer and imported seed is not available.

An emerging nation cannot adopt a program of import liberalization in order to better rationalize the production of its factories, and then not have the foreign exchange necessary for vital development imports.

An emerging nation cannot prepare its children for higher education if it cannot count on the establishment of a national university.

Once the development effort of the nation is on the track, the only direction is full speed ahead. Enforced slowdowns are disruptive. They waste valuable resources—both of the country itself and of the United States as donor.

Enforced slowdowns in the development process have adverse political side effects. The most important thing to the leaders of the emerging nations is for their nations to achieve economic growth. In order to have meaningful relationships with these emerging nations, we should and must demonstrate that we also set a high priority on their economic development.

Foreign aid cannot narrow the gap between the wealthy nations and their less fortunate neighbors overnight. It can and has helped developing nations to move onto the path of economic growth under conditions of political stability. The path is a long and tortuous one.

At various junctures along the way, the recipient countries may falter—whether from inflation or internal civil disorder, from droughts to declines in the world price for important cash crops. Also, these nations will on occasion adopt points of view different from our own on important international issues—and will have no compunction about speaking out, though this may imperil continuance of U.S. foreign assistance.

Some of the results of U.S. foreign aid are now in, and they are impressive. Taiwan is no longer the recipient of concessional assistance; its economic growth is nothing short of astounding. Pakistan and Turkey are well on their way to self-sustaining economic growth, after implementation of major economic reforms. The Alliance for Progress has given a new appeal to the path of constructive and peaceful revolution for the Latin hemisphere through profound economic and social change. The record on foreign aid is complete enough that we can draw some basic conclusions.

Foreign aid alone will not solve the problems of change in the less-developed world. The less developed nations have to play the major role—contributing sound policies, the talents and energies of their best citizens, tax revenues, and the like. Moreover, aid must be carefully planned and sensibly administered.

To that end, the Agency for International Development was created, and policies such as concentration of aid, self-help, and emphasis on regionalism adopted in line with congressional sentiment. It is really a little ironic that foreign aid—which is now probably being administered better than ever before—is encountering such serious opposition on the Hill this year.

I recognize, Mr. Chairman, that it is not always easy to support our foreign assistance program. Other programs are more popular on the Hill. The foreign aid program is something of an orphan. It is invariably at or near the end of the line in getting its appropriation.

Today we should forget our occasional irritations and frustrations with the foreign aid program and reflect anew upon the importance of the U.S. investment in the development of the less developed world. If the United States did not face critical fiscal problems this year, I would not have backed a foreign aid program of only $2.2 billion. But $2.2 billion is an absolute, rockbottom minimum. No further economies are possible with this program. To cut it anymore would constitute a tragic waste of all the time and effort and resources that have already been expended in the past by this Nation on this program.

I strongly urge that this House approve the full $2.2 billion recommended in H.R. 13893, for the foreign assistance program.

I also strongly urge the approval of two new provisions in our bill dealing with restricting the sale of sophisticated military weapons to less-developed countries. One provision in effect prohibits the use of our military assistance program and of the Defense Department's revolving credit sales fund to finance the purchase or acquisition of sophisticated weapons for or by most less-developed countries.

The second provision states that a reduction will be made in our economic assistance to any of these less-developed countries equivalent to the amounts which they spend to purchase sophisticated weapons from any country. These funds would then be available for use in the program for other countries.

In determining what constitutes a sophisticated weapon, reference should be made to the testimony of Admiral Heinz, the Director of our military assistance program on page 674 of part 1 of our hearings this year. Admiral Heinz stated and I quote:

> Sophisticated equipment would include in aircraft the new types of fighters, for example F–5s, F–104s and in the case of transport aircraft such things as the C–130. In the case of missile equipment it would be surface-to-air missiles, the *Hawk*, the *Nike*, some radars. In the case of the Army it would be expensive, new self-propelled artillery. In the case of the Navy it could include modern destroyers, guided missiles destroyers. This is the type of equipment we would count as sophisticated.

I would certainly add to that list an item like a submarine. These are basically the kinds of weapons that are not needed to maintain internal security and which we should not be assisting less-developed countries in acquiring or purchasing.

Our provisions are designed to deal with basic and fundamental issues. Our country should play no role in assisting or encouraging any arms race in these countries which cannot afford to spend their limited resources on unnecessary sophisticated military hardware. I have been deeply concerned for some time with the development of an arms race in Latin America. I am similarly concerned with this development in Africa.

The control and limitation of arms in the world today is a matter of the highest concern. Arms races in these areas would constitute action which can only be described as dangerous and wasteful. This country should not be a party to such actions.

I do not believe that our refusal to play a role in these events represents an interference in the affairs of other nations. I believe, rather, that it is our responsibility to avoid assisting or encouraging acts which we believe to be wrong.

We are dealing with countries who cannot afford to, and do not have the need to, invest their precious limited resources in sophisticated military weapons.

The greatest threat to Latin America, for example, comes from within, not from without. Any dangers there to national sovereignty are from internal unrest and dissatisfaction, not from external attack. You do not meet these dangers with supersonic jet fighter aircraft—you meet them with economic and social and health and educational programs.

The only thing you do stand to bring about by an arms race in Latin America is an eventual confrontation between the countries of South America.

We must make a total effort to prevent this from occurring. Such effort must include our refusal to supply them with sophisticated military weapons.

The purchase, furthermore, by these countries of sophisticated weapons constitutes an unfortunate misuse of limited resources. Our foreign assistance programs are designed to supplement limited resources in these countries in order to assist their economic development as quickly as possible. If we turn around and sell to them sophisticated weapons they cannnot afford and do not need, we are defeating our own programs.

Similarly, if these countries use their own limited resources to purchase sophisticated weapons from anyone, they are diluting the effectiveness of our assistance program. No doubt the most important factor in the success of our assistance programs is the extent of the effort made by the recipient country on its own behalf. The recipient country must be the one making the major effort.

President Johnson made this quite clear in his 1967 foreign aid message when he stated:

> Self-help is the lifeblood of economic development. No sustained progress is possible without it. Aid provided as a substitute is aid wasted.
>
> Waste is a luxury none of us can afford. The only obligation tied to our aid is the recipient's obligation to itself—to mobilize its own resources as efficiently as possible. I will not ask any American citizen to contribute his tax dollars to support any country which does not meet this test.

The purchase of sophisticated weapons by underdeveloped countries cannot in anyway be considered an efficient mobilization of resources. It diverts the country's own resources from being used in an effective manner and thereby seriously diminishes the effect of our assistance.

Such actions call for reductions in our assistance programs equivalent to the amounts being diverted. I urge that our bill's provision on this matter as well as the provision on restricting our role in selling sophisticated weapons to less-developed countries be approved.

I would also like to note that the language on line 22 of page 2 of H.R. 13893 reads, "$1,986,000 for a school sponsored by the Israel Institute for Boys."

On Page 13 of the report accompanying this bill, the language concerning this provision is less explicit. I think it should be made clear that the intended language of the report was the same as that of the bill—that is, "a school to be sponsored by the Israel Training Institute for Boys."

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Indiana.

Mr. ADAIR. Mr. Chairman, on the question of sophisticated weapons to which the gentleman from Massachusetts just addressed himself, who is to make that determination?

Mr. CONTE. The question as to whether or not a particular weapons system is sophisticated would no doubt have to be determined by the executive branch, by the Secretary of State interpreting our provision. As I mentioned, Admiral Heinz is in charge of the military assistance program, a gentleman with whom the gentleman from Indiana is familiar. It is my opinion that the admiral has fairly well indicated what would constitute a "sophisticated weapons system."

Mr. ADAIR. Mr. Chairman, if the gentleman will yield further, I understood the gentleman from Massachusetts to say that he did not agree with the definition of Admiral Heinz.

Mr. CONTE. No; I said I would add submarines to that definition.

Mr. ADAIR. Mr. Chairman, if the gentleman will yield further, even though the gentleman does not agree——

Mr. CONTE. Please do not misquote me. I did not say I disagreed with his statement. I said I would like to add submarines. In other words, I would broaden his statement.

Mr. ADAIR. Mr. Chairman, if the gentleman will yield further, if a submarine were included would the gentleman then assume that it should be considered as a sophisticated weapon?

Mr. CONTE. I believe a submarine to be a sophisticated weapon of war.

Mr. ADAIR. However, if the Secretary of the Department of State or his representatives did not so regard it, would that have any effect upon the gentleman's thinking?

Mr. CONTE. I think that we have some good, solid history with reference to the application and operation of the military assistance program and to what would constitute a sophisticated weapon of war.

Mr. Chairman, I think we have enough testimony upon which we can determine what a sophisticated weapon of war is.

Also, may I go one step further. As the gentleman from Indiana knows, we can differentiate between a sophisticated weapon of war and a conventional weapon of war.

Mr. ADAIR. Mr. Chairman, if the gentleman will yield further, it just seems to me—and I do not mean to intrude unnecessarily upon the time of the gentleman from Massachusetts, but the language here is so vague, indefinite, and uncertain that we have a very inadequate standard upon which to proceed.

Mr. CONTE. Mr. Chairman, as the gentleman will see from the bill, it certainly spells out certain examples of what constitutes sophisticated weapons such as jet fighter aircraft which I am dead against.

Mr. ADAIR. Of course, it does spell out missiles and aircraft.

Mr. CONTE. That is right.

Mr. SCOTT. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the distinguished gentleman from Virginia.

Mr. SCOTT. Mr. Chairman, I was interested in the statements made by the gentleman from Massachusetts [Mr. CONTE] to the effect that the sum of $2.2 billion was the minimum amount to be expended on foreign assistance this year.

And on looking at the beginning of the bill, where it states "the following sums are appropriated, out of any money in the Treasury not otherwise appropriated," as I understand it we are faced with a possible deficit of $30 billion this year. Does that mean that this money has to come out of money already in the Treasury, or can we borrow this money to give to the foreign nations?

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. SHRIVER. Mr. Chairman, I yield 3 additonal minutes to the gentleman from Massachusetts.

Mr. CONTE. I thank the gentleman for yielding the additional time.

In response to the gentleman from Virginia, I would say that foreign aid cannot be singled out and isolated from any other program that this Congress passes. When we get through with the budget this year, with all of the appropriation bills, if there is a deficit, the United States will have to borrow money to meet this deficit. But it certainly is not correct to say that we will be borrowing money to meet the cost of our foreign assistance program.

Mr. SCOTT. My only point in mentioning this, if the gentleman will yield further——

Mr. CONTE. I only have 3 minutes, and I have not finished my prepared speech as yet.

Mr. SCOTT. My only comment is we are speaking of $2.2 billion as being a minimum amount, and yet we are borrowing the money to give to foreign nations.

Mr. ZABLOCKI. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from Wisconsin.

Mr. ZABLOCKI. I thank the gentleman for yielding.

Mr. Chairman, to further clarify the point brought out by our distinguished colleague from Indiana, a sophisticated weapon today may be not so classified because of changes and improvements and be considered as an obsolete or a nonsophisticated weapon. Is it not a fact that the F–5 planes no longer have a sophisticated status, and as a result the definition of the F–5 is not truly a sophisticated jet? Does the gentleman not agree with that?

Mr. CONTE. No, I do not. As I stated before, Admiral Heinz, who is an authority on this and heads up our military assistance program, has given us a list of weapons of what he considers as sophisticated weapons, and that is a matter of record. I am going along with that, and I will accept that definition, and when this comes up next year I am sure that we will bring that up for his attention.

I am certainly against arming some of these Latin American countries. Recently Argentina got some airplanes which were—I have a list of them here—early last year we agreed to sell 50 supersonic A–4–B's to the Argentine Air Force. Here is a country that never used a peashooter against another country. The reason we sold them to Argentina was that they were going to buy them from another country. As a result, what happened? Chile turned around and bought 21 planes from the British, Hawker-Hunter jet fighters. This came after we withdrew the possibility of selling planes to Chile because we needed the A–4B's for Vietnam. Does the gentleman recall that? Does the gentleman recall what happened? Peru came in and said "We want to buy F–5's."

Mr. ZABLOCKI. They said if you will not sell them we wil get them from France or Switzerland or Sweden.

Mr. CONTE. This is growing like Topsy. There is no end to it. I say we must attempt to put off an arms race among the nations of Africa and Latin America.

The CHAIRMAN. The time of the gentleman from Massachusetts has again expired.

Mr. SHRIVER. I yield an additional 3 minutes to the gentleman from Massachusetts.

Mr. CONTE. I thank the gentleman for yielding this additional time.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Yes, I yield to the gentleman from California.

Mr. COHELAN. Mr. Chairman, I thank the gentleman for yielding, and I compliment him on the statement he is making.

However, in reference to the statement of the gentleman from Massachusetts I would ask this: By using the definition set forth in the record, are we not actually being very generous?

Mr. CONTE. We are.

Mr. COHELAN. And is it not also true that there are complicated and expensive weapons systems that are used which are beyond that particular definition that we cite? As a matter of fact, the gentleman will recall that during the hearings in the committee, we were talking about several countries—with low per capita incomes, and with small gross national products which simply cannot bear the cost of such weapons systems. They cannot afford submarines and destroyers. Some of them need coast guards not navies. Instead of gun boats, what they ought to be doing is building patrol boats and cutting down on their customs losses, and thus gain needed revenue to help build their countries. You will also recall that we discovered some of these countries, who were buying obsolete weapons systems from other countries, and yet we were supplying military assistance program operating and maintenance money. I believe that has got to stop.

Does the gentleman not agree?

Mr. CONTE. Certainly I would agree.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman.

Mr. LONG of Maryland. Is it not true that what we mean here by a sophisticated weapons system is a system that is sophisticated with relation to the military problems facing a country? Is it not true also that the type of military problem or challenge that confronts such countries as are in Latin America and Africa are problems calling for very simple weapons such as carbines, hand grenades, and possibly helicopters, at the highest level of sophistication?

Mr. CONTE. I agree with the gentleman from Maryland, but I think we have an excellent explanation, which I will buy, from the head of the military assistance program.

Mr. LONG of Maryland. Is it not true that we are not too concerned whether we will be able to hit the exact definition on the head in every case and that we are trying to deal with a very large problem, namely, the diversion of large quantities of economic resources to a type of prestige weapon that not only diverts their resources but that has nothing to do with the military needs of those countries?

Mr. CONTE. That is true.

Mr. HALL. I have heard the gentleman refer repeatedly to a $2.1 billion budget. As I see it, it is $2.775 billion for the foreign assistance budget for this year. What is the correct figure on the total foreign aid bill that we are going to vote on today?

Mr. CONTE. I am speaking on the military assistance and the economic assistance program which adds up to $2,196,555,000.

Mr. HALL. What is the figure? On the first page of the report, the figures add up to $2,775,011,000 which is recommended in the bill for the 1968 foreign assistance bill.

Mr. CONTE. The Export-Import Bank is included in that figure.

Mr. HALL. No, I am sorry, that is not in this figure. If you just add up the first two titles—title I, foreign assistance and title II, foreign assistance (other), it adds up to $2,775,011,000.

I did not mean to belabor the gentleman from Massachusetts but I do think that we should have it established whether it amounts to $2.75 billion or $2.1 billion.

Mr. CONTE. This figure of $578,456,000, includes the following items: Peace Corps, Ryukyu Islands, Cuban refugees, migration and refugee assistance, investment in Inter-American Development Bank, subscription to the International Development Association, et cetera.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SHRIVER. Mr. Chairman, I yield 5 minutes to the gentlewoman from Illinois [Mrs. Reid].

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present. There should be more than 50 Members here to hear a $2,775,000,000 bill.

The CHAIRMAN. The Chair will count.

Sixty-seven Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 392]

Abbitt
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Annunzio
Aspinall
Bell
Berry
Bevill
Blanton
Broomfield
Brown, Ohio
Celler
Clark
Clawson, Del
Corman
Cowger
Dawson
Derwinski
Devine
Diggs
Dorn
Dulski
Edmondson
Edwards, Ala.
Everett
Evins, Tenn.
Fountain
Fulton, Tenn.
Gray
Green, Oreg.
Gubser
Gude
Hanna
Hansen, Idaho
Harrison
Hébert
Heckler, Mass.
Henderson
Herlong
Holifield
Holland
Horton
Hull
Jones, N.C.
Kirwan
Laird
Landrum
McClory
McDade
MacGregor
Martin
Mathias, Md.
Mosher
Murphy, N.Y.
Purcell
Reid, N.Y.
Resnick
Rhodes, Ariz.
Rosenthal
Satterfield
St. Onge
Schwengel
Sisk
Springer
Stafford
Stephens
Teague, Tex.
Utt
Walker
Watkins
Widnall
Williams, Miss.
Willis
Wilson, Bob
Wright

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. Price of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 13893, and finding itself without a quorum, he had directed the roll to be called, when 352 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The distinguished

gentlewoman from Illinois [Mrs. REID] is recognized for 5 minutes.

Mrs. REID of Illinois. Mr. Chairman, as a new member of the Foreign Operations Subcommittee of the Committee on Appropriations, I would first like to express my appreciation to our subcommittee's very distinguished chairman, Mr. PASSMAN, and our extremely able ranking minority member, Mr. SHRIVER—as well as our chairman, Mr. MAHON, and the ranking minority member of the full committee, Mr. Bow, and others who have served in previous years—for the courtesy and patience extended to those of us who are enjoying the privilege of joining with them for the first time in reviewing this annual appropriation. Let me say that I have been deeply impressed not only by the diligence but also the objectivity with which everyone on the subcommittee has approached the difficult task of evaluating our extensive foreign aid programs and, as you have undoubtedly noted from the voluminous hearings, each subcommittee member has had full opportunity to inquire into every aspect of this operation. I believe that the hearing record contributes immeasurably to a better understanding of the enormity of our aid commitments throughout the world and the problems inherent in such an undertaking.

The bill before us today is, in my judgment, far more realistic in many respects than most foreign aid measures of recent years, and I think the committee's recommendations reflect to a substantial degree the growing public sentiment across the country that foreign assistance as a national policy should be reviewed even more critically this year in the light of our own fiscal problems at home and the obligations of the war in Vietnam. H.R. 13893 represents the lowest appropriation recommendation in the program's 20-year history, but the final decision still rests on the collective judgment of the Members of this body thinking of our national interest in general, and also in interpreting the wishes of our respective constituencies.

Other members of the committee have spoken in detail on the recommendations contained in the report, and I do not wish to repeat what has already been said but, as we approach the final decision on this legislation, I would like to add a few of my own personal feelings regarding the place of our AID program in our list of national priorities—this year in particular.

It has been a most enlightening experience to have the opportunity to study the project data and to hear testimony on the many AID programs we sponsor throughout the world, and I have been astounded at their wide range. In fact, there is virtually no area of human endeavor to which we have not given assistance. What began two decades ago as a "temporary" program of war relief and rehabilitation and military defense has now evolved primarily into a permanent plan for global economic development. It would be wonderful, indeed, if we could eliminate human suffering and want throughout the world. All of us know, however, that no amount of aid we could possibly give could meet the needs of the developing nations today. It is a long and difficult process, and success in the end would only depend upon the degree of self-help aid recipients are willing to extend themselves. Even if we could meet these needs, it would be unconscionable to give priority to others while the need is so great among so many of our own citizens. Certainly events of the past year have dramatically focused attention on humanitarian needs in our own society here at home—needs which the Congress cannot ignore.

I think no American need suffer a guilt complex over our foreign assistance. By the most modest estimates, we have since World War II contributed some $130 billion overseas; and in the period since 1961 alone the United States has contributed 55 percent of all aid given by the major world donors. We often hear it argued by proponents that foreign aid represents just a fraction of 1 percent of our total national income, which for 1967 is running at an annual rate of $641 billion; but we must remember that national income is but a statistic. It is not a fund from which foreign aid may be appropriated. Aid can be financed only from tax revenues paid into the Treasury or dollars borrowed by our Government and can only be meaningfully compared in the context of Federal receipts and deficits and our national debt. In my way of thinking, foreign assistance should be judged not by what others need or what we would like to give, but rather by what we can afford to give.

It is interesting to note that the Library of Congress reports that the total national indebtedness for all the rest of the non-Communist nations of the world combined is only $248 billion. However, the Congress recently found it necessary to raise our own statutory debt ceiling to $358 billion, which when reached will exceed the combined national debts of the rest of the free world by almost 50 percent.

We, of course, do not know how much our Federal deficit will be this year, but we hear alarming predictions that it will range from $25 to $30 billion. We know, nevertheless, that it will be substantial.

Neither can we predict the future cost of the war in Vietnam, although it can be conservatively estimated to be at least $25 billion a year.

Because of our fiscal situation, also, the Congress has been asked to authorize a 10-percent surtax on personal and corporate incomes, and the Ways and Means Committee has cautioned us about extending programs which may be in need of revision.

We cannot overlook the fact, too, that past aid expenditures have visibly failed to promote friendship and goodwill and have not always contributed to world stability. Reports as to American prestige from citizens traveling abroad are less than encouraging. It is quite obvious that we have not made the number of friends we would have liked to have made with our aid.

I did not support the foreign aid authorization bill when it was considered by the House a short time ago because I honestly felt that with the uncertainties of the war in Vietnam and the urgency of our budgetary problems at home, we have an obligation to reassess all of our spending commitments this year. We now have some $6.8 billion still in the economic and military aid pipeline. Funds are thus available in the pipeline to continue programs for at least another year. While this may a bit inconvenient to some aid recipients and involve some rearrangements by our aid administrators, deferral of new funds for this year would seem to me to be the prudent course under the circumstances and would, I believe, meet with popular approval throughout the country. While I recognize that we have an obligation as the leader of the free world to do what we can to promote international stability and world peace, we have at the same time an obligation to protect the fiscal solvency of our own Nation and provide for the needs of its people. We have come to the end of the road in deficit spending. To pursue it further spells disaster. It is time to adjust policy to reality.

The availability of this pipeline money gives us the opportunity to pause in funding new authority at a particularly critical time when we need to put our own fiscal house in order. It also affords an opportunity to reappraise the role of foreign aid as an instrument of foreign policy. While I support the efforts of the committee to reduce foreign aid spending this year, I personally feel we should go even further—and for this reason, I shall not vote for the bill.

Mr. PASSMAN. Mr. Chairman, I yield to the distinguished gentlewoman from Washington whatever time she may consume.

Mrs. HANSEN of Washington. Mr. Chairman, I rise to support this bill. Before I proceed further, I would like to call the attention of the authorizing committee to a question that I think is of deep importance to future development programs in the trust territories. This is the possibility of funding the Micronesian Peace Corps out of the Interior budget rather than Foreign Operations. To me this makes commonsense and good budgetary judgment, and I would appreciate the committee's discussion and consideration.

Activities in Micronesia are extensions of the Interior Department's entire program there in fields of construction, health and education. The United States has a tremendous challenge in this area and is beginning to do the job that long ago should have been done.

Train the Peace Corps in the Peace Corps program to keep all their ideals, but I do feel Interior could well pay the bill as they pay other aspects of our Micronesian activities.

After last night's late "barbecue" I do not intend to make a lengthy speech. Naturally I am unhappy that the economic drive throughout our Nation has necessitated the kind of cuts in this bill which have been made this year. I rise today in support of the bill even though it has been cut, and cut heavily. And perhaps these cuts may reflect upon the economic development, the educational level and the health of our fellow human beings in the world. However, as this House is well aware, the Appropriations Committee since January has been involved in severe cutback action. Tremendously important programs in this Nation have been sacrificed because of the drive for economy. Yesterday this House told the poor of America that we could only spend $1.6 billion to educate, train and rehabilitate them so that they might become useful and productive members of our own society.

As long as the U.S. budget has to make a major money expenditure on defense and upon the war in Vietnam, which after all is an arm of foreign aid, it is impossible to keep the kind of commitments we have heretofore done. Also, I want to point out that not too infrequently in the press there are references made to the billion plus dollars spent in flood control, port development and river development programs. They are called "pork barrel." But I may also point out that at times when roads went no place in a foreign country because of a badly planned program or that when roads sank into a jungle a few years after construction because of insufficient provision in the planning and management to provide a built-in maintenance structure this also was pork barrel and all the charm of the English language cannot change it. It is in this particular field that the committee has been extremely active in its inquiries and its discussions with the foreign aid department. The committee has prodded for reform and progress has been made and I am happy to report today here that the AID department states: "The committee has prodded for reform and as a result," before disbursing $7.7 million highway loan to Afghanistan in 1964, the United States required the Afghan Government to create a national highway maintenance department, as it had become obvious that previous AID-sponsored highway projects had been allowed to deteriorate.

This committee is extremely interested and concerned with the development and progress of transportation and ports. These are the key to the economic future of many undeveloped countries. We need more imagination, more planning, more down-to-earth construction knowledge in these. I mentioned last year that I saw in South America tremendous forest reserves which can become an economic stabilizer for many of these nations had they but the means to cut these forests, had they but the know-how and the techniques of modern logging skills. In the U.S. Forest Service a very challenging program is going on, that of balloon logging. Let us share this research with our neighbors. Perhaps the techniques developed here can be translated to those forests of South America. In fact, last summer when I had the privilege of attending the inauguration in Bogotá of President Lleras, I had a long discussion with some of the Economic Development Administration people and as a result forwarded to them the research material that is going on in this very field. Sometimes I have a suspicion that our Washington desks of AID do not always follow up with their foreign missions and I also have a suspicion that bureaucracy can lose imagination quicker and with greater accuracy than any other institution on earth. May I urge, therefore, for the future that AID use our most vital challenging people, that our Washington desks keep in close touch with our foreign AID missions and that they continue to share all the know-how that is constantly being developed here by our own Government. There is a tremendous lag in all departments of the Government, in that the left hand has difficulty in finding what the right hand is doing. Sometimes departments tend to become isolated cubicles of information, which for total collective progress is tragic.

Therefore, may I urge continuing progress in this integration of knowledge developed here and abroad. It is a vital challenge and one I think the world can ill afford to see destroyed or buried under the dullness of bureaucracy. However, I am an optimist and I do believe that our departments are capable of accepting the challenge. There are tremendously exciting and dedicated people. I have met them abroad. I do not always meet them across our committee table. The committee does not always have spokesmen testifying who are thoroughly familiar with mission activities. If they did, our record would look much better. I do not think the scope of a program can always be explained from a printed justification sheet.

You will hear many criticisms of the foreign aid program. I would call your attention to page 3 of our report, where there are listed some of the significant contributions we have made to the well-being of the world, particularly in three areas—education, health, and agriculture.

It is in these three categories that the magnificence of the American spirit, the generosity of America, her love and faith of mankind are manifested. As an American I am proud to say that I have contributed to the provision of water for almost 100 million people; that I have helped furnish 15 million textbooks in countries whose educational level is desperately low; that I have participated in assuring 100 million people that they will not face the scourge of smallpox. I am presenting to this House now several recapitulations on the extent of these programs which I have only cursorily touched.

Like other members of the committee, I would urge the administration of this program be tightened, the project appraisal be more carefully scrutinized, and that we move from gun diplomacy and creation of military appetites to a feeling throughout the world that America is interested in peace through education, economic development, health, and food production, and that basically our overwhelming and deep interest in the support of this program is for the well-being of our fellow man. It is only to this end, I am sure, that members of this committee serve.

At this point I would like to review some of AID's accomplishments in certain areas where our cuts may restrict these excellent activities in 1968.

EDUCATION

As anyone familiar with the problems of development recognizes, education is absolutely vital to the process. Without an adequate educational program, a country cannot develop the sort of leadership which is necessary for modern nations—it has no trained workers to man the factories, and there can be no system even approaching democracy, because of the lack of informed voters.

The problems involved in developing an educated population in the less-developed countries become clear when one takes a look at some frightening statistics: In the developing countries today, there are more than 300 million children of school age who are not in school. Despite AID's and the countries' programs of school construction and teacher training, we simply cannot keep up with the rapid population growth. In India, for example, 40 million persons were taught to read and write in a recent 10-year period. When the drive ended, however, there were 11 million more illiterates than before as a result of population increases. Even in relatively well-developed countries, there are problems with the educational systems. In Chile, about 30 percent of rural children abandon school within the first 2 years and only 16 percent complete the sixth grade.

Statistics of this sort explain why economists consider education to be a key investment sector, why the World Bank lent more than $86 million for educational purposes between 1962 and 1966. AID, in line with its increasing awareness of the importance of education, had planned to increase commitments to its own educational programs to $250 million in fiscal 1968, compared to an estimated $166 million in fiscal 1967.

AID's past contribution to education in the less-developed countries can be measured in several ways. More than 97,000 foreign technicians and professionals have come to this country under its auspices, or its predecessors', since 1949. Colleges and schools established in developing countries with AID assistance have graduated more than 378,000 teachers, who in many countries constitute a third or more of the teaching force. In Ethiopia they account for 70 percent of the nation's teachers, in Pakistan 35 percent, Korea 28 percent, Iran 45 percent. In other countries, like Vietnam, millions of children use textbooks which were written, published, and distributed with AID assistance. American educators, on programs financed by AID, have helped many developing countries modernize and improve their school curricula by relating the subjects taught to special requirements for trained manpower—eliminating the classical course of study which was carried over from the colonial period. A good example of this is Indonesia, where virtually all of the leaders—civilian and military—have received American training, and where U.S. aid was recently resumed.

Below is a table giving an indication of the wide impact of AID's classroom construction program, under which nearly 240,000 schoolrooms have been built since 1961:

TABLE 1

TEXTBOOKS DISTRIBUTED

[In thousands]

Region and country	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate
Worldwide, total	42,059	15,560	14,657
Far East, total	22,893	10,296	6,581
Korea	4		
Laos	806	581	700
Philippines	14,300	4,092	322
Thailand	640	884	2,000
Vietnam	7,143	4,739	3,559
Near East and south Asia, total	8,149	905	1,428
Afghanistan	82	19	45
India	160	174	175
Jordan	4	(1)	3
Nepal	1,398	88	778
Pakistan	267	40	3
Turkey	6,040	217	418
United Arab Republic	198	367	6
Latin America, total	8,975	3,886	5,834
Argentina	5	5	3
Bolivia	1,487	580	652
Brazil	825	276	1,300
Chile		242	
Colombia	28	22	18
Costa Rica	866	474	278
Dominican Republic	800	6	17
Ecuador	3	1	2
El Salvador	1,276	360	724
Guatemala	488	377	723
Guyana			(1)
Latin America—Continued			
Honduras	755	490	670
Mexico		6	10
Nicaragua	587	53	125
Panama	565	169	551
Paraguay	177	200	100
Peru	1,096	607	640
Uruguay	(2)	8	9
Venezuela	17	10	12
Africa, total	2,042	473	814
Algeria	(2)	5	2
Central African Republic	(1)		
Chad	(1)	(1)	
Ethiopia	388	7	(1)
Ghana	6	3	1
Guinea	10	4	2
Kenya	24	13	9
Liberia	453	106	71
Malawi	169	1	3
Mali	1	(1)	(1)
Morocco	16	6	(1)
Nigeria	21	34	17
Senegal	(1)		
Sierra Leone	190		
Somali Republic	(1)	40	20
Sudan	2	(1)	(1)
Tanzania	(1)	1	(1)
Togo	(1)		
Tunisia	721	244	688
Uganda	34	9	
Zambia	7		1

[1] Less than 500.
[2] Not available.

Note: Includes textbooks, adult literacy kits, agricultural bulletins which are used as textbooks in agricultural schools and other similar types of publications. Books are included if (1) printed locally at AID-assisted facilities, (2) printed at U.S. regional printing offices, and (3) books sent as gifts for which AID is paying freight or distribution costs.

CLASSROOMS CONSTRUCTED

Region and country	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate	Cumulative from inception to June 30, 1967	
				Number	Percent classrooms in country
Worldwide, total	182,552	23,315	17,918	239,562	
Far East, total	16,938	10,503	3,637	38,946	
Korea	9,291	6,670		19,884	(1)
Loas	669	405	387	3,319	51
Philippines	45	313	50	408	(2)
Vietnam	6,933	3,115	3,200	15,335	43
Near East and South Asia, total	139,832	4,645	5,076	152,651	
Afghanistan	116	36	127	293	7
India	78,093	650	2,300	[3]81,043	2
Iran	430			2,130	3
Jordan	426	179	143	1,175	12
Nepal	1,781	137	20	2,754	15
Pakistan	58,580	3,524	2,486	64,590	22
Turkey	300	25		374	(2)
United Arab Republic	106	94		292	(2)
Latin America, total	17,356	7,220	7,196	35,115	
Bolivia	1,142	674	1,727	3,950	18
Brazil	965	778	1,098	2,841	(1)
Chile	2,369	2,324	1,427	6,120	29
Colombia	4,523	560	80	5,163	7
Costa Rica	71		8	79	1
Dominican Republic	540	114	674	1,328	17
Ecuador	2,500	440	350	3,290	14
El Salvador	898	731	600	2,229	21
Guatemala	2,137	452	443	3,395	(1)
Guyana			10	10	(1)
Honduras	386	215	13	662	7
Jamaica	45			45	(1)
Mexico	425	576	65	1,491	(2)
Latin America—Continued					
Nicaragua	405	8	200	613	10
Panama	726	272	361	1,359	13
Paraguay	153	31	30	214	4
Peru	61	40	110	2,311	2
Uruguay	10	5		15	(2)
Africa, total	8,426	1,947	2,009	12,850	
Central Africa Republic	2			2	(2)
Chad		15	2	17	(2)
Congo (Kinshasa)	230	31	12	273	(2)
Dahomey	4	4	4	12	(1)
Ethiopia	1,518	38	56	1,612	17
Gabon	93	54	16	163	(1)
Ghana	12	26	30	68	(2)
Guinea	7		35	42	(2)
Ivory Coast			30	30	(1)
Kenya	40	6	56	102	(2)
Liberia	213	80	172	526	16
Malawi		35	100	135	1
Mali	24	22		46	(1)
Morocco	2,977	1,260	921	5,158	24
Niger		2		2	(2)
Nigeria	85	10	40	135	(2)
Senegal		48	24	72	1
Sierra Leone		49	216	265	5
Somali Republic	21	13	20	54	(1)
Sudan	210	36	18	270	(1)
Tanzania	43	159	56	258	2
Togo	11			11	(1)
Tunisia	2,883		197	3,480	18
Uganda	53	59	4	117	(2)

[1] Not available.
[2] Less than 0.5 percent.
[3] Excludes accomplishments prior to fiscal year 1962.

Note: Includes classrooms built or significantly expanded for which AID has made a financial contribution either in dollar loans or grants or in local currencies.

PEOPLE PROTECTED FROM MALARIA[1]

[In thousands. As of June 30, 1966]

Region and country	Currently AID supported	Not currently AID supported	
		Number	Year AID program ended
Worldwide, total	680,782	189,530	
Far East, total	46,789	119,225	
China (Taiwan)	-----	13,000	Fiscal year 1964.
Indonesia	-----	106,225	Fiscal year 1963.
Philippines	8,748	-----	
Thailand	31,000	-----	
Vietnam	7,041	-----	
Near East and South Asia, total	589,058	53,840	
Ceylon	7,519	-----	
India	470,000	-----	
Iran	-----	16,746	Fiscal year 1965.
Iraq	-----	4,609	Fiscal year 1960.
Jordan	1,091	-----	
Nepal	5,348	-----	
Pakistan	105,100	-----	
Turkey	-----	32,485	Fiscal year 1964.
Latin America, total	40,935	16,385	
Bolivia	1,387	-----	
Brazil	25,397	-----	
Colombia	-----	9,293	Do.
Ecuador	2,692	-----	
El Salvador	2,451	-----	
Guatemala	1,944	-----	
Haiti	3,500	-----	
Honduras	1,851	-----	
Jamaica	-----	1,432	Fiscal year 1962.
Nicaragua	1,713	-----	
Paraguay	-----	1,781	Fiscal year 1964.
Peru	-----	3,879	Do.
Africa, total	4,000	80	
Ethiopia	4,000	-----	
Libya	-----	80	Do.

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[1] Represents number of people protected from malaria as of June 30, 1966, in countries where AID supports, or at one time supported, the malaria eradication program. Col. 1 shows the number of people protected in countries where AID was supporting the program during fiscal year 1966 through bilateral agreements, except for Ceylon which received commodity loan support and Bolivia which received local currency support. Col. 2 shows the number of people protected as of June 30, 1966, in countries where the program was supported under agreements which terminated prior to fiscal year 1966. It should be recognized that the current figures reflect progress in the programs after withdrawal of AID support in the year indicated.

PEOPLE VACCINATED

[In thousands]

Region and country	Measles			Smallpox			Cholera		
	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate
Worldwide, total	2,007	2,097	2,659	342,994	106,788	123,187	9,605	4,626	4,748
Far East, total	-----	-----	(*)	16,188	7,824	8,026	9,161	4,050	4,675
Korea	-----	-----	-----	-----	-----	-----	1,400	-----	-----
Laos	-----	-----	-----	20	24	26	161	50	175
Vietnam	-----	-----	(*)	16,168	7,800	8,000	7,600	4,000	4,500
Near East and South Asia, total	-----	-----	-----	325,001	96,000	100,000	304	506	53
India	-----	-----	-----	325,000	96,000	100,000	-----	-----	-----
Iran	-----	-----	-----	-----	-----	-----	-----	504	-----
Nepal	-----	-----	-----	1	-----	-----	(*)	-----	-----
Pakistan	-----	-----	-----	-----	-----	-----	304	2	53
Latin America, total	210	53	27	1,650	816	1,746	140	70	20
Bolivia	2	3	2	1,402	701	900	-----	-----	-----
Chile	69	-----	-----	-----	-----	-----	-----	-----	-----
Colombia	120	50	20	212	100	30	140	70	20
Dominican Republic	-----	-----	-----	-----	-----	800	-----	-----	-----
Guatemala	10	-----	5	24	12	12	-----	-----	-----
Nicaragua	-----	-----	-----	10	3	4	-----	-----	-----
Panama	-----	-----	-----	2	-----	-----	-----	-----	-----
Africa, total	1,806	1,973	2,632	155	2,148	13,415	-----	-----	-----
Central Africa Republic	-----	-----	93	-----	-----	470	-----	-----	-----
Chad	2	272	257	5	500	1,200	-----	-----	-----
Dahomey	137	126	140	-----	300	850	-----	-----	-----
Ethiopia	-----	-----	-----	150	-----	-----	-----	-----	-----
Gabon	-----	-----	55	-----	-----	297	-----	-----	-----
Gambia	-----	-----	71	-----	-----	353	-----	-----	-----
Guinea	120	71	91	-----	50	50	-----	-----	-----
Ivory Coast	250	200	300	-----	-----	1,320	-----	-----	-----
Mali	305	526	350	-----	698	1,500	-----	-----	-----
Mauritania	45	39	55	-----	-----	340	-----	-----	-----
Niger	198	180	260	-----	300	1,500	-----	-----	-----
Senegal	-----	-----	420	-----	-----	2,100	-----	-----	-----
Togo	19	180	198	-----	300	935	-----	-----	-----
Upper Volta	730	450	342	-----	-----	2,500	-----	-----	-----

* Less than 500.

Note: Includes people vaccinated from vaccines supplied directly by AID. Does not include people vaccinated from vaccines produced locally in AID-assisted plants except for India where Public Law 480 funds have made the vaccination campaign possible.

MILES OF ROAD BUILT OR IMPROVED

Region and country	Paved			With gravel, crushed stone, or stabilized soil surface			Earth roads, graded and drained		
	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate
Worldwide, total	6,699	2,545	2,529	14,818	4,059	3,840	13,399	7,972	7,460
Far East, total	1,019	121	151	1,339	588	677	205	251	394
Korea	234	70	48	137	16	32	50	5	7
Laos	17	5	-----	232	282	303	93	96	119
Philippines	6	-----	23	60	1	50	(1)	(1)	-----
Thailand	250	6	10	41	269	242	-----	-----	68
Vietnam	512	40	70	869	20	50	62	150	200

See footnotes at end of table.

MILES OF ROAD BUILT OR IMPROVED—Continued

Region and country	Paved			With gravel, crushed stone, or stabilized soil surface			Earth roads, graded and drained		
	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate	Fiscal year 1962–65	Fiscal year 1966	Fiscal year 1967 estimate
Near East and South Asia, total	1,738	1,367	1,212	4,121	1,560	1,804	9,835	4,930	5,403
Afghanistan	356	146	40	-----	-----	-----	-----	-----	-----
India	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Iran	373	373	311	280	311	373	-----	310	373
Jordan	96	34	50	116	38	25	530	120	30
Nepal	33	-----	-----	52	2	-----	10	-----	-----
Pakistan	880	814	811	3,450	1,138	1,300	9,295	4,500	5,000
Yemen	-----	-----	-----	223	71	106	-----	-----	-----
Latin America, total	2,646	741	1,035	8,877	1,666	1,167	870	347	626
Argentina	454	169	127	238	146	67	-----	-----	-----
Bolivia	35	29	94	105	172	257	194	25	49
Brazil	50	188	202	-----	-----	20	-----	-----	-----
Chile	778	138	70	1,179	60	-----	-----	-----	-----
Colombia	-----	-----	-----	172	75	65	-----	-----	-----
Costa Rica	125	69	73	99	69	78	-----	-----	-----
Dominican Republic	275	24	295	314	22	414	27	15	325
Ecuador	183	9	23	342	25	30	263	53	50
Guatemala	30	20	29	145	30	29	-----	-----	10
Guyana	-----	30	30	-----	-----	-----	-----	-----	-----
Honduras	68	-----	-----	161	-----	150	-----	78	-----
Mexico	270	-----	-----	5,800	973	-----	-----	-----	-----
Nicaragua	65	36	22	23	4	17	-----	-----	-----
Panama	96	-----	30	37	-----	-----	20	(*)	6
Paraguay	127	-----	-----	9	4	6	296	91	106
Peru	88	29	30	187	86	34	70	85	80
Uruguay	2	-----	10	66	-----	-----	-----	-----	-----
Africa, total	1,296	316	131	481	245	192	2,489	2,444	1,037
Central African Republic	-----	-----	-----	-----	75	100	-----	-----	-----
Congo (Kinshasa)	-----	-----	-----	67	-----	-----	-----	-----	-----
Ethiopia	65	9	15	181	34	34	47	21	19
Ghana	-----	-----	-----	-----	-----	-----	-----	-----	50
Liberia	50	-----	-----	26	-----	8	84	30	100
Mali	15	-----	-----	-----	-----	-----	3	-----	-----
Morocco	716	250	(1)	-----	-----	-----	789	250	(1)
Niger	-----	-----	-----	-----	20	-----	-----	-----	-----
Nigeria	-----	-----	-----	-----	-----	-----	350	-----	-----
Sudan	61	57	87	22	-----	-----	141	57	-----
Tanzania	22	-----	2	105	66	-----	665	[2]2,016	798
Tunisia	367	-----	27	80	50	50	410	70	70

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* Less than 500.

[1] Not available.

[2] In cooperation with Peace Corps.

Note: Includes miles of road built or substantially improved during the period, using equipment financed by AID from the start of the program to the given year.

The $250 million program proposed to assist education in fiscal 1968 recognizes that development priorities in Latin America, the Near East and south Asia, east Asia and Africa demand rapid expansion of technical skills. For Africa, where many nations are newly independent, there is a critical need for trained manpower to replace the colonial administrators and technicians who have left the new countries since independence. In Southeast Asia, the education of the rural populace is vital to the achievement of political stability. The need for teacher training, the developing of educational plans, and improved textbooks all over the world cannot be overemphasized.

Wisconsin State University at Stevens Point is under contract to AID to help modernize the education of Vietnam's 22,000 university students by relating courses to the economic and social needs of the country. Survey teams will recommend ways to improve curriculums, strengthen professional and technical skills, and train teachers.

A new multipurpose secondary school is being organized in Laos under an AID contract with the University of Hawaii. Curriculums will be adapted for extension to schools in the Laotian provinces.

California educators are cooperating with Chile's educational planners in an AID-financed program to determine the manpower requirements of Chilean development goals and coordinate its training efforts. Ohio State University has an AID contract to assess the trained manpower needs of Ecuador and Bolivia.

An AID-assisted survey in Nepal will determine how best to increase the supply of teachers for that country's rapidly expanding system of multipurpose secondary schools. In Turkey, training programs for vocational and technical teachers are being reorganized and preservice training programs developed for prospective vocational and technical teachers under a contract with the American Vocational Association.

A consortium of 10 U.S. universities and the Board of Education of Washington County, Md., has been assisting 200 Nigerian educational institutions, including four of the country's five universities, three of its advanced teachers colleges, and 50 colleges training elementary schoolteachers.

The experiences of Nigeria and Colombia, where AID has provided assistance to pioneering efforts in educational television, have convinced AID's educational planners that television can be a valuable medium for bringing education to remote villages and understaffed urban classrooms. In fiscal 1968, several countries are expected to initiate educational television efforts with AID assistance; AID will also participate in efforts to determine the potential of satellites for educational broadcasting.

U.S. assistance has aided the steady expansion of centers of higher education in east Asia and the Near East and south Asia, thus increasing the regional capacity for training technicians and professionals and reducing the necessity for bringing students from those areas to the United States. Among the institutions involved is the Indian Institute of Techology, which has modernized its research and training facilities with the help of an AID-financed consortium of nine American universities. The Indian program includes an exchange of faculty members to permit Indian scientists to complete advanced study in the United States.

AID's scholarship programs continue to finance the U.S. studies of graduate students from countries lacking their own training facilities. The Latin American scholarship program has brought 150 graduate students to the United States; more than 1,300 African graduate students have come here under the African scholarship program of American universities.

In addition to these programs, all of which operate under the direct auspices of AID, the Agency provides assistance to voluntary organizations, which do some of the most imaginative work in the fields of literacy and rural development. To encourage the programs of such voluntary groups, AID makes available at minimum cost a wide variety of excess government equipment such as jeeps, machinery for vocational training schools, printing equipment for texts and pamphlets, and radio and television equipment for educational programs. Food is available under the food-for-freedom program for use as an incentive or partial wages in self-help school construction programs carried out under the leadership of private voluntary agencies. Education is clearly the most urgent area of development today. AID is attempting to provide assistance in every way and through every vehicle possible—but every reduction in funds for the Agency makes necessary a cutback in new programs in fields as vital as education.

HEALTH

Next to education, health programs probably provide the single most important thrust to economic development—they contribute both to making sure that people survive long enough to reach an age at which they become economically productive, and help to increase productivity by significant reduction in illness and the building of stronger bodies during the productive years. Recognizing the importance of good health, AID has established four broad objectives for its health programs—

To help reduce and ultimately solve the problem of malnutrition, especially in mothers and children;

To help establish population control programs, where they are desired by the people of a country and their government;

To assist in the control and eradication of communicable disease; and

To help developing nations find and train their own health workers.

Recognizing the drain placed on a developing country both by a high death rate, and by a high rate of disease, AID planned to devote a total of $202 million to health activities in fiscal 1968, compared to $192 million in fiscal 1967 and $126 million in fiscal 1966, a rise in 2 years of 60 percent. Assistance would have been used in the following areas, all of them important for their contribution to greater productivity and the better life they make possible:

Attacking disease: AID planned to commit $42 million to its worldwide assistance to countries battling communicable diseases. Included would be the continuation of a drive to bring measles under control in 19 West African countries by 1971 and to eliminate smallpox in the same area by 1975. Measles not only kills one afflicted child in five in West Africa, but leaves many of its survivors permanently blind or deaf. Smallpox kills one in four of those stricken.

For fiscal 1968, AID originally proposed to contribute $28 million to programs conducted jointly by the United States, other national governments, the World Health Organization, and UNICEF, to continue the attack on malaria. By the end of 1966, the program had resulted in the eradication of malaria in 34 of the 148 countries with a malaria problem, and had brought protection to about 650 million people. Most of AID support has been given in the Western Hemisphere and in the Philippines, Thailand, India, Pakistan, Nepal, Jordan, and Ethiopia. During fiscal 1967 the program operated in 15 countries; Panama, Costa Rica, and Paraguay are expected to be added to those in fiscal 1968. It is hoped that malaria eradication will be as successful in these countries as has been the program in India, where the disease has been wiped out in areas where 291 million people live and brought under control in areas inhabited by another 149 million since 1960. See the table.

The proposed AID contribution to programs working to contain the spread of cholera—a disease unknown in the United States for decades—in Southeast Asia and the Middle East is $500,000 for fiscal 1968. In addition, about $150,000 will probably be needed to support the Near East and south Asia cholera emergency plan, which was put into effect in fiscal 1966. In the past, the plan has provided low-potency vaccine and other supplies to epidemic areas in Iraq and Syria; it now is giving emergency assistance in Turkey. Next year there will be a need for money to help finance vaccine, diagnostic centers, monitoring equipment, and miscellaneous commodities. See attached table re vaccination programs in measles, smallpox, and cholera.

In Africa, tyrpanosomiasis, sleeping sickness; schistosomiasis, snail fever; and onchocerciasis, river blindness; are three diseases which have a severe effect on the economy, causing death in some instances and in others simply limiting the productivity of those affected by them. AID intends to study the feasibility of elimination programs for each of these diseases, after surveying the areas affected by them.

The two other major health problems faced by AID workers are the development of safe supplies of drinking water—since enteric diseases, resulting from contaminated water and poor sanitation, are a major cause of death in developing countries—and the development of well-trained local health workers and the facilities necessary for them to work effectively. This year, the number of new potable water supply systems going into operation in AID-assisted countries will exceed 1,300, many of them simple installations in towns and villages. More than 6,000 properly designed new wells are adding to this program, which is benefitting a total of 109 million people.

In fiscal 1968, AID expects to make the first grant designed to strengthen the capacity of U.S. institutions for helping solve health manpower problems in the developing world. Meanwhile, programs in effect continue. In a worldwide basis in fiscal year 1966, more than 2,800 health workers were trained in AID-assisted facilities in developing nations. In fiscal 1967, this number was expected to exceed 4,600, a rise of 64 percent. Doctors and nurses trained wholly or in part with AID assistance exceeded 450 and 970, respectively, in fiscal 1967, a slight rise above 1966. In addition, nearly 800 new health centers and subcenters were completed in fiscal 1967; the 11,000 such centers established with AID help since 1962 handle nearly 400,000 visits a year. It is hoped that all these programs which help the less-developed countries to develop health programs and personnel of their own can be continued in fiscal 1968.

THE WAR ON HUNGER

In recent years, it has become apparent that the growth of world population is outstripping the slowly increasing rate of food production. In fact, in 1966, while world population grew by 70 million, food production stood still. This means that there is actually less food per capita in the world today than there was a year ago. In the face of the catastrophe implicit in these trends, a three-point strategy, requiring the cooperation of the developed and developing worlds, has evolved—

The developed world must use its own land and technology to produce food for the developing world's needs until that world can feed itself;

The developed world must simultaneously do all it can to transfer applicable portions of its technology of food production to the developing world, while also affording those that are serious about population control the help they need to achieve it; and

The developing countries must sacrifice, invest, train, legislate and reform on an adequate scale and for as long as necessary in order to master their own agriculture and the size of the population it serves.

It is clear that, in the long run, the third element of the strategy will be the key. But in the meantime, the foreign economic assistance program administered by AID furnishes American skills, commodities, and financing to help developing countries grow more of their own food and implement programs in family planning; while the food for freedom program—under which AID, the Department of Agriculture, and the Department of State work together—uses American food supplies in the effort to battle hunger and malnutrition, stimulate agricultural improvements abroad, and promote economic development and build markets for U.S. farm products.

To emphasize the importance of this entire effort, President Johnson in March 1967 created a central staff office in AID devoted to the war on hunger. Under this central office are coordinated all the elements in the effort to provide more food for the world—food, family planning, nutrition, technical and financial assistance to agriculture. Under this office's policy guidance, AID plans for fiscal 1968 were to commit $746 million to helping developing nations improve food production, $20 million to family planning and $7 million to nutrition and child feeding programs. Each of these is, of course, vital to solution of the food-population problem—family planning is necessary to the achievement of the balance, itself, since it is obvious that increased agricultural production alone cannot do the trick; child feeding programs are necessary to prevent the brain damage which results from insufficient protein in the diet during a child's formative years; and increased food production can, of course, provide part of the solution, at least.

Agriculture: In many countries, it is not feasible to expand the amount of arable acreage to an appreciable extent; therefore, any increase in food production must stem from increased use of fertilizer, the development of new types of seeds, increased irrigation. AID must first discover what will work in any one country, which means that it is necessary to do adaptive research, and then persuade the farmers of a country to test the new methods.

In India—one country where food production is a truly critical problem—application of proper amounts of fertilizer would increase grain production threefold, though the country is now using less than a fourth of what is needed. This is roughly true of all food-deficit nations; the developing nations simply do not have enough fertilizer and cannot afford to buy it. As a group, these countries produce no more than 3 million tons of fertilizer a year; by 1970, they will need five times that amount merely to feed their people at the present inadequate level. However, expectations are that fertilizer production in the developing countries will scarcely exceed 5 million tons by 1970.

For these reasons, AID spent $95 million on fertilizer exports in fiscal 1966, about 25 percent of its total investment in agricultural development. Fertilizer producing capacity has top priority for AID while it actively seeks opportunities to subsidize feasibility studies, assist with joint financing, and insure fertilizer investments against a variety of risks. When tested increased use of fertilizer does produce results almost miraculous in their effect. In El Salvador, for example, where 3,500 farmers were engaged in a mass demonstration project involving the application of fertilizer to their own corn land, per-acre corn production increased fourfold in the first 2 years. The farmers moved from subsistence farming to producing enough to sell on the open market and supplement family income by a total of almost $3 million. Private enterprise has since then sold an additional $800,000 in fertilizer and seed.

In addition to increasing the supply of traditional foodstuffs, AID is supporting research into new foods which can be used to supplement the protein diets of peoples in developing countries:

In India, AID uses U.S.-owned rupees to help support the Central Food Technological Research Institute in Mysore. Among the institute's accomplishments has been formulation of a food supplement, prepared from peanut and roasted chickpea flours, that is easily mixed with Indian diets to provide needed protein.

Research into possible uses of fish protein concentrate is continuing under the guidance of the Bureau of Commercial Fisheries, Department of the Interior. AID will test the tasteless flour in developing countries to see how it can be combined with traditional meals and whether it will be acceptable on a commercial basis. Three AID teams in Brazil have already included the fish flour in general nutrition studies conducted among needy persons, and it is part of a broad study on increasing protein resources carried on by Indian researchers with AID technical advice.

Family planning: Beginning this year, AID will for the first time extend aid to a country—India—for the purchase of contraceptives. That announcement, made by Administrator Gaud a few weeks ago, signifies the Agency's recognition of the essential inseparability of population control and agricultural production, two facets of one problem: the food-people gap. In addition to extending aid for the purchase of contraceptives, AID will provide commodities assistance to India's family planning program. The United States will also join other countries in contributing supplemental support for the International Planned Parenthood Foundation. That contribution of $2.5 million, with an additional $500,000 in support of IPPF in Latin America, brings the total U.S. support of IPPF to $3 million for fiscal 1968. The Planned Parenthood Foundation plays an important role in many countries in its guidance and support of private family planning associations—an especially important function in areas where the governments are unwilling for political reasons to take the lead, or where it is unfeasible for the United States to provide direct assistance.

In addition to India, AID provides family planning assistance to 26 other countries, ranging from a $4 million loan to Turkey to relatively minor assistance in other instances. The assistance is always flexible, providing whatever financial and technical help is necessary in establishing or assisting population programs, and is given only in response to specific requests by the host country, to supplement the country's own efforts in population. Individuals participating in AID-assisted family planning programs must be doing so on a voluntary basis; certainly each assisted country is free to decide its own population policy—AID does not specify, or even try to "sell," any one method of family planning.

Most of AID's programs of assistance to family planning provide relatively small bits of help—but they often provide a crucial boost. As FAO Director Binay Sen said in April 1966:

> Population stabilization and accelerating the rate of increase of food production in the developing countries are like two blades of a pair of scissors. Neither can be effective without the other.

AID is attempting to carry on important work in both these aspects of the war on hunger, and in education and health, the other two priority programs. Let us not restrict the Agency's chances of success.

TRANSPORTATION

Before ending my remarks, I should like to touch briefly again on two other AID programs—highway construction and port development. As Secretary Rusk pointed out in his appearance before the House Subcommittee on Foreign Operations and Related Agencies in May of this year, the development of good transportation systems is a vital part of the process of economic development.

It seems to me that highway building, though not an activity normally emphasized by AID in its annual presentations to Congress, is an important part of its work—for without the roads necessary to get crops to market or to get manufactured goods into the villages to be sold, the increased production of which we hear so much would be meaningless. Roads make it possible for people to travel, and thus mingle with the peoples of other villages—and perhaps together evolve new ideas which will be central to their economic and political development. We should not forget the important role that highway construction has played in the development of our own country, or underrate its importance to the emerging nations of Africa and Latin America, so many of which are in great need of modern transportation systems.

Mr. PASSMAN. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Maryland [Mr. LONG].

Mr. LONG of Maryland. Mr. Chairman, the foreign aid program which our country launched some years ago is not, to me, a necessary evil. It is something which has always made me particularly proud to be an American. Most countries of this world are selfish and look almost exclusively to their own interests and their own problems. It has remained for the United States, perhaps the only great power to do so, to use the wealth and resources with which nature has blessed us, not merely for its own aggrandizement, but to help others less fortunate.

This year, unfortunately, in view of our serious fiscal situation and high budget, domestic requirements and the costly war in Vietnam, it has been necessary that the size of the foreign assistance program be curtailed. The figures that we have presented in this bill represent the minimum amount necessary to fund the foreign assistance programs during the fiscal year, the smallest contribution to international development and security that can safely be made if the United States is to continue its efforts toward a decent world for all mankind. The foreign assistance program cannot sustain more cuts than have already been imposed and continue to operate effectively.

But aside from the substantial cuts which have been made, the novel features which this appropriation bill proposes have to do with the restrictions that this bill would impose on the use of foreign aid funds by poor countries to buy sophisticated weapon systems, such as high-speed jets and others enumerated by my colleague from Massachusetts.

This bill does three things:

First, it forbids the use of economic or military funds directly or indirectly by poor countries to buy such sophisticated weapon systems.

Second, the bill would reduce economic aid to countries which insisted on doing so. That is to say, if they spent any money for such purposes, we would cut their economic aid accordingly.

Third, the bill tries to bring our foreign aid under control, by requiring that no programs can be planned by any country above what has been justified or is prepared to be justified to Congress.

Why does this bill undertake to do these things? It does them to prevent the diversion of resources away from the primary purpose of improving the economic and the social life of poor people in poor countries.

It has been our goal to increase the sum of human happiness and to keep these countries from going under the influence of communism. We naturally want to make sure our resources are going to be used wisely for this purpose, and also to prevent waste of U.S. taxpayers' money. As much as I approve of our whole foreign aid program, I cannot be blind to the fact that a substantial amount—too much—of it has in the past been diverted or perverted to uses which we did not intend.

The amendments which have been included in this bill are devised to make this program much more effective in terms of the purposes we have intended for it.

Why did we have to do this? Why could it not be left to the administration? I think it has been clear the administration has been unwilling to act to prevent the economic and military aid from being diverted away from the purposes we intended. The administration has come in with proposals to sell high-speed jets and other sophisticated weapons systems to poor countries for money or credit that will be diverted away from schools, from roads, and from agricultural programs. These are proposals which I think the American people do not want, do not approve, and never dreamed of when this legislation was being developed.

The administration naturally advances these proposals for only the most righteous reasons. It admits that many of the countries are dominated by military whom it is necessary to appease with expensive weapon toys. It argues that these weapons are useful against the guerrillas.

Actually for this purpose jets are useless. We have found this out in Vietnam.

Since the administration has shown its unwillingness to bring this program under control, we have had to write this legislation to make sure it would. The types of weapons systems the administration has been asking for and allowing countries to buy are not needed. There is no external threat against which they could be used. The guerrillas against which they are supposed to be used are nonexistent in most cases. Only one country desiring jets even claims to have a guerrilla problem. In all Latin America there are only 850 guerrillas—claimed—and we have more military advisers in Latin America—1,000—than there are guerrillas claimed.

I cannot get over two dramatic figures I have seen: To Latin America in the first 5 years of this decade, we gave an average of $1.1 billion a year in economic aid. These countries spent an average of $1.5 billion a year on military defense. In other words, these Latin American countries could have provided their entire economic aid and have had $400 million a year left over if they had been willing to cut down on their military outlays.

So far as I have been able to see—and no one has been able to demonstrate to the contrary—there has been no real military threat in Latin America. I feel these amendments we have written into the bill are sound legislation. Those who question them have to face the fact that we have a right, indeed an obligation, to see that our money is spent wisely. The amendments we have put in are thoroughly in order.

Mr. SHRIVER. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. RIEGLE].

Mr. RIEGLE. Mr. Chairman, I wish to salute my subcommittee chairman, the gentleman from Louisiana. I have found him to be fair, hard working, and sincerely interested in tightening up this program. He does his homework. I am proud to work with him. I am also very proud of the ranking minority member, the outstanding gentleman from Kansas [Mr. SHRIVER], and my able colleagues the gentleman from Massachusetts [Mr. CONTE] and the gentlewoman from Illinois [Mrs. REID], who have been helpful to me as a new member, as well as my colleagues on the other side of the aisle.

Frank Merrill, our committee clerk, has done an outstanding job and has been very helpful to me. He deserves recognition for his fine work.

I wish to make some comments now, on this bill.

It strikes me that there are some important characteristics of this foreign aid program before us today that should be emphasized. These facts have been substantiated time and again in the testimony.

There are no priorities in this foreign aid program. There are no formal program justifications. There is a minimal measurement of results, and little evidence of success.

I have no quarrel with the aims of this program. The world is in trouble. We ought to try to help people who are trying to help themselves. But I am very much concerned about the dismal performance of the foreign aid program to date.

The most important part of this bill covers the money which is going to be spent in Vietnam in support of the "other war."

While the military and nonmilitary aspects of the Vietnam war are equally critical, the longrun success of U.S. objectives in Vietnam depends primarily on the pacification program—or the results achieved in the so-called other war. The success of the pacification program will determine the allied ability to build and sustain viable political, social and economic institutions in South Vietnam and the national resiliency necessary to deter aggression. The major economic wherewithal for the present nation-building efforts in Vietnam is the $550 million in U.S. economic aid budgeted in fiscal year 1968 for the Agency for International Development. These AID funds are designed to help create the native South Vietnamese impulse to carry this nation-building effort forward. It was, therefore, disturbing and disappointing to learn from officials of the AID agency in the hearings before this committee that these U.S. dollars are not being expended as efficiently as they might be nor are they achieving the desired degree of progress.

The most critical admission by the AID agency was the fact that there is a continuing Americanization of the pacification program. Finding the South Vietnamese unwilling to make an equivalent commitment toward their country's internal development, the Agency has resorted to American manpower to do South Vietnamese jobs. At one point, Mr. Poats, now Deputy Director of AID, and the area director of the AID program for Vietnam from 1964 to 1967, frankly admitted:

> We are still increasing the American participation in what are normally the host government responsibilities.

Mr. Poats, at another point, admitted:

> I think it will be necessary to use Americans increasingly in operational jobs as distinguished from advisory jobs.

One can justifiably ask if, as a matter of policy, it is prudent for U.S. nationals to take on the long-term task of propping up another country's underdeveloped economy? I think not. The South Vietnamese must become self-sufficient and the sooner they shoulder this responsibility, the quicker the learning process. There is unutilized national potential in South Vietnam that must be fully mobilized and committed to the war effort. The U.S. AID program in South Vietnam is not designed for altruistic purposes. It is the reconstruction complement to a massive American war effort that today sees nine U.S. divisions, comprising over 500,000 American troops, fighting in South Vietnam. The U.S. AID nation-building program in Vietnam was designed to demonstrate to North Vietnam that the South Vietnamese can do the job—we, therefore, prove very little when we do the job in their behalf except demonstrate the weakness of the South Vietnamese themselves.

URGENT REFORMS NEEDED ON PART OF SOUTH VIETNAMESE GOVERNMENT

Another critical disclosure by the AID officials was the revelation that the South Vietnamese Government often pursues policies contrary to nation building. The normal economic controls that would be associated with a country at war or on a wartime footing have not been implemented in South Vietnam. No meaningful attempt is made to control discretionary spending, raise income tax rates adequately to control profiteering, wipe out the black market operations that go on virtually unimpeded, institute some form of price controls and undertake rationing. Such economic practices create conditions of affluence in the urban areas for the few and deprivation for the many in the rural areas where the struggle for men's minds is most acute and where the impact of the AID program is having a minimum penetration and impact.

It is useful to recall other critically important admissions by Mr. Poats in his committee testimony:

> One of the great problems has been that there has been such a tremendous turnover in the Vietnamese government at all levels.
>
> There have been times when literally only a half dozen Vietnamese officials have been available to deal with the economic problems we have been confronted with, on stabilization, industrial development, and so on, or on other financial policy aspects of the civil programs.
>
> These people sometimes leave on short notice and there is no replacement for a period of a week or months.

> * * * The Government of Vietnam has not been able to mobilize national support in the way of sacrifices by individuals, financial sacrifices, on the order desirable.
>
> * * * * *
>
> The nouveau riche, the fellows profiting from the American military presence, running the bars, cabarets, and so on, are not being taxed adequately. * * *
>
> There was also inadequate Vietnamese Government staff to carry its part of the responsibility.

We must ask ourselves if the United States can continue to pour into South Vietnam the half a billion dollars that will be provided by this appropriation if it is undermined by such irresponsible government policies? I think not. The administration should immediately demand urgent reforms and expect the new South Vietnamese President to follow through and structure a tough, lean economy.

NEED FOR BETTER PROGRAM DEVELOPMENT AND CONTROLS

Until the AID Agency finds a better way to quantify, present, and justify its development program to the committee, there will always be a question of a program's validity. The absence of good quantitative data to support appropriation requests is appalling and seldom does one see a businesslike evaluation for expending funds. South Vietnamese AID programs are repeatedly justified subjectively and there is a virtual complete absence of well-developed plans, goals, justifications and controls. The absence of such management practices have created in South Vietnam a nightmare of management problems. The committee testimony is replete with such management abuses as excess inventories, inferior quality goods, theft and pilferage, and poor commodity controls. As an example, AID agency witnesses admitted that as much as 30 percent of Vietcong caches of antibiotics and drugs were discovered to be AID drugs which had been diverted into enemy hands. Other testimony verified that AID shipped antibiotics to Vietnam at an annual rate 24 times the realistic South Vietnamese requirement for such drugs.

The AID agency must revamp its program development and evaluation techniques and its procedures for monitoring and controlling these programs. Recognizing the difficulties of rebuilding societies that are emerging from colonial rule, I feel that those modern management practices that have proven so effective in the United States in developing sophisticated defense systems and technologies should be considered for their possible application in managing the South Vietnam AID program.

The committee testimony thus shows that the only possible hope in Vietnam is to secure an immediate all-out commitment from the South Vietnamese militarily, politically, and economically. They must knuckle down and clear the decks and undertake urgent reforms needed to build national self-sufficiency. Contrary to current practice, the AID mission cannot expect to succeed by the self-defeating expedient of substituting American effort for South Vietnamese effort.

Urgent reforms are needed in South Vietnam if nation-building there is to succeed. These reforms include: higher taxes, full national mobilization, and strict discipline of national resources including price controls and rationing, tough new efforts to shut down black marketeering, serious new emphasis and direction by the South Vietnamese government in economic and social planning, and finally, major new effort to see to it that more U.S. AID assistance makes its way out to the villages and no longer is diverted to enrich the already prosperous noncombat urban areas of South Vietnam.

Unless these reforms are undertaken, the situation in Vietnam can only worsen. If our $550 million of assistance to Vietnam is not backed up by a serious and meaningful effort by the South Vietnamese, then this is money wasted. And if there is continued failure in the "other war," then our massive military effort there can never succeed.

I have been insisting on these needed reforms for months now, and I will continue to demand an all-out effort from the South Vietnamese. And there is some indication that these efforts may finally be paying off. In an article in yesterday's Washington Post, the new Premier of Vietnam is reported to have issued a call for the implementation of many of these reforms I have been fighting for. I hope Premier Loc will follow through and keep these new promises. I know the subcommittee intends to watch very carefully to see what actual progress will be made. If these reforms are not carried out I will do everything within my power to completely overhaul the AID program to Vietnam next spring.

Mr. Chairman, I insert the news article in the RECORD at this point and yield back the balance of my time.

VIETNAMESE PREMIER OFFERS REFORM PLAN

SAIGON, November 15 (Wednesday)—South Vietnam's newly appointed Premier, Nguyen Van Loc, today spelled out plans for broad changes and social reforms for the nation.

The reforms are necessary, he said, because the war has led to "an erosion of our society, with the psychological result that everyone has become discontent and cynical."

"It seems to many of us that there is little hope for us to get what we need and what we are entitled to, and little chance to hold on to what we have," Loc said.

The 45-year-old Premier appealed to the Communists to end their insurgency in the South and join with the South Vietnamese government to help build "a genuinely free and happy society."

Loc said: "Vietnam is always ready to welcome those citizens from our national community who have been misled or forced to follow the Vietcong. We are ready to grant them all the rights of citizens as stipulated and guaranteed in the constitution."

With Loc when he announced the program were most of the members of his recently announced 26-member Cabinet.

Highlights of Loc's program were:

Reorganization of the armed forces and elimination of corruption in the military.

The Revolutionary Development (pacification) program will be given first place among the government's activities. The number of pacification workers will be increased.

Land distribution will be increased; 500,000 expired land leases re-established and ownership certificates issued to 110,500 peasants.

Laws governing freedom of the press and political parties, both with rights guaranteed by the constitution, will be drafted.

The court system will be made independent and efficient.

Expansion and improvement of the national communications networks, as well as housing, electricity and water supply systems.

Raising the literacy level of the people.

Increased aid to refugees, of whom Loc said South Vietnam now has two million, as well as to other underprivileged groups.

Reorganization of the government machinery and elimination of corruption from top to bottom.

Mr. SHRIVER. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. CHAMBERLAIN].

Mr. CHAMBERLAIN. Mr. Chairman, I ask for this time to direct an inquiry to the chairman or the ranking member with respect to the automobiles that are being made available to our mission in Thailand. When we were considering the authorization bill I pointed out that although there seem to be considerable funds made available for Thailand by this legislation, they provide our personnel in Thailand administering this program Mercedes German vehicles, to use in connection with their activities there. I would ask the chairman of this committee, is it not true we are making available a classified amount of many millions of dollars to the Government of Thailand by this legislation?

Mr. PASSMAN. Yes. There is a substantial amount of funds in this bill for Thailand, both military assistance and economic aid. I cannot say to the gentleman what part of the funds going to Thailand will be used to purchase commodities from countries other than the United States.

Mr. CHAMBERLAIN. If I can state this to the chairman, I understand the vehicles made available to our people in Thailand are provided solely by the Thai Government, but the point I want to make is this; if we are giving them tens of millions of dollars by this legislation, then is it asking too much for them to furnish U.S. vehicles rather than ask us to use Mercedes vehicles and other foreign vehicles in the administration of our assistance program in Thailand?

Mr. PASSMAN. If the pattern of the purchases were something done all the time, I would have to agree with the gentleman, but what you refer to could be maybe an exception and not the rule.

I do not have any specifics on it and, therefore, I am not in a position to agree or disagree with the gentleman from Michigan.

Mr. CHAMBERLAIN. I would say to the distinguished gentleman from Louisiana that right now I have just received a report, since the authorizing legislation, to the effect that there are 93 American vehicles in our motor pool in Bangkok and that there are 117 foreign-made vehicles in that motor pool, all provided for us by the Thai Government.

Mr. PASSMAN. Does the gentleman happen to know what model and how many years ago they placed those automobiles into the motor pool?

Mr. CHAMBERLAIN. I do indeed have all that information. As soon as I conclude my remarks, I shall make it available to the distinguished gentleman from Louisiana, and I am grateful to the gentleman for his interest and cooperation.

Mr. PASSMAN. I thank the gentleman very much.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. Mr. Chairman, I yield whatever time he may consume to the distinguished gentleman from Florida [Mr. HALEY].

Mr. HALEY. Mr. Chairman, this is the best bill insofar as money is concerned and insofar as regulations are concerned that we have had brought before this House of Representatives during the past 20 years. However, insofar as I am concerned it is not good enough, because the only bill in my opinion which we could ever bring here for foreign aid, is a bill which carries a figure of zero.

Mr. Chairman, it will come as no surprise to the House that I rise in opposition to this bill. But in all honesty, I am compelled to say that I am less opposed to it than any other foreign aid supply bill which has been presented during my service in this body.

I am not less opposed to it because of softening of my view that the foreign aid program is unconstitutional, is wastefully maladministered, and is futile. That view has not softened, nor do I expect that it will.

But I am less opposed to this bill than to those which preceded it because it provides $1 billion less of the taxpayers' money to be wastefully boondoggled than was provided last year. I am less opposed to it because it recommends the smallest foreign aid appropriation of the past 20 years. I am less opposed to it because it contains provisions which would prohibit the wasteful managers of the foreign aid agency from using these funds to initiate projects which have not been justified before the Congress. I am less opposed to it because it restricts this country's financing of arms sales to all except a handful of specified countries.

I thus wish to commend the diligence of the gentleman from Louisiana [Mr. PASSMAN] and the members of the Appropriations Subcommittee which he heads for their successful efforts in cracking down on foreign aid spending. They have presented to us a measure which might be called a "taxpayer aid" bill. But in praising the subcommittee, I am compelled to say that for my own taste, they have not managed to go far enough. I am less opposed to this bill than any of its predecessors—but I still am opposed to any bill at all.

On the other hand, I am just as aware as any Member of this body that at this late date in the history of our "dollar diplomacy" or "checkbook foreign policy" program, it is not possible, as a realistic and practical matter, to cut off abruptly all appropriations for the foreign aid agency. While it is true that the program could continue for another year, perhaps two, on the basis of funds already in the pipeline, I also am aware that we cannot shut off abruptly all flow of additional money to that pipeline.

But I think that this bill, with its sharp lowering of the foreign aid budget, is a step in the right direction—the direction in which, in not too many years, we ought to be able to phase this program out of existence by gradual annual reduction of appropriations for it. I sincerely believe that this is a necessity, for, if the Nation's economy is to survive we cannot continue to support most of the rest of the world.

Meanwhile, although I know that as a practical matter an appropriation for foreign aid must be made, I must—as a matter of personal conscience and as a duty to represent the views of an overwhelming majority of my constituents—and, I believe, a majority of the American people—vote against this bill, improved though it may be.

Mr. PASSMAN. Mr. Chairman, I yield the remainder of the time on our side of the aisle to the distinguished gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Chairman, the committee report on the foreign assistance appropriation cites some very important figures on the production of the foreign aid program.

Last year this program distributed 15 million textbooks, provided more than 800,000 tons of fertilizer, vacinated more than 100 million people against smallpox, reclaimed more than 600,000 acres of land and irrigated more than 800,000 new acres of land, helped more than 2 million people to obtain agricultural credit loans. This list is, of course, not complete, but it is indicative of the vast reach of this effort, and the importance of its product.

But the real product of the foreign aid program is not numbers, it is not even distributed textbooks or newly irrigated lands, it is the furtherance of the possibility that the people of the countries we help will be able to provide themselves with a better life and enough food so that we may all be able to live together in peace, and not be caught in the struggles of "haves" and "have nots."

Yesterday, President Johnson in signing the foreign aid authorization made this point very well when he said:

> The lesson of history is that a community of independent and prosperous nations is the best long term guarantee of a secure America in a peaceful world. This is the goal of the foreign aid program.

Because I very deeply believe that the world will not see lasting peace while men and children go hungry, while sickness and disease go unchecked and while some of the world's people "have" and the rest of the world's people only have rising expectations, I believe in the foreign assistance program. This program represents what is probably our most significant contribution to world peace, independent government, and improved welfare in the lesser developed countries of the world.

To be successful, this program requires many times the amounts we are considering appropriating today. And it will require greater contributions by the other developed countries of the world as well.

However, as we all know only too well, we are in the midst of a costly and tragic war and are facing a large fiscal deficit. The demands on the Federal resources are legend and the resources limited. We must then allocate our resources where they do the most good. The foreign aid appropriation provides $2.1 billion for title I foreign assistance. Every dollar of this appropriation, in my opinion, is of the highest priority. Any lower amount would effectively destroy the entire effort, and past efforts as well.

I would have hoped that we could present an even larger appropriation, but this does not seem practical this year. But, we must provide at least the minimum—bare bones—amount that the bill now calls for.

In the evolution of this bill, one of the issues which most concerned the members of the committee was the purchase of arms by the lesser developed countries which are the recipients of our assistance.

Several Latin American countries have recently announced their intentions to purchase supersonic jet aircraft. These planes would cost millions of dollars, and these millions would be diverted from the urgent and even desperate task of bringing better economic and social conditions to the people of these countries. It is a most tragic spectacle to see human beings go hungry and diseased while available money is squandered for prestigious military equipment and arms races.

My own feeling about military hardware for certain countries we are assisting goes beyond the restrictions laid down in the committee report and in the bill which I will support. There are weapons systems that can be defined as obsolete which are sophisticated for some of the countries we have been talking about. The term sophisticated weapons must be interpreted in light of the conditions in the recipient country.

These weapons, sophisticated and often otherwise, are contributing to a most dangerous and costly arms race. Not only are these expensive weapons using social development funds, but they are putting most deadly and destructive weapons in the hands of countries which may not be able to avoid the use of them.

It should be a matter of firm American policy to avoid furtherance of this deadly and diverting race.

The United States cannot control the internal affairs of other sovereign states, but we can induce those states which receive our aid to spend their resources and those they receive from us for constructive and worthwhile projects. The arms race is not such a project.

Mr. Chairman, in closing, I must say that I agree with President Johnson when he said:

> I regret to say that the Foreign Assistance Act of 1967 reduces the margin of hope to the danger point.

The appropriation bill before us today may have crossed that threshold.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

ECONOMIC ASSISTANCE

Technical cooperation and development grants: For expenses authorized by section 212, $180,000,000: *Provided*, That no part of this appropriation shall be used to initiate any project or activity (except for family planning activities which shall not exceed $20,000,000) which has not been justified to the Congress.

American schools and hospitals abroad: For expenses authorized by section 214(c), $11,500,000.

American schools and hospitals abroad (special foreign currency program): For assistance authorized by section 214(d), $4,986,000 in foreign currencies which the Treasury Department determines to be excess to the normal requirements of the United States for the following institutions in Israel: $1,000,000 for the Or Hachayim Girls College of Israel; $1,986,000 for a school in Israel sponsored by the Israel Training Institute for Boys; $1,000,000 for the Bayit Lepletot Home; and $1,000,000 for the Jerusalem College for Women.

AMENDMENT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Conte: On page 2, line 18, strike out "$4,986,000 in foreign currencies" and insert in lieu thereof the following: "$5,986,000 in foreign currencies".

On page 2, line 24, immediately after the semicolon insert the following: "$1,000,000 for the Ch'san Sofer Chason Yecheskel Institute."

The CHAIRMAN. The gentleman from Massachusetts is recognized for 5 minutes in support of his amendment.

Mr. CONTE. Mr. Chairman, our bill before the House today makes provision for excess local currency funds to be available for use in four projects in Israel. I was happy to support all of these projects in our subcommittee consideration. My amendment today would provide the equivalent of $1,000,000 in excess local currency funds for a fifth educational project in Israel. The name of the institution in Israel is the Ch'san Sofer Chason Yecheskel Institute. The aim of this institution is to greatly broaden the avenues of modern research in Israel and to thereby make a valued contribution to Israel's cultural progress. I believe this to be a very valuable and worthwhile project and hope that everyone will support my amendment.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the chairman of the committee.

Mr. PASSMAN. Mr. Chairman, when this item was before the subcommittee there were five such school projects. We had the names of four, but on the fifth project we were not given the name of the school. We certainly could not recommend the $1 million, notwithstanding the fact that it is local currency, until we received the name of the school. That was furnished recently. Subsequently, I discussed this with Dr. Morgan—he is in favor of it. I likewise discussed it with Mr. Mahon and Mr. Bow, and each member of the subcommittee, and there was no objection. They indicated I should offer it as a committee amendment.

If the gentleman will yield for one further statement. Under the legislation being considered today, this project could be funded with U.S. dollars, but if this amendment is adopted then it can be funded with excess Israel pounds.

Mr. CONTE. That is right.

Mr. PASSMAN. I thank the gentleman for yielding.

Mr. CONTE. Mr. Chairman, I yield back the balance of my time.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it is hard for me to believe that this Government would use hard American dollars for this purpose without having obtained some kind of a settlement with the Government of Israel for the wanton death of some 35 American servicemen and the wounding of 75 others on the U.S.S. *Liberty* which was attacked last June by Israel's planes and torpedo boats.

Does the gentleman mean to tell me that we are going to embark upon this multimillion-dollar program in Israel before there is a settlement for this loss of life, pain and anguish to the wounded, and damage to the vessel?

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. PASSMAN. I certainly cannot quarrel with the gentleman's thinking. I would not want to be misunderstood—I did not say they would; I said that under this legislation they could—and that it would not be in violation in this part of the bill to provide the million dollars.

Under this legislation, if you permit the school to come in, it is already in the bill. To come in for $1 million they will utilize excess Israel pounds.

I want to be fair to the committee. The gentleman knows that. This could have been placed in the bill had we had the name of this school, but short of the name we refused to put it in the bill.

Mr. GROSS. Is anyone able to say what progress has been made toward reparations to the individual servicemen and their families?

Mr. PASSMAN. I am of the opinion that they are working hard on this. Furthermore, in my candid opinion the AID agency even though they would have the right, they would not allocate the $1 million.

Mr. GROSS. Was this not taken into consideration when you wrote these provisions into the bill?

Mr. PASSMAN. Yes; we took several things into consideration.

There is one country where we authorized $57.5 million of local currency. Let us call names. The authority now—the AID agency have authority to set up a trust account for, I think it is the American University in Cairo, $57.5 million purely out of excess local currency. This is out of local currency.

Mr. GROSS. I am not talking about the use of counterpart funds, where you use them, or where you do not use them.

I am asking you to state if the fact of Israel's unprovoked attack upon the U.S.S. *Liberty* and the killing, wounding, and maiming of more than 100 of our servicemen was taken into consideration when you wrote this provision into the bill.

Mr. PASSMAN. Of course, we tried to take all things into consideration in writing this legislation. None of this legislation is like I would want it to be or the gentleman from Iowa would like to have, but we do the best we can.

Mr. GROSS. I will say to the gentleman that as far as I am concerned not one dollar of U.S. credit or aid of any kind would go to Israel until there is a firm settlement with regard to that attack and full reparations have been made.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. ADAIR. I should like to ask a question either of the gentleman from Massachusetts or the gentleman from Louisiana.

What is the status of our supply of excess Israel currency?

Mr. PASSMAN. At the beginning of this fiscal year excess currency amounted to $48 million—that is the dollar equivalent of the foreign currency.

You have programs in other bills using up under one block $8 million and under another series of projects $12 million. That is already approved. That would leave, according to the information that I have, on June 30 of the current year 1968—there would still be $24 million equivalent unused.

Mr. ADAIR. I thank the gentleman.

Mr. BOLAND. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. BOLAND. Mr. Chairman, I rise in support of the amendment offered by my colleague from Massachusetts [Mr. Conte]. I commend him for offering it. As a member of the Committee on Appropriations, I supported that provision in the bill that is now before the House recommending the appropriation in Israel pounds for grants for four institutions in Israel—Or Hachayim Girl's College, Israel Training Institute for Boys, Bayit Lepletot Home, and the Jerusalem College for Women. The amendment offered by the distinguished gentleman from Massachusetts would add one more educational institution to this list, the Ch'san Sofer Chason Yecheskel Institute. I support his effort. All of the institutions that would benefit from this section of the bill are contributing much to the growth and development of Israel. The costs of these projects are to be paid in Israel pounds. These pounds are counterpart funds that are now held by the United States. The only place these funds can be spent is in Israel itself. It makes sense to use them in the manner contemplated by the provisions of this bill. I urge the support of this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. Conte].

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Surveys of investment opportunities: For expenses authorized by section 232, $1,000,000.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Gross: On page 3, line 1, strike out lines 1 and 2.

Mr. GROSS. Mr. Chairman, evidently this bill will be passed in another late evening session. I do not know whether it is for the purpose of equipping the congressional junketeers, who are about to take off in large numbers, so I am told, with another bag full of money to take overseas. Perhaps action is necessary today so that the junketeers can assure the foreign countries they are visiting that in addition to the $152 billion already spewed all over the world, and in addition to the $16 billion in pipeline funds that are unliquidated, even more money is on the way.

Yes, another $2,700,000,000-plus is going to be squeezed out of the taxpayers, and dumped abroad despite the fact that this Nation has more debt than the rest of the world combined and is confronted with a $30 billion deficit in this fiscal year.

Yes, apparently we must go into another evening session in order to let the congressional skylarkers bear word to the downtrodden in foreign lands, wherever they may be going, that there are more of the American taxpayers' dollars on the way. This amendment would strip out the million dollars that would be used to send businessmen abroad to look around and see if they could find profitable investment.

Am I expected to believe that it was necessary to pay the expenses of someone from Napco Industries to go to India to find a place to dump an obsolete gear factory into the laps of the Indians, with the American taxpayers in the end probably holding the bag? Was it necessary to subsidize Dole, Inc., to the tune of 50 percent to send someone over to find a place for them to make an investment?

Was it necessary to subsidize up to 50 percent a steamship line to send a representative to South America—a steamship line that has been in the banana and coffee business for years. If you think that this provision for a million dollars worth of foolishness ought to stay in the bill—go ahead and vote for it. I insist it is simply another boondoggle and I am opposed to it.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment, but I want to commend the distinguished gentleman from Iowa. He is ever-alert for opportunities to find weaknesses in this program, and there are many. He is certainly a protector of the overburdened American taxpayer.

But this is one amendment that I must oppose, and I wish the gentleman would hear my statement. It may be that he will ask unanimous consent to withdraw the amendment.

May I have the gentleman's attention while I explain my opposition?

The gentleman from Louisiana dislikes this program as much as does the distinguished gentleman from Iowa. So this year we literally took this program apart. We wanted to find out upon what basis they were operating. We were not satisfied with some of the information furnished to us. Therefore, we cut the budget request in half. The budget requested $2 million. Our committee reduced it by $1 million and have provided only $1 million of the request.

I would like to call the gentleman's attention to the language in the committee's report on page 13:

> If after conducting the survey the prospective investor decides to make the investment, he bears all the expenses and retains full rights to the information collected. But if the prospective investor does not make the investment, and if he has complied with the terms of the participation agreement, he is entitled to payment from AID of 50 percent of the cost.

I believe this is an inducement to get private enterprise to go into these underdeveloped countries and try to locate favorable investment situations. If this program is used properly, to my way of thinking, it would eventually lessen the need for dollar appropriations.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. If we have been extravagant in the past, is there any reason why we should now be 50-percent extravagant? Why not save the entire amount to the American taxpayers?

Mr. PASSMAN. This is a $1 million program. I think that our committee did an excellent job in denying half of what was requested. I can assure the gentleman that I and the members of the committee will watch this program very closely. Some individuals and some of these countries actually make an investment of their own capital in these projects if they appear feasible.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from New York.

Mr. FARBSTEIN. Mr. Chairman, in connection with this investment survey program, we are trying to get the large companies of the United States to invest in these various underdeveloped countries. We hope that by getting them to do this, it will be unnecessary for us to make grants and it will be unnecessary to provide foreign aid.

How do we get these people interested in going into these various underdeveloped countries, unless they are large companies like Mobil Oil or other large companies which are able to pay for the cost of the surveys—which many of the large companies do—such as Anaconda Copper and Mobil Oil, and so on.

Mr. PASSMAN. I thank the gentleman for his contribution.

I hope my explanation is satisfactory to the members of the committee.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, I say to the gentleman from New York there is at least one oil company listed in the list of companies which have been paid off under the terms of the past appropriations for this purpose. Some of the corporations of this country have been paid off.

Mr. PASSMAN. I can assure the gentleman from Iowa if he will furnish me the information, we will try to take the other million out next year.

Mr. GROSS. It is in your own hearings.

Mr. PASSMAN. I think we have made as large a reduction as is possible in this program at this time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. Gross].

The question was taken; and on a division (demanded by Mr. Gross) there were—ayes 47, noes 62.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> International organizations and programs: For expenses authorized by section 302(a), $125,000,000: *Provided*, That the President shall seek to assure that no contribution to the United Nations Development Program authorized by the Foreign Assistance Act of 1961, as amended, shall be used for projects for economic or technical assistance to the Government of Cuba, so long as Cuba is governed by the Castro regime: *Provided further*, That no part of this appropriation shall be used to initiate any project, activity, or program which has not been justified to the Congress.

AMENDMENT OFFERED BY MR. JONES OF MISSOURI

Mr. JONES of Missouri. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Jones of Missouri: On page 3, line 5, delete the words "That the President shall seek to assure that"; and further, on line 10, after the word "regime" add a comma and the words "or to any country which has severed diplomatic relations with the United States."

Mr. PASSMAN. Mr. Chairman, I reserve a point of order on this amendment.

Mr. JONES of Missouri. The gentleman reserves what?

The CHAIRMAN. The gentleman from Louisiana reserves a point of order.

Mr. JONES of Missouri. How can the gentleman reserve a point of order?

Mr. PASSMAN. I did not have a copy of the amendment.

Mr. JONES of Missouri. I am sorry I did not give the gentleman a copy of the amendment.

The CHAIRMAN. The gentleman from Louisiana reserves a point of order.

The gentleman from Missouri is recognized for 5 minutes in support of his amendment.

Mr. PASSMAN. Mr. Chairman, I ask unanimous consent that the amendment be re-read. We did not have a copy of it.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There being no objection, the Clerk re-read the amendment as follows:

> Amendment offered by Mr. Jones of Missouri: On page 3, line 5, delete the words "That the President shall seek to assure that"; and further, on line 10, after the word "regime" add a comma and the words "or to any country which has severed diplomatic relations with the United States."

Mr. FRASER. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The gentleman from Minnesota reserves a point of order on the amendment.

The gentleman from Missouri is recognized.

Mr. JONES of Missouri. First, Mr. Chairman, I want to make my position very clear. I am not for any part of this bill. But if we are going to have it, let us have it do what we believe it says.

To start with, this bill is inconsistent with the Foreign Aid Authorization Act which was passed and became law the day before yesterday.

It is inconsistent in the wording in this particular paragraph.

The language is:

> International organizations and programs: For expenses authorized by section 302(a), $125,000,000:—

Then the language is—

> *Provided*, That the President shall seek to assure that no contribution to the United Nations Development Program authorized by the Foreign Assistance Act of 1961, as amended, shall be used for projects—

And so forth. All I would do is say:

> *Provided*, That no contribution to the United Nations Development Program authorized by the Foreign Assistance Act shall be used for projects—

And so forth. Then I would add—instead of dealing with just Cuba alone—the words—

> or to any other country which has severed diplomatic relations with the United States.

That would apply, of course, to the United Arab Republic or to any other nation that has severed diplomatic relations.

The reason why I say this whole bill is inconsistent is because it says that we cannot spend any of this money that is given to these international organizations, for projects in countries that have severed diplomatic relations with the United States.

I spent last week at a meeting of the FAO in Rome. The FAO is the Food and Agriculture Organization of the United Nations. There are 116 contributing nations to the FAO.

The United States contributes 31.91 percent of all the money that is spent by the FAO. There are 38 African Nations, constituting one-third of the membership, and with just a few more members with them they can dictate the policies and how this money is spent under FAO.

In addition to that, we have the United Nations development program, which is mentioned in this particular paragraph I am seeking to amend. There the United States has made a pledge of $70 million to the United Nations development program, and all of the programs that pertain to agriculture, food, forestry and fisheries come out of this fund and are administered by FAO.

Now, this is a little confusing, but the United States has originally pledged $45,353,000, but in addition to that we have announced a total pledge of $70 million provided that it does not exceed 40 percent of the funds.

The older Members here will remember, when we first got into the United Nations we were contributing more than 40 percent. Over the years some of us have finally gotten that down to this 31.91 percent. But we still want to be the "big dog" so far as payments are concerned, while we are permitting all these other nations to come in, and together they dictate how the money is spent.

I should like to remind the Members that although we are contributing 31.91 percent to the FAO there are 47 nations that are contributing not 4 percent, not four-tenths of 1 percent, but four-hundredths of 1 percent. That is 47 of the 116 nations. Sixteen nations contribute more than 1 percent each.

As I have said on many occasions whenever the United States contributes as much as 40 percent—and sometimes we put up 70 to 90 percent—we could accomplish more for our friends and have more friends if we would operate such programs unilaterally.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HALEY. Mr. Chairman, I ask unanimous consent that the gentleman be allowed to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

Mr. FRASER. Mr. Chairman, reserving the right to object——

Mr. JONES of Missouri. Mr. Chairman, I am going to ask for 5 minutes. If I cannot get 5, there is no use in getting 2.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. THOMPSON of New Jersey. Mr. Chairman, I object.

Mr. JONES of Missouri. That is what I was waiting for. I can assure you nobody else will have any more time under this bill.

Mr. FRASER. Mr. Chairman, I make the point of order that the amendment is not in order.

If I may speak on it briefly?

The CHAIRMAN. The gentleman may be heard on his point of order.

Mr. FRASER. Mr. Chairman, this amendment does not serve just to perfect a legislative provision that might be protected by the rule adopted earlier, but it seeks to expand into a whole new area not contemplated in the present legislative provision and purports to deal with countries with which we have broken diplomatic relations. We would be adding a whole new section since the amendment is not limited to funds appropriated under this Act.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. JONES of Missouri. I certainly do, Mr. Chairman.

I am surprised that anybody would try to say this was not germane to this bill or that a point of order could be raised to it because under your basic law here it tells about how these things shall be limited. If you are going to limit these payments, you do not want to say that "the President shall seek to assure." You want to make it a positive thing and say that no contribution to the U.N. development program authorized by the Foreign Assistance Act of 1961 shall be used for projects for economic or technical assistance to the government of Cuba so long as Cuba is governed by the Castro regime, or to any other country that has severed diplomatic relations.

In other words, you have one restriction there restricting it to only one country, whereas there are other countries in the same category where we do not have diplomatic relations. If it is germane to have Cuba in here, it is certainly germane to have other countries in that we do not have diplomatic relations with.

The CHAIRMAN. The Chair is ready to rule.

The gentleman offered an amendment to line 5 which would strike out the words "that the President shall seek to assure that" and on line 10 strike out the colon and insert a comma after the word "regime" and after the comma add the words "or to any country which has severed diplomatic relations with the United States."

The section of the bill to which the amendment is offered is legislation which has been permitted to remain by waiver of points of order. Such legislative provisions can be perfected by germane amendments.

The Chair is of the opinion that the amendment of the gentleman from Missouri is germane and therefore overrules the point of order.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do this reluctantly. I have argued for many years against turning over large sums of U.S. dollars to international organizations but once we make our contribution to an international organization we have no further control over those dollars or as to how those dollars may be allocated. You have to stretch your imagination pretty far to be able to say that we are making a contribution to Cuba. That is not a matter of fact so far as U.S. dollars are concerned.

Mr. Chairman, when you contribute money to these international funds, money which will be matched by other nations ultimately—some part of the money can go into many countries, because a large number of these countries also contribute to the United Nations.

In our bill we said that the President shall try to assure that no part of our contribution goes to Cuba.

Mr. Chairman, we are hopeful that this bit of encouragement would have the purpose and lead these people to understand that if we continue making a contribution to the Children's Fund this would be most helpful.

Mr. Chairman, I do not like this situation any better than does the gentleman from Missouri [Mr. JONES]. But repeating, if I may, when you turn money over to international organizations, we have no further control over it and have no examination oversight of it.

Mr. Chairman, I trust that the distinguished gentleman from Missouri will not insist upon his amendment but will give this subcommittee an opportunity to develop language which is adequate to deal with the problem.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Was it not the intent of the committee to try to prevent money being used in countries such as Cuba, for instance?

Mr. PASSMAN. Very definitely so.

Mr. JONES of Missouri. All right, now

does not the gentleman think that by putting in language saying that no contribution shall be made to countries of this nature that this will make the language of the bill more specific?

Mr. PASSMAN. We do not make a contribution in this respect, particularly with reference to Communist countries. We make a contribution to the United Nations. We make this contribution along with many other participating nations. However, after it is turned over to the United Nations, it is put into one fund, and there is no way by which we can determine what part is allocated out of the funds contributed by the United States and what part is allocated out of the funds contributed by other countries.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. Yes, I yield to the distinguished gentleman from Texas.

Mr. MAHON. Mr. Chairman, I believe the distinguished gentleman from Kansas [Mr. SHRIVER] suggested this language last year.

Is it not true that the purpose of the language was designed to the effect that the President shall seek to assure that these contributions are not used in this fashion?

In other words, is not the objective of the distinguished gentleman from Missouri [Mr. JONES] the objective of the language in the committee bill?

Mr. PASSMAN. Mr. Chairman, you are absolutely correct. Personally, I would like to state to the distinguished chairman of the Committee on Appropriations that the Subcommittee on Foreign Operations of the Committee on Appropriations has tried to improve this bill. We have gone into lengthy discussions with many Members of the House during the course of our hearings, more so than we have done in any one year in the past.

Mr. Chairman, it is my opinion that we have a tight bill, a bill which is tighter than many Members would like to have. However, we call upon members of the Committee of the Whole House on the State of the Union to continue to have a little faith in their subcommittee, and we shall continue to try to tighten it up.

Mr. Chairman, I hope the Committee will vote down this amendment, and give this subcommittee an opportunity to tighten up the provisions thereof.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Mr. Chairman, my purpose in asking the distinguished gentleman from Louisiana to yield is because I just want to commend the gentleman from Louisiana and the members of his committee for his efforts in trying to extend to us a helping hand in an effort to make it a little more palatable to the Members of the House and to the people generally.

Mr. PASSMAN. Mr. Chairman, I want to thank the distinguished gentleman from Missouri for those remarks and I am sorry to realize that we will lose his services after next year. I hope the gentleman will have a change of mind. If not, I hope the gentleman's constituents will draft him to run for reelection. I congratulate the gentleman and I congratulate the gentleman upon the intent of the language which he has offered and the spirit in which it was offered.

SUBSTITUTE AMENDMENT OFFERED BY MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from Missouri.

The Clerk read as follows:

Amendment offered by Mr. FRELINGHUYSEN as a substitute for the amendment offered by Mr. JONES of Missouri: On page 3 line 4 after the colon strike out "*Provided*" and strike out lines 5 through 12, inclusive.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield briefly to the gentleman from Florida.

Mr. HALEY. May I inquire of the distinguished gentleman from New Jersey, inasmuch as the gentleman is knowledgeable about facts. When we talk about the fact that we would lose certain moneys that we put into the U.N.—could the gentleman enlighten the Members of the House as to what has happened to the $100 million which we loaned to the U.N. some years ago?

Mr. FRELINGHUYSEN. I might say to the gentleman the interest on that loan is being repaid by the U.N. through reduction in the contribution which we do make to the U.N.

Mr. HALEY. Out of our contributions.

Mr. FRELINGHUYSEN. Like the gentleman from Missouri, I would like to lend a helping hand to the Committee on Appropriations. I must say the gentleman from Louisiana sounds like a member of the Committee on Foreign Affairs in explaining the language which is in the bill.

The purpose of my amendment is to strike all the language on lines 5 through 12 on page 3. I do so for a very simple reason: that we already have the identical language, not similar, but identical language in existing law. I refer to section 301(b) of the Foreign Assistance Act of 1961 as amended, two sentences. Let me read them:

> Contributions to the United Nations Development Program for the calendar years succeeding 1961 may not exceed forty per centum of the total amount contributed for such purpose (including assessed and audited local costs) for each year.

Then listen to this:

> The President shall seek to assure that no contribution to the United Nations development program authorized by this Act shall be used for projects for economic or technical assistance to the Government of Cuba, so long as Cuba is governed by the Castro regime.

Mr. Chairman, this language is sheer surplusage. We already have the identical provision which does seek to get the executive branch of our Government to see to it that none of our money is used for these purposes.

I would suggest that the legislative morass into which we could get ourselves could be endless if we should draft such language.

I would like to point out at this time, and I take note of the hour, 6:25 p.m., that I have seven similar amendments which propose simply to strike from appropriation bills legislative items which are already on the books, or in the authorization bill which was signed by the President 2 days ago, or in the basic foreign aid legislation.

Under no circumstances do we need a repetition of similar language in the language which I will seek to strike.

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I will be glad to yield to the gentleman from Missouri.

Mr. JONES of Missouri. In other words, you want to give the help to Cuba?

Mr. FRELINGHUYSEN. Of course I do not want to give help to Cuba. I just read the language.

Mr. JONES of Missouri. That is being taken out of the bill.

Mr. FRELINGHUYSEN. I do not believe the gentleman was listening.

Mr. JONES of Missouri. Yes; I was listening. You say because it is in the foreign aid authorization bill you do not want to repeat it in this appropriation bill.

Mr. FRELINGHUYSEN. How many times do we need to repeat, even for the densest person, what is already on the books? If it is on the books once, I believe that should be enough. I see no value to be gained in putting it on the books twice that we do not want the United Nations development program giving support to the Castro regime—nothing will be gained by adding it in here.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to rise in support of the gentleman from New Jersey. I agree with him.

This identical language is in the present law, and therefore there is no necessity to put it in this bill here. So I go along with the gentleman.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the chairman.

Mr. PASSMAN. The gentleman has included in his amendment this language on line 10: "that no part of this appropriation shall be used to initiate any project, activity, or program which has not been justified to the Congress."

Do you favor giving them this kind of authority to initiate projects which have not been justified to the Congress?

Mr. FRELINGHUYSEN. Well, I could quote the words of the gentleman himself back to him. The gentleman said we have no authority over individual projects advanced by the United Nations development program. I would suggest it would be entirely inappropriate even for language that would suggest that we do have such control.

I deliberately included in my amendment to strike the provisions to which the gentleman refers.

Mr. PASSMAN. This is not justified by

the United Nations Organization, but the State Department does have to justify these funds. We have the right of the examination ourselves before we give them money to initiate these projects or programs.

Mr. FRELINGHUYSEN. Mr. Chairman, my memory may be short, but it seems to me that the gentleman from Louisiana himself said we did have no control over individual projects financed by the United Nations.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the substitute amendment.

Under the substitute amendment, you would strike out, in my considered judgment, the best language that we have in this bill, and it would allow them to initiate new projects prior to justifying those projects to the Congress.

I would have no particular quarrel with the gentleman's amendment had he not included that language which I quote:

> No part of this appropriation shall be used to initiate any project, activity or program which has not been justified to the Congress.

I trust you will vote down the substitute and the amendment.

Mr. BOW. Mr. Chairman, I move to strike out the last word.

If the language that is attempted to be stricken here were exactly the language of the law, I would see no objection to it. But the gentleman from Louisiana pointed out there is a provision in this act that is stricken which is not in existing law and which I think should be in the law.

I should like to inquire of the gentleman from Massachusetts who a few minutes ago said that he supported this amendment if he still supports it knowing that they are taking out that provision which is not in the regular law but is in the bill.

Mr. CONTE. Looking that over, I certainly support the amendment offered by the gentleman from New Jersey down to line 10. But as to the remaining feature, which was the amendment offered by the ranking minority Member in committee, providing further that "No part of this appropriation shall be used to initiate any project, activity, or program which has not been justified to the Congress." I believe that should remain in the bill.

Mr. BOW. The gentleman from New Jersey by his amendment would take that out. I think we are agreed that it should remain in the bill.

Mr. Chairman, I yield back the balance of my time.

Mr. BINGHAM. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am in sympathy with the purpose of the substitute amendment offered by the gentleman from New Jersey, but I rise to speak in opposition to the amendment offered by the gentleman from Missouri.

It seems to me this is a question that goes to the very heart and essence of international programs. These are not operated by the United States. We contribute and other nations contribute. We have been for years.

Many Members of this Congress have been saying we would be better off or the foreign aid program would be better off if we could get more of the wealthy countries like Britain, France, Japan, and West Germany to contribute to this task of international development. This is the mechanism for doing it.

This has been true of technical assistance. These are not handouts. These are free investment opportunity programs and the program itself is administered and operated by a great American, Paul G. Hoffman, whom we all respect.

But we cannot control by a veto power the way in which our contributions can be used. If we were to start this precedent, there are all kinds of other countries that might have the idea as to how they might like to have their funds used.

Israel contributes to these programs—a small amount to be sure—but it does not try to put restrictions on it and say, "No Israeli funds can be used to help the Arab States."

The Arab States contribute something to these funds and they do not say, "None of the funds can be used to help Israel."

For us to try to get into the business of trying to exercise a veto power as to how our contributions to these international programs are to be used would be a great mistake in my opinion.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman.

Mr. COHELAN. I compliment the gentleman from New York on his observation.

I think the gentleman has made it perfectly clear at this time that the effect of that particular clause is precisely what would happen. In our debate over the years we keep saying that other nations should participate. We talk about multilateral aid. Yet, the more we tighten this, the more complicated would be the possibilities of achieving such an end.

So I commend the gentleman for calling this to our attention.

I hope the substitute amendment offered by the gentleman from New Jersey is adopted.

Mr. BINGHAM. I thank the gentleman.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman.

Mr. FRELINGHUYSEN. I think the gentleman emphasizes the importance of striking this provisio—the program that is referred to in this paragraph as the United Nations development program.

If it were necessary to justify the United Nations development program by Congress or to Congress before funds could be made available to it, we obviously would be actually nullifying our obligations for these programs.

Mr. BINGHAM. I would say to the gentleman that in colloquy earlier today I had with the chairman of the subcommittee, I was satisfied that the last sentence referred only to the agency, that one agency would be considered a project, and it would not be necessary to justify thousands of projects within one agency. I am not talking about that aspect.

Mr. COHELAN. Mr. Chairman, will the gentleman yield further?

Mr. BINGHAM. I yield to the gentleman from California.

Mr. COHELAN. As the gentleman has properly observed, what in effect we would be doing would be to make a bilateral program out of what was a unilateral program, which is exactly contrary to what we hope for in keeping these joint projects moving.

Mr. BINGHAM. That is entirely correct, and that has been the spirit of these programs since 1945.

The CHAIRMAN. The time of the gentleman has expired.

The question is on the perfecting amendment offered by the gentleman from Missouri [Mr. JONES].

The amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey.

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> Alliance for Progress, technical cooperation and development grants: For expenses authorized by section 252, $75,000,000.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. GROSS: On page 3, strike all of lines 19 through 21.

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. GROSS. Mr. Chairman, I was somewhat interested in the remarks of the gentleman from New York [Mr. BINGHAM] a moment ago when he spoke of the wealthy nations that we ought to cultivate, and among them he included the British. Well, if I correctly read the morning newspaper today, the British are about to ask us for a billion dollars to again prop up the pound sterling. I do not know how much we have invested in the pound sterling in the last year or so, but they are about to ask a consortium of 10 nations—and you can guess who will put up the bulk of the money out of the consortium—for a billion dollars.

And I believe the gentleman mentioned the French. They have cornered a good deal of our gold, but I do not see them putting out very much around the world.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield briefly to the gentleman from New York.

Mr. BINGHAM. Would the gentleman agree that it is desirable for the French and the British to carry more of the load of the development program around the world?

Mr. GROSS. You try to get them to do it.

Mr. BINGHAM. That is the purpose of this program.

Mr. GROSS. I have heard that story before, too. I have heard it every year for the 19 years I have been in Congress.

Mr. Chairman, my amendment would strike $75 million from this bill which is allegedly for the purpose of technical cooperation and development grants, particularly in Latin America. It seems to me the time has come for the people in Latin America, if they want money from the United States, to borrow it through hard loans just as it would be available to our citizens. Why should we hand out in annual grants of $75 million or any part of it?

I hold in my hand a partial list of the grants and contracts that have been generated through grants. Look them over. It is from the hearing record of this subcommittee. The gentleman from Louisiana [Mr. PASSMAN] during the course of the hearings established the fact that there are 131 nations in this world, and this Government is putting out some kind of handout to 100 of the 131.

Then the gentleman from Louisiana—bless his soul—went on to say this, and it is to be found in the committee hearings:

> I want you to believe me—I am frightened. I think foreign aid is going to destroy America. I think we are being overwhelmed by a bunch of clever politicians, bankers, and intellectuals who are absolutely bleeding this Nation dry, and burning up our resources. The only wealth we have is our natural resources, and you are using them up. To me it is beyond the realm of reason that we permit 100 nations of the world to use up our resources.

I commend the gentleman from Louisiana for that statement. It is splendid. Like the gentleman from Missouri [Mr. JONES], I am only trying to be helpful by offering this amendment to cut $75 million out of this bill. I trust the gentleman will accept the amendment in the interest of—I say again—stopping a combination of foreigners around the world from completely picking the pockets of American taxpayers.

I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, if the gentleman will continue, I am enjoying it.

Mr. GROSS. I was in hopes the gentleman would agree this was a statement he made.

Mr. PASSMAN. That is correct. I made that statement, and I do not wish to retract any part of it.

Mr. GROSS. I am delighted, and I hope the gentleman will accept this amendment to save his taxpayers and mine $75 million.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment. As we mentioned earlier, this bill has been reduced over $1 billion below the budget estimate and approximately $729 million below what was appropriated last year. I do not think we can kill foreign aid in 1 year. It may take only 2 at the rate we are going.

May I call to the attention of the committee that Congress last year appropriated $87,700,000 for this program. This year the Budget requested $110 million. The committee made a reduction of $35 million below the budget and $12,700,000 below the appropriation of last year. So I think we have made good progress toward reducing all these items. I trust the committee will vote down this amendment.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished chairman of the committee.

Mr. MAHON. Mr. Chairman, is it not true that this country over a period of years has made a major effort to promote the Alliance for Progress, and is it not true that in recent months the President and Members of Congress on both sides of the aisle have been to Latin America in order to better stimulate good relations? Yet, in spite of the fact that the President indicated a desire for a much larger program in Latin America for the Alliance for Progress, the committee is recommending a very considerable reduction. In the light of all the circumstances it would seem an additional cut would be most hurtful to America's position in this hemisphere.

Mr. PASSMAN. I certainly agree with the chairman. I certainly hope this amendment will be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GROSS].

The question was taken; and on a division (demanded by Mr. GROSS) there were—ayes 45, noes, 95.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> SEC. 102. Obligations made from funds herein appropriated for engineering and architectural fees and services to any individual or group of engineering and architectural firms on any one project in excess of $25,000 shall be reported to the Committees on Appropriations of the Senate and House of Representatives at least twice annually.

COMMITTEE AMENDMENTS OFFERED BY MR. PASSMAN

Mr. PASSMAN. Mr. Chairman, there are several technical perfecting amendments, which I offer on behalf of the committee.

The Clerk read as follows:

> Committee amendments offered by Mr. PASSMAN: On page 6, line 21, delete the words "Committees on Appropriations of the".
>
> On page 9, line 9, delete the words "Committees on Appropriations of the".
>
> On page 10, lines 12 and 13, delete the words "Foreign Affairs and Appropriations Committees of the"; and on line 14 delete the words "Foreign Relations and Appropriations Committees of".

The committee amendments were agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> SEC. 105. The Congress hereby reiterates its opposition to the seating in the United Nations of the Communist China regime as the representative of China, and it is hereby declared to be the continuing sense of Congress that the Communist regime in China has not demonstrated its willingness to fulfill the obligations contained in the Charter of the United Nations and should not be recognized to represent China in the United Nations. In the event of the seating of representatives of the Chinese Communist regime in the Security Council or General Assembly of the United Nations, the President is requested to inform the Congress, insofar as is compatible with the requirements of national security, of the implications of this action upon the foreign policy of the United States and our foreign relationships, including that created by membership in the United Nations, together with any recommendations which he may have with respect to the matter.

AMENDMENT OFFERED BY MR. DOW

Mr. DOW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DOW: On page 7, line 10, in section 105, strike lines 10 through 17, to but not including the words "In the event of the seating."

Mr. DOW. Mr. Chairman, my amendment relates to the provision in this appropriation bill which indicates the sense of Congress opposing the admission of Communist China to represent China in the United Nations.

First off, I must say that I do not believe this is germane to an appropriation bill, but that is not relevant here in view of the rule.

I should like to say that we are storing up a treasure of trouble for our grandchildren, Mr Chairman, by these vindictive provisions in this bill and similar bills expressing an attitude of irritation and dislike for a great people across the sea. That is irrespective of what their political philosophy may be.

Mr. Chairman, in expressing a view of this kind in the bill we set up antagonisms that will prevent us from dealing with China on the very critical question of nuclear arms. As you know, there is a great series of American bases surrounding China. We have a base in Korea, one in Japan, one in Okinawa, one in Taiwan, one on Guam, and one in the Philippine Islands. We are building one in Vietnam and also one in Thailand. In effect we have said to China, "We can exist with you—we can co-exist with you as long as you allow us to keep a chain around your neck."

Let me say to you gentlemen that China will put up with this just so long as her power is limited and she is ineffectual to deal with it. But let me assure you also that as soon as she is powerful, she will shake off this chain and this constant animosity and these constant pricks of antagonism that we are thrusting at the people of China, and they may result in a great holocaust. I am afraid that it will not be us who suffer from it but our children and our grandchildren.

I am not afraid here and we should not be afraid here to deal with this problem ourselves, and not leave it to our children. We should not be so irresponsible as to leave this serious problem to be settled by our grandsons.

The United Nations is not necessarily a place to meet only your friends. I thought it was the place to meet your enemies instead of fighting them. We don't need a United Nations to sit with our friends like Canada and England. We need it to sit with nations like China.

Mr. Chairman, that is my message. I know that this amendment will not pass, but believe me, Members of this Congress, there should be some voices raised that speak for commonsense, for good judgment, and for kindness in the world in the years before us.

Mr. FRASER. Mr. Chairman, will the gentleman yield?

Mr. DOW. I yield to the gentleman.

Mr. FRASER. Mr. Chairman, I want to say to the gentleman that I admire him in offering this amendment. I agree with what he says, and I predict the same fate for your amendment as you do. However, I believe it is a good thing you brought it before the House. It is a matter we have to face squarely.

Mr. DOW. Mr. Chairman, I yield back the balance of my time.

Mr. PASSMAN. Mr. Chairman, all I wish to say is that I oppose the amendment. I believe I speak for the majority of the members of the committee and ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The amendment was rejected.

Mr. HAYS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I take this time to seek some information from the committee. First I would like to know how much money was appropriated last year for administrative expenses.

Mr. PASSMAN. Fifty-five million eight hundred thousand dollars, which is a reduction of $13,500 in the administrative expenses for AID.

Mr. HAYS. Thirteen thousand five hundred dollars?

Mr. PASSMAN. Thirteen thousand five hundred dollars below last year. In addition, last year we continued available the unobligated funds, if I remember correctly. We have not so provided this year. Therefore, it would place the total cut in the neighborhood of $1,750,000 below last year.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. HAYS. Yes, if the gentleman can add some information.

Mr. CONTE. I would like to ask a question.

Last year, we appropriated $55,813,500 for this purpose.

Mr. HAYS. This year, if I heard correctly, you appropriated $55 million, plus $3 million for administrative and other expenses. So, that represents a total sum of $58 million while you are bragging around here about cutting the program to the extent of approximately three-quarters of a billion dollars, while these agencies will have just as much money with which to administer the program as they did last year?

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Louisiana. I am sure there must be some explanation for it and I would like to hear it.

Mr. PASSMAN. I can assure the gentleman from Ohio that there is a good reason. The administrative expenses for AID, with reference to the budget request——

Mr. HAYS. The gentleman is now referring to the budget request. My question was, how much did you give them last year?

Mr. PASSMAN. All right; we reduced them to $55,800,000.

Mr. HAYS. I still do not have an answer, except that which was given by the gentleman from Massachusetts [Mr. CONTE].

Mr. PASSMAN. We reduced them by $3,525,000, plus an additional $145,000 in State administrative expenses.

Mr. HAYS. Based upon the manner in which the gentleman has been telling us that his committee has reduced this total budget, the fact is that it has been reduced by only 3.3 percent.

It seems to me that it would not take many people to administer such a tremendously small budget. It was my opinion that this point was made, because I really feel that too many bureaus downtown have too many people sitting around not doing enough work, and when you make this kind of cut, it is not too meaningful.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Massachusetts.

Mr. CONTE. I mentioned the figure that we appropriated last year. However, also we appropriated last year the sum of $4,095,000.

The overall cut this year results in the fact that we give to them the sum of $55.8 million, just about what they had last year, and for the Department of State we gave them $3,255,000.

Mr. HAYS. In other words, the only cut you made was in the Department of State and not AID?

Well, it is too late to offer an amendment, but I thought the House of Representatives ought to have this information.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> SEC. 106. It is the sense of Congress that any attempt by foreign nations to create distinctions because of their race or religion among American citizens in the granting of personal or commercial access or any other rights otherwise available to United States citizens generally is repugnant to our principles; and in all negotiations between the United States and any foreign state arising as a result of funds appropriated under this title these principles shall be applied as the President may determine.

AMENDMENT OFFERED BY MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FRELINGHUYSEN: On page 8, line 3, strike out lines 3 through 11, inclusive.

Mr. FRELINGHUYSEN. Mr. Chairman, in order to save time, I would urge that the Members of the Committee simply read the section which I propose to strike. It is a very simple section. In my opinion, it has absolutely no reason to be contained within an appropriation bill. And, therefore, I move to strike it out. The reason I move to strike it out is not because that I object to the language, but because we have better language which has been considered and which has been approved by both the other body and the House of Representatives and which has already been signed into law by the President of the United States. I refer to the Foreign Assistance Act of 1967.

Mr. Chairman, permit me to read the language which covers this point:

> In addition, the Congress declares that it is the policy of the United States to support the principles of increased economic cooperation and trade among countries, freedom of the press, information, and religion, freedom of navigation in international waterways, and recognition of the right of all private persons to travel and pursue their lawful activities without discrimination as to race or religion. The Congress further declares that any distinction made by foreign nations between American citizens because of race, color, or religion in the granting of, or the exercise of, personal or other rights available to American citizens is repugnant to our principles.

Mr. Chairman, I know if we could get the concurrence of the distinguished Committee on Appropriations, there would be less trouble with a simple amendment like this. But, I would hope that this would do no violence as to what they have in mind.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, if I remember history correctly, this language was put in the bill by the other body several years ago and has been carried in this bill since.

I see no objection to the gentleman's amendment, unless other members of the committee would like to object?

Mr. SHRIVER. Mr. Chairman, I see no objection to the amendment which has been offered by the gentleman from New Jersey [Mr. FRELINGHUYSEN] either.

Mr. FRELINGHUYSEN. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. FRELINGHUYSEN].

The amendment was agreed to.

Mr. PASSMAN. Mr. Chairman, I move that the Committee do now rise.

The CHAIRMAN. The question is on the motion offered by the gentleman from Louisiana [Mr. PASSMAN].

The question was taken; and on a division (demanded by Mr. PASSMAN) there were—ayes 82, noes 69.

Mr. HAYS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. PASSMAN and Mr. HAYS.

The Committee again divided; and the tellers reported that there were—ayes 102, noes 84.

So the motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, had come to no resolution thereon.

REQUEST TO MEET AT 11 A.M. TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow morning.

Mr. GROSS, Mr. HALL, and Mr. HAYS objected.

The SPEAKER. Objection is heard.

ORDER OF BUSINESS

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. PASSMAN. Mr. Speaker, may I ask the distinguished majority leader what time we will meet tomorrow to continue debate?

Mr. ALBERT. Of course, the business in order is the business before the House, which is the foreign aid appropriation bill, and the House will meet at the usual hour of 12 o'clock noon.

ANTIGUN FORCES ARE IN THE SADDLE

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, New York City's hastily considered bill outlawing rifles and shotguns in that city unless they are licensed and registered, began generating ill effects even before the bill was signed into law by the mayor. The new law imposes a license fee of $3 for each weapon. However, it has now been estimated that the process of bureaucracy will increase the cost of registration to as much as $25 per weapon, and new legislation is in preparation to authorize this increase. The bill requires all persons owning or buying shotguns to obtain a license from a new firearms control board and to register their weapons. Only persons with gun permits will be allowed to buy ammunition. Previously, the city's Sullivan law has required owners of pistols to obtain a license for them.

This latest invasion of the law-abiding citizen's right to own firearms for his own protection is a forerunner of things to come. The antigun forces are marshaling for a drive in Washington early next year for the passage of national antigun laws. Having obtained approval of bills from subcommittees in each branch of the Congress, they are now closer to a long-dreamed-of goal—that of requiring registration of weapons nationwide or even preventing private ownership of weapons.

Obviously, the New York City bill will not prevent ownership of firearms by criminals. This element can purchase its weapons in the black market or steal them. The law-abiding citizen, who daily is subjected to greater danger as crime rates increase, finds himself more and more defenseless where antigun laws are in effect. There is little doubt but that elements who want to deprive Americans of the right to own weapons are in the saddle and riding hard for complete control of all firearms.

A recent study of the cure-all firearms legislation enacted in April 1965 in Philadelphia shows that the laws have yet to produce any measurable effects on the social ills of crime and violence, but have produced sales slumps in the gun business which have cost the city approximately $1 million in tax revenues.

All New York State citizens face the same restrictions in the near future. The New York Times has reported that Governor Rockefeller will ask the next legislature to enact uniform, statewide registration requirements for possession and sale of all pistols and long guns. He is also going to ask the Federal Government to strengthen firearms legislation.

LEGAL ETHICS VIOLATED BY DIRECTIVE OF SELECTIVE SERVICE SYSTEM DIRECTOR

Mr. VANIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, it has just come to my attention that Gen. Lewis B. Hershey, Director of the Selective Service System, has instructed all selective service appeal agents to make known to the local board and other State directors any violations of the Military Selective Service Act by any registrant or nonregistrant. In this very rash and arbitrary directive, he has requested every selective service appeal agent who is also an attorney to violate one of the most important canons of legal ethics, the confidentiality of the attorney-client relationship, and become a secret agent for the System.

Under the operation of the law, the appeal agent is appointed to assist the selective service registrant in the preparation of his appeal from the finding of a selective service board. The appeal agent acts as the agent and attorney for the registrant. He is delegated to protect the legal rights of the registrant on a voluntary basis. Selective service boards customarily refer registrants to the appeal agent, instead of recommending that he seek out his own attorney in making his appeal. The appeal agent was established as the "protector" of the rights of the registrant and not as an informer.

Under General Hershey's current directive, the appeal agent must violate every canon of ethical procedure in the legal profession. He must violate confidentiality and report all information he receives from the registrant to the selective service board.

I am directing the attention of the American Bar Association to General Hershey's effort to make a mockery of the legal services provided by the appeal agent. His order makes it impossible for members of the legal profession to continue to provide voluntary service without violating the lawyers' code of ethics. Following is a copy of General Hershey's directive of October 26, 1967, to all selective service appeal agents:

LETTER TO ALL GOVERNMENT APPEAL AGENTS

Violations of the Military Selective Service Act of 1967 and the Selective Service Regulations by registrants and nonregistrants are of utmost concern to all members of the Selective Service System, as well as those of our citizens whose principal thought is the well-being of our country. Section 12 of the Act lists the penalties.

I, therefore, request each Government Appeal Agent to make known to the local board any knowledge of such violations by a registrant. Any knowledge of a violation by a nonregistrant or registrant of a local board not your own should be reported to the State Director.

The preceding requests are made in order that registrants who have failed to comply may be expeditiously processed by their local board as delinquents and that nonregistrants who violate the law may be promptly reported to the Department of Justice for prosecution.

Your opinion as to possible prosecution in each instance will be appreciated.

I would like to express my thanks for your services to the Selective Service System and for the cooperation and attention I know you will so willingly give this matter.

Sincerely yours,

LEWIS B. HERSHEY,
Director.

FEAR OF IRRATIONAL FORCES SAPS INVESTOR CONFIDENCE

Mr. YOUNG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. YOUNG. Mr. Speaker, one of the most experienced journalists in the field of economic news is Harold B. Dorsey, whose syndicated column frequently puts into perspective many of the problems our Nation faces.

In a recent column, Mr. Dorsey asked some very pertinent questions about the effect on the investment community if Congress fails to pass the surcharge the President has requested.

Mr. Dorsey raised an important point when he said:

> It is the developing fear that business and financial markets will be at the mercy of blind irrational forces—rather than under rational policy direction—that has sapped investor confidence in recent weeks.

I believe it is helpful to the Members of Congress to have the views of journalists like Mr. Dorsey before us as we debate the tax question and consider the atmosphere now prevailing in the investment community.

For that reason I insert in the RECORD Mr. Dorsey's column, which appeared in the Washington Post of November 13:

FEAR OF IRRATIONAL FORCES SAPS INVESTOR CONFIDENCE

(By Harold B. Dorsey)

NEW YORK, November 12.—The stock and bond markets have been sliding since early October when the House Ways and Means Committee voted to put aside consideration of the surtax bill. Hope that this legislation will be enacted before the end of the year has almost vanished.

But if the surcharge fails this year, what can be the odds in 1968—an election year?

Will Congress suddenly "get religion?" Or will political warfare for partisan advantage intensify? The latter possibility has begun to look all too likely.

It is the developing fear that business and financial markets will be at the mercy of blind irrational forces—rather than under rational policy direction—that has sapped investor confidence in recent weeks.

Uppermost in the minds of investment mangers is the fear that we may see a repeat of the 1966 experience, when the Federal Reserve abruptly tightened its credit policy to the point of contracting the money supply. The tightening monetary policy was accompanied by a sharp decline in the stock and bond markets from April through early October. Now, some of the more pessimistic financial observers are already talking darkly about the possibility of a "financial panic".

The Treasury will have completed its major "new money" financing operations for 1967 by November 15, when payment is due on its last offering. For the first time since last June, therefore, the Fed will have more elbow room to set its credit policy through the end of the year in terms of what is best for the economy, without worrying about interfering with Treasury financing operations.

In view of the rapid expansion of the money supply over the past year, some observers are assuming that the monetary authorities will cut down on the supply of bank reserves, which in turn would restrict the growth of money supply.

The investment community may, however, have become overly pessimistic with regard to credit policy. It is not likely that the money managers will act so precipitously as they did in 1966. The unhappy results of last year's restrictive monetary actions probably haunt the minds of Federal Reserve officials. Moreover, the bond market is already severely depressed. In its present state of mind, tightening of credit policy might badly demoralize the bond market.

The monetary authorities might also consider the fact that the economy is not booming as of this moment. Reflecting the current lack of driving force in the economy, demand by business for bank loans is relatively sluggish.

Through the remainder of 1967, a combination of strikes in the auto industry (some Detroit observers feel certain that General Motors will be struck) and the high interest rates may continue to check the economy sufficiently so that a real decision on monetary policy may be delayed until next year when the auto industry will presumably be producing full-tilt.

But even with a January 1 tax increase, Treasury Under-Secretary Deming has projected about $5 billion in Treasury borrowing in the first quarter. If the tax increase is delayed or rejected the Treasury would have to borrow at least $7 billion in the first quarter. With such a large amount of Treasury borrowing in either case, the Federal Reserve would again be "even keeling" the money market in the early months of the year. So a move toward restricting the money supply would probably have to be put off until the second quarter.

Meanwhile there remains some hope that a compromise solution in fiscal restraint—perhaps along the lines recently suggested by Senator Dirksen—may ultimately win approval. For the time being, however, the current condition of the stock and bond markets was well described by President Johnson when he recently observed: ". . . They (the markets) do not know today what to expect from the Congress now or in the future so far as taxes are concerned. I think when you have an uncertain future, you have uncertain markets and you have uncertain stock prices."

OKLAHOMA'S 60TH BIRTHDAY

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, on November 16, 1907, Oklahoma was admitted as a State into the Union of the United States of America. It is my native State. I am one of its Congressmen. To me, it is a high honor on this occasion to congratulate Oklahoma on 60 years of great growth and vast progress.

To the people of the Nation and of the world, Oklahoma is better known because of a play, "Green Grows the Lilacs," written by one of its native sons, Lynn Riggs, and afterward converted by skilled songwriters into the musical comedy, "Oklahoma." Possibly also, Oklahoma is better known to the world because of its native son, Will Rogers, that homely philosopher and magnificent humorist whose writings and lectures enthralled and entertained millions including the crowned heads, the kings, and emperors of every continent. Oklahomans also recognize the greatness of their State by such attainments of its native sons. But, in addition, all Oklahomans are proud of their State because of its swift stride of accomplishment in 60 years of statehood. It has traveled a long way from the pioneer life portrayed in the musical, "Oklahoma." With topographical features of great diversity, of treeless plains with golden fields of wheat in the west to great forests in the mountains of the east, with a statewide soil of deep red loam and black bottom's land, it has become one of the Nation's great agricultural centers. With this tremendous wealth, it combines a vast amount of oil, gas, lumber, lumber products, and coal in billions of tons.

With the onward march of the Nation, the great State of Oklahoma has also marched, step by step with the Republic, to greater heights of prosperity. From the blue waters of the Kiamichi and Little River to the currents of the Cimarron, from the banks of the Red beyond the vast impounded waters of the Canadian and the Arkansas, the wheels of industry whir and purr, adding industrial growth to increased agricultural expansion and seven hundred millions of annual oil production. And, with a gross production tax on oil, Oklahoma has built 11 great universities and colleges, thus converting a resource of consumption into the permanent asset of an educated and enlightened citizenry whose ancestors come from three different races; ancestors who fought for the South and fought for the North. But now, in Oklahoma, the Yanks and the Rebs, when they fight, fight together, like the immortal 45th Division, the Thunderbirds. Of this division, the historian Angie Debo wrote:

> They stopped briefly in North Africa—fought on the blazing beach of Salerno. They established the Anzio beachhead—they fought north through all of Italy. They made their 4th amphibious landing on the south of France and fought north across that country. They cut the Siegfried line, crossed the Rhine and moved southeast through Germany. They stormed the Nazi shrine of Nuremburg, and rescued 32,000 living skeletons from the horrors of Dachau. In two days they conquered Munich—and came to the end of their trail in the Koenigsplatz—the birthplace of Nazism.

Mr. Speaker, in this heroism the 45th Division had the courageous inspiration of Oklahomans who fought in World War I—like full-blood Choctaw, Joseph Oklahombi, of McCurtain County. Joseph stormed a German outpost containing more than 50 machineguns and a number of trench mortars, held his position for 4 days in the face of incessant barrage, and ended it all by capturing, singlehanded, 171 prisoners. I was always proud that Joseph Oklahombi was, in his lifetime, a constituent and a personal friend of mine.

Mr. Speaker, greater than its material resources, Oklahoma treasures the idealism and deep spiritual qualities of its citizenry, born out of the trials and ordeals of the past, but living now in the sunshine of high accomplishment.

Oklahoma is proud of its Indian brothers, composing about one-third of all the Indians in the United States—a population which contributed to the statuary in the Halls of the Capitol the figures of Sequoyah and Will Rogers—a population which contributed to the Nation Jim Thorpe, a Sac and Fox, the greatest athlete of all time.

Mr. Speaker, in the year 1541, the glittering cavalcade of Coronado explored western plains centuries later a part of Oklahoma. In the same year, the army of DeSoto came to the three forks of the Grand, the Verdigris, and the Arkansas, in eastern Oklahoma. Both were searching for gold, but gold they did not find. If their spirits would come back today, these famous conquistadors would find a vast supply of gold—black gold as it flows in countless barrels of oil from wells that dot the countryside like cornstalks in a field of corn, white gold in thousands of fields of cotton, yellow gold in the golden wheat fields of the West that would feed 10 nations the size of ancient Spain—gold produced annually that in the measurements of wealth would dwarf to insignificance all the precious metal the Spaniards through the years removed from Latin America.

Mr. Speaker, my brief time does not allow the portrayal of the grandeur of Oklahoma. One of the youngest of the States, it has in 60 short years become one of the greatest.

Mr. SMITH of Oklahoma. Mr. Speaker, 60 years ago today, November 16, 1967, Oklahoma became a State. On that day, Oklahoma Territory and Indian Territory were joined and admitted to the Union as the 46th State.

Oklahoma's recorded history began in 1541, when the Spanish explorer Coronado crossed the State on his now famous journey, 79 years before the *Mayflower* landed at Plymouth Rock. He was searching for the legendary cities of gold—never dreaming he was crossing land which held fortunes in oil. Coronado would have appreciated, I think, the fact that Oklahoma's oil was later referred to as "black gold."

When Napoleon Bonaparte sold the land later referred to as the "Louisiana Purchase," to Thomas Jefferson for $15 million, Oklahoma represented $995,714 of the purchase price.

Today, Oklahoma produces more than $700 million annually in crops and livestock. The State yields $725 million per year in fuels, oils, and nonmetallic minerals. In her short history, Oklahoma has produced minerals valued at more than $16.5 billion. Oklahoma has literally grown from teepees to towers.

Oklahoma has a vast untapped industrial potential which is being rapidly discovered by large industry all over the country. She has over 139 miles of water navigational canals from the ports of the gulf coast to the inland ports of Tulsa and Catoosa. Oklahoma has developed and completed 592.1 miles of four-lane interstate highway for commercial and private movement out of a planned 797.5 miles. There is a potential unused labor force of over 33,000 workers in Oklahoma, a total of 3.4 percent of the actual working labor force.

Oklahoma has been equally blessed with more than 69,000 square miles of manmade lake resources which are now being used for recreational and industrial purposes.

Aside from its brilliant history of progress, Oklahoma has produced such beloved world citizens as Will Rogers who said:

> I never met a man I didn't like.

And it inspired the Rogers and Hammerstein musical, "Oklahoma!" probably the first such show whose name ends in an exclamation point.

I know that my distinguished colleagues will join me in wishing Oklahoma a happy 60th birthday.

GENERAL LEAVE TO EXTEND

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members who desire to do so may extend their remarks on the subject of this anniversary.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

INSPECTION OF MEAT

Mr. SMITH of Iowa. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. SMITH of Iowa. Mr. Speaker, after the meat inspection bill left the House, the Senate promptly scheduled hearings. During those hearings, and also as a result of some digging out of the facts by Nick Kotz and other newspapermen, it has been firmly established that the Nation's two largest packers have been selling nonfederally inspected meat under their brand name. I assume that other packers have also been doing so, but it has been firmly established that when a person buys a ham or other product under the name of Swift & Co. or Armour & Co., one cannot be sure that it was federally inspected. It has also been established that such meat is being sold and used in some of the large restaurants, hotels, and institutions where a person buys meat in cooked form and it is hardly possible to look for a label on a steak that has been cooked.

Going into nationally advertised chains is no safeguard; buying by brand name is no safeguard; and eating at a fancy restaurant or hotel is no safeguard against securing meat that was not properly inspected.

Another case of uninspected meat being smuggled across State lines also came to light yesterday when they found a Maryland firm selling 13,000 pounds of meat to a Washington market. I submit that there is almost no way to know how much of this uninspected meat is being smuggled across State lines, and since the Federal inspectors have no access to these nonfederally inspected plants, there is no way to know the destination of their product.

Mr. Speaker, I believe the Senate is going to move rather rapidly on this bill and I certainly hope that a much better bill than the House passed will be back before this House before this session of Congress adjourns. The American consumers need this protection now.

I am inserting some newspaper articles in the RECORD that should be of interest to all consumers, as follows:

[From the Des Moines (Iowa) Register, Nov. 16, 1967]

JOHNSON AIDE BACKS STRONG BILL ON MEAT—STATE ROLE ASSAILED BY BETTY FURNESS

(By Nick Kotz)

WASHINGTON, D.C.—Support continued to build Wednesday for a strong meat inspection bill as a Johnson administration spokesman recommended passage of legislation proposed by Senator Walter Mondale (Dem. Minn.)

Betty Furness, special assistant to the President for consumer affairs, told a Senate subcommittee the President supports the Mondale bill because "the American housewife wants immediate and mandatory meat inspection."

MONDALE BILL

The Mondale bill would federalize all meat inspection, but permit states to resume control of intrastate meat packing if states prove they can operate systems identical to the federal one.

In another development, The Register learned that Agriculture Department investigators have criticized conditions they found last July in a non-federally inspected plant operated by Armour & Co., the nation's second-largest meat packer.

On July 31, 1967, a federal inspector reported on conditions at Armour Food Service in Phoenix, Ariz. The plant serves as a wholesale meat jobber, preparing meat for sale to restaurants, hotels, and institutions.

The inspector reported: "This company is a wholesale meat jobber operating under the inspection system of the state of Arizona. The building is old; the coolers are not kept clean. The walls, rails, hooks, doors were not sanitized. The work area is overcrowded with boxes and equipment. Wooden tables are being used to cut up meat products."

John Shell, Armour director of public relations, commented Wednesday that Arizona state inspectors visited the plant on Monday and found it to be in good order.

ARMOUR PLANTS

Armour operates 14 processing plants and seven fabricating plants, such as the one in Phoenix, which are not under federal inspection because they do not sell meat across a state line.

Mondale told the Senate Agriculture subcommittee that the large national firms have not revealed the total number of their intrastate plants. He called on full disclosure by Swift and other companies.

To date, the largest firms have acknowledged they operate 102 non-federally inspected plants. Among companies reporting to the subcommittee, Wilson & Co., the nation's third-largest firm, has said it operates 15 processing plants and 32 fabricating plants which are not under federal inspection.

The George A. Hormel Co. and the Cudahy Co. each listed five processing plants. Swift listed two slaughtering and 10 processing plants but so far has not revealed its other meat operations not under federal inspection.

Developments in the last week indicate that the Mondale bill now has a chance for congressional approval. At the very least, supporters of the strongest possible legislation are confident of approval of a strengthened version of the Montoya bill.

MONTOYA BILL

Senator Joseph Montoya, (Dem., N. M.), proposes offering the states federal aid to bring their inspection up to federal standards, but providing for federal takeover if states don't accomplish the job within three years.

Montoya told Miss Furness he feared no bill would be approved if the Senate passed a strong bill unacceptable to the House.

Miss Furness responded that each bill proposed by the industry in recent weeks has been stronger than the one preceding it.

Representatives Neal Smith (Dem., Ia.), and Thomas Foley (Dem., Wash.), who testified in support of the Mondale bill, also noted that the meat industry has moved from a position of opposing all legislation to one of endorsing the Montoya bill.

Urging "strong and swift action," Miss Furness said:

"I don't want roaches in my meat and I don't suppose you do. I don't want to eat meat processed in a filthy plant covered with flies. And I don't suppose you do. I don't want to think about these things while I am eating. And I am sure you don't."

CRITICIZE STATES

Miss Furness, along with Smith and Foley, strongly criticized the states for failure to act and expressed doubt that they would.

Said Miss Furness: "We have waited 60 years for the states to provide adequate inspection procedures for meat that does not cross state lines. Sixty years of endangered health is simply 60 years too long.

"I see no evidence that the states which still lack meat inspection systems will come forward voluntarily and immediately to establish such procedures now."

Smith charged that "slaughterers and processors who have a financial interest in mislabeling and adulterating meat products have historically and naturally made large contributions and fraternized with state secretaries of agriculture."

"While there are a few exceptions," said Smith, "these state secretaries of agriculture have usually been very poor protectors of consumers."

ANGRY REPLY

The testimony of Miss Furness, Smith and Foley, drew an angry response from a representative of the National Association of State Departments of Agriculture (N.A.S.D.A.).

Phil Campbell, Georgia commissioner of agriculture, said the witnesses had unfairly maligned many state officials who are doing a good job of meat inspection.

Campbell testified in favor of the House-approved bill that would provide federal aid to states willing to come up to federal standards, but would not require states to do anything.

Campbell opposed not only the Mondale bill, but also the Montoya bill, which is now supported by the largest packing companies, which are anxious to end the controversy.

Campbell said N.A.S.D.A. opposes any bill that provides for federal inspection if states fail to act. He said such provisions would encourage state governments and legislatures to let the federal government take over, rather than appropriating state funds.

HE AGREES

In effect, Campbell agreed with Smith and Foley that states are not going to do the job if there is the alternate possibility that the federal government would assume the inspection role.

Campbell criticized the federal meat inspection division for not providing cooperation with the states, and accused the Agriculture Department of being interested only in taking over all meat inspection.

Agriculture Secretary Orville Freeman, however, refused in testimony Wednesday to clarify where his department stands on the issue even though Miss Furness clearly stated that her testimony "represents the position of the administration."

Questioned about the conflict between the department and White House positions, Freeman responded with "no comment."

Senator Montoya and Campbell both expressed concern about the administration's shifting and sometimes contradictory positions on the legislation.

STRONG BILL

Informed sources report that the White House favors the strongest bill that can get through Congress, and at the present time the Mondale bill is the strongest.

The Agriculture Department, which fears for its relations with conservative congressional leaders, state officials, and the meat industry, has been criticized by virtually all groups as the department has sought to walk a tight rope on the legislation.

Ruth Desmond, president of the Federation of Homemakers, also testified in support of the Mondale bill.

She expressed concern about non-federally inspected plants adding large amounts of water to processed meat while federal regulations permit a maximum of 10 per cent.

"Any homemaker who has to pay 30 to 50 per cent for the water added to hams is being robbed," she said. "And no doubt the families with the lower incomes are the victims of this type of skullduggery as are those who are mainly righteously indignant at this type of stealing."

[From the Des Moines (Iowa) Register, Nov. 15, 1967]

MEAT FIRMS CRITICIZED BY SENATOR—CHEMICALS ADDED, SAYS MONDALE

(By Nick Kotz)

WASHINGTON, D.C.—Senator Walter Mondale (Dem., Minn.) and consumer advocate Ralph Nader both criticized the actions of national meat packing firms as Senate hearings continued Tuesday on the controversial meat inspection bill.

Nader testified before a Senate Agriculture subcommittee in support of the Mondale bill, which would require federal inspection of all meat, but permits states to regain jurisdiction over intrastate meat if states bring their inspection up to federal standards.

Mondale quoted from an exclusive story in the Tuesday edition of The Des Moines Register which revealed that the nation's largest meat packers—Swift & Co. and Armour & Co.—are selling non-federally-inspected meat through the nation's largest chain groceries, and that some of this meat does not meet federal standards.

Mondale referred to a report by the U.S. Department of Agriculture (USDA) showing that a Safeway store in Rockville, Md., sold fresh pork products that contained ascorbate, a coloring agent that can disguise meat that is no longer fresh. Federal regulations prohibit use of ascorbate in fresh meat.

LOOKS HEALTHY

Discussing this use of ascorbate, Mondale said: "It's kind of a healthy formaldehyde. It makes stale meat look healthy."

Mondale said the disclosures of USDA laboratory analysis of non-federally-inspected meat found in large chain groceries shows that the consumer cannot rely on protection merely by buying nationally advertised products from nationally known stores.

He mentioned Safeway, A.&P., Piggly Wiggly, and other large grocery chains.

Nader and Mondale agreed that the consumer's only protection in a grocery comes from buying products marked with a seal of federal inspection. Both also agreed that the consumer cannot be guaranteed this protection when ordering a meal in a restaurant.

Nader said he therefore strongly favors "preventive action" to eliminate unwholesome meat before it can reach the consumer in any form.

The USDA analysis of food samples included a package of Decker all-meat bologna, manufactured at a non-federally-inspected plant in Texas by Jacob E. Decker & Sons, a company with principal offices in Mason City, Ia.

ARMOUR SUBSIDIARY

The company now is a subsidiary of Armour & Co., the nation's second largest meat packer.

According to the USDA analysis, the bologna contained 20.1 per cent added water and 5.4 per cent non-fat dry milk. If the product had been processed under federal supervision, it could have contained no more than 10 per cent added water and 3.5 per cent non-fat dry milk.

John Shell, public relations director for Armour, said officials of his company were puzzled by the analysis, because Armour follows federal ingredient requirements in both its federally inspected and non-federally-inspected plants.

Shell also could not explain federal criticism of two other Armour products from a non-federally-inspected West Virginia processing plant. The USDA report said the products did not meet federal regulations because the labels did not indicate that non-fat dry milk had been added to the products.

Shell disclosed to The Register that Armour operates 21 non-federally-inspected units as well as 39 units which are under federal regulation. The 21 plants are not under federal regulation because they do not sell their products across a state line.

GIVES BREAKDOWN

He gave the following breakdown of Armour facilities which carry out 100 per cent of slaughter and 95 per cent of processing under federal regulation:

Twenty-two slaughtering plants, all under federal inspection.

Eleven processing plants under federal inspection and 13 processing plants operating without federal inspection. These 13 are located at Bluefield, W. Va.; Garland, Tex.; Providence, R.I.; Waterbury, Conn.; Charleston, W. Va.; Jacksonville, Fla.; Roanoke, Va.; Utica, N.Y.; West Palm Beach, Fla.; Johnstown, Pa.; New Orleans, La.; San Antonio, Tex., and Wilkes Barre, Pa.

Six fabricating plants (plants where meat is cut from large units and packaged for retail sales) under federal inspection and seven fabricating plants which are not under federal inspection. The seven are located at Honolulu, Hawaii; Los Angeles, Calif.; San Francisco, Calif.; Phoenix, Ariz.; Saginaw, Mich.; Detroit, Mich.; and Pittsburgh, Pa.

Federal investigators reportedly criticized conditions in Armour's Phoenix fabricating plant during a July, 1967, survey of non-federally-inspected plants. Shell said he would check on this situation and give a company response today.

Swift & Co. revealed under Senate prodding, that it operated two slaughtering plants and 10 processing plants which are not under federal inspection. Swift did not furnish the Senate committee with the number or location of its fabricating plants which would have to be under federal inspection if they sold in interstate commerce.

Both Swift and Armour operate non-federally-inspected plants in such highly competitive states for meat sales as Texas, Florida, Louisiana, Pennsylvania and Michigan. All these states have vast markets and large local concerns which provide competition to the two giant firms.

A Swift spokesman said he would furnish to The Register today information on its non-federally-inspected fabricating units.

NADER CRITICISM

Nader criticized officials of Swift, Armour and other large national firms for refusing to testify before the Senate subcommittee.

Eight large national firms all declined the committee's invitation to testify and said their views on the legislation would be represented by Aled Davies, Vice-president of the American Meat Institute, the trade association which represents them.

Said Nader: "The meat industry's secrecy leaves unanswered many questions pertinent to understanding why enforcement has been so woefully inadequate at the state level and to grasping the dimensions of many problems yet to be publicly scrutinized.

"These matters related to company policies."

Nader said Davies already has told the subcommittee he is not authorized to speak about the policies of the individual companies.

Added Nader: "There must be some interesting reason why a company the size of Swift—with annual sales over $3 billion—does not want to make its views known before Congress on legislation vitally affecting it.

"What are Swift's policies and actual practices in detecting and calling back contaminated meat products from wholesalers and retailers? What is Swift's policy toward permitting citizens access to its plants? What does Swift know about diseased, bruised or dirty meat systematically finding its way into big-city slums—as is the case in Chicago.

"Why does Swift carefully operate plants—which it refused to name until last week under senatorial prodding—that operate only within state borders to escape federal inspection?"

Representatives of the A.F.L.-C.I.O. Amalgamated Meat Cutters and Butchers Workmen of North America and the United Packing House Food and Allied Workers also testified in favor of the Mondale bill.

All opposed a House-adopted bill that would give federal aid to states willing to bring their inspection up to federal standards. All contended that states have not shown by their past records that they would carry out the function.

The union witnesses and Nader said the House-approved bill was improved by an amendment offered by Senator Joseph Montoya (Dem., N.M.) that would allow the federal government to take over after three years if states failed to act. But they said the bill also has weaknesses and does not guarantee a completely wholesome meat supply, as the Mondale bill would.

[From the Des Moines (Iowa) Register, Nov. 14, 1967]

CITE SALES OF UNINSPECTED BRAND MEATS

(By Nick Kotz)

WASHINGTON, D.C.—It's possible to go into national chain grocery stores and buy nationally branded meat products which do not meet federal meat inspection requirements.

The involvement of the largest chain groceries and national meat packing firms in the sale of non-federally inspected meat was revealed by a new Agriculture Department (USDA) survey.

IN 38 STATES

Last July, USDA investigators bought non-federally inspected meat products from retail stores in 38 states. Of 162 samples tested in USDA laboratories, only 39 met all federal standards as to ingredients and labeling.

The Agriculture Department has not made public the detailed findings from this laboratory study or from a more extensive survey made of 800 samples in 1962.

But a partial examination of the 1967 study reveals that non-federally inspected products, which do not meet federal standards, have been sold by such stores as Safeway, A. & P., Piggly Wiggly, Kroger and First National Stores.

Products not meeting federal standards have been manufactured by the nation's two largest firms, Swift & Co. and Armour & Co., according to USDA officials.

It was reported that the results of these surveys will be brought out at current Senate hearings on the meat inspection bill.

TOUGH LAW

Proponents of a tough law which would either expand federal inspection or bring state inspection up to federal standards have constantly stressed the competitive advantage now given plants operating outside federal regulation.

Fifteen per cent of meat slaughtering and 25 per cent of meat processing is conducted outside the jurisdiction of federal inspection because the packing plants do not sell across state lines.

The USDA earlier revealed the results of investigations made in both 1962 and 1967 of conditions in intra-state plants exempt from federal inspection.

But the laboratory test on products manufactured in these plants are just now coming to light.

UNCLE SANTA AND THE MODEL CITIES PROGRAM

Mr. HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. HALL. Mr. Speaker, if I might paraphrase: "Yes, Virginia, there is a Santa Claus."

Today, the Secretary of Housing and Urban Development, Robert Weaver, unveiled the Great Society Christmas gift list under the so-called model cities program. Sixty-five selected American cities were named by Uncle Santa to get some Federal loot. Another 128 American communities, ranging from the great urban metropolis of Calexico, Calif., on the west coast, to Lackawanna, N.Y., on the east coast, were disappointed, because, though they had submitted their Christmas gift list well in advance of the deadline, Uncle Santa decided they had not said their prayers every night, or perhaps they had said their prayers and displeased Uncle Warren. In any event, they are told to wait till next Christmas or election eve, when perhaps they will work and vote a little harder, and they too can qualify for a Christmas present.

For another 100,000 or so communities in America, there was no Christmas gift at all; but then they failed to send any gift list in to Secretary Weaver at all, a situation which so infuriated Uncle Santa that not a single surprise package was dropped down any of their collective chimneys.

Now it so happens that the citizens of Kukamonga are having some grave doubts about Uncle Santa's model city gifts. For one thing, they say the gifts were not made in Uncle Santa's workshop on Pennsylvania Avenue anyway, but all the ingredients, that is the dollars, were gathered up by Uncle Sheldon Cohen from all the cities in the Nation, including Kukamonga.

They came from the 65 favored cities, the 128 communities which were shunned, and the 100,000 or so that forgot to send any Christmas gift list in at all. Why, they asked, should they be compelled to work hard and send a portion of their earnings to Uncle Santa in Washington, and then have a neighboring community get back the dollars they too sent in, plus the tax dollars of Kukamonga.

Uncle Santa responded by saying that the gift recipients were selected "where the concentration and coordination of federally assisted programs could have the maximum impact in solving urban problems."

All well and good, replied the citizens of Kukamonga, but who were these little elfs in Uncle Santa's workshop, who turned thumbs up, or thumbs down, on all the cities across the land, favoring some with Federal loot but ignoring others?

Uncle Santa became somewhat irritable and said the elf bureaucracy is all-knowing and their decisions should not be challenged; and that they know far better than the citizens of Kukamonga what their needs are and whether their plans comply with Uncle Santa's blueprint for the Great Society.

But, replied the citizens of Kukamonga, we have many problems in our community. We need to expand our water facilities, we have streets that are unpaved, we are required to install a new sewer plant, and we have many other things which we cannot do because we are sending so many of our tax dollars to Uncle Santa's Treasury.

Do not be so ungracious, replied Uncle Santa. If things get bad enough in Kukamonga, you will soon contract the poverty disease, and Uncle "Sarge" has another program going that you can probably qualify for.

"We have something going for everybody," said Uncle Santa, and you just have to keep sending in your Christmas gift lists until it gets to the right elf.

But, said Kukamonga, would it not make a lot more sense if you would just let us keep our tax dollars here, spend them on what our community needs as our own citizens determine it, let New York, and Detroit and St. Louis do the same thing, and then nobody would be mad at anybody else for being left out of Christmas?

At this Uncle Santa blew his top, "What are you," he said, "some kind of nut? Don't you know a Great Society when you see one?"

So today, the citizens of Kukamonga who did not get their model cities Christmas gift are making elaborate plans for next November to elect a new Uncle Santa, somebody who will let everybody buy their own Christmas gifts next year. They do not feel this is "sour grapes."

PRESIDENT JOHNSON SPELLS OUT THE DIFFERENCES BETWEEN CHEAP TALK AND THE HIGH COST OF COURAGE

Mr. FLYNT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. FLYNT. Mr. Speaker, last weekend, at Fort Benning, Ga., President Johnson spoke from the heart about the Nation's gratitude to the 6 million Americans who wear our Nation's uniform.

For these Americans—

The President said—

Vietnam is no academic question. It is not a topic for cocktail parties, office, arguments, or debate from the comfort of some distant sidelines. These Americans—

The President continued—

do not live on the sidelines. Their lives are tied by flesh and blood to Vietnam. Talk does not come cheap for them. The cost of duty is too cruel. The price of patriotism comes too high.

I commend the President for expressing so forcefully these sentiments. I think most Americans would agree that talk does come cheaply where Vietnam is concerned. For thousands of Americans who are daily risking their lives in Vietnam, courage and devotion to duty come very high indeed.

My affection for Fort Benning and the troops who serve there began when my division was stationed at Fort Benning during World War II. This feeling of affection did not cease nor was it diminished when my division departed Fort Benning for the European theater of operations. As a citizen of Georgia and as a Representative in Congress, I am proud of Fort Benning and of the troops who have served there in the past, those who serve there now, and I shall be equally proud of those who will serve there in the future.

I am equally proud of the contributions Fort Benning and its personnel have made and are continuing to make to the security of the United States of America.

Mr. Speaker, I ask unanimous consent to insert in the RECORD the text of the President's remarks to the U.S. troops at Fort Benning, Ga.

REMARKS OF THE PRESIDENT AT DOUGHBOY STADIUM, FORT BENNING, GA.

Secretary McNamara, General Johnson, General Wright, Congressman Brinkley, Congressman Pickle, Ladies and Gentlemen:

This morning I begin a journey and a tribute. I will visit eight military installations over this Veterans Day week end.

I bring to each a gift of this Nation's heart—our pride, our admiration, and our gratitude.

I will offer them in the name of the American people to the bravest of America's sons, daughters, and their families.

I go to honor each of the six million men and women of our Armed Services—and the 26 million veterans of this country and the millions of homes whose gifts they are to us all.

I think it is quite fitting that I begin my journey here at Fort Benning, for you are the beginning of so much that ends in glory for your country and hope for every man.

It is here that so much of our hope for peace really begins. It is here that so many dreams of freedom are refreshed. It is here, in this vast arsenal of war, that soldier and family devote life and honor to ending war.

It is a purpose rare and wonderful in the history of nations. Never has mankind found so much to inspire in the midst of so much to fear. Never have men seen the equal of America's armies—men who march not for conquest, but with compassion—men whose courage and convictions command respect instead of fear.

Here is where it starts, in the history and the instruction of Fort Benning. Few posts can match the brightness of your traditions, or the greatness of your role in Vietnam today.

Here, each week, 1100 men train as combat infantrymen.

Here, each day, 11,000 men, from buck private to career officer, receive special Vietnam training.

Here, each year, 240 classes totaling 55,000 students graduate from the Infantry School. Two-thirds of them go to Vietnam.

Every Army paratrooper takes his basic jump training here at Fort Benning.

Hundreds of small-unit leaders are graduates of your special Ranger courses.

America's first air mobile force trained here, the famous 1st Cavalry Division.

Since your Army Training Center opened in 1965, it has equipped more than 111,000 soldiers to earn the compliment of that great General Westmoreland who said of them, "They are the best trained soldiers in the world." I agree with him. The enemy in Vietnam has learned to agree with him.

Benning is a cradle, a college and a crossroads. But it is more than that.

Benning is a family.

Here and nearby live more than 1200 families of officers and men who fight at this hour in Vietnam. There are 3400 military families on this post, and another 8800 in Columbus and neighboring communities. Another 10,000 families belong to civilians who work here.

For these Americans, Vietnam is no academic question. It is not a topic for cocktail parties, office arguments, or debate from the comfort of some distant sidelines.

These Americans here do not live on the sidelines. Their lives are tied by flesh and blood to Vietnam. Talk does not come cheap for them. The cost of duty is too cruel. The price of patriotism comes too high.

Last night in my office, I read of one of your local families who paid the tragic cost only days ago. Lt. Col. Arthur Stigall, the commander of a First Infantry Division battalion, gave his life in Vietnam. He was a much decorated veteran of three wars. His wife Marguerite, and daughter Susan, live on Scott Street in Columbus.

If I single out this family today, it is to pay them a tribute in which many of their friends and other local families must sadly share. Many of them are here with us. Others are near in the neighboring communities—whole blocks of homes in some communities—where a loved one is gone or a son is given.

Grief walks with gallantry here. The eyes of the widows and the children show it. The eyes of the fathers and the mothers, and the brothers and the sisters, know it.

And yet the people here walk tall and proud. You can feel the warmth of pride that binds them together. They stand together, giving and taking strength, sharing gallantry and grief, closing ranks in common love of country, and in loyalty to their Nation's cause.

It is a humble task to thank you at the best of times. I have come here today to thank you and to bless you, so that you might take away some comfort for the worst of times.

Fort Benning is many things, among them a military shrine and monument. But the very best that can be said of you is this: The Benning Family displays to all the world the very best of the American family.

All our American families share the pride and gratitude that I bring to you. Each of our homes can look into your hearts, through your windows, and find inspiration, stimulation and pride in your unity. That is the rock of your resolve.

You are a community of courage. You are a family of patriots. That must be our Nation's proud claim, too—if we are to win the peace that will declare "No life was spent in vain."

There is a phrase from our history that says it well. "The cement of his Union is the heart blood of every American."

Thomas Jefferson saw it truly. His faith has long been true of us. All that we have as a nation we owe to our unity as a people. All that we work for now—the worth of all of our dreams and sacrifices—hangs on how much unity we bring to the battleground where our beliefs and our future are at test.

At this moment in Vietnam, thousands of young Americans march with Jefferson. Tragically, but selflessly, they spill their "heart's blood" to defend again the vital interests of our Union—and of that wider union of free men who want only to live and to build in peace.

That peace will come more quickly when the enemy of freedom finds no crack in our courage—and no split in our resolve—and no encouragement to prolong his war in the shortness of our patience or the sharpness of our tongues.

The enemy probes our unity now. But it is he who will shatter against it. He will fail because he will hear the answer that America's citizens and citizen soldiers have always given to aggression.

I want to show you an answer.

Here is a soldier's letter that came to me this week from Vietnam. It was written in a foxhole—on the sides of a combat ration box—Ham and Lima Beans—B-2 Unit.

Let me read a part of it to you.

"We are in the infantry. We are now in a foxhole at Binh Son and the water in this foxhole isn't too dry. We are not crying about being out here, so there is no reason for the people in the United States to worry about the war. We're doing the fighting, not them . . . We're going to win this war if it takes our lives to do it."

I believe them. I believe in you.

I wanted to share this letter with you because it comes from the infantryman—the ordinary but the always extraordinary "dogface" who knows that Fort Benning is The Home of the Infantry—and the infantry as the Queen of the Battle.

And so you will always be The Home of the Brave.

I will travel on this week end with that thought to lift my heart. And I will leave with you a pledge.

Your bravery will be rewarded.

As it is here that we find the beginning of peace, it will be here that we will celebrate the end of war.

God grant that we may share in that blessed day soon.

Thank all of you so much.

HOUSE PROCEEDINGS

Mr. RIEGLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RIEGLE. Mr. Speaker, as a member of the Committee that just rose, I am very much disturbed by the fact that we were not able to finish this bill tonight. It is my understanding that the main reason for closing up shop tonight is that there is a party up at the White House that begins shortly, and there are several Members who had to leave in order to get there. I do not know whether this is true or not, but that is certainly the word that is being passed around the Chamber.

If so, I think that is a very disappointing fact. It is inexcusable to shut down the House of Representatives for a reason like that.

Mr. ROONEY of New York. Mr. Speaker, will the distinguished gentleman yield?

Mr. RIEGLE. No, I will not yield.

LEGISLATIVE PROCEEDINGS

Mr. ROONEY of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY of New York. Mr. Speaker, I merely wish to ask my distinguished friend from Michigan the question as to whether he did not think the gentleman from Iowa was better informed on this subject than the gentleman from Michigan.

Mr. RIEGLE. I do not understand the question.

Mr. ROONEY of New York. I will tell you about it tomorrow.

ECONOMIC OPPORTUNITY ACT

Mr. RUPPE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RUPPE. Mr. Speaker, in the very near future our colleagues on the Economic Opportunity Act conference committee will be meeting to hammer out the final version of a program to assist America's poor.

There are two provisions in the bill, as it passed the House of Representatives, which I feel are most unfortunate and which I hope will be corrected by the conference committee.

First, I strongly oppose the so-called Green amendment, which places control of the community action programs with local jurisdictions represented by elected officials. If this provision is not substantially altered, the entire community action program will be dumped into the political thicket. Make no mistake about it, if the Green amendment is not changed substantially, in many areas of the Nation the CAP programs will be used to feather political nests, to dispense patronage, and to reward and punish political friends and enemies. The CAP directors in northern Michigan are dedicated men. Frankly, many of them have had experience in partisan politics. These individuals, and for the most part they are not members of my political party, have told me that the Green amendment would disrupt, and in many instances destroy, the agency programs for aiding the poor.

There is an additional aspect of the Green amendment that must be considered by our colleagues on the conference committee. Community action agencies in the countryside frequently cover several counties involving numerous townships, villages, and burroughs. Frequently, these jurisdictions are involved in local rivalries of one kind or another. CAP directors with whom I have talked feel the coordination job that would be brought about by the Green amendment is almost impossible. I agree, and feel a compromise formula can be devised and is desirable. For example, each CAP board, by law, might well be composed of one-third elected local officials, one-third poor, and one-third representatives of private organizations or simply individuals in their private capacities.

The second House-approved provision to which I strongly object is the necessity for a 10-percent cash contribution to community action agencies by the areas they serve. In many areas our countryside towns and communities lack the tax base and economic resources necessary to donate 10-percent cash. Many of the nonurban areas, where CAP activity is most desperately needed, are unable to even maintain minimal public services without outside help. Community action agencies in northern Michigan, and in rural areas throughout the United States, would close their doors in short order.

We are not going to solve the problems of our urban poor by rejecting the poor of the countryside. It is a necessity that the conference committee provide that the 10-percent cash contribution requirement be waived for communities where this would impose an impossible obstacle to assisting the poor.

If the provisions I have mentioned are not altered before final passage, the war on poverty will be in serious danger of being torn asunder by politics in nonurban and urban areas, and destroyed in the countryside by an impossible financial requirement.

"JUST A RAG"—A THOUGHT FOR ARMISTICE DAY

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Nelsen] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. NELSEN. Mr. Speaker, prize-winning journalist Alan C. McIntosh, editor of the Rock County Star-Herald, Luverne, Minn., has penned many exceptional and memorable editorials. However, his editorial " 'Just A Rag'—A Thought for Armistice Day" which appeared in the Star-Herald on November 9, 1967, may top them all. I intend to nominate Mr. McIntosh's moving and patriotic editorial for a Freedom Foundation Award, and I am highly privileged to insert it in today's Record for the benefit of all Americans.

"Just A Rag"—A Thought for Armistice Day

(By Alan C. McIntosh)

I am the American flag.

Most of the time they call me "Old Glory."

Which is ridiculous. I can't regard myself as outdated and useless . . . as an old antique. I think of myself as ever young. I keep up with the times. As proof look at those two new stars proudly emblazoned on me . . . keeping up with the 48 I have worn so long and so proudly.

Sometimes I dream a bit in the sunlit days of fall and I can hear the rustle of my silken folds keeping harmony with the rustle of the leaves . . . as they fall to the earth . . . and I think of all the places where I have been where American men have fallen down so that I may be safe . . . Valley Forge . . . Antietam . . . San Juan Hill, Montezuma, Tripoli, Lebanon, Italy, Egypt, the Argonne Forest, Omaha Beach, the Iron Triangle . . . you name it and I've been there.

And I have not gone there at the head of a band of conquering tyrants, but as the beautiful symbol of freedom, glory, generosity and opportunity with liberty. My proudest memories are of strong men who have wept bitter tears when they have seen me taken down . . . like at Corregidor . . . and how men wept with joy at the sight of me again . . . they regarded me as a loved one.

I have a lot of memories. Yes I have.

I know what the sight of me has meant to so many.

Freedom.

And more than just a little bit ashamed am I when I say that some of my "adopted children" who came here from foreign lands to escape oppression seem to appreciate me more than some of my very own native born.

There are so many proud memories for me. The times when men unashamedly clutched off their hats and put them at their left breast in silent salute as I was carried by.

Nobody had heard of that term of scalding derision yet—"flag waver."

But not all Americans today are ashamed to be called "flag waver" or "square."

I've had my times of rapture and exultation.

I've had sad moments too.

Probably my saddest hours are when I have a duty to perform to pay an obligation to those who paid the price when this country's security and future was at stake.

It has been then that I have shivered as I rode stretched out across a long box in the chilly confines of a baggage car or in the cargo hold of a freighter plane, fastened securely to the box. A box containing the last mortal remains of an American boy who gave his life that I might still live. A gift given without grudging and without any whimperings but the gasp of mortal agony.

Any funeral they say is a terrible ordeal emotionally.

But the ones I go to make anyone, strong man or stranger, want to weep. It's hard enough to have a family standing beside an open grave. It's harder still when the volleys from the firing squad rip out with a deafening crash. The loved ones standing at graveside quiver and shake as tho live bullets were tearing gaping holes in their flesh.

Then comes the hardest ordeal of all—the playing of "Taps." That in itself is so sad that even the strongest, most impassive men break down and weep unashamedly . . . the bitter and scalding hot tears of the deepest grief.

Then comes the solemn part . . . the rite I've seen so many thousands and thousands of times. As the ceremony ends and it is almost time for the loved ones to turn away the military escort steps up . . . and holds me . . . and folds me . . . carefully . . . tenderly . . . reverently . . . meticulously to the prescribed impact package. Then he hands me, a package of red, white and blue to a grieving wife or mother and smartly salutes.

I go home with them. To a place of sacred honor. There are more than just a few of these flags in this community.

Many a tear has dropped on to that packet of Old Glory. I have had the place of honor in the family treasures because I am "the flag" that came with "his coffin" when we made that sad and weary journey home from where had been paid the supreme price . . . whether it was in the muck of Guadalcanal or the snake infested paddies of Viet Nam.

To get rid of me would be unthinkable for these loved ones.

Throw me out? They'd almost be as willing to throw out the family Bible. Because, for loyal Americans everywhere the American Flag is as sacred as the Bible.

Lately, I've been grieving about some of the things they've said about me. Every time I've been spat upon, torn to bits, and burned and stamped upon I've quivered in pain.

Not pain for myself . . . but the agony of pain from thinking how much agony American men endured, and at what a price, so that dissenters could have the freedom to desecrate and destroy me.

They can destroy me, physically, whether I am wearing a silken or cotton dress . . . but they cannot destroy the image I have for all Americans—of the glory of the Red, White and Blue.

I was deeply hurt the other day when a man by the name of Dick Gregory referred to me as "just a rag."

He said too that unless Negroes get part of the Constitution the whites won't have a Constitution.

The last thing a lady should do is engage in a name calling contest with anybody.

I could answer Mr. Gregory but I'd rather not even mention that it was under the American flag that he now can make $2,000 a week instead of the $20 he used to make washing cars when he felt like it.

What I'd rather remind him is that each one of my 50 bright stars mean something . . . something precious . . . each star represents another victory won for freedom in America . . . freedom for all . . . regardless of color, race or creed.

Some of those stars are a lot newer than the others. Because, we must remember that it was a century ago that we split from the stars and stripes and we had the stars and bars. And we tore this nation right in half, the north and the south. And, brother fought brother and the proposition was that all men, like Mr. Lincoln said, should be free and equal. It's taken a long time but we're getting there. So some of my stars come a lot later than some of those that represented the north.

I could say to Mr. Gregory—go find a flag or a country which you like better . . . go find a land where you will find more personal freedom and freedom of opportunity . . . and freedom of dissent." But that would serve no purpose.

Maybe I owe Mr. Gregory a vote of thanks and a real debt of gratitude. His appeals for more burnings in America, for the destruction of the Constitution, for the end of flag worship and calling me "just a rag" has done more good for America than he realizes

Maybe he has shocked a lot of people wide awake . . . folks who thought the comedian was only kidding when he uttered the vilest threats against America.

We think his "just a rag" will galvanize into my defense of my sons and daughters who will see me in my red, white and blue as not "just a rag" but as a flag that symbolizes the greatness and glory of my America. A symbol, if you please, of a nation's constant striving to do better for all peoples no matter how tortuous the path or how painful the travail.

I am the flag.

Not "just a rag."

As I flutter to the ground each sundown I am caught up by men from east to west and from north to south . . . and in lands around the globe . . . caught up so that my skirts won't even fleetingly touch the ground for even a split second.

I brood more than a little bit the way I have been defiled and besmirched. I feel as tho the dirt will never be all washed off . . . and then I remember that as long as America's heart is pure I need not worry too much about only surface stains.

I remember too that the road has never been easy and there has to be a continuous sacrifice if liberty is to be maintained . . . that there must always be vigilance to have security and that there must be willingness to sacrifice if we are to continue to keep faith with those who died for freedom's sake.

I sleep feeling secure that my sons and daughters will not fail me Ever.

(Written by a man not ashamed to be called a "flag waver" and proud of it, and who believes there are 199,000,000 more just like him.)

WALTER K. MICKELSON, MINNESOTA NEWSPAPER LEGEND

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. Nelsen] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. NELSEN. Mr. Speaker, death came a few days ago to Walter K. Mickelson of New Ulm, a Minnesotan who has become a newspaper legend in his State. An outspoken editor, publisher, businessman, community booster, and friend, he made many lasting contributions to our State and Nation. I request inclusion of several memorials to Mr. Mickelson at this point in my remarks.

[From the New Ulm Journal, Nov. 12, 1967]

Walter K. Mickelson

Let us start this editorial, in the Sunday space filled for many years by Walter K. Mickelson, with a disclaimer. He preferred that it not be written. In 1959, he wrote, in a packet of instructions left to be read on the day of his death: "I would like a simple funeral service, as tearless as possible. A simple statement of my life with little eulogy would please me."

His pleasure cannot be respected, alas, for Mickelson was a man about whom it is easy to write, to eulogize, and to miss. He often of late talked of death.

"When I was having my terrible back trouble a year ago," he said recently, "I was afraid I wouldn't die. Now I am afraid I will die."

He wanted to live a little longer. Big things were going for him, and Walt wanted to be where the action was, be it a political campaign, buying a newspaper, securing a new industry, or entertaining a visitor from a far off land.

Just 36 hours before his death, in one of the moments of reflection for which he was famous with those close to him, he said: "When a man dies, they want to know just two things about him: 1. Did he have any debts? and 2. How much money did he leave?"

Walt Mickelson could not have been talking about Walt Mickelson. He left no personal debts, and his estate is large. He started a cobbler's son and he wound up affluent if he had cashed in his chips, which he had been tempted to do but never endulged. He had great loyalty to his family and employes, and he wanted them to have newspapers and jobs, which he considered more valuable than money, no matter how high the pile.

Walt Mickelson left far more than a black ledger and a balance in the bank. He left a career that may become a legend in Minnesota, if not in the nation. Life for him began at 40. With a colorful background of politics, book peddling and newspapering behind him, Walt came to New Ulm 29 years ago to a challenge for which he was well prepared. The Journal, newly launched as a daily, was listing badly to the port side of failure.

He threw himself with great vigor into getting the paper on course. He brought in his family to help and asked them to make sacrifices. He gave New Ulm a flavorful, regional newspaper that caught on. By 1942, four years later, it was sailing smoothly.

After World War II, he declined to fight competition. Radio was catching on, television was coming in, and Mickelson decided it was better to join 'em than fight 'em. He started KNUJ, and, a few years later, pioneered in the launching of the regional television station, KEYC–TV.

Walt had a progressive approach to business. If it is new there must be something to it, was his philosophy. When he got an idea, he went on the road and studied it. Attracted by offset printing five years ago, he hired a plane and took a couple employes and flew around the country studying the pioneers in the process.

Out of that came the House of Print, first of the central newspaper printing plants in Southern Minnesota. There are now seven. The day before his death Friday, he spent all day in his office planning a new, expanding venture for printing in Southern Minnesota. His body got old and quit, but his mind was young and inquisitive to the end.

Walt Mickelson shared his unshackled energy and brilliance with others. Probably his greatest legacy to the community is the industries he helped bring here. He met the 1953 depression in New Ulm, when the pioneer flour milling industry closed, by joining forces with other civic leaders in organizing the New Ulm Industries Inc. He put in his money, his time and his contacts. The fact New Ulm has grown by more than 3,000 since then, and added five industries, is a tribute to his work.

Securing the two 3M plants, now New Ulm's largest industry, was almost a single-handed accomplishment for Mickelson. He went up to Hutchinson one day in 1961 with Herb Prahl and George Korenchen to an anniversary of a bank. 3M had a big plant there and, in the country club bar, Mickelson ran across some 3M executives he knew. He told them about an empty factory building in New Ulm, arranged a visitation, unfurled the red carpet and 3M came here.

Many of Mickelson's philanthropies were never published. He gave the chimes that play from the tower of the Methodist Church, a secret known to only a few; he contributed handsomely to remodeling of the church recently; he ran a fund to help educate college students from money he made making talks.

He achieved his three score years and ten, having turned 70 this year, but often he seemed a lot older—in experience, accomplishments and his contribution to his profession and community.—W. E. M.

[From the Fairmont Sentinel, Nov. 11, 1967]

W. K. Mickelson

The byline of W. K. Mickelson has appeared in this column for the last time. Death claimed the chairman of the The Sentinel early Friday morning. To those who worked with him, his death at 70 came as a shock. Although in excruciating pain at times during the past two years because of a back ailment, Mr. Mickelson recently appeared as in good health as he had for several years.

Since word of his death, tributes have come from all parts of the state and union. But the most eloquent tribute of all is the organization of communication companies he fashioned within his lifetime.

They include two daily newspapers, two weeklies, and AM–FM radio station, travel tour company, travel agency, printing plant and cable television company.

Mr. Mickelson was an astute businessman but more important, he was a newspaperman first. As a result, profits of the business were poured back into his newspapers to give the reader a better newspaper in content and appearance.

An example is the conversion of newspaper production to the offset method that provides excellent reproduction of type and pictures. Its a method which is now old hat to the Mickelson publications while other daily newspapers throughout the nation are just now becoming aware of it.

Expenses for gathering the news at The Sentinel, for example run far more than most newspapers its size. But as a newspaperman, Mr. Mickelson was insistent on putting out a good newspaper, not just a money-maker.

"Walt" as he was known to all of his employes, was a mover and a shaker. And his employes found themselves constantly challenged. He was not content to settle down in a rut of doing business the same old way when a better way could be found. As a result, his probing and challenging of his people kept life lively. As one employe remarked, "You could argue with Walt and you'd get so mad at him for some idea he'd proposed. Yet when it was over," he continued, "you had to admit he was right." Another longtime employe, himself a veteran of many a dressing down, said "He never carried a grudge. Thirty minutes later all was forgotten."

Best known to Sentinel readers for his editorials, Mr. Mickelson had few sacred cows. He wrote frankly, tackled unpopular issues and many times took up the minority view. As a staunch conservative, he decried the liberal philosophy of the Democrats and many times that of the Republicans. Yet he did not hesitate to cross political lines when he felt the cause was just. A case in point was his support of President Johnson's strong stand in Vietnam.

Another was his criticism of Gov. LeVander whom he supported editorially and financially in his election campaign. Mr. Mickelson could not fathom how a Republican could condone the record budget LeVander proposed. Yet he stood with LeVander and against the majority of Republicans who worked for and obtained a sales tax. He saw it as just another tax that would encourage more spending.

When his editorials appeared in The Sentinel, the "Letters to the Editor" column would take on new life with readers' damnation and praise of his viewpoints. His interest ranged from world affairs such as segregation in South Africa to his recent call for doing away with queen contests. That editorial is still stirring readers' emotions.

Mr. Mickelson hated waste of all kinds. His insistent "turn the lights out" where they were not being used came long before LBJ ever thought about it at the White House.

If Mr. Mickelson had a hobby, it probably was traveling. He did much of this in his later years, covering all parts of the globe from South America to Alaska, Russia to Australia and most of the countries in between. Probably one of his biggest travel disappointments (although in his late 60's) was being unable to wangle permission from the navy to visit its base in Antarctica.

These trips were hardly vacations. Mr. Mickelson would bone up ahead of time on the countries he was to visit, then spend most of his vacation interviewing people at all levels to find out what made their country tick. Then it was back to his hotel room to write his daily account for his newspapers.

On his return home, he would be in great demand to show his slides and tell of his travels. Such appearances together with his company's travel tours which have now escorted more than 2,000 area people throughout the world, have helped to bring an awareness of the world to the people his companies serve. The speaking engagements also aided a pet project of his. Over the years he has financially aided young people to go to college and all his speaking fees went towards that end.

Although Mr. Mickelson officially retired six years ago, in heart and mind he remained as active as ever. Age is a state of mind, not body. And Mr. Mickelson was constantly seeking new and better ways to do things with the eagerness of a young man of 20. "If you hate change, you're living in the wrong times," he would frequently say.

When he "retired" in 1962, Mr. Mickelson said, "The Lord willing, I am hopeful I can stand back to see what happens to these organizations when my hand is no longer on the steering wheel."

Mr. Mickelson's greatest tribute can be his employes carrying on his leadership, "youngness" of mind and constant drive to do an even better job, thus keeping his accomplishments "on course."

[From the Mankato Free Press, Nov. 11, 1967]

WALTER MICKELSON'S LEGACY

The communications industry in Minnesota lost one of its most colorful, influential and stimulating personalities in the death of Walter K. Mickelson of New Ulm.

A Mankato boy—he graduated from Mankato High School—Walter had a long career in journalism and in electronics.

He was an influence in Minnesota politics.

More than that, however, he was an interested man . . . an individualist of the type which is disappearing all too rapidly.

An ultra-conservatist in his political views, Walter was contrastingly progressive in his business operations. He was instrumental in the organization of Mankato's KEYC television station and his newspapers were produced by the most modern methods.

Few people in this area had as wide an acquaintanceship.

His hard hitting editorials—whether one agreed with them or not—were stimulating and thought-provoking.

Walter Mickelson, after all, was of the old school of editors who said what he thought and be-damn the consequences. His position on any editorial matter, opinionated as its base was, never left anything to doubt.

Walter Mickelson was many things to many people in all phases of social and business life.

But we're sure he would prefer to be remembered as a provocative and honest editor who successfully championed long and hard for his town, his state and his nation.

INFLATION THREAT TO FARMERS WORSENS

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. NELSEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. NELSEN. Mr. Speaker, the report of a key USDA economist that the Nation's farmers will be worse off next year than this because of higher production costs shows the utter folly of the administration's continued inflationary spending policies.

To farmers, the "guns and butter" policy which is being followed has meant dark-age income and space-age costs. Now they are told things are going to get worse, according to a United Press International report on November 13. The report quotes Rex F. Daly, chairman of the Agriculture Department's Outlook and Situation Board as advising that, despite an expected increase in gross farm income of about $1 billion, net income will be no higher than this year because of increases in production costs.

So I would like to appeal to my colleagues to examine the current farm picture and exercise the real economy needed. The administration, off on its "raise taxes" binge, has sadly failed its responsibility to provide the leadership required, and farmers are paying the price.

For example, since October 1966, farm prices are down 6 percent, milk prices have dropped 28 cents a hundredweight, and feed grain prices are down 13 percent. At the same time, farm costs have risen 8 points on the prices paid index and annual net farm income is expected to fall 11 percent by year's end.

I think this report by Mr. Daly stands as a clear warning to put the brakes on reckless spending. If many of our farmers are to keep their heads above water, we have got to do a better job of controlling Federal spending to stem the tide of inflation.

BOUNDARIES OF WORLD BUSINESS: NEED FOR AN INTERNATIONAL BUSINESS CODE

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CURTIS. Mr. Speaker, the growth of large business organizations which have operations in many countries has been one of the principal international economic developments of the past decade. This growth of the international business corporation has had profound effects on foreign trade, on foreign investment, and on economic growth in foreign countries. These interrelationships, and others, are discussed with unusual clarity by Dr. Gabriel Hauge, president of Manufacturers Hanover Trust Co., in New York.

Dr. Hauge's speech is an excellent discussion for anyone wishing to have an intelligent review of the many problems posed by the internationalization of giant business ogranizations.

In it he recommends six steps to improve the international economic climate. Among these, he recommends the harmonization of national corporation laws, perhaps through treaties, to cope with issues raised by the internationalization of business. This would include the harmonization of taxes and other policies affecting the cost and conduct of international business. Dr. Hauge's view is that—

> Freer trade without such harmonization cannot reap the full gains from international business. Investment might then merely seek tax havens or otherwise subsidized areas.

Dr. Hauge also stresses that progress is needed to coordinate policies toward industrial monopoly in concentration, and patent policies.

All of these recommendations are directed toward a goal which I believe should be given much higher priority as an immediate objective of U.S. international economic policy. That is, the United States should take the lead in formulating now and promoting abroad a unified "code" of international business practices. Such a code would help create a common ground for international trade and investment that would help eliminate inequities in international business practices and create a stronger world economy based on fair marketplace economic principles.

The speech referred to follows:

THE BOUNDARIES OF BUSINESS

(By Gabriel Hauge, president, Manufacturers Hanover Trust Co., New York, N.Y., 54th National Foreign Trade Convention, October 30, 31, and November 1, 1967)

More than a hundred years ago Alfred Lord Tennyson in his celebrated poem, Locksley Hall, spoke of the Parliament of Man; philosophers and statesmen still dream of world government. In the meantime, realistic businessmen have gone ahead constructing a world economy. Trade was the first tool, and still is in good stead. But now another instrument is available: the international business. World production leads the way, and trade joins. We don't know enough yet about this instrument, what it does, and how it works, and where it is headed. To steer our own economic destiny, it is time we learned.

Classic economic doctrine for long has prescribed a formula of creating wealth through international trade. The formula is correct, as far as it goes, which is a long way for small countries. Large countries are more diversified, with most of their trade domestic. The United States, for example, exports about four percent of its gross national product, and imports some three percent. It is closer to the truth to claim that our own trade has grown because we have become populous and rich. The critical path runs from production to trade, wealth to trade. In our case, the chief causal factor may well have been human migration; a booming production and trade followed. Our history could well be written as the wealth of a nation through the migration of labor.

Today many young countries look forward to repeating the performance of the advanced countries through import of capital. But we know that for every dollar of capital imported, several dollars of local effort must be committed, even beyond the infrastructure necessary to support the investment. This follows from the very nature of investment: construction must be done on site, with mainly local materials and labor, even if machinery is imported. Whatever the freedom for capital movement, it remains true that local production is the basis of trade, and it is precisely here that the international enterprise has come to play a growing role.

It is a multiplier of local production in developing lands, while in advanced countries it is a rationalizing force, both within and between nations. Everywhere it is a transmitter of technology and creator of skills. It raises output and improves its geographic location. By so doing, it expands trade and welfare. It is the lubricant of progress.

THE GROWTH OF INTERNATIONAL BUSINESS

Let me cite an example which illustrates the nature of international business. Four years ago a relatively small firm came into being. Even its birth was international: Britain and Sweden. It is incorporated in Bermuda headquartered in London; jointly owned by interests in six countries; it has twenty producing plants in fifteen countries and sells in thirty six. It has a laboratory in New York, although its products has not yet entered the American market.

The dimensions of this new form of organization are only vaguely known, but it is likely that the total value of production of all international enterprises exceeds the total value of world trade. It has been estimated, for example, that production by foreign subsidiaries of U.S. firms runs four times the value of U.S. exports. U.S. owned subsidiaries account for at least one-fourth of total U.S. exports, and about one-third of our exports to Europe. Foreign direct investments in British manufacturing, accounting for one-tenth of British manufacturing output, contribute one-fifth of British manufacturing exports. It is a safe guess that the contribution of international business to the exports of many developing nations is still larger, for it got its start in the extractive industries, which are the principal foreign exchange earners of many of these countries.

Whatever the share of international business in world trade, it is clearly growing. Direct investments of U.S. firms abroad have been rising at least ten percent a year, fully twice the rate of increase in world output, and nearly twice the rate of increase in international trade. We are, indeed, witnessing a quiet institutional revolution in the organization of world commerce. Plant and equipment expenditures by U.S. companies overseas are expected to be almost $10 billion this year, up 12%. While the share going to Europe and Canada is scheduled to drop, that to Latin America is rising. The largest increases have been, not in petroleum and mining, but in manufacturing, which has doubled since 1960. Total U.S. investments abroad have surged to $115 billion, nearly half of it direct. A corollary of all this is that intrafirm trade is gaining ground, and by inference, the role of middlemen is affected.

CAUSES AND CONSEQUENCES OF INTERNATIONALIZATION OF BUSINESS

It is my belief that international business is a causal factor, not just a growing sector in the evolving world economy. The multinational company is often American-owned but this is incidental and temporary. In most cases it is large, and this is relevant and significant. In most cases, too, it is an innovator, which gives it a cutting edge in shaping the future. Research-intensive U.S. industries do the lion's share of direct overseas investment, especially in Europe. Moreover, there tends to be a high correlation between research intensity and export performance.

The international company is typically bigger and technologically more advanced than national companies in the same industry. It is usually the pacemaker for business, and hopefully a pathfinder for politicians. These very virtues strike fear in the cash registers of competitors, and in the councils of government.

The impetus to growth of the international enterprise stems from many sources. Protective measures in nations large enough to offer lucrative markets have induced outside direct investment as an alternative to trade. Common markets and free trade areas have widened opportunities for international firms. Reductions in transport costs and development of alternative sources of raw materials have shifted the location of some industries in the direction of markets. The high value per unit of weight in so many new products makes possible the manufacture of parts and assembly of components in different countries on the basis of cost. International communications and professional management, moreover, make such complicated organization feasible.

The progress of many nations in the skills they have to offer, in institutional support and political stability, also has multiplied alternative locations for processing, manufacture, and assembly. With rapidly changing technology, investment itself is short-lived. Sunk costs cannot be sunk for long. Not only fixed capital, but human skills as well are subject to accelerated obsolescence. New products displace old standbys, whole industries rise and decline at rates which astonish each new generation. The technologically dynamic international business is thus constantly in a position to reconsider location, products and markets.

In America, the experience of supplying much of the world in the postwar recovery period widened our horizons. Skills in the management of large and complex organizations sought new challenges after completing the task of creating an economic entity of our own nation. Capital sought new outlets and better rates of return. Technological advances created new opportunities. Americans, as well as others, learned that skill and organization rather than accumulated wealth are the clues to economic progress and, for many, this has been the most revolutionary discovery of our time.

In many industries in the larger and more diversified nations, there is less compelling reason for internationalization of production. For leading firms in smaller nations, on the other hand, progress in a world of falling barriers to trade means growing pressure to internationalize, to rationalize production on a basis of least-cost across national boundaries. Opportunities exist in management, distribution, finance, and research, above all finance and research, which are often foreclosed if a firm may seek them only up to its national boundaries and no farther.

THE CONGRESS OF HOST NATIONS

It is, of course, true that concern has been voiced in many countries about the growing role of international business in their economies. Governments have taken occasional steps to discourage particular ventures. Their twin fears seem to be the size of internationally owned enterprises, more often than not U.S. owned, and leadership of these enterprises in technology.

With respect to the first of these fears it is fair to say that we live in an age of giantism. Before this century, only governments and churches were really big. Now some firms tower even in the company of governments. They employ several hundred thousand people and have a gross company product in the billions of dollars. Most of these giant firms are in relatively new industries. Moreover, size and technological dynamism often go hand in hand. Size provides insurance through diversification against the hazards of unstable technology and changing markets. But the very size which means safety to the firms often appears to create risks for the country and community in which they are located. Survival and growth of the new breed of international companies need no longer be related to the growth of employment and output in any particular site, or even in any one country.

International enterprises with productive facilities in a number of countries, moreover, gain advantages of size that go beyond the scale of production. Economies of distribution may well remain after those of production have been exhausted. Beyond these, economies of management, of financing and of research are clearly important to most large firms today. Many of these economies cannot be reached on a national scale, unless the nation is continental in scope, and not always then.

National specialization and dependence, then, are more the rule than the exception. Few small nations are, in fact, very diversified. The dilemma, as some people see it, is this: Must a nation tolerate within its borders a semiautonomous center of economic decision and influence? To encourage international business may seem to weaken a nation's grip on the levers of power over its own destiny. To bar or harass it, however, is to deter the inflow of technology, the expansion of exports, the rate of growth of employment and output.

One should not, of course, overstate the footloose character of international business. The fact is that it typically uses much more fixed capital per worker than similar national industries, and therefore has a strong commitment in its operating sites. The rapidly shifting pattern of world production today is due principally to the elimination of distortions growing out of restrictive practices of all kinds, of subsidies and of shortages, as well as new developments, such as the European Common Market, which have induced a flurry of relocation of productive capacity and restructuring of trade. These incentives derive from relaxation of generations of protection and their initial stimulus will recede in time. Normal long run changes due to growth, development, and new technology should not seriously disturb most countries favorably disposed to economic progress and intent on internal stability.

Much can be done to ease the fears that internationalization of business appears to generate. Take the matter of the technological gap. At least one respected Congressman sees it as a gap in management and enterprise, a lack of sufficient scale, rather than a lag in knowledge. The new British Ministry of Technology, the Common Market, and other groups are trying to help narrow the gap. Joint international ventures in research and development already exist, and more are suggested, to achieve the scale effects in key industries which no European country can attain by itself.

International business does its part, in fact, to help keep the technological gap within bounds, by speeding the transmission and introduction of new technology in the countries in which it is located; by contributing to the generation of new knowledge; by employing scientists and engineers in their home countries instead of attracting them to company headquarters; by conducting research; by licensing; by competition and example and the turnover of trained personnel.

Research is, indeed, a footloose industry which can be conducted any place where the required manpower is content to live, and for this reason international business can help counterbalance the drain of technical and management brains. Incomplete data on research conducted by U.S. owned foreign subsidiaries suggest they do a larger share of host country industrial research than of host country production. But there must be inducements for doing research in the host country. The firm must have opportunity for growth and profit. Research has large economies of aglomeration, not just of scale. It cannot be conducted efficiently in a highly dispersed way. In the United States, despite a research effort much larger than all Europe combined, nearly half is conducted in just five urban centers. A dozen universities and a few dozen firms account for the bulk of the 23 billion dollars to be spent on research and development this year.

IMPROVING THE CLIMATE FOR INTERNATIONAL BUSINESS

Multinational firms may be more acceptable in host countries by internationalizing ownership. This is, of course, a long term goal, as rising income makes possible a wider dispersion of shares. Waiting for such a trend to develop is not enough, however, for shareholders are usually passive. The modern corporation has, in effect, socialized private capital in the sense that decision-making is largely the prerogative of professional managers. An international company, therefore, may make itself more welcome if it avoids locating corporate headquarters in a great power and decentralizes decisions, granting autonomy to local affiliates. The advisability of a federated structure depends on the nature of the business, of course, but this nature often can be altered. Each affiliate should become, in effect, *a naturalized citizen* of the country in which it is located. This may be done *by marriage:* mergers and joint ventures with local firms. It may be done *by adoption:* by purchasing and contracting within the country as much as economically justified. It may be achieved *by allegiance:* assuming local responsibilities, acquiring local customs and values, to the extent that they seem sound.

As the late Professor Ragnar Nurks reminded us, the world is not rich enough to ignore efficiency. Politics usually lags behind the economics of international business, but a number of steps can be taken by governments to make geographic patterns of production more efficient, and to improve the resulting patterns of trade. *First,* the formation and functioning of business across national boundaries needs legal support. George Ball has suggested an International Companies Act established by treaty and administered by a supranational authority. A proposed European Company Law has, in fact, already been drafted. For the European Economic Community a supranational law is conceivable, but for a wider grouping of nations it is probably not now a practical step. Some harmonization of nationals laws, and treaties to cope with the issues raised by internationalization of business are, however, an attainable goal. The World Bank's Convention for Settlement of Investment Disputes may prove such a useful device.

Second, some harmonization of taxes and other policies affecting the cost and conduct of business is urgently needed. Freer trade without such harmonization cannot reap the full gains from international business. Investment might then merely seek tax havens or otherwise subsidized areas.

Third, progress is needed toward a multinational industries policy. Monopoly and concentration cannot be sensibly defined or regulated on a nation by nation basis once trade barriers are down, since international business can in many respects bypass local controls. Criteria are obviously needed for mergers which are in the international interest. Rules should be spelled out on permissible forms of joint venture and cooperation which are the same on both sides of key borders.

Fourth, international convergence in patent policies would be helpful to international business and to the countries involved. The Common Market has drawn up a draft Convention centralizing procedures for the granting of patents. EFTA has established a Working Party on Patents. In America, recommendations of the President's Commission on the Patent System would bring it more into line with practices prevailing in Europe. Even Russia is showing some interest in closing ranks, acceding at last to the Industrial Property Convention.

Fifth, multinational guarantees for international private investment can be healthy stimulants without becoming subsidies. It is regrettable that individual countries where private capital feels least secure, and may have the most to offer, are often those least likely to join any international guarantee scheme. The rights of property, unfortunately, seem as incomprehensible to some developing nations as the Athanasian Creed would be to a Tibetan. It is, of course, true that no government can assure that its successor will not repudiate international agreements. So, perhaps, the main value of a multinational guarantee would be preventive. Countries with a poor record and unrepentant about it are likely to be passed over by prospective investors, and most likely excluded from investment insurance. The OECO, among others, has prepared a draft convention on the protection of foreign property. Spokesmen for several developing nations, as you know, proposed multinational investment insurance at the Rio meetings of the World Bank and Fund this fall.

Sixth, remaining barriers to trade should be brought under critical review. The main target has now shifted from tariffs to quotas and other non-tax restrictions on commerce. Subsidies to trade, via tax remission, cheap transport or credit or other concession, are equally bad for efficiency, distorting the pattern of healthy trade.

VITAL ROLE OF CAPITAL FLOWS

Unrestricted movement of capital is just as important to international business as freer trade is to domestic exporters. Unfortunately, there has not only been less progress on capital than on commodity trade, but some backsliding is evident in recent years. In the United States the interest equalization tax has been imposed as have guidelines on international credit and direct capital flows. Yet perhaps the most significant spur for international business remains the supplying of capital. Here the economies of scale and specialization are enormous, and only the New York capital market has become big enough to exploit them. European capital markets, although often larger in relation to national product, are not large enough, for the nations are small. Somehow they must be combined, if they are to service effectively the huge capital requirements of modern business and, in a sense, they already have been. The Euro-dollar market, now some $15 billion in size, supplemented by Eurobonds and by new institutions specializing in medium term credit, has achieved certain diversity and international character. Other devices, such as parallel loans and unit of account loans, seek to supplement and circumvent to a lesser extent the limitations of national markets for funds.

Free international movement of funds obviously conflicts with national capital plans. More serious perhaps, it may immobilize stabilization authorities. National monetary officials clearly must work together across boundaries more closely than ever before, to reconcile free capital movements with internal and external stability. Governments must develop a policy mix, such that the price of stability does not take the form of stemming constructive capital flows.

THE DILEMMAS OF DEVELOPMENT

In this whole area of discussion, much concern has been expressed over the widening gap between rich nations and poor. If we have a liquidity problem, they have a resource problem. The recent slowdown in world production has had modest effect on the trade of industrial nations, but severe impacts on the trade and terms of trade of developing nations. Many are so burdened with external debt that they can no longer borrow and must allocate a large share of their exchange earnings to debt service, reducing capital imports. But there are enormous differences among developing nations. Some have advanced at spectacular rates, and no longer need aid, finding private investment adequate to maintain their momentum. Others have barely kept up with the growth in numbers, making no progress in living levels. There are lessons here for those who want to learn the secrets of economic progress.

International business has made dramatic contributions to many developing nations. At first, it may have tended to concentrate on extractive industries, transportation and utilities, but now, in the more successful developing countries, it is spearheading the growth of manufacturing. Perhaps there is no more spectacular example than the automobile industry of Brazil, which is transforming the economy and society alike.

Manufacturing in the developing lands must find world markets as it becomes internationally competitive, and the big markets obviously are in the industrialized countries. Successful development, therefore, will multiply the issues of foreign competition for American and European industry. Here in this country we already have a public policy on adjustment assistance in dealing with foreign competition, but more difficult choices lie ahead. What sectors are to be protected in the long run, which will decline in the face of greater productive efficiency abroad? Every nation goes through stages of industrial development. Different industries rise, decline, and shift their location. How much may be modify this industrial process of ecological succession?

THE ROAD AHEAD

The success of the Kennedy Round has been an encouraging documentation of the soundness of a long standing policy of freeing up trade. Much effort remains to be expended to see that the results of this negotiation are finally secured. Much more remains to be done on quantitative restrictions, on rules, taxes, and subsidies whose major effect is to distort the pattern of trade. But the thrust of my argument is that increased trade directly resulting from tariff concessions is only a shortrun byproduct. The real gain is the long run improvement in the world pattern of production. The volume of trade at any one time reflects the limited size of national economies; their lack of diversity; and differences in resources, both natural and manmade. Trade should grow as we are more and more successful in realizing the scale economies that outrun the size of nations. In this vital mission, international business is a catalyst for growth and for trade.

There will be problems. As E. B. White once remarked, "It is easier for a man to be loyal to his club than to his planet; the bylaws are shorter and he is personally acquainted with the other members." This bit of wit is well understood by international business in the countries of its choice. But the nation that would seek the general welfare by observing the criteria of efficiency must also learn the wisdom that finds a place for the whole human race, a patriotism wider though not inconsistent with the old love of country. For as John Wesley remarked in another context, "The world is our parish."

JAPAN TEXTILE INDUSTRY UNDER PRESSURE FROM "LOW WAGE" IMPORTS

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CURTIS. Mr. Speaker, an article

from the Asian Textile Record, a weekly summary of news and data about Asia's textiles, has come to my attention. This textile trade information paper analyzes recent trends in Japanese textile production.

Several important factors stand out very clearly in this report.

First. The Japanese textile industry is under pressure from "low wage" imports of synthetic or "manmade" fiber textiles from Korea and from Communist China. The market for such imports in Japan itself is estimated to be substantial.

Second. Part of the Japanese textile industry's pricing problem is the cost of its raw materials. Japanese textile industry finds itself pressured by "low cost" American and European synthetic fibers which are purchased by its Asian competitors, manufactured, and then shipped to Japan.

Third. In order to continue to compete in world textile markets under conditions of constantly increasing costs, the Japanese have resorted to a dual pricing system, that is, they sell at a very low price in international markets and try to make up the loss they incur by selling at a higher price within Japan. But this dual pricing system is now being sorely tested.

Fourth. The result is that Japan may very well have to start buying its raw synthetic fibers from America and from Europe in order to remain competitive with its Asian counterparts, so that it can lower its domestic selling prices and thus remain competitive.

Fifth. Another effect of the present situation is that Japanese textile companies have themselves invested in production facilities in the lower-wage Asian countries that now compete with them, in order to protect their home markets and continue to expand their textile production.

These developments are interesting to the American observer for several reasons.

First, it shows that the Japanese, considered by the United States to be a fearsome competitor in textile production, now finds itself a relatively high cost producer and that in order to remain a low cost producer it may have to purchase American synthetic fibers in large quantity.

Another interesting observation is that the Japanese industry is aggressively meeting the competitive forces that confront it by undertaking aggressive foreign investment calculated both to protect its domestic consumption, expand its overseas markets, and maximize its profits.

Finally, it is of great importance to us to note this open admission of the Japanese dual pricing system. This certainly constitutes an element of unfair trade practice. Even though the Japanese industry may be forced to give up this costly practice there is no reason why, in the interim, the U.S. textile industry, or any other industry, should have to compete on such unfair terms.

The article referred to follows.

JAPAN'S DUAL PRICE SYSTEM IS BROUGHT INTO FOCUS

With affection by preferential duties, Japan's textile industry thinks as follows:

(1) There will be much possibility of the introduction of preferential countries' textile made-up goods and cotton yarn, in case these products become profitable to the accompaniment to domestic market prices. Particularly non-cellulosic made-up goods are anticipated to have a positive attack, taking advantage of lower labor costs in the backward countries, difference between synthetic material prices for export and for domestic as well as tariff reduction.

So far Korea-made polyester tricot shirts and Communist China-made polyester/cotton blouses have been imported into Japan, and further imports of high-class embroideries and weft knits are predicted to increase more and more, which have now become unlucrative in Japan owing to labor cost soaring.

Some leading department stores are said to have already approached Korean and Formosan knitters with swatches of sweaters. Also China has imported acrylic fibers from Japan and begins marketing of bulky and plain sweaters to Japan. In the case of tariff cuts taking effect, the country will be at a more advantageous standpoint in price.

On the other hand, South-East Asian countries' made-up goods, using low-priced material supplied by American and European fiber producers but not by Japanese, may be imported into Japan under certain circumstances.

(2) People concerned have hitherto insisted that they could cope fully with these imports if they were supplied with material at the same level as the export price.

To the contrary, synthetic fiber producers assert themselves that they cannot offer them at the same prices as those of exports because of too much expenses such as promotional money, general administrative money, charges for technical leadership and the like, and that it is difficult for the export price subject to international market price fluctuation to maintain a list price as the domestic price does.

But clearly they get over over-supply by mass-production by cheap-selling to the Communist bloc countries and cover the deficit resulted from such cheap-exports with high price for local mills. Should local textile manufacturers be challenged, they are anticipated to take a firm attitude against the current fiber producers' policy.

(3) If abandonment of the dual price system or reduction of its gap should not be realized as expected, domestic mills might purchase America- and Europe-made synthetic fibers. With polyester, it is possible for a while to control imports by patents, but ICI's patents in Japan is due in September, 1968.

Under these circumstances, reduction of the difference between export price and domestic will be necessitated in order to check imports from America and Europe. On the other hand, domestic mills are forwarding to form such new companies as knitting, dyeing or finishing mills in the form of technical aid, financial aid or joint venture in Formosa, Korea as well as the Philippines, and studying direct export to other countries or import to Japan from there, using Japanese material.

HOW TO END THE DRAFT

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Vermont [Mr. STAFFORD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. STAFFORD. Mr. Speaker, I would like to bring to the attention of my colleagues the summary statement which has been issued at a public press conference to announce the publication of a book entitled "How To End the Draft; The Case for an All-Volunteer Army."

The principal authors of the book are ROBERT T. STAFFORD, FRANK HORTON, RICHARD S. SCHWEIKER, GARNER E. SHRIVER, and CHARLES W. WHALEN, JR.

Other Congressmen who have joined in an endorsing introduction to the book are WILLIAM T. CAHILL, SILVIO O. CONTE, THOMAS B. CURTIS, MARVIN L. ESCH, PAUL FINDLEY, JOSEPH M. MCDADE, WILLIAM S. MAILLIARD, CHARLES MCC. MATHIAS, JR., F. BRADFORD MORSE, CHARLES A. MOSHER, OGDEN R. REID, HOWARD W. ROBISON, DONALD RUMSFELD, FRED SCHWENGEL, and ROBERT TAFT, JR.

Also, included at the end of our summary statement is a report issued Wednesday, November 15, 1967, by Mr. George Gallup showing public backing for the plan to raise pay of soldiers to the minimum wage level, one of the principal recommendations in our book.

The summary statement is as follows:

SUMMARY STATEMENT

Both the study and the 31 specific recommendations that it makes have been written and should be viewed within the context of keeping the debate on the draft as constructive and responsible as possible.

There are some people who countenance evasion of the draft. We do not.

There are some people who are opposed to the draft primarily because they are opposed to the war in Vietnam. Our study was not undertaken because of the war in Vietnam nor should it be interpreted in any way as criticism of military or foreign policies of the United States.

There are some people who advocate an end to the draft regardless of its consequences for the national security of the country. We do not.

The basic conclusions of our study demonstrate the constructive and limited nature of our recommendations. Those conclusions are as follows:

1. An all-volunteer military force is desirable if, without the draft, an effective and efficient military force can maintain the national security.

2. The draft, however necessary, is inherently incompatible with the basic principles of democracy.

3. An all-volunteer armed forces would not necessarily be overrepresentative of the socially or economically deprived segments of the United States population, but neither is it inappropriate for the services to offer an opportunity to the deprived to better their economic conditions.

4. An all-volunteer armed forces may be possible within two to five years, if preliminary steps are taken now in pursuit of that objective. This is true even if we must maintain the current force levels required by the Vietnam war.

5. We are opposed to raising military pay to a level in excess of civilian pay scales—and we believe it would be unwise to create an all-volunteer military force if this were the only means by which it could be achieved.

6. On the other hand, current military pay is not only not an inducement to enlistment, it is an obstacle to enlistment. To the degree possible military pay should be made commensurate with pay for equivalent jobs in the civilian economy.

7. We are opposed to the abolition of the Selective Service System but favor a maximum effort to reduce draft calls down to zero. The Selective Service registration process should be continued even if an all-volun-

teer army is created, in order to assure adequate flexibility in potential military manpower procurement to meet sudden crises in defense of the nation.

8. Official Defense Department studies have greatly exaggerated the cost of evolving an all-volunteer service—primarily because they have centered only on the single reform of increasing pay rather than examining an orchestration of reforms similar to those recommended in this study.

9. The total maximum cost of the comprehensive reform package recommended by this study is $3.96 billion per year. (This assumes that the military pay bill, already passed by the House, will soon become law.) We emphasize that this is the total maximum cost. It has been derived by intentionally taking the maximum estimates for expenditures involved and the minimum estimates for savings involved.

Most of the recommendations specified in How To End the Draft require no Congressional or legislative action. They can be implemented immediately by the Department of Defense—and we hope that they are. Not a single recommendation in the 31-point program would commit the United States government to an irreversible course toward a voluntary system which would jeopardize national security. Each of the reforms described would amount to an adjustment of current policy leading toward the evolution of an all-voluntary system. We do not advocate the abolition of Selective Service. We advocate a program of reforms which individually and collectively can work to reduce the size of draft calls—hopefully down to zero.

We emphasize that no single reform by itself will result in sufficient voluntary enlistments to remove the necessity of relying upon the draft. But, collectively, reliance on the draft will in our judgment be unnecessary if the 31-point reform package recommended in the study is adopted and implemented.

The thirty-one recommendations described in *How To End the Draft* include the following points:

Rather than assume reliance on the draft by assigning draft quotas before enlistment quotas are fixed for recruiting stations, recruiting station quotas should reflect total service needs and should serve only as minimum objectives for recruiting personnel. Draft calls for each month should be equivalent only to the difference between enlistment quotas and actual enlistment for the previous month.

The basic pay of a new service volunteer or draftee should be raised to the minimum wage level.

Eventually service pay should approximate civilian pay for the equivalent job.

The military services should change their pay system from one of multiple allowances to one of salaries.

Under a salary system of pay the services should permit enlistment at ranks higher than recruit for those who are fully qualified and wish to volunteer for specific jobs which carry the higher rank.

With a new salary system for pay the military services may find it possible to do away with re-enlistment bonuses and similar incentives.

With a new salary system of pay, a new program for retirement benefits can be adopted in which a serviceman would not contribute from his pay to the retirement benefits of others, as is now the case, in effect.

When opportunities for advancement in the military services occur, those who have volunteered to enter the military should be considered before those who were drafted, assuming equivalent skills and performance.

A modest enlistment bonus should be granted to those members of the reserves who volunteer to active duty service.

The Defense Department should give constant attention to the adequacy of non-pay-related benefits, such as on-base and off-base housing conditions, comfortable and convenient recreational activity centers, and increased opportunity for low-cost (or free) travel on leave time both within the region of assignment and even overseas.

In the field of in-service education available for off-duty study, the program of technical training courses should be expanded to assure that it is similar to apprenticeship programs available in civilian life.

Educational programs available for service personnel for study in off-duty hours should be made equally available to dependents of military personnel on active duty.

The in-service off-duty program of educational opportunities now available to active duty personnel should be made available to all members of the reserve forces.

Rather than utilizing a fluctuating recruitment advertising budget that varies in accordance with the number of service personnel needed, the Department of Defense should establish a fixed recruiting advertising budget. The army recruitment budget should be fixed at $7 million a year which would be twice the level of the highest budget in recent years. This is one area in which a relatively small expenditure might yield very wide results.

The Department of Defense should prepare a fully comprehensive booklet outlining the various service alternatives available through voluntary enlistment, for the information of young men registering with the draft. (No such information is now provided by Selective Service.)

Under no circumstances should the services' standards of acceptability for voluntary enlistment be more difficult than they are for the draft. (At the present time in both the areas of mental and "moral" standards it is possible to be unacceptable for voluntary enlistment but to be drafted nonetheless.)

Project 100,000, designed to accept into service those with remediable physical or mental deficiencies should be limited exclusively to volunteers, rather than to include draftees as is presently the case.

In the light of the Defense Department's own testimony, Project 100,000 can and should be expanded—to that point where the financial costs of special training approach a point of diminishing returns.

In view of the Project 100,000 experience, Defense Department mental and acceptability standards should and can be lowered without impairing the efficiency of the military services.

The Defense Department should permit the voluntary enlistment of young men who do not meet physical standards of combat, and whose deficiencies are not remediable, but who can perform technical and clerical jobs unrelated to combat service.

The Defense Department's program to replace some non-combat uniformed personnel with civilians should be significantly expanded.

A current Defense Department study should be undertaken of total manpower service needs—including analysis of the necessary level of U.S. troops in Europe, and the optimum means of maintaining adequate numbers of rotation personnel to replace combat casualties or units.

The Defense Department should analyze the optimum organization of the Reserves to treat the following issued without prejudgment: the proper priority of recourse for procurement of rotation personnel for combat assignments among active duty personnel, the reserves, and the draft; the appropriate size and structure of the reserve forces; the best feasible means of assuring a uniformly high state of readiness and training among reserve personnel.

The subject of the draft is generally treated only in emotional terms. *How To End the Draft* is, to the best of our knowledge, the first effort to define systematically a specific program of action which can lead to an all-volunteer service and the elimination of draft calls. We hope that it will receive detailed consideration by the Administration, by the Congress, by the broader political community, and by the public at large.

Public Backs Plan To Raise Pay of Soldiers to Minimum Wage Level

(By George Gallup)

Princeton, N.J., November 14.—An issue likely to arise in next year's presidential election campaign is that of raising the pay of persons going into the armed forces to the minimum wage paid by business and industry. And a nationwide survey just completed shows that it is an issue with widespread voter appeal.

Eight in every ten persons (80 percent) favor such a plan, recently proposed by a group of 22 congressmen as a way of reducing drafts calls and putting the armed forces on a volunteer basis. Only one person in six (17 per cent) opposes the plan. Unlike many issues covered, only a very small percentage—3 per cent—are unable to express an opinion.

If such a plan were to go into effect, it would greatly increase the pay of members of the armed forces, even beyond the 5.6 per cent hike in basic pay recently approved by the House and waiting likely positive action by the Senate.

Recruits in all the services now receive a base pay of $90.60 a month. If soldiers were paid on the basis of the current federal minimum wage of $1.40 per hour, they would receive a base pay of about $240 per month on the basis of a 40-hour week. Out of this sum would come the costs of the usual benefits, but the soldier would still realize a significant cash gain.

Fifteen hundred sixty-five persons were interviewed in a survey that reached into 325 localities across the nation. This question was asked first:

"It has been suggested that the base pay of young men who go into the armed forces be increased to make their pay equal to the minimum wage paid by business and industry. Would you favor or oppose this plan?"

The results:

	Percent
Favor	80
Oppose	17
No opinion	3

The plan receives bi-partisan support and is favored among all levels of society and in all income groups. Women, however, are somewhat more inclined to favor the plan than are men.

A middle-age housewife offered a common view: "Why should a soldier receive so much less money than a guy holding down a civilian job. After all, the soldier risks his life."

MAKE DRAFT UNNECESSARY?

One of the stated purposes of a boost in service salaries would be to make the service more appealing to young men and thereby reducing draft calls down to zero.

To determine public attitudes, the following question was asked:

"Do you think this higher pay would attract enough young men into the armed services to make the draft unnecessary?"

Half of all persons interviewed express doubts that such a plan would make the draft unnecessary, but as many as 4 in 10 said they think it would, as seen in the following table:

	Percent
No	50
Yes	42
No opinion	8

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GOOD FARM SUGGESTION

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. Mize] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MIZE. Mr. Speaker, one of the problems which plagues us in the rural areas is how to keep our younger people interested in farming so that they can take over the family farm or launch out on their own.

One deterrent is the difficulty of making a farm investment on their own. In this regard, one of my constituents, Wilfred Elliott, of White City, Kans., has come up with an excellent suggestion. His proposal has been the subject of an editorial in the Wichita, Kans., Eagle. I respectfully direct the attention of my colleagues to this proposal by Mr. Elliott, which follows:

Good Farm Suggestion

The suggestion of a member of the Kansas Farmers Union will strike a responsive chord in the hearts of many ambitious but frustrated young men.

Wilfred Elliott of White City proposes creation of a federal land transfer agency which would buy land from a retiring farmer or rancher on a voluntary basis.

The agency in turn could sell the land to a young farmer at long-term low-interest credit.

This makes more sense than a lot of other farm programs in the federal government. It puts help in the hands of the individual farmer, the backbone of much of this country's greatness.

And unless something is done soon, the individual farmer will have vanished, the victim of the corporation. As things are now, it is nearly impossible for a young farmer to go into business on his own.

Today's farmer for the most part is a big operator with large acreage and thousands of dollars tied up in superefficient machinery. He must play tax angles and support powerful lobbies in Topeka.

The pace is too swift for the young man who is not fortunate enough to inherit a farm.

The trend is the same in other areas of the economy.

A few years ago a young printer or reporter could easily borrow or save the $2,000 or $3,000 capital needed to purchase a newspaper. The same money today wouldn't buy the parking lot.

A few years ago a young clerk in a grocery store could work a few years and save enough money to open a competitive store across the street. Today a neighborhood grocery store would have a tough time of it, and the money it takes to establish a supermarket is prohibitive.

It is still possible to get into business for yourself, but it is becoming increasingly difficult.

Government assistance appears to be the only alternative to the eventual end of free enterprise as we have come to know it in the past 100 years.

ARMS RACE IN ORBIT

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Rumsfeld] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. RUMSFELD. Mr. Speaker, a recent editorial in the Chicago Daily News discusses the disturbing implications of the recent disclosure that the Russians are developing an orbital bomb. The editorial notes the threat which such a warhead might present to the United States, the likely escalation of the arms race, and the violation in spirit of the United States-Soviet space treaty. The full text follows:

[From the Chicago Daily News, Nov. 7, 1967]

Arms Race in Orbit

Defense Sec. McNamara was blandly reassuring when he announced that the Russians are apparently readying an orbital bomb. Such a weapon wouldn't be very accurate, McNamara said. Besides, a new U.S. long-range radar system will probably help to offset it.

The development is nonetheless disturbing not only on military grounds, but in what it tells about Soviet attitudes.

In simple terms, the new Russian system would enable them to send warheads the long way around the globe instead of lobbing them on a direct route with intercontinental missiles. By coming in the back door at an altitude of 100 miles—compared to the 800-mile height at the top of an ICBM trajectory—the warhead would defy calculation of its exact target until three minutes before it hit. Even if accuracy is in doubt, the system's threat of only three minutes' warning is something to think about. Over-the-horizon radar could tell when such a missile had been fired, but that would provide only the most general kind of a warning until the thing left its orbit and headed for a target.

The United States considered and rejected such a system years ago, McNamara said. But now that the Russians seem intent on escalating the arms race by adopting it, pressures will doubtless mount for the United States to do likewise. The situation is comparable to that which followed Soviet deployment of an anti-ballistic missile system. The United States held off on ABMs until it was clear the Soviets were proceeding; then came a decision to take corresponding action.

In this case, the Russians are not only giving a new boost to the arms race, but coming perilously close to violating the treaty on outer space signed with such ceremony only a few weeks ago. That treaty specifically outlaws the placing of nuclear weapons in orbit around the Earth.

There is a technical out, in that the Russian system would bring down the bomb short of one complete revolution of the Earth—hence McNamara's use of the term Fractional Orbital Bombing System (FOBS). The space treaty also fails to mention any ban on developing an orbital bomb, provided it is not used.

But even if the Russians are sticking to the letter of the treaty, they are plainly taking advantage of the fine print and pushing to the outer limit of the permissible. Sen. Henry Jackson (D-Wash.) put it well when he described the Soviet move as "a good-faith violation."

It isn't yet clear what the Soviet FOBS is going to cost in money, anxiety, and worsening U.S.-Russian relations. But what does come clear is that American negotiators had best be more careful about the fine print in any treaty with the Russians. If there's a loophole, they'll find it and push a new weapon system through it. It's a warning for the people now working on an antiproliferation treaty to paste firmly in their hats.

ALL-VOLUNTEER ARMY

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. Morse] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MORSE of Massachusetts. Mr. Speaker, I would like to draw to the attention of my colleagues an editorial appearing in this morning's Washington Post. The editorial, entitled "All-Volunteer Army," praises our colleagues Congressmen Stafford, Horton, Schweiker, Shriver, and Whalen for presenting an "impressive case for moving toward all-volunteer Armed Forces within 2 to 5 years." The Congressmen's book, "How To End the Draft," was published earlier this week and contains a compelling 31-point program for reducing draft calls down to zero.

In focusing on the proposals for raising the initial pay for recruits up to the minimum wage levels, the editorial agrees with the Congressmen's conclusion that—

> We not only compel young men to serve two years in the military forces against their will, but we compel them to undertake a considerable financial sacrifice while they are serving. This is wrong—and should be changed.

On another page of the Washington Post this morning was a most revealing item in reaction to this proposal. A poll taken by the Gallup organization on their own initiative revealed an overwhelming agreement by 80 percent of the public that the proposal put forth in "How To End the Draft" to raise the level of pay to the minimum wage should be instituted.

There is a natural tendency, however, to concentrate on the level of wages when discussing steps toward an all-volunteer Army. It is important to note that the program put forth by the Congressmen contains a broad spectrum of reform and innovation in such fields as standards for enlistment, recruiting procedures, levels of forces, the quality of a soldier's life, and the overall structure and form of military pay.

It should not go unmentioned that many proposals contained in the book, might, in fact, have a more dynamic and longer lasting effect than the removal of the obstacle of low pay. One of the programs suggested, for instance, is a reorientation of the recruiting "quota" system to a system where goals for recruiters are the number of men actually needed and the use of the draft would be as a subsequent manpower pool. The dissemination by the Selective Service System of a comprehensive booklet prepared by the Department of Defense and containing a description of the over 40 entry alternatives into military service would go far to developing a meaningful recruiting program.

It is programs like these that make the extensive study of "How To End the Draft" a meaningful, responsible, and truly important document. I include the Post editorial at this point in the RECORD:

[From the Washington Post, Nov. 16, 1967]

ALL-VOLUNTEER ARMY

Five Republican Congressmen have made an impressive case for moving toward all-volunteer armed forces within two to five years. Although they have entitled their book on the subject "How To End the Draft," these legislators do not advocate abolition of the Selective Service System. Continued registration of the country's military-age manpower is essential, they say, as a safeguard against any sudden crisis. But in time of peace or limited war the armed forces would rely entirely upon volunteers brought in with added inducements.

The chief inducement would be higher pay. Representatives Stafford, Horton, Schweiker, Shriver and Whalen protest vigorously against drafting men for military service for less than the minimum wage that the Government requires private employers to pay for services far less onerous. Their most pertinent conclusion is: "We not only compel young men to serve two years in the military forces against their will, but we compel them as well to undertake a considerable financial sacrifice while they are serving. This is wrong—and should be changed."

It is extremely difficult to dissent from that view. Whether many or few men are drafted, those who do serve should be treated fairly. As a preliminary step, the five House Republicans ask that the base pay of a recruit be raised from $2122 a year to $2912 to meet minimum-wave levels in civilian life. Further adjustments would be made on the basis of a study of civilian pay for men in the same age brackets.

Other inducements would include improved educational opportunities and retirement benefits and a step up in the Defense Department's Project 100,000 designed to accept into the services men with remediable physical or mental handicaps. Certainly it would be desirable if, in the present atmosphere, all the men sent to Vietnam were volunteers. But in any event, the men who serve their country in a military capacity should be treated fairly in terms of pay and benefits, and that vital aim is still far from being achieved.

TEST LANDINGS BY RUSSIANS

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. BOB WILSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BOB WILSON. Mr. Speaker, I have noted with some concern that the administration has afforded the Russians what appears to be unilateral permission to make test landings at Dulles Airport here, virtually within the shadow of the Langley, Va., headquarters of the U.S. Central Intelligence Agency.

The State Department has revealed that although the Russians have not accepted international liability requirements, nor truly mutual exchange agreements, a Soviet IL–62 jet transport will arrive Monday at Dulles Airport. Landings will be made at Boston and Philadelphia in addition to Dulles, and also at Kennedy International Airport in New York. The reason given is that the Russians need to check out these fields as alternate landing places in event of bad weather at Kennedy.

The disclosure that the Russians will be given such extensive access to our domestic airlanes troubles me. It comes shortly after disclosure that the Soviet Union appears to have violated agreements by preparing a new weapons system in which a nuclear bomb could be dropped from space orbit on the United States.

Mr. Speaker, I am asking the Secretary of State to disclose the security guarantees that are being arranged to make sure that the Soviet commercial airliners will not be used for purposes of strategic aerial photography and electronic espionage.

A specialist from the Soviet Ministry of Civil Aviation and Aeroflot, the Soviet Airline, will confer next week with the Federal Aviation Administration. For all we know these officials are agents of the Soviet military or intelligence establishments.

Pan-American World Airways would be granted the right to make flights to Moscow. I have not heard of any permission thus far to Pan-American to test Moscow or any alternative airfield in Russia like, for instance Leningrad, Kiev, or Odessa.

I want to be assured that absolute equity is involved and that the United States-U.S.S.R. civil air transport agreement of November 4, 1966, is truly a quid pro quo.

The Congress and the people of the United States deserve to know the safeguards being taken to prevent aerial surveillance and espionage.

It seems to me very questionable whether we should proceed with this agreement at a time when the Russians are waging war by proxy against us in Vietnam through an increased supply of sophisticated weapons and military tactical advice.

I am sure that our Pan-American crews would confine their activities on flights to Moscow to normal commercial aviation operations. But I am not so sure about the Soviet Aeroflot people.

I include the following from the Washington Post as a portion of my remarks:

SOVIET JETLINER DUE HERE MONDAY ON TEST

A Soviet IL–62 jet transport, the type intended to serve the New York-to-Moscow direct air link, is due at Dulles International Airport late Monday afternoon for its first appearance in this country.

Aboard the plane will be specialists from the Soviet Ministry of Civil Aviation and Aeroflot, the Soviet airline. They will confer for several days with a team from the Federal Aviation Administration on technical clearances. Several obstacles still block setting a date for regular flights to begin.

It was disclosed that Dulles Airport, plus airports at Philadelphia and Boston, will serve as alternates for scheduled Soviet flights to John F. Kennedy International Airport in New York. The alternates will be used when bad weather prevents landing in New York.

Proving flights are scheduled for all airports, once safety, instrument-compatibility and sound-level checks are made at Dulles. But Port of New York authorities are withholding clearance for any flights into Kennedy International until tests show that the IL–62 meets their noise standards.

The testing plane will be flown from Montreal, which IL–62s are now servicing from Moscow. The Soviet plane, powered by four turbofan jets mounted in pods near a high T-shaped tail, would carry about 150 passengers on flights to New York. Its normal cruising speed is listed as 528–560 m.p.h. Pan American World Airways (PAA) would fly the reciprocal flights on the New York-Moscow run.

State Department Press Officer Robert J. McCloskey expressed hope that the air service would begin "fairly soon." But there are still other snags to fulfilling the U.S.-U.S.S.R. Civil Air Transport Agreement of Nov. 4, 1966.

The major one is Aeroflot acceptance of international liability standards required by the United States before the Civil Aeronautics Board will issue a foreign air carrier permit, and Soviet authorities issue a corresponding permit to Pan American.

THE TECHNOLOGICAL GAP

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BATES] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BATES. Mr. Speaker, over the past year or so there has been much discussion of the so-called technological gap and the need for the United States to export technological knowledge to Europe. We are now on the eve of another NATO Conference, during which I expect that this subject will again be raised.

Sometime ago I read an enlightening paper in the Industrial Management Review, published by the Industrial Management Review Association of the Massachusetts Institute of Technology. It is entitled "The Technological Gap," and its author is Richard S. Morse of the Alfred P. Sloan School of Management at MIT.

I feel, therefore, that it is particularly appropriate at this time, Mr. Speaker, for me to present the text of this article for the wide interest I believe it holds. It reads as follows:

[From the Industrial Management Review, 1967]

THE TECHNOLOGICAL GAP

(By Richard S. Morse, Massachusetts Institute of Technology)

The public press, politicians, economists and industrialists in Europe are currently examining the United States in an effort to explain the role of science and technology as an aid to industrial development. Proposals have been advanced for a Technological Marshall Plan on the theory that some magic formula may exist to employ technology as an open sesame to solve the many problems of both highly industrialized and less developed areas of the world.

In general, Europeans incorrectly believe that "size" is the solution to effective competition. Mr. Anthony Benn, the new British Minister of Technology, was recently reported to say, "The giant American corporations are so strong that they can spend a lot on research, development, marketing and management skills." The problem is not that simple.

Our universities, industry and the federal government are making substantial efforts to develop a better understanding of the increasingly complex nature of research and development. The "innovation process" is an essential and unique characteristic of our free enterprise system, and as a matter of fact may be one of America's most valuable national assets.

Technically oriented industrialists, here and abroad, may well understand this subject. Nevertheless, certain misconceptions regarding the "technological gap" should be reviewed. A number of fundamental differences between the European and American environment can then be identified. No pretext is made to present quantitative research findings, but the philosophy discussed here can be well documented by experience within our technically based industrial community.

SOME MISCONCEPTIONS

Many of the misconceptions probably stem from the fact that discussions about the "technological gap" are often undertaken by individuals who understand neither science and technology nor the problems associated with its application. A detailed analysis of the real problems relating to the effective utilization of modern science and engineering know-how in Europe would probably lead to conclusions somewhat different from those often quoted.

We have comparable discussions between representatives from different states and regions of varying degrees of industrialization within the United States. The "technological gap" between North Dakota and New Jersey is far greater than that existing between the United States as a whole and any major European country.

The term "technological gap" as used by Europeans suggests a wide discrepancy in available technology between the United States and the rest of the free world. The United States undoubtedly has a greater total capability in advanced technology than any other country, but there is little evidence that such technology, per se, is solely responsible for its economic growth rate or standard of living.

Figures are often quoted regarding the tremendous U.S. expenditure for R&D. Several European countries have comparable R&D efforts in the civilian sector of their economy, on a per capita basis or as a percentage of gross national product. Contrary to European opinion, our large, government-funded programs in space and defense may be detrimental to our ability to compete in world trade with new technical products. Two-thirds of our technical-professional manpower is now associated with federally sponsored R&D programs, and as a result, our capability to design, develop and market competitive products may have been reduced rather than enhanced in terms of our national effort. Scientists and engineers who have been associated solely with government work seldom have the necessary qualifications to develop and design commercial products in a highly competitive market-oriented economy.

The United States aircraft industry sells commercial aircraft, and some aerospace companies have developed new markets via corporate acquisitions. Almost without exception, however, no predominantly space- or defense-oriented company has successfully developed and marketed new commercial or consumer products on a substantial scale. The management and marketing capabilities for successful government contract work are not suitable for use in the highly competitive civilian economy.

There is no doubt that a vast amount of advanced technology evolves from our large defense and space programs. The technological gap, insofar as this relates to the civilian sector, assumes that so-called spin-off will occur automatically from these federally funded activities. In fact, many misconceptions exist regarding this process of technology transfer. The dissemination of patents and technical data does not in itself implement the innovation process. The receipt of a thousand technical reports dealing with science and technology by a person incapable of their appraisal, interpretation or commercial application accomplishes nothing.

New ideas are implemented by a "people transfer process." Technical people do move from space programs into new commercial enterprises. In this new environment the experience and background of the individual can be applied to the solution of specific problems and the attainment of commercial objectives. People in the civilian sector of the economy also may find technology within the space and defense programs that can assist in the solution of their problems. The impetus for the use of new technology must be generated by identifiable need or the requirements of a mission-oriented program. It is very seldom that a new development in government-sponsored research will find a ready path to the market place unless some enthusiastic individual serves as a coupling mechanism for the process of technology transfer. This individual may be an entrepreneur employed by a small or large company or a government contractor who sees a commercial application for some new piece of space technology and wants to do something about it.

It is people, and highly skilled, motivated people, who must take ideas arising from science and technology and move them through development and manufacturing into the market place. Without competent people operating in the proper environment with high mobility, technology transfer will not take place effectively in any city, region or country.

Certain programs involving the application of new technology on a large scale obviously can be undertaken only by a large, highly industrialized country with adequate scientific, engineering, production and management talent. For instance, in the area of computers, or in the development of a supersonic transport, there is in reality a technological gap. This calls for the effective allocation of total technical resources and scientific, engineering and management personnel within a country. Nations should develop plans and programs for economic growth in the same sense that corporate plans are developed by progressive business enterprises on the basis of available assets and objectives. Unfortunately, such factors as emotion, politics and national prestige dominate the development programs of many countries. Several illustrations come to mind.

The Soviet Union and the United States are both committed to a gigantic space program, a large portion of which has little military or civilian justification. Nearly ten years ago four significant uses for space were clearly identified: communications, weather, reconnaissance, and navigation. No new, economically justifiable applications have evolved, outside of science for its own sake. The often quoted concept that new products evolving from our space program justify the expenditure is an interesting argument. If in fact the current NASA funding of five billion dollars per year were considered "research" in the industrial sense, this might suggest a corresponding sales volume of some 150 billion dollars of products per year. This assumes a 30:1 ratio of gross sales to R&D, a ratio that is common for a technical commercial enterprise. The 150 billion dollar figure is based on some unreasonable assumptions, because a relatively small portion of the NASA budget is in the area of pure product development or research. Nevertheless, it is clear that the space program cannot be justified in terms of resulting commercial products.

The French and British are committed to the Concorde on the basis of national image rather than a technical, economic evalution of its operation in competition with other planes that will be available during its period of operation. France, India and Israel have all elected to devote substantial technical resources to the field of atomic energy. This may be sound national policy, but it should be implemented with better recognition of the impact of such activities on the economic growth and the standards of living of countries with limited resources.

One final misconception relative to the technological gap is that all foreign enterprises operate at a disadvantage in technical areas. This is certainly not the case. The business records of such technically based companies as Philips in Holland, Imperial Chemical Industries in England, and Volkswagen, as well as chemical and steel organizations in Germany, confirm the ability of well-managed foreign organizations to compete against the United States. Both Sony and Honda in Japan prove that individual entrepreneurs can launch new enterprises and, by innovative procedures in the use of science, technology, management techniques and marketing, invade the United States with competitive products. As a matter of fact, these two Japanese companies demonstrate selling methods more ingenious than famed Madison Avenue itself. In shipbuilding Japan has assumed a position of world domination, not because of its reputedly cheap labor, but because of innovative management and production methods. No other country in the world, including Britain, had the initiative or ability to adopt such techniques.

In summary, the tremendous level of federal funding of U.S. expenditures for R&D is not in itself responsible for the rapid applications of advanced technology in the civilian sector of our economy. The use of government-sponsored technical programs as a mechanism to promote economic growth depends upon a more complex process than is generally recognized and the effectiveness of so-called spin-off is probably greatly overemphasized. Although it is doubtless true that the United States has an advantage because of size, resources, and markets, which do contribute to a technological gap, these facts do not automatically insure overall civilian benefits from large federal R&D programs. While the U.S. is investing vast sums in defense and space, a great majority of the science and technology evolving from these activities is generally available at no charge on a worldwide basis. Thus it would seem that if there is some gap between the U.S. and Europe to which Europeans should direct their attention, it is not the *technological gap,* but rather a *management gap.* In fact, even within the U.S. itself there exist wide variations in management capabilities. Many companies, due to lack of initiative or motivative methods, find it increasingly difficult to compete with more enlightened corporations willing to utilize new technology for competitive purposes.

THE AMERICAN VERSUS THE EUROPEAN SOCIETY

The United States has general characteristics, not found in Europe, that seem fundamental to its rapid progress as an industrial nation. These are:

American environment

The United States government, business and academic environment differs from that of other countries. This difference is most significant in the extent to which we have developed effective working relationships between government, industry and the academic community. No other country has developed such a successful team effort to bring together these three sectors of society. Within recent years we have developed mechanisms, particularly at the federal level, for using the diverse talents, experience and facilities of industries and universities. Our universities work with the federal government, supply personnel for key positions, and implement many programs via contract. U.S. industry contributes substantially to government operations as a source of management talent, membership on *ad hoc* committees, and as a contractor in areas of research, production and management.

Most European governments fail to employ effectively the talents of their industry-university complex, and the close industry-university relationship in the U.S. rarely occurs abroad. The use of joint industry-university teams for attacking massive and complicated federal programs is now a well-established arrangement that is useful to all three organizations. The U.S. concept of industrial financial support for graduate schools and the willingness of industrial executives to participate in the establishment of academic policy and teaching programs is hardly known on the European scene.

Management

Progressive U.S. companies operate in a highly competitive environment, recognize the need for innovative management techniques and are quick to adopt new management methods and organizational structures. Technically based companies view research and development as one of the essential ingredients for corporate growth, and technically trained executives are now the rule rather than the exception. The use of scientists and engineers at all levels of management, including the board of directors, is rapidly becoming commonplace. Scientific and engineering backgrounds are not generally considered appropriate or necessary qualifications at the higher levels of management, particularly in Great Britain.

Personnel mobility

The United States is unique in the mobility of its people. This phenomenon has serious implications for society as a whole, but it does greatly expedite the innovative process and enhance the probability of technical change. The concept of job changing in Europe is viewed in many cases as a social stigma; one of the largest electronics companies in Europe reports that in only two instances had employees been hired with previous experience in the laboratory of a competitor.

The innovation process

The development and commercialization of new products or processes within the context of the so-called innovation process is dependent upon many factors, and particularly the environment in which the process is performed. Innovation within a corporate structure is highly dependent upon attitudes of management and the availability of an entrepreneur with freedom of action and resources at his disposal. This process becomes far more complicated in an advanced technological society, and new management methods are necessay for its effective operation.

Large progressive companies are now experimenting with a variety of management techniques and organizational structures to enhance the process of innovation so that profitable corporate growth will be ensured via the medium of new product development. The very fact that such companies are studying and experimenting with new management techniques for enhancing innovation is indicative of the importance being placed upon this aspect of industrial growth. Some large companies have, for example, established sources of venture capital which they invest in new technical companies. By this procedure, liaison is maintained with a wider variety of technologies, and hopefully the advantages of a large corporation, in terms of total resources, may be combined with the specialized skills and entrepreneurial talents often reserved for smaller enterprises. A variety of new oganizational stuctures and incentive systems is being developed in our large corporations to expedite the product development cycle and create an improved environment for internal entrepreneurship.

Many of the experiments now underway should be of interest to the European community, but without a change in attitude at the top management level, the receipt of any magic formula would prove useless. Innovation and change are very much a state of mind, and if the philosophy of management is against change, entrepreneurship within the corporation will not flourish.

A disproportionate number of significant developments in recent history have come from "outside the establishment." The Polaroid camera did not come from the photographic industry; Xerox machines did not come from the office equipment industry; penicillin did not come from the chemical or drug industry; and frozen orange juice was not developed by the food industry. In Europe penicillin, the jet engine and DDT lay dormant for a long time after their initial discovery because the environment lacked certain features essential to complete the "innovative process" and develop these great ideas on a commercial scale.

New enterprises

The mechanism for generating new technical enterprises seems to be a unique, U.S. phenomenon. In the greater Boston area, for example, some 200 companies have been generated directly via a "people transfer process" from the M.I.T. community; i.e., one or more individuals have left an M.I.T. laboratory and established a new company for the purpose of developing a successful business activity. These are viable, technically oriented companies developed under our free enterprise system with private venture capital. Similar operations are underway in Palo Alto and other "regions of entrepreneurship."

During a period of some four years, 21 new companies created 3,000 additional jobs in the Boston area and a sales volume of 76 million dollars. The initial venture capital required for the formation of these 21 companies corresponded to some 1,500 dollars per "new job" ultimately created. The concept of creating new jobs without government aid at this original cost is significant. These figures do not take into account subsidiary employment created indirectly because of the impact of a new 76-million-dollar business. The total personal net worth of some dozen individual entrepreneurs who have launched new enterprises in the Boston area exceeds 500 million dollars—the entrepreneur business can be profitable!

Regional environment

Within the United States we have areas of highly innovative activity and corresponding regions where it is essentially non-existent. Greater Boston and Palo Alto can be cited as regions of high "new enterprise" generation; Philadelphia and Chicago are essentially devoid of this type of operation. All four of these areas have fine graduate schools, venture capital sources, and a high concentration of industry. It would seem that the mechanism of new enterprise generation is not fully understood, but studies are underway which, hopefully, will develop a better knowledge of this phenomenon. Such information is essential to future change in the European climate, and work should be initiated abroad to learn more about this form of innovation and its potential impact. A number of essential ingredients are necessary for the generation of new technical enterprises, including venture capital sources, entrepreneurial skills, advanced technology and markets for unique products. More important than anything else is perhaps the concept, "entrepreneurship breeds entrepreneurship." People are stimulated by the success of others, and once the idea of forming a new company has been demonstrated, other potential entrepreneurs try it in the same region.

Venture capital

The United States has a large number of organized private and public venture capital sources. Our government-sponsored SBIC (Small Business Investment Company) system has already invested over 400 million dollars of capital in new business operations. Underwriters, banks, corporations and individuals are interested in venture capital as an investment opportunity, and a substantial background of experience has been developed, particularly in the financing of new technical enterprises.

This concept of initiating new business enterprises via the venture capital route on an organized basis has only recently been attempted in Europe. The British have had in the past a far greater incentive to enter the venture capital business because of the absence of any tax on personal capital gains and a relatively high personal tax on income. Nevertheless, because of tradition and the environment of the business and financial community, this aspect of the innovation process has not been understood or widely practiced in that country or elsewhere abroad.

Corporate environment

Within the United States we have great variations in the extent to which the innovative process is recognized and implemented within companies and industries. Organizations that are less innovative, and correspondingly less productive and profitable, are overtaken more rapidly by competition.

Progressive management dictates the necessity of having people and an organizational structure capable of recognizing innovation regardless of where it may be found. Chemical and glass companies, for example, are now going into electronics via large company-small company relationships. This mechanism has been employed because of the unique skills and advanced technology found in selected new technical enterprises. In the past the U.S. textile and large U.S. steel firms left much to be desired in the rapid adoption of innovative products and processes. On the other hand, the electronics and chemical industries have long been noted for their ability to change management skills and organizational structures as dictated by changes in technology and markets.

Competition

Europeans may think of United States companies as tough competitors in Europe because of their size and access to advanced technology. It should also be remembered that within the United States all companies face an intense and increasing level of competition. Even our larger computer organizations and chemical companies are being threatened constantly with new technical developments and must battle for their share of any given market. The British government encourages the integration of large industry groups. In the U.S. this is both discouraged and generally forbidden by law.

The tremendous level of competition in the field of commercial R&D may tend to enhance the rapid development of advanced technology. This same competition, however, distorts the significance of the total national level of expenditure. While the magnitude of our industrial R&D effort is larger than that of any other country, our intense industrial competition results in a tremendous duplication of effort and expenditure. At the end of the war, for example, private industry spent tens of millions of dollars in an effort to exploit new processes for the low cost production of titanium metal. In retrospect, most of these efforts were both premature because of a lack of adequate market and technically unrealistic. The great majority of the companies involved with this early effort are now no longer even associated with the titanium business. In a similar way a considerable number of small and large companies have endeavored to enter the nuclear power field over the past 20 years. For the majority of companies research efforts in this area were totally unjustified in terms of the resulting profits, and now only a few large organizations are really in this business. In contrast, several of the large German companies "agreed" to limit competition and each restricted activities in the nuclear power field to specific aspects of the problem, i.e., heavy water production, uranium separation processes, metal fabrication, etc.

CONCLUSIONS

From the above discussion it will perhaps appear that many aspects of the technological gap are not fully appreciated. The social environment and business climate in America is in many respects quite different from that in Europe. A better appreciation of the fundamental characteristics of the American free enterprise system might prove more useful to Europeans than any attempt to transfer technology abroad. Problems of attitudes and the total environment of our society should be better understood, particularly in terms of a "management gap" rather than one of technology.

(Note.—Richard S. Morse, D.Sc., Senior Lecturer, Sloan School of Management, Massachusetts Institute of Technology. Consultant to the Department of Defense, recipient of the Distinguished Civilian Service Medal, Director of several corporations, speaker and panel chairman for several committees. Formerly President of National Research Corporation and Vacuum Metals Corporation; Chairman of Army Scientific Advisory Board; and Director of Research and Assistant Secretary of the Army. Author of various publications on technology and R and D management.)

CHRISTMAS GIFT PROJECT FOR SERVICEMEN IN VIETNAM

Mr. RUPPE. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Findley] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FINDLEY. Mr. Speaker, you are probably all aware of the current project now being conducted by your staff members to collect Christmas gifts for shipment to our servicemen in Vietnam. I have been informed by my people working on this project that it is progressing quite well, but additional gifts are needed to make this idea really work out.

Each office was asked to collect all kinds of practical gifts which are to be collected and stored in room 259 in the Cannon Building for packaging and shipment. The room was provided through the good office of the Speaker [Mr. McCormack]. Those offices which are not able to offer gifts are asked to make a financial contribution for postage or the purchase of items.

Everyone is surely aware that these Christmas gifts should include edible, reading, recreational, and such other items as would be of use to a GI in Vietnam who is not too close to a PX or who does not have his funds to buy such things for himself. Items such as decks of cards, small chess sets, pocketknives, small flashlights, men's socks, and items which can be given by the man to needy Vietnamese children are also welcome. Donors could wrap the gifts and include a brief note identifying them as having been sent by the U.S. Congress and their staff members.

All five office buildings have representatives working diligently to make sure every office is informed of this project. As evidence of the ultimate success of the project I mention the contribution made by the office of Representative Cleveland—a total of 35 wrapped gifts. Other offices have made sizable financial contributions. And among our colleagues who are allowing their staff members to take time to move this thing along are Representatives de la Garza, Hébert, Utt, Widnall, Multer, Gathings, Paul Rogers, Giaimo, Nelsen, Conable, Johnson, Pettis, James Smith, Murphy, Schneebeli, Ottinger, Thomson of Wisconsin, Carey, and Mathias of Maryland. And on the Senate side Senators Clark, Nelson, Ellender, Thurmond, Percy, Dodd, Brooke, and Griffin.

I believe we should make every effort to keep the project moving. I ask once again, Mr. Speaker, for the cooperation of every office to make this project a truly "Merry Christmas from your Congress."

CIVIL DISOBEDIENCE, DRAFT DODGING, AND DRAFT RESISTANCE

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent to address the House for 3 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. GARMATZ. Mr. Speaker, the current epidemic of civil disobedience, violent demonstrations, draft dodgings, and draft resistance is a disgrace to our Nation and a tragic abuse of our free, democratic society.

In recognition of this great democracy, most respectable Americans have tolerated these outbursts in silent disgust. But speaking both as a Representative and resident of the State of Maryland, I find that my tolerance must now give way to my privilege—as an American—to exercise my own right of free speech.

I am sorry to say that the incident which forces me to speak out has occurred in my own State of Maryland, and in the city of Baltimore—a portion of which I represent. I refer to the highly publicized case of a Maryland youth who—after announcing his intentions to defy the draft—was widely acclaimed as a hero and supported by radical minority elements who staged demonstrations on his behalf in a number of cities.

Yesterday, at Fort Holabird, this so-called hero was disqualified for induction into the Army. An article on the back page of today's Baltimore Sun states that he failed his physical examination because he has an infected, ingrown toenail. This revelation would be amusing if it were not so disgusting.

Ironically, on the same page of the Sun—just beneath this incredible news item—is a story of a Baltimore soldier who was killed in action on his third tour of duty in Vietnam.

I do not intend at this time to comment on the pros and cons of the Vietnam war. But I would like to note the injustice of a system which permits an American youth to valiantly risk his life—not once, but thrice—in the service of his country, while a shirker is allowed to callously defy the law of our land. What kind of warped mind can call a shirker a hero? We have only to compare the selfless devotion of the Baltimore soldier who gave his life to that of one who prostitutes the meaning of freedom.

I think when this is done, the American people and the residents of Maryland, can easily decide who is the hero and who is the coward. It is frightening to think where this Nation would be today—or how different the history books would read—if cowardice had been the rule in the days of our forefathers.

I also feel strongly that any open defiance of our laws should be prosecuted. The simple failure to pass a medical examination—even on such a disgraceful pretext as an infected toe—should not wipe the slate clean when a law has been flagrantly defied or violated. I hope the Department of Justice will vigorously pursue this infamous Fort Holabird case, and any others that so obviously cry out for prosecution.

It is another sad commentary on the tempo of our times to note that acts of violence, revolts against society and the activities of the corrupt, the criminal and the malcontent are so highly publicized by the press media. Yet the press cannot be unduly criticized, because these are the things that make news. Unfortunately, the rabble rousers, the extremists and the rest of the small but very vocal minority groups—such as the antiwar demonstrators—have made expert use of this knowledge.

But I have faith in the great mass of silent, respectable Americans. I know they may be revolted, but they will never be swayed or influenced by those who burn draft cards; or pour blood on draft records; or preach violence and civil disobedience. If these so-called leaders are allowed to overthrow or disregard one law; if they are to be allowed to decide which laws to obey, and which laws to flout; if they are permitted to impose their own selfish, narrow interests on the American Government and the American people, then I submit we are poised on the brink of chaos and anarchy.

Mr. Speaker, I know the people of the United States will never allow this to happen. I plan to ask the proper committee to look into this matter.

In addition to these remarks, I insert the following three articles from the Sun into the Record:

[From the Baltimore Sun, Nov. 15, 1967]

YOUTH PLANS TO DEFY DRAFT TODAY AT HOLABIRD CALL-UP

(By Sandy Rooner)

Rockville, Md., November 14.—A Clarksburg (Md.) youth plans to be the subject of a series of anti-war demonstrations tomorrow in Maryland and in New York State when he refuses induction into the Army.

Matthew E. Clark, 19, whose late father, Duncan C. Clark, was the director of public information for the Atomic Energy Commission, said today that he plans to go through pre-induction procedures tomorrow at Fort Holabird, but will refuse to step forward to be sworn in when the time comes.

WAS ARRESTED

Young Clark, who took a leave of absence from his philosophy studies at Cornell University to participate in the activities of the National Mobilization to End the War in Vietnam, was arrested during last month's march on the Pentagon, he said.

He said he had turned in his draft card with a group of other war protesters last September and said he was "certain that my induction now is a direct result of the Hershey memorandum."

Lt. Gen. Lewis B. Hershey, Selective Service director, confirmed reports last week that draft boards had been ordered to crack down on eligible youths who violated the draft laws, or participated in demonstrations similar to that at the Pentagon.

Spokesmen for the anti-war group to which the Clark youth belongs said there will be demonstrations tomorrow in Rockville, when he leaves for Holabird with other inductees, another demonstration at the installation, and rallies in New York City, Ithaca, N.Y., and Syracuse, N.Y.

"VERY PROUD"

Mrs. Clark, the youth's mother, reached at her rural upper Montgomery county home, said, "I am very proud of him and what he is doing."

She added, "His father would have been proud of him, too."

Young Clark said he "didn't know" what would happen to him after he refused to enter the Army tomorrow, but said he is "seriously considering accepting conscientious sanctuary" in the church of a sympathetic minister, probably in New York City.

[From the Baltimore Sun, Nov. 16, 1967]

DRAFT PROTEST NIPPED BY INGROWN TOENAIL

(By Stephen J. Lynton)

A Maryland youth who has been widely hailed for his leadership in the draft resistance movement was disqualified for induction into the Army yesterday because of an infected ingrown toenail.

Matthew E. Clark, a 19-year-old staff member of the National Mobilization Committee to End the War in Vietnam, described his medical disqualification as "a very grand anticlimax."

RALLIES HONOR CLARK

The Clarksburg (Md.) Youth, whose late father, Duncan C. Clark, was the public information director of the Atomic Energy Commission, had planned to refuse induction at Fort Holabird. But his ailment denied him the opportunity to refuse the symbolic step forward.

While Mr. Clark's big left toe was producing unexpected results in Baltimore, demonstrations and rallies were conducted in other cities in the resistance leader's behalf.

And one much less celebrated youth actually did refuse to take the oath at Fort Holabird which would have made him an Army man.

Henry Voris, 20, of Potomac, Md., refused to "take the step forward," according to an Army officer. Mr. Voris's case will be turned over to the United States attorney in Baltimore for prosecution, he said.

BERRIGAN IN PROTEST

In Rockville, Md., about 50 people climbed out of their beds at dawn for a 6 A.M. anti-war rally near the bus which was to carry Mr. Clark to the induction station at Ford Holabird.

About 30 placard-bearing demonstrators—including the Rev. Philip F. Berrigan, S.S.J., and three other anti-war leaders who have been charged with pouring blood on Baltimore draft records—gathered at Fort Holabird at about 6 A.M. to await Mr. Clark's arrival. They rallied until shortly before 9 A.M.

In Ithaca, N.Y., where Mr. Clark studied philosophy for one year as a Cornell University undergraduate, the Rev. Daniel Berrigan, S.J., a brother of the Baltimore Josephite priest, led a "teach-in" of an estimated 300 students in behalf of Mr. Clark's draft resistance.

Mr. Clark says he expects to be asked to report for a new physical examination in three months and he intends, again, to refuse induction.

BALTIMORE SOLDIER IS KILLED ON THIRD VIETNAM TOUR OF DUTY

A Baltimore soldier who returned to Vietnam last summer for his third tour of duty there has been killed in action, the Defense Department reported yesterday.

Staff Sgt. James L. Beyerling, who had been in the Army since his graduation from Patterson High School in 1963, when he was 17, was listed earlier as missing in action, but was placed yesterday on the list of soldiers killed by hostile forces.

WOUNDED TWICE

His father, LeRoy Beyerling, of 3613 Roberts place, in Highlandtown, said yesterday that he would not believe his son was dead until the Army shipped the body home.

On his earlier tours in Vietnam, Sergeant Beyerling was wounded twice by shrapnel.

He was first wounded in 1965, while he was flying as a gunner on an armed helicopter. In 1966 he stepped on mine while on a ground patrol near Cu Chi.

Although he joked about his wounds, they were serious—the mine blast caused him to be hospitalized for five months in Saigon and Japan. It sent shrapnel into his arms, legs and neck, and tore open his left wrist and little finger.

"I was told I went up in the air like an Atlas-Agena rocket when I hit that mine," Sergeant Beyerling told an interviewer last summer while he was preparing to go back to Vietnam.

After he recovered, he was sent back to the United States and spent a few months at Fort Dix, N.J., which he described as "too calm, too quiet."

He was sent to jungle warfare school in Panama, then ordered back to Vietnam.

PERMISSION FOR COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO HAVE UNTIL MIDNIGHT NOVEMBER 18 TO FILE REPORT ON S. 1003

Mr. FRIEDEL. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have until midnight Saturday, November 18 to file a report on S. 1003, to amend the Flammable Fabrics Act to increase the protection afforded consumers against injurious flammable fabrics.

Mr. HALL. Mr. Speaker, reserving the right to object, I would like to know if this committee on the conference report the gentleman is seeking unanimous consent to file has met, and has completed the conference, and whether the report is ready for printing?

Mr. FRIEDEL. Mr. Speaker, I will yield to the chairman of the committee, the gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Speaker, the conference has completed its work unanimously, the Members on the part of the House and Senate, and each Member has signed the report. It is ready to file, but we just cannot get it into shape before Saturday. It has been cleared with the ranking minority member on our committee.

Mr. HALL. Mr. Speaker, is this the conference report to which the distinguished Member from West Virginia referred when he spoke to us earlier?

Mr. STAGGERS. Yes, when I spoke to Mr. FORD.

Mr. HALL. Is it necessary today to get permission to file this, instead of tomorrow since we are going to meet tomorrow? The gentleman still could file Saturday night, but he could seek permission tomorrow.

Mr. Speaker, I withdraw my reservation of objection.

Mr. GROSS. Mr. Speaker, further reserving the right to object, have we embarked on special orders?

The SPEAKER pro tempore (Mr. ALBERT). We have not.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Maryland?

There was no objection.

MENTAL RETARDATION AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. FRIEDEL filed a conference report and statement on the bill (H.R. 6430) to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes.

THE RYAN COOPERATIVE REHABILITATION HOUSING ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. RYAN] is recognized for 10 minutes.

Mr. RYAN. Mr. Speaker, in 1949 the Congress set the goal of a decent home and suitable living environment for every American family.

Eighteen years later the noble intentions of the Housing Act of 1949 have not been translated into an effective program of eradicating the slums.

One-fifth of the Nation is ill-housed, and the connection between bad housing and social ills is clear. If urban poverty and the concomitant social conditions it breeds are to be attacked, then it is essential that decent and safe housing be provided for all our citizens.

During this session of Congress I have again introduced legislation to provide a comprehensive housing program. It consists of a series of some 15 bills which propose bold approaches to rescue millions of Americans from our urban ghettos.

Yesterday I introduced H.R. 14034, the Cooperative Rehabilitation Housing Act of 1967, which is intended to convert slum buildings into cooperatives owned and managed by their present tenants. H.R. 14034 would be a new weapon in what needs to be a more effective arsenal of housing programs for low-income families.

For a number of years I have introduced legislation to bring about the construction of the remaining unbuilt and unfunded public housing units which were authorized in 1949. In 1949, 810,000 units were authorized, and only slightly over 600,000 units have been built in 18 years.

I have also proposed the creation of a new program of low-interest loans for new construction of moderate-income rental housing. However, there is an additional need to provide more resident-owned, decent housing in our urban centers. H.R. 14034 will achieve this by combining a massive program of rehabilitation with resident ownership in the form of cooperatives.

I have long believed that cooperative homeownership needs to be encouraged and expanded. I have previously introduced legislation to permit purchasers of units in cooperative housing projects to obtain conventional FHA loans in the same way that purchasers of detached houses do. At the present time a family desiring to buy into a co-op cannot secure FHA financing.

I have also introduced legislation to permit residents of public housing to purchase the units in which they live, either on an individual basis or through the disposal of the entire structure to a cooperative corporation. Where it is feasible, cooperative ownership offers low- and moderate-income families a means of reducing costs and of improving the quality of maintenance.

Urban blight, aggravated by absentee ownership of rental housing, stems from decaying slum tenements in America's core-cities.

Many buildings, rife with code violations, are, nevertheless, structurally sound and capable of rehabilitation. However, existing rehabilitation efforts through public housing and through nonprofit sponsorship have not provided sufficient units to begin to meet the need.

Absentee landlords in core-cities fail to maintain the buildings and make necessary improvements. Municipal code enforcement programs are not properly enforced. If extremely critical conditions exist, the municipal governments can condemn a building as unfit for habitation or take it over. Without the funds necessary to undertake rehabilitation, they have the choice of driving out the residents and demolishing the building or simply becoming the new absentee landlord. It has been accurately reported that the city government is the biggest slumlord in New York City.

Many buildings could be rehabilitated, if there were a way to break through the syndrome of absentee ownership, landlord disincentive to maintain in good repair, coupled with the inability of most cities to take necessary action.

Resident ownership is a major factor in careful maintenance. Where attempts have been made to take over deteriorated buildings as tenant cooperatives, they have generally foundered in two respects—the unavailability of loan funds at low interest rates for acquisition and rehabilitation; and second, the lack of sophistication and technical expertise among tenant groups to permit the successful management of a cooperative.

H.R. 14034 proposes to attack the syndrome of absentee ownership and aggravated blight through a coordinated program, the end result of which will be the conversion of many buildings, which can be rehabilitated, into low- and moderate-income tenant cooperatives.

First. H.R. 14034 authorizes a revolving loan program administered by the Secretary of Housing and Urban Development for acquisition and rehabilitation with an interest rate graduated down to 2 percent to keep monthly payments by tenants below 20 percent of their income.

Second. It provides for a technical assistance service in HUD, so that tenant groups can acquire the necessary expertise to organize and operate a cooperative. This is an important social dimension of the program.

Third. It encourages cities to move through condemnation and otherwise against slumlords whose buildings are consistently in violation of local building codes, with a view to ultimately conveying the properties to the tenants. Once a program exists so cities can transfer buildings which it acquires, they should be willing to be more vigorous in attacking slums.

Where it is not immediately feasible to organize a tenants' cooperative, my bill provides that a municipality may take out the loan on an interim basis for the acquisition and necessary rehabilitation work. At the earliest possible date, the title to the building and the mortgage obligation would then be transferred to the cooperative.

Code enforcement and tax enforcement are weapons available to a city in order to negotiate sales with landlords. The power of condemnation may also be used where a building is unfit for human habitation. Then the city can make the property available to a tenant group for rehabilitation and occupancy. Of course, there would be fair compensation in either case.

The effect of this program will be twofold. First, it will drive the worst slumlords from the disgraceful practice of exploiting tenants; and absentee ownerships will be replaced with cooperatives. Second, it will be an additional incentive for responsible landlords to maintain their buildings.

Under my bill, municipalities may receive Federal grants up to 50 percent of the administrative costs of acquiring title to a building and conveying it to a tenant cooperative.

In certain instances the tenant group will be able to negotiate directly with the owner for the sale. In other cases properties currently under municipal ownership might be conveyed to them.

Using HUD's figures based on a 1965-66 average per-unit cost of acquisition and rehabilitation, this program with a revolving fund capitalized at $1 billion could provide for the initial rehabilitation of approximately 80,000 units and additional units as loans are paid off, or as the capitalization of the fund is increased. The annual interest subsidy would amount to about $20 million.

Costs for administration, technical assistance, and grants to municipalities would be in the area of $20 million annually, varying with the size of the program.

At an annual cost on the order of $40 million, the cooperative rehabilitation housing will provide a mechanism for converting salvagable slum buildings into decent homes for urban Americans. At the same time it may serve as an incentive for landlords to maintain their properties.

H.R. 14034 offers an opportunity for low-income families to realize the many benefits of homeownership and to enjoy a decent, safe, and sanitary environment. It provides an imaginative new approach to stem the steady decay of our urban centers.

Mr. Speaker, a summary of H.R. 14034 follows:

Summary of Ryan Bill H.R. 14034, the Cooperative Rehabilitation Housing Act

Sec. 1. Title: Cooperative Rehabilitation Housing Act.

Sec. 2. Finding: That wider homeownership in low-income urban areas is highly desirable as a means of preventing or arresting urban decay. That absentee ownership encourages or perpetuates slums. That many existing buildings could be rehabilitated, but the economics and psychology of absentee ownership discourage it. Act encourages home ownership by low and moderate income multi-family housing dwellers.

Sec. 3. Loan authorization: Secretary of Housing and Urban Development authorized to make loans to tenants' groups for acquisition and rehabilitation of housing acquired either from present landlord or municipality after condemnation. 100% loans at a rate not higher than the current rate on the public debt, and not lower than 2%. Priority of membership in cooperative to be given to present residents of building. Average income of cooperators at the time of loan must be within 221(d) 3 limits, excluding the highest income one fourth. Average monthly payments to cooperative must not exceed 20% of average tenant income. The interest rate on the loan is adjusted to as low as 2% to comply with this condition. All inhabitants must be members of the cooperative; cooperative cannot sublet for profit.

Sec. 4. Interim loans: A loan may be made to a municipality for acquisition and rehabilitation of a structure, if the building and the loan obligation will be transferred to a tenant cooperative at the earliest possible date following completion of the work.

Sec. 5. Grants to municipalities: Grants for up to 50% of the administrative costs to a municipality in acquiring title to a building and conveying it to a tenant cooperative.

Sec. 6. Technical assistance: Technical assistance service in the Department of Housing and Urban Development includes initial organization of tenants' groups, assistance in the acquisition of buildings, arranging the loans, contracting for the rehabilitation work, instructions in management. Certain of these functions may be contracted to nonprofit groups which specialize in assisting cooperatives.

Sec. 7. Revolving fund created on the books of the Treasury.

Sec. 8. Powers of the Secretary.

Sec. 9. Labor standards: Laborers, contractors and subcontractors must be paid at prevailing rates, but Secretary may give permission for members of the cooperative to help in the rehabiliation. In the awarding of contracts, the local contractors shall have priority. Local residents shall be employed to a maximum feasible extent in the rehabilitation work. Funds for necessary training.

Sec. 10. Annual appropriations: Annual appropriations to cover the subsidized interest rate, and other administrative costs.

INTERCEPTION OF PRIVILEGED COMMUNICATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. RESNICK], is recognized for 1 hour.

Mr. RESNICK. Mr. Speaker, the interception of a radiogram or telegram by anyone is a serious matter. But when this is done by one in such a prominent position as the Governor of California, and when it involves a privileged communication from the White House, it seems to me that it should not pass unnoticed.

When taken in conjunction with the question of truth, it is doubly important.

Recently we have seen that the Governor of California has not told the truth regarding certain members of his staff. And now it would appear that he has committed an even more serious act—the violation of the Communications Act of 1934.

According to certain information which has come to my attention, the facts leading to this violation are as follows:

Governor Reagan was expecting some radio messages of his own aboard the SS *Independence* on the Governors' recent cruise to the Virgin Islands. Mr. Lyn Nofziger, his communications assistant, was in the radio room of the SS *Independence* to receive these messages. The messages were long ones and arrived in short installments or "takes."

Simultaneously the message from the White House, signed by Marvin Watson, Special Assistant to the President of the United States, was arriving, addressed to Price Daniel, a former Governor of Texas, now a member of the White House staff. The message from the White House also was sent in short installments or "takes."

I am informed that Mr. Nofziger, while waiting for the Governor's message, observed or was shown the White House message and thereafter either connived with or persuaded Chief Radio Operator Charles Berger to make a Xerox copy of the privileged White House message.

Significantly Mr. Berger has admitted in a signed confession that he descended six decks to the Xerox room down in the bowels of the ship to copy the White House message. On the face of it, this is most unusual.

Significantly, Governor Daniel did not receive the original copy of the message but rather a Xerox or a carbon copy. This also is unusual. There is no explanation as to why Governor Daniel failed to receive the original message in the first place, and of course most important of all, there is no explanation as to how the Governor of California received the same message.

There is no question, however, but that the Governor did receive the message and did distribute copies of it in clear violation of section 605 of the Communications Act of 1934. This act reads in part:

> No person not being entitled thereto shall receive or assist in receiving any interstate or foreign communication by wire or radio and use the same or any information therein contained for his own benefit or for the benefit of another not entitled thereto; and no person having received such intercepted communication or having become acquainted with the contents, substance, purport, effect, or meaning of the same or any part thereof, knowing that such information was so obtained, shall divulge or publish the existence, contents, substance, purport, effect, or meaning of the same or any part thereof or use the same or any information therein.

It seems to me that an investigation of this affair is in order. I can appreciate the reluctance of the White House to conduct any investigation regarding the Governor of California. Such a probe would immediately be labeled "politics" and there would be a hue and cry from Republican leaders that the President was persecuting a potential opponent.

But this does not mean that Members of Congress, particularly members of the Committee on Interstate and Foreign Commerce, should not ascertain who was responsible for violating section 605 of the Communications Act.

Was it the Governor's assistant, Mr. Nofziger? If so, why did the Governor condone the violation? Or did the Governor encourage the violation in the first place?

Because it is evident that laws have been violated by the interception of the cable and the publicizing of its contents, I am urging our distinguished colleague from West Virginia, the chairman of the Committee on Interstate and Foreign Commerce, to look into the matter thoroughly. Certainly the public is entitled to a full report.

Many Americans are concerned at such questionable behavior by the Governor of California—particularly in view of the fact that he has tried to build an image of himself as a white knight on horseback defending our virtue, and protecting all of us against crime, vice, and sin. Crime and sin are serious problems and a public leader is expected to set a good example. He cannot say, "Do as I say, not as I do." Our youth just will not buy it. Politics are not the movies where a person can lead one kind of life in private and be a totally different kind of person on film. There is only one Governor of California and the public expects him to be true to the image he is intent on building. Perhaps he is, since we already see the image tarnishing.

LEGISLATION FOR THE EFFECTIVE CONTROL OF SPENDING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. SKUBITZ] is recognized for 15 minutes.

Mr. SKUBITZ. Mr. Speaker, today Congressman MCCLURE and I are introducing a resolution which has been offered to the Congress 10 times since 1947. Today marks its 11th introduction. It may be "old" in terms of history of its introduction in the Congress—but by no means is it "outdated."

The resolution, often referred to as the "single appropriation bill," was first introduced in 1946 for dissemination and study. It has been available for adoption since 1948. Credits for the effort belong to the champion of the struggle to regain annual control over Federal expenditures, the late Senator Harry Byrd. I am making this resolution available once more in the 90th Congress with a thought that the need is more clearly demonstrated today than ever before. The Congress and the people of this country need to know whether a balanced budget, a surplus or a deficit is being enacted as it happens and expenditures of the Federal Government must be controlled. Neither is possible now—as is obvious by a look at the present fiscal state of affairs. The reforms offered by the adoption of this resolution would seem reasonable in the best sense of the word.

The history of the resolution has been scored not only by defeats but by partial victory and a clear demonstration of the worthiness of this legislation. It was reported favorably by the Senate Rules Committee—after hearings—four times, and it was passed by the Senate twice, on the calendar without objection.

In 1953, the resolution was sponsored by more than half of the Senate including the late President Kennedy, then Senator from Massachusetts. It was passed by the Senate that year when the Eisenhower administration gave considerable encouragement to the effort. Once again, its fate ended with the Speaker of the House where it died on his desk.

Consequently, the House of Representatives has never acted on the resolution. When I entered the Congress in 1963, I joined in the effort and introduced it for House consideration. Congressman JOHN BYRNES also introduced the resolution. We did so again in the 89th Congress—no action was taken. I was convinced of the need for this legislation in 1963 and it was one of my first efforts as a Member of the U.S. Congress. I am even more convinced today of the necessity for the "single appropriation bill"—and since 1963, evidence of the need has been more amply documented than ever before.

When my friend and colleague, the late Senator Harry Byrd introduced the resolution in 1963, he directed his remarks to the proposed tax "cut" and stated:

> To reduce taxes in the face of chronic deficit financing simply would charge the tax cut into the federal debt, and short of national emergency that is fiscally irresponsible. If expenditures were reduced first, perhaps a tax cut could be justified; but the President says expenditures will rise. The Congress needs more effective procedures for curbing the increase.

His words were not heeded. The resolution was not adopted. The tax cut was approved by the Congress February 26, 1964, which, ironically enough, included the following declaration—that is, section I, Public Law 88–272, Revenue Act of 1965:

> It is the sense of the Congress that the tax reduction provided by this Act through stimulation of the economy, will, after a brief transitional period, raise (rather than lower) revenues and that such revenue increases should first be used to eliminate the deficits in the administrative budgets and then to reduce the public debt. To further the objective of obtaining balanced budgets in the near future, Congress, by this action, recognizes the importance of taking all reasonable means to restrain Government

spending and urges the President to declare his accord with this objective.

Now, when we stand on the brink of reversing that action, when we face a projected $29-$30 billion deficit, when the public debt ceiling has been raised to $356 billion to accommodate the lack of control over spending—we should focus our attention on the one factor which remains constant. Many things have changed, certainly the situation is much altered from that of 1963 when the late Senator Byrd made his statement—but unaltered and unchanged is our continued inability to control the expenditures of the Federal Government.

The resolution I am offering today and to which I hope you will give most serious consideration, was necessary in 1963 when the President wanted taxes cut. It is necessary now in 1967 when the President wants the taxes raised. It seems to me we must take the bull by the horns and recognize that unless there is devised a system of expenditure control, we will go on raising and lowering taxes, building up a greater debt, continuing to throw the fiscal balance of this country to the winds.

The purpose of the resolution I am introducing is to provide procedures for effective annual expenditure control. It would amend House and Senate rules with respect to the appropriation process. Under present procedures, Congress acts on spending authorizations, such as appropriations, but where funds are available for more than one year, it does not limit annual expenditures under the authorizations. Under the resolution, Congress would put an annual expenditure limitation against all expenditure authorizations, including current appropriations, unexpended balances, backdoor spending items, and so forth.

Under present procedures, Congress acts on appropriations, as such, in a dozen or so appropriation bills which are brought before it at different times over a period of months.

Under the resolution, all expenditure authorizations, along with expenditure limitations, would be brought together under the cover of one "general authorization bill."

Under the present procedures, each of the numerous appropriation bills is accompanied by its own committee report giving the explanation and justification for the items in that group of authorizations.

Under the resolution, there would be a single report and, along with other information, it would tabulate all items as to both new authorizations and expenditure limitations, with grant totals.

When people talk about the Federal budget they are usually referring to Federal expenditures. They seem to overlook the fact that the Federal budget—like any other budget—has also a revenue side. The revenue side is the troublesome side.

It is true also that in the Federal legislative process with respect to fiscal legislation, the two sides of the budget are never considered either together, or one in view of the other. Tax bills are passed solemnly, in their time. And so-called appropriation bills—by the dozen, go through the Congress on their merry way.

Once the President submits his budget recommendations, Congress breaks up the so-called appropriation side into 10 or 15 separate unrelated bills, and, without ever looking again at the whole during its deliberation, the legislative branch enacts the appropriation budget over a period of 6 months or more.

Not only are the people surprised, but the Congress is surprised when we read of the moneys we have voted during the session when they are all totaled up and compared with the President's requested budget. We have not, until then, seen the whole package. We have not, until then, viewed the total budget, both columns, nor have we been able to maintain a true perspective of the action we have taken—bill by bill—until it is all said and done. Then, we become the "whipping boy," the cause for increased Government spending, for increased deficits, in fact, for all or any fiscal ill that plagues the country. I have heard many Members complain that until the President submits his new budget request in January, when a revised budget appears for the previous session of Congress, we never know what to expect. I hope those Members will give careful attention to this resolution.

Some of you may recall that the late Representative Clarence Cannon, of Missouri, as chairman of the House Appropriations Committee picked up the idea of the single appropriation bill and, without legislation, put it into effect in 1950. He put all of the appropriations into one bill, but that is as far as he went. The expenditure control feature was omitted. Substantial reductions in appropriations were made in the House; and when the single bill reached the Senate, Senators Byrd and Bridges went to work with an across-the-board amendment. It was a carefully worked out amendment—and it worked.

But other things were happening. The Korean war started the day the single appropriation bill reached the Senate floor and this necessitated substantial supplementals which in the end delayed passage of the bill. It is significant, however, and I note—that in both the House and the Senate, more Members participated in debate on that single appropriation bill, and the bill was ultimately passed in fewer work hours than were the numerous bills in either the year before or the year after 1950. It was also at this time that the resolution became known as the "single appropriation" proposal, whereas the effort had been toward expenditure control.

It is for the purpose of expenditure control that I introduce the resolution today. It is the total of actual expenditures in a fiscal year—not expenditure authorizations enacted—against annual revenue which determines whether there is a deficit or a surplus. We all know what the picture shows this year. We know now—but had we known earlier or had we anticipated fully what the picture would be when the appropriation bills came through the Congress on their way to the White House—perhaps we could have altered it.

This resolution would require the Secretary of the Treasury to submit a revised estimate of revenue at each stage of the legislative process on the single money bill. In short, the resolution would provide Congress and the country with an itemized list—in one place—of all expenditure items in the budget, with a total, along with the latest revenue estimates.

This is simple fundamental information which is required for orderly and intelligent action on Federal fiscal legislation. It is not available under present appropriation procedures. The resolution would require no change in committee organization. The single bill would be divided into titles corresponding to the separate bills under current procedures. Each of the titles would be considered by the subcommittee which now has jurisdiction over the presently corresponding bill, and the subcommittee chairman would manage the title on the floor.

I do not know how many more huge deficits the Congress or the country can or will tolerate. I do not know what will happen to the present request for a hike in taxes nor do I know if there will be a new wave of economics to suggest a tax cut in the next few years. No one knows how much longer we will be involved in an expensive commitment to the people of Southeast Asia. But I know, and I think the people of this country know—and surely the Congress knows the need for effective expenditure control is urgent. Whether this resolution—which has over the years been molded and perfected by the advice and counsel of highly capable persons from administrative and congressional branches—or whether some other form of expenditure control is adopted is not so important as that honest and sincere effort—serious effort—be made to meet the need for improved procedures. There is a better way—and I believe this resolution shows the way.

I now yield to the gentleman from Idaho [Mr. McCLURE].

Mr. McCLURE. Mr. Speaker, there is little I can add to the clear explanation of this resolution by our colleague, the gentleman from Kansas [Mr. SKUBITZ]. I want to express to him my sincere thanks for permitting me to cosponsor it.

The gentleman from Kansas is one in a long line of distinguished Members of Congress who have, over the years, tried to devise ways of streamlining our archaic appropriations system and thereby bring Congress into modern times.

Our recent experiences with regard to economy in Government point to the necessity for finding a new approach. On this I think there is general agreement.

Considering the backlog of funds that builds up over the years, the economy is more effectively managed through control of expenditures rather than merely appropriations. And on this I think there is general agreement.

Under our system of government, the responsibility for exercising these controls should remain with Congress rather than forfeiting it to the executive branch. And on this I think there is general agreement.

With such unanimity of thought, it seems inconceivable to me that we drift on, year in, year out, operating under procedures which make unclear just what the overall appropriation picture is and which make expenditure control virtually impossible.

The proposal that Congressman Skubitz and I offer today has had unanimous Senate approval in the past. It does not reduce the authority of the House Appropriations Committee, or its subcommittees, in the funding process in any way.

To those who feel it might delay the making of appropriations, it should be remembered, as my colleague pointed out, that the one time a single appropriation bill was attempted, it passed the House in less time than in the years before and since. Besides, could anyone make that argument here on November 16 without looking a little ridiculous?

There will be those who will belittle our resolution by saying that the appropriations process should not be tampered with. Let me remind them that its disintegration is hastened by clinging to outmoded procedures than by studying means of improvement, and this resolution is the vehicle by which such a study can take place.

Even as far back as 1949 the Hoover Commission recommended that the appropriation process be studied.

It is not a matter of upsetting tradition. After all, tradition is meaningful only insofar as it encourages progress.

There has been a growing tendency to fund beyond the current fiscal year. Because of the intricate relationship between the Federal Government and State governments or between the Federal Government and foreign nations, such funding is imperative. But it must be obvious to all that in the process we are losing control over future expenditures.

There can be little doubt that an overhauling of the appropriations structure is needed. And this Congress, which has been reluctant to face up to the impending economic crisis can take a long step back toward fiscal sanity by at least studying this resolution.

OUR HANDICAPPED CITIZENS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Bingham] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BINGHAM. Mr. Speaker, many thousands of our handicapped citizens have learned to lead productive and useful lives. They have sufficiently overcome their physical handicap so that they can perform a job well and make a real contribution to the world in which they live. But they still suffer grave inequities by virtue of their handicap. Today I am introducing legislation to compensate the disabled for their expenses by allowing them an income tax deduction for the additional costs incurred in commuting to and from work each day.

The handicapped worker incurs many expenses in the pursuit of his livelihood that the average person never even thinks about: for example, extra travel costs because he is unable to use routine methods of public transportation; expensive additions to office, shop, home, and car to facilitate his movements; special orthopedic devices; and higher insurance costs. If our aim is to encourage the disabled to achieve independence and become productive, wage-earning citizens, the least we can do is allow these courageous people to deduct from their incomes the extra costs necessitated by their handicap.

THE STUDENTS PARTICIPATING IN PROJECT BOAST WILL PRESENT GIFTS TO CHILDREN AT COOK COUNTY HOSPITAL ON NOVEMBER 20

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Annunzio] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ANNUNZIO. Mr. Speaker, Project Boast is a federally funded ESEA program designed to teach students the beginning occupational skills, and is presently being conducted at the King Educational and Vocational Guidance Center located in the Seventh Congressional District of Illinois which I have the honor to represent.

On November 20, the girls and boys participating in Project Boast plan to walk 1 mile to the Cook County Hospital in order to present gifts to the children who are patients there and to help brighten the spirits of the youngsters at the hospital.

Mr. John J. Broderick, coordinator of the cooperative work training program at King Educational and Vocational Guidance Center, has furnished me a report on this particular activity being conducted under Project Boast. I would like to call Mr. Broderick's report to the attention of my colleagues, who I know will be interested to learn that this federally funded program is meeting with such tremendous success and is achieving positive results among the children who are participating.

The report follows:

The Joys of Giving Are Not Restricted to the Rich—A Long, Strong Helping Hand of Charity Is Extended From the Ghetto

On Monday, Nov. 20, 1967, at 9:30 a.m. a group of one hundred students from the King Educational and Vocational Guidance Center, 2420 West Harrison, who are enrolled in project B.O.A.S.T. (Basic Occupational and Skills Training), a federally funded program, will walk the mile from their school to Cook County Hospital. The King students purpose will be to help brighten the spirits of youngsters who are less fortunate than themselves and are not blessed with good health this Thanksgiving.

The girls from the King E.V.G. will present the children in wards 26 and 46 with 50 tote-bags and 50 pairs of slippers, along with 25 stuffed animals, which were made in the Home Skills Center. The boys of the Multi-Purpose and Assembly Line shops will present the children in the above two wards with book ends constructed in their shops.

Project B.O.A.S.T. is a federally funded E.S.E.A. program designed to teach students the beginning occupational skills. At the King E.V.G. there are three fully equipped shops that teach these skills. These shops are attended by fourteen and fifteen year old boys and girls. The Home Skills Center is taught by Mrs. Ora Stevens, who is assisted by Mrs. Edna Elliston. In this shop the girls are taught cooking, sewing and other related homemaking arts. The Multi-Purpose Shop is taught by Mr. Arthur Stein, who is assisted by Mr. Warren Pitrie. The Multi-Purpose Shop teaches an assortment of graphic arts which include the following: Engraving, Book Binding, Embossing, Laminating, Spray signs, Sign printing, Printing, Silk Screen, Imprinting, Rubber Stamp Making. The third shop, Factory Assembly-line teaches assembly-line procedures and pays the students for work done for private industry and completed there. This shop is headed by Mr. Seymour Gerber and he is assisted by Mr. Richard Smiley. This program also has a home visitor Mr. Nathanial Dickson, whose main job is to keep the parents of the students in the program aware of what is taking place at the school. This project is headed by the Supportive Services Coordinator Mr. Thomas Bradley.

If the student becomes 16 years old during the school year, he or she is placed in the Cooperative Work Training Program (Voc. Act of 1963), coordinated by Mr. John Broderick. Mr. Broderick places the student in private industry on a part-time working basis at $1.40 an hour paid by the employer. The students attend school a half day and work for private industry a half day.

When the students graduate from King E.V.G. Center, they are sent to coordinators in schools that carry-on the Cooperative Work Training Program. Therefore, they keep their jobs with private industry and attend school at the same time.

Miss Bernice Boye, District 9 Superintendent, Mr. Gilbert Benowitz, Principal on leave, and Mr. Stanley J. Vopat, acting Principal, are directly responsible for the success of the project & programs at King EVG Center.

The people responsible for planning & designing the projects and programs at King are: Dr. James F. Redmond, Supt. of Schools; Dr. Arthur R. Lehne, Assistant Supt. of Vocational Education; Mrs. Helen J. Evans, Dir. of Voc. Ed. & Spec. Programs; Mrs. Lucile Broadwell, Dir. of Voc. Ed. for Girls; Mrs. Winifred Wagner, Dir. of Home Ec.; Miss Leonora Wojtan, Sup. of Project BOAST; & Mr. John W. Craig, Sup. of C.W.T. Program.

CONTRADICTION

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Resnick] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RESNICK. Mr. Speaker, Charles B. Shuman, the president of the American Farm Bureau Federation, is a busy man. Besides serving as president of the Farm Bureau, he is also the president of the National Food Conference, and the president of the American Agricultural Mutual Insurance Co. In fact, he is such a busy man that he has difficulty keeping track of what his position is on basic issues.

Mr. Speaker, I place the following editorial in the Record. In light of his reputation for efficiency, I can only conclude that these contradictions are quite deliberate and involve a deliberate tailoring of his views for specific audiences.

The editorial follows:

CONTRADICTION

Charles B. Shuman, president of the American Farm Bureau Federation, sometimes gets in his own way in his efforts to ridicule the United States Department of Agriculture.

In the current issue of the AFBF magazine, "The Nation's Agriculture," Shuman writes editorially, "Then followed in quick succession increases in wheat allotments totaling 32 per cent, a campaign to step up corn and soybean production, sharp cuts in foreign aid shipments of grain and a massive propaganda ballyhoo urging farmers to produce more." This blast was in regard to a USDA news report of May 30, 1966.

A few days after the magazine appeared, Shuman addressed the annual meeting of the American Meat Institute in Chicago. The weekly organization tabloid, Farm Bureau News, commented;

"The national farm leader recommended the wraps be taken off farm production in the U.S. starting with wheat and feed grains, two of the commodities now controlled and subsidized by the government."

This contradiction suggests some sort of a breakdown of communications between Charles Shuman and Charles Shuman.

PEACENIKS ARE NOT VERY NEW—THEY HAVE BEEN AROUND SINCE THE CIVIL WAR

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. RESNICK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RESNICK. Mr. Speaker, the Albany Times-Union, in an editorial, notes the fact that peaceniks, demonstrations and mob violence as methods of opposing government policies are nothing very new in America.

During the Civil War, the paper said:

> The war which people in the North had thought would be short and easy was far from that . . . the peace Democrats (Copperheads) gained a large following for their platform of peace at any price. The four-day draft riots in New York City cost 1,000 lives and an estimated $2 million in damages. Demonstrators carried signs reading: "To hell with the draft and the war."

The situation reached the point where Lincoln thought he would not be reelected in 1864.

The parallels are clear. But it should be noted that despite all the opposition, Lincoln held firm to what he thought was right.

And as the Times-Union notes:

> And some day history would likely prove, event to the doubters, that President Johnson also is right in his commitment now to freedom in Vietnam—if faltering support at home doesn't undermine that commitment first.

Under unanimous consent I insert this excellent editorial into the RECORD:

WILL HISTORY REPEAT ON WAR DISSENT PATTERN?

"I do not think our enemies are so confident of success as they used to be. If we can baffle them in their various designs this year . . . I think our success will be certain.

"If (we are) successful this year, next fall there will be a great change in public opinion. The (party in power) will be destroyed. I think the friends of peace will become so strong that the next administration will go in on that basis. We have only therefore to resist manfully."

Looking at the American scene today, North Vietnam's Ho Chi Minh might well say this. But the words actually were written by Confederate General Robert E. Lee in 1863 during the Civil War.

He had good reason to believe them. The war which people in the North had thought would be short and easy was far from that. There was not much battlefield success. Corruption was found in the military. Suffering and hardship were increasing for civilians, and the nation's first draft law was put into effect.

The peace Democrats (Copperheads) gained a large following for their platform of peace at any price. The four-day draft riots in New York City cost 1,000 lives and an estimated $2 million in damages. Demonstrators carried signs reading: "To hell with the draft and the war."

As one historian put it: "The North seemed in danger of losing the war because of the unwillingness of its own people to make necessary sacrifices."

The situation reached the point, in fact, where Lincoln believed he would not be reelected in 1864. Yet he insisted that his course was right and he carried it out.

"Let us be quite sober," he wrote a friend. "Let us diligently apply the means, never doubting that a just God, in his own time, will give us the rightful result."

The Civil War and the Vietnam war are not totally parallel, of course, but there is considerable similarity.

Peace demonstrators provoke riots today, although fortunately nothing so bloody as the 1863 New York outbreak. Some congressmen push for withdrawal of troops from South Vietnam. Some Americans advocate peace at any price.

Yet the U.S. has a commitment to protect South Vietnam from Communist take-over, even as Lincoln was committed to preserving the Union. President Johnson knows the value to the U.S. of a strong and free Asia, just as Lincoln realized that the North would benefit from a strong and loyal South where all could live as free men.

Despite all opposition, Lincoln held steadfast to his commitment to preserve the Union. History proved his decision to be right.

And someday history will likely prove, even to the doubters, that President Johnson also is right in his commitment now to freedom in Vietnam—if faltering support at home doesn't undermine that commitment first.

A TRIBUTE TO BERNARD KILGORE OF THE WALL STREET JOURNAL

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I wish to add my own to the many words of tribute which are today being paid to Bernard Kilgore, whose death last Tuesday, November 14, means the loss of one of the outstanding figures in modern American journalism.

It was Bernard Kilgore who was chiefly responsible for building the Wall Street Journal into one of the most influential newspapers published not only in the United States but in the world.

I take this time to express my respect for Mr. Kilgore both because of his contributions to American journalism because he was born in the State of Indiana and grew up in my own hometown of South Bend. Indeed, we were graduates of the same high school.

I was privileged to meet Mr. Kilgore on only a few occasions but was always impressed by his wit and his warmth and by his continuing pride in this Hoosier antecedents.

That so many of us in Congress are faithful readers of the Wall Street Journal, even when we frequently disagree with its editorial positions, is a mark of our respect for the accuracy, the imagination and the overall high quality of its reporting and interpretation of the news. All these characteristics are in large measure the result of the work of Bernard Kilgore.

Mr. Speaker, rather than review here the major events in the career of Mr. Kilgore, under unanimous consent, I include at this point in the RECORD an editorial and news article from the Wall Street Journal of November 16, 1967:

[From the Wall Street Journal, Nov. 16, 1967]

BERNARD KILGORE

A man's life story can tell so much about a man—and so little. So it is with the story, published elsewhere in these pages, of Bernard Kilgore.

It's a tale that might have been written by Horatio Alger: Boyhood in a small Indiana town and a fascination with the world brought to the door by the local newspaper; the small Indiana college and the fun of editing the college newspaper; the heady wine of being a 20-year-old reporter in New York City, a 24-year-old columnist, a 26-year-old Washington bureau chief with a public accolade from the President of the United States, a 32-year-old managing editor of this then small but nonetheless influential newspaper.

And finally, the excitement of building The Wall Street Journal from a circulation of around 33,000 to more than one million, seeing it published in eight plants scattered across the country and grown rich in resources and prestige as the country's first national newspaper.

This is enough to mark a remarkable man.

Obviously Barney Kilgore was blessed with the gift of talent, enough to make him stand out among his colleagues as a perceptive journalist; reread today, his columns and magazine articles of that time show an astonishing insight for one so young, and an aptness of expression still worthy of envy.

Equally obviously, he had to have other qualities to make older men single him out for responsibilities beyond his years or experience.

The Wall Street Journal of those days was already a long-established newspaper, eminent in its field of financial journalism, which had been proudly built by such men as Charles Dow and Clarence Barron. If, like other businesses, it was suffering the problems of the depression and a changing world, it was still not an enterprise to be entrusted lightly to a young man. Barney Kilgore was chosen because he was also blessed with that rarest of qualities, maturity in youth.

This accounts for his early recognition. It accounts not at all for what he did afterwards with the enterprise entrusted to him.

The secret there was the eye of a poet. As some men look at rivers and see them spanned by great bridges, he looked at the nation and dreamed of crossing it with a single newspaper that each morning would carry the same news to Portland, Oregon, as to Portland, Maine. No one could persuade him that it couldn't be done, though many tried, because he had a vision.

His perception was in seeing that the nation at work is the same everywhere; labor, capital, enterprise—and the problems that grow out of all three—are the tie that binds. He also believed that those who had to deal with these problems would value a newspaper that informed them in depth and without sensation about the world they live in in all its variety. Such people might not number many in any one place, but he was sure that across the nation their numbers were legion.

In retrospect the vision seems self-evident and its realization simple. It was not so. The building of the dream took a quarter of a century, and perhaps it is not yet finished. It also took a man who saw that soaring bridges need sound engineering, and the underpinning of his dream was as eager a quest for technological advances as for journalistic excellence.

Most of all, to achieve such a thing required patience, often courage and always the power to inspire others. For of course the building of the new enterprise required the skills and talents of many men. It was not a one man's labor, only a one man's vision.

Of those personal qualities of Barney Kilgore the outline of the story tells very little. In this century there have been other men, too, who made great impress upon the journalism of the times. Some of them were very dramatic personalities, easy to write about, and they became as well-known as their handiwork. Not so with Barney Kilgore.

He was, strangely enough for so dynamic a leader, the gentlest of men. There are those who have worked with him a lifetime, and who bear witness to his stubbornness with an idea, who have never seen him lose his temper or make those flamboyant gestures that make for legends. By the nature of his work—from reporter to prominent publisher—he walked with the peers of his time, and he was known and respected by all. Yet he always walked with them shyly, just as he was shy with those who worked with him.

Somehow among those gifts given him was the boon of self-containment, if not always self-content. There was a demon in him about what he wanted to create; his pride in his newspaper was as great as that of a composer for his symphony, and so was his jealousy for it. Yet he had not the slightest need for self-aggrandizement or personal publicity to nourish an uncertain ego.

Thus his work is more famous than himself. If you ask what he did, you need only look at this newspaper you are reading simultaneously with more than a million others in cities and villages all across the land, and at the other publications of the Dow Jones family on which he put his mark. If you ask what manner of man he was, his friends can only tell you he had a touch of genius and was to the full measure a gentleman.

Such men are rare.

[From the Wall Street Journal, Nov. 16, 1967]

Bernard Kilgore Dies—Made a National Daily of Wall Street Journal—Dow Jones Chairman, 59, Created National Observer and Built Up Barron's, Dow Jones News Service

Bernard Kilgore, the man who changed The Wall Street Journal from a small financial newspaper into the nation's only national daily, died late Tuesday night at Princeton, N.J., after a long illness. He was 59 years old.

As the dominant figure in Dow Jones & Co. Inc., the parent corporation, for the past quarter of a century, he was also responsible for the creation of The National Observer, the nation's first national weekly newspaper; for the growth of Barron's, a leading financial weekly; and for the expansion of the Dow Jones News Service into a world-wide supplier of business and financial news.

Although at his death Mr. Kilgore was chairman of the board of Dow Jones, he always proudly and accurately described his occupation as "newspaperman." In a career that spanned 38 years he had been a reporter, a copy-desk editor, Washington correspondent, political columnist, managing editor and general manager before he was named company president in 1945, at the age of 36.

He was also proud of his record as corporate president—Dow Jones earnings rose from $211,201 in 1945 to more than $13 million last year—because he was convinced that only a sound financial structure could support good journalistic enterprises. But he never forgot the purpose of his business management, and never ceased himself to be a shirt-sleeved newspaperman.

PIONEERED IN-DEPTH STORIES

Under his business leadership the company pioneered in technological advances. The Wall Street Journal is now published in eight plants from coast-to-coast to serve its million subscribers. Under his journalistic leadership, the newspaper pioneered the use of exhaustive stories-in-depth in daily journalism and led in the concept of delivering the same news and editorial content each morning to its subscribers, wherever located.

The unique enterprise that resulted marked him as one of the handful of men who have made a permanent impress on the journalism of this century. He perceived early that a new technology was necessary to gather the news, publish it and deliver it if there was ever to be a national newspaper. And he always saw that only the editorial content could make the paper useful to the reader, and therefore successful.

Thus "Barney," as he was known to his friends and colleagues, remained an untiring newspaperman, always in the thick of things. Even when his last illness kept him away from the office, his editors received frequent notes filled with ideas, suggestions—and an occasional criticism—that showed that his interest in the news and his newspapers never flagged.

SALVOS OF IDEAS

The only thing missing, these last days, was Barney Kilgore himself, necktie pulled down, sleeves rolled up, firing off salvos of ideas, praise for pieces he liked, censure for stories he found wanting; or equally probing with curious mind into other phases of the business—advertising, circulation and production.

Through it all he kept hammering at one credo: Simplify the complicated—and keep the reader interested. "The easiest thing in the world," he once said, "is to stop reading."

Barney Kilgore's major innovations in journalism began in the early 1940s when, as managing editor of The Wall Street Journal, he set about broadening the news coverage the Journal offered the business community and transforming its ways of reporting and writing the news. But these innovations sprang from long thought and a varied experience.

Bernard Kilgore, a heavy-set man with thinning dark hair, grew up in Indiana, and he never lost his Midwestern touch. He was born there Nov. 9, 1908, in the town of Albany, where his father, Tecumseh Kilgore, was superintendent of schools. His mother, the former Lavina Elizabeth Bodenhorn, was from a farm family in the area. He grew up in South Bend, Ind., his father having moved there to enter the life insurance business.

After graduation from South Bend High School—where he acquired top-flight grades, sharp skill as a debater and a ragtime jazz style on the piano—he entered DePauw University at Greencastle, Ind., where he majored in political science.

There he began working on the campus paper, The DePauw, and eventually became its editor. During his junior year he also served as editor of the college yearbook, The Mirage, a dual extra-curricular burden that won him an exemption from the college rule against owning a car, a privilege he exercised with a campus-renowned Model-T Ford.

In June 1929, armed with a Phi Beta Kappa key, he set out to write prospective employers on the college newspaper letterheads. The first of these went to Kenneth C. Hogate, a DePauw alumnus who was then general manager of The Wall Street Journal and later president of Dow Jones. "Casey" Hogate was impressed by his fellow Hoosier, and thus the Kilgore career had its beginning.

There was plenty of excitement that summer for a 20-year-old on The Wall Street Journal. Stocks were soaring and the Journal had a circulation of 50,000, a high number in that day for a financial newspaper. Plans were afoot for starting a San Francisco edition of the paper, the first issue of which was dated Oct. 21, 1929. The stock market crash came on Oct. 29.

Already the young Kilgore was demonstrating his ability to look through the surface of the news. While the Journal was proclaiming editorially on Nov. 1 "The sun is shining again, and we will go on record as saying good stocks are cheap," Barney was writing his family in a different vein. He warned his father, "Put up a storm door to keep the wolf out, and hang on to your shekels."

This quality of perception and the ability to put commonsense ideas succinctly was not lost on his superiors. After assignments on the Journal's New York and San Francisco copydesks, Barney Kilgore was made news editor in San Francisco in 1931. There he hit upon the idea of a column in letter form to an imaginary correspondent confused about such concepts as deflation and other economic problems. His "Dear George" series displayed his talent for reducing complex financial and economic problems to easy-to-understand English, and by late 1932 he was back in New York as a regular editorial page columnist, at the age of 24.

PRAISED BY F. D. R.

Two years later—in March 1934—he discovered that his reading public included President Franklin Roosevelt. At a Presidential press conference, when asked to explain a technical difference between two suggested ways of paying the soldiers' bonus, the President advised the reporters to "read Kilgore in The Wall Street Journal" because he had written "a good piece" on the subject.

And soon it happened again, when FDR was asked to explain a complicated Supreme Court decision on the National Industrial Recovery Act. The Journal tooted its own horn a bit with a story headlined: "President Tells Reporters To Read Kilgore Article."

That was an auspicious beginning for a new Washington bureau manager, which he became in early 1935, a post he was to hold until he became managing editor six years later.

It was as Washington bureau manager that many of Barney Kilgore's new ideas about The Wall Street Journal began to evolve, and that he developed his characteristic manner and method as an executive.

He was constantly urging his Washington reporters to avoid Governmental jargon, to say simply what they meant to say and to treat any story in the depth and fullness required to tell it properly. And he was constantly urging the New York office both to give the space, when needed, and to publish the wider ranging stories on politics and Governmental trends that would make the "hard" news of a subsequent day.

PROBLEMS FOR A NEW BOSS

As an executive, the young man had a special problem, since The Wall Street Journal bureau, even then one of the largest in the capital, contained a number of reporters older and more experienced than the new boss.

He succeeded in spite of—or perhaps because of—an essential shyness belied by his aggressiveness as a newpaperman. Those he worked with were never "summoned" to the manager's office. Instead, the young boss would seek out the man. If he had praise to deliver, it was given publicly in the news room. If it was a complaint, it would be given privately, and usually mildly.

But the mildness dealt only with the manner, not the substance. Barney Kilgore knew what he wanted, which was the best possible story, and in his quiet way he insisted on getting it. The men he respected had wide latitude, and often he would accept their judgment on an event even when he did not share it. But he had little patience with incompetence.

The Washington years were important ones for him in other ways. As the newspaper's chief political writer and columnist, and a frequent contributor to magazines as well, he came to know well most of the important officials of his day and gain an insight into both politics and government. He also had a chance to show by example the kind of story he wanted, first from the Washington bureau and later for the newspaper as a whole.

It was during his Washington period, too, that on Oct. 1, 1938, he married Mary Louise Throop of Greencastle, Ind., whom he had met on a visit back to DePauw. She survives him, as do their three children: a daughter Kathryn, 22, and two sons, James Bernard, 19, and John Harvey, 15.

RADICAL CHANGES FOR JOURNAL

The 1930s were a tough time for all newspapers, but especially so for a business publication. The circulation of the Journal shrank from a high of 50,000 to a low point of only 28,000. It seemed clear that some radical changes were needed. In early 1941 Mr. Kilgore was called back to New York and, as managing editor, given the job of making the newspaper more appealing for a wider audience.

Some articles about Mr. Kilgore's career have dated the major changes in The Wall Street Journal from 1945, when he was named president of Dow Jones, but the big changes began in 1941 when he took over as managing editor.

The story of this "revolution" in transforming the Journal has been told by Vermont Royster, the present editor, in the book, The World of The Wall Street Journal: Main Street and Beyond.

With William H. Grimes, then the Journal editor, "providing the leavening of experience and Kilgore the daring to 'do everything differently' the modern Wall Street Journal was created by building a new edifice atop the old foundations," Mr. Royster wrote. He went on to describe the transformation in some detail:

"Within the space of a few years the front page was completely revamped by developing a type of new story which, while dealing with current events, was not tied down by yesterday's developments. This permitted the staff to dig into a situation over a period of several days, write about it with care and then give the reader a comprehensive report.

"The 'What's News' column was strengthened in scope and manpower (it now takes sixteen man-hours daily to produce what it takes you six minutes to read) to cover all the 'spot' news of the day, with details, where necessary, carried in separate stories inside the paper.

"The concept of appropriate news for The Wall Street Journal was enlarged past its founder's wildest dreams. The hard core of the paper—accurate and full coverage of corporate affairs and the stock market—was still there, but it was reorganized, more carefully packaged, and no longer allowed to dominate the paper.

"It's hardly surprising that there was an electric air in the news shop just off Wall Street."

EDITING FOR "OUR ELKHART"

The Kilgore-instigated changes in the Wall Street Journal didn't please everyone, of course. A few Wall Streeters wondered what happened to *their* newspaper. A 1959 Time magazine article said: ". . . one Wall Streeter complained that the (new) Journal belonged to 'auto dealers in Keokuk.' Mr. Kilgore never denied it. Said he: 'If you are publishing in Elkhart, Ind., you have got to edit for the Elkhart reader. The business community is our Elkhart.' "

The readers in general, however, evidently agreed with the paper's broader approach. Circulation climbed swiftly. The Journal saw its number of subscribers rise from 33,000 in 1941, when Mr. Kilgore became managing editor, to 102,000 in 1947. By 1959 circulation had passed a half million. Today it is over 1,100,000.

Meanwhile, on the Kilgore theory that you have to get a newspaper to the reader promptly to make it useful to him, new regional printing plants were opened in Chicago; Dallas; Chicopee Falls, Mass.; White Oak, Md.; Cleveland; Palo Alto, Calif.; Riverside, Calif.; and Highland, Ill. All type is set automatically and simultaneously in the regional plants from punched tape transmitted from the East. The Riverside plant prints its papers by facsimile process; the Highland plant uses photo-composing and offset printing.

FROM RESTLESSNESS, NEW IDEAS

But for all his success, Barney Kilgore remained a restless man. He often warned staffers against the danger of "standing still." "Whether we like it or not," he once told the editors, "other publishers are getting smarter. We ought to keep our minds open to new ideas. We don't want to pattern tomorrow's paper on yesterday's."

Thus Journal newsmen were by no means startled in 1961 to learn they were going to have a sister newspaper, The National Observer, that was to bear no resemblance to The Wall Street Journal except for a six-column format.

As something new in journalism, the fledgling had a rocky childhood. This was due in part to a Kilgore idea that the paper didn't need reporters but "people who can put events together and explain what they mean." Characteristically, Barney Kilgore wasn't non-plussed when an idea came a cropper; he quickly liquidated a mistake and went on to better ideas.

Today nearly all National Observer stories are created by its own reporters. Mr. Kilgore lived to see the Observer rise from a circulation of about 200,000 on its first birthday, in February 1963, to the present total of about 500,000. Today the paper is edited in Silver Spring, Md., and printed in four cities.

GROWTH OF THE TICKER

Meanwhile, under Mr. Kilgore's guidance, the Dow Jones News Service has expanded throughout the U.S. and Canada; today it has clients in 742 cities in 49 of the 50 states. In a venture with the Associated Press, its service is now being extended overseas. Barron's, the national financial weekly, which is another Dow Jones publication, now has a circulation of more than 200,000.

The financial growth of the company under Mr. Kilgore has matched its growing readers. Total revenues rose to $83 million in 1966 from a little more than $3 million in 1940. In 1940 net income was only $169,723; in 1966 the company's net was $13,368,811.

Staff and organization has grown comparably. From 622 employes in 1940, the staff has grown to over 2,500.

One thing that didn't change over the years was Barney Kilgore's restless energy. Nobody was ever surprised when he dropped into the Riverside plant with curious inquiries about the facsimile printing, or into the Highland plant to watch the progress of new equipment to set type by photo-composition. And newsmen were accustomed to meeting him anywhere.

In the company's executive offices in New York, he continued the informal executive ways of his Washington experience. Much of the company's business was conducted at a morning gathering of executives, fabled throughout the organization as the "koffee-klatch."

There, on a given morning, the conversation might turn on something as inconsequential as last Saturday's golf game, as speculative as the political situation, or as business-like as whether to build a new plant. There, in months of talk, The National Observer was born and other endeavors started or abandoned.

RESISTANCE WITHOUT REVERBERATIONS

Most of those present had known Barney and worked with him for many years, and all of them always felt free to tell him he was wrong. On occasions the conversations would grow heated, so much so that afterwards an executive might wonder if perhaps his language had been too forthright to the man who was, after all, the president of the company. But there were never any reverberations; in fact Mr. Kilgore seemed to enjoy the resistance.

When an executive apologetically said he hoped Barney "wasn't mad," Mr. Kilgore replied: "I'm the only man around here who can't afford to get mad."

An important result of his touch with people is that the top management team of the company today has worked with Barney Kilgore, and with each other, for more than a quarter of a century.

William F. Kerby, who succeeded to the presidency when Mr. Kilgore become chairman of the board in March of 1966, is a former managing editor of The Wall Street Journal. So is Buren H. McCormack, the company's executive vice president, and Robert Bottorff, vice president and general manager.

All three began as reporters for the Journal in the 1930s, and helped to carry out Mr. Kilgore's revolutionary ideas. Their cohesion as a group for so many years is a measure of Barney Kilgore's tolerance of strong disagreement among men he respected, and his desire to continue the company's tradition of placing top management responsibility in the hands of executives with editorial backgrounds.

One reason for this easy way with his colleagues was his ability to look at himself with self-amusement, and he could tell easily stories of his own gaffes.

Once in talking to a young political reporter he recalled how he had missed a big story at the 1940 Democratic convention. There Labor Secretary Frances Perkins told him that FDR was going to tap Henry Wallace as Vice Presidential replacement for John Garner. He thought it too fantastic to be true. Twenty-four hours later the story was front page news everywhere. This lack of embarrassment about his own "goofs" made for empathy with all who worked with him.

But if Barney Kilgore made his mistakes, they were far out-balanced by his successes, most of which stemmed from the application of good common sense coupled with a rare imagination.

READINESS FOR PEARL HARBOR

One illustration of this was a decision he made shortly after he became managing editor. Until then most of the type for the Monday edition of the Journal was set on Saturday, with only a skeleton composing room crew on hand Sunday. Mr. Kilgore insisted on changing this, to have a full crew in on Sunday even though it would add to the cost of production. The first Sunday the Journal had on hand its full crew of printers was Dec. 7, 1941, and the post-Pearl Harbor day edition of the Journal has become a classic.

His instinct for doing the right thing at the right time was illustrated again shortly afterwards when, as general manager, he had to deal with rationed wartime newsprint. He chose to forego increased advertising in favor of expanded circulation, the opposite of the path chosen by some other publishers. "Now is the time to build," he said. "There will be lots of time later to get advertising."

This same sound instinct led him, in the years when Dow Jones earnings first began to grow, to plough the new earnings back into plant and equipment and into an expanded news budget. The result is that today the organization's reporters travel the globe and the current news editors never have to worry about the cost of covering a story. It is not at all unusual for a team of reporters to spend weeks working on a single story.

Inevitably the Journal has been involved in controversies, both as a result of its editorials and its news stories. Having a publisher who was, first and foremost, a "newspaperman" meant that the editors got full backing from the president's suite.

THE GM CONTRETEMPS

This was spotlighted in 1954 in a short-lived but lively dispute between General Motors Corp. and The Wall Street Journal. The newspaper had run a story with sketches depicting what 1955 model cars would look like, to the unhappiness of the auto maker. As a result GM canceled all its advertising in the Journal and declined to give the newspaper news releases and entry to press conferences.

Barney Kilgore, as publisher, stood firm, remarking "our editors are perfectly willing to discuss these differences, but not under pressure." But he also added with a smile. "The Journal isn't mad at anybody. I have a General Motors car (a 1951 Chevy), and I certainly don't intend to sell it." Eventually the controversy was settled with smiles all around.

Once when William H. Grimes, then the editor, was being denounced for editorial outspokenness, Mr. Kilgore told an irate visitor: "Well, I suppose I might fire him, but how long could I keep any editor if he got fired every time a reader disagreed?"

This practice of delegating responsibility and letting the man alone as long as he did the job well was a characteristic he never lost. Shortly after Vermont Royster succeeded Mr. Grimes, the new editor offered to show the publisher a proposed editorial on a Presidential State of the Union Message. Mr. Kilgore declined with the remark, "I'll read it in the paper."

THE "UPCOMING" STORY

But, being a newspaperman, he didn't keep it to himself when something made him wince, whether it was an editorial viewpoint, incomplete reporting or sloppy writing. He read all Dow Jones publications thoroughly, and his memos, whether brickbats or bouquets, were to the point.

Jargon words he especially detested. A famous story among WSJ staffers concerns a note to one of his editors: "If I see 'upcoming' in the paper again, I'll be downcoming and someone will be outgoing."

Recently Mr. Kilgore expressed his fear to editors that as newspapers grow they take on some of the "bureaucratic aspects" of big business. "The news department tends to get outnumbered. This has been fatal to some publications, but I don't think it will be to us." He assured Journal newsmen that although company executives for some time had been seemingly preoccupied with the development of new facilities and technological changes, "the most important thing still is the content of the package which the facilities are designed to turn out."

Last year, when an editor wondered if "the top brass pay as much attention to the news department as they once did," Mr. Kilgore replied: "The most important thing for top management to do is to make sure that anyone does *not* interfere with the news content of the paper."

Barney Kilgore's interest in journalism took many forcs, as his restless interest moved on. In 1955 he personally purchased The Princeton Packet, the oldest weekly newspaper in New Jersey and the fifth oldest in the U.S., and published in Princeton, where he lived.

Under his direction the Packet rose from a circulation of about 1,000 to more than 8,000. He modernized the old-fashioned format and in 1965 began producing it by the offset process. Later he became the publisher of five other New Jersey weeklies. The Central Post, The Windsor-Heights Herald, The Manville News, The Franklin News-Record and The South Somerset News.

"The Wall Street Journal got to the point where Barney couldn't play with it," a colleague explained. "He needed something like the Packet so he could try out new ideas."

Among Mr. Kilgore's chief interests was the raising of professional standards in journalism. He especially was concerned with attracting bright young people to work on newspapers. In 1956, he startled the newspaper field by announcing that The Wall Street Journal would pay beginning reporters a minimum starting salary of $100 a week (since increased to $130).

DEVELOPED JOURNALISM TALENT

In 1958, he set up The Newspaper Fund, a nationwide program designed to encourage and develop better talent for journalism. The fund has provided opportunities for thousands of high school teachers to attend summer workshops to learn the basics of putting out student publications. It also has helped provide summer newspaper work and scholarships for hundreds of students attending liberal arts colleges.

When he got interested in something new to him, Barney Kilgore usually wound up being somewhat of an authority on the subject. When one of his sons began studying rocks, Mr. Kilgore also immersed himself in the field and learned how to use a lapidary set.

Out of his work grew many of his hobbies, and from his hobbies came ideas for his publications. Techniques he learned when he took up photography seriously were put to work first with the Packet and later in the Observer. (He was pleased when colleagues he was photographing would refer to him as Staff Photographer of The Wall Street Journal.)

Music was a favorite form of relaxation. He played the piano and organ at home and, in earlier years, liked to take over the piano at a club's hospitality room and led groups in singing old favorites.

SERVED IN MANY CAPACITIES

Mr. Kilgore was president of the board of trustees of DePauw University, a trustee of Phi Gamma Delta fraternity and the American Marketing Association. Long active in Sigma Delta Chi, the national journalistic society, he had served as honorary president, treasurer and on the board of directors.

He held the honorary degrees of LL.D. from DePauw, LL.D. from Colby College, and Doctor of Civil Law from Union College.

Among Mr. Kilgore's honors and awards are Sigma Delta Chi's Wells Memorial Key; Distinguished Service in Journalism Award, University of Missouri; Hoosier of the Year in 1960; Fellow of Sigma Delta Chi; Indianapolis Front Page Award; Elijah Lovejoy Award, Colby College; Journalism Award, Columbia University Graduate School of Journalism; Distinguished Service to Journalism Award, Syracuse University; and Journalism Achievement Award, University of Southern California School of Journalism.

He was a member of the American Society of Newspaper Editors, Phi Gamma Delta, Phi Beta Kappa, Delta Sigma Rho, and the International Press Institute as well as Sigma Delta Chi. His clubs included Harbor View, Pinnacle and Princeton in New York City; Gridiron, Metropolitan, and National Press in Washington; Bohemian and LaQuinta in California; Chicago; and Bedens Brook, Springdale and Pretty Brook in Princeton, N.J.

In Princeton, he served on the board of trustees of the Princeton Theological Seminary and the Daily Princetonian, the student newspaper at Princeton University. He also was a member of the Advisory Council of Princeton University's Astro-Physics Department.

He was an elder in the First Presbyterian Church and a director of Palmer Square Inc. and the Inter-American Press Association.

In addition to his widow and children, Mr. Kilgore is survived by a sister, Mrs. William Stewart Lea, South Bend.

PRESIDENT JOHNSON HOLDS HIGHLY SUCCESSFUL TALKS WITH PRIME MINISTER SATO OF JAPAN

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, President Johnson and the Prime Minister of Japan, Mr. Eisaku Sato, yesterday concluded an important and productive meeting. Under the leadership of these two leaders our two nations now enjoy a close relationship.

Prime Minister Sato has made clear the admiration of the people of Japan of our President and the American people. We have followed with admiration Japan's recent accomplishments.

This year I understand that Japan's population will exceed 100 million people, its gross national product will be more than $100 billion and its per capita gross national product will exceed $1,000, two-thirds of the average of the prosperous industrialized societies of Western Europe. If present trends continue, as we confidently expect, Japan will soon be the third greatest industrial power in the world after the United States and the Soviet Union.

The industrial power of Japan has grown at perhaps the fastest rate in human history. With only one-seventh of the population of Communist China, and a tiny fraction of its area and resources, Japan's gross national product substantially exceeds that of Communist China and is estimated to continue to grow at a rate several times as large.

Mr. Speaker, I found abundant evidence of this extraordinary growth and prosperity when I visited Japan in September as a participant in the First Japanese-American Assembly.

Mr. Speaker, we Americans are particularly pleased that the Japanese people have made this remarkable record under a free and democratic political system. This development confirms our conviction, which we share with the Japanese people, that progress and human well-being, both physical, and spiritual, flourish best under freedom and democracy.

Our two-way mutually beneficial trade continues to grow at a rapid rate. The United States remains Japan's principal trading partner by a considerable margin. For the United States, only our close neighbor, Canada, is more important.

Japan and the United States also share a growing interest in cooperating to promote the political and economic stability of Southeast Asia through economic development. Japan was a leader in establishing the Asian Development Bank. It made an initial capital subscription of $200 million, the same as the United States.

Japan has also assumed the leadership of Southeast Asian countries in consulting together on cooperative regional economic development plans. From these discussions have come the proposal for a special fund for agriculture to be administered by the ADB to extend aid for projects which make a significant contribution to development but which cannot meet conventional banking criteria. Japan has already committed in principle $100 million for such a special fund and has earmarked $20 million for this purpose in its next budget.

Mr. Speaker, in light of this record of expanding trade ties, increasing cooperation in our mutual interest and an ever greater flow of people and ideas between our two countries, I am confident that the meeting of Prime Minister Sato with President Johnson will make a further contribution to the warm ties of friendship between our two countries.

WE NEED A TRUTH-IN-LENDING BILL THIS YEAR—PART III

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HANNA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HANNA. Mr. Speaker, during the past 2 days I have attempted to report to the House the realities confronting our deliberations on truth-in-lending legislation. Next week the House Banking and Currency Committee will meet and hopefully report a bill that has a good chance of passing this year. I am hopeful that in our considerations the overriding concern will be providing meaningful protections to the consumer now.

At this point in the RECORD I include a few more representative editorials supporting the Senate approach to truth-in-lending:

[From the Wichita (Kans.) Beacon, July 14, 1967]

A USEFUL LAW

One of the most useful pieces of legislation to come along recently is the truth-in-lending bill that has just cleared the Senate. It is somewhat watered down from its original version, but it still can save thousands of dollars for Americans. It requires full disclosure of credit charges so consumers will know how much the loan or the installment credit is costing him.

Even knowledgeable persons often have had difficulty comparing such costs in the past because of the various ways of computing them and the multiplicity of systems in use.

And many buyers, lured by persuasive salesmen, have never considered at all the credit costs on the $30-down, $30-a-month purchase, although it frequently amounts to a substantial percentage of the whole cash price of the item.

If there were no gullible people and if everyone was adept at lightning calculation, perhaps a truth in lending law wouldn't be necessary. As it is, it will prove very valuable. It must be hoped the House will see fit to pass it promptly.

[From the Savannah (Ga.) Morning News, July 13, 1967]

CREDIT COST BILL NEEDED

The Senate's unanimous approval this week of the so-called "truth-in-lending" bill could do much to help borrowers make the best credit buy for their money. Passage of the bill climaxed a seven-year fight by supporters.

The bill, which will cover an estimated $100 billion in annual borrowing in consumer credit and second mortgages on homes, would require that lenders disclose the total cost of the loan.

It makes no provisions to regulate the credit industry, nor any assumption that consumer credit is bad or that large numbers of lenders engage in deceitful practices.

But as Sen. William Proxmire, D-Wis., chief sponsor of the measure said this week, many borrowers are confused about what they pay for credit and occasionally there are unscrupulous lenders who prey upon the poor.

The measure requires only that lenders furnish the true annual interest rate, and the total financing charges in dollars and cents.

The purpose of the measure is to permit consumers to compare the cost of credit and to shop for the best buy.

While it may be infrequent that lenders are deceitful or prey upon the poor, the terms of loans all too frequently are obscurely stated—obscure to the extent that considerable computation is required to determine the total cost of the loan.

Lenders, on the other hand, have this information at their disposal and could easily provide it to the consumer.

It should not be too much to ask of lenders to eliminate this unnecessary confusion, as required under the new "truth-in-lending" measure.

[From the Riverside (Calif.) Press, July 13, 1967]

A STRONG START

The truth in lending bill was somewhat watered down as it made its way through the Senate; otherwise it might not have passed and almost certainly would not have mustered a 92–0 vote.

But by no means is it a worthless measure. It will require disclosure of true and total interest costs to installment buyers, small loan seekers and users of most other forms of consumer credit. Major exceptions are first mortgages on homes and revolving or open-end charge accounts. The latter could prove to be a large loophole, but the complexities of this kind of credit do give the lending industry a basis for its claim that controls could prove impossibly burdensome if not unworkable.

The Senate bill makes no effort to set interest ceilings or even to define charges that might be considered excessive. All it does is give the buying public access to a kind of information it has not hitherto been able to dig out from behind the only-so-much-down-and-so-much-a-month label.

The new information, less than perfect though it may be, will enable buyers to shop more intelligently and more selectively. And that Senate passage of this bill is some sort of achievement is suggested by the fact that this is the first time similar legislation even got out of a Senate Committee since ex-Sen. Paul H. Douglas of Illinois first began to crusade for truth-in-lending in 1960.

If the House passes the measure, it will stand as an ironically belated tribute to the persistence of Mr. Douglas, who was defeated for reelection last year. And it will give for the first time a realistic chance in the market for the average American shopper who, in the terms President Johnson used in his State of the Union address last February, "should not have to be an actuary or a mathematician to understand the rate of interest that is being charged."

TECHNOLOGY AND THE POST OFFICE DEPARTMENT

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. WILLIAM D. FORD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAM D. FORD. Mr. Speaker, the vast and complex problems facing our Nation's postal service can only be solved through the application of modern technology. Realizing this fact, the Post Office recently conducted a briefing for industry to explain its needs to outstanding leaders in the research and development field from the private sector of the economy. In an excellent speech at the briefing, Postmaster General O'Brien summarized the situation facing the Post Office and what steps need to be taken to develop a truly modern mail delivery system.

I insert the Postmaster General's speech in the RECORD, as follows:

ADDRESS BY POSTMASTER GENERAL LAWRENCE F. O'BRIEN, AT A BRIEFING FOR INDUSTRY, DEPARTMENTAL AUDITORIUM, WASHINGTON, D.C., NOVEMBER 3, 1967

I am delighted to welcome you here to this first Post Office Department Briefing for Industry.

Two years ago I was sworn in as Postmaster General in a rather unique fashion. The President held the ceremony at Hye, Texas, where he posted his first letter when he was only four years old. His first orders to me as Postmaster General were rather unique also—he told me to *find that letter.*

So, you see, his interest in more efficient postal operations began at an early age. And I can assure you that, perhaps as a result of the fact that we still haven't found that letter, his interest continues unabated.

Certainly, the President is perhaps more sharply aware than any American of the fact that we, as a people, constitute but a small portion of the earth's population—about 6%. What prevents the 6% from being overwhelmed by numbers is the simple fact that the impact of every American is multiplied many times by the power of machines and the efficiency of management.

We are able to maintain and protect ourselves and others, we are able to assist millions overseas, because the productivity of individual Americans is magnified by the effectively managed productivity of machines.

Thus, for a President, for a Postmaster General, or for a plant manager or indeed, for any of us, there is the continuing need to use our resources in the most productive way.

We all have a basic stake in high productivity. And productivity gains in any industry, in this economically interrelated society, benefit every one of us.

When I told the President of this conference, when I informed him that this meeting would bring together a wide cross-section of the nation's most imaginative and accomplished technological talent, he expressed the hope that your greater awareness of our needs would produce higher efficiency in the postal service.

Before I suggest how you might help in this endeavor, permit me to describe an interesting statistic. Back in 1850, the gross national product was, basically, a result of human energy plus animal energy, plus, a very small amount of machine energy, plus long hours of work.

By 1905, 50 years later, steam engines had entered the industrial picture. The horse was still around in large numbers, manpower had dropped, the hours of work remained fairly stable with 13 hour days and seven day working weeks still common. But because of the steam engine the gross national product had grown enormously.

By 1955, another half century, manpower and animal power were negligible factors. The use of machines was omnipresent, including even electric erasers and pencil sharpeners—so we even get mechanization at both ends of a mistake. The hours of work had shrunk to the 40-hour week, and gross national product was at a stage beyond earlier man's fondest dreams.

This was the evolution of power in our society as a whole. But the post office, despite considerable gains in productivity during the same period, still relies, and to a far greater degree than most industries, on human power. We have carriers who deliver mail by walking from door to door. We have clerks who sort by flipping letters into cases. We have people manhandling mail all along the line.

We rely more on people than perhaps any other large industry in the nation.

And people, our postal family of well over 700,000, will continue to be our most important resource.

But the time is fast approaching when we cannot hope to meet the mail needs of the nation merely by adding a new army of postal workers.

We simply must find new ways to do one of man's oldest jobs—the job of transmitting written communication from one place to another.

When I came to the Post Office Department I brought with me a background, as Dr. Packer has indicated, that involved the organization of people to achieve a specific end. In working with people I found that often the old ways, the tried and true ways, while once successful, had been outmoded by time and change.

So, I tended to view the postal service in the same way.

My first and my continuing concern has been to discover and pursue better ways, not just orthodox ways of doing the job.

Reflecting this point of view, we soon mounted a many-pronged attack on our postal problems. Some of these prongs are internal, some external. All are interrelated.

Internally, we have embarked on a major analysis of the way we operate and we will propose remedies and recommendations.

Internally, we have succeeded in having our research and development activities upgraded to a full Bureau. We have been extraordinarily fortunate in the caliber of the Assistant Postmaster General in charge of that Bureau, my good friend Dr. Leo Packer, and Dr. Packer has in turn enhanced the effectiveness of his staff by recruiting many exceptional and talented people.

Internally, we have undertaken the largest program of construction, mechanization, and modernization in postal history.

Externally, we have proposed a complete recasting of the postal service to transform it into a more effective instrument of communication. This proposal, that the postal service become a government owned corporation resembling the TVA, is now being studied by a top-notch Presidential Commission under the chairmanship of one of the great minds of modern industry, Frederick C. Kappel, formerly chairman of the board of AT&T.

Externally, we have requested, and Congress is presently considering, a more realistic rate structure that will provide us with additional funds needed to modernize.

Externally, we have requested, and Congress has granted, the largest research and development budget in postal history.

And, externally, we have generated a creative dialogue with major mailers through a nationwide network of Mail Users Councils, through Regional and National Forums that explored every area of business-post office cooperation, through a greater participation of business in the mail process by such steps as presorting by ZIP Code, and through a massive effort to produce a more even flow of mail into the delivery system.

We have done all this and more.

And, as a result, we are able to keep pace with the present flow of mail.

But these steps will not be sufficient to absorb the future flow of mail.

That is basically why you were invited here today.

We feel you have the proven ability to solve difficult problems.

And our postal service faces precisely this kind of problem: we are the fever chart of an ever more affluent society. The temperature of business tempo is measured in mail volume. When business marks time, mail volume remains fairly constant. When business stagnates, as it did in the dismal 1930's, mail volume may even drop.

But we all know that we are now in the greatest sustained economic advance in modern history. We all know that the yearly increase alone of our gross national product exceeds the total national product of all but a handful of nations.

What does that mean for mail volume? Well, it means that mail volume is soaring. We will be processing this year more than 80 billion pieces of mail. When I came to the Post Office Department two years ago, I was astounded to learn that we were processing 365 pieces of mail, or one a day, for every man, woman and child in the country.

Well, that was two years ago, and 365 is a figure we've long passed. Now the per capita figure is more than 400 pieces.

So, the trend of mail usage is ever upward. And, just recently, I read in a national magazine the prediction that there will be a revolution in marketing—the greatly increased use of ordering by mail.

Since I thought we had already passed through that revolution the idea staggered me.

Without any additional mail revolutions to complicate matters, we will be facing a flood tide of 100 billion pieces of mail within a few years. After two years of intimate association with the creaks and groans of postal machinery trying to cope with 80 billion pieces, I can say but one thing when I consider how we might deal with 100 billion or more—we need help.

And that, in effect, is what I *am* saying to you here today. And I am certain that locked somewhere in the imagination of American industry there must be the answer.

There must be an answer because the economic life of this nation depends, to a degree that few Americans realize, on the even flow of mail.

So, in this conference, we are asking you to turn your attention to an important national problem, a problem that involves as many complexities as any industry in the nation, a problem that may well yield to entirely new concepts of mail processing and delivery.

In short, this is a problem worthy of the finest minds in the nation.

And that is why we asked you here.

COMMUNICATIONS WORKERS OF AMERICA PETITIONS CONGRESS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. O'HARA] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, many of my constituents have signed a petition circulated by the Communications Workers of America—a member of the AFL–CIO and one of the largest unions in the Nation. The CWA petition, directed to us as Congressmen, urges that we provide jobs, housing and education to end riots. I am impressed with the fact that Americans are concerned—they want something done, and done now, by Congress.

Mr. Speaker, I include the text of this Communications Workers of America petition in the RECORD:

YOU DON'T LIKE RIOTS? WELL, NEITHER DO WE!

(A petition to the Congress of the United States of America)

Americans everywhere agree that action must be taken now to eliminate the causes which lead to rioting and civil disturbances in our nation.

The recent lives lost and property damaged in riots that ravaged our cities proved that the cities and states cannot carry the burden alone.

Only the Congress of the United States has both the responsibility and authority to pass the laws and appropriate the funds for jobs, housing and education needed now by the millions of impoverished Americans.

History itself has taught us that where these three basic needs are left, unmet, all races are trapped in filthy, rat-infested ghettos ripe for rioting or in deplorable conditions which are "deadend." The answer is a creative, constructive, practical program that will benefit all Americans directly or indirectly—not a giveaway!

Therefore, we, the undersigned, believe Congress must act by providing:

1. Jobs: Put people to work. As recommended by the President's Commission on Technology, Automation and Economic Progress, the government should become "the employer of last resort" by providing public service employment opportunities for workers who are unsuccessful in competing for jobs in private industry. This would put every American who is able and willing to work on a job.

2. Housing: Slum housing in this nation must go; unsafe, infested buildings must be cleaned up or closed down and decent shelter must be built. Money appropriated for this purpose must be spent carefully and efficiently, and new funds must be appropriated as needed.

3. Education: A policy should be adopted and implemented to provide free public education from pre-kindergarten up to and including the doctorate level for all, with only ability and motivation serving as qualifying factors.

By means of this petition, we make known to you that the American public demands the action that is needed now to solve the problems of the cities.

This petition sponsored by members of the Communications Workers of America, AFL–CIO.

JOBS FOR THE INNER CITY JOBLESS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. O'Hara] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. O'HARA of Michigan. Mr. Speaker, recently, businesses and industry in the city of Detroit initiated programs to increase the employment of the so-called hard-core jobless in the inner city.

In the past, I have cited the job program of the Ford Motor Co. Ford is offering entry-level jobs to more than 5,000 core city unemployed without requiring the written and oral tests that tend to disqualify, and subsequently discourage, inner city applicants.

Thousands of jobless men and women have responded with a desperate eagerness, demonstrating that substantial numbers of the poverty stricken, far from being shiftless and content with meager welfare checks, do indeed want to work.

Other businesses and industries in Detroit have recently begun similar programs, and should be recognized for their action in this very important venture. Among them are Chrysler Corp., General Motors Corp., Michigan Bell Telephone Co., and the J. L. Hudson Co.

In an effort to expand this interest to other firms, the Detroiter, the publication of the Greater Detroit Board of Trade, has urged employes to review hiring standards for entry level jobs. It suggested that personnel offices extend a warm, sympathetic welcome to disadvantaged residents of the inner city. It recommended simplified application forms and tests commensurate with the knowledge and intelligence required for the relatively simple entry level jobs. The Detroiter pointed out that little experience is necessary for most unskilled entry level jobs.

A good start has been made, but much remains to be done.

Malcolm Lovell, director of the Michigan Employment Security Commission illustrates the problem by imagining the unemployed in a big mixing pot. The mixture must be stirred, he says, so that those on the bottom come to the top where they can be skimmed off with the rest.

The campaign of private business and industry is skimming those off the top of the mixture. Something still must be done to dip deeply into the pot, to reach that level still untouched.

This task, I am convinced, will fall to public agencies. I have introduced legislation which would provide $4 billion in grants to Federal, State, and local agencies and nonprofit organizations to establish 1 million new jobs in public service occupations.

Industry is doing its part, but governmental agencies must reach the unreachables. They must dip the long-handled ladle deeply into the pot to reach those untouched by the skimming spoons of private industry.

I include the article from the Detroit Free Press "Industry's Bid To Aid Jobless Has a Long Way To Go," and "Entry Level Jobs: Employers Urged To Review Hiring Standards," from the Detroiter in the Record at this point:

[From the Detroit (Mich.) Free Press]

Industry's Bid To Aid Jobless Has Long Way To Go

(By Gary Blonston)

A 27-year-old Negro, four days out of prison, walked into the Congress of Racial Equality office on Twelfth last week and said: "Either give me a job, or I'll do something to go back to jail. I don't want to, but I got to live."

He was talking to an interviewer from the Chrysler Corp. Within minutes, he had a job.

Chrysler has hardly uttered an official word about what it is doing, but in the last two weeks at least 400 hard-core unemployed quietly have been put on the Chrysler payroll.

That is not a big chunk of Detroit's 20,000 chronically unemployed, but it is a beginning, and a powerful illustration of what has happened since the July riot to the attitudes of some of Detroit's major employers.

Some employers are committed. Others seem to be thinking as much about corporate images as social good. But overall, the biggest businesses and industries are for the first time really acknowledging the existence of the people at the bottom of the list.

Their first pronouncements of interest in hiring from the Inner City have drawn thousands of applicants although it is impossible to process applications fast enough to place everyone.

Personnel and employment professionals say the massive publicity accompanying the new recruiting is attracting many unskilled job-seekers from outside the Detroit area.

"I interviewed a man shortly after the Board of Commerce announced it was locating 10,000 jobs, and he told me he had come from Chattanooga, Tenn., to find work," said Forrest Crane, Greater Detroit Board of Commerce economic activities manager.

More unskilled people seeking jobs is something Detroit does not need.

The 20,000 people who cannot find work are always there. They personify the pressures—lack of opportunity, identity, dignity, education—that make cities explode in the summer.

Most are women, young men and persons with mental and physical limitations. Most are Negroes. Their presence and the riot have provoked startling changes since July in corporate hiring practices.

It has become fashionable for representatives of business and industry to announce hopeful new hiring programs aimed at the Inner City.

But good intentions do not buy groceries, and more than three months after the riot, enlightened hiring policies are only beginning to show results. Employment experts agree that little has changed for the hard-core unemployed.

It is not easy to stimulate a man who has been idle for months and maybe years, temper the feelings he has developed, teach him what it means to have a job and then find someone willing to take the risk of hiring him.

Just above the hard core are 20,000 people who might have jobs, but are not making enough to live on. Together, Detroit's chronically unemployed and underemployed comprise a sizeable bundle of social problems—not just idleness but discouragement, crime and personal hardship.

Their's is among the most pressing and difficult problems that must be solved. The men who decide who works and who does not are beginning to realize that.

Ford Motor Co.'s President Arjay Miller has said that his company will hire 6,500 Inner City workers.

James M. Roche, General Motors chairman, has said that 5,300 of the 12,000 hourly workers GM has hired since August have been Negroes, and GM is expanding its Urban League-connected "Operation Opportunity" plan to hard-core unemployed in Detroit, as it has in Pontiac.

Michigan Bell Telephone Co. has been placing Inner City applicants in a special hiring program and has "adopted" Northern High School to counsel and develop career possibilities among Northern students.

The J. L. Hudson Co. has asked clergymen and school administrators for names of hard-core unemployed and potential high school dropouts to fill 500 positions.

Chrysler reports that 60 to 70 percent of the 18,500 unskilled workers it has hired since August are Negro. About 300 of these came through CORE's week-old neighborhood job drive in the 12th and Clairmount section. Another 100 are Negro youth gang members referred to Chrysler by the Young Men's Christian Association (YMCA), which is working to bring Negro gang members, ages 18 to 24, back into society.

Ted Jordan, director of YMCA urban youth work, said Chrysler is pleased with the work of the gang members and has asked for more. Jordan's office has referred 100 more gang youths to other Detroit firms.

The Greater Detroit Board of Commerce reports that 23 companies it is watching—including the auto makers—have hired 31,776 unskilled workers since the board's job drive began. Of that number, more than 50 percent were Negro.

But when the auto companies and the Board of Commerce talk about thousands of new employes, it is impossible to determine whether these include many chronically unemployed persons, or whether most are workers who are just changing jobs.

A person must be out of work for at least six months before the Michigan Employment Security Commission considers him hard-core, said director Malcolm Lovell. Most are idle much longer.

They usually make up about a quarter of the total unemployment rate, which is now about 80,000. Of those 80,000, 60,000 are unemployed for no more than a few months before they go to work. They are replaced on the economic sidelines by others.

But the other 20,000 remain. All the unskilled job recruiting now is being done with an eye to changing the identity of the 20,000.

Lovell puts the city's unemployed in an imaginary pot and says that employment problems in Detroit will not be solved until that pot is stirred, so the bottom comes to the top and is skimmed off.

"Total unemployment figures aren't so significant," he said. "It's the mix that must be changed. We could still have the same number out of work, but there would be more opportunity.

"We can live with three or four percent unemployment, but not when they are concentrated in areas that run from 20 to 40 percent unemployed."

And that is how sections of the Inner City measure. Among ghetto Negro men 18 to 25, unemployment surveys seldom count less than 20 percent out of work. Among women seeking employment, the figures are much higher.

Many of those women and young men have not worked for years, if ever. They don't know how to hold a job, and some of them don't know how to get one.

They are the targets of the new hiring campaign.

Auto firms are offering unskilled jobs with little or no testing except a physical examination.

Several firms are paying much less attention than before the riot to criminal records and bad work histories of applicants.

Orientation programs are being used to gently introduce new employees to the strange world of big industry. And buddy systems are at work, involving volunteers or paid staffmen who try to keep up with new employes' problems and head off personal and emotional crises that might drive a man from his job.

Lovell says: "The greatest single factor to be considered among these people is their emotional ability to work."

And the figures show it. One of the Big Three auto makers experiences a labor turnover equal to its entire labor force, more than 100,000, every three years. Some jobs are vacated and refilled several times a year.

In Detroit generally, 60,000 people leave their jobs every month, sometimes for a new position elsewhere, sometimes not.

Among the chronically unemployed, there are two main reasons for leaving a job, seemingly a precious commodity to someone out of work so often, so long.

First, they are generally unskilled and can only obtain unrewarding, frustrating jobs of low pay, low status and often short duration, Lovell says.

Second, according to many idle, young, Negro men, promotion policies of some major companies have systematically excluded Negros, even when they were qualified. For many, there seems no place to advance in any job.

The new Detroit Committee and the Board of Commerce have asked employers to review their promotion philosophies, but questionnaires on the promotion problem have not yet been sent out, and it is too early to measure the effectiveness of the New Detroit appeal.

Another problem in jobs and promotion is that there is not enough money to keep up with the needs of adult education and job training.

Detroit is the home of the largest training center in physical size in the country—the Detroit Skills Center—but there just isn't enough money to use it to capacity.

An additional $3.7 million in federal job training funds has been requested.

But the nature of federal job funding is preventing local authorities from reaching the hard-core as thoroughly as they might.

The funds are spent for two programs—on-the-job training and "institutional" training, which involves basic education.

Per student, on-the-job training costs about $500, institutional training about $3,000.

So Federal officials interested in keeping down "unit" costs are allotting money to on-the-job training that Detroit employment experts think should go into basic education.

They feel that way for two reasons:

About $2 million in on-the-job training funds allotted to Detroit is lying idle now because local industry is not interested in starting federally financed training programs.

On-the-job training is not as useful to the average hard-core unemployed as to persons with some work experience. The hard-core need basic education first, it is argued.

That is especially true for women who, despite civil rights legislation, still have less chance for employment than men.

Women have formed the bulk of applicants to many Inner City recruitment offices in the last three months. The Board of Commerce said that in the early days of its job drive, five times as many women as men were asking for jobs in some recruiting centers.

The Board of Commerce pointed out that restrictions on working women were eliminated by law Nov. 1, releasing them from limitations or weight to be lifted, hours to be worked and other factors which kept them from some jobs before.

New Detroit and the board are urging employers to look over job classifications to find positions that they might open to women. Again, it will take time to locate work for the thousands of women who need jobs.

When New Detroit was formed after the riot, it put a high priority on better employment conditions for Inner City residents.

Sociological surveys in Detroit since the riot have confirmed the wisdom of that priority. Ghetto residents are as interested in improved employment prospects as in any other area of need.

[From the Detroiter, Nov. 13, 1967]

ENTRY LEVEL JOBS: EMPLOYERS URGED TO REVIEW HIRING STANDARDS

Several common hiring criteria in use by employers can adversely affect the employment opportunities of the disadvantaged inner-city resident if the criteria are not administered with care, a just-completed survey of hiring practices has revealed.

The survey conducted by the Hiring Practices Subcommittee of the Manpower Development Committee of your Board of Commerce, reviewed the hiring standards for unskilled entry level jobs presently being utilized by some of the largest manufacturing and service organizations in the Detroit area. Included were General Motors, Ford and Chrysler.

This survey by the Sub-committee was done not only to become informed about Detroit area hiring practices, but to enable employers to thoroughly review their hiring standards for unskilled entry level jobs to assure themselves that they are not excluding from employment consideration, qualified inner-city residents. The survey was made at the request of William M. Day, chairman of the Manpower Development Committee. Frank L. Cavan is chairman of the Hiring Practices Sub-committee.

The following hiring criteria, and comments about each by the Sub-committee, are submitted for earnest consideration by all Board of Commerce members:

Employment reception: While it is not revealed directly from the survey, the Hiring Practices Sub-committee has been urged to advise all employers to be sure that their employees involved in the processing of applicants, e.g., guards, employment interviewers, and hiring supervisors, etc., be made aware of their responsibility to provide an equally friendly welcome to all job seekers, regardless of race, creed, color, sex, age, or national origin. They should be counseled to be especially sympathetic when considering for employment disadvantaged residents of the inner city. It has been suggested that special training sessions might be utilized to get this message across.

Application form: While not considered a serious problem, the survey did reveal that some application forms for unskilled entry level jobs appeared unduly complicated. Consideration might be given to developing more simplified application forms for unskilled jobs that could be more easily completed by individuals who do not have the advantages of an adequate education.

Testing: The use of professionally developed tests, when properly administered, can be an effective tool in the selection procedure. Care must be exercised, however, that the test fairly measures the knowledge or skills required by the particular job or class of jobs which the applicant seeks. Some employers have discovered that they may be inadvertently excluding qualified applicants through inappropriate testing procedures. Tests, if used, should be only one of several factors in the hiring process. You are urged to review "Guidelines on Employment Testing Procedures," distributed by the Equal Employment Opportunity Commission. Copies may be obtained from the Greater Detroit Board of Commerce.

Appearance of the applicant: When asked to list the major factors which, in their opinion, resulted in applicant disqualification, to our surprise, "personal appearance" was mentioned by several employers. While in some cases the applicant's dress or personal appearance may be a significant factor, extreme care should be exercised to insure that such factors do not in themselves unfairly deny otherwise potentially qualified applicants an opportunity to obtain employment.

Educational requirements: Care should be exercised not to establish unreasonably high arbitrary education requirements. Most entry level jobs require only a sufficient knowledge of the English language to enable the job holder to read safety signs and be able to understand instructions from his foreman. For example, to require applicants for unskilled entry level factory jobs to be high school graduates or the equivalent, is an unreasonable hurdle, and seriously affects employment opportunities for the hard-core unemployed.

Physical hiring standards: While none of the firms surveyed appeared to have any unreasonable physical hiring standards, it may be appropriate for you to review your physical hiring standards and insure that unreasonable physical demands are not specified for certain jobs. We have been advised by the MESC that some job specifications filed by employers appear to them to require that job applicants possess physical abilities substantially in excess of what is required to satisfactorily perform the available work.

Prior work experience: The majority of the firms surveyed indicated that prior work experience was not necessary for most unskilled entry level jobs, as these types of jobs normally require only a few days' break-in time. When prior work experience is required, you should assure yourself that such experience is essential for the applicant to satisfactorily perform the work you have available.

Reference and character investigations: Practically all of the firms surveyed conducted reference checks. The checking of applicants' past references can be a valuable tool in employee selection. However, any derogatory information regarding an applicant must be carefully evaluated to insure that such applicants are not unfairly denied employment consideration. It must be remembered that members of minority groups, for various reasons, are frequently unable to provide the references indicating past steady employment as can many other applicants.

Police records: While most employers surveyed did inquire if the applicant had a police record, only one indicated that such a record would be a bar to employment. The others indicated that each applicant with such a record is evaluated individually and on his own merits. It is important that all employers review with understanding, past records of law violations. This is especially true if this offense was not for a major crime of violence. Employers should consider contacting parole or probation officers to determine the progress of job applicants who have been convicted of offenses.

Transportation: Several of the surveyed companies with facilities in the suburbs indicated that the lack of availability of transportation results in the rejection of substantial numbers of inner-city residents. Where public transportation is available, inner-city applicants should be furnished with bus routes and schedules.

MESC referrals: Practically all of the firms surveyed utilized the MESC. You may wish to utilize the MESC as one of your recruiting sources for entry level jobs. The MESC is working closely with the New Detroit Committee and the Manpower Development Committee of the Greater Detroit Board of Commerce in efforts to find jobs for the hard-core unemployed. Where the MESC has been requested to pre-test applicants, you should insure that the test battery requested is related to the requirements of the jobs. If you already use the MESC, this may be an appropriate time to review all the specifications on your job orders filed with the MESC.

Human Resources Commission referrals (TAAP): Most of the surveyed firms indicated some contact with the Mayor's Human Resources Commission, but these contacts apparently resulted in only a limited number of referrals. You are urged to add this agency to your list of recruiting sources. The number to call is 826–7360.

B. of C. Placement Referral Service: The Placement Referral Service is located at 9115 12th St., 12th and Clairmount and is being financed by the Greater Detroit Board of Commerce and Detroit area industry. Among its services is a job placement service which you can utilize either by calling for applicants, or better yet, by sending your personnel representatives to the Placement Referral Service. The number to call is 899–5200.

We hope these comments on hiring practices will result in your reevaluation of your practices in order to insure that the disadvantaged inner-city residents have increased employment opportunities.

PRIME MINISTER SATO DEFINES WHAT IS AT STAKE IN VIETNAM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. GALLAGHER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, when one wishes to know what is really at stake in the security of Asia, it is important that we listen to informed Asians themselves.

Yesterday, at the National Press Club here in Washintgon, another respected Asian voice was added to those who have expressed clear understanding of what the United States is trying to do for Asian security. The distinguished Prime Minister of Japan, His Excellency Eisaku Sato, who spoke on that occasion, came to the United States following visits to most Asian and Pacific nations. It is these nations whose security is most immediately at issue in the fighting in Southeast Asia. Concerning them, the Prime Minister observed:

> I was deeply impressed during my recent trip that the United States efforts in Vietnam were well understood and appreciated by the governments and peoples of the Asian countries. I found that they clearly understood that if the United States loses interest in Asia at the present time, not only the peace and security of Asia but also the future of the world would be in serious jeopardy.

The entire speech of this experienced and able Asian statesman is worthy of careful reading. I insert Prime Minister Sato's address at the National Press Club in the RECORD:

ADDRESS BY HIS EXCELLENCY EISAKU SATO, PRIME MINISTER OF JAPAN, AT THE NATIONAL PRESS CLUB, WASHINGTON, D.C., NOVEMBER 15, 1967

Almost three years have passed since I last had the opportunity to address this distinguished forum, and it is a great honor for me to meet you once again. Three years ago, I spoke to you here about the viewpoint of Japan, which stands at the crossroads of East and West in Asia. So, today, too, I would like to start by examining the problems of Asia.

Since last summer, prior to my present visit to the United States, I have visited the Asian and Pacific nations east of Burma with which Japan has diplomatic relations, and have exchanged views freely and frankly with their leaders. Throughout these visits, I was deeply impressed by the fact that these Asian nations are striving for the attainment of true independence and the enhancement of their national dignity, and are moving in the direction of a cooperative effort based on a new sense of solidarity. War still rages in Vietnam, but in contrast, there is this earnest search for construction rather than destruction, harmony instead of strife, in the nations surrounding the area. Asia, indeed, is beginning to unfold a new chapter in her history.

During these three years, the armed struggle in Vietnam has grown in depth and intensity. The United States has expended a vast amount of money and has sacrificed a great number of precious lives over a long period of time to protect South Vietnam from external interference. At the same time, as President Johnson recently pointed out in San Antonio, the American Government has time and again made clear its willingness to discuss peace with the North, at any time, at any place and with no conditions whatsoever. America has taken a consistently active and constructive stand in its search for a peaceful solution in Vietnam.

I was deeply impressed during my recent trip that the United States efforts in Vietnam were well understood and appreciated by the Governments and peoples of the Asian countries. I found that they clearly understood that if the United States loses interest in Asia at the present time, not only the peace and securiy of Asia but also the future of the world would be in serious jeopardy. I was also greatly heartened to observe on the occasion of my visit to Vietnam, that the newly elected leaders of the administration were acting with the utmost sincerity in their search for peace.

The countries in the Asian and Pacific region urgently desire an early restoration of peace in Vietnam. But it should be a durable peace based on justice, which will assure security and prosperity in this region for the years to come. From this point of view, the Asian leaders are convinced that the Asian countries themselves should play a more positive role in solving the Vietnam problem—which is indeed a problem of Asia. It is a matter of great regret that a people and its civilization are in danger of destruction by a conflict among themselves. This is the common sentiment shared by all the other peoples of Asia.

There are some Asian leaders who have hopes that suspension of bombing of the North by the United States might provide the occasion to bring the North Vietnamese to the conference table. I share the view that an unlimited expansion of hostilities in Vietnam would not be conducive to the restoration of peace in Asia. But we should not forget that what we really seek is not the limited objective of the suspension of bombing of the North, but the realization of peace itself. There should, therefore, be some response on the part of North Vietnam that the suspension of bombing of the North would lead to meaningful talks that would lead to peace.

It is my conviction that something more than mere action is necessary to bring about a true peace. Be it a suspension of bombing of the North or something else, there must be an additional element, that is, the will and the desire to end the war, and the minimum necessary degree of trust in the other side's sincerity. I am well aware that the present realities of the conflict in Vietnam are too harsh to permit talk of "a minimum degree of trust" between the two sides. We must, nevertheless, continue our patient effort not to overlook the slightest signs of an awakening of this minimum degree of trust on both sides, and, if this is achieved, to try to protect and foster such a process. I am determined to devote my best efforts toward the cultivation of such an atmosphere of mutual trust in close cooperation with other friendly nations in the Asian and the Pacific area.

Although Asia is a collective term, each of the Asian countries has its own historical and cultural background, and the social, political and economic realities in those countries are widely divergent. In the matter of religion alone, Buddhism, Islamism, Hinduism and Christianity not only exist side by side, but many countries have other religions of their own. Some of the languages belong to entirely different linguistic systems from those of the others, and often a number of different languages are in use in one single country. The stages of economic growth also vary greatly from country to country. Politically, some are members of SEATO, others have bilateral security agreements with the United States, while some others advocate the principle of non-alliance and neutrality.

But what is common to all the widely divergent Asian countries is the fervent nationalism characteristic of newly independent countries in their search for freedom, as well as the ardent desire of the leaders and the peoples of these countries to rid themselves of poverty, disease and hunger.

Many of the Asian countries were once colonies of the European powers. Some countries were obliged to have recourse to drastic measures in order to achieve their political independence. However, every Asian country has now come to realize that the shortest road to the achievement of their fundamental national objectives is to promote a policy of moderate and unpretentious nation-building. The most outstanding example of this is the advent of the Government under General Suharto in Indonesia in September, 1965. Thus the dispute between Indonesia and Malaysia, which had long been a cause of tension in that part of the world, was resolved in favor of a peaceful settlement. It can be said that, as Communism in Asia became more and more uncompromising and dogmatic, it has invited the reaction of Asian nationalism.

On the other hand, freedom and democracy are, by their very nature, predicated upon the respect for the "individual" and tolerance towards different standpoints. I am confident that, as long as liberalism and democracy are able to provide workable solutions to the problems of poverty, disease and hunger in Asia, totalitarianism will not find the soil to grow in Asia of today. With such thoughts in mind, we should rather pursue a policy to understand and to support Asian nationalism, than to seek to form an anti-communist crusade or the like.

Even while the hostilities in Vietnam continue, there have been observed encouraging developments to turn the common desire to do away with poverty, disease and hunger into specific programs of regional cooperation in concrete terms. The establishment of the Asian Development Bank is one expression. The Ministerial Conference for Economic Development in Southeast Asia, which Japan took the initiative in organizing, is another example. We also note developments of regional solidarity not solely confined to the field of economic development, such as the ASPAC or the ASEAN which the Republic of Korea, or Thailand and Indonesia took the initiative to convene. Japan has either participated in or has rendered support to all of these organizations.

The recent trends toward regional solidarity and the interest in sound and steady nation-building which lies behind them are welcome developments in Asia. However, it is too heavy a task for these countries to try to accomplish on their own the modernization of their political and social systems and, at the same time, to promote their public welfare and economic development. Many of the ventures in the field of regional cooperation as observed in East Asia today are not motivated solely by a high ideal for Asian solidarity. Rather, they should be regarded as a consequence of the recognition by the countries of the region of the limits of their respective capacities and the practical needs to supplement their efforts through cooperation with other countries.

We must, therefore, encourage such efforts of Asian countries, being aware of the importance of self-reliance and regional cooperation, and to enable them to bring about concrete results by providing them with effective and timely international assistance. Otherwise, the welcome new wind in Asia may result in merely strengthening the feeling of despair and frustration of the peoples of Asia.

I have spoken about Vietnam in the broader context of the situation in Asia. Today, Japan and the United States are bound closely in a Pacific partnership. This United States-Japan relationship does not now serve for the respective self-interests of the two countries only. Our relationship has developed to the stage where both countries have to share the responsibility of attaining the common goal of establishing stability and prosperity in the world, especially in Asia. I was deeply impressed in April of the year before last when President Johnson revealed his far-reaching plan to contribute one billion dollars towards the development of Southeast Asia. Again, I felt greatly encouraged last July when President Johnson indicated that the United States was determined to continue its efforts to carry out its responsibility to Asia as a Pacific nation.

For its part, Japan is determined from its own standpoint to make further efforts toward the realization of stability and prosperity in Asia. As the complexity of the Vietnam situation indicates, long, patient efforts are necessary before the Asian problems can be solved. In the course of my recent visits to Asian countries, however, I received the deep personal impression that a strong current has begun to flow, with great intensity, toward overcoming these difficult issues. Recognizing that this strong, new current could lead to permanent peace and stability in the world, I have come to feel even more strongly that Japan and the United States should cooperate with each other to an even greater extent in this field.

As the relationship between Japan and the United States has developed on the basis of the pursuit of common objectives over a wide field, the reversion of the administrative rights over the Ryukyu and Bonin Islands has come to pose an increasingly serious problem for our country. Today, even 22 years after the War, as many as one million residents in these islands are still under the administration of a foreign power. The islanders of Okinawa, having been unable to fully enjoy the inherent right to live similarly with their fellow nationals in Japan proper, entertain an increasingly fervent desire to attain eventual unification with the homeland. Indeed, the restoration of the Ryukyu and Bonin Islands to the Japanese administration is a nation-wide desire cherished by the entire Japanese people.

The security in the Far East is, of course, of a vital concern to us. We fully recognize the importance of the role played by the Ryukyus in the maintenance of peace and security in the Far East including Japan. However, I am convinced that the perpetuation of this "unnatural" situation in the Ryukyus will not only be a source of dissatisfaction to the Japanese people, but should be terminated if we are to maintain and develop the present happy cooperative relationship between Japan and the United States in all fields of our common endeavor.

I do not believe that the restoration of the Ryukyus to the Japanese administration and the effective operation of the military bases on the islands are conflicting propositions. On the contrary, the early return of the Ryukyus to Japan, I am certain, would vindicate itself in establishing the relationship between our two countries, Japan and America, on an even firmer foundation and would contribute towards the achievement of security and peace throughout the whole of Asia. With the national desire of the entire people of Japan behind me, I shall devote my utmost efforts towards the solving of the Ryukyu problem.

From this standpoint, I have exchanged views with President Johnson freely and frankly on this issue. I have been reassured, as a result, that this problem, though a difficult one, can be solved within the framework of mutual trust between Japan and the United States. By way of concluding my speech, I should like to express my sincere hope that the people of the United States will give their support to the deep desire of the Japanese people, and to the efforts being made by the Governments of both countries, concerning the solution of the Ryukyu and Bonin problems.

Thank you.

THE ENACTMENT OF THE AIR QUALITY ACT OF 1967

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Corman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CORMAN. Mr. Speaker, the conference report on S. 780, the Air Quality Act, has been adopted by both Houses of the Congress and cleared for the President's signature. The disagreements between the House and Senate versions of the bill were resolved in one meeting of the conferees.

With the President's signature to this document, we will be on our way toward meeting a common objective—the development of an effective program to combat air pollution throughout the country.

There are many who deserve praise for their role in the passage of this landmark bill: the President, who in recommending last January that the Congress adopt the Air Quality Act of 1967, made Congress and the Nation aware of the need for immediate action to reduce this terrible health menace; and Congress itself, which gave splendid leadership toward the passage of this legislation. The unanimous vote on the bill in both Houses point once again to the response of the Nation's legislative body to the needs of the people.

The rapidity with which the conferees were able to resolve the differences of both versions of the bill and bring to the Congress for consideration an acceptable bill that would permit us to get on with the job is highly commendable.

The people of the 22d District are grateful that the enacted legislation allows California to meet its worsening air pollution crisis by setting auto emission standards more stringent than the national standards. Much of the credit for the success of California's victory goes to the Los Angeles news and broadcasting media which conducted a vigorous antismog campaign. But, the highest commendation must go to the hundreds of thousands of concerned Valley and Los Angeles area residents who took the time and trouble to write to their Congressman about the smog problem.

With this combined effort on the part of the people, the community, the Congress, and the President we are on our way toward clean air.

PETITIONS TO CONGRESS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Holland] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HOLLAND. Mr. Speaker, my office is in receipt of various petitions bearing signatures of a number of my constituents. I would like to make note of these petitions, which call upon the Congress for further action on jobs, housing, and education as a means of preventing future rioting in our cities. I would also like to commend the organization responsible for sponsoring this petition program—the Communications Workers of America. The proposals offered to the Congress by means of these petitions are couched in the reasonable language of people who are obviously concerned about the tensions which are creating crisis after crisis in urban America, and who wish to make a contribution to the continuing dialog. These are the kind of thoughtful Americans for whom the House spoke yesterday when it gave a resounding vote of confidence to the Office of Economic Opportunity. It seems to me that the members of the Communications Workers of America have shown again why they are widely known as the community-minded union.

PETITION TO THE CONGRESS OF THE UNITED STATES OF AMERICA

YOU DON'T LIKE RIOTS? WELL, NEITHER DO WE!

Americans everywhere agree that action must be taken now to eliminate the causes which lead to rioting and civil disturbances in our nation.

The recent lives lost and property damaged in riots that ravaged our cities proved that the cities and states cannot carry the burden alone.

Only the Congress of the United States has both the responsibility and authority to pass the laws and appropriate the funds for jobs, housing and education needed now by the millions of impoverished Americans.

History itself has taught us that where these three basic needs are left unmet, all races are trapped in filthy, rat-infested ghettos ripe for rioting or in deporable conditions which are "dead-end." The answer is a creative, constructive, practical program that will benefit *all* Americans directly or indirectly—not a giveaway!

Therefore, we, the undersigned, believe Congress must act by providing:

1. *Jobs:* Put people to work. As recommended by the President's Commission on Technology, Automation and Economic Progress, the government should become "the employer of last resort" by providing public service employment opportunities for workers who are unsuccessful in competing for jobs in private industry. This would put every American who is able and willing to work on a job.

2. *Housing:* Slum housing in this nation must go; unsafe, infested buildings must be cleaned up or closed down and decent shelter must be built. Money appropriated for this purpose must be spent carefully and efficiently, and new funds must be appropriated as needed.

3. *Education:* A policy should be adopted and implemented to provide free public education from pre-kindergarten up to and including the doctorate level for all, with only ability and motivation serving as qualifying factors.

By means of this petition, we make known to you that the American public demands the action that is needed now to solve the problems of the cities.

(This petition sponsored by members of the Communications Workers of America, AFL-CIO—the community-minded union.)

LEGISLATION THAT FIXES ADDITIONAL POSTAGE CHARGES FOR CERTAIN NONSTANDARD MAIL

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Montana [Mr. Olsen] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. OLSEN. Mr. Speaker, I have introduced H.R. 14029, legislation that fixes additional postage charges for certain nonstandard mail. The bill provides for an additional charge of 2 cents for each nonstandard piece of first-class and air mail weighing not more than 2 ounces. By nonstandard mail, I mean mail which does not conform to all the physical characteristics of standard mail to be defined by the Postmaster General in accordance with this bill.

H.R. 14029 directs the Postmaster General to conduct a comprehensive study of the physical characteristics of mail handling, including:

First. A review of present and anticipated mailing patterns.

Second. A survey of the types of mail-processing machinery currently in use.

Third. A review of research and development programs which may be utilized in the development of machinery for expeditious and efficient mail processing.

Fourth. A review of the concept of establishing size and dimension limits and other physical characteristics with respect to mail matter, and also the feasibility of adopting size and dimension limits consistent with those under consideration by the Universal Postal Union.

Fifth. The collection of comprehensive information with respect to the impact of size and dimension limits on the users of the mail.

My goal in introducing this legislation is to try to encourage some form of standardization in first-class and air mail sizes. This bill will not prohibit anything from going through the mail, but it will place an extra charge on those pieces of first-class and air mail which are odd sized and hard to handle.

The Postmaster General needs more control over what goes through the mails. At present there is in existence a minimum size of 3 inches by 4¼ inches, but this has no effect on the far greater problem of larger sizes where there are no maximum dimensions. The Department has said that the only way that it can effectively control the flow of odd-sized and hard-to-handle pieces is by putting a surcharge on this mail. For the Postmaster General to charge additional rates, however, Congress must pass legislation authorizing him to do so. He has no rate-setting powers except what is given him by Congress.

That is why legislation of this nature is needed. I will not say that this bill is a panacea. However, it gives us a foundation to work from in the area of standardization. It gives the Post Office Department time to study the whole picture of machinery and its utilization in the postal field. My Subcommittee on Postal Rates has begun hearings on this subject and we will use this legislation as a starting point in our deliberations. As I said at the beginning of the hearings, the Post Office Department must take a giant step into the 20th century before the 21st begins. Now is the time to take that step, and one of the ways to take it is by encouraging the standardizing of mail sizes.

THE LATE GEN. BRUNO A. HOCHMUTH, U.S. MARINE CORPS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Casey] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CASEY. Mr. Speaker, it was with deep sadness that we learned of the tragic death of Gen. Bruno A. Hochmuth, and I join with my colleagues in extending our heartfelt sympathy to his loved ones.

His was a great and distinguished career of service to our country, in keeping with the highest traditions of the service to which he was so dedicated.

A graduate of our great Texas A. & M. University, which has given so many valiant citizen-soldiers to our Nation, he served ably and well wherever duty directed. During World War II, General Hochmuth fought in the campaigns at Saipan and Tinian and Okinawa, and made the initial landings in Japan on August 29, 1945, and all of us know of his brilliant leadership in Vietnam.

His tragic loss in the explosion of his helicopter has saddened all America, for we know that we have lost a brilliant and inspiring leader, a great and dedicated American patriot. On behalf of the people of Houston and Harris County, I extend my deepest sympathy to his family.

VISTA DESERVES FULL SUPPORT

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. Anderson] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ANDERSON of Tennessee. Mr. Speaker, some parts of the war on poverty have proven to be better than others, but there is one program which, in my mind, clearly deserves the unqualified support of us all. And, incidentally, it is just about the least costly of all the OEO programs. I speak of the VISTA program.

VISTA has the support of thousands of Americans around the country who have worked alongside, and benefited, from these volunteer Americans.

Just the other day, as an example, I met a gentleman named Fletcher Low. Dr. Low is 74, a grandfather, a Ph. D., a teacher at Dartmouth College for 43 years, a former member of the State Legislature of New Hampshire, a trustee of town libraries and hospitals, a deacon of his church, and an ex-professional baseball player who played with the Boston Braves in 1915. Dr. Low today is a VISTA volunteer. He is serving for a second full year in the Job Corps Camp at Tremont, Tenn. Dr. Low told me that he regards his work with VISTA as being perhaps the most stimulating and rewarding, even if the most difficult, he has ever done.

Dr. Low's dedication is not unique in VISTA. It is rather, representative of the spirit which distinguishes these Americans who have elected to help other Americans. They deserve our support.

It is unfortunate that, last week, VISTA Director Bill Crook had to inform the 4,000 volunteers that, because of the present appropriations situation, they might not be paid their food and living allowances. Not salary mind you, but the bare subsistence allotment on which these unselfish and dedicated people live from week to week among the poor of the country.

Mr. Crook asked them to hang on, if they could. What was the response? The poor themselves are trying to keep the VISTA volunteers with them, by sharing their food and lodging, by offering them assistance. I think that is something to make us consider, with the utmost care and concern, the action we take in deciding the existence of this valuable organization.

In Vermont a local county sheriff opened the jail to put up and feed four volunteers so that they may continue their work in the community.

In San Antonio, a group of 18 VISTA volunteers wired, I quote:

> Understand food and rent money may not be forthcoming. Our commitment not based on money. We will stay because the poor must stay.

That, I submit, is the kind of commitment and dedication that made this country great. It is the kind of constructive service this country needs more of.

It is hard, in the face of such spirited and admirable behavior to bring up such a mundane subject as money, but it is our obligation to be hard. Therefore, I ask you to consider the following:

Training costs have been reduced 21 percent in the last 2 years.

VISTA cut back the staff by 25 persons, gave back a full floor of office space and reduced the overall costs of a VISTA volunteer by 26 percent.

Independent studies show that the average VISTA volunteer helps about 600 poor Americans during 1 year of service. Spelled out it means that the program is reaching more than two-and-a-half million people in a thousand communities everywhere in the United States and its territories.

A survey of VISTA's rural Santa Clara project in California disclosed that the VISTA volunteers have generated a direct benefit to the community of $1.8 million. Volunteers organized a self-help housing project, increasing the resident's net worth by $126,000. A mental health project was funded by NIMH for $168,000. A medical clinic for migrants received a $10,000 grant from the Ford Foundation and $750,000 from HEW. A senior citizen's group found jobs for 60 people increasing the area's salary income by $120,000 annually. These fundings came about because of the efforts of VISTA volunteers.

In New Hampshire, due to the work of VISTA volunteers, 87 people found jobs, adding $243,600 annually to the State's income. The net worth of community facilities, such as day care centers, have increased by $160,000. A halfway house attached to a mental hospital was donated with property valued at $34,000. Last week the Governor of New Hampshire told the President in a telegram that his office would take care of the volunteers during the present fiscal crisis.

According to officials of the West Virginia Department of Mental Health, the work of VISTA volunteers with more than 45,000 members of the families of the institutionalized resulted in a direct savings to taxpayers of more than $485,000 in a single year. That is 17 percent of the entire mental health budget of the State.

These, ladies and gentlemen, are hard facts, and although it is undeniably necessary to be aware of them—indeed, to applaud them—I feel it is more important to be aware of what VISTA has meant in something more meaningful and immediate than dollars and figures. VISTA is the embodiment of the responsible conscience of the Nation. It represents, clearly, and proudly, the concern which individual Americans have for their country. It provides them with the opportunity to put that concern to work. Local sponsors around the country have seen what the volunteers can do. That is why they have asked for 20,000 more of them.

Can we here deny the positive, proven, constructive contribution of this organization?

Can we as a nation afford to send four times more volunteers to India than we do to the American Indians living on reservations?

Is it our desire to send more volunteers to Malawi than we do to help the migrant workers of America?

I am not suggesting that we ought to stop providing volunteers to the world's developing countries. But let us consider our own problems as well.

Let us not deny what is clearly right and provenly good. Republicans and Democrats alike, we should all support the VISTA program which is doing so much for so many.

INDIANA'S FOOTBALL RATINGS SOAR

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HAMILTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HAMILTON. Mr. Speaker, permit me to point with pardonable pride to an historic day for Indiana.

For 4 weeks, now, Indiana's Big Three football teams—Indiana, Purdue, and Notre Dame—have been ranked in the Nation's top 10 by the press associations.

We in Indiana, the State of Surprises, are experiencing one of the most pleasant of all surprises in the unbeaten record of Indiana University, currently ranked fifth in both press association polls.

It is, I am informed, the first time in the history of this nationwide ranking that Indiana has had three teams in this Olympic echelon of football. It is a rarity for any State to enjoy this heady reputation on the gridiron and I feel this kind of record should not go unnoticed by Congress.

REMARKS BY GEN. BRUCE K. HOLLOWAY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. CHARLES H. WILSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CHARLES H. WILSON. Mr. Speaker, with the permission of the House I would like to insert into the CONGRESSIONAL RECORD a speech which I feel to be an excellent review of the history of the constantly accelerating fighting ability of the U.S. Air Force.

Since its inception as a branch of the Army, the air service has been engaged in a constant struggle for improvement measured against a standard of unchallenged excellence. Beginning with its recognition and formal organization as a separate fighting unit in 1947, the improvements in firepower and fighting flexibility have come in even quicker succession. Today the American Air Force continues its contribution to the national defense, and leads the world in its field of research and development.

That long road of progress, which runs from the First World War, through the P-47 Thunderbolt of the Second World War, to the F-105 Thunderchief presently being used in Vietnam, and into the future with the projected F-X, is dramatically outlined in a speech given by Gen. Bruce K. Holloway, Vice Chief of Staff of the U.S. Air Force, before the American Ordnance Association at Fort McNair, on November 13, 1967.

The general is well qualified to speak on the subject. He is a veteran of the famed Flying Tigers, and has been a vital participant in improving the armament capability of America's air arm. His period of service to the Nation has been marked by distinguished personal achievement and rapid technological progress in aircraft firepower. He has put forth a strong case for continued active research and development in the tactical armament and ordnance field.

With the consent of the House I should like to make these informative remarks available to the public record.

The text of the speech by General Holloway follows:

REMARKS BY GEN. BRUCE K. HOLLOWAY, VICE CHIEF OF STAFF, U.S. AIR FORCE, BEFORE THE AMERICAN ORDNANCE ASSOCIATION, FORT MCNAIR, WASHINGTON, D.C., NOVEMBER 13, 1967

One of the most striking Air Force developments of the past five years has been a dramatic increase in the non-nuclear firepower of our tactical aircraft. This increase is not a result of any single factor. It's the product of a great many technical advances—some of them incremental—in aircraft, guns, bombs, rockets, missiles, fuses, flares, and electronic devices for locating targets and delivering ordnance accurately under conditions that often are less than ideal.

Comparing the firepower of a series of tactical fighters gives a simple index of progress in this field. It is an incomplete comparison, of course, since payloads and rates of fire are only part of the picture. Nevertheless, putting the leading tactical fighters of three wars side by side, highlights the rate of progress in tactical firepower.

The P-47 Thunderbolt was our primary fighter-bomber of World War II. It had eight .50 calibre machine guns each with a rate-of-fire of about 600 rounds per minute, and could carry 3000 pounds of bombs.

Roughly a decade later—in the Korean War—the F-86, one of our outstanding jet fighters of the day, had six .50 calibre machine guns—two less than the P-47. It carried a 1000 pound bomb load on two wing stations, so there was a slight decline in total firepower when compared to the P-47. This was largely a result of the transition from propeller-driven to jet fighters. The decline was offset, in terms of overall effectiveness, by the considerably better speed performance of the F-86, however.

A decade after the Korean conflict, the F-4 and the F-105, our principal stable horses, both of which had been designed primarily for delivery of nuclear weapons, were modified to increase their conventional ordnance payload. Today in Vietnam the F-105, for example, surpasses the firepower of World War II and Korean tactical fighters by at least a factor of four. It has a 20mm Gatling gun with a rate-of-fire of 6000 rounds per minute, and can carry more than 13,000 pounds of bombs. The Gatling gun is an order-of-magnitude improvement over our early Korean War 20mm aircraft cannon, which had a rate-of-fire of 600 rounds per minute.

If you were to draw a graph representing the weight of aircraft tactical firepower as suggested by the comparisons I've just made, you'd come out with a relatively flat curve for a period of about 20 years—say from 1940 to 1960. At that point, the curve would begin to swing up, with its real take-off point coming about 1962. Why 1962?

The previous year, 1961, our national defense policy began to put increased emphasis on the development of general purpose forces and non-nuclear ordnance. It was evident to us, and apparently to the USSR, that our heavy investment of the 1950's in nuclear deterrent forces had given the U.S. a wide margin of nuclear superiority over any potential enemy. Deterrence of nuclear war, or of large scale attack on this country or our allies, seemed to be pretty well assured.

It was judged that the wars most likely to happen in the future would be at the insurgency level, or of the type Khrushchev had so recently termed "wars of national liberation." For a variety of political and psychological reasons, nuclear weapons aren't ideally adapted to this kind of warfare except in the more passive role of deterring escalation. While nuclear deterrence still retained number one priority, a better balance of resources was in order, with greater emphasis in the Air Force on tactical air and conventional ordnance. Increased funding of this area began in 1962 and has resulted in a flow of new weapons into our inventory.

From 1953 until 1961, I was either in the Requirements business at Air Force Headquarters, or in one of the Tactical Air Command's numbered air forces. I can testify that during the 1950's research and development in the conventional armaments field never reached a state of suspended animation, but its molecules weren't bumping each other very vigorously, either. When people in the conventional armaments field looked at the R&D budget for strategic systems, they probably felt a little like the 80th Parallel must feel when it looks at the Equator. In the mid-1950's, the total annual Air Force budget for conventional armament R&D dropped to a low of $460,000. By way of contrast, our budget for RDT and E in the conventional armament area peaked at $76 million in Fiscal Year 1966—an increase by a factor of about 160. The number of people working in that field had multiplied tenfold.

Today, the Air Force is managing about 700 R&D programs in the limited war area, more than 70 of them relating to armaments and ordnance. The United States Air Force undoubtedly is the best equipped in the world for either conventional or nuclear operations.

Our airmen are doing an outstanding job in Southeast Asia with very effective ordnance, some of it developed for the specific requirements of that war. But further advances are possible, based in part on Vietnam experience.

That experience has shown clearly that the firepower of tactical aircraft is a decisive factor in counterinsurgency or limited war. Often it is the only means of bringing effective firepower to bear on battlefield targets in the highly fluid type of small unit combat that has been generally characteristic of that war. It is the only means of access to many targets in the very difficult jungle and mountain terrain of Southeast Asia. It is the principal—virtually the only—way of conducting an interdiction campaign in areas, that for one reason or another, are beyond the reach of friendly ground forces.

This type of warfare imposes some limitations on the use fo tactical firepower. In any combat situation, we want to avoid unnecessary collateral damage, but that becomes especially important in a limited war where enemy forces often are intermingled with friends, as they are in South Vietnam. Tactical firepower has to be directed with extreme accuracy—with surgical precision—and ordnance must be tailored to specific purposes. For this and other reasons, the war in Vietnam is highly complex politically and operationally, more demanding in detail than the wars we have fought in the past.

To generalize, our objectives in the development of tactical armaments and ordnance have been to bring airborne firepower to bear on enemy targets rapidly, accurately, selectively, and in all kinds of weather, day or night. These objectives aren't new except in degree, but some of the means for reaching them are. The means for achieving these objectives have been a combination of adaptation and innovation. I'll mention just a few before going on to some future requirements.

Our gun ships, which have come to be known as Puff, the Magic Dragon, have been extremely effective in providing a high volume of fire over long periods of time, particularly at night and in marginal weather where tactical fighters operate at some disadvantage. The gun ships are a combination of innovation and adaptation—newly developed 7.62mm Gatling guns with a rate-of-fire of 6000 rounds a minute, mounted in the oldest aircraft in our inventory, the C-47 Gooney Bird, which dates back to pre-World War II days. We are converting some C-119's and more modern C-130's as replacements for the C-47 gunships.

Another new armament development is the 20mm gun pod which has been used to increase the firepower of tactical fighters, like the earlier F-4's, that have no internal gun installations.

The ordnance payload of the F-105 has been increased from 5 to 16-750 pound bombs by designing new bomb racks.

A family of bomblets for use against troops and materiel in the field is another recent innovation. Clusters and downward ejection dispensers for these bomblets have been developed for high performance fighters. A tactical fighter on a typical mission can carry more than 5000 of these bomblets.

Now for a quick look at the future. The Air Force is developing a new series of bombs and fuses that can be carried and released at supersonic speeds. Newer fuses will provide greater operational flexibility and safety through a wider choice of arming and functioning times.

The potential savings in both lives and equipment that can be made by accurate delivery of ordnance is phenomenal. Lower CEP's achieved by use of high drag bombs delivered from low altitude can reduce the number of bombs required to destroy a target by as much as a factor of six. This is partially a function of design. Further improvement in gravity bombing accuracy will depend on a combination of good ordnance design and better bomb sights. The pay-off is almost unbelievably high. For example, with a CEP of 350 feet, it may take as many as 200 sorties for a .85 probability of dropping at least one span of a medium size bridge. If CEP's were reduced to 60 feet, only 9 sorties would be required for a .85 probability of doing the same job with the same bomb load. In this example, reducing CEP's by a factor of approximately four cuts the number of sorties required to do the job by a factor of more than 20.

In the past 20 years the Air Force has developed strategic bombing systems that would allow us, if necessary, to deliver a nuclear weapon from high altitude with a CEP that's very small in relation to the explosive power of the weapon. It cost a great deal of money to develop those systems. For considerably less investment, we should be able to develop bombing systems for iron bombs that will allow tactical fighters to hit targets wtih a comparable degree of accuracy in relation to the explosive power of a 750 pound bomb. I think that would work out to a CEP measured in inches. We need all the help we can get from people in the ordnance business in developing better designed bombs, bomb racks, fins, fuses, bomb sights and all the other components that relate to bombing accuracy.

In the field of area bombing devices for use against targets remote from civilian populations, there is considerable potential for increased effectiveness by improved dispensers that will provide wider area coverage, and by better design of the bomblets themselves. For example, bomblet design can be improved for use against dispersed troops, light material, or for penetration of jungle canopies. The dispensers for these small bombs must be adaptable to supersonic aircraft.

One of our most active research and development areas, Shedlight, includes 68 related programs aimed at improving the pilot's ability to find and hit targets in bad weather or at night. Most of these programs fall in the electronics area but one important means of denying an enemy of advantage of the cover of night is through use of flares. We expect to develop flares with burning times up to five minutes—double the present burning time—and that will produce five million candlepower, or more than twice that of today's flares. These newer flares will be used by both fighters and cargo aircraft like the gun ships.

We are continuing developmental work on air-delivered weapons for area denial—that is for mine fields, interdiction of roads and trails and the like. These weapons remain inert after delivery until they are detonated by passing enemy vehicles or troops.

Another very promising field is that of stand-off missiles for use against heavily defended targets. The primary objectives are accuracy—I mean really pin-point accuracy—and a launch-and-leave capability which will allow the pilot to release his weapon and get away fast.

Looking further ahead, the Air Force is proposing to develop an air superiority fighter—an F-X—for the early or mid-1970's, and a highly survivable close support fighter—an A-X—that could be available even earlier. The F-X would carry air-to-air missiles and both should be equipped with guns optimized for air-to-air and air-to-ground use respectively. The question of guns is an especially interesting one—and one that has received quite insufficient attention. The performance factors of air-to-air fighting have long surpassed, even for close-in work, the practical limitations of performance in a gun, where all of the energy is imparted to the projectile within the gun barrel. What we have needed for a long time is a machine gun which fires rocket-propelled projectiles. It seems to me this should be fairly easy. A spin-stabilized rocket projectile, comparable in size and weight to a 20 or 30mm shell and fired from a gun-type barrel should give much reduced times of flight with at least as good accuracy and lethality as an M-61 gun at ranges of from 500 to 1,500 yards. We are stressing this requirement in the Air Force, and I believe it to be a most fruitful opportunity for improved air weapon design.

Today some of our tactical fighters can carry larger and more varied loads than could World War II heavy bombers—and deliver them with better accuracy. Tomorrow the variety and complexity of tactical firepower will be even greater. In order to use this flexible weapon system most effectively, aircrews will need an armament control system that will enable them to select from a variety of stores the weapon or weapons best adapted to a particular target, and program this information into a memory circuit. To ready the munitions for release, the pilot will need only to turn on a master switch. Eventually armament control systems may make it possible for the tactical fighter pilot to locate and identify targets, program his attack, hit the target with a single pass and immediately assess the effectiveness of the attack.

The history of aircraft tactical firepower goes back to the earliest days of World War I. More progress has been made in tactical armament and ordnance during the past five years than in the preceding fifty. With each step forward, we come closer to the day when we may be able to deter small scale war as effectively as we have prevented nuclear war. That is our objective. It is an objective which all of us can support with enthusiasm.

IT IS NECESSARY TO DEVELOP FULL COSTS FOR EVERY PROPOSED FEDERAL PROGRAM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. HENDERSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HENDERSON. Mr. Speaker, today I am writing to the Director of the Bureau of the Budget complimenting him on a recent statement before a subcommittee of the House Post Office and Civil Service Committee. Director Schultze, in commenting on the many indirect costs connected with a Federal program, had this to say and I quote:

> In the first place, it is essential to good budgeting that each Federal program be judged and evaluated in the light of its full costs.

Mr. Speaker, it is not only good budgeting but also good lawmaking and certainly good Government to determine the total costs, including the number of additional personnel, before creating a new program or expanding an old one. I have, therefore, urged the Director of the Bureau of the Budget to require the heads of all departments and agencies to develop complete cost information on all proposed programs.

Mr. Schultze's attention was also directed to Public Law 801 of the 84th Congress and the failure by the executive branch to comply therewith. This law requires the executive branch in any request to the Congress for a new or expanded function with an annual expenditure of $1 million or more to reveal to the Congress for each of the first 5 fiscal years: First, man years of civilian employment; second, expenditures for personal services; and third, expenditures for all purposes other than personal services.

It would appear that compliance with this law would provide in most instances the full costs of a proposed program or to expand an existing program. Compliance with this Public Law has been fragmentary.

I feel, Mr. Speaker, that the chairmen of the various committees of the House should advise the Members on full costs, including the additional man-years required, for every program reported to the House. I have written today to the chairmen of each standing committee suggesting that they insist on the departments and agencies complying with the provisions of Public Law 801.

Mr. Speaker, it appears to me that this is a most necessary and essential step toward more responsible fiscal control of Federal spending.

BERNARD KILGORE—THE WALL STREET JOURNAL

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BOLAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BOLAND. Mr. Speaker, it has often been said that institutions are but the lengthened shadows of men. If this be so, and I am sure that it is, the Wall Street Journal is the lengthened shadow of Bernard Kilgore. He built and developed this great newspaper into one of the most informative and interesting journals in the world. All who appreciated his talent, genius, and industry mourn his passing.

Mr. Speaker, I join with countless thousands in paying tribute to this uncommon man. His great newspaper is a monument to his perception and brilliance. One of the Wall Street Journal's publishing plants is located in my congressional district in Chicopee, Mass. In behalf of all the employees in this plant, I express their deep regret over his death and the sorrow of all of us who had the pleasure of knowing him during his time on this earth.

Mr. Speaker, in today's Wall Street Journal is an editorial that beautifully briefs his life and his work with that great newspaper. Under permission granted, I include it with my remarks:

BERNARD KILGORE

A man's life story can tell so much about a man—and so little. So it is with the story, published elsewhere in these pages, of Bernard Kilgore.

It's a tale that might have been written by Horatio Alger: Boyhood in a small Indiana town and a fascination with the world brought to the door by the local newspaper; the small Indiana college and the fun of editing the college newspaper; the heady wine of being a 20-year-old reporter in New York City, a 24-year-old columnist, a 26-year-old Washington bureau chief with a public accolade from the President of the United States, a 32-year-old managing editor of this then small but nonetheless influential newspaper.

And finally, the excitement of building The Wall Street Journal from a circulation of around 33,000 to more than one million, seeing it published in eight plants scattered across the country and grown rich in resources and prestige as the country's first national newspaper.

This is enough to mark a remarkable man.

Obviously Barney Kilgore was blessed with the gift of talent, enough to make him stand out among his colleagues as a perceptive journalist; reread today, his columns and magazine articles of that time show an astonishing insight for one so young, and an aptness of expression still worthy of envy.

Equally obviously, he had to have other qualities to make older men single him out for responsibilities beyond his years or experience.

The Wall Street Journal of those days was already a long-established newspaper, eminent in its field of financial journalism, which had been proudly built by such men as Charles Dow and Clarence Barron. If, like other businesses, it was suffering the problems of the depression and a changing world, it was still not an enterprise to be entrusted lightly to a young man. Barney Kilgore was chosen because he was also blessed with that rarest of qualities, maturity in youth.

This accounts for his early recognition. It accounts not at all for what he did afterwards with the enterprise entrusted to him.

The secret there was the eye of a poet. As some men look at rivers and see them spanned by great bridges, he looked at the nation and dreamed of crossing it with a single newspaper that each morning would carry the same news to Portland, Oregon, as to Portland, Maine. No one could persuade him that it couldn't be done, though many tried, because he had a vision.

His perception was in seeing that the nation at work is the same everywhere; labor, capital, enterprise—and the problems that grow out of all three—are the tie that binds. He also believed that those who had to deal with these problems would value a newspaper that informed them in depth and without sensation about the world they live in in all its variety. Such people might not number many in any one place, but he was sure that across the nation their numbers were legion.

In retrospect the vision seems self-evident and its realization simple. It was not so. The building of the dream took a quarter of a century, and perhaps it is not yet finished. It also took a man who saw that soaring bridges need sound engineering, and the underpinning of his dream was as eager a quest for technological advances as for journalistic excellence.

Most of all, to achieve such a thing required patience, often courage and always the power to inspire others. For of course the building of the new enterprise required the skills and talents of many men. It was not a one man's labor, only a one man's vision.

Of those personal qualities of Barney Kilgore the outline of the story tells very little. In this century there have been other men, too, who made great impress upon the journalism of the times. Some of them were very dramatic personalities, easy to write about, and they became as well-known as their handiwork. Not so with Barney Kilgore.

He was, strangely enough for so dynamic a leader, the gentlest of men. There are those who have worked with him a lifetime, and who bear witness to his stubbornness with an idea, who have never seen him lose his temper or make those flamboyant gestures that make for legends. By the nature of his work—from reporter to prominent publisher—he walked with the peers of his time, and he was known and respected by all. Yet he always walked with them shyly, just as he was shy with those who worked with him.

Somehow among those gifts given him was the boon of self-containment, if not always self-content. There was a demon in him about what he wanted to create; his pride in his newspaper was as great as that of a composer for his symphony, and so was his jealousy for it. Yet he had not the slightest need for self-aggrandizement or personal publicity to nourish an uncertain ego.

Thus his work is more famous than himself. If you ask what he did, you need only look at this newspaper you are reading simultaneously with more than a million others in cities and villages all across the land, and at the other publications of the Dow Jones family on which he put his mark. If you ask what manner of man he was, his friends can only tell you he had a touch of genius and was to the full measure a gentleman.

Such men are rare.

RESOLUTION TO CREATE A JOINT CONGRESSIONAL COMMITTEE ON THE CIVIC ACTION PROGRAM IN VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. WOLFF] is recognized for 15 minutes.

Mr. WOLFF. Mr. Speaker, yesterday, with 24 of my colleagues, I introduced a resolution to create a Joint Congressional Committee on the Civic Action Program in Vietnam. This resolution crosses party lines. It also crosses any lines drawn by hawks and doves on the military situation in Vietnam. Today an identical resolution will be introduced by several other Members.

This resolution is not meant as criticism of the work of existing committees or officials here in Washington and in Vietnam. Rather, this committee will act to centralize and coordinate the work now being done by several existing committees and thereby increase our effectiveness in the important "other war" being waged in Vietnam and thus bring us closer to peace.

I would hope the proposed committee would aid Mr. Komer in the task assigned to him by President Johnson. Also, I would hope this committee would provide Ambassador Bunker with conclusive evidence to show the South Vietnamese Government of our deep concern over waste and inefficiency in civic action. For certainly the cooperation of the South Vietnamese has been less than necessary if economic, social, and political viability are to be attained by them and a government able to stand on its own in the future is to be realized.

By not solving the problems attendant with disposal of surplus, inflation, and black market activities we are undermining our efforts in Vietnam. My colleagues and I are looking for answers. Answers to questions of waste and corruption. It is my hope that the proposed committee would be the vehicle whereby the Congress and the American people could learn facts and figures, causes and effects, short and long-range approaches to our present struggle in Vietnam.

In my five trips to Vietnam I have not seen sufficient evidence that steps are being taken to prepare South Vietnam for economic viability when peace finally comes. Self-sufficiency is necessary not only at the conclusion of the war but even at the present time if we are to win over the people and eliminate the Vietcong sanctuaries in the villages and hamlets.

On each of my trips to Vietnam people from the Agency for International Development have told me they are studying development programs. There has been sufficient study. The time is past due to implement those programs. As an aside let me note that on my most recent trip to Asia, in September, I saw effective U.S. civic action programs in northeast Thailand and in Laos. These programs demonstrate democracy in deeds, not in words, and should act as a model for us in Vietnam.

The emphasis placed on pacification by President Johnson was an important factor in my decision to introduce this legislation. In several speeches during the past 3 years, in the appointment of Mr. Komer as a special ambassador for pacification in Vietnam, Mr. Johnson has made it clear that we must win the "other war." President Johnson repeated his deep interest in pacification when I spoke with him at length after returning from my most recent trip to Vietnam.

Certain of the specific problems that I witnessed and that prompted this legislation are:

Unsanitary overcrowding and almost inhuman conditions prevail in the provincial hospitals set aside for Vietnamese civilians. Improvement in the conditions in these hospitals would give the Vietnamese people a great lift and thereby prove valuable in winning the hearts and minds of the people.

There is a lack of planning for the absorption into the civilian economy when peace comes of the hundreds of thousands of South Vietnamese now in the armed services. South Vietnam, in this regard and its lack of self-sufficiency, is completely unprepared for peace.

We are continuing to do millions of dollars of business with American companies found guilty of illegal acts in the sale of products under the AID program. Although the Government Operations Committee pointed to this problem I can personally testify that as late as October of this year business with the guilty concerns has not been effectively controlled.

Less than 10 percent of the dollars spent by the United States in Vietnam to support the subsistence of our troops and hold down inflation is being spent by the South Vietnamese in the United States. The success of the entire commercial import program is questionable. We are investing hundreds of millions of dollars to stabilize the currency in Vietnam but inflation is rampant and the black market in dollars is flourishing on the streets of Saigon.

This problem is complicated by a lack of cooperation by the Vietnamese Government. Specifically, the Government of South Vietnam is using dollars earned in supplying our troops not for greatly needed necessities, but for luxuries. There are thousands of Japanese-built Hondas on the streets of Siagon while the Vietnamese in the villages and hamlets are in dire need of basic necessities. Needless to say this creates a great deal of tension and distrust among the South Vietnamese populace in addition to aggravating the problem of inflation.

There is a flourishing "dollars" black market in Saigon that is glaring evidence of the failure of the commercial import program. The official exchange rate is 118 South Vietnamese piastres for each American dollar. While on the streets of Saigon I was approached several times and offered from 140 to 150 piastres for a dollar.

The proliferation of both ARVN and U.S. Government goods on the open black market is disgraceful.

As an example of the lack of long-range planning by AID, they are continuing to import cement by the bag while it would prove lesss expensive to build a cement factory in Vietnam. The basic materials, "aggregate," are already there and this would relieve the critical shipping problem. Also, the construction of a cement factory would have the important extra benefit of remaining as an industrial base for the South Vietnamese when the day comes that we can leave Vietnam.

U.S. jeeps and trucks damaged by wear or enemy attack are being sold as surplus to Philippine concerns. After rebuilding these vehicles the Philippine companies are selling vehicles back to the United States or leasing them to the American Government. This is inexcusable waste; if the Filipinos can rebuild these vehicles so can we, and at a lower cost. Moreover, I have reports that surplus goods are being dumped into the South China Sea. Exact figures on the dollar value of these goods are not available and I would hope that the committee I propose could conduct an immediate investigation, upon approval of the Congress, into the disposal of all surplus equipment. This is a problem of immense proportion. We seem to be getting less than a nickel on a dollar in the disposal of surplus.

There is no effective marketing system for the goods brought into South Vietnam under the commercial import program. Once a shipment is delivered to an importer there are no further safeguards to see that these items do not fall into Vietcong hands or that prices will afford the South Vietnamese the opportunity to purchase them. The diversion of these goods to the black market, and undoubtedly to the Vietcong, must be stopped. It is said we are the Vietcong's largest supplier. Controls must be instituted and enforced.

I could go on citing other examples of waste and corruption. The point is clear: We are not putting sufficient emphasis on the nonmilitary programs in Vietnam. Thus we are lengthening the war and failing to prepare the South Vietnamese for ultimate self-sufficiency.

A problem exists in securing answers about the situation and in securing needed reforms from the South Vietnamese Government. I welcome the support of my many colleagues and urge rapid and favorable consideration so our effort in Vietnam will be balanced and properly directed.

I yield to the gentleman from New York [Mr. KUPFERMAN].

Mr. KUPFERMAN. Mr. Speaker, although billions of U.S. dollars are being spent in support of the Vietnam war effort, far too little attention is being directed to the civilian aid programs being carried on in Vietnam. Only through the efforts of the various civilian oriented programs can we ever hope for a true and lasting peace in Vietnam. That is why I have cosponsored with Congressman LESTER L. WOLFF and other Congressmen a resolution to establish a Joint Committee on Civic Action in Vietnam.

This committee will have the authority necessary to carry out a complete investigation of the effectiveness of the U.S.-sponsored pacification program in Vietnam, including the civil operation and development program, the commodity import program, and any other programs influencing the civilian effort.

Whether one supports or opposes the war, we must still be concerned with the effectiveness of U.S. efforts to help the civilian population of Vietnam. There are many questions that need to be answered. The American people, who are paying for this war, deserve to know how the blatant black-market activity that openly sells U.S. Government goods in the streets of Vietnamese cities, affects U.S. civilian aid programs.

It is my thought that this Joint Committee on Civic Action in Vietnam, to be composed of nine Congressmen and nine Senators, will look into and provide answers to these questions.

It was because of my concern for the civilian victims in Vietnam that earlier this year—February 28—I cosponsored a resolution, House Resolution 343, in the House to investigate the effect of military operations in Vietnam on the civilian population.

VIETNAM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LEGGETT] is recognized for 1 hour.

Mr. LEGGETT. Mr. Speaker, on Wednesday of this week an interested spectrum of House Members were privileged to discuss with Ambassador Ellsworth Bunker the status of our Vietnam effort. The distinguished Ambassador impressed us with his capable demeanor. He painted a brightening picture of our Vietnam military posture, but expressly failed to project whether this picture would climax in a victory in 1 year, 10 or 20 years.

No one really seriously doubts that a $790 billion economy is not making some progress against the $1 billion economy insurgents of North and South Vietnam. What serious critics of the war are really concerned about are the ultimate chess moves that will be made. Unless the United States has a program for victory in the forseeable future, the military, the President, and our diplomatic corps are spinning their wheels getting mesmerized by intermediate type victories.

North Vietnam is apparently strong in its resolve, I do not believe so much because of American dissent but because of the facts over which some Americans are dissenting.

Our U.S. $29 billion projected deficit could give the North Vietnamese some hope of a chink in American posture—likewise a forsaking of our support for peaceful defense against communism in the form of our foreign aid program could assist their resolve.

The foreign aid program which will be approved by this House tomorrow of $2.1 billion for redeveloping the world is slightly more than 50 percent of the inadequate $3.2 billion originally budgeted by the administration. The bill to be approved approved cuts by one-third the $110 million minimum request for technical assistance to stop communism in South America. The bill cuts further Alliance for Progress loans by 50 percent to the $400-million level and substantially below our 10-year commitment. This action to me means "South America, we have forsaken you."

The bill, in addition, cuts the technical assistance grants for the balance of the world from the $244 million requested and the $210 million authorized to the $180-million level—a 25-percent cut. How unwise to spend billions to impose our will by force in South Vietnam, but not be willing to satisfy our own modest commitments to help other Asian nations peacefully redevelop.

The real problem is that out of the $2.1 billion aid appropriation, a substantial portion never gets to help people economically. Of this sum, $600 million is earmarked for Vietnam and Thailand supportive assistance and an additional $365 million is in the military sector. The $1.1-billion balance is simply not enough.

North Vietnam could take some solace from the fact that they have caused the United States to disrupt our posture and our other commitments all over the world.

While we are impressed with our favorable casualty-kill ratio, it is also possible that the north is not watching our computers, but rather is counting the wounded Americans, the South Vietnamese, Koreans, and civilians maimed and killed, which latter statistics we seem to ignore.

Again it is possible that the north gets some hope from the continued reports of the South Vietnamese corruption reported in the press daily and illustrated by the 10 reports of the John Moss Foreign Operations Subcommittee on file, which reports are not all completely released.

It is possible that the North Vietnamese might sense some lack of total U.S. commitment due to the congressional revolt on the 10-percent tax surcharge plan of the administration. True, many rebel because of claims of excessive domestic spending; however, it is interesting to note that some of the same voices that attempted to set a crippling limitation on Government spending a month ago have approved, virtually intact, appropriation bills subsequent thereto that require expenditures at the $145 billion level. A spending level of this magnitude, with our current income means a large two-figure deficit which could mean a further contraction of both domestic and military expenditures.

This devil's advocate analysis could go on ad infinitum. I am not alone in expressing my views. Publications like the New York Times, the Los Angeles Times, Newsweek, Life, Saturday Evening Post, and writers like Walt Lippmann, Richard Harwood, Steward Alsop, Scotty Reston, and Ted Sorenson have expressed various forms of strong reservations on our current American policy.

The President has stated that he is offered no workable alternative solution.

I say the solution is simple: Retract our American Goliath posture and deesculate to Vietnamese proportions. Sell the war back to the South Vietnamese by slowly retracting and reducing our troops and dollars. North Vietnamese fanatics can only be stopped by South Vietnamese fanatics. Save American boys' lives and U.S. fiscal solvency and redevelop American cities with workable programs with the surplus that remains. The effect of this retraction might allow all the Vietnamese to work their will in the Tonkin Gulf; would cause the Soviets to retract their shipping to Haiphong, which has increased 50 percent in the past 9 months, and if nothing else might form the basis for negotiations which the American people now want by the polls 2 to 1.

I have commented on this matter extensively in the past, as follows:

> I firmly believe we have escalated to no place. In the face of continuous recommendations from General Westmoreland that the war will go on indefinitely, I have failed to understand the theory of escalation. When we in the States have assumed that our force level at 150,000 or 250,000 was at the outer limit considering that a $750 billion economy was fighting a $1 billion economy without modern transportation, a Navy or airpower, we have always assumed that the large buildup had some kind of foreseeable victory in mind. . . .
>
> While we stated a year ago that we needed to beef up our troops because there were 10,000 North Vietnamese troops in the south and that we needed at least a 10-to-1 overkill ratio to handle guerrillas in the bush—today while the United States has raised its level by 150,000 the North Vietnamese raised its level to better than 100,000. While we were fighting 225,000 solid core enemy a year ago, we now admit their numbers to be 278,000 and we frankly admit also that there is no magic in these numbers. . . .
>
> I would say then that the better part of valor at the present time would be for the administration to be deadly serious with itself as to where we have been and where we are going. *It will profit us little as a nation if we exhaust ourselves economically on North Vietnam only to find that our curtailment and lack of attention to the rest of the world, including the Americas, has allowed a Communist foundation to be dug on our hemispheric mainland.* While our policy in Vietnam at one time was a matter of choice, at the present time it is *monumentally compulsive.*
>
> We criticized last year the U.S. AID program in South Vietnam as a conglomeration of confusion. If the situation is any better today I am unaware in spite of a major AID effort at reorganization. The South Vietnamese revolutionary cadre system of 30,000 men has suffered high casualties over the last year and is now reputed to be ineffective. What this all really means is that the war on poverty for the world's deprived and underprivileged must be fought offensively through effective AID programs in a time of peace rather than defensively at a time of war. Because people are bound to wonder if the United States does not care for my political future at a time of peace, why do they care at a time of war with communism? I sincerely hope that one day we will realize that American wealth was given to us for a purpose. If we would help our neighbors but 25 percent of the magnitude of our military assistance, there might truly be a hope for peace in our time. . . .

How should the United States resolve our current international dilemma? First, we should recognize that we are escalating to nowhere. *We should resist escalation at all costs unless we know the escalated result.*

We have played too much blind man's bluff on a major scale too long. We should unilaterally scale down our cost and size of operations in South Vietnam and keep the burden of the conflict on the Vietnamese themselves. We should recognize, I believe, that the alternative to being pushed into the Tonkin Gulf in 1965 is not wholesale, all-out war in 1967 especially when our commander in the battlefield has no predictions for victory whatsoever in the foreseeable future.

If actions were scaled down and if our war budget could reapproximate the $5 billion level, then we would be postured as a nation to wait out the hard-headedness of Ho Chi Minh. He sees us now restless in our Great Society and today his patience is better than ours.

In some encounters in the past perhaps we had not the option to reason why, only to do and suffer the consequences. Today we are involved in a new kind of undeclared war which is concerned not so much with a mad dictator's lust for power, but with a surge of people to better their plight. While we can destroy a dictator, you cannot destroy a whole people.

It is inevitable, therefore, that the present conflict be concluded with some kind of an accommodation by the people on both sides of the encounter looking toward their mutual development. The United States has been, perhaps, too ready with the olive branch in the past and now grows weary of offering to negotiate. In time, I believe tensions will relax to the point where Ho Chi Minh will talk. It is to American interests that the balance of the world, free and Communist, not become too exercised or alarmed in the meantime.

The people of San Mateo County spoke clearly the day before yesterday in favor of a new Amercian Asian posture. The party that heeds that voice might be in excellent position 1 year from now.

For the RECORD, I enclose not the voices of the much abused "pull out" doves, but the voices of American literature including my own and that of the U.N. composite which I believe constitute responsible dissent. Though most of these voices are constructively critical of the administration, on a proper poll of public opinion, they well might constitute the strong voice of the majority.

I include herewith a list of articles with their authors and publishers, and the text of the articles:

James Reston, the Sacramento Bee, November 3, 1967, "Writer Offers Short Course on LBJ's War Maxims".

James Reston, New York Times, October 13, 1967, press release.

Editorial, New York Times, November 15, 1967, press release.

Editorial, New York Times, May 27, 1967, "What Price Vietnam?"

James Reston, New York Times, April 5, 1966, "Myths and Realities in Saigon".

Joseph Kraft, Washington Post, October 1, 1967, "U.S. Must Negotiate a Way Out and It Won't Help to Personalize the Issue Against LBJ".

Theodore C. Sorensen, Saturday Review, October 21, 1967, "The War in Vietnam—How We Can End It".

Walter Lippmann, Newsweek, November 20, 1967, "America In Asia".

Walter Lippmann, Newsweek, October 23, 1967, "The Tax Revolt".

Walter Lippmann, Newsweek, October 9, 1967, "The American Promise."

Walter Lippmann, Newsweek, May 23, 1966, "The Painless War."

Walter Lippmann, Washington Post, May 23, 1967, "A Collision Course."

Walter Lippmann, Washington Post, April 18, 1967, "The Escalating War."

Walter Lippmann, Washington Post, January 17, 1967, "Alternatives."

Editorial, Saturday Evening Post, November 13, 1967, "Changing Views on Vietnam."

Stewart Alsop, Saturday Evening Post, date unavailable.

Stewart Alsop, Saturday Evening Post, January 28, 1967.

Editorial, Washington Post, November 14, 1967.

Henry Raymont, New York Times, October 13, 1967.

Editorial, Life, October 20, 1967.

Editorial, The Washington Daily News, November 16, 1967.

Richard Harwood, Washington Post, September 3, 1967.

Editorial, Los Angeles Times, June 4, 1967.

Emmet John Hughes, Newsweek, October 30, 1967.

Emmet John Hughes, Newsweek, July 11, 1966.

Arthur Schlesinger, Jr., New York Times, date unavailable.

United Nations Materials.

George F. Kennan, Washington Post, February 11, 1966.

Robert L. Leggett, letter to Secretary McNamara, February 8, 1966.

[From the Sacramento (Calif.) Bee, Nov. 3, 1967]

WRITER OFFERS SHORT COURSE ON L. B. J.'S WAR MAXIMS

(By James Reston)

WASHINGTON.—It is important, though not easy, to keep up with President Lyndon B. Johnson's maxims on the war in Vietnam. Therefore, if the class will please come to order, we will turn to the little blue book.

Question—What is the latest White House precept on the war.

Answer—President Johnson said this week that there has not been a change of policy in Vietnam since 1964. Just a slight modification, maybe, or rolling adjustment, but we were always against aggression, so no change.

Q—Who says there was a change?

A—Embittered critics.

Q—Good. Now: Please compare the making of the South Vietnamese constitution with the making of the American Constitution.

A—Madison and Hamilton took 13 years to get the American Constitution through, and generals Thieu and Ky did it in 13 months.

Q—How is the war going?

A—We have turned the corner and are over the hump and now see light at the end of the tunnel, but of course we are waiting for signals from Hanoi.

Q—Precisely. What will we do to get peace in Vietnam?

A—We will walk the last mile.

Q—And meanwhile?

A—We will win the hearts and minds of the people.

TWO TYPES

Q—Please identify the two types of men in Washington.

A—There are Good Men and Bad Men.

Q—Will you define the qualities of a Good Man?

A—A Good Man is a patriot who backs the administration. He is for the bombing because it "saves lives." He supports the war because it may prevent a world war which might obliterate the human race.

Also, a Good Man publishes nothing that would give comfort to the enemy. He never criticizes the President or Secretary Rusk because this would encourage Hanoi. He does not complain about the mess unless he has a provable and honorable solution of his own.

Q—The mess? What mess?

A—I'm sorry. I meant the inevitable sacrifices of our crusade.

Q—That is better. Anything else?

NO FEAR OF WAR

A—Well, of course, a Good Man is patient, practical and brave. The prospect of war with 700,000,000 Chinese does not scare him. He concentrates on the present, forsaking all thought of mistakes in the past. He keeps his promises. He puts the commitment to Saigon ahead of the commitment to avoid a land war in Asia. He knows that President Johnson is merely following the policies of Presidents Eisenhower and Kennedy—give or take 450,000 men and $20 billion or $30 billion a year.

Finally, he keeps things in perspective. He remembers that 100,000 casualties, while regrettable, are less than our annual casualties on the highways at home. Above all, he has confidence in the men who led us into the war because if they led us in surely they can lead us out.

Q—Excellent. Now please illustrate the qualities of the Bad Man.

A—A Bad Man is one who engages in wrong-thinking, and sometimes even in thinking. He fusses at the government and even at the President, questions the compassionate bombing, worries about war with China, complains about problems at home, and reads Walter Lippmann.

Q—Is that all?

A—No. A Bad Man is a neo-isolationist. He does not see that lowering the level of violence would inevitably hand over the Pacific to the Communists and force us back to Hawaii. He does not realize that fighting on bravely, if indefinitely, will make the American people proud and eager to stay in Asia and fight future wars on national liberation. He is a doubter and a grumbler who keeps prattling on about having a decent respect for the opinions of mankind.

GETTING THE IDEA

Q—You are beginning to understand. Is there any difference between a Bad Man who wants to de-escalate the war—"hunker down," as we say—and a Bad Man who wants to quit and run away?

—This is a dangerous distinction. We must argue that de-escalating is quitting on the instalment plan. This is easier, for nobody likes a quitter.

Q—So what do we do?

A—We say Vietnam is "vital" to the security of the United States. We point to a billion unpredictable Chinese armed with nuclear weapons. We say Asian communism, directed from Peking, is the enemy. Nobody can argue against defending the security of the United States and everybody around here hates communism.

Q—And finally what is cur policy on dissent?

A—We are very much in favor of dissent unless, of course, it is actually practiced, and then it clearly helps the enemy. Nevertheless, if it goes on, we identify it with the hippies and the law-breakers. The people under 30 will not like that, but they do not vote much anyway.

[From the New York Times, Oct. 13, 1967]

ARTICLE BY JAMES RESTON

Secretary of State Dean Rusk . . . . has emerged as the principal defender of the Administration's Vietnam policy because he is the most eloquent of the true believers in the President's Cabinet.

He is a simpler man than either President Johnson or Secretary of Defense McNamara, and more articulate . . . . he sees the present leaders of China as the greatest menace to the security of the United States and the continuity of Western civilization since Hitler.

Nobody involved in the present Vietnam debate, whether in the White House, the Congress, or the universities, suspects him of personal ambition. He is both broke and honest. . . .

For while everybody admires his loyalty, even his closest associates in the State Department, for which he is responsible, question his judgment. He is modest, loyal, articulate, but is he right? He is determined to unify Asia, Europe, Latin American and Africa—a noble ambition, but how can he do it if he can't even unify his own department?

Rusk's argument here this week was that the Senate and the press were merely debating what he calls "variations on a theme"—that very few people either want to run away or smash our way to a military victory in Vietnam; that all agree we should "defend our vital national interests."

But this is exactly the central issue in Washington which Rusk, for all his attractive personal qualities, denies. The Capitol is deeply and fundamentally divided on whether fighting to the finish in Vietnam, at a cost of over 100,000 casualties and $30 billion a year, really is in our national interest. . . .

Washington is now deeply troubled about these things. It sees and admires Rusk's loyalty to the President. It likes him personally—particularly his obvious honesty, his conviction, his sense of decency and his sense of humor—but it is not convinced, and it hates his vague suggestions that dissent is disastrous to our cause.

. . . He says the country is united on defending our "vital interests" in Vietnam, but this is not true. No matter how appealing he is, Washington is still divided on whether Vietnam is really vital, and whether China is hell-bent on conquering Asia. Rusk says it is—he is eloquent and determined about it and puts it before the cities and races at home or anything else. And this is what Washington does not believe.

[From the New York Times, May 27, 1967]

What Price Vietnam?

The dramatic and dangerous crisis of the last few days in the Middle East has focused the world's attention there; but the terrible cost of the Vietnam war in blood and treasure goes on and on—and its baneful effects can be sensed in the seemingly unrelated conflicts from Suez to Hong Kong.

In Ottowa, President Johnson and Prime Minister Pearson talked about the Middle East—and Vietnam. In Moscow, British Foreign Secretary Brown and Soviet Foreign Minister Gromyko talked about the Middle East—and Vietnam.

The threat from the United States forces whom Peking sees moving inexorably toward China is surely playing its role in the Communist pressure on Hong Kong. The Soviet Union is the chief supplier of arms to North Vietnam, and the Soviet Union is also the chief supplier of arms to Egypt and Syria.

About a month ago, in one of the most notable speeches on the Vietnam war yet made in the Senate—and long before the present Middle East eruption—George McGovern of South Dakota said: "A Vietnamese civil conflict has been transformed gradually into a cruel international war."

Meanwhile, inside Vietnam the conflict has grown in every way and become internally "internationalized" by the greater and greater American involvement. Senator Clark of Pennsylvania recently pointed out that "increasingly, as the ineffectiveness of the South Vietnamese Army as an aggressive force becomes more and more apparent, American forces have taken over the main burden of the fighting." A Times correspondent writing from Hué in northern South Vietnam tells of the pessimism and despair of United States officials working on the pacification program because of "the failure of the South Vietnamese Army to carry out its assigned role."

The House Appropriations Committee believes that the Vietnam war in fiscal 1968 will cost $6 billion more than President Johnson's January budgetary calculation. The most recent weekly American casualty figures gave 337 killed and 2,282 wounded—the highest of the war. Nearly a hundred more American than South Vietnamese soldiers were killed. Yet in one of a number of similar statements made by Lyndon Johnson in the 1964 Presidential campaign he said: "We don't want our American boys to do the fighting for Asian boys."

The cost both within Vietnam itself and on the international stage is rapidly increasing. If nothing could be done, the United States would now have to move deeper and deeper into the morass; but there is no inevitability about history. It is possible to stop the escalation of the war in Vietnam, to stop the bombing of North Vietnam and thus to encourage unconditional negotiations with the Vietnamese.

It is not too late either to halt or slow down now; but as the costs and the risks rise both inside and outside Vietnam, it becomes more and more likely that the solution sought will be "total victory," which is the costliest of all solutions because it could lead to "total" world war.

[From the New York Times, Nov. 15, 1967]

Times Editorial

In the face of rising costs and diminishing returns in Vietnam, a rational debate over United States policy is, as Ambassador Arthur Goldberg recently observed, "inevitable, desirable and indeed essential."

Unfortunately, the Administration does not seem to view so calmly the role of dissent and discussion in formulating policy in a democratic society. Instead of listening to its critics, the Administration often chooses to attack or at least to belittle them. Instead of seeking a dialogue, Washington officials have frequently intimated that those who oppose their Vietnam policy are not quite patriotic, or not quite bright.

The Administration . . . insinuates that its critics are to blame for its own failures and that dissent borders on treason. This, as that wise old sometime-dissenter, Senator George Aiken of Vermont, has observed, is "hitting below the belt."

Does no one in the Administration realize that a citizen who honestly believes his country is headed on a disastrous course would be acting in a cowardly as well as unpatriotic manner if he did not try by all legal means to set his country right?

[From the New York Times Service, Apr. 5, 1966]

Myths and Realities in Saigon

(By James Reston)

Washington.—The latest political agitation in South Vietnam, with its undertones of rebellion and anti-Americanism, gives the impression of a new and particularly vicious crisis, but this is misleading.

It may be a crisis—though it can undoubtedly be handled—and it is vicious, but it is certainly not new. The demonstrations of the Buddhists and the students against the Washington and Saigon Governments are not transforming the situation but only exposing it. They are not changing the political fundamentals, but merely reminding us of what they are.

The nub of the American problem from the beginning of this adventure was the fragility of the political base from which we chose to operate. The present Saigon Government is a coalition of military warlords. The Prime Minister in Saigon, General Ky, never really had control over the South Vietnamese military commander in the First Corps Area, General Thi, whose domain bordered on North Vietnam.

The present difficulty arose from the fact that the Prime Minister, General Ky, tried to prove that he had control over the whole country. President Johnson summoned him to a dramatic conference in Honolulu. He outlined a very sensible program of social and agrarian reform for South Vietnam with which General Ky agreed. President Johnson treated General Ky as the leader of all of South Vietnam, knowing this was not true but hoping he could make it true if he said so. But it didn't work.

It is too bad. There should be social reform and there should be a powerful central government in Saigon that could bring it about, but there isn't. General Ky tried to prove that there was. Inspired by all the publicity and flattery of Honolulu and all the Johnson-Ky photographs, he tried to eliminate his rival in the First Corps Area, General Thi, and the trouble started.

The Buddhists and the students took to the streets in support of their deposed local leaders. The protests spread from Danang in the First Corps Area to Saigon. The United States Consul in Danang, Samuel B. Thomsen, had to urge Americans, including the 50,000 U.S. soldiers in Danang, to keep off the streets, and even American officials and Congressmen were advised to cancel their proposed trips to Saigon.

All this proves is that the political situation is unchanged, and that the propaganda of Honolulu has not prevailed over the power and tradition of Saigon. There is no cohesive national spirit in that nation for the simple reason that there is no nation.

It is still a tangle of competing individuals, regions, religions and sects, dominated by a group of military warlords, representing different regions, an army without a country, presiding over a people who have been torn apart by war and dominated and exploited by Saigon for generations.

No doubt American power will be able to sustain the central government of General Ky in the present crisis, but the more power we use, the more American domination will be resented. This is the dilemma. It has been there from the beginning, and the latest political struggle has merely brought the facts to the surface.

The basis of American intervention in the beginning—and even of the official American thesis now—is that we are in Saigon to support a "government" and a "nation" against external aggression, which that government and nation must win or lose primarily by themselves. But there is no Saigon government that can govern, and no South Vietnamese "nation" in our understanding of the word.

Meanwhile the war goes on, unaffected so far by the political turmoil, but there is a basic problem still unresolved. Washington is still counting on a cohesive Saigon government that does not exist. It cannot count on effective political or military action by the South Vietnamese and it is not prepared to produce the political and military manpower to take their place.

In short, the Administration in Washington has not adjusted to the facts. It has not brought its ends and its means into line. It has accepted the ends of the "hawks"—destruction of the enemy's forces but not the means—and it has accepted the ends of the "doves"—a negotiated compromise but not their means, negotiation with the Vietcong who are doing most of the enemy fighting.

So Washington is in trouble. It is relying on myths and the only consolation of the present political demonstrations is that they are at least exposing the reality.

[From the Washington (D.C.) Post, Oct. 1, 1967]

U.S. Must Negotiate a Way Out and It Won't Help to Personalize the Issue Against L. B. J.

(By Joseph Kraft)

Returning to this country after two months in Vietnam and elsewhere, I find one striking change. There has been a dramatic hardening of temper against the President on Vietnam.

What useful purpose this shift of mood can serve is not clear to me. Not that I think the war is going well. On the contrary, I am more than ever convinced that the United States cannot achieve a military victory in Vietnam.

One measure of the outlook is the situation around Danang. For more than two years, that city and its environs have been a base for about 10,000 American Marines. The Marines have been active in the area not only militarily, but equally in civic action programs designed to assert control over the local population.

Still, hardly a night goes by without some small-scale enemy assault on the Marine positions. The attacks generally come from close in—sometimes a mere 1000 yards away. The attackers can come that close only because they have the support of the local population.

This means that our best troops operating in force in not unfavorable terrain over a period of two years have not been able to break up the enemy's local support. At that rate, I do not think the United States will force the other side to fade away for years and years. And thus it seems to me imperative that we negotiate our way out of Vietnam.

But negotiating out, while perhaps possible, is surely not easy. For openers, there has to be a halt in the bombing of North Vietnam. Without it, there will be no talks with the other side.

But would there be talks if the bombing stopped? The President is certain there would not be. Some well-informed officials around the world disagree. But even they acknowledge that to yield talks, a stop in the bombing would have to be managed with great skill—particularly as to timing.

The more so because Hanoi would probably use any bombing pause to rush new supplies to its forces. That would increase the vulnerability of American troops, and cause American commanders, not unnaturally, to demand resumption of bombing.

To forestall these demands, American troops would have to be insulated against whatever advantage the other side might take of a bombing halt. They would have to be less exposed—which, at a minimum, means pulling back from the belly-to-belly encounter along the Demilitarized Zone. But deliberately relinquishing territory is not easy either.

Then there is the matter of political objectives. Since the President has never spelled these out in detail, the field has been dominated by men in Washington and Saigon who give the impression that the American aim is an anti-Communist South Vietnamese state.

But the other side will negotiate only if there is some prospect that at some time in some way its political objectives can be obtained. Thus as a further prelude to talks, Washington and Saigon will have to lower their political objectives. They will have to open a channel whereby the insurgents on the other side can re-enter South Vietnamese political life, and maybe even come to power.

These are the minimal arrangements which have to be made for negotiations to have a chance. No President would find the course easy to follow; a beleaguered one least of all.

And so, while I think President Johnson has made mistakes, while I think he has been led to exaggerate the strategic importance of Vietnam out of all proportion, it does not seem to me to be helpful to personalize the issue.

The sad truth is that for those of us who favor a political settlement the best hope lies in support of that part of the President's instinct which also seeks to resolve the war by negotiations.

[From the Saturday Review, Oct. 21, 1967]

THE WAR IN VIETNAM: HOW WE CAN END IT

(By Theodore C. Sorensen)

I have not previously spoken out publicly against our course in Vietnam. My years in the White House made me more conscious than most private citizens of the burdens our President bears, more aware of his unique access to information, and more unwilling to add fuel to the fires of dissension within my party and country. But I believe that the President's friends and supporters today can best serve him as well as the country by speaking out: Not by offering oversimplified solutions or personal criticism; not by questioning anyone's motives or credibility; not by reflecting on the skill and courage of our fighting forces; but by helping to seek before it is too late a reasonable, feasible course in Vietnam that offers some hope of achieving an early peaceful settlement—a course with costs and risks more proportionate to America's interests than this present avenue of expanding escalation and slaughter.

"Your government should understand," a Russian diplomat said to me as we lunched last August in Moscow, "that we are obligated to do for the North Vietnamese whatever they ask us to do. If they ask us to send bombers, we will send bombers. If they ask us to send men, we will send men." This was not delivered as a threat nor was it surprisingly new. But it helped point up for me the urgency of our stopping World War III now before it starts.

I realize that it is difficult for a great power to alter its course—but the Soviet Union pulled its missiles out of Cuba (and received world praise for doing so). I realize that it is difficult for our proud nation to acknowledge error instead of compounding it—but we did exactly that at the Bay of Pigs.

I do not say that we have wholly erred in Vietnam or that we should precipitously pull out our troops. Nor am I concerned here with many of the other disputes surrounding that war. The Senate will long debate the legal basis for our involvement, the alleged choices between Europe and Asia, and the effect of the war on our prestige, politics and priorities. Historians will long debate over how and why we got into Vietnam, who first breached the Geneva Agreement, whether it was originally a civil war, whether another President would have acted differently, whether Congress was consulted adequately, and whether the various past precedents cited—from Munich to Malaya—are meaningful. What concerns me now is not the past but the future.

What concerns me now is the prospect of an endless war in which the original issues (to say nothing of the Vietnamese people) will have long been forgotten, in which each gradation of American escalation will continue to be offset by more troops from the North and less help from the South. What concerns me is the prospect of a frustrated, aggravated, bitterly divided America, irritated at its increasing isolation from the world, unable to accept its inability to bring this upstart to heel, under growing pressure from a growing military establishment, consequently pouring in more men, bombing out more targets, and finally, in desperation, mining or blockading the Haiphong harbor or even invading the North by means of a permanent excursion across the demilitarized zone or an "Inchon-type" landing behind that front line. Then the entry of Chinese and possibly Russian "volunteers" will be a very real threat and possibly—even without our destroying North Vietnamese dikes, bombing MIG bases in China, or occupying Hanoi—an inevitable fact, as inevitable as the fact that their entry will lead eventually to a world-wide nuclear war. The tragic irony of it is that all this could happen without our advancing one single step nearer to our original goal of a terror-free South Vietnam.

We have already moved in recent years from limited counterinsurgency to all-out combat, from 15,000 advisers to 500,000 troops, from a war fought largely by South Vietnamese forces in the South to a war fought largely by American forces both North and South. Each stage of escalation has brought a response from the other side requiring more escalation, bringing a further response from the other side requiring still more escalation. When two doses of penicillin failed to help the patient, we gave him four, then six, now eight. It is high time we realized that penicillin is not what this patient needs, and more can only poison him.

To be sure, we cannot now lose the war. We have prevented the kind of large-scale North Vietnamese assaults that might have destroyed all hope for self-determination and survival in the South. There is no prospect now that the Communists can push our forces into the sea or impose their rule by conquest. Nor is there any prospect now that we will abandon to slaughter those South Vietnamese who stood up against a Communist military takeover. But this country has to face the unaccustomed and uncomfortable fact that, despite all the brilliance and valor of our fighting forces, their lives are being given for a war which—in terms of achieving our *total* objectives, political and moral as well as military, in all Asia as well as Vietnam—we are not "winning" in the traditional sense and cannot ever expect to "win."

We are not "containing" the Red Chinese when we create a vacuum on their borders into which they will inexorably move unless we stay forever—when we increase North Vietnam's dependence on Chinese imports—or when we erode South Vietnam's institutions, traditions, economy, independence, and spirit.

We are not "winning the war for men's minds" among the South Vietnamese people, much less "pacifying" their country, when we level their villages, burn their crops, dominate and prolong their war, work primarily with the privileged few entrenched in both their military and government, and place half a million free-spending Americans into that tiny, impoverished, and now inflation-ridden country.

We are not demonstrating the futility of Communist "wars of liberation" to an army that soon returns to rule by night those areas from which we have temporarily driven it; nor are we deterring similar attacks in Thailand or elsewhere when we stretch our forces thin in Vietnam.

We are not "defending our national interest" when we endlessly divert more than two billion tax dollars a month away from our cities and schools and overseas friends for a war that much as we dislike the word, is producing at best only a stalemate.

I read all the predictions that victory is just around the escalation corner—but I heard those same predictions three and four and even five years ago. I read all the rosy statistics on how many Communists we have killed and captured and induced to defect—but still their number keeps growing. I read all the claims on our bombing successes in the North—but still the infiltration southward continues. I read all the statements that this is a joint effort with South Vietnam and others—but still we are doing more and more of the fighting and dying. And, finally, I read all the assurances that neither the Russians nor the Chinese will intervene—but at the same time Washington experts acknowledge that neither Peking nor Moscow could tolerate a North Vietnamese defeat.

General Westmoreland calls it a war of attrition. That it is—a war of attrition pitting American youth on the Asian mainland against an Asian foe which has not yet begun to tap its immense manpower reserves. Most of the time that foe is a Vietnamese guerrilla—a tough, cunning, elusive warrior who knows every hiding place in his native land, who is fed and shielded by the people we are supposedly there to defend, and who believes that someday his children will push out the Americans just as his elders pushed out the French.

Even if the old-fashioned kind of military victory in Vietnam were possible, it would require an indefinite occupation of that country by American troops under constant attack from such guerrillas. But such a victory is not possible against an enemy that keeps coming and fighting, as it has for twenty years and as it seemingly can for twenty more, suffering heavy casualties but also inflicting them, hiding in the hills or brush, disappearing literally underground or by mingling with civilians, eluding our "search and destroy" missions and then returning, controlling or terrorizing virtually as many villages and roads, and assassinating or kidnaping virtually as many South Vietnamese local leaders, as it did before we arrived.

If countering this kind of guerrilla warfare requires, as the Pentagon has said, that our forces outnumber theirs by a lopsided ratio of 3 or 4 or even 10 to 1—and if, in addition, we must take over the immense and unfamiliar task of nonmilitary "pacification," and do it without a nonpartisan civil service, without the goodwill of the people, without effective land distribution or respect for the South Vietnamese troops or cooperation from their intellectuals—then where do we obtain the manpower to offset the gradual tapping of Communist reserves? Not from our Asian and Pacific allies who have, on the whole, shown very little enthusiasm for propping up with their own forces what we have warned could be the first of the falling dominoes. Nor are there unlimited reserves still available to the South Vietnamese army, whose brave but poorly paid and dispirited soldiers are still too often led by corrupt and politically controlled officers more imitative of the Vietcong in brutally interrogating civilians and prisoners than in risking their own comfort in combat.

It is small wonder, then, that one American military leader has said that 2,000,000 U.S. troops will be required to root out the terrorists in the South, village by village. But if the other side keeps growing through recruitment and reinfiltration, despite escalated bombings and electronic barriers, even 2,000,000 may not be enough. And what would an American commitment of 2,000,000 men do to our force levels at home and around the world? What, finally, would it do to the South Vietnamese themselves?

"In the final analysis," said President Kennedy in the fall of 1963, "it is their war. They are the ones who have to win it or lose it . . . the people of Vietnam." But as we pour in more troops, destroying in the process their economic stability more effectively than the Communists have ever done, it has become *our* war. We have the largest fighting force. We suffer the largest fatalities. The South Vietnamese people, weary after twenty years of warriors and foreigners, divided by rival sects and provincial politics, seem simultaneously to resent and prefer our taking over their battle. Many of the young leaders and scholars upon whom the country's liberation must ultimately depend are reported openly cynical and skeptical of the American presence. The present military government with which we are identified—now popularly elected but still far from universally accepted—seems incapable of understanding any real opposition or dissent, and incapable of undertaking any serious land reforms or serious peace negotiations.

[From Newsweek, Nov. 20, 1967]

AMERICA IN ASIA

(By Walter Lippmann)

The war would be over sooner, said the President recently, if the country would unite behind him. He meant that our opponents would stop fighting if they lost hope that in 1968 Lyndon Johnson would be ousted and some sort of dove elected.

I find it hard to believe that our opponents have staked everything on an American Presidential election. No doubt they are encouraged by the polls and by the dissenters.

The issue which keeps the Vietnamese fighting with Soviet and Chinese support is a conviction that we intend to hold and consolidate our massive military lodgment in Southeast Asia. The Vietnamese will fight on, in the open or by terrorism, as long as they believe that American military power will remain in Indochina. Moreover, if Hanoi were in a state of collapse, China and Russia singly or combined would probably intervene. For the fundamental issue in the war is whether a non-Asian power, formerly France and now the United States, shall hold a military base on the Asian continent.

To be sure there is the pledge made in Manila that, once our aims have been achieved, we shall withdraw. But this is not generally believed. The Asians believe that we mean to stay. They argue that our aims can never be achieved, not even if Ho Chi Minh surrendered. Our aims are impossible to achieve without our permanent military presence. So they believe that we intend to remain in South Vietnam.

PROBLEM AND PROPOSAL

For the time will never come when there is a government in Saigon which is anti-Communist, anti-Chinese, pro-American, and yet not dependent on the presence of American military forces. Because the official Johnson war objectives would be lost if we withdrew, the Johnson declarations about withdrawal are not generally believed.

The conclusion I draw from all this is that until and unless we deal with the question of whether or not we are going to stay in Vietnam, and, if not, how, when and where we are prepared to pull back our military power, we are avoiding the real problem. The real problem will not be solved by bombing, even if we flatten Hanoi and Haiphong. The problem cannot be solved by ceasing to bomb unless it becomes clear that we are also prepared to negotiate about the terms and conditions of a great military disengagement from the continent.

If we decide to pull back our military forces from Indochina, the obvious place to stand in the South Pacific is on the continent of Australia. The defense of Australia is a commitment about which there can be no dispute among Americans. Australia is moreover a secure and invulnerable base against any sort of aggression, short of nuclear war with ballistic missiles. As to that, the defense of Australia against a nuclear attack is the same as the defense of the United States. For we must and almost certainly would treat an attack on Australia as if it were an attack on Ohio.

This proposal raises two questions about which all of us will wish to clarify our minds. The first is the question of prestige. To negotiate a pullback of our power is to acknowledge that we have not won a war. How will such an admission affect our reputation and our influence? The answer is that we shall have to pay some price for the mistake of involving ourselves in a war for ends which cannot be achieved by the means which we are willing and able to use.

RESPECT AND GOODWILL

This will no doubt affect Lyndon Johnson's reputation. But I do not think it will have a lasting effect on the reputation of America. For an admission that the American land war in Asia must be terminated without victory will not necessarily diminish for long and may indeed enhance the respect and goodwill which the world has for the American nation. In any event, nothing unpleasant can be avoided by compounding the mistake instead of correcting it.

The other question which a pullback to Australia raises is whether we can then play our necessary part in the affairs of the Pacific and of Asia.

In my view Vietnam is a particularly insecure place in which to base our power in the Pacific region. The Asian mainland can never be secure for America. There are too many Asians. Vietnam is not in fact a good forward base but a hostage to the unpredictable turmoil of the emerging Asian peoples.

Our real foothold on the Asian continent should be the friendship and mutual interest of the Asian powers, most particularly the friendship of Japan and India and Indonesia and the Philippines, and eventually of China. This would mean, let us be quite clear about it, that the future and the destiny of the Asian continent would be, as it should be, determined by the Asians themselves. Once we have conformed our policy to this principle, we shall be living in the modern world.

[From Newsweek, Oct. 23, 1967]

THE TAX REVOLT

(By Walter Lippmann)

The revolt against the surtax proposal made by the Administration in order to control inflation by reducing demand marks the end of one chapter in the history of the war.

Two years ago, when the President decided to commit the country to the battlefield in Vietnam, he realized, of course, that such a war would not be popular. At most it would be accepted. He took as the cardinal rule of his conduct of the war a determination to make it as painless and as invisible as possible to the mass of the nation. He assured the poor and their friends the reformers that the country was rich enough to wage war and also to build "The Great Society" at the same time. So he avoided levying new taxes to pay for the war. He escalated the military effort gradually and drew upon stockpiles. He avoided a mobilization of the reserves. For that would have disturbed and angered many influential young men and their families. He allowed the draft to be administered so that with rare exceptions the more gifted and the more well-to-do escaped military service, or at least found safe havens within it. And he allowed his Administration to set an example in which it was not fashionable or obligatory, as it has been in every other war, to go on active military service. As a result, the war, while it has never been popular, has been kept sufficiently remote and impersonal for most Americans families. They have allowed the Administration to conduct it as best it could by wheeling and dealing with the Chiefs of Staff, the Pentagon, the hawks and the doves in Congress.

SHATTERED ILLUSION

The painless, nonsacrificial phase of the war came to an end a few months ago. The Negro insurrection in the cities shattered the illusion that the country could fight a big war in Asia and construct a good society at the same time. Then, as the costs of the war rose, it became clear that there would be inflation, a credit stringency and economic disorder unless the Americans at home were prepared to begin to make sacrifices.

They could pay more Federal taxes and thus have less money to spend for themselves. Or they could compel the Federal government to spend less—to spend less on assistance for the poor, on assistance to foreigners in the underdeveloped nations, on education, on the race to the moon, on supersonic airplanes, and on the lavish acquirements of the war itself.

Congress, which certainly represents a great mass of vocal opinion, is insisting that before the taxpayers are asked for anything more, the Federal expenditures for the Great Society and for foreign aid should be cut to the bone. This means in fact that the sacrifices required by the war shall fall first upon those who have the least political influence, upon the poor at home and abroad. It is not a noble stance. But it has always been naive and deceptive to think that noble sentiments would be evoked in this kind of war conducted in this kind of way.

CONFLICTING TASKS

The President has led the country into a dilemma where it must choose between the continuing enlargement of the war and serious measures to deal with the vast and seething and urgent internal problems of the country. Even if money could be made available for both, which as a practical matter of politics under a popular government is impossible, there is not enough moral energy, will and purpose and attention, in the leadership of the nation to carry out the two conflicting tasks at home and abroad.

Thus it has in fact happened that the war has displaced the internal needs of the country. Having been neglected, our troubles have started to fester. Perhaps the most significant consequences is that because the war was sold to the people as a painless war, in its early stages as an exercise in professional war making, as quite compatible with our highest aspirations for a good society, the showdown and the reckoning which have now taken place are producing an increasingly virulent popular dissent. The polls are a mere indication and do not describe the quality and depth of the feeling of having been misled and having been had. In our times there has been no parallel in any other war in respect to any other President.

It is a bad and dangerous situation when a great power in this anarchic world finds itself without leadership which it fully trusts and in which it has confidence.

[From Newsweek, Oct. 9, 1967]

THE AMERICAN PROMISE

(By Walter Lippmann)

After a summer in Europe, when for the most part I sat back and watched, I am impressed with how much Americans and Europeans are involved in the same predicament. For us all the world is disorderly and dangerous, ungoverned and apparently ungovernable. Everywhere there is great anxiety and bewilderment. This general concern about the threat of atomic war, of revolution and counter-revolution is suffused by almost everybody's preoccupation with the difficult business of living in the modern age.

The governments of the more advanced countries, those which have outgrown the first illusions of liberation and independence, are all of them unpopular governments. For they are failing to cope with disorders abroad and with trouble at home. In the more-developed countries, Communist as well as non-Communist, there are no great sustaining, unifying and inspiring beliefs, no schemes of salvation and no ardent promises of better things to come.

This dusty outlook marks, I believe, the historic fact that we are living through the closing chapters of the established and traditional way of life. We are in the early beginnings of a struggle, which will probably last for generations, to remake our civilization. It is not a good time for politicians. It is a time for prophets and leaders and explorers and inventors and pioneers, and for those who are willing to plant trees for their children to sit under.

The international order which evolved since the Middle Ages, the order imposed and managed by the Western great powers, has been shattered. There are some who think we can return to that old order, with the United States replacing the Great Britain of the nineteenth century. But all who think this, President Johnson and Secretary Rusk and Mr. Nixon for example, merely compound the confusion and anarchy of the international order. It is a naïve illusion that 1967 is 1939, that Southeast Asia is Western Europe, that Mao Tse-tung is Hitler and that Lyndon Johnson is Churchill. It is not producing a firm and free international order but the largest quagmire in which this country has ever floundered.

UNPOPULARITY

The best that can be said for President Johnson is that the other leaders of great powers are also in trouble. The Gallup polls are bad reading in Paris, London, Moscow, New Delhi and Peking. This general unpopularity of the governments of great powers throws light on the problem. But it does not explain away what has happened in Washington. More is expected and more is demanded of the President of the United States than from any other head of government. For the United States is incomparably the most powerful country in the world. Moreover the original purpose of America has created hopes and expectations in the hearts of men everywhere. The original vocation and destiny of the American people has been, not that they should rule the world, but, that they should provide an example of how men can live in freedom.

The dislike and distrust of Johnson's America is harsh. It stems in the last analysis, I believe, from a feeling of having been let down. There is a growing belief that Johnson's America is no longer the historic America, that it is a bastard empire which relies on superior force to achieve its purposes, and is no longer providing an example of the wisdom and humanity of a free society. There is, to be sure, envy, fear, rivalry in the worldwide anti-Johnsonism. But the inner core of this sentiment is a feeling of betrayal and abandonment. It is a feeling that the American promise has been betrayed and abandoned.

INEFFECTIVENESS

This feeling is accentuated by the spectacular ineffectiveness of President Johnson's resort to military force. After years of struggle the greatest military power on earth finds itself unable to bend to its will a small and backward people. Our hawks ascribe this lack of military success to the official strategy of wounding but not killing the adversary. The performance in Vietnam would be a military scandal were it not a demonstration, which is of enormous historic significance, that the firepower of modern weaponry can annihilate an adversary or neutralize him but it cannot bend him to its will.

As against the military muddle in Vietnam there is, by way of contrast, the tremendous example of the American way of life. An irresistible tide of Americanization is flooding the world with our airplanes and computers and supermarkets, our household appliances, with ready-made clothing, with mechanical entertainment, carrying along with it what is convenient and pleasant in our lives and also much of our vulgarity.

The fact of our example is greater than the force of our arms. If only we realized this, if only we were governed by men who realized that the age of Roosevelt and Churchill is over, we might begin to pull ourselves out of the quagmire.

[From Newsweek, May 23, 1966]

THE PAINLESS WAR

(By Walter Lippmann)

Once again the calculations about the war in Vietnam have proved to be wrong, and once again, therefore, the President finds himself having to make very hard decisions. How much and in what way shall he agree to enlarge and extend the war? Although the American troops have won a number of local battles, only those who are completely drugged by official briefings avoid recognizing that the quarter of a million troops already in Vietnam are unable to win the war and to compel the adversary to negotiate. The current calculation is that the present quarter of a million soldiers will have to be almost doubled and that the bombing will have to be increased greatly. There is little assurance and indeed little hope that even this will be decisive, and there is no expectation that the coming escalation will bring us any nearer to a solution.

Nevertheless, the new phase will mark a change in the character of the war. We have come to the end of the kind of war which President Johnson has hoped would yield a success in Indochina without demanding unpopular sacrifices from the American people. As late as January of this year, the President believed he could succeed by waging a very limited war: a war with few casualties, a war that required no calling up of the reserves, no drastic cutback of civilian programs, no increase of taxes and no inflation of prices.

For the American people as a whole, the war was to be so painless that business and pleasure could go on as usual.

HIDDEN COSTS

It is now becoming clear that the war has been made to seem painless because its true costs have been concealed. In the military buildup the policy has been to deploy in Vietnam mainly professional soldiers and to replenish them by drawing trained men from all the other armed forces which are in Europe and around the world. This policy of cannibalizing the military establishment has made it possible to avoid calling up the reserves of trained men. It has also meant that the casualties and other miseries of the war have fallen upon professional soldiers who are most prepared to accept them, and upon young and inarticulate draftees.

The same device has softened the economic impact of the war. The reason why the Administration has been able to escalate the war without greatly increasing defense spending, is that in very large measure it has been drawing on accumulated stocks. But now, as it becomes necessary to replenish the stocks, the real economic costs will have to be translated into expenditures.

The official, and the essentially misleading, Administration argument has been that defense expenditures, despite the war, are not much higher than last year and are in fact lower than in several previous years—7.7 per cent of the gross national product this year as compared with 7.5 per cent in the first half of 1965.

Mr. Walter Heller, the former chairman of the Council of Economic Advisers, said in a notable speech on May 2 that these figures "mask the important economic fact that the rate of spending today is some $5 billion above its rate just ten months ago. Allowing for various multiplier effects, this means that the added impact of Vietnam since last summer accounts for something over $15 billion of the current demand in the U.S. economy."

DWINDLING INVENTORIES

In the April issue of Fortune magazine there appears a cost analysis of the Vietnamese war made by a group of unofficial economists: "In the early phases of any war, the Defense Department can hold down expenditures by drawing upon existing forces and supplies, just as a business firm can temporarily reduce cash outlays by letting inventories dwindle . . . the war reserve of 'combat consumables' has been drawn down . . . the war has required only moderate incremental expenditures . . . but as deliveries roll in and the armed forces expand, expenditures will begin to catch up with the war's far from moderate costs . . . Secretary McNamara can cut somewhat further than he already has into programs not directly connected with the war. But not very far; his options for deferring expenditures in fiscal 1967 have been pretty well used up."

We have come within sight of what can be accomplished by cannibalizing the existing forces for the buildup in Vietnam, of what can be done by drawing on existing military stocks and manpower.

Thus, we are at the end of the painless war. The hope of January, that the war could be won without increasing sacrifices, has been dashed on the hard realities.

For the President has committed us to a war in Asia for an unattainable objective—for the creation, in a land torn by revolution, on a continent seething with revolution, of a secure, free, pro-American government which is accepted and supported by the people.

[From the Washington (D.C.) Post, May 23, 1967]

A COLLISION COURSE

(By Walter Lippmann)

The President denies that he has put us on a collision course with Red China and the Soviet Union. In this he is relying upon his ability to guess correctly how far he can go in North Vietnam without bringing on Chinese intervention. He feels he is able to judge just what targets he can hit before the big Communist powers decide to hit back. This is a kind of Russian roulette. The President believes that he can discriminate between those targets which he can hit with safety and those which he cannot hit with safety.

This is a deadly guessing game. Yet it has become the center of the Johnson strategy. It would be less giddy and nerve-wracking if it were not for the fact that it was played once before, and played, moreover, by some of the same men who are playing it now. This was in the Korean War. Some of the President's principal advisers are the same men who guessed wrong in the Korean War. They could not then believe that if General MacArthur carried the war into North Korea and to the Yalu River that the Chinese would intervene. The Indian Ambassador in Washington passed along a message from the Indian Ambassador in Peking warning the United States Government that a movement to the Yalu would set off Chinese intervention. The Indian Ambassador's name was Panikar, and he was one of the ablest diplomats in the Service. But the State Department dismissed his warning, and the ever witty bureaucrats called him "Panicky Panikar." Not long after that the United States army suffered one of its worst military disasters.

It does not, of course, follow that the Korean experience will be repeated. But the fact of the matter is that it may be repeated. This is because President Johnson has allowed the issue of the Vietnam war to become a test of whether the United States is to continue to be a military power on the Asian mainland. The President is acting through a puppet regime in Saigon supported by troops and enormous sea and air power.

The most important recent development from the other side of the struggle has been the warning that the two Communist powers are resolved not to let us win the kind of military victory which President Johnson's new war aims call for. No one can pretend to know at just what point in the escalation the Chinese and the Soviet Union will in fact intervene. But what we do know is that President Johnson has war aims in Asia that cannot be achieved against the offensive power of China and of Russia. That is why he is on a collision course.

[From the Washington (D.C.) Post, Apr. 18, 1967]

THE ESCALATING WAR

(By Walter Lippmann)

Returning from what must have been a most welcome change at Punta del Este, the President is back again with Vietnam.

It can be argued that here on the home front, he has made some gains. He has obtained the approval of Sen. Brooke and a certain amount of approval from Gov. Romney. As of now the Republican Party will not run in 1968 as an anti-war party. And if Mr. Nixon prevails, the Republicans will outbid the Democrats in their support of Lyndon Johnson. The only fly in the ointment is that no matter what the Republican politicians say about the war, many voters will turn to the Republican Party, as they did in 1952, because there is no other alternative to a Democratic President who has proved that he cannot make peace. There are enough reservations and qualifications in Gov. Romney's speech to provide the Republican candidate with all the openings he would need if he really intended to end the war by negotiation.

There are many reasons for believing that the situation in Southeast Asia has worsened. First and foremost, as we now know with almost complete certainty, the Soviets and the Chinese have worked out an arrangement to facilitate the supplying of North Vietnam across Chinese territory. This supply line cannot be interrupted except at a direct risk of world war.

Two or three months ago such an arrangement would have seemed unlikely. For the Sino-Soviet quarrel was very bitter, and Hanoi gave signs of being much weakened and alarmed. There appeared to have been a shift in the balance of power which was inducing Hanoi to offer a peace conference in return of a cessation of the bombing of North Vietnam. It is now clear that Hanoi's attitude has hardened and sharpened, and the probable reason for this is that Ho Chi Minh can now count on reenforcements of food and material and, if necessary, manpower from the whole Communist world.

A measure of how the situation has worsened can be found in some remarks made by Gen. Westmoreland last week. He said that he knew of no better way to win the war than to "go on bleeding" our adversary. The spectacle of an American commander committed by his government to a war of attrition on the Asian mainland, committed to spending American lives in some exchange ratio against Asian lives, is a startling illustration of what has happened to American military and diplomatic leadership in this war. Imagine Gen. MacArthur, Gen. Eisenhower, Gen. Ridgway, Gen. Bradley, imagine any of the military leaders and thinkers in our history being placed in a position where the defense of freedom on the globe depended on matching American lives against the manpower of Asia!

The situation has worsened also in South Vietnam. There are many indications that Marshal Ky and his junta expect to "legitimatize" their dictatorship in the elections being held in the unoccupied parts of South Vietnam. Having done this, they appear to be determined to use their new political power to prevent serious negotiations either with the Vietcong or with Hanoi. Mr. Johnson is riding a tiger and he will find it difficult to dismount.

As there is the worsened prospect of negotiations among the Vietnamese, as the channels have been opened for indefinite escalation from the Communist side, the outlook is that the scale of the war in men, money, and casualties will expand indefinitely. Mr. Nixon, Sen. Brooke, even Gov. Romney, are quite mistaken if they think that the resistance of the Communists is being fed by the American dissenters. No doubt they like to hear the American dissent and they find it encouraging. What is feeding the war is the large industrial potential of the Soviet bloc, the inexhaustible reserves of Asian manpower, and the determination not to let the United States install itself on the mainland of Asia.

It is no contribution to this grim situation to pretend that the only alternatives open to us are either to scuttle and run or to escalate to the brink of total war. It is not true that there are no other alternatives and that President Johnson, because he appears to be between two extreme positions, is therefore following the only course that is open to us.

There are other courses than the present course which entails the occupation and pacification of all of South Vietnam by the Americans. They are all variants of a strategy which would limit our commitment and reduce the objectives which our troops must achieve. The fatal objection to the adoption of a defensive and holding strategy, awaiting the time when general negotiations become possible, is that this limited strategy cannot be pictured as a triumphant victory. It cannot be painted up to look like something which is not. This is intolerable at the White House which is, so far, unwilling to accept the liquidation of an endless war if it is not made to seem like an heroic and victorious ending.

[From the Washington (D.C.) Post, Jan. 17, 1967]

ALTERNATIVES

(By Walter Lippmann)

Addressing Congress last Tuesday the President appeared as a sad and compassionate man who, having taken his stand in Vietnam, was determined to persist, no matter what the cost. The picture is misleading. For it leaves out the fact that the President is confronted with great new decisions. Last Tuesday's picture implied that the military situation is stable. It is in fact very fluid.

The new decisions which have still to be made turn on the probability that our troops have prevented a military victory over the Saigon government by its northern and southern enemies. The hopeful observers among us argue that this success over the main forces of the enemy will be followed by the weakening of the Vietcong rebellion and the pacification of the whole of South Vietnam by South Vietnamese—as Ambassador Lodge has put it, by "the South Vietnam regular army, the regional forces, the popular forces, the South Vietnam police, police field forces."

Neither Gen. Westmoreland nor Ambassador Lodge takes the view that the South Vietnamese will pacify South Vietnam quickly. They are thinking of a long period of guerrilla warfare and terrorism and sabotage—up to ten years of it. Other competent observers, who take a grimmer view of the strength of the rebellion and of the weakness of the Saigon regime, believe that if in fact South Vietnam is to be pacified, the task will have to be performed by the United States.

If they are right, then the President is going to have to make new and tremendous decisions. He will not be able, as he implied in his address to Congress, just to grit his teeth and persist in what he is doing. He will have to decide whether to conquer and occupy the whole of South Vietnam—not merely to repel the military intruders from the North, but to suppress the rebellion in the South, and then to run the country until a new South Vietnamese society can be put together.

To commit ourselves to this task would be, however disagreeable the old words sound, to become an imperialist power on the Asian continent. Unhappily, the record of Lyndon Johnson since his election gives little reason for hoping that he will not take this path. Just as in 1965 he transformed the Eisenhower-Kennedy intervention to assist indigenous forces into an American war, so in 1967 he will, if he runs true to form, enlarge the scope and the objectives of the American forces. He will argue sadly that there is no alternative to doing this, that to honor his pledges and his promises he must do this, and to justify the sacrifices of the American dead. He will move towards the conquest and occupation and the clearing and the reconstruction of the whole territory of South Vietnam.

This, I believe, is the dread possibility before us. It includes, but it transcends, the much debated question of whether to attack Hanoi and Haiphong in order to "win" the war by knocking out North Vietnam. If the President enters upon the imperialist course, which is what he is being hard pressed to do, the war will widen and no one will see the limit.

Moreover, to conquer and occupy and pacify the whole of South Vietnam would require on a conservative estimate, a million American troops for an indefinite time. Disregarding what this would do to the American Nation here at home, it would mean the increasing isolation of the United States because we would be regarded as a threat to the peace of the world. It would mean also spreading disorder in the borderlands of China where the United States military and economic power is now dominant. For it is inconceivable that we shall not encounter a swelling resistance in all the continents if we advance towards a self-appointed imperial destiny in Asia.

Is there no alternative which is consistent with our interests and our honor? There is. The prospective nightmare I have been describing arises from the current military situation—even though our organized forces are successful, the Vietnamese rebellion continues. We are at a point where, though the big organized forces are stalemated, there is almost no progress in subduing the activity of the guerrillas. The alternative to the imperialist course is to stand fast and be ready to negotiate. Instead of conquering and occupying the whole country, we would make secure the positions we now hold, and would then encourage the Vietnamese to work out, or to fight out, their destiny.

This is, of course, the central principle of what is known as the Gavin-Ridgway strategy. A year has elapsed since Gen. Gavin testified. Time and experience have shown, I am convinced, that it is the only workable strategy. For one thing, there is no longer any doubt that it is a practicable strategy. For it is now generally accepted that the United States forces cannot be pushed out of their strongholds. Experience has shown, second, that the pacification of the whole country would be an enormous commitment to take, one which might well prove to be an impossible commitment. Third, the junta of northern generals around Gen. Ky, almost all of whom are veterans of the French army in its war against the Vietnamese people, are quite incapable of becoming leaders of the Vietnamese nation. These adventurers from the North cannot win the confidence of the people of the South. The only hope in the situation is to remain in our military positions and let the internal politics of Vietnam take their course.

This is not a policy of scuttle-and-run, it is not a policy of delayed surrender, it is not a policy of betrayal and dishonor, and I should like to see anyone show that it is not in the true interests of the United States.

[From the Saturday Evening Post, Nov. 13, 1967]

CHANGING VIEWS ON VIETNAM

It is a perilous thing to try to estimate what the American people think about anything at any given time, but there appears to be a definite change in popular feelings about the war in Vietnam. A year or two ago, anybody who opposed the war got a distinct feeling of loneliness, and the general view seemed to be that, regardless of whether the war was justified or not, we all had to fall in behind the leadership of the President. As recently as last winter, when this magazine criticized the bombing of North Vietnam, that issue of the *Post* was read aloud before a Senate committee and excoriated as an example of wrongheadedness.

In recent months the sounds in the Senate have been rather different, and the most notable denunciations of the war have come not from liberal Democrats but from moderate Republicans. There was mild-mannered Sen. Clifford Case blaming the President for a "highly irresponsible" escalation of the fighting. Sen. Thruston Morton, former G.O.P. chairman, went even further: "President Johnson was brainwashed. . . . He has been mistakenly committed to a military solution in Vietnam for the past five years." Sen. John Sherman Cooper added: "There is little hope for negotiations and for a just settlement of the war in Vietnam until the United States takes this first step—the cessation of its bombing of North Vietnam."

Politicians do not speak in a vacuum. To a certain extent they reflect the opinions of the voters they represent, and those voters no longer seem content to follow the President's course. According to a recent Gallup poll—and a Harris poll showed similar results—57 percent of the people questioned disapproved of the President's handling of the war, compared to only 28 percent who approved. This was the highest rate of disapproval ever recorded in the poll, and a phenomenal rate for any democratic society engaged in a major military conflict. Some of those who disapprove of President Johnson's policy are, of course, the "superhawks," who demand unlimited military force to "get it over with." But of those who disapproved, the "superhawks" accounted for only 37 percent, while 48 percent thought the United States ought to scale down the fighting.

There are perfectly good reasons for the increasing disenchantment with this war. For one thing, the simple passage of time tends to sour the popular appetite for fighting. More American troops, more bombing, new plans for "pacification"—all these things were supposed to produce results, but the results are hard to find. On the contrary, the South Vietnamese army seems to fight less today than it did a year ago, while the Communists fight harder. Politically, too, our South Vietnamese military protégés have shown themselves unable to govern the country and unable to evolve toward democratic rule. And for Americans, the only consequence of escalation is that the price we must pay gets higher and higher. While major domestic problems go unattended, the President demands higher taxes to pay for the war. And from the battlefield, the bodies come home in ever-increasing numbers. The death toll so far this year is higher than during the previous five years combined, and the total casualty figure has already climbed to more than 100,000. In a few months, Vietnam will pass Korea as the fourth-bloodiest war in our history.

For the defense, Washington's tired warriors provide their tired arguments. Speaking on behalf of President Johnson, Republican Senate leader Everett Dirksen asked: "Have you heard the British demean their king and queen? . . . It doesn't sound good, and it doesn't look good. The President is not our ruler, but you do not demean him in the eyes of people abroad." And in an increasingly extravagant speech, Dirksen went on to declare: "Let me say that I was not made a senator to preside over the liquidation of the holy fabric of freedom." Somewhat less rhetorically, but no less passionately, Secretary of State Dean Rusk insisted that the war represented an honoring of "commitments." Though it has never been clear exactly who committed the United States to a major land war in Southeast Asia, or how, or why, or to whom the commitment was made, Secretary Rusk declared: "Let me say, as solemnly as I can, that those who would place in question the credibility of the pledged word of the United States under our mutual security treaties would subject this nation to mortal danger." As for stopping the bombing of North Vietnam, Rusk's answer was scornful: "Let's not be children."

Secretary Rusk is responsible only to President Johnson, of course, and President Johnson seems to be responsible to nobody. Back in the days when his critics were in the minority, the President used to flourish polls to show that the people loved him. Now that the polls show a majority opposed to him, the President talks mournfully about the need for noble leaders to carry out unpopular policies for the greater good of the nation. There have been times when this was true. But there have also been times when leaders have made terrible mistakes and refused, through pride and stubbornness, to correct them. The war in Vietnam is Johnson's mistake, and, through the power of his office, he has made it a national mistake. More and more Americans have come to see this, and that is the message of the polls that the President now ignores.

[From the Saturday Evening Post]

AFFAIRS OF STATE

(By Stewart Alsop)

WASHINGTON.—"Put not your trust in princes," the Bible warns. Presidents of the United States might do well to bear in mind a revised version of this admonition: "Put not your trust in generals." For it seems to be a sound rule that almost all generals are almost always wrong about all wars.

Every one of our Presidents since World War II has received dubious advice from the generals. President Truman's military advisers at first told him that South Korea could be defended with American air and naval power. Many bloody infantry battles later, when American divisions were advancing toward the Yalu, General MacArthur pooh-poohed the President's fears that the Chinese Communists might intervene.

A majority of the Joint Chiefs of Staff recommended to President Eisenhower the bombing of the Chinese mainland at the time of the offshore-islands crisis, and the bombing of the Viet Minh at the time of Dien Bien Phu. Eisenhower vetoed both proposals—wisely, in retrospect. But then, Eisenhower was a general himself, so he knew how wrong generals can be.

President Kennedy found out how wrong generals can be when the Joint Chiefs ruled in advance that the Bay of Pigs project was militarily sound and feasible. As for President Johnson, there is not much doubt that his military advisers have been wrong about the war in Vietnam.

President Johnson made two key decisions about Vietnam, both early in 1965. The first was to bomb North Vietnam, and the second was to intervene with American combat troops in South Vietnam. These decisions may have been the right decisions—that is for history to tell. But there cannot be any serious doubt any longer that the military assumptions on which they were based were wrong. To prove that these assumptions were wrong, it is really only necessary to ask a couple of questions.

The bombing of North Vietnam has been heavier than the bombing of Nazi Germany. Yet there has not been the slightest hint from the North of any intention to negotiate seriously, and the rate of infiltration from the North has gone sharply up since 1965. Question One: Were these the results of the bombing that the President's military advisers expected and predicted to the President in 1965?

There are now more than 460,000 American troops in Vietnam, and there will soon be more than half a million. By "reasoning together" with General Westmoreland and the Joint Chiefs, President Johnson has got them to agree to this level—for public consumption. But it is no secret that Westmoreland and the Chiefs really want 600,000 U.S. troops in Vietnam, and eventually as many as 750,000. Yet despite the commitment of a very big U.S. army to Vietnam, the war is very far indeed from being won, and in some areas the Viet Cong is stronger than ever. Question Two: Were these the results of the troop commitment that the President's military advisers expected and predicted to the President in 1965?

The questions answer themselves. All military predictions are of course carefully hedged, but the plain fact is that the President's military advisers expected far quicker and more decisive results from the bombing of the North and the commitment of American troops in the South.

It is no new thing under the sun for the generals to be wrong. In 431 B.C., old King Archidamus of Sparta counseled against making war on Athens, warning that the war would be "bequeathed to the next generation." But the Spartan generals, confident of speedy victory attacked anyway. The war lasted for 27 years.

Skip the intervening millennia, rife with examples of the wrongness of generals, and consider a few examples from our own century:

ITEM: In the First World War the generals on both sides were consistently wrong. For example, the German General Staff confidently predicted that the war would be over in four months, and with the exception of Kitchener and Joffre, the British and French generals also made their plans on the assumption that the war would be over in less than a year. The war, of course, lasted four long and blood-soaked years.

ITEM: After Hitler's blitz against France, the prevailing view of the American military, as conveyed to President Roosevelt, was that the British could not possibly hold out for more than a few months. When the Germans attacked Russia, the American intelligence estimate was that the German Army would go through Russia "like a knife through butter," six weeks being the estimate of the time required to complete the conquest. In late summer, 1944, General Eisenhower's intelligence staff predicted the end of "organized resistance" by the Germans by "1 December 1944 . . . and it may even end sooner." It ended many months and many thousands of casualties later.

ITEM: Before Pearl Harbor, the military estimates of what the Japanese could and would do were consistently wrong—literally dozens of bad guesses are recorded in Roberta Wohlstetter's book on Pearl Harbor.

The basic assumptions were that the Japanese wouldn't dare to attack the United States, and if they did they would be defeated in a few months. Four years later, in 1945, Gen. Douglas MacArthur was convinced that "the cost in blood in defeating Japan" would be so high that "the President should start putting pressure on the Russians" to get them into the war.

But this gloomy forecast was an exception. Generals usually think that wars can be won quickly, still another example being General MacArthur's famous "home by Christmas" statement in Korea in 1950.

Generals are sometimes right, of course—and civilians, especially journalists, can be even more spectacularly wrong about wars than generals. The trouble is that a civilian President doesn't expect his generals to be wrong about wars, any more than he would expect good lawyers to be wrong about the law. But the fog of war is even thicker than the fog that surrounds the law, and military professionalism doesn't dispel war's fog—it thickens it.

This is not because "the brass" is stupid or wrongheaded—most generals are exceptionally honorable and intelligent men. It is a matter of conditioning. A soldier is trained to be a "can-do man"—it does not come natural to him to say that he doesn't think a war can be won quickly or that the risks of intervening in some small country are too great. He is also trained to exude a certain authority and certitude, so that when all the generals, all exuding authority and certitude, all agree on a certain course, it is difficult for a civilian President to turn them down.

This is why it may be useful for future Presidents—and all the rest of us—to bear in mind that almost all generals are almost always wrong about all wars. Generals should be listened to with skeptical respect, but never with reverent credulity.

[From the Saturday Evening Post, Jan. 28, 1967]

VIETNAM: WHOSE WAR?

(By Stewart Alsop)

SAIGON.—The young Buddhist leader from Saigon University had a big bush of black hair, and an air of quiet authority.

"Among the intellectuals in the city, like those in this room," he said, "it is understood that the presence of the Americans is a necessary evil." He waited calmly while his words were translated, and then continued: "But among the simple people, the peasant in the countryside, the Americans are of course hated and feared by ninety percent—by all those who do not work for them, or profit from them in some way."

At this point an argument broke out in Vietnamese. There were seven other "student leaders" from Saigon University in the living room of the cultural attaché of the American embassy. All the boys were products of Vietnam's tiny ruling class. They had to be, for only the children of the ruling class have much chance of being admitted to Saigon University and thus exempted from military service. The parents of seven worked for the government, or had close connections with it. The eighth came from an old mandarin family.

The argument had started when a Catholic student leader objected that the Americans were not hated and feared by as many as 90 percent of "the simple people." There was much discussion, and finally the young Buddhist conceded that it might be more accurate to say that the Americans were hated and feared by "more than half" of the simple people. Then he continued to speak, in the tone of one who lectures a backward student.

The Americans, he said, are of course responsible themselves for the danger of a Communist takeover. As everyone knew, the Americans had placed the dictator Ngo Dinh Diem in power when the French left. If the Americans had not interfered, South Vietnam would have developed into a stable, independent state. But the inevitable revolt against Diem's misrule left a vacuum, and the Americans, having installed Diem in the first place, had no choice but to fill the vacuum.

No one seemed inclined to dispute this version of history. A second boy complained that the Americans were too weak, that they had failed to use their power to give Vietnam the economic and social reforms that were needed. There was much nodding of heads. A third boy agreed, and added that the Americans also interfered too much in the internal affairs of Vietnam. As a result, most Vietnamese now regarded the Americans as colonialists, like the French. Again there was much nodding of heads, and no one seemed aware of any contradiction between what the second and third boys had said.

As the talk proceeded, one thing became abundantly clear. Not one of those eight young men—not even the Catholics—felt any sense of commitment to the war against the Communists in their own country. The war, in their eyes, was the business of the Americans.

How could the war be ended? This question stimulated another spirited argument in Vietnamese. A Buddhist boy had said that there ought to be direct negotiations with the National Liberation Front, and a couple of Catholics had protested that he ought not to say such a thing in front of Americans, but he insisted. Then another boy suggested mildly that the only way to end the war was for the Americans to go to war with Communist China. Yes, said another, that was true, and of course it was the only reason the Americans were in Vietnam—they were planning to attack China, but they had not yet found a pretext.

Was the election in September a meaningful event? It was a small but useful step in the direction of democracy, said a Catholic student. It was a farce, said the Buddhist who wanted direct negotiations with the Communists. The returns were faked by the government, and he had refused to vote. Another Buddhist said that he had voted, "but only because otherwise I might have been sent to military school." Several heads nodded in sympathy.

As the polite good-byes were said, it struck me that there was something very sad about these young men, with their graceful hairless arms and their charming smiles. They are at the age of idealism and they have nothing to be idealistic about. They know too much about the Viet Cong to be pro-Communist. But they know too much about their own government and social system to find any inspiration or allegiance there. So they end up against everything—against, above all, the Americans who are fighting their war for them.

A few "student leaders" from Saigon University no more represent Vietnamese national opinion than the "student leaders" of Berkeley represent American opinion. On the other side of the ledger must be placed the "Popular Forces"—the undersized, underarmed, undertrained local boys who often defend their villages against the V.C. with remarkable bravery. Without them the war would long since have been lost.

And yet that talk in the attaché's living room seemed to me significant in one way. It helped to explain why South Vietnam has so dismally failed to produce what South Vietnam so desperately needs—a political leadership with a genuine national following.

To an extent very little understood in the United States, the Vietnamese ruling class is identified with the French colonial regime. The people who run the government and the army—the military, the *fonctionnaires*, the landowning and *bourgeois* families—come from a class created by French colonialism. *All* the generals in the ruling junta fought on the side of the French before Dienbienphu, and all but one (Premier Ky, who was too young) wear French decorations. The vast majority of province and district chiefs are also products of French colonialism.

This makes it easy for the Communists to picture all those who resist them as "puppets" of American "neo-colonialism." Far more than the British system, moreover, the French colonial system created a ruling class alienated from "the simple people"—*i.e.*, those not similarly privileged. This phenomenon of alienation is visible in all the former French colonies. Indeed, it was visible in France itself during World War II, when the French ruling class remained until the last moment studiously aloof from the mass resistance to the Nazis. Inevitably, moreover, the Vietnamese ruling class has inherited all the more unlovable French characteristics—notably the tendency to blame all their troubles on anyone but themselves, and to resist all change not clearly to their personal advantage.

"It is *their* war," President Kennedy said before he died. "They are the ones who have to win it or lose it." The amiable young men in that apartment did not regard it as "their war" at all. The war will never be won by such as they. And the genuine national leadership which South Vietnam must have, if the war is ever to be won, will not come from the tiny, alienated, French-created ruling class which produced those sad young men.

[From the Washington (D.C.) Post, Nov. 14, 1967]

VIETNAM AND DISSENT

Nobody would deny that President Johnson has been hard hit, and often unfairly hit, by the war critics, even allowing for the fact that Presidents are obliged to absorb a reasonable measure of dissidence. And nobody can question his right to answer back in just about any way he sees fit. He can deride and dismiss dissent by declaring that Vietnam is "not a topic for cocktail parties, office arguments or debate from the comfort of distant armchairs." He is quite free to stand in among the airborne troopers, or the Marines, or the sailors on the Enterprise, assailing his critics, knowing that if they hit back at him they may seem to be hitting at our fighting men. As Commander in Chief, he can wave a sword, beat a drum, or launch a peace offer from the flight deck of a vessel which for months has been launching air strikes over North Vietnam.

The question is not whether he has a right to do this, but whether he *is* right to do it; whether this advances his tactical objectives, in a narrow sense; whether, in a broader sense, it unites more than it disquiets and divides. On all counts, the answer is almost certainly that it does not.

On the tactical question, Mr. Johnson argues that dissent misleads our enemies, causes them to miscalculate our resolve, and thus prolongs the war with all its human and material costs. Leaving aside the propriety of such a charge, the mere making of it is certain to inflame dissenters, especially when it is made from the political sanctuary of a military camp or a carrier flight deck. The result seems likely to be only angrier cries from the critics, and this, by the Administration's logic means more, not less, miscalculation in Hanoi. This would seem to call, by the same logic, for still more flag-waving and beating of the drums, which can only play directly into the hands of those elements from whom the President, by the testimony of some of his advisers, has most to fear; those who would abandon a limited Vietnam effort, and "fight to win."

The Veterans Day oratory gave us a vivid sample of this school of thought, from a possible Republican candidate, Governor Reagan, who plainly has a better feel for at least one segment of American sentiment on Vietnam than he does for the complexities of Vietnam itself. "Isn't it time that we either win this war or tell the American people why we can't," he cried.

A sound strategy for the President might be to tell us, in more straightforward terms, just why we can't "win this war" in conventional terms, but how we might well accomplish a more limited mission all the same, and to explain more candidly just what this might entail in terms of time and lives and material cost.

At this stage, what's needed is not so much exhortation, as education. We do not need to be told our debt to our fighting men, both those who have fallen and those in the field. What is needed is more plain talk about the real nature of their sacrifices, of the limited methods they must use, of their limited mission, of just how long it could drag on.

It is too late for the President to expect silence as the necessary ingredient of his strategy. That he now needs a minimum of dissent and all the cooperation he can get is obvious. He is not likely to get it by denigrating or disdaining those whose questions are relevant and whose anguish is real. By that approach he can only hope to generate more—and more inflammatory—dissent.

[From the New York Times, Oct. 13, 1967]

(By Henry Raymont)

Life magazine, in a shift in editorial policy, will call next week for a pause in the bombing of North Vietnam to create better conditions for a new peace initiative and improve national and international confidence in the Johnson Administration's policy.

The Life editorial asks that, unlike the six previous pauses, a new one should be accompanied by no publicly announced "conditions" that could carry "the whiff of an ultimatum."

While the editorial praises President Johnson for having shown "a remarkable blend of resolution and restraint" in his conduct of the war, it argues that in articulating Vietnam policy "the President and his administration have become more and more glaringly unsuccessful."

The editorial, to appears in the issue dated Oct. 30 which reaches the newsstands next Monday, will mark the first time that the magazine has explicitly departed from its previous support of the Johnson Administrations' Southeast Asian policies.

The shift was regarded by executives of Time, Inc., the publishers of Life, as the most important editorial position since the magazine endorsed Mr. Johnson for President in 1964. Up to then Life had backed only Republican national tickets.

[From Life, Oct. 20, 1967]

THE CASE FOR BOMBING PAUSE—NO. 7

Six times in 32 months of bombing North Vietnam, the U.S. has held its fire. Three times it was for a brief holiday respite. The three other bombing pauses were ordered to allow Hanoi to signal a willingness to talk peace. No clear signal came. Then, three weeks ago, President Johnson announced the U.S.'s willingness "to stop all aerial and naval bombardment of North Vietnam when this will lead promptly to productive discussion." Hanoi came back with its standard reply: the U.S. must stop bombing "unconditionally," and North Vietnam will promise nothing in return.

Notwithstanding, we believe it would be worthwhile for the U.S. to take the initiative in another bombing pause. We think the U.S. should declare a respite in the attack against the areas north of the battle zones, confining bombing to the Ho Chi Minh Trail complex in Laos and to the southern provinces of North Vietnam, the immediate rear of the enemy forces pressing against the DMZ. There should be no publicly announced "conditions" that carry the whiff of an ultimatum. But this should not be a commitment to stop the bombing indefinitely. In taking this diplomatic and political initiative, the U.S. administration would have clearly in mind the kind of North Vietnamese response we would consider constructive, and how long we were willing to wait for it.

In advocating a bombing pause, with no advance promise of any reciprocal move by North Vietnam, we must acknowledge that almost all U.S. military opinion opposes such a course. The U.S. would be reducing pressure on the enemy, and that is not ordinarily the way to win a war. This, of course, is not an ordinary war. U.S. bombing is in a sense a reprisal against the North for the destruction and terrorism the Vietcong work in South Vietnam. Bombing damage and strain is an important price the North is forced to pay for continuing its support of Communist aggression in the South. The more direct military benefit for the U.S. and our allies is, of course, the interference with the flow of men and matériel from the North. There is much argument as to exactly how effective the bombing is, but in stopping most of it, we would unquestionably be giving up a weapon of some value.

Life believes, however, that the benefits of a bombing pause at this time outweigh the short-term military cost:

There is a remote possibility that a pause now could be the first step toward an acceptable diplomatic settlement of the war.

There is a strong probability that a bombing pause would improve the posture of the U.S. in Vietnam, in the eyes of many other nations and indeed of many Americans, and thus ultimately improve our chances of achieving our purposes in Vietnam.

As to the possibility of a pause leading to meaningful negotiations, Secretary Rusk tirelessly points out, "I have yet to hear anyone tell us that if we did stop the bombing they could definitely deliver Hanoi to the conference table. I have asked a number of governments, 'All right, if we stop the bombing, what can you deliver?' I get no response."

Hanoi itself has denounced past bombing pauses as U.S. "hoaxes." There is a danger that they would take a new bombing pause as a sign that the U.S. is caving in. There is considerable precedent in Communist diplomacy for *raising* your terms when the other side offers any concession.

Yet there do come times in wars when belligerents change policies and positions, sometimes shortly after swearing they never would. The fact that Hanoi will not promise anything in advance, in return for a bombing pause that hasn't happened yet, does not necesarily foreshadow their actual reaction to a pause that had gone on, say, for several weeks. Such a pause could stir up hopes all over the world, including the East European branches of Communism, and could put considerable diplomatic pressure on Hanoi. Probably Hanoi would say No again, to everybody—Canada, India, Denmark, U Thant, etc. But it is worth finding out.

The more weighty reason for a bombing pause is to recapture support for the U.S. presence and commitment in Vietnam. The bombing has isolated the U.S. from most of its friends and allies throughout the world (there are a few stout exceptions in Asia), and in this country the bombing is the focus and catalyst of most of the opposition to the war. There is the "bully" image—the most powerful nation on earth pouring World War II-scale bomb loads onto a primitive little country. The U.S. has never been bombed; countries that have been tend to identify with the targets rather than with the bomber crews.

The fear that the bombing might bring China into the war, even bring on nuclear war, naturally increases as the U.S. goes after North Vietnamese targets which are only 60 seconds' jet-time from the China border. It may be foolish of so many Japanese, Indians, Indonesians, etc., to worry about this. But they do.

In the U.N., over 30 non-Communist nations, among them several of our NATO allies, have now advocated stopping the bombing (with many variations of formula as to "conditions" or no-conditions). Perhaps the most thoughtful proposal was the Canadian suggestion of a bombing halt followed by restoration of the DMZ's neutralized status under international inspection. In later phases of the plan would come freezing of military "capabilities" throughout Vietnam and an eventual cease-fire.

Naively or not, many millions of ordinary citizens, and not a few ambassadors, foreign ministers and U.S. senators, think a bombing halt *could* lead to peace in Vietnam, and they are increasingly critical of the U.S. for not trying it again. If we did try it for a reasonable time, accompanied it with an energetic diplomatic probing, and then nothing came of it, the air would have been cleared. Support for a resumption of bombing, even for an escalation, would be stronger than for our present policy. But much would depend on what the Administration said about the new policy, and how it said it, not just to Hanoi but to the U.S. and the world.

Life believes that the U.S. is in Vietnam for honorable and sensible reasons. What the

U.S. has undertaken there is obviously harder, longer, more complicated than the U.S. leadership foresaw. And in 1967, we are having another hard, complicated year out there. There is the encouraging fact of the Vietnamese elections, small blemishes and all; there is straight military progress; but there is the maddeningly slow work of translating these advances into pacification at the "rice-roots level." We are trying to defend not a fully born nation but a situation and a people from which an independent nation might emerge. We are also trying to maintain a highly important—but in the last analysis not absolutely imperative—strategic interest of the U.S. and the free world. This is a tough combination to ask young Americans to die for.

Home-front support for the war is eroding. One may discount some maneuvering among U.S. politicians as 1968 politics, but even the most patently partisan of these noises represents somebody's rather professional judgment of how the voters are feeling.

LIFE has more than once expressed its admiration for the Johnson administration's coolness and courage in its Vietnam policy. In action the President himself has shown a remarkable blend of resolution and restraint. But in articulation of the policy—which in the end is inseparable from policy itself—the President and his administration have become more and more glaringly unsuccessful.

The President is said to be subdued these days, inclined to "hunker down" and let the Vietnam criticism beat over him. Dean Rusk is infinitely patient and courteous in explaining to critics and questioners "Your quarrel is really with Hanoi." A confusing circumstance is that the other most influential Cabinet officer, Robert McNamara, clearly is less convinced of the efficacy of bombing the North than are the Joint Chiefs of Staff, or Rusk. Nothing inspiring or eloquent and not much that is simply informative is being said from Washington.

We believe the Administration very soon must act—and speak—to recapture domestic political and intellectual respect for its Vietnam policy and to rally more diplomatic and moral support abroad. We believe the initiation of a bombing pause is a gesture of forbearance and conciliation which might accomplish that. America has the strength to do it.

[From the Washington Post, Sept. 3, 1967]

GENERALS AND REPORTERS SPLIT OVER VIETNAM: THE WAR JUST DOESN'T ADD UP

(By Richard Harwood)

(NOTE.—Staff writer Harwood has just returned to this country after four months covering the war in Vietnam.)

The summer's events in Vietnam have generated a major conflict between the American Government and the press. It is a conflict of judgment over the course of the war.

A substantial majority of the correspondents in Vietnam believe and are reporting that the war is going badly, that no victory is in sight, that the effort to pacify the peasantry has been unproductive.

To the Johnson Administration in general and to the President in particular, such assessments are incorrect and uninformed. As The Washington Post reported Aug. 18, "Recent newspaper reports that little progress is being made in Vietnam and that the military situation is stalemated are hotly disputed by the White House."

The reports in question have come from Peter Arnett and Horst Faas of the Associated Press, both of whom have spent more than five years in Vietnam; from R. W. Apple, Jr. and Thomas Buckley of the New York Times; from Ward Just of The Washington Post; from Sol Sanders of U.S. News and World Report, and from other correspondents, both American and foreign, representing newspapers, magazines and the television networks.

"This war," Just wrote in June at the end of an 18-month tour in Vietnam, "is not being won . . . It may not be winnable."

"Stalemate," Apple wrote early this month, "is a fighting word in Washington . . . But it is the word used by almost all Americans here, except the top officials, to characterize what is happening."

A CRISIS OF CONSCIENCE

The private comments of most (although not all) of the correspondents in Vietnam are even more pessimistic and more disillusioned than their stories reflect. One correspondent for a major American publication has spoken often this summer of a personal crisis of conscience: "If I had any guts, I'd quit and join the peace movement."

He is admittedly a dove. But it is not only "doves" among the correspondents who have lost faith in the ability of the Americans to salvage their $25-billion-a-year enterprise in Vietnam.

The negativism in dispatches has been so pronounced that the official spokesman for the U.S. Mission in Saigon, John McGowan, was led to remark last month: "The pessimism among the correspondents has never been deeper than now." From all accounts, however, the President is getting few, if any, pessimistic reports from his subordinates in Washington or Vietnam.

"(He) tells visitors," the papers reported last month, "that every responsible official he has sent to Vietnam reports that there is no stalemate; that the Communists are suffering heavy losses, have a shortage of medicine and food, are finding it increasingly difficult to move supplies and face morale problems."

These officials include Gen. William C. Westmoreland, Defense Secretary Robert McNamara and the chairman of the Joint Chiefs of Staff, Gen. Earle Wheeler, all of whom have emphasized "progress" in their assessments of the war this summer.

A TOUCHY ASSOCIATION

One result of this conflict is public confusion, which the opinion polls reflect. Another result is mistrust between the press and American officialdom involved in the war in Vietnam. At a social gathering in Honolulu a few weeks ago, a correspondent was introduced to an admiral, who curtly announced, "If I'd known you were a newspaperman, I wouldn't have shaken your hand."

The press corps, at times, has been no more gracious. Many of the statements issued by the American establishment in Saigon these days are challenged bluntly as propaganda or self-delusion.

This "credibility gap" is a product of many factors, not the least of which is ignorance. The state of the enemy's morale, for example, influences any assessment of the war. But neither the CIA nor the American correspondents can say with certainty whether the morale of the Vietcong and the North Vietnamese is up or down at any given time.

The Johnson Administration, on the basis of intelligence estimates, nevertheless insists that the enemy is "hurting badly." On the other hand, correspondents and American troops who observe enemy units in action are impressed by their aggressiveness, their fighting ability and the quality and quantity of their arms. North Vietnamese units in Kontum Province, for example, have not bothered in recent months to pick up American weapons left on the battlefield except as souvenirs to take home.

DUBIOUS TROOP ESTIMATES

Another area of ignorance involves enemy troop strength and enemy casualties. American military commanders have said all summer that the enemy force numbered between 295,000 and 300,000 men and that it was growing larger each month. American civilian officials, such as pacification chief Robert Komer, have been skeptical of these estimates and have predicted that they would be corrected downward.

Last month, they were revised downward. The revision, military spokesmen said, was a result of heavy enemy casualties and not simply an arithmetical recalculation. The difficulty with that explanation, in the minds of some correspondents, is that U.S. estimates of enemy casualties often appear to be little more than wild guesses.

On June 19 and 20, for instance, elements of the U.S. Ninth Division attacked Vietcong positions at Apbac village in Longan Province 15 miles south of Saigon. The Americans had heavy casualties but claimed to have killed 255 of the enemy.

Two reporters, Lee Lescaze of The Washington Post and Robert Pisor of the Detroit News, interviewed all of the surviving officers and senior NCOs who took part in the fight. From their estimates, Lescaze and Pisor concluded that the number of enemy killed was between 54 and 70.

The following week, a company from the 173d Paratroop Brigade was virtually annihilated in a five-hour fight at Newdakto in Kontum Province. Gen. Westmoreland called the engagement a major victory and the brigade commander reported 475 enemy killed.

Subsequently, the U.S. command in Saigon unaccountably reduced the enemy losses to 106. The estimate of troopers who survived the fight was 230. The number of enemy bodies found was 44.

TIPPING THE SCALES

The significance of such numbers is simply that they often spell the difference between "victory" and "defeat" in given engagements. And inevitably they provoke the question: Which numbers does the White House receive in its reports from the field?

This speculation carries over into other aspects of the American effort in Vietnam. A corespondent traveling in the Delta south of Saigon in June was informed by American officials there that only about 1.5 million of the region's 5.7 million people lived in "secure" areas controlled by the Saigon government. American officials in Saigon disagreed vehemently after the figures were published in The Washington Post. More than three million Delta people, they claimed, were "secure" and under government "control."

A few weeks later, the New York Times reported that "official United States data" showed fewer than 500,000 people under "total government control" in all of South Vietnam, excluding large cities such as Saigon. Since there is only one major city in the Delta (Cantho with a population of 200,000), the implication was that there is gross confusion among American officials over the degree of "security" in the country. Again the question presents itself: Which figures does the President read?

The White House was informed early in the summer that the troops under the command of Premier Ky in Saigon had shown dramatic improvement in their combat skills. Ky's armored squadrons, as an example, killed 125 enemy troops for every ten fatalities they sustained, according to American commanders.

Assuming the correctness of the ratio, however, the performance of these squadrons—each containing 500 men—was not necessarily impressive. In all of 1966, the Eighth Armored Squadron killed one enemy soldier, the Fifth killed 12, the Tenth killed 23 and the Ninth killed 148. Total enemy dead: 184. Presumed Armored losses: 14 killed.

A single U.S. Marine battalion of about 1000 men claimed more enemy kills and lost more dead than these four armored squadrons in three days of fighting at the Demilitarized Zone in Quangtri Province the first week in July.

A QUESTION OF RELATIVITY

Another problem contributing to the "credibility gap" is the different yardsticks applied by the correspondents and the American military establishment.

To the correspondents and to Marine riflemen at the DMZ, U.S. losses have been appalling and military gains nonexistent in recent months. Marine casualties along that frontier between North and South Vietnam have exceeded 10,000 since Jan. 1. Not a foot of ground has changed hands permanently.

To the generals, however, and presumably to the Pentagon and the White House, the military gains have been impressive; the Marines have prevented a full-scale invasion of the South. As for the casualties, they are not disturbing in terms of the manpower available in the United States.

A final element in the credibility debate is the judgments that both the correspondents and the American Government have made in the past. Major elements of the press expected the overthrow of President Diem in 1963 to lead to major reforms in Vietnamese society. That failed to happen. The press was generally confident in 1965 and 1966 that the American buildup in Vietnam would dramatically change the course of the war. Most correspondents have now abandoned that view.

The Government's record is equally spotty. Secretary McNamara predicted in late 1963 and again in 1964 that some American troops would soon be brought home. Instead, there has been a steady buildup in American troop strength. Secretary of State Dean Rusk said in February, 1964, that the South Vietnamese had reached a position where "they themselves can handle this problem primarily with their own effort." Instead, American troops have taken over more and more of the fighting and have become more and more involved in the civil pacification effort.

Early in July, Gen. Wheeler announced that "we have the initiative, the military initiative, and this is the basis upon which wars are won." Less than three weeks later, Gen. Westmoreland told a press conference that American troops in South Vietnam were on the "defensive" and were fighting a "defensive" war.

Thus the President has one point of view and many of the correspondents in Vietnam have another. So the public is likely to continue to get wholly conflicting assessments of how it is going over there.

[From the Washington Daily News, Nov. 16, 1967]

"NEW DEAL" IN VIETNAM?

At this stage, anyone who applauds a speech describing what great things are going to be accomplished shortly in South Vietnam does so at the peril of his own disillusionment. So let us offer two comments—without applause—on the inaugural speech of Saigon's new premier, the personable lawyer-poet Nguyen Van Loc.

He was absolutely correct in identifying his country's "emergency" needs: to eradicate corruption and inefficiency in the government and armed forces.

Whether these jobs get done depends on whether the men above Mr. Loc who have the real power—President Thieu and Vice President Ky—have the true desire, determination and guts to get on with it.

It should become the earnest endeavor of President Johnson, Ambassador Bunker and everybody up and down the American command in Vietnam to see that the new government make a serious attack on these two vital problems, that the "New Deal" promised Tuesday for South Vietnam is converted from promise into performance—without delay.

Corruption and inefficiency are at the very heart of our problem in Vietnam. The Vietnamese official or army officer who practices graft, favoritism or injustice is helping the Viet Cong. By devoting himself to stealing money, he is goofing off on his job of running his company or province, or feeding refugees or building schools. By cheating the people (and they know it), he is driving them away from respect for the government and cooperation with it.

The longer corruption and inefficiency abound in the Vietnamese government and armed forecs, the longer the United States must take to do the job, the more American lives will be lost, the more money the war will cost.

One of the great mysteries of the war is why the United States, with its thousands of military advisers, Embassy staffers, AID and USIA officials all over the map, intimately acquainted with every Vietnamese hamlet, province, corps, government department and military unit, has been so indifferent to this twin problem of corruption-inefficiency—especially when the cost is borne by Americans in terms of casualties and money.

Uncle Sam can no longer be content to look out the window as the corruption goes on.

[From the Los Angeles Times, June 4, 1967]

REASSESSMENT IN VIETNAM

The American military effort in Vietnam was begun—and supported by The Times among others—with the idea of fighting a limited conflict to obtain one limited basic objective: prevention of a Communist takeover of South Vietnam by force of arms.

The Times now sees a growing danger that the means being used to achieve this objective may soon pass beyond the military boundaries which define limited war. There is danger, in short, that U.S. power may be used in ways that will compromise or even destroy the American intention of keeping the war limited, that by accident, inadvertence or miscalculation a confrontation with the Soviet Union or Communist China will be made inevitable.

Before it is too late, before steps are taken which might involve the United States in a far larger conflict, a fresh assessment of what is going on in Vietnam would be in order. This does not mean a reconsideration of basic U.S. objectives, which we continue to believe are sound. But it does mean that the tactics employed to realize those objectives require a new evaluation, particularly as they involve North Vietnam.

Specifically, The Times believes that:

There should under no circumstances be a U.S. land invasion of North Vietnam.

Haiphong harbor should not be mined, bombed or blockaded.

Hot pursuit of North Vietnamese planes should not extend across the Chinese border, nor should there be any U.S. air attacks on Chinese bases, unless the Chinese actively intervene in the war.

Bombing in the north should remain limited to military targets, supply points and infiltration routes to the south. There should be no saturation bombing of population centers.

The American government has, of course, said before that the United States has no intention of invading North Vietnam, or of destroying its form of government. The Peking regime has also made clear that Chinese intervention in the Vietnam conflict would follow either a U.S. invasion of the north or an attempt to depose the Communists from power in Hanoi.

The combined effect of these statements seems to assure that there would be no basis for Chinese intervention in Vietnam. This is not, however, necessarily the case. Peking's leaders speak as if they believe the United States is preparing to strike into North Vietnam, on the ground. They may well be prepared to act on this conviction before the fact.

Some U.S. actions in North Vietnam, and some statements by congressional sources and others, may encourage the Chinese opinion that a major expansion of the war is imminent.

For example, recent U.S. moves into the demilitarized zone, while beyond any doubt militarily justified, may have served to support the belief that a land invasion is being prepared. Similarly, air attacks on the north have been expanded to include targets in Hanoi and Haiphong, as well as sites close to the Chinese border. Nonetheless the list of targets approved by the President and not yet hit is rapidly shrinking. The logical question is what next, and the answer the Communists may draw is that targets hitherto off-limits are to be attacked.

This is particularly the case with the port of Haiphong. Increasingly, the call is heard to mine, blockade or bomb the harbor, in the hope that the influx of supplies from other Communist countries can be reduced or shut off. Yet the considerations which so far have prevented strikes at Haiphong remain as sound as ever. An attack on the harbor would immeasurably increase the chances of active Soviet or Chinese participation in the conflict.

The U.S. government, to be sure, repeatedly affirms its intentions to keep the war limited, and probably these assurances are based on sincere aims and hopes. The trouble is that the American people have heard such assurances in the past and have seen that, by design or not, they have come to nothing.

Thus the U.S. commitment in Vietnam began in an effort to help the South Vietnamese defeat essentially by themselves the Communist-directed insurgency. But as the Saigon regime consistently showed that it was incapable of solving its own problems alone the U.S. effort was increased.

From 685 advisers U.S. strength expanded steadily: to 5,000 in early 1962, to 12,000 a year later, to 23,000 by the end of 1963, and so on, up and up until there are now nearly half a million U.S. troops in Vietnam. These troops not only are doing most of the fighting but, because the South Vietnamese have failed at it, the U.S. command has now also taken over the pacification effort, a task that may require another 150,000 men.

This is the kind of creeping escalation, essential as it may have been, that creates strong concern at this time that we may go beyond the brink of limited war into something far larger. There is still time to step back from that brink, however, by steering clear of any escalation which threatens to exceed the policy of limited war.

This does not mean any unilateral reduction of strength or effort at this time. We believe that the bombing of military targets in the north must continue so long as there is a strategic need for it, or until North Vietnam gives signs of wanting to talk about a political settlement, or begins reducing its forces in the south.

We believe, similarly, that all possible military pressure on the Communists in South Vietnam should be maintained.

At the same time we strongly feel that intensified new efforts must be made to search for ways to achieve a mutual deescalation of the conflict. To this end the United States should try to enlist the cooperation of others, including the Soviet Union, whose influence on North Vietnam might be put to work to achieve a climate in which both sides can begin a lowering of the level of the conflict.

We recognize that the odds now are against any accommodating move by the Communists. Our expectation is that the war will continue for some time. But we feel it is vitally important that the limits governing our conduct in that war be fully recognized, and adhered to, at all times.

The risks of abandoning limited war are too great for us not to be wary.

[From Newsweek, Oct. 30, 1967]

THE STAMMERING ADVOCATE

(By Emmet John Hughes)

It is true that LBJ has been spattered by some assailants with a venom unmatched since reactionaries of the 1930s hissed their hate of FDR. And it is true that one critical chorus, damning the Vietnam tragedy not as political folly but as moral degeneracy, weirdly achieves a pietistic sound effect more reminiscent of a John Foster Dulles than a John Kenneth Galbraith.

The ordeal of Lyndon Johnson has been far less the cunning work of his aggressive detractors than the careless work of his appointed advisers. For as the anguish of Vietnam has steadily grown, they have encouraged him in a remarkable faith: what he feels is not pain but pride. And as the popular host of his believers thins, the pride of the leader should only swell, for the more lonely his vigil in war, the more lofty his place in history. So the President savors the bittersweet solace—as he murmurs to all visitors—of remembering how all great leaders, all the Lincolns and Churchills of history, have had to brave calumny or caricature. And by the miraculous healing power of such a credo, the stature of a President becomes attested and assured by the savagery of his critics.

All such sedative nonsense, of course, merely dulls the political senses. While the President mourns his failure to "get across" to the people, he ignores the true causes of this failure—manifest in almost his every utterance. And they can be summarized as three . . .

1. He refuses to carry on a dialogue with the people that is constant in philosophy, hence cumulative in force. Instead, he treats each occasion for addressing the nation as a new, special and particular event. Neither amplifying past thought nor anticipating future thought, he talks only to the fast-vanishing present: now a bellicose word to the right, now a pacific word to the left. But the art of politics must respect certain disciplines as much as the art of the theater. A democratic leadership captures its "audience" only with honest and serious drama—a representation of purpose that is consistent and complete. Onstage or in politics, only such drama is truly *followed*. And there can be no substitute for it in all the random repertoire of vaudeville.

2. He recites history carelessly. No instance may be more glaring than his repeated definition of Vietnam policy in the 1960s as only a loyal and logical reflection of Dwight Eisenhower's policy in the 1950s. The GOP President, in fact, personally vetoed the very kind of military commitment made by LBJ—despite its unanimous advocacy by Nixon, Dulles and the Joint Chiefs of Staff. And such rhetoric plants the spoiling seed of doubt: does he scan the present as superficially as the past?

3. He wrenches the meaning of political facts—like the arms of reluctant senators—as if his quick twist can force their "vote" for his view of history. In his latest speech on Vietnam, he solemnly proceeded to "call the roll now" of the Asian nations. In all, he cited five of the smallest Asian powers, along with Australia and New Zealand. The "roll" included not one of the Far East's major non-Communist powers, i.e., India or Indonesia or Japan. A few years ago, he could have achieved a comparable effect, when he presided over the Senate, by instructing the clerk to call a "roll" scrupulously omitting New York, Pennsylvania and California.

The whole failure reflects much more than oratorical carelessness or personal willfulness. It follows from a rare mark of this most sophisticated politician. At the time of their 1964 nomination, his most devoted lieutenant, Hubert Humphrey, explained the matter to a friend—with both perception and affection. "You know I tend to talk too damn much," the irrepressibly honest Vice President said. "But I hope even this may prove of help to Lyndon Johnson. This masterful practicioner of government has trouble understanding just one part of politics—the art of *advocacy*. He believes in doing things, not *talking* them. Can you imagine: he was in politics some 30 years before he ever bothered to addres a labor audience? He has grown big on Capitol Hill—where the real job is to *exercise* power, not *explain* it. And he is going to need time to learn the crazy and complex and exasperating problem of—advocacy."

This President surely lacks neither the shrewdness nor the energy to learn much of this elusive skill. But the hour may be late, and the desire may dissolve in disdain. It may seem more painless to go on deriding critics, exalting loneliness and awaiting whatever honor history holds in hiding for the President too proud to be understood.

[From Newsweek, July 17, 1966]

A REMEMBERED RECKONING

(By Emmet John Hughes)

We will not permit those who fire upon us in Vietnam to win a victory over the desires and the intentions of all the American people . . . We can continue the Great Society while we fight . . .

—State of the Union Message, January 1966

The proud promise provokes a personal memory . . . There have passed thirteen worried years—and almost as many world crises—since the first months of Dwight Eisenhower's Presidency in 1953. At that time, I served on his White House staff, charged with helping to prepare all Presidential speeches and messages. The new President then still felt confidently committed to his own compassionate instincts and perceptive insights about the world around him. All his pacific impulses—through that so sadly short political springtime—inspired him to deliver, as his first major statement on national policy, an address simply called "The Chance for Peace." It then was widely judged to be, as Sherman Adams long after appraised it in his memoirs, "the most effective speech of Eisenhower's public career." And the man's pure and open ardor for peace alone made it such.

The political season stays memorable. It came just after the death of Joseph Stalin, with its promise of a softening of Soviet policy. It came just before the ascendancy of John Foster Dulles, with its toughening of American policy. It came just as the U.S. and China were awkwardly maneuvering toward the gray kind of settlement in Korea so sure to be denounced by many Republicans if it is mercifully repeated in Vietnam. In that season, the new and unfatigued President ceaselessly decried in private the world's burden of armaments. And I recall all the hours alone with him, as he paced with angry steps behind his massive desk in the Oval Room, crisply citing the costs of munitions, and snappishly asking: "*What* world can afford this sort of thing for long?"

And so finally he spoke his warning to a world in arms: "This . . . is humanity hanging from a cross of iron." With the practicality of a Kansas farmer, he computed the price of the martial life in terms of hospitals and utilities and highways: "We pay for a single fighter plane with a half million bushels of wheat. We pay for a single destroyer with new homes that could have housed more than 8,000 people." And he pledged: "We are ready . . . to dedicate our strength to serving the *needs*, rather than the *fears*, of the world."

All this now comes to mind with a freshly sharp warning. A democracy cannot keep two sets of books: one for orations, and one for operations. The vaulting designs of the Great Society of a Johnson leave far behind the modest purposes of the Great Crusade of an Eisenhower. Yet a lot of the Great Society's preachment argues that—at no cost to either—its dreams can range as far as its bombers. And the myth impels one to bring up to date the simple kind of equations that Eisenhower computed years ago . . .

The cost of the Vietnam war—exceeding $20 billion a year—signifies a sum that could mean quite different purchases.

It could—each month—finance the complete, seven-year training of almost 70,000 scientists.

It could—each month—double the resources of the Agency for International Development for a full year's economic programs in 38 foreign countries.

It could—each month—create three Rockefeller Foundations.

It could—each month—pay the full year's cost of state and local police in all 50 states.

It could—every year—provide a 10 per cent salary increase for every U.S. public-school teacher.

It could—every year—double the social security benefits paid to 20 million Americans.

The more paltry cost of U.S. helicopters lost in Vietnam only in the last year could fulfill a few other American "desires and intentions."

It could pay the full bill last year for all UNICEF health and education programs affecting more than 800 million children in 118 countries.

Or—it could signify a 10 per cent climb in personal income for every citizen of all the New England states.

And as for the puny worth of just one modern heavy bomber . . .

It could buy 1 billion bushels of wheat.

Or—it could double the huge education budget of the State of New York.

It would be frivolous to contend that such facts prove the inequity of U.S. action in Vietnam, for even a just war imposes an awesome price. But it is equally frivolous to deny that all of American life pays for the struggle in Southeast Asia.

The cost cannot be camouflaged by colorful flashes of patriotic rhetoric, nor mitigated by austere control of electric lights in the White House.

For the price stays precisely as high as ever: a cross of iron.

[From the New York Times]

SCHLESINGER SUGGESTS THAT WE RECOVER OUR COOL AND FOLLOW A MIDDLE WAY OUT OF VIETNAM

(By Arthur Schlesinger Jr.)

Our strategy in Vietnam is rather like trying to weed a garden with a bulldozer. We occasionally dig up some weeds, but we dig up most of the turf, too. The effect of our policy is to pulverize the political and institutional fabric which alone can give a South Vietnamese state that hope of independent survival which is our presumed war aim. Our method, in other words, defeats our goal. Indeed, the most likely beneficiary of the smashed social structure of South Vietnam will be Communism. "My feeling," Gen. Wallace Greene, commandant of the Marine Corps, has wisely said, "is that you could kill every Vietcong and North Vietnamese in South Vietnam and still lose the war. Unless we can make a success of the civic-action program, we are not going to obtain the objectives we have set."

Much devotion and intelligence are at

present going into the programs of reconstruction, but prospects are precarious so long as the enemy can slice through so much of South Vietnam with such apparent immunity; and so long as genuine programs of social reform threaten the vested interests of the Saigon Government and of large landholders. In any case, as claimants on our resources, these programs of pacification are hopelessly outclassed by the programs of destruction. Surely, the United States, with all its ingenuity, could have figured out a better way to combat guerrilla warfare than the physical obliteration of the nation in which it is taking place. If this is our best idea of "protecting" a country against "wars of national liberation," what other country, seeing the devastation we have wrought in Vietnam, will wish American protection?

At the same time, our concentration on Vietnam is exacting a frightful cost in other areas of national concern. In domestic policy, with Vietnam gulping down a billion and a half dollars a month, everything is grinding to a stop. Lyndon Johnson was on his way to a place in history as a great President for his vision of a Great Society; but the Great Society is now, except for token gestures, dead. The fight for equal opportunity for the Negro, the war against poverty, the struggle to save the cities, the improvement of our schools—all must be starved for the sake of Vietnam. And war brings ugly side-effects: inflation; frustration; angry protest; attack on dissenters on the ground that they cheer the enemy (an attack often mounted by men who lead the dissent during the Korean war); premonitions of McCarthyism.

We also pay a cost abroad. Our allies naturally draw away as they see us heading down the road toward war with China. When we began to bomb the oil depots, James Reston wrote: "There is now not a single major nation in the world that supports Mr. Johnson's latest adventure in Hanoi and Haiphong." As nations seek to disengage themselves from the impending conflict, the quasi-neutralism of leaders like de Gaulle gains new plausibility.

On any realistic assessment, Western Europe and Latin America are far more significant to American security than South Asia; yet the Vietnam obsession has stultified our policy and weakened our position in both these vital areas. The war has clouded the hope, once mildly promising, of progress toward a *détente* with the Soviet Union. It has helped block agreements to end underground nuclear testing and to stop the spread of nuclear weapons. It has precipitated the decision of U Thant to resign as Secretary General of the United Nations and condemns the U.N. itself to a time of declining influence.

Our rejection of the views of our friends and allies—our conviction, as Paul H. Smith has put it, "that we alone are qualified to be judge, jury and executioner"—ignores Madison's solemn warning in the 63rd Federalist: "An attention to the judgment of other nations is important to every government for two reasons: the one is that independently of the merits of any particular plan or measure, it is desirable, on various accounts, that it should appear to other nations as the offspring of a wise and honorable policy; the second is that in doubtful cases, particularly where the national councils may be warped by some strong passion or momentary interest, the presumed or known opinion of the impartial world may be the best guide that can be followed. What has not America lost by her want of character with foreign nations; and how many errors and follies would she not have avoided, if the justice and propriety of her measures had, in every instance, been previously tried by the light in which they would probably appear to the unbiased part of mankind."

The Administration has called the critics of its Vietnam policy "neoisolationists." But surely the real neoisolationists are those who have isolated the United States from its allies and raised the tattered standard, last flourished 15 years ago by Douglas MacArthur, of "going it alone."

VIETNAM IN THE GENERAL DEBATE OF THE 22D U.N. GENERAL ASSEMBLY, SEPTEMBER 21–OCTOBER 13, 1967

PREFACE

In the "General Debate" of the regular sessions of the UN General Assembly, annually, in a period of about three weeks, almost every member State, through its Foreign Minister or other high representative, takes the opportunity to put its most serious international concerns before the world. Because little of this debate is heard outside of the General Assembly hall, these important speeches do not have the impact on world opinion that they should have. This is particularly unfortunate right now when the full force of world opinion, if heard clearly, might provide the critical pressure needed to bring to an end the war in Viet-Nam.

The Viet-Nam question is not formally on the agenda of the current (22nd) General Assembly, and although it was put on the agenda of the Security Council in February, 1966, it has not yet been debated there. Therefore, the Assembly's General Debate affords the principal forum in which national views on Vietnam are officially being aired. Because, as we listen to these expressions, we hear a commanding consensus for ending the war as soon as possible and for persuading the United States to take a far-sighted responsible initiative towards this, we have reviewed the speeches carefully for the purpose of reaching a summary view of their positions on the Vietnam war issue. We believe this material should get the widest possible distribution.

The form of the report is:

(a) Table I, showing positions on the Viet-nam war with special emphasis on the questions of a return to the Geneva Agreements and of the cessation of U.S. bombing of North Viet-Nam.

(b) Excerpts from a number of speeches, showing the range of responsible voices raised to plead for the ending of hostilities and for negotiating peace.

These quotations are taken from the official U.N. verbatim documents, a public record, and may be used without restriction.

TABLE I—SUMMARY

Number of speeches in the General Debate: 109.

Number of speeches in the General Debate which refer to Vietnam: 96.

A. Number urging return to Geneva agreements: 44.

B. Number urging halt in U.S. bombing of North Viet-Nam: 45.

Total number included in A and/or B: 67.

C. Number at least expressing a concern to stop the fighting: 23.

Total number included in A, B, and/or C: 90.

D. Number favoring a more active UN role in dealing with the Viet-Nam question: 18.

E. Number strongly condemning U.S. policy: 15.

F. Number suggesting reciprocal action by Hanoi should accompany halt in U.S. bombing: 7.

G. Number supporting U.S. policy: 6 (includes U.S.A.).

Total number included in F and/or G above: 8.

H. Number making no reference or negligible reference to Viet-Nam question: 13.

TABLE I.—ANALYSIS OF 109 SPEECHES IN 22d U.N. GENERAL ASSEMBLY GENERAL DEBATE, SEPT. 21, 1967, THROUGH OCT. 13, 1967, WITH REFERENCE TO FOLLOWING POINTS ON THE VIETNAM ISSUE

[Key: A—Urges return to Geneva agreements; B—Urges U.S halt bombing of North Vietnam; C—Expresses general concern to stop the fighting; D—Favors more active U.N. role; E—Condemns U.S. policy; F—Suggests reciprocal action by Hanoi should accompany halt in bombing; G—Supports U.S. policy; H—Makes negligible reference to Vietnam, or none.]

Country	A	B	C	D	E	F	G	H
In order of speaking:								
Brazil	--	--	--	--	--	--	--	X
United States of America	X	--	--	X	--	X	X	---
Denmark	X	X	--	--	--	--	--	---
Sweden	--	X	--	--	--	--	--	---
Japan	X	--	--	X	--	--	--	---
U.S.S.R	X	X	--	--	X	--	--	---
Lesotho	--	--	--	--	--	--	--	X
Ghana	X	--	--	X	--	--	--	---
Czechslovakia	X	X	--	--	X	--	--	---
South Africa	--	--	--	--	--	--	--	X
Guatemala	X	--	--	X	--	--	--	---
Dominican Republic	--	--	--	--	--	--	--	X
Philippines	--	--	--	--	--	X	X	---
Israel	X	--	--	--	--	--	--	---
Gambia	--	--	X	--	--	--	--	---
Uruguay	--	--	--	--	--	--	--	X
Chile	--	--	X	--	--	--	--	---
United Kingdom	X	--	--	--	--	X	--	---
Ecuador	--	--	X	X	--	--	--	---
Luxembourg	--	--	X	X	--	--	--	---
Upper Volta	X	X	--	--	--	--	--	---
Argentina	--	--	--	--	--	--	--	X
Senegal	--	X	--	--	--	--	--	---
Canada	X	X	--	X	--	--	--	---
Somalia	X	--	--	X	--	--	--	---
Belgium	--	X	--	X	--	--	--	---
Trinidad and Tobago	--	--	X	--	--	--	--	---
Tunisia	--	--	--	--	--	--	--	X
Kenya	X	X	--	--	--	--	--	---
Paraguay	--	--	X	X	--	--	--	---
Ireland	--	--	--	--	--	--	--	X
France	X	X	--	--	--	--	--	---
Burundi	X	--	--	--	--	--	--	---
Greece	--	--	X	X	--	--	--	---
Colombia	--	--	--	--	--	--	--	X
Indonesia	X	X	--	--	--	--	--	---
Costa Rica	--	--	X	X	--	--	--	---
Venezuela	--	--	--	--	--	--	--	X
Albania	--	X	--	--	X	--	--	---
United Arab Republic	--	X	--	--	--	--	--	---
El Salvador	--	--	X	X	--	--	--	---
Sierra Leone	--	--	X	--	--	--	--	---
Bolivia	--	--	X	--	--	--	--	---
Uganda	X	--	--	--	--	--	--	---
Jordan	--	--	X	--	--	--	--	---
Bulgaria	X	X	--	--	--	--	--	---
Burma	--	--	X	--	--	--	--	---
Iran	X	--	--	--	--	--	--	---
Ukraine	--	X	--	--	X	--	--	---
Netherlands	--	X	--	--	--	--	--	---
Finland	--	X	--	--	--	--	--	---
Poland	--	X	--	--	X	--	--	---
Turkey	X	--	--	--	--	--	--	---
Hungary	--	X	--	--	X	--	--	---
Austria	--	--	X	--	--	--	--	---
Norway	--	X	--	--	--	--	--	---
Zambia	X	--	--	--	--	--	--	---
Iceland	--	--	X	--	--	--	--	---
Italy	X	--	--	X	--	--	--	---
Ethiopia	X	X	--	--	--	--	--	---
Botswana	--	--	X	X	--	--	--	---
China	--	--	--	--	--	--	X	---
Thailand	--	--	--	--	--	X	X	---
Yugoslavia	X	X	--	--	--	--	--	---
Mongolia	--	X	--	--	X	--	--	---
Guyana	--	--	X	X	--	--	--	---
Byelorussia	--	X	--	--	X	--	--	---
Malaysia	--	--	X	--	--	--	--	---
Lebanon	X	--	--	--	--	--	--	---
Mauritania	--	X	--	--	--	--	--	---
India	X	X	--	--	--	--	--	---
Malta	--	--	--	--	--	--	--	X
Peru	--	--	X	--	--	--	--	---
Nepal	--	--	X	--	--	--	--	---
Kuwait	X	X	--	--	--	--	--	---
Tanzania	X	X	--	--	--	--	--	---
Barbados	--	--	X	--	--	--	--	---
Chad	X	X	--	--	--	--	--	---
Jamaica	X	--	--	--	--	--	--	---
Romania	--	X	--	--	X	--	--	---
Pakistan	X	--	--	--	--	--	--	---
Sudan	--	X	--	--	--	--	--	---
Cyprus	--	X	--	--	--	--	--	---
Mali	X	X	--	--	--	--	--	---
Libya	X	--	--	--	--	--	--	---
Morocco	X	--	--	--	--	--	--	---
Gabon	X	X	--	--	--	--	--	---
Algeria	X	X	--	--	X	--	--	---
Nigeria	X	X	--	--	--	--	--	---
Iraq	X	X	--	--	--	--	--	---
Cambodia	X	X	--	--	X	--	--	---
Mexico	--	--	X	--	--	--	--	---
Liberia	--	--	X	X	--	--	--	---
Yemen	--	X	--	--	X	--	--	---
Congo (Brazzaville)	--	X	--	--	X	--	--	---
Ceylon	X	X	--	--	--	--	--	---

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Country	A	B	C	D	E	F	G	H
In order of speaking—Continued								
Cameroon	--	X	--	X	--	--	--	---
New Zealand	--	--	--	--	--	X	X	---
Madagascar	X	--	--	--	--	--	--	---
Togo	--	X	--	--	--	X	--	---
Saudi Arabia	--	--	--	--	--	--	--	X
Rwanda	--	X	--	--	--	--	--	---
Syria	--	X	--	--	X	--	--	---
Laos	X	--	--	--	--	--	--	---
Australia	--	--	--	--	--	X	X	---
Singapore	X	--	--	--	--	--	--	---
Malawi	--	--	--	--	--	--	--	X
Cuba	--	--	--	--	X	--	--	---
Congo (Democratic Republic).	X	--	--	--	--	--	--	---
109 countries	44	45	23	18	15	7	6	13

EXCERPTS FROM SOME SPEECHES IN THE GENERAL DEBATE AT THE 22D U.N. GENERAL ASSEMBLY, SEPTEMBER–OCTOBER 1967

Denmark, Jens Otto Krag, Prime Minister:

". . . We believe that the conflict in Viet-Nam can be solved by political means only, that only negotiations can lead to durable peace in South-East Asia and safeguard the rights of the Vietnamese people. But without concessions there will be no solutions, and an initial move towards negotiations would be a halt in the bombing of North Viet-Nam followed by a reduction in the military activities by both sides. Participation in the negotiations must include all those involved in the conflict."

Sweden, Torsten Nilsson, Foreign Minister:

". . . It has been said from the North Vietnamese side that talks could be opened if the bombing of North Vietnamese territory ceased unconditionally . . .

". . . we appeal to the most powerful party in the conflict to take the initial step. We appeal for a willingness to start the de-escalation process which can lead to peace for the people of Viet-Nam. We address this appeal to a nation whose ideals of liberty, shown not least during the two world wars, the nations of Europe have particular reason to remember with gratitude."

Japan, Takeo Miki, Foreign Minister:

". . . as a first step, all the parties directly concerned should stop fighting and enter into talks on the basis and in the spirit of the Geneva Agreements of 1954. There seems to be no way to a peaceful settlement other than an arrangement to ensure the coexistence of South Viet-Nam and North Viet-Nam under some form of international guarantee and thus enable the eventual withdrawal of all foreign troops from the area."

[From the Washington Post, Feb. 11, 1966]

KENNAN STATEMENT ON VIETNAM

(NOTE.—George F. Kennan, former Ambassador to Moscow and now a member of the Institute for Advanced Study at Princeton, N.J., testified on Vietnam yesterday before the Senate Foreign Relations Committee. Here is the official transcript of Kennan's prepared statement, as delivered:)

Mr. Chairman, and distinguished members of the Foreign Relations Committee, the subject on which I am invited to give my views this morning is, as I understand it, the complex of problems connected with our present involvement in Vietnam.

* * * * *

I have not been anxious to press my views on the public, but I gladly give them to you for whatever they are worth, claiming no particular merit for them except perhaps that they flow from experience with Communist affairs that runs back now for some 38 years, and also from the deepest and most troubled sort of concern that we should find the proper course, the right course, at this truly crucial moment.

The first point I would like to make is that if we were not already involved as we are today in Vietnam, I would know of no reason why we should wish to become so involved, and I could think of several reasons why we should wish not to.

* * * * *

It is obvious on the other hand that this involvement is today a fact. It creates a new situation. It raises new questions ulterior to the long-term problem which have to be taken into account; a precipitate and disorderly withdrawal could represent in present circumstances a disservice to our own interests, and even to world peace greater than any that might have been involved by our failure to engage ourselves there in the first place.

* * * * *

But at the same time, I have great misgivings about any deliberate expansion of hostilities on our part directed to the achievement of something called "victory"—if by the use of that term we envisage the complete disappearance of the recalcitrance with which we are are now faced, the formal submission by the adversary to our will, and the complete realization of our present stated political aims.

I doubt that these things can be achieved even by the most formidable military successes.

* * * * *

Any total rooting out of the Vietcong from the territory of South Vietnam, could be achieved, if it could be achieved at all, only at the cost of a degree of damage to civilian life and of civilian suffering generally for which I would not like to see this country responsible.

And to attempt to crush North Vietnamese strength to a point where Hanoi could no longer give any support for Vietcong political activity in the South would almost certainly, it seems to me, have the effect of bringing in Chinese forces at some point, whether formally or in the guise of volunteers, thus involving us in a military conflict with Communist China on one of the most unfavorable theaters of hostility that we could possibly choose.

This is not the only reason why I think we should do everything possible to avoid the escalation of this conflict. There is another one which is no less weighty, and this is the effect the conflict is already having on our policies and interests further afield. This involvement seems to me to represent a grievous misplacement of emphasis on our foreign policies as a whole.

Not only are great and potentially more important questions of world affairs not receiving, as a consequence of our involvement in Vietnam, the attention they should be receiving, but in some instances assets we already enjoy and, hopefully, possibilities we should be developing are being sacrificed to this unpromising invovement in a remote and secondary theater.

* * * * *

It is clear that however justified our action may be in our own eyes, it has failed to win either enthusiasm or confidence even among peoples normally friendly to us.

Our motives are widely mistinterpreted, and the spectacle, the spectacle emphasized and reproduced in thousands of press photographs and stories that appear in the press of the world, the spectacle of Americans inflicting grievous injury on the lives of a poor and helpless people, and particularly a people of different race and color, no matter how warranted by military necessity or by the excesses of the adversary our operations may seem to us to be or may genuinely be, this spectacle produces reactions among millions of people throughout the world profoundly detrimental to the image we would like them to hold of this country.

HOLLOW VICTORY

I am not saying that this is just or right. I am saying that this is so, and that it is bound in the circumstances to be so, and a victory purchased at the price of further such damage would be a hollow one in terms of our world interests, no matter what advantages it might hold from the standpoint of developments on the local scene.

Now, these are the reasons, gentlemen, why I hope that our Government will restrict our military operations in Vietnam to the minimum necessary to assure the security of our forces, and to maintain our military presence there until we can achieve a satisfactory peaceful resolution of the conflict, and these are the reasons why I hope that we will continue to pursue vigorously, and I may say consistently, the quest for such a peaceful resolution of the conflict, even if this involves some moderation of our stated objectives, and even if the resulting settlement appears to us as something less than ideal.

* * * * *

FEBRUARY 8, 1966.

Hon. ROBERT S. MCNAMARA,
Secretary, Department of Defense,
Washington, D.C.

DEAR MR. SECRETARY: I'm going to be frank respecting your testimony before our House Armed Services Committee over the past several days. You're certainly to be congratulated for your tenacity and ability to defend your policies both as respects those who would urge *more* or *less* force in Southeast Asia.

I regret to admit, however, that even though I think you are right most of the time, I have questions about our degree of commitment in South Viet Nam. Not because I am not willing to have those close to me risk death to keep the South Vietnamese free from enslavement to Communism, but because I am not convinced even yet that the bulk of the people in the South will follow the pattern of government that we lay out for them. Admittedly we are not trying to militarily defeat Red China but we would like them to collapse. We are not trying to defeat North Vietnam politically for the then brotherhood of Communism would involve first China, then the Soviets, then a nuclear real threat would be posed to the continued existence of the United States as we know it.

We have limited targets in North Viet Nam consistent with our limited offensive. We could trade Haiphong P.O.L. for Saigon P.O.L. but we would obviously be the greater loser. We can blockade, mine and bomb further but since the Viet Cong need such fragmentary logistics even this action as you point out probably would only strengthen the solidarity of the North Vietnamese—which solidarity you refuse to label as *morale*. Whether you realize it or not, I think you tend to seize on fragments of true fact and due to your extreme agility with the English language you are able to rearrange the probable fact situation to cover almost every dilemma posed to you. I compliment you and only ask you to fairly appraise the facts not colored by your zeal to vindicate a position.

You point out that our 52s are carving out multiple square miles with fractional mile degree accuracy. Though it is obvious that this kind of pattern land scarring will hit many non-combatants, you state rather matter-of-factly that no civilians are being hit and, in fact, that they like us for this action. The woman I saw crying over her dead husband killed by our artillery this morning in the paper I would not think is too favorably inclined. Yet you state that we can't use this pattern bombing in the North because civilians might be hurt and this would affect the North's regard for us! I am cognizant of the 52 vulnerability problem.

You state that our existing level of activity is designed for victory because we are substantially stronger than we have ever been, that the North has a finite limit to which they probably will not exceed, while the logistics and port facilities do not limit the numbers that the U.S. can deploy—that our force level will be optimum when it exceeds the current number by a classified number.

We discussed our objective in South Vietnam and you stated that it was to give the South Vietnamese freedom to develop as *free* people. You admit that the Viet Cong should have this right to *peacefully* determine their future. You were suspect that they could ever act peacefully. We must work with them peacefully, however, or plan to annihilate them or force them to the North. You base your estimate of strength required on the fact that there are an estimated 230,000 Viet Cong. You admit you could be substantially off on this estimate. The U.S. position is based on the fact that the 2 to 3 million people under Viet Cong control do not really want Ho Chi Minh government. You cite the forced barbarous conscription. You don't explain adequately why the Viet Cong soldiers fight as they do and how it is that the people North of the 17th have the zeal to "save their countryland" in the face of one year of almost undefended bomb attacks while the people South of the 17th have no philosophy.

To be sure, the Catholics of my faith moved South to South Viet Nam, the Buddhist monks want religious freedom, but I believe the evidence would be fairly appraised by an impartial jury that the South probably is amenable to political programs. You could just as easily say that it is only a few hundred political leaders in Washington who are highly motivated by political programs.

Secretary Rusk stated one year ago that the Viet Cong had 23% or 3½ million people. It is possible in our zeal to defend our actions that we could be substantially wrong on this estimate. These people could take Communist program. With the degree of corruption and brutality of General Ky, it is possible that some of many in the cities would prefer Ho Chi Minh. My evidence that the Saigon government has to pay off Viet Cong to get food into market and my direct contacts indicate that the Viet Cong are everywhere even in the cities though their action there is limited.

I know we defend our actions there because we say the people love us. They could love us for our dollars and besides if I believed everyone whom I contacted in an election, I would be surprised if any votes were cast against me. You have to admit that it is just possible that some Asiatics might be offended at white man dominance, they *all* have fought against the French. We state we're not making a conquest, but the Viet Cong who speak the language are spreading word to the contrary. Some Asiatics know, too, that since many leading Americans who speak really don't defend liberty of all people in their own land, then why should they be concerned about the liberty of another dark skinned people on the other side of the globe. Some could feel quite strongly on this matter.

With respect to numbers, it appears that the Viet Cong have raised their numbers over the last year about the same as we have. They control substantially more territory by the maps I have seen and published in U.S. News & World Report than they did one year ago. They have lost high casualties and we have suffered likewise. Yesterday we lost two pilots and probably $12 million worth of pilot and craft—we probably dropped multiple million dollars of bombs. We made much noise. We knocked out a bridge or two that will be rebuilt, but who is to say that our damage and loss was less than the enemy. I think it's arguable that maybe we don't win these encounters economically. According to my calculations we spent ¼ of our military budget on South Viet Nam last year and increased it ¼ for '67. This means our real level of commitment is $24 billion, or about ¼ of our national income. Can we endure this indefinitely. The total budget of both North and South Viet Nam, I doubt, is much more than $1 billion per year and this is not all for defense. The Chinese and Soviet dollar commitments are also relatively small.

I ask these questions not as a pessimist but because this is a time for dead realism. I've parroted your retorts and those of Secretary Rusk for the past year with conviction. I heard another this evening on the radio supporting Affirmation Viet Nam and the speaker was glibly defending our policy with factual analysis far more favorable to the U.S. than the figures that we are working with before committee.

The danger is that when the rightness or success of a position depends on a figure estimate, a horseback opinion compounded on a horseback opinion can be deadly.

Now if our policy is not to annihilate all of South Viet Nam or North Viet Nam but to negotiate for peace honorably, we must have in mind some concession.

The Viet Cong and North Viet Nam want an all Viet Cong government. We want an all Saigon government. A coalition then is the only result to negotiate with provisions for policing the coalition such that peace be mantained for at least several decades.

But when our policy is that we will not talk or negotiate with the Viet Cong but that they can sit at the table, we tip our hand in advance that a coalition—even "self-determined" is untenable. But we say we are for self-determination of these people. You must explain this hiatus that is in our policy.

My own feeling is that if we should offer to negotiate with the group that must be accommodated, peace could happen. Our policy of non-recognition of the Viet Cong was primarily to involve North Viet Nam—this has now occurred. If the reason fails, the rule of non-recognition fails.

I chronicle these items now and urge you to review our program and not to be mesmerized by our obvious capability or by those who would garrulously precipitate us into battle on an honor commitment.

What will it gain us if we bring the Viet Cong to their knees after 50,000 to 100,000 young Americans are killed, only to have Ho Chi Minh win the first free election we stage. Your psychologists and Political Scientists say this won't happen, but it just so happens that many of the University community think otherwise. It occurs that that matter is perhaps more their specialty than yours or mine.

With the current growing cleavage in American position and the greater participation of the rightists in that policy, it is safe to say that we are simply not prepared to fight a long war. The people of the Great Society have a built-in impatience. They want the Society today. You say we must have patience. You can't have something you don't have. We can't for long cleave off our college brains and pursue a successful American policy.

I have not discussed at length our bombing in the North. Certainly it matters little if our basic purpose is confused, inconsistent and clouded. It merely further compounds and confuses an already dismal problem.

The day can still be saved. We're wasting men maybe needlessly if we don't sharpen our purpose and make peace a possibility.

Very truly yours,

Robert L. Leggett,
Member of Congress.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Gude (at the request of Mr. Gerald R. Ford), for today, on account of illness.

Mr. Fountain (at the request of Mr. Albert), for an indefinite period, on account of his attendance at the United Nations as an official member of the U.S. delegation to the United Nations.

Mr. Hicks, for Friday, November 17, on account of official business in district.

Mr. Moss, for 8 days, beginning November 20, 1967, on account of official business in district.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Ruppe) to revise and extend their remarks and include extraneous matter:)

Mr. Skubitz, for 15 minutes, today.

Mr. McClure, for 5 minutes, today.

Mr. Wolff (at the request of Mr. Montgomery), for 15 minutes, today; and to revise and extend his remarks and include extraneous matter.

Mr. Leggett, for 60 minutes, today; and to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Teague of Texas.

Mr. Roybal.

(The following Members (at the request of Mr. Ruppe) and to include extraneous matter:)

Mr. Broyhill of Virginia.

Mr. Horton.

(The following Members (at the request of Mr. Montgomery) and to include extraneous matter:)

Mr. Gilbert.

Mr. Fraser.

Mr. Giaimo.

Mr. Fascell.

Mr. Murphy of New York.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 322. An act to restrict the disposition of lands acquired as part of the national wildlife refuge system; to the Committee on Merchant Marine and Fisheries.

S. 2447. An act to amend section 2 of the Migratory Bird Conservation Act; to the Committee on Merchant Marine and Fisheries.

SENATE ENROLLED BILL SIGNED

The Speaker announced his signature to an enrolled bill of the Senate of the following title:

S. 780. An act to amend the Clean Air Act to authorize planning grants to air pollution control agencies; expand research provisions relating to fuels and vehicles; provide for interstate air pollution control agencies or commissions; authorize the establishment of air quality standards, and for other purposes.

ADJOURNMENT

Mr. MONTGOMERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 35 minutes p.m.) the House adjourned until tomorrow, November 17, 1967, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1228. A letter from the Commissioner, Immigration and Naturalization Service, U.S. Department of Justice, transmitting reports concerning visa petitions approved, according certain beneficiaries third preference and sixth preference classification, pursuant to the provisions of section 204(d) of the Immigration and Nationality Act, as amended; to the Committee on the Judiciary.

1229. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, Department of the Army, dated August 30, 1967, submitting a report, together with accompanying papers and an illustration, on an interim survey on Forestville Harbor, Mich., authorized by the River and Harbor Act approved March 2, 1945 (H. Doc. No. 183); to the Committee on Public Works and ordered to be printed with an illustration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. HAYS: Committee on House Administration. Senate Concurrent Resolution 40. Concurrent resolution authorizing the printing of the report of the proceedings of the 43d biennial meeting of the Convention of American Instructors of the Deaf as a Senate document (Rept. No. 933). Ordered to be printed.

Mr. HAYS: Committee on House Administration. Senate Concurrent Resolution 42. Concurrent resolution authorizing the printing for the use of the Senate Banking and Currency Committee, of additional copies of its hearings of the present Congress on housing legislation (Rept. No. 934). Ordered to be printed.

Mr. HAYS: Committee on House Administration. Senate Concurrent Resolution 46. Concurrent resolution to provide for the printing of additional copies of certain hearings of the Special Committee on Aging (Rept. No. 935). Ordered to be printed.

Mr. HAYS: Committee on House Administration. House Concurrent Resolution 487. Concurrent resolution providing for printing as a House document the study entitled "Study of the U.S. Office of Education"; with amendment (Rept. No. 936). Ordered to be printed.

Mr. HAYS: Committee on House Administration. H. Res. 834. Resolution authorizing the printing of additional copies of "Communist Origin and Manipulation of Vietnam Week (April 8–15, 1967)," 90th Congress, first session (Rept. No. 937). Ordered to be printed.

Mr. HAYS: Committee on House Administration. H. Res. 928. Resolution authorizing the printing of extra copies of part 3 of the hearings relating to "Activities of Ku Klux Klan Organizations in the United States," 89th Congress, second session (Rept. No. 938). Ordered to be printed.

Mr. HAYS: Committee on House Administration. H. Res. 929. Resolution authorizing the printing of extra copies of part 4 of the hearings relating to "Activities of Ku Klux Klan Organizations in the United States," 89th Congress, second session (Rept. No. 939). Ordered to be printed.

Mr. HAYS: Committee on House Administration. H. Res. 930. Resolution authorizing the printing of extra copies of part 5 of the hearings relating to "Activities of Ku Klux Klan Organizations in the United States," 89th Congress, second session (Rept. No. 940). Ordered to be printed.

Mr. HAYS: Committee on House Administration. H. Con. Res. 557. Concurrent resolution to provide for the printing of the Constitution of the United States as amended to February 10, 1967, together with the Declaration of Independence (Rept. No. 941). Ordered to be printed.

Mr. HAYS: Committee on House Administration. H. Con. Res. 519. Concurrent resolution authorizing certain printing for the Committee on House Administration of the House of Representatives, and the Committee on Rules and Administration of the Senate (Rept. No. 942). Ordered to be printed.

Mr. KLUCZYNSKI: Committee on Public Works. H.R. 13933. A bill to amend section 103 of title 23, United States Code, to authorize modifications or revisions in the Interstate System (Rept. No. 946). Referred to the Committee of the Whole House on the State of the Union.

Mr. GARMATZ: Committee on Merchant Marine and Fisheries. H.R. 13273. A bill to amend the Marine Resources and Engineering Development Act of 1966, as amended, to extend the period of time within which the Commission on Marine Science, Engineering, and Resources is to submit its final report and to provide for a fixed expiration date for the National Council on Marine Resources and Engineering Development; with amendment (Rept No. 947). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee on the Judiciary. H.R. 8376. A bill to provide that the U.S. District Court for the Eastern District of New York shall be held at Brooklyn, N.Y., and Mineola, N.Y. (Rept. No. 949). Referred to the Committee of the Whole House on the State of the Union.

Mr. LENNON: Committee on Armed Services. S. 320. An act to authorize the Secretary of the Army to release certain use restrictions on a tract of land in the State of North Carolina in order that such land may be used in connection with a proposed water supply lake, and for other purposes (Rept. No. 950). Referred to the Committee of the Whole House on the State of the Union.

Mr. HÉBERT: Committee on Armed Services. H.R. 12323. A bill to amend chapter 73 of title 10, United States Code, relating to the retired serviceman's family protection plan, and for other purposes; with amendment (Rept. No. 951). Referred to the Committee of the Whole House on the State of the Union.

Mr. HÉBERT: Committee on Armed Services. H.R. 9833. A bill to amend section 1331(c) of title 10, United States Code, to authorize the granting of retired pay to persons otherwise qualified who were Reserves before August 16, 1945, and who served on active duty during the so-called Berlin crisis; with amendment (Rept No. 952). Referred to the Committee of the Whole House on the State of the Union.

Mr. HÉBERT: Committee on Armed Services. H.R. 12899. A bill to amend section 1072 (2)(F) of title 10, United States Code, to include other than natural parents and parents-in-law within the category of dependents eligible for medical care (Rept. No. 953). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee of conference. H.R. 6430. An act to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes (Rept No. 954). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FEIGHAN: Committee on the Judiciary. S. 174. An act for the relief of Dr. Eduardo Gonzalez (Rept. No. 943). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 1410. An act for the relief of Tran Van Nguyen (Rept. No. 944). Referred to the Committee of the Whole House.

Mr. FEIGHAN: Committee on the Judiciary. S. 1781. An act for the relief of Kyong Hwan Chang (Rept. No. 945). Referred to the Committee of the Whole House.

Mr. POFF: Committee on the Judiciary. H.R. 12010. A bill to grant the consent of the United States to the Wheeling Creek Watershed Protection and Flood Prevention District compact; with amendment (Rept. No. 948). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK:

H.R. 14040. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 14041. A bill to amend the Internal Revenue Code of 1954 to provide deduction from gross income for additional commuting expenses of handicapped persons; to the Committee on Ways and Means.

By Mr. FUQUA:

H.R. 14042. A bill to restrict the mailing of unsolicited credit cards; to the Committee on the Judiciary.

By Mr. GUBSER:

H.R. 14043. A bill to create a Commission on the Establishment of a Council of Free Nations; to the Committee on Foreign Affairs.

H.R. 14044. A bill to permit one-half of the budget surplus for any fiscal year to be applied against the public debt and to provide that one-half of such surplus shall be applied as tax credits against individual income taxes; to the Committee on Ways and Means.

By Mr. KARTH (for himself, Mr. Blatnik, Mr. Boland, Mr. Daniels, Mr. Dingell, Mr. Eilberg, Mr. William D. Ford, Mr. Fuqua, Mr. Fraser, Mr. Halpern, Mr. McCarthy, Mr. Matsunaga, Mr. Rodino, Mr. Rosenthal, Mr. Roybal, Mr. Vigorito, and Mr. Walker):

H.R. 14045. A bill to restrict the mailing of unsolicited credit cards; to the Committee on Judiciary.

By Mr. OLSEN:

H.R. 14046. A bill to require reports to Congress of certain actions of the Federal Power Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of California:

H.R. 14047. A bill to amend the tariff schedules of the United States with respect to the rate of duty on honey and honey products and to impose import limitations on honey and honey products; to the Committee on Ways and Means.

By Mr. CAREY (for himself, Mrs. Kelly, Mr. Celler, Mr. O'Neill of Massachusetts, Mr. Philbin, Mr. Donohue, and Mr. Barrett):

H.R. 14048. A bill to amend the Merchant Marine Act, 1936, and other statutes to provide a new maritime program; to the Committee on Merchant Marine and Fisheries.

By Mr. PRICE of Texas:

H.R. 14049. A bill to amend the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, and for other purposes; to the Committee on Agriculture.

By Mr. CHARLES H. WILSON:

H.R. 14050. A bill to amend the Merchant Marine Act, 1936, and other statutes to provide a new maritime program; to the Committee on Merchant Marine and Fisheries.

By Mr. BROYHILL of Virginia:

H.R. 14051. A bill to amend the District of Columbia Teachers' Salary Act of 1955, as amended; to the Committee on the District of Columbia.

By Mr. BYRNE of Pennsylvania:

H.R. 14052. A bill to provide for a Federal Athletic Commission to regulate organized sports when and to the extent that such regulation is in the public interest; to the Committee on Interstate and Foreign Commerce.

By Mr. NELSEN:

H.R. 14053. A bill relating to the establishment of parking facilities in the District of Columbia; to the Committee on the District of Columbia.

By Mr. RARICK:

H.R. 14054. A bill to amend title 14, United States Code, to require the marking of certain underwater structures for the protection of the commercial fisheries of the United States; to the Committee on Merchant Marine and Fisheries.

By Mr. SCHWEIKER:

H.R. 14055. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. SISK:

H.R. 14056. A bill to amend section 402 of the Agricultural Trade Development and Assistance Act of 1954, as amended, in order to remove certain restrictions against alcoholic beverages under title I of such act; to the Committee on Agriculture.

By Mr. WILLIAMS of Pennsylvania:

H.R. 14057. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. OLSEN:

H.J. Res. 929. Joint resolution creating a Federal Committee on Nuclear Development to review and reevaluate the existing civilian nuclear program of the United States; to the Joint Committee on Atomic Energy.

By Mr. EILBERG (for himself, Mr. Diggs, Mr. Dow, Mr. Edwards of California, Mr. Fino, Mr. Foley, Mr. Helstoski, Mr. Hungate, Mr. Jacobs, Mr. O'Konski, Mr. Long of Maryland, and Mr. Rees):

H.J. Res. 930. Joint resolution to establish a joint investigatory committee on the U.S. civic action program in Vietnam; to the Committee on Rules.

By Mr. SKUBITZ (for himself and Mr. McClure):

H. Con. Res. 585. Concurrent resolution providing for one General Expenditure Authorization Act for each fiscal year, and for other purposes; to the Committee on Rules.

By Mr. OLSEN (for himself, Mr. Adams, Mr. Daniels, Mr. Farbstein, Mr. Hicks, Mr. Johnson of California, Mr. Karth, Mr. McCarthy, Mr. Matsunaga, Mr. Minish, Mr. Nix, Mr. Rodino, Mr. Rogers of Colorado, Mr. Udall, Mr. Ullman, Mr. Wolff, and Mr. Boland):

H. Con. Res. 586. Concurrent resolution expressing the sense of the House of Representatives resolution seeking U.S. initiative to assure United Nations Security Council consideration of the Vietnam conflict; to the Committee on Foreign Affairs.

By Mr. MINISH:

H. Res. 982. Resolution expressing the sense of House resolution seeking U.S. initiative to assure United Nations Security Council consideration of the Vietnam conflict; to the Committee on Foreign Affairs.

By Mr. DENT (for himself, Mrs. Sullivan, Mr. Lipscomb, Mr. Waggonner, Mrs. Griffiths, and Mr. Conte):

H. Res. 983. Resolution creating a select committee to conduct an investigation and study of the retirement benefits available to Members of the House of Representatives: to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRADEMAS:

H.R. 14058. A bill for the relief of Spyridon Vlahopoulos; to the Committee on the Judiciary.

By Mr. BUSH:

H.R. 14059. A bill for the relief of Barbara Caudell; to the Committee on the Judiciary.

By Mr. FARBSTEIN:

H.R. 14060. A bill for the relief of Bonifacio Lopez; to the Committee on the Judiciary.

H.R. 14061. A bill for the relief of Gaetana La Porta; to the Committee on the Judiciary.

H.R. 14062. A bill for the relief of Katsuo Watanabe; to the Committee on the Judiciary.

By Mr. HALEY:

H.R. 14063. A bill to authorize the vessel *Orion* to engage in the coastwise trade; to the Committee on Merchant Marine and Fisheries.

By Mr. PELLY:

H.R. 14064. A bill for the relief of Isabelita C. Reniedo; to the Committee on the Judiciary.

By Mr. RODINO:

H.R. 14065. A bill for the relief of Thomas A. Smith; to the Committee on the Judiciary.

By Mr. ROSENTHAL:

H.R. 14066. A bill for the relief of Natale J. Colosi; to the Committee on the Judiciary.

H.R. 14067. A bill for the relief of Giuseppe Pecora; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Virginia Technology Sells in Europe

EXTENSION OF REMARKS
OF
HON. JOEL T. BROYHILL
OF VIRGINIA
IN THE HOUSE OF REPRESENTATIVES
Thursday, November 16, 1967

Mr. BROYHILL of Virginia. Mr. Speaker, the Cooke Engineering Co., of Alexandria, Va., is a small business firm with a large amount of know-how. In June of this year, the company exhibited some of its products at a foreign trade show organized by the U.S. Department of Commerce in Frankfurt, Germany. This was a new market for Cooke Engineering Co., and the main objective of participating in the show was to get exposure of their product line to new business prospects.

The products exhibited by this Virginia business at the Frankfurt show were microtitration equipment; technologically sophisticated instrumentation widely used in chemical and biological research laboratories. What were the results of the trade show? Immediate sales of $6,000 were made on the spot. More important, Cooke Engineering Co. estimated that during the 12 months following the show more than $60,000 in additional sales will be made as a direct consequence of their participation in the Frankfurt exhibition.

At the close of the trade show, the company was also negotiating with a number of representatives to distribute their product line. The world market for scientific instruments is highly competitive, and I am pleased to bring this success story of Virginia enterprise to the attention of other Members.

World Congress of Free Ukrainians

EXTENSION OF REMARKS
OF
HON. JOHN M. MURPHY
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES
Thursday, November 16, 1967

Mr. MURPHY of New York. Mr. Speaker, this weekend, from November 16–19, the World Congress of Free Ukrainians will be held at the New York Hilton Hotel in New York City. Delegates and representatives from 21 countries, including many thousands of American citizens of Ukrainian descent, will be present. A freedom rally is scheduled for Madison Square Garden on Saturday, the 18th of November.

It is significant, I think, that this World Congress is being held at the same time that Communist Russia is celebrating the 50th anniversary of the Bolshevik revolution, for there is a close connection between the two events.

The Bolshevik revolution has been a revolution of tyranny which has enslaved millions of people behind the Iron Curtain. Many of the Ukrainians in this country have friends and even relatives who live today under the oppressive heel of Soviet totalitarianism. For them, this year is the 50th anniversary of the captive nations, and hardly a cause for celebration.

But I think we can find encouragement in this gathering of free Ukrainians; it is a symbol, I think, of a desire for freedom that is felt throughout the captive nations. Although such freedom is brutally repressed in Russia, the fact that the yearning is there should be cause for hope.

Let us take this opportunity, therefore, to pledge our support to the captive nations in their struggle for freedom, and let us also reaffirm our own commitment to freedom here at home.

Minneapolis Shows Strong Support for Peace Offensive

EXTENSION OF REMARKS

OF

HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 16, 1967

Mr. FRASER. Mr. Speaker, tabulation of the results of my latest questionnaire indicated that a 28.3 percent plurality of those who responded would like to see the United States "carry out a major peace offensive by using any possible means short of withdrawal" in Vietnam. A slightly smaller number, 26.5 percent, said that we should "withdraw completely and immediately."

The two answers, comprising a majority—54.8 percent—of those responding to the question, were a clue, I thought, to the increasing unhappiness of the American people with the course the war is following.

The question was this: "The major international problem facing the country is the war in Vietnam. Which of the following positions best describes your own feelings?" Seven choices were offered.

Least popular choice, 4.7 percent, was to "maintain the present level of involvement, but limit any increase in commitment."

These were the other four choices, and the percentage answers:

Continue to increase our commitment slowly with as many armed forces personnel and as much material as the President deems necessary: 8.4.

Escalate our bombing of North Vietnam to include cities, using conventional bombs, and increase our armed forces in Vietnam: 12.8.

Use nuclear weapons on North Vietnam and China if necessary: 7.7.

Other: 11.8.

The questionnaire, Mr. Speaker, was mailed to 45,000 homes in Minneapolis, the 5th Congressional District of Minnesota, between August and November. Every part of the city was reached with the periodic mailings. About 2,500 persons, or 5.4 percent of the number of questionnaires mailed, responded. Many added personal comments on one or more of the six questions. By far the most comments expressed concern about the war. An optional additional question asked for party affiliation. Of those who answered, 62.1 percent said they were Democratic-Farmer-Laborites, while 37.9 percent said they were Republicans.

Question 2 asked: "What should we do with such Great Society programs as the war against poverty, aid to education, and aid to housing, if a tax increase is required to finance them?" The answers:

Increase these programs: 32.8.

Maintain them at present levels: 27.2.

Cut them back: 24.2.

Eliminate them: 15.9.

Question 3 asked: "Where would you favor saving money to reduce pressure on the budget?" The answers:

Vietnam: 16.8.

Space and moon program: 18.6.

Aid to education: 2.2.

Foreign assistance—economic: 14.4.

Foreign assistance—military: 23.1.

Public works—highways and waterways: 3.2.

Agriculture programs: 5.1.

Antipoverty programs: 9.0.

Aid to cities: 4.7.

Other: 2.9.

Question 4 asked: "Do you favor Federal truth-in-lending legislation which would require banks and loan companies to disclose the total interest a consumer must pay on a loan, and the real rate of interest paid?" The answers:

Favor: 91.6.

Oppose: 3.3.

Undecided: 5.0.

Question 5 asked: "Do you favor any of the following items as part of a 1967 civil rights bill?" The answers:

Prohibiting discrimination in the selection of State and Federal jurors: 39.1.

Providing Federal protection for civil rights workers: 17.9.

Prohibiting discrimination in the sale and rental of housing: 24.2.

Providing Federal incentives to correct racial imbalances in big-city school systems: 18.7.

And question 6 asked: "What is the greatest problem facing Minneapolis?" The answers:

Narcotics: 9.8.

Crime: 28.0.

Schools: 11.1.

Housing: 6.7.

Recreation and cultural activities: 2.9.

Poverty: 7.6.

Transportation: 13.4.

Air and water pollution: 13.4.

Other: 7.0.

Gala Premiere Benefits Hope School for the Mentally Retarded

EXTENSION OF REMARKS

OF

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 16, 1967

Mr. FASCELL. Mr. Speaker, we here in the Congress have long demonstrated our concern for, and interest in, the welfare of the mentally retarded. Through legislation such as the Community Mental Health Centers Act, we have provided facilities and services to the retarded. As great as the Federal effort in this area has been, there is more that can be and will be done. Fortunately, the Federal effort has been augmented by many State, local, and private programs.

In this light, I would like to call to the attention of our colleagues the work of the Hope School for Mentally Retarded Children, which is located in Miami, Fla. The school is a private, nonprofit, nonsectarian organization. Under the guidance of its very capable executive director, Mrs. Judy Holland; an outstanding staff of professional men and women; and a dedicated board of directors, Hope School endeavors to train exceptional children to more readily face the world around them.

Since its inception in 1954, the goal of the school has been to prepare prenursery, and elementary school-age children for family living through concurrent programs for resident and day students regardless of their economic needs. For those who are unable to pay, a program of scholarships has been established.

Thus it was that the world premiere of the motion picture "Tony Rome" was of particular significance to Hope School since the premiere was a benefit for the school. A glittering audience gathered at the Caribe Theater in Miami Beach for the premiere which was followed by a late supper at the Fontainebleau Hotel.

A highlight of the evening was the school's presentation of plaques to Frank Sinatra, who is star of the picture, and Mario Noto, who is Associate Commissioner of the Immigration and Naturalization Service here in Washington. Mr. Noto's citation acknowledged the assistance he has given to the school over the years.

Mr. Speaker, I would like to take this opportunity to salute Frank Sinatra and Mario Noto and, at the same time, to wish the Hope School continued success in its efforts for mentally retarded children.

Al Wiman, of Los Angeles Radio Station KLAC: A Key Man in California's Clean Air Victory

EXTENSION OF REMARKS

OF

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 16, 1967

Mr. ROYBAL. Mr. Speaker, one of the unsung heroes of the recent sensational victory in the House of Representatives for the cause of clean air in California was Mr. Al Wiman, of radio station KLAC in Los Angeles.

Mr. Wiman's persistent and remarkably successful efforts to alert the public to the vital importance of the Air Quality Act of 1967—and particularly to the California amendment to that act, designed to preserve the Golden State's right to continue its pioneering auto-smog control program—deserve the highest commendation from all our citizens.

Radio station KLAC's letter-writing campaign, motivated and sustained in large part by Al Wiman's dynamic enthusiasm, resulted in some 300,000 individual letters being sent in from interested and concerned residents of the Greater Los Angeles area—in support of the California amendment.

In my opinion, Mr. Speaker, this KLAC effort on behalf of clean air in California represents the finest kind of public service programing in the best tradition of America's communication media.

It also made a substantial and effective contribution to the cause of good government by helping create a well-informed and active citizenry—willing and able to participate directly in the democratic process by raising a strong voice in favor of positive congressional action to protect the health and well-being of our State's nearly 20 million residents against the increasing threat of deadly car exhaust fumes in the Los Angeles Basin, as well as in California's other urban metropolitan areas.

As a Member of Congress from Los Angeles, I believe the unanimous 362-to-0 passage by the House of Representatives of the Air Quality Act of 1967 was a major milestone in achieving our long-term objective—in which we in California have played an outstanding leadership role—of organizing a truly national program to eliminate, once and for all, the dangerous impurities in the air we breathe, and to create the kind of clean, wholesome atmosphere we want for ourselves and for our children.

I was particularly happy about our success in obtaining overwhelming approval, on a 152–58 teller vote, of the California amendment to allow our State to enforce, and to continue to strengthen, our own auto-smog air pollution control regulations.

It was a tremendous legislative victory for the people of California—for which a full measure of credit is due to the outpouring of individual expressions of personal concern on this subject.

By helping stimulate this interest and concern, representatives of the various news media, like Al Wiman, of KLAC, also share in this historic victory.

They should feel a sense of genuine, and well-deserved pride in having played a key part in advancing the cause of clean air in California—and in the rest of the Nation.

For, this action by the House of Representatives will go a long way toward promoting a cooperative local-State-Federal-private industry approach to establishing a healthy living environment in America's increasingly crowded metropolitan centers like Los Angeles—where some 80 percent of the country's population will soon reside.

Congress Should Enact Aircraft Noise Abatement Legislation

EXTENSION OF REMARKS

OF

HON. JACOB H. GILBERT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 16, 1967

Mr. GILBERT. Mr. Speaker, with permission I wish to insert in the RECORD for the attention of my colleagues in the Congress, my testimony recently before the House Commerce Committee on my bill, H.R. 618, to authorize aircraft noise abatement research and regulations. This is a matter of great concern to residents of my district and to residents of most of our large cities, and I have urged the committee to action on this legislation without delay:

AIRCRAFT NOISE ABATEMENT

(Testimony of Representative JACOB H. GILBERT, of New York, before House Interstate and Foreign Commerce Committee, November 14, 1967)

Mr. Chairman and members of the subcommittee, I commend you on the thoughtful consideration you are giving to this bill to abate the terrible noises of jet aircraft in the areas of our nation's major airports. This is far-seeing legislation. It falls well within the tradition that has been recently established of giving attention to the environment in which Americans live. We are fighting air pollution to cleanse the air we breathe and water pollution to cleanse the water we drink and in which we swim. Such programs are aimed at restoring the integrity of American life. They are aimed at permitting us to enjoy the benefits of our technological society without paying an intolerable price in human values. I think the aircraft noise abatement bill has the same objective. I believe it stands with water and air pollution legislation as essential correctives for the excesses of modern civilization.

I have been pressing for this legislation for several years, because my own constituents suffer severely from the noise generated by New York's jet air traffic. Last year I received a petition signed by 2,000 residents of the Castle Hill area of my district. I quote from the petition: "The noise caused by low-flying planes makes it impossible for us to sleep, to hear normal conversation, or to enjoy radio and television." Many of my constituents, some ill and elderly, tell me of the strain on their nerves, of the impairment to recovery from illness, of the reduction of their efficiency at work. I would by no means claim that Kennedy and LaGuardia airports are not necessary to New York, Mr. Chairman, but I do not believe that the people who happen to live near them or within the limit of their flight patterns should have to pay this grievous price.

I live in the area myself, Mr. Chairman, where we are constantly subjected to the noise of jet motors. I can personally testify to the discomfort that this noise creates. We håve never computed how many thousands of Americans are affected by this problem. But I'm sure that it runs into the hundreds of thousands. And as we all know, there will not be fewer jets in the future but more, just as there will be more airports to service them.

My bill, which closely resembles the committee bill, authorizes the Secretary of Transportation to prescribe standards for aircraft noise. But this is a complex problem and does not lend itself to an easy solution. Aircraft manufacturers have not yet solved the problem of quieting the jets. So my bill directs the Secretary of Transportation to undertake research in noise suppression devices for aircraft engines and ground baffle systems, as well as to develop procedural techniques for bringing planes in and out of airports more quietly. It authorizes the Secretary to perfect noise measurement methods so that we know whether the rules are being observed. It provides penalties in the amendment, modification, suspension or revocation of aircraft certificates.

Mr. Chairman, this is a problem with which our local communities cannot deal alone. It is a Federal responsibility. Congress must stand at the head of the attack against aircraft noise. The state and local governments, as well as private industry, will cooperate. But the leadership must come from us. I commend you for taking this leadership by these hearings and I look forward to enactment of jet noise abatement legislation in the very near future.

The Moon Seems a Little Closer

EXTENSION OF REMARKS

OF

HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 16, 1967

Mr. TEAGUE of Texas. Mr. Speaker, last Thursday—November 9, 1967—the world was witness to one of the greatest technological achievements of all time—the first, unmanned, test flight of the Apollo-Saturn V, the space vehicle the United States will use for our manned missions to the moon and for the exploration of space for years to come.

At 7 a.m.—exactly on time—the engines of the mighty first stage ignited and Apollo IV lifted off the pad at NASA's Kennedy Space Center. The next 8½ hours saw a truly incredible demonstration of American technology and will.

The Apollo spacecraft and three-stage Saturn V launch vehicle is by far our largest and most complex space vehicle. In addition, NASA had chosen to launch the entire space vehicle in the first mission rather than follow the step-by-step approach of earlier programs. Among the myriad of firsts recorded by the Apollo IV mission were:

The first launch from the Kennedy Space Center Launch Complex 39;

The first flight of the "all-up" Apollo-Saturn V space vehicle;

The first flight of the first stage and second stage of the Saturn V launch vehicle;

The first engine restart in orbit of the upper stage of the Saturn vehicle;

The first orbital flight of the Apollo spacecraft;

And the first demonstration of the Apollo spacecraft's performance returning through the earth's atmosphere at lunar mission reentry speeds of 25,000 miles per hour.

The launch vehicle and spacecraft, the far-flung network of ground facilities, the launch and flight teams, all performed flawlessly. All primary and secondary objectives of the mission were accomplished. All systems and subsystems appear to have performed as planned. All ground support equipment appears to have performed satisfactorily.

The Apollo IV mission is the culmination of more than half a decade of intensive effort. The success of the mission is truly a vindication of everyone who has a part in building our bridge to the surface of the moon. This mission is further evidence of the dedication and skill of the total Apollo team—NASA, the industrial contractors, and the university and scientific communities.

The Nation rejoices with the Apollo team in this great accomplishment. It is a giant step forward, a key milestone on the lunar journey.

There is still much work ahead of us if we are to insure that our brave astronauts have not died in vain. In the years to come we will see other milestones completed—the first lunar module test flight, the first manned flight of the Apollo-Saturn I, the first manned flights of the Apollo-Saturn V, and manned simulations of the lunar mission, leading to the planned lunar landing.

NASA has set extremely high standards. Let us all continue to strive to live up to these standards.

Today, the moon seems a little closer.

Forest Insect and Disease Research Laboratory Dedicated at Hamden, Conn.

EXTENSION OF REMARKS

OF

HON. ROBERT N. GIAIMO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 16, 1967

Mr. GIAIMO. Mr. Speaker, on Monday, October 23, 1967, I participated in the dedication and official opening of a new Forest Insect and Disease Research Laboratory at Hamden, Conn. This Laboratory is operated by the Northeastern Forest Experiment Station, Forest Service, U.S. Department of Agriculture. It is an excellent three-story building located on an attractive site in the outskirts of Hamden. The building contains 23 offices for scientists and supporting personnel with space for a total of 45 employees. It also contains 11 laboratories specifically designed for forest insect and disease control research, and electron microscope, a library, a conference room, and several special service facilities needed for research. Much of the necessary scientific equipment still must be provided, for example, growth and environmental chambers, before the new facility becomes fully functional.

The new laboratory is dedicated to finding better ways of controlling and eliminating serious pests of our forests and trees. Protection from destructive agents is necessary for mankind to obtain the full benefits of all forest resources. The specific mission of scientists at the Hamden Laboratory is to develop biologically sound, practical forest insect and disease control system for New England that yield the minimum of ill side effects.

The Hamden Laboratory and the research program there is a fine investment of Federal funds that will, I am confident, pay handsome returns to the public. This work has my complete support and merits the full support of the Congress.

Under unanimous consent I insert in the RECORD my printed remarks at the dedication:

REMARKS OF HON. ROBERT N. GIAIMO AT DEDICATION OF THE NEW FOREST INSECT AND DISEASE RESEARCH LABORATORY, NORTHEASTERN FOREST EXPERIMENT STATION, HAMDEN, CONN., OCTOBER 23, 1967

As a part of its national forestry effort, the Forest Service operates a forest insect and disease research program at Hamden, Connecticut. Scientists at this location have and are continuing to develop biologically sound, practical methods for controlling serious pests of forests and trees in Connecticut as well as in the other New England states.

Currently, the Forest Service staff at Hamden consists of 16 scientists and 18 others who provide administrative support services. Approximately $425,000 of Forest Service appropriations are used annually to support this staff and program.

A new laboratory-office complex, authorized by the Congress, has just been completed at Hamden for the staff and program which was formerly located in temporary quarters at West Haven. This new facility contains modern scientific laboratories and instruments, for example an electron microscope, required for intensive forest insect and disease research.

So, the basic elements—a competent staff and a modern laboratory—for a comprehensive program of research are available. To be most effective these basic elements should be strengthened promptly.

During 1966, the Secretary of Agriculture approved and submitted to the Congress "A National Program of Research for Agriculture." This new, national plan includes forestry research and provides for an annual $1,000,000 forest insect and disease research program at Hamden as well as for expansion of the research facilities at the location. Thus, an increase of $575,000 over program funds now available would be required to meet the planned level at Hamden. For maximum efficiency the necessary increased funding should be made in two stages: (a) $350,000 as soon as the federal budget situation permits; and (b) $225,000 within 2 years following the first increase.

The first increase, $350,000, would be used as follows:

Equip, operate, and maintain the new Laboratory	$100,000
Strengthen scientific and supporting staff for insect research, with emphasis on hardwood insect control methods	150,000
Strengthen scientific and supporting staff for disease research, with emphasis on hardwood disease control methods	100,000
Total	350,000

Expansion of the present laboratory at Hamden to accommodate the planned program and provide adequate research facilities involves:

1. Construction of a greenhouse complex. A location for the structure has been selected near the Forest Service Laboratory at Hamden. The land is owned by the Federal Government and utilities have been stubbed in at the construction site. Existing architectural and engineering plans can be adapted to this structure.

At current prices, construction costs are estimated to be $250,000.

2. Addition of a fourth story to the Hamden Laboratory to provide the offices and research laboratories needed for the planned program level described above. This expansion can be made without further additions to the present laboratory building.

Construction costs for the addition are estimated to be $250,000.

The greenhouse should be constructed as soon as funds can be provided. Addition of the fourth floor to the laboratory should be made concurrent with the first expansion of the research program as outlined above.

As has been the practice in the past, the expanded research programs would be conducted in close cooperation with Yale University, the Connecticut Agricultural Experiment Station, the Connecticut State Forester, and other interested groups in the state and region.

Much of the research at Hamden is directed to the development of non-chemical control systems for forest pests. These lines of attack will be followed when the program is strengthened.

Continued reliance on direct suppression of insect infestations by chemicals alone cannot be tolerated and seems unnecessary. Some alternative biotic control methods have already resulted from research and still others appear possible. These methods can be more efficient biologically, more advantageous economically, and safer to man and wildlife (including fish) than chemical methods now used generally. Biotic controls may not replace chemicals entirely but the two approaches can and should be integrated into effective and sound systems.

Possible biotic control methods encompass the following: (1) insect parasites and predators; (2) microbial agents—viruses, bacteria, fungi, and protozoa; (3) sterilization and release of male insects into infested areas; (4) identifying, selecting and breeding strains of trees resistant to pest attack and injury.

Research has already shown tangible results with each of these approaches and practical applications with a high probability of success have been developed. For example: (1) parasites and predators imported from Europe have become established in New England and play a vital role in controlling the gypsy and browntail moths; (2) a predaceous beetle was recently imported from Europe and released in various parts of the nation, including the Northeast, for control of the balsam woolly aphid; (3) specific viruses have been found, propagated and applied for control of the European spruce sawfly, four pine sawflies, and the Great Basin tent caterpillar; and (4) tree strains resistant to rusts, gall aphids and other pests have been found and are being propagated. These few examples clearly illustrate that scientists, if adequately financed and equipped, can discover new, natural ways of controlling forest pests that have a minimum of ill side effects.

Northeastern United States has about 71,000,000 acres of hardwood forests. These forests contain large volumes of some of our most valuable hardwoods. For example, essentially all of the black cherry, 80 percent of the yellow birch, 65 percent of the sugar maple, 73 percent of the beech, and 33 percent of the ash timber resources of our nation are found in these forests. These species along with several other hardwoods supply large volumes of raw materials for many wood-using industries located in the Northeast and other parts of the nation. Such industries, ranging from pulpwood plants to furniture factories, provide employment opportunities, markets for timber and other economic benefits to many communities.

At the same time the northeastern hardwood forests of Connecticut and elsewhere in New England are highly prized for their other resources such as recreation, water, wildlife, and beautification of the landscape. So, forests make substantial contributions to the economic and social well being of the region as well as the nation. Current trends in uses of these multiple hardwood forest resources clearly indicate that demands upon them will climb steadily in the years ahead.

Insects and diseases have and are con-

tinuing to reduce sharply the capacity of northeastern forests to meet even the present demands upon them. Defoliating insects, trunk borers, cankers, stains, rots, and other pests have rendered worthless and even killed large volumes of otherwise valuable timber. Tree pests also have made unsightly large areas of forest land and, often, made them unsuitable for recreational uses. Furthermore, they take a heavy toll of trees in our cities. For example, the Dutch Elm disease has killed practically all American elm in many cities of eastern United States.

Protection against such destructive agents is necessary to obtain the full range of benefits from the forest resources of Connecticut and other New England states. The Forest Service research program at Hamden is directed toward developing sound, practical protection systems. Prompt strengthening of this work will reduce the time required to develop reliable control systems and lead to full realization of production potential of New England's forests.

Congressman Horton Lauds Electro Surgical Instrument Co. of Rochester, N.Y., as Symbol of Small Business Which Contributes to Major Advances in Medicine

EXTENSION OF REMARKS

OF

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, November 16, 1967

Mr. HORTON. Mr. Speaker, the history of small business in this country, with our system of economic opportunity for the creative and energetic, has much romance.

As a member of the Small Business Committee of the House, I have seen many examples of small companies which make great contributions in their fields without attracting the notice and recognition they deserve.

It is also true that a small company may make significant contributions to science and the arts without its beneficiaries ever knowing or hearing of the time and effort spent for their benefit.

I am familiar with a unique and creative company which has done pioneer work in the field of lighted diagnosis of the interior of the human body.

I would like to share with you, Mr. Speaker, and with our colleagues, the story of Electro Surgical Instrument Co.

This company led the way in the first part of this century in providing illumination for medical diagnosis in body passages and has now resumed, through serving the needs of creative and imaginative physicians, creating new instruments and devices for the combating of cancer and other dread diseases of the human body.

In recognition of the contribution that this company has made to medicine, the Academy of Medicine, a few years ago, cited the Bausch & Lomb Co., for its optics, the Eastman Kodak Co., for its photography work, the Taylor Instrument Co., for its temperature devices, and the company of which I now speak, the Electro Surgical Instrument Co., for the development of illuminated surgical and diagnostic instruments.

The discovery and development of electricity in the 19th century was a creative source of enormous size. One of the minor points of use with major benefits was the use of electric current and illumination in endoscopes, those instruments that are introduced into body passages for medical diagnosis. Two Rochesterians, a physician and an electrical genius, joined their skills to create a urethroscope with a lighting system which showed an astonishing absence of heat. Two men with their special interests drew together with others in the city and the Electro Surgical Instrument Co. was formed.

Others in Germany and France had attempted illumination with incandescent platinum wires to the disappointment and discomfort of everyone, including the patients. Now, with the nearly cold lamp and a resourceful management, the foremost medical minds and skills in leading institutions of the country were linked to the engineering and developing capabilities of the Electro Surgical Instrument Co.

The past two decades have brought ample proof to ESI that change is the only constant. The company is now working in new frontiers of lighted instrumentation with new materials and techniques which are making it possible for physicians throughout the world to become more accurate and more effective in their diagnosis and treatment of the human body.

One of the great new areas of materials and techniques is the exciting field of fiber optics for endoscopic diagnosis. The remarkable capabilities of optical glass spun into fibers which transfer both light and vision around curves, permit the doctors to see through body curvatures never before exposed for internal diagnosis. The company is working on the development of taking biopsy samples of suspect tissue which promises to extend the discovery of malignant pathology well beyond current capabilities.

Another field in which ESI is now making new progress is that of plastic disposable devices on instruments related to endoscopy. These offer obvious advantages of saving time and costs in the great hospitals and clinics in the country. The main point of these new products which are recent advances of traditional diagnostic concepts is that they increase the effectiveness of medical personnel in handling and examining more people more effectively than possible before.

The new group which has been charged with the direction of the Electro Surgical Instrument Co. headed by President Henry T. Maijgren is enthusiastic about the breadth of opportunity to serve medicine and the growing population. The increase in health hazards in the natural environment is an important reason for the company's existence and development. The increased interest which governments take in the health of their citizens has created a new environment for medical research and practice.

Recognition for these achievements has been largely absent except, perhaps, from a few specialists. Specialized fields of medicine accept the instrumentation now available as part of the day's work. The rest of the world both knows and cares very little except perhaps in times of critical health emergencies. I am pleased to tell you that our Government has shown interest in Electro Surgical by selecting a set of bronchoscopic instruments for presentation to the Emperor of Ethiopia, Haile Selassie, by the President of the United States. This presentation was made in Washington last spring and is now performing usefulness in the Tsehai Hospital in Addis Ababa, a gift of the Emperor and his wife in honor of their daughter, Princess Tsehai. It is of real interest to myself and the people of Rochester that the request originated in the country of the Emperor, and that this gift could be made in the name of the people of Rochester by ESI who made these instruments first of anyone in the field.

In this record of giving, I am informed that Electro Surgical makes its instruments available to medical teams working in remote and technically deprived areas of the world and to medical missionaries who cannot afford them.

In summing up the record of achievement of the Electro Surgical Instrument Co., I may truthfully say that seldom in the history of corporate history and business enterprise has so much been accomplished for the medical benefit of so many by so few and by so small a group.

In October, Electro Surgical Instrument Co., announced to the American College of Surgeons at their annual meeting in Chicago, that its entire line of instruments has been greatly changed and measurably improved by the use of fiber optic lighting. This very brilliant cold light from a strong but separate source of light which is "piped" to the working end of the instrument by the miracle of optical fiber glass is a great advance for a company on the way to being again great.

The past has been full of progress, especially in the early part of this century. As Electro Surgical moves toward the end of its first century, the future of its work for diagnostic medicine may be even brighter and more promising.

Mr. Speaker, this case history of a small, growing business which has made a major contribution to a vital field of human endeavor is solid evidence of the ability of the American economic system to foster new blood.

It is this element of constant regeneration of the American business system which has led to the high standard of living in this country.

There are many examples of the opportunity for creative people to develop ideas and enter the mainstream of American economic life; prominent among those examples is the Electro Surgical Instrument Co. of Rochester, N.Y.

HOUSE OF REPRESENTATIVES

FRIDAY, NOVEMBER 17, 1967

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

I will hear what God the Lord will speak; for He will speak peace unto His people.—Psalm 85: 8.

O Lord, our God, we are beginning to discover that without Thee we are never at our best. It has taken some of us a long time to realize it. We have been too proud, too stubborn, too determined to have our own way. Somehow Thou hast caught up with us and we know that with Thee alone is life and love. May Thy spirit so come to life in us that we may truly live and triumphantly love.

We pray for the people of our beloved land that they, too, may grow in spirit and by Thy grace be made more than a match for the mood of this day.

Help us to work together for peace in our world, for justice among our citizens, and for good will in the hearts of all.

In the Master's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 1963. An act for the relief of employees of General Services Administration;

H.R. 2517. An act to amend sections 64a, 238, 378, and 483 of the Bankruptcy Act and to repeal sections 354 and 459 of the act;

H.R. 2518. An act to amend sections 337 and 338 of the Bankruptcy Act and to add new section 339;

H.R. 2519. An act to amend sections 334, 355, 367, and 369 of the Bankruptcy Act;

H.R. 2834. An act to amend the act of June 10, 1938, relating to the participation of the United States in the International Criminal Police Organization;

H.R. 3403. An act for the relief of Harry LeRoy Jones;

H.R. 3727. An act for the relief of Elpidio Dimacali Damazo and Natividad Simsuangco Damazo;

H.R. 3799. An act for the relief of the city of Pawtucket, R.I.;

H.R. 6324. An act for the relief of John A. Danisch;

H.R. 7599. An act for the relief of Dr. Emanuel Marcus;

H.R. 7811. An act for the relief of Richard Alan White; and

H.R. 8632. An act to amend sections 40c(1) and 52a of the Bankruptcy Act so as to reallocate part of the filing fee from the clerk's earnings to the referees' salary and expense fund.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 7427. An act for the relief of Maria Kolometroutsis; and

H.R. 12910. An act to establish a Judge Advocate General's Corps in the Navy, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 2) entitled "An act to amend titles 10, 14, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and clarify the status of National Guard technicians, and for other purposes."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 687. An act for the relief of Tim Shik Chin;

S. 964. An act for the relief of Roberto Perdomo;

S. 1040. An act for the relief of certain employees of the Department of the Navy;

S. 1470. An act for the relief of the Ida group of mining claims in Josephine County, Oreg.;

S. 1652. An act for the relief of Anastasia D. Mpatziani;

S. 1664. An act for the relief of the city of El Dorado, Kans.;

S. 1918. An act for the relief of Dr. Gabriel Gomez del Rio;

S. 1925. An act for the relief of Dr. Ricardo Martinez Serrara;

S. 2031. An act for the relief of certain employees at the Naval Air Test Center, U.S. Naval Air Station, Patuxent River, Md.;

S. 2153. An act for the relief of Dr. Jose Rafael Montalvo y Urrutibeascoa;

S. 2199. An act for the relief of Oscar Juan Enriquez-Santos;

S. 2206. An act for the relief of Dr. Jorge Rolando Guerra-Reyes;

S. 2264. An act for the relief of Chi Jen Feng;

S. 2265. An act for the relief of Christopher Nicholas Rushton;

S. 2301.An act for the relief of Dr. Francisco Guillermo Gomez-Inguanzo;

S. 2381. An act for the relief of Dr. Jesus Adalberto Quevedo-Avila;

S. 2382. An act for the relief of Dr. Jose R. Sanchez;

S. 2384. An act for the relief of Jorge A. Marrero;

S. 2386. An act for the relief of Dr. Luis F. Rodriguez Iznaga; and

S. 2468. An act for the relief of Dr. George S. Ioannides.

WORK PLANS UNDER SECTION 2 OF WATERSHED AND PROTECTION AND FLOOD PREVENTION ACT

The SPEAKER laid before the House the following communication which was read, and, together with the accompanying papers, referred to the Committee on Appropriations.

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON AGRICULTURE,
Washington, D.C., November 16, 1967.

Hon. JOHN W. MCCORMACK,
The Speaker,
House of Representatives,
Washington, D.C.

DEAR MR. SPEAKER: Pursuant to the provisions of section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Agriculture today considered and unanimously approved the work plans transmitted to you by Executive Communication No. 1178, 90th Congress. The work plans involved are: Rancho Viejo, Tex.; Spring-Bull, S. Dak.; Main Street Canyon, Calif.; Big Running Water Ditch, Ark.

Sincerely yours,

W. R. POAGE,
Chairman.

THE PRESIDENT'S PRESS CONFERENCE

Mr. ANDERSON of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ANDERSON of Illionis. Mr. Speaker, I have just listened to that portion of President Johnson's news conference where he was asked about his bill for a tax increase which is now stalled in the House Ways and Means Committee. In the most pious and sorrowful tones the President lamented that he was having a very difficult time to get this Congress to "act with fiscal responsibility."

What sheer hyprocisy. This is the same President who not long ago was boasting that in the short time he had been President he had tripled expenditures in several different areas of the Government. This is the same President who this year submitted a budget so loose and irresponsible that when we complete action on the various appropriation bills, we will have reduced it by around $6 billion.

No, Mr. President, any sermons delivered by you to Congress on the subject of fiscal responsibility are about as consistent with your past actions as it would be for the gentleman from Louisiana [Mr. PASSMAN] to get up here and tell us that he has consistently fought for bigger and expanded foreign aid programs.

CALL OF THE HOUSE

Mr. BOW. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 393]

Abbitt
Adams
Andrews, Ala.
Annunzio
Arends
Ashley
Aspinall
Bates
Belcher
Bell
Berry
Bevill
Broomfield
Brown, Ohio
Burke, Fla.
Carey
Celler
Clancy
Clark
Clawson, Del
Cowger
Davis, Wis.
Dawson
Denney
Derwinski
Devine
Diggs
Dingell
Edmondson
Edwards, Ala.
Eilberg
Eshleman
Everett
Evins, Tenn.
Farbstein
Findley
Fino
Ford,
  William D.
Fountain
Fulton, Tenn.
Fuqua
Giaimo
Gilbert
Green, Oreg.
Gurney
Hagan
Halleck
Hanna
Hansen, Idaho
Hansen, Wash.
Harrison
Hawkins
Hays
Heckler, Mass.
Herlong
Hicks
Howard
Hull
Johnson, Pa.
Jones, N.C.
Kee
Kluczynski
Laird
Landrum
McClory
MacGregor
Martin
Mathias, Md.
Meeds
Morgan
Pike
Pucinski
Purcell
Reid, Ill.
Resnick
Rhodes, Ariz.
Rivers
Robison
Rodino
Rogers, Fla.
Rostenkowski
St. Onge
Schadeberg
Schwengel
Scott
Shipley
Springer
Stephens
Stuckey
Thomson, Wis.
Utt
Walker
Watkins
Whitener
Williams, Miss.
Willis
Wilson, Bob
Wright
Wydler
Zion

The SPEAKER. On this rollcall, 332 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

APPOINTMENT OF CONFEREE ON S. 2388, ECONOMIC OPPORTUNITY AMENDMENTS OF 1967

Mr. PERKINS. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. DANIELS] may be excused as a conferee on the bill S. 2388, and that the Speaker be authorized to appoint a Member to fill the vacancy.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The SPEAKER. The Chair appoints the gentleman from Michigan [Mr. O'HARA] to fill the vacancy.

FIVE FACTS STAND IN THE WAY OF A REPUBLICAN VICTORY IN 1968

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, the Republicans are trying desperately to claim victory in 1968. They are encouraging news stories that they have their best chance in years to capture the White House.

I hate to dash their hopes or shatter their morale, but there are a few facts worth considering before the victory celebrations begin.

Fact No. 1: 42 percent of the American electorate are Democrats, and 31 percent independents.

Fact No. 2: Only 27 percent are Republicans.

Fact No. 3: If every Republican voted for their candidate but he failed to win the votes of substantial numbers of Democrats and independents, the Republicans would lose.

Fact No. 4: The Republicans have yet to unearth a presidential candidate who can inspire confidence and trust among the American people.

Fact No. 5: The President will go to the American people in 1968 with more than 90 percent of his 1964 campaign pledges fulfilled—an unprecedented achievement.

In short, we Democrats will allow the Republicans to hold their victory celebrations this November; we will hold ours next November.

FOREIGN ASSISTANCE AND RELATED AGENCIES APPROPRIATIONS, 1968

Mr. PASSMAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Louisiana.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 13893, with Mr. PRICE of Illinois in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday, it had agreed to an amendment striking section 106, ending on page 8, line 11, from the bill.

The Clerk will read.

The Clerk read as follows:

> SEC. 107. (a) No assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country which sells, furnishes, or permits any ships under its registry to carry to Cuba, so long as it is governed by the Castro regime, in addition to those items contained on the list maintained by the Administrator pursuant to title I of the Mutual Defense Assistance Control Act of 1951, as amended, any arms, ammunition, implements of war, atomic energy materials, or any other articles, materials, or supplies of primary stategic significance used in the production of arms, ammunition, and implements of war or of strategic significance to the conduct of war, including petroleum products.
>
> (b) No economic assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country which sells, furnishes, or permits any ships under its registry to carry items of economic assistance to Cuba, so long as it is governed by the Castro regime, or to North Vietnam.

AMENDMENT OFFERED BY MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. FRELINGHUYSEN: On page 8, line 12, strike out lines 12 through 25, inclusive, and strike out on page 9, lines 1 through 5, inclusive.

The CHAIRMAN. The gentleman from New Jersey is recognized for 5 minutes.

Mr. FRELINGHUYSEN. Mr. Chairman, at the close of the debate yesterday I indicated that I had a total of eight amendments to offer. This amendment is the third of the eight. I would like to ask unanimous consent to offer for simultaneous consideration four other amendments which are also at the Clerk's desk.

Let me say, in consideration of whether the unanimous consent should be granted, that in every case my motivation is based on the fact that there already is legislation on the subject covered by the sections which I propose to delete. In my opinion the identical language already is on the books, or similar language, or stronger language. This fact more than justifies the deletion of legislation of this kind from an appropriation act.

I am contemplating one more amendment, I might say, which would propose the deletion of section 119.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, is a unanimous-consent request pending?

The CHAIRMAN. Not at this moment.

Mr. FRELINGHUYSEN. Mr. Chairman, I intended to make a unanimous-consent request.

Mr. GROSS. I think we ought to know what sections of this bill would be affected. The bill not having been read, we ought to know to what sections of the bill the gentleman proposes to offer amendments. I have an amendment I wish to offer to the bill, and I do not want to be ruled out.

The CHAIRMAN. Has the gentleman from New Jersey made his unanimous-consent request?

Mr. FRELINGHUYSEN. Mr. Chairman, I should like to make such a request. Before I do so, perhaps I should indicate what my amendments would propose to delete from the bill.

The pending amendment which I have just offered proposes the deletion of section 107.

The second amendment that I would offer would propose deletion of section 109. The third amendment would propose the deletion of section 114. The fourth amendment would propose the deletion of section 116. The fifth amendment would delete section 117.

Now, I should like to renew my unanimous-consent request.

Mr. GROSS. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

Mr. FRELINGHUYSEN. Mr. Chairman, getting to the subject of the deletion of section 107, I should like to point out that section 620(a) of the Foreign Assistance Act already has similar language. The language to which I refer, which has been on the books, for some time—I hestitate to read it, because it takes so long—is far more inclusive, I might say, than the language proposed by section 107. Let me begin with section 620(a):

> SEC. 620. PROHIBITIONS AGAINST FURNISHING ASSISTANCE.—(a) (1) No assistance shall be furnished under this Act to the present government of Cuba; nor shall any such assistance be furnished to any country which furnishes assistance to the present government of Cuba unless the President determines that such assistance is in the national interest of the United States. As an additional means of implementing and carrying into effect the policy of the preceding sentence, the President is authorized to establish and maintain a total embargo upon all trade between the United States and Cuba.
>
> (2) Except as may be deemed necessary by the President in the interest of the United States, no assistance shall be furnished under this Act to any government of Cuba, nor shall Cuba be entitled to receive any quota authorizing the importation of Cuban sugar into the United States or to receive any other benefit under any law of the United States, until the President determines that such government has taken appropriate steps according to international law standards to return to United States citizens, and to entities not less than 50 per centum beneficially owned by United States citizens, or to provide equitable compensation to such citizens and entities for property taken from such citizens and entities on or after January 1, 1959, by the Government of Cuba.
>
> (3) No funds authorized to be made available under this Act (except under section 214) shall be used to furnish assistance to any country which has failed to take appro-

> priate steps, not later than 60 days after the date of enactment of the Foreign Assistance Act of 1963—
>
> (A) to prevent ships or aircraft under its registry from transporting to Cuba (other than to United States installations in Cuba)—
>
> (i) any items of economic assistance.
>
> (ii) any items which are, for the purposes of title I of the Mutual Defense Assistance Control Act of 1951, as amended, arms, ammunition and implements of war, atomic energy materials, petroleum, transportation materials of strategic value, or items of primary strategic significance used in the production of arms, ammunition, and implements of war, or
>
> (iii) any other equipment, materials, or commodities, so long as Cuba is governed by the Castro regime; and
>
> (B) to prevent ships or aircraft under its registry from transporting any equipment, materials, or commodities from Cuba (other than from United States installations in Cuba) so long as Cuba is governed by the Castro regime.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Iowa.

Mr. KYL. Mr. Chairman, is the difference between the section of law from which the gentleman is now reading and the amendment in the bill the provision which gives the President "authority to do otherwise" if he deems it in the national interest? Is that a difference?

Mr. FRELINGHUYSEN. As I just said, there is a provision which allows the President to determine in such cases where it is in the national interest that aid can be given.

Mr. KYL. If the gentleman will yield further, there is no such language I can find in the amendment offered by the committee at this time. Is that correct?

Mr. FRELINGHUYSEN. The gentleman is correct. The full text of section 107 of the bill reads as follows:

> SEC. 107. (a) No assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country which sells, furnishes, or permits any ships under its registry to carry to Cuba, so long as it is governed by the Castro regime, in addition to those items contained on the list maintained by the Administrator pursuant to title I of the Mutual Defense Assistance Control Act of 1951, as amended, any arms, ammunition, implements of war, atomic energy materials, or any other articles, materials, or supplies of primary strategic significance used in the production of arms, ammunition, and implements of war or of strategic significance to the conduct of war, including petroleum products.
>
> (b) No economic assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country which sells, furnishes, or permits any ships under its registry to carry items of economic assistance to Cuba, so long as it is governed by the Castro regime, or to North Vietnam.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the chairman of the committee.

Mr. PASSMAN. Mr. Chairman, under the language just referred to by the gentleman, section 107(a), does it contain a Presidential determination?

Mr. FRELINGHUYSEN. I just answered the gentleman that I see no such language, Mr. Chairman.

Mr. PASSMAN. Does the language of the authorization bill contain a Presidential determination?

Mr. FRELINGHUYSEN. I just answered that question, I think, Mr. Chairman.

Mr. PASSMAN. I am sorry. I did not hear the gentleman's answer.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(On request of Mr. KYL, and by unanimous consent, Mr. FRELINGHUYSEN was allowed to proceed for 5 additional minutes.)

Mr. FRELINGHUYSEN. Mr. Chairman, I thank the gentleman. I would like to add that this discussion does show the difficulty of legislating on the floor and comparing fairly complicated and extensive language differences between legislative proposals and legislation on the books.

Mr. LIPSCOMB. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from California.

Mr. LIPSCOMB. Mr. Chairman, I believe I understand what the gentleman is trying to do, which is to strike language from the legislation we are now considering and prove that similar language is already in the Foreign Assistance Authorization Act. But we are working now at a time when we are not sure. The gentleman states that the language in the present bill before us is duplication. We have no assurance whatsoever that what the gentleman is doing will not reduce the effectiveness of both the language in the Foreign Assistance Act and the language contained in this bill.

Mr. FRELINGHUYSEN. I might say to the gentleman, if the Appropriations Committee had done its homework and had compared the language already on the books with respect to foreign assistance with the language in its own bill, the Members would be able to see that the language already on the books is far more comprehensive than the proposed language.

Mr. LIPSCOMB. If the gentleman will yield further? The language the gentleman now seeks to delete from the appropriation bill is not new language this year. It has been in the bill for some time.

Mr. FRELINGHUYSEN. I have not contended that it is new language. The fact that it is old language makes it no less subject to criticism and analysis and discussion. Quite obviously, the rule does allow us at least to look at the language, even though it may have been incorporated in previous appropriation bills.

Mr. LIPSCOMB. Am I wrong in my view that by having it in both bills we are doubly sure?

Mr. FRELINGHUYSEN. I do not believe, I might say to the gentleman, that this gives one iota of assurance. I believe all it does is befog and confuse the issue, because in some respects this language does differ. If we want a policy position with respect to Cuba and North Vietnam or trade with Communist countries, it seems to me we speak with more assurance speaking with one voice instead of two. For that reason, the placing of policy statements and restrictions of this kind should be in authorization bills only. If we need improvements from time to time, we should improve those acts. We should not involve ourselves now in policy determinations attempting to compare the value of additional language which may conflict to some extent on a particular subject.

Mr. LIPSCOMB. If the gentleman will yield further, in the law which the gentleman has before him, the Foreign Assistance Act, where does it cover the following language:

> To any country which sells, furnishes, or permits any ships under its registry, to carry to Cuba, so long as it is governed by the Castro regime.

Mr. FRELINGHUYSEN. I might say to the gentleman, if he will read the language of the law the answer will be obvious.

Section 620(a) (3), subsection (B):

> No funds authorized to be made available under this Act (except under section 214) shall be used to furnish assistance to any country which has failed to take appropriate steps,
>
> * * * * *
>
> (B) to prevent ships or aircraft under its registry from the transporting any equipment, materials, or commodities from Cuba (other than from United States installations in Cuba) so long as Cuba is governed by the Castro regime.

The gentleman is demonstrating, without any question, my point that this situation is already covered in the law more explicitly than it would be by this attempt in an appropriation bill.

Mr. LIPSCOMB. As I said earlier, I understand what the gentleman is attempting to do, but I am concerned because we are doing this in a rush on the floor. I do not want in any way to weaken the administration of either the Foreign Assistance Authorization Act or the foreign assistance appropriation bill.

Mr. FRELINGHUYSEN. I might say my intent is not to weaken the administration of the Foreign Assistance Act. My purpose is to let there be but one clear voice of Congress, already expressed. Congress should not speak with confusion. There are different provisions on basic problems. This may result in conflict and a lack of ability to move at a time when we need to move.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Iowa.

Mr. KYL. The matter of Presidential discretion is apparently the item which bothers a number of Members at this point. If the language presently in the bill remains in the bill there is a technical question. Would it repeal the Presidential discretion which is already in the law? This is not an amendment of the section, actually.

Mr. FRELINGHUYSEN. The gentleman makes a good point. To what extent would this apparently flat prohibition prevent the use of the discretionary power of the President?

Mr. KYL. Which exists.

Mr. FRELINGHUYSEN. I would think this would be a clear reason to avoid a possible conflict between two different laws. Why not leave the Presidential determination language already in the act, and which we certainly are not attempting to repeal here, and not confuse the issue by having a flat prohibition?

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, if you recall, the distinguished chairman of the Committee on Foreign Affairs [Mr. MORGAN], voted for the rule to bring out the bill that is presently under consideration. Many Members have strong feelings about the legislation in this bill. If we attempt to water this bill down and take out the sections that we thought would give the Congress and the country protection, then I am of the opinion that you are going to wind up without any bill whatsoever. Mr. MORGAN, the great chairman of the Committee on Foreign Affairs, is absent today. He expressed no objection to this language at the time we were considering it in general debate yesterday. I have not had an opportunity to ascertain as to whether or not all of this legislation is carried line by line verbatim in the Committee on Foreign Affairs' authorization bill. We did not think so at the time we put the language in our bill. I certainly hope the members of the Committee will vote this amendment down. We are not going to be able to rewrite this bill to satisfy the wishes of a few of my friends who are assigned to the Committee on Foreign Affairs. I certainly hope it will be voted down. If it is an exact duplication word by word, then, of course, adjustments can be made when the bill goes to conference. I hope the Committee will vote down this amendment and let us get on with consideration of the bill.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield to me?

Mr. PASSMAN. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I also urge the Committee to vote this amendment down.

Mrs. KELLY. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I am glad to yield to the gentlewoman from New York.

Mrs. KELLY. I thank the gentleman from Louisiana for yielding.

Mr. Chairman, the great chairman of the Committee on Foreign Affairs is absent today and cannot therefore take part in this debate. On my part, I have rarely if ever tried to speak for anyone else. I cannot speak for the chairman but I think the record should be made clear. I understand that he voted for the rule. I understand why he voted for the rule. It is my understanding that he gave a commitment to those who wanted to have this bill brought to the floor without delay. But I also understand that he did not do it with any particular desire to have a rule which would waive points of order against legislation in this appropriation bill. That is what I am told and that is what the members of the Committee on Foreign Affairs and those of us who are endeavoring to straighten out the confusion this committee is in today believe. We are endeavoring to eliminate the confusion by striking out the duplication which this bill would create. I am completely in favor of the amendment suggested by my colleague [Mr. FRELINGHUYSEN] and I hope his amendment prevails.

Mr. PASSMAN. Mr. Chairman, I hope that the Committee will vote down this amendment. We believe we have a good bill. There are good and sufficient reasons why we have this language in the bill. I think it would be a mistake to weaken the language in the bill. I trust the amendment will be voted down.

Mr. CRAMER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, we have been up this hill and down this hill before. This is the same issue, as I see it, that has been before this House time and time again. The amendment contained in the bill before us which the gentleman's amendment would strike—and I oppose the striking amendment—reinstates language which I offered on the floor of this House a number of years ago that makes it mandatory—and that is the issue—makes it mandatory and not discretionary with the President to provide no aid to Cuba.

I know how he has exercised that discretion in the past. He has exercised the discretion, so far as I am concerned, coming from a district and a State 90 miles from Cuba, a Communist-dominated nation in the solar plexus of the Western Hemisphere—he has exercised it to the point where if something is not done, the Communist control of Cuba will be there ad infinitum. If something is not done by the President and by the State Department and by this Congress mandating the executive branch of the Government no longer to give aid to countries trading with Cuba, this country itself will not be doing all in its power to deal with Cuban communism.

Mr. Chairman, this problem is going to be here unless we act with firmness. This Communist-dominated nation is going to remain and the threat of a foreign ideology exists through the operations of the Communists 90 miles from our shores if they are allowed to continue to be there and yes, even, the missiles that were there and were maintained are to some extent there now or if not, can be reinstated and thus, it poses a constant threat to our freedoms.

Mr. Chairman, the threat in the future is to the same extent as it existed in the past. As Castro arms, trains guerrillas and gets economically more entrenched, the threat becomes entrenched.

Mr. Chairman, we have to make up our minds as to whether we are going to mandate the executive branch of the Government to do something about this situation, or whether we are going to give to the President the discretion to make the determination that weakens our resolve. That is the difference.

Mr. Chairman, the wording is very clear. The present law says that—

> No assistance shall be furnished under the Act unless the President determines that such assistance is in the national interest of the United States.

Mr. Chairman, how did that "unless" get in there? It got in there as a substitute to my amendment without such discretion that I offered to the Foreign Assistance Act which contained the restrictions which in my opinion I felt were necessary. The gentleman would strike the language in this bill similar to my previous amendment. I say this, Mr. Chairman, because the distinguished gentleman from Florida [Mr. FASCELL] offered the substitute that gave the President such discretion and thus defeated my amendment providing for no aid to Cuba. I opposed the weakening Presidential discretion in consideration of the Foreign Assistance Act of 1963 and I oppose it now.

Mr. Chairman, I hope the bill, as it came from the committee will be enacted. It is consistent with my amendment in 1963. Otherwise, we are going to get nothing done and the threat is going to still remain there. As it is under the Fascell language of section 600(1) that was substituted for my nondiscretion, absolute prohibition amendment.

Mr. Chairman, we spend billions of dollars to fight communism 6,000 miles away, but yet we do little that is effective about fighting communism when we have it at our own back door. In other words, we are not willing to stand up and make sure the money of the taxpayers is not used for Cuba, directly or indirectly in this effort, while we spend billions other places far away to fight distant communism.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the distinguished gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I wish to compliment the gentleman from Florida [Mr. CRAMER] for answering very quickly, understandably, and with clarity the question to my question even prior to my asking it.

Mr. CRAMER. And, Mr. Chairman, there is a further exception which this proposes to do something about, and that is section 692 which reads:

> Except as deemed necessary by the President in the interest of the United States, no assistance shall be furnished to the government while Cuba is under the present government.

So, Mr. Chairman, there are two exceptions that this action, in the bill before us if approved, would repeal. I want those discretionary exceptions eliminated and the Frelinghuysen amendment would reinstate them.

Mr. TAFT. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Ohio.

Mr. TAFT. Mr. Chairman, I would like to say to the gentleman from Florida that I feel the gentleman raises a very interesting question.

At the outset I would like to say that I agree with the gentleman that a mandatory provision against and to Cuba is needed. I have long supported such a proposal. I supported it when the gentleman from Florida offered it in a prior Congress.

However, it is my opinion that the gentleman is incorrect in his position that the passage of this legislation now pending before the House, without the amendment striking it, would have the effect of removing the prior discretion of the President. This is not correct. We have had a second and specific statement to the effect that the legislation is not being repealed in this legislation. It is important that our position be clear and unequivocal. Passing this language will confuse it. The amendment should be adopted.

Mr. CRAMER. Mr. Chairman, I will say to the distinguished gentleman from Ohio [Mr. TAFT] that insofar as the spending of any money under this authorization is concerned, in my opinion it clearly represents a further restriction, beyond basic law, that the Congress clearly intend to do and that is that we should not extend this type of aid to countries which trade with Cuba, and that is what we have got to do. I agree, however, we cannot avoid the effect less restrictively in an appropriation bill than contained in the basic act but a restriction on spending having the effect of limiting spending is proper and is accomplished, and should be.

Mr. MIZE. Mr. Chairman, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman.

Mr. MIZE. This entire matter of Presidential determination I feel should be looked at rather carefully, because the legislation to which it applies here and elsewhere, differs widely. For example, the Banking and Currency Committee with reference to the Export-Import Bank bill said in the matter of Presidential determination that the President must notify both the House and the Senate 30 days before such determination is made, and it has got to be approved by the appropriate committees of the Congress. In this Foreign Assistance Act the wording is entirely different. The Banking and Currency Committee strengthened that language considerably. I feel that this entire matter of Presidential determination should be standardized.

Mr. CRAMER. Yes, and the President does not have to consult Congress under the amendment which is offered which has the effect of reinstating the less restrictive basic act. The gentleman indicates another example of the congressional efforts to limit Presidential discretion.

Mr. PELLY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, were it not for the fact a point of order would be made against it, I would introduce an amendment to H.R. 13893, the foreign aid appropriation bill, to provide that no funds could go to any country whose vessels harass or seize American fishing vessels on the high seas outside the 12-mile limit. I recognize that such an amendment should have been offered during debate on the foreign aid authorization bill last August, however, Mr. Chairman, at that time I was being assured by the Department of State that conditions were looking good for negotiations to resolve the problems which have arisen by Ecuador's and some other Latin American nations' claim of 200 miles jurisdiction off their coast.

But, since then, Ecuador has militantly harassed, machine-gunned, and forced into port, another American fishing vessel, the *Puritan*, dispelling in my mind, any desire on their part to negotiate. Incidentally, Mr. Chairman, the owner of the *Puritan* was compelled to purchase a license to fish at a price of over $16,000, even though she was sitting dead in the water, 70 miles off the Ecuadorean coast.

In the past few years American fishermen have had to risk their lives unnecessarily off Latin America in the pursuit of their vocation. They have been seized, chased, harassed, tied up in port for long periods of time and some men have even been shot. Fortunately, there have been no fatal incidents, but I do not understand why it should be necessary for American citizens to have to risk these physical dangers while working in a vital industry on the high seas.

Mr. Chairman, I have requested, and even introduced legislation to provide Coast Guard protection for these American citizens, but all I received in response was a State Department letter that they did not want to "meet force with force."

Well, Mr. Chairman, I firmly believe that force of some kind is necessary, be it force of argument, or force of withholding funds such as this foreign aid appropriation provides.

I am determined that as long as I am in this Congress, I will do my utmost to help American fishermen, and all other American citizens, from this type of thievery, both at home and abroad.

Again, I regret I cannot amend this bill so as to stop all aid to any nation illegally seizing our fish boats.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. FRELINGHUYSEN].

The amendment was rejected.

Mr. BOW. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, in this, as in many others, I believe the membership realizes that there is no continuing resolution, there is no authority from this point on to make payments. The continuing resolution is resting with the conferees.

I should like to report to my colleagues what has been going on so that when we reach a crisis here in a few days they will understand that there have been no conferences since a week ago Wednesday to try to solve this very important question. And I would hope that the conferees of the House and of the Senate meet every day until this matter of a continuing resolution is resolved, because we are going to be in a real crisis here some day when the people are not going to be paid.

I agreed to the one bringing it up to November 9 in order that they could be paid through this payday, and this is probably one of the last paydays, and we are going to be facing a real problem.

But this House has voted on three occasions for a spending limitation. It seems to me we ought to be in conference working the will of this House, and not waiting until we are faced with a crisis of a number of people not being paid, and obligations of the Government not being taken care of.

I just want to point out one thing to the Members, and that is that limitation was $131.5 billion that this House approved. The President in his press conference today rather chided the Congress and said that it now appears that Congress will only cut about $1 billion out of the $145 billion in expenditures contained in his budget for fiscal 1968.

The President said we were only going to cut $1 billion. My distinguished chairman the other day said that we were going to cut $2.6 billion. But if we put a spending limitation on expenditures we will make some real savings for the American people.

So I would hope that the conferees will be back in session, and begin to discuss this matter and try to reach some solution.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Chairman, I thank the distinguished gentleman for being kind enough to yield.

From the districts of my colleague, the gentleman from Florida [Mr. FASCELL] and myself, we have been advised because of a misunderstanding apparently of the executive branch of the Government about the meaning of the continuing resolution, which was put through, that 700 people under the poverty program in Dade County in Mr. FASCELL's district and in my district are not going to be paid today.

Some of those people work in the day care centers, and some of them work in the neighborhood centers, some in other activities. They work under what we call the Economic Opportunity Program, Inc., which is the community action program, the approved economic opportunity program, and they get their money from grants so they were not literally on the Federal payroll. But they are, of course, a part of the program.

Mr. Chairman, they are very much concerned about this matter.

I spoke to the able Senator from my State, Senator HOLLAND, this morning. He said that it was the intention of the Senate conferees in the conference that the effect of this continuing resolution that all people who were working under the program up to November 9 shall be paid for that work at the next payday, and that he would be willing to make such a statement on the floor of the Senate, and invited me to inquire as to this of our distinguished colleagues in this body.

Mr. BOW. In reply to the gentleman from Florida, may I say that when the House agreed to the continuing resolution, through November 9, it was my impression and my intention that these people who were working would be paid through this payday. I would not want to penalize the people who are working because of an impasse here. And that is the reason I agreed to it.

I will not agree to any more, because we ought to settle this matter of the continuing resolution.

Mr. PEPPER. It was the intention, then, of the conferees on the part of the House, as I understood the able gentleman from Ohio, who was just speaking, that this would include a payday for these people who worked under this contract program up to November 9?

Mr. BOW. Yes; because that would be

the pay for that time that they worked. Does my distinguished chairman agree with me—I mean on the question of whether these people should be paid?

Mr. MAHON. Mr. Chairman, if the gentleman would yield, I am not sure what the facts and circumstances are in the case presented. It depends upon whether or not payment can be made in accordance with law.

There are certain programs that have gotten into difficulty. Wherever money is due it should be paid. But we cannot encourage a disregard of the law. I believe the case must rest on the facts. The continuing resolution expired on November 9. The previous resolution expired on October 23.

Mr. BOW. I will say to my distinguished chairman, this is not an attempt on my part to disregard the law.

It seems to me when we passed this resolution, it was for the purpose of taking care of the obligations up to this point. This is my feeling on it. But as of this point on, there is no opportunity to pay.

Mr. PEPPER. Will the able chairman allow me to say that I have consulted with the Economic Opportunity authorities and they have told me that there are 40 communities in the United States similarly situated to Mr. FASCELL's and mine where the people will not be paid unless we can have an understanding that those people who were paid on the last payday will get one more payday—and not beyond that—whether they were under a grant program dealing with or working for a contract agency—or literally getting their check directly from the Federal Government.

Of course, this means a great deal to many people in many communities throughout the country.

Mr. MAHON. Mr. Chairman, if the officials in the Office of Economic Opportunity, who are in charge of day-to-day administration, do not think they have the legal right to pay, I, of course, could not say that they should violate the law.

We have gotten into this predicament to a very considerable extent as the result of the long delay in getting the authorization bill for the Office of Economic Opportunity enacted.

Mr. BOW. May I just ask my distinguished chairman why we have not met in conference since a week ago last Wednesday to try to correct this situation?

Mr. MAHON. I think I would not have time to explain that since the gentleman's time is about to expire, but I will move to strike out the last word in a moment and comment on that if I may.

Mr. PEPPER. The able gentleman from Ohio [Mr. Bow] has been the leader in the effort to reduce expenditures and he is now making it clear that up until—and through this payday for work performed up to November 9—he does not intend anybody to be taken off the payroll or not to be paid for the services that they have rendered up until November 9. I am sure the gentleman from Ohio did not mean that those people who have been working to November 9 will not be paid.

Mr. BOW. That is paid up until this time.

Mr. PEPPER. It looks like we could collaborate on this matter and just recognize that anybody who has worked under this program should be paid.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. Bow] has expired.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Several of our departments and agencies have found that they had no authority to operate beginning July 1 because there was no authorizing legislation, and hence no appropriation.

So we in Congress passed continuing resolutions on several different occasions, and still the authorization bills were not enacted in all cases.

We find ourselves in some difficulty as a result of delays in authorization bills.

With respect to the continuing resolution which passed the House sometime ago, the last one, except for the one attached to the District of Columbia appropriation bill, we had a conference meeting with the other body on October 26.

We had another meeting on October 27.

The other body was adamant in its position against the so-called Whitten-Bow amendments and would not agree to the position taken by the House. We would not recede from our position and there was a deadlock.

We met again on October 31 and then we met again on November 3.

Then we met again on November 8, a week ago Wednesday, and we seemed to make some progress at that meeting. I am hopeful that some sort of settlement of this resolution can be achieved. It is not clear that it can. We plan to meet again next week.

But the House has not been willing to capitulate to the other body, and therefore we have not agreed. If we had gone over to the other body and agreed with the conferees of that body, and if we had brought back a simple continuing resolution, the matter could have been voted on again but we felt the House would not agree to a simple resolution. We are seeking to work out a compromise. The Senate conferees would not accept the House position. That is where we find ourselves at this time.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Ohio.

Mr. BOW. I think we should point out at this time the unwritten rule that is in the rule book which states that when one body passes a bill and another body amends that bill, they must recede. In case of failure of the bill, the body that amended the bill or the joint resolution takes the responsibility for failure of the bill or joint resolution. Therefore, the Senate having amended our bill, if there is a bill, should this crisis come, they must accept the responsibility. That is the rule of the conference.

Mr. MAHON. I thank the gentleman. The gentleman has made an interesting comment.

Mr. PEPPER. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Florida.

Mr. PEPPER. Mr. Chairman, what we are seeking to do now is to get an agreement as to what the intention of the continuing resolution was. If I am not being presumptuous, I see on the floor today the able gentleman from Kentucky [Mr. NATCHER]. I spoke to him yesterday first after the gentleman from Florida [Mr. FASCELL] and I heard from our people that 700 people would not be paid today, to determine whether or not it was the contemplation of that resolution, as he understood it, to include these people that I am talking about. He said, "Yes."

Then we went to see the able gentleman from Ohio [Mr. Bow], and he said, "Yes."

Mr. MAHON. Mr. Chairman, I ask unanimous consent to proceed for 1 additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PEPPER. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. I yield to the gentleman from Florida.

Mr. PEPPER. The able Senator from Florida [Mr. HOLLAND], who apparently was one of the senior representatives of the other body, said that that was his understanding, and he would so state on the floor of the other body. If we could get unanimity that that is what was intended, it seems to me the executive agency, for this one payday alone, would recognize the intention of the conferees who have reported out this resolution.

Mr. MAHON. Mr. Chairman, the agencies are pretty liberal in interpreting the law in their favor, and if the lawyers in the Office of Economic Opportunity do not believe that they can legally pay these people, I would be inclined to accept their view rather than my own off-the-cuff view with respect to the specific problem that may be confronting the agency.

I would be glad to look further into this question and do what I can as a member of the House Appropriations Committee to be helpful. But I am not willing to put a construction on the question which the people who have much to gain by this construction are unwilling to place upon the matter themselves.

Mr. Chairman, under leave granted, may I add that the last extension of the continuing resolution was included in the District of Columbia Appropriation Act, 1968. This extension was from October 23 to November 9.

It seems to me to be quite clear that since November 9 there has been no authority for the agencies that do not have their regular appropriations for fiscal year 1968 to incur new obligations. I do not see how any discussion in the House and/or the Senate can change the fact that the authority contained in the continuing resolution is not now effective and has not been since November 9.

I asked our staff to make a quick check

this afternoon, and as I understand the situation with regard to the Office of Economic Opportunity, there are certain grant programs under the community action program that have expired since November 9 that probably would have been extended if the authority existed to make the additional grants. Frankly, I know of no authority they have to make such additional grants and I am informally advised that their lawyers know of no such authority.

I regret that this situation may result in the disruption of programs and perhaps also in personal hardship in some instances. However, as I explained, we have tried several times to resolve the differences between the House and the Senate on the extension of the continuing resolution that is now in conference, and have been unable to do so. We are seeking to resolve the matter.

Mr. ADAIR. Mr. Chairman, I move to strike the requisite number of words.

Mr. PEPPER. Mr. Chairman, will the gentleman yield briefly?

Mr. ADAIR. I yield to the gentleman from Florida.

Mr. PEPPER. I thank the able gentleman. Would the distinguished chairman of the Appropriations Committee be good enough to have his technical people look into this matter to see if possibly before the end of the day appropriate statements might be made in the two bodies that might resolve this dilemma?

Mr. MAHON. Mr. Chairman, does the gentleman from Indiana yield?

Mr. ADAIR. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, I would certainly be glad to cooperate in every possible way. I hope a way can be found to pay people who have been working. I am in favor of doing everything we can legally do to alleviate this hardship. I want to cooperate with the gentleman. I commend him for undertaking to be helpful to people who are involved in this situation.

Mr. PEPPER. Mr. Chairman, I thank the gentleman very much.

Mr. ADAIR. Mr. Chairman, one of the arguments advanced by those who supported the writing of legislation in this appropriation bill, contrary to the usual rules of the House, was the fact that the Foreign Affairs Committee, and perhaps especially the conferees on that bill, took so much time in conference. It was, however, pointed out that the time we took in conference was to a considerable degree the fault of Members of the other body who were absent and thus made the holding of conferences impossible. It is interesting today, Mr. Chairman, to observe now that members of the Appropriations Committee are here complaining that they, in turn, are having difficulties getting to an agreement with conferees of the other body.

Now, Mr. Chairman, under the circumstances, I think it only fair that members of the Foreign Affairs Committee offer to assist the members of the Appropriations Committee in their efforts to get to an agreement.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 108. Any expenditure made from funds provided in this title for procurement outside the United States of any commodity in bulk and in excess of $100,000 shall be reported to the Committees on Appropriations of the Senate and the House of Representatives at least twice annually: *Provided*, That each such report shall state the reasons for which the President determined, pursuant to criteria set forth in section 604(a) of the Foreign Assistance Act of 1961, as amended, that foreign procurement will not result in adverse effects upon the economy of the United States or the industrial mobilization base which outweigh the economic or other advantages to the United States of less costly procurement outside the United States.

Mr. KYL. Mr. Chairman, I have a pro forma amendment.

Mr. Chairman, in section 108, we find the language which says the President must make a determination that foreign procurement shall not result in adverse effects upon the economy of the United States. In the interest of time, I refer Members to the sections on page 17 and 18, for the Inter-American Development Bank, which includes $300 million for payment of the third installment of supplementary contributions of the United States for the International Development Association, $104 million, in the next section, for the Export-Import Bank, and $2,550,000. All of these things together become very important in our consideration of this legislation when we read the news of the day.

According to an authoritative financial paper, the Wall Street Journal, the U.S. deficit in international transactions deepened in the third quarter, indicating the 1967 dollar outflow will be the largest in 3 years. The overall deficit was a seasonally adjusted $670 million. The Commerce Department reported the most adverse showing since early 1965. The surplus of merchandise trade slipped only slightly from the second quarter, but bank lending overseas spurted. Foreign investments by banks, and business firms according to the Journal, were subjected by the Treasury today to tighter but still voluntary curbs for 1968 in view of this outflow.

Secretary Fowler in commenting said that the curbs have been "extended more often than we would like" but explained that:

> This is a consequence of a large foreign exchange cost in connection with Vietnam.

This is a significant statement from the Secretary.

> We must not—

He said—

> in any way slacken our efforts to reduce the payments deficit.

He pointed out there will be more stress next year on getting companies to borrow abroad.

Here, Mr. Chairman, we have the Treasury Department of the United States urging American business on the one hand to reduce investments abroad, to borrow funds abroad. Then at the same time, in legislation which we consider today, we are trying to do just the opposite thing, plus having the Federal Government itself engage in the distribution of American dollars abroad.

I believe it is significant, when we consider this legislation for foreign aid today, to think a bit about the serious balance-of-payments problem and the inconsistent effort that we demonstrate downtown and here on this day.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 109 (a) No assistance shall be furnished to any nation, whose government is based upon that theory of government known as communism under the Foreign Assistance Act of 1961, as amended, for any arms, ammunition, implements of war, atomic energy materials, or any articles, materials, or supplies, such as petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war, contained on the list maintained by the Administrator pursuant to title I of the Mutual Defense Assistance Control Act of 1951, as amended.

(b) No economic assistance shall be furnished to any nation whose government is based upon that theory of government known as communism under the Foreign Assistance Act of 1961, as amended (except section 214(b)), unless the President determines that the withholding of such assistance would be contrary to the national interest and reports such determination to the Foreign Affairs and Appropriations Committees of the House of Representatives and Foreign Relations and Appropriations Committees of the Senate. Reports made pursuant to this subsection shall be published in the Federal Register within seven days of submission to the committees and shall contain a statement by the President of the reasons for such determination.

AMENDMENT OFFERED BY MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FRELINGHUYSEN: On page 9, line 19, strike out lines 19 through 24 inclusive and on page 10, lines 1 through 18 inclusive.

Mr. FRELINGHUYSEN. Mr. Chairman, I realize the difficulty of one individual arguing with the distinguished Committee on Appropriations. I want to assure them, as well as all other members of this Committee, that I am seeking no argument. I hope on this amendment we can reach agreement.

My proposal is, quite simply, to strike section 109, which refers to limitations and restrictions on giving any aid or assistance to countries governed by Communists.

I do so not in any way to weaken the bill, or modify our attitude toward those countries. Intimation was made when I offered my last amendment that if it were accepted, and if certain language were deleted, that our attitude might in some way be weakened.

I do this primarily to avoid the inevitable confusion between conflicting but very similar policy statements—those made in an appropriation bill, which I consider inappropriate, and those already enacted into law.

I wish time would permit an adequate discussion of the differences in the language.

I refer specifically to section 620(b) and 620(f) of the basic Foreign Assistance Act of 1961, as amended.

Section 620(b) is a one-sentence section:

> No assistance shall be furnished under this Act to the government of any country unless the President determines that such country is not dominated or controlled by the International Communist movement.

Section 620(f) reads as follows:

> (f) No assistance shall be furnished under this Act, as amended (except section 214(b)), to any Communist country. This restriction may not be waived pursuant to any authority contained in this Act unless the President finds and promptly reports to Congress that: (1) such assistance is vital to the security of the United States; (2) the recipient country is not controlled by the international Communist conspiracy; and (3) such assistance will further promote the independence of the recipient country from international communism. For the purposes of this subsection, the phrase "Communist country" shall include specifically, but not be limited to, the following countries:
>
> Peoples Republic of Albania,
> Peoples Republic of Bulgaria,
> Peoples Republic of China,
> Czechoslovak Socialist Republic,
> German Democratic Republic (East Germany),
> Estonia,
> Hungarian Peoples Republic,
> Latvia,
> Lithuania,
> North Korean Peoples Republic,
> North Vietnam,
> Outer Mongolia-Mongolian Peoples Republic,
> Polish Peoples Republic,
> Rumanian Peoples Republic,
> Tibet,
> Federal Peoples Republic of Yugoslavia,
> Cuba, and
> Union of Soviet Socialist Republics (including its captive constituent republics).

In contrast, the text of the language contained in section 109 of the bill before us reads as follows:

> SEC. 109 (a) No assistance shall be furnished to any nation, whose government is based upon that theory of government known as communism under the Foreign Assistance Act of 1961, as amended, for any arms, ammunition, implements of war, atomic energy materials, or any articles, materials or supplies, such as petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war, contained on the list maintained by the Administrator pursuant to title I of the Mutual Defense Assistance Control Act of 1951, as amended.
>
> (b) No economic assistance shall be furnished to any nation whose government is based upon that theory of government known as communism under the Foreign Assistance Act of 1961, as amended (except section 214(b)), unless the President determines that the withholding of such assistance would be contrary to the national interest and reports such determination to the Foreign Affairs and Appropriations Committees of the House of Representatives and Foreign Relations and Appropriations Committees of the Senate. Reports made pursuant to this subsection shall be published in the Federal Register within seven days of submission to the committees and shall contain a statement by the President of the reasons for such determination.

To summarize: the restrictions on aid to Communist countries are far stronger in the language already approved by Congress than in the language proposed in section 109. If we do not strike the language in section 109 we are going to set up conflicts in our attitude, give different directions to our executive branch of Government. I believe all should agree this is undesirable.

As an example of what I mean about restrictions, the bill proposes a simple restriction which says—and I read from page 10, lines 10 and 11:

> No economic assistance shall be furnished to any * * * unless the President determines that the withholding of such assistance would be contrary to the national interest * * *

What does the existing law say, Mr. Chairman? It says that—

> No assistance shall be furnished * * * to any Communist country. This restriction may not be waived pursuant to any authority contained in this Act unless the President finds and promptly reports to Congress that: (1) such assistance is vital to the security of the United States; (2) the recipient country is not controlled by the international Communist conspiracy; and (3) such assistance will further promote the independence of the recipient country from international communism.

Surely there can be no argument that this kind of restriction on aid to Communist countries is more restrictive than the language proposed in this bill.

In addition, the language already on the books specifies specifically, by name, in section 620(f) those countries which qualify as Communist countries. So I urge favorable consideration of this amendment.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Indiana.

Mr. ADAIR. Mr. Chairman, in support of the gentleman's position, I point out here again there is certainly vagueness in the wording. For example, at the bottom of page 9 and the top of page 10 where reference is made to "materials, or supplies, such as petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition, and implements of war, contained on the list maintained by the Administrator pursuant to title I of the Mutual Defense Assistance Control Act of 1951, as amended."

It seems to me that language is so vague as to invite the confusion of which the gentleman speaks. Therefore, I urge the adoption of his amendment.

Mr. FRELINGHUYSEN. I thank the gentleman from Indiana.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

It is perfectly obvious that the amendment offered by the gentleman from New Jersey would greatly weaken the language contained in section 109(a) of the committee bill which says:

> SEC. 109. (a) No assistance shall be furnished to any nation, whose government is based upon that theory of government known as communism under the Foreign Assistance Act of 1961, as amended, for any arms, ammunition, implements of war, atomic energy materials, or any articles, materials, or supplies, such as petroleum, transportation materials of strategic value, and items of primary strategic significance used in the production of arms, ammunition and implements of war, contained on the list maintained by the Administrator pursuant to title I of the Mutual Defense Assistance Control Act of 1951, as amended.

We do not allow any Presidential waiver whatsoever as far as military assistance to Communist countries is concerned. Under the next provision, 109(b), we do permit a Presidential waiver on economic assistance, but on military assistance we have it airtight. This amendment would destroy what the committee felt is absolutely necessary, and that is to prevent the executive branch of the Government from providing any type of military assistance to a Communist country.

I hope that the members of the committee will vote down this amendment.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, as we indicated in the other amendment, I think it is pretty clear we should not be giving or selling arms even to friendly countries where this diverts resources from the primary purpose of foreign aid, let alone giving such assistance to the enemies of the United States.

Mr. PASSMAN. To the very able and distinguished Member from Maryland [Mr. LONG] I ask this question: Do you concur with me that this amendment would weaken the committee language and allow a Presidential determination, but under the language of our bill it is absolutely airtight and under no conditions can any type of war materiel be provided?

Mr. LONG of Maryland. I agree, and in my estimation, to do what the amendment proposes would in a sense be to lock the front door and leave the back door wide open.

Mrs. KELLY. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, first I would like to ask the chairman of the committee to what Communist countries do we give military aid at this point?

Mr. PASSMAN. That is not a question. Under existing law no military assistance can be given to any Communist country but under the amendment proposed by the gentleman from New Jersey it could be done.

Mrs. KELLY. That was not the question. I asked you what laws are on the books which would allow the President to give military aid to any country known as a Communist country, referring specifically to the Foreign Assistance Act? There are none, and no military aid is being given to any Communist country.

Mr. Chairman, I take second place to no one in my determination to prohibit the sending of military arms to any country, as we say in this new time of cold war, known as a Communist nation.

Mr. Chairman, I was one of the authors of the Mutual Defense Assistance Control Act of 1950, known as the Battle Act, which was the first major law designed to deny arms and aid to Communist countries. I have continued over the years in supporting our adherence to the provisions of that act and the operations which are carried on under that law. I had a great deal to do in the Committee on Foreign Affairs with reference to the other law referred to by my colleague, the gentleman from New Jersey [Mr. FRELINGHUYSEN], the Foreign Assistance Act, and I have particular reference to section 620(b) of that act which lists all those countries to which no aid is to be extended.

Mr. Chairman, I want to add that as a result of these laws, we have denied military equipment and other forms of aid to Communist countries for many years.

We all remember, of course, that President Eisenhower some years ago made a determination which allowed the sale of our farm surpluses to Poland. In a letter sent to the Committee on Foreign Affairs he explained fully his reasons for that action as a result thereof, Public Law 480, surplus commodities were subsequently sold to Poland. I must say this, that the Polish people have appreciated that gesture on our part and that the good will generated by those sales helped to demonstrate that the free people on the other side of the Iron Curtain had not forgotten them.

So, Mr. Chairman, I say at this time that the new language proposed in the bill before us does not improve our law prohibiting aid to Communist countries. Such aid is already prohibited and the bill simply creates confusion and uncertainty. For that reason, I support the amendment of the gentleman from New Jersey [Mr. FRELINGHUYSEN].

Mr. FRELINGHUYSEN. Mr. Chairman, will the distinguished gentlewoman yield?

Mrs. KELLY. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I would like to point out that the gentleman from Louisiana has intimated that the existing law in some way provides a loophole which allows the President of the United States to provide military assistance of certain kinds to Communist countries. I would suggest that the loophole is a very small one. There are very tight restrictions and conditions under which the President can operate. It is inconceivable to me that he could meet those conditions and provide military assistance to Communist-controlled countries.

Therefore, Mr. Chairman, I would think that a flat prohibition such as is presently contained in the law, with tight restrictions on the President, in cases vital to the national security provides more than adequate protection. And, further, under no circumstances, as a practical matter, is any President of the United States going to supply military assistance to the Communist countries.

Mrs. KELLY. Mr. Chairman, I thank my distinguished colleague from New Jersey [Mr. FRELINGHUYSEN] for his contribution.

Mr. Chairman, I want to ask my colleague from New Jersey if he would ever offer any amendment in order to permit the sale of military equipment to any country under the control of the Communist Party?

Mr. FRELINGHUYSEN. Mr. Chairman, if the distinguished gentlewoman will yield further, I would say that it would be inconceivable. It is for this reason that I am calling attention to the very strict requirements contained in the present law, which I think are advisable. I refer to sections 620(f).

Mr. LONG of Maryland. Mr. Chairman, I move to strike the requisite number of words.

Mr. LONG of Maryland. Mr. Chairman, I rise in opposition to the amendment.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I should like to ask any member of the Committee on Foreign Affairs if it is not true that in the authorizing legislation for our appropriation bill there is a phrase or clause which reads as follows:

> No assistance shall be furnished under this Act to the government of any country unless the President determines that such country is not dominated or controlled by the international Communist movement.

You do give the President the right of determination, do you not?

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman.

Mr. FRELINGHUYSEN. I assume the gentleman from Louisiana does not believe I, as an individual, am in a position personally to give the President anything.

Mr. PASSMAN. I am not talking about you as an individual, I am reading the language in the public law. Do I read it correctly?

Mr. FRELINGHUYSEN. The Congress of the United States has spelled out, if the gentleman will refer to section 620(f) of the Foreign Assistance Act, as to what we mean by Communist controlled. And it gives no leeway except in cases where it is felt it would be in the national security.

It is inconceivable that the President would find it essential to the national security to give military assistance to a Communist country.

Mr. PASSMAN. I agree. We would not expect the President to do so, but under the Foreign Assistance Act, as I read it, the President could make such an exception; could he not?

Mr. FRELINGHUYSEN. Well, I do not believe our President is a moron, and that he would——

Mr. PASSMAN. I did not say that. I am asking you the question: Could the President make such an exception?

Mr. FRELINGHUYSEN. I would suggest that the limitations on the President's authority are very restrictive, as I have stated three times. We are not giving him any freedom, and in any case it is inconceivable that he would abuse his power by giving assistance to Communist-controlled countries.

Mr. PASSMAN. I repeat my question. Section 620(b) of the authorization act states:

> No assistance shall be furnished under this Act to the government of any country unless the President determines that such country is not dominated or controlled by the international Communist movement.

Under that language the President could make a determination to extend assistance to a Communist country; could he not?

Mr. LONG of Maryland. It would seem to me that he could.

Mr. PASSMAN. But under the language of the bill presently under consideration, the President could not make this determination, could he?

Mr. LONG of Maryland. I will say to the gentleman that I believe that is right, and that is the way I believe it should be.

Mr. FRELINGHUYSEN. Mr. Chairman, could I ask the gentleman the meaning of the language in Section 109:

> No assistance shall be furnished to any nation, whose government is based upon that theory of government known as communism—

Does not that language mean that somebody has to make a determination as to whether that country is controlled by communism? Is it not appropriate that our own President should be given a reasonable amount of discretion to decide whether or not the country is controlled by communism? Surely the gentleman——

Mr. LONG of Maryland. But that is not the point that the gentleman is raising.

Mr. FRELINGHUYSEN. I am not raising the point, the gentleman from Louisiana is raising the point. I am saying that somebody has to be given discretion to decide whether a country is controlled by Communists. The intimation is that the Committee on Appropriations is in some way depriving the President of that right.

Mr. LONG of Maryland. The point of this legislation is that once the determination is made that the country is a Communist country, then the President would have no discretion.

Mr. PASSMAN. I want to state in section 107(b), which this amendment proposes to delete, that we do provide that the President may make the determination and give economic aid. But we positively close the door for a similar determination by the President on military assistance. I certainly hope the Committee will vote down this amendment.

Mr. LONG of Maryland. We not only lock the front door; we lock the back door.

Mr. PASSMAN. That is what we want to do and what the language of the committee bill is designed to do.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from Indiana.

Mr. ADAIR. Under the provisions of the proposed law, let me ask the gentleman: Who is to make the determination as to whether or not a country is under Communist domination?

Mr. LONG of Maryland. I would assume, if the gentleman is directing the question to me, that it would be made by those who have the job of administering the law.

But the point we are determining here or raising here is not the question of who determines whether a country is Communist but what discretion the President has once that determination is made, and whether we want to take that discretion away from him.

Mr. ADAIR. Then this amendment would have the effect of taking the discretion away from the President and lodging it with some administrator down the line to determine whether a country is Communist?

Mr. PASSMAN. That is not so under the language of our bill. The administrators of this bill would not have the discretion to make such a determination.

Mr. TAFT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, there has been a good deal of discussion about the front door being closed and the back door being opened. I think the point which has been made very clearly in the language as presently stated in proposed section 109(a) opens it absolutely wide open.

As the gentleman from Indiana [Mr. ADAIR] just pointed out, the only prohibition indicated in section 109(a) relates to items, military items, contained on a list determined by the Administrator or AID pursuant to title I of the National Defense Assistance Control Act (22 U.S.C.A. 1611(a)).

Under that act, if the Administrator desires to declassify an item as military equipment, he may take it off the list which is provided under title I.

I think this just goes to point out the very serious dangers of taking up this kind of a provision on a bill that is primarily related to appropriations.

Actually, the door is open a great deal wider under section 109(a) than it is opened under any permissive provisions under any other act. I wonder if the Committee on Appropriations has considered this point and would care to comment on that.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. TAFT. I yield to the gentleman.

Mr. PASSMAN. If the gentleman will refer to the Foreign Assistance Act of 1961, as amended, I will quote, from the gentleman's own authorization bill, section 620(b):

> No assistance shall be furnished under this Act to the government of any country unless the President determines that such country is not dominated or controlled by the international Communist movement.

That language provides that no assistance shall be furnished under this act to the government of any Communist country unless there is a Presidential determination that such country is not dominated, and so on.

Our language provides that no Communist country can be provided military equipment even if there is that determination.

Mr. TAFT. But for the provision to apply the military equipment must be military equipment listed on this list under title I of the Mutual Defense Control Act. The administration must make the determination. That list is authorized to be kept up to date and may be changed from time to time.

Mr. LONG of Maryland. Does the gentleman maintain that this rather clearly defined list of implements of war is not sufficiently comprehensive to cover all implemented weapons of war?

Mr. TAFT. I presume there are new weapons and new items of military equipment that may be determined from time to time. I would like to have the President and not the Administrator of the AID program have the discretion.

Mr. LONG of Maryland. You are talking about some day in the distant future when the meaning of what we are considering to be implements of war may have changed. At the present time this is a fairly comprehensive list.

Mr. PASSMAN. I certainly concur that this list should be updated as often as necessary. However, I, too, believe it is fairly comprehensive.

This committee felt that the President should not have that determination as to military assistance. If you want to make it more clearly defined as to what are strategic materials, then your committee should update the list of strategic materials.

Mr. FRELINGHUYSEN. The gentleman from Louisiana astounds me. Perhaps I do not understand but the gentleman apparently is saying that in effect the Appropriations Committee is trying to repeal section 620(b) of the Foreign Assistance Act.

Let me read from it.

> No assistance shall be furnished under this Act to the government of any country unless the President determines that this country is not dominated or controlled by the international Communist movement.

Is the gentleman from Louisiana saying, with respect to military equipment, that he does not feel the President should have any right or any discretion to decide whether a country is controlled by communism? I would think such a view would lend itself to an impossible situation.

Perhaps the Appropriations Committee has more wisdom than the President of the United States, but in the bill they have not replaced him as the entity that should make such a determination. I would think that the legislative record which we are building will make it impossible for anyone to move in any direction, yet it may well be important for the President to have the discretion to make a judgment with respect to a certain country so as to allow us to provide assistance, including military assistance, to that country.

Mr. ZABLOCKI. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Wisconsin is recognized.

Mr. ZABLOCKI. I submit that the debate we have just heard fully illustrates how little some Members realize what is already in the law—in the Foreign Assistance Act.

Section 109 of the appropriation bill in effect, opens the door instead of tightening the existing law.

The gentleman from Louisiana has read only a part of section 620 of the Foreign Assistance Act. He read only subsection (b) of that section. I suggest that the gentleman from Louisiana read also subsection (f) which has a more direct bearing on the issue at hand. Subsection (6) reads:

> No assistance shall be furnished under this act . . . to any Communist country. . .

The words "no assistance under this act" mean both military and economic assistance. There are no "ifs" or "buts" about it. Both types of aid are already prohibited, and the act spells out, as the gentleman from New Jersey has pointed out, the three conditions under which the President can waive this prohibition. Those three conditions are more stringent than any language proposed in the bill before us.

It pains me to see that it is the Members on the other side of the aisle who have led the fight to retain the language of existing law and who thereby have demonstrated confidence in our President. It is on this side of the aisle that we find people who apparently do not have sufficient confidence in our President to expect him to administer section 620(f) in a manner that serves the interests of our Nation.

Under the present act, no Communist country is receiving military assistance, and the gentleman from Louisiana knows that. This proposed language in the bill is window dressing. It can only create conflicts and confusion. It is unfortunate that we are dealing with legislation as important as this under these conditions.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Is it not true that the language in the committee bill presently denies the right of determination to the President, whereas under your committee authorization bill language he can make a determination and provide military equipment to Communist countries? Is that not a statement of fact?

Mr. ZABLOCKI. As was so ably pointed out by the gentleman from New Jersey and the gentleman from Ohio and the gentleman from Indiana, under section 109(a), it appears that the members of the Appropriations Committee are unable to identify who will make the determination as to what government is based upon the theory of government known as communistic and is ineligible for assistance. The gentleman from Indiana pointed out that very likely some Assistant Secretary will make the determination. Under the Foreign Assistance Act it is clearly the President who will make the determination whether or not assistance can indeed be furnished.

Mr. PASSMAN. Does the gentleman have the time to answer my question? You made a statement, but you did not answer my question: In the legislation under consideration the President is not given the right to make a determination, but under the Foreign Assistance Act the President can make a determination to provide military equipment to Communist countries. Is that a statement of fact?

Mr. ZABLOCKI. Only if the President finds that the three criteria, carefully spelled out in the law, are met. And the three criteria in effect prohibit aid under any and all circumstances to any country which is a part of the communist conspiracy.

Mr. PASSMAN. I thank the gentleman for his confirmation.

Mr. ZABLOCKI. These criteria were accepted by the Foreign Affairs Committee and the Congress after careful study. I do not think we should willy-nilly change them and possibly further bind the hands of the President. The President, under our Constitution, has the primary responsibility in foreign affairs. I do not think that he will abrogate these responsibilities and his powers to the Appropriations Committee. And I do not think that the Foreign Affairs Committee should abrogate its powers to the Appropriations Committee.

Mrs. KELLY. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I yield to the gentlewoman from New York.

Mrs. KELLY. I thank the gentleman for yielding. Under the Mutual Defense Assistance Control Act and the Foreign Assistance Act there are prohibitions against giving military assistance to any country under Communist domination. That is already on the books. I thank the gentleman in that regard.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield for a question?

Mr. ZABLOCKI. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, to assist my understanding of what the present law is and how this bill may change it, let us assume for purposes of our understanding that one Communist country attacked another and that it was in our national interest to help one of them. Can we under the present law give such military assistance, and under the bill as proposed can we give such military assistance?

Mr. ZABLOCKI. If the President makes a determination to the effect that the three criteria spelled out in section 620(f) of the Foreign Assistance Act are met, positive action would, of course, be possible.

Mr. CONTE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I certainly did not intend to get into this debate. In the first place, I think we have debated this long enough. We should bring this to a close and get it to the Senate, so we can get out of this Congress before Christmas. I do not know what we are getting into a lather over about this particular provision. This provision has been in every appropriation bill since 1963. All of the sudden some of the members of the Foreign Affairs Committee, which I have a great respect and admiration for—I hope some day every single one of the members of it will become Secretary of State. I do. They deserve it. They work hard at it. All of the sudden, they feel that someone has invaded their jurisdiction. This provision has been in the bill since 1963. My good friend from Wisconsin, whom I love, came in here very dramatically and said the Senate has faith in the President.

Mr. ZABLOCKI. I meant the gentleman on the other side of the aisle. I did not intend to refer to the other body.

Mr. CONTE. All right. The other side. But, in fact, it was the other body that kept the authorization bill in conference. For week after week after week on the arms sales question, because they had no faith. It was not the House of Representatives. It was the House of Representatives that was trying to dilute and weaken that provision.

Mr. FRASER. Mr. Chairman, does the gentleman yield?

Mr. CONTE. I will be glad to yield shortly to the gentleman from Minnesota.

Mr. FRASER. Mr. Chairman, I thank the gentleman for yielding.

I just want to say that I had not really intended to get into this debate. I knew there was some legislative difficulty in this bill. I think the gentleman had some hand in some of this. I must say I find the debate going on now disconcerting. I think the fact of the matter is that we have been aware of some of this for the first time, because we are aware of the fact that the Appropriations Committee did reach out and try to bring in new legislative areas. I cannot understand why the Subcommittee on Appropriations decided now it ought to become the legislative body with respect to foreign affairs.

Mr. CONTE. Mr. Chairman, I do not care to yield further. I have only a few seconds left.

Mr. Chairman, the point I am trying to make, in answer to the gentleman, is that this provision was in the bill since 1963. It may be that I agree it should not be in the bill, but why did the gentleman not come last year and tell me, or why did he not come before we sat down and marked up the bill and say, "I do not like that provision which has been in the bill since 1963"? Why did the gentleman from Wisconsin not take the floor last year or the year before or the year before that and say, "I do not like that provision in the bill. Take it out." Why wait until this late date in the session? A few members of the Foreign Affairs Committee may feel their feelings have been hurt. I can understand their feelings. I really can, but I feel we have to move on; we have to bring this session of the Congress to a close. I want to pass this bill today, and I want to go and sit with the Senate in conference and get this legislation passed.

Mr. ZABLOCKI. Mr. Chairman, the gentleman wondered why I had not opposed this provision in the past 3 years. Perhaps the members of the Foreign Affairs Committee were remiss. Nevertheless, it should not take 3 years for members of the Appropriations Committee to see the light and correct their ways and voluntarily strike the legislative provisions from the Appropriation Act.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Chairman, I share the gentleman's concern about going home for Thanksgiving at least. It seems to me the simplest way to do it is to drop some of the controversial legislative language which is in contradiction with language already on the books. It seems to me if we could have had a point of order made against this, we would not have had to get into a prolonged conference with the other body on the merits of this legislation, which surely we are going to do, as the gentleman indicated, and as has happened in the past.

I would think, if they could only see that they do not have all the wisdom, that there are provisions perhaps even better than the language proposed in this bill, and we might expedite the proceedings, and even now get a bill through.

It is for that reason I sought unanimous consent to have certain amendments considered en bloc. I regret that is not the case.

Mr. CONTE. If I may say so, there are only three new amendments in this bill that were added by the Foreign Operations Subcommittee. All the other sections of this bill were in the old language, in the old bill. There is nothing new here other than that. There are only three new amendments, and two of those are with respect to the selling of sophisticated weapons of war to basically Latin America and Africa.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. CONTE. I yield to the gentleman from North Carolina.

Mr. JONAS. Is this not the situation: The committee has incorporated this language, which is a recommendation to the House. The Committee on Appropriations is not trying to run things. If the House does not like this language, the House can take it out.

Let us vote.

Mr. CONTE. The gentleman is absolutely correct. This language was adopted by the House before, not by the committee.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CASEY. Mr. Chairman, I move to strike the requisite number of words.

I take a little pride in the section 620 (f) of the Foreign Assistance Act, because I was the author of it a few years ago—about 5 years ago, I believe.

I just want the chairman of the subcommittee to assure me that this will not weaken that section one bit.

Mr. PASSMAN. Mr. Chairman, will the distinguished gentleman yield?

Mr. CASEY. I yield to the gentleman from Louisiana.

Mr. PASSMAN. It is the opinion of the members of the committee that it will not in any way weaken your language. It really will make it stronger, in the opinion of the members of the committee.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. I agree with the chairman of the subcommittee. It will strengthen rather than weaken your language.

Mr. CASEY. Mr. Chairman, it took me 2 years to get this section in. I should like to see it kept in. I do not want to see it weakened a bit. It has been effective in the law.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Massachusetts.

Mr. CONTE. If I remember correctly—and I stand to be corrected—what the Members are arguing over, in trying to do this, is trying to make a change in the gentleman's language, which the House adopted a few years ago.

Mr. CASEY. I will not tolerate that, I assure the gentleman.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I am glad to yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I would like to say, as the sponsor of the amendment, I am trying to protect the language the gentleman from Texas proposed, which is now section 620(f) of the law. Under the proposal of section 109 there would be a relaxation of the limitations on economic assistance. That section merely says that no economic assistance shall be furnished unless the President determines that the withholding of such assistance would be contrary to the national interest.

Without any doubt, this would be a watering down of the language presently on the books.

Mr. CASEY. The gentleman will recall that the language which I offered, which was adopted by the House, was to prohibit any and all assistance, and to make sure it was understood I listed the countries, but not limited to those countries we considered Communist. The other body put in the discretion with reference to the President making the determination, which follows under subsections (g) and (h) of section 620.

All I want to know—and I want a firm answer—is whether this will weaken this section or give more latitude and more discretion in the giving of aid to Communist countries?

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield further?

Mr. CASEY. I will yield to any Member who can answer.

Mr. FRELINGHUYSEN. Without any question, it will weaken the language with respect to economic assistance. There is only one limitation proposed in section 109.

Mr. CASEY. The gentleman says it will weaken the language?

Mr. FRELINGHUYSEN. It will weaken the language. It simply says that no economic assistance shall be furnished unless the President determines that the withholding of such assistance would be contrary to the national interest. That is the only limitation, instead of the three limitations against all assistance, military and economic, in the present law.

Mr. CASEY. I do not want it weakened, myself.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. CASEY. I yield to the gentleman from Louisiana.

Mr. PASSMAN. May I say to the gentleman from Texas, under section 107(a) relating to military, your language would be greatly strengthened. Section 107(b) relating to economic assistance, is, in my opinion, the same as that contained in your amendment.

The gentleman would be greatly fortified, in my candid opinion, for his years of hard work, if he votes against the amendment.

I believe the great chairman of the Committee on Appropriations concurs, and also the gentleman from Massachusetts now on his feet [Mr. CONTE].

Mr. CONTE. Mr. Chairman, I want to say—and I believe the gentleman will agree with me on this—in regard to military assistance the language in the appropriation bill is much stronger and in regard to economic assistance I think the language is about equal. In both provisions in regard to economic assistance, the President has discretionary power.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield further?

Mr. CASEY. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. For the legislative record if for nothing else, we are misrepresenting the facts. If we should accept section 109, it would be without doubt putting less strings on economic assistance to Communist countries, because the only limitation on the President would be that it was not contrary to our national interest instead of the three-point limitation in existing law. I do not see how any contention can be made that our insistence with the present law is stronger than their law is. By the wildest stretch of the imagination it would be hard to contend such a thing if that is the position of the gentleman from Louisiana as I understand it.

Mr. COHELAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I take this time—and it will be very brief—merely to take advantage of the development made by my colleague and fellow member of the subcommittee, the gentleman from Massachusetts [Mr. CONTE], because in the argument yesterday afternoon with many of my colleagues of like mind they were astounded to learn that some of this language has been in the bill for some time. We have been voting for it every year if we wanted to vote for foreign aid. I want to state here so the RECORD is very clear, there are items in this bill which I do not approve. One of them is this section. But there are other important things that have to be done in relation to foreign assistance and foreign aid which in weighing out the costs are even more urgent. So we have had to bear with this. But make no mistake about it, I do not approve of this language and tend to agree with the arguments made by the gentleman from New Jersey and those who support his view. What I am doing now is rubbing it in a little bit with some of my colleagues who yesterday told me what a horrible piece of legislation the committee bill was. We had only two committee amendments in the subcommittee markup.

There are very important issues in this bill that are at stake, as I see it. I will keep my eye clearly on the issue during the debate this afternoon. To me the issues have to do with military assistance to Latin America and Africa. I want to say to this distinguished Committee of the Whole that I am going to do everything I can to resist the State Department, or any other agency of our Government, if they allow prestigious materials of warfare to go to countries that cannot afford to bear the cost, and whose people are living at just barely the level of subsistence and in a state that has brought about the revolutions that we are hoping to prevent. And do not tell me they are going to get it some place else. That is exactly what happened in Indonesia some time ago. Over $1.5 billion of Russian materials of war went to Indonesia and we had but a small advisory mission there.

Our military assistance program was primarily a training program. May I say to everyone present that I do not oppose military assistance, but I do oppose military assistance of the kind that has been given in too many cases. I will support military assistance especially for training and basic internal security.

Let me remind you that today in Indonesia the greatest recovery problem we have in the postrevolutionary period in that part of the world is the fact that they have $1.5 billion that has to be paid back to the Russians. They are trying to figure out methods of repayment. We are trying to figure out a way to get back in there with economic assistance. But at no time did we provide significant military assistance except training. They received it from other countries. And look at what happened. I do not believe the taxpayers of this country want to support this kind of arms race.

I also want to say while I am on my feet that I believe such things as operation and maintenance money for decrepit and obsolete weapons systems is a crime, because all it is doing is supporting a privileged military class and putting a further burden on some of these poor countries. I am not going to recite the names of the countries, for obvious reasons, but I want everyone within the sound of my voice and all of the foreign diplomats in this city to hear what I am saying, because that is the way the people in this country, in my judgment, feel. I am confident this House shares that view.

Mr. O'HARA of Illinois. Mr. Chairman, I move to strike the requisite number of words.

Mr. ROUSH. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Illinois. I am happy to yield to the distinguished gentleman from Indiana.

Mr. ROUSH. Mr. Chairman, for 8 consecutive years I have voted against the various foreign aid bills. I have not always done so with a clear conscience for within the program there are certain programs which are doing a great job for a minimum amount of money. But I must vote on the program as a whole. I have, in evaluating the value received as compared to the cost, found the program wanting. In 1951 and 1952 I was in Germany and there I saw a program which was succeeding beyond our fondest dreams. I looked with pride at the signs saying "Hier hilft der Marshall Plan." We had a definite goal. We accomplished that goal and then terminated that program. Our goals now are not so definite nor does there seem to be any time in sight when the foreign aid program will come to an end.

Also, today we are beset with many problems which require more than ever a priority directed spending of available funds. As we establish our priorities we must very carefully assess what this Nation is able to do and what it cannot do. We must also take into consideration the many legitimate demands for money here in our own country. I cannot help but believe that for us to do abroad for citizens of other countries that which we fail to do here or can do here in this country for our own citizens is neither being wise nor prudent. It is being foolhardy.

The committee points out some of the results claimed by the Agency for International Development. It says that over 15 million textbooks have been distributed abroad. In America there are thousands of schools using outdated textbooks. It says that over 25,000 classrooms have been built abroad. In my congressional district there are areas where we have a desperate shortage of classrooms and where we do have adequate classrooms there is an unusually heavy local tax burden. Over 19 million students are enrolled in assisted schools abroad. In Indiana we have elementary, secondary schools and institutions of higher learning clamoring for funds which just are not available. It is pointed out that over 60,000 dwelling units have been built abroad. One of the most pressing problems confronting America is its housing shortage and every proposal to do something to help brings forth cries of dismay—some of them coming from the very people who support the foreign aid programs.

The report tells us that over 800,000 tons of fertilizer nutrient were provided abroad in 1966. I have farmers threatened with bankruptcy because of high costs of items such as fertilizer and low incomes. The report also shows that nearly 100 million people benefited from new water supply facilities, almost 800,000 new acres were irrigated and more than 600,000 acres of land reclaimed abroad during 1966. Well I have towns and cities in my district which cannot get Federal help for their own water supplies and sewage systems because there simply is not enough money to go around. In this country we have people in the West who desperately need irrigation projects financed and millions of acres which could be reclaimed which we are neglecting.

The report points out that in 1966 almost 20,000 firms abroad have received industrial credit loans. How many small business loan applications have been turned down in Indiana just because there was not enough money to go around?

Mr. Chairman, as much as we may want to do these things for all people, as much compassion as we may have for the people of the developing countries, as much as we may feel for their problems, we simply cannot afford to do these things. I cannot vote for a program which looks after needs abroad when I am forced by reason of fiscal problems to vote against, or for reductions in, domestic programs of the same nature which would take care of desperate needs at home.

Mr. O'HARA of Illinois. Mr. Chairman, it was my good fortune to be brought up to be a good loser. I was told by my father that one could win more friends in defeat if one were a good loser than one could win as a winner and that the best way to lose all one's friends was to be an arrogant winner.

Mr. Chairman, I was defeated yesterday and today I know I occupy the humble place of a loser. I fought for the honor and the prerogatives of the committee of my assignment. And, I might say that I do not have a better friend in this body and that there is no Member of Congress for whom I have a deeper affection, than the distinguished gentleman from Louisiana [Mr. Passman]. But yesterday, when he was reaching out, the great statesman that he is, to take over the prerogatives of my committee, I had to fight even my dear friend. And, Mr. Chairman, I was right. But I was beaten. The side on which I fought lost 190 to 200. That meant that foreign policy responsibility passed to the Committee on Appropriations.

Mr. Chairman, I was not going to raise my voice today. I fully realized that would be a gesture in futility since the great Committee on Appropriations had taken over the legislative functions of the defunct Committee on Foreign Affairs. So, I was silenced, sidelined as it were. But now that I observe Members are raising their voices and their tempers seem frayed I venture to suggest a cooling-off period.

There has never been a President of the United States who did not regard the security of his country as a sacred obligation. Our country had a great President when I was a young man, and I am proud and I feel honored to serve in this Chamber with his grandson. I have served in the Congress under four Presidents, and with each the security of our country was an obligation deep rooted in mind and heart.

No, Mr. Chairman, let us not take away the power of the President of the United States to make decisions in foreign affairs, vital determinations that must be made, and often quickly.

Suppose tomorrow there were a change of government in Cuba, a new government had come into being, and that again the happiness of liberty had come to the people of the island of Cuba. Who would recognize the new government? How long would it be, how many dreary weeks and months, until our doors were reopened because we had deprived the President of the United States of the power to note a change in status quo?

Mr. Chairman, there is no area of greater delicacy than that of foreign affairs. Foreign policy is not a fabric that can be woven in the passions of legislative debate.

Mr. PASSMAN. Mr. Chairman, will the distinguished gentleman from Illinois yield?

Mr. O'HARA of Illinois. Yes, I yield to my good friend, the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I thank the distinguished gentleman from Illinois for yielding and I wish to reciprocate fully, in view of the compliment that the gentleman paid to me, and to say that we have been friends for many, many years. We have lived in the same hotel. We have counseled together often. I am sure the gentleman from Illinois knows that I have the most profound respect for the gentleman, one of my great friends.

Mr. Chairman, I appreciate how the distinguished gentleman feels. But it is not entirely the fault of the gentleman from Louisiana with respect to this legislation. I have great respect for the great Committee on Foreign Affairs of the House of Representatives on which the distinguished gentleman from Illinois serves, but there were certain circumstances that made it necessary, and the majority of the members of the whole committee felt that we should bring out this bill which seems to be so distasteful to some members.

I hope the gentleman will not take it as a personal reflection.

Mr. O'HARA of Illinois. Not at all. The best of friends cannot always be in agreement and in a democratic society that is as it should be.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. PASSMAN. Mr. Chairman, I wonder if we could reach some agreement on the remainder of time on this amendment and all amendments thereto.

We have been debating on this amendment for approximately 2 hours. I understand there are some 15 or 16 other amendments.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 2:25 p.m.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

Mr. JONES of Missouri. Mr. Chairman, reserving the right to object, is it in order to move the previous question on this amendment now, inasmuch as we have had considerable debate on it, and I have been trying to receive recognition for approximately half an hour, but now I am willing to forgo my time.

The CHAIRMAN. The Chair will state that the moving of the previous question is not in order in the Committee of the Whole.

Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. Jones] for 1 minute.

Mr. JONES of Missouri. Mr. Chairman, I do not care to ask for the privilege of revising and extending my remarks.

I would like to direct the attention of the gentleman from New Jersey to his remarks of yesterday, when he at least insinuated that I was dense, and could not understand, and then today the gentleman from Wisconsin made the statement that it takes the Committee on Appropriations 3 years to understand what is in this bill.

In other words, the striped pants boys seem to have all the intelligence, seem to have all the answers.

I want to say that I commend the Committee on Appropriations for writing some language in this bill which can be understood.

I want to say to the gentleman from New Jersey that the amendments he has offered would have done nothing but detract from the bill, and weaken the bill. Yesterday the gentleman wanted to take out Cuba, and now the gentleman wants to take out everything else.

This, as has been stated by the Committee on Appropriations, is for emphasis that we mean business; that we do not want to deal with Cuba, and that we do not want to give any help or assistance to any of the other Communist nations, and those that have broken diplomatic relations with the United States.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. Long].

Mr. LONG of Maryland. Mr. Chairman, I simply do not understand the arguments that have been made here that the Committee on Appropriations is legislating.

Chairman Dingley of Maine wrote in 1896:

> The House in Committee of the Whole has the right to refuse to appropriate for any object, either in whole or in part, even though that object may be authorized by law. That principle of limitation has been sustained so repeatedly that it may be regarded as a part of the parliamentary law of the Committee of the Whole.

Further, Asher C. Hinds, in Hinds Precedents in 1908, stated that the appropriation may interfere with Executive discretion only in a negative way.

That is all that we are proposing to do here.

The gentleman from Illinois asked what would happen if the Government of Cuba should change very suddenly. Well, if it changed as much as the gentleman hoped that it would, then it would no longer be a Communist country, and we would have no reason to worry about it in that particular case.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey [Mr. Joelson].

Mr. JOELSON. Mr. Chairman, I want to point out that in my opinion what we are talking about is academic as far as foreign military assistance is concerned. There are $365 million appropriated in this bill, but under the defense appropriation there is probably a sum in excess of $500 million.

The restrictions in this bill apply so far as foreign assistance is concerned, and when you take the lion's share of military assistance out of this bill as we have done and put it in defense appropriations, you are removing every single restriction that we have under the foreign assistance bill. We are just debating among ourselves about restrictions which do not apply under the Defense Appropriation Act.

So far as that sum in excess of $500 million is concerned, there are no restrictions whatever in my opinion. We have let this tremendous appropriation ride through on the defense appropriation where it cannot be touched and now we are engaging in an academic exercise.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. Gross].

Mr. GROSS. Mr. Chairman, I rise in opposition to the Frelinghuysen amendment for the reason that it would give more delegated authority to the executive branch of Government.

It will be interesting to see when we get to the Latin American phase of this bill how much discretionary authority some of the Members of the House will want to give to the executive branch of the Government in the sale of military equipment to that area of the world.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. Zablocki].

Mr. ZABLOCKI. Mr. Chairman, I rise in support of the pending amendment.

I might say that I, for one, have every confidence in our President. If that section of the bill will be modified by an amendment giving some discretionary authority to the President so far as the sales of military equipment are concerned, I would favor it.

I want to say at this time I deeply regret that the gentleman from Missouri took offense at my observation regarding the prevailing knowledge of what is in this bill and of what is and has been in the law. I gather he was also not pleased with my explanation regarding the reason why some of these provisions have been allowed to remain in previous appropriation bills.

I admire the gentleman very much and I have high regard for him. I must confess, however, that some members of the Committee on Appropriations did advise me that in their opinion there was a lot of "garbage" in the bill before us. That is not my expression; I am simply repeating what I was told.

I would hope therefore that these members would voluntarily put some check on the extraneous material which repeatedly finds its way into the appropriation bills.

In closing, I just want to say that section 109 of this bill, that part of it which deals with the military assistance, may be stronger on the surface than the language in the Foreign Assistance Act. Unfortunately, the bill does not identify who shall make the determination that a country is Communist and therefore ineligible for assistance.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. Bennett].

Mr. BENNETT. Mr. Chairman, I support the committee bill as it is, without the amendment.

The chief reason I have taken the well of the House is because of the legislative situation. Remarks have been made here about this bill repealing previous law. Of course, those of you who are lawyers know that that is not so. This provision does not expressly repeal the other law and neither does it impliedly repeal the law. Unless we do something here on the floor of the House to strongly show that repeal is intended—and nothing so far has shown that—the result would be that if we pass the committee bill, the older law would still exist and the most restrictive of the two provisions would apply. That is what the law will be. It will not repeal the old law at all and the requirements of the old law will still exist.

As I say, the chief reason I have taken the well is that I favor the law as it was brought out by the committee and its added new restrictions. It does not repeal the other law at all.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana [Mr. Passman] to close debate.

Mr. PASSMAN. Mr. Chairman, I ask for a vote on the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. Frelinghuysen].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> Sec. 114. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, as amended, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

AMENDMENT OFFERED BY MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Frelinghuysen: On page 12, line 8, strike out lines 8 through 12, inclusive.

The CHAIRMAN. The gentleman from New Jersey is recognized.

Mr. FRELINGHUYSEN. Mr. Chairman, I should like to apologize to any member of this Committee who feels that he has been personally insulted or offended by what I may have said during the debate. Some of the subjects are quite difficult for me to comprehend, and certainly some of the lines of argument, but I did not mean to cast aspersions on any individual Member. I refer specifically to the comments of the gentleman from Missouri in that connection. My admiration for his sagacity, intelligence, and integrity ranks with all the other Members of the Congress.

Mr. Chairman, my amendment would eliminate section 114 from the bill. This amendment is very simple. The section I propose to delete is very simple and my amendment is very simple.

This language of the bill proposes that no foreign aid funds are to be used for any assessments, arrearages, or dues of any member of the U.N. It reads as follows:

> Sec. 114. None of the funds appropriated or made available pursuant to this Act for carrying out the Foreign Assistance Act of 1961, as amended, may be used to pay in whole or in part any assessments, arrearages, or dues of any member of the United Nations.

I would like to suggest, first, that I would doubt very much if it would be possible, even if anyone wished to, for appropriations by Congress to be used for direct purposes such as this.

I would like to suggest also that this basic problem has been discussed in some detail in the Foreign Affairs Committee and the Foreign Relations Committee. Language has been agreed upon in the act just signed into law, the Foreign Assistance Act of 1967. Let me read it. I realize time is short. It is section 620(u) of the Foreign Assistance Act.

> In any decision to provide or continue to provide any program of assistance to any country under the Foreign Assistance Act of 1961, as amended, there shall be taken into account the status of the country with respect to its dues assessments and other obligations to the United Nations, and where such country is delinquent with respect to any such obligations, for purposes of the first sentence of Article XIX of the U.N. Charter the President shall furnish the Committee on Foreign Relations of the Senate and the Speaker of the House of Representatives a report setting forth the assurance given by the Government of the country concerned of the paying of its arrearages and placing its payments and obligations on a current basis, or a full explanation of the

> unusual or exceptional circumstances which render it economically incapable of giving such assurance.

Surely, Mr. Chairman, this is an adequate and appropriate reaction on our part to the fact that some of the United Nations members have not paid their dues or regular assessments and are in arrearage. However, to suggest that in some way we can bring pressure by not appropriating funds is surely to miss the point entirely. No one is suggesting that funds could or should be used directly for that purpose. In the present law, recently enacted, is a provision saying that in giving any aid, consideration must be given to whether the recipient countries are in arrears. That is one of the factors which should be taken into consideration. It is aimed at any indirect subsidy, which is presumably also the intention of the Appropriations Committee in the language of the bill before us.

I would hope that calling the attention to the very specific requirement that the President take this into consideration would allay any suspicions that perhaps in one way or another the United States is subsidizing the assessments of other U.N. members. I can assure the Committee, so far as I know, that no such subsidy is presently being undertaken or is contemplated.

I think the maximum we should expect is that consideration be taken as to whether more could not be done by these countries. If they make little effort, it might be a factor against giving aid to these countries.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I am a little puzzled about the point. If I gather the point of the gentleman, it is that there is nothing in the law at the present time or in practice that calls for the paying of dues or assessments of any nation in the United Nations, and that therefore this is not necessary.

Mr. FRELINGHUYSEN. That is not my point. If the gentleman listened, he would have heard I have very specific reference to the importance of the executive branch of the Government taking into consideration whether any nation is in arrears in its dues to the U.N.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

(On request of Mr. JONES of Missouri, and by unanimous consent, Mr. FRELINGHUYSEN was allowed to proceed for 2 additional minutes.)

Mr. JONES of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Missouri.

Mr. JONES of Missouri. Mr. Chairman, is there any prohibition in the Foreign Assistance Act prohibiting the United States from using funds to pay the arrearages?

Mr. FRELINGHUYSEN. Mr. Chairman, I might say to the gentleman, if he would read the bill closely, there is no prohibition in the language in the bill. The bill does not provide such prohibition. There is no prohibition that aid given to a country cannot be used by that country to pay its assessments.

Mr. JONES of Missouri. Mr. Chairman, may I say to the gentleman, the gentleman evidently does not read any closer than the gentleman intimates I do not read, because it says that "none of the funds appropriated or made available pursuant to this Act may be used to pay in whole or in part any assessments, arrearages," and so on.

The reason I say that is, I think, in fact, we are paying some of these assessments to some of these international organizations, under a subterfuge, by assessing a nation four one-hundredths of 1 percent and permitting them to put people on the payroll in excess of the amount of money they are paying. That is the thing I have been objecting to. I have tried to call it to the attention of this body yesterday, but evidently some people could not get it into their minds what I was trying to reach.

I do not want us to be suckers any more.

Mr. FRELINGHUYSEN. I might say, if the gentleman thinks this language is reaching to the problem of whether an individual country is paying an adequate U.N. assessment, this language will not correct the scale of assessments in the U.N. It would not prohibit any aid going to any country that we may think is not paying an adequate assessment to the U.N.

Mr. JONES of Missouri. No. It says that none of this shall be used to pay the assessment of dues. It does not say we cannot give aid to countries in arrears.

Mr. FRELINGHUYSEN. I might say no one is contemplating paying assessment of dues.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is not legislation in an appropriation bill. This is nothing more than a limitation, and by this limitation we simply preclude the executive from paying for the assessments, arrearages, or dues of any member of the United Nations. We hope the amendment is defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. FRELINGHUYSEN].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

> SEC. 116. No assistance shall be furnished under the Foreign Assistance Act of 1961, as amended, to any country that sells, furnishes, or permits any ships under its registry to carry to North Vietnam any of the items mentioned in subsection 107(a) of this Act.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. GROSS: On page 13, strike all of lines 4 through 8, and insert the following:
>
> "SEC. 116. No loans, credits, guaranties, or grants or other assistance shall be furnished under this or any other Act, including the Foreign Assistance Act of 1961, as amended, to any country which sells or furnishes to North Vietnam, or which permits ships or aircraft under its registry to transport to or from North Vietnam, any equipment, materials, or commodities, so long as North Vietnam is governed by a Communist regime.
>
> "Notwithstanding section 640 of the Foreign Assistance Act of 1961, as amended, no defense articles or defense services shall be acquired from, or provided to, any such country by any means under this or any other Act. Nothing in this or any other Act shall be construed to authorize the President to waive these provisions."

Mr. PASSMAN. Mr. Chairman, I reserve a point of order on this amendment.

The CHAIRMAN. The gentleman from Louisiana reserves a point of order.

Mr. GROSS. Mr. Chairman, I will be brief. This amendment has been before the House twice before, but I want to give some of the Members another opportunity to vote on it, particularly the gentleman from New Jersey [Mr. FRELINGHUYSEN], and the gentleman from Ohio [Mr. TAFT], who seemed to think that the language in some of the previous provisions of this bill was not tight enough. That was the argument they made a while ago. I want to give them a real, good, tight provision to vote on.

This is the amendment which was adopted when the foreign giveaway authorization bill was before the House. When the conference report came back, it had been stricken. It was offered again, and failed by only four votes on a rollcall vote in the House.

Now I seek to give the Members who voted against it on both sides of the aisle an opportunity to correct the mistake that they made previously only a few days ago.

This amendment goes much further than the pending bill in clamping down on the free world countries that are trading with the Communists of North Vietnam. It provides that no loans, credits, guarantees, grants, or other assistance shall be furnished under this or any other act. It provides that no defense articles or defense services shall be acquired from or provided to any country that ships the sinews of war to the Communists of North Vietnam.

The Members are well acquainted with this amendment. I am not going to belabor the point. I want to say once again that 63 British ships alone have delivered thousands of tons of supplies to the North Vietnamese thus far this year. In all conscience, this must be stopped. Anything less is a betrayal of our fighting men in that brutal war.

Mr. PASSMAN. Mr. Chairman, I insist upon my point of order.

The CHAIRMAN. The gentleman from Louisiana will state his point of order.

Mr. PASSMAN. Mr. Chairman, this amendment goes further than the provision in the bill, and refers to funds provided in this or any other act presently on the statute books.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. GROSS. Very briefly, Mr. Chairman.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. GROSS. Mr. Chairman, on yesterday the present Chairman of the Committee of the Whole House on the State of the Union ruled as follows:

> The section of the bill to which the amendment is offered is legislation which has been permitted to remain by waiver of points of

order. Such legislative provisions can be perfected by germane amendments.

The Chair then ruled:

The Chair is of the opinion that the amendment of the gentleman from Missouri is germane and therefore overrules the point of order.

I would say to the Chairman, this is an amendment providing a limitation to a provision of this bill which has been made in order by a rule waiving points of order.

The CHAIRMAN (Mr. Price of Illinois). The Chair is prepared to rule.

The gentleman from Iowa correctly states the ruling of the Chair on yesterday. That ruling indicated that the Chair held in order an amendment which was ruled to be a perfecting amendment to a paragraph in the bill that was conceded to be legislation on an appropriation bill but on which points of order had been waived in a rule adopted by the House.

The Chair holds that the amendment offered by the gentleman from Iowa is additional legislation on this bill not covered by the points of order that were waived.

The Chair holds that the amendment adds additional legislation on an appropriation bill; and therefore sustains the point of order.

AMENDMENT OFFERED BY MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Frelinghuysen: On page 13, line 4, strike out lines 4 through 8, inclusive.

Mr. FRELINGHUYSEN. Mr. Chairman, this amendment would strike out section 116 from the bill. I offer this amendment, Mr. Chairman, because—and again I call attention to the obvious—there is language already on the books, in the Foreign Assistance Act of 1961, as amended, namely, section 620 (n), which covers the case of North Vietnam. I might say it covers it with a considerable degree of particularity. It is in fact far broader than the language proposed in this bill. Let me read it. It reads as follows:

(n) In view of the aggression of North Vietnam, no assistance shall be furnished under this Act to any country which has failed to take appropriate steps, not later than sixty days after the date of enactment of the Foreign Assistance Act of 1966—

(A) to prevent ships or aircraft under its registry from transporting to North Vietnam—

(i) any items of economic assistance,

(ii) any items which are, for the purposes of title I of the Mutual Defense Assistance Control Act of 1951, as amended, arms, ammunition and implements of war, atomic energy materials, petroleum, transportation materials of strategic value, or items of primary strategic significance used in the production of arms, ammunition, and implements of war, or

(iii) any other equipment, materials, or commodities; and

(B) to prevent ships or aircraft under its registry from transporting any equipment, materials, or commodities from North Vietnam.

Let me make two points: One is that the language already on the books is broader than the bill's proposal to limit assistance to countries which provide strategic aid to North Vietnam. It also limits aid to countries which are providing economic assistance to that country.

The gentleman from Iowa offered an amendment which would tighten up the language now contained in 620(n). I grant that his language tightens up the present law. There are certain loopholes in it. But I suggest that the committee thoroughly considered whether there should be an absolute prohibition or not. The committee decided against an absolute prohibition, and provided that if a country were taking appropriate steps within 60 days, that there should be no automatic prohibition of assistance to that country. The committee felt that in the process of tightening up we might be doing damage to friends of ours, or to those whom we have been aiding and who are doing their level best to comply with our restrictions.

Mr. Chairman, I hope that the present language, which applies not only to strategic materials but also to economic assistance, will be satisfactory to those who feel reference should be made to trade with North Vietnam. I would suggest that the reference is not appropriate in an appropriation bill. The language already enacted is entirely appropriate and is even more comprehensive than the language proposed in section 116.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New Jersey [Mr. Frelinghuysen].

The gentleman speaks of a loophole in the provisions written into this appropriation bill by the Committee on Appropriations. His amendment would provide a far bigger loophole in that under section 620 of the Foreign Assistance Act of 1961 it provides for discretionary authority to the President not to invoke any restrictions. Of course it would not be invoked. I was interested earlier to hear the gentlewoman from New York [Mrs. Kelly] speaking on the subject of the Battle Act. I do not know of a better act that has been presented to the Congress in my time on that subject, but it has never been used and it will never be used as long as we have willy-nilly Presidents who refuse to invoke the penalties provided for in the Battle Act. I do not recall that the Battle Act has been invoked on a single occasion. And, it has been on the statute books for some 15 or 17 years.

Mrs. KELLY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the distinguished gentlewoman from New York.

Mrs. KELLY. Mr. Chairman, I agree with the gentleman from Iowa, but I want to ask the gentleman one question: Can the gentleman name any country that our country—any Communist country—has given military equipment as outlined in this bill at this point?

Mr. GROSS. I suspect that Yugoslavia might be one. But, that is not the point. What we are trying to do here——

Mrs. KELLY. I want the record to show——

Mr. GROSS. Just a minute. What we are trying to do here is to get at and penalize those so-called free world friends who supply the Communists of North Vietnam and Castro's Cuba. That is what some of us are trying to do.

Mrs. KELLY. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. The gentleman from Wisconsin said he hoped that Members of the House would read the Foreign Assistance Act of 1961, as amended. If they do that, there will probably be more legislation of this type contained in the appropriation bills, because you can scarcely flip a page of that act without finding discretionary authority vested in the President. It is a travesty in that respect.

Mrs. KELLY. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. Yes.

Mrs. KELLY. Well, Mr. Chairman, I agree with the gentleman from Iowa that the Mutual Security and Control Act was not operated properly. However, I must say I feel that the prohibitions against military equipment and assistance to Communist countries was prohibited as a result of this act. The only one on which I will say I agree with the gentleman is insofar as Yugoslavia is concerned and what happened there? We were kicked out when we endeavored to live up to the operations of the Mutual Security Control Act, because they refused us the opportunity to review what they were doing with the equipment which we had furnished.

Mr. GROSS. I do not care whether it is guns, butter, wonder drugs, or what it may be that the treacherous British, Poles, Greeks, and others are shipping into North Vietnam. They are contributing to the killing of Americans, they are contributing to the patching up of the Vietcong wounded to return and kill more Americans. This is what I am opposed to. I hope that some day a Congress of the United States will put a stop to it by invoking penalties upon these so-called friends who are helping the enemy kill and wound thousands of Americans in a war in Vietnam.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment and I ask for a vote thereon.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. Frelinghuysen].

The amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 117. None of the funds appropriated or made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended shall be available for assistance to the United Arab Republic unless the President determines that such availability is essential to the national interest of the United States.

AMENDMENT OFFERED BY MR. FRELINGHUYSEN

Mr. FRELINGHUYSEN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Frelinghuysen: On page 13, line 9, strike out lines 9 through 14, inclusive.

Mr. FRELINGHUYSEN. Mr. Chairman, again I rise to offer an amendment striking a section of this bill. The section

I propose to strike is section 117 which reads as follows:

> SEC. 117. None of the funds appropriated or made available in this Act for carrying out the Foreign Assistance Act of 1961, as amended, shall be available for assistance to the United Arab Republic, unless the President determines that such availability is essential to the national interest of the United States.

I do so because the Congress has already expressed itself in no uncertain language with respect to the problem brought about by the actions of the United Arab Republic. True, Mr. Chairman, the language incorporated into the Foreign Assistance Act of 1967 does not refer specifically to the United Arab Republic. But under existing law it would be far broader than that.

Mr. Chairman, permit me to read this policy statement of section 102 of the act:

> It is further the sense of the Congress that in any case in which any foreign country has severed diplomatic relations with the United States, the President should suspend assistance to such country under this or any other Act, including any program designed to complement assistance under this Act (such as sales of agricultural commodities under the Agricultural Trade Development and Assistance Act of 1954). When diplomatic relations are resumed, a further study should be made on a country-by-country basis to determine whether United States foreign policy objectives would be served by extending assistance under this or any other Act, including any program designed to complement such assistance.

Surely, Mr. Chairman, language as broad as that would lead to an automatic suspension of any assistance to the United Arab Republic, whereas the language incorporated in section 117 gives the President discretion—and I am surprised that the committee would give the President this discretion since they seem to doubt the way he would use it so frequently.

The President could give aid to the United Arab Republic under section 117. Even though diplomatic relations may not have been resumed with that country. Naturally I would assume there would be no move by the President to try to provide assistance to Egypt under such circumstances.

There is also language in section 620(t) of the Foreign Assistance Act of 1967, which would prohibit aid to countries which have broken diplomatic relations with us. It reads as follows:

> (t) No assistance shall be furnished under this or any other Act, and no sales shall be made under the Agricultural Trade Development and Assistance Act of 1954, in or to any country which has severed or hereafter severs diplomatic relations with the United States or with which the United States has severed or hereafter severs diplomatic relations, unless (1) diplomatic relations have been resumed with such country and (2) agreements for the furnishing of such assistance or the making of such sales, as the case may be, have been negotiated and entered into after the resumption of diplomatic relations with such country.

The importance of the language in section 102 and section 620(t) also should be enough to satisfy those who, for one reason or another, are anxious that the United Arab Republic does not receive assistance—and I might say that I am included in that number.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Indiana.

Mr. ADAIR. I thank the gentleman for yielding.

I believe it is worth pointing out that when the Committee on Foreign Affairs was writing language to deal with this subject, we gave it the very closest scrutiny and attention. I also believe it is fair to point out that in this respect, when the language was first presented during the markup period of the bill, a special committee was designated to attempt to draw language dealing with this very sensitive diplomatic question.

As a result of that very great effort, language was drawn, and it was drawn not only through legislative efforts, but in consultation with members of the executive department. The language now in the bill is very inclusive, it is entirely appropriate, and greatly superior, as the gentleman from New Jersey has pointed out, to the language proposed here.

Mr. Chairman, I would urge the adoption of the gentleman's amendment.

Mr. FRELINGHUYSEN. I thank the gentleman.

Mr. Chairman, I would say that the Committee on Foreign Affairs would welcome any suggestions, at the time of the markup of the authorization bill, as to language that would be appropriate in circumstances like this, a delicate question like our relationship with other countries should not be considered in an appropriation bill.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe I should state that this particular language was put in the bill by the other body. It has been carried in this bill during the 2 previous years.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. FRELINGHUYSEN].

The amendment was rejected.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. GROSS: On page 13, line 14, strike the period, insert a colon, and add the following: "*Provided further,* That none of the funds provided in this Act or any predecessor Act shall be made available to the State of Israel until the Government of that country provides full and complete reparations for the killing and wounding of more than 100 United States citizens in the wanton, unprovoked attack in June 1967 by Israel's military aircraft and torpedo boats on the United States naval vessel, the *Liberty*."

Mr. PASSMAN. Mr. Chairman, I make a point of order against the amendment and will reserve the point of order so that the gentleman from Iowa may explain his amendment.

Mr. GROSS. Mr. Chairman, this amendment is self-explanatory. It simply means that none of the funds provided in this bill shall go to the State of Israel until that Government provides full and fair reparations for the more than 100 U.S. servicemen who were killed and wounded—I believe some 34 or 35 were killed and another 75 or 80 were wounded—in the unprovoked attack by Israel's military forces upon the U.S.S. *Liberty*.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. LONG of Maryland. It is my understanding that the State of Israel has offered to make reparations in connection with this regrettable incident. Does the gentleman dispute that?

Mr. GROSS. They have at least gone through the motions of apologizing for the attack.

Mr. LONG of Maryland. Is it not true that they have undertaken to make reparations and are offering to make reparations when it is ascertained as to what they might be?

I gather it will take some time to discover what the costs of the injuries may be determined to be and they should be allowed a decent time in which to do that. I do not think they have refused to accept their obligations.

Mr. GROSS. Under the terms of this bill there are several million dollars made available to Israel. My amendment will not deny them that money if, and when, they make full reparation for their attack on our vessel and its crew.

Mr. LONG of Maryland. Is it not the purpose of the gentleman's amendment simply to give a slap in the face to a friendly country that has already admitted it made a mistake and has offered to make full reparations?

Mr. GROSS. Let them pay those reparations and I do not want them to use our money for that purpose.

Mr. LONG of Maryland. Mr. Chairman, I ask the gentleman if he is willing to give them time and not to insult somebody gratuitously.

Mr. GROSS. This is not an insult. The gentleman from Maryland well knows that this is not an insult. Let them first compensate those to whom they caused so much pain and anguish. As a matter of fact, as I said yesterday, they should be denied a dollar of credit or anything else until this matter is settled.

Mr. LONG of Maryland. If this is not an insult, I would like to hear from the gentleman what he regards as an insult.

Mr. GROSS. I wonder how you would feel if you were the father of one of the boys who was killed or maimed on that U.S. naval vessel. I do not know what kind of descriptive word you would use to express your feeling in that connection—or perhaps you do not have any feeling with respect to these young men who were killed, wounded and maimed, or their families.

Mr. LONG of Maryland. Is it not true that many times we fire on our own troops in Vietnam and men are killed? Do not these things happen in war? Is there anything we can do to bring these men back to life? We all regret it but does this excuse an attempt, through the gentleman's amendment, to give affront to a friendly country?

Mr. GROSS. The gentleman is making a most odious comparison and he ought to be the first to acknowledge it. We do not deliberately fire on our own troops in Vietnam unless a commander of troops calls for it. Our servicemen in Vietnam are killed and wounded by enemy fire. To try to compare the cause of our casualties in Vietnam with the casualties suffered in the attack on the Liberty comes dangerously close to characterizing Israel as an enemy. I have not said Israel is an enemy and I hope no one else will attempt to make such a comparison.

The CHAIRMAN. Does the gentleman from Louisiana insist on his point of order?

Mr. PASSMAN. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman will state the point of order.

Mr. PASSMAN. Mr. Chairman, this amendment goes beyond the appropriation of funds in this and other preceding acts.

Mr. Chairman, I ask for a ruling.

The CHAIRMAN. Does the gentleman from Iowa [Mr. Gross] desire to be heard on the point of order?

Mr. GROSS. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. GROSS. Mr. Chairman, this is clearly a limitation upon an appropriation bill; that the funds not be expended for the stated purpose unless the limitations are met.

Therefore, Mr. Chairman, the amendment I have offered is germane to the bill.

The CHAIRMAN. (Mr. Price of Illinois.) The Chair is ready to rule.

The amendment offered by the gentleman from Iowa [Mr. Gross] refers to funds provided in this act or any predecessor act. It covers an area not covered by the amendment in the bill.

In the opinion of the Chair, it is clearly additional legislation and is not germane to the amendment in the bill.

The point of order is sustained.

Mr. JOELSON. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from New Jersey is recognized.

Mr. JOELSON. Mr. Chairman, I just take this opportunity to refer to the question of the gentleman from Iowa of the gentleman from Maryland [Mr. Long] as to whether or not he has feelings. I know Mr. Long did not want to say this, himself, but he has a son who has served in the 101st Airborne Division in Vietnam, who was wounded twice, and received a Silver Star. I think this should answer the question as to whether the gentleman from Maryland has feelings for the parents of our young men in the armed services.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Sec. 119. The President is directed to withhold economic assistance in an amount equivalent to the amount spent by any underdeveloped country (as defined on page 142 of part 2 of the printed hearings of the House Committee on Appropriations on the fiscal year 1968 Foreign Assistance Appropriations) other than Greece, Turkey, Iran, Israel, the Republic of China, the Philippines, and Korea for the purchase of sophisticated weapons systems such as missile systems and jet aircraft for military purposes from any country.

AMENDMENT OFFERED BY MR. COHELAN

Mr. COHELAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Cohelan: On page 14, immediately after line 16, insert the following:

"Sec. 120. None of the funds appropriated or made available by this Act for carrying out titles I, II, and VI of chapter 2, and chapter 4, of part I of the Foreign Assistance Act of 1961, as amended, may be used for financing, in whole or in part, any capital assistance project as estimated to cost in excess of $1,000,000, until the head of the agency primarily responsible for administering part I of such Act has received and taken into consideration a report on the review of the proposed capital assistance project, conducted by the Controller of such agency with such assistance from other divisions of such agency as he may request, which report shall set forth the Controller's views, comments, and such recommendations as he may deem appropriate with respect to the adequacy of the justification, feasibility studies, and prospects for effective utilization of such project."

Mr. ROONEY of New York. Mr. Chairman, I reserve a point of order to the amendment.

Mr. BINGHAM. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BINGHAM. I have an amendment which I intend to offer to section 119. I believe the amendment offered by the gentleman from California would follow that, for it provides for an additional section. I wonder if the amendment to section 119 should not be considered first.

The CHAIRMAN. The gentleman is correct. Will the gentleman from California withhold his amendment?

Mr. COHELAN. Mr. Chairman, I withhold the amendment.

Mr. OTTINGER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and six Members are present, a quorum.

AMENDMENT OFFERED BY MR. BINGHAM

Mr. BINGHAM. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Bingham: On page 14, lines 7 through 16 strike all of section 119 and substitute the following:

"Sec. 119. In extending economic assistance to any underdeveloped country (as defined on page 142 of part 2 of the printed hearings of the House Committee on Appropriations on the fiscal year 1968 foreign assistance appropriations) the President is directed to take into consideration the extent to which the country in question is purchasing sophisticated weapons systems, such as missile systems and jet aircraft for military purposes not needed for external defense, and to withhold economic assistance to the extent that he finds the purpose of such economic assistance will be defeated by the purchase of such unnecessary sophisticated weapons systems."

Mr. BINGHAM. Mr. Chairman, I rise in some hesitation on this amendment, because I have great admiration for the gentleman from Massachusetts [Mr. Conte], whose language I believe appears in section 119. I know what the gentleman is trying to do and I agree with his objectives, but I do not think the language as it appears in the bill is well calculated to achieve these objectives. I think on the contrary it may do a great deal of damage to the economic and technical assistance programs which are provided for in this act. Let me quickly explain why I believe that is the case.

First, there is a list of countries that are excepted from the amendment offered by the gentleman from Massachusetts, specifically Greece, Turkey, Iran, Israel, the Republic of China, the Philippines, and Korea. That list appears to me to be incomplete. There should be other countries that ought to be considered there for possible inclusion. What about Thailand? Certainly Thailand is subject to external dangers. What about India? India had to resist invasion.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. Mr. Chairman, if the gentleman is asking me to yield so he can accept my amendment, I will yield. Otherwise, I would like to finish my statement.

We must consider India as being subject to possible Communist aggression. And Ethiopia is threatened by Somalia, which is being armed by Communist countries. Ethiopia is in deep trouble. Morocco is being threatened by Algeria. These are some of the countries which would have to be included if we are going to have a list.

But I do not think we should have a list of this kind. For one thing, we cannot tell in advance whether there will be changes in the international situation that will require some sophisticated weapons to be used by other countries.

The section as it is drawn I believe to be wholly unworkable for this reason: There is no such thing as a given figure for any particular country's AID program, from which the amount of arms purchases could be withheld or deducted. It is like saying "2 cents off." Two cents off what?

The AID agency does not start off—and I have been in this aid business, and I know something about it—by saying to Ethiopia, "We have $10 million for you this year. Now let us figure out how we are going to spend it." That is not how it is done. We talk about projects, and we sign project agreements, and when those project agreements are signed, as we come to the end of the year, then we may have a total of what the AID program for that country will be for that year.

What the Conte amendment would require us to do is, if some arms purchase is made that we dislike, that we would then have to go back and say, "No, we will have to back away from this or that project contract. We cannot go through with it."

Finally, I think, Mr. Chairman, this is a punitive provision as it is now drawn. I think it would poison relations with a lot of countries. There are many countries, for example, in Africa where we have small technical assistance programs going on just to show we are interested in their welfare and their development. They amount to a few thousand dollars. To say to them that if they purchase one jet plane, we are going to cancel out that program, just would not make sense. That would not stimulate the growth of the country we are interested in.

I agree that many countries waste funds on sophisticated equipment they do not need, but there are other ways they waste funds. They waste funds on corruption. Are we going to say that we will hold out so much aid if someone is found guilty of corruption? They also waste it by not having effective tax programs. Are we going to say we will withhold so much aid if they do not do so and so in terms of their tax legislation and enforcement?

I think the effect of the language as it is now drawn will not be to stop the use of military equipment but simply will be to interfere with and poison and destroy the usefulness of the technical and economic assistance programs which are covered in this bill.

My amendment would simply say that, where missile systems and jet aircraft are not needed for external defense, the President would be directed to withhold economic assistance to the extent that he finds the purpose of the economic assistance is being frustrated by the purchase of these unnecessary weapons systems.

That will do the job. It will give the President leverage with which to seek the elimination of these sophisticated weapons systems where they are not needed. It will also do the job of taking care of countries like Ethiopia and India, which do need sophisticated weapons, where they are threatened by Communist aggression.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment.

I do not know of any language in the bill which had any more thorough discussion than section 119.

As brought out by one distinguished member of the subcommittee, we have given the Latin American countries an average of $1.1 billion of economic aid annually during the past 5 years, and the same Latin American countries actually have been spending $1.5 billion annually for the same period for military assistance. If they had not been determined to build up military machines, they could have financed all of their own economic assistance programs and had $400 million left over to spend for some other purpose.

It is perfectly obvious to me that if we credit Latin American countries and other underdeveloped countries with billions of dollars, with which they can satisfy the needs of their economies, that releases to those nations the dollars or foreign exchange they earn from their exports to buy military equipment. We are defeating the purpose of our economic aid to them when we permit these countries to spend their own resources on military equipment.

I hope that the amendment will be voted down, so that we may continue to help the Latin American countries with economic assistance to help them increase the standard of living of their people. I do not want them to liquidate their own resources on military equipment.

Mr. FRELINGHUYSEN. Mr. Chairman, I move to strike the requisite number of words.

I might say I had planned to offer an amendment to strike section 119 of this bill. However, in view of my lack of success with previous amendments, and for other reasons, I have decided against it.

I cannot resist imposing on the Committee's time—and I realize it is late—to point out that this subject also was under the serious, direct, and very considered judgment by the Committee on Foreign Affairs. If the Committee on Appropriations had views, individually or collectively, it might have been well to have had their views at the time the authorization bill itself was put together.

Let me read section 620(s) dealing with this general subject. I should like at least to raise the question whether this language does not cover in a better way the problem represented by these underdeveloped countries than the language in the committee bill.

Section 620(s) reads as follows:

> In furnishing development assistance under this Act, and in making sales under the Agricultural Trade Development and Assistance Act of 1954, as amended, the President shall take into account (1) the percentage of the recipient or purchasing country's budget which is devoted to military purposes—

I should like to say that this seems a better test of whether or not assistance should be provided, than simply to confine ourselves to the problem presented by so-called sophisticated weapons. This means a determination must be made as to the entire amount being spent for any weapons. I continue—

> and (2) the degree to which the recipient or purchasing country is using its foreign exchange resources to acquire military equipment.

Again, this is broader language than the committee proposal.

Section 620(s) continues:

> When the President finds that development assistance under this Act, or sales under the Agricultural Trade Development and Assistance Act of 1954, as amended, are being diverted to military expenditures, or a recipient or purchasing country is diverting its own resources to unnecessary military expenditures, to a degree which materially interferes with its development, the President shall terminate such assistance and sales until he is assured that such diversion will no longer take place. No other provision of this Act shall be construed to authorize the President to waive the provisions of this subsection.

I would suggest that this is strong language. It would surely create a very direct responsibility on the administrator of these programs, and indeed on the President himself, to think carefully before he provides assistance to a country which he thinks is incapable of supporting a program or is straining its resources which should be used for development. We do not need language both in an appropriation bill and in the authorization bill to express our concern about this problem. I hope that we could do without the language in section 119 altogether.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from New York.

Mr. OTTINGER. I thank the gentleman for yielding.

I support the gentleman from New York, though I agree with the gentleman from New Jersey that it would be better to have nothing. It seems to me the language composed by the gentleman from New York accomplishes the very worthwhile objective that the committee seeks to serve, which is to discourage underdeveloped countries from wasting their money which is provided by various AID programs on arms, but avoids mischief which could inadvertently take place under the language of the Committee on Appropriations. I hope that the Committee will support the amendment of the gentleman from New York.

Mr. FRELINGHUYSEN. I agree with the gentleman, if we must have legislation written in an appropriation bill, the language of the gentleman from New York is far preferable to that in the committee bill.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, that was a real fallacious argument the gentleman from New York just made. Why, this amendment to my amendment does nothing, because, will not the gentleman agree with me, that the President of the United States has that power at the present time to withhold any funds from any country? Answer that question.

Mr. FRELINGHUYSEN. Since I have the time, I would like to use it, if the gentleman from Massachusetts will permit.

Mr. CONTE. Why do you not answer that question?

Mr. FRELINGHUYSEN. I just have taken the trouble to read the language giving the President authority.

Mr. CONTE. I have read it.

Mr. FRELINGHUYSEN. I might say to the gentleman that I have not yielded to him. I might if he gives me half a chance to finish my sentence.

I emphasize that the President has very strict instructions in the language of the Foreign Assistance Act.

Mr. COHELAN. Mr. Chairman, I move to strike the last word, and if the gentleman from New Jersey will take the well, I will be glad to carry on the colloquy with him.

I want to say to the House, as the gentleman well knows, I have tremendous admiration for the gentleman from New Jersey and for the work that he has done for many years in his Committee on Foreign Affairs. However, I take strong issue with the gentleman when he persists in the implication that we on the Committee on Appropriations are not really fully competent on these delicate problems. I realize that the gentleman does not quite want to go that far, but the fact of the matter is I have been sitting on this committee for some time now, and before I came on it I was on the Committee on Armed Services. So I am not entirely ignorant about military matters or military assistance programs. It further so happens that I tend to agree with the gentleman more than I disagree with him, but I find it a little irritating when he persists in suggesting that the members of this committee, who examined the matter in great detail, are not quite aware of what we are talking about. I am sorry that all of our colleagues have not read these justification books which I hold in my hand. I refer especially to classified material. I would like to recite them, if I could. I regret that we seem always to be inhibited in our conversations because of the obvious sensitivity with respect to classified data and specific countries. But even the unclassified data reveals detailed economic and social facts; for example, the gross national products, per capita incomes, literacy rates, life expectancies, growth rates, income distributions, and defense data.

And, the more we read about it, and the more we understand the past mistakes that have been made, it seems to me that we as legislators are hoping to see that we do not repeat it. That is all which is involved here.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield to me?

Mr. COHELAN. I want to be sure that I give my distinguished colleague from New Jersey [Mr. FRELINGHUYSEN] an opportunity to respond. I did not intend to make a speech here.

Mr. FRELINGHUYSEN. I am not sure just what I have said over the past 2 days that leads the gentleman from California [Mr. COHELAN] to think that I do not respect, appreciate, and understand the knowledge, the foresight, and the perception of the Committee on Appropriations.

My sole point has been that it is an inappropriate place, meaning appropriations—in fact, it is forbidden by the rules of the House to have the Committee on Appropriations take a policy position. I am saying, however, that the appropriate place for that determination to be made is in an authorization bill.

We fully understand the perception, the understanding and the initiative as well as the energy of the members of the Committee on Appropriations. However, it is better directed in an authorization bill than to be wasted upon or to be put into the wrong kind of bill, in an appropriation bill.

I am not arguing about the mistakes of the past, I am simply pointing out the fact that authorization bill, or the basic legislation for previous years, already covers almost every point which is in contention here. One or two of those points are covered in a different way which might deserve at least additional consideration. There might be improvements made, had the Committee on Appropriations used the authorization route, instead of taking it unto themselves to write this legislation.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. COHELAN. I yield to the gentleman from Massachusetts.

Mr. CONTE. I think that my distinguished colleague, the gentleman from New Jersey [Mr. FRELINGHUYSEN] fails to realize the fact that we adopted the rule providing for the consideration of this legislation upon yesterday.

Mr. FRELINGHUYSEN. I would say to the distinguished gentleman from Massachusetts that I am well aware of that fact, although I was hoping that it would not be adopted because of the present situation in which we find ourselves.

Mr. CONTE. Mr. Chairman, if the gentleman will yield further, the gentleman is well aware of the fact that the rule providing for the consideration of this bill was adopted by a vote of 200 to 190, a rule providing for the consideration of this bill and, in effect, saying that we can do this.

Mr. COHELAN. Mr. Chairman, I wish to comment further with respect to this matter. Actually, when one goes through and reviews the materials, year after year, and when one goes back and examines the mistakes that have been made in the nonclassified book, in the green book, one finds a cumulative total of military assistance that has gone to some countries where that result has been absolutely disastrous. We have seen this happen enough to want to halt such waste and bad policy.

Mr. Chairman, I want to tell the members of the Committee how impressed I was while doing my field work, which our friends in the press so often criticize when I had a Minister of Defense of an African country tell me, in effect, "Please do not be so good to us; you are killing us." He said, "We do not need all this; all we want is a little Swiss defense program."

However, Mr. Chairman, some of the more advanced military assistance people from our country come in and advise. In some cases there are such things involved as sales, and there are other prosaic incentives for encouraging military assistance.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I would like to have a statement from the author of section 119 as it now appears as to why, for example, Greece which is currently under a military dictatorship, is an exception to this provision and is permitted to buy sophisticated military equipment without difficulty; whereas, a country such as Ethiopia which is threatened from aggression by Somalia is not?

Why are the Philippines excluded, while Thailand is not excluded?

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. Mr. Chairman, I yield to the gentleman from Maryland [Mr. LONG].

Mr. LONG of Maryland. Mr. Chairman, the gentleman from New York asked why we exclude sophisticated weapons going to some countries and not to others. What we wanted to do was to make sure that sophisticated weapons did not go to countries that do not need them or had no justified requirement. These sophisticated weapons are to go to countries that are on the frontier of Communist aggression and not those countries which are not on the frontier of Communist aggression.

Greece is close to that frontier, furthermore Greece is in NATO, and so we felt that Greece should be made a recognized exception.

Mr. BINGHAM. Does the gentleman from Maryland feel that India, which has suffered an invasion by Communist China, is not entitled to sophisticated weapons?

Mr. COHELAN. Mr. Chairman, if the gentleman will yield further, I would reply to that and say that there are classified matters involved in this discussion. I can only say to the gentleman that we offered India certain military aircraft. I would further say to the gentleman that they would not take it because they wanted hotter and more sophisticated equipment. I would further like to say to the gentleman that they obtained this equipment from Russia. Since they decided to accept military assistance from us we have contributed to the defense of their country in very substantial dollar terms.

Mr. BINGHAM. That is not an answer to my question.

Mr. LONG of Maryland. May I say to the gentleman——

Mr. OTTINGER. Mr. Chairman, I decline to yield further to the gentleman from Maryland.

I yield to the gentleman from New York.

Mr. BINGHAM. I thank the gentleman for yielding.

Mr. Chairman, my question is whether it is the committee's feeling that a country that has been subjected to an invasion by Communist China is not reasonably entitled to have sophisticated equipment for its defense?

Mr. LONG of Maryland. Mr. Chairman, if the gentleman will yield, I would like to answer that question.

Mr. OTTINGER. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I believe we gave India her chance. We gave India a great many weapons, and I believe most of us realize that they used them, not against the Communist aggressors, but against a friendly country—or a country, at least, which is to us—and one that we were hoping to help.

I might say to the gentleman that my first concern with this whole business was when I was in the Amritsar-Lahore sector of the 15th Indian Division Headquarters, and I saw a whole park full of tanks which we had given to Pakistan destroyed by tanks and antitank weapons we had given to India. At that time it dawned on me that our foreign aid program had achieved the ultimate in perversion.

Mr. BINGHAM. I am as disturbed as the gentleman from Maryland is about the India-Pakistan question. But I would say to the gentleman that he should remember that India was attacked by Communist China, and we did provide help, and there is help that is needed on that frontier today.

We cannot get away from rivalries between some of the nations. Does the gentleman suppose that by the passage of this legislation we can solve the problems that exist between Pakistan and India?

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Massachusetts.

Mr. CONTE. Mr. Chairman, I want to answer one part of this question—the Indian answer was sufficient as far as I am concerned, but the gentleman mentioned Thailand twice, and that was when I asked the gentleman to yield.

The reason Thailand is not in here, and Laos is not in here, is because they are in the Defense bill, they are not part of this bill.

Mr. BINGHAM. That is pertinent to my question about Thailand, but not to my question about Ethiopia.

Mr. CONTE. I can give the gentleman the answer about Ethiopia. I feel that there should be no more arms for Ethiopia. Ethiopia is the oldest Christian nation in the world, and it has the highest illiteracy in the world in that nation. I have been in Ethiopia twice. I have traveled that country from top to bottom. They have more misery and sickness in Ethiopia than any country in the world, and they are spending all of their money on military equipment, and not by my vote are they going to get any more.

Mr. BINGHAM. The gentleman misses the point that I have tried to make.

Mr. CONTE. Let the United Nations go in there and take care of the situation. I am not going to be a peddler of war armaments.

Mr. REUSS. Mr. Chairman, will the gentleman yield?

Mr. OTTINGER. I yield to the gentleman from Wisconsin.

Mr. REUSS. Mr. Chairman, I would like to say on this question of whether Ethiopia, India, or any other country should be added to the exceptions, that we should let the Congress decide that. Whenever it becomes apparent in the future that a given country like Ethiopia, or whoever it might be, needs sophisticated weapons, and that we want to subsidize them by further economic aid, then I am prepared to vote for that if it is in the national interest. But I do not believe Congress should abdicate its authority. I hope the House will support the Committee on Appropriations, and vote down the Bingham amendment.

Mrs. KELLY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to make a comment in regard to the types of weapons that have been given to the Near East and Southeast Asian countries in past years.

First of all, let me say that most of the military sales in the years from 1962 to 1966 went to the developed areas. The percentage, I believe, was nearly 90 percent.

In regard to the military assistance that went to the less developed countries, may I say that a good part of it went to the South Asia-Far East region. It went to countries on the borders of the Communist empire.

I would also like to comment on this question of Greece where at the present time there is a great deal of difficulty over Cyprus between Greece and Turkey.

I want to call the attention of my colleagues to the fact that the President of the United States has withheld major weapons, of the type here discussed, from those countries for the reason that we do not want them to get into an arms race and into a conflict. We have withheld that type of aid from Greece recently and I am sure that the President will do it again if in the future similar circumstances should arise in other areas that could lead to open conflicts.

Mr. FRASER. Mr. Chairman, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman.

Mr. FRASER. I would just like to say, I do not think this is a very good provision. But I want to say that the reason this is in the bill is because the U.S. Government has not done a very good job with respect to the allocation, or the sale of arms around the world.

To that extent, I am sympathetic with what the authors of this amendment are trying to do.

We sold some attack A4–B's to Argentina.

Mr. SISK. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One-hundred and eight Members are present, a quorum.

Mrs. KELLY. Mr. Chairman, I yield further to the gentleman from Minnesota [Mr. FRASER].

Mr. FRASER. Mr. Chairman, I think our Government has made some serious errors as to where these weapons are to be sold and transferred to nations around the world. I, therefore, respect the motive that lies behind the amendment that has been offered by the subcommittee. But I am unhappy about the fact of the sale of sophisticated aircraft to Argentina which apparently set off an arms race in Latin America.

I am unhappy about the fact that we have continued to give military aid to the country of Greece which is under a regressive military dictatorship.

The only reason I am not going to stay with the subcommittee on this is that I think in actual practice this amendment will work a hardship on some democratic nations and would allow those countries that are relatively better off to conduct an arms race of their own and put at a serious disadvantage other countries which may be threatened by such an arms race.

In voting for the Bingham amendment, I want the members of the subcommittee to understand that I fully appreciate their concern. I think the Pentagon ought to take notice of the deep concern that exists in this House of Representatives about the practices that they have followed.

Mr. LONG of Maryland. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from Maryland is recognized.

Mr. LONG of Maryland. Mr. Chairman, I would like to read a clipping which illustrates the problems we open for ourselves when our Government consents to sell jets and other sophisticated weapons to very poor countries. Here is a clipping from the Evening Star of November 15 of this year. It is datelined Copenhagen, Denmark:

> Sweden's plane makers see the possibility of lucrative new markets in light of Washington's decision to permit the sale of advanced U.S. fighter aircraft to Latin American nations.
>
> The Swedish Saab concern hopes to push its 105XT training, reconnaissance and low-level attack fighter, which has General Electric engines in the export version, in Latin America.
>
> And if Saab can get a foot in the market with the 105XT, it has ready the mach 2 all-weather Draken lined up as the next step up the ladder. For any country which has the means for a really sophisticated air force the Viggen will be coming onto the market in the mid 1970s.

We are providing the means. The purpose of the passage in the appropriation bill to which this amendment objects was to prevent the waste and diversion of economic aid from the true purpose for which it was planned, namely, to help poor countries to achieve a better standard of living for their people to increase the sum of human happiness, and to prevent those people from going Communist and thereby presenting a world threat to the United States.

This provision would not have been necessary if the administration—and I am glad to hear the gentleman from Minnesota say what he did—had not shown repeatedly that it cannot be relied upon to prevent such waste and such diversions. We have had the administration come before us both in committees and in informal meetings—for example, in Congressman REUSS' office—and to state in the blandest and most disingenuous way that sales of 1,000-mile-an-hour planes would serve a useful purpose, one that would not really divert resources from schools, roads, and agricultural improvement.

Second, even if it would, the military of this country insist on it, and we were trying to get along with the military in these countries.

Third, that when all else failed, those planes were really useful for antiguerrilla purposes, in spite of the fact that only one of the countries proposing to buy these planes even claims any guerrillas, and the fact that a plane like this, traveling at the rate of 2,000 miles an hour, will not stay in the air long enough to fight guerrillas. Two hours at the most is the longest we can get them to stay in the air over Vietnam, and we have not had the slightest use of the high-speed jetplane in fighting guerrillas.

All that the amendment of the gentleman from New York proposes to do is to open the back door after we in the committee have closed the front door. What he wants to do is to leave it up to the President and the administration, when repeatedly the President and the administration have shown that they put such a construction on their powers that they are going to go ahead and sell these jets. They have made that clear. They have said so again and again. And I do not see why we do not believe what they say. We want to stop them from selling these jets and sophisticated weapons systems.

The question has been asked as to why this should be done in an appropriation bill. It is being done in the appropriation bill because the authorizing committee did not do its job. It is the job of the Appropriations Committee to make sure that the money of this country is spent wisely and is not wasted. We have written into the bill purely negative limitations. There is no constructive legislation in the bill. That is the job of the authorizing committee, and we are not writing such new legislation into this bill. We are merely saying what cannot be done.

From time immemorial this has been the function of the Appropriations Committee, and I defy anyone on the Foreign Affairs Committee to say anything to the contrary.

Mr. Chairman, I hope that the Committee will vote down this amendment because it would open up the back door and leave it open, when I think our job is to close all doors and keep them closed.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman from California.

Mr. COHELAN. I thank the gentleman for yielding. I just want to refer to two points: First, in reference to some of the ironies of military assistance—and this has already been referred to—the only reason I comment is because my good and dear friend, the gentleman from New York [Mr. BINGHAM] has raised the subject. In fact, it was because we gave such substantial weapons systems to one of these countries that we got into trouble with the other country.

Mr. CONTE. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York.

Mr. Chairman, at the outset I hope everyone will vote against the amendment and thereby support section 119 as in the bill.

Let me state further, Mr. Chairman, the provision that was supported and passed by the conference committee, in regard to this particular aspect, says that when the President finds that development assistance or sales under the Agricultural Trade Act are being diverted to military expenditures, or a recipient or purchasing country is diverting its own resources to unnecessary military expenditures to a degree which materially interferes with development, the President shall terminate such assistance and sales until he is assured that such diversion will no longer take place.

Why are we giving economic assistance to every country in Latin America and to many of the countries in Africa? Because they do not have the economic resources to do the job themselves. We consider all of the countries in Latin America at this time to be developing countries.

Then why did we sell 50 airplanes to Argentina, as the gentleman from Minnesota has mentioned, and trigger off the arms race in Latin America, which caused Chile to go in and buy the British Hawks, and which caused Peru to come in to buy Mirages and F–5's. We were the ones who triggered off that arms race.

Our provision concerning the sale of sophisticated weapons is an attempt to stop just this kind of dangerous situation from happening. It is a fair provision. Let me explain again what it does. It says only that if any country in Latin America or in Africa goes out to buy this sophisticated military equipment, these weapons of war, then their economic assistance will be cut accordingly.

So, for example, under this provision, assuming the proposed purchase of planes by Peru from France costs $24 million, we would then cut economic assistance to Peru down by $24 million. This would discourage these countries from going out and getting into this crazy arms race, which they have gotten into. It would also say to them, if they do not want to make appropriate self-help efforts on their own behalf to improve their economic situation, we will reduce our assistance to them.

Let me read a statement from the Foreign Minister of Chile, Gabriel Valdez:

> Each year $1.4 billion is being spent for military assistance in Latin America.

He further stated that these costs, and I will quote:

> Take the clothes off the backs, and food from the stomachs, and education from the minds, of children.

I could not agree with him more. For 9 years I have stood in this well and I have pleaded for foreign aid. I have taken the tough side on this issue because foreign aid certainly has little appeal with the people back home, but I cannot go on. I cannot continue supporting aid to countries who need money so desperately for food and for clothing and for medicine and for education, and who take this desperately needed money and divert it to buy weapons of war.

I hope this amendment, which gives this discretion to the President, is defeated, because we know what will happen. I hope section 119 is passed as is.

Mr. ECKHARDT. Mr. Chairman, I move to strike the last word.

Mr. BINGHAM. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from New York.

Mr. BINGHAM. Mr. Chairman, I thank the gentleman for yielding.

The gentleman from Massachusetts has just made a very eloquent speech, as is his wont, but if we consider this dispassionately and carefully and quietly, we will see that my amendment does exactly what the gentleman wants to do without damaging the technical assistance programs and the economic assistance programs which the gentleman so much believes in.

The gentleman speaks—and most of the references this afternoon have been also—to Latin America, and this is where some of the outrages have occurred. There are no external threats of aggression to amount to anything in Latin America. I would agree to that. But this section is not limited to Latin America.

I would not agree—and I was shocked to hear the gentleman say—that a country like Ethiopia is not threatened—a country which once tried to defend itself against aggression, and which now is threatened by Somalia.

I should like to say further, the gentleman says that Thailand is not on this list, because military assistance to Thailand is not covered in this bill.

That is not the point. The point is that this section directs that economic assistance to Thailand be withheld if Thailand purchases from any source sophisticated weapons. I defy the gentleman to read it any other way.

The whole point here is that it is a great danger to try to list specific states and to say, "Now, for the next year, these are the only states we in the Congress say can buy sophisticated weapons. If other states do it, we will penalize them. We will hurt them."

There is another point. We will have to be snooping around, for all of these countries, to see whether they do buy sophisticated weapons. We will have to be snooping around in various African countries. Nigeria has been in trouble lately. I do not know whether Nigeria is using sophisticated weapons in the rebellion or not. We would have to go snooping to see. If we found that they were we would have to say that the technical assistance we give Nigeria, which is not large, would be reduced or cut out.

There are many countries to which we give small amounts of technical assistance, only a few thousand dollars, just to show that we are interested and to maintain a presence. If those countries decide they want to buy one jet aircraft—this is not limited to supersonic jets, but covers any kind of jet—if they want to buy some jet which they believe they need, we will have to cut out that technical assistance program, because the jet would cost a lot more than the small amount we might be spending on technical assistance for them.

I believe in this economic and technical aid program. I hate to see underdeveloped countries misuse their resources for military assistance. But please do not use this kind of meat-ax approach, that would allow no flexibility, that would be regarded as punitive by these various countries, as interfering with their sovereignty.

Let us do this in such a way as to give the President leverage to use. He has not had such leverage before. The authorizing legislation gives him some leverage, and my amendment would give him more. Let us direct the President to go to these countries and say, "Congress has directed me that we will have to cut your assistance if you use sophisticated weapons you do not need for external defense purposes."

I thank the gentleman for yielding.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Louisiana.

Mr. PASSMAN. We are not selling any military aircraft to Thailand. What aircraft Thailand has is the result of past military assistance programs for Thailand.

This is good legislation. We certainly hope the Members will support the committee.

I thank the distinguished gentleman for yielding.

Mr. OTTINGER. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from New York.

Mr. OTTINGER. I am very much in sympathy with my friend from Massachusetts. I wish he had drawn an amendment so that I could support it. I believe there are a great many countries involved here. An amendment, soundly drawn, would give additional leeway. Many countries are threatened by communism, such as Laos, Cambodia, and Thailand, and they may well want to purchase some weapons some day. Automatically our aid program would be cut off.

I could even favor an absolute restriction. I agree that there should be an absolute restriction. But the amendment is not properly drafted. Any such absolute restriction should provide for exceptions for any country that might in the future become the victim of a Communist attack or "war of liberation." There should be greater flexibility in the exceptions to meet various unforeseen and unforseeable changes of circumstance.

For the time being, the too flexible language of the gentleman from New York is far preferable to the too restrictive language of the bill.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. ECKHARDT. I yield to the gentleman from Massachusetts.

Mr. CONTE. I want to make it clear that Laos and Thailand are both in the defense bill. As the gentleman pointed out, they are not buying airplanes. We give them airplanes. They are all part of the Vietnam complex of South Vietnam, Laos, and Thailand. They have all been taken out of here and put in the defense appropriation.

Mr. OTTINGER. Mr. Chairman, if the gentleman will yield further, that is not correct. It does cover them.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MOSS. Mr. Chairman, I move to strike the requisite number of words, and I yield to the gentleman from California [Mr. Cohelan].

Mr. COHELAN. I thank the gentleman for yielding.

I shall be very brief. I just want to address my remarks to my very dear friend, the gentleman from New York, because it is rare when we disagree with one another on a foreign policy matter.

In terms of U.S. flexibility, I, too, am in favor of that.

I want to remind the gentleman and other like-thinking Members of this body that the foreign aid authorization bill passed by only eight votes. I suggest to them that if this clause is not in the bill they will have a very difficult time in passing this legislation.

I believe what the American people are saying through us that abuse of this military assistance has got to stop.

The gentleman mentioned a couple of countries. I am reluctant to refer to specific countries. But he mentioned one country in particular and said it was threatened by another country. I happen to know something about that particular country. It is spending about 3 percent of its budget, which it cannot afford, on defense matters now. It is buying all the wrong things.

We are aiding and abetting it to the tune of over $100 million in the last 10 years for strategic reasons which we think are important to our national interest. But I want to say, without making any reference to that country by name, that it has a per capita gross national product of $58 and a population of 20-million-odd people, and I do not think they ought to have jet aircraft to fight guerrillas. The people in my district do not want them to buy that kind of fancy hardware when they desperately need help to meet their national needs.

As far as economic assistance is concerned, I will go all the way with the World Bank, all the way with the International Bank for Reconstruction and Development, and all the way with the African Development Bank and AID development loan and technical assistance. I have seen many of these projects, and they were excellent projects. But I do not want to see this military hardware infection spread into these societies by my country.

And mark this: We are not through with revolution in Africa. I predict that if we persist in arming these areas, they will turn on one another.

Incidentally, this is not limited to the countries named in this bill. I think in the long term we need to examine what is going on in some of the other countries, as has been referred to by the gentleman from New York [Mr. Bingham]. I agree with him about Greece. Greece has to be examined very carefully.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I wonder if we can reach an agreement on the amount of time we need to finish this amendment.

Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 6 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. GROSS. Mr. Chairman, in listening to this last phase of debate on this bill, I wonder if Congress ought to beef up the Arms Control and Disarmament Agency, the super-duper agency that some of you created a few years ago, with another $10 or $20 million a year to prove even more effectively how ineffective it really is.

Mr. COHELAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes. Briefly.

Mr. COHELAN. Mr. Chairman, this is one of the happiest moments in my 9 years in the House of Representatives, because it is the first time I have agreed with the gentleman from Iowa.

Mr. GROSS. That we ought to dispense with the Arms Control and Disarmament Agency?

Mr. COHELAN. That we ought to beef them up.

Mr. GROSS. Get rid of it, lock, stock and barrel.

Of course, this debate only proves more clearly than ever that this place, instead of being called the model city of the United States, should be called malfunction junction.

But I really arose to ask some of you whose hearts have been bleeding about the underdeveloped, and who know what part this bill plays in their lives, to tell me something about Nigeria. I understand that there have been around $200 million expended in Nigeria to make a showcase of that country. I have been unable to find out how much there is in the budget for this country that is now going through a civil war having washed out $200 million of our taxpayers' money.

Mr. Chairman, I wonder if somebody could tell me what is in the budget for Nigeria as contained in this bill?

Mr. CONTE. Mr. Chairman, if the gentleman will yield I shall undertake to answer the question of the gentleman. That is all classified material. If the gentleman from Iowa will come up here, I shall be happy to show it to him.

Mr. GROSS. How nice.

Mr. CONTE. I think the gentleman from Iowa knows the circumstances surrounding these figures.

Mr. GROSS. No, I do not or I would not have asked the question. It is nice to keep all of this information under wraps, so that we can go on spending more money there. I assume that some of the money is being expended over there to provide weapons and materiel to certain segments of that country's population to decimate the population by the thousands, weapons which have been supplied by us as well as by the Russians.

Mr. CONTE. The gentleman from Iowa is not telling me that you do not receive that information before the Committee on Foreign Affairs?

Mr. GROSS. Let me tell the gentleman that you do not have time to get much of any information in the Committee on Foreign Affairs.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, in clarification, I think we should state for the record that both economic grant aid and military aid to these countries is justified to the Congress on an "illustrative" basis. None of the funds recommended in this bill is earmarked for any country. The Executive may or may not provide economic or military assistance to these nations, unless it is specifically precluded in the legislation.

Mr. Chairman, I have always referred to the fact that we are dealing with an "illustrative program" and it is so because the executive may spend the money in any way they wish.

Mr. GROSS. I am sure that the gentleman from Louisiana will agree with me that for all the taxpayers' money that has been ladled out in Nigeria, money for this so-called showcase government, we have not received very much in return.

Mr. PASSMAN. I might say that the glass is rather muddled and the showcase does not look too good.

Mr. GROSS. Mr. Chairman, if the gentleman from Louisiana will stay on his feet, what about the case of Liberia?

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield, if I have the figures——

Mr. GROSS. As I have the figures, we have spewed out about $210 million to that country; is that not correct?

Mr. PASSMAN. That is correct.

Mr. GROSS. Has that effort and that expenditure of that amount of money brought up their literacy rate, or are they still about 90 or 95 percent illiterate, and still a country with the highest infant mortality rate of all the African countries?

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield, those statistics are not too readily available.

Mr. GROSS. And, let me ask the gentleman from Massachusetts [Mr. CONTE] how much was expended upon that Presidential Palace in Liberia?

Mr. CONTE. About $12 million. As the gentleman from Iowa will recall, I had a few words to say about that.

Mr. GROSS. Well, thank you and good night. I will be unable to stand much more discussion of this $2.7 billion bill without becoming nauseated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. BINGHAM].

The amendment was rejected.

AMENDMENT OFFERED BY MR. COHELAN

Mr. COHELAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. COHELAN: On page 14, immediately after line 16, insert the following:

"SEC. 120. None of the funds appropriated or made available by this Act for carrying out titles I, II, and VI of chapter 2, and chapter 4, of part I of the Foreign Assistance Act of 1961, as amended, may be used for financing, in whole or in part, any capital assistance project as estimated to cost in excess of $1,000,000, until the head of the agency primarily responsible for administering part I of such Act has received and taken into consideration a report on the review of the proposed capital assistance project, conducted by the Controller of such agency with such assistance from other divisions of such agency as he may request, which report shall set forth the Controller's views, comments, and such recommendations as he may deem appropriate with respect to the adequacy of the justification, feasibility studies, and prospects for effective utilization of such project."

Mr. ROONEY of New York. Mr. Chairman, I reserve a point of order against this amendment.

The CHAIRMAN. The gentleman from New York [Mr. ROONEY] reserves a point of order against the amendment which has been offered by the gentleman from California [Mr. COHELAN].

Mr. COHELAN. Mr. Chairman, this is a simple amendment. It was included in the foreign aid authorization bill which we passed this session, but it was somehow lost in conference.

The investigation which prompted this amendment was performed by the distinguished gentleman from California [Mr. Moss], his distinguished colleagues on the Foreign Operations Subcommittee of the Government Operations Committee, and the able staff of that committee.

This amendment is designed to correct an obvious deficiency in the capital assistance program of the Agency for International Development.

The record of the Agency for International Development is, I regret to say, less than good. There have been too many poorly planned and managed capital assistance projects. This is evidenced by the number of congressional reports, GAO reports, and even the Agency's own audit report issued year after year. Those reports disclose numerous instances of poorly planned and managed projects.

In spite of section 611 of the Foreign Assistance Act which was enacted to prevent such happenings, millions of dollars have gone to finance less than satisfactory projects. Obviously, an additional control—independent of the existing procedures for capital assistance—must be built into the processing mechanism.

This amendment would do just that. It provides that when more than $1 million is provided for any capital assistance project, the Agency must consider the findings of the Agency's Controller as to the project's justification, feasibility, and prospects for effective utilization. Placing this additional review responsibility in the Office of the Controller allows for an independent preaudit outside the planning machinery which already exists. This should help greatly to insure the success of the project.

The additional workload required by this amendment would be very little. However, the benefits derived in terms of well-founded projects effectively utilized and maintained could be phenomenal. For example, if we take the Agency's capital assistance lending for the past fiscal year and apply the $1 million criteria, this amendment would affect 50 loans out of a total of 64. But they would represent 98 percent of the total dollar value of loans signed during that year. As of the end of the 1967 fiscal year, there were 60 loans of this type authorized but not signed. If all these were to become loans in the current fiscal year, this amendment would affect only 47 out of the 60 loans. But—significantly—they would represent 98 percent of the total dollar value.

This amendment would help to prevent the building of power plants that sink into swamps, such as the thermal power plant in Santa Cruz, Brazil; schools without teachers, such as the school construction program in northeast Brazil; and roads that go nowhere, such as the road in southern Peru that ended at a mountainside. Unfortunately, AID has supported such projects in the past. We should make sure this never happens again. Too much of this program has been audited after the fact. What it needs is some preaudit.

Mr. Chairman, in short, this amendment would provide the additional control needed to make sure that AID assisted projects are justified, feasible, and will be effectively utilized and maintained. This can be accomplished with little additional workload by a preperformance audit, before millions of dollars of U.S. assistance are committed to such projects.

Mr. Chairman, we need this additional control and I strongly urge adoption of this amendment.

Mr. MONAGAN. Mr. Chairman, will the gentleman yield?

Mr. COHELAN. I yield to the gentleman from Connecticut.

Mr. MONAGAN. Mr. Chairman, I thank the gentleman for yielding.

I wish to say that I agree wholeheartedly with the amendment offered by the gentleman from California. I would add that I offered this motion in the committee during the consideration of the authorizing legislation, and it was accepted unanimously, but as the gentleman knows it was lost in the conference.

I believe this would be helpful in the administration of this legislation.

Mr. COHELAN. I thank the gentleman. I am very happy to present this amendment to the House at this time.

Mr. Chairman, I yield back the balance of my time.

Mr. ROONEY of New York. Mr. Chairman, I must insist upon my point of order to the pending amendment.

The CHAIRMAN. Does the gentleman from New York wish to be heard on his point of order?

Mr. ROONEY of New York. Yes. The point of order is based on the fact that this puts language in the bill, by this amendment, which would cause additional duties to be performed, and it is therefore legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from California desire to be heard on the point of order raised by the gentleman from New York?

Mr. COHELAN. Mr. Chairman, I was not aware that this procedural point would be raised. It would seem to me that, on the basis of the arguments that have been going on almost the entire afternoon, and on the basis of the references made by my distinguished colleague from Maryland in reference to the functions of the Committee on Appropriations, that I will choose to regard my proposal as a limiting amendment, and therefore germane to the argument before us today.

The CHAIRMAN. The Chair is ready to rule.

The amendment offered by the gentleman from California adds a new section to the bill which would impose additional duties, determinations, and obligations upon the head of an agency that are not now required under existing law. Therefore the Chair holds that the amendment proposes additional legislation on an appropriation bill.

The Chair, therefore, sustains the point of order.

Mr. ZABLOCKI. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise at this time to make several inquiries of members of the Committee on Appropriations. But before I do so, I want to apologize if I have offended any member of the great Committee on Appropriations by questioning their knowledge of what is contained in their bill.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. ZABLOCKI. I am delighted to yield to the gentleman.

Mr. BOW. I just want to say to the gentleman, he does not have to apologize to any member of the Committee on Appropriations on his birthday. I wish him many more happy birthdays.

Mr. ZABLOCKI. I thank the gentleman very much.

Mr. Chairman, we have just concluded reading title I. I have a question or two to ask of the chairman of the subcommittee, the gentleman from Louisiana [Mr. PASSMAN] regarding section 118.

I have a strong suspicion of the provisions of section 118. I seem to recall that a similar provision originated in the other body some time ago and was put into an earlier appropriation bill by the other body.

Mr. PASSMAN. The distinguished gentleman is correct. This language—section 118—was placed in the bill by a Member of the other body last year and we just carried it forward in the bill this year. I do not recall any opposition to the amendment last year when we brought back the conference report.

Mr. ZABLOCKI. I do thank the chairman.

I thought I recognized this as the so-called Birch Bayh amendment which deals with the purchases of certain steel products for our military in Vietnam.

The country particularly involved in these provisions is Korea. Korea can and is supplying galvanized sheets for Vietnam under tightened regulations drawn by AID. But I submit that one important factor that the proponents of this amendment have not considered is that Korea is also supplying combat forces in Vietnam. In my judgment, Mr. Chairman, it is shortsighted on our part to impose a penalty on Korea by making it difficult for that country to continue her economic development through provisions such as the one contained in section 118 of the bill.

I may add, Mr. Chairman, that I thought of offering an amendment to strike out section 118 of the bill. I feel that such action was warranted because the subject of the Bayh amendment has been examined and reexamined by the House and the other body on a number of occasions. Last year, our chairman set aside an entire session of our hearings in order to hear the distinguished Senator from Indiana. We also took testimony from the executive branch. After careful and repeated study, our committee, the House and the other body would not support the Bayh amendment. But somehow it became part of law—not in a legislative bill but once again in an appropriations bill.

This is not good legislation. It imposes an unnecessary restriction which is not in our national interest. It penalizes an ally who is fighting at our side in Vietnam.

I feel strongly that this section should be stricken from the bill.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

TITLE II—FOREIGN ASSISTANCE (OTHER)

FUNDS APPROPRIATED TO THE PRESIDENT

PEACE CORPS

For expenses necessary to enable the President to carry out the provisions of the Peace Corps Act (75 Stat. 612), as amended, including purchase of not to exceed five passenger motor vehicles for use outside the United States, $105,000,000, of which not to exceed $28,400,000 shall be available for administrative expenses.

Mr. OTTINGER. Mr. Chairman, I move to strike out the last word.

Mr. DELANEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Mr. DELANEY. Mr. Chairman, I withdraw the point of order.

Mr. OTTINGER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, on numerous occasions I have taken the floor of the House to praise the work being done by the Peace Corps and to bring to the attention of our colleagues some particularly noteworthy accomplishments of the Corps. Today, the future of the Corps growth and development is at stake and I rise to urge the House to restore the $12.7 million cut from its appropriation by the Appropriations Committee.

From the very first day of the Corps, economy has been a key word. Every effort has been made to cut costs wherever and whenever possible and I believe the figures speak for themselves—in fiscal year 1962 there were 919 volunteers at an annual average cost of approximately $9,000 per volunteer. In fiscal year 1967 there were some 11,600 volunteers at an annual average cost of $7,453 per volunteer. In just 1 year, costs were cut by $414 per volunteer.

At every level—from senior officials of the Washington staff to the volunteers in the field, from the Washington operations to those overseas—nonessential spending has either been drastically reduced or completely eliminated. There never have been any frills in the Peace Corps and this agency serves as proof that the "fat" can be cut from the Federal budget.

However, with an appropriation of only $105 million, the Corps will become smaller. Instead of the planned strength increase to over 12,000 volunteers, it will drop to approximately 10,600—a reduction of about 1,000 volunteers.

The Peace Corps has proved the validity of working from the bottom up rather than from the top down in Asia, Africa, Latin America, and the Near East. It has demonstrated the success potential of community-development techniques of having our people live with the people they are assisting in the slums that surround all of the major cities of these countries and in the countryside in the rural peasant villages. It has demonstrated the importance and practicality of stimulated self-help—and the economy of such programs. It has shown that work in primitive societies does not necessarily require highly skilled, highly paid technicians—that the average citizen of this country can play a meaningful role in the development of a country where infant mortality is over 50 percent and the people do not know the significance of feces disposal, water impurities or a sound diet. It has proven the feasibility and efficacy of intensive language and cultural preparation of our foreign cadres, of having them live within the communities they serve rather than in isolated American ghettos; of having them receive compensation comparable to their host counterparts and play roles not as superior advisers but as coequals.

Mr. Chairman, I could go on at great length about the many and meaningful successes and accomplishments of the Peace Corps, of its universal acceptance throughout the world at every strata of society, and of its bold new approach—and I must say a refreshing one—to our overseas relations. However, I feel very strongly that the most urgent issue now before us is to take prompt action to restore these urgently needed funds to the Corps appropriation so that it can follow through on already planned programs, increase its strength and effectiveness, and fully honor the commitments made to some 58 foreign governments.

While I have consistently urged that economies be practiced in all Federal agencies and programs, and that Federal spending can and should be curtailed and reduced, I am convinced the Corps has done everything it could in this regard and is now operating at top efficiency. I have received Jack Vaughn's assurances that he and his staff will continue to probe for economies.

Mr. Chairman, from the conversation with my colleagues in both Houses, from the public pronouncements of praise for the Peace Corps so many have made on the floor of Congress and elsewhere, I know that the large majority of Members share my views. I hope the conferees on this measure will substantially restore this unfortunate cut.

Mr. MESKILL. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. MESKILL. Mr. Chairman, I did not vote for the foreign aid authorization bill, nor the conference report, and I am opposed to the foreign aid appropriation bill, H.R. 13893.

It is time for the American people and the American Congress to face this issue bluntly.

Since the beginning of our foreign aid program, following the end of World War II, our people have furnished foreign governments more than $130 billion. Some $48 billion of this has gone for armaments. Many of these alleged allies vote against us in the United Nations, work against us, mock us, insult us, and many of them now supply our enemies in Vietnam.

Foreign aid has been marked by innumerable examples of mismanagement. We have financed yachts for tyrants, palaces for petty potentates, airlines for countries whose citizens have no place to fly. Our weapons go around the world, fostering civil wars and underpinning the power of totalitarian regimes. They have made possible wars between allies.

Foreign governments, in large measure because of our aid dollars, have purchased so much of our gold that U.S. gold reserves have dropped from $24 billion in 1949 to $13 billion now. In addition, there are in foreign hands $29 billion in dollar claims payable in gold—more than twice the amount of gold we have with which to pay it.

Our national debt is now approximately $340 billion and costs us more than $15 billion a year in interest charges. Unless our fantastic level of Government spending is checked, the value of the dollar will sink out of sight.

We are well past the stage at which our resources were needed to reconstruct Europe and Japan from the destruction of World War II. They are no longer prostrate. They are healthy, growing, and prosperous. It is the United States which is bleeding now—and we are the bulwark of the free world. If we go down, the whole free world structure will come crashing with us. And our national debt is 50 percent greater than the total debt of all the other nations of the free world.

It seems to me, Mr. Chairman, the first object of our foreign policy should be to preserve the strength of our country, not to hunt for new outlets through which to leak our lifeblood.

Yesterday, we voted to continue the war on poverty. I am glad to see us turning our attention and our resources to the relief of our own people. There is much wrong with the administration of the war on poverty, but there is an advantage to it which is lacking in the foreign aid program: the fact that the antipoverty program is at home where we can keep an eye on it. Foreign aid is run through 74 capitals around the world, each with its own bureaucracy, each well beyond the probing eye of citizens or Congress.

We have passed the point of diminishing returns in this program, Mr. Chairman. We are faced with the need to reconcile our policies to our people. And I submit that there is not a country in the world which cannot and will not see the logic of our taking such a position. No one will blame us for taking steps to secure the strength of our country, especially when they know that their very survival rests on the bedrock of American strength and resolution.

With the same faith and courage with which we undertook the task of rebuilding the free world more than 20 years ago, let us now accept the fact that this job has been done, as far as we can do it without damage to ourselves. Let us not decide the issue on the basis of the continuing needs of other countries, but rather let us decide this issue on the basis of our financial ability to continue this aid. Let us vote to end the program now.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

None of the funds made available because of the provisions of this title shall be used by the Export-Import Bank to either guarantee the payment of any obligation hereafter incurred by any Communist country (as defined in section 620(f) of the Foreign Assistance Act of 1961, as amended) or any agency or national thereof, in any other way to participate in the extension of credit to any such country, agency, or national, in connection with the purchase of any product by such country, agency, or national, except when the President determines that such guarantees would be in the national interest and reports each such determination to the House of Representatives and the Senate within 30 days after such determination.

AMENDMENT OFFERED BY MR. BROCK

Mr. BROCK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROCK: On page 20, line 7, strike line 7 and all that follows through line 10 and insert in lieu thereof: "the Congress determines that such guarantees would be in the national interest."

Mr. BROCK. Mr. Chairman, this is a very simple amendment. It changes the exception clause with regard to Presidential determination to give that authority to the Congress instead of the President. The reason I offer the amendment is primarily in order to conform to an action which we have already taken in the Banking and Currency Committee. It adopted an amendment which I offered to the authorizing legislation of the Export-Import Bank, and which would make the determination available to the appropriate committees of the Congress, and they were to report to the Congress.

I am simply asking that we change the Appropriation Act to allow the Congress of the United States to make the determination, that if an exception is allowed to the furnishing of credits to a Communist nation, the determination be made by the Congress rather than by the administration.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendment. Earlier I objected to giving the president the right to determine whether military assistance should go to Communist countries. I still feel that way. But under the Constitution our foreign policies are the prerogative of the President of the United States. One of his current policies is to build bridges to the East. While I may not agree with that policy I think this language—which requires a Presidential determination—is good language as it requires the President to take a second look before he uses the facilities of the Export-Import Bank to further his foreign policy.

The Export-Import Bank is operated to provide funds to promote the sale of American commodities only. The Bank is indeed well operated under the extremely able President, Harold F. Linder. Not only has the Bank made a tremendous profit for the American taxpayers, but it has also made it possible for American manufacturers and businessmen to earn billions of dollars in profits on the sale of their commodities to countries overseas.

The language on page 20 of the bill requires that each and every determination by the President to extend assistance to Communist countries must be reported to the House of Representatives and to the Senate within 30 days after such determination.

Personally, I have no desire to see the legislative branch assume the prerogatives of the executive and administer our foreign policy. I am wondering how ridiculous we would look if we were to ask the President of the Export-Import Bank to report to the Congress on his negotiations for loans and then to let the Congress determine that each such loan or guarantee is in the national interest. It is rather obvious that if such a proposal should be enacted, under our legislative processes it may require many weeks or months before the determination would be approved or disapproved.

In addition thereto, it would be usurping the power of the executive, and in this instance I do not consider that to be in the best interest of our economy.

I trust this amendment will be voted down, and let us continue on the same basis that we have operated in the past several years—since 1963, to be exact.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the distinguished Speaker of the House of Representatives.

Mr. McCORMACK. Mr. Chairman, I join with the distinguished gentleman from Louisiana.

I think it is dangerous to tie the hands completely of the Chief Executive of our country.

This is not my feeling today. It is my feeling throughout the many years that I have been a Member of this body, without regard to the political affiliation of the President of the United States. During the 8 years of President Eisenhower's administration, I took the same position. I think it would be a dangerous thing to do, to establish a precedent that we might all regret. Without going unnecessarily into detail, because I think we are all acquainted with the basic questions and issues involved, I repeat that the language of the bill at least reserves in the President under certain limitations an exercise of his judgment, and one that should reside in any Chief Executive of our country.

I say this without regard to the political affiliations, because to me, as I have said, during the 8 years of President Eisenhower's administration, I never referred to him as a Republican, because he was my President—elected as a Republican, it is true, but he was the President of the United States.

The position I take today is one that I have consistently taken without regard to political tenor or political atmosphere of the administration in control. I urge the rejection of the amendment.

SUBSTITUTIVE AMENDMENT OFFERED BY MR. LIPSCOMB

Mr. LIPSCOMB. Mr. Chairman, I offer an amendment as a substitute for the amendment offered by the gentleman from Tennessee [Mr. BROCK].

The Clerk read as follows:

> Amendment offered by Mr. LIPSCOMB as a substitute for the amendment offered by Mr. BROCK: On page 20, line 6, place a period after the word "national", and strike the words "except when" and all of lines 7 through 10.

Mr. LIPSCOMB. Mr. Chairman, the purpose of this amendment is to strike out the part of title III which leaves the determination which the President has in the present language for giving credits to Communist countries or countries dealing with Communist countries. Under the present language, it says, "except when the President determines that such guarantees would be in the national interest and reports each such determination to the House of Representatives and the Senate within 30 days after such determination." The amendment I offer, strikes that language.

In this Congress we have had many days of debate over whether or not we should extend credit to a country which gives materiel and items to a Communist country which is supporting the Communist effort in North Vietnam.

At the present time there is under consideration with the Export-Import Bank, credit arrangements with the Fiat plant of Italy, to construct a plant in the Soviet Union. The Fiat Co. of Italy, it is reported, is seeking a $50 million loan from the Export-Import Bank. If we pass this substitute amendment, for example, it would be impossible, in my opinion, to go ahead with the Fiat deal with the Soviet Union.

I believe it is time that we came down to the fact that the Export-Import Bank should not be making loans to countries dealing with Communist countries who are supporting the Communist effort in North Vietnam against our best interests. That is the reason I have offered this substitute amendment to the House. It would in no way restrict the activities of the Export-Import Bank in worthwhile transactions. I know and believe the Export-Import Bank is a good organization which has done great good throughout the world.

But I see no value in the Export-Import Bank dealing with countries that deal with Communist countries which support the Communist war effort.

Mr. BROCK. Mr. Chairman, will the gentleman yield?

Mr. LIPSCOMB. I yield to the gentleman from Tennessee.

Mr. BROCK. May I inquire, is not the thrust of the amendment, stating no determination and no exception, essentially what the chairman of the committee recommended in other sections of the bill relating to the sale of arms?

Mr. LIPSCOMB. The whole debate today has revolved around this particular question. The debate the gentleman from Louisiana [Mr. PASSMAN] gave in opposition to the amendment of the gentleman from Tennessee was just the reverse of what has been going on in the Committee of the Whole all day. Therefore, I took the whole issue out of this bill by recommending deleting the entire section that referred to a Presidential determination.

Mr. BROCK. Will the gentleman yield for an additional comment?

Mr. LIPSCOMB. I yield.

Mr. BROCK. I support the gentleman's amendment. It is perfectly acceptable to me.

What we are saying, with all respect to the leadership, which has pointed out that the President should have this authority, is that my point is he has already made the determination that assistance to the Communist bloc is in the national interest of this country. I happen to disagree. Therefore, I believe we need this amendment. I believe it is imperative.

Mr. LIPSCOMB. I thank the gentleman from Tennessee. He has been very active and effective in his work on this matter.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. LIPSCOMB. I yield to the gentleman from Iowa.

Mr. GROSS. Is the gentleman aware that under section 620 of the Foreign Assistance Act of 1961, as amended, there is discretionary authority to the President, and this provision in the bill apparently impinges upon section 620 of the Foreign Assistance Act of 1961? I fear the discretionary authority is left to the President, even with the gentleman's amendment. I want very much to support the gentleman's amendment and I hope it will not be nullified.

Mr. LIPSCOMB. I believe it would be worthwhile that we adopt the substitute amendment which has been offered, and we would be on the right track.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. LIPSCOMB. I yield to the gentleman from North Carolina.

Mr. JONAS. With reference to the comment made by the gentleman from Iowa. I do not care whether it is in the Foreign Assistance Act or not. If a limitation is imposed on these funds, they could not be used.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the substitute amendment.

This language has been carried in the appropriation bill in identical form since December 1963. There have been no abuses that I know of.

We cross over this bridge annually, not only in our debate on this floor, but also in conference. This Bank is operated solely to promote the sale of American commodities overseas. The Bank makes a profit every year and in addition we get back badly needed dollars.

Of course, there is a lot of political mileage in this proposition, but I must face up to my responsibility as the representative of the committee that reported this bill to the House for its consideration, and I urge the Committee to vote down this amendment.

In addition, it is just a matter of weeks now, in all probability, before there will be legislation tightening this up, more or less, and, in all probability, proposing the adoption of at least one of the amendments offered today.

I trust that the substitute amendment will be voted down, and I ask for a vote.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from California [Mr. LIPSCOMB] for the amendment offered by the gentleman from Tennessee [Mr. BROCK].

The question was taken; and on a division (demanded by Mr. LIPSCOMB) there were—ayes 49, noes 63.

Mr. LIPSCOMB. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. LIPSCOMB and Mr. PASSMAN.

The Committee again divided, and the tellers reported that there were—ayes 58, noes 78.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. BROCK].

The amendment was rejected.

AMENDMENT OFFERED BY MR. BROCK

Mr. BROCK. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. BROCK: On page 20, lines 9 and 10, strike the word "within" and all that follows through line 10 and insert in lieu thereof "at least 30 days prior to such determination."

Mr. PASSMAN. Mr. Chairman, will the gentleman yield for a parliamentary inquiry?

Mr. BROCK. Certainly.

Mr. PASSMAN. Mr. Chairman, have we not already passed that part of the bill?

The CHAIRMAN. The Chair will state to the gentleman from Louisiana that we have not passed that part of the bill.

Mr. PASSMAN. I thank the distinguished Chairman.

Mr. BROCK. Mr. Chairman, if I may say to the chairman of the subcommittee, the gentleman from Louisiana [Mr. PASSMAN], what I am trying to do, since the last amendment was defeated, is to at least give to the Congress advance notice before any decisions are made.

All I am saying is that instead of informing us after the fact, inform us 30 days prior to making such a determination.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. BROCK. Certainly.

Mr. PASSMAN. I think it would be almost impossible to administer such an amendment, would it not?

Mr. BROCK. No; there is no difficulty in this amendment. All they have to do is to advise the Congress 30 days prior to making any such decision.

Mr. PASSMAN. Mr. Chairman, if the gentleman will yield further, how can they advise us 30 days prior to the day they make the determination?

Mr. BROCK. The point is, in response to the gentleman from Louisiana, I want the Congress apprised of the fact that this determination is going to be made. Then, if there is any objection on the part of the membership of the House of Representatives, we can take specific action as required because we would have advance notice, instead of being informed after the fact.

Mr. Chairman, I do not feel that this amendment needs any further discussion and, therefore, I yield back the balance of my time.

Mr. ROBISON. Mr. Chairman, I ask

unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROBISON. Mr. Chairman, practically every measure we consider these days can be related, in some fashion, to the military, diplomatic, and financial dilemma we face in Vietnam.

This was certainly true, earlier this week, when the House voted—and many who did so probably with misgivings—to hold the authorization for the antipoverty program at approximately last year's level of funding.

Interrelated to all this, of course, is that troubling question of Federal priorities—or national priorities, if one prefers—and there have been those who have suggested, and not without reason, that we have our sense of priorities mixed up when we continue to spend money, and a great deal of money, pursuing some sort of "solution"—the form of which our leaders are apparently not able to agree upon—to the bloody conflict in Vietnam, while so many of our domestic challenges go unfaced, and the needs of our own people go unmet.

Now, I do not here wish to engage in any debate, again, over "guns and butter"—or "guns or butter"—but the provisions made in this bill, the annual appropriation bill for foreign aid, for carrying on that "other war" in Vietnam, as we have come to think of it, and the extremely lucid and logical comments made about this on yesterday by the gentleman from Michigan [Mr. Riegle] impel me to suggest, as he has, that we had better look to our priorities in Vietnam, too, so long as we are so deeply entangled there.

As for myself, I have felt all along—as our involvement in Vietnam lengthened and deepened—that this was still a war that, in the long run, would be won or lost by the people of South Vietnam. And I have, on numerous occasions, expressed my concern over the manner in which we have been "Americanizing" that "other war" in Vietnam—the political contest with Vietcong—as well as the shooting war which, perhaps, in view of the inadequacies of the South Vietnamese Army, was the only way by which we had a chance to halt the continued aggression from the north, and give the people of the south their long-awaited opportunity to set up a viable government of their own through which they might preserve their right to self-determination.

But to also "Americanize" the political side of this conflict—no matter how pressing the need to do so might seem—is quite another thing. General Westmoreland is now, again, in Washington and has been giving both President and Congress a rather subdued report of such military progress as is being made; and there is even talk again that, after a year or two, we might even begin to be able to reduce our troop strength in Vietnam—though this is a message of hope we have heard before.

However, it is a good deal harder for anyone in behalf of the administration to point to any reason for encouragement concerning the political side of the war—and one only has to read through some of the hearings conducted by the subcommittee that prepared this bill to discover the reasons why. On September 19—if you are looking for ready reference material in this respect—the gentleman from Michigan [Mr. Riegle] addressed this committee at some length on this facet of our Vietnamese problem, including excerpts from the testimony he had heard as a member of that subcommittee, and including especially excerpts of the various colloquies he had had with Rutherford M. Poats, formerly area director of the AID program in Vietnam and now Deputy Director of AID.

There is no need for me to repeat what the gentleman from Michigan [Mr. Riegle] set forth, for it is there in the Record for anyone to check, but it adds up to a very discouraging picture displaying a lack of self-sufficiency, a lack of motivation, a lack of resolve and a lack of commitment, so far, on the part of the South Vietnamese people—though this is surely not solely the fault of these people who have been pushed hither and yon for years, with no government and no leader really to rally around. But now, they have a duly elected government of their own, in which they should have, for the first time, some faith, and it would seem to me to be essential—if we are ever to dig ourselves out of this morass—that we require of that new government the doing of those things that it must do if this rugged experiment at trying to build something like democracy in Asia on which we have embarked is to possibly succeed.

Those things that it must do are not terribly complex, though undoubtedly difficult in the application. They involve such items as a meaningful program of land reform—without which the peasants in the South Vietnamese hinterlands will never identify either with the new government or with the war; a program of tax reform and of internal economic controls of the kind, as the gentleman from Michigan [Mr. Riegle] said yesterday, normally "would be associated with a country at war or on a wartime footing"; a program to wipe out the graft and corruption in and around Saigon that has previously hampered the allied war effort and damaged the credibility of prior South Vietnamese governments, as well as a renewed and redirected pacification program in which the South Vietnamese, themselves, must take the leading part.

Of course, Mr. Poats' testimony to the subcommittee was given some time ago, and there may since have been some improvement, but at the time of the hearings he did tell the gentleman from Michigan [Mr. Riegle] that—

> We are still increasing the American participation in what are normally the host government responsibilities.

And he also agreed, in effect, with the gentleman from Michigan [Mr. Riegle] when he suggested to him that, without our AID program to South Vietnam—which amounts to some $550 million in this bill—the South Vietnamese government would likely collapse and, for all intents and purposes, the war would be over.

Now, surely Mr. Chairman, this is a discouraging state of affairs, and I would certainly agree with the gentleman from Michigan [Mr. Riegle] that we ought to insist of the new Vietnamese Government that it give us a commitment—or give its own citizens a commitment, for it makes really very little difference—to the winning of this struggle, however that term may be defined, equal not in dollars but in depth of resolution to that already made by our own Government. What we ask—or what we should be asking—is only such a commitment, not an overnight miracle, for this new government has barely gotten on its feet and no one can now expect too much of it in the way of deeds. Perhaps we already have some such commitment but, if so, the President has not made it known to us; and if there is one, for there are some small signs of improvement, then I think the President should tell us about it as best he can in view of the diplomatic problems involved, for there are more and more Americans, I feel sure, who are beginning to feel that if the South Vietnamese Government and people lack the wherewithal in will and resolution to see this thing through, then indeed, we ought to immediately reexamine our own commitment to them for—at least on the civil side—this is still their war and they have to win it.

Mr. Chairman, I believe this to be a matter of utmost priority in connection with our effort in Vietnam, and I would suggest to those who are critical of the course the President has been following that it would be well for them to address themselves to this facet of our overall problem rather than to that well-worn debate over whether to bomb or not to bomb, which, to my way of thinking at this point, is not a question that has much to do with how we come out of this dilemma, or even with how soon we could begin to have hope of doing so.

Mr. CARTER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. CARTER. Mr. Chairman, in the year 1, the world's population was 250 million. In 1630, it had increased to 500 million. In 1830, it had increased to 1 billion. In 1930, it had increased to 2 billion. In 1960, the population was 3 billion. In 1975, it is estimated to be and it will be 4 billion. In 1984, 5 billion, and in 1993, 6 billion.

In the year 2,000, it will be 7 billion. Between now—1967—and the year 2,000, there will be 7 billion babies born in the world, it is estimated by the Population Council. Of this 7 billion, one-half of this number of children will be unwanted.

Do we today wish to cut our Technical Assistance Act from $210 million to $180 million, when the $30 million would help so much in population control. It is possible by improvements in agriculture and our population growth that the world can support 5 billion people by the year 2000. It is extremely doubtful that it can support 7 billion people.

I ask today that the $30 million which has been struck from the budget request be restored in order that the world may provide something near adequate food for the youngsters to be born in the 33 years between now and the year 2000.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee [Mr. BROCK].

The amendment was rejected.

Mr. BROWN of California. Mr. Chairman, I regret that I will be unable to support the foreign assistance program presented to us today in the form of H.R. 13893, the Foreign Assistance and Related Agencies Appropriation Bill of 1968. Because I feel very strongly that the United States has an obligation to contribute to the economic development of other nations requiring assistance, it is necessary that I justify my negative vote on this bill to my colleague in this House and to the people of this country.

There will be many others voting against this bill, many or most for motives that I do not share. There will be some who do not feel that this country has an obligation to help the poor nations of the world. I do not share this view. Some will vote against the bill because they feel we cannot afford economic assistance to other nations while we are at war in Vietnam and face a budget deficit approaching $30 billion. I do not share this view. Some will vote against the bill because they feel that it is insufficient, or contains policy restrictions they oppose. I am sympathetic to their concern, but that alone would not cause my opposition.

Why, then, do I oppose the bill? Mr. Chairman, I oppose this bill because it is not now, and has not been for many years, a foreign assistance bill. It is, instead, a U.S. military and economic policy assistance bill—dressed up with a few, and very few, trimmings of economic aid to the poor nations of the world. And as it has become less and less a program of assistance to the underdeveloped world, the U.S. policies which it actually does assist have become more and more policies which I cannot support.

Let us examine the $2,196,555,000 proposed in title I of this bill as foreign assistance. The largest amount, totaling $978,255,000 is composed of military assistance, $365,000,000; supporting assistance, $600,000,000; contingency, $10,000,000; and State Department administrative expense for military programs, $3,255,000. All military assistance to Vietnam, Thailand, Laos, and NATO have been previously taken out of the bill and put into DOD appropriations. To have left them in would have been to make patently clear to all that the foreign aid bill is, primarily, a vehicle of U.S. military policy. The amount that remains is there essentially to attract the votes of those who do not believe in foreign aid but who will support to the hilt anything that enhances our military role around the world. The supporting assistance item, which the naive might consider to be for the benefit of the recipient country, is actually a device to lessen our own admitted overseas military expenses. It is defined quite clearly on page 15 of the report—Report No. 891, November 6, 1967—as:

> Finances programs in nations where the United States has immediate foreign policy interests. It is provided primarily to build the defensive strength of less developed nations threatened by Communist expansion and to avert dangerous economic and political instability in sensitive areas.

This can be read as "provides economic help in maintaining the armies of friendly military dictatorships." Two-thirds or more of this money goes to Vietnam. Since most of the underdeveloped countries friendly to us cannot support the kind of military forces we encourage them to maintain, we not only have to pay the cost of their military, but the supporting infrastructure of ports, highways, airfields, communications, munitions works, et cetera, upon which the military forces depend for effectiveness in time of need. Our need, I must say, rather than their need. If this kind of work is done in an area such as the Ryukyus, the United States considers it as a regular DOD expense. If we do it in Thailand, or other similar situations, we call it "foreign assistance." Such hypocrisy in the name of foreign aid I most utterly reject.

The next largest amount is the category of "Development Loans," which amount to $770,000,000. These are loans "which enable recipients to import U.S. goods and services essential to development which they cannot buy with their own scarce foreign exchange"—page 17, Report No. 891. In other words, these loans are to create markets for U.S. business—markets which would not otherwise be available. The U.S. Government, and the U.S. taxpayer, are creating captive markets for U.S. business, and in so doing are creating conditions ultimately harmful both to this country and the recipient nation. The U.S. will be harmed when it awakes to the realization that captive markets, bought by taxpayer dollars, are not a firm or helpful base on which to build economic relations with the underdeveloped world. The naive, or the cunning, who believe that our foreign assistance can or should be justified by the friends it buys us, will be rudely shocked that this large item of development loans turns out not to buy friendship but probably to create frustration and antagonism in the recipients. There are already poor countries of the world which are obligated to pay in interest on various types of development loans amounts approaching the direct economic assistance which they receive from the rich nations. This means they are approaching a condition of net outflow of foreign exchange in spite of their drastic need of a large net inflow. And as we continue with the development loan program this situation will get progressively worse. The poor countries can only afford to borrow money if they are in a position of rapidly increasing their GNP per capita. Practically none of them are. The loans become therefore a narcotic which will produce the illusion of progress for a time, but not the reality. When the crisis comes they will, of necessity, be forced to repudiate their loans, thus placing great strains on their political and economic relations with the rich nations. Development loans, except under the most unusual conditions, constitute a form of U.S. economic imperialism which, in the near future will come to acquire the same odium in the underdeveloped world as the old fashioned brand of political and military imperialism. And the differences are not as large as might appear on the surface.

What now remains of our munificient foreign assistance program? Basically only the funds for technical cooperation, development grants, and contributions to international organizations, plus a few incidentals. These add up to $448,300,000 or about 20 percent of the total. Although I have many criticisms of the administration of these particular funds, and of the heavyhanded way they are used as a tool of bankrupt foreign policy stands, I could be persuaded to support this expenditure. But when this 20 percent has to be taken along with an 80 percent which I cannot support, I can no longer close my eyes, hold my nose, and vote "aye."

What alternatives to foreign assistance exist as a means of solving the problems of the underdeveloped world? The first that I would suggest is a drastic curtailment of military expenditures in all poor countries. I would hope that the rich countries would set the example, but this is obviously unrealistic. Such expenditures take today about 5 percent of their gross national product, and is on the increase as world conditions become less stable. This figure, if applied instead to economic development, would provide almost precisely the amount which I have mentioned in other speeches as required to provide hope of economic progress sufficient to dampen the otherwise inevitable fires of violent revolution. Such a course can be achieved only if the rich nations cease to use the poor nations as proxies in the cold war, as we are doing in Vietnam, and many other parts of the world. Such a course requires a commitment to international peacekeeping, strengthening of the U.N. and the encouragement of gradual regional neutralization, with great power guarantees. I have referred to this in other remarks as establishing "Zones of Peace" around the world. A second alternative to foreign assistance is the simple one of establishing firm and adequate international price levels for the raw materials and food products which constitute the basic exports of the poor nations. A 10-percent increase in the market price of the commodities exported by the underdeveloped world would have added $30 billion to their economies in the last 10 years, more than they have received from the United States and other foreign aid. This should be coupled with the removal of all artificial restrictions on the foreign trade of these nations. It has been generally true that market fluctuations in basic commodities have more than offset U.S. foreign assistance to many Latin American countries, and similar conditions prevail around the world. Correcting these conditions would supply the foreign exchange necessary for economic development in many or most poor countries and would do so in a way that would create pride and self-sufficiency—vital ingredients in the development process.

I have reached the pessimistic conclusion that today the world is racing on a treadmill and each year falling further behind. Until we break lose from that treadmill, we face only worsening conditions and further tragedy. Our knee-jerk reaction to the cliches of the cold war are hastening the time of disaster. Our increasing corruption of the foreign assistance concept has the same effect.

For the most fundmental of all reasons, the survival of the human race, we must change our course. I ask my colleagues to begin now.

Mr. ICHORD. Mr. Chairman, throughout the 7 years I have spoken out and voted against both the foreign aid authorization and the foreign aid appropriation bills. I have done so because I concluded years ago, even before I came to Congress, that our Nation, even though it is the wealthiest and most prosperous nation in the history of civilization, could not financially afford such an expensive and burdensome program. I am not opposed to foreign aid as such. I believe there are innumerable instances where expenditures can well be made in the field of foreign aid. But the determination as to whether such an expenditure should be made should be based solely on the national interest of the United States. I have not believed that a nation with the huge national debt we have carried for the past two decades and the repeated annual deficits could afford such expenditures. My voice in opposition to this measure might be weary but I still believe my position is correct. With the exception of the Marshall plan the returns of the foreign aid program have not justified and are not now justifying the costs.

The Committee on Appropriations is to be commended for the reductions that it has made this year in the program. These reductions were dictated by the very serious financial situation now confronting us. The reductions, I submit, are still too small. How can we justify to the American people grants of almost $5 million to four colleges and institutes in a foreign nation as shown on page 13 of the report? There is not a Member of this body who does not have a college in his district not in serious need of additional funds to administer its educational programs. How many of the Members have obtained that kind of grants for their own private and public colleges? The truth is they haven't even endeavored to satisfy these needs. There is no program authorizing such grants. Then, we also have the provision authorizing AID to pay up to 50 percent of the cost of surveys to evaluate investment opportunities in less developed countries. These are just a few of the excesses in which this Nation can not afford to indulge.

Mr. Chairman, I must again vote against this appropriation. Our national debt of $340 billion, our anticipated deficit this year of almost $30 billion, and our very serious balance-of-payments deficit which is severely aggravated by this measure leave me no other choice.

Mr. FRELINGHUYSEN. Mr. Chairman, before we finish our consideration of this bill, I would like to make note of one item which has been deleted, the $714,000 for the Partners of the Alliance program. It is my hope that some provision can be made to keep this highly successful program in operation.

Thirty-three States and the District of Columbia are paired with 34 areas of 16 Latin American countries to form the Partners of the Alliance program. For example, we now have some 14 U.S. States working on a State-for-State basis in Brazil alone. For example, the State of Missouri is working with the state of Para, and the State of New Jersey is working with Alagoas. Three of our States—North Carolina, Arkansas, and Utah—are working in Bolivia. The total of nonadministrative Government money into this program over the past 3 years has been $409,000 for transportation of people. As of last April the value of assistance from the private sector to Latin America has totaled $7.3 million. This means a cost-to-benefit ratio of 1 to 17. This is a hard value figure and does not reflect the intangible benefits of people working with people.

We are sending at no cost to the Government in the form of contracts, experts and/or technicians in the fields of agriculture, business, industry, education, and public health. Our partner States send these experts to their corresponding partner areas for the cost of only a tourist round-trip ticket and per diem expenses for these volunteers. The $714,000 deleted by the Appropriations Committee was to have been used for moving people with particular talents to aid in the process of development in Latin America. The program thus far has done more with less money than any other U.S. overseas program.

The CHAIRMAN. The Clerk will read.

The Clerk concluded the reading of the bill.

Mr. PASSMAN. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with a recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. PRICE, of Illinois, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 13893) making appropriations for Foreign Assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

Mr. PASSMAN. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. BOW. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. BOW. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. Bow moves to recommit the bill (H.R. 13893) to the Committee on Appropriations.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The question was taken; and the Speaker announced that the nays appeared to have it.

Mr. ADAIR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 135, nays 177, not voting 120, as follows:

[Roll No. 394]

YEAS—135

Abernethy
Adair
Andrews, N. Dak.
Ashbrook
Ashmore
Baring
Battin
Bennett
Betts
Blackburn
Blanton
Bow
Bray
Brinkley
Brock
Brown, Calif.
Brown, Mich.
Broyhill, Va.
Buchanan
Burton, Utah
Bush
Byrnes, Wis.
Carter
Cederberg
Clausen, Don H.
Cleveland
Collier
Colmer
Conable
Cramer
Cunningham
Curtis
Davis, Ga.
Dickinson
Dole
Dorn
Dowdy
Duncan
Fisher
Flynt
Fulton, Pa.
Gardner
Gathings
Gettys
Goodling
Gross
Grover
Gubser
Hagan
Haley
Hall
Hammerschmidt
Harsha
Harvey
Henderson
Hosmer
Hungate
Hunt
Hutchinson
Ichord
Jarman
Jonas
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Langen
Latta
Lennon
Lipscomb
Long, La.
Lukens
McClure
McCulloch
McDonald, Mich.
McMillan
Marsh
Meskill
Miller, Ohio
Minshall
Mize
Montgomery
Moore
Morris, N. Mex.
Myers
Natcher
Nelsen
Nichols
O'Konski
Olsen
Pettis
Poage
Poff
Pool
Price, Tex.
Pryor
Quillen
Randall
Rarick
Reifel
Reinecke
Roth
Roudebush
Roush
Rumsfeld
Ruppe
Sandman
Satterfield
Saylor
Scherle
Scott
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Okla.
Snyder
Steiger, Ariz.
Steiger, Wis.
Stubblefield
Talcott
Taylor
Thompson, Ga.
Tuck
Vander Jagt
Wampler
Watson
Watts
Whalley
Whitten
Winn
Wyatt
Wylie
Wyman
Zwach

NAYS—177

Albert
Anderson, Tenn.
Ashley
Ayres
Barrett
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Brooks
Brotzman
Burke, Mass.
Burleson
Burton, Calif.
Byrne, Pa.
Cabell
Cahill
Casey
Cohelan
Conte
Corbett
Corman
Culver
Daddario
Daniels
Delaney
Dellenback
Dent
Diggs
Donohue
Dow
Downing
Dulski
Dwyer
Eckhardt
Edwards, Calif.
Edwards, La.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fallon
Fascell
Feighan
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Galifianakis
Garmatz
Giaimo
Gibbons
Gonzalez
Goodell
Green, Pa.
Griffiths
Gude
Halpern
Hamilton
Hanley
Hathaway
Hébert
Hechler, W. Va.
Helstoski
Holifield
Holland
Horton
Irwin
Jacobs
Joelson
Johnson, Calif.
Jones, Ala.
Jones, Mo.
Karsten
Karth
Kastenmeier
Kazen
Keith
Kelly
King, Calif.
Kupferman
Kyros
Leggett
Lloyd
Long, Md.
McCarthy
McDade
McFall
Machen
Madden
Mahon
Mailliard
Mathias, Calif.
Matsunaga
May
Mayne
Miller, Calif.
Minish
Mink
Monagan
Moorhead
Morse, Mass.
Morton
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pirnie
Price, Ill.
Quie
Railsback
Rees
Reid, N.Y.
Reuss
Rhodes, Pa.
Riegle
Roberts
Robison
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roybal
St Germain
Scheuer
Schweiker
Selden
Shriver
Sikes
Sisk
Smith, Iowa
Springer
Stafford
Stanton
Steed
Stratton
Sullivan
Teague, Calif.
Teague, Tex.
Tunney
Ullman
Van Deerlin
Vanik
Vigorito
Waggonner
Waldie
Whalen
White
Widnall
Wolff
Yates
Young
Zablocki

NOT VOTING—120

Abbitt
Adams
Addabbo
Anderson, Ill.
Andrews, Ala.
Annunzio
Arends
Aspinall
Bates
Belcher
Bell
Berry
Bevill
Broomfield
Brown, Ohio
Broyhill, N.C.
Burke, Fla.
Button
Carey
Celler
Chamberlain
Clancy
Clark
Clawson, Del
Conyers
Cowger
Davis, Wis.
Dawson
de la Garza
Denney
Derwinski
Devine
Dingell
Edmondson
Edwards, Ala.
Eshleman
Everett
Evins, Tenn.
Farbstein
Findley
Fino
Fountain
Fulton, Tenn.
Fuqua
Gallagher
Gilbert
Gray
Green, Oreg.
Gurney
Halleck
Hanna
Hansen, Idaho
Hansen, Wash.
Hardy
Harrison
Hawkins
Hays
Heckler, Mass.
Herlong
Hicks
Howard
Hull
Johnson, Pa.
Jones, N.C.
Kee
Kirwan
Kluczynski
Laird
Landrum
McClory
McEwen
Macdonald, Mass.
MacGregor
Martin
Mathias, Md.
Meeds
Michel
Mills
Morgan
Mosher
Pike
Pollock
Pucinski
Purcell
Reid, Ill.
Resnick
Rhodes, Ariz.
Rivers
Rodino
Rogers, Fla.
Rostenkowski
Ryan
St. Onge
Schadeberg
Schneebeli
Schwengel
Shipley
Slack
Staggers
Stephens
Stuckey
Taft
Tenzer
Thompson, N.J.
Thomson, Wis.
Tiernan
Udall
Utt
Walker
Watkins
Whitener
Wiggins
Williams, Miss.
Williams, Pa.
Willis
Wilson, Bob
Wilson, Charles H.
Wright
Wydler
Zion

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Evins of Tennessee for, with Mr. Kirwan against.

Mr. Everett for, with Mr. St. Onge against.

Mr. Jones of North Carolina for, with Mr. Annunzio against.

Mr. Andrews of Alabama for, with Mr. Aspinall against.

Mr. Hull for, with Mr. Hicks against.

Mr. Fountain for, with Mr. Celler against.

Mr. Walker for, with Mr. Addabbo against.

Mr. Rogers of Florida for, with Mr. Gilbert against.

Mr. Rivers for, with Mr. Purcell against.

Mr. Bevill for, with Mr. Rodino against.

Mr. Whitener for, with Mr. Meeds against.

Mr. Staggers for, with Mr. Slack against.

Mrs. Reid of Illinois for, with Mr. Tiernan against.

Mr. Michel for, with Mr. Ryan against.

Mr. Watkins for, with Mr. Kluczynski against.

Mr. Zion for, with Mr. Arends against.

Mr. Devine for, with Mr. Mathias of Maryland against.

Mr. Wiggins for, with Mr. Schneebeli against.

Mr. Williams of Pennsylvania for, with Mr. Taft against.

Mr. Anderson of Illinois for, with Mr. Pollock against.

Mr. Hansen of Idaho for, with Mr. Broomfield against.

Mr. Rhodes of Arizona for, with Mr. Button against.

Mr. Harrison for, with Mr. Bell against.

Mr. Broyhill of North Carolina for, with Mr. Schwengel against.

Mr. Martin for, with Mr. Adams against.

Mr. Chamberlain for, with Mr. Carey against.

Mr. Clancy for, with Mr. Dawson against.

Mr. Belcher for, with Mr. Dingell against.

Mr. Berry for, with Mr. Edmondson against.

Mr. Cowger for, with Mr. Farbstein against.

Mr. Fino for, with Mr. Gallagher against.

Mr. Gurney for, with Mrs. Green of Oregon against.

Mr. Burke of Florida for, with Mr. Gray against.

Mr. Brown of Ohio for, with Mr. Hanna against.

Mr. Davis of Wisconsin for, with Mrs. Hansen of Washington against.

Mr. Stuckey for, with Mr. Bates against.

Mr. Abbitt for, with Mrs. Heckler of Massachusetts against.

Mr. Conyers for, with Mr. Tenzer against.

Mr. Fuqua for, with Mr. Thompson of New Jersey, against.

Mr. Johnson of Pennsylvania for, with Mr. Macdonald of Massachusetts against.

Mr. Willis for, with Mr. Morgan against.

Mr. Shipley for, with Mr. Hawkins against.

Mr. Del Clawson for, with Mr. Wright against.

Mr. Derwinski for, with Mr. Charles H. Wilson against.

Mr. Mosher for, with Mr. Pucinski against.

Mr. Edwards of Alabama for, with Mr. Rostenkowski against.

Mr. Eshleman for, with Mr. Pike against.

Mr. Findley for, with Mr. Clark against.

Mr. Schadeberg for, with Mr. Fulton of Tennessee against.

Mr. Bob Wilson for, with Mr. Herlong against.

Mr. Thomson of Wisconsin for, with Mr. Howard against.

Mr. McClory for, with Mr. Hardy against.

Mr. McEwen for, with Mr. Hays against.

Mr. Utt for, with Mr. Kee against.

Mr. Williams of Mississippi for, with Mr. Resnick against.

Mr. Mills for, with Mr. Udall against.

Mr. Stephens for, with Mr. Wydler against.

Mrs. BOLTON and Mr. SISK changed their votes from "yea" to "nay."

Mr. HOSMER changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

Mr. PASSMAN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 167, nays 143, answered "present" 2, not voting 120, as follows:

[Roll No. 395]

YEAS—167

Albert
Anderson, Tenn.
Ashley
Ayres
Barrett
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Brock
Brooks
Brotzman
Burke, Mass.
Burton, Calif.
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Cohelan
Conable
Conte
Corbett
Culver
Daddario
Daniels
Delaney
Dellenback
Dent
Diggs
Donohue
Dow
Downing
Dulski
Dwyer
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fallon
Fascell
Feighan
Flood
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Garmatz
Giaimo
Gibbons
Gonzalez
Goodell
Gray
Green, Pa.
Griffiths
Gude
Halpern
Hamilton
Hanley
Hathaway
Hébert
Hechler, W. Va.
Helstoski
Holifield
Holland
Horton
Howard
Irwin
Jacobs
Joelson
Johnson, Calif.
Karsten
Karth
Kastenmeier
Kazen
Keith
Kelly
King, Calif.
Kupferman
Kyros
Leggett
Lloyd
Long, Md.
McCarthy
McDade
McFall
Machen
Madden
Mahon
Mailliard
Mathias, Calif.
Matsunaga
Mayne
Miller, Calif.
Minish
Mink
Monagan
Moorhead
Morse, Mass.
Morton
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Pepper
Perkins
Philbin
Pickle
Pirnie
Price, Ill.
Quie
Railsback
Rees
Reid, N.Y.
Reuss
Rhodes, Pa.
Riegle
Robison
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roybal
St Germain
Scheuer
Schweiker
Selden
Shriver
Sisk
Smith, Iowa
Stafford
Stratton
Sullivan
Teague, Calif.
Teague, Tex.
Tunney
Ullman
Van Deerlin
Vanik
Vigorito
Waldie
Whalen
White
Widnall
Wolff
Yates
Young
Zablocki

NAYS—143

Abernethy
Adair
Andrews, N. Dak.
Ashbrook
Ashmore
Baring
Battin
Bennett
Betts
Blackburn
Blanton
Bow
Bray
Brinkley
Brown, Calif.
Brown, Mich.
Broyhill, Va.
Buchanan
Burleson
Burton, Utah
Bush
Carter
Casey
Cederberg
Cleveland
Colmer
Cramer
Cunningham
Curtis
Davis, Ga.
Dickinson
Dole
Dorn
Dowdy
Duncan
Edwards, La.
Fisher
Flynt
Foley
Galifianakis
Gardner
Gathings
Gettys
Goodling
Gross
Grover
Gubser
Hagan
Haley
Hall
Hammerschmidt
Harsha
Harvey
Henderson
Hosmer
Hungate
Hunt
Hutchinson
Ichord
Jarman
Jonas

Jones, Ala.
Jones, Mo.
King, N.Y.
Kleppe
Kornegay
Kuykendall
Kyl
Langen
Latta
Lennon
Lipscomb
Long, La.
Lukens
McClure
McCulloch
McDonald, Mich.
McEwen
McMillan
Marsh
May
Meskill
Miller, Ohio
Minshall
Mize
Montgomery
Moore
Morris, N. Mex.
Myers
Natcher
Nelsen
Nichols
O'Konski
Olsen
O'Neal, Ga.
Pettis
Poage
Poff
Pool
Price, Tex.
Pryor
Quillen
Randall
Rarick
Reifel
Reinecke
Roberts
Roth
Roudebush
Roush
Ruppe
Sandman
Satterfield
Saylor
Scherle
Scott
Sikes
Skubitz
Smith, Calif.
Smith, N.Y.
Smith, Okla.
Snyder
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stubblefield
Talcott
Taylor
Thompson, Ga.
Tuck
Vander Jagt
Waggonner
Wampler
Watson
Watts
Whalley
Whitten
Winn
Wyatt
Wylie
Wyman
Zwach

ANSWERED "PRESENT"—2

Collier
Rumsfeld

NOT VOTING—120

Abbitt
Adams
Addabbo
Anderson, Ill.
Andrews, Ala.
Annunzio
Arends
Aspinall
Bates
Belcher
Bell
Berry
Bevill
Broomfield
Brown, Ohio
Broyhill, N.C.
Burke, Fla.
Button
Carey
Celler
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Conyers
Corman
Cowger
Davis, Wis.
Dawson
de la Garza
Denney
Derwinski
Devine
Dingell
Edmondson
Edwards, Ala.
Eshleman
Everett
Evins, Tenn.
Farbstein
Findley
Fino
Fountain
Fulton, Tenn.
Fuqua
Gallagher
Gilbert
Green, Oreg.
Gurney
Halleck
Hanna
Hansen, Idaho
Hansen, Wash.
Hardy
Harrison
Hawkins
Hays
Heckler, Mass.
Herlong
Hicks
Hull
Johnson, Pa.
Jones, N.C.
Kee
Kirwan
Kluczynski
Laird
Landrum
McClory
Macdonald, Mass.
MacGregor
Martin
Mathias, Md.
Meeds
Michel
Mills
Morgan
Mosher
Pike
Pollock
Pucinski
Purcell
Reid, Ill.
Resnick
Rhodes, Ariz.
Rivers
Rodino
Rogers, Fla.
Rostenkowski
Ryan
St. Onge
Schadeberg
Schneebeli
Schwengel
Shipley
Slack
Springer
Staggers
Stephens
Stuckey
Taft
Tenzer
Thompson, N.J.
Thomson, Wis.
Tiernan
Udall
Utt
Walker
Watkins
Whitener
Wiggins
Williams, Miss.
Williams, Pa.
Willis
Wilson, Bob
Wilson, Charles H.
Wright
Wydler
Zion

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Rostenkowski for, with Mr. Rumsfeld against.

Mr. Pucinski for, with Mr. Collier against.

Mr. Kirwan for, with Mr. Evins of Tennessee against.

Mr. St. Onge for, with Mr. Everett against.

Mr. Annunzio for, with Mr. Jones of North Carolina against.

Mr. Aspinall for, with Mr. Andrews of Alabama against.

Mr. Hicks for, with Mr. Hull against.

Mr. Celler for, with Mr. Fountain against.

Mr. Addabbo for, with Mr. Walker against.

Mr. Gilbert for, with Mrs. Reid of Illinois against.

Mr. Purcell for, with Mr. Michel against.

Mr. Rodino for, with Mr. Watkins against.

Mr. Meeds for, with Mr. Zion against.

Mr. Slack for, with Mr. Devine against.

Mr. Tiernan for, with Mr. Wiggins against.

Mr. Ryan for, with Mr. Williams of Pennsylvania against.

Mr. Kluczynski for, with Mr. Hansen of Idaho against.

Mr. Arends for, with Mr. Rogers of Florida against.

Mr. Mathias of Maryland for, with Mr. Rivers against.

Mr. Schneebeli for, with Mr. Bevill against.

Mr. Taft for, with Mr. Whitener against.

Mr. Pollock for, with Mr. Staggers against.

Mr. Broomfield for, with Mr. Harrison against.

Mr. Button for, with Mr. Broyhill of North Carolina against.

Mr. Bell for, with Mr. Martin against.

Mr. Schwengel for, with Mr. Chamberlain against.

Mr. Adams for, with Mr. Anderson of Illinois against.

Mr. Halleck for, with Mr. Cowger against.

Mr. Bates for, with Mr. Clancy against.

Mrs. Heckler of Massachusetts for, with Mr. Belcher against.

Mr. Carey for, with Mr. Rhodes of Arizona against.

Mr. Dawson for, with Mr. Fino against.

Mr. Dingell for, with Mr. Berry against.

Mr. Edmondson for, with Mr. Gurney against.

Mr. Farbstein for, with Mr. Burke of Florida against.

Mr. Wydler for, with Mr. Brown of Ohio against.

Mr. MacGregor for, with Mr. Davis of Wisconsin against.

Mr. Tenzer for, with Mr. Stuckey against.

Mr. Thompson of New Jersey for, with Mr. Abbitt against.

Mr. Macdonald of Massachusetts for, with Mr. Conyers against.

Mr. Morgan for, with Mr. Fuqua against.

Mr. Wright for, with Mr. Johnson of Pennsylvania against.

Mr. Charles H. Wilson for, with Mr. Willis against.

Mr. Hawkins for, with Mr. Shipley against.

Mr. Pike for, with Mr. Del Clawson against.

Mr. Clark for, with Mr. Derwinski against.

Mr. Fulton of Tennessee for, with Mr. Mosher against.

Mr. Herlong for, with Mr. Edwards of Alabama against.

Mr. Hardy for, with Mr. Eshleman against.

Mr. Hays for, with Mr. Findley against.

Mr. Kee for, with Mr. Schadeberg against.

Mr. Udall for, with Mr. Bob Wilson against.

Mr. Gallagher for, with Mr. Thomson of Wisconsin against.

Mr. Resnick for, with Mr. McClory against.

Mr. Hanna for, with Mr. Utt against.

Mrs. Green of Oregon for, with Mr. Williams of Mississippi against.

Mrs. Hansen of Washington for, with Mr. Mills against.

Mr. Springer for, with Mr. Stephens against.

Mr. Corman for, with Mr. de la Garza against.

Mr. Laird for, with Mr. Denney against.

Mr. COLLIER. Mr. Speaker, I have a live pair with the gentleman from Illinois [Mr. PUCINSKI]. If he had been present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

Mr. RUMSFELD. Mr. Speaker, I have a live pair with the gentleman from Illinois [Mr. ROSTENKOWSKI]. If he had been present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. PASSMAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

LEGISLATIVE PROGRAM FOR WEEK OF NOVEMBER 20

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority leader the program for the remainder of this week and the agenda for next week.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Mr. Speaker, in response to the inquiry of the distinguished minority leader, the remaining program for the week is the consideration of the rule on H.R. 8. The consideration of the bill itself, if the rule is adopted, will go over to a later date.

Mr. GERALD R. FORD. It was my understanding that there may be a conference report from the Committee on Armed Services on some bill. Is that correct?

Mr. ALBERT. The gentleman from Massachusetts [Mr. PHILBIN] did speak to me about one.

The SPEAKER. The Chair might state that there have been scheduled a couple of unanimous-consent matters, one with respect to Senate amendments and the other one on a matter to go to conference.

Mr. ROSENTHAL. Mr. Speaker, will the minority leader yield?

Mr. GERALD R. FORD. I yield to the gentleman.

Mr. ROSENTHAL. Mr. Speaker, I address my question to the distinguished gentleman from Oklahoma, the majority leader. Is there great urgency for the consideration of this rule to be considered at 5:35 o'clock on Friday night?

Mr. ALBERT. The matter is one of high privilege. It has been worked out with the leadership on both sides, and if the rule is adopted, we can put over the consideration of the bill until after the Thanksgiving holidays.

Mr. ROSENTHAL. This is something you feel is of high urgency that must be taken up now?

Mr. ALBERT. It has been programed, and it is a matter of privilege. I should say the consideration of the rule is in order at this time and it has been on the program.

Mr. BOLLING. Mr. Speaker, will the distinguished minority leader yield?

Mr. GERALD R. FORD. I yield to the gentleman from Missouri.

Mr. BOLLING. Mr. Speaker, in all fairness to all concerned, I think this situation should be understood. The distinguished chairman of the Committee on Rules some time ago served notice that he was going to call up the rule under the rules of the House. The reason that the matter is being considered now—and I have his permission so to state—is that he is insisting on his right as a member of the Committee on Rules to call up the rule.

Mr. ALBERT. I appreciate what the gentleman has said, because it is an exact statement of the situation.

Mr. COLMER. Mr. Speaker, will the distinguished minority leader yield?

Mr. GERALD R. FORD. I yield to the distinguished gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, the gentleman from Missouri stated the facts correctly. This bill has been reported out of the committee for months. It passed this House by a vote of about 5 to 1 last year and no action was taken thereon. It has been hanging fire here, and I did exercise my privilege as a Member of this House under the rules of the House by serving notice some weeks ago that if it were not programed, I would exercise the privilege of calling it up.

Mr. ALBERT. Mr. Speaker, if the gentleman from Michigan will yield further, I thank the gentleman from Mississippi for his comments.

Mr. GERALD R. FORD. Mr. Speaker, may I inquire of the distinguished gentleman from Oklahoma as to the program for next week?

Mr. ALBERT. Mr. Speaker, if the distinguished minority leader will yield, the program for next week is as follows:

For Monday and the balance of the week we have for the consideration of the House eight suspensions and 11 District bills which are as follows:

H.R. 13933, to authorize modifications in the Interstate System;

H.R. 8376, to provide that the U.S. District Court for Eastern District of New York shall be held at Brooklyn and Mineola, N.Y.;

H.R. 12010, to grant the consent of the United States to the Wheeling Creek Watershed Protection and Flood Prevention District compact;

H.R. 9063, to amend the International Claims Settlement Act of 1949;

S. 1003, to amend the Flammable Fabrics Act;

H.R. 11527, to release conditions in a deed convening land to the University of Maine;

H.R. 13489, to amend the Federal Credit Union Act;

H.R. 13273, to amend the Marine Resources and Engineering Development Act of 1966;

H.R. 6647, to authorize inspection of foreign-registered motor vehicles in the District of Columbia;

H.R. 9606, to exempt from taxation property of the National Society of the Colonial Dames of America;

H.R. 12019, to exempt from taxation property of the B'nai B'rith Henry Monsky Foundation;

H.R. 10337, to amend District of Columbia Minimum Wage Act;

H.R. 13401, to amend Chanceries Act to clarify agreements with the government of the District of Columbia;

H.R. 13402, to authorize certain buildings for chanceries;

H.R. 13403, to amend grandfather clause regarding locations of chanceries;

H.R. 13480, to amend the District of Columbia Motor Vehicle Safety Responsibility Act;

S. 1227, to provide for recordation of judgments or decrees of the U.S. District Court for District of Columbia;

S. 764, to amend the District of Columbia Traffic Act; and

S. 770, to amend the act establishing a public crematorium in the District of Columbia.

Also, for Monday we have, of course, the call of the Consent Calendar; and

S. 1031, to amend the Peace Corps Act, under an open rule with 2 hours of debate;

House Joint Resolution 859, to extend the emergency provisions of the urban mass transportation program, under an open rule with 1 hour of debate; and

H.R. 12603, National Visitor Center Facilities Act of 1967, under an open rule with 2 hours of debate, making it in order to consider the committee substitute as an original bill for the purpose of amendment.

On Tuesday will be the call of the Private Calendar.

Mr. Speaker, I might add we expect to complete the consideration of this legislative program by Tuesday evening.

Of course, Mr. Speaker, conference reports may be brought up at any time and any further program may be announced later.

Mr. HALL. Mr. Speaker, will the distinguished minority leader yield to me at this point?

Mr. GERALD R. FORD. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I noted that there are a number of bills on the Consent Calendar, before we get into the consideration of the bills which are scheduled to be considered under suspension of the rules. This represents a rather long list and on which during the consideration thereof it will probably require many long hours of consideration.

Also, I notice on the list a long list of legislation for the District of Columbia.

Mr. Speaker, it is even more apparent than actually the distinguished majority leader, the gentleman from Oklahoma [Mr. ALBERT] indicated in announcing the program for Monday and the balance of the week, that we have a rather large and busy program for next week, a progam which will take us beyond "turkey-eating time."

I also notice, Mr. Speaker, that we do not have scheduled for the consideration of the House H.R. 8, the very bill which we have been discussing and on which a discussion has especially been had by the distinguished members of the House Committee on Rules.

Could the gentleman from Oklahoma give us any idea, since we are going to take up the rule providing for the consideration of this bill tonight, when such bill might be programed, if the rule is adopted?

Mr. ALBERT. Mr. Speaker, will the distinguished gentleman from Michigan yield further?

Mr. GERALD R. FORD. I yield further to the distinguished majority leader.

Mr. ALBERT. Mr. Speaker, that is a matter which we will have to discuss with the author of the bill, the distinguished gentleman from Texas.

Mr. HALL. Mr. Speaker, if the distinguised minority leader will yield further, I think it is a matter of interest to the Members of the House, inasmuch as we are going to discuss the rule and evidently are going to pass it late on Friday evening, or at least consider it, whether the bill provided for under the rule might be scheduled at this session or the next session of Congress.

Mr. POOL. Mr. Speaker, will the distinguished minority leader yield?

Mr. GERALD R. FORD. I yield to the gentleman from Texas.

Mr. POOL. Mr. Speaker, I am perfectly satisfied that the committee and the majority leadership will take care of this matter in a satisfactory manner insofar as I am concerned, and I am not going to ask tonight when they are going to schedule it. However, I am satisfied that they are going to schedule it for the consideration of the House.

Mr. HALL. Mr. Speaker, if the distinguished minority leader will yield further, I thank the gentleman from Texas for his faith, and greater faith than this hath no man.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Illinois.

Mr. COLLIER. Mr. Speaker, recognizing the fact that the distinguished chairman of the Committee on Rules has certainly and properly exercised the rights which are his prerogatives to call up this rule, as a practical matter I can see no sense at this hour in taking up the rule when the bill is not even scheduled for the consideration of the House.

Mr. Speaker, I think most Members of the House feel that way.

Mr. ALBERT. Mr. Speaker, will the distinguished minority leader yield further?

Mr. GERALD R. FORD. I yield further to the gentleman from Oklahoma.

Mr. ALBERT. The gentleman from Illinois [Mr. COLLIER] may not be able to see any logic in taking up the rule at this time, but the gentleman may not be able to see everything that is involved.

Mr. COLLIER. Well, I am not unique in that respect, although it does seem to me that this represents a most unique approach to the situation.

Mr. GROSS. Mr. Speaker, will the gentleman yield to me?

Mr. GERALD R. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I think we ought to have some assurance that if we are going to take up this rule tonight we ought to have some assurance that this bill will be considered by the House of Representatives.

Mr. ALBERT. As far as I am concerned, if the gentleman will yield further, there is no intention to hoodwink anybody. The distinguished gentleman, the chairman of the Committee on Rules, under the rules of the House served notice that he was going to call this matter up. The leadership had hoped this could be done at a time that could accommodate the entire legislative program. The gentleman has agreed to do this, and that is why it is being called up now.

Mr. GROSS. But of course it is up to the distinguished majority leader and the Speaker to program it.

Now, may we have the assurances that this bill will be considered after the Thanksgiving holiday this year?

Mr. ALBERT. It will be considered, as far as I am concerned, this year, because it is a privileged matter and the leadership has been notified that it would be called up.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Michigan.

Mr. CEDERBERG. I thank the gentleman for yielding.

Mr. Speaker, in view of the heavy program on Monday, in order to handle it could we ask unanimous consent that we come in at about 9 o'clock in the morning on Monday, and work until midnight?

Did someone object?

Mr. GERALD R. FORD. I yield to the majority leader.

Mr. ALBERT. I trust that the Members in their wisdom will study the various bills which are on the program and give them careful consideration, and I believe after such consideration they will understand that the Speaker, in putting down these bills for suspension, has used wise discretion in that these are matters that should be considered under suspension of the rules, and I am sure that the House will cooperate with us in expediting the business of the House.

Mr. CEDERBERG. If the gentleman will yield further, I was being somewhat facetious with that statement, but I do believe there is some merit in coming in a little earlier on a day like that, either at 11 o'clock a.m., or at 10 o'clock a.m., because otherwise we can be working until 10 or 11 o'clock that night, and if we could come in a little bit earlier I would believe it would be better for all.

Mr. ALBERT. If the gentleman will bear with me, I will be glad to discuss the matter with the leadership on the other side at an appropriate time, and come to a decision on that before we adjourn tonight.

DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule may be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PROVIDING FOR CONSIDERATION OF H.R. 8, TO AMEND THE INTERNAL SECURITY ACT OF 1950

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 509 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 509

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 8) to amend the Internal Security Act of 1950. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Un-American Activities, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The Chair recognizes the gentleman from Mississippi for 1 hour.

Mr. COLMER. Mr. Speaker, if I may have the attention of my colleagues, as far as I am concerned the hour will not be used. But, Mr. Speaker, I want to say with all possible emphasis that I have no apologies to offer to anyone for the action that I have taken in this matter. Yes, the hour is late. I hope the Members will bear in mind that it is also late in Vietnam. I hope the Members will also bear in mind that, while they may be a bit inconvenienced here today, they do not have to wade through the mire and the muck and the swamps of Vietnam like those boys whom we have drafted and sent over there while some people over in this country are sabotaging the efforts those boys are putting forth over there, and for which they are shedding their precious blood.

This bill was considered late in the session last year just before the Congress adjourned. It passed this House by a vote of 275 to 64. Because of the lateness of the session or because of the misguided thinking possibly of some people, the other body did not consider the bill.

Your Committee on Un-American Activities reported this bill on May 31, 1967, and it has been languishing here ever since. If you think this is strong language on my part, let us see what the bill would do, just briefly. The immediate purpose of the activity on the part of these people I have just referred to is to strengthen the Communist forces engaged in armed conflict with the United States, while at the same time obstructing the Government of the United States and its armed forces in the execution of their commitments in Vietnam, so as to facilitate the seizure of South Vietnam by Communist agencies.

I want to repeat what I have said a hundred times more or less in this House and elsewhere. I do not know whether we should be in Vietnam or not. But the fact is that we are there, and the fact is that our boys, your boys from your home town and my home town, are over there. Only last Saturday I dedicated a building, an armory, to two of the boys who had died there.

What would this measure do? It would stop such action as occurred out on the west coast last year when some of these people—call them pacifists, call them anything you want to—actually laid down on the tracks to prevent the movement of troops, while others were gathering material and money to send over to the enemy. This bill is designed to stop that kind of activity.

A great American once said something to the effect, "My country right or wrong but my country" That is my attitude.

Something should be done about this. Why is there such a division in this country? Why do we have marches on the Pentagon? I believe that one of the reasons is the appeasement policy that has been followed in this country by those misguided people.

Mr. Speaker, I am going to keep my word. I am not going to speak at length on this subject. Those of you who want to go home and explain to your constituents, to the mothers and the fathers of these boys over there, that you were not willing to protect them here on the home front can do so.

But so far as I am concerned, I am going to give them every ounce of protection that I can.

Mr. Speaker, I now yield the usual 30 minutes to the distinguished gentleman from Tennessee [Mr. QUILLEN].

Mr. Speaker, I reserve the balance of my time.

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I compliment the gentleman from Mississippi, the distinguished chairman of the House Rules Committee. It seems to me, too, that these boys in Vietnam—those living and those dead—are speaking to us today.

> To you, from failing hands we throw
> The torch; be yours to hold it high
> If ye break faith with us who die,
> We shall not sleep.

As the able gentleman from Mississippi [Mr. COLMER] has stated, House Resolution 509 provides an open rule with 2 hours of general debate for the consideration of H.R. 8, entitled "Obstruction of Armed Forces."

The purpose of this bill is to prohibit certain actions against the Armed Forces of the United States when they are engaged in armed conflict, whether or not Congress has declared war.

Two broad categories of action are prescribed by the bill. Section 402 prohibits the solicitation, collection, or delivery of money or property to the foreign power engaging in the war with our forces. Section 403 prohibits the obstruction of either men or supplies for our military.

The bill as reported is identical with H.R. 12047 as it passed the House last October by a 275-to-64 vote. The Senate did not act on this measure.

The reasons for the bill are again detailed by the committee report. They include: First, continuing efforts by peacenik types throughout the country to collect money, supplies, and blood for the Vietcong; second, efforts by these same groups to disrupt the flow of supplies to our men in Vietnam; third, the belief that current laws are not adequate to resolve these problems, a belief denied by a number of Federal agencies, who, nonetheless, do not prosecute violators of current law and seem to have no intention of doing so. Pages 9 through 11 list current law applicable and show the complete lack of utilization in this field of enforcement.

Officially, the Department of State, the Attorney General, the Department of Commerce, the Treasury, and the Army have all said the bill is not needed.

But it is needed.

> To you, from failing hands we throw
> The torch; be yours to hold it high
> If ye break faith with us who die,
> We shall not sleep.

Dissenting views are submitted by the gentleman from Iowa [Mr. CULVER]. He does not believe the bill is necessary and relies on the official stated positions noted above to sustain his position.

Mr. Speaker, when thousands of our finest young men are giving their lives in Vietnam, it is deplorable to think that anyone would give help to the enemy in any way. I feel very strongly that this legislation is badly needed and should be passed in order to afford some measure of protection for our fighting forces.

I know of no objection to the rule, and I urge that it be granted.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Speaker, the speaker now in the well of the House said the Attorney General of the United States says that this bill is not necessary. If this bill is not necessary, then how does he explain the fact he is allowing the war effort on the part of this Nation—whether he agrees with it or not—to be disrupted, such as military trains, military operations, by a march on the Pentagon, the most sensitive part of the Armed Forces of this Nation?

I just cannot understand Mr. Clark saying a bill of a similar character is not needed. If we had laws that could be enforced against this bunch of "goons" and "termites"—and that is what they are—then I believe he has been derelict in his duty in enforcing those laws and putting them in the penitentiary, where many of them belong.

Mr. QUILLEN. I agree with the distinguished gentleman. I do not understand why not only the Attorney General but also the Department of State, the Department of Commerce, and the Department of the Treasury all feel that this bill is unnecessary. They are not reaching out with their hearts in memory of these men fighting and dying for the red, white, and blue of our flag.

Mr. HALEY. Mr. Speaker, will the gentleman yield further?

Mr. QUILLEN. I am happy to yield.

Mr. HALEY. If Mr. Clark does not believe this bill is necessary, I wish he could have stood at the graveside of an only son of a very close friend of mine, only a few weeks ago. This was a boy I practically raised, a boy who had given his life in the defense of this Nation. I believe he gave it gladly, because he felt that was an obligation he owed. Let Mr. Clark go back and tell the mother of this fine young man that a bill of this kind is not necessary.

Mr. QUILLEN. I thank the gentleman for his contribution.

Mr. Speaker, I reserve the remainder of my time.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Missouri [Mr. BOLLING].

Mr. BOLLING. Mr. Speaker, I hesitate to speak even very briefly on this matter.

Things have been said which I believe should not be allowed to stand in the RECORD without some comment.

I happen to be a strong supporter of the U.S. action in Vietnam, as I was of our action in Korea.

I still believe it is possible for a person to disapprove of this bill and to oppose this bill and to be a perfectly loyal, committed, and dedicated citizen.

I merely wanted the record to show that no one challenged that remark.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time.

GENERAL LEAVE TO EXTEND

Mr. COLMER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on this subject.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken.

Mr. ROSENTHAL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 212, nays 37, not voting 183, as follows:

[Roll No. 396]

YEAS—212

Abernethy
Adair
Albert
Andrews, N. Dak.
Ashbrook
Ashmore
Ayres
Baring
Battin
Bennett
Betts
Blackburn
Blatnik
Boggs
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brotzman
Brown, Mich.
Broyhill, Va.
Buchanan
Burke, Mass.
Burleson
Burton, Utah
Bush
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carter
Casey
Cederberg
Cleveland
Collier
Colmer
Conable
Conte
Corbett
Cramer
Cunningham
Curtis
Daddario
Davis, Ga.
Dellenback
Dickinson
Dole
Dorn
Dowdy
Downing
Dulski
Duncan
Dwyer
Edwards, La.
Eilberg
Esch
Evans, Colo.
Feighan
Fisher
Flood
Flynt
Ford, Gerald R.
Friedel
Fulton, Pa.
Galifianakis
Garmatz
Gathings
Gettys
Gibbons
Gonzalez
Goodell
Goodling
Gray
Green, Pa.
Gross
Grover
Gubser
Hagan
Haley
Hall
Halpern
Hammerschmidt
Harsha
Harvey
Hébert
Henderson
Horton
Hosmer
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Joelson
Johnson, Calif.
Jonas
Jones, Ala.
Kazen
Keith
King, N.Y.
Kleppe
Kyl
Kyros
Langen
Lennon
Lipscomb
Long, La.
Lukens
McCulloch
McDade
McDonald, Mich.
McEwen
Machen
Mahon
Mailliard
Marsh
Mathias, Calif.
Matsunaga
May
Mayne
Meskill
Miller, Ohio
Minish
Minshall
Mize
Monagan
Montgomery
Moore
Morton
Myers
Natcher
Nichols
O'Konski
O'Neal, Ga.
Patman
Patten
Pepper
Perkins
Pettis
Pirnie
Poage
Poff
Pool
Price, Ill.
Price, Tex.
Pryor
Quie
Quillen
Railsback
Randall
Rarick
Reifel
Rhodes, Pa.
Riegle
Roberts
Robison
Rogers, Colo.
Rooney, N.Y.
Roth
Roudebush
Roush
Rumsfeld
Sandman
Satterfield
Saylor
Scherle
Schweiker
Scott
Selden
Shriver
Sikes
Sisk
Skubitz
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Stafford
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tunney
Vander Jagt
Vanik
Vigorito
Wampler
Watson
Watts
Whalen
Whalley
White
Whitten
Widnall
Winn
Wolff
Wyatt
Wylie
Wyman
Young
Zablocki
Zwach

NAYS—37

Ashley
Boland
Bolling
Brown, Calif.
Burton, Calif.
Cohelan
Culver
Dow
Eckhardt
Edwards, Calif.
Foley
Ford, William D.
Hathaway
Hechler, W. Va.
Helstoski
Kastenmeier
Kupferman
Leggett
Long, Md.
McCarthy
McFall
Mink
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Neill, Mass.
Rees
Reid, N.Y.
Reuss
Rosenthal
Roybal
St Germain
Scheuer
Van Deerlin
Waldie
Yates

NOT VOTING—183

Abbitt
Adams
Addabbo
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Annunzio
Arends
Aspinall
Barrett
Bates
Belcher
Bell
Berry
Bevill
Biester
Bingham
Blanton
Bolton
Brooks
Broomfield
Brown, Ohio
Broyhill, N.C.
Burke, Fla.
Button
Carey
Celler
Chamberlain
Clancy
Clark
Clausen, Don H.
Clawson, Del
Conyers
Corman
Cowger
Daniels
Davis, Wis.
Dawson
de la Garza
Delaney
Denney
Dent
Derwinski
Devine
Diggs
Dingell
Donohue
Edmondson
Edwards, Ala.
Erlenborn
Eshleman
Everett
Evins, Tenn.
Fallon
Farbstein
Fascell
Findley
Fino
Fountain
Fraser
Frelinghuysen
Fulton, Tenn.
Fuqua
Gallagher
Gardner
Giaimo
Gilbert
Green, Oreg.
Griffiths
Gude
Gurney
Halleck
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Hardy
Harrison
Hawkins
Hays
Heckler, Mass.
Herlong
Hicks
Holifield
Holland
Howard
Hull
Irwin
Johnson, Pa.
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kee
Kelly
King, Calif.
Kirwan
Kluczynski
Kornegay
Kuykendall
Laird
Landrum
Latta
Lloyd
McClory
McClure
McMillan
Macdonald, Mass.
MacGregor
Madden
Martin
Mathias, Md.
Meeds
Michel
Miller, Calif.
Mills
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Mosher
Moss
Multer
Murphy, Ill.
Murphy, N.Y.
Nelsen
Olsen
Ottinger
Passman
Pelly
Philbin
Pickle
Pike
Pollock
Pucinski
Purcell
Reid, Ill.
Reinecke
Resnick
Rhodes, Ariz.
Rivers
Rodino
Rogers, Fla.
Ronan
Rooney, Pa.
Rostenkowski

Ruppe
Ryan
St. Onge
Schadeberg
Schneebeli
Schwengel
Shipley
Slack
Springer
Staggers
Stephens
Stuckey
Sullivan
Taft
Tenzer
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Tiernan
Tuck
Udall
Ullman
Utt
Waggonner
Walker
Watkins
Whitener
Wiggins
Williams, Miss.
Williams, Pa.
Willis
Wilson, Bob
Wilson, Charles H.
Wright
Wydler
Zion

So the resolution was agreed to.

The Clerk announced the following pairs:

On this vote:

Mr. Pucinski for, with Mr. Fraser against.
Mr. Kirwan for, with Mr. Celler against.
Mr. Brooks for, with Mr. Ryan against.
Mr. Fascell for, with Mr. Hawkins against.
Mr. Kornegay for, with Mr. Resnick against.
Mr. Fountain for, with Mr. Bingham against.
Mr. Dent for, with Mr. Conyers against.
Mr. Waggonner for, with Mr. Thompson of New Jersey against.

Until further notice:

Mr. Dawson with Mr. Hanna.
Mr. Herlong with Mr. Hanley.
Mr. Hamilton with Mr. Ottinger.
Mr. Mills with Mr. Moorhead.
Mr. Pickle with Mr. Olsen.
Mr. Stephens with Mr. Holland.
Mr. Karth with Mr. McMillan.
Mr. Passman with Mr. Macdonald of Massachusetts.
Mr. Irwin with Mr. Diggs.
Mr. Morris of New Mexico with Mr. Howard.
Mr. Clark with Mr. Kee.
Mr. St. Onge with Mr. Anderson of Illinois.
Mr. Addabbo with Mrs. Bolton.
Mr. Barrett with Mr. Arends.
Mr. Farbstein with Mr. Broomfield.
Mr. Abbitt with Mr. Chamberlain.
Mr. Gilbert with Mr. Devine.
Mr. Carey with Mr. Bates.
Mr. Adams with Mr. Edwards of Alabama.
Mrs. Kelly with Mr. Clancy.
Mr. Daniels with Mr. Zion.
Mr. Annunzio with Mr. Button.
Mr. King of California with Mr. Harrison.
Mr. Andrews of Alabama with Mr. Bell.
Mr. Morgan with Mr. Don H. Clausen.
Mr. Delaney with Mr. Erlenborn.
Mr. Giaimo with Mr. Hansen of Idaho.
Mr. Aspinall with Mr. Belcher.
Mr. Kluczynski with Mr. Eshleman.
Mr. Donohue with Mr. Del Clawson.
Mr. Bevill with Mr. Berry.
Mr. Madden with Mr. Gurney.
Mr. Edmondson with Mr. Derwinski.
Mr. Moss with Mr. Brown of Michigan.
Mr. Philbin with Mr. Findley.
Mr. Evins of Tennessee with Mr. Biester.
Mr. Rodino with Mr. Fino.
Mr. Miller of California with Mr. Halleck.
Mr. Fallon with Mr. Frelinghuysen.
Mr. Shipley with Mr. Cowger.
Mr. Hays with Mr. Davis of Wisconsin.
Mr. Rostenkowski with Mr. Gude.
Mr. Holifield with Mr. Gardner.
Mr. Rivers with Mr. Broyhill of North Carolina.
Mr. Hull with Mr. Denney.
Mr. Multer with Mr. Wydler.
Mr. Jones of North Carolina with Mr. Burke of Florida.
Mrs. Sullivan with Mr. Bob Wilson.
Mr. Charles H. Wilson with Mr. Johnson of Pennsylvania.
Mr. Tenzer with Mr. Schneebeli.
Mr. Whitener with Mr. Williams of Pennsylvania.
Mr. Tiernan with Mr. Mathias of Maryland.
Mr. Udall with Mr. Kuykendall.
Mr. Karsten with Mr. Watkins.
Mr. Purcell with Mr. Ruppe.
Mr. Rogers of Florida with Mr. Michel.
Mr. Hardy with Mr. Reinecke.
Mr. Williams of Mississippi with Mr. Rooney of Pennsylvania.
Mr. Staggers with Mr. Laird.
Mr. Wright with Mr. Mosher.
Mr. Corman with Mr. Wiggins.
Mr. Slack with Mr. Latta.
Mr. Anderson of Tennessee with Mr. Nelsen.
Mr. Tuck with Mr. Utt.
Mr. Hicks with Mr. Lloyd.
Mr. Ullman with Mr. Thomson of Wisconsin.
Mr. Murphy of New York with Mr. McClory.
Mr. Dingell with Mr. Thompson of Georgia.
Mr. Willis with Mr. McClure.
Mr. Blanton with Mr. Taft.
Mr. Everett with Mr. MacGregor.
Mr. Walker with Mr. Springer.
Mr. Fulton of Tennessee with Mr. Schwengel.
Mr. Landrum with Mr. Martin.
Mr. Gallagher with Mr. Morse.
Mr. Murphy of Illinois with Mr. Pelly.
Mr. Fuqua with Mr. Pollock.
Mrs. Green of Oregon with Mrs. Reid of Illinois.
Mr. Pike with Mr. Schadeberg.
Mr. Stuckey with Mr. Ronan.
Mrs. Griffiths with Mrs. Heckler of Massachusetts.
Mrs. Hansen of Washington with Mr. Rhodes of Arizona.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

ADJOURNMENT TO 11 A.M. MONDAY, NOVEMBER 20, 1967

Mr. ALBERT. Mr. Speaker, after consulting with the distinguished minority leader, and in response to petitions from some Members, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 8629, TO AMEND THE ACT OF JULY 4, 1966

Mr. ROGERS of Colorado. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 8629) to amend the act of July 4, 1966, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from Colorado? The Chair hears none, and appoints the following conferees: Messrs. ROGERS of Colorado, WHITENER, JACOBS, POFF, and WIGGINS.

WEST POINT FOOTBALL TEAM CANNOT PARTICIPATE IN BOWL GAME

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. HÉBERT. Mr. Speaker, I had not intended to take the floor to discuss this matter today, but occurrences of the last few hours have compelled me to bring to your attention again a situation as related to the betrayal of the football team of West Point and the cadet corps and the Army in its entirety by the Secretary of the Army in surreptitiously ruling that the Army football team could not participate in a bowl game, and insinuating that it smacked of professionalism.

Since the news media carried this announcement, my telephone this morning has been ringing with calls of protest from people in all parts of the country.

The American people have been heard from and I am sure the people will continue to be heard from.

I am sure that those individuals who would shed crocodile tears on the overemphasis, so-called, of football and athletics at West Point could well read again what perhaps one of the greatest West Pointers of all said about this competition:

> Upon the fields of friendly strife, are sowed the seeds
> That in other days and other fields will bear the fruits of victory.
>
> —DOUGLAS MACARTHUR.

They shall also recall what the Duke of Wellington said after the Battle of Waterloo, that, "The Battle of Waterloo was won on the playing fields of Eton."

Another story that General MacArthur told is well known and bears repeating at this time. When he was a young aide with President Theodore Roosevelt, they were attending a football game. General MacArthur said just at the height of the game the President looked over at him and said, "Douglas, I would rather be the quarterback on that field than the President of the United States."

This is serious business that is going on now where reflection is cast on two other Academies, the Air Force Academy, which has participated in two bowl games, and the Naval Academy, which has participated in five bowl games. It is also an absolute affront to the Board of Visitors to West Point of 1955, which advised that the policy of the Academy should be to accept a bowl invitation.

The most damaging thing I think is the strike that has been made against the morale of the cadets. They were all led to believe that they would participate.

Mr. ALBERT. Mr. Speaker, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Oklahoma.

Mr. ALBERT. Will the gentleman tell us where West Point might play if it plays in a bowl game?

Mr. HÉBERT. I have every assurance and can say that West Point would have been in the Sugar Bowl Game at New Orleans if this prohibition had not been placed against them. The Cotton Bowl in Dallas was also interested in the West Point team, and they could have gone there. To the gentleman I can say if West Point had received an invitation from the Sugar Bowl and had been allowed to play in the Sugar Bowl its opponent could well have been Oklahoma, the

State so ably represented by our distinguished majority leader. I am sure if such had occurred my dear friend would have been there to cheer his old alma mater, the University of Oklahoma.

Secretary of the Army Stanley Resor and Chief of Staff Harold K. Johnson, in refusing to allow West Point to accept a football bowl invitation delivered a bodyblow to the morale of the West Point football squad, the corps of cadets, and the entire Army.

This action is going to strike the match to the biggest fire of resentment that I can conceive. It was a precipitous decision by Secretary Resor and General Johnson. It was confirmed after I had made a personal plea to Secretary Resor and had pointed out to him that a policy of allowing the academies to participate in bowl games was set forth in the report of the 1955 Board of Visitors at West Point.

I discussed the matter at length with Secretary Resor on Tuesday afternoon. Today he called me at a quarter of 1 and informed me that he had not changed his position. He reaffirmed his decision and said an announcement would be made to the corps at 1 o'clock. I asked him to withhold the announcement until the matter could be discussed further and in depth. He said he could not do this. Of course, this modus operandi is typical of the Pentagon. When decisions are made, the Congress is only informed after the decision is made and the public announcement comes within minutes. This is par for the course.

In reference to the recommendation of the 1955 Board of Visitors, the Secretary said he questioned my interpretation of it. I informed him that I knew what the intent of the Board was because I was a member of the Board and had personally joined in the recommendation. Again, this is typical in so many departments of the Government telling Members of Congress what their intent was. In other words, they have a habit of reading our minds and coming up with answers that were never present.

The decision of 1955, made by a Board of Visitors chaired by Gen. Lucius Clay, had the full approval of Col. Earl H. Blaik, who was at that time athletic director and coach at West Point

Secretary Resor told me that participating in bowl games smacks of professionalism. Is he charging the Air Force and Naval Academies with professionalism in athletics? Both the Naval Academy and the Air Force Academy have participated in several bowl games since 1955.

Secretary Resor also told me a bowl game would take players away from their studies too much. I pointed out to him that all other athletic teams at the Military Academy are invited and have participated in postseason contests such as invitational tournaments or elimination tournaments. The football player is being discriminated against.

He also advanced the specious argument of Vietnam. I think the young men in the Army in Vietnam would rather have an Army team in a bowl game to cheer for than a college team of boys from their home State who are not giving any service to their country.

It must also be noted that participation in a bowl game is worth approximately $250,000. It must further be noted that the entire athletic program at West Point is supported by football revenue. Not $1 of taxpayers money or appropriated funds is used. The entire athletic program relies exclusively on gate receipts.

It is a mystery to me why the Secretary of the Army felt compelled to make a hasty decision against bowl games before an invitation was officially extended.

It is a mystery to me why the Secretary of the Army did not wish to at least first ascertain the desires of the members of the West Point football team and the cadet corps as a whole. It is my understanding that the players and the rest of the cadets were enthusiastic about participating in a bowl game.

It should be remembered that in a short while many of these young men will be commissioned junior officers and will be assigned to combat duty in Vietnam. The kind of combat duty a junior officer faces is the most dangerous kind, leading small units in actual fighting. It seems to me a shame that these young men could not be given the special joy of playing in a bowl game before going to such hazardous duty for their country.

As chairman of the Subcommittee on Armed Services with jurisdiction over the three Military Academies, I have insisted and persistently made every effort to bring a uniform policy to each one of the three. I have succeeded in doing it thus far, and I will continue to pursue this policy in connection with the participation of the service academies in bowl games. The American people own the service academies, not individuals. The American people have a right to see the service teams in all its activities.

This action on the part of Secretary Resor and General Johnson will bring an outburst of indignation throughout the country and I hope it does because it will encourage the Congress to force needed changes.

RISING PRICES IS A TAX INCREASE

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, let us consider some examples of the impact on all of us of an additional rise of 3 percent in consumer prices which, using the Korean experience as a guide, might result in the absence of the surcharge.

The figures are very instructive.

A single individual with $900 of money income would pay no surcharge; he would be exempt. But a 3-percent additional rise in prices would actually decrease the real income of this individual 4 percent since such a person typically must spend more that his meager income on current living, making up the difference by going into debt or drawing down on savings. This would be equivalent to a 4-percent tax on his income.

For the single individual living on $5,000, the surcharge would impose a tax of $67, equal to 1.3 percent of his income. The burden of the additional 3-percent rise in prices would amount to $144, equal to 2.8 percent of his income—a smaller relative burden than for the individual with $900 income—but still be above the burden of the surcharge.

At the $20,000 income level the surcharge burden would rise in relative terms to 2.5 percent of income and amount to $492, while the additional 3-percent rise in prices would amount to $540.

Turning to a family of four we again see the same unjust pattern of the burden distribution of inflation compared to the surcharge. At $2,500 and at $5,000 of family income no surcharge is paid. In contrast, the burden of the additional price rise is equal to $82 or 3⅓ percent of income at $2,500, and $147 or 3.1 percent at $5,000.

At $10,000 of family income, the surcharge would amount to $111 or 1.1 percent of income. The burden of the 3 percent price rise would be $285 or 2.9 percent.

Some individuals and families in each of these ranges will, of course, experience a rise in incomes when prices rise. These people would not be hurt as much by inflation as would others whose incomes are fixed, but in the end everyone loses. While the surcharge exempts entirely the low income families and individuals, the price rise would place its heaviest relative burden on families and individuals in the lowest income ranges.

But the overall result of a 3 percent additional price rise would be to diminish the real income of the overwhelming majority of the American people far more than the average loss of 1 percent flowing from the tax surcharge.

Moreover, the cost of inflation may be even greater than these annual comparisons indicate, because once a wage-price spiral begins it usually generates price increases every year for several years, while on the other hand, the surcharge is to be temporary, for so long as hostilities continue in Vietnam.

VIETNAM—"THE RIGHT PLACE, THE RIGHT TIME, THE RIGHT ENEMY"

Mr. DORN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, Vietnam is a prime force in our lives—it has been for some years and it shall continue to be for some time to come. Around such prime and major forces legends are built. Mythology develops. A myth is a story which repeated again and again takes on the aspect of truth even when the facts do not support such a conclusion.

Vietnam is a subject which evokes much discussion and exchanges of opinion. Some of this exchange these days is fact; some of it, mythology. We have heard on the floor of the House these past few weeks much honest discussion but we have also heard much argument that is closer to myth than it is to rock bottom fact.

We have heard that this Nation seems bent upon a course of winning in Vietnam by the sheer and deliberate bombing of the north. We have heard that this Nation of ours is supporting a government of "landowners and military elite" who will never be able to provide strong national leadership. We are told that the people of Vietnam do not want to defend themselves and that its army does not want to fight. We are informed that there is no real progress in Vietnam, that we are stalemated, that something is wrong when we cannot achieve short term victory.

Given the ideas advanced in some of these myths, I would probably believe them too but from time to time we have to clear out the underbrush with a good solid whack and see what the facts really are. Let us look again at some of these myths:

Are we trying to win this war through more and more bombing?

The President in March of this year, in his letter to Senator HENRY M. JACKSON of the State of Washington, said the following:

> We never believed aerial attack on North Vietnam would, alone, end the war. We did, however, have three objectives. The first was to back our fighting men and our fighting allies by demonstrating that the aggressor could not illegally bring hostile arms and men to bear against them from the security of a sanctuary.
>
> Second, we sought to impose on North Vietnam a cost for violating its international agreements.
>
> Third, we sought to limit or raise the cost of bringing men and supplies to bear against the south.

If there is anyone who believes the mythology that we can win in Vietnam by bombs lobbed in the north, they are misled. The position is clear. In a guerrilla, politico-military kind of conflict—as we see in Vietnam—weapons are only a part of the tools of the trade. We use what we can when we can. As Ambassador Henry Cabot Lodge has often told us, there will be conflict as long as the guerrilla infrastructure is still in place.

We hear many reports of this new government in Saigon. We hear that it is a government of landowners, that it is a government of the military elite. There are landowners and military men in the government; certainly if we turn to this very House we will see that many of our own Members served through periods of emergency and some even professionally in our Armed Forces.

Vietnam has military men in her government. In a country which has been at war for more than 20 years, the military provided social mobility, a place where able men could excel and serve their country. Many of their military would have been farmers and teachers. Picture our country's professional men if World War II had been prolonged for another 15 years.

We can examine the membership of the new Senate recently elected. Eleven of the Senators are teachers; 11 are military or former military; 11 are lawyers; eight merchants or industrialists; five doctors; three civil servants; one architect; two pharmacists; six engineers; one labor leader; one veterans organization leader. The youngest is 30; the oldest 71. The average age is 48.

The important and vital fact is that in the midst of an armed aggression the Vietnamese people went to the polls and elected men of their choice.

We have just seen that the province chief formerly of Binh Dinh has been sentenced on charge of corruption. We ask ourselves if this is going to be a real goal of this government, a cleaning of their own house in the midst of a regular "shooting war." They have promised this would be a goal and they have not even yet been allotted their 100 days. They have an upper and lower house now as well as an elected President and appointed Prime Minister. How will this system work—let us give them the time to activate their new institutions.

We are told that the people of South Vietnam do not want to be saved. We are told that its army does not want to fight. We are told that we should turn the war back to the Vietnamese. I do not accept these myths. Vietnam does want to be saved; its army is willing to fight to save it and we never have taken the "show" away from them. The war is still their war. Our advisers, if you should ask any of them, would say simply, they are there to "work themselves out of a job." Any viable nation-building, any rooting out of the guerrilla infrastructure—no matter how enlightened our advice—must be done by the South Vietnamese. This is nothing new. We have placed troops into that country to give the Vietnamese people an option, to give them a "fighting chance," to give them what we believe is an inherent right, to find their own road, elect their own government, pursue their own destiny.

> In my book, the Republic of Viet-Nam Armed Forces have conducted themselves with credit.

General Westmoreland tells us—

> As I tour the country several times a week, I am encouraged by the obvious improvement in the morale, proficiency and quality of their fighting forces.

Another general from another war, Gen. Omar Bradley said in the November 14 issue of Look magazine:

> After tramping throughout the length and width of South Vietnam . . . I am convinced this is a war at the right place, at the right time and with the right enemy.

How many of us heard reports, real and imagined myths about the Korean troops with whom we shared foxholes in the conflict of the 1950's. We may have doubted the excellence of their army for a while then; we do not doubt it now. When leadership is given the opportunity to develop, these troops proved themselves many times over. Ask any man fighting with them in Vietnam about the effectiveness of Korean troops.

We hear we are wallowing in a stalemate. General Bradley, fresh from his trip to South Vietnam spoke to this:

> I don't call it a stalemate when, almost everywhere the enemy is avoiding contact and our troops are progressively digging him out and pushing him back. I don't call it stalemate when, by every measurement, the other side is getting weaker and we are getting stronger. The war is like no other in my experience. There are no great wall maps on which to draw lines and say, "Here is the front." The front is everywhere.

We are told there is little pacification progress. Progress in such a war is necessarily a slow moving thing. You cannot always read progress in the amount of enemy killed or the amount of schoolhouses built or roads improved or wells spilling water. Progress might be a Vietnamese agriculture chief responding to a farmer and the need for special fertilizer for the first time—not how many farmers attended a cooperative meeting. The reaction of a Vietnamese hamlet population to the destruction of a schoolhouse they built in their own sweat and with their own labor is more important than the fact that we built 200 in one province in 14 months. We are beginning to accumulate an excellent record, numerically yes, but we do not accept the myth that all progress can be reported in statistics.

What was the progress recorded in American cities in the 1920's when gangs and gangsters ran rampant? What measurement did we make when the first private citizen protested the evils of the protection racket for the first time. What statistical machine is going to tell you what this very Congress will accomplish before adjournment?

The recent Israel victory has been proclaimed as a 6-day victory but General Dayan in his visits to the Vietnam front acknowledged that here were two different kinds of wars. He made it clear that neither he nor any other great soldier could win this one quickly.

We hear we are crying for victory. Who has heard that word being used? I have not. We have asked for an honorable settlement. The other side has so far chosen not to listen.

I remember a story presented in the Cecil B. DeMille film "The Crusades," that Richard the Lionhearted met Saladin in one of the battlefield tents. Richard had a sword powerful enough to split a table but Saladin had a scimitar with a cutting blade sharp enough to slice a length of silk veil in two. Here were two adversaries fighting two different kinds of war. Richard, if he were to win, would have had to change some of his strategy. He did not.

I think we will have to change some of our rules for measuring the progress of this war. One of the weapons the enemy can use against us is our impatience. This war calls for more patience and we Americans are an impatient people. This war calls for time, and we are not quite willing to allot that much time. I believe with General Bradley that this is a war at the right place, at the right time and with the right enemy.

In Vietnam we are a part of a sweeping revolution. We must harness its energies in partnership with the Vienamese in order to build a nation resilient and durable and representative. We are not trying to impose our system but we would not take it unkindly if they felt that they could borrow some of our ideas of democracy and representation and old-fashioned fence mending.

It is a complex war and a long war and myths grow easily. We should look carefully into the myths we have begun to accept automatically and weigh and examine and consider them. There is nonproductive doubt and there is positive and constructive doubting. There is honest questioning. There is constant reexamination of our objectives in light of the best information available. That is an axiom of sound government.

In this nation-building, in this defense of Vietnam in partnership with its people, what we need is a little time and a little patience and with these vital commodities I believe we shall prevail.

PARKS ARE FOR PEOPLE

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, George B. Hartzog, Jr., Director of the National Park Service, was a participant in the program of the National Reclamation Association's annual convention in Honolulu, Hawaii.

At that time Mr. Hartzog delivered a thought-provoking speech challenging not only the National Reclamation Association, but the American people, to keep and preserve our National Park Systems for all of the people of the United States.

Mr. Hartzog's speech follows:

REMARKS BY GEORGE B. HARTZOG, JR.

I welcome the opportunity to appear as a part of this panel to express my viewpoints on the theme of your conference: Recreation and Resources—the New Accommodations.

I am delighted to share this platform with Mr. Michio Takata, Hawaii's widely known and highly respected Director of Fish and Game, who will speak on the effects of reclamation projects on fish and wildlife values.

Mr. Carroll Swearingen, the panel member from Texas, is one of the foremost authorities on water-related outdoor recreation, and he will discuss this subject as it relates to conflicting water uses.

Dr. William Siri from the University of California, and distinguished representative of the Sierra Club, will help all of us to better understand some of the complexities involved in accommodating competing needs in the use and preservation of natural resources.

It will be my privilege to highlight, briefly, some of the issues arising out of management of competing programs and the cost-benefit consideration involving our alternatives in resource use.

One might say that the ambition of this panel, as, indeed, the purpose of this conference, is to seek solutions to the question which conservation poses today: shall we have a living environment, or must we accept living conditions which steadily deteriorate?

The great poet Robert Frost once said, with the characteristic wisdom of a man who has lived close to nature, "What makes a nation in the beginning is a good piece of geography."

As a Nation, we have been blessed with the greatest and richest piece of geography on earth. I doubt that many of you here, and I believe you are predominantly Westerners, would take issue with the statement that the richest and most spectacular of these blessings lie in the great Western part of our country, distributed lavishly but perhaps inequitably among the Western states.

It is a coincidence of nature, geography, and our national growth pattern that two of the great conservation agencies—the Bureau of Reclamation and the National Park Service—both have their origins in the West.

Yellowstone in Wyoming, Montana, and Idaho, was established by Congress in 1872 as our first National Park to protect its unique thermal features, its abundant wildlife, and its scenic lakes, rivers, and gorges. Yosemite in California was established soon after.

Nearly three-quarters of a century ago, legislation was signed by President Theodore Roosevelt to create the Bureau of Reclamation. Its mission was to concern itself with the conservation, development and use of the water resources in the arid parts of the West.

In those long-ago years of our beginnings, our mutual problems were vastly different from those of today. In 1900—two years before the Bureau of Reclamation began its work, the District of Columbia had twice as many people as the area we now know as Arizona. California, for all its size and celebrated attractions, was home to fewer than one and a half million people, something under eight per square mile. Other Western states were even more sparsely settled. While most of the West was arid, there was water enough for all if adequate collection and distribution systems could be devised.

In that same year, there were six National Parks, with an annual visitation of about 100,000. With a total population of only 76 million people—most of whom did little traveling beyond the nearby county seat or a summer cottage at the lake—the impact of too many human feet or too many wheels wasn't a serious problem.

You all know how the picture has changed. Today, 200 million people live in the United States, most of them crowded into huge population centers.

Last year, we recorded more than 133 million visits to well over 200 areas of the National Park System.

Last year—and, indeed, for many years before—states, counties, cities, towns and other governmental groups, fought for a share of the West's available water supply.

To put it simply, we have all virtually been overwhelmed by people, by houses, by concrete, by automobiles, by asphalt, by the insatiable demands and pressures fostered by an affluence unequalled in history.

In past years, we could each go our own way, doing our own jobs. Scant attention was paid to a basic truth then acknowledged by only a few far-seeing men: That everything in nature is hitched to something else; that anything we do, sooner or later, affects someone else. Perhaps we could, at one moment in time, afford the luxury of a myopic viewpoint toward the use and management of natural resources. But the world did not stand still, and it never will.

No longer can anyone disregard his neighbor. The pressures are too great—the needs are too urgent.

This is not visionary rhetoric. I know, and you know, that somehow we must learn to meet all of man's needs with the resources that are available to us. This is the ultimate challenge of conservation. Whatever else may intrude upon the national conscience or absorb our time and treasure, this challenge is the major fact of life in 1967.

This does not suggest that we have not been trying to meet the challenge. We have been trying, and I think great progress has been made. Certainly the seeds of cooperation at all levels have taken firm root, and all of the groups and organizations represented here can take justifiable pride in what has been done. We have proved that we can work together, if there is the will—even though sometimes the will has to be encouraged, and sometimes it takes a while to get it worked up.

Let me cite two instances to make the point.

A controversy plagued us for several years with our sister agency—the Bureau of Reclamation—in the operation of Jackson Lake in Grand Teton National Park, one of the crown jewels in the National Park System. I am sure many of you have visited this park, and been thrilled by the splendor of its chain of peaks mirrored on the waters of Jackson Lake.

However beautiful, this lake is a reservoir, and has been since 1907. Water is stored, and released down the Snake River to maintain storage at Palisades Dam and provide water for irrigation of crops in Idaho.

In earlier years, the water was let out of Jackson Lake during the height of the visitor season. The quality of a park experience was impaired by this drawdown and recreational opportunities downstream on the Snake River were curtailed in late summer. In 1961, the drawdown was 39 feet—not much compared to an average drawdown of around 185 feet at Fontana Lake bordering the Great Smoky Mountains National Park—but 39 feet at Jackson Lake was ruinous for the park.

I'm happy to report that we have resolved most of these problems in our negotiations with the Bureau of Reclamation. The lake level is now maintained during most of the summer season when the park is full of visitors. The release schedule has been adjusted to accommodate our visitors, to provide adequate water in the Snake for its full recreational use, and to maintain the other necessary downstream uses.

I had hoped that a similar accommodation of program needs at Fontana Lake, a TVA multi-purpose project, could be in operation by this date. Unfortunately, we have not had similar success.

Of all the blights that destroy scenic values, few are worse than powerlines. We've had some hard problems on this score. We've solved some and failed to solve some, and some are still unresolved. One recent case at Natchez Trace Parkway is eloquent testimony to interagency cooperation.

Here the TVA planned to locate its 500 KVA Maury-Davidson transmission line along the route proposed for the parkway, near its Nashville terminus. In this location, the powerline would have destroyed the very values we sought to protect.

So we started talking, and this last spring an effective and supportable alternative was found. The line is now under construction and when it is finished, it will not be an eyesore to the people using the parkway.

I wish the powerlines at Estes Park, Colorado, had been located with similar concern for scenic values, but in that day and time, esthetic considerations were not so urgent.

In the October-November issue of *Reclamation News*, which carried the program for this conference, the headline on the lead story is: "Creative Water Management, Reclamation's Future." The subhead is: "In this theme, our Hawaiian Convention stresses sensibility to change and ingenuity in action."

In all our history as a Nation, we have been far too insensitive to the effects of the changes we have inflicted on our resources base and on our landscape. Our ingenious works often have been thrust upon the land without heed of consequences. Too often the dollar signs on the benefits we could see outweighed the intangible values too few of us could understand.

The time has come when the consequences of our acts can no longer be ignored, or lightly passed over. There must an upsurge in sensitivity for our total environment.

Most of the projects proposed by the Corps of Engineers or the Bureau of Reclamation or the TVA are analyzed in terms of their cost/benefit ratio. Such factors as irrigation benefits, settlement opportunities, economic growth, area redevelopment, flood control, power, fish and wildlife, and recreation values all enter the formula.

The purposes behind these projects are legitimate, and ways must be found to serve them. But we must achieve them without destruction of other values which are just as great, and which serve the whole public.

Dollar signs and numbers and mathematics are cold and hard and exact. We're so used to thinking in these terms that we overlook or ignore the fact that few of life's real values—and I use the word life in its broadest sense—can be tagged with a dollar sign. These are the values no formula I've seen can adequately reflect.

This is true in the Glacier View Dam site on the Flathead River, which we oppose. It is true in the proposal to build another high dam in the Colorado River, which we also oppose. It is true in the Buffalo River Dam project in Arkansas, which we oppose.

What dollar value would you put on the shrines of our history? How would you compute in dollars the true value of Crater Lake or of the swift, clear North Fork of the Flathead River in Glacier National Park?

Of what dollar value is the experience to look into or be in the Grand Canyon, carved through eons of time? How do you measure in dollars the thrill of your five-year-old son catching his first fish from a clear, cool stream? What is the dollar value of saving an endangered species of our earth?

How would you compute the cost/benefit ratio of a wilderness, or of the ecological treasure represented by the proposed Kauai National Park here in Hawaii?

I can't give you a formula, but these values are as real as the yield of an irrigated alfalfa field, or the industry supported by more kilowatt hours of electricity.

As a people, as a society, we have the power to effect massive changes in our environment. Indeed, we have done just that—and often the results testify to our lack of intelligence.

Where are we going from here?

No one knows for certain what our world will be like 50 or 100 years from today. Much will depend upon our personal and national attitudes toward the kind of life we want our descendants to have.

Will we provide a heritage of individual strength, an environment rich in the values most of us have enjoyed in our lifetimes? Or will we leave behind us only the wretched remnants of something that was great?

A substantial body of scientific thought suggests a program of education to limit population. Since man is the greatest predator, pollutor, spoiler, and destroyer perhaps there's great validity to that viewpoint. Perhaps we need the "Malthusian belt" Aldous Huxley talked about 35 years ago. Perhaps we need a broader and more specific source of revenue that can be directly used to preserve and protect what is left of our heritage. At the very least we need better tools and more "sensibility to change and ingenuity in action."

If we don't, there may be little in the future worth worrying about.

IN DEFENSE OF THE U.S. CONGRESS

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, it has become popular with the press and people in all walks of life to criticize the U.S. Congress when, therefore, one is willing to rise to its defense it comes as a pleasant surprise.

J. Allen Overton, executive vice president of the American Mining Congress, in a speech before the Portland Cement Association convention, delivered an outstanding address in defense of the legislative branch of the Government. His challenge to the convention and to all America to correct the declining prestige of Congress should be read by all Americans.

Mr. Overton's speech follows:

The American Mining Congress is honored by your invitation to share in that portion of the program for this Portland Cement Association convention which involves your Safety Awards and Honors for several very significant reasons.

First, I am especially honored with the privilege of speaking here today before the chief officers of the companies who operate in every one of the 50 States of our Nation and who service every city, town and hamlet in the Nation. Seldom is a person accorded the privilege of visiting with such a distinguished and important element of our Nation's business leadership.

Secondly, I am honored by your invitation to address this Safety Awards Luncheon because the American Mining Congress has for a great many years placed an emphasis on safety which is second to no other undertaking in the mining industry, and by which effort the American Mining Congress became one of the pioneers in the safety efforts of industrial activities.

My third reason for being honored by having the opportunity to speak to you today—and the last one I will specifically state, although there are many others—is because of the long, friendly and close working association which the American Mining Congress has had with the cement industry through a very active and comprehensive membership of your companies. This association has given us a rare insight into your industry's problems and accomplishments. We are abundantly concerned with your problems and we share your pleasure in surveying your many accomplishments.

So we speak the same language, you and I. And we have many, many concerns in common.

You have heard much at these sessions about planning for safety, about accident prevention and the techniques which can bring your goals closer to the reach of every employee and every employer. Surrounded, as I am here today, by some of this Nation's most accomplished experts in these areas, I will not presume on your time by any discussion of the technical aspects in these fields which you know so well.

Your deliberations have involved you, too, in matters related to pollution abatement, an area of prime concern not alone to cement, but also to every other segment of mining, to all enlightened industry—and indeed to every man, woman and child in America. Again, I would not presume to engage in any technical discussion of this subject—except to point out the appropriateness of your consideration in a single session of these two subjects which are in the van of our industry's interest and also occupy a major portion of government considerations today.

Day by day, we in the private enterprise section of our economy are becoming aware of increasing involvement of government in our affairs. This is true of the subject of pollution controls and of the safety features of industrial activities. No longer are safety in the working place, control of stack emissions, quality of plant water discharges, noises from industrial operations, odors from some types of processing endeavors, and a host of other factors inherent in industrial operations treated as separate items of consideration. They all are bulked together now in Washington in a single designation—"Quality of Our Environment". The development of governmental interest in these fields is not limited to our working hours alone. In a recent report to the Department of Health, Education and Welfare, a special study group advocated that Federalism take over the direction and control of all aspects of human life during every waking and sleeping moment.

Such a broad concept of the government's appropriate role in the "new civics"—called "creative Federalism"—may cause additional concern and activity during our every waking moment and perhaps may even eat into a little of our sleep!

So, as we gather here to award Safety Honors, we are active in but a small segment of the total concern of our companies' involvement in a broad field of industry-government relationships.

I have apparently digressed from what might be expected for the topic of a talk at a Safety Awards luncheon. You may by now well wonder what in the world I intend to talk about. Since I have indicated that Safety is now involved in a much broader field than prevention of a cut or bruise in our daily work-a-day world and more comprehensive than any regional application of controls or regulations, I want to devote our attention to the real field of safety in which we are involved today—I wish to discuss with you for a few moments our first safety question—"How safe is America?"

Well, I'm from West Virginia.

In that garden spot of America, we're noted neither for our reticence nor for shortness of breath.

Therefore, true to the traditions of my forebears, when I find myself facing a gracious audience and confronting a live microphone I take advantage of a kindly situation.

I referred a moment ago to the many concerns we have in common. My business, as you know, keeps me pretty much in Washington, D.C. I have been there for many years, deeply involved in the processes of government—and keenly concerned about the growing impact of the governmental processes on virtually all of the business decisions which are made every hour of every day by many millions of Americans.

It is about the legislative process in Washington, with which I have been intimately associated for some 25 years—and more particularly about the dedicated men and women who make it work—that I want to visit with you today.

We are, all of us, much involved, on a personal, a company, an industry basis in virtually every action taken—every decision made—by the Senate of the United States and the United States House of Representatives. We see ourselves affected by legislative proposals in such diverse fields as taxation, foreign policy, military affairs, tariff and trade, appropriations—and the hardy perennials which command the very special attention of our industry, such as mine safety, pollution abatement, and the other items in the long litany.

But I want you to look with me beyond the specifics of these pressing legislative concerns. I want you to assess with me a condition which could well hold within itself the seeds of a development far more important to this Nation than the safety requirements of our daily occupation, more important than the very legislation on which the Congress acts.

I am concerned—very concerned—about the decline in Congressional prestige.

I am concerned—very concerned—that each and every one of us face up to his civic duty to do something about correcting this decline.

I am persuaded beyond the shadow of a doubt that the Congress of the United States is the last best hope of free men and free government. In saying this, I demean no other branch, no other arm, no other facet of our governmental structure. As I indicated a moment ago, I served in State government. Also, it was my great privilege to serve for several years (beginning in the middle 1950s) in the Executive Branch of the Federal Government in Washington. One of my most treasured keepsakes of that service is the framed Commission of Office, indicating appointment by the President and, equally important, confirmation by the Senate. As a lawyer who began his adult working life in the private practice of law, and whose only son is now engaged in the study of law, my respect for our Judicial system is ingrained and deep.

Yet, of all the great branches of our government, the Congress of the United States, as I see it, stands closest to the people, instinctively responsive to their wishes, steadily reflecting their hopes and aspirations.

The Senate of the United States has well been called the world's greatest deliberative body; the House of Representatives aptly labeled the Forge of Democracy. The impact of the Congress, and through it the impact of the people, on the other great branches of government is both obvious and pervasive. Graduates of the House and the Senate have served with high honor and great distinction at all levels of the Judiciary since the earliest days of this Republic. The White House too has been graced by those who first served on the national scene in the Congress of the United States. Indeed, three of the last four Presidents served first in the Congress. So too did the last five men who have served as Vice Presidents of the United States.

Despite all these obvious considerations, we have witnessed throughout most of our adult lifetimes—interrupted only now and then, subsiding only occasionally—a persistent, a relentless effort by the advocates of strong central government to downgrade the prestige of Congress, to tarnish its image before the public. For more years than most of us care to remember, we have seen this steady campaign, listened to the incessant drumfire of its single theme—that we ought somehow to regard Congress (the institution, and all to often the individuals who comprise it) as an assortment of buffoons, and worse.

This is a slander of low degree. It is totally unjustified. And we—every one of us—can and should start doing something about it, and now. This is our safety problem. This is the safety problem of the Republic.

From my many years of close personal association with the legislative process in Washington, I am a complete, a total believer in the skill, the dedication, the reliability of the men and women who serve in the House and the Senate. I don't always agree with what they do, and maybe that's as it should be. But they do reflect the attitudes of the folks at home, and I don't know of a single one among them who isn't ready and willing always to account to the folks at home for his actions and his votes.

But what's happening? What impression is the most prevalent impression about the Congress in the minds of the American voters? Buffoons, and worse, as I said a moment ago.

Now, why is this happening? Congress, unlike the Presidency, is not a highly personalized institution. Congress is impersonal, in great part because of its very size. This unwieldy, impersonal quality makes it easy for advocates of bigger and stronger central government to point an accusing finger at Congress, to lay the blame on Congress for a wide range of shortcomings which are properly chargeable to somebody else. The composite and grossly inaccurate result, after all these years, is that Congress is characterized before the public as dull, insensitive, an essentially selfish group serving only some narrow "special" interests and caring not a whit for the welfare of the people.

Add to that the few in Congress—and they are very, very few indeed—who have abused the power of their Congressional offices, or used their official positions for personal gain. The vocal critics of this very great institution need only one such case every decade—even the suggestion of a case will do—to reinforce the campaign of slander, abuse and ridicule. And Congress, again because it is so unwieldy and as an institution so impersonal, does not and cannot adequately defend itself.

In all this, who is the loser? Who loses when public confidence in the Congress is slowly eroded and finally undermined?

Everybody loses. Literally everybody. The Congress itself, the public generally, you and I—we all lose. The cause of good government is set back immeasurably.

And if we're going to turn this thing around—we'd better tackle it at the point where we have some likelihood of success.

You—yes, you—you'd better tackle it in the person of your own Congressman. Whether you like his politics, or whether you don't, get better acquainted with him. If you don't like the Congressman you have, maybe you can get another one next year. But you'd better get together now with the one you do have. Let him know your respect for the institution in which he serves. Let him know you don't put him or the Congress in this "buffoons, or worse" category.

The process must begin somewhere if we are ever to let Congress know there are people who understand and appreciate its role and its efforts. Your one Congressman and your two Senators add up to only three of the more than 500 Members in both Houses of Congress. Only three, but they're *your* three. This is a good place for you to start. Take these three as an assignment for yourself. Invite them to your meetings where you can. Go meet with them where you can. Maybe you can generate some local recognition—newspaper editorials, civic club activities, and the like—as your contribution to the start of a campaign to upgrade the Congress in the public's esteem, to restore it to its rightful position in terms of prestige, public understanding and appreciation of its very great significance.

You can do your part in all this without endorsing the reelection of a Congressman or Senator of whom you don't approve. Get behind your own candidate with all the steam you can generate. If you elect him, you'll obviously feel that much better. Don't apologize for opposing the reelection of an incumbent. Don't apologize for being a hard-working supporter of your own Party and your own candidate. The real genius of our system remains its basic two-Party character.

So, if you generate some public recognition for a Member or a candidate whom you do support, all the better in your view. If you feel that you're saddled with one you cannot support publicly, then let him know quietly and privately that you are not one who thinks Congress is sinking to the low estate its critics ascribe to it.

This will not be an idle gesture on your part. This is a civic obligation that squarely faces every one of us. And, if you're inclined to look for some return beyond your duty to improve the body politic—then I would only add that a prime rule of human behavior tells you that you'll achieve with that Member of Congress a better relationship, a better appreciation of your problems—if you make this effort, regardless of whether you and he agree politically, ideologically, or on a specific issue of the moment.

The time for this is now. Never before in these many years of my exposure to the workings of Congress have Members of the House and Senate seemed more sensitive to their unfortunate—and unfair—public image. Never before in these years have they seemed so much to need, and to welcome, the understanding of their constituents. And I would add that never before in these years have I felt that the Congress—collectively and individually—was as badly maligned and slandered as it is today.

We have many problems in Washington, you and I.

Industry's concerns with the processes of government add up to a big job, a many-sided job. That you know this is obvious. Your presence here, and the enthusiasm and purpose with which you participated in these very constructive sessions in Chicago give ample testimony of your awareness of that fact.

Yes—this activity we like to call Governmental Affairs is indeed a big job, a many-sided job. And I'm convinced that we single out the most important part of the whole undertaking when we say—

It's time to Speak Up.

It's time to Stem the Slanders.

It's time to let the House and the Senate know there are some who Salute its Integrity—who would Restore its Prestige—who would Proclaim Again free government's essential dependence on the Congress of the United States—who realize this is the *first* Safety Program of our industry—and who realize that America is only as safe as its Congress is strong and respected.

HIS ALIBI TRUE, KILLING SUSPECT FREED AFTER YEAR

Mr. BINGHAM. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BINGHAM. Mr. Speaker, I was deeply shocked by the action of the House the other day, on the poverty bill, to the effect that a man accused of a certain type of illegal act is entitled to legal counsel only if he can afford to pay for it.

In these days there seems to be a tendency to forget our basic constitutional principle that a man is considered innocent until proven guilty.

It is well to remember that many an accused has been shown to be innocent in spite of a strong apparent case against him. A dramatic example of this was reported in the New York Times this morning. A Bronx man was accused and held for a year on a murder charge. The case against him seemed strong, but two court-appointed lawyers went diligently to work and proved his innocence.

The story follows:

His Alibi True, Killing Suspect Freed After Year—Bronx Man Proves He Was in Massachusetts at Time of Holdup Shooting Here

(By Sylvan Fox)

Devoted efforts by two court-appointed lawyers won freedom yesterday for a 22-year-old former police trainee who had spent more than a year in jail awaiting trial for a murder that he could not have committed.

When the young man, William Chisolm, walked out of Bronx Supreme Court, it was the end of a nightmare that had begun in October, 1966, with his arrest for the holdup shooting of a Bronx furniture store owner.

The nightmare had the trappings of justice: arrest, identification by two witnesses, extradition, incarceration without bail, indictment for first-degree murder.

But Mr. Chisolm's court-appointed Bronx lawyer, Archie Gorfinkel, and an unpaid lawyer from Newport, R.I., Matthew Faerber, were convinced that justice was not being done. They believed Mr. Chisolm was not guilty and decided to prove it.

Mr. Gorfinkel, a 40-year-old former Bronx assistant district attorney and former State Senator, tell the story this way:

On Aug. 24, 1966, José Carrion was shot and killed during a holdup in his furniture store at East 162d Street and Third Avenue. Two women caught a fleeting glimpse of the two bandits who fled.

The women provided the police with descriptions of the killers, and an investigation led detectives to Hershey Boyer, 24 years old, of 1035 Freeman Street, the Bronx. Mr. Boyer and Mr. Chisolm, who are cousins, lived in the same building. Mr. Chisolm had vanished from his apartment and his usual haunts. The police sent out an alarm for him.

Two months later Mr. Chisolm was traced to the home of his mother, Mrs. Ann Williams of 101 Jones Street, Middletown, R.I. He was arrested and charged with the murder of Mr. Carrion.

EXTRADITED AS SUSPECT

At an extradition hearing in Rhode Island, the two witnesses identified Mr. Chisolm as one of the bandits they had seen leaving the furniture store. Mr. Chisolm was extradited to the Bronx, held without bail and indicted, along with Mr. Boyer, for first-degree murder.

During the extradition proceedings, Mr. Chisolm told his Rhode Island lawyer, Mr. Faerber, that he had gone to Middletown the day before the shooting, because his stepbrother had died, and thus could not have been involved in the Bronx murder.

Mr. Faerber found 10 witnesses who could verify this. He also found a receipt from a Fall River, Mass., department store, signed by Mr. Chisolm on the day of the shooting, for the return of a suit bought for his dead stepbrother.

In April, when Mr. Gorfinkel became Mr. Chisolm's lawyer, he joined in the campaign to prove the young man not guilty.

"When I first spoke to Chisolm," Mr. Gorfinkel said, "you know, you get cynical in this business, but he appealed to me when he told me his story. I believed him. From there on, I went all the way."

Mr. Gorfinkel rounded up the 10 witnesses found by Mr. Faerber—and 10 more who could swear Mr. Chisolm was in Rhode Island at the time of the shooting.

Armed with the names of witnesses and the department-store receipt, Mr. Gorfinkel went to the Bronx District Attorney's office, "and told them what I had and I requested that they reopen the investigation—which they did."

In the new inquiry, a Police Department handwriting expert confirmed that the Fall River department store receipt had been signed by Mr. Chisolm.

Yesterday Assistant District Attorney Irvin Goldsmith told Supreme Court Justice Arthur Markewich he would agree to dismissal of the murder indictment against Mr. Chisolm as soon as routine paperwork was completed. Mr. Chisolm was released on parole and will be formally discharged from custody on Nov. 22.

Mr. Boyer remains in jail, awaiting trial for the Carrion murder.

KING WARNS OF RIOTS IF AID MEETS DELAY

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, on October 4 of this year I discussed extensively the subject of civil disobedience and nonviolence as propounded by Dr. Martin Luther King. This issue and its interpretation by Dr. King are of considerable interest, judging from the hundreds of requests I have received for this material. A recent article in the Cleveland Plain Dealer indicates that King's program of massive nonviolence is to be carried forth more earnestly. According to the article by Joseph Eszterhas, King planned a 2-week retreat to plan ways to prod Congress and the Federal Government into action.

King was quoted as saying that a "cadre of 200 hard-core disrupters will be trained in the tactics of massive nonviolence." These "disrupters" will then go back to their cities and train other units. The object of this project is to hold a "nationwide city-paralyzing demonstration" centered in Washington but extending to 10 other cities.

I place the article, "King Warns of Riots if Aid Meets Delay," in the Record at this point:

King Warns of Riots if Aid Meets Delay

(By Joseph Eszterhas)

The Rev. Dr. Martin Luther King Jr. warned yesterday of "massive winter riots in Cleveland, in Gary, or in any other ghetto" unless the business communities and federal government come to the immediate aid of the nation's poor.

"I want you to understand," King said, "I am not in favor of these riots. I will do everything in my power to help avert them. But, as a social analyst, I must speak honestly."

Unless immediate aid is given to the ghettos, he said, Mayors-elect Carl B. Stokes and Richard D. Hatcher will be only "two outstanding men we have set up as lambs for the slaughter."

King spoke to newsmen at the Fellowship Baptist Church of Christ, 1754 E. 55 Street, on what he called a "day of sober celebration."

. King, Nobel Prize winner and president of the Southern Christian Leadership Conference, has been in Cleveland frequently since early summer furthering "Operation Breadbasket" and other antipoverty programs.

He said he was "very tired but very pleased about the dual victories of creative black power in Cleveland and Gary."

The election of Stokes and Hatcher, he said, represents a "new political fervor among America's Negro citizens."

He called this a "desperate quest to find someone to champion the cause of the poor and oppressed in our cities."

Neither Stokes nor Hatcher can "do it alone," he said. "They need federal aid against poverty. To cut the poverty program would border on criminal irresponsibility and would be an open invitation to violence and social disorder in the streets of our ghettos."

"Carl Stokes may have friends in Washington," he said, "but friends alone are not enough. He needs a strong poverty program and the support of Congress."

King said his next step would be a "two-week retreat in which he will plan out ways to prod Congress and the federal government into action."

"We will, if we have to, engage in massive nonviolence which will probably include acts of civil disobedience."

Strategically, he said, a "cadre of 200 hardcore disrupters will be trained in the tactics of massive nonviolence." These "disrupters" will then go back to their cities and train other units.

The object, he explained, is to hold a "nationwide city-paralyzing demonstration" centered in Washington but including simultaneous demonstrations in 10 other cities.

He said the cities had not yet been determined but added: "I would not rule Cleveland out.

"We have to find the middle ground between riots and timid supplication and we have to develop the moral determination to move down that road if we have to."

THE DAYTON JOURNAL HERALD URGES CHANGING THE ANTIPOVERTY BILL TO REMOVE PUBLIC OFFICIALS FROM COMMUNITY ACTION PROGRAMS

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Whalen] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WHALEN. Mr. Speaker, I would like to put before the House the editorial comments of the Journal Herald, of Dayton, Ohio, a distinguished newspaper in my district, regarding the change enacted concerning provisions of the community action program portion of the antipoverty bill.

In the editorial, Mr. Glenn Thompson, the highly respected editor of the Journal Herald, characterizes as a mistake the provision that gives control of community action programs to local governments.

I agree with Mr. Thompson's observations. I would point out also that he knows whereof he speaks: He is a member of the board of directors of our area's community action program agency, the Supporting Council on Preventive Effort—SCOPE.

I therefore invite the attention of my colleagues to this editorial, which appeared in yesterday's editions and which I insert at this point in the Record:

Hands Off Poverty War

The House of Representatives in Washington made a mistake when it wrote into its war-on-poverty bill a provision that city halls or county courthouses might run, or name the agency to run, much of the war at the local level. The Senate ought to correct this.

The part of the war which is involved is the community action program. This is the part which SCOPE, with headquarters in Dayton, runs for six Miami Valley counties.

To split this up among the counties would result in a great loss of effectiveness and, almost certainly, abandonment of the program in some areas.

In many cities elsewhere, if the program were turned over to city hall, it would almost certainly be used for political patronage immediately.

The war on poverty has many things wrong with it. For one thing, its army was thrown together in haste and is held together with difficulty, especially when Congress is so whimsical and unreliable in providing the money.

There is room for a great deal more planning than now goes into the program. It needs closer scrutiny of its spending. It desperately needs realistic appraisal of the results obtained by its projects. Never has so much money been spent with so little serious inquiry into whether the dollars accomplished their purposes.

All in all, however, the war on poverty is doing good. A great deal of good. A good deal of competence also has been assembled in its organization at levels reaching from grass roots to Washington. This organization, of course, could be improved. But not by turning it over to local governments.

NORTH-CENTRAL FREEWAY

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. GUDE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. GUDE. Mr. Speaker, reports of imminent decisions by the Secretary of Transportation Alan S. Boyd relative to Washington area transportation matters are of increasing concern to local and State governments of Greater Washington. Both planning and operational agencies of Maryland and Virginia jurisdictions have emphasized the need to implement and follow through on the longstanding plans by which the entire area can enjoy a true, balanced transportation system, and prevent the chaos resulting from continued delays and the total negation of constructive planning that this area has been experiencing.

I continue to work for the development of an effective transportation plan in the interest of all the citizens of our metropolitan area. I hope that my colleagues will note the manner in which the administration through the Department of Transportation is performing in these matters. I wish to call to the attention of the Members the following resolution of the Montgomery County, Md., Council:

RESOLUTION NO. 6–847: ENDORSEMENT OF NORTH-CENTRAL FREEWAY

Whereas, the North-Central Freeway has been shown as part of the Basic Freeway Plan (Part I) of the Mass Transportation Survey for the National Capital Region, which plan was approved by the National Capital Planning Commission and the National Capital Regional Planning Council on November 7, 1958; and

Whereas, A report to the President of the United States for transmittal to Congress by the National Capital Transportation Agency entitled "Recommendations for Transportation in the National Capital Region" dated November 1, 1962, endorsed the North-Central Freeway; and

Whereas, the need for the North-Central Freeway has been indicated in the Master Plan of Takoma Park-Langley Park Planning Area adopted by The Maryland-National Capital Park and Planning Commission, October, 1963, and the Preliminary Master Plan of Highways for the Metropolitan Washington Regional District in Montgomery and Prince George's Counties, published April 1967; and

Whereas, basic land use decisions for the rapidly growing Silver Spring Business District cannot proceed until there is a clear cut decision regarding the future of the North-Central Freeway; and

Whereas, the North-Central Freeway desired line is shown on the General Plan for the Maryland-Washington Regional District in Montgomery and Prince George's Counties, entitled ". . . on wedges and corridors . . .", prepared and adopted by the Maryland-National Capital Park and Planning Commission on January 22, 1964; and

Whereas, the District of Columbia Department of Highways and Traffic and the Maryland State Roads Commission, together sponsored and engaged the J. E. Greiner Company to perform an Engineering Feasibility Report for the North-Central Freeway within the District of Columbia and the Maryland Counties of Montgomery and Prince George's which was published October, 1964, at the cost of $350,000 resulting in the concept of the low level freeway, which proposal was recommended by the Maryland State Roads Commission to the Bureau of Public Roads; and

Whereas, the District of Columbia Department of Highways and Traffic sponsored and engaged the firms of Alan M. Voorhees and Associates and Wilbur Smith and Associates to prepare a study entitled "Traffic Planning for the North-Central Freeway" which was published April, 1966, at a cost of $64,200; and

Whereas, as a result of public reactions to the October, 1964, Greiner Report, the J. E. Greiner Company was again engaged to do a Supplementary Engineering Feasibility Report for the North-Central Freeway, which study was published November, 1966, at a cost of $115,700; and

Whereas, current planning and development within the urbanized southern portion of Montgomery County will be greatly affected by the deletion of the North-Central Freeway;

Now, therefore, be it resolved that the Montgomery County Council has previously supported and continues to support a balanced transportation system involving both highways and rapid rail transit, and

Be it further resolved that the Montgomery County Council endorses the need for the North-Central Freeway as planned and urges the Secretary and the Department of Transportation to reconsider any proposal which may delete the North-Central Freeway from the Interstate Highway System for the National Capital Area.

DUTIES OF PUBLIC AUTHORITIES IN SUPPORTING MUSIC AND THE THEATER IN THE UNITED STATES

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, my colleagues who are concerned with the operation of the arts and humanities program will be interested in the recent talk by President Herman D. Kenin, of the American Federation of Musicians, on the the subject of "Duties of Public Authorities in Supporting Music and the Theater in the United States."

This talk was given at the International Secretariat of Entertainment Trade Unions in London, England, and demonstrates that the trade unions of the world look to the United States for information in this field.

I am pleased that Abe L. Savage, the new director of public relations for the American Federation of Musicians, brought this to my attention, and I, in turn, bring it to my colleagues:

DUTIES OF PUBLIC AUTHORITIES IN SUPPORTING MUSIC AND THE THEATER IN THE UNITED STATES

(Remarks by Herman D. Kenin, president, American Federation of Musicians, at International Secretariat of Entertainment Trade Unions, London, England, September 28, 1967)

In his gracious invitation to me to address the International Congress, Alan Forrest included his excellent notes on the discussion of the same topic, which took place at the European meeting last November. It is my assignment to fill you in with similar information regarding the United States.

In his letter Alan remarked, "United States intervention in this field is, I believe, a new phenomenon."

This is quite true. But, I must add that if public intervention in the performing arts is comparatively new with us, so too is the business of our becoming a Nation.

It is barely one hundred years since our last frontier disappeared in America, and we finally began to put down economic roots from coast to coast. This might be borne in mind in making any assessment of public involvement in this particular area, as between your countries and mine. In other words, although man does not live by bread alone—and come to think of it—it would be calamitous for this particular audience if he did—he must start with the bread, before he can go on to "higher things". First comes the staff of life; the musical staff follows.

But if we in the United States are slow starters, we try to make up ground fast. Fortunately, one area in which we have been coming on is in the performing arts.

Let me illustrate by pointing to some fairly recent events. In September, 1961, a small group of Congressmen, headed by the indefatigable and dedicated Frank Thompson, Jr. of New Jersey, was carefully guiding through the House of Representatives an innocuous little bill which provided for the establishment of a Federal Advisory Council of the Arts.

The bill, I might add, carried with it no money appropriations or grants—with the exception of $100,000 per year for administration. Not a word about subsidies. Indeed the supporters of the measure bent over backwards to assure their colleagues, during the House discussion, that the bill had no such purpose or intent.

In the words of one speaker, "This is what you might call a status bill. What it does is to give status and recognition to the importance of culture in the United States."

As I recall, the overall mood of the House ranged from uninterest to apathy—with the exception of a few congressmen who were overtly hostile.

One of this last group took the floor to point out that in certain quarters poker playing was considered an artful occupation. He asked, "Is this going to subsidize poker players that get in trouble?" He was placatingly assured that it would not include poker playing.

Now let me give you another date—August 24, 1967—and quote from a long news story in the New York Times. The lead sentence of the story reads:

"The National Council on the Arts has recommended that Congress appropriate $139,000,000 next year to support the most extensive Federal Arts Program in the Nation's history."

This total was broken down, in the bill, as follows:

"Theater, $30-million; music, $33-million; radio, television and motion pictures, $22-million; visual arts, $20-million; dance, $14.5-million; architecture and design, $10-million, and state arts groups, $5.5-million."

In all candor, I must report to you that the chances for enactment by Congress of the total recommendation are slim. In America we are facing problems, at home and abroad, which will probably call for unprecedented Federal expenditures. Realistically, then, we must assume that there will be some sharp pruning of the initial figures.

Even so, to me the mose encouraging aspect of this proposal is that *it is being made,* despite the heavy financial burdens and commitments my country has elsewhere. The very fact that the proponents of subsidies for the Performing Arts can present such proposals in these times and be assured of serious Congressional consideration for them is as significant as the size of the amounts requested.

Thus, we have in the brief span of six years experienced a tremendous, almost unbelievable change in public climate for the performing arts. I think that an examination of the factors which have brought about this monumental change will help bring into proper focus the position of the United States today with regard to public intervention, responsibility and support in the broad area of the performing arts—particularly in music and the theater.

There have been two discernible trends. One is the mounting popular enthusiasm for the arts; second, there is a growing concern on the part of the Government for the state of the arts.

In both of these fields, I am happy to report, organized labor has taken a consistently purposeful role. What trade unions did was to create the economic well-being whereby the arts in America could attain a broad democratic base.

It was Walt Whitman, I believe, who said that to have great poets we must have great audiences too. Organized labor has provided that audience. Through its successful efforts to improve the material aspects of its members' lives, it has concurrently created new opportunities and higher aspirations for the more spiritual things of life as well.

As all of us here know all too well, these goals were not always easy of attainment. Too many times, indeed, they came with glacial slowness, and with great personal sacrifice. To put it another way—in many instances picket lines had to precede ticket lines.

I know that for an audience of this type I am laboring the obvious when I go into the contributions of organized labor toward the development of the performing arts. However, there are other audiences who do need an occasional reminder. This is especially true today when culture, in its many manifestations, has become the object of interest for groups and organizations who are not nearly as familiar with the accomplishments of organized labor as are you and I.

There are other areas too in which, by direct action, organized labor has helped spur and stimulate governmental attention to the performing arts.

My own organization, for example, has for a number of years been in the forefront of grass-roots political activity. Through more than 600 of our locals in the United States, we informed—and continue to inform—our representatives in Congress of our special interest in the expansion of the performing arts. In this activity we have received the enthusiasm and able cooperation of our other American entertainment unions.

Another recent and noteworthy development in the United States is the emergence of State Councils on the Arts. In 1960 there were none. Today there is one in each of our 50 states, as well as in the District Columbia, Guam, Puerto Rico and the Virgin Islands.

The record of accomplishment among these State groups varies greatly. A few, like the New York State Council on the Arts, are undertaking impressive programs to encourage and develop music, the theater and the dance. It is generally agreed that these bodies are already beginning to have a real impact on cultural activities and growing cultural awarement throughout the state. Others, however, are still in the formative stage, and are just beginning to acquire minimal budgets and experienced administrative personnel.

For the most part, this is also true of the city and county arts councils which have begun to proliferate in America. Today, we have more than 400 of these, the majority having been organized or established in the last three or four years. Although it is entirely too early tu make any sort of evaluation, there is no question but that their potential is great, and that within the next few years these local groups may yet emerge as one of the potent forces in American grassroots involvement with the performing arts.

In this very connection I want to report a project which will be soon undertaken in the United States, to explore the possibility of developing cultural programs in the community, by collaboration of trade unions and local art councils.

This project stems from the appointment at the 1965 AFL–CIO Convention of a subcommittee, consisting of President George Meany and myself, which was directed to study ways and means by which the AFL–CIO can assume "responsibility toward the goal of true involvement of labor in the cultural life of these United States."

As a result of this assignment, Mr. Meany and myself, on September 11th of this year, recommended to the AFL–CIO Executive Council a program for these goals.

I am happy to report that it was accepted by the Executive Council. The sub-committee recommendations were briefly, as follows:

1. That all AFL–CIO affiliates and members be urged to participate more actively in the policy making voice and Committees of Community Councils and Commissions.

2. That the AFL–CIO, through its staff and departments, develop pilot projects through central labor bodies in three communities (preferably, Louisville, Minneapolis and Buffalo) and one major production center, preferably New York City.

3. That the AFL–CIO staff develop relationships with area councils on all levels for the purpose of presentation to the public of specific performing arts produced on the local level.

Our recommendations to the Executive Council also provided that President Meany be authorized to expend a sum of up to $10,000 for the six months of the project's operation.

National Foundation Chairman for the Arts Roger L. Stevens has also assured us of his sympathetic consideration for the funding of three or four local pilot projects on a matching basis.

I believe that this program, even on its limited experimental basis, can mark a promising and exciting partnership between organized labor and the public leaders of the cultural life of the community.

Another area which deserves much more attention than I can give it here is the growing participation of American business and industry in the performing arts. I can literally fill pages with a mere enumeration of specific contributions which have been made to music and the theater by so called "Big Business".

Of course—I hasten to add—I shall not.

Instead, I should like to quote from the remarks of the president of one of New York's largest department stores, at a conference on *Business and the Arts* which took place there about a year ago.

He said:

"Society—and business—are both coming of age. Fifty years ago, a conference like this would not only have been most unlikely; we would have been hooted at as either a bunch of soft headed—do-gooders or a batch of sissies." "The answer for the retail industry is very simple and direct. Stores must reflect the developments, the interests, and yes—the dreams of their communities. Today, frankly, they are not dreaming of a chicken in every pot. Most of them have that.

"Instead they are dreaming of a community arts center, a community orchestra, a community theater—a place or places where they and their children can enjoy their new leisure creatively, intellectually, in the most civilized manner known to man—cultivating the arts and, of course, themselves . . . The catchword here is not more—but better, the spiritual if I may call it that, rather than the material."

There are a number of other causative factors and emerging conditions which are part of the picture I have tried to present to you, but I do not want to impose too much upon either your time or your patience. I am in complete argreement with that great orator who, when once complimented on the quality and brevity of his speeches, replied that he had discovered "in order to be immortal you need not be eternal".

Nevertheless, I must insert a word or two regarding the tremendous benefactions of our numerous foundations, funds, and endowments which have been forthcoming, in ever increasing numbers—and at the same time to express the appreciation of both the performer and the audiences for the benefits created by them.

I must add a sentence or two on the tremendous worth and geat excitement which have been generated for millions of youngsters in the public schools of America by the demonstrations of the living arts which are being arranged in public schools by grants from the Office of Education, which is one of the constituents of the Department of Health, Education, and Welfare.

I shall conclude by touching, for a moment or two, on what I consider to be two of the most important factors of all—in this democratic atmosphere in which my country's performing arts are beginning to flourish today.

The first one springs from a change in the United States in the semantics of a single word.

That word is "subsidy".

In the United States you can no longer frighten the public, or intimidate legislators, by denouncing subsidies for the arts as socialistic, or communistic. Sneers at the effete and "bohemiam" lives of the artistic fraternity fall on deal ears. Raising the bugaboo of federal control or domination of the Performing Arts produces no apprehensions.

That same legislator, who in 1961 wanted to know whether poker playing would be classified as a performing art, was guilty of nothing more than a heavy-handed attempt at humor.

If he were to make the same query today, however, he would be guilty of poor politics—and that, for a politician, is unforgiveable.

After all we Americans have not only known the word "subsidy", but have accepted it for many years as an economic fact of life.

Now we have gone a step further, and have broadened the definition to include the various ingredients of our national culture.

This is one great advance.

The other is of equally transcendent importance.

It stems from the fact that the winds of change are blowing throughout our land. The changes are far ranging. Their eventual effects can only be guessed at. But even today some of the outlines are emerging.

We can take it for granted that culture in America is no longer caviar to the general. It is no longer the pet of the few. It has been taken over and now belongs to the masses, in the true sense of that word.

And make no mistake. The taking over has not been a passing whim or fad. It is total and complete by those who are receiving from it an enrichment of spirit and broadened esthetic horizons. These they now consider as essential to their daily life as food and drink.

To the extent that the people themselves can contribute to the availability and growth of these new valuables they will do so. To the extent that they cannot, they are turning to their legislators and public officials to make up the deficit.

Furthermore, they do not do this with hat in hand. They ask for it as a right—a right which has been conceded to them by their Government—just as that same Government has previously conceded their right to similar assistance in providing for other needs. And their public officials are beginning to respond.

For, let it be said of our legislators that if they are slow to innovate, they are quick to emulate. I do not say this in any disparaging sense. On the contrary, it is to their credit that they hasten to borrow, and to adapt to our own needs, progressive ideas regardless of source. And we are happy that this reception extends to these areas in which we are particularly involved.

"There is a tide in the affairs of men," Shakespeare wrote, "which taken at the flood leads on to fortune." I imagine he was referring to materialistic things, but I think the same concept might be applied elsewhere. I may be unduly optimistic, but I think I see that tide rising for the Performing Arts in America. I believe that we are not too far away from tremendously exciting cultural accomplishments.

Let me close with one final quotation from our late and beloved President Kennedy: ". . . the encouragement of art is political in the most profound sense, not as a weapon in a struggle, but as an instrument of understanding the futility of struggle between those who share man's faith.

"Aeschylus and Plato are remembered today long after the triumphs of imperial Athens are gone. Dante outlived the ambitions of thirteenth century Florence. Goethe stands serenely above the politics of Germany, and I am certain that after the dust of centuries has passed over our cities, we, too, will be remembered not for victories or defeats in battle or politics, but for our contribution to the human spirit."

It is a great privilege for me and my Union, as it is for all the other American entertaining Unions represented here today, to be in the center of the activity to which President Kennedy referred, and for each, in our own way, to help create the type of American civilization he envisaged.

DIRECT MAIL OPINION POLL ON AID TO DEPENDENT CHILDREN

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. BROCK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BROCK. Mr. Speaker, I would like to bring to the attention of my colleagues what may be the most ridiculous scheme ever concocted by a supposedly responsible agency of the Federal Government. The Department of Health, Education, and Welfare's Bureau of Family Services is conducting a direct mail opinion poll on the aid for dependent children program, one feature of which is a bounty of $2 paid to each welfare mother who completes and returns HEW's questionnaire within a specified time limit.

According to the information that I have, HEW officials feel that—

> An AFDC recipient will more readily answer questions sent by mail for a special study when she is furnished a pencil (sent along with the questionnaire), when she is offered a small sum of money which will not affect the amount of her welfare check, and when she is aware that her replies will not be seen by persons involved in her contacts with the local welfare agency.

How nice it would be if such careful attention was paid to the feelings of the ordinary American taxpayer. Can you imagine the IRS sending out pencils and money to encourage full participation on April 15?

How in the world do you justify using tax money to pay an individual for furnishing information to a tax-supported agency from which she receives her livelihood? I have written to the Secretary of Health, Education, and Welfare for an explanation. I hope his answer will satisfy the taxpayers of this country who are even now being asked to kick in an extra 10 percent of their hard-earned dollars to help finance such essential Government operations.

VETERANS DAY

Mr. CONABLE. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. SCHADEBERG] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. SCHADEBERG. Mr. Speaker, I was deeply disturbed this morning, as were many of you, to read a touching letter in the Washington Post from the widow of the late Gen. George S. Patton, recounting her recent difficulty in attempting to purchase a flag for display on Veterans Day.

There will no doubt be a loud outcry in the newspaper from merchants who actually had flags available for public sale. The fact remains that Mrs. Patton did encounter real difficulty when she sought to display a new flag on a holiday which should make us proud of our heritage and should inspire new dedication to our Nation as we remember the millions of Americans who have served so that we might retain our freedom.

I have attempted to contact Mrs. Patton today in order to make certain that she has been able to obtain a new flag subsequent to her unsuccessful effort prior to November 11. It is my understanding that she is out of the city, but I would like to let this charming lady know that we in the Congress still revere our flag and make it available whenever possible. I am requesting that a flag be flown over the Capitol for Mrs. Patton, although I realize that there is the possibility that several of my colleagues will take similar action. If that is the case, I will donate the flag in her behalf to one of the many dedicated veterans' groups in my district in the name of the late general and his still very patriotic wife.

For those of you who did not happen to read the letter in this morning's paper, I ask that it be included at this point in the RECORD for your edification. I must say that I agree completely with the proposal put forth by Mrs. Patton.

The letter from today's Washington Post follows:

VETERANS DAY

As a member of a large military family whose participation over the years in each of this country's wars has made it acutely appreciative of the significance of Nov. 11, as both Armistice and Veterans' Day, I am disheartened to find that apparently some of our local merchants do not consider that significance worth observing. Today, as an example, I sought replacement for a worn flag, hoping to join many of our civilian neighbors in flying one from our house to mark the special occasion.

After having been told by two hardware merchants that they hadn't been stocking them for some time, I went to the central branch of one of the Nation's largest chain department stores, where I had previously seen a flag display. This time the area was filled with Christmas decorations and I was told by the department salesman that all the flags had been put away in the warehouse until after Christmas. Surrounding us were placards announcing that the store was engaging in a "Veteran's Day Sale," but the merchandise was hardly patriotic.

Perhaps it is time that *The Washington Post* considered emulating another major newspaper in this country which regularly marks each national holiday by printing a small replica of the *Stars and Stripes* on its front page with the reminder to its readers to "Fly your flag today!" Possibly with your influence our merchants might once again find that patriotism could also be profitable, as more of our fellow citizens came to recognize that it is neither hawkish nor dovish, but an appropriate declaration of our Americanism to display our country's colors on days of significance to our Nation.

MRS. GEORGE S. PATTON.

WASHINGTON.

PLEDGE OF ALLEGIANCE TO THE FLAG

The SPEAKER pro tempore (Mr. MATSUNAGA). Under previous order of the House, the gentleman from Tennessee [Mr. QUILLEN] is recognized for 5 minutes.

Mr. QUILLEN. Mr. Speaker, I am very distressed at the reaction of the OEO to the charge that the Pledge of Allegiance to the flag has been banned from OEO programs, which has the effect of branding several responsible citizens of the First District of Tennessee as liars.

While a personal attack on me by the OEO is of no significance, I will not let OEO cast aspersions on the people of the First District, and I am not going to sit idly by until I know that the Pledge of Allegiance is being carried out in every OEO program throughout the United States.

The denial and falsehood label from the public information director of the OEO in Washington is just another indication of what comes out of Sargent Shriver's propaganda machine, which has been grinding out distortions and falsehoods since he went with the program.

It was one of Sargent Shriver's underlings who first denied that OEO workers were participating in the demonstrations throughout the country.

It was also one of Sargent Shriver's underlings who first denied that OEO workers were taking part in the riots that destroyed parts of many of our major cities.

And it was one of Sargent Shriver's underlings who first denied that any subversive activities were being carried out in any of the OEO programs.

I could go on and on about Sargent Shriver's propaganda machine turning out material favorable to whatever question is directed to the agency.

The mode of operation of the OEO since it was founded and put under the direction of Sargent Shriver has been first to deny any unfavorable criticism and then to ascertain the facts.

The people of our area are familiar with the handling of the Nashville, Tenn., "hate school" and the Appalachian Volunteers, Inc., headquartered in Bristol, Tenn., in which militant action and subversive activities were carried out.

I wired Sargent Shriver months ago for a complete report on the Appalachian Volunteers, and to date he has not replied. He deals highhandedly with the Members of the Congress as if he were a dictator.

I took the floor of the House to pass on to the Members the allegation made in my district by responsible citizens. I asked for a direct and personal reply from Sargent Shriver himself. To date, only an underling has responded.

There is no doubt in anyone's mind that Sargent Shriver runs a wasteful, badly administered operation. This has been evident since the program started.

I challenged Mr. Shriver on the floor of the House to either confirm or deny the report that the Pledge of Allegiance had been banned, but his propaganda machine quotes a directive dated August 21, 1967. What happened from the time the program started up until that time?

As I said, I am not going to sit idly by until I am convinced that there is no prohibition in any of his programs on reciting the Pledge of Allegiance to the flag anywhere in the United States. Neither am I going to sit idly by until the waste and bad administration have been corrected in his Office. He should be fired now without any further delay.

MARINE CORPS BIRTHDAY BALL CEREMONY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. BURKE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BURKE of Massachusetts. Mr. Speaker, may I take this opportunity to bring to the attention of the Members of the U.S. Congress information about the Marine Corps 192d birthday ball ceremony conducted by the Marine Air Reserve Training Detachment, U.S. Naval Air Station, South Weymouth, Mass. It was my privilege to be a guest at the festivities that started at the Weymouth Naval Air Station and were later concluded at a beautiful setting at the Dreamwold Inn at Scituate, Mass.

Personnel participating in the Marine Corps birthday ball ceremony were:

Col. Christopher M. Canan, commanding officer.

Maj. Pasquale J. Florio, pageant director.

Escorts were: Lt. Col. Albert N. Allen, executive officer; Maj. Clarence E. Jenkins, adjutant; Maj. Arthur R. Anderson, Jr., operations officer; Maj. Frederick J. Cameron, assistant operations officer; and 1st Lt. Roger A. MacIntosh, air control officer.

Also, M. Sgt. Everett W. Emmons, Jr., Gy. Sgt. Robert J. Barlow, S. Sgt. Donald L. Doby, Sgt. Donald J. Baumann, Cpl. Fred J. Baldock, and L. Cpl. Michael L. Copeland.

Color guard: Sgt. Jack W. T. Sterling, Sgt. James J. Martens, Cpl. James D. Coleman, and Cpl. Dannie L. Brown.

Cake escorts: Cpl. Charles R. Cooker, Jr., and Cpl. Milen T. Edris.

Birthday messages: Sgt. Maj. Bernardino R. Stabile and 1st Sgt. Charles J. Garland.

Manquins: Cpl. Glenn A. Gundy and Cpl. Abel J. Cirillo.

Tape: Gy. Sgt. Neal L. Smith.

Lights: Gy. Sgt. Eugene J. Nebelung.

Oldest marine: M. Sgt. David L. Schneibel.

Youngest marine: L. Cpl. Kenneth G. Sehavilim.

The history of the U.S. Marine Corps was reenacted in one of the most impressive ceremonies I have ever witnessed. I include the entire program as it was arranged:

MARINE CORPS BIRTHDAY BALL

House lights.

Music: Sound, general call.

ANNOUNCER. Marines, guests, and other ladies are requested to clear the floor. The ceremony will begin in 5 minutes.

Music: Music sounds Assembly Attention.

ANNOUNCER. Good evening, ladies and gentlemen, and welcome to the Marine Corps Ball. The ceremony will begin in 3 minutes and is divided into two parts. First, we will present a pageant recalling past Marine Corps birthdays, and then, the official cake cutting ceremony. It is requested that everyone remain seated during the pageant. Should it be impossible for those in the outer room to see, you may move to the main ballroom and stand against the wall.

(In 1 minute the house lights dim. Music plays. Adjutant walks on. Spotlight on Adjutant. Adjutant commands.)

ADJUTANT. Sound Adjutant's Call.

(Music plays Adjutants call. Spotlight off. Adjutant remains in place.)

ANNOUNCER. Good evening, ladies and gentleman, and welcome to the 192nd anniversary celebration of the United States Marine Corps. We join marines all over the world tonight in commemorating 192 years in which marines have given meaning to our motto "Semper Fidelis". Tonight, let us recall for you, some previous Marine Corps birthdays, on which men of our Corps, contributed to the traditions, which we now so proudly hail.

(Spotlight on Adjutant. Adjutant commands "Let the pageant begin.")

(Spotlight off Adjutant. Adjutant walks off floor. Music plays "American the Beautiful.")

ANNOUNCER. Nearly two hundred years ago, a small group of inspired and dedicated colonial Americans, planted the ideas of independence and freedom, in the new world. These ideas fired the imaginations of the Thirteen American Colonies, and took firm root in the hearts of courageous pioneers.

Freedom survives in these great United States today only because each generation of Americans has fulfilled its obligation, inherited from our forefathers, to protect it against the forces of tyranny. That tradition is nowhere better illustrated than in the intertwined history of the Marine Corps. It, like these United States, began modestly nearly two centuries ago.

(1775 figure moves to floor. Spotlight on. Music plays "Yankee Doodle.")

ANNOUNCER. November 10, 1775. The oppressive measures adopted by King George III and his Parliament, angered the American colonists, and led to open warfare in 1775. Thousands of poorly equipped, but courageous "minutemen" gathered to fight the British.

It was during this time that the Continental Congress met and resolved, to form two battalions of Marines, for the defense of the United Colonies. All hail the birth of our corps. (Pause.) At its birth a spirit was evident in this Marine Corps, which has grown through the years. Even as Captain Samuel Nicholas began the building of the Corps, at historic Tun Tavern, in Philadelphia, this spirit foreshadowed the creation of what was to become our Nation's force-in-readiness. Within months they were sailing to their first battle.

On March the third 1776, Captain Nicholas led 300 Marines, as they stormed ashore, in the first amphibious assault in our Nation's history—the raid on New Providence Island. Marines crossed the Delaware with Washington. Marines were at the battles of Trenton and Princeton. On July 4, 1776, the Second Continental Congress presented to the world a Declaration of Independence, that to this day is known as one of the great compositions of history.

(Spotlight off figure. Remove figure from floor. Bring 1812 figure on floor. Music plays "President's March.")

ANNOUNCER. November 10, 1812. The new Nation began to grow, and so did the corps. They learned that freedom must continually be defended.

Lt. Presley O'Bannon led a small group of Marines across the African desert, and captured Derne, Tripoli. For the first time in history, the American flag was flying over a fortress in the old world. In the war of 1812, Marines fought alongside Andrew Jackson down in New Orleans. Marines were aboard the *Chesapeake*, holding a British boarding party at bay, while Lawrence, mortally wounded, murmured "Don't give up the ship". . . . and at Bladensburg, a Marine battalion stopped 15 times their number. Yes, from this time on, there will be few years, when we don't find Marines fighting, in some corner of the world.

(Spotlight off figure. Remove figure from floor. Bring 1840 figure on floor. Spotlight on. Music plays "She Wore a Yellow Ribbon.")

ANNOUNCER. November 10, the 1840's. In the pest hole of Vera Cruz, on the slopes before Chapultepec, in the arid deserts of California, Marines were victorious. At Mexico City, the first U.S. troops to enter the city were Marines, led by the indestructible Captain Terrett. It was Lt. Nicholson, of the corps, who first raised the Stars and Stripes over the halls of Montezuma. The event is immortalized in our hymn. These were hard, tough, dedicated Marines, a breed made that way by the grand old man of the corps, Colonel Archibald Henderson, commandant for 39 years.

(Spotlight off. Remove figure from floor.

Bring 1871 figure on floor. Music plays "Battle Hymn of the Republic.")

Announcer. November 10th the 1870's. Marines completed the first in a series of successful landings in Korea. Captain McLane Tilton led his detachment in the assault, on the forts, guarding the approaches of Seoul. For their heroism in this fight, private Hugh Purvis and Corporal Charles Brown, were awarded medals of honor. Meanwhile, Marines were writing new pages of history for the corps, in expeditions and engagements throughout the world . . . Uruguay, Mexico, Haiti, Argentina, The Bering Sea, Chile, Panama, Nicaragua, Japan, Okinawa, and China.

(Spotlight off figure. Remove figure from floor. Bring 1900 figure on floor. Spotlight on. Music plays "Over The Sea")

Announcer. November 10, 1900. By now, the list of names, places and marines, forming the battle history of our corps, had grown to long to recite. (Pause) the *Maine* was sunk . . . America and Spain were at war. The first United States troops landed on Cuban soil . . . The Marines . . . first to fight . . . You know the place . . . Guantanamo Bay! Here, Huntington's battalion routed the Spaniards, in swift, well conducted fighting. Sergeant John Quick, stood amidst shot and shell, to signal the guns of the *Dolphin* offshore . . . He saved his fellow marines and earned the medal of honor.

In far off China, Private Dan Daly, singlehandedly smashed three boxer attacks, outside the besieged legation in Peking . . . There was a marine for you!

(Spotlight off. Remove figure from floor. Bring World War I figure in. Spotlight on. Music plays "Over There, Mademoiselle.")

Announcer. November 10, World War I. Belleau Wood, Blanc Mont Ridge, and the crossing of the Meuse. Men will long remember those marines, and their army comrades, who outfought and defeated the elite Russian infantry . . . "Retreat hell! We just got here". After successfully repelling German attacks, the devildogs swept them from the battlefield. Allied enthusiasm knew no bounds. This was the turning point. General Pershing pronounced the action "the Gettysburg of the world war". A grateful French government re-christened Belleau Wood. "The wood of the marine brigade". Marines earned 13 medals of honor, and added another first for the corps, when a marine aeronautic company, was the first completely trained and equipped, American flying unit, sent overseas during the war.

(Spotlight off. Remove figure from floor. Bring 1930 figure on floor. Spotlight on. Music plays "Honeysuckle Rose.")

Announcer. November 10, 1930's. The so-called peaceful years between world wars, were anything but peaceful for marines. They put down revolts in Latin America, guarded the mails, fought bandits, and protected American interests everywhere. Meanwhile, they wrote the book on amphibious warfare, pioneered close air support, worked out the tactics for small wars, and counterinsurgency . . . places like Santo Domingo, Haiti, China, Guam, Nicaragua . . . names like Puller, Brown, Ellis, live in memory—became history—legends in their own time.

(Spotlight off. Remove figure from floor. Bring World War II figure in. Spotlight on. Music plays Glenn Miller.)

Announcer. November 10, World War II. The war to end all wars. The corps exploded from 19 thousands to almost a half a million men and women. (Pause) Battered and bleeding from the infamous attack, on Pearl Harbor, a desperate and determined Nation, built a mighty war machine—first to fight—marines—they stormed ashore at Guadalcanal. The old breed . . . and air-ground team, strengthened by the traditions, of those marines, who had gone before . . . skilled and professional in the attack. They fought, and ground their way, across the Pacific. New Georgia, Bougainville, Tarawa, Cape Glousester, Eniwetok, Saipan, Tinian, Pepeliu, Iwo Jima, Okinawa . . . names we will never forget . . . fortitude, courage and bravery, that the world will never forget. "Uncommon valor was a common virtue."

(Spotlight off. Figure off floor. Bring Korean figure on floor. Spotlight on. Music plays "China Night.")

Announcer. November 10, the Korean war. Only five years after World War II, our Nation joined with nineteen others, to fight and stop, a new tyranny, a new "ism". At first, the situation was desperate.

The defenders were pushed into a small perimeter at Pusan. (Pause) First to fight . . . Force in readiness. . . . A brigade of marines were thrown into the breech. . . . They were everywhere plugging holes . . . (Pause) and then a whole division of marines struck deep behind the enemy, at Inchon. Once again our reserves, proved their readiness, as they had in World Wars I and II. Once again, the air-ground team went into action . . . this was a new breed, but the same story . . . dedication, courage, professionalism, they carved new names in the hallowed halls. Koto-Ri, Hungnam, Chosin . . . in every clime and place. . . . It was freezing cold. . . . "Retreat hell! . . . We'll come out of here like marines . . . and we'll take our dead and wounded with us".

(Spotlight off. Remove figure from floor. Bring 1967 figure in. Spotlight on. Music plays "A Taste of Honey.")

Announcer. November 10, 1967. A new and bigger Marine Corps . . . but the marine is the same . . . first to fight . . . indomitable courage . . . ready . . . Da Nang, Chu Lai, Phu Bai Star Light, Harvest Moon, the demilitarized zone, Con Thien. . . . Major Reilly, Major Lee, Captain Barman, Captain Carroll, Sgt. Howard, Sgt. Coffman. New places, new names . . . marines . . . they fight in every clime and place, where they can take a gun. Their flag's unfurled to every breeze. (Pause) On this our 192nd birthday and for all our marines in Vietnam, we especially salute the Helicopter pilots and crewman, whose courage and skill, have meant life to so many marines, and to the Navy medical and Chaplain teams. We pay humble tribute to you. You wear our uniform, you share our victories, and more than share the fateful toll, of casualties. All hail our brothers in Vietnam.

(Spotlight off. Remove figure from floor. Music plays "America the Beautiful." Sergeant major and first sergeant move onto floor.)

Announcer. During the past 192 years, the Marine Corps, has been nurtured on tradition, devotion to duty, loyalty to country, and to the Corps. His deeds have established him, among the elite, in the history of warfare. Pride in himself, his Corps, and his country, is still his hallmark. From the Halls of Montezuma, to the shores of Tripoli, to Mount Suribachi, to the jungles of Vietnam, he's unfurled our flag, to every breeze.

(Move out microphone. Spotlight on. Messages are read.)

Announcer. The traditional MCB message authorized by Gen. John A. Lejeune will now be read by 1st Sgt. C. J. Garland. Ladies and gentleman, a birthday message from Gen. Wallace M. Green, Commandant of the Marine Corps. A birthday message from the CG, MARTC will now be read by Sgt. Maj. B. R. Stabile.

(Remove microphone. Spotlight off. Sergeant major and first sergeant march off floor. House lights up.)

(Music plays "Semper Fidelis." Escort personnel march in junior to senior.)

(Music plays "Attention." Escort off. Commands Present arms. commanding officer and guest walk in.)

Announcer. Ladies and gentlemen, entering the line of march at this time, the commanding officer of the Marine Air Reserve Training Detachment. Colonel Christopher M. Canan and the Honorable Mister James A. Burke, Congressman, from the 11th District of Mass.

Escort off. When commanding officer is in place commands "Order Arms."

Music plays "Attention Columbia." Color guard marches in an halts three-quarters down aisle.

Escort off. Commands "Present Arms." Music play "National Anthem."

Escort off. Commands Order Arms. Post the Colors. Color guard splits and moves to position.

Music plays "Marine Hymn." Cake escort wheel cake into room. Stop in front of colonel. Post.

Escort off. Commands Parade Rest.

Place microphone in front of colonel.

Announcer. Please be seated.

Commanding officer introduces head table, says a few remarks. Honored guest speaks.

Remove microphone from commanding officer.

Commanding officer says, "May I have the sword, sir?" Cake escort gives sword to commanding officer. Help with plates knife.

Commanding officer offers piece of cake to guest of honor. Next slice to oldest marine. Next slice to youngest marine.

Announcer. As is our custom, the honored guest is the first to taste the cake. The commanding officer then presents a piece of cake to the oldest marine on active duty. M. Sgt. David L. Schnleible, born September 7th 1908.

The next piece of cake is presented to the youngest marine on active duty, L. Cpl. Kenneth G. Sehavilim, born August 6th 1948. Who we hope, may one day, receive the first piece of cake.

Cake escort. Moves cake to side of floor.

Escort off. Commands Attention, Present Arms.

Music plays "Stars and Stripes Forever." Color guard marches from room.

When color guard has left, commanding officer and guests leave.

Escort off. Commands Order Arms. Escort march out in reverse order.

Cake escort marches out after escorts have cleared the room. Bring sword with you.

Music stops when cake escort has cleared room.

Announcer. Thank you for your kind attention during the ceremony. Dancing resumes in 5 minutes.

THE UNITED STATES CANNOT JUST "QUIT" VIETNAM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Moss] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MOSS. Mr. Speaker, the increasing clamor in the United States for unilateral summary withdrawal from Vietnam does not reflect realism or understanding on the part of those who propose such action. However much one prays for peace or hopes for an end to conflict, it is still necessary to recognize the realities confronting this Nation which at the moment bears the burden of leadership throughout the world.

I think the matter is placed in perspective in an editorial contained in the Sacramento Bee of November 14, 1967, which I now include in the Record:

THE UNITED STATES CANNOT JUST "QUIT" VIETNAM

There is increasing clamor, in the United States and abroad, for the United States to withdraw summarily from Vietnam and say to the two Vietnams: "A plague on both your houses." The temptation is real but this represents a policy as unrealistic as that advocated by the most hawkish—that we move against North Vietnam with unlimited war and "get it over with."

The consequences of an abrupt American withdrawal are obvious:

It would lay bare all of Asia to a Communist sweep, either through political takeovers or with so-called "liberation" armies.

Red China would gain immeasurably in prestige. It is Red China which has talked the hardest war and with summary American withdrawal Mao Tse-tung would emerge as the uncontested power in all of Asia.

India with its 500 million people and its strategic location, politically and militarily, would be exposed to a siege by China more stern than it yet has experienced and there is grave question that India, internally weak, could stand up to the test.

Lastly, by pulling out summarily the United States would be caricatured as faithless in the eyes of the rest of the world—and in abandoning Vietnam totally, it also would have to abandon all in Asia. Even Japan probably would be forced, through the harsh realities, to come to some accommodation with Red China, which would insulate the United States influence even more.

No. The United States cannot just "quit." It is caught on that other horn of dilemma, as well. It cannot accelerate the war to that total engagement urged by those who simply cannot understand why we do not go in and pulverize the North.

The only acceptable solution is political. And this solution would have to be the joint product of a paper war on many fronts—through neutrals, through the United Nations, through the courts of world opinion, through constantly applied pressures.

In the meantime, there is no alternative but to "hold." In the end, whatever peace can be extracted out of this difficult situation probably will come only after the United States goes from an aggressive war to a containment war—limited to defense and to a show of the Flag.

The Orientals have an inbred patience for this kind of attrition; only history will reveal whether we can beat them at their own game.

LABOR DISPUTE AT ABC

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. BURTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BURTON of California. Mr. Speaker, it is a cause of great concern to me that one of the leading radio and television stations in my district is now in its eighth week of a labor dispute, with no settlement in sight. This is one of a number of stations in various parts of the country owned and operated by the American Broadcasting Co. which is involved in a labor dispute with the National Association of Broadcast Employees and Technicians, AFL–CIO.

Obviously such a prolonged dispute presents a number of causes for concern: There is the concern for the welfare of the striking employees and their families and the financial hardship they are enduring. Then there is the deterioration in service to the community rendered by this company which operates in an area of public service under a franchise granted by the people of the United States. Also, there is the residual damage in labor-management relations which is the inevitable result of a prolonged strike.

Without attempting to judge and resolve all the issues involved in this dispute, I would nevertheless point out that one of ABC's major competitors, the National Broadcasting Co., negotiated with this same union and managed to come to terms without a strike. It is my understanding that NABET has asked ABC for a contract identical with the one achieved with NBC.

In view of this there is a temptation to reach the conclusion that ABC is playing a frivolous and capricious game with NABET, to the detriment of the public at large and the union members and their families in particular.

The suspicion is raised that ABC may be trying to use the strike to develop leverage for its proposed merger with the International Telephone & Telegraph Co. This merger, as I am sure my colleagues will recall, has been opposed by our Department of Justice. Certainly it is to be hoped that this large broadcasting firm would not stoop to manipulating its employees and their families as pawns in a larger game not related to the issues of the company's differences with NABET. Some positive effort by the broadcast company to bring about an early agreement with the union in this dispute would erase this suspicion.

PETITION FROM THE CWA

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. BURTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BURTON of California. Mr. Speaker, I have received a number of petitions addressed to Congress, which have been circulated by the Communications Workers of America, AFL–CIO. The headline on these petitions reads: "You don't like riots? Neither do we!" The petition then goes on to point out that jobs, housing, and education—in sufficient quantity and quality—are needed if we are to get at the basic causes of urban disturbances.

Many of my constituents have signed these petitions to this honorable body, and I am sure many of you have received some of these petitions, too. I would like to take note of the CWA petition campaign by having the complete text of the petition printed in the CONGRESSIONAL RECORD as follows:

PETITION TO THE CONGRESS OF THE UNITED STATES OF AMERICA—YOU DON'T LIKE RIOTS? WELL, NEITHER DO WE!

Americans everywhere agree that action must be taken now to eliminate the causes which lead to rioting and civil disturbances in our nation.

The recent lives lost and property damaged in riots that ravaged our cities proved that the cities and states cannot carry the burden alone.

Only the Congress of the United States has both the responsibility and authority to pass the laws and appropriate the funds for jobs, housing and education needed now by the millions of impoverished Americans.

History itself has taught us that where these three basic needs are left unmet, all races are trapped in filthy, rat-infested ghettos ripe for rioting or in deplorable conditions which are "dead-end." The answer is creative, constructive, practical program that will benefit *all* Americans directly or indirectly—not a giveaway!

Therefore, we, the undersigned, believe Congress must act by providing:

1. Jobs: Put people to work. As recommended by the President's Commission on Technology, Automation and Economic Progress, the government should become "the employer of last resort" by providing public service employment opportunities for workers who are unsuccessful in competing for jobs in private industry. This would put every American who is able and willing to work on a job.

2. Housing: Slum housing in this nation must go; unsafe, infested buildings must be cleaned up or closed down and decent shelter must be built. Money appropriated for this purpose must be spent carefully and efficiently, and new funds must be appropriated as needed.

3. Education: A policy should be adopted and implemented to provide free public education from pre-kindergarten up to and including the doctorate level for all, with only ability and motivation serving as qualifying factors.

By means of this petition, we make known to you that the American public demands the action that is needed now to solve the problems of the cities.

This petition sponsored by members of the Communications Workers of America, AFL–CIO.—*The Community-Minded Union.*

LATVIAN INDEPENDENCE DAY, NOVEMBER 18

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentlewoman from New York [Mrs. KELLY] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mrs. KELLY. Mr. Speaker, the freedom-loving Latvians have never been numerous or powerful enough to defend their liberty in their historic homeland in the Baltics. Most of their modern history has taken an uneven and sad course, and during most of that time, they have been subjected to the regimes of alien overlords. In the late 18th century, their country became part of the czarist empire of Russia. When that regime was overthrown in 1917, the Latvian people asserted their freedom and proclaimed their national independence on November 18, 1918.

After that memorable day, Latvians enjoyed freedom for two decades, before they again lost their independence. During the interwar years, they worked hard to make their homeland safe from invaders. They rebuilt their war-ravaged country, reconstituted their democratic institutions, and lived happily under their own democratic government. Unfortunately this interlude did not last long. The rise of a dictatorship in Germany and the aggressive designs of Stalin on Latvia threatened the country's independence. Early in World War II, Stalin carried out his design, and the Red army invaded, overran, and occupied Latvia in 1940. Then the country was annexed to the Soviet Union and Latvia became one of the Soviet Socialist Republics. Thus Latvia's independence was crushed.

From 1940 until the present time, the Latvian people have known no freedom. Since the end of World War Two, the Kremlin has strengthened its firm hold over the country and Latvia now suffers under the Communist totalitarian tyranny. On November 18, the 49th anniversary of the freedom of the Latvian people, we hope and pray for their independence.

PETITION FROM THE CWA

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. Jacobs] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. JACOBS. Mr. Speaker, I wish to acknowledge and record receipt by my office of petitions directed to me by constituents of the 11th Congressional District of Indiana. The subject of these petitions is the stated need for action on a larger scale than ever before, to provide jobs, housing and education as long-range solutions to the riots in American cities. It is my understanding that these petitions were originated by the Communications Workers of America, a union widely known for its concern with problems beyond the plant gates.

It is my feeling that, through the act of affixing their signatures to these petitions, American citizens are showing their alertness to the dangers of future rioting in our cities, and hope to see something done about it before it is too late. I should like to make known by this means my own appreciation for this expression of public opinion in a matter of the utmost importance to our society as a whole.

The petition follows:

Petition to the Congress of the United States of America—You Don't Like Riots? Well, Neither Do We!

Americans everywhere agree that action must be taken now to eliminate the causes which lead to rioting and civil disturbances in our nation.

The recent lives lost and property damaged in riots that ravaged our cities proved that the cities and states cannot carry the burden alone.

Only the Congress of the United States has both the responsibility and authority to pass the laws and appropriate the funds for jobs, housing and education needed now by the millions of impoverished Americans.

History itself has taught us that where these three basic needs are left unmet, all races are trapped in filthy, rat-infested ghettos ripe for rioting or in deplorable conditions which are "deadend." The answer is a creative, constructive, practical program that will benefit *all* Americans directly or indirectly—not a giveaway!

Therefore, we, the undersigned, believe Congress must act by providing:

1. Jobs: Put people to work. As recommended by the President's Commission on Technology, Automation and Economic Progress, the government should become "the employer of last resort" by providing public service employment opportunities for workers who are unsuccessful in competing for jobs in private industry. This would put every American who is able and willing to work on a job.

2. Housing: Slum housing in this nation must go; unsafe, infested buildings must be cleaned up or closed down and decent shelter must be built. Money appropriated for this purpose must be spent carefully and efficiently, and new funds must be appropriated as needed.

3. Education: A policy should be adopted and implemented to provide free public education from pre-kindergarten up to and including the doctorate level for all, with only ability and motivation serving as qualifying factors.

By means of this petition, we make known to you that the American public demands the action that is needed now to solve the problems of the cities.

This petition sponsored by members of the Communications Workers of America, AFL-CIO. The Community-Minded Union.

PRESIDENT JOHNSON ENJOYS STRONG SUPPORT OF PRIME MINISTER SATO

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Morgan] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MORGAN. Mr. Speaker, President Johnson and Prime Minister Sato of Japan have reaffirmed the close friendship and mutual respect that links our two nations. During his visit, the Prime Minister reaffirmed to the President his view that reciprocal action should be expected of Hanoi for a cessation of bombing of North Vietnam. And he also expressed support for the U.S. position of seeking a just and equitable settlement in Vietnam. He noted that he had found widespread support during his trips in Southeast Asia for free world determination to check Communist aggression.

Japan has a strong and stable democratic government under the effective confidence in elections held early this year.

On the international scene, our Japanese friends, who for a decade and a half concentrated on building up and strengthening their own country particularly in the economic sphere, are playing an increasingly important role.

Japan's many initiatives during the past year or two in support of Asian regional development, for example her leading role in the establishment of that very promising institution, the Asian Development Bank, are vitally important for the future of Asia. Happily, although our two countries are geographically separated by a mighty ocean, we share a very similar view of the world scene. We are bound by other ties. Japan is our largest overseas trading partner—our two-way trade is now about $6 billion a year. We have a multitude of mutually beneficial exchanges in the scientific and cultural fields. But most of all we value Japan as a strong and effective partner in our common task of bringing about peace and a better life for all the people of Asia. This partnership has been strengthened by the skills of two great leaders—Lyndon B. Johnson and Eisaku Sato.

Under unanimous consent, I insert into the Record the joint communique issued yesterday by these two leaders following their meeting at the White House:

Joint Communique Between President Lyndon B. Johnson and His Excellency Prime Minister Sato of Japan

I

President Johnson and Prime Minister Sato met in Washington on November 14 and 15, 1967, to exchange views on the present international situation and on other matters of mutual interest to the United States and Japan.

II

The President and the Prime Minister declared that the United States and Japan, guided by common democratic principles of individual dignity and personal freedom, will continue to cooperate closely with each other in efforts to bring about world peace and prosperity. They took note of the importance of reinforcing the authority and role of the United Nations as a peace-keeping organization, of promoting arms control and a reduction of the arms race, including the early conclusion of a Non-Proliferation Treaty, as well as of rendering effective assistance to the developing countries, particularly those in Southeast Asia.

III

The President and the Prime Minister exchanged frank views on the recent international situation, with particular emphasis on developments in the Far East. They noted the fact that Communist China is developing its nuclear arsenal and agreed on the importance of creating conditions wherein Asian nations would not be susceptible to threats from Communist China. The President and the Prime Minister also agreed that, while it is difficult to predict at present what external posture Communist China may eventually assume, it is essential for the free world countries to continue to cooperate among themselves to promote political stability and economic prosperity in the area. Looking toward an enduring peace in Asia, they further expressed the hope that Communist China would ultimately cast aside its present intransigent attitude and seek to live in peace and prosper alongside other nations in the international community.

IV

The President reaffirmed the continuing United States determination to assist the South Vietnamese people in the defense of their freedom and independence. At the same time, he made it clear that he was prepared to enter into negotiations at any time to find a just and lasting solution to the conflict. The Prime Minister expressed support for the United States position of seeking a just and equitable settlement and reaffirmed Japan's determination to do all it can in the search for peace. He also expressed the view that reciprocal action should be expected of Hanoi for a cessation of the bombing of North Vietnam. The Prime Minister noted that he had found widespread support during his Southeast Asian trips for free world efforts to cope with Communist intervention and infiltration.

The President and the Prime Minister agreed that it is important that the new Government in South Vietnam continue its progress toward stable democratic institutions and the social and economic betterment of its people.

V

The President and the Prime Minister exchanged views frankly on the matter of security in the Far East including Japan. They declared it to be the fundamental policy of both countries to maintain firmly the Treaty of Mutual Cooperation and Security between the United States and Japan in order to ensure the security of Japan and the peace and security of the Far East. The President and the Prime Minister recognize that maintenance of peace and security rests not only upon military factors, but also upon political stability and economic development. The Prime Minister stated that Japan is prepared to make a positive contribution to the peace and stability of Asia in accordance with its capabilities. The President stated that such efforts on the part of Japan would be a highly valued contribution.

VI

Referring to his recent visits to the Southeast Asian countries, the Prime Minister explained the efforts these nations are making in a spirit of self-help toward achievement of greater welfare and prosperity for their peoples, but noted their continued need for assistance in their efforts. The Prime Minister stated that it is the intention of the Government of Japan, in meeting this need, to continue its efforts to provide more effective bilateral and multilateral assistance to the Southeast Asian region particularly in the fields of agriculture, fisheries, transportation and communication, by increasing the amount of assistance and liberalizing its conditions. The Prime Minister described the encouraging trends which he had observed particularly in Southeast Asia toward greater regional cooperation and he cited the promising prospects for the Asian Development Bank and its Special Funds. He further stated that it is the intention of the Government of Japan to make greater use of these institutions by assisting in further expanding their operations. Recognizing the need to strengthen economic assistance to the developing areas, particularly to the Southeast Asian countries, the President and the Prime Minister agreed to maintain closer consultation with each other in this field.

VII

The President and the Prime Minister frankly discussed the Ryukyu and the Bonin Islands. The Prime Minister emphasized the strong desire of the Government and people of Japan for the return of administrative rights over the Ryukyu Islands to Japan and expressed his belief that an adequate solution should promptly be sought on the basis of mutual understanding and trust between the Governments and people of the two countries. He further emphasized that an agreement should be reached between the two governments within a few years on a date satisfactory to them for the reversion of these Islands. The President stated that he fully understands the desire of the Japanese people for the reversion of these Islands. At the same time, the President and the Prime Minister recognized that the United States military bases on these islands continue to play a vital role in assuring the security of Japan and other free nations in the Far East.

As a result of their discussion, the President and the Prime Minister agreed that the two Governments should keep under joint and continuous review the status of the Ryukyu Islands, guided by the aim of returning administrative rights over these Islands to Japan and in the light of these discussions.

The President and the Prime Minister further agreed that, with a view toward minimizing the stresses which will arise at such time as administrative rights are restored to Japan, measures should be taken to identify further the Ryukyuan people and their institutions with Japan proper and to promote the economic and social welfare of the Ryukyuan residents. To this end, they agreed to establish in Naha an Advisory Committee to the High Commissioner of the Ryukyu Islands. The Governments of Japan and the United States of America and the Government of the Ryukyu Islands will each provide a representative and appropriate staff to the Committee. The Committee will be expected to develop recommendations which should lead to substantial movement toward removing the remaining economic and social barriers between the Ryukyu Islands and Japan proper. The existing United States-Japan Consulative Committee in Tokyo will be kept informed by the High Commissioner of the progress of the work of the Advisory Committee. It was also agreed that the functions of the Japanese Government Liaison Office would be expanded as necessary to permit consultations with the High Commissioner and the United States Civil Administration on matters of mutual interest.

The President and the Prime Minister also reviewed the status of the Bonin Islands and agreed that the mutual security interests of Japan and the United States could be accommodated within arrangements for the return of administration of these islands to Japan. They therefore agreed that the two Governments will enter immediately into consultations regarding the specific arrangements for accomplishing the early restoration of these islands to Japan without detriment to the security of the area. These consultations will take into account the intention of the Government of Japan, expressed by the Prime Minister, gradually to assume much of the responsibility for defense of the area. The President and the Prime Minister agreed that the United States would retain under the terms of the Treaty of Mutual Cooperation and Security between the United States and Japan such military facilities and areas in the Bonin Islands as required in the mutual security of both countries.

The Prime Minister stated that the return of the administrative rights over the Bonin Islands would not only contribute to solidifying the ties of friendship between the two countries but would also help to reinforce the conviction of the Japanese people that the return of the administrative rights over the Ryukyu Islands will also be solved within the framework of mutual trust between the two countries.

VIII

The President and the Prime Minister exchanged views on trade and economic policies following the successful conclusion of the Kennedy Round negotiations. They considered that a continued expansion of world trade would be in the best interests of both countries and pledged continued close cooperation in pursuit of this objective. They reaffirmed their support for policies which would lead to a freer flow of trade and further liberalization of other international transactions. They agreed that their two Governments should continue to consult closely regarding trade and economic problems between the two countries with a view to finding mutually satisfactory solutions. They noted that early restoration of balance in each of the two countries' worldwide international payments was of basic concern to both and agreed to assist each other toward this end. In this regard, and with a view to making possible the continuation and expansion of mutually beneficial trade and financial relationships between the two countries and promoting the development and stability of the Asia-Pacific area, they agreed to enhance the usefulness of the Joint United States-Japan Committee on Trade and Economic Affairs by establishing at an early date a subcommittee. This subcommittee will be a forum for consultation on economic and financial matters of importance to both countries, including the short and longer-range balance of payments problems of the two countries.

The President and the Prime Minister expressed their satisfaction with the active and expanding scientific cooperation between Japan and the United States. They especially recognized the contributions made by the United States-Japan Cooperative Medical Science Program which was established as a result of their last meeting in January 1965, and the continuing achievements of the United States-Japan Committee on Scientific Cooperation.

The President and the Prime Minister discussed the peaceful exploration and use of outer space, and noted with satisfaction the recent entry into force of the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, including the Moon and Other Celestial Bodies, a new milestone in mankind's progress towards peaceful uses of outer space. They reviewed space cooperation to date between the United States and Japan, and surveyed possibilities for future cooperation. They agreed that the two Governments should look more closely into such possibilities, focusing on the development and launching of earth satellites for the scientific research and peaceful utilization of outer space.

The President and the Prime Minister, aware of the increasing importance of the oceans as a source of food for the world's growing population and as a source of minerals, have agreed to seek ways of greatly expanding United States-Japan cooperation in research and in development of technology for the utilization of marine resources through the United States-Japan Conference on Development and Utilization of Natural Resources. For this purpose they have agreed that as part of the United States-Japan natural resources program, there should be prepared a report and recommendations to the two Governments looking to cooperation between the two countries in this field.

The President and the Prime Minister recognized that the promotion of peaceful uses of atomic energy has immense possibility of furthering the welfare of mankind and noted with satisfaction that there exists a close cooperative relationship between the two countries in this field. In this connection, the two leaders expressed satisfaction with the smooth progress of the current negotiations to conclude a new agreement for cooperation in this field. The Prime Minister welcomed in particular the intention of the United States Government to increase the supply of such nuclear fuel as U235 and plutonium to Japan.

X

The President and the Prime Minister were satisfied with their second meeting which was extremely useful and expressed their desire that close personal contact continue in the future.

FOOD FOR THOUGHT

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROSENTHAL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, the Thanksgiving holiday season is close at hand, and this delightful holiday is the best time to take stock of our Nation's plentiful assets. As Americans, we have indeed been the recipients of much material wealth. Our food resources, in particular, are so vast that we have come to view what little hunger that still exists in our land as a blemish so outrageous that it demands immediate redress. Hardly ever have men been so estranged from the concept of hunger that proof of its existence should be rejected as unreal.

The poor and the hungry of this Nation are not alone in seeing some irony in Thanksgiving celebrations. All American consumers who wish to enjoy Thanksgiving dinners must first pass through a trial of wits made necessary by food packagers. Modern packaging and labeling practices are among those items least worthy of thanks by American consumers.

The following article by Harriet Van Horn, in the November 15 New York Post, discusses the issue of truth in packaging most effectively:

Food for Thought

(By Harriet Van Horne)

With Thanksgiving drawing near, a housewife's thoughts turn to the feast and its fixings. We hear such harrowing tales of hunger these days that a small sting of guilt walks with us to the supermarket. Wherever we look, there's all-cheering plenty with her flowing horn. Autumn is perhaps the one season of the year that turns marketing into a rich esthetic experience. Or it would if one could only keep that cost of living index out of mind, to say nothing of the shady practices of food packagers.

Lately I find myself brooding over these matters as I stand rapt before mounds of apples, polished to a ruby gloss. Who can resist new apples, or boxes of cool, wine-dark grapes or flaming persimmons with their soft, secret sweetness? Even the squash, that pig's snout among the fruits of the earth, takes on a bizarre beauty in this setting.

But the beauty isn't all that takes the housewife's heart. Her greatest satisfaction in buying fresh foods is the certain knowledge that Nature—wise, honest, unpackaged, unrefined, unadulterated old Mother Nature—is not going to cheat her.

When you buy a sack of apples or a bunch of celery you need have no worries about slack weight, false labels, make-believe bottoms, dishonest dilutions or dangerous foreign bodies. If you buy a huge, 10-ounce garden tomato it is not labeled "jumbo economy size." It's simply a big, fat tomato and you pay a little more, not less. One ought to rejoice in the fruits of the autumn because they never cheat us, and never mind the esthetics.

A housewife is not so blessed as she pushes her little cart among the packaged and canned goods. There's a corrupt tree somewhere in the food industry and it has been bringing forth corrupt fruit. That famous truth-in-packaging bill hasn't yet brought the whole truth to our jars, boxes and tins.

It isn't likely that Miss Betty Furness, the consumer's friend at court, will bring about any significant reforms, either. And let nobody quip, "Well, that's show business." It's Congressional business. And the business of lobbyists, pressure groups and all sorts of special interests. And my indignation, which rises to fever pitch whenever I notice how much empty air exists between the contents of a box and its top, has been raised even higher by a new book, "The Thumb on the Scales or the Supermarket Shell Game."

In this angry but always reasonable tirade against the food cheats, A. Q. Mowbray indicts not your local A&P or Food Fair but the huge packagers and processors of foodstuffs. American shoppers, who spend $71,000,000,000 per year for groceries deserve a fairer deal. In Mr. Mowbray's view, they "have their pockets picked" every time they buy a 100-foot roll of waxed paper that's 75 feet or a large economy size jar of coffee that screams, "seven cents off." Sometimes the price is not only *not* off, it's higher.

Against all such chicanery the truth-in-packaging bill, passed last year, was supposed to protect us. As Sen. Philip Hart originally conceived the bill, it did just that. But a formidable opposition, led by Sen. Everett Dirksen, the business man's friend, succeeded in emasculating the bill. The food industry was asked to write "voluntary" standards of practice, another case of the fox guarding the chicken coop. We are, it sometimes seems, a manipulated society, not a free one.

The defense of the food people is that the average housewife is too shrewd, too quick and clever to be deceived by any sort of trick label or packaging. Well, the American housewife is lovable, well-meaning and generally sensible. But she's no match for the merchant princes of the grocery world.

THE LAW AND GENERAL HERSHEY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Rosenthal] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ROSENTHAL. Mr. Speaker, according to a report in this morning's New York Times, General Hershey has apparently done it again. The Director of our Selective Service has requested Government appeal agents to act as informers by turning in all men whom they believe are violating our draft laws. I sincerely hope that this latest tampering with our legal system will be canceled.

General Hershey has demonstrated his casual attitude toward our legal tradition even more dramatically in the past. Last week, he instructed local draft boards to revoke deferments of those students who obstruct the administration of draft laws, thus making military service equivalent to a punishment. This dishonors both our military services and our courts. His instructions would violate both legal due process and the commendable service tradition of our Armed Forces by making such service a penalty for law violations. All in all, it has been a busy week for the general.

I would like to direct the attention of my colleagues to the following trenchant editorial on this subject that appeared in the November 12 edition of the Long Island Press:

Disrespect for the Law

Selectice Service Chief Lewis B. Hershey has good reason to be angry with draft law violators—but his remedy is the wrong one.

Gen. Hershey, apparently encouraged by the White House, would revoke the deferments of college students who won't carry their draft cards or who interfere with draft or military recruitment. Those liable to the draft who violate the law, he said, should be offered the choice of military service or jail.

We went through something like this last year when Gen. Hershey was rebuffed by the courts for recommending that the local draft boards deprive some sit-in demonstrators in Michigan of their deferments and reclassify them as eligible for the draft. The Court of Appeals ruled the action illegal because the draft boards had violated the registrants' right to free speech.

Congress has since passed a law providing maximum penalties of five years in prison and a $10,000 fine for persons who illegally interfere with the draft law or regulations issued under it.

It is up to the courts—not the draft boards—to deal with possible violations. And the distinction must be carefully drawn between those who simply protest against the draft and those who violate the law.

What's more, it is demeaning to the service and all the royal youngsters doing their stint to equate that service with jail. A violation of the law should send someone to jail, not into the army.

If it is true, as Gen. Hershey charges, that the Justice Department has not been getting after draft violators vigorously enough, then it would make more sense for the White House to get Justice on the ball than to prod Gen. Hershey into exceeding his authority.

It seems that everyone involved in this mess is treating the law poorly—the extremists for carrying their anti-draft protest beyond the law; the Justice Department for dragging its feet in going after them, and the Selective Service chief for trying to usurp the functions of the courts.

VETERAN TEACHERS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Helstoski] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HELSTOSKI. Mr. Speaker, the other day President Johnson made an eloquent plea to the leaders of the various veterans organizations for assistance in recruiting our returning veterans into the field of teaching—especially in the ghetto areas of our Nation.

I have received a copy of the President's remarks and have found them to be of great interest to me. As a former schoolteacher, I feel that the President's proposal has much merit behind it and if the Veterans' Administration presents any specific program to the House Veterans' Affairs Committee, of which I am a member, I feel that it will receive the support of all the members of the committee, and we can enact the necessary laws to put this proposal into effect.

Because of the country's need for improved education of our youth, I believe that my colleagues should have the benefit of the President's remarks on this subject. Therefore, Mr. Speaker, I include the President's remarks in the Record, as follows:

Remarks of the President at the Reception for Leaders of Veterans' Organizations

First I want to ask your understanding for my being late. I have been late most of my life. But I seem to be—as age advances and the Prime Minister has come to town a—little later than usual.

I am sorry that I couldn't be here with you when the reception began.

For all last year and this year we have been hoping that we could get together. Bill Driver has talked to us a number of times about it—also the Veterans Committees in the House and Senate—to have a little reception here in honor of the Veterans organizations who provide the leadership for the veterans of this country.

There are 26 million men and women who have served this nation, who have protected it—and who are protecting it this hour.

Last weekend I saw thousands of them. General Wheeler asked me to try to come to see the Marines on the Marine Anniversary. I ate so much Marine cake I don't get on the scales anymore.

But I have had my problems with the Marines as some of you have observed from the newspapers.

All my life being an old Navy man—and seeing Senator Yarborough here an old Army man—we just have to put up with these Marines because every time you hear from them they say, "The Marines have landed and everything is in good shape."

So I told them on my visit that is just exactly what happened to me right here in the White House. The Marines landed and everything is in good shape and we are going to have a wedding here in a few days.

While we are working on this one over here in the Mansion for my daughter, one of them was messing around over here in my office and married my secretary.

But I went out to see these fighting young men and women who represent the very best in America.

We first went to Fort Benning, Georgia. I have never been more inspired than when I saw the men who were taking their parachute jumps there, and when I saw them out practicing guerrilla warfare.

Then we went to El Toro and Camp Pendleton for the Marines.

Then we went out on the Enterprise Carrier and spent the night with 5,000 men and saw them take 100 planes off in the afternoon and night and bring them in. The Enterprise, you know, has been on Yankee Station out in Vietnam and will be back out there again in January.

Then we went to the Air Force where our fighter and bomber pilots were just coming from Vietnam—men with over 100 missions.

Then we wound up in Yorktown with the Coast Guard.

So we covered them all.

I had dinner in the Captain's Cabin with enlisted men. They were looking down at Admirals who were sitting at the other end of the line. The fact that one of them was from Comfort, Texas was purely coincidental.

But I don't need to tell you that these young men and women and their fighting comrades in Vietnam represent the very best that this country produced.

If there is one thing I learned from talking to all the Generals, Admirals, enlisted men and the others, it is that we are giving them a quality product of manhood and womanhood today that they have never received before.

That is no compliment to you and I, Ralph. But they are better than we were.

Every man there told me they were better than we were. That, we are very proud of.

I know you veterans are very proud of it because we are going to need our best for the tough, demanding, unfinished business that is ahead. We have plenty of it.

I want to get down to business very quickly because I have an idea and I want to make a sale. I want to promote you. I want to get you in here to roll up your sleeves and start doing something for these veterans, as you have been all of these years.

Last year, 600,000 veterans returned to civilian life. Next year, it will be 800,000. Every month we are mustering out about 70,000 veterans—every month, 70,000.

Eric Hoffer, our longshoreman friend from out there in California, calls these veterans the "seed of the future." You city boys may not know what that means, but we farmers do.

They are a very great, tremendous, natural resource—and national resource. We ought to realize that and recognize it. Their energies, their ambitions, and their efforts are going to determine what kind of a country we live in and the kind my grandson lives in.

I want to plant this seed. I want to put it down where it will do the most good in the most fertile soil. I want it to grow. I want to harvest the children in this country because education is the guardian genius of democracy. If you don't want totalitarianism, if you don't want dictatorship, if you don't want communism, you just pour the education to them. That is what we are doing.

I talked to the leaders of the land-grant colleges this morning. I am talking about our elementary school problems tomorrow, but I am talking to you now about educated children—my own roots have been in the classroom. That is where the action is; that is where the future is. When I leave here, that is directly where I am going—to the classroom because nowhere is the challenge of tomorrow greater than it is in our schools and particularly in our elementary schools.

Nowhere is it more real or more urgent than in the ghetto schools.

I doubt that any of you here live in a ghetto. But you ought to live in one long enough to understand what it is about—and have a little compassion—to decide to do something about it.

If we don't, it is going to wreck our Nation. The children in these ghettos need the teaching most and they get it least.

If you were a teacher, would you like to be a college professor, or would you like to be a high school teacher? Yes, in that order—and an elementary school teacher? Yes, elementary school teacher in a ghetto? That is the last place you want to be.

So that all the good ones are pulled out of there. We have to put somebody back there who wants to do something about cleaning up those ghettos and doing something about those poor children—the ones who need it most. That is what I want to talk to you about right now.

These are the children who can't recognize the picture of a Teddy Bear. This is a serious situation when we are living in a world where four out of 10 children, and four out of 10 adults, and four out of 10 people cannot read "cat" and cannot spell "dog".

Then we talk about how proud we are of the 20th Century. They are A-plus students when it comes to recognizing a rat because they have had more experience with rats than they have had with Teddy Bears; or a garbage can, or a knife, or a beer bottle.

They can't tell you about colors because their lives are so drab. Why? Because too often there is no one in the house to ever teach them, no one to read to them, no one to give them any kind of good example, no one to give them loving discipline.

We have two wonderful daughters. I think the thing that is helping them more than any other thing is every morning when they wake up, every night when they go to bed, and every time their mother sees them in the daytime she always says, "Remember, mother has got confidence in you and mama cares. You are loved. You are loved." She says that to the two daughters all the time.

But these poor ghetto children don't have that, because their mother is gone and their father—they don't have one sometimes because he is not there.

Our figures show that between now and 1975 2½ million teachers will enter or reenter elementary school teaching. We will only need 2.2 million.

But here is the problem: Our high schools will have more than they need and our grade schools will not have what they need; 6,000 less than they will need every year between 1970 and 1975. But it is even worse than that.

The schools that are going to suffer are the schools where the children need the teachers the most—the ghetto schools, the forgotten rural schools, the little bordertown schools, the Indian reservation schools.

The richer schools can pay higher salaries, they can offer better working conditions—they can hire the teachers.

But the poor schools just cannot. Too often they get the dregs and the leftovers. They need the best teachers the most. They get the worst ones.

Here is the job that I want you to do for me. Here is the new battle ground where I think our Veterans belong. I want them not only to protect our freedom abroad—I want them to protect our freedom and our liberty right here in our cities.

I want to find Veterans who want to teach. I want to give them the chance to teach these neglected children. They are teaching in Vietnam now.

One of the things that I am most proud of is the compassion that our soldiers, particularly our Marines right up in the DMZ are showing for poor children—their health problems, their education problems. They fight all day and go at night to teach them. That is where I got this idea.

Four and a half million Veterans have been discharged since Korea. In that 4½ million only 100,000 of them are teaching—67,000 Veterans are discharged every month and only 1500 teach.

So I want to encourage many more Veterans to teach. All you Veteran Service officers from all of the States were invited here. Your representatives are here tonight. I got my picture made with you. Are you listening? I want to talk to you right now.

I want to encourage more Veterans to teach. If they don't know how to teach now, I want to, with some of my Senators' and Congressmen's help, help them be taught how to teach themselves—and we want to teach them how to teach.

These men and women have something rare, something unusual, and I think something wonderful to offer if they have served in our uniform. They can bring to the ghetto classrooms what few others can. They can bring there whatever children need—example, experience, integrity, honor, courage, faith, hope and love of country demonstrated by being there when they needed you.

There are too many children who do not have a father or mother in the house. The men of Vietnam can show them what a man can be and what a real man is like—and what a man should be.

I don't know anyone in the world who can show it better than the men who have worn the uniform in Vietnam or other places and come out.

So who knows what the challenge to democracy is better than they do? Many of our Veterans are no strangers to the agonies of the ghetto. They know the suspicion and hostility of the ghetto. They fought for their own freedom in the ghetto. Some of them came out of there.

Then they went to fight for a nation's freedom in Vietnam. Now they can come home to continue the fight as teachers to win freedom for others who need them desperately.

One month after I came into office I said: "Why can't we lower the IQ requirements, the mental requirements, and why can't we lower the physical requirements so we can get out and at least take some of these boys who might not be good soldiers or good fighters, but teach them to get up early in the morning, to get a cold shower, shave and be on time—give them some discipline and training—and they might learn to mow a lawn.

I saw Mr. McNamara on the plane. Then I got Senator Russell down and went hunting with him—and got him to agree to take 12,000. Now we have 100,000. They have already enlisted 49,000 who have an average of fifth grade reading ability.

We are bringing them out of these places and putting them in there. You know the proudest thing I heard on this trip was one old seasoned, crusty General came up to tell McNamara the story of the program.

We said, "What about these at the bottom of the heap who we brought in and trained?"

He said, "I got the shock of my life. We have 47 of them who are going to officer's schools."

That shows you. I want to get some of these men who have come back from fighting for their country trained to be teachers—we don't know what we will call them; we will call them the Veterans Teachers or something—to come and go into these ghettos over the country; go there, stay with them, and teach them so we can save those children, those cities, our country.

Therefore tonight I am requesting and appointing the Veterans Administrator, William Driver—there has never been a better government employee—he is like the rest of us. He has out-married himself.

But I am asking Bill Driver to work closely with Secretary Gardner, Commissioner Howe, and to keep in contact with the House Veterans Committee, members of both parties, and the Senate Labor and Welfare Committee, and Finance, who handle veterans legislation—work closely with them—because I want them to develop a plan to enlist the returning veterans in this challenging new assignment.

I want to invite your thoughts on it. I want your organizations to give us any suggestions you can about it. I talked to Mr. McNamara about it during my lunch hour today when Mr. Bunker was sitting there.

I said, "This is what I am going to suggest tonight if I can get there. I don't want somebody undercutting me tomorrow—how do you feel about it? Is it not a good idea or is it?"

He approves it wholeheartedly.

So we will go out before these men are discharged and, with the help of the veterans organization, we will say to these men, "You not only have protected our freedom wherever that flag has gone, you followed it and you brought it back without a stain on it. You can protect our citizens and our future right here at home by taking this job. If you are not qualified to do it now, we will qualify you to do it. We will give you training that is necessary and you get out there and give these children the kind of teaching they are entitled to in the richest Nation in the world—that is going to have a Gross National Product of $850 billion next year."

I think you care about the veterans. I think you care about the country. I don't think I am presumptuous in assuming that.

If you do care about the veterans, and you do care about the country, here is a chance to do something for both of them.

You always have to pay for your supper. You have paid by listening.

Thank you very much.

OUR NATION'S PRIDE AND STRENGTH IS IN MEN LIKE CPL. GEORGE R. GIBSON

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. CASEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CASEY. Mr. Speaker, in this day and age, when the great unwashed minority of beatniks, peaceniks, Vietniks, and others of their ilk hold undue attention in the public eye, we are often prone to forget that a far greater majority of our men serve our country's cause with quiet courage and valor. Theirs is the true strength of our Nation—strength, courage, and valor often far above and beyond the call of duty, such as exemplified by Marine Cpl. George R. Gibson of Pasadena and Houston.

Here is a man who now holds the Nation's second highest award for valor and courage in combat, and his is a story in which all America can take pride. His is a story in keeping with our Texas heritage of the citizen-soldier. To this young man, to his parents, Mr. and Mrs. G. W. Gibson, 3308 Bluefield, Pasadena, and to those who are proud to call him friend and neighbor, I extend my own sincere congratulations. May the Almighty ever grant our Nation men like George R. Gibson.

I urge my colleagues and the American people to read the story below, containing the official citation which accompanied the award of the Navy Cross to Corporal Gibson, and to share with me the great pride in this outstanding American:

CORPORAL GIBSON GAVE GREAT PERSONAL VALOR

PASADENA.—Want to know what a hero does that makes him a hero?

Then read the citation that accompanied the Navy Cross given recently to Corporal George R. Gibson, whose parents, Mr. and Mrs. G. W. Gibson, live at 3308 Bluefield in Pasadena.

Though Corporal Gibson is now a Houston resident, he has worked in Pasadena and is well-known here.

It has been said that more attention is given the draft card burners and the protestors than the loyal Americans.

Read, then, what Corporal Gibson was doing while some "Americans" were playing at being hippies, burning their draft cards and otherwise failing to contribute.

The award was presented to Corporal Gibson by Lt. Gen. Lewis W. Walt, Marine Corps deputy chief of staff during a Navy Day program in Houston. Here's what the accompanying citation said:

"CITATION

"For extraordinary heroism as an Automatic Rifleman while serving with the Second Platoon, Company E, Second Battalion, Fourth Marines during Operation Prairie in Vietnam on 8 August 1966. His platoon was being evacuated by helicopter from an area northwest of Cam Lo, Quang Tri Province, when it was attacked by North Vietnamese Army units utilizing automatic weapons fire and barrages of hand grenades. The half of the platoon that had not been successfully evacuated was quickly surrounded. Casualties mounted as enemy forces in reinforced company strength threatened to overrun the friendly positions. Corporal Gibson observed a Marine, wounded and helpless, almost within the grasp of the advancing enemy.

"He immediately, with complete disregard for his own safety, left his covered position and exposed himself to murderous enemy fire to provide fire support for the evacuation of the wounded man. The Platoon Commander rallied the platoon for a counter-attack and Corporal Gibson leaped from protective cover and charged into the enemy fire. Although painfully wounded by a grenade, he continued to press the attack until the original positions had been retaken.

"Knowing their only chance to hold was to obtain more ammunition, he unhesitatingly crossed twenty-five meters of fire-swept terrain and returned with the badly needed ammunition. Observing a machine gun that was not manned, Corporal Gibson immediately put it into action and, disregarding barrages of enemy grenades and accurate small-arms fire directed at him, courageously stood his ground until the North Vietnamese withdrew to reorganize for another attack.

"The second attack was accompanied by vicious automatic-weapons fire and grenades, and despite being painfully wounded again by machine gun fire, he continued to fight, killing six additional enemy. The North Vietnamese set up a machine gun that threatened to enfilade the Marine position. Corporal Gibson moved out on the fire-swept slope in full view of the enemy, flanked the weapon, and single-handedly knocked it out, killing its crew.

"His courageous initiative, indomitable fighting spirit and unselfish devotion to duty were contributing factors in the successful removal of the wounded and in saving the lives of many of his comrades. His great personal valor reflected the highest credit upon himself, the Marine Corps and the United States Naval Service.

"For the President:

"PAUL H. NITZE,
"Secretary of the Navy."

THE DANGER OF INVESTIGATIVE FILES

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. EDWARDS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, on November 14, 1967, a speech was delivered on the floor of the House describing the alleged activities of certain employees of the United Planning Organization in Washington, D.C. The primary target of the speech was a young, able, and thoroughly admirable lawyer, Mr. Hal Witt, who was for a time the acting executive director of UPO, and who is now its deputy director. The allegations against Mr. Witt, given under the protection of congressional privilege, were in general that he was a member of, or a contact of, certain organizations which did not find favor with the speaker; that he was the son of his father; and that he had the misfortune to choose as his attorney, for the defense of a minor police matter 7 years ago, an attorney who has represented the Communist Party.

The young man responded to each of the allegations against him by denying most of them, but answering each of them pointblank. Although the speaker who castigated Mr. Witt denied that he was accusing Mr. Witt of being a Communist, the implication was clear.

I am not here today to go over each of the specific charges made against Mr. Witt, because I believe his response speaks for itself, and I am inserting it as an appendix to the statement in the CONGRESSIONAL RECORD. What I am concerned with, however, is that the speaker alleged that the source of his information was the FBI files as well as help from the House Committee on Un-

American Activities and the Washington, D.C., police. If that is the case, then we have a far more serious problem reflected in this incident.

I, myself, was a member of the Federal Bureau of Investigation for a number of years. At that time, as now, J. Edgar Hoover, the Director, had insisted that the investigative files of the FBI not be made available to those outside of the agency. His stated reason is that the investigative files are not screened for truth or falsity; that they contain every tidbit of information that can be picked up, including malicious gossip, outright falsehood, and even the meanderings of unbalanced minds. Therefore, merely because information is contained in the FBI files does not mean that it is true and correct. No Government agency, including the Department of Justice, dares rely on information merely because it is in the FBI file. Before a criminal prosecution is brought, information is checked and doublechecked, because of the awareness that investigative files are, of necessity, like sponges: they absorb everything; they screen nothing.

I would assume that similar caution would apply to police files of the Metropolitan Police Department. We should also be aware of the fact, by this time, that the files of the House Committee on Un-American Activities similarly cannot be trusted, when disgorged, to reflect only the truth.

Therefore, Mr. Speaker, I am disturbed for two specific reasons. First of all, that investigative files filled with hearsay, malicious gossip, falsehood, and flights of fancy, should be the basis for serious charges against any individual. Second, I am disturbed that the sanctity of those files have been breached. Are investigative files of the FBI that are refused even to courts, because of their unreliability, to be blithely leaked to any Congressman who desires them? Are investigative files of the Metropolitan Police Department available for character assassination on the floor of the House? And lastly, to what extent has the House Committee on Un-American Activities been the collector, the coordinator, and the culprit in this most unfortunate incident?

These are serious questions; questions which we should all ponder. Charges so lacking in substance that can be made against Hal Witt can be made against any of us. This House has the responsibility to find the answers to these questions. If, in fact, investigative files of the FBI and the Metropolitan Police Department were improperly opened and made available, how did it happen and how can it be prevented from happening again?

I am hopeful that we are not in for a new period of McCarthyism, a period which I had hoped we had outgrown. The Washington Post, in a brilliant editorial, cogently summed up this most unfortunate, regrettable incident. I offer this editorial at this time for insertion in the RECORD, as well as the story in the Washington Post of November 15, 1967:

[From the Washington (D.C.) Post, Nov. 6, 1967]

BROYHILLISM

It is necessary to characterize Congressman Broyhill's attack on Hal Witt, deputy director of the United Planning Organization, in plain terms for precisely what it is: it is cowardly and contemptible—cowardly because it was made behind the curtain of congressional immunity, contemptible because it was made up of the sort of spittle customarily dribbled out by the House Un-American Activities Committee. It accused an honorable and able young lawyer of "close and frequent" Communist connections on the basis of his alleged—and denied—membership in organizations the Congressman dislikes and on the basis of his father's bad reputation many years ago.

It happens that this attack comes at a time when Hal Witt has just rendered a service of exceptional importance to this community. Without compensation, he helped as co-counsel to conduct the long series of appeals which led finally to the release of the Giles brothers and the correction of a shocking injustice. His whole record as a member of the bar and as a public servant entitles him to respect and confidence.

The incident reminds one, almost inescapably, of a moment in the so-called Army-McCarthy hearings nearly 14 years ago when Sen. Joseph McCarthy made a similar slurring attack on a young lawyer associated with the Army's special counsel, Joseph N. Welch. Moved to tears, Mr. Welch said to the Senator: "Until this moment, Senator, I think I never really gauged your cruelty or your recklessness . . . Have you no sense of decency, sir, at long last? Have you left no sense of decency?"

[From the Washington (D.C.) Post, Nov. 15, 1967]

BROYHILL LAYS RED LINK TO WITT

(By Peter Milius)

Rep. Joel T. Broyhill, (R. Va.) yesterday accused Hal Witt, deputy director of the United Planning Organization, of having "close and frequent" Communist connections.

"I do not say Mr. Witt is a Communist," Broyhill said. "I do not know. I do know that a very real question as to his loyalty should prohibit his employment by a public agency."

Witt replied angrily later in the day that Broyhill's statement was "disgraceful, irresponsible and untrue," and challenged him to make it off the House floor. A Congressman is not legally liable for what he says in the House Chamber.

Broyhill's accusations were his second attack on UPO in two weeks. The Virginia conservative is fighting the antipoverty bill now on the House floor. He claims the antipoverty program fosters dangerous radicalism, and is offering UPO as an example.

Witt is one of 15 people Broyhill named yesterday, who now have or once had some kind of connection with UPO. His complaints against them ranged from supposed Communist associations to narcotics convictions to membership in the Student non-Violent Coordinating Committee and CORE.

Broyhill, in his bill of particulars, said that Witt's father, Nathan, was a communist, that Witt is on the executive board of SANE (an anti-war group) and "a frequent attendant, if not a member, of the Washington American Forum, successor to the Progressive Party here." Broyhill also said that Witt belongs to the local committee to abolish the House Un-American Activities Committee, and that his name is on the mailing list of the Fair Play For Cuba Committee.

The Congressman found significance in the fact that Witt's attorney, when he was arrested for disorderly conduct here in 1960 (at a Civil Rights demonstration) was Joseph Forer, whom Broyhill called "the leading attorney for the Communist Party, described by a member of the Communist Party as one of the most important Communists in D.C." Broyhill said finally that "according to information from FBI files, Mr. Witt has close and frequent association with many known Communist Party members."

Witt said he is no longer on the SANE board (though he noted that some Congressmen are members of the group), that he never heard of the Washington American Forum, that he has absolutely no connection with the anti-HUAC organization here and that he received no mail from the Fair Play for Cuba Committee.

He said he is not a communist, never has been, and has never sympathized with the Communist movement.

He has no idea what the FBI has in its files, Witt said, noting that if the FBI thinks he is a communist, "There is no telling who else they think is one." Forer, he said, is simply "a brilliant and able lawyer."

"My father" he said finally, "is indeed Nathan Witt." Witt said that Broyhill's statement was an attempt "to find a man guilty of association."

Forer said, "I guess everybody's a radical to that idiot Broyhill. What Broyhill says about me being a communist is a complete fabrication. He's a liar."

Broyhill's office could not identify the source of the statement that Forer was "one of the most important communists" here.

The office said the information about Witt's alleged connections with SANE, the Washington American Forum, the anti-HUAC group and the Cuba committee came from the Metropolitan Police Department's file. The office said that the information may originally have come from the FBI, but it was not sure.

Broyhill's aides said they assembled yesterday's allegation with help from HUAC as well as city police and the FBI.

The remarks from the CONGRESSIONAL RECORD of November 14, 1967, previously referred to, follow:

Mr. BROYHILL of Virginia. Mr. Chairman, last Wednesday, I discussed the use by many employees of the United Planning Organization in Washington of their connection with OEO as a springboard for promoting radicalism.

If you catch a burglar on the scene, and he has a record of burglary, is carrying a burglar's tool kit and a burglar's loot in his pocket, he becomes a suspect. Not necessarily one that will wind up in jail, or, if he does, one who will stay there, but a suspect nonetheless.

If you catch a man with blood on his hands and a dead body nearby, he is likely to be detained even under the current legal versions of arrest and confinement.

If you catch a known firebug at the scene of a conflagration, with a can of kerosene in his hands, the logical, but far too often not legal conclusion is that he is a likely candidate for a grand jury.

As I pointed out last week, Mr. Chairman, the Office of Economic Opportunity is loaded with people of questionable background and association who have been placed in positions of responsibility, and who are supposed to be training others to become useful and productive citizens. I stated at that time that I felt we are sowing the seeds of our own destruction when we provide financing for large numbers of radicals who use their working hours and the people they are supposed to train, to plan ways of turning their trainees against our Government and our way of life.

I have been asked for more specific details, Mr. Chairman, and I should like to name here a few of these public servants and tell you something about them.

Beginning at the top, a Mr. Hal Witt was Acting Executive Director of UPO from May until last month, and is now Deputy Director at $21,000 a year.

Mr. Witt is the son of Nathan Witt, a member of the Communist Party, U.S.A. He is on the executive board of SANE—a regular sponsor of antiwar demonstrations. He is a frequent attendant, if not a member, of the Washington American Forum, successor to the Progressive Party here. He is on the Washington Area Committee To Abolish the House Un-American Activities Committee. His name is on the mailing list of the Fair Play for Cuba Committee. His police record reveals that when charged with disorderly conduct in 1960 he chose as his attorney, Joseph Forer, the leading attorney for the Communist Party, described by a member of the National Committee of the Communist Party, U.S.A., as one of the most important Communists in the District of Columbia. According to information from FBI files, Mr. Witt has close and frequent association with many known Communist Party members as well as financial backers of the Communist Party.

I do not say Mr. Witt is a Communist, Mr. Chairman. I do not know. I do know that a very real question as to his loyalty should prohibit his employment by a public agency.

The Daily Worker, January 10, 1965, advertised a meeting in New York City to honor the 40th anniversary of the Communist publishing firm, International Publishers. Listed as a featured speaker was Marion Barry, now a $50-a-day consultant at UPO. Barry was head of SNCC's New York office then, and moved to Washington in June 1965 to expand the SNCC office here. He had been arrested and convicted on various charges in Memphis and Knoxville, Tenn., and in Chicago. He became somewhat infamous in the District last year by kicking a door of a paddy wagon while being arrested. He led a march on the Capitol under the label of "Assembly of Unrepresented People," protesting the Vietnam war; led a bus boycott protesting fare increases; mapped the "Free D.C. Movement," boycotting merchants who refused to sign home rule petitions and contribute funds to home rule causes.

One of Barry's close SNCC associates is Rev. Channing Phillips, who heads the Housing Development Corp., recipient of around $294,000 in 1966 from UPO and $100,000 from HUD. He joined in the merchants boycott, cochaired the Coalition of Conscience, led a sleep-in at Bolling Air Force Base; chaired the Committee for Community Action in Public Education, which sponsored the school boycott and paid much of the expenses of the Hobson against Hansen case which resulted in the resignation of Dr. Hansen from his position as Superintendent of Schools in the District.

We all know the antics of Hubert Geroid Brown, known as Rap Brown. He was a UPO employee from March 1965 until June 1966, when he resigned to take the SNCC chairmanship from Stokely Carmichael.

Also active in SNCC while at UPO were Alan and Margaret McSurely, who left here to go to Kentucky where they were charged with possessing seditious materials, including Communist literature and films. While Alan McSurely was director of suburban programs for UPO, he, with two other UPO employees, William N. Hobbs and John Robinson, threatened the Arlington chief of police during a march sponsored by a group known as ACCESS in which they participated.

Incidentally, Mr. Chairman, the gentleman from Illinois [Mr. MICHEL] recently called to the attention of the House the fact that the same John Robinson was involved just last Tuesday in a violation of the Hatch Act, in passing out partisan political literature and working at the polls on election day. Here, Mr. Chairman, is an example of the Government paying a man for partisan political activity. The taxpayers of the United States will not tolerate this use of our funds.

Gaston Thomas Neil, a UPO worker in the Cardoza area, runs the New School of Afro Thought. He has spent time in St. Elizabeth's Hospital after being found not guilty by reason of insanity on a number of narcotics charges. He now has other charges pending against him not yet resolved. Meanwhile, he and a companion bought two Russian-type carbines in Alexandria in August, for what purpose we can only guess.

Ralph Fertig, former executive director of UPO Southeast Neighborhood House, helped with the school boycott. He came to UPO from Chicago, leaving behind unpaid judgments and a record including protests against the Un-American Activities Committee and advertisements urging clemency for the Rosenbergs.

Dick Jones, a UPO community organizer, Herbert Kelsey, a UPO housing coordinator, and Michael Searles, UPO housing adviser, are all SNCC members. Mrs. Willie Hardy, UPO Neighborhood council director, is in both SNCC and CORE.

This list would not be complete without Ruby Evans, UPO girls' service coordinator, who although not involved with the militants, urged her girls to refuse birth control information, telling them they should not be prevented from having illegitimate children if they want them.

Finally, Rufus Mayfield, the young hoodlum who was there when a TV set went through a window; when the Redskin band had to leave a ball game under police protection; when a fire broke out in a dime store; when trouble developed at the Coliseum and looting followed; when poverty warriors marched on the White House. In spite of a concerted effort of the Washington press to show his activities in a favorable light, he is constantly skirting the edge of trouble, and hundreds of 13 and 14-year-old boys acknowledge him as their leader.

Mr. Chairman, one radical in these OEO sponsored programs in a position to employ others can load a payroll with those who think and act as he does. This has happened in Washington, D.C., and may be happening all over the Nation. The decent people of this Nation—and I mean the decent poor as well as those living in better circumstances—deserve better leadership than UPO is giving them.

SOUTH FLORIDA AIDS POVERTY PROGRAM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. FASCELL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. FASCELL. Mr. Speaker, we are all acutely aware of the hardships now facing local poverty programs across the country. The lack of funds to support the various programs has forced many to close down their operations, depriving the poor of the services and assistance which have meant so much to them in the past several years.

Some programs were terminated in my own district in south Florida, when Federal funds ran out.

I am proud to say, however, that the threat of closing was eliminated by the quick and wholehearted support of private and public organizations in Dade County.

Additional funds have been made available by the Dade County Public School Board, which has agreed to loan the poverty program $333,000 to help support the Headstart program. This money will pay for staffing the program which feeds and takes care of 2,400 disadvantaged preschoolers.

WKAT, a local radio station in Miami loaned $20,000 to the war on poverty to keep the legal services project going until the Congress completes its legislative action. In a release announcing their action, WKAT said it could not "see poor people needlessly suffer."

WKAT's expression of concern for the public welfare is indeed commendable, and I thank the station for its support of the poverty war at this critical time. I insert the WKAT editorial from November 8, 1967 at this point in the RECORD:

WAR ON POVERTY PROBLEMS

The Congress, debating financing for the war on poverty, declined to extend funds to continue the various poverty projects now underway while the debate goes on. This has created a crises of sorts in the local offices of the economic opportunity programs all across the country. In Dade County, it has threatened the action programs, including such projects as: Operation Head Start, day care centers, and the like, and it also would have brought to a standstill the legal services program; which through its eight neighborhood offices has 1,890 legal cases now pending in the courts. It is most unusual for a radio station, whose normal business is to report and reflect the news, to make the news. But, WKAT felt that the unfortunate poor who have entrusted their cases to this legal services program would be needlessly harmed if the cases were stopped, even though they were to be started again, if the Congress appropriates money to continue in the future. Therefore, WKAT felt is necessary, as a concerned part of our community, to loan the $20,000 necessary to keep the legal project going until the Congress does act. It was difficult for us to stand by, while politicians went about the business of professional politics, to see poor people needlessly suffer. We urge the Congress to debate and conclude this matter as soon as possible and to stop the unnecessary confusion that is spreading through this enormous project.

WESTMORELAND SEES U.S. PHASE-OUT IN 1969

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. LEGGETT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. LEGGETT. Mr. Speaker, the Washington Post contains a front-page story this morning which reads in part as follows:

VIET REPORT TO HOUSE UNIT QUOTED: WESTMORELAND SEES U.S. PHASEOUT IN 1969

(By Carroll Kilpatrick)

Gen. William C. Westmoreland was reported to have told the House Armed Services Committee yesterday that in two years the United States should be able to begin phasing out its operations in Vietnam.

Rep. Richard H. Ichord (D-Mo.) reported that the General, back for conferences with President Johnson and other high officials, emphasized that the "phaseout" did not mean a "pullout" in two years.

Rather, the General meant that a start in transferring to South Vietnamese troops some of the combat load Americans now carry would be possible if all goes as expected, Ichord said.

The White House and Defense Department declined to comment on the report.

At the White House, meanwhile, Mr. Johnson reminded the Nation that mankind has not yet "found a way to preserve freedom without defending it."

At 11 a.m. today, the President will report to the Nation in a televised conference on the Vietnam talks he has had this week with Westmoreland, the U.S. commander in Vietnam, Ambassador Ellsworth Bunker and Deputy Ambassador Robert W. Komer. (The conference will be televised live on Channels 4, 5 and 7.)

The comment on the necessity of defending freedom came as the President presented the Medal of Honor to Staff Sgt. Charles B. Morris of Galax, Va.

Westmoreland, a house guest at the White House while here for consultations, stood with the President during the East Room ceremonies.

Earlier, Westmoreland expressed "cautious optimism" in a closed-door report to the Senate Armed Services Committee, Chairman Richard B. Russell (D-Ga.) reported. But he said the general "does not see any early termination of the war."

Russell said that the general reported "some gains" as well as "some difficulties." The difficulties, he said, relate to the sanctuaries the enemy has in Cambodia and north of the demilitarized zone and the "tremendous" supplies from other Communist allies.

"I think we are making progress, but we have a long hard road unless we move in and close all Communist shipping supplies," Russell said after hearing Westmoreland.

Sen. Henry M. Jackson (D-Wash.), another Committee member, said that Westmoreland believed North Vietnamese troops are better equipped now than previously but are not well led.

"He feels quite confident," Jackson said, "He sees the enemy losing steadily and continuously."

Bunker reported on the war to the Senate Foreign Relations Committee but failed to sway Administration critics. Sen. J. William Fulbright (D-Ark.) said there was "little to be encouraged about." Sen. Wayne Morse (D-Ore.) said facetiously that Secretary of State Dean Rusk had "loaned (Bunker) his cracked record." Sen. Albert Gore (D-Tenn.) said, "This is about the 13th optimistic report we've had."

CONFER WITH JOHNSON

Both Westmoreland and Komer conferred separately with the President yesterday. The latter is in charge of economic development programs.

Bunker conferred with the President earlier in the week and is expected to meet him again before returning to Saigon with Komer late next week. Westmoreland will leave earlier next week.

Secretary of Defense Robert S. McNamara told newsmen at the Capitol that this week's meetings do not signal significant policy changes. He said he did not "anticipate any changes." This has been the general view here of the week's conferences.

We are concerned today with Vietnam expenditures of nearly 800 million dollars a week. It is interesting to contrast the above article with the following article from Newsweek magazine of October 14, 1963, where we anticipated a stage-down by the end of that year in which we were spending $10 million per week. The article follows:

VIETNAM: WIN WITH WHOM?

In Paris, on the eve of her departure for the U.S., Mme. Ngo Dinh Nhu was as radiant as ever. Was she frightened at the prospect of her visit to the U.S., a reporter asked Vietnam's "Dragon Lady," sister-in-law of President Ngo Dinh Diem. The emeralds in her ears glittered as she tossed her head. "The only thing I'm afraid of is hairy caterpillers." How about the Communist Viet Cong and their guerrilla war against the Vietnamese Government? "It is really not a war any more," smiled Mme. Nhu. "The scale of operations has been greatly reduced . . . I am optimistic."

In the past, Mme. Nhu's "optimism" about the war has not always been shared in Washington. But the Kennedy Administration, unable to dislodge the Ngo family from power in Saigon, has moved into another of its "Win with Diem" phases, and before she even stepped off the plane in New York this week, Mme. Nhu was pointing out that the White House has again come around to her way of thinking. After a whirlwind seven-day, fact-finding tour of South Vietnam, Secretary of Defense Robert S. McNamara and chairman of the Joint Chiefs of Staff Gen. Maxwell D. Taylor submitted a rosy report to President Kennedy. Its essence, as published in a formal U.S. policy statement: "The military program in South Vietnam has made progress and is sound in principle." A thousand of the 15,000 U.S. advisers may, in fact, be withdrawn by the end of the year, "[and] the major part of the U.S. task can be completed by the end of 1965."

"The political situation in South Vietnam remains deeply serious." And while Diem's repressive actions against the Buddhists have not so far "significantly" affected the military effort, "they could do so in the future."

McNamara had perhaps given Diem a slight slap on the wrist; but far more important was his apparent conviction that the war in Vietnam—which is costing the U.S. $1.5 million a day—is indeed being won with the House of Ngo in power. Many wondered, however, how McNamara could have reached such a firm conclusion on the basis of a seven-day guided tour of South Vietnam.

Gloss: It seems unlikely, newsmen reported from Saigon. In An Xuyen Province in the Meking Delta, for instance, the Viet Cong had gathered enough strength to overrun two major towns last month. It is a province where in one year Viet Cong guerrillas—according to U.S. Army estimates—have increased by 15 per cent. Yet U.S. soldiers on the spot claim McNamara was given the usual "glossy" briefing by senior officers. One officer who overheard what McNamara was being told later admitted: "We were in tears."

Others questioned the 1965 time limit President Kennedy has now set for the completion of the U.S. military mission. "After all, those Communist guerrillas have been out here fighting the French or Diem for nearly twenty years," noted one American official. The report, added Sen. Frank Church (Democrat, Idaho), was simply "designed to snuff out the spreading Congressional revolt against the Diem regime."

It is also quite clear that U.S. officials in Saigon are still deeply split. The CIA, Gen. Paul D. Harkins, and most of the military brass who shepherded McNamara around Vietnam are firm believers that there is no realistic alternative to Diem. Equally firmly, U.S. Ambassador Henry Cabot Lodge—who last week demanded, and got, the recall to Washington of CIA chief John H. Richardson—holds to the view that Diem cannot win and that he and his family must go.

Lodge may soon be proven right, for Diem remains widely unpopular. Last weekend, in the center of Saigon, another Buddhist monk, the sixth since June, burned himself to death in protest against the government. Three U.S. correspondents who tried to report the suicide were beaten up by Diem's police. It may be possible to win the war in the paddy fields, but it can certainly be lost in the cities.

In line with the literature I submitted into the Record yesterday, I want to further submit the following article of trepidation of the Vallejo Times Herald:

BOMBING TACTICS BEST?

The war we are bringing to North Vietnam is not directed against the people of that country but against its government. The aim is to make it as difficult as possible for Hanoi to wage guerrilla war in South Vietnam and ultimately to convince it of its futility. We are prepared to stop the bombing any time the North Vietnamese indicate they are willing to talk to us.

Extreme pains are taken to minimize civilian casualties in our raids. We are told that targets are removed with "surgical precision," although it is inevitable that bombs will stray and that there will be deaths among the civilian population.

We are also told that we have dropped as much tonnage on North Vietnam as in three years of bombing of Nazi Germany.

Against that former enemy, our policy was one of unconditional surrender. The object was to smash Germany completely. It was total war, against both people and government. The needless obliteration of a city like Dresden in the last months of the war was one fruit of that policy.

Unconditional surrender was a mistake, some historians argue. There were many in the German army and government who were ready to overthrow Hitler if the Allies had offered a negotiated peace. Whether this is true or not, whether some other alternative to unconditional surrender could have shortened the war, remains one of the imponderables of history.

Yet future history is being written in Vietnam right now and we have time to choose between alternatives.

It is impossible to wage war—limited or otherwise—against a government and not against the people it rules, however convinced we are that it is an evil government, however much we may feel it does not represent the true aspirations of its citizens.

We fail to consider that when people find bombs raining down upon them, they get mad. Their resolve stiffens, and larger political considerations mean nothing in the face of attacks by an alien enemy.

Hitler made the same mistake in Russia. He was unable to understand that Russian love of country transcended whatever desire the people may have had to be free of dictatorial communism.

All the simple North Vietnamese peasant knows is that American pilots are dropping bombs on him and that these Americans are as much an enemy as were the Japanese and the French.

He knows nothing of Geneva accords and cares not a whit about international legal niceties. He remembers only that all of Vietnam was once one country, and that one foreign power was driven out and has now been replaced by another.

WASHINGTON POST DEFENDS HAL WITT

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. Kastenmeier] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. KASTENMEIER. Mr. Speaker, last Tuesday, a Member of the House attacked a young and able lawyer working on the poverty field in this area named Hal Witt. Regrettably, I was not on the floor at the time the charges against Mr. Witt were made. I had met Mr. Witt some years ago and know him at least well enough to be impressed by his conscientiousness and outstanding competence. I was pleased to note that the November 16 issue of the eminent Washington Post editorially, in sharply criticizing the attack on Mr. Witt, made the following reference:

> It happens that this attack comes at a time when Hal Witt has just rendered a service of exceptional importance to this community. Without compensation, he helped as co-counsel to conduct the long series of appeals which led finally to the release of the Giles brothers and the correction of a shocking injustice. His whole record as a member of the bar and as a public servant entitles him to respect and confidence.

Unfortunately with the Nation again engaged in conflict, there is an increasing number of accusations made against others attacking loyalties and questioning patriotism. It is sad that this unfortunate concomitant of war is increasingly characterizing debate and public discussions in and out of Congress.

The Post's brief but notable testimonial to Hal Witt is worthy of the permanent Record.

PRESIDENT JOHNSON AWARDS THE MEDAL OF HONOR TO SGT. CHARLES MORRIS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. Downing] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DOWNING. Mr. Speaker, the Medal of Honor represents the highest civilian recognition of military bravery and valor which a grateful country can give one of its sons.

Yesterday, President Lyndon B. Johnson, in a touching ceremony which I was privileged to watch, presented that medal to Sgt. Charles Morris, of Virginia, for heroism beyond the call of duty in Vietnam. Sergeant Morris had suffered multiple wounds in Vietnam, yet still fought on for what he and we believe.

Mr. Speaker, the Congress honors itself with the presentation of this medal. It also honors the President who bestows the medal.

I hope one day the Congress will authorize a Medal of Honor for Presidents of the United States who have also served under fire and beyond the call of duty.

Lyndon B. Johnson deserves a medal like that.

Each man in his time and in his own area of responsibility fights the battle for freedom.

Sergeant Morris did it in the rice paddies of Vietnam.

Lyndon B. Johnson does it on the field of policy, foreign and domestic—bearing the criticism of friend and adversary alike.

Yet amidst all this, the President still pursues an honorable peace in Vietnam and in the world.

He has never lost sight of that consuming goal. And we must never lose sight of that goal.

Under unanimous consent I insert in the Record the President's eloquent and moving statement on the occasion of awarding the Medal of Honor to Sgt. Charles Morris at the White House on November 16:

Text of President's Remarks at Ceremony Awarding Medal of Honor to Sgt. Charles Morris, November 16, 1967

One of America's greatest war correspondents wrote about courage—intimately and well.

He called decorations for bravery "pinnacles of triumph" in a man's life, "that will stand out until the day he dies."

Ernie Pyle spoke for all wars—for all those moments when men must reach down into their deepest reserves of courage. He celebrated those times when men risk life for a principle—or a comrade—or a country.

On whatever field, on whatever day—war is an agony of spirit and flesh and mind.

After thousands of years of civilization, the saddest of human failures is this—the precious wealth of man's courage must still be spent on the battlefield.

But all the wisdom of the earth has not yet found a way to preserve freedom without defending it.

Staff Sergeant Charles Morris is one of those who defended freedom on the battlefield. He fought with dogged courage through long hours of hell. He fought above and beyond the call of his duty.

Just a few days ago, I returned from a journey across this land, where I met thousands of his comrades.

I stood with our sailors on the deck of a mighty carrier at sea—and with our airmen under skies filled with America's power. I saluted the men of the infantry and the Marines. I ended my trip at Yorktown, with the men of the Coast Guard.

Some of the men I saw were training for combat.

Many had already been there. They wore its badges—and some wore its wounds.

I saw other badges, too.

I saw the white carnations worn by wives of missing pilots.

I saw loneliness on the faces of waiting families.

I felt humble to be among these men and women. But I also felt a towering pride—pride in them—pride in this nation.

Some good day, war will be only a shadowed memory.

We will labor, with all our passion and strength, to quicken the coming of that day.

But until it comes, our lives, our safety, and our hope of freedom's survival are in the hands of all those who serve—here and in Vietnam.

Sergeant Charles Morris was there when America needed him.

Once before, I stood with him on one of his "pinnacles of triumph." At Cam Ranh Bay in Vietnam, just a little more than a year ago, I awarded Sergeant Morris the Distinguished Service Cross.

Today, I am proud to stand with him again—on a hero's highest summit.

Our nation is grateful to you, Sergeant Morris. God bless you.

Secretary Resor will now read the citation.

LEADER IN POVERTY FIGHT, CARL DEWEY PERKINS, AN ARTICLE IN THE NEW YORK TIMES ON NOVEMBER 11, 1967

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. Brademas] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, one of the principal reasons for our success in passing the bill to continue the war on poverty in the face of a concerted drive to kill or badly cripple this vital program was the leadership of the tenacious and hard-working chairman of the House Education and Labor Committee, Congressman Carl Perkins, of Kentucky.

I believe that an article published in the New York Times on November 11, 1967, is most interesting in the tribute it pays to the hard-working and dedicated efforts of the distinguished chairman of this committee and under unanimous consent I place this article in the Record at this point:

Leader in Poverty Fight

(By Carl Dewey Perkins)

Washington, November 16.—When the political world of Adam Clayton Powell of Manhattan crumbled last January, a big, seemingly bumbling man from the mountains of eastern Kentucky fell heir to one of the most sensitive jobs in Congress—chairman of the House Education and Labor Committee.

"Carl's no leader, that's for sure," one committee member said at the time. "But what could we do? He was in line for the job."

This week, Carl Dewey Perkins proved his critics wrong as he and key members of his committee steered the Administration's antipoverty program through the House virtually intact.

There were concessions, to be sure. The program was trimmed about $400-million. The control of community action programs was shifted to city halls and county courthouses.

But, for the most part, the program was held intact against repeated Republican efforts to dismantle the antipoverty agency, the Office of Economic Opportunity.

COALITION RETAINED

Most of the concessions had been made in committee to lure needed Southern Democratic votes in turning back the Republicans. But even then, painstaking work went into keeping together such an unlikely coalition of conservative and liberal Democrats.

For months, Mr. Perkins wandered around the House chamber and the Democratic cloakroom, placating some Democratic liberals unhappy with the concessions and assuring Southern Democrats that the concessions made the program more politically palatable to them.

"Boys, I need your help," he told Southerners.

He got it.

He is an unobtrusive, unsophisticated country lawyer. His tastes are simple, his clothes are usually a little rumpled. He is conscientious, often working far into the night.

He commands an almost worshipful following in his 23-county Congressional district, one of the poorest in the nation. Frequently, he drives all night from Washington to tour the lonely hollows and villages and hillside farms of the Appalachian region he calls home.

Born 55 years ago (Oct. 12, 1912) on a farm just outside Hindman, a small town in Knott County, Ky., Carl Perkins got his law degree in Louisville at the Jefferson School of Law and then went back home to practice law.

He became commonwealth attorney four years later, served in the Kentucky General

Assembly and then became Knott County attorney.

In 1948, when the Congressional seat became vacant in midterm, he was picked for the job by Gov. Earl Clements. He has won every election since.

GENUINE LIBERAL

A genuine liberal, probably the most liberal politician in Kentucky, Mr. Perkins is one of the stanchest Administration supporters in Congress.

During the last two years, when most of President Johnson's Great Society programs were born, Mr. Perkins voted with the Administration 95 per cent of the time.

He is the most persistent education advocate in Congress. For years, he has pressed for general Federal aid for school construction, and he plans to renew that fight next year.

A serious, earnest man, he avoids Washington's cocktail circuit.

He is married to the former Verna Johnson, a first grade teacher in a Washington school, and they have one son, Carl Christopher, 13 years old. They own modest homes in suburban Alexandria and on the outskirts of Hindman, a typical eastern Kentucky town that is just four blocks long.

His one hobby, aside from politics, is horseback riding. Last year, he sheepishly appeared in the House with his arm in a sling. He had broken it in a tumble from a horse.

POSTAL LIFE: A NEW PUBLICATION FOR CAREER POSTAL EMPLOYEES

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I would like to bring the attention of the Members to the fine job the Post Office Department has been doing with its new publication for career postal employees.

Postal Life, as the new magazine is called, is earning an appreciative following among the 610,000 dedicated workers who are responsible for the movement of more than 200 million pieces of mail per day.

In an army of employees as large as that in a postal system as widespread as ours, it is vitally important that there be a communications system capable of reaching all postal employees, regardless of job or level.

A magazine like Postal Life serves to counteract the sense of vastness and impersonal relations which can be overwhelming in an operation the size of the postal service. Employees need a feeling of direction and identity, and Postal Life represents a much-needed personal touch.

It brings the employee firsthand information on happenings and policies that affect his career and the mail service of the United States. It acts as a necessary liaison between Washington and postal employees throughout the Nation.

The best evidence of Postal Life's success is the mail the magazine has been receiving.

Mr. Speaker, under permission granted, I insert at this point in the RECORD a letter to the Postmaster General from Mrs. Mary J. Blanchard, of South Bend, Ind., who is a postal employee from my home district, commenting on Postal Life:

SOUTH BEND, IND.

Mr. LAWRENCE F. O'BRIEN,
Postmaster General,
Washington, D.C.:

I very much appreciated and enjoyed the new magazine, Postal Life.

It seems to me to be a step in the right direction which will inform the employees that something is being done to put the service in step with the rapid increase of the volume of mail.

It was most interesting to me to learn that schools will be conducted to properly train people using the new equipment, for I feel that in this particular field, probably due to the lack of funds, that many areas have been sadly lacking in sufficient training. In particular, the window clerks are put on the windows with the minimum of training and that, to me, seems one area of great importance, for they are the "Face and voice" of the postal service. There are few individuals who ever have contact with any postal clerk other than the mailman or the window clerk.

Your magazine was refreshing, for it revealed insights into the Postal system without having to mull through pages of gripes about wages, hours and so forth. These are things which people knew when they accepted the postal appointment but because (as a whole) they were not qualified for any specific skill, they were glad to accept and be trained at government expense. The other publications consist primarily of this.

Thank you again for the magazine. I shall look forward to receiving the next issue.

MRS. MARY J. BLANCHARD.

ADDRESS OF HON. COVEY T. OLIVER, ASSISTANT SECRETARY OF STATE FOR INTER-AMERICAN AFFAIRS, AT THE LATIN AMERICAN FORUM, GEORGETOWN UNIVERSITY, NOVEMBER 14, 1967

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. SELDEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. SELDEN. Mr. Speaker, on Tuesday night of this week November 14, 1967, Assistant Secretary of State for Inter-American Affairs Covey T. Oliver addressed the Latin American Forum at Georgetown University here in Washington. Secretary Oliver outlined recent developments in six categories of the "action program" agreed to at the summit meeting of American Presidents at Punta del Este, Uruguay, in April.

Since there has been considerable discussion lately concerning what some prefer to call an "arms race" among certain Latin American nations, I think that Secretary Oliver's remarks in this connection need to be emphasized. As the Secretary pointed out, Latin American military expenditures in relation to their gross national products are lower than almost any other area of the world.

Mr. Speaker, the text of Secretary Oliver's speech follows:

THE ALLIANCE MOVES ON—A REPORT ON DEVELOPMENT SINCE THE SUMMIT MEETING

(Address by Covey T. Oliver, Assistant Secretary of State for Inter-American Affairs and U.S. Coordinator, Alliance for Progress, at the Latin American Forum, Georgetown University, Washington, D.C., November 14, 1967)

I am pleased to have this opportunity to be with you here tonight to talk about Latin America.

At the outset, I wish to pay tribute to Georgetown University and to the organizers of this Latin American Forum. There is a great need for this kind of intellectual investigation and interchange of opinion concerning inter-American relations. It is indeed a vast and complex subject which does not lend itself to simplistic statements or curbstone judgments.

The kaleidoscope of recent headlines on Latin America is to the average North American reader perhaps more confusing than illuminating. Is there really some kind of "arms race" going on? Does the death of Che Guevara mean that the problem of subversion is diminishing or growing? How much do Congressional cuts in the foreign aid bill damage prospects for the Alliance for Progress? Just what *is* United States policy towards Latin America?

These are fair questions; there has been a good deal of comment, criticism and debate in the past weeks on these general topics. Tonight I should like to outline for you my views as to the facts and considerations behind many of these questions. Let us review activities in the home hemisphere since the Summit Meeting of American Presidents in April.

Let us start with a definitive policy statement: the keystone of United States policy in Latin America is the Alliance for Progress. We are completely committed to this "vast effort to bring a better life to all the peoples of the Continent," as described in the Charter of Punta del Este. Our policy is directed toward assisting our neighbors to achieve self-sustained economic growth and better income distribution as soon as possible. We wish to see them economically strong, socially progressive and politically independent not only because of our clear desire to be "good neighbors"—but also because it is in our own national interest.

Now, there will be some who will consider what I have just said as so much rhetoric, merely noble words of idealism. So be it. We of this hemisphere who work with optimism and energy to achieve the goals of the Alliance for Progress should never be ashamed of being idealistic, for history has shown that idealism is essential to the attainment of great goals. The objectives of the Alliance do indeed represent a shining ideal—an ideal worthy of dedication of governments and millions of individuals who can both contribute and benefit.

Thus these objectives are the ideal, the genuine desire giving direction to our foreign policy. Shifting our focus from the mountain peak to the rocky and always uphill trail we must traverse, we ask ourselves: how has the hemisphere been doing under the Alliance, in terms of real progress and human welfare?

First, a general answer, then analysis: I conclude that while progress has certainly not been adequate to satisfy the tremendous needs of the people, it has been sufficient to assure the hemisphere that we are on the right track. Events have proved that those who advocate violence, chaos and foreign domination are simply not with it; they are old-fashioned and out of touch. There is growing confidence that though today's problems seem sometimes insurmountable, the Alliance for Progress goals *can* be reached through the peaceful revolution that is now underway.

As I have said elsewhere, it seems to me that historians of the future will divide the Alliance into three main phases.

Phase I, the first years, was a time for organization, for agreement on the nature of the problems, for stabilization and for mobilization of forces. It was a time for grappling with major economic problems—such as rampant inflation, balance-of-payment difficulties and other distortions that made social and economic growth almost impossible. These problems have not disappeared today, but Latin America has learned how to deal with them more effectively

Phase II of the Alliance began with a turning point in inter-American history: the Summit meeting of the Presidents of America in Punta del Este. There the Presidents clearly outlined the course to be followed in the next "decade of urgency" and beyond, into Phase III, when many of the Alliance goals will have been met. Today, in this second phase, the emphasis will be on human needs and hopes, on institution-building, and modernization.

The "Action Program" of the Presidents called for activities under six specific chapters. Let us consider what has developed since the Summit in each of these categories.

Chapter I dealt with Latin American Economic Integration and Industrial Development, with a view to creating a Latin American Common Market starting in 1970 and having this common market "substantially in operation" by 1985. They have made a good start along this long and necessarily difficult route. The Latin American Free Trade Association and the Central American Common Market have met to begin the process of merging the two blocks eventually into a group embracing all of Latin America. Within LAFTA, there has been wide acceptance of the concept of automatic tariff cuts and other measures for intra-regional trade liberalization. There have been, not surprisingly, problems to work out: one is the crucial question of differing preferential treatment for the least-developed and for the medium-sized countries. LAFTA officials are presently working to resolve the differences, in preparation for another meeting on this subject early next year.

Meanwhile, the Andean countries—Chile, Colombia, Peru, Ecuador, and Venezuela—are establishing a temporary, sub-regional trade area to allow them to integrate more quickly, and the Commonwealth Caribbean is studying a similar move.

Economic integration, then is moving—still slowly, but with enough progress to provide encouragement that this Presidential directive will be carried out on schedule.

Let me underline the fact that we are talking about a *Latin American* Common Market, which is a Latin American initiative being carried out by Latin American leaders. The United States role is one of offering firm support for this Latin American undertaking. This support is expected later to be in the form of helping to finance some of the economic adjustments that will surely have to be made once the Common Market goes into operation; studies are now being conducted regarding these financial implications.

I cannot leave this subject without mentioning what I consider to be the single most important development since the Summit meeting. I refer to the new, dynamic Latin American leadership now largely determining the course of the Alliance for Progress. The Latin Americans were the major participants in creating the Action Program at Punta del Este, and they with just pride regard it as their own. Economic and political leaders of individual nations, as well as the directors of multilateral agencies in inter-American affairs, are taking imaginative, effective action. In these new and enlightened leaders we see symbols of the Alliance for Progress, the success of which, after all, will depend mostly upon what Latin Americans do for Latin America, rather than upon the relatively minor assistance that comes from outside sources.

Chapter II of the Action Program called for multi-national action in laying the physical foundations for economic integration through infrastructure projects. Within the vast expanse of the area there is great need to improve the movement of persons and goods and information; efficient telecommunications systems and interconnecting power systems are necessary. Nations jointly must develop international watersheds of frontier regions.

Much of this multinational action will be through sponsorship of the Inter-American Development Bank. A good beginning has been made. With pledges of an additional $1.2 billion, the IDB will substantially increase its funding of such multinational projects over the next three years. In this regard, the Congress a few weeks ago responded to President Johnson's request that U.S. support to the IDB be increased from $250 to $300 million annually, for three years.

Of particular significance has been the activity in the Bank's Preinvestment Fund for Latin American Integration in getting feasibility studies underway of projects which will accelerate multinational development. Areas in which the Fund is operating are transportation and telecommunications, as well as the River Plate Basin plan which would involve the five countries bordering that river and its tributaries.

The third in the Presidents' six items for action is entitled "measures to improve international trade conditions in Latin America." This, of course, is an area of great significance to Latin America, where all too often nations are largely dependent for export earnings upon a single product which in turn may be subject to serious price fluctuations in the world market. With the general trend showing lower prices for agricultural products exported by developing countries, plus higher prices for the finished goods they have to import, we can readily understand why many Latin Americans are deeply concerned about their "terms of trade."

We have made some progress in this difficult matter since last April. As directed by the Presidents, an inter-American Export Promotion Center is being established through CIAP, the Inter-American Committee for the Alliance for Progress, under the chairmanship of Dr. Carlos Sanz de Santamaria. An *ad hoc* committee of banana-producing countries is being convened to develop a joint approach to the European Economic Community on eliminating the EEC trade restrictions on bananas. After years of difficult negotiation, agreement was reached in October among major cocoa producers and consumers, towards international stabilization of cocoa prices.

World variations in coffee prices have created serious economic problems over the years, and the International Coffee Agreement has provided some much-needed stability since it went into effect in 1963. This agreement is now being renegotiated. At the August meeting in London of the Coffee Council, tentative agreement was reached on recommended revisions of basic export quotas, the most important issue for producing countries. Progress was also made on enforcement procedures. A final vote on these and other matters is expected at the November 20 meeting of the Coffee Council. Meanwhile, the United States and Brazil are working towards solution of a bilateral problem concerning Brazilian soluble coffee exports to this country.

Study of the matter of trade preferences for Latin America was recommended by the Presidents. Solutions here are not easy to achieve. We in the United States understand the strong views of developing countries regarding the importance of trade and we agree that some form of preference should be given to their products. We do not think, however, that the answer to their trade problems lies in the proliferation of the type of preferential arrangement now in effect in some areas which discriminates among developing countries.

Since the Summit, we have been working closely with the principal countries of Western Europe to develop the broad outline of a temporary, generalized system of preferences to be granted to all developing countries by the industrialized world. The Organization for Economic Cooperation and Development (OECD) Special Group on Trade with Developing Countries, consisting of representatives of the U.S., U.K., France and Germany, has agreed on a set of principles and guidelines which might form the basis for such a system.

In other words, the representatives found a consensus which could serve as the basis for a common position of OECD countries at UNCTAD–II next February. This consensus demonstrates two new and significant departures: (1) The United States is now willing to consider offering preferences, and (2) the Europeans are willing to consider a system of generalized preferences which would not discriminate against Latin American exports.

Chapter IV in the President's Action Program calls for modernization of rural life and increase of agricultural productivity, especially of food.

This is a long-range problem of great importance. For in addition to today's urgent need to create better living and working conditions for farm people—some 54 per cent of the entire Latin American population—we must face the fact that having enough to eat may be a stark problem for millions in Latin America in the years to come. Agricultural production simply is not keeping pace with population growth. And even today, many countries are having to use precious export earnings to import foodstuffs.

In the months elapsed since the Summit, we in the United States have been preparing to intensify our assistance in the agricultural area. More importantly, Latin American leaders themselves are giving new concentration to this requirement.

Significantly, CIAP at its recent meeting in Rio decided to take into account demographic factors in its future country reviews. This reflects a growing concern throughout the hemisphere regarding the food-population ratio.

Moving on to Chapter V of the Presidents' program: Education technological and scientific development, and intensification of health programs.

Two major initiatives within the framework of the Organization of American States are now underway in this field:

1) A group of truly distinguished scientists and educators from 12 OAS countries met in Washington in July. They agreed on a long-range program of multinational activities to be carried out by "centers of excellence" in Latin America. Their recommendations will be considered at a ministerial-level meeting of the OAS Inter-American Cultural Council in early 1968. (The U.S. member of this distinguished group is Dr. James R. Killian of MIT.) Thus, through the organized efforts of the inter-American scientific community, plans for a regional science program are taking shape.

2) Similarly, in Education and Culture, an inter-American educational development program is gradually being designed, under auspices of the OAS Inter-American Cultural council. It seeks to promote inter-American cooperation in this field.

Educational Television, with such great potential for teaching in all underdeveloped areas, has received a good deal of concentrated attention since the Presidents met. Experts have been conducting specific studies on opportunities in regional programs, and on the desirability of a multinational training center. Their recommendations will be presented to the OAS Cultural Council meeting in February.

These are a few of the current activities in this general field of education, which is indeed of very high priority in the development policy of Latin American nations. I wish we could take the time here to discuss in depth this question of current and future needs of education in Latin America.

Let me move on to the final item in the Action Program of the Presidents—one that has received a good deal of public attention recently: the elimination of unnecessary military expenditures.

The Latin American Presidents noted that the demands of economic development and social progress make it necessary to apply the maximum resources available in Latin America to these ends. They expressed their intention "to limit military expenditures in proportion to the actual demands of national security, in accordance with each country's constitutional provisions . . ."

Let me emphasize, in case there should be any confusion about U.S. policy in this question, that the United States firmly endorses the objectives of this statement. We do not wish to see our partners in the Alliance spend resources for unnecessary military equipment.

By "we" I mean both the Executive and Legislative branches of the United States Government. The Congress in the pending foreign aid legislation has directed the President to suspend financial assistance to those countries diverting their resources to unnecessary military expenditures and significantly sacrificing their economic and social development. This pending legislation underscores both the concern and the agreement on this subject which the Congress shares with the Executive Branch. At the risk of over-simplifying a complex issue, let me suggest these salient points to keep in mind:

(1) Latin American military expenditures in relation to their GNP are low—lower than any other area of the world except sub-Sahara Africa;

(2) Every independent State must, in the final analysis, determine whether its national requirements make necessary acquisition of specific types of military equipment, especially in view of the fact that Castro-inspired subversion, while now a diminished threat, does remain a threat;

(3) Thus we continue to believe that our Latin American neighbor governments will avoid "unnecessary" military expenditures. But we have indicated to certain countries that qualify that we would be prepared to permit the sale of modest military equipment consistent with their security needs;

(4) Consistent with the directives of the Presidents in Punta del Este, as well as the wishes of the U.S. Congress, the United States will of course continue to take into consideration a given country's economic situation, including military expenditures, in working out with that country bilateral assistance under the Alliance for Progress. Further we have been suggesting to our Latin American colleagues that CIAP, the Inter-American Committee of the Alliance, make this matter a regular part of the systematic CIAP country reviews;

(5) Initiatives are now underway in various Latin American countries to obtain broad agreement on arms limitations;

(6) All considered, while there are always differences of opinion on the extent of military modernization that may be necessary, neither we nor our Latin American colleagues see any arms race in the hemisphere.

These, then, might be considered the highlights of the post-Summit progress report to you—all too brief, simply because there is a great deal to talk about, and so little time. I should like to have discussed with you, for instance, plans and developments within the private sector, without whose broad benefits to Latin America the goals of the Alliance would be unreachable, out of the question.

Let me close by speaking to you on behalf of our friends in Latin America. For I know that many of these friends are worried—worried about us in the United States, about our attitudes, about what recent activities might mean in inter-American relationships. While our country is better reported to literate or listening Latin Americans than they are reported to us, nonetheless, it is difficult for our neighbors to appraise accurately the nature of our national problems as to Viet Nam and in our cities. They get an unclear picture, and it worries them. They examine proposals made to the Congress favoring protectionism and drastic cuts in our support to the Alliance for Progress—and they wonder just how much they can count on their friends in the North.

To be sure, some of their doubts may be due to their own lack of understanding of how the U.S. system of Government functions—the checks and balances, especially in the foreign policy field. Public declarations from many sources, carried to the corners of the hemisphere by the news services, might well leave many confused and even alarmed.

I must say that at this time I share the concern of many Americans regarding the potential damage to Alliance programs should the foreign aid bill be cut beyond the present approved authorization figure. Neither do I wish to minimize the psychological effect such a cut would have at this time, when Latin American leadership is reaching new heights of effectiveness, when the concept of self-help in local communities and in the area as a whole is producing important new gains for the Alliance. These very gains, however, give me a solid basis for believing that the American people in the long run will not let their neighbors down. I remain hopeful that the Congress will continue to be responsive to this opportunity by appropriating the full amount they have authorized for the Alliance for Progress.

Further, I do not believe that the much-publicized proposals for protectionist moves against imports will ever have success in the United States. Certainly, Latin America will be heartened by the firm determination of President Johnson, who recognizes that such protectionism would hit Latin America harder than many other areas, and has vowed that proposals of this kind shall not become law so long as he is President.

Meanwhile, as we are painfully aware, tonight while we wrestle with the burden of major hemispheric problems, there still remain too many in Latin America who are waiting for the Alliance to touch them in a more meaningful way. All of these efforts directed towards solution of problems outlined by the Presidents at Punta del Este must be translated into personal terms: a new opportunity, a saved child, a piece of land.

And so it shall be. We have but to believe that it can be done and to keep our ideals clearly in focus, as we set about doing what we can, with determination, step by step, day after day.

VETERANS' PENSIONS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Tunney] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. TUNNEY. Mr. Speaker, I am introducing two bills today which I believe to be of great importance to our veterans and servicemen and I hope that early action is taken by the Congress on these measures.

The first would restore non-service-connected veterans' pensions which have been reduced or eliminated because of the receipt of increased social security benefits. When social security benefits have been approved, the Congress must insure that veterans and their dependents, now living on pensions, are not injured by a reduction in their pension.

The second would increase group life insurance for our servicemen from $10,000 to $30,000. The present maximum limits of $10,000 has been in existence since 1917. This is unrealistic today and should be increased. This bill would provide an automatic issuance of $15,000 in insurance to each serviceman regardless of rank. He would then be allowed to purchase coverage in increments of $5,000 up to a maximum of $30,000. The passage of this measure would be especially beneficial to our servicemen in Vietnam.

MODEL CITIES

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. Barrett] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BARRETT. Mr. Speaker, I would like to commend Secretary Robert C. Weaver for his excellent remarks in announcing the model cities selections. He explained the extreme difficulty in making a selection from among the 193 applications received by the Department of Housing and Urban Development.

Clearly and concisely he documented the time-consuming process of reviewing these applications which included an interagency review committee composed of representatives from the Department of Health, Education, and Welfare; Labor; Agriculture; Commerce; and Justice; and the Office of Economic Opportunity.

Their mission was clear: To select those neighborhoods, all across the country, where the concentration and coordination of federally assisted programs could have the maximum impact in solving urban problems. And he spelled out the criteria by which they were guided:

Scope of the analysis of the problems involved.

Innovative approaches.

Capacity to carry out the program.

Commitment of city government and private groups.

Geography and population.

Also, Secretary Weaver expressed his hope that many of the cities that applied for the first round, and were not selected for planning funds, would join other localities in applying for the second round. He offered the services of the Department to those cities which were unsuccessful to help them develop their applications for the second round.

Mr. Speaker, I found Dr. Weaver's remarks one of the fairest explanations ever to come from a Government official in announcing grant recipients. But, as might be expected, there are some who, dissatisfied with the results, allege that the selections were nothing more than political decisions.

Particularly noteworthy was the charge that since only nine of the sixty-three cities were in Republican Congressional Districts, the question must be raised as to whether merit was a total factor in this selection. For those who so freely employ this statistic, I say—look at the entire list, analyze it, and then you will not so readily charge political favoritism:

Only four States had four cities selected—New York, Massachusetts, Pennsylvania, and Texas. Of these four, three have Republican Governors.

Cities represented by influencial Members of both Houses of the Congress were often unsuccessful. Some were selected, others were not.

Both Cleveland, Ohio, and Los Angeles, Calif., are well represented by ranking Democrats and both have Democratic mayors but their applications failed to meet the program criteria.

And the list could continue. However, I believe that those without prejudice, can easily determine that model cities selections were not made on the basis of political circumstances. I commend Secretary Weaver and his Department for this fair and equitable treatment.

And I hope that none, in disappointment, will lay the blame on political decisions. The record simply does not support such an allegation.

So that my colleagues might read Secretary Weaver's excellent explanation of this selection process, I include the full text of his remarks in the Congressional Record:

Statement by Secretary Robert C. Weaver, U.S. Department of Housing and Urban Development, Announcing the First Model Cities Planning Grants, Washington, D.C.

This is a tremendously significant day for the people of America.

I ask you to come here this morning to announce the list of cities selected to receive the first round of planning grants under the Model Cities program.

I don't think I ever recall, during my years in government, an event in the field of urban affairs which has generated so much interest, so much anticipation—and so much healthy involvement and competition, and so much promise for the future of our cities.

There were 193 applications filed for these planning grants. They came from communities of all sizes in all parts of the country. They came from communities with a wide diversity of problems. They came from communities determined and willing to do something about those problems.

Two factors emerged from these applications:

First, they comprise a searching and detailed pathology of the urban ills of America.

And, secondly, they brought forth greater ingenuity and imagination for the solution of those urban ills than ever had been seen before.

In the process, the self analysis and exchange of information and stimulation of thinking that took place in these communities has had an impact that will be of lasting benefit to us all.

Making a selection from among the 193 applications received by HUD was an extremely difficult and time consuming task.

The applications were reviewed not only by HUD, which is responsible for administering this program, but by an interagency review committee composed of representatives of the Department of Health, Education and Welfare; Labor; Agriculture; Commerce; and Justice; and the Office of Economic Opportunity. It, like the Model Cities Program itself, was truly an Administration-wide effort, cutting across the activities of many departments and agencies.

The purpose was clear: To select those neighborhoods, all across the country, where the concentration and coordination of Federally-assisted programs could have the maximum impact in solving urban problems.

The criteria by which the applications were judged were:

Scope of the analysis of the problems involved.

Innovative approaches.

Capacity to carry out the program.

Commitment of city government and private groups.

Geography and population.

The cities which were chosen—and, of course, the responsibility for the selection is mine—will share in the $11 million in planning funds which Congress has appropriated for the first round of applications. If they successfully complete the planning process, they will share also in the $300 million which Congress has just appropriated for supplemental grants and extra urban renewal funds expressly earmarked for Model Cities. Unfortunately, they will not be able to share in an additional $350 million which President Johnson had requested for this program—but which Congress did not appropriate.

There is, however, another $12 million in planning funds which has been appropriated for a second round of applications. We will soon be inviting applications for this second round.

It is our hope that many of the cities that applied for the first round, and were not selected for planning funds, will join other localities in applying for the second round. And we intend to work closely with those cities which were unsuccessful in helping them develop their appliciations.

Before giving you the list of cities, however let me emphasize one more thing just as clearly as I can.

This program is part of the great vision which President Johnson has had for the future of the American city and those who live there. It is part of a dream—or, if you will, a conviction—that this country has the energy and the resources and the will to build decent communities where Americans can live in comfort and in dignity.

The pathway leading up to this announcement today has been a long one, and has involved the efforts of many people, but none more than the President himself.

Long ago—even before the creation of the Department of Housing and Urban Development—he set up a task force charged with finding new approaches to building a decent urban life in America. Two of the men who were on that task force now serve with me in this department—Under Secretary Robert Wood and Assistant Secretary Charles Haar.

One of the ideas they and the other distinguished Americans associated with them proposed, and which President Johnson made part of his program, is what has become the Model Cities program.

The President fought against tremendous odds to win the authority for this program from Congress and against even greater odds to win the funds for it.

The funds Congress finally made available were far short of what he asked and what is needed. But they were short because there were some who sit in Congress who could not or would not see what this program meant to the people of this country.

It is my hope that as the cities we announce today move ahead in their planning and as more and more of those who live in these communities become involved, that perhaps the members of Congress will understand this program a little better and appreciate it a little more. Perhaps if they do, the story on next year's appropriations will be different.

For the Model Cities program to succeed, there must be full involvement of the skills, commitment, and resources of Federal, state, county, and city governments with neighborhood residents, private enterprise, organized labor, and community agencies and organizations of all types.

The neighborhoods that have been selected for the first round of the program represent every section of the country. They are in communities of all sizes. They have an incredible diversity and complexity of problems. They represent the hard core both of need and of opportunity in meeting our urban problems. They are on the cutting edge of American life. For in them we shall start now to transform blight and decay into health and hope.

In the target areas there are one million families, or over four million people. Nearly a third of the families have incomes of less than $3,000 a year, and the vast majority earn less than the median income level in the locality. A fourth live in substandard housing, and many more are overcrowded in deteriorating buildings. Unemployment is double the national level and there is substantial under-employment. A third of the adults have less than an eighth-grade education. The infant mortality rate is double that for the nation as a whole.

These figures reflect some of the major social, economic, and physical ills which will be the concern of the Model Cities program. It is designed to develop and carry out a comprehensive, coordinated attack to deal with the human and physical needs of the target areas. Its purpose is not to patch up the community but to uncover and deal with the root causes of its deficiencies.

And herein lies the true significance of the Model Cities and the reason the program has been so identified. Not only is it a more concentrated and fundamental approach to the basic problems of our cities than has ever before been undertaken. But out of it should come models for dealing with these problems throughout urban America.

Our task now is to work closely with the cities on the specifics of their proposals in order that effective programs can be launched in each of the neighborhoods. This will be given top priority and all of the other Departments and agencies concerned with urban problems will join with us as partners in this effort.

As soon as I have finished reading the names of the cities, printed lists will be available at either side of the room, and data sheets on each of the communities will be available on tables in the corridor outside.

I know that some of you want to get the word back to your offices as soon as possible, so we will interrupt the proceedings for about five minutes so those who need to do so can leave. Then we will reconvene to answer your questions. With me to help in that are Under Secretary Wood, Assistant Secretary H. Ralph Taylor who is responsible for the administration of the Model Cities program, and the Director of the Model Cities Administration, Walter G. Farr.

One last word:

President Johnson during recent conversations with President Diaz Ordaz of Mexico discussed the possibilities of a joint program for rehabilitating an urban area that stretches across the borders of the two countries.

As a first step in implementing this proposal the Department of Housing and Urban Development is initiating conversations with Mayor J. C. Martin of Laredo, Texas, in an effort to assist him in qualifying the city for a Model Cities planning grant. It is hoped the authorities in Mexico will concurrently take action to initiate similar planning in Nuevo Laredo.

Cities Selected for Model City Planning Grants

(City populations based on 1965 estimates)

Alabama: Huntsville (127,000).
Arkansas: Texarkana (21,000).
California: Fresno (156,000), Oakland (378,000), Richmond (83,000).
Colorado: Denver (520,000), Trinidad (10,000).
Connecticut: Bridgeport (156,000), Hartford (158,000), New Haven (151,000).
District of Columbia: Washington, D.C. (802,000).
Florida: Dade County (1,064,000), Tampa (305,000).
Georgia: Atlanta (535,000), Gainesville (18,000).
Hawaii: Honolulu (611,000).
Illinois: Chicago (3,520,000), East St. Louis (82,000).
Indiana: Gary (179,000).
Iowa: Des Moines (216,000).
Kentucky: Pikesville (5,000).
Maine: Portland (72,000).
Maryland: Baltimore (925,000).
Massachusetts: Boston (616,000), Cambridge (104,000), Lowell (87,000), Springfield (166,000).
Michigan: Detroit (1,660,000), Highland Park (36,000).
Minnesota: Duluth (104,000), Minneapolis (465,000).
Missouri: Kansas City (530,000), St. Louis (710,000).
New Hampshire: Manchester (90,000).
New Jersey: Hoboken (47,000), Newark (395,000), Trenton (107,000).
New Mexico: Albuquerque (242,000).
New York: Buffalo (505,000), Central and East Harlem, New York City, South Bronx, New York City, Central Brooklyn, New York City, (8,080,000), Poughkeepsie (37,000), Rochester (305,000).
North Carolina: Charlotte (230,000).
Ohio: Columbus (540,000), Dayton (260,000), Toledo (354,000).
Oklahoma: Tulsa (280,000).
Oregon: Portland (380,000).
Pennsylavnia: Philadelphia (2,030,000), Pittsburgh (560,000), Reading-Berks County (95,000), Wilkes Barre (59,000).
Puerto Rico: San Juan (580,000).
Rhode Island: Providence (190,000).
Tennessee: Nashville-Davidson County (261,000), Smithville-DeKalb County (11,000).
Texas: Eagle Pass (14,000), San Antonio (645,000), Texarkana (32,000), Waco (105,000).
Vermont: Winooski (8,000).
Virginia: Norfolk (322,000).
Washington: Seattle (565,000).

WHO'S BANKRUPT?

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Patten] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. PATTEN. Mr. Speaker, my colleague, Gerald Ford, is quoted as saying today "A man about to go into bankruptcy"—in commenting on President Johnson's news conference.

I know the personal and corporate income of this country is reaching a new high with all predictions that our GNP will top $850 billion in 1968. The American people have more jobs than ever in history. Our economy is strong.

President Johnson has led us in the finest domestic program in the history of our country, especially in Education, Health, and Welfare.

The Wall Street Journal today states home building is 76 percent ahead of last year's pace; auto production slated to climb 34 percent this week.

At this point I would like to insert in the Record an article by Joseph W. Sullivan, entitled "House GOP Activism Takes a Drubbing."

President Johnson is for America and for the people. The article follows:

House GOP "Activism" Takes a Drubbing

(By Joseph W. Sullivan)

Washington.—House Republican resolve to accentuate the positive has just about dissolved.

Whatever else it was, this week's floor skirmish over the "war on poverty" was a debacle for the self-styled GOP activists bent on tarnishing Johnson Administration programs by pushing contrasting, positive, proposals of their own.

Far from fracturing the Johnson poverty war, the antipoverty overhaul so arduously crafted by Republican Albert Quie of Minnesota and Charles Goodell of New York was itself demolished on the floor. And the demolition crew was by no means solely Democratic, although the remarkably unified assaults of Northern Democratic liberals and conservative Dixiecrats was assuredly a factor. Rather, most of the disintegration took place within the GOP's own ranks as a bevy of party factions, for a bevy of reasons, found fault with the one concrete design that architects Quie and Goodell managed to erect.

When the hour came Wednesday night to offer what they'd dubbed the GOP's "opportunity crusade" as a substitute for the Johnson "war on poverty," there was so much dissidence within the party that the entire design was scrapped. Instead, Minority Leader Gerald Ford cast his lot for the oldest of old shoe GOP legislative tactics: A hobnailed motion to whack $460 million from the $2.06 billion sought by the Administration to maintain the program unaltered.

ECONOMY BANNER

The motion carried handily, as the House GOP's predominant conservative wing and most Dixie Democrats once again coalesced behind the same economy banner that's enabled them to repulse or curtail hundreds of domestic spending schemes over the past three decades. But the motion's victory only adds force to the crushing defeat of the Quie-Goodell doctrine, which holds that any such negative strikes at Democratic programs must be coupled with a GOP presentation of alternatives. Ironically, as well, it marks abandonment of that doctrine, in the crunch by Minority Leader Ford, whose elevation to that post in 1965 was primarily the product of a campaign to put a more positive face on the party, a campaign in which Messrs. Quie and Goodell were two of the ring leaders.

"We lost," was all that the usually voluble Mr. Goodell chose to say under the sting of Wednesday night's reproof. His very taciturnity conveyed despair about the prospects, if not self-doubt about the wisdom, of the entire positive approach. Earlier this year he and Mr. Quie took a similar hiding when they tried to convert the Administration's many Federally directed aid programs for elementary and secondary schools into a single "block grant" plan allowing each state to set its own aid-use priorities.

After two set-downs on the two big issues that the GOP has attempted to raise in the House this year, further Quie-Goodell attempts at positivism figure to come haltingly if at all. And for the bulk of their party colleagues the moral is now clearly drawn: That espousing new or alternative programs courts trouble, that it's safer just to oppose unpalatable Administration programs outright or go along with those that can be swallowed.

The reversion is a product of a melange of external pressures on the GOP lawmakers and internal irritants among them. Though interrelated, they can be sorted under three major headings.

Probably the prime factor is the superior resources available to the party in control of the Federal Executive establishment for communicating its side of an issue, through the press and to affected interest groups, and for mobilizing grass roots support. A President can, almost inherently, command more attention for his denunciation than the minority party in Congress can for its proposals. The GOP's school aid plan, for example, received almost no press attention until Mr. Johnson began denouncing it as a dire threat to present assistance mechanisms. With program managers or aid recipients spread among hundreds of communities, moreover, such established ventures as school aid and the war on poverty are assured a cadre of boosters in every Congressional district in the land. Like human beings generally, they're inclined more toward the known functions of a familiar program than to an unknown. Republican design, especially when the Washington minions with whom they deal are portraying the GOP design as catastrophic.

Thus, in the case of both their school aid and antipoverty alternatives, Messrs. Quie and Goodell were outflanked on the propaganda front. Not only did their attempts to paint a favorable contrast to Administration programs fail to get much public notice, they weren't even able to combat all the abuse the Administration forces heaped upon them. And, as a result of this nationwide "communications gap," nearly every Republican in the House was subjected to a pummeling.

For example, in a Wednesday editorial that showed no awareness of the GOP "opportunity crusade" alternative, the Republican-inclined Detroit Free Press blasted Mr. Ford as a "blockhead" for failing to back extension of the existing program. The editorial sent quivers through all 12 Michigan Republicans in the House, according to one of them. Nor were they, or other big-state GOP delegations, immune to the appeals for as-is backing of the poverty war that came from more than a score of major companies, many of them holding contracts for the operation of job corps training centers and other antipoverty activities. According to House Democratic tacticians, the Administration enrolled the Washington representatives of 23 big companies to lobby for the program.

The prime internal factor leading to party burial of the Quie-Goodell push is what one liberal Republican has dubbed the "game" psychology that takes hold of the GOP during House floor fights. After invariably getting kicked around by the Democrats during the skirmishing that precedes decisive, record-vote decisions, according to the game theory, Republicans start itching for some kind of a victory. And in their gusto of the moment to clobber the Democrats on a floor vote, many appear to let ideology, long-range issue development and all other considerations give way to the fashioning of a motion that's tailored solely to win.

That's what happened Wednesday night, after three stormy days in which the Democratic Party's Northern and Southern wings had rebuffed every component of the Quie-Goodell "reform" package as they were offered in preliminary, piecemeal fashion.

Among them: Initiation of an Industry Youth Corps for routing unskilled school dropouts into private industry jobs through temporary Federal subsidization of their wages; "phasing over" the far-flung grid of job corps camps into a system of "residential skill centers" that would also lift problem youths out of bad home environments but would keep them in the urban community to which they ultimately must adjust; consolidating project Head Start for disadvantaged pre-school children with other Federal school aid programs in the Office of Education, and, most integral of all, providing a bigger guaranteed voice for the impoverished in shaping "community action" projects, along with continued independence for the private, nonprofit corporations that run these ventures in many localities.

LURE TO DIXIECRATS

The legislation's Northern Democrats managers had found the key to Southern help by providing for the transfer to elected city officials of control over all community action funds and personnel. The clear appeal of such a transfer: Elimination of the threat that Washington might fund some private group too zealous in its pursuit of Negro equality, or too hostile toward white community mores. The lure to Dixiecrats of this city hall hegemony transcended even their yearnings for Federal frugality; any GOP package proposal that coupled spending cuts with restoration of autonomy for community action groups would have failed to attract the Dixie backing needed to win the floor game.

"If all our great floor fighters could see beyond the end of the legislative day, it might have occurred to them that it would have done a lot more for the party to lose with our reform package than to win a naked spending cut," gripes one disaffected party liberal. "As a 1968 campaign issue, a record vote on the package plan would have provided ammunition to use against Democrats of every stripe. In urban liberal districts we could knock them for voting down our effort to keep the program out of the clutches of big city political bosses. In the South, we could hit them for failing to support the spending cut. And nearly everywhere, I think, we've got the best side of the issue when we say the program needs general overhaul."

Within the party, however, this is a minority view, weighing the Quie-Goodell plan's worth not in terms of Congressional districts already held by the GOP but in terms of those the party needs to capture to gain control of the House. The third big reason why positivism is on the skids within the party in the House is that not many lawmakers do their thinking in these terms. Although most pay lip service to the need for staking out positions that will enhance the party cause, a tough vote invariably leaves them urging an overall party position that enhances their personal positions with the homefolk.

For a dominant number of Republicans already in Congress—especially senior ones—"homefolks" is the suburbs and outcountry areas of the Middle West, so theirs is the prevalent viewpoint. And in the small towns of the Middle West, the Quie-Goodell concept of community action autonomy not only isn't a vote-getter, it might well be a vote-loser against a Democratic opponent championing city hall control of the poverty war to keep out radicals.

ANDERSON INDEPENDENT BLASTS REPUBLICAN GOVERNORS ON VIETNAM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. Pepper] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. PEPPER. Mr. Speaker, the Anderson, S.C., Independent has bluntly stated what many of us have suspected for some time—Republican Governors are making a political football out of the Vietnam war.

At the annual Governors Conference in 1966, the Republican Governors willingly placed themselves behind the effort of this Nation to stop Communist aggression.

But in 1967 their tune has changed. With a Presidential election year ahead they have refused to support our war effort. As the Independent stated:

> The purpose of these cynical maneuvers is obviously to keep the GOP's options open for next year's Presidential campaign.

They have sacrificed the national interest of the altar of political expediency. At a time when national unity is essential, the Republican Governors have added an element of disharmony to what should be a united front.

With their own party badly split over the war, with no constructive alternatives of their own, and with leading Republican Governors looking out more for personal than national interests, the Republican Party in 1968 expects to capitalize on the Vietnam war.

By refusing to follow the dictum of Senator Vandenberg—one of the most distinguished Republican advocates of a bipartisan foreign policy—that "politics stops at the water's edge" they will be justly repudiated by the voters on the very issue upon which they cynically hope to capitalize.

I include the editorial from the Anderson Independent in the Record:

GOP Hopefuls Playing War Politics but Can't Agree on Policy of Own

The Republican governors, who at the 1966 annual Governors Conference were willing enough and even eager to put themselves on record behind the American effort to thwart Communist aggression in Vietnam, blocked any Vietnam resolution at all at this year's annual get-together, which took place all at sea on a pleasure ship in the Caribbean.

South Carolina's Gov. Robert McNair said it was apparent political considerations caused the GOP contingent to block this year's resolution.

The resolution simply put the governors on record as supporting the U.S. war effort in Vietnam with emphasis on the men doing the fighting.

The resolution was not, as Gov. McNair noted, endorsement of the Johnson administration or was broad enough to serve as an umbrella over policies being followed.

Republican Chairman Harry Dent's charge that Gov. McNair was playing a role of "secret agent" for the President is too absurd to deserve comment.

Do the GOP governors have a Republican alternative of their own?

The fact of the matter is that they're split eight ways from Sunday on the issue.

California's Gov. Ronald Reagan thinks the Johnson administration isn't hawkish enough; New York's Gov. Nelson Rockefeller has edged a feather's distance toward the dove side; "Mr. Clean"—Gov. George Romney of Michigan—is still looking for a position to replace the one he held after his alleged "brainwashing" by administration personnel, including a fellow who now serves as his foreign policy advisor.

Ohio's Gov. James A. Rhodes alone desired to support a resolution backing the administration's policies, but he was outnumbered, or outshouted, by his Republican colleagues.

The purpose of these cynical maneuvers is obviously to keep the GOP's options open for next year's Presidential campaign.

Like the apocryphal editor who was asked where he stood on a controversial matter that had divided his town in twain, they haven't made up their minds, but when they do they'll be bitter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Tiernan (at the request of Mr. Joelson), for Friday, November 17, 1967, on account of official business.

Mr. Stuckey (at the request of Mr. Davis of Georgia), for Friday, November 17, 1967, on account of official business.

Mr. Rivers (at the request of Mr. Albert), for November 17 through November 27, on account of official business.

Mr. Whitener (at the request of Mr. Albert), for today, November 17, on account of official business.

Mr. Kee (at the request of Mr. Albert), for Friday, November 17, Monday, November 20, and Tuesday, November 21, on account of official business.

Mrs. Hansen of Washington, for November 17 through November 30, on account of official business in district.

Mr. Halleck (at the request of Mr. Gerald R. Ford), through November 22, on account of official business as an official representative to the NATO Parliamentarian Conference.

Mr. Findley (at the request of Mr. Gerald R. Ford), through November 27, on account of official business as U.S. delegate to NATO.

Mr. Chamberlain (at the request of Mr. Gerald R. Ford), through November 27, on account of official business as U.S. delegate to NATO.

Mr. Burke of Florida (at the request of Mr. Gerald R. Ford), for today, on account of official business.

Mr. Berry (at the request of Mr. Gerald R. Ford), through November 27, on account of official business as an official representative to the NATO Parliamentarian Conference.

Mr. Bates (at the request of Mr. Gerald R. Ford), through December 18, on account of official business as U.S. delegate to NATO and on official inspection trip to Vietnam.

Mr. Arends (at the request of Mr. Gerald R. Ford), through November 24, on account of official business as U.S. delegate to NATO.

Mrs. Reid of Illinois (at the request of Mr. Gerald R. Ford), for the balance of week, on account of illness in family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Cahill (at the request of Mr. Conable), for 1 hour, on November 21, 1967; and to revise and extend his remarks and include extraneous matter.

Mr. QUILLEN, for 5 minutes, today; to revise and extend his remarks and include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks was granted to:

Mr. TENZER.

(The following Members (at the request of Mr. CONABLE) and to include extraneous material:)

Mr. WINN.

Mr. KLEPPE.

Mr. MCCULLOCH.

(The following Members (at the request of Mr. MONTGOMERY) and to include extraneous matter:)

Mr. WOLFF.

Mr. MOORHEAD.

Mr. IRWIN.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 687. An act for the relief of Tin Shik Chin; to the Committee on the Judiciary.

S. 964. An act for the relief of Roberto Perdomo; to the Committee on the Judiciary.

S. 1040. An act for the relief of certain employees of the Department of the Navy; to the Committee on the Judiciary.

S. 1470. An act for the relief of the Ida group of mining claims in Josephine County, Oreg.; to the Committee on the Judiciary.

S. 1652. An act for the relief of Anastasia D. Mpatziani; to the Committee on the Judiciary.

S. 1664. An act for the relief of the city of El Dorado, Kans.; to the Committee on the Judiciary.

S. 1918. An act for the relief of Dr. Gabriel Gomez del Rio; to the Committee on the Judiciary.

S. 1925. An act for the relief of Dr. Ricardo Martinez Serrara; to the Committee on the Judiciary.

S. 2031. An act for the relief of certain employees at the Naval Air Test Center, U.S. Naval Air Station, Patuxent River, Md.; to the Committee on the Judiciary.

S. 2153. An act for the relief of Dr. Jose Rafael Montalvoy Urrutibeascoa; to the Committee on the Judiciary.

S. 2199. An act for the relief of Oscar Juan Enriquez-Santos; to the Committee on the Judiciary.

S. 2206. An act for the relief of Dr. Jorge Rolando Guerra-Reyes; to the Committee on the Judiciary.

S. 2264. An act for the relief of Chi Jen Feng; to the Committee on the Judiciary.

S. 2265. An act for the relief of Christopher Nicholas Rushton; to the Committee on the Judiciary.

S. 2301. An act for the relief of Dr. Francisco Guillermo Gomez-Inguanzo; to the Committee on the Judiciary.

S. 2381. An act for the relief of Dr. Jesus Adalberto Quevedo-Avila; to the Committee on the Judiciary.

S. 2382. An act for the relief of Dr. Jose R. Sanchez; to the Committee on the Judiciary.

S. 2384. An act for the relief of Jorge A. Marrero; to the Committee on the Judiciary.

S. 2386. An act for the relief of Dr. Luis F. Rodriguez Iznaga; to the Committee on the Judiciary.

S. 2468. An act for the relief of Dr. George S. Ioannides; to the Committee on the Judiciary.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 2. An act to amend titles 10, 32, and 37, United States Code, to strengthen the reserve components of the Armed Forces, and for other purposes;

H.R. 1963. An act for the relief of employees of General Services Administration;

H.R. 2517. An act to amend sections 64a, 238, 378, and 483 of the Bankruptcy Act and to repeal sections 354 and 459 of the act;

H.R. 2518. An act to amend sections 337 and 338 of the Bankruptcy Act and to add new section 339;

H.R. 2519. An act to amend sections 334, 355, 367, and 369 of the Bankruptcy Act;

H.R. 2834. An act to amend the act of June 10, 1938, relating to the participation of the United States in the International Criminal Police Organization;

H.R. 3403. An act for the relief of Harry LeRoy Jones;

H.R. 3727. An act for the relief of Elpidio Dimacali Damazo and Natividad Simsuangco Damazo;

H.R. 3799. An act for the relief of the city of Pawtucket, R.I.;

H.R. 6324. An act for the relief of John A. Danisch;

H.R. 7599. An act for the relief of Dr. Emanuel Marcus;

H.R. 8632. An act to amend sections 40c(1) and 52a of the Bankruptcy Act so as to reallocate part of the filing fee from the clerk's earnings to the Referees' Salary and Expense Fund; and

H.R. 7811. An act for the relief of Richard Alan White.

ADJOURNMENT

Mr. MONTGOMERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 32 minutes p.m.), under its previous order, the House adjourned until Monday, November 20, 1967, at 11 o'clock a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. PERKINS: Committee on Education and Labor. H.R. 11276. A bill to authorize appropriations to carry out the Adult Education Act of 1966 for 2 additional years; with amendment (Rept. No. 955). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. S. 1477. An act to amend section 301 of title III of the act of August 14, 1946, relating to the establishment by the Secretary of Agriculture of a national advisory committee, to provide for annual meetings of such committee (Rept. No. 956). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. H.R. 6437. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to permit advance payments to wheat producers (Rept. No. 967). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of New York: Committee on the Judiciary. H.R. 11542. A bill for the relief of the town of Bremen, Ind.; with amendment (Rept. No. 968). Referred to the Committee of the Whole House on the State of the Union.

Mr. MOORE: Committee on the Judiciary. H.R. 555. A bill to amend section 312 of the Immigration and Nationality Act to exempt certain additional persons from the requirements as to understanding the English language before their naturalization as citizens of the United States; with amendment (Rept. No. 969). Referred to the House Calendar.

Mr. MOSS: Committee on Interstate and Foreign Commerce. Report on world newsprint supply-demand outlook through 1969 (Rept. No. 970). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture. H.R. 13706. A bill to amend the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, and for other purposes (Rept. No. 971). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SMITH of New York: Committee on the Judiciary. H.R. 4961. A bill for the relief of Donald E. Crichton (Rept. No. 957). Referred to the Committee of the Whole House.

Mr. SMITH of New York: Committee on the Judiciary. H.R. 5854. A bill for the relief of Mrs. E. Juanita Collinson; with amendment (Rept. No. 958). Referred to the Committee of the Whole House.

Mr. ASHMORE: Committee on the Judiciary. H.R. 7909. A bill for the relief of Manufacturers Hanover Trust Co., of New York, N.Y.; with amendment (Rept. No. 959). Referred to the Committee of the Whole House.

Mr. SMITH of New York: Committee on the Judiciary. H.R. 8391. A bill for the relief of Adel Lessert Bellmard, Clement Lessert, Josephine Gonvil Pappan, Julie Gonvil Pappan, Pelagie Gonvil Franceour de Aubri, Victore Gonvil Pappan, Marie Gonvil, Lafleche Gonvil, Louis Laventure, Elizabeth Carbonau Vertifelle, Pierre Carbonau, Louis Joncas, Basil Joncas, James Joncas, Elizabeth Datcherute, Joseph Butler, William Rodger, Joseph Cote, four children of Cicili Compare and Joseph James, or the heirs of any who may be deceased; with amendment (Rept. No. 960). Referred to the Committee of the Whole House.

Mr. MESKILL: Committee on the Judiciary. H.R. 10050. A bill for the relief of Capt. Russell T. Randall; with amendment (Rept. No. 961). Referred to the Committee of the Whole House.

Mr. SMITH of New York: Committee on the Judiciary. H.R. 11166. A bill for the relief of Earl S. Haldeman, Jr. (Rept. No. 962). Referred to the Committee of the Whole House.

Mr. MESKILL: Committee on the Judiciary. H.R. 13373. A bill for the relief of Richard C. Mockler (Rept. No. 963). Referred to the Committee of the Whole House.

Mr. MESKILL: Committee on the Judiciary. H.R. 11959. A bill for the relief of Robert E. Nesbitt; with amendment (Rept. No. 964). Referred to the Committee of the Whole House.

Mr. EILBERG: Committee on the Judiciary. H.R. 2270. A bill for the relief of Lt. David Campbell; with amendment (Rept. No. 965). Referred to the Committee of the Whole House.

Mr. SMITH of New York: Committee on the Judiciary. H.R. 4058. A bill for the relief of the JE–IL Brick Co. (Rept. No. 966). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROTZMAN (for himself and Mr. KYL):

H.R. 14068. A bill to provide for orderly trade in textile articles; to the Committee on Ways and Means.

By Mr. GALLAGHER:

H.R. 14069. A bill to amend section 602 of title 38 of the United States Code to provide for certain veterans a presumption of service connection for mental disorders which develop within 5 years after separation from service; to the Committee on Veterans' Affairs.

By Mr. MINISH:

H.R. 14070. A bill to amend the Nurse Training Act of 1964 to provide for increased assistance to hospital diploma schools of nursing; to the Committee on Interstate and Foreign Commerce.

By Mr. WALDIE:

H.R. 14071. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. DIGGS:

H.R. 14072. A bill to provide for a Federal Athletic Commission to regulate organized sports when and to the extent that such regulation is in the public interest; to the Committee on Interstate and Foreign Commerce.

By Mr. EILBERG:

H.R. 14073. A bill to provide for the issuance of a special postage stamp to commemorate the 50th anniversary of the independence of the Baltic States (Estonia, Latvia, and Lithuania); to the Committee on Post Office and Civil Service.

By Mr. TAYLOR:

H.R. 14074. A bill to amend the act of September 9, 1963, authorizing the construction of an entrance road at Great Smoky Mountains National Park in the State of North Carolina, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TUNNEY:

H.R. 14075. A bill to amend title 38 of the United States Code to increase to $30,000 the maximum servicemen's group life insurance which may be provided members of the uniformed services on active duty, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 14076. A bill to restore non-service-connected veterans' pensions which have been reduced or eliminated because of the receipt of increased social security benefits; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois:

H.R. 14077. A bill for the relief of Domenico Lo Brano; to the Committee on the Judiciary.

H.R. 14078. A bill for the relief of Giuseppe Noto; to the Committee on the Judiciary.

By Mr. BATES:

H.R. 14079. A bill for the relief of Lts. (jg.) Herbert F. Swanson, John C. Markowicz, John T. Cox, George T. Ankrum, and Gerald E. Sheldon; to the Committee on the Judiciary.

By Mr. DIGGS:

H.R. 14080. A bill for the relief of Lts. (jg.) Herbert F. Swanson, John C. Markowicz, John T. Cox, George T. Ankrum, and Gerald E. Sheldon; to the Committee on the Judiciary.

By Mr. HELSTOSKI:

H.R. 14081. A bill for the relief of Salvatore Mazzola; to the Committee on the Judiciary.

By Mr. MORSE:

H.R. 14082. A bill for the relief of Filippo Butera; to the Committee on the Judiciary.

By Mr. OLSEN:

H.R. 14083 A bill for the relief of Shafiq S. Shaya; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 14084. A bill for the relief of Eustachio V. Favia; to the Committee on the Judiciary.

By Mr. SISK:

H.R. 14085. A bill for the relief of Eduardo Emilio Latour; to the Committee on the Judiciary.

By Mr. BOB WILSON:

H.R. 14086. A bill for the relief of Lts. (jg.) Herbert F. Swanson, John C. Markowicz, John T. Cox, George T. Ankrum, and Gerald E. Sheldon; to the Committee on the Judiciary.

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SENATE

FRIDAY, NOVEMBER 17, 1967

The Senate met at 10 a.m., and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

Before the toil of a new day opens before us, we lay before Thee the meditations of our hearts: may they be acceptable in Thy sight.

We are conscious as we bow at this altar of Thy grace that if we live a life of prayer Thou art present everywhere. Amid the duties of these demanding days, by the spiritual resources that are found in Thee alone, restore our jaded spirits.

We come in deep anxiety concerning the world the next generation will inherit from our hands.

Facing decisions freighted with destiny, unite our hearts and minds, we beseech Thee, in a mighty purpose that our Nation's strength, material and spiritual, be dedicated to throw open the gates of more abundant life for all mankind.

Lord, in this hour of tumult,
  Lord, in this night of fears,
Keep open, oh, keep open
  Our eyes, our hearts, our ears.

We ask it in the name which is above every name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, November 16, 1967, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER FOR ADJOURNMENT TO 10 A.M. TOMORROW—MODIFICATION OF ORDER

Mr. DIRKSEN. Mr. President, if the distinguished majority leader will yield, there has already been some inquiry—and there will be more today—as to whether or not there will be a Saturday session. I should like to ask the distinguished majority leader now.

Mr. MANSFIELD. Mr. President, I am delighted that the distinguished minority leader has raised that question.

I ask unanimous consent at this time that when the Senate completes its business this afternoon, it stand in adjournment until 10 o'clock tomorrow morning.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(Subsequently, this order was modified to provide for the Senate to adjourn from today until 10 a.m. on Monday, November 20, 1967.)

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 737.

The PRESIDENT pro tempore. Without objection, it is so ordered.

REFERENCE OF RELIEF BILL FOR N. M. BENTLEY PARTNERSHIP

The resolution (S. Res. 154) to refer the bill (S. 2224) entitled "A bill for the relief of N. M. Bentley, a partnership consisting of N. M. Bentley and George Markwalter," to the chief commissioner of the Court of Claims for a report thereon was considered and agreed to as follows:

S. RES. 154

Resolved, That the bill (S. 2224) entitled "A bill for the relief of N. M. Bentley, a partnership consisting of N. M. Bentley and George Markwalter", now pending in the Senate, together with all the accompanying papers, is hereby referred to the chief commissioner of the Court of Claims; and the chief commissioner of the Court of Claims shall proceed with the same in accordance with the provisions of sections 1492 and 2509 of title 28 of the United States Code, and report to the Senate, at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States and the amount, if any, legally or equitably due from the United States to the claimant.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 767), explaining the purposes of the resolution.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed resolution is to authorize the Chief Commissioner of the Court of Claims to proceed under the provisions of sections 1492 and 2509, of title 28, United States Code, and to report to the Senate at the earliest practicable date, giving such findings of fact and conclusions thereon as shall be sufficient to inform the Congress of the nature and character of the demand as a claim, legal or equitable, against the United States, and the amount, if any, legally or equitably, due from the United States to the claimants.

STATEMENT

The House of Representatives, in the 90th Congress, passed a bill, H.R. 1586, which would confer jurisdiction on the Court of Claims to consider and render judgment in this matter. Legislation in regard to this matter was introduced to both the 87th and 89th Congresses. In the 89th Congress the bill was identical to H.R. 1586 as received from the House. Previously, in the 87th Congress, H.R. 7823 was favorably reported to the House, with House Resolution 690 of that Congress, referring the matter to the U.S. Court of Claims as a congressional reference case.

For purposes of this claim the facts as contained in the House Report on H.R. 1586 are as follows:

"During the 87th Congress, this matter was the subject of a subcommittee hearing on June 13, 1962, at which time testimony was received from one of the claimants, Mr. George Markwalter, and a lawyer, appearing in his behalf, and by a representative of the Air Force. At that time, the committee concluded that the facts presented to the committee at the hearing and as outlined in the report of the Air Force on the bill indicated that this was a proper matter for reference to the Court of Claims under provisions of sections 1492 and 2509 of title 28 of the United States Code. The committee specifically found that questions of fact and law involved in the case are such that the scope of the court's inquiry under the provisions of those sections provide the best means of resolving the issues presented in connection with the claim.

"N. M. Bentley is a copartnership formed by N. M. Bentley and George Markwalter, doing business under the name and style of N. M. Bentley, of Macon, Ga. The copartnership entered into a contract with the United States numbered AF–09(603)-25991. The contract provided for exterior and interior painting of buildings at Robins Air Force Base, Ga., in an amount not to exceed $138,853.01. The bill H.R. 7823 relates to a claim for losses incurred in the performance of that contract during the years 1955–56. The claims are grounded on allegations that the losses were occasioned by errors and deficiencies in the specifications for the work covered by the contract by faulty testing of contract materials and resulted from and also by requiring the contractor to perform and repeat work in a manner actually outside the scope of the contract. It is also contended that all of these errors and faults were those of authorized agents of the United States, and the contractor was required to comply, because of the threat of contract termination on the grounds of default.

"In view of the previous consideration of this matter by the committee and the previous determination that this is a proper subject for judicial determination, it is only right that the committee confirm its prior conclusions by a recommendation that the bill H.R. 7823 be favorably considered. The congressional reference case could not be considered by the Court of Claims, because of a determination by the Supreme Court that that court could not render advisory opinions. However, the bill H.R. 7823 would cure the inability by making it possible for the Court of Claims to proceed to judgment. Accordingly it is recommended that the bill be considered favorably."

It will be noted that originally this bill was introduced and the House considered that a reference to the Court of Claims would be the proper way to handle the matter, but due to the decision in the case of *Glidden Co.* v. *Zdanok,* 370 U.S. 530, such reference could not be accomplished. This situation is set forth in the report of the Department of the Air Force of July 19, 1967, to Senator Eastland, chairman of the Committee on the Judiciary, U.S. Senate. Subsequent to the *Glidden* case, Congress enacted Public Law 89–681 which provided for congressional reference cases to be referred by either House or Senate to the Chief Commissioner of the Court of Claims for a report in conformity with section 2509, title 28. This law creates a new forum for reference cases by the Congress and that forum's report to the Congress on the question of legal or equitable liability.

Public Law 89–681 provided for the Chief Commissioner of the Court of Claims to accept reference cases as had previously been done by the Court of Claims. It is the conclusion of the committee that inasmuch as the new procedure has been provided this bill should be sent to the Chief Commissioner for his consideration and report to the Congress.

As is evidenced by the report of the Department of the Air Force, it would appear that factual and legal questions are controversial in this case and that the reference of the claim to the Chief Commissioner of the Court of Claims in Public Law 89–681 is appropriate. This is particularly true in view of the fact that such a reference was the conclusion reached by the Committee on the Judiciary of the House in the 87th Congress, but could not be accomplished under the *Glidden* case. The committee, therefore, recommends that the resolution, Senate Resolution 154, be considered favorably.

THE IKE IGNAC KLEIN CLAIM AGAINST THE GOVERNMENT OF HUNGARY

The bill (H.R. 3474) to require the Foreign Claims Settlement Commission to determine the amount and validity of the claim of Ike Ignac Klein against the Government of Hungary, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 770), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to waive applicable limitations and any prior determination so as to permit the receipt, consideration, and determination of the claim of Ike Ignac Klein by the Foreign Claims Settlement Commission in connection with Hungarian claims program. The bill further provides that any award made by the Commission will be paid by the Secretary of the Treasury from the war claims fund to the same extent as those made to other Hungarian claim awardees from the Hungarian claims fund. Any such award would be recertified to the Secretary of the Treasury pursuant to section 209(b) of title II of the War Claims Act of 1948, as amended.

STATEMENT

The facts of the case, as contained in House Report No. 417, are as follows:

"Mr. Ike Ignac Klein is a citizen of the United States who was born in New York City in 1893 and then taken as a child to Hungary. The difficulty in Mr. Klein's case was that prior to his return to the United States in 1964, he had on several occasions attempted to obtain an American passport and that on April 6, 1947, he was informed that he had lost his U.S. citizenship and was given a 'Certificate of the Loss of U.S. Nationality.' In order to claim under the claims program referred to in the bill, it was necessary for a claimant to establish that he was a national of the United States. On February 11, 1964, the Department of State reversed its prior holding that Mr. Klein had lost his U.S. nationality. In a hearing conducted on the bill on March 16, 1967, the subcommittee was advised that the initial ruling that Mr. Klein had lost his U.S. nationality was based on the fact that he was required to serve in the Austro-Hungarian Army during World War I. A reexamination of the actual circumstances of his military service led the Department of State to reverse its position. As has been noted, on February 11, 1964, that Department held that Mr. Klein had never lost his U.S. nationality and he was permitted to return to the United States. The problem in this case is that during the time when he might have claimed for his losses under the Hungarian claims program, Mr. Klein had been advised that he had no right to claim. When the Government modified its position, it was too late for him to file. Obviously, his only recourse in this situation was to appeal to the Congress for relief.

"The claim which is referred to in the bill is a claim for losses Mr. Klein suffered as a result of the damage or taking of his property in Hungary. Section 303 of title III of the International Claims Settlement Act of 1949, as amended, authorized the Foreign Claims Settlement Commission to receive and determine the validity and amounts of claims of nationals of the United States against the Government of Hungary arising out of the failure of Hungary to (1) restore or pay compensation for property of nationals of the United States as required by articles 26 and 27 of the treaty of peace with Hungary; (2) pay effective compensation for the nationalization or taking of property of nationals of the United States in Hungary; and (3) meet certain contractual obligations and other rights.

"Awards with respect to war damage claims under section 303, title III of the act, were payable out of money in the Hungarian claims fund, which consisted of proceeds of certain vested Hungarian assets in the United States.

"The filing period for claims under title III ended on September 30, 1956, and the program was completed on August 9, 1959, pursuant to statutory time limitations.

"No claim was filed by Ike Ignac Klein under title III of the International Claims Settlement At of 1949, as amended. As has been noted, Mr. Klein who was born in the United States in 1893, was a resident of Hungary from 1894 until 1964, at which time he was permitted to return to the United States as a citizen. It further appears that on several occasions Mr. Klein tried, unsuccessfully, to obtain an American passport and, on April 6, 1947, he received a 'Certificate of the Loss of U.S. Nationality.' On February 11, 1964, the Department of State reversed its prior holding in that it held that Mr. Klein had never lost his U.S. nationality and he was permitted to return to the United States.

"The above information appears in Mr. Klein's claim for war damages which he filed informally on July 8, 1964, pursuant to title II of the War Claims Act of 1948, as amended by Public Law 87–846.

"Title II of the War Claims Act of 1948, as amended by Public Law 87–846, approved October 22, 1962, provides, among other things, for claims of nationals of the United States for physical damage to, or loss of, real property and tangible personal property owned at the time by nationals of the United States, located in Albania, Austria, Czechoslovakia, the Free Territory of Danzig, Estonia, Germany, Greece, Latvia, Lithuania, Poland, or Yugoslavia, or in territory which was part of Hungary or Rumania on December 1, 1937, but which was not included in such countries on September 15, 1947, which loss, destruction or physical damage occurred during the period beginning September 1, 1939, and ending May 8, 1945, as a direct consequence of military operations or special measures directed against property because of the enemy or alleged enemy character of the owner.

"Payment of these claims is made out of the war claims fund which consists of liquidated German and Japanese assets vested in the United States under the provisions of section 39 of the Trading With the Enemy Act.

"Mr. Klein's claim under title II of the War Claims Act was based on losses during World War II sustained by the firm of Klein & Laszlo, Oroshaya, Hungary, in which he held an interest, for war damages to certain buildings, machinery, inventory, and other items of personalty used in the business (exporting poultry and eggs). Claim was also made for losses to an apartment house in Budapest caused by bombing, and loss of certain personal belongings.

"The claim filed by Mr. Klein (No. W–18891) was denied on September 22, 1965, for the reason that the property upon which it is based was not located in that part of Hungary which is described under the War Claims Act. Oroshaya and Budapest were a part of Hungary as it existed on December 1, 1937, as well as on September 15, 1947. Moreover, war damages in the area where claimant alleges his losses were sustained, were provided for under title III of the International Claims Settlement Act of 1949, as amended. Section 208, title II of the War Claims Act of 1948, as amended, provides, in part, that 'No award shall be made under this title to or for the benefit of * * * any claimant whose claim under this title is within the scope of title III of the International Claims Settlement Act of 1949 * * *.'

"After recounting the circumstances and relevant provisions of law as outlined above, the Foreign Claims Settlement Commission in its report to the committee noted that the main purpose of the bill is to waive the statutory time limitations of title III of the International Claims Settlement Act of 1949, as amended, to permit the consideration of Mr. Klein's claim. It is also noted that the bill would authorize the payment of any award out of the war claims fund. The Commission's report also notes that since the amount in the Hungarian fund would only permit a small percentage of payment on approved awards, provision was made for a recertification of the Hungarian awards under title III of the International Claims Settlement Act for payment out of the war claims fund and that such payments are limited to 40 percent of the amounts recertified. The Commission's report notes that the bill authorizes an identical payment plan with respect to the claim of Ike Ignac Klein. The only difference would be that the payment of the initial award, if any, is to be made out of the war claims fund instead of the Hungarian claims fund. This is necessary because as is noted in the Commission's report, the Hungarian claims fund is presently exhausted. The Commission stated that it did not favor the payment of initial Hungarian war damage awards out of the war claims fund despite the fact that the Hungarian fund is now exhausted and states that there is a possibility that the Hungarian Government may make additional funds available for transfer to the Hungarian claims fund upon the conclusion of any future claims agreement with that Government. The Commission also noted that there were some 124 late filed claims under title III of the International Claims Settlement Act which 'undoubtedly' include a number of claims based on war damage arising in Hungary. The committee has considered these points and has concluded that they do not provide a basis for denying the consideration of Mr. Klein's claim.

"The committee has determined that this is a proper case for legislative relief. It is clear that the Government's initial refusal to recognize Mr. Klein's citizenship made it impossible for him to file his claim. Shortly after the Government reversed its position, Mr. Klein on July 8, 1964, filed a claim so that it appears that he was diligent in his attempts to assert a claim even though the limitations had expired. In the light of all of the circumstances of the case and the unique nature of the matter, it is recommended that the bill be considered favorably."

In view of the circumstances of this case, the committee agrees with the conclusions reached by the House committee. Accordingly, it is recommended that the bill, H.R. 3474, be considered favorably, without amendment.

APPOINTMENT OF ADDITIONAL CIRCUIT JUDGES

The bill (S. 2349) to provide for the appointment of additional circuit judges was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2349

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President shall appoint, by and with the advice and consent of the Senate, one additional circuit judge for the third circuit, two additional circuit judges for the fifth circuit, four additional circuit judges for the ninth circuit, and one additional circuit judge for the tenth circuit.

SEC. 2. Section 1(c) of the Act of March 18, 1966 (80 Stat. 75), pertaining to the appointment of four additional circuit judges for the fifth circuit is hereby amended in part by deleting the final sentence, providing, "The first four vacancies occurring in the office of circuit judge in said circuit shall not be filled." These judgeships are hereby made permanent and the present incumbents of such judgeships shall henceforth hold their offices under section 44 of title 28, United States Code, as amended by this Act.

SEC. 3. In order that the table contained in section 44(a) of title 28 of the United States Code will reflect the changes made by sections 1 and 2 in the number of circuit judges for said circuits, such table is amended to read as follows with respect to said circuits:

"Circuits	*Number of judges*
Third	Nine
* * * *	*
Fifth	Fifteen
* * * *	*
Ninth	Thirteen
* * * *	*
Tenth	Seven"

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE

The purpose of the proposed legislation is to provide for the creation of additional circuit judgeships throughout the United States where the need for such judgeships has been found to be most urgent, and for other purposes.

STATEMENT

The Judicial Conference of the United States at its session in March 1966 directed the Administrative Office of the U.S. Courts to undertake a survey of the personnel requirements of the U.S. courts of appeals. Mr. Will Shafroth who retired in 1964 after 25 years of service with that office, took charge of the study as a special consultant. The Judicial Conference Committee on Statistics and Procedural Studies chaired by the Honorable Harvey M. Johnsen, senior judge of the U.S. Court of Appeals for the Eighth Circuit, was charged with general supervision of the survey.

Mr. Shafroth's report was submitted to the Judicial Conference at its meeting in March 1967. At that time an independent report by Judge Johnsen's committee was also submitted to the Conference. The recommendations of both the Johnsen and Shafroth reports were identical as to the need for additional judgeships in four of the judicial circuits.

The Conference endorsed those recommendations. This bill S. 2349 would implement them by creating one new judgeship each for the Third and the 10th Circuits, four new judgeships for the Ninth Circuit, and two new judgeships for the Fifth Circuit, and also by making permanent the four temporary judgeships created in 1966 for the Fifth Circuit.

In September 1964 the Judicial Conference adopted a policy of making comprehensive surveys of the business of the circuits and districts every 4 years, and the first of such regular surveys was then conducted. The Omnibus Judgeship Act of 1966 was the result of the 1964 survey, and six permanent and four temporary circuit judgeships were established by that act as follows: two permanent judgeships each for the Fourth and Sixth Circuits, one permanent judgeship each for the Seventh and Eighth Circuits, and four temporary judgeships for the Fifth Circuit. Additionally, a large number of district judgeships were created by that act. The Shafroth study was commissioned to determine what impact the new district judgeships might have on the work of the courts of appeals, and to investigate other methods that might be employed to increase the output of the courts of appeals.

The Shafroth and Johnsen reports concluded that whatever other steps might be taken, the new judgeships recommended are necessary to avert—and in the case of the Fifth Circuit, to alleviate—a crisis situation. Your committee agrees that the four circuits mentioned in the bill cannot await the general study in 1968. By that time the administration of justice in these circuits will be seriously impaired if steps are not taken now.

The main factors used to evaluate the need for additional judgeships are as follows:

1. Caseload per judgeship: This can be measured in two ways. The raw figure is the total of cases per judgeship that are docketed in the court. In many circuits, a substantial portion of the docket will be comprised of prisoner applications for postconviction relief. The method of screening and disposing of these applications varies widely among the circuits, and therefore tends to distort the comparative value of measuring the total caseload per judgeship. A more accurate comparison is obtained by calculating the caseload per judgeship without including prisoner applications for postconviction relief. For convenience of discussion, the raw figure will hereafter be referred to as total caseload, and the caseload without reference to postconviction relief applications will be called the refined caseload.

2. The backlog, or the number of cases pending, at the end of the fiscal year.

3. The trend of new case filings for the

future: This can reliably be based on a straightline projection of the trend during recent years.

4. The percentage of work attributed to visiting judges.

5. The median time for the disposition of a case, measured from time of filing to final disposition: An important aspect of this timespan is the amount of time during which cases tend to be held under submission after argument.

SUMMARY OF EACH OF THE CIRCUITS INVOLVED

1. Third circuit

This circuit of eight judges last received an additional judge in 1961. The total caseload per judge for fiscal 1966 was 60 as compared with the national average of 74. The refined caseload per judgeship was 54 as compared with the national average of 62. At the end of fiscal 1966, 372 cases were pending in this circuit but the figure grew to 487 by the end of fiscal 1967 an increase of almost 30 percent.

The trend of filings has risen sharply in the Third Circuit in the last 2 years. Although the projection of refined caseload per judgeship in 1972 is 66 as compared with the projected national average of 82 for that year, there are two important factors not reflected in this projection. First, new district judgeships created in 1966 will significantly increase the number of appeals, and second, recent growth in population and industry will substantially increase business for the court. Indeed, the total number of filings for fiscal 1967 is 24 percent higher than in fiscal 1966, which suggests that the 1972 projection is too low.

About 20 percent of the business of the court is handled by visiting judges. The median interval for disposition of cases in the period from fiscal 1960 through fiscal 1967 has increased from about 6 to about 8 months. At the end of fiscal 1967, 14 cases had been held under submission for more than 3 months, and of those, four had been held for more than 6 months.

2. Fifth circuit

This circuit received two additional judges in 1961, and four temporary positions were created in 1966, making a total of 13 judgeships. The total caseload per judgeship is 80 as compared with the national average of 74, and the refined caseload per judgeship is 69 as compared with the national average of 62. In fiscal 1966 visiting judges sat in more than 36 percent of the cases, and in fiscal 1967 about 25 percent of the output was the result of outside assistance. The projection for 1972 for refined caseload per judgeship in this circuit is 102 as compared with the projected national average of 82. The backlog in this circuit rose from 270 cases in fiscal 1960 to 1,024 cases at the beginning of fiscal 1968. During this same period, the median disposition time has almost doubled, rising from 6.2 months to 12 months. Currently, a total of 83 cases on the docket have been held under submission for more than three months. Of this number, 28 have been under submission between 6 and 9 months, and 12 have been held for more than 1 year.

The recommendations of S. 2349 would increase the size of this court to 15 permanent judges. At the hearings on this bill, the question was considered whether this relatively large number of judges might create more problems than would be solved by the added judicial manpower. This court in recent years has had the service of about 15 judges, however, when the contribution by visiting judges is considered. The Honorable John R. Brown, chief judge of the circuit, testified that he devotes a great deal of effort to rounding up visiting judges to assist with his docket. It is becoming more difficult to do this because other districts and circuits are themselves confronted with rising caseloads. Based on the performance of this circuit during the past few years and upon the testimony at the hearings, your committee believes that it is feasible to establish 15 permanent positions for this circuit. Further, to supply these permanent judgeships will decrease the necessity for outside help and in this respect reduce the administrative burdens on the chief judge.

3. Ninth circuit

This circuit of nine judges has not been given additional judgeships since 1954. Its total caseload per judgeship is 88 as compared with the national average of 74, and the refined caseload per judgeship is 72 as compared with the national average of 62. The 1972 projection for refined caseload per judgeship is the same as in the Fifth Circuit, 102 as compared with the projected national average of 82.

About 29 percent of the court's output in fiscal 1967 was produced by visiting judges.

The backlog has risen from 372 cases in fiscal 1961 to 824 cases at the beginning of fiscal 1968, and the median disposition time is slightly more than 9 months. There are 17 cases on the docket that have been under submission for more than 3 months, and of this number four have been held for more than a year.

The bill, S. 2349, would increase this bench to 13 permanent judges. As in the case of the Fifth Circuit, however, your committee believes this is a manageable number of judges. Your committee further believes that these judgeships are necessary at this time to prevent the circuit from developing the same critical backlog that has developed in the severely overworked Fifth Circuit.

4. Tenth circuit

This circuit of six judges last received an additional judge in 1961. The total caseload per judgeship is 91 as compared with the national average of 74, and the refined caseload per judgeship is 64 as compared with the national average of 62. The projection for refined caseload per judgeship for 1972 is 80.

The backlog in this circuit rose from 135 cases in fiscal 1960 to 400 cases at the beginning of fiscal 1967. During fiscal 1967 the court was able to reduce its backlog to 354 cases, but this was the result of a special drive that enlisted the assistance of visiting judges, and more than 31 percent of the workload in fiscal 1967 was handled by outside help. In fiscal 1966, about 13 percent of the docket was handled by visiting judges. The circuit has been able to maintain reasonable promptness in the disposition of cases, and the median time is less than 6 months, somewhat below the national average. Only one case on the docket has been pending for more than 3 months.

Your committee believes that an additional judge is needed in the Tenth Circuit at this time to permit the circuit to hold its own in the face of rising caseloads. In fiscal 1967 there were 100 appeals per judgeship commenced in this circuit as compared with the national average of 90.

BILLS PASSED OVER

The bills (H.R. 6111) to provide for the establishment of a Federal Judicial Center; and (S. 2247) to amend the Merchant Marine Act, 1936, to increase the Federal Ship Mortgage Insurance available in the case of certain oceangoing tugs and barges, were announced in sequence as next in order.

Mr. MANSFIELD. Mr. President, I ask that these two bills go over, and that the last bill considered this morning be Calendar No. 771.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COASTWISE TRADE OF THE VESSEL "ORION"

The bill (S. 2152) to authorize the vessel *Orion* to engage in the coastwise trade was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

S. 2152

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the vessel now known as the Orion (ex-Trinidad), owned by the Orion Towing Company, Inc., of Bartow, Florida, shall be entitled to engage in the coastwise trade upon compliance with the usual requirements and so long as such vessel is owned by a citizen of the United States. For the purposes of this Act, the term "citizen of the United States" includes any corporation, partnership, or association which is a citizen within the meaning of section 2 of the Shipping Act, 1916 (39 Stat. 729), as amended (46 U.S.C. 802).

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 786), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE AND EXPLANATION OF THE BILL

S. 2152, introduced by Senator Holland, would authorize the vessel *Orion* to engage in the coastwise trade. The *Orion* is a tug, 127 feet in length with a beam of 29 feet, 10 inches, and an average towing speed of 9 knots. The vessel, which is now owned by the Orion Towing Co., Inc., of Bartow, Fla., was built in American territory (Panama Canal) by the U.S. Government for the use of the Government. Because of the provisions of our coastwise trade laws, the vessel is now ineligible for coastwise privileges because it was not built within the United States.

In view of the hardship that would otherwise be imposed and because of the limited size and employment of the vessel, the committee recommends approval of the bill. The committee believes that this exception is of such a limited and restricted nature that it will pose no threat to the general goals of our coastwise restrictions or to the American shipbuilding industry.

COST OF LEGISLATION

Enactment of this bill would involve no expense to the Government.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CARLSON:

S. 2671. A bill to provide for the control of noxious plants on land under the control or jurisdiction of the Federal Government; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. CARLSON when he introduced the above bill, which appear under a separate heading.)

By Mr. CASE (for Mr. SCOTT):

S. 2672. A bill for the relief of Bee Ling Ang; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 2673. A bill for the relief of Parviz Sahandy, M.D.; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 2674. A bill for the relief of Lam Wai Man and Lok Chen Tat; to the Committee on the Judiciary.

RESOLUTION

BASIC PRINCIPLES FOR GOVERNING THE ACTIVITIES OF NATIONS IN OCEAN SPACE

Mr. PELL submitted a resolution (S. Res. 186) to express the sense of the Senate that the President should make all necessary efforts to place before the General Assembly of the United Nations a resolution endorsing basic principles for governing the activities of nations in ocean space, which was referred to the Committee on Foreign Relations.

(See the above resolution printed in full when submited by Mr. PELL, which appears under a separate heading.)

CONTROL OF NOXIOUS PLANTS ON LAND UNDER CONTROL OF THE FEDERAL GOVERNMENT

Mr. CARLSON. Mr. President, yesterday I made a statement in connection with noxious weeds, and I inserted in the RECORD a resolution and a copy of a bill. The statement is found on page S16558.

Today, I offer the bill for introduction and appropriate reference.

The PRESIDING OFFICER (Mr. SPONG in the chair). The bill will be received and appropriately referred.

The bill (S. 2671) to provide for the control of noxious plants on land under the control or jurisdiction of the Federal Government, introduced by Mr. CARLSON, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

RESOLUTION CALLING FOR LEGAL PRINCIPLES IN OCEAN SPACE

Mr. PELL. Mr. President, on September 29 I called to the attention of this body the possibility of vast legal complications, indeed a threat of anarchy which could break upon us in the extraterritorial seas and seabeds which I have defined as ocean space. This problem faces us because of the immense speedup of our technological abilities in ocean space. At that time, I urged that action be speeded toward establishing a legal regime which would keep order in ocean space. As a first step toward such a regime, I introduced a six-point resolution, Senate Resolution 172. In the resolution, I emphasized that the extension of the rule of law to ocean space is essential if mankind "is to enjoy the fruits of his efforts in the deep sea."

Mr. President, in moving toward an ultimate treaty for ocean space, I suggest we follow a similar procedure by which the outer space agreement was achieved, when on December 13, 1963, the United Nations General Assembly adopted a declaration of principles governing the activities of nations in outer space. Building on this foundation a special committee of the United Nations formulated the actual provisions of a draft treaty on outer space. By December 1966, an agreement was reached on the final draft text of the treaty. On December 19 of that year the General Assembly unanimously adopted a resolution commending the treaty and expressing the hope for the widest possible adherence to it.

Mr. President, I submit a new resolution calling for the U.S. Representative to the United Nations to place before the General Assembly an American resolution which will call for basic principles to govern the activities of nations in ocean space. Mr. President, I ask unanimous consent that the text of my resolution be printed in the RECORD.

Finally, Mr. President, I would like to speed up the process between the stages of a General Assembly resolution on this subject and formulation of a final draft treaty on ocean space by suggesting my own views on specific provisions of such a treaty. I plan to offer this treaty proposal very shortly.

The PRESIDING OFFICER. The resolution will be received and appropriately referred; and, without objection, the resolution will be printed in the RECORD.

The resolution (S. Res. 186) was referred to the Committee on Foreign Relations, as follows:

S. RES. 186

Whereas the development of modern techniques for the exploration of the deep sea and the exploitation of its resources carries with it the threat of legal confrontations between nations of the world over the ownership and jurisdiction of the bed of the deep sea and the superjacent waters, and the resources therein; and

Whereas the threat of anarchy now exists in the field of scientific exploration and commercial exploitation of the deep sea and its resources: Now, therefore, be it

Resolved, That it is the sense of the Senate that the President should make such efforts, through the United States delegation to the United Nations, as may be necessary to place before the General Assembly for its consideration at the earliest possible time the following resolution endorsing basic principles for governing the activities of nations in ocean space:

"DECLARATION OF LEGAL PRINCIPLES GOVERNING ACTIVITIES OF STATES IN THE EXPLORATION AND EXPLOITATION OF OCEAN SPACE

"Preamble

"The General Assembly,

"Inspired by the great prospects opening up before mankind as a result of man's ever-deepening probe of ocean space—the waters of the high seas, including the superjacent waters above the continental shelf and outside the territorial sea of each nation, and the seabed and subsoil of the submarine areas of the high seas outside the area of the territorial sea and continental shelf of each nation,

"Recognizing the common interest of all mankind in the progress of the exploration of ocean space and the exploitation of the resources in ocean space for peaceful purposes,

"Believing that the threat of anarchy exists in the exploration and exploitation of ocean space and its resources,

"Desiring to contribute to broad international cooperation in the scientific as well as the legal aspects of the exploration and exploitation of ocean space and its resources for peaceful purposes.

"Recalling the four conventions of the law of the sea and an optional protocol of signature concerning the compulsory settlement of disputes, which agreements were formulated at the United Nations Conference on the Law of the Sea, held at Geneva, Switzerland, from 24 February to 27 April 1958, and were adopted by the Conference at Geneva on 29 April 1958.

"Recalling the Treaty on Principles Governing the Activities of States in the Exploration and Use of Outer Space, Including the Moon and Other Celestial Bodies, which was unanimously endorsed by General Assembly resolution 2222 (XXI) of 19 December 1966 and signed by sixty nations at Washington, London, and Moscow on 27 January 1967, and considering that progress toward international cooperation in the exploration and exploitation of ocean space and its resources and the development of the rule of law in this area of human endeavor is of comparable importance to that achieved in the field of outer space.

"Convinced that international agreement on principles governing the activities of States in the exploration and exploitation of ocean space and its resources would further the welfare and prosperity of mankind and benefit their national States,

"Believing that the living and mineral resources in suspension in the high seas, and in the seabed and subsoil of ocean space, are free for the use of all nations, subject to international treaty obligations and the conservation provisions of the conventions on the Law of the Sea adopted at the United Nations Conference on the Law of the Sea at Geneva on 29 April 1958,

"Solemnly declares that in the exploration of ocean space and the exploitation of its resources States should be guided by the following principles:

"I—General principles applicable to ocean space

"1. Ocean space and the resources in ocean space shall be free for exploration and exploitation by all nations without discrimination of any kind, on a basis of equality of opportunity, and in accordance with international law, and there shall be free access to all areas of ocean space.

"2. Ocean space is not subject to national appropriation by claim of sovereignty, by means of use or occupation, or by any other means.

"3. There shall be freedom of scientific investigation in ocean space and States shall facilitate and encourage international cooperation in such investigation.

"4. The activities of States in the exploration and exploitation of ocean space and its resources shall be carried on in accordance with international law, including the Charter of the United Nations, and the principles set forth in this Declaration, in the interest of maintaining international peace and security and promoting international cooperation and understanding.

"5. States bear international responsibility for national activities in ocean space, whether carried on by governmental agencies or non-governmental entities or nationals of such States, and for assuring that national activities are carried on in conformity with the principles set forth in this Declaration. The activities of non-governmental entities and nationals of States in ocean space shall require authorization and continuing supervision by the State concerned. When activties are carried on in ocean space by an international organization, responsibility for compliance with the principles set forth in this Declaration shall be borne by the international organization itself.

"6. In the exploration of ocean space and the exploitation of its resources, States shall be guided by the principle of cooperation and mutual assistance and shall conduct all their activities in ocean space with due regard for the corresponding interests of other States.

"7. States shall render all possible assistance to any person, sea vehicle, or facility found in ocean space in danger of being lost or otherwise in distress.

"8. States engaged in activities of exploration or exploitation in ocean space shall immediately inform other interested States and the Secretary-General of the United Nations of any phenomena they discover in ocean space which could constitute a danger to the life or health of persons exploring or working in ocean space.

"II. Use of high seas

"1. All States have the right for their nationals to engage in fishing, aquaculture, and in-solution mining in the high seas beyond twelve miles from the coast or other appropriate baseline from which the breadth of the territorial sea of any State is measured under rules of international law, particularly as provided in the agreement entitled 'Convention on the Territorial Sea and the Contiguous Zone', adopted by the United Nations Conference on the Law of the Sea at Geneva on 29 April 1958.

"2. This right shall be subject to the treaty obligations of each State and to the interests and rights of coastal States and shall be conditioned upon fulfillment of the conservation measures required in the agreement entitled 'Convention on Fishing and Conservation of the Living Resources of the High Seas', adopted by the United Nations Conference on the Law of the Sea at Geneva on April 29, 1958.

"3. Any disputes which may arise between States with respect to fishing, aquaculture, in-solution mining, and conservation activities of States in the high seas shall be settled in accordance with all the provisions of such convention prescribing a compulsory method for the settlement of such questions.

"III— Use of seabed and subsoil of ocean space

"1. In order to promote and maintain international cooperation in the peaceful and orderly exploration, and exploitation of the natural resources, of the seabed and subsoil of submarine areas of ocean space, States shall engage in such exploration or exploitation only under licenses issued by a licensing authority to be designated by the United Nations, with approval by the Security Council in the manner provided by paragraph 3 of article 27 of the Charter of the United Nations.

"2. The natural resources referred to in this article consists of the mineral and other nonliving resources of the seabed and subsoil together with living organisms belonging to sedentary species, that is to say, organisms which, at the harvestable stage, either are immobile on or under the seabed or are unable to move except in constant physical contact with the seabed or the subsoil.

"3. The activities of nationals and nongovernmental entities of States in the exploration of submarine areas of ocean space and the exploitation of the natural resources of such areas shall require authorization and continuing supervision by the State concerned, and shall be conducted under licenses issued to States making application on behalf of their nationals and nongovernmental entities. If such activities are to be carried on by an international organization, a license may be issued to such organization.

"4. In issuing licenses and prescribing regulations, the licensing authority shall apply all relevant principles set forth in this Declaration and shall apply the following criteria:

"(a) The license issued by the licensing authority shall (i) cover an area of such size and dimensions as the licensing authority may determine, (ii) be for a period of not more than ten years, with the option of renewal, (iii) require the payment to the licensing authority of such fee or royalty as may be specified in the lease, (iv) require that such lease will terminate within a period of not more than five years in the absence of operations thereunder, and (v) contain such other reasonable requirements as the licensing authority may deem necessary to implement the principles set forth in this Declaration and to provide for the conservation of and prevention of the waste of the natural resources of the seabed and subsoil of ocean space.

"(b) If two or more States apply for licenses to engage in the exploration of the seabed and subsoil of ocean space or the exploitation of its natural resources in the same area or areas of ocean space, the licensing authority shall, to the greatest extent feasible and practicable, encourage cooperative or joint working relations between such States and be guided by the principle that ocean space shall be free for use by all States, without discrimination of any kind, on a basis of equality of opportunity. But, if it proves impractical for the license to be shared, the licensing authority shall determine which State shall receive the license.

"(c) A coastal State has a special interest in the conservation of the natural resources of the seabed and subsoil of ocean space adjacent to its territorial sea and continental shelf and this interest shall be taken into account by the licensing authority.

"(d) A coastal State is entitled to take part on an equal footing in any system of research and regulation for purposes of conservation of the natural resources of the seabed and subsoil of ocean space in that area, even though its agencies or nationals do not engage in exploration there or exploitation of its natural resources.

"(e) The exploration of the seabed and subsoil of ocean space and the exploitation of its natural resources must not result in any unjustifiable interference with navigation, fishing, or the conservation of the living resources of the sea, nor result in any interference with fundamental oceanographic or other scientific research carried out with the intention of open publication.

"(f) A State or international organization holding a license is obliged to undertake, in the area covered by such license, all appropriate measures for the protection of the living resources of the sea from harmful agents and shall pursue its activities so as to avoid the harmful contamination of the environment of such area.

"5. Subject to the following provisions and any regulations prescribed by the licensing authority, a State or international organization holding a license is entitled to construct and maintain or operate on the seabed and subsoil of ocean space installations and other devices necessary for its exploration and the exploitation of its natural resources, and to establish safety zones around such installations and devices and to take in those zones measures necessary for their protection:

"(a) The safety zones referred to in this paragraph may extend to a distance of 500 metres radius around the installations and other devices which have been erected, measured from each point of their outer edge. Ships of all nationalities must respect these safety zones.

"(b) Such installations and devices do not possess the status of islands and have no territorial sea of their own.

"(c) Due notice must be given of the construction of any such installations, and permanent means for giving warning of their presence must be maintained. Any installations which are abandoned or disused must be entirely removed.

"(d) Neither the installations or devices, nor the safety zones around them, may be established where interference may be caused to the use of recognized sea lanes essential to international commerce and navigation.

"6. To the greatest extent feasible and practicable, the licensing authority shall disseminate immediately and effectively information and data received by it from license owners regarding their activities in ocean space.

"7. If a license owner has reason to believe that an activity or experiment planned by it or its nationals or non-governmental entities in the area covered by its license would cause potentially harmful interference with activities of other States in the peaceful exploration and exploitation of such area of ocean space, it shall undertake appropriate international consultations and obtain the consent of the licensing authority before proceeding with any such activity or experiment. Any interested State which has reason to believe that an activity or experiment planned by a license owner would cause potentially harmful interference with activities in the peaceful exploration and exploitation of submarine areas of ocean space may request consultation concerning the activity or experiment and submit a request for consideration of its complaint to the licensing authority, which may order that the activity or experiment shall be suspended, modified, or prohibited.

"8. All stations, installations, equipment, sea vehicles, machines, and capsules used by a licensed owner on the seabed or in the subsoil of ocean space, whether manned or unmanned, shall be open to representatives of the licensing authority and to the Sea Guard of the United Nations referred to in Article VII of this Declaration.

"9. Whenever a license owner fails to comply with any of the provisions of the license, such license may be canceled by the licensing authority, upon thirty days notice to the license owner, but subject to the right of resort to the International Court of Justice by such license owner.

"10. Any dispute which may arise under this Article between States shall first be submitted for settlement by the licensing authority, which shall determine its own procedure, assuring each party a full opportunity to be heard and to present its case.

"11. In all cases of disputes under this Article, whether between States or between a State or States and the licensing authority, the licensing authority shall be empowered to make awards.

"12. If the licensing authority shall not have rendered its decision within a reasonable period of time or if any party to a dispute under this Article desires review of the decision of the licensing authority, such dispute shall be within the compulsory jurisdiction of the International Court of Justice as contemplated by paragraph 1 of Article 36 of the Statute of the International Court of Justice, and may accordingly be brought before the Court by an application made by any party to the dispute, including the licensing authority in cases of noncompliance with its decisions.

"IV—Use of seabed and subsoil of ocean space for peaceful purposes only

"1. The seabed and subsoil of submarine areas of ocean space shall be used for peaceful purposes only.

"2. All States shall refrain from the implacement or installation on or in the seabed or subsoil of ocean space of any objects containing nuclear weapons or any kinds of weapons of mass destruction, or the stationing of such weapons on or in the seabed or subsoil of ocean space in any other manner.

"3. All States shall refrain from causing, encouraging, or in any way participating in the conduct of the activities described in paragraph 2 of this Article.

"4. The prohibitions of this Article shall not prevent the use of military personnel or equipment for scientific research or for any other peaceful purpose.

"5. All stations, installations, equipment, sea vehicles, machines, and capsules, whether manned or unmanned, on the seabed or in the subsoil of ocean space shall be open to representatives of other States on a basis of reciprocity. Such representatives shall give reasonable advance notice of a projected visit in order that appropriate consultations may be held and that maximum precautions may be taken to assure safety and to avoid interference with normal operations in the facility to be visited. All such facilities shall be open at any time to the Sea Guard of the United Nations referred to in Article VII of this Declaration.

"V—Prohibition against disposal of radioactive waste material in ocean space

"1. The disposal in ocean space of radioactive waste material shall be prohibited.

"2. In the event of the conclusion of any other international agreements concerning the use of nuclear energy, including the disposal of radioactive waste material, to which all of the original parties to the international agreement implementing these principles are parties, the rules established under such agreements shall apply in ocean space.

"VI—Limits of Continental Shelf

"In order to assure freedom of the exploration and exploitation of ocean space and its resources as provided in these principles, there is a clear necessity that fixed limits must be set for defining the outer boundaries of the continental shelf of coastal States. For the purpose of these principles, the term 'continental shelf' is used as referring (a) to the seabed and subsoil of the submarine areas adjacent to the coast but outside the area of the territorial sea to a depth of 600 metres, and (b) to the seabed and subsoil of similar submarine areas adjacent to the coasts of islands.

"VII—Sea Guard

"1. In order to promote the objectives and ensure the observance of the principles set forth in this Declaration, there shall be established as a permanent force a Sea Guard of the United Nations which may take such action as may be necessary to maintain and enforce international compliance with these principles.

"2. The Sea Guard shall be under the control and over-all supervision of the Security Council. The general location, degree of readiness, facilities, and employment of the Sea Guard shall be determined by the Security Council with the assistance of the licensing authority referred to in Article III of this Declaration.

"3. All Members of the United Nations shall provide to the Security Council, on its call and in accordance with a special agreement or agreements as referred to in Article 43 of the Charter of the United Nations, forces, assistance, and facilities necessary for the purpose of the establishment and maintenance of the Sea Guard.

"VIII—National laws to apply to crimes in ocean space pending international agreement on code of criminal law

"1. Unless otherwise provided by international agreement or in this Declaration, personnel of States and non-governmental entities of States and of international organizations engaged in activities in the exploration or use of ocean space shall be subject to the criminal jurisdiction of the United Nations in accordance with a code of law governing criminal activities in ocean space to be promulgated by an appropriate committee or other organ of the United Nations and ratified by each State in accordance with its constitutional processes.

"2. Jurisdiction over any crimes committed in violation of the code of law promulgated under paragraph 1 of this Article shall be vested in an appropriate tribunal to be instituted by the United Nations with approval by the Security Council in the manner provided by paragraph 3 of Article 27 of the Charter of the United Nations.

"3. Pending the adoption of a code of law and the institution of a tribunal pursuant to the provisions of paragraphs 1 and 2 of this Article, personnel of States and non-governmental entities of States and international organizations engaged in activities of exploration or exploitation in ocean space shall be subject only to the jurisdiction of the State of which they are nationals or the State which bears responsibility for their activities in respect of all acts or omissions occurring while they are in ocean space, unless otherwise provided for by international law or in this Declaration;

"*Recommends* that a Committee of the United Nations relating to the law of ocean space be established to prepare a draft international agreement to implement the principles set forth in this Declaration;

"*Requests* the Committee relating to the law of ocean space to report to the twenty-third session of the General Assembly on the progress of its work."

SOCIAL SECURITY AMENDMENTS OF 1967—AMENDMENTS

AMENDMENT NO. 446

Mr. METCALF submitted amendments, intended to be proposed by him, to the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 447

Mr. JAVITS (for himself, Mr. BROOKE, Mr. CLARK, Mr. KENNEDY of New York, Mr. KUCHEL, and Mr. SCOTT) submitted amendments, intended to be proposed by them, jointly, to House bill 12080, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 448

Mr. ALLOTT submitted an amendment, intended to be proposed by him, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 449

Mr. ALLOTT (for himself and Mr. DOMINICK) submitted amendments, intended to be proposed by them, jointly, to House bill 12080, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 450

Mr. WILLIAMS of Delaware (for himself and Mr. CARLSON) submitted an amendment, intended to be proposed by them, jointly, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

ADDITIONAL COSPONSORS OF BILL

Mr. LONG of Louisiana. Mr. President, on behalf of the distinguished Senator from Minnesota [Mr. MONDALE], I ask unanimous consent that, at its next printing, the names of the Senator from New York [Mr. KENNEDY] and the Senator from Wisconsin [Mr. NELSON] be added as cosponsors of the bill (S. 2218) to clarify and otherwise amend the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs, and for other purposes.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF HEARING ON RESOLUTIONS RELATING TO JURISDICTION OVER THE OCEAN FLOOR

Mr. FULBRIGHT. Mr. President, as chairman of the Committee on Foreign Relations, I wish to announce that the committee has scheduled a public hearing on two resolutions dealing with jurisdiction over the ocean floor. The resolutions are Senate Resolution 172, submitted by the Senator from Rhode Island [Mr. PELL] on September 29, 1967, and Senate Joint Resolution 111, introduced by the Senator from New Hampshire [Mr. COTTON] on September 19, 1967.

The hearing will be held on Wednesday, November 29, 1967, beginning at 10 a.m., in room 4221, New Senate Office Building. Persons interested in testifying on either of the above resolutions should contact Mr. Arthur M. Kuhl, chief clerk of the Committee on Foreign Relations.

NOTICE OF HEARINGS ON S. 316, S. 2589, S. 2590, AND S. 2592

Mr. TYDINGS. Mr. President, as chairman of the Subcommittee on Business and Commerce of the Committee on the District of Columbia, I wish to announce hearings on four bills dealing with consumer protection in the District of Columbia: S. 316, S. 2589, S. 2590, and S. 2592. The hearings will be held on December 5, 18, and 19, 1967. All hearings will commence at 10 a.m. in the District of Columbia Committee hearing room, 6226 New Senate Office Building. Any person who wishes to testify or submit a statement for inclusion in the record should communicate as soon as possible with the District of Columbia Committee, room 6222, New Senate Office Building.

The hearings at this time will not cover S. 2591, which deals with the right to cancel retail sales. The Senate Commerce Committee will, I understand, hold hearings very early in the next session on S. 1599, which would establish a Federal rule regarding cancellation of retail sales similar in purpose to S. 2591. I believe it is best to consider the results of hearings on S. 1599 before proceeding to hearings on S. 2591, to avoid unnecessary duplication of coverage.

PRESIDENT JOHNSON CITES EDUCATION GOALS IN THE DECADES TO COME

Mr. BAYH. Mr. President, yesterday, the President who has done more for the advancement of education than any other President in our history addressed himself to the educational goals that America must meet in the years ahead.

Speaking by telephone to an educational conference, President Johnson urged that the United States should increase from half to two-thirds the proportion of high school graduates who enter college. The President said:

> That is a goal we can reach; not just half of the high school graduates going to college; let us make a step and take on a program of seeing that two-thirds of them go to college.

By 1976, the 200th anniversary of the founding of the Republic, the President expressed the hope that we shall be able to "strike down the last financial barriers to higher education." He said:

> Let us make it a national policy that you don't have to be born rich to acquire training in this country, to acquire educational resources to get a college education.

The President urged educators to help answer the difficult questions that remain—

> How can the Government build on existing programs?

How can we find better ways to develop excellence in higher education?

How can we find ways to help colleges and universities with the costs of higher education?

These are indeed the major questions that lie ahead if we are to achieve a further breakthrough in our commitment to provide quality education for all of the American people who want it.

Under the President's leadership we have already achieved significant success. But, as the President said yesterday, much more remains to be accomplished. With the help and support of the Congress and the American people, those goals can be and will be achieved.

I ask unanimous consent that the full text of the President's remarks yesterday to the joint convention of the Association of State Colleges and Universities and National Association of State Universities and Land-Grant Colleges be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Remarks of the President to Joint Convention of the Association of State Colleges and Universities and National Association of State Universities and Land-Grant Colleges Delivered by Telephone, November 15, 1967

Doctor Cornette, Doctor Jensen, college presidents and leaders of higher education: I want to thank you very much for your kind words and the citation you just referred to. I wish I could be there with you this morning, but I do have a busy day here. That is impossible.

Eric Hoffer said not long ago: "America is the only new thing in history." He touched on a theme that has been sounded by many observers, both native and foreign. But what really makes America new? That is what we want to find out. What makes America new? What makes America different?

The answers range far afield—and sometimes far astray: Skyscrapers are something different about America. Supermarkets and superhighways; mass production and mass consumption; the Melting Pot; rock-and-roll; chewing gum and soft drinks.

But a better answer, it seems to me, lies there with you this morning in your meeting; and in the purpose to which you leaders of our education are dedicated.

In England, 5 percent of the young men and women go to college.

In Germany, 8 percent. In France, 16 percent.

In the Soviet Union, 24 percent.

In America, 43 percent—compared to 5 percent in England, 8 in Germany, 16 in France, 24 in the Soviet Union. In the different America, 43 percent and it is still climbing.

Seven percentage points it has climbed in the last four years of which I am very, very proud.

For the first time in history, for the first time anywhere on earth, here in this different America is a land where the young person can set his sights on college with the real hope and expectation of getting there.

There is a world of social change summed up in this one sentence: More than half of the young Americans in college today—more than half of them—are the sons and daughters of men who never went to college.

No slogan of democracy, no battle cry of freedom is more stirring than the American parent's simple statement which all of you have heard so many times: "I want my child to go to college."

The working man wants his son to be a doctor; the salesman wants his daughter to be a teacher; the teacher wants her daughter to be a reporter; the housewife wants her boy to be President. She had better think twice about that one.

That rising ambition is one of the great stories of America today. In recent years the Federal Government has made many major commitments—I am glad to say—to help fulfill those ambitions which I have just recounted:

In the last two years, our Federal assistance to colleges and universities has doubled: from $2 billion to $4 billion in two years. The Federal Budget was just a little over $4 billion—the entire Federal Budget—when I came to Washington in Herbert Hoover's Administration. But it is up from $2 billion to $4 billion in the last two years.

Federal programs to help college students have increased by 1,000 percent—scholarships, loans and work-study groups: from $147 million in 1965—$147 million two years ago—to $1.5 billion this year—$1.5 billion to help college students.

Our commitment, therefore, is reasonably clear. I said shortly after I took the oath of President that one of my first goals would be to see that every boy and girl in this country got all the education that he or she could take.

We want every young man and woman to have all the education he can absorb.

But that commitment goes with a very high price tag:

For today, more than five million young people already are enrolled in colleges and universities.

In 10 years, there are going to be twice that five million—or 10 million.

This is equivalent to increasing enrollments by 50 percent in every single one of our existing colleges and universities—increasing them by 50 percent in 10 years—and then establishing 1,000 new colleges with 2,500 students each.

Even as the students crowd into the colleges and universities, the cost of educating them is growing.

In these days in Washington, that is one thing that is giving us a lot of trouble: The increased costs of the thing we are doing.

By 1975, unless we can ease this financial pinch some way, the annual gap between—the gap I am speaking of is income and expenses in higher education, will be as much as $9 billion.

Yet, as we weigh these costs, we will still hear ringing in our ears all the time the demand of the American parent: "I want my child to go to college."

Then I think, as leaders, you and I must ask ourselves, "What kind of a college do I want my child to go to?"

Even if we meet the challenge of quantity, what about quality?

Will that child be taught by an experienced qualified professor—or by an untrained assistant?

Will most of the professors be Ph. D's—or only a minority that have that training?

Will college offer a challenge to the student—or will it simply be a way to pass the time while waiting to grow up?

The decisions must come first from you who are leaders of higher education. You must do the planning and the deciding. That is one reason why I want to talk to you so much today.

College leaders must decide how to use resources more wisely: And that decision may—and I think will—upset some of the cherished old traditions:

Therefore as one who wants our era to be remembered as the education era, this morning I would urge you education leaders to:

One, experiment with new ways to extend the reach of the teacher without shortchanging the student.

If this Congress does nothing else but pass the Public Television Bill and if we can concentrate in this country and around the world in the interest of educators in educational television, there will not only be reform but there will be real revolution in education.

Again, I think you ought to seek more support from private sources—and here I would say especially business because business benefits go directly from higher education; the better the education generally the better the profits.

Second, we talk about States rights. This is a right and an obligation as well. The States must make some hard—and courageous—decisions. They don't like to make them. But they must make them.

In the past ten years, the Federal share of total spending for education has already jumped from 16 percent to 24 percent—not quite doubled, just almost. But the share of support from State and local government has remained virtually unchanged and hasn't jumped a bit.

So some States and communities are carrying only a part of the burden that they must bear . . . The courage to tax for education should not be limited to lawmakers at the national level. It does take courage to tax.

You look at the polls on any fellow who recommends, who has enough courage to recommend that you do increase taxes in order to avoid inflation, and you will see what happens to that fellow if he takes the courage to recommend it.

A man more interested in his poll than he is in his people is not going to recommend the taxes for education.

So you must pick your leaders with courage and they must do what is right in the knowledge that ultimately the people will sustain them.

Finally, higher education in the next years I think will call for decisions from the Federal Government: momentous decisions—decisions from the President and from the Congress.

We are already—I think in the last four years—committed to do our part and a great deal more than anyone ever felt we would be doing four years ago. But what will be the size and what will be the shape of the Federal commitment for the future?

We are going to have to find answers to some of these difficult questions. You are going to have to help us provide the leadership to find the answers and the resolutions to those answers.

First: How can the Federal Government best build on the existing programs we already have to help students pay their way; to help colleges build facilities; to help pay the bills for research and graduate education? That is one of the difficult questions.

The second one: How can we find better ways to develop excellence in higher education? Dr. Gardner, who is in my Cabinet, is constantly talking about developing excellence. I am saying if that is high on your agenda of difficult questions to be answered, how can you—you leaders of higher education—find better ways to develop excellence in higher education?

Third; and I think really quite important: How can we find ways to help colleges and universities with the basic costs of higher education?

The time to begin looking at these difficult questions is yesterday. It is now, not tomorrow. I hope that before you leave there today you will enlist as an active participant in trying to help us answer some of these difficult questions.

Just down the road in 1976—it will be 200 years from 1776—we will mark the 200th Anniversary of our American Revolution.

I have just gone through Historic Virginia. I don't know whether you read about my being at Yorktown or not. I am sure you observed I attended church Sunday.

But as I went through this revolutionary country I was thinking about not the 200 years since 1776, but the next 100 years—the third century.

I am already asking some of America's most thoughtful men and women to draw up a blueprint for our third century—for the next 100 years—and this is going to be an important mammoth undertaking. I am going to ask them to give us a list of specific goals for the years to come—and an accounting of what they will cost.

So let us declare today three goals to be achieved before we even begin our third century in 1976:

By 1976, let us raise from half—from 50 percent—to two-thirds—66⅔ percent—the proportion of high-school graduates who enter college. That is a goal we can reach; not just half of the high school graduates going to college, let us make a step and take on a program of seeing that two-thirds of them get to college.

By 1976, let us strike down the last financial barriers to higher education. Let us make it a national policy that you don't have to be born rich to acquire training in this country, to acquire educational resources and to get a college education.

Let the father of a child who is born in a poor cabin with a purple vine growing around the door have an opportunity to get a college education just as the son of America's richest philanthropist.

By 1976, let us do these things—without any decline in the quality, or as Dr. Gardner would say, "in the excellence of higher education."

And let us say to each other today and to the nation: we have only begun to show mankind how broad our vision is—and how far we plan to go.

So let us get answers to these difficult questions:

How can the Government build on existing programs?

How can we find better ways to develop excellence in higher education?

How can we find ways to help colleges and universities with the costs of higher education?

And between now and 1976 let us raise from half to two-thirds the proportion of high school graduates who enter college;

Let us strike down the last financial barriers;

And let us do these things without any decline in the quality of higher education.

Those are goals worth embracing because as a leader in education—and as a leader in government in the early days of my State—one of our great men said that, "Education is the guardian genius of democracy. It is the only dictator that free men recognize and it is the only ruler that free men will accept."

So those of you who are the leaders in the education field have some goals and have some objectives. I want you to work with me and I want to work with you, not to get another plaque or another award, but to get these goals that I have just outlined realized in the time allotted to us.

I am sorry I cannot be there with you today. I am seeing Ambassador Bunker, General Westmoreland, and am having a lunch with Secretary Rusk and others.

I do have engagements that made that impossible. But I am happy that you are interested and I am grateful for your help.

Thank you, very much.

"THE SILENT PEOPLE" NO LONGER

Mr. MONTOYA. Mr. President, for these many years the Spanish-speaking people of our Nation have been silent. Although they have cried out in their own way, they were not heard. Yet by their very silence, they spoke volumes.

Now, throughout our Nation, and particularly in the southwestern part of the country, our Spanish-speaking citizens are moving forward. Their voices are often heard after all these years. Sometimes they are heard in protest against injustice. Always they are raised in favor of self-help and progress.

There is a stirring among them that is unique in their history. It comes like a ground swell, and is irresistible in its force, as it reaches out to and carries along almost all our young people. Suddenly they are aware that what suited the people of yesterday need not suit them today, and surely not tomorrow. It is as if a curtain had been brushed aside, and an entire new world had been revealed to them.

No longer are they "the silent people." No longer are they content to labor silently in a million fields. The time is forever past when they were content to stand silent at thousands of back doors. A time will never return when they are willing to wait silently at thousands of store counters.

Their eyes look up or forward, rather than down. Their hats remain on their heads, instead of being in their hands. Truly, a new age is upon us.

Throughout the area they are participating in new, vital programs that have brought so much new awareness to so many of them.

Many of these programs are successful. Some have had limited success. But most important of all, they have made them aware of themselves as people, and given them a new pride in an old heritage. It is enhancing their ability to contribute to this Nation. I take pardonable pride in their awakening. I seek to give impetus to their strivings. I wish to hasten them on their road to accomplishment.

These vast movings are all the more significant because our American dream has become even more meaningful to them. Their faith is deep and gives all the more impetus to their seeking. But it also carries within it the seeds of their frustration.

We must meet them halfway. We must let them know our land keeps faith with them, and will never turn its back on their just requests.

On October 27, in El Paso, a conference was held on Mexican-American Affairs. It sought to highlight the concern of this country for the progress of these citizens. It also sought to show what progress had been made, and what we could honestly expect from the future.

At that conference, the Vice President of the United States, the Honorable HUBERT H. HUMPHREY, spoke on these subjects in the most eloquent, compassionate and heartfelt manner. I believe that all here would gain from his remarks. For the benefit of those who have not had the opportunity of perusing them, I offer that speech for inclusion in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

REMARKS OF VICE PRESIDENT HUBERT HUMPHREY, HEARING ON MEXICAN-AMERICAN AFFAIRS, EL PASO, TEX., OCTOBER 27, 1967

Seventeen months ago President Johnson established a Cabinet level committee on Mexican-American affairs.

When he appointed that committee, he said: "I am asking this committee to meet with Mexican-Americans to review their problems and to hear from them what their needs are, and how the federal government can best work with state and local government, with private industry, and with the Mexican-Americans themselves in solving those problems."

That is why we are here today. That is why we have to come to El Paso where we can hear from the people themselves.

The President requested results, not reports. We are here to discuss the future, not the past—the solutions, not the problems.

Those problems are already well-known:

The average Mexican-American earns less than half as much as other citizens of the Southwest.

His unemployment rate is almost double the average for this area.

He suffers historic injustices because his forefathers were driven from their Spanish and Mexican land grants.

His children usually attend segregated or semisegregated schools. They get, on the average, five years less of schooling than other Southwestern children.

They are often compelled to give up their native tongue. They cannot find their proud ancestors in the history books, or discover why there are great American cities called Los Angeles, Santa Fe, Corpus Christi and El Paso.

Yet most of these same people have been American citizens for generations—many of them since well before the Humphreys arrived from Scotland. They have played a vital role in building our cities, stretching our highways, reaping the harvest of our rich Southwest.

They have won a proportionately higher number of Medals of Honor in the defense of freedom than any other group of American soldiers.

And they have for too long been denied their fair share in American prosperity.

Mexican-Americans do not bear their burden alone. The same joblessness, poor housing, inadequate education and discrimination that add up to poverty here in the Southwest can be found in equal measure in urban ghettos and rural slums across America today.

Those painful inequities might have been unavoidable in the past. But today, when we have the wealth and the power to remedy them, they are indecent, unnecessary, unacceptable—unbearable.

The final conquest of poverty and blighted opportunity is the great unfinished business of America in the last third of the twentieth century.

I am confident that this hearing is going to produce some solutions—for several reasons.

First, our Mexican-Americans have clearly determined that they will do whatever they must to help themselves. We are witnessing a new awakening of *la raza* which, I believe, will bring some of the greatest social reforms this nation has yet known.

We have seen *la marcha* and *la huelga*.

We have seen great leaders emerge. One of those is a man of unselfish dedication and personal courage who has aroused the conscience of this nation: Caesar Chavez.

Caesar Chavez knows the pain of poverty. He knows the strength of religious faith and the power of non-violent protest.

He is one of the great leaders in America's struggle for a full ripening of democracy, and I salute him.

Then there are cooperative efforts like Operation SER, which is now developing employment opportunities and placing Mexican-Americans in jobs throughout the Southwest.

Ser means hope in Spanish. In English it stands for Services, Employment, Redevelopment.

No matter which tongue you use, the word means opportunity for Americans who have been too long denied it.

There is also project HELP—Home Education Livelihood Program—operating in 57 rural communities in New Mexico. HELP conducts pre-vocational education programs. It has started a credit union and health clinics for migrant workers.

Secondly, I am confident—and I am proud—because we already have some excellent and proven federal programs for progress designed to support the kind of grass-roots initiative that is taking place here in the Southwest. Indeed I believe that in the last four years more money, more energy, more vision and more concern have been given to this problem in Washington than in all the years of the preceding century.

You all know about President Johnson's friend Frank Mansera, last year's Head Start Child of the Year.

Frank entered a Head Start Program at the age of six but with the physical and mental development of a two-year-old. A health check showed a serious—but easily correctible—glandular deficiency.

Frank got his medicine and grew nearly six inches in the first year. He also got some help from a sympathetic teacher. Now he is off on a normal school career and the sky is the limit.

Frank is real. He represents 34 thousand Mexican-American kids who got an educational and health boost from Head Start last summer alone.

Then there is the Neighborhood Youth Corps. Ninety thousand Spanish-speaking youngsters have found jobs, training, and recreation because of it.

Five thousand young Mexican-Americans have learned productive skills which can give them a lifetime of rewarding employment in the Job Corps.

Special language programs and additional teachers for Spanish-speaking students are being provided under the Elementary and Secondary Education Act of 1965.

The Adult Basic Education Program is helping 50 thousand Spanish-speaking citizens learn to read and write their language.

There is the Migrant Opportunities program. There is the Advisory Unit on Mexican-American Education in the Department of Health, Education and Welfare.

And there are more Mexican-Americans than ever before in influential government posts where their special knowledge and insight can produce results—many of them are the leaders of this conference.

Finally, I am confident that we are going to get solutions because this country at large . . . not only the poor people . . . not only the minority groups . . . not only the government . . . but, I am convinced, the majority of Americans want solutions.

They are ready to extend a full and equal opportunity to every American. They are ready to support the federal programs to make that possible—even if some of their elected representatives are not.

In Washington not many weeks ago the Urban Coalition, a group of businessmen, labor leaders, representatives of non-profit organizations, and local governments resolved that "All representatives of the private sector in the Urban Coalition decisively commit themselves to assist the deprived among us to achieve full participation in the economy as self-supporting citizens."

Businessmen have responded across the nation to the need for jobs and on the job training.

Plans for Progress, an organization which is surely represented here today, has taken great strides in providing equal employment opportunity.

But this commitment to progress goes deeper. Housewives, workers, students, and businessmen in communities across this nation are devoting their time as VISTA volunteers, as Teacher Corps volunteers, as Foster Grandparents, as members of community planning and civil rights organizations—to build a better America.

The deprived citizens of America cannot solve their problems alone; and the government cannot provide the solutions for them. The solutions are going to come from a cooperative partnership between government and private citizens from all walks of life.

That partnership is now forming; it is gaining momentum.

This Administration is ready to respond pragmatically to any reasonable proposal to expand or alter its present programs.

It is ready to assist industries which will provide on-the-job training or establish factories in deprived neighborhoods.

It is ready to support initiative by nonprofit groups and by businesses which will provide decent low-cost housing.

It is ready to do whatever Congress and the voters will afford to guarantee every American child a first-rate education.

So I urge you to think big. The problems are known. The resources are available in this rich country to overcome them.

The determination that those problems shall be solved is strong in the White House, and I believe it is strong in every city, in every town, in every slum and every ghetto of this country.

The task before you is to put those elements together into a prescription for success. That is the kind of solution this hearing must provide.

Finally, let me say a word about goals.

We are talking about something more complicated than poverty of the purse. And our purpose is grander than simply guaranteeing every Mexican-American the opportunity to achieve a decent American standard of living.

We are talking about providing a material basis on which a cultural tradition that is precious to America can grow and flourish.

That is a cultural tradition from which the world may expect another Murillo, el Greco, Velasquez, Rivera, Cervantes, Luis de Leon. It is the cultural tradition which has given us my very dear friend, Pablo Casals, and can give us more.

It is a tradition which includes a deep religious faith, strong family loyalities, warmth, friendliness, and respect for every man regardless of color or creed. This country admires and desparately needs that tradition today.

It is a tradition which gives us a vast reservoir of bi-lingual Americans at a time when, as never before, we need to talk to the 200 million other Spanish-speaking Americans who share this hemisphere with us. There are one and a half million Spanish-speaking U.S. citizens in school today who must become the Hector Garcias and the Raymond Telles' of the future.

We have the word of a great American who began his public career in a Cotulla, Texas, schoolhouse that those youngsters *will* have their opportunity:

"It was there in that school, at an early age, that my dream began of an America—my own land—where race, religion, language and color didn't count against you."

"And I made a decision then which I have reaffirmed every day since I have been in the White House—that if ever I had the privilege of holding public office, I would not rest:

"until every American, who wanted it, had a job to work at;

"until every child, who wanted it, had an opportunity to get all the education his mind could take;

"until every family had an opportunity to get a decent home in a decent neighborhood;

"until every single American had entered the open door to full participation in the life of America."

That is the pledge of President Lyndon Johnson.

IDA AND THE WORLD BANK

Mr. SPARKMAN. Mr. President, this morning I received an interesting letter from our former colleague in the Senate, A. Willis Robertson, who is now connected with the International Bank for Reconstruction and Development.

He calls my attention to a speech made by George D. Woods, president of the World Bank, in which Mr. Woods gives an interesting and highly informative report of the activities of the Bank and its two subsidiaries, IDA and IFC.

I think it would be interesting to all Senators to have the speech and the letter from Mr. Robertson printed in the RECORD, and I ask unanimous consent that that be done.

There being no objection, the letter and address were ordered to be printed in the RECORD, as follows:

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT,
INTERNATIONAL DEVELOPMENT ASSOCIATION,
Washington, D.C., November 13, 1967.

Hon. JOHN SPARKMAN,
Senate Office Building,
Washington, D.C.

DEAR JOHN: I enclose a copy of a splendid speech made this morning in New York by George D. Woods, President of the World Bank, in which he gives an interesting and highly informative report on the activities of the Bank and its two subsidiaries, IDA and IFC.

I hope you will be willing to have this speech printed in the Congressional Record, especially in view of the fact that the foreign aid bill finally approved by the Congress will be the smallest in recent years, and perhaps $7–$800 million below the budget estimate. In those circumstances, it would be helpful for both the Congress and the public to know of the fine work being done by the Bank and its subsidiaries in the underdeveloped countries which, unfortunately, contain about one-half of the world's population.

I have learned through my association with the Bank how very efficient it is not only in appraising projects but in supervising their construction and their operation. The most helpful work it is now doing is in the field of technical advice and the encouragement to undeveloped countries to produce a climate favorable to private capital.

Sincerely yours,
A. WILLIS ROBERTSON.

Enclosure.

ADDRESS TO THE U.N. ECONOMIC AND SOCIAL COUNCIL

(By Mr. George D. Woods, President of the World Bank, the International Finance Corp., and the International Development Association, November 13, 1967, United Nations, N.Y.)

Mr. President and members of the Council, this year for the first time I am reporting to the Economic and Social Council less than two months after the Annual Meeting of the World Bank Board of Governors which was held in Brazil.

At that meeting I spoke of the environment in which the World Bank Group and other institutions engaged in economic development are operating. I pointed to the significant economic progress being made in many of the developing countries, but I also emphasized that real and serious obstacles are causing that progress to be slower than we would like.

Rather than to repeat today what I said then I arranged for my address to the Governors to be sent to each member of the Council. Today, I propose to talk chiefly about the World Bank Group: to report on some of the highlights of the past year, and to discuss the major activities within our institution.

During the fiscal year ended last June 30, the financing activities of the Bank, the

International Development Association, and the International Finance Corporation continued at a high level.

The Bank and IDA committed over $1.2 billion for economic development projects in 40 countries—about $100 million more than the year before. Disbursements reached an all-time high, exceeding $1 billion.

For IFC, last year was the most active in its history. Investments totaled almost $50 million, and were both larger in amount and directed to a broader range of enterprises than in the past.

So far in this fiscal year, the pace has continued. Between July and November the Bank and IDA have committed about $450 million and IFC has made investments totaling $27 million.

Although infrastructure projects—particularly power and transportation—continue to absorb the bulk of our financing, three other priority areas in development—agriculture, industry and education—are more and more becoming central concerns within the Bank Group. I want to speak briefly about our financing in each of these areas.

Agriculture is not only a central concern but a long-standing one. We have provided in total more than $1 billion for the agricultural sector, and in the last few years, the pace of our activity has quickened. At the end of 1963, we were working on 26 agricultural projects in various stages of preparation. Today the figure is over 80. So far in calendar year 1967 we have already committed about $200 million for agricultural projects—much more than in any previous comparable period.

In the Bank's early days, most of its direct assistance to agriculture took the form of loans for large irrigation and flood control works. But such projects are often too costly or too complex for many of our members, particularly the newer ones.

Two years ago, I reported to the Council that we had begun to "dig our fingers into the soil," making a deliberate effort to finance more projects which would have a direct and immediate impact on the farmer and the land. The kind of assistance we are trying to provide demands imagination and flexibility. There are enormous differences among our members—in soil and climate, custom and tradition, and willingness and ability to use new technologies. An approach suitable for one member is likely to be inappropriate for another. And so we have tried to accommodate our assistance to the varied circumstances of our prospective borrowers.

Let me illustrate. In Uganda, as elsewhere, almost all tea has until recently been grown on large estates. There we are helping to finance a program to expand tea production in small holder areas. About 5 thousand 5 hundred African subsistence farmers will be helped to grow a cash export crop. They will be provided with technical assistance in cultivation, with collection and processing facilities, and with credit.

In Cameroon, in contrast, we are assisting the expansion of an already large-scale plantation program, primarily for another export crop, palm oil. There the work of planting and cultivation will be performed not by independent farmers but by employees of the public corporation which operates the plantations.

In Tunisia and Iran, we are helping to implement land reform programs.

In Tunisia, subsistence small holdings are being merged with large blocs of government-owned land to form large-scale production cooperative units. Our financing will help to expand cooperative farming and will meet the foreign exchange cost of managerial and technical assistance.

In Iran, on the other hand, our assistance is taking the more customary form of support for the first stage of a long-term project to develop water resources and agriculture within a defined region. But although the project includes irrigation works, there are no massive dams or canal systems. Moreover, a very sizable component of our financing will be used to meet the cost of agricultural advisory, supply and marketing services, training of Iranian personnel and other technical assistance.

We have been devoting special attention to providing farm credit, particularly for medium and small farms. Sometimes we have helped to start an agricultural bank or a credit corporation, sometimes to strengthen an existing one. Increasingly we are seeking to mobilize local capital, designing a project so that not only the Bank Group and the government but also the ultimate beneficiaries participate in the financing. And where it is feasible, we seek to draw in private banking systems.

We are continuing and intensifying our assistance to governments in project identification and preparation. In this we are greatly assisted by the cooperative relationship established with FAO in 1964—a relationship which has become both closer and broader in scope. As one aspect of this cooperation, we have jointly selected those UNDP studies being carried out by FAO which look most likely to lead directly to promising investment opportunities. Over 40 studies so far fall into this category. We have arranged with FAO to follow these studies closely with a view to assuring that they produce the information which is essential for prompt investment decisions.

Better seeds, better equipment, improved farming methods, and adequate credit facilities are all prerequisites to greater production. But the availability of fertilizer to the farmer, at an economic cost, makes possible a particularly rapid gain in output. Its effective use, with increased water supplies, offers the best hope for the breakthrough in food production which will be necessary if world requirements are to be satisfied.

IFC, the institution within the Bank Group which evaluates industrial projects, has been giving particular attention to the possibilities of expanding chemical fertilizer production within the developing countries themselves. Last year, fertilizer projects occupied more of IFC's attention, and received more of its money, than any other business. Financing arrangements were completed for three new plants, in Brazil, Senegal and India, and there are seven major projects in the pipeline, all of which will call for Bank Group financing to supplement substantial capital from other external sources.

To give you some idea of the possible results from increasing fertilizer capacity, let me use India as an illustration. Over the last few years the average annual grain production in India has been about 80 million tons. To feed India's estimated population ten years from now, at nutritionally acceptable levels, would require doubling this production. Such a doubling from the same cropping area would in turn call for increasing present fertilizer nutrient consumption over the decade by 8 million tons of nitrogen, 4 million tons of phosphate and 2 million tons of potash. The capital investment in production facilities required to manufacture, within India, finished fertilizer containing these amounts of nutrients would be of the order of $2 to $3 billion—at least half in foreign exchange—depending upon the amount of semi-processed materials used as inputs. On the benefit side, the resulting increase in grain tonnage would have a value of approximately $5 billion a year, while the total value of the additional grain produced over the ten years, allowing for the build-up period, would be about $30 billion. These figures speak for themselves.

In some countries, there is intense political debate as to whether fertilizer plants should be in the public or private domain. In my view, such debate is sterile. Publicly owned fertilizer plants can certainly play an important role. Where we are convinced that they are soundly conceived and will be well managed enterprises, we will lend to them—as we did last year for a potash project in the Congo (Brazzaville). But in view of the magnitude of the capital requirements, as well as the need for access to modern technology, it is unlikely that the developing countries can approach the production targets they have set for themselves unless they succeed in attracting the major international oil, chemical and fertilizer companies to join in partnership with them in creating the new production capacity and particularly in training personnel necessary for its operation. The stakes are too high for the issue to be decided on other than strictly practical considerations.

Fertilizer production is by no means the only industry to receive financing from the World Bank Group. During the past year, we committeed over $400 million for a broad range of industrial projects and for development finance companies. In addition, the Bank opened a $100 million line of credit to IFC, the first since charter amendments permitting such loans. Already its effects are evident. Last year, IFC raised the size of its investments to an average of $4.5 million as against a $1.4 million average in its first decade. Three of its commitments—in Brazil, India and the Philippines—were for $10 million or more, compared with a previous high of about $6 million. As in years past, IFC brought in partners from the developed countries for many of its projects.

Our assistance to private development finance companies deserves special mention. Up to now, we have committed about $650 million to these companies which are designed to finance both medium-sized and large industries. But financial support is only part of the story. We have also helped to expand and reorganize some finance companies, to start others, to bring in foreign investors, and to find experienced management. We work closely with the newer companies in their investment operations. As they gain experience, our advisory role diminishes.

Essentially we are institution building—trying to help create organizations that will become generators of economic progress in their countries. Development finance companies provide medium and long-term loans and equity capital, underwrite securities issues, promote new enterprises, and help entrepreneurs in preparing investment proposals. They are also channels for associating foreign capital and technology with local investors. By helping to mobilize and direct domestic savings into productive activities, they can become an important element in a country's capital market. As local sources of industrial financing on a non-political basis, they can have a long-term impact, much greater than is suggested by the amount of the Bank Group's investment.

Basic to improved productivity in both agriculture and industry is the education of men and women who are qualified to run the farms, man the machines, and manage the affairs of societies in transition. That is why I attach so much importance to our efforts in lending for education.

Our investment in education is growing, thanks in no small measure to the cooperation we have received from Unesco, but it is still modest in relation to the totality of Bank financing. It is even more modest in relation to the manpower needs of developing countries. It will grow, but since it will always be only a small part of the total expenditure on education, we are attempting to apply our assistance where it will have the greatest multiplier effect.

Our criteria for financing education have not changed greatly since we began in this field in 1963. We are looking for projects that will make a relatively direct impact on the economic development of a country. This leads us to concentrate on the middle levels of education—mainly projects for modernizing and expanding secondary education, for technical training useful in industry, commerce and agriculture, and for primary and secondary school teacher training.

One of the problems we encounter most often relates to curriculum structure—to what is to be taught in the schools we finance. In many countries school systems have been slow to slough off their colonial heritage. Frequently these systems have but one aim: preparation for university entrance; and this does not change even when the secondary school output has overtaken the university input. In such cases, we try to persuade the country to adopt a diversified and modernized curriculum which also prepares students for entry into polytechnics, and provides terminal courses leading directly into jobs.

Education—which is normally one of the largest employers in any country—remains one of the few activities which has not undergone a technological revolution; despite the insistent demands of modernizing societies, schooling in most countries is still provided on a handicraft basis. This surely will not do. Today educational expenditures in many countries are increasing at about 10 per cent annually while gross national product grows at no more than 3 to 4 per cent. Where this is the case, education is likely to reach the limits of its allowable share of domestic resources long before it has begun to meet legitimate national needs and aspirations.

We need greater productivity in educational systems—a better relationship between input and output. And this I believe can be had by bringing what is taught and learned into line with what is needed; and by recognizing the potentials of new technology—particularly television. This will require training teachers so that, whether in the studio or the classroom, they are effective parts of this new technology; it will also require better planning and modern management; and, not least, it will require courageous political decisions which insure that, at any given stage of development, a country is educating the right numbers, at the right levels, and in the appropriate skills.

It is impossible to overemphasize the necessity of more and better planning and execution in the vast field of education. Results—a generation hence—in new developing countries which today give education a high priority as against military or other nonproductive expenditures, will be striking and important.

Now let me turn to some of our nonfinancial activities.

When the Bank was established, technical assistance was not foreseen as one of its principal functions. But we are now devoting a substantial amount of time, effort and funds to that activity. Our technical assistance always has an operational orientation—that is, we undertake it only where it may be expected to facilitate new capital investment in high priority projects. This includes the strengthening of institutions upon which member countries must rely for preparing and carrying out projects. I think we are succeeding in these objectives.

We recently analyzed all the completed sector and feasibility studies organized by the Bank. There have been some 37 of these, which we have either financed ourselves or carried out as Executing Agency for the UNDP. We found that these studies, for which we and the UNDP together had contributed some $15 million, have already led to more than $450 million of investments by the Bank Group. Moreover, some of the financing attributable to the sector studies is only the first step; additional investments are likely to follow. These studies have also been useful in pointing out that certain investments should not be made because the contemplated project would be technically unsound, uneconomic or premature.

Pre-investment studies are extremely complex. In normal lending operations we are simply required to pass judgment on the merits of a proposal already prepared. Pre-investment work, on the other hand, requires the kind of creative technical competence which can conceive and formulate such proposals. In addition, it takes a vigorous and constant effort to assure that not only the investment but also the institution-building potentialities of these studies are realized. As an example of how important these potentialities can be, let me cite the transportation study we started in Brazil two years ago. Initially the study involved the entire railway system of the country, three of its major ports, its coastal shipping, and highway development in four states. To work along with the foreign consultants selected by the Bank, the Brazilian Government formed a counterpart organization which is staffed with engineers and economists from a variety of domestic transportation agencies. The first phase of the study is now completed and phase two, which involves highway studies in fourteen states, was begun last January. The counterpart group formed during phase one has remained intact, is making a significant contribution to phase two, and, we hope, will continue to work for a long time to come. Certainly pre-investment activities of this type are far more valuable when what is left behind is not only a study but also a local institution with staff trained to carry out similar activities in the future.

When I spoke here last December, I reported the establishment of the International Centre for Settlement of Investment Disputes. Last February, its inaugural meeting was held in Washington. All 28 of the then contracting States were represented. As of today, 55 States have signed the Convention and 37 have deposited instruments of ratification. The wide interest shown by investors, as well as by governments, testifies to the potential effectiveness of the Convention and the Centre.

Another potentially important stimulus to development finance is a system of multilateral investment insurance, to provide essentially the same protection to private foreign investors against non-commercial risks that is presently offered under several national programs. A possible scheme is under discussion by the Bank's Executive Directors.

Still a different type of non-financial activity which has occupied much of our attention over the past few years is aid coordination. As I have previously reported to the Council, the Bank has organized aid coordinating groups for nine developing countries, in addition to the India and Pakistan consortia. Nineteen capital-exporting countries are associated with one or more of these groups, and we have also had the benefit of UNDP participation in their meetings. It has proved to be a delicate and sometimes difficult business to harmonize the concerns of the principal participants, but, nevertheless, all are benefiting. Industrialized country members are, I think, gaining a greater appreciation of the problems and obstacles to change which exist in particular developing nations. And on the recipient side, it seems to me that there is a new awareness that the quality of performance will largely determine—country by country—not only how effectively domestic resources are mobilized and invested, but also the level of assistance likely to be forthcoming from abroad. For the present, we intend to concentrate on improving the quality of existing coordinating groups. However, we are exploring a few possibilities for additional groups; one new one is likely to be created soon, and, over time, there will probably be others.

Another activity, also related to the strengthening of institutions, is the Economic Development Institute, now in its twelfth year of providing training for senior officials of our member governments. There are more than 700 graduates of the EDI who are moving into increasingly responsible positions all over the world—as Ministers, Vice Ministers, Governors of Central Banks, Presidents and Chairmen and Managing Directors of development financing institutions and public authorities. At our Annual Meeting I was pleased to note that 13 fellows of the EDI were present as Governors or Alternate Governors of the Bank or the Monetary Fund. Five fellows are now serving as Alternate Executive Directors of these two organizations.

One other non-financial activity I want to mention is an important study which we are just beginning. At the recent Annual Meeting, the Boards of Governors requested the Bank and the Monetary Fund to analyze the problem of the stabilization of prices of primary products, and the possible role each institution might play in finding solutions for that problem. We have completed the organization of a task force to work cooperatively with the Fund. On our side it will be headed by the Bank's Director of Special Studies, one of our senior officers.

Mr. President, these are the highlights of the World Bank Group operation. Over time we have built up a staff of experienced professionals whose knowledge about the problems and potentials of the developing countries is, I believe, unique, and whose services enable the Bank Group to contribute with dedication and with increasing effectiveness to the economic growth of its members.

Yet, what we can accomplish depends to a large extent on the environment in which we operate—and, as this Council knows full well, the present environment, in both developed and developing countries, is in many respects unfavorable.

Political instability is a basic cause of trouble. The last few years have seen political and military conflicts, internal and external, in numerous, widely separated parts of the developing world. The adverse effects are manifold: the attention of the governments of the poorer countries is diverted from constructive approaches to the problems of growth; private investors, both domestic and foreign, are frightened off; and the taxpayers and legislators of the industrialized countries question the wisdom and utility of providing finance for development, with consequent delays and reductions in appropriations.

A further unfavorable factor is the continuing slow increase in the export earnings of the developing countries. Trade is and must remain the chief source of foreign exchange for economic development—but we are yet to see the kind of effective action, on either side of the development equation, which is necessary to give a real push to the exports of the developing nations. Let me emphasize that this is not just a matter of the developed countries opening their markets more liberally to imports from the less developed ones—important as that is. It is also a matter of the developing countries adopting economic policies favoring the development of export industries, and then of painstakingly building up those industries to the point where they can assure buyers abroad of a *continuous* supply of goods of *uniformly high quality*. The development of export markets is no easy task, but where it has occurred, the results are impressive. They justify, fully, the long sustained efforts which are required.

Finally, of course, there is the basic problem of the inadequacy of public development finance from abroad. On this subject, my views are too well known to need repetition. I do want to urge the members of the Council, however, to give thought to the suggestion I advanced in Stockholm two weeks ago—that to dispel the mistrust, the frustration, the misunderstandings which plague the cause of development assistance today, the leading experts in the world should meet together, study the consequences of 20 years of aid to development, assess the results, identify the errors and propose policies and procedures which might be more effective for the future. As I said in Stockholm, the World Bank is ready to help governments to organize and finance such an effort; to make available its store of information; and, if requested, to second staff to the group. Such a "grand assize" would, I am convinced, furnish us with a much firmer foundation than we now have for moving ahead in the 1970s. I believe copies of the Stockholm address have been distributed to you.

Meanwhile for the Bank Group the immediate problem of obtaining adequate funds for our operations continues—and it is increasingly serious.

On the World Bank side, our bond issues enjoy a good reception from investors. However, we can offer bonds only with the consent of the governments in whose markets they are to be sold. In our last fiscal year we encountered difficulty in gaining access to those markets. Of the $282 million of new money raised through the sale of long-term bonds, only $32 million was raised outside the United States. However, the clouds may be beginning to part. Last month we had a successful first public offering of bonds in Sweden amounting to the equivalent of $14.5 million. During the coming winter and spring, I have reason to expect that we will be offering bond issues in several European capital markets. In the United States market, we had a $150 million issue in August, and if our efforts in Europe are successful I would hope to obtain permission to sell another large issue in the United States before the end of our present fiscal year.

As to IDA, we still await the collective decision of the contributing nations regarding the replenishment of IDA's resources. The negotiations are disappointingly slow, but a series of meetings with officials of the donor countries is now under way which I trust will be fruitful. I am grateful for the helpful resolutions of support for IDA that have been forthcoming from ECOSOC, from UNCTAD's Trade and Development Board, and most recently from the Second Committee of the General Assembly.

The delay in the replenishment of IDA is beginning to be felt in a lack of finance for many worthwhile projects. IDA has a full pipeline of promising proposals from poor countries in the usual balance of payments difficulties. These countries have been learning to mobilize their resources effectively and can invest substantial amounts of external capital if available on appropriately concessionary terms. It is for these countries that the size and speed of IDA's replenishment are matters of urgency.

I trust that an agreement to replenish IDA—and at a much higher level than in the past—will soon be reached. In a very real sense, the measure of support given to IDA will be a test of the dedication of nations to the cause of development. Provision of significant new resources for the IDA operation will be evidence of a determination that momentum shall be maintained and opportunities for sound development shall not be lost for want of appropriate finance.

STATEMENT BY SENATOR DODD ON THE NEED FOR FIREARMS LEGISLATION

Mr. BAYH. Mr. President, the senior Senator from Connecticut [Mr. Dodd] today issued a comprehensive statement on the need for firearms legislation. If it were possible, Senator Dodd would have delivered this address in person in the Senate. Unfortunately, as the Senate is aware, his recent illness does not permit him to be present today. As a courtesy to the Senator from Connecticut, I ask unanimous consent that his statement be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement Issued From the Offices of Senator Thomas J. Dodd on Firearms Used in the Detroit Riot of July 1967, November 17, 1967

One subject that has received unprecedented attention in the Senate during the last six years is the wide-open sale and misuse of firearms of all descriptions to virtually anyone who has a few dollars to spend.

For my own part, I have called on Congress on a score of occasions to come to grips with the interstate traffic in firearms which has grown from a national scandal into a national debacle. It is certainly one of the most severe problems of our time, and it is worsening daily.

Congress can no longer deny an effective interstate gun control law to our decent law abiding citizens who each year in increasing numbers are preyed upon by criminals and the mentally unstable, not to mention the additional thousands cut down in "accidents" because weapons are in the hands of the unskilled, untrained or frivolous.

The situation has now gone beyond even that indefensible limit. On a dozen different occasions this year during riots and other civil disturbances in our cities we have heard subversives and extremists appeal to their followers to "arm" themselves, to join rifle clubs, to stockpile ammunition and explosives.

And the extremists and subversives did buy guns and ammunition and explosives and used them in riots across the land. In most cases it was no more effort for them to arm themselves than it was to buy a tennis racket or a baseball glove.

Nor was it any more expensive.

The result was that hundreds of innocent persons were shot in the riots, dozens of others died in accidents and fires, and hundreds of millions of dollars were lost in property damage as a direct result of firefighters and police being held off by hidden snipers who, once their crimes, were committed, simply abandoned their cheap rifles and pistols and disappeared to return another day with yet another firearm.

What more incentive, what last scintilla of evidence does Congress need to do what it should have done a long time ago.

Congress must ignore the pleas of a powerful lobby whose enormous success in preventing the passage of stronger Federal firearms laws has resulted in so much tragedy and listen to the pleas of the decent citizens of America who want safety and security for their families.

The Senate Juvenile Delinquency Subcommittee has recently completed 10 days of hearings on proposals to control the runaway interstate shipment and sale of firearms advanced by members of the Senate and the President of the United States.

When we went into these hearings, many members of the committee, including myself, felt that there was nothing new that we could learn from the witnesses.

We had already heard from scores of persons in past years on this subject. This notion was soon shattered by some of the most devastating holocausts to strike some of the great cities of this Nation in modern times. Our hearings began on July 10, 1967 and on July 12th, the City of Newark erupted into violent warfare. And from this explosion there appeared, as if uncorked by some mischievous genie, a product of 20th Century America, the *civilian sniper*.

This was only a small hint of what was to come later, in the City of Detroit, which was to further perfect the practice of self-immolation.

I would like to go back for a moment to July 18, 1967 at 3:30 p.m. in Room 5110 of the New Senate Office Building to a witness named William Cahalan who is the Prosecuting Attorney of Wayne County, Michigan.

Wayne County includes the City of Detroit.

The first paragraph of his statement was tragically prophetic and I would like to repeat it today.

Mr. Cahalan told the committee: "Effective law enforcement in Michigan, particularly in the County of Wayne, has been seriously hampered by the unlawful possession and illegal use of firearms brought into the State of Michigan by residents who are able to purchase these firearms with scarcely any restrictions in the State of Ohio, principally in the City of Toledo and its environs which is only a one-hour drive on the Expressway from Detroit."

Exactly 5 days after this statement at 3:30 a.m. in the City that Mr. Cahalan is sworn to protect, his words took on a new meaning. A simple police arrest ignited 6 days of killing, burning and looting that left huge chunks of the city looking like the worst of the World War II battle grounds.

And, in Detroit, the demon that was released in Newark grew to maturity and we reached what the Police Chiefs of America described to the committee as "the age of the Sniper."

I do not exaggerate the awesome nature of the civilian sniper. There is a great fear today in Detroit because of the unbelievable power that such a sniper can exert over a city of 3.5 million people. Law enforcement officers are concerned over the fact that a few dozen strategically placed snipers can immobilize an entire city and reduce the population to helplessness.

Routine life comes to a standstill.

Streets are empty.

Services necessary for health and welfare come to a grinding halt.

There are now teams of professional groups representing diverse interests studying the aftermath of the riot to determine who the snipers were, why they did what they did and perhaps what we can do about them.

And, this is what I address myself to today. It will take a long time to change the warped personalities of human beings who hide on a roof top with a gun and the desire to destroy fellow human beings.

There is not much we can do in a hurry to change these people. However, there is something we *can* do *now*, and that is to make it harder for these killers to obtain the weapons with which they carry out their bizarre tendencies.

I would like once again to refer to Mr. Cahalan's statement where he made an observation on rifles and shotguns and their misuse in his county. In speaking of the exemption of these weapons from Michigan State law, he said: "Since this latter group of firearms are more widely used for sporting purposes, and since their size makes them less practical for a crime than a handgun, the exemption seems appropriate. Additional legislation might be required in the State of Michigan if pistols become scarce and rifles and shotguns begin to be used more frequently in the commission of crime."

We intend to meet with Mr. Cahalan soon to discuss his current thoughts inasmuch as five days after his statement, rifles and shotguns were widely used, *not* for sporting purposes, but for the partial destruction of a great city from the roof tops and apartment buildings in the heart of that giant metropolis.

I wonder what the attitude is of the gun lobby that for years created a situation that allowed an admittedly tragic riot to be turned into a blinding holocaust.

I am sure that these self-appointed guardians of the 2nd Amendment will do as they have done in the past. They will resort to unfounded claims that the weapons of the snipers were stolen, and, that any more controls over deadly weapons would serve no useful purpose.

In order to find out what the facts were, we sent staff members of the Delinquency Subcommittee to Detroit for 3 weeks beginning in the middle of the riot, to collect, sift and analyze as much information as possible about the guns used in this disaster.

I want to say here that the first person to offer his full cooperation and that of his staff was Mr. William Cahalan, the fine gentleman who gave the Congress a clue as to what might happen on July the 18th. His people worked closely with ours, as did the good officers of the Detroit Police Department and its Scientific Bureau which investigated all of the handguns seized from the rioters.

There was, of course, a great deal of confusion in the days during and immediately following the riot. The Detroit police force of 4,500 men processed 7,231 arrestees (including 703 juveniles) of whom 3,297 were charged with felonies.

There were 167 police officers injured and one shot to death. Eleven were actually shot by snipers and 16 others were injured as a result of snipers firing at police vehicles.

In addition, the police department had to concern itself with many of the 657 persons who were injured.

Five hundred and fifty-two fires put an additional burden on police who were called upon to protect firemen who, because of the sniping, had what was described as the "most hazardous job of all."

Despite this overwhelming task, officials of the police and district attorney's office cooperated to the fullest extent and supplied the Committee with the case histories of 450 persons arrested during the riot who had violated various firearms laws of the City of Detroit or the Governor's curfew.

We have analyzed these cases and the facts speak for themselves.

Certain conclusions are inescapable.

Let me first focus on the 267 handguns many of which were taken from known killers, robbers, thieves and looters. And, I do not make this statement lightly, for the names of these persons were checked with the Metropolitan Police Department of Detroit and the Federal Bureau of Investigation and this is exactly what over half of the arrested rioters and looters were. Persons who, even in the absence of *any* rational gun controls, should never have had these weapons in their possession.

The laws of the State of Michigan require a permit to purchase a handgun and that they be registered, yet, two hundred and seven of the guns found in the possession of these people were not registered. Of the sixty guns that were registered, 38 were taken from individuals who had the weapon in their possession without the knowledge or consent of the owners. A review of the arrest records reveals that dozens of these people, as Prosecutor Cahalan testified, purchased these guns in Toledo, sometimes months or only days prior to the riot. They were, in the main, the "Saturday Night Specials," the cheap, foreign-made or military surplus handguns that are wreaking such havoc on law enforcement officers in this country.

The names of these weapons crop up with dulling repetition.

The owner of one of the 147 foreign made handguns seized from rioters stated: "I bought the gun in Toledo, Ohio, 6 months ago."

The familiar Walther P–38 was taken from a young lady who said she purchased it 5 days before her arrest in Toledo, Ohio, and did not register it.

Toledo, of course, is just the major symptom in the Detroit area of the farce that is made of the Michigan law because *that* state cannot prevent its residents from buying weapons in another state.

For example, the handgun most despised by all of our big city police departments, and another gun well known to the Subcommittee, the 22 calibre "Rosco," was taken from an arrested person who had purchased the pistol in Chicago months before the riot.

In conclusion, the great majority of the handguns seized from rioters were purchased out-of-state, were not registered and were many times in the possession of known criminals with lengthy arrest records. Eighteen of these pistols and revolvers were taken from persons under 21 years of age, persons who would have been denied these weapons under the legislation pending in Congress for the past 4 years.

If I took the time to read some of the prior arrest records of these rioters to my colleagues in the Senate, they would find it hard to believe that we have allowed the situation to deteriorate to the absurd level where known felons with records of assault with intent to kill, violations of weapons laws, armed robbery and homicide, repeatedly avail themselves of the criminal's favorite tool, the handgun.

There were actually cases where rioters arrested with guns had been recently paroled to Detroit. Some were not to be released from parole until as late as 1969. Some had been convicted of murder or manslaughter.

Aside from the riot, the impact of handguns on the crime picture in the City of Detroit is demonstrated by the statistics provided to me on those weapons handled by the Crime Laboratory of the Detroit Police Department.

In 1963 they processed 4,297 handguns.

In 1966 there were 10,083 such weapons analyzed.

And for the first 9 months of 1967 including the riot which added 267 to the total, there have already been 11,019 handguns processed by the police laboratory in the City of Detroit.

And, we must remember that for every gun they see, there are untold numbers they have no knowledge of.

In view of the recent boom in gun sales which the Detroit Police Department described to the Subcommittee, we can expect this appalling situation to continue at an even greater pace in the months and years to come.

And what of the rifles and shotguns and the "sportsmen" who used them? Witnesess during our recent hearings in outraged anger castigated the Subcommittee, the Congress and the President for implying that these weapons would never be used by anyone other than a deer hunter or a trap shooter.

Let them try to convince the National Guard, the Paratroopers, the Detroit Police and the Michigan State Police of this.

Let them try to convince the terrified citizens of Detroit who spent nights sleeping under their beds because hidden assassins were wildly firing into the darkened neighborhoods of the riot zone.

As Mr. Quin Tamm who represents the police of America told the Subcommittee on August 1, 1967, the long gun has taken its place in 20th Century crime with a demolishing force.

Police officers in the precincts in the heart of the riot zone told Subcommittee staff members that, for the first time in memory, seizures of long arms surpassed those of handguns.

During the official riot period, there were 280 rifles and shotguns confiscated from snipers and a veriety of criminals, hoodlums and scatter brains.

There were 2,533 firearms stolen during the riots and I am sure the gun runners will claim that the rioters used stolen guns and that we really don't need to concern ourselves with weapons controls.

They said this after the Watts riot in 1965.

They said it after the New Jersey riot in June.

But the facts in Watts, and in New Jersey, and in Detroit prove that the gun lobby is wrong.

For example, of the 267 confiscated handguns only 9 were reported as stolen. Arrest records indicate that the bulk of the stolen firearms were taken along with other items as part of the general looting, and not with the express purpose of using them in the rioting. Many of the persons arrested with stolen rifles or shotguns among their loot had not stolen ammunition for them.

I would like the gun runners to read the arrest records and see the statements I have seen such as the gentleman who got *his* rifle and loaded it because, as he put it he "wanted to go sniping and kill a police officer." A character like this might have ended up with a "Sniper Charge" against him but these, dangerous as they were, were the easy cases, the drunks and the lunatics. The police and National Guard told the Subcommittee staff that the *bulk of the snipers were never apprehended.*

Of the 100 snipers estimated by enforcement people in the field, only 26 persons were actually arrested and charged with the offense of sniping. Yet, there were 32 persons shot by snipers; 5 of them fatally, including 4 innocent citizens and one fireman. 16 policemen and 1 fireman were injured as a result of accidents caused by sniper fire.

36 additional innocents were shot by "unknown persons," 6 fatally. Many of these were also sniper shootings.

Most of the snipers knew what they were doing. They obviously had escape routes previously planned or they would simply meld back into the apartment community from whence they came. But many times they left one thing behind, their weapon.

And that weapon was, in most cases, a rifle.

On the afternoon of July 27th, members of the Subcommittee staff were in one police precinct whose officers along with units of the Michigan National Guard, had been pinned down for 2½ hours by a sniper from the top of a neighborhood apartment. When the troopers finally stormed the roof top all they found was a cheap military surplus rifle with its barrel still hot.

This is a new breed of "hunters" in the great state of Michigan.

We do not have as much information on the long guns as we do on handguns because firearms traffickers have succeeded magnificently in depriving Michigan authorities, and the authorities in other states, of the basic minimum laws necessary for a civilized society to determine who bought what deadly weapons, when and at what place.

The direct result of their blind zeal in protecting wide-open firearms sales is that known criminals, addicts and mental patients along with extremists fomenting civil unrest can arm themselves virtually at will with a weapon of their choice from an unlimited arsenal.

Scores of gun owners themselves, when arrested, freely admitted that the weapons were theirs and that they had owned them for some time.

Even stronger evidence that these people have possessed guns for years is, again, the fact that their arrest records show repeated violations of Michigan's firearms laws.

Hundreds of arrests for carrying unregistered handguns, armed robberies, carrying concealed weapons and a whole host of weapons offenses is pretty convincing evidence to me. These rioters were not simply poverty stricken, normally law abiding citizens turned into gun experts overnight who broke into stores and not only armed themselves but had the expertise to select the right kind of ammunition for a particular weapon, load it and shoot it.

Yet, this latter proposition is one the gun runners would have us believe.

I submit it is a proposition that is difficult for reasonable men to accept.

We have additional evidence on the ownership of guns used in riots given us by police authorities in other cities. The Juvenile Delinquency Subcommittee sent questionnaires to every Police Department in cities where riots occurred during the last 2 years.

Comments of some of the Chiefs of Police add further proof to my charge that weapons used by snipers and rioters are not looted weapons.

Colonel Howard A. Franklin, the Chief of Police of Providence, Rhode Island, wrote the Subcommittee and stated:

"I can state that all firearms were in the possession of the snipers prior to the disturbance. This is certain because there were no stores looted of firearms of any type."

Mr. Anthony A. Bosch, the Chief of Police of Toledo told the Subcommittee:

"The majority of the weapons were acquired by the individuals before the disturbance occurred. There were no weapons stolen during the disturbance."

Of significance in the Toledo riots which ran parallel in time to the Detroit riots, Police Chief Bosch told the committee:

"One of the persons arrested on a weapons charge admitted he came to Toledo, Ohio, from Detroit, Michigan for the purpose of purchasing guns he intended to sell in Detroit."

One wonders what explanation the myopic gun runners will conjure up to explain such testimony and evidence that has accumulated as a result of exhaustive checks by the nation's police departments.

From the hundreds of police records that the Subcommittee staff analyzed concerning firearms crimes during the Detroit riots, we isolated 241 cases where the gun owners flatly admitted owning the gun or where circumstances surrounding their arrests with these weapons left no doubt that *these were not looted firearms.*

52% of these gun toters had prior criminal records and this is only based on a preliminary investigation. 60 of this 241 were known felons, many of whom had records dating back to the 1930's and 40's and who had murder in their past and murder on their minds.

73 of this 241 had lengthy misdemeanor convictions of a variety of crimes not including traffic offenses. The fact that large numbers of these offenses involved firearms crimes is strong evidence of the fact that these weapons were taken from *habitual "gun toters."*

The facts in these incidents are incontrovertible. There is no need to belabor them.

Congress must move in this matter. It is possible to shut off the free and easy access to firearms now enjoyed by the criminal, the habitual drunk, the addict, and the mentally deranged.

If Congress enacts effective controls over the interstate sale of firearms then at least one source of guns will be removed from the criminal. He will no longer conveniently drop a few dollars in an envelope to a mail order house and anonymously receive a first class "manstopper" as one dealer described his surplus military pistol or a "long shot summer" sniper's rifle.

"Strong gun laws won't deter the criminal," lobbyists say, because "he will steal a gun." At present, the criminal, bent on grandiose criminal schemes, has no need to inconvenience himself with the "petty" theft of a gun. Further, I feel it is reprehensible to use such an argument to obfuscate and to confuse the issue.

It is clear enough to me. I say pass the law and enforce it.

Inconvenience the criminal a bit.

We have heard extremists call for armed revolt in our cities. Congress should not continue to convenience the extremists with a law that makes the purchase of firearms by a sniper no more complicated than the purchase of a bus ticket to the scene of a riot.

Organizations of sportsmen, business and industry and their hired lobbyists, all of whom have a financial or emotional interest in firearms laws, know better than anyone else that strong and effective firearms legislation can be enacted without interfering with either the rights or the pursuits of legitimate sportsmen and decent citizens.

To date, when these organizations have appeared before our Subcommittee opposing strong firearms legislation their position all too often was left to stand on pumped-up platitudes or distortions of the word "freedom."

And the result, however well-meaning their intentions, was that selfish interests were served while violence with guns was encouraged.

It is time that we all pulled together and gave more thought to public safety, to the policeman and the fireman in the street whose job is already dangerous enough.

It is time we gave more thought to the 150 million Americans who in repeated National polls see effective firearms laws as no threat to their Constitutional rights.

Congress must lend an ear to the decent people of this country.

They plead for the safety of their families.

They want safe streets.

They are concerned about their homes and their communities.

And they do not want to see them turned into a battlefield, so that they, themselves must use shotguns or rifles in self defense.

These people have not appointed the gun lobby as their spokesmen. When they go to the polls they speak for themselves.

These decent people are legion, and they should not be ignored by Congress.

TASK FORCE ON TRAVEL—THE ISSUE

Mr. JAVITS. Mr. President, in his Economic Report sent to the Congress in January 1967, the President announced his intention to appoint a special industry-Government task force to make specific recommendations on how the Federal Government can best stimulate foreign travel to the United States.

Yesterday, the President finally appointed his Task Force on Travel—I am very pleased to note the distinguished business leaders including outstanding New Yorkers who have accepted this appointment. I ask unanimous consent that the list indicating the members of the travel task force from industry and from the Government be inserted at the end of my remarks.

For many years both as a Member of the House and of the Senate I have had a deep interest in the travel problems of this country and was one of those who helped found the U.S. Travel Service. For the past several years I have strongly urged effective Government measures to help remedy the steadily expanding travel deficit and fought in the Appropriations Committee to increase the agency's appropriations. Even with the great financial handicaps under which it has been forced to operate since its inception, the U.S. Travel Service has done an excellent job in promoting foreign tourism and in contributing to the earnings of this country from foreign travel in the United States.

On July 20, 1965, during the first session of the 89th Congress I introduced a bill with the cosponsorship of Senators HARTKE, LONG of Missouri, MCGEE, SCOTT, CANNON, WILLIAMS of New Jersey, BREWSTER, PEARSON, BIBLE, and CLARK, which would have greatly expanded the responsibilities of the U.S. Travel Service to promote foreign travel to the United States and for developing a coherent national travel policy, to coordinate present travel activities of the Federal Government, and to strengthen its role as a coordinator of the Government's liaison with State and private tourist organizations. For this purpose, the bill would increase the Travel Service's budget to $15 million annually and it would authorize a national inventory of domestic travel resources to lay the groundwork for a long-term national travel program. In effect, the President's task force on travel could very well do an initial job in this area provided it is adequately financed. My bill would have provided up to $2½ million for such a special study and I hope that the work to be done by the President's task force will have at least this much financing.

There is a tremendous job ahead to be performed by this task force. It is obvious to anyone familiar with this problem that the efforts by government and by business today in the travel area have been inadequate both in absolute terms and relative to the job being done in other important developed nations. There must be tremedous improvement made in the facilities provided for our foreign visitors, in attracting these foreign visitors to this country, and in handling these foreign visitors once they arrive. There is a much better job that must be done to coordinate the millions of dollars that are being spent by various agencies at different levels of government relating to travel so that duplication may be avoided.

There is need to establish within the Federal Government a preeminent voice in the area of travel. And most importantly, a much better job must be done to increase congressional and public awareness of the importance of travel to our economy and our balance of payments and as a means of communication between our people and other peoples. Congress today, especially the House Appropriations Committee, has refused to provide the one agency in the Government that has done an effective job in the area of travel with adequate funds. I consider this aspect of the travel task force's study and recommendations as one of the most important ones.

I ask unanimous consent that the White House announcement, my bill, S. 2305, along with recent statements I made on this subject, may be printed at the conclusion of my remarks. I strongly urge members of the task force to pay very close attention to this bill which is a result of extensive consultations with wide segments of the travel industry and which I believe contains much that must be done to put the United States on the road to being a first-class travel nation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT BY THE PRESIDENT, NOVEMBER 16, 1967

President Johnson today announced the appointment of an Industry-Government Special Travel Task Force to make specific recommendations as to how the federal government can best increase foreign travel to the United States and thereby improve our balance of payments. A reduction of the travel deficit, which arises when Americans spend more in travel abroad than foreigners spend in travel here, will make an important contribution to our balance of payments.

Robert M. McKinney of New Mexico will serve as working chairman of the Task Force. Former U.S. Ambassador to Switzerland McKinney had served on an earlier Balance of Payments Task Force which recommended ways of promoting foreign investment in the United States. The Travel Task Force membership includes distinguished leaders in the fields of travel, transportation, public relations, entertainment, publishing, hotel keeping, education and public service.

The President in his Economic Message in January 1967 announced his intention to appoint this Task Force to advise as to ways of dealing with the problem of our balance of payments travel deficit. The travel deficit has continued to increase in recent years and it amounted to $1.6 billion in 1966. In his Economic Message the President noted that the most satisfactory way to arrest this increasing gap was not to limit American travel abroad but rather to stimulate and encourage foreign travel to the United States.

The Special Travel Task Force will supplement the already existing Cabinet Task Force on Travel of which Vice President Hubert H. Humphrey is the Chairman.

President Johnson has asked that the Special Travel Task Force do more than prepare a program that will meet our balance of payment objectives. The President has asked that the Special Travel Task Force build into its program ways and means that will insure that more and more foreign visitors truly learn to know our country and our people. It is the view of the President that increased opportunities for contacts between Americans and visitors to the United States will inevitably and beneficially broaden the areas of mutual understanding between the peoples of the world.

The President expressed the hope that the members of the Task Force would bear in mind his remarks made on August 11, 1965, when he said:

"All Americans are really heirs of travelers who originally came here from far across the seas to cast their lot in this great country of ours. What we want now is for that tradition to be honored. We want Americans to travel. We want our friends from other lands to travel. Now we aren't trying to discourage travel any place—we never have. There have been some misconceptions in that regard. But we are trying to encourage more travel to see more of the wonders and beauties of this vast and marvelous land of ours.

"And we feel in doing that we will not only build a better country and a better people, but we will also make great contributions to our own industry and to our own system."

The President has asked the Special Travel Task Force to report to him no later than the early part of next summer.

A list of the Industry and Government members of the Special Travel Task Force follows:

MEMBER, BUSINESS AFFILIATION, AND ADDRESS

Robert M. McKinney, Chairman, The New Mexican, Inc., Santa Fe, New Mexico.

William Bernbach, President, Doyle, Dane, Bernbach, New York, N.Y.

Daniel J. Boorstin, Professor of History, University of Chicago, Chicago, Illinois.

John A. Burns, Governor of Hawaii, Honolulu, Hawaii.

Edward E. Carlson, President, Western International Hotels, Inc., Seattle, Washington.

Howard L. Clark, President & Chief Exec. Ofcr., American Express Co., New York, N.Y.

Arthur Frommer, President, Arthur Frommer, Inc., New York, N.Y.

Frank Hildebrand, Director, Texas Tourist Development Agency, Austin, Texas.

Frank N. Ikard, President, American Petroleum Institute, New York, N.Y.

John H. Johnson, Editor and Publisher, Johnson Publishing Co., Chicago, Illinois.

Willis G. Lipscomb (retired), Vice Pres., Traffic & Sales, Pan-American World Airways, New York, N.Y.

Winston V. Morrow, Jr., Pres., Dir. & Ch. Exec. Ofcr., Avis Rent A Car System, Inc., Garden City, N.Y.

William D. Patterson, Vice President and Secretary, Saturday Review, Inc., New York, N.Y.

Gerald Shapiro, Vice Pres. and General Mgr., Hertz Rent A Car Division, New York, N.Y.

Lew R. Wasserman, President, Music Corp. of Amer., Universal City, Calif.

Anthony M. Solomon, Asst. Secretary for Economic Affairs, Dept. of State.

Winthrop Knowlton, Assistant Secretary for International Affairs, Department of the Treasury.

Harry M. Shooshan, Deputy Under Secretary for Programs, Department of the Interior.

Donald G. Agger, Assistant Secretary for International Affairs, Department of Transportation.

Charles S. Murphy, Chairman, Civil Aeronautics Board.

Andrew F. Brimmer, Member of Board of Governors, Federal Reserve System.

John W. Black, Director, United States Travel Service, Department of Commerce.

S. 2305

A bill to amend the International Travel Act of 1961 in order to promote travel in the United States

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Travel Act of 1961 (22 U.S.C. 2121–2126) is amended—

(1) by striking out the first and second sections and inserting in lieu thereof the following:

"That it is the purpose of this Act to strengthen the domestic and foreign commerce of the United States, and promote friendly understanding and appreciation of the United States by encouraging foreign residents to visit the United States and by facilitating international travel generally, and by otherwise encouraging and facilitating travel within the United States (including its possessions for the purposes of this Act).

"SEC. 2. In order to carry out the purpose of this Act the Secretary of Commerce (hereafter in this Act referred to as the 'Secretary') shall—

"(1) formulate for the United States a comprehensive policy with respect to domestic travel;

"(2) develop, plan, and carry out a comprehensive program designed to stimulate and encourage travel to and within the United States for the purpose of study, culture, recreation, business, and other activities and as a means of promoting friendly understanding and good will among peoples of foreign countries and the United States;

"(3) encourage the development of tourist facilities, low-cost unit tours, and other arrangements within the United States for meeting the requirements of all travelers;

"(4) foster and encourage the widest possible distribution of the benefits of travel at the cheapest rates between foreign countries and the United States and within the United States consistent with sound economic principles;

"(5) encourage the simplification, reduction, or elimination of barriers to travel, and facilitation of travel to and within the United States generally;

"(6) collect, publish, and provide for the exchange of statistics and technical information, including schedules of meetings, fairs, and other attractions, relating to travel and tourism; and

"(7) establish an office to be known as the Office of Travel Program Coordination, which shall assist the Secretary in carrying out his responsibilities under this Act for the purpose of (A) achieving maximum coordination of the programs of the various departments and agencies of the United States Government to promote the purposes of this Act, (B) consulting with appropriate officers and agencies of State and local governments, and with private organizations and agencies, with respect to programs undertaken pursuant to this Act, and (C) achieving the effective cooperation of Federal, State, and local governmental agencies, and of private organizations and agencies, concerned with such programs.";

(2) by inserting before the period at the the end of section 3(b) the following: "and shall not otherwise compete with the activities of other public or private agencies";

(3) by inserting "(a)" after "SEC. 4", and by inserting at the end of such section 4 a new subsection as follows:

"(b) The Secretary may appoint two assistant director for the purpose of this Act. Such assistant shall be compensated at the rate provided for GS–18 in the Classification Act of 1949.";

(4) by redesignating sections 5, 6, and 7 as sections 6, 7, and 8, respectively, and by inserting after section 4 a new section as follows:

"SEC. 5. (a) The Secretary shall establish a National Tourism Resources Review Commission. Such Commission shall be composed of fifteen members appointed by the Secretary from among persons who are informed about and concerned with the improvement, development, and promotion of United States tourism resources and opportunities or who are otherwise experienced in tourism research, promotion, or planning. The Secretary shall appoint a chairman from among such members. The Commission shall meet at the call of the Secretary.

"(b) The Commission shall make a full and complete study and investigation for the purpose of—

"(1) determining the domestic travel needs of the people of the United States and of visitors from other lands at the present time and to the year 1980;

"(2) determining the travel resources of the Nation available to satisfy such needs now and to the year 1980;

"(3) determining policies and programs which will insure that the domestic travel needs of the present and the future are adequately and efficiently met;

"(4) determining a recommended program of Federal assistance to the States in promoting domestic travel; and

"(5) determining whether a separate agency of the Government should be established to consolidate and coordinate tourism research, planning, and development activities presently performed by different existing agencies of the Government.

The Commission shall report the results of such investigation and study to the Secretary not later than two years after the effective date of this section. The Secretary shall submit such report, together with his recommendations with respect thereto, to the President and the Congress.

"(c) The Secretary is authorized to engage such technical assistance as may be necessary to assist the Commission, the Secretary shall, in addition, make available to the Commission such secretarial, clerical, and other assistance and such pertinent data prepared by the Department of Commerce as the Commission may require to carry out its functions.

"(d) Members of the Commission, while serving on business of the Commission, shall receive compensation at a rate to be fixed by the Secretary, but not exceeding $100 per day, including travel time; and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

"(e) There is authorized to be appropriated not to exceed $2,500,000 for the purpose of this section."

(5) by striking out "$4,700,000" in the section redesignated as section 7 and inserting in lieu thereof "$15,000,000"; and

(6) by striking out "International Travel Act of 1961" in the section redesignated as section 8 and inserting in lieu thereof "International and Domestic Travel Act".

Major U.S. Tourism Effort Essential

Mr. Javits. Mr. President, I send a bill to the desk to expand the U.S. Travel Service in order to increase domestic travel, and to make it the focal point for all U.S. activities related to the expansion of domestic and international travel. It will be remembered that the U.S. Travel Service is confined to encouraging foreign travelers to travel in the United States.

I wish to pay tribute to the Vice President of the United States, who has taken an extraordinary leadership in this matter and brought about an arrangement for voluntary private action, through the "See the USA" program, providing $500,000 from private enterprise, in the so-called Discover America project which is to develop a nationwide campaign to publicize travel within the United States.

The reason for introducing the bill is that it is very clear to me that the problem is very much greater than this voluntary effort, standing alone, would develop, and it needs action, at a far greater increase in terms of time and on a broader scale than would be the result of the efforts for which the Vice President has been responsible to date.

The bill is necessary because:

First. The present U.S. effort to close the so-called travel gap, which adversely affects our balance of payments to the extent of an estimated $1.6 billion annually is not adequate; foreign visitors here do not find the advanced facilities for foreign guests that are available in practically all major travel centers of the world.

Second. Funds now being spent by a dozen agencies of the Government for the encouragement and promotion of tourism within the United States are not coordinated sufficiently.

Third. There is a great need for a national inventory of domestic travel and tourism needs, and for the development of plans for the future development of this, the third largest industry in the Nation.

Fourth. Extensive State and local efforts in the field of domestic travel and tourism need to be coordinated and facilitated.

The bill introduced today would:

First. Provide for an expanded U.S. Travel Service with a director appointed by the President, with the advice and consent of the Senate, and responsible directly to the Secretary of Commerce. The director would have two deputies, one responsible for the promotion of foreign travel to the United States, and the other responsible for the administration of the domestic travel program. The functions of the new domestic travel program would be to develop a coherent national travel policy: to coordinate present Federal travel-related activities; to encourage construction of new tourist facilities within the United States and, to coordinate and act as the Federal Government's liaison with State and private tourist organizations.

Second. Increase funds for the national travel program to $15 million; $10 million to be allocated to encourage foreign tourists to visit the United States and $5 million to begin the proposed domestic travel program.

Third. Authorize a national inventory of domestic travel resources to lay the groundwork for a long-term national travel program. The bill calls for the creation of a 15-member National Tourism Resources Review Commission to be appointed by the Secretary of Commerce among private citizens knowledgeable and experienced in the travel field.

I hope very much the administration and my congressional colleagues will study this bill with the greatest care, and will support it.

Mr. President, I ask unanimous consent to introduce the bill out of order. I ask also that the bill lie at the desk for a week to permit other Members of the Senate an opportunity to cosponsor it.

The Presiding Officer. The bill will be received and appropriately referred; and, without objection, the bill will lie at the desk as requested.

The bill (S. 2305) to amend the International Travel Act of 1961 in order to promote travel in the United States, introduced by Mr. Javits, was received, read twice by its title, and referred to the Committee on Commerce.

Mr. Javits. Mr. President, I have a few brief remarks on this subject. One of the big problems facing our country is the problem of the balance of payments. I have addressed myself to that problem many times. One of the biggest efforts we can make to reduce our balance-of-payments deficit is to reduce the difference between what the United States earns from and what it pays out for international travel, which in 1964 added $1.6 billion to that deficit. This is the so-called travel gap. That imbalance of payments, through we are not undergoing it at the present time, will soon show up again, according to expectations and probabilities.

The time has now come to mount a major national effort with an eye on the overall aspects of tourism, both as it pertains to the effort of attracting foreign tourists to our shores and as it touches upon a need, which is becoming clearer every day; namely, to gear up this Nation for increasing travel by Americans in America.

The travel industry has hardly touched its potential: 80 percent of our people have never been in an airplane; 80 million Americans took no trip anywhere last year; and more than half of our people have never been more than 200 miles from home.

The U.S. travel industry, composed of thousands of hotels, motels, resorts, airlines, national parks and forests, gas stations, seashores, restaurants, is one of our most important national resources. It is a $30 billion industry, ranking as third largest behind manufacturing and agriculture. It is vitally important as an employer of 6 million individuals, 3 million directly and an additional 3 million indirectly, many of them unskilled and semiskilled; as a source of profits to investors and owners, as a source of tax revenue both to the States and the Federal Government. A vigorous domestic travel industry is also vital as the most effective means of dealing with the so-called tourism gap—the difference between money spent by U.S. tourists overseas and foreign tourists in the United States.

By promoting foreign and domestic travel effectively at the National, State, and local levels, we will be in a much better position to attract foreign tourists, confident, for example, that when they arrive they will be able to convert their curency easily at points of entry and in the larger cities, that they will be able to find officials and employees in the hotel and transportation field capable of speaking their language, that the natural and manmade wonders of our country will be made available to them with the least possible difficulty. In short, that they will find facilities awaiting them, similar to the facilities and services available to foreign visitors in Europe for the last half century.

The responsibility to own, invest in, and to promote and manage our travel industry belongs to the private sector. The responsibility to encourage, assist, and to act as a catalyst and spearhead for our travel industry rests with the National, State, and local governments in cooperation with private industry.

Since the end of World War II, European countries, Canada, and Japan, as well as developing countries, have embarked on large-scale efforts to increase foreign travel to their countries, as well as to increase travel within their borders. They realized early the enormous earnings potential of travel and as a source of employment and tax revenues. With this realization in mind, budgets for travel promotion have risen each year.

A few statistics will demonstrate what is at stake here: In 1963, international travel accounted for $8.355 billion in the flow of world trade, of which U.S. tourism generated $3.19 billion, Western Europe, $4.05 billion and the rest of the globe $1.015 billion. Close to 8 million Americans spent this $3.19 billion in Canada, Mexico and to a lesser extent in Europe and the Mediterranean. Some 90 million foreign visitor arrivals were recorded by 68 countries in 1963, including 6 million in the United States earning for the United States $1.05 billion in that year. Here it must be noted that of the 8 million Americans traveling abroad, 6 million traveled in Canada; and of the 6 million visitors here, 5 million were Canadians.

The United States is a late starter in the competition for the foreign traveler. It was not until the creation of USTS in June 1961 that the United States Government seriously started to promote foreign travel to our shores. This effort has been extremely successful as is demonstrated by the steep rise in foreign travel to the United States since the USTS went to work. On a budget that has reached $3 million only in the current fiscal year, the USTS has succeeded in increasing foreign travel to the United States by 17 percent in 1962, 22 percent in 1963, and by over 30 percent in 1964.

According to information supplied by John Black, the director of USTS, to the House Banking and Currency Committee on November 30, 1964, the estimated number of foreigners whose income level would permit a visit to the United States is 3.5 to 4 million as compared to the 1 million or so who have visited this country from overseas, excluding Canada. It is therefore quite clear that the USTS budget should be sharply increased if an effective travel promotion campaign is to be mounted by the United States.

It is rather obvious that before an effective national effort can be mounted to fully exploit the potential of travel in the United States there must be developed a focal point within the Federal Government to orchestrate the activities of the Government in travel and tourism.

If anyone today attempts to discuss the problem of improving our American travel resources with official Washington he would find it impossible to find any one agency involved with the broad aspect of travel. There is an agency to promote foreign travel to this country, another to encourage outdoor recreation. The Agricultural Department is encouraging farmers to build campsites. Interior is helping Indian reservations to create tourist attractions. ARA is lending money for tourist development in distressed areas. Interior has National Parks and Agriculture, National Forests. The Commerce Department established transportation policy and so do a number of independent agencies.

More than a dozen Federal departments and agencies spend millions of dollars on travel and tourism functions. Departments or agencies not already named include the Forest Service, the U.S. Army Corps of Engineers, the Tennessee Valley Authority, the

Bureau of Sport Fisheries and Wildlife, the Bureau of Outdoor Recreation, the Civil Aeronautics Board, the Interstate Commerce Commission, the Bureau of Public Roads and the Armed Forces. The need is obviously great for a center coordinating body which can at least think about the overall state of the American travel industry.

Providing the specialized facilities and services needed by foreign and domestic visitors must also be considered. There is a great need for taking a national inventory of our national travel resources and assessing its adequacy over the next decade. A new initiative must be taken to establish a close relationship between our national efforts to promote domestic and foreign travel in the United States and the efforts of the States.

Such an inventory would be the responsibility of the National Tourism Resources Review Commission which is authorized by the bill I introduce today. The Commission, whose members would be experienced in the tourism and travel industries, would bring into focus our current resources and facilities and help draft long-range plans for the future.

Under my bill, the Commission would be provided with a budget of $2.5 million and would be ordered to report to the President and the Congress within 2 years. The staff of the U.S. Travel Service would be authorized to assist the Commission, but expert consultant hire would also be authorized.

Among the problems that should be considered by the Commission in the course of its study are two which are of vital interest to the travel industry itself: Whether a separate Federal agency should be created to consolidate and coordinate the tourism research, planning and development now handled by many different departments, offices, and agencies; and whether it would be practical to establish a matching-fund program to assist the States in developing their own promotion and facilities improvement programs.

The administration has recently started to deal with this problem in earnest. In March 1965, President Johnson appointed Vice-President HUMPHREY as Chairman of a special Cabinet task force on travel to develop a positive program to encourage foreign travelers to come to the United States and to stimulate greater travel by our own citizens. The task force supported an increase in the budget of U.S. Travel Service from $3 million to $3.5 million. The House cut this request to $3 million, and U.S. Travel Service is now attempting to get $500,000 restored in the Senate. It also supported legislation to reduce from $100 to $50 the duty allowance of returning travelers. I believe that this piece of legislation was uncalled for, would have been of little consequence in balance-of-payments terms, but could have caused great harm to international travel. As a result of strong opposition in both the House and the Senate—in which I played an active part—the duty-free allowance of returning travelers was left at $100 retail and the law was made permanent.

Congress also authorized the President in August 1964 to appoint an unpaid national chairman to coordinate the efforts of private industry in carrying out the purpose of the "See the U.S.A." program. The chairman of the program, Robert Short of Minneapolis, was appointed in May and with strong support from the Vice President mounted the Discover America, Inc. project which will publicize travel within the United States with $500,000 in contributions obtained from key segments of the travel industry.

Efforts by private organizations to cope with this enormous and complex industry have been commendable but successful only in a limited area—public relations, advertising and publicity within the United States. This is a job which under our constitutional form of government should be left in private hands. This is how objectives of the U.S. Travel Service are carried out and this is how "See the U.S.A." program is implemented.

At the same time I want to make it entirely and unmistakably clear that I do not think that public relations job financed with $500,000 in private contributions can ever solve our travel problems nor could it provide for an adequate national travel program. This is a job which calls for Federal initiative and financial support. It is a job that calls for an inventory of our travel resources and needs so that our private travel industry can invest and make its own plans with a clear idea of where the opportunities lie in the decade ahead.

This, I feel the bill I am introducing today will do, and I urge that it receive the closest attention of the Congress.

I am offering this measure as a result of a longstanding interest, for I cosponsored, with the Senator from Washington [Mr. MAGNUSON], chairman of the Commerce Committee, the bill to establish the U.S. Travel Service in 1961. It followed a longtime effort in which I had been engaged in since 1953, when I was chairman of a subcommittee of the Foreign Affairs Committee of the House of Representatives on international economic cooperation, which developed the whole aspect of travel as a major element in our international financial affairs in respect to foreign policy.

Mr. President, I ask unanimous consent that various exhibits relating to this matter be made a part of my remarks in the RECORD.

There being no objection, the exhibits were ordered to be printed in the RECORD, as follows:

"EXHIBIT 1

"TRAVEL PROMOTION EXPENDITURES OF 20 COUNTRIES AS COMPARED TO THEIR GROSS NATIONAL PRODUCT AND GROSS EARNINGS FROM TRAVEL[1]

"Country	Travel promotion expenditures	GNP	Gross earnings from travel
Austria	$892,000	$7,666,000,000	$503,000,000
Belgium	2,000,000	13,900,000,000	(2)
Canada	3,700,000	15,375,000,000	609,000,000
Denmark	600,000	7,970,000,000	164,000,000
Finland	700,000	5,810,000,000	(2)
France	4,500,000	79,360,000,000	808,000,000
Germany	1,500,000	94,200,000,000	688,000,000
Great Britain	7,000,000	84,170,000,000	619,000,000
Greece	[3] 12,400,000	4,367,000,000	91,000,000
Ireland	3,100,000	2,265,000,000	165,000,000
Italy	2,900,000	45,100,000,000	1,000,000,000
Luxembourg	92,000	525,000,000,000	(2)
Mexico	4,500,000	15,375,000,000	656,000,000
Netherlands	870,000	14,400,000,000	(2)
Norway	360,000	5,638,000,000	78,000,000
Spain	2,000,000	14,970,000,000	939,000,000
Sweden	481,000	15,560,000,000	(2)
Switzerland	2,000,000	11,630,000,000	560,000,000
Turkey	2,000,000	6,975,000,000	8,300,000
United States	3,400,000	583,900,000,000	1,005,000,000

"[1] Information as pertains to the year 1963.
"[2] Not available.
"[3] Including hotel maintenance costs.

"Source: OECD report, 1964, U.S. Travel Service.

"EXHIBIT 2

"Budgets of Federal agencies dealing with some aspects of travel, fiscal year 1966 [1]

Fish and Wildlife Service	$52,169,500
Bureau of Indian Affairs	206,264,000
Bureau of Land Management	64,236,000
National Park Service	119,668,000
Bureau of Reclamation (estimate)	327,883,000
Army Corps of Engineers civil works program, fiscal year 1965	1,253,748,200
Bureau of Outdoor Recreation	128,398,000
Area Development Administration	73,200,000
Forest Service	360,000,000

"[1] Funds available for travel promotions or facilities used by travelers are contained within these budgets.

"EXHIBIT 3

"EXPENDITURES OF STATE GOVERNMENTS FOR TRAVEL PROMOTION, 1964

"State	Biennial budget	Annual budget
Alabama		$355,500
Alaska		389,600
Arizona		150,880
Arkansas		640,227
California		None
Colorado		305,692
Connecticut	$60,000	30,000
Delaware		30,000
Florida		1,000,000
Georgia		475,211
Hawaii		[1] 1,100,000
Idaho		[2] 157,344
Illinois	500,000	250,000
Indiana		(3)
Iowa		50,000
Kansas		[2] 273,000
Kentucky		680,000
Louisiana		[2, 4] 230,000
Maine		325,123
Maryland		177,264
Massachusetts		100,000
Michigan		691,096
Minnesota		[4] 183,847
Mississippi		377,850
Missouri	192,621	96,310
Montana		126,000
Nebraska	125,000	64,500
Nevada		50,000
New Hampshire		274,500
New Jersey		149,000
New Mexico		216,630
New York		720,635
North Carolina		450,000
North Dakota	125,000	64,500
Ohio		None
Oklahoma		402,000
Oregon		600,000
Pennsylvania		526,000
Rhode Island		123,070
South Carolina		225,000
South Dakota		408,000
Tennessee		375,000
Texas:		
Texas Tourist Development Agency		126,146
Texas Highway Department, Travel Information Division		310,000
Utah		150,000
Vermont		213,639
Virginia	1,193,495	596,747
Washington	692,234	346,117
West Virginia		161,000
Wisconsin		420,000
Wyoming	402,288	201,144
Total		15,368,581

"[1] Paid by State to Hawaii Visitors Bureau.
"[2] For advertising and promotion.
"[3] No budget.
"[4] Approximate.

"Source: '1964 Development Advertising Reports,' edited by Ruth H. Long

"EXHIBIT 4

"PARTIAL LIST OF PRIVATE TRAVEL ORGANIZATIONS PROVIDING PRIMARY TRAVEL INDUSTRY FUNTIONS IN THE UNITED STATES

"American Automobile Association (A.A.A.).

"American Hotel & Motel Association (A.H. & M.A.).

"American Motor Hotel Association (A.M.H.A.).

"American Petroleum Institute (A.P.I.).

"Air Transport Association of America (A.T.A.).

"Hotel Sales Managers Association (H.S.M.A.).

"National Association of Motor Bus Owners (N.A.M.B.O.).

"National Association of Travel Organizations (N.A.T.O.).

"Rail Travel Promotion Agency (R.T.P.A.).

"Trans-Atlantic Passenger Steamship Conference.

"Trans-Pacific Passenger Conference (steamship).

"EXHIBIT 5

"U.S. TRAVEL SERVICE BUDGET AND STAFF

"Fiscal year	Budget	Size of staff in District of Columbia	Overseas	Number of offices
1962	$2,500,000	26	20	7
1963	3,350,000	28	44	9
1964	2,600,000	27	43	9
1965	3,000,000	31	42	9
1966:				
House allowance	3,000,000	30	50	11
Senate appeal	3,345,000	30	50	11

"Source: U.S. Travel Service."

OUR INADEQUATE NATIONAL TRAVEL PROGRAM

(Remarks of Senator JACOB K. JAVITS prepared for delivery at the annual meeting of the Finger Lakes Association, Yates County, N.Y., May 11, 1967.)

The United States is the most affluent nation on earth and contains about as wide a variety of natural and man-made wonders as you could ever expect on this earth, and yet, we are not a first-rate tourist nation.

This statement seems incongruous when you visit this beautiful section of New York that has so much to offer to please almost every taste in recreation. But it is true that the Federal Government has never, and is not now, doing what could be done relatively inexpensively to realize the full potential of the tourist industry.

Lest anyone think that under-utilization of this national resource is unimportant, let me point out that the lack of an effective national tourism policy—a failure in which the Congress as well as the Executive must share the responsibility—has contributed greatly to our international balance of payments crisis and has ignored the opportunity to provide hundreds of thousands of new jobs for the unskilled and the semiskilled, the very people we are trying to help under other Federal programs.

I have introduced legislation that would greatly increase the effectiveness of the U.S. Travel Service in attracting foreign visitors to this country and in interesting these visitors to come to areas like the Finger Lakes region. The bill would also provide $5 million for a domestic travel program and $2.5 million for a high-level study of all our domestic tourist resources.

The U.S. travel industry, composed of thousands of motels, hotels, resorts, airlines, national parks and forest, gas stations and seashores, is a $30 billion industry, third largest in the nation ranking behind manufacturing and agriculture.

It is vitally important as the employer of 6 million people—3 million directly and 3 million indirectly—as a source of profits to investors and owners, and as a source of tax revenue to local, state and Federal government.

And yet, we have done little on the national level to use the potential of this industry to help us overcome the relentless growth in the U.S. travel deficit—the difference between what we as a nation earn from tourism and what our citizens spend overseas for travel. For 1966, our travel deficit totalled $1.8 billion, or $130 million more than in 1965 and $260 million than in 1964 and there is every expectation that this deficit will widen this year.

The principal blame for this state of affairs must be placed at the doorstep of the present Administration. Thus far our government has felt, and rightfully so, that the best solution to the mounting U.S. travel deficit lies in the direction of constructive, positive measures, rather than in the direction of restricting the rights of U.S. citizens to travel abroad freely. However, absence of restraint is not a policy and the efforts of the Congress and the Administration to date in the positive direction have been inadequate and therefore unsuccessful.

The U.S. Travel Service carries the principal responsibility for promoting foreign travel to the United States on a budget of $3 million, which is a fraction of what other governments are spending on travel promotion. For several years the U.S. Travel Service's request to increase its budget to $4.7 million, has been refused by Congress and to date the Administration has been unable to persuade its large majorities in the Congress to support such a minimum increase in funds.

Also, the Administration has failed as yet to appoint a special Industry-Government Task Force called for by the President in February to develop major recommendations by May 1 on how the Federal Government could best stimulate foreign travel to the United States.

Time is running out. If we cannot deal with our travel deficit through positive measures then we will have no alternative but to consider the imposition of restrictions on travel, which would result in damaging consequences to our international commerce and to our world leadership.

There is much that we can do on the positive side. Let me indicate a few areas where such action could be productive.

1) It is essential that at least the $4.7 million requested by the U.S. Travel Service be approved by Congress. In fact, the Travel Service should be given a substantial increase in funds—a budget of $10 to $15 million—so that it would be in a position to increase its overseas operations, to advertise more extensively, to increase its knowledge about potential foreign travelers to the United States, and to make plans for the future. The Travel Service should be given statutory authority to coordinate the present Federal activities related to travel. In the domestic area, I would like to see a comprehensive study conducted of our national travel resources.

2) The efforts of private industry such as "Discover America" Program, the National Association of Travel Organizations and other segments of this industry should be coordinated. What is needed is a single industry-wide position as to what we can do to adequately inform Americans and foreigners alike of the wonders of our nation and to create adequate facilities for the tremendous increase that is to come in both domestic and foreign travel within the United States.

3) It is imperative that the President immediately appoint members of the Travel Task Force so that at last a beginning could be made in establishing an adequate travel program for the U.S. Government. I very much hope that the Task Force will be given adequate time to develop effective recommendations and would recommend—as I have recommended in my own bill—that a high-level industry commission be established to make a study of our national travel resources.

I would also like to have the task force consider the practicality of establishing a matching-fund program to assist the states in developing their own promotional facilities improvement program. Specifically, I would like it to consider the establishment of a $2 million matching fund to assist the states in developing foreign language versions of their promotional materials for international use, that is, for distribution overseas by the U.S. Travel Service.

I am convinced that our travel problem is soluble through a creative partnership between private enterprise and Government. Neither can do this alone. The record proves this. The travel industry, in my judgment, has made only what amounts to a modest beginning in terms of the billion-dollar problem facing us. The primary responsibility for the development of American tourism is that of private enterprise, and I see the Government's role as that of catalyst and coordinator. I am all for "Discover America," "See the U.S.A.," or any other slogan designed to awaken the American public to the sights and pleasures of our nation. But in the end what counts is whether the effort put behind these slogans is adequate to do the job. This certainly has not been the case to date.

I hope that with cooperation between government and the travel industry—including organizations such as yours—we will at least begin to utilize to the greatest possible extent this great national resource.

OUR INADEQUATE NATIONAL TRAVEL PROGRAM

(Remarks of Senator JACOB K. JAVITS, prepared for delivery at the U.S. Travel Conference of the National Association of Travel Organizations, Washington, October 10, 1966)

Faced with a relentlessly growing travel gap which is materially worsening our balance of payments problems and which may even lead to restrictions or international travel by U.S. citizens, the Administration has responded with bold words but with little action. This is one of the gravest and yet most remediable of the Administration's failures in foreign economic policy!

Unfortunately, it must also be said that the response of the travel industry itself has not been as effective as it could be.

First, let's consider the response of the Federal Government to the challenge of the travel gap, currently estimated to be causing an adverse effect on our international balance of payments of $1.9 billion for this year. This deficit was $1.7 billion in 1965, and $1.6 billion in 1964.

The U.S. gives the U.S. Travel Service a budget of $3 million, a staff of 82 in 11 overseas offices and tells it to create a flood of foreign tourists to this country. The Administration also launched a Discover America Program, with a budget of a half-million dollars to encourage domestic travel, apparently in the hope that this will help convince our people to spend their travel money at home.

In addition, and despite its large majorities in the House of Representatives, the Administration has seemingly been unable to get its members to grant the USTS the $4.7 million it requested for the next fiscal year—$1.7 million above last year's budget. The matter has not yet been settled in the Senate, but even if the Senate votes a higher amount than the House, it will still have to contend with the House-proposed bill.

The Discover America program is now 18 months old, and while it can point to some initial successes, it has not made a dent in the problem and will apparently be unable to do much more in a fundamental way in the future.

Why?

Because our national travel effort is not being adequately researched, financed and led.

Because the Administration permitted—even encouraged—the further fragmentation of the already amorphous U.S. travel industry at a time when it should have encouraged its greater cohesion.

Because it gave no encouragement whatever to the Senate Commerce Committee to hold hearings on a bill—sponsored by 3 Republicans, including myself, and 8 Democrats—which could provide solutions to at least some of our travel problems.

Thus far our government has felt, and rightly so, that the best solution to the travel gap lies in the direction of constructive, positive measures rather than in the direction of restrictions on the right of U.S. citizens to travel abroad freely. However, absence of restraint is not a policy and our efforts to date in the positive direction have been inadequate and therefore unsuccessful.

Rightly or wrongly the world is getting impatient with our persistent balance of payments deficit and we must do something about it in the near future. If we cannot deal positively with the travel gap, which is a major contributor to the U.S. balance of payments deficit, then we will have to do it through restrictions on the free movement of money or by reducing our world responsibilities. This would gravely damage our commercial interests and our world leadership and jeopardize peace and security everywhere.

Therefore let us dispense with half measures, cut out ineffective programs and mount an immediate, well-financed and well coordinated attack on the travel gap.

First, it is essential that the $4.7 million requested by USTS for FY 1967 be appropriated by Congress.

Second, hearings should be held as soon as possible by the Senate Commerce Committee on S. 2305, the travel bill I introduced with bipartisan cosponsorship, and on the overall U.S. travel problem. These hearings were promised 14 months ago.

Third, I believe there should be a major study of U.S. travel resources and policies, in order to lay the basis for an effective domestic and foreign travel promotion program. Ideally, the study should be privately financed and sponsored through the U.S. Travel Advisory Committee.

Every modern industrialized nation in the world has a national tourist office to serve as the focal point of the country's efforts to attract foreign tourists to its shores. They not only do this because tourism is a very lucrative source of income for these nations but also because they realize that tourism is an effective way to establish communications between peoples. We are latecomers in the competition for the world tourist trade and therefore our efforts should be proportionately much greater than those of others.

Our travel problem is soluble through a creative partnership between private enterprise and government. Neither can do it alone. The record to date proves this.

I already described the shortcomings on the part of the Government's efforts. The travel industry, through NATO, "Discover America," and its various component industries, have made only what amounts to a modest beginning in terms of the billion dollar problem facing us. It must also assume part of the blame for failing to devise an appropriate solution to the problem of the ever-widening gap between our tourism earnings and expenditures.

It is my firm conviction that the primary responsibility for the development of American tourism is that of private enterprise and the government's role must be confined to that of catalyst and coordinator. I am all for "Discover America," "See the USA" or any other slogan designed to awaken the American public to the sights and pleasures of our nation. But in the end what counts is whether the amount of effort put behind these slogans is adequate to do the job.

The bill I introduced last July calls for a balanced program of private and government effort. It is cosponsored by Senators Hartke of Indiana, Long of Missouri, McGee of Wyoming, Scott of Pennsylvania, Cannon of Nevada, Williams of New Jersey, Brewster of Maryland, Pearson of Kansas, Bible of Nevada, and Clark of Pennsylvania. The bill is designed principally to attract foreign travelers to the U.S. but it would also encourage travel within the United States by Americans, through an expanded and strengthened United States Travel Service with a budget of $15 million. This expanded USTS would be in a position to increase its overseas operations, to adopt modern methods through the use of computers, etc., to advertise more extensively, to compile comprehensive travel statistics and to plan for the future. It would be given statutory authority to coordinate present Federal travel related programs. In the domestic field, it would develop a coherent national travel policy, encourage the construction or expansion of new travel facilities within the United States and act as the Federal Government's link with state, local and private tourist development organizations.

The bill would also authorize $2.5 million for a comprehensive study of our national travel resources and policies and would empower a National Tourism Resources Review Commission, composed of prominent travel experts, to oversee this study and to make recommendations as to the adequacy of our resources and our travel policies over the next decade.

As I have already indicated, I would strongly favor private enterprise undertaking this study through the U.S. Travel Advisory Committee of USTS. The important point is that the study is badly needed. It should be made by private enterprise if possible, but, if not, then by government.

Two very important questions could be answered by such a study, in addition to others I already mentioned: (1) Whether an independent Federal agency should be established as our national travel office or a private organization should be given a Federal charter to do the job; and (2) whether it would be practical to establish a matching fund program to assist the States in developing their own promotion and facilities improvement programs.

Time for a positive effort to deal with our travel gap and our balance of payments is running out. Let us demonstrate that we remain wedded to the principle of a world increasingly free of restrictions and that we retain the capacity to deal with our problems on this basis. I am confident that we do have this capacity, so let us begin.

WASHINGTON STAR ENDORSES MONTOYA MEAT INSPECTION BILL

Mr. MONTOYA. Mr. President, as the debate over how best to insure adequate meat inspection throughout the Nation has mounted, the major, influential newspapers of the Nation have taken their stands.

It is essential that they do this, for they can and do serve now, as they have in the past, as significant indicators of and forces for progress on behalf of the people of the Nation.

One of those newspapers, the Washington Star, has long had a solidly based and well-earned reputation for journalistic honesty, in-depth probing of social issues and outspoken advocacy of intelligent reform.

On Thursday, November 16, 1967, this newspaper, in an editorial, spoke out on the meat inspection question. Its editorial is in the tradition of this paper, and advocates meat reform in the shape of my bill, S. 2147.

I certainly welcome this much-needed and well-taken support, and offer this editorial for inclusion in the CONGRESSIONAL RECORD for the enlightenment of any of my colleagues who might have missed it earlier.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NEW MEAT-INSPECTION LAWS

There has been a federal inspection law on the books for 61 years protecting consumers from contaminated and diseased meat sold in interstate trade. But that by no means guarantees a housewife that what she buys at the store is safe to eat, for the law only covers such food when it crosses a state line. If the food is sold in the state where it's produced, it's up to local authorities to protect buyers.

Eleven states have no meat inspection laws at all. Thirteen others have only "voluntary" controls. And as U.S. Agriculture Department inspectors have pointed out in reports made public this year, the filthy conditions at many local packing houses are nothing short of appalling.

The inspectors' testimony before a Senate Agriculture panel a few days ago is a damning indictment of state regulation—or lack of it—over the industry. Meat plants are being reported as lacking window screens, their products covered with flies and mold, their floors filthy with vermin.

The meat-packing industry, fearful of higher costs, has brought pressure on the House this year to prevent federal inspection from extending to intrastate commerce. It managed to help defeat a House amendment last month which would have brought 6,000 more plants in intrastate trade under federal regulation.

To be sure, there are some legitimate arguments on historical grounds for leaving the regulation of local industry up to local authority. But the trouble is that, based on the evidence, states have been falling down on the job and failing to protect the public. A housewife cannot be expected to research every can of meat she buys to make sure it's traveling across state lines and is therefore safe.

To get around this, Senator Montoya of New Mexico has proposed an amendment to the House-passed Wholesome Meat Act. It would help the states set up adequate inspection. But where states failed to act, it would also empower the federal government to step in, impose national standards, and retain jurisdiction until a satisfactory state program had been put into effect.

The Montoya plan is a wise and moderate compromise. It should be adopted promptly by both the Senate and the subsequent House-Senate conference on this bill.

THE ROLE OF SCHOOLS OF BUSINESS ADMINISTRATION

Mr. FANNIN. Mr. President, the role of schools of business administration has been debated back and forth for many years, not only by members of the academic community, but by businessmen as well. It is not at all unnatural that participants in the discussion mostly concerned themselves with whether and to what degree graduates are qualified, at least academically, to assume leadership in business and government.

The debate has been healthy. It has encouraged schools of business administration to keep abreast of, and in many instances lead, changes in current thinking and business practices. And for the most part, today's graduates are far better prepared than graduates of any other era.

But it is an even more recent development that encourages me to speak on this subject, and the change is taking place right in the Capital City, at the American University's School of Business Administration. For the first time, it is offering a formal course in business ethics, and it is one of the very few schools of business administration that is. This is an important development.

Not only does this hold forth the promise that business administration graduates will be better able to handle the ethical questions involved in modern business practices, but it also demonstrates the growing importance with which the academic and business communities together view ethics in business. The change, therefore, in the long run, will improve the public's image of the business community as well as the professionalism of the school's already highly qualified graduates.

The new course, and the thinking that preceded its formal introduction, was explained in a recent speech by Dean Nathan A. Baily, the man most qualified to tell the story. Dr. Baily made the remarks, which I ask unanimous consent to have published in the Record, at the 45th anniversary luncheon of the Better Business Bureau of Metropolitan New York.

Dean Baily and the entire faculty of the School of Business Administration, the American University, are to be congratulated for their farsighted approach to the education of tomorrow's leaders in business and industry and government. We are all indebted to them.

There being no objection, the speech was ordered to be printed in the Record, as follows:

The Role of Business and Business Schools in Raising Ethical Standard in Business

(By Dr. Nathan A. Baily, dean, School of Business Administration, the American University, Washington, D.C.)

As schools of business administration succeed increasingly in accomplishing their mission of providing management personnel for business, government, and non-profit organizations, the effectiveness of their educational efforts will be measured more easily and more precisely. Despite our differences of approach and philosophy, I believe few educators in this field are concerned about their graduates proving themselves *technically* competent.

While we may argue about what should be taught at the undergraduate or graduate level and what should be taught by the employer as compared to the school of business administration, we have enough evidence already that our graduates move faster and further than those without such education. In Accounting, in Marketing, in Finance, etc. . . . and increasingly in General Management as well . . . our alumni are progressing rapidly up the organizational ladder.

But what about their *ethical* competence? How well do alumni of schools of business administration . . . and university graduates in general . . . know the difference between right and wrong (and not merely in the legal sense) and how willing are they to practice what they believe is right and to suffer the consequences for not doing what they believe is wrong?

The head of one of our great corporations, when his organization was in serious legal difficulties resulting from violations of that corporation's spelled out in writing policies, was reported to have questioned the value of university education as well as of his own company's outstanding educational program. "If they could get ahead here only by violating company policy and the law of the land, why didn't even one—just one—have the integrity to come into my office and throw his resignation on my desk?", he was supposed to have asked. And, unfortunately, he received no good answers.

Until recently, very few schools of business administration offered formal courses in Business Ethics. It was generally felt that such courses would be largely ineffectual preaching or scholastic regurgitation of formal rules (as is apparently largely the case with courses in General Ethics in Liberal arts colleges). It was argued that ethical problems and considerations should be taken up wherever appropriate as part of the subject matter courses, e.g. Marketing, Finance, Business Law, Industrial Relations.

Further, educators in business administration felt they had no good answer to a basic dilemma. If they educated for an ideal world, for the kind of world we could dream about for some distant day in the future, their students would enter business naive, impractical, unsophisticated. They would not even be able to see the feet outstretched to trip them.

On the other hand, if students are educated for the present world (or at least the academic image of it), if they were taught today's (or more frequently yesterday's) tricks of the trade, the shady practices that business is trying to eliminate voluntarily through organizations like yours, how would those same students be able to become ethical and upright when they finally reached top management? How would they change their day to day habits after years of perfecting them when the chosen few reached the top positions where presumably they could change the patterns of behavior of the organization? How would graduates educated in this "realistic" fashion become the instruments for achieving a better world as our catalogs so grandiosely proclaim?

Schools of business administration are frequently urged by business executives and other leaders of our society to "lead" business, rather than to "follow." (What happens when they do so is rarely mentioned.) What is the situation with regard to Business Ethics?

In this area, I think there is a simultaneous alternation of leadership and followership. Both business and education are leading in certain aspects and following in others. Like it or not, American business has been, is being, and will be asked to act at a higher ethical level than almost any other element of our society. Government has and will attack, prosecute, and regulate business while its own behavior may actually be ethically inferior to that of business. Look at the failure to deal with conflict of interest where it counts, look at the claims made in selling Savings Bonds, look at the "legal" price-fixing by government, etc., etc. etc.

But, business is still the heart of our society, the foundation on which our economic health and military strength rest. Every voter is a consumer who can quote eloquent examples of how he was "gypped" by business firms. Those voters who remember their history, literature, economics, sociology courses know about the "Robber Barons," the heartless exploiters, the "anti-social" effects of profit and private enterprise (without which they would have no jobs, no unemployment insurance, no old age pensions and insurance, no multiplicity of choice, no life of abundance—this, however, most of them did not learn and, tragically, do not realize).

American business is paying a heavy price for its commissions and omissions. It is sowing the harvest of its past mistakes. *But, it is changing. It is changing because higher ethical standards mean more profitable business as well as greater satisfaction and increased social contribution by businessmen.*

Whenever altruism and self-interest can be harnessed, you have an unbeatable combination. If the modern marketing concept is valid—and business is risking untold millions or perhaps billions of dollars on that validity—then honesty, fair play, increased values to consumers are simply good business. The best way to profits is by service, the best way to develop profitable customers is to give extra value and extra service. Business needs and wants customers who come back, not goods that do.

Another important aspect of the acceptance of higher ethical standards as good business is the realization that as organizations become large, complex, and interdependent, *integrity* becomes increasingly a criterion for selecting, promoting, or discharging executives. Each executive in the chain *must* be able to depend on the integrity of his fellow executives. This is particularly true of top management which is to so large an extent the prisoner of the organization, dependent on the integrity and competence of executives far down the line. No controller, no system of executive controls or management reporting can substitute largely, and certainly not completely, for individual integrity and competence. The success of the corporate president is primarily in the hands of the people who work for him.

Thus, developments in business for the better. . . and for the worse (notably the price-fixing cases, . . . have revived the interest of schools of business administration in Business Ethics. Books and articles on this subject are coming forth at an increasing rate. Conferences are being held, courses are being designed.

This Fall, our School of Business Administration at The American University is offering for the first time a course in "Ethics for Management." Our instructor has his Ph.D. in Philosophy and taught Philosophy and Ethics for a decade before "converting" to Business Administration. He convinced me that analyzing ethical problems in subject matter courses could be stimulating and useful, but not very penetrating. So, we have established this course, first for our graduating seniors. Enrollment is supposed to be limited to 25 and the course is built around case problems and current problems as reported in business publications. We are trying to make our students *identify* with the participants, be *torn* by the conflicts, understand the *complexities* and the fact that there are *no* simple answers.

Here are a few significant extracts from the Course Syllabus:

"Executives are acutely aware of the variety and complexity of factors that must be considered in their decision-making. One of these—and a vital one for the future of business—is the *ethical factor*. There are today few decisions in which it can be ignored without some short-range or long-range penalty demanded by the public with which an organization deals. Indeed, public opinion, and its consequences, provides a principal sanction for ethical action.

"The trend toward a 'profession' of management is well launched. It seems safe to predict that managers of the future, if they are to become or remain such, will be professional in all the best senses of the term, including the ethical. By a kind of natural evolution, one mark of the future manager will become his ability to comprehend and evaluate the ethical dimensions of his decisions. Lacking this ability and a sensitive ethical awareness, he will be a net liability, and often a source of danger to his organization.

"The following four situations, requiring ethical analysis, are typical of the kinds of realistic situations the student will be required to analyze and decide upon, his decision to be defended by tight analysis and reference to both principles and experience:

"(a) The manager of Industrial Relations of an intermediate-size manufacturing company is offered labor peace by a Union official in exchange for certain stipulated under-the-table payments to the officials.

"(b) A second-level manager is instructed by his boss to falsify a report or an expense-account.

"(c) The General Manager of a company can cut costs and improve the company's competitive position by installing an automated factory. However, this will eliminate 400 jobs.

"(d) A television ad is designed to appeal to the deep sexual drive of young men by showing a new car parked by the side of a deserted country road and a young man (with whom the viewer will quickly and yearningly identify) helping a beautiful young woman, clad in blouse and shorts, out of the car and onto a quiet forest path drenched in the sunshine of early autumn. This ad is legal. Is it ethical? Is the ad a low blow aimed at subconscious drives a young man cannot defend against? Or, is it simply good hard (ethical) selling?

"The student will be required to analyze issues such as the above and arrive at *decisions which he can defend* as ethical, *realistic* and workable."

Where do business and education now stand in this area which has always been vital, but is now even more so?

1. Business is increasingly recognizing that high standards of ethics are not "theoretical" or "ideal," but selfish and the key to long-term profitability.

2. Business is increasingly recognizing that if it does not put its own house in order, government will extend regulations and controls. This will not necessarily serve the customer better, but will increase the cost and rigidities of doing business.

3. Business *has* improved its practices. As Ward L., Quaal, President of WGN Continental Broadcasting, stated at the 53rd Annual Conference of the Association of Better Business Bureaus International: "It is a fair postulate, however, that business does fewer things wrong, conversely, more things right, as the result of self-discipline. I speak not alone of the self-discipline implicit in the effort of the Bureaus, but self-discipline as reflected in codes of practice indigenous to hundreds of business pursuits in free economies throughout the world."

4. Business is, as usual, suffering from the typical lag between actual behavior and the public image of its behavior.

5. Every survey of business ethics using questionnaires shows that the businessmen asked say they are more ethical than their competitors, that they would not use the underhanded methods their competitors employ.

6. Neither education nor religion, nor government, nor the family has been very successful in developing higher standards of ethical behavior. *The most important factor in influencing action is the actual environment, the system of rewards and punishments for ethical and unethical behavior.*

7. Schools of business administration are increasingly concerned with ethical questions and how they can inculcate higher ethical standards in their students.

8. Ethical principles are broad, over-general, vague. The need is to define them more sharply and relate them to specifics.

9. The problem is not as much finding what ethical principle is involved, but knowing how to evaluate and balance the *conflict* of principles and interests that always occurs in *real* situations. If the principle came alone, carrying a neon sign, "correct" behavior would be easy to determine. When several principles are involved, each calling for a different answer, what does the business executive do?

10. Ethics still remains primarily *personal* despite the tremendous force of the environment. Even though crude, asking whether you can look yourself in the mirror is a very effective way to get you to analyze your own behavior. So is asking whether you would encourage your son to take over your business.

"True worth is in being, not seeming,
In doing each day that goes by
Some little good, not in dreaming
Of great things to do by and by.
For whatever men say in blindness
And spite of the fancies of youth,
There's nothing so kingly as kindness
And nothing so royal as truth."

SOUTHEAST ASIA

Mr. BREWSTER. Mr. President, the Capitol Hill and Pentagon chapters of the Federal Bar Association held a joint meeting on November 13, 1967, at which the principal address was given by Mr. Rodney Crowther.

Mr. Crowther is both a member of the bar and a member of the Washington bureau of the Baltimore Sun. He has a long and distinguished record of expertise in foreign affairs that he displays daily in the columns of his newspaper.

Mr. Crowther's address is a forthright statement on U.S. involvement in Vietnam. Some Members of Congress enjoyed the privilege of attending the meeting at which Mr. Crowther spoke. Because I think his words are of interest to all Members of Congress, I ask unanimous consent that his address be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

Crisis in Southeast Asia

(By Rodney Crowther, Baltimore Sun bureau)

So many of us, lately, have spent so much time pondering the troubles of Vietnam, and the awkward situation we face there, that we have tended to overlook the fact that Vietnam is but one element of a much larger problem in Southeast Asia.

What we have undertaken to do for the South Vietnamese has critical relevance for all of that part of the world—for, Vietnam's nearby neighbors, for millions of other people in the transpacific area, who are experiencing for the first time in centuries a taste of independence.

The vaster part of this great region, outside of Red China, is non-communist, and only a small part is under the control of a Communist apparatus which is trying desperately to convert multitudes of human beings into becoming believing, committed Communists.

All of these hopeful, aspiring, non-Communist people, who wish to live as free people, free from imposed political domination, free to seek modern living without loss of their own traditional ways of life, and thought, and want freedom to practice their own religion in their own way and to preserve their cultural traditions—these millions have a very deep interest in what happens in Vietnam.

No sooner had the war with Japan ended, when people in Southeast Asia began to seek their own national identity and freedom from Centuries-old Colonial domination. But at the same time, they quickly became aware of a common danger—the rise of Communist domination of ancient and long-troubled China.

In every moment of every year since the Chinese Communist party, on October 1, 1949 marched into Peking and proclaimed the People's Republic, they have sought, sometimes openly, most times covertly, to extend the domination of their totalitarian Government to nearby lands. And there have been fears throughout Asia from India and Pakistan on the West all the way to the eastmost island of Indonesia.

It has been tug and pull all the way for these non-Communist peoples to resist the subterfuges and maneuvers by which Communists have sought to fasten their yoke upon first one and then another land. They have resisted those who would take away their new won independence, but many times they needed help, and needed it badly.

In the eighteen years of struggle against the infiltrating Communists these peoples have had a vast amount of aid from the United States—economic aid, some military aid, and in the case of Vietnam, first limited aid and now all-out aid with our own armed forces. Some people have deplored the fact of our involvement in Southeast Asia—have charged that we are intruding in domestic affairs of people unwisely.

The truth is that our presence in Vietnam alone has been a factor that has enabled neighboring countries to build and strengthen their own economies. It has given them time, for our presence has had a deterrent effect upon Peking. It has given many peoples the courage to oppose and overcome Communist infiltrators, to resist internal insurrections, and meanwhile to build up more efficient political operations.

Our aid has helped in India, in Thailand, in Malaysia and elsewhere in Asia—and whether the American public realize it or not—our economic and military assistance to these peoples along with our activities in Vietnam have diverted Peking from pursuing energetically its original design to embrace all of Southeast Asia in its area of influence, if not in fact to impose upon it Communist domination.

From the very earliest rise of Mao Tse Tung and his collaborators and their seizure of the Chinese Government they had a mission to export their Marxist-Leninist doctrines to all parts of the world, and especially to those countries which had shaken off the bonds of Colonialism. This was implicit in the Maoist doctrine and remains so to this day.

The Chinese Communists began as soon as they established their People's Republic doing Communist missionary work in non-Communist lands. They were a major force in building the Vietminh war against the French colonialists—who should have gotten out of Asia and stayed out—and through the long struggle which has led from Dienbienphu to Loc Ninh Peking has been a factor behind Ho Chi Minh and Hanoi. It is the major force behind North Vietnam at this very moment.

But for our presence in Southeast Asia undoubtedly by now many lands besides North Vietnam would either be communized or in deadly turmoil as bands of infiltrators, stirring up trouble, and encouraging what they euphemistically call "wars of national liberation," undertook to gain control.

But what of our continuing presence in Vietnam? Is this war necessary? Does what we are doing have any real relevance for the future either of Vietnam or of Southeast Asia? Many of our fellow Americans either express doubt or emphatically deny it.

And is our fighting against Ho Chi Minh and company of any real importance to United States security? A part of the world so far away, so unlike America, so filled with commotions and troubles of its own—how can it be of any importance to us?

Moreover do not millions of Asians resent our presence not only in Vietnam, but also in Thailand, in Singapore, in Malaysia and elsewhere?

"East is East, and West is West", once was an old refrain, and isn't it just as true today as in Kipling's day that "never the twain shall meet"?

Undoubtedly multitudes of Asian peoples whose concerns are with eking out a living, holding body and soul together, have little reason to understand why we are in Asia, and do resent us. Our ways do annoy them, and because they have little if any understanding of the political forces struggling to become their masters they often wonder why we do not leave them alone. In their doubt, and primary concern for food and shelter, they become easy targets for the slick missionary work of the Communist infiltrators and subverters.

Moreover the masses of Asian people—whether in Manila, or Hong Kong, or Kuala Lumpur, or Singapore, or Bangkok, or Tokyo—know little of Vietnam and its problems, and when they hear America branded a warmonger by Peking as its blares the charge from every radio station and from the pages of every paper, they not unnaturally believe that *indeed* Americans are *warmongers.*

But ask any political leader from New Delhi, from Bangkok, or Singapore, or Tokyo, and they will know why we are in Saigon, and what we hope to achieve.

What's more some of them, when they are in a frank mood, will tell you what will happen if we fail to finish the job and pull out—as so many well-meaning Americans (some of them in Congress) are now importuning the President to do and do quickly.

Of what concern, really, some people are asking, is Vietnam to us? Or, for that matter, of what concern is all Asia to us, they want to know. Why should we spend our hard-earned dollars, others want to know, to defend people who won't defend themselves? And anyhow, why should we be so much concerned about China?

I think all these questions reflect sadly on the state of our enlightenment, on our knowledge of what's going on in the world, of our understanding of the massive forces at work changing the world, and threatening to engulf us as well as Asia, Africa, and Latin America.

The truth is that lands throughout the Pacific, and especially China, have been of concern to us for a century and a half. We have a vast investment of American lives as well as dollars in the Pacific, and China has been of concern to us particularly ever since Secretary Hay first pronounced our "Open Door Policy" for China.

But why should we be so concerned today, now that an unfriendly power controls China, and denounced us as Imperialists? What stake have we in China, and anyhow, why should we be worrying whether Communists control China, or not?

My answer is that the cause of human freedom is just as fundamentally at stake today as it was when Hitler invaded France. To be sure a different challenge faces it, from a different sort of challenger, but it is the same freedom which we need to preserve.

We got into Asia during the war with Japan and after that war ended there were mammoth jobs to be done, and many of them are not done yet. There was the task of arranging the peace, and setting new political orders, and setting up viable societies where Colonial rules disappeared. These were, indeed, jobs for Asians. But they needed help, and we have given it generously.

But Red China did not move in a friendly way to help them. It did not intend to allow them the sort of freedom they aspired to. Instead, it set its Communist missionaries to work at once with a messianic zeal trying to subvert these newly freed people to the gospel according to Marx and Lenin and Mao Tse Tung.

And for their converts, working underground, to foment uprisings, insurrections, wars of liberation, as the Communists call them. And when the turmoil and confusion get really bad, then openly the Communists step in to take over, and tranquilize things in their own pattern.

Once power is seized, as we have seen in China itself, individualism, ancient culture, personal and political freedom vanish. For once they dominate, they begin to remake and mould the peoples into their own proletarian pattern—as Mao has undertaken, not always with success, to do to the intellectuals of China, to the business men of China and the peasants.

Asian leaders, if not their vast masses, are deeply suspicious of China, for they have seen, and are seeing the deadly determination with which the China Communist Party has undertaken to change every mind, every way of life, every ancient tradition into a pattern of dull uniformity. For even amid the turmoil now gripping China, its agents are at work in other lands throughout Southeast Asia,—in Laos, in Thailand, in Cambodia and elsewhere.

No matter who wins the current struggle for power in Peking—Mao tse Tung,—the visionary and idealist,—or the party leaders who oppose Mao under such leaders as Liu Shao-chi, what emerges in the way of a Government will quite likely be as dangerous to security in Southeast Asia and the world at large as it is under Mao.

It is this long-range problem of an aggressive China—aggressive in the sense that it wants to stir wars of liberation, wants to undermine non-Communist countries, and to fasten a hold on its neighbors, that makes it a matter of concern to free men everywhere.

Basically, as we have been told again and again by our Government, that is why we are in Vietnam: because Communist forces, working covertly, working energetically, and sometimes with the utmost open boldness, undertook to Communize, or at least to seize control, of that southern part of Vietnam in which the masses of the people had a wish to be free in their own way . . . We had undertaken at an early stage to help these people and although the help has escalated into an outright war our Government believes we have a commitment to see the thing through to a successful conclusion.

But this war has imposed severe strains on the United States—mental, and social as well as financial and political. It has resulted in severe strains among us—especially among the intellectual leaders and among politicians who have long since dismissed from their thoughts that there can be any remaining threat to our security from Communism.

So many—many high-minded, responsible people, appalled by the frightfulness of war are urging, indeed are loudly importuning the President to quit—to quit the bombing of the North, to wind up and bring our forces home . . . But when one reads the letters from the boys at the front one gets a different picture. They see things in a different light. They believe we have something to do there, and they want to see it through.

One of the regrettable facts about the homefront opposition is that the voices of dissent leap the mountains and oceans with ease and turn up in Hanoi and Peking almost as quickly as they reach Seattle or Peoria. This, unquestionably, encourages Hanoi to sit tight, and to hope that eventually we will lose heart and in a mood of desperation will reach a settlement which will be all in their favor. I doubt that Hanoi believes for a moment that our Government will yield quickly to the voices of discontent among us. They probably trust, rather, that the Government eventually will lose heart.

Of course, I hear here and there some among us who make the charge that we are fighting on in Vietnam not because we want to halt aggression, or help create a stable, viable government there, but because we really have the secret aim of setting up permanent bases in Southeast Asia to resist Peking. . . . . You know and I know that this is a spacious and insupportable charge, but it is made just the same.

If we should quit the war cold as so many people feel we should do, or if we decided to deescalate at a rapid pace, what would happen would be consternation throughout Southeast Asia—in Thailand, in Burma, in India, in Malaysia, in the Philippines, in Japan, even I am tempted to believe in Prince Norodom Sihanouk's Cambodia.

My feeling is that we should quit quibbling, playing politics with the war issue, and quit making senseless demands on the Government, and should lend our best abilities to supporting the Government not only in the task of bringing the war to a successful conclusion but also—and equally importantly—to the task of dealing with the political and diplomatic issues which must be settled afterwards.

Sometimes I feel like shouting at some people and saying "quit your sneering about something you don't have the slightest idea about." When Secretary Rusk says we have a security interest in creating a sound, orderly situation in Vietnam, and in making sure a million Chinese forces will not flow over the whole of Southeast Asia don't gratuitously yell that he has raised the cry of "yellow peril."

There is a peril, just as we have had perils to our liberty before, but it appears difficult for so many of our fellow citizens to believe that a far-away land like China could be a menace to our safety. Even knowing China now has the nuclear and the thermonuclear bombs, does not move them or worry them.

Well, I can recall a day when they wouldn't believe we had anything great at stake when Woodrow Wilson took us into World War I. Millions would not believe when Hitler was moving like a madman across the face of Europe. Many people in high places as well as low wouldn't believe our security was threatened *even when* in succession the low countries fell, and France fell, and the Nazi army stood at Dunkirk.

Even so 202 members of the House of Representatives of the day refused to believe we needed to take any extraordinary step, such as building armed forces through selective service. Many Senators scoffed, too. . . . But 203 members of the House did believe, and so four months before Pearl Harbor by a margin of just one vote we moved to call up our young men and prepare for the worst if it should come and it came all too soon.

Today I hear the same sort of specious and unbelieving disbelief—in the corridors, on the streets, in the buses, on the air—that our presence in Vietnam is a scandal—because we are not menaced, they say we have nothing to gain, and we are only destroying the image of America, they insist.

To all of which I retort there is much at stake, and we have a task to perform in Vietnam, in Southeast Asia, in the world. It will last long and be full of difficulties for what is *really at stake* is the sort of world that is to be handed on to our posterity—either a world in which people can live their lives under a system of true freedom or a world in which teeming millions will be subjected to the rule of a system of thought and government in which individualism is a sin, in which freedom of thought is error, in which all the ways of life are plotted and planned by dominant cliques of powerful men whose major activities are to force all men into a common mold.

But still the question must be asked: how do we get out of Vietnam?

By staying on and fighting, of course, and meanwhile undertaking to achieve a program for stabilization of not only Vietnam but of all Southeast Asia outside of Communist China.

I think that for the time being it is hopeless to keep saying we will meet Ho Chi Minh, or his representative, or spokesmen for the Viet Cong and the National Liberation Front anywhere anytime they want to talk.

It is doubtful that any of them will be willing to talk before next year's election is over. Moreover, I have some doubt that they will agree to the sort of settlement we believe must be made to stabilize South Vietnam.

My personal view of the Vietnam issue is that it is only a part of a larger problem, and that when a settlement comes, as come it must, probably after next year's election, it must be on a regional basis and not only by virtue of some negotiations between Ho Chi Minh, the VC's, and N.L.F. and the United States.

I've been digging through literally scores of speeches by United States Senators, spokesmen for the Administration, college professors, university dons, and some of the more disaffected citizens and I have found only a handful that appeal to me as reaching to the basic problem. Too many of them are grounded in sheer emotionalism. Some of them betray a woeful lack of knowledge of the way the world works, and of human nature itself.

I have come upon several speeches lately in which I can concur in full or part. My friend Senator Wallace Bennett made an exhaustive speech to the effect that Vietnam is but a segment of a greater war which has been waged ever since the Cold War began, and he calls it World War III. It contained a lot of wisdom, a lot of understanding of what's really at stake in the world. Yesterday I read in the N.Y. Times, Mr. John Kenneth Galbraith's brilliantly written discussion of Vietnam—it solved nothing.

But it was a speech recently by Senator Gore of Tennessee which struck me as laying the groundwork for a dealing with the long range problem in Southeast Asia. He didn't talk about the possibility of merely striking a deal between Hanoi and Washington and calling it a day. . . . He proposed, intelligently, what some of us have been insisting for several years is the proper approach to the future—the neutralization of all Southeast Asia. And he did not ask us to dismantle our guns and slink home tomorrow.

Now I have no intention of pretending that this will be achieved easily. Or that it, at first blush, appeals either to our Government or to the Governments of all the small countries on the periphery of China. But I do insist, and insist obstinately, that unless it is done, and done with the help and concurrence of all Southeast Asia, and India and Japan and probably Indonesia, and Australia, you are going to have one ceaseless hell of a mess through the rest of our natural lives and far into the future.

My view is that while we push on with the war against Hanoi—ever mindful that we must not threaten the territorial integrity of Communist China and thereby bring on a real world War III, or at least bring China boiling into the fray—while we still pursue our goal against Hanoi we must somewhere in our Government begin formulating sound programs for what is to follow the end of the fighting.

Now I do not pretend to know whether we may not have to end up letting all of Vietnam be Communized under Hanoi—there are some who believe that a Titoist sort of Communist Vietnam would have been a buttress against Peking. But whatever comes, it must be free of Peking.

What I am concerned about is that there be a regional settlement as a part of the critically important balance of powers which must be created in this dangerous nuclear age, and that all Southeast Asia must be put into a position where it can pursue its own ends, with a guarantee by the greater powers that it will be free from interference by them, but protected against that upcoming power, Communist China.

I am sure that to persons unschooled in history of Asia, and civilization for that matter, this all sounds like idiocy. I submit that far from idiocy it is the sole road to international stabilization. For it is in Asia that the germs of real war are located, and must be neutralized.

It is my hope that the new Thieu Government, which seems to be starting under rather favorable auspices, and with much promise, will be willing to lend its best thoughts and its cooperation to working out a long range program for Southeast Asia.

I am not stupid enough to believe that we can just go to Ho, and the Viet Cong and the N.L.F., and to Peking and to Moscow and say OK, let's neutralize Southeast Asia—the Vietnams, Laos, Cambodia, Malaysia, Thailand and all the rest. It isn't that easy.

However, it can be done, and I think the United States can take the initiative by proclaiming a foreign policy which will aim at just such a stabilization of the whole Southeast of Asia. I should not expect Hanoi to jump for joy at the suggestion. Or even President Thieu. But I think the time has come for the proposal put forth by Senator Gore to be explored intelligently—and not rejected out of hand by the State Department just because it might not concur with some preconceived notion of its own as to how it would like things to be in that part of the world.

While we proclaim to Moscow and Peking and Hanoi and Singapore and New Delhi and Tokyo and elsewhere our objective and our hope, I should hope that the Southeast Asians would take up the neutralization proposal and begin conversations—of course, quietly and objectively and without the fanfare of press and radio. And I'd hope that our relations with Sihanouk meantime would be improved and that all the leaders of that part of the world would take assurance as they work toward order and stabilization that America stands ready today, tomorrow and into the far future to stand behind them and will keep our pledges to help them resist any attack by Communist China, whether by conventional forces or by nuclear means. Only stable international order, fully participated in by all non-communist countries will save freedom until China is brought into the peaceful family of nations.

BANKERS' ASSOCIATION FOR FOREIGN TRADE OPPOSES QUOTA BILLS

Mr. JAVITS. Mr. President, a few days ago I received from Mr. A. H. Von Klemperer, president of the Bankers' Association for Foreign Trade a telegram in opposition to the current drive in Congress for import quotas. This association is composed of 133 U.S. banks located in all parts of the United States. In view of the importance of this organization and its expert knowledge of international trade, its opposition to the protectionist drive should be carefully heeded by Congress and the industries pressing for quotas.

I ask unanimous consent that Mr. Klemperer's telegram be printed in the RECORD.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N.Y.,
November 9, 1967.

Hon. JACOB K. JAVITS,
U.S. Senate,
Washington, D.C.:

As president of the Bankers' Association for Foreign Trade I wish to present the views of our association following an action taken at a meeting of our board of directors on October 30 in New York City. This association is comprised of 133 American banks from all parts of the United States active in financing U.S. international trade. We wish to urge that you give careful consideration to the effects on U.S. trade and the balance of payments in your approach to the several bills now before the Senate designed to impose quotas on a wide range of imports. Our balance of payments situation could be dangerously weakened if the proposed measures to establish quotas are enacted. Increases in domestic costs that might result will reduce our competitive position and we stand to lose important markets abroad and much needed receipts from exports. Quota systems have failed in the past and in all cases establish costly procedures and unfair allocations which burden the flow of trade across international boundaries. Reduced imports and lessened competition could contribute to higher prices and inflation in the United States. The imposition of quotas could well lead to retaliation in various forms by other nations. They could create retaliation against the operations of U.S. owned plants abroad which now utilize U.S. origin exports of materials and components comprising more than 25 percent of our total non agricultural exports. U.S. prosperity during the past 20 years and our strong international position have been aided by the removal of barriers to trade. Reversal of these policies by now introducing numerous import quotas would weaken our balance of payments, threaten the international competitive position of our industry as a whole, and introduce costly bureaucracy.

A. H. VON KLEMPERER,
President, Bankers' Association for Foreign Trade.

PUBLIC SERVICE BY STATION KSL, SALT LAKE CITY, TO CURTAIL CRIME

Mr. MOSS. Mr. President, one of Utah's three commercial television stations, KSL, recently began performing a public service which deserves to be widely imitated by broadcasters everywhere.

KSL, whose management is deeply concerned about the rising rate of crime, and especially juvenile crime, has now begun to broadcast a reminder to parents each evening at 10. The reminder simply asks if parents know where their children are at this late hour.

KSL acknowledges that this effort will not stamp out juvenile crime, but they hope that a small start can be made in reversing a trend.

I ask unanimous consent that a recent KSL broadcast editorial on this subject be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[A Salt Lake City (Utah) radio station KSL editorial, Sept. 18, 1967]

CRIME

Thoughtful Americans are frustrated and worried over what seems to be an inexorably rising rate of crime in this country, especially among young people.

In the past five years, major crime in America has gone up 40%. And 49% of those arrested for major crimes last year were under eighteen years of age. Where this trend is taking us is a matter for most urgent, serious concern.

You hear all kinds of solutions proposed . . . better schools, more public housing, more integration, more social workers, more federal money to eliminate poverty.

But most of those solutions run up against some troubling questions. Such as: Why is there more crime than ever before when per capita income is higher than ever before? Why more crime when national illiteracy is at an all-time low? Why does crime seem to rise the more federal money is poured in to fight poverty?

There are no simple answers. But on one principle most people can agree . . . juvenile crime is usually spawned by inadequate homes.

This, too, can be complex. One home may be inadequate because parents care too little or are too permissive. Other parents may fail because they are too strict. KSL does not propose to establish a course in good parenthood. But we do suggest that establishing a few simple standards can help most homes do a better job of rearing responsible, law-abiding citizens.

One such standard is that parents should know where their children are at night-time. And so, beginning this week, we propose to air a simple reminder each night at 10 o'clock. At that time, we will simply ask parents if they know where their children are.

We won't stamp out juvenile crime this way. But if parents will just listen to those reminders, and heed them, a small start can be made in reversing a trend that now is leading the country into dark, dangerous waters.

NATIONAL FARM INCOME

Mr. HANSEN. Mr. President, the November 14, 1967 Wall Street Journal contains an article describing the national farm income situation for this year, as outlined by a USDA official during the Department's recent outlook conference.

The Department predicts that net farm income for 1967 will be 11 percent below the 1966 level, and that the situation will not be much better in 1968.

The cost of operating farms and ranches is at an all-time high, having increased 31 percent in the past 7 years. Costs are expected to continue to rise next year.

Total farm debt has increased a whopping 83 percent since 1960; and interest rates on real estate idebtedness have risen 20 percent during this same period.

But these kinds of increases have not appeared on the income side of the rural ledger. Agriculture is the only segment of America's economy that will close out 1967's financial statement with a $1½ billion cut in pay. To say that things look gloomy down on the farm is an understatement.

The economic experts say that things may get better next year, mainly because farmers will receive higher Federal payments. I say that these payments form a pretty shaky foundation on which to base the welfare of this country's largest single industry—an industry which we obviously cannot do without.

I think it is time to reexamine some of our national programs and policies which directly affect agriculture.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FAMRERS' NET INCOME EXPECTED TO DROP 11 PERCENT THIS YEAR FROM 1966—EARNINGS IN 1968 SEEN CONTINUING AT 1967 LEVELS—RECORD OUTPUT, LOW PRICES, COST RISE BLAMED

WASHINGTON.—Farm net income for 1967 will total about $14,750,000,000, down more than 11% from 1966, and all signs point to it continuing at the same level next year, Rex F. Daly, chief of the Agriculture Department's Outlook and Situation Board, told a conference on farm prospects here.

The 1967 figure is about in line with earlier projections, but the 1968 estimate should be discouraging to Democratic Congressmen who will have to face more rural discontent at the ballot box next November.

Mr. Daly blamed record output of farm products and related declining farm prices, together with the continued rise in farming costs, for the profit slide. Last year, farm net income was a record $16.4 billion.

Although the supply of farm products will continue large next year, Mr. Daly said, prices are expected to strengthen somewhat and farmers also will benefit from higher Federal payments. As a result, gross farm income will rise about $1 billion from this year's estimated figure of more than $49 billion.

However, Mr. Daly added, "Production expenses will continue to increase and may largely offset the gain."

NEW GOALS FOR SOCIAL INFORMATION AND S. 843

Mr. MONDALE. Mr. President, at an unusual seminar held by the Senate Subcommittee on Government Research this past summer, a number of distinguished academicians, journalists, and Government officials discussed in depth the urgent need for better, more comprehensive social planning in America. That unique session was prompted by the knowledge that we are, as a nation, in the throes of immense confusion and bewildering change. We also know that a perilous sickness has infected many of our great cities and that if its course is not soon checked social catastrophe is imminent.

Understanding our social problems and planning in a rational and informed manner to meet and resolve them is the professional concern of social scientists. At the seminar, Prof. Bertram Gross of the Maxwell School of Citizenship and Public Affairs described our present predicament thus:

> Today, executive officials and members of Congress alike are misled by inadequate interpretation of bad information based on obsolete concepts and inadequate research and collected by underfed and overlobbied statistical agencies.

That theme, labeled by Professor Gross as the "domestic intelligence gap" is sounded again in an excellent article coauthored by Professor Gross and Mr. Michael Springer, entitled "New Goals for Social Information." Mr. President, I ask unanimous consent that this article be reprinted in its entirety at the conclusion of my remarks.

I call this article to the attention of Senators both because it tellingly portrays our present dilemma with respect to social information and because it offers some and endorses other specific suggestions for improving our ability to cope with social change.

In particular, I am greatly pleased to note that the article endorses my proposal, S. 843, the Full Opportunity and Social Accounting Act. This bill would institutionalize a system of social accounting to sharpen our quantitative knowledge of social needs, help us measure more precisely our progress toward our social objectives, help us to evaluate efforts at all levels of government, assist us in determining priorities among competing social programs, and encourage the development and assessment of alternative courses without awaiting the rioting which is a certain if belated signal that some social program has failed.

Mr. President, I commend this article as well as the entire September issue of The Annals to Senators and other readers of the RECORD and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW GOALS FOR SOCIAL INFORMATION

(By Bertram M. Gross, and Michael Springer[1])

(NOTE.—Bertram M. Gross, Syracuse, New York, is Professor of Political Science and Director, National Planning Studies Program, Maxwell School of Citizenship and Public Affairs, Syracuse University. He has been Fellow of the Center for Advanced Study in the Behavioral Sciences (1961-1962); Executive Secretary of the President's Council of Economic Advisers; Member of Arlington County Planning Commission and Northern Virginia Regional Planning Commission; and First Chairman of the National Capital Regional Planning Council of the United States. He is the author of The State of the Nation; Social Systems Accounting (1966); The Managing of Organizations (1964); and The Legislative Struggle (1953). Michael Springer, Syracuse, New York, is Graduate Assistant, Maxwell School of Citizenship and Public Affairs, Syracuse University.)

Abstract: In this period of confusing social change, a domestic "intelligence gap" impedes rational consideration of both public and private policy choices. An intelligent strategy for narrowing this gap requires action on many fronts. One of these is to remedy the "concept lag" produced by the

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[1] The assistance of the Stern Family Fund is gratefully acknowledged for having helped the special editor in producing this volume (and the preceding volume of May 1967), and particularly for having facilitated a series of exploration-and-review sessions on many of the articles. Acknowledgment must also be made of the ideas, encouragement, and stimulus provided by the following participants in these sessions: Milton Babbitt, Composer, The Electronic Music Center of Columbia and Princeton Universities; Louis H. Bean, Election Analysis, Ltd., Washington, D.C.; Ann Carter, Economics Research Program, Harvard University; Donald Cook, Applied Education Division, Xerox Corporation, New York City; Michel Crozier, Department of Social Relations, Harvard University (on leave from Centre de Sociologie des Organizations, Paris); John Dixon, Basic Systems, Xerox Corporation, Washington, D.C.; Hy Faine, National Executive Secretary, American Guild of Musical Artists, New York City; William C. Fleming, Chairman, Department of Fine Arts, Syracuse University; Fred M. Frohock, Assistant Professor of Political Sciences, Syracuse University; David Gross, Society of Fellows and Department of Physics, Harvard University; Larry Gross, Lehman Fellow, Department of Sociology, Columbia University; Tom Hayden, Community Union Project, Newark, New Jersey; Howard Houseman, William Morris Agency (New York City); Esther M. Jackson, Professor of Fine Arts, Shaw University; Andrew Kopkind, Associate Editor, *New Republic;* Stanford Lackoff, Professor of Political Science, State University of New York at Stony Brook; Isador Leteiner, Concert Violinist; Kenneth Mabuchi, Vice-President, Central Economic Development Ogranization, Washington, D.C.; Michael Marien, Graduate Student, Syracuse University; Charles C. Mark, Director, State and Community Operations, National Foundation on the Arts and the Humanities; Walter McCann, Legislative Assistant to United States Representative John Brademas (Indiana); Francis Mechner, President, Institute of Behavior Research; Donald Meiklejon, Director, Public Affairs and Citizenship Program, Syracuse University; I. E. Peterson, *New York Times* Washington Bureau; Douglas W. Rae, Assistant Professor of Political Science, Syracuse University; Stuart Rice, Surveys and Research Corporation, Washington, D.C.; Pamela Roby, Graduate Student, New York University; James K. Rocks, Director, Office of Plans and Programs, National Center for Educational Studies, Health, Education, and Welfare Department; Faith Seidenberg, Attorney at Law, Syracuse, New York; Edward Schneider, Associate Professor of Political Science, Princeton University; Jay Schulman, Associate Professor of Sociology, New York State School of Industrial and Labor Relations, Cornell University; William Shands, Congressional Fellow, Office of Senator Mondale; Howard Taubman, Critic, *New York Times;* Irene Taviss, Research Associate, Program of Technology and Society, Harvard University; Robert Wolfson, Professor of Economics, Syracuse University.

comparability-relevance conflict and other factors. As indicated by the table "Indicator Suggestions" (and the similar table in the Gross-Springer article in the May 1967 volume of The Annals), this is the main task assumed by most of the authors in both volumes. Instead of discussing statistical techniques, they have concentrated on conceptual innovations that make it possible to upgrade obsolescent data and obtain new forms of social information, both quantitative and qualitative.

GALILEO GALILEI. Measure what is measurable and make measurable what is not measurable.

AMITAI ETZIONI. Any measure of a social science concept that relies on a single indicator should be viewed as dubious.

RAYMOND A. BAUER. An information system does not tell what courses of action are conceivable. Man himself must conceive them.

BERTRAND DE JOUVENEL. Designers of statistics are indeed philosophers, however unwilling to claim the name, and are fully aware that different aspects of reality can be lit up if alternative sets of concepts are used.

At a time when America and the world are in the throes of confusing revolutionary change, it is increasingly difficult for anyone to know where we have been and where we are, let alone where we may be going.

Our intelligence machinery tends to creak along in bureaucratic conformance with routines set up in a previous era. Our "conservative" defenders of the *status quo* rarely see much of the *state at which* we are. Our "radical" attackers of the present "system," "power structure," or "establishment" are usually blind to the radical changes already taking place as we move from advanced industrialism into the first stages of a new post-industrial society. Executive officials and members of Congress alike are misled by *inadequate interpretation* of *bad information* based on *obsolete concepts* and *inadequate research* and collected by *underfed and over-lobbied statistical agencies.*

THE DOMESTIC INTELLIGENCE GAP

When people talk about a "credibility gap," it is assumed that various officials are misleading the public by withholding *good* information. An "intelligence gap," however, is rooted in *one-sided, missing, distorted, misinterpreted, or unused information.* The initial impact of the intelligence gap is that national policy-makers *themselves* are misled—or, to put it more mildly, are led into *oversimplified, partial, and outdated views of major policy problems.*

In varying degrees, this is the *status quo* of our domestic intelligence in the critical fields of civil liberties, discrimination, human values, the mass media, crime and delinquency, the natural environment, and urban conditions—as reported by Milton R. Konvitz, Otis Dudley Duncan, Robin M. Williams, Jr., Andre Fontaine, Daniel Glaser, Joseph L. Fisher, Daniel P. Moynihan, and Barry Gottehrer, in Volume I of *Social Goals and Indicators for American Society* (The Annals, May 1967). Other glaring intelligence defects exist in the fields of poverty, democratic participation, art and culture, education, health, social breakdown, and science and technology—as reported in this volume by S. M. Miller, Sidney Verba, Alvin Toffler, Wilbur Cohen, Philip Lee, Nathan Goldman and, John McHale. The table "Indicator Suggestions" (a continuation of the similar table in Volume I) sets forth some of the more elementary improvements suggested by these authors.

TABLE—INDICATOR SUGGESTIONS

Area	U.S. Government Statistical Series		Other
	New data	Better use of existing data	
Poverty and inequality	Regular publication of Gini index for both wealth and income distribution.	Serial data in Statistical Abstract of the United States on the extent of population below minimum standards of income, assets (liquid and fixed), and unpaid-for services (public and private).	Developments of new statistical profiles of wealth and income; for example, top-bottom ratios. Research on the psychological and sociological dimensions of the self-image of the poor.
Employment goals and the "new economics."	Periodic reports on location of job openings in the 50 largest standard metropolitan statistical areas (SMSA's).	Regular and improved reporting on subemployment in low-income areas. This includes not only regular application of traditional unemployment measures, but also: estimates of those (1) working part time and looking for full-time work; (2) earning substandard wages; (3) labor force dropouts because of lack of openings; and (4) not ordinarily counted.	Research on (1) changes taking place in length of the work week; (2) recruitment into skilled and semi-skilled trades; (3) relationships between education and occupational mobility; (4) relationship between productivity gains and employment rates; and (5) future employment trends.
Democratic participation	Data on size of professional and paraprofessional groups and on community organizations by locality. Collection and analysis of electoral participation data for local and State elections.	New section in Statistical Abstract of the United States on role of women and minority groups in political, social, and economic institutions. Better assembly of international comparative data on major forms of participation.	Research on (1) extent of participatory democracy in schools, business firms, government agencies, community groups, and the like; (2) "participation of the poor"; (3) sensitivity of officials to the demands upon them; (4) expectations that are associated with various forms of participation; (5) how many Americans feel a loss of sense of belonging; (6) examination of international rate of participation in terms of resources, constraints, capabilities, and cultural ideals.
Learning and education	Collection of educational expenditure data for the "nonestablishment" sectors of education, so that total educational expenditures can be computed. Implementation of new Carnegie plan for assessment of educational performance.	Improved estimates on "learning force" as a whole, particularly those enrolled in "nonestablishment" educational programs.	Research on (1) educational administration at all levels; (2) costs and benefits of alternative training methods for the same job; (3) impact of education (longitudinal studies); and (4) student culture and social system of schools (in situ studies).
Art and culture	Annual data on audience size for performing arts, including semiprofessional, by areas. Recurring Census of the Arts to include economic and institutional data covering not only the high arts but also the amateur movement and popular entertainment.	Compilation of Federal, State, and local expenditures on the arts. Art and Culture section in Statistical Abstract of the United States.	Research on (1) the type of musical education provided in primary and secondary schools; (2) the costs of the tools and media used by artists; (3) the administration of artistic enterprises; (4) the recruitment and training of professional artists; (5) the decline in recitals; and (6) the scope of the "amateur movement."
Health and well-being	More refined surveys of mortality and life expectancy by income groups and by localities, including major slum areas.	Readjustment of "cause of death" data, with improved interpretation.	More research on the development of positive measures of health and vitality.
Social breakdown	Divorce registration area to be representative of entire country with data on divorce, separation, and remarriage (including time interval between divorce and remarriage). Incorporation into official series of suicide data from insurance companies. More systematic methods for estimates of users of illegal drugs including "weekend" user, regular user, and seller.	Relate divorce and separation data to existing information on extended duration of marriages (with increased life expectancy).	Studies on better classification of alcoholics by state agencies. Research on (1) number of those arrested for public intoxication who are chronic alcoholics; (2) various forms of violence; (3) physiological and psychological effects of marijuana use; (4) changes in premarital sex practices; and (5) in situ studies of deviant behavior. All States to require doctors to report cases of "battered children."
Science and technology	Substantive content classification of scientific and technological research (in output-program budget terms).	More sustained and comprehensive presentation and analysis of basic series on scientfic personnel, organizations, expenditures, publications and the like. Link reports on substantive content of scientific activities with information-retrieval facilities.	Research on (1) timelags between basic science findings and technological implementation by the industrial sector; (2) extent of technological spillover from space and military research and development (R. & D.) programs; (3) role of scientific organizations; (4) evaluation of the quality of scientific output; and (5) how to estimate the social impacts of technological innovations.

Although economic information is generally much better than our data in the fields listed above, it also is seriously defective. In this regard, Geoffrey Moore, research director of the National Bureau of Economic Research, has just stated that "we do not really know, within a reasonable narrow margin, what the recent trend of wages has been." Arthur F. Burns, Chairman of the National Bureau, has recently diagnosed serious data gaps in such areas as job vacancies, price and cost measures, and projections of federal revenues and expenditures.[2]

INTELLIGENT APPROACHES TO THE INTELLIGENCE GAP

We cannot afford too much stupidity in dealing with the domestic intelligence gap. To approach this problem intelligently, we must bring the quality of our information a little closer to the changing needs of private and public policymakers. We must make better use of our growing and partially unused capacities for research and for data-processing, -calculation, and -dissemination. We must expand and improve each of these capacities. We must be prepared to examine any relevant information—no matter whether someone classifies it as economic, political, social, cultural, scientific, or what have you.

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[2] Both Moore and Burns are quoted in "The Intelligence Gap," by M. J. Rossant, *New York Times*, Business Section, June 21, 1967.

In this area, there are no quick, simple, or easy remedies. Indeed, the pace and unevenness of social, technological, and international change are so great that we may—as in Lewis Carroll's *Alice in Wonderland*—have to run in order to remain in the same place.

The historic contribution of the Full Opportunity and Social Accounting Bill of Senator Walter F. Mondale (Minnesota) is that it offers not simple solutions but rather a *grand three-pronged strategy for improving our domestic intelligence within the framework of strengthened Constitutional procedures:*

1. the annual transmission to the Congress of a President's Social Report that can bring together, in terms meaningful for the Congress and the public as a whole, the work of countless specialized experts on all major aspects of the "quality of life."

2. the creation of a small social intelligence staff to help prepare this continuing synthesis and improve the quality and relevance of social information. It still remains to be seen whether or not the "Council of Social Advisors," as precisely proposed in Section 4 of S. 843, is the most practical and desirable of all possible instrumentalities.

3. the creation of a Congressional Joint Committee on the Social Report that could become (as the Joint Economic Committee has in economics) the world's largest classroom in social information and social policy.

Both in the Congress and in the executive branch there seems to be an increased awareness of the dangers that might be involved in the misuse or monopolization of sophisticated informational systems. A start is being made to explore the present dangers to personal privacy and the new kinds of dangers against which safeguards might be needed. Attention is being given to the danger—in the words of the Chaplain of the University of Sussex—that more power will flow into "the hands of a few manipulators who, while paying lip-service to the authority of the majority, persuade them to move in the directions convenient to themselves by all kinds of skillfully-applied pressures rather than by appeals *to their* responsible judgments as rational individuals."[3] All such discussions will be illuminated by Amitai Etzioni's perceptive warnings against the dangers (or "dysfunctions") in internally valid indicators. Raymond A. Bauer's profound observations on the inevitability of error and the indispensability of human judgment demand a skepticism concerning science's ability to shape the course of public policy.

SOCIAL CHANGE AND CONCEPT-OBSOLESCENCE

Westerners are quick to point out that in the "transitional" societies of Africa, Asia, the Middle East, and Latin America, rapid technological change is usually accompanied by institutional, cultural, and conceptual rigidities. Our social scientists can easily see that people who grew up in agricultural peasant societies have difficulty in understanding—let alone keeping statistical track of—the confusions of the industrialization process.

We are somewhat less eager to see the motes in our own eyes. Although living in societies undergoing changes at least equally—and probably much more—confusing, we have not distinguished ourselves by an awareness of our own rigidities. Many of us cling to old concepts as tightly as some people in other societies may cling to caste lines, taboos, astrology, and witch-doctor cures. Our faithfulness to the past may, indeed, be reinforced by the modern magic overtones provided by an elaborate statistical series and electronic computers. The case to which Professor Etzioni refers in the first article is no exception. Information on *residence* provided more or less definitive reports on land congestion a century or so ago, when many more of man's activities took place near his home. Today, although only multidimensional population measures can cope with the greater complexities of people-land relations, many people—even some urban planners—rely on residence information alone. Similarly, some proposals for large-scale "data banks" tend to remind one of the man who tried to build his fortune by collecting the world's biggest stockpile of calendars from previous years. The bank metaphor (used repeatedly by those whose enthusiasm for data-processing machinery exceeds their concern for what is processed) obscures the fact that information, in our era of information explosion, may depreciate as rapidly as money in the wildest of currency inflations.

We hope that, during the coming years, increasing attention will be given to the processes of obsolescence at work on the concepts and the definitions underlying our social information. Obviously, custom and habit are important factors. Basic theory and research in the halls of academe tend to lag behind the mad rush of events. As Albert D. Biderman has graphically illustrated, strong interest and pressure groups usually mobilize to defend existing statistical series and to resist basic conceptual and definitional changes.[4] Any such changes are apt to have political implications at some time in the future. These implications may be particularly anxiety-producing for people more fearful of "rocking the boat" than of sticking an ostrich-like head in the sand. A single, misleading measure—such as the "absolute income line" discussed in the article "Poverty, Inequality, and Conflict"—may serve the "administrative convenience" of an embattled government agency.

We urge special attention to the *technical imperative of data-comparability*. The time series is the hard core of our national information system. The essence of a good time series—on unemployment, burglary, students, scientists, or anything else—is that the figures on 1967 be based on *exactly the same definitions as were used in 1957*. Otherwise, the figures on change will reflect changes in *both* situations and definitions. Accordingly, all data-collection establishments are very wary about definitional changes. Knowing that they cannot change the conceptual rules every year, they tend to postpone all suggested improvements until consensus may be reached on the most significant ones. This calculated "hardening of the categories" may last a decade or more. When changes are made, it is sometimes possible to recalculate the old series in accordance with the revised definition or at least to develop some useful estimates. This is a costly and time-consuming enterprise. In other cases, there is no choice but to start afresh, signaling the use of new definitions and calling attention to the lack of comparability with the past.

This comparability-relevance conflict may be technically by-passed whenever the conceptual innovation leads not to the revision of an old statistical definition but to the addition of new statistical dimensions. Yet these new dimensions—apart from their policy implications—can easily disturb the neat orderliness of old-fashioned data. It is always safer to be precisely irrelevant or wrong rather than vaguely relevant or right.

SOME STEPS TOWARD CONCEPTUAL INNOVATION

In looking through the various articles in this volume the reader will quickly note that there is little discussion of statistical techniques or methods of numerical analysis. Indeed, where authors address themselves most directly to various statistical series—as with Miller, Cohen, and Goldman, for example—their purpose is to suggest the new *concepts* and new *definitions* that precede the tasks of collection, computation, or recomputation. In the broadest sense, each author is attempting to create new definitions of the situations with which he deals. From his own perspective (a combination of both personal background and institutional role), each presents certain normative and analytical frames of reference which could restructure major public policies.

Let us now briefly summarize the various styles of conceptual innovation illustrated by these chapters:

1. *Redefining and broadening the approach to a major area that has been narrowly delimited.*

In "Poverty, Inequality, and Conflict," S. M. Miller sharply attacks the present "income line" definition of poverty. First, he shows the need for using "comparative income" as well as absolute income and for dealing with income security as well as income level. Secondly, he demonstrates the desirability of a three-dimensional economic approach that includes assets and basic services along with income. Thirdly, he sets forth the social dimensions of poverty—in terms of deficiencies in self-respect, status, and opportunities for participation in decision-making. He thereby develops—with the help of his collaborators—a sophisticated conceptual formulation capable of dealing with, rather than dodging, emerging issues of justice and injustice in American society.

Miller's formulation is written from an unusual perspective. Trained first as an economist and then as a sociologist who has made major contributions in the area of social mobility, he does not bother about artificial distinctions between economic and social factors. It is thus not surprising that he brings mobility-analysis into the framework of poverty policy. Further, Miller keeps his feet in several political camps. An advisor to a number of community and militant action groups, he also serves as an official of the Ford Foundation and as a consultant to several government agencies. In this light, one could interpret his piece as an attempt to approach "the Establishment" with the social critique of the civil rights movement and elements in "New Left" thought, thereby demonstrating to the militants the terms of discourse and the type of analysis with which to approach policy-makers.

2. *In an area of "sacred lore," broadening our conceptual approach by identifying a series of major paradoxes that confront enumerators and policy-makers.*

Sidney Verba's "Democratic Participation" gives us a definition of democracy that goes far beyond the ballot box and relates all forms of political participation to the resources, motivations, and institutions that make it possible. He raises vital questions concerning the successfulness of participation and the decision-makers' willingness to accede to greater participation. He raises a series of major paradoxes that demand attention both in improving and in interpreting all data in this field.

While Verba is well known in academic circles, he is one of the West Coast intellectuals geographically removed from the Boston-New York-Washington consultation network. As a political outsider with strong convictions, he opts for broader official interest in democratic participation. A first-rate scholar, Verba presents a careful and reasoned critique that could greatly expand traditional perspectives toward democracy.

3. *Changing some of the traditional parameters in a rapidly moving situation and raising issues of great, but as yet unexplored, potentialities for future change.*

In "Learning and Education," Wilbur Cohen first delineates the major structural changes taking place in American education.

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[3] Daniel Jenkins, *The Educated Society* (London: Faber & Faber, 1966), p. 36.

[4] "Social Indicators and Goals," in Raymond A. Bauer (ed.), *Social Indicators* (Cambridge, Mass.: M.I.T. Press, 1966), pp. 68–153.

He shows where our concepts have been outdated and demonstrates that we must not limit or take the narrow view that education is something that takes place during a person's youth and only within the traditional educational institutions. The new concept of "the learning force" indicates that education can be a life-long process and need not be limited to the traditional educational establishment.

Cohen's outline of a wide-ranging research program is a sharp departure from the traditional "educationist" approach. Coming from an "action intellectual" who is a principal architect of Great Society measures (as well as Health, Education, and Welfare Under Secretary), his views provide "White Paper" intimations of the future direction of national policy.

4. *Making a strong plea for new definitional processes in an area that has been largely ignored.*

In "The Art of Measuring the Arts," Alvin Toffler attempts to initiate both quantitative and qualitative definitions of a situation just beginning to become a concern of national policy-makers. In addition to calling for the systematic collection of information in all the arts, he suggests a series of quite specific criteria for the qualitative evaluation of artistic activities.

As a professional journalist, Mr. Toffler is free from that intellectual timidity which is endemic to academia. He has been sufficiently uninhibited to give us a wide-ranging framework which could serve as a baseline for debates over future government perspectives toward the arts. Broad and provocative statements are very much in Toffler's style. His book *The Culture Consumers* opened up recent debates over the extent and characteristics of what is referred to as the "culture explosion."[5]

5. *In a highly defined situation, raising conceptual issues with great, but as yet unexplored, potentialities for restructuring action.*

In "Health and Well-Being," Philip R. Lee presents a definition of health that encompasses far more than the typical clinician's view based on the incidence of disease. Lee views mortality, morbidity, and disability in the context not only of physiological but also of social and economic factors. Looking beyond our present definitions of health, Lee points to the day when research presently underway may lead to positive measures of well-being.

Dr. Lee is a practicing physician now serving as Assistant Secretary of Health, Education, and Welfare for Health and Scientific Affairs. Without the pretensions that often characterize academic and government officials, he presents a broad vision of what constitutes the parameters of health. Like Cohen's paper, Lee's has the character of a non-official "White Paper" in the area of health and well-being.

6. *Examining basic concepts in an emotion-charged area and suggesting various paths toward reconstruction.*

In "Social Breakdown," while not directly outlining new concepts, Nathan Goldman begins to lay bare some widely held notions about social disorganization—or in more popular terms, "a breakdown in morality." In examining available data on family breakdown, addiction, personal breakdown, and sexual deviation, he casts serious doubts on the reliability of the conventional evidence of social breakdown. More significantly, he suggests that such things as divorce and even addiction may not be signs of social breakdown, but may, in fact, be factors in social organization and stability.

The nature of Goldman's piece can, in good part, be understood by two factors. First, while Goldman has had considerable clinical experience in the problems he discusses, he has been somewhat distant from national policymaking processes and thus does not have to pay homage to the conventional wisdom. Secondly, like many University-of-Chicago-trained sociologists, he questions the meaning of "accepted morality," which, if taken at face value, will stand in the way of creative social analysis.

7. *Making a strong plea for new definitional processes in an area that, despite recognized importance, has been treated superficially.*

"Science and Technology" is a wide-ranging piece in which John McHale explores the inadequacy of present indicators on the substantive content and organizational setting of scientific activities. In calling for new conceptual frameworks, McHale underscores the superficiality of the use of purely quantitative surrogates and calls for direct consideration of the quality of scientific efforts.

One would expect such broad and bold proposals from a colleague and collaborator of Buckminster Fuller, that remarkably creative engineer-architect-inventor. Quite on his own, McHale addresses himself to his subject from a rich and varied background that includes previous careers as both an artist and a medical technician.

8. *Urging application to an area of immense political importance of improved definitions that have long been advocated and officially ignored.*

In "Employment and the 'New Economics,'" Leon H. Keyserling criticizes present unemployment statistics as seriously understating the extent to which manpower resources are wasted. Pointing out how the present concept of unemployment contributes to inadequate policy-formulation, he urges the modernization of the unemployment definitions used by the Bureau of Labor Statistics and of the employment goals set forth by the Council of Economic Advisers.

As a member (and finally Chairman) of the Council of Economic Advisers throughout the Truman administration, Keyserling was one of the leaders in establishing sustained economic growth as a major objective of public policy. Since then his role has been that of a "Prophet in the Wings," relentlessly criticizing deviations from this goal and continuously proposing policies for using economic resources to meet basic social needs.

In conclusion, we feel that we can speak for all the authors in this and the previous volume in predicting that the development of new concepts and information to meet the critical needs of our changing society will be a slow and painful process. These volumes have amply demonstrated the inadequacy of many of our present concepts. They have also demonstrated the tremendous potential for improved social information, indicating some of the roads that must be traversed in order to achieve this potential.

Substantial energies are going to be exerted to develop social information that is as extensive and as "hard" as presently available economic information. It would be a sad affair, however, if in overcoming the "economic philistinism" of the past we create a "social philistinism" of the future. There is something more to the "quality of life" than can ever be fully expressed in quantitative measures. The moral and aesthetic goals which many of us seek can be only partly comprehended by the hard indicators which we use to bring them to fruition.

This matter has been vigorously raised by Corinne Gilb:

"Human needs for myths, festivals, dignity, love, belongingness, and self-realization cannot be adequately assessed solely by social science methods. . . . As you know, the economic, scientific, military, and governmental systems in the United States are increasingly interdependent. They in turn influence—directly or indirectly—every other aspect of American life. We need deeper knowledge of what these interconnections are. Questions and research methods are needed which cut through and transcend the methods of approaches now being used by particular segments of the total system or by particular disciplines such as economics or sociology."[6]

Elsewhere, the same author has suggested that "for scholars the ultimate goal should be not the kind of artificial scientific reductionism whose logical endpoint is the Brave New World, but rather a multi-dimensional set of values, theories, concepts, and methods which converge at that high point where science and art are—in a sense—the same."[7]

Professor Gilb has thus defined the paradox underlying our goals for social information. To cope with the intelligence gap intelligently, we must develop conceptual innovations that help us not only to obtain and use improved quantitative data, but also to appreciate the importance—in Galileo's words—of "what is not yet measurable," and may, indeed, never be.

LET US EXAMINE THE FACTS ON IMPORT QUOTAS

Mr. HANSEN. Mr. President, since the completion of the Kennedy round trade negotiations last June 30, much has been said about our Nation's balance of trade.

Those of us who have become concerned with the possible harmful effects of these negotiations and who have sponsored legislation establishing import quotas have been scolded and taken to task by the administration, a large segment of the Nation's press and representatives of foreign countries.

Today, I would like to discuss for a few moments some points that should be made in regard to the debate now in progress over the U.S. balance of trade.

I have in my possession a table by Vladimir N. Pregelj, an analyst in international trade and finance for the Economic Division of the Library of Congress. The table correlates the relationship between U.S. aid-financed exports, total exports, and balance of trade from 1960 to 1966.

The results of this kind of analysis are enlightening and most distressing, as well. At this time, I ask unanimous consent that this material be placed in the RECORD.

From 1960 until 1966, the U.S. favorable balance of trade has fallen from $4,757,000,000 to $3,658,000,000, a drop of 23.1 percent. Even more dramatic is the decline from 1964 to the present day—a drop of over 45 percent.

The most frightening aspect of these figures is the relatively large percentage of the favorable balance which is made up of U.S. aid-financed exports. In 1960, aid-financed exports accounted for 39.9 percent of the favorable balance. But by 1966, aid-financed exports were responsible for making up 82.3 percent of the favorable balance of trade—$3,012,000,000 compared with $3,658,000,000.

U.S. aid-financed exports have grown in an absolute sense by 58.6 percent since

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[5] Alvin Toffler, *The Culture Consumers* (New York: St. Martin's Press, 1964).

[6] Testimony before Senate Subcommittee on Research. Senate Committee on Government Operations, on S. 843, July 20, 1967.

[7] Corinne Lathrop Gilb, "Time and Change in Twentieth-Century Thought," *Journal of World History*, Vol. IX, No. 4 (1966), pp. 867–880.

1960. This growth has been a steady, year-by-year increase.

The significant point here is that our aid-financed exports have been to a great extent responsible for our continuing balance of trade. Using the figures supplied by the Library of Congress, we find that if the aid-financed exports were subtracted from our 1966 balance-of-trade figure, the United States would have a favorable balance of only $646,000,000.

No graph is needed to indicate all too well what the future may hold in store.

The time may come—and, indeed, it may be in the not-too-distant future—when a favorable balance of trade will depend on U.S. foreign aid dollars, used by foreign countries to purchase American goods.

I believe, Mr. President, that it is necessary that we examine closely such facts when we discuss the question of import quotas. Certainly, in light of these facts, the picture of America's balance of trade is not as rosy as some might lead us to believe.

I ask unanimous consent that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

RELATIONSHIP BETWEEN U.S. AID-FINANCED EXPORTS, TOTAL EXPORTS, AND BALANCE OF MERCHANDISE TRADE, 1960–66

[Value in millions of dollars]

Year	Exports		Balance of trade	U.S. aid-financed exports as percent of—	
	Total	U.S. aid-financed		Total exports	Balance of trade
1960	19,489	1,898	4,757	9.7	39.9
1961	19,954	2,209	5,444	11.1	40.6
1962	20,604	2,333	4,417	11.3	52.8
1963	22,071	2,721	5,079	12.3	53.6
1964	25,297	2,801	6,676	11.1	42.0
1965	26,244	2,758	4,772	10.5	57.8
1966	29,168	3,012	3,658	10.3	82.3

Note: Value of military grant shipments is excluded from the above data.

Source: U.S. Office of Business Economics, Survey of current business, June 1967.

THE UNITED NATIONS

Mr. CLARK. Mr. President, in June 1965 two events took place in San Francisco, each of which in its way directly relates to man's aspirations for the achievement of a durable worldwide peace. One was the commemoration of the 20th anniversary of the founding of the United Nations. The other event was the convening of a conference, conducted under the auspices of the Stanley Foundation of Muscatine, Iowa, to study the role of the United Nations in the next decade.

The principal conclusion of the participants at the first Stanley conference was that the United Nations, in the words of Mr. C. Maxwell Stanley, president of the foundation and organizer of the conference, "while rendering many useful and valuable services, was not equipped under its present charter to deal effectively with the continuing arms race, the spread of nuclear weapons to more nations, the growing danger of accidental war, and the pressures of population and poverty." A number of major structural changes were proposed to remedy these defects.

Roughly 2 years later, in July 1967, a second conference on the United Nations of 1975 was convened by the Stanley Foundation in Burgenstock, Switzerland, to carry forward the work begun in San Francisco. The product of the second conference is a series of specific proposals to increase the effectiveness of the United Nations which I consider to be among the most constructive and well-thought-out suggestions I have ever seen on this subject.

Mr. President, I ask unanimous consent that there be placed in the RECORD at this point, first, a foreword by Mr. C. Maxwell Stanley, summarizing the history of the first conference and the achievements of the second; next, the statement of members of the second conference on the United Nations of 1975, Burgenstock, Switzerland, July 28, 1967; and finally, the list of participants of the second conference on the United Nations of 1975.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SECOND CONFERENCE ON THE UNITED NATIONS OF 1975

(Sponsored by the Stanley Foundation)

FOREWORD

(By C. Maxwell Stanley)

The Second Conference on the United Nations of 1975 is a continuation of an examination that was started in San Francisco in 1965. We held a conference there on the eve of the Symbolic Session of the United Nations which commemorated the twentieth anniversary of the signing of the Charter. It was called to study the United Nations' Role in the Next Decade.

The 1965 conference came to one specific conclusion and made several general recommendations regarding the United Nations. The primary conclusion was that the United Nations, while rendering many useful and valuable services, was not equipped under its present Charter to deal effectively with the continuing arms race, the spread of nuclear weapons to more nations, the growing danger of accidental war, and the pressures of population and poverty.

The recommendations of the 1965 conference, adopted unanimously, called for changes that could be accomplished only by Charter revision. These changes were major ones, giving the United Nations the ability to achieve complete and enforced disarmament in carefully controlled stages and with effective safeguards, a permanent peace force, changes in the General Assembly and the Security Council so that the United Nations would have legislative capability, a strengthened International Court of Justice with systems of regional courts, a sizable world development program, a reliable and adequate revenue system, safeguards to prevent abuse of power by such a strengthened United Nations, and eligibility for all nations for membership.

As one looks back over two years and evaluates the proposals of the 1965 conference one can only say that they were bold and substantial ones. Many people would term them unrealistic. Many would say that the United Nations was not in jeopardy, and the changes proposed were too visionary, too far down the line. Nevertheless, the conference considered that nothing else would succeed.

With each new crisis crowding on the heels of his predecessor, these two years reinforce the major conclusions of the First Conference on the United Nations of 1975: that there is urgency and that the United Nations must be made more effective.

Our concern at the Second Conference was to look at the world's needs, to select the roles the United Nations should discharge in meeting those needs, to determine its competence to discharge them, and finally to recommend steps which would enhance the effectiveness of the United Nations.

We came forward with proposals to increase the effectiveness of the United Nations. We considered several approaches which the conference of two years ago did not recommend. It centered its attention on Charter revision. We considered also the better use of the United Nations as it is. What capabilities have the Secretariat, the Security Council, the General Assembly or the specialized agencies that are not adequately utilized? What changes can come about by an evolutionary process? Are certain Charter changes desirable—and possible—perhaps less extensive than those proposed in the 1965 conference? Two Charter changes have been made regarding the membership of the Economic and Social Council.

We considered the attitudes of nations. Is the United Nations to be a major element of foreign policy for more countries, including mine, or is it a crutch to be used when other efforts fail?

We followed a very unique format with an unstructured conference. We were not there to listen to speeches. We were not there to dissect papers. We were not there to vote aye and nay on specific proposals. We met as individuals, not governments. Our mission was to think and brainstorm. We wanted to explore new ideas and exchange views. We confirmed sound concepts with respect to the United Nations, but we proposed some new ones. We were not concerned with complete agreement. Where consensus was evident, the rapporteur so indicated. Otherwise he indicated opposing views. Attribution to individuals was not made in the conference statement.

My charge to the participants was: "As we approach the task, I urge that we be practical, but also visionary; predictive, but also descriptive; cautious, but with a sense of urgency; and responsible, but bold and courageous. Let us be fully aware of the differences separating nations. Let us be even more aware of the broad interests and needs, the service of which will unite people if given a chance. May we together chart a route to a more effective United Nations. May we issue a challenge to thinking men. Thus hopefully may we contribute to those universal desires of men throughout this world for peace, security, and a fuller life."

STATEMENT BY MEMBERS OF THE SECOND CONFERENCE ON THE UNITED NATIONS OF 1975, BURGENSTOCK, SWITZERLAND, JULY 28, 1967

We continue the work begun by the Conference on the United Nations of 1975, held in June 1965, which called for major changes in the United Nations to make it capable of maintaining peace and freedom under law.

This is a time of growing danger and great opportunity. There is a trend toward more centers of power in the world. The threat of nuclear war grows as the armaments race enters a new round and nuclear weapons spread to more nations. Too often the nations fail to use the United Nations to solve international disputes, and rely instead on force and intervention. Painfully slow development and rapid population growth in developing countries lead to increased violence and non-democratic regimes.

The United Nations is caught in a vicious circle. Lack of confidence in the United Nations discourages its use and limits its performance. This makes it difficult to achieve the support of nations for the basic changes in the United Nations which are necessary. Yet only a strengthened United Nations can provide the successful performance which is needed to build confidence.

We propose that this vicious circle be broken by taking specific steps toward a more effective United Nations. These steps will strengthen the ability of the United Nations to achieve its purposes. Speaking solely as individuals, we propose these steps:

1. In order to make any major progress toward general and complete disarmament, the United Nations security system must be strengthened so that all nations can rely on it, and means for the just settlement of international disputes must be provided and used. The armaments race should be stopped as soon as possible. Specifically, it is in the self-interest of all nations to make realistic agreements (including necessary safeguards) to prohibit all nuclear weapons tests, to limit the quantities of both nuclear and conventional weapons, to require that all transfers of weapons from one nation to another be reported to and published by the United Nations and to prevent the proliferation of nuclear weapons.

2. In the important field of peacekeeping, the United Nations must be given the capacity to act promptly, rather than having to improvise after trouble begins. All nations should be invited to earmark and train units of their national armed forces and police forces for United Nations duty when needed. United Nations capability should also be strengthened by creating a permanent United Nations staff for peacekeeping operations and by adopting clear but flexible rules for peacekeeping. It is further essential that agreement be reached as soon as possible to create a permanent United Nations peace force, recruited by and for the United Nations and effectively backed by its members. In particular, the United Nations needs without delay its own units to perform specialized tasks such as communications, logistics and police duty.

3. The Security Council has primary responsibilities for peacekeeping, but the General Assembly should be able to act when there is no reasonable possibility of Security Council action.

4. A determined effort should be made to implement Chapter VII of the Charter to enable United Nations peace enforcement action by the Security Council. The Military Staff Committee should be reactivated. Member nations should make agreements to provide forces on call [illegible] the Security Council. Organization and planning for effective economic sanctions under Article 41 is needed, including creation of a staff to administer economic sanctions.

5. Parallel to the United Nations peacekeeping activities, the United Nations and its members should make more determined and unrelenting efforts to find solutions to international conflicts and to persuade the parties to accept reasonable solutions in conformity with the principles of the Charter. The conflict resolution role of the United Nations is vitally important, and the mediation services of the Secretary-General and his staff should be supported and expanded.

6. All nations should voluntarily accept without reservation the jurisdiction of the International Court of Justice in the kinds of international disputes listed in Article 36 of the Statute. All treaties which do not specify other methods of settlement should provide that disputes arising under the treaty shall be determined by the International Court. The judicial independence of the International Court, free from national or other interference, must be assured by all suitable means. Increased efforts to develop and codify contemporary international law are needed. All these efforts should tend to strengthen the authority of the United Nations to maintain a just peace under law.

7. The critical situation of the developing countries is a growing threat to peace. This great and urgent challenge requires a vastly expanded and dynamic effort under United Nations leadership to attack the problem on many fronts. The developing countries have the primary responsibility for their own development, including the full mobilization of their human and natural resources and the economic, social and structural changes which are necessary for growth. But in order to allow the developing countries to assume full responsibility for their development, it is the duty of the world community to remove obstacles to development and promote an expanding world economy which will benefit all peoples regardless of their present degree of development. Among the measures required are these: increased financial and technical assistance, both bilateral and multilateral, on terms which will encourage development; trade policies, including temporary trade preferences, which will enable the developing countries to build their own economies through increased exports; a serious attack on the population problem, including aid to nations willing to accept it; and better coordination of all United Nations development and trade programs.

8. It is imperative that the United Nations should move toward universal membership. In the opinion of most but not all the participants, the People's Republic of China should promptly be seated. The presence of France and China in disarmament negotiations is essential.

9. A comprehensive study should be made of all factors involved in granting greater authority to the United Nations General Assembly, including the process of decision-making.

10. A start should be made toward giving the United Nations reliable sources of revenue independent of national contributions. For example, the United Nations might be authorized to collect fees for the use of international communications, outer space, and resources in or under the international seas.

Many other steps would be helpful. We stress the need for all member nations to honor their Charter commitments and make greater use of the United Nations to solve international problems. More research is needed on the hard problems of war and peace and on the effectiveness of existing United Nations programs.

The steps listed above can be taken by 1975 if the peoples of the world and their governments will contribute enough leadership, imagination and hard work.

This is a time for realism and boldness. The task of strengthening the United Nations is difficult and demanding.

We must build a more effective United Nations in the interest of survival.

PARTICIPANTS, SECOND CONFERENCE ON THE UNITED NATIONS OF 1975 BÜRGENSTOCK, SWITZERLAND, JULY 24–28, 1967

The Honorable Gabriel M. d'Arboussier of Senegal, Executive Director of United Nations Institute for Training and Research.

The Honorable Zulfikar Ali Bhutto, former Foreign Minister of Pakistan.

Mr. Andrew Boyd of Great Britain, Foreign Affairs Editor of "The Economist."

General E. L. M. Burns, Adviser to the Government of Canada on Disarmament.

The Honorable Donald M. Fraser, Foreign Affairs Committee, House of Representatives, U.S.A.

The Honorable Per Haekkerup, Leader of the Social Democratic Party (Government Party) in the Danish Parliament and former Foreign Minister of Denmark.

The Honorable Jose A. Mayobre of Venezuela, Minister of Mines and Petroleum.

The Honorable F. Bradford Morse, Foreign Affairs Committee, House of Representatives, U.S.A.

His Excellency B. K. Nehru, Ambassador of India to the United States.

The Honorable Sivert A. Nielsen, President of Bergens Privatbank, former Ambassador of Norway to the United Nations.

His Excellency Dr. Majid Rahnema, Ambassador of Iran to Switzerland and Vice President of the United Nations Economic and Social Council, 1967.

General Carlos P. Romulo, President, University of the Philippines, and President of Fourth Session of the United Nations General Assembly.

His Excellency Zenon Rossides, Ambassador of Cyprus to the United Nations.

The Honorable Zdenko Stambuk of Yugoslavia, Chief Editor of "Review of International Affairs" and Member of the Federal Parliament.

The Honorable A. Z. N. Swai of Tanzania, Minister of Economic Affairs and Development Planning.

Mr. C. Maxwell Stanley, Chairman, President of the Stanley Foundation.

Mr. David M. Stanley, Rapporteur, Iowa State Senator and Candidate for the United States Senate.

Dr. Thomas B. Manton, Conference Director, Executive Director of the Stanley Foundation.

OVERWHELMING APPROVAL IN SENATE OF REDWOOD NATIONAL PARK GREAT MOMENT IN AMERICAN CONSERVATION

Mr. KUCHEL. Mr. President, the Senate approved a Redwood National Park in northern California by an overwhelming vote of 77 to 6 on November 1, 1967. The Senate's action has attracted favorable editorial comment from newspapers throughout the Nation. I ask unanimous consent that sundry editorial comments on this conservation milestone be printed in the Record.

There being no objection, the editorials were ordered to be printed in the Record, as follows:

[From the San Francisco Examiner,
Nov. 5, 1967]

Redwood Park's Senate Victory

Passage by the U.S. Senate of the Kuchel-Jackson redwood national park bill marks a historic advance toward reaching one of America's prime conservation goals.

If the bill survives rigorous tests in the House, 64,000 acres of templed groves will be saved.

We congratulate California's Sen. Kuchel and Washington's Sen. Jackson for their skillful maneuvering of the bill through the Senate Interior Committee to a final smashing 77–6 triumph on the floor.

They saved the measure from disastrous amendment, the proposed elimination of a key provision—trade of 14,000 acres of run-of-the-mill Forest Service land for privately held stands of superb redwoods.

That exchange was opposed because it would "set a precedent." If so, it would be a good precedent assuring the wisest use of federal lands for the benefit of most people.

Also behind the resistance was departmental rivalry (Agriculture and Interior), the former's Forest Service being reluctant to yield jurisdiction to the latter's Park Service.

The man in the street couldn't care less whether the land is administered by Agriculture or Interior. To him it is simply federal land. And if ordinary forest land can be traded for priceless virgin redwoods, thus reducing the cost of the park by some $60 million (and saving a private lumbering industry to boot) he sees it as a remarkably good deal.

Park action in the House unfortunately has been delayed until next year. That time might well be spent by the Reagan administration to re-think its present doubts about turning over three state parks to round out the federal state park.

Gov. Reagan also wants to wring some federally-held beach lands out of the government in exchange.

If that can be accomplished within the framework of the present park concept, so much the better. But if Sacramento's bargaining with Washington takes an obstructionist line, all the present hard-won gains could be lost, along with the trees.

[From the Los Angeles (Calif.) Times, Nov. 7, 1967]

Compromise on Redwoods Park

Congress may yet reach agreement on a Redwoods National Park before it's too late. The latest of many compromise proposals has cleared the Senate with approval of a 64,000-acre project costing nearly $100 million. But no action will be taken in the House until next year.

Presumably, timber companies will continue their moratorium on the cutting of the stands of virgin trees that would be acquired under the Senate bill. If not, it will be a race between the House and the lumbermen's saws.

By a 77–6 vote, the Senate accepted a compromise that had something for everyone—and consequently a price tag much higher than the original administration proposal. The bill as passed calls for the acquisition of a total of 64,000 acres at an estimated cost of nearly $100 million.

Major objection on the Senate floor was to the exchange of government timberlands for the privately held groves that will become part of the national park. The U.S. Forest Service opposes the swapping of its lands, while the lumber industry prefers that no private property at all be taken.

But determined efforts by Sen. Thomas Kuchel (R-Calif.), long-time champion of the park, and chairman Henry Jackson (D-Wash.) of the Senate Interior Committee, led to a compromise that received the support of Gov. Reagan, the Sierra Club, the Save-the-Redwoods League and the Interior Department.

Reagan's support was accompanied by a plea that the amount of private acreage to be taken be diminished to lessen the economic impact.

Studies made for the Interior Department, however, indicate that the establishment of a national park actually will improve the over-all economy of the affected areas in the purchase and trade, three California state years to come.

In addition to the acquisition of land by parks—Jedediah Smith, Del Norte Coast and Prairie Creek—would become part of the national park complex.

Some further compromise may be possible. But nothing must delay congressional action on the preservation of a priceless and irreplaceable national resource.

[From the San Jose Mercury, Nov. 3, 1967]

Park Battle Half Won

Overwhelming Senate approval of a 64,000-acre $100 million Redwood National Park in northern California means, in effect, that the battle for the park is half won.

It will not be completely won, however, until the House of Representatives completes action on the bill, and the House's pace in this matter has been regrettably slow to date.

The chief stumbling block has been the House Interior Committee and its chairman Rep. Wayne Aspinall (D-Colo.). Aspinall has indicated he won't hold hearings on the Senate-passed legislation until early next year. The reasons for this delay are best known to Aspinall himself; they are not readily apparent to anyone else.

There are, in fact, excellent reasons for moving ahead with this particular authorization bill in the most expeditious manner possible.

To begin with, the several lumber companies involved have voluntarily suspended logging old-growth redwoods in the areas included within the proposed park boundaries. It is unfair, to say the least, to ask them to refrain from logging indefinitely.

The Senate bill passed this week 77–6 provides for a swap of 14,500 acres of Forest Service land to ease the impact on the timber-centered economy of northern California. The lumber companies should be permitted, as as matter of justice, to begin logging operations in this swap land as soon as possible.

This compromise protects the interests of all to the fullest extent possible. The public is assured that some of the last stands of virgin redwoods will be preserved. The lumber industry workers in northern California are assured that their jobs will not be terminated in the immediate future. Logging will continue in the swap land until the tourist aspects of the new Redwood National Park can come fully into being, thus shifting the area's economic base.

All this now waits on the pleasure of one man, Colorado's Rep. Aspinall.

There is ample material in the hands of the Senate and House interior committees to permit hearings to go forward next week. The subject is no stranger to Capitol Hill.

Aspinall should schedule hearings on this measure as quickly as possible. Simple justice demands it.

[From the Washington (D.C.) Post, Nov. 4, 1967]

National Park Consensus

The Senate's passage in rapid succession of bills to create the Redwood and North Cascades National Parks is the best conservation news of the year. It is especially gratifying that the redwoods bill went through by a 77-to-6 vote after the prolonged struggle and seemingly insuperable obstacles. At last a broad consensus has evolved in favor of the Jackson-Kuchel bill.

The North Cascades bill slipped through on a voice vote. It puts the Senate on record for what Senator Jackson called a "scenic masterpiece" consisting of 1.2 million acres of park, wilderness and national recreation areas. Just as the redwoods will bring into the National Park System the most spectacular forests in the United States now in danger of extinction, the North Cascades bill will assure preservation of the finest mountain scenery in America now outside a national park.

The redwoods compromise takes in more than 60,000 acres in two large segments, one in the Mill Creek area and the other in the watershed of the Redwood and Lost Man Creeks. These two magnificent forests would be linked together by a scenic strip along the Pacific Coast. It is unfortunate that the entire drainage area in both locations could not be included, but the best of the old-growth redwoods (including three California state parks) will be within the new park. It will be one of the finest additions to the national recreation system.

The sharp controversy over the provision to trade the Forest Service's "northern purchase unit" for redwood land within the park boundary was painful to the Senate as it has been painful to all conservationists interested in the project. This newspaper had expressed the hope that the bill could be passed without this concession to the timber industry, and we still hope that some way of avoiding the transfer can be found. Yet it must be recognized that the loss of 14,500 acres of redwood and Douglas fir land that is now being logged under Forest Service management will be a small price to pay, in conservation terms, for a national park of more than 60,000 acres including the best of the ancient trees. Without this concession, the price on the park (it is now placed at $100 million) might well prove to be prohibitive.

If the new park were merely absorbing this piece of Forest Service land, no serious question would be raised. Nor would any question arise if the Interior Department were merely trading a piece of land under its jurisdiction for another site more appropriate for park purposes. The crucial question that must be asked is whether the country itself will benefit from the transfer, and the answer is very positively in the affirmative. The fact that this 14,500 acres were acquired 30 years ago in an unsuccessful effort to establish a national park should permit the exchange for better park land without creating any precedent detrimental to the national forests.

[From the New York Times, Nov. 5, 1967]

Redwoods Victory

Senate approval of the bill to create a redwood national park in northern California brings this long dreamed of project near to success. House action is not expected until next year, but the decisive success in the Senate encourages supporters to press for an early decision.

The Forest Service is understandably unhappy about the provision in the bill transferring 14,500 acres under its jurisdiction to private lumber companies in exchange for lands to be included in the new park. But there is no reason to suppose that this transfer establishes a decisive precedent. It is a unique transaction just as the redwood is a tree uniquely worthy of protection in a national park.

The Times would have preferred that Congress simply appropriate money to buy the land rather than engage in this exchange, but this was not politically feasible in view of the fiscal pressures of the Vietnam war. The possibility that the lumber companies may cut the best redwoods makes it dangerous to defer action until the war ends.

The House Interior Committee could improve the bill by enlarging the Redwood Creek section of the proposed park. The Senate bill protects some of the best groves of virgin redwoods in that area, but it includes relatively little of the surrounding watershed. Purchase of more watershed land now would be a wise investment for the future of the park.

[From the Washington (D.C.) Star, Nov. 6, 1967]

The Redwoods Park

Senate approval, after years of controversy, of a redwood national park in northern California is a heartening achievement in a generally lackluster session of Congress.

The measure was the product of many compromises. Out of a bewildering maze of proposals, the Senate settled for a park of roughly 64,000 acres which will preserve prime virgin timber. At the same time it will assure the California lumber industry continued employment by a unique swap of federal timberland for park acreage, a move that incidentally will save about $40 million in taxpayers' money.

This is not a perfect bill. Although the Save-the-Redwoods League and the Sierra Club endorsed it, the club originally had pressed for a 90,000-acre park costing some $200 million. Furthermore, it will be up to the State of California to bring the project to fruition by donating a number of state parks—Jed Smith, Del Norte Coast and Prairie Creek—to tie into the national preserve. Judging from Governor Reagan's past statements, the public can only keep its fingers crossed in this matter.

It is too late in 1967 for the House to complete the legislation. But this plan to rescue a dwindling, priceless gift of nature ought to be the first order of business in the House next year. The lumber companies have shown restraint in their cutting during the debate. They cannot be expected to wait indefinitely while Congress argues about the park's final dimensions.

[From the Washington (D.C.) Daily News, Nov. 6, 1967]

A Garland of Redwood

Senators Henry Jackson (D., Wash.) and Thomas Kuchel (R., Calif.) deserve a garland of redwood for piloting their bill to create a 61,600-acre Redwood National Park thru the Senate.

Their bill would protect the finest of old-growth forest in a lovely area 300 miles north of San Francisco. Included would be the 350-foot "tallest trees" discovered in 1964.

They drafted their bill with consideration for the area's lumber economy and for the differing views of the two conservation groups which have worked hard to save the remnants of redwoods which once spread hundreds of miles along the California coast. Both conservation groups now support the bill.

It was unfortunate that the Forest Service tried to mobilize its allies to defeat the Jackson-Kuchel measure. The Senators' plan to swap 14,567 acres of commercial redwoods administered by the Forest Service for the privately owned old-growth timber is a laudable attempt to be fair to all parties. As Jackson said, this would be "an honorable exception" to a general policy not to trade off Federal lands.

The Forest Service's superiors at the Agriculture Department and the White House should end the service's lobbying and throw the Administration's total weight behind the Jackson-Kuchel bill for early House approval.

[From the Berkeley (Calif.) Gazette, Nov 7, 1967]

Senate Moves Redwood Park Closer to Reality

The $100 million Redwood National Park in Northern California moved one step closer to reality last week when the Senate put its stamp of approval on the two-unit park in Del Norte and Humboldt Counties.

The 77-to-6 vote sent the park authorization bill to the House where consideration has been deferred until next year by the House Interior Committee.

That committee has promised, however, to give "priority attention to the park early next year."

Hence, there are grounds for optimism that the 90th Congress will enact this landmark conservation legislation.

The 64,000-acre park is not as large as many would wish.

There was opposition to the exchange of 14,500 acres of government-owned timber in Del Norte County to timber companies in exchange for land to be included in the park. That opposition is sure to rise again in the House.

An amendment designed to eliminate that swap was voted down by the Senate.

While conservationists did not get the whole loaf, they did get 13,000 acres of virgin redwoods, including the tallest trees in the world.

Sen. Thomas Kuchel, the co-sponsor of the Senate bill, expressed confidence that the overwhelming Senate vote will provide ample incentive for early and favorable action in the House of Representatives.

We agree heartily.

[From the Sacramento (Calif.) Bee, Nov. 11, 1967]

Redwoods Bill Is a Victory for Beauty

The passage by the United States Senate of a bill to establish a national redwoods park in Northern California was an event of great historic significance. It firmly pins down the fact citizens of this nation accept the preservation of natural beauty as a true and worthwhile expression of their respect for national heritage.

The overwhelmingly favorable vote of 77 to 6 by which the Senate passed the redwoods bill to the House was a victory of tremendous proportions. It represents an outstanding achievement in the campaign for esthetics, an uplifting of the quality of life in America.

The fine work of Sens. Thomas H. Kuchel, R-Calif., and Henry M. Jackson, D-Wash., who sponsored the proposed 64,000-acre compromise of the conflicting and confusing ideas for a park, is deserving of the highest commendation.

Because it is a compromise—which was necessary to get any congressional action at all—it does not fulfill the fondest wishes of all the people who have sought a national redwoods park for decades. But it is a start, a meaningful start toward making the park a reality.

The Sierra Club, which wanted a much larger area, and the Save-the-Redwoods League, which first proposed the park nearly 50 years ago, threw their support behind the Kuchel-Jackson bill as acts of statesmanship so the progress no longer would be stymied.

It is expected changes in the Kuchel-Jackson bill will be attempted in the House of Representatives. But if any modifications are made, they should be toward expanding the boundaries rather than constricting them. After all, the cash outlay of the Senate proposal would be only $60 million, which is merely as much as is spent on a few miles of freeway every day.

Assemblyman Edwin L. Z'berg, of Sacramento County, whose Assembly Committee on Natural Resources, Planning and Public Works has prepared one of the best reports existing on the current redwoods controversy, has commented the American people deserve a national park which meets their aspirations for a "significant" preservation of redwoods.

The House ought not ignore this test of national values.

[From the Boston (Mass.) Morning Globe, Oct. 11, 1967]

Redwoods Compromise

The advance of the chain saws into the last of the nation's virgin redwood stands may at last be halted if a compromise park plan just worked out by a Senate subcommittee is approved by Congress.

The lawmakers have been hung up for months between an administration plan for a 39,000-acre park costing $50 million in the Mill Creek area and a Sierra Club proposal for a 90,000-acre enclave costing $150 million near Redwood Creek. The latter was obviously more desirable from a conservationist point of view, but it also raised more problems.

This week Sens. Jackson (D-Wash.) and Kuchel (R-Cal.) put together a compromise which seems to contain the best of both plans. It calls for a two-unit park covering roughly 61,000 acres and costing $60 million. It also provides for expansion through gifts of land by the state of California and private benefactors.

Its one drawback is that it involves a swap of 14,000 acres of government-owned redwood forest land in Del Norte County for timber company lands in the park area.

The time has come for Congress to move ahead with the best plan it can get. The timber companies have agreed to a moratorium on cutting in the park areas but only until the end of this session of Congress. Unless real progress is made on park legislation this year, a precious heritage may be lost forever. The compromise plan should pass.

[From the New York Times, Oct. 10, 1967]

A Victory for the Redwoods

The decision of the Senate Interior subcommittee to recommend creation of a two-unit national park to preserve a fraction of the nation's dwindling heritage of virgin redwoods is a major victory for the public interest.

Under the bipartisan leadership of Senators Jackson, Democrat of Washington, and Kuchel, Republican of California, the subcommittee has agreed upon an intelligent compromise of the original Administration bill, which provided for a park in the Mill Creek area only, and the Metcalf-Cohelan bill, which provided for a larger and far superior park in the Redwood Creek Valley. This newspaper, as well as many conservationists, had supported the latter bill because the largest stands of ancient redwoods are in Redwood Creek Valley. Senator Metcalf, Democrat of Montana, and Representative Cohelan, Democrat of California, have performed an outstanding service by their tenacious fight for this area.

The compromise worked out by Senators Jackson and Kuchel saves the best of both plans and lays the basis for necessary expansion in the future. However, there remains an immediate danger under the new proposal, arising from the fact that a large portion of the watershed of Redwood Creek, southern unit of the proposed park, will still be outside Federal control. Its indiscriminate logging could lead to flooding and siltation, with serious damage resulting to the park area downstream. But pending a later decision by Congress to buy additional Redwood Creek acreage, private citizens could acquire land in this strategic watershed and contribute it to the park. The bill wisely provides that the existing state parks can be donated to the national park but offers none of the unprecedented concessions originally requested by the state of California.

Since the Senate is expected to act fairly soon on the pending compromise bill, the House Interior Committee could usefully hasten Congressional action by forgoing its proposed field hearings. With the moratorium on cutting by the private companies due to expire at the end of this session of Congress, definitive action is essential to save the redwoods now.

[From the Kansas City (Mo.) Times, Oct. 11, 1967]

At Last, Some Action on the Redwood Park

Favorable action in a Senate committee does not a Redwood National park create, but it's a start—a start too long delayed. As cleared by the interior and insular affairs committee and sent to the Senate floor, the bill is a compromise both in terms of the park's size and the money required to establish it.

Last spring and early summer, working under the deadline imposed by an imminent end to the timber companies' reluctant moratorium on cutting in the prospective park areas, Congress had before it two proposals. The first, favored by the administration, was for a 43,000-acre, 60-million-dollar preserve in California's Del Norte County. The Sierra club, backed by other conservation groups, was pitching for a park more than twice that size—90,000 acres farther south in Humboldt County, costing up to 200 million dollars.

The debate was characterized by a regrettable lack of give and take, and the result was inaction. Now, with the lumbermen having agreed to extend the grace period, Congress may have awakened to the urgency for action. The bill before the Senate calls for a park of 64,000 acres, costing 100 million dollars, with tracts in Humboldt and Del Norte Counties.

One major objection from California interests has been that creation of a park would destroy timber-based local economies in the areas affected. The current bill would authorize a trade of nearby federally-owned timberlands to companies that lose trees to the park—a provision opposed by some agencies as a bad precedent, but one apparently deemed necessary to silence the wounded cries of the Californians.

We doubt that the proposed legislation satisfies all parties completely. In all likelihood, the timber companies still feel aggrieved, the administration wishes the park weren't so costly and the Sierra club believes it is still too small. But the question from the standpoint of public interest is whether, in fact, an aesthetically significant stand of these irreplaceable forest giants will be preserved for future generations to enjoy, at a price this generation can reasonably afford to pay. If the answer is found to be "yes," there can be no further excuse for dallying.

[From the San Francisco Examiner, Oct. 27, 1967]

A Sound Plan To Save Redwoods

The three-year battle to establish a redwoods national park in Northern California appeared near successful conclusion a few days ago with approval of a compromise by the Senate Interior Committee.

Now administration opposition has turned up and Rep. Wayne Aspinall, chairman of the House Interior Committee, refuses to act until his staff inspects the area, probably not until next year.

We regret the delay. The Senate bill represents the most generally accepted plan yet advanced. The possibility of resumed logging in the proposed park and the uncertainties of the times combine to urge prompt congressional approval while there is yet time.

A unique feature of the Senate plan, coauthored by Sen. Thomas Kuchel (R-Calif.), is a trade of federal lands for private lands to round out the park. The rest of the park could be composed of three existing state parks. Kuchel says the trade would cut about $60 million from the estimated $99.8 million cost of acquiring private acreage.

That is a most persuasive argument in behalf of the committee bill, particularly in a time of retrenchment talk about federal spending.

Secretary of Interior Udall, while favoring a redwood park, opposes the land trade. So does Sen. Clinton Anderson (D-N.M.), a committee member.

But we think the average citizen would view this as a rare opportunity to trade relatively undistinguished forest lands for lands that bear priceless groves of towering, ancient redwoods.

An important advantage of the Kuchel park version is that it spreads the park's economic impact among four lumber companies instead of one.

Rep. Aspinall says the situation gets more mixed up every day. We strongly feel it can be un-mixed by approval of the Senate bill.

Until a plan is settled on, uncertainty will continue to plague lumber interests, local governments and local people. We hope this point will not be lost on Rep. Aspinall, others in Congress and the national administration.

[From the San Francisco Chronicle, Oct. 15, 1967]

Editorial Comment: Redwood Compromise

Drawn-out efforts to create a Redwood National Park in California moved toward a happy solution in the United States Senate last week. The Senate Interior Committee selected the best features of two contending park plans and combined them into a proposed two-unit park of about 61,000 acres.

For more than a year, conservationists have been split between the Administration's 43,000-acre proposal for the Mill Creek area in Del Norte county, and the Sierra Club's 90,000-acre proposal for Humboldt county.

The compromise that emerged last week followed a somewhat similar concept suggested this summer by Representative Jeffery Cohelan, Berkeley Democrat. It was worked out in the Senate Recreation and Parks subcommittee by Senators Thomas Kuchel (Rep-Calif.) and Henry Jackson (Dem-Wash.).

The new plan includes the California State Redwood Parks of Jedediah Smith, Prairie Creek and Del Norte Coast—in Del Norte and Humboldt counties. It will cost an estimated $99.8 million, compared with $64 million for the Mill Creek plan and $145 million for the 90,000-acre proposal. Significantly, the compromise, besides saving more old growth trees, will spread the impact over two counties and four timber companies instead of one county and one company.

The existing State parks could be federally administered without an outright transfer of title. And the proposal provides specifically that the Forest Service's 14,600-acre Northern Redwood Purchase Unit will be traded to private firms for their lands to help keep them in business.

The House of Representatives has not yet scheduled field hearings on any Redwood Park plan. But in view of the compromise developments last week, it is hoped that the House Interior Committee will now agree to forego field hearings, thus speeding final legislative action.

Because the moratorium on cutting these virgin redwoods by private companies is scheduled to expire at the end of this session of Congress, final action cannot be delayed.

The compromise proposal offers a practical way out of a protracted dispute. It is an encouraging step taken in the public interest and deserves wide support. Without the united backing of the various conservation organizations, it is unlikely that any Redwood Park plan can be approved.

[From the San Jose (Calif.) Mercury, Oct. 11, 1967]

Park Pact Acceptable

The Redwood National Park compromise bill now shaping in the Senate Interior Committee is probably the best that can be obtained under the circumstances. It should be accepted by all parties.

Essentially, the bill would create a 66,384-acre park from three existing state parks and surrounding lands. It would preserve some of the watersheds championed by the conservationist Sierra Club and some of the acreage contained in the so-called Kuchel plan.

In addition, it provides that private lumber companies now holding land within the proposed national park may swap that land for acreage now under jurisdiction of the U.S. Forest Service.

Finally, the proposal carries a $100 million pricetag, as compared with the estimated $60 million for the smaller Kuchel park; however, the total would be shaved considerably if lumber companies accepted the land swap and if private foundation funds were channeled into land purchase. The latter is considered an excellent possibility.

In point of fact, if the proposal is to be shepherded through an economy-minded Congress, great efforts will have to be made to keep total costs to a minimum. The Senate Interior Committee compromise bill offers the best chance of accomplishing this.

As Sen. Thomas H. Kuchel (R-Calif.), a moving force behind the efforts to preserve as many ancient redwoods as possible for posterity, expressed it:

"This plan provides for the maximum acquisition of old-growth redwoods. It would create a Redwood National Park—that's all it seeks to do and that's all it accomplishes."

That, however, is plenty.

The Sequoia Sempervirens, or Coast Redwoods, once extended from south of Monterey in an unbroken band to the Oregon border. They have been logged indiscriminately and unmercifully until only isolated patches of them remain.

The proposed Redwood National Park would preserve one of the last and largest of these Northern California patches in perpetuity. The several lumber companies owning strategic portions of this acreage have agreed to a moratorium on cutting while Congress debates the details of a Redwood National Park bill. These firms have shown an appreciation of the public interest, and they deserve not only a word of thanks but prompt action by Congress—so that their economic interests are not damaged unduly.

Take it all in all, the new compromise park bill offers something, though not everything, for everyone. It should meet most, if not all, of the objections raised to both earlier park plans.

Congress should push ahead with this bill as rapidly as possible.

FREEDOM MASS MEETING CONDEMNS COMMUNISM

Mr. MUNDT. Mr. President, at the suggestion of former Congressman Hamilton Fish, of New York, I am asking unanimous consent to have printed at this point in the Record the text of a resolution adopted at a freedom mass meeting in Town Hall, New York City, on November 5.

The meeting was addressed by former National Commander Martin McKneally, of the American Legion, and Mr. Fish reports that 50 organizations participated in the mass meeting.

There being no objection, the resolution was ordered to be printed in the Record, as follows:

Resolution Adopted by Freedom Mass Meeting at Town Hall, New York City, November 5, 1967

Whereas under 50 years of World Communist tyranny, freedom, democracy and religion have been virtually wiped out and thirty-five million of their subjects have been starved to death, shot, or killed in Soviet prisons and slave labor camps, and another thirty-five million in Communist China during the last 20 years, and

Whereas Soviet Russia, once the grainery of Europe, has to import vast quantities of wheat to feed its own people as a result of the failure of Communist economy, where the standard of living is much lower than in the Free Nations, and

Whereas most Russian subjects would try to escape from behind the Iron Curtain like Stalin's daughter if they could, to live in Freedom, and

Whereas the imperialistic Communist Conspiracy still seeks to Communize the free world by massive false propaganda, infiltration, subversion, encirclement and armed violence, and

Therefore be it resolved that this tragic and appalling record under a brutal Police State for fifty years, be broadcast not only in every free nation, but thoughout the world. Unless free men and women know the truth and oppose the cruel hoax and fraud of the terroristic Communist dictatorship, the lights of Freedom will be extinguished under the blood red flag of tyranny, and

Be it further resolved by the Freedom mass meeting held at The Town Hall, 123 West 43rd Street, New York City, on Sunday evening, November 5, 1967, that the World Communist Conspiracy be publicly condemned on the eve of its 50th anniversary, as a monstrous and evil menace to free institutions, free labor and free enterprise everywhere, and that we pledge our united support as American citizens, irrespective of partisanship, against the spread of World Communism; not merely to contain, but to win against totalitarian Communism, no matter what the price, to preserve and restore Freedom. There is no substitute for Freedom. We urge the government of the United States to use every effort to restore Freedom and self-determination in all captive nations, including Cuba and the Ukraine, and that a copy of this resolution be sent to the President of the United States, to all members of the U.S. Senate, House of Representatives and to the heads of all the Free Nations in the U.N.

THE SEA AND INTERNATIONAL COOPERATION

Mr. BARTLETT. Mr. President, only at this relatively late date in his history is man beginning to understand the sea and its potential for serving mankind.

One of the leading exponents of and most knowledgeable men in the field of oceanography is the junior Senator from Rhode Island [Mr. PELL]. In a recent article in the Washington Sunday Star, Senator PELL outlines some of the exciting uses to which the sea may be put.

He discusses the possibilities of creating an "instant fish metropolis" which would attract large numbers of food-producing marine life, of storing equipment at the bottom of the sea, of developing drugs from marine life, and of building automated fishing fleets to harvest food for the hungry of the world.

Senator PELL's article is one of hope and challenge, balanced to a certain degree by the disturbing reports about the superiority Soviet Union fishing fleets enjoy over the antiquated fishing boats of this Nation.

However, the main point of the Senator's article is not competition between two nations, but cooperation among nations to develop the resources of the sea for the benefit of all mankind. Senator PELL urges:

> Let us also move with the necessary speed to build the legal framework with other nations so that this last frontier on earth may continue to develop into a peaceful, as well as fruitful, region for man to exploit, inhabit and enjoy.

For those who harbor any doubts about the wisdom of exploring earth's last frontier, I refer them to Senator PELL's article, particularly to the paragraph which reads:

> Unlike the still-distant day of commercial payoff for Outer Space efforts, profit from the deep seas may be just around the corner. For the underwater world has already revealed enough of its secrets to show a thousand avenues to profit in the probably near future. Extraction of minerals, drilling for oil, desalinization, recreation—you name it and it will happen underwater.

I ask unanimous consent that Senator PELL's article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN INTERNATIONAL TREATY ON OCEAN SPACE PROBLEMS

(By Senator CLAIBORNE PELL)

(NOTE.—Senator Pell, a Democrat, introduced and won passage for the Sea Grant College and Program Act of 1966 and is the author of "Challenge of the Seven Seas.")

In 1494 Spain and Portugal reigned as the unequaled behemoths of the seas. With a forward-looking philosophy that was astoundingly advanced for their era, they made a geopolitical agreement: On mutual consent, they divided into halves their vast sphere of influence in the New World to which their sea prowess had made them heirs for the time being.

Today the United States and the Soviet Union stand at a similar threshold in the realm of Ocean Space. These two nations face no peers in their over-all potential for conquering the waters that lie beneath the world ocean. They have also outstripped all other states in the race to explore Outer Space; and surprisingly, they have just signed a pact not to use it for purpose of war. I believe all mankind will benefit if they can come to a similar accord vis-a-vis the deep oceans and invite to join them the other countries which are actually or potentially able to compete for undersea "lebensraum."

Unlike the still-distant day of commercial payoff for Outer Space efforts, profit from the deep seas may be just around the corner. For the underwater world has already revealed enough of its secrets to show a thousand avenues to profit in the probably near future. Extraction of minerals, drilling for oil, desalinization, recreation—you name it and it will happen underwater.

For technology is actually emerging by which man can soon explore and work the ocean at any depth or on any contour of its bottom. When he achieves this capability, the international scramble for riches will probably resemble a combination of Europe's massive grab for colonies in the western hemisphere, America's own drive to push back its western frontier and the Gold Rush of 1849!

OCEAN SPACE TREATY

When this happens, chaos will ensue, for so far there are no laws to regulate what man does undersea beyond the territorial and continental shelf limits. To escape this prospect, I have urged in the Senate a six-point resolution designed to move the United States to take the preparatory steps necessary for an Ocean Space treaty.

I realize that the Federal Executive Branch already is exploring possible diplomatic initiatives to meet the legal confrontations that will be caused by our exploding expansion in Ocean Space technology. I am also aware that similar currents are flowing now in United Nations circles. A Maltese Resolution, for instance, suggests that marine resources be turned over to an international organization which will supervise their exploitation and distribute the benefits to under-developed nations. This proposition has elicited some adverse reaction among American business elements who definitely plan to exploit the natural wealth in the sea and sea bottom and are already investing in costly research to prepare for the job.

I am in favor of these stirrings which may ultimately lead to a reasonable legal order for the ocean depths.

Nevertheless, I believe these stirrings must be accelerated, must indeed become happenings in order that we not be caught napping by the ever-faster rate of our growing ocean technology.

Let me touch on some fascinating discoveries which highlight the pace of our march into the sea.

In itself, each new evidence of oceanologic knowledge doesn't necessarily make a technological tidal wave. Taken together, however, they are like high cirrus clouds which tell us that a storm of fresh knowledge will break upon us before long.

In the field of fishing, the Soviets have long outdistanced their weaker American competitors with large "factory ships" which process fish as they are caught so that they can remain in a fishing zone until it is temporarily exhausted. The Americans, with smaller craft equipped only for collecting, have to return to port more frequently to unload their catch. Now the Russians are working on another technical departure which may have America even further behind. They are designing automatic fishing vessels that can cruise and fish, with no one on board, under remote control from a mother ship miles away. Reportedly, they will come in various sizes of which the biggest will carry the latest electronic devices for finding fish to depths of 2,500 feet.

SOVIET COOPERATION

Yet, despite their failure so far to cooperate with us in Outer Space, the Soviets are starting to work together with us in Ocean Space—even to the extent of swapping scientists with some of our research ships. In fact, in September of this year, a Russian crew of four spent some time aboard the U.S. research vessel, "Albatross IV," and two of the Soviets were leading women oceanologists.

Recently the Japanese made a revolutionary discovery when they saw that ruins from an earthquake had formed artificial reefs which attracted vast numbers and species of food-producing marine life. This means it is possible to achieve the same kind of "instant fish metropolis" by dumping old cars—if they are painted against corrosion. In fact, there has been quite a bit of discussion about creating such a reef off Block Island, R.I.

America's "Sealab" experiments are continuing at ever-deeper levels. Many new physiological data are accruing to this experiment. For example, drivers must now take audiograms both before and after their "Sealab" sojourns, for it has been observed that they sometimes lose their sense of hearing when 400 or more feet down. Since excursion dives to 750 feet are being considered for next spring, this ticklish problem must be somehow avoided.

In the search to provide more comfort and safety for dives, radioisotope-powered heaters are being tried out for diving suits.

Ever-increasing efficiency in locating things lost on the deep ocean bottom is a vital by-product of the Navy's stepped-up oceanologic program. Late this summer, the Navy was about to sink and destroy an explosives-laden freighter, the Robert Louis Stevenson.

By accident the ship disappeared in heavy sea and fog off the Aleutian Islands. The seafarers of the area suddenly were faced with a terrible menace.

LOST SHIP LOCATED

Steaming at night or in the fog, any ship might hit the derelict and be destroyed. But the Navy's oceanographers were appealed to and in a remarkably short time found the Stevenson with ultra modern photographic methods. The speed and effectiveness with which the Navy relocated the Stevenson demonstrates a real improvement over its lengthy campaigns to identify the sunken remnants of the Thresher in 1963 and the nuclear bomb lost off Palomares last year.

Navy salvage experts may soon try to lift a Grumman Hellcat fighter plane, spotted recently by the research submarine *Alvin*. This World War II casualty sank in 5,500 feet of water off Nantucket 23 years ago. Its condition is astonishingly good, with the paint so untouched that the serial numbers on the tail are clearly visible. Except for bent propellers, it is still the brand new plane that slid off a carrier's deck in 1944. It may be that the lack of oxygen at this great depth preserved the plane in near-mint condition.

The significance of this phenomenon is

still to be pondered. One idea it triggers is that storage of machinery in the future may be feasible in the ocean at depths below 5,500 feet. We might even be able to "mothball" ships in this manner. Certainly conventional space in rivers is growing scarcer every day. Wouldn't it be handy if we could tow our surplus warships out to sea, open their sea cocks, and stack them on the bottom until needed?

NEW DEEP TV

At present, however, salvage techniques would be inadequate to refloat them conveniently and cheaply enough. Then, also, depths of 5,500 feet are generally beyond our continental shelf, so legally we might forfeit ownership under the present lawless situation that prevails under the high seas. Still, among the new products and refinements of older ones that constantly come to light in the teeming oceanologic activity of today, we now have a device which will watch anything we may wish to stow down in Davy Jones' locker. A television system has just entered the market which is effective down to 2,000 feet below the surface of the sea; greater depth effectiveness is bound to evolve shortly.

Other frontiers of ocean science also keep appearing. Drugs from the sea, for example, may give a bizarre look to our medicine cabinets. Some researchers are already experimenting with the possibility that clams can be used to cure cancer. Furthermore, worms and barnacles have now been proved to offer effective medical uses. If the trend continues, the word drug, which comes from the Dutch "droog," meaning dry, may one day be supplanted by the Dutch word "nat," which means wet.

So we are fast fashioning for ourselves a brave new world under the seas. Let us also move with the necessary speed to build the legal framework with other nations so that this last frontier on earth may continue to develop into a peaceful, as well as fruitful, region for man to exploit, inhabit and enjoy.

ASSISTANCE TO THE SMALL BUSINESS COMMUNITY IN INTERNATIONAL TRADE

Mr. SPARKMAN. Mr. President, the statistics on world trade indicate that business between countries has expanded rapidly over the past 20 years. There are many reasons why it can grow even more rapidly in the next 10 or 20 years.

The great corporations of this country have found it profitable to become multinational, and have thus pioneered many phases of foreign trade and commerce.

During this period, many of us in Congress have sought to broaden the opportunities for smaller American firms to participate in these rewarding ventures.

Through the Select Committee on Small Business a series of studies and public hearings have been held on various phases of import and export trade in the past 8 years. In 1967, the committee undertook a further series of hearings on the long-term building of regional export industries. Initial sessions were held in Portland, Oreg., in May.

I am pleased that the second set of hearings have just been concluded in my State of Alabama. On November 10, the committee convened in Alabama's new International Trade Center at the Port of Mobile. Testimony was taken from representatives of the Southeast's major regional industries, such as cast iron pipe, forest products, textiles, construction, steel, agri-business, and agriculture. Experts in banking, labor conditions, transportation, waterway development, education, and marketing also appeared.

It is a source of satisfaction that the Senator from New Jersey [Mr. Williams], who serves with me on the Banking and Small Business Committees could preside at these hearings. Since Senator Williams was stationed at Pensacola, Fla., during his years as a naval aviator, he was familiar with the Mobile area.

I believe that the hearings were a further education in the potentials for expanding trade from the region and through a port which Mayor Leonard Beard, director of the State's planning and industrial development board predicted may become the foremost seaport on the gulf coast.

Undoubtedly, many of the lessons of this hearing will apply to the eastern seaboard where Senator Williams will conduct future sessions of these regional hearings in the Port of New York next year.

It was gracious of the Senator from New Jersey to come to Mobile in the exercise of his leadership in this important field. I commend him for the work that he is doing in behalf of the businessmen of this country.

From this brief review of our congressional activities, it is apparent that the effort to assist the hundreds of thousands of American businesses capable of entering international trade is going forward on many fronts.

From our earliest days, we have been an international commercial nation, and proud of it. In discussing America's agricultural and fisheries exports in the House of Commons in 1775, Edmond Burke said of the American people that there was "no climate that is not witness to their toils." Despite the growing attractions of our internal markets, I believe American businessmen retain a considerable amount of this spirit, and are thus a significant national resource.

This is so not only because their ability can bring necessities and conveniences of life to people overseas and because their earnings help to balance the country's accounts. Our smaller firms would also seem more compatible with the commerce of the 60 nations which have gained their independence in the past 25 years. Some of these possess less financial resources than some of the larger corporations of the United States and Western Europe. I cannot help but feel that the governments and business leaders of these countries would be more comfortable dealing with our smaller business community. In return, such a relationship can mean a great deal to the economy of a newly independent nation and to the profit picture of a smaller firm.

It has long been my feeling that these developments should be encouraged.

A report of the Small Business Committee in 1961 recommended that SBA and the Department of Commerce cooperate to this end.

It is, therefore, most gratifying to note that on November 13 officials of the Department of Commerce and the Small Business Administration met to witness the signing of a cooperative agreement by Secretary Alexander B. Trowbridge and Administrator Robert C. Moot. I understand that this agreement provides a basis for liaison between the two agencies. This will make it possible to better coordinate the many activities already underway in order to improve the possibilities for the smaller businessman in international trade.

It seems to me that Secretary Trowbridge and Administrator Moot, who have come to these positions within the year, are entitled to high praise for working out this agreement. Each of the agencies possess a body of invaluable experience and special competence in business affairs. Each can perform functions which the other cannot. There is a role for both to play, and these roles cannot help but be strengthened by the cooperative action and cooperative spirit which can flow from this relationship.

It is possible that this framework of cooperation may be regarded by the business community as a milestone, and by the agencies as a foundation stone, in the effort of our Government to encourage and assist the small business community of this country to build sound and enduring commercial relationships overseas.

I hope that the November 13 agreement will ripen to fulfill the expectations which many of us in Congress hold for it. We shall be keeping watch on this program, and I shall be doing all I can to assist the Department of Commerce, the SBA, our regional industries, and small business throughout the country in making progress in this direction.

WISDOM OF STANDARDIZATION QUESTIONED

Mr. BARTLETT. Mr. President, the good judgment of the Senate Commerce Committee in reporting out a bill and of the Senate in passing that bill which would continue to allow different sized freight containers is pointed up by an article published in the Journal of Commerce, November 14.

Container Marine Lines, a subsidiary of American Export Isbrandtsen Lines, and the United States Lines are using containers in the same sizes as those some sought to impose on the entire transportation industry. I am happy to report that the House Committee on Merchant Marine and Fisheries today ordered reported a bill similar to that already passed by the Senate. I for one strongly believe that it is too early to set standards for containers, that the proper size or sizes must be determined by the marketplace and that the legislative action now contemplated is now necessary to prevent setting of standards which quite conceivably could turn out to be of the wrong size and uneconomical. I ask unanimous consent that the Journal of Commerce article referred to be printed following my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

Standard Container: False Hope?

(By Alan F. Schoedel)

A serious weakening of dimensional standards for containers used in ocean traffic appears to be taking place right now, and in a rather disorganized fashion.

The 8-foot-height, which was part of the international standard adopted in 1965, after many long months of negotiations, is viewed with less than complete enthusiasm by carriers and shippers.

Critics of the standard say it does not allow maximum use of interior cube of the container, or provide **the greatest possible** capacity within highway regulations here and abroad.

EXPERIMENTAL BASIS

A significant breakthrough has come in the American-flag merchant marine with the ordering of 300 containers of 8½-foot height by Container Marine Lines, the containership division of American Export Isbrandtsen Lines. These laminated plywood containers will be eight feet wide and 40 feet long, both of which are standard dimensions.

These new trailers will be put into service on an experimental basis, and will naturally attract cargo that is freighted on a measurement basis, an executive of the line said.

The higher container has been found to be more advantageous for the over-the-road movement of cargo in this country, he said. Sea-Land Service, Inc., which uses trailers of non-standard 8½-foot height and non-standard 35-foot length, has demonstrated that the taller van can be used successfully on European roads.

Since CML, has about 4,000 containers of standard 8-by-8-foot size in both 20-foot and 40-foot lengths, the purchase of 300 of the 8½-foot height does not in itself constitute a trend. But it has been mentioned in shipping circles as evidence that the standards are not being accepted as final.

"WE'RE FLEXIBLE"

United States Lines **has been using** refrigerator containers that are 8½ feet high right along, and its "open top" containers have corner posts that are 8½ feet high, but the company's general cargo trailers are of standard size.

A spokesman for the company said yesterday that it was staying with the 8-foot standard height for the time being, but is looking at the possibility of change. "We're flexible," he said.

Also considering the possibility of using 8½ foot-high containers is Atlantic Container Line, Ltd., the consortium of six major European carriers.

The decision will depend on the outcome of the present legislative battle in Washington over the right of the Maritime Administration to specify container dimensions, said P. C. Van Houten, ACL board chairman. ACL will buy 5,000 containers next year, he said.

CUBE WAS WASTED

Integrated Container Service, Inc., a container leasing and management organization, recently introduced a 9-foot-high container, saying it made possible an extra layer of cartons for many types of freight, such as major appliances.

The interior of the 8-foot-high trailer was just a bit too short to accommodate that extra layer, and so a considerable amount of cube was wasted, according to ICS.

The Maritime Administration originally sought to make acceptance of the international standards—eight by eight feet, in modules of 10 feet in length—a requirement for American flag lines which sought government financial backing for purchase of container vessels. A bill already approved by the Senate and now before the House would forbid imposition of such standards.

Moreover, in testimony on Oct. 31, concerning the bill, Acting Maritime Administrator James W. Gullick said his agency would not turn down any proposal for a non-standard containership, provided it was "efficient, economical and profitable" for the trade in which it was to operate.

The 8-by-8-by-multiples-of-10 standards were adopted after several international conferences, and have the endorsement of the International Standards Organization and the American Standards Association.

A DEPARTMENT OF NATURAL RESOURCES

Mr. FULBRIGHT. Mr. President, now under consideration in the Committee on Government Operations is a bill, S. 886, which would redesignate the Department of the Interior as the "Department of Natural Resources." This bill would also transfer to the newly named Department all watershed and flood prevention activities of the Soil Conservation Service, the Forest Service, the civil works functions of the Corps of Engineers, and the pollution control programs of the Department of Health, Education, and Welfare.

Hearings held by the Subcommittee on Executive Reorganization so far indicate very little enthusiasm for this proposal, quite a few doubts as to its merits, and opposition from the Departments of Agriculture, Defense, and Health, Education, and Welfare.

The views of Secretary of Agriculture Orville L. Freeman on this proposal and questions raised by my senior colleague from Arkansas [Mr. McClellan] are discussed in an article, "The Developing Battle Over a Change in Name," by Ed Johnson, published October 29, 1967, in the Arkansas Gazette. Members of the Senate will find this article timely and informative. I ask unanimous consent to have it inserted in the Record, together with the statement by Secretary Freeman.

There being no objection, the article and statement were ordered to be printed in the Record, as follows:

[From the Arkansas Gazette, Oct. 29, 1967]

The Developing Battle Over a Change in Name

(By Ed Johnson)

"What's in a name? That which we call a rose
By any other name would smell as sweet."
—Shakespeare, "Romeo and Juliet."

In dramatizing the feud between the Capulets and the Montagues, the Bard made a point that the ill-starred, young lovers would have had the same feelings for each other if they had been lucky enough to be surnamed Smith and Jones.

In image-conscious Washington there is a move afoot to redesignate the Department of the Interior as the Department of Natural Resources. Legislation to that end has been introduced by Senator Frank E. Moss (Dem., Utah). The bill does not have Administration backing.

His intent in merely changing the name is clear enough. Interior is a rather meaningless word in describing the complex department that has province over such areas as administration of vast federal lands, mainly in the West, the Bureau of Reclamation. Natural Resources is a name that connotes the importance of conserving them, a preoccupation of the federal government for many decades.

In giving the department a new name, Moss would transfer to it through his bill the Forest Service and the Soil Conservation Service, which, for years, have been agencies within the Department of Agriculture. Recently, Agriculture Secretary Orville Freeman went before a Senate subcommittee to spell out a case for killing the bill. The panel is an arm of Senator John L. McClellan's Government Operations Committee The Arkansan also sits on the lesser body.

McClellan was not present for the Freeman session because the testimony fell on the day that the senator was being honored at Camden. However, the subcommittee chairman, Senator Abraham Ribicoff (Dem., Ct.) propounded a series of 11 questions in McClellan's name. The question line made it very clear that McClellan was taking a show-me attitude on the proposed agency switches and that he was interested in Freeman having his day in court—getting into the record the entire range of his objections. The farms and forests of Arkansas have vital interest in the Moss proposal.

Freeman traced the establishment of the Forest Service and the Soil Conservation Service to meet the specific conservation challenges of repairing the damage done by man and nature, and restoring, conserving and developing timber, soil and water resources.

He further found that the nation today is faced with an even greater conservation challenge, the challenge to restore, conserve and develop man's total environment. "Of crucial importance to this effort will be the restoration of rural-urban balance by building a Town and Countryside U.S.A. that will be a vigorous, healthy partner with today's urban America," the secretary said. He concluded that this mammoth undertaking will require all the tools of "creative federalism."

The two agencies that Freeman wants to keep are indigenous to rural America—small watersheds coupled with essential land treatment; private, relatively small, farm forestry; National Forest management, including grazing and water management. "All are as much a part of farm land and town and country as skyscrapers are of megalopolis."

Without knocking Interior's role, Freeman emphasized that historically the two departments have taken different tacks in their day-to-day operations. Interior is not linked as closely to local communities and farms or with their decision-makers as is Agriculture's programs. Rather, Interior has been organized so as to focus its attention on a regional and national basis.

In response to a McClellan question, Freeman predicted the reorganization plan would adversely affect the Johnson Administration's call for the development and maintenance of a strong, stable rural economy.

Westerners long have considered Interior their special province because of its work in taming the wide open spaces. It appears logical to Senator Moss to give the department an image-name and corral within its agencies geared to natural resources. Yet, Freeman has posed serious questions as to whether programs reshuffled under a new name would end up smelling as sweet to the people they are designed to serve.

Statement of Secretary of Agriculture Orville L. Freeman

Mr. Chairman and Members of the Subcommittee, I appreciate this opportunity to speak to you about S. 886.

The Department of Agriculture naturally is interested in this bill because it would transfer all of our functions administered through the Forest Service, and those of the Soil Conservation Service under the Watershed Protection and Flood Prevention Act, and the 1944 Flood Control Act.

We strongly recommend that S. 886 not be enacted. We believe that administrative organization, including the grouping of Government functions, should not be determined by abstract theory. Instead, historic experience and the demands and the needs of the times should be the influential criteria. Applying such a test it is my considered judgment at the present time that there is much that could be lost and little that could be gained by the rearrangement contemplated in S. 886.

Let's examine these criteria as they apply in this issue.

First, historic experience:

In 1905, the National Forests were assigned to the Department of Agriculture. In making that assignment, President Theodore Roosevelt said:

"In the Department all problems relating to growth from the soil are already gathered . . . and all the sciences auxiliary to forestry are at hand for prompt and effective cooperation."

That was one reason for the transfer.

But there was another.

Up until that time, except for isolated instances, forests had been treated like mines. The objective was simply to mine timber from the earth in the same manner gold and silver was extracted. The concept of timber as a *renewable* resource was as yet unborn.

But Theodore Roosevelt, Gifford Pinchot, the first Chief of the U.S. Forest Service, and the Department of Agriculture made that concept a reality, and today it is accepted by both public and private timber management.

And Roosevelt, Pinchot and the Department made another concept reality, too. I speak of the concept of multiple use of our National Forests. The same National Forest that yields timber for human use, can also provide recreation, can graze cattle and wildlife, can support fishing, and can serve as a water collector and water protector for the use of people living downstream.

There were sound reasons for the transfer of the Forest Service to the Department of Agriculture, and those reasons are just as sound today as they were 62 years ago.

Thirty-four years ago another agency was transferred to the Department of Agriculture, and again with good reason.

The Soil Conservation Service began as the Soil Erosion Service, an emergency program under the Public Works Administration. The Soil Erosion Service was established to conduct emergency demonstrations and to provide labor for the unemployed at a time when the very earth of the Great Plains was vanishing in devastating duststorms, destructive floods were washing away the heartland of America, and the Nation was gripped in the Great Depression.

It soon became apparent that this fledgling service was of such value it should be given permanent status and everyone, including then Secretary of Interior Harold Ickes, who administered it under PWA, recognized that it ought to be established within the Department of Agriculture. Why? Because it was a program associated with private lands and could not be separated from agriculture, all of which is carried out on private lands.

And so, on April 15, 1935, Public Law 46, establishing the Soil Conservation Service in the Department of Agriculture and directing the transfer of Soil Erosion Service personnel to the Department, was enacted without a dissenting vote in either House of Congress.

Today the Department of Agriculture is responsible for administering programs embracing the conservation and development of nearly 81 percent of the Nation's total land . . . all the cropland, the grassland pasture and range, and the forest land in the National Forests and in private ownership.

The Department has "first" Federal responsibility with respect to the water that falls on this nearly 81 percent of the Nation's land. We have extensive programs of controlling, conserving and developing this water resource where it falls—in the forests and on the private lands in agricultural and other uses.

The Department administers 186 million acres of National Forests and National Grasslands. In addition, we administer Federal programs dealing with the 450 million acres of forest land in private ownership.

And we have extensive programs of physical and economic research covering the entire field of natural resources.

So much for historic experience as one criterion for determining proper administrative organization. Now let's look at the other criterion . . . the demands and needs of the time.

The establishment of the Forest Service and the Soil Conservation Service met the specific conservation challenges of repairing the damage done by man and nature, and restoring, conserving, and developing timber, soil and water resources.

Today we are faced with an even greater conservation challenge, the challenge to restore, conserve and develop man's total environment.

Of crucial importance to this effort will be the restoration of rural-urban balance by building a Town and Countryside USA that will be a vigorous, healthy partner with today's urban America . . . a Town and Country that will aid in the solution of those grave problems of megalopolis that threaten our very national integrity.

To create such a revitalized rural America will require all the tools of creative Federalism . . . including a maximum amount of local leadership and decision-making.

President Johnson has prescribed a team approach in shaping and using Federal resources involving local authorities in both decision-making and administration consistent with local needs and desires.

The Soil Conservation Service and the Forest Service are two great agencies whose programs and traditions and systems are, by their very nature, a part of the warp and woof of local development, decision-making and administration in the use of renewable resources.

As such, these two agencies *must* play an ever-increasing role in the revitalization of rural America so necessary to the restoration of rural-urban balance.

These agencies are indigenous to rural America. Small watersheds coupled with essential land treatment; private, relatively small, farm forestry; National Forest management, including grazing and water management—all are as much a part of farm land and town and country as skyscrapers are of megalopolis.

Three-fourths of this Nation's land area is in privately owned tracts in rural America. Of the privately owned forest land, nearly 80 percent is owned in small parcels by private owners who have no connection with large forest industry. The owners of these tracts in rural America—farm and forest—must carry the main burden of meeting our growing resource needs. Most of them are farmers who traditionally have cooperated with the USDA in a wide range of other programs.

For over 100 years, the Department of Agriculture has been geared to the particular challenge of meeting our growing resource needs. To lift out our forest and soil and watershed responsibilities could jeopardize the efficiency, continuity and harmony of an effective package of resource programs built up over many years.

The forests, waters, and rangelands of the National Forest System are the keys to upbuilding Town and Country life in many areas. Timber harvests, pure water, grass, fish, game, campgrounds, winter sports areas—these are a few of the ways these public resources bolster the Town and Country economy and contribute to its confidence and potential for growth.

Furthermore, effective conservation of man's total environment requires the treatment of renewable resources as an ecological whole. In the present situation, the Forest Service, through administration of the National Forest System, forestry research, and cooperative State and private programs, closely tied into the Federal-State Cooperative Research Service, is a full partner in the USDA team effort. Providing jobs, raw material for industry, local demonstration areas, scientific skills and knowledge, and protection of forest resources through cooperative arrangements with State and local people are examples of how the activities of this agency play an integral role in our Department's mission.

This relationship is like a delicate instrument, the product of trial and error over many years, balancing national, State and local interests and management participation in an effective manner.

Similarly, the watershed and flood prevention activities of the Soil Conservation Service are operated by and for local people in time-tested programs of assistance to Soil and Water Conservation Districts and numerous other sponsoring local organizations. These involve intimate contact with local farmers and such other agencies of the USDA as the Agricultural Stabilization and Conservation Service with its commodity and conservation programs. These, too, are integral parts of our Department's efforts to advance the social, cultural, and economic well-being of Countryside, USA.

Today, one of our most pressing needs is to build economically viable rural communities. Consistent and integrated land and water resource management systems are needed to make multiple use of resources effective and to expand the opportunities for people to live a full life in the towns and countrysides of the Nation. These are inherent parts of the solution of the production and income problems of farm and rural America. As a matter of national policy, we need to keep people in rural America, not concentrate them in our big city areas with all the resulting problems of ghettoes that feed on the spill-over from rural slums.

With all this in mind, the separation of soil conservation, upstream watershed development and forestry from the farms and the other lands of rural America would be radical surgery indeed. To separate the small watershed program under P.L. 566 from the rest of the land treatment programs of the Department—and, figuratively, to separate the woods a farmer owns from the rest of his farm enterprise—is poor organization.

The ties that weave the research, cooperative forestry and public land management of the Forest Service, and the soil-conserving and watershed and flood prevention activities of the Soil Conservation Service into the overall programs and responsibilities of the USDA, we are convinced, are much more significant, much more binding, than they would be to a Department of Natural Resources such as that proposed by S. 886.

I most emphatically do not mean to minimize in any way the importance of Interior's programs. But historically, and as a practical matter of day-to-day working, they are not linked as closely to local communities, farms and small towns—or with the local decision-makers—as the programs of the Department of Agriculture.

In the way Interior has traditionally operated, it is organized so as to focus its major attention on regional and national problems more than on matters that relate to the private and locally owned lands and resources that make up the bulk of America and the small units of local government that are inextricably involved in local development, land, water, and forest problems.

By contrast, the Department of Agriculture has traditionally been decentralized so as to be actutely sensitive to local and private needs as well as those which are regional and national in scope.

Therefore, if the Congress decides it will be beneficial to group natural resource functions in one complex, then let me suggest that the Bureau of Land Management, the Fish and Wildlife Service, water pollution control activities, and the outdoor recreation activities of the Department of the Interior might be transferred to the Department of Agriculture.

There they could be integrated into the economic development programs now taking place in the towns and countryside. If this were done, it is conceivable that the USDA could strengthen the determined efforts we are already making—in cooperation with other Federal Departments, and with State and local authorities—to build a viable economic and social rural counterpart to metropolitan America.

Let me make it clear, however, that I do not recommend that agencies in the Department of the Interior be transferred to the Department of Agriculture. On the contrary, it is my considered judgment that it would not be wise to reshuffle agencies in *either* direction.

I base this judgment on some practical experience as an administrator, both as the Governor of a great State and for almost seven years as the administrator of a Department with multiple programs in every county of the United States and more than 50 countries around the world.

From the standpoint of effective public administration, efficiency, and maximum use of the talent and funds available, I am convinced nothing would be gained by regrouping resource agencies. On the contrary, the aggregation of such agencies, as proposed in S. 886 would, in my judgment, result in an enormous concentration of authority and responsibilities in one Department. Such a concentraton of widely varied functions would be so enormous in its scope as to make management extremely difficult. Further, I am convinced it would place an extraordinary amount of power over the Nation's vital resources in one place.

The benefits that theoretically might result from such combinations could well be more than eroded by the consequent losses that would come in the effort to direct and manage such a monolithic operation.

I am convinced there is no need for the reorganization called for by this bill.

Today the Departments of the Interior, Army (Corps of Engineers), and Agriculture enjoy, and benefit from, a very satisfactory working relationship. This was brought home to me again just last month when I visited Bend, Oregon, area and saw dramatic examples of how the combined efforts of Federal resource agencies, working closely with local groups, could restore economic vitality to a once severely-depressed area.

For the most part, today's competition between the Department of the Interior and the Department of Agriculture is healthy. Most of this competition takes place in the area of recreation, where the National Park Service and the Forest Service vie with one another to provide more imaginative, innovative and effective service to the recreation seekers of this land.

Such sensible competition, stimulates greater effort and more effective performance, without the waste of extremes. It should be continued. It is in the national interest.

Mr. Chairman, the needs of the times demand nothing less than our best performance at the Federal level—cooperative action, intimately related and sensitive to local development and leadership. And the practical requirements of effective and efficient administration are no less important.

Both need to be evaluated against the course of action that would take place should this bill become the law of the land.

AID IN INDONESIA

Mr. FULBRIGHT. Mr. President, Mr. R. H. Shackford, a Scripps-Howard staff writer, had an interesting article which appeared in the Daily News of November 10, 1967.

Writing from Djakarta, Mr. Shackford propounded some sound advice about American AID programs in Indonesia which I would hope our AID administrators would take deeply to heart.

Mr. Shackford emphasizes the need for keeping American staffs small and the American presence in the background. He points to the importance of multilateral aid programs, and decries the tendency of Washington bureaucrats of Americanize AID programs. The Indonesians want to do as much of the job themselves as is possible. "That is the way the Indonesians want it," writes Mr. Shackford, an experienced Far Eastern reporter. That is the way our American Ambassador to Djakarta, Marshall Greene, wants it, according to Mr. Shackford.

I believe that is the way Americans would want it if they were on the receiving end.

I ask unanimous consent that Mr. Shackford's article be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

Helping Indonesia To Recover—Americanization Is Out

(By R. H. Shackford)

Jakarat, November 10.—Indonesia will be a major test of U.S. ability to learn the bitter lessons and avoid the disastrous mistakes of Vietnam.

Vice President Hubert H. Humphrey's visit has focused attention on the Johnson Administration's belief that Indonesia is vital to the future of Asia, now that it has barely escaped takeover by its own Communist Party (PKI).

The American problem is to find ways to help the friendly new regime pull this vast country together after the Sukarno era and yet keep American involvement in Indonesia's internal affairs at a minimum.

American Ambassador Marshall Greene believes the staffs of the Embassy, Aid missions, U.S. Information Service and other agencies should be kept small (total U.S. personnel for the country now is about 200).

He thinks purely American AID projects should be confined to those in which America excels, with the Japanese, for example, taking the lead in dealing with such problems as family planning with which they've been highly successful.

Financial aid to Indonesia should be continued only on a multilateral basis, not slip back to direct and solely U.S. aid, Mr. Greene contends.

That is the way the Indonesians want it. Indonesia needs much help. But it is determined to do the job itself. It doesn't want the job "Americanized" any more than it already has shown it doesn't want the country "communized."

This approach, however, is contrary to the tendencies of the huge bureaucracies in Washington to measure success of aid programs by size of staff and numbers of projects.

The Embassy has resisted the traditional USIS idea of establishing American libraries here—where they've been burned down once. Instead, Mr. Greene wants the U.S. to give books to Indonesian libraries. A project for U.S. publishers to donate more than half a million books is under way.

The aid problem is more complicated. Thus far the U.S. is working jointly with other countries which became huge creditors during the Sukarno spending spree. The International Monetary Fund is overseeing the new regime's financial stabilization programs. The key to this plan is for each nation to carry its share—as in the consortiums for India and Pakistan. A meeting in Amsterdam at the end of this month will accept pledges of help for next year.

U.S. military aid now provides only about $2 million for non-lethal equipment for military civic action programs and for training. That's the way the U.S. Embassy thinks it should be kept.

But the test will come if the Russians refuse to keep Indonesia's Russian military equipment supplied with spare parts—and if the Indonesian army puts pressure on the U.S. to convert to American equipment.

Indonesians and other potential helper countries, as well as many American officials, are on their guard against any snowballing of American involvement. But such good intentions have not prevailed in the past, especially in Vietnam.

A GLOOMY DAY FOR THE FARMER

Mr. HRUSKA. Mr. President, these are not happy days for the American farmer.

Just this week, his Government told him that he will not be any better off financially next year than he is now—and that is bad enough when it is considered that his income is only about two-thirds that of the nonfarmer.

But the Department of Agriculture had this further piece of bad news for the farmer: In comparison with the rest of the economy, he will be even worse off next year.

This bleak outlook was drawn by Rex F. Daly, Chairman of the USDA's Outlook and Situation Board, who said that despite an expected increase of $1 billion in farm income, increased production costs will completely wipe out the so-called gain.

Last year was scarcely a banner year for the farmer in this country, but now we find the Department of Agriculture predicting that this year net farm income will drop about 10 percent. I can think of no other segment of our economy which is faced with such a disastrous forecast.

And what can the farmer look forward to in 1968? This is what the Department says:

> In summary, farm income is down this year, and prospects indicate little improvement in 1968. Moreover, farmers' incomes will not keep pace with expected gains in the rest of the economy.

Mr. President, of all the mail that comes to my desk, few letters are more expressive or more sincere than those that are written by Nebraska farmers and farm wives.

I call these "kitchen table" letters because I can imagine their being composed in the farmhouse kitchen, perhaps at the end of a long day in the fields.

The stationery is seldom fancy; often it is on a plain, ruled pad. Sometimes the handwriting is in pencil and sometimes not all the words are spelled correctly and the grammar may not even be exactly perfect.

But these letters carry more conviction and more sincerity than any other category of mail I receive. They convey the frustration of a family which seems to be fighting against great economic odds, struggling against rising costs and low prices, working to achieve the same goals sought by all honest, hard-working Americans, a fair price for the product of one's labors and investment, a decent home, perhaps a college education for the children.

As one writer put it:

> As Senator of our state I think you should speak out against the *low* corn prices. As you know they go lower every day. Everything else is going up and our income is going down. What is the Government trying to do to the farmer?

That, Mr. President, is a good question. What is the Government doing to the farmer?

Under this administration the parity ratio today stands at 73. In 1934, in the midst of the Dust Bowl days, the parity ratio was two points higher at 75. Since 1959 farm machinery prices have increased 24 percent and labor costs 35 percent. Yet prices paid to farmers for food purchased in 1966 were 2 percent below those paid in 1947–49. Today's farmer nets per capita average yearly earnings of $1,731, 60 percent below the earnings of the nonfarmer.

A Crofton, Nebr., farmer sent me a copy of a letter he wrote the President this month concerning the current plight of the farmer. In 1955 this man was discharged from the Air Force and entered into farming. He wrote the President in part:

> In the spring of 1956 I bought my first personal property, two polled hereford cows, with calves at side for $162 a pair, one cow that calved a month after purchase for $147, and a tractor for $650. If I were to buy the same cows and calves now they would cost me twice as much and if I were to buy the same tractor now it would cost six times as much. Now here's the point I want to make to you, the same cows and calves won't last any longer and you will get the same amount of beef today as we got in 1956. If I were to buy the same tractor today as I did in 1956 it wouldn't last any longer without being reconditioned.

The Secretary of Agriculture himself admits that farm prices are down while the cost of what the farmer buys is up 35 percent. In a speech before a conference of the Chamber of Commerce of the United States on July 7, 1967, the Secretary said:

> Our farm prices today are lower than they were 20 years ago. Yet the cost of what the farmer buys has gone up 35 percent. Only by increasing his labor productivity 6 percent, annually more than twice the improvement made by American industry, has the American farmer managed to survive.
>
> It is true that Government payments have helped some but even so our per capita farm income is only two-thirds of our non-farm income.

What is the reason farm income is only two-thirds of nonfarm income? The reason is simple. The administration farm programs are not working and have not worked for the last 7 years.

This is the administration which says that the farm program is designed for the adequately sized farm, not the small farm with a gross income of $5,000 a year or less. This policy writes off 14,500 family-sized farms in Nebraska and causes over 100,000 farms a year to be abandoned across the Nation. In 1960 there were 3,956,000 farms in the Nation and by the end of this year it is estimated there will be 3,176,000. In the 7 years of this administration, nearly 800,000 will have been forced off the farm.

It has become increasingly clear that present administration farm policy is designed to please the consumer in the highly populated urban areas of the country at the expense of the farmer. The farmer represents only 6 percent of the national population, and if the present trends continue, this figure will decrease. For political reasons the administration appears to have little concern for such a small percent of the electorate and, therefore, has become more and more consumer oriented.

Mr. President, I ask unanimous consent to have printed in the Record a sampling of the kind of letter I have been talking about. I urge my colleagues to read them, keeping in mind the fact that this country has just gone through the 80th straight month of an expanding economy. Corporate earnings are up, private income is up, dividends are up, but present indications are that net farm income will be down—by 10 percent this year.

It is my hope, Mr. President, that these remarks and these letters will be read as well by the Secretary of Agriculture and I even dare hope that he may be moved to take those measures for which he now has ample administrative authority, to remedy this unholy inequity in the economic life of this country.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Arlington, Nebr.

Senator Roman L. Hruska,
Washington, D.C.

Dear Senator Hruska: We farmers, as you know, have been receiving around 75% of parity for months. Now, during August, the grain and the hog markets have hit the skids. On top of this further reduction in income, I understand, we are threatened with a Tax Increase.

This administration has reached a new low in its discrimination against the farmer with its cheap food policy and their subtle program of liquidating the farmer.

To add insult to injury, it is now proposed to, virtually, turn the increased tax-take, over to the War on Poverty to reward the Big City Rioters, in effect, saddling town & country dwellers alike, with the added burden of blackmail.

Regardless of vocation, everyone I contact, right down-the-line, is against a Tax Increase and a "Poverty Pay-off." Neither have they missed the point, that, while purporting to fight communism in their phony Viet Nam War, the Establishment promotes it at home!

Have I made our position clear? May we count on you? Thank you.

Sincerely Yours,

Curt Cook.

Crofton State Bank,
Crofton, Nebr.

Senator Roman Hruska,
Senate Office Building,
Washington, D.C.

Dear Senator Hruska: Something is definitely wrong in our good country. Labor has received its just wages, the government worker has received increases in salary, why not see that the farmer gets his fair share of the national income.

Personally I would not be in favor of having the farm prices go sky high, but they could go up two or three dollars a hundred weight and it would not have much effect on the meat over the counters. During the past 30 days we had two farmers ask for credit to buy new equipment, one to cost $5,600.00 and the other a little over $7,000.00. Both of them need this equipment for their farming operations. Twelve or thirteen years ago these farmers could go to our local implement dealer and buy a good tractor for around $3,000,00, and he sold his hogs for 25c and his cattle for around 30 cents, while today he sells his hogs for less than 20 cents and his cattle for around 23 cents. Does this look right? Something is wrong to think that the farmers is to pay present day prices for his equipment but receive prices for his products that prevailed 10 to 15 years ago. If this is the case, maybe the laborer should cut his wages to that level too.

Senator, something must be done, and I do hope that you will spend considerable time talking to other Senators, especially those from farming States, to bind yourself together to get better prices for the farmers, so that he will get more than 2.6% of our great national income. This is a disgrace.

We need the small farm family in our country, we cannot all farm 2 to 20 thousand acres of land.

Your help on this certainly will be appreciated by every farmer, business man and professional man in the farming States.

Yours very truly,

Edwin W. Tauer.

Henderson, Nebr.

Senator Roman Hruska,
Washington, D.C.

Dear Senator: As Senator of our state I think you should speak out against the *low* corn prices.

As you know they go lower every day. Everything else is going up and our income is going down. What is the Government trying to do to the farmer. After all if it were not for the farmers of America the people would starve to death.

I don't believe there is anyone who works harder for a living than the farmer. And he does not go to work at eight or nine and get off at five and get the week end off and a paid vacation.

I try to be a good U.S. citizen and when it comes voting time I go vote for the one I think is best for the office and of course in my case one who will try to be fair to the farmer.

I think it is high time something is done about the price of corn and I believe you are in a position to do some talking for the farmer and get the rest of those who can do something about it in gear.

Come on now, get these prices back up so we can live too.

A Voter,

Mrs. D. C. Goossen.

Lincoln, Nebr.

My Dear Senator Hruska: I am writing to you with reference to the new farm policy urged on Pres. Johnson.

I read of Presidential Commission in the July issue of the New York Times on page one.

The Commission recommended farm policies be built around markets rather than Gov. program and wanted farmers to earn incomes from the market that are comparable to nonfarm incomes. That's what we farmers want higher prices to get us out of this awful price squeeze. However we realize other segments of our economy have minimum wages, etc.

What does the small farm indicate? We have an average of 320 acres here in eastern Nebr. Will these farms be discontinued if so what is the future for them. I see they expect farmers to be cut in about ½ by 1980.

I hope Pres. Johnson will do something to help us farmers from this price squeeze. So far he hasn't.

Best wishes to you.

Sincerely yours,

Miss Louise Newhall.

Plainview, Nebr.

Dear Senator Hruska: Please keep on fighting for the farmer.

We have farmed for 33 years and we find it harder to make a living every year.

We pay from $1500 to $2000 in taxes each year, and now Nebraska has the sales and income tax which adds to the farmer's taxes instead of relieving us of some burden.

Hog and cattle prices are down. We are getting 20 cents a dozen for eggs and fighting for a raise in milk prices.

Can't the government see that the farmer is the backbone of the nation?

Think what it is in other countries where the farmers are so poor, they can't produce.

It just breaks my heart to see more of my neighbors giving up and having sales. The farmsteads standing empty in our neighborhood is tragic.

Please, I implore you to talk to other Congressmen and try to help the farmers before it is too late.

Sincerely,

Arthur Buchholz.

Wausa, Nebr.,
April 18, 1967.

Senator Roman L. Hruska,
Senate Office Building,
Washington, D.C.

Dear Senator: We here in Northeast Nebr., need some help. My neighbors and I are feeling bad about the administration's handling of farm prices and imports. Put some pressure on the Dept. of Agriculture and the Johnson Administration so we might live and keep feeding the nation and 50% of the world's population not only now but 10 years from now.

Thank you and

Very Sincerely,

Robert L. Eifert.

Lincoln, Nebr.

My Dear Senator Hruska: I thank you for your letter you wrote to me about the farm situation.

I heard President Johnson on his News Conference urging for farmers rights. He said farmers were getting the little end of the stick. He suggested farmers be given collective bargaining rights comparable to those of labor unions.

Does Pres. Johnson really mean this or is it just a lot of politics? He said the farm price situation was the most serious problem we had in this Country. He's not telling us anything new. When wheat is down to the price it was in 1937, we were then in the Roosevelt depression in '37—Our taxes are now 4 times what they were then.

I do hope all the Senators and Rep. in the farm belt will work diligently with Johnson to do something of positive good to increase farm income.

Farm prices can go up. They were up in 1945–52—What did we do then to increase the price?

If folks have to leave the farms there will be more people on poverty.

Hope something can be done—

Best wishes to you.

Louise Newhall.

Crofton, Nebr.

President Lyndon B. Johnson,
White House,
Washington D.C.

Dear President Johnson: Your advocation of a cheap food policy has triggered me to write this letter.

Farm debt set a new record on January 1, 1967 of $45.8 billion, which was 10% greater than January 1, 1966, while assets increased 7% in 1966. With this in mind, how can a farmer pay fast rising production costs. Larger farms won't solve it because, with larger farms comes larger equipment and larger debts.

Illustration.

In 1955 I was discharged from the Air Force. In the spring of 1956 I bought my first personal property, two polled hereford cows, with calves at side for $162 a pair, one cow that calved a month after purchase for a $147, and a tractor for $650. If I were to buy the same cows and calves now they would cost me twice as much and if I were to buy the same tractor now it would cost six times as much. Now here's the point I want to make to you, the same cows and calves won't last any longer and you will get the same amount of beef today as we got in 1956. If I were to buy the same tractor today as I did in 1956 it wouldn't last any longer without being reconditioned. If you aren't practicing a cheap food policy, how then do you account for twice the cost of cattle on the hoof and six times the cost of machinery today? Isn't it true the reason the cow and calf doubled in value on the hoof is so the farmer would have more collateral to buy the tractor costing six times as much.

The way I see it, corporations have been bleeding the farmers of this nation of net income for at least the last ten years and the farmers are caught in the cost-price squeeze today and corporations are going to take over the farms with income that should have rightly belonged to the farmers in the first place.

If farmers were receiving a parity of income today these small communities wouldn't have to count on federal and state aid for all these disasters and community building projects today. In 1870 the population of Chicago was 300,000. In 1871 a fire broke out and burned 3½ square miles of the downtown business district. In 1890 the population of Chicago was over 1,000,000. The way I see it this was a growing community and there was no such thing as federal and state aid then. Today the only reason these communities need financial help is because they are not receiving a parity income and thus the communities are gradually disappearing.

Who is going to use these federal and state aid projects if these corporations take over. Just tell me that.

We have already misplaced too many people in the cities of this nation in my estimation because there are riots and strikes every day in the bigger cities. Who takes care of these occurrences, nobody but the federal government. You advocate teaching these people another trade. Who's paying for this? The taxpayers.

It would make a difference if these misplaced people were kept in these smaller communities and given the opportunity to keep these small communities alive (this making use of these federal and state aid projects and cutting down the crime rate and the riots.) If this were practiced the citizens of these smaller communities would have a chance to make these communities thrive instead of disappear, and if these citizens would receive 100% parity they could build these projects without federal and state aid just like Chicago did after the fire of 1871. My own home town of Crofton was burned out with two major fires, one in 1908, the other in 1914. They didn't wait for federal and state aid. They rebuilt again with time and hard work and parity prices. I don't say we have to go back to the way things were done in 19th or early 20th century, but I do say people can't go on working 30 to 40 hours a week and then spend the money they made during the week on relaxation and pleasure the rest of the week.

Living conditions have improved tremendously since 1870 or even 1910. We here in the land of plenty have an obligation to the unfortunate throughout the rest of the world. This is what happened to the Roman Empire 1500 years ago, if you remember. It doesn't take no great Historian or no great Economist to tell me the same thing isn't going on in the United States today that wasn't prevailing in the Roman Empire 1500 years ago.

Sincerely yours,

Wilfred Kuehler.

SENATOR DIRKSEN—A "GALLANT MAN"

Mr. HRUSKA. Mr. President, many tributes have been heard in this Chamber to the capable leadership of Senator Everett Dirksen. He has won many honors and his dedicated and selfless service has been recognized on many occasions. It has been my privilege, from time to time, to salute this splendid leader.

But few of the statements that any of us has made, no matter how long, or how grand, or how profuse, can match the direct, straightforward language employed by the Rockford, Ill., Morning Star in its editorial calling for Senator Dirksen's reelection.

The Star has recognized the superb statesmanship of the minority leader and lists him among the ranks of the Senate's great men, a place he eminently deserves.

Mr. President, I count it a privilege to ask unanimous consent to have printed in the Record the editorial from the Rockford Star headlined "Reelect Ev Dirksen."

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Reelect Ev Dirksen

It's our opinion that Sen. Everett M. Dirksen of Illinois comes about as close to being indispensable these days as any office holder in Washington.

That's why the Morning Star today unhesitatingly recommends Senator Dirksen for reelection for a fourth term in the United States Senate—even though he has made no formal announcement of his candidacy.

In his role as Senate Republican leader, Dirksen's superb statesmanship has earned him the reputation of being one of the most skillful and effective minority leaders in the history of the United States Senate.

Historians will record Everett Dirksen of Illinois among America's great senators—names like Daniel Webster, John C. Calhoun, Henry Clay, William E. Borah, Arthur Vandenberg and Robert Taft.

During his 33 years in Congress—both in the House and Senate—Dirksen has won the respect of our nation's political leaders in both parties. His constructive criticism and sometimes support of Democratic administration proposals and programs have given him true stature as a statesman.

Senator Dirksen has supported, and in some instances made possible, enactment of far-reaching legislation he deemed essential to the best interests of our nation.

He has stood resolutely on the side of individual rights and unwavering adherence to constitutional government. He is an eloquent spokesman for the cause of responsible government, and is widely respected for his philosophy, his courage, his understanding, his perspective, and his deep concern for our nation's problems.

Senator Dirksen is a staunch and unrelenting supporter of the American war effort in Vietnam. Just last week here in Rockford, he said "speeding up our bombing attack" is the "only way" to get the Vietnamese Communists to the conference table. His view sums up the war situation realistically and concisely.

Few men in government can match Senator Dirksen's ability to focus attention on vital issues. He commands respect for what he says—and how he says it.

We recommend that the people of Illinois reelect Everett McKinley Dirksen—indeed a "gallant man"—to the United States Senate in November, 1968. He will be needed in Washington for many years to come.

PROGRESS HAS BEEN MADE

Mr. BYRD of West Virginia. Mr. President, one of the most thoughtful and thought-provoking newspaper editorials that I have seen in some time appeared in the Williamson, W. Va., Daily News for Tuesday, November 14.

It makes a point that I think badly needs to be made—that a person may oppose objectionable civil rights or other legislation without necessarily being a bigot or a racist.

As the editorial says, there are, indeed, men of good conscience and good will who honestly may disagree with open housing or other similar proposals without malice or hatred or prejudice. But, unfortunately, some do not speak out in debate on such matters for fear of being falsely accused.

Specifically, the editorial discusses civil rights legislation now under consideration which, instead of correcting injustices and inequities, would actually create special privilege and discrimination in reverse.

Real racial progress, as the editorial points out, must come from the hearts of men, and it is beyond dispute, Mr. President, that much real progress has been made.

I ask unanimous consent that this fine editorial from the Williamson Daily News be included in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Real Test Comes in Hearts of Men

The latest preaching coming from certain radical clergymen would have you believe that if a person is opposed to open housing legislation and questionable civil rights bills he automatically is a racist. Or if a white man does not support civil disobedience and violent protest he is anti-Negro.

This is utter nonsense as is this often heard charge that poor housing is to blame for the minority unrest. The philosophy which argues that anti-social behavior is caused primarily by conditions in the environment or in the social system is a relatively new idea. It seeks to replace the time-honored concept that character can triumph over material circumstances.

There are honest men of good conscience who harbor no hatred or prejudice against their fellowman, but they do oppose open housing legislation. This is not to say that they are in disagreement with the goal of free and equal access to housing for every individual regardless of race, color or creed. They simply do not agree that some innocent homeowner's property rights should be sacrificed in an effort to end housing discrimination.

Likewise a person is not a bigot because he disagrees with the latest Civil Rights Act under consideration by the Congress. There are legitimate reasons for opposing this legislation which seeks to establish a whole new class of federal crimes based in part upon non-existent federal "right," the right to be protected from acts of "private" discrimination. There is nothing in the Constitution to suggest that the government has such power and let it not be forgotten that the powers of government are limited by the Constitution. All too often in recent years we have avoided spirited debate of Constitutional questions and the idea has taken hold that Congress can enact anything it wants into law. In earlier days of our Republic heated debate was frequent on subjects dealing with constitutional principle.

The current House Civil Rights bill under consideration would create special classes of citizens in area such as voting rights and federally financed activities. It would be a crime under this act for a white man to threaten a Negro seeking to vote, but it would not be a crime for a white man to threaten another white man seeking to vote. This bill would protect a Negro rabblerouser on a federally subsidized campus; it would not protect a Navy recruiter or a member of the cabinet on the same campus. This certainly is not equality under the law and a person has every right to oppose such legislation.

As for acts of civil disobedience and mob force these are violations of the law and cannot be condoned in a society which must depend on law and order to survive. A minority should be heard but not at the expense and exclusion of the millions of other citizens who do not join in its demands. What we have seen in some of our citizens today is not "passive resistance" or "civil disobedience" but revolution and anarchy. A person is not a racist because he opposes such lawless acts.

America has a glorious tradition of respect for human dignity and freedom. Its people have had a record of unparalleled generosity in assisting others regardless of race, color or creed. Outstanding progress has been made in lessening racial prejudice and mainly the advances have sprung from the hearts of men. That, after all, is the only place where the brotherhood of man can emerge. All else is imitation Christian love.

It is written: "As I live, saith the Lord, to me every knee shall bow, and every tongue shall confess to God."

VALUABLE USDA PROGRAM

Mr. BYRD of West Virginia. Mr. President, the problems of the urban areas of our country have been aggravated by the migration to the cities of persons who formerly lived and worked in rural areas. These migrants add to the overcrowding of the cities, and when they cannot support themselves they often become an added burden on the welfare roles.

An excellent editorial in the November 14, Huntington, W. Va., Advertiser calls attention to the efforts being made to check such migration by the U.S. Department of Agriculture through its rural industrialization program.

This program seeks to provide new job opportunities in the rural areas attractive enough to dissuade workers from leaving them. The effort is a cooperative one, bringing together programs of local, State, and Federal Governments.

There is a real question as to whether or not the programs the Congress has provided for the cities can be successful as long as a sustained in-migration continues.

I believe Senators and Members of Congress will find this editorial of value. I ask unanimous consent that the editorial, written by Editor Wendell S. Reynolds, of the Huntington Advertiser, be inserted in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Rural Industrial Program Can Help Big Cities Also

A long-needed effort to check the flow of people into the already overcrowded slums of the big cities is gaining momentum through the U.S. Agriculture Department's rural industrialization program.

Announced by Secretary of Agriculture Orville L. Freeman in May, 1966, the program has already helped carry out a great many rural development projects.

Efforts to make areas more attractive to industry have included help in the establishment of industrial parks and in the construction of community facilities.

In such activities the rural industrialization program works with the department's state and county rural areas development committees and technical action panels.

The program is intended to slow the migration to big cities by providing job opportunities within commuting distance of dwellers in rural areas.

Efforts to stimulate industrial development include:

1. Telling businessmen of the advantages of locating plants in rural America;
2. Providing a site location and analysis service;
3. Bringing together community, state and federal programs for industrial and community development.

Businessmen planning new industrial operations are invited to report to the Department of Agriculture their requirements and their preferences for location.

The rural industrialization program staff works with state, county and local groups to find a wide choice of locations. A file of industrial location information is kept in Washington.

Communities are invited to send information on their particular attractions for inclusion in the file.

A manufacturer who makes an inquiry of the department receives a report on various communities that seem to meet his requirements. This includes information on taxes, utilities, financing plans, training programs and the availability of labor.

After a manufacturer decides where he wants to place his new plant, the Department of Agriculture continues to work for him and the community to develop necessary services and facilities.

The department's state, area and county representatives are organized as technical action panels. They have knowledge of federal assistance programs and can help communities and manufacturers obtain needed services.

If financial aid is necessary, for instance, a loan may be arranged from the Small Business Administration.

The program of rural industrialization can help small communities provide work that will keep residents there instead of joining the hundreds of thousands of migrants that move each year into the cities.

The continuing influx of rural dwellers to the slums has created perplexing problems not only for the cities but for the federal government.

Health, welfare and educational needs have greatly increased the burden of taxation but still have not been met. The rate of crime has soared, and inedequate government services have increased racial antagonism.

Although the federal government has spent huge sums in various programs for improving living conditions and opening opportunities for employment, staggering problems remain unsolved.

There is at least a question of whether they can be solved as long as so many newcomers continue to pour into the slums each year.

Certainly various efforts to reduce the migration from rural areas seem to be a practical approach to a solution.

Besides the Department of Agriculture's rural industrialization program, these efforts include sponsorship of two measures now pending in Congress.

One measure would authorize tax incentives for the location of industries in depressed areas. The other, already unanimously passed by the Senate, would establish a commission to make a two-year study of means of creating a better balance in the country's economic growth.

The extensive program of national planning envisioned by the sponsors of the resolution is urgently needed to deal with present problems.

To meet the future needs of a growing population it seems to be an absolute necessity.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

LEAVE OF ABSENCE

Mr. HOLLAND. Mr. President, I ask unanimous consent that, after the close of business today, I may be excused from attending the sessions of the Senate through next Tuesday.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY AMENDMENTS OF 1967

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the unfinished business.

The PRESIDENT pro tempore. The bill will be stated by title.

The Assistant Legislative Clerk. A bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, what is the pending question?

The PRESIDING OFFICER. The unfinished business is H.R. 12080, and the pending question is on agreeing to the the amendment of the Senator from Vermont [Mr. Prouty].

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

[No. 325 Leg.]

Anderson
Bartlett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Carlson
Clark
Cotton
Dirksen
Fulbright
Gore
Hansen
Hart
Hatfield
Hayden
Hickenlooper
Holland
Hruska
Javits
Jordan, Idaho
Kuchel
Long, La.
Mansfield
Metcalf
Montoya
Moss
Pastore
Prouty
Ribicoff
Smith
Sparkman
Spong
Symington
Williams, Del.
Young, Ohio

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Alaska [Mr. Gruening], the Senator from North Carolina [Mr. Jordan], the Senator from Missouri [Mr. Long], the Senator from Oregon [Mr. Morse], and the Senator from Maryland [Mr. Tydings] are absent on official business.

I also announce that the Senator from Idaho [Mr. Church], the Senator from Connecticut [Mr. Dodd], the Senator from Louisiana [Mr. Ellender], the Senator from North Carolina [Mr. Ervin], the Senator from Oklahoma [Mr. Harris], the Senator from Washington [Mr. Jackson], the Senator from Washington [Mr. Magnuson], the Senator from Minnesota [Mr. McCarthy], the Senator from Wyoming [Mr. McGee], the Senator from Oklahoma [Mr. Monroney], the Senator from Florida [Mr. Smathers], the Senator from Georgia [Mr. Talmadge], the Senator from South Carolina [Mr. Hollings], and the Senator from Wisconsin [Mr. Nelson] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Tennessee [Mr. Baker], the Senator from Utah [Mr. Bennett], the Senator from Colorado [Mr. Dominick], the Senator from California [Mr. Murphy], the Senator from Illinois [Mr. Percy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper] and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from North Dakota [Mr. Young] is absent because of death in his family.

The PRESIDING OFFICER. A quorum is not present.

Mr. LONG of Louisiana. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms is instructed to execute the order of the Senate.

After a little delay, the following Senators entered the Chamber and answered to their names:

Aiken
Allott
Bayh
Brooke
Case
Curtis
Eastland
Fannin
Fong
Griffin
Hartke
Hill
Inouye
Kennedy, Mass.
Kennedy, N.Y.
Lausche
McClellan
McGovern
McIntyre
Miller
Mondale
Morton
Mundt
Muskie
Pearson
Pell
Proxmire
Randolph
Russell
Stennis
Thurmond
Williams, N.J.
Yarborough

The PRESIDING OFFICER. A quorum is present.

Mr. LONG of Louisiana. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that a memorandum from Robert Myers, the Chief Actuary of the Social Security Administration, be printed at this point in the Record.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

Memorandum

November 17, 1967.

From: Robert J. Myers, Chief Actuary, Social Security Administration.

Subject: Actuarial Analysis of Effect of Amendment Proposed by Senator Prouty in Regard to Financing Basis of Social Security System.

On November 16, Senator Prouty proposed an amendment to H.R. 12080 that would affect the financing of the Social Security program as it would be amended by the bill reported by the Committee in the following manner:

(1) The provisions in the bill as to the maximum taxable earnings base and the contribution rates for both the Old-Age, Survivors, and Disability Insurance system (OASDI) and the Hospital Insurance system (HI) would be stricken out. As a result, the contribution rates and the $6,600 earnings base of present law would remain unchanged.

(2) The benefit liberalizations in the bill would not be affected.

(3) The higher allocation of a portion of the OASDI contributions to the DI Trust Fund under the provisions of the bill would not be changed.

(4) A provision would be added such that for any year in which expenditures from either the OASI Trust Fund on the DI Trust Fund are less than the contribution income, this excess will be made up by appropriations from the General Fund of the Treasury. No such financing provision is contained for the HI Trust Fund, which could thus encounter financial problems because of the reduced financing provided.

The proposal as to financing from general revenues is on a fiscal-year basis, but the actuarial cost estimates that have been made for the bill are on a calendar-year basis. Thus, to make any analysis in the short time available, it must be considered that the proposal is on a calendar-year basis. The results of such analysis will, of course, be entirely meaningful.

As to the OASI Trust Fund, under the proposal there would be the following situation (in millions):

Calendar year	Contribution income	Outgo[1]	Excess of outgo
1968	$23,243	$24,411	$1,168
1969	27,134	27,278	144
1970	28,373	28,614	241
1971	29,145	29,635	490
1972	29,933	30,698	765

[1] Benefits, plus administrative expenses, plus railroad retirement financial interchange.

Thus, for 1968 the Government cost from general revenues would be $1.2 billion. In 1969, because of the rise in the contribution rate, the Government cost would fall to about $150 million, but it would rise each year thereafter until being $765 million in 1972. In 1973 and for a few years thereafter, there would be no Government cost—because of the increase in the contribution rate in 1973 but by 1980 the Government cost would be $2.7 billion per year, and by 1990 it would be $7.3 billion.

As to the DI Trust Fund, under the proposal there would be the following situation (in millions):

Calendar year	Contribution income	Outgo [1]	Excess of income
1968	$3,201	$2,512	$689
1969	3,306	2,897	409
1970	3,409	3,040	369
1971	3,516	3,172	344
1972	3,616	3,304	312

[1] Benefits, plus administrative expenses, plus railroad retirement financial interchange.

Thus, there would be no Government cost for the DI system for the early years of operation (since it is financed on a level-contribution basis, rather than an increasing scale as is OASI). The excess of income over outgo gradually decreases in the years shown. By 1980, the situation would be reversed, and a Government cost would occur—about $200 million a year.

As to the HI Trust Fund, under the proposal there would be the following situation (in millions):

Calendar year	Contribution income	Outgo [1]	Excess of outgo
1968	$3,150	$3,320	$170
1969	3,274	3,783	509
1970	3,394	4,143	749
1971	3,516	4,465	949
1972	3,637	4,788	1,151

[1] Benefits, plus administrative expenses, plus railroad retirement financial interchange.

Thus, for 1968, if the proposal had provided for a Government cost for the HI program, it would have been $170 million, and this would steadily have increased in the future, reaching $1.2 billion in 1972. However, no such provision was made, and the available financing would be such that the trust fund would be exhausted in 1970. In other words, under this proposal the HI program would be greatly underfinanced.

In summary, the proposed amendment, by increasing benefits significantly and by leaving the overall financing provisions unchanged, would place the OASDI system in a financial status such that sizeable Government costs would be involved, both in the short range and especially in the long range (the latter must be considered in a social insurance program, and not merely the situation in the next few years). At the same time, the HI program would be made actuarially unsound and, in fact, would be bankrupt by the end of 1970 (since the proposal makes no provision whatsoever for Government payments when outgo would exceed contribution income).

ROBERT J. MYERS.

NOVEMBER 17, 1967.

Mr. LONG of Louisiana. Mr. President, the pending amendment would cause the amount of money flowing into the social security fund to be reduced, and it would look to general revenue financing to finance much of the benefits proposed in the bill.

To this date the social security system has been financed on an actuarial basis, and the taxes have been scheduled not only to pay benefits but to build up the social security trust funds. There are a number of reasons why it should be that way. In the first place, where we have had systems that did not have an automatic contribution to cover the cost, those systems have fallen behind in the amount that would be needed to fund the retirement program for the future.

A classic example of this is the civil service retirement system. Here requests for and appropriations of funds have fallen badly behind as to the general governmental contribution—which constitutes over one-third of needed funds—and now the civil service retirement system is faced with actuarial insufficiency that totals about $43.4 billion. If these appropriations are not made the fund wil be broke about 1985.

Also, one section of the 1965 social security amendments deserves special mention because it illustrates a problem that occurs when appropriations from general revenues are used.

Congress had provided that the cost of certain gratuitous military service wage credits were to have been paid out of general revenues. Up to the time of the 1965 amendments, however, the social security trust funds had been reimbursed only for the cost of these credits through August 1950. The law in effect prior to the 1965 amendments provided that the costs incurred after August 1950 and through June 30, 1956, were to have been paid over the 10 fiscal years ending June 30, 1969, and the costs incurred after June 1956 were to have been paid annually. However, no payments were ever made under this provision primarily because both Republican and Democratic administrations did not request the appropriation. The 1965 amendments authorized a level annual appropriation from general revenues, starting in fiscal 1966, to amortize both the accumulated costs and the additional costs that would accrue through fiscal year 2015 with annual appropriations for costs incurred after fiscal 2015. Following enactment of the 1965 amendments, annual appropriations from general revenues have been made for this purpose but the administration has never requested the full amount as calculated by the Social Security Administration actuary.

These indicate some of the problems you might have with general revenue which we do not have with the employee-employer social security tax system.

Mr. President, in view of this experience, when Congress is expected to appropriate money for a retirement program and does not do so, in view of the fact that there is increasing complaint among young people about paying the present social security taxes, in view of the experience we have in Congress at present, when the Senate is willing to appropriate a certain amount of money but the House is not, in view of the situations that occur when someone says the Government cannot afford these big budgets and moves for a 10-percent or a 5-percent, across-the-board cut in all appropriations, I honestly do not believe that the old people in this country want to depend upon Congress for annual year to year appropriations. If they have a retirement system to which they have contributed their money—to which they have contributed half of the cost—and which is to be funded not only for the present but also for the future, I believe they would like it to stay on the same contributory basis rather than be in the position of depending on Congress for year-to-year appropriations.

Such a charge could conceivably mean that at some future date, when there are many more old folks than now, and when disabled people are under the program and younger people begin to complain about the cost of this program, there might be a big cutback.

For example, in this bill, we are looking at the medicaid program, which is costing much more than was estimated when that program went into effect. We had a very liberal matching formula under that program. We were to start with 50 percent matching, to go up to as much as 83 percent in a State with lower incomes. It is costing so much more money than we anticipated that we now propose to square those two figures so as to arrive at the State's share and arrive at the cost. You multiply 50 percent by 50 percent, and the Federal share thereby becomes 25 percent, as a matter of economy.

In my judgment, we have a right to do that when we finance these benefits out of general revenues. This is a Federal appropriation. The cost of what we have now is too great, and we are going to change it in the Federal interest and in the interest of the public in general. The present plan might be desirable, but it is more expensive than we intended.

That is the difference between a program in which you seek to project your tax and your financing into the future so that when a person contributes something, he may be assured of benefits in the future, and a situation in which you are counting on the Federal Government to put up general revenues to finance the program. I believe the old people would prefer a program that relies upon insurance principles and guaranteed financing, rather than dipping into general revenues to pay the benefit.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. PROUTY. Mr. President, first may I point out that last night, on the Senate floor, the distinguished Senator from Louisiana made a very eloquent argument in support of the position taken by Senator COTTON and me. The Senator from Louisiana said that the social security program is overfinanced not underfinanced under present law.

I hope Senators will look at the chart, which I have had placed on their desks. It shows that under present rates, with the tax base remaining as it is, from now to 1972 the social security trust funds will show a surplus of $6.8 billion.

In addition, I understand that the money presently in the fund totals approximately $28 billion, which would make a total surplus of $34.8 billion.

It seems to me, Mr. President, that the young people and the middle income group would be hit the hardest by the proposed change in the social security payroll tax as contained in the committee reported bill. I am sure that these wage earners would much rather pay less than to have the unnecessary tax increase which is proposed in the bill. That is what they are concerned about. I will go into that in more detail on my own time.

I believe the Senator from Louisiana

should point out that this fund is overfinanced, and he so admitted last night.

Mr. LONG of Louisiana. That is quite true. I do not deny that.

However, Mr. President, this Government is faced with an enormous deficit this year, and it is faced with an enormous deficit even if you look at it on a national income accounts basis. In other words, the Government is just spending and thereby pumping into circulation many billions of dollars, tens of billions of dollars, more than the Government is taxing out of circulation. That is a real problem.

The House bill—and the Senate bill generally follows this pattern—would reduce the surplus flowing into that fund by approximately $2 billion as it is. To the extent that we do that, we worsen this Government's national income accounts position, anyway; and to go beyond that point, as suggested by the Senator, and fail to raise any revenues to help pay for the additional costs of the program, makes the situation still worse.

Of course, Mr. President, I have had some differences with the Senator from Delaware [Mr. WILLIAMS], the ranking Republican member of the committee, because he contends that we should provide for a tax now to pay for all the increased benefits when we vote to provide them for the future. I have contended that we are being responsible if we provide enough tax merely to pay for the increase the Senate committee has voted.

If we ever reach the day when we are providing these increased social security benefits from general revenues alone, there will be tremendous political pressure upon Congress to be totally irresponsible and to provide big increases in payments, which cannot be sustained down through the years as the higher percentage of our population consists of persons aged 65 and over.

I am in sympathy with what the Senator seeks to do but I believe that fiscal responsibility and actuarial soundness demand that we not agree to the Senator's amendment.

Mr. PROUTY. Mr. President, as I have previously stated, I wholeheartedly approve of the liberalized cash benefits provided in the 1967 social security bill just reported by the Finance Committee. I have recommended similar increases for a number of years; and I am happy, indeed, that these proposals are now incorporated in the bill and supported by the administration. I have been unable to understand how anyone could oppose a minimum social security benefit of $70 a month as long as there are 5½ million Americans over 65 living in or near abject poverty.

I have been unable to understand how any person could object to an across-the-board increase in benefit, inasmuch as most of those individuals receiving social security benefits rely on it as their main source of income.

We in Congress, Mr. President, by controlling the benefit amounts which Americans over age 65 actually receive, in effect control their economic well-being. We determine whether or not millions of older Americans can afford the basic necessities. How well have these people fared at our hands?

I am not at all certain that we can pat ourselves on the back for past performance. When we consider the present plight of individuals forced to subsist on social security, we have failed in two respects. On the one hand, we have not been overly generous in granting benefit increases. On the other hand, we share some of the responsibility for a cost of living which has escalated unchecked since World War II.

The older American and the low-income worker have been the greatest losers from inflation and inadequate social security. In order to alleviate the distress of both groups, it is imperative at this time to give serious consideration to the effects of this bill on these individuals. Otherwise, Mr. President, we may find ourselves in the position of fighting the war on poverty with one hand and fanning the flames of poverty with the other.

Mr. President, I am particularly disturbed with the long-range effects which the financing provisions of the bill reported by the Finance Committee may have.

I am disturbed because the bill will have the effect of encouraging the hoarding of large sums of money in trust funds, thus removing them from circulation for no particular reason.

I am disturbed also because the bill increases the rate and base of the social security payroll tax. This will have the effect of seriously jeopardizing the economic well-being of those individuals in low- and middle-income groups.

In short, the financing method in the proposed bill is defective because it will interfere with the overall war on poverty and because it represents unnecessary interference when a reasonable alternative method of financing exists.

First, Mr. President, the method of financing contained in this bill seriously interferes with the overall war on poverty. As I pointed out to the Senate on September 25, 1967:

> If there is anything I have learned from my investigation, it is that poverty in the United States is a complex phenomenon to which there are no simple solutions.

However, Mr. President, since poverty is a complex phenomenon, it can be seriously affected by a number of forces. One of those forces which has a serious effect on economic poverty is the method of taxation for earned income.

During the poverty hearings conducted by our Subcommittee on Employment, Manpower, and Poverty, of which I am ranking minority member, a number of witnesses verified the fact that the low-income worker has little prospect for escaping the poverty cycle since his cash income is never sufficient to meet minimum needs.

For example, let us consider the employee who is being paid the minimum wage of $1.40 per hour and who works a 40-hour week. His gross income would be only $2,912.00 a year even if he faithfully showed up for work each and every day. For all practical purposes, such an individual pays no income tax. However, he must, and should pay a social security payroll tax which is matched by his employer.

The Senate Finance Committee has proposed that the social security payroll tax for OASDI and HI be increased to 5.8 percent for both the employee and employer. What effect would this have on the low-income employee? First of all, the faithful employee working at the minimum wage would have nearly $129 deducted from his annual income of $2,912. This alone would seriously affect his ability to break the poverty cycle. More important, his employer is also faced with a 5.8-percent tax on his payroll. If this employee, earning a minimum wage, is a marginal employee, many employers faced with the additional expense of the increased payroll tax will lower their liability by decreasing their workforce.

I believe, Mr. President, that this example amply drives home the point that the social security payroll tax interferes with the war on poverty. The question we must ask ourselves is how much of an interference is tolerable. I personally believe that we are approaching, if we have not already reached, the breaking point, and that we should not further increase the social security payroll tax at this time.

Moreover, Mr. President, it is not necessary to further increase the payroll tax because a reasonable viable alternative exists. That reasonable alternative, Mr. President, would be to provide a financing method which is based on a progressive rather than a regressive tax.

Each time, in my memory, that a social security increase has been enacted there has been a concomitant increase in the regressive social security payroll tax. This, to my way of thinking, represents a shortsighted piecemeal approach for financing a social insurance program. I am happy to note, however, that recently more and more individuals are beginning to agree with me that a strong, progressive social insurance system is necessary but only possible if a portion of the costs are paid from general revenue.

Mr. President, I wish to point out that this may be the ultimate approach, but in the foreseeable future there is no need to partially finance out of general revenues, even though that method was anticipated when the concept of social security was originated. Nevertheless, many individuals now recognize that sooner or later we will need to utilize general revenues for part of the financing of social security benefits if we really want an adequate social security structure. Last spring, when Walter Reuther was testifying before the Ways and Means Committee, he stated:

> I believe that one of the things that we need to recognize is that we will never build an adequate social security structure so long as we rely exclusively for the financing of that structure upon the payroll tax. We are one of the few free and democratic countries in the world where we have tried to place the total burden of the cost of social insurance upon a payroll tax. It seems to me that the only rational, and responsible, and equitable way to do this job is to have a three-way sharing of the cost of this program so that the wage earner, and the employer, and general revenue of the Federal Government all carry an equal share.

What then, Mr. President, is the justification for the use of the social security payroll tax?

I believe that, to a certain extent, its use can be justified on the psychological basis of having a social insurance system which relies on contributions equally shared by all members of the system. This psychological benefit, Mr. President, can best be seen by the reputation that social security has gained over the years, that it is a benefit to which people are entitled as a matter of right rather than regarding it more realistically as a gratuity.

I object to the social security payroll tax, Mr. President, because it is regressive. It takes a larger bite out of the necessary income of the poor than it does the rich. If I felt that an increase in the social security payroll tax was the only possible way to safeguard our system of social insurance, I would wholeheartedly support it. However, Mr. President, this increase is not necessary.

When we examine the condition of the social security trust funds, it becomes apparent that the primary effect of a social security payroll tax increase would be to generate larger surpluses.

Since the social security system is a social insurance system which makes membership compulsory, its method of financing is not and should not be analogous to that utilized by a private insurance company. The insurance company can never be certain about the number of policyholders it will have at a given point in time. Its salesmen may have a bad year. Its policyholders at any date may surrender their policies for cash value. Moreover, its directors may make bad investments. All of these reasons, and many more make it mandatory that private voluntary insurance companies maintain large reserves for the purposes of meeting future liabilities.

Critics of the social security system often make the mistake of confusing it with a private insurance company. It is no such thing primarily because its membership is locked in by a compulsory insurance program.

Robert J. Myers, chief actuary of the social security system, in his excellent book, "Social Insurance and Allied Government Programs," describes the traditional method for determining actuarial soundness for private insurance systems, he points out:

> Other actuaries have a somewhat less stringent definition of actuarially sound systems: "one which sets forth a plan of benefits and the contributions to provide these benefits, so related that the amount of the present and contingent liabilities of the plan as actuarially computed as of any date will at least be balanced by the amount of the present and contingent assets of the plan actuarially computed as of the same date."

Under this definition of actuarial soundness, a long-range social insurance system with pay-as-you-go financing can be considered sound.

Mr. President, I fail to see that we have fully accepted the principle of pay-as-you-go financing for social security. I suspect that many of us continue to confuse our compulsory governmental social insurance system with the type of voluntary insurance system run by private life insurance companies. For example, even the present payroll tax rate and base which result in overfinancing social security benefits payable annually, as both Secretary Gardner and Commissioner Ball acknowledged before the House Ways and Means Committee and the Senate Finance Committee.

The facts, Mr. President, speak for themselves. Under the present law, the income for calendar year 1967 will be only $28.5 billion. The outgo for calendar year 1967 will be only $24.2 billion, leaving a surplus of $4.3 billion.

How many elderly citizens have nearly starved to death this year because of inadequate social security benefits while that $3.8 billion surplus sits in the U.S. Treasury?

Again, looking ahead to calendar 1968, Mr. President, we find that under present law, income would be $29.6 billion, while outgo would be $25.5 billion, leaving a surplus of $4.1 billion. Even more interesting, Mr. President, is the fact that if we measured the $29.6-billion income for 1968 derived from tax rates in the present law against the benefits outgo proposed in the Finance Committee's report, we would still have a surplus. Thus, assuming that the benefit increases provided in the reported bill were payable from January 1 next year, instead of from March 1 as proposed by the committee, the benefit outgo would only be $28.7 billion for full calendar year 1968, leaving a surplus in excess of $900 million.

What does this mean as we consider long-term financing for social security? To me, Mr. President, it means that if we keep the present social security tax and base as provided in the 1965 Social Security Amendments we will have adequate income to meet all the benefits envisioned by the Finance Committee's report.

Viewing the situation in the most pessimistic way, it could be argued that certain unforeseen events would affect the income and outgo estimates relating to the social security trust funds. I have no doubt, Mr. President, that some Members of Congress will parade before us imaginary horribles along this line. Perhaps some will argue that a steep recession will mean that the trust funds will collect less tax because many individuals will be unemployed. It could be argued, Mr. President, that a future Congress would radically liberalize benefits without providing a tax to pay for the benefit. It even could be argued, Mr. President, that some catastrophic event would take place which would lure millions of individuals into early retirement.

Now, I personally do not see any of these events occurring within the reasonable future. But, even if they did occur, I believe the best method for keeping the income and outgo of the social security trust funds in balance would be by the use of general revenues, if and when that ever became necessary.

General revenue is derived from all taxes levied on businesses and individuals as compared to the payroll tax which is paid by both employees and employers.

General revenue does not overtax those who are living in poverty, as does the payroll tax.

General revenue is both broadly based and progressive as contrasted to the social security payroll tax which is levied on wage earners and is regressive.

Quite frankly, Mr. President, there is nothing novel about the approach of using general revenue partially to finance social security benefits. Dr. Edwin E. Witte, who was the executive director of the Committee on Economic Security, which drafted the Social Security Act recognized this fact as early as 1935. Professor Witte in his book "Development of the Social Security Act" states:

> Any deficit, the old age security staff proposed, should be met through contributions from the United States Treasury, although there was no way in which it could be guaranteed that when the deficits developed contributions would be actually made from general tax revenues, rather than be met through reduction of benefits or increase in the contribution rates.

Robert Myers, the Chief Actuary of the Social Security Administration, points out in his book that—

> The advisory council of 1947–48, somewhat paralleling the action of the previous advisory council, recommended a financing basis under which a relatively small contingency fund would develop, with eventual federal contributions equal to half the combined employer-employee contributions.

I believe it is crystal clear, Mr. President, that financing from general revenues has always been anticipated as a preferable supplement for the social security payroll tax to increased tax rates for this regressive tax. In my opinion, now is the time to provide legislation which would permit supplemental financing for social security from general revenues, if and when the time should ever come when that might be necessary, I certainly cannot envision that possibility as I stand here today.

(At this point, Mr. BREWSTER took the chair as Presiding Officer.)

Mr. PROUTY. Mr. President, the amendment I now propose has the effect of freezing the payroll tax at the levels envisioned by the Social Security Amendments of 1965. It also insures the future stability of the social security trust fund by requiring the Secretary of Health, Education, and Welfare to submit an estimate of its final condition on January 1 of each calendar year. Based on the estimated financial condition of the social security trust fund, Congress could then appropriate any necessary funds from the general revenue of the United States.

I believe that this amendment has several distinct advantages.

First, it avoids the necessity of increasing the already high social security payroll tax. This will benefit individuals with low incomes, and will supplement the intents and purposes of the war on poverty.

Second, this amendment will better insure the financial stability of the social security trust fund. As I pointed out, the proceeds from the social security payroll tax can fluctuate depending on the total number of employed persons in the country.

Third, this amendment would insure that large surpluses in the social security trust fund do not accumulate. I believe that this is particularly beneficial when we realize that surpluses in this fund do little to alleviate the pressing problems facing us today.

Fourth, this amendment would insure every American of greater takehome pay because the social security payroll tax would not be increased as envisioned in the committee report.

Finally, this amendment would enact into law the concept that has run throughout the history of the social security system—that is, that general revenues should be used to finance a portion of the social security benefits, when and if that ever should become necessary.

As I have already pointed out, it is unlikely that actual appropriations will be necessary for the next 6 or 7 years. However, should they be necessary, the adoption of this amendment will provide the mechanism to ascertain the need and amount of appropriation necessary.

Mr. President, I want to emphasize that the proposal recommended by the Finance Committee for increasing the rate and base of the social security payroll tax is not an unimportant item.

It is not unimportant, Mr. President, because it will affect thousands of Americans in our Nation's work force.

It is not unimportant, Mr. President, because it will seriously affect thousands of small businessmen.

The Finance Committee bill raises the maximum taxable earnings base to $8,000 in 1968. Not only that, Mr. President, the committee bill increases the earnings base to $8,800 for the period 1969 to 1971. Not only that, Mr. President, but 1972 and after, the committee raises the earnings base to $10,800.

Now, Mr. President, does this have a serious effect on the American worker? I believe that it does. First of all, more and more workers find that they are in a financial squeeze even though their wages are considerably higher than, say, 10 years ago. The committee bill would mean that more of their earnings would be taxable under the regressive formula of the social security tax rate. I personally do not believe that most Americans can afford that additional burden.

For example, Mr. President, did you realize that the recent report by the Bureau of Labor Statistics points out that the minimum but adequate budget for the typical American family of four is $9,700. The enactment of this new tax scheme suggested by the Finance Committee would force the head of that typical American family to do one of two things. First, he must attempt to get his employer to pay him more money. Second, if he fails in his first alternative, he must cut back on his family living standards by several hundred dollars a year.

Now, Mr. President, as I pointed out, if this increase was essential to maintain the balance of the social security trust funds, I have no doubt but that the typical American worker would gladly bear this additional burden. Unfortunately, Mr. President, the increase proposed by the Finance Committee is not necessary to maintain the balance of the social security trust fund.

Just yesterday, Mr. President, the distinguished chairman of the Finance Committee stated the financial condition of the social security trust fund more authoritatively and eloquently than I could. Let me quote him:

> It is the position of the actuaries, and this is attested to by our experts as well as those in the department, that the program is overfinanced; it is not underfinanced.

At another point in the RECORD, Mr. President, the distinguished chairman of the Finance Committee stated:

> Our bill does not underfinance it. If we are subject to any criticism, it would be the criticism of the Senator from Vermont that we are putting too much in; not too little.

Mr. President, put quite frankly and simply, the social security system does not need the additional tax provisions provided in the bill as reported by the Senate Finance Committee.

Finally, Mr. President, this matter of the social security tax is not unimportant because it will seriously affect thousands of small businessmen.

When we talk about social security payroll tax we sometimes fail to realize that it places a burden on the employer as well as the employee. As the employer is forced to reach into more of his gross revenues for the social security payroll tax, he finds his profit margin becomes less and less. Faced with this problem, large businessmen obviously increase the cost of their product and pass the expense on to the American consumer. In this situation, the American worker loses twice. First as an employee he finds his take-home pay is less. Second, as a consumer he finds that even the reduced take-home pay that he has buys less.

Unfortunately, the effect of the increased social security payroll tax on the small businessman can be even more destructive. The small businessman generally operates on a small profit margin. His greatest expense is generally labor. As the social security payroll tax becomes greater, it has the effect of hitting the small businessman in the area where he is most dependent on being competitive with big businessmen; namely, Mr. President, his expenses connected with paying his employees. The small businessman must either reduce his work force or raise his prices in order to stay in business. He cannot reduce his work force since, unlike the highly automated big businessman, he is most dependent on the services of employees. All too often, Mr. President, neither can he raise his prices because competition is too keen among small businessmen.

If this social security payroll tax is increased as recommended by the Finance Committee, I can see business failures among small businessmen increasing by leaps and bounds. I do not want to see that. I believe most Members of this Chamber do not want to see it. Moreover, I believe the welfare of the country demands that it not happen.

Mr. President, now I realize that some members of the Finance Committee toyed with the idea that the increase provided in their report would act as a substitute for the tax increase which the President apparently feels is necessary, although, as the distinguished Senator from Delaware [Mr. WILLIAMS] pointed out yesterday, or the day before, the President has yet to submit a tax bill to Congress.

I think that one basic flaw exists in this sort of conclusion. Unlike a surtax the social security payroll tax affects only one segment of our economy—businessmen and employees.

Mr. President, I urge the adoption of my amendment because I do not believe that the social security payroll tax needs to be increased, and if it were, I believe that its effect would be disastrous.

Mr. President, I ask unanimous consent that the following exhibits be printed in the RECORD immediately following my remarks:

First. A study by Francis J. Crowley, of the Legislative Reference Service, entitled "The Historical Review of General Revenue Financing in Social Security."

Second. A letter to me from Lawrence N. Woodworth, of the Joint Committee on Internal Revenue Taxation, which includes a table demonstrating how the present payroll tax rate and general revenue financing could both produce approximately $4 billion of revenue.

The purpose of the first exhibit is to demonstrate how often since the enactment of the social security bill in 1935 the question of general revenue financing has been discussed, and how many experts have advocated more extended application and use of such financing.

The purpose of the second exhibit is to demonstrate how much more equitably and fairly a general revenue schedule for raising $4 billion would be than a payroll tax. This is true because the present payroll tax is regressive and falls severely and most heavily upon the people in the lower income brackets. I might point out that $4 billion is approximately the amount of the benefit in this package now being considered by the Senate.

Finally, Mr. President, I have prepared a brief explanation of my amendment and a chart illustrating the financial condition of the social security trust fund. This chart is based on the assumption of adopting all the benefit increases in the Finance Committee's report while not changing the existing tax rates for base contained in the present law.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Library of Congress, Legislative Reference Service, Washington, D.C., Nov. 2, 1967]

HISTORICAL REVIEW OF GENERAL REVENUE FINANCING IN SOCIAL SECURITY

(By Francis J. Crowley, Education and Public Welfare Division)

1. Summary—Pros and cons

Proposals to use general revenues to finance the Social Security program are not new. The original proposals for a Social Security program contemplated the use of general revenues starting about 1965. During the 1940's, the law authorized an appropriation from general revenues if it was needed to keep the program solvent. In the Social Security Amendments of 1950, Congress appeared to settle the question by repealing the authorization for appropriations from general revenues. Further indication of this was the frequent reference to the self-supporting nature of the program that after 1950 was to be found in every Committee report dealing with social security financing. Recently, however, there has been a revived interest in the use of general revenues in the financing of the social security program. This interest is the result of a growing awareness of the growing magnitude of the social security tax and its effect on individual and corporate income. Almost all the legislative proposals which would provide a more liberal benefit increase than in the current administration bill use some type of general revenue financing. (Under present law, a worker's maximum social security tax is scheduled to rise from $290.40 in 1967 to $372.90, under the administration's proposals to $626.40, and under the House-passed social security bill to $448.40 in 1987.)

In discussing the financing of the Social Security program there is a tendency to discuss it both from its "insurance" or "equity" aspects and from its "social" or "welfare" aspects. Some who support the general revenue approach say that the payroll tax is the appropriate way to finance the insurance aspects (retirement benefits, for example) but that it is not the proper way to finance the broader social aspects of the program such as dependents benefits. In this context, the question of using general revenues to finance social security benefits becomes a question of defining the role of the social security program. Those who argue for general revenues in financing further benefit liberalizations point out that the equities of the program require such financing to assure that contributors get their money's worth from the taxes they pay. On the other hand, those who do not want general revenues to be used in financing the social security program argue that there should not be further changes in the program which emphasize the "social" aspects.

For others, there is a middle ground argument that no basic change is needed, that a balance should be maintained between the social and the insurance aspects and the total cost paid out of the earmarked payroll tax. It is this group who present the arguments that general revenues in the social security program will have an undesirable effect on people's attitudes about the system. Pretty much from start of the program, and right up to the present time, the Social Security Administration, and proponents of the social security program in general, have talked about the contributory nature of the program, indicating that because people pay social security taxes, the benefits, unlike welfare payments, are paid as a matter of earned right. Moreover, they point out that because employers and employees know that improvements in the program will result in increased taxes that they themselves must pay, the payroll tax serves as a limitation against fiscal irresponsibility and too rapid expansion of the program.

Today, many who argue for and many who argue against using general revenues to finance social security start from much the same place; that the social security program is not a pure insurance program, that much of what it attempts to do is "social" or "welfare" in nature and that these social or welfare costs ought not to be financed by a payroll tax. The payroll tax, as opposed to the Federal income tax, is generally considered a regressive tax. Thus, the relative burden of paying the cost of the social security program falls more heavily on lower-paid workers.

Some who fear general financing fear that future budgetary considerations would be such that the Executive and the Congress would, as with the Civil Service retirement program, neglect to provide currently the amounts that are not needed to meet current expenditures, but which are needed to keep the program on a sound actuarial basis.

Those who argue for using general revenues believe that the cost of the program includes the cost of paying full benefits to people who had little opportunity to work in covered employment, including those who were approaching retirement age when their work was covered under the program. The cost of paying these benefits—about one-third of the cost of the program—in this argument is considered a social cost that could properly be paid out of general revenues. If general revenues were used for this purpose, and if there were no change in the financing of the present program, these people point out that the additional income from general revenues would make it possible to increase benefits about 50% above present levels.

On the other hand, a witness before the Committee on Ways and Means testified in March 1967 on a proposal to provide reduced social security taxes. Under this proposal social security taxes would be reduced to a point where the benefits that could be paid under present law to a young worker entering the labor force would be equal to the full value of the employer and employee taxes paid on his wages; the cost of benefits to older workers in excess of the taxes paid on their wages would be met from general revenues.

2. Introduction

Since the inception of the Social Security program, a major question has been the extent to which the program should be financed out of general revenues. Recently the question has gained new significance with a number of witnesses appearing before the Committee on Ways and Means and the Committee on Finance to testify on the proposals recommended by the President and contained in H.R. 5710 recommending that general revenues be used to finance changes in the social security program. Because of the questions about general revenue financing that are being raised, it is appropriate at this time to review the history of earlier discussions and to put the present discussions in their correct historical perspective.

Central to today's discussion of the desirability of using general revenues to finance part of the social security program is the amount of payroll tax that is needed to pay for the present program and the additional amounts that will be needed to finance any liberalization in the system.

3. The Social Security Act of 1935

The earliest discussions of using general revenues took place in the Committee on Economic Security, whose recommendations formed the basis of the original Social Security Act. The Committee, which had been appointed by President Franklin D. Roosevelt in 1934, was composed of five members.[1] The social security program proposed by the Committee had originally called for a Government contribution starting about 1965. However, when the President learned that the program was not "self-sustaining" he insisted that it be changed. Edwin Witte, Executive Director of the Committee, described the President's reaction on learning that the program was not self-sustaining. Mr. Witte wrote:

"On the afternoon of January 16, after the President had already notified Congress that he would, on the next day, submit a special message dealing with social security, and after press stories on the message and the committee's report had already been given out at the White House, the President discovered a feature in the old age insurance part of the program which he did not like. This was the aspect that a large deficit (to be met from general governmental revenues) would develop in the old age insurance system after 1965, as was stated clearly in the press releases which were prepared by Mr. Fitzgerald of the Department of Labor. The President thereupon sent for Secretary Perkins, who, in turn, asked me to come over after the President had indicated that he could not support such a program. When I arrived, the President was still under the impression that there must be a mistake somewhere in the tables which appeared in our report. When advised that the tables were correct the President insisted that the program must be changed. He suggested that this table be left out of the report and that the committee, instead of definitely recommending the particular tax rates and benefit schedules incorporated in the original bill, merely present these as one plan for meeting the problem which Congress might or might not adopt.

"Following this conference with the President, all members of the Committee were communicated with and all agreed that the President's wishes in that matter must be carried out. The report was again withdrawn from the President and changes made which he had suggested. It was not filed in final form until the morning of January 17, although it bears the date of January 15, 1935. [Witte, Edwin E. 'The Development of the Social Security Act.' Madison, 1962, p. 748.]"

The President, however, was not the only one who had some misunderstanding about the extent to which general revenues were to be used to finance the old-age insurance program that the Committee was recommending. Mr. Witte believed the members of the Committee on Economic Security did not realize that benefits in excess of the amount of social security taxes would be paid to substantially all people who entered employment prior to 1957. Mr. White explained this and the rationale for the Committee's recommendation in the following way:

"The benefits provided in this bill were such as the actuaries figured could be paid for by 5 percent contributions on payroll over a lifetime of employment in industry. This meant that the combined rates on employers and employees would be adequate to pay the costs of the benefits only for employees entering the old age insurance system in 1957 and thereafter. In the first twenty years of the system far less would be collected than necessary to meet the costs computed on an actuarial basis. Due to the fact, however, that in any old age insurance system there are relatively few retirements during the early years, the amount collected in these first twenty years would nevertheless have been considerably greater than the disbursements during these years, so that the inadequacy of the rates would not create a serious financial problem until some years later. If the ultimate rate equaled only the actual current cost, however, the actuaries estimated that by 1965 a deficit would develop in the old age insurance fund, which would continue to increase until 1980. By that time this deficit would amount to approximately $1,400,000,000 per year. This deficit, the old age security staff proposed, should be met through contributions from the United States Treasury, although there was no way in which it could be guaranteed that when the deficits developed contributions would be actually made from general tax revenues, rather than be met through reduction of benefits or increase in the contribution rates.

"The Committee on Economic Security was told by its staff that the taxes currently collected would not meet the costs of benefits after 1965 and it accepted the idea that the deficits resulting thereafter should be met from general tax sources. In all discussions preceding the committee's final decision on the recommendations it should make on old age security, the plan recommended by the staff was discussed in terms of larger benefits to workers approaching old age than could be paid for through their contributions and those of their employers, with the United States Government ultimately making up the resulting deficits from general tax sources. It is my belief that no member of the committee understood that payments in excess of contributions would be made not only to workers already approaching old age, but to substantially all workers who entered employment prior to 1957.

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[1] The members were: Frances E. Perkins, Secretary of Labor (Chairman); Henry Morgenthau, Jr., Secretary of the Treasury; Homer Cummings, Attorney General; Henry A. Wallace, Secretary of Agriculture; Harry Hopkins, Federal Emergency Relief Administrator.

"When Secretary Perkins and Mr. Hopkins, acting for the committee, presented its recommendations orally to the President on December 24, [1934] they described the recommendations on old age insurance in the terms used by the staff, and the President got the impression that the plan proposed contemplated payments in excess of contributions only to people approaching old age who did not have time to build up their own old age protection on a really adequate basis. He also accepted the argument made by the staff and the committee that the compulsory old age insurance system would reduce the costs of the noncontributory old age assistance grants and apparently formed the idea that the two programs combined would result in decreasing governmental costs as the years went on."

On this point Mr. Witte continued his account.

"To satisfy the President, the committee's report was altered at the last minute, avoiding a definite commitment to the tax and benefit rates recommended by the staff. The working out of new rates to make the plan self-supporting, however, required time. So the rates recommended by the staff had to be included in the original bill. The Committee on Economic Security, however, had definitely told the President that it would revise these rates to accord with his views and would suggest an amendment to the Ways and Means Committee which would make the old age insurance system self-support (assuming the correctness of the actuarial calculations and continuance of the plan without material amendments in future years.)

"Because Secretary Morgenthau presented this amendment, this proposal was termed the "Morgenthau amendment," and in all newspaper accounts was represented as if it was a proposal of the Secretary of the Treasury acting alone, whereas in fact it was an amendment recommended by the Committee on Economic Security and agreed to by all of its members. This amendment revised the bill to make the initial tax rate (for the years 1937, 1938 and 1939) 1 percent on employers and 1 percent on employees, and provided for increases of 0.5 percent every three years, until a maximum of 3 percent on employers and 3 percent on employees would be reached in the year 1949, after which this rate was to be continued indefinitely. The actuaries estimated that the increased tax revenues yielded under this plan would enable the old age insurance system to remain entirely self-supporting, at least until 1980. At the same time, it would result in an ultimate reserve of nearly $50,000,000,000 as against a reserve of $14,000,000,000 estimated by the actuaries under the original plan. This large reserve was regarded by the President as creating a far less serious problem than the deficits after 1965 contemplated under the original plan.

"The Morgenthau amendment was criticized before the Ways and Means Committee on the score of the large reserve which it would create by Messers. Latimer and J. Douglas Brown, connected with the Committee on Economic Security, and before the Senate committee also by Mr. Folsom of the advisory council. Apparently, however, their arguments made little impression upon any members of either committee. The large reserve was used as argument against the bill by Senator Hastings on the floor of the Senate, but neither he nor any other member of either congressional committee ever offered an amendment to reduce the tax rates. The rates of the Morganthau amendment were agreed to by the Ways and Means Committee without a dissenting vote and remained in the bill ever after. [*Ibid.*, pp. 147–151]"

4. Financing the 1939 amendments

An Advisory Council on Social Security had been appointed by a Subcommittee of the Committee on Finance and the Social Security Board in 1937. It reported in December of 1938, recommending basic changes in the system which departed from the 1935 Act's emphasis on the private insurance concept of a benefit tied directly to the amount of taxes paid. Instead, it recognized dependents and survivors and accentuated the policy of paying higher retirement benefits than the equivalent taxes to people who retired early in the program. As to financing, the Council stated:

"Since the Nation as a whole, independent of the beneficiaries of the system, will derive a benefit from the old-age security program, it is appropriate that there be Federal financial participation in the old-age insurance system by means of revenues derived from sources other than pay-roll taxes. [Hearings on Social Security, Committee on Ways and Means, February–April 1939, 76th Cong., p. 39.]"

Emphasizing that dependency in old age was a national problem, the Council declared:

"With the broadening of the scope of the protection afforded, governmental participation in meeting the costs of the program is all the more justified since the existing costs of relief and old-age assistance will be materially affected.

"Governmental participation in financing of a social insurance program has long been accepted as sound public policy in other countries. Definite limits exist in the proper use of payroll taxes. An analysis of the incidence of such taxes leads to the conviction that they should be supplemented by the general tax program. [*Ibid.*, p. 39]"

The Council then went on to recommend a tri-partite approach "of distributing the eventual cost" of the system by equal contributions by employers, employees, and the Government. The Council indicated that this would permit the redetermination of tax rates and the "problems of financial policy can be far more readily resolved" because of the Federal contribution. As to the question of the amount of reserves necessary, the Council stated:

"With the changes in the benefit structure here recommended and with the introduction of a definite program of governmental contributions to the system, the council believes that the size of the old-age insurance fund will be kept within much lower limits than are involved in the present act. Under social insurance programs it is not necessary to maintain a full invested reserve such as is required in private insurance, *provided* definite provision is made for governmental support of the system. The only invested fund then necessary would be a reasonable contingency fund [*Ibid.*, p. 40]".

On January 17, 1939, President Roosevelt submitted the recommendations of the Social Security Board to the Congress. The Board report stated:

"As already stated, if the recommendations of the Board relating to benefits are adopted, early payments under the system will increase substantially. The tax provisions embodied in the present law would probably cover the increased annual cost for the first 15 years. They would also probably provide a small reserve, which would be invested and earn more interest. But when future annual benefit disturbances exceeded annual tax collections, plus interest earnings, some other provision would have to be made for the funds which, under the existing plan, would be secured from interest on accumulated reserves. It would then be necessary to do one of two things: increase the pay-roll tax, or provide for the deficiency out of other general taxes.

"The Board is of the opinion that it would be sound public policy to pay part of the eventual cost of the benefits proposed out of taxes other than pay-roll taxes, preferably taxes such as income and inheritance taxes levied according to ability to pay.

"The portion of the total costs to be met by taxes other than pay-roll taxes should depend upon the proportion of the general population covered by the insurance system. The wider the coverage, the more extensive this contribution from other tax sources might properly be.

"Although the Board believes that contributions to the old-age-insurance program should eventually be made out of Federal taxes other than those on pay-rolls, it does not believe that such taxes should be substituted for any part of the pay-roll taxes, provided in the present act, or that such other taxes should be used until annual benefit disbursements begin to exceed annual pay-roll-tax collections, plus the interest earned on the small reserve which would be accumulated. [*Ibid.*, pp. 8–9]"

During the public hearings on the Social Security Act held by the Ways and Means Committee, Secretary of the Treasury Morgenthau in late March presented four plans for modifying the contribution rate schedule provided in the Social Security Act. The variations in the plans related only to the years prior to 1943. [*Ibid.*, p. 2114] All four plans called for the rate schedule as contained in the Social Security Act of 1935, for 1943 and subsequent years; that is, 2 percent each on employer and employee in 1943, 2½ percent in 1946, and 3 percent in 1949. Plan number four, which was finally adopted with the enactment of the 1939 amendments, omitted the increase in tax rate from 1 to 1½ percent for the years 1940–42 as provided in the 1935 Act.

As to the revised thinking of the Roosevelt Administration on the government contribution, Secretary Morgenthau stated:

"My latest annual report presented the estimate that, without extension under the present law, 80 percent of the population of the United States ultimately will have qualified during their working life for at least the minimum annuity under title II of the act.

"This experience throws new light on our original belief that the act ought to be self-supporting. Four years of experience have shown that the benefits of the act will be so widely diffused that supplemental funds from general tax revenues may be substituted—without substantial inequity—for a considerable proportion of the expected interest earnings from the large reserve contemplated by present law. Therefore, it becomes apparent that the argument for a large reserve does not have the validity which 4 years ago it seemed to possess.

"There is no need at the present time and, I believe, there will be no need in the near future, for supplementing pay-roll taxes from general revenue. For all classes of beneficiaries, the values of the benefits which the act provides, are, and for a long time will be, substantially in excess of the contributions under the schedule provided in the law. [*Ibid.*, p. 2112]"

Mr. Morgenthau indicated that he was also influenced in his thinking about the reserve and the rate schedule by the prevailing economic conditions. In this respect he said:

"There is another reason for questioning the schedule of tax rates and the resultant reserve set-up in 1935. We adopted a gradual step-up in the tax rate in 1935 in order to give industry an opportunity to accustom itself to the new taxes and so avoid any undue restrictive effects. The trend of business conditions in specific future years could not, of course, be accurately foreseen. In periods of incomplete business recovery like the present, the contributory old-age-assistance system should be so financed as to have the least possible deterring effect on business. It is, therefore, a pertinent question whether a substantial increase in the tax rate should be allowed to occur at the present stage of business recovery.

"The depressing effect of the present disturbed state of world affairs upon the American economy makes it especially urgent that at this time we do not place any avoidable burdens on American productive enterprise. [*Ibid.*, p. 2112]"

The Secretary recommended the adoption of an "eventual reserve amounting to not more than three times the highest prospective annual benefits in the ensuing 5 years." [*Ibid.*, p. 2113] This was cited by the Ways and Means Committee and the Senate Finance Committee in their reports accompanying the bill and a provision was inserted in the law requiring the trustees to report immediately whenever the trust fund reached this magnitude.

The Congress did not authorize a Government contribution in the 1939 Amendments when it froze the 1 percent tax until 1943. The Committee estimated that benefits would not exceed tax collections until about 1955 and that the revised system was sounder financially. After explaining the difficulty of estimating costs, both reports contained the following:

"Unforeseen contingencies may, however, change the entire operation of the plan. It is important, therefore, that Congress be kept fully informed of the probable future obligations being incurred under the insurance plan as well as the public-assistance plans. Each generation may then meet the situation before it in such manner as it deems best.

"If future annual pay-roll tax collection plus available interest are insufficient to meet future annual benefits it will be necessary, in order to pay the promised benefits, to increase the pay-roll tax or provide for the deficiency out of other general taxes, or do both. [S. Rept. 734, 76th Cong., p. 18; H. Rept. 728, p. 17.]"

The 1939 estimates of the Committees concerning the probable size of the reserve fund in future years proved to be very conservative. Under the proposal to "freeze" the tax rate at 1 percent until 1943, and thereafter to follow the original schedule as provided in the Social Security Act, the Finance Committee estimated that the reserve fund would be $6,871,000,000 by the end of 1955. [S. Rept. 734, p. 17.] The Ways and Means Committee estimated the fund would be $7,752,000,000 by the end of the same year. [H. Rept. 728, p. 15.] The change in world conditions due to World War II and the resulting expansion of industry increased the reserve fund far beyond what expert opinion could foresee in 1939. Although the tax rate did not rise above 1 percent, at the end of June 1950 the reserve fund was almost $12.9 billion.

5. Financing issues in the 1940's

In the years between 1942 and 1950 Congress enacted seven more postponements of the original tax rate. The principal architect of the "freeze" was Senator Arthur Vandenberg. Those who favored the "freeze" argued that there were sufficient assets and income flowing into the trust funds to take care of the requirements of the program for many years, that the Morgenthau "three times rule" was being more than met, and that the Social Security system was not the proper vehicle for curbing war-time inflation. The Roosevelt Administration in opposing the "freeze" argued that the Morgenthau rule was not supposed to be operative in the early years of the system; that the long-term actuarial soundness of the system required the tax increases scheduled in the Act, that if the rates were not allowed to go into effect as scheduled in the law, higher ultimate rates or a Government subsidy would be needed. Sometimes the argument was used that to allow the original rates to go into effect would help finance the war and curb wartime inflation.

The debate on the postponement of the tax rate in 1944 was of particular interest in that Congress froze (over Presidential veto) the tax and authorized an appropriation from general revenue to the trust fund of "such additional sums as may be required to finance the benefits and payments under this title." The general revenue authorization was a Senate floor amendment introduced by Senator Murray who was opposed to the tax "freeze." He quoted the Senate committee report, which had reported the "freeze" provision:

"It is obviously true that the change to the basis of contingent reserves, as contemplated by the amended statutes, that Congress obligates itself in the future to make whatever direct appropriations (in lieu of appropriations for interest on bonds in reserve) are necessary to maintain the full and complete solvency of the old-age and survivors benefits funds, because there could be no more solemn public trust. This is inherent in the decision made by Congress in 1939. The statutory rule, requiring contingent reserves which are at least three times as large as the total cost of the system in any one of 5 subsequent years, is a complete measure of contingent protection and always gives Congress at least 5 years' notice of any possibility of delinquency. [S. Rept. 627, 78th Cong., p. 19]"

Senator Murray stated that his amendment only carried out the intent of the Committee statement. Senator Vandenberg agreed, saying, however, that there should be "no implication that any additional sums are necessary now or in the foreseeable future." [90th Cong., Rec. 374]

During this period two reports of advisory groups are of interest as to the issue of a Government contribution. The Ways and Means Committee's Social Security Technical Staff established pursuant to H. Res. 204, 79th Congress, first session, began its study of various phases of the Social Security Act in the summer of 1945. Its report, *Issues in Social Security*, noted the problem of estimating benefits because World War II "played havoc" not only with estimates already made but also with the basis for future estimates. The report stated as to the growth of costs of the program:

"While at present the benefits are considerably less than half of 1 percent of taxable wages, we can foresee a possible growth to as much as 9 or 10 percent of wages. Perhaps for present purposes it is not really important whether the cost 20 years hence is four or seven times as much as now or whether by 1980 the benefits will be 6 or 8 percent of wages. Perhaps the really important expectation—one regarding which there is no difference of opinion—is that the total of benefits is going to increase gradually over a long period of years and will become many times as large as at present. [P. 110]"

The report made the following suggestion for a tax schedule and a Government contribution:

"That, for old-age and survivors insurance as now provided, social-security tax rates be 1½ percent of the first $3,000 of wages from employer and employee alike during the 10-year period 1947–56, inclusive; that this rate be increased one-half percent in 1957, 1967, and 1977; that a Federal subsidy be anticipated in future years, any excess of benefit and expense payments over social-security taxes and interest on the trust fund for a particular year to be met by Federal subsidy until such time as this subsidy becomes a third of the year's total of benefit and expense payments. Whenever this stage is recognized as imminent, revision of the tax rate should be considered. Revision of the tax rate should also be considered if the trust fund reaches some chosen total like 20 billion or 30 billion dollars. [P. 121]"

The Committee on Ways and Means had the report of the Social Security Technical Staff before it when it began its considerations of the Social Security Amendments of 1946. On July 1, the Committee reported out a bill (H.R. 6911) which would have raised the tax rate to 1½ percent and also would have repealed the provision authorizing necessary appropriations out of general revenue. A strong minority report was filed objecting, in the main, to the bill's increased Federal matching for public assistance but also pointing out that the Social Security tax rate "could just as well have been frozen at 1 percent for 5 years according to the authorities appearing before the committee." (H. Rept. No. 2447, 79th Cong.) H.R. 6911 was never brought to the floor but another bill (H.R. 7037) was reported (H. Rept. No. 2526, 79th Cong.) and acted upon which would have frozen the tax at 1 percent and have repealed the provision authorizing general revenue financing. The Senate approved the freeze but struck out the deletion of the general revenue authorization. The Finance Committee report stated: "to repeal this provision, as proposed by the House of Representatives, while continuing to freeze the tax, might be taken to imply an unwillingness of Congress to underwrite the solvency of the system. [S. Rept. 1862, 79th Cong., p. 3]"

The legislation also authorized survivors benefits for uninsured veterans who died within three years after discharge. These benefits were to be financed out of general revenue.

The Committee on Finance appointed an Advisory Council on Social Security in 1947 which at the end of 1948 issued a report with a broad range of recommendations as to coverage, eligibility, and benefits. The Council suggested that if benefits were liberalized as it suggested (by about 50%) the tax rate should be raised immediately to 1½ percent but that a step-up to 2 percent "should not take place until actually needed to cover current disbursement." When the 2 percent rate was insufficient to meet current benefit costs, the Council believed that a Government contribution should be introduced. The Council wrote:

"There are compelling reasons for an eventual Government contribution to the system, but the Council feels that it is unrealistic to decide now on the exact timing or proportion of that contribution. When the rate of 2 percent on employers and 2 percent on employees, plus interest on the investments of the trust fund, is insufficient to meet current outlays, the advisability of an immediate Government contribution should be considered.

"The step-up to 2 percent should be postponed until actually needed. The Council believes that the excess of income over outgo, inevitable in the early years of the program, should be kept as low as is consistent with the contributory character of the program. Even with the increase to 1½ percent, assets of the trust fund may rise for a few years at an annual rate of about $2,000,000,000.

"For the reasons given above, the Council believes that the first step-up is needed when the liberalized program becomes effective, but we wish to emphasize that building up the trust fund is not the purpose of our proposed increase in the contribution rate, and we therefore urge that additional increases in the rate be postponed. The increase in the trust fund is an incidental result of the contribution rates, the benefit rates, and the eligibility requirements that seem to us desirable on other grounds. Unlike private insurance, a social-insurance scheme backed by the taxing power of the Government does not need full resources sufficient to cover all liabilities.

"Some people fear that additions to the trust fund will have adverse effects on the economy. Whether the economic effects of additions to the trust fund are good or bad will depend on the general economic situation and on the fiscal policies of the Government. In any circumstances, an annual surplus for a few years of as much as $2,000,000 would not, in our opinion, be unduly large or unmanageable; in fact, such a surplus would be small in comparison with the amounts involved in many recent financial operations of the Government. On the other hand, the Council sees no reason to increase this surplus even further by moving to the 2-percent rate before the demands of the system actually call for such an increase.

"The Council believes that the Federal Government should participate in financing the old-age and survivors insurance system. A Government contribution would be a recognition of the interest of the Nation as a whole in the welfare of the aged and of widows and children. Such a contribution is particularly appropriate, in view of the relief to the general taxpayer which results from the substitution of social insurance for part of public assistance.

"The old-age and survivors insurance program starts with an accrued liability resulting from the fact that, on retirement, the present members of the labor force will not have contributed toward their benefits over a full working lifetime. Furthermore, with the postponement of the full rate of contributions recommended above, even young people who enter the labor force during the next decade will not pay the full rate over a working lifetime. If the cost of this accrued liability is met from the contributions of workers and their employers alone, those who enter the system after the full rate is imposed will obviously have to pay with their employers more than is necessary to finance their own protection.[3] In our opinion, the cost of financing the accrued liability should not be met solely from the payroll contributions of employers and employees. We believe that this burden would more properly be borne, at least in part, by the general revenues of the Government.

"Old-age and survivors insurance benefits should be planned on the assumption that general taxation will eventually share more or less equally with employer and employee contributions in financing future benefit outlays and administrative costs. The timing and exact proportion of this contribution, however, cannot be decided finally now. They will depend in part on the other obligations of the Government and the relationship between such obligations and current income. We believe that a Government contribution should be considered when the 2 percent rate for employer and employee plus interest on the investments of the trust fund is insufficient to meet current costs. To increase the pay-roll contributions above the 2 percent rate before the introduction of a Government contribution might mean that the Government contribution would never reach one-third of eventual benefit outlays, since under our low-cost estimates the annual cost of the benefits never exceeds 6 percent of pay roll even though it reaches 9.7 percent under the high estimate.

[Recommendations for Social Security Legislation, S. Doc. No. 208, 80th Cong., pp. 45–47]

6. Financing issues in the 1950's

Although the Congress did enact into law many of the recommendations of the Advisory Council, it did not accept the idea of a Government contribution. In fact, both Committee reports stated that the system "should be on a completely self-supporting basis" and the Congress repealed the 1944 authorization for an appropriation from general revenue. The Committee on Ways and Means stated:

"Your committee has very carefully considered the problems of cost in determining the benefit provisions recommended. Also your committee is firmly of the belief that the old-age, survivors, and disability insurance program should be on a completely self-supporting basis. Accordingly, the bill eliminates the provision added in 1943—actually added in 1944—authorizing appropriations to the program from general revenues. At the same time, your committee has recommended a tax schedule which it believes will make the system self-supporting (or in other words, actuarially sound) as nearly as can be foreseen under present circumstances. Future experience may differ from the estimates so that this tax schedule, at least in the distant future, may have to be modified slightly—either upward or downward. This may readily be determined by future Congresses after the revised program has been in operation for a decade or two. [H. Rept. 1300, 81st Cong., p. 31]"

Also of interest is the provision of the 1950 Social Security Amendments which granted special wage credits to veterans of World War II and continued the benefits to survivors of veterans who died within three years of discharge. The bill that was reported by Ways and Means had authorized that the cost of these benefits be borne by general revenues while the Finance Committee provided that the cost be borne by the trust fund. The bill reported by the Conference Committee accepted the Senate version. The Senate report stated that the money should come from the trust fund "since there is a substantial amount now in the trust fund and, as will be indicated subsequently, the trust fund will continue for a considerable time to have an excess of income from contributions over outgo for benefit payments." [S. Rept. 1669, p. 19.]

The Committee reports on all the major Social Security legislation enacted during this period emphasized that the system should be "self-supporting." The report of the Committee on Ways and Means on the Social Security Amendments of 1956 which introduced cash disability benefits into the system is typical:

"Your committee continues to believe that the tax schedule in the law should make the system self-supporting as nearly as can be foreseen, or in other words, actuarially sound." [H. Rept. 1159, 84th Cong., p. 11.]

Another enactment in 1956 (Public Law 881, 84th Congress) changed the financing of the gratuitous wage credits previously granted for military service from the trust fund to general revenue and provided for the future contributory coverage of servicemen. The 1950 amendments which provided noncontributory $160 monthly wage credits to persons who served in the Armed Forces during World War II (the 1952, 1953, 1955, and 1956 legislation, also provided similar credits on account of service from July 25, 1947, through December 31, 1956) had charged to the trust funds the additional cost of the credits. The Select Committee on Survivor Benefits which reported the 1956 legislation stated:

"The Committee deems it highly appropriate for the Federal Government to acknowledge this debt to the OASDI trust fund, for the program under which this debt was contracted is being terminated.

"The Committee is of the opinion that legally no statutes have bound the Federal Government to reimburse the OASI trust fund, but there is no doubt that there was an implied responsibility, and it would be unconscionable for the Federal Government not to acknowledge its obligation in this regard. [H. Rept. no. 993, Part 1, p. 27]"

The 1956 enactment, however, switched the cost of the 1946 special veteran survivor benefit from the trust fund to general revenue, but no payments were made under this provision.

During the period, there was one important report of an advisory council in this area. The Social Security Amendments of 1956 established an Advisory Council on Social Security Financing which reported on January 1, 1959, on what it considered its main responsibility—"the method of financing old-age and survivors insurance and disability insurance." [Appendix IV to 19th Annual Trustees Report, House Doc. 181, 86th Cong., p. 59]

The Council did not consider it part of its task "to evaluate in detail the effect of this system of social insurance on the stability and productivity of the economy." They believed, however, that a sound program could be of great value to the economy as well as to the individual citizen. In their major finding the Council stated that "the method of financing the old-age, survivors, and disability insurance program is sound, and based on the best estimates available, the contribution schedule now in the law makes adequate provision for meeting both short-range and long-range costs" and that the Council had "no suggestions for basic changes in the present plan of financing." [*Ibid.*, p. 60–61] They also stated that it was important that the income exceed outgo during the early years of the system and that the system be in close actuarial balance over the long range. The Council endorsed both the employer and employee contribution. As to the worker's contribution it stated:

"The fact that the worker pays a substantial share of the cost of the benefit provided, in a way visible to all, is his assurance that he and his dependents will receive the scheduled benefits and that they will be paid as a matter of right without the necessity of establishing need. The contribution sets the tone of the program and its administration by making clear that this is not a program of government aid given to the individual, but rather a cooperative program in which the people use the instrument of government to provide protection for themselves and their families against loss of earnings resulting from old age, death, and disability. The Council also believes that the direct earmarked tax on prospective beneficiaries promotes a sense of financial responsibility. It is very important that people see clearly that increases in protection necessarily involve increases in costs and contributions. [*Ibid.*, p. 62]"

As to the use of general tax funds it declared:

"We believe that the experience of the last 22 years has shown the advantages of contributory social insurance over grants from general tax funds. It is true that, up to the present time, workers as a group have not contributed a large share of the cost of their own protection. Most workers covered in the early years of the program will contribute during only a part of their working lifetime, and, under the graduated schedule in the law, contribution rates have been low relative to the value of the protection provided. But this situation is changing. Young workers starting out under the system in recent years will contribute a substantial part of the cost of their protection. [*Ibid.*, pp. 62–63]"

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[3] It is estimated that the cost of the protection for a generation of workers under the program for a full-working lifetime would be from 3 to 5 percent of payroll, while the level premium cost of the whole system including the accrued liability, is from 4.9 to 7.3 percent of pay roll.

As to the contribution of the employer and self-employed, a similar conclusion was reached:

"Protecting the members of the labor force and their dependents against loss of income from the hazards of old-age retirement, permanent and total disability, and death is, at least in part, a proper charge on the cost of production. Moreover, business enterprises have a significant stake in assuring that orderly provision is made to meet the needs of their employees and their families for income when their working lives are over. The earmarked contribution for social security is a recognition of this stake. The direct contributions gives employers status in the program and a clear right to participate in the development of the program and in the formation of policy.

"The rate for the self-employed—1½ times the rate paid by the employee—is a recognition of the fact that the self-employed person, in respect to his own employment, has some of the characteristics both of employee and employer. The Council has found no reason for a change in this rate. [*Ibid.*, p. 63]"

The Council also recommended retaining a maximum limit on the amount of earnings taxed and credited toward benefits and that "the contribution should be levied on the same amount of earnings as the amount which is credited for benefits." It also recommended that the maximum should be increased from time to time as wages rise. As the role of trust funds—

"The Council approves of the accumulation of funds that are more than sufficient to meet all foreseeable short-range contingencies, and that will therefore earn interest in somewhat larger amounts than would be earned if the fund served only a contingency purpose. The Council concludes, however, that a "full" reserve is unnecessary and does not believe that interest earnings should be expected to meet a major part of the long-range benefit costs. [*Ibid.*, p. 67]"

As to the Morgenthau "three times rule" the Council called for its repeal:

"We see no merit in the provision of present law which requires the trustees to report to the Congress whenever, in the course of the next 5 years, it is expected that either of the trust funds will exceed three times expenditures in any one year. The implication of the provision is that the trust funds should not be allowed to exceed the result of this formula. We do not believe that the trust funds should be held to any arbitrary relationship to expected annual expenditures, and we recommend that the provision be repealed. [*Ibid.*, p. 68]"

Such a repeal was effectuated in the 1960 Social Security Amendments § 701, P.L. 86–778.

7. Financing Issues in the Early 1960's

The sixties started with the Congress and the Administration maintaining much the same position that had been held since 1950, that the social security program ought to be fully self-supporting through the payroll tax. However, in 1965 and 1966 legislation was enacted that provided for significant appropriations from general revenues to pay for social security benefits. The Social Security Amendments of 1965 extended hospital insurance to everyone who attains age 65 before 1968 without regard to whether they could qualify for monthly social security benefits. The cost of these benefits is paid out of general revenues appropriated by the Congress. Also, the Prouty amendment to the Tax Adjustment Act of 1966 provides benefits paid for out of general revenues to people who are currently over 72 and who would not otherwise be eligible for monthly social security benefits.

In the 1960's the OASDI part of the program underwent three major amendments, those of 1960, 1961 and 1965. The financing of these amendments continued the policies of the 1950's. Two brief statements from the Committees that considered these amendments reflect the position of the Congress in this respect. The first report issued by a Congressional Committee in the 1960's was that of the Committee on Ways and Means on the 1960 Amendments. In its report the Committee stated:

"The Congress has always carefully considered the cost aspects of the old-age, survivors, and disability insurance system when amendments to the program have been made. In connection with the 1950 amendments, the Congress was of the belief that the program should be completely self-supporting from the contributions of covered individuals and employers. Accordingly, in that legislation, the provision permitting appropriations to the system from general revenues of the Treasury was repealed. This policy has been continued in subsequent amendments. Thus, the Congress has always very strongly believed that the tax schedule in the new law should make the system self-supporting as nearly as can be foreseen and, therefore actuarially sound. [H. Rept. 1799, 86th Cong., p. 34]"

Identical statements appear in subsequent Committee reports. In the period after 1960 there was a growing awareness of the amounts of money involved in the social security program and a growing concern as to whether the payroll tax could be expected to continue to carry the whole burden of the growing program.

In 1963 and 1964, the Advisory Council on Social Security made a major study of the Social Security program. A large part of its effort was devoted to the financing of the program. Its report issued in January 1965 stated:

"The Council strongly endorses the social insurance approach as the best way to provide, in a way that applies to all, that family income will continue when earnings stop or are greatly reduced because of retirement, total disability or death. It is a method of preventing destitution and poverty rather than relieving those conditions after they occur. And it is a method that operates through the individual efforts of the worker and his employer, and thus is in total harmony with general economic incentives to work and save. It can be made practically universal in application, and it is designed so as to work in ongoing partnership with voluntary insurance, individual savings, and private pension plans.

"Under the social security program the right to benefits grows out of work; the individual earns protection as he earns his living, and up to the maximum amount of earnings covered under the program, the more he earns the greater is his protection. Since, unlike relief or assistance, social security benefits are paid without regard to the beneficiary's savings and resources, people can and do build upon their basic social security protection and they are rewarded for their planning and thrift by a higher standard of living than the benefits alone can provide.

"The fact that the program is contributory—that employees and self-employed workers make contributions in the form of earmarked social security taxes to help finance the benefits—protects the rights and dignity of the recipient and at the same time helps to guard the program against unwarranted liberalization. The covered worker can expect because he has made social security contributions out of his earnings during his working lifetime, that social security benefits will be paid in the spirit of an earned right, without undue restrictions and in a manner which safeguards his freedom of action and his privacy. Moreover, the tie between benefits and contributions fosters responsibility in financial planning; the worker knows that improved benefits mean higher contributions. In social insurance the decision on how to finance improvements is always an integral part of the decision on whether they are to be made. [The Status of the Social Security Program and Recommendations for its Improvement, Report of the Advisory Council on Social Security, p. 2.]"

8. Appropriations for military service credits

One section of the 1965 amendments deserves special mention because it illustrates a problem that occurs when appropriations from general revenues are used. Military service, which before 1957 had not been covered on a contributory basis, qualified veterans and their survivors for benefits under special provisions. As indicated earlier, the cost of benefits based on this military service was to have been paid out of general revenues. Up to the time of the 1965 amendments, however the Social Security Trust Funds had been reimbursed only for the cost of the benefits through August 1950. The law in effect prior to the 1965 amendments provided that the costs incurred after August 1950 and through June 30, 1956 were to have been paid over the ten fiscal years ending June 30, 1969, and the costs incurred after June 1956 were to have been paid annually. However, no payments were ever made under this provision. The 1965 amendments authorized a level annual appropriation from general revenues, starting in fiscal 1966, to amortize both the accumulated costs and the additional costs but would accrue through fiscal 2015 with annual appropriations for costs incurred after fiscal 2015. Following enactment of the 1965 amendments, annual appropriations from general revenues have been made for this purpose but the administration has not always requested the full amount as calculated by the Social Security Administration Actuary.

9. Blanketing-in the uninsured for cash benefits

One of the most persistent issues in social security has been that of blanketing-in the uninsured. For the OASDI part of the program the number of quarters of coverage required before a person can be paid benefits has been gradually reduced but until 1965 the minimum number had always been six. The 1965 amendments provided special benefits at age 72 for certain people who had as few as three quarters of coverage. Subsequently, the Prouty Amendment to the Tax Adjustment Act of 1966 provided benefits for people with no quarters of coverage provided that they reach 72 prior to 1968. As noted the hospital insurance program covers all people who attain age 65 prior to 1968. The major portion of the costs of the benefits paid under these provisions will be paid out of general revenues. The only exception is that the benefits paid to people with three or more quarters of coverage will be paid out of the social security trust funds.

10. Financing health care benefits

A major issue in the 1960's, hospital care for the aged, highlighted the question of how high the social security tax could go if the self-financing principle were retained, as well as whether this principle applied equally to service benefits and to cash benefits. The original Forand bill, around which the early controversy developed, used the self-financing method, and furnished the hospital benefits only to people over 65 entitled to social security benefits in their own right.

The financing of the health and medical care programs for the aged established by the 1965 amendments goes in two directions. The financing of the hospital insurance program (Part A) follows the payroll tax pattern established for the OASDI program in the 1950's. The medical care program (Part B) on the other hand, gets one-half of its financing from general revenues and one-half from fees paid by those enrolled in the program. The self-supporting nature and the actuarial soundness of the hospital insurance program (Part A) is described in identical words in the reports of both the Committee on Ways and Means and the Committee on Finance:

"Just as has always been the case in connection with the old-age, survivors, and disability insurance system, the committee has very carefully considered the cost aspects of the proposed hospital insurance system. In the same manner, the committee believes that this program should be completely self-supporting from the contributions of covered individuals and employers (the transitional uninsured group that would be covered by this program would have their benefits, and the resulting administrative expenses, completely financed from general revenues, according to the provisions of the bill). Accordingly, the committee very strongly believes that the tax schedule in the law should make the hospital insurance system self-supporting over the long range as nearly as can be foreseen, as well as actuarially sound.

"The concept of actuarial soundness as it applies to the hospital insurance system is somewhat similar to that concept as it applies to the old-age, survivors, and disability insurance system . . . but there are important differences.

"One major difference in this concept as it applies between the two different systems is that cost estimates for the hospital insurance program should desirably be made over a period of only 25 years in the future, rather than 75 years as in connection with the old-age, survivors, and disability insurance program. A shorter period for the hospital insurance program is necessary because of the greater difficulty in making forecast assumptions for a service benefit than for a cash benefit. Although there is reasonable likelihood that the number of beneficiaries aged 65 and over will tend to increase over the next 75 years when measured relative to covered population (so that a period of this length is both necessary and desirable for studying the cost of the cash benefits under the old-age, survivors, and disability insurance program), it is far more difficult to make reasonable assumptions as to the trends of medical care costs and practices for more than 25 years in the future.

"In starting a new program such as hospital insurance, it seems desirable to the committee that the program should be completely in actuarial balance. In order to accommodate this result, the committee has developed a contribution schedule that will meet this requirement, according to the underlying cost estimates. [H. Rept. 213, p. 49; S. Rept. 404, p. 57]"

The financing of the voluntary, supplementary medical insurance program (Part B), as noted above, represented a departure from the payroll tax financing which had been used up to that time. Not only is one-half of the cost of the program paid out of general revenues but none of the cost is paid from payroll taxes. Moreover, the financing adopted is current financing. Thus those eligible for benefits pay (in 1967 and 1968) $3 a month for the insurance and the Government pays an equal amount. In 1969 the amount may rise to about $4 a month. The reports of the Committees that studied this legislation said:

"The supplementary medical insurance system that would be established by the committee-approved bill has an estimated cost for benefit payments insured and for administrative expenses that would adequately be met during the first 2 years of operation (1967-68) by the individual premium rates prescribed plus the equal matching contributions from the general fund of the Treasury. Both contributions and benefit payments would begin in January 1967. In subsequent years, the committee-approved bill provides for appropriate adjustment of the premium rates so as to assure that the program will be adequately financed, along with the establishment of sufficient contingency reserves. Although provision is made for an advance appropriation from general revenues to provide a contingency reserve during the period January 1967 through December 1968, it is believed that this will not actually have to be drawn upon, but nonetheless it serves as a desirable safeguard to the financing basis of the program.

"The committee has recommended the establishment of a supplementary medical insurance program that can be voluntarily elected, on an individual basis, by virtually all persons aged 65 and over in the United States (excluding only those aliens who have not been lawfully admitted for permanent residence or who have not had 10 continuous years of residence). This program is intended to be completely self-supporting from the contributions of covered individuals and from the equal-matching contributions from the general fund of the Treasury. . . Under the committee-approved bill, the monthly premium rate can be adjusted for future years after 1968, so as to reflect the expected experience including an allowance for a margin for contingencies. All financial operations for this program would be handled through a separate fund, the supplementary medical insurance trust fund. . . .

"The concept of actuarial soundness for the old-age, survivors, and disability insurance system and for the hospital insurance system is somewhat different than that for the supplementary medical insurance program. In essence, the last system is on a "current cost" financing basis. The situations are essentially different because the financial support of the supplementary medical insurance system comes from a premium rate that is subject to change from time to time, in accordance with the experience actually developing and with the experience anticipated in the near future. The actuarial soundness of the supplementary medical insurance program, therefore, depends only upon the "short-term" premium rates being adequate to meet, on an accrual basis, the benefit payments and administrative expenses over the period for which they are established (including the accumulation and maintenance of a contingency fund).

In the course of the Senate Finance Committee's consideration of the Social Security Amendments of 1965, Senator Russell B. Long proposed an amendment which would substitute a single and much broader system of health care aimed at covering catastrophic costs for the two complementary health care plans (Parts A and B) contained in the House-passed bill, and in the legislation as it was finally enacted. Two-thirds of the cost of this program would have been paid from payroll taxes and one-third from general revenues. In a press release describing the amendment the Senator said:

"My plan would also utilize, to a greater extent, general revenue financing. This is in recognition of the fact that workers who will enter the labor force in the future (and their employers) would have to pay at least 40% more in payroll taxes than would be necessary to finance their own costs if the benefits of the presently retired and current workers were paid for wholly under the payroll system. This "social" cost of establishing the system, I believe, is more appropriately borne by federal revenue."

11. The issue now

Prior to the enactment of the Social Security Amendments of 1965 there had been discussion of what should be the limit of Social Security payroll taxation. Secretary of Health, Education and Welfare Ribicoff had stated in 1961 that he thought the combined employer-employee limit should be about 10% of payroll but left open possible increases in the tax base. The combined hospital insurance and OASDI tax under the 1965 Amendments amounted to 11.4% of payroll and there appeared to be a growing feeling among those who wished to further liberalize the social security program that future changes involving significant costs would be difficult to justify if they were to be financed solely through additional payroll taxes. In this context Robert M. Ball, the Commissioner of Social Security, wrote in the fall of 1965:

"Improvements in the social security program of the kind suggested call for a reconsideration of the financial basis of the system. Workers in general have shown themselves willing to pay for improved social insurance protection, and there is no question that the major part of the cost of social insurance should continue to be met by a tax on covered payrolls. There is, though, justification for a contribution from the general revenues of the Treasury.

"The justification for such a Government contribution arises from the fact that in order to make the program quickly effective in its early years full-rate benefits are being paid to people who were already old at the time their work was first covered under the program, even though only a small percentage of the actual cost of the benefits being paid to these people was met by the contributions they and their employers paid. Under the present financial arrangement the excess of the value of benefits over the value of the contributions in the early years of operation will be financed from future contributions. As a result, future generations of covered workers will get protection that is worth less than the combined employer-employee contributions with respect to their earnings, since some part of those combined contributions will go to pay part of the cost of paying full benefits in the early years. (Future generations of workers will, however, get protection that is worth at least as much as the value of their own contributions.) Since society as a whole benefits from a national social security system, it can be argued that the cost of the benefits for people already old when the social security program went into effect should be borne by the general revenues rather than by the social security tax. [Robert M. Ball, Commissioner of Social Security, "Social Security: A Changing Program for a Changing World: St. Louis University School of Law. Volume 10, Number 2, Winter, 1965: p. 237.]"

At about the same time the AFL–CIO adopted a resolution calling for extensive changes in the Social Security program, including a 50% rise in benefits and a substantial contribution from general revenues. The resolution states:

"In order to make the social security program quickly effective in its early years, it was the decision of the Congress to provide for the payment of full-rate benefits to people who were already old at the time their work was first covered under the program, even though only a small percentage of the actual cost of the benefits being paid to these people was met by the contributions they and their employers paid. This has been sound public policy, necessary to help prevent widespread want and destitution and to contribute to the social and economic security of the Nation as a whole. The cost of the program resulting from these payments, though—about one-third of the total cost—should not be charged to future generations of workers and their employers. It is entirely appropriate that the cost of getting into operation a national social security system from which society as a whole benefits, should be borne by the population as a whole."

An elaboration of these ideas was presented by the Commissioner of Social Security in the following spring. Speaking before the American Society for Public Administration, the Commissioner discussed general revenue financing and suggested that by using general revenues it would be possible to increase benefits by about 50%. He said:

"A general benefit increase any greater than the 7-percent increase of last year could not be financed by an increase in the contribution and benefit base alone.

"For this purpose it would be necessary, in addition, to raise the contribution rates scheduled in the law or to introduce a government contribution. Various possibilities will be considered.

"Since the employer contribution in part, at least, is shifted to workers in the form of lower wages, it might be more equitable to finance from general taxation part or all of the so-called 'accrued liability' resulting from payment of full benefits to the first generation of covered workers and so introduce another element of progressivity into the financing of the program.

"The idea that the accrued liability costs could be met from general revenues is not a new one. It is, for example, part of the reasoning behind the government contribution in the British system and was mentioned by the Committee on Economic Security—the Committee that in 1934 recommended the establishment of the original program for the United States. Just recently in the United States the Cabinet Committee Report on Federal Staff Retirement Systems, which the President endorsed and transmitted to the Congress on March 7, used similar reasoning concerning the civil-service retirement system. They recommended that the financing of the civil-service retirement system should be based on the theory that the contributions of employees and of the Federal agencies, as employers, should fully meet the system's normal cost—that is, the combined employee-agency contributions should be at a rate that would have to be paid over the working lifetime of new entrants to the system to pay for the benefits provided under current law, and the Government should finance the accrued liability by direct appropriations. The 'normal cost' of social security is about two-thirds of the total costs over the long run so that, if general revenues were to take care of the entire one-third attributed to accrued liability, about one-half again as much money as at present would be available for program improvements. Another way of looking at such a government contribution is that it is in lieu of the interest that would have been available from full reserve financing.

"Contribution rate increases are also, of course, a possibility. These could be additions to the present employee contribution schedule, which for cash benefits rises from 3.85 percent this year to 4.85 percent in 1973, with the employer paying a like amount. Contribution rates for hospital insurance will be an additional one-half of 1 percent next year and will rise to eight-tenths of 1 percent in 1987 and later [Robert M. Ball, Commissioner of Social Security. Address Annual Meeting of the American Society for Public Administration. Washington, D.C., April 14, 1966.]"

Still later in the year, Senator Robert F. Kennedy introduced a bill (on which no action was taken) that in broad outline paralleled the recommendations made the previous winter by the AFL–CIO. In addition to Senator Kennedy, the bill was sponsored by nine other Senators. Although the changes called for in the bill would have increased all benefits by about 50%, the Senator considered that the bill would make only "minimum improvements in Social Security benefits that are necessary now." The Senator's statement to the Senate when he introduced the bill contains an explanation of his reasons for using general revenues in the financing of the Social Security program.

"What will be the costs of this legislation? The 50-percent average increase in benefits provided by the bill would cause a considerable increase in the payments out of the trust fund during 1968, the year in which the bill would go into effect. It is important to understand, however, that the bill does not contemplate, nor does actuarial soundness require, that this increase in benefits would not contemplate, nor does actuarial soundness require, that this increase in benefits would be entirely paid for immediately. The trust fund would be replenished over a period of time. This creates no difficulty. The Social Security Administration has told me that 'The proposed program as a whole is in close actuarial balance.' The 'temporary declines in the trust funds,' the Social Security Administration adds, 'are not significant in terms of the financial soundness of the program over the long run.' Thus the costs of the program will be spread over a period of years. This is both actuarially sound and fiscally wise.

"The important thing is that we do what we can now toward making social security benefits truly adequate. To do that, in my judgment, we must be prepared to rely partially on general revenues. The general revenue contribution is the major new aspect of this bill. But that does not mean that we could not add general revenues to social security financing on a more gradual basis than the 9-year schedule which the bill provides. And, if it becomes necessary, the proposed benefit increases could be adopted in steps rather than all at once, although I believe that would be less desirable.

* * * * *

"The turn to general revenue financing is well supported by considerations of history and policy.

"First, as a practical matter, it is difficult to see how the payroll tax can be raised too much further. The payroll tax is highly regressive, and for low-wage employees particularly, a required contribution beyond what is contemplated in this bill would be very burdensome.

"And the justification for total payroll tax financing over the years has been that the payroll tax is a contribution that each employee makes to finance his own benefits. In general, the original purpose was that the wage earner would be paid, during his years of retirement, what he had put in during his working years. But this original purpose has been modified somewhat in practice. Considerations of social justice have caused us to create some benefits which are not totally contributory, and these have been financed out of the contributions of others. We have provided benefits, for example, to poor and more irregularly employed workers; to widows and orphans; and to those disabled by injury or illness.

"Second, it is essential to recall that Congress provided in the original Social Security Act for full-rate benefits even for those persons who were too old to be in the work force long enough to contribute fully for their benefits. The cost of these benefits is still being financed by the contributions of those who have followed. . . .

"Third, the general revenue approach has been considered and discussed since the inception of social security. The first Presidentially appointed Council on Economic Security Act, said that Government contributions to the system would eventually be needed, adding prophetically that, 'It will not be necessary to have actual Government contribution until after the system has been in operation for 30 years.' [CONGRESSIONAL RECORD, vol. 112, pt. 13, pp. 17391, 17392.]"

A. THE REVIEW OF SOCIAL SECURITY FINANCING PRIOR TO THE 1967 AMENDMENTS

Earlier in the year, President Lyndon B. Johnson had indicated his intention of recommending substantial, though unspecified, changes in the social security program when the 90th Congress convened in January 1967. At the time he made this statement, he instructed Secretary of Health, Education, and Welfare John W. Gardner to begin studies and conversations with interested parties on the nature of the changes that should be sent to the 90th Congress.

In this connection, John Carroll of the Social Security Administration prepared a paper, "Social Security Financing Revisited," as a background paper for a conference on Social Security financing held at the Brookings Institution on June 17, 1966. The introduction to the paper indicates that it was written in response to the President's statement that he would ask the 90th Congress for a substantial increase in Social Security benefits. The paper was designed to discuss the financing involved in a 35% to 55% rise in Social Security benefits. The paper goes on to say:

"The contemplated liberalization of benefits could not be financed by payroll taxation unless the rates were increased. Rate increases would be necessary even if the taxable wage base were increased to $15,000 from its present level of $6,600 or removed entirely. Past benefit increases have been accomplished each time by increased payroll taxation; rate levels have been increased; and, in some cases, taxable wage ceilings have been raised. Collections have swelled after each amendment partly because during the period coverage was greatly expanded. This source will not be available in the future because coverage is nearly complete.

"There is growing concern about the wisdom of continued reliance upon payroll taxation as the sole source of funds for social insurance. Doubts have been expressed by the Treasury, the President's Council of Economic Advisors, and the National Commission of Technology, Automation and Economic Progress that so regressive a tax should be increased. [Department of Health, Education, and Welfare, Social Security Administration, Office of Research and Statistics, 'Social Security Financing Revisited,' p. 2.]"

In Carroll's opinion, the most important arguments against using general revenues in the Social Security program are considered to be "institutional." In this connection the paper points out the important role played by the idea of a self-supporting system in securing public acceptance of the Social Security program. The paper states:

"There is a belief that sole reliance upon contributions from employers and employees is closely tied to the rights acquired by the insured workers. A government contribution would not be tied in this way and some believe that the claim of the worker—his assurance that his pension is his as a matter of right—may be damaged or weakened.

"Others fear that unless benefit levels are closely related to taxes upon the worker—taxes which can be clearly identified—there will not be sufficient constraint to prevent too liberal benefit promises. Few doubt that the statutory benefits would be paid. But the real protection of the system is the readiness of the society to keep benefits adequately up to date. Revisions of this sort are expensive and unless promises are restrained within workable limits future generations may allow benefit adequacy to fall behind.

"It can scarcely be contested that earmarking of payroll taxes for OASDI reduced resistance to the imposition of taxes on low-income earners, made feasible tax increases at time when they might not otherwise have been made, and has given trust fund programs a privileged position semi-detached from the remainder of government. Institutionalists foresaw these advantages as means to graft the new programs into the social fabric.

"It is an open question whether or not

the OASDHI program has matured sufficiently to be independent of the need for institutional safeguards. Perhaps the experience of the last thirty years makes it no longer necessary to place so much emphasis on these fears. It seems probable that the introduction of a government contribution, if explained in terms of the past service credit, need not weaken the system. There may be some advantage to having the size and timing of the government contribution determined statutorily. Provision of this type will draw the same criticism as other arbitrary and fiscally inflexible features of the system, but may nonetheless be wise.

"There seems to be little question that the well-established precedent of contribution by the covered worker should be continued for a meaningfully large share of the costs. There may come a day when the society accepts fully the notion of social responsibility for persons who experience interruption of earnings. When that day comes there is no reason why financing of the system need be tied to the earnings of the insured. Benefits could continue to be related to the previous earnings experience of the insured—one of the basic features of our social insurance system—without recourse to payroll taxation. It is a matter of judgment, but more informed persons doubt that this day has yet dawned. [*Ibid.*, pp. 26–28]"

Later in the summer, another element was added when the Social Security Administration's Actuary, Robert J. Myers, revised his estimates of the cost of the Social Security program to take account of certain changes in assumption growing out of more recent experience in assessing the long-term operation of the system. The revised estimate showed an actuarial surplus of 0.89% of taxable payroll for OASI while the Disability Insurance part of the pogram was underfinanced by 0.15% of taxable payroll. Combined, the OASDI program had a surplus of 0.74% of taxable payroll or enough to finance an 8% increase in benefits. When the estimates were made public in October, President Lyndon B. Johnson indicated that he would send the 90th Congress a recommendation that Social Security benefits be increased by at least 10% and perhaps by as much as 15%. His recommendations for 15% benefit increase were sent to the Congress on January 23, 1967, and were to be financed by the surplus and by increases in the tax rates and the tax base.

In December of 1966 the Brookings Institution published a study by Joseph H. Pechman on tax policy which considers the question of continued reliance on payroll taxes to finance Social Security benefits.[8] While much of the author's concern in this area is with the regressive nature of the Social Security tax and its built-in inflexibility, he points out that there is considerable psychological advantage to the payroll tax.

"Financing of Social Security through contributory and often regressive taxes is well established in most countries. Receipts are earmarked to make workers feel that they are receiving benefits as a matter of right rather than as a government donation. The ear-marked taxes emphasize the statutory reductions when the budget is tight. Moreover, increases in benefits are believed easier to obtain if they are financed by the contributions of future beneficiaries rather than from taxes in general. [Pechman, *op. cit.*, p. 172.]"

As to the use of general revenues he mentions the precedents that exist in present law and that the combined employer-employee tax rate is scheduled to exceed 10%. Therefore, he feels that ". . . use of the general fund should be considered as an alternative to rate increases when additional funds are required to finance benefits." [*Ibid.*, p. 175]

When the Committee on Ways and Means took up the review of financing in connection with the 1967 amendments, the Administration's recommendation for changes in the Social Security program (H.R. 5710) in March 1967, considerable interest was shown during the public hearings in the financing of the costs of future changes in the program. There seemed to be a widespread feeling that future changes would probably require some changes in the way the Social Security program is financed. In this connection it should be noted that while a large number of witnesses showed concern about the financing of the program, there was no general agreement that future changes should be financed out of general revenues. Many argued that the Administration's proposals should not be enacted because the program was properly financed through payroll taxes and that because payroll taxes had risen to about the bearable limit, money was not available to pay the increased costs proposed by the administration.

In a broad way, the position of the AFL–CIO on the future need for general revenues is representative of the position of those who argue that future increases in cost will have to be financed out of general revenues. Testifying for the AFL–CIO, its President, George Meany said:

"AFL–CIO members are properly known for their willingness to pay for what they get, in war and peace. I am completely confident that they will gladly pay their fair share toward a better Social Security system. Yet, it must be recognized that as we approach the goal of a 50-percent increase in benefits, as we continue to enlarge the scope of the system, a heavier proportion of the tax load will fall upon wage earners.

"Frankly, Mr. Chairman, we all realize that because the Social Security tax is not progressive as to amount of income, it is regressive in the classic sense. We in the AFL–CIO have ridden along with this, over the years, for the sake of the greater objective which we know you share.

"But in all candor I think you should know that in time, we shall urge a modest and gradual contribution to the Social Security trust fund from the general revenues of the United States. We believe this would be an effective way—and a simple one—to introduce the principle of progressive taxation to the Social Security system. We are not asking for this now, so I will not argue the case for it. But we will be back. [President's Proposals for Revising the Social Security System. Hearings before the Committee on Ways and Means, House of Representatives, 90th Cong., 1st sess., p. 576. Hereinafter cited 'Hearings.']"

The arguments against the use of general revenues in the financing of the Social Security program presented to the committee generally avoid direct argument and rely rather on laudatory statements regarding the self-supporting nature of the program by means of the payroll tax. Typical of these arguments is the testimony of Henry R. Chase who represented the Chamber of Commerce of the United States of America at the public hearings. He praised the committee for keeping the Social Security program on a self-supporting basis and pointed out:

"In financing the many amendments to Social Security, Congress did so by levying additional taxes to cover current costs, and, at the same time, provided for escalating tax rates to meet growing future commitments. Success for this method of financing depends upon the willingness of today's and tomorrow's workers to pay the full cost of benefit commitments promised by Congress."

But he also warned:

"The ever present danger of this method of financing is that Congress, through repeated and rapid liberalizations, may so load up the burden of taxes as to undermine the willingness of workers to support the full cost of Social Security. [Hearings, p. 1342]"

In developing the Chamber's objections to much of the Administration's program, Mr. Chase presented the Chamber's position on increasing the cost of the Social Security program. He said:

"We seriously question the advisability and prudence of piling further heavy tax costs on top of the already high and rising tax requirements for Social Security. No one knows whether today's workers or the young workers of tomorrow are willing to support the full cost of the present Social Security cash benefits programs. We won't know this until 1974—six years from now—when the maximum Social Security tax for cash benefits become effective under the present program.

"In fact, we wonder in view of the testimony of Mr. Goerge Meany, President of the AFL–CIO, whether workers are willing to support the present program, let alone the added burden proposed by H.R. 5710. This is because the AFL–CIO favors '. . . a modest and gradual contribution to the Social Security Trust Fund from the general revenues of the United States.' [Hearings, p. 1344]"

In the course of the public hearings on H.R. 5710, Representative Herlong questioned the Under Secretary of Health, Education and Welfare, Wilbur J. Cohen, about the use of general revenues to finance the costs of some of the "welfare" aspects of the Social Security program. In his reply Mr. Cohen stated his belief that the contributory aspect of the program was necessary to the maintenance of public confidence, but that a situation could develop in which it would be appropriate to use general revenues to meet "social cost." The exchange between Mr. Herlong and Mr. Cohen follows:

"Mr. Herlog. It seems to me that to the extent that we continue to add war on poverty items to the Social Security Act, to that extent we destroy the insurance concept of the whole program.

"Mr. Cohen. I don't think so for this reason, Mr. Herlong: a social insurance program is not like a private insurance program in a strict private-contract sense of returning to an individual, or a small group of individuals, only what they have paid in. As Mr. Ball said yesterday, and as we have said several times before the committee, one has to look at the employer contributions in this system as trying to carry out certain social objectives of seeing that the benefits meet certain minimum needs, and this may mean paying to an individual more than he or she has paid in. If I thought that any benefit in this bill undermined the contributory insurance system, I would not be for that particular type of benefit, because I think that the payment of this benefit as a matter of earned right and payment through a separate trust fund is essential to giving people a sense of security about the receipt of their benefits.

"Mr. Herlong. The point I was trying to make here is that in my judgment the poverty program or the war on poverty items that are constantly being added to this program, it seems to me, ought more appropriately to be paid for by the general taxpayer rather than by the worker alone and his employer.

"That is the point I was trying to make.

"Mr. Cohen. Well, as the chairman brought out in his questioning, I do think that there is a point where, if one is going to raise the minimum benefits substantially beyond a level that is consistent with the total wage related system, then that increase ought to be paid out of general revenues in recognition of social cost.

"I would certainly concede that as a matter of principle, this ought to be carefully looked into. [Hearings, pp. 371–372]"

Representative Ullman inquired of several witnesses whether they had developed a rationale for using general revenues in the Social Security program. The replies, in general, pointed out that over the years the Social Security program had developed a large number of social aspects that should not be paid for as social insurance but rather as welfare.

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[8] Pechman, Joseph A. "Federal Tax Policy," The Brookings Institution, Washington, D.C., 1966.

The use of general revenues was not a direct issue before the committee inasmuch as no such provision was included in the Administration's bill.

In the spring of 1967 the general revenue issue also came up in the consideration of a particular proposal. On April 18, 1967 when the Senate was debating the Investment Tax Credit bill (H.R. 6950) Senators Prouty and Cotton introduced an amendment (which was not adopted) to increase Social Security benefits. The amendment called for increased expenditures of about $4 billion in the first year and would have been financed largely out of general revenues. The largest increases would have gone to people at the lower earnings levels with those at the highest level getting only a token increase. Senator Prouty stated on the floor of the Senate:

"Mr. President, I believe that one of the most significant features of this amendment offered by the distinguished Senator from New Hampshire [Mr. Cotton] and me is the provision which provides for the financing of the increased benefits. This amendment provides that the costs entailed in it be paid from general revenues rather than from additional increases in an already too regressive social security payroll tax.

"The social security payroll tax places too great a burden on low-income families who can least afford to pay for increases motivated by need rather than insurance principles. General revenues, which are obtained in a large part from the progressive income tax, provide a source which is based on the ability to pay. Utilization of general revenues for all future benefit increases will at least hold the line on the social security payroll tax which cuts most cruelly into the pocketbooks of low-income groups. [Congressional Record, p. 9943]"

The debate on the amendment revolved largely around the question of using general revenues in the Social Security program. Opponents of the amendment stated that the use of general revenues was a radical departure from established practice. Senator Williams of Delaware set the tone of the debate saying:

"Once we start down the road of financing Social Security benefits from general revenue by direct appropriations we will have departed from the insurance concept of Social Security and changed it into a general welfare program. [*Ibid.*, p. 9945]"

Senator Gore believed that the Prouty-Cotton amendments would destroy the Social Security program and the following exchange took place:

"Mr. Williams of Delaware. All of these amendments have merit. I said yesterday that one can take any of the proposed Social Security amendments by itself and make a wonderful argument as to its merits. I do not question that. On the other hand, any meritorious proposal which would give benefits to any group will cost some money.

"While the Senate is voting for those benefits let us include in the bill provisions to pay for them. If we are willing to vote for the increases and if we consider them to be meritorious certainly we should be willing at the same time to include whatever payroll tax increase may be necessary to finance them; or if we are going to put a tax on the general revenue why not include a proposal to increase income taxes in order to bring in the necessary revenue to pay for the cost of the bill? If we do not want to increase income taxes to pay for these benefits or if we do not want to increase payroll taxes with an extra $4 billion then we must increase the ceiling on the national debt in order to pay for the cost; otherwise the Senate is merely going through the formality of saying it is in favor of something for which it does not have the money, and that is a farce.

"Mr. Gore. Mr. President, will the Senator yield?

"Mr. Williams of Delaware. I yield.

"Mr. Gore. Does the able senior Senator from Delaware agree that the pending amendment would destroy the contributory nature of the Social Security program, that it would invalidate the integrity of the fund, violate the ratio between benefits received and wages earned, or payments made into the fund, and instead, by going into general revenue, make of this another mass general welfare program?

"Mr. Williams of Delaware. There is no question about it. I have pointed out those facts before. The adoption of this amendment would be a great disservice to those who are depending on social security. The entire principle of social security has been that it was an insurance type of operation. We all recognized that those persons who came in at a later date would not pay as much money, but everybody was paying under the program. Social security was established on the principle that we wanted these elderly persons upon retirement to be able to walk into the post office, accept their check, and walk out with dignity saying, 'This is something I paid for.' This is important.

"I recognize that we did depart from the principle in one instance last year or the year before when we blanketed in those persons over 72 years of age. We did that knowingly because there was no possible way in which these people could qualify in the labor force. They were out of the labor force, and recognizing that and that in a few years, based on the normal lifespan, the program would revert to a general insurance program we brought in that small group. However, those affected by the present amendment were contributors. They build up their equity. Any increased benefits given to them should be on the basis of increasing the contributing rate so that the program will remain as an insurance fund. [*Ibid.*]"

B. THE REVIEW OF FINANCING BY THE COMMITTEE ON WAYS AND MEANS IN CONNECTION WITH THE 1967 AMENDMENTS

The hearings before the Committee on Ways and Means, which opened on March 1, 1967, brought forth a further discussion of the appropriate method of financing the social insurance programs.

Dr. Carl H. Fischer of the University of Michigan is an actuary and was a member of the 1958 Advisory Council on Social Security Financing. He believes that it would be best to maintain the Social Security program on the present self-supporting basis. However, he feels compelled to examine the use of general revenues as a way of maintaining individual equity, i.e.: a correspondence between the value of the contingent benefit for the individual and the taxes which he and his employer pay into the system. Excerpts from his testimony on H.R. 5710 are an appendix to this report.

The question of individual equity was considered by Walter Reuther, the UAW President. In Mr. Reuther's view the choice is plainly one of continuing to neglect the needs of the elderly or of placing an undue tax burden on younger workers. Rejecting both possibilities, he sees the use of general revenues as a "rational, and reasonable and equitable" way of building and paying for an adequate Social Security program. The UAW, therefore, recommends that the cost of the Social Security program be paid by equal contributions from employees, their employers and the Federal Government. This, they say, would be a way to ". . . face up to the basic problem that you can't provide an adequate system of social insurance and meet the complex problems of a highly industrialized society in the 20th century and expect to do that by a constant pyramiding of the payroll tax burden."

Following his prepared testimony Mr. Reuther was questioned on this point by Congressman Ullman. The following exchange took place:

"We have had a number of proposals, Mr. Reuther, to use general revenues for financing. Dr. Campbell presented one such point of view yesterday. But if we are going to do it, it seems to me we need a rationale to limit such participation. Are we going to raise it from a third to 40 percent Federal revenues just because we need it? Are the composition of the committee and the political climate in the country to decide which way we are going to go in financing?

"This would really be a hodgepodge system. What we need if we are going to use general revenues is a real rationale upon which we can build a permanent system, a guideline for the committee so that when we do need increased financing we know exactly what the limitations of the system are. Do you have such a rationale in your proposal here today?

"Mr. Reuther. We are not proposing the use of general revenue as a matter of political expediency. I think that that would be unsound. I think that the social content of the overall social security system is a broad character which, as a matter of public policy, makes it not proper to place the exclusive burden of that cost upon the payroll tax.

"It seems to me that this does give you a rationale upon which you can defend the use of general revenues. The ratio of the general revenue, its contribution as compared to that of the employer and the employee, this is a changing thing.

"Obviously a wage earner who has access to the kind of affluence that is going to be possible 10 years from now will be in a different position. I think in terms of an UAW member 15 years from now getting $30,000 a year income. Well syphoning off a portion of his wage is quite a different economical thing from syphoning off the same proportion of wage of a worker making $1,000 a year. What you are dealing with here is a dynamic economic equation that is going to change. I think you have to start out with a sound rationale so that you are not acting out of expediency and then the relationship of the relative elements in the total equation will respond to rational judgment in any given situation. [Hearings on H.R. 5710, Committee on Ways and Means, 90th Cong., 1st sess., pp. 1462–1463]"

Subsequently, Mr. Reuther furnished the Committee with additional arguments on the case for using general revenues. While the statement produced no new arguments, it does contain an interesting summary of the principle arguments that have been advanced in favor of general revenue financing:

"(a) Increasing the already regressive payroll taxes would create an unjustifiable burden on low paid workers, young workers and middle-income families with two wage earners, and small businessmen.

"(b) It would be grossly inequitable to expect Social Security taxpayers alone to finance the needed benefit increases for current beneficiaries who would not be paying for the added benefits.

"(c) As a practical matter the difficulties of raising payroll taxes sufficiently to finance truly adequate benefits are probably unsurmountable.

"(d) More adequate Social Security benefits with partial general revenue financing would reduce the cost of welfare programs also financed from general revenues.

"(e) The concept of general revenue financing for Social Security is not novel and has been recommended by many competent and responsible groups. The Congress has already adopted the principle with respect to certain payments for Social Security beneficiaries over 72 and for Part B of Medicare.

"(f) When we do not count social insurance payments, because they are financed by employee-employer contributions, we are actually spending a smaller percentage of Gross National Product for social welfare programs than we were in 1940.

"Those who claim that general revenue contributions would add a welfare component to the social security system simply do not recognize that this is a social insurance system designed to achieve social objectives. Properly restructed, as we are proposing, it will reduce public welfare programs. [Hearings, pp. 1473–1474]"

Dr. Colin D. Campbell, a Professor of Economics at Dartmouth College, expressed his concern before the Committee on Ways and Means as to the effect of the Social Security payroll tax on the incomes of younger people. In his view, the young worker will be grossly overcharged for his Social Security benefit; to prevent this, the payroll tax should be reduced so that no one will pay more than the cost of the benefits he might expect and the social cost of the welfare aspects should be paid out of general revenues. When Dr. Campbell testified before the Committee on Ways and Means, he was questioned rather closely by the Chairman of the Committee, Wilbur D. Mills. The chairman's questions bring out the rather substantial cost to general revenues that could result from the adoption of some of the proposals that have been brought up for discussion. The exchange between the Chairman and Dr. Campbell follows:

"The Chairman. Very frankly, when any witness before this committee begins to suggest that we start paying benefits out of the general funds of the Treasury he raises my curiosity beyond the point of containment.

"How much would it cost to do what you suggest; namely, to finance out of the general funds of the Treasury all the benefits paid to presently retired beneficiaries in excess of what they themselves paid for those benefits?

* * * * *

"Dr. Campbell. I am suggesting that you reduce the payroll tax . . .

"The Chairman. I am not suggesting that either. I am talking about leaving the payroll tax exactly as it is and looking back to those who have retired and paid for their benefits, determining what we pay them in the way of benefits.

"The difference between what they have actually paid and what we have given them in benefits is around $20 billion a year.

"Dr. Campbell. That is right.

"The Chairman. In the future that would probably, as time goes on, be about half the program cost throughout the future of the program. That will have to be paid for some way.

"I don't know what your deficit is for 1968. It is argumentative right now. Some people say it could be as much as $18 billion. But if we began this in fiscal year 1968 the deficit would then be $38 million. We would have to raise some income taxes from somebody.

"These very people you are concerned about, and I am concerned about, are going to pay income taxes, too. That would be a rather sizable bite out of the pocket of the young workers. I am just wondering.

"I am not arguing with you.

"Dr. Campbell. To a certain extent it would mean just replacing payroll taxes with income taxes but these are not exactly the same two groups.

"The Chairman. I understand the difference between them.

"Dr. Campbell. I think the gap between what people have paid for and what they have not paid for, unless the welfare aspect of the program is increased considerably in the future, is going to diminish.

"The Chairman. I will check my figures. I think I am right on it.

"I made quite a point, myself, out of the fact that those who have retired have qualified for benefits under very liberal eligibility requirements. Some people could retire with 18 months of tax payment, paying a very small amount, and receive for the remainder of their lifetime a benefit which is now at least $44 a month.

"When you think in terms of the small amount they have paid and the large amounts that are paid to them in benefits, I don't think the $20 billion figure that has been given me is very far off.

"Dr. Campbell. No; it is not. [Hearings on H.R. 5710, Committee on Ways and Means, 90th Cong., 1st sess., pp. 1392–1393]"

As has been shown in the preceding pages, the question of the role general revenue financing should play in the development of social security is not the closed question it may have appeared to be in the 1950's. There is, of course, no agreement that it would be either good or bad to make more extensive use of general revenues to support the program, however, an open debate is in process among people knowledgeable about the financing of the social security. If the present trends continue, it would not be unreasonable to expect the debate to be settled, one way or another, in the Congress.

TABLE 1.—TAX RATES IN EFFECT THROUGH 1967, AND SCHEDULED IN PRESENT LAW FOR THE FUTURE

Period	Contribution and benefit base	Employer and employee, each			Self-employed		
		OASDI	Hospital insurance	Total	OASDI	Hospital insurance	Total
		Percent	Percent	Percent	Percent	Percent	Percent
1937–49	$3,000	1	----------	1	(1)	----------	(1)
1950	3,000	1.5	----------	1.5	(1)	----------	(1)
1951–53	3,600	1.5	----------	1.5	2.25	----------	2.25
1954	3,600	2.0	----------	2.0	3.0	----------	3.0
1955–56	4,200	2.0	----------	2.0	3.0	----------	3.0
1957–58	4,200	2.25	----------	2.25	3.375	----------	3.37
1959	4,800	2.5	----------	2.5	3.75	----------	3.75
1960–61	4,800	3.0	----------	3.0	4.5	----------	4.5
1962	4,800	3.125	----------	3.125	4.7	----------	4.7
1963–65	4,800	3.625	----------	3.625	5.4	----------	5.4
1966	6,600	3.85	0.35	4.2	5.8	0.35	6.15
1967–68	6,600	3.9	.5	4.4	5.9	.5	6.4
1969–72	6,600	4.4	.5	4.9	6.6	.5	7.1
1973–75	6,600	4.85	.55	5.4	7.0	.55	7.55
1976–79	6,600	4.85	.6	5.45	7.0	.6	7.6
1980–86	6,600	4.85	.7	5.55	7.0	.7	7.7
1987 and after	6,600	4.85	.8	5.65	7.0	.8	7.8

[1] Self-employed not covered in this period.

TABLE 2.—TAX RATES UNDER PRESENT LAW AND H.R. 12080 AS PASSED BY THE HOUSE OF REPRESENTATIVES

[In percent]

Period	OASDI		Hospital insurance		Total	
	Present law	H.R. 12080	Present law	H.R. 12080	Present law	H.R. 12080
	Employer-employee, each					
1967	3.9	3.9	0.5	0.5	4.4	4.4
1968	3.9	3.9	.5	.5	4.4	4.4
1969–70	4.4	4.2	.5	.6	4.9	4.8
1971–72	4.4	4.6	.5	.6	4.9	5.2
1973–75	4.85	5.0	.55	.65	5.4	5.65
1976–79	4.85	5.0	.6	.7	5.45	5.7
1980–86	4.85	5.0	.7	.8	5.55	5.8
1987 and after	4.85	5.0	.8	.9	5.65	5.9
	Self-employed					
1967	5.9	5.9	0.5	0.5	6.4	6.4
1968	5.9	5.9	.5	.5	6.4	6.4
1969–70	6.6	6.3	.5	.6	7.1	6.9
1971–72	6.6	6.9	.5	.6	7.1	7.5
1973–75	7.0	7.0	.55	.65	7.55	7.65
1976–79	7.0	7.0	.6	.7	7.6	7.7
1980–86	7.0	7.0	.7	.8	7.7	7.8
1987 and after	7.0	7.0	.8	.9	7.8	7.9

Excerpts From Testimony of Dr. Carl H. Fischer Before the Committee on Ways and Means, March 21, 1967

ALLEVIATION OF INEQUITIES BY SUPPLEMENTARY FINANCING

By individual equity is meant that there should exist a correspondence between the value of the contingent benefits for the individual and the taxes which he and his employer pay into the system. The lack of individual equity is due in large measure to the practice of charging all individuals the same tax rate regardless of age at entry or other factors. It is fairly obvious that the annual cost per individual required to provide a given level of old age benefits would have to be greater for those who enter the system at a higher age. Thus, it is clear that the old age benefits received by persons older at the time of entry into OASDI are worth considerably more than the value of the pension taxes paid by them and by their employers. This implies that at present persons entering the system at a younger age must pay more than the value of their own retirement benefits because part of their own pension taxes flow to other participants. This unfavorable and inequitable position of the younger members has been pointed out by numerous critics.

It has been suggested that the portion of an employee's benefits not financed completely by his and his employer's pension taxes should be paid out of general taxation revenues. In support, it is contended that a portion of the benefits are gifts—really welfare payments—and it is unfair for the Government to saddle the younger generation of workers with taxes, unrelated to their own benefits, to finance welfare payments for others. If the general public believes that these welfare benefits are socially desirable, then it appears logical for the general public to pay for them out of general tax revenues.

This deceptively simple proposal has at least two possible drawbacks:

(1) There is danger in upsetting the present provisions requiring the social security system to be self-supporting.

(2) The proposal does not take into account the further inequities created each time the social security law is amended.

DANGERS INHERENT IN GENERAL TAXATION SUPPLEMENT

There is, of course, a danger in permitting partial financng of social security by means of general taxation. Excessively large benefits could be legislated with the tacit approval of the members of the system who might be under the illusion that they are receiving something for nothing. As long as the OASDI system is a financially self-supporting unit, as at present, any increase in benefits must be accompanied by an increase in FICA taxes. This brings home to the participants that there is no magic in Federal benefits—that the benefits must be paid for. In the opinion of the advisory council on social security financing, 1957–58, on which I had the privilege of serving, this concept of long range actuarial balance was so important that it overrode the individual equity concept. In the words of the unanimously adopted report:

"The council endorses the long-standing practice adopted by Congress of including in the law a contribution schedule which according to the cost estimates places the system substantially in actuarial balance into the indefinite future. We believe this procedure to be the best way of making people conscious of the long-range cost of proposals to modify the present program."

It might be contended, in supporting the above recommendation, that the unfavorable treatment of the younger members inherent in a level tax rate for all is lessened in an inflationary economy.

INDIVIDUAL INEQUITIES ARISING FROM FUTURE AMENDMENTS

The proposal to compensate for a late start by means of supplementation from general taxation seems to ignore the effects of possible future changes in social security provisions. As experience has shown, the continuing inflation and loss of purchasing power of the dollar tends to encourage frequent changes in all of the major factors upon which taxes and benefits are based. The tax rates, the wage base, the benefit formulas, and even the age of retirement.

Thus, this simple proposal to require the pension-tax rate for those entering the system at age 21 to be just adequate for their own benefits and to make up the deficit for those entering at an older age by means of general taxation overlooks the new inequities created by adoption of each amendment thereafter. Each time that Congress changed the provisions a new calculation would show that, if individual equity were to be retained, an extra pension tax would be required to pay for the additional benefits. The amount of this extra tax would depend upon the age of the individual at the time of the amendment, of course, so that tax rates which varied by age would be required or else the individual equity concept would be lost.

To overcome this difficulty, an extension of the supplementary financing principle might be devised. Each time that the old age pension costs are increased by amendments to the social security law, raise the pension-tax rate to a level which would provide the average new entrant at age 21 with the total pension benefit promises as newly established. The pension-tax rate would be uniform for all members. This would mean that for all persons older than 21 at the date of the new amendment, the new total tax rate would be insufficient to provide all the newly increased old age pension benefit promises. The unfinanced benefit increases would then be provided out of general taxation revenues. This proposal appears to provide equitable guidelines for future amendments to the social security system.

TRANSITION PERIOD

An immediate question which arises relates to the current situation. Suppose that, in setting the tax rate at the level required to provide the anticipated benefits to a person now aged 21 we find that this rate is less than that currently payable. (It appears likely that this would, in fact, be the case.) Should FICA taxes be promptly reduced, leaving an immediate drain on an already unbalanced budget? I think that the sensible answer to that is clearly not. I would propose a pragmatic compromise, leaving the tax rate at its present level until at some point in the future the rate determined by the provision requiring equitable tax rates for the 21-year-old entrant had risen to the present tax rate level. From that point onward, the new policy would be brought into effect.

EXPLANATION OF THE PROUTY-COTTON AMENDMENT TO H.R. 12080

This amendment would:

1. Retain the present $6,600 salary base.
2. Maintain the payroll tax rates as amended in 1965.
3. Keep the increased benefits provided in the bill as reported by the Finance Committee.

The attached chart illustrates the projected surpluses which could be created under existing tax rates and a $6,600 base.

In our judgment, these surpluses are clearly ample to provide increased benefits without saddling employees and employers with unconscionable tax increases.

As a matter of fact, without a benefit increase existing social security taxes would create a surplus of over $344 billion by the year 2000.

No need to increase social security tax rate or salary base to finance H.R. 12080 as reported by the Finance Committee.

COMPARISON OF CONTRIBUTION INCOME AND BENEFIT OUTGO UNDER PRESENT LAW AND OTHER PROPOSALS AS COMPILED BY SENATOR PROUTY

	Contributions under present law	Benefits provided under bill reported by Finance Committee	Surplus or deficit
1967	$28,500,000,000		$4,300,000,000
1968	29,600,000,000	$29,000,000,000	600,000,000
1969	33,700,000,000	32,700,000,000	1,000,000,000
1970	35,200,000,000	34,400,000,000	800,000,000
1971	36,200,000,000	35,900,000,000	300,000,000
1972	37,200,000,000	37,400,000,000	[1] 200,000,000
Surplus			6,800,000,000

	Contributions under Finance Committee bill	Benefits under Finance Committee bill	Surplus or deficit
1967			$4,300,000,000
1968	$31,200,000,000	$29,000,000,000	2,200,000,000
1969	36,300,000,000	32,700,000,000	3,600,000,000
1970	38,300,000,000	34,400,000,000	3,900,000,000
1971	42,500,000,000	35,900,000,000	6,600,000,000
1972	46,000,000,000	37,400,000,000	8,600,000,000
Surplus			29,200,000,000

[1] Deficit.

COMPARISON OF CONTRIBUTION INCOME AND BENEFIT OUTGO UNDER PRESENT LAW AND OTHER PROPOSALS AS COMPILED BY SENATOR PROUTY—Continued

	Contributions under House bill	Benefits under House bill	Surplus or deficit
1967			$4,300,000,000
1968	$30,800,000,000	$28,700,000,000	2,100,000,000
1969	34,900,000,000	30,300,000,000	4,600,000,000
1970	36,500,000,000	31,700,000,000	4,800,000,000
1971	40,300,000,000	33,100,000,000	7,200,000,000
1972	42,000,000,000	34,600,000,000	7,400,000,000
Surplus			30,400,000,000

	Contributions under present law	Benefits under present law	Surplus or deficit
1967	$28,500,000,000	$24,200,000,000	$4,300,000,000
1968	29,600,000,000	25,500,000,000	4,100,000,000
1969	33,700,000,000	26,900,000,000	6,800,000,000
1970	35,200,000,000	28,200,000,000	7,000,000,000
1971	36,200,000,000	29,400,000,000	6,800,000,000
1972	37,200,000,000	30,800,000,000	6,400,000,000
Surplus			35,400,000,000

CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON INTERNAL
REVENUE TAXATION,
Washington, May 10, 1967.

Hon. WINSTON L. PROUTY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR PROUTY: This is in reference to your telephone request of May 5, 1967 (through Mr. Paul Malloy) for a Federal individual income tax rate schedule which (1) would increase each bracket rate by a number of percentage points with the number increasing as the schedule proceeds from the lowest taxable income bracket to the highest, and (2) would produce approximately $4 billion of additional revenue at estimated 1967 income levels.

Enclosed is a Table which gives the present law tax rate schedule, and three other schedules (Schedules A, B, and C) each of which would produce approximately $4 billion of additional revenue. Schedule A represents a proportional increase in each present law tax rates apart from variations induced by rounding to the nearest whole percentage; Schedule B represents less-than-proportional and proportional increases in the rates applicable to the lower income brackets and more-than-proportional increases in the rates applicable to the higher income brackets; Schedule C represents a mixed schedule with proportional, more-than-proportional, and less-than-proportional increases in the rates without any clearly defined pattern except that the increases in the nine top brackets are less than proportional. Schedule A is estimated to produce an additional $3.8 billion of revenue at estimated 1967 income levels; Schedule B, $4.1 billion; and Schedule C, $3.9 billion.

Also requested is the difference in additional tax yield which would result from applying the increase in rates to 1964 taxable income and to estimated 1967 taxable income. We estimate this figure at $1.2 billion for rate Schedule A, $1.5 billion for rate Schedule B, and $1.4 billion for rate Schedule C.

Sincerely yours,
LAURENCE N. WOODWORTH.

FEDERAL INDIVIDUAL INCOME TAX RATES UNDER THE PRESENT LAW RATE SCHEDULE AND UNDER 3 ALTERNATIVE SCHEDULES[1]

Taxable income brackets		Tax rates (percent)			
Single person	Married (joint)	Present law	Schedule A	Schedule B	Schedule C
0 to $500	0 to $1,000	14	15	14.5	14.5
$500 to $1,000	$1,000 to $2,000	15	16	15.5	15.5
$1,000 to $1,500	$2,000 to $3,000	16	17	17.0	17.0
$1,500 to $2,000	$3,000 to $4,000	17	18	18.0	18.0
$2,000 to $4,000	$4,000 to $8,000	19	20	20.0	20.5

FEDERAL INDIVIDUAL INCOME TAX RATES UNDER THE PRESENT LAW RATE SCHEDULE AND UNDER 3 ALTERNATIVE SCHEDULES[1]—Continued

Taxable income brackets		Tax rates (percent)			
Single person	Married (joint)	Present law	Schedule A	Schedule B	Schedule C
$4,000 to $6,000	$8,000 to $12,000	22	23	23.5	23.5
$6,000 to $8,000	$12,000 to $16,000	25	27	27.0	27.0
$8,000 to $10,000	$16,000 to $20,000	28	30	30.5	30.0
$10,000 to $12,000	$20,000 to $24,000	32	34	35.0	34.5
$12,000 to $14,000	$24,000 to $28,000	36	38	39.5	38.5
$14,000 to $16,000	$28,000 to $32,000	39	41	43.0	41.5
$16,000 to $18,000	$32,000 to $36,000	42	45	46.5	44.5
$18,000 to $20,000	$36,000 to $40,000	45	48	50.0	47.5
$20,000 to $22,000	$40,000 to $44,000	48	51	53.5	51.0
$22,000 to $26,000	$44,000 to $52,000	50	53	56.0	53.0
$26,000 to $32,000	$52,000 to $64,000	53	56	59.5	56.0
$32,000 to $38,000	$64,000 to $76,000	55	58	62.0	58.0
$38,000 to $44,000	$76,000 to $88,000	58	62	65.5	61.0
$44,000 to $50,000	$88,000 to $100,000	60	64	68.0	63.0
$50,000 to $60,000	$100,000 to $120,000	62	66	70.5	65.5
$60,000 to $70,000	$120,000 to $140,000	64	68	73.0	67.5
$70,000 to $80,000	$140,000 to $160,000	66	70	75.5	69.5
$80,000 to $90,000	$160,000 to $180,000	68	72	78.0	71.5
$90,000 to $100,000	$180,000 to $200,000	69	73	79.5	72.5
Over $100,000	Over $200,000	70	74	81.0	73.5

[1] Estimated to yield an additional $4,000,000,000 over present law rates.

Mr. PROUTY. Mr. President, I hope Senators who are on the floor will thoroughly study the chart which is on their desk. That chart proves conclusively that the social security trust fund is more than adequate to take care of the needs at present tax rates and at the present salary base for the foreseeable future.

UNANIMOUS-CONSENT AGREEMENT

Mr. LONG of Louisiana. Mr. President, while the Senator from Vermont was discussing this matter, I discussed this request with the Senator from New Hampshire [Mr. COTTON]. We thought it might be desirable to request unanimous consent to limit the time on this particular amendment.

I ask unanimous consent that a quorum call be held, and that at the conclusion of the quorum call, the time on the amendment be divided equally, one-half hour to each side, one-half hour under the control of the distinguished Senator from Vermont [Mr. PROUTY] and the other half hour to be controlled by the manager of the bill.

Mr. PROUTY. Mr. President, reserving the right to object—and I shall not object—I would like to suggest, however, that we have a live quorum. There has been only a handful of Members of the Senate on the floor. I hope that staff members will explain to them the importance of this amendment as they come into the Chamber.

Mr. LONG of Louisiana. That is not necessary, because once a quorum call has started, any Senator can object to its being called off.

Mr. HOLLAND. Mr. President, reserving the right to object—and I shall not object—I would be perfectly willing to agree to this unanimous-consent request. I would like to have the time even shorter, and I would not insist on a live quorum before it; but I am very greatly disappointed that the leadership has announced this morning that we will have a Saturday session, when my plans—well known to all concerned—will not permit my being here, and when we were advised yesterday that there would be no such meeting.

I am going to ask that when I leave here, which will be tonight when we conclude business, the majority whip or the secretary of the majority caucus, who frequently acts as majority leader, object, in my name, to any unanimous-consent request tomorrow and following, until I get back, either to limit time or to fix a set time for a vote on any amendment or on the bill itself. I make that request in the RECORD and I know the officials whom I have named will, in my name, carry out that objection for me if any such request is made.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana?

Mr. WILLIAMS of Delaware. Mr. President, reserving the right to object—and I shall not object—will the Senator allow me to have 5 minutes?

Mr. LONG of Louisiana. Yes; I shall be glad to yield some of my time to the Senator from Delaware.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? Without objection, it is agreed to.

Mr. LONG of Louisiana. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk called the roll, and the following Senators answered to their names:

[No. 326 Leg.]

Aiken
Anderson
Bartlett
Boggs
Brewster
Burdick
Byrd, W. Va.
Carlson
Clark
Cotton
Curtis
Dirksen
Eastland
Fannin
Fong
Gore
Griffin
Hansen
Hart
Hatfield
Holland
Hruska
Inouye
Javits
Kennedy, Mass.
Kennedy, N.Y.
Lausche
Long, La.
McClellan
McIntyre
Metcalf
Moss
Pearson
Prouty
Ribicoff
Sparkman
Williams, Del.
Yarborough
Young, Ohio

The PRESIDING OFFICER. A quorum is not present.

Mr. LONG of Louisiana. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Louisiana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, the following Senators entered the chamber and answered to their names:

Allott
Bayh
Bible
Brooke
Case
Fulbright
Hartke
Hayden
Hickenlooper
Hill
Jordan, Idaho
Kuchel
Mansfield
McGovern
Miller
Mondale
Montoya
Morton
Mundt
Muskie
Pastore
Pell
Proxmire
Randolph
Russell
Smith
Spong
Stennis
Symington
Thurmond
Williams, N.J.

The ACTING PRESIDENT pro tempore. A quorum is present.

Mr. PROUTY. Mr. President, I yield myself such time as I may use.

The ACTING PRESIDENT pro tempore. The Senator from Vermont is recognized.

Mr. PROUTY. Mr. President, I am sorry more Senators are not in the Chamber, because the Senate will soon be acting on a major amendment.

I invite attention to a table which I have prepared, a copy of which is on each Senator's desk. It is a comparison of contribution income and benefit outgo under present law, and other proposals as compiled by me.

There is only one item which Senators need be concerned with at this moment. It is at the top of the page under the heading "Contributions Under Present Law," which shows the years 1967 through 1972; "Benefits Provided Under Bill Reported by Finance Committee," and then "Surplus or Deficit."

I show a surplus on my chart over this period of time of $6.8 billion. But, Mr. President, there is one figure which I did not include; namely, the roughly $28 billion which is already a surplus in the trust fund. Therefore, instead of its being $6.8 billion, that figure should be $34.8 billion.

Before I proceed further, I am happy to yield to the distinguished coauthor of the amendment, the Senator from New Hampshire [Mr. COTTON], for such time as he may see fit to use.

The ACTING PRESIDENT pro tempore. The Senator from New Hampshire is recognized.

Mr. COTTON. Mr. President, I shall use but a few minutes. I hope that the Senate will be ready to vote even before the time limit is up.

Mr. President, to me, this is the critical amendment to be considered in connection with the bill. I have no criticism of the Committee on Finance. I have high respect for every member on both sides of the committee.

However, every Senator in this body will be placed between the horns of an almost impossible dilemma if we are compelled to vote on the bill as it came from the committee.

I am convinced that that dilemma is not necessary. If we vote for the bill in its present form, we will give recipients of social security in the lower brackets a decent amount more than the minimum of $44, and a needed increase to others but, at the same time, we will be voting to load the young and middle aged working people of this country, as well as the small businessman, with an almost insupportable burden of taxes.

If we vote against the bill because of what those taxes will do to people in middle life, with all their obligations, then we will be saying "No" to the elderly people who are writing to every one of us—to pitiful cases of old people trying to subsist, with the rising cost of living, on a meager $44 a month or little more.

I will not vote against those people. I shall vote for an increase in social security even if I do not like the Senate bill. I am going to vote for it because of this desperate need of many of our elderly.

Mr. President, it was my intention to offer an amendment increasing the benefits, and to have that increase paid out of the general fund. We already use the general fund in many forms of social security—medicare, total disability, and the Prouty-Cotton amendment which provided special benefits for uninsured individuals over age 72.

But the Senator from Vermont's [Mr. PROUTY] amendment which I have cosponsored, has tables to support it—compiled, I understand, by the very same authorities who advised the Committee on Finance—which indicate that it is not only possible but even probable that in the years ahead we would not need this jump in the tax. We would need no more than the automatic increase already provided for in existing law.

Mr. President, I believe that the Senator from Vermont is right. In order to qualify for social security in the years ahead, to be sure, the beneficiaries will increase. But so will the contributions to the fund for millions and millions of workers, over a period of years, increase.

I think that the Senator from Vermont is correct and that we would be safe in giving this necessary and needed increase without increasing the tax beyond the present law.

But, Mr. President, suppose he is not right? Suppose he is not right—and I do not claim to be an authority—members of the Finance Committee may differ with him—but suppose he is not right. Well, it is obvious that the fund with its surplus of around $35 billion will be sufficient to pay the way until some time probably in 1972.

Then if it becomes evident in the future that the fund is not going to be sound, Congress can, on the basis of an annual report from HEW, put on the necessary added tax to sustain it.

But, if we raise this tax now when we are not sure that it is necessary, look what will happen:

Suppose the analysis of the Senator from Vermont is correct? Suppose we find, as the Senator from Louisiana has indicated, that the fund is overpaid rather than underpaid, and it should become necessary to reduce the tax? What are we doing to those workers in the interim between today and 1972 who have paid the added tax? We cannot return the money to them. Actually, we will have robbed them and taken money out of their pockets.

The only time, without prejudice and without injustice, we can meet such an emergency is when there clearly is such an emergency.

So, Mr. President, I earnestly urge support of our amendment.

All this talk about pumping money into circulation and increasing inflation leaves me utterly cold. It is apparently a horrible thing in the minds of some that oldsters, who are trying to get by on $44 a month, might spend a little more money—but it is not bad if the most spendthrift Government we have had in our history keeps it to pump into the economy.

I think, if this amendment is adopted, we will have a completely safe bill. We will have a report to the Congress on January 1 of every year as to the condition of the trust fund, and the opportunity for Congress to act and add such taxes as may be necessary. At the same time we can care for those who need it so much, without placing an intolerable burden on our workers and young people.

That is the main reason why, to me, this is a most important amendment. It carries no danger, and it enables every Senator to vote his conviction without being compelled to rob Peter to pay Paul.

Mr. PROUTY. Mr. President, I am very grateful for the support given to this amendment by the senior Senator from New Hampshire. This amendment might be referred to as the Cotton-Prouty amendment, because the distinguished Senator from New Hampshire has rendered much service in developing the concept contained in the amendment.

Mr. President, I reserve the balance of my time.

Mr. LONG of Louisiana. Mr. President, I yield myself 5 minutes.

Here is a memo from Mr. Robert Myers, Chief Actuary of the Social Security Administration, with regard to this particular amendment. The most impressive paragraph in this memorandum is the last one, which reads:

> In summary, the proposed amendment, by increasing benefits significantly and by leaving the overall financing provisions unchanged, would place the OASDI system in a financial status such that sizeable Government costs would be involved, both in the short range and especially in the long range (the latter must be considered in a social insurance program, and not merely the situation in the next few years). At the same time, the HI program would be made actuarially unsound and, in fact, would be bankrupt by the end of 1970 (since the proposal makes no provision whatsoever for Government payments when outgo would exceed contribution income).

So this amendment bankrupts the hospital insurance plan in 2 years. In 2 years the medicare-hospital benefit fund will be bankrupt. That is the Chief Actuary of the Social Security Administration speaking.

With regard to the social security fund, the big trust fund, we have been trying to maintain a level of funds in this trust fund so that the elderly citizens could know that there would be enough money available to guarantee them that next month's check and the checks after that would be forthcoming.

Initially, the theory was to have enough money in the fund to pay benefits over a number of years, but as the years have gone by, there has been a retreat from that theory to the position that, as long as we raise enough money in taxes to more than pay for the benefits that we vote, the trust fund will never be "broke" and that people may be sure, that there will always be enough money in the fund.

I do not subscribe to the minority views on the Republican side, but they have placed a chart in their views which I think is correct. It appears on page 336 of the minority views. I urge Senators to look at that chart. It helps illustrate the point. It shows that the amount of money in the social security trust fund reserve at the present time would pay the present benefits to those now on the benefit rolls for only 1 year.

It will be noted that with these changes in 1967, we will be right on that figure. Twelve months of benefits could be paid under the existing level as authorized by law.

If we take the chart that the Senator has placed on our desks and look at the chart and the figures, which I think are important, it will help prove another point. It will be noticed that for the calendar year 1968, under this bill, looking at the right-hand column, we would bring in, $2.2 billion more in revenues than we would pay out in benefits.

Now look at the middle column. The benefits for 1968 would be $29 billion.

Mr. PROUTY. Mr. President, will the Senator tell me what page he is on?

Mr. LONG of Louisiana. I am looking at the legal size sheet of the memorandum the Senator has put on our desks.

Look at the middle column. The level of benefits in 1968 would be $29 billion.

In 1969, because of the additional benefits voted, the level of benefits would be $32.7 billion.

So if we wanted to have enough money in the trust fund to protect these demands from benefits that the people would get, we would need to have $32.7 billion in the fund, which would be $3.7 billion more than would be in the fund at the end of 1968. We will not have that much more in the fund, because the surplus for 1968 will be $2.2 billion to begin with. So we will be $1.5 billion short.

Look at the next row of figures. In the year 1969 we would have a surplus in the fund, under the higher tax rate and higher base, of $3.6 billion. That would move us toward having enough—not quite up to it, but it would almost get us to the point, within $200 million of raising enough money—to restore whatever may be the balance in the fund.

Projected into the future years—we are speaking of 1971 and 1972; we are talking about 4 and 5 years into the future—we would raise more money in taxes than would be needed. We would be overfunding even for that one year's benefits in the fund at the time we started the year. So, 4 or 5 years from now, we would actually be raising more money in taxes than would be required.

I urge Members of Congress to be a little practical about this matter. Between now and 1971, one of two things will happen. Either we will vote for some additional benefits or else we will not vote to raise the tax level as much as has been complained about in the debate here. So, one way or the other, somebody will get a break. Either the taxpayers will get a break because of not having to pay quite as much in 1971 as was expected, or the social security recipient will get the break by having additional benefits.

That is much more likely to occur than the surplus in the fund as projected. If we are talking about 1968 and 1969, we do not raise quite enough money under the committee bill to pay for the increased benefits we are voting here.

We are about $200 million shy of doing that during these next 2 years.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. LONG of Louisiana. I yield myself 1 additional minute.

But, we raise enough to pay for the additional benefits, and to maintain 1 year's level of benefits in the fund, during the next 2 years.

I yield myself 2 additional minutes.

Mr. President, there is an additional problem here. If we were selecting a time to reduce the level of money flowing into a fund below that which would pay 12 months' benefit, we could not conceivably pick a worse time than now, because we have serious inflationary pressures at the moment, and in addition to that, the projected deficit in national income accounts is more than $18 billion for this fiscal year.

Insofar as we raise more money in social security taxes than we pay out in benefits, we tend to help improve the national income accounts, and thus fight inflation.

The House bill, and even the committee bill, would reduce that surplus flowing into the fund by $2 billion, and to that extent would tend to move in the other direction, to worsen the national income accounts.

But to go beyond that point, and to retreat from the principle that there ought to be at least enough money in the fund to pay one year's benefits, would be completely irresponsible, particularly at this time when it would be contributing to inflation. It would be worsening the national income accounts, worsening the overall Government deficit in terms of a cash budget, and worsening our credit situation; and we would be voting for an amendment which, by 1970, would empty the hospital insurance fund.

Mr. LAUSCHE. Mr. President, will the Senator yield?

The ACTING PRESIDENT pro tempore. The Senator's time has again expired.

Mr. LONG of Louisiana. I yield myself 2 additional minutes, and I yield to the Senator from Ohio.

Mr. LAUSCHE. Does the inflow of money depend upon the percentage of the people of our country who are employed?

Mr. LONG of Louisiana. Yes.

Mr. LAUSCHE. If there should be a decrease in employment, would the amount coming in be reduced proportionately to the degree of unemployment?

Mr. LONG of Louisiana. It would be.

Mr. LAUSCHE. Does the fact that there is unemployment, which reduces the income, have any effect upon the fixed obligations that have accrued to pay to the beneficiaries the amount of money that is coming to them?

Mr. LONG of Louisiana. More money would be paid out rather than less. This comes about because some people who could be drawing pensions if they are out of work are still working. If unemployed, such persons will assert claims for benefits simply because they are not able to find jobs.

Mr. LAUSCHE. What formula has been used in estimating the income? Is it full employment, full employment less 5 percent, or what?

Mr. LONG of Louisiana. Such factors are taken into account in estimating, but of course the actuaries have to do the best they can to estimate what future employment trends will be over a period of time.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. LONG of Louisiana. I yield myself 1 additional minute.

Mr. LAUSCHE. In a period of unemployment and distress, if it were desired to feed money into the economy, and the Treasury had a surplus, could that be done either by raising the benefits of the beneficiaries or reducing the taxes?

Mr. LONG of Louisiana. Yes, that could be done.

Mr. LAUSCHE. That is what we would want to do, would we not?

Mr. LONG of Louisiana. Well, we might be forced to. We might not have much choice about it. That is one reason for keeping a trust fund.

Mr. LAUSCHE. I thank the Senator.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. PROUTY. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator from Vermont has 18 minutes remaining.

Mr. PROUTY. Mr. President, I yield myself 3 minutes.

First I should like to ask the distinguished chairman of the committee whether the Mr. Myers upon whose figures he seems to be relying today is the same Mr. Myers whose computations he questioned yesterday in connection with another amendment.

Mr. LONG of Louisiana. Yes.

Mr. PROUTY. He is the same individual?

Mr. LONG of Louisiana. Yes.

Mr. PROUTY. We have had that experience before. I remember that 2 or 3 years ago, we both got different information and figures from Mr. Myers. After the vote was taken, I think we found out we were both partially right, if not completely right.

Mr. LONG of Louisiana. Yes.

Mr. PROUTY. And we know that actuaries can be a little bit confusing, if requested to furnish information supporting one side of a question.

Mr. LONG of Louisiana. May I say to the Senator that Mr. Myers may not always be right. I think he is an honest man, and does the best he can, with the data furnished to him.

In this particular case, we have concluded that the estimate is correct. As a matter of fact, I believe, in this instance, so far as I know, the Senator is relying on Mr. Myers' figures in his own way.

Mr. PROUTY. Mr. President, the Senator from Louisiana is engaging in a lengthy discussion on my time.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. PROUTY. I yield to the Senator from New Hampshire.

Mr. COTTON. The proof of the pudding is in the tasting. There is only one way to know who is right, and that is to find out whether this added cost would be a drain on the fund. Then we would know. I am opposed to taking a cent from the pockets of the American workers until we know we need it. There is only one way to know we need it.

Mr. PROUTY. Mr. President, I think the distinguished Senator from Louisiana has maintained that a surplus is needed the beginning of each year which is sufficient to pay out benefits for 1 year. This principle completely ignores the payments or contributions that will be coming in each and every year.

I have never heard a single actuary or anyone familiar with this program suggest that such a surplus is necessary or desirable. I think the fact that it is neither necessary or desirable is well substantiated by the record of the hearings.

But, Mr. President, I have no wish to prolong this debate. Unfortunately, not many Senators have found it possible or worthwhile to be on the floor. I think some of them will eventually have reason to be concerned, if they vote against this amendment. They will have reason to be concerned, Mr. President, because I do not think they know how greatly our social security system is overfinanced.

Briefly, Mr. President, our amendment retains the $6,600 salary base which is now in effect. It would retain the payroll taxes contained in 1965 amendments to the Social Security Act. Moreover, it would retain the increased benefits provided in the bill as reported by the Committee on Finance. In the unlikely event that at some distant time in the future an unforeseen contingency should arise, general revenue funds could be used for that particular year.

More importantly, Mr. President, we now have a surplus. As a matter of fact, at the end of 1972 that surplus will be about $34.8 billion. I have yet to find a single actuary who says that amount of money is not more than ample.

If we increase social security payroll taxes, we are going to saddle an unconscionable burden on the working people and the small businessman of this country. Since the increase is unnecessary, I think we are making a very grave mistake. Moreover, if this is intended to take the place of a surtax, as some Senators have suggested, I believe it is an abuse of the social security system.

If we are going to levy a tax to take care of inflation, or for any other purpose, let us put it on all the people of this country, not just the working people.

Mr. President, if the Senator from Louisiana is willing to yield back the remainder of his time, I am willing to yield back the remainder of mine. I do not believe either of us can add much to what has already been said.

Mr. LONG of Louisiana. Mr. President, I have agreed to yield 5 minutes to the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, I have always said that one of the great achievements of the New Deal was the establishment of the social security system. I think it was one of the greatest programs ever started, and I always have been and am today a strong supporter of a sound pension system.

Social security was established on the principle that it would be financed by the employer and the employee. It was established on the principle that, as a beneficiary by virtue of his payments into the social security fund, a man could accept that check with dignity as a retirement check from a fund into which he had contributed. It was to be a retirement pension to which he was fully entitled, the same as he would be under any other retirement system, whether it be civil service retirement or one of the many other private pension plans that operate in this country.

I think it is very important that we let the people retain that dignity in connection with the receipt of the pension check and let the workers and those who participate know that it is something they have paid for.

However, I agree fully with some of the remarks of my friends, the Senator from New Hampshire and the Senator from Vermont, that this tax is getting out of hand. I said that in the committee. That is the reason that the minority members of the committee raised the question as to how far we could go in increasing benefits over and beyond those contained in the House bill.

With these increased benefits go higher taxes, and the fact that the majority members have delayed these increases until after the 1968 election does not minimize the pain. The tax increase is there under the Hartke-Long formula.

I call attention to the fact that the pending bill—and the pending amendment would not change it—would provide additional benefits in the amount of more than $6 billion annually once the provision of the law becomes fully effective. And that money has to be financed.

The Government of the United States does not have access to any mysterious source of income. The only revenue we have with which to pay for these benefits is either wage taxes which are paid into the trust fund or income taxes from the pockets of the same American taxpayers. Otherwise, we borrow the money and pyramid the national debt.

When we speak of general revenue we are not just looking to some mysterious source which will relieve all pain as far as the workingman and the American taxpayers are concerned with relation to taxes.

The workingmen of America have deductions made from the amount of money they receive as salary by virtue of both social security and income tax. Whether the Government collects this money through a social security tax on the wages or through income tax, it is equally painful and retrogressive to the people. One can use all the adjectives he cares to use; it is still a tax.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. Mr. President, the Senator from Vermont suggested that these benefits be paid out of the general fund That would require a change in the law. No such payment is authorized. Appropriations for those payments would probably be subject to a point of order.

If these people are to be entitled to health benefits to be paid out of the general fund, we would have to recommend a change in the law to authorize it.

Mr. PROUTY. Mr. President, will the Senator yield on my time?

Mr. WILLIAMS of Delaware. I yield.

Mr. PROUTY. Mr. President, I point out that in my judgment, and in the judgment of the experts with whom I have consulted, financing from general revenues will not be necessary for many years to come.

Too much emphasis is being placed on the raising of the money through the use of general funds.

Mr. CURTIS. I was referring to what the Senator said.

Mr. PROUTY. I did not say we would have to do it. I said repeatedly that we would not have to do it for many years to come. However, we must have some provision to allow for such a contingency.

I cannot envision what will happen 10, 15, or 20 years from now, and neither do I think that any other Senator can. I think that we should have some provision in the law so that if an unforeseen need arises, we could appropriate money from the general funds for any particular year.

Mr. CURTIS. We are without authority to do that under the present law.

Mr. WILLIAMS of Delaware. The argument that we could use the current revenue in the trust fund to finance the payment of an additional $6 billion in benefits means that we would be spending for today's benefits the contributions now being made into the fund by millions of wage earners in the 25- to 45-year-old age bracket. The contributions of these younger workers are being made on the premise that these wage earners are building up their security for the future.

To accept the principle that we can use all of their contributions today to pay benefits to those who are retired or will retire tomorrow means that we will be destroying completely the future security of our present wage earners when they reach the age of 65.

I cannot go along with that principle. To go to public financing would be a major change and a complete reversal of all the principles on which the social security system has been founded. I certainly do not think we should take such a radical step on the floor of the Senate.

Conceivably we could repeal all existing wage taxes for 1968, deplete the trust fund in its entirety, and still pay benefits for 10 to 12 months if we wanted to be shortsighted enough to do so.

I personally do not think we can proceed on that basis. I think we must recognize that the $100 to $200 per year which the average wage earner of 35 years of age is putting into the trust fund today is for his own security and is being placed there for his benefit. Congress has a responsibility to protect his interest. This is, or at least it is supposed to be, a trust fund.

Mr. President, I hope the amendment is rejected.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. LONG of Louisiana. Mr. President, I yield 2 minutes to the Senator from Florida.

The ACTING PRESIDENT pro tempore. The Senator from Florida is recognized for 2 minutes.

Mr. HOLLAND. Mr. President, I agree completely with the position taken by the Senator in charge of the bill, the distinguished Senator from Louisiana, chairman of the Finance Committee, and the Senator from Delaware [Mr. WILLIAMS].

I point out an additional fact that has not been mentioned. There are several Senators who are above the age of 72 years and who have regularly paid social security taxes on outside income. We are all drawing social security whether we want it or not. That is the law—we have paid for that insurance and are still paying.

Under the pending bill, if the amendment of the Senator from Vermont were agreed to, the amount of our social security payments would be increased, but we would be making it very sure that we would not have to pay any more to the Government by leaving the level of income and the rate upon which we pay the same.

I do not know how any Senator in that position could possibly think about voting for the pending amendment. It is so obviously unfair to the general public and the general taxpayer for a Senator to raise his own social security payments and at the same time make sure that the base on which he pays annually and his annual tax is no greater.

I think we certainly could not be in position to vote for such a self-serving proposal. I could not vote for it.

The ACTING PRESIDENT pro tempore. The time of the Senator has expired.

Mr. PROUTY. Mr. President, in answer to the distinguished Senator from Florida, we are all under a rather liberal retirement plan in Congress which is not a part of the social security system. As far as the social security system is concerned, I am convinced it is grossly overfinanced already.

Mr. HOLLAND. The Senator from Florida has said that there are several Senators who are over the age of 72 and have paid on the maximum amount for years.

When the Senator offers an amendment which would raise considerably the amount which we draw but would make it very sure that we do not have to pay any more into the pool from which we are being paid, to my mind that is, as to us, completely unfair and completely self-serving.

I do not see how any Senator in that position could even think about voting for the pending amendment.

I thank the Senator for yielding.

Mr. PROUTY. The Senator from Vermont is trying to protect the interests of the contributing wage earners of the country—people earning $5,000, $6,000, $7,000, $8,000, $9,000, or $10,000 a year. The Senators who may happen to be on social security should not feel guilty about protecting the interests of wage earners.

Mr. LONG of Louisiana. Mr. President, I yield 5 minutes to the distinguished minority leader.

The ACTING PRESIDENT pro tempore. The Senator from Illinois is recognized for 5 minutes.

Mr. DIRKSEN. Mr. President, all I know is what I see in the papers, unless I get something out of a Government agency.

I have a note here from the Chief Actuary, Mr. Robert J. Myers, and this is just as fresh as the morning paper, because it is dated on November 17, 1967.

This is what Mr. Myers says about the pending amendment:

> With respect to the old-age and survivors' insurance fund, the excess of outgo over income in 1968 will be $1,168 million.

That goes down a little up to 1972. It is $765 million. Then it starts up again, and by 1980 you dip into the Treasury for $2.7 billion, and by 1990 you dip into the Treasury for $7.3 billion. Well, what you are going to do is make a welfare program out of this.

Now, that is equally true of the so-called trust fund for disability, because there you start with an excess of income. It gradually dribbles down, and then when you get to 1980, the excess of outgo over income is $200 million, and you pick that up out of the general fund.

That is equally true of the hospital fund, because the excess of outgo in the first year is $170 million. By 1972, it is $1,151,000,000.

I did not concoct these figures. These are from Mr. Myers, the Chief Actuary. And I am not about to support that kind of program, where you freeze the wage base and the tax and you let the benefits go up.

Mr. President, I just want to say on this Senate floor now that if Great Britain had stuck with the Beveridge plan when it began, they would be in pretty sound shape today. But they let the House of Commons maul it, put everything in it, and finally converted it to a welfare program. So that between defense and welfare, here she is trying to borrow $1 billion from 10 countries; and Mr. de Gaulle is not about to look on that very kindly, according to the press. And who shall say whether or not the pound is going to be devalued? Our market is shaky this morning.

Now, that is what we are doing with this program, and yet we call it the old-age and survivors insurance program.

Look at the lawbooks on insurance, on fraternal organizations. The history of our country is strewn with the whitened bones of bankrupted outfits that did exactly this, and the contributions did not come on—and the result was what? They failed. And if you ever saw anything so wretched as somebody clutching a policy, knowing there was no dough in the trust fund—and I saw my mother do it—you never can forget it. You only have to see that once. All you have to see is the bitter, streaming tears.

And here are 18 million recipients now. I am not going to put them on the block and fool with their program. I am for social security, but it has to be sound, or it is going to founder. And I am not about to see it made a welfare program, either.

I hope, in the interest of the country and the people who are the beneficiaries, that this amendment will fail.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. MANSFIELD. Mr. President, I wish to aline myself with the distinguished minority leader.

As I understand this amendment, the benefits would be increased but the taxes would not.

In the printed explanation of the pending amendment, it is said:

> As a matter of fact, without a benefit increase, existing social security taxes would create a surplus of over $344 billion by the year 2000.

But further in the explanation of the amendment, it is said:

> However, in the event that the social security surplus is not sufficient for this purpose my amendment further provides that additional funds required to pay these benefits will be appropriated from general revenues.

It seems to me that these two propositions cannot be reconciled.

I think that the sound premise upon which this program should be based is one of pay as you go. I think the tax should be adjusted to pay for any increased benefits. I believe the old people of this country deserve an increase in benefits; an increase supported by a trust fund maintained on as sound an actuarial basis as possible. The fund increases assured under the bill will indeed support the benefit increases provided.

I think we will be going a long way down the road to fiscal irresponsibility if we choose now to adopt an amendment that, in effect, would weaken the trust fund created to finance the social security system. The trust fund concept of financing this system has already been established and proven. I hope, most sincerely, that this amendment will be defeated.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. PROUTY. Mr. President, how much time do I have remaining?

The ACTING PRESIDENT pro tempore. The Senator has 10 minutes remaining.

Mr. PROUTY. Mr. President, I yield myself 2 or 3 minutes.

I might say, first, that Mr. Robert Myers seems to be able to take more positions within a period of 24 hours than any other man I have ever known. This is not the first time. The Senator from Illinois has just read something from him. The Senator from Louisiana earlier read something else. I have had other information from him which differs with the facts given to the two distinguished Senator to whom I have referred.

I believe the Senator from Illinois referred to something that might happen in 1990. I believe his figures disregard a growth in the gross national product for the next 20 years.

Yesterday the Senator from Louisiana said the fund is overfinanced, not underfinanced.

Under the bill reported by the Finance Committee we are placing a great burden on the workingmen and the small businessmen of this country, and I hope Senators realize that very clearly before they cast a vote.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. PROUTY. I yield.

Mr. COTTON. Mr. President, I regret very much that both of our esteemed leaders have characterized the proposed amendments as they have in the past 4 minutes. I doubt whether they studied the amendment earlier than a few minutes ago, because the amendment is not framed or intended to contemplate, nor would I be a sponsor of it or vote for it if it contemplated changing the social security system to a welfare fund.

The amendment provides for a report to Congress on January 1 of every year to ascertain the condition of the fund. And it contemplates—at least, its intent is—that Congress shall then take such action to increase the tax for the fund as may be needed. It also provides, however, for the contingency that we might have to appropriate moneys for a part of a year until a new tax took effect. But the fact remains, Mr. President, that at the end of 1972, we will have a surplus in the social security fund of $34.8 billion. Every actuary and every staff member with whom I have talked has said that this is unnecessary, that there is no need whatsoever to have a full year's benefits in the fund.

Nobody seems to know whether, with the vast number of payers into the fund, we will be collecting too much money and taking money unnecessarily, or whether the fund will be depleted. But I say again, that if you do not accept this amendment, if you increase the tax now, willy-nilly, you have crossed the Rubicon. If you find you are building up a surplus fund, you cannot reduce it without being unfair and dishonest to those who have paid into it in the intervening years between today and 1972 or 1975, or such time as the necessity arises.

I do not believe in taking 1 red cent from the profits of any American worker until I know something more than the dreaming and the tables of the statisticians, as to whether or not it will be necessary. I regret that the powers that be in the Senate have passed so quickly and so definitely on our amendment with complete misinterpretation of its purpose and its intent.

Mr. PROUTY. Mr. President, if the Senator from Louisiana is willing to yield back the remainder of his time, I am willing to do so.

Mr. LONG of Louisiana. Mr. President, I yield 2 minutes to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, early in 1950, while I was Governor of Ohio, there was $700 million in the unemployment compensation fund. Employers and labor leaders got together and agreed upon an increase in unemployment compensation, a reduction of the rate of contribution into the fund, and the return of $70 million to employers on the ground that they had paid into the fund more than was justified.

I disagreed with the employers and the labor leaders. I said:

> Keep this fund strong. If we are to make a mistake, make it in the direction of soundness, rather than weakness, in the maintenance of the fund.

The legislature passed what was requested. I opposed it, and I was ridden down. Then, 1958 came, unemployment set in, the fund dropped to $150 million, and there was danger. This Congress, in 1958, appropriated funds to many States which had followed a bad policy reducing rates of contribution and increasing rates of payment to the unemployed.

My position is that if we are to make a mistake, make it in the direction of sound maintenance of the fund. Do not make it in that direction in which at some subsequent date it will be found that the fund is incapable of maintaining its responsibilities.

A moment ago I put the question to the staff man: Does this social security cover my retirement benefits as a Senator? I concur with what the Senator from Illinois said. I am holding a policy of insurance and I want that fund out of which I am to be paid to be kept strong and sound. The senatorial benefits are not in this fund, but what I would want for myself, as a Senator, I want accorded to every citizen of the country: a guarantee that the fund will be adequate to meet their rights when the time comes.

I thank the Senator from Louisiana.

The PRESIDING OFFICER. Who yields time?

Mr. LONG of Louisiana. Mr. President, I yield back any time I have remaining.

Mr. PROUTY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Vermont (No. 445).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Alaska [Mr. Gruening], the Senator from North Carolina [Mr. Jordan], the Senator from Missouri [Mr. Long], the Senator from Oregon [Mr. Morse], and the Senator from Maryland [Mr. Tydings] are absent on official business.

I also announce that the Senator from Virginia [Mr. Byrd], the Senator from Idaho [Mr. Church], the Senator from Connecticut [Mr. Dodd], the Senator from Louisiana [Mr. Ellender], the Senator from North Carolina [Mr. Ervin], the Senator from Oklahoma [Mr. Harris], the Senator from South Carolina [Mr. Hollings], the Senators from Washington [Mr. Jackson and Mr. Magnuson], the Senator from Minnesota [Mr. McCarthy], the Senator from Wyoming [Mr. McGee], the Senator from Oklahoma [Mr. Monroney], the Senator from Wisconsin [Mr. Nelson], the Senator from Florida [Mr. Smathers], the Senator from Mississippi [Mr. Stennis], and the Senator from Georgia [Mr. Talmadge] are necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma [Mr. Harris], the Senators from Washington [Mr. Jackson and Mr. Magnuson], the Senator from Wyoming [Mr. McGee], the Senator from Florida [Mr. Smathers], the Senator from South Carolina [Mr. Hollings], the Senator from Maryland [Mr. Tydings], and the Senator from Nevada [Mr. Cannon] would each vote "nay."

On this vote, the Senator from Louisiana [Mr. Ellender] is paired with the Senator from Oregon [Mr. Morse].

If present and voting, the Senator from Louisiana would vote "nay," and the Senator from Oregon would vote "yea."

Mr. KUCHEL. I announce that the Senator from Tennessee [Mr. Baker], the Senator from Utah [Mr. Bennett], the Senator from Colorado [Mr. Dominick], the Senator from California [Mr. Murphy], the Senator from Illinois [Mr. Percy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper] and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from North Dakota [Mr. Young] is absent because of death in his family.

The Senator from Kansas [Mr. Pearson] is detained on official business.

If present and voting, the Senator from Utah [Mr. Bennett], the Senator from California [Mr. Murphy], the Senator from Colorado [Mr. Dominick], the Senator from Kansas [Mr. Pearson], the Senator from Pennsylvania [Mr. Scott], and the Senator from Texas [Mr. Tower] would each vote "nay."

The result was announced—yeas 6, nays 62, as follows:

[No. 327 Leg.]

YEAS—6

Aiken
Cotton
Kennedy, Mass.
Kennedy, N.Y.
McIntyre
Prouty

NAYS—62

Allott
Anderson
Bartlett
Bayh
Bible
Boggs
Brewster
Brooke
Burdick
Byrd, W. Va.
Carlson
Case
Clark
Curtis
Dirksen
Eastland
Fannin
Fong
Fulbright
Gore
Griffin
Hansen
Hart
Hartke
Hatfield
Hayden
Hickenlooper
Hill
Holland
Hruska
Inouye
Javits
Jordan, Idaho
Kuchel
Lausche
Long, La.
Mansfield
McClellan
McGovern
Metcalf
Miller
Mondale
Montoya
Morton
Moss
Mundt
Muskie
Pastore
Pell
Proxmire
Randolph
Ribicoff
Russell
Smith
Sparkman
Spong
Symington
Thurmond
Williams, N.J.
Williams, Del.
Yarborough
Young, Ohio

NOT VOTING—32

Baker
Bennett
Byrd, Va.
Cannon
Church
Cooper
Dodd
Dominick
Ellender
Ervin
Gruening
Harris
Hollings
Jackson
Jordan, N.C.
Long, Mo.
Magnuson
McCarthy
McGee
Monroney
Morse
Murphy
Nelson
Pearson
Percy
Scott
Smathers
Stennis
Talmadge
Tower
Tydings
Young, N. Dak.

So Mr. Prouty's amendment (No. 445) was rejected.

Mr. CARLSON. Mr. President, section 142 of the bill deals with coordination of reimbursement with health facility planning. The explanation is found on page 17 of the committee print which was published on November 9, 1967. This has caused great concern among the hospitals of this Nation.

I ask unanimous consent to have printed in the Record a telegram from the Associate Director of the American Hospital Association on this subject.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

American Hospital Association,
Washington, D.C., November 15, 1967.

Senator Frank Carlson,
Washington, D.C.:

The American Hospital Association, on behalf of some 7,000 of the Nation's hospitals, strongly opposes section 142 of the Senate Finance Committee's reported bill, H.R. 12080, the Social Security Amendments of 1967. This section would deny payment to hospitals under medicare and medicaid for depreciation and interest costs on those capital expenditures not approved by the single State planning agency authorized under the Comprehensive Planning Act.

We strongly oppose this provision for these reasons:

(1) Depreciation and interest on capital expenditures are recognized as legitimate and necessary costs of operating any business. There is no justification for discriminating against hospitals in this respect.

(2) It interferes with the authority and legal responsibility of a hospital's governing board to provide for all the facilities and equipment required to serve its community

(3) The medicare and medicaid programs constitute contracts under which the Federal Government agreed to pay hospitals for care rendered to the aged and poor. Denial of reimbursement of these costs as proposed is obvious economic coercion on the hospitals to submit to Government planning.

(4) The proposal is in violation of the letter and intent of the medicare statute (P.L. 89–97, section 1801) which forbids "supervision or control over the administration or operation of any such institution." Denying reimbursement for a hospital's costs of depreciation and interest on capital items clearly is interference with the administration and operation of the hospital.

For these reasons we urge that section 142 be deleted from the bill.

Kenneth Williamson,
Associate Director.

Mr. CARLSON. Mr. President, I want to state that I have heard from every one of the hospitals in my State. They are quite concerned with the proposal made in section 142 of this bill under which payment to hospitals under the medicare and medicaid programs for depreciation and interest costs would be denied for any capital expenditures not submitted to and approved by the single State planning agency authorized under the Comprehensive Planning Act.

Certainly we all agree that planning is a good thing, particularly in this day of rising hospital costs. The hospitals in my State, as well as the vast majority of the hospitals in the Nation, currently are participating in voluntary regional planning. I understand that there are some 80 of these regional planning groups operating.

I know that Senators are all familiar with the Comprehensive Planning Act. Under this act the Government grants money to States to assist in statewide health planning. The hospitals of the Nation are grateful for this assistance and are supporting that program to the fullest extent. However, they feel very strongly that economic sanctions under the guise of fostering planning is an improper act on the part of the Government and indeed a breach of faith from the promises made to the hospital field in the original enactment of the medicare and medicaid programs that the Government would not exercise any "supervision or control over the administration or operation of any such institution."

Under the medicare law, the Government contracted with the hospitals of this Nation to pay the reasonable costs incurred by hospitals in the care of our aged and poor. The principles under that legislation recognized, in accordance with generally accepted accounting practices, that depreciation and interest on capital expenditures are legitimate and necessary costs of operation of any business—including hospitals. The proposal now being made in section 142 would be to deny the payment of these costs unless the hospital submits its proposed capital expenditures to the State planning agency for approval. This is rank discrimination against our hospitals and in my opinion violates the letter and intent of the Government's promises to hospitals in enacting medicare.

I know Senators are aware that the hospitals in their communities, as well as mine, are governed by boards of trustees selected from the most prominent and respected citizens of the community. For the most part, these are men who have made their mark in industry, the professions, or government. These people bring to the hospital field unlimited years of experience and background in planning and development and, as you know, serve the hospitals without pay. To say to this dedicated army of professionals that they can no longer make the decisions for their local hospital raises a serious question as to the future availability of people to serve in this capacity. Moreover, in my opinion, it is a gross interference with the authority and legal responsibility vested in these hospital governing boards.

Mr. President, I raise this issue in order that I may call it to the attention of the distinguished chairman of the Finance Committee, who helped write this bill and who, I am sure, is familiar with the situation and the problem that has been presented to me and other Members of Congress by the hospitals. If the chairman wishes to comment on this problem, I would appreciate it.

Mr. LONG of Louisiana. Mr. President, this problem arises as a result of a misunderstanding. The committee is well aware of the fact that $1 billion was added to the cost of the medicare program as a result of rising hospital costs. That is something I had predicted, at least to some extent, at the time we were considering medicare.

To prevent the construction of many facilities which are not really needed and considering that the Federal Government would be picking up the cost, it was initially suggested that we should not pay for the depreciation to help amortize these costs, unless the plan had been approved by the State planning agencies. Most States have State planning agencies.

But, in committee, on the recommendation of the Senator from Nebraska [Mr. CURTIS], we changed that so that we would pay this depreciation allowance to hospitals unless the capital expenditure was specifically disapproved by a State planning agency.

So, as a practical matter, there is no requirement that the hospital submit the proposal to a State planning agency. The hospital would be reimbursed under the depreciation allowance. But if it were submitted or the planning agency knew about it and informed those concerned that this plan was not approved, then, of course, the Federal Government would not pay the depreciation allowance on it.

I believe that the fear that arose in the minds of the hospital administrators probably had its genesis here in Washington when representatives of the association saw this little blue pamphlet which merely summarizes the provisions in the committee bill. This was prior to the time they had a chance to study the committee report itself and review the provisions of the committee bill.

So they looked at that little thumbnail summary of what was in the bill. I believe they erroneously arrived at the conclusion that they would be required to submit their proposed improvements to a State planning agency and have them approved.

Actually, the bill works just the other way around. The hospitals would receive the depreciation allowance in their reimbursement unless the improvement plans had been specifically disapproved by the State planning agencies.

That is desirable, so far as it goes, because in many cities—I do not know of any in my State, but in a number of States—there is an excess of hospital beds and facilities. In some instances two or three hospitals try to obtain some very expensive new equipment to do specialized jobs when only one is needed for the entire community.

Many States, realizing this problem, have set up State planning agencies. Generally speaking, those agencies are doing a very fine job.

The bill does not require that a hospital obtain approval of a State planning agency. It does not require that the hospitals submit those plans for approval of a State planning agency. All the bill provides is that, if the State planning agency specifically disapproves of some particular expenditure, the Federal Government will not reimburse for such capital expenditure that was specifically disapproved at the State level.

This is, I believe, States rights all the way—where we do not require the State to do something along these lines. But, if the State then sets up a State planning agency, and that agency disapproves of a certain hospital expenditure, we would not include depreciation in the reimbursement.

If the Senator from Kansas had a chance to discuss it with hospital administrators themselves, personally, and showed them what the committee report says, I am sure they would be convinced that they were led to an erroneous conclusion, probably because of a misunderstanding due to a brief summary, which did not explain every facet of the provision we put in the bill. This summary is contained in the little blue pamphlet to which I have referred the Senator.

Mr. CARLSON. I trust that the statement of our distinguished chairman, the Senator from Louisiana [Mr. LONG], has at least pointed up the intent of the committee report, as I have read it. I read the committee report and I thought we took care of the situation as the hospitals would really want to operate and that it was left to the State planning boards. I do not think anyone could object to that. I sincerely hope this explanation will clarify the matter for the hospital administrators.

It was my intention to offer an amendment to delete this section. In view of the statement by the chairman of the committee, I shall not make such a motion. If it develops later that some of the administrators concerned think there is a need to have it amended, I reserve that right. At this time I wish to express my appreciation for the statement of the chairman of the committee.

Mr. LONG of Louisiana. This matter will be in conference. I anticipate that the Senator from Kansas [Mr. CARLSON] will be a member of that conference between the Senate and the House. In the event this matter has not been resolved to the satisfaction of the hospital administrators, we will certainly consider that fact in conference and consider whether their fears are well founded, and dispose of it in conference. I think when they see what the committee really has in mind, their fears will be allayed.

Mr. CARLSON. I appreciate what the Senator has said.

Mr. PROUTY. Mr. President, first I wish to express my appreciation to the four Senators who supported the Prouty-Cotton amendment, which received six votes.

I remember when I first offered to bring the very low-income people under the social security system at a minimum of $44 a month, I was almost laughed down. I believe the Senator from New Hampshire [Mr. COTTON], who joined me at that time, was subjected to the same criticisms which were showered on me.

As time went on, the Senate finally was persuaded to adopt such an amendment, which provided $44 a month. When the bill went to conference, it was reduced to $35, which certainly was a step in the right direction, because we had something. Now that minimum has been raised to $50 under the bill as reported by the Finance Committee.

With persistent effort, we sometimes achieve results. I believe in the years ahead many Senators who voted against the last Prouty-Cotton amendment will eventually see the wisdom of the proposal.

Now, Mr. President, on behalf of myself and the distinguished senior Senator from New Hampshire [Mr. COTTON], I send to the desk an amendment and ask that it be stated.

The ACTING PRESIDENT pro tempore. The amendment will be stated.

The assistant legislative clerk proceded to read the amendment.

Mr. PROUTY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment proposed by Mr. PROUTY is as follows:

On page 16, line 9, insert "January" in lieu of "March". On page 17, in lines 7, 8, 16 and 21 insert "January" in lieu of "March". On page 18, in lines 6 and 9, insert "December, 1967" in lieu of "February, 1968". On page 19, in lines 2 and 17, insert "January" in lieu of "March". On page 19, in lines 8, 10, and 14, insert "December 1967" in lieu of "February 1968". On page 21, line 5, insert "December 1967" in lieu of "February 1968". On page 22, line 18, insert "December 1967" in lieu of "February 1968". On page 55, line 21, insert "December 1967" in lieu of "February 1968".

Mr. PROUTY. Mr. President, this amendment would simply advance the date when the benefits will be paid from March 1 to January 1 of next year.

During the past 32 years, there have been relatively few large increases in the benefit amounts of social security. In fact, during the past 13 years, there have been only two such increases. Our older retired Americans have learned to expect very little from Congress in the way of increased income from social security.

In January of this year, however, 20 million Americans over age 65 were heartened to learn that the President of the United States was recommending a massive increase. These same older Americans were encouraged when the House Ways and Means Committee held hearings on the administration bill, H.R. 5710, in early March of 1967.

During the course of testimony given before the Ways and Means Committee on Thursday, March 2, Congressman JOHN BYRNES and Under Secretary of Health, Education, and Welfare Wilbur J. Cohen discussed the date when the proposed increases would in all probability go into effect. The colloquy went as follows:

Mr. BYRNES. This bill provides that the benefit increases will go into effect as of July 1?

Mr. COHEN. The increase would be effective with respect to the month of June, though they would probably actually be paid in October or so.

These dates were bandied about in the press, Mr. President, so it is not unreasonable to assume that our older Americans have been expectantly awaiting increases since October of this year. Their expectant optimism has probably changed to doubting pessimism as the months go by and the holiday season approaches but Congress still has not acted on a social security bill.

Mr. President, the Finance Committee at long last announced to the world last week on November 9 that it was reporting the long-overdue social security bill. This bill with its substantial—even generous—benefit increases must have been good news to our older Americans. Yet, at the same time, their excitement and happiness must have been dampened by the announcement accompanying the increase, to the effect that the increases would not go into effect until March of 1968. If there is a delay in payments as suggested by Mr. Cohen of up to 4 months, beneficiaries might have to wait as late as July of 1968 to receive checks for larger amounts.

In any case, Mr. President, it is unfair to ask 20 million older Americans, most of whom depend predominantly or entirely upon social security for their sustenance, subsistence, or very salvation, to wait any longer for needed increases.

First, Mr. President, an immediate increase is desirable because it is long overdue. Second, an immediate increase is imperative because of the exorbitant increase in the cost of living. Third, an immediate increase is necessary as assurance to our older Americans that social security is not a political issue. Finally, an immediate increase is possible because there is at present a surplus of funds in the social security trust fund.

As I indicated before, Mr. President, significant and meaningful social security increases have been few and far between. In 1935, the minimum payment to a retired individual was $10. This amount remained as the minimum until 1950 when it was doubled. The maximum amount payable to a retired individual did not substantially increase from its original amount of $85 until 1954. In addition, there were small increases enacted in 1954, 1956, 1958, 1961, and 1965.

These minuscule changes reflected congressional recognition of the need for benefits to rise in direct proportion to the increase in the cost of living. This principle along with the cardinal rule that income into the social security fund must equal outgo, has been adhered to—except for the initial timelag of 15 years—in principle but not in fact.

It has not been adhered to in fact because increases have not been adequate enough to counteract the effects of inflation. Neither have they risen in relation to the higher wage scales of today.

This brings me to my second point. Social security benefits simply have not kept pace with the rising cost of living. Since 1958, the cost of living measured by the Consumer Price Index has risen close to 28 percent. In the past 2 years alone, it has risen over 3 percent per annum. Social security benefit increases during this whole period have amounted to less than 15 percent. What does this mean for the retired American?

It means, Mr. President, that the 7½-percent benefit increase of 1958 failed to restore 1954 buying power.

It means that the 7-percent increase of 1965 failed to restore 1958 buying power.

It means, Mr. President, that a drastic increase in benefits is urgently needed now to supply buying power to our older retired Americans commensurate with that which workers enjoy and which is high enough to raise retirees to the levels of the 1960's. For this reason, a social security benefit increase is long overdue.

This week and last, Mr. President, there have been accusations made by both Democrats and Republicans that the "other side" was engaging in political opportunism with regard to the proposed benefit increases. My third point is that it is necessary to enact an increase which will go into effect immediately as an indication to our senior citizens that we are concerned with their welfare before politics.

Mr. President, I would hope that with a modicum of agreement politics can be pushed aside in favor of speedy action to assist needy Americans.

As I understand it, there is now a substantial surplus of funds in the social security retirement fund—in fact, close to $2.3 billion—which would cover benefit increases for a number of months. Since income should equal outgo, it is only reasonable that the tax increase should come into effect when it is needed to insure that payments must be met.

The Finance Committee has determined that if benefits increases go into effect on March 1, 1968, the tax increase need not go into effect until January 1, 1969. There is nothing wrong or incorrect about this reasoning as far as the length of the time lag between increase in payment and increase in taxation is concerned.

There is something wrong with reasoning, however, which dictates that benefit increases should be delayed until March 1 when they are so urgently needed now. Such a large benefit increase is long overdue. Such a large increase is desperately needed now to counteract the effects of inflation. Such a large increase is necessary to convince older Americans that Congress considers their needs before it maneuvers for their votes. Finally, with the current surplus, we can afford to fund increases at any time.

Mr. President, this amendment authorizes the funding of social security retirement benefit increases on January 1, 1968.

I do not believe, Mr. President, that the effects of moving up either the benefit or the tax increase will be detrimental to Congress, to older Americans, or to the Nation as a whole. On the contrary, it will bring joy to millions, alleviate suffering, and demonstrate our care and concern for 20 million Americans who labored to make our country great.

Mr. President, I point out that this amendment does not change the effective date of the payroll tax increase, but it does provide that the increased benefits will become payable as of January 1, 1968.

Mr. LONG of Louisiana. Mr. President, it is not the fault of the Senate nor of the Committee on Finance that we have not voted on the social security bill prior to this time, and that we cannot put the bill into effect as of July of this year. The President made his recommendation in such a way as to indicate that by about July the increase would go into effect. But as a practical matter, the House of Representatives worked long and hard on the bill. They considered everybody's point of view, and let all the retired people be represented through those they had chosen to speak for them.

They heard the views of all of those, pro and con—the administration, the employer groups, the taxpayers, and others. And by the time they were through, they sent us a bill which we received about August 18. So, as a practical matter it is not the fault of the Senate nor of the Finance Committee that it took the House until August 18 to get a bill to us.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. PROUTY. Mr. President, I certainly did not wish to imply any criticism toward either committee. I know they had a tremendous load to carry.

I am simply hoping that the benefits will be paid in January 1968 rather than March 1968.

Mr. LONG of Louisiana. I was not suggesting here that the Senator made any invidious suggestions, because he did not.

I was only saying that Congress, and certainly the Senate, cannot be blamed, nor can the House committee, because it took from January until the middle of August for this enormous and important bill which contains the biggest increase in cash benefits in the history of the country. In fact, from the point of view of cash benefits, the pending bill is the biggest social security bill in the history of America.

Naturally, I do not think anyone would be critical of the fact that it took the House until August 18 to get a bill to us, nor of the fact that it took the Senate committee 10 weeks to work its will on this measure.

With respect to the date the Senator has in mind, the bill would be in conference. If we could pass the pending bill this week, the House has a date which would work out to about January 1.

The Senate committee bill would be effective as of March with the first checks falling due in April.

The Department tells us that they need this time in order to do the studies and work that is necessary to convert the benefits of these 24 million people on the rolls who would be receiving these additional payments.

Furthermore, under part (b) of medicare, there is a special enrollment period for people to enroll until March 31, 1968, which could lead to some confusion with regard to benefits for which people would be available under part of the social security program.

Furthermore, the cost of the bill, as far as it reduces the revenue received by the Government, would be about $2 billion in the first year.

The bill is more or less neutral as far as an inflationary problem and the Government income accounts are concerned.

After April, however, the bill would tend to increase inflationary pressures, and that is something that Congress could be looking at next year when it comes back.

Revenue loss and, to that extent, the lessening of the Government's income accounts on the increase, we might say, of the deficit on a cash spending basis would be $710 million if the pending amendment were agreed to. So, Mr. President, the committee did think about the matter. We provided that the benefits would go into effect a little bit later. But, on the other hand, there would be much more substantial benefits. In other words, if we compare the House bill and the Senate bill, the first year's cost would be greater under the Senate bill. The people would have to wait a few months longer to get the increased benefits, but when they did get them, they would get a 15-percent increase instead of a 12.5-percent increase.

The Senate bill provides for a $70 minimum payment instead of a $44 minimum payment, and they would receive these high benefits from then until the good Lord called them home.

For these various reasons, I hope that the amendment will be rejected.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS AND JOINT RESOLUTION

Messages in writing from the President of the United States were communicated to the Senate by Mr. Jones, one of his secretaries, and he announced that the President had approved and signed the following acts and joint resolution:

On November 14, 1967:

S. 1872. An act to amend further the Foreign Assistance Act of 1961, as amended, and for other purposes.

On November 16, 1967:

S. 219. An act to authorize the Secretary of Agriculture to sell certain land in Lander, Wyo., and for other purposes;

S. 423. An act authorizing the use of additional funds to defray certain increased costs associated with the construction of the small boat harbor at Manele Bay, Lanai, Hawaii, and for other purposes;

S. 1391. An act to cancel certain construction costs and irrigation assessments chargeable against lands of the Fort Peck Indian Reservation, Mont.;

S. 2179. An act to extend for 3 years the special milk programs for the Armed Forces and veterans' hospitals; and

S.J. Res. 114. Joint resolution extending the duration of copyright protection in certain cases.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, notified the Senate that Mr. O'HARA of Michigan had been appointed a manager on the part of the House to the conference of the two Houses on the bill (S. 2388) to provide an improved Economic Opportunity Act, to authorize funds for the continued operation of economic opportunity programs, to authorize an Emergency Employment Act, and for other purposes, vice Mr. DANIELS, of New Jersey, excused.

The message announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 487. Concurrent resolution providing for printing as a House document the study entitled "Study of the U.S. Office of Education";

H. Con. Res. 519. Concurrent resolution authorizing certain printing for the Committee on House Administration of the House of Representatives, and the Committee on Rules and Administration of the Senate; and

H. Con. Res. 557. Concurrent resolution to provide for the printing of the Constitution of the United States as amended to February 10, 1967, together with the Declaration of Independence.

HOUSE CONCURRENT RESOLUTIONS REFERRED

The following concurrent resolutions were severally referred to the Committee on Rules and Administration:

H. Con. Res. 487. Concurrent resolution providing for printing as a House document the study entitled, "Study of the U.S. Office of Education";

H. Con. Res. 519. Concurrent resolution authorizing certain printing for the Committee on House Administration of the House of Representatives, and the Committee on Rules and Administration of the Senate; and

H. Con. Res. 557. Concurrent resolution to provide for the printing of the Constitution of the United States as amended to February 10, 1967, together with the Declaration of Independence.

DESIGNATION OF FEBRUARY 1968 AS "AMERICAN HISTORY MONTH"

Mr. DIRKSEN. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on Senate Joint Resolution 26.

The ACTING PRESIDENT pro tempore laid before the Senate the amendments of the House of Representatives to the joint resolution (S.J. Res. 26) designating February of each year as "American History Month," which were, on page 2, line 3, strike out "of each year" and insert ", 1968"; on page 2, line 5, strike out "annually"; and to strike out the preamble.

Amend the title so as to read: "Joint Resolution designating February, 1968 as 'American History Month'."

Mr. DIRKSEN. Mr. President, all that is involved is the fact that the House struck out the "whereases" in the preamble and made it for 1 year instead of every year.

I move that the Senate concur in the House amendments.

The motion was agreed to.

PRESIDENT JOHNSON, GENERAL WESTMORELAND, AND AMBASSADOR BUNKER

Mr. PASTORE. Mr. President, it was a reassuring feeling to find a confident General Westmoreland looking one in the eye from the front page of the Washington Post yesterday morning, Thursday, November 16.

I congratulate President Johnson for bringing him back along with Ambassador Bunker so that we may have a first-hand, first-person look at the present and the future in Vietnam.

And I hope that every avenue of communication—press, radio, and television—will have the opportunity and take the opportunity and make the necessary provisions to pick the brains of these capable men.

Every American, however committed, concerned, or confused, should have a closeup of the whys and wheres of the Vietnam struggle—that is, within the limits of the security of our half million boys bearing the brunt over there.

Every home in America—as well as the White House—deserves to have this pre-Thanksgiving briefing and questioning, and I hope that skilled panels of the networks will confront them so that the facts of the fighting may be thoroughly discussed.

The general and the Ambassador are men of courage, men of competence, men of independent minds, and it will do us good to see them queried intelligently and informatively.

This should add a touch of sanity to the American scene which has been disrupted, if not disgraced, of late by minor disorderly elements which have aborted the sincere motives of people engaged in the traditional American right and rite of disagreement.

I say it is traditional because history reminds us of the violent attacks on our first President, George Washington—attacks far more violent than recorded today.

Dissent can and should be decent. Disagreement should be constructive, offering a practical alternative to a course with which people may disagree.

Dissenters owe this to the great American majority which is ready to give a hearing to anyone who does not abuse our common right of free speech.

So, again I compliment President Johnson for bringing back these capable American representatives, and I hope they will have every chance to brief the American people and buttress the American morale.

I do not denigrate the sincerity of those who disagree with the American commitment in Vietnam.

I do not know what the final verdict of history will be, or what the final fate of South Vietnam will be.

But this I do know—of all the 200 million of us Americans, no one wishes more deeply for peace than the man in the White House.

No man works more devotedly for peace than the President.

No man has more to gain by peace than President Johnson.

Vietnam is a tiring war. It tears at the heartstrings of a man whose devotion to his own family extends to the family of every youth defending us in Vietnam today.

It is a wearying war. It is a war that saps at human morale as Hanoi spurns one peace approach after another.

It is a war that saps at American determination, and President Johnson alone bears the burden of decision.

My prayer at this hour is that God will give him the strength and wisdom to achieve for us and for mankind an honorable peace.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. COTTON. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

Mr. COTTON. I shall merely take one moment to associate myself with the distinguished Senator from Vermont [Mr. PROUTY] as a cosponsor of this amendment. It has been my privilege through the years to fight by his side to secure a greater income for the low bracket of elderly people on social security. I remember that last year—more than a year ago—we fought for a $70 social security payment for those in the lowest bracket, and we were then charged, as we have been today, with being fiscally irresponsible. In fact, one of the newspapers in my State referred to us as being fiscally irresponsible. I do not recall that either the majority leader or the minority leader took occasion to make that charge against either of us; but the charge was made.

Therefore, it was with astonishment and some degree of satisfaction that when the 90th Congress assembled and President Lyndon Johnson appeared before us to make his recommendation, I heard him recommend a $70—the exact figure—minimum for the elderly on social security.

He was not charged, as I recall, with fiscal irresponsibility, although I do not recall that he made specific recommendations about the tax to support it. But we waited for it to become a fact and introduced bills to make it so. It was with great satisfaction that we found that the able Committee on Finance had come up with the figure which the President had recommended, and for which it so happens the Senator from Vermont and I have been working for 3 or 4 years.

Mr. President, now that the Senate has so overwhelming preserved the complete integrity and resources of the social security fund, surely we are not so bad off, and the redtape is not so thick, that we could not advance those payments to the elderly people from March 1 to January 1.

The Senate could wait, without any degree of hardship. But, Mr. President, if I read my mail right—some of the letters are pathetic—every month our elderly wait is too long. When the House and Senate committees decide finally on the increase in social security, I believe that, in spite of all the clogs that take place in the machinery of government, it is possible for these people to begin to receive their payments January 1.

I am sure that it is not in the minds of the distinguished Senator from Louisiana and others who oppose this amendment that they want to save just that amount of revenue for that brief period. As a matter of fact, whether it is intentional or not, once we have passed this bill and have adopted the conference report, and the President in his wisdom has seen fit to sign it, we shall have already waited too long to take care of our elderly people. Some of them cannot wait, and they may not even be here to finally receive their just desserts.

It is very difficult for me to understand how any Senator could vote against the proposed amendment. So, once more, I am very proud to join the distinguished Senator from Vermont in sponsoring it.

Mr. PROUTY. Mr. President, I should like to point out that many of the people about whom we are talking are receiving $44 a month, the minimum social security rate today, which totals $528 a year. The average payment is $85 a month under the social security system, which brings in the munificent sum of $1,020 a year. I wonder whether we realize the extent of the problems with which these people are faced. These people are suffering. They are going hungry. They need help.

Only last week, the Committee on Post Office and Civil Service reported a bill embodying substantial pay increases for Federal employees. It was made retroactive, as I recall, to October 1. There is no reason why the Social Security Administration cannot take care of these benefits as of January 1, 1968.

I have a memorandum from Mr. Myers which indicates that the cost for moving the effective date for benefits to January 1, 1968, would be $710 million. For once, the Senator from Louisiana and I have the same memorandum and the same facts. It is quite interesting. I am glad to have it.

The fact is this change in the effective date can be done. These people are desperately in need of help; and, heaven knows, $70 a month to those now receiving $44 a month will not make life very rosy for them, but at least it will be something.

Mr. President, I have nothing more to say on the question.

Mr. LONG of Louisiana. Mr. President, as I have already stated, in terms of cash benefits, this is the biggest social security bill ever to come before the Senate.

The Committee on Finance, if I say so myself, is a very responsible committee. It is one committee that has the power to raise the revenue to pay for the benefits it votes. I am proud that the committee has the courage to provide for both the taxes and the benefits it proposes, as it has done on this occasion.

Now, as to the reason why it is not proposed that these benefits go into effect earlier: many of the benefits for which the committee voted were suggested by the Senator from Indiana [Mr. HARTKE]. Senator HARTKE, who proposed the most expensive benefit items, also moved that we adjust our financing so that the benefit increases that we voted for 1968 would be paid for in 1968, and that is what we did.

Now, you will not find many old people in this country who will be disappointed if our bill, rather than the House bill, is adopted. Even though they might have to wait 3 months longer before receiving the benefits, they will end up getting much more.

In order to keep the cost of the bill within reason, and in recognition of this Government's problem with regard to its deficit and its excess of expenditures over income, the Senator from Indiana [Mr. HARTKE] was willing to postpone his proposal, which deals with the liberalization of benefits for the blind, to January 1969. He also was willing to do the same with regard to raising the earnings limitations, which is the most expensive amendment we added to the bill. It would permit a social security recipient to make $2,000 a year without any reduction in his benefits. The Senator was willing to postpone the effective date of that proposal until January 1969.

May I say that cost factors also caused us to postpone the effective date of the amendment proposed by the Senator from West Virginia [Mr. BYRD]—the option to retire at age 60—to 1969.

If the pending amendment is agreed to by the Senate, then those two Senators, in good conscience, could move that the dates of their pet provisions should be moved up. That would increase the cost by another $1,010 million. Add that to the Prouty amendment, and the increase in the cost of the bill would use $1,720 million.

The Government has a deficit at this time. The deficit does not look nearly as bad on a cash basis, on a national income accounts basis, as it does on the administrative budget basis set up by law.

On an administrative basis it looks as if the deficit might go as high as $29 billion, but if one looks at the taxes coming in and payments going out, it looks as if it might be about $18 billion.

The bill which was sent to us by the House would worsen our national income-outgo by $2 billion in 1968, but that impact would not be felt until April. During that time if we want to pass a bill increasing taxes to raise general revenues, we would have that privilege; and, also, if we wish to cut spending, we have that course open to us.

If the amendment of the Senator from Vermont is agreed to and other Senators insist that the same principle be applied to their proposals, we would put everything in effect immediately in January. That would mean the impact of this bill would worsen our budgetary situation and cause the Government to go into the market and borrow an additional $3.7 or $4 billion.

If this amendment is agreed to, other Senators would insist that their pet provisions, all of which contain merit, go into effect immediately in January. Although the possibility of a bankrupt fund by 1970, did not deter the Senator from Vermont from moving benefits without the tax, I think it would deter him that his amendment would create a real inflationary problem and create greater pressures on Congress to pass a tax increase, which this Senator is very reluctant to vote for.

However, I am sure the committee bill as it stands will be hailed by aged people of our country, the retired people of our country, and the many widows and orphans who are presently receiving benefits, as one of the most generous and progressive forward-looking and healthy pieces of social legislation ever passed by any Congress. In terms of cash benefits it will be the largest bill passed.

While I would like to do everything we can afford to do to help those who are advanced in years, those who are disabled, and all the others who get social security benefits, I think the responsible attitude taken by the committee is worthy of support.

Several Senators addressed the Chair.

Mr. LONG of Louisiana. Mr. President, I yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, considering the progress which is being made on this bill and other legislation, would the chairman of the committee not be willing to wait until the time comes for final passage of the bill to decide whether to make it retroactive to March 1 or January 1?

Mr. LONG of Louisiana. I hope the Senator will pardon me from responding to the question. I understand the import of his question.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. COTTON. Mr. President, the Senator from New Hampshire has great admiration for the logic, and for the powers of persuasion and the argument that the Senator from Louisiana always has. He rarely sets up a strawman to knock him down. But these appalling cases he has been using to defeat this amendment depend on many other amendments being offered in other matters if this amendment is adopted.

I would observe to my distinguished friend that this amendment includes those receiving the small pensions. The other amendments that he suggest, might follow as a matter of course as an avalanche do not have the significance of this amendment. The sums involved are not nearly as much.

Sometimes the shoe is on the other foot. I remember sitting in the Senate Chamber not many months ago when for some unknown reason we delayed the passage of a bill that had been passed by the House, to be sent to the President, involving 1 month's benefits to veterans of Vietnam. That delayed their just benefits when at the same time we were spreading money all over the world. I get a little tired of being so penny wise and pound foolish. We spend money all over. But when we get ready to economize, it is by saving a paltry 1 month's benefits to veterans of Vietnam, or by delaying benefits to old people, who are trying to live on $44 a month, from January to March.

It can be glossed over and it can be suggested that if somebody does this we will do that. But it is really very simple. If we cannot afford to get these benefits to our elderly, then we are in tough straits.

(At this point, Mr. PROXMIRE assumed the chair.)

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I shall yield in a moment.

Mr. President, may I say that in some respects the Senator from Vermont steals the laurels of the Senator from Louisiana. I have offered amendments for a $70 minimum before the Senator from Vermont [Mr. PROUTY] came to the Senate.

Mr. PROUTY. While I was in the House.

Mr. LONG of Louisiana. Then, I was not offering any tax to pay for it, either. However, when one becomes the chairman of the Committee on Finance, he has to start thinking of how to pay for all of these things and how big a deficit the Government is running.

In committee, we were pressed very hard sometimes, by such conservative members as the distinguished Senator from Delaware, to pay for the things we were voting, so that we should not bankrupt the fund. We had to think in terms of Government fiscal problems and inflationary problems because we were voting out more benefits than we were paying for.

It was for that reason that I pressed the Democrats to pay for the benefits we voted for in the Committee on Finance. We did it and we did it without a single Republican vote for it. I do not criticize the other side for their view. There was an argument for fiscal and financial responsibility from the minority side of the aisle that if we were going to vote for benefits, then we should vote the tax to pay for it. We did that.

If the Senate were to depart from that principle, it would be against the best advice we have from more conservative Members on the other side of the aisle, and those who think in terms of not only the needs of the aged people, but also others.

I yield to the Senator from Vermont.

Mr. PROUTY. Mr. President, I wish to point out, first of all, that this amendment is concerned only with the payment of benefits and not other provisions of the bill.

Not long ago we had a public works bill before the Senate. I supported an amendment to cut that appropriation. As a matter of fact only 11 other Senators voted against that public works bill. In fact we appropriated $465 million more than we did last year.

Nevertheless, some of us apparently are hesitant to help these elderly people who are in a desperate plight. I cannot see justice in that. We spend money for dams, rivers, harbors, and things of that nature yet hesitate when it comes to helping the elderly. Realistically I think we can help the elderly poor and it should be done by January 1.

Mr. LONG of Louisiana. Mr. President, in 1968 this bill will increase the payments to the kind of people for whom the Senator from Vermont has a very warm and large heart, and for whom I have great sympathy and feeling. It would increase the amount flowing to them in 1968 by $3.343 billion. In the following year, 1969, when it becomes fully effective, the bill increases the amount of money for those fine people, some of them retired and others in desperate straits who need the benefits this bill will provide. By 1972, the bill would increase the amount of money flowing to those fine and deserving people by $6.6 billion.

Mr. President, I do not stand here to play the part of Scrooge. The Finance Committee bill will do more to help less fortunate people than any bill ever to come before the Senate, as it stands right now.

Mr. AIKEN. Mr. President, will the Senator from Louisiana yield? I have a serious question this time.

Mr. LONG of Louisiana. I am happy to yield to the Senator from Vermont.

Mr. AIKEN. Does the Senator from Louisiana have any estimate as to the amount of the benefits which would accrue to private insurance firms as a result of passing this bill? I refer to the national employers who, say, have a program guaranteeing a retirement of $200 a month. As I understand it, it is customary to set up these plans so that a company can pay the difference between the social security payment and the amount specified in the program—whatever it may be called. But is there any estimate as to the saving to corporate insurance and retirement funds through raising the social security benefits?

Mr. LONG of Louisiana. I regret to say that I do not have those figures at hand, but I will try to get them for the Senator.

Mr. AIKEN. But, it would be a substantial amount?

Mr. LONG of Louisiana. In some instances; yes, sir. Also, there may be some windfall to State governments as a result of the big increases in the social security payments. Some States will be able to save money on their welfare programs, although we require in the bill that most of the saving be passed on through to the beneficiaries at the other end rather than for the State to take full advantage of such a windfall.

Mr. HARTKE. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. HARTKE. As the chairman of the Committee on Finance knows, I have great sympathy for the basic approach in the amendment offered by the Senator from Vermont [Mr. PROUTY]. Also, the Senator from Louisiana knows that I did the best I could to accomplish in committee something along the same line, trying to bring the $70 a month up to $100 a month. However, there were not enough votes to get it.

I think that a man over the age of 65, living by himself, and with no income, should receive at least $1,200 a year. But that did not prevail in committee. I came back through this thing. They had a majority vote at the beginning of the committee session. We went on back again with the Senator from Delaware [Mr. WILLIAMS] who had the support at that time of the chairman of the Finance Committee—for awhile, at least—on a temporary basis. We had increased the amount of money we were going to raise not by $2.1 billion, but we had it up to $5.4 billion.

Mr. LONG of Louisiana. $5.1 billion.

Mr. HARTKE. All right.

I was astonished, appalled, and everything else. I do not believe that we should use the social security fund as a means for fiscal adjustment of other problems, or use it as a petty cash fund to draw upon for the war in Vietnam. But we do have a situation on our hands where we have a good bill. The fact is, I wonder whether we would have had this good a bill if we had tried to go ahead and follow the situation as recommended by the Senator from Vermont [Mr. PROUTY].

Personally, I would like to see us take that money out of the general fund. If there were not enough votes to get that job done in committee, we would never have had a bill at all. I came back from the committee and gave ground that I preferred not to give ground on. The Senator from West Virginia [Mr. BYRD] also gave ground. I said to him, would he be agreeable, if we could get the bill out and not try to tax the people, to deferring his amendment until January 1, 1969. The Senator from Vermont does not push that date forward. He does not have any plans to push that date forward. I would like to push them all forward. In fact I would like to push them back a couple of years and say that a person receiving only $44 a month in March has been cheated. Give them something for all those years they have not had it. But that is not the way it works. The best we could come up with was a situation of how to do the accounting and how to do the checks.

The Department of Health, Education, and Welfare told us, in all good conscience, that it probably would be February before it could get the job done, anyway. The question is whether it will be February or March 1. We could make it retroactive if we wanted to. We could make it retroactive for a year if we wanted to. There is no law against that. But what we are talking about is relative to the mechanics of providing the checks to be received in March which would be charged from February, or effective in March and voted in April.

They will get their checks. They will get that assurance. It probably must go back to the House to get the figure almost closer to $70, than if we adopt this amendment and move it back to January 1.

In my opinion, if this amendment is successful, instead of people going from $44 up to $70, they will receive closer to $50, a $6 increase.

Personally, I am in favor of making sure that they get all they can, although I personally feel that there is too much tax in the bill. I still think that it is fairer than it was when originally presented. Then we were going to tax $3 billion more. So far as I am concerned, that is unjust and unnecessary and thank goodness it did not prevail in committee, through the good graces of the chairman, because he came back in there and he had changed his original tentative vote—and it was a tentative vote, I agree with that.

Thus, I am going to support the committee. I would hope that the Senate will also support the committee in opposing the amendment.

I will say that opposing the amendment, in my opinion, will do more for the elderly people of this country than adopting it.

It does not make an emotional charge that it has practical effects.

Let me make clear that while next year is an election year, I do not run in 1968. The people will feel the full impact of the tax in this bill in 1969, before I ever have to meet the people again.

Thus, this is a responsible bill. I think there are some changes which should be made, but this is not one of them.

Mr. LONG of Louisiana. Mr. President, I do not think that this Nation would have a national debt of $342 billion if the same committees that authorize the spending had the responsibility to raise the money to pay for it.

The Committee on Finance does have that responsibility with regard to the social security program. The committee has measured up to that responsibility. It has come in here and proposed to pare down somewhat what it would like to do for these fine old people, and for others drawing these benefits, to keep the cost of the benefits we vote within the taxes which are to be paid.

The Senate voted to uphold that idea by a vote of 62 to 6, on the previous rollcall vote today.

If the Senate wishes to depart from that principle and wants our committee to start the business of voting vast benefits without the money to pay for them, the Senate can so instruct us by making that sort of vote.

If that is what the Senate wants to do. I can play that game as well as anyone else and go into committee and vote to raise benefits by $200 a month minimum and not worry about where the money will come from—just add it to the deficit. But, Mr. President, the committee has been responsible. One reason that we do not pay the checks earlier—one reason we deferred some benefits—is that we have responsibly tried to keep the cost of the program within the revenues we have been able to raise. I would hope that the Senate would sustain the committee and not agree to the amendment for that reason.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. COTTON. I note that the Senator, like the majority and minority leaders, is laying down on the word "responsible" and labeling some of us who thought, through the years, that we had been responsible, as irresponsible. But I respect the responsibility—and he has used that word a dozen times—of the distinguished chairman of the Finance Committee. Perhaps it is irresponsible to suggest that these people receiving the minimum, in the dead of winter, in January, should not have to base their expectation on what is going to happen in March. But they cannot eat expectations and expectations will not keep them warm. Perhaps it is an emotional appeal, but if we are going to be entirely responsible, and the overwhelming vote to which the Senator referred really means something, it would be a very simple matter for those who bow down to follow a sense of responsibility—let the elderly have this money in January and move up the tax in January, too. Then we will not be faced with what I am sure is a purely coincidental situation of having benefits just before election and taxes coming after election.

Mr. LONG of Louisiana. In the first place, I have not said anyone was irresponsible, but I have said the committee was responsible, in this particular argument, and I think that is correct.

The tax increase does not go into effect in January, to raise enough money in 12 months, from taxes for the benefits that would be paid out in 9 months. The following year the taxes go up even more, and we apply it against an even higher wage base. Again, we would raise more money to pay for the benefits that we are voting.

Mr. PROUTY. Mr. President, if the Senator will yield, actually, the Senator is reducing the tax in January of this year over the present level.

Mr. LONG of Louisiana. Not this year.

Mr. PROUTY. Next year the Senator is reducing it from 4.4 under existing law to 4.2. So that is a reduction in taxes.

Mr. LONG of Louisiana. As I recall, in January 1969, the rate will go to 4.9 under existing law. We put it at 4.8.

Mr. PROUTY. Under existing law it is 3.9, and the committee reduced it to 3.8 for 1968.

Mr. LONG of Louisiana. The Senator is looking at part of it only. He is looking at the social security part of it. The total tax is 4.4 in 1968. It would be 4.9 in 1969 to 1970. We changed that rate to 4.8, but we apply it against a bigger base, so it brings in more money. We collect more taxes by charging a rate that is one-tenth of 1 percent less against a base that is much greater.

Mr. PROUTY. But the Senator reduces it under the Oldage and Survivors Disability Insurance program.

Mr. LONG of Louisiana. That is largely because of a shift of funds necessary to put more money into the nursing home program to correct a deficiency in those funds, as pointed out by the Senator from Delaware [Mr. Williams]. By making that adjustment, it causes a reduction in one area and an increase in another. But if one looks at the overall rate, the rate would go from 4.4 to 4.9 under existing law in 1969, and we would have it go from 4.4 to 4.8. We still raise more money, and the reason for it is that we apply it against a much higher wage base.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Vermont [Mr. Prouty] for himself and the Senator from New Hampshire [Mr. Cotton].

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Alaska [Mr. Gruening], the Senator from North Carolina [Mr. Jordan], the Senator from Missouri [Mr. Long], the Senator from Oregon [Mr. Morse], and the Senator from Maryland [Mr. Tydings] are absent on official business.

I also announce that the Senator from Virginia [Mr. Byrd], the Senator from Idaho [Mr. Church], the Senator from Connecticut [Mr. Dodd], the Senator from Louisiana [Mr. Ellender], the Senator from North Carolina [Mr. Ervin], the Senator from Arkansas [Mr. Fulbright], the Senator from Oklahoma [Mr. Harris], the Senator from South Carolina [Mr. Hollings], the Senator from Washington [Mr. Jackson], the Senator from Washington [Mr. Magnuson], the Senator from Minnesota [Mr. McCarthy], the Senator from Wyoming [Mr. McGee], the Senator from Oklahoma [Mr. Monroney], the Senator from Wisconsin [Mr. Nelson], the Senator from Florida [Mr. Smathers], the Senator from Mississippi [Mr. Stennis], and the Senator from Georgia [Mr. Talmadge] are necessarily absent.

I further announce that, if present and voting, the Senator from Oklahoma [Mr. Harris], the Senator from Wyoming [Mr. McGee], the Senator from Florida [Mr. Smathers], the Senator from South Carolina [Mr. Hollings], the Senator from Maryland [Mr. Tydings], the Senator from Washington [Mr. Jackson], and the Senator from Nevada [Mr. Cannon] would each vote "nay."

On this vote, the Senator from Oregon [Mr. Morse] is paired with the Senator from Louisiana [Mr. Ellender]. If present and voting, the Senator from Oregon would vote "yea" and the Senator from Louisiana would vote "nay."

Mr. KUCHEL. I announce that the Senator from Tennessee [Mr. Baker], the Senator from Utah [Mr. Bennett], the Senator from Colorado [Mr. Dominick], the Senator from California [Mr. Murphy], the Senator from Illinois [Mr. Percy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper] and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from North Dakota [Mr. Young] is absent because of death in his family.

The Senator from Arizona [Mr. Fannin] is detained on official business.

If present and voting, the Senator from Utah [Mr. Bennett], the Senator from Colorado [Mr. Dominick], the Senator from Arizona [Mr. Fannin], the Senator from California [Mr. Murphy], the Senator from Pennsylvania [Mr. Scott], and the Senator from Texas [Mr. Tower] would each vote "nay."

The result was announced—yeas 12, nays 55, as follows:

[No. 328 Leg.]

YEAS—12

Aiken
Bayh
Brooke
Case
Cotton
Hatfield
Javits
Kennedy, Mass.
Kennedy, N.Y.
Miller
Prouty
Williams, N.J.

NAYS—55

Allott
Anderson
Bartlett
Bible
Boggs
Brewster
Burdick
Byrd, W. Va.
Carlson
Clark
Curtis
Dirksen
Eastland
Fong
Gore
Griffin
Hansen
Hart
Hartke
Hayden
Hickenlooper
Hill
Holland
Hruska
Inouye
Jordan, Idaho
Kuchel
Lausche
Long, La.
Mansfield
McClellan
McGovern
McIntyre
Metcalf
Mondale
Montoya
Morton
Moss
Mundt
Muskie
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Russell
Smith
Sparkman
Spong
Symington
Thurmond
Williams, Del.
Yarborough
Young, Ohio

NOT VOTING—33

Baker
Bennett
Byrd, Va.
Cannon
Church
Cooper
Dodd
Dominick
Ellender
Ervin
Fannin
Fulbright
Gruening
Harris
Hollings
Jackson
Jordan, N.C.
Long, Mo.
Magnuson
McCarthy
McGee
Monroney
Morse
Murphy
Nelson
Percy
Scott
Smathers
Stennis
Talmadge
Tower
Tydings
Young, N. Dak.

So Mr. Prouty's amendment was rejected.

THE IMPORTANCE OF GOOD HOUSING FOR LOW- AND MODERATE-INCOME FAMILIES

Mr. SPARKMAN. Mr. President, good housing for low- and moderate-income families continues to be a basic problem on the urban scene. Congress, over the years, has provided a number of programs to cope with this problem, and housing is being provided.

More needs to be done, but it is encouraging that progress is being made. An example of this progress is to be found in the Washington Evening Star of November 3, 1967, in a story by Aaron Ruvinsky on the Federal Housing Administration's 221(d)(3) program.

This report reflects an imaginative, thoughtful approach on the part of the sponsors and a positive attitude on the part of FHA. These factors are vital to the continued growth of the program activity which will mean so much toward meeting the present and future housing needs of our Nation.

I ask unanimous consent to have the article printed in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

Low-Rent Housing Expands

(By Aaron Ruvinsky)

At last somebody is doing something about that great segment of the population that is too rich to qualify for public housing, but too poor for the new homes and apartments being built in the Washington area.

Within the last two weeks this was dramatized by a number of developments in Prince Georges County alone. First, builder Ralph Rocks broke ground near Laurel for the county's first housing designated for low and moderate-income families. The first section of four-story buildings will accommodate 160 families, but a total of 1,080 eventually will move in if all goes as expected.

The next day the county commissioners announced the appointment of a five-member housing authority. Its function will be to undertake a variety of programs making housing available at lower cost with federal aid.

At the same time, the county requested a federal "model cities" planning grant to help renovate a 12-square-mile area near the northeastern corner of the District. One of the goals would be 1,000 dwelling units for low and moderate-income families.

Prince Georges is the fourth jurisdiction in the area to get into the Federal Housing Administration program of below-market-interest-rate housing. Alexandria already has rented out all 69 apartments in Jefferson Village. Spring Gardens, a 209-unit project at Gum Springs, Fairfax County, has a waiting list.

The need is greatest in the District, of course, and that is where the greatest progress has been made. According to FHA's D. C. Insuring Office, 12 projects are in various phases from pre-construction to completion. With the three outlying projects, they will house a total of 2,994 families at a cost of $37 million.

Scheduled to get under way toward the end of this month is the first of four such projects in the Northwest No. 1 redevelopment area. It is called Sursum Corda—Latin for "lift up your hearts"—and indeed is calculated to lift up the hearts of those who will live there.

In order to make sure that the apartments would match the market, Sursum Corda, Inc., interviewed the families that will be first in line to move in. (In fact, applications already exceed the 199 units to be built.) Most of these families already are living in the redevelopment area.

One result is that 20 of the units will be six-bedroom townhouses. Twenty will have five bedrooms; 46 four bedrooms, and 39 three bedrooms. Each unit will have a private entrance. All except the 44 one-bedroom apartments will have washers and dryers. They also will be air conditioned and have private gardens and sliding glass doors.

Richard E. Collins, of Collins & Kronstadt—Leahy Hogan Collins, the architectural firm, pointed out some unusual features in the design. Most of the larger units will be townhouses, but 44 two and three-bedroom apartments will be "piggy-backs"—units on one floor but with private entrances.

The facades will be of textured tan blocks. Collins said the design will be simple and modern, yet reminiscent of a Portuguese fishing village. All the houses will face one way so as to get the morning sun into the gardens and family rooms.

There will be no basements, but, he said, ample storage will be provided in gardens sheds, attics and closets.

Community facilities will include a small outdoor amphitheater and a community building with a clinic, meeting room, library—remedial reading room and drama workshop. L and 1st Streets will be closed to vehicles and landscaped as pedestrian parkways.

A Redevelopment Land Agency spokesman pointed out that the FHA took only six weeks after the Sept. 7 filing date to approve a mortgage commitment for the project. The spokesman said the FHA, which normally would take about six months to process such an application, apparently is pushing now to speed up the construction of housing under its below-market-interest-rate program.

LIMITED PROFIT

Pumpkin Hill, situated on Route 197 just east of the Baltimore-Washington Parkway, is a limited dividend project. This means the developer, Allen & Rocks, Inc., is entitled to a profit of 6 percent on its investment. With a large pent-up demand for such housing at Fort Meade, the National Security Agency and the National Aeronautics and Space Administration, little trouble was anticipated by housing officers from these installations in filling up the apartments as fast as they become available.

Due chiefly to the 3 percent loans under the government program, rentals will be about 20 percent less than for equivalent housing built without government aid. Yet the units will be air conditioned, with individual controls, and equipped with almost the same appliances as other new apartments in the area.

There will be no balconies, however, and the mortgage does not include a swimming pool allocation. Rocks said he envisions building one eventually with independent financing.

Designed by Cohen, Haft & Associates, the project will have playgrounds and basketball courts. Rents for the two-to-four-bedroom apartments will range from $115 to about $135 including utilities. Ten acres are being set aside for a school and an equal amount for a shopping center.

LAW 6 YEARS OLD

The first District project to be built under Section 221(d)(3) of the National Housing Act, as amended in 1961, was Anacostia Gardens at Ely Place and Minnesota Avenue SE. It is a 100-unit limited dividend project and was completed in 1963.

The largest in the city is Mayfair Terrace, at Kenilworth Avenue and Jay Street NE, with 642 units, now almost completed. The smallest is a 23-unit rehabilitation project by Better Homes, at three locations in the Northwest.

The name prize goes to PITCH—Presbyterians, Inc., to Conserve Housing. It is completing a 26-unit rehab at 1430 W. St. NW. And St. James Mutual Homes, another rehab at Canal and P Streets SW, is the only cooperative so far, with 108 units being modernized under Foundation for Cooperative Housing sponsorship.

BRITAIN'S ROUGH ROAD INTO EUROPE

Mr. SPARKMAN. Mr. President Robert Kleiman, a member of the editorial board of the New York Times, is a recognized authority on European affairs and the author of a brilliant treatise, "Atlantic Crisis," on Britain's first attempt to enter the Common Market. In the November 13 issue of the New York Times, he has written again about "Britain's Rough Road Into Europe."

Mr. Kleiman's article is a masterful summary of the present situation regarding the status of Britain's recent attempts to join the Common Market. And the compromise he suggests—that Great Britain be offered nonvoting associate status providing that offer were linked to an early fixed date for full British membership—strikes me as one that merits serious consideration by all the parties concerned.

I ask unanimous consent that the full text of Mr. Kleiman's article be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 13, 1967]

BRITAIN'S ROUGH ROAD INTO EUROPE

(By Robert Kleiman)

"Great Britain's future is in Europe, even if this great nation will always have, more than any other on our continent, the taste and need for openings to the outside. This also means that France, with whom Britain has always entertained more relations than with anyone—once those of rivalry, for a long time those of alliance and friendship—cannot raise any objection of principle to such a candidacy."

These surprising phrases were spoken to the French National Assembly last week by Foreign Minister Couve de Murville. They concluded a 700-word analysis in which he acknowledged that Britain was moving away from its historic ties to the United States and the commonwealth toward full entry into Europe.

But the French Minister's remarks were only the preface to a much longer, 2,500-word list of French reservations about British membership in the six-nation European Economic Community. Six months after Prime Minister Wilson's application for entry into the Common Market, ambivalence still cloaks General de Gaulle's opposition, leaving the outcome in doubt.

The many predictions of a French veto have still not been borne out, although it could happen at General de Gaulle's press conference later this month. The French President, so far, has preferred to delay negotiations in an effort to discourage Britain and sap its support on the Continent. Popular sentiment in Europe, as Chancellor Kiesinger has just pointed out, is "overwhelming" in support of Britain. An arbitrary veto might trigger a political crisis in France where the Gaullist parliamentary majority is narrow—as well as in the Common Market.

How long the general can persist in his delaying tactics depends, in part, on the way Bonn plays its hand. All three West German political parties have presented the Bundestag with a resolution, proposed by Jean Monnet's Action Committee for a United States of Europe, supporting Britain's application and urging early negotiations. But pressure that might bring him the blame for a crisis with Paris is opposed by Mr. Kiesinger.

It was in this context that West Germany's chancellor was warned in London last month that Prime Minister Wilson would not wait until "all eternity" on the Common Market's doormat. That was the point at which Lord Chalfont, Britain's chief negotiator, privately encouraged newsmen to write that a rejected Britain might withdraw its troops from Berlin, Germany, and NATO—a move Mr. Wilson had to repudiate.

If Bonn will not agree to a showdown with Paris—or even, in the Brussels phrase, a "minicrisis"—how can negotiations with Britain be brought about?

Foreign Minister Willy Brandt, whose Socialist as well as international sympathies are with Britain, has indicated support for the French on many of their economic and technical concerns. In return, he has obtained repeated French pledges that the normal procedures of the Common Market treaty will be permitted to govern.

This transaction makes it unlikely that France can prevent negotiations forever on such pretexts as Britain's payments imbalance, which London is trying to correct by drastic measures, or sterling's reserve currency role, which London is prepared to give up. France undoubtedly will insist on excluding Britain from participation in fixing the Common Market's permanent system of farm subsidies. That must be done by December 1969, a date which would lead France to stall even if General de Gaulle were to decide to admit Britain.

But several compromise proposals are under discussion to permit informal talks by March on other issues—talks London could claim, and Paris deny, constitute negotiations. That may be enough progress for the moment to enable Mr. Wilson to withstand Labor's dwindling political strength at home and the consequent restiveness in his party.

The next election in Britain need not be faced for more than three years. Chancellor Kiesinger may be right in his view that France's aging President cannot be coerced into accepting the admission of Britain but that, if convinced of its inevitability, he might prefer to have it happen while he can still influence the terms.

If this should occur there are many ways to save face all around. The French President's proposal of nonvoting associate status for Britain—which he offered first to Prime Minister Macmillan in 1962—is unacceptable as long as it is designed to prevent, not prepare, Britain's full membership. But it undoubtedly would be acceptable if linked to an early fixed date for full British membership; a number of formulas of this kind have been suggested by Britain's friends on the Continent. Nothing French leaders have said would rule it out.

A BAD DRAFT DECISION

Mr. HART. Mr. President, intermittently the Director of the Selective Service, General Hershey, makes some suggestions to draft boards around the country as to how they should respond to those who believe that the Constitution's due process guarantees and the first amendment should be taken seriously and that if a person decides to violate the law he should still be entitled to his day in court.

During the last several days I inserted in the Record a number of editorials commenting on General Hershey's recommendation of October 26, 1967. I was delighted to note that the Wall Street Journal this morning expressed its disapproval of General Hershey's recommendation in an editorial entitled "A Bad Draft Decision."

It is admittedly not a politically happy situation for one to get himself into the position of saying that it is great to throw a rock through a Pentagon window or to knock down the front door of one's local draft board.

Nobody is saying that. However, what we are trying to tell General Hershey is that we have a system of law in this country, and that if somebody throws a rock through a window of his local draft board, we should proceed against him under the law which he is alleged to have violated and permit him to have his day in court so that he may state his defense. And if in the operation of that trial it can be proved that he has violated the law, then the sanctions of that law should be applied against him.

We should not undertake to set up a local draft board as a court that can make that determination.

I think a good many people are offended, incidentally, by the notion that we can tell a fellow he has to go into the service as a result of an alleged criminal action. It is not a very healthy way to treat those in the service, and it certainly would make uncomfortable the term of service of anyone who is in the service, having arrived there under completely honorable methods.

It is most reassuring to note that the Wall Street Journal has expressed its concern over General Hershey's proposal on how to deal with those who violate the law in opposing the war. I ask unanimous consent that the editorial to which I have referred may be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

A Bad Draft Decision

The decision to force draft protesters into the military services is wrong on so many counts that it's difficult to believe a responsible official actually could have made it.

Lieut. Gen. Lewis B. Hershey, the Director of Selective Service, is right when he says that those who violate the law in opposing the war should be prosecuted. Since plenty of laws exist to deal with illegal demonstrations, however, it's hard to see why the general needs the draft as an additional weapon.

For one thing, using the draft in that way is an insult to men now in uniform. They presumably feel they are fulfilling their military obligation to their country, not absorbing criminal punishment.

Drafting protesters, moreover, can lead to an unequal justice. A lot of the people who take part in antiwar demonstrations, after all, are not subject to the draft; they may be too young, too old or physically incapacitated. For that matter, they may be women. So some dissidents would be drafted but others couldn't be.

If those objections are not weighty enough, there's also more than a little question whether Gen. Hershey's plan is even legal. The general himself concedes there may be some question about drafting persons who impede the work of military recruiters, but he intends to push ahead anyway.

Last January, it so happens, a U.S. Circuit Court of Appeals held it illegal to use the draft even against students who staged a sit-in at a local draft board. The proposed distortion of Selective Service would be no service to the nation, its armed forces or any of its citizens.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PROXMIRE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Burdick in the chair). Without objection, it is so ordered.

ANTI-INFLATIONARY TOOLS: A CONSTRUCTIVE ALTERNATIVE TO A TAX INCREASE

Mr. PROXMIRE. Mr. President, this year we are confronted with very difficult problems of economic management, and I believe we are all aware of it this afternoon in view of the Presidential press conference which took place this morning—especially with the President's emphasis on trying to get a tax increase. I disagree very strongly with the President on the position he has taken, and I should like to explain why at this time.

While the economic indicators clearly show that the private sector of the economy is not overheated because of excess demand pressures, we are nevertheless experiencing inflationary pressures in wages and prices; and I believe the situation calls for a revival by the administration of the wage-price guidelines in an effort to stop this cost-push inflation.

Our long record of price stability was broken in 1965. The Consumer Price Index had risen only 1.3 percent annually from 1960 to 1965, and the wholesale price index rose 0.4 percent annually during this period. However, from August 1965 to August 1966, the Consumer Price Index rose 3.5 percent, and by August 1967 it had risen another 2.7 percent. Wholesale prices rose 3.8 percent from August 1965 to August 1966, but in the last year that index stabilized—falling by 0.7 percent. Unit labor costs in manufacturing—this is the most inflationary element in the economy at present—after an extended period of stability, increased almost 6 percent from July 1966 to July 1967.

The fact is that several major industries, such as steel, autos and chemicals, have recently been raising prices in spite of the fact that the demand for their products has been far below former levels and the industries are operating far below capacity. But their costs have been rising, and American industries largely price their products on cost.

Capacity utilization in manufacturing fell to 83.8 percent in the third quarter—down from 90.6 percent in the third quarter of 1966. Nevertheless, prices for color television, steel, chemicals automobiles, and rubber have increased. Unpublished estimates of capacity utilization by industry for the second quarter 1967 indicate that, in the primary metal industry, capacity utilization was about 13 percentage points lower than in the second quarter 1966; 11 percentage points lower in the cases of motor vehicles, and rubber and plastics, and 10 percent lower in the case of apparel manufacturing. In spite of substantial excess capacity, price increases have been widespread.

In this situation, the delicate task of economic policy is to develop tools for curbing inflation without dampening the already lagging performance of the private economy. A tax increase is exactly the wrong tool. It will increase not decrease costs and prices. It would increase unemployment further. It would slow production in American plants already more than 15 percent idle. It would reduce profits already falling. And it would retard economic growth, now far below satisfactory levels.

If we adopt a tax increase, we will be making the same error through fiscal policy that the Republican administration made during the 1950's through monetary policy. At that time, the tide of inflation was finally stemmed, but at the painful cost of a 6- to 7-percent unemployment rate. That cost was too great then, and it is too great now.

The critical issue is how to stem inflationary tendencies without operating a slack economy. If we are to face this challenge squarely, we will have to accept the fact that, while proper use of general monetary and fiscal policies is sometimes necessary and important, it will not solve the present problem of inflation. There are many constructive things which I think we could and should be doing about price increases, but there is such a total and exclusive concentration by the administration on selling the tax increase to Congress and the country that they are not receiving the attention they should.

First and foremost is the development of a more effective wage price policy, because wage increases exceeding productivity increase is the crux of the present cost-push inflation.

The first articulation of a wage-price policy appeared in the 1962 annual report of the Council of Economic Advisers, which suggested some general guidelines for wage-price changes. These guideposts have been referred to and elaborated upon in each of the annual reports since then. The Council of Economic Advisers deserves much credit for the development of the guideposts. Unfortunately, however, the administration has abandoned them this year.

The effort to hold back unwarranted

price and wage increases is in a sorry state. In the annual report of the Council for 1967, there is a somewhat abstract discussion of the guideposts and their importance. But the refusal of the administration to specify a specific percent for wage increases gutted guideposts in the year when they were needed most. The Council and the President appear, for all practical purposes, to have abandoned the quest for price stability except by general monetary and fiscal policies, which, as I have indicated, are inadequate in and of themselves.

In terms of public need, the present situation calls for a more determined effort than ever to hold the line on excess price-wage increases. This important point was set forth in the 1967 report of the Joint Economic Committee.

I consider the anti-inflationary proposals contained in the joint economic report of 1967. That report stated:

> Any retreat from the basic philosophy of the guideposts would be a retreat from the objectives of the Employment Act, as well as from the lessons of past experience with cyclical instability and inflation.

The report continued:

> The Committee endorses the principles set forth in the guideposts; however, it believes that there must be continuous innovation to make the guideposts adaptable and effective. In this regard, the Council of Economic Advisers can and should elaborate its 1967 guideposts.

The committee went on to elaborate in some detail its suggestions for moving forward with the guideposts and for making them viable instruments. First, the President, with the assistance of the Council of Economic Advisers, should submit quarterly or semiannually a report on the extent to which the economy is achieving the wage-price goals set forth in the Employment Act. Second, the committee realized that it was unrealistic to talk about guideposts in terms solely of productivity advances, since virtually everyone in America was aware at the time that there had been a substantial increase in the Consumer Price Index.

The committee suggested some compromise with the aim of achieving stability over the next 2 or 3 years. It was indicated that some part of the increase in the Consumer Price Index should be added to the increase in productivity, with the understanding that the increment above productivity should decline in future years. Third, the committee felt that the machinery for implementing the guideposts was in great need of improvement. It suggested that a high level unit entitled "The Price, Productivity, Income Office" should be established as a permanent part of the executive branch to apply the guideposts to particular important industries by assembling and analyzing data from both Government and non-Government sources on prices, productivity, output, input, wages, and incomes, at both the aggregate and industry levels.

In addition, the Office would be assisted by industrywide boards composed of representatives of labor, management, and consumers. The so-called PPI Office and the PPI Boards would be authorized to hold factfinding hearings and make recommendations concerning wage-price behavior in the public interest.

There are also many other things we can do to improve the price situation. I refer again to the Joint Economic Committee's report which contained these other suggestions: Government agencies should push rapidly ahead with development and regular publication of industry data on output, productivity, prices, capital, labor, and incomes so that the pressure of informed Government and public opinion can help maintain price discipline.

Parenthetically, I might add that, while the whole Nation was watching the negotiations in the auto industry, no published data were available on these basic measures, which would have helped the public to develop an informed opinion and prevent the kind of 6-percent increase in wages which is unquestionably inflationary.

We must continue with and expand our present efforts to improve the efficiency of labor markets. President Johnson has stated repeatedly that we must give the poor, the unemployed, and the disadvantaged people the opportunity to become taxpayers rather than taxeaters. Secretary Wirtz stated before the Joint Economic Committee that the investment required to train structurally unemployed persons is repaid to the Government in only 2 years in the welfare costs saved. Moreover, within 4 years, the costs of the investment are recovered in terms of higher taxes paid. Government training programs are among our most important deflationary tools.

It is increasingly recognized that Government efforts to train the unemployed and the underemployed can only be successful if the help and cooperation from private industry are forthcoming. Developments in this direction have been encouraging. On September 13, the life insurance industry pledged a $1 billion investment for housing and for financing job-creating enterprises in high-risk ghetto areas.

The President, through Secretaries Trowbridge and Wirtz, is developing a "one-stop point of contact for businessmen interested in hiring workers from the ghetto or initiating business enterprises in ghetto areas. This worthy objective is receiving the support of business. It is being directed by Mr. William E. Zisch, vice chairman of Aerojet-General Corp.

The availability of information is an essential part of an efficient labor market. In 1966, the Joint Economic Committee's Subcommittee on Economic Statistics, of which I was then chairman, held 2 days of hearings on job vacancy statistics. That subcommittee concluded:

> It is difficult to conceive of a more obvious way to improve the amount of information available to workers and to employers in the labor market. Such information would promote efficiency and greater equality of economic opportunity. In addition, it would feed the needs of the Nation's new and growing manpower development programs.

The subcommittee pointed out that at that time there had been considerable research devoted to the development of job vacancy statistics, and it recommended that the experimental program be expanded to 80 of the largest major labor areas, as recommended by the Labor Department. Regrettably, the administration did not present the expanded program for consideration of the Congress in 1967.

Government services to aid private industry and workers in interarea recruitment should be stepped up and made more efficient. The Labor Department has been experimenting with the possible use of computers for matching workers with job opportunities throughout the country.

Government procurement practices—Federal, State, and local—can have an important impact on prices. The timing of purchases and the selection of purchases can all play an important part in keeping prices in line. A major reform could be accomplished if the Government would use realistic discount rates in assessing the advisability of public works and other long-term investment programs. It is totally inefficient for the Government to apply a 3⅛-percent discount rate to public works projects while interest rates of Government bonds of comparable maturity are in the 5-percent range, and the returns to investment in private industry are from 10 to 15 percent. This is not only gross inefficiency, but it leads to undesirable price developments.

Mr. President, it is high time for us to develop more imaginative and selective economic policies. Just as meat ax budget cuts and spending ceilings are not responsible ways to curb government expenditures, neither is an across-the-board tax increase the appropriate way to handle the inflation problem. We must have policies that are tailored to the problem, and the problem, by and large, is cost push inflation.

A tax increase shifts the costs of wasteful and excessive Government spending programs to business and the taxpayer. In doing so the tax increase not only adds to his burden directly. Since it constitutes an additional cost of business, it adds to the prices the taxpayer has to pay and aggravates inflation.

This is not true when demand is excessive. Then the increased taxes take out of the economy income that otherwise would push up prices; but when, as now, costs are pushing up prices, tax increases will tend to push up prices further and increase inflation rather than decrease it.

U.S. FAILURE TO RATIFY HUMAN RIGHTS CONVENTIONS PROVIDES UNFRIENDLY NATIONS WITH AMMUNITION

Mr. PROXMIRE. Mr. President, the failure of the United States to ratify the Human Rights Conventions on Forced Labor, Freedom of Association, Genocide, and Political Rights of Women has not gone unnoticed by nations unfriendly to the United States. The sole exception of the Supplementary Convention on Slavery, is not impressive.

In fact, our failure to ratify these human rights conventions has presented certain other countries with a major propaganda coup.

An unfortunate example of this opportunity for blatant Soviet demagoguery occurred during a meeting of the U.N. Subcommission on Prevention of Discrimination and Protection of Minorities.

When the U.S. representative advocated the strengthening of the United Nations activity in the human rights field, he was subjected to a sarcastic rebuttal by his Soviet counterpart. The Soviet spokesman alleged American hypocrisy because the United States "had not ratified the Convention on the Crime and Punishment of Genocide."

A similar incident occurred during the 1966 meeting of the U.N. Commission on Human Rights. The U.S. representative expressed our support for the creation of a U.N. Commission on Human Rights. The Soviet representative's retort was both acerbic and cynical. Here, in part, is what the Soviet delegate said:

> An objective analysis of the political orientation of the proposal so ardently supported by the United States and its allies soon revealed that the proposal was designed to give world public opinion the impression of active participation in the cause of human rights by States which in practice obstinately refused to fulfill their obligations under the multilateral international conventions in the field of human rights.

He then proceeded to characterize the U.S. failure to ratify specific conventions as "hypocritical" and "almost indecent."

Mr. President, we know these charges are false. As well, the Russians know they are false. But what about the new nations in the world—60 of them since 1943? What are they to believe?

The Senate can quite readily destroy this unfair propaganda advantage of the Russians and their satellites by ratifying the Human Rights Conventions on Forced Labor, Freedom of Association, Genocide, and Political Rights of Women.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The PRESIDING OFFICER (Mr. PROXMIRE in the chair). The Senator from Michigan is recognized.

Mr. GRIFFIN. Mr. President, I am pleased to call attention to the fact that the bill reported by the Finance Committee includes a provision for expedited processing of social security checks in situations where long delays are often experienced under the existing law.

The proposed increases in social security taxes and benefits have monopolized most of the current debate. However, under some circumstances the administration of the social security program can be as important to retired persons as the range of benefits.

I have been disturbed that many people across the country who are entitled to benefits, do not receive their checks as promptly and as efficiently as they have a right to expect. Numerous cases of undue delay in the processing of claims have arisen in my State of Michigan. The need to expedite the handling of benefit applications is urgent.

Earlier this year I joined the distinguished Senator from Pennsylvania [Mr. SCOTT] and others, in sponsoring S. 1954. That bill would authorize the establishment of procedures under which disbursement of social security checks could be expedited when claimants run up against protracted delays in the processing of their applications.

I am pleased that the substance of that bill has been adopted by the committee and has been incorporated as section 172 of the pending bill. Under this provision, the Secretary of the Department of Health, Education, and Welfare is directed to establish special procedures to permit stepped up payment of monthly benefits under particular circumstances.

Of course, I would point out that the effectiveness of this section will depend to a large extent upon the regulations to be promulgated by the Secretary.

I assume and anticipate that the regulations to be issued, if section 172 becomes law, will delegate substantial discretion and authority to the local social security offices. This will be necessary if the provision is to be meaningful.

It should be noted that claims for disability benefits are excluded from the provision. This is justified because those cases are customarily complicated and require medical judgment which should be carefully evaluated.

But, Mr. President, there is no excuse for the long delays often experienced in processing routine claims for ordinary retirement benefits.

I believe that section 172 of the bill before the Senate will go a long way toward eliminating much of the bureaucratic redtape which is now so evident in administering social security benefits. Social security is the major source of income for about one-half of all beneficiaries over 65 years of age. For them, a delay of a month, or even a week, can be a serious blow.

I want to commend the members of the Finance Committee for incorporating this provision in the bill. Along with them, I hope it will become law, and that it will operate to eliminate much of the unnecessary delay Members of Congress read about in the daily mail received from our constituents.

LEAVE OF ABSENCE

Mr. AIKEN. Mr. President, I ask to be necessarily absent from the Senate from the close of business on Monday, November 20, 1967, until Wednesday, November 22, 1967.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

UNANIMOUS-CONSENT AGREEMENT

Mr. MANSFIELD. Mr. President, I am about to propound a unanimous-consent request, but before doing so, and in accordance with the rule, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, the rule notwithstanding, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I have a unanimous-consent request at the desk which I have discussed with the distinguished Senator from Louisiana [Mr. LONG], the Senator in charge of the bill; the ranking minority member, the distinguished Senator from Delaware [Mr. WILLIAMS]; and my dear colleague the minority leader, the Senator from Illinois [Mr. DIRKSEN]; the distinguished Senator from Florida [Mr. HOLLAND]; the distinguished Senator from Vermont [Mr. PROUTY]; and other Senators; and I ask that it be read at this time.

The PRESIDING OFFICER. The unanimous-consent request will be stated.

The assistant legislative clerk read as follows:

> *Ordered,* That effective on Monday next, at the conclusion of routine morning business, during the further consideration of the bill (H.R. 12080), debate on any amendment, motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the junior Senator from Louisiana [Mr. LONG]; *Provided, however,* That with respect to the two amendments to be designated by the Senator from Delaware [Mr. WILLIAMS], there be a 2-hour limitation on each; *Provided,* That in the event the junior Senator from Louisiana [Mr. LONG] is in favor of any such amendment or motion, that the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided, further,* That no amendment that is not germane to the provisions of said bill shall be received; *Ordered, further,* That on the question of the final passage of said bill, debate shall be limited to 5 hours, to be equally divided and controlled respectively by the majority and minority leaders; *Provided,* That the said leaders, or either of them, may from the time under their control on the passage of said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

Mr. MANSFIELD. Mr. President, I have one addition to make, if I may, and that is that the vote occur at 11 o'clock on Wednesday morning next and, on that date, that the Senate come in at 10 o'clock for the purpose of having 1 final hour of debate.

The PRESIDING OFFICER. Does the Senator also ask that rule XII be waived?

Mr. MANSFIELD. Yes, indeed.

Mr. JAVITS. Mr. President, what is rule XII?

Mr. WILLIAMS of Delaware. It requires a quorum call.

The PRESIDING OFFICER. Rule XII requires a quorum call to be had before the setting of the time for a vote.

Mr. MILLER. Mr. President, may I ask the majority leader: Suppose the amendments are disposed of, say, by midafternoon of Tuesday next——

Mr. MANSFIELD. The order would still hold. It is the best we can do. There is no perfect way to face up to the situation. The reason why we had planned to come in tomorrow was the slow progress we are making on the bill. This will give every Senator notice as to when the final vote will take place. He will be made aware of the fact that there will be a time limitation on amendments in the meantime, and in that way, every Senator will be treated as equitably as possible under the circumstances.

Mr. LONG of Louisiana. Mr. President, I regret not to have been in the Chamber at the time the unanimous-consent request was stated. May I ask what is the request?

Mr. MANSFIELD. Briefly, it is a 1-hour limitation on each amendment, 2 hours on two amendments to be specified by the Senator from Delaware [Mr. WILLIAMS], and 5 hours on the bill. The final vote will occur at 11 o'clock on Wednesday morning next. The Senate will come in on that day at 10 o'clock. The hour between 10 and 11 will be for final debate on the bill as it is at that time.

Mr. LONG of Louisiana. Mr. President, I would hope that we might not try to insist on a vote on Wednesday because the thought occurs to me that on some major amendment between now and then the decision might turn on the number of Senators out of town. I realize the problem the majority leader is faced with, and I want to cooperate 100 percent with him. I wonder, however, whether we might not have an agreement without specifying the time for the final vote, for the reason that it is just possible that some Senator may feel he is being very much prejudiced against in an amendment of his which might be debated, with the absent Senators making the difference, whereas a full Senate attendance might make the difference when he calls up his amendment.

Could we not agree to the unanimous-consent request without the Wednesday date?

Mr. MANSFIELD. If the distinguished chairman of the committee would allow me, I think that what the membership, by and large, is most interested in is when the time for final passage of the pending legislation will take place.

It appeared to me it would be doing a favor to all Members of the Senate if they knew specifically that there was to be a vote at a time certain. As far as amendments are concerned, some Senators will be absent, on both sides of every amendment, whom we would like to have here, but who under the circumstances find it impossible to be here.

Mr. JAVITS. Mr. President, will the Senator yield

Mr. MANSFIELD. I yield.

Mr. JAVITS. I hope not to have to object to this request. I do not happen to have been one who was consulted, but that is not too important as long as I am here. There are a series of amendments to some sections of the bill which are being prepared by a group of us in the Senate—quite a number of Senators—which I hope will be filed, generally along the lines that Senator KENNEDY of New York and I have been pushing and serving notice on.

I must say I am caught short on the question of what to do about them. The only thing I would like to say, a sI think the thing through, is first, that I am sure the majority leader will agree that if another amendment needs 2 hours of discussion—we may have an amendment which may be as significant as that of the Senator from Delaware—we may have it out of the reserved time which the leaders have, and that it is understood we will be accommodated on it, because a half hour on an amendment is not very much.

Mr. MANSFIELD. The Senator can be assured of that.

Mr. JAVITS. Another thing: It is conceivable that on a bill of this kind we may not be able to get through with all amendments by 11 o'clock Wednesday morning. Then all the amendments not acted on by then would have to be voted on at that time. Therefore, that is a cutoff that is not justified.

I may very well not be here. I have a duty in Europe, which is very familiar to the majority leader, as have other Senators; but I do think we ought to have a chance to see to it that the amendments are proposed, debated, and voted on.

Therefore, I hope the unanimous-consent request will be modified to provide two things: First, additional time on the bill. Five hours may not be enough. One hour on each amendment may be too little. I think the fixing of 11 o'clock on Wednesday is fine, but it should be subject to the fact that amendments submitted by then should have had time to be debated and voted on. Then, if there is a third reading, and if 11 o'clock on Wednesday follows the third reading, it is fine to have the vote at 11 o'clock. Otherwise, the time should be extended so as to give every Member of the Senate the right to have his amendment brought up and at least have the minimal time on it.

My suggestion is twofold: First, that the leaders provide more time on the bill; second, that they make the hour of 11 o'clock Wednesday for voting, if they insist on it, contingent upon the fact that there shall have been a third reading and that Senators shall have had their time on their amendments.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. WILLIAMS of Delaware. The Senator from New York raised a good point. It was my understanding that this request was intended to take care of the situation in which every Senator would have a chance to get time on his amendment. I agree that we would not want to come in at 11 o'clock on Wednesday and then have to discard all other amendments or vote on them without explanation.

What I think the majority leader was trying to work out was, in the event we reached third reading on Tuesday afternoon, that we would have a final vote on Wednesday. I think it should be made clear that in the event we went into Wednesday morning and there were amendments which had not been offered or disposed of, we would have time to dispose of them.

Mr. MANSFIELD. Mr. President, the suggestion of the manager of the bill, the chairman of the Finance Committee, the gentleman from Louisiana [Mr. LONG], is that if there are any amendments in that category on Wednesday, after coming in at 10 o'clock on Monday and Tuesday and staying late, it might be well to consider having a half-hour limitation on such remaining amendments, 15 minutes to a side, and add to the time allowed on the bill, 6 or 7 hours, instead of 5.

Mr. JAVITS. Mr. President, if the Senator will yield, I do not think we should cut off a Member of the Senate if he has not submitted an amendment. He ought to be given an opportunity to explain it. I do not think we ought to have such a bobtail provision in this agreement.

Mr. MANSFIELD. All I am trying to do is find a way out of a situation which besets many Senators. Personally, I would just as soon come in tomorrow and Sunday and stay here over Thanksgiving. The majority and minority leaders are trying to work out, with the manager of the bill and the ranking minority member of the committee, something that will meet the requirements of Senators who must leave town to fulfill other responsibilities.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. PASTORE. The Senator from New York knows that the majority leader is a fair man. No Senator is going to be precluded from his fundamental rights. I think the majority and minority leaders are trying to be fair about this. We have to rely upon their integrity. I do not think any Senator will be left out in the cold.

Mr. MANSFIELD. Not if we can help it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HOLLAND. In the first place, I want to make it clear that I shall not object to the request. In fact, I favor it. I wanted to make it clear to the Senator from Louisiana [Mr. LONG] and the Senator from West Virginia [Mr. BYRD] that my earlier request will no longer be applicable if the unanimous-consent request is agreed to. Whether I am here on Monday or not, please disregard my earlier request.

If the Senator from Montana will listen to me, please, I am quite agreeable to this method of handling of the matter, and I would hope that I might be given a live pair in two cases. I will describe what they are. I have committed myself to the Senator from Delaware [Mr. WILLIAMS] to vote for one of his amendments, not for the other. He knows the one. And I have committed myself to the Senator from Iowa [Mr. MILLER] to vote for an amendment which he has.

I would hope I would have a live pair to fulfill my commitments in that regard, because I thought the amendments would be offered earlier than this. Except for that, and I place no condition on it, I would have no objection to the request.

Mr. MANSFIELD. I will do the very best I can.

Mr. President, I suggest that the Chamber be cleared.

The PRESIDING OFFICER. All persons not here on business will please vacate the Chamber promptly. The Sergeant at Arms is instructed to see that the order is carried out. Senators will suspend until the Chamber is cleared.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I wish to modify the unanimous-consent request to this extent:

First, that the time on the bill be changed from 5 hours to 6 hours.

Second, that the time designated in the unanimous-consent request, at which the final vote would be taken, be made contingent upon the third reading of the bill by the close of business on Tuesday.

Third, if third reading is not reached by Tuesday night, time for further amendments be limited to a half hour, the time to be equally divided between the Senator who proposes the amendment and the distinguished chairman of the committee.

The PRESIDING OFFICER. Is there objection?

Mr. WILLIAMS of Delaware. Mr. President, reserving the right to object——

Mr. HOLLAND. Mr. President, I did not hear the distinguished majority leader state that the final vote would come at the end of that time, or at any fixed time, on that day or when.

Mr. MANSFIELD. It all depends on how the time is used, but if we reach third reading on Tuesday afternoon, the final vote will occur on Wednesday at 11 a.m. But if amendments are still to be proposed on Wednesday, there will be a half hour on each one until we reach final passage.

Mr. WILLIAMS of Delaware. Mr. President, I have discussed a proposal of mine with the chairman of the committee, and it is agreeable to him. One of my amendments deals with series E bonds, which may not be considered exactly germane. I want it understood that it is agreeable to take up that amendment.

Mr. LONG of Louisiana. There will be no objection to that.

Mr. MANSFIELD. I assure the Senator from New York that if additional time is needed, it will be forthcoming.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HRUSKA. Will this arrangement take care of the objection voiced by the Senator from New York that perhaps amendments will not be disposed of by 11 o'clock on Wednesday? What will become of the final vote in that event? Will it be delayed, in which event Senators who have reservations for Wednesday afternoon had probably better cancel them?

Mr. MANSFIELD. No; we are coming in early.

Mr. HRUSKA. But however early we come in, will there not be the possibility that the amendments will not be taken care of, and that that will leave the hour for the final vote a floating hour?

Mr. MANSFIELD. Only if third reading is reached on Tuesday, will the vote take place at 11 o'clock on Wednesday.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, after going through this ordeal, I am about to make another unanimous-consent request, but before I do so, I extend my apologies to those Senators who had engagements tomorrow and who have remained in attendance on the basis of my motion this morning that the Senate come in tomorrow. I am deeply sorry if they have been discommoded in any plans they made. I hope it is not too late for some of them, at least, to carry them out.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. PASTORE. The majority leader is forgiven.

ORDER FOR ADJOURNMENT UNTIL 10 A.M. ON MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today—and this will automatically vacate the previous order—it stand on adjournment until 10 o'clock on Monday morning next.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DIRKSEN subsequently said: Mr. President, I ask unanimous consent that the amendment referred to by the distinguished ranking minority member on the Committee on Finance [Mr. Williams of Delaware] be considered as germane to the bill. I understand that this request is agreeable to the chairman.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The unanimous consent was subsequently reduced to writing, as follows:

Ordered, that effective on Monday, November 20, 1967, at the conclusion of the routine morning business, during the further consideration of the bill (H.R. 12080), an act to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes, debate on any amendment (except two amendments to be designated by the Senator from Delaware [Mr. Williams] upon which there will be a 2-hour limitation), motion, or appeal, except a motion to lay on the table, shall be limited to 1 hour, to be equally divided and controlled by the mover of any such amendment or motion and the Senator from Louisiana [Mr. Long]: *Provided*, That in the event the Senator from Louisiana [Mr. Long] is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him. *Provided*, That no amendment that is not germane to the provisions of the said bill shall be received.

Provided further, That if the third reading of the bill has not been reached at the close of business on Tuesday, November 21, debate on further amendments shall be limited to ½ hour, to be equally divided and controlled under the same conditions set forth above, and that if the third reading is reached before the close of business on Tuesday, November 21, the vote on final passage of the bill shall occur at 11 o'clock a.m., Wednesday, November 22.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 6 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided*, That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot additional time to any Senator during the consideration of any amendment, motion, or appeal.

ORDER FOR ADJOURNMENT FROM MONDAY TO 10 A.M. ON TUESDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business on Monday next, it stand in adjournment until 10 o'clock Tuesday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM TUESDAY TO 10 A.M. ON WEDNESDAY NEXT

Mr. MANSFIELD. I ask unanimous consent that when the Senate completes its business on Tuesday next, it stand in recess until 10 o'clock Wednesday morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE MEETINGS DURING SENATE SESSIONS NEXT WEEK

Mr. DIRKSEN. Mr. President, one other thing I should suggest to the distinguished majority leader is that something ought to be done about committee meetings on Monday and Tuesday.

My suggestion is, Mr. President, that there be no committee meetings, if we are going to undertake to get this job done.

Mr. MANSFIELD. I would agree with the distinguished minority leader. I would hope, though, that if an unusual circumstance comes up, we would give it consideration.

Mr. DIRKSEN. Yes.

Mr. MANSFIELD. On that basis, then, we wish to announce that, barring unusual circumstances, there will be no allowance of committee meetings after the conclusion of morning business on any morning next week.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

Mr. SPARKMAN. Mr. President, will the Senator withhold that request?

Mr. MANSFIELD. Yes.

ORDER OF BUSINESS

Mr. DIRKSEN. Mr. President, I should like to ask the majority leader whether or not it is planned now to consider amendments on the pending bill for the rest of the day.

Mr. MANSFIELD. Yes, I understand there are some amendments at the desk. We are going to try to have some votes this afternoon, so we can clear the decks as much as possible before Monday and Tuesday, if any amendments are offered.

ELLSWORTH BUNKER

Mr. SPARKMAN. Mr. President, in spite of the millions of words written and spoken in regard to the Vietnam conflict, many Americans still wonder why we are there.

The PRESIDING OFFICER. The Senate will be in order.

Mr. SPARKMAN. In explanation of our presence in Vietnam, let me cite one of America's most respected and capable diplomats—the Honorable Ellsworth Bunker, chief of the U.S. mission in Saigon, and President Johnson's personal representative in Vietnam. Ambassador Bunker is one of America's most distinguished, experienced, and respected diplomats, having served four Presidents—from Harry Truman to Lyndon B. Johnson.

From his vantage point in Saigon, it is Ambassador Bunker's judgment that we are making significant and observable progress in Vietnam—

We have reversed the tide and have made a Vietcong victory impossible.

We have helped secure a larger percentage of the Vietnam countryside.

Under the most difficult circumstances, South Vietnam has held five free elections.

The reasons why we are in Vietnam were stated clearly and succinctly by Ambassador Bunker at his press conference just a few days ago at the White House:

First. To achieve an honorable peace through negotiations.

Second. To make it possible for the Vietnamese to choose their own government through free elections.

Third. To make it clear the United States fulfills its obligations.

Fourth. To help Vietnamese and regional Asian economic development.

These are reasons to which every honorable man can and should subscribe.

They are reasons not radically different from those which compelled the United States to help resist communism in Korea and fascism and nazism in Europe.

Those who claim that we have intervened in a Vietnamese civil war have forgotten how the Communists used, or tried to use, alleged civil wars as covers for attempted takeovers in Greece, in the Philippines, in Korea, and in Malaysia.

Mr. President, I ask unanimous consent that a transcript of Ambassador Bunker's press conference held at the White House on November 13 be printed in the RECORD at this point.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

PRESS CONFERENCE OF HON. ELLSWORTH BUNKER, AMBASSADOR TO SOUTH VIETNAM, THE FISH ROOM, NOVEMBER 13, 1967

Mr. CHRISTIAN. Ambassador Bunker spent approximately an hour and a half with the President and will answer any questions now or anything you want to talk about.

Q. Mr. Ambassador, if you could, give us some summary of what you reported to the President within your ability to do so.

Ambassador BUNKER. I described to the President my views of the situation now in Vietnam. I said to him, as I have said before, too, that in my view we are making steady progress in Vietnam, not only militarily, but in other ways as well: In the evolution of the constitutional process, in the pacification program, which is, in my view, equally as important as the military situation.

The new government, as you know, has just been inaugurated—a new cabinet appointed and sworn in. The fact that within the last 14 months five elections have been held in Vietnam in the midst of war is, in itself, I think, a remarkable performance. Not only have the national elections been significant, but the elections also at the village and hamlet level, because this marks the beginning of the reinstitution of local government in Vietnam, which was prety well wiped out by the French occupation and by Diem.

This, I think, can have an extremely important effect in the country and in the countryside involving the people and their own development, and their own well-being.

The population coming under government control is increasing steadily. One benchmark is the elections that took place in September 1966 and those that took place in September 1967.

In September 1966, some 5,200,000 people registered to vote and 80 percent of them voted. In September 1967 8,865,000 people registered; 83 percent of them voted.

Again, it is a remarkable performance in spite of the massive efforts of the Viet Cong to disrupt the elections. That is a pretty substantial turnout. It indicates, I think, the interest of the Vietnamese people in the democratic process.

Another indication of it was the number of candidates for office, which was, as you know, 11 Presidential tickets, 480 Senate candidates for 60 seats, and there were 1,175 candidates for 137 seats in the lower house of the Assembly.

The elections were carried out very well, extremely well organized, given the difficulties and given the problems. So that I think the evolution of the constitutional process has been a significant development in Vietnam. The pacification program is also progressing. That has taken a great deal of organization. It has required reorientation and training of the Vietnamese Armed Forces to have been assigned to the pacification job.

It has required the training of the teams who are engaged in revolutionary development. Some 30,000 individuals have been trained so far.

The number of teams now functioning, some 611—we hope to have some 700 by the end of the year, 800 to 1,000 next year and perhaps 75 percent more hamlets pacified next year than this year.

Q. Do you have a figure on hamlets?

Ambassador BUNKER. I said we hope to have about 75 percent more next year than this year.

Q. What was your estimate for this year, Mr. Ambassador?

Ambassador BUNKER. Perhaps close to 1,000—900 to 1,000, I would say, and next year I would say between 1,500 and 2,000 as a prospect.

Q. Mr. Ambassador, do you have any comparative figures on South Vietnamese civilian casualties as a result of U.S. and allied military actions as opposed to North Vietnam and VC?

Ambassador BUNKER. No, it was very difficult to distinguish. No, I haven't any breakdown in the figure.

Q. Mr. Ambassador, if you had had your way about it, would you have preferred to see some of the major opposition figures appointed in the new cabinet?

Ambassador BUNKER. I think it is a very difficult problem. The problem of opposition, the problem of forming a highly competent government is a difficult problem. I think the solution that has been worked out is quite good. I think there is a good cabinet—some excellent men in it—men of experience. I am quite pleased with it, as a matter of fact.

Q. Mr. Ambassador, as an overall assessment, would you say that the pacification program which I believe President Johnson himself about a year ago said was disappointing has gotten off the ground now?

Ambassador BUNKER. Yes, I would.

Q. Mr. Ambassador, could you put this week's talk in context for us? Is your coming back and General Westmoreland coming back sort of an agonizing reappraisal of the situation?

Ambassador BUNKER. No, not at all.

Q. I wanted to ask also if it could take the place of a Pacific meeting?

Ambassador BUNKER. No. I have come back after I have been there six months. I have come back for normal consultation. I think having been there six months it is appropriate to come back and to report on the situation as I see it.

Q. Mr. Ambassador, I think there is a question a lot of Americans wonder about and that is when is this thing going to be over with on the basis of your six months there?

Ambassador BUNKER. I don't think you can put this situation in a time frame. I think it is a great mistake to try to do it. My view is very definite and that is that we are making steady progress. I think there is every prospect, too, that the progress will accelerate because I think that many factors point to it.

In the first place, what you have to remember is, I think, that we have been in Vietnam in force only for two years, really. When we got there there was no logistical base of any kind, really. We had to build. We built five ports, sixty-eight air strips including eight jet strips, and storage depots—the whole base.

The result was that the great proportion of our troops were not combat troops at all. They were support troops—construction battalions, engineering battalions.

Now the base is finished and the proportion is reversed. A great proportion of troops coming there now are combat troops. Consequently, it is more and more effectively putting the pressure on the enemy.

At the same time the Vietnamese Armed Forces are improving and have been improving and have turned in some excellent performances.

Consequently, the combination of the fact that we have a great proportion of combat troops and the improvement in the Vietnamese forces makes the situation that much better from the point of view of progress, from the point of view of pressure, from the point of view of extending the proportion of population under government control and depriving at the same time the Viet Cong control of the population.

Q. Mr. Ambassador, the Vietnam war is obviously going to be a big issue, maybe the main issue, in the coming election—American election.

Can you express your views on the feeling about this and also I am sure as you have been back you have probably read a lot in the American papers and they are filled with the public attitude toward the war.

Ambassador BUNKER. No, I don't think I can comment on the situation here. I have been away. I don't know enough about it.

Q. What has been the impact in South Vietnam of the American debates here in the United States?

Ambassador **Bunker**. In South Vietnam, I think as far as the South Vietnamese are concerned they are satisfied and convinced that we propose to carry out our commitment.

Quite naturally, they sometimes as you would expect get disturbed about statements that are made here at times. But I think they understand, too, that this is part of the political process. During the campaign they had a good deal of experience in that. Much of the press was quite critical of the government there. Candidates also had normal political campaign.

Q. You spoke a minute ago about the proportion of combat troops, support and logistical troops—I am talking about the U.S. is now reversed. Do you know what the proportion is now?

Ambassador **Bunker**. Yes, I do know but this is classified.

Q. You say the proportion is reversed. You say it is now a greater proportion?

Ambassador **Bunker**. Yes.

Q. There was in print this morning behind that question the fact that there is only one-fourth of U.S. troops in Vietnam committed to combat.

Ambassador **Bunker**. What is that?

Q. There was a story in print this morning that the ratio is one out of four?

Ambassador **Bunker**. That is not correct at all.

Q. Mr. Ambassador, you say you are back here for normal consultations but with the arrival of General Westmoreland later this week, would this take on more of an aspect of an overall review of the war?

Ambassador **Bunker**. An overall review would be normal. I have come here to give an overall review.

Q. The joining with Mr. Komer and General Westmoreland would put it on a different scale, of course.

Ambassador **Bunker**. Perhaps so, yes. But General Westmoreland is carrying on the military part of it. Ambassador Komer is responsible for pacification. I have an overall responsibility.

Q. Has the Pacific conference then been postponed indefinitely?

Ambassador **Bunker**. No date has been set for it.

Q. Mr. Ambassador, you speak of the progress in extending the proportion of population under government control. What is that proportion now and how does that compare with six months ago?

Ambassador **Bunker**. I don't know about six months or a year ago. A year ago it was about 55 percent under government control. Now the Vietnamese figure is 70 percent. Ours is a little more conservative. We say 67 percent. About 17 percent according to our figures is under VC control and the rest is in contested areas.

Q. Are you talking about population?

Ambassador **Bunker**. Yes.

Q. There were reports from Saigon in the last several days indicating that for the first time in recent months anyway the number of enemy, estimated enemy force, had dropped considerably—something that we have been looking for for some months.

Ambassador **Bunker**. I think that is true. I haven't got the figures here. But I think it is true. There are indications—our indications are—that the recruitment of the Vietcong has declined very substantially in the last year, probably about 50 percent.

Not only that, they progressively have been denied access to food areas. One result is that they are attempting to extort higher and higher taxes from the people by alienating them.

The result is that more and more of the war effort has been taken over by the North Vietnamese.

Q. Mr. Ambassador, along these lines, we are being told that the Vietcong and North Vietnamese are suffering terrible hardships, that casualties on the ground are tremendous, that they are taking a terrible pounding from the bombing. Why is it under this severe punishment that Ho Chi Minh doesn't want to negotiate? Why wouldn't he want to go to a conference table?

Ambassador **Bunker**. I don't know what is in Ho Chi Minh's mind, I am sure.

Q. Mr. Ambassador, we have discussed the effect of dissent and criticism here on the South Vietnamese. Would you tell us what you think it is on the North Vietnamese?

Ambassador **Bunker**. I can only conjecture. As I said, I am sure I do not know what is in Ho Chi Minh's mind. I would think it would encourage them to hold on.

Q. Mr. Ambassador, could you give us any specific examples of moves made by the newly elected Saigon Government to do something about the corruption?

Ambassador **Bunker**. Yes, indeed. They have made moves on the corruption. In the III Corps, for example, some 75 officials have been dismissed this year for corruption or incompetence. There is a list of some 50 military personnel under investigation now. As you may know, recently the Chief of Binh Dinh Province was sentenced to death for corruption. Eight of his other officials were sentenced to severe prison terms.

The government is taking steps in getting into this whole problem.

Q. Are you for or against the bombing pause?

Ambassador **Bunker**. I think that depends on whether there is any reciprocity. We have had what—five pauses so far. They have been used each time to build up supplies and I think the President has made it very clear that if there is some indication of reciprocity that naturally we could consider a pause. But there hasn't been any so far.

Q. Mr. Ambassador, on this matter of corruption, Vice President Humphrey said when he got back the other day that the biggest challenge facing this new Saigon Government is bringing the corps commanders under effective political control.

Has anything been done yet in this short time or what do you think can be done in the future?

Ambassador **Bunker**. I think it can be done. But the government has only been in a few days. It was inaugurated November 1. The cabinet was only installed last week.

Q. What sort of steps can we expect?

Ambassador **Bunker**. I think the province chiefs will be made responsible to the central government rather than to the corps commanders.

I think that will probably be a step which will be taken which will be also very wise, I think, and a very constructive step.

Mr. **Christian**. The Ambassador is late for another appointment. So let's have a couple more quickies only.

Q. General Westmoreland has been out there for quite a while. Could the possibility of a replacement for him come under the range of the current review?

Ambassador **Bunker**. No, not to my knowledge.

Q. Could you be more specific about what sort of reciprocity you might expect?

Ambassador **Bunker**. No, I think the President has made it pretty clear.

The **Press**. Thank you.

WILL EMPLOYERS BE INDUCED TO TRAIN THE POOR?

Mr. PROUTY. Mr. President, as coauthor of the Human Investment Act and the revised Emergency Employment Act, I call to the Senate's attention an article by Dr. Sar Levitan, of George Washington University, entitled "Will Employers Be Induced To Train the Poor."

Dr. Levitan, whom I consider one of the foremost authorities on job development and manpower training programs, focuses on the need to involve private enterprise in the training of the disadvantaged at a greater level than has heretofore been the case.

All too often taxpayers' money for Federal training programs has failed to fulfill the hopes and aspirations of our needy citizens in terms of educational and vocational training. It is important that Congress act to improve employment opportunities for both young and old alike so that the poverty cycle might be broken once and for all.

In calling the article to the attention of my colleagues, I commend Dr. Levitan and ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From Poverty and Human Resources, November-December 1967]

Will Employers Be Induced To Train the Poor?

(By Sar A. Levitan)

It is becoming increasingly clear that the recently inaugurated federally-supported antipoverty training and job creation programs are falling short of their intended goal to help participants achieve economic independence and self-support. It appears that these efforts are more successful in providing the unskilled and deficiently educated income and an opportunity to perform socially useful work, but little preparation for future gainful employment in the competitive labor market. The problem, some have suggested, is that private enterprise which has traditionally trained workers and equipped them with skills has remained only on the periphery of the new training programs.

Since the Economic Opportunity Act permits profit-making organizations to participate in these training programs, many have criticized program administrators for the lack of private employer involvement. However, this represents only part of the answer. Pressure to produce instant success and to maximize the number "served," encouraged administrators to fill available "slots" in the public sector. Since the federal share is at least 90 percent of costs—and the balance can be provided "in kind"—public agencies and nonprofit organizations can obtain what is, for all practical purposes, free labor. Enrollees are frequently assigned to marginal tasks or "make-work" jobs. Thus projects will often not offer the best training or the most meaningful employment. Although reduction of the share of federal contribution might encourage agencies sponsoring projects to restrict job openings to needed and more meaningful work, such a move might discourage participation by many public agencies and nonprofit organizations and preclude establishment of projects in areas which need them most. The time may be fast approaching when program administrators are going to have to choose between quality and quantity.

ON-THE-JOB TRAINING

To secure greater private participation in training programs, administrators of the Manpower Development and Training Act have recently placed greater emphasis on OJT, reimbursing employers for training costs but not for wages. The distinction may be more semantic than real since the government picks up part of the total labor cost during the initial employment period—the duration is dependent upon the occupation for which the worker is trained. Since selection of trainees is left with employers and they receive uniform reimbursement per trainee in a particular program, an incentive is created to "cream" the best qualified applicants. A comparison of the characteristics of institutional enrollees, who are chosen by the Employment Service, and OJT enrollees suggests the difficulties of placing the disadvantaged with private employers. In 1966, two of every five MDTA institutional enrollees were nonwhite, while in OJT they accounted for only one in five. Enrolees with less than a high school education accounted for more than half of those in institutional courses, but for only a third in OJT. While one of every nine institutional trainees were public assistance recipients, one of every 80 OJT enrollees was in that category. The results in other programs are no better. Few out-of-school Neighborhood Youth Corps enrollees have been offered the opportunity to participate in private on-site training. In the Work Experience and Training Program (Title V) which has considerable latitude in placing participants with private-for-profit organizations, only 3 percent were so placed.

Based on his study of MDTA, Professor Garth L. Mangum has suggested that if OJT is to be effective as an incentive to employ the disadvantaged, it might be necessary to limit the payment of subsidies only to the employment and training of the poor. OJT's apparent success (about nine of every ten who had completed training were employed when last surveyed) with the limited number of disadvantaged workers suggests that it might offer a viable technique for inducing employers to hire unqualified workers and train them for available jobs. Successful expansion of OJT for the disadvantaged may, however, require raising the subsidy above current levels.

Some employers have assumed the responsibility for training the poor without government subsidy. As their contribution to the nation's war on poverty, these employers have lowered hiring qualifications and trained workers who would normally not be acceptable. Their rationales have ranged widely. Labor shortages accounted for some of the hiring, but not all. Some consider their action as "enlightened self-interest," a recreation to riots that occurred in many cities. Others, opposed to the expansion of the welfare state, think that they can motivate and train the disadvantaged better than public programs. Though the number enrolled is small, the experience is valuable for the lessons that can be gleaned from it. The much-touted JOBS NOW of Chicago is an example. Here a private nonprofit organization, the YMCA, provides an initial two-week orientation to hard-core gang youth. This orientation, and the provision of coaches to work with the youth while on the job, is subsidized by federal funds. The brunt of the costs, however, is assumed by private employers who hire the participants at their going rate of pay and provide a high-support environment and training for poorly qualified employees. Though some of the largest companies in Chicago participate in the program, they agreed to absorb only about a hundred participants every two weeks. This program and others have, however, indicated the costs of hiring unqualified and, frequently, poorly motivated workers. A large insurance company which hired 20 high school dropouts found that to make them competitive with high school graduates might cost as much as a thousand dollars per enrollee during the initial year. There are other costs, not the least of which is concerned with retaining poorly prepared and motivated employees. This involves not only extra costs for supervision, but also to reorient supervisors to deal sympathetically with the problems of the new employees. There are also dangers—bending disciplinary rules and work performance standards which, if not adroitly handled, can affect adversely overall productivity.

Private corporations cannot be expected to act as eleemosynary institutions to any substantial degree. If inadequately educated and poorly motivated workers are to be trained and equipped with skills to enhance their position in the competitive market, the government must absorb the brunt of the costs. Rather than "viewing with alarm" the use of tainted government money, there is room to be concerned that there ain't enough of it.

NEW WAYS AND MEANS

Molding an effective partnership of government and private enterprise for training large numbers of disadvantaged is dependent on government funds and private employer know-how. Debate has centered on the most efficient ways and means to accomplish the desired goal.

Human investment bill

One alternative that has received considerable support would provide tax incentives to employers. The use of such incentives for achieving policy objectives has a long history. The most recent major effort was the 1962 law giving 7 percent tax credit toward the cost of investment in machinery and equipment. Reasoning that investment in human skills deserves the same consideration, Senator Winston Prouty (R-Vt.) and Representative Thomas B. Curtis (R-Mo.) proposed that employers be allowed a 10 percent tax credit for expenditures in training non-managerial and non-professional employees. A higher tax exemption for human investment than for investment in machinery and equipment is justified by the sponsors on the assumption that it involves a higher risk to the employer. When purchased, machines become the property of the employer, but trained workers can always opt for another employer. The Human Investment bill, originally introduced in 1965, was revived in the present Congress and sponsored by 29 Republican Senators (S. 812) and 140 Republican Congressmen.

Proponents of the legislation claim it would stimulate increased job training by private business with a minimum intervention by the government. According to the Congressional Joint Committee on Internal Revenue Taxation, these tax exemptions would result in an annual loss in federal revenue of $200 to $350 million, "depending on the extent to which the tax credit stimulated new training programs."

The Administration has taken a dim view of the Human Investment bill. Conceding that tax incentives can be utilized to achieve desired social purposes, Gardner Ackley, Chairman of the President's Council of Economic Advisers, has observed that such tax policies may unduly erode the tax base. Ackley also questioned whether the plan would produce enough additional training to offset the potential loss in revenue, and whether it would result in training for specific, identifiable skill shortages. He also argued that the program would not affect the disadvantaged because employers would concentrate on training those who are already employed. He concluded that MDTA, both institutional and OJT, will result in a bigger bang for the buck than tax incentives.

Needless to say, proponents of the legislation find Ackley's arguments unconvincing. Quoting praise from Administration spokesmen concerning the positive results of tax exemptions in capital investment, they wonder why similar results would not be achieved by a tax incentive in human investment. Administration economists reply that policies to encourage investment suitable in 1962, when economic slack prevailed, are not applicable to the inflation-threatened economy of 1967.

Since current conditions are not the most propitious for consideration of tax cuts, a detailed discussion about the merits of the Human Investment bill may not appear timely at present. The hiring and training of ghetto residents and other poverty clients is an urgent issue, however. The advocates of the bill have argued that it provides built-in incentives for training the disadvantaged: with incentives to employers to train and promote already-employed workers, the program would serve to vacate jobs at the bottom of the economic ladder for which disadvantaged workers would then be hired as replacements. The argument is not too persuasive. It is doubtful whether the incentives offered by the legislation would be adequate to change hiring practices of employers. Under the provisions of the proposed legislation, employers still could hire more qualified applicants and receive the tax exemption benefits.

Tax incentives for poverty areas

Senators Robert F. Kennedy (D-N.Y.) and James B. Pearson (R-Kan.) have proposed a special application of the tax incentives to job creation in slum areas and Indian reservations. Their proposal (S. 2088) would qualify an employer wishing to locate a commercial (excluding retail) or industrial facility in a slum area with a population of 250,000 or more or on an Indian reservation for various tax incentives over a period of 10 years—providing he created at least 50 jobs and hired two-thirds or more of the employees from poverty areas.* The proposed tax incentives are as follows:

1. 10 percent tax credit on investment in machinery and equipment;
2. 7 percent credit for constructing an industrial facility or leasing space;
3. One-third reduction in calculating useful life of real and personal property for purposes of depreciation allowances; and
4. Special deduction of 25 percent above normal for wages and salaries paid to residents of the slum areas.

In addition, the bill would authorize a $20 million expenditure during the first year for training costs and allowances to prepare potential workers. Senator Kennedy estimates that an employer would save $91,000 annually in taxes on a million dollar investment, but that new jobs generated by the proposal would produce new tax receipts in excess of the tax exemptions.

Essentially, the Kennedy-Pearson proposal is an extension of the concept of aid to depressed areas inaugurated in 1961 under the Area Redevelopment Administration. It differs from the Area Redevelopment Act in qualifying only portions of labor market areas—namely, slum areas—for assistance, and offering much more generous aid to the designated areas.

The rationale for limiting sites to slum areas was supplied by Secretary of Labor W. Willard Wirtz, who stated that "Most of the unemployed in the slums . . . are . . . conditioned by a century of insecurity which creates a very real problem the minute a job emerges more than 6 or 8 blocks away from where they live." Senator Kennedy reasoned from this that jobs would have to be brought closer to slum residents: even if the "insecurity" problem were not a deterrent to the mobility of slum residents, there are no adequate "mass transportation facilities to take them to and from their place of work at the price they can afford to pay." Aside from these arguments, he believes that "investment in jobs within poverty areas is important for its own sake."

The assumption that the tax losses will be more than repaid by the taxes generated by the new businesses implies, first, that these activities would not be generated without the tax incentives, or second, that these incentives would not reduce investments in other areas. An appraisal of the bill must consider the impact of the incentives upon competing businesses outside the designated areas.

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*The "poor tracts" were designated on the basis of five characteristics: low income, low educational attainment, percent of children under 18 years old not living with both parents, percent of unskilled males, and percent of dilapidated housing.

The difficulties inherent in the implementation of the Kennedy-Pearson bill do not negate the need to attack the problems to which the measure is addressed. There is ample evidence that doing business in slum areas involves special costs. This is not only because of higher taxes and higher insurance rates (assuming insurance is obtainable) but also because of the difficulties in training and retraining residents of slum areas and in attracting competent managerial personnel. The crucial issue is to determine the level of incentive needed to compensate for the extra cost of doing business in slum areas. The added costs, no doubt, range widely among the slum areas designated by the Kennedy-Pearson bill, and there are no adequate data to determine the extent of these costs. In the absence of such data, the Kennedy-Pearson proposal, based on narrow and frequently arbitrary geographic boundaries, might achieve its objective at a cost to people residing in other areas in the same city.

THE OLD WAYS PERSIST

While the Administration has not taken an official position on the Kennedy-Pearson bill, latest developments indicate that it is persuaded of the need to subsidize employers if they are to hire large numbers of disadvantaged workers. The current Concentrated Employment Program, an effort involving the investment of some $100 million in 20 urban slum areas and two depressed rural areas, planned to place emphasis on inducing private employers to hire "hard-core" unemployed workers. However, an examination of developing projects indicates that the new program differs little from the ongoing projects.

A more direct bid to involve private employers in antipoverty training programs was offered by the Administration on October 2, 1967, one day before the Senate voted on the Emergency Employment bill, an amendment to the Economic Opportunity Act. A White House memorandum addressed to the heads of the major federal departments concerned announced:

"We are launching today a major test program to mobilize the resources of private Industry and the Federal Government to help find jobs and provide training for thousands of America's hard-core unemployed."

In commenting on the proposal, Secretary of Labor W. Willard Wirtz stated: "We mean business. There's no small print." He might have added that the Administration intended to allocate only small funding for the effort. The proposal involved allocation of $40 million—and this from already appropriated funds—to launch the new program. The amount was hardly a substitute for the Clark-Prouty bill which authorized the expenditure of $850 million; part of the funds would have been allocated to reimburse employers for training the poor. The Administration's opposition was, no doubt, responsible for the Senate's failure, by a five vote margin, to approve the bill.

It would have been comforting to close this paper on an optimistic note with the indication that the federal manpower programs are moving in the right direction, even if the proposed funds are inadequate to meet needs. However, this is not the case. Meanwhile, back in Congress, the House approved another training and job creation bill. Concerned with the rising costs of public assistance, the House-approved solution was to require "employable" relief recipients to undergo a course of training in order to make them self-supporting. The bill would disqualify adults from receiving relief if they refused such training programs.

The House Ways and Means Committee, which proposed the bill, recognized the "serious social, vocational, and educational handicaps of many of the recipients and . . . that much careful and patient work will be needed in order to accomplish the objectives of the bill." The Committee was prepared, however, to invest an additional billion dollars by 1972 for day-care facilities, work training and other services to improve the employability of relief recipients.

The bill is basically an expanded version of the Work Experience and Training Program (Title V), inaugurated under the Economic Opportunity Act. Though the bill adds harsh provisions requiring "employable" mothers to work, it also offers some incentives to relief recipients to undergo training, allowing families to keep the first $30 of monthly earnings, work-connected expenses and a third of the balance. The adequacy of this incentive to encourage persons on relief to seek work leading to economic independence is questionable. Since the House bill leaves the administration of the program to welfare agencies, there is no reason to believe that the results of the proposed bill would differ from the achievements under the present Work Experience and Training Program. Under this program, 50 percent of former enrollees remained on relief rolls and most of the funds were expended to provide temporary work relief.

Though it certainly was not the intent of the Ways and Means Committee, it would seem that the House has voted overwhelmingly, if past experience is an indicator, for a program which will see the government assume additional responsibilities as an employer of last resort. The strengthening of such efforts is needed. However, as Garth L. Mangum, an advocate of such programs, stated: "The government as an employer of last resort must be the last resort for the government as well as the individual." To become self-supporting and to gain employment in the competitive market, the poor need more than opportunities for sheltered work.

We learn little from experience, and progress seems to come slowly.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. Spong in the chair). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FEDERAL JUDICIAL CENTER

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending business be laid aside temporarily, and that the Senate proceed to the consideration of Calendar No. 769, H.R. 6111.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 6111) to provide for the establishment of a Federal Judicial Center.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on the Judiciary, with an amendment, to strike out all after the enacting clause and insert:

TITLE I—FEDERAL JUDICIAL CENTER

Sec. 101. Title 28, United States Code, is amended by inserting, immediately following chapter 41, a new chapter as follows:

"Chapter 42.—FEDERAL JUDICIAL CENTER

"Sec.
"620. Federal Judicial Center.
"621. Board; composition, tenure of members, compensation.
"622. Meetings; conduct of business.
"623. Duties of the Board.
"624. Powers of the Board.
"625. Director and staff.
"626. Compensation of the Director.
"627. Retirement; employee benefits.
"628. Appropriations and accounting.
"629. Organizational provisions.

"§ 620. Federal Judicial Center

"(a) There is established within the judicial branch of the Government a Federal Judicial Center, whose purpose it shall be to further the development and adoption of improved judicial administration in the courts of the United States.

"(b) The Center shall have the following functions:

"(1) to conduct research and study of the operation of the courts of the United States, and to stimulate and coordinate such research and study on the part of other public and private persons and agencies;

"(2) to develop and present for consideration by the Judicial Conference of the United States recommendations for improvement of the administration and management of the courts of the United States;

"(3) to create, develop, and conduct programs of continuing education and training for personnel of the judicial branch of the Government, including, but not limited to, judges, referees, clerks of court, probation officers, and United States commissioners; and

"(4) insofar as may be consistent with the performance of the other functions set forth in this section, to provide staff, research, and planning assistance to the Judicial Conference of the United States and its committees.

"§ 621. Board; composition, tenure of members, compensation

"(a) The activities of the Center shall be supervised by a Board to be composed of—

"(1) the Chief Justice of the United States, who shall be the permanent Chairman of the Board;

"(2) two active judges of the courts of appeals of the United States and three active judges of the district courts of the United States elected by vote of the members of the Judicial Conference of the United States: *Provided, however,* That the judges so elected shall not be members of the Judicial Conference of the United States; and

"(3) the Director of the Administrative Office of the United States Courts, who shall be a permanent member of the Board.

"(b) The term of office of each elected member of the Board shall be four years: *Provided, however,* That section 629 of this chapter shall govern the terms of office of the first members elected to the Board: *And provided further,* That a member elected to serve for an unexpired term arising by virtue of the death, disability, retirement, or resignation of a member shall be elected only for such unexpired term.

"(c) No member elected for a four-year term shall be eligible for reelection to the Board.

"(d) Members of the Board shall serve without additional compensation, but shall be reimbursed for actual and necessary expenses incurred in the performance of their official duties.

"§ 622. Meetings; conduct of business

"(a) Regular meetings of the Board shall be held quarterly. Special meetings shall be held from time to time upon the call of the Chairman, acting at his own discretion or pursuant to the petition of any four members.

"(b) Each member of the Board shall be entitled to one vote. A simple majority of the membership shall constitute a quorum for the conduct of business. The Board shall act upon the concurrence of a simple majority of the members present and voting.

"§ 623. Duties of the Board

"(a) In its direction and supervision of the activities of the Federal Judicial Center, the Board shall—

"(1) establish such policies and develop such programs for the Federal Judicial Center as will further achievement of its purpose and performance of its functions;

"(2) formulate recommendations for improvements in the administration of the courts of the United States, in the training of the personnel of those courts, and in the management of their resources;

"(3) submit to the Judicial Conference of the United States, at least one month in advance of its annual meeting, a report of the activities of the Center and such recommendations as the Board may propose for the consideration of the Conference;

"(4) present to other government departments, agencies, and instrumentalities whose programs or activities relate to the administration of justice in the courts of the United States the recommendations of the Center for the improvement of such programs or activities;

"(5) evaluate proposals for the application of data processing and systems techniques to the administration of the courts of the United States; and

"(6) consider and recommend to both public and private agencies aspects of the operation of the courts of the United States deemed worthy of special study.

"(b) The Board shall transmit to Congress and to the Attorney General of the United States copies of all reports and recommendations submitted to the Judicial Conference of the United States. The Board shall also keep the Committees on the Judiciary of the United States Senate and House of Representatives fully and currently informed with respect to the activities of the Center.

"§ 624. Powers of the Board

"The Board is authorized—

"(1) to appoint and fix the duties of the Director of the Federal Judicial Center, who shall serve at the pleasure of the Board;

"(2) to request from any department, agency, or independent instrumentality of the Government any information it deems necessary to the performance of the functions of the Federal Judicial Center set forth in this chapter, and each such department, agency, or instrumentality is directed to cooperate with the Board and, to the extent permitted by law, to furnish such information to the Center upon request of the Chairman or upon request of the Director when the Board has delegated this authority to him;

"(3) to contract with and compensate government and private agencies or persons for research projects and other services, without regard to section 3709 of the Revised Statutes, as amended (41 U.S.C. 5), and to delegate such contract authority to the Director of the Federal Judicial Center, who is hereby empowered to exercise such delegated authority.

"§ 625. Director and staff

"(a) The Director shall supervise the activities of persons employed by the Center and perform other duties assigned to him by the Board.

"(b) The Director shall appoint and fix the compensation of such additional professional personnel as the Board may deem necessary, without regard to the provisions of title 5, United States Code, governing appointments in competitive service, or the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates: *Provided, however,* That the compensation of any person appointed under this subsection shall not exceed the annual rate of basic pay of level V of the Executive Schedule pay rates, section 5316, title 5, United States Code: *And provided further,* That the salary of a reemployed annuitant under the Civil Service Retirement Act shall be adjusted pursuant to the provisions of section 8344, title 5, United States Code.

"(c) The Director shall appoint and fix the compensation of such secretarial and clerical personnel as he may deem necessary, subject to the provisions of title 5, United States Code, governing appointments in competitive service and the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates.

"(d) The Director may procure personal services as authorized by section 3109 of title 5, United States Code, at rates not to exceed the daily equivalent of the highest rate payable under General Schedule pay rates, section 5332, title 5, United States Code.

"(e) The Director is authorized to incur necessary travel and other miscellaneous expenses incident to the operation of the Center.

"§ 626. Compensation of the Director

"The compensation of the Director of the Federal Judicial Center shall be the same as that of the Director of the Administrative Office of the United States Courts, and his appointment and salary shall not be subject to the provisions of title 5, United States Code, governing appointments in competitive service, or the provisions of chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates: *Provided, however,* That any Director who is a justice or judge of the United States in active or retired status shall serve without additional compensation.

"§ 627. Retirement; employee benefits

"(a) A Director of the Federal Judicial Center who attains the age of seventy years shall be retired from that office.

"(b) The Director, the professional staff, and the clerical and secretarial employees of the Federal Judicial Center shall be deemed to be officers and employees of the judicial branch of the United States Government within the meaning of subchapter III of chapter 83 (relating to civil service retirement), chapter 87 (relating to Federal employees' life insurance program), and chapter 89 (relating to Federal employees' health benefits program) of title 5, United States Code: *Provided, however,* That the Director, upon written notice filed with the Director of the Administrative Office of the United States Courts within six months after the date on which he takes office, may waive coverage under subchapter III of chapter 83 of title 5, United States Code (relating to civil service retirement), and elect coverage under the retirement and disability provisions of this section: *And provided further,* That upon his non-retirement separation from the Federal Judicial Center, such waiver and election shall not operate to foreclose to the Director such opportunity as the law may provide to secure civil service retirement credit for service as Director by depositing with interest the amount required by section 8334 of title 5, United States Code.

"(c) Upon the retirement of a Director who has elected coverage under this section and who has served at least fifteen years and attained the age of sixty-five years the Director of the Administrative Office of the United States Courts shall pay him an annuity for life equal to 80 per centum of the salary of the office at the time of his retirement.

"Upon the retirement of a Director who has elected coverage under this subsection and who has served at least ten years, but who is not eligible to receive an annuity under the first paragraph of this subsection, the Administrative Office of the United States Courts shall pay him an annuity for life equal to that proportion of 80 per centum of the salary of the office at the time of his retirement that the number of years of his service bears to fifteen, reduced by one-quarter of 1 per centum for each full month, if any, he is under the age of sixty-five at the time of separation from service.

"(d) A Director who has elected coverage under this section and who becomes permanently disabled to perform the duties of his office shall be retired and shall receive an annuity for life equal to 80 per centum of the salary of the office at the time of his retirement if he has served at least fifteen years, or equal to that proportion of 80 per centum of such salary that the aggregate number of years of his service bears to fifteen if he has served less than fifteen years, but in no event less than 50 per centum of such salary.

"(e) For the purpose of this section, 'service' means service, whether or not continuous, as Director of the Federal Judicial Center, and any service, not to exceed five years, as a judge of the United States, a Senator or Representative in Congress, or a civilian official appointed by the President, by and with the advice and consent of the Senate.

"§ 628. Appropriations and accounting

"There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this chapter. The Administrative Office of the United States Courts shall provide accounting, disbursing, auditing, and other fiscal services for the Federal Judicial Center.

"§ 629. Organizational provisions

"(a) The terms of office of the members first elected to the Board shall commence on the thirtieth day after the first meeting of the Judicial Conference after the date on which this chapter shall take effect.

"(b) The members first elected to the Board shall continue in office for terms of one, two, three, three, and four years, respectively, the term of each to be designated by the Judicial Conference of the United States at the time of his election.

"(c) Members first elected to the Board who are designated by the Judicial Conference of the United States to serve terms of office of less than four years shall be eligible for relection to one full term of office."

TITLE II—ADDITIONAL AMENDMENTS TO TITLE 28, UNITED STATES CODE

SEC. 201. (a) Chapter 41 of title 28, United States Code, is amended by adding at the end thereof a new section as follows:

"§ 611. Retirement of Director

"(a) The Director may, by written election filed with the Chief Justice of the United States within six months after the date on which he takes office, waive coverage under subchapter III (relating to civil service retirement) of chapter 83, title 5, United States Code, and bring himself within the purview of this section. Such waiver and election shall not operate to foreclose to the Director, upon separation from service other than by retirement, such opportunity as the law may provide to secure civil service retirement credit for service as Director by depositing with interest the amount required by section 8334 of title 5, United States Code.

"(b) Upon the retirement of a Director who has elected coverage under this section and who has served at least fifteen years and attained the age of sixty-five years the Administrative Office of the United States

Courts shall pay him an annuity for life equal to 80 per centum of the salary of the office at the time of his retirement.

"Upon the retirement of a Director who has elected coverage under this section and who has served at least ten years, but who is not eligible to receive an annuity under the first paragraph of this subsection, the Administrative Office of the United States Courts shall pay him an annuity for life equal to that proportion of 80 per centum of the salary of the office at the time of his retirement that the number of years of his service bears to fifteen, reduced by one-quarter of 1 per centum for each full month, if any, he is under the age of sixty-five at the time of separation from service.

"(c) A Director who has elected coverage under this section and who becomes permanently disabled to perform the duties of his office shall be retired and shall receive an annuity for life equal to 80 per centum of the salary of the office at the time of his retirement if he has served at least fifteen years, or equal to that proportion of 80 per centum of such salary that the aggregate number of years of his service bears to fifteen if he has served less than fifteen years, but in no event less than 50 per centum of such salary.

"(d) For the purpose of this section, 'service' means service, whether or not continuous, as Director of the Administrative Office of the United States Courts, and any service, not to exceed five years, as a judge of the United States, a Senator or Representative in Congress, or a civilian official appointed by the President, by and with the advice and consent of the Senate."

(b) The table of contents preceding such chapter is amended by inserting at the end thereof the following new item:

"611. Retirement of Director.".

Sec. 202. Section 376, title 28, United States Code, is amended by adding the following new subsections:

"(r) The Director of the Federal Judicial Center shall be deemed a judge of the United States for the purposes of this section and shall be entitled to bring himself within the purview of this section by filing an election as provided in subsection (a) of this section within the time therein specified. As applied to a Director of the Federal Judicial Center, the phrase 'retirement from office by resignation on salary under section 371(a) of this title' as used in subsections (b), (c), (g), (i), and (n) of this section shall mean 'retirement from office under subsection (c) or (d) of section 627 of this title or by removal after not less than ten years service', the phrase 'salary paid after retirement' as used in subsection (b) of this section shall mean 'annuity paid after retirement under subsection (c) or (d) of section 627 of this title', and the phrase 'resigns from office other than on salary under section 371(a) of this title' as used in subsection (f) of this section shall mean 'resigns from office otherwise than on retirement under subsection (c) or (d) of section 627 of this title or is removed after less than ten years service'.

"(s) The Director of the Administrative Office of the United States Courts shall be deemed a judge of the United States for the purposes of this section and shall be entitled to bring himself within the purview of this section by filing an election as provided in subsection (a) of this section within the time therein specified. As applied to a Director of the Administrative Office of the United States Courts, the phrase 'retirement from office by resignation on salary under section 371(a) of this title' as used in subsections (b), (c), (g), (i), and (n) of this section shall mean 'retirement from office under section 611 of this title or by removal after not less than ten years service', the phrase 'salary paid after retirement' as used in subsection (b) of this section shall mean 'annuity paid after retirement under section 611 of this title', and the phrase 'resigns from office other than on salary under section 371(a) of this title' as used in subsection (f) of this section shall mean 'resigns from office otherwise than on retirement under section 611 of this title or is removed after less than ten years service'."

Sec. 203. Subsection (a) of section 604, title 28, United States Code, is amended by amending:

(a) Paragraph (7) to read as follows:

"(7) Regulate and pay annuities to widows and surviving dependent children of judges, Directors of the Federal Judicial Center, and Directors of the Administrative Office, and necessary travel and subsistence expenses incurred by judges, court officers and employees, and officers and employees of the Administrative Office, and the Federal Judicial Center, while absent from their official stations on official business,";

(b) Paragraph (9), to insert between the word "courts" and the word "and" a comma and the words "the Federal Judicial Center,";

(c) Paragraphs (10) and (11), to insert between the word "courts" and the word "and" a comma and the words "the Federal Judicial Center,".

Sec. 204. The table of contents to "Part III.—Court Officers and Employees" of title 28, United States Code, is amended by inserting after

"41. Administrative Office of the United States Courts.................. 601"

a new chapter reference as follows:

"42. Federal Judicial Center.......... 620".

Sec. 205. (a) Except as provided in subsection (b), the amendments made by this title, insofar as they relate to retirement and survivorship benefits of the Director of the Administrative Office of the United States Courts, shall be applicable only with respect to persons first appointed to such office after the date of enactment of this Act.

(b) The provisions of section 611(a), the first paragraph of section 611(b), and section 376(s), of title 28, United States Code, as added by such amendments, shall be applicable to a Director or former Director of the Administrative Office of the United States Courts who was first appointed prior to the date of enactment of this Act if at the time such Director or former Director left or leaves such office he had, or shall have, attained the age of sixty-five years and completed fifteen years of service as Director of the Administrative Office of the United States Courts and if, on or before the expiration of six months following the date of enactment of this Act, he makes the election referred to in section 611(a) or section 376(s), or both, as the case may be.

Mr. MANSFIELD. Mr. President, I send to the desk a technical amendment.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. On page 19, line 13, strike the word "subsection" and insert the word "section."

Mr. RUSSELL. Mr. President, may we have some explanation?

Mr. MANSFIELD. Mr. President, in response to the distinguished senior Senator from Georgia, I note that this bill was reported favorably by the Committee on the Judiciary. The measure establishes, within the judicial branch of the Government, a center for the improvement of judicial administration in the courts of the United States. The pressing problems created because of greatly expanded caseloads and lengthy delays and other matters peculiar to judicial administration in present-day society have made the passage of H.R. 6111 vital to the future efficiency of our judicial system.

Mr. RUSSELL. Mr. President, I understand that this bill has been reported unanimously. I do not agree with the premise on which it was reported, that it is necessary for the judiciary to catch up with the executive branch of Government. I think it is far ahead of both of them. If the establishment of this center means that further efforts in this direction are going to stop somewhere along the line, I will not interpose any objection to taking it up.

The PRESIDING OFFICER. The question is on agreeing to the amendment to the committee amendment in the nature of a substitute.

The amendment to the committee amendment in the nature of a substitute was agreed to.

Mr. TYDINGS. Mr. President, I am very pleased to be able to note the favorable report by the Committee on the Judiciary of H.R. 6111, a bill to provide for the establishment of a Federal Judicial Center, and for other purposes. The Federal Judicial Center envisioned by this bill, as amended, will by no means be a panacea for all the ills besetting the administration of our Federal tribunals, but it will most certainly be the springboard of further and essential adjustments in the modus operandi of our court system.

The Federal Judicial Center represents a turning point in our thinking about the role of the courts of the United States in the dynamic society that is our great Nation. The Center is our first commitment in over 25 years to the proposition that our courts must keep pace with the rest of our society; with the intellectual, technical, and administrative advances that have been, and will continue to be, the milestones of our progress toward fulfillment of our society's ultimate goal: equality and justice for all.

The Center's purpose, modestly but succinctly set forth in the bill, is to further the development and adoption of improved judicial administration in the courts of the United States. That purpose may sound lofty and ethereal, but in a day when the so-called litigation explosion is producing havoc in our district courts, and making itself felt as well in our circuit courts, such a purpose has real significance, as I know all of my colleagues in the Chamber are well aware.

THE LITIGATION EXPLOSION

Mr. President, congestion and delay in many courts of the United States have reached crisis proportions in recent years. The number of civil cases pending before the U.S. district courts, for instance, was 79,906 at the end of fiscal 1967, an increase of approximately 5 percent over the 76,607 cases pending at the end of fiscal 1966, and an increase of more than 23 percent over the number of cases pending 5 years earlier at the end of fiscal 1962. More than 10 percent of the civil cases pending before district courts at the end of fiscal 1967 had been on the dockets 36 months or more. The median elapsed time from joinder of issue to trial for the middle 80 percent of civil cases completed in fiscal 1967 was 31 months in the eastern district of New York, 38 months in the southern district of New York, and an astounding 41 months in the eastern district of Pennsylvania. Such statistics chronicle the impact of the litigation explosion upon our hardest hit district courts. But the phenomenon of crippling congestion and delay, while less acute elsewhere, is a general problem of serious proportions throughout our 93 Federal judicial districts. The rapid growth of the Nation's population, coupled with burgeoning commercial activity, holds the promise of even greater strains being placed upon the Federal trial courts in years to come.

The U.S. courts of appeals have been caught in a similar landslide of litigation. Appeals filed in our circuit courts during fiscal year 1967 exceeded by 10 percent the number filed in the previous fiscal year. Many of the circuits are experiencing particularly heavy increases in the rate of appeals filed. In the fourth circuit, for example, appeals filed in fiscal 1967 constituted a 31-percent increase above the fiscal 1966 filings. The third circuit increase was 24 percent and the eighth circuit advance was almost 14 percent during the same period. From fiscal year 1966 to fiscal year 1967 the median time interval between the filing of a complete record and final disposition after hearings or submission advanced from 13.1 to 14.4 months in the sixth circuit, from 9.2 to 10.1 months in the ninth circuit, and from 8.3 to 8.8 months nationally. As of June 30, 1967, over 193 appellate cases had been awaiting decision for at least 3 months after hearings or submission. Ninety-six of these appeals—50 percent—awaited decision for at least 6 months after hearing or submission, and 39—approximately 40 percent—went undecided 12 months or longer. Perhaps the most startling conclusion drawn from recent statistical analyses made by the Administrative Office of the U.S. Courts is that, at the present rate of appeals dispositions, the circuit courts would require 9½ months to dispose of pending business even in the absence of additional filings.

The congestion in our appellate tribunals, Mr. President, piled upon the backlogs in our trial courts, creates a dismal picture of the state of justice in the Federal courts. Parties commonly wait 2 or 3 years for trial, then another year or more at the appellate level. Four or five years often pass before final disposition of a civil case. He must "indeed have patience who to law will go" under such conditions. Only the stouthearted and financially secure can afford to pursue justice when the road is such a lengthy one.

Moreover, the problems of the present are dwarfed by the prospect of impending catastrophe. For example, if the trend of filings in the courts of appeals established between 1960 and 1966 is projected through 1975 on a straight line basis—a very conservative projection by all estimates—the courts of appeals will see their burden almost double in the next 8 years.

ALTERNATIVES TO NEW JUDGESHIPS NECESSARY

In the past, Congress has responded to accelerating judicial business by establishing new judgeships. It is more and more apparent, however, that increased manpower alone is not the entire solution to the problem. The number of Federal judges has almost doubled since 1941. In particular, the record of the 5-year period from 1959 to 1964 belies the suggestion that the mere creation of additional judgeships is an adequate bulwark against burgeoning judicial backlogs. During that period, a 25-percent increase in the number of Federal district court judges resulted in but a 3-percent increase in the total number of cases terminated. Moreover, new judgeships are expensive. The Administrative Office of the U.S. Courts estimates the first year's expense in setting up a newly authorized district judgeship, exclusive of the cost of providing courtrooms, chambers, and office furnishings, at approximately $100,000. And the cost of maintaining such a judgeship thereafter, again exclusive of physical accommodations, is approximately $85,000 per annum. Furthermore, increasing the number of judges on a court, particularly at the court of appeals level, may often be an administratively impractical and otherwise inappropriate course. In all, wisdom dictates a search for constructive alternatives to the present process of periodic and wholesale multiplication of judgeships, and the development of such alternatives itself depends upon new approaches to the study of court efficiency.

ROLE OF THE CENTER

The Federal Judicial Center is to be the "research and development" arm of the judiciary, responsible for furthering the development of improved techniques of administration in the courts of the United States. In discharging the duties imposed by H.R. 6111, as amended, the Federal Judicial Center will first conduct continuing research into the administrative techniques employed in the Federal courts, and stimulate and coordinate such research and study on the part of other public and private agencies; second, develop for consideration by the Judicial Conference of the United States recommendations for the improvement of court administration and management; third, foster programs of training and continuing education for the personnel of the judicial branch of the Federal Government; and, fourth, to the extent consistent with the foregoing functions, provide staff, research, and planning assistance to the Judicial Conference of the United States and its committees.

Mr. President, the breadth of the Center's purpose reflects the breadth of the problems besetting our courts today, and affords a certain advantage in the Center's preparedness to study, and perhaps resolve the problems of tomorrow as well.

Yet, the broad scope of the Center's purpose cannot be construed to invest it with powers entrusted by Constitution, statute, or tradition to the Houses of Congress or to the Judicial Conference of the United States. The establishment of the Center does not derogate from the powers and duties of the Committees on the Judiciary of both Houses to inquire into, and propose legislation concerning, the administration of justice in the Federal courts. Neither does it diminish the responsibility the law imposes upon each member of the Judicial Conference to "advise as to the needs of his circuit or court and as to any matters in respect of which the administration of justice in the courts of the United States may be improved," or of the Conference as a whole to "make a comprehensive survey of the condition of business in the courts of the United States," or to "carry on a continuous study of the operation and effect of the general rules of practice and procedure prescribed by the Supreme Court of the United States." Establishment of the Center is intended to supplement, rather than to supplant, the work of the congressional committees and the Conference. Investigative and legislative prerogatives are steadfastly preserved to the former; investigative and advisory prerogatives, to the latter.

The functions of the Federal Judicial Center are also broadly framed, but they may be summarized readily.

Research into the administrative problem of the Federal courts and development of recommended solutions are primary functions of the Center. Using its professional staff and technical consultants, and under the direction and supervision of the Board, its governing authority, the Center will study the administration of the Federal courts from every aspect. It will collect data, conduct research, depict the contours of each problem. Practitioners of the arts and sciences of administration will then formulate recommendations for solutions to the problems. Management experts, systems analysts, data interpreters, personnel experts, as well as judges, academicians, and practicing attorneys, will bring the skill and experience of their disciplines to the Center, there to be tested, weighed, and blended. In this way a new and dynamic approach will be brought to the resolution of the problems of judicial administration.

The size of the Center's staff and the sophistication of its technical resources will determine the quantum of research that the Center itself will conduct; but it is contemplated that much the Center will accomplish will result from its stimulation and coordination of the work of others. The Attorney General, for instance, may be urged to assist in a study of criminal case backlogs; the assistance of the Federal Bureau of Prisons may be promoted in a possible study of sentencing problems. Further, many professional and academic associations exist whose interests in the administrative problems of the courts may likewise be stimulated or coordinated to achieve studies that limitations on the Center's fiscal or personnel resources might preclude the Center from undertaking on its own. Bail reform, fair trial and free press—these are areas in which such associations have already demonstrated their capacities to perform invaluable services for the courts and for society. The Federal Judicial Center will encourage and support similar projects.

The Center's studies and research would be futile, were they not translated into proposals for resolution of the administrative problems encountered. The Center will therefore develop recommendations and present them for consideration by that body within the judicial branch specifically charged with recommending improvements in the administration of justice to the Congress, the Judicial Conference of the United States. With the proposals of the Center before it, and with the wisdom that cumulated years of judicial experience builds, the Judicial Conference can be expected to discharge its duty most effectively.

The Center will also confront a specific deficiency in existing judicial administration—the almost total absence of programs of continuing education for personnel for the judicial branch. The decision-makers of industry and finance, professionals of every discipline, middle management groups, technicians, even craftsmen, have responded to the knowledge explosion of recent decades by generating, and participating in, programs of continuing education. But judicial officers and employees have not had the benefits of such programs in any measure until very recently, and even then not on what might fairly be called a significant scale. Newly appointed judges are usually offered an orientation program by their senior brethren; there is an occasional "institute on sentencing," and referees in bankruptcy are afforded a number of seminars. But, generally, continuing education for members of the judiciary and supporting personnel is still in its incipiency. The Federal Judicial Center will bring such programs into maturity and develop new concepts of education for judges and supporting personnel at every level of the judicial hierarchy. With a permanent staff of its own, with the ability to enlist the assistance of experts not on its staff, and with the challenge of virtually unexplored territory before it, the Center can be expected to excel in training court personnel in their duties and keeping judges and other court officers ready to meet the challenges of a dynamic society.

Finally, the Center, consistent with the performance of its research, development, and education functions, will also be required to provide staff, research, and planning assistance to the Judicial Conference of the United States and the Conference's committees. At present members of the Judicial Conference rely principally upon their own law clerks for the research assistance necessary to carry on the work of the Conference. Additionally, the Administrative Office of the U.S. Courts has served as an unofficial secretariat for the Conference and its committees, and has rendered necessarily limited research assistance. These makeshift arrangements are unsatisfactory and ought to be abandoned.

THE CENTER'S BOARD

H.R. 6111, as amended, confers upon a Board of seven members the authority to supervise the activities of the Center. The Chief Justice of the United States, an ex officio member of the Board, will be its permanent Chairman. The other members of the Board will be two active judges of the courts of appeals of the United States and three active judges of the district courts of the United States, not members of the Judicial Conference, but elected by a vote of the membership of that body under such procedures as it may adopt for this purpose, and the Director of the Administrative Office of U.S. Courts.

Thus, each of the existing institutions with responsibilities relating to court management will be represented on the Center's Board: the Supreme Court and the Judicial Conference by the Chief Justice, the Administrative Office by its Director, and the circuit councils and conferences by the circuit and district judges elected to Board membership.

H.R. 6111, as amended, enumerates the duties of the Board of the Federal Judicial Center. The first of these is its duty to establish the policies and develop the programs that will promote the Center's achievement of its purpose and performance of its functions. This general policymaking duty of the Board overlaps a number of its more specific duties also set forth in the bill.

The second duty of the Board is the formation of recommendations for improvements in the administration of the courts of the United States, in the training and the personnel of those courts, and in the management of their resources. The Board's third duty, to submit its recommendations and reports of the Center's activity to the Judicial Conference of the United States, is a logical extension of its duty to recommend. It is appropriate that the Center report and recommend to the Judicial Conference, and that implementation of those recommendations which pertain to matters within the "jurisdiction" of the Conference be given Conference consideration. While the Center is to be free of Conference interference or domination in the conduct of its investigations and the formulation of its recommendations, still the Conference's responsibilities will remain unchanged from what they were before establishment of the Center.

It is not unlikely that, in its study of the administration of the Federal courts, the Center will uncover deficiencies and inefficiencies in the programs or activities of other governmental instrumentalities whose efforts are related to the administration of justice in the courts of the United States. Were the Center free to review only so much of a problem as related solely to the work or personnel of the judicial department, its utility would be compromised from the start. The Center, through the Board, is thus given the duty to present to other institutions of Government recommendations for improvement of those programs and activities that relate to the administration of justice.

The most specific of the Board's duties is evaluation of proposals for the application of data processing and systems techniques to the administration of the Federal courts. The computer revolution sweeping the financial and industrial enterprises of our Nation, has thus far made little headway in the courts. Claims of unprecedented efficiency for the courts in the age of the computer, on the one hand, and fears of "mechanized justice" and "trial by computer," on the other, have been voiced in various circles, but it is apparent that an objective evaluation of the potential of data processing systems in the work of the courts is a necessity. By its very nature as a center for the study of court administration, the Federal Judicial Center is an appropriate medium for such an evaluation. Finally, Mr. President, the Board is charged with marshalling the efforts of business and voluntary enterprises behind programs to improve the administration of justice. The academic and professional communities abound with personnel and financial resources that may, with center motivation and guidance, be brought into the study and rehabilitation of judicial practice and procedures.

Mr. President, before moving on from this discussion of the composition of the Center's Board, I want to let my colleagues know about our subcommittee's deliberations on the matter of who should sit on the Board. It was almost instantly clear to us that unless the expertise of various nonjudicial disciplines would be drawn upon at the Federal Judicial Center, the Center could not hope to develop the enlightened, up-to-the-minute solutions that our court administration problems demand. We thoroughly considered at least two alternatives to the all-judicial Board H.R. 6111 envisions. The first was a "mixed discipline" Board—one which, by statute, would include representatives of the bar, the law schools, and the management sciences. The other was an advisory council, distinct from the Board, but with the responsibility to advise the Board, to recommend programs and activities for the Center, and to render other consultative services. The advisory council, like the "mixed discipline" Board, would have provided substantial representation for the administrative and management sciences, the bar, and the law schools.

Mr. President, proposals to engage nonjudges directly in the work of the judiciary generally encounter the coolest of receptions by our Federal judges. Throughout our hearings on S. 915, the Senate's Federal Judicial Center bill, judges who were enthusiastic about creation of the Center seemed reluctant to endorse the "mixed discipline" Board. Informal contacts with judges indicated a kind of suspicion of the advisory council as well. Key members of the judiciary time and again offered informal assurances that an all-judicial Board would make ample use of the consultantship provisions of the bill to draw upon the expertise of management consultants, court administrators, system analysts, and others with experience in the application of modern management techniques to the solution of administrative problems. These assurances weighed heavily in our subcommittee's decision to recommend the all-judicial Board. We feel that the judiciary should be given a chance to supervise the Center's activities. If the Center's Board does not demonstrate a willingness, in practice, to use and profit from the wealth of technical management and administrative resources available to it through its power to hire consultants, the Congress may well reconsider the composition of the Board. There can be no equivocation of the congressional intent in H.R. 6111 as amended: Congress is demanding that the Center bring court administration up to date. It is providing the medium, the funds, and the moral support for the judiciary to do a topflight job. The Congress will settle for nothing less.

LEGISLATIVE HISTORY AND BACKGROUND

The concept of a Federal Judicial Center that would deal with the pressing problems of judicial administration in the Federal courts originated in the Judicial Conference of the United States. The Conference's Special Committee on Continuing Education, Research, Training, and Administration, chaired by the Honorable Stanley Reed, retired Associate Justice of the Supreme Court, and manned by six distinguished Federal judges, developed the idea in fall of 1966. President Lyndon B. Johnson adopted it in his message on crime in the United States delivered to Congress on February 6, 1967. The President recommended that the Center be established in order to promote a more effective Federal judicial system through a program of research, planning and education.

Shortly after the President's recommendations, Senator McCLELLAN, for himself, Senator METCALF and myself, introduced S. 915, a bill to provide for the establishment of a Federal Judicial Center. The bill was modeled upon a tentative draft that had been developed by the Judicial Conference's Special Committee. Chairman CELLER of the House Committee on the Judiciary introduced identical legislation (H.R. 5385) in the House of Representatives on February 15, 1967. Representatives CORMAN, RODINO, McCLORY, and KELLY sponsored bills of similar purpose in the following weeks: H.R. 6111; H.R. 6955; H.R. 7091; and H.R. 7215.

The final report of the Judicial Conference's Special Committee was unanimously approved by the Judicial Conference of the United States at its meeting in March 1967. The report included a refined draft of legislation to establish a center, which draft differed only in minor respects from the bills already introduced in the Congress.

The Senate bill, S. 915, was referred to the Committee on the Judiciary, and our Subcommittee on Improvements in Judicial Machinery commenced hearings in April on the problems of judicial administration that stimulate the need for a Federal Judicial Center. Hearings were held on April 25, 26, 27, 28, May 3, 4, 10, 11, 18, and September 8. The subcommittee heard testimony or received statements from scores of individuals and associations, including the Attorney General, officers of judicial conference committees, the Administrative Office of the U.S. Courts, many scholars and practitioners, and the American and Federal Bar Associations. All of the witnesses heard by the subcommittee, and all written statements tendered, without exception supported creation of an institution like the proposed Federal Judicial Center, with the capacity to mount a coherent and continuous attack upon the problems of judicial administration in the Federal courts.

In June of 1967, at hearings on the President's message on crime before the Committee on the Judiciary of the House of Representatives, the concept of the Federal Judicial Center received the endorsements of the Attorney General of the United States, the American Bar Association, and the Federal Bar Association. The House Committee on the Judiciary reported out H.R. 6111, amended to reflect improvements recommended in the final report of the Judicial Conference's Special Committee, and to incorporate certain program, procedure, and "fringe benefit" provisions. The House of Representatives approved H.R. 6111, as amended, on June 20, 1967, and the measure was sent to the Senate, where it became pending business before the Judiciary Committee's Subcommittee on Improvements in Judicial Machinery, was studied, amended, and ultimately reported out unanimously by both the subcommittee and the Judiciary Committee.

The amended bill differs from the bill as it passed the House of Representatives in a number of particulars, most of which constitute technical or grammatical refinements, and in the addition of a second title that makes conforming changes—thought desirable in light of certain features of the bill as passed by the House—in existing statutory provisions relating to the Administrative Office of the U.S. Courts. The purpose and principal substantive provisions of the original bill, however, remain essentially unchanged.

MERITS OF THE BILL SUMMARIZED

Mr. President, the Federal Judicial Center to be established under provisions of H.R. 6111, as amended, will add a new dimension to the pursuit of improvements in the administration of justice, a professional dimension as yet untried in the Federal judicial system. Established as a permanent component of the judicial branch, with a single purpose and but a few enumerated functions, insulated against interference with its day to day operations, and staffed with experts and scholars in the administrative sciences, the Center can be expected to produce the objective and in-depth analyses of court management problems that existing administrative and judicial institutions have not been able to produce. The Center will bring to its task the insights and approaches of management experts, academicians, administrators, and others whose efforts have modernized private and public enterprise, but whose talents have yet to be put to use in the Federal courts. We cannot fail to recognize the need for a Federal Judicial Center. We must not fail to approve H.R. 6111.

Finally, Mr. President, I cannot close my remarks without paying tribute to my colleagues on the Judicial Improvements Subcommittee who worked so hard to shepherd this much needed measure through the subcommittee and the Committee on the Judiciary. In particular, it is fitting that I single out the hard work and close cooperation of my distinguished colleague from Nebraska, Mr. HRUSKA. The senior Senator from Nebraska labored long and unselfishly over the bill, even chairing many of the subcommittee's hearings. The bill as it is reported out contains many improvements contributed by Mr. HRUSKA, and the Nation owes him a large debt for his efforts with regard to this important step toward advancing the cause of justice.

The PRESIDING OFFICER. The question is on the engrossment of the amendment in the nature of a substitute, as amended, and the third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 781) explaining the purposes of the bill, together with some additional information.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

PURPOSE OF AMENDMENT

The amendment is in the nature of a substitute bill, the provisions of which are explained in the sectional analysis part of this report. The substitute bill differs from the bill as it passed the House of Representatives in a number of particulars, most of which constitute technical or grammatical refinements, and in the addition of a second title that makes conforming changes—thought desirable in light of certain features of the bill as passed by the House—in existing statutory provisions relating to the Administrative Office of the U.S. Courts. The purpose and principal substantive provisions of the original bill, however, remain essentially unchanged.

PURPOSE OF LEGISLATION

The purpose of H.R. 6111, as amended, is the establishment, within the judicial branch of the Government, of a Federal Judicial Center charged with furthering the development and adoption of improved judicial administration in the courts of the United States. As amended, H.R. 6111 will amend title 28, United States Code, to add a new chapter—chapter 42—and to modify sections 376, 603, and 604.

NEED FOR THE LEGISLATION

Congestion and delay in many courts of the United States have reached crisis proportions in recent years. The number of civil cases pending before the U.S. district courts, for instance, was 79,906 at the end of fiscal 1967[1]—an increase of approximately 5 percent over the 76,607 cases pending at the end of fiscal 1966,[2] and an increase of more than 23 percent over the number of cases pending 5 years earlier at the end of fiscal 1962.[3] More than 10 percent of the civil cases pending before district courts at the end of fiscal 1967 had been on the dockets 36 months or more.[4] The median elapsed time from joinder of issue to trial for the middle 80 percent of civil cases[5] completed in fiscal 1967 was 31 months in the eastern district of New York, 38 months in the southern district of New

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[1] Annual Report of the Director of the Administrative Office of the United States Courts, 1967 (hereinafter cited as "Report of the Administrative Office, 1967," et cetera) table C–6a. [References to "Report of the Administrative Office, 1967" are to a mimeographed edition approved by the Judicial Conference of the United States, September 1967. A final, printed edition will not be available for some months; consequently, citations to the mimeographed edition contain table numbers only.]

[2] Report of the Administrative Office, 1966, table C–6a, p. 191.

[3] Report of the Administrative Office, 1962, table C–6a, p. 209.

[4] Report of the Administrative Office, 1967, table C–6a.

[5] Excluding both the 10 percent terminated in the shortest period of time and the 10 percent on the dockets for the greatest length of time.

York, and an astounding 41 months in the eastern district of Pennsylvania.[6] Such statistics chronicle the impact of the litigation explosion upon our hardest hit district courts. But the phenomenon of crippling congestion and delay, while less acute elsewhere, is a general problem of serious proportions throughout our 93 Federal judicial districts. The rapid growth of the Nation's population, coupled with burgeoning commercial activity, holds the promise of even greater strains being placed upon the Federal trial courts in years to come.

The U.S. courts of appeals have been caught in a similar landslide of litigation. Appeals filed in our circuit courts during fiscal 1967 exceeded by 10 percent the number filed in the previous fiscal year.[7] Many of the circuits are experiencing particularly heavy increases in the rate of appeals filed. In the fourth circuit, for example, appeals filed in fiscal 1967 constituted a 31-percent increase above the fiscal 1966 filings.[8] The third circuit increase was 24 percent[9] and the eighth circuit advance was almost 14 percent during the same period.[10] From fiscal 1966 to fiscal 1967 the median time interval between the filing of a complete record and final disposition after hearings or submission advanced from 13.1 to 14.4 months in the sixth circuit, from 9.2 to 10.1 months in the ninth circuit, and from 8.3 to 8.8 months nationally.[11] As of June 30, 1967, over 193 appellate cases had been awaiting decision for at least 3 months after hearing or submission.[12] Ninety-six of these appeals (50 percent) had awaited decision for at least 6 months after hearing or submission, and 39 (approximately 40 percent) had been undecided 12 months or longer.[13] Perhaps the most startling conclusion drawn from recent statistical analyses made by the Administrative Office of the U.S. Courts is that, at the present rate of appeals dispositions, the circuit courts would require 9½ months to dispose of pending business even in the absence of additional filings.[14]

The congestion in our appellate tribunals, piled upon the backlogs in our trial courts, creates a dismal picture of the state of justice in the Federal courts. Parties commonly wait 2 or 3 years for trial, then another year or more at the appellate level. Four or five years often pass before final disposition of a civil case. He must indeed have patience who to law will go[15] under such conditions. Only the stouthearted and financially secure can afford to pursue justice when the road is such a lengthy one.

Moreover, the problems of the present are dwarfed by the prospect of impending catastrophe. For example, if the trend of filings in the courts of appeals established between 1960 and 1966 is projected through 1975 on a straight line basis—a very conservative projection by any standard—the courts of appeals will see their burden almost double in the next 8 years.[16]

In the past, Congress has responded to accelerating judicial business by establishing new judgeships. It is more and more apparent, however, that increased manpower alone is not the entire solution to the problem. The number of Federal judges has almost doubled since 1941.[17] In particular, the record of the 5-year period from 1959 to 1964 belies the suggestion that the mere creation of additional judgeships is an adequate bulwark against burgeoning judicial backlogs. During that period, a 25-percent increase in the number of Federal district court judges resulted in but a 3-percent increase in the total number of cases terminated.[18] Moreover, new judgeships are expensive. The Administrative Office of the U.S. Courts estimates the first year's expense in setting up a newly authorized district judgeship, exclusive of the cost of providing courtrooms, chambers, and office furnishings, at approximately $100,000.[19] And the cost of maintaining such a judgeship thereafter, again exclusive of physical accommodations, is approximately $85,000 per annum.[20] Furthermore, increasing the number of judges on a court, particularly at the court of appeals level, may often be an administratively impractical and otherwise inappropriate course.[21] In all, wisdom dictates a search for constructive alternatives to the present process of periodic and wholesale multiplication of judgeships, and the development of such alternatives itself depends upon new approaches to the study of court efficiency.

Your committee is also convinced of the pressing need for the development of comprehensive programs of continuing education and training for personnel in the judicial branch. A recent survey conducted by the Subcommittee on Improvements in Judicial Machinery, for example, indicates that many U.S. commissioners are unaware of the full dimensions of even their more basic responsibilities.[22] Experience with existing programs of continuing education for judges indicates that these programs can be expanded and extended to other personnel in the judicial branch with great profit. At present, however, the judicial branch is not adequately equipped to conduct continuing education and training programs for judges, let alone referees in bankruptcy, court clerks, probation officers, U.S. commissioners, and other employees of the judiciary.

Congestion and delay, untrained supporting personnel, inadequate facilities, uneven distribution of caseloads, and the general absence of administrative expertise are some of the difficulties that must be overcome if the Federal judicial system is to realize its potential. The committees of the Judicial Conference of the United States struggle with these problems on a routine basis. Their grasp of the problems confronting our courts is remarkable in light of the handicaps they must overcome, but the solutions they offer necessarily lack the insight that only complete information, protracted research, and unhurried analysis can bring. The Conference's members are judges who owe primary devotion to their courts, and who can give only incidental time to problems of judicial administration. Moreover, the Conference operates without a permanent staff, specific appropriations, or even permanent headquarters. The Administrative Office of the U.S. Courts provides the judiciary with valuable fiscal and housekeeping services, but it too is ill-equipped to engage in the continuing and in-depth research and development necessary to provide long-term answers to the administrative and training problems of our courts.

In sum, there is great need for study of Federal court operations, for the development of programs to increase court efficiency, for training and continuing education of court officers and supporting personnel, for making available adequate staff assistance to the committees of the Judicial Conference, and for a permanent institutional framework in which to carry on such activities. Your committee believes that H.R. 6111, as amended, will equip the judiciary with the resources necessary to meet these needs.

LEGISLATIVE HISTORY AND BACKGROUND

The concept of a Federal Judicial Center that would study and develop solutions to the pressing problems of judicial administration in the Federal courts originated in the Judicial Conference of the United States. The Conference's Special Committee on Continuing Education, Research, Training, and Administration, chaired by the Honorable Stanley Reed, retired Associate Justice of the Supreme Court, and manned by six distinguished Federal Judges,[23] developed the idea in the fall of 1966. And President Lyndon B. Johnson adopted it in his message on crime in the United States delivered to Congress on February 6, 1967. The President recommended that the Center be established in order to promote a more effective Federal judicial system through a program of research, planning, and education.

Shortly after the President's recommendations, Senator McClellan, for himself and Senators Metcalf and Tydings, introduced S. 915, a bill to provide for the establishment of a Federal Judicial Center. The bill was modeled upon draft legislation written by the Judicial Conference's Special Committee. Chairman Celler of the House Committee on the Judiciary introduced identical legislation (H.R. 5385) in the House of Representatives on February 15, 1967. Representatives Corman, Rodino, McClory, and Kelly sponsored bills of similar purpose in the following weeks—H.R. 6111, H.R. 6955, H.R. 7091, and H.R. 7215.

The final report of the Judicial Conference's Special Committee was unanimously approved by the Judicial Conference of the United States at its meeting in March, 1967. The report included a refined draft of legislation to establish a center, which draft differed only in minor respects from the bills already introduced in the Congress.

The Senate bill, S. 915, was referred to the Committee on the Judiciary, and that committee's Subcommittee on Improvements in Judicial Machinery commenced hearings in

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[6] Report of the Administrative Office, 1967, table C–10.

[7] Compare Report of the Administrative Office, 1967, table B–1, with Report of the Administrative Office, 1966, table B–1, p. 149.

[8] Id., at table B–1 and p. 152, respectively.

[9] Id., at table B–1 and p. 151, respectively.

[10] Id., at table B–1 and p. 149, respectively.

[11] Id., at table B–4 and p. 159, respectively.

[12] Report of the Administrative Office, 1967, table, p.—.

[13] Ibid.

[14] See hearings, "The Administration of Justice in the Federal Court System and S. 915 and H.R. 6111, Bills to Establish a Federal Judicial Center," before the Subcommittee on Improvements in Judicial Machinery, Committee on the Judiciary, U.S. Senate, 90th Cong., first sess., p. 71. Hereinafter cited as "hearings, Federal Judicial Center."

[15] Robert Dodsley, "To Patience" (1794).

[16] See hearings, Federal Judicial Center, table, "U.S. Courts of Appeals, Total Caseload Projection for 1967–75," and text, pp. 72–75.

[17] According to the Administrative Office of the U.S. Courts, there were 197 district and 57 circuit judges in 1941, and 341 district and 88 circuit judges as of June 30, 1967.

[18] During fiscal 1959, more than 62,000 cases were disposed of by the Federal district courts. Two years later, in 1961, 63 additional district judgeships were created. Yet in fiscal 1964, after virtually all of those appointments had been filled, the district courts disposed of only 64,000 cases.

[19] See hearings, Federal Judicial Center, p. 259.

[20] Ibid.

[21] See generally, hearings, Federal Judicial Center, particularly at pp. 15 and 78.

[22] See generally, hearings, "Federal Magistrates Act," before the Subcommittee on Improvements in Judicial Machinery, Committee on the Judiciary, U.S. Senate, 89th Cong., second sess., and 90th Cong., first sess., and particularly app. I.

[23] The six judges were the Honorable Paul C. Weick, chief judge of the U.S. Court of Appeals for the Sixth Circuit; the Honorable Jean S. Breitenstein, U.S. Court of Appeals for the 10th Circuit; the Honorable James R. Browning, U.S. Court of Appeals for the Ninth Circuit; the Honorable Edward L. Devitt, chief judge, U.S. District Court for the District of Minnesota, the Honorable Arthur S. Lane, U.S. District Court for the District of New Jersey; and the Honorable Edward Weinfeld, U.S. District Court for the Southern District of New York.

April on the problems of judicial administration that underlie the need for a Federal Judicial Center. Hearings were held on April 25, 26, 27, 28; May 3, 4, 10, 11, 18; and September 8. The subcommittee heard testimony or received statements from the following individuals: The Honorable Ramsey Clark, Attorney General of the United States; the Honorable Lee Metcalf, U.S. Senator from Montana; the Honorable Harvey Johnsen, senior circuit judge, U.S. Court of Appeals for the Eighth Circuit and Chairman of the Judicial Conference's Committee on Judicial Statistics; Will Shafroth, Esq., former Deputy Director of the Administrative Office of the U.S. Courts and special consultant to the Judicial Conference's Committee on Judicial Statistics; the Honorable John S. Hastings, chief judge, U.S. Court of Appeals for the Seventh Circuit; the Honorable Albert V. Bryan, U.S. Court of Appeals for the Fourth Circuit; the Honorable John R. Brown, U.S. Court of Appeals for the Fifth Circuit; the Honorable J. Edward Lumbard, chief judge, U.S. Court of Appeals for the Second Circuit; the Honorable Clement F. Haynsworth, Jr., chief judge, U.S. Court of Appeals for the Fourth Circuit; the Honorable David L. Bazelon, chief judge, U.S. Court of Appeals for the District of Columbia Circuit; the Honorable Herbert J. Miller, Jr., Esq., former Assistant Attorney General of the United States (Criminal Division) and Chairman of the President's Commission on Crime in the District of Columbia; Gerhard A. Gesell, Esq., Chairman of the Committee on the Administration of Justice of the District of Columbia Circuit; Prof. Maurice Rosenberg of the Columbia University School of Law; the Honorable Stanley H. Barnes, U.S. Court of Appeals for the Ninth Circuit; Glenn P. Winters, Esq., executive director of the American Judicature Society; Orison S. Marden, Esq., president, American Bar Association; the Honorable Roszel C. Thomsen, chief judge, U.S. District Court for the District of Maryland; the Honorable Alfred P. Murrah, chief judge, U.S. Court of Appeals, for the 10th Circuit; Warren Olney, III, Esq., Director, Administrative Office of the U.S. Courts; Dr. Joseph Navarro and Miss Jean G. Taylor of the Institute of Defense Analyses; the Honorable Albert C. Wollenberg, U.S. District Court for the Northern District of California; the Honorable Edward J. Devitt, chief judge, U.S. District Court for the District of Minnesota; Prof. Charles Alan Wright, the University of Texas Law School; and Paul H. Gantt, Esq., president of the Federal Bar Association. All of the witnesses heard by the subcommittee, and all written statements tendered, without exception supported the establishment of an organization like the proposed Federal Judicial Center with the capacity to mount a coherent and continuous attack upon the problems of judicial administration in the Federal courts.

In June of 1967, at hearings on the President's message on crime held before the Committee on the Judiciary of the House of Representatives, the concept of the Federal Judicial Center received the endorsements of the Attorney General of the United States, the American Bar Association, and the Federal Bar Association. The House Committee on the Judiciary reported H.R. 6111, amended to reflect improvements recommended in the final report of the Judicial Conference's Special Committee, and to incorporate certain program, procedure, and "fringe benefit" provisions. The House of Representatives approved H.R. 6111, as amended, on June 20, 1967, and the measure was sent to the Senate, where it became pending business before the Judiciary Committee's Subcommittee on Improvements in Judicial Machinery.

The Judicial Conference's extensive work in developing the idea of the Federal Judicial Center and the thorough consideration that the proposal has received in both Houses of Congress are measures of the importance of this legislation.

GENERAL STATEMENT

Your committee's approval and favorable report of this legislation is founded upon at least two important principles: First, that solution of the problems besetting the Federal courts requires a new and professional approach; and second, that the appropriate medium for attaining the necessary professional dimension is a new institution, which, while pursuing its objective in a manner as yet untried in the Federal courts, will be able to work in harmony with existing institutions.

The Center will bring to its task the insights and approaches of management experts, academicians, administrators, and others whose efforts have modernized private and public enterprise, but whose talents have yet to be put to use in the Federal courts. Established as a permanent component of the judicial branch, with a single purpose and but a few enumerated functions, insulated against interference with its day-to-day operations, and staffed with experts and scholars in the administrative sciences, the Center can be expected to produce the objective and in-depth analyses of court management problems that existing administrative and judicial institutions have not been able to produce.

Moreover, the Federal Judicial Center's efforts will "fill out" the evolution of Federal court study programs begun with the passage of the Administrative Office Act of 1939. Four distinct institutions within the judicial branch are already commissioned to work toward improved judicial administration in the Federal courts: the Supreme Court of the United States, the Judicial Conference of the United States, the circuit councils and conferences, and the Administrative Office of the U.S. Courts. Your committee believes the creation of the Federal Judicial Center will provide a long-needed complement to these existing institutions.

The Supreme Court, in addition to its general supervisory power over the Federal judicial system, has the power to prescribe and amend general rules of practice and procedure for the courts of the United States.[24] Such rules, along with statutory prescriptions of jurisdiction and venue, provide the structural framework within which the Federal courts must operate. The Supreme Court, therefore, plays a substantial—if very specific—role in the administration of the courts. Yet it is the Judicial Conference of the United States, comprised of judges of various U.S. courts and under the chairmanship of the Chief Justice, that bears the broadest responsibility for the study and improvement of Federal court operations.

The Conference shares the Supreme Court's rulemaking responsibility; it has both investigative and advisory duties with regard to the business and dockets of the U.S. courts; and each of its member judges is bound to "advise as to the needs of his circuit or court and as to any matters in respect of which the administration of justice in the courts of the United States may be improved."[25] The Conference has broad supervisory power over the Director of the Administrative Office,[26] who is charged with directing the work of the clerical and administrative personnel of the courts, examining the state of court dockets, recommending improvements, determining the courts' need of assistance, and working for improvements in the transaction of the general business of the courts.[27] Finally, the circuit councils and conferences are charged to make "all necessary orders for the effective and expeditious administration of the business of the courts,"[28] and to "[consider] the business of the courts and [advise] means of improving the administration of justice"[29] within their circuits, respectively.

In discharging the duties imposed by H.R. 6111, as amended, the Federal Judicial Center will—

(1) conduct continuing research into the administrative techniques employed in the Federal courts, and stimulate and coordinate such research and study on the part of other public and private agencies;

(2) develop for consideration by the Judicial Conference of the United States recommendations for the improvement of court administration and management;

(3) foster programs of training and continuing education for the personnel of the judicial branch of the Federal Government; and

(4) to the extent consistent with the performance of its other functions, provide staff, research, and planning assistance to the Judicial Conference of the United States and its committees.

Each of the existing institutions with responsibilities relating to court management will be represented on the Center's Board—the Supreme Court and the Judicial Conference by the Chief Justice, the Administrative Office by its Director, and the circuit councils and conferences by the circuit and district judges elected to Board membership.

Yet more important than more interorganization representation is the structuring of the various roles of these institutions to avoid overlapping projects and duplications of effort. Your committee envisions no conflict of institutional programs arising from the establishment of the Center. It is to fill the gap in existing programs, rather than to refashion them, that the Center is to be established. The Supreme Court will retain its rulemaking powers. The Center may become involved in a survey of the impact of proposed rule changes upon the administrative burdens of the courts, or in documenting the need for certain changes; but it will have no power to effect these changes apart from the force of its own recommendations. The same is true with regard to the relationship between the Center and the circuit councils and conferences.

The Administrative Office and the Center will pursue parallel courses: the former as the operations and housekeeping agency of the courts, the latter as their research and development unit. Each will undoubtedly draw upon the services of the other, but both will be responsible ultimately to the Judicial Conference, which may be expected to maintain the essential distinction between the roles of the two organizations.

Perhaps the most important relationship between the Center and existing institutions will be that involving the various committees of the Judicial Conference. Your committee envisions no duplication of effort by the staff of the Center and the Conference committees. The Conference committees exist for the purposes of monitoring the various areas of judicial concern over which they have been granted responsibility by the Conference, handling routine problems as they arise, and advising the Conference upon the wisdom of proposed legislation that would affect the area of the law involved. The Center, in contrast, will concentrate on long-range problems and solutions, focusing upon different areas as the need arises. Thus, for example, the Judicial Conference Committee on Bankruptcy Administration will continue to oversee the administration of the bankruptcy laws and the operation of the referees in bankruptcy system and in the course of this oversight will attempt to identify and solve routine problems. When, however, during this process of regular oversight, it becomes apparent that there is some fundamental deficiency in the administration of the bankruptcy laws, or the prospect of such a deficiency, the response to which requires indepth analysis beyond the capacity of the Committee on Bankruptcy Administration, the Committee will bring the problem to the attention of the Judicial Center's Board, which in turn will determine whether the Center will turn its available resources to the solution of the problem.

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[24] 28 U.S.C. 2071–2075.

[25] 28 U.S.C. 331.

[26] 28 U.S.C. 604(a).

[27] 28 U.S.C. 604(a) (1) to (4).

[28] 28 U.S.C. 332.

[29] 28 U.S.C. 333.

Thus, the Center may not become involved in the problems of the referees in bankruptcy or the administration of the bankruptcy laws until it becomes apparent that a problem of unusual magnitude has arisen. When the Center has studied such a problem and evolved what it considers to be an appropriate solution, there will be no need for it to again turn to a study of the bankruptcy area until some new problem of unusual proportions arises. The consequences of this relationship will be, on the one hand, continuing oversight by the Judicial Conference of the problems that affect the administration of justice in the Federal courts, and, on the other, a ready response by the Center to problems that cannot be handled by the regular functioning of the Judicial Conference committees.

The title was amended so as to read: "An act to provide for the establishment of a Federal Judicial Center, and for other purposes."

FISHING IN U.S. TERRITORIAL WATERS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 720, which has been cleared by both sides.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 2324) to amend the act prohibiting fishing in the territorial waters of the United States with respect to the penalties provided thereunder.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 2324

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to prohibit fishing in the territorial waters of the United States and in certain other areas by vessels other than vessels of the United States and by persons in charge of such vessels", approved May 20, 1964 (78 Stat. 194; 16 U.S.C. 1081–1085), is amended as follows:

(1) in subsection (b) of section 2 strike out "including" and insert in lieu thereof a comma;

(2) in subsection (c) of section 2 strike out "including" in each place it appears therein; and

(3) strike out subsection (e) of section 3 and insert in lieu thereof the following:

"(e) Such person so authorized may seize any vessel, its tackle, apparel, furniture, appurtenances, cargo, and stores, or any part thereof, if such vessel is used or employed contrary to the provisions of this Act or the regulations issued hereunder or if it reasonably appears such vessel has been used or employed contrary to the provisions of this Act or the regulations issued hereunder."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 736), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

This bill (S. 2324) would amend the seizure provisions of Public Law 88–308. The language of the present law is susceptible to the interpretation that only seizure of the whole offending vessel with her equipment, cargo, stores, etc., is authorized. The proposed amendment is directed to specific flexibility of penalty by declaring that the vessel and her equipment, and so forth, or any part thereof, is subject to seizure. Inasmuch as the proposal is not in derogation of the existing authority and the greater flexibility of penalty will permit perhaps more appropriate assessment for various circumstances, the change is deemed desirable. S. 2324 makes no substantive changes concerning Public Law 88–308, approved May 20, 1964. S. 2324 would amend the 1964 act to allow for partial seizure. Its purpose is to clarify that act rather than to establish a new policy for the United States.

BACKGROUND AND NEED FOR LEGISLATION

Since enactment of Public Law 88—308, there has been a total of five seizures of foreign fishing vessels involving violations of our territorial waters or of our contiguous fishing zone, which was established by law in October 1966 (Public Law 89—658, approved October 14, 1966) and under which the United States exercises the same exclusive rights in respect to fisheries in the zone as it has in the territorial sea. Three of the five violations involved our territorial sea and the remaining two were violations of our contiguous zone.

These five incidents have been disposed of as follows:

Vessel (nationality)	Violation of—	Date	Locality	Disposition
'Misty Moon" (Canada)-------	Territorial sea [1] (Public Law 88–308).	Sept. 16, 1966	Chuginadak Island, Aleutians.	Fined $5,000; part of catch ($250 value) seized.
"SRTM–8413" (U.S.S.R.)-------	----do--------------	Mar. 3, 1967	1.3 miles off Mitrofania Island, near Shumagins.	Nolo contendere; fined $5,000.
"SRTM–8457" (U.S.S.R.)-------	Contiguous zone (Public Law 89–658).	Mar. 22, 1967	5.5 miles off Shumagin Islands.	Nolo contendere; fined $10,000.
"Tenyo Maru No. 3" (Japan)---	Territorial sea (Public Law 88–308).	July 16, 1967	2 miles off Segula Islands, Aleutians.	Nolo contendere; fined $5,000.
"SRTM–8457" (U.S.S.R.)-------	Contiguous zone (Publiv Law 89–658).	Aug. 3, 1967	10 miles off Akutan Island, Aleutians.	Forfeited bail of $20,000.[2]

[1] "Misty Moon" also tried separately for violation of halibut fishing regulations.

[2] To avoid trial by admiralty suit, agreement made on technical procedure. The Soviets posted $20,000 bail, which they forfeited. Criminal charges dropped by the United States.

It was the intention of the sponsors of the act of 1964 to provide in certain instances for the seizure and forfeiture of an offending vessel's tackle, apparel, furniture, appurtenances, cargo, and stores as penalty for violating the act's provisions. The Justice Department, however, reportedly has interpreted the 1964 act to mean that when violations occur the whole vessel, and not just its gear or cargo, is subject to seizure. Since in many instances the seizure and forfeiture of a multimillion-dollar fishing vessel would be an excessive penalty, the need has arisen to provide for penalties to "fit the punishment of the crime."

S. 2324 would make clear that all or any part of the vessel's tackle, apparel, furniture, appurtenances, cargo, and stores might be forfeited as the circumstances might indicate.

HEARINGS

A hearing was held on September 18, 1967. Witnesses from the Department of the Interior, Department of State, and Department of Justice appeared before the Committee. The witnesses from the Department of State and the Department of Justice stated that it was their view that enactment of this legislation is desirable as a clarification of the scope of the seizure and forfeiture provisions of Public Law 88–308. The witness for the Department of the Interior felt that the statute "now permits such a forfeiture, but we would not object to an amendment buttressing this authority."

COST OF LEGISLATION

Enactment would involve no additional cost to the Government.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

AMENDMENT NO. 442

Mr. MILLER. Mr. President, I offer an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The legislative clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD at this point.

The amendment offered by Mr. MILLER is as follows:

Beginning on page 133, line 1, strike out all through page 139, line 25, and insert in lieu thereof the following:

"METHOD OF DETERMINING REASONABLE COST FOR PROVIDERS OF SERVICES

"SEC. 142. (a) (1) Strike out the third sentence of section 1861(v)(1) of the Social Security Act and insert in lieu thereof the following: 'Such regulations (A) shall provide for the determination of costs of services on a per diem basis, at the option of the provider of services, in all cases where the circumstances under which the services provided so permit, and, otherwise, shall provide for the determination of costs of services on a per unit, per capita, or other basis,

(B) may provide for the use of estimates of costs of particular items or services, and (C) may provide for the use of charges or a percentage of charges where this method reasonably reflects the costs. With a view to not encouraging inefficiency, in determining a per diem basis for cost of services there shall be taken into account the per diem costs prevailing in a community for comparable quality and levels of services. Such regulation shall include provision for specific recognition of a reasonable return on fair market value of the facility (determined in accordance with periodic Federal Housing Administration or similar appraisals); but the rate of return so recognized shall not exceed one and one-half times the average of the rates of interest for each of the months any part of which is included in such fiscal period, on obligations issued for purchase by the Federal Hospital Insurance Trust Fund. Where such return is allowed there shall not be allowed interest on capital indebtedness or depreciation on the facility in determining reimbursable costs.'

"(2) The fourth sentence of such section 1861(v)(1) is amended by inserting '(except as might happen by reason of the provisions of clause (A) of the preceding sentence)' immediately after 'will not'.

"(3) The last sentence of such section 1861(v)(1) is hereby repealed.

"(b) The amendments made by subsection (a) shall be applicable to services provided under title XVIII of the Social Security Act on and after July 1, 1968."

On page 321, strike out lines 20 through 23, and insert in lieu thereof the following:

"'(D) for payment of the reasonable cost (as determined in accordance with the regulations promulgated by the Secretary for determining reasonable cost under title XVIII) of inpatient hospital services, skilled nursing home services, intermediate care facility services, and home health care services provided under the plan;'."

On page 384, strike out lines 4 through 6, and insert in lieu thereof the following: "(as determined in accordance with the regulations promulgated by the Secretary for determining reasonable cost under title XVIII) of inpatient hospital services, skilled nursing home services, intermediate care facility services and home health care services, provided under the plan;".

Mr. MILLER. Mr. President, I invite the attention of Senators to the fact that the amendment, which is No. 442, has been modified slightly. The pending amendment is a slightly modified version of the original amendment No. 442.

Mr. President, I suggest the absence of a quorum, without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE $30 BILLION QUESTION

Mr. JAVITS. Mr. President, I invite the attention of the Senate to a movement which is underway in our country, which is a reply to the broad move in Congress to deal with quotas as an element in the foreign trade of the United States and the argument on the other side, with which I stand. It is summed up in the formation of a prestigious "Emergency Committee for American Trade" with some of the leading businessmen of the country represented on it.

In this morning's New York Times there appeared an advertisement announcing the formation of a prestigious "Emergency Committee for American Trade" composed of the heads of some of the largest corporations of the United States. This ad which appears today in three major newspapers across the country warns against the tremendous consequences of protectionism. It warns against possible retaliation against American exports, it calls attention to the tremendous cost that protectionism will impose on the American consumers, and its cost to American industry in terms of reduced efficiency and lower productivity.

Together with the effort now being organized by the Committee for National Trade Policy to form a national coalition of associations and business firms in support of liberal trade policy, this effort is designed to show Congress and the American people the grave consequences of massive reversal of U.S. trade policy through the imposition of quotas on a wide range of vitally important commodities in international trade.

I highly commend these public-spirited business leaders for undertaking this effort on behalf of the best interests of this country.

On October 31 in a speech I made to the National Foreign Trade Council in New York, I specifically called upon American business and labor and interested civic organizations to mount a concerted effort in opposition to the protectionist drive in Congress and to form an ad hoc emergency coalition for U.S. trade policy.

On November 9, I met with 11 organization representatives of about 100 such organizations that could be counted upon to join this fight. Among the organizations present as reported in the files were the Committee for National Trade Policy, the American Importers Association, the National Retail Merchants Association, the League of Women Voters, the National Grange, the United Auto Workers, the General Federation of Women's Clubs, the National Farmers Union, the American Institute for Imported Steel, the American Farm Bureau Federation, and the Committee for Economic Development. The Committee for National Trade Policy has undertaken to form a National Coalition on International Trade Policy.

I strongly commend Arthur K. Watson, chairman of this emergency committee, and the Committee for National Trade Policy for undertaking these efforts.

I ask unanimous consent that the advertisement in today's New York Times, an article reporting the formation of this committee from the New York Times of November 16, a New York Times editorial of November 2, my October 31 speech to the National Foreign Trade Council, and certain additional newspaper articles be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 17, 1967]

THE $30 BILLION QUESTION

"Should America endanger its $30 billion export business by restricting imports? Should we deliberately undermine the agreements we so recently made at the Kennedy Round to lower trade barriers?"

The answer, we believe, must be "no." Yet protectionist trade measures now being discussed in Congress would gravely jeopardize American markets abroad and would seriously weaken our position of leadership in the world. Furthermore, the result would be higher prices for the American consumer on a wide range of goods and services.

The U.S. businessmen, below, share this concern with the American public. Their statement follows:

"We have joined together out of deep concern over the protectionist measures currently being pressed upon the United States Congress.

"The meaning of these measures is plain. One quarter of our imports would be subjected to quantitative limits set not by competitive forces but by legislative fiat.

"These quotas would directly repudiate a fundamental policy of our Government—to work in cooperation with other free nations to lower barriers to international trade, to release the energies of productive business across national borders, and to create an economic climate in which all could prosper.

"That policy has not been a partisan matter. Born out of the hard lessons and chaos of self-defeating protectionism in the early 1930's, it has been maintained steadfastly for more than 30 years by five administrations. Only months ago, the successful conclusion of the arduous Kennedy Round negotiations promised the opening of a bright new chapter in cooperation for trade expansion.

"To enact this protectionist legislation can only lead other nations to believe that the United States is now going back on its word. This will seriously undermine our position of world leadership and impair our good relations with our trading partners. It will also clearly reduce the willingness of these partners to cooperate with us on such vital concerns as international monetary reform. More directly, such action would violate the General Agreement on Tariffs and Trade. This, in turn, would entitle countries whose exports are affected to retaliate against U.S. products—*retaliation to which we, as the world's largest exporter, are especially vulnerable.*

"The consequences are readily predictable:

"Foreign markets for American business, labor, and agriculture that now total some $30 billion—double the volume of only eight years ago—would be gravely jeopardized. Mindful of the problems of some domestic industries faced with aggressive foreign competition, we must not lose sight of our still larger volume of foreign sales. *The game of international retaliation is simply one that we, as a nation, cannot win.*

"At a time when inflationary pressures on costs and prices are already strong, further pressure would be placed on domestic costs and prices by arbitrarily limiting foreign sources of supply. The effort to shield some domestic industries from foreign competition simply adds to the costs of all. *It would ultimately add to prices ranging all the way from the supermarket to our major export items,* thus posing a direct threat to American business and American labor.

"Incentives to modernize, to cut costs, to increase productivity and output—the essential underpinning of our high standard of living and wages—would be weakened behind a shield of Government restrictions. In the long run, our economic growth and high standards of living are dependent on the ability of advanced and efficient industries to compete freely in world markets, even with American wage standards.

"The notion that national economies are neatly divided into domestic and international business is simply without substance. The fact is that every economy benefits from a growth in trade and is hurt by a contraction in trade. Efficient business managements can understand and deal with new competition arising from tariff reduction and can take advantage of the new export opportunities. But there is no way to cope with retaliatory tariff and other trade restrictions arising out of protectionism.

"There is another, broader aspect. The cement that binds free nations is made up of common ideals, mutual confidence, respect for agreements and flourishing ties of trade. A reversion to protectionism and retaliation would erode this bond, and thus ultimately weaken us all.

"This is the very reverse of what our role of leadership requires. While serious in its impact on the strong and relatively self-sufficient like ourselves, a return to protectionism would be devastating to many newly developing nations, dependent on thriving export markets for any realistic hope of raising their standards of living from misery.

We fully recognize the very real problems and dislocations faced by some domestic industries—even industries with a high level of technical efficiency—in coping with low price imports. There are ways of meeting these problems without quantitative import restrictions. One way we strongly support is the liberalization of the adjustment assistance provisions of the Trade Expansion Act, as the administration has proposed. We welcome the anti-dumping provisions of the Kennedy Round Agreements that should help maintain barriers against unfair competition. We particularly urge that the U.S. Government intensify efforts to reduce and eliminate existing non-tariff barriers abroad, and to provide more positive encouragement and support to our export effort.

"We therefore urge Congress and all American citizens to carefully consider the full implications and perils of a reversion to protectionism.

"Emergency Committee for American Trade."

FOUNDING MEMBERS

William M. Allen, president, Boeing Company, George W. Ball, Chairman, Lehman Brothers International; William Blackie, Chairman, Caterpillar Tractor Company; R. Hal Dean, President, Ralston Purina Company.

Henry Ford II, Chairman, Ford Motor Company; J. Peter Grace, President, W. R. Grace & Company; Patrick E. Hagerty, Chairman, Texas Instruments Inc.; H. J. Heinz II, Chairman, H. J. Heinz Company.

William A. Hewitt, Chairman, Deere & Company; Robert S. Ingersoll, Chairman, Borg-Warner Corporation; James A. Linen, President, Time Incorporated; George S. Moore, Chairman, First National City Bank.

David Packard, Chairman, Hewlett-Packard Company; Peter G. Peterson, President, Bell & Howell Company; Rudolph A. Peterson, President, Bank of America N.T. & S.A.; John J. Powers, Jr., President, Chas. Pfizer & Co., Inc.

James M. Roche, Chairman of the Board, General Motors Corporation; David Rockefeller, President, The Chase Manhattan Bank N.A.; A. Thomas Taylor, Chairman, International Packers, Ltd.

Charles B. Thornton, Chairman, Litton Industries, Inc.; Arthur K. Watson, Chairman, IBM World Trade Corporation; Joseph C. Wilson, Chairman, Xerox Corporation.

Emergency Committee For American Trade, Room 1203, 121[illegible] Avenue of the Americas, New York City, [illegible]036.

[From the New York Times, Nov., 16, 1967]

WATSON OF IBM HEADS GROUP OPPOSING IMPORT QUOTES MOVES

(By Gerd Wilcke)

Congressional restrictions on imports would invite international retaliation—a "game" the United States as a nation cannot win—a newly formed business committee warned yesterday.

The commitee, headed by Arthur K. Watson, chairman of I.B.M. World Trade Corporation, also warned that protective quotas on imported goods, would "threaten the health of our domestic economy and endanger our national security as well."

Disclosure of the formation of the group, known as the Emergency Committee for American Trade, coincided with news from Washington that Congress apparently had abandoned its drive to enact quota legislation during the current session.

LONG CONFIRMS MOVE

On Tuesday Senator Russell B. Long, Democrat of Louisiana, confirmed that the move to impose quota restrictions, except on textiles, was off. Originally, 16 commodity groups had been part of a drive that had the backing of a large number of Senators. Senator Russell said a new effort would be made next year, an election year, to introduce quota restrictions.

Government sources showed little cheer over the temporary delay on quota action. They pointed out that the textile problem was serious in itself, and that the fight over the whole range of quotas would be resumed in the next Congressional session.

In a news conference at the Americana Hotel here yesterday the new trade group, composed of top-flight executives from across the nation, said restrictive measures could persuade this country's trading partners that the United States was reneging on promises made during the Kennedy round of tariff-cutting negotiations.

A trade war, the group said, could reduce United States world leadership and the willingnes of its trading partners to cooperate on such important issues as international monetary reform. It would also endanger an estimated $30-billion in United States exports and affect four million jobs in this country that are dependent on exports, the group said.

Flanked by George S. Moore, chairman of the First National City Bank, and David Rockefeller, president of the Chase Manhattan Bank, Mr. Watson noted that the committee would have 22 founding members. "We are just beginning and expect more to join," he said.

The I.B.M. executive, who is also president of the International Chamber of Commerce, said the committee, as its first public action, was placing full-page ads in three major newspapers on Friday to warn of the consequences of protectionism.

In answer to a question, Mr. Rockefeller rejected the theory that small business needed more tariff or quota protection than big business. "This simply is not true," he said.

Asked what retaliatory steps European nations might take if Congress enacted protectionist legislation, Mr. Moore implied that Europeans had various avenues open to hurt such American exports as chemicals, electronics, coal, paper products, tobacco and canned goods.

In addition to Mr. Watson, Mr. Moore and Mr. Rockefeller, other members of the trade committee are as follows:

William M. Allen, president, Boeing Company; George W. Ball, chairman, Lehman Brothers International; William Blackie, chairman, Caterpillar Tractor Company; R. Hal Dean, president, Ralston Purina Company; Henry Ford 2d, chairman, Ford Motor Company; J. Peter Grace, president, W. R. Grace & Co.; Patrick E. Haggerty, chairman, Texas Instruments, Inc.; H. J. Heinz 2d, chairman, H. J. Heinz Company.

Also, William A. Hewitt, chairman, Deere & Co.; Robert S. Ingersoll, chairman, Borg-Warner Corporation; James Linen, president, Time Inc.; David Packard, chairman, Hewlett-Packard Company; Peter G. Peterson, president, Bell & Howell Company; Rudolf A. Peterson, president, Bank of America; John J. Powers, Jr., president, Chas. Pfizer & Co., Inc.

Also, James M. Roche, chairman, General Motors Corporation; A. Thomas Taylor, chairman, International Packers, Ltd., Charles B. Thornton, chairman, Litton Industries, Inc., and Joseph C. Wilson, chairman, Xerox Corporation.

PROTECTIONISM: U.S. FOREIGN POLICY DISASTER

(Remarks of Senator JACOB K. JAVITS prepared for delivery at the 54th Annual Convention of the National Foreign Trade Council, Grand Ballroom—Waldorf Astoria Hotel, October 3, 1967)

The country today is faced with the grave threat that the results of 30 years of U.S effort to liberalize world trade will be dismantled as a result of the so far highly effective effort to impose quotas on a substantial percentage of U.S. imports. Protectionist forces have gained tremendous momentum during the past few months and you should clearly understand that they will achieve their aims unless an organized effort is made to stop them.

There is a substantial support in the Senate behind many of the quota proposals. The Hollings textile quota bill has 67 co-sponsors. The Hartke steel quota bill has 37 co-sponsors. The Hruska meat quota bill has 33 co-sponsors. The Anderson lead and zinc quota bill has 28 co-sponsors. The Proxmire dairy quota bill is co-sponsored by 40 Senators, and so forth. There are hundreds of bills before the House Ways and Means Committee that would impose high tariffs or quotas on numerous products.

There has been much said in the Congress about the usurpation by the Executive Branch of the powers of the Congress in the field of foreign trade. What actually happened is that protectionist forces have persuaded substantial elements of the Congress to support their cause, leading to an excessive use of Congressional power on behalf of certain industries at the expense of the public at large and the nation.

As legislators, members of Congress have an obligation to concern themselves with the problems of their constituents whether caused by foreign competition or other causes. Until now the greatest contribution by Congress to alleviate the strains of adjusting to foreign competition has been the enactment of measures which have contributed to the economic health of this nation, including the very industries which are now clamoring for more protection. The 1964 tax cut, the 7% investment tax credit, more liberal depreciation allowances, have all contributed to healthy economic conditions in this country for the past five years. I do not believe that the proposal of the protectionists for across-the-board quotas covering an entire industry; or the limitation on imports achieved by allegedly "voluntary" international or bilateral agreements reached with our trading partners, is the "national interest" way to help injured industries and displaced workers.

Those of us who see the great dangers involved in the protectionist drive can and must meet their challenge.

The most important step necessary is an organized effort against protectionism by American business and labor and all those who feel that they have a stake in the expanding international commerce of the

United States. True, there have been individuals and organizations who have spoken out against these quotas before the Senate Finance Committee such as: the Committee for National Trade Policy, the American Importers Association, the U.S.-Japan Trade Council, and the International Chamber of Commerce. I, myself, have received a great many telegrams from business leaders across the nation opposing the current protectionist drive in the Congress. These are the expressions of individual business leaders and organization and they need to be organized and coordinated. *I would, therefore, propose the organization of an ad hoc, emergency coalition for U.S. trade policy.* What is needed is an organized expression by American business and labor that U.S. trade policy has been immensely beneficial to industries, to workers, to stockholders, and to the nation's economy—far beyond the small price we have to pay for increased foreign competition. This must be expressed in terms of jobs and profits in the district and state of every member of Congress.

Secondly, *Congress should start immediate work on constructive proposals to alleviate actual and valid problems that some sectors of business have—namely:* (a) the adjustment assistance provisions of Title III of the Trade Expansion Act should be substantially liberalized both by making it easier for the Tariff Commission to find injury for this purpose and by providing more liberal loans, tax benefits, and retraining programs for workers in the firms or sectors of industry seriously injured by imports; (b) a federally-supported program should be initiated to attack the basic causes of obsolescence, either directly through a modernization fund or by guaranteeing loans undertaken for significant modernization programs in lines threatened with obsolescence and which otherwise cannot help themselves; (c) government policies such as "two-price cotton" which contribute to difficulties of certain industries facing foreign competition should be ended.

Thirdly, *Presidential leadership is needed* both to fight protectionist legislation in the open and to maintain the momentum of trade liberalization by introducing legislation that would enable this Government to deal effectively with non-tariff barriers against American exports and to deal with the problems of less developed countries. I hope that the pressures now put on Congress for quotas will serve one useful purpose; that it will serve as a warning to the Administration that substantial segments of American business are dissatisfied with the efforts that have been made during the Kennedy Round on non-tariff barriers facing American exports. Except for the International Antidumping Code, the Kennedy Round scarcely touched the vital area of non-tariff barriers. Yet these are the real inhibitors of expanded and liberalized world trade and U.S. trade negotiators should go up against their foreign counterparts to hammer out agreements to open up protected European and Japanese home markets. But, U.S. quota legislation will only inhibit rather than facilitate such negotiations.

I am against the current push for protectionist legislation for a number of reasons.

Quotas would result in higher prices for millions of U.S. consumers and thereby contribute to current inflationary pressure. They would endanger billions of dollars worth of U.S. exports and thereby worsen our balance of payments position, resulting in unemployment and loss of profits.

Quotas, while ostensibly assisting an industry in trouble, will result in increased government control over industry, and threaten individual enterprise. The administration of quotas requires tremendous paper work resulting in difficulties for imports even beyond the quota restrictions themselves. Time and time again, as in the case of lead and zinc, a surplus situation calling for quotas has turned into one of shortage. Italy, for example, which has an allocation under the original lead and zinc quota proclamation, chose not to fill it. Since there was no provision for reallocating unused quotas, the total supply for the domestic market decreased while other supplying countries were prevented from increasing their exports to the United States.

I am also opposed to quotas for the very practical reason that such quotas would seriously damage the economy and welfare of New York State, which is heavily dependent on commerce with the rest of the world, as are other states. In 1966, close to $1.8 billion of manufactured exports originated in New York in addition to over $75 million in agricultural exports. Many of our industries are vitally dependent on imported raw material and parts needed for products manufactured in our state. $15.9 billion of foreign commerce is shipped through the Port of New York to and from destinations all over the United States. According to a recent study made by the First National City Bank, an estimated 375,000 jobs are involved in producing and handling these goods in the Port of New York area alone. Millions of dollars in income for steamship lines, airlines, railways, truck carriers, banks, insurance companies, freight forwarders, custom brokers, are also involved, not to speak of tax revenues for local, state, and Federal governments.

How have the protectionist forces been able to make so much headway in Congress? In my judgment, this has been a result of a combination of factors—a lack of effective resistance to restrictive legislation in the past three or four years; the unwillingness of the Administration to fight protectionist legislation in the open because U.S. foreign commerce appears to be an insignificant part of the U.S. economy.

Yet it should be remembered that the Trade Expansion Act got through Congress with substantial Congressional, business and labor support. There are many members of both Houses of Congress who continue to fight for trade liberalization. They realize that a liberal trade policy is important to keep our balance of payments deficit in reasonable limits and to support the worldwide economic, political and military interests of the United States. They also support this policy because U.S. exports and imports provide thousands and thousands of jobs and millions of dollars of profits to our industries. They also realize that international commerce is symbolic of the interdependence, both political and economic, of the United States and the rest of the world.

The threat of favorable Congressional action on import quotas is very real. Whether or not this effort will succeed will depend in large degree on what you do and on the willingness of the Congressional leadership to take quick action on legislation that would truly alleviate some of the basic causes of injury due to foreign competition. And above all, the President must himself step into the breach to show the true interests of the nation lie in open and liberal world trade.

[From the New York Times, Nov. 2, 1967]

AGAIN, THE PROTECTIONISTS

At the very moment when a broad counterattack seemed to be making headway against the protectionist tide in Congress, the House has again gone off the track by voting to eliminate cotton imports from the United Arab Republic.

An unusual coalition of members from cotton-growing states of the Southwest, chronic protectionists and big-city Congressmen engineered this result. The lopsided (274-to-64) vote showed that even members who usually support freer trade were unwilling to take a stand that might be construed as assisting Gamal Abdel Nasser.

This is not the issue, though if it were it would be worth considering whether the fall of Nasser at this stage would be likely to produce in Cairo a regime even more hostile to the interests of the United States and of peace in the Middle East.

What is really at stake is the attitude of Congress and the country toward trade barriers in general and the limited but substantial tariff restrictions of the Kennedy Round in particular. If it persists on the course of the House action, Congress will not merely damage relations with many other countries; it will call into serious general question the good faith of the United States in the Kennedy Round negotiations.

If producers of extra-long staple cotton get added protection from imports, what about producers of commodities ranging from steel to strawberries, from mink furs to olives? The span of goods for which import quotas are being demanded is even wider than this list indicates.

Instead of spiting President Nasser, Congress would do far better to recall the words spoken on Capitol Hill last week by a friend and neighbor, President Diaz Ordaz of Mexico: "Before you act, it might be well to stop and consider just what effects your action would have on the rest of the world," President Diaz might have added, "and on yourselves, as well." For foreign retaliation against any protectionist binge by Congress will be swift and widespread. Every American exporter will be a victim, and so, as Senator Percy reminded his colleagues the other day, will every consumer.

It will be up to the Senate to knock out the House ban on imports of Egyptian cotton; but meanwhile representatives of business, consumers and labor might adopt the suggestion of Senator Javits that they form an "emergency coalition" to battle the protectionists and hold the line for a liberal trade policy that has served this country well.

[From the New York Times, Nov. 10, 1967]

TRADE CAMPS VIE FOR FAVOR—SUPPORT URGED ON OPPOSING INTERESTS

(By Gerd Wilcke)

Powerful forces both in favor and against the conduct of the country's trade policy issued separate calls in behalf of their interests yesterday.

If nothing else, the chorus of statements was a hint that the fight between protectionists and liberal traders is far from over.

These were some of the developments:

The textile and apparel group of the American Importers Association, holding an emergency meeting at the Hotel Sheraton Atlantic, agreed on a five-point program to fight protectionist efforts in Congress.

Bernard L. Hohenberg, chairman of the group, and Michael P. Daniel, its Washington counsel, told the more than 100 textile representatives attending the meeting that the current protectionist drive was the most serious effort in more than 30 years to limit imports.

Former Secretary of Commerce John T. Connor, accepting the "Man of the Year" award by the textile section of the New York Board of Trade, called for an all-out effort to extend import controls "of the kind now applicable to cotton textiles" to all segments of the textile industry.

The American Institute for Imported Steel issued a warning that a steel quota bill would be voted upon and be passed by Congress next week unless "action is taken immediately."

Senator Jacob K. Javits, the New York Republican, said in a telephone interview that he had met in Washington with representatives of about a dozen organizations to coordinate the fight against protectionism.

He said the Committee for a National Trade Policy would issue a call for a national coalition on international trade policy.

Gerald H. Brien, executive vice president of the American Importers Association who attended the meeting at Senator Javits' office, said his group had formed a "blue ribbon committee" to raise funds for an education campaign on the merits of freer trade.

Collingwood J. Harris, a member of the New York's Regional Export Expansion Council, said that independent members of the group were preparing a drive to counteract the mood in Congress.

Details of the effort are to be announced at a press conference Nov. 27.

Meantime, letters asking for support are being sent to about 1,200 business executives across the country.

The action program of the textile importers, as spelled out by Mr. Hohenberg, seeks better representation on Capitol Hill, better cooperation with other groups that stand to lose most by the imposition of protectionist measure and vigorous education and public relations campaigns.

Mr. Connor, speaking from the other side of the fence, asserted that there was evidence that "the right kind of textile import quotas will indeed serve the broad public interest."

Mr. Connor, who became president of Allied Chemical Corporation on leaving government service earlier this year, told his audience at the Hotel Pierre that the "terms free trader and protectionist don't tell the full story any more."

After stating that he much preferred the name "conservationist" applied to him. Mr. Connor added: "Personally I have always been and still am a strong supporter of American business, and see no reason to apologize for this position."

Senator Javits said that John W. Hight, the executive director of the Committee for a National Trade Policy, would be chiefly responsible to pull nation-wide organizations together to fight protectionism.

Mr. Hight did a similar job in 1962, when President Kennedy fought for his Trade Expansion Act.

Senator Javits said the fact that only about a dozen groups were present at yesterday's session was explained by the limited space of his Washington office.

Among the groups present were the League of Women Voters, the Farm Bureau Federation, the National Grange, the General Federation of Women's Clubs and the United Automobile Workers.

In warning that a steel quota bill might become reality soon, Victor V. Shick, vice president of the steel trade group, said that "a unique joint lobbying effort by steel management officials and United Steelworkers of America officials in recent days has had an enormous impact."

[From the New York Times, Nov. 2, 1967]

PROTECTIONIST MOVES IN CONGRESS ASSAILED—THE 54TH CONVENTION OF COUNCIL ENDS—JAVITS IDEA GAINS

(By Gerd Wilcke)

The National Foreign Trade Council ended its 54th annual convention here yesterday expressing sharp opposition to protectionist moves in Congress. The moves are designed to impose import quotas on a large number of foreign products.

In a 10,000-word declaration adopted by a majority of the more than 2,000 participants, the group also requested that:

The President's authority be extended to 1969 to make compensatory tariff cuts.

The Trade Expansion Act be amended to provide more adjustment assistance to industries hurt by imports.

The Government terminate the voluntary balance of payments program.

JOHNSON SENDS MESSAGE

President Johnson, in a message read to the convention, said the services of "all of us" should be enlisted to prevent the "constructive trade policy built over 30 years" from becoming engulfed in a new wave of protectionism.

The convention's declaration had been prepared before Senator Jacob K. Javits proposed that business and labor form an emergency coalition to fight protectionism. William M. Roth, the President's Special Representative for Trade Negotiations, subsequently endorsed the New York Republican's idea.

Yesterday, leading officials of the foreign trade group implied strongly that they were in accord with the idea. Elsewhere it was learned that the formation of a business committee might be close to realization.

APPRAISAL IS URGED

Regarding the mood of a considerable segment in Congress, the convention's declaration stated:

"The whole climate, both in this country and abroad, for further concerted action in expanding international trade and investment is being profoundly threatened by protectionist measures introduced in Congress."

The convention urged Congress to appraise such measures in terms of their cost to the United States economy as a whole, including those that could result from retaliatory measures "detrimental to United States, international trade and investments and have adverse effects on our balance of payments."

Assessing the Government's voluntary program to curb the outflow of capital for investment abroad, the convention suggested that the whole program be terminated "without further restrictive controls."

On another point, the declaration regretted "the uncertainty which surrounds" the question of Britain's entry into the Common Market.

Charles Lucet, France's Ambassador to the United States, provided little that would have removed the uncertainty among the delegates to the convention. In a luncheon address, the French diplomat reiterated the objections his country has against speedy participation of Britain in the European Economic Community.

Ambassador Lucet said the enlargement of the market, particularly by Britain and other members of the European Free Trade Area, should be examined "realistically" and without sentimentality.

He implied, however, that until Britain resolves problems surrounding the pound sterling and was ready to subject herself to the rules governing the Common Market's farm policy, there was little likelihood that France would drop her objections to Britain's membership.

MOVE IS DEFENDED

In another development, Dr. R. Buford Brandis, chief economist of the American Textile Manufacturers Institute, said the textile industry was not "protectionist" in its move to limit imports.

Speaking at a meeting of the Association of Textile Technology here, Dr. Brandis said the proposed legislation to establish quantitative controls on textile imports was "most generous to our foreign friends."

The bills before Congress, he said, provide for bilateral negotiations that will not only give foreign producers a large share of the market but also would provide for increases if the market grows.

He denied that the textile bills in Congress would result in any vast roll backs that would disrupt international trade, and held that they were a "reasonable approach to a critical problem," threatening textile employment in this country.

AT NFTC MEETING—PROTECTIONIST THREAT TO ECONOMY VIEWED—JAVITS AND ROTH PROPOSE ACTION

(By George F. W. Telfer)

The serious threat to the United States economy and exports and to world trade expansion posed by the protectionist drive in the U.S. was graphically illustrated here yesterday by a U.S. senator, by the administration's top Kennedy Round negotiator and by businessmen.

Highlights of speeches at the second day's sessions of the National Foreign Trade Convention included:

Sen. Jacob K. Javits called on business and labor leaders and all those with a stake in this country's expanding world trade to form an "emergency coalition for U.S. trade policy," in order to head off the "tremendous momentum" the protectionist forces have attained recently.

THE 1966 EXPORT PICTURE

The New York Republican noted that last year close to $1.8 billion of manufactured exports and more than $75 million in agricultural exports originated in New York State, and that nearly $16 billion of foreign commerce was shipped through the Port of New York, providing jobs for 375,000 people producing and handling these goods.

Few Americans realize the "astonishing dimensions" which the "deadly serious" protectionist drive has already attained, William M. Roth said.

Enactment of import quota bills introduced in Congress would mean higher prices and "might easily push us over the brink into inflation," Mr. Roth, the President's special representative for trade negotiations, told the convention at the Waldorf-Astoria Hotel.

Another speaker, Ian MacGregor, president of American Metal Climax, Inc. (Amax), also viewed with alarm the protectionist wave. On the other hand, he said restrictions on American mineral companies' discovery and development work abroad for balance of payments considerations was extremely shortsighted.

PAST DISCUSSIONS

As reported elsewhere on this page and in today's world trade section, afternoon panels in the last two days have discussed proposed trade preferences by advanced countries for goods produced in developing countries, financing U.S. corporations' overseas operations and the special problems of Europe, Latin America and countries of the Pacific-Asia area.

Citing Congressional comment on the alleged usurpation by the Executive Branch of Congress' powers in the foreign trade field, Sen. Javits said that "what actually happened is that protectionist forces have persuaded substantial elements of the Congress to support their cause, leading to an excessive use of Congressional power on behalf of certain industries at the expense of the public at large and the nation."

In addition to the private sector combating protectionism, Sen. Javits said "the President must himself step into the breach to show that the true interests of the nation lie in open and liberal world trade."

He said Congress should start immediately on constructive proposals to liberalize adjustment assistant provisions of the Trade Expansions Act's Title III and to attack the basic causes of obsolescence by creating a modernization fund or by guaranteeing modernization loans.

The administration should "maintain the momentum of trade liberalization by introducing legislation that would enable this government to deal effectively with nontariff barriers against American exports and to deal with the problems of less-developed countries."

The quota legislation will only inhibit rather than facilitate such negotiations, the senator said.

In order to illustrate the "astonishing dimensions" of the protectionist drive, Mr. Roth said, that enactment of a general import quota bill, "which has been widely discussed," would affect almost 80 per cent, or about $9 billion of the nearly $12 billion of this country's dutiable imports.

If Congress passes only the import quota bills already introduced, he said, some 40 per cent of U.S. dutiable imports would be affected.

"These are not the run-of-the-mill protectionist bills that crowd the congressional hoppers every year and perish at the end of each session," Mr. Roth warned.

In his remarks, Amax President MacGregor said "the upsurge in the world economy of the '60s has encouraged a great deal of exploration for minerals and heavy capital investments in new sources of supply."

"The raw materials industries have a responsibility to assure the continued discovery and development of minerals resources both in the U.S. and in the free world," he added.

Mr. MacGregor also said that to restrict U.S. participation in such developments is extremely short-sighted and "as the search for minerals widens, formerly inaccessible sources must now be viewed as potential development projects. . . ."

[From the New York Times, Nov. 1, 1967]

United States Endorses Trade Protectionism Fight—Javits Stand Backed by President's Aide on Import Quotas

(By Gerd Wilcke)

The Administration's chief trade negotiator joined Senator Jacob K. Javits of New York yesterday in calling for an "emergency coalition" of business and labor to fight protectionism.

William M. Roth, who holds the title of the President's Special Representative for Trade Negotiations, departed from his speech to the 54th National Foreign Trade Convention to endorse the stand of the New York Republican.

Later, Ambassador Roth implied strongly that the initiative toward organizing such a group would have to come from business, not the Government.

In speeches to more than 1,000 business executives attending the three-day conference at the Waldorf-Astoria Hotel, both men sharply criticized recent moves in Congress calling for quotas to slow down foreign imports.

Although praising several groups that had testified against the introduction of quotas at recent hearings of the Senate Finance Committee, Senator Javits said:

"What is needed is an organized expression by American business and labor that United States trade policy has been immensely beneficial to industries, to workers, to stockholders, and to the nation's economy—far beyond the small price we have to pay for increased foreign competition."

The New York Republican asserted that dissatisfaction over the failure of the Kennedy round of tariff cutting negotiations to deal with non-tariff barriers had spurred the drive by some business segments for import quotas.

"Except for the international anti-dumping code, the Kennedy round scarcely touched the vital area of non-tariff barriers. Yet these are the real inhibitors of expanded and liberalized world trade," Mr. Javits said.

He added that the President's leadership is "urgently needed," both to fight protectionist legislation and to maintain the momentum of trade liberalization.

The President also should introduce legislation to deal with non-tariff barriers against American exports and the problems of underdeveloped nations, he said.

Congress, Mr. Javits continued, should act to facilitate adjustment assistance to industry under the Trade Expansion Act and the retraining of workers whose jobs are endangered by imports.

The New York Republican said he was opposed to quotas "for the very practical reason that such quotas would seriously damage the economy and welfare of New York State, which is heavily dependent on commerce with the rest of the world.

Mr. Roth said he thought that many Americans had not yet realized the "astonishing dimensions" of the protectionist move. "Enactment of these bills might easily push us over the brink into inflation," he added.

MANY IMPORTS AFFECTED

The Government official said that import quota bills already introduced in the Congress would affect 40 per cent of dutiable imports. If a general quota bill that is being discussed were instituted that figure would rise to almost 80 per cent.

"These are not the run-of-the-mill protectionist bills that crowd the Congressional hoppers every year and perish at the end of each session. They add up to a coordinated, concerted campaign by some of our nation's largest and most powerful industries. And they will not abandon it merely because they run into some comentary Congressional roadblock," Mr. Roth warned.

Giving examples, Mr. Roth said that the $20-billion textile industry had been joined by the $26-billion steel industry in pressing for legislation that would impose mandatory quotas if it proved impossible to negotiate long-term market-sharing agreements with the country's trading partners.

CHEMICAL INDUSTRY IN FRONT

The $38-billion chemical industry, he continued, had also joined the common front by urging the Senate Finance Committee to recommend legislation "broad enough to deal with the injury or threat of injury to the United States chemical industry, as well as other industries now being heard by this committee."

Enactment of these bills might "menace the very continuance of the sustained economic growth in which all sectors of our economy have an enormous stake," Mr. Roth warned.

Earlier in his speech, Mr. Roth said he would open public hearings March 25 to get the opinion of business, unions, farm organizations, consumer groups and scholars on where the country's future trade policy should go.

The office of the Special Representative has been instructed by the President to conduct a long-term study on the problem.

Other speakers at yesterday's session included Ian MacGregor, president of American Metal Climax, Inc., and Suwito Kusumowidagdo, Ambassador of Indonesia to the United States.

[From Life magazine, Nov. 3, 1967]

Misguided Protectionism

The U.S. is the greatest trading nation the world has ever known. And we trade at a profit. This year we will export $31.2 billion worth of goods—while importing $26.5 billion worth, for a trade surplus of $4.7 billion in the balance-of-payments ledger. The harvest from one out of four of our cropland acres is exported. Twenty-nine percent of our production of construction machinery and equipment is shipped abroad. So are 16% of our computers.

In the face of such figures, it is alarming that strong pressure is building in the Congress to raise a protectionist barrier of imported quotas around the borders of the U.S. Eighteen measures already referred to the Senate Finance Committee and a number of other bills being prepared by members of both houses of Congress would apply or stiffen existing quotas on $12.6 billion worth of imports—three quarters of the value of all the dutiable imports that came into the U.S. last year.

Any such move would signal a reversal of America's trade policy. For more than 30 years, the U.S. has spread the gospel of expanded international trade. The recently completed Kennedy round of tariff cuts was an American initiative, the latest of many postwar moves that have liberated trade and contributed mightily to a phenomenal rise in the standard of living of much of the free world. It is odd to find the two senator brothers of the late President Kennedy, among others, listed as sponsors of new protectionist bills.

Import quotas will invite retaliation—legal under our trade agreements—from other countries. And as Secretary of State Dean Rusk pointed out to the Senate committee, "We could not choose the sectors which foreign governments might select for increased barriers against our exports. . . . A congressional decision to isolate our steel industry from foreign competition might be paid for not just by higher prices for steel in this country, but by reduced foreign sales opportunities for our farmers, our producers of machine tools, computers, canned fruit, automobiles and who knows what else."

In terms of economics, import quotas are a costly means of controlling trade. They frequently protect the inefficient, and tend to raise prices and contribution to inflation. They are defensible only in cases where they guard industries considered vital to national security. For example, the U.S. would spend at least $3 billion less each year for oil without import controls. But since in an emergency we could not depend on imports, we protect American oil producers with quotas.

In non-defense areas our general policy has been to negotiate mutual reductions of trade barriers with our trading partners. To reverse this policy—to stiffen quotas now, or to add new ones—would be regarded by other countries as reneging by us.

The industries that are now pressuring Congress for relief complain with some justice that foreign countries have not dropped their trade barriers as rapidly or as far as we have.

But to counter by raising our own trade barriers is no answer to foreign discrimination against U.S. products. The Administration has the power through trade agreements and laws already on the books to assure fair treatment for our exports. Enforcement of those agreements can assure an orderly increase in world trade. To erect instead a quota wall could, in the words of Senator Jacob Javits, "return us to the international trade wars of the 1930 and a continuous round of retaliation and counter-retaliation until the economic health of the world economy itself would be imperiled."

[From the Washington Post, Nov. 1, 1967]

Ten Brave Senators

At a time when a powerful protectionist lobby would bring the growth of world trade to a standstill by imposing import quotas on everything from steel to strawberries, it takes courage to swim against the retrogressive tide. Only 10 of the 100 members of the Senate are not now sponsoring or co-sponsoring import quotas or amendments to the antidumping bill that would also hobble international trade. As we went to press they were—*Democrats:* Byrd, Va., Gore, Tenn., Russell, Ga., Tydings, Md., Williams, N.J.; *Republicans:* Fong, Hawaii, Griffin, Mich., Javits, N.Y., Percy, Ill., Williams, Del.

The roll would doubtless be longer if other sincere proponents of freer world trade—Senator Smathers, who is now leading the good fight in the Finance Committee, is an outstanding example—had not permitted their names to be attached to minor protectionist measures. But the significant expansion of the slim honor roll will come when logic and the hard facts of international economic life break the spell that was cast by the siren song of protection. This country is the world's leading exporter, and it also has the world's largest export surplus. Denying other countries access to this market will only cause them to close their markets to our exports. It is a game which everyone loses as the shrinkage of world trade causes a contraction of income and employment.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METCALF. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, if I may have the attention of the chairman of the committee, I wish to submit two amendments, which I send to the desk.

Does the chairman of the committee want to set aside the pending amendment at this time?

Mr. LONG of Louisiana. Mr. President, does the Senator from Iowa wish to press his amendment at this time or withdraw it temporarily?

Mr. MILLER. Mr. President, I am ready to proceed, unless the Senator from Louisiana has something more pressing.

Mr. LONG of Louisiana. No; I am ready to proceed.

Mr. MILLER. Mr. President, I invite attention to the fact that my amendment No. 442, as modified, is designed to relieve hospitals, nursing homes, and other facilities covered by titles 18 and 19 of a serious problem with respect to their present method of reimbursement.

There are two problems, really. The first problem is the inadequacy in many cases of the present method of reimbursement; and the second is the horrible cost accounting through which these facilities and their owners have to go in order to obtain their reimbursement.

Insofar as No. 1 is concerned, this amendment would permit, at the option of the facility, a shift to a per diem basis in determining reasonable cost for payment to providers of services, namely, inpatient hospitals, skilled nursing homes, intermediate care facility services, and home health care services.

The amendment is also calculated to prevent such a provider of services from benefiting from inefficient operations by providing that in determining such per diem cost there shall be taken into account the per diem costs prevailing in a community for comparable quality and levels of services. Thus, for example, it would be our intention that a hospital coordinate its capital investment action with a State planning agency, if there is one, to the extent at least of avoiding unnecessary or duplicative high cost investment which would increase its per diem unduly over that prevailing in the community.

There is another aspect of this amendment; namely, that it would recognize a reasonable return on the fair market value of the facility, with no reimbursement in that case for depreciation and interest on indebtedness, instead of the present provision for a return on the net equity of the provider of services plus reimbursement for depreciation and interest on indebtedness.

In my opinion, it is the fair market value of the facility which is the true basis for the determination of a fair profit. The Government is protected in my amendment by the provision that this fair market value be determined by FHA or similar appraisal on a periodic basis. So this avoids all manner of complexities in computing proper depreciation and interest reimbursement, as presently required.

I wish to point out that the substance of this amendment was offered last year insofar as the fair market value basis for the return is concerned. The Senator from Louisiana very graciously took my amendment to conference. However, the result of the conference was that, instead of using the fair market value as the basis for a return, they compromised on the net equity, as far as the depreciation allowance was concerned, plus interest allowance, plus a 2-percent factor.

That is the present formula.

This is better than what the previous regulations had provided, but I think it is still somewhat inadequate, at least in some cases. For example, depreciation reimbursement may be based on a cost basis which does not reflect current market value. If it does not, then it does not provide sufficient revenue to make provision for reinvestment in new facilities and equipment.

With respect to older facilities, there should be some increase because reimbursement would take into account the fair market value rather than the outmoded cost basis against which depreciation reimbursement is currently measured. But such increase is essential to enable the providers of services to keep their facilities updated. Without it they will not be able to do so, and may be even discouraged, in some cases, from seeking to provide such services.

Now, with respect to the per diem approach, this really reflects the fact that older people in a hospital use more nursing services and other components of the room-and-board category than do younger patients. It also reflects the fact that such additional services tend to offset the fact that there may be a lower cost as a result of a longer stay by an older person in the hospital.

I know concern has been expressed that the per diem approach might cost more money, but I do not believe it is well placed because of the express provision in the amendment that there shall be taken into account the per diem costs prevailing in a community for comparable quality and levels of services. In fact, I suggest that, in some cases, this would result in some savings.

I am apprised of the fact that Mr. Robert Myers, for whom I have a great amount of respect, has made a hurried cost estimate of this, resulting in a cost increase of from $500 to $650 million in 1968. But I do not know of any basis on which he rests this estimate, and, in fact, I believe he has stated it is very difficult to know what the effect of the fair market value provision would be.

With respect to new facilities, there should not be any difference at all. The 1½ times the trust fund interest rate on the fair market value certainly would not be any greater than 1½ times the net equity plus reimbursement for depreciation plus reimbursement for interest plus the 2-percent factor.

If a provider of services does not wish to use the per diem approach, then the regulations that are provided for in my amendment are to provide for determining costs of services on a per unit, per capita, or other basis, including the one presently in use.

Many hospitals have complained of the inordinate cost accounting they must do in order to comply with present regulations. I do not think it is correct to say that this problem has been overcome. In any event, if these hospitals or other facilities feel that it has been overcome, then they may elect not go on the per diem basis. They can go on some other basis. They can proceed on the present basis. Breaking out the separate cost accounting for medicare and other patients is a backbreaking bookkeeping job.

The cost of this amendment, in my judgment, has not been carefully evaluated; and I believe it is clear that the Department's analysis, which was hurriedly presented to the committee during its consideration of the amendment, did not take into account the compensating savings resulting from the "per diem rate in the locality" provision, which applies not only to hospitals but to all other types of facilities involved in the programs.

In fact, Mr. President, if my amendment is adopted, this will be the first time that Congress has put in writing its policy—and I am sure that this is the policy of Congress—that inefficiency not be benefited. Under the present state of the law on the cost reimbursement formula, an inefficient hospital or nursing home will receive a larger reimbursement than an efficient facility. I might add that the hospital and nursing home associations are most unhappy with this hiatus in the law.

I would hope that my amendment could be taken to conference. I believe that the cost estimates involved could be more carefully reviewed; and I am quite confident that the hospitals, the nursing homes, and the other types of facilities would then feel that they were being taken care of properly.

On the basis of my correspondence and my contacts with many people in these various institutions, they feel that they are being shortchanged now. They feel that they have been put upon by the requirement of an inordinate amount of cost accounting and bookkeeping, and some of them are actually suggesting they may even have to go to computer type operations in order to meet the costing for the individual medicare and medicaid patients.

I do not believe that when the medicare and medicaid bills were passed originally, there was any intention by Congress to have such a burdensome undertaking placed on those facilities.

Mr. President, as I pointed out last year, if we do not do something about this problem, we are going to find that many of these facilities will not seek to serve the patients who are entitled to such care, and we will have patients entitled without the opportunity for service. I do not believe that the amendment provides for any overreaching. As I said last year, I think that it provides for a fair approach and a practical approach. In fact, the per diem is used by Blue Cross and Blue Shield. I see no reason why we should not give this a try, and I think if it could be taken to conference, we would find a goodly reception on the other side of the Capitol, for putting this provision into effect.

Mr. HOLLAND. Mr. President, will the Senator yield to me?

Mr. MILLER. Yes; indeed.

Mr. HOLLAND. I have had several telegrams from highly reputable sources in Florida, primarily from small private hospitals, church-supported or other privately supported hospitals—not from the large public hospitals—complaining very vigorously about the provisions of the section of this bill which would be changed by the amendment of the Senator from Iowa.

I ask the Senator this question: Am I correct in my understanding that his amendment, which would provide for the application of a per diem rate similar to that stated for the same services in that community and in that facility, would remove the objections of the hospital boards and operators to the provision of the bill—I believe it is section 142—which in effect limits very greatly the amount that may be included in computing the value of services for medicare and medicaid on a basis which includes the principal capital investments, and includes the interest that is expended? Will the Senator's amendment, which does not mention those two factors by direction, cover them by indirection, in that it would provide, as I understand it at least, that the per capita cost charged in that community and by that facility for the rendition of similar services would be the charge recognized?

Mr. MILLER. The Senator is correct. This is the principal thrust of one part of my amendment.

There are two parts to my amendment. The first is the per diem part; the second is reimbursement on the fair market value of the facility.

With respect to the first part, it is the per diem approach that most of the hospitals wish. I should point out, however, that there are some hospitals that do not want the per diem basis. Therefore, my amendment provides that the per diem basis will be at the option of the provider of services.

Mr. HOLLAND. That means the hospital?

Mr. MILLER. The hospital or the nursing home or other type of facility.

If they do not wish to use the per diem approach, then the amendment provides that the provider of services will have his costs reimbursed on a per unit per capita, or other basis. The "other basis" could include the present basis.

We were told that there was one hospital which did a lot of teaching, and that the per diem approach did not fit their requirements. That is the reason why we left it open, so that, at their option, they could have the per diem; if they did not wish to have per diem, then it would be on some other basis established by the regulation.

With respect to this capital matter, I invite the attention of the Senator to the fact that the amendment strikes all of the bill starting on line 1 on page 133 through line 25 on page 139.

Mr. HOLLAND. That is the portion of the bill which incorporates the provisions that are so seriously objected to by the people from whom I have heard.

Mr. MILLER. That is correct; but I should like to add this caveat: If that portion of the bill is struck out, and my amendment is inserted in lieu thereof, we will be eliminating the absolute requirement that capital investment be limited, and that the capital investment is approved by State planning agencies.

At the same time, I do believe that it is fair to say that the intention behind this amendment is not that hospitals should overlook State planning agencies' plans. They should not feel that they have carte blanche to go out and invest in expensive capital equipment and facilities which unduly or unnecessarily duplicate those of some other facility in the same community.

The intention is that they will coordinate with the State planning agencies, with a view to avoiding, as far as possible, the duplication of high-cost items. If they do not do that, of course, they naturally increase the average per diem cost in the community.

That is another aspect of the average per diem cost in the community which my amendment seeks to avoid. I think it is better, in this way, to encourage the hospitals to coordinate with State planning agencies, than as the bill now provides to require that they do so, and, in effect, give the State planning agencies complete control over their capital investments.

Mr. HOLLAND. Mr. President, if the Senator will yield to me for a general statement, I am glad to see that the distinguished Senator from Alabama [Mr. Hill] is present, because his interest and concern with hospitals and their proper operation is well known; and I am also glad that the Senator from Louisiana is here, and I hope he will follow my remarks, which will not be of undue length.

I have received a number of telegrams and letters, and I note that they are all from relatively small hospitals that have been hard hit, as they have complained to me for months now, by the methods followed in the medicare program.

For instance, a gentleman who is my longtime friend, and is attorney for several of these hospitals, has called me on the telephone to talk at length about it, to say that more than 30 percent of the patients in the hospitals which he represents, which are all relatively small, are medicare patients. They are operating at a very great loss, and they will soon have to go out of business.

I have letters and telegrams here, two of which I would like to read because I think they express the point I wish to stress.

The first is a letter from St. Anthony's Hospital, Inc., St. Petersburg, Fla., signed by Sister Mary of Lourdes, O.S.F., administrator. It reads:

November 15, 1967.

Hon. Spessard Holland,
U.S. Senate,
Washington, D.C.

Dear Senator Holland: I urge that you do all within your power to bring about the removal of the provision in the Senate measure similar to that defeated in the House in H.R. 12080, which would deny reimbursement to hospitals of amounts representing depreciation and interest attributable to "substantial capital items"—expenditures which were not in accordance with a state's overall planning under the Partnership for Health Act.

Depreciation is a return to the hospital of expenditures already made—and hospitals need the funds to make mortgage payments. Further, making capital expenditures subject to a state planning agency—financed by a federal grant—is an unwarranted interference in the rights of hospital trustees to control finances of individual hospitals. Hospitals will support "voluntary" planning but can tolerate no further erosion of the reimbursement and still make mortgage payments and buy new equipment.

Sincerely,
Sister Mary of Lourdes, O.S.F.,
Administrator.

I have a similar communication, a telegram in this instance, from another Catholic hospital, the Sacred Heart Hospital in Pensacola, Fla., signed by Sister Anne William, administrator.

I shall not read this communication. I ask unanimous consent to have it printed at this point in the Record.

There being no objection, the telegram was ordered to be printed in the Record, as follows:

Hon. Spessard L. Holland,
U.S. Senate,
Washington, D.C.:

We urgently request that you use your influence to defeat the Senate provision to the amendment of H.R. 12080 that would deny reimbursement of amounts representing depreciation and interest attributable to "substantial capital items." Our trustees would recommend cancellation of our medicare contract if this provision became a law.

We are indeed grateful for your continued support in these important matters.

Sister Anne William,
Administrator, Sacred Heart Hospital.

Mr. MILLER. Mr. President, that is the very point I wish to emphasize. The hospital administrator from the State of Florida who wrote to the Senator was complaining about the rigid requirement that a hospital must coordinate the whole capital investment program with the State planning agency.

That is what the bill now provides. My amendment would strike that all out. It does not say anything about a State planning agency as such. It merely provides that in determining this per diem there shall be taken into account the prevailing per diem rate in the community.

If that is done, that will indirectly cause hospital administrators to be very careful that they do not engage in high-cost capital investments that will be wasteful or duplicative.

I do not think we will have much

difficulty with that anyway. However, in any event it will not do any harm for the hospitals in the community to sit down with the State planning agency and try to coordinate their hospital services. Perhaps one hospital wishes to have a kidney machine and another hospital wishes to have a new type of heart machine instead. If everyone is to have the same type of equipment, there would be a problem.

Hospitals that would disregard this provision would do so at their peril and get out of step with the prevailing per diem in the community. The amendment would serve in that way as a salutary inducement and encouragement to do something with voluntary State planning agencies.

I think that would achieve the objective of the writer of the letter to which the Senator referred.

Mr. HOLLAND. Mr. President, I have here a telegram from a small hospital at Dunedin, Fla. Dunedin is a beautiful little city just north of Clearwater. The communication reads:

Mease Hospital, Inc.,
Dunedin, November 15, 1967.

Re: H.R. 12080 Social Security Amendments.

Hon. Spessard Holland,
Senate Office Building,
Washington, D.C.:

Urge removal of amendment denying reimbursement for depreciation and interest. Large numbers of hospitals are entirely dependent upon these funds to meet mortgage obligations. This is appropriate reimbursement for past capital expenditures. Such usurping of authority of hospital trustees in controlling hospital finances would result in consideration of decision to participate in medicare.

Urge your careful attention to this most urgent matter.

Donald M. Schroder
(For trustees).

That is another private hospital.

I have so many of these items that I shall not put them all in the Record.

I have a letter from Mr. William J. Schneider, administrator of the Fish Memorial Hospital, at New Smyrna Beach, Fla. That is a relatively small city and a relatively small hospital.

The letter reads:

November 14, 1967.

Dear Senator Holland: Let me urge you to consider the removal of the provision in the Social Security Amendment (H.R. 12080) which restricts reimbursement to hospitals for depreciation and interest on capital expenditures that are not approved by some state planning agency.

Such a law, if passed, can only work to the long range detriment of the health field by preventing the trustees of hospitals from carrying out their responsibilities for providing the health facilities of local communities. Further, this law would negate the efforts of administrators in operating hospitals on a sound fiscal basis while participating in the medicare program, and would further increase the cost to the paying patient.

Thank you for your continued interest in our health facilities.

Very truly yours,

William J. Schneider,
Administrator.

I have received other communications from throughout the State that indicate that unless the hospitals do get a fair allowance based upon their capital investments and their interest charges, as well as other items, they will just have to discontinue their taking care of medicare patients, which they do not want to do.

The telegrams speak for themselves. I shall not even have them printed in the Record. However, I do want to give the names of persons from whom I have received some of these wires.

I have a telegram here from S. R. M. Innocent, R.S.M., Holy Cross Hospital, administration. That is another Catholic hospital. It is located in Fort Lauderdale, Fla.

I have one from Leo Wotitzky, president of the Charlotte Hospital Association, Inc., and Robert O. Bruce, executive director of the Medical Center, Punta Gorda, Fla. That is another small town and a small hospital.

I have another communication from Mr. W. L. Simon, administrator of the North Miami General Hospital, North Miami, Fla. That is to be distinguished from Miami, the larger city. North Miami is a relatively small city in the north part of that area.

I have a communication from C. A. Severs, executive director of the Doctors' Hospital of Sarasota, Inc., Sarasota, Fla.

I have another communication from Russell T. Clayton, administrator of the Bethesda Memorial Hospital, and Mr. William F. Koch, chairman of the board of hospital commissioners of the Bethesda Memorial Hospital, Boynton Beach, Fla. That is another small town and a relatively small hospital.

There are other communications here. I will not try to include all the names.

I have received, in addition, communications from the head in Florida of the hospital association and one from the head, here in Washington, of the American Hospital Association, who states that he speaks for 7,000 of the Nation's hospitals, and that he strongly protests this action.

It seems to me that when the burden of all of these communications is that the medicare service will be discontinued by many small hospitals in relatively small communities unless something of this sort is done, and that the charge to patients other than medicare patients will have to be raised. The seriousness of this point stands out.

I suggest that the amendment of the Senator from Iowa does deal adequately with this problem, as I am inclined to think it does.

My legislative assistant has called the American Hospital Association, in Washington, and they think it does. If it does not, I am sure that if we can include this proposal in the bill, the conferees can find out exactly what is the meaning and make a correction, because I am sure we are all agreed that we do not want to handicap the medicare program, nor do we want to see hospitals continuing to operate at a loss simply because they are handling that program.

Regardless of how we may feel toward medicare, in my State, at least, which has so many elderly people, it has come to be, particularly in the smaller towns where the retired people like to stay, a very large part of the business of the average small hospital. So the program must be placed on an adequate basis, or it will dry itself up. It just cannot be continued if it is not on an adequate basis.

I do not know what the attitude of the distinguished chairman of the committee is on this proposal, but I would express the strong hope that he might take the amendment, have it studied in conference, and bring out whatever is the exact language that will cure the situation. If this will not correct it, let us bring out something that will. I am sure that the chairman would not want to bring about the hardship of closing hospital doors to medicare patients, or possibly even closing small hospitals in the way that is indicated.

I strongly support the Senator from Iowa in his effort. In fact, I was planning to draft an amendment myself when I was told by the American Hospital Association that the amendment of the Senator from Iowa would meet this issue. I strongly hope that the Committee on Finance, and especially the chairman of the committee [Mr. Long], who is handling the bill so ably on the floor of the Senate, may see fit to take the amendment and make certain that in the final version we will have something that is fair to the Nation—yes, we all represent the Nation—and is also fair to the small hospitals and fair to Medicare patients in our communities, because they do not, in all communities, have access to the very large publicly supported hospitals.

Mr. MILLER. Mr. President, I wish to thank the Senator from Florida for his very able thoughts on this amendment. I should like to assure him that this amendment was most carefully drawn after close consultation with various hospital groups.

The hospital association in my home State was very carefully coordinated with on this, and they in turn very carefully coordinated it with other organizations, including the National Hospital Association.

I should also like to point out that during our consideration of this amendment and in our consultation with the hospital people, there never was any effort on their part to try to gain a windfall or to overreach or to dig into the treasury for an unwarranted sum of money. They want to perform a service, but they do not believe that they can perform their service under the present formula. They have very good reasons for this belief.

Furthermore, as I have pointed out, they are bogged down with all types of accounting and bookkeeping which, in my judgment, is enough to try the patience of a saint. I do not know how they have been able to get along as well as they have thus far.

As I have said, some hospitals will not desire the per diem approach. My guess is that most of them will. All of this will be saved. They will be on a basis that has been recognized by Blue Cross and Blue Shield for a long time. I believe it will get the job done very well, and it certainly merits a fair trial.

I hope the Senator from Louisiana will see fit to acquiesce in the request of the Senator from Florida that this proposal be taken to conference.

Mr. LONG of Louisiana. Mr. President,

since the medicare bill went into effect, the costs of hospital benefits has advanced under the program by approximately $1 billion a year. It has been in operation about a year and a half, and in this bill we have to raise taxes by $1 billion to cover the increased cost since the last time we looked at the medicare program. If we did everything for the hospitals that the hospital administrators believe is necessary and desirable, it might increase the cost of this program another $2 billion right now. We do not have money in this bill to pay an additional $2 billion.

We plan to look more deeply into this matter when we have more time to work on it, because there may be a great deal of merit to what the hospital administrators say; and we probably will accede to some of their suggestions. Naturally, when we study it more, we will know more about the merits and the demerits of their case.

I cannot agree with one feature of the proposed amendment, and it arises entirely out of a misunderstanding between those who represent the hospital associations in Washington and those of us who drafted the bill. It is an unfortunate misunderstanding. They have misinformed the members of their association, with the result that, I suppose, by now they have wired all Senators requesting them to vote to strike out the language that appears on pages 133 through 139. This is completely meritorious language and should not be stricken from the bill. The language on those pages seeks to make some savings in a most reasonable way, looking to the future. It does not take anything away from hospitals. It just says, for instance, looking into the future, that if you have a big surplus of hospital beds in a town and someone wants to build another hospital or build room for an additional 100 beds and the State "Partnership for Health" agency does not think it necessary and affirmatively and specifically disapproves of it, then we are not going to pay depreciation or interest on debt incurred by somebody for building a lot of surplus beds when there is already a surplus in the area.

If there is no State planning agency or, if the planning agency does nothing, that would be all right. The surplus beds would be built, and we would pay all the costs of care in those beds. We are not complaining about that. We are saying that where the States do have a planning agency—most of them do—and the planning agency affirmatively and specifically tells the facility that this is not needed, and it still goes ahead and does it anyway, we do not propose to pay depreciation and interest on the debt for that disapproved addition out of the medicare program.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. HOLLAND. Mr. President, I thoroughly agree with that statement, and I do not see how anybody could take issue with it.

We are talking about long-established hospitals, with capital assets that in part they have paid out and in part is still owed in mortgages, and they are paying interest on those mortgages; and we believe that the value of their capital investments, the depreciation therein, and the interest are all items which should be taken into account. That would be done in any other private business.

Mr. LONG of Louisiana. That is not what I am talking about at the moment. I am speaking about lines 1 and 2 of the proposed amendment, which would strike out six pages of very good language in the committee bill. This language was put in by the committee. And may I say that that language is what should be done, as modified by the Senator from Nebraska.

If an agency affirmatively says this is not needed, we would respect that statement.

We believe that the wires from the hospital associations arise entirely from the fact that they have not read the committee report. The committee report was not available until the morning we took up the bill. In an attempt to inform everyone as to what was in the bill, we furnished a little blue pamphlet, which apparently those who represent hospital associations in Washington must have read. From this thumbnail sketch of the amendment, they have read into it something it does not do. If they read the committee report, their fears will be allayed, and they will realize that the language on the six pages to which I have referred would not do what they think. It is an unfortunate misunderstanding. I do not believe anyone could quarrel with what the committee has done in that regard.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. CURTIS. When this language was originally proposed, as I recall, the hospital had to get an affirmative ruling from the State hospital planning board. I opposed it because I did not believe it was necessary.

In the State of Nebraska, the only places where we have a number of hospitals are Omaha and Lincoln. They have this system on a voluntary basis at present and have had it a long time. If one hospital goes into open heart surgery, another hospital does not do it.

I do not believe this language is necessary. It was finally changed so there was not a burden on the hospital to get approval, but he would not have been interfered with if the State planning board did not take action to deny it.

I desire to comment briefly about the other proposal of the distinguished Senator from Iowa. I am in sympathy with it. I do not regard it as opening and enlarging the medicare program. It is a matter of efficient and fair treatment of our hospitals.

Congress chose to make medicare uniformly available, as a matter of right, to all people over 65, regardless of income; and when we did so, we placed a terrific burden on the hospitals.

I do not believe any Senator wishes to have the Government's money spent in auditing hospitals. They would rather have that money spent for caring for people. I do not believe Senators wish to see a hospital's budget unnecessarily spent in cost accounting to satisfy the government.

Frankly, I am not sufficiently competent as a cost accountant to pass on the merits of the entire amendment offered by the Senator from Iowa. I am in favor of its objective, although I have consistently voted against expanding the program. I believe that if you are going to have the program, the cost of it must be paid by the funds provided, and it should not be subsidized by the hospitals.

Neither should the care of medicare patients be subsidized by other patients in the hospital. That is what it amounts to. I mention that our two larger cities in Nebraska and cities elsewhere would be money ahead if they would settle on a reasonable charge rather than a cost. If you have costs you have to have figures to have the cost and it takes more to take care of that than it does to cure the sick. In rural hospitals they are able to look at it and tell if that is a reasonable charge, and that should be the end of it.

I am not passing on the adequacy or the inadequacy of the amendment because I do not feel competent to do that. However, I hope that something can be done to meet the objective of the Senator from Iowa before the bill becomes law.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. PASTORE. I wish to ask the chairman of the committee a question. Does the Senator admit there is a loss to the hospital under present procedures?

Mr. LONG of Louisiana. No, I do not admit it; but I am aware of the complaints that the hospitals make about this. I agree that this is a matter we should look into.

Mr. PASTORE. Then there is some substance to the allegations made that the hospitals are, to some extent, subsidizing this program.

Mr. LONG of Louisiana. They have just closed their fiscal year, and we are still analyzing the books. They contend that is so. They are honest and decent institutions, and they are not trying to victimize the public.

Mr. PASTORE. Why would it not be a good idea to take the matter to conference? If there is no validity to it, it can be disposed of there. If there is some validity then it can be considered further. We are the ones who initiated the medicare program and thrust the burden upon these hospitals. They are all nonprofit institutions and they are not making money, although they are pretty well managed. They are out to serve the people.

I do not see how, through an act of Congress, we can place an imposition on a hospital which is nonprofit to subsidize the program. I do not understand the weight of the argument that it is going to cost money. All of the program is going to cost money, but the question is: Who is going to pay for it?

Mr. LONG of Louisiana. The costs of hospital care under medicare is going up a billion dollars a year. If we did everything they would like us to do it might cost as much as $2 billion a year more.

If we take lines 1 and 2 of the amendment we will not be permitted to go to conference.

Mr. PASTORE. On that question, cannot the Senator from Iowa concede to that argument and take that part of the amendment out, and let us reach some understanding? I do not think we are going to resolve this intricate problem this afternoon at 15 minutes after 5. It is not going to happen. There should be a sensible and reasonable approach.

I think the Senator from Louisiana makes a good argument on the six-page provision, and the Senator from Iowa makes a good argument on the other point. Let us be sensible, fair, and expeditious.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. HOLLAND. I agree with the Senator from Rhode Island. I was going to make a suggestion that the Senator from Iowa consider, in place of his striking out a part, to add the words at the proper place in the bill. Add the words, and then you will have both provisions, and the matter can be gone into in conference.

I am strongly of the feeling that there are two problems. The first problem is the financing of additional hospitals in the future; and the second problem is paying fair costs to hospitals in existence.

We have a great many hospitals in Florida, as Senators know. We try to take care of a community in which a large number of people are retired and aged people, even before medicare was thought of. That means we must have a large number of hospitals. We have a large number of hospitals, many of which are small hospitals. We have a great many county seat towns in Florida which have fine hospitals, and they are not publicly supported. They cannot continue to accumulate losses as they are doing.

The kind of assurances I have are such that I know that they are truthful and they come from people who know the facts and who are not interested in gouging Uncle Sam. They want to continue to render services and live. They are not asking for profits. They are community or church ventures. Two of these hospitals were created by money donated by Cary Fish, the former Ambassador to Egypt, who left the money in a will for hospitals to be built in New Smyrna and De Land. They are fine hospitals. I assisted in the inauguration of one of them years ago.

The people behind those hospitals are not seeking something to which they are not entitled, but something to enable them to continue to live and serve.

If the Senator can take this amendment, with such words as I indicated, to add at the proper place, it might be helpful. It is true that there will be confusion between the provisions of the bill and the amendment. However, that is what conferences are for, to work out confusion, as we have tried to work out confusion in the past. It seems to me that that might be the way to get this matter on the road.

Mr. MILLER. I appreciate the suggestion made by the Senator from Florida.

Mr. President, I would like to have just a few minutes to discuss this matter with the Senator from Louisiana. With the concurrence of the Senator from Louisiana, I suggest the absence of a quorum, and it will not be very long.

Mr. HOLLAND. Mr. President, I understand that the Senator from Montana is here and is ready to take up a matter.

I would suggest we set this matter aside temporarily.

The PRESIDING OFFICER (Mr. Bayh in the chair). Does the Senator withdraw his request?

Mr. MILLER. Mr. President, I withdraw my request. I ask unanimous consent that the matter may be temporarily set aside, and I yield to the Senator from Montana [Mr. Metcalf].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METCALF. Mr. President, I have two amendments. I send the first amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 275, line 15 of the bill, add the words "or other persons" after the word "mother."

Mr. METCALF. Mr. President, this is an amendment that would provide working mothers who are actually caring for children of preschool age will be exempt from some provisions of the Welfare Act.

The effect of this amendment would be that a grandmother, an elder sister, or an aunt, or somebody in that category could be considered as taking care of the children. We tried to take care of this in the report at page 148, where they say a mother or person acting as a mother.

Upon consideration I believe it would be better to spell it out in the law, in the statute, and insert the words "or other person" such as a grandmother.

Mr. President, I understand this amendment would be satisfactory to the chairman of the committee.

Mr. LONG of Louisiana. Mr. President, the Senator wants to make clear that the word "mother" could include some person who is acting in place of the mother in the home?

Mr. METCALF. Taking care of preschool children.

Mr. LONG of Louisiana. I think the amendment has merit.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. METCALF. I yield.

Mr. CURTIS. It would be with the same limitations that now exist with reference to a mother?

Mr. METCALF. The Senator is correct, and the language of the report would be unchanged.

Mr. LONG of Louisiana. I think the Senator is right about the matter, and the language should be broadened.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana [putting the question].

The amendment was agreed to.

Mr. METCALF. Now, Mr. President, I send to the desk another amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated by title.

The Assistant Legislative Clerk. Beginning on page 191, line 22, strike out all through line 4, page 193.

On page 193, line 5, strike out "(5)" and insert in lieu thereof "(2)".

On page 194, strike out lines 11 through 18.

On page 194, line 19, strike out "(e)" and insert in lieu thereof "(d)".

Mr. METCALF. Mr. President, I ask that the amendment be considered as read and that the various parts of the amendment be considered en bloc, and I will explain it.

The PRESIDING OFFICER. Without objection, the provisions of the amendment will be considered en bloc.

Mr. METCALF. Mr. President, this is a different amendment from any we have considered today. Before today, we have been considering amendments that broadened the scope of the bill, enlarged payments, or extended the time.

This amendment is a limiting amendment. It narrows and restricts the definition of "disability."

Under the bill before us, this "disability" is redefined so that an individual shall be determined to be under disability only if his impairment or impairments are so severe that he is not only unable to do his previous work but cannot, considering his age, education, and work experience, engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether such work exists in the general area in which he lives, or whether a specific job vacancy exists, or whether he would be hired if he applied for work.

A rather impressive list of witnesses, eight in all, testified before the Committee on Finance in opposition to this particular provision of the bill. So that Senators may have the full benefit of their thinking on this matter, I ask unanimous consent that the pertinent excerpts from the evidence submitted to the Finance Committee be printed at this point in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

DEFINITION OF DISABILITY

(AFL–CIO, statement of George Meany, hearings, p. 1434–35)

The House included a more restrictive definition of disability than now in the law by providing that a disabled worker is not eligible for disability benefits if he can engage in any kind of substantial gainful work which exists anywhere in the national economy.

The large majority of the seriously disabled are over 50. We all know that once an older, disabled person loses his job, his chances of obtaining a similar position are about zero. It is unrealistic and unfair to say to this severely disabled worker that he is not disabled because there may be employment someplace in the national economy which he might be able to handle even though he has no way of reaching that place and it is very unlikely he would be hired if he did apply. A major complaint of disabled workers has been the stringent administration of the disability provisions. Greater liberalization, not restriction is needed.

The problems of disability, age and unemployment are all interrelated and what is needed is a comprehensive and broad program to deal with them as a group. Many people suffer chronic ill health during their later working life. Unless they are so totally disabled that they can meet the stringent definition of disability in the Social Security Act, they are in an economic no-man's-land. They are unable to work but are not yet eligible for their regular retirement benefits.

There are a number of changes that could be made in the Social Security Act that would help alleviate this problem.

First, we feel there should be an occupational definition of disability that would permit older workers after age 50 or 55 to receive disability benefits if their disability prevents them from doing their usual occupation.

Second, an increase in the number of drop-out years in the benefit formula would also help. At the present time, the social security law permits the dropping out of 5 years of low or no earnings in computing a worker's benefit which does provide some limited protection against unemployment, illness and low earnings. Because of the low wage bases in the earlier years of the system, which must be used in computing the average wage on which benefits are based, the typical worker receives a low percentage of his wages earned shortly before retirement. The problem is compounded for older workers who are laid off by plant closings, technological changes, ill health, etc. who must include these years of low or zero earnings in determining their average wage. Additional drop out years would be of great help to them.

Third, the AFL–CIO also advocates a flexible zone of retirement between 60 and 65 that would permit retirement at age 60 with less than full actuarial reduction. In general, as workers grow older, they often find the pace of their work is beyond their physical ability. A flexible zone of retirement, if coupled with a substantial increase in benefits, would permit the individual to make a retirement decision during a period of years based on his financial resources, age, health and the nature of his occupation.

Though the social security program can be of considerable value to unemployed older workers, we know that it cannot solve what is essentially an unemployment problem. We are also advocating changes in other programs so that efforts in these various programs may dovetail to solve this social problem. It may not be possible to include all or most of our proposals for changing the Social Security law in this respect in the present legislation, but at the very least, Congress should refrain from making the problem of older workers more difficult by a more restrictive definition of disability.

DEFINITION OF DISABILITY

(American Foundation for the Blind, Inc., A. 168)

We are also pleased that H.R. 12080 has included disabled surviving divorced wives and disabled widowers for cash benefits. However, we believe that the requirement of attainment of age 50 for eligibility would work an undue hardship on otherwise eligible disabled widows, surviving divorced wives, and widowers. *Similarly, we believe that the definition of disability for these individuals is unduly harsh and should be made the same as the definition of disability for beneficiaries of the disability insurance program.* We also would strongly recommend that the cash benefits be 82½% of the primary insurance amount immediately upon eligibility for benefits rather than graduated from 50% to 82½%. The American Foundation for the Blind welcomes the extension of the provision covering blind persons between the age of 21 and 31 for cash disability insurance benefits to all types of disabled persons who meet the definition of disability in the law. *However, we believe that the guidelines in the new Section 223(d)(2)(A) concerning the definition of disability are unduly harsh. The individuals covered for cash benefits are severely disabled under the definition in the existing law, and this definition should not be made any stricter than it already is.*

DEFINITION OF DISABILITY

(Georgia Federation of the Blind, Conyers, Ga., A22)

CONYERS, GA.,
August 24, 1967.

Hon. RUSSELL B. LONG,
Chairman, Senate Committee on Finance
Senate Office Building,
Washington, D.C.

MR. CHAIRMAN AND GENTLEMEN OF THE COMMITTEE: You now have before you, for consideration, H.R. 12080 as adopted by the House. This bill contains many excellent and progressive amendments to the social security act and in general, the Georgia Federation of the Blind supports this bill.

However, Section 156 contains the most regressive and punitive definition of disability ever to be included in a public assistance law since the days of the Elizabethan "poor laws". This provision makes the existence of a theoretically possible employment for a disabled person sufficient grounds for denying public assistance payments, whether or not such employment opportunities actually exist for him. It is our belief that public assistance in all categories should be granted on the basis of definite, objective criteria and not be made subject to the whim of Federal and State officials. The great majority of the severely disabled earnestly desire to become self sufficient and contributing members of society. They should be encouraged and assisted to reach this goal. This certainly would not be the effect of the provision written into this bill by the House Committee.

We would like to see the present criterion for assistance to the "totally and permanently disabled", which admittedly is severely restrictive, modified so that the criteria used for eligibility for benefit payments to the disabled under Title II of the social security act would also apply to applicants for assistance to the disabled under Title XIV. This would require the elimination of the word "permanently" in this Title and the substitution in the definition of disabled, wording similar to that now contained in Title II.

We respectfully request that the Senate Finance Committee eliminate the phraseology to which objection has been voiced herein, and the inclusion in the Senate version provisions which will allow the totally disabled, whose disability has lasted or is expected to last for at least twelve (12) months, eligible for public assistance payments under Title IV of the Act.

Respectfully submitted.

NED FREEMAN,
President,
Georgia Federation of the Blind.

DEFINITION OF DISABILITY

(Gov. Philip H. Hoff, Vermont, A109; excerpt from September 8, 1967, letter to LONG)

(5) Social Security Disability Program: The bill sets a tighter definition of disability than presently exists in the law. The effect of this on the states will be to require denied applicants to seek public welfare under our State-Federal Aid to the Permanently and Totally Disabled Program. This simply amounts to an abrogation of responsibility on the part of the Federal Government and a pass on of the financial burden to the States.

DEFINITION OF DISABILITY

(Blinded Veterans Association, American Association of Workers for the Blind; excerpt from statement of Irvin P. Schloss, national president of Blinded Veterans Association, A160)

BVA and AAWB endorse the provision of H.R. 12080, which would make disabled widows, surviving divorced wives, and widowers eligible for benefits under age 62, even if they do not have minor children in their care. However, we believe that the requirement of attainment of age 50 for eligibility would work an undue hardship on these individuals. Similarly, we believe that the definition of disability for these individuals is unduly harsh and should be made the same as the definition of disability for beneficiaries of the disability insurance program. We also would strongly recommend that the cash benefits of 82½% of the primary insurance amount become available immediately upon eligibility for benefits rather than graduated from 50% to 82½%.

DEFINITION OF DISABILITY

(National Council of Senior Citizens; excerpt from statement of John F. Edelman, president, National Council of Senior Citizens, p. 1076–1077)

The House-passed bill contains a harshly restrictive definition of disability, forbids for widows without dependent children benefits below age 50, limits the primary benefit for widows at age 50 to half of the regular benefit with a gradual step-up in benefits determined by the age benefits begin.

DEFINITION OF DISABILITY

(Physicians Forum; excerpts from statement of Malcolm L. Peterson, M.D., chairman of the Physicians Forum, New York, N.Y., A242)

E. We regret the more restrictive definition of disability in H.R. 12080 as compared with the present law, and we regret the failure to included disabled beneficiaries under Medicare as recommended by the administration.

DEFINITION OF DISABILITY

(Excerpt from statement of Robert M. Gettings, assistant for governmental affairs, on behalf of the National Association for Retarded Children, p. 1935)

The House Ways and Means Committee expressed concern over several recent court decisions reversing departmental determinations of eligibility for disability payments. In these cases, HEW found that the individual was not absolutely disabled but only disabled relative to the local job market. In an effort to correct this situation, H.R. 12030 revises the definition of disability to provide that if the client can do appropriate work which is significantly available in any part of the economy he will not be considered disabled. This language has two drawbacks from the point of view of the retarded. First, a retarded individual may be able to live and work in the community if he is residing with his family but not if he must venture forth on his own without proper social shelter. Second, the definition of feasibility for purposes of vocational rehabilitation depends on the availability of suitable work opportunities locally or at least within the State. The House language would tend to hinder proper coordination between welfare and rehabilitation programs immediately after these two activities had been combined for administrative purposes in the new social and rehabilitation service. We respectfully suggest that this committee include clarifying language in its report to insure that the new House definition of disability does not work to the disadvantage of retarded citizens.

Mr. METCALF. Mr. President, we heard eight witnesses, all of whom testified against the change in disability. Only one witness in this voluminous record testified in support of the present language in the bill. He was Mr. Paul P. Henkel, chairman of the Social Security Committee of the Council of State Chambers of Commerce.

This is what he said:

> We do not oppose the disability insurance amendments proposed in H.R. 12080. We support the concern of the House Ways and Means Committee over the extension by judicial decisions of the definition of disability. We agree there is a need for a stricter definition.

Mr. President, in this whole record, the only justification for taking this backward step and abandoning the position we took on the Social Security Amendments of 1965 is the testimony by Mr. Henkel of the Council of Chambers of Commerce.

Actually, what has happened is that the social security system and the Department of Health, Education, and Welfare have lost a lawsuit. The courts have defined disability using definitions out of the Veterans' Act, out of the precedents of the Workmen's Compensation Act, and held against the present definition we have in the present bill.

Thus, all I am asking is to return to present law and remove this restrictive definition.

Going back to what the court has already defined, let me tell the Senate what it objects to. For instance, the administration is objecting to the case of Leftwich against Gardner.

Mr. President, the recent decision of the Court of Appeals for the Fourth Circuit in *Leftwich* v. *Gardner*, 377 F. 2d 287 (1967), has been criticized by the Social Security Administration and that criticism has been adopted in the committee report. I do not share in the criticism of that opinion. Because of the significance of that decision which centered on a disabled father of nine children and so that my colleagues may have the full benefit of the court's thinking, I ask unanimous consent to have the opinion printed in the RECORD.

There being no objection, the opinion was ordered to be printed in the RECORD, as follows:

John J. Leftwich, Appellee, *v.* John W. Gardner, Secretary of Health, Education, and Welfare, Appellant. No. 11015. United States Court of Appeals, Fourth Circuit. Argued March 7, 1967. Decided May 1, 1967.

Social Security case. The United States District Court for the Southern District of West Virginia at Beckley, John A. Field, Jr., Chief Judge, granted claimant a period of disability and disability insurance benefits and Secretary of Health, Education, and Welfare appealed. The Court of Appeals, Craven, Circuit Judge, held that where 52-year-old manual laborer suffered from spondylolisthesis and had congenital marked curvature of spine so that he could not stoop, bend or lift and suffered pain when he sat more than 10 minutes and all of the time while he was standing, he was totally and permanently disabled for purposes of disability benefits under the Social Security Act and fact that he chose to work every day as a dishwasher to support his family did not preclude him from recovering disability benefits.

Affirmed.

Before Sobeloff and Craven, Circuit Judges, and Harvey, District Judge.

Craven, Circuit Judge.

In this unusual social security case, claimant Leftwich was denied disability benefits at the administrative level largely because he has the admirable motivation to insist upon working for the support of his family despite physical inability to do so. There is more logic than common sense in such a result, and there is irony not intended, we think, by the Congress. We affirm the decision of the district court granting Leftwich a period of disability and disability insurance benefits.

[1] We have carefully reexamined the record as a whole before deciding that the decision of the Hearing Examiner and the Appeals Council is not supported by substantial evidence. "The substantiality of the evidence to support the Secretary's findings is the issue before each court." Thomas v. Celebrezze, 331 F.2d 541 (4th Cir. 1964), citing Farley v. Celebrezze, 315 F.2d 704 (3d Cir. 1963), and Ward v. Celebrezze, 311 F.2d 115 (5th Cir. 1962).

[2] Although we review the same record and make the same determination as made in the district court, "[i]t should hardly require articulation to note that an appellate court gives great weight both to the reasoning and conclusions of the district courts." Farley v. Celebrezze, supra, 315 F.2d at 705 n. 3. There is here no inconsistency: we are influenced by the decision of the district court, but we are not bound by it. See Roberson v. Ribicoff, 299 F.2d 761, 763 (6th Cir. 1962); Flemming v. Booker, 283 F.2d 321, 322 n. 4 (5th Cir. 1960).

In the Hearing Examiner's decision appears the following:

"The Hearing Examiner will not attempt to describe in detail each of the medical reports relative to the claimant or to describe the two hearings previously referred to,[1] since the Hearing Examiner feels that the primary issue to be resolved herein is whether or not the claimant's present job as a dishwasher at the Pinecrest Sanitarium, which he has been doing since around June 1960 to the present, constitutes the ability to engage in substantial gainful activity within the meaning of the disability provisions of the Social Security Act and the regulations implementing such provisions." Consistent with that position, the hearing held at Beckley, West Virginia, on September 7, 1965, lasted exactly fifteen minutes. At that hearing, the Hearing Examiner said:

"It would appear to the Hearing Examiner that the reason the claimant's application was denied was because of his work at the Pinecrest Sanitarium as a dishwasher and they apparently considered this as the ability to engage in substantial gainful activity."

We agree with the Hearing Examiner that it is unnecessary to narrate in great detail the medical history of claimant. Only a small part of it will make it crystal clear that but for the question posed by his minimal employment he would unquestionably have been found unable to engage in substantial gainful employment.

WORK HISTORY AND DISABILITIES

[3] Leftwich is now fifty-two years old. Although he has a high school education, his entire work history consisted of manual labor in the coal mines, where he suffered two severe back injuries, one in 1951 and another in 1953. In the first accident he suffered a fractured right clavicle, fractures of the ribs, and injuries to the lower back. In the later accident he suffered a ruptured disc, which was removed by surgery in 1954.[2] Since that year, he has suffered from spondylolisthesis. He also has a congenital marked scoliosis (curvature) of the spine. Flexion of the spine is limited to two-thirds and side bending and extension nil. As of 1963, Dr. Stallard reported that claimant's condition had grown progressively worse and that claimant could not stoop, bend, or lift. In a 1964 report, Dr. Raub concluded that the claimant was "quite disabled" and could not return to the mines.

The Hearing Examiner noted in his decision that one doctor "further commented that under modern screening processes and pre-employment examinations the claimant is barred from securing employment * * *."

Typical of medical opinion in the file is that of Dr. C. W. Stallard, who concluded as of May 12, 1961, "this patient is totally and permanently disabled from work."

In addition to the extremely limiting physical disability, Leftwich suffers from psychoneurotic symptoms which the neuropsychiatrist has predicted will continue "unabated". This condition was described as "moderately severe" and sufficient to make him a poor candidate for rehabilitative retraining.

Despite the foregoing, and much more, the Hearing Examiner concluded "that the objective medical evidence of record establishes that the claimant has suffered moderate impairments to his musculoskeltal [sic] system that would preclude him from engaging in any work requiring heavy manual labor or lifting, bending, stopping, etc. But the Hearing Examiner does not feel the objective medical evidence of record establishes that the residuals of the claimant's impairments to his musculoskeltal [sic] system would preclude him from engaging in all substantial gainful activity, particularly of a light or moderate type, and he so finds." We think it apparent that the Hearing Examiner and the Appeals Council accorded too much weight to the dishwashing job.

Much of the record and the Hearing Examiner's decision is devoted to consideration of claimant's having worked for approximately the past five years as a dishwasher at Pinecrest Sanitarium. Claimant says in explanation of his employment that his job is rather easy and that he is not pushed by his supervisor. He also says, and it rings true when read with the rest of the record, that he works days when he does not feel like it for the sake of his family. He has nine children dependent upon him. By way of corroboration, claimant has repeatedly advised doctors who examined him that he endures pain while he works for the sake of making a living for his family, that he has pain if he sits more than ten minutes, and that his back hurts all the time while he is standing.

Claimant started his dishwashing job on May 25, 1960. He put in ten hours a day at first, 240 hours a month, and earned $130.00 a month. As of 1965, his work day was eight hours, totaling 184 hours per month, for which he was paid $150.00. Although he is present at the place of work for an eight-hour day, he actually works only four to five hours per day. He washes dishes by the use of a dishwashing machine and scrubs aluminum pots by hand. He does no lifting. Claimant's supervisor testified that he was not capable of doing anything but dishwashing and pot washing, and that if he were, she would have assigned other duties to him. She disclosed that he could not have obtained his job without political influence and stated that a lot of employees at the sanitarium are persons who could not handle jobs in private industry.

The Hearing Examiner conceded that claimant "may well have gotten his job on the basis of politics," but he felt that claimant's position was not a "made" job involving minimal or trifling tasks which make little or no demand on the individual and are of little or no utility to his employer or to the operation of a business, and refused to apply the exclusion in the Regulations.[3] In making this determination, the Hearing Examiner adverted to Hanes v. Celebrezze, 337 F.2d 209 (4th Cir. 1964), and acknowledged that counsel for claimant urged its similarity to the instant case. The Hearing Examiner rejected the analogy in these words:

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[1] These were Workmen's Compensation hearings.

[2] Despite his serious injuries, claimant worked in the mines (after periods of recuperation) until in 1959 he was rejected by the company doctor.

[3] The exclusion reads as follows:" 'Made work', that is, work involving the performance of minimal or trifling duties which make little or no demand on the individual and are of little or no utility to his employer, or to the operation of a business, if self-employed,

"The Hearing Examiner also invites attention to the fact that the Administration does not acquiesce in either the results or the opinions expressed by the Fourth Circuit Court of Appeals in the *Hanes* case, and that it does not feel that the decision in the *Hanes* case is binding on it with respect to any other disability case."

We recognize that we are neither final nor infallible. However, we respectfully suggest that Hearing Examiners in this circuit may with some profit consider our prior decisions to see whether or not they have value as precedents.

In *Hanes*, supra, this court held that evidence of claimant's earnings of $125.00 per month as a building custodian did not by itself and in view of other evidence constitute substantial evidence to support the Secretary's decision that claimant was disqualified for benefits due to ability to engage in substantial gainful activity. Judge Boreman, writing for the court, expressed the view that "the court below erred in ascribing controlling significance to the evidence of claimant's earnings." The decision of the district court affirming denial of benefits by the Secretary was reversed.

In Flemming v. Booker, 283 F. 2d 321 (5th Cir. 1960), despite evidence that the claimant averaged five days a week work at a used car lot for which he was paid $15.00 or $20.00 a week, it was held that, nevertheless, the claimant had established his inability to engage in any *substantial* gainful activity. Judge Rives, speaking for the court, thought it not inappropriate to borrow tests of disability from other areas of the law. The quotations relied upon by the Fifth Circuit are worthy of reproduction here:

"In Berry v. United States, 1941, 312 U.S. 450, 455, 456, 61 S. Ct. 637, 639, 85 L. Ed. 945, Mr. Justice Black, speaking for a unanimous Court, said:

" 'It was not necessary that petitioner be bedridden, wholly helpless, or that he should abandon every possible effort to work in order for the jury to find that he was totally and permanently disabled. It cannot be doubted that if petitioner had refrained from trying to do any work at all, and the same evidence of physical impairment which appears in this record had been offered, a jury could have properly found him totally and permanently disabled. And the jury could have found that his efforts to work—all of which sooner or later resulted in failure—were made not because of his ability to work but because of his unwillingness to live a life of idleness, even though totally and permanently disabled within the meaning of his policies.' "

"In Mabry v. Travelers Ins. Co., 5 Cir., 1952, 193 F. 2d 497, 498, Judge Holmes, for [the Fifth] Circuit, said:

" 'Pinched by poverty, beset by adversity, driven by necessity, one may work to keep the wolf away from the door though not physically able to work; and, under the law in this case, the fact that the woman worked to earn her living did not prevent a jury from finding, from the evidence before it, that she was totally and permanently disabled even while working.' " 283 F. 2d at 324.

The similarity of Leftwich's situation to those of claimants in *Hanes* and *Booker* is apparent.[4] No two cases are, of course, exactly alike. But Hearing Examiners may not quit thinking when a claimant's earnings reach a magic mark.[5] The test is not whether Leftwich by will power can stay on his feet yet another day—but whether objectively and in the totality of circumstances, including especially his afflictions, he is disabled within the meaning of the Social Security Act. Substantial medical evidence establishes that claimant was totally and permanently disabled. In spite of such disablement, he chose to work every day to support his family. The statute defines disability as an "inability to engage in any substantial gainful activity." In this case, the emphasis properly is on *inability*. We think the Congress did not intend to exclude from the benefits of the Act those disabled persons who because of character and a sense of responsibility for their dependents are most deserving.

Affirmed.

Mr. METCALF. Mr. President, while there are enough Senators in the Chamber, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. METCALF. Mr. President, the appropriate part of the report begins on page 46, where it discusses the definition of disability and continues on through pages 47, 48, and 49.

The only justification given in the report for changing the definition is this:

> The Social Security Administration has indicated that in large part the reasons why a larger number of people than anticipated have become entitled to disability benefits are:
>
> (1) Greater knowledge of the protection available under the program leading to increased numbers of qualified people applying for benefits—

They are complaining about the fact that more people know about the basic rights that we have given them, and thus more qualified people are getting some benefits.

> (2) Improved methods of developing evidence of disability.

That means that they have learned about the case in court, the Leftwich against Gardner case, which the administration is complaining about, demonstrating that their disability makes them qualify under the law.

> (3) More effective ways to assess the total impact of an individual's impairment on his ability to work.

In a veteran's case, the Supreme Court unanimously declared, and in a case quoted in the HEW case, that a person does not have to be completely or totally disabled. They said:

> It was not necessary that petitioner be bedridden, wholly helpless, or that he should abandon every possible effort to work in order for the jury to find that he was totally and permanently disabled.

What is wrong with that?

That is basic law. That is in the basic Workmen's Compensation law in most States.

Continuing to read:

> It cannot be doubted that if petitioner had refrained from trying to do any work at all, and the same evidence of physical impairment which appears in this record had been offered, a jury could have properly found him totally and permanently disabled. And the jury could have found that his efforts to work—all of which sooner or later resulted in failure—were made not because of his ability to work but because of his unwillingness to live a life of idleness, even though totally and permanently disabled within the meaning of his policies.

Continuing to read:

> Pinched by poverty, beset by adversity, driven by necessity, one may work to keep the wolf away from the door though not physically able to work; and, under the law in this case, the fact that the woman worked to earn her living did not prevent a jury from finding, from the evidence before it, that she was totally and permanently disabled even while working.

Mr. President, the law now, as written by the committee, states that his physical or mental impairments are of such severity that not only was he unable to do his previous work but he cannot, considering his age, education, and work experience, engage in any other kind of substantial gainful work which exists in the national economy, regardless of whether such work exists in the general area where he lives, or whether a specific job vacancy exists for him, or whether he would be hired if he applied for one.

There is an exceptional case of a man disabled in the mines, as in the case of Leftwich against Gardner, in Montana.

They say, well, he cannot work in the mines any more, but he could answer the telephone for Arthur Murray, who teaches dancing back in New York, that since he could solicit people on the telephone for dancing lessons, as part of the national economy, he would have to leave his State and go to New York and participate in such an activity.

Of course, that is probably beyond—coming up under the definition—even what the Secretary would apply.

Actually, what the Secretary could apply under this conclusion is that a man would have to leave the geographic area in which he lived and he would have to engage in work in which he had no experience either by age, education, or training, and if such work were available in the national economy, whether he could get to it or not, whether he would be available or not, whether a vacancy existed, he would still be disqualified because of disability.

Yet, when we made the change in 1965, and changed the definition of disability, we broadened and liberalized this portion of the act because those who are disabled needed this sort of liberalization.

For instance, the courts have applied this precedent in other areas—veterans, workmen's compensation—to the detriment of the definition laid down by the Secretary or the Hearing Examiner.

The reason stated to take this severe backward step, to broaden the bill, as the chairman has stated, to broaden the scope of social security, makes this the most important financial bill that has ever come before the Senate so far as

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does not demonstrate ability to engage in substantial gainful activity."

[4] But cf. Canady v. Celebrezze, 367 F.2d 486 (4th Cir.1966); Simmons v. Celebrezze, 362 F.2d 753 (4th Cir.1966); Brown v. Celebrezze, 347 F.2d 227 (4th Cir.1965).

[5] 20 C.F.R. § 404.1534 provides in pertinent part:

"(b) *Earnings at a monthly rate in excess of $100.* An individual's earnings from work activities averaging in excess of $100 a month shall be deemed to demonstrate his ability to engage in substantial gainful activity in the absence of evidence to the contrary.

increasing and broadening social security is concerned.

But, so far as those who are, unfortunately, disabled, are concerned, we are going back to make this a more limited bill than we have ever had before.

I submit, Mr. President, that these people want to come in and win their lawsuits. They should, therefore, at least appeal some of the cases to the Supreme Court and get some legal definition before they come out to the Senate and try to have us pull their irons out of the fire.

I submit that we should go back to existing law. We should return to the law we passed in 1965.

Mr. President, I ask unanimous consent that, as a part of my remarks, an excerpt from the Senate committee report of 1965 be included in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

4. AMENDMENTS OF DISABILITY PROGRAM

> The Social Security Amendments of 1956 extended the insurance protection of the social security program to provide monthly benefits for persons with disabilities of long-continued and indefinite duration and of sufficient severity to prevent a return to any substantial gainful work. In providing this protection against loss of earnings resulting from extended total disability, the Congress designed a conservative program. Amendments enacted in 1958 and 1960 liberalized the disability program, among other changes, extended benefits to wives and children of the disabled, and provided for the payment of benefits to disabled workers under age 50, who had previously been excluded. All the recommended changes in the disability provisions of the program would be adequately financed from the contributions the committee is recommending be earmarked for the disability insurance trust fund.
>
> (a) *Elimination of the long-continued and indefinite duration requirement from the definition of disability.*
>
> Under present law, disability insurance benefits are payable only if the worker's disability is expected to result in death or to be of long-continued and indefinite duration. The House bill would broaden the disability protection afforded by the social security program by providing disability insurance benefits for an insured worker who has been totally disabled throughout a continuous period of 6 calendar months. The committee believes that the House provision could result in the payment of disability benefits in cases of short-term, temporary disability. Under the House provision, for example, benefits could be paid for several months in cases of temporary disability resulting from accidents or illnesses requiring a limited period of immobility. The committee believes, therefore, that it is necessary to require that a worker be under a disability for a somewhat longer period than 6 months in order to qualify for disability benefits. As a result, the committee's bill modifies the House bill to provide for the payment of disability benefits for an insured worker who has been or can be expected to be totally disabled throughout a continuous period of 12 calendar months. (Disability insurance benefits would also be payable if disability ends in death during this 12-month period, provided the worker has been disabled throughout a waiting period of 6 calendar months prior to death.) The effect of the provision the committee is recommending is to provide disability benefits for a totally disabled worker even though his condition may be expected to improve after a year. As experience under the disability program has demonstrated, in the great majority of cases in which total disability continues for at least a year the disability is essentially permanent. Thus, where disability has existed for 12 calendar months or more, no prognosis would be required. Where a worker has been under a disability which has lasted for less than 12 calendar months, the bill would require only a prediction that the worker's disability will continue for a total of at least 12 calendar months after onset of the disability.
>
> The House bill modifies the provision of present law under which the waiting period is waived in subsequent disability so as to make this provision more restrictive when applied to short-term disabilities. Since, under the definition the committee is recommending, disability protection would be limited to workers with extended total disabilities the same test of disability initially applied should also be applicable in second and subsequent disabilities. Under the provision in the committee bill, benefits would be paid beginning with the first month of onset of the second or subsequent disability and without regard to the waiting period requirement if the individual is under a disability which occurred within 5 years of the termination of his previous disability and which can be expected to result in death or has lasted, or can be expected to last, for a continuous period of not less than 12 calendar months.
>
> The modification in the definition of disability recommended by the committee does not change the requirement in existing law that an individual must by reason of his impairment be unable "to engage in any substantial gainful activity."
>
> An individual with a disabling impairment which is amenable to treatment that could be expected to restore his ability to work would meet the revised definition if he is undergoing therapy prescribed by his treatment sources, but his disability nevertheless has lasted, or can be expected to last, for at least 12 calendar months. However, an individual who willfully fails to follow such prescribed treatment could not by virtue of such failure qualify for benefits.
>
> The committee expects that, as now, procedures will be utilized to assure that the worker's condition will be reviewed periodically and reports of medical examinations and work activity will be obtained where appropriate so that benefits may be terminated promptly where the worker ceases to be disabled.
>
> The committee retains the provision in present law under which payment of disability benefits is first made for the seventh full month of disability. The House bill would have authorized payments beginning with the sixth full month of disability.
>
> It is estimated that if benefits were payable for disabilities that are total and last more than 12 calendar months but are not necessarily expected to last indefinitely, about 60,000 additional people—workers and their dependents—would become immediately eligible for benefits. Benefit payments under the provision in 1966 would total $40 million.

Mr. CURTIS. Mr. President, I am not out of sympathy with the individual cases in which the Senator from Montana is interested. We have, however, a far broader question before us. When it was undertaken to pay benefits to a disabled person just as though he were retired because of age, the decision was arrived at to make it a narrow definition.

Those who are interested might turn to the committee report beginning near the bottom of page 46, which reads:

> The present law defines disability (except for certain cases of blindness) as the "inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months.

We have this strange situation. This narrow definition has been enlarged by interpretation of the courts. It is quite unlikely that any of those decisions will ever get to the Supreme Court. Consequently, courts all over the land have proceeded in various ways. The result is that the cost of disability retirement pay has gone up and up.

The allocation to the disability trust fund has increased from 0.50 percent of payroll in 1956 to 0.70 percent today, and will be increased to 0.95 percent by the committee's bill. In 1965 the Congress adopted an increase in the social security taxes allocated to the disability insurance trust fund; a large part of which was needed to meet an actuarial deficiency of 0.13 percent in the system. Again this year the administration has come to the Congress asking for an increase in the taxes allocated to that fund to meet an even larger actuarial deficiency, which has reduced the 0.03-percent surplus, estimated after the 1965 amendments, to a 0.15-percent deficiency.

What has happened is that even though the percentage of people in the total economy has not increased, the number of people who are now on disability retirement has increased. Because the Ways and Means Committee felt that the definition of disability as originally written by the Congress was not being adhered to, it inserted this language and put further guidelines in it, as appears on page 48 of the committee report, where Senators will find the following interesting comments:

> When asked about the court decisions, the Social Security Administration summarized developments in the courts in some jurisdictions as—
>
> (1) An increasing tendency to put the burden of proof on the Government to identify jobs for which the individual might have a reasonable opportunity to be hired, rather than ascertaining whether jobs exist in the economy which he can do. Claims are sometimes allowed by the courts where the reason a claimant has not been able to get a job is that employers having jobs he can do, prefer to avoid what they view as a risk in hiring a person having an impairment even though the impairment is not such as to render the person incapable of doing the job available.
>
> (2) A narrowing of the geographic area in which the jobs the person can do must exist, by reversing the Department's denial in cases in which it has not been shown that jobs the claimant can do exist within a reasonable commuting distance of his home, rather than in the economy in general.
>
> (3) The question of the kind of medical evidence necessary to establish the existence and severity of an impairment, and how conflicting medical opinions and evidence are to be resolved.
>
> (4) While there have heretofore been no major differences by or among the courts on the issue of disability when the claimant was performing work at a level which the Secretary under the regulations had determined to be substantial gainful activity, this issue was recently highlighted and publicized in the case of *Leftwich* v. *Gardner*. The Fourth Circuit Court of Appeals in this case held that the claimant was under a disability despite his demonstrated work performance considered by the Secretary to be substantial gainful activity.

Then the Finance Committee said this:

> The committee concurs with the statement of the Committee on Ways and Means instructing the Social Security Administration to report immediately to the Congress on future trends of judicial interpretation of this nature. As a remedy for the situation which has developed, the committee's bill would provide guidelines to reemphasize the predominant importance of medical factors in the disability determination.

In summary, it amounts to just about this: Congress provided for the disability program. It provided for the degree of disability. The Ways and Means Committee of the House and the Finance Committee of the Senate found that that definition of disability was being exceeded and they placed in this bill some guidelines. I believe they should be left in there. I think to depart from a rather strict and narrow definition of disability in the social security program would be a mistake. That is not to say that some people should not have consideration in other programs. I regretfully express the hope that the amendment will not be adopted.

Mr. METCALF. Mr. President, I shall take only a few minutes.

I have a memorandum from Robert J. Myers, Chief Actuary of the Social Security Administration, which reads:

> H.R. 12080, both as passed by the House and as reported by the Finance Committee, would provide a more detailed definition of "disability" as used in determining eligibility for disability benefits under Social Security. It has been proposed—

That is my amendment—

> that this detailed definition should be eliminated, so that the definition would then be that in present law.
>
> In my opinion, such a change would not necessitate any increase in my estimate of the cost of the program, since I did not reduce the cost estimate when the more detailed definition was added to the bill. But, in the absence of the more detailed definition, there is a much greater likelihood that the costs actually developing will exceed my intermediate-cost estimate.

So we do not need to add any further taxes; we do not need to add any further increases; this amendment goes back to existing law.

I point out that in the Leftwich case, which I mentioned and which the Senator from Nebraska [Mr. CURTIS] mentioned, Mr. Leftwich was denied disability benefits by the hearing examiner and Secretary. Mr. Leftwich could not stoop, bend, or sit down for more than 10 minutes. Yet he took a job as a dishwasher at $130 a month to support himself and nine children. The Circuit Court of Appeals for the Fourth Circuit, quite properly, I think, held that, under that definition, a man who could not bend, stoop, or sit for very long yet who took a job at $130 a month while he was under physical pain at all times was entitled to disability benefits.

That is all I seek: To go back to that kind of definition, to return to the kind of language that we had in the bill in the 1965 act, which to my mind actually protects all the people who need to be protected, protects the financial integrity of the act, and will prevent us from taking the backward step we would be taking should we adopt the definition that is now in the bill.

Mr. LONG of Louisiana. Mr. President, it was my privilege to be a part of the fight and a cosponsor of the Senate amendment which provided that disabled people could receive social security benefits. I recall that at the time we agreed to it, it carried by a very close vote.

I was one of those who prevailed upon the former chairman of the committee, Senator Walter George, of Georgia, to offer the amendment on behalf of himself and a number of other Senators—I believe the Senator from New Mexico [Mr. ANDERSON] may have been one of them—by which we voted disability insurance into the act.

One of the big problems has been that the cost of this program, relative to payroll, has been increasing. For example, the cost of disability insurance has moved up from one-half of 1 percent of payroll to seven-tenths of 1 percent of payroll, and this bill would advance that cost to 0.95 percent—roughly 1 percent of payroll—to cover the cost of this protection.

So the cost of disability insurance, measured against the total earnings of the people of this country, will thus have doubled since we put it into effect in 1956.

One thing which has added to the increase in cost has been the fact that Federal courts have had considerable sympathy for those who appear before the courts and urge that they should be entitled to benefits as disabled people.

It is a relative thing. In the State of Louisiana, for example, under its workmen's compensation program, good lawyers—my father being one of them—over the years, were successful in persuading the courts that a man is totally and permanently disabled when he can no longer hold the same job he had in the past. Under workmen's compensation there might be a specific allowance provided for the loss of a hand. However, a man who, for example, had been working on the railroad and lost his hand might also be regarded as totally and permanently disabled, even though he could still do many other things. As a matter of fact, one man whom I highly respect lost his hand while working on the railroad, went into other businesses, was very successful at them, and is today one of the richest men in the city. Even though at the time of his accident no employer would hire a man with but one hand, he was later extremely successful despite his disability.

The courts, as I say, tend to be very sympathetic toward disabled persons, so much so that the House committee felt they had gone far beyond the intent of Congress when it enacted the disability program which was in general based on the idea that if there is a job available, that he could do, not in a few isolated places, but in a considerable number of places in the national economy, even though it might not be available in the man's hometown, he should not be regarded as disabled.

If Senators wish to hold to the court decisions on this matter, which have tended to liberalize the interpretation of the law beyond what the House of Representatives felt Congress intended when the program was enacted, that must be left to the judgment of each individual Senator. As pointed out by the Senator from Nebraska, this tightening of the definition was by way of insistence that we adhere to what the House committee had in mind as to the intent of Congress when this provision was originally enacted. I have great sympathy for the position of the Senator from Montana, but I feel also that we have a real cost problem to contend with here. This, the House thought, and the Senate committee concurred, is one area where the cost of the program could be restrained.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Montana. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from Alaska [Mr. GRUENING], the Senator from Hawaii [Mr. INOUYE], the Senator from North Carolina [Mr. JORDAN], the Senator from Missouri [Mr. LONG], the Senator from Arkansas [Mr. MCCLELLAN], the Senator from Oregon [Mr. MORSE], the Senator from Connecticut [Mr. RIBICOFF] are absent on official business.

I also announce that the Senator from Virginia [Mr. BYRD], the Senator from Idaho [Mr. CHURCH], the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. ERVIN], the Senator from Tennessee [Mr. GORE], the Senator from Oklahoma [Mr. HARRIS], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Washington [Mr. JACKSON], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. KENNEDY], the Senator from Ohio [Mr. LAUSCHE], the Senator from Washington [Mr. MAGNUSON], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from New Hampshire [Mr. MCINTYRE], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Wisconsin [Mr. NELSON], the Senator from Georgia [Mr. RUSSELL], the Senator from Florida [Mr. SMATHERS], the Senator from Mississippi [Mr. STENNIS], the Senator from Georgia [Mr. TALMADGE], the Senator from Texas [Mr. YARBOROUGH], and the Senator from Louisiana [Mr. ELLENDER] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. CANNON], the Senator from Alaska [Mr. GRUENING], the Senator from Massachusetts [Mr. KENNEDY], the Senator from New York [Mr. KENNEDY], the Senator from Wyoming [Mr. MCGEE], the Senator from Connecticut [Mr. RIBICOFF] would each vote "yea."

On this vote, the Senator from South Carolina [Mr. HOLLINGS] is paired with the Senator from Louisiana [Mr. ELLENDER]. If present and voting, the Senator from South Carolina would vote "yea," and the Senator from Louisiana would vote "nay."

On this vote, the Senator from Oregon [Mr. MORSE] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from Florida would vote "nay."

On this vote, the Senator from Washington [Mr. JACKSON] is paired with the Senator from Ohio [Mr. LAUSCHE]. If present and voting, the Senator from Washington would vote "yea," and the Senator from Ohio would vote "nay."

Mr. KUCHEL. I announce that the Senator from Tennessee [Mr. BAKER], the Senator from Utah [Mr. BENNETT], the Senator from Colorado [Mr. DOMINICK], the Senator from California [Mr. MURPHY], the Senator from Illinois [Mr. PERCY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Massachusetts [Mr. BROOKE], the Senator from Kansas [Mr. CARLSON], the Senator from Hawaii [Mr. FONG], the Senator from Oregon [Mr. HATFIELD], the Senator from Iowa [Mr. HICKENLOOPER], and the Senator from Idaho [Mr. JORDAN] are detained on official business.

If present and voting, the Senator from Kansas [Mr. CARLSON], the Senator from California [Mr. MURPHY], and the Senator from Texas [Mr. TOWER] would each vote "nay."

On this vote, the Senator from Massachusetts [Mr. BROOKE] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from Massachusetts would vote "yea," and the Senator from Utah would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from Colorado [Mr. DOMINICK]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Colorado would vote "nay."

On this vote, the Senator from Oregon [Mr. HATFIELD] is paired with the Senator from Idaho [Mr. JORDAN]. If present and voting, the Senator from Oregon would vote "yea," and the Senator from Idaho would vote "nay."

The result was announced—yeas 34, nays 20, as follows:

[No. 329 Leg.]

YEAS—34

Aiken
Bartlett
Bayh
Bible
Boggs
Brewster
Burdick
Byrd, W. Va.
Case
Clark
Hart
Hartke
Hayden
Hill
Javits
Kuchel
Mansfield
McGovern
Metcalf
Mondale
Montoya
Moss
Muskie
Pastore
Pell
Prouty
Proxmire
Randolph
Sparkman
Spong
Symington
Tydings
Williams, N.J.
Young, Ohio

NAYS—20

Allott
Anderson
Cotton
Curtis
Dirksen
Fannin
Fulbright
Griffin
Hansen
Holland
Hruska
Long, La.
Miller
Morton
Mundt
Pearson
Smith
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—46

Baker
Bennett
Brooke
Byrd, Va.
Cannon
Carlson
Church
Cooper
Dodd
Dominick
Eastland
Ellender
Ervin
Fong
Gore
Gruening
Harris
Hatfield
Hickenlooper
Hollings
Inouye
Jackson
Jordan, N.C.
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Lausche
Long, Mo.
Magnuson
McCarthy
McClellan
McGee
McIntyre
Monroney
Morse
Murphy
Nelson
Percy
Ribicoff
Russell
Scott
Smathers
Stennis
Talmadge
Tower
Yarborough

So Mr. METCALF's amendment was agreed to.

Mr. METCALF. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG of Louisiana. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to have printed in the RECORD a letter prepared by Mr. Robert J. Myers concerning the cost estimates in connection with the Miller amendment as originally introduced.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MEMORANDUM

NOVEMBER 17, 1967.

From: Robert J. Myers, Chief Actuary, Social Security Administration.
Subject: Cost estimate for amendment No. 442 relating to reimbursement basis under hospital insurance program.

This memorandum will present a cost estimate for Amendment No. 442, submitted by Senator Miller, which would amend H.R. 12080 as reported by the Committee on Finance.

This Amendment would provide an increased reimbursement basis for hospitals and other providers of service (both proprietary ones and nonprofit ones) under the Medicare program, with the principal effect being on the HI program. Reimbursement would be on the basis of average per diem costs for persons of all ages (rather than on the basis of actual costs for beneficiaries aged 65 and over), and also return of 1½ times the trust-fund interest rate would be paid on "fair market value" of the facility (in lieu of the present provisions for payment of depreciation, interest on indebtedness, and the 2% factor).

It is very difficult to know what the effect of the "fair market value" provision would be, although it would be quite significant. It is estimated that the level-cost of the HI program would be increased by .19% to .25% of taxable payroll over the cost in the Finance Committee version of H.R. 12080 (a lower cost estimate relative to payroll being shown than for the House version of the bill, because of the higher taxable earnings base in the Finance Committee version). The increased outgo in 1968 is estimated at $500 to $650 million, while for 1972 the corresponding cost is $700 to $950 million.

My estimate of the increased cost was made separately for the two parts of the Amendment. An accurate estimate can be made for the proposal to use the average per diem cost for persons of all ages as the reimbursement basis (instead of basing such reimbursement only on the cost for Medicare beneficiaries). When costs are determined relative to charges, the routine room-and-board costs (including general nursing services) are taken to be the same per day for Medicare patients as for other patients.

However, the costs for ancillary services for medicare patients average out at a lower cost per day (because their longer average stay more than offsets their somewhat greater use of these services per stay). As a result, the average daily cost for Medicare patients so determined is about 8% less than the average for all persons. Accordingly, the cost for going to this basis of reimbursement would be .10% of taxable payroll, or for the first full year of operation about $300 million.

It is argued by some that room-and-board costs are higher for Medicare patients because they require more nursing services and that this should be offset by using the higher average daily cost applicable to all patients in lieu of the lower average applicable to Medicare patients. This may be the case, and equity might require a change to recognize this situation, but it will cost the HI program additional money.

As to the second part of the Amendment, providing a return on capital (based on fair market value) for all hospitals and other facilities, a significant cost would be involved on account of the much more favorable treatment involved for the large number of nonprofit hospitals. Because of the uncertainty involved as to how the provision would be administered (e.g. as to determining "fair market value" and as to the interest rate to be used), I must give a range estimate—namely, a level-cost of .09 to .15% of taxable payroll, or $200 to $350 million in the first full year of operation.

It has been suggested that the portion of the proposal relating to return on capital be deleted and that only the "average daily cost for all patients" reimbursement basis should be left in the Amendment. In addition, the legislative history would indicate that the present 2% increase-factor for otherwise unrecognized costs (1½% for proprietary institutions) should be discontinued. The net effect would be an increase in the estimated level-cost of the program amounting to .07% of taxable payroll, or a cost of about $200 to $250 million in the first full year of operation.

ROBERT J. MYERS.

Mr. LONG of Louisiana. It was because of the high cost of this amendment, in the main, that I did not feel that the amendment could be accepted, although I would be willing to accept some part of it.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Iowa, as modified.

Mr. LONG of Louisiana. Mr. President, I believe it would be best that we vote on that amendment on Monday, after we have had an opportunity to think about it over the weekend.

Unless other Senators desire to make statements, I will move to adjourn.

ORDER OF BUSINESS—UNANIMOUS-CONSENT AGREEMENT

Mr. KUCHEL. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. KUCHEL. Do I understand the parliamentary situation, then, to be that the amendment of the junior Senator from Iowa is now pending?

Mr. LONG of Louisiana. Yes; it is pending at the moment.

Mr. KUCHEL. It will be subject to the 1-hour limitation on Monday morning?

Mr. LONG of Louisiana. It will be subject to the limitation on Monday.

Does the Senator desire his amendment to be the pending business when we adjourn tonight, or would he care to withdraw it and offer it again on Monday?

Mr. MILLER. Mr. President, I do not believe much more time will be required in connection with this amendment, and I believe we could expect a vote on it rather early. I am hopeful that I will be able to work out an arrangement with the manager of the bill so that he would be willing to accept it.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. HOLLAND. Mr. President, I am sorry that the vote cannot be taken tonight. As the Senator knows, I have supported this amendment rather actively on the floor, and I renew my request that I be given a live pair on this amendment. I do not make this request often.

Mr. LONG of Louisiana. If there is any substantial opposition to the amendment, I believe we will be able to arrange a pair. I hope the Senator will not be too dismayed if the amendment is agreed to by an overwhelming majority.

Mr. HOLLAND. I believe it would be a wise decision, and I recommend it.

Mr. KUCHEL. Mr. President, I wish to say for the record what I have said informally to my able friend, the majority whip, that it is my hope to offer my amendment as early as I may be permitted to do so on Monday morning. Speaking for the able senior Senator from New York, who has another amendment, I would hope that he would be permitted to offer his early Monday morning, also.

Mr. MILLER. Mr. President, in view of the need for the Senator from California and the Senator from New York to have their amendments taken up early, I wonder if it would be in order to ask unanimous consent that my amendment be laid aside pending the action taken on the Kuchel and the Javits amendments, at which time my amendment would then become the order of business. I make that request, Mr. President.

Mr. KUCHEL. I would prefer, however, to offer it on Monday, perhaps after we have a quorum call, so that many Senators will be present.

Mr. LONG of Louisiana. The thought occurs to me that if the Senator has it ready it might be called up now and we could adjourn with it being the pending business for Monday.

Mr. WILLIAMS of Delaware. We could have it understood it would be the pending business.

Mr. MILLER. Why not agree?

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that when we meet on Monday, when the pending business is laid before the Senate, that the Senator from California [Mr. KUCHEL] be recognized to call up his amendment.

Mr. KUCHEL. Mr. President, reserving the right to object, and I shall not object, I ask my friend, the Senator from Louisiana, to modify his agreement so that we may first agree to a short quorum call so that we may have a quorum present, and then I shall offer my amendment.

Mr. LONG of Louisiana. I so modify the request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. And that will be followed by the Javits amendment, and then the Miller amendment.

Mr. KUCHEL. I agree to that, in that order.

Mr. LONG of Louisiana. I am not sure we should include the Javits amendment. I am not sure he wants that done.

I now understand that he does. We will proceed to consider the amendments in that order.

Mr. KUCHEL. I thank the Senator.

ADJOURNMENT UNTIL MONDAY AT 10 A.M.

Mr. LONG of Louisiana. Mr. President, I move, in accordance with the order previously entered, that the Senate adjourn until 10 a.m. Monday next.

The motion was agreed to; and (at 6 o'clock and 10 minutes p.m.) the Senate adjourned until Monday, November 20, 1967, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 17, 1967:

ASSISTANT SECRETARY OF THE NAVY

Charles A. Bowsher, of Illinois, to be an Assistant Secretary of the Navy.

POSTMASTERS

The following-named persons to be postmasters:

CALIFORNIA

James L. Weatherall, Guadalupe, Calif., in place of J. W. Moffitt, retired.

COLORADO

Clifford Wilkening, Crawford, Colo., in place of W. V. Engen, retired.

CONNECTICUT

Edward T. Hanley, Naugatuck, Conn., in place of F. T. Green, retired.

ILLINOIS

James A. Reed, Blandinsville, Ill., in place of L. O. Huff, retired.

Bernard H. Krippel, Emington, Ill., in place of L. J. Conroy, transferred.

George B. Street, Wonder Lake, Ill., in place of P. H. Eberle, retired.

MAINE

Joseph D. Mayo, Millinocket, Maine, in place of W. J. Gates, retired.

MASSACHUSETTS

Chester A. Pinkos, Belchertown, Mass., in place of M. G. Hanifin, retired.

MISSISSIPPI

Dora L. Simon, Cruger, Miss., in place of C. S. Parker, retired.

NEBRASKA

A. Keefe Crowley, Lexington, Nebr., in place of C. G. Hutt, declined.

NEW JERSEY

William F. Verhaegen, Caldwell, N.J., in place of W. J. Quinn, retired.

NORTH CAROLINA

Hugh A. McKenzie, Shannon, N.C., in place of B. F. McGregor, retired.

SOUTH DAKOTA

Edward C. Colvin, Philip, S. Dak., in place of R. V. Millstead, retired.

WASHINGTON

Ralph O. Link, Snohomish, Wash., in place of H. C. Cochran, resigned.

WEST VIRGINIA

Helen R. Burnside, Hometown, W. Va., in place of O. H. Casto, deceased.

EXTENSIONS OF REMARKS

"Operation Gratitude" Is a Welcome Change

EXTENSION OF REMARKS
OF
HON. DONALD J. IRWIN
OF CONNECTICUT
IN THE HOUSE OF REPRESENTATIVES
Friday, November 17, 1967

Mr. IRWIN. Mr. Speaker, this Nation has been engulfed by demonstrations protesting the presence of American troops in Vietnam.

Many of these demonstrations have been crude, riotous, and certainly have given comfort only to the enemy.

That is why it is refreshing to call attention to a different kind of demonstration—a patriotic type showing some faith in our Nation—sponsored by the National Committee for Responsible Patriotism.

This is the organization that recently organized the highly successful Operation Gratitude across the country.

At that time, thousands upon thousands of loyal Americans took part in Operation Gratitude, a program dedicated to respect for law and support for the men and women in our Armed Forces, especially those serving in Vietnam.

Operation Gratitude unquestionably lifted the morale of the men fighting in Vietnam, for it made clear to them—and to the world—that we love and honor the men and women who wear the uniform of the United States.

There should be more Operations Gratitude and the National Committee for Responsible Patriotism will be glad to help, if asked, to organize them.

The committee acts only in an advisory and coordinating role. It does not sponsor and can help only if asked.

The committee was formed by those who organized the "Support Our Men In Vietnam" parade in New York City last May—the longest parade in two decades.

Charles W. Wiley is the executive director of the National Committee for Responsible Patriotism, which has its headquarters in the Commodore Hotel, 109 East 42d Street, New York City 10017.

Mr. Wiley points out that the committee's efforts are nonpartisan and nonpolitical; that it takes no stand on administration policies and does not dispute the right to responsible dissent.

Peace, Mr. Wiley says, is not the issue—all sane men, he adds, are for peace.

Every community in America, I believe, should become associated with the National Committee for Responsible Patriotism. The least we can do is show our fighting men in Vietnam that we, the people of the United States, are behind them every inch of the way.

The 50th Anniversary of Ukrainian National Revolution

EXTENSION OF REMARKS

OF

HON. THOMAS S. KLEPPE

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 17, 1967

Mr. KLEPPE. Mr. Speaker, this week the First World Congress of Free Ukrainians is meeting in New York City to mark the 50th Anniversary of the Ukrainian National Revolution. I include in the RECORD the following letter from Dr. Anthony Zukowski, president of the North Dakota Branch of the Ukrainian Congress Committee of America, Inc., together with my reply to him:

UKRAINIAN CONGRESS COMMITTEE
OF AMERICA, INC.,
November 7, 1967.

Hon. THOMAS S. KLEPPE,
U.S. Congressman, U.S. House Office Building, Washington, D.C.

DEAR CONGRESSMAN KLEPPE: It is our great pleasure to inform you that on November 16, 17, 18, and 19, 1967, the First World Congress of Free Ukrainians will be held at the New York Hilton Hotel, New York City.

The Congress is being convened in the year of the 50th Anniversary of the Ukrainian National Revolution which led to the establishment of free and independent Ukrainian National Republic.

Also it will be held in the month of November on the 50th anniversary when "Central Rada"—Ukrainian Parliament in Kiev, Ukraine, passed in 1917 its "Third Universal" the basic law of modern time on which the Ukrainian National Republic was founded.

Delegates from 22 countries of free world will take part in the Congress, including high-ranking clergy, civic and political leaders. Also delegation from our state of North Dakota representing over 25,000 Americans of Ukrainian descent will take part in the Congress.

This historic gathering will be also held at the time when Communist Russia is observing 50th anniversary of its Bolshevik revolution or like it is known—fifty years of Russian Bolshevik tyranny in Eastern Europe.

Therefore the World Congress of Free Ukrainians will reject the Communist "thesis" that Bolshevik revolution brought freedom and social equality to the Ukrainians and other Captive Nations in the Russian prison house called U.S.S.R.

Furthermore the World Congress of Free Ukrainians will appeal to the United Nations and its members for support in the struggle for the legitimate rights of Ukrainian people to freedom and national independence.

There is no doubt that under present international circumstances especially at the time when Moscow is giving full support to North Vietnam and is mounting new offensive against the Ukrainian people for the destruction of their national and cultural attainments, this Congress should have a special significance for the entire Ukrainian Community in the free world and for the United States especially.

The aims of the Congress, as stated in the Manifesto announcing its convocation are as follows:

1. To demonstrate before the world the Ukrainian people's unwavering will to continue its struggle for the restoration of their free sovereign and unit state;
2. To manifest the solidarity of the Ukrainian community in the free world with the struggle of the Ukrainian people and its readiness to help them with all means at our disposal;
3. To unite all the forces and resources of Ukrainians who are the citizens of the various countries of the free world to secure closer cooperation among themselves;
4. To determine a proper source of action in strengthening and further developing all spheres of our activity and diverse pursuit in the free world.

In order to give you more information in regards to the Ukrainian National Revolution, I am enclosing a short pamphlet entitled "Facts about Ukraine and the Ukrainian People" and an excellent article "Fifty Years of Russia-Bolshevik Tyranny" by Dr. Ctibor Pokorny printed on November 2nd 1967 in "America" Ukrainian Catholic Daily, Philadelphia, Pa., which I believe would be of interest to you and to the American people.

Therefore, speaking in behalf of 25,000 Americans of Ukrainian descent we shall be grateful to you if you could bring this matter to the attention of the U.S. Congress and to read your message into Congressional Record in commemoration of these outstanding events in the modern history of Ukraine.

This will give us assurance, that our fellow Americans would join with us in marking this historic event of Ukraine and will demonstrate to both the captive Ukrainians and their captors our unity and determination in upholding the cause of freedom everywhere.

Thank you in advance for your cooperation, I remain,

Sincerely yours,
Dr. ANTHONY ZUKOWSKY,
President, UCCA State Branch of North Dakota.

WASHINGTON, D.C.,
November 17, 1967.

Dr. ANTHONY ZUKOWSKY,
President, North Dakota Branch, Ukrainian Congress Committee of America, Inc., New York, N.Y.:

It is a great honor to be invited to join with delegates to the First World Congress of Free Ukrainians in marking the fiftieth anniversary of the establishment of the Ukrainian National Republic.

Freedom is indivisible and so long as even one man remains in bondage our common goal of a free world will not be achieved. The devotion of the Ukrainian people to the realization of that goal is an inspiration to free men everywhere.

Best wishes for a most successful meeting.

TOM KLEPPE,
Member of Congress.

KAKE Instant Televote—KIT

EXTENSION OF REMARKS

OF

HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Friday, November 17, 1967

Mr. WINN. Mr. Speaker, I would like to congratulate KAKE TV in Wichita, Kans., for its latest venture into its already highly regarded program of public service to the people of Kansas. KAKE TV has instituted a new service, KAKE Instant Televote—KIT—which is designed to reflect the feeling of its audience on important and controversial issues of the day.

On the KAKE 5:30 Evening Report, a question of the day is announced; and on the 10 p.m. Night Report, "yes and no" votes on the question are given in percentages. Thousands of calls are automatically tabulated each night on "yes" and "no" phone numbers.

As an example of how KAKE Instant Televote works, I would cite their Friday, November 3, program. The question was:

> Do you favor a 10-percent surcharge on income tax as recommended by President Johnson to help fight inflation?

Of the thousands of KAKE viewers voting on the issue, 69 percent voted "no" and 31 percent voted "yes."

Again I congratulate KAKE TV for its interest in serving the people of Kansas.

Priorities and the 90th Congress

EXTENSION OF REMARKS

OF

HON. HERBERT TENZER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 17, 1967

Mr. TENZER. Mr. Speaker, many Members of the House have shown a lack of compassion this week while considering the Economic Opportunity Amendments of 1967. The majority party, resisting the battering attempts to cut the guts out of the program, did manage to keep the scope of the war on poverty intact.

The House vote to cripple the war on poverty is a sad, sad commentary on the irrational priorities set by the 90th Congress. Our Nation's health—the hungry, the undereducated, the unskilled, and the underprivileged should have received primary consideration in the House.

After approving nearly $5 billion for the space program, nearly $5 billion for public works and an appropriation to develop a supersonic transport which will eventually cost $5 billion, the 90th Congress regrettably made drastic cuts in the poverty program.

Mr. Speaker, I believe there is an urgent need to cut spending on the space and supersonic transport programs the public works projects which can be deferred until the war in Vietnam is over, and other nonessential programs.

The President should set the priorities which the House has failed to do.

Many in Congress also fail to realize that the withdrawal of these funds is false economy. The House action will merely shift the burden to other areas such as social services, job training programs, education and several other forms of assistance. The end result would cost the Federal Government many more millions of dollars.

Many people have been restored to the group of taxpayers from the ranks of taxeaters. They have been taken off the relief rolls. On-the-job training programs and training to upgrade job capacities have been most successful.

A reduction in war on poverty funds

would adversely affect too many people too quickly. It will affect programs already in progress. How can we forget the disturbances and riots which have increased steadily from 1961 through the summer of 1967. I fear that repercussions in the summer of 1968 will not be easily subdued and that the 90th Congress will be haunted by their unrealistic order of priorities.

To Set Standards for Redistricting

EXTENSION OF REMARKS

OF

HON. WILLIAM M. McCULLOCH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, November 17, 1967

Mr. McCULLOCH. Mr. Speaker, the road to redistricting has been a long and tiresome one. As a member of the House-Senate conference, I can testify to that fact. The managers of both Houses spent many a day discussing the intricacies of this most complex problem. It is with some regret that I say that the conference was unable to produce a bill with permanent redistricting standards. No less disappointed than I was Congressman Charles Mathias of Maryland, for his efforts in this regard were unsurpassed. He has worked continually toward the end of achieving some accord on redistricting. His recent bill, H.R. 13691, is simply one more in a long line of commendable efforts on his part. He has written a very incisive and thought-provoking letter to the New York Times, which it is my pleasure to call to the attention of my colleagues. The letter follows:

To Set Standards for Redistricting

To the Editor:

I commend The Times for keeping before the public the complicated question of Congressional redistricting.

Public education includes indicating clearly were the problems lie. On the second conference report on the Celler bill it is evident from your news columns that the principles of equitable districting were maimed, but not by the House.

In regard to permanent standards to take effect after the 1970 census, the House conferees did accept the Senate provisions, including the Kennedy amendment emphasizing compactness. The eventual rejection of this cannot fairly be laid at the door of the House Judiciary Committee, since its chairman and members have fought for such standards for many years and were simply outvoted in a difficult conference.

In regard to interim standards, the House worked from the obvious fact that one-man, one-vote, in practice, depends on up-to-date statistics. The 1960 census figures are seriously obsolete. To require widespread redistricting on this basis could subvert the principles of fair representation rather than advance them. Rapidly growing areas, in particular, would be denied adequate voice, especially in states which have already redistricted since 1960.

CONFUSING FOR VOTERS

We must consider also the stability of political processes. Continual redistricting is extremely disruptive, as it confuses voters and candidates and complicates the communication between elected and electors which is the key to real representation. At-large elections in populous states can undermine the principles of sound government even more.

My own experience as a conferee convinced me that House rejection of the second conference report would be like mailing a directive to a dead-letter office, since the conference committee would probably never meet again.

House adoption of the report had more positive results. The report was forwarded to the other body, where it appeared that continued debate could produce new instructions for the Senate conferees. At least it might prevent disruptive at-large elections in 1968 and 1970, and avoid the new inequities resulting from applying panaceas in the absence of reliable statistics and any Congressional mandate at all.

The recent House debate did have the depressing atmosphere of a funeral, but the House conferees attended this funeral not as murderers but as mourners. Understanding and empathy are in order. We should not bemoan the unfortunate past, but rather continue to advance the principles of equitable, orderly redistricting. I, for one, have introduced a new bill (H.R. 13691) incorporating the Senate-passed permanent standards previously accepted by the House conferees. I hope that you will join me in encouraging passage of such a measure.

Charles McC. Mathias, Jr.,
Member of Congress.

Civic Action Resolution Endorsed

EXTENSION OF REMARKS

OF

HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, November 17, 1967

Mr. WOLFF. Mr. Speaker, with 37 colleagues—Mr. Adams, Mr. Addabbo, Mr. Bingham, Mr. Brasco, Mr. Button, Mr. Conyers, Mr. Daddario, Mr. Diggs, Mr. Dow, Mr. Edwards of California, Mr. Eilberg, Mr. Erlenborn, Mr. Findley, Mr. Fino, Mr. Foley, Mr. Friedel, Mr. Halpern, Mrs. Hansen of Washington, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hungate, Mr. Jacobs, Mr. Joelson, Mr. Karth, Mr. Kupferman, Mr. Kyros, Mr. Leggett, Mr. Long of Maryland, Mrs. Mink, Mr. O'Konski, Mr. Olsen, Mr. Ottinger, Mr. Rees, Mr. Riegle, Mr. Rosenthal, Mr. Tiernan, and Mr. Wright—I have introduced the following resolution:

H.J. Res. —

Joint resolution to establish a joint investigatory committee on the United States Civic Action Program in Vietnam

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) there is hereby established a joint congressional committee, to be called the "Committee on Civic Action in Vietnam" (hereafter in this resolution referred to as the "committee"), to be composed of—

(1) nine members of the House of Representatives appointed by the Speaker of the House of Representatives; and

(2) nine members of the Senate appointed by the President of the Senate.

(b) Vacancies in the membership of the committee shall not affect its powers, and any such vacancy shall be filled in the same manner as in the case of the original appointment.

(c) The committee shall select a chairman and a vice chairman from among its members.

Sec. 2. The committee shall conduct a full and complete investigation and study of the pacification program in South Vietnam, including—

(1) the Civil Operation and Revolutionary Development Program;

(2) the Commodity Import Program;

(3) black market activities; and

(4) such other programs and factors as the committee deems important.

Sec. 3. The committee shall first report to the House of Representatives and the Senate the results of its investigation and study, together with its findings and such recommendations as it deems advisable, six months after the date of the enactment of this resolution, and annually thereafter. Such report shall be filed with the Clerk of the House of Representatives if the House of Representatives is not in session and with the Secretary of the Senate if the Senate is not in session.

Sec. 4. For the purpose of carrying out the investigation and study authorized by this resolution, the committee or any duly authorized subcommittee thereof is authorized to sit and act during the present Congress as such times and places within or outside the United States, whether the Congress or either House thereof is in session, has recessed, or has adjourned, to hold such hearings, and to require by subpena or otherwise the attendance and testimony of such witnesses and the production of such books, records, correspondence, memoranda, papers, and documents, as it deems necessary. Subpenas may be issued under the signature of the chairman of the committee or any member of the committee designated by him, and may be served by any person designated by such chairman or member.

Sec. 5. (a) The committee is authorized to appoint and fix the compensation of such experts, consultants, and clerical and stenographic assistants, to procure such printing and binding, and to make such expenditures, as it deems necessary and advisable.

(b) The committee is authorized to utilize the services, information, and facilities of any department, agency, or instrumentality of the United States, and of private research and other agencies.

Mr. Speaker, Mr. Tran Van Dinh, head of the Overseas Vietnamese Buddhist Association here in Washington, has written an interesting letter to me relevant to this resolution. Under leave to extend my remarks, I include that letter in the Record at this point:

Overseas Vietnamese
Buddhist Association,
Washington, D.C., November 16, 1967.

Hon. Lester Wolff,
House of Representatives,
Washington, D.C.

Dear Congressman Wolff: I have read with interest and admiration in to-day Baltimore Sun your proposal for a legislative plan to set up a joint congressional committee to probe into non-military aid for South Viet Nam. I am happy to know that already there are 30 of your Colleagues who support your initiative. You have done a great service for your country and mine. As a Vietnamese citizen who is paying taxes in this country, I have been very much concerned, especially for moral reasons, for the waste which has been so obvious in the conduct of the AID program in my country. The Vietnamese in the past held very high the virtues of austerity, integrity and honesty and it would be a tragic irony that the Vietnamese officials are now corrupted by the assistance from the US which holds the same principles.

Please send me a few copies of your proposed plan so I could forward them to my friends in the Vietnamese Congress.

Sincerely yours,

TRAN VAN DINH.

Secretary Trowbridge Sounds Note for Pittsburgh Businessmen

EXTENSION OF REMARKS
OF

HON. WILLIAM S. MOORHEAD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, November 17, 1967

Mr. MOORHEAD. Mr. Speaker, during our recently concluded debate on the war on poverty I commented that jobs are the key to the dilemma of the poor—and that the war on poverty is an investment in people, designed to transfer individuals from the liability side of the Nation's balance sheet to the asset side, from tax-eating recipients of welfare to tax-production workers. And I said that I was proud that Pittsburgh has already established a comprehensive employment program, an OEO and labor partnership, to find and develop jobs for nearly 2,000 hard-core unemployed, with 350 jobs pledged by the city, and private industry asked to respond with the rest. Industry will respond, I know, as they always have in the past in solving public problems with private responsibilty.

I am very pleased, therefore, to note that Secretary Trowbridge has sounded the same "Investment in People" theme in his luncheon address before the Pittsburgh Commerce Institute, an institute initiated by the businessmen themselves in pledging the expertise and services of the Department of Commerce to create employment and develop talent and skills in the untapped labor force.

Under unanimous consent I submit the remarks of Secretary Trowbridge for inclusion in the CONGRESSIONAL RECORD, as follows:

REMARKS BY SECRETARY OF COMMERCE ALEXANDER B. TROWBRIDGE, PREPARED FOR DELIVERY AT THE PITTSBURGH COMMERCE INSTITUTE, PITTSBURGH, PA., NOVEMBER 17, 1967

I am delighted to be with all of you today, and to thank the people who have made this Institute possible—for this has been planned and in large measure executed by the businessmen of Pittsburgh. It is good testimony to the sparkle that has always characterized the Pittsburgh business community.

At the outset, I'd better state that it is *not* true that the Commerce Department is moving to Pittsburgh—it just seems that way. However, I hope that we have moved enough of it here to give you a flavor of the many services the Department provides to the business and the public.

I have both business and sentimental ties to Pittsburgh. In my business and governmental experience, I have built many friendships in the corporate community here; but long before that, I spent a very pleasant half-year at Shadyside Academy. In those carefree days, I can't recall that I worried a great deal about such things as air pollution, structural unemployment, city planning, or urban renewal—but I am now grateful that some of your businessmen and civic leaders *were* concerned about them. At that time, this city was making its first moves along the road to becoming the renaissance city—the showplace of responsible urban planning.

This city has always taken a do-it-yourself attitude toward economic problems. Only last week I learned that two European concerns are interested in establishing plants in Pittsburgh as a result of some intensive spadework by Bill Boyd of the Pittsburgh National Bank. On his own initiative, Bill arranged a meeting in Paris of 50 bankers and industrialists representing eight countries. I think the prospective benefits should be obvious: It will mean increased business for Pittsburgh and the Nation; it will mean more jobs; and, it will enhance our balance of payments accounts.

Pittsburgh is still in the forefront as America's major cities struggle with a new wave of problems that threaten to strangle out great centers of business and social life. Mayor Barr helped organize the conference of mayors and businessmen which will give greater coordination to your efforts to cope with these problems. I would like to devote most of my time today to a discussion of the predicament of our cities, and in particular, the role of the businessman as a problem solver.

But first, let me say a few more words about what is transpiring here today. In the meetings with Commerce officials, you hopefully are finding some new, specific ways in which the Department can be of help to you in your business. Our mission is to serve business and the public, and we have thousands of experienced, talented people and a great deal of sophisticated equipment at your disposal. In terms of credentials, we boast of nearly 600 Ph. D.'s, 1,300 persons with masters degrees and 475 lawyers. Perhaps more important to your needs is that many of our employees have previously enjoyed productive years of business experience. Our activities include sending probes to the ocean floor and weather satellites into space; we gather the great bulk of statistics on business and the economy; we disseminate scientific and technological data; we supervise the issuance of patents; we forecast the weather for the next day and the economy for the next year. After today, I hope the Department will seem somewhat less distant to you. It's your government—your Department—and if you haven't found what you are looking for, drop us a line or come visit us—the door is open.

Next Monday our great Census clock in the Department will register the arrival of our Nation's population at the 200 million mark. Even with heavy immigration, it was not until 1915 that we reached 100 million population; we added another 100 million people in about 50 years. It is entirely within the realm of possibility that the U.S. population will have grown by another 100 million in the next 23 years.

We still have ample land and abundant opportunity for coming generations. If they take stock of themselves next Monday morning, most Americans can look forward to a firm financial future—a means of earning a living and the prospect of higher income, adequate diet, suitable housing, education for the children, with some money to spare for luxuries and some income in their advancing years. We can also take stock as we come through our 81st month of steady economic expansion during this month of November.

The American businessman, be he an independent entrepreneur or a salaried executive, has grown and prospered with the economic expansion of the last 80 months. Indeed, he has been a vital element in fostering our unprecedented prosperity, as well as beneficiary of its rewards.

Probably the highlights of this expansionary period have been the scope and confidence reflected in the increase of our productive capacity—a 39 percent gain in real production matched with a 63 percent increase in real business fixed investment.

Businessmen saw the American market potential and rose to meet the needs and capabilities of that market. With real personal income expanding by 37 percent, the American economy demanded more of its producers—and those demands were met. Manufacturing production rose 53 percent, mining output gained 25 percent, utilities produced 55 percent more; with an overall average increase in consumer prices of only 1.8 percent.

The rewards of this expansion have been large and widespread. The workers and the executives of America gained 60 percent in total wages, salaries and other forms of compensation during the past 80 months. Corporate profits rose 91 percent after taxes, and dividends increased by 71 percent. The value of outstanding shares climbed by 80 percent or some $365 billion. Hence we gained, and gained handsomely, for a job well done.

What we have seen is continuing evidence of the American businessman's basic credo—"There must be a better way." The past 80 months have brought forth many better ways, and we are economically, socially and physically stronger as a result. As we look back, we surely gain confidence for the future. Our government's ability to enhance the economic climate, and business' capacity to enrich our Nation—both key partners in progress—are proven in strength and in resiliency. Our task is to keep it moving in a sustained and sustainable upward line.

There is widespread agreement among business and government economists that the growth will continue, with strong indications that the rate of increase will be excessive and that inflationary pressures will be all too obvious. It is to curb these pressures, and to relieve the dependence on monetary policy, that the President has urged the 10 percent tax surcharge and a program of non-defense expenditure cuts. The Federal deficit, potentially at a $25-$30 billion level for the fiscal year, simply must be brought into more manageable proportions. The money market today is all too clearly showing the need for prompt and positive tax action by the Congress. On the expenditures side, I can assure you that the pressure is on—from top to bottom—to cut back and trim and defer expenses in the Federal budget. The President, and all those who are in charge of managing governmental programs, are taking this responsibility seriously.

A moment ago I said that we have lots of room and lots of opportunities for coming generations. But even though our economic expansion has pulled millions of people above the bare subsistence level, it is not enough. Some 16 percent of the people in this country still live at or below the poverty line—in congested slums, on obsolete farms, or around wornout mines. The reason for the unemployment of these people is *not* because there are no jobs; it is because there are not enough jobs which fit the qualifications of those in the poverty pockets, or because they don't know where to look for suitable jobs, or because there is a lack of adequate transportation between the jobs and the jobless. President Johnson's antipoverty programs have made considerable progress in dealing with these root causes of unemployment, as well as other aspects of poverty.

Perhaps the most vital of all these programs are those which train people for jobs or create jobs for them so that they can become self-supporting with a self respect which can only come from a firm place as participating members of society. And there are tangible benefits as well. It costs about $2,500 to keep a man in jail for a year, and it costs about $2,000 per year to sustain a mother and one child on welfare.

The President has asked me to coordinate a Test Program for Job Development. It offers broad Federal assistance to encourage business to hire the hard-core unemployed by underwriting part of the extra risk and extra cost. Two days ago the Avco Corporation became the first participating company in this test program. The government will assume part of the cost of training 232 unemployed men and women in the Roxbury area of Boston who will be trained for jobs in a printing plant which Avco will build in that area. Twenty-one other major corporations—several of whom are represented here today—have expressed support for the program and are fomulating plans through which jobs for the hard-core unemployed can be developed.

This is not a question of encouraging businessmen to engage in charity work. We recognize that most of the permanent jobs will be created by profit-seeking businessmen. We do ask that you consider the ghettoes and other marginal areas as potential fields for new business—and that you consider the people who live there as an untapped labor force. If there are unusual obstacles or abnormal risks involved, this program may be able to help surmount them by use of a Federal capacity to share some of the special risks.

As a test, this program is being focussed first on five cities: Boston, Chicago, Los Angeles, San Antonio, and Washington, D.C. The range of business ventures to be considered will be limited only by the imagination and energy of businessmen. My special representative for the test program, William E. Zisch, is the single point of contact for companies seeking government help, and he can arrange what we call "one stop service" for the business man who wants to deal with the government.

We also would like to encourage larger corporations to team up with small businessmen who operate in economically deprived areas. Plans for this phase of the program have not been completed, and we will welcome any suggestions. This spirit was demonstrated in this conference. I understand that Gulf Oil and some other corporations were most energetic in encouraging some small businessmen to attend this Institute.

While our test program is limited to the cities I have named, because it is a pilot program, there are of course unlimited ways in which the business community and individual firms can join the fight against poverty and despair—and to their own economic advantage. Companies of every size and description have recently inaugurated a broad range of enterprises in slum areas.

We in the Federal government fully understand that profits provide the chief motivating force for business. Naturally, any corporate manager must consider profits as a prime objective in fulfilling his obligations to his stockholders. Moreover, if we are successful in creating profit-making opportunities and jobs in a few neglected areas through our test program, other firms in other places with hard-core unemployment problems will get the word and launch projects on their own initiative.

Right here I want to say that I have a profound respect for the ingenuity of American business, its awareness of the social and economic problems that confront us in so many big cities, and the imagination it can bring to bear upon the solutions. As I have said I am not appealing for charity but for the application of tough business thinking—and shrewd business criteria—to these problems. This is an opportunity for forward-looking businessmen to make a very considerable public service contribution, and—at the same time—to plan projects that can spell profits as well as good citizenship. To put it another way, righting the social and economic scales will create not only human dignity but also purchasing power.

Recently I made some inquiries to determine how deeply businessmen have become involved in the anti-poverty campaign. Even this informal survey, conducted in only a couple of dozen cities, turned up numerous instances of business participation. Some businesses, of course, are working in job training and other government programs under contract; others are working voluntarily with the Federal government, local governments, foundations, Negro leaders, and labor unions; and, more importantly, many of them are going it alone or in cooperation with other businesses.

The very largest corporations, with huge amounts of resources at their disposal, are participating. As you will recall, President Johnson recently announced that a group of insurance companies have set aside $1 billion for investment in construction in the slums.

And some very small businesses have figured out ways to participate. One resourceful American entrepreneur whose name is doubtless unknown to you—Charley Head of Phoenix, Arizona—sharpens saws and other tools for only a penny if they are used in slum improvement. His personal crusade for better housing started when a church group volunteered to help with new construction on an Indian reservation.

This hardly matches in magnitude the contribution of the insurance companies, but it is a human and dramatic example of one man's initiative and business acumen. I suspect that Charley is doing pretty well sharpening tools for non-slum work at his regular prices.

Unfortunately, I haven't many Charley Heads to point to. But our random survey turned up an amazing number of firms concerned about community problems—and doing something about them.

For example, companies in Hartford, Connecticut, are involved in 38 social programs involving commitments of money, manpower, and facilities.

So are the automobile companies which have been moving into ghettoes in Detroit in an active search for new employees from deprived neighborhoods. The response has far exceeded their expectations.

Alcoa and Reynolds have completed or have under construction urban renewal projects in Washington, Kansas City, Cincinnati, Richmond, Hartford, Providence, Syracuse and, of course, here in Pittsburgh. Some of these projects have been sold to non-profit organizations or cooperatives.

U.S. Gypsum has invested $1¼ million so far in a rapidly expanding project to rehabilitate tenements in East Harlem. The purpose is to test the market for new building materials and to explore the feasibility of renovating slum housing. The company also is rehabilitating six slum buildings in Cleveland and is studying similar pilot projects in Philadelphia, Chicago, Atlanta, Los Angeles, San Francisco, and Oakland.

The National Association of Manufacturers had documented some 70 cases in which companies have inaugurated programs to provide employment and education and training programs. These programs include part-time jobs and counseling for high school dropouts; special academic instruction, ranging from basic courses for illiterates to high school subjects; and special efforts to create jobs for persons with prison records and others with no work experience.

Smith, Kline and French operates an information center in Philadelphia to help slum residents acquire knowledge about education, credit, and consumer problems. The company is also engaged in rebuilding rundown apartment houses.

In Cambridge, Massachusetts, KLH Research and Development Corporation is working with the government in establishing a pilot program for an all-day, year-round school for young children whose fathers and mothers work in a plant nearby.

Seven hundred companies in the Boston area are participating in a Jobs Clearing House which compiles an inventory of vacancies as a means of facilitating the matching of men and jobs. This type of program is gaining in popularity. In Kansas City, 43 firms participated in a successful program to find underprivileged youths and steer them into jobs or job training. At a job fair in Houston, businessmen found jobs for more than 1,000 young people in two days of intensive work. In Los Angeles, employers pledged to hire 25,000 persons during a special television program, and the next day state employment offices were swamped with applicants.

In addition to the aluminum companies and U.S. Gypsum, other building materials firms are becoming active in slum construction. Johns-Manville has offered to experiment with the construction of 125 low-cost homes in Phoenix; the homes would cost about $6,000, including the price of land. Some enterprising companies came with the idea of stacking mobile homes to provide low-cost townhouses or apartments.

Finally, there is the venture which was managed by Bill Zisch, the Watts Manufacturing Company in Los Angeles. This operation, established as a subsidiary of Aerojet General, employs residents of the Watts area as workers and in some supervisory positions, and it is about to go into the black two years after it was inaugurated.

These are only a few examples of how private business is engaged in public problem solving, but I hope you get the idea: business is already participating on a substantial scale. And it is doing so with both public responsibility and private profits in mind.

Extending economic opportunity to the neglected areas is a joint responsibility of business and government. The Federal government provides less than 4 percent of the jobs, and state and local governments another 12 percent; the remaining 84 percent are employed in the private sector. We all have a common stake in blotting out poverty in America. But the resources in your hands are often greater than those we have in Washington. We hope we can provide the stimulus, but we look to you for much of the inspired practical leadership which we always count upon.

The census statistics on poverty tell us that a steadily expanding economy, plus these special government and business programs I've mentioned, have made significant inroads into the poverty ranks, but we still have a long way to go. The high Negro unemployment reflects the extent of poverty because so many of them are trapped in the central cities or on small, marginal farms.

We need to create less than 350,000 jobs to bring the rate of unemployment among Negro men down to the national average for whites. This task is not insurmountable for an economy which has been creating 1.5 million jobs a year.

In the past few years we have demonstrated to the world an unprecedented pattern of economic success; a system which will soon be turning out $800 billion worth of goods and service a year. In the not too distant future, I hope, we can show the world that our system extends economic opportunity and holds out the hope of personal dignity to everyone, and that this Nation of 200 million people still regards individual initiative, talent, and skill as our most precious resources.

Thank you.

SENATE

MONDAY, NOVEMBER 20, 1967

The Senate met at 10 a.m., and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O God, our Father, as we rejoice in the gift of another day, may its hours be made luminous by Thy presence, who art the light of all our seeing.

The circumstances of our times are so appalling and dismaying to the gaze of our finite minds that the resources of our souls are utterly inadequate unless Thou renew them by a strength and power not our own.

Renew our inner strength for these are troublous times and we stand in need of courage and fortitude and stability. The world is full of the clamor of the violent, the boasting of the proud, and the agony of the people, and we would be valiant in a day when the hearts of many turn to water in them.

In such an hour, join us, we pray, to the great company of unconquered spirits who in other troubled times have stood their ground, preserving the heritage of man's best, and whose flaming faith made their lives as lighted windows amid the encircling gloom.

We ask it in the dear Redeemer's name. Amen.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Jones, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House disagreed to the amendment of the Senate to the bill (H.R. 8629) to amend the act of July 4, 1966 (Public Law 89-491); asked for a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. ROGERS of Colorado, Mr. WHITENER, Mr. JACOBS, Mr. POFF, and Mr. WIGGINS were appointed managers on the part of the House at the conference.

The message also announced that the House had passed a bill (H.R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills; and they were signed by the President pro tempore:

H.R. 2. An act to amend titles 10, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and for other purposes;

H.R. 1963. An act for the relief of employees of General Services Administration;

H.R. 2517. An act to amend sections 64a, 238, 378, and 483 of the Bankruptcy Act and to repeal sections 354 and 459 of the act;

H.R. 2518. An act to amend sections 337 and 338 of the Bankruptcy Act and to add new section 339;

H.R. 2519. An act to amend sections 334, 355, 367, and 369 of the Bankruptcy Act;

H.R. 2834. An act to amend the act of June 10, 1938, relating to the participation of the United States in the International Criminal Police Organization;

H.R. 3403. An act for the relief of Harry LeRoy Jones;

H.R. 3727. An act for the relief of Elpidio Dimacali Damazo and Natividad Simsuangco Damazo;

H.R. 3799. An act for the relief of the city of Pawtucket, R.I.;

H.R. 6324. An act for the relief of John A. Danisch;

H.R. 7599. An act for the relief of Dr. Emanuel Marcus;

H.R. 7811. An act for the relief of Richard Alan White; and

H.R. 8632. An act to amend sections 40c(1) and 52a of the Bankruptcy Act so as to reallocate part of the filing fee from the clerk's earnings to the referees' salary and expense fund.

HOUSE BILL REFERRED

The bill (H.R. 13893) making appropriations for foreign assistance and related agencies for the fiscal year ending June 30, 1968, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, November 17, 1967, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

WAIVER OF CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

COMMITTEE MEETING ON TUESDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Subcommittee on Education of the Committee on Labor and Public Welfare be authorized to meet next Tuesday afternoon while the Senate is in session.

The PRESIDING OFFICER (Mr. BURDICK in the chair). Without objection, it is so ordered.

COMMITTEE MEETING ON TUESDAY AND WEDNESDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Investigations Subcommittee of the Committee on Government Operations be authorized to meet on Tuesday and Wednesday while the Senate is in session.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEXICO ON THE MOVE

Mr. MANSFIELD. Mr. President, one hears a great deal of talk nowadays about the "economic revolution" of such countries as Japan and West Germany. An equally exciting, although less publicized, economic revolution is taking place on our very border.

In a style uniquely its own, Mexico is forging an industrial nation which is the envy of many countries possessing greater natural advantages. And it is doing so without detriment to its strained agricultural resources.

Two facts highlight Mexico's current performance. The first is a growth in gross national product of nearly 8 percent, reflecting continued economic and political stability. The second is the expectation that the country will soon achieve self-sufficiency in agriculture, reflecting the humanitarian concern for the Mexican people which the world has come to expect of Mexico's enlightened leadership.

Many people are responsible, of course, for this performance. But its chief architect is President Gustavo Diaz Ordaz, a man whose wise and able leadership is in the Mexican tradition. The United States can look with pride to the accomplishments of her sister nation.

Mr. President, an excellent summary of Mexican gains appears in the November 16 issue of the Christian Science Monitor. I ask unanimous consent that the article, written by James Nelson Goodsell, be printed at this point in the CONGRESSIONAL RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

NEW ECONOMIC GAINS FOR MEXICO

Mexico's Gustavo Díaz Ordaz approaches the midpoint of his six-year presidency with new indications of his country's economic strength.

While much of Latin America is undergoing severe crop shortages, and even major declines in food production, Mexico's picture on the food front is excellent.

It expects to achieve absolute self-sufficiency in food production by 1968—a fact noted in a recent United Nations Food and Agriculture Organization report.

ONE OF BEST YEARS

But even more encouraging to Mr. Díaz Ordaz are other reports that Mexico's gross national product is expected to increase by close to 8 percent in 1967, with a corresponding increase in per capita income of about 4 percent. Moreover, industrial productivity is a key factor in this growth.

Petrochemicals are a prime example. In the past 15 months, 29 new ventures in the field have either been announced or opened.

Petroleos Mexicanos, the government oil firm which underwent difficult times in the 1950's, has plans to increase production and related activities with a resulting construction of plants at the rate of six a year through the 1970's. And steel production in the first five months of 1967 was up 10.5 percent.

In short, Mr. Díaz Ordaz reaches midpoint in his term in December against the backdrop of one of the best years in the history of Mexico's economic development.

Yet Mr. Díaz Ordaz faces a number of clouds on the horizon.

Recent arrests of persons in connection with rumored plots to overthrow the government and a continuing lag in social and economic conditions among rural workers are two of the concerns of Mr. Díaz Ordaz.

And to some observers of this most populous Spanish-speaking country in the world, the future is not as bright as the economic and agricultural indicators suggest.

Indeed, the population spiral which continues to add 3 percent to the population each year is a major worry. Can Mexico, despite its approaching self-sufficiency in agriculture, go on feeding this increase indefinitely? Can jobs be found for the hundreds of thousands of Mexicans who reach working age each year? Can educational advantages continue to be given to this heavy preponderance of school-age children?

These are the questions many leading Mexicans worry about as the barometers continue to show marked improvements in the economy and little indication of any slowing.

STABILITY INCREASES

The Diaz Ordaz years have been characterized by economic consolidation and growth and continuing political stability. Mr. Diaz Ordaz, on the surface, is more conservative in economic ideas than his predecessor, Adolfo López Mateos. He has initiated fewer new spending programs, although there has been an upturn in this field also.

And next year, Mexico will play host to the 1968 Olympic Games, an indication of the nation's stability since the Olympia selection committees require that a nation display a considerable degree of internal security before it can be selected as the site for the big event.

Finally, in Mexico's relationship with the United States there has not been a time since Mexico's independence in the early part of the 19th century that relations have been as warm. In part this is due to the personal friendship between Mr. Diaz Ordaz and President Johnson so evident in the late October visit to the United States of the Mexican President.

INDEPENDENT NATION

But it also reflects a growing degree of maturity on the part of both nations—for, as numerous observers commented recently, relations in the past have been anything but good, dating back to the time of Joel R. Poinsett, the first United States minister to Mexico in the 1820's.

Mexico remains sharply independent, however, including the question of recognition of Cuba. While all other Organization of American States' members have followed the lead of the United States and the vote of the OAS to break relations with Cuba, Mexico maintains its policy of coexistence with all nations and has relations with Cuba.

The United States and Mexico have long since agreed to disagree on this issue and let it drop at that point, moving instead into areas of cooperation and friendship.

THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of measures on the calendar, beginning with Calendar No. 772.

The PRESIDING OFFICER. Without objection, it is so ordered.

COAST GUARD PERSONNEL RETIREMENT AGE REQUIREMENTS

The bill (H.R. 168) to amend the act of June 20, 1918, relating to the retirement age requirements of certain personnel of the Coast Guard was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 787), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to reduce the normal retirement age of employees of former Lighthouse Service from 60 years to 55 after 30 years of service.

BACKGROUND OF THE LEGISLATION

Under the original Lighthouse Retirement Act of 1918, the normal retirement age was 65 for employees completing 30 years of service. In 1955, this was reduced to 60 years and the present bill would reduce it to 55 years.

The bill provides the same retirement benefit as that afforded civil service retirees under Public Law 89–504. In general, an attempt has been made throughout the years to keep the benefits afforded Lighthouse Service employees equal to those of the civil service employees, in spite of the fact that the Lighthouse retirement system is noncontributory.

The basis for comparability is that the salaries and benefits paid to the Lighthouse Service employees during the term of their employment were substantially below salaries received by civil service employees in comparable jobs, and it is felt that this difference is compensated for by the existence of a noncontributory pension system.

In 1939, the Lighthouse Service was absorbed by the Coast Guard, and since that time replacement employees of lighthouses have been Coast Guardsmen. At present, there are only 56 active civilian employees who would be eligible for retirement under this law, and it is anticipated that of the 56 approximately 20 would be eligible for immediate retirement under its provisions.

This committee believes that the legislation is reasonable and does a measure of justice to former members of the Lighthouse Service and, consequently, recommends its enactment.

COST OF THE LEGISLATION

The estimated annual cost of operation under this bill is $82,000 representing the payments to the additional approximately 20 prospective retirees. The report of the Civil Service Commission on the bill points out that this would merely keep employees under this system in step with civil service retirees, and that it has no objection to the proposal.

The Department of Transportation report recommends enactment of the bill.

LIGHTHOUSE SERVICE WIDOW BENEFIT PAYMENTS

The bill (H.R. 169) to increase the amount of benefits payable to widows of certain former employees of the Lighthouse Service, and thereafter to provide for cost-of-living increases in benefits payable to such widows and to such former employees was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 791), explaining the purposes of the bill:

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to increase the amount of payments to widows of former employees of the Lighthouse Service. The bill would increase the monthly payments for widows of former Lighthouse Service employees from $75 to $100 per month.

BACKGROUND OF THE LEGISLATION

The law originally provided for a pension of $50 per month to widows of lighthouse keepers, which amount was increased to $75 by Public Law 85–351. The pension system for members of the Lighthouse Service was noncontributory and the widows' pension system is likewise noncontributory. The reasoning behind payments to the former lighthouse keepers was that their compensation during their term of active employment was below that of similar positions under the civil service system and that, therefore, this noncontributory pension system is an attempt to equalize total payments to the employees. The reasoning behind the original payment to the widows was that during the terms of their husbands' service they performed duties in and about the lighthouse and that under the circumstances provision should be made for them. The increase in monthly payments from $50 to $75 was based upon the increases in payments to widows under the civil service system and this bill is a further attempt to keep such payments more or less equal. It is obvious that the cost of living today as compared with 1958, the time of the last increase, is substantially higher and the additional $25 per month is a reflection of the increase.

In order to avoid the necessity for future bills of this character, section 2 of the bill would provide for automatic increases based upon cost-of-living annuity adjustment provisions of the civil service retirement laws. In this connection it should be noted that the committee amended the bill to refer to section 8340(b) of title 5, United States Code, rather than the Civil Service Retirement Act, in view of the fact that title 5 has recently been codified. In addition, the committee eliminated the provision that would make the legislation effective as of October 1, 1966, and substituted the first day of the month after enactment of the bill as the effective date.

The committee believes that this legislation is an act of justice to a group of people who have served the interests of the United States faithfully and unanimously recommends its enactment.

COST OF THE LEGISLATION

The bill would affect pensions payable to approximately 400 people and the increase would amount to $120,000 for the first year, decreasing thereafter as the number of pensioners is decreased by death.

LIGHTHOUSE SERVICE RETIRED PAY INCREASES

The bill (H.R. 1006) to provide an increase in the retired pay of certain members of the former Lighthouse Service was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 788), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to provide an increase in the retired pay of members of the former Lighthouse Service.

BACKGROUND OF THE LEGISLATION

The employees covered by this legislation were retired under the Lighthouse Retirement Act, a noncontributory system. Through the years since the enactment of that legislation, an attempt has been made to maintain a degree of parity with the comparable positions under the Civil Service Retirement Act. The reasoning behind this endeavor is that Lighthouse Service employees received substantially less compensation during their term of employment than that paid similar jobs under civil service, and that a noncontributory pension system is an attempt to equalize the disadvantages of the lower pay scale during the period of their employment.

This legislation would increase the amount payable to 11.3 percent if the retirement was prior to January 1, 1966, or by 4.1 percent, if retirement was after December 31, 1965, but before January 1, 1967.

COST OF LEGISLATION

The cost of the legislation will be approximately $170,000 for the first year, which annual amount will decrease as the number of eligible persons decline.

LIGHTHOUSE SERVICE WIDOW ANNUITY BENEFITS

The bill (H.R. 3351) to amend the act of August 19, 1950, to provide annuity benefits for an additional number of widows of employees of the Lighthouse Service was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 789), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

PURPOSE OF THE BILL

The purpose of the bill is to provide annuities for an additional number of widows of employees of the former Lighthouse Service.

BACKGROUND OF THE LEGISLATION

The original legislation providing annuities for widows of Lighthouse Service personnel was found in the act of August 19, 1950, which granted annuities of $50 per month to widows of retired employees and employees dying in service. Widows of Lighthouse Service professional employees were specifically excluded under the 1950 act on the theory that these widows had not rendered any service nor suffered any hardship in connection with the service of their husbands. The net result is that under existing law the professional ex-employees receive pensions but their widows do not. It does not appear that this distinction is logical and, therefore, the committee believes that all widows of Lighthouse Service employees should receive the annuity. This would entail payment of annuities to an additional 10 persons with 17 more potentially eligible upon the deaths of their husbands.

COST OF LEGISLATION

The maximum cost of this legislation will be $24,300 per year with the likelihood that the actual cost will be substantially less. If H.R. 169 becomes law, under the provisions of which widows' payments would be increased from $75 to $100 per month, the additional amount payable under this legislation would be a maximum of $8,100 per year.

BILL PASSED OVER

The bill (S. 2140) to authorize the exchange of certain vessels for conversion and operation in nonsubsidized service between the west coast of the United States and the territory of Guam was announced as next in order.

Mr. MANSFIELD. Over, Mr. President.

The PRESIDING OFFICER. The bill will be passed over.

AMENDMENT OF THE FEDERAL FARM LOAN ACT AND THE FARM CREDIT ACT OF 1933, AS AMENDED

The bill (S. 2565) to amend the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, and for other purposes was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with amendments on page 2, line 6, after the word "Administration" insert "but in no event more than 1 per centum above the actual cost to the twelve Federal land banks of their last issue of consolidated bonds' "; in line 8, after the word "for" strike out "6 per centum" and insert "six per centum"; and on page 3, line 1, after the word "loan' " insert "and substituting therefor but in no event more than 1 per centum above the actual cost to the thirteen banks for cooperatives of their last issue of consolidated debentures."; so as to make the bill read:

S. 2565

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, are amended as hereinafter provided to remove the six percent interest rate limitations therein on loans made by Federal land banks and banks for cooperatives; and to permit interest rates on such loans and on loans made by production credit associations to be determined as provided in such acts of Congress to cover the cost of loan funds and other expenses and reserves so that the lending may continue on a self-sustaining basis.

SEC. 2. Section 12 of the Federal Farm Loan Act, as amended (12 U.S.C. 771), relating to loans made by Federal land banks, is amended by substituting "such rate of interest as the board of directors of the bank shall from time to time determine with the approval of the Farm Credit Administration but in no event more than 1 per centum above the actual cost to the twelve Federal land banks of their last issue of consolidated bonds" for "6 per centum per annum" in paragraph Third thereof and for "6 per centum per annum" in the first and second sentences of paragraph Ninth thereof.

SEC. 3. The Farm Credit Act of 1933, as amended, is amended—

(a) by inserting the following sentence between the present first and second sentences of section 23 thereof, relating to loans made by production credit associations (12 U.S.C. 1131g): "Such loans shall be made on such terms and conditions, at such rates of interest, and with such security as may be prescribed in such rules and regulations." and

(b) by deleting from each of the second sentences in sections 34 and 41 thereof (12 U.S.C. 1134j and 1134c), relating to loans made by banks for cooperatives ", but in no case shall the rate of interest exceed 6 per centum on the unpaid principal of a loan" and substituting therefor "but in no event more than 1 per centum above the actual cost to the thirteen banks for cooperatives of their last issue of consolidated debentures".

Mr. WILLIAMS of Delaware. Mr. President, may we have an explanation of the farm credit bill?

Mr. MANSFIELD. The bill was requested by the Farm Credit Administration and would: first, substitute a ceiling fixed by the respective bank directors with the approval of the Farm Credit Administration for the 6-percent-interest ceiling now prescribed by law for loans made by the Federal land banks and the banks for cooperatives; and, second, remove a question concerning the authority of the production credit associations to charge interest rates in excess of those permitted by State laws.

Because of generally rising interest rates, the banks have been required to pay higher rates on funds borrowed by them, and must be able to charge higher rates in order to continue their lending operations on a self-sustaining basis. The banks are cooperative institutions and, consequently, if the interest charged by them were to exceed that needed to keep the banks operating on a sound basis, the excess would be returnable to the borrowers as dividends on stock or patronage refunds. Also, as has been done in the past, the interest rate on outstanding loans might be reduced.

Mr. WILLIAMS of Delaware. Mr. President, I have no objection to the bill. I recognize that this is a step that must be taken in light of the abnormally high interest rates now prevailing. This is but an indication of the further action that the administration will have to take in removing the interest ceiling from the sale of its own bonds in the very near future if it is to be able to finance the public debt.

I believe that this is just an indication of present monetary confusion, and it should be a warning to Congress that we must take some steps to reduce the cost of this Government; otherwise interest rates will go through the ceiling. The Johnson administration already has interest rates at a hundred-year high.

I have been surprised that the Johnson administration has not expressed a little more concern about the high interest rates, particularly in view of the concern they expressed under the Eisenhower administration, when interest rates were about 2 points less than they are today.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 794), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SHORT EXPLANATION

The bill, which was requested by the Farm Credit Administration, would—

(1) Substitute a ceiling fixed by the respective bank directors with the approval of the Farm Credit Administration for the 6-percent-interest ceiling now prescribed by law for loans made by the Federal land banks and the banks for cooperatives, and

(2) Remove a question concerning the authority of the production credit associations to charge interest rates in excess of those permitted by State laws.

Because of generally rising interest rates, the banks have been required to pay higher rates on funds borrowed by them, and must be able to charge higher rates in order to continue their lending operations on a self-sustaining basis. The banks are cooperative institutions and consequently, if the interest charged by them were to exceed that needed to keep the banks operating on a sound basis, the excess would be returnable to the borrowers as dividends on stock or patronage refunds. Also, as has been done in the past, the interest rate on outstanding loans might be reduced.

COMMITTEE AMENDMENTS

The committee amendments would insert, in addition to the ceiling fixed by the bank directors and the Farm Credit Administration, a ceiling equal to 1 percent above the cost of funds to the land banks or banks for cooperatives, respectively, on their last issue of consolidated bonds, or debentures, respectively. The cost of funds would include the stated interest rate, adjusted to reflect the sale of the obligations at a premium or discount, and any commissions paid in connection with such sales.

INFORMATION ON BANKS AND ASSOCIATIONS AND LOANS TO WHICH BILL RELATES

The banks and associations to which the bill relates were established and operate under the Federal Farm Loan Act of 1916 or the Farm Credit Act of 1933. The Federal supervisory agency, to which they are subject, is the Farm Credit Administration, which consists of the Federal Farm Credit Board, a chief executive officer who is known as Governor of the Farm Credit Administration, and other necessary personnel. The Federal Farm Credit Board has 13 members, one appointed by the President of the United States with Senate consent from each of the 12 farm credit districts, and a 13th member appointed by the Secretary of Agriculture. The Board meets six or more times a year to determine policy for the Farm Credit Administration.

The banks and associations are part of what collectively is known as the Cooperative Farm Credit System. In all, there are 37 banks and 1,147 associations with specified functions for making loans available to farmers and ranchers and their ogranizations, at reasonable rates of interest and on suitable terms, and on a self-sustaining and cooperative basis. Loan funds are obtained mostly by selling bonds or debentures of the banks to investors. The specific functions and other characteristics of the different banks and associations are indicated in the review that now follows of the loans made by them to farmers and their organizations during the fiscal year ending June 30, 1967.

FBL's and FLBA's

The Federal land banks, one in each of the 12 farm credit districts, made 45,600 long-term land mortgage loans to farmers and ranchers for a total of $1.2 billion. At the end of the year they had outstanding loans numbering 394,000 in the amount of $5.3 billion. These loans are serviced by 687 local Federal land bank associations in which the borrowers become members and purchase capital stock; and the associations in each district own all of the capital stock of the Federal land bank of the district and have so owned the land banks since 1947.

PCA's and FICB's

Throughout the United States there are 460 production credit associations, each with a prescribed territory, which make short- and intermediate-term loans (not over 7 years) to farmers and ranchers. During the years, the volume of this lending, with loan funds furnished by the Federal intermediate credit bank in each of the 12 districts, totaled $5.1 billion. Out of a total membership of 548,279 at the end of the year, there were 322,700 borrowing members of the associations with $3.7 billion of loans outstanding. The borrowers purchase capital stock in their local production credit association and the Government holds capital stock in only three of the associations. While the Government still owns capital stock in each of the Federal intermediate credit banks, the production credit associations at the end of the year owned 40.0 percent of the capital stock of the Federal intermediate credit banks over all; and eventually will own all of it when the Government capital is retired.

BC's

Loans to farmer cooperative associations that are engaged in marketing farm products, purchasing farm supplies, or rendering farm business services and otherwise come within the definition of an eligible cooperative, are made by 12 district banks for cooperatives, sometimes with participation by the Central Bank for Cooperatives located in the District of Columbia. The 12 banks for cooperatives made 2,474 loans amounting to $1.7 billion during the year; and at the end of the year there were 3,016 farmer cooperatives with loans outstanding aggregating $1.3 billion. The borrowers acquire capital stock in these banks as the Government capital is gradually retired. Today six of the banks for cooperatives have retired all of their Government capital and the other seven banks are expected to do so within the next 5 years.

Total loans

During the fiscal year ended June 30, 1967, the banks and associations mentioned above loaned $8.3 billion to farmers and their cooperatives and, at the end of that year, such loans outstanding totaled $10.4 billion.

Participation in management by borrowers

The borrowers who are members and owners of a Federal land bank association or a production credit association choose the directors of their respective associations. The three groups of associations in a district (i.e., Federal land bank associations, production credit associations, and farmer cooperative associations that borrow from the bank for cooperatives) each elect two members of the district farm credit board who also serve as directors of the Federal land bank, Federal intermediate credit bank, and bank for cooperatives in the district. A seventh member and director is appointed by the Governor of the Farm Credit Administration with the approval of the Federal Farm Credit Board. Each of the same three association voting groups also designates a nominee to be considered by the President before making an appointment to the Federal Farm Credit Board from their district. Such participation should assure that the Cooperative Farm Credit System will be operated with all due consideration of the borrowers intended to be served by it.

SOURCE AND COST OF LOAN FUNDS

The funds for making the loans described above are obtained by the three systems of Farm credit banks—i.e., the 12 Federal land banks, the 12 Federal intermediate credit banks (which finance production credit association loans), and the 13 banks for cooperatives—each selling their bonds or debentures in the securities market. In fiscal year 1967, $8 billion of such bonds and debentures were issued by the three banking systems and the total amount outstanding at the end of the year was $9 billion. These bonds or debentures, for which loans made to farmers or their cooperatives are pledged as collateral, are the joint and several obligations of the banks of the system by which they are issued and are not obligations of the United States. They are sold from time to time in order to refund maturing issues and to provide additional loan funds and must be sold at the rates of interest then prevailing in the securities market.

The highest and lowest rate of interest that had to be paid by the farm credit banks on recent issues of bonds or debentures, as well as the rate on the two latest issues, by each system of banks, are as follows (exclusive of selling commission approximating one-tenth of 1 percent):

Bonds or debentures of—	Month of sale	Date of maturity	Rate of interest (percent)
Federal land banks.	September 1966	July 20, 1967	6.05
	May 1967	Jan. 20, 1969	4.75
	August 1967	Apr. 21, 1969	5.60
	October 1967	Jan. 20, 1970	5.75
		Oct. 23, 1972	5.875
Federal intermediate credit banks.	September 1966	July 3, 1967	6.20
	April 1967	Feb. 1, 1968	4.40
	September 1967	July 1, 1968	5.55
	October 1967	Aug. 1, 1968	5.75
Banks for cooperatives.	September 1966	Apr. 3, 1967	6.25
	May 1967	Dec. 4, 1967	4.30
	September 1967	Apr. 1, 1968	5.35
	October 1967	May 1, 1968	5.65

From the foregoing it is obvious that the interest rates which must be paid to market the bonds and debentures, which a little over a year ago exceeded 6 percent, are again approaching that level.

NEED FOR LEGISLATION

At present the applicable acts of Congress prohibit a higher rate of interest than 6 percent on loans made by Federal land banks and banks for cooperatives. While there is no similar limitation in the act of Congress applicable to production credit association loans, a question has been raised as to whether State law limitations, some of which are 6 percent, may be applicable. It is these limitations, actual or threatened, that make further legislation necessary in order that the lending may continue on a self-sustaining basis. This is because when the cost of loan funds (i.e., the interest that must be paid to market the bonds and debentures as indicated above) approaches or exceeds 6 percent, it will not be feasible for the banks and associations to lend the funds so obtained under 6 percent loan interest rate limitations and continue on a self-sustaining basis.

Between the interest paid on bonds and debentures sold to investors and the interest charged on loans made to farmers and their organizations, there must be a sufficient spread to cover other expenses and provide adequate reserves, if the banks and associations are to continue to operate on a sound basis. To continue lending without an adequate spread, necessarily erodes the net worth of the landing banks and associations and does not permit expansion to accommodate the increasing credit needs of farmers and their organizations. Further, as the earning position of the banks and associations is arbitrarily limited by statutory 6-percent ceilings on the loan interest rates, this in time would influence the marketability of the bonds and debentures and increase the rate of interest that must be paid on them. Ultimately, if the cost of loans funds should exceed 6 percent for any considerable period, and the statutory 6 percent ceilings on loans interest rates are not removed, the lending would have to be discontinued. The removal of the present 6-percent loan interest rate ceilings, therefore, is to permit this credit system to continue to function as intended even in times when the cost of loan funds may approach or exceed 6 percent. The committee amendments, which limit the loan interest rates of the Federal land banks and the banks for cooperatives to not more than 1 percent above the cost of their last issue of consolidated bonds or debentures, is a restraint which nonetheless should permit these two bank systems to operate on a self-sustaining basis. Dependability of their credit supply is of utmost importance to farmers and ranchers whose production involves biological cycles that cannot be turned on and off like an industrial production line.

HOW LOAN INTEREST RATES ARE DETERMINED AND APPLIED

Assuming the proposed legislation is enacted as recommended by the Committee, the interest rates on loans will continue to be fixed, subject to Farm Credit Administration approval, by the directors of the lending bank or association, who are respresentative of the borrowers. This will be done in the light of the cost of loan funds and to provide a sufficient margin for other expenses and reserves so that the bank or association may operate on a self-sustaining basis. Under the committee amendments, this margin for Federal land banks and banks for cooperatives will be limited to 1 percent. If more interest is collected than must be retained in order to keep the operations of a bank or an association on a sound basis, such excess is returnable to the borrowers as dividends on the capital stock they are required to own or as patronage refunds. And as has been done in the past, the interest rate on outstanding loans may be reduced when circumstances warrant such a reduction.

EXCHANGES OF LAND FOR USE FOR PUBLIC SCHOOLS

The bill (H.R. 10442) to facilitate exchanges of land under the act of March 20, 1922 (42 Stat. 465), for use for public schools, and for other purposes was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 793), explaining the purposes of the bill.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

SHORT EXPLANATION

This bill would permit the Secretary of Agriculture to accept payment in cash of all or part of the consideration for up to 80 acres of land conveyed to any public school authority under any law authorizing the exchange of lands administered by the Forest Service. Money so received would be deposited in a special fund in the Treasury which when appropriated would be available until expended for the acquisition of lands in the same State as the lands conveyed. Lands so acquired would have the same status as the national forest or other Forest Service lands conveyed.

This would relieve the school authority of the necessity of finding, negotiating for, and buying land to exchange for the Forest Service lands it seeks. It would still be required to pay full value for the Forest Service lands in cash, land, or a combination of the two. The bill would also relieve the Forest Service of some of the additional problems involved in the use of nonmonetary consideration; and enable it to use the cash obtained, with that derived from other sales, to obtain larger and more useful tracts than could be acquired by exchange.

BRITISH DEVALUATION—WHAT IT MEANS TO THE UNITED STATES

Mr. SYMINGTON. Mr. President, for many years, on this Senate floor, I have been warning against the growing economic danger inherent in this country's 19-year continuing unfavorable balance of payments.

Now that the pound—first line of defense for the dollar—has been further devalued, the chickens are beginning to come home to roost.

Some of the "New Economists," with theories poles apart from the basic economic philosophy of Lord Keynes despite their assurance that they are his followers, have been misleading the administration and others by emphasizing the basic fallacy that the unprecedented gross national product of this Nation means the people of the United States can continue indefinitely to both eat their cake and have it too. In other words, they assert that the United States can continue to fight this major war in Southeast Asia, and garrison with its troops all these other countries in Europe and Asia, and at the same time pay for these additional domestic and foreign programs; all without any significant controls or restrictions at home.

As we have presented many times, however, there is not necessarily any financial relationship between the gross national product of a country, and its net current position as expressed in its fiscal and monetary status.

The economy of no nation, not even that of the United States, can continue to afford this current 4-F program; namely, feed, finance, and fight for such a large percentage of the free world, without ultimate economic tragedy.

Only General de Gaulle could be satisfied with the weekend developments; and in that he too is a major component link in the chain of world capitalism, his satisfaction may be short lived indeed.

It is time for this Government to face up to financial reality.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield.

Mr. WILLIAMS of Delaware. Mr. President, in connection with what the Senator from Missouri has just said—for too long the administration has been telling the American people that they can have both guns and butter. Notwithstanding the fact that we have an expensive war on our hands, the administration keeps insisting that all of the Great Society programs can be not only continued but also expanded.

Between 1964 and fiscal 1968 the Johnson administration has spent over $60 billion more than its income. This figure is based on the most conservative estimate of a $14 billion deficit for fiscal 1968.

For example, we have before us today a bill which, if the Senate follows the request of the administration, will pump $8 billion extra into the economy in the next 3 years over the amount of new taxes raised under the bill. This results from deferring the new tax until after the 1968 election. This cannot be justified, particularly at a time when the American dollar is in great danger of following the course of the British pound.

If the administration does not face the realities and try to support some of us who are trying to hold back expenditures the Johnson administration will have to take direct responsibility for the inflation and possible devaluation of the American dollar, which could follow.

Mr. SYMINGTON. I thank the distinguished Senator from Delaware for his contribution.

I would hope, however, that we would spend money for what is right, especially the unfortunate, in our own country, as against trying to be the policeman of the world, sending U.S. gendarmes to all parts of the world, with little assistance from most of those we are trying to protect.

Anyone would agree with the importance of protecting the dollar. By the end of this year, in this country, we will have over $1 trillion of life insurance outstanding. Every person in the United States, both privately and in public life, thinks of his retirement plan and pension plan. Regardless of what we do in connection with social security or comparable programs it will not mean much if we have a major devaluation in the dollar. This is a responsible country, and it is a great country and it is up to all of us in Government to consider the wisdom of our interlocking policies and programs.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. SYMINGTON. I yield to the distinguished senior Senator from Rhode Island, for whom I have great respect in this field.

Mr. PASTORE. The Senator from Missouri has rejoined himself in a way in which the Senator from Rhode Island can associate with what the Senator has just said.

I believe that a lot must be done to stabilize the dollar in America. I think it is incumbent upon the Senate and the Congress to scrutinize every appropriation. However, we cannot subscribe to the philosophy that in order to stabilize the American dollar you have to do it by putting the burden on the backs of the poor.

Mr. SYMINGTON. I agree.

Mr. PASTORE. We have a great many problems, and we have developed a course of argument on the floor of the Senate wherein in order to convince the people of the United States that in order to do something about the financial stability of America, we have to deal in trivia—in the minuscule—rather than in big stuff that really makes a difference.

We are spending $73 billion a year on defense. No one ever dares stand up on the floor of the Senate to separate the fat from the muscle. We seem to content ourselves with the reasoning that just because it is defense we can go ahead and spend this money willy-nilly. Let us begin to strain the water out of that big cauldron of defense in this country which amounts to $73 billion a year. Let us not take it out on the poor, when only a few million dollars are involved.

The argument is being made on the floor of the Senate that the reason why we are in this monetary trouble is that we are trying to help those who are 65 years of age and older. I say, "Shame on you." If that is the best we can do to stabilize the American dollar, by taking it out on the poor, there is something wrong with us. Let us look longer at this $73 billion and maybe we will do something with the stability of the dollar.

Mr. **SYMINGTON**. Mr. President, there is no question in that the able senior Senator from Rhode Island is correct. If there is any water in the defense budget, that water should be taken out; and I will be the first to so move.

The way to reach stabilization with respect to this balance-of-payments problem and our overall finanical problem, does not mean we must abstain from doing what is right with respect to our less fortunate citizens.

On the other hand, the greatest single disservice we could do to these less fortunate in our own country would be to adopt policies which destroyed most of the value of the dollar. Such action would have major disastrous results from their standpoint.

Mr. **WILLIAMS** of Delaware. Mr. President, I agree fully with the statement of the Senator from Rhode Island that we should not place the cost of inflation on the backs of those who are over 65 years of age. That is the reason I have been criticizing the administration for its planned inflationary policies. The Johnson administration should have great sympathy for the elderly and those who are retired because the Johnson administration has bankrupted more people who are living on pensions than any other administration in the history of America. They did it under their deliberate and planned inflation policies.

Those living on fixed incomes are the people who are hurt most by inflation. The Johnson administration has done more to pauperize the aged than any other administration.

At this point I wish to read a statement, as follows:

> For 14 consecutive months, the cost of living has risen steadily. For 14 consecutive months, the value of the dollar has gone down and down for those who spend it.
>
> But this administration has managed to perform an impossible task. While the value of the dollar has gone down and down for those who spend it, it has gone up and up for those who lend it.
>
> And in the course of this process, the taxpayer has been socked with one of the heaviest financial penalties—and it is a penalty—in our history.

Mr. President, before those on the other side get too sanctimonious and start criticizing this quotation I should add that I have quoted the statement of none other than the former Senator from Texas, the man who is now in the White House, Lyndon B. Johnson. This statement was made in 1957 at a time when he had his feet on the ground far more firmly than he has now that he is in the White House.

Interest rates on that date averaged about 2 percent less than they are today.

Mr. **MANSFIELD**. Mr. President, I am not sanctimonious but I do not agree with the Senator from Delaware about laying the fault at the feet of the administration. The administration has been trying to get Congress, and especially the House, I say most respectfully, to consider the possibility of a 10-percent income tax surcharge. This added tax would not fall on those who need help the most and would be hurt, but rather it applies to those whose incomes equal $5,000 or more. The tax surcharge would thus apply to those who can best afford to bear the burden. Moreover, it would not be based on an individual's annual income, but instead it would be computed on the income tax paid the year before by the taxpayer.

In other words, under the surcharge proposal, if a person paid $1,000 in income taxes in a given year, he would have to pay 10 percent of that or an additional $100, provided and only provided, that his salary was $5,000 or above. If his income was less than $5,000 the surcharge would not apply.

I am disturbed that the Congress has not faced up to this critical problem and exercised its responsibility in this particular field. I know that advocating a tax increase with the proposed surcharge is unpopular, very unpopular. My mail is almost 99 to 1 against it. Nevertheless, I believe such a tax increase should be installed because the overriding important consideration is the stability of the dollar.

If a tax surcharge is not imposed upon those with incomes of $5,000 or above, the result will be felt severely in the way of inflated prices. Then, add to this difficult crisis the recent devaluation of the British pound. That economic event means we now can be undersold by 14 percent or more in the world marketplace.

This is a serious and difficult situation that requires our closest attention.

I hope—adjournment or not—that the Congress would face its responsibility in this field, and no one wants to get out of here faster than the Senator from Montana who is now speaking.

ORDER OF BUSINESS

Mr. **MANSFIELD**. Mr. President, I ask unanimous consent to proceed for 10 minutes.

The **PRESIDING OFFICER**. Without objection. it is so ordered.

VIETNAM

Mr. **MANSFIELD**. Mr. President, according to press reports, the Vietcong has offered 13 days of truce, spreading over Christmas, the New Year and Tet—the Asian lunar New Year. If accepted, there would be, presumably, a 3-day cease-fire at Christmas, a 3-day cease-fire at New Year, and a 7-day suspension of hostilities at Tet. The chances that the 13-day series of pauses will be long enough to achieve a plausible response are very, very, very remote.

The announcement came from the clandestine radio of the National Liberation Front in South Vietnam. This would seem to support the belief that the main factor to be considered in South Vietnam is not Hanoi but the National Liberation Front and the Vietcong of the South.

In line with his campaign promise, President Thieu has also indicated, apparently, that possibly later this month he would dispatch a letter to Hanoi seeking to inaugurate negotiations between Saigon and North Vietnam. In my opinion, the move will be foredoomed to failure. It would seem to me to be far more advisable for Saigon to dispatch a communication to the National Liberation Front for the purpose of entering into negotiations that might lead to a settlement in South Vietnam. If direct communication is not possible then, perhaps, a message might go by way of an intermediary such as Prince Norodom Sihanouk of Cambodia.

The National Liberation Front is the dominant force in South Vietnam, with a total of main forces and paramilitary forces numbering in excess of a quarter million men. This, of course, is exclusive of the some 50,000 North Vietnamese regulars, out of a total of 470,000 men in the North Vietnam Army, who are now located in South Vietnam.

In my opinion, there is very little, if anything, in the pattern of combat operations to indicate any weakening of the ability of the Vietcong to keep on fighting. They are in no position to and cannot prevent the steady consolidation of American forces along the coast and among the major cities, but they still control the Mekong Delta as I will bring out later in my remarks.

It would be well to consider that our original intent in relation to South Vietnam was to maintain its integrity and its independence. I would assume that in that context, all the people of South Vietnam would be included. Undoubtedly, the North Vietnamese have been hurt, and hurt badly, by our bombing raids against their territory, but it is evident by now that the three objectives of the bombing of the north, to wit, to restore the morale of the South Vietnamese people, to decrease the rate of infiltration, and to force Hanoi to the conference table have not been successfully achieved. While the morale of the South Vietnamese Government may have been restored, the factor of the morale of the people of South Vietnam is another matter; insofar as infiltration from the north is concerned, it is still continuing at the rate of 6,500 to 7,000 a month; and as for bringing Hanoi to the conference table, the distance is, in my opinion, wider than ever. Therefore, it appears to me that in line with our original commitment, it would be well to consolidate and concentrate in South Vietnam itself and for the

Saigon Government to try to establish contact with the National Liberation Front. In this manner, all of the Vietnamese who live in South Vietnam will be represented. Perhaps among themselves they can come up with a solution which would be preferable to our continuous and fruitless appeals to Hanoi for negotiations and to the Soviet Union for a reconvening of the Geneva Conference.

In relation to South Vietnam, the Mekong Delta, which is the stronghold of the NLF and the Vietcong, has hardly been touched. In that area lie 80 percent of the farmland and around 7 million or approximately one-half of the population of South Vietnam. The Vietcong has an extensive organization there and is, for many of the people who inhabit the area, the sole Vietnamese Government they have ever known, trusted, or feared. The Mekong Delta has been the stronghold of the Vietcong for over 20 years, and it knows every aspect of guerrilla warfare which can be used in that region. To the best of my knowledge, no North Vietnamese regulars have been found in the Mekong Delta. It is my understanding that the Vietcong have, at the present time, something in the order of 22 well-trained battalions and, in addition, there are guerrilla forces there which would bring the total in the Delta to somewhere in the vicinity of 85,000 armed men. Opposed to them, there are several South Vietnamese divisions and, according to the public prints, there are elements of the U.S. 9th Infantry Division in that area.

I cite these facts and figures to indicate that the main area of conflict is not North Vietnam but South Vietnam. Insofar as the number of armed Vietcong and North Vietnamese is concerned, the total is approximately the same as this time last year. While much of the publicity goes to the bombing of the north and related activities, the real and most vital area of contention is in South Vietnam itself.

Almost every possible procedure has been suggested to bring this conflict to a close by advancing negotiating proposals such as a guaranteed neutrality of all of Southeast Asia, the Cooper proposal to concentrate the bombing on the Ho Chi Minh trails at the crossing of the 17th parallel, the building of a barrier just south of that parallel, a return to the Geneva Conference and its agreements and many others, all of which I approve of but all of which to this time have proven fruitless.

Perhaps the answer lies within South Vietnam itself. Perhaps negotiation between Saigon and the Vietcong might prove fruitful. Certainly this is one possibility which has not been recognized, except intermittently and haphazardly. Like the man who looked for diamonds all over the world and late in life found them in his own backyard, it is possible that in South Vietnam itself the solution to this war could be found.

We should not delude ourselves by such phrases as a "phase-down" of the level of American troops by 1969 to be matched by an increasing shift of responsibility to the South Vietnamese forces. Rather we should face up to the very strong possibility that the war in Vietnam may well take years and require, as it has heretofore required, additional inputs of American forces unless a solution is found to bring it to a conclusion.

Every effort toward negotiations must continue to be made. Every avenue must be explored to the end that this war in which we are engaged 8,000 miles away from the United States can be concluded honorably and our men withdrawn at the first feasible opportunity. We are not an Asian power. Our interests do not lie on the Asian mainland. We are a Pacific power with peripheral interests in Asia. The distinction is of immense importance to the future of this Nation.

Mr. AIKEN. Mr. President, will the Senator from Montana yield?

Mr. MANSFIELD. I am happy to yield to the Senator from Vermont.

Mr. AIKEN. I am sure that what the Senator from Montana has just said will be of great interest not only to Congress and the people of the United States but to the rest of the world as well.

His remarks are certainly worthy of consideration wherever listeners or readers may be found.

I was very much interested, in listening to top flight officials on television and radio these past 3 or 4 days, to learn that they have abandoned efforts to cover up the probable duration of the war, to which we have listened for the past 3 or 4 years.

I well remember when we were told that if only we would drop bombs on North Vietnam it would be a matter of only a short time before the enemy would respond favorably and ask for a conference. In fact, one retired Air Force general intimated that it would only take a few days. Others not so optimistic spoke in terms of weeks or a few months.

Now, however, General Westmoreland, who is as cognizant of the situation as anyone can be, said that we may hope for improvement and perhaps some deescalation in 2 years.

I personally believe he is optimistic.

The Senator from Montana [Mr. MANSFIELD] has been referring to the situation in the delta, which our administration would rather not talk about, apparently. What resources there may be on the delta or offshore, besides rice, I am unable to say, but it is apparent to all of us that the delta is an extremely important part of South Vietnam. South Vietnam is now run in Saigon officially by a government which was supported by 35 percent of the voters of South Vietnam and the U.S. Government. I would hardly call that a majority rule.

But what concerns me most, Mr. President, is that while we are focusing attention on Southeast Asia, we are really neglecting the situation here at home; and I believe it is in the United States that our greatest danger from totalitarianism, whether from the right or the left, lies.

I hope that the administration will face up to the situation, which they have not done so far. We hear rumors. We hear rumors of a very substantial increase in the number of our Armed Forces next year. So far as I know, they are merely rumors; but if there is such an increase, is this increase to be used in Asia? Is it to be used at election time in the United States, guarding the polls, as was done, theoretically at least, in Gary, Ind., this year?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to proceed for 3 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. We also hear rumors that the administration may request some rather drastic rules and regulations, which go with the conduct of a major war here in the United States, sometime within the coming year. If they do, it will be recognition of a very serious situation which exists here.

In this respect, Mr. President, on January 31, 1966, I spoke on this floor calling attention to the situation which existed then, and expressed the hope, and actually the belief, that the administration would do something about it. I said this at that time:

> From now on our No. 1 concern must be the preservation of the United States and its institutions.

A little later in this speech I said:

> If President Johnson means business—and I believe he does—

I really believed it—

> he will ask for the suspension of the General Tax Reduction Act of 2 years ago.
>
> He will ask to have the loopholes of overgenerous deductions and special tax privileges plugged.
>
> And he will ask for such new taxes as may be necessary.
>
> There is no sense in waiting until after election to recommend the inevitable.
>
> Lives are more precious than votes.

He is now asking for a tax increase. I certainly believe that is necessary if we are to fully protect the economy of the United States. But even though Congress should grant the 10-percent tax rate increase which he asked for, it would only go a small way toward doing what he said he will do with the 10-percent tax increase. It is hopelessly inadequate, the way things are going now, unless it is in conjunction with other distasteful war measures such as price and wage controls—material allocations, and so on.

I ask unanimous consent to insert in the RECORD at this point the speech I made on the floor January 31, 1966.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

[From the CONGRESSIONAL RECORD, Jan. 31, 1966]

THE RESUMPTION OF BOMBING IN VIETNAM

Mr. AIKEN. Mr. President, President Johnson has now directed a renewal and possible increase in the bombing of North Vietnam.

Under the constitutional and statutory powers vested in the Presidency he has authority to do this.

Even if 90 percent of the American people were opposed, he would still have this power.

Now that the decision has been made to engage in an expanded military action which may ultimately lead to a conflict of unprecedented and unlimited proportions. we must spare no effort to avoid defeat and to hold our losses to a minimum.

Although the Communist countries apparently gave little credence to the recent peace offensive of the President, there is no question in my mind that President Johnson did earnestly desire to put an end to the war in southeast Asia.

Any person in his position wants to be liked and admired as well as to earn a good spot in history.

He wants to be highly respected by the rest of the world and, as President Eisenhower so ably demonstrated in 1953, the surest way to popular acclaim is through the restoration of peace.

President Eisenhower further enhanced his popularity and secured an enviable place in history when he backed Gen. Matthew Ridgway in his opposition to sending large numbers of U.S. troops into Vietnam in an effort to make secure that part of their colonial empire for the French.

Since we now seem to have passed the point of no return, we should take a good, hard look at the situation as it is today.

The number of U.S. servicemen supporting the South Vietnamese Government has now increased to about 200,000, will be doubled within the next few months, and it will likely be redoubled within the next year.

This figure is exclusive of the Navy and other forces based at Guam, in the Philippines, in Thailand, in Honolulu, and elsewhere.

It is exclusive of the 16,000 to 18,000 South Korean troops engaged in the conflict.

Aside from the forces from South Korea and Australia, we can look for only minor assistance from other countries in our Vietnam efforts.

In fact, if South Korea is now being infiltrated by Communist operators to the extent recently indicated by Marine Gen. Wallace Greene, it is unlikely that we can look for any substantial increase in our strength from that source.

Most of the land area in South Vietnam has come under Vietcong control, while U.S. bases are all virtually under a state of siege—an unorthodox siege, it is true, but nevertheless, one effective enough so that it is hardly safe to venture outside the fortified areas except in force.

Our forces have to date suffered approximately 10,000 casualties.

Some who a year ago supported the decision to bomb North Vietnam now feel that the reason this operation failed is that it has not been vigorous enough.

They now insist that Hanoi and Haiphong Harbor and other than strictly military targets be also bombed.

Some substantial and respected persons have advocated the use of atom bombs—small ones, that is. The other day a representative of a respected and well-known national organization came to my office to urge the use of atom bombs in the Vietnam war. The demand that we use atomic weapons will increase as our casualty lists grow.

Regardless of the fact that an atom bomb could not distinguish between belligerents and nonbelligerents, is there any reason to doubt that, should we use the atomic weapon against North Vietnam, thet the Communists would almost at once retaliate by using the same type of weapon against our air and military bases in the south?

We should think long and hard before resorting to nuclear weapons in southeast Asia.

We are now at the point where we have to deal with realities, not desires.

It is no longer possible for us unilaterally to call the shots.

It is not what might have been or what ought to be that now concerns us. It is what is.

As indicated by the Mansfield mission report, there is "only the very slim prospect of a just settlement by negotiations."

Since much of the world has regarded the bombing of North Vietnam as "aggression" by the United States and since the assistance by the North Vietnamese to the Vietcong in carrying out their savage operations against the people of South Vietnam have been minimized, I believe that the President's peace offensive was necessary even though its effectiveness as a means for ending the war may be questioned.

It seems to have convinced some nations of the justice of our assistance to South Vietnam, even though they are unable or unwilling to assist us.

Who is making the decisions in southeast Asia today? Is it Russia or China?

The reaction of Russia to the President's plea for peace has been particularly disappointing.

From her attitude one might well conclude that Russia not only does not desire peace but actually seeks to encourage a greater war in southeast Asia, evidently hoping that we will concentrate such a large part of our Armed Forces there that the defense of democracy will be weakened in other parts of the world.

Or is China undertaking to shape events so that the two great nuclear states will ultimately destroy each other, leaving the Chinese Republic the dominant power in world affairs?

Actually the tiny nation of North Vietnam appears to be the catalyst which is welding the two great Communist nations together for military purposes.

I trust that those who make the decisions for our country will bear in mind that while the war of democracy versus communism cannot be won in southeast Asia, it can be lost there.

In fact, communism will not be defeated on the battlefield anyway except on the battlefield of men's minds.

If any phase of the conflict between these two ideologies must be fought with arms, we should not let our enemies choose the battleground.

From now on our No. 1 concern must be the preservation of the United States and its institutions.

There can be no halfhearted effort in this respect.

Our people, regardless of whether or not they support the acts of this administration, must be prepared for extraordinary sacrifice.

Mr. Mansfield. Mr. President, I ask unanimous consent that the distinguished Senator from Vermont may have as much time as he may desire, and that the time be extended to allow other Senators to participate in discussing this most momentous speech.

Mr. Aiken. I thank the majority leader.

The Acting President pro tempore. Without objection, it is so ordered.

Mr. Aiken. Mr. President, this sacrifice will have to be paid in terms of resources, freedom, and life itself.

There may be a chance that a world nuclear war can be avoided.

There may be a chance that we may escape the devastating effect of a general land war in Asia, the kind of war we are least likely to win.

We cannot proceed on the hope for miracles, however, therefore, we must be prepared for the worst—and without delay.

President Johnson has asked for some $13 billion with which to increase the tempo of the war in Vietnam.

This $13 billion is only the first drop in the bucket.

Commonsense and experience should tell us that.

The President asks us to rescind the tax cut on telephone charges and automobiles in order to help to meet this cost.

It is ridiculous to expect that the income from these recisions would even begin to pay the cost of an escalated war.

If President Johnson means business—and I believe he does—he will ask for the suspension of the General Tax Reduction Act of 2 years ago.

He will ask to have the loopholes of overgenerous deductions and special tax privileges plugged.

And he will ask for such new taxes as may be necessary.

There is no sense in waiting until after election to recommend the inevitable.

Lives are more precious than votes.

Secretary of Defense McNamara asks for an increase of 113,000 men in the Armed Forces.

Whom does he think he is kidding?

Winning a guerrilla war requires a ratio of 10 to 1 on the side of the law, and the enemy already has 200,000 men in the field.

The Secretary knows that an escalated war will require universal conscription.

To wait until after election to announce this is just another attempt to lull the people.

Besides increased taxation and conscription, we must be prepared to accept the concentration of powers and restrictions on our liberties which inevitably accompany any major war.

We must be prepared to accept these controls for an indefinite number of years.

Are we ready to accept a system of priorities—price controls and wage controls?

What about ration cards?

Are we prepared to control hoarding which may already be underway?

Are our shelters adequate to insure the perpetuation of at least a part of our population in the event of a nuclear war?

Have we the facilities necessary for the control of sabotage, subversion, riots, and criminal law violations?

We do not like to contemplate these things; yet they must be considered and acted upon unless the danger is far less than it now appears.

This time we cannot wait until catastrophe strikes.

So long as there is the slightest chance for peace, we should pursue it, even while preparing for the worst, but we must prepare.

Since the Vietnam war began to escalate rapidly 3 years ago, I have repeatedly tried to make clear my belief that a major war would have disastrous results for the United States either militarily or in the loss of personal liberty at home.

Although I have at all times recognized the responsibilities of the United States to the people of South Vietnam, I never for an instant regarded my vote for the concurrent resolution of August 1964 as a vote to give the President authority to wage war at will in southeast Asia.

I opposed as strongly as I could the start of a new war in North Vietnam.

And I believe the President has erred in taking new steps which may lead to a cataclysmic world conflict.

It appears, however, that my voice has been ineffective and that the President has decided to take such steps.

The most that is left to me now is the hope that the President is right and that I have been wrong.

If, through the renewed action for which he assumes responsibility, the war can be brought to a quick and satisfactory ending, I will gladly admit the error of my judgment and be among the first to render him acclaim.

To this end, it is my purpose to support his request for higher taxes and for such controls over the American economy as may seem necessary to hold our losses to a minimum and to enhance the prospects for ultimate victory.

To divide our Nation in this time of crisis would be to court certain disaster.

Mr. AIKEN. I will say in explanation that my last sentence was this:

> To divide our Nation in this time of crisis would be to court certain disaster.

Mr. President, I want to make it plain that I was referring to the economic situation and the security of our Nation and did not in any way mean to imply that we should unanimously approve all the decisions, all the mistakes, which the administration might see fit to make or had made up to that time. But we are in a situation now where one could almost believe that Russia had been calling the shots for the purpose of putting us in as disadvantageous a position as possible.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MANSFIELD. I ask unanimous consent to proceed for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AIKEN. Yesterday Hanoi radio claimed they shot down 17 of our planes. I expect that this claim will be disputed. It may be exaggerated. It probably is. It will probably be disputed by our own Armed Forces. But only Saturday we were told officially that the number of planes shot down over North Vietnam was 1,700-some-odd, which in itself shows what a serious situation we are in.

May I again say, let us not forget that the real danger to our democratic institutions lies in the United States, and not 10,000 miles away. If we come under the control of a totalitarian government, whether from the right or the left—and as far as effect goes, there is very little difference—it will be brought about by conditions at home rather than conditions which may exist 10,000 or 12,000 miles away.

As the Senator from Montana says very truly, we should not plan to run Asia. We are not an Asian power. We are a Pacific power. We will remain a Pacific power as long as we take care of our country here at home.

Mr. MANSFIELD. I thank the distinguished Senator, who always has added much to anyone's speech. He always adds much to think about, much to cogitate about, and much to consider.

THE ADMINISTRATION'S TAX PROPOSAL YET TO BE INTRODUCED AS A BILL

Mr. WILLIAMS of Delaware. Mr. President, I want to concur in the earlier remarks that were made about the importance of Congress making a decision before it adjourns as to whether there will or will not be a tax increase. So far the continued uncertainty is having a damaging effect on the American economy. American businessmen do not know how to make their plans.

I have repeatedly stated for the past several weeks that I think the administration should get its tax bill down to the Congress if it is serious and really wants one, in order that Congress may vote it up or down before we go home. I think that decision should be made before we adjourn.

I do not rule out the possibility that we may need a tax increase even with a reduction in expenditures. I have so stated repeatedly, although I will insist that with any tax proposals there must be a provision for reduction in expenditures and that this reduction must be written into the law; we should not rely only on promises.

Ironically, notwithstanding the many television speeches in which the President has talked about the administration's tax bill, as yet a tax bill has not been introduced in either the House or the Senate. He has never accepted the Republican offer that some of us have made that if he cannot find someone in his own political party who will recognize or respect his office enough to introduce his tax bill and will send it down to the minority, out of our respect to the office we will introduce it as being upon his request and join in asking the chairman of the committee to hold prompt hearings in order that a decision could be made before we adjourned.

In this connection, I shall ask that a letter I wrote to the Secretary of the Treasury, Mr. Fowler, under date of November 7, 1967, be printed in the RECORD. The letter calls attention to the damage which this uncertainty is doing to our economy, and urges that, by all means, the administration get its tax bill down before the Congress. When we get letters from our constituents asking us for copies of the administration's tax bill at least we could tell them what the administration really wants. There are those who are getting the impression that this talk of a tax increase is some sort of political maneuvering in order to give the President a conservative image rather than really wanting a decision on a tax increase.

Perhaps this is wrong, but in any event, the only way to answer this criticism is for the administration to get the tax bill introduced in Congress. Notwithstanding the fact that for 10 months the President has been talking about a tax increase, no tax bill has yet been introduced.

Surely the chairman of the Senate Finance Committee, who is on the floor, would be glad to show such respect to the President of his party and introduce his tax bill. I cannot conceive that he would do otherwise. But if he does not, and out of respect for the office of the President, I will introduce the bill for the President, even though I may or may not support it. At least he is entitled to have it considered. I do not rule out the fact that we may have to have both a reduction in expenditures as well as a tax increase if we are going to bring this inflationary threat under control.

I ask unanimous consent that my letter to Secretary Fowler under date of November 7, 1967, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NOVEMBER 7, 1967.

HON. HENRY H. FOWLER,
Secretary of the Treasury,
Washington, D.C.

MY DEAR MR. SECRETARY: On October 24, 1967, in a discussion in the Senate I called attention to the fact that as yet the Administration's proposal for a tax increase has not been introduced in either the House or the Senate.

While I would personally insist on an expenditure reduction being agreed upon by legislative action prior to a tax increase, nevertheless, I do not rule out the possibility that both may be necessary to avoid the catastrophic results of inflation and escalating interest rates.

In any event, the indecision as to whether there will or will not be a tax increase is causing a great disruption in financial circles. For this reason I feel very strongly that the Administration and the Congress should get together and make a decision as to whether they will or will not approve a tax increase in 1968. Once the decision has been made business can more intelligently make its plans.

In order that we may reach a definite decision before Congress adjourns, I made the offer that if the Administration could not find anyone else to introduce its recommendations if you would send them to my office, I would introduce them in the Senate and at the same time join you in requesting the Chairman of the Finance Committee to hold public hearings on the proposals. Since making this offer I have talked with Under Secretary Barr on a couple of occasions and repeated this offer.

With the most recent issue of Government bonds with a 5¾ per cent coupon selling below par I do not think the Administration can afford to delay affirmative action on both expenditure cuts and the question of tax increases.

Last week our gold supply was further reduced to another new low and I am fearful that a continuation of the present stalemate could precipitate a run on the American dollar.

In view of the seriousness of the present financial crisis I do not think that any of us can afford to consider the political aspects of our decisions. Therefore, once again I urge the Administration to agree to a realistic expenditure reduction for the ensuing years and then to have its proposed tax bill introduced both in the Senate and in the House and at the same time the President announce that he will not agree to an adjournment of Congress until a decision has been made.

Confronted as we are with the necessity of financing an expensive war in Viet Nam, the time is long past due when new projects, new programs and expansion of existing programs should be carefully reexamined and unless it is determined that their postponement would effect our national security they should be held in abeyance until our financial structure has been brought under control.

If the Administration will approach this problem with a realistic plan first to reduce expenditures, I would be inclined to support a reasonable request for additional taxes.

Yours sincerely,

JOHN J. WILLIAMS.

Mr. WILLIAMS of Delaware. I might add, Mr. President, that as yet I have received no reply to that letter.

PARADISO NIXES SURTAX TO FIGHT INFLATION

Mr. PROXMIRE. Mr. President, it is a rare day when a Government economist speaks out in disagreement with the official Government policy line on the economy.

For many months the Government's top economists in the Treasury, the Council of Economic Advisors, and elsewhere have been loyally and faithfully parroting the administration line that the economy is on the verge of an inflationary boom that makes a tax hike the only responsible economic course.

Week after week one key economic indicator after another has contradicted this pat administration position.

And this Senator has been rising in the Senate almost daily to detail the sagging, limping story of the economy—the true picture that contradicts the fairy story to which the administration clings.

Late last week, one of the most respected economists in Government, Louis J. Paradiso, Associate Director of the Department of Commerce's Bureau of Business Economics, spoke out, and knocked the economic props out from under the administration's case for a tax increase.

Paradiso, as the Washington Post reported, predicted the growth of the economy in the coming year without directly criticizing the administration. But in forecasting the size of economic growth next year, his prediction—and I quote Sunday's Washington Post—"carries a clear warning that enactment of a 10-percent surtax would put too heavy a damper on national economic activity." He continued:

> In forecasting that the surtax would limit the 1968 output rise to $50 billion he is predicting a year of sluggish growth and rising unemployment.

Mr. President, I ask unanimous consent that the article entitled "Economist Disagrees With Need for Surtax To Fight Inflation," from this morning's Washington Post, and the speech by Louis Paradiso, on which the article was based, be printed in the Record at this point.

There being no objection, the article and speech were ordered to be printed in the Record, as follows:

[From the Washington (D.C.) Post, Nov. 19, 1967]

Economist Disagrees With Need for Surtax To Fight Inflation

(By Joseph R. Slevin)

A veteran Government forecaster is quietly dissenting from the Administration's prediction that there will be a runaway boom in 1968 if Congress fails to boost taxes.

The dissenter is stubby, gray-haired Louis J. Paradiso the widely respected Associate Director of the Commerce Department's Office of Business Economics. The Paradiso heresy has long been common knowledge within the Government but the Commerce Department expert has only just made his forecast public.

Paradiso is speaking softly and is not looking for a fight. On the contrary, in offering his 1968 forecast he discreetly made no mention of the Administration's quite different expectations.

The 65-year-old analyst put his views on the record earlier this week at the Agriculture Department's Annual Outlook Conference. The Department holds its conference every November and Paradiso's forecast traditionally is a highlight of the opening session.

The big disagreement between Paradiso and the Administration is over the strength of the business upturn that will take place in 1968. The difference comes to more than $10 billion.

Council of Economic Advisors Chairman Gardner Ackley recently has been trying to rally support for President Johnson's tax boost by suggesting that national production next year will climb by an amount approaching $60 billion if Congress votes the Viet Nam surtax but that it will boom ahead at an unsustainable $70-to-$75 billion clip without a tax increase.

Paradiso told the Outlook Conference that he believes that production will rise by a more modest $50-to-$60 billion in 1968. He predicted that passage of the war tax would hold the increase toward the $50 billion lower end of his range while output may reach or possibly even exceed $60 billion in the absence of Congressional action.

If the ace Commerce Department forecaster is right, there is no justification for slapping an additional tax on individual and corporate incomes. Both Administration and private experts agree that the American economy can take a $60 billion production surge next year without being hit by dangerous inflationary pressures.

At the same time, Paradiso's prediction carries a clear warning that enactment of a 10 percent surtax would put too heavy a damper on national economic activity.

In forecasting that the surtax would limit the 1968 output rise to $50 billion, he is predicting a year of sluggish growth and rising unemployment.

Paradiso didn't spell out the details but he didn't have to. His $50 billion production increase translates into a real output rise of only 3½ per cent; and the U.S. economy will have to expand by close to 4½ per cent to regain the full employment peaks that it slipped away from this year.

Remarks on the Business Situation and the Pattern of Consumer Buying by Louis J. Paradiso, Associate Director, Office of Business Economics, U.S. Department of Commerce, at the 45th Annual National Agricultural Outlook Conference, Washington, D.C., November 13, 1967

Economy activity is in an expanding phase. Real GNP in the third quarter increased 4 percent, at annual rate, following a rise of only 1 percent in the first half. Real output for 1967 as a whole will be about 2.5 percent higher than in 1966—a relatively small year-to-year increase. Since the civilian labor force grew sizably—2 percent—it is surprising that the rate of unemployment has been maintained at the 3.8 percent average of 1966, a year when the expansion in output was considerably larger. The explanation appears to be that the first half slowdown, which resulted mainly from the inventory adjustment, was accompanied by relatively low productivity due to hoarding of labor. Workers were not laid off because of expectations that final sales would continue to rise and that the completion of the inventory adjustment would be of short duration.

While I shall concentrate mostly on the consumer spending pattern, it is pertinent to indicate briefly the probable outlook for demand for nonconsumer goods and services, since such demand is the exogenous source of income to consumers.

BUSINESS INVESTMENT

Business purchases of new plant and equipment are not expected to contribute much, if any, to the growth in real GNP in 1968. Corporate internal funds have been below the 1966 peak rate and, expect for a brief period in early 1968, these may not expand much in view of further increases in unit labor costs.

The rate of capacity utilization for most manufacturing industries is now considerably below preferred rates. Some temporary lift may occur in certain industries in the first part of next year, but no sustained improvement is foreseen in view of a 6 percent addition to manufacturing capacity expected in 1968 and of no firm evidence that demand may rise correspondingly.

Indeed, the relevant leading indicators seem to suggest a lack of strength in the prospective demand for capital goods. New orders placed with durable goods producers declined during the summer months and in September were 7 percent below June. They were also significantly lower even excluding the motor vehicles and parts producers. Newly approved capital appropriations of 1,000 manufacturing corporations have been in a declining trend since the first quarter of the year.

The current rate of outlays for fixed capital goods is high measured by any standard. An increase of 2 or 3 percent in 1968 over 1967 seems a reasonable expectation. Because of higher prices such a small increase in dollar outlays implies no change in real terms or perhaps even a small decline. But the rate would still be sufficiently high to permit a large expansion of cost-reducing facilities and some additions to capacity.

Although a modest inventory accumulation is now underway, a fairly large proportion of the stocks held by manufacturers is still regarded as high relative to sales. In view of this, inventory demand may be rather moderate in 1968, although the movements are likely to be erratic during the year. For example, steel may be stockpiled in the first half of next year as a strike hedge. Also, some firms may build up inventories as an inflation hedge, although great risks could be involved in such actions, especially if they are based on forecasts of prices and markets for particular commodities.

RESIDENTIAL STRUCTURES

Homebuilding is headed upward, reflecting mainly the greater availability of mortgage money this year. Private housing starts in 1968 may total 1.4–1.5 million units, compared with nearly 1.3 million this year and 1.16 million in 1966. While the nonfinancial factors bearing on housing demand will be favorable, if mortgage money should be greatly reduced or available only at a prohibitive cost, then such a large increase in starts in 1968 would not materialize.

GOVERNMENT DEMAND

A reliable forecast of the course of defense expenditures cannot be made in the present circumstances. A sharp retardation in the rate of increase in defense purchases has occurred since the first quarter of this year. Present programs imply a continued rise in 1968 but at a relatively slow pace. They suggest that the increase in 1968 may be of the order of $6 billion over 1967, compared with an estimated rise of about $13 billion this year. A substantial modification of the current tempo of operations in Vietnam would, of course, require another assessment.

We have as yet no clear picture of the trend of nondefense purchases of goods and services. Pending the completion of actions bearing on them by the Congress and the Administration, I assume that these purchases will not change much in 1968. On the other hand, State and local government purchases will continue to expand at the high rates of recent years—by $9 or $10 billion.

In sum: The total increase in the foregoing sources of exogenous demands in 1968 over 1967 may be of the order of $25–$30 billion, compared with an estimated increase this year of $13 billion. Government purchases at all levels and housing activity are expected to account for the bulk of the expansion, while the increase in business investment outlays may be quite limited. If we assume a multiplier of 2 stemming from these exogenous demands, the implied 1968 rise in GNP would range from $50 to $60 billion, or 6½ to 7½ percent over 1967.

A large part of the dollar increase, however, will reflect higher prices. Although wage settlements are in excess of productivity gains, the 1968 productivity increase should exceed the relatively small gain of this year. Thus, on this account price pressures would be eased somewhat. Nevertheless, prices would still be under great pressure. If we assume that overall prices rise by 3 percent or a little more in 1968, the increase in real GNP would range from 3½ to 4½ percent.

It is not now known what final actions the Congress may take on the President's proposed tax increase and on the size of the increases in social insurance benefits and contributions. If a tax increase is enacted, the real GNP growth may come closer to the lower end of the range. On the other hand, if a tax increase is not enacted, demands would be stronger and the real GNP increase might reach the upper end of the range or even exceed it; in this event, prices might be under even greater pressure later in 1968 and beyond.

CONSUMER BUYING

Now we shall consider the all-important consumers and their pattern of spending. The foregoing discussion suggests that the expected increase in the exogenous demands, directly and through multiplier effects, will result in higher employment and consumer incomes in 1968. In general, changes in consumer spending tend to reflect variations in spendable income in a fairly stable manner. As with all general rules there are exceptions, and there has been one this past year when consumers have been saving at an exceptionally high rate. In the past year, the average rate of personal saving (its ratio to disposable personal income) was 6.9 percent. At times in the postwar period this rate has been exceeded—such as during the Korean War and in the 1954 and 1958 recessions—but from 1959 to 1966 the rate did not go above 6½ percent in any quarter, and the average for this eight-year period was 5.5 percent. The high saving rate, of course, means that the consumer spending rate is correspondingly low.

Two questions arise in this connection. What are the categories of demand that have been lagging? And why, in view of adequate supplies, are consumers oversaving?

It appears that the lag in demand has been concentrated in the important category of autos, and this lag has been mainly responsible for the recent exceptionally high saving rate. In the past 12 months, consumer spending for autos and parts, at an annual rate of $30 billion, showed little change, while disposable personal income rose 7 percent. Sales of the 1967 models (domestically produced) totaled 7.7 million units whereas sales of the 1966 models amounted to 8.4 million.

We have as yet no definite test of the strength of the 1968 car market, particularly in view of the effects of the auto strike. The most recent survey by the Bureau of the Census on consumer intentions to buy suggests that consumer demand for cars may be much stronger in the next twelve months than it has been in the past year. It is true that after the auto production gets into full swing, there will be a bulge in auto purchases in the early part of 1968. However, for the year as a whole, sales may be affected by a number of adverse factors. The cost of borrowing money is high, while the return on money saved is exceedingly attractive. The 1968 cars are higher-priced and other associate costs are also rising.

Also, many uncertainties still overhang the economy. On balance, and in view of the higher spendable income expected next year, some improvement over this year's estimated 8½ million car sales (including imports) may be anticipated. Expenditures for autos and parts may rise to $32 or even $33 billion next year. I hasten to add, however, that auto demand is quite unpredictable—at times it responds to changes in the general economic forces, and at other times, it behaves exogeneously like business investment.

In contrast to the sluggish spending for autos and parts, consumer outlays for all other categories of goods and services have about kept pace so far this year with the rising spendable income. In the first nine months, disposable personal income was 7 percent above the corresponding period of 1966, while consumer expenditures for goods and services other than for autos and parts increased 6 percent. Another good rise in disposable personal income next year—for example, from 6 to 7 percent—could result in an increase in such expenditures and in GNP of $25 billion to $30 billion.

Within this nonauto group, some interesting contrasts in the pattern of spending may be noted.

FURNITURE AND EQUIPMENT

Expenditures for furniture and equipment reached a record annual rate of $32 billion in the second quarter of this year and continued at that rate in the third quarter. In 1966 and so far in 1967, gains in these expenditures have moderated relative to income as compared with the earlier pronounced increases, particularly from 1961 to mid-1964. With rising incomes and continued improvement in home buying, I would expect increases in furniture and equipment expenditures in 1968 to range from 6 to 8 percent over 1967, on the basis of their relation to spendable income for recent years.

FOOD AND BEVERAGES

In the third quarter of this year, outlays for the largest expenditure category, food and beverages, were at an annual rate of $111 billion, which represented 20.4 percent of income after tax. The long-term downtrend in this ratio was resumed this year following two years—1965 and 1966—when it was maintained at 21 percent. The stability of the ratio in those years was due mainly to the sharply rising food prices.

The expectation is that food prices will be higher in 1968, mainly reflecting rising costs, but the increase may be considerably less than that in 1966 when some foods were in relatively short supply. The proportion of spendable income used for food and beverages may continue to drift down—perhaps to 20 percent—so that such expenditures next year may total $116 billion, or 5 percent higher than this year.

CLOTHING AND SHOES

Outlays for clothing and shoes this year are expected to total nearly $43 billion, representing 7.9 percent of disposable personal income. In the past two years prices of clothing and shoes have risen sharply—by nearly 8 percent—even more than the large rise in food prices. As a result, consumers have been spending more on clothing and shoes relative to spendable income than in any year since 1956. A further rise may be expected in 1968 as incomes expand, but by 5 to 6 percent instead of the large 7 percent gain this year.

Expenditures for nondurables other than food and clothing—including tobacco, gasoline, drugs, paper products, and fuel, etc.—have about kept pace percentagewise with income after taxes throughout the postwar period. The percent increase in these expenditures in 1968 is expected to match the income rise.

In aggregate, consumer outlays for nondurable goods may rise 5 to 6 percent in 1968.

SERVICES

As we know, consumer spending for services has grown steadily throughout the postwar period. In the third quarter of this year, consumer expenditures for services had reached a record high annual rate of $204 billion, or 37.2 percent of disposable personal income; this ratio, however, was lower than the peak of 37.7 percent in 1963. In part, the explanation for the current lower ratio appears to be that consumer outlays for housing and household operation, which now comprise nearly half of expenditures for all services, have been increasing at a slower pace than disposable personal income since 1963. The expenditure-income ratio for these two categories combined declined from 19.4 percent in 1963 to 18.3 percent this year. This decline coincides with the reduced number of housing starts since 1963.

The combined expenditures for services other than housing and household operation, on the other hand, have risen from 18.3 percent of disposable personal income in 1963 to 18.8 percent this year. Accounting for much of this rise has been the increasing proportion of expenditures for medical services where sharply rising prices have dominated the expansion in dollar expenditures. The proportion of disposable personal income spent for transportation, recreation, and personal services is now a little lower than five years ago and much lower than in the early postwar years.

The increase in the expenditures for housing and household operation in 1968 may exceed the 5½ percent rise of this year as homebuilding continues to improve. Demand for medical services is on a strong uptrend, and in view of the steady climb in service prices, a small increase in the proportion of disposable personal income spent on services other than housing and household operation seems reasonable for 1968.

The net result of this is that consumer expenditures for all services in 1968 may again comprise about 37 percent of disposable income, the same ratio as in 1967, and the increase may match the $14 billion rise of this year.

To sum up: At the moment there seems to be little doubt that economic activity will surge in 1968. But we must keep in mind that events not now foreseen can upset the most carefully prepared forecasts.

This year especially, the areas of uncertainty are numerous. Nonetheless, most of the forecasts of GNP made by economists fall within a relatively narrow range. However, since the economy is operating at near full utilization of resources, relatively small changes in demand can spell the difference between a slack economy or an overheated one, and the relatively small differences in the GNP forecasts are sufficient to imply slow growth, satisfactory growth, or nonsustainable growth.

I have suggested a probable range of GNP and some of its sectors for 1968. I think, however, that less emphasis should be given to the numbers and more attention paid to the analysis of the underlying forces.

This analysis suggests that the stimulus to the 1968 economy will stem largely from consumer, government, and housing demand, if the latter is not bogged down by monetary factors. Upward price pressures will be a most disturbing factor. Except for temporary distortions, the growth should be more balanced than in 1966 and much of 1967. Sales increases will be substantial, but continued rising unit labor costs may limit the gain in profits before taxes to only a few percent over the $80 billion estimated for this year. Next year is likely to bring many surprises and a number of reassessments of the economy will need to be made before it is over.

ECONOMIC FORECASTING MISTAKES ENFEEBLE CASE FOR TAX HIKE

Mr. PROXMIRE. Mr. President, 1967 may go down in economic policy history as the year when the administration called for a tax increase based on a grievously wrong forecast of the economy's performance and then stuck with it after economic development clearly established that the tax increase would stultify an already sluggish economy.

Of course, the last chapter has yet to be written on the tax increase, but it could be that stubborn Congress that refused to give the President the tax increase he asked will have served the national purpose and served it well.

Mr. President, this Senator has great sympathy for the administration's top economists. They are able men. But the art of economic forecasting is crude and at best it is prone to mistakes. The crystal ball is as cloudy as a glass of Wisconsin cream, and it is time the administration recognized this.

If economic policymakers recognize that the future is indeed largely impenetrable they will not try to counter short changes in the economy with rapid-fire changes in tax rates and monetary policy.

The Washington Post put it well this morning in an editorial which said that in these circumstances—

> Rather than pursue policies that demand highly accurate forecasts and stable relationships between economic forces, the Government should adopt economic policy rules and adhere to them over the longer run. In the monetary area, to cite an example, it could follow the prescription of the Joint Economic Committee and seek to achieve the steady growth of the stock of money . . . diminishing the heavy reliance on short term forecasts would minimize the likelihood of serious errors and thereby contribute to economic stability.

Mr. President, I ask unanimous consent that the editorial entitled "Economic Forecasting," published in today's Washington Post, be printed in the Record at this point.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Economic Forecasting

The 1968 economic forecasting season is off to an early start, and from here on in the spotlight will be turned on the numbers. There will be Gross National Product numbers, inventory investment numbers, profits numbers; indeed it will be difficult to point to an aspect of economic activity for which a forecaster, be he from Government, business or the groves of academe, will not have a numerical estimate of what's going to happen in 1968. On balance, this preoccupation with the economic future is probably healthy. Science is prediction, and with sufficient time and a willingness to profit from past mistakes, it may be possible to make a science of economic forecasting. But it is not an exact enough science now to be a sound basis for a highly interventionist fiscal and monetary policy.

In *An Appraisal of Short-Term Economic Forecasts*, Prof. Victor Zarnowitz of the University of Chicago found that the average error in estimating year-to-year changes in the GNP was about 40 per cent. His careful study of a very large number of forecasts is for the period 1953–63, but it is doubtful whether his findings would be substantially altered by the more recent record.

The Prudential Life Insurance Co. provides an example of the errors to which economic forecasters are heir. In October, 1966, Prudential predicted that consumer expenditures would rise by $31 billion in 1967 and that inventory investment would amount to $7.5 billion. This October it revised its 1967 forecasts, putting the growth of consumer outlays at $27 billion—an error of nearly 15 percent, assuming that the revised estimate is correct. The inventory investment was scaled down to $2.7 billion for an error of 178 per cent. Yet as forecasts go, Prudential's are probably better than most.

If the Government, with its prompt access to information, had a superior forecasting record, the basis for an active economic policy might be firmer. But that comforting presumption cannot be supported by the evidence. Chairman Gardner Ackley of the Council of Economic Advisers recently told a Los Angeles audience that the Council overestimated the growth of the GNP for 1967 by about 12 per cent. The "inventory adjustment," he said, "was somewhat larger than we expected," and he added that the first half of the year was "even more sluggish than we expected."

After discussing the "standard" private forecast for 1968—a GNP in the $840–$845-billion range—Mr. Ackley closed with the warning that the failure to raise taxes would result in "potentially serious trouble with respect to prices, interest rates and monetary conditions . . ." But will the forecast of those consequences be any more accurate than the prediction of the rapid rise in consumers' expenditures that has not been realized during this year? If forecasts of the demand for goods and services are subject to large errors, what of the derivative forecasts of the demand for loanable funds and interest rates?

An economic policy that attempts to counter short-run economic fluctuations through frequent changes in tax rates and variations in the growth of the stock of money must perforce rely upon accurate forecasting. But the forecasting errors are large and the consequent mistakes in economic policy are serious. Rather than pursue policies that demand highly accurate forecasts and stable relationships between economic forces, the Government should adopt economic policy rules and adhere to them over the longer run. In the monetary area, to cite an example, it could follow the prescription of the Joint Economic Committee and seek to achieve the steady growth of the stock of money. Rules, as opposed to actively interventionist policies, may not always result in an optimal economic performance. But over the longer haul, diminishing the heavy reliance on short-term forecasts would minimize the likelihood of serious errors and thereby contribute to economic stability.

Mr. PROXMIRE. Mr. President, I yield the floor.

A TAX INCREASE

Mr. LONG of Louisiana. Mr. President, there has occurred in the Senate today some discussion about the proposed tax increase which I feel could lead to misunderstanding.

My impression of the matter is that the Constitution clearly intends that a major revenue measure of the sort recommended by the President should originate in the House of Representatives. There has been some discussion about the fact that no bill has yet been drafted to reflect the President's tax proposals. My impression is that on most major revenue measures originating in the House Ways and Means Committee, the President sends his recommendation in the form of a message, the committee takes testimony, considers all recommendations, and then writes its bill. When the bill is reported, it usually passes under the name of the chairman of the Committee on Ways and Means.

That, I assume, would be the procedure with respect to reporting a major tax measure of the sort recommended by the President in the event that it should be recommended favorably by the House Ways and Means Committee.

Mr. President, there are many arguments that can be made in favor of a tax increase, and many arguments that can be made against a tax increase. One could make an economic argument for it, or one could make an economic argument against it, as the Senator from Wisconsin has just done, and as he has done in a number of very logical speeches here on the floor of the Senate.

As far as the Senator from Louisiana is concerned, I have not been enthusiastic about this big proposed tax increase. I have said on occasion that if I were to vote on it at the moment, I thought I would vote against it.

I do feel it would be appropriate that the House of Representatives consider that matter first. I do not think the Senate is going to be able to force the House of Representatives to pass a tax bill that the House is unwilling to pass. If the House wishes to pass a tax bill, we can look at it at that time.

However, if someone wishes, on this floor, to offer a big tax bill as an amendment to the social security bill or any other bill reported out of the Senate Committee on Finance, he is within his rights to do so, and we will vote on it. He may feel free to do so without incurring any anger on the part of the Senator from Louisiana. He can just say he thinks we ought to vote on the President's recommendation, and offer it as an amendment, and we can vote on it and see how many votes it gets.

I should prefer that we not follow that course. Members of the House of Representatives have been begged, importuned, and pleaded with, and have been hearing from the Executive and from others all year long. If they wish to pass such a bill, I am sure they will. If they do not wish to pass it, I doubt very much that they would see fit to heed the suggestions of some Senators who may think that they know what the House of Representatives should do better than the House itself does.

While we do have a right, of course, to amend bills before us, it seems to me that this is a measure which should appropriately first be voted upon in the House of Representatives, and if the House wishes to pass it, then the Senate could consider the matter.

CRIME IN THE STREETS

Mr. ERVIN. Mr. President, few individuals have the knowledge and insight of the crime problem which the distinguished Senator from Arkansas has gained from his relentless battle against all phases of the criminal element. As chairman of the Senate Subcommittee on Criminal Laws and Procedures, Senator McClellan is to be highly commended for his tireless efforts to do something about the lawless trend we are currently experiencing throughout the country.

In a recent speech before the National Council on Crime and Delinquency, Senator McClellan eloquently focused on the causes of the increasing incidents of crime and offered some very provocative solutions to what I feel is our Nation's No. 1 domestic problem.

We should all join Senator McClellan in supporting legislation which will bring the rights of society back into balance with the rights of the criminal in the administration of justice and I urge each of you to read his remarks carefully.

Mr. President, I ask unanimous consent to have printed at this point in the Record the speech entitled "Crime in the Streets," delivered by Senator Mc-

CLELLAN before the National Council on Crime and Delinquency in New York City.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

EXCERPTS OF REMARKS BY SENATOR JOHN L. MCCLELLAN, TO THE NATIONAL COUNCIL ON CRIME AND DELINQUENCY, NEW YORK, N.Y., NOVEMBER 14, 1967

* * * * *

Mr. Chairman, it is not expected that my remarks or the panel discussion to follow should be restricted literally to "Crime in the Streets." This subject, I am sure, was intended to be all-inclusive—to encompass all crimes and to cover all issues and problems arising therefrom.

Crimes are not limited to any locality. They are committed everywhere in the streets and alleys, on the highways and byways, in our schools and churches, in the market places, and in our homes. There simply is no sanctuary—no refuge—to which one can repair with certainty for safety and protection from the epidemic of crime that has engulfed our nation. We no longer have a "safe society," nor do we have a society of peace and tranquility.

We do have an affluent society that is unmatched and unparalleled in world history. We are surrounded by abundance—goods, conveniences, and comforts. In spite of all the clamor about poverty, opportunity is present everywhere, and we are living in a marvelous age—indeed, in a golden age economically. But, unhappily, with all of our great affluence and greatness, crime abounds and flourishes throughout the land.

We are also living in a golden age for criminals who now rob, rape, murder, and mug day and night with an intolerable degree of impunity.

Law and order and respect for constituted authority have been strong bulwarks of our freedom since the founding of our Republic—and must remain so. But, respect for law has gretaly declined. Disrespect and outright contempt for law enforcement officials are commonplace and are practiced not only by the confirmed criminal but also by large groups and segments of the population. Duly constituted authority is openly flouted. Rioting, burning, pillaging, and plundering are occurring in many of our cities with alarming frequency. Massive strikes, sit-in demonstrations, civil disobedience, and turbulent disorder are advocated and engaged in as a means for achieving redress for alleged grievances. Thus, violence begets violence, due process of law is subverted, and the rights of others are contemptuously violated and abused. Many of these demonstrations seem to have taken on aspects of blackmail and extortion.

According to press reports, a massive civil disobedience demonstration is now being planned for the Nation's Capital sometime soon—a camp-in demonstration that is not only designed to inconvenience the public, but which is also intended to create disorder and disrupt the orderly processes of government.

Organized crime is spreading and becoming more subtle and entrenched. Its multibillion dollar annual take from our economy through the illegitimate enterprises and rackets which it controls grows continuously and enormously, and its suffering victims increase and multiply proportionately.

Law enforcement is breaking down. The chances that an offender who commits a major crime will be apprehended, convicted, and punished are much less today than ever before. Eighty-seven out of every 100 who commit major crimes that are reported manage to escape punishment and thus remain loose on society to repeat their nefarious deeds and depredations. Only about 13 percent—about one out of eight—are tried, convicted, and punished. And, for those who are punished, quite often the penalty imposed is not commensurate with the gravity of the crime committed. The prospect of apprehension, successful prosecution and conviction, and just punishment of the lawbreaker is now so diminished and unlikely that this—the greatest deterrent to crime—has now become almost impotent and ineffective.

The truth of the old adage that "crime does not pay" is being refuted more and more every day. It is now an irrefutable fact that the pursuit of crime has become a profitable way of life for many professional criminals. And, their marked success is attracting and seducing others.

There were more than 3¼ million crimes committed in this country last year. If the annual rate of increase of the past seven years continues, there will be more than 7½ million major crimes committed in the United States in 1975—and more than 12 million in 1980—only 13 years hence. Thus, the survival of our social order and peaceful society is being threatened, and the will, resolve, courage, and dedication of our citizenry are now being severely tested in the caldron of vicious assault and challenge. And no civilized society can withstand such a vicious assault upon its structure, nor can any nation survive such a devastating blow to its sovereignty.

Compared to the life of our country, this serious crime menace has not long existed. Its upsurge to such a dangerous level has occurred during the past decade or so. In the light of what our nation is now experiencing, we searchingly ask, "What has happened to America?" What influence—what force of circumstances—has brought this adverse change and inflicted upon us the scourge of lawlessness? Just how serious—how critical—is this threat of mounting crime to our internal security? What should we do about it? These are some of the provocative questions that arise out of these deplorable crime conditions. We must, if we can, find answers and apply effective remedies before it is too late.

I do not have all of the answers. I am not a criminologist, penologist, or sociologist. I do not therefore attempt to speak as one having expert knowledge in this field, nor do I presume the wisdom to recommend all actions and remedies that may be needed to provide a correct or acceptable solution to this urgent problem.

A people who have attained greatness, who have built a mighty nation of unprecedented economic strength and military power, and who now have the genius, and are developing the means, to reach the moon and to plumb the depths of the oceans, surely possess the wisdom and ingenuity to maintain law and order and to repel assaults being made from within by aggressive and subversive forces of crime and civil disobedience.

We can, of course, better find solutions and apply remedies if we will identify and seek to understand some of the principal causes and contributing factors. I shall discuss briefly what I believe to be some of those causes and factors.

First, is the lack of discipline and proper instruction in our homes and schools. These are the institutions, along with our churches, where the initial and basic concepts of individual responsibilities and obligations are first instilled into the hearts and minds of our children and the youth of our land. Juvenile delinquency is largely the product of this failure and neglect. And, the ranks of the criminal element—the professional and hardened criminal—are constantly replenished and augmented from the ranks of juvenile delinquents.

The second inefficient, inadequate, and sometimes corrupt law enforcement which fails to protect society and to "insure domestic Tranquility" (one of the declared objectives of our government as set forth in the Preamble to our Federal Constitution). These help to generate and to preserve a favorable climate where crime thrives and criminals prosper.

Our police forces are under-manned, under-paid, and usually poorly trained. For too long, we have failed to provide them with required modern equipment and facilities. Because we have defaulted in our obligation to maintain and support the necessary standards to insure competent and adequate police protection, the quality and effectiveness of our police establishments have suffered and deteriorated while serious crime has increasingly flourished. Much of this deficiency can be remedied by the enactment of appropriate legislation and the making of appropriations by the several states and the Congress to fund programs so authorized.

The third is unequal justice dispensed by the courts between society and the criminal—as reflected in a number of 5–4 decisions of the United States Supreme Court—which has trampled and degraded the valid and just rights of society while magnifying and exalting the fictitious and alleged rights of the criminal.

Some Supreme Court decisions have caused great frustration and confusion and produced much disarray in law enforcement and criminal justice procedures. They placed strained if not distorted constructions on the Constitution, overruled long-established judicial precedents, shackled law enforcement officials; and, by dubiously invoking specious procedural technicalities and grossly exaggerating the legitimate virtues of civil liberties, many guilt-confessed and confirmed criminals have been released on society. This presents a sorbid spectacle, indeed. The breakdown of law and order emanating from such decisions is adversely affecting the safety of our citizens. As a consequence, criminals are increasingly defying the law and getting away with it, and public confidence in the ability of the courts to administer justice is being seriously undermined.

I make these comments most reverently and respectfully. For, I believe our Court should give more consideration to, and place greater emphasis on, the issues of right and wrong, of truth and justice, and on the guilt or innocense of the accused in rendering its judgment. The rights of the victim and the safety of the public should be weighed equitably in the scales of justice along with the civil liberties and legitimate rights of the accused.

The fourth is apathy, complacency, and false compassion on the part of the public which serve immeasurably to aid, comfort, and protect the law violator and criminal elements in our midst.

And, I include among "the public" their elected representatives who have not fully measured up to their responsibility to enact needed legislation and also other public officials who have not vigorously and effectively administered and enforced criminal laws which now exist.

False compassion, and inverse logic which seeks to absolve the criminal while condoning the damage done society and the injury and suffering inflicted on the victim, cannot help but lend great comfort and encouragement to the lawbreakers and perpetrators of crime.

So many heinous crimes are now brazenly committed with virtual impunity that a sense of fear has been instilled into our people. Many, therefore, are reluctant to cooperate with law enforcement officials because, they are afraid of reprisals and wish to avoid becoming involved.

There is another segment who openly cooperate with and assist the law violator, as illustrated by the many instances in which bystanders witnessing an attempted arrest have not only applauded when the officer was attacked by the criminal, but have joined with him in assaulting the officer so as to effectuate his escape.

These attitudes of false compassion, complacency, apathy, fear, and belligerency on the part of indifferent or misguided citizens must be changed. This war on crime cannot be won without the support and involvement of the people. John Q. Citizen shares an equal obligation and responsibility to support law and order and to defend and preserve a free and tranquil society.

Since the President's crime message to the Congress on March 8, 1965, the Congress has made a modest start toward meeting its legislative responsibility in this field. It has enacted and financed the Law Enforcement Assistance Acts of 1965 and 1966. While of some value, this law is definitely inadequate; it will be superseded and its goals greatly augmented if measures now pending are enacted into law.

Last year, we enacted into law the Narcotics Addict Rehabilitation Act which launched an experimental program in the treatment, rehabilitation, and penalties of drug addicts.

The Congress has passed and last week the President signed an act to prohibit the obstruction of criminal investigations. This measure is particularly needed as a weapon against gangsterism and organized crime.

The Senate has also passed twice and sent to the House of Representatives a bill to grant immunity from self-incrimination and to compel testimony of witnesses in certain criminal cases. This bill should be enacted. It will provide a very effective weapon in the prosecution of a variety of crimes. Again, it should be a most effective aid in securing evidence against and conviction of the overlords of syndicated crime.

I shall not attempt to enumerate or discuss all bills pending in the Congress dealing with the problem of crime, but rather, I shall mention and reiterate my strong support for three of them.

First, the President's Safe Streets and Crime Control bill which has already passed the House of Representatives. It contains however, drastic changes in the President's administrative approach to the problem.

After long hearings, the Senate Judiciary Subcommittee on Criminal Laws and Procedures of which I am Chairman has just completed processing the companion bill in the Senate and will report it to the full Committee sometime this week. Most of the substantial provisions of the President's bill have been retained, particularly those for federal grants for planning programs, for recruiting and training policemen and for procuring of modern and sophisticated equipment and research.

There are amendments to the bill that go beyond the President's program. One outlaws wire tapping and electronic surveillance by all except duly authorized law enforcement officers engaged in the investigation or prevention of specified categories of major crimes. These law enforcement officers would be authorized to place wire taps and electronic surveillance only after showing just and reasonable cause to a court of competent jurisdiction and obtaining a court order to do so. Stringent restrictions are prescribed in the amendment, and the court is required to exercise close supervision over the proceedings.

The President's Crime Commission recommended such a law. Every Attorney General since 1931, save the present incumbent, has endorsed this type of legislation. The Supreme Court in the Berger case (Berger v. New York, 388 U.S. 41 1967) suggested legislation along these lines within the framework of the Constitution. Just recently, the Judicial Conference headed by Chief Justice Earl Warren recommended it. And, further, all eight living former United States Attorneys in Southern New York say such a law is needed.

The contention that such authority would be abused or frivolously used by the courts and law enforcement officers of our land is, in my judgment, an unwarranted indictment of the integrity of our peace officers and the judiciary. If such a weapon is useful and needed to protect national security, as claimed by the President and the Attorney General, then it is hard to conceive that it will not also be useful and is needed in our war on crime.

The second amendment which I strongly support relates to the admissibility of voluntary confessions as evidence in criminal cases. Some 5–4 Supreme Court decisions that released known to be guilty self-confessed criminals have made a mockery of justice. Self-confessed murderers, rapists and robbers should be punished, not liberated. This amendment which is the substance of a bill I introduced, would restore the law as it had existed for a hundred years before the Supreme Court committed its grievous error. I still believe that a trial judge and a jury who hear the testimony and observe the demeanor of witnesses as they testify are better able to determine whether a confession or incriminating statements made by an accused are voluntary and free of coercion than can five judges on the Supreme Court who have nothing before them but a cold printed record of the trial proceedings.

The tools and instrumentalities that these two amendments would provide will materially strengthen the arsenal of law enforcement and close large gaps and loopholes through which far too many criminals are now escaping the penalties of the law.

TAXES

Mr. WILLIAMS of Delaware. Mr. President, the chairman of the Committee on Finance points out that measures dealing with revenues normally originate in the House of Representatives. However, as he will agree, they can also originate in the Senate by being offered as amendments to any revenue bill pending in the Senate. This has often happened, and I cite specific cases such as the proposal to finance Presidential campaigns which originated in the Senate. The administration sent its campaign financing bill to the Senate, the hearings were held in the Senate, and the matter was reported by the Senate Committee on Finance. The House of Representatives has never, as yet, held a day's hearings on that proposal. It is now on the Senate calendar.

A bill dealing with import quotas on oil must likewise originate in the House of Representatives, yet recently such a measure was introduced in the Senate by the chairman of the Finance Committee. We held hearings in the Senate committee for 3 days, and I understand that that measure will be offered as a rider on a previously enacted House bill. There are Senate bills dealing with import quotas on textiles, meats, and about 40 other commodities. All such measures normally originate in the House of Representatives, or they can be offered as amendments in the Senate. In accord with established precedents, all of the measures I have cited were introduced in the Senate, and our committees have held hearings on the proposals. Later it is expected they will very properly be presented as amendments to some previously enacted revenue measure coming over to us from the House of Representatives.

So this is not an unusual procedure.

The point I am making is, whether we are for or against a tax increase the least Congress can do is make a decision so that American business will know whether there will or will not be a tax increase next year.

Likewise, let us make a decision whether there will or will not be a bona fide reduction in expenditures. I have consistently been seeking reduction of expenditures. I believe a reduction of expenditures must precede any consideration of a tax increase. As far as I am concerned if we increase taxes only to increase the spending power of the Johnson administration it would be worse than taking no action at all. If we are only going to increase taxes in order to provide more money for this administration to spend under its many Great Society programs it would only further contribute to inflation. I believe the President must recognize that any tax increase must follow—and I emphasize the word "follow"—not precede a bona fide reduction in expenditures.

We can act on the need of a tax increase afterwards, and I do not rule out the possibility that I will support one. I think the No. 1 job and the No.1 responsibility of this Congress is to take some positive step to check this inflationary threat which now threatents to pauperize every American citizen who is living on a pension, whether it be social security, teacher's pension, or any other kind of private pension.

It is useless to talk about raising social security benefits on the floor of the Senate if we are going to proceed with the planned inflationary policies of the Johnson administration and do nothing to check this serious threat to the American dollar. In 2 years, if we were to follow this policy, all such increases would be completely washed out through the increased cost of living.

In every country in the world in which there has been a devaluation of currency or rank inflation it is those people who are living on fixed incomes—the retired people of those countries—that are hurt the worst. They are being pauperized. That is true in Britain today. Those who are living in retirement or on fixed incomes in Britain today are those who will be hurt the most because of the devaluation of the pound. And people living on fixed incomes and the retired people in this country will be hurt the most by continued inflation. They will be hurt by the same group of Senators who almost daily stand up and shed so many crocodile tears on the floor of the Senate in their behalf. Let us stop such political hypocrisy and start reducing the cost of operating this bureaucracy.

Mr. LONG of Louisiana. Mr. President, to make my position clear, if a Senator is strongly in favor of a tax increase, let him offer such a proposal. However, as far as I am concerned, I certainly do not propose to offer one now. I do not propose to offer one now, not only because I have no enthusiasm for such a proposal but also because I happen to be the assistant majority leader and chairman of the Finance Committee and as such I know the appropriate way to handle such a measure is to allow it to originate in the House of Representatives.

It would be a rather vain thing for me to try to force the House Ways and Means Committee and the chairman of that committee to do something that they are not at the moment disposed to do.

I respect their judgment on the matter. When they get around to voting on the measure, I am sure they will do what they believe is appropriate.

If some Senator wants to talk on the matter, that is his privilege. I do not quarrel with him. Each Senator has a right to talk on a subject and may follow the dictates of his own conscience.

REPORTS RELATING TO THIRD PREFERENCE AND SIXTH PREFERENCE CLASSIFICATIONS FOR CERTAIN ALIENS

The PRESIDING OFFICER laid before the Senate a letter from the Commissioner, Immigration and Naturalization Service, Department of Justice, transmitting, pursuant to law, reports relating to third preference and sixth preference classifications for certain aliens which, with accompanying papers, was referred to the Committee on the Judiciary.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LONG of Missouri, from the Committee on the Judiciary, without amendment:

S. 1073. A bill to remove arbitrary limitations upon attorneys' fees for services rendered in proceedings before administrative agencies of the United States, and for other purposes (Rept. No. 795).

By Mr. ERVIN, from the Committee on Armed Services, without amendment:

S. 1036. A bill to protect members of the Armed Forces of the United States by prohibiting coercion in the solicitation of charitable contributions and the purchase of Government securities (Rept. No. 796).

COMMITMENT OF U.S. ARMED FORCES—REPORT OF A COMMITTEE—INDIVIDUAL VIEWS (S. REPT. NO. 797)

Mr. FULBRIGHT. Mr. President, from the Committee on Foreign Relations, I report an original resolution (S. Res. 187) relative to commitment of U.S. Armed Forces, and I submit a report thereon.

The PRESIDING OFFICER. The report will be received and the resolution will be placed on the calendar.

Mr. FULBRIGHT. Mr. President, in submitting to the Senate this report from the Committee on Foreign Relations on the subject of the future commitment of the Armed Forces of the United States to hostilities on foreign territory, I commend the report to the most careful attention by all Members of the Senate.

It is not my present intention to press for action this session, although that intention may change.

The subject is of fundamental importance to every Senator who takes seriously his duties in the field of foreign relations. The committee report should be read and studied carefully, not only by Members of this body but by students of American Government.

I hope we may provoke some very careful thought and analysis of the role of the Senate in the formulation of foreign policy in a democracy.

The resolution (S. Res. 187) was placed on the calendar, as follows:

S. RES. 187

Whereas the Executive and Legislative branches of the United States Government have joint responsibility and authority to formulate the foreign policy of the United States; and

Whereas the authority to initiate war is vested in Congress by the Constitution: Now, therefore, be it

Resolved, That a commitment for purposes of this resolution means the use of, or promise to a foreign state or people to use, the Armed Forces of the United States either immediately or upon the happening of certain events, and

That it is the sense of the Senate that, under any circumstances which may arise in the future pertaining to situations in which the United States is not already involved, the commitment of the Armed Forces of the United States to hostilities on foreign territory for any purpose other than to repel an attack on the United States or to protect United States citizens or property properly will result from a decision made in accordance with constitutional processes, which, in addition to appropriate executive action, require affirmative action by Congress specifically intended to give rise to such commitment.

Mr. MORSE subsequently said: Mr. President, earlier in the day, the Senator from Arkansas [Mr. FULBRIGHT] reported a resolution from the Committee on Foreign Relations on the subject of military commitments to foreign countries.

I ask unanimous consent that the report may include individual views.

The PRESIDING OFFICER. Without objection, it is so ordered.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KENNEDY of Massachusetts:

S. 2675. A bill for the relief of Jose Estrada; to the Committee on the Judiciary.

By Mr. BIBLE:

S. 2676. A bill for the relief of Shao Hwa Wang; to the Committee on the Judiciary.

By Mr. METCALF:

S. 2677. A bill to authorize the Secretary of the Interior, in cooperation with the States, to conduct an inventory and study of the Nation's estuaries and their natural resources, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. BARTLETT:

S. 2678. A bill to amend the act to provide for the admission of the State of Alaska into the Union; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. BARTLETT when he introduced the above bill, which appear under a separate heading.)

By Mr. MORSE:

S. 2679. A bill to amend the District of Columbia Teachers' Salary Act of 1955, as amended; to the Committee on the District of Columbia.

(See the remarks of Mr. MORSE when he introduced the above bill, which appear under a separate heading.)

CONCURRENT RESOLUTION

ADJOURNMENT OF CONGRESS FROM NOVEMBER 22, 1967, TO NOVEMBER 27, 1967

Mr. MANSFIELD (for himself and Mr. DIRKSEN) submitted a concurrent resolution (S. Con. Res. 51) providing for the adjournment of Congress from November 22, 1967, to November 27, 1967, which was considered and agreed to.

(See the above concurrent resolution printed in full when submitted by Mr. MANSFIELD, which appears under a separate heading.)

RESOLUTION

RELATIVE TO COMMITMENT OF U.S. ARMED FORCES

Mr. FULBRIGHT reported an original resolution (S. Res. 187) relative to commitment of U.S. Armed Forces, which was placed on the calendar.

(See the above resolution printed in full when reported by Mr. FULBRIGHT, which appears under the heading "Reports of Committees.")

ALASKA STATEHOOD ACT AMENDMENT

Mr. BARTLETT. Mr. President, I introduce, for appropriate reference, a bill to amend the act to provide for the admission of the State of Alaska into the Union. The provisions of my bill are designed to alleviate certain problems which have arisen in connection with State land selection and land management. The bill has four sections, three of which amend existing subsections of the Alaska Statehood Act and one of which adds a new subsection to the act.

The need for this legislation was called to my attention by the Alaska Division of Lands—the agency charged with the responsibility for selection of lands granted to the State in the Statehood Act. A great deal of work has gone into the drafting of this legislation and numerous drafts were prepared before we arrived at the language contained in the bill I introduce today.

My bill would make four changes in existing law. First, it would remove a 10-year limit placed on the State for the selection of lands under Federal mineral lease. If the 10-year limit is not removed the State will not be able to select land under Federal lease after January 3, 1969.

Second, it would allow the State to take over Federal mineral leases upon tentative approval of a State selection including the leases. Now the State does not take over Federal leases until it receives patent to the selected lands.

Third, it would allow the State to select subsurface rights to land withdrawn for surface use and not otherwise available for State selection. Such a subsurface selection would be allowed only where mineral exploration is compatible with the surface use of the withdrawn or reserved lands.

Fourth, it would allow the State to make small selections in park and forest areas where boundaries between the State and Federal land constantly fluctuate because of beach erosion or changes in channels of navigable streams.

Mr. President, I am hopeful we can have committee hearings early next year on the proposed legislation because while the proposed changes are minor ones their importance to orderly management and selection of lands under the Alaska Statehood Act is major.

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2678) to amend the act to provide for the admission of the State of Alaska into the Union, introduced by Mr. Bartlett was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

SOCIAL SECURITY AMENDMENTS OF 1967—AMENDMENTS

AMENDMENT NO. 451

Mr. ERVIN. Mr. President, I submit on behalf of myself, Senator Hruska, and Senator Tydings, an amendment intended to be proposed by us, jointly, to H.R. 12080, the Social Security Amendments of 1967. The purpose of our amendment is to remove restrictive provisions in the act as reported by committee which will deny social security benefits to prisoners participating in the work-release program of the Prisoner Rehabilitation Act of 1965.

These provisions may destroy an important and effective program which the Congress enacted barely 2 years ago, and which has been adopted by 22 States. The committee provisions amount to no less than a major repudiation of the most important reform in prisoner rehabilitation in three decades. My amendment, which will delete these restrictive provisions, should be accepted as a demonstration of continued congressional support of this good, practical, and humane program.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table.

AMENDMENT NO. 452

Mr. ANDERSON submitted amendments, intended to be proposed by him, to the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes, which were ordered to lie on the table and to be printed.

AMENDMENTS NOS. 453 AND 454

Mr. WILLIAMS of Delaware submitted two amendments, intended to be proposed by him, to House bill 12080, supra, which were ordered to lie on the table and to be printed.

AMENDMENT NO. 455

Mr. HARRIS (for himself, Mr. Clark, Mr. Hart, Mr. Hartke, Mr. Kennedy of Massachusetts, Mr. Kennedy of New York, Mr. Pell, Mr. Javits, Mr. Mondale, Mr. Morse, Mr. Williams of New Jersey, and Mr. Yarborough) submitted an amendment, intended to be proposed by them, jointly, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

(See reference to the above amendment when submitted by Mr. Harris, which appears under a separate heading.)

AMENDMENT NO. 456

Mr. LONG of Louisiana (for himself, Mr. Nelson, Mr. Morse, and Mr. Montoya) submitted an amendment, intended to be proposed by them, jointly, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 457

Mr. MILLER submitted an amendment, intended to be proposed by him, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

AMENDMENTS NOS. 458 AND 459

Mr. KENNEDY of Massachusetts submitted two amendments, intended to be proposed by him, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 460

Mr. KENNEDY of Massachusetts (for himself, Mr. Brooke, Mr. Clark, Mr. Hart, Mr. Javits, Mr. Kennedy of New York, Mr. McGovern, Mr. Mondale, Mr. Morse, Mr. Williams of New Jersey, and Mr. Yarborough) submitted an amendment, intended to be proposed by them, jointly, to the House bill 12080, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 461

Mr. WILLIAMS of New Jersey submitted an amendment, intended to be proposed by him, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 462

Mr. WILLIAMS of New Jersey (for himself, Mr. Brewster, Mr. Inouye, Mr. Kennedy of Massachusetts, Mr. Kennedy of New York, Mr. Morse, Mr. Pell, and Mr. Yarborough) submitted an amendment, intended to be proposed by them, jointly, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 463

Mr. MILLER submitted an amendment, intended to be proposed by him, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 464

Mr. WILLIAMS of Delaware (for himself and Mr. Curtis) submitted an amendment, intended to be proposed by them, jointly, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

AMENDMENT NO. 465

Mr. KENNEDY of New York. Mr. President, I send to the desk an amendment to modify the coercive features of the work incentive program adopted by the committee. I intend to call it up tomorrow. It is cosponsored by 15 Senators of both parties, and is part of a group of amendments endorsed in a public statement today by a total of 15 Senators. The mandatory aid to dependent children of unemployed fathers amendment proposed by the Senator from Oklahoma, which the Senate adopted earlier, was also part of this group of amendments.

I ask unanimous consent that the amendment—exhibit A—be printed in the Record at this point, along with a summary of it.

I ask unanimous consent also that a statement—exhibit B—adopted by over 40 national organizations which supports the purpose of the amendment just submitted, be placed in the Record at this point.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table; and, without objection, the amendment and exhibits will be printed in the Record.

The amendment (No. 465) is as follows:

Amendment No. 465

On page 275, line 16, strike out everything from "and" through "children, or" on line 18, and insert in lieu thereof "or a mother or other relative who is actually caring for one or more children under the age of 16 who are attending school, except where participation in such work program does not necessitate the absence of such mother or relative from the home during hours when the child or children are not attending school, or".

On page 275, line 20, after "find", insert ", in accordance with criteria established by the Secretary,".

On page 278, strike everything from line 13 through line 16, and insert in lieu thereof "shall be continued;".

On page 285, strike everything from line 16 through line 22.

On page 286, line 2, strike "—".

On page 286, line 3, strike "(1)".

On page 286, strike everything from line 5 through line 9.

On page 26, after line 4, insert "(i) maintaining and strengthening family life, fostering child development, and assisting such relative and child to attain or retain capability for self-support or care, and".

On page 226, line 5, in lieu of "(i)" insert "(ii)".

On page 226, line 7, after "force", insert "at the appropriate time".

On page 226, line 9, in lieu of "(ii)" insert "(iii)".

Exhibit A

Summary of Amendment on Coercion to Work

1. Exemptions from participation in the work program.

a. The bill exempts, among others, "a mother who is actually caring for one or more children of preschool age and whose presence in the home is necessary and in the best interest of such children." The amendment deletes from "and" to the end as superfluous. If she is actually caring for a preschool child, her presence in the home is necessary.

* * * * *

c. The bill exempts no mothers other than mothers of pre-school children. The amendment would create a qualified exemption for mothers of children under 16 who attend school. They could be made to work only when their child is in school.

d. The bill has another exemption (page 275, lines 19–24 for people for whom participation would not be in their best interest or that of the program. But this judgment is to be made by the State agency. The amendment makes it clear that this would be "in accordance with criteria established by the Secretary" of Health, Education, and Welfare.

2. Mandatory protective payments for children of people who refuse to work.

a. If a person refuses to work, two things happen under the bill:

(1). His or her needs are no longer taken into account in determining the family welfare budget.

(2). The children continue to receive aid, but only in the form of protective payments (payments to a 3rd party on behalf of the child), or foster-home aid.

b. The amendment relates to #2 above. The bill seems to suggest by referring to foster-home payments, that the refusal to work is a basis for a finding of neglect and removal of the child from the home. It also suggests, by making protective payments mandatory, that the mother is automatically incapable of handling money if she refuses to work. The amendment would remove these restrictions, just substituting the statement that ADC "will be continued." If the State wishes to make the payment in the form of protective payments, it can do so within the regular provision for protective payments under section 406(b)(2) which is governed by certain standards and a 10 percent ceiling on the total amount of welfare that can be paid in this fashion.

3. Purpose of the new child-care services and job programs provided by the bill.

a. The purposes of the new services (p. 226, lines 6-12) are stated as being merely to assure that people work so they become self-sufficient and to reduce the incidence of births out of wedlock and otherwise strengthen family life. The amendment would make clear that the purpose is broader, emphasizing the maintaining and strengthening of family life, the fostering of child development, and the idea of assistance to self-sufficiency.

b. There is no qualification on when children and others are to enter the labor force (p. 226, line 7). The amendment would indicate that they should do so "at the appropriate time."

EXHIBIT B

JOINT STATEMENT ON WELFARE POLICY IMPLICATIONS OF H.R. 12080—SOCIAL SECURITY AMENDMENTS OF 1967—BY THE NATIONAL SOCIAL WELFARE ASSEMBLY, INC., NEW YORK, N.Y., NOVEMBER 15, 1967

All of us signing this statement have long been concerned with an effective over-all welfare policy, governmental and voluntary, that would so strengthen family life, child development and individual capacity to meet the pressures and obligations of modern life as to constitute a real bulwark for the social order and its members.

We were, therefore, greatly distressed by the provisions of HR 12080, the Social Security Amendments of 1967, as passed by the House, which would convert public welfare provisions for families with young children from an instrument of protection and assistance to children to one of compulsion with respect to work and behavior on their mothers. We do not believe that members of the House were aware of the self-defeating implications of this reversal of policy. We have, therefore, welcomed the opportunity to present our views to the Senate Finance Committee and other members of the Senate. We particularly welcomed the action of Senators Robert Kennedy and eleven other Senators in proposing the changes incorporated in Amendment No. 425 which would preserve the strengths of HR 12080 without threatening or undermining the basic effectiveness of the program.

The Senate Finance Committee has made a number of decisions which substantially improve the bill but do not overcome all of its weaknesses. In evaluating the actions taken by the Senate Finance Committee and hence the need for further floor action we believe the following statement of basic principles may be useful.

Compulsion to work. We believe that no mother should be forced to leave their children and go out to work against their own best judgment of their children's needs. Caring for children is itself a demanding job; the latch-key children of today become the drop-outs and delinquents of tomorrow; the mother forced by her children's hunger to take a job or training is likely to be neither an effective worker or mother. The very capacity of a welfare agency to assist a mother toward employment at the time appropriate in her own best judgment is thwarted by the mistrust fostered by compulsion.

Purpose of Services. For the same reason we believe that the effectiveness of any social services and counselling offered to parents of dependent children—whether with respect to employment, day care, child support, child welfare, family planning or any other social objective—depends on the confidence of those assisted by such services that the welfare of their children is the prime consideration. To subordinate such services to the sole objectives of employment and reducing illegitimacy—however desirable these goals in a larger context—destroys not only their immediate effectiveness but the confidence basic to any effective present or future welfare programs. This is even more true when provisions such as protective services, intended to safeguard the welfare of children, or the unprecedented authority for the long-discarded policy of voucher relief are used as a punishment for a mother who does not feel she can work outside the home.

Equality of treatment. We are opposed to any policies that make second-class citizens of persons dependent on public assistance, by applying discriminatory standards to their behavior or offering them lesser protections than those available to other persons. We, therefore, oppose provisions that single out assistance recipients for discriminatory treatment with respect to child neglect, day care, support and paternity actions, family planning, or standards of employment. Experience shows that such differential treatment not only undermines the family relationships which are the very heart of child welfare but deters applications for assistance in behalf of the very children for whose welfare they were designed.

Adequacy of assistance. We hope that the bill as finally enacted will reduce the need for public assistance by improvements in social insurance benefits especially for beneficiaries at the lowest levels. However, for those who must seek assistance more adequate levels of aid are essential if children are to grow up in health and self respect. We, therefore, favor the requirement that states meet full budgetary need with special federal financing aid to facilitate the transition, a non-restrictive policy on assistance to children in need because of unemployment of the parent, a generous exemption of earned income, and a maintenance of the present requirements and eligibility levels in medical assistance for the needy. We are, of course, strongly opposed to the freeze on AFDC reimbursement to the states for payments to mothers of deserted and illegitimate children.

While we understand that the Senate Finance Committee has recommended modification of some elements of compulsion on mothers, we wish to reiterate our common concern for these additional implications for an effective welfare policy.

American Foundation for the Blind, Harold G. Roberts, Associate Director; American Parents Committee, Inc., George P. Hecht, Chairman; American Public Welfare Association, Guy R. Justis, Director; Child Study Association of America, A. D. Buchmueller, Executive Director; Child Welfare League of America, Joseph H. Reid, Executive Director.

Council of Jewish Federations and Welfare Funds, Philip Bernstein, Executive Director; Episcopal Church—Division of Community Services, Executive Council, Rev. Reinhart B. Gutmann, Executive Secretary; Family Service Association of America, Clark W. Blackburn, General Director; Florence Crittenton Association of America, Mary Louise Allen, Executive Director; Industrial Union Department AFL-CIO, Walter P. Reuther, President.

National Association of Social Workers, Rudolph T. Danstedt, Director; National Committee for Day Care of Children, Inc., Mrs. Richard Lansburgh, President; National Conference of Catholic Charities, Very Rev. Msgr. Lawrence J. Corcoran, Secretary; National Council of Churches, John McDowell, Director for Social Welfare; National Council on Crime and Delinquency, Milton G. Rector, Director.

National Federation of Settlements and Neighborhood Centers, Margaret Berry, Executive Director; United Presbyterian Church, USA, Office of Church and Society, The Rev. Robert D. Bulkley, Secretary; National Presbyterian Health and Welfare Association, the Rev. Arthur M. Stevenson, President; National Social Welfare Assembly, Inc., C. F. McNeil, Director; National Urban League, Whitney M. Young, Jr., Executive Director.

Planned Parenthood—World Population, Paul H. Todd, Jr., Chief Executive Officer; Salvation Army, Lt. Com. John Grace, National Chief Secretary; Travelers Aid Association of America, Paul L. Mullaney, President, Paul Guyler, General Director; United Church of Christ, Council for Christian Social Action, Huber F. Klemme, Associate Executive Director; YWCA of the USA, Helen J. Claytor, President, Edith M. Lerrigo, Executive Director.

National Council of Jewish Women, Hannah Stein, Executive Director; The Mayor's Advisory Board, New York City Department of Social Services, John Seder, Chairman; Community Council of Greater New York, James W. Fogarty, Executive Director; Federation of Jewish Philanthropies, Milton D. Levine, Director, Committee on Social Legislation; United Neighborhood Houses of New York, Inc., Helen M. Harris, Executive Director.

Council of Social Agencies, Inc., Rochester, New York: Kenneth M. Storandt, Executive Director, Eli E. Cohen, Executive Secretary, National Committee on Employment of Youth; Lyman S. Ford, Executive Director, United Community Funds and Councils of America; Mitchell I. Ginsberg, Commissioner of Social Services, New York City Department of Welfare; Sanford Solender, Executive Vice President, National Jewish Welfare Board; Harold N. Weiner, Executive Director, National Public Relations Council; Dr. Ellen Winston, Former Commissioner of Welfare, U.S. Department of Health, Education, and Welfare; Elizabeth Wickenden, Social Welfare Consultant; John W. Ferree, M.D., Executive Director, National Society for the Prevention of Blindness; Paul R. Cherney, Staff Associate, United Community Funds and Councils of America; Inabel B. Lindsay, Social worker; Katherine B. O'Neil, Catholic services; Frank Furstenberg, M.D.

Lutheran Council in the USA, Division of Welfare Services: Rev. G. S. Thompson, Executive Secretary; John M. Warnes, Associate Executive Secretary; Dorothy E. Mundt, Consultant; Theodore W. Barry, Jr., Assistant Director, Office of Scholarship and Recruitment; Virgil Fuchs, Director, Scholarship and Retirement; Rev. Walter J. Baepler, Associate Secretary, Institutional Chaplaincy and Clinical Pastoral Education; Dr. Henry H. Cassler, Secretary, Chaplaincy and Clinical Pastoral Education; Dr. Henry J. Whiting, Secretary for Social Research and Planning; Mrs. Henry Steeger, Chairman, National Council on Illegitimacy.

AMENDMENT NO. 466

Mr. KENNEDY of New York. Mr. President, I submit an amendment which would create a joint congressional committee on the cost of medical care. I shall call that up tomorrow as well. I ask unanimous consent that the text of that amendment be printed in the Record at this point in my remarks.

The PRESIDING OFFICER. The amendment will be received, printed, and will lie on the table; and, without objection, the amendment will be printed in the Record.

The amendment (No. 466) is as follows:

On page 350, between lines 2 and 3, insert the following:

"Sec. 234*d*. There is hereby established a Joint Committee on the Cost of Medical Care (hereinafter referred to as the committee) to be composed of six Members of the Senate (not more than three of whom shall be members of the majority party) to be appointed by the President of the Senate, and six Members of the House of Representatives (not more than three of whom shall be members of the majority party) to be appointed by the Speaker of the House of Representatives. The committee shall select a chairman and a vice chairman from among its members.

"Sec. 2. The committee shall make a full and complete study of the costs of medical care in the United States, identifying with precision the reasons for the recent unusual increases therein and suggesting methods and procedures for preventing similar increases in the future. The study shall include but shall not be limited to the following areas of inquiry: (a) the bases upon which hospitals, physicians, and other providers of medical care compute their costs and charges, and the efforts of such providers, their professional associations, and health insurance companies to identify and publicize methods of controlling such costs and charges; (b) the state of academic knowledge concerning the application of scientific principles of management and administration to the provision of medical care; (c) the experience of prepaid group practice plans in connection with the cost and quality of medical care; (d) the effect on the costs of the programs operated under title XVIII and XIX of the Social Security Act and on the costs of medical care generally of the provisions thereof and the regulations issued pursuant thereto establishing formulae and mechanisms of reimbursement. The committee shall make detailed recommendations concerning alternative means of providing and delivering medical care that might reduce the cost of such care.

"Sec. 3. (a) The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Ninetieth Congress, to require by subpoena or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures, as it deems advisable.

"(b) The committee is empowered to appoint and fix the compensation of such experts, consultants, technicians and clerical and stenographic assistants as it deems necessary and advisable.

"(c) The expenses of the committee, which shall not exceed $500,000 through January 1, 1969, shall be paid from the contingent fund of the Senate upon vouchers signed by the chairman.

"(d) The committee shall report from time to time to the Senate and the House of Representatives the results of its study, together with its recommendations, the first report being made not later than 120 days after the effective date of this concurrent resolution. Its final report shall be submitted on January 1, 1969. If the Senate, the House of Representatives, or both, are in recess or have adjourned, the report shall be made to the Secretary of the Senate or the Clerk of the House of Representatives, or both, as the case may be. All reports and findings of the committee shall, when received, be referred to the Committee on Rules and Administration of the Senate and the appropriate committees of the House."

AMENDMENT NO. 467

Mr. McGOVERN (for himself, Mr. Clark, Mr. Hart, Mr. Mondale, Mr. Javits, Mr. Williams of New Jersey, Mr. Yarborough, Mr. Morse, Mr. Kennedy of Massachusetts, Mr. Kennedy of New York, Mr. Brooke, Mr. McGee, Mr. Muskie, and Mr. Case) submitted an amendment, intended to be proposed by them, jointly, to House bill 12080, supra, which was ordered to lie on the table and to be printed.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, November 20, 1967, he presented to the President of the United States the enrolled joint resolution (S.J. Res. 26) designating February 1968 as "American History Month."

THE PRESIDENT EXCELS AT WHAT HE DOES BEST: BEING HIMSELF

Mr. McINTYRE. Last Friday, those who have been urging President Johnson to forget the formalities and just be himself during public appearances were vindicated in a superb fashion.

The President's performance during his news conference on Friday offered the American people a stunning moment with the man who holds the highest office in the land.

Few American Presidents have ever come across on television with more honesty, integrity and forcefulness than did President Johnson.

There is no question but that the President's best "secret weapon" is himself. And by projecting himself in such a warm and open fashion, he has won the hearts of the people.

I liked his aggressiveness and especially the dropping of an attitude of apology that has crept into his statements in the past.

I believe this will be merely a prelude. And I think the President served ample notice on his critics that he will go to the people in an honest and persuasive way to tell his side of the story.

This cannot be good news to those who oppose him. But to those of us who support and admire him, it is the best possible news indeed.

ADDRESS BY QUINN TAMM ON CURRENT EVENTS IN THE CITIES FROM THE POLICE POINT OF VIEW

Mr. DIRKSEN. Mr. President, I ask unanimous consent to have printed in the Record an address delivered to the Washington chapter of the American Society for Industrial Security by Quinn Tamm, executive director of the International Association of Chiefs of Police, on Friday, November 17, 1967.

There being no objection, the address was ordered to be printed in the Record, as follows:

Current Events in the Cities From the Police Point of View

(By Quinn Tamm, executive director, International Association of Chiefs of Police, Washington, D.C., before the Washington Chapter of the American Society for Industrial Security, Dinner Meeting, November 17, 1967, Park Arlington Restaurant, Arlington, Va.)

I was very pleased to receive George Gould's invitation to participate in this meeting of the Washington Chapter of the American Society for Industrial Security. It is an added pleasure to see so many of my colleagues in law enforcement here with their charming wives. Because all of these police executives are members of the International Association of Chiefs of Police, I am hopeful that I will have a built-in cheering section.

The opportunity to meet with the members of the American Society for Industrial Security is always a welcome one because our two associations have a great many mutual problems and mutual aims. In addition to sharing many mutual problems and goals, we also share to a considerable degree, mutual members.

We of the IACP are proud to number so many industrial security executives among our membership which now totals over 7,000 law enforcement executives from the United States, Canada and 62 other Free World nations. Our members from industry have contributed importantly to our Association's progress in developing a police profession second to none.

The IACP is dedicated to continuous study and research to improve the capabilities of the police profession to protect the lives, liberties and properties of our citizens through the lawful exercise of police power. As a non-profit organization the IACP derives only a small portion of its operating revenue from membership dues. We rely primarily on grants from industry, foundations and individuals for revenue, over and above that received from our at-cost contractual consultant services. We are fortunate that so many industrial concerns have recognized the importance of our organization and its work by their financial contributions. It is our hope that more and more members of the industrial and business communities will become familiar with our aims and achievements, and assist us in achieving continued progress. Our Institute for Police Management, a non-profit tax-exempt corporation, was established for the purpose of arranging for this participation.

My purpose in mentioning this is not to solicit memberships or contributions for IACP. I give you this background information to make it clear to you gentlemen that our Association owes a debt of gratitude to industry and the members of its security forces for the support that they provide us.

My purpose here today is to discuss crime in our cities, and the problems it presents to all of us who are concerned with law and order. The steadily ascending crime rate is paralleled in its upward climb by the number of civil disorders that bring death and devastation to our cities. The meager resources of the police, already inadequate to cope with the traditional crimes, are taxed even more in attempts to prevent civil disobedience and civil demonstrations from spiraling into civil riots and civil wars. And as we are all well aware, during the past three years, these attempts have certainly not been marked with success in many of our cities.

I do not exaggerate when I say that law enforcement in our nation is at a point of crisis. I want to make it perfectly clear that I do not make such a statement as a condemnation of the police of our nation. From my vantage point as Executive Director of an Association that counts among its members the leading police executives of our country, I can assure you that never before in history has our nation had the quality of law enforcement that is being provided today.

The inadequacy that plagues law enforcement today is not one of quality, but of quantity. I know of no major municipal department today that is manned to its authorized strength. This is understandable when one realizes that the police officer of today is required to meet vocational demands that include many of the skills and talents of a lawyer, doctor, sociologist, educator and administrator for financial rewards that are definitely at low end of the scale in our affluent society. Certainly a median salary of $6,500 for patrolmen is not much of an inducement for young men able to meet the high physical, mental and moral standards maintained in the police service.

The reluctance of young men and women of promise to enter the police service is also understandable from the sociological standpoint. They read of the police being maligned and assaulted by militant dissidents and forced to remain passive. They see the police being spat upon and reviled by unwashed "hippies" and "acidheads" and required to endure this without recourse because we apparently live in a social climate of permissiveness as far as disrespect for the law is concerned. The ancient rights of freedom of speech and peaceful assembly become travesties when they are not accompanied by adherence to the equally ancient responsibilities of respect for law and support of law enforcement. It is no wonder potential recruits turn to other fields of endeavor.

In addition to these and other factors that react adversely on the police from the personnel standpoint, law enforcement suffers from material inadequacies. The allocation of physical resources to law enforcement are in no way comparable to the generous resources that have been made available to conquer space, eliminate disease and advance social equality. In comparison, the police of our nation are for the most part required to operate with equipment that, relatively speaking, dates back to the frontier days. Modern electronic equipment, for instance, is commonplace in industry and government, but extremely rare in police departments. Research and development capabilities in both the physical and social sciences are grossly inadequate.

How serious are these problems that confront law enforcement?

Since 1960, the crime rate—that is, the number of offenses per 100,000 population—has risen 48 percent as compared to our population increase of 9 percent. During this period the rate of crimes of violence has risen 37 percent, and the property crimes rate 50 percent.

Of particular interest to you gentlemen is the impact that these conditions have had upon business and industry. Robbery, as an example, has shown a marked rise insofar as business establishments are concerned. Bank robberies escalated 154 percent, gas and service stations holdups have risen 80 percent, chain store robberies 75 percent and the rate of holdups of commercial establishments 19 percent in the seven year period. The overall average loss per robbery in 1966 was $256, or a total loss of some $39 million.

At our Association's 74th Annual Conference in Kansas City in September, we were given a comprehensive analysis of the problem from a distinguished business leader. Mr. Richard L. Gelb, President of Bristol-Myers Company, pointed out that "today for perhaps the first time, American business is facing up to the reality that crime is not just something in the movies or TV, but rather it is a fact of life which vitally affects American business in several ways."

He listed the following examples:

1. *High crime costs make high taxes.* Our crime control system now costs $4 billion a year, a figure equal roughly to five percent of the total corporate profits of *all* United States business in 1966.

2. *Crime reduces business markets.* One study in the President's Commission Report indicated that 43 percent of the people in some areas stay off the streets after dark because they are afraid. Thus, shopping is curtailed and the businessman loses.

3. *The cost of crime inhibits business expansion.* A major airline would have expanded into New York but its women employees were afraid to travel the streets at night.

4. *Crime can mean the difference between a profit or a loss.* The Firemen's Insurance Company stated that 30 percent of all business failures was due to theft by the employees of those companies. In commenting on this point, Mr. Gelb cited a case right here in the Washington area. His example was the branch bank in Southeast Washington that closed its doors some months back because of five armed robberies and a burglary in its 18-month existence. Insurance rates for the bank were so high that it had to take a $5,000 deductible clause. Bank officials stated clients were afraid to use the bank.

"Finally, and most important," Mr. Gelb said, "the businessman personally, as a citizen, deplores crime. He often lives and certainly works in the city. What does it avail him, or anyone in fact, to build a career and an income if he must live in fear of becoming a victim of crime? Money is no good if you live in a jungle."

The economic impact of crime was studied by the Task Force on Assessment of the President's Commission on Law Enforcement and Administration of Justice. It was most revealing to read that the lack of knowledge in this area, complained about by the Wickersham Commission 30 years ago, is almost as great today. However, the Commission was able to gather some new information through its surveys in eight precincts in three cities and a national survey of 10,000 households.

One of its pertinent findings reads as follows:

"Employee theft, embezzlement and other forms of crime involving business, which appear in relatively small numbers in the police statistics, loom very large in dollar volume. They make up the bulk of the more than $2 billion which business annually loses in crimes for which losses can be estimated. Direct stealing of cash and merchandise, manipulation of accounts and stock records, and other forms of these crimes, along with shoplifting, appear to constitute a tax of 1 to 2 percent on the total sales of retail enterprises, and significant amounts in other parts of business and industry. In the grocery trade, for example, the theft estimates for shoplifting and employee theft almost equal the total amount of profit."

You gentlemen are probably aware of a recent survey by the National Industrial Conference Board of 473 companies, cited in the Commission report. This survey indicated that 20 percent of all companies, and nearly 30 percent of those with 1,000 employees, had a serious problem with employee thefts of tools, equipment, materials or company products.

A large volume of crime that affects business and industry is, generally speaking, outside of what is usually considered to be the police purview. This is committed by the "white-collar" criminal, such as the broker in fraudulent securities, the builder using defective materials, the corporation price-fixer, and the bank embezzler. It is estimated that the loss by embezzlement in 1966 was more than $1.5 billion. The magnitude of this crime can be seen when we contrast it with the combined costs of $1.2 billion for burglary, larceny and auto theft in that year.

In addition to these traditional crimes, business and industry, and our nation as a whole, have sustained severe losses from the civil disobedience that has grown in scope into civil riots and full-fledged guerrilla warfare. The grave impact this has had upon out nation is revealed in a recent report to the Senate Permanent Investigations Sub-Committee. 130 persons—twelve of them policemen—have been killed and 3,623 persons injured in the race riots that have devastated major sections of some of our cities during the past three years. The estimated property damage resulting from the major riots totaled $216.6 million, the estimated economic loss over one-half billion dollars.

The Watts holocaust, for instance, listed 34 dead, more than 1,000 injured and $40 million in property damage. In the Newark riot, 26 deaths occurred, 120 were injured, millions of dollars worth of property was destroyed and looted. In every major city a considerable portion of police resources have been diverted from the other aspects of crime to cope with these social disasters that have taken place.

I am sure my colleagues here tonight will agree with me that this phase of lawlessness presents one of the most frustrating problems the police have ever encountered. Traditionally, the police have prided themselves on their ability to cope with civil disorders. But these riots and insurrections have far transcended what we have known as civil disorders. The police are a civil force, not an army of occupation but such has increasingly become their role, a role that is beyond their responsibilities and their capabilities.

I can assure you that the police have not been passive in the face of this growing problem. They have attempted to cope with it through intensive community crime prevention programs. These programs have included the establishment of special community relations units, human relations training programs for all personnel and the establishment of police-community relations committees at the precinct level. Our Association has for the past three years conducted a variety of seminars, workshops, and conferences to provide guidance and exploit the knowledge of those who have had experience in this field of crime prevention. The police have worked diligently to establish an interface with minority leaders and, to a marked degree, these programs have been successful insofar as the law abiding elements of the minority groups are concerned. A deeper understanding between the police and this segment of our citizenry has resulted. We have not, however, been successful in convincing the revolutionaries and the criminals that the right of dissent does not include sniping, burning, looting and killing policemen. As a consequence, the police have faced, as President

Johnson has put it, "not individual acts of violence or thievery, but massive crimes against people and property." He pointed out in his address at our 74th Annual Conference in Kansas City on September 14 that "this violence has raised up a new threat to local law enforcement. It spawned a group of men whose interest lay in provoking others to destruction while they fled its consequences. These wretched, vulgar men, these poisonous propagandists posed as spokesmen for the underprivileged and capitalized on the real grievances of the suffering people."

This wholesale rebellion against law and order has both economic and social roots, as we all know. Poverty, ignorance, and lack of economic and social opportunities are major contributing factors to this problem. Too often, I believe, the police are judged responsible for the rise in crime and disorder in the court of public opinion. Not taken into consideration are the facts that the police do not make the laws; they are not responsible for determining guilt or innocence; they are not responsible for initiating social changes nor preventing social changes. Their mandate is to enforce the law. If the laws are unjust, outmoded, inequitable they can only be rectified by due process,. But their enforcement cannot be disregarded by the police to satisfy the whims of any single individual or groups of individuals. No man or groups of men in our government of laws can be allowed to function outside the framework of law and order. When this happens democracy is subverted and anarchy takes over.

We of the police have been heartened by the increased interest evidenced by national and community leaders in finding solutions to this dilemma of our times. And only by concerted action of all Americans can this dilemma be resolved. The social disparities must be alleviated and, just as importantly, the criminal justice system must be given the resources to do the job with which it is entrusted.

As was pointed out in the President's Commission Report, every part of the system is undernourished. There is too little manpower and what there is is not well enough trained or well enough paid. Facilities and equipment are inadequate. Research programs that could lead to greater knowledge about crime and justice, and therefore to more effective operations, are almost nonexistent. To lament the increase in crime and at the same time to starve the agencies of law and justice is to whistle in the wind.

You gentlemen who represent the economic segment of our nation have contributed importantly to alleviating these discrepancies. Industrial security agencies have assisted us greatly by their pioneering efforts in the utilization of technical equipment, such as ultrasonics, photoelectric and proximity devices for anti-intrusion and zone prevention, computers for increased managerial effectiveness, and TV for surveillance.

But it will take greatly intensified efforts on the part of industry and the police, in partnership, to attain more substantial progress. The police need the support of business leaders in acquiring the funds that will allow law enforcement to bring its resources up to date. The business community can make its vast know-how in scientific, technological and administrative techniques available to us.

More importantly, the business community can bring to bear its resources in stimulating widespread public respect for the law and support of law enforcement.

America stands pre-eminent in the world of nations due largely to our business and industrial might. This might is a composite of people, plants, stores, and expertise. These resources are priceless. They must be guarded with utmost vigilance.

This guardianship is a joint trust of our law enforcement agencies and industrial security agencies. If we are to protect these resources from being engulfed in the rising tide of crimes and civil disorders that plague our nation, we must foster our partnership into greater effectiveness. By so doing we will deserve and achieve the confidence and support of those we serve.

The present economic wastes from social immorality and license can be converted into greater economic benefits for all our citizens. Even more importantly, the strengthened moral fibre of our society will permit us to build to higher spiritual standards for our posterity.

AVCO CORP.'S PARTICIPATION IN A JOB DEVELOPMENT PROGRAM

Mr. KENNEDY of Massachusetts. Mr. President, on Wednesday of last week, the Avco Corp. became the first large company to take part in the Commerce Department's test program to develop job opportunities for the hard-core unemployed. Under an agreement signed with the Labor Department, Avco will receive up to $1,148,000 to help defray the cost of training 232 unemployed men and women from Boston's Roxbury area to work in the printing plant Avco plans to build there. Avco, which is a diversified corporation involved in many defense and commercial enterprises, will put $2.3 million into the project. This will include the construction of a $1 million building at a yet undetermined site in the Roxbury area, to be ready for occupancy by the summer of 1968. Equipment and other costs will total an additional $1.3 million. The General Services Administration will provide training equipment from available Government excess supplies.

The announcement was made at a joint press conference by Secretary of Commerce Alexander B. Trowbridge, Secretary of Labor Willard Wirtz, and Avco President James R. Kerr. A number of other large corporations are definitely interested in participating in the test program, but as Secretary Wirtz stated at the press conference:

> The decision by Avco moves the Test Program from the talking stage to the action stage.

Announced little more than a month ago, the test program for job development offers private employers a broad range of Federal assistance to encourage and help hire the hard-core unemployed by underwriting part of the risk and extra costs involved. We in Massachusetts are particularly proud that Avco, through its prompt response to this new and vital program, has helped to keep Massachusetts in the lead of States making an effort to reverse the cycle of poverty trapping those who lack the necessary skills to obtain gainful employment.

The announcement that Avco will construct a million-dollar printing plant in Roxbury is good news for Boston. It is good news to the unemployed of Boston. And it is good news to those of us who have urged private industry to take a leading role in the creation of jobs in our urban ghettos.

A year ago the Labor Department issued a report entitled "Subemployment in the Slums of Boston." It painted a bleak picture of the availability of job opportunities for the unemployed poor in Roxbury: 16.9 percent of the unemployed lacked the required skills; 15.3 percent had insufficient education; 11.9 percent could find no jobs. The statistics in the report were evidence of the cruel fact of ghetto life: that jobs are simply not available for the ghetto poor.

The Department of Labor made this study in response to information developed by the Senate Subcommittee on Poverty. One of the 1966 amendments to the poverty program, the Kennedy-Javits amendment, led to the establishment in the Labor Department of the special impact program. This is the program, now titled the concentrated employment program, which will provide the $1,148,000 for the recruitment and training of the 232 young men and women who will work in the Avco printing plant. The concentrated employment program, funded as part of the poverty program, is administered by the Labor Department.

In this year's poverty bill, we in the Senate made changes to the concentrated employment program. We strengthened it, improved it, and increased the funding of it, because our hearings on the poverty bill pointed up the great importance of employment in the war on poverty. This became particularly apparent in the hearings in Boston on the proposed legislation, at which I was chairman. During those hearings, the subcommittee visited the neighborhood center on Blue Hill Avenue in Roxbury. We saw firsthand the overpowering need for the type of program announced last week. And we are, today, in conference with the House attempting to chart the future of this jobs program.

While construction of the new plant is underway, Avco will operate out of leased facilities at 716 Columbus Avenue in Roxbury, where work is expected to begin within 2 weeks. A cadre of present Avco employees will begin the operations. Training will be given to groups of 60 men and women who presently are classified as hard-core unemployed: those without the education, training, or skills necessary to get and keep a job. The recruitment and selection of the trainees will be done in the Roxbury area through the concentrated employment program. The plant will be operated by the Economic Systems Corp., an Avco subsidiary. It should be noted here that ESC already operates two Job Corps centers, including one at Poland Springs, Maine, which is the largest Job Corps center for women. In addition to training production workers for the new Roxbury printing plant, ESC will also train supervisors and managers to eventually replace the cadre being sent by Avco to help launch the operation.

The people of Boston and Massachusetts can be proud that Boston is the first of those cities designated as target areas to begin work on the long job ahead. The Avco Corp. and its president, Mr. James Kerr, are to be congratulated for their visionary leadership in bringing this exciting and most necessary program to Boston and to the people of Roxbury.

It is my hope that other corporations will follow Avco's lead. I have discussed this program with officials of the Department of Commerce, and I know that they stand ready to match Wednesday's action with others when they present themselves.

We should not forget that it is the poverty program which provided the funds for this project in Roxbury. We must not forget that the unemployed in other areas of Boston need similar programs. And we must not forget that the unemployed in other cities deserve the same opportunity that the people of Roxbury will have when the Avco program is in full operation.

Mr. President, we all know that the future health and stability of our central cities depend upon a broad range of programs in education, employment, housing, health, recreation, and police relations. But all else will fail unless employment in our cities increases markedly, and, most important, excludes no group.

This is why I find the announcement of the Roxbury program so significant. And it is why I will continue to believe that the poverty program has stimulated so much good in America, for Americans.

LAWYERS FOR THE POOR

Mr. TYDINGS. Mr. President, because of my concern for an orderly legal process of all Americans without regard to their financial status, I invite the attention of the Senate to an interesting article published in the Washington Evening Star of Friday, October 27, 1967. I ask the unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WASHINGTON CLOSE-UP: LOW BLOW AT LAWYERS FOR POOR?

(By Dana Bullen)

One attack on this year's poverty bill is a claim that there is something wrong about providing government-paid lawyers to represent poor people in lawsuits against federal, state and local agencies.

It is upsetting to important local interests, it appears, and the unhappiness seems to be reaching all the way to Capitol Hill.

In California, for example, poverty lawyers recently made successful attacks upon shortcuts in tomato growers' importation of cheaper Mexican bracero labor and upon claimed unfairness in welfare programs in Sutter County.

Before long, Sen. George Murphy, R-Calif., was citing the cases on the Senate floor, maintaining that poverty lawyers "have begun to challenge our laws all too often."

Thirty-five other senators joined Murphy several weeks ago in support of a proposed amendment to the poverty bill that would have stripped the OEO Legal Services Program of authority to go to court to challenge any government agency's way of handling things. Although Murphy's proposal failed in the Senate, it is likely to be introduced again when the controversy-ridden poverty bill reaches the House floor.

The strength of the support given the unsuccessful Senate amendment, however, has made it clear that much more light is needed on just what it is that the poverty lawyers are about.

On the other hand, they are using the law to curb unfair business practices that milk the poor of what funds they do have. The targets here are the unscrupulous merchants, lenders and landlords who jack up prices or interest charges unfairly.

Such cases, along with domestic relations and other private legal matters, in fact, accounted for over 90 percent of the OEO lawyers' business last year. In all, a total of 320,000 cases were handled by government lawyers for poor people.

No less important, however, are so-called "test cases" brought by OEO lawyers against government agencies.

In Hartford, for example, the Legal Services Program has won a pace-setting ruling by a special three-judge federal court that Connecticut's one-year residency requirement for welfare payments is unconstitutional.

Some 40 states have similar laws. If the lower federal court ruling survives an expected state appeal to the Supreme Court, the shape of welfare laws across the country could be changed.

Over 25 years ago, the late Justice Robert H. Jackson said restricting poverty-bound people to the very places where they have been unsuccessful was exactly the wrong way to carry out this country's promise—yet this is just what welfare residency requirements mean to a poor person who, in effect, is being paid to stay poor where he is.

In other cases, OEO lawyers are challenging public housing practices, school procedures—such as expelling a girl shortly before graduation for pregnancy—that no one else is contesting and a host of similar things that, if unattended, provide fuel for urban and rural unrest.

An estimated seven million people depend on public assistance checks to protect them from hunger, eviction and other deprivations. In filing lawsuits against public bodies, poverty lawyers are only asking courts to decide whether such programs are being operated properly.

Just this term the Supreme Court agreed to hear a small mountain of cases involving a controversy between gas companies and the Federal Power Commission without a ripple of concern that the firms were suing the government.

Poverty lawyers, such as OEO Legal Services Director Earl Johnson Jr., argue that poor people rate representation too in their dealings with government agencies.

"It would make a mockery of attempts to provide equal justice," says Johnson, if poverty lawyers are limited to legal action only against private parties.

"As a practical matter," says Johnson, "since most poor people have access to the courts only through legal services lawyers, a ban on their representation in certain classes of cases is equivalent to denying the poor a legal remedy in these disputes.

"That is no better than seeking to disenfranchise your opponents in an election because they beat you at the polls. And it is no less a threat to American democracy and the preservation of law and order."

Against this, an argument that government lawyers representing poor people "have begun to challenge our laws all too often" seems to need some shoring up if it is to be seriously advanced.

SENATE POSITION ON AUTHORIZATION OF OEO FUNDS SHOULD BE UPHELD

Mr. GRUENING. Mr. President, the action of the other body with regard to S. 2388, the proposed Economic Opportunity Amendments of 1967, is a cause of great concern to me and to those involved in the poverty program in Alaska.

The Federal Government has at last awakened to the problem of poverty in Alaska, particularly among the native people in our 49th State.

Earlier this year, Mr. Sargent Shriver visited Alaska. He saw for himself how history and economics have combined to create conditions of abject poverty in the native villages of Alaska. As a result, he and his dedicated employees are formulating ambitious plans for imaginative programs of special assistance for Alaska.

Yet the amendment passed by the House which requires that one-half of the non-Federal contribution for community action programs be made in cash would cripple the program in Alaska, if not destroy it. The executive director of the Anchorage Community Action Agency estimates that this amendment would force the agency to produce $64,000 in cash to continue its present program.

The money authorization voted by the House is hardly enough to show that this country is seriously devoted to the cause of eradicating poverty. The Senate figure of approximately $2.2 billion is far more realistic and gives solid evidence of this Nation's commitment to social justice.

Therefore, I deeply hope that the Senate conferees will be able to preserve to the maximum extent possible the Senate's position on the bill.

A NEW WHITE HOUSE CONFERENCE ON AGING

Mr. KENNEDY of Massachusetts. Mr. President, early in 1961, leaders in the field of aging from all parts of the Nation gathered for the 1961 White House Conference on Aging called by President Kennedy.

Their work was precedent making and far ranging. Without their leadership, we may have had to struggle for many more years before medicare and the Older Americans Act of 1965 could have been enacted. And we would not have had the national awareness needed for recent advances in housing for the elderly, improved services, and the current discussion of proposed social security increases.

The call for the 1961 Conference was first made by Representative John F. Fogarty, of Rhode Island, early in 1958. That compassionate legislator saw a clear need to make a massive effort that would prepare adequately for such a conference, and he introduced his legislation well in advance of it.

I am pleased to be one of the sponsors of Senate Joint Resolution 117, introduced by 16 Senators on October 18. That resolution is similar to the measure advanced by Representative Fogarty. I think it can be said now that there is a strong need for a new White House Conference, almost as strong as there was at the turn of this decade.

Mr. President, I am pleased to note that the executive board of the National Council of Senior Citizens has given prompt approval to this year's call for a new White House Conference. The November 1967 issue of the Council's Senior Citizen News points out, in fact, that the Council itself was a product of the 1961 Conference, and that former Representative Aime J. Forand, of Rhode Island, was active in the deliberations that led to the establishment of the Council. Thus, because of the White House Conference, Mr. Forand and the National Council of Senior Citizens began their strenuous, sustained efforts that helped win the fight for medicare and many other victories for the elderly of this Nation.

Mr. President, the executive board also paid tribute at the same meeting to "the extraordinary good work which is being done by Senator Williams of New Jersey and the Senate Special Committee on Aging to try to provide a better life for older Americans."

As a member of that committee and as chairman of one of its subcommittee, I wish to join the executive board in commending the Senator from New Jersey, who is committee chairman and a legislator having a long record of achievement in programs that help people. I enjoy working with him on the committee, and I agree with his statement that recent advances in the field of aging, while welcome and overdue, have also served to demonstrate how much more must yet be done. Too, Senator Williams of New Jersey has been a hard-working member of the Subcommittee on Aging of the Labor Committee, of which I have the honor to be chairman.

Mr. President, I ask unanimous consent to have printed in the Record the article from the Senior Citizens News and a letter of appreciation to Senator Williams of New Jersey authorized by the executive board of the National Council of Senior Citizens.

There being no objection, the items were ordered to be printed in the Record, as follows:

SENATOR WILLIAMS ASKS FOR NEW WHITE HOUSE CONFERENCE ON AGING

U.S. Senator Harrison A. Williams, Jr. (D., N.J.) has introduced legislation calling for a White House Conference on Aging in 1970.

Senator Williams, who is chairman of the Senate Special Committee on Aging, told his colleagues when introducing the bill that if Congress acts promptly on the measure it would follow approximately the same timetable required for the 1961 White House Conference which was preceded by almost two years of preparation and teamwork by Federal agencies, state officials, leaders in private organizations, and others.

Senator Williams called the conference in January of 1961 a "historic" one. He said that the enactment of the Older Americans Act and the establishment of the Administration on Aging partially resulted from the 1961 conference.

Four major areas which a Conference on Aging ought to study in detail are housing, job discrimination because of age, income maintenance and health, Senator Williams said.

He pointed out that 5.3 million older Americans have yearly incomes below the poverty level; that nearly two million elderly citizens are on welfare; and that nearly 40 per cent of single older citizens have total assets of less than $1,000.

Senator Williams said:

"Job discrimination because of age still threatens any worker who must change employment status, even people in their thirties and forties. This problem persists largely because misinformation nourishes old-fashioned attitudes about the capabilities of so-called older workers."

Senator Williams said that substantial progress has been made in the housing and health fields in recent years, but that this has served to demonstrate how much more remains to be done.

HEW WILL PLAN CONFERENCE

Under the provisions of the bill, now being circulated to other members of the Senate, seeking co-sponsors, the Secretary of Health, Education, and Welfare would have the responsibility for planning and conducting the conference.

Each state would be allocated $25,000 for preliminary studies and planning for the conference and for expenses of delegates.

The Secretary of HEW would establish an Advisory Committee to the Conference.

A report on the conference would be submitted to the President within 90 days of its conclusion.

In urging enactment of his bill, Senator Williams said:

"The U.S. Senate Special Committee on Aging and its subcommittee are studying several of the problems mentioned by the President and several others. As Chairman of that Committee, I will continue to do all I can to seek out facts, make recommendations, and urge the Congress to act on those recommendations.

"It is because of my work on the Committee, however, that I am deeply impressed by the magnitude of the problems facing the elderly and the extent of the Government's commitment to cope with those problems. We need to take a look at what we have done, and we need to come together for an organized discussion of what the 1970's may bring. In short, we work now for a White House Conference in 1970."

Sen. Williams made his announcement in the Senate on the same day the National Council of Senior Citizens opened a two-day meeting of its executive board in Washington, D.C. His proposal immediately won the unanimous support of the board.

HOW NCSC BEGAN

It was at the first White House Conference that former Congressman Aime J. Forand and a group of other delegates first considered the formation of the National Council of Senior Citizens to link independent older peoples' clubs. Only a few months following the conference—in August of 1961—the National Council was launched through an ad hoc committee of some 40 members. The first annual convention was organized in Washington, D.C. in May, 1962.

Forand retired from Congress, because of ill-health, in 1960 after 22 years as Representative for the First District of Rhode Island. He had won an enviable reputation on Capitol Hill fighting for recognition of the problems of the Nation's older people. In August, 1957 he introduced in Congress the first unsuccessful proposals to provide health care through social security.

Forand became founder and first president of the National Council of Senior Citizens. However, in September of 1963, persistent ill-health again forced his retirement. He became the National Council's president emeritus and his role as active head of the Council was taken over by John W. Edelman who was elected president at the third annual convention in May, 1964.

The former Rhode Island lawmaker followed the progress of the National Council from his home in Bethesda, Maryland, to which he retired after leaving Congress. This week, however, former Congressman and Mrs. Forand moved into a new permanent residence in Boca Raton, Florida.

Today the National Council of Senior Citizens includes a total combined membership of over two million elderly people in 2,000 affiliated older people's clubs.

After hearing the announcement about Sen. Williams' new proposal for the White House Conference the NCSC executive board members paid tribute to the extraordinary good work which is being done by Sen. Williams and the Senate Special Committee on Aging to try to provide a better life for older Americans.

The board authorized Executive Director William R. Hutton to send a special letter commending the Senator and the Committee members for investigations of problems affecting the elderly—including problems of older workers, nursing home deficiencies, consumer needs, the institution of retirement, health of the elderly, etc.

NATIONAL COUNCIL OF
SENIOR CITIZENS, INC.,
Washington, D.C., October 24, 1967.

Hon. HARRISON A. WILLIAMS,
Chairman, U.S. Senate,
Special Committee on Aging,
New Senate Office Building,
Washington, D.C.

DEAR SENATOR WILLIAMS: The Executive Board of the National Council of Senior Citizens—including some 40 delegates from 20 States—met in Washington, D.C., October 16–17 under the chairmanship of John W. Edelman, president. It gives me great personal pleasure to report that the Executive Board was unanimous in support of your recently introduced legislation calling for a White House Conference on Aging in 1970.

I wish also to report that there was considerable spontaneous discussion on the extraordinarily good work which is being done by you and by the Senate Special Committee on Aging to provide a better life for all older Americans.

By unanimous vote the Executive Board authorized that the following statement be made to you in your capacity as chairman of the U.S. Senate Special Committee on Aging

"We, who represent the two million members of clubs affiliated with the National Council of Senior Citizens, wish to express our appreciation to Senator Harrison A. Williams for the splendid leadership he is giving to the Senate Special Committee on Aging at a time when that Committee must redefine and broaden its mission.

We believe that the Senator is mobilizing the full resources of that Committee in a sustained and dedicated effort to impress upon all Americans the realization that the greatest work is yet to be done if we are ever to achieve security and fulfillment for the aged and aging of this nation.

"Further, the work of the Committee is encouraging federal, state, and local officials to support or create new programs that will make life better for the elderly.

"With the Chairman's active encouragement, the Committee has begun investigations of problems that directly affect every senior citizen. Senator Williams has thus put several important facts before the nation:

". . . He has argued that Medicare and Medicaid, necessary as they are, will be successful only if basic changes are made in the organization of health services available to the elderly.

". . . He has missed no opportunity to declare that insufficient income is still the major problem facing people near and past 65, and he is calling for a comprehensive inquiry into the future of all retirement income, including Social Security, private pensions, and other existing or potential sources.

". . . For two years, he has urged Congress to create an Older American Community Service Program that would enlist the talents and energies of senior citizens who wish to serve others.

". . . He has been persuasive in his statements that the establishment of the Administration on Aging in 1965—a great step forward—is nevertheless merely the starting point in a national effort to develop a federal-state-local partnership capable of serving senior Americans through worthwhile programs in their home communities.

". . . His efforts on behalf of his 'Preventicare' Bill have already stirred widespread awareness of the need for health screening programs that will detect illnesses long before they become chronic, costly, and disabling.

". . . His enthusiasm and deep understanding of the role of his committee is expressed in plans for present or future inquiries, including: problems of older workers, nursing home deficiencies, consumer needs, and the institution of retirement itself. Senator Williams and the Chairmen of his Committee's Subcommittees are doing an admirable public service by giving the public the facts needed to understand the deep-rooted deficiencies in lives of too many aged Americans.

". . . Finally, in his legislation calling for a White House Conference on Aging in 1970, Senator Williams has effectively reminded all Americans that the progress made at the 1961 Conference could easily be diluted unless fresh perspective guides us to the next steps along the way. To date, we have done little more than create foundations for several promising programs. Now we must determine whether the foundations are strong enough for the future. A White House Conference on Aging, if carefully planned during the next two years, would call forth the best thinking of our leaders in aging and would certainly help us to build soundly.

"To Senator Williams and his colleagues on the Committee, we give our thanks for the depth of their interest and the comprehensiveness of their efforts. And to Senator Williams in particular, we say thank you for giving the time and energy needed to make his Committee as responsive, far-reaching, and as effective as it is."

Sincerely,

William R. Hutton,
Executive Director.

ROBERT McKINNEY AGAIN SERVES HIS COUNTRY

Mr. MONTOYA. Mr. President, since 1958 the U.S. balance-of-payments deficit has been a cause of constant concern to all who have the continued economic well-being of our Nation at heart. It was disheartening to learn last week that the balance-of-payments deficit for the first three quarters of 1967 would exceed the deficit for all of 1966.

A part of the problem has been an imbalance in tourism. The number of Americans going abroad has increased steadily each year, without noticeable abatement. This in itself is nothing to be alarmed at; coupled with the fact that fewer foreign travelers visit our shores in return, it points to an unhealthy proportion that must be remedied.

I was therefore immensely pleased when, on October 16, President Johnson announced the appointment of an industry-Government special travel task force to supplement the efforts of Vice President Humphrey's Cabinet task force on travel. These two groups, looking into ways the Government can attract more foreign tourists to our shores, hold the promise of substantially rectifying one of our most troublesome economic ills.

The chairman of the industry-Government special travel task force is Robert M. McKinney, of Santa Fe, N. Mex. I have known Bob McKinney for many years, and can vouch for the intelligence, ability, and experience which he brings to his new post.

As publisher of the Santa Fe New Mexican, he guides the course of one of the great papers of the Southwest. As a former Ambassador to Switzerland, he understands well the subjects which would interest a traveler from abroad. As a member of a previous balance-of-payments task force concerned with attracting foreign investment, he is conversant with the complexities of key forces in international economics. I am certain that in his new role as chairman of the industry-Government special travel task force, Bob McKinney will continue to contribute much to the Nation he has already so ably served.

THE PRESIDENT PROVIDES HIS OWN BEST DEFENSE IN A MEMORABLE WAY

Mr. INOUYE. Last Friday, Lyndon B. Johnson showed the American people his true colors. These colors have long been familiar to those of us privileged to know the President. We know the depth of his humanity, his persuasive wisdom, his warm sense of humor, his deeply human qualities. And last Friday, America saw the private Lyndon Johnson fully exposed on television.

And what a rare treat it was. As the Washington Evening Star editorialized:

> It is difficult to recall any White House news conference more impressive than the one staged yesterday by President Johnson.

The Star called it a "memorable performance." And indeed it was. I believe the American people will long remember the President's frankness, sincerity, and deeply felt words.

I commend and congratulate the President on a job well done, and I ask unanimous consent to insert into the Record this excellent editorial from the Washington Evening Star.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

The President at His Best

It is difficult to recall any White House news conference more impressive than the one staged yesterday by President Johnson. The TV cameras covered him from better angles than usual, and a "necklace" microphone let him move about freely, away from the pulpit-like podium. He spoke without notes, in good, strong, simple English.

His defense of American policy in Vietnam was masterful and eloquent. His recollection of the faultfinding, backbiting and censorious attacks suffered by many of his predecessors was instructive. So was his own Lincolnesque comment on the White House: "The important thing for every man who occupies this place is to . . . try to find out what is right and then do it without regard to polls and criticisms."

Polls, Mr. Johnson made clear, do not make him feel faint of heart, for they merely reflect public moods that are as fickle as the wind. Ask Harry Truman. As for the critics, the President was relaxed, good-tempered, but devastating in what he had to say in distinguishing between the honest ones and those who claim to be peace demonstrators but whose outrageous conduct—like that displayed against Secretary Rusk the other night—amounts to something more like hoodlumism. It is "storm-trooper bullying and howling and taking the law into their own hands"—an "extremely dangerous" sort of thing that is "not very helpful to the men who are fighting the war for us."

All this came through to the TV viewer with striking forcefulness. It was a memorable performance. Some people keep saying that the President has a serious communication problem with the general public, and especially with the so-called liberal community. If so, he should be pretty well able to solve it by resorting more often to the kind of discourse he has just given.

VIETNAM VETERANS SPEAK OUT

Mr. GRUENING. Mr. President, some 50 veterans of our undeclared war in Vietnam have had published in the New York Times an advertisement which expresses their emphatic dissent from the policy which took them there. It will be noted that they include both commissioned and noncommissioned officers and that they served variously in the U.S. Marine Corps, the Army, the Navy, and the Air Force. They state that they believe that the conflict in which our country is now engaged in Vietnam is "wrong, unjustified, and contrary to the principle of self-determination on which this Nation was founded." They assert their belief that the American public has not been told the truth about the war and about Vietnam. They assert that the government in Saigon, despite the recent "election," is a military dictatorship supported by a feudal aristocracy and half a million American troops. They say much else which conforms to what I have been saying on the floor of the Senate for more than 3½ years.

These brave veterans have displayed not only the physical courage which our men exhibit in combat and which they doubtless exhibited in Vietnam, but also the moral courage to speak out. Their numbers will increase. So will the number of dissenters against our totally unjustified, needless, unconstitutional, and immoral war.

I ask unanimous consent that the advertisement be printed in the Record.

There being no objection, the advertisement was ordered to be printed in the Record, as follows:

Vietnam Veterans Speak Out

We are veterans of the Viet-Nam war. We believe that this "conflict" in which our country is now engaged in Viet-Nam is wrong, unjustifiable and contrary to the principle of self-determination on which this nation was founded. We believe that the activities and objectives of our forces in Viet-Nam are directly contrary to the best interests of the Vietnamese people and of the people of the United States. We believe that our policy in Viet-Nam supports tyranny and denies democracy. We believe this because of our experiences in Viet-Nam. We know, because we have been there, that the American public has not been told the truth about the war or about Viet-Nam.

We know—

That Viet-Nam is one country—historically, culturally and as specified in the Geneva Accords of 1954.

That this conflict is basically a civil war.

That the government in Saigon, despite the recent "election", is a military dictatorship—supported by a small feudal aristocracy, the ARVN (Saigon) officer corps and half a million American troops.

That the majority of the people we are fighting in south Viet-Nam are south Vietnamese.

That the basic problem in Viet-Nam is not military—but social, economic and political; not American—but Vietnamese. There is no military "solution." There is no "American" solution.

We believe that if the American people realized this they would join the dissent of the millions of Americans already against this war.

We believe that true support for our buddies in Viet-Nam is to demand that they be brought home (through whatever negotiation is necessary) before anyone else dies in a war the American people did not vote for and do not want.

Sgt. Alfred L. Ackerley, USMC; Sgt. Albert B. Adams, Jr., USA Special Forces; A1c. Samuel J. Albury Jr., USAF; Sp4c Robert F. Barnes, USA; Cpl. Joseph J. Barr, USMC; M.U.2 Bernard Bartz, USN; Capt. Arthur S. Blank Jr., M.D., USA; Sp5c. Philip E. Beck, USA; L. Cpl. G. James Boggio, USMC; Sp4c. Allen D. Brandon, USA; Sp5c. David C. G. Braum, USA; 1st Lt. N. Daniel Burdekin, USA; L. Cpl. Carl Joseph Campbell, USMC; Sp5c. Daniel E. Cleghorn, USA.

Sp4c. Peter J. Coe, USA; 1st Lt. Peter G. Conrad, USMC; S. George Cross, USN; Sp4c. Jan B. Crumb, USA; Sp4c. Marshall D'Arcy, USA; A2c. Richard J. Davis, USAF; Sp4c. Dennis M. DeMello, USA; YN3 Mark E. Donnelly, USN; M. Sgt. Donald W. Duncan, GMG2 G. Newell Eisele, USN, USA Special Forces; 1st Lt. Carl Fogelberg, USMC; Sp4c. Steven F. Fox, USA; Sp5c. Neil Friedman, USA; Sp4c. Christian K. v. Grammitc, USA; Sp4c. Stephen Greene, USA; Sp4c. Samuel M. Grupper, USA.

Cpl. William D. Hamilton, USMC; Sp4c. Norman J. Harrds Jr., USA; Sp4c. Jonathan Horwitz, USA; Lt. (jg.) Richard M. Howland, USNR; Pfc. Dalton C. James Jr., USA; Pfc. F. J. Johnson, USMC; YN2 Stephen J. Kessler, USN; Sp4c. Anthony Liotta, USA; Sp4c. James Mackenzie, USA; Sp5c. Dink McCarter, USA; Sgt. Michael Mutnick, USMC; Pfc. James N. Oss, USA; S. Sgt. Richard Parker, USMC; Ph3 Sheldon Ramsdell, USN; Sp4c. John M. Regan, USA; Pfc. Joseph Renard, USA; Sp4c. Richard N. Reynolds, USA; Sgt. Francis R. Rocks, USA.

Sp4c. Carl D. Rogers, USA; JO3 Joseph M. Ryan, USN; Sp4c. Stanley J. Scholl, USA; Sp5c. Jeffrey J. Sharlet, USA; Cpl. Lanny R. Sievers, USMC; S1c. Dennis W. Sinclair, USN; Sp5c. Edward Walter Smith, USA; Sp4c. Gerald M. Sutliff, USA; Sp4c. Thomas V. Viscuso, USA; 1st Lt. Carl W. Walker, USMC; Pfc. Joseph Washington, USA; Sp5c. Donald Weiss, USA; A1c. Robert Wilkinson, USAF; Sp4c. Chuck Williams, USA; Sp4c. Jack E. Wilson, USA; Pfc. William F. Wilt, USA; A2c. James A. Zaleski, USAF.

This is a partial list.

Permission granted for publication.

CONFERRAL OF CONSTITUTIONAL STATUS ON TAX COURT OF THE UNITED STATES

Mr. HRUSKA. Mr. President, the Subcommittee on Improvements in Judicial Machinery of the Committee on the Judiciary has recently concluded 3 days of hearings on S. 2041, a measure to confer constitutional status on the Tax Court of the United States. The Tax Court is now an "independent agency of the executive branch." However, it is a court in the true sense of the word. In the 40-odd-year existence of the Tax Court, over 200,000 cases have been filed with it. Between 5,000 to 7,000 cases are filed and disposed of each year by the court. Its opinions cover all aspects of Federal tax law and are, many times, the only judicial precedent on many technical questions of tax law.

One witness at the hearings of November 9, 1967, was Hon. William M. Drennen, chief judge of the Tax Court of the United States. Judge Drennen submitted a statement which, I believe, will be considered a classic study of the Tax Court of the United States and its functions. Judge Drennen summarized his quite lengthy statement, and for the benefit of Senators and others interested, I ask unanimous consent that it be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HRUSKA. Mr. President, support for S. 2041 is not only from the judges of the Tax Court, but also from the American Bar Association and many well-known and respected tax practitioners. Support for the bill has also been expressed in articles in the Wall Street Journal and the Washington Post. This support recognizes that tax litigation demands a tribunal which is a court in every sense of the word and not an agency of the executive branch of the Federal Government.

Mr. President, I ask unanimous consent that the articles be printed in the Record after the summary of the statement of Judge Drennen.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Exhibit 1

Summary of Statement of William M. Drennen, Chief Judge, Tax Court of the United States, Before the Subcommittee on Improvements in Judicial Machinery of the Committee on Judiciary, U.S. Senate, in re S. 2041

I am pleased to respond to your invitation to present the views of the Tax Court regarding S. 2041. The Court believes that the enactment of this bill will greatly advance the objectives of the Congress in creating the Tax Court. When the Court was created, Congress made clear that its purpose was to provide taxpayers with an opportunity to have an independent judicial review of tax deficiencies asserted against them without having to pay the asserted deficiency first. Throughout the years, the functions of the Court have been judicial in character, and it has acted independently; but there has remained the ambiguity resulting from the fact that the Court was established as, and still is, an independent agency in the Executive Branch of the Government. The enactment of this bill will remove that cloud on the Court's function, will increase its stature in the eyes of the public, will assure it the capacity to continue to provide independent judicial determinations, and will give it the powers necessary and appropriate to perform its responsibilities. In addition, it will avoid the frequent administrative and legislative problems that arise as a result of its ambiguous position in the Executive Branch of the Government.

I have a written statement which recounts in some detail the circumstances surrounding the creation of the Tax Court and the various proposals considered by Congress over the years for changing its status, which describes the work of the Court, and which sets forth what the bill would do and furnishes the Court's comments upon its provisions. If it meets with the approval of the committee, I will offer that statement for the record and merely summarize the Court's views at this time. I will also be happy to be available to answer any questions.

To appreciate fully the reasons for this proposed legislation, it is necessary to have some knowledge of what has happened in the past. Although the statute which established the Tax Court described it as an independent agency in the Executive Branch of the Government, a review of the record concerning the creation and development of the Tax Court makes it abundantly clear that Congress sought to provide taxpayers with an opportunity to have an independent judicial determination of their tax disputes wtih the Internal Revenue Service. The initial proposal called for an administrative board in the Department of the Treasury that would follow informal procedures, but that proposal was rejected by the Congress—rejected in favor of an independent agency that would operate like a court.

Since the creation of the Court, several attempts have been made to place it in the Federal judiciary, giving it all the powers and attributes of a court. These proposals have, in the past, been widely supported by the American Bar Association, the Judicial Conference, and the Hoover Commission. Despite that support, those attempts have been frustrated because of controversies that do not relate to the merits of the question of whether the Tax Court should be a part of the Federal judiciary. Failure of the earlier proposals was apparently due to the controversy over the admission of nonlawyers to practice before the Tax Court and the dispute over who should represent the Internal Revenue Service before the Tax Court. This time, it is hoped the Congress will avoid letting such controversies interfere with the accomplishment of the laudatory basic purpose of this bill, i.e., to make the Tax Court a full-fledged member of the Federal judiciary.

Despite the "independent agency" language, the Tax Court has functioned as a court for more than 40 years. More than 200,000 cases have been filed with it during those years, and 5,000 to 7,000 new cases are filed and disposed of each year.

Although most of the cases are settled—many through the assistance and encouragement of the Court—the Court has issued on the average of about 500 written opinions each year, disposing of a considerably larger number of cases. Its opinions constitute a vast and basic source of tax law dealing with all phases of the Federal income, gift, and estate taxes. The enactment of S. 2041 will facilitate the performance of the work of the Court.

While the Court has been able to operate in a purely judicial manner in the past, many problems have arisen because of its anomalous position as an agency in the Executive Branch, which should not and need not arise with respect to a Court, and which would be eliminated to a large extent by this bill. For example, the Court has had no power to enforce its subpoenas of witnesses or documentary evidence, and it has had no power to enforce its orders by contempt. Legislation relating to the Federal courts must be watched carefully to insure that it includes the Tax Court; and legislation which should not relate to a court, such as the Administrative Procedure Act, must be watched to see that it does not apply to and circumscribe the Tax Court. Administrative orders addressed to all agencies within the Executive Branch must be answered although they obviously do not relate to the Tax Court. Consideration of the finality to be given findings of fact of the Tax Court, as compared to those of District Courts, has consumed considerable time of the Supreme Court and required separate legislative action to settle; and of greatest importance, the constitutionality of the Tax Court as a part of Executive Branch of Government has been raised on numerous occasions in the Federal courts.

Furthermore, while the Court has been allowed to operate independently of the rest of the Executive Branch of the Government in the past, all possible steps should be taken to assure that in the future it will continue to function in that manner, and this should be made crystal clear to the taxpaying public. In his opinion in the *Glidden Co.* case, holding the Court of Claims and the Court of Customs and Patent Appeals to be constitutional courts, Justice Harlan emphasized that life tenure is the essence of an independent judiciary. It is of utmost importance in carrying out the purpose for which the Tax Court was created that the taxpaying public have confidence that the decisions of the Court are made impartially and entirely independent of any pressures from the Executive and Legislative Branches of the Government. This is particularly true of the Tax Court whose only function is to hear and rule on disputes between citizens and a department of the Executive Branch of Government on a subject that is a bit touchy at best. This can best be accomplished by transferring the Tax Court from the Executive Branch to the Judicial Branch of the Government as this bill would do, thereby placing it under the control of the Judicial Conference and recognizing the doctrine of separation of powers of the United States Constitution.

Some modifications in the bill have been suggested by members of the American Bar Association and other persons. For example, it has been suggested that the Court's budget and administrative operations should be subject to the review of the Director of the Administrative Office of the Courts and of the Judicial Conference. The Tax Court has no objection to such modifications. As indicated in more detail in my written statement, the Court's attitude toward all suggestions is flexible. Its goal is to establish the most efficient procedures for providing taxpayers an opportunity to have their tax disputes with the Internal Revenue Service tried and decided with dispatch by an independent judicial tribunal.

We have also heard some comment on the retirement provisions of the bill which give the judges of the Tax Court an option to retire under the present Tax Court retirement provisions or to retire under the retirement program of the Judicial Code. The Court has no objection to the elimination of these options, and would accept a provision for retirement under the Judicial Code if Congress deems that advisable.

In view of the trouble previously caused by the question of the admission of nonlawyers to practice before the Tax Court, I am sure that the committee is interested in that subject. In the past 24 years, only 72 nonlawyers have been added to the rolls of those admitted to practice before the Court, and nonlawyers represented taxpayers in only three of the cases in which opinions were issued in the last year. Thus, I believe that the problem is far less significant today; nevertheless, the bill includes a "grandfather clause" allowing those nonlawyers who are now admitted to practice before the Court to continue to do so. This seems like a reasonable approach to the problem since it preserves the rights of those who now have the right to practice before the Court; but for the future, the Tax Court would follow the admission practices of other courts. Since the sole function of the Tax Court is to conduct trials in accordance with legal procedures, the need for protecting litigants in other courts by requiring that their representatives have knowledge of legal procedures applies with equal force to proceedings in the Tax Court.

I am sure the committee is by now well aware of the question of who will represent the Commissioner of Internal Revenue before the Tax Court. The Tax Court feels this is a matter for the President and the Congress to decide, and the Court takes no position on the matter. The bill provides that the Chief Counsel for the Internal Revenue Service will continue to represent the Commissioner before the Tax Court as he does under present law, and this may avoid any controversy and delay resulting from this issue at this time. But that is not for the Court to decide.

I would like to refer briefly to several points that have been raised in the prior testimony. The first is whether this bill would make the Tax Court an Article III or constitutional court. We think this should be one of the primary objectives of the bill and would welcome any suggested language that would make the accomplishment of this objective more certain, without depriving the Court of the right to use its retired judges. Their work and experience is too valuable to the Court and the Government to forego the use of their services just to make the transition to Article III status more immediate, unless there is some pressing reason therefor. It has been suggested that the Court could be made a constitutional Court immediately and still use the services of the retired judges who had term appointments, but such an approach might create problems and uncertainties. It would seem more reasonable to adopt the language suggested by the American Bar Association, which would not create any problems at present but would resolve all doubts in the future.

A suggestion was also made that the provisions of S. 18, setting up a Small Claims Division in the Tax Court, should be written into this bill. We do not know whether specific legislation on this subject is necessary or not—we have recently experimented with several small disputes calendars in New York City with considerable success. Possibly this problem can be worked out without specific legislation. But in any event whatever legislation on this subject might be deemed desirable can and should be a matter of separate inquiry and can be enacted as well after this legislation is enacted as before.

It was suggested in the statement of the Justice Department representative that if we focus on the Tax Court alone, the objectives of this bill—to strengthen the independence of the Tax Court, to give life tenure to Tax Court judges, and to grant to the Tax Court powers generally possessed by bodies exercising the judicial power of the United States—are eminently worthy of support; but that any proposal for basic changes in the Tax Court should await completion of a study of the entire existing system of tax litigation. Past history and common sense suggest that it may be years before such a study is completed and there is no certainty that even then a change in the system will be deemed appropriate.

In the meantime, the enactment of this bill would accomplish those admittedly worthy objectives of giving the Tax Court judicial status while it continues to conduct its everyday work. Moreover, the enactment of the bill would in no way impair or impede congressional overhaul of the entire system if that is found to be desirable in the years to come. The only suggestion I have heard as to why enactment of this bill would in any way interfere with such an overhaul is that the Tax Court judges would then have life tenure and this would make it more difficult. If, contrary to custom, the wheels of justice grind rapidly and this study is completed soon, there probably will not be many of the present judges of the Court who will have received lifetime appointments under the provisions of this bill. On the other hand, I do not think it can be questioned that 16 judges with considerable tax experience could be utilized with a great deal of benefit throughout the Federal court system. If those judges are constitutional judges, they could be used in the Federal court system; if they are not, they probably could not be used. In the meantime, I think the President would have considerable difficulty filling vacancies on the Court with competent lawyers, when the term is limited and the status of the Court is uncertain. So I see no benefit to be gained by the delay.

The representative of the Treasury Department who has just testified, says the Treasury Department is opposed to this bill. Careful consideration of his statements makes it pretty clear why Treasury is opposed to it. Treasury fears that if the Tax Court is moved into the Judicial Branch of the Government and its judges are given life tenure, the Court will become a constitutional court and Treasury might lose its right to represent the Government before the Tax Court. Therefore, Treasury would prefer to leave the Tax Court in the Executive Branch as the final step in an over-all Executive Branch administrative process of disposing of tax issues between citizens and the Government.

I respectfully submit that this proposal for the role of the Tax Court was specifically rejected by the Congress in 1926, when it was decided that the Board of Tax Appeals should be entirely independent of the Treasury Department. Furthermore, Treasury's position emphasizes and magnifies the principal reason this bill should be passed, which is to assure taxpayers that they will get a judicial review of their tax controversies entirely independent of any influence from the executive or legislative branches of the Government.

And finally, it has been suggested that a judge of the Tax Court should not have life tenure because he might over the years insist on applying his own interpretation of the tax laws and ignore what Congress intended, and therefore Congress should have the right to reconsider his fitness to serve every 12 years. I think this criticism has been amply answered by preceding witnesses and the observations of the Chairman of these hearings in recognizing that all other Federal judges are appointed for life and that it was recognized by the framers of the Constitution that this was the best means of insuring an independent judiciary. In addition, however, I would like to point out that in the case of the Tax Court this problem, if problem it is, is much less acute than in most of the other Federal courts of original jurisdiction. Under the law, every opinion written by an individual judge of the Tax Court must be reviewed by the Chief Judge before it is released, and every opinion is also subject to review, and possible rejection, by all of the judges of the Court. So every decision of the Tax Court must be approved by at least 2 judges and many of them are approved by a majority of all the judges, so it is virtually impossible for a single judge of this Court to implement his own interpretation of the law if it is clearly inconsistent with the intent of Congress.

In conclusion, I think it is *undeniable* that under the separation of powers doctrine of the United States Constitution, the Tax Court, which has no legislative or executive functions or powers, and whose functions and purposes are purely judicial in character, should be in the Judicial Branch of the Government rather than the Executive Branch. This bill will accomplish that objective, which in my opinion is long overdue. I see no reason for delaying the accomplishment of this objective because of collateral problems that may be more apparent than real. They can be handled as well with the Tax Court in the Judicial Code as with it in the Internal Revenue Code.

Thank you for the opportunity to express these comments. I request permission to have my more detailed written statement, copies of which have been submitted to the committee, made a part of the record of these proceedings. Now I will be happy to attempt to answer any questions the committee may have.

EXHIBIT 2

[From the Wall Street Journal, Oct. 31, 1967]

THE RISE OF A COURT

The history of the U.S. Tax Court in large part reflects the history of U.S. income taxes.

As the taxes have grown weightier, so has the court.

In the first decade of the income tax, the court did not even exist. Taxes were relatively low and easy to understand, so Congress could see no need for a special agency to settle disputes between the Government and the nation's taxpayers.

By 1924, however, taxes had become heavy and complex enough that Congress established an independent agency, the Board of Tax Appeals, with special expertise in the area. In 1942, as the Board's workload continued to grow, it was renamed the U.S. Tax Court but remained an independent agency, outside the regular judicial system.

In view of the present importance of taxes, the court's special status makes little sense to the American Bar Association and many tax attorneys. They argue that the Tax Court should now be incorporated in the judicial system, and that its judges, like other members of the Federal judiciary, should have lifetime tenure.

Tax Court decisions share the status of rulings of U.S. Circuit Courts. Its decisions, moreover, vitally affect the livelihoods of Americans, as well as the Federal revenue. This sensible step, though, is opposed by the Treasury; some tax lawyers suspect that the Revenue Service fears a loss of influence with the Court.

Less easy to understand is the Congressional opposition to recognition of the tax tribunal's true position in the judiciary. After all, it's Congress, with all of its tinkering with revenue laws, that has made the Court what it is today.

[From the Washington (D.C.) Post, Oct. 16, 1967]

Tax Court Is a Court

It is difficult to understand the Treasury Department's opposition to making the Tax Court of the United States a part of the judicial system. Fred B. Smith, the Treasury's general counsel, argues that the Court is "an integral part of the largest tax system in the world." But it seems obvious that the Court, if it is to render independent judgments, should not be an integral part of the revenue system.

Actually, the Tax Court has emerged through an evolutionary process. Until 1942 it was the Board of Tax Appeals. The name was changed to emphasize its judicial function, but it remained an independent agency in the executive branch. As such it has no power to compel the attendance of witnesses through subpoenas or to punish for contempt. Its judges have 12-year terms instead of life tenure.

The Constitution requires that judges of courts created by Congress shall hold their offices during good behavior. The basic question is whether the Tax Court shall be placed in this category, along with the Court of Claims, the Customs Court and the United States District Courts, instead of being isolated as an inferior administrative tribunal. In our view the Tax Court, by reason of its function and its performance over the years, merits a place in the judicial system.

The basic reason for creating a separate judicial branch, with judges serving for life unless impeached was to make certain that their judgments would not be swayed by executive or legislative pressures. That objective is not the less important because the Tax Court is confined to a highly specialized field of adjudication.

GOVERNOR ROMNEY'S PRESIDENTIAL CANDIDACY HAILED

Mr. BENNETT. Mr. President, the weekend announcement by Gov. George Romney, of Michigan, that he will seek the Republican nomination and election to the Presidency should be hailed by every American who is concerned with the future welfare of our Nation.

I heartily endorse his candidacy and pledge my immediate support to Governor Romney in his bid for the world's most important and most difficult job.

We have in Governor Romney a rare blend of personal qualities which eminently qualify him for the Nation's highest honor. He has been highly successful as a businessman and Governor and, I am certain, will make a successful presidential candidate.

But most important, in Governor Romney we have a man whose personal integrity is beyond reproach. He has used the same consistent discipline in governing his own life as in governing the great State of Michigan.

George Romney's life is one which personifies the promise of America to all its citizens: that any individual, no matter how humble his beginning, can rise through his personal efforts to merit and attain the best this land has to offer. The Governor has in turn consistently dedicated himself to assuring the fulfillment of this promise to all citizens.

In every major goal he has set his vast energies to, George Romney has come from behind to win. Perhaps he would have more to fear if the current polls showed him as a front-running candidate—to him it would be a strange starting place. The Governor has won before as an underdog—whether facing the political "machine" in Michigan, or knocking heads with the giants of the automotive industry on the business battlefields.

I am confident he will again come from an acknowledged underdog status to gain his party's nomination and ultimately the Presidency. He will do so because the people of the United States will demand that he do so. They will not let the finest that the Nation can produce be wasted in any lesser position.

Again, I pledge my personal support to the candidacy of George Romney.

COLUMBIA UNIVERSITY'S COMMITMENT TO COMMUNITY PROGRESS

Mr. RIBICOFF. Mr. President, in New York City, Columbia University has drafted an imaginative blueprint for genuine social progress in the neighboring community of Harlem. In my opinion, this effort may well mark the beginning of a new era in community service by the great urban universities of our Nation.

Generously supported by a $10 million Ford Foundation grant, Columbia has committed its rich intellectual resources to the development of a far-reaching program to assist in revitalizing this disadvantaged community. In doing so, the university is dramatically confronting any of the overriding problems of our society—inadequate housing, unemployment, lack of educational opportunity, insufficient medical facilities, and cultural deprivation.

Columbia's experience in the coming months should be closely studied. Out of this program a new strategy may evolve for meeting the crisis of the cities.

With the close cooperation of Harlem's community leaders, Columbia will soon begin a number of vitally needed projects. To mention only a few: The university will attempt to improve the curriculum in the Harlem public schools; small business will be aided through the establishment of an industrial and commercial development association; Harlem's housing needs will be studied exhaustively and new approaches to construction and the renovation of buildings will be explored thoroughly; an experimental Columbia division will be created to serve adults who seek new vocational skills in a changing economy; legal assistance to the poor will be provided by trained law school students, and Columbia's School of Arts will expand its cultural role in the community.

Working together, concerned scholars and progressive community leaders have taken a major step toward the resolution of one of the Nation's gravest problems.

I ask unanimous consent that the news release announcing and explaining the Columbia project be printed in the Record.

There being no objection, the news release was ordered to be printed in the Record, as follows:

Columbia University announced yesterday (Saturday) the first phase of a major effort toward the solution of urban and minority problems. This first step commits $2,700,000 as the initial allocations from the University's $10,000,000 urban-minority grant made by the Ford Foundation.

Dr. Grayson Kirk, president of the University, announced that these initial funds will—

Launch a project designed to improve the quality of Harlem's schools and to develop educational leadership within the community through cooperative arrangements with Teachers College and various University departments working directly with parents, community groups, and school personnel.

Seek to develop specific means for improving housing conditions in Harlem.

Provide highly qualified Columbia law students to work with Harlem residents in efforts to alleviate abuses which handicap the poor.

Devise improvements in the law and in certain legal procedures, especially as these relate to the collection of small debts and the eviction of tenants.

Help residents in single-room-occupancy buildings to become self-reliant and effective members of the community.

Begin demonstration projects for the training of minority groups in skills related to the health fields.

Devise practical strategies and programs to promote the economic development of depressed urban areas.

Create an experimental Columbia Development Division for adults who need further education to respond effectively to changing job markets.

Enlarge and enrich cooperative efforts by Columbia's School of the Arts with various cultural activities in Harlem, including operations to preserve the rich Schomburg collection of Negro history.

Create a Center on Urban-Minority Affairs at Columbia to coordinate these efforts, to plan for further development of the program, and to assure continuity of purpose and direction.

McGeorge Bundy, president of the Ford Foundation, said: "The community, the University and the Foundation are all well aware that instant wisdom and instant results are not to be expected within these first few years. But we welcome the mutual involvement of community and University in common problems as represented in these important initial recommendations." The announcement of the Ford Foundation's $10-million commitment was made October 31, 1966.

Dr. Kirk explained that the announced programs resulted from a year of intensive planning by a special five-man committee, headed by Dean Clarence Walton of the School of General Studies. A report completed in mid-June became the basis for selection of the projects. In preparing the report, the committee consulted various University divisions and departments and held discussions with more than 200 people of Harlem and other minority communities, as well as other concerned persons in the greater New York area. The University also consulted with government officials at the local, state and national levels.

Three pilot programs, supported by preliminary allocations of $180,170, were given advance approval by the Foundation and are already under way. One involves an intensive effort by students and faculty members to aid severely disadvantaged individuals living in single-room occupancy buildings. A second has been carried out by 35 Columbia law students working in Harlem to help with specific legal problems of the poor. And the third is a study by the Project for Effective Justice of Columbia's School of Law, designed to protect the poor against malpractices in the collection of small debts and the eviction of tenants.

Dean Walton has been named Interim Director of the new Center on Urban-Minority Affairs, it was announced. He said that these first efforts in cooperation with the community represent "the initial phase in what will become an historic process for the neighborhood and for Columbia. For nearly a year, community and University representatives have talked with one another on a wide range of issues to the further benefit of all. Frank exchanges of views have occurred with individuals and with members from such groups as CORE, HARYOU, MEND and MARC, the Urban League, the Ira Aldrich Society, the Manhattan Central Medical Association, Strycker's Bay Neighborhood Council, the Ministerial Interfaith Association, the Citizens Care Committee, the Institute for Human Development, the Upper Manhattan Rotary Club, and others. Much has been learned through partnership and much must be done in partnership. Our initial recommendations are, of course, the Committee's responsibility and should be viewed simply as prologue to a long-term involvement by all of us in areas of profound common concern."

The project to improve Harlem schools is the largest and most ambitious of the new programs launched by the Ford funds. It will be directed by members of the Teachers College faculty in cooperation with various University departments. In its report, the University's five-man planning committee had suggested an approach to the Board of Education whereby a single existing school would be operated under community-University auspices at a budgeted figure of $350,000. The initial allocation has been raised to $600,000 to support a multipronged effort to help meet Harlem's broader educational needs. Subsequent to the Committee's recommendation last June, changing circumstances in the educational scene introduced the need for involvement with several Harlem schools rather than one. It is expected that an additional sum of nearly one and a half million dollars, not included in the $2.7-million figure announced yesterday, will have been expended for the project by 1970 and that the experiences will provide guidelines to the optimal practical ways to improve ghetto schools. Eventually, one school or many schools may be primarily involved.

During the first year, a staff of about 50 persons will be drawn from Teachers College and the community to work with as many as 10 different school-community groups. An advisory council with representation from the community, Teachers College, the University, and other cultural and educational agencies will help to establish program objectives and to orient the project to the respective school-communities.

Illustrative of the kinds of projects that might emerge from such collaboration are: special programs to demonstrate ways parents and teachers can work together to improve reading instruction; efforts to determine the most effective uses of computer-aided instruction, and creation of joint committees involving Harlem residents, public school teachers and University faculty members to develop programs related to professional training.

The Ford funds will greatly expand current programs and add new ones at the East Harlem Community Resoures Center. The Center, at 2141 Third Avenue, created last year by Teachers College, operates as a community meeting place and headquarters for community groups which promote educational development.

The project will stress the improvements which neighborhood groups and the University can encourage as partners engaged in planning for community education.

Dr. Francis A. J. Ianni, professor of Education and director of this project, said: "Although efforts elsewhere to improve urban schools have resulted in a number of individual experimental and demonstration schools, few if any projects have sought at the outset to involve a community's total social and educational resources in the process of planning, executing and evaluating education improvement. It is anticipated that this approach, in addition to building more effective community-affiliated schools in Harlem, will demonstrate ways to develop the local educational leadership essential for the effective decentralization of urban schools."

Harlem's housing needs will be given major attention by the Institute of Urban Environment of Columbia's School of Architecture with an allocation of $179,000. The project will involve a detailed physical analysis of the area's structures. Of equal importance will be efforts to determine the desires of residents so that future housing will adequately meet their needs. It is expected that the results will lead to recommendations for a comprehensive program to extend existing governmental efforts and to create new programs and legislation for improvement of housing conditions for the people of Harlem and for the residents of all urban core areas.

These efforts coincide with the beginning of the Model Cities program in New York City. "It will be possible for proposals developed by the Institute of Urban Environment and the University to be translated readily into instruments for the rebuilding of New York's blighted areas," said Dr. Chester Rapkin, director of the Institute and formerly staff director of President Johnson's Task Force on Urban Affairs, which drew up the federal Model Cities program.

"The quality of the existing housing supply will be analyzed," said Dr. Rapkin, "to identify those buildings that are merely in need of upkeep, those that require major improvement, and those beyond repair that need replacement. Architectural studies will be made and these will be accompanied by the development of practical programs to expand housing options available to families throughout the Harlem community by proposing specific methods and procedures whereby local groups can form organizations to construct, rent or purchase housing."

The project to help residents of single-room occupancy buildings, known as SRO's, has already begun under the direction of Mrs. Joan Shapiro and Nathan Lefkowitz of the Division of Community Psychiatry at St. Luke's Hospital Center, which is affiliated with Columbia's College of Physicians and Surgeons.

Four student social workers from Columbia's School of Social Work and two sociologists have begun work in four SRO's on the West Side. Alcoholics, addicts, the aged, crippled and chronically ill, the mentally ill and the jobless tend to gather in such buildings. The workers will establish recreation and rehabilitation programs by working cooperatively with the dominant social leaders in the buildings and the building managers. The goal will be to reduce antisocial behavior and improve the physical and mental health of the tenants.

An additional $430,000 has been allocated for the immediate start to five new projects and the early development of several more. Among the programs that will be undertaken promptly are the following:

The economic development of urban core areas. Preliminary plans have been sketched for the creation of an Industrial and Commercial Development Association which would involve Harlem business leaders, the Interracial Council for Business Opportunity, and the faculty of Columbia's Graduate School of Business in cooperation with professors in the Economics Department. Some of these professors have already begun to explore ways to advance the establishment of new, Negro-owned business enterprises under a separate grant from the Office of Economic Opportunity.

Columbia has begun planning for the creation of a new Development Division which will be organized to seek out, enroll, and teach adults from minority groups whose incomplete education prevents them from securing professional and technical jobs, both public and private. The Development Division, free from many of the usual qualifying conditions and admission standards, will provide special courses for professionals whose certifications, acquired elsewhere, are not acceptable to licensing authorities in New York. It would also admit selected college and high school drop-outs into programs tailored to their career goals. A further objective will be to organize, possibly in association with several large metropolitan employers, courses aimed at upgrading those minority group members who have demonstrated ability in their present jobs but who need more education to advance.

Initial pilot training efforts will be undertaken under the sponsorship of a committee of doctors from Harlem Hospital to provide education in paramedical fields for medical laboratory assistants, labor and delivery room technicians, and technical nursing assistants. Dr. Melvin Yahr, assistant dean at Columbia's College of Physicians and Surgeons, is working with the committee from Harlem Hospital. He indicated that up to thirty students from minority groups will be given opportunities to participate in the first phase of these innovative educational programs.

The School of the Arts is developing plans to enlarge cooperative efforts with various cultural activities in Harlem. Community-Columbia programs in painting, sculpture, photography, music, theatre, and creative writing will be examined so that the rich varied cultural resources of ghetto communities can be effectively employed.

Emergency action will be taken to save approximately 5,000 items in the famous Schomburg collection of Negro history, literature, and art which are in danger of physical deterioration. The collection is housed at 103 West 135th Street. Among the items to be saved are the first *Freedom's Journal* issued by Negroes in 1827, letters of Daniel Webster, Charles Sumner, Wendell Phillips, and Booker T. Washington, as well as original manuscripts and letters of Langston Hughes, Countee Cullen, and Claude McKay.

The University's new Center on Urban-Minority Affairs will coordinate and evaluate all of the programs. The Center is being established with an allocation of $111,500 together with a $500,000 fund to provide doctoral fellowships and to encourage research projects in long-neglected areas of Negro history and urban problems. Officers of the new Center include a director reporting directly to the president and the provost of the University, and two associate directors who will be concerned with community action programs and urban-minority studies. Appointments to these posts will be announced in a short time. Dr. Walton will be interim director until the appointments are made.

A major purpose of the Center will be to facilitate the full mobilization and coordination of the University's facilities for effective assistance to the community in meeting its problems and to the country in exploring means of correct critical conditions in the major cities. Special efforts will be made to develop "social audits" to trace the impact of various programs on the people affected. The Center also will be responsible for maintaining constant liaison between the community and the University and for promoting wider understanding of the major issues. To insure the new Center's permanent place in the University, continuing support will be provided by a $750,000 endowment fund.

Related directly to the Center's activities will be a "Harlem Speaks" forum which will bring to the community and to the University a number of minority leaders for frank and vigorous discussion of mutual problems. A new University Seminar on the Changing City will involve participation by minority leadership, public officials and urban scholars.

Dean Walton said that this mutual effort must be viewed "not as an event but as a process—a process which will lead to a great deal of fruitful learning on all sides. An historic step has been taken to bridge the gulf between the University, and the community of which it is a part."

The committee chaired by Dean Walton, which coordinated planning for the announced projects, included John Fischer, president of Teachers College; Eli Ginzberg, Hepburn Professor of Economics; Samuel Lubell of the Graduate School of Journalism, and Wallace Sayre, Eaton Professor of Public Administration and chairman of the Department of Public Law and Government.

BAD TASTE IN PREACHING TO THE PRESIDENT

Mr. SMATHERS. Mr. President, President Johnson noted a little wryly at his press conference last week:

> If I have done a good job of anything since I have been President, it is to insure that there are plenty of dissenters.

Now none of us wishes to stifle dissent. For better or for worse, it represents the strength of our democracy.

But there is a time and a place for everything—and I do believe that the President of the United States ought to be able to enter a church without being preached at about the wisdom of his foreign policy.

A week ago Sunday, in Williamsburg, Va., Mr. Johnson endured such an experience. He went to church for spiritual solace but had to listen to a lecture which, in the words of a Williamsburg official, was "an example of exquisite bad taste."

There is no excuse for this sort of behavior. There is no excuse for a minister to take advantage of a captive audience—in the person of the President of the United States—"to tell him what he thinks."

The President has enough people telling him what they think—and often in quite vitriolic terms, I might add. He does not need to hear it in a place of worship on a Sunday morning, as well.

I am proud that the President demonstrated better taste than did the reverend minister. I am proud, too, that many of the Nation's newspapers came to the President's defense. Perhaps they helped to ease the pain that he was forced to suffer.

I ask unanimous consent that a selection of such newspaper comments be printed in the RECORD.

There being no objection, the comments were ordered to be printed in the RECORD, as follows:

[From the Birmingham News, Nov. 14, 1967]

THE TIME AND PLACE

"As safe as in church" could hardly be acceptable assurance to President Johnson after he sat in his pew last Sunday as the captive target of a minister's scolding.

The subject of Vietnam and the American position there, however broad the conflict of opinion thereon, has been worried extensively and the President has received his full share of criticism.

That the minister involved in Sunday's startling incident has every right as a citizen to express himself on the yeas and nays of Vietnam is unquestioned, though some may argue that the pulpit is not the place for discussion of such subjects no matter who sits in the congregation.

But for a minister to level his comments directly at the man who represents the presidency of the United States was precisely what an observer described it, "Exquisite bad taste."

As a political figure or even as the President, Mr. Johnson is subject to criticism. And such is proper when spoken in the public arena and offered with reason.

A calculated attack both on the office of President itself—which the Rev. Mr. Lewis' words were whether he intended them so or not—and the deliberate embarrassment of a guest worshipper were demeaning to the minister's office.

[From the Chicago Tribune, Nov. 15, 1967]

SOMEBODY'S SNIFFING GLUE AROUND HERE

With President Johnson as a captive audience in the front pew once occupied by George Washington, the Episcopal rector of Bruton parish church in Williamsburg, Va., expanded his set sermon Sunday to imply that Mr. Johnson wasn't leveling with the people about Viet Nam.

The Rev. Cotesworth Pinckney Lewis, suggesting that the purpose of the war appeared to most nations to be neo-colonialist, said that "something is wrong in Viet Nam" and that it was up to the President to provide "some logical, straightforward explanation." The Rev. Mr. Lewis ignored the fact that Mr. Johnson had attempted to do just that in an address, the day before aboard the carrier Enterprise. On June 29 the President also stated that the war was in defense of United States security and was directed against communist aggression.

Inasmuch as people go to church to worship, and not to be lectured about their asserted failings, we concur in the judgment of a spokesman for Colonial Williamsburg, Inc., with which the Bruton parish church has no direct affiliation, that the celrgyman's observations were in "exquisite bad taste."

Some published accounts of this incident hardly have contributed to illumination. We will pass over an Associated Press reference to "Burton parish" on the supposition that this was merely a typographical error. But another Associated Press dispatch, by Frank Cormier, has a statement that invites the conclusion that either the rector or the reporter didn't know what he was talking about. The passage states:

"Lewis began his sermon by noting the President was sitting in a pew once used by George Washington, and that the Bible used for the reading of the morning lessons was given to the parish by King Henry VII of England."

If so, Henry Tudor had to rise from the grave to confer the Bible. He lived from 1457 to 1509, and was king from 1485 to his death. Williamsburg, then known as Middle Plantation, was first settled in 1633. It was renamed Williamsburg in 1693 after the College of William and Mary was chartered by the crown. Bruton parish was created in 1674, and the original parish church was completed in 1683, so that the parish came into existence 165 years after the death of Henry VII. There was no other Henry around at the creation of the parish or the time the church was first built, for these events fell within the reign of Charles II.

Nothing like getting the facts straight, for a change.

[From the San Angelo Standard-Times, Nov. 14, 1967]

SERMON SERVED ONLY MAN DELIVERING IT

The Rev. Cotesworth Pinckney Lewis, of Williamsburg, Va., had a distinguished visitor to his congregation Sunday: President Johnson. The Rev. Mr. Lewis took note of this in advance by scrapping his previously prepared statement and writing another on Vietnam—one which consisted of unsolicited advice to and open criticism of his parishioner for a day.

The President carried off his "captive audience" role gracefully and without visible expression of resentment toward the rector. But the minister's actions are indefensible—and reveal a surprising ignorance of the subject upon which he felt able to lecture the President.

During the course of his singular sermon, the Rev. Mr. Lewis said, "The political complexities of our involvement in Vietnam are so baffling that I feel presumptuous even in asking questions." And "presumptuous" is a perfect definition for the minister's conduct.

It is presumptuous indeed to lecture the man who is closest to the situation and probably alone aware of all the facts about the war in Vietnam. It is presumptuous to take advantage of the role of minister to propel one's self in among the mighty and foist one's own views on the American public merely because of proximity to the President, not because of personal qualifications or importance. It is presumptuous to chide the President for not having explained our role in Vietnam—only weeks after the President has delivered probably the most lucid explanation of that role yet pronounced.

In short, the Rev. Mr. Lewis has behaved boorishly.

The Rev. Mr. Lewis knew what he was doing; the fact that he composed his sermon after being notified the President was to attend confirms this. One can only believe, then, that he hoped to gain notoriety for himself and for the minority opinion he expressed by capitalizing on his religious office—at the expense of both his guest and his regular parishioners.

Perhaps it is understandable, since there are so many instant experts on Vietnam abroad—most of them as little acquainted with the facts as the Rev. Mr. Lewis obviously is. But one expects more of a minister than idle chatter, self-aggrandizement and discourtesy. One expects spiritual guidance, not polemics.

President Johnson, we are sure, did not go to church on Sunday in search of yet another uninformed opinion on Vietnam. Every office, every bar, every street-corner in America abounds in such half-baked, opinionated self-important oratory. He went to church as do millions of other Americans for spiritual solace; what solace he received was obtained from the order of worship, not from the pastor's sermon—which to us seems to represent a failure of religion's purpose.

[From the Dallas Morning News, Nov. 15, 1967]

Telling, Not Asking

Many good shepherds of the church have served their fellowman well by using their pulpits to denounce those of their flocks they believed to be straying from the path. But last Sunday a minister in Williamsburg, Va., seized the opportunity to put on the spot one present who was not a member of his congregation. This target of his oratory was a weary traveler, who had entered the church as a guest.

The guest was the President of the United States, just returned from a 5,000-mile trip in which he had explained over and over the reasons for the nation's participation in the defense of South Vietnam. Nevertheless, the clergyman directed at him a series of questions, asking for an explanation of why we are in Vietnam.

Since the President had given seven speeches in the previous two days expounding the answers to the questions posed from the pulpit, it must be assumed that the questions were rhetorical. That is to say, they were meant for effect, not for gaining information.

One definition of the word "rhetorical" is "emphasizing style at the expense of thought." The definition unfortunately seems to fit this particular case all too well.

The Vietnam commitment is the most constantly debated issue in political life and has been for two years. Though the Kennedy and Johnson administrations may be faulted for not explaining the commitment in its early stages, the President and his officials in recent months have gone over the reasons for it again and again.

Some Americans may disagree violently with the validity of those reasons, but there is simply no point in continuing to ask what they are. It must be concluded that those who still loudly demand to know why we are in Vietnam are making their demands because of an eagerness to gain the limelight. The demands are not really questions, for the information they purport to seek is known to the questioners. They are instead criticisms, intended to embarrass the administration and demonstrate the questioner's own dissent.

The Virginia minister clearly recognized an opportunity to get his own views on record in a big way. He later told a reporter, "One isn't privileged to tell the President of the United States what he thinks very often."

It may be noted that the minister described it as a chance "to tell . . . what he thinks" rather than actually to ask for answers. And, by doing so, he publicly embarrassed a guest of his church. The fact that the guest was President of the United States does not mitigate the discourtesy, it accentuates it. The President faces criticism, attack and denunciation almost every hour of the day. Certainly it would seem that he could find a brief respite from such torments in the sanctuary of a church.

The minister's bishop said in his defense that he was within his rights as a Christian to express his convictions thus, and this is true. He was also within his rigths as an American, for there is no law against berating a president whether he is visiting a church or not.

The minister's offense was not against the laws of state or church, it was against the accepted standard of good manners. The minister took full advantage of his "privilege" to tell off his congregation's eminent guest. The result, as one Wililamsburg official described it, was "an exquisite example of poor taste."

[From the Houston Chronicle, Nov. 14, 1967]

Clergyman Showed Poor Judgment

This week's first prize for poor judgment goes to the Rev. Cotesworth Pinckney Lewis of Williamsburg, Va., for his sermon Sunday with President and Mrs. Johnson in the congregation. The minister didn't tell the President anything he didn't already know, we're sure. Mr. and Mrs. Johnson couldn't walk out during this public lecture to the chief executive. They were a captive audience as the minister called for a "straight-forward explanation" of the Vietnam war as he criticized the administration's conduct of it.

". . . Since there is a rather general consensus that what we are doing in Vietnam is wrong (a conviction voiced by leaders of nations traditionally our friends, leading military experts and the rank and file of American citizens) we wonder if some logical, straight-forward explanation might be given without endangering whatever military or political advantage we hold," he said.

The Rev. Mr. Lewis apparently has been on another planet for the past two or three months. In that time President Johnson has given a major policy speech on the war (Sept. 29 in San Antonio), Secretary of State Dean Rusk has dealt with the war at length in two news conferences and Secretary of Defense Robert S. McNamara has discussed it at length both in a news conference and in a major policy speech in San Francisco.

When the President is in the congregation, there seems to be an irresistible urge for ministers to devote their sermons to politics rather than religion, although until now all we've heard about have been praising the President, not lambasting him.

We agree with the spokesman for Colonial Williamsburg, Inc., who said the sermon was "exquisite bad taste." And we liked Mrs. Johnson's comment to the Rev. Mr. Lewis as she emerged from church: "The choir was wonderful."

[From the Sacramento Bee, Nov. 15, 1967]

Prayers and Politics

At the outset let it be said the Rev. Cotesworth Pinckney Lewis, Episcopal minister in Williamsburg, Va., has a right to speak his mind about his concern over the handling of the Vietnamese war. But also let it be noted he overstepped the bounds of religious propriety in using his pulpit as the forum precisely because the President of the United States was in the front pew of his church.

President Lyndon B. Johnson had just completed a nationwide tour in which he talked frequently of the administration's purposes. He made a concerted effort to explain and defend his position.

Yet the rector could not resist the temptation to take advantage of the presence of the President to voice his personal doubts about the very issues Johnson had publicly discussed during the two preceding days.

Lewis told newsmen, "One isn't privileged to tell the President of the United States what he thinks very often."

The trouble is Lewis picked the wrong time and the wrong place.

The Richmond, Va., News-Leader denounced the minister for "officiousness and bumptiousness," Rep. Carl Albert of Oklahoma told the House of Representatives, "I think this is the first time in our history that anyone has tried to make a captive audience out of the President."

Gov. Mills E. Godwin Jr. of Virginia wrote Johnson a letter of regret and said "the people of Virginia would always desire that he be shown every courtesy while in our midst."

This observation should be applied to any state, county or city the President may visit.

[From the Boston Globe, Nov. 14, 1967]

Church Is No Place To Harangue President

(By Victor O. Jones)

Back in the Spring of 1918, during World War I, I can remember attending Sunday services in the Brick Presbyterian Church, then at Fifth av. and about 37th st. in New York, with an aunt and uncle.

I forget what chapter and verse the minister was speaking to in his sermon, but I do recall that it was a pretty bloodcurdling affair, full of hate for the Kaiser, allusions to what the Huns had done to Belgian women and children, and assurance that God was on our side in this conflict.

In the middle of this impassioned talk, my uncle, a rather mild little man, stood up deliberately, slowly put on his overcoat, turned his back on the preacher and with slow and deliberate steps walked out of the church.

Later my aunt and I found him out on the sidewalk, waiting for us. No, he wasn't sick. No, he hadn't felt dizzy. He had walked out in protest to the sermon. It wasn't that he wasn't patriotic. He believed in our cause, and though he was too old to wear the uniform, he did what he could in the war effort.

"I just don't come to church to hear spread-eagle oratory. I have a hunch that many of the German atrocity stories we are hearing are propaganda. I hope that God is on our side, but the fact remains that the Germans use a motto, 'Gott Mit Uns,' and I dare say they believe God is on their side. It may sound cynical, but I prefer Napoleon's: 'God fights on the side of the heaviest artillery.' In any case, a minister has no business making such speeches in church because the congregation is in no position to stand up to protest or answer."

I was thinking of my uncle the other day when President Johnson and his family, seeking some surcease from the terrible strain they live under, went to Sunday services to hear the word of God. Instead, they got a cheap, self-righteous lecture and heckling on our foreign policy from a young Episcopal minister.

President Johnson had just finished a 5000 mile tour during which he had tried to explain what he was trying to do in Vietnam. The minister had the President over a barrel in that he couldn't possibly stand up and argue, though I, for one, would have applauded him if he'd stalked out of the church.

Perhaps it's un-Christian of me, but I suspect that Rev. Cotesworth Pinckney Lewis was well aware of the fact that, for once in his life, he would land on Page One of all the papers and on the TV news shows.

This has nothing to do with how you or I feel about the Vietnam war. This is a matter of the fitness of things—and I don't happen to think that a church on Sunday is the place to confront a war-weary, harrassed parishioner with a needling, one-sided foreign policy harangue.

I wouldn't blame LBJ if in the future, when entering a church, he made sure it was empty and not booby-trapped, so that he could enjoy rest, meditation and prayer even if he had to forego a sermon.

And to end this sermon of mine on a more cheerful and lighter note, let me toss a couple of bouquets.

The first goes to an unnamed spokesman, who in emphasizing the total lack of connection between Colonial Williamsburg and the Bruton Parish Episcopal Church, said: "The sermon was in exquisite bad taste."

The second bouquet goes to Mrs. Johnson, who on the way out, told Rev. Mr. Lewis she thought the choir was wonderful—a left-handed compliment which will undoubtedly be included in all future anthologies of the perfect squelch.

[From the Portland Press Herald,
Nov. 15, 1967]

PORTLAND RECTOR CRITICAL OF LEWIS: L. B. J.-PASTOR CONFRONTATION TERMED "MISUSE OF PULPIT"

(By Joseph E. Coyne)

The Virginia cleric who questioned President Johnson about the conduct of the Vietnam War "erred deeply," according to the Rev. Harold A. McElwain, rector of St. Paul's Episcopal Church here.

Father McElwain said Tuesday night he did not question the right of Dr. Cotesworth P. Lewis Jr., rector of Bruton Parish Episcopal Church, Williamsburg, Va., to speak his mind on the war but said the church is "not a political forum".

"Father Lewis erred deeply in excoriating the President of the United States from the pulpit of the church," Father McElwain declared.

"When the President like all others in the congregation came to be with God and unburden himself and receive spiritual solace it should have been unthinkable to assail him with moral questions."

"Had the rector of Bruton Parish spoken to the President in such wise in the parish hall or at a public gathering of some type, or even on the front steps of the church, it would have been more understandable," Father McElwain said.

"But to have a captive audience in the President at a formal service in the church, and direct the remarks that he did at our President, I feel is a gross misuse of the pulpit and his vocation as a priest of the church."

"Regardless of what political party the President belongs to," the priest said, "the President in such times of stress certainly needs the guidance of Almighty God and the opportunity to say his prayers.

"He needs the prayers of all of us," Father McElwain said.

"Father Lewis during a sermon Sunday wondered aloud if some 'logical, straightforward explanation might be given without endangering whatever military or political advantage we hold.'

"Father Lewis' personal opinions are his own and as an American citizen he has the right of free speech and to demonstrate as he wishes outside of the church," Father McElwain said, but added:

"It's untenable that Father Lewis would single out on any other Sunday a member of his congregation whether he be nationally prominent or otherwise, and direct questions at him that would require answers as to his moral conduct. This would be unheard of, uncharitable."

Father McElwain added that the Virginia clergyman undoubtedly asked questions that many Americans are asking, but added that "the time and the place were ill chosen."

He added that he was reminded of the colonial period when George Washington as leader of the American army attended church regularly where many men loyal to the crown also were in attendance, but it had never been recorded in history that any cleric attacked Washington's political views during a sermon.

[From the Abilene Reporter-News, Nov. 14, 1967]

POLITICAL LECTURE TO L. B. J. INEXCUSABLE AT WORSHIP

Affairs have come to a sorry pass when the President of the United States cannot be spared political harassment even when he seeks to worship.

Sunday, President and Mrs. Johnson were in Williamsburg, Va., and went to historic Bruton Parish Episcopal Church. They were accompanied by daughter Lynda and her fiance, Marine Capt. Charles S. Robb.

There he was challenged directly by the rector, the Rev. Cotesworth Pinckney Lewis, on the Vietnam War. He posed his subject thusly:

"The political complexities of our involvement in an undeclared war in Vietnam are so baffling that I feel presumptuous even in asking direct questions. But since there is a rather general consensus that something is wrong in Vietnam—a conviction voiced by leaders of nations traditionally our friends—leading military experts—and the rank and file of American citizens—we wonder if some logical, straightforward explanation might be given without endangering whatever military or political advantage we hold."

In developing his subject, he questioned whether the truth were being told about the war, said "we are appalled" that civilian casualties are triple military casualties, that the war appears "to most nations of the world" to be "neo-colonialism," he implied criticism of restrictions on military prosecution of the war, and cautioned that the Vietnam War not be oversimplified as being directed at monolithic communism.

What made the performance even more outrageous is that, according to a parish spokesman, the rector changed his first plans and prepared this sermon after learning the President would be in the congregation.

This performance was an indefensible indignity and reproach to the office as well as the person of the Presidency.

Though it doubtless was unpleasant for President Johnson to endure, it might well have been so repungnant to the public at large that it will generate sympathy and patience for him aside from what individuals think of his war policy.

[From the Manchester Union Leader,
Nov. 14, 1967]

A LOVELY CHOIR

The minister in Williamsburg, Va., where President and Mrs. Johnson went to church this last Sunday, ought to have his clerical mouth washed out with the nastiest type of non-clerical soap.

The President, after a tiring weekend of flying to one military installation after another to encourage the boys who are going to, or have been in, Vietnam, probably was hoping for some spiritual comfort on Sunday morning. Instead, the reverend in the pulpit had the unmitigated gall to give the President a lecture on why he should tell the nation why we are in Vietnam.

The President said nothing, but it must have been a grim and unnecessarily cruel dose to take after a tough weekend. Mrs. Johnson was heard to tell the reverend as she left the church: "A lovely choir." This proves that a lady can be a lady even when a preacher isn't a gentleman.

The incident is worth commenting on because the attitude of the unmannerly clergyman is typical of a whole group of clergymen in this country who, in the estimation of this newspaper, act like neither Christians nor gentlemen. Their presumption in talking on things about which they know nothing, is nothing short of incredible. Their holier-than-thou attitude and arrogance are unbearable.

Unfortunately our seminaries for a number of years now have been turning out so-called clergymen who have neither humility, nor wisdom, nor, in the opinion of this newspaper, devotion to God. These men seem to be more interested in politics and social work than they are in the Bible or the Almighty.

The worst of it is that these men seem to be sure that the mere fact that they have graduated from a divinity school and are in a pulpit makes them all-wise, all-virtuous and capable of telling everybody else, from the President of the United States on down, just how to run the nation. The respect for the laws of the nation by these individuals has been shown time and time again on TV and in the newspapers to be just about nil. These men apparently feel themselves above law. They have long ago forgotten the admonition, "Render to Caesar what is Caesar's."

They are all summed up by the lecture by the minister in Williamsburg. What kind of a man would presume to stand up in a pulpit and take advantage of the fact that the President of the United States chose his particular church in which to worship on that particular Sunday? The President was obviously a captive audience. He couldn't walk out. Can you think of anything much more un-Christian and un-religious than to assail a man who couldn't do anything about it except to listen to the nonsense that was being spouted from the pulpit?

Can you think of anything more arrogant or more presumptuous than for this clergyman, whose only knowledge about the war could be gained from newspapers, TV, radio and presumably many left wing periodicals, to stand there and lecture the President of the United States?

Probably the lecturer likened himself to the prophets of old, but those who have seen the performances of these clergymen know there is very little relationship between the sincerity and the religious authority of the prophets and these pipsqueaks who now hold down so many of our pulpits.

After a tiring weekend. President Johnson had every right to expect, when he went to church, to be inspired by some of the greatest religious influence of all time, some of the great moral and religious lessons that come from the Bible and some true religious experience. He did not need a lecture and he certainly did not expect one.

The incident is worth commenting on because the people of the United States have been too long afflicted by this type of clergyman. In many cases these clergymen seem to be much more sympathetic to our enemies than to the cause of this country. It is time that the congregations in these churches took action and removed these clergymen, telling them if they want to have free speech that's fine—but not in their churches. It's time drastic action was taken to bring these clergymen to their senses.

FEDERAL ROLE IN SLUM HOUSING

Mr. BENNETT. Mr. President, there has been a great deal of discussion this year about the proper means through which we can provide adequate housing for individuals with lower incomes. Several approaches have been suggested, and the Subcommittee on Housing of the Senate Banking and Currency Committee has approved for full committee consideration an omnibus bill which includes some of these suggestions.

Certainly there is much to be done, and it will require the best thinking of private industry and governmental representatives to cope with the problems which we have.

A letter to the editor of the New York Times on November 6, 1967, by Charles Abrams, of Columbia University includes his thinking on this subject. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL ROLE IN SLUM HOUSING

COLUMBIA UNIVERSITY,
New York, N.Y., October 31, 1967.

To the EDITOR: Prof. John K. Galbraith's letter published Oct. 30, supporting the use of private capital for slum reclamation, is a welcome qualification of his previous position as he stated it to the City Club. Your editorial of the same day, calling upon business to cooperate, is also a timely reminder that business has a stake in the soundness of it cities. But if business is to cooperate to the fullest extent possible, the fullest cooperation of the Federal Government is necessary.

The Federal rent supplement program, under which private money can be lent for projects for which low-income families will be eligible, now appears to have been cut to only $10 million. The appropriation should be at least four times that.

The Federal Housing Administration has still to demonstrate that it will insure more than a token number of mortgages to low-income families. In 1950 mortgage insurance on existing one-family homes for families with an income of $4,000 or less represented 43 per cent of the agency's home-loan insurance, but by 1965 this figure had dropped to about 1 per cent of the total.

There have been many good homes in Negro areas which F.H.A. has refused to insure. As a result, Negro home buyers are paying as much as twice what they should be paying for homes and mortgages. Despite F.H.A.'s recent statement that it would liberalize its policy, those who have followed the agency's practices know there has always been a wide gulf between its statement-writers and its underwriters.

LEGISLATION NEEDED

Not only must existing housing practices be liberalized; new legislation must also be written to take advantage of such offers as that of the life insurance companies, to make $1 billion available for loans in slum areas and to low-income families. Presently, for example, when the Government makes direct Federal loans at 3 per cent, the loans are made a charge on the Federal budget. To the extent of such loans, budgetary allocations for other public needs are diminished. Moreover, only a limited amount of Federal money can be lent for such housing under current Federal budgeting practices.

If, on the other hand, the insurance companies were to lend a billion dollars at 6 per cent, and the Federal Government were to provide a 3 per cent annual subsidy, funds for nonprofit housing would be expanded many times. The substitute formula would entail a maximum annual budgetary charge of $30 million, which would be substantially recouped by the Federal Treasury through income taxes on the profit made by the lenders and on income generated by the billion dollar investment in construction and mortgages.

The two measures sponsored by Senators Percy and Mondale would help promote substantial private investment in slum areas, and these two measures should be advanced to a vote as soon as possible.

CHARLES ABRAMS,
Chairman, Division of Urban Planning, School of Agriculture.

SAR A. LEVITAN WRITES ON JOBS FOR THE POOR

Mr. RIBICOFF. Mr. President, the contributions of Prof. Sar A. Levitan, of the George Washington University, to the planning, development, operation, and evaluation of our Federal manpower programs are well known to all of us.

Many of his views have been contained in the publication Poverty and Human Resources Abstracts, a bimonthly journal of the Institute of Labor and Industrial Relations of the University of Michigan and Wayne State University.

In the current November-December 1967 issue, Professor Levitan addresses himself to the No. 1 domestic issue of our Nation—how to provide jobs for the poor that are both meaningful and productive.

Professor Levitan argues that "the time may be fast approaching when program administrators are going to have to choose between quality and quantity," and urges us to mold "an effective partnership" that includes "Government funds and private employer know-how."

Whether one agrees or disagrees with Professor Levitan, either in whole or in part, his remarks are stimulating and deserve a wide readership. I ask unanimous consent that his statement be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

[From Poverty and Human Resources, November-December 1967]

WASHINGTON NOTES: WILL EMPLOYERS BE INDUCED TO TRAIN THE POOR?

(By Sar A. Levitan, the George Washington University)

It is becoming increasingly clear that the recently inaugurated federally-supported antipoverty training and job creation programs are falling short of their intended goal to help participants achieve economic independence and self-support. It appears that these efforts are more successful in providing the unskilled and deficiently educated income and an opportunity to perform socially useful work, but little preparation for future gainful employment in the competitive labor market. The problem, some have suggested, is that private enterprise which has traditionally trained workers and equipped them with skills has remained only on the periphery of the new training programs.

Since the Economic Opportunity Act permits profit-making organizations to participate in these training programs, many have criticized program administrators for the lack of private employer involvement. However, this represents only part of the answer. Pressure to produce instant success and to maximize the number "served," encouraged administrators to fill available "slots" in the public sector. Since the federal share is at least 90 percent of costs—and the balance can be provided "in kind"—public agencies and nonprofit organizations can obtain what is, for all practical purposes, free labor. Enrollees are frequently assigned to marginal tasks or "make-work" jobs. Thus projects will often not offer the best training or the most meaningful employment. Although reduction of the share of federal contribution might encourage agencies sponsoring projects to restrict job openings to needed and more meaningful work, such a move might discourage participation by many public agencies and nonprofit organizations and preclude establishment of projects in areas which need them most. The time may be fast approaching when program administrators are going to have to choose between quality and quantity.

ON-THE-JOB TRAINING

To secure greater private participation in training programs, administrators of the Manpower Development and Training Act have recently placed greater emphasis on OJT, reimbursing employers for training costs but not for wages. The distinction may be more semantic than real since the government picks up part of the total labor cost during the initial employment period—the duration is dependent upon the occupation for which the worker is trained. Since selection of trainees is left with employers and they receive uniform reimbursement per trainee in a particular program, an incentive is created to "cream" the best qualified applicants. A comparison of the characteristics of institutional enrollees, who are chosen by the Employment Service, and OJT enrollees suggests that difficulties of placing the disadvantaged with private employers. In 1966, two of every five MDTA institutional enrollees were nonwhite, while in OJT they accounted for only one in five. Enrollees with less than a high school education accounted for more than half of those in institutional courses, but for only a third in OJT. While one of every nine institutional trainees were public assistance recipients, one of every 80 OJT enrollees was in that category. The results in other programs are no better. Few out-of-school Neighborhood Youth Corps enrollees have been offered the opportunity to participate in private on-site training. In the Work Experience and Training Program (Title V) which has considerable latitude in placing participants with private-for-profit organizations, only 3 percent were so placed.

Based on his study of MDTA, Professor Garth L. Mangum has suggested that if OJT is to be effective as an incentive to employ the disadvantaged, it might be necessary to limit the payment of subsidies only to the employment and training of the poor. OJT's apparent success (about nine of every ten who had completed training were employed when last surveyed) with the limited number of disadvantaged workers suggests that it might offer a viable technique for inducing employers to hire unqualified workers and train them for available jobs. Successful expansion of OJT for the disadvantaged may, however, require raising the subsidy above current levels.

Some employers have assumed the responsibility for training the poor without government subsidy. As their contribution to the nation's war on poverty, these employers have lowered hiring qualifications and trained workers who would normally not be acceptable. Their rationales have ranged widely. Labor shortages accounted for some of the hiring, but not all. Some consider their action as "enlightened self-interest," a reaction to riots that occurred in many cities. Others, opposed to the expansion of the welfare state, think that they can motivate and train the disadvantaged better than public programs. Though the number enrolled is small, the experience is valuable for the lessons that can be gleaned from it.

The much-touted Jobs Now of Chicago is an example. Here a private nonprofit organization, the YMCA, provides an initial two-week orientation to hard-core gang youth. This orientation, and the provision of coaches to work with the youth while on the job, is subsidized by federal funds. The brunt of the costs, however, is assumed by private employers who hire the participants at their going rate of pay and provide a high-support environment and training for poorly qualified employees. Though some of the largest companies in Chicago participate in the program, they agreed to absorb only about a hundred participants every two weeks. This program and others have, however, indicated the costs of hiring unqualified and, frequently, poorly motivated workers. A large insurance company which hired 20 high school dropouts found that to make them competitive with high school graduates might cost as much as a thousand dollars per enrollee during the initial year. There are other costs, not the least of which is concerned with retaining poorly prepared and motivated employees. This involves not only extra costs for supervision, but also to reorient supervisors to deal sympathetically with the problems of the new employees. There are also dangers—bending disciplinary rules and work performance standards which, if not adroitly handled, can affect adversely overall productivity.

Private corporations cannot be expected to act as eleemosynary institutions to any substantial degree. If inadequately educated and poorly motivated workers are to be trained and equipped with skills to enhance their position in the competitive market, the government must absorb the brunt of the costs. Rather than "viewing with alarm" the use of tainted government money, there is room to be concerned that there ain't enough of it.

NEW WAYS AND MEANS

Molding an effective partnership of government and private enterprise for training large numbers of disadvantaged is dependent on government funds and private employer know-how. Debate has centered on the most efficient ways and means to accomplish the desired goal.

Human investment bill

One alternative that has received considerable support would provide tax incentives to employers. The use of such incentives for achieving policy objectives has a long history. The most recent major effort was the 1962 law giving 7 percent tax credit toward the cost of investment in machinery and equipment. Reasoning that investment in human skills deserves the same consideration, Senator Winston Prouty (R-Vt.) and Representative Thomas B. Curtis (R-Mo.) proposed that employers be allowed a 10 percent tax credit for expenditures in training non-managerial and non-professional employees. A higher tax exemption for human investment than for investment in machinery and equipment is justified by the sponsors on the assumption that it involves a higher risk to the employer. When purchased, machines become the property of the employer, but trained workers can always opt for another employer. The Human Investment bill, originally introduced in 1965, was revived in the present Congress and sponsored by 29 Republican Senators (S. 812) and 140 Republican Congressmen.

Proponents of the legislation claim it would stimulate increased job training by private business with a minimum intervention by the government. According to the Congressional Joint Committee on Internal Revenue Taxation, these tax exemptions would result in an annual loss in federal revenue of $200 to $350 million, "depending on the extent to which the tax credit stimulated new training programs."

The Administration has taken a dim view of the Human Investment bill. Conceding that tax incentives can be utilized to achieve desired social purposes, Gardner Ackley, Chairman of the President's Council of Economic Advisers, has observed that such tax policies may unduly erode the tax base. Ackley also questioned whether the plan would produce enough additional training to offset the potential loss in revenue. and whether it would result in training for specific, identifiable skill shortages. He also argued that the program would not affect the disadvantaged because employers would concentrate on training those who are already employed. He concluded that MDTA, both institutional and OJT, will result in a bigger bang for the buck than tax incentives.

Needless to say, proponents of the legislation find Ackley's arguments unconvincing. Quoting praise from Administration spokesmen concerning the positive results of tax exemptions in capital investment, they wonder why similar results would not be achieved by a tax incentive in human investment. Administration economists reply that policies to encourage investment suitable in 1962, when economic slack prevailed, are not applicable to the inflation-threatened economy of 1967.

Since current conditions are not the most propitious for consideration of tax cuts, a detailed discussion about the merits of the Human Investment bill may not appear timely at present. The hiring and training of ghetto residents and other poverty clients is an urgent issue, however. The advocates of the bill have argued that it provides built-in incentives for training the disadvantaged: with incentives to employers to train and promote already-employed workers, the program would serve to vacate jobs at the bottom of the economic ladder for which disadvantaged workers would then be hired as replacements. The argument is not too persuasive. It is doubtful whether the incentives offered by the legislation would be adequate to change hiring practices of employers. Under the provisions of the proposed legislation, employers still could hire some more qualified applicants and receive the tax exemption benefits.

Tax incentives for poverty areas

Senators Robert F. Kennedy (D-N.Y.) and James B. Pearson (R-Kan.) have proposed a special application of the tax incentives to job creation in slum areas and Indian reservations. Their proposal (S. 2088) would qualify an employer wishing to locate a commercial (excluding retail) or industrial facility in a slum area with a population of 250,000 or more or on an Indian reservation for various tax incentives over a period of 10 years—providing he created at least 50 jobs and hired two-thirds or more of the employees from poverty areas.[1] The proposed tax incentives are as follows:

1. 10 percent tax credit on investment in machinery and equipment;
2. 7 percent credit for constructing an industrial facility or leasing space;
3. One-third reduction in calculating useful life of real and personal property for purposes of depreciation allowances; and
4. Special deduction of 25 percent above normal wages and salaries paid to residents of the slum areas.

In addition, the bill would authorize a $20 million expenditure during the first year for training costs and allowances to prepare potential workers. Senator Kennedy estimates that an employer would save $91,000 annually in taxes on a million dollar investment, but that new jobs generated by the proposal would produce new tax receipts in excess of the tax exemptions.

Essentially, the Kennedy-Pearson proposal is an extension of the concept of aid to depressed areas inaugurated in 1961 under the Area Redevelopment Administration. It differs from the Area Redevelopment Act in qualifying only portions of labor market areas—namely, slum areas—for assistance, and offering much more generous aid to the designated areas.

The rationale for limiting sites to slum areas was supplied by Secretary of Labor W. Willard Wirtz, who stated that "Most of the unemployed in the slums . . . are . . . conditioned by a century of insecurity which creates a very real problem the minute a job emerges more than 6 or 8 blocks away from where they live." Senator Kennedy reasoned from this that jobs would have to be brought closer to slum residents: even if the "insecurity" problem were not a deterrent to the mobility of slum residents, there are no adequate "mass transportation facilities to take them to and from their place of work at the price they can afford to pay." Aside from these arguments, he believes that "investment in jobs within poverty areas is important for its own sake."

The assumption that the tax losses will be more than repaid by the taxes generated by the new businesses implies, first, that these activities would not be generated without the tax incentives, or second, that these incentives would not reduce investments in other areas. An appraisal of the bill must consider the impact of the incentives upon competing businesses outside the designated areas.

The difficulties inherent in the implementation of the Kennedy-Pearson bill do not negate the need to attack the problems to which the measure is addressed. There is ample evidence that doing business in slum areas involves special costs. That is not only because of higher taxes and higher insurance rates (assuming insurance is obtainable) but also because of the difficulties in training and retaining residents of slum areas and in attracting competent managerial personnel. The crucial issue is to determine the level of incentive needed to compensate for the extra cost of doing business in slum areas. The added costs, no doubt, range widely among the slum areas designated by the Kennedy-Pearson bill, and there are no adequate data to determine the extent of these costs. In the absence of such data, the Kennedy-Pearson proposal, based on narrow and frequently arbitrary geographic boundaries, might achieve its objective at a cost to people residing in other areas in the same city.

THE OLD WAYS PERSIST

While the Administration has not taken an official position on the Kennedy-Pearson bill, latest developments indicate that it is persuaded of the need to subsidize employers if they are to hire large numbers of disadvantaged workers. The current Concentrated Employed Program, an effort involving the investment of some $100 million in 20 urban slum areas and two depressed rural areas, planned to place emphasis on including private employers to hire "hard-core" unemployed workers. However, an examination of developing projects indicates that the new program differs little from the ongoing projects.

A more direct bid to involve private employers in antipoverty training programs was offered by the Administration on October 2, 1967, one day before the Senate voted on the Emergency Employment bill, an amendment to the Economic Opportunity Act. A White House memorandum addressed to the heads of the major federal departments concerned announced:

"We are launching today a major test program to mobilize the resources of private industry and the Federal Government to help find jobs and provide training for thousands of America's hard-core unemployed."

In commenting on the proposal, Secretary of Labor W. Willard Wirtz stated: "We mean business. There's no small print." He might have added that the Administration intended to allocate only small funding for the effort. The proposal involved allocation of $40 million—and this from already appropriated funds—to launch the new program. The amount was hardly a substitute for the Clark-Prouty bill which authorized the expenditure of $850 million; part of the funds would have been allocated to reimburse employers for training the poor. The Administration's opposition was, no doubt, responsible for the Senate's failure, by a five vote margin, to approve the bill.

It would have been comforting to close this paper on an optimistic note with the indication that the federal manpower programs are moving in the right direction, even if the proposed funds are inadequate to meet needs. However, this is not the case. Meanwhile, back in Congress, the House approved another training and job creation bill. Concerned with the rising costs of public assistance, the House-approved solution was to require "employable" relief recipients to undergo a course of training in order to make them self-supporting. The bill would disqualify adults from receiving relief if they refused such training programs.

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[1] The "poor tracts" were designated on the basis of five characteristics: low income, low educational attainment, percent of children under 18 years old not living with both parents, percent of unskilled males, and percent of dilapidated housing.

The House Ways and Means Committee, which proposed the bill, recognized the "serious social, vocational, and educational handicaps of many of the recipients and . . . that much careful and patient work will be needed in order to accomplish the objectives of the bill." The Committee was prepared, however, to invest an additional billion dollars by 1972 for day-care facilities, work training and other services to improve the employability of relief recipients.

The bill is basically an expanded version of the Work Experience and Training Program (Title V), inaugurated under the Economic Opportunity Act. Though the bill adds harsh provisions requiring "employable" mothers to work, it also offers some incentives to relief recipients to undergo training, allowing families to keep the first $30 of monthly earnings, work-connected expenses and a third of the balance. The adequacy of this incentive to encourage persons on relief to seek work leading to economic independence is questionable. Since the House bill leaves the administration of the program to welfare agencies, there is no reason to believe that the results of the proposed bill would differ from the achievements under the present Work Experience and Training Program. Under this program, 50 percent of former enrollees remained on relief rolls and most of the funds were expended to provide temporary work relief.

Though it certainly was not the intent of the Ways and Means Committee, it would seem that the House has voted overwhelmingly, if past experience is an indicator, for a program which will see the government assume additional responsibilities as an employer of last resort. The strengthening of such efforts is needed. However, as Garth L. Mangum, an advocate of such programs, stated: "The government as an employer of last resort must be the last resort for the government as well as the individual." To become self-supporting and to gain employment in the competitive market, the poor need more than opportunities for sheltered work.

We learn little from experience and progress seems to come slowly.

OUR MOST URGENT CHALLENGES ARE HERE AT HOME

Mr. **NELSON.** Mr. President, the newspapers have been reporting a profound shift in opinion concerning the war in Vietnam. More and more people are becoming skeptical as to whether the continued bombing and military escalation of the war are producing any lasting solution to the agonizing problems of Southeast Asia.

At the same time concern is growing regarding the very serious problems we face at home. Our priorities are being questioned by Americans across the country.

Dr. Chad Walsh, chairman of the English department of Beloit College, Beloit, Wis., recently wrote a guest editorial for the Beloit Daily News. Identifying himself as one who formerly took a hawkish view of our involvement in Vietnam, Dr. Walsh explains those considerations which have now led him to conclude that—

> The war is costing more—in lives and money—than it is worth.

In this very fine article, Dr. Walsh explains why he and "many people, who once strongly supported our Vietnam policy, are now convinced that it isn't worth the cost, and that our most urgent challenges are here at home."

I ask unanimous consent that this thoughtful article be printed in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

A Hawk Changes His Mind

(By Chad Walsh)

During the last couple of years I must have thrown into the wastebasket a dozen letters from various organizations asking me to sign protests against America's involvement in Vietnam. I was a "hawk" until recently. I compared South Vietnam to South Korea, and argued that America was morally justified in helping the South Vietnamese defend themselves against an attempted takeover from the north.

I have changed my mind. First of all, because the analogy with Korea simply isn't accurate. South Korea was a united country; its people fought bravely and unitedly when invaders poured in from the north. South Vietnam is not united. Its armed forces are so unenthusiastic that difficult missions cannot be entrusted to them, and there are millions of civilians who apparently feel more sympathy for the Viet Cong guerrillas than for Saigon.

In the second place, the Vietnam war has gone on long enough to prove the limitations of power. America possesses enough atomic might to turn all of North Vietnam into a radioactive desert, but (even apart from moral considerations) we dare not use it, for fear we would trigger an atomic war in which all mankind would be destroyed. As long as our leaders retain some minimal rationality, we will not be invading North Vietnam either; that could provoke a land war with the unlimited manpower of China. Conventional airpower has shown itself incapable of conquering a nation so primitive that it has hardly any targets worth the attention of modern airplanes and bombs.

In short, we have enough power to destroy every last living creature on the face of the earth, but we do not have the kind of power it would take to overcome the completely dedicated resistance of one very small and backward country. It is hard for a powerful and proud nation to recognize this fact, and to learn that great power sometimes carries within itself such curious limitations on the effectiveness of power. But is it not more sensible to recognize the fact, than to pretend that no limitations exist?

Most important of all, I have moved to the "dove" position because it is daily more evident that the war is costing more—in lives and money—than it is worth. The war drags on, and shows no sign of ending; it has already debased the American image throughout the world, so that other peoples speak of us as they spoke of the Russians at the time of the Hungarian uprising. In our own country we are more bitterly and seriously divided than at any time in living memory. Thousands of police and soldiers with bayonets are summoned out to defend the Pentagon against the onslaught of college students.

We bomb North Vietnam and meanwhile our own cities burn, from fires set by desperate Americans in the inner core. I visited Detroit recently and went through some of the areas hard hit by the riot. It was like a newsreel of cities leveled by bombing raids in World War II. I talked with people, and they made it clear that the riot was not entirely racial; it was also an uprising of the alienated poor, black and white, striking out blindly for their share of the affluence that has passed them by.

Theoretically, the United States is wealthy enough to have both guns and butter, napalm and improved education. But in reality, a nation cannot concentrate with equal dedication on two utterly separate goals. A few years back a magnificent national program was initiated to eliminate poverty and bring all Americans into the mainstream of American life. That program is in disarray and retreat today. The money, the energy, the time that would make it succeed are all diverted to a war half a world away, a war that threatens to become a continuing feature of the American way of life.

I still don't believe our Vietnam policy is 100 per cent wicked. I merely argue that to continue it indefinitely is stupid. I think I am not alone in my shift. I personally know many people, most indifferent to politics or conservative, who once strongly supported our Vietnam policy but are now convinced that it isn't worth the cost, and that our most urgent challenges are here at home—in the seething and burning cities, among the desperately poor, black and white.

If one adds together the increasing alienation of young people, the anguish of ghetto Negroes, and the desperation of the very poor regardless of race, a genuinely revolutionary situation exists in the United States itself. Those who feel that the American system has failed them may not be strong enough to impose a new system of their own. But they are strong enough to create anarchy and bring the present system down in ruins. It is late, much later than we think. Even the most powerful nation cannot do everything. We cannot fight a major war half a world away and at the same time fight the war on poverty and racial discrimination that alone can bring all Americans into full citizenship.

The right question to ask about the Vietnam war is not "Is it moral?" Very few wars are completely moral or immoral; they are mixtures of many diverse motives. The right question is: "What should have priority?" Will the future welfare of the United States be served better by bombs over North Vietnam or by taking those steps (including the cost in dollars) that will bring our underprivileged citizens into the fullness of American life and thereby save our cities from being burned down by Molotov cocktails that American hands have manufactured and thrown?

WHY NOT A NATIONAL BACK INSTITUTE?

Mr. **CLARK.** Mr. President, too often in our preoccupation with the social ills which afflict our country—the problems of poverty, lawlessness, and blight—are we inclined to forget the very basic physical ills from which so many of us suffer individually, and for which as yet we have provided no effective cures.

Moreover, there also seems to be an unfortunate tendency to treat common ailments lightly, just because they are common. Such is the case of the back—the plaintive cry "Oh, my aching back" has passed into the language as an expression of despair and exasperation, so common is the affliction.

But despite all the lighthearted banter about aching backs, the fact of the matter is that ailments of the back constitute a major medical problem in the United States today, and one for which medical science has shockingly few answers.

The National Safety Council estimates that back injuries causing lost time total more than 500,000 a year and cost employers about $1 billion in sick pay to laid-up workers and in wages for their replacements. In California alone, 20,000 workmen's compensation awards amounting to over $60 million are made each year for back complaints. Back troubles now account for a third of all compensation awards in that State.

Probably the most famous sufferer of back pain in recent years in this country was the late President Kennedy. But the affliction is as widespread as it is annoying. I confess that from time to time it has plagued me, as well as members of my staff, and I am confident that a census of Congress would turn up numerous other sufferers.

Anyone who has ever suffered back pain and who has sought medical assistance is well aware of how little is known about the back. The basic research is only beginning to be done, and on a scattershot and token basis. Much more must be done, and in a concerted and coordinated fashion.

That is why I have raised the question: Why not a National Back Institute, set up within the confines of the National Institutes of Health in Bethesda? We already have a National Heart Institute and a National Institute of Arthritis and Metabolic Diseases, not to mention the other splendid institutes at Bethesda.

Why not an institute to coordinate our efforts to unravel the mysteries of the ailments of the back?

Mr. President, at my direction the Legislative Counsel has prepared a bill to provide for the establishment of a National Back Institute in the National Institutes of Health. I ask unanimous consent that it be printed at the conclusion of my remarks, and I hope Senators will take a moment or two to study it, with a view to joining as cosponsors of this bill. If there appears to be sufficient interest in it, I would hope to introduce it within the next week or so, with the thought that hearings and committee and Senate action could follow fairly early next year.

Senators who are interested in joining as a cosponsor of the bill should have their staffs contact Miss Patricia Baggs in my office at extension 5025.

For the benefit of Senators who are interested in pursuing the matter a bit further, I ask unanimous consent that there be printed in the Record an article entitled "Medical Puzzle: Back Ailments' Causes and Cures Continue To Elude Researchers," published in the Wall Street Journal July 26, 1967. I found the article to be most informative.

There being no objection, the bill and article were ordered to be printed in the Record, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title IV of the Public Health Service Act (42 U.S.C. ch. 6A, subch. III) is amended by adding at the end thereof the following new part:

"Part F—National Back Institute

"ESTABLISHMENT OF NATIONAL BACK INSTITUTE

"Sec. 451. The Surgeon General is authorized, with the approval of the Secretary, to establish in the Public Health Service an institute for the conduct and support of research for new treatment and cures and training relating to diseases and disorders of the back, including research and training in the special health problems and requirements of persons suffering from back trouble and in the basic and clinical sciences relating to the structure and function of the back. The Surgeon General is also authorized to plan for research and training, especially against the main causes of such diseases and disorders.

"ESTABLISHMENT OF ADVISORY COUNCIL

"Sec. 452. (a) The Surgeon General is authorized, with the approval of the Secretary, to establish an advisory council to advise, consult with, and make recommendations to the Surgeon General on matters relating to the activities of the National Back Institute.

"(b) The provisions relating to the composition, terms of office of members, and reappointment of members of advisory councils under section 432 (a) shall be applicable to the council established under this section, except that the Surgeon General, with the approval of the Secretary, may include on such council established under this section such additional ex officio members as he deems necessary.

"(c) Upon appointment of such council, it shall assume all or such part as the Surgeon General may, with the approval of the Secretary, specify of the duties, functions, and powers of the National Advisory Health Council relating to the research or training projects with which such council established under this part is concerned and such portion as the Surgeon General may specify (with such approval) of the duties, functions, and powers of any other advisory council established under this Act relating to such projects.

"FUNCTIONS

"Sec. 453. The Surgeon General shall, through the National Back Institute established under this part, carry out the purposes of section 301 with respect to the conduct and support of research with respect to diseases and disorders of the back associated with general health and well-being, including the special health problems and requirements of persons suffering from back trouble, except that the Surgeon General shall, with the approval of the Secretary, determine the areas in which and the extent to which he will carry out such purposes of section 301 through such Institute or an institute established by or under other provisions of this Act, or both of them, when both such institutes have functions with respect to the same subject matter. The Surgeon General is also authorized to provide training and instruction and establish and maintain traineeships and fellowships, in the National Back Institute and elsewhere in matters relating to diagnosis, prevention, and treatment of diseases and disorders of the back with such stipends and allowances (including travel and subsistence expenses) for trainees and fellows as he deems necessary, and, in addition, provide for such training, instruction, and traineeships and for such fellowships through grants to public or other nonprofit institutions."

Medical Puzzle: Back Ailments' Causes and Cures Continue To Elude Researchers—Millions Suffer, Much Work Time Lost—Origin May Lie in Injury, Heredity, Aging—Traction, Surgery, and Aspirin

(By Ronald Buel)

"Oh, my aching back!"

Or maybe, despite the time-worn complaint, the problem isn't really so much an ache as it is a recurring twinge, a dull throb or an occasional seizure or knifing pain.

Whatever the specific symptom, it's painfully familiar to millions of people. In its chronic form, low back pain, the catchall label popularly applied to a variety of sacral-lumbar distresses, is one of modern man's most common ailments and one that appears to be afflicting more people than ever.

Yet it continues to defy the efforts of medical investigators to discover its causes or any dependable treatment. In fact, the medical debate over these matters is growing more heated than ever.

Some doctors, adhering to a long-popular theory, contend the physical conditions that cause low back pain almost always result from injury or faulty habits of posture. A newer and increasingly accepted theory holds, however, that chronic back trouble is essentially a degenerative disease that everybody has to one degree or another. Still newer is the suggestion that a susceptibility to back disorders is a hereditary condition passed from generation to generation.

FROM ASPIRIN TO SURGERY

As treatment, some doctors prescribe whirlpool baths or simple aspirin; others go to such extremes as surgery or extended bed rest in traction. Some try combinations of several techniques. But all too often, orthopedic experts agree, the result is the same: Little, if any, lasting benefit to the sufferer.

Besides the physical misery it causes, back pain is an expensive nuisance to employers and to state workmen's compensation commissions, which must decide whether workers are entitled to compensation for injuries sustained on the job. The National Safety Council estimates that back injuries causing lost work time total more than 500,000 a year and cost employers about $1 billion in sick pay to laid-up workers and in wages for their replacements. And these figures don't include chronic ailments that can't be traced to a specific injury but nonetheless result in loss of working days.

INJURY CLAIMS

The most precisely measurable cost is in workmen's compensation awards to workers who successfully press claims that they suffered back injuries on the job. In California alone, 20,000 workmen's compensation awards amounting to over $60 million are made each year for back complaints. Such awards have quadrupled in 10 years, while the ratio of back problems to total cases has doubled. Back troubles now account for a third of all compensation awards in the state.

Back pain can result from a number of conditions. Sometimes it's merely a strained muscle or pulled ligament that aches. While painful, such problems aren't incapacitating for long and usually don't recur.

The vast majority of chronic problems, doctors say, involve the rubbery disks that act as cushions between the vertebrae of the spine. Each disk has a tough, ligament-like casing over a soft center of jelly-like material that expands and contracts in response to strain placed on the disk. Like the vertebrae, the disks are encased in muscle and ligament that normally serve to keep them in proper alignment.

A "SLIPPED DISK"

Problems develop when the tough outer layer of a disk degenerates or suffers damage. Such trouble usually affects one or more of the three disks closest to the lumbosacral joint at the base of the spine, where stress on the back is greatest. A break forms in the outer layer of a disk, permitting the inner substance to "extrude," or ooze out, placing pressure on a nearby nerve and causing pain. In the most extreme type of case, known as herniated disk (doctors frown on the popular but inaccurate laymen's term, "slipped disk"), sharp, excruciating pain may descend the entire length of the nerve to the foot.

Though doctors agree that disk troubles are the most common and stubborn cause of chronic back pain, they can't agree on why disks go bad.

Most believe that damage is caused by the strain of physical activity, such as improperly lifting a heavy object of twisting to scoop up a low backhand tennis shot. Or, these doctors say, the process can be one of gradual wear and tear from constant repetition of a less violent activity, such as the longshoreman's lifetime of bending and straining to lift cargo.

A growing number of researchers, however, lean to the theory that degeneration rather than injury is the source of the trouble. They believe that everybody's spinal disks degenerate gradually over a lifetime, but for some reason the disks of certain individuals degenerate more quickly and leave them particularly susceptible to back problems.

Thus, these doctors point out, two men can lift an identical weight in an identical manner, but one may escape injury while the other suffers a disk extrusion. "If a person is susceptible to this problem," adds one doctor, "he's bound to suffer eventually—if not now, then later."

Dr. John C. Wilson, Jr., a Los Angeles orthopedic surgeon, believes the tendency to abnormally early degeneration is hereditary. He reports in a recently published study that 35 patients who came to him and his late father, also an orthopedist, were second-generation sufferers of back disorders. Moreover, he says, five other patients show a record of back complaints going back three generations, which is usually considered adequate proof of some hereditary linkage.

"In one case," Dr. Wilson says, "two sisters each developed low back pain at age 56, despite leading entirely different types of lives."

Dr. Wilson's theory is far from universally accepted, however. Mr. Verne Inman, chairman of the department of orthopedics at the University of California Medical Center in San Francisco, contends along with many of his colleagues that Dr. Wilson's study is inconclusive.

Whether or not the trouble is hereditary, researchers believe the first step toward preventing it is to learn more about the makeup of the spinal disk itself. Thus, Harvard University researcher Dr. Jerome Gross is investigating a material called collagen, which is an important element of the tough outer casing of the spinal disk.

Dr. Gross has been studying the "cross-linking mechanism" that binds together the collagen molecules and presumably helps to strengthen the outer casing. In one series of tests, he induced a disease in rats and dogs that prevented the formation of these cross links and caused existing ones to break down. As a result, the animals' bones bent and their spines curved. Eventually, researchers hope they can find ways to prevent such a breakdown in men and thus perhaps curb degeneration of the spinal disks.

The effects of gradual "wear and tear" on disk degeneration are being pursued by Dr. George Pennal and his associates at St. Joseph's Hospital Research Foundation in Toronto. They have developed a theory that varying pressure on the disks from carrying loads and bending can cause the disks to shrink or expand.

If correct, this theory might help to explain another observation of Dr. Pennal's—that Americans appear to have more back trouble than Europeans. Though he can't offer statistical proof, Dr. Pennal says informal checks with colleagues in the U.S. and Europe support his opinion.

One explanation, he says, may be that Americans spend more time in autos. The hundreds of small bumps and jolts involved in an automobile ride may be sufficient to create the in-and-out motions of the spinal disks that, in turn, apparently lead to disk degeneration, Dr. Pennal suggests.

Uncertain as they are about the causes of disk degeneration, it's hardly surprising that doctors can't agree on treatment.

Heat treatments, massage and whirlpool baths are commonly prescribed for back problems, though they rarely do more than temporarily ease the pain. Aspirin similarly acts mainly as a palliative.

For serious cases, orthopedists frequently recommend bed rest and sometimes traction. This often enables the damaged disk to heal itself, doctors say.

About 1% of all back cases are treated with surgery. The most common procedure is to remove the offending disk or disks entirely, and in some cases the surgeon then fuses together the vertebrae involved. All too often however, surgery fails to ease back pain and permanently restricts the patient's ability to bend or twist his back.

The late President Kennedy was one of those who wasn't happy with the results of back surgery. He underwent two operations to treat injuries suffered in a World War II PT boat crackup but suffered recurring pain for the rest of his life.

Theodore C. Sorensen, a special aide to Mr. Kennedy and fellow-sufferer from back pains recalls in his memoirs that he once mentioned to the President that he planned to see a "medical back expert."

Replied Mr. Kennedy: "Let me tell you, on the basis of 14 years' experience, that there is no such thing."

LOS ANGELES OPPOSES TAX-FREE INDUSTRIAL BOND FINANCING

Mr. RIBICOFF. Mr. President, the use of tax-free industrial development bonds to finance private industrial enterprises is a bad practice which erodes the Federal tax base, drives up the cost of State and local government, and leads to direct government ownership of private industry.

In introducing legislation to end this practice, I placed in the RECORD material from the Treasury Department, the Investment Bankers Association, and the AFL–CIO. It is most appropriate that I have now heard from the chief executive of one of America's largest municipal governments, Mayor Sam Yorty, of Los Angeles, in support of my bill. His support of this much-needed legislation is welcome.

I ask unanimous consent that a letter from Mayor Yorty and a resolution of the Mayor's City Economic Development Board be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

OFFICE OF THE MAYOR,
Los Angeles, Calif., November 18, 1967.

Hon. ABRAHAM A. RIBICOFF,
Senate Office Building,
Washington, D.C.

DEAR SENATOR: As the Mayor of the City of Los Angeles, I wish to emphatically state this City's support of legislation you have introduced to ban tax-free industrial bond financing.

About three years ago, the Mayor's City Economic Development Board, which I established, was instrumental in effecting California legislation to prohibit issuance of tax-free industrial bonds in this State. If it would be of possible help, I enclose a copy of a Resolution the Economic Development Board prepared at that time.

The position taken here agrees with yours to the effect such bonds constitute an unauthorized federal subsidy of business and work a hardship on taxpayers.

We in Los Angeles are anxious to assist you in any way possible in the furtherance of this federal legislation. If I, or members of the Economic Development Board, can help, please call upon us to do so.

Sincerely,

SAM YORTY,
Mayor.

RESOLUTION RE MUNICIPAL INDUSTRIAL REVENUE BOND FINANCING

Whereas the use of municipal revenue bonds to finance the construction or acquisition of land, buildings, facilities, equipment, to be leased to private interests for manufacturing, assembling, fabricating, or processing articles is spreading among the several states and their respective political subdivisions; and

Whereas Article IV, Sec. 31 and Article XII, Sec. 13 of the California Constitution expressly prohibits the use of public credit to aid private enterprise; and

Whereas California's unprecedented growth is taxing the borrowing capacity of the state and its political subdivisions to provide the necessary public improvements for an ever expanding population; and

Whereas full employment for California's population and adequate income to finance state and local government must be based on a healthy industrial expansion and a favorable business climate; and

Whereas municipal industrial revenue bonds are not issued for a necessary public purpose, and their continued use might lead to a weakening of the doctrine of reciprocal immunity and thereby jeopardizing the ability of states and their political subdivisions to preserve the exemption of interest on their bonds from Federal taxation and thereby greatly increase the cost of borrowing; and

Whereas states and their political subdivisions are competing to entice industry to locate within their boundaries by the municipal industrial revenue bond device; and

Whereas inducements to industry which may provide inequality in treatment between one taxpayer and another are contrary to the American free enterprise system; and

Whereas public ownership of the means of production is a step toward socialism; and

Whereas historically public aid to private enterprise has led to major defaults on state and municipal debt by weakening the credit of the issuer,

Now, therefore, be it resolved:

1. That the Mayor's City Economic Development Board go on record as strongly opposing the issuance of municipal industrial revenue bonds;

2. That a copy of this resolution be sent to all California state legislators, with the request that they reject any proposed legislation which would provide for the issuance of municipal industrial revenue bonds or in any way permit the use of public credit to aid private enterprise.

Paul H. Lemport, Norman Barker, Jr., Neil C. Jackson, Arthur Mann, Conrad Salumbides, Robert Fuller, Leonard Graysen, Edward T. Leutheuser, John Minehan, Robert E. Sheehan.

DEVALUATION OF THE POUND

Mr. PERCY. Mr. President, the devaluation of the British pound should be looked upon as an opportunity, not a catastrophe. Devaluation may be hard on her prestige, but it does offer Britain a breathing spell. It remains to be seen whether she will take advantage of that opportunity.

For years Britain has been trying to maintain an overvalued currency. Since the pound—along with the dollar—serves as one of the world's two key reserve currencies, it is open to recurrent attack whenever confidence wanes because of a deepening of the trade deficit or other economic or political problems. The other major powers have been seeing Britain through these crises for years by providing generous loans.

The devaluation should ease pressures on the pound. If other nations act sensibly and resist devaluation themselves, the British trade position should improve and selling pressure on the pound should diminish sharply. Britain's responsibility is to use the period immediately ahead to correct the fundamental conditions contributing to the weakness of her economy. Bringing the pound more into line with internal costs and prices is a step in the right direction.

The devaluation does pose some problems for the United States. Devaluation of the pound leaves the dollar—the only other key reserve currency—in a more exposed position. The U.S. balance of payments will be somewhat weakened as a result of Britain's action. Those who would question the strength of the dollar should understand, however, that we have ample reserves and sources of credit to successfully withstand any speculative attack that may be made upon us. We should avoid precipitous reactions to the situation in which we find ourselves, and I include adoption of import quotas in the category of precipitous action. Devaluation of the dollar is out of the question.

At the same time, the United States should draw a lesson for itself from the British experience. A key currency country which permits inflation, excessive wage increases, and chronic balance-of-payments and budget deficits is asking for trouble. Unless the United States does a better job of checking inflation at home, the dollar could some day come under the same kind of attack which sterling suffered last week. If this should ever happen, it could plunge the world into the financial and economic chaos of the 1930's. The United States has a responsibility to itself and the rest of the free world to restore balance and noninflationary growth so that world confidence in the dollar will be maintained and increased.

ALASKA NATIVES RECEIVE TRAINING FOR FEDERAL JOBS

Mr. BARTLETT. Mr. President, up until very recently, Alaska natives, although constituting 20 percent of the population in the State, held less than 10 percent of the Federal jobs in the State. Today, the situation is changing. After discussions with Federal agencies active in my State, I have found them to be most cooperative in working with me to help solve this problem. The U.S. Department of Commerce, for example, is training natives to be hired as weather observers. Recruitment and turnover in this occupation have always been a problem for the Weather Bureau in Alaska, and it is obvious that Alaska natives are more likely to be suitable in the long run for these particular jobs than people recruited from out of the State. This program, and other efforts aimed at the same objective are described briefly in an article from the October 31 edition of the Anchorage Daily Times. Because of the possible relevancy of this program to broader national problems, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

GOVERNMENT RECRUITS: NATIVES TRAINED FOR FEDERAL JOBS

Thirteen Alaska natives are being trained to be hired as meteorologist technicians as federal agencies step up their recruitment of natives.

This is one of three programs for which the U.S. Department of Commerce is actively recruiting natives, Sen. E. L. Bartlett reported from Washington today.

Bartlett said the Commerce Department was the first of eight federal departments to respond to his call for agencies operating in Alaska to develop programs to bring about higher levels of native employment.

Wade P. Ropp, deputy director of personnel for the department, told of the training of the weather observers. Ropp said the department employs 109 meteorologists, technicians or weather observers in Alaska with an annual turnover of about 20 which will create future employment openings.

"The Commerce Department has learned what Alaskans have known for a long time," Bartlett said. It makes more sense to hire Alaskans who will stay on the job than to hire out-of-staters who come and go at government expense."

Ropp also said that there were employment opportunities for Alaska natives as members of the department's Coast and Geodetic Survey vessel which operates out of Seattle charting Alaskan waters.

Under the President's back-to-school program, the Commerce Department hires high school students for $1.90 an hour for 16 hours a week, Ropp said. The department also conducts student co-operative programs in which employes divide their time between work and study leading to better paying jobs.

Bartlett said the department's efforts to encourage native hire were "most encouraging" and established a target at which other government agencies should shoot.

The senator contacted federal agencies active in Alaska after a study of federal employment in the state indicated that while native people made up one-fifth of the state's population, they held only one-tenth of the jobs.

Bartlett called upon the agencies to implement the three recommendations made in the study.

THE HEART-MIND GAP IN VIETNAM WAR

Mr. FULBRIGHT. Mr. President, I refer to an article written by Ward Just and published in the "Outlook" section of the Washington Post of Sunday, November 19. I ask unanimous consent that the full text of the article, which is entitled "The Heart-Mind Gap in Vietnam War," be printed in the RECORD at the conclusion of my remarks.

I was most interested in the article because the figures given by Mr. Just, taken from the hamlet evaluation system, are identical to those provided me by the Department of Defense only 2 weeks ago. I should note that the figures provided me were in a letter classified confidential. Apparently, what is considered confidential for Members of the legislative branch is not considered to be classified for journalists.

I should also note that Mr. Just's article tells only half the story. He gives the figures for control of the population, but he does not address himself to the other aspect of the hamlet evaluation system which is the number of hamlets under Government control, under Vietcong control, and in the various disputed categories. Since these figures were also included in the confidential letter from the Department of Defense, I do not feel at liberty to give them on the floor of the Senate. I will say, however, that they show a quite different result, and that the percentage of hamlets under Vietcong control is considerably greater than the percentage of population under Vietcong control.

If the Department of Defense is willing to make the statistics regarding population control available to the press, I think it should offer to make available to the press the figures relating to hamlet control. As Mr. Just points out, one of the reasons why the percentage of population under Government control is so much larger than the percentage of hamlets under Government control is that the Department of Defense considers the 3½ million South Vietnamese in the large cities to be under Government control. In this connection, Mr. Just notes:

> Saigon does not control all who live in the cities, nor is there any indication of the degree of allegiance of people in the government-controlled areas.

Mr. Just also notes that—

> According to men on the scene, a substantial chunk of the Vietnamese returned to Saigon control this year are refugees in flight from the war, not loyalists in flight from the Communists or liberated villagers.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE HEART-MINDED GAP IN VIETNAM WAR

(By Ward Just)

(*Pro-gress, n. 1a: A royal journey or tour marked by pomp or pageant. b: an official journey or circuit. c: a journeying forward . . . 2: a forward or onward movement: advance. 3: gradual betterment; esp: the progressive development of mankind.*—Webster's Seventh New Collegiate Dictionary.)

As the dissent mounts over the conduct of the war in Vietnam, the most serious question facing the Johnson Administration is that of progress. How is progress in a guerrilla war measured? Is it measurable?

It is a war without fronts and without any clear indication as to what will be the coup de grace—or if there can be a coup de grace. The bodies pile up and the enemy continues to fight. The North is bombed for two and a half years and shows no definite signs of caving.

By their own estimate, Hanoi's leaders are prepared to accept ten of their own dead to every American killed. "Americans do not like long, inconclusive wars and this will be a long, inconclusive war," Premier Pham Van Dong once told the late Bernard Fall, and presidential assistant Walt Whitman Rostow thinks enough of the statement to keep a copy of it in his White House office.

What can the estimate be of the North's intentions—and of the intentions and will of the South Vietnamese?

The heart-mind gap sounds funny, but it has a serious intent, for Vietnam is still a war for the hearts and minds of the people which must be engaged in the struggle against the Communists if the war is to be won. And how can allegiance be measured?

THE SAIGON RESPONSE

Quantify us some hearts and minds, the Administration has in effect told its agents in Saigon, or lacking that, give us a measure of how the war is being won. Because if the American people are not convinced that the war is being won, then the dissent will grow, the polls will plunge and the public demand to disengage will become irresistible.

There were "hundreds of cables," according to an official who should know, between Washington and Saigon requesting answers on just this point as the President and his closest advisers became increasingly vexed by their inability to convey credibly what what one of the advisers called "the honest sense we all have that we are making real, serious progress."

Saigon responded, and there is now a statistical deluge. These, plus documents, plus the judgments of informed men in the field, now form the underpinnings of the thesis that the war is, in fact, being won and victory, therefore, is a realistic prospect.

The statistics are familiar: the favorable kill ratio; the favorable weapons-loss ratio; the decline in Communist-initiated attacks; a decline in South Vietnamese army desertions—and now the first reliable index of population control, the so-called HES or Hamlet Evaluation System.

The HES is not an index of victory, but it is at least an index of who controls what in South Vietnam. It is not presented as a panacea but as "the terrible best of a bad lot," in the words of one blunt official.

Developed last year by a special team of experts sent to Saigon, the HES establishes criteria to indicate the degree of Saigon's control of the population. This is done on a hamlet-by-hamlet basis, with A, B, and C categories meaning hamlets which are more or less secure and the D and E categories meaning hamlets which are more or less insecure. Then there are the Vietcong hamlets, and finally the cities.

Knowledgeable officials here have no quarrel with the criteria, which they believe to be honest and thoughtful approaches to who controls what in Vietnam. But most officials believe the crux to be not *control* of the population by Saigon but the *allegiance* of the population to Saigon.

Beyond that, there is the difficulty of assessing whether or not a hamlet is secure only because of the presence of American troops. The sine qua non of pacification in Vietnam has always been the Vietnamese effort. What would happen if the Americans were withdrawn? Could the Saigon government and the South Vietnamese army alone keep the hamlets secure for the long haul? The HES does not answer these questions.

The HES says the Saigon government controls some 67 per cent of the Vietnamese people (up 12 per cent from late 1966). According to the HES, the population of South Vietnam is about 17 million, distributed as follows: 600,000 in Class A (or completely secure) hamlets, 3,489,000 in class B, 3,991,000 in Class C, 2,116,000 in Class D (or contested) hamlets, 361,000 in hamlets so insecure the hamlet chief cannot sleep there at night, 2,821,000 in Vietcong hamlets, some 128,000 "others" and 3,530,000 in the large cities—Saigon, Danang, Hue and the rest.

It is not the figures but the interpretation of them that is called into question. Saigon does not control all who live in the cities (Vietcong patrols roam almost at will in some sections of Gai Dinh, the Saigon suburbs), nor is there any indication of the degree of allegiance of people in government-controlled areas.

According to men on the scene, a substantial chunk of the Vietnamese returned to Saigon control this year are refugees in flight from the war, not loyalists in flight from the Communists or liberated villagers.

One knowledgeable, if irreverent, official used the same statistics and assembled them as Ho Chi Minh might. He took a third of the Class C, Class D, Class E and Vietcong-controlled hamlets and a third of the population of the cities and got a figure of around 7.7 million people "controlled" by the National Liberation Front, or just under 45 per cent of the population of the country.

Even those critics who are disposed to accept the 67 per cent figure (and many do, while disagreeing with implications of the word "control") say the Administration will end up hoist on its own statistics. What will happen, one official wondered, if a year from now we have, say 85 per cent of the Vietnamese people under Saigon control and the war has not abated and American casualties remain about the same?

The HES is now apparently the primary measuring implement although continuous efforts are being made to construct a better one. It is expected that the HES will be the most frequently used device to describe the winding down of the war.

"I expect that there will be very great pressure on Saigon to assure that the percentage gets larger every month," one official said.

QUESTIONABLE STATISTICS

"There is not a single statistic connected with this war that cannot be called into question," said one source familiar with Administration procedures both in Washington and in Saigon. "This is not to say that they are all necessarily incorrect. But in a war like this one, statistics have built-in problems."

He cited these examples:

It is said that the weapons-loss ratio has shifted from 3 to 1 in favor of the Communists to 4.6 to 1 in favor of the Allies. But analysts from the CIA, among others, argued that the North Vietnamese, who are armed with Russian and Chinese weapons, have no interest in picking up American-made weapons. It is said further that captured weapons caches—not battlefield losses—have been primarily responsible for the increase from 4000 enemy weapons taken by the Allies in 1965 to more than 15,000 in the first six months of 1967.

The body count has always been questioned by officials in the field, who contend that the figures are inflated—not necessarily deliberately, but inescapably, considering the psychological pressures on men in battle. One high-level intelligence study, in fact, shows that the estimates of enemy killed-in-action (55,000 in 1966) may sometimes be exaggerated by as much as 100 per cent.

To these arguments, Administration officials demur. The point, they say, is not raw numbers—whether there are 1000 fewer bodies or 1000 more weapons—but the trend of all the statistics. Every statistical indicator the White House has been able to assemble points to marked progress and a realistic prospect for victory.

THE DOCUMENT GAME

To buttress the statistics, there are captured enemy documents which are being used as verification—in a sense, having the enemy's view of himself support the American view of him.

The CIA is engaged in an arduous effort to collect and collate "the documents," an undertaking only recently begun. The reason, according to a Government source familiar with the documents, is this:

"No one can find specific documents," he said. "They are not indexed. They are not organized. Very few of them have been checked for reliability. When a document comes to Washington from Saigon it is not clear whether it has been related to other documents—in other words, whether it is typical or whether it is unique, selected to show what the embassy or the military wants it to show."

Cables have gone from Washington to Saigon requesting officials there to group the documents in categories. According to another official familiar with the documentary evidence:

"Now you are going to see documents showing what a tremendous hardship the Communists are undergoing, documents confirming serious demoralization of enemy troops, documents quoting leadership laments, and documents relating to everything from the difficulties of getting rice to the difficulties of tax collection."

These critics say that the bureaucracy in Saigon is better organized than it has ever been, and there is more than ever before an "everybody-get-on-the-team" psychology. This is attributed at least in part to the zeal of Robert W. Komer, the Deputy Ambassador in charge of pacification.

The Administration's confidence in its facts and figures has been buoyed by the new Ambassador, Ellsworth Bunker, who appears optimistic about prospects of the new government—and progress in pacification.

But Bunker is careful to avoid getting into "time frames," as he calls it, about predicting a date for victory, or even of the turning of the corner.

The irony, as some Government observers see it, is that nearly everyone here is convinced that there is, as a high Administration official says, "real, serious progress" in the war—but it has yet to be measured. And it may take one year or five or ten to reach the turning point about which everyone can agree—the correspondents in Vietnam, the American bureaucracy in Saigon and the Vietnamese.

Those last, who are so often in American calculations considered the least, are the heart of the matter in South Vietnam. Their ability to see the end, to see victory and therefore to engage in the struggle is the great unknown and the most important of all the unknowns.

"The Vietnamese are not quantifiable," said an official, the one who is experienced in Vietnam.

HEART-MIND GAP

In Saigon one day last December, four or five officials and a journalist were talking about progress in the war. Loose and lightheaded after too much talk, one of the officials went to a black-board and scrawled: "47 per cent—minds won." Then he wrote directly under it: "37 per cent—hearts won." He drew a line and subtracted: "10 per cent."

"Gentlemen," he announced, "there you have it: the HMG."

"What is the HMG?"

"The heart-mind gap," he said. "Close it and we'll win the war. Improvement! Progress! Victory!"

COMMENT ON THE WAR IN VIETNAM

Mr. McINTYRE. Mr. President, in the Washington Sunday Star of November 12, John P. Roche, special consultant to President Johnson, said:

> I spent ten years in the Academic Universe . . . I don't happen to take the pretensions of the intelligentsia very seriously . . . I am very fond of these people. I have high regard for the capacities . . . but over the years, it seems to me, they were almost unerringly wrong in their attitude on international affairs.

There is no doubt that criticism of the administration's policy in regard to Vietnam is especially virulent in the intellectual community. A prominent member of that community, Arthur Schlesinger, Jr., now Albert Schweitzer, professor of the humanities at City University in New York, submitted his case against the administration in the November 6 issue of New Leader magazine.

The fact that Professor Schlesinger enjoyed a brief tenure in Government lends prestige to his opinion. Although his is neither more nor less rational than other professorial opinions, it is given more credence by the press. It is more widely quoted. It is as though other intellectuals say to one another, "If he doesn't know, then who does?"

It is not my intention, Mr. President, to demean the members of the intelligentsia, nor Professor Schlesinger personally. Their attainments in their chosen fields—the arts and the sciences, medicine and law, the humanities, if you will—are beyond question. But these attainments, of themselves, do not automatically endow them with greater knowledge or keener understanding of the problems faced by the administration in Vietnam. Nevertheless, they are so vocal on the matter that one can only conclude they feel a vast intellectual superiority. They are highly articulate. But their ears are tuned only to what others in their own world are saying. They broadcast and receive on a single wave length. The less articulate feeling of the majority of the American people. escapes them altogether.

It is Professor Schlesinger's contention that the U.S. policy of gradual escalation of the war effort in Vietnam was conceived and implemented two and a half years ago. At that time, he said, the total concept was based on seven premises. And in the light of results, he argues, each of them has proven untenable.

Before discussing the administration's policy, I should like to point out that Schlesinger's conclusions themselves, are based on the assumption that escalation was a unilateral action on the part of the United States. It is one of those "which came first" questions: Did the North Vietnamese react to our escalation or did we react to their aggressive maneuvers? Professor Schlesinger takes the first position: that the whole thing was our fault. I cannot help but disagree.

The terms of the agreement between the North Zone and the South Zone of Vietnam were set in the Geneva accord of 1954. Monitor of that agreement was the International Control Commission consisting of India, Canada, and Poland. Significant is this Commission report issued in 1962:

> Having examined the complaints and the supporting materials sent by the South Viet Nam mission, the Legal Committee has come to the conclusion that in specific instances there is evidence to show that armed and unarmed personnel, arms and munitions and other supplies have been sent from the Zone in the North to the Zone in the South with the object of supporting, organizing and carrying out hostile activities, including armed attacks directed against the Armed Forces and Administration of the Zone in the South. . . . the Committee has come to the further conclusion that there is evidence to show the People's Army of Viet Nam has allowed the Zone in the North to be used for inciting, encouraging and supporting hostile activities in the South aimed at the overthrow of the Administration in the South.

On October 9 of this year, the Senator from Pennsylvania [Mr. SCOTT] placed in the RECORD excerpts from a statement made by Canadian Foreign Secretary Paul Martin before the Canadian House of Commons on June 10, 1965. As Senator SCOTT said at that time:

> It is noteworthy that Canada, as a noncombatant, has no special ax to grind in the war in Vietnam, but as a member of the International body charged with enforcement of the 1954 accords, she is in a position to give informed and objective assessments of events in Viet Nam. In his report to the Canadian Parliament, Foreign Secretary Martin said:
>
> "Gradually, in the years after 1956, the scope of these terrorist activities increased to the point where the South Vietnamese government, with the limited resources at its disposal, was unable to cope with the problem of guaranteeing the security of its people against this kind of subversion. In these circumstances the South Vietnamese government did what any government confronted with these problems would do: it appealed for help in the exercise of its legitimate right of self defense. This is permitted under Article 51 of the Charter of the United Nations. To this appeal the United States responded affirmatively, at the same time making it clear that when the need for military help ended, it would be terminated.
>
> These then, are the basic elements in the historical evolution of the dangerous situation confronting the world today in Viet Nam. Steadily increasing interference by North Viet Nam in the affairs of the South has led to the steady increase of the United States' involvement. It is imperative that the two should be seen together if our analysis of the problem—let alone our prescription for its remedy—is to have any meaning."

It was in the spring of 1965 that the United States first put combat troops in Vietnam. Previously, there had been only military advisers and logistical support units. It was at that point that regular elements of the North Vietnamese Army had gone into action in South Vietnam. The South Vietnamese Army was on the verge of collapse. The Vietcong, supported by leaders from Hanoi, were in control of the South Vietnam countryside. Campaigns of terror, murder, kidnaping, and torture had destroyed the resistance of the natives. Without intervention by the United States at that time, the nation of South Vietnam was doomed.

If this had not been the situation then—if, in fact, it had not been in the making over the course of the preceding 10 years—there would have been no logical reason for the U.S. presence in South Vietnam, much less the continuing buildup of the U.S. effort there.

Now, less than 30 months after the implementation of our commitment to South Vietnam, the military and political aspects of the situation are far different from those of mid-1964 and early 1965. It is in that light that Professor Schlesinger's recent conclusions must be examined.

The administration's first premise, he says, was that "escalation would break the will of North Vietnam and bring Hanoi to the conference table." Since North Vietnam has not rushed to negotiate a peace, the objective has not been achieved. He writes:

> Hanoi has made it abundantly clear that, so long as the bombing continues, it will not come to the conference table.

With greater objectivity, Mr. President, it could be pointed out that Hanoi has made it abundantly clear it would not come to the conference table even if the bombing were halted. As a matter of fact, the Hanoi government has never retreated from the four points of its original proposition for peace:

First. Recognition of Vietnam's independence and total withdrawal of U.S. troops.

Second. Strict adherence to the military provisions of the 1954 Geneva agreements.

Third. Recognition of the Vietcong as the sole representatives of South Vietnam.

Fourth. Reunification of Vietnam without "foreign interference."

These terms, if agreed to, Mr. President, would amount to abject surrender by the United States.

In support of his argument, Professor Schlesinger quotes a statement by Secretary of Defense McNamara:

> There is no basis to believe that any bombing campaign would *by itself* (italic added) force Ho Chi Minh's regime into submission. How pointedly ignored is the fact that our forces are not conducting a bombing campaign *by itself!* It is difficult if not impossible to find a statement by any responsible United States official that claims bombing *alone* would force Hanoi into negotiations. Nevertheless, the total escalation of the war effort in the broad sense that Professor Schlesinger ignores has had—and is having—an effect.
>
> From captured enemy documents and testimony from defectors there is evidence of sinking morale and effectiveness in units of the regular North Vietnamese army.

As Joseph Alsop wrote in his column in the Washington Post, November 20, 1967:

> All who know the facts are confident that the Hanoi leaders have only changed their line and strategy because they had to—because the war has been going badly for them, and above all, because they could no longer carry the steadily increasing burden of the war on the old system that has been in force since the summer of 1965.
>
> About the nature of this burden, there is also agreement. Manpower is Hanoi's worst problem. In various ways our bombing imposes gigantic local manpower demands on North Viet Nam. And the southern war, far from being the popular rising imagined by the President's anti-factual opponents, is now mainly sustained by military manpower from the North—which means another enormous manpower demand.

As for the will of the Vietcong, there is adequate evidence that it is seriously affected by the constant interdiction of supplies from the north. As additional South Vietnamese villages are made secure with both U.S. and South Vietnamese pacification units, the guerrillas are finding less and less support from previously terrorized natives. There can be no more eloquent testimony in proof of this than the rising success of the Chieu Hoi program. The figures speak for themselves:

> In 1967, through October 27th, the number of Viet Cong who surrendered under the Chieu Hoi Program was 25,028. For the corresponding period in 1966, the number was 15,263.

As for the will of the people of North Vietnam, it is interesting to speculate on what would happen if they were allowed the same freedom to criticize the policy of their leadership that Professor Schlesinger enjoys here. But in North Vietnam there is no dissent. There are no protest marches. There are no peace demonstrations. The leaders in Hanoi, for reasons of their own, continue the war the United States is eager to end. It is always difficult to detect disagreement with government policy in a dictatorship no matter what sort of dictatorship it is. Is there, for example, dissent against the Government in East Berlin? I have heard no report of people speaking out against it. The Berlin wall is there, though. It is more than a barricade. It is a muzzle. It is a silencer. But it also speaks louder than words. It is proof that the people behind it are not necessarily there because they want to be, or that, being there, they necessarily agree with the policies of the government in control. I submit, Mr. President, that the way the people of North Vietnam feel about the war—about the continuation of it—is certainly open to question.

The second premise of the administration, says Schlesinger, was that escalation would reduce the infiltration of men and supplies from North to South Vietnam. The administration, he argues, has always assumed that as we escalate, the other side would sit still.

This—

He continues—

has been the reasoning behind every step of the escalation.

Citing the rising number of North Vietnamese troops in South Vietnam, and the greater sophistication and effectiveness of their weapons, since 1965, he contends the premise has been proved false.

Mr. President, we must go back here to a point I made earlier: Whose escalation is "cause" and whose is "effect"? Did we intensify our efforts first, or did we merely react to an intensification of the North Vietnamese effort? In January of 1966 at Boston, before the New England Press Association, U. Alexis Johnson, Deputy Under Secretary of State for Political Affairs said:

> Hanoi's announced objective of imposing its will by force on South Viet Nam has been backed by tens of thousands of trained and armed men, units of the regular North Vietnamese army. It is this external aggression which is responsible for the presence of U.S. combat forces. I would remind those who allege that somehow our assistance to South Viet Nam is responsible for the difficulties that country faces that at the time Hanoi began the introduction of forces into South Viet Nam, there was not a single American combat soldier in the country.

Just as this country has been ready and willing to negotiate a "cease-fire" with North Vietnam, so have we been equally ready to meet mounting military aggression with defensive military measures, including the bombing of additional military targets in the north. The purpose of this bombing is best defined in a report of the Preparedness Subcommittee of the Senate Armed Services Committee:

> Its (the bombing's) major objectives are (a) to obstruct, reduce, harass and impede the flow of war-supporting materiel and personnel within North Viet Nam and from North Viet Nam into South Viet Nam; (b) to destroy those military and industrial resources of North Viet Nam that contribute most to the support of its aggression; (c) to reduce the flow of external assistance being provided to North Viet Nam and (d) to cause North Viet Nam to pay an unacceptable price for its aggression.

Since the majority of the previously restricted targets have now been removed from their status of invulnerability, military intelligence reports indicate the successful achievement of the objectives outlined in the subcommittee report. On August 9, 1967, in testimony before the subcommittee, Admiral Sharp stated:

> During the last three months, with an expanded target list but with no significant departure from the broad restrictions under which we have long operated, we have begun to hurt the enemy in his own territory.

There has been increasing success in the destruction of enemy manpower and equipment in the combat zones, and there can be no doubt the intensification of the war has had its effect on the economy of North Vietnam. Its industrial capacity has been impaired, its storage facilities for military materials have been destroyed. Its agricultural—yes, and a considerable amount of its military—manpower has been diverted from normal occupations to the task of reconstructing roads, bridges, routes of supply, and other essentials required to keep an effective fighting force in the field.

There is testimony that a free flow of supplies from the port city of Haiphong no longer exists. It comes from members of a neutral ship recently returned from that city. The crew described the tremendous backlog of materiel on the docks, unused and unopened because of the North Vietnamese inability to move it to the combat zones in the south. I will concede that there are probably more men and supplies coming into South Vietnam from the north now than there were in early 1966. One must wonder, however, how infinitely much more would be coming in if the bombing had not been sustained.

As one goes through the Schlesinger article, he finds the constant repetition of a theme: "the very first step toward the start of negotiation, toward a cease fire, toward an eventual peace must be the end of the bombing." It is as though there had never been a suspension of it. The fact is there have been several such suspensions, the most significant being the 37 day pause beginning Christmas Eve of 1965. Did the enemy respond by curtailing the infiltration of men and supplies? To the contrary, he stepped up the pace of his effort. The assumption that a further suspension would bring an end, or even a lessening of the infiltration is contradicted by history.

According to the Schlesinger paper, the administration's third premise was that the escalation would lessen American casualties in the war. To refute this concession, he says:

> Statistics show that more than half the Americans killed in the whole length of the Viet Nam war, from 1961 to the present, have been killed since the beginning of this year—killed, in short, during the period of the most intense escalation . . . The statistics, in other words, strongly suggest that the way to increase casualties is to escalate the war; the way to reduce casualties is to slow down the war. And, of course, the way to end casualties is to end the war.

Mr. President, I seriously doubt whether anyone in the administration ever contended that a larger effort designed to contain the Communist aggression would reduce the number of American casualties. It is axiomatic that the larger and more intensive a war becomes, the more casualties result. With that in mind, let us remember that it was not until after the first of this year that we put the greatest numbers of our combat troops into action. Previously, the bulk of our manpower commitment had been in such areas as communications, engineering, construction, and other logistic functions. Even now, with almost half a million troops in Vietnam, only a relatively small proportion are actually committed to combat.

Too, it is worth noting that only recently have large units of the North Vietnamese army made highly intensified, almost hysterical assaults against U.S. Forces. The administration would like nothing better than to reduce the casualties. Professor Schlesinger suggests it can be accomplished by deescalation. But how? Does he suggest that we stop the bombing to make it easier for the enemy to move up heavier equipment for their attacks? Does he suggest that the American Forces merely withdraw each time the enemy attacks their positions? It is so very easy to prescribe deescalation as a cure. But it is infinitely more difficult to accomplish without jeopardizing the lives of American soldiers. Professor Schlesinger suggests that the way to end casualties is to end the war. The administration agrees with this without reservation. But how does Schlesinger propose we do it? Does he suggest that we withdraw immediately and unilaterally from Vietnam? That would end the war, all right. It would end the casualties. But obviously, Mr. President, it would also put an end to the freedom of the South Vietnamese people.

The fourth administration premise, as Schlesinger describes it, was that escalation would strengthen the will of the South Vietnam Government.

It is true—

He says—

that South Viet Nam has had an election and now boasts a "constitutional" government. However, the critic has little good to find with the election.

He emphasizes the fact that the winning candidates, Generals Thieu and Ky, received only 34.8 percent of the vote, that the next three candidates received together 88 percent. He stresses the fact that after the election, the candidate who placed second was detained; and that, though the constitution forbids press censorship, the Saigon Government suspended four Vietnamese-language newspapers.

I would be the last to claim that everything is now perfect in South Vietnam. But the only objective way to appraise the situation is to contrast the situation today with the situation as it was 30 months ago. Diem and his brother had already been killed in 1963. Regimes in Saigon rose and fell as Catholics, Buddhists, and the military maneuvered against one another. Even as late as the spring of 1966, the Buddhist militants seemed about to get rid of Premier Ky. The turmoil did not subside until Ky coupled a pledge of elections with a show of force in several of the cities. South Vietnam now has an elected President and Vice President, a Senate and a House of Representatives. There is greater unity between the factions of the population. What appear to be sincere efforts are now being made to end corruption in and out of the armed forces and the civilian government. The following Associated Press dispatch from Saigon, dated November 15, 1967, is significant.

> South Vietnam's newly appointed Premier, Nguyen Van Loc, today spelled out plans for broad changes and social reforms for the nation.
>
> The reforms are necessary, he said, because the war has led to "an erosion of our society, with the psychological result that everyone has become discontent and cynical."
>
> "It seems to many of us that there is little hope for us to get what we need and what we are entitled to, and little chance to hold on to what we have," Loc said.
>
> The 45-year-old Premier appealed to the Communists to end their insurgency in the South and join with the South Vietnamese government to help build "a genuinely free and happy society."
>
> Loc said: "Vietnam is always ready to welcome those citizens from our national community who have been misled or forced to follow the Vietcong. We are ready to grant them all the rights of citizens as stipulated and guaranteed in the constitution."
>
> With Loc when he announced the program were most of the members of his recently announced 26-member Cabinet.
>
> Highlights of Loc's program were:
>
> Reorganization of the armed forces and elimination of corruption in the military.
>
> The Revolutionary Development (pacification) program will be given first place among the government's activities. The number of pacification workers will be increased.
>
> Land distribution will be increased; 500,000 expired land leases re-established and ownership certificates issued to 110,500 peasants.
>
> Laws governing freedom of the press and political parties, both with rights guaranteed by the constitution, will be drafted.
>
> The court system will be made independent and efficient.
>
> Expansion and improvement of the national communications networks, as well as housing, electricity and water supply systems.
>
> Raising the literacy level of the people.
>
> Increased aid to refugees, of whom Loc said South Vietnam now has two million, as well as to other underprivileged groups.
>
> Reorganization of the government machinery and elimination of corruption from top to bottom.

Professor Schlesinger seems to ignore the fact that these elections were the first free elections ever held in South Vietnam. Altogether, there were 16 teams of candidates who campaigned freely, who freely criticized the government in power. It was an election held despite widespread acts of terrorism on the part of the Vietcong to obstruct it. It is difficult, I think, to dull the lustrous success of this accomplishment by a new nation. It is possible that some expected it to be 100 percent above reproach. If so, these critics overlook the fact that after 190 years of practice, our own elections frequently leave much to be desired.

I must confess that I am not nearly so disturbed by the margin of the Thieu-Ky victory as Schlesinger professes to be. These sorts of election victories are commonplace in our own country. They are commonplace, too, in other democracies which conduct multiple party elections. As a matter of fact, in my own State of New Hampshire there was a similar circumstance during the 1966 primary election. Six contestants vied for the nomination as candidate for U.S. Senator in the Republican primary. The winner received 29.5 percent of the total Republican vote. The next two candidates received a combined total of 46.1 percent.

In Professor Schlesinger's article, the finger of scorn is pointed at the South Vietnamese Army. While there have been serious deficiencies in the leadership and effectiveness of the army in the past, there is every indication the new government seriously intends to make improvements. It was interesting to note that General Gavin, on a television forum conducted after his return from Vietnam, specifically commented on the improvements he had already observed.

In addition, the constant expansion of rural areas secured from Vietcong control is the direct result of interdiction of North Vietnamese support of the guerrilla movement. Fewer South Vietnamese villages are havens of refuge for the Vietcong. More and more village leaders are free of Vietcong acts of terror. And these leaders are beginning to exert their influence in encouraging their people's identity with the National Government.

The creation of a free and viable nation, as our own history would prove, comes through a slow process of trial and error. Professor Schlesinger would appear to be impatient. He seems to expect too much too soon.

Schlesinger also contests what he claims to be the administration's fifth point: that we are holding the line against general Communist aggression. He writes:

> Though on occasion President Johnson likes to compare Ho Chi Minh with Jack Dempsey, he cannot seriously believe that Ho and his ragged bands present America and the world with a threat comparable to that presented by Hitler in the '30's or Stalin in the '40's—that, if Ho were to win in Viet Nam today, he would take Singapore tomorrow and Seattle next week. Ho's appetite for aggression is obviously limited—by his own capabilities, if by nothing else.
>
> The proposition that Hanoi and the Viet Cong are the obedient instrumentalities of Chinese expansionism, he continues, is absolutely crucial to the President's argument. Yet the Administration has at no point produced convincing evidence to sustain it.

It is one thing, Mr. President, to hold firmly to that viewpoint while sitting in the city university in New York. It is another thing if one rules a nation considerably closer to where the present action is. With the exception of Prince Sihanouk of Cambodia, whose nation affords a refuge to North Vietnam troops, not a single head of any nation in all of Southeast Asia condemns U.S. policy. To the contrary, there has been unanimous expression that the withdrawal of American forces from South Vietnam would be disastrous for the entire area. Six nations from that part of the world are participating in our South Vietnamese effort: Australia, New Zealand, Thailand, Taiwan, the Philippines, and Korea. It could be said that each of these nations has a stake in the outcome of the Vietnam conflict. But there is testimony, too, from another, less involved observer. Representative Bolling of Missouri recently brought to light a speech made by President Bourguiba before the Tunisian Student Association. On August 24, 1967, he said:

> China entered the scene and in pressuring Hanoi to maintain its intransigent stand, she seeks nothing else but to confound the Soviet Union and to prove that guerrilla warfare can defeat the American armies . . . China's hopes could then be fulfilled and nothing would prevent the outpour (sic) of its multitudes over Viet Nam, Asia and even Russia. . . . It is in the light of these considerations that we ought to understand the oft-repeated demand by Hanoi's leaders that: "The aggressor should leave first, then peace, freedom and unification would then set in by themselves." This is a precondition which has never been set forth by any people struggling for their liberation even in colonial wars. During the Algerian war, neither did the Algerian Provisional Government, nor Ben Bella, nor Boumedienne, ever insist that the French Forces withdraw before any negotiations could begin. A close analysis of the events leads indeed to the conclusion that the Viet Nam war is being fought behind the scenes by the United States and China. Considering that the world balance of powers hovers in the midst of such a conflict, it seems unlikely that the United States would give up in these conditions. . . .
>
> Now everyone knows that the United States are (sic) willing to close their military bases abroad. In the case of Viet Nam, they simply want to make sure that once their forces are withdrawn, appropriate conventions would insure complete self-determination for the Vietnamese people, that is their ability to elect the regime of their choice and the men of their choice. I fear that should the United States withdraw without prior agreement specifying such a guarantee, Viet Nam might not be reunified, and neither would it become free nor independent. History and the specific weight of China somehow seem to point toward such an eventuality which would without fail bring mankind to the brink of a third World War. . . .
>
> I do not seek to spare or please any country when I maintain that the world would be in danger if, in the event of a movement of public opinion, the United States were to return to their former isolationism. One could contend that Viet Nam means little to them after all, and that the Chinese are, at the moment, in no position to threaten them, but, granted a U.S. unilateral withdrawal from Viet Nam, China would most certainly submerge all the countries of the region and pull away from Moscow the leadership of the communist world, thus jeopardize world peace. Viet Nam would be the first country to be overrun, then would come the turn of India, which already experienced Chinese aggression, then Outer Mongolia, whose position is believed to be threatened. . . Given the facts of geography the specific weight of China, and her insistence to cling to Stalin's ideology, one could not but conclude that Viet Nam would experience a fate similar to the one which had befallen the countries of Eastern Europe in the days of Stalin.

As Representative Bolling said:

> Bourguiba's analysis is a sobering one.

That Professor Schlesinger sees no Communist menace whatsoever in the Vietnam conflict is not surprising to me. That he sees no particular connection between Hanoi and Peking is not important: there is no doubt a militant China, perhaps using only the threat of its nuclear weapons, could easily overcome North Vietnam. The point is that many critics of the administration's policy place the blame for all that has happened in Vietnam on U.S. policy. It is as though the Vietcong, the North Vietnamese, the Red Chinese, and the Russians all wear "white hats." They are the "good guys." The President, the Secretaries of State and Defense, the military commanders in the field all wear "black hats." They are the "bad guys." If anywhere in the world—from Hanoi, Peking, or Moscow, there were just the slightest hint—just the slightest relaxation of pressure on the free world, then this attitude would be more comprehensible to me. But the tide of current events—in space, in the Middle East, in South America and in Southeast Asia—indicates beyond the slightest doubt that the Communist governments, no matter how fragile—how corrosive the links between them—wish the free nations no good. It is not for the President to prove otherwise. The burden of proof lies on the shoulders of Professor Schlesinger.

Schlesinger claims the administration's sixth "premise"—that escalation proves we will keep our commitments everywhere—has also not been substantiated. There is little doubt our experience in South Vietnam will make our Government considerably more cautious about future commitments. And this is the backbone of the professor's argument on this point. I have no argument with it. But basically, it is an irrelevant argument. The fact is that we are in Vietnam because we made a commitment and because we are meeting it. How better can we prove the worth of our other commitments? I fail to see how our failure to act as we have could possibly increase the confidence and trust other nations have in our national integrity. Certainly few people would deny that the United States is the one great non-Communist power in the world today. No other nation, alone, could withstand a concentrated Communist assault. Resultantly, from time to time, the other free nations of the world will look to us for leadership and support. It is fitting and proper, after careful consideration, that, in the future as we have done in the past, this Nation should assume the mantle of leadership. Professor Schlesinger might suggest that the United States say to all other nations, "Look, we made a commitment to the Government of South Vietnam. But we didn't make good on it. Therefore, you must trust us implicitly when we make a commitment to you because we may not make good on that either." He might suggest that. But the logic of his argument escapes me.

Professor Schlesinger says the seventh and final administration premise was that military men know how to win wars. He points out that some of our commanders have been able, some not so able. They are not infallible, he emphasizes. Nevertheless, he contends that the administration has recently begun to worship the military; and he claims this is not in the American tradition. President Truman fired General MacArthur, he recalls; and President Lincoln fired any number of his generals. The professor proceeds to point out what he considers to be numerous tactical errors made by our commanders in Vietnam.

Mr. President, I believe that with my position on the Armed Services Committee I am as well informed about what has been happening in Vietnam as is Professor Schlesinger at his desk in City University. Yet I believe I would hesitate before passing judgment on the military decisions that have been made—and are being made—in Vietnam. I am well aware that in the history of this Nation, despite some errors here and there, our military commanders, Army, Navy, Air Force, and Marines, have compiled an enviable record for winning wars. I get the impression, reading the Schlesinger article, he wants the President to fire all the generals and the admirals. These men, of course, are trained in the science of modern warfare. They are professionals. Who would replace them? Untrained amateurs?

Because the war in Vietnam is a different sort of war, there are political considerations almost as important as the outright military ones. The military men advise the President on the military operations and the Secretary of State advises the President on the political and diplomatic sides. In the last analysis, it is the President, the Commander in Chief, who makes the decisions. In recent months the President has disagreed on occasion with the Joint Chiefs of Staff. There have been times he has disagreed with Secretary Rusk. And with Secretary McNamara. But the national policy is not—and will not be—controlled solely by the military men. The President has not abrogated his role as the Commander in Chief.

If, indeed, the U.S. policy of implementing its commitment to South Vietnam was based on the seven premises as Professor Schlesinger contends—and I can find no corroborative evidence that it was—the overall effect has been positive. Never, for an instance, was our policy conceived as a quick and easy solution. Its objective was clearly and firmly enunciated by President Johnson on August 12, 1964:

> Some say we should withdraw from South Viet Nam, that we have lost almost 200 lives there in the last four years, and we should come home. But the United States cannot and must not and will not turn aside and allow the freedom of a brave people to be handed over to Communist tyranny. This alternative is strategically unwise, we think. and it is morally unthinkable.
>
> Some others are eager to enlarge the conflict. They call upon us to do the job that Asian boys should do. They ask us to take reckless action which might risk the lives of millions and engulf much of Asia and certainly threaten the peace of the entire world. Moreover, such action would offer no solution at all to the real problem of Viet Nam. America can and America will meet any challenge from others, but our aim in Viet Nam, as in the rest of the world, is to help restore the peace and to reestablish a decent order.
>
> The course that we have chosen will require wisdom and endurance. But let no one doubt for a moment that we have the resources and the will to follow this course as long as it may take. No one should think for a moment that we will be worn down, nor will we be driven out, and we will not be provoked into rashness; but we will continue to meet aggression with firmness and unprovoked attack with measured reply.

That was U.S. policy more than 3 years ago. To this day it has not changed.

Professor Schlesinger offers solutions at the end of his article. They are solutions that have been offered before. But, as do many of the others, they, too, are based on the assumption that the leaders in Hanoi want peace. The first necessity, he says, is to slow down the war—not only to stop the bombing of the north but to reduce the fighting in the south. There is no doubt whatsoever in my mind, Mr. President, that the administration would like nothing better than to do precisely as Professor Schlesinger suggests. But it cannot be done by the United States alone. It would be like a prizefighter in a ring, putting his hands by his sides and begging his opponent to hit him. There is still not the slightest shred of evidence that if we stopped bombing of the north and reduced the fighting in the south, the Hanoi government would take some reciprocal action.

While keeping our military presence in South Vietnam, we should effect a political solution to the problem through negotiation says Professor Schlesinger. The trouble with this suggestion is that it takes two to negotiate. And the Hanoi Government has steadfastly refused to negotiate excepting on its own terms which make mandatory a complete, immediate withdrawal of American forces. That option, says Schlesinger, is always open to us. But it would be foolish, he continues, to rush to that extreme without exhausting the possibilities of negotiation. Up to this point, he says, we have not pursued negotiation with a fraction of the zeal, ingenuity, and perseverance with which we have pursued the war. In demeaning our own efforts to negotiate, Professor Schlesinger is completely one-sided. He ignores the indisputable fact that even if our own efforts to negotiate have been inadequate—according to him—the efforts of the enemy to negotiate have been entirely absent.

It seems to me, Mr. President, that Professor Schlesinger and, unfortunately, too many others in this country examine what the administration is doing in Vietnam and find it wrong. There never seems to be any examination of what the other side is doing. It occurs to me that if Professor Schlesinger and a great many other people would turn their attention to the enemy's course of action, they might find something there to criticize. It would ease the sense of divisiveness that has gripped our people. The resulting unity of attitude might well persuade the leaders in Hanoi that our national resolve is firm and that time is not working in their behalf.

THE UNITED STATES HAS FORFEITED INTERNATIONAL LEADERSHIP IN HUMAN RIGHTS FIGHT

Mr. PROXMIRE. Mr. President, President John F. Kennedy in his historic American University speech of June 1963, gave emphasis to one of the profound truths of our age—the indivisibility of peace and human rights.

The furnaces of war have historically been stoked by those who are driven by the ideology of hate and violence, by those that hold man and his innate dignity in total contempt. From Nuremberg to the concentration camps of Auschwitz into the holocaust of World War II were only short steps.

For men of good will everywhere, the world that was to come into being from these agonizing experiences would be one in which the rule of law on an international scale would be established; and that law was to be fortified with a profound respect for the rights of man. At the United Nations, and in its various specialized agencies, there were painstakingly hammered out legally binding conventions aimed at erecting a sturdy edifice to the dignity of man. Acts committed with an intent to destroy in whole or in part an ethnic, racial, or religious group were branded an international crime—the crime of genocide; the political rights of women were secured; forced labor was outlawed; and the freedom to associates and organize was guaranteed.

It was hardly surprising that the United States would, in the immediate post war years champion the efforts to create a new legal order, dedicated to the enlargement of human rights. With Mrs. Eleanor Roosevelt acting as our representative and chairing the Commission on Human Rights the United States had a singularly eloquent and forceful exponent of the ideas so fundamental to our pluralistic society and to the traditions upon which that society has flourished.

Yet, during the 18 long years since President Truman transmitted the Genocide Convention to this body, nothing has happened. The Genocide Convention, now ratified by 71 nations in the world, still languishes in the Foreign Relations Committee. This is unpardonable.

Once again I urge the Senate to give our long overdue advice and consent to the Convention on Genocide along with the conventions on forced labor, political rights of women, and freedom of association.

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTION SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the President pro tempore:

H.R. 3474. An act to require the Foreign Claims Settlement Commission to determine the amount and validity of the claim of Ike Ignac Klein against the Government of Hungary, and for other purposes; and

S.J. Res. 26. Joint resolution designating February 1968 as "American History Month."

PROPOSED AMENDMENT OF PUBLIC LAW 89–491

Mr. DIRKSEN. Mr. President, I ask the Presiding Officer to lay before the Senate a message from the House of Representatives on H.R. 8629.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 8629) to amend the act of July 4, 1967 (Public Law 89–491) and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. DIRKSEN. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Dirksen and Mr. McClellan conferees on the part of the Senate.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business may be laid before the Senate.

The PRESIDING OFFICER. The bill will be stated by title.

The Legislative Clerk. A bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Montana?

There being no objection, the Senate resumed the consideration of the bill.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, it is my understanding that the amendment that will be before the Senate shortly is the amendment of the distinguished deputy minority whip, the senior Senator from California.

Mr. KUCHEL. Will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. KUCHEL. Mr. President, I have a rather important suggestion relative to the amendment that some of us are ready to offer, that I wish to make to my able friend, the majority leader.

I should like to have a quorum call of sufficient length so that more Senators may be in attendance.

Mr. MANSFIELD. Mr. President, will the Senator call up his amendment so that we may have it pending?

Mr. KUCHEL. I will do it as soon as I have the quorum. I only have a half hour.

Mr. MANSFIELD. The time will not be charged to the time of the Senator.

Mr. KUCHEL. Mr. President, I ask unanimous consent that immediately following the offering of my amendment, a quorum call will be had, without the time being charged against my time; and it will be a live quorum.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 444

Mr. KUCHEL. Mr. President, I call up my amendment No. 444 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. KUCHEL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment is ordered to be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

Beginning on page 310, line 23, strike out all through line 10, page 313, and insert in lieu thereof the following:

"Sec. 220. (a) Section 1903 of the Social Security Act is amended by adding at the end thereof the following new subsection:

" '(f) (1) Payments under the preceding provisions of this section shall not be made with respect to any expenditures for medical assistance in any State for individuals whose income exceeds the amount determined, in accordance with standards prescribed by the Secretary, to be equivalent to 150 percent of the highest amount, applicable in the State for determining need, for determining eligibility of an individual for aid or assistance in the form of money payments under the plan of such State approved under title I, X, XIV, XVI, or part A of title IV, or if there is more than one such individual living in the same home, the amount so determined for one such individual plus such additional amounts for each of the other individuals living in the same home, as may be determined in accordance with such standards prescribed by the Secretary, the total amount so determined, if it is not a multiple of $100 or such other amount, as the Secretary may prescribe, to be rounded to the next higher multiple of $100 or such other amount, as the case may be.

" '(2) In computing an individual's (or family's) income for purposes of the preceding paragraph there shall be excluded any costs (whether in the form of insurance premiums or otherwise) incurred by him (or the family) for medical care or for any other type of remedial care recognized under State law.

" '(3) In determining the amount which is equivalent to 150 percent of the highest amount of income applicable to an individual or family for purposes of determining eligibility for aid or assistance in the form of money payments under a State's plan under title I, X, XIV, XVI, or part A of title IV of the Social Security Act, the Secretary shall give consideration to variations in shelter costs and to special needs, if recognized for a significant number of individuals, and where necessary, may prescribe methods for estimating the total cost of items and services recognized by a State in determining eligibility for aid or assistance under plans approved under such titles.'

"(b) The amendment made by subsection (a) shall (except in the cases of Puerto Rico, Guam, and the Virgin Islands) apply with respect to calendar quarters beginning after June 30, 1968."

CALL OF THE ROLL

Mr. MANSFIELD. Mr. President, I ask that there be a quorum call, and I wish to alert the attachés in line with the request of the distinguished acting minority leader that it will be a live quorum call, the time not to be charged against either side.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[No. 330 Leg.]

Aiken
Bible
Burdick
Byrd, W. Va.
Clark
Curtis
Dirksen
Ellender
Gruening
Hart
Hayden
Jackson
Javits
Kuchel
Lausche
Long, La.
Magnuson
Mansfield
McGovern
Miller
Morton
Nelson
Pastore
Pell
Prouty
Proxmire
Ribicoff
Symington
Williams, Del.
Young, N. Dak.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from North Carolina [Mr. JORDAN], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Georgia [Mr. TALMADGE], the Senator from Ohio [Mr. YOUNG], the Senator from Virginia [Mr. BYRD], the Senator from Tennessee [Mr. GORE], the Senator from Georgia [Mr. RUSSELL], and the Senator from Florida [Mr. SMATHERS] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Hawaii [Mr. FONG], the Senator from Oregon [Mr. HATFIELD], the Senator from California [Mr. MURPHY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from Wyoming [Mr. HANSEN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Texas [Mr. TOWER] are absent on official business.

The PRESIDING OFFICER (Mr. MCGOVERN in the chair). A quorum is not present.

Mr. MANSFIELD. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, the following Senators entered the Chamber and answered to their names:

Allott
Anderson
Baker
Bartlett
Bayh
Bennett
Boggs
Brewster
Brooke
Case
Church
Cotton
Dominick
Eastland
Ervin
Fannin
Fulbright
Griffin
Harris
Hartke
Hickenlooper
Hill
Hollings
Hruska
Inouye
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Long, Mo.
McClellan
McIntyre
Metcalf
Mondale
Monroney
Montoya
Morse
Moss
Muskie
Pearson
Percy
Randolph
Smith
Spong
Stennis
Thurmond
Tydings
Williams, N.J.
Yarborough

The PRESIDING OFFICER. A quorum is present.

Who yields time?

Mr. KUCHEL. Mr. President, I yield myself 10 minutes.

I offer amendment No. 444 together with the distinguished Senators from New York [Mr. JAVITS and Mr. KENNEDY] the distinguished Senators from Massachusetts [Mr. KENNEDY and Mr. BROOKE], and the distinguished Senators from Pennsylvania [Mr. CLARK and Mr. SCOTT].

I modify my amendment by striking out on page 2, lines 21 to 25, inclusive, and by striking out on page 3, lines 1 to 7, inclusive.

Mr. President, we deal here with as important a problem as is presented in this bill with respect to medicaid. I well remember when the Senate, acting under the leadership of the late distinguished senior Senator from Oklahoma, Mr. Kerr, approved what is now known as the Kerr-Mills Act.

It was an attempt by the Federal Government to give the States of the Union an incentive to adopt health legislation to be available to the low-income citizen who is self-sustaining and above the level of poverty as determined by State law, but who is unable to meet the high costs of medical care.

Many States participated in the Kerr-Mills Act. My State is one of them. Many States adopted legislation defining the term "medically indigent." Through these programs, medical assistance is provided to people at the bottom rung of the economic ladder who are entering the mainstream of the economic system and who would be wiped out by rapidly rising health costs.

The Senate committee has done two drastic things with that general program. It has, first, considered laying down for the first time a ceiling over which a State could not go in determining who was "medically indigent." The Senate committee, in adopting that ceiling, provided that it should consist of 150 percent of the standards laid down for old-age assistance under State law.

Automatically, that part of the committee amendment will slash, in 6 months' time, on the first of July 1968, the benefits available under State law to "medically indigent" people in seven States. That is too harsh. That is not fair. My State of California is not one of them, but I will tell Senators what States are involved.

Illinois today provides that a person, if he makes $1,800 a year, is "medically indigent." Illinois will provide medicaid if that individual has health problems. The committee bill slashes it back $100, to $1,700.

Kentucky provides that a person who makes $1,620 will be deemed to be "medically indigent." The committee slashes that back $20, to $1,600.

Maryland provides that a person is "medically indigent," not a pauper, and therefore eligible for medicaid, if he makes $1,800 a year. The committee slashes that back to $1,600.

New Hampshire provides that a person in that State, if he makes $2,088 a year, shall be deemed to be, not a pauper, but "medically indigent," and therefore eligible for medicaid. The committee, in the case of New Hampshire, slashes it back to $1,900.

In New York, the State legislature has laid down the criterion that a person is "medically indigent" if he makes $2,900 a year. The committee cuts that back to $2,400.

The Pennsylvania Legislature finds that $2,000 is the ceiling for meeting the criterion of "medically indigent," and the committee, in the bill now before us, has cut that ceiling back $200, to $1,800.

Rhode Island provides that if a person makes $2,500 a year he would still be eligible for medicaid. The committee has slashed that by $2,300.

Mr. LONG of Louisiana. Mr. President, if the Senator will yield, he means to $2,300.

Mr. KUCHEL. To $2,300.

My amendment seeks to provide an equitable ceiling which will ease the severe cuts faced by these States. The theory of the committee is that it will use 150 percent of the old age assistance standard in each State as its ceiling.

I say that if we are going to use cash assistance as a basis on which to determine a ceiling for the States, it would be far more equitable to provide that the highest level of cash assistance in any State multiplied by 150 percent should be the ceiling.

Let me add here that the impact that I have just suggested will take place under this provision of the committee's bill in 6 months—hardly enough time for the 29 States in this Union that have participated—to scurry into their legislatures and to give adequate consideration as to how they might best amend their State medicaid laws.

But far more important than that is the second provision which the committee has written into the bill. This, my fellow Senators, is an assault on the intention with which Congress approved Kerr-Mills and amended Kerr-Mills. Recognizing the skyrocketing increase in health care costs, we invited the States of the Union to participate in the Medicaid program, saying to the States, "We will help you. We will help you take care of your poor people who are not paupers."

As I have stated, 29 States have responded. The Federal Government participates in the medicaid programs of those 29 States up to a maximum of 83 percent of the cost. In my State of California, the Federal Government provides 50 percent of the cost.

Under the amendment, the percentage would be squared, and in plain English, that means that under the amendment Federal participation in some instances would be cut in half. If Senators wish to follow, I refer to table B on page 178 of the committee report.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KUCHEL. I ask unanimous consent that I may have 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. We would cut participation by the Federal Government in the medicaid programs of States for medically indigent people from 50 percent of the total cost to 25 percent. Is there any Senator here who can justify that?

We have been trying to do something

to help the man who is helping himself. I am not talking about paupers. I am talking about people in this country who have enough desire to raise themselves, who are working, who are not making too much money, but who are not participating in cash welfare. I am talking about the protection that 29 States in the American Union have given to such people, and which, within the next 3 years, all of the States will have provided.

I ask Senators to examine the table to which I have referred and the mimeographed sheet which my office has prepared and had placed on each Senator's desk. I suggest that each Senator note what his own State will suffer in decreased Federal participation. As I say, there are some States where Federal participation will be cut in half, and all the rest of them will be cut in a significant fashion.

The amendment which we—from both sides of the aisle—offer with respect to that second point would simply eliminate the committee's provision of squaring the percentage, and would provide that the Federal Government will continue to participate in the medicaid programs of States under the present Federal law.

I recognize that it may be said on this floor that some States have gone overboard. There could be provisions, my fellow Senators, by which Congress might face up to that problem. I cite one example that occurs to me: Congress could well provide that it would not reimburse a State if the cost of a particular benefit, in 1960, was more than that cost today, in 1967, less cost of living index additions.

There are many ways by which the Federal Government and the State governments can more adequately police or patrol this problem. But I beg my fellow Senators not to strike a body blow to a program that has been good in this country, I ask, instead, that Senators support our amendment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield to the Senator from Rhode Island.

Mr. PASTORE. Is it correct to say that insofar as the States are concerned, in setting this standard we are talking about, they must, of necessity, make a contribution to match Federal funds?

Mr. KUCHEL. The Senator is correct, on the basis of a sliding scale.

Mr. PASTORE. On a sliding scale.

Let us take my State of Rhode Island. We have a standard set there, for a single person, at $2,500, and for a couple at $3,500. We have been telling the States to raise their standards from time to time, in order that people could meet the responsibilities of life in a better way, without becoming public charges; because fundamentally, if you have a standard of living in a community where the increment or the benefit is not sufficient to meet the ordinary necessities of life that the individual needs, then that person has to appeal to the public welfare department and go on public assistance. It is as simple as that.

What we are trying to do here is lift up—from time to time—the individual in the scale of human dignity to the point where he will not be considered a public charge. We are trying to set certain standards that will meet the situation in a particular State. That is what gave rise to the original law, or the present law which we are now trying to amend. Is that correct?

Mr. KUCHEL. The statement of the Senator is eminently correct.

Mr. PASTORE. I understand that in the State of Rhode Island the Federal Government puts up 52 percent, as against 48 percent on the part of the taxpayers of Rhode Island.

Mr. KUCHEL. That is correct.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KUCHEL. I ask unanimous consent that I may have—3 additional minutes?

Mr. PASTORE. That will be sufficient.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. I think this point is sufficiently important that we will take a little time out of the debate on the bill. I yield myself 5 additional minutes.

Mr. PASTORE. I do not think we need so much time here. I think we need votes.

Mr. KUCHEL. I am perfectly willing to trade all the time for votes.

Mr. PASTORE. I think we have a just cause, and I do not see how those who are seeking for equity and justice can deny this particular amendment. I understand, if this proposed new formula takes effect, the Federal contribution in Rhode Island will drop from 52 percent to 27 percent.

Mr. KUCHEL. The Senator is correct.

Mr. PASTORE. What we are actually saying is that we are going to punish the States for their progressive spirit. We are going to punish States that are doing something about helping people in need.

Mr. KUCHEL. That is exactly correct.

Mr. PASTORE. We recognize the fact that we have to increase benefits under social security by 15 percent across the board, and we are raising the minimum up to $70 because we feel that the present allotments are not sufficient; and yet, in the same breath, we turn around and say we are going to cut down the standards here.

Mr. KUCHEL. We are punishing States that have tried to help people help themselves.

Mr. PASTORE. And the ultimate result will be, if the States are reluctant to put up the money, the standards will begin to be cut. And here, again, we place the burden right on the backs of the poor.

I congratulate the Senator from California. I regret that he did not talk to me about this amendment before, because I would have been honored to be a cosponsor. I ask unanimous consent that my name may be added to the amendment as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. I thank my able friend very much.

I yield 5 minutes to the able senior Senator from New York.

Mr. JAVITS. Mr. President, this is the first of a series of amendments representing a pooling of the efforts of several Senators.

The Senator from California is taking the lead on this amendment, other Senators will take the lead on other amendments, but there is a community of interest.

Mr. President, I shall not endeavor to repeat any of the arguments already made by either the Senator from California or the Senator from Rhode Island; I should like to refer to the one case in point which has allegedly caused a great deal of the present controversy—the case of New York.

The Senator from California said it is claimed that certain States went overboard, and New York is the one that was principally charged.

Mr. President, there is nothing contained in the pending amendment which would change the efforts of Congress to correct what New York did. And New York will accept that. I have always said that there are two things about which New York is concerned. First New York is willing to accept a ceiling on Federal participation, provided that it is nondiscriminatorily administered. If New York wishes a higher income eligibility standard, New York, will pay the bill for it.

Second, the same income limits should not apply throughout a State, when very fundamental differences in cost of living occur in that State. To have a single income limit increases the cost to the Federal Government and to the State. That subject will be covered in another amendment. New York will accept whatever income limits Congress affixes.

The Senator from California has suggested a very fair standard of income limits in his amendment.

As anyone who will examine the table will find, that standard will cut the New York participation in the Federal plan down very materially because right now our income limits are up to $6,000.

The standard which the Finance Committee bill would impose, would cut back New York's income eligibility to about $5,100. That is perfectly acceptable to us.

However, why should the medically indigent be discriminated against merely because they are not on cash assistance?

The number of people who would be effected is, roughly speaking, two-fifths of the total. There are about 5 million people in New York State alone whose income would be below this ceiling. Of these 5 million, about 1 million receive cash assistance. Approximately 1 or 2 million are eligible to receive cash assistance. We remainder will be discriminated against because they are not presently receiving or eligible for public assistance. They are not taxing the welfare rolls and, for this, they are to be discriminated against. They are managing to hang on by their teeth, and if they become ill, they will not be able to hang on.

We would be discriminating against these people by causing many States to cut them out of medical assistance programs for the States could not carry the financial burden of including them.

Mr. PASTORE. The committee has circulated a document which lists all of the States that will benefit by this provision and the States that will not benefit by the provision. They have left out Rhode Island. I wonder why. What are we? Are we forgotten? Do we stand pat? Are we on dead center, or what? I refer to a circular circulated by the committee.

Mr. LONG of Louisiana. Mr. President, the situation with reference to Rhode Island——

Mr. KUCHEL. Mr. President, will this time be charged to the time of my able friend, the junior Senator from Louisiana?

The PRESIDING OFFICER. The Senator is correct.

Mr. LONG of Louisiana. Mr. President, I will attempt to answer the question asked. This circular did not attempt to cover every State.

Rhode Island, under its present title 19 program, would declare a person to be eligible for medicare if he were receiving $2,500 a year in income. The committee bill would declare that person eligible if he were receiving $2,300 a year in income. The House standard would make that person eligible if he had $1,500 a year in income.

The committee bill is really not far apart from the Rhode Island standard with regard to one person.

Rhode Island makes a family of four eligible if it has an annual income of $4,300. The committee bill would make that family eligible if they had a yearly income of $4,800. So that could raise it $500 above what it is now.

As far as the committee bill is concerned, the matching formula would be less favorable. It could go from 50 percent to 25 percent for Federal matching. I will get into that matter later.

Rhode Island will, like other States, get a big windfall when the minimum social security payments go up and when we increase the payments 15 percent, because that would reduce the welfare load by taking a lot of people off welfare because of the increase in their social security income.

Mr. JAVITS. Mr. President, to complete my argument, there is no just reason why in 22 States those people who are hanging on by their teeth and are not actually drawing cash welfare payments should be discriminated against. And there is no reason that a State should cut off the opportunity these people have to continue in such a program merely because they are not drawing cash welfare payments.

I understand the problem in the committee. They included in the bill a 150-percent standard on old-age assistance. The House passed a lower ceiling. The Senate committee reported a bill with a higher ceiling, but took away its positive effect with only 25 percent Federal matching funds, thereby discriminating against those who might be medically indigent.

That is a case of Greeks bearing gifts. We would not be doing anything for the people who need it the most—those who are not drawing cash assistance but who will be compelled to draw public assistance in order that they might participate in medicaid programs.

It seems to me that medicaid is a very desirable program. New York, which is alleged to be the principal offender, will take whatever limit Congress sets and will make up the difference if necessary. However, certainly we do not want to be subject to discrimination against those with small earning power, in favor of those who are drawing cash assistance. This provision would require that a man must be drawing or eligible for cash assistance to receive medicaid. That is the very thing we do not want to do.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KUCHEL. Mr. President, I yield 1 additional minute to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 additional minute.

Mr. JAVITS. Mr. President, I believe the Senate ought to correct a manifest discrimination and injustice.

Mr. LONG of Louisiana. Mr. President, I yield myself 7 minutes, if I require that much time.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG of Louisiana. Mr. President, Senators will recall that the title 19 program originally was known by the name of Kerr-Mills. This was instituted originally as something of a backfire against the King-Anderson bill, and it was recommended favorably by the medical profession, the idea being that people could be declared medically indigent even though not drawing cash assistance under public welfare, and that this would be a higher class welfare program, rather than a social security program.

When we put into effect the medicaid-medicare program, the administration asked title 19 to continue the principles of the Kerr-Mills bill by providing medicaid for people who might not be fully cared for or might not be cared for at all by the medicare program.

The costs of this program have ascended in an astronomical way.

It was estimated that this program would exceed the Kerr-Mills program by $283 million a year. In the first year of operation, the cost of the program went $635 million over that estimate. The cost exceeded the estimate by about 4 to 1.

Looking at the estimates of the program for this year, it will be $1.39 billion for the Federal Government alone. That does not count State aid.

In 1969, the estimate of the costs goes up $600 million, to an estimated total of $1.913 billion.

In the year 1970 the cost goes up another $300 million, for a total estimated cost of $2.292 billion.

The estimate for the year 1972 continues to increase and is estimated to be $3.118 billion.

Mr. President, those amounts are just the Federal matching.

We are talking here about the people who are not on the cash public assistance rolls. That is the area in which we think savings should be made.

Representative MILLS, chairman of the House committee, was one of the sponsors of the Kerr-Mills measure when it started.

People take a look at this now and say—and I think quite correctly: "What in the world is happening here? The costs are fantastic, and they will have to come out of the general revenues."

We are projecting that in 1972 this will cost us more than $3 billion in a single year, money to come out of the general revenue.

So one would say that while we provide, as we do in the pending bill, for an increase of about $6 billion, when it is in full operation in 1969—and while we propose to provide $6 billion in new programs and by liberalizing these programs by including a benefit increase and raising the minimum assistance for people drawing minimum benefits from social security, providing 30 days of additional hospitalization under medicare—while we are doing all this, should we not take a look at some of these old programs in which the cost is exceeding anything we ever dreamed it would cost?

For example, here is an advertisement of the Mount Sinai Hospital, in New York, advertising for business:

> Attention: For most New Yorkers, the finest complete medical care is now free!

The word "free" is in large letters.

> Effective immediately, the Mount Sinai Hospital is offering the full benefits of the New York State Medical Assistant Program (Title 19).
>
> (NOTE: This is *new* and in addition to the Medicare Program of your Federal Government).
>
> What this means to you:
>
> Unless your income is considerably above the national average, the total cost of almost all the same excellent medical care, services and supplies that Mount Sinai offers to any patient, will be fully paid by your State!

Of course, they do not mention that the Federal Government is paying for half of that.

One would ask how they can extend this to people who are 21 to 65, who are characterized as neither minors nor aged.

What they have done in New York State is to say that where they have a large welfare roll of aid to dependent children, they make all the relatives of those dependent children eligible for this free medical care under title 19, and they have a very liberal standard by which they determine need.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. LONG of Louisana. I yield.

Mr. PASTORE. First of all, is it compulsory upon a State to accept this program?

Mr. LONG of Louisiana. Oh, no. The State does it of its own discretion.

Mr. PASTORE. It is elective on the part of the State, if it desires to participate?

Mr. LONG of Louisiana. Yes.

Mr. PASTORE. The Senator is bringing out the argument that with the course of time, the cost to the Government will be more. Is that correct?

Mr. LONG of Louisiana. That is correct.

Mr. PASTORE. Will not the cost to the States be more?

Mr. LONG of Louisiana. It certainly will.

Mr. PASTORE. Therefore, the States

would be working against their self-interest if they could not afford to pay their half share by raising these standards unduly. Is that not correct?

Mr. LONG of Louisiana. A State will apportion its money the way it thinks it can use the money to the best advantage for its people.

Mr. PASTORE. That is correct. The States have a responsibility. They have to match almost 50-50 with the money made available by the Federal Government.

Mr. LONG of Louisiana. That is correct.

Mr. PASTORE. The Senator has made a point about the State of New York. There may be things that could be said about the State of New York, but, after all, the State of New York is not the United States of America. If anything is wrong with what is going on in New York because of the program, let us adjust it. The Senator from New York has already said his State is willing to be reasonable. On the other hand, why should the other 49 States be penalized?

I declared on the floor of the Senate that I preferred the social security medicare program to the Kerr-Mills bill; and many others said, "No, we want a program where the States are going to participate, because that will keep the program honest."

We have done that, and the States have inaugurated a certain standard that they feel is consonant with the situation in each particular State. Now we come along, without any notice, and change the entire system. That, in my opinion, is somewhat unfair.

If it becomes necessary to review this matter and to bring about an adjustment, let us write some law that will say that by such and such a date we will do thus and so, so that the States can accommodate and adjust.

In my opinion, if this amendment is adopted, it will result in a certain number of people being made ineligible.

The PRESIDING OFFICER (Mr. MONTOYA in the chair). The time of the Senator has expired.

Mr. LONG of Louisiana. I yield myself 5 additional minutes.

Mr. President, the committee proposes to be as liberal as the administration recommends so far as eligibility standards are concerned. I do not believe that the pending amendment seeks to get at that facet of the situation.

Mr. KUCHEL. Yes, it does.

Mr. LONG of Louisiana. My impression is that the Senator's amendment would leave the eligibility standards approximately the same as the administration has recommended, perhaps a little higher, but not much higher.

Mr. KUCHEL. Precisely that—by changing, in the first part of the amendment, the committee's standards of a ceiling from old-age assistance to the highest cash welfare payments in any one State.

Mr. LONG of Louisiana. Generally speaking, the old-age assistance standards are the highest standards.

Mr. KUCHEL. No.

Mr. LONG of Louisiana. Generally speaking, that is correct.

Mr. KUCHEL. There are exceptions.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. First, I should like to explain this matter.

Generally speaking, what we have done is to take the old-age assistance standards. I believe that in most of the States these would be the higher standards. Then we say we would apply a 150-percent rule to that, in saying who could be made available under the standards. In most States that would not mean any reduction in standards.

But we do propose to be more conservative, and this is where the big squeeze arises—not to reduce medicaid expenditures, but to prevent them from increasing astronomically.

By 1972, the cost of the program under the committee bill is estimated to be approximately as much as it is today. But if we do not do something of this type, by 1972 this program will be costing $3 billion a year out of the general revenue of the Federal Treasury.

In terms of priority, we provide in the committee amendment no cutback at all for any cash assistance beneficiaries under title 19. They would continue to receive the same liberal matching they are now receiving. Anyone drawing a public welfare check could continue to receive all the liberal benefits of Federal matching. The cutback arises, however, as to how we match for people who are not eligible to receive cash public welfare assistance in the States—the medically indigent.

Now, to illustrate how essential some States deem this program—the priority they put on this type of program of extending medical care to people who are not on public welfare—some States do not use it at all. And they have had 2 years in which to take advantage of the program. For example, the following States do not use the program at all: Alabama, Alaska, Arizona, Colorado, District of Columbia, Florida, Georgia, Idaho, Indiana, Louisiana, Maine, Mississippi, Missouri, Montana, Nevada, New Jersey, New Mexico, North Carolina, Ohio, Oregon, South Carolina, South Dakota, Tennessee, Texas, Vermont, Virginia, West Virginia, and Wyoming.

A majority of the States do not even use this program, because they feel that if they have limited funds, they should take care of the people who need the assistance most. So far as extending a welfare program to people who are not on welfare is concerned, the majority of States say, "We'd better take care of the people really in need first, and then we'll see what we can do about people who can't qualify for welfare."

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. I yield myself 5 additional minutes.

Note this fact, Mr. President: Low-income States, such as Alabama, Arkansas—so ably represented by the chairman of the House Ways and Means Committee, who started this program—Georgia, Louisiana, Mississippi, West Virginia, South Carolina, Tennessee, and New Mexico—States in the lower brackets of per capita income—do not even use the program. Why? Because when a State finds itself in a low per capita situation, doing the best it can with the meager funds available to help those who are needy, it look at its priorities and says, "We'd better take care of the people who are needy, before spending it for people who aren't so needy," with the result that the State does not use the program.

In this program, the poor States are contributing money to help support the liberal programs of the wealthy States. We are not complaining about this, but we say the cost has gone through the ceiling, far beyond what anybody had estimated. We say that we should not be so liberal in the matching formula.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. LAUSCHE. Mr. President, the Senator stated that the cost had gone far in excess of what was originally estimated to be the cost. What was the estimated cost of this program in excess of Kerr-Mills when it went into effect?

Mr. LONG of Louisiana. Two hundred and thirty-eight million dollars.

Mr. LAUSCHE. The bill went into effect in 1966, on January 1, I understand.

Mr. LONG of Louisiana. Yes.

Mr. KUCHEL. It first went into effect in the year 1960.

Mr. LONG of Louisiana. Amended in 1965.

Mr. LAUSCHE. How much is it expected to cost in 1968?

Mr. LONG of Louisiana. The Federal share would be $1.391 billion. The Kerr-Mills program would be $518 million. There is a difference of $873 million, or $635 million more than that $238 million that the cost was estimated to be.

Mr. LAUSCHE. Has the Senator projected the calculation through the years, down to 1972? I think we should have in the RECORD that it was anticipated to cost $238 million but now it has gone up to certain amounts in certain years. Where are those figures?

Mr. LONG of Louisiana. Looking at title 19 costs, you see $1.391 billion for the fiscal year 1968, $1.913 billion for 1969, $2.289 billion for the fiscal year 1970, $2.690 billion for the fiscal year 1971, and $3.118 billion for the fiscal year 1972.

Mr. LAUSCHE. All paid out of the general fund.

Mr. LONG of Louisiana. All out of the general revenue.

Mr. LAUSCHE. In the committee report it is stated that "large numbers of persons who could reasonably be expected to pay some, or all, of their medical expenses" are now receiving benefits under title XIX.

Is that correct?

Mr. LONG of Louisiana. Yes.

Mr. KUCHEL. Where is the Senator reading?

Mr. LAUSCHE. I am reading from page 176 of the committee report under the heading, "Limitation on Federal Financial Participation Under Title XIX."

Mr. LONG of Louisiana. May I say with reference to that that in this committee bill we amend the law to help people help themselves. I was surprised to find that the law does not permit States to charge a deductible. If a person's income were $4,000 and the bill was in the amount of $200 or $300, that person would most likely pay that hospital bill.

We repeal that provision that says States may not require deductibles. If they want to make available for the program someone with a hospital who has an income of $4,000 or $5,000 a year in income, they could ask that person to pay the first $300 or $400 in medical expenses before the State pays the entire amount. That was one unwise provision in the Federal law that we are repealing.

We would urge a State to use deductibles when they take care of people who do not qualify for public welfare. Let them pay the first $300 or $400 before public assistance. They should be able to pay something. We also provide they could have coinsurance.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. ANDERSON. The Senator from Louisiana and I sat in the room in the old Supreme Court when this matter was first discussed. They were talking about $200 million. We add $3 billion to the cost. That is what it amounts to; adding $3 billion on to the medical bill. It would be terrible.

Mr. LONG of Louisiana. The Senate committee bill is estimated to save taxpayers about the same amount of money that the House would save, but the Senate committee amendment is much more flexible in that it says to the States if they want to be more liberal than the House they can make a lot of additional people eligible. The standards of eligibility are pretty much the same as the administration recommended and do not depart drastically from the Kuchel amendment. However, we say that the matching funds would not be nearly so liberal because we would square the formula.

In the case of States whose Federal medical assistance percentage is 50 percent under present law they would, under the committee bill, receive only 25 percent Federal matching toward the cost of the medically indigent. Fifty percent times 50 percent gives 25 percent, so that there would be a 25-percent minimum matching figure, rather than a higher figure.

Mr. JAVITS and Mr. CURTIS addressed the Chair.

Mr. LONG of Louisiana. Mr. President, I yield to the Senator from New York.

Mr. JAVITS. Mr. President, I wish to ask the Senator this question: Is it not a fact that the same income limits the bill would set would apply to those medically indigent under the State plan? They are covered by the same income limits, are they not, as for these welfare recipients? We are arguing that they are exactly the same class because there is one income limit. However, the Senate Finance Committee bill discriminates in how much Federal assistance some of those included would receive.

The essence of our argument is that there is discrimination. The State is induced not to extend medical assistance because they are not drawing cash relief. The Senator wants to encourage people to go on cash relief. Do not discriminate against them; lower your limit, if you want; but treat everybody who falls below the ceiling in the same manner. That is the essence of our argument.

Mr. LONG of Louisiana. The committee bill encourages the State to concentrate its medical assistance for those who are most in need, those who qualify for public welfare assistance. We would continue to match with regard to those who do not qualify for public welfare assistance. As to them, however, we would not be as liberal. It is an area where we would save about $600 million compared with the administration bill.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. CURTIS. I hope the Committee on Finance will be sustained on this vote. As has been stated here, the committee program was made available with passage of medicare. It was expected it would cost $200 million or $300 million. Its projected cost is running about $3 billion. It provides Federal matching money for the medically indigent.

Now, something had to be done to curb the projected cost of this program because it was a matching program that some States could not afford to avail themselves of at all. It was a matching program that other States could barely afford to avail themselves of.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. The House proposed a remedy that would, in effect, cut off persons under title 19. The Committee on Finance in the Senate sought to reach the same objective by lessening the matching formula if a State goes beyond that group which is not eligible for cash assistance.

We must keep in mind that this Federal money is obtained by taxing all the people, including the States that cannot afford the program, for those people already on welfare.

This would provide medical assistance to those persons who are cash assistance recipients, persons eligible for cash except that they do not meet duration residence requirements, children under 21 eligible for AFDC except for age or school attendance requirements, and individuals in medical institutions who would qualify for cash assistance if they lived outside of the institutions.

For all those people, the Senate committee language does not disturb.

Reading further from the report:

> With respect to the above groups there would be no cutback of Federal matching funds. However, with respect to the medically indigents—those whose income is too high for them to be characterized by a State as in need of welfare—there would be substantial cutbacks in Federal matching funds.

But, instead of putting a ceiling on that, they would take people off, or stop the program so far as the number of people are concerned, and we would accomplish it by lowering the Federal matching fund.

In other words, all of the new part of the program is something that none of the States had before passage of the medicare bill which carried title 19, I am sure that this measure will be enacted into law with some restrictions on the total amount of expenditures. The Finance Committee version will permit the States to go ahead and be liberal, but will lessen the matching fund. I would think that the States which have been the most liberal, far beyond what other States could do, would prefer that, rather than some formula for an absolute ceiling.

Mr. LONG of Louisiana. Mr. President, how much time remains to me?

The PRESIDING OFFICER. Two minutes remain to the Senator from Louisiana.

Mr. LONG of Louisiana. What we would do would be to keep the costs down in the States having a high per capita income and which are wealthy.

What the committee was proposing to do here was to permit the States to be liberal, as to whom it could extend the medicaid program with Federal matching. But it would encourage them to economize on the program by putting some deductibles in the program, perhaps by putting some coinsurance features in their own program, and saving money in ways that would logically be taken. If they wanted to be liberal with the program, that would be all right, but we would not put the higher amount of matching into that portion of the program.

Mr. ANDERSON, The 3 billion-plus cost would be terrible, to start to put it up, would it not?

Mr. LONG of Louisiana. That $3 billion cost is something we think to be completely unwise.

Mr. KUCHEL. Mr. President, I yield 5 minutes to the Senator from New York [Mr. KENNEDY] from the time on the bill. Is there sufficient time remaining on the bill?

The PRESIDING OFFICER. The Senator from California has 8 minutes remaining on the amendment.

Mr. KUCHEL. Mr. President, I yield 5 minutes to the Senator from New York on the amendment.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. KENNEDY of New York. Mr. President, I support the amendment offered by the Senator from California [Mr. KUCHEL], which I have cosponsored, liberalizing the proposed limit on Federal participation in State medicaid programs. The amendment would modify the proposed ceiling on income eligibility levels of 150 percent of the State's old-age assistance standard and eliminate that portion of the Senate Finance Committee's bill that would reduce the Federal matching percentage for the "medically needy," the eligible people whose income exceeds the cash assistance standard.

Mr. President, the point which the Senator from California [Mr. KUCHEL] is making is one which I think is extremely important. When this legislation was passed it was not aimed just at the poverty-stricken people of the United States, but in recognition of the increased medical costs in this country. It was also aimed at those in the lower income and lower middle income brackets who desperately needed help and assistance as well. They have taken advantage of this program, it seems to me, and we are breaking our faith with them if we pull back and say that this legislation no longer applies.

This legislation has been effective. We did have an understanding with the people, when this legislation was passed, that it would hit not just people on welfare, but lower middle income and some middle income people as well. I think that the amendment of the Senator from California has provided for that, and is an extremely important matter.

This amendment is preferable to both the House bill and the Senate Finance Committee's substitute.

Both proposals represent a betrayal of the generous and humane promise of title XIX. That statute was based on the recognition that a person or family may need Government help in procuring medical care even if he does not need welfare. The continuing truth of this is clearly demonstrated by the statistics in the Consumer Price Index, which show the cost of medical care increasing at a rate nearly three times that of the general index.

Bureau of Labor Statistics figures indicate that physicians' fees increased during the third quarter of 1967 to a level nearly 8½ percent higher than that of 1966. The recent increases in hospital care costs make even these figures pale by comparison: the price level in third quarter of this year is 20 percent higher than that of 1966.

The figures demonstrate that there is no fair basis for denying full Federal matching assistanct to any class of eligible people. Nor is there a persuasive reason for a low eligibility ceiling, such as the House bill imposes. For the evidence is clear that the need for help in obtaining medical care extends far beyond the need for help in procuring food and shelter.

The Finance Committee bill, by reducing the percentage of Federal matching support for the medically needy group, is even worse than the House bill. Projections made by the New York State Department of Social Services show that in fiscal 1970 the Finance Committee version would actually bring New York State $51.8 million less in Federal assistance than would the House version, and $113.5 million less than the present law. Such a loss very likely could not be made up by the State, so that large numbers of people would be forced back into medical poverty.

The people in the State of New York are better off in some ways than the people in other States, but medical cost problems still exist. They have been advised, with this legislation presently on the statute books, that they will be helped. Therefore, to go back on that arrangement and that promise which we made to them will cause many serious problems not only in the State of New York but in other areas of the country as well.

Let me emphasize that even the version that I support would also mean a substantial reduction in the Federal contribution in fiscal 1970, compared to what present law would bring. So in dollar terms we are talking about a very modest liberalization of the Finance Committee bill.

This modest liberalization would be accomplished by a formula that is much fairer to States around the Nation than the confusing and restrictive plan proposed by the House.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. KUCHEL. Mr. President, I yield 2 additional minutes on the amendment to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 minutes.

Mr. KENNEDY of New York. Mr. President, of course the proposals in the House bill and the bill before us, are expressions of concern over the unexpectedly high cost of medicaid. But I believe the evidence shows that the high cost of medicaid is merely an aspect of the high cost of medical care generally. Later in the debate on the present bill I intend to offer some proposals that will embark the Government on a major effort to bring the runaway costs of medical care under control.

For the time being, however, I urge the view that a drastic curtailment of title XIX would represent a cruel and singularly unimaginative response to the real problem—the problem of medical costs. At a time when these costs are soaring even for the affluent, and the Government has done little to control them, it would be intolerable for us to deny help to the needy. I urge the adoption of the pending amendments.

There is no question, Mr. President, that medical costs today are very high. There is also no question that we in Congress have a responsibility in that regard. But it is not fair, and it does not make a great deal of sense, to approach the problem in this way, at this time, when medical costs are so astronomically high and our needy people so desperately need this kind of assistance, particularly in the lower income brackets, to cut them off entirely.

We have all had illnesses in our families. Some of them can be so serious that over a period of even a few weeks one's life savings could be wiped out. This is happening to a high percentage of the families in this country today. An individual has a heart attack at an elderly age. Sometimes, even if his income is $6,000, $7,000, or even $10,000 a year, it can wipe out his savings entirely in 2 or 3 weeks.

It seems to me that we should try to help those people, which was the intention when we passed this legislation. We should not go back on our promises at this time.

Therefore, I commend the Senator from California [Mr. Kuchel] in the leadership he has provided in this matter.

Mr. KUCHEL. The Senator from New York is correct in the observation he has made during this debate. What we will be doing if we keep the committee proposal is to break faith with the people when it first passed the Kerr-Mills bill on the floor of the Senate, and when it subsequently amended it. Now we would be telling the States of this Union, as my able friend from New York has just pointed out, that those citizens who have tried to pull themselves up by their own bootstraps can forget it, and go back on the relief rolls.

I think it is an infamous thing. I thank the Senator from New York for his comments.

Mr. JAVITS. Mr. President, will the Senator yield to me?

Mr. KUCHEL. I yield 1 minute to the Senator from New York.

Mr. JAVITS. Mr. President, I think our argument has been very well made. I join with my colleague from New York in thanking the Senator from California [Mr. Kuchel] for taking the laboring oar and leading in this effort. The argument has been succinctly made. We have started the program. It is a good program. We accept the imposition of a ceiling on income eligibility. However, the question is, shall we discriminate against those who are not on public assistance, because we insist that they be on cash relief before they can receive medicaid? It seems to me that is the primary injustice in this bill which we are here seeking to correct. Therefore, I believe that the amendment should be approved.

Mr. KUCHEL. Mr. President, I yield myself 3 minutes on the bill to make one comment.

I have listened to the distinguished Senator from Louisiana [Mr. Long] and the distinguished Senator from New Mexico [Mr. Anderson] talk about limitations that need to be applied, and that the limitation should be the one which they have written into the bill, which says that 150 percent of the old-age assisance figure shall be the standard to determine "medical indigence."

I have suggested that the ceiling should be 150 percent of the largest cash welfare payment in each State. The Senator from Louisiana has said:

> Well, the norm is old-age assistance. There are not too many States that give higher assistance in other categories.

As a matter of fact, there are, but even if there were only one, we should still respect the right of that State with respect to its own State laws. In our amendment we gear the ceiling, not to old-age assistance, but to the highest cash welfare payments made within a State. That is a more equitable and effective ceiling than that recommended by the committee.

But, second, let us take a close look at what they are trying to do in their second limitation. The committee calls it squaring the percentage. I repeat, Mr. President—squaring the percentage. That is a contemptible term. What does it do to the States? It treats them unfairly. California gets 50 percent today from the Federal Government for medicaid. They would chop it in half by squaring the percentage. What does that mean if we get 50 percent? We would get 50 percent of that 50 percent, or 25 percent. California would get cut in half.

What about Louisiana? It gets 74.58 percent. It would be cut to 55 percent under the committee's squaring the percentage. Under the committee's squaring the percentage, Louisiana will get more from the Federal Government than California gets under the present law today.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. KUCHEL. I yield.

Mr. LONG of Louisiana. I yield myself 1 minute.

It would not make the least bit of difference to Louisiana. We will not get more than California. We are not using the program. We are getting zero out of it. We will continue to get the same zero out of it.

Mr. KUCHEL. All I ask is that the Senators take a close look at the table showing the effects of these cuts. Take a look at the States that are participating in medicaid.

Take a look at the different percentages they will get under the bill. Is there not some reason to find a limitation that will apply equally to all of the States? I think there is.

In offering this amendment, we propose to eliminate the misnamed and arbitrary squaring the percentage limitation.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. Mr. President, I yield 1 minute to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I would like to have the attention of the distinguished Senator from California.

The PRESIDING OFFICER. Who yields time?

Mr. LONG of Louisiana. Mr. President, I yield the Senator 1 minute on the bill.

Mr. CURTIS. Mr. President, following the comments of the distinguished Senator from California, I got the impression that he believes the bill as it came from the Senate committee would cut California's percentage on the entire program. That is not true. It would leave California's percentage for those who are eligible for welfare where it is. The cut in percentage merely applies to those individuals that are taken in beyond those eligible in the categories of welfare in the State.

I hope the amendment will be rejected.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield for a question?

Mr. CURTIS. I yield.

Mr. WILLIAMS of Delaware. Is it not a fact that the program with which this amendment deals, when it was first initiated, was presented to the Congress as though it was going to cost $238 million, that today the cost estimates are $2 billion annually, and that this bill would ultimately add $600 million to the cost?

Mr. CURTIS. Yes.

PRIVILEGE OF THE FLOOR FOR JAMES WICKWIRE

Mr. JACKSON. Mr. President, I ask unanimous consent that Mr. James Wickwire may be permitted the privilege of the floor during the consideration of the social security bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, I yield myself 1 minute on the bill.

This bill, when fully operative in 1969, will cause the cost of welfare and the Federal Government assistance program to go up by almost $6 billion. If this amendment is agreed to, it will make those costs go up another $500 million. It would not benefit the poor States, because they do not use the program. It would not benefit 29 States, because they do not use the program. It would benefit only a minority of the States, and even with regard to them, the committee proposes to be very liberal with them. It proposes to those States, "Well, if you want to use this program, that most States do not see fit to use anyway, we will go ahead and match the program with you, but we will not be as liberal as we were in the past, because the cost is approaching ten times what we estimated it to be when we put it into effect."

Mr. LAUSCHE. Mr. President, will the Senator yield to me?

Mr. LONG of Louisiana. I yield 2 minutes to the Senator from Ohio.

Mr. LAUSCHE. Mr. President, the Nation today is faced with the question of what is to happen about devaluation in the United States. Devaluation, if it comes in our country, is going to rob every thrifty person of a huge part of his savings and lifetime accumulations.

For 11 years on the Senate floor I have been warning about what will happen if we continue our extravagant, unjustified spending.

Let us take a look at these figures.

It was estimated that title XIX would add $238 million to the cost of the Kerr-Mills Act. The figures for 1967 show $1.391 billion. Without title XIX, the amount would be $518 million. Therefore, title XIX has added a cost of $873 million in 1967 fiscal year instead of the $238 million that was predicted.

But what will happen when we go into the years 1969, 1970, 1971, and 1972? In 1972, the cost will be $3.118 billion, payable out of the general fund.

I submit that if we want to accelerate and precipitate an early coming of the day of devaluation, we should continue spending as is contemplated by the amendment that has been offered.

Mr. KUCHEL, Mr. President, I yield myself 1 minute on the bill.

The Department of Health, Education, and Welfare has submitted its estimates of the level of reduction that will take place under the amendment that we have offered. This proposal also will result in a reduction of Federal expenditures, as would the House and Senate committee bills. I wish the Record to show that clearly.

The amendment we have offered would provide a $40 million reduction in 1969, a $192 million reduction in 1970, a $408 million reduction in 1971, and a $634 million reduction in 1972.

I compare that with the Committee on Finance bill: A $45 million reduction in 1969—about the same as ours; $702 million in the second year, as against a $192 million reduction in the cost of our amendment. The committee bill would go to $998 million in 1971 and $1,294,000,000 in 1972. I suggest that our amendment is fairer and is not the meat ax approach proposed in this bill.

Mr. President, on the amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from California [Mr. Kuchel]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. INOUYE (after having voted in the affirmative). Mr. President, on this vote I have a pair with the Senator from Florida [Mr. Holland]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Alaska [Mr. Gruening], the Senator from Arizona [Mr. Hayden], the Senator from North Carolina [Mr. Jordan], the Senator from Oklahoma [Mr. Monroney], and the Senator from Alabama [Mr. Sparkman] are absent on official business.

I also announce that the Senator from Virginia [Mr. Byrd], the Senator from Connecticut [Mr. Dodd], the Senator from Tennessee [Mr. Gore], the Senator from Florida [Mr. Holland], the Senator from Minnesota [Mr. McCarthy], the Senator from Wyoming [Mr. McGee], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], the Senator from Georgia [Mr. Talmadge], and the Senator from Ohio [Mr. Young] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. Cannon], the Senator from Wyoming [Mr. McGee], and the Senator from Florida [Mr. Smathers] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Carlson], the Senator from Hawaii [Mr. Fong], the Senator from Oregon [Mr. Hatfield], the Senator from California [Mr. Murphy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper], the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt], and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Kentucky [Mr. Morton] is detained on official business.

If present and voting, the Senator from Texas [Mr. Tower] would vote "nay."

On this vote, the Senator from Kansas [Mr. Carlson] is paired with the Senator from California [Mr. Murphy]. If present and voting, the Senator from Kansas would vote "nay," and the Senator from California would vote "yea."

On this vote, the Senator from Kentucky [Mr. Morton] is paired with the Senator from Pennsylvania [Mr. Scott]. If present and voting, the Senator from Kentucky would vote "nay," and the

Senator from Pennsylvania would vote "yea."

The result was announced—yeas 25, nays 48, as follows:

[No. 331 Leg.]

YEAS—25

Bennett
Brewster
Brooke
Burdick
Case
Clark
Griffin
Harris
Hart
Hartke
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Long, Mo.
Magnuson
Mondale
Morse
Pastore
Pell
Percy
Ribicoff
Tydings
Williams, N.J.

NAYS—48

Aiken
Allott
Anderson
Baker
Bartlett
Bayh
Bible
Boggs
Byrd, W. Va.
Church
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fannin
Fulbright
Hickenlooper
Hill
Hollings
Hruska
Jordan, Idaho
Lausche
Long, La.
Mansfield
McClellan
McGovern
McIntyre
Metcalf
Miller
Montoya
Moss
Muskie
Nelson
Pearson
Prouty
Proxmire
Randolph
Smith
Spong
Stennis
Symington
Thurmond
Williams, Del.
Yarborough
Young, N. Dak.

NOT VOTING—27

Byrd, Va.
Cannon
Carlson
Cooper
Dodd
Fong
Gore
Gruening
Hansen
Hatfield
Hayden
Holland
Inouye
Jordan, N.C.
McCarthy
McGee
Monroney
Morton
Mundt
Murphy
Russell
Scott
Smathers
Sparkman
Talmadge
Tower
Young, Ohio

So Mr. Kuchel's amendment was rejected.

Mr. JAVITS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. JAVITS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 225, line 22, after "for" insert "after consultation herein after provided".

On page 289, lines 7, 9, 20 and 22, p. 290, lines 10, 12, 23 and 25, page 291, lines 11, 13 and 25, page 292, line 2, strike the first "and".

On p. 289, line 17, page 290, lines 7 and 20, page 291, lines 8 and 22, page 292, line 10, strike " ". " and insert in lieu thereof ", and (C) for the establishment, by State and local agencies administering the program, of advisory councils of recipients whose views will be solicited and taken into account in administration of the program and the development of the plan".

Mr. JAVITS. The pending amendment is the first of seven which will be presented by a group of Senators, myself included.

I will read the names of the cosponsors in a minute.

The amendment is directed toward the welfare aspect of the pending bill.

The amendment calls for the establishment by States and local agencies administering the full welfare program for the blind, the other welfare recipients, and dependent children, of an advisory council whose views will be stressed and taken into account in the administration of a program and the development of a plan.

Mr. President, the Senators who join with me in cosponsoring the pending amendment, Republicans and Democrats, are Mr. Kennedy of New York, Mr. Clark, Mr. Hart, Mr. Mondale, Mr. Williams of New Jersey, Mr. Pell, Mr. Yarborough, Mr. McGovern, Mr. Morse, Mr. Brooke, Mr. Kennedy of Massachusetts, and Mr. Case.

Mr. President, the concept of the pending amendment is that we were alerted to something in the course of recent years in our work in the welfare field. I think that we have learned a very valuable lesson in the poverty program. That lesson is that if we want these programs to be really effective both in terms of actual work and rehabilitative effect, it is necessary to give a role in the programs to those who are the recipients of the benefits. That is the way in which the people realize fully what the programs are about.

Mr. President, our amendment does not in any way contravene the powers of the administering agency. But it does provide for a voice by the recipients themselves in a way in which welfare is being administered.

Too often welfare consists of taking people by the hand and leading them and telling them how to live. The big problem of welfare is indigency which goes on from generation to generation because at no place is there a break in the cycle.

One of the ways in which we are trying to bring an end to this is through employment. I could not agree more with this objective. I hope to have the privilege, notwithstanding some other commitments I have, to vote to sustain this concept of work and work experience being an extremely important ingredient in the whole welfare field.

However, we must realize that the dignity of the welfare client himself is a very important aspect of work in the welfare field, as we are learning every day in every town and city of the country.

I deeply feel this has a place not only in the antipoverty program, which is one aspect of the welfare effort, but also in the welfare effort itself.

It will make welfare less demeaning to an individual if he feels that he can be heard on the problem rather than to have some patron, the Government, handing out largesse. But this is something in which, as a citizen, he has a participation, he, too, can be consulted.

The way in which this matter is to be organized and the way in which it is to be done, we leave completely to the Department. There is no effort to erect some enormous structure of committees or bureaucracy or anything else. But, for the first time—this is a first, I emphasize—it introduces into the welfare system the idea that the welfare clients themselves are not helpless, subpar individuals, but that they, too, have a dignity, a standing, a respectability, and a responsibility which deserves their being consulted as to what is done about their situation.

That is the amendment, Mr. President. I believe it can represent in this field what we are learning in the field generally. It will be very helpful and progressive in that regard, and that is why I raised the matter here, as it affects the total bill.

I repeat that as we are going into a new concept of welfare, which is based heavily upon jobs and job training and threshold education for jobs, we should also learn the lessons of the poverty program—at least that much of a lesson we have learned—the real innovative concept of it, which is that those who are affected should themselves have a voice in the way in which the program is administered, the types of plans which are evolved, and all of the aspects of the programs themselves.

It is the type of amendment which I would hope the manager of the bill would take and then discuss with the other body, because it is a first; it does represent an initiative. It would not add cost or anything such as that. Yet, it is a very useful technique which we have learned in other fields.

I hope very much, as I already have stated to the Senator from Louisiana, that he will give the matter consideration from that point of view.

I reserve the remainder of my time.

Mr. LONG of Louisiana. Mr. President, I yield myself such time as I may require.

The burden of the proposed amendment is to suggest that the States are not appointing adequate advisory councils to welfare boards under the present system. The amendment would require the States to appoint people to these various advisory councils to welfare boards who are supposed to represent the poor.

Mr. President, the interest of the poor is the entire purpose of a welfare program, and people are appointed who are sympathetic to the underprivileged. That is why the appointees serve on these boards and councils. Generally speaking, they are people who know enough about the affairs of a poor man to be able to give him some adequate advice on how he might improve himself. The people who serve on these boards are humane, idealistic, and sympathetic.

I have heard no complaint that the board in New York is not adequately sympathetic to the needs of the poor or is not interested in them. No one has said that the board in Louisiana does not have such an interest.

I would be curious to learn whether any Senator believes that the public welfare board in his State is heartless or cruel or is unsympathetic to the program it has a responsibility to administer. They are fine people, and they are doing a good job, if the program has been in effect for a long time. I have heard no complaint whatever that any board was not responsive, sympathetic, and interested in the needs of the poor, and I believe that the matter of appointment should be left up to the State. Let New York appoint to the board whomever it wishes, and let Louisiana do the same. Why should we, by Federal fiat, tell them who should and should not be appointed to the boards, simply because they have Federal matching?

I see another splendid cause for alarm

presented by the proposed amendment. An organization appeared before our committee and staged a sit-in strike, which disrupted the proceedings of the committee. They came to Washington and argued that people are entitled to draw public welfare payments as a matter of right.

If we want to encourage that type of action, after a while the situation will get to the point where the people on welfare will all be organized and will demand an enormous increase every time Congress meets.

In the type of program those people were urging, they should not have to work; they should not be expected to work; they should be entitled to sit around the house and draw that money from now until God calls them home, with ever-larger checks, although good jobs are available to them and they refuse to take them.

It seems to me that not much is to be gained by contending that these people have a right to large welfare payments as a matter of right. We will do the best job we possibly can. I believe the States are doing the best they can with the funds available and with the liberal Federal matching.

I would hope that we do not try to tell the States—which are doing a good job in this area and are putting up much of their own money—whom they should and should not appoint to the boards and councils. This program has been in existence for many years, and has been administered with satisfaction and understanding. I do not believe the program would be improved at all by attempting to dictate to the States whom they should or should not appoint.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. ANDERSON. The Senator from Louisiana has conducted many hearings with respect to this matter. Has he received any complaints about the people who have been selected to serve on these boards?

Mr. LONG of Louisiana. I have yet to hear the first complaint in Washington about the manner in which the State welfare boards are selected.

Someone has an idea that perhaps having the poor represented in the poverty program might prove to be a good thing. Let us try it for a while and see how the representation of the poor in the poverty program works. But that is something for which the Federal Government is paying. This is a situation in which the Federal Government matches the money that the State contributes.

Mr. President, I was under the impression that I represent the poor. Louisiana has many poor people. The Senator from New Mexico represents the poor. There are many poor people in the State of New Mexico.

The people serving on these boards are there to represent the poor. They are also put there to think in terms of what is good for the people generally, too. I believe it would be best to leave the matter as it is. They have been doing a good job.

In answer to the question raised by the Senator from New Mexico, I have yet to hear the first person get up and say that these boards are not properly constituted, that they are not good people, doing a good job, in representing the interests of the poor. So why do we want to require a State to put somebody on a board that the State is not disposed to appoint?

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

Mr. President, the difficulty which obviously is shown by the Senator from Louisiana is that he is not addressing himself to this amendment at all. The proposed amendment is not intended to deal with the character of the States' social welfare boards or the social welfare boards of political subdivisions. It is not addressed to that matter at all. It is part of a plan or program under all these welfare categories. We seek the designation of consultative committees to consult with the authorities in order to see what they have to contribute to the way in which these programs are run, and to give them a voice in the programs—yes, to let them complain, if they feel they are being put upon and prejudiced.

What is this situation all about, if it is not to give these people a sense of participation and dignity and a sense of belonging? That is the entire problem of the welfare business.

Mr. KENNEDY of New York. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KENNEDY of New York. Did we not find, as we went around the country conducting our poverty hearings, that one of the greatest complaints in all sections of the United States was about the welfare program and the basic feeling of the people that they did not participate in the decisions that were made concerning them?

Have we not found, as a result of some of the disorders that have taken place in the United States in the last few years, that the heart of the problem, the core of the problem, is that people do not feel they amount to anything, that they are no more than digits in large numbers of people?

As individuals, they have no role to play in our society, and they have no influence on our Government.

Mr. JAVITS. Precisely.

Mr. KENNEDY of New York. It seems to me that the amendment of the Senator from New York, which I have cosponsored, tries to give some dignity and some importance to the individuals who are a part of the program. If the program is established for these individuals, why should they not play a part in it? Why should we, the committee, or someone in Washington be the only voices that are heard? This amendment would give welfare recipients a role to play.

Anyone who says he has not heard complaints about the welfare program in the United States, it seems to me, is very deaf about one of the basic problems we are facing today in this country.

Mr. JAVITS. Mr. President, I wish to speak briefly with regard to the Senator's last statement.

Obviously, the Senator from Louisiana, has not lived in the big city. We have been in Chicago, Los Angeles, southern cities, northern cities, and we have been in New York City. The complaint of these people is that they are not a part of the program, that they have a handout from a patron, the Government, and they have nothing to say about it, whether it is good, bad, or indifferent. They say that they are demeaned by caseworkers who look down their noses at them, telling them how to live, and who ring their doorbells at 1 o'clock or 2 o'clock in the morning, to see if they have a man or a woman there. These people are dispossessed of dignity and they have a right to be heard.

If the Senator said I am trying to reform social welfare through the country, he would be right, but I am not trying to do that here. We are trying here to put an innovation in the program that would not only state how they are to be dealt with, but would go into whether they are being treated as human beings. Their blood is just as red, they pain just as much, and they suffer as much as anybody else, and more. They, too, should have a right to stand on their feet and say what they think instead of being told to keep quiet and "We will take care of you." That is all the argument amounts to, and that is what we are trying to take care of in the amendment.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. LAUSCHE. Mr. President, I have tried to find a copy of the amendment but it is not available. What does the amendement provide?

Mr. JAVITS. The amendment requests that consultative committees be set up of recipients of the welfare program in different categories, who would be permitted to have their say as to how the program is run and what the plans and programs which are developed by States and other local subdivisions under it shall do. It is consultative only and has nothing to do with social welfare boards.

The Senator said that social welfare boards represent the poor. We know that social welfare boards are composed of officials and persons who hold positions high in the community. They are first rate people and they are high minded, and so forth. But it is not the fellow whose ox is being gored?

The group of us who are introducing the seven amendments hope to open up the window shades to let recipients have a say. They can complain, if they want. They would not be buried under a mountain of bureaucracy with no chance to be heard.

All Senators here have State offices. I have offices in New York City and in Buffalo. My colleague has offices in New York City and upstate. We have people pouring through those offices every day in connection with welfare who say they have been treated badly and that they are not getting what they are entitled to. This is all very legitimate. We want to hear it. They have to come to us to request us to act, whether it is a city councilman, a Representative, or a Senator. They have no other way to be heard.

I say they should be given dignity and something to aspire to. Recognize them as people who have a right to be heard.

I suggest to the Senator from Louisiana that he take an amendment like this one to conference. If there are bugs in it, it can be considered, and if it needs to be worked out that can be gone into. But do not say, "The State boards of welfare will look after them." They do not. Those of us in big cities know that this is an endemic complaint.

The poverty program is the product of welfare. Everything about the poverty program is in this bill. However, it lacks one ingredient and that is participation by the poor themselves. That is what I am trying to provide. This is a new idea and we should not bury it. It may take awhile to get accustomed to, but it is the right path and we should try it.

Mr. President, inasmuch as I wish to request the yeas and nays on the amendment, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, I yield myself 2 minutes, so that I may address those Senators who were not in the Chamber before the quorum call.

The essence of the amendment, which is the first of seven amendments to be presented by a group of us on this subject, is to provide for consultative committees on the various welfare programs which are encompassed by this bill to give a voice to those who are recipients of the program. This would contribute to their dignity and it would be a channel through which they can voice complaints and make constructive contributions to the program themselves. There is no stratification. We do not provide that there is to be one for every State, just so this voice is heard. We leave the details to the department.

Mr. PERCY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PERCY. Mr. President, I wish to indicate support for this particular amendment. I feel deeply, as I have talked with people in the slums and ghettos, that we can improve the quality of our program and certainly improve the administration of the program and their sense of belonging in that community, as well as their attachment to the program, if we involve them in the planning and give them a picture of what we are trying to accomplish. I think the program would be more effectively carried out and we would evolve better programs by involving them.

I support the amendment of the Senator from New York.

Mr. JAVITS. I am grateful to the Senator for his support.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, there is one other thought which is very important in this matter. The people who are affected by the program do not know themselves what is going on in the program. Many complaints are made about the fact that these programs are exploited by people without conscience who draw benefits and who are not entitled to do that. One thing that I am sure consultative committees will do is to keep a watchful eye upon this kind of abuse of the program. No one knows better than the welfare recipients themselves who is abusing the program and is not entitled to the benefits although receiving them.

The basic reason is that it adds another dimension, the dimension of work in this bill, which I think is terrific, a great improvement, and a landmark advance for the country.

We should also add the dimension of the personal dignity of consultation which will be an additional landmark in the handling of the program.

I think I have made the argument as well as I can. I do not know whether the Senator from Illinois wishes to debate the matter any further.

Mr. DIRKSEN. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. Mr. President, I yield 5 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. DIRKSEN. Mr. President, this amendment should be roundly defeated if no other reason than the experience we have had with the bill now pending.

As the distinguished chairman said, a group interested in welfare came into the committee room and staged a sit-in. Later on, a part of that group came to my office and undertook to stage a sit-in there. I had to call three policemen and have them ejected from my office. I told them to designate any one of them as a spokesman, that I would see him and I would listen to him and give him as much time as he wanted. They did not accept my offer. There was a public relations man with them. He claimed that I struck him. I merely put my hand on his shoulder. If I had struck him, he would still be twirling in the direction of the Hudson River, I think. [Laughter.]

I noticed that he went right outside the door where the newsmen were encamped and he said to them, "Make a good story out of this. He struck me. Make a good story out of it." Any public relations man would do the same thing. It was an organized effort on the part of some of the recipients when they were here.

Now, did they come here for consultative purposes?

Mr. President, I will tell you why they came, because they left their mimeographed folders in my office. They said, "We are here in opposition to the House bill. We want the administration bill."

Right then and there, in writing that over their signatures, they stamped themselves as a lobbying group. I should like to hear anyone deny that, because I lived through it myself. I picked up the mimeographed folders. I took note of the names and addresses, what was inscribed there, and what they wanted to do.

While they came to Washington in the first place, they certainly had some rather expert direction from the outside.

Thus, it is as clear as crystal that they did not come here to consult with me about something in the House bill. They wanted the House bill rejected out of hand. They wanted the administration bill. They demanded an answer, yes or no, whether I would vote for the administration bill.

Well, the answer was a very definite and a very emphatic "no."

But, I make the point that here we have the beginnings of a lobbying or a pressure group. Certainly it is our business to represent all constituents and be just as humane and sympathetic in this whole field as we possibly can.

I think that the committee has been and probably has gone further in some respects than I would have gone; but, in any event, participating in the discussions and in the markup of the bill, we constantly had in mind the well-being of the people, consonant, of course, with the fiscal burden which would be placed upon the Government.

One can go beyond the capacity of the Government and wind up with a very difficult situation.

If I had to make any criticism of the British system of government when Sir William Beveridge came along with his recommendation, which was a good recommendation and a sound system, Parliament began to tinker with it. Today, between military expenditures and welfare, they are just about to sink that Government. Only within the last day, it sank somewhat, when it devalued the pound sterling from $2.80 to $2.40. That is the third time that has happened—incidentally, done under a rather liberal government.

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. LONG of Louisiana. Mr. President, I yield 1 additional minute to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 1 additional minute.

Mr. DIRKSEN. I make the point, Mr. President, that you are going to set up a pressure group and they are not going to consult. They are going to come down here and tell us. Then they will become a voting and a pressure group as well. It has never failed in the past.

This amendment should be defeated, and roundly defeated, so that the country will know how the Senate feels about this matter.

Mr. LAUSCHE. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield 5 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 5 minutes.

Mr. LAUSCHE. Mr. President, I think we are dealing with the fundamental issue which should be carefully examined to see what will eventually happen if we pursue the program which has been recommended by the sponsors of the pending amendment.

The argument has been made that we must give these people representation. Our Government is founded upon the proposition that there is representation for all the people through the selection of the executive and legislative members of the Government. We are the representatives of the people in the Senate. The Representatives in the House represent them there.

But it is now argued that they must have representation. Does that mean that we are not representing them? I reject that implication.

Mr. President, the social security law contains provisions for an advisory council. I do not know how many members comprise the advisory council, but their function is to give advice on how to take care of the beneficiaries of the program.

But we do not seem to be content with the proposition which was established by our forefathers that there shall be a government in which the people shall be represented by Senators and Representatives. That contentment is rejected. It is now argued—with practically every bill, now—that we have to have consultative committees in the local communities.

What has it led us to? It has led us to situations as just described by the Senator from Illinois [Mr. DIRKSEN].

If we give people the aegis of decency, they will use it to intimidate and to pressure not only the individual, such as the distinguished Senator from Illinois [Mr. DIRKSEN], but also every one of us.

Mr. DIRKSEN. Mr. President, will the Senator from Ohio yield?

Mr. LAUSCHE. I yield.

Mr. DIRKSEN. Last week—and for all I know it may be happening right now—the same group picketed my office in Chicago, trying to put on the pressure to compel me to take a course of action here; namely, to reject what the committee has done and to accept the administration's proposal. If that is not pressure, if that is not an effort to lobby, then I have no words for it.

Mr. LAUSCHE. Establish a consultative group in Illinois, and that consultative group will take upon itself the attributes of being the spokesmen of the people and try to substitute themselves for Senator DIRKSEN and Senator PERCY. The two Senators from Illinois are in disagreement upon what shall be done here, according to what has been said, but the people of Illinois and of Chicago are represented.

I now come to the most important part of what I wanted to say. The Senator from Illinois [Mr. DIRKSEN] can be beaten at the polls. I can be beaten at the polls. But the consultative group has a barrier between it and the public. It has nothing to lose except to make demands and create disorder.

The framers of our Constitution, I may say to the Senator from Illinois [Mr. DIRKSEN], said, "You will elect your public officials, and if they do not act satisfactorily, you can beat them. If they meet with your approval, you can reelect them." But now it is proposed to establish a new sovereign ruling body, a consultative group responsible to no one.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

Mr. President, I hope that even a Senator who is not the minority leader may be pardoned a smile at these speeches. Woe to anybody who offends senatorial sensibilities. I understand that. That is probably going to be the new sampler in the homes of many of the poor, as well as "God Bless America."

But here thoroughly experienced Senators talk about the pressures of the poor and suborning their abilities to represent their States. I hope I will be forgiven for a smile. The only difference between them and the manufacturers association or the shipping lobby or the aircraft lobby or the farmers' lobby or the space manufacturing lobby, or the lobby for the humane treatment of animals, and 150 others, is that the poor do not wear such good suits and cannot buy expensive lunches. I do not think that there is any other difference. That is why we are here. We also are here because we know how to resist pressure.

Does anyone tell me that if these particular groups are not brought into existence there will be a dearth of pressures from the right or the left, the middle, or any spectrum under the sun? Of course not.

I do not condone the conduct to which the Senator from Illinois [Mr. DIRKSEN] as alluded, quite properly, whether it is by the poor or by the rich, whether it is by the right or by the left. The laws of lobbying will apply to these consultative committees as well as they apply to everybody else, in terms of what they have to publish, and if they do not comply with them they ought to go to jail, just like everybody else. But this is completely begging the question with respect to what we are trying to do here, which is to redeem the welfare recipients from an endemic condition of poverty and determine what government can do, look into the lack of motivation, and ascertain whether reforms like this are good or not. After all, we have consultative groups in the poverty program, and we have all kinds of other groups. They can come to us. Some of the roughest and toughest groups I have met with have been groups of the reactionary right. Some of them are very violent and very strong and very opinionated. So what? That is their privilege. I honor them all. I see them all. They may insult me. That is part of the office, and we have rectitude of knowing that what we are doing is the right thing for our country, and that knowledge sustains us. But to argue that we are not going to have any of these groups or that there is something wrong about lobbying or that people should have no right to tell us what they think when their ox is being gored runs counter to the history of this Nation.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. PASTORE. There is more than that to it. The Senator is proposing to sanctify this by legislative fiat, which is a different matter. No one is disputing the right of these people to appear and to appeal to their elected representatives. Every man has that particular right. But what the Senator is saying is that, by an act, we are going to recognize these people as a fixed, permanent group who are going to be set within this situation. I have the greatest sympathy for them and their rights, but I think this is just taking the point a little too far. I must say this in all honesty.

Mr. JAVITS. What we are dealing with is the question of the rehabilitation technique, which the whole bill undertakes. I think the argument of the Senator from Rhode Island is a relevant one. I think the argument that we should not be submitted to pressure by anyone who tells us to do this, that, or the other is not a relevant argument. But what the Senator from Rhode Island says is a relevant argument. The answer is that this is an effort of rehabilitation, an effort to rehabilitate those who are in an endemic condition which find them in this economic position in the American hierarchy of interest and influence. That is the substance of my argument.

Mr. MANSFIELD. Mr. President, will the Senator yield me 1 minute?

Mr. LONG of Louisiana. I yield 1 minute to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, it seems to me that we have had quite a few extraneous amendments offered to this bill beginning last week. As I read this amendment, we might as well turn this program over to these groups and let them administer it, because certainly this proposal would produce pressure lobbying directly on those charged with administering the program as well as on the Members of Congress.

I would hope most sincerely that the proposal advocated by the distinguished Senator from New York which would create consultative committees among the recipients whose views are to be solicited and taken into account in planning and administering the program will not meet with the approbation of the Senate. There is a limit beyond which we should not go, and this is far beyond the limit to which we should give up our responsibility, in my opinion.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. I yield 2 additional minutes to the Senator from Montana.

Mr. MANSFIELD. One minute is enough.

Mr. DIRKSEN. Actually what we would be doing here is getting statutory authority to set up these groups by local and State agencies and their views will be solicited. That is a peculiar provision, to say the least.

The Senator from New York talks about these lobby groups. Have we ever solicited any lobby to come before a committee or one's office? If people want to come by their own free will and accord, well and good. I am always glad to see them. But I do not send out letters and make telephone calls soliciting them to come and tell me what they want. That is what we have here.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. DIRKSEN. I think.

Mr. MANSFIELD. I think one of the weaknesses of the program has been that there are too many semiofficial and quasi-official groups which have been trying to exert pressures. I think the Congress would have unusual pressure exerted on it. I think it is about time we called a halt. The defeat of this amendment would help in that effort.

Mr. LONG of Louisiana. Mr. President, I yield 3 minutes to the Senator from Connecticut [Mr. RIBICOFF].

Mr. RIBICOFF. Mr. President, I do not think the amendment is necessary.

If the Senator from New York will turn to page 373 of the bill, he will see that the Finance Committee was aware that there were basic problems involving recipients. Section 250, on page 373 of the bill, provides that—

> The Secretary of Health, Education, and Welfare shall make a study of and recommendations concerning the means by which and the extent to which the staff of State public welfare agencies may better serve, advise, and assist applicants for or recipients of aid or assistance in securing the full protection of local, State, and Federal health, housing, and related laws and in helping them make most effective use of public assistance and other programs in the community and the extent to which the State public assistance, medical assistance or related programs may be used as a means of enforcing local, State, and Federal health, housing, and related laws. The Secretary shall report the results of such study and make recommendations, including the necessary changes in the Social Security Act, to the Congress no later than July 1, 1969.

May I say to the distinguished Senator from Illinois, who says he is being picketed by a group in Illinois for the administration bill, that the bill which the Finance Committee has reported to this body is far superior to and far broader and more liberal than the administration program.

All the way through this legislation there have been landmark improvements, of which many Members are unaware.

As I said at the beginning of this debate, I have the highest commendation for the chairman of the committee for taking the initiative in many of these landmark changes, such as the lead he has taken in section 250. The explanation of the committee's reasoning will be found on page 171 of the report.

In the poverty program itself there are already legal agencies set up to give advice to the poor. There are other groups in the community action programs that are concerned with the problems of those on welfare. Consequently, with the study being made of the part to be played by the recipients, what is being advocated by the distinguished Senator is certainly not necessary. The Secretary of Health, Education, and Welfare is aware of the problem raised by the distinguished Senator from New York. The study that is being made takes into account the problem to which the Senator from New York addresses himself.

It is my feeling that what he advocates is not necessary. I believe that there will be other recommendations from the Secretary of Health, Education, and Welfare concerning the handling of this problem. I hope that the amendment will be rejected.

Mr. LONG of Louisiana. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. LONG of Louisiana. I yield 4 minutes to the Senator from Oklahoma.

Mr. HARRIS. Mr. President, I believe the amendment proposed by the Senator from New York is well intentioned, but I do not think it is necessary, by reason of certain facts already pointed out by the distinguished Senator from Connecticut and others.

In further support of this position, I call the attention of Senators to my amendments Nos. 400 and 401, which were agreed to by the Committee on Finance and are now a part of the bill.

Amendment No. 400, found on page 290 and succeeding pages of the printed bill, requires, in the State plans on the various types of welfare programs, that the State agency must provide for the training and effective use of paid subprofessional staff, with particular emphasis on the full-time or part-time employment of recipients and other persons of low-income, as community service aides; and then further—leaving out a phrase having to do with social service volunteers, also required by the amendment—the amendment continues, "and in assisting any advisory committees established by the State agency" which are provided for in the existing law.

Moreover, as is set out on page 30 of the committee report, my amendment No. 401, also adopted in the Committee on Finance, requires a very far-reaching study by the Secretary of Health, Education, and Welfare on how, in short, welfare programs of various types in the various States may be made to become more activist on behalf of the poor.

I believe these two amendments, together, obviate the necessity for the proposal of the Senator from New York.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. HARRIS. I am glad to yield to the Senator from Connecticut.

Mr. RIBICOFF. Is it not true that the work programs and the work training programs contemplated by the welfare amendments have in mind the training of individuals now receiving welfare payments? They will be trained to take on these subprofessional assistance jobs, as they participate in the service programs. Certainly, to get people off of welfare rolls, the welfare authorities will be turning to people on welfare who can be trained and qualified, and thus help reduce the size of the welfare rolls. Those mothers and older children who can be trained to assist the social workers, and also to serve in an advisory capacity, will receive salaries and be paid for services instead of receiving welfare checks.

So it seems to me that the committee did a constructive job here, which went far beyond the question of just an advisory, consultive group. We tried to get right at the heart of the problem. Therefore, I do not think it is necessary nor desirable to support the proposal of the distinguished Senator from New York.

Mr. HARRIS. I agree, and join in the statement of the distinguished Senator from Connecticut.

I believe that the bill, in its welfare provisions, represents a landmark change of philosophy from the hopelessness of poverty to the increased opportunity for self-sufficiency provided by these work programs, as well as the amendments I have mentioned. I think we would provide poor people and recipients of welfare, first, an opportunity for greater income, which is desperately needed, and, second, through their use as subprofessionals in the programs themselves, a greater share and a greater voice in the making and administration of policy; and I believe that will have a great deal to do with changing the character of welfare programs themselves.

So I say that, while I think the proposed amendment is well intentioned, I believe it is not necessary, and should not be agreed to.

Mr. JAVITS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 8 minutes remaining.

Mr. JAVITS. I yield myself 4 minutes. I know that the Senate is anxious to get on with the business at hand, and I hope I shall not require much time.

In answer to the arguments of the Senator from Connecticut and the Senator from Oklahoma, it seems to me that all they do is highlight the points I have been making.

I understand the position of the majority leader and the minority leader. I love them dearly; but that is always the position of the establishment: the bill is in, the committee has done its best, so let us pass the bill itself, and not rock the boat.

But to rock the boat is the function of individual Senators like myself. That is what we are here for. Sometimes we have to rock the boat by calling to the attention of our fellow Senators new ideas which are useful and applicable, because we have learned them in the particular circumstances in which we individually function.

I believe that the committee bill is a good bill, and I support it, but I think there are areas in which improvement can be made, and that we should try to improve it. But as to the specific arguments of the Senator from Oklahoma and the Senator from Connecticut, I repeat, it seems to me that they only help prove what I set out to prove.

Certainly, the bill adopts a new concept—the concept of work. That is the reason for giving subprofessional employment to the poor. Certainly an effort will be made, in studying the situation as it develops, to see what can be learned from that new concept.

But that is only one of the new concepts in the welfare field. The other new concept is that the recipients themselves are adult human beings and, both for rehabilitative purposes and to make the legislation more fair and to work better, we have now found, as a matter of practice throughout the country, that they are very well worth consulting. So all I am asking to do is to regularize that practice. This is in answer to the widespread complaint that when you are a welfare client, you do not amount to anything, you are faceless, you are nobody.

Surely, there will be groups which will be difficult; but is that not true of everything we do in this country? Mr. President, I do not see that as an argument against broadening the bill to include the new rehabilitative technique in addition to the work technique for which the Senators very properly argue, so that the welfare client himself may be represented and may have a voice in determining his own fate.

His own fate is greatly involved, Mr. President, and is subject to the judgment of the caseworker as well as the provisions of the program. But, Mr. President, the other technique we have learned, in addition to work, the technique of personal dignity in some organized way, should be followed here, for the same reason that unions and trade associations are organized in every field. The same instinct for organization to help control one's fate exists here. I think it is creative, and therefore I have taken the liberty of suggesting that it can properly be employed in this connection. That is all I am suggesting by my amendment.

Mr. President, I yield back the remainder of my time.

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from New York. On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from Alaska [Mr. GRUENING], the Senator from North Carolina [Mr. JORDAN], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Missouri [Mr. SYMINGTON], are absent on official business.

I also announce that the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Wisconsin [Mr. NELSON], the Senator from Mississippi [Mr. STENNIS], the Senator from Georgia [Mr. TALMADGE], and the Senator from Ohio [Mr. YOUNG], are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. CANNON], the Senator from Alaska [Mr. GRUENING], the Senator from Florida [Mr. HOLLAND], and the Senator from Wyoming [Mr. MCGEE], would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Hawaii [Mr. FONG], the Senator from Oregon [Mr. HATFIELD], the Senator from California [Mr. MURPHY] and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from Wyoming [Mr. HANSEN], the Senator from South Dakota [Mr. MUNDT] and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Kentucky [Mr. MORTON] is detained on official business.

If present and voting, the Senator from Kansas [Mr. CARLSON] the Senator from Kentucky [Mr. MORTON], the Senator from California [Mr. MURPHY], the Senator from Pennsylvania [Mr. SCOTT] and the Senator from Texas [Mr. TOWER] would each vote "nay."

The result was announced—yeas 11, nays 64, as follows:

[No. 332 Leg.]

YEAS—11

Brooke
Case
Hart
Javits
Kennedy, N.Y.
Mondale
Morse
Percy
Prouty
Williams, N.J.
Yarborough

NAYS—64

Aiken
Allott
Anderson
Baker
Bartlett
Bayh
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, W. Va.
Church
Clark
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fannin
Fulbright
Griffin
Harris
Hartke
Hayden
Hickenlooper
Hill
Hollings
Hruska
Inouye
Jackson
Jordan, Idaho
Kennedy, Mass.
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McClellan
McGovern
McIntyre
Metcalf
Miller
Monroney
Montoya
Moss
Muskie
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Russell
Smathers
Smith
Spong
Thurmond
Tydings
Williams, Del.
Young, N. Dak.

NOT VOTING—25

Byrd, Va.
Cannon
Carlson
Cooper
Dodd
Fong
Gore
Gruening
Hansen
Hatfield
Holland
Jordan, N.C.
McCarthy
McGee
Morton
Mundt
Murphy
Nelson
Scott
Sparkman
Stennis
Symington
Talmadge
Tower
Young, Ohio

So Mr. JAVITS' amendment was rejected.

Mr. JAVITS. Mr. President, with the permission of the minority leader, I yield myself 2 minutes on the bill, to propound an inquiry to the Senator from Louisiana.

Mr. President, as we read the bill, referring to page 266, it relates to the new type of special work projects in which welfare recipients may be employed; and the question is whether public agencies and private nonprofit agencies, who are there specifically referred to, could subcontract or buy services from any private organization whether or not it is profitmaking.

I wish to point out in that respect that under the poverty program now, where community action agencies must be public or nonprofit they can nonetheless contract out different parts of the program either to profit or nonprofit private agencies, and that the flexibility which that affords and the utilization of the abilities of the private business community have been very valuable.

I wonder as to the construction of the manager of the bill.

Mr. LONG of Louisiana. Mr. President, the intention, in this work program, of saying that the Labor Department can make payments to a public or nonprofit public service institution to make possible the employment of persons who otherwise would be entirely on welfare was restricted for the purpose we had in mind. We intended that the purpose of the project should be something that would benefit the community or that would help a nonprofit public service institution to perform a better service.

In some instances, a hospital would have a contract with someone to provide services for the hospital, and I would think that that type of contract would not be prevented.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). The time of the Senator has expired.

Mr. JAVITS. I yield myself 1 additional minute.

Mr. LONG of Louisiana. Employment of the type we visualize could be used for a contractor or subcontractor or a city or a county or a subcontractor working to perform a service for a hospital. But it is intended that the type of work done would be such that the city or the hospital could properly perform itself.

Mr. JAVITS. I thank the Senator. I think we understand it.

Mr. MILLER. Mr. President, under a previous unanimous-consent request, my amendment was to be taken up next. I ask unanimous consent that, instead, the amendment of the Senator from Delaware be taken up next, to be followed by my amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WILLIAMS of Delaware. Mr. President, I call up amendment No. 450, and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD at this point.

The amendment is as follows:

At the end of the bill, add the following: "That (a) the second sentence of section 22(b)(1) of the Second Liberty Bond Act (31 U.S.C. 757c) is amended to read as follows: 'Such bonds and certificates may be sold at such price or prices, bear such interest rate or afford such investment yield or both, and be redeemed before maturity upon such terms and conditions as the Secretary of the Treasury may prescribe.'

"(b) The second sentence of section 22A(b)(1) of such Act (31 U.S.C. 757c-2) is amended to read as follows: 'Such bonds shall be sold at such price or prices, afford such investment yield, and be redeemable before maturity upon such terms and conditions as the Secretary of the Treasury may prescribe.

> "(c) Section 25 of such Act (31 U.S.C. 757c–1) is repealed.
>
> "(d) The Secretary of the Treasury is hereby directed to take such action as may be necessary to assure that bonds affected by the amendments made by subsection (a), (b), or (c) of this section which are issued after December 31, 1967, shall bear interest or provide investment yield comparable to the interest or investment yield payable, on obligations of similar maturity and which are not affected by the amendments made by subsections (a), (b), and (c) of this section."

The **PRESIDING OFFICER**. Will the Senator advise the Chair whether this is one of the two amendments upon which he has a 2-hour limitation.

Mr. **WILLIAMS** of Delaware. No; it is not.

The **PRESIDING OFFICER**. The limitation on this amendment is 1 hour?

Mr. **WILLIAMS** of Delaware. One hour.

The **PRESIDING OFFICER**. How much time does the Senator yield?

Mr. **WILLIAMS** of Delaware. I yield myself 5 minutes.

Mr. President, under existing law, series E bonds are being sold to yield a maximum of 4.15 percent interest. These bonds bear a maturity date of 7 years, and the purchasers of these bonds must hold them the full 7 years in order to get the 4.15 percent interest. If they are cashed in earlier than that they yield varying amounts of interest, from no interest up to 2 percent; but the bonds must be held the full 7 years in order to yield 4.15 percent interest.

A couple of weeks ago the Government sold a 7-year bond with the same 7-year maturity and paid 5.75 percent. The only difference is that the purchaser must have a minimum of $1,000 at a time in order to invest.

Under the proposed amendment the Treasury would have full authority to limit the sales of these series E bonds to $5,000 or less per year. These bonds are the bonds being sold to the Federal workers under the payroll deduction plan and in the schools to the schoolchildren.

Heretofore, this type of savings bond bore an interest rate slightly higher than that which was available to the general purchasers. But today the situation is completely reversed, and it is contrary to all the intentions of this program. I believe this amendment should be adopted in order to direct the Secretary of the Treasury to pay an interest rate comparable with that paid in the general market. Why should these small investors not be paid interest rates equal to that being paid to the banks?

I should like to quote a statement in this connection:

> Let us look at the behavior of the Treasury Department under the Administration. During the past few years the Treasury has deliberately jacked up interest on the Government's financing and refinancing all along the line. But this is not all. Generally speaking, it has jacked up most of the types of obligations bought or held by great financial institutions or wealthy individuals, and raised interest rates least on the obligations bought or held by average American families—for example, certain types of savings bonds. Moreover, the Treasury has juggled around its short-term and long-term issues, and its types of issues, so as to rob the ordinary citizen to pay off political obligations to the gigantic financiers. . . .

I am quoting a statement made by former President Harry S. Truman several years ago when he was discussing the need for taking care of those who are buying these savings bonds.

Now I quote the man who is presently in the White House, but who at the time he made this statement was in the Senate. The then Senator Johnson was expressing his views on interest rates under the Eisenhower administration:

> For 14 consecutive months, the cost of living has risen steadily. For 14 consecutive months, the value of the dollar has gone down and down for those who spend it.
>
> But this administration has managed to perform an impossible task. While the value of the dollar has gone down and down for those who spend it, it has gone up and up for those who lend it.
>
> And in the course of this process, the taxpayer has been socked with one of the heaviest financial penalties—and it is a penalty—in our history. . .
>
> The penalty has been not only higher taxes but higher interest rates on every form of public and private debt. And it has also meant loss of value of Government bonds in the money markets of our country.
>
> Their value has gone down and down until only yesterday some of them were selling as low as 88 cents on the dollar.
>
> And just recently, our Government offered $4 billion at the highest rate in the past 20 years. And it should bring a blush of shame to the face of every American that we were able to sell only about 75 per cent of them.
>
> Why? Because the lenders knew that if they just waited a little while longer, they could get a better rate for their money.
>
> For the past 6 months, Treasury issue after Treasury issue has been sold only by increasing the bait. That means increasing the interest rate—apparently to whatever the traffic will bear.
>
> Our Government is skating on thin ice financially and unless the trend is halted there can be no end—other than the legal limit on the cost of financing the public debt.
>
> This is the issue which it becomes increasingly apparent the Democratic Congress must join. Some way must be found of halting the constantly rising price of money.
>
> We cannot exist indefinitely as a Nation in which the most profitable activity is lending.
>
> Neither can we exist as a Nation unwilling to face up to the realities of the modern world.
>
> In the domestic field, our greatest issue is the constantly rising prices of everything—including money. . . .
>
> We cannot ignore the growing problems of small business.
>
> Our domestic economy is not strong enough so long as our farmers are caught in a tight economic squeeze—so long as there are not enough jobs for people wanting work—so long as small business enterprises continue to fail at an alarming rate—so long as the cost of living keeps going up and the administration's tight money, high interest rate policy places such a heavy burden on our people.
>
> There is not a Senator in this body, Mr. President, who is not conscious of the need for capital in our small businesses. There is not a Senator who has not devoted time to the study of the problems of small business; and there is not a Senator who is unaware that, despite the efforts of private enterprise, and of the Small Business Administration, small business remains in great need of capital with which to grow, to compete, and even to survive. . . .
>
> Unless we cut high interest rates, loosen up the money markets, refuse to pay high premiums to money lenders, and pass some legislation needed by the whole Nation, we shall find ourselves in a situation perhaps not so bad as in 1932, but better only because of some of the cushions we have provided for the economy.

Mr. President, those wise words were spoken by the then Senator Johnson, who at that time was serving as the Senator from Texas, the same man who is now in the White House. It seems to me that those words are more true today than they were at that time because interest rates in 1957 were 2 percent lower then than they are today.

I cannot help but wonder why the Johnson administration insists that the only people they can borrow money from at 4.15 percent are the school children of America and the wage earners, and yet they gladly pay 5.75 percent to the money lenders.

Mr. President, I think this proposal should be accepted. I note that the Senator from Louisiana [Mr. LONG], the chairman of the Committee on Finance, likewise had some pertinent remarks in 1957 when interest rates reached 4.25 percent. Today the interest rate is 5.75 percent, yet we hear very little being said. I now read from a statement by the present chairman of the Committee on Finance as delivered in the Senate on May 28, 1957, at a time when interest rates were about 2 percent lower than today's high level.

I quote the remarks of the Senator from Louisiana:

> Since this inflationary argument was raised, I think it is well that we realize that the cost of interest is one of the elements of the cost of living. It is a strange thing, but it is said by some persons that they want high interest rates because they want to reduce the high cost of living. Interest rates are part of the cost of living.
>
> If anyone does not believe that, let him look at the Federal budget. Look at the Federal Government's cost of doing business. It is the second largest item in the budget. It is bigger than the cost of foreign aid. It is the second largest item, second only to national defense. The first largest cost is national defense. No. 2 is interest. No. 3 is foreign aid. They are the biggest items in the budget.
>
> It is similar with a family. One of the largest items in the cost of living for the average family is housing. What is the largest item in the cost of housing? For a great number of families it is not the cost of labor or lumber or other material; it is interest. For the average workingman, the cost of housing represents 25 percent of his cost of living. When a house is purchased over a long period of time, the cost of the interest charges sometimes exceed the purchase price in principal.
>
> If interest enters so much into the cost of living, why is it being said that the cost of living will be reduced by making home buyers pay more for interest? How is the cost of doing business going to be reduced by raising the interest rates a businessman has to pay? That is a part of the cost of living and doing business. Everybody should be able to understand that.
>
> Furthermore, if anybody is determined to discourage people from expanding their business, let me point out that high interest rates will prevent only the small-business man from expanding; it will not prevent the large-business man from doing it. As a matter of fact, some of the large-business men are planning expansions by using the money they are going to make as a result of high-interest rates.
>
> If we really want to fight the rising cost

of living and hold it down, interest rates should be controlled.

Mr. President, those are the words of the chairman of the Committee on Finance, the distinguished Senator from Louisiana.

Much was being said a few years ago, 8 to 10 years ago, by Members on the other side of the aisle about high interest rates, but today they are strangely silent. If there are to be high interest rates, at least let the man who is buying series E bonds, the small investory, participate in profits from the Johnson high interest rate policy.

Mr. LAUCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. LAUSCHE. Mr. President, I wish to ask if it is the purpose of the Senator from Delaware, by his amendment, to give the benefits of high interest rates to the buyers of series E bonds, and other such instruments of Government, so as to put those persons in some semblance of equality with buyers of long-term bonds.

Mr. WILLIAMS of Delaware. The Senator is correct. The Secretary, under this law, has ample authority to limit the amount of series E bonds one can buy in any one year. I think it is $10,000 today. But by all means let the small investor who does not have $1,000 or $10,000 available at one time receive the same interest rate as we pay the bankers and other large investors.

Mr. LAUSCHE. The financial institutions which buy bonds make substantially higher interest than the series E bond buyer who purchases $500 or $1,000 in bonds.

Mr. WILLIAMS of Delaware. The Senator is correct. Why should we not pay the series E bond purchaser the same rates of 5.75 percent interest?

Mr. LAUSCHE. What do we pay them?

Mr. WILLIAMS of Delaware. We pay them 4.15 percent.

Mr. LAUSCHE. There is a difference of nearly 1.60 percent.

Mr. WILLIAMS of Delaware. The Senator is correct. In addition, they are locked in for 7 years in order to get that 4.15 percent.

We are all concerned about high interest rates, but I point out that this amendment will not increase or decrease interest rates because the amount of these series E bonds to be sold will not affect the market rates. It would provide that as long as interest rates are high those persons who are buying series E bonds—and we are selling them in the schools and through payroll deduction plans—would earn as much as the large banking institutions.

As none other than former President Truman so ably stated several years ago when speaking on this same subject:

> Generally speaking, it has jacked up most of the types of obligations bought or held by great financial institutions or wealthy individuals, and raised interest rates least on the obligations bought or held by average American families—for example, certain types of savings bonds.

This would be far more true today than it was then. I think this amendment should be unanimously agreed to by the Senate.

Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. RIBICOFF. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum and ask that the time be taken out of the time under the control of the Senator from Louisiana [Mr. LONG].

The PRESIDING OFFICER. Without objection, it is so ordered; and the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, I yield myself 5 minutes.

This amendment is not relevant to the bill that we have before us. It has nothing to do with public welfare or social security.

As far as I am concerned, I am against higher interest rates on any basis at all. I think a lot of others feel that way. In my judgment, it would tend to prolong the period in which we could hope to bring interest rates down. It would create more of a competitive condition, which might not at all be welcomed, between the banks and the Government.

I have not been importuned by the Secretary of the Treasury or the administration to propose a rise in interest rates on E-bonds. If that were to be done, it would seem to me there should be hearings and there should be a study by the appropriate committee.

On that basis, I hope this amendment to raise interest on Government E bonds will be rejected. It may well be that an appropriate committee should hold hearings on this matter but I see no reason why the amendment should be added to this bill. This is a social security bill. It is not a bill to raise or reduce the level of interest on Government bonds.

I very much regret that the Federal Reserve Board took the action it did to raise interest rates. I would hope other methods could be found to protect the dollar than raising interest rates and jeopardizing the unfortunate and the many who must borrow money, to the advantage of the relatively few who lend it.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 5 minutes.

I am just as concerned about high interest rates as is the Senator from Louisiana. However, I point out that adoption or rejection of this amendment will not affect interest rates one iota, but it will affect the amount of interest to be paid to those small investors holding series E bonds. The Government is going to have to finance its debt and pay the going rate of interest. This amendment is applicable only to series E bonds or other bonds which will be sold after January 1, 1968. It has nothing to do with outstanding issues of either E bonds or regular long-term Treasury bonds. This amendment directs the Secretary of the Treasury to pay to the schoolchildren of America, the wage earners, and the workers who are buying series E bonds a rate of interest comparable to the rate of interest which is paid on issues of similar maturity to banking institutions or other investors. Any American citizen who has several thousand dollars to invest can buy a Government bond yielding 5¾ percent interest which will mature in 7 years or in 1974.

Why should the Federal Government insist that it pay only 4.15 percent interest rate on savings made by wage earners who are purchasing these bonds by a payroll deduction plan or schoolchildren who are buying them under the stamp plan?

I have already quoted what the present President said in 1957 and 1958. I have quoted the Senator from Louisiana [Mr. LONG], when in 1957 he was more concerned over interest rates.

I will repeat what President Truman said about that same time against higher interest rates:

> During the past few years the Treasury has deliberately jacked up interest on the Government's financing and refinancing all along the line. But this is not all. Generally speaking, it has jacked up most of the types of obligations bought or held by great financial institutions or wealthy individuals, and raised interest rates least on the obligations bought or held by average American families—for example, certain types of savings bonds. Moreover, the Treasury has juggled around its short-term and long-term issues, and its types of issues, so as to rob the ordinary citizen to pay off political obligations to the gigantic financiers . . . .

This statement was made several years ago, but how much more appropriate those remarks are today when we have interest rates at a 100-year high.

I hope the amendment will be agreed to. I insist that not only is it germane but that it is appropriate because in this bill we are dealing with retired people who as investors are buying these series E bonds. Savings bonds are to a large extent owned by that type of individual.

In the interest of fairplay, if there are going to be high interest rates—and we have them—let the small investor—the smallest investor in this country—get his share of the high interest rates.

When the interest rates get lower the Secretary under the amendment will be able to lower the interest rates to all lenders. I look forward to the time when they can be lowered, but as long as interest rates as high as 5.75 percent and 6 percent are being paid to banks and wealthy individuals who can afford to buy the larger bonds let us give some of the higher interest to the smallest investor in America.

I urge the adoption of my amendment.

Mr. President, if there is no further

debate to be had on the amendment I yield back my time.

Mr. LONG of Louisiana. I yield back my time.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that excerpts from a series of speeches by Vice President HUMPHREY, as delivered in 1956 through 1959, be printed at this point in the RECORD.

What has happened to these great advocates of lower interest? Today interest rates are about 50 percent higher than they were under the Eisenhower administration, but for some reason they are strangely silent. Why?

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

(CONGRESSIONAL RECORD, vol. 102, pt. 8, p. 10381, HUMPHREY)

Mr. President, in the few moments I have today I should like to call to the attention of the Senate the apparent culmination of months of confusion and discouraging lack of foresight in the administration's credit policy.

One gets the impression that the Secretary with his gyrations and reversals has not yet had time to figure out just what a tight money policy means or could mean for many vital segments of our American economy.

(CONGRESSIONAL RECORD, vol. 102, pt. 8, p. 10383)

At the same time let us never forget in these days of increasingly higher interest rates, that the cost for a newly married couple buying a small house and carrying a mortgage on it is increased approximately $225 a year by a 1½-percent increase in rates.

Mr. President, even a casual glance at newspaper headlines would show what the administration's vacillating credit policy has done to many of these sections of our economy.

(CONGRESSIONAL RECORD, vol. 102, pt. 8, p. 10384)

This rise in interest rates not only places an increased burden upon the taxpayers, as such, but, as I shall indicate in my concluding comments today, it is acting as a squeeze upon independent business enterprises. The smaller firms are literally being choked out of existence.

(CONGRESSIONAL RECORD, vol. 102, pt. 8, p. 10384, HUMPHREY)

Because of the new interest rate and credit policy of the administration, independent small business enterprise has been choked out of existence and strangled, so to speak; it has been unable to obtain the necessary credit and to maintain its present operations and make expansions.

At the same time we have seen an increase in mergers and a stepping up in the growth of large economic combines and a reduction in the number of new small businesses that are coming into the economic field.

(CONGRESSIONAL RECORD, vol. 102, pt. 8, p. 10385)

Attention should be specially directed to these definite symptoms and signs of hardship caused by credit policies in the particular areas which I have mentioned, and I shall mention them again: agriculture, small business, municipal building programs, and the mortgage market generally.

Mr. President, I should like to express my continuing interest and deep concern over all the aspects of this situation and next week I should like to extend today's general, preliminary remarks into a more specific discussion of the situation which we face in the State of Minnesota as a consequence of the administration's tight money and tight credit policy.

I submit it is time for the administration to wake up and to take a frank and honest look at its misguided policies in the field of taxation and credit. A study of the total fiscal policy is long overdue. The American public is being compelled to pay and pay and pay because of these policies. Many areas of American business are suffering from either merger or the inability to expand; or they are suffering because they are being forced to the wall by the Government's fiscal and credit policies.

It is not good enough to equate American prosperity with big business. To be sure, big business is big. To be sure, it is getting bigger. But I think we ought to ask ourselves whether or not this is the kind of economic profile we want for America. I think we must ask ourselves whether the credit policies of this administration have not accelerated the pace of merger and of monopolistic growth; whether the credit policies of this administration are not aggravating, implementing, and encouraging the concentration of economic power at the expense of a free enterprise economy. A free enterprise economy requires that the Government's fiscal, tax, and credit policies be fair and equitable and, I may say, sound. The present policies are not fair, they are not equitable, and they are anything but sound and constructive.

(CONGRESSIONAL RECORD, vol. 103, pt. 8, p. 10459, HUMPHREY)

Each day seems to bring new reports of soaring interest rates. This past Wednesday, it was announced that Southern Bell Telephone & Telegraph Co. had to pay 4.91 percent for the $70 million it raised on 29-year debentures. This is the costliest rate this company has had to pay since October 18, 1929, when it sold $32 million of 5-percent bonds at 5.32 percent.

(CONGRESSIONAL RECORD, vol. 103, pt. 8, p. 10460, HUMPHREY)

Mr. President, Monday morning's Wall Street Journal reports that interests rates continue to soar. The Dow-Jones municipal index today stands at 3.48 percent. This compares with 3.46 percent last week. It is the sixth straight week in which municipal bonds have dropped in price and it represents the highest interest yield since October 11, 1935.

Last week long-term Treasury bonds hit new lows. At Friday's closing prices, the victory loans yield 3.69 percent, the 3¼s pay 3.70 percent and the 3s give up 3.66 percent. The 1½s of April 1, 1962, closed Friday priced to yield about 4 percent which is reported to be probably the highest return on any Government bond since the 1933 bank holiday.

(CONGRESSIONAL RECORD, vol. 103, pt. 8, p. 10462, HUMPHREY)

Finally, I may say, Mr. President, there can be no denial that we are seeing the highest interest rates in a quarter of a century, and most disturbing of all is the fact that interest rates continue to soar, with no evidence that this increase is going to come to a halt.

I might add, Mr. President, that the voluntary type of action President Eisenhower asked for the other day in his press conference is nothing more than a reiteration of what he previously mentioned in the state of the Union address at the beginning of the year. I think my colleagues will recall that the President then suggested that the leaders of industry and labor should try to hold down inflation and should try to hold down prices and wages.

Mr. President, these pleas, which are made about once every 6 months, are not going to do the job. It is nothing short of incredible that, on the one hand, the leading officers of the Federal Government, and the President himself, can say again and again to the American people that inflation is a great danger to the Nation's economy, and then, on the other hand, proceed forthwith to do nothing about it except to utter unctuous, pious statements which indicate something ought to be done but no willingness to make a decision to get something done.

I wish to point out, Mr. President, that prosperity is generally not equated with or identified by high interest rates. High interest rates generally mean that there is something wrong. High interest rates generally mean that there is a risk involved which is over and beyond what is a normal business venture or investment. Mr. President, on the one hand we continue to hear about the dangers of inflation, and, on the other hand, the Governor does nothing about it except to discuss it—to discuss it politely and quietly.

Secondly, we hear about prosperity at the very time, Mr. President, that the Government's refinancing of debt is becoming more difficult and burdensome than at any time in recent years.

In other words, the situation is going to get worse. Interest rates are going to go up.

By the way, one of the major factors in inflation today is the increased cost of money. This administration talks about curbing inflation, yet permits policies to be designed, developed, and forwarded which add fuel to the inflationary fires. I submit that of all the items in recent months which have gone up, the increase in the cost of the use of money has been the greatest. The rent of money or the cost of the use of money is as much a part of business cost and the consumer's price cost as any other factor in the entire economic system.

(CONGRESSIONAL RECORD, vol. 105, pt. 7, p. 12979, HUMPHREY)

So we see the upward spiral of inflated interest, which results in better income for the ultimate holders of debts—the great private financial institutions of the country, taken out of the pockets of homeowners, consumers, and taxpayers.

(CONGRESSIONAL RECORD, vol. 105, pt. 7, p. 9446, HUMPHREY)

This increase in the cost of money means that a larger and larger portion of the consumers' dollars will be spent in the form of interest. No single item has increased so much in cost under this administration as has the cost of borrowing money. And yet this administration, which makes a habit of preaching on the importance of holding down costs, says not a word against ever higher interest rates. In fact, this administration has promoted and defended the tight-money policies which are costing the American people untold billions in added costs each year.

The annual interest payments, for example, on the public debt have soared to all-time highs. Interest payments alone this fiscal year are estimated at $7.6 billion on the public debt; and next year they are estimated to shoot even higher, to $8.1 billion.

High interest rates, which largely benefit the bankers and other money lenders, are defended by the GOP on the grounds that the tight-money policy is necessary to hold down inflation. This argument was punched full of holes back in the tight-money period of 1955 to 1957, when prices rose at the fastest rate in the peacetime history of our country.

When one sifts through all the arguments of the administration as to the virtues of tight money and soaring interest rates, he really gets down to the fundamental fact that the administration simply believes it is all right for the bankers to boost their prices and reap a harvest, but that somehow it is not quite proper for wage earners to ask to share in the increased productivity of the economy. What the administration actually believes in is the old trickle-down system, whereby the main course goes to the high and the mighty, and the leftovers to John Q. Public.

If the administration really wants to do something about the cost of living, I suggest that it stop and reexamine its position on monetary policy.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Delaware. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from Alaska [Mr. GRUENING], the Senator from North Carolina [Mr. JORDAN], the Senator from Maine [Mr. MUSKIE], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I also announce that the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Wisconsin [Mr. NELSON], the Senator from Georgia [Mr. TALMADGE], and the Senator from Ohio [Mr. YOUNG] are necessarily absent.

On this vote, the Senator from Florida [Mr. HOLLAND] is paired with the Senator from Nevada [Mr. CANNON]. If present and voting, the Senator from Florida would vote "nay," and the Senator from Nevada would vote "yea."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Hawaii [Mr. FONG], the Senator from Oregon [Mr. HATFIELD], the Senator from California [Mr. MURPHY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from Wyoming [Mr. HANSEN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Texas [Mr. TOWER] are absent on official business.

If present and voting, the Senator from Kansas [Mr. CARLSON] and the Senator from California [Mr. MURPHY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The result was announced—yeas 54, nays 23, as follows:

[No. 333 Leg.]

YEAS—54

Aiken
Allott
Baker
Bartlett
Bennett
Bible
Boggs
Brewster
Brooke
Burdick
Byrd, W. Va.
Case
Church
Cotton
Curtis
Dirksen
Dominick
Fannin
Fulbright
Hart
Hickenlooper
Hollings
Hruska
Inouye
Jackson
Javits
Jordan, Idaho
Kennedy, Mass.
Kuchel
Lausche
Mansfield
McClellan
McIntyre
Miller
Montoya
Morton
Pastore
Pearson
Pell
Percy
Prouty
Proxmire
Randolph
Ribicoff
Russell
Smith
Spong
Stennis
Symington
Thurmond
Tydings
Williams, N.J.
Williams, Del.
Young, N. Dak.

NAYS—23

Anderson
Bayh
Clark
Eastland
Ellender
Ervin
Griffin
Harris
Hartke
Hayden
Hill
Kennedy, N.Y.
Long, Mo.
Long, La.
Magnuson
McGovern
Metcalf
Mondale
Monroney
Morse
Moss
Smathers
Yarborough

NOT VOTING—23

Byrd, Va.
Cannon
Carlson
Cooper
Dodd
Fong
Gore
Gruening
Hansen
Hatfield
Holland
Jordan, N.C.
McCarthy
McGee
Mundt
Murphy
Muskie
Nelson
Scott
Sparkman
Talmadge
Tower
Young, Ohio

So the amendment of Mr. WILLIAMS of Delaware was agreed to.

Mr. GRIFFIN. Mr. President, I wish to make it clear that my vote on the Williams amendment was registered as a procedural protest, rather than as a judgment on the merits.

In my view, a bill dealing with interest rates on Government bonds should not be considered as a rider to social security legislation.

The bill before us, H.R. 12080, as reported from the Finance Committee, is 423 pages long, and surely it is complicated enough.

I will concede that, on the surface at least, there appears to be merit to the amendment offered by the Senator from Delaware [Mr. WILLIAMS]. However, his proposal should be the subject of hearings before it is put to a vote on the Senate floor.

Mr. President, it seems to me that precipitate action on matters of this sort should be avoided, particularly in light of the uneasy and uncertain mood which prevails in the wake of Britain's devaluation of the pound sterling.

Mr. WILLIAMS of Delaware. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MORTON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 442

Mr. MILLER. Mr. President, I have at the desk an amendment which is now the order of business under a previous unanimous-consent agreement. That amendment has previously been modified slightly.

I send to the desk the same amendment with further modifications which I wish to have considered as the amendment now pending before the Senate.

The PRESIDING OFFICER. The amendment, as modified, will be stated.

The legislative clerk read as follows:

At the end of page 132, insert the following:

"'METHOD OF DETERMINING REASONABLE COST FOR PROVIDERS OF SERVICES

"'SEC. 142. (a) (1) Strike out the third sentence of section 1861(v) (1) of the Social Security Act and insert in lieu thereof the following: "Such regulations (A) shall provide for the determination of costs of services on a per diem basis, at the option of the provider of services, in all cases where the circumstances under which the services provided so permit, and, otherwise, shall provide for the determination of costs of services on a per unit, per capita, or other basis, insuring the provider of services reasonable cost reimbursement, (B) may provide for the use of estimates of costs of particular items or services, and (C) may provide for the use of charges or a percentage of charges where this method reasonably reflects the costs. With a view to not encouraging inefficiency, in determining a per diem basis for cost of services there shall be taken into account the per diem costs prevailing in a community for comparable quality and levels of services.

"'(2) The fourth sentence of such section 1861(v) (1) is amended by inserting "(except as might happen by reason of the provisions of clause (A) of the preceding sentence)" immediately after "will not".

"'(b) The amendments made by subsection (a) shall be applicable to services provided under title XVIII of the Social Security Act on and after July 1, 1968.' "

On page 321, strike out lines 20 through 23, and insert in lieu thereof the following:

"(D) for payment of the reasonable cost under section 1861(v) (1) of inpatient hospital services, and, effective July 1, 1970, extended care (skilled nursing home and intermediate care facility) services, and home health care services provided under the plan;".

On page 384, strike out lines 4 through 6, and insert in lieu thereof the following: "under section 1861(v) (1)) of inpatient hospital services effective July 1, 1970, extended care (skilled nursing home and intermediate care facility) services, and home health care services, provided under the plan;".

"(c) Renumber the remaining paragraphs of the bill accordingly.

The PRESIDING OFFICER. The amendment is accordingly modified.

THANKSGIVING ADJOURNMENT

Mr. MANSFIELD. Mr. President, I yield myself 1 minute on the bill.

On behalf of the minority leader and myself I send to the desk a concurrent resolution and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The resolution will be read.

The legislative clerk read as follows:

S. CON. RES. 51

Resolved by the Senate (*the House of Representatives concurring*), That the two Houses shall adjourn on Wednesday, November 22, 1967, and that when they adjourn on said day they stand adjourned until 12 o'clock noon on Monday, November 27, 1967.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the resolution (S. Con. Res. 51) was considered and agreed to.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 706. An act to amend section 27 of the Shipping Act, 1916; and

S. 2428. An act to authorize the Secretary of the Army to convey to the State of Washington certain lands in the counties of Yakima and Kittitas, Wash., in exchange for certain other lands, and for other purposes.

The message also announced that the House had agreed to the amendments of the Senate to the bill (H.R. 12910) to establish a Judge Advocate General's Corps in the Navy, and for other purposes.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. MILLER. Mr. President, I yield myself 7 minutes on the pending amendment.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 7 minutes.

Mr. MILLER. Mr. President, the pending amendment has been modified in these main respects.

The first point is that at the very beginning, the amendment, as originally printed, would have struck out pages 133 through 139. As now modified, these pages are left in the bill and, instead, my amendment is inserted at the bottom of page 132.

I point out that the pages that originally would have been struck out relate to State planning agencies and the coordination required with those agencies. I know that some members of the Committee on Finance spent a lot of time drafting those pages, and the feeling was that while the House did not have such language in its bill, those pages should be taken to conference with the House. Therefore, I am not striking out those pages. They will be left intact.

At the same time, I point out that if those pages remain in the bill and my amendment is agreed to and stays in the bill, there will be no inconsistency in the conference between either my amendment or those pages relating to State planning agencies.

I do not know what the House will do. Nobody knows what the conferees will do.

The conferees conceivably could leave my amendment in or out of the bill. They could conceivably leave the pages relating to State planning agencies in or out of the bill. In any event, there would be no difficulty with inconsistent language.

The second thing done in modifying my amendment was, on page 2, starting with the sentence on line 12 and running through the period at the end of line 23, to strike out that language. That language related to the use of the fair market value in determining a reasonable cost basis.

I discussed this matter at some length with the manager of the bill, and it was determined that they could not accept this language. In my judgment, deleting the language would not seriously interfere with the main purport of the bill anyhow.

The main purport of the bill is to allow at the option of the provider of the services, be it a hospital or a nursing home, the use of a per diem basis. Or, if the provider of services does not wish to use the per diem approach, then some other basis for reimbursement can be used, such as a per unit, per capita, or "other basis."

I point out that when we use the language "other basis" on page 2, line 5 of the pending amendment, our intention is that the Secretary be given flexibility in issuing regulations and establishing cost reimbursement methods; that he not arbitrarily stick to any particular one. In individual cases one method may work, and if it is working well, that would be continued.

There might be individual problems in a particular State which would indicate one of these approaches. Another State might develop regulations indicating a different approach. The idea behind the amendment is to give flexibility so that a proper cost reimbursement will be made.

Another thing we have done is to delete lines 3 and 4 on page 3 of the bill, and that was so that the present formula for reimbursing nursing homes will be left intact.

That present formula, which was developed in conference last year, is the "net equity" plus reimbursement for depreciation plus reimbursement for interest plus a 2-percent variable factor formula. That stays as it is.

Then, further, we have on page 3 of the bill provided for payment of the reasonable cost of in-patient hospitals, and, effective July 1, 1970, extended care facilities such as care in skilled nursing homes, intermediate care facilities, and home health care service, according to the flexible formulas itemized under section 1861(v)(1), which is what is covered by the first part of the amendment.

Here again, I want to make clear that when July 1, 1970, comes along, it is intended that there be flexibility for the States and the department to issue their regulations to provide for adequate cost reimbursement.

I believe that this flexible approach is going to be very helpful, not only to hospitals, but also to extended-care facilities. I think it will be helpful to them because there is no question that one of the most controversial problems of the medicare and medicaid programs today concerns the cost-reimbursement methods that have been worked out with respect to many hospitals and many extended-care facilities. It is very important that we do something about this.

If we do not do something about it, we will find that many of these facilities are not going to wish to qualify to serve medicare and medicaid patients.

I said the other day that we could well find literally hundreds of thousands of people who are entitled to service but will not receive service because these facilities will not wish to qualify since they will not be properly reimbursed.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MILLER. Mr. President, I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized for an additional 2 minutes.

Mr. MILLER. Mr. President, it is my understanding that by deleting the matter relating to the fair market value of the facility, lines 12 through 23 on page 2, we have removed an item which was estimated to cost from $200 million to $350 million.

I personally question those estimates, but for the interest of the Senators who are present, they should understand that that much of the cost estimate has been eliminated because of the modification of my amendment.

With respect to the first part of my amendment relating to the per diem and to the flexible approaches, I understand that the estimate has been that this would cost in the neighborhood of $200 million. However, I would point out that this would result in an additional cost factor of .07; and, according to the committee report, on page 117, there is an actuarial balance of 0.11. So that assuming the accuracy of these estimates—and I question that somewhat—there is no need to concern ourselves with the financing of this amendment.

I also point out that in the cost estimates no account was taken of the fact that action by the committee on one of my early amendments, which they considered during the markup of the bill, will save considerable money. That was the amendment to provide for a second level of care in extended-care facilities. I wish that the costing out of the savings to the Federal Government had been furnished us. I am certain they will be substantial.

I have discussed this matter with the able manager of the bill, and I am hopeful that, now that we have worked this matter out—we have spent a great deal of time with the staff, trying to work this into an acceptable amendment—he will see fit to approve it.

I yield to the Senator from Utah.

Mr. MOSS. Mr. President, I thank the Senator from Iowa, and I am happy to join with him in the amendment he offers.

I have pending at the desk amendment No. 443, which deals in part with the same subject. I have conferred with the Senator from Iowa, and I believe that with the modifications that have now been made in his amendment, the purpose I had in my amendment has largely been satisfied.

In particular, my amendment dealt with the reimbursement of the reasonable cost of services for nursing homes, and it so provided. I believe that the language presently used in the amendment of the Senator from Iowa on page 3 covers nursing homes as well as intermediate-care facilities and home health care services, and by referring back to the formula that is set forth on page 2 of his amendment, it does provide a flexible and reasonable method of determining what those costs are.

At the present time, under title 19, the States are charged with working out a reimbursement formula. This, as I understand it, would still permit the States to work out the formula, under the flexibility that he spoke of, for reimbursement to nursing homes for care of patients who are receiving State or Federal aid. I ask the Senator whether my understanding is correct.

Mr. MILLER. I appreciate the Senator's asking that question.

As a matter of legislative history, I believe we should make it clear, with respect to the flexibility, that we understand we have two situations at present. One situation involves States which have developed regulations which provide for adequate reimbursement. We do not have any problem with them. Other States have not yet so developed their regulations, and there is a great deal of concern on the part of the providers of services in those States.

I believe that the flexible approach as given here will enable the Secretary to make sure that in the case of those States which are not doing a job of providing for adequate reimbursement, they will have to do a job. But in the cases of those States which are already doing the job, there is no need for the Secretary to disturb them; and so long as they come within the concepts and the flexible approaches set forth here, we would intend that their methods be continued. The goal here is adequate and fair reimbursement, not overreaching and not underreaching—adequate and fair reimbursement.

In one State, for example, certain special problems may indicate one approach. In another State, certain special problems may indicate another approach. That is why we have these various formulas set forth in this amendment—to provide that flexibility.

Mr. MOSS. Does the Senator understand that a formula for reimbursement of reasonable cost worked out by the State might well include—in fact, it is expected that it would include—the cost of capital in providing for the services?

One of the matters under consideration for some time in the Subcommittee on Long-Time Care of the Special Committee on Aging is that most nursing homes are proprietary institutions. They require the use of capital in order to operate, and capital costs them money. Many States—some States, at least—have excluded any figure for the cost of capital. Yet, such an institution cannot stay in business unless it can pay for its capital. Therefore, that item should be a cost factor in figuring a reasonable reimbursement. Would the Senator's formula include that item?

Mr. MILLER. The flexibility in my amendment would cover that.

Let us consider an extended-care facility which might decide, at its option, to use a per diem basis. The per diem basis would probably originally be costed out to reflect an adequate return of capital, but I do not imagine that the per diem basis would be supported by detailed accounting schedules showing so much return of capital and so on.

They might use it in arriving at the per diem basis, but I do not believe they would be required to itemize it. I believe the provider of services would submit a per diem cost; and if it was a fair per diem cost, that would be it.

However, I invite the Senator's attention to the fact that we go on to say that, if the provider of services does not wish to use the per diem basis, the regulations shall provide for the determination of costs of services on a per unit, per capita, or "other basis." Now, that "other basis" certainly would include something reflecting an adequate return on capital, and very properly so.

As I have pointed out, by deleting lines 3 and 4 on page 3 of my amendment, we leave intact the present provisions for cost reimbursement, using the net equity plus depreciation reimbursement, plus interest reimbursement, plus 2-percent variable factor formula. Net equity does reflect a certain amount of capital. Personally, I do not believe that net equity is the fairest approach, although perhaps a net equity approach, with a depreciation reimbursement and an interest reimbursement, and a variable factor, will achieve approximately the same result as a return on a total fair market value of a facility without the other reimbursements.

I believe that the Senator has made a very important point—that is, if one of these other approaches is not used, when we talk about "other basis," such "other basis" could well include a fair return on capital.

Mr. MOSS. I thank the Senator.

I wonder whether the Senator would state whether, under the pending amendment, a State would be required to apply the principles of reimbursement issued for medicare.

Mr. MILLER. Let me answer the question this way: On page 3 of my amendment, in the case of outpatient hospitals and extended-care facilities, which include skilled nursing home and intermediate care facility services, and home health care services, there is incorporated by reference the flexible approaches contained in section 1861(v)1, which I have been discussing.

As I have said, if a State has developed an adequate, decent reimbursement formula, it might not fit under a per diem basis or a per unit basis or a per capita basis—it could be some other basis.

And I have pointed out that some other basis can be used. It would be expected, if this is providing for a reasonable return—not overreaching and not underreaching—that the Secretary would recognize this and let it be continued.

Mr. MOSS. The formula would have to be equal to or better than the standards laid down federally. Is that correct?

Mr. MILLER. I would say this. What is fair and decent is fair and decent. If it is underfair and decent it is wrong; if it is overfair and decent it is overreaching and it is wrong, too. We are shooting for fair and decent reimbursement.

If these various providers of services throughout the United States were uniformly receiving a fair and decent return, this amendment would not be offered. There is not a Senator here who does not know that there are providers of services in his State which are threatening to seek not to qualify or to come under medicare and medicaid because they feel they are not going to be reimbursed properly.

If not, they are going to have to go out of business, or say "No medicare business." I think that either case would be tragic.

Nothing in this proposal is intended to overreach. I mention the estimated cost as $200 million that might result from this particular amendment. I point out that it is covered by financing under the bill. However, where is that $200 million coming from now? If it takes $200 million to be fair and decent, reimbursement is coming out of the hides of the hospitals and the nursing homes, and that is wrong. We should face up to what is fair and decent and legislate accordingly. The flexible approach here would do that.

Mr. MOSS. I thank the Senator. I concur with his amendment.

Mr. President, in order to illustrate what I said about the amendment I proposed, and my belief that it is covered, I ask unanimous consent to have printed in the RECORD amendment No. 443, a summary I had prepared to use in connection with that amendment, and a statement prepared by me. I shall not offer my amendment. I support the amendment of the Senator from Iowa.

The PRESIDING OFFICER (Mr. MONDALE in the chair). Without objection, it is so ordered.

Amendment No. 443, the summary thereof, and the statement, ordered to be printed in the RECORD, are as follows:

AMENDMENT NO. 443

On page 350, between lines 2 and 3, insert the following:

"PAYMENT OF REASONABLE COST FOR NURSING HOME CARE PROVIDED UNDER PROGRAMS ESTABLISHED PURSUANT TO TITLE XIX OF THE SOCIAL SECURITY ACT

"SEC. 234d. (a) Section 1902(a) of the Social Security Act (as amended by the preceding sections of this Act) is further amended (1) by striking out 'and' at the end of paragraph (27), (2) by striking out the period at the end of paragraph (28) and inserting in lieu of such period a semicolon followed by the word 'and', and (3) by adding at the end of such section 1902(a) the following new paragraph:

" '(29) if care and services of the type specified in section 1905(a)(4) are included in the plan, provide methods and procedures for determining reimbursement and making payments to nursing homes for care of patients under the plan which the Secretary finds give reasonable assurance that payments for such care are equal to the reasonable costs of the services actually rendered such patients.'

"(b) The amendments made by subsection (a) shall be effective with respect to calendar quarters commencing after June 30, 1970."

AMENDMENT NO. 443 TO H.R. 12080

(By Mr. Moss)

The amendment would require States which include nursing home care in their Medicaid (Title XIX) programs to develop methods and procedures for determining the costs of nursing home care rendered welfare patients in their States, set forth these methods and procedures in their State plans, reimburse nursing homes *on the basis of reasonable costs* beginning with the first quarter of fiscal year 1971.

The amendment would make the basis of reimbursement to nursing homes under Title XIX consistent with that used in Title XVIII and with the basis now used for hospitals in Title XIX.

The amendment also would help to assure that States develop systematic methods of determining reimbursement, and the necessary administrative and fiscal controls over reimbursement, nursing homes receive a fair price for services rendered, payment methods do not tend to promote poor care as is now often the case, payments are not made for goods and services not actually delivered to patients.

The shortcomings of nursing home reimbursement systems now in use in most States, particularly with reference to laxity in controls, have been reported by the General Accounting Office. These reports also have expressed the view of the Comptroller General that payments should be related directly to the costs of rendering services.

Statement by Senator Moss

Mr. President, the bill we have before us, the Social Security Amendments of 1967, as reported by the Committee on Finance is a good and well thought out measure. It contains many important provisions which will contribute significantly to the health and well-being of our retired citizens as well as others whose difficult circumstances can be alleviated through programs under the Social Security Act. I am especially pleased that the Committee has adopted amendments to help assure the proper care of public assistance nursing home patients offered by myself and the distinguished senior Senator from Massachusetts (Mr. KENNEDY).

These amendments are the outgrowth of hearings and studies conducted by the Subcommittee on Long-Term Care, of which I am Chairman, of the Special Committee on Aging. These studies showed that deplorable conditions exist in some nursing homes. In many cases patients who are presumably getting skilled nursing home care under our medical assistance programs are actually receiving no more than custodial care. Our public assistance programs are maintaining many patients in homes that are unsafe and endanger their very lives. State licensing and inspection are not as effective as they should be in assuring safety and adequate care.

The senior Senator from Massachusetts, who is a member of my Subcommittee and who has been very active in this work, joined with me, as did a number of other Senators, in introducing a bill designed to correct many of these deficiencies. He also introduced his own bill which will go far toward upgrading and professionalizing the whole field of nursing home administration. It is these measures, reintroduced as amendments to HR 12080, which the Committee on Finance has adopted and included in the bill before us.

However, the Committee has omitted from the bill which it has reported one feature of my amendment which I consider to be highly important; sufficiently so that I now offer it as an amendment and ask that the Senate add it to this bill. That feature is the provision that nursing home serving Title XIX patients be paid the reasonable cost of services provided.

This is not a novel idea. Under Title XVIII, the Medicare program, both hospitals and nursing homes which serve as extended care facilities are reimbursed on the basis of reasonable costs. In Title XIX States are required to reimburse hospitals on the basis of reasonable cost, but *only* hospitals. The Department of Health, Education, and Welfare has recognized the validity of this approach to reimbursement of nursing homes. The supplement to the Handbook of Public Assistance Administration issued in June 1966, relating to the medical care programs under Title XIX, includes the statement that fee structures for institutions such as nursing homes should "focus on payment on a reasonable cost basis determined according to commonly used accounting methods on a per diem or relationship of costs to charges basis."

It is my understanding that reasonable cost reimbursement to nursing homes was considered when Title XIX was enacted in 1965 and rejected because of apprehension that it would add too much to the cost of the program. There is a widespread belief that nursing homes are almost universally underpaid and that to pay them properly would be inordinately expensive. Thus, we have in the law today a payment provision which discriminates between the two types of providers of service.

My amendment No. 294 which the Committee on Finance has largely adopted contained among its provisions a requirement that States also reimburse nursing homes on the basis of reasonable costs. When my amendment was before the Committee the Department of Health, Education, and Welfare again came forward with one of its spine chilling cost estimates. Mr. President, I certainly do not criticize the Committee for its concern over the cost factors in the various proposals it considered. It was the Committee's desire to report to the Senate a prudent and fiscally responsible bill. I believe they have done that and I commend them for their long hours of effort and for the results of their work.

I differ with the Committee, however, on the matter of omitting reasonable cost reimbursement to nursing homes on two grounds. First, I do not believe the Department's cost estimate and, second, I believe that payment on the basis of reasonable costs represents one of the best methods of *controlling* nursing home costs.

The amendment I am offering today would simply call upon States to develop methods and procedures for determining the reasonable cost of nursing home care, to set these methods and procedures forth in their State plans, and after June 30, 1970 to pay nursing homes the reasonable costs of caring for Title XIX patients. Not only does this provide a fair and equitable way of paying nursing homes, but it will provide methods of cost control now sorely lacking in our public assistance programs.

Mr. President, my Subcommittee has given major attention in its studies to the methods now used by the States to determine nursing home reimbursement because of the important relationship of these methods to quality of care. Let me describe our findings.

Ten States now pay for nursing home care on the basis of reasonable costs or reasonable charges. Most of the remaining States establish through negotiation or through legislative of administrative action a single rate of reimbursement for the care of public assistance nursing home patients. It seems to me that the single rate system is inherently incapable of producing good results despite the best intentions of its administrators. If an effort is made to relate the rate determination to cost of care, it is likely to be predicated upon a median level of care among the homes in the State, and for some the rate will be inadequate and for others it will be too high. Furthermore, incentives to poor care are built into this system since the home which cuts corners thereby increases its monetary rewards, while the home which gives full measure may just barely get by or may even lose money on publicly assisted patients.

Some States have attempted to refine their systems with some type of classification. Systems of classifying homes according to the level of care provided give a scale of rates which may roughly approximate the relative differences in costs involved in these levels of care, but at each level of the classification system we again have a single rate applied and the same disincentives to giving full measure are found among homes in each classification. Then we have the added problem of assuring that patients are placed in homes having the appropriate level of care, and of what to do with the resident of an intermediate care home, for example, who develops intensive care needs.

Some States classify patients according to the care they require and establish different rates for patients needing maximum care, intermediate care, and minimum care. Again we have not gotten away from the basic problem associated with a fixed rate and we have created a still worse problem. We have established a monetary inventive to keeping patients in a maximum care state. The home with an active program of rehabilitation and training in self-care may actually be working against its own financial interest. If a nursing home gets a bed bound patient back on his feet the reimbursement rate goes down.

In short, our present approaches to payment for care tend to discourage initiative and promote passivity in patient care, to penalize excellence, and to assure the continuance of marginal and even substandard homes by giving them a relative financial advantage.

Mr. President, I am convinced that we are paying more than we should for some nursing home care. By paying a fixed rate to all, or to all of a certain classification, we are paying some for levels of care or for services not actually delivered. On the other hand, I am equally sure we are paying some nursing homes inadequately. If we paid all the reasonable cost of services actually rendered, how would it balance out? How much impact would it actually have on the budgets of the States and the Federal government? The Department reported to the Committee on Finance that requiring States to pay on the basis of reasonable costs would increase the cost of the program by at least $200 million per year in Federal funds and a like amount in State funds. I regard that estimate with the greatest skepticism.

Public assistance payments are the economic backbone of the nursing home industry. Sixty percent of all patients in nursing homes are paid for by public assistance, and many homes have virtually all public assistance patients. We are currently paying a total of about $600 million per year for the care of these patients. Now the Department tells us that if we pay the actual cost of care we will be paying $400 million more. In other words, the Department is telling us that we are meeting only 60 percent of the cost involved in taking care of these patients. Mr. President, this seems incredible.

If it is true that we are falling this far short of meeting our obligations under laws we have enacted; if it is true that we are imposing on providers of service and imposing on private paying patients to absorb 40 percent of the burden of a public program; then I say it is a shame and we should put a stop to it forthwith. But I don't believe it is true. We have only to look about us at a thriving industry to see that it is not. No business would survive if it discounted the price of its product to 40 percent below cost for a majority of its customers. Yet nursing homes are surviving. The many homes which have 80 and 90 percent of their patients on welfare rates are not going out of business; indeed, they are expanding and building new facilities. I do not offer an alternative figure to the Department's estimate because the information necessary to derive such a figure has never been assembled by the Department or anyone else. But this estimate is outlandish.

Mr. President, the second and major point I would make about the effect of my amendment on costs is that, far from turning loose the flood gates of the treasury, this approach to nursing home reimbursement provides important and heretofore almost nonexistent methods of cost control. The Department's estimate takes no account of the savings to be made from a reimbursement system based on reasonable costs. While the conscientious nursing home administrator may be underpaid for his services, there is ample evidence that we are overpaying others in terms of value actually received and in some cases paying for goods and services not delivered at all.

The findings of my Subcommittee suggest that in some cases nursing home profits, for example, are extraordinary. At our hearing in Boston, a witness who had directed a study by the State legislature in Massachusetts told us ". . . we were satisfied that the nursing homes figured at least $1,000 a year profit per bed and that was on the basis of (welfare rates)"

This statement was disputed, of course, but its credibility is supported by reports from other States. A survey in another State reported an annual profit of over $1,000 per bed in a home where blind patients were sometimes served scrapings from the plates of others. From another State we heard from an authoritative source of a 28 bed home which realized a profit of $32,000 and another of similar size which realized $44,000. In still another State in another region of the country, a local investigator was shown plans for a new home and was told by the owner that he expected to recover the entire construction cost in three years.

Mr. President, all of these homes have welfare patients. Our public assistance programs are paying a considerable part of these outrageous and unwarranted profits. Of course, a nursing home owner expects to realize a return on his investment. This is entirely proper, but we cannot continue to countenance these kinds of profits squeezed out of public funds at the expense of helpless patients.

Nursing home financing provides in some cases another rat hole into which we are pouring public money. My Subcommittee learned of a case in which a nursing home owner borrowed $1,300,000. That is, he executed a note for that amount but actually received $700,000. Thus it cost him $600,000 to obtain his capital and public assistance funds paid a large share. The same situation was found in the case of smaller loans for operating capital. In the State of Maine a nursing home owner borrowed $8,000, she thought, and later discovered she had signed a note for $15,000. In another case we were told by a former nursing home owner that his interest costs *alone* had amounted to one dollar per patient day; and he, as well as others, told us it was not unusual for nursing homes to pay interest rates aggregating 40 percent per annum.

Mr. President, public funds are paying these exorbitant financing costs while the care we are supposed to be reimbursing must be curtailed in order for the owner to meet his payments.

Are we paying for goods and services not delivered? We almost surely are. The Welfare Federation of Cleveland testifying before the Committee on Ways and Means on the results of its study of nursing homes reported:

"One nursing home administrator has claimed that his particular home, as well as others, normally obtains household supplies under the guise of drugs for patients, paid for as drugs by old age assistance."

Mr. President, I should like to point out at this time that the statement of the Cleveland Welfare Federation before the Committee on Ways and Means is reprinted in volume two of the hearings of the Finance Committee, which is on each of our desks, at page 973. I think Senators will find this statement, as well as the further testimony of the Federation before our Committee on Finance beginning at page 964, worthwhile reading in connection with the amendment I am offering.

Do the improper payments reported here represent an isolated situation? We believe not. A survey was made of all the nursing homes in another large metropolitan area by a well-known and reputable hospital consultant. My Subcommittee staff has had access to his report which shows that in many cases drugs and medicines for which homes had been reimbursed were being recorded as operating expense. Here are some of his other findings:

> More than half of the homes were padding billings to welfare agencies.
>
> Several carried fictitious persons on their payrolls.
>
> Inflating of food cost several times over by the device of the owner buying food wholesale and reselling to his own home was common.
>
> Some owners had set up dummy real estate corporations to own the facilities and charge high rents to the nursing home corporations.

Mr. President, public assistance funds, both State and Federal, are pouring through these cracks in the system. Total public assistance expenditures for nursing home care exceed $600 million annually. How much of these funds is lost through unwarranted payments or even fraudulent payments? How much could be saved by a system of reimbursement based on the reasonable costs of services actually rendered; a system under which claims for payment are supported by appropriate records and accounting information which can be verified and audited? I do not know the answers to these questions and neither does the Department of Health, Education, and Welfare, but I suspect the amounts are substantial.

The General Accounting Office reporting in August 1966 on its study of the provision of nursing home care and prescribed drugs in California noted the possible existence of abuses in several areas and emphasized the inadequacy of the controls exercised both by the State and at the Federal level. At my request the General Accounting Office conducted a study in Ohio also. One of the areas of inquiry was to determine whether payments were being made for services or goods not actually needed by recipients or not actually provided to them. The GAO concluded in its report: "because of inadequacies in pertinent policies, procedures and controls, practices . . . of the types described . . . could exist without detection by appropriate authorities . . ."

In the same report GAO also made the following observation which I think is pertinent:

"The amounts allowed by the State do not vary on the basis of the actual costs incurred by individual nursing homes in providing the required care.

"It appears to us that allowing a nursing home a fixed amount of compensation which does not consider the actual costs of the nursing home may generate economic pressure on the nursing home to reduce costs at the sacrifice of the quality or level of care provided or to avoid incurring increased costs necessary to improve the level or quality of care."

A report just issued by the General Accounting Office on its study of reimbursement methods in Massachusetts details in a most convincing way the shortcomings of reimbursement methods which are not related directly to the costs of services provided. The GAO was critical of the Department for not having exerted leadership in encouraging the States to develop sound reimbursement methods, although the Department's authority to do so is not explicit in the present law, and recommended that the Department—

(1) Expedite the formulation and issuance of appropriate criteria and requirements to guide the States in establishing payment rates for nursing home care under public assistance programs;

(2) Require that State plans include a description of the methods and procedures to be used in establishing payment rates; and

(3) Institute effective policies and procedures for the review and evaluation of methods and procedures actually being used by the States in determining payment rates.

Mr. President, under the terms of my amendment these recommendations would be carried out by July 1, 1970, and I concur with the Comptroller General's view that they would help ensure that Federal financial participation in the costs of nursing home care is as effective and economical as possible. But one more element is needed, and that is the establishment of the principle that reimbursement must be related to the reasonable costs of services actually provided.

Mr. President, I wish to make absolutely clear that in citing these abuses I am not attacking nursing homes in general. I will not recite the usual caveat that these conditions are true only of a small minority because it is my impression that they are far more prevalent than this kind of statement implies. But it is clear to me that the present leadership of the industry reflects a solid constituency of reputable businessmen who deplore this exploitation of people and of the public purse as much as anyone.

During the preparation and consideration of this legislation the American Nursing Home Association has played a constructive role. ANHA president Ed Walker of Oklahoma, regional vice presidents Harold Smith of Louisiana and David Mosher of Florida, and others in the leadership of the Association made a number of worthwhile contributions to the development of the legislation and supported it before the Finance Committee. The ANHA also supports the requirement that States pay for care on the basis of reasonable costs. They support this method of reimbursement both because it is fair to the reputable nursing home which gives its patients full measure and because it will help put an end to subsidizing the inept and the unscrupulous out of public funds.

Mr. MILLER. Mr. President, I thank the distinguished Senator from Utah very much. There is no Senator who has worked more industriously to handle these problems I have been discussing than my colleague from Utah. We are joining hand in hand to get a decent and fair job done. I appreciate very much the support he has given.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. MILLER. I shall yield to the Senator but first I wish to inquire of the Chair how much time I have remaining.

The PRESIDING OFFICER. The Senator has 5 minutes remaining.

Mr. MILLER. I thank the Chair. I yield to the Senator from Nebraska.

Mr. CURTIS. If the amendment of the Senator were agreed to and if it became law, what factors could be taken into account in determining the hospital costs that cannot be taken into account now?

Mr. MILLER. Actually, Mr. President, I think that the answer is none. I think the Secretary of the Department of Health, Education, and Welfare has the power to take them all into account. The fact is that he has not done so.

Mr. CURTIS. I shall rephrase my question. What additional factors would he have to take into account that he is not taking into account now?

Mr. MILLER. He would have to provide or permit hospitals to use a per diem cost for medicare and medicare patients, if they wish to do so.

I invite the Senator's attention to line 8 on page 2 where we provide:

> With a view to not encouraging inefficiency, in determining a per diem basis for cost of services, there shall be taken into account the per diem costs prevailing in a community for comparable quality and levels of service.

If this amendment is agreed to this would be the first time that Congress has put into the law what everybody knows should be in it; namely, some protective feature to prevent administrative inefficiency from paying off.

Mr. CURTIS. Is per diem cost a defined cost?

Mr. MILLER. The per diem cost approach has been used for years, I am told, by Blue Cross and Blue Shield.

Mr. CURTIS. What is the difference between per diem cost and per diem charge?

Mr. MILLER. My offhand reaction would be that there would be no difference. There should be no difference. Colloquially speaking, there may be some difference in per diem cost and per diem charge, but I would say that it would be a distinction without a difference.

Mr. CURTIS. There is a vast difference between reasonable cost and reasonable charge. An inefficient institution might have a reasonable cost that would be a most unreasonable charge.

Mr. MILLER. For the purpose of making clear what we mean by this, if it has unreasonable administrative costs, it is not going to get away with it because it will not be able to meet the per diem basis prevailing in a community for comparable quality and level of services.

Mr. CURTIS. The Senator understands I look kindly toward an amendment that would better enable full reimbursement for the actual costs that these hospitals are out.

Would the Senator's amendment, as rewritten, grant any relief from the standpoint of depreciation allowance?

Mr. MILLER. I would say that insofar as a hospital is concerned, if the hospital uses a per diem approach and it is not out of line with the per diem prevailing in a community, it is going to be well covered on any depreciation that would be taken into account in computing its per diem cost or charge.

Mr. CURTIS. Does the Senator have an estimate of cost of his revised amendment?

Mr. MILLER. Yes. As I read the estimate I received, it shows a cost of $200 million. I point out that that is a 0.07 percent additional cost. The committee report, at page 117, shows an actuarial balance of 0.11 percent, so that as I said earlier this is an amendment covered by the financing provisions of the bill.

I question very much the estimate of $200 million. The Senator knows how difficult it is to come out and disprove that, which is about as difficult as it would be to prove it. The committee report shows that it is covered on the actuarial balance.

Mr. CURTIS. Mr. President, if the Senator will yield further, the Senator from Nebraska does not want the hospitals to have to subsidize medicare patients. Neither do I want a part of the costs of care for medicare patients paid by other patients. I do not regard a just reimbursement to the hospitals as an enlargement of the program or the benefits. The Congress has already acted upon that. This bill provides for a certain number of days in the hospital. I think we have a duty and responsibility to pay the just charge for that.

It is the position of the Senator from Iowa that his amendment will bring this about.

Mr. MILLER. I thoroughly subscribe to the policy statement which the Senator from Nebraska has just made. My amendment was designed to achieve that policy. I deliberately put in this provision to prevent overreaching:

> With a view to not encouraging inefficiency, in determining a per diem basis for cost of services there shall be taken into account the per diem costs prevailing in the community for comparable quality and level of services.

Mr. CURTIS. What is a community? I am talking about the rural areas where there might be one hospital, but not another one within 50 miles.

Mr. MILLER. In a case like that, a reasonable interpretation would embrace a county. It might also embrace counties in the western part of the Senator's State. There is no intention that "community" be limited to a geographical area of a fixed size. For instance, Omaha, Nebr., would, I am sure, be considered a community. I can see, out in the Sandhills country, that it might be three or four counties. The idea is flexibility to permit reasonable reimbursement and to prevent overreaching. I think we can trust the department to be reasonable in what it is going to consider a community.

Mr. CURTIS. There is one more factor which I believe to be strongly in the policy of reimbursement. Not only should we not pay hospitals to subsidize medicare patients, I would say that no patients should have to pay the deficiency of a medicare patient. I certainly do not believe that money should be spent either on the part of the Government or on the part of the hospitals with detailed and costly recordkeeping and accounting.

The PRESIDING OFFICER. All time has now expired.

Mr. MILLER. Mr. President, I yield myself 3 minutes under the bill.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 3 additional minutes.

Mr. MILLER. Let me just say that the Senator echoes my sentiments entirely.

During the brief explanation I gave of my amendment on last Friday, I voiced the very same sentiments. I am sure that hospital administrators have contacted him, and my guess is they have contacted many other of our colleagues, telling us of the great difficulties they have encountered in cost accounting and bookkeeping in order to try to comply with the regulations. If they are able to switch to a reasonable per diem basis, a great amount of the accounting and bookkeeping cost will be avoided.

Mr. CURTIS. Would the Senator go so far as to say that the intent in writing a reasonable per diem cost would include applying a yardstick to similar or comparable communities, even though they were not contiguous?

Let me illustrate what I mean. Suppose a hospital bill is rendered at a certain level, would it be the Senator's intention that in determining the reasonableness of that bill, they could look at another community even though it be a bit removed, if its size and kind of operation were similar?

Mr. MILLER. I have already answered that question, I think, when I pointed out the flexibility of what constitutes a community. Suppose we have a county in the western part of the Senator's State which may have practically no providers of services.

We might say, "Well now, let us go to the next county and see what they have there and we will take that adjacent community." That would be one way of doing it. My thought would be that the Department would say those two countries constitute a "community," and possibly there is not enough in those two counties constituting a community to give much of a guidance; therefore, they might have to go to three or four counties to determine what is a "community" for purposes of enabling them adequately to determine the prevailing rate.

The concept behind this is that the administrative agency has very good flexibility in determining what is a community. I can see where a community in western Nebraska might be a much larger geographical area than a community in, say, New Jersey. There is no intention that the word "community" be restricted to a limited geographical area, but that it be consistent with the idea of enabling the administrative agency to determine what is the per diem cost prevailing in an area. I could just as well have said "area" as "community." I think, either way, the same result would be achieved.

I hope that answers the questions of the distinguished Senator from Nebraska.

Mr. CURTIS. My point is that nearness should not be the test, but a similar situation.

The PRESIDING OFFICER. The time of the Senator from Iowa has expired.

Mr. MILLER. Mr. President, I yield myself an additional 2 minutes under the bill.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 2 additional minutes.

Mr. JORDAN of Idaho. Mr. President, will the Senator from Iowa yield.

Mr. MILLER. I yield.

Mr. JORDAN of Idaho. I want to commend the distinguished Senator from Iowa for his instructive program and explanation of this matter. The Senator is offering to provide flexibility in the administration of this problem. It will certainly give some major equity to our hospitals and nursing homes.

The Senator's amendment is a constructive amendment and I shall support it.

Mr. MILLER. I thank my colleague very much.

Mr. President, one additional comment. In my colloquy with the Senator from Nebraska, we were talking about the prevailing rate. There is no intention by my amendment that the prevailing rate in a community for a comparable quality and level of services be the rate to which some hospital or extended care facility could increase an otherwise reasonable cost; rather, it would provide a guidepost to prevent excessive charges.

Mr. President, my time has now expired on both my amendment and the bill and I would appreciate it very much if my good friend from Louisiana could accept the amendment.

Mr. LONG of Louisiana. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

Mr. LONG of Louisiana. Mr. President, this is a subject we discussed last week. I believe the RECORD will reflect my views on the matter.

The Senator has offered some suggestions which the committee did incorporate into the bill, as did the Senator from Utah [Mr. MOSS]. The proposal has merit to it. It also entails a very considerable amount of cost. I think the Senator has modified the amendment, thus greatly reducing the cost of the proposal. It is something that hospital administrators and those handling the administration of nursing homes have requested.

As the amendment has been modified, I believe it is entirely new language which will go to conference between Senate and House. It is an amendment which has a great deal of support among hospital administrators and those managing nursing homes. It has merit to it. I would be willing to vote for the amendment and take it to conference to see what the House would be willing to agree to, in regard to the subject. The Senator has been cooperative in trying to hold down the cost. It is deserving of consideration by the Senate. Personally, I expect to vote for it.

Mr. CHURCH. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. CHURCH. Let me express my appreciation to the distinguished Senator for accepting the amendment. A number of small hospitals in my State, particularly in the mountain areas, have called to my attention the difficulties they have encountered in the bookkeeping and accounting procedures now required.

I think that the needs of these small institutions will be accommodated by the amendment, and I intend to vote for it.

Mr. HARRIS. Mr. President, will the Senator from Louisiana yield?

Mr. LONG of Louisiana. I yield.

Mr. HARRIS. Mr. President, as the distinguished Senator from Louisiana, the chairman of the Finance Committee, knows, this was a matter of great concern to me in committee.

I am glad to know that he feels he can take this amendment to conference and perhaps work out what we did say in the report is a matter of great concern to the committee. Thus, I appreciate what he is doing here. I want to join in support of what he has just said.

Mr. LONG of Louisiana. As the Senator knows, in the committee we went beyond what the House was able to do in providing more liberal treatment with regard to hospitals and nursing homes. But there is no doubt that even with this amendment we will not do what the hospitals and nursing homes feel should be done. At least, we will be taking a step in that direction. Then we will proceed next year to study what additional problems may remain.

With that understanding, I would be willing to take this amendment and vote for it.

Mr. MILLER. Mr. President, I certainly appreciate the Senator's statement. He has been most fair in this kind of problem. Last year he did his best with respect to extended facilities care. This year he has certainly shown the same disposition.

Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. MILLER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Senator from Iowa has no time remaining on his amendment. It would take unanimous consent for him to suggest the absence of a quorum before the Senator from Louisiana has used his time, unless the Senator from Louisiana yields back his time, or yields time for that purpose.

Does the Senator from Louisiana yield for the purpose of a quorum call?

Mr. LONG of Louisiana. If the Senator from Iowa wants me to do it, I will yield time for that purpose.

I wonder if the Senator would agree to have a voice vote, because I detect no opposition to the amendment.

Mr. MILLER. A number of my colleagues wanted to be on record in support of the amendment.

Mr. President, I will acquiesce in the leader's request, and let the RECORD show that there has been no objection to the amendment.

Mr. LONG of Louisiana. Mr. President, I would be happy to see that the Senator had a rollcall vote in the event there was any doubt about the outcome, but he is going to prevail almost unanimously. In the interest of expediting the business of the Senate, I think it would be well to have a voice vote. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has expired or has been yielded back. The question is on agreeing to the amendment of the Senator from Iowa.

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I wish the RECORD to note that the vote was a unanimous vote for the amendment.

The PRESIDING OFFICER. The RECORD will so note, without any equivocation.

The bill is open to further amendment.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

If there are no further amendments, we will have to try to go to a third reading. We are trying to get through by Wednesday, so Senators can go home for Thanksgiving.

The PRESIDING OFFICER. Will the Senator state out of whose time the quorum call will come?

Mr. MANSFIELD. On the bill.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment of the Senator from West Virginia will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with, and that it be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 274, line 2, strike out "435" and all that follows in such line and insert in lieu of the matter stricken "435."

On page 274, between lines 2 and 3, insert the following:

"AGREEMENTS WITH OTHER AGENCIES PROVIDING ASSISTANCE TO FAMILIES OF UNEMPLOYED PARENTS

"SEC. 444. (a) The Secretary is authorized to enter into an agreement (in accordance with the succeeding provisions of this section) with any qualified State agency (as described in subsection (b)) under which the program established by the preceding sections of this part C will (except as otherwise provided in this section) be applicable to individuals referred by such State agency in the same manner, to the same extent, and under the same conditions as such program is applicable with respect to individuals referred to the Secretary by a State agency administering or supervising the administration of a State plan approved by the Secretary of Health, Education, and Welfare under part A of this title.

"(b) A qualified State agency referred to in subsection (a) is a State agency which is charged with the administration of a program—

"(1) the purpose of which is to provide aid or assistance to the families of unemployed parents,

"(2) which is not established pursuant to part A of title IV of the Social Security Act,

"(3) which is financed entirely from funds appropriated by the Congress, and

"(4) none of the financing of which is made available under any program established pursuant to title V of the Economic Opportunity Act.

"(c)(1) Any agreement under this section with a qualified State agency shall provide that such agency will, with respect to all individuals receiving aid or assistance under the program of aid or assistance to families of unemployed parents administered by such agency, comply with the requirements imposed by section 402(a)(15) and section 402(a)(19)(F) in the same manner and to the same extent as if (A) such qualified agency were the agency in such State administering or supervising the administration of a State plan approved under part A of this title, and (B) individuals receiving aid or assistance under the program administered by such qualified agency were recipients of aid under a State plan which is so approved.

"(2) Any agreement entered into under this section shall remain in effect for such period as may be specified in the agreement by the Secretary and the qualified State agency, except that, whenever the Secretary determines, after reasonable notice and opportunity for hearing to the qualified State agency, that such agency has failed substantially to comply with its obligations under such agreement, the Secretary may suspend operation of the agreement until such time as he is satisfied that the State agency will no longer fail substantially to comply with its obligations under such agreement.

"(3) Any such agreement shall further provide that the agreement will be inoperative for any calendar quarter if, for the preceding calendar quarter, the maximum amount of benefits payable under the program of aid or assistance to families of unemployed parents administered by the qualified State agency which is a party to such agreement is lower than the maximium amount of benefits payable under such program for the quarter which ended September 30, 1967.

"(d) The Secretary shall, at the request of any qualified State agency referred to in subsection (a) of this section and upon receipt from it of a list of the names of individuals re-referred to the Secretary, furnish to such agency the names of each individual on such list participating in a special work project under section 433(a)(3) whom the Secretary determines should continue to participate in such project. The Secretary shall not comply with any such request with respect to an individual on such list unless such individual has been referred to the Secretary by such agency under such section 402(a)(15) for a period of at least six months."

Mr. BYRD of West Virginia. Mr. President, I yield myself 5 minutes.

Mr. President, the District of Columbia Department of Public Welfare was given approval by the Department of Health, Education, and Welfare to conduct a demonstration project for work experience and training commencing in fiscal year 1966. This project, entitled the Work Training and Opportunity Center—WTOC—is financed totally from Federal funds under title V of the Economic Opportunity Act and expires in fiscal year 1968, being limited to a 3-year term. This program did not have as its primary goal the reduction of the ever-increasing aid to the families of dependent children—AFDC—category of public assistance. This program had no provision for taking care of the families of unemployed parents living with their children while they were awaiting training or who were temporarily unemployed but employable.

I proposed to the Senate, therefore, in my presentation of the District of Columbia appropriations bill for fiscal year 1966 that a "temporary assistance program for families of unemployed parents" be established to cover this need.

The Senate and Congress approved my plan and the temporary assistance program for families of unemployed parents was established under District funds.

This program usually referred to under its initials—TAFUP—provides for the needs of children when the parents or parent, or other recognized heads of households, are employable but unemployed and are actively seeking employment, or are waiting for acceptance in training under title V of the Economic Opportunity Act or other governmental job training program. Thus there is a close link with the Department of Public Welfare's Work Training and Opportunity Center program—title V. This program—TAFUP—did not overlap the center program in that financial assistance, social, and job placement services are provided for families not receiving public assistance and not reached immediately under the Department's Work Training and Opportunity Center program. Under this temporary assistance program, social workers and job development and placement specialists worked intensively with families and parents to provide positive rehabilitative services.

The major conditions of the TAFUP program are—

First. Temporary assistance provided to a family does not exceed 6 months—26 weeks.

Second. Assistance is not available to families receiving unemployment compensation, public assistance payments, or families participating in the Department's Work Training and Opportunity Center program.

Third. The maximum assistance payment is $200 per month, based on the size of the family, and no family receives a higher payment than would be received by a comparable size family under the AFDC program. Resources and earnings are deducted as is done under current assistance programs.

Fourth. Assistance payments are made on a weekly basis, substantiated by a continuing certification of eligibility.

Fifth. Payments cease when full-time employment is secured or the head of the household is participating in the Department's Work Training and Opportunity Center program.

Sixth. Failure of the head of the household to participate in training offered or to accept bona fide employment makes the family ineligible for this program.

Since the District of Columbia Department of Public Welfare's WTOC program expires in fiscal year 1968, the Committee on Appropriations in the District of Columbia appropriations bill for fiscal year 1968 approved an expanded TAFUP program with emphasis on job finding and placement and included funds to contract for training. The Senate and House approved this plan. A new component of this comprehensive program is to be the temporary employment of recipients at prevailing wage rates. The Senate Committee on Finance, on page 153 of Report No. 744 on the Social Security Amendments of 1967—H.R. 12080, stated:

> Finally, it is the understanding of the committee that the administration is going to phase out the work experience and training program under title V of the Economic Opportunity Act. Such action appears highly desirable inasmuch as there is much duplication between that temporary program and the permanent work training program provided by this committee, and the Committee on Ways and Means, under the Social Security Act.

In the same Report No. 744, the Senate Committee on Finance approved the establishment of a work incentive program for individuals in families drawing AFDC to be administered by the Department of Labor upon referral by the State welfare agency—see pages 26, 27, 147 through 157.

The amendment I have offered provides that the temporary assistance for families of unemployed parents of the District of Columbia Department of Public Welfare will be included in the work incentive program approved by the Senate Committee on Finance. I offer this amendment because I believe in training and in welfare recipients returning to or becoming a part of the productive segment of America.

So, Mr. President, the amendment which I am introducing fills a small but important gap in the work incentive program which would be established under the bill. The work incentive program is, in my opinion, one of the most significant features of the bill before us. It has been very carefully worked out under the leadership and guidance of the distinguished chairman of the Finance Committee. I believe the program has high chances of succeeding in reducing Federal expenditures in the program over the years ahead. Under the work incentive program those adults on the AFDC rolls would be referred to the Labor Department and placed in the work incentive program. Under priority one of the program, the Labor Department would provide testing and counseling and attempt to place the person in a regular job in the regular economy. Under priority two in the program each person who could benefit from training or work experience would be furnished training for jobs available in the area. Under the third priority those who are found not suitable for further training or who cannot be placed in regular employment at the time would be placed in special work projects. Under these special work projects the Labor Department would use the assistance payments which would otherwise be paid to the people in the project to subsidize public service type work for a public agency or a nonprofit agency organized for a public purpose.

As I indicated, Mr. President, the emphasis on restoring people to work in the committee bill is to be lauded. Moreover, the committee has wisely established an earnings exemption in the program so that those who do work will have some benefit for their labor. Moreover, the committee recognized the importance of furnishing adequate day-care services to the AFDC mothers who will be referred to the program.

Mr. President, the work incentive program in the bill applies to the AFDC programs established under title IV of the Social Security Act and is financed in large part by Federal funds. The amendment which I have introduced would also include assistance programs which are financed through Federal appropriations but not through the Social Security Act.

For example, the District of Columbia has a program for temporary assistance to the families of unemployed parents which is not funded through the Social Security Act but which is, of course, financed by funds appropriated by the Congress. My amendment would assure that the recipients of this program will have the advantages which would flow from participation in all phases of the work incentive program. Moreover, my amendment would assure that this program, and the recipients under it, would be treated in exactly the same way as a regular AFDC program financed through the Social Security Act. My amendment would provide that the recipients under the programs covered by my amendment would have the advantage of the earnings exemption provisions under the committee bill. Under those provisions an AFDC recipient who takes a regular job would be able to keep the first $50 of his monthly earnings plus 50 percent of the remainder. Moreover, the provisions requiring the Labor Department, rather than the Welfare Department, to determine when an individual has good cause for not participating in a program would apply as would the provisions which would cut off aid to an individual who refused work or training without good cause but not to his children.

In addition, those recipients of the District of Columbia program which were found suitable would participate in the special work projects. The assistance money which would ordinarily have been paid to these individuals would be turned over to the Labor Department just as in the case of a regular AFDC recipient. When the assistance under the temporary of District of Columbia program would ordinarily be cut off, an individual in a special work project would be dropped from the project unless the Labor Department certified that it was appropriate for him to continue in the program and unless the District of Columbia Welfare Department waived the TAFUP time limitation cutting off the assistance in a particular case so affected by that limitation. In that event the District of Columbia program would continue to turn over the assistance payment to the Labor Department for use in subsidizing the project.

Mr. President, in summary, my amendment would allow the District of Columbia program to participate in the work program under exactly the same conditions as though it were a regular AFDC program, and it is designed to further the purposes of the work incentive programs in the committee bill.

Mr. President, it is my understanding that the chairman of the Finance Committee [Mr. Long], and Senators Curtis and Williams of Delaware, are in agreement with this amendment—I having previously discussed it with them—and will interpose no objection to it.

Mr. LONG of Louisiana. Mr. President, I yield myself 5 minutes.

In view of the fact that he carries the heavy burden of the appropriations for the District of Columbia, the Senator from West Virginia is always very diligent in analyzing each bill as to the effect it would have, if passed, on the District of Columbia.

The Senator has discussed this matter with members of the committee staff, and also with some of us on the committee. I am convinced that he has a meritorious amendment. We certainly would want the District of Columbia to participate fully in the work program that the bill provides, because we believe it is desirable to see that, insofar as possible, anyone who has a potential for work be encouraged to accept constructive employment, and we believe he would be better off because he did so.

The Senator, in suggesting that the program could be more effective in the District of Columbia, has made a worthwhile suggestion, and I propose to support his amendment.

If any Senator wishes to speak in opposition, I shall be happy to yield him time.

Mr. President, I yield back the remainder of my time.

Mr. BYRD of West Virginia. I yield back any time I may have remaining.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from West Virginia.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BROOKE. I send to the desk an amendment, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The Assistant Legislative Clerk. The Senator from Massachusetts [Mr. Brooke] proposes an amendment, as follows:

> On page 237, line 19, insert the words "or part-time" after the words "full-time".

Mr. BROOKE. Mr. President, that should be modified to read "or part-time student who is not a full-time employee."

The PRESIDING OFFICER. The amendment will be modified accordingly.

The amendment of Mr. Brooke, as modified, is as follows:

> On page 237, line 19, after the word "student" insert "or part-time student who is not a full-time employee".

Mr. BROOKE. Mr. President, I think we are all agreed that the goal of welfare assistance is to make as many Americans as possible independent of its benefits.

Welfare, as it was originally conceived, was designed to help those who, for one reason or another, could not help themselves. The first recipients of welfare were those for whom the community accepted a legitimate responsibility: the aged, the disabled, the unemployed, and the children of the unemployed.

But in the course of the last decade, we have seen the welfare roles increase at an alarming rate. The number of families receiving aid to families with dependent children has doubled in 10 years. The number of children receiving AFDC now stands at close to 5 million. The unemployment rate, while only 4.3 percent on a national average, reaches 30 percent, 40 percent, even 50 percent in many of our urban slums. Our city schools, which should serve as the key to progress, have all too often stood as barriers to achievement and initiative.

Welfare, in and of itself, is not desirable, as those who are its recipients are generally the first to acknowledge. For those who can work or who could work, given the proper training and opportunities, there is something about relief which cripples the spirit and violates the recipient's sense of honor and self-respect. Relief has not "work," if by "working" we mean offering some promise for permanent, constructive solutions. It has relieved the desperate pressures, but it has accomplished little toward helping those who receive it to escape from their unfortunate condition.

Those Members of Congress who have worked most intimately with the legislation now before us are well aware of these limitations of our welfare system. The emphasis of the present bill upon job training, earnings incentives, day-care and medical-care facilities, and similar self-help programs, shows an enlightened and essential awareness that welfare must cease to be a dead end. It must become an avenue to a better life.

In keeping with this goal, I am convinced that there is one area in the present legislation where one more step in the right direction would reap returns far in excess of any potential costs. This is in the area of earnings exemptions under the present program of aid to families with dependent children.

Both the House and Senate versions of the bill contain the provision that all earnings of children under 16, and all earnings of children between the ages of 16 and 21 who are full-time students, can be excluded in determining a family's need for assistance. This is a good provision, as far as it goes. But it does not go far enough. Full earnings exemptions should be allowed for part-time students as well.

We are not dealing with an ordinary question of incentives when we talk about the children of the slums. We are talking about children who have been deprived from birth of the necessary exposure to vocabulary and sentence structure, who have never been encouraged to hold a respect for learning, who have had little incentive to exercise their imagination and ambition. We are talking about children who attend school for years in rundown, overcrowded buildings, who use textbooks and materials which do not deal with the world as they know it, and therefore seem irrelevant. We are dealing with children who may never have a place to study, or even to read or to think. These children see, in the defeat of their parents and neighbors, little incentive to try to improve their own lives. Thirty-one percent of the children who complete ninth grade in the schools of our major cities fail to receive their high school diplomas. And the dropout rate for the slum areas of these cities is of course even higher than the citywide average.

Those city students who do finish high school find themselves at an immediate disadvantage when they apply for jobs or attempt to further their education. The instruction which they have received has not prepared them to compete with the graduates of advanced suburban schools. Even those who have kept up all through high school may still find that they lack certain basic skills. Youngsters with a high school diploma all too often find themselves washing dishes or driving cabs or working at the variety of part-time jobs which the large urban centers offer.

Many of these youngsters might want to take job training or further their education. But the odds are against them. Vocational and technical schools, and even secretarial schools, are rarely located in the slums. Going to school may mean giving up an opportunity for a part-time job. It may mean hours of travel in addition to hours of classwork. It will certainly mean expenses: tuition, books, transportation, and clothes, often amounting to several hundred dollars a year. And it will inevitably mean being placed in competition with children from more advantaged backgrounds.

Given all of the environmental handicaps, it is a rare young man or woman who will venture forth from the slums for further education. I seriously doubt if many of our most disadvantaged young people will be tempted by a full earnings exemption for full-time students. They cannot afford to be full-time students. In some cases their families are dependent upon the extra wages they can bring in, and will not let them be full-time students. And in all too many cases they could not keep up academically with a full-time educational program.

But a full earnings exemption for part-time students might very well be the program for which we are searching. Many youngsters who would not go back to school full time might be encouraged to enroll for one or two courses in a vocational school or community college if they could be assured that this would not adversely affect the family's income. Students whose jobs might not enable them to attend school full time might find that they could afford the time and expense of a part-time education. The education which they thus received might easily be sufficient to enable them to find a steady job, to improve their earning power, and to at last begin the long trek out of the slums.

I believe this program is worth trying. I urge that my amendment, to provide a full earnings exemption for part-time as well as full-time students, be adopted.

Mr. HARRIS. Mr. President, will the Senator yield?

Mr. BROOKE. I yield to the distinguished Senator from Oklahoma.

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. BROOKE. I yield the Senator 2 minutes.

Mr. HARRIS. Mr. President, I commend the distinguished Senator from Massachusetts for presenting what appears to me to be a needed perfection of the committee language and intent.

I ask unanimous consent that I may be listed as a cosponsor of the amendment.

Mr. BROOKE. Mr. President, I am happy to accept the distinguished junior Senator from Oklahoma as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 5 minutes.

Mr. LONG of Louisiana. Mr. President, as the bill passed the House, it provided that earnings of a student during the time he was in school would not be counted. If a young person attended school for 9 months and was out of school during the summer recess, his earnings during the 3-month period he was not attending school would be counted against the eligibility of the family to receive public welfare assistance.

The Senate Committee on Finance felt that if a young man or young woman were a full-time student, 9 months out of the year, that his earnings should not be counted for eligibility to receive aid to dependent children merely because the child was working during the summer recess. Therefore, we liberalized the House position to exclude from consideration such earnings if the person involved were a full-time student.

The Senator very properly raises this question about a person going to school who is unable to attend school full time, but who does attend school part time.

We would not want to let someone abuse the aid-for-dependent-children program by means of being a full-time employee and holding a job, which would probably disqualify the family from receiving public welfare assistance.

We do believe the Senator's position has merit insofar as it has to do with a person who is a part-time employee and, by virtue of that, is, of course, able to attend school on a part-time basis. For that reason, I have no objection to the amendment as modified. I will be glad to take it to conference.

I believe that it would add to the area of compromise that would exist between the House and the Senate on this issue. During the time that intervenes between now and the time the conference is concluded, we could have the advice of the Department of Health, Education, and Welfare and those who studied the problem to see what abuse they might see that we should deal with, if we felt it necessary to do so.

I believe the amendment deserves consideration, and I will be glad to take it to conference.

Mr. BROOKE. Mr. President, I thank the Senator from Louisiana.

Mr. President, I ask unanimous consent that the names of the senior Senator from New York [Mr. JAVITS] and the junior Senator from Tennessee [Mr. BAKER] be added as cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, if there is no further request for time, I yield back the remainder of my time.

Mr. BROOKE. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Massachusetts.

The amendment was agreed to.

AMENDMENT NO. 456

Mr. LONG of Louisiana. Mr. President, I yield myself 2 minutes on the bill.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. LONG of Louisiana. Mr. President, I submit an amendment and ask that it be printed and lie on the table.

The amendment has to do with the manner in which the Government would pay for drugs under the medicaid and public assistance programs.

The PRESIDING OFFICER. The amendment will be received and printed and will lie on the table.

Mr. LONG of Louisiana. Mr. President, there is at least one other major amendment that will be offered to the bill by the Senator from Delaware [Mr. WILLIAMS]. I do not believe he cares to have a vote on the amendment at the present time. I believe he prefers to offer the amendment tomorrow. I have not had occasion to see the amendment. However, I have some idea of what he plans to offer.

Mr. WILLIAMS of Delaware. Mr. President, I was planning to offer my amendment tonight so that it would be the pending business on tomorrow or, in the event I was not here when we adjourned, I thought we could have an understanding that my amendment would be offered at that time.

There may be two other amendments that I know of, but I hope they can be disposed of tomorrow.

Mr. LONG of Louisiana. Mr. President, I hope that all Senators will be ready to offer their amendments and have votes on them.

The amendment I am submitting is a major amendment, and the same thing would be true with respect to the amendment of the Senator from Delaware.

I believe it would be well to have these amendments printed so that Senators can look at them.

I am willing to proceed now with my drug amendment, if the Senator cares to do business that way. He probably prefers that his amendment be printed and considered tomorrow morning.

Mr. WILLIAMS of Delaware. The Senator is correct. There is no reason why we cannot dispose of the amendments one after another.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. MANSFIELD. Mr. President, there are many more amendments than seems to be the case at the moment.

The Senator from Oklahoma [Mr. HARRIS] will offer an amendment first. Then the Senator from Iowa [Mr. MILLER] has another amendment.

I understand from the desk that the Senator from Colorado [Mr. ALLOTT] has two amendments.

My colleague, the junior Senator from Montana [Mr. METCALF], has another amendment.

The junior Senator from New York [Mr. KENNEDY] has seven amendments.

I hope that we will not take things for granted too soon and that, instead of having all these amendments printed tonight, as the Senator from Iowa suggested, he might offer his amendment so that it may be disposed of and we may get out for Thanksgiving.

Mr. LONG of Louisiana. Mr. President, in line with what the distinguished majority leader has said, if Senators have amendments, I want them to keep in mind that if they are not submitted until Wednesday, there will then be a time limitation of one-half hour on each side, and the time will be very short on Wednesday.

If we think an amendment is meritorious, we will be glad to accept it. If we do not think an amendment is meritorious, we will oppose it.

Mr. WILLIAMS of Delaware. Mr. President, if we keep the amendments rolling this afternoon, I see no reason why we cannot dispose of the amendments this afternoon. I have another amendment which I would like to call up, at least one, which can be disposed of without printing. But I think there are several other amendments.

Mr. MANSFIELD. I understand that the Senator from New Jersey [Mr. WILLIAMS] has two amendments. I hope he will present them so that the Senate can keep moving.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRIS. Mr. President, I offer the amendment which I now send to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> On page 25 between lines 10 and 11 it is proposed to insert the following: "effective July 1, 1969, provide for assistance to children in need because of the unemployment of their father as provided in section 407."

Mr. HARRIS. Mr. President, the amendment would amend the present law in regard to aid to families with dependent children so as to make mandatory what is now permissive for the States in regard to aid to children of unemployed fathers.

Present law provides for Federal matching funds if a State adopts such a program on a purely permissive basis. The amendment would make the adoption of such a program mandatory in each of the States.

The amendment provides an effective date of July 1, 1969, but I wish to make it clear that it is the intent of myself and the cosponsors of the amendment, who are listed in the amendment, that it should become effective as rapidly as possible, and that this legislative intent is to be governing upon both the Secretary of Health, Education, and Welfare and the States.

The only reason why the delayed effective date is necessary is to give States an opportunity to change their State plans without taking away from them in the meantime the Federal matching funds for aid to families with dependent children, particularly States in which the legislature does not meet every year. They, especially, will need the additional time in order to change their State plans so as to be in compliance with the amendment.

The amendment seeks to correct a present serious defect in the law. The effect of the present law, which in most States denies aid to dependent children whose fathers are unemployed, is to encourage further the breakdown of families, and illegitimacy.

As I have traveled the United States recently, visiting in the slums and ghettos of many of America's cities, I have found that the welfare system, itself, in many States encourages the breakdown of families, because it requires that a father in a family, otherwise entitled to aid to families with dependent children, but who is unemployed, leave his children and his home so that they may be able to receive assistance. I believe that is a terribly detrimental effect of the welfare system which must be corrected immediately.

There is even more reason why the amendment should be adopted now, in light of the work-training provisions in the bill reported by the committee.

I might say, Mr. President, that I offered the same amendment in the Committee on Finance, and it was rejected by voice vote.

In the bill, we presently provide incentives in connection with new work-training programs for those receiving aid to families with dependent children. Since an unemployed father, under the mandatory program provided in the amendment, would immediately become eligible for those work-training programs—as a matter of fact, under other provisions of this bill, he would be required to go into one of those work-training programs within 30 days after he begins to receive assistance—there is no reason now why we should not make this program for unemployed fathers mandatory, uniformly throughout the States.

The Department of Health, Education, and Welfare today estimates that the cost of this program to the Federal Government would be $60 million, and to the States the cost would be between $30 million and $35 million. However, my own judgment is that those figures are probably high, by reason of the work-training provisions which are otherwise in this bill and for which such an unemployed father would immediately become eligible.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARRIS. I yield myself 2 additional minutes.

Mr. President, in addition to the terrible effects of the present welfare systems upon the family in most of the States—and I might say that only 22 States to date have adopted some kind of program for unemployed fathers under present permissive provisions of the law—there is another effect, the fact that the lack of uniformity in welfare laws among the various States is a contributing factor to the rural-to-urban migration of our population which has occurred so rapidly within recent years and which has exacerbated the problems of our cities.

In the decade between 1950 and 1960, 11 million Americans moved from rural areas and small towns to the cities, and that movement is still going on at the rate of 500,000 to 600,000 per year. Since 1950, 5,300,000 poor, largely Southern Negroes have moved from rural areas and small towns to the large cities, and this fact is a part of the present problems we face, of a very deep crisis nature, in most of the cities of America.

While the effect of the welfare system and the lack of uniformity among the various States, particularly with regard to unemployed fathers, may not be a major factor, it is nevertheless a contributing factor in the migration of population; and the adoption of this amendment would tend in the opposite direction.

Therefore, for those reasons—first, in order to help strengthen families rather than tear them down, as present welfare systems do in most States; second, to tend toward slowing down the rural-to-urban migration of population, and, third, to allow these men, under this mandatory system in each State, to thereby become eligible for the new work training provisions of this bill—I urge the adoption of this amendment.

The PRESIDING OFFICER. Who yields time?

Mr. LONG of Louisiana. Mr. President, I yield myself such time as I may require.

Mr. President, the Senator directs his amendment at a point in the law that does not appear logical with regard to a great many States.

In the case of a family with children, where the father is unemployed, the family is not eligible for welfare assistance if the father is less than 65 years of age and able bodied. If the father abandons his family, the mother could seek aid for the dependent children and obtain welfare assistance. It is argued that the welfare law tends to work out, in that regard, as an incentive to break up families and to break up homes.

In 1962 Congress passed a law that provided that families could be eligible for welfare assistance for aid to dependent children where there was an unemployed parent in the home, and 22 States have taken advantage of the law in the 5 years it has been on the statute books. That means that 28 States have not elected to take advantage of it.

Personally, Mr. President, I believe that the 22 States which took advantage of the law did the right thing. I believe that it is logical to support the Senator's argument in that regard, on the merits.

It is fair to ask whether we want to tell the 28 States—a majority of the States of the Union—which did not elect to take advantage of the law that as a condition of having a program of this type, they must do what the Senator from Oklahoma believes they would be wise to do, and what I agree would be a wise course for the States to follow, if they were so disposed.

This matter was considered in the committee. The committee was impressed by the fact that the cost estimate was $60 million, as the Senator has correctly stated. The vote was by a voice vote or by a show of hands, and the overwhelming majority of the committee did not believe that this proposal should be added to the bill.

It is fair to ask whether we want to require a majority of the States to do something they have a right to do and have elected not to do over a period of 5 years. Upon that basis, I would be reluctant to vote for the amendment.

Mr. President, perhaps some Senators feel more strongly about this matter than I do. If any Senator cares to express himself with regard to the matter I would be happy to yield to him at this time.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. CURTIS. What is the position of the Senator from Louisiana?

Mr. LONG of Louisiana. I would personally expect to support the view of the majority of the committee that inasmuch as 28 States have not elected to avail themselves of this right to make aid to dependent children available where there is an unemployed parent in the family, that then, in view of the cost, we should not require States to do it;

it would be voluntary with the States. They could do it in their programs. That was the view of the majority of the committee.

I have considerable sympathy for the position of the Senator from Oklahoma on the merits of his argument. I do think that there is a fair question whether we would want to make the majority of the States do something they had a right to do and which they have elected not to do.

Mr. CURTIS. Mr. President, if the distinguished chairman of the committee will yield further, it would be my opinion that we should reject the amendment, for this reason. The program is available. The Federal funds are there. The Federal Government has done its part. Now, with fewer than one-half of the States availing themselves I doubt that we should make it mandatory on all of the States. If we were dealing with a recalcitrant few and the predominant and sizable majority of the States supported this proposal, then we might consider compelling States to comply. However, to do it at this point certainly would be compelling the majority to do that which only the minority has elected to do.

I would support the position of the Committee on Finance.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. WILLIAMS of Delaware. Mr. President, another argument that was made in our committee to reject the amendment at that time was that 28 States which do not have similar programs would be automatically disqualified until their legislatures were back in session to get the matter worked out. If this proposal were going to be considered, it should be considered separately so that States could come in and present plans. If the Senate were to agree to the proposal, it should be with adequate time for States to bring themselves into compliance.

Mr. HARRIS. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. HARRIS. Mr. President, I ask unanimous consent that the names of the following Senators who assisted in the preparation and presentation of this amendment be added as cosponsors of the amendment: Senators Clark, Hart, Hartke, Kennedy of Massachusetts, Kennedy of New York, Pell, Javits, Mondale, Morse, Williams of New Jersey, and Yarborough.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARRIS. Mr. President, I yield 5 minutes to the Senator from New York.

Mr. KENNEDY of New York. Mr. President, I rise in support of the amendment of the Senator from Oklahoma.

I think that of all the amendments being considered, and I include the amendments I am recommending, there is not a more important measure than this amendment.

We are all concerned that over the period of the last few years there has been a breakdown of the family unit, the fact that the family unit has meant less and less, that there have been fewer family ties, and fewer ties to the father. The father means less today in the household than he did 20 years ago and this is particularly true insofar as the impoverished and the poor are concerned.

One of the basic problems of the poor has been our welfare program over the last 30 years. We have handed out welfare payments to those who are poor. We thought that would satisfy the problem and that was all we needed to do.

However, a basic part of the problem has been the breakup of the family unit. They were unable to receive the welfare payment unless the father left the house. There were no jobs for the father, so that to receive payments in order that the children might eat and the young members of the family might survive, the father had to leave the house. There was the question of the natural inclinations of the man and woman. Children continue to be born, and it has turned out that a high percentage of the children born in these areas of the United States are illegitimate.

First, the father was unable to get a job because we would not provide sufficient jobs for them in those areas of our urban cities. Second, we made it impossible for the wife and the children to receive money from the welfare program unless the father had left the house. This has been one of the basic reasons that this program has not been as effective and as successful in the past as it should have been.

I think the amendment of the Senator from Oklahoma goes to the heart of the problem by providing the strength of the family unit and by providing the family will be paid if the father stays with the family, and the children will receive money not only when the father leaves the house.

I do not agree with the argument that is sometimes made that we are going to pay only in the case of children who are hungry if they are illegitimate. In the present situation we make it a premium for the father to leave the house. Under our present system in the United States, in the case of the family that is poor, if the children are illegitimate and the father has left the house, the family will do much better. I think that the Senator from Oklahoma has recognized that. His amendment goes to the heart of this problem. It would make programs much more effective in the future and it would make the family unit mean something. The father would stand for something.

We can all be appalled at statistics which show that last year 50 percent of all children who were born in Harlem Hospital, which has a high rate of welfare patients, were illegitimate. In the Baltimore City Hospital, which also serves the poor primarily, 72 percent of the children born last year were illegitimate.

One of the basic reasons, and the argument that one hears over and over again, is that the father cannot find a job and the children cannot get help from the welfare department unless the father leaves the home. So the child goes out and protects the door to see whether the guard is going to come in so that his father can come home occasionally to see the wife, and then, there are more illegitimate children.

Mr. President, it seems to me that we should make the father responsible and receive the training which is outlined in the program. That is extremely important. Also we should make it possible for the father to stay in the house, to try to find a job, and for the children to receive aid and assistance during that period of time. This proposal goes to the heart of the problem.

In my judgment, one of the basic reasons we have had crime, lawlessness, and disorder in the United States has been the breakdown of the family unit. The only way to deal with that problem is to deal with the problem of welfare and the basic problem of permitting the father to stay in the house and look out for his children. If he is having difficulty receiving employment or training, the children should receive subsistence during that time.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

Mr. HARRIS. Mr. President, I yield 2 minutes to the Senator from New York.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. KENNEDY of New York. I yield.

Mr. CURTIS. I would like to ask the Senator from New York if the State of New York has this program.

Mr. KENNEDY of New York. It is one of the first States to do so. Approximately 28 States do not.

Mr. CURTIS. The Senator cited instances of births in hospitals in New York. The adoption of the amendment of the Senator from Oklahoma would have no bearing on this problem.

Mr. KENNEDY of New York. It would. It is not understood among the welfare recipients and potential recipients in the country. Mitchell Ginsberg, who is the commissioner of welfare in New York, has pointed out that only one-half of the people eligible for welfare in New York apply for it. There is a lack of understanding and a lack of comprehension. Thus, it is generally accepted that if the father lives in the house the family cannot receive welfare payments.

Mr. CURTIS. That is not true in New York.

Mr. KENNEDY of New York. It is not true, but there is a lack of understanding. If we agree to the amendment of the Senator from Oklahoma there will be understanding, not only in New York but across the country, to the effect that the family unit means something and that we expect the father to remain in the house and to support and take care of the children and give the family direction. Those things do not exist under our program at the present time.

The PRESIDING OFFICER. Who yields time?

Mr. HARRIS. Mr. President, I yield myself 3 additional minutes.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 3 additional minutes.

Mr. HARRIS. As the Senator from New York has just said, I think this is an extremely serious defect in the present welfare system. We affluent Americans cannot have it both ways. We cannot say that people are to be condemned for the breakdown of their families on the one hand and then, by our vote, continue a system in most of the States which encourages the breakdown of families.

I was in a midwestern city recently, walking through the slums and talking to the inhabitants there, and I came upon a group of young men between the ages of 18 and 25, about 15 in number, out of work, unemployed, but looking for jobs.

I talked to them personally. Their greatest cry was for jobs, and the ability to make a living for themselves and their families. Most of them were fathers. One young man was the father of five, another the father of three. They kept saying to me, "I need a job. Can't you help us get jobs?"

I talked to a young social worker there, as we walked away, and asked him, "How are the families of these young men living?" He told me that they did not live in that area of town, that they came from another area, but that they must stay away from their families and their homes in order for their families to eat, so that their families would not starve.

Mr. President, there is something desperately wrong with an American system which encourages fathers to leave their homes.

I beg of Senators, with this opportunity now at hand, to reform this terrible defect in our welfare laws.

Now is the time to do it.

I can understand the arguments used in the past against making this mandatory on the States, but those arguments no longer have the validity they had, if they ever had much validity—and I think they had very little. Because, having written into this law the work-training provisions, we can now, with this amendment, let the unemployed fathers take advantage of the work-training provisions in the bill. As a matter of fact, under other provisions of the bill, as I said earlier, within 30 days after they go on the assistance rolls, as a result of this amendment, they will have to become a part of the work-training programs of the bill, either on jobs, or training, or other work-training provisions in the bill.

This is a highly important provision that needs to be adopted and needs to be adopted now. In my judgment, the costs will be negligible against the terrible, deleterious effects the present system has on the family.

I hope, therefore, Mr. President, that the amendment will be adopted.

Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized for 1 additional minute.

Mr. HARRIS. Jobs are the most desperate need of the poor in this country, as well as training for the poor—training and jobs where the poor people are located. There are simply not enough jobs to go around. That is why we have to have the work-training provisions of the bill, and the additional provisions are needed in the law for the use of sub-professionals in almost all areas of our public life and also the subsidization of private industry for employment and training of the poor.

I give one illustration. Out in Watts, where, a short time ago, that terribly tragic riot occurred, Aerojet General, a private company, in doing what other private industries must do and, hopefully, will do, started a plant to build military tents.

The company now hires 425 persons. The initial employment was for 75. They advertised to fill 75 jobs. They received applications totaling not 75, but 5,500—from people who wanted to go to work and needed to go to work.

Mr. President, for all these reasons, I think it is imperative that America face this problem squarely today and eliminate this terrible deficiency in the law.

Mr. President, I yield back the remainder of my time.

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back. The question is on agreeing to the amendment of the Senator from Oklahoma.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from Alaska [Mr. GRUENING], the Senator from Arizona [Mr. HAYDEN], the Senator from North Carolina [Mr. JORDAN], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I also announce that the Senator from Virginia [Mr. BYRD], the Senator from Connecticut [Mr. DODD], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. HOLLAND], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from Wisconsin [Mr. NELSON], the Senator from Florida [Mr. SMATHERS], the Senator from Georgia [Mr. TALMADGE], and the Senator from Ohio [Mr. YOUNG], are necessarily absent.

On this vote, the Senator from Florida [Mr. HOLLAND] is paired with the Senator from Wyoming [Mr. MCGEE]. If present and voting, the Senator from Florida would vote "nay" and the Senator from Wyoming would vote "yea."

On this vote, the Senator from Nevada [Mr. CANNON] is paired with the Senator from Florida [Mr. SMATHERS]. If present and voting, the Senator from Nevada would vote "yea" and the Senator from Florida would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON] the Senator from Hawaii [Mr. FONG], the Senator from Oregon [Mr. HATFIELD], the Senator from California [Mr. MURPHY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from Wyoming [Mr. HANSEN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Texas [Mr. TOWER] are absent on official business.

If present and voting, the Senator from Texas [Mr. TOWER] would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from Kansas [Mr. CARLSON]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Kansas would vote "nay."

The result was announced—yeas 39, nays 36, as follows:

[No. 334 Leg.]

YEAS—39

Aiken
Baker
Bayh
Brewster
Brooke
Burdick
Case
Clark
Harris
Hart
Hartke
Inouye
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Long, Mo.
Magnuson
Mansfield
McGovern
McIntyre
Metcalf
Mondale
Monroney
Morse
Moss
Muskie
Pastore
Pell
Percy
Prouty
Proxmire
Randolph
Ribicoff
Symington
Tydings
Williams, N.J.
Yarborough

NAYS—36

Allott
Anderson
Bartlett
Bennett
Bible
Boggs
Byrd, W. Va.
Church
Cotton
Curtis
Dirksen
Dominick
Eastland
Ellender
Ervin
Fannin
Fulbright
Griffin
Hickenlooper
Hill
Hruska
Jordan, Idaho
Lausche
Long, La.
McClellan
Miller
Montoya
Morton
Pearson
Russell
Smith
Spong
Stennis
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—25

Byrd, Va.
Cannon
Carlson
Cooper
Dodd
Fong
Gore
Gruening
Hansen
Hatfield
Hayden
Holland
Hollings
Jordan, N.C.
McCarthy
McGee
Mundt
Murphy
Nelson
Scott
Smathers
Sparkman
Talmadge
Tower
Young, Ohio

So Mr. HARRIS' amendment was agreed to.

Mr. HARRIS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY of New York. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DIRKSEN. Mr. President, I yield 2 minutes on the bill to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I have asked for this time to make an announcement that I believe will be of interest to the Senate.

Tomorrow there will be offered an amendment that will give Senators an opportunity to vote for the House bill as it relates to the benefit increase, the tax rate, and the wage base to which it is applied.

The Committee on Ways and Means reported a bill that would give everyone affected a 12½-percent increase. After a great deal of work under the direction of their chairman, Mr. MILLS, they found that that increase could be financed with an ultimate maximum tax per employee of $448.40.

The Senate Committee on Finance not only recommended a higher level of benefits, but financing so arranged that Senators who vote for the Senate Finance Committee bill will be voting for an ultimate maximum employee tax of $626.40, and that maximum will be reached in 1980, while, under the House bill, it will be reached 7 years later.

The House increase in benefits amounts to a substantial raise. On all other matters, such as corrective amendments here and there in the medicare provisions, I do not disturb the provisions of the Senate bill; but I shall give the Senate an opportunity to vote on the level of benefits and the wage base and tax rate provided in the Mills bill.

AMENDMENT NO. 449

Mr. **ALLOTT**. Mr. President, I call up my amendment No. 449, and ask that it be stated.

The **PRESIDING OFFICER**. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. **ALLOTT**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The amendment (No. 449) of Mr. ALLOTT is as follows:

On page 82, between lines 10 and 11, insert the following:

"BENEFITS FOR CERTAIN ADOPTED CHILDREN

"SEC. 114. (a) Section 202(d)(9) of the Social Security Act is amended—

"(1) by striking out the period at the end of subparagraph (D), and inserting in lieu of such period '; or', and

"(2) by adding after and below subparagraph (D) the following new subparagraph:

" '(E) was legally adopted by such individual—

" '(i) in an adoption which took place under the supervision of a public or private child-placement agency,

" '(ii) in an adoption decreed by a court of competent jurisdiction within the United States,

" '(iii) on a date immediately preceding which such individual had continuously resided for not less than one year within the United States;

" '(iv) at a time prior to the attainment of age 18 by such child.'

"(b) The amendments made by subsection (a) shall apply with respect to monthly benefits payable under title II of the Social Security Act for months after February 1968, but only on the basis of applications filed after the date of enactment of this Act."

On page 213, line 15, insert "114," immediately after "113,".

The **PRESIDING OFFICER**. How much time does the Senator yield himself?

Mr. **ALLOTT**. I might say, Mr. President, it is not my intention to ask for the yeas and nays on this amendment. The manager of the bill has indicated some favorable attitude toward it, and I shall make only a very short statement.

Mr. President, as the Senate is aware, the natural children of disabled persons are eligible to receive social security benefits. These children are eligible to receive benefits without regard to the date upon which the disabled person became eligible to receive disability benefits from social security. The law is much more restrictive, however, with regard to the ability of adopted children of disabled persons to receive benefits. At the present time, the Social Security Act prohibits the payment of benefits to a child adopted by a disabled person if the child was adopted more than 2 years after the person became eligible to receive disability benefits from social security. As I understand it, the present provision of the law was originally drafted in this rather unyielding and arbitrary fashion because of a concern that there might otherwise be an effort by disabled persons to abuse the benefit provisions of the law if they were able to adopt children at any time after they became entitled to benefits. Thus, the dependency concept with regard to adoptive children has always been much more limited than it has with regard to natural children of disabled persons. Experience has shown, however, that this concern over the possible abuse of the law with regard to adopted children was never justified, and that this limitation has created undue hardships and difficult circumstances for the bona fide efforts of disabled persons to find some financial assistance from social security after they have adopted children. Arbitrary laws can lead to inequitable and oftentimes absurd results. This has certainly been the experience with this particular provision of the Social Security Act.

This situation seems most unfortunate to me and contrary to good public policy. It is for this reason that I have offered the amendment which is now pending before the Senate. This amendment would provide an exception to the present rule regarding adoption of a child by a person who gets social security disability benefits. Under my amendment, in addition to the provisions of the present law, a child who is adopted by a person receiving disability benefits could qualify for child's benefits if first, the adoption took place under the supervision of a public or private child placement agency; second, the adoption was decreed by a court of competent jurisdiction within the United States; third, the adopting parent had continuously resided within the United States for not less than 1 year; and, fourth, the child was adopted prior to the time he reached the age of 18.

Mr. President, under date of November 20, 1967, I have received a memorandum from Mr. Robert J. Myers, chief actuary of the Social Security Administration, which I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibit 1.)

Mr. **ALLOTT**. Mr. Myers assures me that the estimated cost factor for the adoption of this amendment is negligible. There are two reasons why this is true. At present, the average monthly benefit of a child of a disabled social security beneficiary is $32.29. Thus it is clear that the eligibility of certain adopted children to receive social security benefits under the provisions of my amendment will not require the institution of a massive program of extensive increases in social security benefits. We are here concerned with a small, definable group of disabled individuals who need our help. A benefit of $32.29 per month to help support a child is not going to tempt one to abuse the law in order to adopt a child. Surely the cost of raising a child is more than this, particularly for those disabled persons who sustain so much more in the way of hardship and expense.

The second reason why this amendment has a negligible cost factor is due to the limitations which have been imposed by the language of the amendment itself. The amendment would provide assistance only for good faith adoptions by residents of the United States. The amendment is offered with the intent to create a more equitable limitation to the present law with regard to the ability of disabled persons to adopt children after they have become entitled to receive social security benefits. The adoption of this amendment will only help assure, as all Americans have the right to be assured, that Congress is continuously striving to enact reasonable and equitable social security legislation.

I believe that acceptance of this amendment will permit a small number of children to secure the love and affection that goes with the life of a family unit. I ask this body to pause a moment to consider the negligible cost that would be required to provide a certain amount of help and happiness for those children who might otherwise miss this opportunity.

In his letter to me, Mr. President, Mr. Myers makes this statement:

> The estimated level-cost would be negligible [i.e., less than .005% of taxable payroll.]

I hope, Mr. President—and I see the distinguished ranking minority member of the committee and the manager of the bill are both present on the floor—that the amendment will be accepted.

EXHIBIT 1

NOVEMBER 20, 1967.

Memorandum from: Robert J. Myers, chief actuary, Social Security Administration.

Subject: Cost estimate for amendment No. 449, submitted by Senator ALLOTT.

This memorandum will give a cost estimate for Amendment No. 449 (which would amend H.R. 12080), submitted by Senator Allott. This amendment would modify the Old-Age, Survivors, and Disability Insurance system by making eligible for child's benefits a child adopted by a disability insurance beneficiary (i.e., a disabled worker) under several restrictive provisions as to the adoption.

This amendment would result in only relatively small additional cost to the system. The estimated level-cost would be negligible (i.e., less than .005% of taxable payroll). The annual cost in the early years of operation would be less than $5 million.

ROBERT J. MYERS.

Mr. **ALLOTT**. I yield to my colleague from Colorado.

Mr. **DOMINICK**. Mr. President, I am happy to consponsor the amendment offered by my distinguished colleague from Colorado.

I think it would correct inequities which have been in the section up to date. I can foresee and as a matter of fact know, of certain cases where families with both adopted and natural children under these types of circumstances find that they can get benefits for their natural children and cannot get them for adopted children. It does not seem to me that that is equitable or fair.

For that reason, and because the cost is a negligible amount, I am happy to support the amendment.

Mr. **ALLOTT**. I thank the Senator.

Mr. **COTTON**. Mr. President, will the Senator yield?

Mr. **ALLOTT**. I yield.

Mr. **COTTON**. Mr. President, I commend the Senator from Colorado for offering the amendment.

It so happens that I know of at least two occasions on which, in all good faith, small children have been adopted and a hardship has been worked.

I join as a cosponsor of the amendment.

Mr. ALLOTT. Mr. President, I ask unanimous consent that the name of the distinguished Senator from New Hampshire may be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I have had an opportunity to examine the amendment, and I have discussed it with Mr. Robert Myers, whose cost estimate has heretofore been placed in the RECORD by the distinguished Senator from Colorado.

I believe that the amendment will not invite abuses. I believe, on the other hand, that it will take care of some very worthy cases, although they are not very many in number.

I think that Congress can rely on the fact that the adoption of children is not taken lightly by the courts. Neither is the adoption of children taken lightly by public and private child placement agencies. I think those two conditions can only be met when there are other substantial reasons for the adoption.

I do not believe, therefore, that agreement to this amendment would invite abuses in that people would use the adoption route in order to increase their benefits under the program.

It is my hope that we can accept the amendment.

Mr. ALLOTT. Mr. President, I appreciate very much the remarks of the Senator from Nebraska.

Mr. President, if I may have the attention of the manager of the bill for a moment, I ask if he has any disposition with respect to the amendment.

Mr. LONG of Louisiana. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. LONG of Louisiana. Mr. President, I have had occasion to look at the amendment and the members of my staff have undertaken to study it.

The amendment does have merit. It would be worthy of the consideration by the Senate. I personally would have no objection to taking the amendment to conference.

Mr. ALLOTT. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Colorado is recognized for 2 minutes.

Mr. ALLOTT. Mr. President, I thank the Senator from Louisiana very much. I am trying to facilitate and speed up the consideration of the pending bill.

I would not want the fact that a rollcall is not had on the amendment—and I indicated to several of my colleagues that I would not ask for one—to indicate that the Senate treated the matter lightly.

Frankly, this was brought to my attention by the very unfortunate case of a veteran who became disabled in 1957 and was a quadriplegic, meaning that he has no use of either arms or legs.

He was married in 1964. More than 2 years after that, his adopted child is unable to receive these benefits that natural children receive.

I think that the limitation which I have placed on the amendment will keep the amendment from ever being abused. If it were abused, I would be the first to ask for a modification of the amendment.

I appreciate the support of the Senator. If the Senator is ready to yield back the remainder of his time, I am willing to do so.

Mr. LONG of Louisiana. Mr. President, I know of no reason why the amendment should not be agreed to.

As far as I know, of the Senators who are present, I know of no one who is opposed to the amendment. I think the RECORD should indicate that a substantial number of Senators were present at the time of the consideration of the amendment and the general view was that the amendment has merit.

We will be happy to accept the amendment. If the House has some reason to object, we will find out about that when we meet with their conferees, and we will have a further chance to consider it at that time.

I think the amendment is meritorious.

Mr. ALLOTT. I thank the Senator.

Mr. President, I yield back the remainder of my time.

Mr. LONG of Louisiana. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

Mr. TYDINGS. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. TYDINGS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 385, line 19, strike out "and".

On page 386, line 4, strike out the period and insert in lieu thereof "; and".

On page 386, between lines 4 and 5, insert the following:

"(14) provides that acceptance of family planning services provided under the plan shall be voluntary on the part of the individual to whom such services are offered and shall not be a prerequisite to eligibility for or the receipt of any service under the plan."

On page 390, strike out line 21 and insert the following: "other reasons beyond his control. Acceptance of family planning services provided under a project under this section (and section 512) shall be voluntary on the part of the individual to whom such services are offered and shall not be a prerequisite to the eligibility for or the receipt of any service under such project."

Mr. TYDINGS. Mr. President, this is a technical amendment to the social security bill regarding the voluntary character of family planning programs.

The Senate Finance Committee, in adopting a number of amendments to the social security bill for voluntary family planning programs, intended to include statutory language to insure that family planning services provided under the act would be wholly voluntary and would not be made a prerequisite to receipt of any other services or financial assistance. Due to a drafting error, this statutory language was included only in the public welfare amendments, but was not repeated in the maternal and child health provisions in title V of the Social Security Act. Since it was clearly the intent of the committee that all family planning services made available under the act—whether under public welfare or maternal and child health programs—would be wholly voluntary, it is necessary to repeat this statutory language in two additional places in the present bill. That is the purpose of the amendment being offered today.

I ask the distinguished chairman of the committee, the junior Senator from Louisiana, whether he will accept the amendment.

Mr. LONG of Louisiana. Mr. President, the purpose of the committee was that family planning should be offered on a voluntary basis. On page 227 of the committee bill, with regard to the public welfare program, we do include that affirmative statement.

The Senator feels this should also be included in the part of the bill that deals with maternal and child health care. We do so state in the committee report. If the Senator thinks it should also be in the bill, I have no objection.

Mr. TYDINGS. Mr. President, I yield back the remainder of my time on the amendment.

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Maryland.

The amendment was agreed to.

The PRESIDING OFFICER. Who yields time?

Mr. LONG of Louisiana. Mr. President, I yield 10 minutes to the Senator from Maryland.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. TYDINGS. Mr. President, the social security bill now before the Senate contains provisions which, in my judgment, are among the most important measures which this Congress can enact for waging the war against poverty. These provisions will, when enacted by the Congress, mark the first significant involvement of the Federal Government in the provision of voluntary family planning services to poor persons who want, but cannot now afford to obtain, such services.

This historic step is due, in great measure, to the foresight of the distinguished chairman of the Senate Finance

Committee, Senator RUSSELL LONG, who took the leadership in his committee for the adoption of these provisions which I proposed as amendments to the bill. The family planning services made possible by these provisions will bring incalculably great benefits both to the families who participate in the programs and to our society generally, and the expense of the program will be many times less than the tax dollars we will save in welfare costs and the other vast social costs of unwanted children of poverty.

Let me briefly summarize the amendments which the committee adopted. First, the bill now provides that family planning services must be wholly voluntary, and may not be a prerequisite to eligibility for or receipt of any other service or financial assistance. This principle is of vital importance and accordingly it is proper that it be spelled out specifically in the statute. Second, the bill now earmarks funds for family planning services, so that these funds cannot be transferred to other programs but must be spent on these services alone. This will insure that the mandate of Congress to establish family planning programs will be carried out. Third, the bill substantially expands the funds which will be available for family planning services. In fiscal year 1969, $15 million will be earmarked for this program. This sum will rise in fiscal 1970 to $46.5 million, in fiscal 1971 to $72 million, in fiscal 1972 to $77 million, and in fiscal 1973 to $22 million.

This substantial expansion of funds means that money will be available, for the first time, to meet the needs for family planning services among those who now want but cannot afford them. According to estimates which have been endorsed by the Department of Health, Education, and Welfare, there are presently approximately 5 million women of child-bearing age who want, but cannot afford, family planning services. To provide a woman with family planning services costs approximately $20 each year, both for provision of information, medical supervision and medical supplies. Thus, it will cost about $100 million each year to reach those who need the services. With contributions from State and local governments and from private sources, the funds which these amendments to the social security bill makes available should be able, in a relatively brief time, to reach virtually all those in need.

It is vitally important that this job be done. It is now indisputably clear that a major factor among the causes of poverty is family size beyond that which the family desires or can afford. The importance of this factor was recognized by both the Senate and the House in establishing a family planning program as one of the special national emphasis programs conducted by the Office of Economic Opportunity. Thus the problem has been recognized. Now we must provide the funds to meet this problem.

By the action we are about to take under the social security bill, the challenge now clearly falls primarily to the Secretary of the Department of Health, Education, and Welfare. Under this bill, he will have the funds to make a significant advance against poverty in this country. This challenge must be met.

In the past, I have been critical of HEW for failing to give this program the priority which it requires. Just 2 weeks ago, a report by an HEW consultant, Dr. Oscar Harkavy of the Ford Foundation, was made public. Dr. Harkavy's report concluded that HEW had failed to give clear or strong leadership to the family planning program, and that the program suffered from lack of funds and personnel. Publication of this report, and the approval of my family planning amendments by the Senate Finance Committee, came at virtually the same time. In effect, an executive agency acknowledgment of the problem and the solution to that problem have now coincided. Dr. Harkavy's report gives a blueprint for action, and action will now be possible when the Congress approves my amendments as adopted by the Senate Finance Committee.

Officials of HEW have informed me that the Department supported approval of my amendments in the executive sessions of the Finance Committee, and I am delighted to learn of this. Their support demonstrates, I believe, that the mandate of Congress to expand family planning services to reach all those in need will be fully and sympathetically met. We shall expect nothing less.

Mr. President, before I yield to the distinguished Senator from Utah, I wish to point out that we will never make a dent in the welfare program of this country until we provide family planning services and medical supplies to the poor people in this country who want to plan and have a reasonably planned family and cannot. With illegitimacy on the rise throughout the country, I believe that the action of the distinguished chairman of the Committee on Finance and the Committee on Finance came not a moment too soon. Perhaps in years to come we will note that the amendments which were adopted by the Committee on Finance may be more important to curb the spiraling costs of welfare than the hundreds of millions and literally billions of dollars voted and appropriated under welfare costs for the last 5 years, since aid to dependent children was originally established.

I congratulate the distinguished Senator from Louisiana for his leadership in this field.

Mr. MOSS. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. MOSS. Mr. President, I join with the distinguished junior Senator from Maryland [Mr. TYDINGS] in hailing the adoption by the Committee on Finance of his amendment requiring States to offer family planning services to welfare recipients, and making matching Federal funds available to finance this work.

This is an enlightened and far-reaching move. Family planning is one of the most pressing needs of our times. There is no question in my mind about the desirability of making family planning information available to all persons who wish to have it. People at all financial levels of our society should have the right to plan the size of their family.

Family planning information is available to people in the middle and higher income brackets, but all too often people in the lower income brackets do not have it and do not know where to get it, or if they do, planning aid is priced beyond their means. Unwanted children result in poverty, delinquency, and other deplorable moral and social consequences.

The language of the amendment has been carefully drawn—no one would be coerced in any way to plan family size—no one would be given birth control information which was at variance to personal moral convictions. The individual would have to seek the information.

We talk a great deal about the population explosion all around the world, and the dangers it heralds for civilization. By the adoption of the amendment offered by the Senator from Maryland, which embraces the language of his bill which I was happy to cosponsor, we take a giant step forward toward meeting the population explosion in our own country. I think this is one of the most significant amendments adopted by the Finance Committee, and I commend them and ask that the Senate accept it.

I commend the Senator from Maryland for his leadership in this matter, and I also commend the chairman of the Committee on Finance for accepting the amendment and steering it through the committee and bringing it to us in the bill. I agree that this is a great step forward.

Mr. TYDINGS. I thank the Senator.

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. TYDINGS. I yield.

Mr. LONG of Louisiana. Mr. President, the Senator from Maryland was very kind in commenting on the part that the Senator from Louisiana played in pressing for the favorable consideration of the amendments to which the Senator has referred.

Of course, my action in the committee largely resulted from hearing the speeches delivered by the Senator from Maryland and hearing his testimony before the committee. He made a compelling case with respect to poor, ignorant people who have many children but are in no position to care for them. The situation requires that those people be given family planning services and appropriate attention.

I believe the Senator has met every reasonable and logical argument that has been made against his position, and I have no doubt that in the future the welfare rolls will be tremendously reduced as a result of responsible parenthood and appropriate family planning services for poor and, in many instances, illiterate people who never have had available the type of advice and help that is available to people who are in a better financial position.

Mr. TYDINGS. I thank the Senator. I yield to the Senator from Minnesota.

Mr. MONDALE. Mr. President, I wish to congratulate and commend the distinguished junior Senator from Maryland [Mr. TYDINGS] for his leadership in providing a strong program for family planning for recipients of aid to families with dependent children. This bill, S. 1503, of which I was a cosponsor has been incorporated into the Finance Committee's recommendations for amendments to the public assistance programs.

Family planning is an area where our State, Federal and local governments have been remiss. I know of instances where social workers were prohibited from informing welfare recipients of family planning services, even when the recipient asked for this information. Family planning is a necessary complement to the war on poverty effort; it is a program which provides the individual with the information necessary for her to make a choice as to whether she wishes to have more children and when she wishes to have them.

Social workers have told me the sad tales of women who have come to them in despair because they have just discovered they are about to have another child. The mother does not want this child and it will merely act as a burden on her and the rest of her family. Mr. President, there must be some program made available to these women to give them access to information regarding family planning and let them make up their own mind as to whether they want more children.

While I never would advocate a program of forced or even "suggested" planned parenthood, I certainly feel every person has a right to know what services are available, and what family planning is. This bill provides a maximum amount of protection to the individual woman who is a welfare recipient. There is statutory language protecting the woman from any coercion on the part of the welfare agency.

Mr. President, again I wish to congratulate the Senator from Maryland and the Finance Committee for their concern about this problem and the legislation that they included in this bill.

Mr. TYDINGS. I thank the distinguished Senator.

PRESS CONFERENCE AT WHITE HOUSE REVEALS DYNAMIC PRESIDENT

Mr. PASTORE. Mr. President, by general consent, the President's press conference at the White House last Friday revealed the dynamic Lyndon Johnson we have known as our Senate colleague.

And there were passages in that conference that we of the Congress shared.

I have in mind one question asked—how did the President judge the first 4 years of his administration.

Lyndon Johnson said that the accomplishments of those one thousand four hundred sixty-one days could hardly be contained in the thirty minutes of a press conference—but he cited enough to make all of us feel a little prouder of America.

I believe it will be the verdict of history that Lyndon B. Johnson not only took on so much but achieved so much in so short a span of time.

His effort to revivify our tired cities and to give nobler meaning to urban life is one of the most far reaching in the history of this country.

His determination not to allow two societies—one rich and the other poor—to grow up, side by side, was a momentous decision.

His decision to go all out to fulfill the promise of the Constitution and the Declaration of Independence for equal rights and equal opportunity has had a tremendous impact on our land—and we surely have a share in that achievement.

Of historic significance is his successful effort to maintain the American presence—not to police the world—but to serve wherever freedom is threatened. The conscience of America and the compassion of America, he has proved wherever hunger, disease, and poverty have struck at humankind.

This is the lesson of that press conference and I believe that its entire text belongs as part of our permanent history in the CONGRESSIONAL RECORD—and I ask unanimous consent for its insertion in its entirety at this point in my remarks.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

PRESS CONFERENCE NO. 114 OF THE PRESIDENT OF THE UNITED STATES, NOVEMBER 17, 1967

The PRESIDENT. Good morning, ladies and gentlemen.

I will be glad to take your questions. Mr. Smith? Mr. Cormier?

Question: Do you think that at this point our force levels in Vietnam will begin to level off in authorized strength, or do you think more troops may be needed in the future?

The PRESIDENT. We have previously considered and approved the recommendations of the Joint Chiefs of Staff for the force level.

General Westmoreland discussed this at some length with me last night and this morning. He anticipates no increase in that level.

Mr. Smith?

Question. Mr. President, we are getting close to the end of your fourth year in office. You have been subjected to a great deal of personal criticism, ranging from a Senator in your own party planning to run——

The PRESIDENT. I am generally familiar with that.

QUESTION. To the preacher in Williamsburg. I wonder how you appraise this personally?

The PRESIDENT. It is not a surprise. I am aware that this has happened to the 35 Presidents who preceded me. No public official, certainly not one who has been in public life 35 years as I have been, would fail to expect criticism.

There is a different type of criticism. There is a difference between constructive dissent and storm-trooper bullying, howling, and taking the law into their own hands.

The President must expect that those in the other party will frequently find it necessary to find fault and to complain—to attempt to picture to the people that the President should be replaced.

It is also true in all parties that there are divisions. We don't all think alike. If we did, one man would be doing all the thinking.

So you have divisions in parties. We have perhaps more than our share sometimes. But I am sure the Republicans think that, too.

When you get into a political year, with the help and advice and abetting that the press can do, and the assistance that the opposing party can do—because it is to their interest to try to destroy you in order to have a place for themselves—and you take the divisions in your own party, and they concentrate, then it does seem to mount up and at times occupy a great deal of public attention.

But I don't think it is unusual for a President to be criticized. That seems to be one of the things that goes with the job.

Not many of us want to say "I failed," or "I made a mistake," or "We shouldn't have done that," or "This shouldn't have happened."

It is always easier to say that someone over there is wrong. The President is more or less a lightning rod. At least I have seen that in this country.

I remember, to take one or two illustrations, when President Truman very courageously and, I believe, very wisely went into Korea.

One of our pollsters dashed out with a poll—Dr. Gallup—and found that that position was approved by about 81 percent. Six months later, when the sacrifices were evident and the problems began to appear, the same pollster, talking to the same people, found that this had dropped from 81 to 26 percent.

Those things have happened in all of our crises—economic, domestic, and international. A President learns to expect them and learns to live with them.

The important thing for every man who occupies this place is to search as best he can to get the right answer; to try to find out what is right; and then do it without regard to polls and without regard to criticism.

Mr. Scherer?

Question. Mr. President, a good many Americans have said that a stop to the bombing would result in a response by North Vietnam.

The PRESIDENT. North Vietnam has responded. Their statement this week in the Hanoi newspaper in response to my statement from the Enterprise is very clear and very compelling. It should answer any person in this country who has ever felt that stopping the bombing alone would bring us to the negotiating table.

Hanoi made it very clear in response to my appeal from the Enterprise that their position, in effect, was the same as it has always been. It was the same as enunciated in Ho Chi Minh's letter to me which Ho Chi Minh made public.

There are some hopeful people and there are some naive people in this country— and there are some political people.

But anyone who really wants to know what the position of North Vietnam is should read what the spokesmen of North Vietnam say.

That is best summarized in Mr. Ho Chi Minh's letter to the President that he made public, that is on the record, that he has never changed.

So all of these hopes, dreams, and idealistic people going around are misleading and confusing and weakening our position.

Mr. Boyd.

Question. Do you have any evidence that the Viet Cong might be moving toward the position of wanting to negotiate separate from Hanoi and, if so, what would be your attitude toward negotiating with them?

The PRESIDENT. I would prefer to handle our negotiations through diplomatic channels with whomsoever we may negotiate.

I don't think this is the place to do our negotiating, Mr. Boyd. We are very anxious to find a solution that will bring an end to the war.

As we have stated many times, we are ready to meet and discuss that with the officials of Hanoi and the Viet Cong will have no problem in having their voice fully heard and considered.

But I think that it would be better if we would wait until opportunity develops along that line and then do it through our trained diplomats.

Mr. Davis.

Question. Mr. President, a minute ago you talked about the job of being President. This Wednesday you are going to complete four years in the Office of President. I wonder if you could reflect for a moment on the Presidency and what have been your greatest satisfactions and what are your greatest disappointments.

The President. I think we had better do that a little later. I can't tell all the good things that have happened or the bad ones, either, in these four years in a 30-minute press conference. I would be charged with filibustering.

But we primarily want to think of the future—not the past.

It has been almost two centuries since our revolution and since we won our freedom. We have come a long way during that period. But we have much farther to go, as you can see from our education and health and city statistics, and farm statistics.

As long as there are four people out of every ten in the world who can't spell "cat," or can't write "dog," we have much to do.

I am particularly proud of what we have done in education—from Head Start to adult education, where men and women past 70 are learning to read and write for the first time.

I am very pleased, for instance, that we have raised our contributions from the Federal Government to higher education from 16 percent to 24 percent in the last four years. The States have remained practically static.

We have made revolutionary strides in education, in health, in conservation, where we are probably taking in as much land in the public domain for the first time in years as we are letting out.

We feel that we have brought a degree of stability into our international relations to this Hemisphere through the Alliance for Progress and our meetings at Punta del Este.

Working with other nations, we have made material advances in helping underdeveloped nations in Africa.

We are very pleased with what has come out of our meetings with the Germans and with the British in connection with our trilateral talks; what has come out of your Kennedy Round meetings; the several treaties that we have negotiated with the Soviet Union, and the one that we are working on so hard now—the nonproliferation treaty.

We are happy that 9 million more people have good paying jobs today than had them when I came into this office.

But these are things of the past, and we should accept. They are here. We want to preserve them.

But the important problems are ahead. What is the next century going to be like? What is the third century going to be like?

As long as the ancient enemies are rampant in the world—illiteracy, ignorance, disease, poverty, and war—there is much for government to do.

We are working on that now. We will be talking more to you about that, Mr. Davis, in the months ahead.

Mr. Horner?

Question. Mr. President, in view of your talks this week with General Westmoreland, Ambassador Bunker and others, what is your present assessment of our progress and prospects in Vietnam?

The President. I will repeat to you their assessment, because they are the ones who are in the best position to judge things locally. I will give you my evaluation of what they have said.

First, I think every American's heart should swell with pride at the competence and capacity of our leadership in Vietnam.

I believe, and our allied people believe, that we have a superior leadership. It is the best that the United States of America can produce—in experience, in judgment, in training, in general competence.

I have had three meetings with Ambassador Bunker and three with General Westmoreland. I had coffee with him at length this morning, just before I came here.

Our American people, when we get in a contest of any kind—whether it is in a war, an election, a football game, or whatever it is—want it decided and decided quickly; get in and get out.

They like that curve to rise like this (indicating a sharp rise) and they like the opposition to go down like this (indicating a sharply declining line.)

That is not the kind of war we are fighting in Vietnam.

We made our statement to the world of what we would do if we had Communist aggression in that part of the world in 1954.

We said we would stand with those people in the face of common danger.

The time came when we had to put up or shut up. We put up. We are there. We don't march out and have a big battle each day in a guerrilla war. It is a new kind of war for us. So it doesn't move that fast.

Summarizing and trying to be fully responsive to your question in the time allotted, we are moving more like this (indicating gradual rise). They are moving more like this (indicating decline), instead of straight up and straight down.

We are making progress. We are pleased with the results that we are getting.

We are inflicting greater losses than we are taking.

Amidst the horrors of war—and more people have been killed trying to vote in South Vietnam than have been killed by bombs in North Vietnam, according to the North Vietnam figures—in the midst of all the horrors of war, in guerrilla fighting in South Vietnam, we have had five elections in a period of a little over 14 months.

There was great doubt whether we could have any. It took us from 1776 to 1789—not 13 months but 13 years—to get a Constitution with our Anglo-Saxon background and all the training we had.

To think that here in the midst of war, when the grenades are popping like firecrackers all around you, that two-thirds or three-fourths of the people would register and vote, and have five elections in 13 months—and through the democratic process select people at the local level, a Constituent Assembly, a House of Representatives, a Senate, a President and a Vice President—that is encouraging.

The fact that the population under free control has constantly risen, and that under Communist control has constantly gone down, is a very encouraging sign.

The improvement that has been made by the South Vietnamese themselves in putting in reforms, announcing other programs, and in improving their own Army, is a matter of great satisfaction to Ambassador Bunker and to General Westmoreland.

We have a lot to do yet. A great many mistakes have been made. We take two steps forward and slip back one. It is not all perfect by any means.

There are a good many days when we get a C minus instead of an A plus.

But overall, we are making progress. We are satisfied with that progress. Our allies are pleased with that progress. Every country that I know in that area that is familiar with what is happening thinks it is absolutely essential that Uncle Sam keep his word and stay there until we can find an honorable peace.

If they have any doubts about it, Mr. Ho Chi Minh—who reads our papers and who listens to our radio, who looks at our television—if he has any doubts about it, I want to disillusion him this morning.

We keep our commitments. Our people are going to support the men who are there. The men there are going to bring us an honorable peace.

Mr. Reynolds.

Question. Mr. President, Hanoi may be interpreting current public opinion polls to indicate that you will be replaced next year. How should this affect the campaign in this country?

The President. I don't know how it will affect the campaign in this country. Whatever interpretation Hanoi might make that would lead them to believe that Uncle Sam—whoever may be President—is going to pull out and it will be easier for them to make an inside deal with another President, then they will make a serious misjudgment.

Mr. Rather.

Question. Are you going to run next year?

The President. I will cross that bridge when I get to it, as I have told you so many times, Mr. Rather.

Question. Mr. President, there are increasing statements from Capitol Hill that say your tax bill is dead for this Session of Congress. Is there any plan on the part of your Administration to try and revive this before Congress leaves; and, secondly, if not, what plans might you have next year to avert this inflationary trend that we are told will be coming?

The President. We want very much to have a tax bill just as quickly as we can get it. We think the sound, prudent, fiscal policy requires it. We are going to do everything that the President and the Administration can do to get that tax bill.

I would be less than frank if I didn't tell you that I have no indication whatever that Mr. Mills or Mr. Byrnes or the Ways and Means Committee is likely to report a tax bill before they adjourn.

I feel that one of our failures in the Administration has been our inability to convince the Congress of the wisdom of fiscal responsibility and the necessity of passing a tax bill not only for the effect it will have on the inflationary developments, but the effect it will have on the huge deficit that we are running.

I think one of the great mistakes that the Congress will make is that Mr. Ford and Mr. Mills have taken this position that they cannot have any tax bill now. They will live to regret the day when they made that decision. Because it is a dangerous decision. It is an unwise decision.

I think that the people of America—none of whom want to pay taxes—any pollster can walk out and say: "Do you want to pay more tax?" Of course you will say, "No, I don't want to pay tax."

But if you ask him if he wants inflation; do you want prices to increase five or six percent; do you want a deficit of $30 or $35 billion; do you want to spend $35 billion more than you are taking in? I think the average citizen would say: "No."

Here at the height of our prosperity when our Gross National Product is going to run at $850 billion, when we look at the precedents of what we have done in past wars—in Korea when President Truman asked for a tax increase, people supported it.

This request has been before the Congress since last January. They have finished most of the appropriations bills. I read the story this morning. It looks like out of $145 billion they will roughly cut a billion dollars in expenditures.

But they will cut several billion from revenues because of inaction, because people don't like to stand up and do the unpopular thing of assuming responsibility that men in public life are required to do sometime.

I know it doesn't add to your polls and your popularity to say we have to have additional taxes to fight this war abroad and fight the problems in our cities at home. But we can do it with the Gross National Product we have. We should do it. And I think when the American people and the Congress get the full story they will do it.

We have failed up to now to be able to convince them. But we are going to continue to try in every way that is proper.

Miss Means.

Question. Senator McCarthy has said he is considering opposing you in the Presidential primaries because he believes it would be a healthy thing to debate Vietnam in the primaries, for the party and for the country, too. Do you agree with him? What effect do you think this would have on your own candidacy?

The President. I don't know how I am going to be, after all this opposition develops, so far as my state of health is concerned.

But I am very healthy today. I don't know whether this criticism has contributed to my good health or not.

I don't know what Senator McCarthy is going to do. I am not sure that he knows what he plans to do. We had better just wait and see, until there is something definite there, and meet it when it is necessary.

Miss Hanschman?

Question. Why do you think there is so much confusion, frustration, and difference of opinion in this country about the war in Vietnam?

The PRESIDENT. There has always been confusion, frustration, and difference of opinion when there is a war going on.

There was in the Revolutionary War when only about a third of the people thought that was a wise move. A third of them opposed it, and a third were on the sideline.

That was true when all of New England came down to secede in Madison's administration in the War of 1812, and stopped in Baltimore. They didn't quite make it because Andrew Jackson's results in New Orleans came in.

They were having a party there that night. The next morning they came and told the President they wanted to congratulate him—that they thought he was right all along, although they had come from Boston to Baltimore in a secessionist move.

That was true in the Mexican War when the Congress overwhelmingly voted to go in and later passed a resolution that had grave doubts about it. Some of the most bitter speeches were made. They were so bitter they couldn't be published. They had to hold up publictaion of them for 100 years.

I don't have to remind you of what happened in the Civil War. People were here in the White House begging Lincoln to concede and work out a deal with the Confederacy when word came to him of his victories. They told him that Pennsylvania was gone; that Illinois had no chance.

Those pressures come to a President.

You know what President Roosevelt went through, and President Wilson in World War I. He had some Senators from certain areas then that gave him very serious problems until victory was assured.

Now, when you look back upon it, there are very few people who would think that Wilson, Roosevelt, or Truman were in error.

We are going to have this criticism. We are going to have these differences.

No one likes war. All people love peace. But you can't have freedom, Miss Hanschman, without defending it.

Question. Mr. President, the foreign aid authorization has been cut back nearly a third from what you requested. What is the impact of this economy?

The PRESIDENT. At a time when the richest nation in the world is enjoying more prosperity than it has ever had before, when we carefully tailor our requests to the very minimum that we think is essential—the lowest request that we have had in years—and then Congress cuts it 33⅓ percent, I think it is a mistake. It is a serious mistake.

When you consider that $1 billion that we are attempting to save there, out of the $850 billion that we will produce, we ought to reconsider that decision. What we are doing with that money not only can give great help to underdeveloped nations; but that, in itself, can prevent the things that cause war where you are required to spend billions to win it.

I would rather have a little preventive medicine. Every dollar that we spend in our foreign assistance, trying to help poor people help themselves, is money well spent.

I don't think we overdid it. I don't think we went too far. But I think the Congress has, in the reductions it has made.

Again, it is popular to go back home and say, "Look what I did for you. I cut out all these foreign expenditures."

But when the trouble develops—the people who are starving, the people who are ignorant, illiterate, with disease—and wars spring up and we have to go in, we will spend much more than we would if we had taken an ounce of prevention.

Mr. Morgan?

Question. Mr. President, some people on the air and in print accuse you of trying to label all criticism of your Vietnam policy as unpatriotic. Could you tell us whether you have guidelines in which you are enabled to separate conscientious dissent from irresponsible dissension?

The PRESIDENT. No. I haven't called anyone unpatriotic. I haven't said anything that would indicate that.

The wicked flee when no one pursueth, sometimes.

I do think that some people are irresponsible, make untrue statements, and ought to be cautious and careful when they are dealing with the problem involving their men at the front.

There is a great deal of difference, as I said a moment ago, between criticism, indifference, and responsible dissent—all of which we insist on and all of which we protect—and storm-trooper bullying, throwing yourself down in the road, smashing windows, rowdyism, and every time a person attempts to speak to try to drown him out.

We believe very strongly in preserving the right to differ in this country, and the right to dissent. If I have done a good job of anything since I have been President, it is to insure that there are plenty of dissenters.

There is not a person in this press corps that can't write what he wants to write. Most of them do write what they want to. I say "want" advisedly. I want to protect that. Our Congress wants to protect it.

But if I, by chance, should say, "I am not sure you saw all the cables on this and you are exactly right; let me explain the other side of it," I would hope that you wouldn't say I am lambasting my critics, or that I am assailing someone.

What I am trying to do is to preserve my right to give the other side. I don't think one side ought to dominate the whole picture.

So what I would say is, let's realize that we are in the midst of a war. Let's realize that there are 500,000 of our boys out there who are risking their lives to win that war. Let's ask ourselves what it is we can do to help.

If you think you can make a contribution and help them by expressing your opinion and dissenting, then do it.

But then if the Secretary of State starts to explain his viewpoint, don't send out instructions all over the country and say, "When he starts to talk and says 'Mr. Chairman,' stamp your feet. When he comes to the end of a sentence, all of you do this, and at the third sentence, all of you boo."

I am amazed that the press in this country, who insist on the right to live by the First Amendment, and to be protected by it, doesn't insist that these storm-trooper tactics live by the First Amendment, too, and that they be wiped out.

I think the time has come when it would be good for all of us to take a new, fresh look at dissent.

We welcome responsible dissent. But there is a great deal of difference between responsible dissent and some of the things that are taking place in this country which I consider to be extremely dangerous to our national interest, and I consider not very helpful to the men who are fighting the war for us.

Everyone must make that judgment for himself.

I have never said anyone was unpatriotic. I don't question these people's motives. I do question their judgment.

I can't say that this dissent has contributed much to any victories we have had.

I can't say that these various proposals that range from a Senator to a County Commissioner to a Mayor of a city have really changed General Westmoreland's plan much, or Ambassador Bunker's approach. The papers are filled with it every day.

So I think you have to consider it for what you think it is worth and make your own judgment.

That is the theory of the First Amendment.

We don't stop the publication of any papers. We don't fine anyone for something they say. We just appeal to them to remember that they don't have the privilege at the moment of being out there fighting.

Please count to ten before you say something that hurts instead of helps.

We know that most people's intentions are good. We don't question their motives. We have never said they are unpatriotic, although they say some pretty ugly things about us.

People who live in glass houses shouldn't be too anxious to throw stones.

Question. Mr. President, is your aim in Vietnam to win the war or to seek a compromised, negotiated solution?

The PRESIDENT. I think our aims in Vietnam have been very clear from the beginning. They are consistent with the SEATO Treaty, with the Atlantic Charter, and with the many statements that we have made to the Congress in connection with the Tonkin Gulf Resolution. The Secretary of State has made this clear dozens and dozens of times—and I made it enough that I thought even all the preachers in the country had heard about it.

That is, namely, to protect the security of the United States. We think the security of the United States is definitely tied in with the security of Southeast Asia.

Secondly, to resist aggression. When we are a party to a treaty that says we will do it, then we carry it out.

I think if you saw a little child in this room who was trying to waddle across the floor and some big bully came along and grabbed it by the hair and started stomping it, I think you would do something about it.

I think that we thought we made a mistake when we saw Hitler moving across the landscape of Europe. The concessions that were made by the men carrying umbrellas at that time—I think in retrospect we thought that was a mistake.

So as a consequence, in 1954 under the leadership of President Eisenhower and Secretary Dulles, we had a SEATO Treaty.

It was debated, it was considered and it was gone into thoroughly by the Senate. The men who presented that Treaty then said, "This is dangerous. The time may come when we may have to put up or shut up."

But we ought to serve notice in Asia now as we refused to serve notice in Europe a few years ago that we will resist aggression—that we will stand against someone who seeks to gobble up little countries, if those little countries, if those little countries call upon us for our help.

I didn't vote for that Treaty. I was in the hospital. Senator Kennedy didn't vote for it—the late President—he was in the hospital. Senator Dirksen didn't vote for it. But 82 Senators did vote for it. They knew what was in that Treaty.

The time came when we had to decide whether we meant what we said when we said our security was tied in to their security and that we would stand in unison in the face of danger.

We are doing that. We are doing it against whomever combines out there to promote aggression. We are going to do whatever we think is necessary to protect the security of South Vietnam—and let those people determine for themselves what kind of a government they have.

We think they are moving along very quickly in that direction to developing a democratic procedure.

Third, we are going to do whatever it is necessary to do to see that the aggressor does not succeed.

Those are our purposes. Those are our

goals. We are going to get a lot of advice to do this or to do that. We are going to consider it all. But for years West Point (and the other Service Academies) has been turning out the best military men produced anywhere in the world.

For years we have had in our foreign service trained and specialized people. We have in 110 capitals today the best trained we can select.

Under Constitutional arrangements the President must look to his Secretary of State, to his foreign policy, to his ambassadors, to the cables and views that they express, to his leaders like the Joint Chiefs of Staff, and to General Westmoreland and others—and carefully consider everything they say and then do what he thinks is right.

That is not always going to please a county commissioner, nor a mayor, nor a member of a legislature. It never has in any war we have ever been in been a favorite of the Senate.

The leaders on the military committees and the leaders in other posts have frequently opposed it.

Champ Clark, the Speaker of the House, opposed the draft in Woodrow Wilson's Administration. The Chairman of the Foreign Relations Committee—with the exception of Senator Vandenberg—almost invariably has found a great deal wrong with the Executive in the field of foreign policy.

There is a division there. There is some frustration there.

Those men express it and they have a right to. They have a duty to do it.

But it is also the President's duty to look and see what substance they have presented, how much they thought it out, what information they have, how much knowledge they have received from General Westmoreland or Ambassador Bunker, whoever it is; how familiar they are with what is going on; and whether you really think you ought to follow their judgment or follow the judgment of the other people.

I do that every day. Some days I have to say to our people: "Let us try this plan that Senator X has suggested." And we do.

We are doing that with the United Nations resolution. We have tried several times to get the United Nations to play a part in trying to bring peace in Vietnam.

The Senate thinks that this is the way to do it. More than 50 of them have signed a resolution.

The Senate Foreign Relations Committee had a big day yesterday. They reported two resolutions in one day.

I have my views. I have my views about really what those resolutions will achieve. But I also have an obligation to seriously and carefully consider the judgments of the other Branch of the Government. And we are going to do it.

Even though we may have some doubts about what will be accomplished, that they think may be accomplished, if it is a close question we will bend to try to meet their views because we think that is important.

We have already tried the United Nations before, but we may try it again because they have hopes and they believe that this is the answer. We will do everything that we can to make it the answer.

I don't want to hurt its chances by giving any predictions at this moment.

We will consider the views that everyone suggests.

The Press. Thank you, Mr. President.

ORDER OF BUSINESS

Mr. MORSE. Mr. President, have we dispensed with the pending business at the present time?

The ACTING PRESIDENT pro tempore. The time is under control. There is no amendment pending. Senators are speaking on the bill. Who yields time?

Mr. LONG of Louisiana. Mr. President, notwithstanding the previous unanimous-consent agreement, I ask unanimous consent that the Senator from Oregon [Mr. MORSE] be accorded such time as he requires, the time not to be charged to either side.

Mr. CURTIS. Mr. President, reserving the right to object, and I shall not object, I rise to ask a question.

Can the distinguished chairman of the committee inform us whether or not there will be any more votes tonight?

Mr. LONG of Louisiana. There will be no more rollcall votes tonight and I do not believe there will be any more votes tonight.

Mr. CURTIS. I thank the Senator.

The ACTING PRESIDENT pro tempore. Without objection, the Senator from Oregon is recognized.

GREECE

Mr. MORSE. Mr. President, the military clique that rules Greece by reason of having seized power by force has commented on some remarks I made recently about our U.S. aid program to Greece. The comments came from a newspaper in Athens, but the fact that the story is reproduced and circulated by the Greek Embassy makes it pretty clear that the paper spoke for the Government. I ask unanimous consent to have the press release from the Greek Embassy inserted at the close of these remarks as exhibit 1.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MORSE. Mr. President, most of the exceptions taken to my views in opposition to further military aid to Greece takes the form of recalling the heroic efforts of the Greek Army in World War II, first against Italy and then against Germany. What does that have to do with Greece, or the Greek Government, or the Greek Army in 1967? Absolutely nothing. It is nothing but a diversion from the plain truth which I expressed in my remarks of October 9 in which I pointed out that Greece today is incapable of maintaining a military effort except through the military and financial support she would expect from the United States in case of war.

As to the Greek Government, and its army, during the period of the Truman Doctrine, I ask unanimous consent to have inserted as exhibit 2 a letter from the New York Times of today, describing the imprisonment by the junta of a leading general who led the Greek Army against the Communist guerrillas, and commanded the Greek contingent in Korea. The letter is headed: "The Plight of General Koumanakos," and tells of his confinement and subsequent breakdown in a Greek jail as a result of the action of these tyrants that we are pouring American money in to maintain in a military dictatorship in a land that was once known as free Greece.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

Mr. MORSE. Mr. President, the faction of militarists running Greece today has little in common with the leaders of Greece who led its resistance to occupation, and its postwar resistance to Communism.

Yet, the point of my statement remains unanswered. Greece could not maintain a war effort today against anyone out of her own resources. If she could, she would not be seeking free American military equipment in time of peace. If she cannot equip her army in time of peace, how could she equip it in time of war? Where would the tanks come from, or the airplanes, the artillery, the supplies, even the money to pay her soldiers in wartime, if they did not come from the United States?

What I have said about our aid program to Greece has been aimed at American policymakers, not at Greece. The Pentagon sees Greece as one of its territorial bases against the Soviet Union, and its southern approaches. It is an important listening post for U.S. military and intelligence services, and it furnishes thousands of troops to the southern NATO command.

But do her manpower and geography make it worthwhile to keep Greece on the payroll, so to speak, when her government is an illegitimate collection of militarists who prosper from the Communist bugaboo and use it as a pretext for strangling liberty in their own country?

I say that to keep such a government afloat with U.S. arms and aid of any kind does more harm than good to American interests. We started 20 years ago with the Truman doctrine to keep Greece from Communist control. I supported the Truman doctrine then. In fact, I was the first man in the Senate, following President Truman's speech to the joint session of Congress, who was in complete support of President Truman, and I was the only Member of the Senate who gave him that support the day he made the speech. Others waited; I did not.

Mr. President, Greece at the time of the Truman doctrine is not Greece of today. Greece at the time of the Truman doctrine was a constitutional government, not having been taken over by a group of military dictators that threw out the constitution and threw out their constitutional government.

Mr. President, the Senator from Oregon will never support tyranny so long as I sit in the Senate of the United States. Tyranny today reigns in Greece. This is what I want to say to the Greek Ambassador here in Washington, D.C.: "I shall welcome this opportunity to take you on. So far as the Senator from Oregon is concerned, your shocking performance already makes you personna non grata. So far as I am concerned, because of the course of action you followed, I do not think you are fit to run an Embassy in Washington, D.C."

This is language which even a Greek Ambassador representing a military dictatorship can understand.

Mr. President, I said that I supported the Truman doctrine then. I supported the Truman doctrine then because I believed it was possible for a limited amount of U.S. assistance for a limited period to accomplish the goal of keeping Greece free of communism.

We are seeing now that the theory as practiced by the Greek junta is a fraud. According to them, they never will be free from the threat of internal communism and American arms and aid will have to be eternal. We already have spent $3½ billion in this cause, and the economic gains from it have been largely dissipated by the junta itself.

Like the child who killed his parents and then pleaded for mercy on the ground that he was an orphan, this government in Greece has destroyed much of its economic and political base and now pleads for more help from the United States on the ground that it will be jeopardized if it does not get more assistance.

The American taxpayers have been whipsawed long enough by this argument. We have heard it from many other countries before Greece. We will go on hearing it, as long as we cater to it. Greece is a place to put a stop to it.

EXHIBIT 1

[From the Royal Greek Embassy Press and Information Service, Nov. 14, 1967]

ATHENS COMMENTS SENATOR MORSE'S ATTACK ON GREEK ARMY

The influential Athens daily "Eleftheros Kosmos" in three leading articles which appeared in its October 30, 31 and November 1 issues, commented on the recent statements of U.S. Senator Wayne Morse alleging that the United States is in Greece only because Greece disposes of several hundred thousand troops for NATO, that it is wrong "to give the impression that the Greek army could sustain any military action", that if the U.S. files on the subject are examined, one can see "what our military experts say about the lack of military efficiency of the Greek army" and that the Greek army "has no economic foundation whatsoever, other that the U.S. treasury and U.S. weapons and supplies".

Underlining the irresponsibility and shabbiness of these allegations, the Athens paper reminds the Senator of Greece's unique contribution and sacrifice during the last World War, resulting in universal praise of the Greek army by allied statesmen of the time headed by Winston Churchill.

The paper stresses that Greece has since devoted an impressive slice of its annual budget to military expenditures and levels the accusation that the U.S. Senator ignores the official reports of NATO leaders on the high qualitative level of the Greek armed forces.

The paper is scandalized at the shortness of memory or bad faith exhibited in passing over the fact that the Greek army fought and won a communist guerrilla war in the late 1940's, in the direct interest of the entire free world, as it secured NATO and U.S. defenses in the Eastern Mediterranean area.

Concluding, the Athens paper expresses consternation at the exhibition of "such a complete lack of contact with reality" by a member of the U.S. Senate.

EXHIBIT 2

PLIGHT OF GENERAL KOUMANAKOS

To the EDITOR:

Your Nov. 6 news report from Athens about the political prisoners of the Greek Government fails to mention one prominent member of the Maroussi group, Gen. George E. Koumanakos. This omission may be explained by the fact that since Oct. 21 he is no longer with the group.

After five months at the suburban Athens prison you mention in your article, General Koumanakos was suddenly transferred to the infamous Averof prison, where he was placed in isolation in a 5x7-foot cell, without heat, light or furniture other than an iron bed and a chamber pot. Three days later he was found unconscious, and since then has been lying an invalid in the prison hospital, among thirty or forty common law criminals. A heart attack has been tentatively diagnosed, but the likelihood is that the man has suffered a mental breakdown.

ARMY RECORD

Like Andreas Papandreou, General Koumanakos is accused of conspiring against the men who conspired—and succeeded—to overthrow Greece's constitutional Government when they were still at the stage of conspiracy. But unlike Papandreou, General Koumanakos was never implicated publicly in this or any other accusation. Unlike Papandreou, General Koumanakos has never been accused of leftist sympathies.

His record as an officer who was promoted for bravery during the Greek civil war and again while serving as a commander of the Greek expeditionary force that fought the Communists in Korea leaves no doubt about his loyalty to ideals for which our own country fought and is still fighting on the battlefield and in the diplomatic front.

General Koumanakos' heroism, education and integrity have brought to him many Greek and foreign distinctions, including the United States Legion of Merit, Silver Star and a number of favorable citations from President Eisenhower and Gens. James A. Van Fleet, Maxwell D. Taylor, W. E. Dunkelberg, E. W. Ridings and others. His bond with this country has been further forged by several years of studies in the United States and a daughter who proudly—albeit bitterly—carries American citizenship.

My intention in writing is not to engage in a political argument, even though it is obvious to me too that the argument exists and reflects badly on all of us who so far have treated it lightly. If only my letter could cause the Greek Government to restore General Koumanakos' elementary human—not civil—rights, and thus alleviate his suffering, I, along with his family and friends, would be satisfied.

PETER HARTOCOLLIS, M.D.

THE MENNINGER FOUNDATION, TOPEKA, KANS., November 11, 1967.

INTRODUCTION OF BILL TO INCREASE SALARIES OF TEACHERS IN DISTRICT OF COLUMBIA

Mr. MORSE. Mr. President, I introduce, for appropriate reference, a bill to increase the salaries of public school teachers in the District of Columbia. As a member of the Senate Committee on the District of Columbia, I am firmly committed to the proposition that the District of Columbia public school system should be a model system in our Nation.

The teachers' pay bill I am introducing today will bring teachers' pay more in line with what schoolteachers across the Nation should be receiving. Schoolteachers' salaries in this country have not kept pace with the salaries being offered in private industry and government.

Outstanding young men and women attending our colleges and universities, who are so desperately needed to teach in the field of education and especially to teach underprivileged children in our large cities, are not going into the teaching profession but are seeking more financial security in professions and occupations offering remuneration. In my judgment, this trend must be curtailed. The bill which I am introducing today is but a small step in that direction.

I am in complete agreement with Commissioner Walter Washington when he recently stated:

> It is clear that no single factor establishes a school system's competitive position; it is also clear that salary is not the primary attractor of staff, though it is one of the important factors. In short, the staffing problem cannot be solved only with salaries, but it cannot be solved without a salary advantage. A superior salary schedule is the only major competitive factor which the District Schools can turn to their advantage quickly. Buildings take years to plan and build. Reputations may be lost rapidly and may take years to rebuild. 'Challenge' as an attractor is the opportunity to participate in a program of significance, and programs take time to develop and initiate. Compared with these factors, highly competitive salaries can be established quickly.
>
> Urban teaching demands the most capable and dedicated teachers. Every child should have the benefit of an educational program designed to suit his capacities and to develop him to the limit of his potentialities. Ultimately, education serves all of our purposes, but the one it serves most directly is equality of opportunity. I believe that education is the high road of this opportunity, the great avenue that all must travel to succeed. It is essential that the District have the best teachers for this job.

Of 20 cities with a population of over 500,000 the District of Columbia teachers' salaries for teachers with the bachelor of arts degree rank 15th for beginning salaries to sixth place for maximum salaries. My bill would put the District of Columbia schoolteachers in this category first, in both minimum and maximum salaries, in cities over 500,000 in population.

Public school teachers with a master of arts degree in the District of Columbia presently rank 13th for beginning salaries and sixth among the 20 cities with populations over 500,000. My bill would put the teachers in this category in first place with the schoolteachers of New York City as far as beginning salaries are concerned, and in first place as far as maximum salaries are concerned.

I would like to note, however, that salary levels for the 1968–69 school year in Detroit will range from $7,500 to $11,200 for those teachers with a bachelor's degree, and $8,000 to $11,700 for those teachers with a master's degree. New York City schoolteachers recently ratified a contract with the New York City Board of Education which will provide on March 1, 1969, a minimum salary of $6,750 and a maximum salary for teachers with a bachelor's degree of $11,150.

Mr. President, I see no justification for paying public school teachers in the District of Columbia less than the local transit company pays its bus drivers. I know of no reason why public school teachers in the District of Columbia should earn less than the plumbers, policemen, firemen, construction laborers, truck drivers, plumbers' helpers, and people in other occupations. I am not saying that people in the occupations which I cited are overpaid. What I am saying is that public school teachers in the District of Columbia are grossly underpaid and that the pay bill which I propose will help correct that situation.

Mr. President, we have file clerks in the Senate who are paid far more than our public school teachers. I am not saying that these file clerks are overpaid, but I think the work performed by public school teachers is at least equally as important as the filing of papers.

I am not very much impressed, Mr. President, by arguments that my bill would have starting and maximum salaries above that of adjacent jurisdictions to the city of Washington. The problems facing the public school teachers in the District of Columbia, or any other large urban area, are much more acute than many of the school problems in suburban areas. If we are to attract school teachers to the District of Columbia, we must be willing to pay top salaries because working conditions in the District of Columbia public school system certainly would not attract teachers and administrators. Public school facilities in the District of Columbia are not a model for the Nation. Many of the physical plants are inadequate and archaic. I hope that this situation can be corrected within the near future.

I am very hopeful that hearings can be held on my teachers' pay bill in order that teachers' pay legislation may be considered in the Senate before Congress adjourns this year. I shall do whatever I can to assist in the passage of this bill as well as the police and firemen's pay bill, presently being considered by the Senate District Committee.

Mr. President, I send the bill to the desk for appropriate reference, and ask that it be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, the bill will be appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2679) to amend the District of Columbia Teachers' Salary Act of 1955, as amended, introduced by Mr. Morse, was received, read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed in the RECORD, as follows:

S. 2679

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "District of Columbia Teachers' Salary Act Amendments of 1967."

SEC. 2. The District of Columbia Teachers' Salary Act of 1955 (69 Stat. 521), as amended (D.C. Code, Sec. 31-1501 et seq.), is amended as follows:

(1) Section 1 (D.C. Code, Sec. 31-1501) is amended by striking the salary schedules contained therein and inserting in lieu thereof the following:

"Salary class and group	Service step													Longevity step	
	1	2	3	4	5	6	7	8	9	10	11	12	13	X	Y
Class 1	$34,000	------	------	------	------	------	------	------	------	------	------	------	------	------	------
Superintendent.															
Class 2	27,000	------	------	------	------	------	------	------	------	------	------	------	------	------	------
Deputy superintendent.															
Class 3	19,320	$19,780	$20,240	$20,700	$21,160	$21,620	$22,080	$22,540	$23,000	------	------	------	------	------	------
Assistant superintendent.															
President, teachers college.															
Class 4	16,400	16,800	17,200	17,600	18,000	18,400	18,800	19,200	19,600	------	------	------	------	------	------
Director, curriculum.															
Dean, teachers college.															
Executive assistant to superintendent.															
Class 5:															
Group A, bachelor's degree	15,260	15,640	16,020	16,400	16,780	17,160	17,540	17,920	18,300	------	------	------	------	------	------
Group B, master's degree	15,960	16,340	16,720	17,100	17,480	17,860	18,240	18,620	19,000	------	------	------	------	------	------
Group C, master's degree plus 30 credit hours	16,310	16,690	17,070	17,450	17,830	18,210	18,590	18,970	19,350	------	------	------	------	------	------
Group D, doctor's degree	16,660	17,040	17,420	17,800	18,180	18,560	18,940	19,320	19,700	------	------	------	------	------	------
Chief examiner.															
Director, food services.															
Director, industrial adult education.															
Executive assistant to deputy superintendent.															
Class 6:															
Group B, master's degree	15,540	15,910	16,280	16,650	17,020	17,390	17,760	18,130	18,500	------	------	------	------	------	------
Principal level IV	15,540	15,910	16,280	16,650	17,020	17,390	17,760	18,130	18,500	------	------	------	------	------	------
Principal level III	15,040	15,410	15,780	16,150	16,520	16,890	17,260	17,630	18,000	------	------	------	------	------	------
Principal level II	14,540	14,910	15,280	15,650	16,020	16,390	16,760	17,130	17,500	------	------	------	------	------	------
Principal level I	14,040	14,410	14,780	15,150	15,520	15,890	16,260	16,630	17,000	------	------	------	------	------	------
Group C, master's degree plus 30 credit hours	15,890	16,260	16,630	17,000	17,370	17,740	18,110	18,480	18,850	------	------	------	------	------	------
Principal level IV	15,890	16,260	16,630	17,000	17,370	17,740	18,110	18,480	18,850	------	------	------	------	------	------
Principal level III	15,390	15,760	16,130	16,500	16,870	17,240	17,610	17,980	18,350	------	------	------	------	------	------
Principal level II	14,890	15,260	15,630	16,000	16,370	16,740	17,110	17,480	17,850	------	------	------	------	------	------
Principal level I	14,390	14,760	15,130	15,500	15,870	16,240	16,610	16,980	17,350	------	------	------	------	------	------
Group D, doctor's degree	16,240	16,610	16,980	17,350	17,720	18,090	18,460	18,830	19,200	------	------	------	------	------	------
Principal level IV	16,240	16,610	16,980	17,350	17,720	18,090	18,460	18,830	19,200	------	------	------	------	------	------
Principal level III	15,740	16,110	16,480	16,850	17,220	17,590	17,960	18,330	18,700	------	------	------	------	------	------
Principal level II	15,240	15,610	15,980	16,350	16,720	17,090	17,460	17,830	18,200	------	------	------	------	------	------
Principal level I	14,740	15,110	15,480	15,850	16,220	16,590	16,960	17,330	17,700	------	------	------	------	------	------
Assistant to assistant superintendent (elementary schools).															
Assistant to assistant superintendent (junior and senior high schools).															
Assistant to assistant superintendent (general research, budget, and legislation).															
Assistant to assistant superintendent (pupil personnel services).															
Assistant to assistant superintendent (industrial and adult education, vocational education, evening and summer school).															
Director, elementary education (supervision and instruction).															
Director, health, physical education, athletics, and safety).															
Director, special education.															
Principal, senior high school.															
Principal, junior high school.															
Principal, elementary school.															
Principal, vocational high school.															
Principal, Americanization school.															
Principal, boys' junior-senior high school.															
Principal, Capitol Page School.															
Principal, health school.															
Principal, laboratory school.															
Principal, veterans' high school.															
Class 7:															
Group B, master's degree	14,070	14,405	14,740	15,075	15,410	15,745	16,080	16,415	16,750	------	------	------	------	------	------
Group C, master's degree plus 30 credit hours	14,420	14,755	15,090	15,425	15,760	16,095	16,430	16,765	17,100	------	------	------	------	------	------

"Salary class and group	Service step													Longevity step	
	1	2	3	4	5	6	7	8	9	10	11	12	13	X	Y
Class 7:—Continued															
Group D, doctor's degree	$14,770	$15,105	$15,440	$15,775	$16,110	$16,445	$16,780	$17,115	$17,450	-------	-------	-------	-------	-------	-------
Supervising director, elementary education (supervision and instruction).															
Supervising director, audiovisual instruction.															
Supervising director, adult education and summer school.															
Supervising director, subject field.															
Supervising director, reading clinic.															
Supervising director, athletics.															
Director, school attendance.															
Supervising director, curriculum.															
Director, elementary education.															
Director, elementary education (administration).															
Class 8:															
Group B, master's degree	13,580	13,905	14,230	14,555	14,880	15,205	15,530	15,855	16,180	-------	-------	-------	-------	-------	-------
Group C, master's degree plus 30 credit hours	13,930	14,255	14,580	14,905	15,230	15,555	15,880	16,205	16,530	-------	-------	-------	-------	-------	-------
Group D, doctor's degree	14,280	14,605	14,930	15,255	15,580	15,905	16,230	16,555	16,880	-------	-------	-------	-------	-------	-------
Dean of students, teachers college.															
Professor, teachers college.															
Registrar, teachers college.															
Statistical analyst.															
Assistant principal, senior high school.															
Assistant principal, junior high school.															
Assistant principal, elementary school.															
Assistant principal, vocational high school.															
Assistant principal, Americanization school.															
Assistant principal, health school.															
Class 9:															
Group A, bachelor's degree	12,380	12,695	13,010	13,325	13,640	13,955	14,270	14,585	14,900	-------	-------	-------	-------	-------	-------
Group B, master's degree	13,080	13,395	13,710	14,025	14,340	14,655	14,970	15,285	15,600	-------	-------	-------	-------	-------	-------
Group C, master's degree plus 30 credit hours	13,430	13,745	14,060	14,375	14,690	15,005	15,320	15,635	15,950	-------	-------	-------	-------	-------	-------
Group D, doctor's degree	13,780	14,095	14,410	14,725	15,040	15,355	15,670	15,985	16,300	-------	-------	-------	-------	-------	-------
Assistant director, food services.															
Class 10:															
Group B, master's degree	12,600	12,900	13,200	13,500	13,800	14,100	14,400	14,700	15,000	-------	-------	-------	-------	-------	-------
Group C, master's degree plus 30 credit hours	12,950	13,250	13,550	13,850	14,150	14,450	14,750	15,050	15,350	-------	-------	-------	-------	-------	-------
Group D, doctor's degree	13,300	13,600	13,900	14,200	14,500	14,800	15,100	15,400	15,700	-------	-------	-------	-------	-------	-------
Assistant director, audiovisual instruction.															
Assistant director, subject field.															
Assistant director, adult education and summer school.															
Supervisor, elementary education.															
Class 11:															
Group B, master's degree	12,180	12,470	12,760	13,050	13,340	13,630	13,920	14,210	14,500	-------	-------	-------	-------	-------	-------
Group C, master's degree plus 30 credit hours	12,530	12,820	13,110	13,400	13,690	13,980	14,270	14,560	14,850	-----	-------	-------	-------	-------	-------
Group D, doctor's degree	12,880	13,170	13,460	13,750	14,040	14,330	14,620	14,910	15,200	-------	-------	-------	-------	-------	-------
Assistant director, practical nursing.															
Association professor, teachers college.															
Chief librarian, teachers college															
Class 12:															
Group B, master's degree	11,680	11,970	12,260	12,550	12,840	13,130	13,420	13,710	14,000	-------	-------	-------	-------	-------	-------
Group C, master's degree plus 30 credit hours	12,030	12,320	12,610	12,900	13,190	13,480	13,770	14,060	14,350	-------	-------	-------	-------	-------	-------
Group D, doctor's degree	12,380	12,670	12,960	13,250	13,540	13,830	14,120	14,410	14,700	-------	-------	-------	-------	-------	-------
Chief attendance officer.															
Clinical psychologist.															
Class 13:															
Group B, master's degree	10,700	11,050	11,400	11,750	12,100	12,450	12,800	13,150	13,500	-------	-------	-------	-------	-------	-------
Group C, master's degree plus 30 credit hours	11,050	11,400	11,750	12,100	12,450	12,800	13,150	13,500	13,850	-------	-------	-------	-------	-------	-------
Group D, doctor's degree	11,400	11,750	12,100	12,450	12,800	13,150	13,500	13,850	14,200	-------	-------	-------	-------	-------	-------
Assistant professor, teachers college.															
Assistant professor, laboratory school.															
Psychiatric social worker.															
Class 14:															
Group A, bachelor's degree	8,160	8,505	8,850	9,195	9,540	9,885	10,230	10,575	10,920	$11,265	$11,610	$11,955	$12,300	-------	-------
Group B, master's degree	8,860	9,205	9,550	9,895	10,240	10,585	10,930	11,275	11,620	11,965	12,310	12,655	13,000	-------	-------
Group C, master's degree plus 30 credit hours	9,210	9,555	9,900	10,245	10,590	10,935	11,280	11,625	11,970	12,315	12,660	13,005	13,350	-------	-------
Group D, doctor's degree	9,560	9,905	10,250	10,595	10,940	11,285	11,630	11,975	12,320	12,665	13,010	13,355	13,700	-------	-------
Coordinator of practical nursing.															
Census supervisor.															
Class 15:															
Group A, bachelor's degree	7,000	7,280	7,560	7,840	8,120	8,400	8,750	9,100	9,450	9,800	10,150	10,500	10,850	$11,410	$12,040
Group B, master's degree	7,700	7,980	8,260	8,540	8,820	9,100	9,450	9,800	10,150	10,500	10,850	11,200	11,550	12,110	12,740
Group C, master's degree plus 30 credit hours	8,050	8,330	8,610	8,890	9,170	9,450	9,800	10,150	10,500	10,850	11,200	11,550	11,900	12,460	13,090
Group D, master's degree plus 60 credit hours or doctor's degree	8,400	8,680	8,960	9,240	9,520	9,800	10,150	10,500	10,850	11,200	11,550	11,900	12,250	12,810	13,440
Teacher, elementary and secondary schools.															
Attendance officer.															
Child labor inspectors.															
Counselor, placement.															
Counselor, elementary and secondary schools.															
Librarian, elementary and secondary schools.															
Librarian, teachers college.															
Research assistant.															
School social worker.															
Speech correctionist.															
Instructor, teachers college.															
Instructor, laboratory school.															
School psychologist."															

(2) Section 5(c) (D. C. Code, sec. 31–1522 (c)) is amended (a) by inserting immediately before the period at the end of the third sentence the words "or the equivalence thereof", and (b) by striking out the fifth sentence.

(3) The third sentence of paragraph (1) of subsection (a) of section 7 (D. C. Code, sec. 31–1532(a)(1)) is amended by striking out "the same type of position" and inserting in lieu thereof "any position covered in salary class 15".

(4) Section 8(a) (D. C. Code, sec. 31–1533 (a)) is amended by inserting immediately after the word "position" each time it appears in the subsection, the words "or class".

(5) Section 10(a) (D. C. Code, sec. 31–1535 (a)) is amended to read as follows:

"(a) On and after the effective date of the District of Columbia Teachers' Salary Act Amendments of 1967, each promotion to group B, group C, or group D, within a salary class, shall become effective—

"(1) on the date of the regular Board meeting of the twelfth month prior to the date of approval of promotion by the Board, or

"(2) on the effective date of the master's degree or doctor's degree or on the completion of thirty or sixty credit hours beyond the master's degree, as the case may be,

whichever is later."

(6) Section 13(a) (D. C. Code, sec. 31–15432 (a) is amended to read as follows:

"(a) the Board is authorized to conduct as part of its public school system the following: summer school programs, extended school year programs, adult education school programs, and an Americanization school, under and within appropriations made by Congress. The pay for teachers, officers, and other educational employees in the summer school programs, adult education school programs and veterans' summer high school centers shall be as follows:

"Classification	Per period		
	Step 1	Step 2	Step 3
Summer school (regular):			
Teacher elementary and secondary schools; counselor elementary and secondary schools; librarian elementary and secondary schools; school social worker; speech correctionist; school psychologist; and instructor, District of Columbia Teachers College	$6.00	$5.66	$7.37
Psychiatric social worker and assistant professor, District of Columbia Teachers College	7.02	7.79	8.62
Clinical psychologist	7.20	7.99	8.84
Associate professor, District of Columbia Teachers College	7.50	8.33	9.21
Assistant principal, elementary and secondary schools and professor, District of Columbia Teachers College	8.40	9.32	10.32
Supervising director	8.70	9.66	10.69
Principal, elementary and secondary schools	9.35	10.39	11.50
Veterans' summer school centers: Teacher	6.00	6.66	7.37
Adult education schools:			
Teacher	6.60	7.33	8.11
Assistant principal	9.24	10.26	11.35
Principal	10.30	11.44	12.65."

SEC. 3. The provisions of this Act shall take effect the first day of the first month following its enactment.

Mr. MORSE. Mr. President, again I thank the Senator from Louisiana [Mr. Long] for his never-failing courtesy in assisting me to make these statements today.

Mr. RANDOLPH. Mr. President, will the Senator from Oregon yield?

Mr. MORSE. I yield.

Mr. RANDOLPH. Before the distinguished Senator from Oregon completes his cogent comment, would he be kind enough to allow me to ask a question?

Mr. MORSE. Certainly.

Mr. RANDOLPH. What is the beginning salary now in the elementary schools of the District of Columbia?

Mr. MORSE. All the way from $200 to $500 lower than the figure I am proposing.

Mr. RANDOLPH. I thank the Senator.

Mr. President, I wish to add what I am sure would be the commendation of other Senators, if they were in the Chamber to listen to the Senator from Oregon, as he emphasized the need for higher salaries for teachers in the District of Columbia school system.

He is absolutely right.

Those of us who are privileged to serve as members of the Subcommittee on Education under the leadership of the Senator from Oregon, who is our chairman, have listened to testimony of representatives from many of the cities and municipalities of this country. This testimony indicates that, generally, teachers pay is short pay. Frankly, it is frequently short pay for longer hours than the public realizes. Teachers engage in hours of endeavor beyond the classroom itself. They are working before and they are working after so-called formal instruction within the classroom takes place.

Accordingly, I express genuine appreciation for the forthrightness with which the able Senator from Oregon speaks on this vital subject. Let me assure him and the educators and parents in the District of Columbia that I will, to the best of my ability, do what I can to see that this bill is enacted into law. I shall be an ardent advocate of the cause for which the Senator has spoken. There is a need to upgrade the educational facilities which are deteriorating within the District of Columbia. This includes the school structures and the equipment in the classroom. The teachers, who are entrusted with the important role of teaching, deserve salaries commensurate with their responsibilities, expertise, and dedication.

Our teachers will join forcefully in this endeavor to enact progressive programs and personnel policies. Those of us who have been in the forefront—and I am gratified to recognize the Senator from Oregon as the leader—in securing education programs desire the cooperation and valuable assistance of our teachers. They share in the worthy purpose of providing modern schools and increased learning opportunities for our young people. A teacher recognizes—probably better than any person—the urgent need for improved facilities and, certainly, increased pay.

I do not indicate that salaries in other versities—that there is not a person in the Senate—and I know whereof I speak, because I have served with the Senator from West Virginia who has been a member of my Subcommittee on Education for a good many years—who is more dedicated than he to seeing that we do everything we can as a government to meet the primary obligation we all owe to the young people of America.

That obligation is to see to it that they have an opportunity to develop, to the maximum extent possible, their intellectual potential so that they can carry out their responsibilities of citizen statesmanship.

The Senator from West Virginia [Mr. Randolph] has been valiant in the efforts he has put forth for the advancement of education legislation that will carry out that trusteeship, for that is the trusteeship which we as Senators owe to the young of this country.

To teach the very young;
To tend with loving care
The new growth just begun.

For only loving eyes
Can see the bud unfold;
Then humbly wait the blossom
And the beauty it must hold.

It takes the listening ear
To hear what children say;
To answer what they ask of us
And show them wisdom's way.

It takes the calmest thought
To quiet restless youth;
The peaceful mind can point the way
To goodness, hope, and truth.

To teach the very young
With willing mind and heart,
Opens wide the universe—
Its treasures to impart!

Mr. President, I do not short-sell the teacher in our American society. His contribution to the development of our youth is immeasurable.

Mr. MORSE. Mr. President, I want to take a moment not only to express my appreciation to the Senator from West Virginia [Mr. Randolph] for his kind words, but also to send a message from the floor of the Senate at this time to the teachers of the District of Columbia and the rest of America, as well as to the parents of the boys and girls in our elementary and secondary schools—and, for that matter, in our colleges and uni- professions are too high. Teachers do not take the issue with other salaries. We insist only that the compensation of teachers is grossly inadequate.

Teachers do have the right—in fact Mr. President—they have the responsibility to seek improved conditions as they serve our children. We welcome the assistance, the counsel, and the cooperation of teachers as we move forward with legislative proposals.

The instruction of our children is a vast and challenging responsibility. The ability to teach does not come solely with formal training, knowledge of a subject area, and proper techniques. It requires qualities which we often tend to forget, but which we expect the teachers to have. The role of the teacher is eloquently expressed in a poem entitled "To Teach the Young," by Georgiana Lieder Lahr.

It takes the kindest touch

May I say, finally, with respect to the contributions of the Senator from West Virginia, that to us in the Senate Subcommittee on Education, he is the leading authority with regard to the problems of the small colleges of America. When we have a small college problem, I ask Senator RANDOLPH, in effect, to "take over, because this falls within your special field of education legislation expertise."

I wanted to say that this afternoon. I have been intending to say it heretofore. I want to thank the Senator from West Virginia for the great service he has rendered the Senate and the country in the field of education. For that matter, I want to thank him for the statesmanship he exhibits and carries out time and time again in carrying out all his duties on the floor of the Senate.

I yield the floor.

ADJOURNMENT TO 10 A.M. TOMORROW

Mr. LONG of Louisiana. Mr. President, I move that the Senate stand in adjournment until 10 o'clock tomorrow morning.

The motion was agreed to; and (at 5 o'clock and 31 minutes p.m.), under the order of Friday, November 17, 1967, the Senate adjourned until tomorrow, Tuesday, November 21, 1967, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate November 20, 1967:

Diplomatic and Foreign Service

The following-named person, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consular officer of the United States of America:

Arch K. Jean, of Pennsylvania.

For promotion from a Foreign Service officer of class 6 to class 5 and to be also a consular officer of the United States of America:

Robert A. Martin, of Pennsylvania.

For promotion from Foreign Service officers of class 7 to class 6:

John H. Adams, of California.
Henry R. Appelbaum, of New York.
John K. Atchley, of Virginia.
Robert W. Becker, of Minnesota.
John W. Bligh, Jr., of Virginia.
L. Paul Bremer III, of Connecticut.
William R. Brew, of New York.
Miss Edith Louise Bruce, of Illinois.
Timothy J. Burke, of Wisconsin.
Michael B. Cook, of New York.
James F. Creagan, of Ohio.
Carl C. Cundiff, of Oklahoma.
John H. Curry, of Ohio.
Lawrence A. Dash, of Pennsylvania.
Albert E. Fairchild, of North Carolina.
Dan W. Figgins, Jr., of Iowa.
John D. Finney, Jr., of Missouri.
Dennis G. Harter, of New Jersey.
Dell J. Hood, of Texas.
Ronald L. Humphrey, of Washington.
Robert K. Kelley, of California.
James O. Knowles, Jr., of Washington.
Miss Barbara M. Kugel, of Michigan.
Gilbert D. Kulick, of California.
Laurin L. Laderoute, of New York.
A. Frank Lattanzi, of California.
Lawrence B. Lesser, of New York.
Miss Bonnie M. Lincoln, of Minnesota.
Philip Thomas Lincoln, Jr., of Michigan.
David W. Loving, of Virginia.
Thomas E. McNamara, of New York.
James F. Mack, of New York.
James B. Magnor, Jr., of Virginia.
Miss Stephanie Mayfield, of California.
Thomas F. O'Herron, of New York.
David D. Passage, of Colorado.
Gene R. Preston, of California.
Jerry Lincoln Prillaman, of Virginia.
Denis R. Regan, of New York.
Erik S. Ronhovde, of Montana.
C. Michael Schneider, of Ohio.
James T. Schollaert, of Pennsylvania.
Andrew D. Sens, of the District of Columbia.
Thomas E. E. Spooner, of New York.
Steven E. Steiner, of Pennsylvania.
Willis J. Sutter, of New Jersey.
A. Stephen Telkins, Jr., of Pennsylvania.
Thomas F. Timberman, of Maryland.
Victor L. Tomseth, of Oregon.
James A. Treichel, of the District of Columbia.
Miss Caroline Marr Turtle, of New Jersey.
Phillip J. Walls, of Michigan.
Stephen H. Whilden, of California.
Kenneth Yalowitz, of Virginia.

For promotion from a Foreign Service officer of class 7 to class 6 and to be also a consular officer of the United States of America:

Richard H. Milton, of West Virginia.

For promotion from Foreign Service officer of class 8 to class 7:

Miss Juliet C. Antunes, of New York.
Armand Arriaza, of Massachusetts.
Wendell L. Belew, of California.
William S. Butcher, of Ohio.
Robert J. Carroll, of Connecticut.
Herbert A. Cochran, of North Carolina.
Jerry L. Dodson, of California.
David J. Dunford, of Connecticut.
Miss Katherine M. Durkin, of Virginia.
Stephen M. Ecton, of New York.
Robert C. Felder, of New York.
Thomas Austin Forbord, of California.
Brian R. Furness, of Connecticut.
William L. Gallagher, of California.
John F. Hildebrand, of Texas.
David L. Hobbs, of California.
Larry J. Ikels, of Texas.
Barry B. R. Jacobs, of Michigan.
Louis F. Janowski, of Illinois.
Robert D. Johnson, of Missouri.
Philip A. King, of Florida.
Edward Gibson Lanpher, of Virginia.
Alexander O. Lehner, of New Jersey.
Charles T. Long, of Virginia.
Rafael L. Marin, of New York.
G. Eugene Martin, of New York.
Norman D. McLennan, of Michigan.
Jonathan C. Menes, of California.
Charles T. Moffitt, of California.
Richard W. Mueller, of Connecticut.
Robert J. Palmeri, of Massachusetts.
Robert Stephen Pastorino, of California.
Gerald D. Ramsey, of the District of Columbia.
Arnold L. Raphel, of New York.
James J. Reid, of Texas.
Lionel A. Rosenblatt, of Pennsylvania.
Edric Sherman, of Washington.
Thomas H. Shugart, Jr., of North Carolina.
Byron R. Stephenson, of Kansas.
Miss Carol K. Stocker, of Illinois.
Terrence P. Tiffany, of Oregon.
David L. Tivol, of California.
Kenneth H. Torp, of New York.
Miss Marilyn Ann Train, of California.
Douglas K. Watson, of California.
Ralph Winstanley II, of Indiana.
Stephen W. Worrel, of Ohio.

For promotion from Foreign Service officers of class 8 to class 7 and to be also consular officers of the United States of America:

Michael W. Donovan, of Indiana.
Miss Patricia L. Guyer, of California.

For appointment as Foreign Service Officers of class 7, consular officers, and secretaries in the diplomatic service of the United States of America:

Alvin P. Adams, Jr., of New York.
Charles S. Ahlgren, of Iowa.
Wayne R. Appleman, of Wisconsin.
Everett D. Ayers, Jr., of Massachusetts.
Albert Peter Burleigh, of California.
R. Don Crider, of Florida.
Roger J. Daley, of New York.
Miss Martha Ann DeWitt, of Colorado.
Dennis D. Donahue, of Indiana.
Dennis Finnerty, of New Jersey.
Keith Patrick Garland, of Illinois.
Dennis C. Goodman, of the District of Columbia.
David D. Grimland, of Texas.
Robert J. Gross, of New York.
Richard E. Hecklinger, of New York.
David W. Hess, of Iowa.
John F. Hulpke, of California.
Terry Lee Leitzell, of Pennsylvania.
James B. Leonard, of Vermont.
Stefan Cox Nadzo, of the District of Columbia.
Miss Linda A. Odum, of Tennessee.
B. Lynn Pascoe, of New York.
Miles S. Pendleton, Jr., of Massachusetts.
Ross E. Petzing, of New Jersey.
Charles J. Pitman, of Iowa.
Blaine D. Porter, of Hawaii.
Robert Maxwell Pringle, of Virginia.
Kenneth M. Quinn, of Iowa.
Theodore Roosevelt IV, of Pennsylvania.
Michael R. Saks, of Indiana.
Donald F. Sheehan, of New York.
Samuel Vick Smith, of Washington.
Ronald L. Spaulding, of Virginia.
Samuel D. Starrett, of Indiana.
Frank C. Strovas, of Colorado.
Harvey Allan Wechsler, of Virginia.
John William Zerolis, of California.

For appointment as Foreign Service officers of class 8, consular officers, and secretaries in the diplomatic service of the United States of America:

Miss Beverly H. Brock, of California.
Richard Lewis Fenton, of New York.
Miss Gail J. Gulliksen, of Illinois.
William J. Lawhorn, of Wisconsin.
Scott Huston Ochiltree, of Connecticut.
Miss Barbara Jane Schrage, of Wisconsin.
Edward Richard Stumpf, of New York.
Miss Xenia G. Vujnovich, of New York.
Kenneth A. Yates, of Connecticut.

Foreign Service Reserve officers to be consular officers and secretaries in the diplomatic service of the United States of America:

David H. Barnett, of Pennsylvania.
James Carrigan, of California.
James G. Critchfield, of Florida.
Bleecker Dee, of Massachusetts.
Raymond F. Denicourt, of Maryland.
Wilson D. Dizard, of the District of Columbia.
Edward G. Gable, of Virginia.
Samuel Goldberg, of Virginia.
Victor P. Kohl, Jr., of Delaware.
Cletis L. Mishler, of Oklahoma.
Matthew E. Monczewski, of Virginia.
Drake S. Reid, of Illinois.
Anthony F. Rubino, of New York.
Jack Stewart, of Florida.
John E. Tomas, of Minnesota.
Nicholas Volk, Jr., of New Jersey.
Warren H. Wagner, of Ohio.
Eugene Williamson, of Virginia.
Charles D. Yothers, of Ohio.

Foreign Service Reserve officers to be secretaries in the diplomatic service of the United States of America:

Charles A. Cooper, of Florida.
Bartlett Harvey, of Virginia.

Foreign Service staff officers to be consular officers of the United States of America:

Robert C. Ames, of Pennsylvania.
Roy J. Apel, of California.
Phillip V. Battaglia, of Illinois.
Samuel K. Brinson, of Florida.
Robert L. Charlton, of Oregon.
Miss Ellen K. Cunniff, of Florida.
Mrs. Jeannette B. Engelking, of New York.
Stephen J. Hobart, of Florida.
Raymond C. Maison, of Michigan.
Richard S. Mann, of California.
Carl W. McCollum, of Illinois.

George R. McCurry, of California.
Gerald G. McLaughlin, of Texas.
Miss Harriet K. Miller, of California.
William Moody, of California.
Miss Raecarol Morgan, of Kansas.
John J. O'Donnell, of Pennsylvania.
Frederic R. Ohringer, of the District of Columbia.
Joseph P. O'Neill, of New York.
Gus P. Peleuses, of Ohio.
Dominick Ramirez, of New York.
Mrs. Muriel K. Ransom, of California.
Fred L. Robinson, of Utah.
Miss Josephine P. Scarano, of New York.
Miss Anne Marie Schloss, of New York.
Frederick H. Sheppard, of Ohio.
William W. Smith, of New York.
Frederick A. Turco, of Maryland.
Rodelle L. Wenndorf, of Nebraska.
Elijah H. White, of Virginia.
Mitchell Wolfson, Jr., of Florida.

POSTMASTERS

The following-named persons to be postmasters:

CALIFORNIA

Donald R. Wilson, Farmersville, Calif., in place of Gerhard Wipf, retired.

Tommy M. Neff, Imperial, Calif., in place of D. J. McChristy, retired.

Walter H. Jahn, Lakeport, Calif., in place of W. M. Patterson, resigned.

Hugh W. Aber, Morongo Valley, Calif., in place of L. D. Davis, retired.

MISSOURI

Robert J. Eckstein, Clyde, Mo., in place of E. A. Farnan, retired.

MONTANA

John R. McNamara, Helena, Mont., in place of L. A. Wendell, retired.

NEBRASKA

Alvin J. Goochey, Johnstown, Nebr., in place of L. H. Pelc, resigned.

NEW YORK

Kendall E. Barnes, Islip, N,Y., in place of M. H. Schneider, retired.

Wilfred E. Batt, Waterport, N.Y., in place of DeMaris Fishbaugh, retired.

NORTH CAROLINA

Robert E. Peele, Stokes, N.C., in place of J. D. Glissen, resigned.

OHIO

John R. Carder, Continental, Ohio, in place of H. H. Kirkendall, transferred.

OKLAHOMA

Hubert W. Sanders, Custer, Okla., in place of P. H. Underwood, deceased.

Richard N. Krohn, Indiahoma, Okla., in place of J. L. McLinn, retired.

OREGON

Samuel K. Price, Independence, Oreg., in place of G. C. Smith, deceaesd.

PENNSYLVANIA

Wynfield F. Pitchard, Windgap, Pa., in place of C. J. Trexler, retired.

SOUTH DAKOTA

John L. Maloney, Watertown, S. Dak., in place of C. R. Mitchel, transferred.

TEXAS

Joseph C. Sullivan, San Marcos, Tex., in place of C. L. Haynes, retired.

MONDAY, NOVEMBER 20, 1967

HOUSE OF REPRESENTATIVES

The House met at 11 o'clock a.m.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

The Lord is nigh unto all them that call upon Him, to all that call upon Him in truth.—Psalm 145: 18.

Let us pray.

We pause in this moment of prayer, our Father, to lift our hearts unto Thee. Speak Thou Thy word to us and to our Nation, and help us not only to hear it but to heed it; not only to receive it but to respond to it; not only to listen to it but to live by it.

May we be gentle with each other and generous; may we be masters of ourselves and in so doing manage our relationships with good will; may we so live our lives that we can respect ourselves and thereby be worthy of the respect of others.

Minister to us in our prayers that we may be able to change what we can change, accept what we must accept, and do it all with grateful hearts and genuine faith. In the Master's name we pray. Amen.

THE JOURNAL

The Journal of the proceedings of Friday, November 17, 1967, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H.R. 3474. An act to require the Foreign Claims Settlement Commission to determine the amount and validity of the claim of Ike Ignac Klein against the Government of Hungary, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 6111. An act to provide for the establishment of a Federal Judicial Center.

The message also announced that the Senate agrees to the amendments of the House to a joint resolution of the Senate of the following title:

S.J. Res. 26. Joint resolution designating February of each year as "American History Month."

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2152. An act to authorize the vessel *Orion* to engage in the coastwise trade;

S. 2324. An act to amend the act prohibiting fishing in the territorial waters of the United States with respect to the penalties provided thereunder; and

S. 2349. An act to provide for the appointment of additional circuit judges.

PERMISSION TO FILE CONFERENCE REPORT ON H.R. 13606, THE MILITARY CONSTRUCTION APPROPRIATIONS, 1968

Mr. KIRWAN. Mr. Speaker, on behalf of the gentleman from Florida [Mr. SIKES], I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a conference report on the bill (H.R. 13606) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DEVALUATION OF POUND, DEFENSE OF DOLLAR

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, Britain's devaluation of the pound over the weekend makes it absolutely essential that the United States reassess its financial policies and take all necessary steps to defend the dollar and assure international monetary stability. In this connection, I know the President can expect full cooperation from all Republicans, as well as Democrats, in the Congress.

In my opinion, Mr. Speaker, austerity is a prime requirement in strengthening the dollar in this time of financial peril, and, in this way, I pledge support to the President.

Certainly, Mr. Speaker, the interest of every American is involved.

DEVALUATION OF POUND INDICATES NEED FOR CUT IN FEDERAL SPENDING

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS. Mr. Speaker, I have requested an hour special order this afternoon after all other business in order to discuss the serious situation in the devaluation of the pound and the immediate reaction of our monetary authorities in increasing the discount rate. This, indeed, begins to spell out some of the serious fiscal problems that many of us have been trying to call attention to not just this year but for the previous 2 years. There is one course of action that the administration still seems uninclined to pursue, and it is the only course—cut back on Federal spending.

TO ESTABLISH A JUDGE ADVOCATE GENERAL'S CORPS IN THE NAVY

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 12910) to establish a Judge Advocate General's Corps in the Navy, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 4, strike out all after line 8 over to and including line 15 on page 5 and insert:

"'(b) An officer of the Judge Advocate General's Corps who has the qualifications prescribed for the Judge Advocate General in section 5148(b) of this title may be detailed as Assistant Judge Advocate General of the Navy. While so serving he is entitled to the rank and grade of rear admiral (lower half), unless entitled to a higher rank or grade under another provision of law. An officer who is retired while serving as Assistant Judge Advocate General of the Navy under this subsection or who, after serving at least twelve months as Assistant Judge Advocate General of the Navy, is retired after completion of that service while serving in a lower rank or grade, may, in the discretion of the President, be retired with the rank and grade of rear admiral (lower half). If he is retired as a rear admiral, he is entitled to retired pay in the lower half of that grade, unless entitled to higher pay under another provision of law.

"'(c) A judge advocate of the Marine Corps who has the qualifications prescribed for the Judge Advocate General in section 4158(b) of this title may be detailed as Assistant Judge Advocate General of the Navy. While so serving he is entitled to the rank and grade of brigadier general, unless entitled to a higher rank or grade under another provision of law. An officer who is retired while serving as Assistant Judge Advocate General of the Navy under this subsection or who, after serving at least twelve months as Assistant Judge Advocate General of the Navy, is retired after completion of that service while serving in a lower rank or grade, may, in the discretion of the President, be retired with the rank and grade of brigadier general. If he is retired as a brigadier general, he is entitled to the retired pay of that grade, unless entitled to higher pay under another provision of law.'"

Page 11, line 9, strike out all after "grade." down to and including "Navy." in line 12.

Page 12, line 9, after "date." insert: Redesignation of an officer under section 8(b) of this Act shall not operate to change the computation of his service for any purpose.

Page 12, after line 13, insert:

"SEC. 12. Title 10, United States Code, is amended by inserting the words ', the Judge Advocate General's Corps,' after the words 'the Medical Corps' in section 5652a and by inserting the words 'the Judge Advocate General's Corps' after the words 'the Medical Corps,' in sections 5581, 5702(b), 5708 (c)(1), 5753(b), 5896(a) (3) and (4), 5897(c) (1), and 6378(b) (7)."

The **SPEAKER**. Is there objection to the request of the gentleman from Massachusetts?

CALL OF THE HOUSE

Mr. **GROSS**. Mr. Speaker, I make the point of order that a quorum is not present.

The **SPEAKER**. Evidently a quorum is not present.

Mr. **ALBERT**. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 397]

Abbitt
Andrews, Ala.
Annunzio
Arends
Ashley
Aspinall
Bates
Belcher
Berry
Boland
Brademas
Brooks
Broomfield
Brown, Ohio
Burke, Fla.
Button
Cabell
Celler
Chamberlain
Clark
Clawson, Del
Cleveland
Cohelan
Conyers
Corman
Cowger
Cunningham
Delaney
Diggs
Edwards, Ala.
Edwards, La.
Evans, Colo.
Evins, Tenn.
Feighan
Findley
Flynt
Fountain
Fulton, Tenn.
Fuqua
Gallagher
Gurney
Halleck
Hansen, Idaho
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Henderson
Herlong
Holifield
Hosmer
Ichord
Johnson, Pa.
Jones, N.C.
Kyl
Landrum
McCulloch
McEwen
Madden
Martin
Mathias, Md.
Michel
Mills
Minshall
Mosher
Moss
Nelsen
Olsen
Pepper
Pike
Poage
Pollock
Pool
Pryor
Purcell
Rees
Reinecke
Resnick
Reuss
Rhodes, Pa.
Rivers
Rodino
Rogers, Colo
Rogers, Fla.
Rooney, N.Y.
Rooney, Pa.
St. Onge
Satterfield
Schwengel
Shipley
Stephens
Teague, Tex.
Thomson, Wis.
Udall
Utt
Whitten
Wiggins
Williams, Miss.
Willis
Wright

The **SPEAKER**. On this rollcall 330 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

TO ESTABLISH A JUDGE ADVOCATE GENERAL'S CORPS IN THE NAVY

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. PHILBIN] to take from the Speaker's desk the bill (H.R. 12910), to establish a Judge Advocate General's Corps in the Navy, and for other purposes, with Senate amendments thereto, and concur in the Senate amendments?

Mr. KING of New York. Mr. Speaker, reserving the right to object, and I shall not object, I wonder if the distinguished gentleman from Massachusetts [Mr. PHILBIN] would discuss for the edification of the Members of the House the amendments which have been added by the other body?

Mr. PHILBIN. Mr. Speaker, will the gentleman yield?

Mr. KING of New York. I yield to the gentleman from Massachusetts.

Mr. PHILBIN. Mr. Speaker, H.R. 12910 is the bill to establish a Judge Advocate General's Corps in the Navy. It was approved unanimously in subcommittee and full committee and passed the House on Consent Calendar on October 2, 1967. It was approved on consent in the other body on November 14, 1967, with minor amendments.

The main amendments are to make the two Assistant Judge Advocate Generals permissively be flag officers rather than mandatorily. In the House version it was required that one Assistant Judge Advocate General be a flag officer of the Navy and one Assistant Judge Advocate General be a flag officer of the Marine Corps. This ran into problems in the other body because of the limitation on the total number of flag officers.

The second amendment of the Senate was to set out specific sections of title 10 presently applicable to the Medical Corps which would be applicable to the Judge Advocate General's Corps. The House version had a blanket incorporation by references.

These amendments are acceptable to the Navy and to the Marine Corps.

The Senate passed H.R. 12910—the Navy Judge Advocate General's Corps bill—with certain amendments.

On page 4, line 11, change "shall" to "may," and on page 5, line 2, change "shall" to "may." The purpose of this amendment was to eliminate the mandatory provision that Assistant Judge Advocate Generals be detailed. Under the language of the bill prior to its amendment the Secretary of the Navy would have been required to detail two Assistant Judge Advocate Generals and the Senate committee advised that if this were done the Stennis ceiling would not be raised, and that the flag and general officers filling the two billets would have to be charged against the total number of flag and general officers already authorized under the Stennis ceiling for the Navy and the Marine Corps. Both the Navy and the Marine Corps took the position that they could not absorb at this time within their current flag- and general-officer allocations the two Assistant Judge Advocate General billets. Consequently the language was changed to enable the Navy and Marine Corps to have some flexibility in this regard.

On page 11 the last sentence of subsection (b) of section 8 was deleted. This sentence provides that all provisions of title 10, United States Code, relating to officers of the Medical Corps should be applicable to officers of the Judge Advocate General's Corps. The committee preferred not to use this sweeping language but instead to spell out the sections of title 10 applying to the Medical Corps which would apply to the Judge Advocate General's Corps. Accordingly, section 12 of the bill was added to take the place of the last sentence of subsection (b) of section 8.

On page 12 in section 10 a second sentence was added to the bill reading:

> Redesignation of an officer under section 8(b) of the Act shall not operate to change the computation of his service for any purposes.

This technical amendment was added to insure that officers now on duty as law specialists would not have their total commissioned service changed when they were designated as members of the Judge Advocate General's Corps.

These amendments are acceptable and also have the approval of **the Commandant of the Marine Corps, the Chief of Naval Operations, and the Chief of Naval** Personnel.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. KING of New York. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, as the distinguished chairman of the Subcommittee of the Committee on Armed Services states, this legislation came out of the full committee unanimously, but was not the original intent in this legislation to make this mandatory rather than permissive when it passed the House without objection?

Mr. PHILBIN. Yes; that is correct.

Mr. HALL. And create the two additional positions of flag officer or general officer rank over and above the so-called "ceiling" of chairman of the subcommittee in the other body, and there was authorized this most important legal corps which in this one branch of the service had never been brought up to comparable rank with the other services, with the same type of officers; and by accepting this permissive legislation proposed by the other body are we not undoing what we really intended to do in the first place?

I would ask the distinguished gentleman that question for the benefit of all the Members.

Mr. PHILBIN. As the gentleman knows, the bill originally had a mandatory requirement in it that the two officers be of flag rank. The bill from the Senate would be permissive, which would permit the positions to be filled by other than the flag rank, and since it was permissive, they could be filled also by admirals. The problem was that at the present time, under the House bill, there might be some question of exceeding the present ceiling as to officers of flag rank. So the other body felt that at the present time, it was perhaps better that this legislation should be permissive rather than mandatory. Our committee feels that it would be better to accept the amendments so that we could get this program started, since it is a very desirable program to improve Navy justice and it was adopted unanimously by the House.

Mr. HALL. I agree with the gentleman, if the gentleman will yield further, and I agree that it is perhaps necessary to accept it in its "dehorned" form, as it comes from the other body, in order to get the program started. And I believe the gentleman will agree with me that in the subcommittee, the full committee, and in the House it was the intention of this body to actually create, above that existing ceiling for flag or general officers, two additional ones for this specific purpose; or to at least give the advice and consent of the Congress, that it was in order, to the executive branch. And I hope that we can establish that legislative record, and I hope I can hear a statement of confirmation from the gentleman as to that legislative record, since we are willing to accept the less importunate legislation at this time.

Mr. PHILBIN. I certainly agree with the statement of the able gentleman from Missouri, an outstanding member of the committee. I am in agreement with him that we should move toward having the legislation be as it was originally passed by the House, and I believe that should be done. But as I mentioned, I believe it is necessary to follow this procedure, and accept the Senate amendments, in order that the program may commence at an early date.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KING of New York. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, did I understand the gentleman to say that this bill makes it only permissive for a Judge Advocate's Corps to be established in the Navy?

Mr. PHILBIN. No; it is permissive only as to the rank of the two officers to be added to the Corps when it is organized, and they shall be of flag rank as well as a lower, lesser rank, presumably captains.

Mr. GROSS. I thank the gentleman.

Mr. PHILBIN. That is all that is involved here, I may inform the distinguished gentleman.

Mr. KING of New York. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

THE 26TH ANNIVERSARY OF JAPANESE ATTACK ON PEARL HARBOR

Mr. GOODLING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GOODLING. Mr. Speaker, December 7 is but a few weeks away, and it marks the 26th anniversary of the Japanese attack on Pearl Harbor, an act which committed the United States to World War II.

Mr. Speaker, the Commonwealth of Pennsylvania has designated December 7, 1967, as Pearl Harbor Remembrance Day in Pennsylvania, and I introduce into the RECORD Gov. Raymond P. Shafer's proclamation formalizing this designation:

PROCLAMATION BY GOVERNOR OF PENNSYLVANIA, NOVEMBER 3, 1967

Greetings:

December 7, 1967, marks the 26th anniversary of the attack by the Japanese on Pearl Harbor, an act which plunged the United States into World War II.

This anniversary should serve as a grim reminder to us all of the vigilance necessary for our Country and the entire free world to preserve our liberty and democratic ideals.

As Governor of Pennsylvania, in memory of the members of our Armed Forces who lost their lives in that attack, and to those who survived to achieve the ultimate victory, I hereby designate December 7, 1967, as Pearl Harbor Remembrance Day in Pennsylvania.

Furthermore, I call upon all our citizens to pay homage to the Americans who died at Pearl Harbor, to rededicate themselves to protecting our freedom, and to fly the American Flag on this day as a symbol of our devotion to the principles for which it stands.

RAYMOND P. SHAFER,
Governor.

THE LATE A. T. BURCH

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, today I was saddened to read in the Washington Post of the death of A. T. Burch, of Chicago.

Mr. Burch for a number of years was associate editor of the Chicago Daily News and was in charge of the editorial page. During that time he made the political recommendations of the Chicago Daily News in all the campaigns.

Mr. Burch was one of the most conscientious men I ever knew. He weighed carefully the merits and demerits of all candidates and I thought he always strove to reach fair determinations. He enjoyed the confidence of the public in an unusual measure. During the period that he was the responsible editor in charge of the selections it was said that the recommendations in the Chicago Daily News meant in the city of Chicago a difference of no less than 50,000 votes.

That was the estimate of political leaders based upon the clippings of the news recommendations left in the polling places.

Whether one agreed or disagreed with his judgment on political issues and personalities, no one questioned his sincerity or his honesty.

Angelus T. Burch was a man of firm religious convictions, scholarly but unpretentious, and he gave a life of service to his God and fellow men.

From 1945 to 1960, a period of 15 years, he was in charge of the editorial page of the Chicago News and was a widely read columnist for the News for 4 years after his retirement.

He was a lieutenant in artillery during World War I, later was financial editor of the old New York Tribune, political reporter for the Topeka Daily Capital, editorial writer for the Topeka State Journal, and over headed the journalism department of Washburn College.

THE LATE A. T. BURCH

Mr. TEAGUE of California. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. TEAGUE of California. Mr. Speaker, I would like very much to join in the statement just made by the gentleman from Illinois [Mr. O'HARA] because, as a matter of fact, Mr. Burch was my second cousin. The "A. T." stood for Angelus T. Burch.

Mr. Speaker, I appreciate the thoughtfulness of the gentleman from Illinois in saying those kind and well-deserved words.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

INTERNATIONAL BRIDGE AT PHARR, TEX.

The Clerk called the bill (H.R. 470) to authorize the Pharr Municipal Bridge Corp. to construct, maintain, and operate a toll bridge across the Rio Grande near Pharr, Tex.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. PELLY. Mr. Speaker, reserving the right to object, on November 6, at the request of the gentleman from Pennsylvania [Mr. JOHNSON], this bill, H.R. 470, was passed over without prejudice.

The reason it was passed over was that there was no report of the State Department included in the printed report accompanying the bill.

Since that time the author of the bill, the gentleman from Texas [Mr. DE LA GARZA] has furnished the objectors' committee with copies of the report.

Mr. Speaker, I note that by the bill consent of Congress is granted to the city of Pharr, Tex., to enter into an agreement. However, the report states:

> Since Congress would be granting its consent to the conclusion of an agreement before the terms of the agreement are known, it is believed that the terms of such an agreement should be submitted to the Department of State for approval.

Therefore, Mr. Speaker, I withdraw my reservation of objection, and I ask unanimous consent that the bill be passed over without prejudice.

Mr. SELDEN. Mr. Speaker, reserving the right to object, I would like to call to the attention of the gentleman that there has been a section included in the bill, an amendment which was requested by the State Department. It is section 2, which will cover the question raised by the gentleman from Washington.

Mr. PELLY. Mr. Speaker, will the gentleman yield?

Mr. SELDEN. I yield to the gentleman from Washington.

Mr. PELLY. The gentleman from Pennsylvania is absent today. I would like to have the bill passed over without prejudice until the gentleman from Pennsylvania can make a determination about that language.

Mr. SELDEN. Mr. Speaker, further reserving the right to object, I talked with the gentleman from Pennsylvania after he asked 2 weeks ago that the bill be passed over. He told me the reason he had made the request was due to the absence of the gentleman from Washington. He, himself, had no objection personally.

Mr. PELLY. Mr. Speaker, will the gentleman yield further?

Mr. SELDEN. I yield to the gentleman from Washington.

Mr. PELLY. I would like to discuss it with him.

Mr. DE LA GARZA. Mr. Speaker, reserving the right to object, I would like to inform the gentleman from Washington that the gentleman from Pennsylvania informed me that he had no objection to this legislation, that he would not be present today, and in the presence of the gentleman from Missouri he made the statement that no objection need be made because of his absence, and that he had no objection.

Mr. PELLY. I thank the gentleman from Texas. If he would yield to me, I would like to point out that the gentleman has certainly been very conscientious in trying to satisfy the objectors. The only problem that I have, if the gentleman will yield further, is that I want to study the language of this report, which was placed in my hand only this weekend, and study it in relation to the language which is in the bill, which seeks to overcome this objection of the State Department.

So if the gentleman would not mind, I would like to have the bill passed over for another 2 weeks, and then I think we would probably be willing to have it passed on the Consent Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

INCREASE OF TIMBER SURVEY AUTHORIZATION

The Clerk called the bill (S. 1136) to amend section 9 of the act of May 22, 1928 (45 Stat. 702), as amended and supplemented (16 U.S.C. 581h), relating to surveys of timber and other forest resources of the United States, and for other purposes.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

NAMING THE FEDERAL OFFICE BUILDING, DETROIT, MICH., IN HONOR OF THE LATE PATRICK V. McNAMARA

The Clerk called the bill (S. 343) to provide that the Federal office building to be constructed in Detroit, Mich., shall be named the "Patrick V. McNamara Federal Office Building" in memory of the late Patrick V. McNamara, a U.S. Senator from the State of Michigan from 1955 to 1966.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

TOBACCO ALLOTMENT LEASE AND TRANSFER

The Clerk called the bill (H.R. 13653) to amend the tobacco marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SNYDER, Mr. ZION, and Mr. CARTER objected; and, under the rule, the bill was stricken from the Consent Calendar.

Mr. SNYDER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SNYDER. Mr. Speaker, I want to explain to the Members of the House that my opposition to this legislation is not out of any desire to be obstinate. I sincerely believe it would not be for the best interest of the burley tobacco producers. I believe it would increase production in an area where overproduction is already a problem.

The committee hearings on August 16 and 17, 1967, indicate that the President of the Kentucky Farm Bureau, Mr. Louis Ison, testified against the leasing of burley allotments as did Mr. S. J. Stokes, Jr., president of the Burley Farmers Advisory Council.

Mr. Speaker, the Kentucky Farm Bureau in its State convention less than 2 weeks ago affirmed its opposition by a resolution duly adopted.

Along this line, Mr. Speaker, I include a short editorial from the Louisville Courier-Journal of Sunday, November 12:

A QUESTIONABLE TOBACCO BILL

> Two Kentucky Congressmen last week blocked temporarily a dubious tobacco bill that would let tobacco growers lease and transfer their acreage allotments to other farmers. It is a measure favored by large tobacco growers and opposed by small growers. Representatives Tim Lee Carter and Gene Snyder, siding with the small growers, teamed up to halt immediate action on the bill in the House.
>
> The bill, sponsored by two other Kentucky Congressmen, John Watts and Frank Stubblefield, would permit a grower to lease other farmers' tobacco allotments and consolidate as much as 10 acres for additional planting. The big growers are in a better position to lease the acreage, which would give them a cushion against further government-imposed acreage reductions.
>
> It isn't a questionable bill just because the big growers are for it and the little ones are against it. It is dubious because it is a device to stimulate tobacco production. As Representative Snyder put it: "Our problem right now is over-production—not underproduction. This would compound the problem."
>
> He is right.

RELATING TO OIL AND GAS LEASES

The Clerk called the bill (H.R. 7940) to authorize the Secretary of the Interior to prevent terminations of oil and gas leases in cases where there is a nominal deficiency in the rental payment, and to authorize him to reinstate under some conditions oil and gas leases terminated by operation of law for failure to pay rental timely.

There being no objection, the Clerk read the bill, as follows:

H.R. 7940

> *Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Section 31(b) of the Mineral Leasing Act of 1920 (41 Stat. 450), as amended (30 U.S.C. 188 (b)), is amended by changing the period at the end thereof to a colon and adding the following: "*Provided,* That if the rental payment due under a lease is paid timely but the amount of the payment is deficient and the deficiency is nominal, as determined by the Secretary in regulations to be issued by him, the Secretary shall notify the lessee of the deficiency and such lease shall not automatically terminate unless the lessee fails to pay the deficiency within the period prescribed in the notice."
>
> SEC. —. Section 31(c) of the Mineral Leasing Act of 1920 (41 Stat. 450), as amended (30 U.S.C. 188(c)), is amended to read as follows:
>
> "(c) Where any lease has been terminated automatically by operation of law under this section for failure to pay rental timely or for failure to pay the full amount due and the deficiency is not nominal and it is shown to the satisfaction of the Secretary of the

Interior that such failure was either justifiable or not due to lack of reasonable diligence, he may reinstate the lease if—

"(1) a petition for reinstatement, together with the required rental, including back rental accruing from the date of termination of the lease, is filed with the Secretary; and

"(2) no valid lease has been issued affecting any of the lands covered by the terminated lease prior to the filing of said petition. In the case of any lease terminated after October 15, 1962, but before the effective date of this sentence for failure to pay rental timely or for failure to pay the full amount due, such petition must be filed within one hundred and eighty days after this sentence becomes effective. The Secretary shall not issue any new lease affecting any of the lands covered by such terminated lease for a reasonable period, as determined in accordance with regulations issued by him."

With the following committee amendment:

Strike out all after the enacting clause and insert the following:

"That section 31(b) of the Mineral Leasing Act of 1920 (41 Stat. 450), as amended (30 U.S.C. 188(b)), is amended by changing the period at the end thereof to a colon and adding the following: '*Providing*, That if the rental payment due under a lease has been or is hereafter paid on or before the anniversary date but either (1) the amount of the payment is deficient and the deficiency is nominal, as determined by the Secretary by regulation, or (2) the payment was calculated in accordance with the acreage figure stated in the lease or made in accordance with a bill which has been rendered by him and such figure or bill is found to be in error resulting in a deficiency, the Secretary shall notify the lessee of the deficiency and such lease shall not automatically terminate unless the lessee fails to pay the deficiency within the period prescribed in the notice.'

"Sec. 2. Section 31(c) of the Mineral Leasing Act of 1920 (41 Stat. 450), as amended (30 U.S.C. 188(c)), is amended to read as follows:

" '(c) Where any lease has been or is hereafter terminated automatically by operation of law under this section, for failure to pay rental on or before the anniversary date or for failure to pay the full amount due and the deficiency is not nominal and payment was not made in accordance with the acreage figure stated in the lease or in accordance with a bill rendered by the Secretary and it is shown to the satisfaction of the Secretary of the Interior that such failure was either justifiable or not due to lack of reasonable diligence, he may reinstate the lease if—

" '(1) a petition for reinstatement, together with the required rental, including back rental accruing from the date of termination of the lease, is filed with the Secretary; and

" '(2) no valid lease has been issued affecting any of the lands covered by the terminated lease prior to the filing of said petition. The Secretary shall not issue any new lease affecting any of the lands covered by such terminated lease for a reasonable period, as determined in accordance with regulations issued by him. In any case where a reinstatement of a terminated lease is granted under this subsection and the Secretary finds that the reinstatement of such lease will not afford the lessee a reasonable opportunity to continue operations under the lease, the Secretary may at his discretion, extend the term of such lease for such period as he deems reasonable: *Provided*, That (A) such extension shall not exceed a period equivalent to the time beginning when the lessee knew or should have known of the termination and ending on the date the Secretary grants such petition; (B) such extension shall not exceed a period equal to the unexpired portion of the lease or any extension thereof remaining at the date of termination; and (C) when the reinstatement occurs after the expiration of the term or extension thereof the lease may be extended from the date the Secretary grants the petition.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. HALEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill, S. 1367.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There being no objection, the Clerk read the Senate bill, as follows:

S. 1367

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 31(b) of the Mineral Leasing Act of 1920 (41 Stat. 450), as amended (30 U.S.C. 188(b)), is amended by changing the period at the end thereof to a colon and adding the following: "*Provided*, That if the rental payment due under a lease is paid on or before the anniversary date but either (1) the amount of the payment has been or is hereafter deficient and the deficiency is nominal, as determined by the Secretary by regulation, or (2) the payment was calculated in accordance with the acreage figure stated in the lease or made in accordance with a bill which has been rendered by him and such figure or bill is found to be in error resulting in a deficiency, the Secretary shall notify the lessee of the deficiency and such lease shall not automatically terminate unless the lessee fails to pay the deficiency within the period prescribed in the notice."

Sec. 2. Section 31(c) of the Mineral Leasing Act of 1920 (41 Stat. 450), as amended (30 U.S.C. 188(c)), is amended to read as follows:

"(c) Whereas any lease has been or is hereafter terminated automatically by operation of law under this section, for failure to pay rental on or before the anniversary date or for failure to pay the full amount due and the deficiency is not nominal and payment was not made in accordance with the acreage figure stated in the lease or in accordance with a bill rendered by the Secretary and it is shown to the satisfaction of the Secretary of the Interior that such failure was the result of error or neglect on the part of the Department of the Interior, the Secretary may reinstate the lease if—

"(1) a petition for reinstatement, together with the required rental, including back rental accruing from the date of termination of the lease, if filed with the Secretary; and

"(2) no valid lease has been issued affecting any of the lands covered by the terminated lease prior to the filing of said petition. The Secretary shall not issue any new lease affecting any of the lands covered by such terminated lease for a reasonable period, as determined in accordance with regulations issued by him. In any case where a reinstatement of a terminated lease is granted under this subsection and the Secretary finds that the reinstatement of such lease will not afford the lessee a reasonable opportunity to continue operations under the lease, the Secretary may, at his discretion extend the term of such lease for such period as he deems reasonable: *Provided*, That (A) such extension shall not exceed a period equivalent to the time beginning when the lessee knew or should have known of the termination and ending of the date the Secretary grants such petition; (B) such extension shall not exceed a period equal to the unexpired portion of the lease or any extension thereof remaining at the date of termination; and (C) when the reinstatement occurs after the expiration of the term or extension thereof the lease may be extended from the date the Secretary grants the petition."

AMENDMENT OFFERED BY MR. HALEY

Mr. HALEY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Haley: Strike out all after the enacting clause of S. 1367 and insert the provisions of H.R. 7940, as passed.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 7940) was laid on the table.

ELIGIBILITY FOR PARTICIPATION IN THE CROPLAND ADJUSTMENT PROGRAM

The Clerk called the bill (H.R. 2375) to amend the Food and Agriculture Act of 1965.

There being no objection, the Clerk read the bill, as follows:

H.R. 2375

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 602(a) of the Food and Agriculture Act of 1965 is amended by adding at the end thereof the following new sentence: "The foregoing provision shall not prevent a producer from placing a farm in the program if the farm was acquired by the producer to replace an eligible farm from which he was displaced because of its acquisition by any Federal, State, or other agency having the right of eminent domain."

With the following committee amendment:

On page 1, line 7, strike out the word "a" and insert in lieu thereof the words "an eligible".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. STUBBLEFIELD. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 2126) to amend the Food and Agriculture Act of 1965.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There being no objection, the Clerk read the Senate bill, as follows:

S. 2126

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 602(a) of the Food and Agriculture Act of

1965 is amended by adding at the end thereof the following new sentence: "The foregoing provision shall not prevent a producer from placing an eligible farm in the program if the farm was acquired by the producer to replace a farm from which he was displaced because of its acquisition by any Federal, State, or other agency having the right of eminent domain."

AMENDMENT OFFERED BY MR. STUBBLEFIELD

Mr. STUBBLEFIELD Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STUBBLEFIELD: Strike all after the enacting clause in S. 2126 and insert in lieu thereof the provisions of H.R. 2375, as passed.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 2375) was laid on the table.

NAMING THE POST OFFICE AND FEDERAL OFFICE BUILDING, BRONX, N.Y., IN HONOR OF THE LATE CHARLES A. BUCKLEY

The Clerk called the bill (H.R. 13833) to provide that the post office and Federal office building to be constructed in Bronx, N.Y., shall be named the "Charles A. Buckley Post Office and Federal Office Building" in memory of the late Charles A. Buckley, a Member of the United States of Representatives from the State of New York from 1935 through 1964.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

PROVIDING FOR THE RESTORATION AND RETURN TO THE UNITED STATES OF THE "KAIULANI"

The Clerk called the joint resolution (S.J. Res. 101) amending title XI of the Merchant Marine Act, 1936, to authorize the Secretary of Commerce to guarantee certain loans made to the National Maritime Historical Society for the purpose of restoring and returning to the United States the last surviving American square-rigged merchant ship, the *Kaiulani*, and for other purposes.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the joint resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FEDERAL MARITIME DISCOVERY PROCEDURES

The Clerk called the bill (S. 706) to amend section 27 of the Shipping Act, 1916.

There being no objection, the Clerk read the bill, as follows:

S. 706

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 27 of the Shipping Act (46 U.S.C. 826) be amended by deleting the present section and substituting therefor the following:

"SEC. 27. (a) In all proceedings under section 22 of this Act, depositions, written interrogatories, and discovery procedure shall be available under rules and regulations issued by the Federal Maritime Commission, which rules and regulations shall, to the extent practicable, be in conformity with the rules applicable in civil proceedings in the district courts of the United States. In such proceedings, the Commission may by subpena compel the attendance of witnesses and the production of books, papers, documents, and other evidence, in such manner and to such an extent as the Commission may by rule or regulation require. Attendance of witnesses and the production of books, papers, documents, and other evidence in response to subpena may be required from any place in the United States at any designated place of hearing, and persons so acting under the direction of the Commission and witnesses shall, unless employees of the Commission, be entitled to the same fees and mileage as in the courts of the United States.

"(b) Obedience to this section shall, on application by the Commission, be enforced as are orders of the Commission other than for the payment of money."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE ACT CREATING THE ATLANTIC-PACIFIC INTEROCEANIC CANAL STUDY COMMISSION

The Clerk called the bill (S. 1566) to amend sections 3 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a sea-level canal connecting the Atlantic and Pacific Oceans.

Mr. HALL. Mr. Speaker, reserving the right to object, as I read the bill and the report, this is a bill, which has $4.5 million additional funding in the bill as passed by the other body, and therefore it is not eligible for consideration, according to the criteria of the objectors.

Is there anything that can be said in its behalf, because it is for that reason that I have taken the reservation of objection, rather than asking unanimous consent that the bill be put over without prejudice, pending the next call of the calendar.

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. Mr. Speaker, I will be most happy to answer the gentleman.

When the bill was before the Subcommittee on the Panama Canal, we had several hearings. We decided the Commission should have an additional year and a half in which to finish some of its studies and report back to the Congress, but we refused in the Committee to give them any additional money. The Senate bill would authorize an additional amount of $4.5 million. We probably will have to go to conference. We will insist that there be no more money for this Commission.

Mr. HALL. Mr. Speaker, is there any reason to believe that with this insistence and maintaining the position on the part of the conferees on the part of the House, we would not be dedicating from the taxpayers' pockets additional funds to the end result?

I am the first to agree that we do need a report from this Commission. It was for that reason I took the reservation, rather than merely asking that the bill be passed over without prejudice, this late in the session.

I do understand the situation in the Panama Canal. The distinguished gentlewoman knows I have worked with her on this vital subject. I am most anxious that this come to fruition and that we not give away our rights there until such a report is made.

Do we have any assurance that the position of the House can be maintained? Second, does it require a year and a half extension of the Commission to wind up the final report?

Mrs. SULLIVAN. Mr. Speaker, if the gentleman will yield further, I want to assure the gentleman that they do need this time. The Commission sent to our Committee, on the day that we were to take final action on the bill, a message that they were ready to accept the House version of the bill. I can assure the gentleman that we will insist upon our version, with no additional money, but providing a year and a half extension in the period for filing their report.

Mr. HALL. Mr. Speaker, I would certainly want the Members of the House to be on notice that if such a conference report came back it could and should be objected to, if it involved the additional funds.

I certainly appreciate the gentlewoman's explanation, and I withdraw my reservation.

Mrs. SULLIVAN. I thank the gentleman.

Mr. GROSS. Mr. Speaker, further reserving the right to object, the bill I have before me is a Senate bill. If it is approved by unanimous consent, the House will have put its stamp of approval upon $4½ million of additional money for the Commission.

In addition, the bill I have before me violates the rules for consideration on the Consent Calendar, in that it deals with $4½ million.

Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SHIPPING ACT, 1916: AUTHORIZED REFUND OF CERTAIN FREIGHT CHARGES

The Clerk called the bill (H.R. 9473) to amend provisions of the Shipping Act, 1916, to authorize the Federal Maritime Commission to permit a carrier to refund a portion of the freight charges.

There being no objection, the Clerk read the bill, as follows:

H.R. 9473

Be it enacted by the Senate and House of Representatives of the United States of

America in Congress assembled, That section 13(b) of the Shipping Act, 1916 (46 U.S.C. 817(b)), is amended by changing the period at the end of subsection (3) thereof to a colon and adding the following proviso: "*Provided, however,* That the Federal Maritime Commission may in its descretion and for good cause shown permit a carrier to refund a portion of freight charges collected from a shipper or waive the collection of a portion of its charges from a shipper, where it appears that such refund or waiver will not result in discrimination among shippers: *Provided, further, however,* That the carrier has, prior to applying for authority to make refund, filed a new tariff with the Federal Maritime Commission which sets forth the rate on which such refund or waiver would be based: *And provided further, however,* That the rate resulting from such refund or waiver when approved shall be the effective and applicable rate for all other shipments of the same description of the carrier for the period commencing thirty days prior to the date of the shipment or shipments involved, until thirty days subsequent to the date of application for refund or waiver or until ninety days subsequent to the shipment or shipments involved, whichever is later, and where appropriate, additional refunds or waivers shall likewise be made."

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That section 18(b) of the Shipping Act, 1916 (46 U.S.C. 817(b)), is amended by changing the period at the end of subsection (3) thereof to a colon and adding the following proviso: '*Provided, however*, That the Federal Maritime Commission may in its discretion and for good cause shown permit a common carrier by water in foreign commerce or conference of such carriers to refund a portion of freight charges collected from a shipper or waive the collection of a portion of the charges from a shipper where it appears that there is an error in a tariff of a clerical or administrative nature or an error due to inadvertence in failing to file a new tariff and that such refund or waiver will not result in discrimination among shippers; *Provided further*, That the common carrier by water in foreign commerce or conference of such carriers has, prior to applying for authority to make refund, filed a new tariff with the Federal Maritime Commission which sets forth the rate on which such refund or waiver would be based; *Provided further*, That the carrier or conference agrees that if permission is granted by the Federal Maritime Commission, an appropriate notice will be published in the tariff, or such other steps taken as the Federal Maritime Commission may require, which give notice of the rate on which such refund or waiver would be based, and additional refunds or waivers as appropriate shall be made with respect to other shipments in the manner prescribed by the Commission in its order approving the application: *And Provided further*, That application for refund or waiver must be filed with the Commission within 180 days from the date of shipment.' "

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend provisions of the Shipping Act, 1916, to authorize the Federal Maritime Commission to permit a common carrier by water in foreign commerce or conference of such carriers to refund a portion of the freight charges."

A motion to reconsider was laid on the table.

ARGOS NATIONAL FISH HATCHERY

The Clerk called the bill (H.R. 10923) to authorize the Secretary of the Interior to convey the Argos National Fish Hatchery in Indiana to the Izaak Walton League.

There being no objection, the Clerk read the bill, as follows:

H.R. 10923

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Interior is authorized to convey to the Argos (Indiana) Chapter Numbered 68 of the Izaak Walton League of America without compensation the title to the Argos National Fish Hatchery in Marshall County, Indiana, whenever he determines that said league is capable of assuming the full responsibility for operating and maintaining the hatchery for the purposes for which it was established.

With the following committee amendment:

Add the following provision at the end of the bill: "Whenever the Secretary determines, after conveyance, that the hatchery is not being operated and maintained for the purposes for which it was established, title thereto shall automatically revert to the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNSUBSIDIZED SERVICE TO THE TERRITORY OF GUAM

The Clerk called the bill (H.R. 12638) to authorize the exchange of certain war-built vessels for conversion and operation in nonsubsidized service between the west coast of the United States and the territory of Guam.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALL. Mr. Speaker, reserving the right to object, I would like to be reassured that there will be absolutely no cost to the Government, either directly or indirectly, either as subsidies or as costs of conversion of these particular C–4 type ships for use in trade between the west coast, Guam, and other territories of the United States.

Mr. GARMATZ. Mr. Speaker, will the gentleman yield?

Mr. HALL. I will be glad to yield to the distinguished chairman of the committee.

Mr. GARMATZ. This says that the Secretary shall make no payment to the owner with respect to any of these changes. Therefore, exchanges of vessels under the Exchange Act involve no additional cost to the Government.

Mr. HALL. Mr. Speaker, further reserving the right to object—and I appreciate that it is written in the bill—is there any reason why the Comptroller General did not have the information on which to comment and forward the departmental views as required by the objectors criteria, concerning our deal with the supposedly nonsubsidized associations for these liners, tankers, and tramp-type vessels? Does the gentleman have any information as to why there is not available to the Comptroller General or the General Accounting Office such information?

Mr. DINGELL. Mr. Speaker, if the gentleman will yield?

Mr. HALL. I will be glad to yield to the distinguished gentleman from Michigan.

Mr. DINGELL. I believe this legislation is to straighten out a technicality in the law. It was the understanding of the committee when we considered this legislation that the persons who were permitted to trade in C–2's and C–4's had authorization under existing law, but there was a question in the mind of certain Federal agencies as to whether or not this authority existed in fact. In order to make it absolutely clear that the authority for the trade in and trade out lies in the persons concerned, the committee reported this bill. Perhaps this is the reason why the departmental agencies have not been able to give adequate reports on the matter. It is because it is correcting a technicality.

Mr. MAILLIARD. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from California.

Mr. MAILLIARD. The point is most of us believe the permission to trade in and trade out went only to vessels not under subsidy. There is a later interpretation by the executive that if a subsidized operator operated nonsubsidized ships, they were ineligible. We always thought the restriction applied to the ship and not to the operator. This bill is merely an effort to put into law an interpretation most of us thought was in the law in the first place.

Mr. HALL. Is the distinguished gentleman trying to tell me that this will legalize a nonsubsidized operator operating a subsidized ship?

Mr. MAILLIARD. No. It is just the other way around. This particular operator does operate a subsidized service. The Guam service is not a subsidized service and it has no subsidy money in it.

Mr. HALL. The gentleman will confirm the fact that this simply makes it legally correct for them to convert and operate, and that there is no expense to the taxpayers involved in the conversion that will be done by the nonsubsidized operators as they convert the ships?

Mr. MAILLIARD. That is correct.

Mr. HALL. Mr. Speaker, I thank the gentleman and withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

H.R. 12638

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce, acting by and through the Maritime Administration, pursuant to the provisions of section 510(i) of the Merchant Marine Act, 1936, is authorized to trade out in exchange for obsolete vessels two war built vessels of the C–4 type for the purpose of conversion and operation in a nonsubsidized service between the west coast of the United States and the territory of Guam.

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That the Secretary of Commerce (hereinafter referred to as the "Secretary"), acting by and through the Maritime Administration pursuant to the provisions of section 510(1) of the Merchant Marine Act, 1936 (46 U.S.C. 1160(1)), is authorized to trade out in exchange for obsolete vessels two C-4-type vessels for the purpose of conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam by the person acquiring the traded-out vessels without regard to whether such person receives operating-differential subsidy under the Merchant Marine Act, 1936, for any other of his operations. The Secretary shall exchange the vessels under authority of this Act under such terms and conditions as he deems necessary to insure that if the person who acquires the two C-4-type vessels discontinues his operation in such service, the vessels will be sold to his successor in such service at their fair and reasonable value as determined by the Secretary and subject to such other requirements as the Secretary determines necessary to protect the interests of the United States."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to authorize the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam."

A motion to reconsider was laid on the table.

SHIP MORTGAGE INSURANCE

The Clerk called the bill (H.R. 13369) to amend section 509 of the Merchant Marine Act of 1936, to provide for construction aid for certain vessels operating on the inland rivers and waterways.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HALL. Mr. Speaker, reserving the right to object——

Mrs. SULLIVAN. Mr. Speaker, will the gentleman yield?

Mr. HALL. Yes. I will be glad to yield to the gentlewoman from Missouri.

Mrs. SULLIVAN. I wonder if the gentleman from Missouri will tell me why he is objecting to this bill.

Mr. HALL. Because there are no departmental reports and therefore it does not come within the criteria of unanimous consent established as a matter of fact by the objectors on the majority side of the aisle.

Mrs. SULLIVAN. In response to the gentleman's comment, may I read what the General Counsel of the Treasury said, as well as the Department of Commerce?

Mr. HALL. I would be glad to yield for that purpose if the distinguished gentlewoman would also read what the Department of Transportation says in opposition to the bill.

Mrs. SULLIVAN. The Department of Transportation opposed the original bill because they said the railroads and other carriers might object from a competitive standpoint. But there is no competition involved here.

This is for mortgage insurance to assure the financing of construction of a passenger vessel designed to operate on the inland waterways—the construction of a riverboat or a passengerboat. It has nothing to do with transportation of any cargo. The bill is necessary to make possible the replacement of the last remaining riverboat on the Mississippi River, the Ohio River, and the Tennessee River. The Safety at Sea Act we passed in the last Congress will force the present vessel to go out of service.

Mr. Speaker, there are no Federal funds involved in this legislation, merely mortgage insurance to guarantee 87½ percent of the cost of replacing this vessel. We are merely giving the same insurance, or propose to do so, that is given for the construction of any ship that plies the ocean waters.

Further, Mr. Speaker, I think it is in the interest of continuing the romance of river packets in the inland waterways that we should pass this bill today.

Believe me, Mr. Speaker, there was no real discouragement from any of the agencies that we consulted. We are merely increasing from the present maximum of 75 percent of cost to a new maximum of 87.5 percent the mortgage insurance which they can obtain under the existing law for vessels of this size and speed. But this boat is unique.

Mr. HALL. Mr. Speaker, if the distinguished gentlewoman from Missouri will yield further, I will say that I am very familiar with the *Delta Queen*, and I think in the interest of safety that she should perhaps be placed in a museum status because of the services which she has rendered in the past.

Certainly, Mr. Speaker, the lovely and distinguished gentlewoman from Missouri speaks with great authority about romance, insofar as I am concerned.

But, is it not true that this proposal not only extends this additional insurance to this operation, but grants an 87-percent mortgage guarantee to the contractors and constructors of the *Delta Queen*? Is this not a fact and does this not in fact represent a subsidy by the Federal Government?

Mrs. SULLIVAN. There is no subsidy, I would like to say to the gentleman from Missouri. It is going to cost $4 million to have this boat replaced. The company can furnish $500,000 down. Under present law, they would have to put down $1,000,000. This is a small company that has been making money on the operation of the present boat. The boat must be removed from service next year, under the safety law. We have put this off too long. We passed legislation last year to permit the various vessels now operating upon the rivers to stay in service until November 1968. But then they must be replaced. Therefore, they need the legislation passed now so that they can go ahead and build a boat and have it ready for replacement when the deadline for compliance with the safety law takes effect.

They have shown in their testimony that in the last 5 years they have operated at full passenger capacity. I repeat: they operated at 100 percent of their capacity over the past 5 years. They have further shown that they have been making money. But they cannot put up $1,000,000 in cash to finance a new $4,000,000 vessel.

Mr. HALL. Mr. Speaker, if the distinguished gentlewoman will yield further for one additional question, is there an urgency connected with this legislation that is not apparent from a reading of the report and the House bill itself?

Mrs. SULLIVAN. There is great urgency. They have four bids now for the building of this boat. It takes a year to build it. If we do not pass it at this session of Congress, they will not be able to replace it in time to maintain this delightful and romantic river tradition of the handsome packetboat rounding the bend of our great inland rivers. You will never find a more enjoyable way to take a leisurely trip through the heartland of America, recalling an era almost forgotten except through this vessel.

The SPEAKER. Does the gentlewoman from Missouri desire to yield to the gentleman from Michigan?

Mrs. SULLIVAN. I will be happy to yield to the gentleman from Michigan.

Mr. DINGELL. Mr. Speaker, I merely wanted to make the point that evidently has already been made as to the adverse report by the Department of Transportation. A change has been made in the bill, as the gentleman will note, eliminating the fact that that vessel might be used for the carriage of cargo and that the ship will carry only passengers. Therefore this should eliminate the objection presented by the Department of Transportation.

Mr. HALL. If the gentlewoman will yield further, I would ask unanimous consent to withdraw my request that the bill be passed over without prejudice.

The SPEAKER. The gentleman withdraws his request.

Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

H.R. 13369

Be it enacted by the Senate and House of Representatives of the United States of American in Congress assembled, That section 509 of the Merchant Marine Act of 1936 is amended by inserting after the words, "fourteen knots," the following: "except in the use of a vessel operating solely on the inland rivers and waterways in which case the vessel is designed to be of not less than one thousand gross tons and to be capable of sustained speed of not less than eight knots,".

With the following committee amendment:

Strike all after the enacting clause and insert in lieu thereof the following:

"That section 509 of the Merchant Marine Act of 1936 (46 U.S.C. 1159), is amended by inserting immediately after the words, 'fourteen knots,' the following: 'or in the case of a passenger vessel operating solely on the inland rivers and waterways which is designed to be of not less than one thousand gross tons and to be capable of sustained speed of not less than eight knots,'."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to amend section 509 of the Merchant Marine Act, 1936, to provide for construction aid for certain passenger vessels operating on the inland rivers and waterways."

A motion to reconsider was laid on the table.

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that the Committee on Merchant Marine and Fisheries be discharged from further consideration of a similar Senate bill, S. 2211, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There being no objection, the Clerk read the Senate bill, as follows:

S. 2211

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 509 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1159) be amended by inserting after the words "fourteen knots" the following: "except in the case of a passenger vessel operating solely on the inland rivers and waterways in which case the vessel is designed to be of not less than one thousand gross tons and to be capable of sustained speed of not less than eight knots,".

AMENDMENT OFFERED BY MRS. SULLIVAN

Mrs. SULLIVAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mrs. SULLIVAN: Strike out all after the enacting clause of S. 2211 and insert the provisions of H.R. 13369, as passed.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

A similar House bill (H.R. 13369) was laid on the table.

GENERAL LEAVE TO EXTEND

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks in the RECORD on the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

CANAL ZONE CODE

The Clerk called the bill (H.R. 13439) to correct and improve the Canal Zone Code, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 13439

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the list of titles of the Canal Zone Code, preceding title 1 of the Code, is amended by striking out

"5. CIVIL PROCEDURE GENERALLY.",

and in lieu thereof inserting

"5. CIVIL PROCEDURE AND EVIDENCE."

SEC. 2. The list of chapters of title 1, Canal Zone Code, preceding chapter 1 of such title, is amended by striking out, in item numbered 5 thereof, the word "DEFINITIONS", and in lieu thereof inserting the word "CONSTRUCTION", so that the item will read:

"5. RULES OF CONSTRUCTION.............. 61".

SEC. 3. The heading of chapter 5 of title 1, Canal Zone Code, preceding the analysis of sections in that chapter, is amended by striking out the word "DEFINITIONS" therein, and in lieu thereof inserting the word "CONSTRUCTION", so that the heading will read:

"CHAPTER 5—RULES OF CONSTRUCTION"

SEC. 4. The definition of "aircraft" in section 61 of title 1, Canal Zone Code, is amended by inserting the word "any" immediately preceding the word "contrivance".

SEC. 5. Chapter 5 of title 1, Canal Zone Code, is further amended by adding a new section thereto, immediately following section 66 of title 1, to read as follows:

"§ 67. Scope of applicability of United States Code sections

"The applicability to and within the Canal Zone, of the several sections of the United States Code, provided for by various provisions of the Canal Zone Code, extends to and includes any and all amendments which may be made from time to time after January 2, 1963, to those sections."

SEC. 6. The section analysis of chapter 5 of title 1, Canal Zone Code, preceding section 61 thereof, is amended by adding, immediately underneath item 66 in the analysis, the following new item:

"67. Scope of applicability of United States Code sections."

SEC. 7. Section 34 of title 2, Canal Zone Code, is amended by striking out the words "officer of the Army" and in lieu thereof inserting the words "officer of the Armed Forces".

SEC. 8. Subsection (f) of section 62, title 2, Canal Zone Code, is amended by striking out the final paragraph thereof, reading as follows:

"The net costs of operation of the Canal Zone Government, which are deemed to form an integral part of the costs of operation of the Panama Canal enterprise as a whole, shall not include interest but shall include depreciation and the reimbursement of other Government agencies for expenditures made on behalf of the Canal Zone Government. The payments into the Treasury, referred to in this subsection, shall be made annually to the extent earned, and if not earned shall be made from subsequent earnings unless the Congress otherwise directs."

SEC. 9. Subsection (g) of section 62, title 2, Canal Zone Code, is amended by adding the following paragraph at the end thereof:

"The net costs of operation of the Canal Zone Government, which are deemed to form an integral part of the costs of operation of the Panama Canal enterprise as a whole, shall not include interest but shall include depreciation and the reimbursement of other Government agencies for expenditures made on behalf of the Canal Zone Government. The payments into the Treasury, referred to in this subsection, shall be made annually to the extent earned, and if not earned shall be made from subsequent earnings unless the Congress otherwise directs."

SEC. 10. Section 233 of title 2, Canal Zone Code, is amended by striking out the word "and" following the word "medical" and preceding the word "hospital", and in lieu thereof inserting the word "or".

SEC. 11. The analysis of sections for chapter 19 of title 2, Canal Zone Code, preceding section 451 of that chapter, is amended by striking out

"471. Declaration and findings."

and

"472. Construction, maintenance, and operation of bridge."

SEC. 12. (a) Chapter 21 of title 2, Canal Zone Code, is amended by inserting the following section analysis immediately preceding section 471 thereof:

"Sec.
"471. Declaration and findings.
"472. Construction, maintenance, and operation of bridge."

(b) Paragraph (4) of section 471 of title 2, Canal Zone Code, is amended by striking out "direction" in the third line and in lieu thereof inserting "directive".

SEC. 13. The list of chapters of title 2, part 2, Canal Zone Code, preceding chapter 51 of such title, is amended by striking cut, in item numbered 65 thereof, the word "BRIDGES;" so that the item will read:

"65. HIGHWAYS, ROADS, AND VEHICLES.. 1001".

SEC. 14. (a) The analysis of sections for chapter 73 of title 2, Canal Zone Code, preceding section 1131 of that chapter, is amended by striking out in item numbered 1136 thereof, the word "fees" and in lieu thereof inserting the word "funds" so that the item will read:

"1136. Control of money-order and postal-savings funds."

(b) The catchline to section 1136 of title 2, Canal Zone Code, is amended by striking out the word "fees" and in lieu thereof inserting the word "funds".

SEC. 15. (a) Subsection (a) of section 1541 of title 2, Canal Zone Code, is amended by inserting the reference "155," following the word "sections" and by inserting the words "and section 1654 of title 5" following the word "title" and before the word "shall".

(b) Subsection (b) of section 1541 of title 2, Canal Zone Code, is amended by striking out the reference "6225", and in lieu thereof inserting "6625", and by inserting the reference "2573," between "2061," and "4782".

SEC. 16. The analysis of sections preceding subchapter I of chapter 11, title 4, Canal Zone Code, is amended by striking out

"200. Future interests; posthumous children.",

and

"201. Transfer of title to future interests.",

and

"202. Future interests; possibilities.",

and in lieu thereof inserting

"200. Same; posthumous children.",

and

"201. Same; transfer of title.",

and

"202. Same; possibilities.",

respectively.

SEC. 17. Subsection (a) of section 423 of title 4, Canal Zone Code, is amended by striking out, in the third sentence thereof, the word "bought" and in lieu thereof inserting the word "brought".

SEC. 18. Section 1391 of title 4, Canal Zone, is amended by striking out the reference "40-105" and in lieu thereof inserting "45-105".

SEC. 19. The analysis of sections preceding subchapter I of chapter 45, title 4, Canal Zone Code, is amended by striking out the item.

"1441. No property passes until goods are ascertained.",

and in lieu thereof inserting

"1441. Property not to pass until goods are ascertained."

SEC. 20. The introductory clause of subsection (a) of section 1492, title 4, Canal Zone Code, is amended to read as follows:

"(a) Subject to the provisions of this chapter, notwithstanding that the property in the goods may have passed to the buyer, the unpaid seller of the goods, as such, has:".

SEC. 21. The introductory provisions of subsection (a) of section 1493 of title 4, Canal Zone Code, preceding clause (1) thereof, are amended by striking out the words "notwithstanding that" and in lieu thereof inserting "the unpaid seller of".

SEC. 22. Section 1582 of title 4, Canal Zone Code, is amended by striking out, after "goods, or", the word "remove" and in lieu thereof inserting the word "removes".

Sec. 23. The analysis of sections preceding subchapter I of chapter 51, title 4, Canal Zone Code, is amended by striking out the word "claims" in item numbered 1791, and in lieu thereof inserting "claim", so that the item will read:

"1791. Warehouseman has reasonable time to determine validity of claim."

Sec. 24. Section 1898 of title 4, Canal Zone Code, is amended by striking out the word "compensates" following the words "ownership, and", and in lieu thereof inserting the word "compensate".

Sec. 25. The catchline to section 1971 of title 4, Canal Zone Code, is amended by striking the comma following the word "time", and in lieu thereof inserting a semicolon.

Sec. 26. Paragraph (3) of section 3182 of title 4, Canal Zone Code, is amended by inserting the word "sections" after the word "of" and preceding the reference "3151–3157".

Sec. 27. Section 4123 of title 4, Canal Zone Code, is amended by striking out the word "encumbrances" and in lieu thereof inserting "encumbrancers".

Sec. 28. Section 4726 of title 4, Canal Zone Code, is amended by striking out the word "partly" and in lieu thereof inserting "party".

Sec. 29. Section 413 of title 5, Canal Zone Code, is amended by inserting the subsection symbol "(a)" at the beginning of the first paragraph.

Sec. 30. The section analysis of chapter 15 of title 5, Canal Zone Code, preceding subchapter I of that chapter, is amended by striking out, in the heading of subchapter I, as it appears in the analysis, "JUDGMENTS", and in lieu thereof inserting "JUDGMENTS", so that the heading will read:

"SUBCHAPTER I—JUDGMENTS GENERALLY"

Sec. 31. Items (A), (B), and (C) of subparagraph (6) of section 548 of title 5, Canal Zone Code, are amended to read as follows:

"(A) all of so much of the gross earnings as does not exceed $40 per week;

"(B) 80 percent so much of the gross earnings as exceeds $40 per week and does not exceed $100 per week; and

"(C) 50 percent of so much of the gross earnings as exceeds $100 per week;".

Sec. 32. Section 1814 of title 5, Canal Zone Code, is amended by inserting the subsection symbol "(a)" at the beginning of the first paragraph.

Sec. 33. The introductory provisions of section 2962 of title 5, Canal Zone Code, preceding paragraph (1) thereof, are amended by striking out "heresay," preceding the word "evidence", and in lieu thereof inserting "hearsay."

Sec. 34. The section analysis of chapter 1 of title 6, Canal Zone Code, preceding subchapter 1 of that chapter, is amended as follows:

(1) in item numbered 42, by striking out the word "of," and in lieu thereof inserting "on," so that the item will read:

"Conviction on testimony of accomplice; accomplice defined.";

and

(2) in item numbered 131, by striking out the word "crimes", and in lieu thereof inserting "offenses", so that the item will read:

"131. Arrest only for offenses declared in Code; exceptions."

Sec. 35. Section 461 of title 6, Canal Zone Code, is amended by striking out the reference "214" wherever it appears therein, and in lieu thereof inserting "210."

Sec. 36. Section 462 of title 6, Canal Zone Code is amended by striking out the reference "215" wherever it appears therein, and in lieu thereof inserting "211."

Sec. 37. Section 543 of title 6, Canal Zone Code, is amended by striking out, after "intent" and preceding "arousing", the word "or", and in lieu thereof inserting "of".

Sec. 38. Section 988 of title 6, Canal Zone Code, is amended by striking out, in paragraph (1) thereof, the word "entitled" and in lieu thereof inserting "entitle".

Sec. 39. Subparagraph (4) of section 1132 of title 6, Canal Zone Code, is amended by striking out the word "quality" and in lieu thereof inserting "quantity".

Sec. 40. The section analysis of chapter 79 of title 6, Canal Zone Code, preceding subchapter I of that chapter, is amended by striking out the item numbered 1564, and in lieu thereof inserting:

"1564. Opening or injuring fence."

Sec. 41. Paragraph (1) of subsection (b) of section 2572 of title 6, Canal Zone Code, and subsection (c) of such section, are amended by striking out the words "chief of police and fire division", where they appear therein, and in lieu thereof inserting the words "Chief, Police Division".

Sec. 42. Section 3841(a) of title 6, Canal Zone Code, is amended by striking out "exent" in the third line and in lieu thereof inserting "extent".

Sec. 43. Section 3847 of title 6, Canal Zone Code, is amended by striking out the words "of this chapter" following the word "provisions" and preceding the word "apply".

Sec. 44. Subparagraph (1) of section 41 of title 7, Canal Zone Code, is amended by striking out, after "thereof", the word "to", and in lieu thereof inserting "by".

Sec. 45. Section 1412 of title 7, Canal Zone Code, is amended by striking out the word "decendent" in the third sentence, and in lieu thereof inserting "decedent".

Sec. 46. The sectional analysis of chapter 73 of title 7, Canal Zone Code, preceding subchapter I of that chapter, is amended as follows:

(1) in item numbered 1744, by striking out the word "or", and in lieu thereof inserting "of", so that the item will read:

"1744. Execution of notes and instruments of security.";

and

(2) in item numbered 1773, by striking out the word "order", and in lieu thereof inserting "orders", so that the item will read:

"1773. Hearings; objections; orders; compliance.".

Sec. 47. Section 1779 of title 7, Canal Zone Code is amended by striking out, after "person", the word "entitle" and in lieu thereof inserting the word "entitled".

Sec. 48. The section analysis of chapter 75 of title 7, Canal Zone Code, preceding subchapter I of that chapter, is amended by striking out the word "accounts" in item numbered 1858, and in lieu thereof inserting "account", so that the item will read:

"1858. Exceptions to account; hearing; reference.".

Sec. 49. The catchline to section 1858 of title 7, Canal Zone Code, is amended by striking out the word "referees", and in lieu thereof inserting "references".

Sec. 50. The section analysis of chapter 77 of title 7, Canal Zone Code, preceding subchapter I of that chapter, is amended by adding, immediately underneath item numbered 1923, the following item:

"1924. Ratable distribution.".

Sec. 51. Section 1954 of title 7, Canal Zone Code, is amended by striking out the word "include" in the second sentence, and in lieu thereof inserting "included".

Sec. 52. The second sentence of section 2502 of title 7, Canal Zone Code, is amended by striking out, after "persons", the word "at", and in lieu thereof inserting "as".

Sec. 53. Section 2504 of title 7, Canal Zone Code, exclusive of the catchline to the section, is amended to read as follows:

"In appointing a trustee, the court shall prefer the spouse of the missing person, or his or her nominee, and, in the absence of a spouse, a person who is willing to act, and who would be entitled to participate in the distribution of the missing person's estate if he or she were dead."

Sec. 54. Subsection (a) of section 3007 of title 7, Canal Zone Code, is amended by striking out, after the subsection symbol "(a)", the word "after", and in lieu thereof inserting "After".

Sec. 55. The section analysis of chapter 135 of title 7, Canal Zone Code, preceding section 3081 of that title, is amended by striking out, in item numbered 3088, the word "Investments", and in lieu thereof inserting "Investment", so that the item will read:

"3088. Investment and management of wards' estates; orders of court.".

Sec. 56. Section 3082 of title 7, Canal Zone Code, is amended by inserting after "bond", and preceding "the failure", the words "for any injury to the estate or a person interested therein, arising from".

Sec. 57. Subsection (b) of section 3201 of title 7, Canal Zone Code, is amended by striking out the word "obtaining" and in lieu thereof inserting "attaining".

Sec. 58. The second sentence of section 35 of title 8, Canal Zone Code, is amended by striking out the word "text" and in lieu thereof inserting "test".

Sec. 59. Subsection (a) of section 14 of title 18, United States Code, as last amended by subsection (a) of section 3 of the Act of October 18, 1962 (Public Law 87–845, 76A Stat. 698), is amended as follows:

(1) by inserting the words ", as amended from time to time," following the word "title" and before the word "apply";

(2) by inserting the references "203, 205, 207, 208, 209, 210, 211, 218," following the reference to "202,"; and

(3) by striking out "1914,".

Sec. 60. Sections 468, 469, and 691 of title 6, Canal Zone Code, are hereby repealed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF INTERSTATE OIL AND GAS COMPACT

The Clerk called the Senate Joint Resolution (S.J. Res. 35), consenting to an extension and renewal of the interstate compact to conserve oil and gas.

The SPEAKER. Is there objection to the present consideration of the Senate joint resolution?

Mr. GROSS. Mr. Speaker, reserving the right to object, I note in connection with this resolution that the Attorney General of the United States failed to file a timely report as required by law, and when he did file it on August 16, 1967, he raised serious questions concerning this compact. He said on page 3 of the report:

> In summary, then, it is undeniable that there are serious questions of the general operations of the industry as measured by the usual standards of competitive performance; and there are equally serious questions whether in large part the industry's noncompetitive performance in certain of its markets do not stem from the governmental interference with the competitive process. This Government action, ostensibly aimed only at achieving a stable supply base, appears to have side effects which partly frustrate that purpose and impose more burden on consumers than is essential.

I wonder if the chairman of the Committee on Interstate and Foreign Commerce would care to comment on this criticism by the Attorney General?

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. STAGGERS. We went over this in our committee very carefully and we agreed with the compact designed by the 30 States, and the whole purpose of it is good.

The intention, as you will notice in the bill, is that all these States will enact their own laws to see that they do not have inefficient operation of oil wells and that they do not waste oil and gas.

The purpose of this is only to supervise the different States. All the Congress does is to vote on the compact, or to ratify it between the States.

What we have said to the Attorney General is that we are making it 1 more year. We did not let them go for 4 years as we have in the past. He is to give us a report by the end of next year on this whole operation between these States. Then we will see as to whether we should go ahead with it or not.

Mr. GROSS. If there is any substance to the criticism by the Attorney General as contained on page 3 of the report, I question whether we should wait for another report a year from now.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. DINGELL. I am aware of the language of which the gentleman speaks.

As a matter of fact, the gentleman from California [Mr. Moss] and I have had this matter held up for one whole meeting of the committee to go further into the matter that the gentleman is discussing at this particular time.

I want to commend him because I share his concern on the point he is raising. We have a limited amount of time during which the compact will be in effect. Originally, it was requested that it be done for 4 years. It is now limited so that the committee has given consent only for 2 years and the compact authority has agreed to this 2-year extension.

We also have a very clear understanding that previous to the time that the compact does expire, the Attorney General is going to make a very thoroughgoing study of the points on which he raises questions.

I will tell my friend, the gentleman from Iowa, I have gone very carefully into the questions raised by the Attorney General and have reviewed his report with great care. I cannot find any specific language either in his report or some scrutiny of the matter with the Attorney General to find where the questions raised by the Attorney General are, in fact, set forth in concrete language.

It is my intention before this legislation is renewed, and I want to give the gentleman this assurance, that the committee will go very carefully into it to be sure that the Attorney General has scrutinized this compact to insure that the consumers are not forced to undergo any economic hardship as a result of the compact. I want to give the gentleman full assurance on this particular point.

Mr. GROSS. I appreciate the explanation on the part of the gentleman from Michigan and thank him for it. I would find amusing, if the subject were not so serious, the communication from the Attorney General to the House Committee on Interstate and Foreign Commerce. The committee apparently asked the Attorney General for more details and the Attorney General on August 23, 1967, in his reply, was evasive in his answer.

Mr. DINGELL. The committee, I will say to the gentleman, did not find these comments amusing. As a matter of fact, if the gentleman will note the chronology of the matter he will find that the compact was held up for a substantial period pending the receipt of the report. I must confess that the Attorney General has not been adequate in his study of this matter and this is one of the reasons that the committee behaved as it has on that particular compact.

Mr. GROSS. I am certain the committee found nothing amusing about it. The Attorney General should have been specific in his letter to the committee of August 23, 1967, and I trust the committee will see to it that in the future his reports are filed on time and any implications he makes are properly amplified.

Mr. DINGELL. The gentleman raises a very valid point.

Mr. STAGGERS. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. STAGGERS. We will try to make sure that that will be done in the future.

The SPEAKER. Is there objection to the present consideration of the Senate joint resolution?

There being no objection, the Clerk read the Senate joint resolution, as follows:

S.J. RES. 35

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby given to an extension and renewal for a period of four years from September 1, 1967, to September 1, 1971, of the interstate compact to conserve oil and gas, which was signed in the city of Dallas, Texas, the 16th day of February, 1935, by the representatives of Oklahoma, Texas, California and New Mexico, and at the same time and place was signed by the representatives, as a recommendation for approval to the Governors and Legislatures of the States of Arkansas, Colorado, Illinois, Kansas, and Michigan, and which prior to August 27, 1935, was presented to and approved by the Legislatures and Governors of the States of New Mexico, Kansas, Oklahoma, Illinois, Colorado, and Texas, and which so approved by the six States last above-named was deposited in the Department of State of the United States, and thereafter was consented to by the Congress in Public Resolution Numbered 64, Seventy-fourth Congress, approved August 27, 1935, for a period of two years, and thereafter was extended by the representatives of the compacting States and consented to by the Congress for successive periods, without interruption, the last extension being for the period from September 1, 1963, to September 1, 1967, consented to by Congress by Public Law Numbered 88–115, Eighty-eighth Congress, approved September 6, 1963. The agreement to extend and renew said compact for a period of four years from September 1, 1967, to September 1, 1971, duly executed by representatives of the States of Alabama, Alaska, Arizona, Arkansas, Colorado, Florida, Illinois, Indiana, Kansas, Kentucky, Louisiana, Maryland, Michigan, Mississippi, Montana, Nebraska, Nevada, New Mexico, New York, North Dakota, Ohio, Oklahoma, Pennsylvania, South Dakota, Tennessee, Texas, Utah, West Virginia, and Wyoming, has been deposited in the Department of State of the United States and reads as follows:

"AN AGREEMENT TO EXTEND THE INTERSTATE COMPACT TO CONSERVE OIL AND GAS

"Whereas, on the 16th day of February, 1935, in the City of Dallas, Texas, there was executed 'An Interstate Compact To Conserve Oil and Gas' which was thereafter formally ratified and approved by the States of Oklahoma, Texas, New Mexico, Illinois, Colorado, and Kansas, the original of which is now on deposit with the Department of State of the United States, a true copy of which follows:

" 'AN INTERSTATE COMPACT TO CONSERVE OIL AND GAS

" 'ARTICLE I

" "This agreement may become effective within any compacting state at any time as prescribed by that state, and shall become effective within those states ratifying it whenever any three of the States of Texas, Oklahoma, California, Kansas, and New Mexico have ratified and Congress has given its consent. Any oil-producing state may become a party hereto as hereinafter provided.

" 'ARTICLE II

" "The purpose of this compact is to conserve oil and gas by the prevention of physical waste thereof from any cause.

" 'ARTICLE III

" 'Each state bound hereby agrees that within a reasonable time it will enact laws, or if the laws have been enacted, then it agrees to continue the same in force, to accomplish within reasonable limits the prevention of:

" '(a) The operation of any oil well with an inefficient gas-oil ratio.

" (b) The drowning with water of any stratum capable of producing oil or gas, or both oil and gas, in paying quantities.

" '(c) The avoidable escape into the open air or the wasteful burning of gas from a natural gas well.

" '(d) The creation of unnecessary fire hazards.

" '(e) The drilling, equipping, locating, spacing or operating of a well or wells so as to bring about physical waste of oil or gas or loss in the ultimate recovery thereof.

" '(f) The inefficient, excessive or improper use of the reservoir energy in producing any well.

" 'The enumeration of the foregoing subjects shall not limit the scope of the authority of any state.

" 'ARTICLE IV

" 'Each state bound hereby agrees that it will, within a reasonable time, enact statutes, or if such statutes have been enacted then that it will continue the same in force, providing in effect that oil produced in violation of its valid oil and/or gas conservation statutes or any valid rule, order or regulation promulgated thereunder, shall be denied access to commerce; and providing for stringent penalties for the waste of either oil or gas.

" 'ARTICLE V

" 'It is not the purpose of this compact to authorize the states joining herein to limit the production of oil or gas for the purpose of stabilizing or fixing the price thereof, or create or perpetuate monopoly, or to promote regimentation, but is limited to the purpose of conserving oil and gas and preventing the avoidable waste thereof within reasonable limitations.

" 'ARTICLE VI

" 'Each State joining herein shall appoint one representative to a commission hereby constituted and designated as "The Interstate Oil Compact Commission", the duty of which said commission shall be to make inquiry and ascertain from time to time such methods, practices, circumstances, and conditions as may be disclosed for bringing about conservation and the prevention of physical waste of oil and gas, and at such intervals as said commission deems beneficial it shall report its findings and recommendations to the several States for adoption or rejection.

"'The Commission shall have power to recommend the coordination of the exercise of the police powers of the several states within their several jurisdictions to promote the maximum ultimate recovery from the petroleum reserves of said states, and to recommend measures for the maximum ultimate recovery of oil and gas. Said Commission shall organize and adopt suitable rules and regulations for the conduct of its business.

"'No action shall be taken by the Commission except: (1) by the affirmative votes of the majority of the whole number of the compacting States represented at any meeting, and (2) by a concurring vote of a majority in interest of the compacting States at said meeting, such interest to be determined as follows: such vote of each State shall be in the decimal proportion fixed by the ratio of its daily average production during the preceding calendar half-year to the daily average production of the compacting States during said period.

"'ARTICLE VII

"'No State by joining herein shall become financially obligated to any other State, nor shall the breach of the terms hereof by any State subject such State to financial responsibility to the other States joining herein.

"'ARTICLE VIII

"'This compact shall expire September 1, 1937. But any State joining herein may, upon sixty (60) days notice, withdraw herefrom.

"'The representatives of the signatory States have signed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States, and a duly certified copy shall be forwarded to the Governor of each of the signatory states.

"'This compact shall become effective when ratified and approved as provided in Article I. Any oil-producing State may become a party hereto by affixing its signature to a counterpart to be similarly deposited, certified, and ratified.'

"Whereas, the said Interstate Compact to Conserve Oil and Gas has heretofore been duly renewed and extended with the consent of the Congress to September 1, 1967; and

"Whereas, it is desired to renew and extend the said Interstate Compact to Conserve Oil and Gas for a period of four (4) years from September 1, 1967, to September 1, 1971:

"Now, therefore, this writing witnesseth:

"It is hereby agreed that the Compact entitled 'An Interstate Compact To Conserve Oil and Gas' executed in the City of Dallas, Texas, on the 16th day of February, 1935, and now on deposit with the Department of State of the United States, a correct copy of which appears above, be, and the same hereby is, extended for a period of four (4) years from September 1, 1967, its present date of expiration, to September 1, 1971. This agreement shall become effective when executed, ratified, and approved as provided in Article I of the original Compact.

"The signatory States have executed this agreement in a single original which shall be deposited in the archives of the Department of State of the United States and a duly certified copy thereof shall be forwarded to the Governor of each of the signatory States. Any oil-producing state may become a party hereto by executing a counterpart of this agreement to be similarly deposited, certified, and ratified.

"Executed by the several undersigned states, at their several state capitols, through their proper officials on the dates as shown, as duly authorized by statutes and resolutions, subject to the limitations and qualifications of the acts of the respective State Legislatures.

"THE STATE OF ALABAMA
"By GEORGE C. WALLACE, Governor
"Dated: Aug. 11, 1966
"Attest: MRS. AGNES BAGGETT, Secretary of State
(SEAL)

"THE STATE OF ALASKA
"By WILLIAM A. EGAN, Governor
"Dated: July 13, 1966
"Attest: HUGH J. WADE, Secretary of State
(SEAL)

"THE STATE OF ARIZONA
"By SAMUEL P. GODDARD, Governor
"Dated: March 8, 1966
"Attest: WESLEY BOLIN, Secretary of State
(SEAL)

"THE STATE OF ARKANSAS
"By ORVAL E. FAUBUS, Governor
"Dated: May 3, 1966
"Attest: KELLY BRYANT, Secretary of State
(SEAL)

"THE STATE OF COLORADO
"By JOHN A. LOVE, Governor
"Dated: January 13, 1966
"Attest: BYRON A. ANDERSON, Secretary of State
(SEAL)

"THE STATE OF FLORIDA
"By HAYDON BURNS, Governor
"Dated: June 28, 1966
"Attest: TOM ADAMS, Secretary of State
(SEAL)

"THE STATE OF ILLINOIS
"By OTTO KERNER, Governor
"Dated: January 24, 1966
"Attest: PAUL POWELL, Secretary of State
(SEAL)

"THE STATE OF INDIANA
"By ROGER D. BRANIGIN, Governor
"Dated: May 31, 1966
"Attest: JOHN D. BOTTORFF, Secretary of State
(SEAL)

"THE STATE OF KANSAS
"By WM. H. AVERY, Governor
"Dated: December 1, 1965
"Attest: PAUL R. SHANAHAN, Secretary of State
(SEAL)

"THE STATE OF KENTUCKY
"By EDWARD T. BREATHITT, Governor
"Dated: 6-6-66
"Attest: THELMA L. STOVALL, Secretary of State
(SEAL)

"THE STATE OF LOUISIANA
"By JOHN J. McKEITHEN, Governor
"Dated: November 22, 1965
"Attest: WADE O. MARTIN, JR., Secretary of State
(SEAL)

"THE STATE OF MARYLAND
"By J. MILLARD TAWES, Governor
"Dated: October 10, 1966
"Attest: LLOYD L. SIMPKINS, Secretary of State
(SEAL)

"THE STATE OF MICHIGAN
"By GEORGE ROMNEY, Governor
"Dated: 5/19/66
"Attest: JAMES M. HARE, Secretary of State
(SEAL)

"THE STATE OF MISSISSIPPI
"By PAUL B. JOHNSON, Governor
"Dated: April 27, 1966
"Attest: HEBER LADNER, Secretary of State
(SEAL)

"THE STATE OF MONTANA
"By TIM BABCOCK, Governor
"Dated: Feb. 14, 1966
"Attest: FRANK MURRAY, Secretary of State
(SEAL)

"THE STATE OF NEBRASKA
"By FRANK B. MORRISON, Governor
"Dated: Jan. 31, 1966
"Attest: FRANK MARSH, Secretary of State
(SEAL)

"THE STATE OF NEVADA
"By GRANT SAWYER, Governor
"Dated: June 17, 1966
"Attest: JOHN KOONTZ, Secretary of State
(SEAL)

"THE STATE OF NEW MEXICO
"By JACK M. CAMPBELL, Governor
"Dated: November 16, 1965
"Attest: ALBERTA MILLER, Secretary of State
(SEAL)

"THE STATE OF NEW YORK
"By NELSON A. ROCKEFELLER, Governor
"Dated: November 28, 1966
"Attest: JOHN P. LOMENZO, Secretary of State
(SEAL)

"THE STATE OF NORTH DAKOTA
"By WILLIAM L. GUY, Governor
"Dated: December 19, 1966
"Attest: BEN MEIER, Secretary of State
(SEAL)

"THE STATE OF OHIO
"By JAMES A. RHODES, Governor
"Dated: July 25, 1966
"Attest: TED W. BROWN, Secretary of State
(SEAL)

"THE STATE OF OKLAHOMA
"By HENRY BELLMON, Governor
"Dated: November 15, 1965
"Attest: JAMES M. BULLARD, Secretary of State
(SEAL)

"THE COMMONWEALTH OF PENNSYLVANIA
"By WILLIAM W. SCRANTON, Governor
"Dated: September 16, 1966
"Attest: W. STUART HELM, Secretary of State
(SEAL)

"THE STATE OF SOUTH DAKOTA
"By NILS A. BOE, Governor
"Dated: September 26, 1966
"Attest: ALMA LARSON, Secretary of State
(SEAL)

"THE STATE OF TENNESSEE
"By FRANK G. CLEMENT, Governor
"Dated: April 18, 1966
"Attest: JOE C. CARR, Secretary of State
(SEAL)

"THE STATE OF TEXAS
"By JOHN CONNALLY, Governor
"Dated: October 11, 1965
"Attest: CRAWFORD C. MARTIN, Secretary of State
(SEAL)

"THE STATE OF UTAH
"By CALVIN L. RAMPTON, Governor
"Dated: 4/11/66
"Attest: CLYDE L. MILLER, Secretary of State
(SEAL)

"THE STATE OF WEST VIRGINIA
"By HULETT C. SMITH, Governor
"Dated: July 14, 1966
"Attest: ROBERT D. BAILEY, Secretary of State

(SEAL)

"THE STATE OF WYOMING
"By CLIFFORD P. HANSEN, Governor
"Dated: Jan. 18, 1966
"Attest: THYRA THOMSON, Secretary of State"

(SEAL)

SEC. 2. The Attorney General of the United States shall make a report to Congress not later than December 31, 1970, as to whether or not the activities of the States under the Interstate Compact To Conserve Oil and Gas have been consistent with the purpose as set out in article V of such compact.

SEC. 3. The right to alter, amend, or repeal the provisions of the first section of this joint resolution is hereby expressly reserved.

With the following committee amendments:

On the first page, line 4, strike out "four" and insert in lieu thereof "two".

On the first page, line 5, strike out "1971" and insert in lieu thereof "1969".

Page 16, line 1, strike "1970" and insert in lieu thereof "1968".

The committee amendments were agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed.

A motion to reconsider was laid on the table.

SHIP MORTGAGE INSURANCE

The Clerk called the bill (H.R. 11354) to amend the Merchant Marine Act, 1936, to increase the Federal ship mortgage insurance available in the case of certain oceangoing tugs and barges.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

NONTEMPORARY STORAGE OF HOUSEHOLD EFFECTS

The Clerk called the bill (H.R. 12961) to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members of a missing status.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I have a couple of quick questions to ask concerning this bill. I trust that it is in nowise designed to take care of storage for some member of the service who is absent without leave or in a deserter's status.

Mr. HICKS. That is correct. It is not so designed.

Mr. GROSS. Then I would like to ask a question concerning the language to be found on line 4 of the bill, which states as follows: "amended by adding the following new flush sentence."

What is a "flush" sentence? I have never heard of a "flush" sentence.

Mr. HICKS. It is administration language. I will tell the gentleman I do not know the answer to that question.

Mr. GROSS. Administration language?

Mr. HICKS. Yes.

Mr. GROSS. "Great Society" language?

Mr. HICKS. Department of Defense language.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

H.R. 12961

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 554(b) of title 37, United States Code, is amended by adding the following new flush sentence:

"When he considers it necessary, the Secretary concerned may, with respect to the household and personal effects of a member who is officially reported as absent for a period of more than twenty-nine days in a missing status, authorize the nontemporary storage of those effects for a period of one year, or longer when justified."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND CONVEYANCE TO THE STATE OF WASHINGTON

The Clerk called the bill (S. 2428) to authorize the Secretary of the Army to convey to the State of Washington certain lands in the counties of Yakima and Kittitas, Wash., in exchange for certain other lands, and for other purposes.

There being no objection, the Clerk read the bill, as follows:

S. 2428

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding any other provision of law, the Secretary of the Army, or his designee, is hereby authorized to convey to the State of Washington, subject to the terms and conditions hereinafter stated, and to such other terms and conditions as the Secretary of the Army, or his designee, shall deem to be in the public interest, all right, title, and interest of the United States in and to certain lands within the Yakima Firing Center as described in section 3 of this Act as may be required for the routing and construction of Interstate Highway I–82.

SEC. 2. In consideration for the conveyance by the United States of the aforesaid lands, the State of Washington shall convey, or provide for the conveyance, to the United States of certain lands described in section 3 of this Act, acceptable to the Secretary of the Army as replacement lands for use in connection with the Yakima Firing Center: *Provided,* That in order to facilitate the exchange of lands and the construction of Interstate Highway I–82, and if so requested by the State of Washington, the Secretary of the Army, or his designee, is hereby authorized to acquire by purchase, condemnation, donation, exchange, or otherwise on behalf of the United States part or all of such replacement lands: *Provided further,* That the State of Washington shall provide in advance funds for payment to landowners and shall reimburse the Secretary of the Army for all other administrative costs and expenditures incident to the acquisition of such lands.

SEC. 3. The lands authorized to be exchanged and referred to in sections 1 and 2 of this Act are located in Yakima and Kittitas Counties, Washington, and are as generally depicted on the Land Management map on file in the office of the Seattle district engineer, North Pacific Division, Department of the Army, entitled "Proposed Route for Interstate Highway I–82, Yakima Firing Center, Washington; numbered SE-RE 323.19". The lands to be conveyed by the United States comprise approximately two thousand two hundred acres situated west and northwesterly of the east right-of-way boundary of the proposed highway I–82; the replacement lands to be acquired by the United States comprise approximately three thousand two hundred acres situated east of the proposed highway and contiguous to other lands of the Yakima Firing Center. The exact descriptions and acreage are to be determined by accurate surveys as mutually agreed upon between the State of Washington and the Secretary of the Army.

SEC. 4. The lands so conveyed to or acquired by the United States shall become a part of the Yakima Firing Center and be administered by the Department of the Army. The Secretary of the Army is also authorized to accept from the State of Washington, or any agency or subdivision thereof, such appropriate interests in other lands as may be considered necessary for the protection of the interests of the United States in connection with the exchange.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That concludes the call of the eligible bills on the Consent Calendar.

INTEROCEANIC CANAL STUDY COMMISSION

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to return for immediate consideration to Consent Calendar No. 107, the bill (S. 1566) to amend sections 3 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a sea-level canal connecting the Atlantic and Pacific Oceans.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1566

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act approved September 22, 1964 (Public Law 88–609, 78 Stat. 990), as amended, is hereby further amended (1) by striking out "June 30, 1968" in section 3 and inserting in lieu thereof "December 1, 1970," and (2) by striking out "$17,500,000" in section 4 and inserting in lieu thereof "$22,000,000." *"December 1, 1969."*

With the following committee amendments:

On page 1, line 5, strike out "(1)".

On page 1, line 6, strike out " 'December 1, 1970,' " and insert in lieu thereof "December 1, 1969."

On page 1, line 6, delete the words "and (2)" and insert in lieu thereof a period.

On page 1, delete lines 7 and 8.

The committee amendments were agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 398]

Abbitt
Andrews, Ala.
Annunzio
Arends
Ashley
Aspinall
Bates
Belcher
Berry
Boland
Brooks
Broomfield
Cabell
Celler
Chamberlain
Clark
Conyers
Corman
Cowger
Delaney
Edwards, La.
Evans, Colo.
Evins, Tenn.
Findley
Flynt
Fountain
Fulton, Tenn.
Fuqua
Gallagher
Gurney
Halleck
Hanna
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Hosmer
Johnson, Pa.
Jones, N.C.
Kyl
Landrum
Madden
Mailliard
Martin
Mills
Minshall
Moss
Nelsen
Olsen
Pepper
Pike
Poage
Pryor
Purcell
Reinecke
Resnick
Reuss
Rivers
Rodino
Rooney, N.Y.
Rooney, Pa.
St. Onge
Schwengel
Shipley
Sisk
Stephens
Teague, Calif.
Thomson, Wis.
Udall
Utt
Whitten
Wiggins
Williams, Miss.
Willis
Wright

The SPEAKER pro tempore (Mr. ALBERT). On this rollcall 356 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

AUTHORIZING MODIFICATIONS IN THE INTERSTATE SYSTEM

Mr. KLUCZYNSKI. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 13933) to amend section 103 of title 23, United States Code, to authorize modifications or revisions in the Interstate System.

The Clerk read as follows:

H.R. 13933

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subsection (d) of section 103 of title 23, United States Code, is amended by inserting "(1)" immediately after "(d)" and by adding at the end thereof the following new paragraph:

"(2) In addition to the mileage authorized by the first sentence of paragraph (1) of this subsection, there is hereby authorized additional mileage for the Interstate System of two hundred miles, to be used in making modifications or revisions in the Interstate System as provided in this paragraph. Upon the request of a State highway department the Secretary may withdraw his approval of any route or portion thereof on the Interstate System within that State selected and approved in accordance with this title prior to the enactment of this paragraph, if he determines that such route or portion thereof is not essential to completion of a unified and connected Interstate System (including urban routes necessary for metropolitan transportation) and will not be constructed as a part of the Interstate System, and if he receives assurances that the State does not intend to construct a toll road in the traffic corridor which would be served by such route or portion thereof. After the Secretary has withdrawn his approval of any such route or portion thereof the mileage of such route or portion thereof and the additional mileage authorized by the first sentence of this paragraph shall be available for the designation of interstate routes or portions thereof as provided in this subsection. The provisions of this title applicable to the Interstate System shall apply to all mileage designated under the third sentence of this paragraph, except that the cost to the United States of the aggregate of all mileage designated under the third sentence of this paragraph shall not exceed the cost to the United States of the aggregate of all mileage approval for which is withdrawn under the second sentence of this paragraph, as such cost is included in the 1965 Interstate System cost estimate set forth in House Document Numbered 42, Eighty-ninth Congress. In considering routes or portions thereof to be added to the Interstate System under the third sentence of this paragraph, the Secretary shall, in consultation with the States and local governments concerned, give due regard to (A) routes or portions thereof in States in which the Secretary has heretofore or hereafter withdrawn his approval of other routes or portions thereof, and (B) the extension of routes which terminate within municipalities served by a single interstate route, so as to provide traffic service entirely through such municipalities."

The SPEAKER pro tempore. Is a second demanded?

Mr. CRAMER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. KLUCZYNSKI. Mr. Speaker, the report on this bill (H. Rept. 946) explains it clearly. In addition to the report, there are two points I think should be made very clear. The first is that this is interim legislation, designed to take care of a few unique situations in which modifications of interstate mileage are needed, so that we can save many months in the construction of needed mileage, and do that construction at 1965 cost levels.

The second point is that this legislation has nothing whatever to do with the long-range need for added mileage on the Interstate System. I am well aware, as is the entire Public Works Committee, that the Congress is going to have to authorize a substantial expansion of the Interstate System. The Subcommittee on Roads will begin hearings on that in January, to find out where gaps exist, where mileage is needed, and how much. I do not know the number of miles we are going to need, but the committee expects to hear from everyone concerned, including the Members of this body, in making its recommendations. In the meantime, we need to get on with saving the time and the money in these few unusual cases that this legislation will assist.

I think I should also tell you at this time, so there will be no misunderstanding about it, that if this legislation should be amended in the other body, after favorable action here, to add any substantial amount of mileage or change the financing restrictions in H.R. 13933 as it is before us, and if I am privileged to serve as a conferee, I will absolutely oppose any such action.

Mr. WAGGONNER. Mr. Speaker, would the gentleman yield?

Mr. KLUCZYNSKI. Yes, I yield to the gentleman from Louisiana.

Mr. WAGGONNER. I thank the gentleman for yielding.

Mr. Speaker, I rise as one Member of the House to express my appreciation to the gentleman for advising us at this time of the proposed action of the subcommittee in the next session of the Congress, because if there is one thing we have to do with the Interstate System, I feel sincerely it is that we must increase the mileage. So, as I said, I just want to express my personal appreciation to the gentleman for advising the House today that they plan to hold these hearings to determine what we need. And I know that when they have held these hearings they will know what we do need as they have in the past.

Mr. KLUCZYNSKI. I want to thank the gentleman for his statement. I am sure that every Member of the House feels as the gentleman does.

There is no question but that we need substantial additional mileage on the Interstate System, and it is our committee's intention to find out now only how much mileage is going to be required to serve the future transportation needs of this country, but where it should be located as well.

Mr. CAHILL. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman.

Mr. CAHILL. I have two questions that I would like to ask.

As I understand this bill, this would allocate 200 additional miles to the 41,000 miles already authorized; is that correct?

Mr. KLUCZYNSKI. That is correct.

Mr. CAHILL. Do I understand that if a State has received an authorization that they may exchange that authorization for a new plan which would include not only the miles already allowed, but would also include mileage out of the 200 additional miles already authorized by this legislation?

Mr. KLUCZYNSKI. In other words, if you have mileage that is not needed in your State, you can transfer it to another part of the State at probably less cost.

Mr. CAHILL. That is what I understand.

Mr. KLUCZYNSKI. If it would cost $100 million and you return that where it would only cost $60 million, that would be a saving of $40 million.

Mr. CAHILL. That is my question, if I may say to the gentleman. It is my understanding that there is an area in New Jersey that is already authorized under the criteria of the Highway System which, if built, would cost approximately $100 million. Now do I understand that the committee has already agreed that the State of New Jersey shall be permitted to use this money if the State wants to build another highway within the State of New Jersey?

Mr. KLUCZYNSKI. No; the committee has made no agreement with respect to any State. That is something to be worked out between the State and the

Secretary. We are talking here about mileage that a State may decide to turn back, which of course could then go to another part of the State.

If the gentleman will listen to the gentleman from Florida [Mr. CRAMER], who has had a great deal to do with this legislation he will, I am sure, discuss the procedures involved.

We are not here opening up a Pandora's box where everybody wants added mileage here and there—that is another question. This is just interim legislation.

Mr. CAHILL. I understand. Let me ask the gentleman this question specifically:

If the State of New Jersey relinquishes the $100 million that they are already authorized, will they be guaranteed that they will get at least $100 million of new highways under this bill?

Mr. KLUCZYNSKI. Not necessarily. I do not know if they could use up that $100 million in the alternate mileage that you are talking about.

Mr. CAHILL. I do not want to pursue the question further if the gentleman prefers and I will address my question to some other Member.

May I ask the gentleman from New Jersey—who is a cosponsor of this legislation, and I think he is familiar with the situation—if Union County, which has a highway that is supposed to be built in Union County—which is to cost $100 million—if that is not built and if the State decides on an alternative or alternate construction program within the State; will the State of New Jersey be guaranteed at least $100 million under the Federal highway program?

Mr. HOWARD. Mr. Speaker, will the gentleman yield so that I may reply to the gentleman?

Mr. KLUCZYNSKI. I yield to the gentleman.

Mr. HOWARD. No; this is not necessarily the case. Another thing—it is up to the Secretary of Transportation—he may or may not bring this back.

The State of New Jersey cannot arbitrarily change the mileage or affect any amount of money.

In fact, without this legislation, the Secretary of Transportation may upon checking with the secretary of transportation of the State of New Jersey, ask whether or not in the foreseeable future this road may be built. If the answer to that is, No, it would not, then the Secretary of Transportation may now bring back all of the money involving that specific mileage which is allocated to the States.

Mr. CAHILL. Again, if the gentleman from Illinois does not want to answer, I will address the question to someone else. My question is specifically this. If the State of New Jersey decides that they are not going to construct a highway in Union County and they ask to have that authorization transferred to some other part of the State and they are given additional mileage under this new authorization, are they guaranteed that they at least will be given up to $100 million that they were authorized to spend in Union County?

Mr. HOWARD. They may or may not. They are not guaranteed the money at all. They may receive it or they may not. That is a determination to be made by the Secretary.

Mr. CAHILL. Let me ask the gentleman if I may one other question. The gentleman, I know, is a member of the committee and he is familiar with the criteria which were established back in 1944 as the prerequisite to obtaining highway funds. As to this new 200-mile authorization, will the same criteria apply?

Mr. HOWARD. Yes; any allocation must comply with the criteria which the Secretary of Transportation follows for allocation of mileage in the Interstate System.

Mr. CAHILL. So if the State of New Jersey, for example, wanted to build, instead of the roadway in Union County, some other highway across the State, they would still have to comply with the four criteria that are established in the 1944 act, and if it did not meet one of those criteria, then the highway would not be built. Is that right?

Mr. HOWARD. I would presume that that is correct.

Mr. CAHILL. I thank the gentleman.

Mr. HUNT. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I am happy to yield to the gentleman from New Jersey.

Mr. HUNT. I would like to clarify one point, and I address my remarks to my colleague from New Jersey: Did I correctly understand you to say that there is no guarantee that if we give up $100 million on the Union County project, we will not have the same benefit; that the amount can be changed to $60 million, and thereby we in New Jersey would lose $40 million worth of highway benefits?

Mr. HOWARD. I said it in a somewhat different way. New Jersey does not own $100 million nor the 8 miles in Union County. This fund is distributed by the Secretary of Transportation, and although there is no guarantee in this legislation or in the present law that this money will stay in the State of New Jersey, it is no different from problems faced by any other State. New Jersey would have to have the determination by the Secretary of Transportation that this should be in an interstate group. There is no guarantee at all, and the State of New Jersey does not determine that it may keep this $100 million.

Mr. HUNT. I am familiar with that. I come back to my question. Is it not so that we currently have $100 million allocated for Union County in New Jersey, and if we abandon that project, we will then only get the amount of money that will be required to build a Trenton to Asbury Park road?

Mr. HOWARD. That is not true. There would possibly be $100 million returned to other roads in the State of New Jersey, should the Secretary of Transportation so decide. The secretary of transportation of the State of New Jersey or any other State must first request this. If this request is not made, then the money will not move out at all.

Mr. HUNT. Would the gentleman be amenable to an amendment to this bill guaranteeing this amount?

Mr. HOWARD. I do not believe an amendment to guarantee anything determined by the States for the Interstate System would get very far in either the House of Representatives or the Senate, or anywhere else; so I would not be.

Mr. CAHILL. Mr. Speaker, will the gentleman yield so that I may address a question to the gentleman from New Jersey through the gentleman from Illinois?

Mr. KLUCZYNSKI. I yield to the gentleman from New Jersey.

Mr. CAHILL. Mention has been made of a highway from Trenton to Asbury Park. Is my understanding correct that there has been some decision made that if the State of New Jersey makes a request now not to build the Union County Highway, the money will then go to the construction of this highway between Trenton and Asbury Park?

Mr. HOWARD. No, there is not. I am in hopes the Secretary of Transportation may agree that this is a priority item.

Mr. CAHILL. May I ask the gentleman what is the determinative body in the State of New Jersey to make the request for a change in the authorization and allocation?

Mr. HOWARD. The secretary of transportation of the State of New Jersey, Mr. Goldberg.

Mr. CAHILL. If the gentleman will yield further, if the Secretary should request a highway which would cost, say, $10 million, do I correctly understand that then the $90 million already authorized in the judgment of the Secretary of Transportation would be lost forever to the State of New Jersey?

Mr. HOWARD. It could be, or it could be reallocated to other places in the State of New Jersey, in the determination of the Secretary of Transportation.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. Mr. Speaker, I thank the gentleman for yielding.

To clarify the situation, could I ask whether it is the basic purpose of this legislation to give a State, which has projects authorized, priority in making new suggestions for the use of funds.

Mr. HOWARD. Right.

Mr. FRELINGHUYSEN. And if, for instance, it should be ready to release or would like to release a $100 million project, it would have a priority with respect to that $100 million?

Mr. HOWARD. The gentleman is correct.

Mr. FRELINGHUYSEN. If it should submit a request for something less than $100 million, it would then lose control over the balance of the amount, and that would go up for grabs among the 50 States?

Mr. HOWARD. The answer is yes.

Mr. FRELINGHUYSEN. So the basic necessity on the part of the State which wishes to keep its share of the money is to come up with an equivalent program, equivalent in terms of dollars?

Mr. HOWARD. The gentleman is correct.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. KLUCZYNSKI. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I thank the gentleman for yielding.

My question is on another subject entirely, and it is just for a point of information. Is it the intent of the committee, as set forth in the bill itself and in the report—with which I agree and for which I commend the committee—that the Interstate System could use the 200 miles in addition to the 25 miles already authorized by the Director of the Bureau of Roads, or this new part of the Department of Transportation; in each State, or does this just extend the total limits in all the States and territories by 200 miles?

Mr. KLUCZYNSKI. Mr. Speaker, as the gentleman understands, we would authorize 200 additional miles, which would be added to the 25 miles still left. Because of the requests from certain States, we added 200 miles to this, which makes it 225 miles. The gentleman's question is, Could it be used in any part of the country? Is that right?

Mr. HALL. Could the Director add this much in each of the 50 States?

Mr. KLUCZYNSKI. No. He can use the total 225 miles anywhere in the country, but this does not add 200 miles for each State.

Mr. HALL. If they met all the requirements?

Mr. KLUCZYNSKI. That is correct.

Mr. HALL. It is then a total interstate and defense highway addition of just 25 miles, but it is not that much for each of the continental States?

Mr. KLUCZYNSKI. The gentleman is correct.

Mr. HALL. I thank the gentleman, and I appreciate the portended committee hearings for next year. Missouri is proud of its highway system and the fact that the great Interstate and Defense Highway System Director was the Missouri Highway Commission's chief engineer, Mr. Rex Whitton. The system in Missouri is practically complete, but extensions in interstate as well as Federal primary and secondary roads are needed. For example, there is total consensus for a need to extend I29 southerly to join Kansas City with Little Rock and New Orleans. There is a dearth of north-south defense roads in this section of the Midwest and I plan to appear before the distinguished gentleman's subcommittee in regard to these matters. I congratulate the subcommittee.

Mr. CRAMER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am glad to see the interest in this legislation, but I hope to straighten out some of the facts.

No. 1, I wholeheartedly support this bill. It involves the entire United States. It provides for the needed flexibility in solving some critical problems before the system is completed. It will not do any good to try to remedy these matters after the system is completed in 1972 or 1973, or later.

The Secretary of Transportation has very limited powers under the present law. Let us take the situation of the State of New Jersey. At the present time, if it is determined that an 8-mile highway in an urban area in New Jersey is not needed, and the State is not going to build it, under the present law New Jersey could lose that mileage, particularly if a different route is asked for which exceeds 8 miles. That is the problem New Jersey is talking about. I do not know what figures they will come up with, and nobody else can second-guess it at this moment. If the State abandons 8 miles, I would assume that the highway department, local officials, and the Governor are going to come up with one or more needed alternative locations, which would have to be justified and would have to meet the interstate requirements and needs of the Interstate System prior to 1972, or the completion date. This bill gives the State the flexibility to make such a request if the new mileage exceeds 8 miles.

Under the present law, with no additional interstate mileable available, if the State of New Jersey were going to lose the 8 miles, it would lose it unless the State came back with another 8-mile section.

This bill would give some flexibility as to the mileage of a new route.

Not only New Jersey, but also the State of Florida and other States have need for mileage flexibility.

The Interstate System was authorized in 1944 and the present program commenced in 1956, 11 years ago. It is not going to be completed until 1972 or 1973, or later. There is not any effort to put more money into the highway trust fund. There is not a big drive for new taxes to put enough money into this trust fund to finish this system by 1973, so it will be at least 1973 and probably later before it is finished.

Therefore, if there is going to be any flexibility, if the State of New Jersey or the State of Florida or the State of California or any other State which has a problem is to have that problem resolved between now and the completion of this system, it will have to be done by interim authorizing legislation.

I am delighted to see that the gentleman from Illinois [Mr. KLUCZYNSKI], the chairman of the Roads Subcommittee, has stated unequivocally that as of next year we will have hearings relating to what will happen after the completion of the present Interstate System, as to what will happen with regard to the trust fund, as to what will happen with regard to the primary, secondary, and urban highway program in this country, on a long-range plan basis, and that the Bureau will have to submit a report to the Congress as to what it believes should be done, by January of next year. The chairman has already given a commitment that these hearings will be held early next year.

There are many problems which concern the Members of the House, and justifiably so. We have problems in the State of Florida. We have an obvious missing link between Tampa-St. Petersburg and Miami, which I hope will be given consideration next year.

That is the time for us to consider additional mileage for missing links. Between now and then there are some interim problems which need to be considered, and this bill would take care of them.

Second, this bill was written by the minority. We tried to tighten it up. We tried to make certain that we do not get into a Pandora's box of metropolitan problems and additional mileage at this time. Next year is time enough for that.

We do not intend to get into the problem of the District of Columbia, for instance. This bill is not going to give the Secretary or the District government, or anybody else authority to relinquish the Three Sisters Bridge or the North Central Freeway. As a matter of fact, we wrote in a restriction which, in my opinion, would prevent them from using this or any other authority until we hold hearings on these urban problems. That will be a part of the other hearings in January of next year.

Also, there is no new money. This bill will merely afford flexibility relating to new mileage.

Third, we also tightened up the bill so that a State cannot put a toll road in place of a presently designated interstate highway and get free mileage in exchange. That was an amendment which I proposed as a part of the substitute. If a State gives up money and mileage, that State, and other States which gave up mileage, would be given priority for the designation of zero mileage, with like priority for municipalities in which interstate routes deadend. We have established priorities and tightened up the bill.

I believe this is a good bill. If I thought it would open up a Pandora's box I would be against it. But it will not.

We have made it possible, in the instances where there are serious problems, to give the Secretary an opportunity to consider them. However, under this bill the Secretary can eliminate an interstate route or portion thereof only when requested by the States to do so.

Mr. Speaker, I fully support H.R. 13933. We are now approaching the final stages of completion of the Interstate System, and in a number of urban areas designated routes of the system are so controversial that construction of these routes may not be undertaken in time for their completion as a part of the present program. It is with respect to these controversial locations which may exist in as many as 10 or 12 urban areas, that this bill is directed.

A number of Members and other persons have contacted me relative to the first bill introduced to accomplish this purpose, which was H.R. 13442. I wish to point out that the bill now before the House is considerably different from the first proposal. H.R. 13442 would have permitted a State to eliminate a presently designated interstate route even though it resulted in a gap being left in the Interstate System, and the original bill provided that any mileage made available by the elimination of a designated route could only be allocated to the State in which such route was eliminated. And the additional mileage authorized for flexibility in adding to new routes was likewise available only to States in which routes were eliminated.

H.R. 13933 is a substitute bill which was approved by the Committee on Public Works and it is designed to eliminate the objectionable features of the original measure. The bill now before the House not only requires the request of a State Highway Department for the elimination of a presently designated interstate route but also requires approval of the Secretary of Transportation. As a condition precedent to the Secretary's approval, he is required by this bill to first determine that such route or portion thereof is not essential to completion of a unified and connected Interstate System, including those portions of the Interstate System within urban areas that are necessary for metropolitan transportation. If the withdrawal of a designated route would leave a gap in the Interstate System in either a rural or urban area, the Secretary cannot approve the elimination or such route or portion thereof.

For example, this bill would not authorize the elimination of the Three Sisters Bridge or the North Central Freeway as a part of the Interstate System here in the District of Columbia if these sections of highway are essential to completion of a unified and connected Interstate System necessary for metropolitan transportation within the District of Columbia, and in my opinion they are essential.

The substitute bill also provides that the Secretary shall not approve the withdrawal of an existing designated interstate route or portion thereof unless he receives assurance that the State does not intend to construct a toll road in the traffic corridor which would be served by such route. The committee felt that this provision was desirable to prevent the mere substitution of a toll road for a free road in the traffic corridor from which the free road is to be eliminated.

The mileage of all presently designated routes on the Interstate System which are removed under authority of this bill, plus the additional 200 miles authorized for flexibility in designating new routes, goes into the nationwide reserve of mileage for the system. The withdrawn mileage and the additional mileage will be available for designation of interstate routes or portions thereof as provided under existing law, upon the request of a State and approval by the Secretary of Transportation in accordance with priority of needs on a nationwide basis.

Thus, the mileage to be withdrawn and the additional 200 miles provided for flexibility will be available to all of the 49 States in which the Interstate System is presently located.

The bill does provide, however, that in considering routes or portions thereof to be added to the system, the Secretary, in consultation with the State and local governments concerned, shall give due regard to the designation of routes in States in which Interstate routes have heretofore or hereafter been withdrawn, and that the Secretary shall likewise give due regard to the extension of routes which now terminate within municipalities that are served by a single Interstate route so as to provide traffic service entirely through such municipalities to connect with an arterial highway beyond the boundaries thereof. This latter provision is to remedy the situation now existing in some municipalities where the Interstate System terminates within a municipality and will dump large volumes of traffic on a city street system that is inadequate to accommodate movement of such traffic in and through the municipality.

I want to emphasize that even though this bill provides for up to an additional 200 miles to be added to the Interstate System, the bill expressly limits the Federal share of the cost of constructing all new routes to be designated, from both mileage withdrawn and the additional 200 miles, to the estimated cost of completing the presently designated mileage to be withdrawn, as such cost is included in the 1965 cost estimate. There will be no additional cost to the Federal Government.

Next January the Congress will receive a report from the Secretary of Transportation on the highway needs of the Nation, and the Committee on Public Works plans to hold hearings early next year on the Nation's present and future highway needs to develop a highway program to follow completion of the program now underway. At that time the committee will give consideration to the need for additional mileage on the Interstate System over and above that provided for by this bill, which is merely for the modification and readjustment of existing designated mileage.

This bill is needed to facilitate completion of the present interstate highway program, and I urge its passage.

Mr. DON H. CLAUSEN. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from California.

Mr. DON H. CLAUSEN. Mr. Speaker, I thank the gentleman for yielding.

I would like to take this opportunity to express my full support for H.R. 13933 of which I am a coauthor. This bill will add 200 miles to the pool of mileage authorized for the Interstate Highway System and thereby give needed flexibility to meet and solve some unanticipated problems which have arisen in recent years.

An example of the problem occurs in my own State of California. In our case, the State wishes to transfer mileage from San Francisco to the Century Freeway in Los Angeles. The mileage in San Francisco was returned to the pool of unallotted mileage and the Secretary of Transportation was requested to authorize its use in Los Angeles.

The Secretary has made it clear that the Century Freeway meets every Interstate Highway criterion, but to date he has been unwilling to act on this request or on others similar to it. Enactment of the pending legislation would make it feasible for him to make a decision on this request.

At the present time, there are only about 25 unallotted miles in the system and the Secretary is unwilling to allocate these miles and does not have the flexibility he needs, so he has simply done nothing. Passage of this bill would allow him to meet many of the problems we have seen arise from the development of the Interstate System in urban areas.

There will be no additional cost from passage of this bill. It will simply allow the Secretary to rearrange slightly the existing routes of the system so as to make it more valuable to interstate commerce and our national defense.

This is a stopgap measure, of course, and the Committee on Public Works will be studying the system in depth next year. We expect to be making additional recommendations at some time during the next session. This legislation, however, will allow us to go ahead and meet a pressing problem now and I strongly urge its enactment.

It now becomes incumbent upon the entire California delegation in the Congress to once again unite, as they did on Senator MURPHY's antismog amendment for California, and strongly urge Secretary of Transportation Alan Boyd to include the Century Freeway in Los Angeles in the Interstate Highway System. This, of course, is based on the fact that the San Francisco mileage is being or has been returned to the national pool for reallocation.

If we are successful, this will release State highway trust funds for reallocation to other State highway projects in California. This is a good bill for California; as one of the principal coauthors of this bill, I hope we get unanimous support of the House.

Mr. BROYHILL of Virginia. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. The gentleman referred to the proposed Three Sisters Bridge and the various legs to the downtown freeway system. Did I correctly understand that this would prevent the abandonment of any of those projects?

Mr. CRAMER. It was our intention in drafting the Republican substitute which was adopted and which is before us to include the language as it appears on lines 9 and 10 of page 2 with the specific wording that if the Secretary and the State shall determine "that such route or portion thereof is not essential to completion of a unified and connected Interstate System—including urban routes necessary for metropolitan transportation—which is the nub of the question here.

So this bill could not be used as a tool to accomplish that in the District of Columbia.

Mr. BROYHILL of Virginia. It could not be used as a tool, but it would not prevent them from doing it necessarily.

Mr. CRAMER. The basic law will do that, but we will hold hearings on the subject, as the chairman of the committee stated, early next year. This will be on the subject of urban problems. There are many of them. Most of the metropolitan centers in the Nation, some eight or nine of the big ones, have such problems existing. I think we should do everything we can to resolve this question, because the Interstate System in these areas have to be completed. The District of Columbia, of course, is the clearest example where it is muddled and has sharply destroyed the effectiveness of the Interstate System. I for one do not intend to stand by and see this done.

Mr. BROYHILL of Virginia. I am glad that the gentleman made this announcement, because I was planning to address a letter to the chairman of the Committee on Public Works and the ranking minority member asking that something be done to get the Department of Transportation, the Secretary of that Department, and some other people who are dragging their feet in Washington and causing serious delay of the Interstate System, to change their viewpoints.

Mr. CRAMER. Perhaps the gentleman would like to refer my statement to them.

Mr. KLUCZYNSKI. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Illinois.

Mr. KLUCZYNSKI. Mr. Speaker, I would like to say that I agree with the statement of the gentleman from Florida that we will hold hearings next year. The gentleman from Virginia is one of my best friends and he knows I will try to do everything possible to help him. I do wish to assure him that we will hold extensive hearings on this subject next year.

Mr. SAYLOR. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. I am delighted that we had this colloquy on the bill on the record. However, I have not heard any word that the committee will take up a situation which I think is just as bad as any of these others that have been mentioned. This is the situation where a State went ahead and built highways before the Interstate System was established. Then those highways were included in the Interstate System and the States were compelled to take those mileages as a part of their allocation. Is anything going to be done to take care of that situation?

Mr. CRAMER. I will say to the gentleman that there was a study made with regard to previously constructed toll roads and free highways which were made a part of the Interstate System. That report is before our committee and it is up for consideration at any time that we want to consider it. However, I will say, as a word of caution. Do not get your hopes up, because as far as reimbursing a State in some form is concerned rather than making an adjustment after 1972, I just do not think that there is a possibility of providing $5 billion, which would be necessary to accomplish it. However, I will say that consideration is possible next year when other matters will be under consideration.

Mr. SAYLOR. I do not believe a State should be reimbursed, but it certainly should have consideration for applications for other highways.

Mr. CRAMER. The State of Pennsylvania put in a request when the American Association of State Highway Officials testified this year on new mileage. Pennsylvania made its request, but it will be part of that considered next year by the Congress.

Mr. SAYLOR. I thank the gentleman.

Mr. DENNEY. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Nebraska.

Mr. DENNEY. Mr. Speaker, I rise in support of H.R. 13933. This is a bipartisan effort by the Public Works Committee to provide the addition of 200 miles to the Interstate System to be used in making modifications or revisions in the system, but at no additional cost in construction.

Since it will not require the expenditure of additional Federal funds, I agreed to go on the bill as a cosponsor. The Interstate System is now more than one-half complete and in all probability will be completed by 1975. All but 25 miles of the 41,000 miles authorized by statute have been designated by the States and aproved by the Secretary of Transportation. However, there are a few gaps in the system and it has now become obvious that the existing mileage limitation excludes the filling in of the gaps. As a member of the Subcommittee on Roads, I listened carefully to the testimony on this problem and became convinced that this bill is necessary to solve the acute problems that have developed especially in our urban areas because of the 41,000-mile limitation. The bill specifically requires that the cost of all mileage used for these modifications shall be no greater than the cost of the mileage withdrawn from the system as that cost was included in the 1965 Interstate System cost estimate.

Mr. Speaker, perhaps the best way to explain this proposition to my colleagues would be by way of example. If State A and the Secretary agreed to withdraw 5 miles estimated in 1965 to cost $10 million and those 5 miles together with 5 miles from the 200 authorized by this bill are redesignated to another route, the redesignated mileage cannot cost more than original mileage would have cost.

This legislation is an interim emergency measure which will allow certain States to complete interstate mileage at 1965 cost levels in lieu of mileage which they cannot now hope to construct under the present system.

Mr. Speaker, since this measure is in the nature of a technical amendment which will not require the expenditure of additional Federal funds, I urge my colleagues to join with me in supporting it. I would also like to assure the Members of the House that the Subcommittee on Roads of the Public Works Committee is mindful that sometime in the future additional mileage will have to be added to the Interstate System. I am confident that sometime in the near future we will continue hearings to ascertain the needed amount of additional mileage that will be necessary to continue the Interstate System on an orderly basis.

Mrs. DWYER. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentlewoman from New Jersey.

Mrs. DWYER. Mr. Speaker, I rise in support of this legislation.

Mr. Speaker, the pending bill represents the best available solution to two difficult highway problems in the congressional district I am privileged to represent, and I support the bill strongly.

Approval of the legislation would have the effect, first, of permitting the State of New Jersey to abandon completely the proposed extension of Interstate Highway 278 from Route 1 in Linden to a point at the Union-Springfield border and, second, of making it possible to construct additional lanes along the Garden State Parkway in the area of Union and Middlesex Counties, thereby relieving hazardous crowding of the existing lanes, and to do so in a way that will continue to provide toll-free facilities for local highway users.

The present bill, Mr. Speaker, is designed to meet specific situations in several States, including New Jersey, where overwhelming opposition among local residents has forced the States to reconsider the construction of planned segments of the interstate system through heavily populated urban areas. The bill, in effect, will permit the recapture of this potentially lost mileage. With the extra 200 miles which the bill would authorize for the Interstate System, this recaptured mileage would permit the affected States, with the approval of the Department of Transportation, to incorporate substitute routes in the Interstate System.

In the case of New Jersey, State and Federal highway officials have apparently agreed that the added mileage will be transferred to a section of the proposed Central New Jersey Expressway from Trenton to Asbury Park, though under the terms of the bill State and Federal officials would not be precluded from assigning the mileage to still another route. Assuming present plans are implemented, however, the incorporation of the Trenton-Asbury Park section of the expressway into the Interstate System would, because of the 90–10 Federal State financing of interstate routes, free sufficient funds to construct toll-free lanes along the Union-Middlesex portion of the Garden State Parkway.

In any event, Mr. Speaker, approval of the pending legislation would remove the threat of dislocation and the loss of their homes and property from thousands of residents of Union County, specifically in Union, Roselle, Roselle Park, and Kenilworth.

In view of some apparent questions about the bill, I believe it would be useful to clarify two points: First, it is only authorized mileage which can be transferred within the Interstate System and under this legislation, not the estimated funds which would have been used to construct the previously proposed route; and, second, the mileage can only be used for highways which will be part of the Interstate System, not for so-called feeder roads or for other non-Interstate System routes.

In the final analysis, Mr. Speaker, the present bill represents the most constructive way in which highway problems similar to the one in my district can be resolved. Enactment of the legislation will create both the opportunity and the responsibility for Federal and State highway officials to utilize the authorized interstate mileage in the most effective way possible.

Mr. McEWEN. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from New York.

Mr. McEWEN. Mr. Speaker, I rise in support of this bill.

I believe that without the freeways this bill will enable us to build we will not see an Interstate System completed. It is most desirable.

Mr. CRAMER. I thank the gentleman. He is a member of the committee, and I appreciate his support.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. Mr. Speaker, I rise in support of the bill. I am pleased it has been brought up at this time.

I would like to ask this question. The city of Phoenix has grown rapidly since the enactment of the original legislation. At that time there was no provision made for bypasses of the city in the form of freeways. Since that time there have been plans developed. If this bill is passed at the present time, is it possible mileage will be made available to be allocated to such purposes?

Mr. CRAMER. It is a possibility, but priorities set up in the bill give preference to the States that give up mileage, in the past or in the future, and to States where an interstate route terminates in a municipality that is not served by another Interstate System, which happens to be one of the problems we have in the great State of Florida.

After that, whatever money and mileage flows back into the national reserve is available to all the States. If there is an emergency need that has to be handled by 1973, it will be dependent upon the mileage and funds which are available.

Mr. RHODES of Arizona. There is an emergency which exists there.

Mr. Speaker, I am very pleased that this assurance has been made, because we have no money which we can make available for this purpose before 1973.

Mr. GUDE. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the distinguished gentleman from Maryland.

Mr. GUDE. Mr. Speaker, in line with the former statements which have been made by the gentleman from Florida, is it the belief of the gentleman from Florida and does the gentleman feel that this legislation, if enacted, would be used by the Secretary of the Department of Transportation to avoid the hard and difficult decisions and the necessary planning with reference to having a good transportation media in the case of the District of Columbia and the metropolitan area generally?

Mr. CRAMER. We wrote certain language into the bill with reference to this particular matter. We have the guarantee that we will have hearings next year, and I hope the gentleman will be able to appear and testify thereon.

Mr. GUDE. I thank the distinguished gentleman from Florida. However, in view of some of the problems which we have here in the metropolitan area of the District of Columbia, as well as in other parts of the country, the Secretary of the Department of Transportation has indicated that he would like to delay the freeway system which has previously been designed.

Mr. CRAMER. I say to the gentleman from Maryland that this is supposed to be a "model city," while it is a model of stumbling and fumbling and bumbling as it relates to an interstate system.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Iowa.

Mr. GROSS. In Iowa we have two cities affected by such legislation, one of them Waterloo and the other Cedar Rapids, two of about a half dozen cities of comparable population left in the Nation which have no interstate connection.

Would this bill in any way affect their chances of obtaining an interstate connection?

Mr. CRAMER. I would say to the distinguished gentleman from Iowa [Mr. Gross] only if they meet the criteria which I just raised in answer to the question of the gentleman from Arizona [Mr. Rhodes]. However, next year we will have to consider new mileage and at that time I assume that each State, such as the gentleman's State, will submit its requirement and that such request will be up for consideration with reference to the allocation of such mileage.

Mr. GROSS. I thank the gentleman.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I have two questions, Mr. Speaker, of the distinguished gentleman from Florida [Mr. Cramer].

Mr. Speaker, the gentleman from Florida has indicated that under certain conditions a State would have some credit or rights to funds that have been allocated for a specific purpose within a State.

My question is with reference to the possible reallocation of funds totaling about $100 million in the State of New Jersey.

Is there any way in which a State relinquishes its claim to establish the fact that under its program it would not be considered to receive the money or does it have to run the gamut of losing any or all of this amount because it does not quite meet the standards set forth herein and protect itself?

Mr. CRAMER. I would assume that a State in a situation such as the gentleman has mentioned would request simultaneous action upon its request in the event additional money is made available or in the event that additional and substitute mileage would be approved.

Mr. FRELINGHUYSEN. Mr. Speaker, my second question is this:

If the substitute program should involve more than one project, would there still be priority for both projects, so long as the dollar amount was not in excess of the amount which had already been authorized?

Mr. CRAMER. The bill speaks for itself; it says "routes or portions thereof" in the plural.

So that the substitute mileage can be singular or plural so long as it does not exceed the money or mileage available.

The purpose of the legislation is to permit them to exceed the present mileage limitation which you could not do without the legislation.

Mr. FRELINGHUYSEN. In that connection, a State is in competition with a lot of other States which may like to increase the mileage without increasing the dollar amount.

Mr. CRAMER. The gentleman is correct. However, routes must qualify under the present law relating to interstate requirements.

Mr. FRELINGHUYSEN. There would be no necessity to relinquish anything until there had been a determination as to whether the substitute route would qualify?

Mr. CRAMER. I would assume the State, in exercising its proper discretion, would want some assurance of approval of alternatives before they give up the mileage, but I will assure the gentleman under the present law the Secretary does not have such authority if that mileage exceeds the mileage given up.

Mr. FRELINGHUYSEN. I understand the present law, but I am just asking, Is there some way the State could protect itself against possible loss?

Mr. CRAMER. I can assure the gentleman that any State that will ask for replacement mileage will come in with requests for replacement before they give up any routes.

Mr. SCOTT. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Virginia.

Mr. SCOTT. I thank the gentleman for yielding.

Mr. Speaker, in Virginia we have a problem with the Interstate Commerce Commission. We have Interstate 95, the Shirley Highway, which cannot be widened until we get a decision from the Interstate Commerce Commission as to whether a railroad can be abandoned, the Washington & Old Dominion Railroad.

We also have the same problem with regard to the present Interstate 66 from the beltway into Washington. This is causing considerable problems to the people in suburban Washington. The Interstate Commerce Commission has been sitting on this problem for more than two and a half years. Does the gentleman or the chairman of the committee know of any way to get the Interstate Commerce Commission to say whether or not this railroad can be abandoned so that we can go ahead with our program in Virginia to get the commuters in and out of Washington?

Mr. CRAMER. I would suggest that the gentleman will have an opportunity, and I hope he will make himself available to come before our committee next year when we get into these urgent problems. I for one would be delighted to hear the gentleman, and also I hope, perhaps, that the Commission would come before the committee to explain why these problems continue to exist.

Mr. SCOTT. I thank the gentleman, and I will do that.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from Illinois.

Mr. COLLIER. Mr. Speaker, I rise in support of the legislation.

Mr. HOWARD. Mr. Speaker, will the gentleman yield?

Mr. CRAMER. I yield to the gentleman from New Jersey.

Mr. HOWARD. Mr. Speaker, I thank the gentleman for yielding.

On the point that was raised concerning a possible hypothetical condition in the State of New Jersey, the gentleman from Florida stated that the State may propose substitute routes to the Secretary of the Department of Transportation which could result in more than one route being returned to the State, and the entire money allocation being used for other interstate routes within that State, as the bill stands now without the need for any amendments to it; is that correct?

Mr. CRAMER. The gentleman is correct. Of course the State would have to justify the priority of needs for each route, in relation to the needs of other States, and the routes would have to meet criteria established for the Interstate System under existing law.

Mr. CAHILL. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CAHILL. Mr. Speaker, I believe the gentleman from Florida [Mr. CRAMER] has made it abundantly clear that the State seeking additional miles under this legislation can request more than one project, and will be eligible to obtain funds at least equal to those estimated for the cost of the mileage already authorized. I am pleased, too, Mr. Speaker, that the gentleman from Florida, the ranking member of the committee, has indicated that the application may include projects rather than a project. With this in mind, therefore, I can now support this legislation, although very frankly I would prefer greater care in the draftmanship of the bill. I am still concerned, however, Mr. Speaker, with the fact that the criteria for the new authorized miles is the same as provided in the first highway act passed in 1944. In other words, in order for a State to qualify for new mileage under this bill, it must meet the following criteria: first, importance to national defense; second, system integration; third, importance to industry; and fourth importance to rural and urban population.

As I explained to the House in a speech on August 28, 1967, this criteria was established in 1944 when we had a limited number of automobiles using our highways. Conditions are, of course, dramatically changed in 1967. There is no doubt that the criteria should and must be changed, and I regret that this committee has not seen fit to change the criteria in relation to the additional mileage. In any event, I can recognize the need for flexibility and can recognize that some highways already authorized may not serve the needs of the State as well as other highways not considered when the application was first made. I think the discussion here on the floor has served a useful purpose and that my State, at least, must recognize that if it intends to request new and different mileage than that already authorized, it should do so in such a way as to insure credit for the amount of money that would have been necessary to construct and complete the miles heretofore authorized. I sincerely hope, Mr. Speaker, that this committee will hold early hearings in January, that they will authorize additional miles of federally-aided highway systems in the States, and that they will consider a modernization of the entire program with particular emphasis on the criteria for qualification.

Mr. PICKLE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PICKLE. Mr. Speaker, it should be made plain by the vote on this measure that there is no intent to allow the claim of higher highway mileage for travel purposes. I am assured by the committee that the purpose of this bill would be to increase the 41,000 miles authorized by statute so that any gaps in the present Interstate System might be closed which would otherwise be precluded because of the mileage limitation.

The committee report states:

> The urban mileage involved in these situations is usually short and expensive. The appropriate alternate mileage is usually longer but substantially less expensive.

I assume that any person who travels for the Government and submits a mileage claim should submit the shorter of two routes and not the longer. If, indeed, the urban mileage is shorter, then the claim allowed for travel should be less. If, however, this measure provides for longer alternate mileage, it might be that we leave the impression that the individual may claim the higher or the alternate mileage. I have been given the assurance that the purpose of this bill relates to the construction of the highway system and thus allowing States to choose alternate routes rather than the more expensive although shorter urban routes. In passing this legislation, however, I think it should be made clear that we are not subjecting ourselves to higher mileage claims.

In my State, we have seen a considerable controversy evolve as a result of mileage claims on official highway maps. The contrary situation has developed, according to some people in my State, that the Government employee uses a map now which shows higher claims of mileage than would a more modern map, which in the case of Texas has shown that the alternate routes or State routes would be shorter, and thus cheaper for the Government. All I want to make plain on this bill, however, is that we are not sanctioning higher mileage claims, but, indeed, that the lesser distance, if this is uninvolved, should be the claim. This would be less expensive for the Government, and I am sure that all Members concur that this should be our objective.

The SPEAKER. The question is on the motion of the gentleman from Illinois that the House suspend the rules and pass the bill H.R. 13933.

The question was taken.

Mr. SAYLOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 361, nays 1, not voting 70, as follows:

[Roll No. 399]

YEAS—361

Abernethy
Adair
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Ashbrook
Ashley
Ashmore
Ayres
Baring
Barrett
Battin
Bell
Bennett
Betts
Bevill
Biester
Bingham
Blackburn
Blanton
Blatnik
Boggs
Bolling
Bolton
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
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Clancy
Clausen, Don H.
Clawson, Del
Cleveland
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Corbett
Cramer
Culver
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Curtis
Daddario
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Davis, Ga.
Davis, Wis.
Dawson
de la Garza
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Eckhardt
Edmondson
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Everett
Fallon
Farbstein
Fascell
Feighan
Fino
Fisher
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Gardner
Garmatz
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Gettys
Giaimo
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Gilbert
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Goodling
Gray
Green, Oreg.
Green, Pa.
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Grover
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Hammerschmidt
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Hansen, Idaho
Hardy
Harrison
Harsha
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Helstoski
Henderson
Hicks
Holland
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Howard
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Ichord
Irwin
Jacobs
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Joelson
Johnson, Calif.
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Jones, Ala.
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
King, N.Y.
Kirwan
Kleppe
Kluczynski
Kornegay
Kupferman
Kuykendall
Kyros
Laird
Langen
Latta
Leggett
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Lipscomb
Lloyd
Long, La.
Long, Md.
Lukens
McCarthy
McClory
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McMillan
Macdonald, Mass.
MacGregor
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Mahon
Mailliard
Marsh
Mathias, Calif.
Mathias, Md.
Matsunaga
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Meskill
Michel
Miller, Calif.
Miller, Ohio
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Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Multer
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Hara, Ill.

O'Hara, Mich.
O'Konski
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
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Perkins
Pettis
Philbin
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Pollock
Price, Ill.
Price, Tex.
Pryor
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Rosenthal
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Roybal
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Ryan
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Satterfield
Saylor
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Shriver
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Slack
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Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
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Steiger, Wis.
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Stubblefield
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Teague, Tex.
Tenzer
Thompson, Ga.
Thompson, N.J.
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Tunney
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walker
Wampler
Watkins
Watson
Watts
Whalen
Whalley
White
Whitener
Widnall
Williams, Pa.
Wilson, Bob
Wilson, Charles H.
Winn
Wolff
Wyatt
Wylie
Wyman
Yates
Young
Zablocki
Zion
Zwach

NAYS—1

Wydler

NOT VOTING—70

Abbitt
Andrews, Ala.
Annunzio
Arends
Aspinall
Bates
Belcher
Berry
Boland
Brooks
Broomfield
Chamberlain
Clark
Conyers
Corman
Cowger
Delaney
Edwards, Calif.
Edwards, La.
Evans, Colo.
Evins, Tenn.
Findley
Flynt
Fountain
Fulton, Tenn.
Fuqua
Gallagher
Goodell
Gurney
Halleck
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Johnson, Pa.
Kyl
Landrum
Madden
Martin
Mills
Minshall
Moss
Nelsen
Olsen
Pepper
Poage
Pool
Purcell
Reinecke
Resnick
Reuss
Rivers
Rodino
Rooney, N.Y.
Rooney, Pa.
St Germain
St. Onge
Schwengel
Shipley
Stephens
Thomson, Wis.
Udall
Utt
Whitten
Wiggins
Williams, Miss.
Willis
Wright

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Arends.
Mr. Annunzio with Mr. Kyl.
Mr. Brooks with Mr. Berry.
Mr. Madden with Mr. Halleck.
Mr. Rodino with Mr. Broomfield.
Mr. Rooney of New York with Mr. Goodell.
Mr. St. Onge with Mr. Gurney.
Mr. Fountain with Mr. Martin.
Mr. Aspinall with Mr. Bates.
Mr. Corman with Mr. Reinecke.
Mr. Mills with Mr. Wiggins.
Mr. Hays with Mr. Schwengel.
Mr. Holifield with Mr. Findley.
Mr. Gallagher with Cowger.
Mr. Evins of Tennessee with Mr. Chamberlain.
Mr. Delaney with Mr. Minshall.
Mr. Andrews of Alabama with Mr. Belcher.
Mr. Moss with Mr. Johnson of Pennsylvania.
Mr. Stephens with Mr. Utt.
Mr. Flynt with Mr. Thomson of Wisconsin.
Mr. Evans of Colorado with Mr. Nelsen.
Mr. Landrum with Mrs. Heckler of Massachusetts.
Mr. Clark with Mr. Olsen.
Mr. Boland with Mr. Resnick.
Mr. Udall with Mrs. Hansen of Washington.
Mr. Pepper with Mr. St Germain.
Mr. Shipley with Mr. Conyers.
Mr. Fulton of Tennessee with Mr. Herlong.
Mr. Whitten with Mr. Willis.
Mr. Wright with Mr. Reuss.
Mr. Rivers with Mr. Rooney of Pennsylvania.
Mr. Edwards of Louisiana with Mr. Williams of Mississippi.
Mr. Abbitt with Mr. Edwards of California.
Mr. Fuqua with Mr. Purcell.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. **KLUCZYNSKI**. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to extend their remarks and to include extraneous matter on the bill just passed.

The **SPEAKER**. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PROVIDING FOR THE HOLDING OF A TERM OF COURT AT MINEOLA IN THE EASTERN DISTRICT OF NEW YORK

Mr. **TENZER**. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8376) to provide that the U.S. District Court for the Eastern District of New York shall be held at Brooklyn, N.Y., and Mineola, N.Y.

The Clerk read as follows:

H.R. 8376

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the second paragraph of section 112(c) of title 28, United States Code, is amended to read as follows:

"Court for the eastern district shall be held at Brooklyn and Mineola."

The **SPEAKER**. Is a second demanded?

Mr. **WYDLER**. Mr. Speaker, I demand a second.

The **SPEAKER**. Without objection, a second will be considered as ordered.

There was no objection.

Mr. **TENZER**. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I shall not take the 20 minutes allotted to me.

This bill amends section 112(c) of title 28, United States Code, to authorize the U.S. District Court for the Eastern District of New York to be held at Mineola. This bill has been approved by the Judicial Conference of the United States, and the county bar associations of Nassau and Suffolk Counties.

All of Long Island and Staten Island are contained in the eastern district of New York. This area includes five counties. Suffolk, Nassau, Queens, and Kings are on Long Island and Richmond is on Staten Island. The population of the eastern district in 1960 was 6,625,672. In 1967 unofficial figures 7.3 million population. Nassau and Suffolk Counties have an estimated population of 2.3 million. Brooklyn, N.Y., has been the only site where the court has been authorized to sit.

Nassau County constitutes 300 square miles and Suffolk 922 square miles, and it is these counties that the bill is designed to serve. Mineola is approximately 30 miles from Brooklyn and at the far eastern point of the district it is a distance of 129 miles. Travel time into Brooklyn during the rush hours is a difficult one due to traffic congestion, taking 1¾ hours approximately.

The eastern district has a very heavy caseload. On its civil docket its caseload was the eighth largest of any of the 92 districts in the Nation and its criminal caseload was the fourth heaviest. A study made by the bar associations in conjunction with the clerk of the court in 1966 indicates that in a substantial portion of all cases either one or both parties, individual or corporation, reside within Nassau or Suffolk Counties.

The area comprising Suffolk and Nassau Counties constitutes one of the fastest growing areas in the United States. Since 1950 the population has increased by 120 percent. A recent estimate of the number of business establishments locating in this area number over 40,000.

The Department of Justice, in its report, defers to the Judicial Conference, which has heretofore stated it favors enactment of this proposal. The board of supervisors of Nassau County has authorized the use and occupancy for the county court at Mineola in the court buildings maintained by the county of Nassau at no cost to the Federal Government. Thus the provisions of section 142 of title 28 of the United States Code are complied with.

Mr. **GROSS**. Mr. Speaker, will the gentleman yield?

Mr. **TENZER**. I yield to the gentleman from Iowa.

Mr. **GROSS**. The gentleman from New York says that there will be no immediate request for additional court facilities by transferring and holding court at the place for which this bill provides?

Mr. **TENZER**. In Nassau County; the gentleman is correct.

Mr. **GROSS**. I would further ask the gentleman if by any chance, this is the forerunner to additional court facilities at some future time, perhaps in the near future?

Mr. **TENZER**. I would say to the gentleman from Iowa that the answer to the question is no. If there is a future time when the population may justify it, but not as a result of this legislation.

As a result of this legislation, no, there would be no additional facilities or costs to the U.S. Government.

Mr. **GROSS**. I thank the gentleman.

Mr. **TENZER**. Mr. Speaker, the Nassau County Bar Association has adopted a resolution approving and supporting the legislation, in the following letter:

NASSAU COUNTY BAR ASSOCIATION,
Mineola, N.Y., April 5, 1967.

Hon. HERBERT TENZER,
House of Representatives,
Washington, D.C.

DEAR CONGRESSMAN: Thank you for your inquiry concerning the location of the section of the Federal Court in either Nassau or Suffolk County.

I wish to advise you that our Federal Court Committee has had this particular matter under study for a considerable period of time, and from time to time the Bar Association itself has passed resolutions approving the location of a section of the Federal Court in either Nassau or Suffolk County. Recently an additional study was concluded and the Committee again recommended the adoption of an appropriate resolution. The resolution adopted by the Board of Directors is as follows:

Resolved that the Bar Association of Nassau County supports the establishment of a section of the Federal District Court, Eastern District, and that such section be situated in Mineola, New York.

Sincerely,

FRANCIS B. FROEHLICH,
President.

Mr. Speaker, the following excerpts from the report of the Federal court committee of the Suffolk County Bar Association relative to establishment of Federal court facilities for Nassau and Suffolk Counties includes some information which will be helpful in understanding the need for passage of H.R. 8376. It follows:

EXCERPTS FROM REPORT OF SUFFOLK COUNTY

1. ESTABLISHMENT OF THE COMMITTEE; SUPPORT OF THE NASSAU COUNTY BAR ASSOCIATION

In June, 1966, the Federal Court Committee of the Suffolk County Bar Association was established to study the feasibility of providing federal court facilities for Nassau and Suffolk Counties.

On October 13, 1966, the Nassau County Bar Association was apprised of the study and of the belief on the part of the directors of the Suffolk County Bar Association that establishment of federal court facilities for the two counties was warranted. The directors of the Nassau association discussed the project and on October 25, 1966 informed that "it is the desire of our Board to cooperate in every way possible on this particular project."

2. DESCRIPTION OF THE EASTERN DISTRICT OF NEW YORK

All of Long Island and Staten Island are contained in the eastern district of New York. Of the five counties in the district, three (Richmond, Queens and Kings) are also boroughs of the City of New York.

Richmond (Staten Island) has some manufacturing and its sparse population, practically unchanged for decades, is now increasing rapidly due to the recent completion of the Verrezzano-Narrows Bridge connecting it to Brooklyn. Richmond's area, however (60 sq. miles), is a limiting factor on future growth.

Queens (113 sq. miles) and Kings (76 sq. miles) Counties exhibit the usual urban characteristics: heavy manufacturing uses, chronic street and highway congestion and dense population.

Nassau (300 sq. miles) exhibits many typical suburban qualities: well-planned residential areas, parks, regional shopping centers, and attractive light industry, but seems to have reached maximum population saturation. Its streets and highways are crowded and busy, but do not yet suffer from the acute congestion of the city.

Suffolk County's (922 sq. miles) two westernmost towns (Huntington and Babylon) share Nassau's characteristics, and appear to have passed through their most rapid population growth. The three other towns in Suffolk's heavily populated western end, (Smithtown, Islip and Brookhaven), already have large populations but have the area (notably Brookhaven, larger than Nassau County) to absorb extremely large numbers of people. 90% of Suffolk's population resides in these five western towns.[1] Suffolk is now the principal target of the metropolitan area population explosion.

The United States District Court for the eastern district of New York is situated at 225 Washington Street, Brooklyn, almost at the extreme westerly end of the district. Some representative distances between the Court and locations within Nassau and Suffolk Counties follow:

Approximate road mileage of *American Automobile Association*

Location	*Miles*
Mineola	30
Huntington	50
Hauppauge	57
Stony Brook	64
Riverhead	82
Montauk	129
Orient Point	112

Travel times between the above locations and Brooklyn, especially at the morning and evening rush hours, are substantially greater than the distances indicate. For example, a trip by automobile from Huntington to arrive at the court on a weekday at 10:00 a.m. generally takes about 1¾ hours, due to traffic congestion on all westbound roads.

3. THE EXISTING FEDERAL COURT: CREATION, LOCATION AND POPULATION SERVED

The eastern district of New York was established in the year 1900 (31 Stat. 175, c. 391). Its court has never been authorized to sit other than at Brooklyn. The present population of the eastern district is estimated to exceed 7,247,775; of which 2,349,275 is attributable to Nassau and Suffolk Counties.

4. POPULATION TRENDS IN THE EASTERN DISTRICT

Exhibit "A" annexed to this report shows past populations and future projections for the counties in the eastern district. Sources for these figures are specified in footnotes to the table. The most recent population estimate available (7,247,775) combines the Long Island Lighting Company figures for Nassau and Suffolk for January 1, 1966 (2,349,275) with 1965 estimates for the three counties located within the City of New York. The most recent estimate thus places 32.4% of the District's population in Nassau and Suffolk.

Between 1950 and 1960 the combined population of Nassau and Suffolk increased 107%. Between 1950 and 1966 the two county population increased 148%. Between 1950 and 1960 the combined population of Kings, Queens and Richmond increased 5.7%.

Between 1950 and 1965 the Kings-Queens-Richmond population increased 12.1%. The population of Kings County, the seat of the court, actually declined between 1950 and 1960. Projections for the years 1975 and 1985 show a further decline in the Kings County population, a leveling off of the Queens County population slightly below its 1965 figure, and a doubling of the population of Richmond.

The 1980 projections for Nassau and Suffolk show a combined population for these two counties of 2,985,000, as compared with the 1985 projection for the three New York City counties of 4,735,000. By the 1980's it thus appears that the eastern district's population will total 7,720,000, of which 39.965% will be attributable to Nassau and Suffolk.

Some other statistics confirm that Nassau and Suffolk Counties constitute one of the most heavily populated, as well as one of the fastest growing suburban areas in the United States.

In 1950 there were 340,592 passenger cars in the two counties; in 1961 there were 782,539; in 1965 there were 954,962 (Long Island Commercial Review). In 1965 the total number of motor vehicles in the two counties was 1,083,994. The distribution was as follows: Nassau, 660,077; Suffolk, 423,917 (Long Island Commercial Review).

In 1950 there were 358,800 telephones in the two counties; in 1961 there were 1,071,000; in 1965 there were 1,323,033 (Long Island Commercial Review).

Between 1950 and 1960 expenditures in the public school systems in the two counties increased 494%, some $64.2 million to $381.7 million (Long Island Commercial Review).

The number of households in Nassau and Suffolk increased 101% between 1950 and 1960, from 260,378 to 522,141 (Long Island Commercial Review).

During the period 1949–1959 the land devoted to agriculture declined from 150,680 acres, or 33.3% of the land, to 97,182 acres, or 19% of the land (Long Island Commercial Review).

In 1962 the two-county population, then estimated at 2,084,904, made it the fourth largest urban county area in the United States, after New York City, Chicago and Los Angeles (Long Island Commercial Review).

As of January 1, 1967 there were 23,914 manufacturing wholesalers and retailers in Nassau and Suffolk (Dun and Bradstreet).

As of November 1966 there were 611,800 non-agricultural wage and salary workers in the two counties (New York State Labor Department).

During the period January to October 1966, there were 13,674 housing units under construction, based on the building permits issued in the two counties. The distribution of these units was as follows: Nassau, 3,469; Suffolk, 10,205 (New York State Division of Housing).

As of June 30, 1966 there were 426 offices of financial institutions in the two counties (Long Island Commercial Review).

Some of the largest industries in the United States have plants in Nassau or Suffolk, including Grumman Aircraft Corporation, Republic Aviation Division of Fairchild-Hiller Corporation, Gyrodyne Corporation of America, Sperry-Gyroscope Division of Sperry-Rand Corporation and Fairchild Camera and Instrument Corporation. There are a number of colleges and universities in the two-county area including Hofstra and Adelphi Universities, C. W. Post College of Long Island University, Nassau Community College, Suffolk Community College, Farmingdale Agricultural and Technical Institute, and the burgeoning State University of New York at Stony Brook. The State of New York has indicated its intent to establish a medical school and teaching hospital at the State University campus at Stony Brook; and a Veterans Administration hospital is also scheduled for the area.

Also contained in the two-county area are Brookhaven National Laboratory and the New York state school for international studies at Oyster Bay. A special committee headed by State Supreme Court Justice Howard Hogan of Nassau County has indicated that in the near future there will be at least two law schools in the Nassau-Suffolk area. Other studies have indicated that there will possibly be in the near future an oceanographic institute in Suffolk County.

There are a number of private and public airports within the two counties, including MacArthur Airport in Islip, the Westhampton Air Force base, the Republic Aviation field at Calverton. A fourth jetport for metropolitan New York may be located in Suffolk County.

A number of studies by various agencies of the State of New York and the County of Suffolk have made it almost certain that a bridge or bridges to Connecticut or Rhode Island will be constructed from eastern

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[1] The population disparity between the western and eastern towns led to the institution of a local reapportionment suit, *Bianchi* v. *Griffing*, presently pending in the Supreme Court (*sub. nom. Board of Supervisors of Suffolk County, New York, et. al.* v. *Bianchi, et. al.*, October Term 1966, No. 491).

Nassau and/or Suffolk County within the next decade, thus linking the east end of Long Island with the mainland and providing access to New England's industries. Some studies have also been pursued with respect to the feasibility of a Long Island-New England tunnel.

5. CASELOAD OF EXISTING COURT

The United States District Court for the eastern district of New York is one of the busiest courts in the United States. As of March 31, 1966 its civil caseload of 1897 was exceeded by only seven district courts in the country, those for the District of Columbia, Southern District of New York, Eastern District of Pennsylvania, Eastern District of Louisiana, Northern District of Illinois, Northern District of California and Southern District of California.

The eastern district court's criminal caseload of 500 cases as of March 31, 1966 was fourth heaviest in the country, being exceeded only by the district courts for the District of Columbia; Southern District of New York, and Southern District of California.

The eastern district's total of 692 persons under supervision of the federal probation system as of March 31, 1966 was the 16th largest number in the country. The eastern district federal court ranked 33 in the number of bankruptcy cases pending on March 31, 1966 (1550 cases pending).

These figures are derived from the Report of the Director of the Administrative Office of the United States Courts for the period January 1 through March 31, 1966.

6. DISTRIBUTION OF EXISTING CASELOAD

So far as could be determined, no survey was ever made prior to 1966 as to the origin of cases docketed in the eastern district federal court. At the request of the Suffolk County Bar Association, a questionnaire in the form shown by Exhibit "B" was made available to counsel docketing civil cases in the court for a ninety-day trial period commencing November 7, 1966. Although the trial period has not yet terminated, a tabulation of 91 questionnaires filed with the clerk during the period November 7, 1966 to January 5, 1967 is available. Of the ninety-one cases represented by questionnaires, 34 have either a plaintiff or a defendant resident within, or a corporate party having its place of business in, Nassau or Suffolk County. Thus in 37.36% of the civil cases docketed during that period, venue could *properly* have been in a separate district or division encompassing only Nassau and Suffolk Counties.

Other statistics derived from the 91 questionnaires are as follows:

1. Number of cases in which a plaintiff resides in (or is a corporate plaintiff having a place of business in) Nassau or Suffolk County.............. 14
2. Number of cases in which a defendant resides in (or is a corporate defendant having a place of business in) Nassau or Suffolk County...... 24
3. Number of cases having an out-of-district plaintiff and a Nassau or Suffolk defendant 12
4. Number of cases in which the claim is stated to have arisen in Nassau or Suffolk County 14

Since the individual plaintiff's residence (or the corporate plaintiff's place of business) determines venue, the figures in Items 1, and 3, are significant. Of the 91 cases, 14 would necessarily have been filed in Nassau—Suffolk, because the party having the choice of venue had a connection with the Nassau—Suffolk area. Further, in cases instituted by an out-of-district plaintiff, it is the individual defendant's residence (or the corporate defendant's place of business) which determines venue and thus 12 additional cases would necessarily have been instituted in Nassau or Suffolk (item 3). The 26 cases in these two categories comprise 28.6% of the cases, which would *necessarily* have been filed in Nassau or Suffolk County if facilities for such filing were available.

The statistics for the full 90-day trial period will be made available at the conclusion of the survey.

On September 28, 1966 the Suffolk County Bar Association requested the United States Attorney for the eastern district of New York to provide statistics showing the origin of cases pending in his office. His report dated January 17, 1967 is annexed as Exhibit C and shows that of the 798 criminal cases referred during the calender year 1966 to the United States Attorney by five federal agencies, 122 arose in Nassau or Suffolk County, or 15.0% of the total. The figures are based upon the area in which the crimes were committed rather than the county of residence of the defendants.

7. FACTORS WARRANTING ADDITIONAL LOCATIONS FOR THE HOLDING OF COURT

Review of much of the Congressional legislation authorizing district courts to sit in additional locations indicates that distribution of existing caseload is an important factor to be considered, as bearing upon the time and convenience of attorneys, litigants, witnesses and jurors, especially where distances or travelling times to the courthouse are great. The relative populations of the district and of the specific area to be served by a new court location, are also considered. For example, on August 10, 1950, Section 93, Title 28, United States Code, was amended to authorize the United States District Court for the Southern District, northern division of Illinois to sit at Rock Island. It was stated in 1950 United States Code and Congressional Service pages 2968–70:

> ". . . establishment of a court at Rock Island would service a population of approximately 250,000 people and facilitate the Federal legal business emanating from such cities as Moline, East Moline, Kewanee and Rock Island. An analysis as to the geographic source of the business now in the United States District Court for the Southern District, northern division of Illinois, reflects that approximately 25% of the total volume originates in the Rock Island area."

As the recent questionaires indicate, far more than 25% of the business of the Eastern District court emanates from Nassau and Suffolk Counties. Moreover, these two counties have a combined population of more than 2,349,275, as contrasted with the 250,000 persons proposed to be served in 1950 by the federal court at Rock Island, Illinois. The report of the Director of the Administrative Office of the United States Courts, *supra*., shows that the entire Southern District of Illinois as of March 31, 1966 had only 353 civil cases pending, as contrasted with 2,144 in the Eastern District of New York. The Southern District of Illinois had 66 criminal cases pending on March 31, 1966 as contrasted with the 500 pending here. The District Court for the Southern District of Illinois is presently authorized to hold court at 5 locations [28 U.S.C. § 93(b)].

Comparison of the Eastern District of New York with the District of Connecticut demonstrates that the caseload here warrants an additional location or locations for the holding of court:

District	1960 population	Number of locations for holding court	Criminal cases pending	Civil cases pending	Persons under probation supervision	Bankruptcy cases
Eastern district of New York......	6,583,524	1	500	1,897	692	1,550
District of Connecticut...........	2,535,234	5	115	679	375	811

Representative quotations from legislative histories of several other amendments to title 28, United States Code, are annexed as Exhibit "D" to this report. We believe that Nassau and Suffolk Counties qualify as a situs for holding court by virtue of their population, volume of federal litigation, geographical location with respect to the Court, and continued future growth.

8. LOCATIONS OF ALL EXISTING FEDERAL COURTS AND POPULATION SERVED

A review of title 28 United States Code § 81–131, shows that 80 district courts are presently authorized to sit in 408 locations throughout the United States. It is the exceptional district court which is not authorized to hold court at more than one location.

The typical district court has a far lighter caseload than does New York's Eastern District court, yet is authorized to hold court in multiple locations.

* * * * *

9. SUFFOLK LOCATION AT HUNTINGTON

Although the various Nassau-Suffolk locations mentioned in section 2 of this report are all relatively distant, both in terms of road mileage and travel time, from the existing federal courthouse in Brooklyn, they are not at the present time inaccessible to one another.

A single location for Nassau-Suffolk court facilities would seem to be dictated. A single location would obviously provide an economic advantage to the government, as opposed to multiple locations.

Another factor to be considered in the placement of a federal court annex is the availability without cost to the United States of suitable quarters and facilities. Title 28, U.S. Code § 142, so requires.

* * * * *

ACKNOWLEDGMENTS

Appreciation is extended to the Honorable Joseph C. Zavatt, Chief Judge United States District Court, Eastern District of New York; Honorable Lewis Orgel, Clerk of the United States District Court for the Eastern Division of New York; and Honorable Joseph Hoey, United States Attorney for the Eastern District of New York, for their unstinting cooperation with this committee, and for making available information which was of great value in its study. Thanks are especially extended to the first two gentlemen for making possible the 90 day trial survey report above. The conclusions reached, of course, are the committee's own.

Respectfully submitted.

FEDERAL COURT COMMITTEE, SUFFOLK COUNTY BAR ASSOCIATION,
By: RICHARD C. CARR, *Chairman*.

The **SPEAKER**. The gentleman from New York [Mr. WYDLER] is recognized.

Mr. **WYDLER**. Mr. Speaker, I rise in favor of this legislation which is before the House.

As a matter of fact, Mr. Speaker, it was more than 10 years ago that I first recommended to the Nassau County Bar Association that we do in fact have Federal court facilities in Nassau County.

I also was pleased to submit the first bill to make this possible, and I combined in that bill both the area of Mineola and the area of Hauppauge. The latter is in Suffolk County and I hoped to forestall any argument between the two counties over the location of the new court facilities.

I believe in the years to come we will

probably include Hauppauge or some other area in Suffolk in addition to Nassau because of demand and growth in those areas.

But there is a problem in connection with this legislation, and I would like to address a question on that to the proponent of the bill and the sponsor of the bill, the gentleman from New York [Mr. TENZER].

The bill before us, H.R. 8376, states in effect that court for the eastern district shall be held in Brooklyn, and Mineola. Now, there is some question that arises as to the meaning of Mineola that has been raised in the past in connection with the location of the various facilities.

As I understand the offer of the county of Nassau, it is to hold the court, or to make available facilities for the court in my congressional district, the Fourth Congressional District of New York. The Fourth Congressional District of New York does not include the area of Mineola. The Fourth Congressional District of New York has a section which is generally referred to by the public as Mineola, but which is in fact in Garden City, N.Y., which is part of my congressional district. Now, I am fearful that there some problem may arise; that is, the problem between the language of this bill and the actual place that is being offered by the county of Nassau for the holding of this court, because I believe the facilities you are offering to the Federal Government are located in Garden City, N.Y.

Mr. TENZER. Mr. Speaker, will the gentleman yield?

Mr. WYDLER. I will be delighted to yield to the gentleman from New York.

Mr. TENZER. I would like to thank the gentleman for yielding, and to say to the gentleman that I am delighted to have him endorse this legislation. I know that it has the endorsement of both the gentleman himself and Congressman GROVER, and also our colleague, Congressman WOLFF, all of who have indicated that this is a bipartisan bill.

The purpose of the legislation is to establish the sessions of the court in the existing county courthouse. The county courthouse is registered in every document, official and otherwise, in the telephone directory and in the official records of the State courts to be listed at Mineola. If, in fact, it is physically located in Garden City, the intent of the legislation, I can assure the gentleman, is that the sessions be held where the court facilities are located, and that is in the county courthouse located at Mineola.

Mr. WYDLER. I understand what the gentleman has said, but I again raise the question only because this deals with possible Federal legislation, and I would like to suggest to the gentleman that we should be precise and to be able to take advantage of the county's offer. It might be well in that since we cannot amend the bill in the present procedure, to consider some appropriate manner in which we can make sure we do not lock ourselves out from getting the facilities in the area, and in the buildings where we want this.

Mr. TENZER. I was advised by a member of the Committee on the Judiciary that there must be a specific location. In other words, we could not say "Nassau County"; it had to be specific.

May I call the attention of the gentleman to page 4 of the report on the bill, in the next to the last paragraph of resolution No. 951 of the Board of Supervisors of Nassau County, in the following language:

> *Resolved*, That this board of supervisors hereby authorizes the use and occupancy of space to be allotted in the court buildings maintained by the county for court facilities to enable the U.S. District Court for the Eastern District of New York to conduct its business in Mineola, Nassau County, N.Y.; and be it further
>
> *Resolved*, That the use and occupancy of any such space as may be allotted for the purposes aforesaid shall be without cost to the U.S. Government.

Mr. WOLFF. Mr. Speaker, will the gentleman yield?

Mr. WYDLER. I am glad to yield to the gentleman.

Mr. WOLFF. As I understand, the common usage of the term, Mineola extends beyond the line of the Old Country Road there?

Mr. WYDLER. The gentleman is correct about that.

Mr. WOLFF. As you know, I think there would be equal license to put the courthouse in your district since you have your office in my district.

Mr. WYDLER. I know and that created some confusion some months ago. That, fortunately, did not turn out to be serious. I think we use the term rather loosely in our area to describe the section of Garden City and Mineola. I am not sure that would be a safe thing to do when we are considering Federal legislation, and that is why I raise the point at this time and I think some attention should be given to it.

Mr. WOLFF. I am glad you raised the question.

Mr. GROVER. Mr. Speaker, will the gentleman yield?

Mr. TENZER. I yield to the gentleman.

Mr. GROVER. I rise in support of this legislation of course. Sharing my constituency both in Nassau and Suffolk Counties, I originally had fondly thought, that this facility, or extension of district should include a sitting of the Federal court in the great county of Suffolk—which incidentally, Mr. TENZER, is not 900,000 in population but is now well over 1 million people by the latest estimates and the Lord willing, and some of my colleagues from Iowa willing, before another 10 years we will be looking for an extension at the great county of Suffolk.

I extend my compliments to my Nassau and Suffolk colleagues who support this bill and to the hard-working committees of the bar associations of both counties.

Mr. WYDLER. Mr. Speaker, I yield back the balance of my time.

Mr. TENZER. Mr. Speaker, I have no further requests for time.

The SPEAKER. The question is on the motion of the gentleman from New York, that the House suspend the rules and pass the bill H.R. 8376?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. TENZER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

WHEELING CREEK WATERSHED COMPACT, PENNSYLVANIA AND WEST VIRGINIA

Mr. TENZER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 12010) to grant the consent of the United States to the Wheeling Creek Watershed Protection and Flood Prevention District compact, as amended.

The Clerk read as follows:

H.R. 12010

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is given to the interstate compact relating to the Wheeling Creek Watershed Protection and Flood Prevention District between the Commonwealth of Pennsylvania and the State of West Virginia, ratified by the Commonwealth of Pennsylvania in an Act approved by the Governor of such Commonwealth on August 2, 1967, and by the State of West Virginia in an Act approved by the Governor of such State on March 1, 1967. Such compact reads as follows:

"WHEELING CREEK WATERSHED PROTECTION AND FLOOD PREVENTION DISTRICT COMPACT

"Article I. Recitation of reasons for compact.

"Whereas, Wheeling Creek, a tributary of the Ohio River, arises in Pennsylvania, flows through Washington and Greene Counties of that commonwealth, enters the State of West Virginia, flows through Marshall and Ohio Counties, West Virginia, and empties into the Ohio River at Wheeling, West Virginia; and

"Whereas, The inhabitants of Marshall and Ohio Counties, West Virginia, and, also, but to a much lesser degree, the inhabitants of Washington and Greene Counties, Pennsylvania, living along Wheeling Creek have over the years experienced loss of life and property from flooding of that stream; and

"Whereas, Surveys made by the Soil Conservation Service of the United States Department of Agriculture indicate that the inhabitants of the four counties named can best be protected from the flooding of Wheeling Creek by flood prevention dams constructed there on with some of the dams being located on the upper reaches of the stream and its tributaries in the Commonwealth of Pennsylvania; and

"Whereas, the federal Watershed Protection and Flood Prevention Act of 1954, as amended, authorizes, under certain circumstances, federal assistance to local organizations in preparing and carrying out undertakings for flood prevention and the conservation, development, utilization and disposal of water in watershed or subwatershed areas; and

"Whereas, No local organization within the meaning of the federal act aforesaid established by or organized under the laws of West Virginia is competent under state laws to acquire land for, construct, and operate with or without federal assistance flood prevention facilities in the Commonwealth of Pennsylvania, and it appears that no such local organization established by or organized under the laws of the Comomnwealth of Pennsylvania can justify the exepnditure of locally raised funds to construct and operate flood prevention facilities which will benefit primarily the inhabitants of the neighboring State of West Virginia; and

"Whereas, Facilities erected on the upper reaches of Wheeling Creek and its tributaries for flood control and prevention can nevertheless have a recreational value for the citizens of both West Virginia and Pennsylvania and particularly the citizens of Ohio and Marshall Counties, West Virginia, and Washington and Greene Counties, Pennsylvania; accordingly, for purposes of promoting that potential, as well as providing a vehicle or means whereby federal assistance may be enlisted for the protection of citizens of her neighboring State of West Virginia from the flooding of Wheeling Creek, the Commonwealth of Pennsylvania joins with the State of West Virginia in negotiating and ratifying this compact; now therefore,

"Article II. Wheeling Creek Watershed Protection and Flood Prevention District Created.

"The Commonwealth of Pennsylvania and the State of West Virginia hereby create as an agency and instrumentality of the governments thereof a district to be known as the 'Wheeling Creek Watershed Protection and Flood Prevention District,' hereinafter called the district, which shall embrace all territory in the Commonwealth of Pennsylvania and the State of West Virginia, the water in which flows ultimately into Wheeling Creek or its tributaries.

"Article III. Wheeling Creek Watershed Protection and Flood Prevention Commission Created.

"The Commonwealth of Pennsylvania and the State of West Virginia hereby create as the governing body of the district the 'Wheeling Creek Watershed Protection and Flood Prevention Commission,' hereinafter called the commission, which shall be a body corporate, with the powers and duties set forth herein, and such additional powers as may be conferred upon it by subsequent concurrent action of the General Assembly of Pennsylvania and the Legislation of West Virginia or by act or acts of the Congress of the United States.

"Article IV. Composition of Commission.

"The commission shall consist of five commissioners from Pennsylvania and five commissioners from West Virginia, each of whom shall be a citizen of the commonwealth or state from which he is appointed. The commissioners from the commonwealth and from the state shall be chosen in the manner and for the terms provided by the laws of the commonwealth or state from which they shall be appointed, and any commissioner may be removed or suspended from office as provided by the law of the commonwealth or state from which he shall be appointed. Vacancies on the commission shall be filled in the manner provided by the laws of the commonwealth or state among whose representation on the commission the vacancy occurs.

"The commissioners shall serve without compensation from the commission, but they shall be paid by the commission their actual expenses incurred and incident to the performance of their duties.

"Article V. Organization of Commission.

"The commission shall meet and organize within sixty days after the effective date of this compact, shall elect from its number a chairman and vice chairman, and shall appoint, and at its pleasure remove or discharge, such officers and legal, clerical, expert and other assistants as may be required to carry the provisions of this compact into effect, and shall determine their qualifications and fix their duties and compensation. It shall adopt a seal and suitable bylaws, and shall adopt and promulgate rules and regulations for its management and control. It may establish and maintain one or more offices within the district for the transaction of its business, and may meet at any time or place. The presence of three commissioners from the Commonwealth of Pennsylvania and three commissioners from the State of West Virginia shall constitute a quorum, and a majority vote of the quorum shall be necessary to pass upon matters before the commission.

"Article VI. Powers and Duties.

"The commission is hereby authorized and empowered:

"(a) To be and serve in the capacity of a local organization within the meaning of the Watershed Protection and Flood Prevention Act of the eighty-third Congress of the United States, second session (Public Law 566), approved August 4, 1954, as from time to time amended, and in that capacity the commission shall have the following authority and powers:

"(1) To apply for and receive federal financial and other assistance in preparing and carrying out plans for works of improvement as that term is defined in said federal act, as from time to time amended, hereinafter referred to as works of improvement, and to apply for and receive federal financial and other assistance under the aforementioned or other federal acts in preparing and carrying out plans for public fish and wildlife or recreational development in connection with works of improvement, including the construction and operation of all facilities which may be necessary or incident to such works of improvement and public fish and wildlife or recreational development in connection therewith.

"(2) To acquire, or with respect to interests in land to be acquired by condemnation, provide assurances satisfactory to the secretary of agriculture of the United States or other agent or agency of the United States that the commission will acquire such land, easements, or rights-of-way as will be needed in connection with works of improvement, and public fish and wildlife or recreational development and facilities in connection with works of improvement, installed with federal assistance.

"(3) To agree to operate and maintain any reservoir or other area included in a plan for works of improvement or public fish and wildlife or recreational development and facilities.

"(4) To assume all or such proportionate share, as is determined by the secretary of agriculture of the United States or other agent or agency of the United States, of the costs of installing any works of improvements, involving federal assistance, which is applicable to the agricultural phases of the conservation, development, utilization, and disposal of water or for fish and wildlife or recreational development and facilities or to purposes other than flood prevention and features relating thereto.

"(5) to make arrangements satisfactory to the secretary of agriculture of the United States or other agent or agency of the United States for defraying costs of operating and maintaining works of improvement and public fish and wildlife or recreational development and facilities in connection with works of improvement: *Provided,* That such arrangements shall be based solely upon contributions, allotments or commitments of funds to the district or commission.

"(6) To acquire, or provide assurance that landowners or water users have acquired, such water rights, pursuant to the law of the commonwealth or state applicable thereto, as may be needed in the installation and operation of the works of improvement and public fish and wildlife or recreational development and facilities in connection with works of improvement.

"(7) To cooperate with soil conservation districts in obtaining agreements to carry out recommended soil conservation measures and proper farm plans from owners of land situated in the drainage area above each retention reservoir to be installed with or without federal assistance.

"(8) To apply for and receive federal loans or advancements to finance the local share of costs of carrying out works of improvement and public fish and wildlife or recreational development and facilities in connection with works of improvement, and to submit a plan of repayment satisfactory to the secretary of agriculture or other agent or agency of the United States for any loan or advancement: *Provided,* That such plan of repayment shall be based solely upon contributions, allotments or commitments of funds to the district or commission.

"(9) To cooperate, and enter into agreements with, the secretary of agriculture of the United States or other agent or agency of the United States, and to do all other things required, not inconsistent with the provisions of this compact and the laws of the Commonwealth of Pennsylvania and the State of West Virginia, to obtain maximum federal financial assistance for works of improvement and public fish and wildlife or recreational development and facilities in connection with such works of improvement.

"(b) To acquire within the district, land, easements, rights-of-way and other property rights as may be needed in connection with works of improvement and public fish and wildlife or recreational development and facilities in connection with such works of improvement and to make studies respecting, and to plan, construct, maintain and operate, works of improvement within the district and public fish and wildlife or recreational development and facilities in connection with such works of improvement.

"(c) To obtain options upon and to acquire, by purchase, exchange, lease, gift, grant, bequest, devise, eminent domain, or otherwise, any property, real or personal, or rights therein, for any of the purposes specified in this article of the compact: *Provided,* That eminent domain proceedings shall be instituted and prosecuted in the manner and forums provided by the laws of the commonwealth or state in which the property or property rights proceeded against are situate: *Provided, however,* That no property now or hereafter vested in or held by the Commonwealth of Pennsylvania or the State of West Virginia, or by any county, city, town, village, district, township, municipality or other political subdivision thereof shall be taken by the district without the consent of the commonwealth, state or political subdivision which owns the same.

"(d) To maintain, administer and improve any properties acquired, to charge fees for use of, and receive income from, such properties and to expend such income in carrying out the purposes and provisions of this compact, and to lease any of its property or interests therein in accordance with the following provisions and requirements: The board of commissioners of the County of Ohio, West Virginia, the county court of Marshall County, West Virginia, the board of commissioners of Greene County, Pennsylvania, and the board of commissioners of Washington County, Pennsylvania, shall each have the option of leasing from the commission for such period as the lessee may specify all or any part of the works of improvement and the public fish and wildlife and recreational development and facilities in connection with works of improvement located within their respective counties upon the following terms and conditions: (a) That in each such lease the lessee in consideration thereof pay to the lessor the sum of one dollar and agree to fully maintain at its (the lessee's) expense all works of improvement and all such development and facilities in connection therewith located within the county of the lessee in accordance with the requirements of the Watershed Protection and Flood Prevention Act of the eighty-third Congress of the United States, second session (Public Law 566), approved August 4, 1954, as from time to time amended, and all agreements and work plans made or formulated thereunder with respect to such works of improvement and such development and facilities in connection therewith located within the county of the lessee, and that for failure of the lessee to comply with such agreement, the lessor shall be given the right in the lease agreement to cancel the lease upon thirty days written notice to the lessee; (b) that any such lease not be inconsistent with the provisions, or impair the purposes, of this compact; and (c) that such lease be approved by the secretary of agriculture of the United States or other federal agent or agencies having authority to extend approval under the provisions of said act and agreements and works plan made or formulated thereunder. In the event the board of commissioners or county court of any one of the four counties named does not, within six months from the completion of the works of improvement and all such development and facilities in connection therewith located in such county, elect in writing transmitted to the commission to exercise the option given to it by the foregoing provisions, or in the event such option is exercised and the lease to such board of commissioners or county court is subsequently cancelled because of violation of the provision of the lease by the lessee, or in the event such option is exercised and the board of commissioners or county court subsequently chooses not to renew its lease, the commissioners may lease all or any part of the works of improvement and all such development and facilities in connection therewith located within such county to any other lessee which the commission may choose, and upon such terms as may be agreed upon, provided (a) that any such lease be approved by the board of commissioners or county court of the county in which any part or all of the works of improvement and all such development and facilities in connection therewith are located; (b) that any such lease not be inconsistent with the provisions, or impair the purposes of this compact; (c) that any such lease be approved by the secretary of agriculture of the United States or other federal agent or agencies having authority to extend approval under the provisions of said act and agreements and work plans made or formulated thereunder; and the option of leasing in the board of commissioners of the County of Ohio, West Virginia the county court of Marshall County, West Virginia, the board of commissioners of Greene County, Pennsylvania, and the board of commissioners of Washington County, Pennsylvania, shall include the right to sublease on the same terms and conditions set out in this paragraph designated (d) to any individual, corporation, municipal subdivision or municipal authority without the approval of the Wheeling Creek Watershed Protection and Flood Prevention Commission.

"(e) To enter into contracts and other arrangements with agencies of the United States, with persons, firms or corporations, including both public and private corporations, with the government of the state and the government of the commonwealth, or any department or agency of the United States, the state or the commonwealth, with governmental divisions, with soil conservation, drainage, flood control, soil erosion or other improvement districts in the state or the commonwealth, for cooperation or assistance in constructing, improving, operating or maintaining works of improvement within the district, and public fish and wildlife or recreational development and facilities in connection with works of improvement, or in preventing floods, damage from sediment deposited by floodwaters, or in clearance of stream beds, or in conserving, developing, utilizing and disposing of water in the district, or for making surveys, investigations or reports thereof.

"(f) To apply for, receive and use grants-in-aid, donations and contributions from any source or sources, and to accept and use, consistent with the purposes of this compact, bequests, devises, gifts and donations from any person, firm, corporation, state, commonwealth or agency or political subdivision thereof.

"(g) To do any and all things necessary or convenient for the purpose of promoting, developing and advancing the purposes of said district herein set forth, and in promoting, developing and advancing the recreational development and facilities incidental to the works of improvement that shall be constructed to achieve said purposes.

"(h) To delegate any authority given to it by law to any of its agents or employees, and to exceed its funds in the execution of the powers and authority herein given.

"Article VII. Fiscal Affairs.

"The commission shall submit at the appropriate or designated time to the board of commissioners of the County of Ohio, West Virginia, the county court of Marshall County, West Virginia, the board of commissioners of Greene County, Pennsylvania, and the board of commissioners of Washington County, Pennsylvania, an annual budget of its estimated expenditure, which budget shall contain specific recommendations of the amount or amounts to be appropriated by each of the named governing bodies.

"The commission shall not incur any obligation prior to the commitment or allotment of funds by the named governing bodies or by other sources adequate to meet the same.

"The commission shall keep accurate accounts of all receipts and disbursements, which accounts shall be open for inspection at any reasonable time and shall be subject to audit by representatives of contributing political subdivisions and of the Commonwealth of Pennsylvania and State of West Virginia. The receipts and disbursements of the commission shall be subject to the audit and accounting procedures established under its by-laws: *Provided*, That all receipts and disbursements of the commission shall be audited yearly by a qualified public accountant, and the report of the audit shall be transmitted to each contributor of funds to the district or commission.

"Article VIII. Exemption From Taxes and Fees.

"The district and the property belonging to the district shall be exempt from the payment of all taxes or fees imposed by the Commonwealth of Pennsylvania or the State of West Virginia and by any agency and political subdivision thereof.

"Article IX. Effective Date of Compact.

"This compact shall become effective upon ratification by the General Assembly of the Commonwealth of Pennsylvania and the Legislature of the State of West Virginia and upon approval by the Congress of the United States."

SEC. 2. (a) The consent granted by this Act does not include advance consent for any additional power that may hereafter be conferred upon the Wheeling Creek Watershed Protection and Flood Prevention Commission by the General Assembly of Pennsylvania and the Legislature of West Virginia.

(b) The Congress and any of its committees shall have the right to require the disclosure and furnishing of such information by the Wheeling Creek Watershed Protection and Flood Prevention Commission as they may deem appropriate and shall have access to all books, records, and papers of the commission.

(c) The right to alter, amend, or repeal this Act is expressly reserved.

The SPEAKER. Is a second demanded?

Mr. POFF. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

Mr. TENZER. Mr. Speaker, I move to suspend the rules and pass the bill H.R. 12010. I yield myself such time as I may consume.

This bill would grant the consent of Congress to a compact between West Virginia and Pennsylvania. The compact creates a bi-state district to be known as the Wheeling Creek Watershed Protection and Flood Prevention District, and a commission to be known as the Wheeling Creek Watershed Protection and Flood Prevention Commission consisting of five members from each State. The commission would serve as a "local organization" within the meaning of the Watershed Protection and Flood Prevention Act (P.L. 83–566, August 4, 1954, 16 U.S.C. 1002), for carrying out a watershed project heretofore approved by the Public Works Committees of both Houses.

The compact device is needed because the watershed and the project embrace territory in both States.

Broadly stated, the commission would have jurisdiction over watershed matters covering Wheeling Creek and its tributaries as they relate to the Watershed Protection and Flood Prevention Act of 1954.

The committee amendment prevents any inference from article III of the compact the Congress is granting consent in advance for powers hereafter conferred on the commission by the State legislatures, beyond the powers specified in the compact. It also reserves the right of Congress and its committees to require disclosure of information by the commission.

The Department of Agriculture recommends enactment of the bill and the Departments of Army and Interior have no objection. Committee approval was unanimous.

Mr. Speaker, I hope the House will act favorably on this needed but noncontroversial measure.

Mr. POFF. Mr. Speaker, I yield myself such time as I may consume.

The SPEAKER. The gentleman from Virginia is recognized.

Mr. POFF. Mr. Speaker, the pending legislation has the full and complete support of the distinguished gentlemen representing the great States of West Virginia and Pennsylvania in this body and in the other body. The compact is one arrived at after long and careful negotiation. It has been fully agreed upon by the legislatures of the two States. It is only the function of the Congress to consent to the compact.

I think it is important to underscore the policy of the Committee on the Judiciary to retain jurisdiction over the function of any agency which is established pursuant to a compact among

States. Because we regard this as important in the full discharge of our constitutional responsibility, we have added an amendment which, for purposes of the record, I think should be quoted at this point:

> (b) The Congress and any of its committees shall have the right to require the disclosure and furnishing of such information by the Wheeling Creek Watershed Protection and Flood Prevention Commission as they may deem appropriate and shall have access to all books, records, and papers of the Commission.

Mr. Speaker, that paragraph has been included in every piece of legislation the House has passed consenting to agency-creating compacts and, so far as I am concerned and so far as I am able to control the situation, it will continue to be a part of such legislation.

In conclusion, may I pause to pay tribute to the distinguished gentleman from West Virginia [Mr. MOORE], who has been so assiduous in the promotion of this legislation. He has consulted constantly with members of the subcommittee and with members of the staff. It was he who first introduced legislation on August 1 to make this consent possible, and I think that both States, his own State and the State of Pennsylvania, are indebted to him for a job will done.

Mr. Speaker, I yield to the gentleman from West Virginia.

Mr. MOORE. Mr. Speaker, I thank the gentleman very much for yielding, and certainly in every sense of the word for his very kind remarks.

Mr. Speaker, I rise in support of my bill, H.R. 12010, which I introduced into the House on August 1, 1967. This bill is for the purpose of granting the consent of Congress to an interstate compact between the States of West Virginia and Pennsylvania that will create as an agency and an instrumentality of the governments thereof, a district to be known as the Wheeling Creek Watershed Protection and Flood Prevention District.

The compact will also create a governing body of the district to be known as the Wheeling Creek Watershed Protection and Flood Prevention Commission, consisting of five persons from Pennsylvania and five persons from West Virginia. The commission would serve in the capacity of a local organization within the meaning of the Watershed Protection and Flood Prevention Act, Public Law 83-566, approved August 4, 1954, as amended, for carrying out the watershed project on Wheeling Creek which was previously approved by the Congress.

Mr. Speaker, Wheeling Creek has its beginning in Greene and Washington Counties, Pa., which are represented in this body by my good friend, Congressman MORGAN, and flows west through the counties of Marshall and Ohio in West Virginia before emptying into the Ohio River at Wheeling. The stream overflows almost every year and is responsible for severe flood damage and loss of life in recent years, the worst being in 1963. The annual flood damage has averaged in excess of $275,000 per year according to the figures compiled by the Army Corps of Engineers. This dollar value is excessively high; however, the personal difficulties suffered by the residents of this area are by far more important.

Present plans call for the construction of one large multipurpose dam and six flood water retarding structures on Wheeling Creek. Also, clearing and snagging of 200 feet of channel will be required. Land treatment measures will be installed for both watershed protection and flood prevention purposes. Three of the projects, two flood control structures and one multiple-purpose reservoir, will be located in Pennsylvania while the remaining four flood retarding structures are located in West Virginia.

The approved project would also provide flood protection to urban areas in the city of Wheeling and suburbs situated upstream on Wheeling and Little Wheeling Creeks. In addition, the project will provide recreation facilities such as fishing, camping, and picnicking.

Normally, non-Federal interests through State or other local organizations, carry out all work involving construction of the project, in cooperation with the Federal Government. However, inasmuch as the Wheeling Creek project is located in both the States of Pennsylvania and West Virginia, it is necessary that legal authority for carrying out the plan of developing be vested in an "interstate compact."

Mr. Speaker, when this measure was before the House Judiciary Committee, reports were requested from four governmental departments—Interior, Army, Agriculture, and Justice. In each instance, the appropriate department either raised no objection to enactment of this measure or firmly recommended it.

This project has the full support of the local governmental units involved in the States of Pennsylvania and West Virginia, including substantial financial contributions from the local governmental units.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. POFF. I yield to the gentleman from Iowa.

Mr. GROSS. It has been my observation that West Virginia and Pennsylvania have done very well in the matter of Federal installations and expenditures of one kind or another, and I rise only to ask the question of whether this particular legislation is going to take anything else away from the rest of the country, or anything that might well go to some other area of the country.

Mr. POFF. I would not undertake to respond for the author of the bill, but I am sure the gentleman from Iowa is fully familiar with the small watershed projects and program enacted by the Congress earlier, and I believe he probably knows the answer to the question.

Mr. GROSS. If the gentleman will yield further, aside from the watershed project, there is nothing else in this bill that is going to go to West Virginia or Pennsylvania, is there?

Mr. POFF. No. The gentleman can rest assured there is not.

Mr. Speaker, I yield back the balance of my time.

Mr. TENZER. Mr. Speaker, I yield such time as he may consume to the distinguished chairman of the committee, the gentleman from Pennsylvania [Mr. MORGAN].

Mr. MORGAN. Mr. Speaker, I rise in support of H.R. 12010, a bill introduced by my colleague, the gentleman from West Virginia [Mr. MOORE]. This bill would grant the consent of the United States to the Wheeling Creek Watershed Protection and Flood Prevention District compact.

Last year, congressional approval was given for the construction of the Wheeling Creek watershed project, which is located both in the State of Pennsylvania and the State of West Virginia. The project will be a cooperative project between the Department of Agriculture and certain local sponsoring organizations. Under the laws of both States no local organization can legally exist without the cooperation of the State and Federal Governments and so a compact is necessary to create a duly constituted organization.

The purpose of the bill is to grant the consent of Congress to an interstate compact creating an agency of the government of the two States, which will be known as the Wheeling Creek Watershed Protection and Flood Prevention District. It will also create a governing body commission consisting of five commissioners from Pennsylvania and five from West Virginia. The commissioners would serve in a local capacity and cooperate with the Federal Government in the development of the watershed project on Wheeling Creek.

This project would provide for the construction of six single-purpose flood-retarding structures, one multiple-purpose floodwater-retarding and recreation structure, and 200 feet of channel clearing and snagging.

Three of the projects, two flood-control structures and one multiple-purpose reservoir, are located in Pennsylvania, while the remaining four structures are located in West Virginia.

Mr. Speaker, this project is urgently needed to provide flood protection to the Wheeling Creek Basin. It has been ratified by both the State of Pennsylvania and the State of West Virginia, and its progress depends upon Congress granting its consent to an interstate compact. I hope that H.R. 12010 will be approved.

The SPEAKER. The question is on the motion of the gentleman from New York [Mr. TENZER], that the House suspend the rules and pass the bill H.R. 12010, as amended.

The question was taken.

Mr. MESKILL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 356, nays 2, not voting 74, as follows:

[Roll No. 400]

YEAS—356

Abernethy
Adair
Adams
Addabbo
Albert
Anderson, Ill.

Anderson, Tenn.
Andrews, N. Dak.
Ashbrook
Ashley
Ashmore
Ayres
Baring
Barrett
Battin
Bell
Bennett
Betts
Bevill
Biester
Bingham
Blackburn
Blanton
Blatnik
Boggs
Bolling
Bolton
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carter
Casey
Cederberg
Celler
Clancy
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Collier
Colmer
Conable
Conte
Corbett
Cramer
Culver
Cunningham
Curtis
Daddario
Daniels
Davis, Ga.
Davis, Wis.
Dawson
de la Garza
Dellenback
Denney
Dent
Derwinski
Devine
Dickinson
Diggs
Dingell
Dole
Donohue
Dorn
Dow
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Fallon
Farbstein
Fascell
Feighan
Fino
Fisher
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Gardner
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Hagan
Haley
Hall
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hardy
Harrison
Harsha
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Helstoski
Henderson
Hicks
Holland
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Jonas
Jones, Ala.
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kazen
Kee
Keith
Kelly
King, Calif.
King, N.Y.
Kirwan
Kleppe
Kluczynski
Kornegay
Kupferman
Kuykendall
Kyros
Laird
Langen
Latta
Leggett
Lennon
Lipscomb
Lloyd
Long, La.
Long, Md.
Lukens
McCarthy
McClory
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McMillan
Macdonald, Mass.
MacGregor
Machen
Mahon
Mailliard
Marsh
Mathias, Calif.
Mathias, Md.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Minish
Mink
Minshall
Mize
Monagan
Montgomery
Moore
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Multer
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poff
Pollock
Pool
Price, Ill.
Price, Tex.
Pryor
Pucinski
Quie
Quillen
Railsback
Randall
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Roberts
Robison
Rogers, Colo.
Rogers, Fla.
Ronan
Rosenthal
Rostenkowski
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ryan
St Germain
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Schweiker
Scott
Selden
Shriver
Sikes
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Stuckey
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, Ga.
Thompson, N.J.
Tiernan
Tuck
Tunney
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walker
Wampler
Watkins
Watson
Watts
Whalen
Whalley
White
Whitener
Whitten
Williams, Pa.
Wilson, Bob
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Young
Zablocki
Zion
Zwach

NAYS—2

Kastenmeier
O'Konski

NOT VOTING—74

Abbitt
Andrews, Ala.
Annunzio
Arends
Aspinall
Bates
Belcher
Berry
Boland
Brooks
Broomfield
Carey
Chamberlain
Clark
Conyers
Corman
Cowger
Delaney
Edmondson
Edwards, La.
Evans, Colo.
Everett
Evins, Tenn.
Findley
Flynt
Fountain
Fulton, Tenn.
Fuqua
Gallagher
Gurney
Halleck
Hansen, Idaho
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Johnson, Pa.
Kyl
Landrum
Madden
Martin
Mills
Moss
Nelsen
Olsen
Pepper
Poage
Purcell
Rarick
Reinecke
Resnick
Reuss
Rivers
Rodino
Rooney, N.Y.
Rooney, Pa.
Ruppe
St. Onge
Schwengel
Shipley
Sisk
Smith, Calif.
Stephens
Thomson, Wis.
Udall
Utt
Widnall
Wiggins
Williams, Miss.
Willis
Wilson, Charles H.
Wright

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Arends.
Mr. Annunzio with Mr. Cowger.
Mr. Brooks with Mr. Schwengel.
Mr. Madden with Mr. Halleck.
Mr. Rodino with Mr. Findley.
Mr. Rooney of New York with Mr. Bates.
Mr. St. Onge with Mr. Ruppe.
Mr. Fountain with Mr. Belcher.
Mr. Aspinall with Mr. Smith of California.
Mr. Corman with Mr. Utt.
Mr. Mills with Mr. Broomfield.
Mr. Hays with Mr. Thomson of Wisconsin.
Mr. Holifield with Mr. Hansen of Idaho.
Mr. Gallagher with Mr. Widnall.
Mr. Evins of Tennessee with Mr. Berry.
Mr. Delaney with Mr. Gurney.
Mr. Edmondson with Mr. Wiggins.
Mr. Moss with Mr. Chamberlain.
Mr. Stephens with Mr. Nelsen.
Mr. Flynt with Mr. Johnson of Pennsylvania.
Mr. Evans of Colorado with Mr. Martin.
Mr. Landrum with Mr. Kyl.
Mr. Clark with Mr. Olsen.
Mr. Boland with Mr. Resnick.
Mr. Carey with Mr. Reinecke.
Mr. Pepper with Mrs. Heckler of Massachusetts.
Mr. Shipley with Mr. Conyers.
Mr. Fulton of Tennessee with Mr. Herlong.
Mr. Udall with Mr. Willis.
Mr. Wright with Mr. Reuss.
Mr. Rivers with Mr. Rooney of Pennsylvania.
Mr. Edwards of Louisiana with Mr. Williams of Mississippi.
Mr. Abbitt with Mr. Charles H. Wilson.
Mr. Fuqua with Mr. Purcell.
Mr. Andrews of Alabama with Mr. Everett.
Mr. Sisk with Mrs. Hansen of Washington.

The result of the vote was announced as above recorded.

The doors were opened.

The title was amended so as to read: "A bill to grant the consent of Congress to the Wheeling Creek Watershed Protection and Flood Prevention District compact."

A motion to reconsider was laid on the table.

Mr. TENZER. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary be discharged from the further consideration of a similar Senate bill (S. 2514) to grant the consent of Congress to the Wheeling Creek Watershed Protection and Flood Prevention District compact, and ask for its immediate consideration.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 2514

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is given to the interstate compact relating to the Wheeling Creek Watershed Protection and Flood Prevention District between the Commonwealth of Pennsylvania and the State of West Virginia, ratified by the Commonwealth of Pennsylvania in an Act approved by the Governor of such Commonwealth on August 2, 1967, and by the State of West Virginia in an Act approved by the Governor of such State on March 1, 1967. Such compact reads as follows:

"WHEELING CREEK WATERSHED PROTECTION AND FLOOD PREVENTION DISTRICT COMPACT

"Article I. Recitation of Reasons for Compact.

"Whereas, Wheeling Creek, a tributary of the Ohio River, arises in Pennsylvania, flows through Washington and Greene Counties of that commonwealth, enters the State of West Virginia, flows through Marshall and Ohio Counties, West Virginia, and empties into the Ohio River at Wheeling, West Virginia; and

"Whereas, The inhabitants of Marshall and Ohio Counties, West Virginia, and, also, but to a much lesser degree, the inhabitants of Washington and Greene Counties, Pennsylvania, living along Wheeling Creek have over the years experienced loss of life and property from flooding of that stream; and

"Whereas, Surveys made by the Soil Conservation Service of the United States Department of Agriculture indicate that the inhabitants of the four counties named can best be protected from the flooding of Wheeling Creek by flood prevention dams constructed thereon with some of the dams being located on the upper reaches of the stream and its tributaries in the Commonwealth of Pennsylvania; and

"Whereas, The federal Watershed Protection and Flood Prevention Act of 1954, as amended, authorizes, under certain circumstances, federal assistance to local organizations in preparing and carrying out undertakings for flood prevention and the conservation, development, utilization and disposal of water in watershed or subwatershed areas; and

"Whereas, No local organization within the meaning of the federal act aforesaid established by or organized under the laws of West Virginia is competent under state laws to acquire land for, construct, and operate with or without federal assistance flood prevention facilities in the Commonwealth of Pennsylvania, and it appears that no such local organization established by or organized under the laws of the Commonwealth of Pennsylvania can justify the expenditure of locally raised funds to construct and operate flood prevention facilities which will benefit primarily the inhabitants of the neighboring State of West Virginia; and

"Whereas, Facilities erected on the upper reaches of Wheeling Creek and its tributaries for flood control and prevention can nevertheless have a recreational value for the citizens of both West Virginia and Pennsylvania and particularly the citizens of Ohio and Marshall Counties, West Virginia, and Washington and Greene Counties, Pennsylvania; accordingly, for purposes of promoting that potential, as well as providing a vehicle or means whereby federal assistance may be enlisted for the protection of citizens of her neighboring State of West Virginia from the flooding of Wheeling Creek, the Commonwealth of Pennsylvania joins with the State of West Virginia in negotiating and ratifying this compact; now therefore,

"Article II. Wheeling Creek Watershed Protection and Flood Prevention District Created.

"The Commonwealth of Pennsylvania and the State of West Virginia hereby create as an agency and instrumentality of the governments thereof a district to be known as the 'Wheeling Creek Watershed Protection and Flood Prevention District,' hereinafter called the district, which shall embrace all territory in the Commonwealth of Pennsylvania and the State of West Virginia, the water in which flows ultimately into Wheeling Creek or its tributaries.

"Article III. Wheeling Creek Watershed Protection and Flood Prevention Commission Created.

"The Commonwealth of Pennsylvania and the State of West Virginia hereby create as the governing body of the district the 'Wheeling Creek Watershed Protection and Flood Prevention Commission,' hereafter called the commission, which shall be a body corporate, with the powers and duties set forth herein, and such additional powers as may be conferred upon it by subsequent concurrent action of the General Assembly of Pennsylvania and the Legislature of West Virginia or by act or acts of the Congress of the United States.

"Article IV. Composition of Commission.

"The commission shall consist of five commissioners from Pennsylvania and five commissioners from West Virginia, each of whom shall be a citizen of the commonwealth or state from which he is appointed. The commissioners from the commonwealth and from the state shall be chosen in the manner and for the terms provided by the laws of the commonwealth or state from which they shall be appointed, and any commissioner may be removed or suspended from office as provided by the law of the commonwealth or state from which he shall be appointed. Vacancies on the commission shall be filled in the manner provided by the laws of the commonwealth or state among whose representation on the commission the vacancy occurs.

"The commissioners shall serve without compensation from the commission, but they shall be paid by the commission their actual expenses incurred and incident to the performance of their duties.

"Article V. Organization of Commission.

"The commission shall meet and organize within sixty days after the effective date of this compact, shall elect from its number a chairman and vice chairman, and shall appoint, and at its pleasure remove or discharge, such officers and legal, clerical, expert and other assistants as may be required to carry the provisions of this compact into effect, and shall determine their qualifications and fix their duties and compensation. It shall adopt a seal and suitable bylaws, and shall adopt and promulgate rules and regulations for its management and control. It may establish and maintain one or more offices within the district for the transaction of its business, and may meet at any time or place. The presence of three commissioners from the Commonwealth of Pennsylvania and three commissioners from the State of West Virginia shall constitute a quorum, and a majority vote of the quorum shall be necessary to pass upon matters before the commission.

"Article VI. Powers and Duties.

"The commission is hereby authorized and empowered:

"(A) To be and serve in the capacity of a local organization within the meaning of the Watershed Protection and Flood Prevention Act of the eighty-third Congress of the United States, second session, (Public Law 566), approved August 4, 1954, as from time to time amended, and in that capacity the commission shall have the following authority and powers:

"(1) To apply for and receive federal financial and other assistance in preparing and carrying out plans for works of improvement as that term is defined in said federal act, as from time to time amended, hereinafter referred to as works of improvement, and to apply for and receive federal financial and other assistance under the aforementioned or other federal acts in preparing and carrying out plans for public fish and wildlife or recreational development in connection with works of improvement, including the construction and operation of all facilities which may be necessary or incident to such works of improvement and public fish and wildlife or recreational development in connection therewith.

"(2) To acquire, or with respect to interests in land to be acquired by condemnation, provide assurances satisfactory to the secretary of agriculture of the United States or other agent or agency of the United States that the commission will acquire such land, easements, or rights-of-way as will be needed in connection with works of improvement, and public fish and wildlife or recreational development and facilities in connection with works of improvement, installed with federal assistance.

"(3) To agree to operate and maintain any reservoir or other area included in a plan for works of improvement or public fish and wildlife or recreational development and facilities.

"(4) To assume all or such proportionate share, as is determined by the secretary of agriculture of the United States or other agent or agency of the United States, of the costs of installing any works of improvements, involving federal assistance, which is applicable to the agricultural phases of the conservation, development, utilization, and disposal of water or for fish and wildlife or recreational development and facilities or to purposes other than flood prevention and features relating thereto.

"(5) To make arrangements satisfactory to the secretary of agriculture of the United States or other agent or agency of the United States for defraying costs of operating and maintaining works of improvement and public fish and wildlife or recreational development and facilities in connection with works of improvement: *Provided*, That such arrangements shall be based solely upon contributions, allotments or commitments of funds to the district or commission.

"(6) To acquire, or provide assurance that landowners or water users have acquired, such water rights, pursuant to the law of the commonwealth or state applicable thereto, as may be needed in the installation and operation of the works of improvement and public fish and wildlife or recreational development and facilities in connection with works of improvement.

"(7) To cooperate with soil conservation districts in obtaining agreements to carry out recommended soil conservation measures and proper farm plans from owners of land situated in the drainage area above each retention reservoir to be installed with or without federal assistance.

"(8) To apply for and receive federal loans or advancements to finance the local share of costs of carrying out works of improvement and public fish and wildlife or recreational development and facilities in connection with works of improvement, and to submit a plan of repayment satisfactory to the secretary of agriculture or other agent or agency of the United States for any loan or advancement: *Provided*, That such plan of repayment shall be based solely upon contributions, allotments or commitments of funds to the district or commission.

"(9) To cooperate, and enter into agreements with, the secretary of agriculture of the United States or other agent or agency of the United States, and to do all other things required, not inconsistent with the provisions of this compact and the laws of the Commonwealth of Pennsylvania and the State of West Virginia, to obtain maximum federal financial assistance for works of improvement and public fish and wildlife or recreational development and facilities in connection with such works of improvement.

"(B) To acquire within the district, land, easements, rights-of-way and other property rights as may be needed in connection with works of improvement and public fish and wildlife or recreational development and facilities in connection with such works of improvement and to make studies respecting, and to plan, construct, maintain and operate, works of improvement within the district and public fish and wildlife or recreational development and facilities in connection with such works of improvement.

"(C) To obtain options upon and to acquire, by purchase, exchange, lease, gift, grant, bequest, devise, eminent domain, or otherwise, any property, real or personal, or rights therein, for any of these purposes specified in this article of the compact: *Provided*, That eminent domain proceedings shall be instituted and prosecuted in the manner and forums provided by the laws of the commonwealth or state in which the property or property rights proceeded against are situated: *Provided however*, That no property now or hereafter vested in or held by the Commonwealth of Pennsylvania or the State of West Virginia, or by any county, city, town, village, district, township, municipality or other political subdivision thereof shall be taken by the district without the consent of the commonwealth, state or political subdivision which owns the same.

"(D) To maintain, administer and improve any properties acquired, to charge fees for use of, and receive income from, such properties and to expend such income in carrying out the purposes and provisions of this compact, and to lease any of its property or interests therein in accordance with the following provisions and requirements: The board of commissioners of the County of Ohio, West Virginia, the county court of Marshall County, West Virginia, the board of commissioners of Greene County, Pennsylvania, and the board of commissioners of Washington County, Pennsylvania, shall each have the option of leasing from the commission for such period as the lessee may specify all or any part of the works of improvement and the public fish and wildlife and recreational development and facilities in connection with works of improvement located within their respective counties upon the following terms and conditions: (a) That in each such lease the lessee in consideration thereof pay to the lessor the sum of one dollar and agree to fully maintain at its (the lessee's) expense all works of improvement and all such development and facilities in connection therewith located within the county of the lessee in accordance with the requirements of the Watershed Protection and Flood Prevention Act of the eighty-third Congress of the United States, second session, (Public Law 566), approved August 4, 1954, as from time to time amended, and all agreements and work plans made or formulated thereunder with respect to such works of improvement and such development and facilities in connection therewith located within the county of the lessee, and that for failure of the lessee to comply with such agreement, the lessor shall be given the right in the lease agreement to cancel the lease upon thirty days written notice to the lessee; (b) that any such lease not be inconsistent with the provisions, or impair the purposes, of this compact; and (c) that any such lease be approved by the secretary of agriculture of the United States or other federal agent or agencies having authority to extend approval under the provisions of said act and agreements and works plan made or formulated thereunder. In the event the board of commissioners or county court of any one of the four counties named does not, within six months from the completion of the works of improvement and all such development and facilities in connection therewith located in such county, elect in writing transmitted to the commission to exercise the option given to it by the foregoing provisions, or in the event such option is exercised and the lease to such board of commissioners or county court is subsequently cancelled because of violation of the provision of the lease by the lessee, or in the event such option is exercised and the board of commissioners or county court subsequently chooses not to renew its lease, the commissioners may lease all or any part of the works of improvement and all such development and facilities in connection therewith located within such county to any other lessee which the commission may choose, and upon such terms as may be agreed upon, *Provided,*

a. That any such lease be approved by the board of commissioners or county court of the county in which any part or all of the works of improvement and all such development and facilities in connection therewith are located.

b. That any such lease not be inconsistent with the provisions, or impair the purposes of this compact.

c. That any such lease be approved by the secretary of agriculture of the United States or other federal agent or agencies having authority to extend approval under the provisions of said act and agreements and work plans made or formulated thereunder.

d. The option of leasing in the board of commissioners of the County of Ohio, West Virginia, the county court of Marshall County, West Virginia, the board of commissioners of Greene County, Pennsylvania, and the board of commissioners of Washington County, Pennsylvania, shall include the right to sublease on the same terms and conditions set out in this paragraph to any individual, corporation, municipal subdivision or municipal authority without the approval of the Wheeling Creek Watershed Protection and Flood Prevention Commission.

"(E) To enter into contracts and other arrangements with agencies of the United States, with persons, firms or corporations, including both public and private corporations, with the government of the state and the government of the commonwealth, or any department of agency of the United States, the state or commonwealth, with governmental divisions, with soil conservation, drainage, flood control, soil erosion or other improvement districts in the state or the commonwealth, for cooperation or assistance in constructing, improving, operating or maintaining works of improvement within the district, and public fish and wildlife or recreational development and facilities in connection with works of improvement, or in preventing floods, damage from sediment deposited by floodwaters, or in clearance of stream beds, or in conserving, developing, utilizing and disposing of water in the district, or for making surveys, investigations or reports thereof.

"(F) To apply for, receive and use grants-in-aid, donations and contributions from any source or sources, and to accept and use, consistent with the purposes of this compact, bequests, devises, gifts and donations from any person, firm, corporation, state, commonwealth or agency or political subdivision thereof.

"(G) To do any and all things necessary or convenient for the purpose of promoting, developing and advancing the purposes of said district herein set forth, and in promoting, developing and advancing the recreational development and facilities incidental to the works of improvement that shall be constructed to achieve said purposes.

"(H) To delegate any authority given to it by law to any of its agents or employees, and to expend its funds in the execution of the powers and authority herein given.

"Article VII. Fiscal Affairs.

"The commission shall submit at the appropriate or designated time to the board of commissioners of the County of Ohio, West Virginia, the county court of Marshall County, West Virginia, the board of commissioners of Greene County, Pennsylvania, and the board of commissioners of Washington County, Pennsylvania, an annual budget of its estimated expenditure, which budget shall contain specific recommendations of the amount or amounts to be appropriated by each of the named governing bodies.

"The commission shall not incur any obligation prior to the commitment or allotment of funds by the named governing bodies or by other sources adequate to meet the same.

"The commission shall keep accurate accounts of all receipts and disbursements, which accounts shall be open for inspection at any reasonable time and shall be subject to audit by representatives of contributing political subdivisions and the Commonwealth of Pennsylvania and State of West Virginia. The receipts and disbursements of the commission shall be subject to the audit and accounting procedures established under its by-laws: *Provided,* That all receipts and disbursements of the commission shall be audited yearly by a qualified public accountant, and the report of the audit shall be transmitted to each contributor of funds to the district or commission.

"Article VIII. Exemption from Taxes and Fees.

"The district and the property belonging to the district shall be exempt from the payment of all taxes or fees imposed by the Commonwealth of Pennsylvania or the State of West Virginia and by any agency and political subdivision thereof.

"Article IX. Effective Date of Compact.

"This compact shall become effective upon ratification by the General assembly of the Commonwealth of Pennsylvania and the Legislature of the State of West Virginia and upon approval by the Congress of the United States."

SEC. 2. The right to alter, amend, or repeal this Act is expressly reserved.

AMENDMENT OFFERED BY MR. TENZER

Mr. TENZER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TENZER: Strike out all after the enacting clause of the bill, S. 2514, and insert the provisions of H.R. 12010, as passed.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 12010) was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. TENZER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and include extraneous material on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AMENDMENTS TO INTERNATIONAL CLAIMS SETTLEMENT ACT OF 1949

Mrs. KELLY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 9063), to amend the International Claims Settlement Act of 1949, as amended, to provide for the timely determination of certain claims of American nations, and for other purposes, as amended.

The Clerk read as follows:

H.R. 9063

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the International Claims Settlement Act of 1949, as amended, is further amended as follows:

(1) Subsection (f) of section 4, title I, is hereby amended to read as follows:

"(f) No remuneration on account of services rendered on behalf of any claimant in connection with any claim filed with the Commission under this title shall exceed 10 per centum of the total amount paid pursuant to any award certified under the provisions of this title, on account of such claim. Any agreement to the contrary shall be unlawful and void. Whoever, in the United States or elsewhere, demands or receives, on account of services so rendered, any remuneration in excess of the maximum permitted by this section, shall be fined not more than $5,000 or imprisoned not more than twelve months, or both."

(2) Subsection (b) of section 7, title I, is amended by inserting "(1)" after the subsection letter, and adding at the end thereof the following paragraph:

"(2) The Secretary of the Treasury shall deduct from any amounts covered, subsequent to the date of enactment of this paragraph, into any special fund, created pursuant to section 8, 5 per centum thereof as reimbursement to the Government of the United States for expenses incurred by the Commission and by the Treasury Department in the administration of this title. The amounts so deducted shall be covered into the Treasury to the credit of miscellaneous receipts."

(3) Paragraph (1) of subsection (c), section 7, title I, is hereby amended to read as follows:

"(1) If any person to whom any payment is to be made pursuant to this title is deceased or is under a legal disability, payment shall be made to his legal representative, except that if any payment to be made is not over $1,000 and there is no qualified executor or administrator, payment may be made to the person or persons found by the Comptroller General to be entitled thereto, without the necessity of compliance with the requirements of law with respect to the administration of estates."

(4) Subsection (c) of section 8, title I, is amended by inserting the phrase ", prior to the date of enactment of subsection (e) of this section," immediately after the word "covered" and before the word "into", and

by inserting "(1)" after the words "section 7 (b)" and before the words "of this title."

(5) Section 8, title I, is hereby further amended by adding at the end thereof the following subsection:

"(e) The Secretary of the Treasury is authorized and directed out of sums covered, subsequent to the date of enactment of this subsection, into any special fund created pursuant to this section to make payment on account of awards certified by the Commission pursuant to this title with respect to claims included within the terms of a claims settlement agreement concluded between the Government of the United States and a foreign government as described in subsection (a) of section 4 of this title, as follows and in the following order of priority:

"(1) Payment in the amount of $1,000 or the principal amount of the award, whichever is less;

"(2) Thereafter, payments from time to time on account of the unpaid principal balance of each remaining award which shall bear to such unpaid principal balance the same proportion as the total amount available for distribution at the time such payments are made bears to the aggregate unpaid principal balance of all such awards; and

"(3) Thereafter, payments from time to time on account of the unpaid balance of each award of interest which shall bear to such unpaid balance of interest, the same proportion as the total amount available for distribution at the time such payments are made bears to the aggregate unpaid balance of interest of all such awards."

(6) Section 302, title III, is amended by inserting "(a)" after the section number and adding at the end thereof the following subsection:

"(b) The Secretary of the Treasury shall cover into each of the Bulgarian and Rumanian Claims Funds such sums as may be paid by the Government of the respective country pursuant to the terms of any claims settlement agreement between the Government of the United States and the Government of such country."

(7) Section 303, title III, is amended by striking out the word "and" at the end of paragraph (2), and by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon and immediately thereafter the word "and".

(8) Section 303, title III, is further amended by adding at the end thereof the following new paragraph:

"(4) pay effective compensation for the nationalization, compulsory liquidation, or other taking of property of nationals of the United States in Bulgaria and Rumania, between August 9, 1955, and the effective date of the claims agreement between the respective country and the United States."

(9) Section 304 of title III is amended by inserting "(a)" after the section number and adding at the end thereof the following subsections:

"(b) The Commission shall receive and determine, or redetermine as the case may be, in accordance with applicable substantive law, including international law, the validity and amounts of claims owned by persons who were nationals of the United States on September 3, 1943, and the date of enactment of this subsection, against the Government of Italy which arose out of the war in which Italy was engaged from June 10, 1940, to September 15, 1947, in territory ceded by Italy pursuant to the treaty of peace with Italy: *Provided,* That no awards shall be made to persons who have received compensation in any amount pursuant to the treaty of peace with Italy or subsection (a) of this section.

"(c) Within thirty days after enactment of this subsection, or within thirty days after the date of enactment of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under subsection (b) of this section, whichever date is later, the Commission shall publish in the Federal Register the time when and the limit of time within which claims may be filed with the Commission, which limit shall not be more than six months after such publication.

"(d) The Commission shall certify awards on claims determined pursuant to subsection (b) of this section to the Secretary of the Treasury for payment out of remaining balances in the Italian Claims Fund in accordance with the provisions of section 310 of this title, after payment in full of all awards certified pursuant to subsection (a) of this section.

"(e) After payment in full of all awards certified to the Secretary of the Treasury pursuant to subsections (a) and (d) of this section, the Secretary of the Treasury is authorized and directed to transfer the unobligated balance in the Italian Claims Fund into the War Claims Fund created by section 13 of the War Claims Act of 1948, as amended."

(10) Section 306, title III, is amended by inserting "(a)" after the section number and adding at the end thereof the following subsection:

"(b) Within thirty days after enactment of this subsection or the enactment of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under paragraph (4) of section 303 of this title, whichever is later, the Commission shall publish in the Federal Register the time when and the limit of time within which claims may be filed under paragraph (4) of section 303 of this title, which limit shall not be more than six months after such publication."

(11) Section 310, title III, is amended by adding at the end of subsection (a) thereof the following paragraph:

"(6) Whenever the Commission is authorized to settle claims by the enactment of paragraph (4) of section 303 of this title with respect to Rumania and Bulgaria, no further payments shall be authorized by the Secretary of the Treasury on account of awards certified by the Commission pursuant to paragraph (1), (2), or (3) of section 303 of the Bulgarian or Rumanian Claims Funds, as the case may be, until payments on account of awards certified pursuant to paragraph (4) of section 303 with respect to such fund have been authorized in equal proportion to payments previously authorized on existing awards certified pursuant to paragraphs (1), (2), and (3) of section 303."

(12) Section 316, title III, is amended by inserting "(a)" after the section number and adding at the end thereof the following subsection:

"(b) The Commission shall complete its affairs in connection with the settlement of claims pursuant to paragraph (4) of section 303 and subsection (b) of section 304 of this title not later than two years following the date of enactment of such paragraph, or following the enactment of legislation making appropriations to the Commission for payment of administrative expenses incurred in carrying out its functions under paragraph (4) of section 303 and subsection (b) of section 304 of this title, whichever is later."

The SPEAKER. Is a second demanded?

Mr. FRELINGHUYSEN. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentlewoman from New York is recognized.

Mrs. KELLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 9063 will bring to an end three international claims programs, and provide for the orderly processing and termination of several others.

In each and every case, H.R. 9063 deals with claims against foreign governments. These claims are advanced by U.S. citizens who lost properties or suffered losses in foreign countries.

Moreover, the settlement of these claims is not a burden to the U.S. Treasury. The programs with which H.R. 9063 deals are self-financing. The claims are settled with funds obtained from foreign governments; these funds also pay the cost of administering our claims programs.

Mr. Speaker, before outlining the specific provisions of H.R. 9063, I should like to take a moment to sketch the historical framework of this legislation.

Following World War II, thousands of American citizens had claims against foreign countries for the taking or destruction of property, for personal injuries, or for loss of income.

In some instances, our Government was able to enter into agreements with the foreign countries concerned, securing compensation for those of our citizens who sustained losses.

That compensation was subsequently distributed to the eligible claimants who justified their claims and received awards from the U.S. Foreign Claims Settlement Commission.

This happened, for example, in the case of Italy. H.R. 9063 deals in part with that program.

In some other cases, primarily those involving countries which were alined against us during the war, we had to proceed differently. Frequently, it was not possible to arrive at an agreement with the governments concerned. At the same time, certain of those countries, or their citizens, owned property in the United States. In some cases, our Government vested such properties and used the proceeds to compensate American citizens who sustained losses in the countries concerned.

This happened in the case of Rumania and Bulgaria. H.R. 9063 will make possible the orderly termination of both these programs.

As a result of the proceedings which I just described, many American citizens who suffered losses abroad received some compensation. Unfortunately, in many cases, this compensation amounted to only 30 percent, or 50 percent, of the awards made on their claims. The only exception to this was the Italian claims program. All of the awards made under that program were paid in full—100 percent of the principal awards.

This brings me back to H.R. 9063. This legislation was drafted in the executive branch and sent to the Congress with an executive message. The bill in that sense is an administration bill. Its major provisions are as follows:

ADMINISTRATIVE CHANGES

First, there are a number of provisions in H.R. 9063 which would bring about certain improvements in the administration of programs conducted pursuant to the International Claims Settlement Act.

Section 1 of the bill continues the

statutory ceiling on fees paid on account of services rendered on behalf of a claimant in connection with any claim filed with the Foreign Claims Settlement Commission under title I of the act. These lawyers' fees may not exceed 10 percent of the total amount paid to the claimant. H.R. 9063 retains this principle but repeals the Foreign Claims Settlement Commission's authority to set fees below that 10-percent ceiling.

Section 2 of the bill authorizes the Secretary of the Treasury to deduct, as reimbursement for administrative expenses, 5 percent from any sums covered into the claims funds subsequent to the enactment of this amendment. At present, this 5-percent fee is deducted from the individual payments to the claimants. The proposed change will simplify procedures and reduce costs.

Section 3 of the bill increases from $500 to $1,000 the awards that can be paid without the appointment of a qualified executor or administrator in cases involving legal disability or death. Again, simplification of administrative procedures is the object of this amendment.

Finally, section 5 of the bill modifies the payments procedure so as to allow periodic prorated payments on awards in cases in which foreign governments are making installment payments to the U.S. Government. The recent claims agreements with Poland, Rumania, and Yugoslavia, to mention three examples, involved such installment payments. The executive branch has argued that it would not be fair to make the claimants wait until the last of these installment payments is made. In the case of Poland, for instance, this would involve a waiting period of 20 years for some claimants. The committee agreed that some allowance should be made for these cases. For this reason, the amendment in section 5 authorizes the Commission to make partial, prorated payments as the money comes in.

RUMANIAN CLAIMS

The second set of amendments contained in H.R. 9063 deals with the Rumanian claims program.

I mentioned at the outset that following World War II, the U.S. Government vested certain foreign-owned properties located in the United States and used the proceeds to pay the claims of American nationals against the governments of the countries concerned. Rumania was one of those countries.

Under the original Rumanian claims program, approximately $20 million was paid on 498 awards. The claimants received 30 cents on the dollar on their awards. The program came to an end in 1959.

A year later, in 1960, the United States finally signed a claims agreement with Rumania. Pursuant to that agreement, Rumania paid an additional $2.5 million in final settlement of the claims of U.S. citizens.

H.R. 9063 authorizes the use of this $2.5 million for the purpose for which these funds were intended. As explained in the committee's report, claims which arose up to the date of the agreement are covered. Furthermore, provision is made in the bill for an equitable distribution of the $2.5 million between the old claimants—those who already received some compensation under the original Rumanian claims program—and those whose claims arose subsequently.

BULGARIAN CLAIMS

The background of the Bulgarian claims program was similar to that of the Rumanian claims program.

Using proceeds obtained from the liquidation of certain Bulgarian-owned properties, the U.S. Government paid $2.6 million on 217 awards made to American citizens who sustained losses in Bulgaria. The individual claimants received approximately 50 cents on the dollar on their awards. The program was terminated in 1959.

In 1963, the U.S. Government entered into a claims settlement agreement with Bulgaria. An additional $400,000 was paid and deposited in a special account in the U.S. Treasury pursuant to that agreement. That money is there, waiting to be paid to eligible claimants.

H.R. 9063 extends the same treatment to claimants under the Bulgarian claims program as it does to those under the Rumanian claims program. The Foreign Claims Settlement Commission is authorized to accept and review claims which arose up to the date of the 1963 agreement, and to make awards on such claims. The $400,000 is to be distributed equitably between the old and new claimants.

ITALIAN CLAIMS

The fourth set of amendments embodied in H.R. 9063 pertains to the claims of American citizens against the Government of Italy.

Pursuant to the treaty of peace with Italy, and the Lombardo Agreement, full compensation was paid to most of the U.S. citizens who suffered losses during World War II as a result of actions of the Italian Government. The Italian claims program was completed on May 31, 1960. As of that date, nearly $4 million was paid on 482 awards. One hundred percent—principal and interest—was paid on each and every award.

However, with the passage of time, it became apparent that some U.S. citizens who suffered losses as a result of the actions of the Italian Government during World War II never received any compensation for such losses. This was particularly the case with American nationals in the Dodecanese Islands and in other territories ceded by Italy pursuant to the treaty of peace. The treaty stipulated that these people were to be compensated by the Government of Italy. Testimony presented to our committee indicates that they were not.

There were also some American citizens who suffered losses or were injured in Italy proper after the Italian Government capitulated in 1943. Some elements of Italian military troops continued to fight after that date. For reasons which did not appear adequate to the committee, the Foreign Claims Settlement Commission refused to honor some of those claims. As pointed out in the report, particularly in the supplemental views of the gentleman from Ohio, Congressman TAFT, the Commission has both the authority and the resources to rectify that wrong.

Now, to sum up, the situation with regard to the Italian claims fund is this: All previously made awards have been paid in full. At this point, there is still over $1 million remaining in that fund. This money was paid by the Government of Italy to be used at the discretion of the U.S. Government to compensate U.S. nationals.

Bearing these facts in mind, H.R. 9063 authorizes the Foreign Claims Settlement Commission to accept these additional claims which I have just described, to process them and to make awards. The principle that the claimants had to be U.S. nationals at the time when they suffered loss is retained. Payments to persons who previously received compensation under the peace treaty or the International Claims Settlement Act are prohibited. Every effort is made to rectify a wrong, but at the same time to prevent any abuse.

Finally, H.R. 9063 provides that after payments are made to the eligible claimants pursuant to this new authority, all funds remaining in the Italian claims fund shall be transferred to the war claims fund and be used to pay wartime claims of American nationals.

COMMITTEE AMENDMENTS

Mr. Speaker, the Committee on Foreign Affairs made one substantive change in H.R. 9063. This change deleted language which would have extended eligibility to persons who did not file a timely claim under the original Italian claims program, who were not U.S. nationals at the time they suffered losses but who did become such nationals by August 9, 1955. For many years both the executive branch and the Congress have taken the position, as explained in detail in the committee's report on H.R. 9063, that the opening of the various claims programs to the so-called new nationals could not be justified either by reference to international law or to our national interest. In essence, therefore, the committee's amendment simply upheld what has been a fairly consistent policy of our Government.

In conclusion, Mr. Speaker, as I said at the outset, the enactment of this legislation does not entail any financial demands upon the U.S. Treasury. Furthermore, early and favorable action on H.R. 9063 is needed in order to provide justice to many U.S. nationals who have been waiting patiently for the settlement of their claims. For these reasons I urge that H.R. 9063 be approved.

Mr. DANIELS. Mr. Speaker, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman from New Jersey.

Mr. DANIELS. Mr. Speaker, I rise in opposition to H.R. 9063 in its present form.

I have read the report of the House Foreign Affairs Committee on H.R. 9063, and the supplemental views submitted by the gentleman from Ohio [Mr. TAFT] of the committee, and feel the attention of the House should be called to what I consider to be a grave injustice which would result through the omission of one provision from the bill as introduced by Mrs. KELLY, the chairman of the subcommittee which considered it, and recommended by the administration, including the Department of State and the Foreign Claims Settlement Commission, which administers the claims programs. I feel this provision should be retained, as it was by the Senate when the legislation was considered and passed by that Chamber.

I am referring to section 9 of H.R. 9063, which would have added to the International Claims Settlement Act two provisions for the payment of claims of Americans against Italy arising out of the war with Italy, which were not covered by the peace treaty in 1947. The first class of claims is that of Americans who suffered property damage claims, principally in Greece and Albania, as well as Yugoslavia, but who have never had an opportunity to file claims, despite the fact that Congress in 1958 provided that claims of such persons could and should be paid. This class of claims was excluded from the peace treaty with Italy, which provided for the payment by Italy of other claims by Italy directly. It is important to note that Italy deposited $5,000,000 with the U.S. Treasury for the purpose of covering claims not covered by the treaty, and that over a million dollars remains from that sum, so that we are not talking about taxpayers' funds, but about money deposited by Italy for a specific purpose—the payment of American claims.

The second class of claims, covered by section 304(c) in the Senate-passed bill and the administration bill introduced in the House, and now changed to subsection (b) by the committee after its exclusion of the first class of claims, which was subsection (b), is for losses in the Dodecanese Islands, which the committee feels should be paid, and the balance of the Italian claims fund paid into the Treasury for general purposes, without consideration of the first class. I was interested in the supplemental views submitted with the committee report by Mr. TAFT in its reference to article 78, paragraph 7 of the peace treaty with Italy, under which these claims were specifically to have been paid by Italy. Therefore, they were excluded from payment under the Lombardo agreement under which the $5,000,000 was deposited to pay claims not covered by the treaty, and the failure to pay a class of claims not covered by the treaty, while recommending payment of a class covered, strikes me as being not only contrary to our international undertaking, but morally wrong. I can perhaps understand the committee's possible confusion in this respect, since the testimony of the Government officials, on page 20 of the hearings as printed for use of the committee, contains the statement that the Dodecanese claims were excluded from the peace treaty. A simple reading of the treaty clearly indicated that—

> Italy shall continue to be responsible for loss damage sustained during the war by property in ceded territory.

And the committee form of the bill provides for payment of claims "in territory ceded by Italy pursuant to the treaty of peace with Italy."

If there are funds remaining after payment of claims not covered by the treaty, I could understand the desire of the committee to arrange for additional compensation over and above that granted by Italy, if Italy has no objection to such use, which does not accord with the Lombardo agreement. However, I cannot understand such use of these funds when there are claimants who could under no circumstances be paid under the peace treaty who have not been provided for.

The committee report justifies this situation by stating that it is contrary to the policy of the State Department to make payment to persons who were not citizens at the time of loss, and an undesirable precedent might be created. The report states, however, that the State Department has modified its position, and that the Congress in 1958 enacted legislation that expanded the eligibility requirement. This requires, I believe, further explanation, since herein lies a great inequity which was effected by this same committee in 1958, and which I believe the committee should have felt an obligation to correct.

What happened was this: In 1958 it was apparent that considerable money would be left over in the Italian fund after paying persons who were American citizens at the time of loss and, therefore, the Foreign Affairs Committee recommended the enactment of Public Law 85–604, which amended section 304 of the act to provide for the payment of claims of persons who became citizens prior to the date of the amendment—August 8, 1958—the very people who would be covered by the section the committee has recommended be deleted, over the favorable proposal of the administration. However, an error was made in the wording of the 1958 amendment, and no provision was made for the filing of claims by such persons, who previously had no basis for filing claims. This meant practically that the only persons who could be paid were those who by mistake had filed claim under the previous program. Anyone who had read the statute previously would have known that he had no right to file claim unless he was a citizen at the time of loss, so that it was the ones who had not read the law or did not have the advice of lawyers who were in a position to benefit.

This is an error in legislative drafting which is almost of constitutional proportions, since it violates the principle of similar treatment for those similarly situated, and discriminates against law-abiding citizens. It was for this reason that the administration, after the Congress had established in 1958 that persons who were not citizens at the date of loss could claim against the Italian fund, recommended correction of the statute to give persons who throughout the postwar period received no compensation whatever for their losses, and who as the result of legislative oversight could not take advantage of the relief provisions enacted in 1958, can file claim. There was no testimony against this provision by anyone before the subcommittee which held hearings, and I am simply unable to understand the recommended deletion of this important provision.

Let me repeat that this is not taxpayers' money with which we are dealing, but Italian money placed with the U.S. Government for the specific purpose of paying claims against Italy not covered by the peace treaty. I feel that the inequity which would result from our adoption of the bill in its present form is so serious as to require correction.

Mr. Speaker, I think that this bill ought to be recommitted to the House Foreign Affairs Committee and the original provision as introduced in the House and as passed by the Senate ought to be restored. This House has shown its generosity to persons who are not American citizens on a great many occasions. I think that it is only simple justice that we show an equal compassion to persons who are American citizens and are seeking justice from their country. I urge, Mr. Speaker, that this bill be rejected.

Mr. Speaker, the gentlewoman has said, under the Lombardo treaty, $5 million was deposited with the U.S. Government to pay the claims not covered by the treaty of peace.

That would include the claims of persons who were not eligible to file a claim under the treaty of peace because of the fact, primarily, that they were not citizens of the United States, but who have since become citizens of the United States.

Mrs. KELLY. That is not correct. The Lombardo agreement, signed in 1947, provided compensation for persons who were U.S. nationals—not for persons who were nationals of Italy at that time.

Mr. DANIELS. Can the gentlewoman tell me why the committee in the legislation under consideration, H.R. 9063, on page 5, in subsection (9) on line 16, deleted the language which would have added to the International Claims Settlement Act a provision for the payment of claims of Americans against Italy arising out of the war with our people, which was not covered by the peace treaty, and then, in paragraph (b) on page 6 did just the opposite with reference to claims of persons from the Dodecanese Islands?

Why did the committee disallow the claims of persons who have become American citizens since World War II whose property was damaged or destroyed in Yugoslavia, Greece, or Albania, but provide for the payment of claims of those persons who had property in the Dodecanese Islands?

Mrs. KELLY. Mr. Speaker, under the Lombardo settlement, as my colleague has said, $5 million was paid to the U.S. Government to pay claims of U.S. nationals which were not compensated directly by the Government of Italy. All of the qualified claimants whose claims were considered under the original Italian Claims Program were paid 100 cents on the dollar. This left $1 million for any further distribution, to which the gentleman has referred.

In regard to the language on page 6 of the bill—section 9(b)—I should like to emphasize again that in the treaty of peace, Italy ceded certain territories to her neighbors. Those territories included the Dodecanese Islands, located off the coast of Greece, which were ceded to Greece, the commune of Zara and the Island of Pelogosa, and certain other inlets the gentleman had mentioned.

The persons who had suffered losses in those territories were American citizens and were due consideration but had never received any compensation. For that reason the committee thought that the bill H.R. 9063 ought to contain language, as it does, authorizing compensation to these people.

I am not sure that the $1 million will be sufficient to compensate them for their losses.

Now I will refer to the other group mentioned by my colleague from New Jersey [Mr. DANIELS], the people who will not be affected by H.R. 9063 in its present from. These were not U.S. citizens when the loss occurred. They were Italian citizens—or they could have been Bulgarian, or Russian, or other nationals.

Mr. DANIELS. But the $5 million was put up for that purpose by the Italian Government.

Mrs. KELLY. Not to include those people who were not U.S. nationals. The sum was given to the United States by Italy to compensate American nationals for losses sustained during World War II as a result of actions for which the Italian Government was responsible.

I do want to remark that in the draft legislation sent up by the executive branch, the proposal was made that persons who were not U.S. nationals at the time of World War II, but who became U.S. citizens by 1955, be given consideration. This, may I repeat, could have set a precedent for a policy which the United States had never adopted before, with one exception of 1958.

I believe the committee felt—and other members of my committee will no doubt address themselves to this point—as I feel, that we should first consider the losses of American citizens, prior to giving consideration to any others.

I do believe that the proposal of my colleague [Mr. DANIELS] could lead to a very dangerous precedent for the simple reason that there are many thousands of persons who are U.S. citizens today but who were not such citizens during World World II when they suffered losses. I do not see how we could compensate all those people who lost properties and so on in Eastern Europe and other places. The only way we could compensate them, as the committee report points out, is by paying them out of the U.S. Treasury, and I wonder whether the Congress is ready to accept such a responsibility.

Mr. DANIELS. In a law passed in 1958, there was expressly provided the compensation of those persons who had become nationals prior to the enactment of the law, Public Law 85-604. If a person had filed under the misbelief he had a legitimate right to file, I understand he was paid. But those who depended on the advice of counsel and did not file, because that law failed to set up a method for filing, have not been paid. Is it fair to make fish of one and fowl of the other?

Mrs. KELLY. I want to emphasize that the committee is aware of the fact that the Congress did make this exception in 1958. I still say that the exception made in that one instance should not have been made. We should certainly not repeat it today and thus take another step in the direction of establishing an extremely far-reaching and politically tremendously expensive precedent.

Mr. DANIELS. Mr. Speaker, I must voice my opposition to this bill in its present form.

Mrs. KELLY. Mr. Speaker, I hope that the gentleman is aware of the many, many claims which could be advanced if this legislation is not passed in the manner that the Committee on Foreign Affairs presented it. We could have a vast number of claims submitted to the Congress by persons who are now citizens of the United States but were not citizens of other countries when they suffered losses in their own countries. I do not think that it is wise for such a precedent to be established, particularly since we still have many American citizens who have not received their proper compensation to this very day.

Mr. KYROS. Mr. Speaker, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman.

Mr. KYROS. Mr. Speaker, I thank the gentlewoman from New York. I think she stated the case quite adequately. As I understand it, the only objection to this bill is for a class of American citizens now who were not included at one time in 1958 because they had not filed their claim or had late filed their claim and the law that existed prior to filing was changed. It seems to me one class of citizens is being treated inequitably by a fund which is not provided by the United States but is provided by Italy. One million dollars remains today that has not been paid out, and if I understand the basic objection, it might open precedents for additional claims to be filed. My question is this: Is it not a fact that the Department of State, the administration, and the Foreign Claims Settlement Commission are all in favor of including the section that my colleague from New Jersey [Mr. DANIELS] adverted to earlier in this bill? In fact, there is no opposition from them and, as a matter of fact, the other body has already passed a bill including this section within it.

Mrs. KELLY. For many years the executive branch and the Congress have steadfastly opposed this kind of an approach. Further, the other body has not passed a bill including this section, and they have not taken up this legislation at this point. I want to state I understand that the gentleman probably has constituents who are involved in this type of claim, but I again wish to repeat that the $1 million may not be enough to cover the claims of American citizens who have lost property during World War II. I must also reemphasize that over the years, and even now, the policy has been followed to compensate American nationals. There was an exception to this policy in 1958, but we feel similar exceptions could create a bad precedent and should not be allowed.

Mr. MONAGAN. Mr. Speaker, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman from Connecticut.

Mr. MONAGAN. Mr. Speaker, I thank the gentlewoman for yielding.

I want to say that I support the statement of the gentlewoman from New York. I believe this distinction is a legitimate one. I supported it in the committee, and I hope that the House will support the recommendation of the committee here on the floor of the House.

Mr. FRELINGHUYSEN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentlewoman from New York has very accurately and comprehensively described the contents of this legislation. I would suggest that it should be enacted. Its purposes are quite simple, as the gentlewoman from New York has indicated. In the first place, it would authorize the transfer of funds being held by the Secretary of the Treasury to allow adjudication of claims with respect to Bulgaria and Rumania. It would also allow adjudication of claims with respect to American nationals who lost property in the Dodecanese Islands and other territories ceded by Italy after World War II. Third, it would make certain administrative changes, to make it easier for the program to be handled in an orderly way.

The main bone of contention has already been brought up. This is whether or not we have been generous enough with those of Italian extraction who are now American nationals, and whether we should reopen and allow the filing and adjudication of claims by these individuals.

Mr. Speaker, the report, on page 5, indicates the committee's position, which is contrary to the recommendations of the executive branch of the Government.

In addition, there is, on pages 18 through 21 of the hearings, a discussion of this problem before the Committee on Foreign Affairs. It was felt on our part that the basic principle involved was an important one and that we should not encourage or make possible the compensation by a defeated state for damages to others than the nationals of the state to which compensation was made——

Mr. DANIELS. Mr. Speaker, will the gentleman yield at that point?

Mr. FRELINGHUYSEN. If I may just complete my thought, there was approved, in 1958, a relaxation of the general principle of international law. It was, presumably, because Congress made this exception that the executive branch of the Government has now changed its position with respect to the general and important principle of international law.

In other words, we say we do not think it is advisable to open the door or a Pandora's box to allow a group to be considered eligible. We should not open the door simply on the argument that there is money available so why not distribute it to people who suffered damage during the war.

In my opinion the answer to that argument is clear. They were not American citizens and, consequently, there should not be reparations paid therefor for which the United States should be responsible, as the administering body.

Mr. DANIELS. Mr. Speaker, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from New Jersey.

Mr. DANIELS. Mr. Speaker, I want to thank the gentleman from New Jersey [Mr. FRELINGHUYSEN] for yielding to me at this point.

I would like to say this in order to cover the points which have been raised to the fullest extent possible.

Mr. Speaker, in 1958 the Congress enacted a law which extended the provision to include persons who formerly were not nationals of the United States, but who have since become citizens of this country. That 1958 law failed to provide for the manner of filing and as a result thereof created a lot of confusion. As a result and consequence thereof there were certain people who had no right to file a claim, but who did file and filed a false claim, as I understand, have been paid.

However, those who were looking for advice, and because of the failure of the Congress in specifically specifying the manner in which the claim should be filed, but who failed to file such claim were excluded.

Therefore, they have not come under the provisions of the existing law because their claims were not filed within the date prescribed therein for the payment and it is unfair to these people who, because of lack of advice or ignorance upon their part, failed to file a legitimate claim and have been excluded.

Mr. FRELINGHUYSEN. I may say to the gentleman from New Jersey that I do not think it is unfair to do so. The gentleman from New Jersey [Mr. DANIELS] indicated that some claims may have been filed, and payments made thereon, although the claims were not legitimate. I doubt very much that that was so. Presumably, they were able to establish the fact that they could qualify under the 1958 law, and then they were paid. The fact that they were able to qualify creates no obligation upon the part of the United States to open the door even wider, by saying that because others did not file, they should now be permitted to do so.

Mr. DANIELS. Mr. Speaker, if the gentleman will yield further, did not the other body file a bill to cover a situation such as this?

Mr. FRELINGHUYSEN. I am really not sure whether the other body "filed" a bill on this subject. I am not sure that it is even relevant to this particular question. Our position is that it would be creating a new situation, that it would open the door to those who normally would not be allowed to participate under international law in these funds.

Mr. DANIELS. Mr. Speaker, if the gentleman will yield further, is it not true that this $5 million was proposed and posted in order to permit the Government to pay the claims of American nationals, those who became nationals since World War II—and that there is the sum of $1 million left for the payment of these claims? In other words, to pay those who have just claims, as in the case of my constituent who lost a shipbuilding yard in Yugoslavia in 1941, when the Italians seized that yard?

This man has since become a good, law-abiding American citizen. Now, I do not believe it is fair and equitable to take this money of the Italian Government and not pay it to the claimants, but to put it in the Treasury of the United States.

Mr. FRELINGHUYSEN. I might say to the gentleman that while I sympathize with those who may have suffered loss, we must remind ourselves that those individuals were not American nationals at the time they suffered the loss. If we are to accept the argument of the gentleman that the United States Government should be the defender of those individuals we would be broadening our responsibilities greatly. Also, if we accept this argument with respect to those who have since become U.S. citizens, but who were at the time citizens of another country, we would be opening up the situation very considerably. Other claimants could claim inequity as the gentleman is now arguing, if we did now broaden our definition of those who are eligible.

I believe this would be unwise.

Mrs. KELLY. Mr. Speaker, will the gentleman yield?

Mr. FRELINGHUYSEN. Yes, I yield to the gentlewoman from New York.

Mrs. KELLY. I thank the gentleman from New Jersey for yielding.

Is it not true that the Lombardo agreement of 1947 was to pay U.S. citizens—not people who were Italian citizens during the war, and who were the responsibility of the Italian Government, and not the responsibility of the U.S. Government?

Mr. FRELINGHUYSEN. That is correct. The $5 million was basically for distribution to U.S. citizens, not nationals of other countries.

Mr. KYROS. Mr. Speaker, will the gentleman yield?

Mr. FRELINGHUYSEN. Yes, I yield to the gentleman from Maine.

Mr. KYROS. I thank the gentleman for yielding.

I would ask the gentleman, is it not a fact that the claims that were paid—the basic war claims that were paid out of the German and Italian reparation funds, were funds for persons who had suffered injury prior to 1945, but who had been American nationals before 1945? So, as a matter of fact, there were many, many persons who were hurt, Italians, Yugoslavs, or any other European nationals, and they then came to this country and became American citizens and then could collect on their claims. So that the gentleman's basic argument that this is only to repay those who were American citizens at the time their person or property was damaged is not so, is that a fact?

Mr. FRELINGHUYSEN. In most cases, I might say to the gentleman, the basic purpose of all the reparations was to protect American citizens, but benefits were extended to those who became American citizens afterwards. I will agree with the gentleman, we are not arguing on that point at all. It is rather a question of how generous we should be at the present time.

Mr. TAFT. Mr. Speaker, will the gentleman yield?

Mr. FRELINGHUYSEN. I yield to the gentleman from Ohio.

Mr. TAFT. Mr. Speaker, I thank the gentleman for yielding.

I take this time, Mr. Speaker to ask assurance of the distinguished chairman of the Subcommittee on Europe as to my understanding and her own, and that of the other committee members, on certain matters relating to the Italian claims fund.

As I understand, that fund was established under the Lombardo Agreement of 1947 when the Italian Government paid the United States $5 million intended to be used to idemnify American civilians injured by Italian hostilities in World War II, in their property or person, but for whom no provision had been made under the treaty of peace with Italy under article 78 of that treaty.

Under that treaty, compensation had been provided for all property of U.S. citizens as of the date of the armistice on September 3, 1943, who had lost property or suffered damage in Italy.

Since personal injuries were not included under the treaty, some personal injury claims have been considered and allowed from the Italian Claims Fund by the Foreign Claims Settlement Commission. That fund in which $1 million now still remains, was reopened and extended in 1958 to cover certain later qualified nationals of the United States at that time.

The bill H.R. 9063, which is being considered by the House at this time, would now open the fund for U.S. citizens as of the armistice date; that is, September 3, 1943, as to claims arising in ceded Italian territories which had not been paid by Italy under the treaty of peace.

My question is this. Would this reopening, read in conjunction with the 1958 legislation, fully authorize the Foreign Claims Settlement Commission to consider or to reconsider property and personal injury claims of Americans injured by hostilities with Italian forces in Italy after the 1943 armistice during the period in which they continued to engage in hostilities and for that reason not compensable under the previous Italian peace treaty, as such claims are described in my additional views and detailed in the testimony of Mr. Robert H. Reiter before the subcommittee?

Mrs. KELLY. Mr. Speaker, will the gentleman yield?

Mr. TAFT. I am glad to yield to the gentlewoman.

Mrs. KELLY. I certainly agree with the gentleman from Ohio that the 1958 amendment and the bill gives the Commissioner all the authority he needs to process the claims to which he has referred.

The whole point of the Italian claims program was and is to take care of those U.S. nationals who were not compensated under the peace treaty.

I am sure the provisions of this act cover those claims.

I want to add that Commissioner Edward D. Re spoke to me this morning and gave me a second guarantee that they have the authority to take care of those claims.

Mr. TAFT. I thank the distinguished gentlewoman for her comments which confirm my own understanding.

I further understand, as she does, that this has been discussed with the commission. I think it is important that we have this understanding, for to be fair, I think it is quite important for this to be understood. Otherwise the effect could well be the cutting off from consideration those American citizens (natural born or naturalized before the armistice date) who filed timely claims, and who were injured in Italy by Italian forces from incidents occurring after the armistice while hostile Italian forces were still active.

Up to now such persons had no remedy under the peace treaty or under the fund.

While, we would be opening the fund for those injured outside of Italy and intended to be covered by the treaty and by other provisions of this bill relating to citizens of ceded territory.

Mr. JONES of Missouri. Mr. Speaker, will the gentlewoman from New York yield to me for a question?

Mrs. KELLY. I yield to the gentleman.

Mr. JONES of Missouri. I want to ask the chairwoman of the subcommittee, if it would be considered a conflict of interest if a Member voting for this bill was later employed to represent a claimant under this bill and received a 10 percent attorney's fee?

Mrs. KELLY. Would the gentleman please repeat his question?

Mr. JONES of Missouri. I said, would it be considered a conflict of interest if a Member of this body, voting for this bill today, was later retained as an attorney by a claimant and received a 10 percent fee.

Mrs. KELLY. Mr. Speaker, I am not a lawyer. But I certainly feel that Members of the House of Representatives know the rules of conduct in such matters and procedures. I feel and I trust that no Member of the House would permit himself to become involved in a conflict-of-interest case in allowing his firm, one of which he is a member, to obtain a fee for the passage of legislation being considered in the House and on which he is voting.

Mr. JONES of Missouri. You still do not answer my question.

Mrs. KELLY. I thought I had answered the gentleman's question.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentlewoman yield?

Mrs. KELLY. I yield to the gentleman.

Mr. STEIGER of Wisconsin. I direct this question to the distinguished chairwoman of the subcommittee to inquire whether or not it makes any difference as to when a naturalized citizen of this country became a citizen in terms of his ability to apply for a claim against Bulgaria. In this instance a constituent in the Sixth District of Wisconsin became a citizen in 1957 and has a claim pending for property taken in 1963—I trust it is before July 2, 1963, the date on which the agreement was signed. Does the date of his citizenship make him eligible to apply for a claim settlement?

Mrs. KELLY. Mr. Speaker, in reply to the gentleman from Wisconsin [Mr. STEIGER] I would say that if the loss occurred after his constituent became a U.S. citizen, and before the effective date of the 1963 agreement, it would be covered.

Mr. STEIGER of Wisconsin. I thank the gentlewoman for yielding and responding to my question.

The SPEAKER. The question is on the motion of the gentlewoman from New York that the House suspend the rules and pass the bill H.R. 9063, as amended.

The question was taken.

Mr. ADAIR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 348, nays 10, not voting 74, as follows:

[Roll No. 401]

YEAS—348

Abernethy
Adair
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Ashley
Ashmore
Ayres
Baring
Barrett
Battin
Bell
Bennett
Betts
Bevill
Biester
Bingham
Blackburn
Blanton
Blatnik
Boggs
Bolling
Bolton
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Celler
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Collier
Colmer
Conable
Conte
Corbett
Culver
Cunningham
Curtis
Daddario
Davis, Ga.
Davis, Wis.
Dawson
de la Garza
Dellenback
Denney
Dent
Derwinski
Dickinson
Diggs
Dingell
Dole
Donohue
Dorn
Dow
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Everett
Fallon
Farbstein
Fascell
Feighan
Fino
Fisher
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Gardner
Garmatz
Gathings
Gettys
Gibbons
Gilbert
Gonzalez
Goodell
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Hagan
Haley
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hardy
Harrison
Harsha
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Helstoski
Henderson
Hicks
Holland
Horton
Hosmer
Hull
Hungate
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Jonas
Jones, Ala.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
King, N.Y.
Kirwan
Kleppe
Kluczynski
Kornegay
Kuykendall
Kyros
Laird
Langen
Latta
Leggett
Lennon
Lipscomb
Lloyd
Long, La.
Long, Md.
Lukens
McCarthy
McClory
McClure
McDade
McDonald, Mich.
McEwen
McFall
McMillan
Macdonald, Mass.
MacGregor
Machen
Mahon
Mailliard
Marsh
Mathias, Calif.
Mathias, Md.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Minish
Mink
Minshall
Mize
Monagan
Montgomery
Moore
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Multer
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poff
Pollock
Pool
Price, Ill.
Price, Tex.
Pryor
Pucinski
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Roberts
Robison
Rogers, Colo.
Rogers, Fla.
Ronan
Rosenthal
Rostenkowski
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Scott
Selden
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steiger, Wis.
Stratton
Stubblefield
Stuckey
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, Ga.
Thompson, N.J.
Tiernan
Tuck
Tunney
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walker
Wampler
Watson
Watts
Whalen
Whalley
White
Whitener
Whitten
Widnall
Williams, Pa.
Wilson, Bob
Winn
Wolff
Wyatt
Wydler
Wyman
Yates
Young
Zablocki
Zion
Zwach

NAYS—10

Ashbrook
Clancy
Daniels
Gross
Hall
Jones, Mo.
Kupferman
Schweiker
Steiger, Ariz.
Watkins

NOT VOTING—74

Abbitt
Andrews, Ala.
Annunzio
Arends
Aspinall
Bates
Belcher
Berry
Boland
Brooks
Broomfield
Chamberlain
Clark
Conyers
Corman
Cowger
Cramer
Delaney
Devine
Edmondson
Edwards, La.
Evans, Colo.
Evins, Tenn.
Findley
Flynt
Fountain
Fulton, Tenn.
Fuqua
Gallagher
Giaimo
Gurney
Halleck
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Howard
Johnson, Pa.
Kyl
Landrum
McCulloch
Madden
Martin
Mills
Moss
Nelsen
Olsen
Pepper
Poage
Purcell
Reinecke
Resnick
Reuss
Rivers
Rodino
Rooney, N.Y.
Rooney, Pa.
St. Onge
Schwengel
Shipley
Steed
Stephens
Thomson, Wis.
Udall
Utt
Wiggins
Williams, Miss.
Willis
Wilson, Charles H.
Wright
Wylie

So (two-thirds having voted in favor thereof), the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Arends.
Mr. Annunzio with Mr. Cowger.
Mr. Brooks with Mr. Halleck.
Mr. Madden with Mr. Findley.
Mr. Rodino with Mr. Bates.
Mr. Rooney of New York with Mr. Devine.

Mr. St. Onge with Mr. Belcher.

Mr. Fountain with Mr. Cramer.

Mr. Aspinall with Mr. Utt.

Mr. Corman with Mr. Broomfield.

Mr. Mills with Mr. Thomson of Wisconsin.

Mr. Hays with Mr. Pepper.

Mr. Holifield with Mrs. Heckler of Massachusetts.

Mr. Gallagher with Mr. Berry.

Mr. Evins of Tennessee with Mr. Gurney.

Mr. Delaney with Mr. Wiggins.

Mr. Edmondson with Mr. Chamberlain.

Mr. Moss with Mr. Nelsen.

Mr. Stephens with Mr. Johnson of Pennsylvania.

Mr. Flynt with Mr. Martin.

Mr. Evans of Colorado with Mr. Kyl.

Mr. Landrum with Mr. Reinecke.

Mr. Clark with Mr. Olsen.

Mr. Boland with Mr. Resnick.

Mrs. Hansen of Washington with Mr. Charles H. Wilson.

Mr. Steed with Mr. Schwengel.

Mr. Shipley with Mr. Conyers.

Mr. Fulton of Tennessee with Mr. Herlong.

Mr. Udall with Mr. Willis.

Mr. Wright with Mr. Reuss.

Mr. Rivers with Mr. Rooney of Pennsylvania.

Mr. Edwards of Louisiana with Mr. Williams of Mississippi.

Mr. Abbitt with Mr. Wylie.

Mr. Fuqua with Mr. Purcell.

Mr. Andrews of Alabama with Mr. McCulloch.

Mr. Giaimo with Mr. Howard.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a concurrent resolution of the following title in which concurrence of the House is requested:

S. Con. Res. 51. Concurrent resolution providing for the adjournment of Congress from November 22, 1967, to November 27, 1967.

REQUEST AS TO HOUR OF MEETING TOMORROW

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock a.m. tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

Mr. GROSS. I object.

The SPEAKER. Objection is heard.

LAND TRANSFER TO UNIVERSITY OF MAINE

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill—H.R. 11527—to direct the Secretary of Agriculture to release on behalf of the United States conditions in a deed conveying certain lands to the University of Maine and to provide for conveyance of certain interests in such lands so as to permit such university, subject to certain conditions, to sell, lease, or otherwise dispose of such lands, as amended.

The Clerk read as follows:

H.R. 11527

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding the provisions of subsection (c) of section 32 of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1011(c)), the Secretary of Agriculture is authorized and directed to release on behalf of the United States with respect to lands designated pursuant to section 2 hereof, the conditions, contained in a deed, dated March 4, 1955, conveying certain lands in Penobscot County, Maine, to the University of Maine, which require that the lands conveyed be used for public purposes and provide for a reversion of such lands to the United States if at any time they cease to be so used.

SEC. 2. The Secretary shall release the conditions referred to in the first section of this Act only with respect to lands covered by and described in an agreement or agreements entered into between the Secretary and the university in which the university, in consideration of the release of such conditions as to such lands, agrees—

(1) that all the proceeds from the sale, lease, exchange, or other disposition of such lands shall be used by the university for the acquisition of lands to be held permanently for university purposes, or for the development or improvement of lands of the university.

(2) that all the proceeds from the sale, lease, or other disposition of lands covered by any such agreement shall be maintained by the university in a separate fund and that the record of all transactions involving such fund shall be open to inspection by the Secretary of Agriculture.

SEC. 3. Upon application all the undivided mineral interests of the United States in any parcel or tract of land released pursuant to this Act from the conditions as to such lands shall be conveyed to the University of Maine or their successors in title by the Secretary of the Interior. In areas where the Secretary of the Interior determines that there is no active mineral development or leasing, and that the lands have no mineral value, the mineral interests covered by a single application shall be sold for a consideration of $1. In other areas the mineral interests shall be sold at the fair market value thereof as determined by the Secretary of the Interior after taking into consideration such appraisals as he deems necessary or appropriate.

SEC. 4. Each application made under the provisions of this Act shall be accompanied by a nonrefundable deposit to be applied to the administrative costs as fixed by the Secretary of the Interior. If the conveyance is made, the applicant shall pay to the Secretary of the Interior the full administrative costs, less the deposit. If a conveyance is not made pursuant to an application filed under this Act, the deposit shall constitute full satisfaction of such administrative costs notwithstanding that the administrative costs exceed the deposit.

SEC. 5. The term "administrative costs" as used in this Act includes, in addition to other items, all costs which the Secretary of the Interior determines are included in a determination of (1) the mineral character of the land in question, and (2) the fair market value of the mineral interest.

SEC. 6. Amounts paid to the Secretary of the Interior under the provisions of this Act shall be paid into the Treasury of the United States as miscellaneous receipts.

The SPEAKER. Is a second demanded?

Mr. KLEPPE. Mr. Speaker, I demand a second.

The SPEAKER. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, this bill deals with some lands that the Department of Agriculture deeded to the University of Maine.

The deed contained a reversionary clause that if the lands were not used for university purposes, they should revert to the United States or to the Department of Agriculture.

The University of Maine now finds that they need land adjacent to the university and those lands are in an area which are becoming urbanized and which cannot be utilized as readily as land close to the university.

The bill also provides for the sale of this land and to put the money from the sale in a trust fund and provides that whatever land they buy must then be used for university purposes.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. DE LA GARZA. I yield to the gentleman.

Mr. GROSS. Mr. Speaker, I have several questions to ask about this bill.

How did the Government acquire this 1,748 acres of land in the first place?

Mr. DE LA GARZA. I do not know.

Mr. GROSS. Well, then evidently you do not know how much the Federal Government has received on the lease that was made to the university since the early 1940's; is that correct?

Mr. DE LA GARZA. No, sir; I am informed that the land was acquired in the thirties. I still do not know how they acquired it. This was given under the Bankhead-Jones Act to the University of Maine.

Mr. GROSS. And now we are about to give the University of Maine 1,748 acres of land.

Mr. DE LA GARZA. No, sir; we already gave it to them a long time ago.

Mr. GROSS. I do not think we gave it to them a long time ago.

Mr. DE LA GARZA. Yes, we are only letting them sell it and buy other lands because there was the reversionary clause.

Mr. GROSS. That is exactly the point—we are permitting the University of Maine to sell this land, that is correct; is it not?

Mr. DE LA GARZA. That is correct.

Mr. GROSS. And the only thing we get out of it is the retention of possible mineral rights; is that correct?

Mr. DE LA GARZA. Yes, sir; that is correct.

Mr. GROSS. Then why should there be this windfall to the University of Maine?

Mr. DE LA GARZA. I do not know.

The SPEAKER. The Chair recognizes the gentleman from North Dakota [Mr. KLEPPE].

Mr. KLEPPE. Mr. Speaker, maybe I can throw a little light on this bill, at least as I look at it.

Those who have read the report will know that it involves 1,748 acres of land in 20 separate tracts and these tracts range in size from 2 acres to 419 acres.

Talking about what this land may have been worth when the Federal Government acquired it is the question—I do not know the answer—but I do know that the Bankhead-Jones Farm Tenant Act allowed the Secretary of Agriculture permission to rehabilitate such lands acquired thereunder. These were called submarginal lands. The fact that they were submarginal, I think, is indicative of the fact that the value was questionable. Just exactly what the value might have been, certainly, I do not know. But the terms of the Bankhead-Jones Farm Tenant Act specifically authorized the Secretary of Agriculture to conduct a program to rehabilitate these lands. It also authorized him, under title III, as the report indicates, that he could dispose of these lands.

This bill provides that this disposal can be made under terms of the provisions of the bill as long as the lands will be used for public purposes. This is exactly what the provisions of the bill contain, that the land will be used primarily for university purposes, for the development of the lands of the university, and that the proceeds from the sale of these lands shall be maintained by the university in a separate fund.

Interestingly enough, this land has been used primarily in the development of a program at the University of Maine which has been in connection with cattle, dairy, and other agricultural products, which certainly has been along the line of rehabilitating this land.

Because this area has become greatly urbanized, and because there is a need for this land to be used by the University of Maine, and because the Secretary of Agriculture has previously been given authority to make such a transfer, this bill seemed to be in order to provide—and we do not want to call it a windfall—but it does perform a purpose in connection with all the provisions previously provided under the Bankhead-Jones Farm Tenant Act. It seems to me that the bill is very much in order.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KLEPPE. I yield to the gentleman from Iowa.

Mr. GROSS. I do not know whether the 1,748 acres of land involved in the bill is submarginal today or not, but at least the report states that it is rapidly becoming urbanized, that is, the area in which it is located. Is that not correct?

Mr. KLEPPE. That is very specifically what we have been told.

Mr. GROSS. Evidently the land is enhancing considerably in value. If it was submarginal in 1940, it is evidently becoming valuable now. Is that not correct?

Mr. KLEPPE. That very well may be true. But may I suggest to the gentleman that if the Federal Government is going to embark upon programs in a period of time when land has questionable value, and the Federal Government embarks on a program to rehabilitate that land, and then the land becomes of value, and 20 years ago or 30 years ago, when the stipulation was made that they wanted to rehabilitate this submarginal land, that the Federal Government then gives it away for public purposes, it seems to me that that is a requirement here, and it is being met in this bill.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. KLEPPE. I yield to the gentleman from Iowa.

Mr. GROSS. You can read this report backward and forward and you cannot get any idea of the value of this 1,748 acres of land.

Mr. KLEPPE. That is correct. I admit to that. I do not know the value of it.

Mr. GROSS. Then the gentleman would not question my use of the word "windfall" would he?

Mr. KLEPPE. No, I would not.

Mr. GROSS. The committee has offered no information to refute it.

Mr. KLEPPE. Does the gentleman from Maine wish to speak on this particular question?

Mr. HATHAWAY. Mr. Speaker, will the gentleman yield?

Mr. KLEPPE. I am glad to yield to the gentleman from Maine.

Mr. HATHAWAY. I thank the gentleman for yielding. I would like to say to the gentleman that the land which was granted by the Northwest Ordinance in 1789 to various Territories in the United States, including the territory which is now the State of Iowa, the State of the gentleman objecting, has undoubtedly increased in value since that time. I do not suppose the gentleman from Iowa would want us to take all that land back at this time, would he? The land in question was worth $1 or $2 at the most of the time it was taken over by the Federal Government.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KLEPPE. I yield to the gentleman from Iowa.

Mr. GROSS. Is there any reason why this university should not pay the fair market value as we do in Iowa if we get hold of Federal land? Why should they not pay the fair market value for this land?

Mr. de la GARZA. Mr. Speaker, will the gentleman yield?

Mr. KLEPPE. I yield to the gentleman from Texas.

Mr. de la GARZA. The university owns the land now. We are not buying it. They have owned it since it was granted. It is only a reversionary clause that makes the situation such that they cannot dispose of it. The bill allows them to dispose of it and buy other land.

Mr. WATSON. Mr. Speaker, will the gentleman yield to me?

Mr. KLEPPE. I yield to the gentleman from South Carolina.

Mr. WATSON. I have given this report a very cursory reading. Perhaps it might be helpful, inasmuch as we do not have all the answers I believe we should have expected here, to say that the gentleman from Maine is correct that, as I understand, this land is owned by the university. However, there are several restrictions. It must be used for public purposes. However, under the terms of this bill there is no longer the requirement that it must be used for public purposes because you are releasing it now for them to sell to private individuals for development.

If I might make this additional point, there is not the reservation, as I read it here, of any mineral rights, as is customary in such transactions as this.

Mr. KLEPPE. Yes, there is.

Mr. WATSON. No. It is left to the determination of the Secretary as to whether or not there are any mineral rights.

Mr. KLEPPE. That is right.

Mr. WATSON. If he decrees there are not any mineral rights, it goes by the board. Frankly, if this is going to be used for commercial purposes, and there are going to be reserved mineral rights, it is going to impair private financing, because no companies will want to go into this if there is a Federal reservation.

Mr. de la GARZA. Mr. Speaker, will the gentleman yield?

Mr. KLEPPE. I yield to the gentleman from Texas.

Mr. de la GARZA. Mr. Speaker, I would like to inform the gentleman he is mistaken in thinking that there is no protection for the university. We provide that any funds from sale, lease, or exchange of these lands shall be used by the university for acquisition of other lands held permanently for university purposes.

Mr. WATSON. Mr. Speaker, if the gentleman will yield, the gentleman is exactly correct. However, as the gentleman from Iowa pointed out, he asked what benefit will inure to the Federal Government in this regard. They can sell land, and all the proceeds will go to the University of Maine. I am interested in helping every educational institution, but I think the House should know what this bill includes before we vote on it.

Mr. de la GARZA. The Federal Government yielded this land before most Members of Congress were alive. I do not know what is the age of the gentleman from Iowa, but this occurred before most of the Members of the House were alive.

Mr. WATSON. But there were restrictions.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. KLEPPE. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, my age has been brought into question here recently. I do not know exactly what to do about it other than to refer those interested to the Congressional Directory.

Mr. de la GARZA. We will be happy to look it up, Mr. Speaker.

Mr. HATHAWAY. Mr. Speaker, H.R. 11527 relates to about 1,748 acres of land acquired by the United States under title III of the Bankhead-Jones Farm Tenant Act. These lands are located mainly in the vicinity of the communities of Orono, Old Town, and Stillwater, Maine, and the University of Maine near Orono. They consist of 20 separate parcels varying in size from 2 acres to 419 acres. The area in which the 1,748 acres are located is being increasingly urbanized as Old Town, Orono, Stillwater expand. Title III of the Bankhead-Jones Act authorized the Secretary of Agriculture to convey lands to public agencies under terms and conditions he deems will best accomplish title III purposes, on condition that the property conveyed is used for public purposes. In 1955, the Secretary conveyed the tracts to the university subject to the required public use condition.

Most of the lands conveyed to the University of Maine are now used either as part of a university forest or in connection with the university beef-cattle, dairy, and other agricultural projects. They are predominantly forest or pasture and grasslands. Some of the granted tracts, however, lie along principal avenues of the communities or main arteries of travel between the communities. There is a demand for additional suitable land for residential development in the area and some of the tracts granted to the university are favorably situated and suited to that use. The university has received inquiries as to the possibility of local groups or individuals purchasing some of these tracts for either residential use or community facility developments.

This bill will be of benefit to the University of Maine and to the nearby communities. It will allow the University of Maine to dispose of lands on the outskirts of its campus and buy additional land closer to the center of the campus.

As was stated by Mr. Francis S. McGuire, Director of the Department of Physical Plant of the University of Maine in a letter dated June 12, 1966, addressed to whom it may concern:

> The President and the Board of Trustees . . . expressed a strong desire to receive Federal approval to convey for selected community or residential use the entire strip of land bordering Stillwater Avenue . . . we desire to do this so as to permit orderly and attractive growth of the city of Old Town. The funds received from this sale of land approximately 32.3 acres, more or less, would be used by the University for the purchase of other lands in Orono, or Old Town nearer to the campus center and most urgently needed for expansion purposes.

Section 1 of H.R. 11527 authorizes the Secretary of Agriculture to release from the public use requirement of the 1955 deed, specific tracts or portions of tracts as agreed upon with the university. The university then could exchange or sell such land.

Section 2 provides not only that the proceeds from such sale be maintained in a separate fund but that the university would use the proceeds for the improvement of university lands or for the acquisition of lands for university purposes. I believe that this section is in accord with the purposes of the original conveyance to the university and consistent with the recommendations of the Department of Agriculture June 9, 1967, report to the chairman of this committee on my previous bill H.R. 2097.

Section 3 is the new section of this bill. The deed in question reserves to the United States mineral rights, mining rights, and the right to enter upon such land for removing such minerals. This reservation in the deed has no practical application. To the best of my knowledge, there is no coal, oil, gas, or other minerals contained in this land. The definition of minerals in the deed, however, includes sand, gravel, stone, clay, and similar material. This might hinder the transfer of title. Section 3 authorizes the transfer of these mineral rights to the university or their successors in title by the Secretary of the Interior. The Secretary has the option of selling the mineral rights for the nominal consideration of $1 or for what he may determine to be the fair market value.

The SPEAKER. The question is on the motion of the gentleman from Texas that the House suspend the rules and pass the bill H.R. 11527, as amended.

The question was taken.

Mr. WATSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 328, nays 24, not voting 80, as follows:

[Roll No. 402]

YEAS—328

Abernethy
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Ashley
Ashmore
Ayres
Baring
Barrett
Battin
Bell
Betts
Bevill
Biester
Blackburn
Blanton
Blatnik
Boggs
Bolling
Bolton
Bow
Brademas
Brasco
Brinkley
Brock
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Clausen, Don H.
Clawson, Del
Cleveland
Cohelan
Colmer
Conable
Conte
Corbett
Culver
Cunninhgam
Curtis
Daddario
Daniels
Davis, Ga.
Davis, Wis.
Dawson
de la Garza
Dellenback
Denney
Dent
Derwinski
Diggs
Dingell
Dole
Donohue
Dorn
Dow
Dowdy
Dulski
Dwyer
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Everett
Fallon
Farbstein
Fascell
Feighan
Fino
Fisher
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Gardner
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodell
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffiths
Grover
Gubser
Gude
Hagan
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Harrison
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Helstoski
Henderson
Hicks
Holland
Horton
Hosmer
Hull
Hunt
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Jonas
Jones, Ala.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Kelly
King, Calif.
King, N.Y.
Kirwan
Kleppe
Kluczynski
Kornegay
Kupferman
Kyros
Laird
Langen
Latta
Leggett
Lennon
Lipscomb
Lloyd
Long, La.
Long, Md.
Lukens
McCarthy
McClory
McClure
McDade
McDonald, Mich.
McFall
McMillan
MacGregor
Machen
Mahon
Marsh
Mathias, Calif.
Mathias, Md.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Minish
Mink
Minshall
Mize
Monagan
Montgomery
Moore
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Multer
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
O'Neal, Ga.
O'Neill, Mass.
Ottinger
Passman
Patman
Patten
Pelly
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poff
Pollock
Pool
Price, Ill.
Price, Tex.
Pryor
Pucinski
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Roberts
Robison
Rogers, Colo.
Rogers, Fla.
Ronan
Rosenthal
Rostenkowski
Roth
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Schweiker
Scott
Selden
Shriver
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Stuckey
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, Ga.
Thompson, N.J.
Tiernan
Tuck
Tunney
Ullman
Van Deerlin
Vanik
Vigorito
Waggonner
Waldie
Walker
Watts
Whalen
Whalley
White
Whitener
Whitten
Widnall
Williams, Pa.
Wilson, Bob
Winn
Wolff
Wyatt
Wydler
Wyman
Yates
Young
Zablocki

NAYS—24

Adair
Ashbrook
Bennett
Bray
Buchanan
Clancy
Collier
Devine
Dickinson
Duncan
Gross
Haley
Hall
Harsha
Hutchinson
Jones, Mo.
Roudebush
Vander Jagt
Wampler
Watkins
Watson
Wylie
Zion
Zwach

NOT VOTING—80

Abbitt
Andrews, Ala.
Annunzio
Arends
Aspinall
Bates
Belcher
Berry
Bingham
Boland
Brooks
Broomfield
Celler
Chamberlain
Clark
Conyers
Corman
Cowger
Cramer
Delaney
Downing
Edmondson
Edwards, La.
Evans, Colo.
Evins, Tenn.
Findley
Flynt
Fountain
Fulton, Tenn.
Fugua
Gallagher
Gurney
Halleck
Hansen, Wash.
Hardy
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Howard
Hungate
Johnson, Pa.
Keith
Kuykendall
Kyl
Landrum
McCulloch
McEwen
Macdonald, Mass.
Madden
Mailliard
Martin
Mills
Moss
Nelsen
Olsen
Pepper
Poage
Purcell
Reinecke
Resnick
Reuss
Rivers
Rodino
Rooney, N.Y.
Rooney, Pa.
St. Onge
Schwengel
Shipley
Sikes
Stephens
Thomson, Wis.
Udall
Utt
Wiggins
Williams, Miss.
Willis
Wilson, Charles H.
Wright

So (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Arends.
Mr. Annunzio with Mr. Cowger.
Mr. Brooks with Mr. Halleck.
Mr. Madden with Mr. Findley.
Mr. Rodino with Mr. Bates.
Mr. Rooney of New York with Mr. Cramer.
Mr. St. Onge with Mr. Belcher.
Mr. Fountain with Mr. Kuykendall.
Mr. Aspinall with Mr. Utt.
Mr. Corman with Mr. Broomfield.
Mr. Mills with Mr. Thomson of Wisconsin.
Mr. Hays with Mr. Pepper.
Mr. Holifield with Mrs. Heckler of Massachusetts.
Mr. Gallagher with Mr. Berry.

Mr. Evins of Tennessee with Mr. Gurney.
Mr. Delaney with Mr. Wiggins
Mr. Edmondson with Mr. Chamberlain.
Mr. Moss with Mr. Nelsen.
Mr. Stephens with Mr. Johnson of Pennsylvania.
Mr. Flynt with Mr. Martin.
Mr. Evans of Colorado with Mr. Kyl.
Mr. Landrum with Mr. Resnick.
Mr. Clark with Mr. Olsen.
Mr. Boland with Mr. Reinecke.
Mrs. Hansen of Washington with Mr. Charles M. Wilson.
Mr. Edwards of Louisiana with Mr. Macdonald.
Mr. Shipley with Mr. Schwengel.
Mr. Fulton of Tennessee with Mr. Conyers.
Mr. Udall with Mr. Herlong.
Mr. Wright with Mr. Willis.
Mr. Rivers with Mr. Reuss.
Mr. Abbitt with Mr. Rooney of Pennsylvania.
Mr. Fuqua with Mr. Purcell.
Mr. Andrews of Alabama with Mr. McEwen.
Mr. Hardy with Mr. Mailliard.
Mr. Bingham with Mr. Keith.
Mr. Downing with Mr. Howard.
Mr. Hungate with Mr. Sikes.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in connection with the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

GRANTING MASTERS OF VESSELS CERTAIN LIENS—CONFERENCE REPORT

Mr. GARMATZ submitted a conference report and statement on the bill (H.R. 162) to grant the masters of certain U.S. vessels a lien on those vessels for their wages and for certain disbursements.

EXEMPTING CERTAIN PROPERTY FROM TAXATION

Mr. McMILLAN. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 9606) to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia, and ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from the further consideration of the bill and that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the bill, as follows:

H.R. 9606

***Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That Public Law 299, Eighty-first Congress, first session, approved September 7, 1949 (63 Stat. 694, ch. 564) appearing in the District of Columbia Code, 1961 edition, as section 27 801a 2, be and the same is hereby amended by adding a new sentence at the end thereof as follows: "There shall also be exempt from taxation upon the same terms and conditions the adjoining property owned by the National Society of the Colonial Dames of America, now designated on the records of the Assessor of the District of Columbia as Lots 13 and 14 in Square 1285, together with any improvements which may hereafter be erected thereon by said National Society of the Colonial Dames of America."**

SEC. 2. This amendment shall be effective for the tax year commencing July 1, 1967.

With the following committee amendments:

On page 1, line 6, strike out "27–801a–2" and insert in lieu thereof "47–801a–2".

On page 2, line 2, strike out "Lots 13 and 14" and insert in lieu thereof "Lots 813 and 814".

On page 2, strike out lines 5 and 6, and insert in lieu thereof:

"SEC. 2. This amendment shall apply with respect to taxable years beginning after June 30, 1968."

The amendments were agreed to.

Mr. GROSS. Mr. Speaker, I move to strike the last word.

The SPEAKER. The gentleman from Iowa is recognized.

Mr. GROSS. Mr. Speaker, I have one question to ask the gentleman from South Carolina in respect to this bill and the one to succeed it, which I assume will be called up, giving tax exemption to certain organizations in the District of Columbia. I am wondering where the report of the Commissioners of the District of Columbia may be found. There is nothing in the report to indicate the attitude of the District government with respect to these tax exemptions.

Mr. McMILLAN. It amounts to about $3,500.

Mr. GROSS. There are no reports from the District government with respect to these bills.

Mr. McMILLAN. We know it is the custom for the District Commissioners to oppose this kind of legislation.

Mr. GROSS. They do oppose these bills, is that correct?

Mr. McMILLAN. That is correct.

Mr. GROSS. You do not ask for their attitude or their sentiments with respect to them?

Mr. McMILLAN. We do not feel that either the National Government or the District government should tax charitable organizations.

Mr. GROSS. Mr. Speaker, I thank the gentleman for his forthright answers and yield back the balance of my time.

The SPEAKER. The question is on the engrossment and the third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. McMILLAN. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks in the RECORD prior to the passage of each of the District of Columbia bills.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

RECORDATION OF JUDGMENTS OR DECREES OF THE U.S. DISTRICT COURT FOR THE DISTRICT OF COLUMBIA

Mr. WHITENER. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 1227) to provide that a judgment or decree of the U.S. District Court for the District of Columbia shall not constitute a lien until filed and recorded in the office of the Recorder of Deeds of the District of Columbia, and for other purposes, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

S. 1227

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (a) of section 15–101 of the District of Columbia Code is amended to read as follows:

"Except as provided by subsection (b) of this section, every final judgment or final decree for the payment of money rendered in the—

"(1) United States District Court for the District of Columbia; or

"(2) District of Columbia Court of General Sessions—

when filed and recorded in the office of the Recorder of Deeds of the District of Columbia, is enforceable, by execution issued thereon, for the period of twelve years only from the date when an execution might first be issued thereon, or from the date of the last order of revival thereof."

SEC. 2. (a) Subsection (a) of section 15–102 of the District of Columbia Code is amended to read as follows:

"(a) Each—

"(1) final judgment or decree for the payment of money rendered in the United States District Court for the District of Columbia, or the District of Columbia Court of General Sessions, from the date such judgment or decree is filed and recorded in the office of the Recorder of Deeds of the District of Columbia, and

"(2) recognizance taken by the United States District Court for the District of Columbia, or the District of Columbia Court of General Sessions, from the date the entry or order of forfeiture of such recognizance is filed and recorded in the office of the Recorder of Deeds of the District of Columbia, shall constitute a lien on all the freehold and leasehold estates, legal and equitable, of the defendants bound by such judgment, decree, or recognizance, in any land, tenements, or hereditaments in the District of Columbia, whether the estates are in possession or are reversions or remainders, vested or contingent. Such liens on equitable interests may be enforced only by an action to foreclose."

SEC. 3. Section 15–311 of the Dictrict of Columbia Code is amended to read as follows:

"§ 15–311. Property subject to levy

"The writ of fieri facias may be levied on all goods and chattels of the debtor not exempt from execution, and upon money, bills, checks, promissory notes, or bonds, or certificates of stock in corporations owned by the debtor, and upon his money in the hands of the marshal or his deputy or other officer or person charged with the execution of the writ. A writ of fieri facias issued from the United States District Court for the District of Columbia or the District of Columbia Court of General Sessions upon a judgment entered in such court may be levied on all legal leasehold and freehold estates of the debtor in land, but only after such judgment has been filed and recorded in the office of the Recorder of Deeds of the District of Columbia."

With the following committee amendment:

On page 4, after line 3, add the following new section:

"SEC. 4. (a) The amendments made by the first section and section 2 of this Act shall apply only with respect to judgments or decrees rendered in, or recognizances declared forfeited by, the United States District Court for the District of Columbia on and after January 1, 1968.

"(b) The amendment made by section 3 of this Act shall apply only with respect to writs of fieri facias issued by the United States District Court for the District of Columbia on and after January 1, 1968."

The committee amendment was agreed to.

Mr. HALL. Mr. Speaker, I move to strike the requisite number of words.

Mr. Speaker, I shall not take the 5 minutes, but I simply wish to ask the distinguished gentleman handling the bill for the majority, why in his opinion a lien should not be acted on after judgment is obtained before it is recorded in the court of general sessions of the District, any more than it should not require recording in other States of the Union? I have no objection to this. I understand the bill wants to bring it in conformity with the other courts, including the District Court of the United States in the District of Columbia, but why is it necessary that a lien be recorded before it can be acted upon?

Mr. WHITENER. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from North Carolina.

Mr. WHITENER. Mr. Speaker, is the gentleman suggesting that there is some jurisdiction in this country where a judgment is acted on before it is recorded?

Mr. HALL. Mr. Speaker, once a judgment has been rendered in my home State, it becomes a lien upon the real estate of the defendants located in the county in which the judgment is rendered. In this situation the judgment dates from the rendition without further proceeding.

Mr. WHITENER. I will say to the gentleman, I would be greatly shocked if that were true, because I know of no jurisdiction where a judgment can be acted on before it is recorded.

Mr. HALL. Mr. Speaker, I will ask the gentleman whether, up until this time, and the time that the legislation goes into effect, that situation has not existed, and, if so, why it has not existed?

Mr. WHITENER. Under the present situation in the District of Columbia, the judgment rendered by the court of general sessions becomes a lien when it is recorded in the Office of the Recorder of Deeds—the docketing office—and that enactment of that legislation overlooked that a judgment in the District Court of the District of Columbia was not included in the legislation, so this bill is simply a bill to provide that a judgment in the U.S. District Court of the District of Columbia shall be treated the same as one in the court of general sessions, and become a lien and subject to execution upon its being recorded in the Office of the Recorder. There is nothing new about the principle of the legislation. It merely brings the procedural steps in line between the court of general sessions and the U.S. district court.

Mr. HALL. That is exactly my question. In other words, as stated in the first paragraph on page 2, the second sentence:

> However, the same recordation requirement does not apply respecting the final judgments, decrees, and forfeited recognizances of the U.S. District Court.

Mr. WHITENER. That is right.

Mr. HALL. So up until this time that has not been required?

Mr. WHITENER. Exactly correct.

Mr. HALL. But still the gentleman says he would be amazed if there are other States of the Union or territories?

Mr. WHITENER. No, the gentleman has misconstrued what I said.

Mr. HALL. Will the gentleman please inform my nonlegally trained mind what is the difference?

Mr. WHITENER. Under this proposed legislation, the judgment will be docketed in the Office of the Recorder of Deeds rather than the clerk of the district court for lien purposes, and it is in the Office of the Recorder of Deeds, where mortgages and other encumbrances are now recorded. It is that same office where judgments from the court of the general sessions in the District of Columbia are now docketed. It merely brings about uniformity.

Mr. HALL. In other words, this is conforming legislation?

Mr. WHITENER. That is correct.

Mr. BYRNES of Wisconsin. Mr. Speaker, I move to strike the requisite number of words.

(By unanimous consent Mr. BYRNES of Wisconsin was granted permission to speak out of order.)

DOES THE PRESIDENT REALLY WANT A TAX INCREASE?

Mr. BYRNES of Wisconsin. Mr. Speaker, is the President really serious in his request for a tax increase? Or is he looking for a scapegoat—an issue to cover up the financial crisis for which his administration is responsible?

The closer the day of reckoning comes, and it is near at hand, the more frantic becomes the President's effort to blame the crisis upon somebody else.

The deficit for this year may well be $30 billion, and the deficit for next year could well rise to $35 to $40 billion. The basic reason for such deficits is not hard to find. They should come as no surprise to anyone.

All one need do is look to the Great Society programs enacted in 1965, 1966, and 1967.

Our memories should not be so short that we cannot remember the explosion of new programs enacted and funded with little concern for the original or long range cost. They were enacted by overwhelmingly Democratic Congresses and all under the constant pressuring, pushing and pulling of the President. This was the Great Society.

But now the day of reckoning is at hand. We are beset by the twin evils of inflation and tight money. There is a very serious threat that they will become worse in the days ahead. A scapegoat must be found.

So the Nation is told that all these ills will disappear—our fiscal problems will disappear—if only Congress will increase taxes. So the Nation is told that the suffering which will come from inflation and tight money will be responsibility of Mr. MILLS, Mr. BYRNES and the Ways and Means Committee for their failure to support the tax increase.

The responsibility and the failure is not in the Ways and Means Committee. The responsibility and failure is in the White House.

The President repeatedly gives lipservice to the need for that tax increase but his actions and attitudes are in direct conflict with the achievement of that objective. He has created a credibility canyon. I now question whether he really wants an increase.

The President requested such an increase in his budget message of last January. For 7 months, the administration hemmed and hawed and retreated. It was not until August that they finally submitted the details of an increase. The Ways and Means Committee immediately scheduled hearings and consideration of the measure.

It soon became clear to the overwhelming majority of the committee that the proposed increase would not be temporary and would be of questionable immediate and long range effectiveness unless major retrenchments were made in the Federal expenditures planned, requested and promoted by the administration. The vast preponderance of testimony before the committee was that a tax increase, if enacted, must be accompanied by a cut back in spending plans and a program for future control of expenditures.

Let this be crystal clear.

The President has been adamant in his unwillingness to provide assurances in which the committee or the country could have confidence that appropriate spending reductions would be made.

Instead his administration has provided reams of testimony as to why substantial reductions in spending could not be made and, almost without exception, his administration has kept up constant pressure for every program and every dollar requested in the January budget. Proposals to establish a spending ceiling have been opposed at every turn by the administration.

Through the months it has been made clear by the Chairman, by me and by the majority of the Ways and Means Committee members that an essential ingredient to consideration of a tax increase is expenditure reduction and control.

It is the President who is thwarting the consideration of the tax bill he says he wants. He is doing so by his uttter failure to cooperate in achieving the one thing we must have to get it.

The Ways and Means Committee has not turned thumbs down on considering a tax increase. Let this be clear. What the committee did do is to defer consideration "until such time as the President and the Congress reach an understanding on the means of implementing more effective expenditure reduction and control."

To date every effort to reach such an accommodation has been opposed by the administration.

I ask again.

Does the President really want a tax increase or does he only want a scapegoat for the crisis his policies have brought upon us?

Mr. WHITENER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WHITENER. Mr. Speaker, the purpose of S. 1227, as amended, is to provide that the same recordation requirements shall apply to liens established by final judgments or decrees rendered, and recognizances declared forfeited, by the U.S. District Court for the District of Columbia, hereinafter referred to as the "U.S. district court," and the District of Columbia court of general sessions, hereinafter referred to as the "court of general sessions."

NEED FOR THE LEGISLATION

At present, a final judgment or decree of, or a recognizance declared forfeited by, the court of general sessions does not become a lien on interests in real property until it is filed and recorded in the office of the Recorder of Deeds of the District of Columbia. However, the same recordation requirement does not apply respecting the final judgments, decrees, and forfeited recognizances of the U.S. district court. Under present law, such judgments, decrees, and forfeitures become liens on interests in real property without any necessity for their recording elsewhere than in judgment docket of that court. Thus, a person desiring to determine whether a lien exists against a particular parcel of land must research both the records maintained in the office of the Recorder of Deeds of the District of Columbia and the judgment docket in the U.S. district court.

The effect of S. 1227 will be to establish the same recordation requirements for the final judgments, decrees, and forfeited recognizances of both the U.S. district court and the court of general sessions.

The land records of the District of Columbia are in the custody of and are maintained in the office of the Recorder of Deeds. The bill is intended to centralize the recordation in that office of liens affecting such land based on final judgments, decrees, and forfeitures rendered or declared by both of the courts. The bill is also intended to serve the public convenience by eliminating the present need to search two sets of records at different locations in order to determine whether such a lien exists.

To accomplish the foregoing objectives, the bill would amend sections 15-101, 15-102, and 15-311 of the District of Columbia Code to provide, first, that every final judgment or final decree for the payment of money rendered in the U.S. district court shall be enforceable by execution thereon when filed and recorded in the office of the Recorder of Deeds of the District of Columbia; second, that such judgments or decrees and each recognizance taken and forfeited by that court shall constitute a lien on interests in real property from the date it is filed and recorded in the office of the said Recorder of Deeds; and third, that a writ of fieri facias—writ of execution—issued from the U.S. district court upon a judgment entered in that court may be levied on such estates of the debtor in land only after the judgment has been filed and recorded in the office of the Recorder of Deeds.

This bill was passed by the Senate on June 13, 1967.

The amendment to this bill adopted by our committee is to assure that the amendments made by the bill shall not apply to any judgments or decrees rendered in the U.S. District Court for the District of Columbia prior to January 1, 1968.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, at this time I yield to the gentleman from New York [Mr. MULTER], to call up bills from his subcommittee.

EXEMPTING FROM TAXATION PROPERTY OF THE B'NAI B'RITH HENRY MONSKY FOUNDATION

Mr. MULTER. Mr. Speaker, I call up the bill (H.R. 12019) to exempt from taxation certain property of the B'nai B'rith Henry Monsky Foundation in the District of Columbia, and ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from the further consideration of the bill and that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

H.R. 12019

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (1) the real property in the District of Columbia which is described as lot 69 in square 182 in the records of the office of the surveyor of the District of Columbia and which is owned by the B'nai B'rith Henry Monsky Foundation, an agency of B'nai B'rith, and (2) any improvements on such real property and any furnishings in such improvements, shall be exempt from all taxation so long as (A) the real property is owned and occupied by B'nai B'rith or any of its agencies and is not used for commerical purposes, and (B) the provisions of sections 2, 3, and 5 of the Act entitled "An Act to define the real property exempt from taxation in the District of Columbia", approved December 24, 1942 (D.C. Code, secs. 47-801b, 47-801c, and 47-801e) are complied with.

With the following committee amendment:

On page 2, add the following new section:

"SEC. 2. This Act shall apply with respect to taxable years beginning after June 30, 1968."

The committee amendment was agreed to.

Mr. HALL. Mr. Speaker, I move to strike the last word.

I wonder if the gentleman can tell us, first, whether this is in fact a national organization of the B'nai B'rith receiving this special tax treatment in the District of Columbia?

Mr. MULTER. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from New York.

Mr. MULTER. The answer is, "Yes."

Mr. HALL. Second, does the gentleman have information available for the House about the type of business improvements which might be built on this property?

Mr. MULTER. The answer to the gentleman's question is that there will be no business property of any kind whatsoever built upon this property. The fact is, this organization has its tax exemption on the building it now occupies immediately adjoining, and would have it on this, if the bill passes, only so long as this property is not used for commercial purposes of any kind whatsoever.

Mr. HALL. I am sure the gentleman knows, along with me, that at the present time the Internal Revenue Service, by regulation, is interesting itself in this subject. Indeed, I believe legislative hearings may be held by this and the other body concerning the possibility of nonprofit and tax-exempt organizations, including religious and other educational and charitable institutions, possibly needing to be taxed not only with property taxes in a certain area but in other ways as they subrogate some of their activities to other than the original educational or spiritual purpose. It was for this reason I asked the assurance of the gentleman, which is quite satisfactory to me.

Mr. MULTER. If the gentleman will yield further, I am happy to tell him this is one of those few organizations which regularly files its information returns with the Internal Revenue Service. This particular organization expends more than 96 percent of all its income for educational, religious, and charitable purposes, using the balance for administration purposes.

Mr. HALL. I believe that some of this is ordinarily known, Mr. Speaker, as "soft money" for educational, charitable, or other purposes. Would the gentleman advise us whether much of that money raised for this purpose leaves the country?

Mr. MULTER. None of the money leaves the country. I must say to the gentleman that much of the work of B'nai B'rith is in the purchasing of books and motion pictures, of an entertainment kind, which are sent to our soldiers and armed services overseas, as well as throughout this country. They render in part the same service to our armed services as does the USO. Except to that extent, and except to the extent that they do also some of the work of the American Red Cross, and participate with them in supplying the things the American Red Cross uses in rendering its services, none of the money or property purchased by them leaves the country.

Mr. HALL. Would this same USO type or Red Cross type of activity apply also to the other so-called or currently thought of friendly nations overseas?

Mr. MULTER. I am happy to advise the gentleman it applies in the same manner. There has been distribution to our soldiers in Vietnam.

Mr. HALL. It is not limited to U.S. forces overseas?

Mr. MULTER. It is primarily limited to U.S. forces overseas.

Mr. HALL. I thank the gentleman.

Mr. MULTER. Mr. Speaker, the purpose of H.R. 12019 is to exempt from taxation certain real property in the District of Columbia, as well as any improvements on this property and any furnishings in such improvements, owned by the B'nai B'rith Henry Monsky Foundation.

BACKGROUND OF LEGISLATION

Public Law 77–846, approved December 24, 1942 (56 Stat. 1089), as amended the following year by Public Law 78–29 (57 Stat. 61), is the general statute pertaining to real estate tax exemptions in the District of Columbia. This act provides tax exemption for all properties belonging to the United States or the District of Columbia governments, as well as to certain real properties in such categories of ownership as religious organizations, hospitals, schools operated not for profit, cemeteries, et cetera. Also, this general statute provides tax exemption for the real properties of 10 specific organizations in the District which are not among the general categories referred to above. These 10 properties have a total value of $32,889,976, and their exemptions represent a tax loss to the District of Columbia of some $953,809 per year.

In addition, 33 other organizations have been granted exemption from District of Columbia real estate taxation on an individual basis by special acts of Congress. Of this number, nine would be qualified for exemption under the general statute referred to above, but had been granted exemption by special legislation prior to the date of enactment of the general statute.

Thus, tax exemption has been granted on the properties of 24 organizations in the District which would not qualify for such exemption under the general statute, but which the Congress from time to time has deemed to deserve such exemption by reason of the philanthropic nature of their purposes and their work. The total value of these properties is presently $22,798,577, and the resulting tax loss to the District is $661,159 per year.

One of these properties is the B'nai B'rith Henry Monsky Foundation's headquarters, located at 1640 Rhode Island Avenue NW. This property is valued at $1,126,680 and was exempted from taxation by Private Law 85–220 (71 Stat. A85), approved August 28, 1957.

PROVISION OF THE BILL

H.R. 12019 seeks to exempt from District of Columbia real estate taxation a property described as lot 69 in square 182 and known as 1632 Rhode Island Avenue NW. This property was acquired by the B'nai B'rith Henry Monsky Foundation on June 5, 1967, and adjoins the present B'nai B'rith headquarters. It is assessed at $47,650 and the present tax is $1,381.86 per year.

This newly acquired property is to be a part of B'nai B'rith headquarters, and will be used solely for the nonprofit religious, charitable, and educational activities of the foundation.

Under the provisions of the bill, this property and any improvements which the foundation may add thereto, as well as any furnishings in such improvements, will be exempt from taxation as long as it is owned and occupied by B'nai B'rith and is not used for commercial purposes.

HISTORY AND WORK OF THE FOUNDATION

B'nai B'rith, which is Hebrew for "Sons of the Covenant," was founded on October 13, 1843. It is America's oldest Jewish organization, and in fact is one of this country's oldest national organizations.

B'nai B'rith has operated for a century and a quarter solely as a religious, educational, and service organization. In keeping with the provisions of its constitution, the mission of the organization involves three basic programs, as follows:

First. Religious: B'nai B'rith conducts Hillel Foundations on more than 250 college campuses to provide for the religious life and education of Jewish students. In staffing these centers, B'nai B'rith became the largest employer of rabbis in the world. B'nai B'rith also sponsors chairs of Judaic studies at a number of universities. The B'nai B'rith Youth Organization works with Jewish boys and girls of high school age with the objective of promoting understanding of and loyalty to Jewish religious values. The same objective is served by the department of adult Jewish education, which conducts seminars and institutes of Judaism around the country as part of B'nai B'rith year-round program of adult education.

Second. Educational: In addition to direct religious education, B'nai B'rith, through its antidefamation league, conducts extensive educational programs designed to promote respect for religious liberty and to counteract prejudice and discrimination. The league has won commendations for its efforts from Presidents Eisenhower, Truman, Kennedy, and Johnson, and from leading universities. Its educational materials—books, films, pamphlets—are used in thousands of schools and churches in all sections of the country.

A program of vocational guidance makes its research findings available not only to Jewish youth, but to educators and government agencies generally. An active program in Americanism is carried on by B'nai B'rith with a view to helping immigrants obtain a better understanding of the American way of life, so that they may ultimately become better citizens.

The B'nai B'rith headquarters building houses an art gallery, library, and exhibit hall, all of which are open to the public daily except Saturday, without admission charge. They offer educational facilities in the field of American Jewish history not available elsewhere in the District. The exhibits tell the story of the more than 300-year-old history of Jews and Judaism in the United States and their contributions to the development and growth of our country.

Third. Charitable: Even before the great American Red Cross came onto the American scene, B'nai B'rith was engaged in a program of aid—on a nonsectarian basis—to the victims of natural disasters. For this purpose, B'nai B'rith maintains a special emergency relief fund to which every male member of B'nai B'rith contributes. To mention only a few early instances of such aid: in 1868 B'nai B'rith raised funds for flood victims in Baltimore; in 1871 it sent $50,000 to the victims of the Chicago fire; and in 1900 $26,000 was raised for the victims of the Galveston flood. More recently, aid was extended to flood victims in Mankato, Minn., in 1965; tornado victims in Topeka, Kans., in 1966; the victims of Hurricane Betsy in New Orleans, in 1965; and only last month, a rehabilitation fund was established to aid those who were left homeless in the south Texas area by Hurricane Beulah.

A significant part of B'nai B'rith's tradition of community service is the establishment and support of orphanages, homes for the aged, and hospitals. An orphans' home was founded in New Orleans in 1855; another in Atlanta, Ga., in 1889; a third in San Francisco in 1872. In 1868, an orphans' home was opened in Cleveland—today it is a center for emotionally disturbed children. In 1927, a home for the aged was founded in Memphis.

Also, B'nai B'rith founded and still contributes to the support of a number of nationally famous nonsectarian hospitals; the National Jewish Hospital for Tuberculosis in Denver—1889—with its world-famous motto: "None may enter who can pay; none may pay who enter"; the Leo N. Levi Memorial Hospital in Hot Springs, Ark.—1914—for arthritis, which just completed with funds raised by B'nai B'rith a $550,000 wing for the treatment of children afflicted with arthritis and related ailments.

Another of B'nai B'rith's principal activities is its around-the-calendar program of aid to veterans and men and women in our Armed Forces. Thousands of B'nai B'rith men and women each year make personal visits to veterans hospitals and military installations.

A concern for the religious needs of their Christian friends has prompted thousands of B'nai B'rith men and women around the country each year at Christmas time, as part of an organized national B'nai B'rith program, to take over the duties of Christian personnel in military, veterans, and other hospitals, on police forces and other service institutions in order to make it possible for the latter to spend the Christmas holiday at home with their families.

In addition, as part of the B'nai B'rith program, B'nai B'rith men and women make countless gifts of playing cards, books, and cigarettes to servicemen, and hospitalized veterans. B'nai B'rith also has furnished television sets, bookmobiles, and musical instruments to hospitals and military installations for the recreational enjoyment of our veterans and servicemen. It has contributed ambulances, money, and clothing to the Red Cross, and has taken a leading role in providing blood donors for the Red Cross blood bank. This year alone, B'nai B'rith has sent more than 700,000 books to American servicemen in veterans' hospitals and military installations in the United States and abroad, including some 250,000 to our troops in Vietnam. B'nai B'rith has also collected for distribution to Jewish soldiers in Vietnam ceremonial objects and other religious accessories needed to celebrate major Jewish holidays.

Its extensive program of war service has earned for B'nai B'rith many citations and the first awards given by the Army and Navy to any civilian organization in World War II. The Army award was presented to B'nai B'rith by Gen. Dwight D. Eisenhower, Chief of Staff. In making the award, General Eisenhower spoke of the "unselfish service of the men and women of B'nai B'rith," adding "no one will ever know how much these services did in keeping high the morale of the Armed Forces during the terrible days of this war."

EXEMPTION FROM OTHER TAXES

B'nai B'rith's character as a nonprofit religious, charitable, and educational organization is officially acknowledged by the Internal Revenue Service. B'nai B'rith enjoys tax-exempt status for all of its programs. Indeed, virtually all of B'nai B'rith programs enjoy the additional status of being tax-deductible under section 501(c)(3) of the Internal Revenue Code as religious, charitable, or educational; and 96 percent of its funds are spent nationally for such programs. The other 4 percent of national expenditures—also tax exempt—go for auxiliary administrative operations and other educational and charitable programs, such as adult Jewish education, and disaster relief.

Our committee is informed that B'nai B'rith sought to acquire this additional property at the time it established its present headquarters building, but the owner preferred to wait until his retirement before selling. B'nai B'rith, therefore, constructed its headquarters around the subject property, which offers the only possible space for enlarging and enhancing the foundation's seat of activities.

It is the opinion of our committee that the long and distinguished record of human service which is the history of this great charitable organization, amply justifies the tax exemption which H.R. 21019 will grant this addition to their headquarters.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. MULTER. Mr. Speaker, I ask unanimous consent to revise and extend my remarks on three District bills.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

AUTHORIZE CERTAIN BUILDINGS FOR CHANCERIES

Mr. MULTER. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 13402) authorizing the use of certain buildings in the District of Columbia for chancery purposes and ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from the further consideration of the bill and that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

H.R. 13402

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) paragraph (1) of section 2 of the Act of October 13, 1964 (D.C. Code, sec. 5–418a(1)), is amended by inserting immediately after "such building" the following: "(A) for which a contract had been entered into during the period beginning January 1, 1963, and ending on the date of the enactment of this Act to sell such building for use as a chancery, or (B)".

(b) Section 4 of such Act (D.C. Code, sec. 5–418c) is amended by inserting immediately after "(D.C. Code, sec. 5–418)" the following: "or paragraph (1) of section 2 of this Act".

With the following committee amendment:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That (a) paragraph (1) of section 2 of the Act of October 13, 1964 (D.C. Code, sec. 5–418a(1)), is amended by inserting immediately after 'such building' the following: '(A) for which negotiations had been entered into with a foreign government before the date of the enactment of this Act to sell such building for use as a chancery, which negotiations resulted in the making of a contract on or before June 1, 1965, with such government to sell such building for such use or (B)'.

"(b) Section 4 of such Act (D.C. Code, sec. 5–418c) is amended by inserting immediately after '(D.C. Code, sec. 5–418)' the following: 'or paragraph (1) of section 2 o this Act'."

The committee amendment was agreed to.

Mr. GROSS. Mr. Speaker, I move to strike the necessary number of words.

Mr. Speaker, as I understand it, this is the first of three bills on the general subject of the chanceries in the District of Columbia.

Mr. MULTER. That is correct.

Mr. GROSS. I would like to refer, since it is a related bill, to the language in House Report No. 907 to accompany H.R. 13401, which I assume will be called up this afternoon. I was interested to read on page 2 of that report the following:

> On August 20, 1957, the Commissioners of the District of Columbia issued order No. 57–1619 relating to "Compliance by Foreign Governments with D.C. Regulations" which order stated—". . . it is hereby ordered that, on and after October 1, 1957, all construction, alteration, repair or conversion of buildings in the District of Columbia by or for use and occupancy of any foreign government, shall be accomplished under appropriate construction permits for such work, issued by the government of the District of Columbia."

The report of the District of Columbia Committee then says:

The record indicates that shortly thereafter the Commissioners of the District of Columbia must have been advised that certain foreign governments had acquired title to real property and other foreign governments were in the process of acquiring legal title to property for the purpose of erecting buildings for use as chanceries.

My question of the gentleman is this: Can it be possible that the Commissioners of the District of Columbia issued such an order without making any provision for the foreign governments that had acquired, leased, or were using the properties for chanceries; without taking any consideration of their investments and use? Can this be possible? Is that what this report is saying?

Mr. MULTER. I regret to advise the gentleman that these things are possible. I do not pretend to say that they did happen. I do not know what went on in the Commission's office, but the purpose of these three bills is to correct and remove inequities. This is the interpretation of the intent. We are trying to give to these chanceries or to these foreign governments the right to erect chanceries which were in process or which were being negotiated for or which had contracts which were then being consummated or which had actually acquired property and proceeded to erect or were even in the course of construction.

That is right.

Mr. GROSS. To me it is incredible that the District Commissioners would issue and make an order effective in the District of Columbia without having determined or having known what was actually going on with respect to this chancery situation, in whole or in part. However, I want to commend the committee for this particular legislation. I think it is badly needed.

Mr. BROYHILL of Virginia. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. Mr. Speaker, just to add emphasis to the fact that this will make no change whatsoever insofar as permitting the occupation of the chancery after 1964 is concerned, let me make it clear that this is designed to correct an inequity with reference to those transactions that were in somewhat of a gray zone or twilight zone in 1960 to the effect that nothing would happen in the neighborhoods involved after 1960.

Mr. MULTER. Mr. Speaker, there may

be 100 chanceries in the District of Columbia, but I think less than five involved in these mistakes are oversights that we are now attempting to correct by the passage of these bills.

Mr. GROSS. I do not understand why the Commissioners would deliberately contrive this inequity.

Mr. MULTER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PURPOSE OF H.R. 13402

Mr. MULTER. Mr. Speaker, the purpose of H.R. 13402 is to amend the act of October 13, 1964 (78 Stat. 1091; D.C. Code, title 5, sec. 418a(1)), approved by the 88th Congress to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia. The bill is reported with an amendment which strikes out all language after the enacting clause. Paragraph (a) of the amendment proposed by H.R. 13402 provides an additional limited exception to the law governing chancery use of real property zoned for residential purposes. Paragraph (b) corrects a technical error in the act.

BACKGROUND

Prior to enactment of the Chancery Act of 1964, there was no statutory requirement relating to the location of chanceries within the District of Columbia. Difficulties arose when foreign governments applied for chancery use of property located in areas otherwise used exclusively for residential purposes. Proponents of the legislation desired to preserve the residential character of such neighborhoods and to preserve good relations with the representatives of foreign governments.

Provisions of the Chancery Act included a prohibition against location of a chancery in an area zoned for residential use, and, at the same time, protected existing rights established under law by previous use of property for chancery purposes.

Experience under the act has indicated certain inequities. A particular hardship arises when the owner of property finds himself precluded from securing approval for chancery use of property which peculiarly adapts itself to such use, in an area predominantly used for chancery and similar purposes, and which was the subject of negotiations for chancery use prior to the effective date of the Chancery Act.

An example of the inequity of such a situation concerns improved real property located in a Massachusetts Avenue area which is zoned for residential use, but which is predominantly chancery, embassy, and other similar use. The present owners acquired the property in 1962. It had for the 10 years previous been used for commercial purposes, pursuant to a properly issued certificate of occupancy. This zoning variance was terminated immediately prior to the present owners' acquisition of the subject property upon termination of the lease by the business and because of building deficiencies. The present owners began extensive repairs and remodeling to the building in late 1962. Thereafter they entered into negotiations with a foreign government for sale of the property for chancery use, subject to approval of such use by the zoning board. By August 1964, the parties had reached a tentative agreement with the Washington representatives of the foreign government. Because the principals were separated by great distance, negotiations were continued for some period of time, culminating in a contract in the spring of 1965. In the meantime, the Chancery Act had become effective on October 13, 1964.

The owners made proper application for chancery use of the subject property, submitting in support thereof a statement by owners and occupants of the area indicating no objection to such use. The application was denied. In its opinion, the Board of Zoning Adjustment, District of Columbia, noted that the Chancery Act "clearly prohibits constructing, altering, repairing, converting, or occupying a building for use as a chancery, in any residential district, except the medium-high density (R–5–C) and the high density (R–5–D) apartment house districts (and then only) provided Board of Zoning Adjustment approval is received."

Rezoning of the area to accommodate the property to chancery use would not be desirable inasmuch as such rezoning would destroy the character of the neighborhood by permitting the construction of apartment house developments.

The owners now hold property in an area zoned for residential use and find that such use is incompatible with uses of other property. They are unable to dispose of the property for residential purposes at a normal market value for such use, and cannot meet the terms of the contract which would result in compatible use. The foreign government still wants to secure the property for chancery use.

ANALYSIS OF THE BILL

The terms of the Chancery Act prohibit the location of a chancery in an area zoned for residential use; the only exception included in the law relates to property which had been used as a chancery under law prior to the effective date of the Chancery Act. H.R. 13402 provides an additional exception to cover cases wherein negotiations were begun prior to the effective date of restrictive legislation, that is, October 13, 1964, and which culminated in a contract of sale prior to June 1, 1965.

Section (b) of H.R. 13402 amends section 4 of the Chancery Act of 1964 (D.C. Code, title 5, sec. 418c) relating to the transfer of property, subject to lawful chancery use, from one foreign government to another. Present law limits the transfer of such use to those properties which conform to the general rule for location of chanceries pursuant to the Chancery Act or which complied with applicable law at the time of enactment of the Chancery Act. Section (b) amends this right of transfer to include also property which is granted a chancery use under one of the exceptions to the general requirements of the Chancery Act, so that such use may be transferred to or used by another foreign government.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMEND CHANCERIES ACT TO CLARIFY AGREEMENTS WITH THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

Mr. MULTER. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 13401) to authorize certain foreign governments to proceed with their plans for chanceries in the District of Columbia in accordance with their agreement with the government of the District of Columbia entered into in 1958, and ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from the further consideration of the bill and that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. PRICE of Illinois). Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

H.R. 13401

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, notwithstanding section 6(c) of the Act of June 20, 1938 (D.C. Code, sec. 5–418(c)), and the provisions of sections 2 and 4 of the Act of October 13, 1964 (D.C. Code, sec. 5–418a, 5–418c), any foreign government listed in Departmental Administrative Order Numbered 37 issued by the Department of Licenses and Inspections of the government of the District of Columbia on February 17, 1958 (and any amendment to that order made before October 13, 1964), may construct, expand, alter, repair, convert, or occupy any building for use as a chancery, on the real property that is listed next to the name of the foreign government in such order (and any amendment to such order made before October 13, 1964), and such building may be transferred for use as a chancery, if the Board of Zoning Adjustment determines that—

(1) the foreign government will provide offstreet parking spaces at a ratio of not less than one such space for each twelve hundred square feet of gross floor area of such building;

(2) the height of such building does not exceed the maximum permitted in the district or zone in which it is located; and

(3) the architectural design and the arrangement of all structures and offstreet parking spaces on such real property are in keeping with the character of the neighborhood.

PURPOSE OF THE BILL

Mr. MULTER. Mr. Speaker, the purpose of this bill, H.R. 13401, is to clarify the intent of Congres as expressed in Public Law 88–659—78 Stat. 1091; District of Columbia Code, section 5–418a—hereinafter referred to as the Chancery Act of 1964, approved October 13, 1964, and as interpreted in House committee report 1727 of the 88th Congress which accompanied that legislation. In the course of hearings and as a guide in drafting the terms of the legislation which became the Chancery Act of 1964, your committee adopted and followed the policy that nothing in the legislation was to affect the right to use any property for chancery purposes where a lawful right of use existed on the date of enactment of that legislation. This policy was expressed as part of the Chancery Act of 1964 as a matter of justice and equity in harmony with the concept of law that a person may not be deprived of a property right without due process of law.

This bill relates to the problem of certain foreign governments which had acquired property for use for chancery purposes and which governments had a lawful right of use of such property for chancery purposes, including construction, alteration, and maintenance, as of the date of enactment of the Chancery Act of 1964. Interpretation of the Act by the District of Columbia government, subsequent to its effective date, has resulted in the opinion that Congress extinguished the lawful right of use acknowledged, in such opinions, to have existed on the effective date of the act.

ORIGIN OF THE PROBLEM

In 1957, the government of the District of Columbia had developed a revised body of zoning regulations which it proposed to make effective in 1958. At that time, and prior thereto, the governments of foreign nations could, as a matter of right, purchase or lease real property in any residential district of the District of Columbia for chancery use. The proposed new zoning regulations would discontinue this right and after the effective date require foreign governments to make applications to zoning officials and secure construction and occupancy permits on the same basis as any local citizen desiring to locate a comparable business operation in a residential area. Several months in advance of the effective date of the new zoning regulations, the Commissioners of the District of Columbia, in cooperation with the State Department, took steps to notify all foreign governments of the changes in the regulations.

COMMISSIONERS' ORDERS RELATING TO FOREIGN GOVERNMENTS

On August 20, 1957, the Commissioners of the District of Columbia issued order No. 57-1619 relating to "Compliance by Foreign Governments With District of Columbia Regulations," which order stated:

> It is hereby ordered that, on and after October 1, 1957, all construction, alteration, repair or conversion of buildings in the District of Columbia by or for use and occupancy of any foreign government, shall be accomplished under appropriate construction permits for such work, issued by the government of the District of Columbia.

The record indicates that shortly thereafter the Commissioners of the District of Columbia must have been advised that certain foreign governments had acquired title to real property and other foreign governments were in the process of acquiring legal title to property for the purpose of erecting buildings for use as chanceries. Amendments to the original order were issued by the Commissioners on September 19 and again on September 27, 1957, exempting such properties from the terms of the new zoning regulations. On December 31, 1957, the Commissioners issued a further amendment to the August 20, 1957, order applicable to all foreign governments except those foreign governments qualifying for the exemptions stated in previous amendments.

Paragraph 2 of this order reads as follows:

> 2. This order shall not be applicable to those foreign governments which on August 20, 1957, the date of promulgation of the original order, were the owners of the legal title to land acquired by such governments for the purpose of erecting thereon buildings for governmental purposes of such governments, or had, by August 20, 1957, in writing informed the Secretary of State of their intention to acquire certain specified land for such purpose, and which governments prior to November 15, 1957, through the Secretary of State, had formally advised the Director, Department of Licenses and Inspections, D.C., of intention to use such land.

EFFECT OF COMMISSIONERS' ORDER

As heretofore noted, prior to the revision of zoning regulations of the District of Columbia under authority delegated to the Commissioners by the Congress, foreign governments could as a matter of right acquire or use real property located in any residential district of the District of Columbia for chancery purposes. Such acquisition and use was exempt from zoning and other regulations. The language, intent, and effect of the Commissioners' order of August 20, 1957, as amended, was to preserve the lawful right of use of any property, acquired or in process of acquisition, to those foreign governments complying with the requirements of the order. When the revised zoning regulations became effective in 1958, those foreign governments which were not signatory to the Commissioners' order were required to comply fully with all regulations of the District of Columbia as to zoning and permits. Those foreign governments which were signatory to the order were exempt and many of them proceeded with occupancy of existing structures or construction of buildings on vacant land pursuant to the exemption provided in the order. The lawful right of use of real property, improved or unimproved, for the signatory nations was clearly established under the Commissioners' order. The land owned by some of these foreign governments is located in areas where chancery use is common at the present time.

A final revision and amendment to the Commissioners' order was issued on June 19, 1961. This revision cited the original order and amendments thereto and recited the applicability of the District of Columbia regulations to all buildings to be occupied by or used by foreign governments.

The amended order made applicable the following regulations:

Zoning regulations, the building code, the electrical code, the plumbing code, housing regulations, and the refrigerating and air-conditioning regulations. Thus, under the general provisions of the order no foreign government could proceed to use or to construct a building unless the appropriate permits required by regulations of the District of Columbia were secured in advance.

In paragraph 2 of the order, the exemption was fully preserved in language identical to the amended order of December 31, 1957.

DEPARTMENTAL ADMINISTRATIVE ORDER

The original order of August 20, 1957, and subsequent amendments led to the issuance of Departmental Administrative Order No. 37, issued on February 17, 1958. The Departmental Administrative Order referred to the terms of the previous order as amended requiring that foreign governments secure permits for all construction, alteration, repair, conversion, or occupancy of buildings in the District of Columbia. The order recognized the exemption of certain foreign governments as expressed in the following language:

> The order further provides that it shall not apply to certain foreign governments which had either acquired land or made a written declaration regarding the proposed construction by specified dates.

Thereafter, the order listed the street addresses, property descriptions, and the names of the foreign governments exempt from the provisions of the order. The list showed 21 foreign governments and 27 parcels of land involved.

It may be noted, according to information presented to your committee, that fewer than six of the foreign governments involved in this order have not used their privilege of construction, or still desire to exercise the right of the signatory nations. While nonsignatory nations were required to secure permits, the signatory nations were exempt from the requirement of securing permits. The legal effect of the exemption were essentially that of granting a blanket permit to every nation signatory to the order. The effect would have been the same as if the Commissioners had been required to issue to each of the foreign signatory nations a permit for the occupancy and use of improved real property or the construction of improvements on real property pursuant to the terms of the regulation. At no time, from the effective date of the Commissioners' order, as amended, was any signatory government challenged as to its right to use or improve the real property described, until the effective date of the Chancery Act of 1964. Neither prior to the effective date of that act, nor since has there been any challenge of the Commissioners' order questioning the right of lawful use of real property by the signatory foreign governments as of the date of enactment of the Chancery Act of 1964.

The lawful right of use extended to signatory foreign governments under the Commissioners' order appears to be something more than a nonconforming use as is commonly understood in zoning law. A nonconforming use relates to improvements on real property in an area not previously covered by zoning regulations or in a zoned area where zoning regulations are being revised and the use made of the improved or unimproved real property is not in conformity with the uses provided, in the new or revised zoning ordinances. Thus, a retail establishment, continuing its operation in an area after it is zoned for residential use only, becomes a nonconforming use. The retail establishment is permitted to retain the right to use the property which may be repaired and maintained but it may not be enlarged or expanded. Unimproved land in such area could be used for residential purposes only. In contrast, under the Commissioners' order, the right of use of both improved and unimproved real property for chancery purposes was preserved to those foreign governments listed.

The Commissioners' order does not appear to grant merely a right of nonconforming use to those signatory nations. The language of the order is much broader than the limits usually applying to nonconforming uses. The order specifically exempts improved and unimproved property of those foreign governments listed from all restrictions of the zoning laws and the building codes, as to construction, reconstruction, alteration or repair of any property, improved or unimproved. The essence of the Commissioners' order is that of continuing the right of use which existed for foreign governments prior to the effective date of the revised zoning regulations.

THE CHANCERY ACT OF 1964

The Chancery Act of 1964 approved October 13, 1964, as Public Law 88-659—78 Stat. 1091; District of Columbia Code, Section 5-418a—provided that no foreign government could construct, alter, repair, convert, or occupy any building for use as a chancery in the District of Columbia unless such use conforms to the limitations provided in that act. The provisions of the act not only designated certain zoning categories for chanceries but also set up certain requirements as to height, bulk, ground coverage, parking, and design to make such uses as compatible as possible with the general neighborhood.

The legislation had its origins in the Senate. Hearings on such proposals had been conducted by the Senate Committee on Foreign Relations in the 87th Congress without any action and similar legislation was the subject of hearings before the Senate Committee on the District of Columbia in the 88th Congress. When the Senate passed bill—S. 646—was referred to the House Committee on the District of Columbia, hearings were held and an extensive study of the chancery problem was conducted by your committee. As a result of the hearings and the study, your committee struck out all of the language of the bill after the enacting clause and completely rewrote the legislation. The District government interpretation of the Chancery Act of 1964 rests mainly on hearings and committee reports not related to the legislative text developed by your committee.

The committee report—House Report No. 1727, 88th Congress, second session—which accompanied the legislation explained in detail the purpose and intent of the legislation. Your committee recognized that the impact of such new law could be great upon the foreign governments owning or renting property for chancery use. It could affect pending contracts. It could affect the programs of foreign governments for enlargement or repair and maintenance of chancery property. It could affect the status of property formerly used as a chancery but presently vacant pending transfer to another foreign government. It could affect real property, improved or unimproved, depending upon the zoning and its potential for accommodation within the proposed requirements of law. To treat all foreign governments and all persons equally, the committee arrived at a statement of policy and intent which was set forth in a single sentence in the committee report, as follows:

> It is the specific intent that no existing lawful rights of use shall be affected by any provision of this bill.

Any other policy would have resulted in substantial inequities and hardships not only to foreign governments but to owners of property which had been or was being used for chancery purposes. A lawful use or lawful right of use could have been cut off in some cases and allowed to continue in others. The policy adopted by the committee could not adversely affect any foreign government or any private property owner. Any foreign government which had purchased land for the purpose of constructing a chancery and had not registered under the Commissioners' order of 1957, became subject to the new zoning regulations. Such government was required to secure permits and otherwise conform to all building and zoning regulations. Those foreign governments which were in compliance with the Commissioners' order of 1957 could exercise any right of use or real property which existed prior to the enactment of the Chancery Act of 1964.

As of the date of enactment of the Chancery Act of 1964, many of the foreign governments which complied with the Commissioners' order of 1957 had proceeded with the construction of chanceries. At the present time only six governments remain on the list. The effect of interpreting the intent of Congress as extinguishing the rights of such nations under the Commissioners' order is prejudicial to those nations remaining on the list. Thus, some nations were permitted to complete their chancery plans and other nations are denied the right to complete their plans. This results in a denial of equal opportunity under the law.

INTENT OF CONGRESS

The intent clearly expressed by your committee in its report does not make a distinction between the right of use of improved or unimproved property. The requirement of permits in the Chancery Act of 1964 was directed to those foreign governments who were required to secure permits by reason of the zoning regulations which became effective in 1958. Since the foreign governments which had qualified under the Commissioners' order of 1957 were fully exempt from the provisions of the 1958 zoning regulations, they had a lawful right to proceed without a permit. To construe that the Chancery Act of 1964 requires a permit of such nations is to deny a lawful right which existed prior to the enactment of the Chancery Act. No such purpose existed in connection with the enactment of that law.

This legislation removes any question as to the continuing right of foreign nations which qualified under the Commissioners' order of 1957 to use the real property purchased and identified in Departmental Administrative Order No. 37 of 1958 for the construction of chanceries.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMEND GRANDFATHER CLAUSE REGARDING LOCATION OF CHANCERIES

Mr. MULTER. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (H.R. 13403) to amend the act of October 13, 1964, to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia, and ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from the further consideration of the bill and that it be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

H.R. 13403

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 2 of the Act of October 13, 1964 (D.C. Code, sec. 5-418a), is amended by striking out the period at the end of paragraph (2) of that section and inserting in lieu thereof ", or" and by adding after that paragraph the following new paragraph:

"(3) the future or continued use of a building as a chancery or the making of ordinary repairs to such building if such building was used as a chancery contrary to any zoning law rule, or regulation at any time during the period beginning May 12, 1958, and ending October 13, 1964, without any written notice by the District or United States Government prior to October 13, 1964, to the owner or occupant of such building of the fact that such use was in violation of such law, rule, or regulation."

(b) Section 4 of such Act (D.C. Code, sec. 5-418c) is amended by inserting immediately after "(D.C. Code, sec. 5-418)" the following: "or paragraph (3) of section 2 of this Act."

Mr. MULTER. Mr. Speaker, the purpose of the bill H.R. 13403 is to amend the act of October 13, 1964—78 Stat. 1091; District of Columbia Code, section 5-418a—hereafter referred to as the Chancery Act of 1964, approved by the 88th Congress to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia. In House Report No. 1727, which accompanied that legislation your committee recognized the complexity of the problem of providing for the location of chanceries and that the bill, later enacted as Public Law 88-659, might require amendments pending some final solution to this problem in the District of Columbia.

Since the enactment of the abovementioned law, additional problems have been brought to the attention of your committee in connection with the administration of that law under its terms and concerning unique, or at least unusual situations which have resulted in substantial hardship to property owners. This bill is an effort to supplement and clarify the previous enactment and meet some of the difficulties which have been presented to your committee.

BACKGROUND

For many years, foreign governments were without any restriction as to the purchase or rental of property to be used for chancery purposes. The great majority of foregin chanceries was located within single-family detached residential areas. Because of the substantial, and sometimes intense, business usage of such properties, they were not compatible, in many instances, with the character of the neighborhoods in which they existed. With the development of zoning laws and establishment of zoning categories, the admissibility of chanceries in residentially zoned areas became an increasingly controversial matter. Although zoning regulations were developed to require at least some parking facilities to avoid traffic congestion, and to preserve the residential character where chanceries were located, existing laws and regulations did not provide a suitable basis to the District of Columbia for providing for chancery locations, nor did they provide a suitable basis for harmonious relations between foreign governments and the State Department. The latter agency is the only agency which might exercise any sanctions to bring about the enforcement of District of Columbia regulations regarding the location of chanceries. This situation led to action taken during the 88th Congress, and the enactment of Public Law 88–659, approved October 13, 1964.

INTENT OF CONGRESS

Aside from specifying the zoning categories within which chanceries of foreign governments might be located, the intent of Congress was clearly expressed concerning the preservation of existing rights established by previous use under law. Existing uses of buildings as chanceries, where such use had been established under the benefit of statute or by use preceding applicable zoning laws and regulations, were to be continued. Although that act appears to have had the effect of extinguishing the right of use of some properties as chanceries where such use did in fact exist and the owner or occupant was without notice that the use was not based upon any law, rule, or regulation, some instances of hardship have been demonstrated. These represent borderline cases where, under the normal operation of law and regulation prior to the act of the 88th Congress, chancery uses would have been permitted and approved, the owners of such property now find that they are precluded under the strict language of the act from continued use of their property for chancery purposes.

A single example will illustrate the problem. In 1958 a residential structure in an area where many similar properties were used for chanceries was rented by a representative of a foreign government. The property owner was of the understanding that this was a chancery use. Two years later, another foreign government rented the same property, which was actually used for chancery purposes, but the owner of the property was without any knowledge that such was not a proper use. Thereafter, a third government rented the property for chancery use. The record shows that during the period when the property in question was being used as a chancery, two additional residential structures in the area were authorized for use as chanceries pursuant to regulations. Had the owner of the subject property made application for a variance for chancery use it undoubtedly would have been granted. When the government occupying the subject property as a chancery moved to another location, and following the enactment of the Chancery Act of 1964 regarding location of chanceries, the property owner discovered the deficiency in his use and made application to the zoning board for a variance for such use. This application was denied by the zoning board under the terms of the enactment by the 88th Congress.

As a result, the subject property was the only structure in the residential block which is not used for chancery purposes, or a comparable use authorized by Congress for the Washington Institute of International Law. Thus, a property owner in a city block zoned for residential use found that such use was incompatible with uses of other property and he was unable to dispose of his property for residential purposes at a normal market value for such use, nor was he able to continue the use of the property as a chancery which was compatible with the uses in the remainder of the block. In effect, the terms of the Chanery Act of 1964 produced a contradiction as to the intent of Congress, and to the normal application of zoning laws which endeavor to maintain compatibility of uses in a given area.

UNLAWFUL USES OF PROPERTY FOR CHANCERY PURPOSES

In addition to situations such as that mentioned above, your committee has been advised that there were in the District of Columbia uses of property for chancery purposes which uses are not lawful within the meaning of the terms of the Chancery Act of 1964. Such uses may be instances, like the foregoing which came into existence without intent on the part of the property owners to violate any law or regulation and where the owners or occupants were without notice from any official agency of the Government as to the improper use during the period of occupancy by a foreign government. In one instance, while chancery legislation was pending, the chairman of the subcommittee received a letter from a property owner inquiring as to the effect of the bill—S. 646, 88th Congress. On the basis of all information then available, the property owner was advised by the subcommittee chairman that the language of the bill was drafted in such a way as to preserve the right of continued use of such property for chancery purposes where such use had been established. Because of circumstances, not known then to the property owner, it later developed that the use in question was not permissible under the strict terms of the act.

A second category of unlawful uses would include property owned by individuals or foreign nations concerning which the owner of the property or the occupant of the property received some notice in writing that the use or intended use of the property as a chancery was contrary to law.

Your committee distinguishes between these two categories of use which are not within the provisions of the Chancery Act of 1964. The cases of those property owners who found themselves not in compliance with law and who were without any written notice of the deficit character of the occupancy, present some mitigating circumstances and these your committee recognizes. On the other hand, as to those instances where property owners put in use or continued the use of their property for chancery purposes after notice in writing, your committee does not recognize any justification for the continued use.

APPLICATION OF THE TERMS OF THE BILL

Under the terms of H.R. 13403, the Chancery Act of 1964 is amended by the addition of a new clause 3 to section 2 of the act. The future use of the continued use of a building as a chancery would not be prohibited even though such use was contrary to the provisions of law if such use existed between the date of May 12, 1958, the date of the revision of zoning rules and regulations of the District of Columbia under the Lewis plan, and the date of October 13, 1964, the effective date of the Chancery Act of 1964, if such use was without written notice, from the Federal or District government, of noncompliance with existing zoning provisions. Thus, any use of a building as a chancery which qualifies under the provisions of this bill, becomes a lawful use as specified in the first clause of section 2 of the Chancery Act of 1964.

Section 2 of the Chancery Act of 1964, which the pending bill H.R. 13403 amends, was the subject of a clear expression of intent in House Report No. 1727 of the 88th Congress. That report stated as follows:

> It is the specific intent that no existing lawful rights of use shall be affected by any provision of the bill. Where the lawful use of the building as a chancery has been established and exists on the date of enactment, whether the property be vacant, whether the use as a chancery be interrupted at some future date, or whether the use of the building be transferred from one foreign government to another, nothing in the act shall affect such right of use.

In the pending bill, H.R. 13403, your committee amends section 4 of the Chancery Act of 1964 by including reference in section 4 of the Act—District of Columbia Code, section 5–418c—to the amendment made by section 1(a) of the bill. The effect of this amendment is to make it clear that if a building used as a chancery was lawfully used, is being or is to be used, such use may be transferred from one foreign government to another. Thus, whenever real property which has been lawfully used for chancery purposes, pursuant to the Chancery Act of 1964 as amended by this bill, was or becomes vacant, the fact of vacancy alone has no effect upon the right of continued or future use of the property for chancery purposes. The amendment is intended to preserve the right of such use, and transfers of use, even though such use may have been or is interrupted, the property vacant, or used for other purposes so long as the use of the property as a chancery is not abandoned.

It is believed that the enactment of the amendment as favorably reported by your committee will aid in resolving inequities and hardship situations, and relieve any area of doubt as to the committee's intent in preserving a right, once established, for the future and continued use of a building as a chancery and the right of transfer of the use from one foreign government to another.

ANALYSIS OF THE BILL

The bill H.R. 13403 amends the act of October 13, 1964—78 Stat. 1091—District of Columbia Code, section 5-418a—regulating the location of chanceries of foreign governments in the District of Columbia. The first of two amendments in the bill adds a new paragraph at the end of section 2 of the act which provides that the limitations and restrictions of the act shall not prohibit the future or continued use, or the making of ordinary repairs, to a building which was used as a chancery contrary to any zoning rule or regulations between May 12, 1958, and October 13, 1964, if the owner or occupant of such building received no written notice from the District or Federal Government that the use of the property as a chancery was in violation of any law, rule, or regulation.

The second amendment inserts language in section 4 of the act—District of Columbia code, section 5-418c—referring back to the language added by the first amendment of the bill to provide that buildings qualifying under this bill for use as chanceries may be transferred from one foreign government to another under the terms of the act as amended.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, I yield to the distinguished gentleman from Texas [Mr. DOWDY] to call up bills from his subcommittee.

AMEND DISTRICT OF COLUMBIA MOTOR VEHICLE SAFETY ACT

Mr. DOWDY. Mr. Speaker, by direction of the Committee on the District of Columbia I call up the bill (H.R. 13480) to make the proof of financial responsibility requirements of section 39(a) of the Motor Vehicle Safety Responsibility Act of the District of Columbia inapplicable in the case of minor traffic violations involving drivers' licenses and motor vehicle registration, and ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from the further consideration of the bill and that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

H.R. 13480

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 39(a) of the Motor Vehicle Safety Responsibility Act of the District of Columbia (D.C. Code, sec. 40-455(a)) is amended by striking out "trial for" and all that follows down through "the operating privilege" and inserting in lieu thereof "trial for driving a motor vehicle within the District of Columbia at a time when his license is suspended or revoked, the operating privilege".

Mr. DOWDY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PURPOSE OF THE BILL

Mr. DOWDY. Mr. Speaker, the purpose of the bill H.R. 13480 is to amend section 39 of the Motor Vehicle Safety Responsibility Act of the District of Columbia to limit the requirement for future proof of financial responsibility to those cases involving the serious offenses of a person driving a motor vehicle in the District of Columbia when his driver's license is suspended or revoked.

This amendment would eliminate inequities which have arisen under present law in cases of motorists convicted of certain relatively minor traffic offenses which do not constitute a traffic safety problem.

BACKGROUND

Section 39 of the Motor Vehicle Safety Responsibility Act of the District of Columbia approved May 25, 1954—68 Stat. 120, as amended; District of Columbia Code, title 40, section 455(a)—requires the suspension or denial of licenses to, and registrations of, motor vehicles of persons convicted of or forfeiting bail or collateral on certain traffic offenses; namely, driving a motor vehicle without being licensed under District of Columbia law, or driving a vehicle not registered under District of Columbia law when so required.

This section also prohibits the registering of such motor vehicles in the name of such person as owner unless he gives and maintains proof of financial responsibility.

The effect of the foregoing is the suspension or denial of drivers' licenses or registrations after convictions or forfeiture of collateral in the following cases:driving without any kind of permit, diving on an expired permit, driving with a valid "out-of-State" permit after the holder thereof has resided in the District beyond the reciprocity period, driving while privilege is suspended or revoked, driving with no tags on a vehicle, driving on dead tags, driving with valid out-of-State tags, but after the owner has resided in the District beyond the reciprocity period.

In addition, section 37 of the Motor Vehicle Safety Responsibility Act requires the mandatory suspension of license and registration of any person convicted of or forfeiting bail or collateral on five specified violations:

First, driving under the influence of intoxicating liquor or narcotic drug;

Second, committing a homicide or other felony while using a motor vehicle;

Third, leaving scene of accident involving personal injury without giving assistance or making his identity known;

Fourth, reckless driving involving personal injury; and

Fifth, out-of-District convictions for the foregoing offenses.

As to these violations, the act requires the motorist so convicted to file with the Department of Motor Vehicles evidence that he is financially responsible—usually established by proof of insurance coverage for the future—before he is permitted to operate or register a motor vehicle in the District.

The District of Columbia Commissioners requested legislation of the Congress to ameliorate this situation, representing, first, that present law unjustifiably and unfairly requires motorists involved in relatively minor or unimportant infractions of motor vehicle laws to purchase motor vehicle insurance, usually at substantially higher premiums for this coverage; and, second, that present law evokes justifiably adverse criticism by lumping together minor traffic violations with those guilty of such serious violations as driving under the influence of narcotic drugs or intoxicating liquor, or committing homicides or other felonies while using motor vehicles.

Your committee agrees with the views of the Commissioners, and the bill H.R. 13480—a modification of the Commissioners' draft—makes the proof of financial responsibility, which is required under section 39 of the Motor Vehicle Safety Responsibility Act, applicable only to the motorist guilty of the serious violations of "driving a motor vehicle within the District of Columbia at a time when his license is suspended or revoked"—and inapplicable to the minor traffic offenses heretofore listed.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE DISTRICT OF COLUMBIA TRAFFIC ACT, 1925, AND THE ACT APPROVED JULY 2, 1940

Mr. DOWDY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 764) to amend section 6 of the District of Columbia Traffic Act, 1925, as amended, and to amend section 6 of the act approved July 2, 1940, as amended, to eliminate requirements that applications for motor vehicle title certificates and certain lien information related thereto be submitted under oath, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to

the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

S. 764

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the first sentence of subsection (d) of section 6 of the District of Columbia Traffic Act, 1925, as amended (43 Stat. 1121, 46 Stat. 1425; sec. 40-603(d), D.C. Code), is amended by striking ", under oath,".

SEC. 2. The first sentence of section 6 of the Act approved July 2, 1940, as amended (54 Stat. 737; sec. 40-706, D.C. Code), is amended by striking "under oath".

Mr. DOWDY. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PURPOSE OF THE BILL

Mr. DOWDY. Mr. Speaker, the purpose of S. 764 is to facilitate transfers of motor vehicle or trailer ownership by eliminating present requirements that applications to the Director of Motor Vehicles for official certificates of title, and statements in such applications relating to liens, be made under oath.

NEED FOR THE LEGISLATION

Under present law when transferring title to a motor vehicle or trailer, it is necessary that the application for certificate of title be made under oath. The Department of Motor Vehicles states that this existing provision has been the source of many complaints because of the inconvenience to owners and dealers in motor vehicles and trailers, by having to appear before a notary for each application. Those who complain point out that many reports and forms including tax return forms no longer require a notary.

The Commissioners in recommending enactment of the bill believe the interest of the public will continue to be protected without the requirement that applications be made under oath in view of the fact that under the authority contained in subsections (c) and (d) of section 6 of the District of Columbia Traffic Act, 1925, as amended—section 40-603 (c) and (d), District of Columbia Code—the Commissioners have adopted a regulation, contained in section 2 of the Traffic and Motor Vehicle Regulations for the District of Columbia, providing among other things that the making of any false statement in any application or other document required by such regulations may subject the offender to punishment by a fine of not more than $300 or to imprisonment for not more than 10 days, or both such fine and imprisonment. This regulation, the Commissioners believe, will afford protection to the public after the words "under oath" have been stricken in the first sentence of subsection (d) of section 6 of the Traffic Act.

This bill was approved by the Senate on June 13, 1967.

COMMISSIONER'S LETTER

The following is the letter from the President of the Board of Commissioners of the District of Columbia, requesting this legislation:

GOVERNMENT OF THE
DISTRICT OF COLUMBIA,
EXECUTIVE OFFICE,
January 10, 1967.

The Honorable the SPEAKER,
U.S. House of Representatives,
Washington, D.C.

MY DEAR MR. SPEAKER: The Commissioners of the District of Columbia have the honor to submit a draft bill to amend section 6 of the District of Columbia Traffic Act, 1925, as amended, and to amend section 6 of the act approved July 2, 1940, as amended, to eliminate requirements that applications for motor vehicle title certificates and certain lien information related thereto be submitted under oath.

The purpose of the bill is to facilitate transfers of motor vehicle ownership by eliminating present requirements that applications to the Director of Motor Vehicles for official certificates of title, and statements in such applications relating to liens, be made under oath. Section 6(d) of the District of Columbia Traffic Act, 1925 (sec. 40-603(d), D.C. Code), presently provides in part:

"The Commissioners shall cause to be levied, collected, and paid such fees for titling and retitling as they deem necessary, not to exceed the sum of one dollar for each such titling or retitling, and they shall not after the first day of January, 1932, register or renew the registration of any motor vehicle or trailer unless and until the owner thereof shall make application in the form prescribed by the Commissioners, *under oath*, and be granted an official certificate of title for such vehicle." [Italic supplied.]

Section 6 of the act approved July 2, 1940 (sec. 40-706, D.C. Code), provides in part:

"Applications for certificates, in addition to all other matters which may be required by law shall show *under oath* whether or not there are any liens against the motor vehicle * * *." [Italic supplied.]

The bill eliminates the underscored material from each act. The Director of Motor Vehicles, in recommending this change, has stated:

"These provisions which require that applications for certificates of title be made under oath have been the source of many complaints because of the inconvenience to owners and dealers in motor vehicles, by having to appear before a notary for each application. Those who complain point out that many reports and forms including tax return forms no longer require a notary."

In view of that fact that section 14 of the act of July 2, 1940 (sec. 40-714, D.C. Code) provides that persons who intentionally make any false statement with respect to liens in an application for a title cerificate shall be subject to a prescribed penalty, the Commissioners believe that the interest of the public will continue to be protected after the words "under oath" are stricken in section 6 of such act. Further, under the authority contained in subsections (c) and (d) of section 6 of the District of Columbia Traffic Act, 1925, as amended (sec. 40-603 (c) and (d), D.C. Code), the Commissioners have adopted a regulation, contained in section 2 of the Traffic and Motor Vehicle Regulations for the District of Columbia, providing among other things that the making of any false statement in any application or other document required by such regulations may subject the offender to punishment by a fine of not more than $300 or to imprisonment for not more than 10 days, or both such fine and imprisonment. This regulation, the Commissioners believe, will afford protection to the public after the words "under oath" have been stricken in the first sentence of subsection (d) of section 6 of the Traffic Act.

The Commissioners are in full accord with the objectives sought to be attained by the bill and accordingly, recommend its enactment.

Sincerely yours,
WALTER N. TOBRINER,
President, Board of Commissioners, District of Columbia.

The SPEAKER pro tempore. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING THE ACT ESTABLISHING A PUBLIC CREMATORIUM IN THE DISTRICT OF COLUMBIA

Mr. DOWDY. Mr. Speaker, by direction of the Committee on the District of Columbia, I call up the bill (S. 770) to amend an act to provide for the establishment of a public crematorium in the District of Columbia, and ask unanimous consent that the Committee of the Whole House on the State of the Union be discharged from the further consideration of the bill and that it be considered in the House as in Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the bill, as follows:

S. 770

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 of the Act approved April 20, 1906, as amended (34 Stat. 123; sec. 27-130, D.C. Code), is amended (1) by deleting from the first sentence ", and for the incineration of such other bodies as may be presented for that purpose by the persons having custody thereof"; (2) by striking from the second sentence the comma immediately arfer "crematorium" and inserting in lieu thereof a period, and striking the remainder of the sentence; and (3) by striking the third sentence.

PURPOSE OF THE BILL

Mr. DOWDY. Mr. Speaker, the purpose of the reported bill, S. 770, is to amend section 2 of the act entitled "An act to provide for the establishment of a public crematorium in the District of Columbia, and for other purposes" approved April 20, 1906, as amended—34 Stat. 123; section 27-130, District of Columbia Code—to delete language which presently requires the Commissioners of the District of Columbia to prescribe and collect fees for the incineration of bodies, and by special order, waive, or reduce the usual charges when enforcement of such charges would be burdensome or oppressive upon those responsible for the disposal of the remains. This would allow the District to operate the crematorium only for public health purposes.

BACKGROUND

The act approved April 20, 1906, provided for the establishment in the District of Columbia of a public crematorium and authorized and directed the Commissioners of the District of Columbia to operate the crematorium for the incineration of all bodies that could not, except at public expense, be disposed of within a reasonable time after death and for the incineration of such other bodies as may be presented for that purpose by persons having custody thereof. The act further authorized the Commissioners to prescribe and collect fees in such amounts as may be required to defray the cost of incineration. The Commissioners could, by special order, waive or reduce the usual charges whenever, in their opinion, to enforce such charges would be burdensome or oppressive upon the persons responsible for the disposal of the remains.

When this act was passed, over 60 years ago, there were no crematories in the District of Columbia. At the present time, there are numerous privately owned crematoriums for use by persons who are able to pay for the services of a crematorium. The District crematorium is presently being used only as an adjunct of the District of Columbia General Hospital and for the disposition of bodies for reasons of public health by direction of the Director of Public Health or the coroner. If the District crematorium had continued to accept bodies for cremation upon payment of a fee, the District crematorium would be operating in competition with privately operated crematoriums. Since the District crematorium is now being used only for public health purposes, the requirement that the Commissioners make specific waivers of fees is unnecessarily burdensome and creates needless administrative problems.

This bill relieves the Commissioners of the requirement to prescribe and collect fees for incineration and to waive or reduce fees where they are determined to be burdensome or oppressive. This amendment of section 2 of the act will authorize the crematorium to be used only for public health purposes.

This bill was approved by the Senate on October 10, 1967.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN. Mr. Speaker, that concludes the District of Columbia business.

The SPEAKER pro tempore. This concludes the District of Columbia business.

DEVALUATION AND TEXTILES

Mr. DORN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, devaluation of their currencies by England, Hong Kong, Spain, and others is of grave concern to the American textile industry and its employees. This means it will be more difficult to sell American textiles in England, Spain, Hong Kong, and other countries who have devalued their currency while making it easier for them to sell their textiles in the United States.

Our friends and allies do not hesitate to use import quotas, licenses, devaluation of their currency and other unilateral actions to boycott American goods while demanding and getting a larger share of the American market. This is one method foreign nations use to circumvent trade agreements such as the Kennedy round and the long-term agreement. Our country enters into trade agreements in good faith. We keep the letter of the agreements entered into whereas many of our friends use devious methods to circumvent these agreements.

Mr. Speaker, this is not reciprocal trade. This is protectionism in reverse.

Mr. Speaker, I now see an urgent need for early consideration of our bill to provide for orderly trade in textiles which, may I repeat again, is not protectionist legislation, but would promote orderly trade and would be in the best interests of the United States and our friends the world over.

I urge, Mr. Speaker, that the Tariff Commission extend and intensify its present study ordered by the President to cover this new and startling development which could add to the difficulties of our textile industry. No list of facts or study however careful would be complete without a thorough investigation of the impact and effect of foreign curreny devaluations.

In seeking relief for our great industry so vital to our economy and to defense, I call upon the Tariff Commission and the Congress to thoroughly study the effect of these shocking currency devaluations.

VINDICATION OF APOLLO WORKMANSHIP SEEN IN SUCCESSFUL LAUNCH

Mr. CHARLES H. WILSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. CHARLES H. WILSON. Mr. Speaker, I should like to make a few brief remarks pertinent to a matter of pride. The American space program has been through many phases and trials, and only now are we beginning to gain sufficient perspective to take stock of our work.

Our space program has fluctuated between a good number of frustrations and innumerable successes. It has given us occasions for both unmitigated hopes, and unjustified fears.

The recent Apollo tragedy is a case in point. That accident of January 27, claimed the lives of three of the Nation's heroic young astronauts. The country faced the prospect of a long delay in plans to land an expedition on the moon.

It was a time of bitter disappointment, and a vitriolic attack against those responsible for the Apollo project. The official report of the National Aeronautics and Space Administration's review board concluded, quite unfairly, that those in charge of the Apollo project were guilty of "incompetence and negligence."

At 7 a.m., eastern standard time, on November 9, 1967—10 months after the accusation—they were proven wrong. A giant Saturn 5 rocket, the largest the world has known, was given a successful flight test with the Apollo spacecraft aboard.

Weighing some 6.2 million pounds and standing 363 feet tall, the vehicle carried a combined rocket and capsule with a weight of 280,000 pounds into orbit. The moon rocket, after a second firing of the third stage, and the short burst of the spacecraft's own 21,500-pound thrust rocket, reached an altitude of 11,286 miles.

This was the first firing in space of the craft's 21,000-pound-thrust engine, and it proved the success of the rocket upon which the astronauts will depend for the return trip from the moon. It was also a test of the newly redesigned Apollo capsule. All went smoothly, and the Apollo came down right on target, unscathed, from top speed of 23,370 miles per hour. This is the closest thing to a true "spaceship" the United States has constructed. It is a tribute to American engineering and technology, and a monument to the efforts of those who helped get it built.

When the Apollo came back intact, it was a moment of redemption for our efforts in space and an encouraging sign that the United States might still be able to put a man on the moon by 1970. This brings us back to the point of reconsidering the brash, unqualified criticism of less than a year ago.

There were mistakes in the program and errors in design. This is beyond dispute. It is also indisputable, however, that some mistakes are inevitable in a project so vast and complex; and that as unfortunate—tragic—as that accident was, we could have experienced worse. In fact, we would have experienced worse, but for the hard work and dedication of those who work on Apollo. The proof of it is that they have redesigned the capsule, and have "gotten the bugs out."

They say that the Apollo program involves 300,000 people and 20,000 companies. It is difficult to conceive of a project so great. But I know that I must, by definition, be speaking for many others, when I say that last Thursday's performance was evidence of a job well done.

My congressional district is fortunate to be in the vicinity of the home of North American Rockwell Corp.'s Aerospace and Systems Division, the major contractor for the Apollo spacecraft. Many of its employees reside in the 31st District. I am particularly proud of their work.

The people in Local 887 of the United Aerospace Workers, under the leadership of their president, Mr. Henry L. Lacayo, have persevered and have triumphed. Their dedication and close cooperation with Mr. John L. Atwood, the president of the company, has set an example of excellence for the entire aerospace industry.

Mr. Speaker, we in California and those in the rest of the Nation have justifiable pride in their achievements. Local 887 of the United Aerospace Workers is a symbol of solidarity, high performance, and pride in workmanship, while laboring in the face of adversity and unjust criticism. If anyone had ever believed them guilty of laxness, they now have been vindicated.

So let us remember that human standards are not infallible, but that there are also standards of decency and shrewd practicality in the pursuit of an immense task.

The space program is one of the most vital and costly in the history of the United States. Undergirding a major portion of our national security, it also offers seemingly unlimited prospects for man's exploration of his universe. It demands, however, a dogged commitment on our part to follow it through, and requires the expenditure of great financial and material resources. Above all, it asks of each of us that same willingness and measure of dedication that has characterized the performance of the workers of local 887.

FEDERAL RESERVE USES FLIMSY EXCUSE TO HIT AMERICAN PEOPLE WITH HIGHER INTEREST RATES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the Federal Reserve Board's new increase in interest rates once again demonstrates the Board's arrogance toward the administration, the Congress, and the American people.

The Federal Reserve, obviously led by its Chairman, William McChesney Martin, has used the devaluation of the British pound as a flimsy excuse—not a reason—for the increase of the discount rate from 4 to 4½ percent.

Mr. Speaker, the increase in the discount rate is a signal to the banks and to every financial institution to raise interest rates to the American consumer. It will result in price increases for every item in the economy and thereby feed the fires of inflation.

Already the American people are burdened with some of the highest interest rates of this century. The Federal Reserve should be looking for ways to lower interest rates rather than grabbing any excuse to jack them up.

The Federal Reserve System is using the "big lie" technique in telling the press and the public that the devaluation of the British currency required an increase in U.S. interest rates. This is the purest kind of economic hogwash to delude the public into thinking that the Federal Reserve is riding in on its white charger to once again save the American dollar.

Actually, the Federal Reserve System, during the past 2 years, has done more to hurt the American economy and the U.S. dollar than any institution in this country. The confused policies of the Federal Reserve have led us from monetary crisis to monetary crisis for nearly 24 solid months.

Rumors have been floating around Washington for weeks that the Federal Reserve and the big banks had decided it was time for another interest rate crush. Always public relations conscious, the Federal Reserve Chairman was apparently waiting for the first likely excuse. This came Saturday when the British made their announcement on the pound.

Our American economy is not tied to the British pound. The soundness of the U.S. dollar is not based on the pound sterling. Not even the Federal Reserve press releases can change these facts.

But, the American economy and its well-being are tied to monetary policy and it is almost criminal that the Federal Reserve has once again ignored this fact in raising interest rates. The Federal Reserve should concern itself less with the pound sterling than with the strength of the U.S. economy.

If the Federal Reserve was really concerned about the flow of U.S. dollars overseas, then it would seek controls over the export of capital. This would be a simple and direct remedy which would not burden the American people with higher interest rates.

Mr. Speaker, we cannot stand ever-increasing interest rates. This country is already at the breaking point on monetary policy. The U.S. Treasury is paying the highest interest rates on its borrowings in almost 50 years. Purchasers of homes are paying 7 and 8 percent plus a fantastic number of "points" if they can find mortgage money. Small businessmen once again are finding it impossible to find loans. And the American worker and consumer are being stuck with unbelievable charges for all types of credit. This year alone, the American people will have to shell out at least $125 billion in interest payments.

In fact, the U.S. Government will be forced to pay about $14.2 billion in interest on the debt this fiscal year. This item is second only to expenditures for national defense. Actually, we are paying more than $7 billion a year in excess interest on the national debt because of unnecessary interest rate increases imposed since President Truman left office in 1952.

Mr. Speaker, the Federal Reserve has stabbed the people in the back with this latest interest rate increase. How much evidence do we need before the people and their elected representatives demand control over their own monetary affairs?

UMWA PRESIDENT SPEAKS IN EBENSBURG, PA.

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, because I am proud of what responsible coal companies are doing to reduce pollution from mine drainage, I suggested some weeks ago that government, industry, and United Mine Workers of America officials arrange a trip to a new water treatment plant installed by Bethlehem Steel Corp. in Cambria County, Pa. The Commonwealth's bituminous coal industry is investing millions of dollars in the clean water program, and I am of the opinion that it is time to bring this story to the attention of the general public and in particular to the attention of Government bureaucrats who are constantly heaping abuse on coal in an attempt to acquire more power through a series of progressively tighter controls.

On the day set for Gov. Raymond P. Shafer, UMWA President W. A. "Tony" Boyle, and other dignitaries to visit the Bethlehem Steel facility, I found it impossible to take part in the tour or to attend the dinner at which Mr. Boyle was among the speakers. I have, however, had the pleasure of reading Mr. Boyle's remarks as published in the United Mine Workers Journal, the report of which I will include in the RECORD at the conclusion of my remarks.

Mr. Boyle did not confine his remarks to what he saw on the tour, for which I am highly pleased. He extended his comments to other matters which need to be repeated over and over, and I trust that my colleagues will absorb the full contents of his address.

I can say without fear of challenge that I am not a Johnny-come-lately in this crusade to preserve our natural resources. There was a time, before the subject of water and air pollution caught the popular fancy, that I was accused of excessive repetition in warning that treatment and reuse of water was the only way that shortages could be avoided even along major rivers and streams. I have continually appealed for extensive research—by both industry and government—to combat air contamination, and it is a deep satisfaction to find that the Office of Coal Research, which was created with the enactment of a bill I introduced almost a decade ago, is playing a major role in the determined effort to clean up the air without undue injury to the Nation's fuel producing industries.

OCR has also been active in the attack on polluted water, and I recall having visited the laboratory in Cleveland that through the auspices of OCR began several years ago to experiment with raw coal as an agent to filter sewage. I also visited the laboratory in New Jersey where basic research is taking place on a project that would counter air pollution problems through production of electricity without traditional generating facilities. Throughout the life of OCR I have watched its projects develop, and I have every confidence that it is on the threshold of a number of breakthroughs that will benefit the entire Nation as well as the coal industry.

Concurrent with these efforts are innumerable programs conjured by private industry to solve the water and air pollution problems. Last week's newspapers hailed the scheduling of tests to reduce sulfur content of coal while it is being pulverized at the Pennsylvania Electric Co.'s generating station in Seward, Pa. Out in Missouri, the Union Electric Co. is spending $1 million for an experimental system designed to remove sulfur dioxide from stack emissions of coal-fired generators. Multiple other projects are underway, and scientists and engineers predict that within a few short years the sulfur problem will have vanished.

Meanwhile, because a society of power-thirsty minions under pay of the Department of Health, Education, and Welfare has succeeded in frightening half the Nation into believing that air pollution from coal combustion is a greater threat than the atom bomb, two of Pennsylvania's neighboring States have moved in a direction that would preclude most of our coal from their utility markets. And riding alongside HEW's crew of propagandists are Atomic Energy Commission spokesmen serving as procurers for a type of powerplant whose safety is open to serious question because in each of those facilities is a destructive potential capable of filling both atmosphere and water with deadly radioactivity.

Mr. Boyle spoke in Ebensburg on October 19. Less than 2 weeks later, Senator MUSKIE of Maine, announced that he would hold hearings to determine whether reactors proposed for New England might create thermal or heat pollution in violation of Federal water quality standards. A spokesman said that the hearings would be limited at first to New England, but may be extended later.

I suggest that a complete investigation of this nature be also conducted in Pennsylvania, where the whole pollution problem can be put on the table. Our coal, utility, and steel industries have been and are making enormous investments in the cause of cleaner air and cleaner water, and it is patently unfair to subject them to constant attack while picturing the atom as the answer to pollution problems. Radioactivity leakage that could render both water and air unusable should be included in the Senate study.

Mr. Boyle has explained the situation with a directness that leaves no room for misunderstanding. I commend his speech to your close attention, as follows:

BOYLE TALK AT OCTOBER 19 DINNER

(EDITOR'S NOTE.—Following are the remarks of UMWA International President W. A. Boyle on October 19 in Ebensburg, Pa., at a dinner jointly sponsored by UMWA District 2 and the Bethlehem Mines Corp. The dinner was attended by representatives of the coal industry, the UMWA, the Commonwealth of Pennsylvania, including Gov. Raymond P. Shafer, and representatives of the Federal government, including officials of the U.S. Bureau of Mines. Boyle and Vice President George J. Titler and Secretary-Treasurer John Owens and others had spent the day touring Bethlehem coal preparation and acid mine drainage facilities in the area.)

I am happy to say that I enjoyed my visit. I know that I speak for my Associate Officers and members of the United Mine Workers of America who had the privilege of the tour that we enjoyed today. We expect tomorrow to go on a further survey of the entire area. I think it's right to say that it is the first time that the three International Officers of the United Mine Workers of American since 1890 have appeared at the same time in your area. I was greatly impressed with what the Bethlehem Steel Co. is doing. I say this, being aware of the fact that the press is taking down everything I am saying and you know what I mean by that. We don't always see eye to eye. But I was greatly impressed and I know that I can speak for my Associates of the endeavors of the steel company and what they are doing. It is a marvelous accomplishment and I believe it will be successful. It may, in the long run, be the answer to the water pollution problem.

I would like, now, to address my remarks to Governor Shafer.

Governor Shafer, distinguished guests representing the Commonwealth of Pennsylvania and the government of the United States, my brother Union members—and my sometimes comrades-in-arms of the great American coal industry—gentlemen:

And lest my sometimes comrades-in-arms get the wrong impression I want you gentlemen of the operating side of our industry to understand what I mean. We are comrades in arms in the battles to better our industry. What I have seen today is an example of this.

But, I don't want any of you to forget 1968. That's a Presidential election year. And it's also—in case some of my operator friends have not read the newspapers or the United Mine Workers Journal—a coal contract year.

Now I happen to believe that when the great Union that I have the honor to represent negotiates a new and better wage agreement this is for the betterment of our industry. But I am the first to admit that some of you gentlemen do not always agree with me.

So, let's fight together for our mutual benefit when we can. And let's fight—in private—with each other when we must disagree. But let none of us ever forget that together we represent the most basic and important fuel industry in the world today.

Let me, in passing, mention the campaign of my Union to bring to the attention of the American public the hazards to the public health and safety of government-subsidized atomic energy power plants. I would suggest that you gentlemen engage in some coal industry public relations of your own. Point out that the coal industry is not the only fuel industry that has a pollution problem.

The atomic industry, and I shall not belabor the point at this time, has tremendous pollution problems in the form of radioactive wastes and lethal gases. And the stuff is *deadly*, unlike anything our coal industry produces. No one, to my knowledge, yet has suggested that radioactive wastes be used for roadbeds as we can do with fly ash. But that's another subject about which I could talk for many hours and perhaps terrify you. I have been accused of using terror tactics. So be it!

I was impressed today—as I am always impressed—with the work that is being done to solve the problems of our industry in behalf of the public interest.

Pennsylvania has produced down through the years more coal to power the progress of our great industrial society than any other state in the union. I want us to continue to do this. And what you are doing in the field of air and water pollution, with the cooperation and support of the United Mine Workers of America, puts Pennsylvania in the Number One place in this area also.

I think it can be truthfully said that the Pennsylvania coal industry and the Commonwealth, itself, are truly leaders in the battle for realistic air and water pollution control.

PITTSBURGH HAS CLEAN AIR

Your great city of Pittsburgh certainly stands as a thriving monument to the cooperation of government and industry in the campaign to secure clean air.

Laboratories such as the Bureau of Mines facility at Bruceton—an installation of the United States government—and research installations such as that of Bituminous Coal Research, a facility of the coal industry—are outstanding examples of what government and industry can and should do in the field of making our coal a better and cleaner fuel.

Such laboratories have successfully dedicated massive efforts in the interest of our industry and expended vast sums of money to combat the problems of smoke and fly ash. And now these technicians and research men are working diligently—and we believe they will be successful—to reduce and perhaps eliminate altogether the emission of sulfur dioxide from coal combustion.

The Bureau of Mines, for example, is developing a process whereby alkalized alumina absorbs the sulfur dioxide. And this is in turn treated for recovery of virtually pure sulfur a salable chemical needed by American industry.

The Bituminous Coal Research laboratory is working on the removal of sulfur from the coal itself as well as the removal of sulfur dioxide gas from the coal stacks. In one instance BCR is cooperating with 12 utility companies in a process to remove part of the sulfur prior to the burning of the coal in large electric utility boilers.

In another instance our technicians and research engineers are cooperating with other agencies, including the Public Health Service of the United States government, in a process that involves the use of limestone and/or dolomite. These substances, reacting with the sulfur dioxide gases will end up as a solid which can be more easily collected with conventional equipment.

A large chemical company is performing tests, right now, at an eastern Pennsylvania utility plant that will turn sulfur dioxide into sulfuric acid—another salable by-product.

We are, as you might say, working to utilize everything available in the coal combustion process even as the meat packers utilized every part of the pig including the squeal.

I hope that you representatives of government here tonight, both state and Federal, will realize that we are doing everything we can through research to solve the problems of pollution from coal.

I need not tell you gentlemen assembled here that our industry in cooperation with government agencies is carrying on similar research to solve the problems of water pollution. This is a tough problem and I do not pretend to be an expert. But I know that progress is being made. And I know that given reasonable and realistic cooperation by government at all levels, we shall solve this problem, too, just as we shall solve the air pollution problem.

Let me offer you this thought: The challenge that faces all of us in the coal industry is to develop, through modern research, the technologies that will enable us to solve these problems in the public interest while we continue to make full—and I emphasize full use of our invaluable and most abundant God given coal resources.

The Governor has proved beyond question that he is interested in all these problems. He is working diligently in an effort to resolve most of them. He is now confronted with the question that he, and he alone, is going to have to solve. It is whether he will permit, in the great commonwealth of Pennsylvania, the setting off of an atomic blast. It is unnecessary, uncalled for, not required, and in all probability it will contaminate the entire State of Pennsylvania as well as other areas.

Who wants it? Some selfish interests want to use this blast to develop an underground gas storage plant. I have great admiration and respect for the Governor. But I serve notice here tonight that the United Mine Workers of America is not going to stand idly by while any state or Federal agency spends taxpayers' money to do a thing like that in all probability would endanger the lives and well-being of the population of this country.

When I assumed the job as *President* of my Organization there was no great threat of atomic energy. No later than last week, I personally appeared on Capitol Hill and called members of both parties off the floor to point out to them the dangers in the use of atomic energy for commercial purposes. The United Mine Workers of America, as I said in Wheeling, W. Va. on Labor Day, is not opposed to the use of atomic energy or the development of atomic energy for the security of this nation.

PASTORE ATTACKED BOYLE

But a Senator from a state that you could put in this room, the chairman of the Joint Committee on Atomic Energy, said recently that "Tony" Boyle, the President of the United Mine Workers of America was causing "alarm" and conducting "a scare program" as to what would happen to the American public if they continued the building of reactors and atomic plants for the generation of electricity. I don't think such plants are necessary in this country. This Senator made quite a lengthy speech on it about me. His name happens to be Pastore [Sen. John O. Pastore (D., R.I.)]. I replied to him, I asked him to be courteous enough to put my reply to him in the *Congressional Record* as to what would happen to this country if the atomic energy people and the General Electric people and the Westinghouse people, who are making millions and millions of dollars in the building of reactors, are permitted to continue their mad program.

I have no personal problem with General Electric or any personal problem with the Westinghouse people. I don't represent their employes. But I do know that because of the selfish motives of people who are mad to make money—and I don't happen to be one of them—they are endangering the lives of the people of our generation and the next generation with this commercial atomic energy.

Now, let's take a look at this. No one yet, in Congress, out of Congress, in state governments, from the White House on down, has been able to guarantee to the United Mine Workers of America the security of the people of America from radioactive waste. Out in Hanford, Washington, they are polluting the rivers and no one knew a thing about it until the Columbia River salmon became contaminated.

When Senator Jackson of the State of Washington asked me why I was opposed to the Hanford project, several years ago, I told him the dangers that were there but he could not see it. He said they had to have that plant. You know these states are selfish. They have to have dams. They have to have this and something else. Each Congressman and each Senator has to prove to his constituents that he has done something while he is in Congress.

But, as long as I am President of the United Mine Workers of America they are not going to do this with atomic energy without hearing from me. You know why? Because of the waste that comes from atomic energy. No one yet, including all of their experts, has been able to tell us what dangers and to what extent and how long these radioactive wastes will last. They say they might boil in a cask for a thousand years.

What do they do in England? As soon as they learned from America how to build these atomic reactor plants, they started encasing their atomic wastes in steel casings, then in concrete casings and then they dumped them in the ocean. And all of a sudden one of the casks broke loose. No one knows what will happen to the sea life or what effects will be on future generations.

In the State of Illinois, they wanted to develop atomic energy reactors for the production of electricity despite all the abundance of other fuels that they have there. But they didn't know what to do with the waste. You know what they do with it? I sent people out to find out. They are shipping it out to a plant in Washington near the Hanford plant. Then the people out there get smart and said we don't want any more of the Illinois atomic waste. So now they don't know where to put it.

When I called the junior Senator from the State of Montana off the floor of the Senate the other day, he admitted that they had tried to inveigle him into letting them bury their atomic waste in dry drill holes out there where they had been prospecting for oil. They wanted to pour it down two or three thousand feet deep into those holes and cover it up in the hopes no one would ever know about it. The Senator reminded them of the fact that they had an earthquake out there that split the state virtually wide open. What would happen if that occurred again? The Senator stopped it. Are we going to have that sort of thing in the State of Pennsylvania? Or are we going to have that somewhere else? I say that atomic energy has its place; but not in the replacement of coal for the generation of electricity or for any other commercial purposes. It should not be used. Not until the experts, until the government, until the Federal agencies, until the President of the United States and all of his Departments can tell us conclusively that we are fully protected.

There is not an insurance company in this country, not one, that will insure an individual or individuals or groups of individuals against the hazards of this atomic energy—not one. You can go to Lloyd's of London. Last time I was over there, I made a special point of finding out about it. They will insure you at a prohibitive cost. But here no worker, no individual can be covered. So the government came up with the Price-Anderson Act. What does that mean? That's a government subsidy arrangement by the atomic energy monsters in Washington. These people are appointed employes of the Federal government—not elected as you and I are elected. These are appointed people, and they set the rules and regulations on atomic energy and answer to no one.

THE PEOPLE SHOULD BE ALARMED

Those are some of the things that are going to come out in the next political campaign. They can talk about Viet Nam. They can talk about poverty. They can talk about medical care. They can talk about all of the things they want to talk about. But when the people of this country are alarmed to the point and to the degree that the United Mine Workers of America are alarmed they will do something about it.

By the way, I had a long-distance telephone call when I returned from the tour we were on today. My information said they had a parade, or picket line down in Washington today in front of the White House. Guess what he told me? I hope the Senator from Rhode Island saw it. They had a parade down there with ducks—Long Island ducks! You know who was leading the ducks? Women! They were parading in front of the White House. Their signs said: Here are some Long Island ducks. "We like roast duck but not radioactive duck." I hope President Johnson saw this. I'm sure he doesn't want his grandchildren to be radioactive. That's a possibility. Here in Pennsylvania you haven't had time, perhaps, to read about it. But out in the Far West doctors could not determine what was happening to a school girl when her glands swelled up. They discovered that the milk she was drinking was coming from cows that had eaten a contaminated grass from atomic wastes.

And the great state of New York was greatly concerned about the pollution of air. They sent for an expert from the city of Los Angeles. The expert sat down and discussed the problem in New York. The expert told them as the result of a very hurried survey, that New York should just stop burning coal. The expert said: "That's the contaminant." He did not say that the city of Los Angeles, which is rated as being the most polluted city in the United States, bar none, does not burn a pound of coal. They were going to set up regulations that would put the coal industry in the State of Pennsylvania, West Virginia and other coal states out of business, completely so.

Now, I represent people who work in those coal mines and I'm concerned. They were going to stop burning coal and then the Public Health Service came up with the same kind of recommendations. We asked them to tell us who had died or who had been injured or who had had any fatal effects from the burning of coal. We told them America had been burning coal since George Washington's time. They could not find any one who had died because of the burning of coal. Sure it makes smoke. It makes black smoke. You want it white? We'll make it white for you. But who died from it? Who suffered from it? Is coal going to be the whipping boy? How about automobiles? How about airplanes? How about all of those other industries? Why coal? Why does coal have to be the whipping boy? Because it makes smoke?

Then when they looked into it further they found that the Kenilworth Dump in Washington, D.C. was polluting the air from garbage fires and was contaminating the entire area. There was no coal being burned there.

So coal has its problems. The reason that I am supporting the coal industry today—and it's a selfish motive on my part—is because coal miners work for a living. If we put the coal industry out of business—and they could do it in a hurry—we would be in a hell of a shape. They discovered that in connection with residual oil imports into this country.

So we do have a fight, and a common fight. We do not want the governors of the coal states to be taken in, in any sense of the word, by these atomic energy people that this nuclear power is a necessity in any way.

Civilian atomic power plants are not necessary! The experts who know have said that there is coal in abundance to supply the needs for the generation of electricity and for all other needs for a period of more than 2000 years. I do want to leave with you gentlemen tonight, and I hope you will carry it back to your friends, that the United Mine Workers of America and its officers are definitely on record, as being opposed, and we will continue to be opposed, to the use of atomic energy for commercial purposes.

You cannot blame the General Electric people and the Westinghouse people for wanting to build atomic reactors. But one atomic energy expert, who could not be bought off, came out in public, for the record, and said that if they were not building atomic reactors they would be building coal-burning steam generating plants.

We know definitely that they can produce electricity from coal cheaper than they can from atomic energy. The atomic energy people would have you believe that the contrary is true. Why? Because the Federal government is subsidizing the civilian atomic energy program.

There are those people now in Washington who have some influence who would try to make you believe that the Federal government ought to put a 10 percent surtax on you and on me. I have told President Johnson that he wasn't going to get away with it until he started cutting down on those useless trips to the moon and subsidizing atomic energy. As far as the moon is concerned, I don't have to be the first one there. I don't care who the hell gets there first. We don't have to be first. I don't care if we never get there.

We could save ourselves about $2 billion alone in tax money if we cut off funds for civilian uses of atomic energy.

Don't go away from here thinking that I am opposed to the military having all the money they need or require for the defense and security of this country. To the contrary I believe that they should have all the money they need. But when it comes to civilian use of atomic energy and to the Price-Anderson subsidy and the other civilian atomic energy projects, I am opposed to it.

I want you people to remember that the State of Pennsylvania for many, many years lived on the life blood of the coal industry and the coal miners. Now some people say you don't need coal; you need atomic energy. Well, I am opposed to it. They are going to hear more about it from me. I might say, in the telephone call that came to me today, that I was told that the atomic energy people also were picketed. They had a picket line over at AEC. The demonstrators over there asked them if they wanted to eat radioactive ducks. I'll bet no one wants to eat one of them.

No one yet has been able to prove that these reactors are safe. No one yet has been able to tell us what to do with the atomic waste. They want to put it in casks and bury it in the ocean. The experts say they will guarantee the casks are good for 50 years. So what? It lasts for 50 years and then it bursts open and then what happens? There is tremendous heat boiling continually in these casks and yet they are dropping them—England's doing it—into the ocean to contaminate the life in the sea.

I know people in Washington, and I happen to be one of them, who will not eat any of these foods that come from the sea any more. The way I feel about it is that every one should be alarmed.

Governor Shafer is an honorable governor. We have seven UMWA Districts in Pennsylvania that report to me, and some of them are represented here tonight. They all report very favorably about the Governor of the State of Pennsylvania.

It has been a privilege for me to be here. I do not know when I shall return. But this is the first time in the history of this Organization, since we were established in 1890, that the three International Officers ever visited this area.

We came up here because we are vitally concerned. We are going to make a survey of some of the operations around here tomorrow. We shall be here until Saturday.

My compliments to the Bethlehem Steel Corp.—and put that on the record because when I meet them in negotiations I might not feel that way about them. It is a wonderful job they are doing out here. I enjoyed meeting all of them and the men who work for them.

"HIROSHIMA" POTENTIAL FOR DENVER?

Mr. SAYLOR. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. SAYLOR. Mr. Speaker, I wish to draw to the attention of my colleagues a front-page article which appeared in the Rocky Mountain Cervi's Journal, of Denver, Colo., for Wednesday, November 15, 1967.

The editor of the publication, in commenting on the article, stated it was its most important journalism alert ever printed. The purpose of the article was not to cause fear but to raise proper caution and concern before the possibility of uncalculable disaster.

The article is as follows:

PUBLIC UTILITIES COMMISSION PONDERS "HIROSHIMA" POTENTIAL FOR DENVER

(By Douglas Bradley)

A decision which contains ominous implications confronts the Public Utilities Commission (PUC) in an apparently "routine" application before it by the Public Service Co. of Colorado (PSC), for permission to build a nuclear electric generating plant near Platteville, 30 miles north of Denver.

At stake, if the PUC assents to the plan, in cold fact, will be the acceptance of a theoretical possibility of a nuclear accident which could involve an area of about 150,000 square miles.

Assuming that in such a disaster, there was sufficient warning for wholesale evacuation and no loss of life, the damage involved in such a nuclear accident could total more than $7 billion.

These statistics and conclusions are drawn from the Brookhaven Report of the Atomic Energy Commission (AEC).

The probability of such a calamity is low. It does not mean it cannot or will not happen.

The nuclear plant admittedly will be of an experimental and unproven nature encompassing new methods in operation and construction.

A two-day hearing last week before the PUC was attended by a delegation from the United Mine Workers of America, seeking to enter the case as "a party in protest" to present testimony that the proposed plant will be potentially dangerous to Colorado.

Also seeking to intervene are two independent utilities, which fear the "adverse effects" on their transmission facilities, and other organizations and individuals.

An editorial decision has been made by this newspaper that there is a duty to lay the ramifications of the nuclear plant, to be known as the Fort St. Vrain Nuclear Generating Station, before the public.

The motive is not to scare but to alert the public of the alleged potentialities inherent in the project before the decision is made.

In the investigation conducted by this newspaper, many parties were interviewed.

They included Leo Goodman, an atomic energy expert, who, for 24 years, has been an executive advisor to Walter Reuther of the United Auto Workers; Michael F. Widman, Jr., research and marketing director of the United Mine Workers of America; Justin McCarthy, editor of the Mine Workers Journal; Joseph Brennan, Washington economist; Sam T. Franklin, UMW regional director; Patrick F. Kelly, UMW district 50 treasurer; Ruth Weiner, secretary-treasurer of the Colorado Open Space Coordinating Council; and spokesmen for private utilities and the Public Service Co.

Adding to the urgent task devolving upon *Cervi's Journal* are several factors:

(1) The expressed opposition of the PSC to light being shed by intervenors at the hearings.

(2) The tenor of the PUC reaction last week.

(3) The failure of other media to explore in depth "the case against" the St. Vrain project.

At the PUC hearing on Wednesday, the PSC utility testified that a nuclear explosion at St. Vrain "is an impossibility."

The utility's vehicle for the unqualified boast was Richard F. Walker, the assistant vice president of engineering in the electric department.

Walker is not a nuclear scientist. He is a graduate of the University of Colorado with engineering degrees, who has been an employe of the utility since 1949.

Backing his "impossible" assurance however, are the opinions of some well-qualified but not neutral nuclear experts—all of whom have a direct or related interest in the design and successful accomplishment of St. Vrain.

They told Walker an accident was impossible and he repeated this faithfully to the PUC.

The St. Vrain project, which will cost more than $90 million, conservatively, is to be financed by a 50 per cent federal subsidy and the electrical consumers of Colorado—the utility's customers.

It will not be an "orthodox" atomic power plant, but it has a prototype at Peach Bottom, Pennsylvania.

The St. Vrain plant is to be eight times as large as Peach Bottom although the latter project has yet to mark its first birthday—one which may not be an occasion for rejoicing.

There is no real assurance that St. Vrain will work. Its small prototype works—sometimes.

Peach Bottom's output of electricity generation, so far, has been dispiritingly low. It has been beset with problems. For the month of September, the output figure of megowatts gross (the last operating report available) was reported as zero.

There is no real assurance that St. Vrain will be safe.

The atomic advisors say it will be safe but any gamble on life and property is one which must be taken by the people of Colorado.

Insurance companies refuse to accept anything but a token risk.

When it is in operation, the St. Vrain plant will be a nuclear bomb contained in a shelter made of concrete instead of steel.

Concrete is cheaper than steel.

At other nuclear plants, steel has been the basic safeguard shield against accident.

Subsidiary dangers involve its location (30 miles from Denver) and questions raised in the creation and disposal of radioactive waste material from the plant.

According to past statements of Dr. Clifford K. Beck, deputy director of regulation for the AEC, a nuclear plant larger than its successful prototype, not only increases hazards but also reduces the effectiveness of the theory of containment in the case of accident.

Will the St. Vrain project be an "experiment" which will pose a dire risk to the health and safety of Coloradans? That is the troubling question.

At St. Vrain, a high temperature helium gas cooled reactor concept will be used. In other atomic plants, water is the medium in the reactor to create needed steam. The St. Vrain plant's nuclear fuel will come from thorium instead of plutonium.

This is technological data of which too much abundance serves only to confuse the average taxpayer and electrical consumer who must foot the bill.

The fact is that St. Vrain will be "different" and it is in the difference that opponents charge there are unknown and untested factors which create a risk in life and cash.

In this connection, they look to the PUC for a complete airing of the possibilities before the die is cast.

They point to the record of the Atomic Energy Commission's programs. The AEC's annual budget is approximately $2.8 billion. More than $2 billion alone has been spent on commercial reactor plants. Only three plants in the month of September produced any significant amounts of power.

Peach Bottom's cumulative total of nuclear electricity generation is reported, m.w.h. gross, as 91,608. At more conventional nuclear plants, the record is better.

The Indian Point plant, 30 miles north of New York City, on the Hudson River, reported 173,940 m.w.h. gross in September, for a cumulative total of 5,705,195, and Yankee Rowe, Mass., reported 125,247 for a total of 7,331,354 m.w.h.

In illuminating comparison, the output of the 15 American commercial nuclear plants, added together, only approximates the output of one British plant, Calder Hall. The cumulative total at Calder Hall is 27,912,405 m.w.h.

Critics of the American commercial atomic program accuse the AEC of indulging in "exotic, extravagant and speculative" ventures rather than adhering to the conventionally proven as do the British in their 11 plants.

Objective assessment of St. Vrain becomes difficult from the back-up scientific point of view. Where can be found independent atomic scientists available for hire and consultation by the "public"?

Must the scientist's green signal be the only pointer upon which GO is authorized for certainly costly and potentially dangerous new concepts?

The atomic energy program of this country is so interrelated that there are no government authorities or industry experts who can appraise dispassionately elements of the program—elements like the St. Vrain project.

Walker of the PSC utility, backing up his claim that an accident was impossible, said there were many safety factors which would be built-in at St. Vrain. He said radioactive material could not accumulate to a point where a critical mass would result in an uncontrolled chain of reactions.

He said there had never been an accident in a licensed, commercial nuclear power plant but admitted there had been accidents in other AEC plants.

He did not comment upon the "near misses" in commercial nuclear plants.

Such a case was the $120 million Detroit Edison reactor on the shores of Lake Erie south of Detroit, which was supposed to herald the age of the peaceful atom.

The Detroit reactor, known as the Enrico Fermi Atomic Power Plant, was designed on daring theories and confidence that technology would catch up quickly. In 1956 it was to be a pilot plant to supply electric power from nuclear energy and at the same time, produce a valuable fuel, plutonium.

In 10 years, it has produced only a trickle of electricity and not a single pound of plutonium. In cash value, it produced only $303,000 worth of electricity for the $120 million invested by federal subsidy and the electric consuming public.

Of much more concern, is the story behind the story put out by the Associated Press last Friday, that the Detroit reactor is out of action because somebody dropped a piece of metal in it.

Said the AP: "The reactor will remain idle for several months as a result of that small item."

There were reports that the metal involved was a small beer can, the AP admitted.

While it seems chimerical to suppose either a small piece of metal or haphazard beer can could render inactive a $120 million nuclear plant, nevertheless, it betokens cause for reflection on the part of the Colorado PUC on the brink of committing the money of taxpayers and users of electricity to a similar gamble.

Unfortunately, there are more sinister allegations suggested for the debacle of the Detroit Fermi plant and why the $120 million dream may never come true.

A recent issue of "Scientist & Citizen"—an official publication of the Scientists' Institute for Public Information—said the Fermi plant, after being plagued by a series of technical failures, had suffered an accident "that might have just missed being a disaster to nearby Detroit."

The scientific journal declared that the accident, on Oct. 5, 1966, raised questions about the safety of the reactor program and the way that safety is being assured by the Atomic Energy Commission.

It was clear, said the journal, that a portion of the reactor fuel had melted.

There was concern that more serious accidents were possible and the journal goes on to quote Walter J. McCarthy Jr., general plant manager, as stating that the possibility of a secondary accident was a "terrifying thought."

The long fuel rods of the Fermi core contained about half a ton of uranium 235—enough to make 40 Hiroshima-sized bombs.

Months after the event, the "Scientist & Citizen" speculates on the causes and the possibilities. The AEC "experts" speculated at the time—but not for public consumption. They did not know. They were not "in control."

The Detroit Fermi incident is only one of a number of development projects of the Atomic Energy Commission which have ended in failure.

Another was the state located at Hallam, Neb. The reactor at Hallam, constructed to improved technology, was finally abandoned after years of difficulties. It was out of operation during most of its life. The federal government buried the entire generating station and the taxpayers picked up the funeral expenses.

Colorado has a chance to dictate the terms under which it will allow a nuclear plant to be constructed here—unless it abrogates its states rights through puerility, according to advocates of "a safe nuclear program."

The unconscionable rust to the nuclear age at any cost; the desperate attempts by the AEC to suppress, minimize or delay news of the malfunctions and accidents; the avarice of congressional hands and private industry for atomic bonanzas . . . these are factors breeding uneasiness that conceivably we could be setting the stage for our own Hiroshima.

ESTABLISH CALENDAR YEAR AS THE FISCAL YEAR OF GOVERNMENT

Mr. LANGEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LANGEN. Mr. Speaker, this session of Congress has surely reemphasized a very crying need for change in the budgeting and appropriation process. It is now past the middle of November with many departments and programs still not funded by our present authorization and appropriation process. This situation surely creates administrative problems for all Government activities and has some very undesirable consequences throughout the entire Nation.

Local communities, school districts, and units of government have become more and more dependent upon Federal funds in carrying out the numerous programs designed to encourage and improve their growth and progress. It becomes almost impossible for them to make any kind of reliable plans, or to even prudently expend the money, because of the uncertainty with regard to when the moneys will become available.

During recent weeks our office—and I am sure it is true with most congressional offices—has had innumerable requests and inquiries as to when moneys might be available for many projects throughout the district. This has been true even in the instances where the project or program has previously been approved in every respect.

The problems that further relate to these same matters are numerous and many. The acceptance of bids and letting of contracts has been almost impossible. In the northern part of the Nation such as I represent, where much of the construction must be done during summer months, delays of this kind can mean the difference of an entire year in the final completion.

Even greater handicaps and difficulties have been experienced by individual programs. Schools throughout the entire Nation have found it almost impossible to budget for respective programs because of the uncertainty as to either the amount or the time at which Federal funds would be made available to them.

The poverty program, still being considered by the Congress, has been substantially curtailed and limited in its activities because of, first, the entire program not being reauthorized; and, second, no appropriations being made. Regardless of what our opinion may be of this program, it does become virtually an impossibility to effect any kind of responsible administration with such lack of direction and assurance that Congress will sustain the program or identify the level at which moneys will be provided.

There is now more than 5½ months of this fiscal year already gone by without the level of spending having been definitely determined. Surely this is the height of fiscal irresponsibility and mismanagement of both Government affairs and expenditures.

The experience of recent years has left positive indication that this is a problem that is not apt to improve as time goes on, but might rather get much worse. With the continual Government expansion that includes new programs, added services, a larger populace, and a multitude of complex problems, the workload of Congress is such that it is doubtful that it would be possible in any year to accomplish the authorization and appropriation process in sufficient time to begin a new fiscal year on July 1, in the manner that it ought to be done.

For these reasons I am introducing legislation which would change the fiscal year to begin on January 1, and ending on December 31. Such change would then provide Congress with a full year in which to give adequate consideration to the respective authorizations and appropriations.

I am confident that this would serve the best interests of Government, as well as the taxpayers and anyone who would have any part in the administration or the expenditure of Federal funds at the local level. I am sure that hundreds of millions of dollars could be saved every year by better planned budgets and expenditures at both Federal and local levels.

It is not only an injustice, but most inefficient, to expect local school boards, for instance, to manage the budget of their district on this basis. What is even more pertinent is the fact that the quality of education might well deteriorate because of not being able to plan properly in advance. I know it is disturbing to many that a Headstart program, for instance, has been authorized, started, and in progress, to then discover that moneys are not available, with even an uncertainty as to whether the program will be funded at all. Title I of the Education Act has had much the same experience.

Congress does have the assignment and

the responsibility to act in accordance with its best judgment to prudently give direction to all of these programs and expenditures. This responsibility is not being fulfilled by Congress at the present time.

One cannot expect that the respective departments are going to be able to fulfill the intent of Congress with any degree of proficiency if they do not know what it is until half of the fiscal year has already gone by.

Our Nation today faces an economic crisis, with huge deficits that are most demanding of efficient and prudent use of every dollar of expenditure. To accomplish this takes sound and reliable planning on the part of everyone involved. Such plans cannot possibly be made under the present system.

I am sure that both public and Government acceptance would be most favorable to this change in the fiscal year. It would serve to benefit taxpayers, and the accomplishment of every Government program and service. This would seem to be in the best interests of all future budgeting problems and so I sincerely urge that Congress may find favor with this legislation at an early date.

SURVEYOR, ANOTHER NASA SUCCESS

Mr. KARTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KARTH. Mr. Speaker, another dramatically successful NASA program is nearing its end. I refer to the Surveyor program. Mention should be made of Surveyor's contributions to man's knowledge of the surface of the moon and to the potential success of the Apollo-manned lunar landing.

Surveyor had its problems in the early days, but as of now four of six flight missions have been unqualified successes, and high hopes are held for the seventh and last shot of the program in the first quarter of 1968.

Surveyor VI, which landed softly on the moon November 9, is transmitting excellent photographs from its position in the Sinus Medii, or Central Bay. As expected, this area is shown to be considerably rougher than the two previous areas scanned by Surveyors—the Ocean of Storms in the west and the Sea of Tranquillity in the east.

Surveyor VI also is transmitting important data from its alpha-scattering instrument, a device which determines the chemical composition of the lunar surface.

The Surveyor program's importance can be summed up as follows:

First. It successfully demonstrated the technique of soft-landing on the moon, using retropropulsion because of the lack of a lunar atmosphere. The soft-landing technique must, of course, be used in the manned landing.

Second. Together with the successfully concluded Lunar Orbiter program, it found and certified manned landing sites in the eastern, central, and western portions of the moon—areas of main interest to the Apollo program. It has provided valuable additional data to Apollo mission directors.

Third. It has supplied scientists with their first real information on the chemical composition of the lunar surface. In the eastern Sea of Tranquillity, for example, Surveyor V determined that the surface was made up of the same elements common to the surface of the earth; namely, oxygen, silicon, and aluminum. Scientists concluded that in this part of the moon, at least, the surface resembled basaltic rock here on earth. Surveyor VI is conducting a similar experiment in a totally different part of the moon.

Fourth. Since both Surveyor and its Centaur booster encountered enormous problems in the early stages of development, the eventual success of the program demonstrated the skill, perseverance, and determination of the NASA-industry-university team.

The Surveyor team, directed by NASA's Office of Space Science and Applications, is made up of the Jet Propulsion Laboratory, of Pasadena, Calif., as project manager; the Hughes Aircraft Co. as prime contractor to the Jet Propulsion Laboratory; the University of Chicago, which provided the alpha scattering experiment; NASA's Lewis Research Center, Cleveland, Ohio, responsible for the Atlas-Centaur development program, in which General Dynamics/Convair of San Diego is contractor; and the NASA-JPL deep space network.

Mr. Speaker, the week of November 5 to 11 was a spectacular one for NASA. Surveyor VI's performance was a notable contribution to a week which saw also the successful launches of Applications Technology Satellite III; ESSA VI, the weather satellite; and of course, the magnificent performance of the Apollo IV. I congratulate the National Aeronautics and Space Administration.

PRESIDENT JOHNSON'S OUNCE OF PREVENTION

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Colorado. Mr. Speaker, in listening to many comments praising the leadership and farsightedness demonstrated by President Johnson at his Friday press conference, I am impressed by how much he said to so many people in so short a time. In approximately 40 minutes, President Johnson gave each one of us not only food for thought but also inspiration to act in the public interest.

No important facet of our lives, of our hopes, and of our future was left untouched during those 40 minutes.

For my part, I was struck by the simple and direct explanation of the importance of our foreign aid program.

I have heard thousands of words spoken to express what is right and what is wrong with the idea of foreign aid.

President Johnson characterized our foreign aid program as "preventive medicine." He noted that it was money well spent to help poor people help themselves. He pointed out the folly of cutting a billion dollars from our foreign aid program by reminding us of how much more it might cost us in the future not only in dollars but also in blood.

It is well now to call to mind once again the words of President Johnson when he said:

> But when the trouble develops—the people who are starving, the people who are ignorant, illiterate, with disease—and wars spring up and we have to go in, we will spend much more than we would if we had taken an ounce of prevention.

Is there really anyone in this Congress who is unwilling to buy that ounce of prevention?

PELLY PRAISES NBC TELECAST

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. PELLY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. PELLY. Mr. Speaker, I think the National Broadcasting Co. rendered an important public service when it extended its "Meet the Press" program to 1 hour yesterday, allowing Ambassador Bunker and General Westmoreland to bring their views on Vietnam to the American people.

I have been a supporter of more congressional debate on the war in Southeast Asia because it has been my belief that more discussion would bring out more facts that the American people deserve to know. However, yesterday's "Meet the Press" telecast performed a somewhat similar function, being both objective and informative. In my opinion, it was a real contribution to bringing a balanced civilian, as well as military, evaluation of the situation in Vietnam to the American people, to complement statements of political leaders, including President Johnson's news conference last week.

TO HELP PEOPLE PAY THEIR DEBTS—IF THEY CAN

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CURTIS. Mr. Speaker, I have had the privilege of obtaining an advance look at an article prepared by Prof. Arthur Allen Leff of the Washington University Law School. The article is to appear in the mid-December issue of the Personal Finance Law Quarterly. With permission of the author and the Quarterly, I am placing the article in the Record at this time as it pertains to legislation introduced in this session of the 90th Congress by our able colleague, Representative Richard Poff, of Virginia.

Representative Poff's bill, H.R. 1057, would require that a wage earner petitioning for bankruptcy first make a showing that adequate relief is not available under the "Wage Earners Plans" chapter of the Bankruptcy Act. The core idea contained in this bill has been extended by Professor Leff to cover any petition in bankruptcy against any debtor, and is the subject of Professor Leff's article, which follows:

Exclusions From Straight Bankruptcy—A Less Modest Proposal

(By Arthur Allen Leff, associate professor of law, Washington University Law School, St. Louis, Mo.)

I write as a convert. I had often thought that the general question of under what circumstances a person who had received goods and services should be called upon to pay the entire stipulated price was one of enormous complexity, demanding close consideration not only of the diverse contexts in which the question might arise, but of the various social policies to be served by the particular answers. Frankly, I often found myself bewildered by the overall job, and unsure of my conclusions even when the frame of inquiry was radically narrowed, to the question of "unconscionable" contracts, for instance. [See Leff, *Unconscionability and the Code—The Emperor's New Clause*, 115 U.Pa.L. Rev. 485 (1967)]. But then—oh happy day—I read Mr. Naughton's piece in the Fall number of the Quarterly [Naughton, 21 Pers. Fin. L.Q. Rep. 123 (1967) (hereinafter cited as "Naughton")] and the scales dropped from my eyes (and hands, for that matter). No longer were any such arcane balancing acts demanded of me. The question was simply: "Should people be required to pay their bills if they can?" and the answer was a "yes," not only a yes but a "resounding 'yes'," and not only on behalf of Mr. Naughton, but on behalf of the "Consumer Bankruptcy Committee of the Section of Corporation, Banking and Business Law of the American Bar Association" [Naughton, p. 124] (which, assuming a unison answer, would certainly resound).

This limpid solution to all my problems left me transfixed with joy for a moment, but a nagging worry began to grow in me. Why, thought I, had not this sharp sword for compexity been extended by Mr. Naughton on the spot to all of the Gordian knots needing a swift slash? Well, thought I, it could only be Mr. Naughton's (and presumably the C.B.C.S.C.B.B.L.A.B.A.'s) modesty which prevented such an obvious course. It must be that, thought I, since the only other possibilities were foolishness and dishonesty.

Converts, however, are often pretty evangelical, and I have managed to overcome my modesty. I am not too bashful to show off the power of my newly received panacean principle—all men should pay their bills—and so I shall now sketch a fuller legislative package to complement and carry out the American Way of H.R. 1057.

The first step, obviously, is to extend the ambit of H.R. 1057 to cover *all* bankrupts, not just wage earners. If *any* petition in bankruptcy is filed by or against *any* debtor, the Referee in Bankruptcy shall have the authority to exclude the debtor from straight bankruptcy and instead order him to apply his future earnings to paying off his creditors. After all, H.R. 1057 has taken the laudable step of no longer "treating the American consumer like a helpless child," [Naughton, p. 125] and surely the same courtesy should be extended to the American businessman. If he can start a new business, or go to work for wages, which will be sufficient to pay off his creditors eventually (why a three-year limitation?), why not let him. "This is not to imply the road won't be tough." [Naughton, p. 126] But it seems to me that if we're going to devise a device which "offers hope and provides a path wherein a man and, yes, his family can start anew" and "a way for that person to start the tough road of living again armed with the knowledge of his mistakes" so that he "becomes a useful citizen," [Naughton, p. 126] certainly that privilege ought not be denied a man just because he has the peculiar misfortune of being a businessman (or the beneficiary of a discretionary trust) rather than a lucky wage earner. Fair is fair.

Of course, merely making H.R. 1057 applicable to all bankrupts rather than only to wage-earner bankrupts would not by itself be enough to extend the purifying ambit of our general principle to its fullest and most gratifying (and American) extent. Many additional legislative changes would be required to do the job fully, only a few of which can be indicated here (though I am sure that I can leave the details to Mr. Naughton and company). First, for instance, something would have to be done with the present exemption policy of the Bankruptcy Act which allows a man the exemptions provided in his state of domicile. [Bankruptcy Act sec. 6; 11 U.S.C. sec. 24.] After all, just because a man has the misfortune of living in a high-exemption state, he should not be denied the American way of paying his bills. Following Mr. Naughton's general technique, I would leave this too to the Referee under the general Chapter XIII rubric of what "is for the best interests of creditors and is feasible." [Bankruptcy Act sec. 656(a)(2); 11 U.S.C. sec. 1056.] Why should a businessman be allowed to give in to the temptation of holding out from his creditors a homestead, say, when wage earners, who are so much less likely ever to amass homestead equity, are not similarly tempted to such an un-American device.

Similarly, the Bankruptcy Act cannot be allowed to continue to countenance the self-defeating practice of businessmen in amassing property and transferring title to their wives (prior to the time when it would be a fraudulent conveyance to do so). Wage earners are protected from this hinderance to their rehabilitation because of the infrequency with which they can get enough ahead to reify their earnings into "property" which can then be tucked safely away, but just because they are so lucky doesn't mean that they should therefore have such an advantage over businessmen. The American way for them in this context wouldn't take much to bring about. How about a new subsection in the Bankruptcy Act, call it 70a(9), which would define as property of the bankrupt "property at any time transferred to any member of the bankrupt's family at the time of adjudication living with the bankrupt." It may need some polishing, but the idea is simple: to help people pay their bills if they can.

And, of course, the limited liability of corporations, the non-reachability of interests in spendthrift trusts, non-recourse mortgages and so forth would all have to go. Certainly doing business in corporate form should not bar a businessman wishing to avail himself of the American way from doing so. I suggest we empower the Referees to inquire into the situation, and if they determine that a particular bankrupt who went bust in corporate form could meet those business obligations out of his future earnings, why then the Referees should be able to so order.

I have it on the very best authority that "Referees in Bankruptcy throughout the country are knowledgeable, dedicated individuals, deeply concerned in carrying out the duties of their positions to the fullest conducive with fairness, honesty, and great concern for all involved in the actions before their courts." [Naughton, p. 125] My proposal, like Mr. Naughton's, is that we solve the problem of people who don't pay their bills "the way we solve our other judicial problems—by allowing a qualified and impartial judicial authority to determine the best possible solution, and then giving him the authority to enforce that solution" [Naughton, p. 126]—*for everybody*. Though I can well understand that the limited scope of Mr. Naughton's (and H.R. 1057's) plan is merely the result of modesty, the modesty could have an untoward and (I'm sure) unforeseen result, that rich debtors and business debtors and corporate debtors would still be taking the un-American path of discharging a large proportion of their debts, while wage-earner-consumer debtors would be taking the American path of paying them. That, of course, would turn the beneficient H.R. 1057 into a blatant bit of vicious class legislation. That, of course, is not the American way and that is not my way; tell me, Mr. Naughton, is it your way?

JOHNSON'S FARM POLICY WRONG

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Harsha] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HARSHA. Mr. Speaker, it is sobering to see one's Nation move from strength and growth to weakness and dependency. Yet Americans who have, through the years, taken justifiable pride in the resourcefulness and productivity of their people have seen this happen in more than one vital industry.

Several basic industries have, in the last few years, found it difficult, if not impossible, to compete with other nations in the marketplaces of the world. This is a serious trend, Mr. Speaker, and it bodes little good for our children. But even more portentious is the growing tendency to depend on foreign nations for commodities vital to our survival as a great Nation.

I refer, Mr. Speaker, to our increasing reliance on the agricultural productivity of other nations. If this strange dependency were the unavoidable consequence of inadequate natural resources or if it were due to technological ineptitude on the part of our people, it would be understandable—but neither of these suggested inadequacies exists.

At a time when American productivity is at its zenith, our Government is promoting a course of action at home and abroad that threatens to greatly weaken our agricultural capability.

And this is being accomplished through a combination of administration-manipulated wage-cost-price conditions here and an unrealistic if "idealistic" attitude governing trade with other nations.

To be specific, Mr. Speaker, I call your attention to administration action that can only weaken our farming industries. Here are some examples:

First, the administration's decision to dump huge quantities of feed grain upon the domestic market in order to break and depress grain and livestock market prices;

Second, a sharp curtailment of purchases of domestic pork, lamb, and dairy products by the military;

Third, repeated decisions to increase imports of raw sugar into the United States;

Fourth, decisions on the 1967 wheat program which have depressed the blend price per bushel farmers are receiving for their wheat;

Fifth, action imposing restrictions on the export of cattle hides, calf and kid skins;

Sixth, the President's raising of the Cheddar cheese import quota for fiscal 1966 from 2.8 million pounds to 3.7 million pounds. Administration refusal to support legislation that would limit imports of meat products is, in my judgment, jeopardizing domestic producers. As a result, beef and veal imports were up 27 percent in 1966 over the previous year; meat under the meat quota amendment was up 34 percent, pork imports were up 14 percent, lamb imports increased by 19 percent, and mutton import jumped to 102 percent. And imports continue to increase.

It is disturbing, Mr. Speaker, to project present trends and contemplate their effect on our economy, our people, and our Nation's productive capability.

The results of this course are already having ruinous effects on American farmers. It is ironic that in our Government-manipulated economy, many farmers who work around the clock earn less than welfare recipients get in the Nation's large cities. While wage levels climb 8 percent in other industries, personal income of the average farmer has dropped 16 percent.

To keep from losing their farms, these patient people have had to borrow more and more. In the first 9 months of this year, the average debt per farm dollar earned was 62 percent higher than in 1960. The average farmer now owes $3.36 for every dollar earned this year. Debt on the average farm has gone up over $1,200 in 1 year.

And not only is the farmer deeper in debt. He is paying more for the money he must borrow. Interest rates, since 1960, have increased by 20 percent. The American farmer is being crushed under this enormous burden of debt.

Production costs are skyrocketing. They have gone up 31 percent during the 7-year period. And farm prices continue to decline—undermined by cheap imports from countries who pay but a small fraction of the wages paid by farmers here.

Is it any wonder that farmers are alarmed? Should we be surprised that 82,000 more farms will be wiped out this year? We are traveling down a road, Mr. Speaker, that is dangerous and ominous. Destroy the independent, hard-working farmer, and you have reduced our Nation to the level of certain bureaucratic states who have lost the ability to feed themselves, let alone help the people of other nations.

For the benefit of American farmers the administration should change its policies for they are obviously the reason for the farmer's plight.

MARINE CORPORAL HIPWELL WRITES TO THE HIPPIES

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. CLEVELAND] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, on Wednesday, November 1, a deeply interesting and thought-provoking letter appeared on the editorial page of the Daily Eagle of Claremont, N.H., one of the fine newspapers which serves my district. At the conclusion of my remarks, I shall insert this letter in the RECORD, for I know that many of my colleagues will be interested in this message from Cpl. Brian L. Hipwell, who is now serving in Vietnam.

Mr. Speaker, as a result of this letter, a group of young people in Claremont, headed by Lawrence Stevens, organized a rally to show their support for our fighting men in Vietnam I shall also include in the RECORD a newspaper account which was published in today's Manchester Union Leader.

It was my privilege to attend this rally. As I stood in Broad Street Park in Claremont, N.H., yesterday, I was immensely proud of what these fine young men who organized the rally were doing. It is true that they had generous help from the news media, the American Legion, the Veterans of Foreign Wars, and many others, but here was a grassroots reaction to the disgraceful and sometimes illegal excesses of some dissenters.

Surely we can all agree—including those who honestly dissent—that our young men who are fighting and dying for our committment to defend South Vietnam deserve our full and unqualified support. In the city of Claremont and, indeed, from the hearts of millions of Americans, we should see to it that this message reaches our young men in Vietman loud and clear: Do not be deceived by the regrettable amount of publicity that a handful of misguided dissenters have received. We are proud of you and we are behind you, all the way.

FOR DRAFT CARD BURNERS AND "HIPPIES"

To the EDITOR:

This letter, I personally would like to dedicate to all Draft Card Burners and "Hippies". First of all I would like to introduce myself to you. My name is Brian Hipwell. I am a corporal in the United States Marine Corps and I'm proud of it. Most of all, I'm proud to be an American, and proud to be serving my country.

Now, I ask, why do you protest and demonstrate about our involvement in the Far East? You claim that you do this for peace.

You refuse to fight for your country because it's wrong to kill. Of course it is wrong to kill and fight, but have you ever thought of what the cost of peace and freedom is? Do this, coward, ask your father, if you can face him, ask him this question. Ask George Washington and the other fathers of this great country. Freedom and peace cannot be bought. These are not solid things that one can touch. But it is real. It is the bloodshed by thousands of men before you who paid the supreme price for their wives, children and loved ones to live in tranquility. This supreme price—their lives. They died proud, and never to know that people like you would come along and spit on their graves.

I'm in Vietnam now and fighting this war for many reasons. Yes, even for you I fight. I had to leave my wife behind who carries my unborn child. I know not, if I will ever see my child or my wife again. If I never return, I know that I, at least, did my small part to insure my child a good education, a home to live in, and a happy life.

My child will never have to experience the fear of seeing a barb wire fence or a brick wall separating him from his mother, nor will he have to carry identification papers, to be stopped by armed guards wherever he goes.

I pray to God that I'm able to come home and enjoy everything that I have fought so hard to keep, as did my father. Even while I'm home, re-adjusting myself to the things I used to take so much for granted, I'll never forget the men who fell before my eyes and those who will still be falling. I'll know what they're going through—it's hell. I'll know the fear that's inside them. The almost proud fear that you'll never experience.

Tell me, coward, you've never been in a water-filled foxhole before, have you? You've never felt and heard mortar rounds falling around you and making the ground tremble beneath your already trembling body. You've never been so scared that tears of fright make little ripples over your dust-caked skin. Believe me, it's only a small part of the big price one has to pay to keep the peace. It's only the beginning.

Here's a sample: you're in your hole with several other men. You have your weapon and you're loaded down with belts of extra ammunition and hand grenades you know the enemy is out there, and he's determined to stop you because you've upset his plan to rule the world with his way of thinking. You're crouched down for protection from the incoming artillery and rockets, then comes the ungodly silence.

Your finger stiffens its grip on the trigger of your rifle, the sweat is beading all over your body and your eyes are stinging from the burning sweat and dirt. Your helmet cuts into the skin of your skull and your scalp becomes numb. Your flak jacket turns into an oven and you want to take it off, but you don't because it's your only form of body armor. Your muscles ache and your body screams for sleep. Your stomach is twisted and knotted and you want to roll up in a ball and hide—you know this is it! The command comes "move out."

It's not long before the enemy makes his presence known. Then it happens—you're in a fire fight. Each man now fighting as a whole. Hot lead whizzes all around you and you fire aimlessly. Then you see your buddy fall into a crumpled mass of flesh. You forget your own safety and kneel down beside him to apply first aid to his wound. You turn him over and tears start to flow. He needs no bandage—he's been shot in the face, and you pray that he didn't feel it.

You're angry now, fear is gone and revenge has taken over. You get up, taking his ammo and know that you must fight twice as hard to take the place of an American felled in the course of protecting the "peace."

The fight is over and you fall back to help the wounded on the medi-vac helicopters. Then you see a plastic bag with "Joe's" name on the casualty tag. You know he's going home now. He's already paid for the plane trip, he's going back home in a flag-draped aluminum casket.

This little "incident" is something I would like you to remember, my bearded protestor. You can take this as fiction if you wish, but please, I ask you just one thing: The next time you take your girl friend to a movie, please, think of my buddy. He gave his life so you can watch that movie in peace. You'll never have to go through what he has. You've got it made. Also, think of his wife and family—it's the least you can do.

After the movie is over with you'll go to a bar and have a drink. Don't bother to think of some other Marine who just took a bullet in the guts—for you!

[From the Manchester (N.H.) Union Leader, Nov. 20, 1967]

Viet Support Rally Held: 175 at Claremont Turn Out

(By Carol Morrisey)

Claremont.—Some 175 persons shivered through a 30-minute rally here yesterday afternoon as a "tangible expression of our support for the boys in Vietnam."

U.S. Rep. James C. Cleveland of New London, keynote speaker, warned the group the freedom of the nation is in danger.

"Part of the danger is a conspiracy from abroad," he said, "but part of it is from the people who live in this country and who do not understand the threat.

"By their demonstrations and disregard of lawful dissent, they disgrace the cause of dissent and aid and abet the enemy that we fight."

Brisk winds, freezing temperatures and overcast skies set the stage for the parade and rally planned by a local high school student, 19-year-old Lawrence Stevens.

Taking part in the mile-long march from the junior high through the city, and ending up at Broad Street Park, were members of VFW Post 899 and American Legion Post 29, St. Mary's Cavaliers Drum and Bugle Corps, and numerous placard-bearing citizens of all ages.

Stevens thanked the people who turned out for the rally despite "the miserable weather" to prove to the men in Vietnam "that we care."

Mayor Marion Phillips termed the rally a "fitting beginning to our Thanksgiving weekend.

"It is a privilege and a blessing for the people of Claremont to be gathered here today in the expression that has been activated by these young people," Mrs. Phillips commented.

"Democracy is an expensive form of government. In order to preserve it, we must support those who are doing what they can to enable us to keep our freedom," she said.

Korean War veteran Ted McElreavy, District Two commander, VFW Post 808, said the men fighting in Vietnam deserve the backing of the American people regardless of their personal feelings about the war itself.

END WAR

"We should use whatever force is necessary to get this war over with and bring our men back home," he stated.

Other speakers included VFW members James Costa, and Louis F. Hipwell, father of Brian Hipwell, a local Marine corporal whose open letter to "hippies" and draft dodgers was instrumental in spurring Stevens to action. The text of the letter appeared, in part, in Saturday's Union Leader.

Cleveland has asked for a copy of the letter and will see that it is placed in the Congressional Record.

After quoting Abraham Lincoln, Oliver Wendell Holmes and the late President John F. Kennedy, Cleveland said the rally could best be described as "our defense against the disgraceful (anti-Vietnam) demonstrations."

He called President Kennedy's words, "'Ask not what your country can do for you; but what you can do for your country,' truly a statement for this generation."

CONGRESSIONAL REFORM: ACTION NOW

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. Cleveland] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, under leave to extend my remarks, I would like to place in the Congressional Record a report of UPI reporter Frank Eleazer on a survey of first-term Members of the House and Senate. The article appeared in the Washington Post on Sunday, November 19.

The fresh ideas and different approaches of new Members can and should complement the experience of those who have served here longer. We need the objectivity which they can bring to Congress. Many of their constructive suggestions are incorporated within the framework of the Legislative Reorganization Act of 1967. It is thus regrettable that the House has failed so far to act on the Legislative Reorganization Act, passed by the Senate 75–9, last March. The report follows:

Hard Work Surprises New Congressmen

(By Frank Eleazar)

Many freshmen members of Congress admit they are surprised at how hard lawmakers must work for their $30,000 a year. They would like more time for study, better staff assistance, and streamlined legislative procedure.

One member said there is too much yak on the floor and that it usually is "the same group" doing the talking.

Despite the pressures of office, almost half of the first-term House and Senate members of the 90th Congress took time to answer—often in their own hand—a survey on what they have learned.

One of the most frequent comments was that the job is more demanding than expected.

The most surprising majority view, considering the bottom-of-the-ladder status of freshmen, was that the much-criticized seniority system for picking committee chairmen may be the best available arrangement. Sixteen of the 30 respondents said they had concluded it is, despite occasional shortcomings.

Others replied that they would like to see the system improved but were not sure how to do it. Eight suggested election of committee chairmen at the start of each Congress from the three senior majority members.

Sometimes it is frustrating," wrote Rep. George Bush (R-Tex.) in a typical comment on the seniority system, but on balance I can't think of a fairer or better way."

Rep. Bob Eckhardt (D-Tex.) said the choice is between seniority and arbitrary control" by congressional leaders. He favored seniority.

But Sen. Mark O. Hatfield (R-Ore.) said the system should be changed to encourage younger, newer, members of Congress to share more fully in the legislative process." He suggested sometimes putting new members on House-Senate conference committees that make final legislative drafts.

Rep. William L. Scott (R-Va.) said seniority is good, but that escape hatches may be needed to block or remove a "senile or unsuitable" chairman. Rep. William O. Cowger (R-Ky.) called the seniority system "the poorest we could have." He urged election of chairmen.

Not unexpectedly, almost all the freshmen replying to the survey favored adoption by the House and Senate of ethical codes to govern conduct of members. Only one said flatly he did not consider this necessary (and he also opposed other proposals for change.)

"We are paid from taxpayer funds and are in a position of trust and confidence," said Rep. Robert V. Denney (R-Neb.) "and in my opinion, our constitutents would have greater confidence in us were we to adopt a code of ethics and abide by it."

Four of those favoring an ethics code recommended against compulsory disclousre of outside assets. Five said they favored disclosure of sources only, not amounts.

Eleven freshmen noted that the demands of the job were greater than they might have expected. Eight commented that members of Congress on balance were smarter than they had imagined. Eleven said they found no surprises.

Rep. Sam Steiger (R-Ariz.) noted "great talent among the membership—also some few amazing inadequate." He deplored the "great wasted effort" in House votes and quorum calls—217½ hours per congressman wasted yearly, he estimated.

Steiger and Rep. Donald E. Lukens (R-Ohio) recommended installation of voting machines to eliminate the oral roll calls that take close to a half an hour each.

Many of the freshmen recounted their problems in finding enough time, and enough expert help, to get all their chores done and learn all they need to know about the mass of legislation on which they have to pass judgment.

"Much more time is required handling individual problems of constituents," said one.

Another said: "The demands on the time of a Congressman by his duties and his constituents are somewhat greater than I anticipated. The great majority of members are harder working, more dedicated, and more expert in their fields than the public or the press gives them credit for."

Rep. Donald W. Riegle Jr., (R-Mich.) put the problem this way: "I feel that minority staffing is inadequate, that congressional reform is needed to make House operations more efficient, and that congressmen need an increase in their clerk hire allowance so they might engage a specialist or two on issues particularly relevant to their committee work."

On a question about other possible areas of congressional reform, seven respondents got in a plug for House passage of a Senate-approved congressional reorganization bill which includes among its objectives better staffing and closer supervision of lobbyists.

Five said the House and Senate ought to work five days a week—a frequently heard complaint this year among freshmen.

CONGRESSIONAL REFORM: A COMMENTARY

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. Cleveland] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CLEVELAND. Mr. Speaker, Roger Davidson and David Kovenock, assistant professors of government at Dartmouth

College, have written extensively and thoughtfully on the subject of congressional reform. I would particularly commend to the attention of my colleagues the book which they coauthored with Michael O'Leary entitled "Congress in Crisis: Politics & Congressional Reform," published last year by the Wadsworth Publishing Co., of Belmont, Calif.

An interesting example of their work appears in a recent issue of the "American Behavioral Scientist" under the engaging title of "The Catfish and the Fisherman: Congress and Prescriptive Political Science."

Because the article is fairly long, I will make only a few brief remarks in connection with some passages that are of particular interest to me. However, I recommend the entire text to Members of Congress, political scientists, and any others concerned about the operation of today's Congress.

While much remains to be done in the area of improving relations between the political science and congressional communities generally, the situation is certainly a great deal better today than it was when I entered Congress.

I like to think that our House Republican Task Force on Congressional Reform and Staffing has had something to do with this trend. We have made a conscientious effort to supply political scientists with research materials and current data, personal interviews, and any practical help we could offer them in their various study and writing projects on the operation of today's Congress.

As Professors Davidson and Kovenock point out in their article, even the most prominent men among their profession have for many years relied heavily, perhaps exclusively in some cases, on secondary sources for their writings about Congress.

The increasing incidence of on-the-scene scholars in the corridors of today's Congress is a healthy and long-overdue development. I hope that the House can take positive action, before this session adjourns, on House Resolution 578, introduced by my colleague from Iowa [Mr. SCHWENGEL] on June 15. This resolution amends the Rules of the House so to allow a portion of the gallery to be set aside for the use of scholars engaged in study of the House of Representatives.

Along with the trend toward firsthand observation, I think we are witnessing an equally healthy trend toward a lessening of the traditional academic skepticism about Congress. Perhaps the one has grown out of the other. When the scholar has an opportunity to see firsthand, some of the day-to-day hardships under which today's problem-ridden and information-burdened Congressman must labor to fulfill his responsibilities, his criticism may become tempered with understanding.

I do have one critical comment about the Davidson-Kovenock article, and that is my objection to the implication that Congressmen are too "provincial in their origins", perhaps, for the Nation's good. I represent one district of New Hampshire and am proud to do so. That is how our system is set up—our national House of Representatives is supposed to be composed of legislators who reflect the interests of their constituents and reflect their concerns, individually and collectively, I believe we have the Nation's best interests at heart, and there surely is strength in having a diversity of opinions represented in the national legislature. However, I should point out that Messrs. Davidson and Kovenock do not belabor this point.

THE CATFISH AND THE FISHERMAN: CONGRESS AND PRESCRIPTIVE POLITICAL SCIENCE

(By Roger Davidson and David Kovenock)

(NOTE.—Roger Davidson is an assistant professor in the Department of Government at Dartmouth College. He is co-author of Congress in Crisis and of On Capitol Hill: Studies in the Legislative Process. David Kovenock is also an assistant professor in the Department of Government at Dartmouth College. He is currently completing a study of communications and influence in the United States House of Representatives.)

During most of its history, the American political science profession has seemed to be waging an undeclared war on our national legislature. Thomas Woodrow Wilson, who earned one of the early doctorates in the profession, made little secret of his contempt for Congress long before he had occasion as president to feel the effects of a direct encounter. Quoting Bagehot's caustic description of Parliament, Wilson wrote Congress was "nothing less than a big meeting of more or less idle people." The profession has modified its hostility somewhat since 1885, but often it appears that not much has changed. One well known political scientist, for example, told the Joint Committee on the Organization of the Congress in 1965 that "Congressmen generally believe that nothing is of more importance to the welfare of the Republic than the advancement of their own personal political careers."

Such sentiments as these have inevitably produced a bombardment of academic prescriptions for reform on Capitol Hill. With each Rules Committee *coup de grace*, with each hint of a Senate filibuster, political scientists have been ready to offer public advice on congress' failings and what should be done about them. A host of books and articls have probed congressional weaknesses. Since World War II the American Political Science Association has launched no fewer than three major inquiries, at least partially directed to examining the workings of Congress. When Senator Clifford P. Case circularized the profession in 1963, he found overwhelming sentiment that "Congressional reform is long overdue."

As is often the case with volunteer advice givers, political scientists have usually been ill rewarded for their efforts. Legislators themselves frequently respond with what can best be described as a mixture of bemused contempt and fearful hostility. Neil MacNeil, *Time* magazine's chief Capitol Hill correspondent, has remarked that Congress feels toward its academic critics the way the catfish must have felt toward the fisherman: "Hold still catfish," the fisherman said, "I only want to gut you!"

The prescriptive research and commentary directed toward the American Congress illustrate some of the problems faced by the scholar-as-policy-scientist. For example, how is the political scientist's conceptual and methodological toolbox related to the kinds of institutional repairs he has proposed? And if, as we assume, the political scientist has been developing a mode of inquiry that is increasingly non-normative in character, why does he continue to employ major (yet frequently unarticulated) value premises which lend a distinct coloration to his work? Finally, if in venturing to recommend institutional change within his own society the political scientist inevitably exposes both his ethical and methodological assumptions, what kinds of questions can he ask and attempt to answer? What ought to be the extent and nature of his ties to the institutions under his scrutiny? In the following paragraphs we shall attempt to explore these questions as they relate to the role of academic political scientists in congressional reform.

Why are political scientists—and most academics, for that matter—so critical of Congress? The explanation may lie in part, in the words of one academic critic, in "a complete failure of communication." But that answer surely begs the most interesting questions. It relies upon a stereotypical view of things: impractical and inarticulate ivory tower scholars confronting semiliterate and self-seeking party hacks, with little or no meaningful interchange possible. Such stereotypes are less than accurate these days (if they ever were), and if they survive in the minds of some congressmen and scholars, they are symptomatic of more basic conflicts. Unfortunately, we know of no reliable survey data which we can whip out to clarify this problem, but perhaps some generalized observations will be helpful.

Much criticism of Congress is undoubtedly rooted in conflict over public policies or basic values. Certainly any excursion around faculty clubs would uncover a large contingent of hornbook liberals. And among social scientists particularly, the tenets of the liberal intelligentsia tend to be accepted as holy writ. When these tenets are challenged by an unruly Congress—in foreign aid, medicare, civil rights, and civil liberties—who can blame the professors for clutching Plato and *The New Republic* and denouncing legislative conservatism, parochialism, and obstructionism? No wonder that academics seem to prefer to side with the Executive. Since the New Deal at least, it is the Executive Branch and not Congress that has seemed receptive to the liberal policy proposals of the kind espoused by many political scientists. It is not hard to argue that executive experts are more sensitive to social scientists and social policy needs—especially, it might be added, when those experts sponsor elaborate research projects headed by social scientists.

The sources of the policy and value conflicts between Congress and academia are not difficult to locate. They include differences in social background and occupational recruitment, as well as in life style and occupational roles.

Congressmen, for the most part, represent "Main Street, Middletown, U.S.A." in their origins or in the representational roles they select for themselves, and frequently in both. Further, aside from their part-time residence in the Capital, the vast majority of our national legislators live in or near their original hometowns. "The typical Congressman," Samuel Huntington has pointed out, "may have gone away to college, but he then returned to his home state to pursue an electoral career, working his way up through local office, the state legislature; and eventually to Congress." The lawmakers live in and reflect two worlds: the communities centered in the House and the Senate; and the constituency communities of fellow small town and small city lawyers, businessmen, bankers, politicians, newspaper editors, trade union leaders, and other local opinion-making elites.

Our legislators tend to be provincial in their origins and current ties largely because our democratic political system rewards if not demands it of them. The occupational community in Washington reinforces the resultant values, and the occupational role strains of the elected politician further intensify the disparity between his life style and that of the typical social scientist. The background of the latter is more cosmopolitan, geographically mobile and specialized. His ties are to professional communities, rather than to geographical ones, and his policy orientations tend to be continental or even global, rather than segmental and provincial.

These speculations offer a persuasive if perhaps conventional explanation of the political scientist's propensity to be critical of Congress and preoccupied with congressional reform. But we do not feel them sufficient to explain his reformism. One must look to the political scientist's work—to the concepts and categories and methodologies of his discipline—for a more complete understanding of academic reformism.

Although academic writing on Congress has often been either hyperfactual or anecdotal, most students of our national legislature approach their subject matter with descriptive or normative models which are sometimes explicit but frequently implicit. That is, they tend to view Congress through the lenses of a particular conceptual framework. It is the discrepancy between the Congress in the alternative model worlds and the Congress in the real world that has led many political scientists to take a critical stance.

One approach many political scientists have adopted is to view Congress as a policy-making instrument. Here the analogy is usually (although not always) the formal bureaucratic structure as described and interpreted by traditional schools of public administration. Perhaps the foundation for this approach lies in the box-and-string notions of organizations designed to reach an agreed goal through "the one best way"; perhaps in some scholarly penchant for simplistic categories and for neat hierarchies of control; perhaps in the fact that most political scientists with first-hand experience in government have served their apprenticeships in administrative agencies; or perhaps in the increasing bureaucratization of the environment in which scholars write and teach. Whatever its foundations, the policy-making approach tends to stress the capacities of an institution for identifying public problems, clarifying alternatives, gathering and processing cost-benefit data, and designing or invoking coherent policy directives.

Congressional performance is, needless to say, rather disappointing by bureaucratic problem-solving standards. To be sure, individual congressmen and senators labor over substantive policy problems with a devotion and grasp for detail which would surprise cynical outsiders; and the specialized consideration given to issues by the standing committees of Congress is often as searching as any comparable review mechanism within, say, a large business firm. But congressional policy-making is an uneven and discontinuous commodity: individuals and work groups on Capitol Hill possess varying levels of expertise; committee hearings and certainly floor debates may seem superficial or beside the point; and, perhaps above all, there is no neat hierarchy of command to lend coherence to the process. What is more, the calculus of democratic politics may produce no positive solution to the problem at hand. For the politician (as for all of us, occasionally), "doing nothing" may often be the most rational way of "doing something." But in Congress, these decisions "not to decide" are more contentious and visible, in part because the disappointed interests are directly represented and frequently vocal.

Nor is Congress a model board of directors. Policy analysts usually concede that, whereas Congress is incapable of solving the nation's problems on its own, it should accept the President's agenda and ratify or modify alternatives developed by the executive bureaucracy. Again referring to the organizational analogy, the relationship is that of a board of directors (Congress) to the management of a firm (the political executives). This analogy has led to one of the hoariest assumptions in political writing—namely, that legislators are "generalists" and executives are "specialists." "The hazard is," wrote Arthur Macmahon of the appropriations process, "that a body like Congress, when it gets into detail, ceases to be itself."

The mass of evidence indicates that Congress simply does not fit this mold. For one thing, Congress does not act as a body. Its decisions are made by separate houses, committees, subcommittees or less formal work groups, and by parties or more fluid factional alignments. (From one organizational point of view, this procedure is both admirable and necessary.) And in dealing with incredibly complicated issues, congressmen (like the rest of us) continually abandon "general principles" in order to "get down to cases"; and they are constantly "meddling" in details where the generalist-specialist dichotomy dictates they should keep hands off. Hence, Congress does not measure up to the standards implied by the model of a national board of directors.

A third model of Congress—as *arena of rational two party debate and confrontation*—has been a particular favorite of many political scientists. The analogy here is quite explicitly to the British party system, which has attracted the unquestioning devotion of generations of political scientists from Woodrow Wilson ("by far the best . . .") to James Macgregor Burns ("an almost ideal form of representative government"). For a time, the "responsible parties" model enjoyed the status of the official doctrine of the American Political Science Association through the reports of its Committee on Congress (1945) and Committee on Political Parties (1950). And the model survives as a *leitmotif* in introductory college texts in American government. Viewed from this standpoint, a legislative body is neither a self-contained, bureaucratic, problem-solving machine nor a simple legitimizer of decisions made elsewhere. Rather, Congress would serve as the capstone of a national system based on two, program-oriented, disciplined, responsible, and competitive political parties. Its primary functions would be to clarify policy alternatives and to represent a national majority and minority, each lined up behind explicit party programs.

By such standards the organization and performance of Congress are easily faulted. Weakly disciplined congressional parties result from a membership more responsible to effective constituencies back home than to national majorities or national leaders. Once the two houses are organized, party labels cease to provide unambiguous cues to voting records. Bargaining for *ad hoc* majorities blurs lines of party and policy. Decentralization of power and decision-making, coupled with rules which offer a veritable armory of weapons for delay and obfuscation, prevent the kind of two-party confrontation and clear-cut issue resolution which is commonly perceived as the hallmark of the British system. Thus, Congress comes in a poor second to the Mother of Parliaments.

Not all traditional approaches, it must be noted, have led to unexceptioned criticism of Congress. If our national legislature is conceived—as in the writings of E. Pendleton Herring, David B. Truman, Bertram M. Gross, and others—as an *arena for conflict reduction and value integration*—then it comes out with rather high marks. If one sees Congress as a vehicle for the expression of the myriad interests of a pluralistic society, receptive to influence at numerous structural and procedural junctures, and above all sensitive to the intensity of demands first for change and then stability—then provincialism, specialization, compromise, diffusion of power, and individual rather than party entrepreneurship becomes blessings rather than curses.

Thus, the nature of the normative and descriptive models employed in the study of Congress has influenced the judgments pronounced upon the institution of American political science. If the conceptual eyeglasses worn are darkly tinted, then Congress and congressmen shade from light gray to black; if they are rosy hued, they all emerge in a more flattering light. The point is, of course, that institutional analysis is seldom neutral: the conceptual criteria employed and the objectives chosen for examination carry the judge some distance toward the verdict. That most American political scientists have in the past been critical of Congress is, in no small part, the result of the concepts and models which they have employed in studying it.

The study of Congress and of legislative behavior has over the last 15 years undergone change bordering on revolution. It has reflected—and occasionally led—a substantial reorientation of the science of politics of which it is a part. Trained for the most part since World War II, a new generation of political scientists (and not a few sociologists and psychologists) has rediscovered legislatures and legislators as objects of research. To this endeavor they have brought (in rough order) new methodologies, new theoretical orientations, and new conceptual tools. It is not by chance that Congress has fared far better at their hands than it did when judged by their predecessors.

Some might argue that the lessening of scholars' antipathy toward Congress is the result of a decline in the fervor of liberalism among university faculties, or an increased liberalism of the policy output of the national legislature. There may be a kernel of truth in such explanations, but we feel that a complete analysis demands here, as before, some attention to the sociology of legislative research.

Woodrow Wilson wrote his *Congressional Government* without deigning to make the short journey from Johns Hopkins University to Capitol Hill, and for fifty years and more thereafter, students of Congress emulated his methodology. Much of the corpus of the relevant literature was written *as* history and *from* history (and not infrequently from Bagehot and other British writers). The principal sources of material included the *Congressional Record* and its forerunners, scattered biographies, the daily newspapers, and political and literary journals. Scholars thus consumed a heavy diet of political rhetoric.

From congressional documents came images of Congress and congressmen designed for consumers far different from academicians in their values and style. The economic and role imperatives of the printed media helped produce secondary materials that emphasized conflict and confrontation and underscored the bizarre and the scandalous.

Much of the resultant scholarly work produced its own feedback; preoccupation with the unusual and the noteworthy produced further interest in—and documentation for—ever more in a similar vein. Thus, for example, literature on the "old lobby" and case studies of "pressure politics" led to a school of congressional scholarship and criticism which far outlived its empirical validity (certainly as total explanation) if not its political utility.

Such traditional modes of research have largely ceased to occupy professional social scientists. The development of new techniques—such as systematic interviewing and observation, and content and roll-call voting analysis—coupled with the availability of resources for their utilization, have sent students of Congress into "the field" and the data-processing labs. First-hand exposure to individual congressmen and to the operation of legislative work groups, along with an increasing familiarity with developing theories in sociology, social psychology, and organization theory, has led to the application of new conceptual frameworks in the study of Congress. Congressmen have come to be studied as people, frequently within the context of models of rational "politicians" and "decisionmakers." Congress and its procedures, work groups, and other patterns of interaction are now analyzed as a series of interconnected social systems which operate to meet internal as well as external "needs." Concepts drawn from bargaining theory rather than from hierarchical organization seem to predominate; and strenuous efforts are made to incorporate concepts borrowed from such diverse frameworks as functional analysis and role, game, and information theory. The works of Edward A. Shils, Ralph K. Huitt, Duncan MacRae, Jr., Donald R. Matthews, Lewis A. Dexter, Charles O. Jones, Robert L. Peabody, and Richard F. Fenno, Jr. (not to the exclusion of at least a dozen others) encompass the 15 year "revolution" and many of the directions which the new research has taken.

The evolution of a "new scholarship" of Congress is surely cause for rejoicing. Here as elsewhere, students have deployed a variety of sophisticated tools to analyze the institution; they have forced themselves to be more suspicious of value premises and more cautious in rendering value judgments; and, in the bargain, they have probably gained a greater measure of respect and *rapport*—from a portion of congressmen, at least. For a profession of scholars, these accomplishments are far from insignificant. But that is not to say that the new scholarship is free of some persistent problems which have serious consequences for prescription.

Scholars now, perhaps no less than in the past, are prone to select those topics of investigation which seem most easily researchable. How else can one explain the recent popularity of roll call analyses—often accompanied by scant reflection upon the meaning of a roll call vote? And by a curious inversion of logic, "interviewing congressmen" is now in the same category. While the library-oriented scholar of yesteryear might have thought it a bother to travel to Washington, his successors often appear to believe that little can be gleaned from library drudgery. And after all, it is easier (and more gratifying) to hop on a plane for Washington and get the information from congressmen themselves. (The current fascination with on-the-spot interviews, incidentally, may quite soon lead to a problem of access. With so many scholars crowding the corridors and offices of Capitol Hill, congressmen quickly tire of the attention. The situation poses, moreover, an ethical question of what demands scholars should legitimately make upon the members' time, patience and goodwill).

The newly discovered accessibility of Capitol Hill has no doubt produced a not altogether healthy preoccupation with the legislature, perhaps at the expense of other institutions (notably the executive branch and particularly the President). There are many congressmen, numerous work groups, and innumerable voting decisions and other repetitive, patterned behavioral phenomena. Most legisators are accessible (although not always easily so) to the researcher blessed with patience and at least modest resources, and many of the decisions are as close at hand as the *Congressional Record* and *Congressional Quarterly*. In contrast, there is but one President at a time, and most of his decisions are as difficult to count (much less to measure) as he is to be interviewed by political scientists.

For the congressional researcher there is, moreover, the problem of biased data. The scholar who wants to get close to his subjects must first obtain their cooperation—to respond to queries, to fill out detailed questionnaires, or to offer personal insights. Inevitably, therefore, political scientists tend to talk to political scientists. Legislators vary greatly in their attractiveness as subjects. Some are reflective, prone to intellectualize their behavior, and at ease in dealing with academicians. Others, unfortunately, have none of these qualities. Yet, the latter are equally as important as the former, if the scholar wishes to sample the total universe with which he is dealing.

Often the scholar is faced with the tough questions of choosing between *rapport* and representativeness. The Brookings Institution encountered this question when, in 1959, it sponsored a series of roundtables where congressmen were encouraged to discuss their tasks and problems. The book which resulted (Charles L. Clapp's *The Congressman: His Work as He sees It*) is one of the better items in the recent literature; but the findings are severely limited by the sample bias dictated by the roundtable techniques. "The participants," Brookings concedes, "would not be regarded as 'average' congressmen. As a group they were above average in terms of effectiveness and ability." We are not enlightened as to the criteria for arriving at such a judgment; presumably, what is implied by "effectiveness and ability" is in part a member's willingness to participate in such a roundtable. (We are given the further assurance that the "desirability" of having participants of varying constituencies and ideological viewpoints was "kept in mind." But one characteristic of the participants is noteworthy: all were from junior or middle seniority groups. Seniority leaders were not invited for fear their presence would destroy the spontaneity of the discussions.) One need not dissent from the tactical wisdom of Brookings' decision in order to recognize the very real danger of bias inherent in such techniques. The APSA's admirable Congressional Fellowship Program has encountered a parallel problem, as interns have tended through the years to cluster in the offices of a few "effective and able" members.

Even if this methodological barrier can be surmounted, a larger and more subtle problem of bias pervades the new research. In his attempt to penetrate the institution and view it on its own terms, the scholar inevitably develops an identification with his subject matter. Viewing Congress from the inside out rather than from afar, he may very well alter his criteria of evaluation. Put another way, he may be induced to accept the definition of the situation espoused by actors within the institution. Considered in empirical or analytical terms, this technique may be perfectly defensible. The point to be made, however, is that the technique is not neutral in its prescriptive implications.

The conservative cast of much recent writing on Congress may well be a product of this shift of perspective. Consider, for example, the changing views of the seniority system. An older generation of academic observers hardly needed to think twice before condemning seniority as undemocratic in reflecting the will of Congress and inefficient in utilizing the talents of younger members. But the new generation of scholars has argued persuasively that, whatever its merits as personnel policy, selection of committee leaders by a non-discretionary system serves to reduce and contain conflict in an otherwise conflict laden institution. Now, as it happens, there is probably no satisfactory substitute for what Richard Fenno has called the "seniority-protege-apprenticeship system." Some form of seniority is found in most human groups (even in the "councils of elders" who run most academic departments of political science). This does not imply that seniority is beneficial or even, for that matter, inevitable. But in altering one's perspective for viewing the seniority system, recent scholarship has altered the order and range of values by which the system is evaluated.

This problem is reflected in the widespread use of so-called "functional" explanations of political phenomena. Through this mode of explanation, scholars have succeeded in laying bare many of the "functions" performed by otherwise irrational or inexplicable congressional practices. However, whether the fact that a given practice (i.e., seniority) serves a given function (i.e., conflict reduction) *justifies* its continued use is obviously a very different matter. For one thing, practice which is functional from one perspective may be dysfunctional from another. (Does the seniority system produce incompetent leaders?) For another, a given function may be served by more than one practice. (Could devices be found to compensate for the added conflict produced by electing committee chairmen?) Thus, functional analysis, while suggestive as a mode of explanation, must be used with caution lest it become also a method of justification.

Such prescriptive problems arise from the nature of the empirical and analytical tools now being used by political scientists. If they are different from the problems encountered by earlier academic critics of Congress, they are no less important. The manner in which scholars approach an institution is bound to affect the goals they set for its performance, and in turn the kinds of prescriptions they are likely to recommend for its improvement.

Academic students of Congress, then, cannot escape the fact that their empirical and analytic methods have prescriptive consequences. Most political scientists, happily, are relatively scrupulous in observing distinctions between their methods and their value premises (though the occasional appearance of casual polemics by academic authors persuades us that old habits die hard). But even when the usual distinctions and disclaimers have been made, the careful scholar will find his methods obliging him to think of Congress in terms of certain values.

Political scientists need not shy away from evaluation. At minimum, their role as citizens require periodic judgments of institutional peformance. Beyond this, they ought to be prepared to help others to understand the kinds of judgments which must be made in an ongoing polity. In other words, they should be prepared to act as policy scientists.

For the time being, political scientists must exercise modesty in approaching this task; as the saying goes, there is much for them to be modest about. Despite decades of research, there are still embarrassing gaps in our basic knowledge of how Congress and congressmen behave. Indeed, the shortcoming of traditional scholarly criticisms of Congress was not that they were critical, but that they were often based on insufficient information. As Arthur Maass has observed, the widely accepted view that Congress must be reformed is "poorly sensed because so much exaggeration and misinformation about Congress passes for intelligence."

Yet there is much ground for believing that many of the informational gaps are at last being filled in. The mounting list of really first-rate studies is heartening evidence that scholars are getting around to their basic tasks; and the APSA's multi-volume study of Congress will undoubtedly confirm this trend. When all of these findings are added up, they should place the political scientist in an immeasurably stronger position to fulfill his roll as policy scientist.

The current reticence on the part of political scientists is hopefully a prelude to increased focus on evaluation. As Robert A. Dahl has already suggested with regard to the study of political systems, the current trend may well be viewed in retrospect as "a fallow period in which the soil was being prepared for a new crop of systematic studies in political evaluation." These future ventures, Dahl has emphasized, must be explicit and systematic—as opposed to "unsystematic, implicit, casual, incidental, or seemingly accidental appraisals."

Of what should an "explicit and systematic" prescriptive effort consist? We believe that several operations are involved in such activity. First, the political scientist can specify the alternative value premises upon which Congress is, or might be, judged. Vastly greater information is needed on how people do in fact make assessments of political institutions; and what we do know in general about opinion-formation suggests that the inquiry would be fruitful. From an examination of public assessments, it should be possible to abstract a limited number of normative models of congressional functioning.

Second, the political scientist can clarify the relationships between values and particular institutional arrangements. This operation follows logically from the first. What consequences flow from the acceptance of a given model of Congress? What ramifications are there in institutional terms? To clarify these means-ends relationships, the political scientist may find it useful to build hypothetical models of his own. It is always possible that such Utopian effort will produce insights which open up genuinely new alternatives.

A third function which the political scientist can perform is to develop measurements which facilitate assessment. Given certain value premises and certain institutional arrangements, what would indicate that the values were being well served? Many more data will be needed before this function can be performed, but the political scientists should be in a position to select, gather, and analyze the types of data which would be relevant to this endeavor.

Finally, the political scientist can provide reliable information on the "marketability" of specific reform commodities. In a recent book (*Congress in Crisis: Politics and Congressional Reform*), we have tried to demonstrate what course might be followed by probing the attitudes of congressmen toward reform proposals. We would not argue that the only good changes are those which can win votes, or that long-range educational campaigns cannot change the likelihood of institutional reconstruction. But a knowledge of "what is possible" is at the center of the process of prescription.

What we are saying, of course, is that the scholar *qua* scholar is not qualified to select ultimate goals or to make the "political" choices among arrangements designed to serve these goals. (Or at least he is no more qualified than anyone else.) What he can do, however, is to throw as much light as possible upon the choice-making process.

No doubt political scientists will continue to perform such functions largely within the institutional setting of the university. Yet, here as elsewhere, they will undoubtedly be lured increasingly into institutional linkages with political practitioners. Several observers who are worried about the "decline of Congress" have already proposed that Congress sponsor its own "Institute of Scholars"; and the proposal for a permanent Congressional Reorganization Committee, presumably with a professional staff, suggests that a few scholars might be recruited to provide ammunition for Congress' battle for survival. Of course, Congress has as much right to professional advice as anyone else. But in the long run, we suspect that the most effective prescriptive work will come from political scientists who are independent of the institution they are studying. In this way the contemporary political scientist can reapproach the historic role of his predecessors: that of the scholar as critic.

HOW SECURE IS YOUR SOCIAL SECURITY?

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. Collier] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. COLLIER. Mr. Speaker, a recent issue of the Reader's Digest carried an article entitled "How Secure Is Your Social Security?" written by Charles Stevenson, Washington editor of the publication. The article created considerable controversy and some consternation among many of my constituents. Most of my colleagues will recall that it was inserted in the Congressional Record by Representative Durward Hall, of Missouri.

Wilbur Cohen, Under Secretary of the Department of Health, Education, and Welfare, responded to Mr. Stevenson's article, and his reply charging that it was an unjustified assault on the financial soundness of the social security system was also printed in the Congressional Record.

I believe it is only proper that the rebuttal to Mr. Cohen's article be placed in the Record at this time because a dialog on this issue provides the means by which we can make a sound analysis of various aspects of the changing social security program. Following is the rebuttal submitted by Mr. Stevenson:

Under Secretary of Health, Education, and Welfare Wilbur Cohen has prompted an attack of such proportions against this article that I find it is in the public interest to set the record straight for those persons who otherwise might be inclined to regard official statements as factual because these bear the august imprimatur of their government and the prestigious signatures of high office.

The purpose of the article was not to argue against having a Social Security program. Rather, I hoped to provide a clearer understanding of that program and its changing modus operandi. The idea was not to promote a fully funded reserve-type insurance scheme as against a reasonable pay-as-you-go operation. Rather, it was to document the fact that Social Security payments in reality depend on the willingness of current and future generations of workers to meet the bill through their payroll taxes and that this becomes a matter of national concern due to the President's current legislative effort to transfer welfare costs to the Social Security system. I raised the question as to how far this welfare trend could be expanded without hurting the economy or so adding to the tax burden of younger working families that they'll refuse to give it their essential support. And to avoid such a disaster in which the victims would be the outnumbered retired people, I suggested the feasibility of a blue ribbon investigation of Social Security looking to a return to original sensible Social Security principles with separate budgeted welfare payments from general revenues to cover support of the needy.

All this, says Mr. Cohen in his rebuttal of September 27, adds up to an unjustified assault on the financial soundness of the Social Security system itself. Nothing more graphically shows up the nature of this rebuttal than two or three of what would appear to the uninitiated as his most telling indictments.

1. *Charge*—On reading Mr. Cohen's rebuttal the average reader would be justified in concluding that I misquoted Rep. John Byrnes, the senior Republican on the House Ways and Means Committee, as saying, "Social Security is facing a crisis; it is at the crossroads." I was made to appear incomprehensibly dishonest because of Mr. Cohen's claim that Rep. Byrnes joined Chairman Wilbur D. Mills and the House Ways and Means Committee in sponsoring President Johnson's legislative program which I criticized. "The implication that Rep. Byrnes . . . agrees with the charges made by Mr. Stevenson flies in the face of the fact that Mr. Byrnes was a co-sponsor of the Social Security bill now before Congress," says Mr. Cohen, "and is contradicted by his remarks on the floor of the House of Representatives during debate on the bill."

Fact—We interviewed Rep. Byrnes in connection with what the story was about—the drive to make Social Security taxpayers take over the cost of America's welfare programs, as exemplified by the President's current legislative effort—*and we quoted Rep. Byrnes with his specific approval* as to how it would appear within the context of my report.

Mr. Cohen's references to Mr. Byrnes as a "co-sponsor of the Social Security bill" are cynically misleading to those unfamiliar with the legislative process. Mr. Byrnes did not approve the presidential bill. Following heroic efforts within the House Ways and Means Committee against the White House program, he joined Mr. Mills in sponsoring an amended measure which did little more than propose cost-of-living increases in benefits. Rep. Byrnes never spoke in favor of the President's scheme, only in defense of a far less expensive program despite White House and big labor lobby arm twisting. In short, Mr. Byrnes' remarks during debate were in support of legislation that had been amended *against the wishes of Mr. Cohen and HEW*.

Therefore, to infer that Mr. Byrnes' defense of a modified bill (which wasn't even part of my story) puts him at odds with me and in support of the President is as ridiculous as contending that a legislator who votes funds to pay Supreme Court salaries must be counted as approving the Court's decisions.

As Rep. Byrnes told us: "Social Security is at a crossroads, but the problems will not be completely resolved when Congress acts (either on the Ways and Means Committee bill or the President's version). We're going to have continuing pressure on the integrity and underlying philosophy of the system and the principles upon which it was adopted—that Social Security should be a base of protection and that benefits should be wage-related and not 100 percent welfare. The danger is that Social Security will become not a base upon which to build savings and annuities but that it will be the sole reliance for retirement in too many cases. This was never intended by the founders. This becomes a dangerous concept. The cost of Social Security is a major and important item. . . . We are concerned as to what it does to discourage employment opportunities. Where the money is going to come from is a very difficult question."

Ways and Means Chairman Mills moreover put himself on the printed record as opposed to the President's purposes. I took our quotation of him verbatim from the Committee's transcript during hearings on the President's proposals. "It staggers my imagination that you would come forward with an increase in the minimum this high ($70 a month)," Rep. Mills told the witness, Mr. Cohen, who then replied that "perhaps there is some modification in (Social Security) policy that is embodied in this proposal" and added that its purpose is to "make a substantial contribution to the reduction of poverty."

However, what completely demolishes any attempt to palm off the House legislation as support for the President's program is the fact that as soon as the House bill was passed up to the Senate, *HEW Secretary Gardner asked the Senate Finance Committee to restore cuts which the House had made in the President's plan.* On August 22 he testified that "we believe that it is both feasible and desirable to go further than the House bill in improving the Social Security benefits and the protection of the Social Security program . . . we urge that this committee restore the 15 percent benefit increase and the $70 minimum benefit that the President proposed." (The House had voted a $50 minimum.) He went on to urge the Senate to restore still other items which the House had deleted.

Moreover, as of November 2 the Senate Finance Committee had given in to such pressures and it had rewritten the House bill in order to restore what the White House had demanded from the outset—$70 a month minimum benefits, up 59 percent from $44—with everybody in retirement to get at least a 15 percent bigger check. And this, it was tentatively decided, would be financed out of an immediate $6.1 billion increase in Social Security taxes.

"An excellent bill," declared Mr. Cohen, according to the New York *Times*. Although the bill as finally reported out by the Senate Finance Committee disguised the high costs by proposing to pay out the big benefits now and schedule the large tax increases these entail to come *after the 1968* elections instead of before, the committee's report lists the ultimate combined employee-employer tax at 11.6 percent on the first $10,800 of a worker's earnings—*a total annual $1,252.80 tax on a single job*.

(When Senator Ribicoff of Connecticut was Secretary of Health, Education and Welfare, and the titular head of the Social Security system, he told Congress that a 10 percent tax would be as high as Congress could legislate with safety to the economy.)

And this is just the beginning. Already the two Senators Kennedy and nine others have introduced legislation to raise the taxable wage base to $15,000 and draw an additional huge Social Security subsidy from the Treasury's general revenues. *And meanwhile, Mr. Cohen, himself, has publicly called for jumping the payroll tax alone to an ultimate 20 percent on a single job*.

2. *Charge*—That continuing "highly responsible surveillance" by the House Ways and Means Committee, by its chairman, Rep. Mills, and more important, by "four major commissions of distinguished laymen" known as the "Social Security Advisory Councils" have guaranteed the correctness of the system. Under Secretary Cohen makes a special point of this in his rebuttal with the implication that this review process not only disputes evidence such as mine but causes my appeal for a blue-ribbon Hoover Commission investigation to lack any semblance of reality.

Fact—Chairman Mills certainly is a restraining influence on spending schemes which he regards as exorbitant, but he doesn't hesitate to retreat, as he did when he withdrew his opposition to Medicare and Medicaid, on concluding that he could no longer stem the tide. So while Mr. Mills and his committee have done about as well as honest men in their political position could be expected to do under a variety of administrations, this doesn't make a Hoover Commission type of inquiry superfluous.

Most of all, however, the Social Security Advisory Councils appointed by the Secretary of Health, Education, and Welfare and chaired by the Social Security Commissioner himself have scarcely proved a setup for objective analysis. To call them "independent," as Mr. Cohen does, only perpetuates a notorious fiction. As documented in the Congressional Record, volume 109, part 7, page 9246, the New York *Times* quoted Social Security Commissioner Ball saying in a speech that the most recent council would draft an expansion of Social Security taxes and benefits and add a hospital insurance program, and all this *a month before this council was even appointed and 18 months before its recommendations were even to be announced*. Dorrance Bronson, assistant actuary of the Social Security agency from 1938 to 1944, complained to the Society of Actuaries that council members representing employes came only from such as the AFL–CIO, while *none* of the three members supposed to represent employers came from an office of any employer-oriented organization such as the U.S. Chamber of Commerce or National Association of Manufacturers. Ten of this council's 12 members were chosen from persons who had publicly committed themselves to support the Social Security setup and Medicare even before they were appointed.

The House Ways and Means Committee itself has at last become so fed up with the impropriety of this sounding-board arrangement that its own current legislation—not that of the administration—proposes to bar the Social Security Commissioner from council membership. *Senators Hugh D. Scott of Pennsylvania, Charles Percy of Illinois and James B. Pearson of Kansas* and other Senators have called for a separate investigation of the Social Security system. So has *Raymond E. King of the National Association of Life Underwriters;* also *Senator Vance Hartke, the liberal Democrat from Indiana*, who complains that "one of the real problems in government is the fact that there is really no comprehensive legislative oversight . . . to see what you have done and reexamine it in the light of what you want to do." The *Federal Reserve Board* reported last year that "in the past ten years the expansion of the retirement, survivors and disability programs has usually been undertaken without consideration for the economic impact of the programs."

Moreover, the *National Bureau of Economic Research, headed by Dr. Arthur F. Burns*, has just begun a comprehensive study of Social Security because, he says, "the need to study it and the related programs is obvious. The whole welfare program requires examination." A former chairman of President Eisenhower's Council of Economic Advisers and a former member of Social Security Advisory Councils himself, Dr. Burns says of the latter that "the scope is restricted. The amount of study is limited. Only now and then is there a show of independence. There is all the more reason for a thorough and objective study as is contemplated by the National Bureau of Economic Research." The *Brookings Institution* also has felt it essential to launch a study of its own.

But as important as any other development is the recommendation of the Republican Coordinating Committee comprised of President Eisenhower, recent Republican presidential candidates, six Republican senators, nine Republican members of the House of Representatives, representatives from the Republican National Committee and state legislators and eight Republican governors—John A. Love of Colorado, John Volpe of Massachusetts, George Romney of Michigan, Nelson Rockefeller of New York, Raymond Shafer of Pennsylvania, John Chafee of Rhode Island, Nils Boe of South Dakota and Daniel J. Evans of Washington. *Last April 10 this group officially called for an investigation such as I proposed*, and in these words:

The Republican Coordinating Committee recommends that a careful and impartial study be made of the entire Social Security system—its theory as well as its practice. This survey should be made without the built-in defenses of preconceptions and vested interests. Continued "patching"—increases and extensions of benefits—may eventually impose more of a burden than the system can bear. . . . There has been no thorough and detailed study of the Social Security system since its inception. We need an accurate understanding of the system to determine if Social Security, as presently constructed, can endure on a sound basis in the decades to come and whether we can accomplish new Social Security objectives without a major revision of Social Security's concept and structure.

If further proof of flimsiness of Under Secretary Cohen's rebuttal is needed, simply pick at random from the rest of his paper.

1—I quoted Social Security's chief actuary, Robert J. Myers, to show that the *combined* Social Security tax paid by an employe and his employer could buy a private insurance annuity policy that would pay the employe a much larger pension than he could hope for under the Social Security law. "In the long run," records Mr. Myers, "covered employes do *not* receive benefits equivalent in value to what would be purchasable from the combined employer-employe contributions. This quite naturally must be the case." But Mr. Cohen insists in his rebuttal that young workers "will get Social Security protection worth 20 to 25 percent more than they will pay in Social Security contributions. . . . Young workers could not buy comparable insurance protection from private insurance companies at anywhere near the amount they pay for their Social Security protection." How is he able to say this? Simply by *excluding* from his calculations the employer's taxes made in behalf of his employe.

2—I wrote that part of the costs of the President's program would be paid by raising the income taxes of 1,400,000 persons over 65 years old who've been able to save enough so that with Social Security they have incomes of $6000 or more. But Mr. Cohen replies: "There is no truth in the statement in the article that the method of removing these people from poverty would be through the raising of income taxes." How can he say this? Simply by ignoring the fact that Assistant Secretary of the Treasury Stanley S. Surrey in testifing before the House Ways and Means Committee about this very program (pages 200–201 of hearings) declared: *"The remaining 1.4 million older taxpayers, about seven percent of the elderly, will have their taxes increased. . . . The benefits extended through our tax system to the elderly . . . will go to those who because old age has imposed particular financial problems need tax relief the most."*

3—I quoted from the government's *successful argument of record* before the Supreme Court to show that although the Social Security Administration leads the people to believe they are buying private-styled insurance with guaranteed, contractual payments, "there is no contract" in fact, no "indefeasible right to receive for life a fixed monthly benefit." The government *successfully argued* that "Social Security must be reviewed as a welfare instrument to which legal concepts of 'insurance,' 'property,' 'vested rights,' 'annuities,' etc., can be applied only at the risk of serious distortion of language"; that it is a "program under which those with jobs are taxed chiefly to provide the funds for current benefits to aged beneficiaries and other eligible survivors"; that "no beneficiary or prospective beneficiary acquires any interest in the fund itself—monthly benefit payments are voluntary payments to the recipient, property acquired by gift." Furthermore, I quoted from the *successful argument* that "the benefits conferred may be redistributed or withdrawn at any time in the discretion of Congress."

But Mr. Cohen replies: "Mr. Stevenson distorts the legal issues. He has several quotes which to a lawyer and a general reader would appear to be from the Court's decision, but they are *not. He not only does not quote from the Court's decision but fails to mention that the Court decision reversed the contention of the Justice Department brief (prepared in the Eisenhower Administration) that the program is not an insurance program."*

The *documented* fact, in spite of Mr. Cohen's statement, is that this was not the

Eisenhower Administration trying in vain to introduce a new interpretation of the Social Security law. It was the government, for which Mr. Cohen at the time was a Social Security consultant, successfully arguing again in 1960 as it had successfully argued in earlier administrations exactly what the Social Security law is instead of what its propagandists then and today would have the people and Congress believe it is.

Despite Mr. Cohen to the contrary, the Supreme Court's decision states unequivocally that *"eligibility for benefits and the amount of such benefits do not in any true sense depend on contribution to the program . . . . . Persons gainfully employed and those who employ them are taxed to permit the payment of benefits to the retired and disabled and their dependents . . . ."* The Court's decision declared that a *Social Security beneficiary has no "accrued property rights"* to a government check, his *"noncontractual interest . . . cannot be soundly analogized to that of the holder of an annuity whose rights to benefits are bottomed on his contractual premium payments."* As emphasized by the Court, *payments to him will depend entirely on future "judgments and preferences as to the proper allocation of the nation's resources," and that Congress, which must exercise these judgments and preferences, "retained a clause expressly reserving to it 'the right to alter, amend or repeal any provision' of the act."*

When Assistant Secretary of the Treasury Surrey appeared before the House Ways and Means Committee last spring in behalf of the President's program, Rep. Tom Curtis of Missouri (page 378 of hearings) asked him: *"If Congress changes the law and lowers the benefits that people get under Social Security, does any citizen have a right to come in and insist on the benefits at a higher level?"* In line with the foregoing decision of the Supreme Court, Assistant Secretary Surrey replied: *"I would think not."* And Rep. Curtis rejoined: *"No, of course not, and this is part of the basic legal theory of Social Security; that it is a gratuity and not a right."*

Yet in the face of the Court decisions and all the foregoing, Mr. Cohen would have you believe that I erred in echoing the Court's own findings that the payments will depend on the *willingness of future generations to submit to taxation for the wherewithal.* At the outset of his rebuttal he declares *"categorically,"* as he puts it: *"Present and potential beneficiaries of Social Security will get the benefits provided by the Social Security law."* How can he say this? Why, simply by resort to omitting at this point the fact that *the law is subject to change at any time.*

Mr. Cohen has been associated with the Social Security bureaucracy and with enlarging its programs ever since the first law was put on the books. He is the administration's chief Social Security architect. He does not speak out of ignorance. Nevertheless, the few samples I've cited from his rebuttal are but typical of his entire document. He attempts to cast public doubt on the accuracy of my facts only through resort to diversionary tactics and mental sleight of hand—tactics which cannot hide the fact that nowhere does he actually deny the article's disclosure that:

There is great concern about the increase in the Social Security tax burden as proposed by the President.

Both Mr. Mills' and Mr. Byrnes' concern about this is represented (a) by their statements during congressional hearings and (b) the bill that they and the House Ways and Means Committee sponsored which would drastically scale down the Social Security tax burden proposed by the administration.

Benefits are not a contractual obligation to the U.S. government.

Social Security can't be regarded as a federally administered insurance program such as the government's own program would lead people to believe it is.

The Social Security taxes are not in the nature of premiums.

On retirement a person fails to acquire an indefeasible right to receive benefits for life.

Millions of additional persons who by no stretch of the imagination have paid for their benefits have been blanketed into the system to the end that current beneficiaries contributed only one tenth of the value of their annuities and that the remaining 90 percent of their benefits come out of levies on the payrolls of younger workers.

The unfunded outstanding obligations of the system now total $350 billion and would soar to $417 billion under the President's proposals.

The so-called retirement test does discourage some beneficiaries from augmenting their incomes by working.

No beneficiary or prospective beneficiary acquires an interest in Social Security trust funds.

There is a lack of correlation between total Social Security taxes paid and the amount of benefits payable to a widow with a child or the taxpayer and dependent spouse or the taxpayer himself on retirement.

The benefits may be redistributed or withdrawn by future acts of Congress.

Yet in spite of all this, Mr. Cohen concludes that: "Mr. Stevenson has not clarified any fundamental issues. . . . What he has done has been a great disservice to the millions of Social Security beneficiaries and the millions who are counting on Social Security benefits in the future." And what Mr. Cohen has written has been seized upon, made into a press release, distributed around the country both by administration legislators and the bureaucracy as the truth and only truth.

Why on the face of the record is it not important to explore the biggest policy issue of all—the protection to every American individual of some opportunity to provide out of his earnings, after paying his state and local taxes, for his family's daily needs, to have enough left over to give his children the best education he can afford and try to save something for his own old age—to protect the right of each individual to a little of the fruits of his efforts?

Why is it a "disservice" to Americans to tell them truths about the program in which they have invested their future? And how does it inspire people's confidence in a federal program if the people in charge of it handle factual material about it the way that Mr. Cohen does here?

Indeed, Rep. Durward Hall of Missouri had my article read into the *Congressional Record* of September 27 with this announcement: "The author has, for perhaps the first time, given the American people a clearer understanding of how the system operates and the dangers that threaten its fiscal solvency if politicians try to outbid each other." (Page 26995 of the *Congressional Record.*)

Rep. Tom Curtis of Missouri, one of the nation's real students of the subject, feels it incumbent upon himself to answer Mr. Cohen on the floor of the House. Rep. Curtis does not wholly agree with some of my conclusions, all of which makes his statement (see pages 2846–66 of *Congressional Record*) the more important.

Moreover, his forthright remarks make me feel that Mr. Mills went overboard in his comments about the article, perhaps because Mr. Mills too was misled by Mr. Cohen's sins of omission. Or perhaps because he felt the article somehow reflected unfavorably on his handling of Social Security legislation. I continue to have respect and sympathy for Mr. Mills, considering the tremendous pressures bearing down on him. Here is a man who fought against his own President's Social Security proposals, pushed a more sensible bill through the House, generously went to bat for HEW by endorsing its RD rebuttal—only to be faced by the administration's *victorious* efforts in the Senate committee to undo all his months of legislative effort.

Rep. Curtis said: "I find that it (my article) has raised some important points and challenges some half-truths and misleading conclusions that have been promulgated by the Social Security Administration for many decades. It (the article) essentially calls upon the public to put on its own thinking cap and examine into the matter itself . . . I find the scholarship in Mr. Stevenson's article sound and his syllogisms generally stated fairly. . . . I have also carefully examined Mr. Cohen's rebuttal. I find it seeks to build upon the half-truths and misleading conclusions the Social Security Administration has been promulgating for some time. I find that it does not forthrightly state what the basic differences of opinion are between the defenders of the Social Security system and its present-day critics so that the public can understand the dialogue and reach some conclusions of its own.

"I believe the Social Security system is in serious trouble, primarily because its promoters will not listen to honest criticism and reply to it forthrightly. I think the system can be and must be saved. But I believe if we continue much further along the path we are pursuing by accusing anyone who dares raise these questions of performing 'a great disservice to the millions of Social Security beneficiaries and the millions of people who are counting on Social Security benefits in the future,' the system will be destroyed. . . .

"In other words, the concern lest social insurance become welfare is serious, a concern which all of us on Ways and Means who have studied the system share. It does no good for us to pass off outside criticism on this score as being half-truths and drawing erroneous conclusions. Indeed, we need a great deal more examination into this matter than we have undertaken in the past.

"Mr. Cohen in his adhominem defense of the system refers to the various advisory councils which have given Social Security an upcheck. . . . Indeed, the panels chaired by the Director of Social Security have been selected because they were partisans of a particular point of view about the Social Security system and development. . . . Indeed we do need a blue-ribbon committee of top experts to study our Social Security system who have diverse views on the issues involved, as the Reader's Digest article advocates.

"The Reader's Digest article points up another serious question: How far can the payroll tax be increased before it reaches the point of diminishing returns? . . . Many scholars are now seriously concerned about this matter. . . . Notably Mr. Cohen ignores this issue too in his rebuttal. The data in the Reader's Digest article which points to the increased benefits a person can get from a private pension plan—because it must be funded—is accurate. The rebuttal of Mr. Cohen is inaccurate. . . . So the critics of the Social Security are correct in saying that the system is actuarially and financially unsound, applying the standards of private insurance. . . . Mr. Cohen seeks to throw the inquirer off the track.

". . . Again I find that Mr. Cohen's rebuttal avoids the issue and seeks to obfuscate it. Social insurance benefits are gratuities, the Supreme Court held, not contractual rights. Congress can take away the payments if it chooses. On this basis, the Internal Revenue Service held that the payments made to people qualified under Social Security were not taxable income, they were not earned rights, contractual rights, but gratuities, and under the federal income tax laws gratuities have not been taxed and are not taxed.

"From a practical political standpoint, the 90th Congress is not going to take away Social Security benefits—nor any Congress in the next ten years. But what about Congresses elected by people who do not pay in $1 and get out $20 as those who have received Social Security did, or pay in $1 and get out $10 as those presently receiving payments did, but by people who are required to make up some of this difference? And who, if they paid in—with their employers—an amount of money equivalent to their Social Security tax to a funded program, would get out twice or thrice as much in benefits and be able to enforce their right to benefits in the courts?

"I am not so certain. Nor am I so certain, as Mr. Cohen seems to be, that future Congresses will merely increase the benefits these young people are to receive—because increasing these benefits, if the system, on its own assumptions, is to remain actuarially and fiscally sound—will require further increasing the base upon which Social Security tax is levied and probably further increasing the tax rate as well.

"The half-truths of Mr. Cohen and the Social Security administrators and, yes, the advisory councils, are basically hidden in the semantics they have carefully employed over the years to make the term 'social insurance' appear to be insurance. They use all the words developed in the insurance field with which the public is familiar, 'premiums,' 'benefits entitlements,' 'actuarially,' and so forth, knowing that these terms, if they have meaning in social insurance, have different meanings when used in private insurance. Social insurance is not insurance. . . .

"People have been taught to believe they have paid into a system, that they have saved, that they are entitled to benefits. This is untrue. Yet they believe it because this has been the propaganda that the Reader's Digest article has dared to contest. As citizens they can qualify for Social Security benefits established by law, and the law if changed can only be changed to relate to all citizens equally. But the law can be changed—at least in theory, if not from a practical political standpoint—to pay all citizens equally, a zero amount.

"I've tried to say just enough hopefully to keep the public dialogue which the Reader's Digest article has started going . . . the dialogue is not going to be stopped. Time is catching up with us. Let us hope that politics does not destroy Social Security."

A POUNDING FOR SOCIALISM

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, the Wall Street Journal of today, November 20, commented editorially on the devaluation of the British pound and the lesson to be learned here in the United States. Although the U.S. economy, it is true, is much larger than Britain's, still the cradle-to-the-grave welfare policies which are offered as remedies here in this country should be given closer scrutiny.

On Friday, November 17, the Wall Street Journal wondered about the future of the British pound, and whether it would be devalued. The very next day the British Government announced that it was cutting the value of the pound sterling from $2.80 to $2.40. Here are the two Journal editorials which provide some provocative observations on this latest development and the need for a return to more responsible fiscal policies.

Devaluation Delusions

Once again speculation is rife about the future of the British pound. Will it be devalued and, if so, when?

The questions are of importance in Washington as well as London, and not only because of friendly interests in the fortunes of a close ally. Devaluation would persuade many people that the U.S. dollar was under serious pressure, and in nervous world money marts the thought can father the fact.

The basic trouble is that neither the U.S. nor Britain seems willing to do enough to assure monetary stability.

For a while last year, Britain's Labor government appeared to sense the urgency of the situation; it began edging toward austerity. But years of inflationary high living and labor union coddling have left effects that can't be corrected overnight—or entirely painlessly.

When the pains took the form of a business slowdown, the British government bowed to political pressures and resumed stimulation of the economy. Business responded to some extent, but a series of irresponsible strikes curbed foreign trade and further weakened the balance of payments. A few days ago the pound, in terms of the U.S. dollar, sank to the lowest level in a decade.

Reversing itself again, the Labor government is now moving up interest rates. And this week it was assured of continued massive support from Washington and elsewhere to shore up the sagging pound.

Through one manipulation or another, London and Washington could probably prop up the pound indefinitely. Such tactics, however, would hardly bring long-run benefits to Britain. They would for one thing allow the British to convince themselves that it's perfectly all right to pursue business as usual, a delusion that in time would be exposed as exactly that.

If the pound actually is overvalued in terms of other currencies, perhaps the best course might be to accept the inevitable and devalue. It would be useful, though, only if accompanied by firm monetary and fiscal measures to preserve sterling's new value, both at home and abroad. Otherwise, one devaluation all too probably would merely be the preclude to still further erosion of the pound.

Devaluation's merit, in other words, is only as a recognition of reality, not as a ploy in an international financial game. While its immediate effect would be to make British exports cheaper in world markets, that impact would be quickly offset by devaluation, or other defensive moves, by other nations. Devaluation thus isn't likely to end Britain's trade deficit, which now is at its worst level ever.

The U.S. has even less room for maneuver than Britain. Even if the dollar is overvalued, devalution would be a slap at those nations that have been encouraged by Washington to hang onto dollars instead of exchanging them for what's left of U.S. gold.

Both Britain and the U.S. are to some degree experiencing the result of a world monetary system that imposes little or no effective discipline on domestic financial policy. When the world was on a true gold standard, a half century ago, a persistent balance-of-payment deficit forced a nation to forgo excesses in the fiscal and monetary spheres.

A return to a real gold standard is theoretically possible but presumably out of the question politically. So, too, is full adoption of a system of completely free foreign exchange rates, which would compel every nation every day to assess the worth of its currency in the eyes of the world.

There may be more reason to hope that most nations could eventually agree to reduce the rigidity of the present system of fixed, and artificially supported, exchange rates. If currencies were permitted to fluctuate more freely, countries would have a clearer idea where they stand and, maybe, a sharpened incentive to improve their policies at home.

It is not at all certain that fluctuating exchange rates would force reforms. But nations at least could no longer so easily delude themselves that the need for reform exists only in the minds of a few reactionary economists.

A Pounding for Socialism

The devaluation of the British pound is both a confession of failure and a recognition of reality—as well as a lesson for the U.S.

As these columns observed last Friday, the writing off had become all but inevitable after years during which the British government lived beyond its means, indulged in inflation and suffered heavy trade losses with the rest of the world. Even the recent period of attempted austerity was not enough to cure the consequences of excess.

Like politicians elsewhere in these enlightened times, the British authorities had tried to run a grandiose welfare state, but with insufficient resources. Perhaps partly for that reason the years since World War II have seen the development of complacency or lethargy on the part of industry and labor. Certainly the unions and the Labor government fostered the I'm-all-right-Jack attitude of featherbedding and minimal effort which made it difficult for Britain to compete in world markets.

Given such policies and sentiments, it is a question how effective the devaluation will be. By itself, marking down the pound merely admits that it was overvalued. Unless followed by genuinely tough-minded approaches to economic problems, it may prove to be no more than the precursor of further reductions.

President Johnson, commenting on the move, noted Britain's trade deficit and said it had become clear that the United Kingdom was faced with a fundamental imbalance that necessitated the adjustment. Presumably the irony was unconscious. After all, the U.S. has been running not trade deficits, but heavy deficits in its general balance of payments, also mainly occasioned by wrong-headed Governmental policy.

Why, then, hasn't the day of reckoning come for the U.S.? One answer is that the dollar is being continually devalued through the Government's addiction to inflation, but that the process is not so obvious; in any case, it is the dollar by which other currencies are measured and formal devaluation would cause a lot of trouble. Another answer is that the U.S. economy is so much bigger and more variegated than Britain's that maybe it can stand the abuse for a longer time.

Still, Federal finances are in a shocking state, and Britain's step is a reminder that grave distortions cannot be left forever uncorrected. That is so whether the political system is candidly called socialism or more deviously the social-welfarism of an allegedly great society.

MODEL CITY

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. Morse] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MORSE of Massachusetts. Mr. Speaker, I was gratified last week with the selection of Lowell, Mass., my hometown, as one of the first cities to participate in the model cities program. The selection was a tribute to the hard work, careful planning, and imagination of countless numbers of Lowell public officials and concerned citizens.

In an editorial commenting on the selection in the November 17, Lowell Sun, these individuals are duly commended. I include the text of the editorial in the RECORD.

Model City

Approval of Lowell's Model Cities application is the crowning achievement for the present city administration.

It proves that Lowell people, working together with the city government, can accomplish major undertakings.

It proves that Lowell is on the move again.

It shows other Massachusetts communities that Lowell is out to lift itself into a new era.

It shows the Federal government that the city wants to take advantage of the programs designed to rid urban areas of slums, unemployment, and poverty.

The people of Lowell should be proud of what its city government and many of its citizens have accomplished.

With the planning money Lowell can now proceed with plans to completely rebuild it ancient, historical Acre section.

If a proper plan is drawn massive federal monies will be made available to build model service centers, model schools, new cultural facilities and much more.

The government wants the "Model Cities" communities to think big, to present bold ideas that will not only solve a neighborhood's physical problems but also to try and come up with solutions to the long welfare lists, to unemployment, to juvenile delinquency and crime.

The Model Cities award is really a tremendous challenge that all Lowell should support.

Led by Mayor Edward J. Early and a Council sub-committee, headed by Councilor George F. O'Meara and including Robert C. Maguire and John E. Cox, the city kept in constant touch with federal officials in regard to the program.

Because of this constant watch, Lowell had a real insight into what the federal government was looking for in the way of applications.

It wanted people to become involved in planning the project.

Mayor Early did involve people. He gathered hundreds of volunteers and divided them into task forces that worked on special sections of the application.

The city's planning department staff and Redevelopment Authority personnel got together and did much of the technical work.

The whole theme of the application was people working together for a better Lowell.

And as the city manager put it "I never doubted Lowell would be included after seeing everyone working together on the project."

Not many people had the faith of the city manager.

But there are far fewer doubters in Lowell today.

DICK NIXON SPEAKS ON WORLD CHALLENGES

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. FULTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. FULTON of Pennsylvania. Mr. Speaker, I submit for the RECORD the excellent address by Richard M. Nixon, "America in the World City," before the National Convocation on World Hunger conducted by the National Industrial Conference Board September 11, 12, 13, 1967, at the Waldorf-Astoria, New York City.

America in the World City

(By Richard M. Nixon)

We meet here tonight at a time of turning—at the start of the final third of the 20th Century—a period in which the emerging patterns of growth and change may well set the course of civilization for ages to come.

Anyone who travels extensively abroad comes back with one indelible impression: Whether peace and freedom survive during this period will depend upon the leadership of the United States. Let us take an inventory tonight of America's strengths and weaknesses as it attempts to meet this challenge.

Never has a nation had greater assets for leadership than those of the United States today. Our military power is awesome, our economic superiority unquestioned. Wherever we go, whether in Asia, Europe, Africa or Latin America, we find signs of the American presence and evidence of American influence. We have military bases around the world, fleets in every ocean; in every country there are sales offices and subsidiaries of American companies, and the movie house down the street is likely to be playing Hollywood's latest.

And yet, increasingy, we find signs of a paradox of American power: never has a nation possessed such power as the United States now commands, and never has a nation sought to use its power to nobler purpose—but seldom has a nation been so mistrusted in its purposes or so frustrated in its efforts.

The gap is widening between what our spokesmen say and what others believe.

The deficit in our balance of payments is matched by a mounting deficit in our balance of influence. Ideas should be our greatest export—and yet in the market-place of ideas, people of other nations are simply not buying American.

In our posture ahead, in our approach to the conduct of foreign relations, in our structure of alliances, in the terms in which we try to sell our ideas and our policies, America is succumbing to a creeping obsolescence.

Our example has lost its fire. Our leadership has lost its drive.

Increasingly, we are seen as an old nation in a new world.

We are neither understood abroad, nor trusted. If we are to regain our lost leadership, there are three things we must do.

We must see the world as it *is*, not as it was or as we might wish it were.

We must face facts with a new realism.

We must speak with a new candor.

Let us take a look at what these three things mean.

First, the world as it is.

The most striking impression from months of travel is that we live in a new world. Never in human history have so many changes taken place in the space of one generation. Never has the pace of change been accelerating so rapidly.

It is a world of new nations—it is a world of new people. Half the world's nations have been born since World War II—and half the people now living have been born since World War II. And to a remarkable extent this new generation has, as one Asian Prime Minister put it, "neither the old guilts nor the old fears" of the generation seared by war.

It is a world of new ideas. The old isms—communism, socialism, anti-colonialism—that summoned men to revolution after World War II, have lost their magic.

Communism is losing the ideological battle with freedom in Asia, Africa and Latin America as well as in Europe. In Africa, native tribalism and rebellious individualism are simply incompatible with the rigid discipline a communist system imposes.

In Latin America, even while guerrilla activity is increasing, the utter failure of Communism in Cuba has drastically weakened the appeal of Communist ideology in the rest of the hemisphere.

In Asia, the remarkable success of private enterprise oriented economies in Japan, Korea, Taiwan, Malaysia and Thailand, as contrasted to the failure of Communism in China and the failure of socialism in Burma and Indonesia, makes it possible to state unequivocally that the only way for the Communists to win in Vietnam, or anywhere else in Asia, is by force and terror; they will never win by persuasion.

All over the world, whether from East Germany to West, from Communist China to free China, from Communist Cuba to the free American republics, the traffic is all one way—from Communism to freedom.

But while the new generation is no longer prisoner of the old isms, neither is it bowled over by American power or mesmerized by the American example. The young see the face of want and the face of hunger and the face of opportunity and, above all, they want change—change which will bring progress in solving these problems. Too often America appears to be the champion of the status quo rather than what we are—the boldest architects of change and progress civilization has ever known.

If they are to be won to our concept of what the world should be, they have got to be won by arguments they can understand, in terms they can believe, and for reasons that suit their own interests.

Here in the United States, we have to recognize the fact of a growing isolationism. To get a better understanding of its roots, let us look back over the years since World War II—a span that now embraces a whole generation.

These years have been a time of painful disillusion.

In 1945 America was weary with war but alive with hope. There was a feeling abroad in the land that finally, out of the terrible catharsis of the most costly war in history, and faced with the frightening dawn of the atomic age, mankind was finally ready to forge a peace that would make the world safe for idealism.

Yet in the years since, we have seen the raising of successive waves of extravagant hope, only to be dashed on the hard rocks of reality.

There was the UN. It was born in a glow of euphoria. The UN lasted, but the euphoria didn't.

There was the Soviet Union. Many expected that out of U.S.-Soviet cooperation in war would come cooperation in peace. We got an Iron Curtain, a cold war and nuclear blackmail.

There was Mao Tse-tung. Many thought his "agrarian reform" would bring the dawn of a new freedom in Asia. China got a new despotism. Asia got a new imperialism.

There was the wave of decolonization. Many thought that with the bonds of empire loosened, the people of the new nations would spring to a new prosperity and be inspired by a new morality. We got the crisis of want and hunger, and we got Sukarno and Nasser and Nkrumah and the Congo and Suez and Kashmir.

And there were other disappointments. There was the Spirit of Geneva, and the Spirit of Camp David, and lately, for a flickering moment, the Spirit of Holly Bush. There was Castro, "liberating" Cuba from Batista's dictatorship. There was the Alliance for Progress, born in a great fanfare of words and a chorus of good intentions.

Somehow, underlying all this, there was an only vaguely articulated sense that the world had entered a new era, one in which international relations would be governed by a high code of moral precept rather than by the old rules of national self-interest.

But what has happened? What has happened, basically, is that people have been acting like people and nations have been acting like nations.

The United States has tried. We have tried to do what we thought was right. We have tried to exercise responsibly the role of leadership that our power inevitably thrusts upon us. We have tried to preserve the peace. We have tried to maintain conditions of freedom and justice in the world.

We have tried to help the poor onto their feet. We have tried to dampen the flames of war in those scattered corners where they have flared. We have tried to make the UN a forum for reason and a force for stability.

But the new morality we thought we discerned in the world was in large measure an extension of our own hopes. We thought that by wishing hard enough we could make our wish reality. We couldn't.

The result has been frustration, often angry and bitter and spiteful frustration.

Thus frustrated, it's a natural tendency of many to turn inward—to say that if the world is no better than it is, it hardly deserves our efforts or our sacrifices.

But if we yield to this temptation, we will have answered "no" to the great question that confronts us on this, the threshold of the final Third of the 20th Century: whether America has the staying power, whether it has the will, the vision, the sense of its own destiny and of the place this generation of Americans is called on to play in history, to meet the challenge of leadership in a world that has no other place we can safely let it look for that leadership.

If our leadership is to be effective, we have to be believed.

And in Europe, in Africa, in Latin America, in many parts of Asia, we simply are not believed.

Nor will we be believed as long as we engage in sanctimonious sermonizing that irritates our friends, bores our enemies and leaves the cynical unconvinced.

Take Vietnam.

It's not enough to moralize about our being there to defend democracy or guarantee freedom of choice, or to fall back on frail legalisms about the SEATO treaty or the meaning of the Tonkin Resolution.

The plain fact of the matter is that we are fighting in Vietnam for the same reason we fought in World War I and World War II and Korea: because our vital national interest is at stake.

Or take foreign aid.

In the 20 years since the Marshall Plan was launched the United States has spent nearly $117 billion on its aid programs overseas.

Why have we given this aid?

Because we are humanitarians, we like to say.

Well, we are. But this isn't *enough* of a reason. And the world doesn't believe it.

Our aid programs are distrusted abroad for the same reason they're in trouble at home: because we have not frankly stressed the simple fact that by helping others we help ourselves.

If Americans are going to be taxed in order that the peasants of India can eat or the lands of the Middle East be irrigated or fertilizer plants built in Africa, the American has got to be told why this is in America's interest.

If people abroad are going to believe us when we say that our development aid is not the opening wedge of a new imperialism, they have got to be shown why their prosperity is in America's own interest.

And why is it in our interest?

Indeed, a lot of Americans are asking the same question—demanding bluntly to know why we should be spending money on poverty abroad when our own cities are exploding with poverty at home.

One answer is, of course, that it's simply good business. Poor countries are poor markets for American exports, and rich countries are good markets. World trade is a little bit like a poker game: everybody has to have some chips in order to play.

But there is a larger and more urgent answer.

Marshall McLuhan says modern communications have turned the world into a "global village." I would go beyond that. The world is becoming one great city—with all the strains and all the tensions and all the explosive potential that implies. Distances are shrinking, time-spans are shortening, civilizations centuries apart in development are suddenly side-by-side—and in full view of one another. And as the rich and the poor are brought closer together, the gap between them becomes sharper.

The problems of the American city today will be the problems of the world city tomorrow. And in that world city, there is no retreat to the suburbs. It is a city in a deadly race with time, and a city more filled with tinder for The Fire Next Time than Newark or Detroit—for its armaments are not rocks and molotov cocktails, but the ultimate weapons of annihilation.

The violence in our own cities has brought sharply into focus two things:

First, that a civilization can endure only if order can be maintained and the safety of its people secured; but

Second, that the terrible anger and the anguish of those left out by society is, in the long run, something which society can ignore only at peril both to its conscience and to its existence.

Neither abroad nor at home can we expect our civilization to be secure in a sea of angry exiles. In the world city as well as in our own, we can preserve our hard-won abundance only by bringing the have-nots within the affluent society.

There is an understandable tendency to blame Communism as the source of our difficulties at home and abroad. Certainly the Communists delight in the agony of our cities and in our casualties abroad.

But if there were no Communism, we would still have the crisis of our cities.

If Castro were to disappear, Latin America—on a treadmill in a race between population and production—would still be a tinderbox for revolution.

If Peking and Moscow were to abandon their expansionist policies, the poverty of Asia, Africa and the Mid-East today would still provide a happy hunting ground for the Nassers, the Nkrumahs and Sukarnos of tomorrow.

America's basic self-interest in world development stems from the brutal fact that there can be no sanctuary for the rich in a world of the starving.

Just as the map of the world has so often been altered by the march of armies across the borders of nations, so now it is being altered no less dramatically by armies of the new-born.

If present trends continue, the world's population will have been doubled by the year 2000—and seven-eighths of this increase will have been in the poor nations. The frightening fact is that the poor are multiplying twice as fast as the rich. The greatest increases are among those who can least afford it.

Population control is a vitally important part of the answer, but even a successful effort can hardly do more than reduce somewhat the size of a gigantic problem of producing enough food in the decades ahead.

And even now, two-thirds of the world's people are undernourished or malnourished; 12,000 people a day are dying for lack of food. In the time a thousand of us will spend at this dinner, a thousand others will die of hunger.

Winning the race with hunger is too serious a problem to be left to philanthropy: too big to be left to government; too complicated to be handled by one nation alone and too explosive to be controlled by haphazard sentimentality.

However much it engages our compassion, the problem of hunger has to be met as a matter for the head, not just the heart.

In the poor countries, the race with hunger is part of the larger problem of economic development. It's not enough to grow food. It has to be transported, stored, processed, marketed. Farmers have to be able to get—and pay for—the fertilizers and pesticides and equipment that can multiply their output. In short, these nations need an economic infrastructure, and they need a market economy. They need entrepreneurs, managers, salesmen.

In the United States, agriculture is our greatest success, but in terms of our aid programs, it is our greatest failure.

If our aid programs are to play the role that they must play, then they must be drastically overhauled.

We have wasted too much of our aid on showcase projects that didn't really get at the root needs of the countries involved. A country that can't feed its people needs fertilizer mills before steel mills.

We've let ourselves get too paralyzed by the old cliche that foreign aid should have no strings—"no conditions"—itself a product of the notion that aid was something we as a rich nation had a duty to give out of pure humanitarianism. Political strings are one thing but it's something else again to talk about those economic conditions which are necessary if the seeds of aid are going to fall on fertile ground.

If we are convinced that another country's policies are leading it on the road to economic stagnation, then for us to subsidize those policies is an act of irresponsibility. It is worse than useless. As one of the ablest of Latin America's finance ministers put it to me: "The United States does us no favor when you aid an unsound economic and social institution. All you do is help perpetuate a system which should be changed."

We ought to turn our aid programs more in the direction of stimulating private enterprise, less in the direction of financing government enterprise.

It's not just seeds and fertilizers the hungry countries need. It's the system—a system of incentives and rewards, of prices and markets.

Some see government-to-government aid as the only humanitarian form of aid, and still tend to look on the entry into foreign markets by private business as a form of exploitation.

This misses the whole point of the dynamics of economic development.

The economic history of the poorer countries since World War II points to one clear fact: that the successful countries have been ones that have adopted an incentive economy, while those that have followed the socialist road have failed. Where private development and government enterprise have been matched against one another, it has been private that has gotten the results.

The developing nations need American products. In order to modernize their agriculture, they need American fertilizer and American equipment, American tools and technology.

But along with our products, we have to export ideas. The usefulness of the products is going to depend on the success with which we persuade the new nations that a developing economy needs the lubricant of a free market, the fuel of profits, the security of a system in which investment is safe.

Thus to the question: "Economic development: whose responsibility?" I would answer that it is a shared responsibility, shared between rich and poor, and between government and private business. Private business shares in the responsibility for two reasons: first, because it shares in the stakes—both in the dangers of failure and in the opportunities of success. And second, because it's business that has what the developing nations need most: not only the capital, but the knowledge of the techniques of development and the understanding of the system of incentive.

America's share of the responsibility is one we can shirk only at our peril.

Our responsibility is a function of our world leadership. But our continued world leadership depends on the way we fulfill that responsibility. And to complete the circle, we can fulfill it successfully only if we can make our leadership effective.

When Malthus made his dire prediction of inevitable famine, man had not yet harnessed the marvels of modern technology to the soil; his gloom reflected a failure to predict the nature of 20th century agriculture as great as Marx's failure to predict the nature of 20th century industry. His was a prediction made at a time when there was little ground for hope. Now we have the hope; we have the means. The question is whether we can get those means in use before the production and population curves explosively intersect.

The race against hunger is part of the overriding race of this last third of the Twentieth Century: the race between man and change, the race to see whether man controls change or change controls man.

The race to control change is a race with revolution.

If our society is to survive—if our ideals are to survive—they have to be made meaningful to a new generation in a new world.

We can realize the promise of the new world only by enlisting the resources of the old. But unless those resources are directed to the realities of a new world—unless "see it like it is," and "tell it like it is," unless we strip away the wrappings of hypocrisy and speak with a new realism and a new candor, we may wake up to find that time and change have passed us by.

So let's stop apologizing for the success of free enterprise, and instead work at spreading and sharing those successes.

Let's stop apologizing for America's wealth and power. Instead let's use it aggressively to attack those problems that threaten to explode the world.

We *can* win the race with change. We *can* preserve our leadership. But to do so we have to recapture the faith and trust of a world in ferment. We have to revitalize the American dream, and cast it in terms that the new people of a new world can understand and appreciate and aspire to.

Whether they can be brought within it—whether their energies can be marshaled, their despair overcome, their hopes kindled, will largely determine whether the American dream can survive through the rest of this century, and thus whether the 21st will be one alien to our ideals and unsafe for our children—or whether that, finally, will be the century in which cynicism gives way to belief and the American dream becomes a world reality.

WPPSS TO REDEEM $25 MILLION IN OUTSTANDING HANFORD PROJECT BONDS

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HOSMER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOSMER. Mr. Speaker, the Washington Public Power Supply System—WPPSS—after a full year of commercial operation of the Hanford nuclear steam electric generating plant, is now redeeming approximately $25 million worth of revenue bonds through the Banker's Trust Co. of New York, the supply system's bond fund trustee.

In September 1962, following congressional approval for the WPPSS to construct and operate an electric generating facility using the excess steam being produced by the Atomic Energy Commission's new production reactor in the manufacture of plutonium at Hanford, Wash., the supply system raised the necessary risk capital to finance the project through the sale of a single issue of $122 million in revenue bonds. This action relieved Congress of any need to appropriate construction funds for the completion of this country's first dual purpose reactor. As a matter of fact, during the previous year, 1961, Congress in its wisdom refused to authorize the expenditure of such Federal funds. It believed the power development side of NPR was more properly a function of the local community which would benefit therefrom.

Owen W. Hurd, WPPSS managing director, states that a surplus of $22,271,122 in construction funds existed which permitted the early retirement of bonds originally scheduled for redemption in 1966. According to Hurd, this redemption of approximately $25 million in outstanding bonds means there will be a 20-percent decrease in the project's long-term debt, and of more importance, a corresponding reduction in Hanford No. 1's power costs.

This excess resulted from the outstanding management exercised by Burns & Roe, Inc., of Hempstead, N.Y., who were the project's engineers, as well as the fact that many large pieces of hardware were purchased below the engineer's estimates. Other reasons for the large monetary savings are due to the close scrutiny given to submitted bids, to the selection of top-quality contractors, and to the small number of contractor claims requiring arbitration or court action.

The 800,000-kilowatt steamplant has exceeded expectations and has performed beautifully. For example, recent tests conducted by General Electric engineers have shown that the two largest turbine generators in the world can produce approximately 4 percent more than their rated output. What this means is that the units can produce 62 megawatts more than the manufacturer's guaranteed performance.

In addition, Hanford No. 1 has met every expectation claimed by its proponents during the long, hard-fought legislative battle, which ultimately led to congressional approval for the WPPSS to finance, build, and operate the plant.

The steamplant came on the line at a critical low-water period which, without Hanford No. 1, would have resulted in serious brownouts causing grave economic consequences for the Pacific Northwest. Today, even with the addition of Hanford No. 1, the region faces a growing power shortage which could limit the region's growth unless additional hydro and thermal energy-producing facilities are built.

As was claimed at the congressional hearings in 1962, the Hanford steamplant was built without any expense to the Federal taxpayer.

And, in fact, the Government is making money because of payments to AEC of approximately $5 million per year for steam from the N-reactor which would otherwise be dissipated into the Columbia River. It is providing the Northwest, through the Bonneville Power Administration, with an additional source of low-cost power for industry.

All in all, Hanford No. 1 has been a shot in the arm for the economic growth of the Pacific Northwest. Unfortunately, it has been shut down for many weeks due to a labor dispute, which began September 1, 1967, between an AEC reactor contractor, Douglas-United Nuclear, and members of the Hanford Metal Trades Council employed at the N-reactor. However, prior to the strike the WPPSS's power-generating plant accounted for more than 35 percent of the total nuclear power generated in the United States.

Power from Hanford No. 1 has been purchased by 76 public and private utilities in the Pacific Northwest. The energy produced is exchanged by the participants for an equal amount of firm power from hydroelectric sources available to BPA.

The soundness of the position Congress took in recognizing the technical feasibility of the Hanford project during its long and hotly contested legislative history in 1961 and 1962 has been thoroughly substantiated. By the same token, the soundness of the insistence of Congress that the project be financed locally rather than federally also has been substantiated by the significant act of bond redemption almost 30 years ahead of schedule.

The WPPSS, consisting of 18 consumer-owned utility systems, 17 PUD's, and one municipality, in the State of Washington, is a municipal corporation authorized to build and operate facilities for the generation and transmission of power.

HANFORD PROJECT BONDS REDEEMED

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentlewoman from Washington [Mrs. MAY] may extend her remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mrs. MAY. Mr. Speaker, my colleagues who were here in 1962 will recall the long and hotly contested legislative battle over authorization of the world's largest nuclear powerplant at Hanford, in my district, in the State of Washington.

Many had great faith in this project, known as Hanford No. 1, and there were those who felt that the project was technically unfeasible. Such doubts at the time were understandable, but the position of the Congress in sustaining this vital project has been proved, over and over again, to have been basically sound.

Now, Mr. Speaker, I am more than delighted to be able to report to my colleagues that although Hanford No. 1 has been in commercial operation for only 1 year, the joint operating agency, Washington Public Power Supply System, is now redeeming approximately $25 million worth of revenue bonds through the Banker's Trust Co. of New York, the supply system's bond fund trustee.

The significance of this news is that these bonds were originally scheduled for redemption in 1996, and this early redemption, nearly 30 years ahead of time, means there will be a 20-percent decrease in the project's long-term debt and a corresponding reduction in Hanford No. 1's power costs.

The announcement of this significant news, which once again more than justifies the faith of Congress in this project, was made by the outstanding managing director of the supply system, Owen W. Hurd.

The question before the Congress in 1962 was approval for the supply system to construct and operate an electric generating facility to use the excess steam being produced by the Atomic Energy Commission's new production reactor in the manufacture of plutonium at Hanford. Following congressional approval of this, the supply system raised the necessary risk capital to finance the project through the sale of a single issue $122 million in revenue bonds, thus relieving the Congress of any need to appropriate construction funds.

Mr. Hurd, in announcing the early redemption of the $25 million in outstanding bonds, has stated that a surplus of $22,271,122 in construction funds has permitted this action. The excess resulted from outstanding management, as well as the fact that many large pieces of hardware were purchased below the engineer's estimates, among other factors.

Mr. Hurd has also reported that Hanford No. 1 has met every expectation claimed by its proponents during the long, hard-fought legislative battle, and that the 800,000-kilowatt steamplant has exceeded expectations and has performed beautifully. For example, recent tests conducted by engineers have shown that the two largest turbine generators in the world can produce approximately 4 percent more than their rated output. Mr. Hurd points out that this means the units can produce 62 megawatts more than the manufacturer's guaranteed performance.

The Hanford steamplant has been built without any expense to the taxpayer, and the Federal Government is making money from it because of the $5 million per year paid to the Atomic Energy Commission by the supply system for steam from the reactor.

Mr. Speaker, I am sure that all of my colleagues who supported this project in 1962 are pleased to hear this good news and join with me in congratulating Mr. Hurd, the Washington Public Power Supply System, and all the others who have made the Hanford project such an outstanding success. Our faith is more than justified by this truly remarkable performance.

CONGRESSMAN BURKE SEES DANGER IN SOVIET MILITARY BUILDUP IN MIDDLE EAST

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. BURKE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. BURKE of Florida. Mr. Speaker, the trouble spot for us appears to be Vietnam as we keep our sights focused on Southeast Asia. But, Mr. Speaker, today I want to alert you and my colleagues in the House to what may well be the real danger point for the world, and to call your attention to a military buildup that could well trigger World War III if it is not quickly checked. The danger point is the Middle East, for it appears to be here that the Soviet Union has focused its aims for expansion and is making inroads so swifty and powerfully that it would be difficult for the average American to comprehend and imagine.

For some it is hard to believe that the Soviet Union, with all its talk about world peace, would risk another world war. Yet the situation in the Middle East is so explosive and involves so many factors as well as so many people and countries that this could well be the area which will feed the flames for the outburst of another horrible war, one which could well lead to World War III.

The Soviet Union is playing a dangerous game in this part of the world. While the Communists talk of wanting peace in Asia they are furnishing arms to the North Vietnamese and are also commencing a dangerous buildup of military strength in the Middle East.

I have been informed by what I believe are reliable sources that the Russians have moved as many as 25,000 military personnel and technicians into Syria, Egypt and Algeria. The Soviet Union has been aiding the Arab forces with new modern weapons to supplant those the Arabs lost in the June 1967 war with Israel. Furthermore, it appears that trained Russian officers are now accompanying these weapons shipments and there are now six to eight Russian Army generals for the purpose of supervising the renewed area.

To further complicate matters, it appears that Algeria is now also getting involved with this Soviet program and is allowing the Russians to build a rocket complex at the port of Oran. If the information I have received is true, then you may be sure that this rocket complex will be strategically located by the Russians so that it would pose an ominous threat to the entranceway of the Gibraltar Strait from the Atlantic to the Mediterranean. In this event, the potentially explosive dictator Houari Boumedienne of Algeria together with the Soviet Union would be in a position to render our own U.S. Sixth Fleet almost impotent by bottling it up in the Mediterranean. Furthermore, one can plainly see how a rocket complex at the port of Oran would put the Russians in an excellent bargaining position for any future deliberations. With the Suez Canal under the control of Nasser and its use to us almost nil, the only other entry into the Mediterranean, that is, the Strait of Gibraltar, would be put in jeopardy since it would be directly in the line of Russian and Algerian rocket fire.

What is happening in the Middle East today is terrifying and should concern us all. The Soviet Union, which once had little or no outlet to the sea, could now conceivably become the master in any bargaining involving all of the strategic sea routes in the Middle East and in the Mediterranean.

It therefore appears that the Soviet Union is definitely playing for high stakes in this area and, contrary to what the Communists would like to have us believe, the issue far transcends the Arab-Israeli dispute. This appears to be only a smokescreen to cover the Soviet Union's real aim in the Middle East, which is the control of the vital sea routes and the promotion of the further decay of our Western world defenses.

I charge that these actions by the Soviet Union are a prelude to a direct aim by the Communists at the weak foundation of NATO which the Russians are hoping to further destroy. In my opinion, now that De Gaulle has provided an opening by neutralizing France, the Communists are aiming to wreck the entire structure of defense of the Western community.

In this regard I further feel that the administration may well be under-reacting in the Mediterranean because of a misguided belief that the Russians are less hostile and less dangerous than the North Vietnamese and the Red Chinese. As I see it, the truth of the matter is that the Soviet Union has not changed its desire for world conquest, not one bit! There is, in fact, much evidence to support the contention that the Soviet desire to conquer is stronger than ever.

The time has come for the United States, with our Western Allies, to make a complete reassessment of our stance with regard to the Russians. The world should know the Russian objectives in the Middle East and in the Mediterranean are not conducive to peace, and that they are working through the Arab people and using the Arab people to gain their objectives by direct penetration. I think it is imperative now that we take a stronger stand in this regard and challenge the Russian aggressiveness. Tomorrow it may be too late. We must be wary and careful that we do not give aid to any nation that collaborates with the Soviet Union in that part of the world.

Furthermore, knowing the Russians, it would seem to me that we must definitely help Israel maintain a reasonable posture of defense in this area to counteract these hostile Russian movements. It was the swift and decisive action by the Israeli in that June war which saved our country from another Vietnam-type involvement and possibly the ignition of a world war.

The free world is not safe yet. All recent developments indicate that we must recognize today's dangers and prepare to stop them as they arise, or we may find ourselves in a new Munich, 1967 style.

Mr. Speaker, I am urging all my colleagues to join with me in insisting that our administration take immediate steps to inform the American people of what positive steps we will take so as to prevent a future horrible holocaust from erupting; for I believe that one could occur if we as a nation remain blind to the reality of hate that the Soviet Union is seeding in the Middle East as it appears from their present activities.

KANSANS MOURN DEATH OF EDUCATOR

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Kansas [Mr. Dole] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DOLE. Mr. Speaker, death recently has taken from Kansas an educator, State leader, gentleman, and friend.

He was William C. Kampschroeder, who was serving as Kansas' last elected State superintendent of public instruction. At the age of 64, "Kampy" as he was known to thousands of friends and colleagues, had amassed an impressive 40-year career in education and public affairs.

Citizens throughout the State mourn his death. The loss to all Kansans is appropriately summarized in editorials which I submit for insertion in the Record:

[From the Topeka Capital-Journal]

Schools Lose a Friend

The schools of Kansas lost a friend in the death Wednesday of William C. Kampschroeder.

He had devoted his life to their betterment.

His unselfish attitude was illustrated by the fact that he knew when he accepted appointment and later ran for the state superintendent's position it was a job with no future, but a vital one so long as it existed.

Kansans adopted a constitutional amendment in 1966 providing for abolishment of the office, creation of a new State Board of Education and appointment of a state commissioner of education by the board.

Kampschroeder had looked forward to completing his term as superintendent and maintaining Kansas schools on a high basis, then retiring and traveling.

He took into the state superintendency a long career in education, both on the state and local levels. He had been assistant state superintendent and a department head in the State Dept. of Public Instruction. Previously he was a principal and superintendent in several Kansas school systems.

Always devoted to the good of the community in which he lived, he was active in church, club and cultural activities.

His unexpected death, resulting indirectly from a traffic accident, cut short a career devoted to the advancement of Kansas education.

[From the Wichita Eagle-Beacon, Nov. 10, 1967]

W. C. Kampschroeder

It was fitting that W. C. Kampschroeder was able to fulfill one of his fondest ambitions and become state superintendent of public instruction before that office faded into oblivion.

The office was important to him and he went after it vigorously even though his opponent Robert Saft was an old friend and colleague and despite the fact that rough and tough political campaigning was against his nature.

"Kampy," as he was known to his students, colleagues, and friends, had a habit of raising his eyebrows and looking you straight in the eye when he made a point in conversation. It gave one the impression that he was concentrating only on what he had to say and that he considered talking with you important.

Kampy was trim and healthy looking before his death here at 64. He had been much heavier in the days at Eureka when he was superintendent of schools there.

He had taught at Savonburg and Richmond before moving to Eureka where he was superintendent for 14 years. Kampy had some visionary ideas about how Kansas education should progress, and he was happy with the thought that his tenure as state superintendent would be transitional.

But as a teacher he retained enough of the old fashioned ideas of discipline to maintain a reasonably tight ship, even during the trying war years.

He was not feared by the students, but he certainly was respected. On one occasion a group of students at Eureka High School scheduled a walkout which Kampy got wind of somehow. When a large group headed by some burly football players approached the front doors, Kampy was standing there, barring the way.

There was a brief standoff, and the students returned to class.

His students and all Kansans interested in education are going to miss Kampy.

PROTECTIONISM: A MEAT AX INSTEAD OF A DOCTOR'S SCALPEL

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Whalen] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WHALEN. Mr. Speaker, the economic well-being of the Nation is being threatened by a revivial of protectionist sentiment.

A dialog of sorts has begun on this serious question. I hope it will continue long enough for all Members of Congress to comprehend fully the significance of the import-quota measures that have been introduced during this session.

One of the most succinct commentaries on what is involved in this issue appeared over the weekend. Mr. Roscoe Drummond, the distinguished columnist, summarized the threat of the "new" protectionism by recalling some recent economic history.

Mr. Drummond observed that—

> There may, indeed, be valid complaints by a few industries that trade agreements have operated inequitably in their cases. But needed relief ought to be made with the care of a doctor's scalpel, not with a politician's meat-ax.

As an economist, I concur with Mr. Drummond's evaluation, Mr. Speaker, and I would urge my colleagues to review his pungent commentary.

For that reason, I insert herewith Mr. Drummond's column which appeared in the editions of the Washington Post on Saturday, November 18, 1967:

New "Smoot–Hawley Tariff" Could Bring Repeat of 1930's

(By Roscoe Drummond)

Let me relate a revealing conversation which occurred on Capitol Hill the other day.

A distinguished American with long, successful experience in business who knows first-hand why expanding world trade is a boon to every nation, was talking with a United States Senator who with many others is seeking to ring American trade with high-protectionist import quotas.

This is what he gave the Senator to think about.

"Do you realize," he asked, "that in taking these first steps up the ladder of protectionist import quotas, you will be acting to destroy all that every Congress and both political parties have accomplished during the last 30 years to release world trade from artificial restrictions to the great benefit of the United States and every other country?"

"Do you realize," he asked, "that in moving away from freeing world trade and toward a barrier of import quotas for the United States you are proposing to return the Nation—and the world—to the ghastly economic mistake of the Smoot-Hawley tariff of the '20s?"

"Do you realize," he asked, "that in returning to the discarded and discredited policy of economic isolationism you will be inviting another economic depression in the United States like the horror of the 1930s?"

And what do you think the Senator's answer was?

"Yes, I know all that," he said, "but I can't help it."

He can't help it!

In 1930 President Herbert Hoover, with the gravest doubts and greatest reluctance, signed the Smoot-Hawley tariff atrocity instead of vetoing it. He said he couldn't help it—even after 3000 U.S. economists had unanimously appealed to him to veto it in order to save the United States and the world from the developing depression.

No one who knows how much the American consumer has been benefited, how many jobs have been created, how much wealth has been produced for the wage-earner by the leadership which the United States has given to the cause of freeing mutual trade, can take any comfort from the decision of the New Protectionists in Congress to hold back momentarily their import-quota proposals rather than try to push them through in the last hectic, over-crowded weeks of the present session.

They are not having second thoughts on what they are after. They simply expect to gather more steam for their enterprise by 1968 and to be in a better political position to get their way. When they say they know what they are doing but can't help it, they mean that for the most part they can't help yielding to the lobbying pressures of their home-state and home-district businesses.

That is exactly what Congress felt when it whooped through the Smoot-Hawley Tariff in 1930.

Disaster followed.

The need today is not to avert disaster, but to continue to reap the tremendous economic boom which the United States has been experiencing from expanding, not contracting, world trade.

There may, indeed, be valid complaints by a few industries that trade agreements have operated inequitably in their cases. But needed relief ought to be made with the care of a doctor's scalpel, not with a politician's meat-ax.

This year American business is exporting $31.2 billion worth of goods while we are importing $26.5 billion worth. The net benefit to the American economy, to American business and to American labor is $4.7 billion. It means more jobs; it means more profit; it means lower prices for millions of consumers; it crucially eases the strain on our balance-of-payments deficit.

Those who benefit from this kind of expanding trade better get themselves organized before Congress convenes again next January.

THE LATE HONORABLE JOHN NANCE GARNER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. Gonzalez] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. GONZALEZ. Mr. Speaker, the death in Uvalde, Tex., on November 7, of John Nance Garner, the great and fabulous Texan, who had reached the zenith of national power as Speaker of the House and Vice President of the country, sad an event as it is, nevertheless served the purpose of reminding us of his tremendous and monumental contribution to our heritage and destiny.

The fact he retired and returned to his native soil, in the unique and beautiful Uvalde countryside, nourished by the Sabinal, rather than to remain at the scene and seat of a mighty government, has contributed to what I consider to be a tendency to diminish in the popular mind his great achievements. But he, like the classical and venerable poet of ancient Rome, Horace, chose to voluntarily relinquish the pomp and ceremony of Washington to return to his own "Sabine farm," except in this case the Sabinal.

However, I can personally testify to the fact he was always alert and very much wide-awake to all significant developments, whether they were purely local in nature, or State or national. In 1958, I was candidate for the position of Governor of Texas. There were those who dismissed my candidacy as the doings of "that Mexican." I was the favorite target of the traditional prejudice and venom of some Texans, such as reflected in the articles and dispatches printed in the Cuero, Tex., newspaper, by a journalist who today is in politics himself as the public relations man for the present junior U.S. Senator from Texas. Therefore, you can imagine my surprise when my good friend and volunteer helper in Uvalde, Tex., at that time, Charles Doria, advised me John Nance Garner was not only kindly disposed but interested in meeting me. Though the former Vice President did not in any way involve himself in the election, he certainly was courteous and respectful.

At that point, Mr. Speaker, I ask unanimous consent I be permitted to place in the Record the remarks made by another great American and a contemporary and colleague of Mr. Garner, the Honorable James A. Farley, of New York:

Statement by James A. Farley, Former Postmaster General, Following the Announcement of the Death of Former Vice President John Nance Garner, Tuesday, November 7, 1967

The passing of former Vice President John Nance Garner marks the end of one of the greatest eras in the history of this country. I know of no man who made a greater contribution to his country than did Mr. Garner. His long record as a member of the House of Representatives and as Speaker of the House will be pointed to with pride by generations of Americans yet unborn. I know better than any living American of the contribution he made as Vice President of the United States in the two terms he served with the late President Franklin Delano Roosevelt. Despite his most conservative views he was more responsible than any other person for the passage of legislation referred to as "The New Deal Legislation," during President Roosevelt's first term.

He was most loyal in his devotion to the President and he labored unceasingly in order to get legislation through the House and Senate the way the President desired it. He was a dedicated American and one of the most loyal party members I have ever known, but his devotion to his country, which I had an opportunity to observe, overshadowed his devotion to his party. I know of no man in public life for whom I had greater affection than Mr. Garner and I considered it one of the great privileges of my life to be able to refer to him as my friend.

My family and I are saddened by his passing and extend to his son, Tully Garner, and the other members of the family our heartfelt sympathy.

Also, I ask consent to place in the Record the newspaper stories appearing in the New York Times on November 7, 1967, and the San Antonio Light for November 10, 1967:

[From the New York Times, Nov. 8, 1967]

John Nance Garner, 98, Is Dead; Vice President Under Roosevelt

Uvalde, Tex.—November 7.—John Nance Garner, Vice President of the United States under President Franklin D. Roosevelt, died in his home here this morning. He would have been 99 years old on Nov. 22.

Mr. Garner was Vice President during Mr. Roosevelt's first two terms as President. He broke with the President, however, over Mr. Roosevelt's controversial plan to enlarge the United States Supreme Court.

Mr. Garner developed a fever yesterday and went into a coma during the night. His son, Tully, who was his only child, was at his bedside when he died. He is also survived by a granddaughter, Mrs. John J. Currie of Amarillo, and three great-grandchildren.

A funeral service will be held in Uvalde on Thursday.

[From the New York Times, Nov. 8, 1967]

John Nance Garner, Roosevelt's First Vice President, Dies in Texas Home at 98—Influential in New Deal

(By Alden Whitman)

The Texan who was the 32d Vice President of the United States was never fully happy in the eight years he spent in that office, from 1933 to 1941.

More accustomed to the Congressional committee room and the small gatherings of influential legislators, he frequently said that he had been just "a spare tire of the Government" in the first two terms of President Franklin D. Roosevelt's New Deal.

"Worst damn-fool mistake I ever made was letting myself be elected Vice President of the United States," he remarked after he had left office. "Should have stuck with my old chores as Speaker of the House. I gave up the second most important job in the Government for one that didn't amount to a hill of beans."

Although Mr. Garner disparaged his job, he was nonetheless one of the most influential men on Capitol Hill in the first years of the New Deal. Having been in the House of Representatives since 1903 and a member of its powerful Ways and Means Committee for many years, he was practiced, as few legislators were, in the intricate and offstage business of getting bills through Congress.

As presiding officer of the Senate and as Mr. Roosevelt's designated "Mr. Common Sense," Mr. Garner put his political knowledge to work in obtaining passage of New Deal legislation. He was more conservative than his President and he did not wholeheartedly approve of much of the legislation he promoted, yet personal friendship, Mr. Roosevelt and he played poker together and party loyalty persuaded him to help gather the necessary votes and to direct legislative strategy.

BOURBON IN THE CHAMBER

Mr. Garner did most of his wheeling and dealing in a private office in the rear of the Senate chamber, to which he quietly invited key legislators to join him in what he called "striking a blow for liberty." The Vice President's excellent bonded bourbon and his persuasive, often sarcastic tongue succeeded in persuading his guests to vote his way.

However, after the election of 1936, Mr. Garner found himself increasingly out of step with Mr. Roosevelt. Their political differences reached a breaking point over the President's proposal to enlarge the Supreme Court to obtain judicial approval of New Deal statutes. The Vice President was against the plan, and when he knew how the votes were tending he told the President.

"How do you find the Court situation, Jack?" Mr. Roosevelt asked.

"Do you want it with the bark on or off, Cap'n?" Mr. Garner countered.

"The rough way," Mr. Roosevelt replied.

"All right, you are beat," Mr. Garner said. "You haven't got the votes."

Mr. Roosevelt then agreed to drop his proposal and commissioned Mr. Garner to patch up as best he could the party feuds that the Court plan had engendered.

Although the two men remained friendly, Mr. Garner was dropped from the circle of White House intimates and from the list of those who lunched with the President at his desk.

The Vice President was persuaded by his conservative friends to harbor ambitions for the White House, but these were effectively frustrated by his lack of touch with organized labor, especially its militant leaders in the Committee for Industrial Organizations.

The mark of labor's disenchantment was stamped on Mr. Garner by John L. Lewis, head of the C.I.O., in a memorable display of his phrase-coining talents.

The occasion was a hearing on July 28, 1939, before the House Labor Committee that was considering liberalizing changes in the Wage-Hours Act, which Mr. Garner opposed. Referring to this, Mr. Lewis labeled the Vice President "a poker-playing, whiskey-drinking, labor-baiting, evil old man."

STAYED WEST OF POTOMAC

The description hurt Mr. Garner politically and so did his opposition to a third term for President Roosevelt. They added to the sourness with which he left Washington in 1941 for his home in Uvalde. He vowed never again to come east of the Potomac, and he never did.

In his Washington years, Mr. Garner was a man of striking appearance. He was somewhat under average height, but his ruddy complexion, white hair, and slanting blue eyes under shaggy eyebrows made him difficult to forget.

He was not given to speeches (he boasted that he had not made a single formal speech as Vice President) but he was an industrious and powerful member of the House.

The nickname Cactus Jack, given to him because he came from an infertile area of Texas, remained with him all his life.

Although he became a millionaire from business interests in his home state, he lived simply in Washington. For many years his wife, the former Ettie Rheiner, whom he married in 1895, performed all his secretarial duties and prepared their lunch on a gas range in his Congressional office. Because he spent so penuriously, Mr. Garner had a wide reputation as a tightwad, which he did nothing to dispel.

Apart from baseball, pecan-growing and farming (he raised fowl), Mr. Garner's chief avocation was poker. He was so adept at the game that his winning in some sessions of Congress exceeded his pay of $10,000 a year.

FATHER A CONFEDERATE TROOPER

A product of the rugged frontier, John Nance Garner was born Nov. 22, 1868, in a mud-chinked cabin near Detroit, Tex. His father, John Nance Garner 3d, had been a Confederate cavalry trooper who had migrated to Texas from Tennessee.

The boy's education was so sketchy that he had trouble keeping up with his classmates when he went to Vanderbilt University. Returning home, he read law with a lawyer in Clarksville, was admitted to the bar at the age of 22, moved to Uvalde, near the Mexican border, and joined a law firm that eventually became Clark, Fuller & Garner.

When he acquired a newspaper, The Uvalde Leader, as part of a legal fee, he made his name known and was elected county judge of Uvalde County, a post corresponding to county executive in other states.

From county judge, Mr. Garner moved to the Texas Legislature, which he entered in 1898. In his two terms he fought railroad interests in behalf of his Populist-minded small-farmer constituents, who sent him to Congress in the election of 1902.

"When I entered Congress," Mr. Garner once reminisced, "the autocratic leaders of the [Democratic] party thought I was just another cow thief from Texas. They 'rolled' me on committees, giving me minor assignments. I kicked until they put me on the Foreign Affairs Committee. Being the newest Democrat, I sat beside Nicholas Longworth, the junior Republican. That was how we struck up our friendship.

"It was darned peculiar that a silver-spoon aristocrat like him and one of the common people like me should hit it off, but we tried to outsmart each other for 30 years."

Over the years Mr. Garner formed friendships with men who exerted great influence in national affairs—Joseph T. Robinson of Arkansas, Carter Glass of Virginia, James F. Byrnes of South Carolina, Sam Rayburn of Texas, George W. Norris of Nebraska, Andrew W. Volstead of Minnesota and William Randolph Hearst, the publisher.

Increasingly, the Texan was admitted to the inner circles of the House leadership, those who frequented a Capitol hideaway and were known collectively as "the Board of Education."

Mr. Garner, a party stalwart except in international affairs, moved into the national spotlight in 1928, when he was elected House minority leader. As such he was active in the election of 1930, in which the Republican majority in the House was cut almost to the vanishing point.

In those days a new Congress did not organize until 13 months after an election, and by the time the House met in December, 1931, the Republican majority has disappeared, owing to deaths, including that of Speaker Longworth.

Mr. Garner was elected Speaker by three votes, a margin that obliged him to exercise his skill as a politician to obtain the legislative results sought by his party.

In the jousting for the Democratic nomination for President in 1932, Mr. Garner was Texas' favorite son. He was also, because of his conservative and isolationist views, the choice of Mr. Hearst, a major force in the party, who had, most improbably, won the California delegation for Mr. Garner.

On the first convention ballot in Chicago, Mr. Roosevelt had 666 votes of the 770 needed for nomination. Alfred E. Smith, the former New York Governor and the candidate in 1928, was second, and Mr. Garner was a poor third.

By the third ballot, Mr. Roosevelt had gained only 16 votes and James A. Farley, his campaign manager, was fearful that on the next ballot delegates would slip away to Mr. Smith or to Newton D. Baker, an internationalist who had been President Woodrow Wilson's Secretary of War.

Thus it came down to Mr. Hearst and Mr. Garner's 86 votes, 44 of them from California. At first Mr. Hearst refused to listen to Mr. Farley's entreaties until he received assurances, in phone calls from San Simeon, his California castle, that Mr. Roosevelt would eschew internationalist policies.

Then Mr. Hearst made his decision. Although he did not particularly care for Mr. Roosevelt, he cared far less for Mr. Smith and not at all for Mr. Baker. Through an intermediary, the publisher got in touch with Mr. Garner in Washington.

According to "Citizen Hearst," W. A. Swanberg's authoritative biography: "Garner knew that he owed Hearst the strength that he had. He thought it over and agreed [to deliver his California votes to Mr. Roosevelt]."

Although there have been denials, it has been widely accepted that the quid pro quo was the Vice-Presidential nomination for Mr. Garner. In any event, Mr. Roosevelt was nominated on the fourth ballot and Mr. Garner was chosen as his running mate without significant opposition.

In the election Mr. Garner's homespun manner and conservative fiscal views added strength to Mr. Roosevelt's appeal among those who regarded the New Yorker with skepticism.

As Vice President Mr. Garner adhered to the then current tradition—to be seen very little and not to be heard at all. Instead, he confined himself to the task he liked (and knew) best—maneuvering legislation through Congress.

He liked to joke about himself in this respect. One day a circus clown met him in the Senate Office Building and said by way of introduction:

"I am head clown in the circus."

"And I am Vice President of the United States," Mr. Garner replied solemnly. "You'd better stick around here a while—you might pick up some new ideas."

When Mr. Garner, at the age of 72, retired to his house in Uvalde, set among live oaks and pecan trees, he said that he wanted to live in quiet until he was 93. If he attained that age, he explained, he could say that he had spent half his life in public office and half as a private citizen.

TENDED TO FINANCES

He passed much of his time looking after his ranch holdings, real estate and banking interests.

He rejected offers for his memoirs, and, it was said, he burned his letters and other material bearing on his service in Washington.

When his wife died in 1948, he moved out of the main house into a smaller frame building nearby. He was generally known among his neighbors as Judge Garner, the title he had held in his first office. He read a bit, mostly history, and celebrated his birthdays with a special cake and a modest party.

Several years ago he gave up whisky on his physician's suggestion and cut down smoking the strong Mexican cigars, to which he had been addicted for scores of years.

Starting in 1961, he made gifts that eventually totaled $1-million to Southwest Texas Junior College, an institution on the outskirts of Uvalde. Pressed as to the reasons for his philanthropy, he said:

"I don't want these kids around here to have to suck on the hind teat when it comes to getting a good education. I can't explain my time schedule on what I've given to the college except to say that when you get in your nineties you can't afford to be a manaña man."

Although Mr. Garner only dressed in what he called his "store clothes" for such occasions as his birthday, he was the object of some attention and curiosity by visitors to Uvalde.

"People come by here to see me," he once explained. "They want to see what a former Vice President looks like. They expect to see some big imposing man, and it's me. I'm just a little old Democrat."

[From the New York Times, Nov. 8, 1967]

JOHNSON LEADS TRIBUTES

WASHINGTON, November 7.—President Johnson paid tribute today to former Vice President Garner as a man who inspired many generations of Americans.

In a statement issued by the White House, the President said:

"John Nance Garner would have been 99 years old on the 22d of this month.

"Few are given so long a time, and fewer still have used their years to such advantage. Few men in history had more experience in government nor more respect from his colleagues during his long career in public service.

"The nation joins with the people of his beloved Uvalde in mourning the loss of one whose determination and joy of life were an inspiration to so many generations of Americans."

Former President Harry S. Truman described Mr. Garner as "a vital force for several generations on the American political scene as Speaker of the House and Vice President."

Informed of Mr. Garner's death at his home in Independence, Mo., Mr. Truman said:

"He enjoyed the respect of all Americans as the spokesman for the rugged and practical individualism that played such an important role in the building and growth of this nation.

"He was my friend and I was his. Mrs. Truman joins me in sincere sympathy to his family."

James A. Farley, Postmaster General during Mr. Garner's terms as Vice President, said, in part: "The passing of former Vice President John Nance Garner marks the end of one of the greatest eras in the history of this country. I know of no man who made a greater contribution to his country."

John L. Lewis, the old labor leader who was Mr. Garner's adversary in the nineteen-thirties, was asked to comment but declined.

[From the San Antonio Light, Nov. 10, 1967]

HUSHED UVALDE BURIES GARNER—MANY FRIENDS AND RELATIVES

(By Tom McGowan)

John Nance Garner, who rose from humble Texas origins to sit in the seats of the nation's mighty, Friday slept beneath a spreading mimosa tree on a hillside in the Uvalde city cemetery.

His body was committed to the grave as more than 500 of his fellow townsmen stood hushed and quiet under threatening skies.

Garner, a former speaker of the U.S. House of Representatives and a former vice president of the United States, was buried with simple, almost austere ceremony.

"Dear God, unto Thy tender keeping
We commend Thy servant, sleeping . . ."

Thus intoned Rev. Romilly Timmins, rector of St. Philip's Episcopal Church, in a brief service at the grave.

The six-minute graveside rite was taken from the Episcopal service for the dead as members of the former vice president's immediate family and close friends sat clustered under a canopy.

Standing shoulder-to-shoulder behind the family were Vice President Hubert Humphrey and U.S. Sen. Ralph Yarborough.

Humphrey was the representative of President Lyndon Johnson.

The graveside service followed a simple ceremony held in the chapel of the Frazar Funeral Home in downtown Uvalde.

This ceremony was delayed for 40 minutes as the family members awaited the arrival of the vice president's party, which was flown to the southwest Texas town by military helicopter from San Antonio.

Many of the Uvalde business houses were closed out of respect for the former statesman, and throughout the downtown section U.S. flags in sidewalk standards hung at half-staff in the gray mist.

At the funeral home, only a few blocks from the Garner homestead, an overflow crowd stood outside the chapel to hear the service.

Red-robed choirboys bearing a U.S. and Texas flag first entered and stood at attention at the rear of the chapel.

The service opened with a muted organ playing softly the traditional hymns, "Rock of Ages" and "Jesus Is Calling."

Timmins read scripture to the sorrowing audience, and outlined the former vice president's biography.

The Episcopal priest read from the 23rd and 121st Psalms, from the Gospel of St. John and from First Thessalonians.

". . . Let not your heart be troubled. . . "

At the conclusion of the chapel service, Timmins said:

"Death is only another horizon," and added the simple blessing, "and now John Nance Garner, may the Lord bless you and make His countenance to shine upon you."

Across the street from the funeral chapel and in the hearing of mourners standing outside, a crowd of youths who had come as spectators, laughed loudly and engaged in horseplay.

Their laughter overrode the words of the minister inside.

The ceremony at the chapel lasted for 18 minutes, and then the funeral procession formed up for the short ride to the cemetery three miles west of Uvalde on old road to the Mexican border.

Along the main street, hundreds of people stood with heads bared as the funeral procession passed. Several hundred more waited at the cemetery.

The former vice president's grave lies beside that of his wife, on the slope of a hillside overlooking the southwest Texas brush country that he had come to love.

Garner's silver-gray casket was draped with blood-red carnations and flowers heaped the gravesite.

Ten pallbearers, all friends and close associates of the former vice president, carried the casket from the chapel at the funeral home and from the hearse to the grave.

At the close of the service at the grave, Timmins recited:

". . . In the midst of life we are in death . . . and now we commend the soul of our brother departed unto Thee, O Lord . . . Earth to earth, ashes to ashes and dust to dust . . ."

The Lord's Prayer was then recited.

Garner died early Tuesday, 15 days before his 99th birthday. He had been looking forward to his 99th anniversary on Nov. 22. He passed quietly and without apparent pain at his home following a coronary attack.

Garner, who was called "Cactus Jack" by political writers of his era, served two terms as vice president in the administration of Franklin D. Roosevelt, but broke with FDR over the issue of Roosevelt's third term in the White House.

He left Washington in 1941, vowing he would never return to the nation's capital. He never did.

The former vice president's body lay in state at the funeral home Wednesday so that Uvalde residents might pay their respects.

The casket, however, was closed during Thursday's brief funeral ceremony.

[From the San Antonio (Tex.) Light, Nov. 10, 1967]

"GREAT AMERICAN," YARBOROUGH SAYS OF GARNER

U.S. Senator Ralph Yarborough, who with Vice President Hubert Humphrey flew to Texas to pay their final respects to the "Old Warrior" John Nance Garner, lauded the former vice president in the Roosevelt administration as a "great American."

Yarborough stood side-by-side with Vice President Humphrey as Garner's funeral service was read at the Uvalde city cemetery.

The senator and the vice president were among hundreds of greats and near-greats who came to the small southwest Texas city to help commit Garner to his final rest.

GREAT AMERICAN

Yarborough said, following the service, that he felt "Mr. Garner was one of the truly great Americans."

"He was one of the nation's great men and his career will stand as an inspiration for future generations.

"He came to Uvalde as a young man seeking health from Red River County, and through his hard work and his devotion, he grew in stature."

The senator outlined Garner's public and private career, and added that it was John Nance Garner who first brought the state of Texas into national prominence.

FIRST AS SPEAKER

"Mr. Garner was the first Texan ever to serve as Speaker of the House and he was the first Texan ever to become vice president of the United States.

"Through his personal integrity, his perseverance, his force of character he lifted himself and his state to a place of national prominence," Yarborough added.

And finally, Yarborough declared, "Mr. Garner was a self-made man in the finest sense of the term."

Vice President Humphrey also praised Garner in a graveside statement made to reporters.

"Mr. Garner," Humphrey declared, "represented the rugged American spirit. His death is a great loss to this country."

HEMISFAIR, 1968—SAN ANTONIO, TEX.

Mr. GONZALEZ. Mr. Speaker, the second portion of my special order has to do with an event that is not only national but international in scope. It is the HemisFair, 1968, which will take place beginning April 6, 1968, in my own native city of San Antonio, Tex.

This will be a special sixth category world exposition which has the sanction and approval of the Bureau of International Expositions headquartered in Paris.

This approval was not granted to other world fairs such as the recent New York World's Fair and it is the only exposition of its kind recognized by this national body for the year 1968.

It has become a reality because it is the realization of a long-dreamed-of and long-hoped-for event.

Here in San Antonio where for centuries the city has been astride what used to be known as the Camino Real—or the Royal Highway—over 400 years ago the Emperor of Spain decreed that a royal road be constructed from South America to North America. It seemed like an empty dream until the 19th century when the Pan American Highway was visualized—and after the formation of the Pan American Union this began as a real objective, to be accomplished, and which today is actually fulfilled.

Mr. Speaker, San Antonio is a gateway to the south and is a cultural blending area in which the two cultures that have traditionally shared this part of the world in the northern part of the hemisphere have coexisted and have contributed so richly to civilization in this part of the world. The local people, the private sector of San Antonio, first showed its support and it became a communitywide effort. Over $7.5 million was raised privately by the business and the private sector of the city.

Subsequently, the city council of the city of San Antonio authorized, and the voters voted favorably, for a $30 million bond issue predicated on the theme of a HemisFair.

Then the State Legislature of Texas appropriated $10 million for this purpose.

I am proud to say that the U.S. Congress recognized the national interest, and in 1965, thanks to the help of many of my colleagues, more particularly the illustrious gentleman from Illinois, BARRATT O'HARA, who was a member of the committee that had jurisdiction and gave us some valuable help, the United States made its contribution.

At this time I yield to the gentleman from Illinois [Mr. O'HARA].

Mr. O'HARA of Illinois. Mr. Speaker, I well remember the day that the House voted recognition and help to this great fair to take place in San Antonio next year. Mr. Speaker, that action was a dramatic exhibition of the popularity of one man in the House of Representatives. I saw my colleagues going around soliciting votes. Always they were saying, "We have to help HENRY GONZALEZ." I do not think that any Member of this body ever enjoyed a larger measure of personal popularity than the gentleman from Texas who is now in the well.

I would say, Mr. Speaker, that in large measure, while there was general recognition of the worthwhileness of an exposition of this sort—and we were about to have one in Canada as well as one in Texas that appealed to us—there was the matter of money and precedent. I doubt, despite the great worthiness of the project, whether it would have received the backing of this body had it not been for the great popularity of the gentleman now in the well.

Mr. Speaker, I think it is a wonderful thing that next year we are to have this world fair. I remember when I was a boy we had a world fair in Chicago. That first world fair we had is still remembered affectionately by people of my age. We have had later fairs, most recently the fair in Canada.

I think that under the hypnotic influence of HENRY GONZALEZ and what this fair stands for, the fair in San Antonio next year will go down as one of the great expositions in all the history of this world of ours.

Mr. FASCELL. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I am delighted to yield to the distinguished gentleman from Florida.

Mr. FASCELL. Mr. Speaker, I wish to add my commendation to that expressed by the distinguished gentleman from Illinois to the speaker in the well, the gentleman from Texas. We congratulate San Antonio and Texas for having a HemisFair in 1968, and we look forward with great anticipation for this outstanding exposition to take place. I am delighted for many reasons that we in the United States continue our interest in these international events because of the many reasons which are obvious—trade and cultural exchanges and the benefits, economic and otherwise, which flow from such fairs, particularly so with respect to an exposition in San Antonio.

As I recall, this is the first time in the Southwest where we have had an international exposition which has been sanctioned by BIE, and it is the first time we have had one which was of international or worldwide significance. I congratulate San Antonio, Tex., for this great event which will take place in 1968. But I must place in the RECORD the commendation which is due the distinguished gentleman from Texas, who was the original author and sponsor of this bill.

The gentleman displayed the finest capability and traits, not only as a Member of Congress, but as a citizen in developing the local interest and State interest in getting his legislation through this Congress.

I speak with knowledge, because as chairman of the Subcommittee on International Organization and Movements, we have had the responsibility of reviewing all of the requests—and there are many of them—which come before this body with respect to U.S. participation in trade fairs or world fairs or international expositions of one kind or another.

It is not easy to get approval of the committee. There are many more requests than there are those which can be granted. It is difficult to make a choice. It has to be done on merit.

I must say there was and has been no stronger advocate since I have been in the Congress of the United States than the distinguished gentleman in the well, the gentleman from Texas [Mr. GONZALEZ], in advocating his own case. He was thorough, he was knowledgeable, and, of course, he has a great personal charisma which helps him tremendously in getting this matter approved, not only by the subcommittee, but by the full committee unanimously, and then getting it through the House of Representatives.

I daresay, and I might as well put it on the record, for the people of Texas and the people of San Antonio—there would have been no HemisFair in 1968 had it not been for HENRY GONZALEZ.

Mr. GONZALEZ. Mr. Speaker, from the bottom of my heart I wish to thank the distinguished chairman of the subcommittee who made it possible for us to get the bill. Without his help, I can truthfully say there would not have in reality been a HemisFair. As I said earlier about the remarks of our generous and distinguished colleague from Illinois, BARRATT O'HARA, I only hope I am indeed worthy of the kind words of these two revered and distinguished colleagues in the House.

Mr. Speaker, I yield now to the gentleman from New York [Mr. RYAN].

Mr. RYAN. Mr. Speaker, I am delighted to join my colleagues this afternoon in hailing this great event which will open next April in San Antonio.

I think all of us are indebted to the distinguished Congressman from San Antonio, our beloved colleague, HENRY GONZALEZ, for having made us aware of the potential of San Antonio for this international exposition.

New York City recently experienced a great world's fair, and one in Montreal was just concluded. I am sure that San Antonio's will be in the same tradition, reflecting great credit upon our colleague, HENRY GONZALEZ, whose vision and hard work have made HemisFair, 1968, a reality. Nearly 6 years ago, in February 1962, he first proposed that San Antonio celebrate its 250th anniversary with a "Fair of the Americas."

Our colleague is now the honorary chairman of HemisFair, 1968, which begins on April 6, 1968. HemisFair represents the first international exposition in the southwestern part of the United States. Its theme, "The Confluence of Civilizations in the Americas," is especially appropriate to the State of Texas. The cross-fertilization of the North and Latin American civilizations is well represented in San Antonio.

Most of the Latin American nations will have exhibits at HemisFair. The United States pavilion will introduce the "Confluence Theater," which employs a revolutionary cinema concept utilizing a belt of expanding screens.

Following the close of the fair, the 92-acre site will become an educational, recreational, and municipal center for the citizens of San Antonio.

What better way to recognize the anniversary of a city's founding than to pay homage to the two great civilizations that have contributed to its lifeblood in a living memorial to these traditions. HemisFair 1968 represents the ideal of United States-Latin American cooperation and understanding. Let us wish San Antonio and her Congressman success in their anniversary celebration.

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman from New York [Mr. RYAN], my wonderful friend, for his very generous remarks.

I have no doubt that HemisFair will prove a remarkable exhibition to all who attend, for HemisFair has already been proven successful to the spirit of San Antonio. Hemisfair is at once a proud reminder of the bicultural and bilingual traditions of my home city, and a monument to San Antonio's position as the cultural and commercial gateway to Latin America, and a microcosm of the ties between North and South America. By emphasizing the Mexican, Spanish, Anglo, cowboy, and German cultures which moved Will Rogers to call San Antonio one of the three most unique and distinct of American cities, San Antonio places herself confidently at the forefront of hemispheric growth.

The construction of the theme buildings of HemisFair are generally progressing very well. Even the unexpected, such as the setback of several days when construction cables on the Tower of the Americas snapped during the high winds of Hurricane Beulah, has not upset the schedule. Already about 1,500 spectators a week gather to watch HemisFair in progress.

The Tower of the Americas, the theme piece of HemisFair, has been constructed to a height of 602 feet. It is already higher than the Seattle Space Needle and the Washington Monument. At its full height of 622 feet, it will be the tallest observation tower in the Western Hemisphere. The tower will be topped with a revolving restaurant and two observation levels, with visibility up to 100 miles. Three glass-sided elevators will take passengers to the top along the outside of this slip-form concrete structure.

The walls of the three-building convention center complex are all up. This includes a theater of 2,800 seats, a 7,320-square-foot stage and an orchestra pit for 85 musicians; a convention hall seating 10,500 under a 10-story high acoustical ceiling, and an exposition building of 50,000 square feet. The mural for the exposition building, measuring 34 by 46 feet, has been completed by the famous Guatemalan artist Carlos Merida. The mural for the theater, designed by the Mexican artist Juan O'Gorman in native Mexican stone, is two-thirds complete.

The extension of the San Antonio River is well underway. It will be one of the major entrances of HemisFair, and will provide a delightful way to view much of the fair.

The Tower of the Americas should cost $5.5 million, and along with $10.5 million for the convention center complex, has been financed by the city.

The construction on the U.S. pavilion is on schedule. It will contain an exhibit hall, with education displays, photomurals, paintings, and narrations, and the Confluence Theater. The theater will be a circular structure 70 feet high, utilizing a revolutionary cinema concept of disappearing interior walls and expanding screens. It will feature a three-part documentary motion picture produced by Academy Award Winner Francis Thompson around the fair's theme of "The Confluence of Civilization."

The Federal appropriation is $6.75 million, and it is estimated that the HemisFair will result in a credit to U.S. balance of payments in the amount of $39 million.

The Texas pavilion, with its Institute of Texan Cultures, is also on schedule. Texas is expending $10 million on this largest exhibit of the fair, and it is estimated she will receive $12 million in increased tax revenues alone from the HemisFair.

The woman's pavilion is well underway. This unique exhibit which will depict the contribution of women to the development of the Western Hemisphere is the result of nationwide efforts. After the fair, this exhibit is expected to become the Inter-American Education Center.

Similarly, construction has begun on the minimonorail and the sky ride. The minimonorail will be one and a half miles long, at a distance of 12 to 18 feet off the ground and with three central stations. The sky ride originates at one of the entrances and floats visitors one-fourth of a mile to a central point within. At a height of 82 feet, it will provide a gliding panorama of the fair. There will be gondolas, flower boats, and paddle boats on the canals and river extension, as well as tree-shaded walkways. At any point, the visitor can expect to meet with one of the planned groups of wandering entertainers.

A whole host of foreign countries and private companies are preparing exhibits at HemisFair. From Latin America, the exhibitors are Bolivia, Colombia, El Salvador, Honduras, Mexico, Nicaragua, Panama, Peru, and Venezuela. Others include Belgium, Canada, the Republic of China, France, Germany and Berlin, Italy, Korea, Portugal, the Philippines, Spain, Switzerland, Thailand, and Tunisia.

The private exhibitors to date include the Coca-Cola Co., Eastman Kodak, Ford Motor Co., General Electric, General Motors, Gulf Insurance Group, Humble Oil, IBM, Lone Star Brewery, Mormon Church, Pepsi Co., Pearl Brewing Co., Southwestern Bell Telephone, and American Telephone & Telegraph Co.

San Antonio loves her annual fiesta, and in 1911 even held a fair billed as "international." But the germ of the present fair developed in the late 1950's among several businessmen, notably Jerome Harris. Early in 1962, shortly after my first election, I made the inter-American fair a major plank of my "20th Century Program for the 20th District." A $7,500 feasibility study showed that a fair in San Antonio could expect 7,200,000 visitors. This estimate has since risen to as high as 11 million visitors.

The HemisFair name was born, to be held in 1968 in conjunction with the 250th birthday of San Antonio. Happily, HemisFair just precedes the 1968 Olympics in Mexico City.

I assisted in getting a $30 million local bond election passed in San Antonio for the fair. In 1965, Congress approved my resolution, calling for Federal sanction and participation in HemisFair, and authorizing the President through the Secretary of State to issue invitations to foreign countries. Passage of this measure was essential to getting approval of the Bureau of International Expositions in Paris for HemisFair as a special category theme-controlled world's fair similar to the successful Seattle fair. BIE sanction is usually the guiding light in whether a foreign power decides to participate in the world's fair of another country.

In 1966, I authored a bill which gave authorization for the Federal exhibit at HemisFair, based upon a Department of Commerce study. This became Public Law 89–685, and later in the year $6.75 million was appropriated for the Federal pavilion. In the meanwhile, the Texas Legislature has appropriated $10 million for the State exhibit.

In 1966, I also introduced a successful bill to authorize the Secretary of the Treasury to strike and furnish commemorative medals for the 250th anniversary of the founding of San Antonio, at no cost to the Government. The bound copies of my bills relative to HemisFair, and the reports and studies thereto, make a volume which is an inch thick.

As honorary cochairman of the HemisFair, and as San Antonio's Representative in Congress, I have, of course, continued my active interest in the progress of the fair, undertaking many liaison functions in behalf of HemisFair.

Mr. Speaker, I have been emphasizing the new, the commercial, the spectacular, the firsts—all important items to a carnival atmosphere. But also important to any visitor is the fun built into HemisFair, the largely free entertainment and exhibits, and the provisions made for a visitor's convenience and comfort. Journalist Bill Helmer has stated it well:

> HemisFair is designed to be, first of all, *fun*. It will open in conjunction with the city's annual April frolic, Fiesta San Antonio—a week of parades, parties, bands, balls, street-dancing, and general hell-raising. It will be convenient, both in size and location: small enough to be toured in one day, located in the downtown area, and easily accessible by car, by foot, and by boat. It will also be comfortable: careful planning has been done to eliminate the long lines that traditionally exhaust fair-goers, and if visitors have to do any waiting at all it will be in air-conditioned comfort with some form of entertainment to pass the time.
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> For entertainment is perhaps the fair's greatest attraction. In addition to the city's plethora of Mariachi bands, parades, fireworks, and so forth, HemisFair—living up to its name—is scouring the hemisphere for talent thinly disguised as "cultural projects": open-air band and orchestra concerts, musical productions, ballet, a cinema arts festival, and a six-month-long folk festival of dancers, singers, and story-tellers.

But that peculiar alchemy which I am certain will make HemisFair a delight to visitors is a result of the community involvement in the fair. San Antonio is enthusiastic about its fair. San Antonio loves a fiesta, and HemisFair will start off in April with the traditional Fiesta San Antonio, celebrated in La Villita, the little Spanish town which we have cherished and preserved in the heart of the city. San Antonio still practices Southwest hospitality, with an ability to enjoy a community celebration which harkens back to her free-wheeling days as a railroad and cow town. San Antonio is proud of the aviators her air bases have trained. San Antonio is proud of her quiet tradition of support for both the performing and the fine arts. She is proud of her fine restaurants, notably Mexican, but wide in variety; a lot of them have become community gathering places. And San Antonio is proud of her mixed and varied background and her ability to accept and enjoy the best of the contributions of her cowboy, Mexican and Spanish, German, and Anglo settlers.

The support of San Antonio citizens has its dollar-and-cents side. A total of 480 San Antonians—representative of the professional, business and labor interests—have underwritten the fair to the extent of $8 million. They thereby guarantee the success of the fair, for if it does not break even, they lose. On the other hand, if HemisFair is a financial success, it is the city government of San Antonio which will directly profit.

HemisFair holds a fruitful legacy for San Antonio. There will be 92 acres of urban renewal land, containing a convention center complex, a Federal structure, a State educational building, the Tower of the Americas, and about 20 restored buildings of historic importance. But the greatest legacy is not material. It is the legacy of accomplishment, the proof of what community vision, enthusiasm, participation and sense of tradition can build. The 622-foot Tower of the Americas, rising from downtown San Antonio and standing at the edge of the south Texas hills, will become a symbol and a promise of the stature which San Antonio can assume in hemispheric culture and prosperity.

Mr. Speaker, with unanimous consent to revise and extend my remarks, I include here an excellent article by Bill Helmer from the current issue of Cavalier, entitled "San Antonio and HemisFair, 1968":

San Antonio and HemisFair, 1968

(By Bill Helmer)

Legend has it that when Santa Anna withdrew from San Antonio in 1836 he told the townspeople, "Don't do anything until I get back," and they didn't. This is just one of the local tales that presume to explain why San Antonio is unique among cities in the United States. Another is that the town was originally laid out by a drunken Indian on a blind burro in a sand storm.

As both stories suggest, San Antonio has long been a monument to city non-planning and civic non-progress. Two-hundred and fifty years old, it was founded more or less by accident, and through no one's efforts has grown into a sprawling metropolitan area of nearly 800,000. It still clings to its old customs, traditions, and cultural heritage with a tenacity that makes it in some ways almost an independent city-state. In the old and fashionable King William district, a few crooked blocks from the downtown skyscrapers, residents still wake up mornings to the crow of roosters.

To put it simply, San Antonio has not been progressive enough to turn its historical buildings and plazas into parking lots, office buildings, shopping centers, and high-rise apartments. La Villita, the city's old quarter, still has little shops and houses dating back to the eighteenth century, and in and around the city are several well-preserved Spanish missions, including the famous Alamo, built in the early 1700s. On the edge of the downtown business district the old Spanish Governor's Palace, decorated with the Hapsburg coat of arms, still faces on the Military Plaza where the flags of six nations have flown since its construction in 1749.

Having apparently abandoned their expectations of Santa Anna's return, San Antonians lately have begun to move in a direction that might be called progress: the development of business and tourism, the building of expressways and swimming-pooled apartment complexes. But at the same time the city has discovered itself in such a way that "Growing San Antonio" is not only demolishing and building, but preserving and restoring. Both the symbol and the substance of this dual approach to civic progress is an ambitious, rather exciting, somewhat controversial project soon to be unveiled to the country and to much of the world as Hemisfair '68.

As the name is intended to suggest, HemisFair will attempt to distill the character and accomplishments of the New World into some ninety acres of concentrated glitter that constitutes the pure essence of the Americas. The project is original and quite official, properly credentialed as a world's fair by the outfit in Paris that tends to such things.

HemisFair is appropriately located, San Antonio being the most bi-lingual and bi-cultural of U.S. cities. It is nicely timed to coincide with San Antonio's 250th anniversary celebration, and to run contiguously with the 1968 Olympics in Mexico City. To judge it by the plans of its mortal parents, HemisFair is going to be not only the most worthwhile exposition in recent history, but also the most fun-loving—a notion that is both rare and thrillingly risky in these days of commercial expositions manufactured by professionals and untouched by human hands.

For HemisFair is the brainchild of amateurs who have more dreams and enthusiasm than experience, a combination that may well produce an exposition that is refreshingly different. Like any brainchild, it tends to dominate its household, and its household does not always agree with regard to its proper upbringing. But in any case it is a labor of love for the city of San Antonio, whose parental character will doubtless do much to shape the personality of the finished fair when it begins its six months' run on April 6, 1968.

William Manchester described San Antonio as "drab." John Kenneth Galbraith, the famous Harvard economist and former U.S. Ambassador to India, found the city otherwise when he went there on a speaking engagement last year. After strolling through La Villita and along the public pathway lining the San Antonio River that winds through the downtown district, he said to a government professor who was with him, "My goodness! I had no idea a place like this existed in America."

He meant it as a compliment partly to the town's colorfulness, and partly to what might be called its public way of life: people outdoors enjoying the miniature river's parks, scenic walkways, open-air restaurants, and little paddle-boats; wandering in and out of tiny abode shops and attending outdoor plays and concerts.

More than any city in Texas, and possibly the country, San Antonio is geared to a leisurely kind of living. It is a New Orleans without the honky-tonks and tourist traps, and with a life style that is Mexican instead of French—in fact, more Mexican in many ways than American. Instead of a Mardi Gras it has fiestas, some providing cultural and popular entertainment of the organized sort, some that mostly just "suspend law and order" to permit wild nights of downtown dancing, singing, and general carousing. While Dallas and Houston sold their civic souls and toiled in search of wealth, San Antonio, relatively speaking, relaxed in the sun and danced in the streets.

Throughout much of its 250-year history San Antonio was the state's largest and most important city, mostly by default. Established as a Spanish expedition's campsite in 1691, founded in 1718 as a mission and military *presidio*, the settlement grew chiefly because it afforded the Spanish a defensible military position against French incursions from the east.

Throughout the eighteenth and early nineteenth centuries San Antonio was more battleground than city, which was never good for business. (Periodically it was attacked by Comanche Indians and the Mexican Army. It solved its Indian problem in 1840 by the expedient of luring twelve tribal chiefs into town for a pow-wow and then shooting them.) In 1877 the railroad came to town and helped turn it into a brawling frontier center of cowboy vice and violence that inspired a visiting revivalist to write off San Antonio as "the most wicked city in the United States except for Washington, D.C., which is the most evil place outside of Hell." It also brought people and prosperity.

But once the state began to urbanize and industrialize, San Antoino found itself lagging further and further behind. As late as the 1920s it was still a center of regional commerce and of Mexican tourism and revolutionary activity, and in the Forties it enjoyed a modest boom owing to year-around good flying weather. Virtually every Army Air Corps flier in World War II went through one of the city's air training bases. After that, the only thing anyone ever heard of the town was a nickel's worth of Bob Wills' "San Antonio Rose."

Situated "deep in the heart of Texas," but no longer an important center of anything, San Antonio has grown up more or less independent of the rest of the state. It has always been the principal shopping center for South Texas and for Mexican tourists visiting the U.S. during holidays, but its once-famous Joske's of Texas has been long since overshadowed by Dallas' Nieman-Marcus. Nor, since the building of an expressway, do its difficult streets even tempt Mexico-bound tourists to stop over for an hour or two of shopping and sight-seeing. Conseqently, it has remained relatively insulated, retaining its old customs and traditions and developing a way of life that is indigenous to the city. Its aristocracy predates oil, its poverty predates industry. In general, its people—many of them—predate the state and even the United States, and constitute a cultural menagerie that has made San Antonio one of the most tolerant and cosmopolitan cities in the country.

The population is about fifty-five percent "native white" of German, French, and cowboy descent; about thirty-five percent Latin, which includes Mexican-American "Latinos" plus the remnants of the original Spanish culture. The remainder are Negroes, pacified Comanches, and Orientals who either came with the railroads or with Black Jack Pershing as political refugees from Mexico when he returned from chasing Pancho Villa in 1916–17.

This ethnic mixture makes San Antonio sometimes a carnival of coalition politics, but one that is racially integrated and unusually liberal. Unlike Houston and especially Dallas, San Antonio has virtually no lunatic fringe of political hate groups. As elsewhere in the state, the city is controlled by conservative business interests, but in an enlightened manner. In fact the San Antonio power elite stays in power (and infuriates liberal reform groups) by running minority-group candidates, adopting liberal programs, and generally doing a sound job of running civic affairs.

Culture—in the fine art sense—is another aspect of San Antonio that sets it apart from the rest of the state. Since its rowdy frontier days, the city has been a center for both the performing and fine arts, without ever advertising the fact. That the *nouvoil riche* of Dallas and Houston compete to make their cities the "Culture Capital of Texas," is something San Antonians consider poor in taste, if not altogether vulgar.

Despite its growing tourist trade and sizeable military population, San Antonio is relatively underdeveloped with regard to wild night life. Except for a few dives downtown and a few 'tonks on the outskirts, the city is given more to good restaurants and posh clubs, many of them "private." The private club is the Texas technique for circumventing state laws against selling liquor by the drink. The clubs require membership, but special guest cards are about as hard to come by as Mexican lottery tickets, and many hotels supply them automatically.

One reason for San Antonio's sparsity of nightclubs is its proximity to Mexico, a quick two-and-a-half-hour drive to the south. Another is that the city's restaurants provide enough in the way of set-ups, entertainment, and decor to serve nicely as social gathering places. San Antonio dining runs to the foreign, especially Mexican, both in food and atmosphere, and both are notably good. Even at the obvious "tourist" restaurants located strategically along exotic Paseo del Rio, the river walkway, one can get a good to excellent Mexican dinner, plus the free trimmings (tostadas, tortillas, Mariachi singers), for two dollars a person or even less.

Along with dining out and the usual kinds of popular and cultural entertainment, a favorite social activity in San Antonio is the houseparty. These usually bear little resemblance to cocktail parties in the *New Yorker* cartoon tradition, where pretension and painful decorum prevail until, at last, alcohol unleases the beast within. Even in the state's more civilized circles, Texans seem to have enough of the cowboy left in them to do their drinking less for social and professional reasons than for the old-fashioned purpose of getting a little drunk and raising a little hell.

Between the weekend houseparty and the weeknight activities around the picturesque river, San Antonio is a lively town. The Washington press corps that regularly trails President Johnson on his trips to the LBJ Ranch used to put up in Austin, the state capital. Bored with the city and unhappy with their accommodations, they wangled an invitation to try out San Antonio, some eighty miles to the south but still convenient to Johnson City. In San Antonio an eager Chamber of Commerce greeted them with a Mariachi band, Margarita cocktails, and modern swimming-pooled hotel, and they have now made San Antonio their home away from home.

But if San Antonio is a lively town, it is also a pleasantly lazy town that has always run on what the natives call "Mexican Standard Time." Complains a teacher at one of the city's several small universities, "If people here were as late to work as they are to my appointments and my parties, nothing would ever get done. And they usually are."

To a great extent, though, it is this easy-goingness that has preserved San Antonio from self-destruction; that makes San Antonio today the "Fiesta City" instead of an insurance or a ball-bearing capital.

Now the idea of civic progress has come even to San Antonio. But like the farmer who is surprised to discover that his mint-condition Model T is worth more than a 1967 Ford, the city has come to realize what a unique thing it has not only in its ancient structures but in its bi-cultural way of life. And everyone is excited about it.

It is against this background that HemisFair was conceived and now is growing. As a purely home-made product it is bound to inherit and reflect San Antonio character, for it is conspicuously the project of enthusiastic amateurs whose hearts are as deeply committed as their pocketbooks. New York's fair was the Edsel of expositions—commercially motivated by marketing conditions instead of utility; fabricated by professionals according to formula. By contrast, HemisFair is a labor of love and of rather lofty ideals. Too lofty, fear those who see it as more of an adventure than a venture, inspired more from the heart than from the head.

The idea of such a fair has been kicking around San Antonio since 1958, when it was first suggested by a local department store executive. The idea was as original as it was natural: a New-World's fair emphasizing the great interchange and confluence of culture, history, and technology between North and South America. And San Antonio, America's most bi-cultural city, was the natural location. In 1962 San Antonio's U.S. Congressman Henry Gonzalez picked up the ball and passed it to a group of local businessmen who have been running with it since.

Using the same analogy, the fair has been something of a political football ever since in a contest between the state's conservative Democrats led by Governor John Connally and its liberal Democrats led by Gonzalez and U.S. Senator Ralph Yarborough, both playing quarterback. Both sides have helped the fair financially by securing state and federal funds, as well as state and federal exhibition commitments, and both sides would like to benefit from the influence the fair's top men can have on the local power structure.

None of which game-playing will have much effect on the finished product. But it does illustrate the importance that Texans and especially San Antonians attach to the fair—something the New York fair never really enjoyed.

Probably the first task of any exposition is to convince the public that a need for it exists; that it will serve some higher purpose than to fatten civic coffers and line investors' pockets. HemisFair has done this, to a great extent, without straining. As the first world's fair ever to be held in the Southwest, it will be a new and different experience for millions of people from that section of the United States and from Mexico. Moreover, its pan-American theme is one that has been obviously neglected and is unquestionably worthwhile. It is as propitiously timed as was Chicago's famous Century of Progress exposition that did so much to bolster national morale in the depths of the depression. HemisFair will be performing a happier function, of course: to exhibit the fruits of history rather than gloss over its disasters.

Nor can the fair's motives be labeled grossly materialistic. In fact, skeptics accuse its underwriters more of naivete—of succumbing to the temptation to perform a magnanimous, soul-satisfying work of civic charity that could flop and cost them a fortune. HemisFair is not intended at all to be a work of charity, of course. If estimates are correct, HemisFair could bring San Antonio as much as $275 million in retail and wholesale trade (including the money spent on its construction), bring the state a similar amount, and benefit the U.S. balance of trade something like $39 million.

The only thing conspicuously charitable about HemisFair is the one-sided gamble its 480 local underwriters are taking. They have committed themselves to the extent of about $8 million should the fair not break even, with no means of profiting from the fair except indirectly, as a result of increased local trade. Any profits from the fair go to the city, which in addition gets a permanent civic center, a spectacular observation tower, and restoration of part of its old quarter as a permanent tourist attraction.

This apparent altruism on the part of some businessmen quickly aroused the suspicious of local journalists who have been sniffing around ever since for secret real estate or construction deals. (Texas being famous for its slant oil well drillers, Billie Sol Estes, and now the Medders family.) They soon turned up the fact that the fair's original president had owned a four-story commercial building for which he was paid nearly $400,000 by the San Antonio urban renewal agency which has spent $12.5 million in public funds to buy the property that the city is leasing to the fair. The rumor soon spread that the president earlier had valued the same building, for tax reasons, at one-quarter of what he got by selling it for HemisFair. However, the rumor checked out to be false, and continuing efforts to uncover financial hanky-panky have only shown that the fair's underwriters are, if anything, sticking their financial necks out.

This in itself creates certain problems, of course. The community's deep involvement and high financial stake in the fair make it something of a sacred cow—a cause so holy that any dissent or even constructive criticism is regarded as treason. Some San Antonians, especially the intellectual and professional element, tend to resent this. As early supporters of the fair, they would like to participate in its creation by contributing ideas, which are frequently ignored or even automatically rejected. They worry that HemisFair has ceased to be a part of San Antonio; that the city is becoming merely an appendage to an in-group project so economically important to the community that its leaders will become virtually dictators of city politics.

Politics notwithstanding, it is the community's sense of involvement that gives HemisFair its most precious assets: enthusiasm and imagination. Even the fair's staff exhibits a degree of dedication that no pay check alone ever bought. Being mostly amateurs at designing, planning, and promoting an exposition, they are not hide-bound by traditions or by the professional habits that doom so many projects to uninspired mediocrity. A San Antonio lawyer observed approvingly, "It's like a bunch of cowboys building themselves an airplane; however it comes out, it's got to be quite a show."

Which is close to the philosophy that prevails among the fair's staff and throughout San Antonio generally. The fair's intellectual objectives are lofty enough: exhibits and pavilions and performances that demonstrate the history, technology, folk art, painting, crafts, sculpture, religion, music, and generally the "confluence of civilizations in the Americas."

HemisFair is designed to be, first of all, *fun*. It will open in conjunction with the city's annual April frolic, Fiesta San Antonio—a week of parades, parties, bands, balls, street-dancing, and general hell-raising. It will be convenient, both in size and location: small enough to be toured in one day, located in the downtown area, and easily accessible by car, by foot, and by boat. It will also be comfortable: careful planning has been done to eliminate the long lines that traditionally exhaust fair-goers, and if visitors have to do any waiting at all it will be in air-conditioned comfort wth some form of entertainment to pass the time.

For entertainment is perhaps the fair's greatest attraction. In addition to the city's plethora of Mariachi bands, parades, fireworks, and so forth, HemisFair—living up to its name—is scouring the hemisphere for talent thinly disguised as "cultural projects": open-air band and orchestra concerts, musical productions, ballet, a cinema arts festival, and a six-month-long folk festival of dancers, singers, and story-tellers.

Also for the sake of entertainment, the trade aspect of the fair is being played down by emphasizing national exhibits (foreign government space is rent-free, with about thirty countries expected), and by encouraging corporate exhibitors to blend their commerce with art. For example, one leading aluminum manufacturer has commissioned, as its exhibit, a garden of aluminum sculpture.

As any fair must, HemisFair has its share of spectacular curios: a one-and-one-half mile mini-monorail of fiberglass and aluminum, a quarter-mile skyride, eighty-two feet high, and a 662-foot Tower of the Americas with a revolving restaurant on top and observation platform affording a view of up to one hundred miles. (In West Texas, some claim, one can see that far any time just by looking out the car window. However, San Antonio is on the edge of Central Texas' lush and scenic hill country, described in local beer advertising as "the land of eleven hundred springs." It is a little like "the land of sky-blue waters," except that the mountains and lakes are little ones.)

In addition the fair is diverting part of the San Antonio River so that it will make a U-shaped loop through the grounds, creating a picturesque waterway by which gondolas, flowerboats, and paddleboats can reach the fair from the downtown area. The island formed by this interior waterway will hold the fair's tower, Folklore Garden, and most of the fair's amusements, concessions, and rides.

In addition to the fair's efforts to assure the comfort of its visitors, another admirable feature is its strict no-scalping policies. Most entertainment will be free, as will most exhibits, and the cost of food, souvenirs, etc., will not be allowed to exceed the prices charged elsewhere in the city. The general admission fee will be a modest two dollars for adults, and a dollar for children three to twelve.

With the Olympics in Mexico, the city's 250th anniversary celebration, plus a flock of state and national conventions coming to San Antonio for the occasion, HemisFair officials are anticipating between seven and eleven million visitors during the fair's six-month run. San Antonio, at long last, is courting the rest of the country. The squadrons of homesick Air Force trainees who have for so long trod in ancient streets wishing they were lined with something wilder than history, next year will have HemisFair. As will several million other people.

And San Antonio and HemisFair together are busting a civic gut not only to bring them in, but to make sure they go away happy. After the New York fiasco and Montreal's multi-billion-dollar success, HemisFair has one bad precedent to overcome and one hard act to follow. But if San Antonio's project lives up to its plans and expectations, it is going to be something of an embarrassment of the professionals, and a lesson as to what a world's fair really ought to be.

Mr. O'HARA of Illinois. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I am delighted to yield to the gentleman from Illinois [Mr. O'Hara].

Mr. O'HARA of Illinois. Mr. Speaker,

our colleague, the gentleman from Indiana [Mr. MADDEN], was unable to be here today, but before he left, he came into my office and left a tribute to our colleague from Texas, and the gentleman from Indiana asked me to obtain unanimous consent to include it in the RECORD at this point.

Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. MADDEN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. MADDEN. Mr. Speaker, I am delighted to join my colleague, the gentleman from Texas, HENRY GONZALEZ, in speaking in behalf of HemisFair, 1968, which opens in San Antonio on April 6, 1968.

Many of my constituents in the First Congressional District of Indiana do not know much about the city in the deep Southwest called San Antonio. To most of us it is a place very far away.

However, there are many of my constituents in Gary, and East Chicago, visited by Congressman GONZALEZ more than once, who originally came from southwest Texas, but know little about San Antonio.

Since HENRY GONZALEZ has been in Congress our interest in San Antonio has been greatly increased. Travel by jet is easy and feasible and I am sure that many of us want to go to the "Fair of the Americas" next year.

In any event, there will be a great many people from Indiana who will find it possible to go to the historic Alamo City for HemisFair, 1968, where recreation will be in abundance.

It is a special theme world's fair in that its emphasis is on the "Confluence of Civilizations"—the peoples who migrated to the shores of this hemisphere.

Mr. Speaker, I take this opportunity to commend and praise our fellow colleague, HENRY GONZALEZ, for his vision and good work in making HemisFair a reality. Without the legislation which he sponsored in getting U.S. recognition and participation in HemisFair, it would not have been possible for this worthy project to receive the approval of our Government and Nation.

South American and European countries cooperating and participating in sending delegations and exhibitions will depict the progress of civilization from two continents.

Visit San Antonio, Tex., next year and witness in person HemisFair, 1968.

Mr. GONZALEZ. Mr. Speaker, once again, I thank the gentleman from Illinois.

Mr. Speaker, I have no doubt HemisFair will prove a remarkable exhibition to all who attend. HemisFair has already proved successful to the people of San Antonio.

But at this particular time when the world is in travail, when even in the Western Hemisphere we read of the disturbing ills of the present and a future fraught with danger, I think it is inspiring to see that here, born of hope, is an effort of an entire community, at a critical time in our development in history, that the HemisFair will prove beneficial from a national standpoint. It will help to reverse the imbalance in trade from an international standpoint.

Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PATMAN. Mr. Speaker, the day is fast approaching when the vision of our distinguished colleague and my good friend, the gentleman from Texas, HENRY GONZALEZ, becomes a reality. I refer, of course, to the opening of HemisFair in San Antonio, Tex., on April 6. No proposal for an international exposition to be held in the United States has ever been presented to Congress with as much preparation and support on the local and State level, and with as much study and research on the Federal level. History has had many visionaries, but few who have ever achieved the stature of GONZALEZ, of Texas.

Once the dream of HemisFair caught the imagination of San Antonio, Tex., the Nation, and our Latin American friends, HENRY, with his characteristic vigor literally rolled up his sleeves and led local, State, Federal, and Latin American efforts responsible for making HemisFair more than a dream, but a highly significant reality.

Many a visionary has been content to receive deserved acclaim for a dream, but few have had the courage to accept the responsibility for working out the thousands of details with the innumerable practicalities and balancing of interests that great projects always require. With rare patience, consummate skill, and scholarly knowledge in both legislative and administrative matters, HENRY has preserved and protected his dream for the Americas so that all of us who have been privileged to lend a helping hand can today with great pride see the months of preparation nearing an end and can look with great anticipation to the opening on April 6 of the first international exposition ever held in the southern half of the United States.

From the earliest days in history, beginning in ancient Egypt, men and women have assembled at fairs originally bound to the life of the nation by the three ties of religion, trade, and pleasure. In these days of rapid transportation, television, and other forms of modern communication, it has been said that the world is growing smaller every day, but have we drawn closer together in terms of mutual understanding, respect, and appreciation for each other's contributions to our civilization? Have we learned to share each other's aspirations for the future and to provide mutual assistance? The theme for HemisFair, "The Confluence of Civilizations in the Americas," affords a golden opportunity to reflect on the meaning of our past, to appraise our existing accomplishments and to contemplate a future of infinite possibilities, all in the fiesta, frontier, and pioneer atmosphere of one of America's most dramatic cities, San Antonio.

The Congress and every President, beginning with Franklin Roosevelt, have recognized the need for a permanent cultural and exposition center as an essential instrument of American diplomacy. HENRY, I predict, that the electrifying success of HemisFair, which you have never doubted for a moment, may well at long last lead to such a permanent center and possibly further expositions on a regular basis in each of the South and Central American nations.

Mr. Speaker, we can all be thankful for this vision which has come into being through the efforts of HENRY GONZALEZ. He is rapidly approaching the heroic stature of those great and legendary American statesmen who stand as symbols of all that is finest in the course of our country's history. As we visit and enjoy HemisFair's many attractions and reflect back on our stay, we will be even more aware of the deep currents of humanity in our remarkable colleague who is greatly responsible for this strengthening and enrichment of our many varied relationships with all of our Latin American neighbors.

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. BURLESON] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BURLESON. Mr. Speaker, it is a privilege and a pleasure to join my able colleague, the gentleman from Texas [Mr. GONZALEZ] in conveying to our colleagues of the Congress the tremendous implications of HemisFair 1968 in San Antonio, Tex.

First, let me say to my colleague that those of us here who have been rather close to this development recognize his very diligent leadership in efforts to establish and make possible HemisFair from the standpoint of the Federal Government's participation. I am certain the people of San Antonio are also aware of his great influence in this undertaking.

HemisFair is going to be meaningful and important to our entire Nation and to our neighbors in Mexico. As has been pointed out on other occasions, it is the gateway to the Olympic Games in Mexico City and great benefit will accrue from this strategic fact.

From all indications, HemisFair will be unparalleled in scope and intent. From all indications there has never been anything like its planners envision, and I should add that it is being planned expertly and will be something of which the entire Nation can be justly proud.

I pledge to my colleague and others interested in the promotion of this great enterprise, my continued cooperation in making it everything it is intended to be.

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. WHITE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. WHITE. Mr. Speaker, my distinguished fellow Texan, the Congressman from San Antonio, is realizing the fulfillment of a dream of many years in the opening of the HemisFair in the Alamo City next April.

The HemisFair will be more than a great exposition. It is an exposition devoted especially to the Western Hemisphere. It is the World's Fair of 1968, the only one sanctioned for next year by the Bureau of International Expositions in Paris. It will be an opportunity, then, for the old world of Europe, and the still older world of Asia, to view the great achievements and the sparkling promise of the New World, the Western Hemisphere.

It will be an occasion to celebrate and magnify the prospering relations between ourselves and our good neighbors to the south and the north as well. Like my own city, El Paso, San Antonio has built a fine reputation for cordial relations with Mexico and is extending these cordial relations to other parts of our western world.

All of Texas will benefit from the pioneering work of my distinguished colleague, the gentleman from Texas [Mr. GONZALEZ], who has worked for the past 5 years to realize the fulfillment, next year, of his HemisFair dream. This Nation and its western neighbors will mark 1968 as a landmark year in commercial and cultural progress and international good will.

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, I am pleased to join our distinguished colleague from San Antonio, the Honorable HENRY B. GONZALEZ, in support of HemisFair 1968 opening April 6, 1968.

Representing, as I do, the 17th Congressional District in the heart of Manhattan, the tourist capital of the world where, among other things, one finds the main office of ASTA, the American Society of Travel Agents, I want not only to urge my colleagues as well as my constituents to attend, if they can, this colorful inter-American fair, but also to urge all Americans to take advantage of this opportunity.

Congressman GONZALEZ, with whom I have discussed plans for HemisFair for well over a year now, inaugurated the first program of my radio show "New York on the Potomac" on New York City's Municipal Broadcasting System—WNYC—on Thursday, September 21, by discussing this fair. If the fair is successful, and I hope that it is, having been approved as the only 1968 official fair by the Bureau of International Expositions—BIE—in Paris, it will be, in no small measure, due to the energy and resourcefulness of Congressman GONZALEZ since his original sponsorship of the proposal, which passed the House in 1966.

With the balance-of-payments problem, which concerns all of my colleagues, one way to enjoy a vacation and stay in the United States is to visit San Antonio, Tex., for the fair. Further, the fair will attract foreign tourists to our shore during this international travel year to which I have adverted in previous discussions in the House. See, for example, daily CONGRESSIONAL RECORD of October 11, 1967, page A5014, regarding the U.S. Travel Service's contribution to encouraging foreign visitors.

Congressman GONZALEZ is to be commended for his efforts in this direction.

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. YOUNG] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. YOUNG. Mr. Speaker, HemisFair 1968 brings to our part of the world, our Nation and our State a rare combination of the new and the old. Here will be a Pan-American world's fair of gigantic proportions, as modern as tomorrow and as old as history—certainly as old as American history.

Gems of great technological advancement in aerospace, astronomics and space medicine will present a streamlined, aerodynamic pageant with a futuristic luster in a setting as old as the white man's acquaintance with the Americas. There will be abundant evidence everywhere, above and all around San Antonio, of our silvered, shiny samples of advanced scientific technology; but the sombre shadows of the venerable Alamo and the nearby missions of the Spanish padres will recount the distant past—a past that makes even the missions and the Alamo seem less ancient.

Not far from the Alamo in Corpus Christi Bay, named after the Catholic feast of Corpus Christi, the Spaniards brought all that they had and knew of their day to the New World. In the year 1519 Spaniards landed on Padre Island near Corpus Christi, nearly 100 years before the Pilgrims set foot on the American continent. With the coming of the Spaniards, came a new colonization. It was not a soft or easy system because such could not survive. But it was a new system in which the colonizer brought all his science of that day, his religion, and every accomplishment of his society and introduced it into the New World. In addition to this the Spanish conquistador gave himself as well. The Spanish colonist, unlike his competitors, gave his own blood in intermarriage with the people of the New World. From this came a proud, spirited, and sensitive people, well equipped to carry forth a proud heritage dating back to the European's very beginning in America. Near Brownsville was established the first city government, with a mayor and a council; near Mexico City was the first university in the Americas—all of this about a century before Plymouth Rock.

So, Mr. Speaker, HemisFair 1968 will indeed be a place to see and visit. The lucky ones will go there by the hundreds of thousands, and they will never forget it. The impression will be lasting because they will have an opportunity to see and learn what the world is all about now, as well as what it was from the time that civilization, as we know it, first set foot on this continent.

This will be a magnificent achievement, Mr. Speaker, and I want to commend my distinguished colleagues from Texas, and especially my friend, Congressman HENRY GONZALEZ, for the great leadership he is giving this matter here in Washington.

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. ZABLOCKI] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ZABLOCKI. Mr. Speaker, I wish to identify myself with the remarks which have been made in commendation of our colleague, the distinguished gentleman from Texas, the Honorable HENRY B. GONZALEZ.

As a member of the House Foreign Affairs Committee which considered the legislation providing for Federal participation in HemisFair, 1968, I can attest that Congressman GONZALEZ was instrumental in securing its approval in committee and its ultimate passage in the House of Representatives.

His knowledge of, and enthusiasm for, the project were very, very persuasive to members of the Foreign Affairs Committee interested in promoting better relations and closer cooperation among the nations of the Western Hemisphere.

I, for one, am confident that HemisFair, 1968 will be a successful demonstration of good neighbor solidarity which will benefit not only our own Nation, but all the Republics of the Americas.

The people of San Antonio—and indeed of the entire State of Texas—can be proud of the fine job which HENRY GONZALEZ has done for HemisFair, 1968. They are indeed fortunate to have a man of his vision and energy working for them in the Congress.

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROYBAL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ROYBAL. Mr. Speaker, I want to take this opportunity to add a personal note of congratulations to my good friend and colleague from the State of Texas, U.S. Representative HENRY B. GONZALEZ, on the achievement of his magnificent dream of HemisFair, 1968, San Antonio's international exposition due to open next April 6.

Originally proposed by HENRY GONZALEZ in 1962 to celebrate the 250th anniversary of the founding of San Antonio, HemisFair, 1968, will carry out the theme: "The Confluence of Civilizations in the Americas"—a unique and distinctive world's fair keyed to telling the hemispheric story of our heritage of freedom and dignity.

As a member of the House Committee

on Foreign Affairs, I had the honor of supporting the resolution authorizing HemisFair, 1968, both in committee and when it came before the House for consideration.

Under the dynamic leadership provided by Congressman Gonzalez, this proposal was endorsed by the Congress as a showcase of the diversified cultures of Pan America—history, art, industry, commerce, and economic development of each of the nations of this hemisphere, and the significant contributions to its development from Europe, Asia, and Africa.

I believe, Mr. Speaker, that President Johnson caught much of the meaning and spirit behind Henry Gonzalez' dream project when he stated:

> The New World nations are brothers in history, friends in commerce, and partners in aspiration. San Antonio's "Fair of the America's". HemisFair 1968, will celebrate this partnership. Dedicated to the advancement of the social, economic, and cultural well-being of all peoples of the Americas, it will be a living example of our nation's policy of Inter-American cooperation.

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. Reuss] may extend his remarks at this point in the Record.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. REUSS. Mr. Speaker, I take great pleasure in commending our colleague, the gentleman from Texas [Mr. Gonzalez] for his outstanding vision and vigor in bringing to reality HemisFair, 1968.

I know how hard Henry Gonzalez has worked for the legislation and all the other steps necessary to keep such a vast and complicated project moving forward.

I know it has been a long and arduous road from his promotion of a dream during his first visit with then Secretary of Commerce Luther Hodges, 5 years ago, to the steel and concrete structures arising today on the 93-acre fair site.

But it was a road well worth traveling because we have a great deal to look forward to during the 184 days of HemisFair, 1968. This exposition will, of course, be a great boon to San Antonio and a fitting commemoration of the city's 250th anniversary. And for all of us, HemisFair, 1968 promises to be one of the finest, most appealing expositions held in this country.

The fair's emphasis on the confluence of the civilizations in the Americas, the rich historical and cultural heritage of the city and its environs, San Antonio's location at the gateway to Mexico, and the fine bicultural atmosphere make it clear that Henry Gonzalez was right on target when he put his skill and zeal behind this event.

A large number of private and governmental exhibitions at the fair will compete with the Alamo, the Paseo del Rio, La Villita, and other historic and scenic spots in the city for the interest of visitors. With the extension of the San Antonio River into the fair complex, fair-goers will enjoy easy and picturesque travel between the fair site and downtown by gondola or boat.

Many aspects of the cultures of Texas are to be presented in the huge Texas Pavilion and in features of the fair. As a Milwaukean, I am happy to note that the beer gardens which were brought to San Antonio by the German settlers of the last century will be recalled in the nostalgic Pearl Palm Garden.

I believe that San Antonio and the millions who will enjoy a visit to HemisFair, 1968 can take their hats off to Henry Gonzalez for a job well done.

DEVALUATION OF THE BRITISH POUND

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. Curtis] is recognized for 60 minutes.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CURTIS. Mr. Speaker, I know the entire House, the Congress and the country are very much concerned over the developments which transpired over the weekend internationally as well as domestically. I refer, of course, to the devaluation of the British pound and the action of our Federal Reserve Board in increasing the discount rate, which in effect means probably even higher interest rates than we are presently experiencing.

I made a statement on Saturday, and issued a press release in respect to the devaluation of the British pound, which I will include in the Record at the conclusion of my remarks.

Mr. Speaker, I have since made other observations in respect to the reaction of the U.S. Government, at least of the Federal Reserve Board, in increasing the discount rate to counteract the other action taken on the part of the British Government—namely, increasing their interest rate to 8 percent—as a means of preventing some of the capital flow that otherwise would go out of the United States to Britain.

I believe it behooves all of us in the House of Representatives to recognize the difficulty that Great Britain found herself in, where the British Government, although promising for the past 3 years—and I believe meaning it—that they were not going to devalue the pound, has now been brought to the position where it has had to devalue the pound. As a matter of fact, one of the first things the British Labor Government did when they came into power was to withdraw a very easy budget expenditure program that they had been suggesting in their campaigning to the British people.

In its stead they submitted an austere budget. This was done because of the circumstances Great Britain found itself in internationally. The United States can find itself in a similar situation if we are not careful. Of course, we have a great deal more economic strength than Great Britain and the dollar is certainly much stronger. On the other hand, the dollar is the essential medium of international exchange. In effect, we are the world's banker and we have added responsibilities inasmuch as we are in this position. The fact that we have today in the United States the highest interest rate since the Civil War ought to be viewed as an alarming symptom of something radically wrong with the fiscal policies of this administration, particularly in light of the fact that the administration has talked for years of being in favor of low interest rates. Let me commend them for their rhetoric. There is no question but what low interest rates mean a more equitable distribution of goods and services within the economy among the people. On the other hand, high interest rates mean that the low-income groups pay the most. Those who are on pensions and fixed incomes bear the brunt of the high interest rates. High interest rates also do undermine economic growth. Conversely, as the administration has said, low interest rates promote economic growth. Yet, to repeat, this administration is carrying on in such a way that the highest interest rates since the Civil War are now upon us.

The Federal Reserve Board action is only a response, I might say, to a situation and not the cause of it. I know my good friend Congressman Patman, the chairman of the Committee on Banking and Currency, has already sought to blame, as he usually does, the Federal Reserve for high interest rates. As a matter of fact, all the Federal Reserve System is doing is reacting to the economic situation. The tragedy is that the fiscal policy of this administration has been such that all the burden for maintaining low interest rates and containing inflation have been placed on monetary policy. This is because accompanying this high interest rate, we have been experiencing in addition for at least 2 years also a rapid increase in inflation and in the cost of living. This, too, has its source in poor fiscal policy. We have reached the point in our monetary policy where we are beginning to act like the banana republics, in other words, where interest rates reach a point where increasing the supply of money and credit in the society actually aggravates and increases further rather than decreases interest rates. Normally when you have high interest rates, it is a result of tight money. By increasing the amount of money and credit in the society you can lower the interest rates. This is what the Federal Reserve, of course, has been engaged in over a period of years. It is a perfectly logical action. Still when you reach a point where inflation is anticipated, those who lend money will build into the interest rates the amount of inflation they anticipate. You can put it this way: If a person is to lend $1,000 to another person to be repaid within a year and that person anticipates 10 percent inflation, he is going to have to demand a 10 percent interest rate simply to get his money back before he even begins to put on how much he wants to charge for the use of the money.

And, Mr. Speaker, this is why I referred to the "banana republics" financing where you have this kind of inflation built upon itself and where you find these high interest rates that are so exorbitant.

So, Mr. Speaker, the Federal Reserve is in a situation where, having increased money and credit in 1966 in an easy fashion—it was not tight money last year but yet we still had high interest rates—it is not in a position of actually lowering interest rates, by increasing the money and amount of credit in the society.

So, Mr. Speaker, among the dangers from high interest rates, of course, arises the question whether it is leading to recession and economic downturn.

Mr. Speaker, the home building industry of last year is illustrative of what can happen to an industry through high interest rates. We had what can probably be described as a depression in the entire homebuilding industry in the year 1966, brought about by the high interest rates. When you multiply this across the society, of course, it can bring about a serious and abrupt slowdown in economic activity. Of course, it seems, as I pointed out, that the increased rate of inflation is the result of cost push as economist after economist has pointed out. This is what is called cost-push inflation, resulting from the fact that we are increasing prices ahead of our productivity increases, resulting from wage increases beyond productivity increases. Interest rates are built into these costs and also taxes, because taxes represent a cost to business and will be passed on to the consumer in the price that industry charges for goods and services.

Mr. Speaker, this is where the administration's single-minded proposal of a tax increase runs counter to the economic realities.

The tax increase is proposed on the assumption of demand-pull inflation. A tax rate increase is designed to cut down upon the amount of consumer purchasing power in the society, based upon the theory that there are too many dollars chasing too few goods.

Mr. Speaker, when we see a decline in the percentage usage of our plant facilities, where instead of 91 percent usage, it has declined to 83 percent and to 81 percent and when we see unemployment up from the 3.8 level to the level of 4.3 percent, this clearly indicates the fact that there is not very much of a demand-pull but, rather, a cost-push inflation.

However, this is not the sole reason that led the Committee on Ways and Means to be reluctant about increasing tax rates. Increasing tax rates can aggravate the problem of cost-push inflation; that is, actually aggravate inflationary forces. And if this were to come about and the economic activity decline then the rate increase would result in less revenue not more revenue.

Mr. Speaker, as a matter of fact in 1964 the Committee on Ways and Means and the Congress reduced the tax rate in order to increase the revenues. And, in my opinion, this was sound economic tax policy.

But it was in context—and this is what I am leading up to, and my concluding remarks will so emphasize—it was in context of expenditure control. The Federal expenditures in the year we granted the tax increase were reduced from a $97.7 billion level to a $96.5 billion level. And this must be viewed in contrast to an increased rate of $5 billion a year that had been going on so that there was actually a reduction of around $6 billion in the level of the rate of Federal spending in the administrative budget.

The spokesmen for the Committee on Ways and Means, including Chairman Mills, have pointed out in their interrogation of the Government witnesses that appeared before us, and in speeches, that any tax increase, rate increase, to be meaningful at all, to meet the problem that we face fiscally, must be in context with expenditure control.

The administration in January said that the deficit in the budget would be $8 billion for fiscal 1968. In March the Joint Economic Committee, on which I serve, computed that it was going to be around $29 billion. The President's Chairman of Economic Advisers, Mr. Ackley, in testimony before the Joint Economic Committee in April, said that anyone who talked in terms of a deficit for fiscal 1968 beyond a $20 billion level was being irresponsible. And yet in August the President of the United States in his message to the Congress said that the deficit was going to be around $29 billion. It now looks as if that deficit is going to be over $30 billion.

The Committee on Ways and Means pointed out that expenditures must be cut if we were going to be realistic in avoiding the fiscal problem that would result in trying to manage the debt to which a $30 billion additional deficit would be added.

The administration in its rhetoric has given lipservice to expenditure control. But I want to point out the actual expenditure figures, because there is no sense in using rhetoric if the figures that are the basic facts in the case are not in accord.

In the budget message of January, the President said he was going to spend $135 billion in fiscal 1968 out of the $269 billion power to spend that the Congress had granted him; $125.6 billion from previous Congresses as well as $144 billion from this one. In August, when the Secretary of the Treasury and the Director of the Budget testified before the Committee on Ways and Means, this expenditure figure had been revised upward from $135 billion to $144 billion. And then, 2 weeks ago, when the first quarter figures for this fiscal year expenditures became available, it became clear that the rate of spending, annual rate, was now $146.8 billion.

So the President's rhetoric in talking about expenditure control is in stark contrast with the actual figures. The President has continued to increase expenditures and I might point out to the Members of the House something that of course we all know, but is too little known by the public: The President spends money, the Congress does not spend money. The Congress gives the President power to spend. The President alone sets the level of spending.

As is witnessed here, without any reference to the Congress of the United States, the President's figures on expenditures given to us in January were $135 billion, and he and he alone has increased them to $146.8 billion, as of October.

The President can cut back on the level of his expenditures in the same way that he increases them. He has a flexibility and a leeway of around $20 billion either way. In fact, I would suggest probably it is even greater than that, and particularly if he will work with the Congress to establish priorities on programs, setting aside or stretching out those of less priority under the situation we are now faced with. We could cut back at least $15 billion to $20 billion out of a projected expenditure level of $146.8 billion. A $130 billion expenditure level would still leave us with a $10 to $15 billion deficit to be financed. Some of this deficit probably could be financed efficaciously with a tax increase of around $5 to $7 billion. This would still leave serious inflationary forces, but probably forces that could be contained by monetary policy. However, this would require even greater expenditure restraint for fiscal 1969, hopefully a balanced budget, to get this country out of the fiscal jungles.

In this area of expenditure control lies the need to correct the situation we are presently experiencing in our high interest rates, our continued inflation, and the continued flow of gold out of this country. The danger in which the dollar now finds itself is aggravated. Now that the pound has been devalued all the thrust and all the attack will be against the U.S. dollar.

I will close by saying this is a strong economy. We can withstand the pressures. The dollar is strong. But until the administration begins to shape up Government fiscal policy, I am afraid there will not be the confidence in the dollar abroad that we are entitled to expect and in the long run must expect.

I urge the President to move forward and to assume fiscal responsibility, stop talking, begin to cut expenditures as of now. Get these expenditure levels down to manageable amounts so that we can indeed move our people forward in sustainable economic growth, equitably, with low interest rates and without inflation.

The statement mentioned above follows:

STATEMENT ON BRITISH POUND AND EUROPEAN FINANCIAL CRISIS BY CONGRESSMAN THOMAS B. CURTIS, MISSOURI REPUBLICAN, HOUSE OF REPRESENTATIVES TRADE NEGOTIATION DELEGATE, SENIOR REPUBLICAN HOUSE-SENATE JOINT ECONOMIC COMMITTEE, AND SECOND RANKING MEMBER, HOUSE WAYS AND MEANS COMMITTEE

The international monetary system is faced with an unusually severe strain in the present devaluation of the British pound sterling and successive devaluations in Denmark, Ireland, Israel and Hong Kong. Britain has been obliged to devalue the pound and negotiate a massive loan with the United States and leading European nations and to impose strict remedial measures on its own economy.

This is a crisis of great concern to the United States. As the other of the world's two international reserve currencies, the stability of the dollar and its role in the world economy are seriously at stake. This stake has the following elements.

(1) International monetary cooperation, whose effectiveness has been taken for granted during several years of casual negotiation to create a stronger cooperative system, is now being shown to be seriously defective. Countries have, in the guise of informal cooperation, pursued essentially nationalist objectives.

To some extent the sense of crisis over the pound was unjustified. The chief factor, the unusually high October trade deficit, resulted from the Liverpool and London dock strike, whose effects were magnified by statistical inaccuracies. British exports are not counted as such until they are aboard ships, but imports are counted as imports while they are still aboard ships waiting in harbor. A sign of confidence only last Tuesday was the London Times industrial stock index, which showed encouraging strength due to increased production and earnings.

Thus it seems clear that the crisis had been aggravated by other means. An underlying element was the attitude of the French, who had refused to cooperate in the London gold pool, had sparked continual rumors of the pound's devaluation, and emphasized the British pound's instability as the key reason for denying British entry into the Common Market.

Behind the French position vis a vis the pound is a desire to weaken the role of the dollar. By actions to weaken the pound, the dollar is now exposed as the world's single reserve currency. The French particularly have resented this preeminence, because in part they claim they have had to finance American balance of payments deficits, which are caused partly by international military obligations. European nations thus explain that in some part they are underwriting American foreign policy objectives with which they do not agree.

(2) In its newly exposed position, the United States is faced with sobering economic imperatives. More than ever before, United States economic policy must achieve economic stability and stop the current inflation. Inflation can only have the effect, as it proved to have in 1966, of further weakening the balance of trade by encouraging imports and discouraging U.S. exports.

In part the United States itself is responsible for the present British crisis. Our increasingly higher interest rates have caused the British twice in recent weeks to raise their own bank rate in order to prevent funds from flowing out of the London financial market to our own.

Apparent United States insensitivity to the continuing, long-term demands of the international economy and to world financial stability cannot be excused by our offers—however genuine and generous—to support the pound by large loans. We too have been guilty of a nationalist bent in our international economic policy by permitting a domestic inflation which has immediate, serious effects on the balance of payments, on the U.S. gold stock and the dollar, and on our international economic partners.

Clearly the moment has come for the most earnest and exhaustive national consideration of the state of free world monetary cooperation and the international organizations to carry out that cooperation.

CONFERENCE REPORT ON H.R. 6418—PARTNERSHIP FOR HEALTH AMENDMENTS OF 1967

Mr. STAGGERS submitted conference report and statement on the bill (H.R. 6418) to amend the Public Health Service Act to extend and expand the authorization for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes.

NARCOTIC AND DRUG ABUSE MUST BE CURBED

The SPEAKER pro tempore (Mr. PRICE of Illinois). Under previous order of the House, the gentleman from Kansas [Mr. DOLE] is recognized for 30 minutes.

Mr. DOLE. Mr. Speaker, I have introduced legislation today which could, if enacted, contribute to the health, welfare, moral fiber, and strength of our society. My proposal provides that any person found in possession of depressant, stimulant, or hallucinogenic drugs—such as barbiturates, amphetamines or LSD—without a valid doctor's prescription will be subject to imprisonment of up to 1 year and to a fine of up to $1,000. For a second or subsequent offense, a person would be subject to imprisonment of up to 3 years and a fine of up to $10,000. In addition, my bill provides significantly increased penalties for the manufacture, sale, distribution of, or possession with intent to sell these classes of dangerous drugs. For first offenses, the penalty would be up to 3 years in prison and up to $10,000 in fine, while for second and subsequent offenses the penalty would be up to 6 years in prison and up to $15,000 in fine.

During the past few years, the country has been caught in a wave of drug abuse, especially among juveniles. Originally, the illicit use of dangerous and narcotic drugs was generally confined to those ensnared in the despair of ghettoism. As sad and disheartening as this was, however, the belief always existed that as we proceeded to lift persons out of poverty, the incidence of drug abuse would decline. This has not occurred. Instead, we have recently witnessed the rising use of drugs by individuals in the middle and upper strata of society.

Instead of masking the despair of dead-end poverty in the euphoria of drugs, we now are finding that affluence seems to be breeding the desire for thrills and for escape from the problems that inevitably face a prosperous and powerful nation. Since the United States is growing in wealth and since, as the leader of nations, these problems will long remain with us, the threat of ever-increasing drug abuse is frightening.

LOOK ABOUT YOU

The drug wave is by no means the only potentially destructive force operating in our society. Crimes of violence, crimes of wanton destruction, organized crime, riots, rowdyism, juvenile delinquency, immorality, life-draining wars, inflation, fiscal irresponsibility, bureaucratic malaise—these and many more actions are now seeking to tear apart the Nation's foundations. Yet, to my mind, there is nothing more debilitating to a people than the mind-dulling, initiative-draining, moral-destroying dependency upon drugs. We need only examine the route traveled by other societies to confirm my fear.

Naturally, many reasons contribute to our present conditions—unpopular wars, rapid technological change, expanding populations, and so forth. To my way of thinking, however, a major cause of our present unrest is the permissiveness which has crept into every phase of our life. It may have started in the realm of child psychology. It certainly expanded during the fatherless homes of World War II and Korea. It has swept through the judicial and educational systems. It is threatening every principle and aspect of our life. Where it will stop, I do not know. But, I do know that unless we begin to do some hard thinking and begin to take some rather determined action, a healthy American society is endangered. And, to those who believe I have become an alarmist all I can say is: "Look about you."

The Pentagon was placed under seige by rabble of filth. The President and other senior officials of Government are cursed at, insulted, threatened by death or physical abuse, spit at, and denied the courtesy to speak. Draft evasion, open consortium with our enemies, and blatant interferences in foreign policy are common occurrences. Military recruiters are mobbed and held captive. Manufacturers of war-needed materials are harassed. Ports of embarkation are blocked. Policemen and firemen, trying to perform dangerous duties at low pay, are brutalized and insulted.

In response, what do some so-called responsible persons do? They wring their hands. They say that all of society is to blame. They say that we have failed our youths somehow. They say someone else is to blame. They say we must not resist or we will corrode the freedom of our heritage.

FREEDOM IS NOT LICENSE

I do not believe that such freedom is a license to attack, desecrate, and destroy. I do not believe that juveniles are always the best judge of what is best for them or their society. I do not believe that academic credentials are always a sign of common sense. I do not believe that discipline, if reasonable and restrained, will warp originality or stunt intellectual development.

Permissiveness, however, if permitted to go unchecked, is a force that could destroy our civilization. It is to a society what unlimited power is to a ruler.

FDA AND MARIHUANA

I was particularly distressed, then, to read a few weeks ago that the Commissioner of the Food and Drug Administration, Dr. James Goddard, was reported to have suggested that all penalties for the use and possession of marihuana should be removed, that marihuana is no more dangerous than alcohol, and that he would no more mind his daughter smoking marihuana than drinking a cocktail if there was no legal penalty for the former.

Admittedly, during subsequent congressional hearings, Dr. Goddard seemed to back down somewhat. He now maintains that there really has not been sufficient scientific research to determine how dangerous marihuana may be, that he does not advocate the use or legalization of the drug, and that the chronic use of the drug may produce serious consequences.

Yet, the fact that he may have made the original statement, the fact that he questions the deterrent effect of penalties for use and possession of marihuana or, apparently, any drug, and the fact he continues to call for the review of existing penalties for use and possession has been interpreted by many persons, especially young people, as sanctioning the use of marihuana. This has occurred even though Dr. Goddard's Food and Drug Administration has no jurisdiction over marihuana and even though marihuana, in its purer form, has been found to be a most dangerous substance—one that can produce acute psychosis and psychic addiction in any individual and one that can lead to the use of even more dangerous drugs. Out of every 10 heroin addicts, nine have been found to have previously used marihuana.

DRUG ABUSE CONTROL ACT

The content of Dr. Goddard's statements, their impact upon our society, and their reinforcement of the permissive philosophy that seems so prevalent today induced me to examine more closely into Dr. Goddard's operations concerning dangerous drugs in the Food and Drug Administration.

Approximately 2 years ago, Congress enacted the Drug Abuse Control Act. This act instituted controls over the manufacture, distribution and sale of depressant, stimulant, and hallucinogenic drugs such as barbiturates, amphetamines and LSD. Penalties were established for illegal activities, and enforcement of the law was placed under the FDA. The penalties, as such, were unusually mild, however—a misdeameanor for illegal manufacture, distribution and sale—if a first offense—and no penalty at all for illegal use or possession. This is in stark contrast to the unauthorized manufacture, sale, distribution, use and possession of marihuana and opium, drugs which carry felony penalties.

Yet, by Dr. Goddard's own admission and by the reported findings of eminent medical authorities, the drugs under FDA's jurisdiction are more dangerous to human health and welfare than marihuana.

RESULTS OF DRUG ABUSES

The Medical Society of the County of New York reported in 1966 that there are 3,000 deaths annually due to accidental or intentional overdoses of barbiturates. But, even worse, according to the society, is the far more common addiction to barbiturates which may impair the intellect, produce bizarre behavior and aggressiveness, and lead to a paranoid state. Addiction to barbiturates was also found to be far more "nasty" than addiction to opiates—like heroin—and resulted in more prolonged and difficult withdrawal.

In the case of amphetamines, the society reported that the drug is dangerous and habituating and may cause intellectual impairment, aggressive behavior, and hallucinations. Amphetamines are also being implicated in increasing numbers of automobile accidents.

Potentially, an even more dangerous drug is LSD. The newness of this drug, under present conditions, has limited the knowledge concerning its dangerous properties. From what is known, however, it has produced prolonged and acute psychosis, suicidal and homicidal inclinations and possible chromosonal damage. Although its appearance among the general public is relatively recent, LSD has resulted in a fairly large number of hospitalizations, psychiatric commitments, deaths, and mental instability—frequently long after a dose has been taken.

NEED CURBS FOR MISUSE

If we are to preserve the strength and moral foundations of our country, it would seem necessary to do all we can to prevent widespread misuse of such dangerous drugs. Increased education and more dramatic warnings on the dangerous potential of drugs should help. Stepped-up enforcement of illegal manufacture, distribution and sale will undoubtedly reduce available supplies. But, the imposition of penalties for unauthorized use and possession also seems called for.

Dr. Goddard has repeatedly rejected suggestions that the Drug Abuse Control Act should be amended to include penalties for unauthorized use or possession, or to increase penalties for illegal manufacture, distribution or sale. It is Dr. Goddard's position that criminal penalties, at least for possession or use, do not constitute a deterrent to unauthorized use and possession. He believes that casting users or possessors in the role of criminals may drive them into a life of crime and into a deeper association with the drug subculture. He further believes that the existing penalties for use or possession of marihuana have failed to retard the experimentation with this drug. In this regard, Dr. Goddard estimates that there has been an explosive increase in the use of marihuana—to between 400,000 and 3 million users.

Yet, what Dr. Goddard fails to realize is that the increase could be far larger if there were no such penalties. As Mr. Giordano, Commissioner of the Bureau of Narcotics, indicated, he does not believe that penalties will ever entirely prevent the use of marihuana, but he hates to think what the problem might be in today's hedonistic society if there were no penalties. In his opinion, the results would have been disastrous—that there would be a tenfold increase in the use of marihuana. It needs also to be pointed out that, when faced with a serious threat of increased use of heroin, Congress a few years ago enacted more stringent penalties for manufacture, sale, distribution, use, or possession of opium derivatives. This was done in spite of protests that such action would not produce the desired results. Yet, as Mr. Giordano has indicated, serious heroin addiction has declined markedly in recent years.

WHY RESTRICT POSSESSION?

Individuals and, especially, young people being what they are, there is little doubt that a certain percentage will seek the thrill of the prohibited. But, many more will be encouraged to abide by law and order. The existence of a penalty will also enable many parents to disuade their children from crossing prohibited boundaries. And, although no one wants to see individuals—especially young people—involved in criminal processes, may it not be better to punish a few if that serves as a warning to many, especially since most young persons so involved are placed on probation or given a suspended sentence.

Speaking about marihuana, Mr. Giordano had this to say about the need for penalties:

> Concern for public safety, health and welfare, requires that there must be restrictions on persons to prevent them from having unauthorized possession of marihuana. Otherwise, we would be condoning potential sources of supply and proselytizing, which would defeat the very purpose of our attempts to control abuse of marihuana. We can make one generalization: marihuana spreads from person to person—the users who possess marihuana and the ones who breed new users. By restricting possession, we are better able to reduce the availability of marihuana to many persons who might otherwise come in contact with the drug through a friend or acquaintance. If there is no criminal sanction against possessing marihuana, many people will regard this as tacit approval of its use.

The same reasoning and philosophy would seem to apply and should be applied to those drugs under the jurisdiction of Dr. Goddard's FDA—drugs which are admittedly more dangerous than marihuana.

Dr. Goddard has indicated that the lack of penalties for possession and use are not a hindrance to effective enforcement. Dr. Goddard has also created the impression that the unauthorized use of marihuana has increased more rapidly than that of amphetamines, barbiturates and LSD. In fact, he has even indicated that there has been a diminution in the use of LSD due to the educational campaign of the FDA. From this he suggests that penalties for use of marihuana have had no deterrence while the educational efforts and enforcement activities of the FDA against manufacture and sale of dangerous drugs under its jurisdiction have had such a deterrent effect.

MISUSE INCREASES

But, what are the facts? Certainly, the stream of recent reports in newspapers and magazines and on television concerning increases in drug abuse—including those under FDA jurisdiction—give us no cause for self-congratulation. Mr. Giordano indicates that from his experience the increased use of marihuana, LSD and other dangerous drugs has been about the same. The Medical Society of the County of New York reported in 1966 that, of the estimated 13 billion pills and capsules of barbiturates, amphetamines and tranquilizers produced annually in the United States, approximately one-half are diverted to illicit sale and use. And, Dr. Goddard himself, although perhaps puffing the extent of marihuana abuse while playing down the misuse of dangerous drugs under his jurisdiction, indicated that in nine out of ten cases investigated by the FDA, marihuana is being sold along with hallucinogens like LSD. Thus, if marihuana is being misused as widely as he reports, then, LSD and similar drugs must be at least as widely misused. In this regard, it should be noted that such a substance as LSD is a far newer product than marihuana and, therefore, the increase in its illegal use must be even more spectacular than marihuana, as also seems to be the case of barbiturates and amphetamines.

I believe, therefore, that much more drastic action must be taken to reduce the incidence of abuse and misuse of harmful drugs. There undoubtedly is a place for permissiveness in a society as there is within the family circle. But, such permissiveness cannot be tolerated when it may lead to the debilitation and destruction of an entire society.

For these reasons, Mr. Speaker, I have introduced legislation today to impose penalties for unauthorized use or possession of amphetamines, barbiturates and hallucinogenic drugs, like LSD, and to increase penalties for their illegal manufacture, distribution and sale.

FEDERAL INFLUENCE UPON OPERATIONS OF PRIVATE VOLUNTARY ORGANIZATIONS

The **SPEAKER** pro tempore. Under previous order of the House, the gentleman from Illinois [Mr. RUMSFELD] is recognized for 30 minutes.

Mr. RUMSFELD. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and insert various pieces of correspondence.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RUMSFELD. Mr. Speaker, when it was revealed earlier this year that the Central Intelligence Agency had been covertly subsidizing a number of supposedly independent student, labor, and educational organizations, many in the United States expressed concern.

As a result of the CIA disclosures, the President of the United States appointed a Special Commission to examine the relationships of the Central Intelligence Agency to private organizations and to recommend means of improving these relationships. Included among the Commission's recommendations was the immediate termination of secret government subsidies. The Commission stated:

> It should be the policy of the United States Government that no Federal Agency shall provide any covert financial assistance or support, direct or indirect, to any of the Nation's educational or private voluntary organizations.

Joining Chairman Nicholas Katzenbach in signing the Commission's report were its other members, John W. Gardner, Secretary of Health, Education, and Welfare, and Richard Helms, Director of the CIA.

Because of the recommendations of the President's Special Commission, and because of the logical assumption that the executive branch had taken the Commission's recommendations to heart, it came as a surprise to me to learn recently that apparently not all agencies of the Federal Government have been abiding by the Commission's recommendations.

On April 5, 1967, I received a letter from a constituent in Illinois' 13th Congressional District asking for an explanation of the "unusual relationship" between the U.S. Office of Education, Department of Health, Education, and Welfare, and the Future Farmers of America Foundation, Inc., an organization incorporated under the laws of the District of Columbia on March 29, 1944 to raise funds for "a program of incentive awards that encourage rural boys to develop their proficiency in agriculture." The 13th District correspondent wrote:

> I would like to ask your consideration of a situation which has come to my attention and causes me some concern.
>
> The situation is in regards to the Future Farmers of America Foundation, Inc., which seems to enjoy an unusual relationship with the Department of Health, Education, and Welfare. This Foundation is supported by annual contributions from approximately 500 business and industrial concerns, and from individuals. During 1966, the Foundation was budgeted to give in excess of $200,000 in awards to members of the Future Farmers of America Association.
>
> Although I am very much in favor of the work and activities of the Foundation, I find it hard to understand why it has free space within the Department of Health, Education, and Welfare. If I am correct, they are located in the Division of Vocational and Technical Education, United States Office of Education. I know the Foundation has at least one or more persons who are involved in the direct solicitation of funds from private concerns. I am not sure who pays the salaries of these solicitors, or how the secretarial support is compensated.
>
> The Foundation is normally thought of as an arm of the Future Farmers of America Association which has its national headquarters on a 34-acre site in Mt. Vernon, Virginia. This property is, I understand, valued at over one and one-half million dollars, and I believe they are in the process of even further expanding their offices and facilities on this property.
>
> The FFA is supported both by donations and the money they earn from the sale of jewelry, jackets, etc., to their thousands of members coast-to-coast. It is my understanding that their annual income exceeds their expenses by approximately $100,000.
>
> As outstanding as the activities of this group are, I cannot understand why they should be receiving free government office space. Other foundations such as the 4-H Club Foundation are not entitled to this service. I would appreciate any information you can give me on whether, in fact, this situation should be condoned.

On April 11, 1967, I sent a copy of the 13th District resident's letter to Secretary Gardner at HEW and asked for information relating to the questions raised.

Fourteen days later, on April 25, 1967, I received a response from Mr. Albert L. Alford, Assistant Commissioner for legislation, Office of Education, Department of Health, Education, and Welfare. Mr. Alford explained that the headquarters offices of the FFA Foundation have been located in the U.S. Office of Education since the foundation was organized in 1944, and that "there are no plans to change this arrangement." Mr. Alford cited Public Law 740, 81st Congress, second session, as authority for the Office of Education to assist the FFA Foundation.

I forwarded Mr. Alford's response to the Illinois correspondent. On June 2, 1967, my constituent wrote a second time, as follows:

> A close reading of Public Law 740 reveals no specific authority for the Office of Education to provide facilities for the fund-raising activities of the FFA Foundation. It only authorizes the FFA organization to assume the assets of the Foundation (a separate corporation) if the Foundation, as a corporate entity, were liquidated.
>
> Just because this private Foundation has been conducted as a "hip-pocket" operation by government employees in the U.S. Office of Education since 1944, this does not make it right or legal—especially with the employment of *additional* FFA staff to run the Foundation in government quarters. The hiring of professional fund-raisers to work out of government offices with unlimited phone and mail service provided by the U.S. Office of Education, is a *new* development. It is one that is an improper business/government relationship.
>
> While Public Law 740 also mentions that the FFA may publish a magazine and operate a business to sell official supplies to its members, these business ventures are not conducted on U.S. Government property. They are located in Engleside, Virginia, where they do a business in excess of two million dollars per year. These services are housed in an office building owned by the FFA. This is a much more proper arrangement for such business operations and provides an even more logical precedent for how these affairs should be conducted.
>
> I suggest that in the interests of both economy and propriety, this arrangement be discontinued and that the Office of Education concern itself with matters of more academic importance.

On June 5, 1967, I sent the substance of this second letter to Mr. Alford, requesting his comments on the new points raised. On June 29, 1967, Mr. Alford responded:

> The FFA Foundation, Inc., is not a fund-raising organization. The Foundation has an independent Sponsoring Committee, comprised of individuals elected by the donors who serve as Chairman and Vice-Chairman, and they are responsible for all solicitations of contributions. Funds which they collect are deposited in the National FFA Foundation Treasury located in Woodstock, Virginia.
>
> The FFA Foundation Sponsoring Committee has never used Federal office space, telephone, or mail service.

Mr. Alford suggested that I contact Mr. John Farrar, director of public relations for the FFA, who, he said, could explain this matter more fully.

I instructed an assistant to contact Mr. Farrar, and in a memorandum received in my office on July 12, 1967, Mr. Farrar stated:

> At the present time the FFA Foundation employs one full-time professional man as Coordinator. He does not engage in fund solicitation.

Mr. Farrar also stated:

> Even though P.L. 740 authorized the FFA to take over the functions of the Foundation, it was decided that it would be better, for accounting and administrative purposes, to maintain the two as separate corporations.

> Attorneys for the Federal Security Administration (forerunner to the Department of Health, Education, and Welfare) advised that since the activities of the Foundation were authorized by Public Law 740, and since that Law also authorized the Commissioner of Education to provide, upon request, personnel, services, and facilities of the Office of Education, to administer or assist in the administration of the business and activities of the Future Farmers of America, then the Office of Education might legally also continue to assist the Future Farmers of America Foundation, Inc., in the conduct of its activities.

Mr. Speaker, I was not the least bit satisfied with the answers given by either Mr. Alford or Mr. Farrar. Therefore, I undertook to fully investigate this matter. My initial investigation uncovered these facts:

First. Public Law 740, chapter 823, section 18, authorizes the U.S. Commissioner of Education to provide Federal Government assistance to the Future Farmers of America, a national organization for students of vocational agriculture, but it in no way provides for assistance to the Future Farmers of America Foundation, Inc., an entirely separate corporation established for the sole purpose of raising and distributing funds.

Second. My constituent appeared to be correct in his belief that the FFA Foundation was enjoying an extra-legal relationship with the Office of Education.

Third. Mr. Alford's statement that the FFA Foundation "is not a fund-raising organization" appears to be in direct contradiction of the general provisions of the Certificate of Incorporation of the FFA Foundation, to claims made in various FFA Foundation publications and literature, and to the facts of actual practice within the FFA Foundation itself.

Fourth. Mr. Alford's contention that "all solicitations of contributions" for the FFA Foundation are handled by an independent sponsoring committee appears on its face to be deceptive.

Fifth. Mr. Alford's statement that the FFA Foundation sponsoring committee "has never used Federal office space, telephone, or mail service" is, I am told, inaccurate.

Sixth. Mr. Farrar's comment that the FFA Foundation coordinator "does not engage in fund solicitation" is not true.

Seventh. Despite an admission by Mr. Farrar that the FFA Foundation is a corporation separate and apart from the Future Farmers of America, the Office of Education continues to provide assistance to the foundation without authorization of any kind.

Eighth. Secretary Gardner had apparently missed the point of the Special Presidential Commission on which he served earlier this year, that point being:

> No Federal Agency shall provide any covert financial assistance or support, direct or indirect, to any of the Nation's educational or private voluntary organizations.

In refutation of the claims of Mr. Alford and Mr. Farrar, I submit that the evidence is that until Tuesday, October 31, 1967, the U.S. Office of Education was illegally providing $34,743.67—General Accounting Office estimate—in assistance annually to the FFA Foundation, and that since October 31, this assistance has been increased. This assistance came in the form of free office space in the Office of Education; complete office furnishings; office supplies; telephone facilities; postage; the use of conference rooms; and the part-time services of at least four Federal Government employees—H. N. Hunsicker, V. Nicholson, C. English, and W. P. Gray.

I further submit that the evidence is that Mr. J. C. Foltz, coordinator of the FAA Foundation, is headquartered in the Office of Education and that his primary duty is to contact donors and perspective donors in order to solicit contributions for the FFA Foundation awards program. Mr. Foltz is a professional fundraiser.

I submit that the evidence is that there exists an undesirable relationship between a branch of the Federal Government—Office of Education, Department of Health, Education, and Welfare—and a private youth-education organization—FFA Foundation. Not only is this relationship undesirable, but it is also without legal justification.

During my investigation of this matter, I discovered the alarming fact that partisan political considerations sometimes influence decisions made in the U.S. Office of Education. For partisan political reasons, the Office of Education vetoed a decision of the FFA Foundation to transfer all foundation activities from the Office of Education to quarters rented with foundation funds. Upon receiving my letter of June 5, 1967, addressed to Mr. Alford, an employee in the Office of Education prepared a draft reply. This reply admitted that the FFA Foundation's full-time fundraiser, its "coordinator," was housed in the Office of Education, and indicated that "due to crowded conditions, the executive committee of the foundation decided in April 1967 that his office be transferred to rented facilities beginning in July." However, when this draft was submitted to higher Office of Education officials for approval, it was rejected on the ground that the relocation of the coordinator's office at that time would amount to prima facie evidence that the previous arrangement had been an inappropriate one. Those who vetoed the sending of this letter apparently reasoned that they could not have a member of the minority party in Congress telling them what to do. Thus, the letter was never sent to me and the decision of the FFA Foundation's executive committee to seek other quarters was nullified. Apparently, partisan considerations overcame commonsense. It is ironic that an appropriation for $2,500 for outside "office expenses and miscellaneous," remains in the FFA Foundation's 1968 budget.

On September 18, 1967, a request was made by Mr. H. N. Hunsicker, Chief of Agricultural Education, Office of Education, for additional office space at the Office of Education to accommodate a newly employed FFA program and information specialist, Mr. Coleman Harris, and a secretary. It is my understanding that this request has since been granted and that considerable additional space is being readied for FFA and FFA Foundation purposes.

It is interesting to note that Mr. Hunsicker, a full-time employee of the Office of Education, also wears five FFA and FFA Foundation titles. They include: Advisor to the national board of student officers, FFA; chairman of the National FFA board of directors; chairman of the FFA governing committee; president of the board of trustees of the FFA Foundation, Inc.; and chairman of the FFA Foundation executive committee. Obviously, one Federal Government employee is almost single-handedly running the affairs of organizations which enjoy reputations for promoting individual initiative and self-reliance on the part of their members. In view of his numerous responsibilities to the FFA and the FFA Foundation, it is difficult to understand how Mr. Hunsicker finds time to perform any duties in behalf of the Federal Government.

Mr. Speaker, I have high regard and admiration for the Future Farmers of America. However, because I am interested in the FFA remaining strong and free and independent, I am airing this matter today. I have reason to believe that, rather than aiding the objectives of the FFA and the FFA Foundation, the close involvement of the Federal Government is making it more difficult for their worthy objectives to be attained. In at least one instance recently, a prospective donor to the FFA Foundation refused to make a contribution because of what that donor felt was an unwholesome relationship between this Foundation and the Federal Government.

Another agricultural organization for young people, the national 4–H Clubs, at one time had a relationship with the Federal Government similar to that of the FFA Foundation. The 4–H Foundation was located in the offices of the Department of Agriculture. However, the 4–H leadership recognized that its relationship with the Federal Government was impeding progress in fundraising and in other areas, too. Thus, the 4–H Foundation moved out of the Department of Agriculture and into what is now the national 4–H headquarters in northwest Washington. Since this move was made, the 4–H Foundation has experienced a substantial increase in contributions and in its general well-being.

The housing of the FFA Foundation operations in Federal Government office space is a mistake for legal and philosophical reasons. It is also a mistake for a quite practical reason—the FAA owns and operates some $500,000 worth of buildings on 35 acres near Mount Vernon, Va., and there is no legitimate reason why the foundation could not also occupy these buildings. The National FAA Supply Service and the National Future Farmer magazine have been appropriately headquartered at the Mount Vernon property since the end of World War II. Plans are even now being made to expand these facilities into a multimillion-dollar complex. Surely, the FFA and FFA Foundation, with a combined total net worth of $2,060,599.33 as of June 30, 1967, can afford to provide a headquarters for their own fundraising apparatus. The transfer of foundation activities to the Mount Vernon site or to other nongovernmental facilities would apparently result in the Federal Government's saving an estimated $50,000 annually.

Mr. Speaker, this is not the first time that Federal Government bureaucrats have attempted to establish and perpetuate a fiefdom at the expense of the taxpayers. While this situation is not unique, it is not less inexcusable. The octopus of the bureaucracy has so far been successful in encircling the FFA and FFA Foundation. This hold will be loosed only as a result of public exposure and of a concerted effort on the victim's part.

I have in my possession hard evidence and generous documentation to substantiate everything I have said here today, let there be no doubt about that. I am reluctant to spread on the record every detail of the Office of Education's program of controlling the affairs of the FFA and FFA Foundation, and hope that it will not be necessary.

If there are any who doubt the existence of a "credibility gap" in this administration, they need only examine the erroneous and misleading statements made to me by a representative of the Federal Government. If there are any who doubt the designs of some Government bureaucrats to expand the limits of their influence into the private sector, they need only study the history of the Federal Government-FFA relationship of recent years. If any doubt there is waste and inefficiency in the use of public funds, they need only consider the expenditures of the Office of Education in behalf of the FFA Foundation.

In the interest of correcting this regrettable situation, I have these specific recommendations:

First, the FFA Foundation should immediately extricate itself from Office of Education facilities.

Second, the leaders of the FFA and FFA Foundation should thoroughly reassess every aspect of their association with the Office of Education and with the Federal Government.

Third, Secretary Gardner should conduct an investigation into the facts, in this case, and report his findings to Congress and to the people.

Fourth, the more than 400 donors who support the foundation should withhold any further contributions until they are convinced that this situation has been rectified.

Fifth, in the event the executive branch fails to take prompt action to resolve this matter, the Committee on Government Operations of the U.S. House of Representatives should initiate steps to conduct full-scale hearings.

Finally, this situation should serve as a lesson to others in the Federal Government who may seek to improperly or illegally influence the operations of private voluntary organizations.

DEVALUATION OF CURRENCY BY BRITAIN, IRELAND, DENMARK, SPAIN, ISRAEL, HONG KONG, AND OTHER COUNTRIES MAKES SHAMBLES OF KENNEDY ROUND OF TARIFF AGREEMENTS

Mr. VANIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, the devaluation of the British pound followed by currency devaluations by Ireland, Denmark, Spain, Israel, Hong Kong, and other countries has made a shambles of the Kennedy round of tariff and trade agreements.

I am shocked to learn that our trade negotiations did not anticipate the effect of currency devaluations on trade agreements.

What good are such agreements if they can be substantially nullified by devaluation designed to provide trade advantages.

Three years of strenuous negotiation has been washed out by this development.

Under these circumstances, the trade negotiators should be immediately reconvened to deal specifically with this problem and endeavor to rebalance world trade.

CURRENCY DEVALUATIONS AND U.S. TRADE RESTRICTIONS

Mr. McDONALD of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. CURTIS] may extend his remarks at this point in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CURTIS. Mr. Speaker, I have addressed myself elsewhere during debate today on the effects of the devaluation of the British pound, and nine other currencies, on the U.S. economy.

There is another important aspect of this question that I would also like to discuss. This is the effect of currency devaluations on U.S. import and export trade with other nations, including those whose currencies are devalued.

One of the effects of currency devaluation by other countries is that U.S. exports with the countries which have devalued tend to become more expensive in relation to their own economies. At the same time, the goods the devalued countries sell us—and the many other trading countries which have not devalued—will become proportionately cheaper by the amount of the devaluation, or by about 14 percent. Thus, our imports from the devalued currency countries may tend to increase.

Devaluation of any currency is a serious step—the British did not devalue the pound because of a calculated desire just to be able to export more goods to the United States.

Devaluation was a sign of serious economic disequilibrium between the British economy and that of the international trading world, as well as a sign of domestic British economic difficulties. Our responsibility as a leading world economic power is to help Britain to adjust to these new trade conditions. British devaluation, and any increase of U.S. imports that may result, should not be an excuse for hasty reflex action to withdraw trade concessions made reciprocally with other countries, or to add new tariff or quota restrictions on imports from the countries which have devalued.

Devaluation of a major currency does have its effects on world trade. But devaluation is essentially a problem of world monetary policy. This is the area in which we must take immediate corrective steps. Clearly, the international monetary adjustment mechanism does not function as well as many of us have been assured that it does. We must now look closely at this mechanism to see where it can be improved.

CONSUMERS WILL BE PROTECTED

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. HALPERN] is recognized for 5 minutes.

Mr. HALPERN. Mr. Speaker, this morning I had the privilege of witnessing a ceremony in the White House at which President Johnson signed the joint resolution to establish a National Commission on Product Safety. I am proud to identify myself with this Commission since it follows the principles embodied in my own identical resolution, House Joint Resolution 869, which I introduced earlier this year.

When this measure passed the House 2 weeks ago, I described it as a "just and major step in the direction of protecting our Nation's consumers." These thoughts were emphasized by the President today when he signed the joint resolution. American industry has developed many marvels in the form of products that enrich our lives. But some of these products have the potential for danger to life and limb. Americans are entitled to protection against unreasonable risk of bodily harm in their enjoyment of household products. At the same time, manufacturers are entitled to consistency and fairness in the regulations they must abide by in the production and sale of their products. The National Commission on Product Safety is charged with considering both of these important interests. When the Commission has completed a thorough study of the problem of product safety, it will submit a report to the President and to the Congress, including any recommendations that may seem to be warranted. I will await the report of the Commission, and I can assure you that I will be prepared at that time to support any appropriate action that is necessary to provide our citizens with the peace of mind that comes from having confidence in the safe use of the products of modern technology.

COMMENTATOR CITES PRESIDENT'S CONSISTENCY ON VIETNAM POLICY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. HOLIFIELD] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, an excellent article by Ted Lewis in the New York Daily News clearly shows that President Johnson's Vietnam policy today is precisely what he promised the Nation it would be in 1964—measured military might to stop aggression.

Those critics who charge that President Johnson has reneged on his promises to the Nation will find that the record refutes their accusations.

As Mr. Lewis notes, President Johnson then—as well as now—has sought to fully modernize and employ the Army of South Vietnam. Then—as now—the President has followed the same middle course between unilateral withdrawal and senseless escalation. And in 1964—as now in 1967—the United States has fought a limited war consistent with our limited objectives.

Our purpose in Vietnam has remained to convince Hanoi and Peking that aggression in Southeast Asia can never pay. As the President said in 1964:

> We are trying somehow to evolve a way, as we have in some other places, where the Vietnamese and the Chinese Communists will finally, after getting worn down, conclude that they will leave their neighbors alone.

As Mr. Lewis concludes, President Johnson has been true to his faith and his trust by showing "consistency on the Viet policy issue."

Mr. Speaker, I insert into the Record Mr. Lewis' article appearing in the New York Daily News:

What L. B. J. Said in 1964 on Viet Stands Up Now

(By Ted Lewis)

Washington, November 2.—Some of President Johnson's critics on the Viet war have from time to time made biting references to how in the 1964 campaign he was opposed to having American boys "do the fighting for Asian boys" in Vietnam.

The President has now tried to put those quotes in perspective. He was asked about them at a press conference yesterday. He said the quotation needed to be examined in the context of a speech "that contained (many) other sentences and many paragraphs."

Now Johnson said so many other things at the press briefing, about his Viet war critics and his troubles with Congress, that a determination as to the soundness of his case concerning who should do the fighting was today's chore on a hindsight, check-up basis.

The people have a right to the truth about what LBJ said in 1964. Especially since the 1968 election year political sniping has already begun.

Even, it might be added, involving some sneaky attempts to make it appear that what Johnson said about American boys in 1964 was just about what FDR said before Pearl Harbor when he pledged "again and again and again" never to send American boys to fight in a foreign war.

The 1964 LBJ speech in question was delivered in Manchester, N.H., on Sept. 28, five weeks before he defeated Barry Goldwater for the presidency.

The text of that address, as now examined, shows that Johnson was absolutely on sound ground in issuing yesterday's challenge to examine his remarks in context.

Here are the two pertinent paragraphs which put the reference to who should do the fighting in perspective:

"As far as I am concerned, I want to be very cautious and careful, and use it only as a last resort when I start dropping bombs around that are likely to involve American boys in a war in Asia with 700 million Chinese.

"So just for a moment I have not thought that we were ready for American boys to do the fighting for Asian boys. What I have been trying to do, with the situation that I found, was to get the boys in Vietnam to do their own fighting with our advice and with our equipment. That is the course we are following. So we are not going north and drop bombs at this stage of the game, and we are not going south and run out and leave it for the Communists to take over."

Occasionally, it pays to rake up the past if by doing so it provides a more objective look at the present. For that reason, there are other pertinent parts of Johnson's New Hampshire speech of three years ago that deserve being recalled.

THEY SHOW HIS CONSISTENCY ON VIET POLICY

For in that one politically tuned address, Johnson said many things about Vietnam which, when examined in hindsight, show his consistency on the Viet policy issue.

Especially this paragraph: "So we are trying somehow to evolve a way, as we have in some other places, where the Vietnamese and the Chinese Communist will finally, after getting worn down, conclude that they will leave their neighbors alone. And if they do, we will come home tomorrow."

Johnson, in 1964, made it clear he was determined to limit the war, if at all possible. His policy thus is now the same as then, even if our military commitment has become immense and the bombing he then hoped to avoid has become unavoidable.

On that September day three years ago, however, only 190 uniformed Americans had lost their lives in Vietnam. Johnson, at the time, referred to that total as about the same number of lives lost in Texas "on the Fourth of July in wrecks."

"But," he added, "I often wake up in the night and think about how many I could lose if I made a misstep."

And, he concluded in connection with casualties at that time, "We think that losing 190 lives in the period that we have been out there is bad. But it is not like 190,000 that we might lose the first month if we escalated that war."

AN EXAGGERATED FIGURE, BUT POLITICALLY FAIR

That was an exaggerated figure, but politically fair in a national campaign, for in the same speech he put the tag of war escalators on Nixon, Rockefeller and Scranton as well as Goldwater. All four, he said, had at one time or other "suggested the possible wisdom of going north in Vietnam."

It was an exaggerated figure because Johnson himself has escalated the war. And to date, 14,266 Americans have been killed, 90,417 wounded and 589 are missing.

But one statement that Johnson made that day in New Hampshire stands up as pertaining exactly to the present controversy over war policy.

LBJ told his political audience in 1964 that "every day someone jumps up and shouts and says, 'tell us what is happening in Vietnam and why are we in Vietnam and how did you get us into Vietnam'?"

Johnson's reply to the question he posed was: "I didn't get you into Vietnam. You have been in Vietnam 10 years." And he then referred to President Eisenhower's promises of "help" in 1954.

We won't further rake up the past in connection with Ike except to mention a most prophetic statement by the general in October last year. "We must do whatever is necessary," Ike told Marvin Arrowsmith of the Associated Press, "to win as soon as possible. If not, the war will grow in costs, both in money and lives, and the nation's morale will be lowered."

INCREASE TAXES NOW

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Multer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MULTER. Mr. Speaker, the President is right in wanting congressional action now on the surtax proposal. Next year may be too late. A little now will save a lot later.

Mr. Speaker, the wire services report that the House minority leader criticized President Johnson today, with an invidious reference to bankruptcy.

The minority leader apparently was stung by the President's statement at his news conference today that he is wrong in opposing the administration's tax surcharge proposal.

Well, the minority leader is wrong; and, President Johnson is right in saying so.

Somehow, Mr. Speaker, I trust the judgment of a President who has brought us 81 consecutive months of economic expansion over a leader of a party which brought this Nation no less than three economic recessions of major proportions during the 8 years when they ran the country.

If there is to be bankruptcy, Mr. Speaker, it will not be the President who leads us down the terrible road, it will be the opposition party, which is apparently content to allow the American people to endure the hardships and burdens of inflation and tight money that is sure to occur if this surcharge proposal is not enacted.

The Republicans are talking out of both sides of their mouths on this issue, and their leaders know it. They cannot remain blind to the facts that our economy will soon be overheated to the point where soaring inflation becomes a fact of life.

They must know that the President's proposal is the right remedy at the right time in this situation. Yet the minority leader is content to follow a blindly partisan path of opposition for opposition's sake.

The President today acknowledged that passing the surtax proposal will take political courage. Tax increases—no matter how small—are not popular, but the Congress has the duty to do what is right. And clearly, this proposal is right for America.

ADDRESS OF MR. THOMAS S. GATES BEFORE THE BUSINESS COUNCIL, OCTOBER 20, 1967

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Multer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MULTER. Mr. Speaker, for the past 3 months we have heard time and again from economists, both in and out of the administration, that we need the surcharge to help finance essential Government expenses and the subsequent deficit as a result of those expenses, whether they are for prudent domestic programs or support of our war efforts in South Vietnam.

A few weeks ago, Thomas S. Gates, a former Secretary of Defense and now president of the Morgan Guaranty Trust Co. of New York, one of the Nation's largest banking institutions, told the blue-ribbon Business Council at its fall meeting that, and I quote:

> We need at least a 10-percent surcharge to cover only a part of the expenses we have already incurred—but have not truly financed.

I commend your attention to Mr. Gates' thought-provoking remarks to the Business Council, as follows:

REMARKS OF MR. THOMAS S. GATES BEFORE THE BUSINESS COUNCIL AT HOT SPRINGS, OCTOBER 20, 1967

So far as I know, no one has suggested as yet that the enactment of a tax surcharge will wipe out the common cold, and no one has predicted that failure to pass the Administration's Bill will lead to the collapse of Boulder Dam. But just about every other benefit or disaster one can imagine has been associated with the proposal one way or the other.

One could easily get the impression that a vote in favor of the bill amounts to approving an amendment to the constitutional balance of power between the Congress and the Executive, or that a vote against it will bring an early end to the war in Viet Nam. Action on it is even related to how much—or how little—federal aid will be available to urban areas, and even more remote problems such as the future of the pound sterling.

It seems to me that, while all these issues are affected, in varying degrees, the emphasis that has been placed on them has directed attention away from the basic problem.

I understand that these other issues are important—many of them much more important than whether we get the surcharge or not—but they are really separate questions that should be worked on and decided on their own merits. Most of us have every sympathy with those who are striving to hold down the rate of growth in government spending, but I hope we will not allow our proper zeal for fiscal responsibility in expenditures to get in the way of fiscal responsibility in revenues.

Nor does it seem to me that the need for a tax increase rests on a forecast of things to come. It stems from things that have already been done—from expenditures that have already been made or committed and from inflationary pressures and credit market pressures that are already apparent.

Between June 30th and the end of this calendar year, that is, in the first half of the 1968 fiscal year, the federal government will have spent roughly $20 billion more than it has taken in, regardless of what either the President or the Congress does to cut spending in the future. A good part of this has been temporarily financed by the sale of so-called tax anticipation bills that fall due in the second half of the fiscal year and would normally be redeemed out of the surplus receipts in that period. This time there will be virtually no surplus. We need at least a 10% surcharge to cover only a part of the expenses we have already incurred but have not truly financed. The need is so obvious and so urgent, I must assume that common sense will prevail and that we will have a surtax.

This assumption has the incidental advantage of keeping my observations on the impact on business of the Administration's surtax proposals from becoming obsolete before they are uttered. Many reports from Washington would indicate that the impact of the Administration's proposals would be zero because they will never get beyond the proposal stage.

I prefer, for many reasons, not the least of which is the problems that would confront the banking system if we don't get better fiscal balance, to assume that we will have a 10% across-the-board surcharge in effect during most, if not all, of 1968.

Forecasting—crystal balling, if you like—is hazardous for many reasons, but one of the major hazards is that it involves guessing how the "other fellow" will react to the developments you foresee. The most difficult part of measuring the impact of a surtax in 1968 is guessing what the realistic alternative is. Is it an economy in which unrestrained inflation is permitted? Or is it one in which monetary policy is again called upon to provide the major restraining hand? Or is it, perhaps, one harnessed by direct controls? I was disturbed to see in a newspaper this week the results of a public opinion poll which reported that direct controls on prices and wages were preferred to higher taxes as a way to restrain inflationary pressures.

Some of us may be tempted to think that in the free-for-all of a pronounced inflationary environment we should be capable of doing somewhat better than "the other fellow" and that hence our self-interest would be served if the tax surcharge were not enacted. Admittedly, if the assumption is made that inflation, however pronounced, would be allowed to run its course, a "pie in the sky" model of the economy can be constructed. In this model, prices move up more rapidly than costs, and profits soar. One of the troubles with this is that it is unrealistic to imagine that price behavior of this kind would be permitted. All of you know the sort of pressures against raising prices Washington can apply. If that doesn't work, the chances are that, by administrative decision and by popular demand, the OPA would be back in business pretty quickly.

No one can guarantee that paring the administrative budget deficit down to the vicinity of $20 billion is going to be enough to keep us out of trouble. But it is an important and visible step in the right direction. Psychologically, it probably would have salutary consequences out of proportion to the magnitudes involved. If the surtax were accompanied by a really meaningful and visible slowdown in the rise of federal expenditures, the psychological effect would increase. To foreign holders of dollars, certainly, such a demonstration of discipline would be reassuring. In our own money and credit markets, influenced by expectations and supply and demand factors that set and adjust the interest rates, such action could be meaningful and constructive. It is possible that at least in some small measure the course of wage negotiations could be favorably influenced by responsible fiscal behavior in Washington. Wage costs seem headed upward in the year ahead whether we tighten the budget up or not. However, the size of settlements will have a better chance of being held within reason if our national leadership is exercising the kind of discipline in the conduct of its own affairs that it is asking of industry and labor.

With a tax increase and accompanying spending restraint of several billion dollars, we would greatly better the odds that we will get throughout 1968 without another credit crunch and without direct controls. We would minimize the risk that economic distortions will grow and spread. We would reduce the danger of having to go through a jarring future readjustment. And, as far as I am able to judge, on the basis of the analytical work that specialists in our bank have done, it seems unlikely that 1968 would be what you could honestly call a bad year for business.

The increase in gross national product, we think, will be between 7% and 8%, carrying the total for the year to somewhere around $845 billion. Assuming that the tax increase and other measures would keep prices from running away on the up side, some 4½% to 5% of this increase in GNP would be real—a good gain, even by the standards of the earlier 1960s. While admittedly spotty and varying between industries, the prospects seem to be for an increase of about 10% in pre-tax profits, which would imply a year to year gain of 3% or 4% after taxes.

This sort of gain in after-tax-profits, which would just about match the decline that seems in the cards for 1967, is far from spectacular, but neither is it all that grim. The important thing is that this sort of profit performance is more likely to be consistent with a general economic environment from which we can make a constructive transition to the normalcy which we all hope will come with the cessation of hostilities in Viet Nam.

Frankly, it is hard for me to see how anyone can oppose the surtax for its economic effects. Even those who may have a considerably less optimistic view of business prospects than I do will agree, I think, that the size of the deficit we are heading for without a tax increase is of grave concern. Most of the flak that is being thrown against the surtax is really meant for other targets. The tax proposal has gotten scrambled in with the hottest, most controversial issues that are troubling the country.

This is bad economics. It delays a fiscal action which, in my judgment, is inevitable. It is also bad politics. It clouds public thinking, and official thinking too, on the big issues like Viet Nam, big government, Congressional prerogatives, urban problems and others.

The tax question is a right-now question, a short range, tactical question. These other issues are long range, continuing questions. They're going to be with us a long time. I doubt that very many in this room will see them ended during their active business careers.

Southeast Asia will not go off the American agenda the day we get a negotiated peace in Viet Nam, regardless of how satisfactory the terms may be. There is a long job ahead there. We can, and do, hope that the shooting will stop soon, but our economic and politcal involvement and commitments are long term, and I believe properly so.

The debate about size and power of government will go on, too. Notwithstanding this, government will continue to grow. Businessmen and other citizens must continue to watchdog government. They must always work for wider understanding of the vital role tax reduction can play, under the appropriate circumstances, in stimulating economic growth by encouraging private investment. They must try to guide government's growth, try to keep it out of the fields where it doesn't belong, and in the ones where it does.

The problems of the cities are not going to go away, whether we have a tax increase or not. There are deep down bedrock problems crying for solution. Many billions of dollars will be devoted to our social reforms for many years to come. What will be done will have profound effects on business. Government and business must become partners in this most serious of our priorities.

Certainly national defense needs and will get a thorough review, both in strategy and in economics. The space program is due for a stocktaking.

In closing, I might add a note of concern. A great moral fatigue has enveloped our people. We have become too skilled at compromising principles. We have lost our capacity for shame. We are being too good to ourselves. It is too easy. This new laxity affects our national policies.

Some of the resistance to a tax increase, I think, comes from the spirit of selfishness which has grown stronger among us. It is not the main reason, but still it is there. I don't like to get economics mixed up with moral values, but for me this makes one more point in favor of raising taxes now. It would be a reminder that we have to pay our bills. It might wake us up. That we need, and need badly.

INSURANCE FOR GHETTO

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BINGHAM] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. BINGHAM. Mr. Speaker, one of the major problems involved in revitalizing the ghetto areas which have suffered or may suffer riots is the virtual impossibility of obtaining insurance at reasonable rates. The problem is as serious for owners of residential buildings as for owners of commercial and industrial properties. The legislation I am introducing today is intended to remedy this situation by providing insurance protection through a program in which full use would be made of the joint efforts and cooperation of both private industry and Government.

In principle, my bill is similar to the flood insurance legislation which has already been approved by both Houses of Congress. Under its provisions, those facing the hazards of floods would for the first time be able to purchase reasonable below-cost insurance with a pool of insurance companies bearing the forseeable financial risks, and the Federal Government bearing the burden of extraordinarily high losses. If the Federal Government can be called upon to help provide protection for flood victims, who suffer great losses from natural disasters, it can and should be willing to do the same for those in riot-prone areas or those who might be induced to locate there if they had assurances that reasonable insurance was available.

The insurance story in the riot-torn areas has now become painfully familiar. Policies are not renewed, or else premiums become prohibitively high, liability limits are set, and requirements are imposed for installation of expensive protection systems.

For example, after $40 million was paid for claims arising out of destruction in the Watts uprising, five insurance companies raised their rates three to five times their previous levels; maximum amounts for insurance on a single piece of property were set at $150,000; and no policies were being written for theft, vandalism, and malicious mischief. With such conditions, it was only natural for many businessmen to find it impossible to reopen their establishments and for potential investors to refuse to even consider the Watts area as a possibility. With losses estimated, very roughly, at close to $250 million from the devastation in Newark and Detroit this summer, we can hardly expect private insurance companies to altruistically liberalize their requirements and maintain or lower their premiums.

The legislation I am introducing today will, I think, go a long way toward providing insurance, on reasonable terms, for any businessman or homeowner seeking its protection. First, let me emphasize, this bill contemplates that the insurance industry will be the first and primary supplier of insurance. Its performance of this function would be assisted by the availability of reinsurance contracts with the Federal Government. When by these means adequate insurance coverage cannot be obtained on reasonable terms in certain areas, the Secretary of Housing and Urban Development is authorized to establish a direct insurance program. In any of the "qualified urban areas" in which private insurance is unobtainable, the Secretary shall, in his discretion, after consultation with his nine-member Urban Insurance Advisory Commission, set eligibility standards on coverage for the types of business concerns, the location of properties, the types of personal injuries, as well as the nature and limits of loss to be covered.

In determining premium rates, the Secretary, after consultation with this Advisory Commission and representatives of the industry, shall establish a schedule of "estimated rates" which would be adequate to pay all claims on probable losses over a reasonable period of time. Since these "estimated rates" will presumably be prohibitively expensive for the average businessman or homeowner, the Secretary may then set the actual premium rate to be paid by the public at a figure 25 percent lower than the exact actuarial cost of this insurance. In this way, the property owner will be able to obtain much more reasonably priced insurance coverage than private insurers are able to offer. Experience with the program may require at a future date some adjustment in this differential and issuance of insurance at lower rates.

The total amount of insurance and reinsurance which the Secretary may issue is limited to $2 billion under this bill and the Secretary may borrow up to this amount from the Treasury in order to finance the program. The Secretary is directed to establish an urban insurance fund and an urban reinsurance fund which shall contain all premiums collected by the Secretary in issuing policies under this act, all moneys borrowed from the Treasury, and amounts equal to the difference in actual premiums charged for insurance policies and the "estimated rates" which would have fully covered all probable losses.

Mr. Speaker, I think that the legislation I am offering today will make maximum use of the private insurance sector—giving it clear priority as the primary supplier of insurance in this country—as well as involve the Federal Government to the extent that the private sector is unable to meet the needs of our citizens in urban areas. By providing such insurance, at reasonable rates, we will contribute to the continuing stability and future growth of inner city core areas which must—at any and all costs—be revitalized if this country is to survive.

THE PRESIDENT'S PRESS CONFERENCE: A MAJOR DOCUMENT

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Florida [Mr. PEPPER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. PEPPER. Mr. Speaker, I have the pleasure of introducing into the RECORD one of the major documents of the Johnson administration: the transcript of the President's press conference of last Friday.

I use the word "major" advisedly. This transcript reveals no new programs; it requests no startlingly new legislation; it does not even release any dramatic item of news. And yet I believe it marks a turning point in the affairs of our day.

In simple but forceful language, the President has succeeded in defining the issues for the entire Nation.

He spelled out the nature of our involvement in Vietnam in terms that no one could fail to understand.

He went past the headlines of the day to place Presidential criticism into a clear historical perspective.

He defined the crucial differences between honest dissent and ill-mannered rowdyism.

He reviewed the great accomplishments of his administration and gave us a glimpse of his hopes for the future.

In all, Mr. Speaker, it was a remarkable performance—one that is not likely to be soon forgotten.

I have been proud to serve President Johnson since the day he took office. But I was never prouder of him than I was last Friday morning.

Under unanimous consent I place the text of his historic press conference in the RECORD at this point:

PRESS CONFERENCE OF THE PRESIDENT OF THE UNITED STATES, NOVEMBER 17, 1967

The PRESIDENT. Good morning, ladies and gentlemen.

I will be glad to take your questions. Mr. Smith? Mr. Cormier?

Question. Do you think that at this point our force levels in Vietnam will begin to level off in authorized strength, or do you think more troops may be needed in the future?

The PRESIDENT. We have previously considered and approved the recommendations of the Joint Chiefs of Staff for the force level.

General Westmoreland discussed this at some length with me last night and this morning. He anticipates no increase in that level.

Mr. Smith?

Question. Mr. President, we are getting close to the end of your fourth year in office. You have been subjected to a great deal of personal criticism, ranging from a Senator in your own party planning to run——

The PRESIDENT. I am generally familiar with that.

Question. —to the preacher in Williamsburg. I wonder how you appraise this personally?

The PRESIDENT. It is not a surprise. I am aware that this has happened to the 35 Presidents who preceded me. No public official, certainly not one who has been in public life 35 years as I have been, would fail to expect criticism.

There is a different type of criticism. There is a difference between constructive dissent and storm-trooper bullying, howling, and taking the law into their own hands.

The President must expect that those in the other party will frequently find it necessary to find fault and to complain—to attempt to picture to the people that the President should be replaced.

It is also true in all parties that there are divisions. We don't all think alike. If we did, one man would be doing all the thinking.

So you have divisions in parties. We have perhaps more than our share sometimes. But I am sure the Republicans think that, too.

When you get into a political year, with the help and advice and abetting that the press can do, and the assistance that the opposing party can do—because it is to their interest to try to destroy you in order to have a place for themselves—and you take the divisions in your own party, and they concentrate, then it does seem to mount up and at times occupy a great deal of public attention.

But I don't think it is unusual for a President to be criticized. That seems to be one of the things that goes with the job.

Not many of us want to say "I failed," or "I made a mistake," or "We shouldn't have done that," or "This shouldn't have happened."

It is always easier to say that someone over there is wrong. The President is more or less a lightning rod. At least I have seen that in this country.

I remember, to take one or two illustrations, when President Truman very courageously and, I believe, very wisely went into Korea.

One of our pollsters dashed out with a poll—Dr. Gallup—and found that that position was approved by about 81 percent. Six months later, when the sacrifices were evident and the problems began to appear, the same pollster, talking to the same people, found that this had dropped from 81 to 26 percent.

Those things have happened in all of our crises—economic, domestic, and international. A President learns to expect them and learns to live with them.

The important thing for every man who occupies this place is to search as best he can to get the right answer; to try to find out what is right; and then do it without regard to polls and without regard to criticism.

Mr. Scherer?

Question. Mr. President, a good many Americans have said that a stop to the bombing would result in a response by North Vietnam.

The PRESIDENT. North Vietnam has responded. Their statement this week in the Hanoi newspaper in response to my statement from the Enterprise is very clear and very compelling. It should answer any person in this country who has ever felt that stopping the bombing alone would bring us to the negotiating table.

Hanoi made it very clear in response to my appeal from the Enterprise that their position, in effect, was the same as it has always been. It was the same as enunciated in Ho Chi Minh's letter to me which Ho Chi Minh made public.

There are some hopeful people and there are some naive people in this country—and there are some political people.

But anyone who really wants to know what the position of North Vietnam is should read what the spokesmen of North Vietnam say.

That is best summarized in Mr. Ho Chi Minh's letter to the President that he made public, that is on the record, that he has never changed.

So all of these hopes, dreams, and idealistic people going around are misleading and confusing and weakening our position.

Mr. Boyd.

Question. Do you have any evidence that the Viet Cong might be moving toward the position of wanting to negotiate separate from Hanoi and, if so, what would be your attitude toward negotiating with them?

The PRESIDENT. I would prefer to handle our negotiations through diplomatic channels with whomsoever we may negotiate.

I don't think this is the place to do our negotiating, Mr. Boyd. We are very anxious to find a solution that will bring an end to the war.

As we have stated many times, we are ready to meet and discuss that with the officials of Hanoi and the Viet Cong will have no problem in having their voice fully heard and considered.

But I think that it would be better if we would wait until opportunity develops along that line and then do it through our trained diplomats.

Mr. Davis.

Question. Mr. President, a minute ago you talked about the job of being President. This Wednesday you are going to complete four years in the Office of President. I wonder if you could reflect for a moment on the Presidency and what have been your greatest satisfactions and what are your greatest disappointments.

The PRESIDENT. I think we had better do that a little later. I can't tell all the good things that have happened or the bad ones, either, in these four years in a 30-minute press conference. I would be charged with filibustering.

But we primarily want to think of the future—not the past.

It has been almost two centuries since our revolution and since we won our freedom. We have come a long way during that period. But we have much further to go, as you can see from our education and health and city statistics, and farm statistics.

As long as there are four people out of every ten in the world who can't spell "cat," or can't write "dog," we have much to do.

I am particularly proud of what we have done in education—from Head Start to adult education, where men and women past 70 are learning to read and write for the first time.

I am very pleased, for instance, that we have raised our contributions from the Federal Government to higher education from 16 percent to 24 percent in the last four years. The States have remained practically static.

We have made revolutionary strides in education, in health, in conservation, where we are probably taking in as much land in the public domain for the first time in years as we are letting out.

We feel that we have brought a degree of stability into our international relations to this Hemisphere through the Alliance for Progress and our meetings at Punta del Este.

Working with other nations, we have made material advances in helping underdeveloped nations in Africa.

We are very pleased with what has come out of our meetings with the Germans and with the British in connection with our trilateral talks; what has come out of our Kennedy Round meetings; the several treaties that we have negotiated with the Soviet Union, and the one that we are working on so hard now—the nonproliferation treaty.

We are happy that 9 million more people have good-paying jobs today than had them when I came into this office.

But these are things of the past, and we should accept. They are here. We want to preserve them.

But the important problems are ahead. What is the next century going to be like? What is the third century going to be like?

As long as the ancient enemies are rampant in the world—illiteracy, ignorance, disease, poverty, and war—there is much for government to do.

We are working on that now. We will be talking more to you about that, Mr. Davis, in the months ahead.

Mr. Horner?

Question. Mr. President, in view of your talks this week with General Westmoreland, Ambassador Bunker and others, what is your present assessment of our progress and prospects in Vietnam?

The PRESIDENT. I will repeat to you their assessment, because they are the ones who are in the best position to judge things locally. I will give you my evaluation of what they have said.

First, I think every American's heart should swell with pride at the competence and capacity of our leadership in Vietnam.

I believe, and our allied people believe, that we have a superior leadership. It is the best that the United States of America can produce—in experience, in judgment, in training, in general competence.

I have had three meetings with Ambassador Bunker and three with General Westmoreland. I had coffee with him at length this morning, just before I came here.

Our American people, when we get in a contest of any kind—whether it is in a war, an election, a football game, or whatever it is—want it decided and decided quickly; get in or get out.

They like that curve to rise like this (indicating a sharp rise) and they like the opposition to go down like this (indicating a sharply declining line.)

That is not the kind of war we are fighting in Vietnam.

We made our statement to the world of what we would do if we had Communist aggression in that part of the world in 1954.

We said we would stand with those people in the face of common danger.

The time came when we had to put up or shut up. We put up. We are there. We don't march out and have a big battle each day in a guerrilla war. It is a new kind of war for us. So it doesn't move that fast.

Summarizing and trying to be fully responsive to your question in the time allotted, we are moving more like this (indicating gradual rise). They are moving more like this (indicating decline), instead of straight up and straight down.

We are making progress. We are pleased with the results that we are getting.

We are inflicting greater losses than we are taking.

Amidst the horrors of war—and more people have been killed trying to vote in South Vietnam than have been killed by bombs in North Vietnam, according to the North Vietnam figures—in the midst of all the horrors of war, in guerrilla fighting in South Vietnam, we have had five elections in a period of a little over 14 months.

There was great doubt whether we could have any. It took us from 1776 to 1789—not 13 months but 13 years—to get a Constitution with our Anglo-Saxon background and all the training we had.

To think that here in the midst of war, when the grenades are popping like firecrackers all around you, that two-thirds or three-fourths of the people would register and vote, and have five elections in 13 months—and through the democratic process select people at the local level, a Constituent Assembly, a House of Representatives, a Senate, a President and a Vice President—that is encouraging.

The fact that the population under free control has constantly risen, and that under Communist control has constantly gone down, is a very encouraging sign.

The improvement that has been made by

the South Vietnamese themselves in putting in reforms, announcing other programs, and in improving their own Army, is a matter of great satisfaction to Ambassador Bunker and to General Westmoreland.

We have a lot to do yet. A great many mistakes have been made. We take two steps forward and slip back one. It is not all perfect by any means.

There are a good many days when we get a C minus instead of an A plus.

But overall, we are making progress. We are satisfied with that progress. Our allies are pleased with that progress. Every country that I know in that area that is familiar with what is happening thinks it is absolutely essential that Uncle Sam keep his word and stay there until we can find an honorable peace.

If they have any doubts about it, Mr. Ho Chi Minh—who reads our papers and who listens to our radio, who looks at our television—if he has any doubts about it, I want to disillusion him this morning.

We keep our commitments. Our people are going to support the men who are there. The men there are going to bring us an honorable peace.

Mr. Reynolds.

Question. Mr. President, Hanoi may be interpreting current public opinion polls to indicate that you will be replaced next year. How should this affect the campaign in this country?

The President. I don't know how it will affect the campaign in this country. Whatever interpretation Hanoi might make that would lead them to believe that Uncle Sam—whoever may be President—is going to pull out and it will be easier for them to make an inside deal with another President, then they will make a serious misjudgment.

Mr. Rather.

Question. Are you going to run next year?

The President. I will cross that bridge when I get to it, as I have told you so many times, Mr. Rather.

Question. Mr. President, there are increasing statements from Capitol Hill that say your tax bill is dead for this Session of Congress. Is there any plan on the part of your Administration to try and revive this before Congress leaves; and secondly, if not, what plans might you have next year to avert this inflationary trend that we are told will be coming?

The President. We want very much to have a tax bill just as quickly as we can get it. We think the sound, prudent, fiscal policy requires it. We are going to do everything that the President and the Administration can do to get that tax bill.

I would be less than frank if I didn't tell you that I have no indication whatever that Mr. Mills or Mr. Byrnes or the Ways and Means Committee is likely to report a tax bill before they adjourn.

I feel that one of our failures in the Administration has been our inability to convince the Congress of the wisdom of fiscal responsibility and the necessity of passing a tax bill not only for the effect it will have on the inflationary developments, but the effect it will have on the huge deficit that we are running.

I think one of the great mistakes that the Congress will make is that Mr. Ford and Mr. Mills have taken this position that they cannot have any tax bill now. They will live to regret the day when they made that decision. Because it is a dangerous decision. It is an unwise decision.

I think that the people of America—none of whom want to pay taxes—any pollster can walk out and say: "Do you want to pay more tax?" Of course you will say, "No, I don't want to pay tax."

But if you ask him if he wants inflation; do you want prices to increase five or six percent; do you want a deficit of $30 or $35 billion; do you want to spend $35 billion more than you are taking in? I think the average citizen would say: "No."

Here at the height of our prosperity when our Gross National Product is going to run at $850 billion, when we look at the precedents of what we have done in past wars—in Korea when President Truman asked for a tax increase, people supported it.

This request has been before the Congress since last January. They have finished most of the appropriations bills. I read the story this morning. It looks like out of $145 billion they will roughly cut a billion dollars in expenditures.

But they will cut several billion from revenues because of inaction, because people don't like to stand up and do the unpopular thing of assuming responsibility that men in public life are required to do sometime.

I know it doesn't add to your polls and your popularity to say we have to have additional taxes to fight this war abroad and fight the problems in our cities at home. But we can do it with the Gross National Product we have. We should do it. And I think when the American people and the Congress get the full story they will do it.

We have failed up to now to be able to convince them. But we are going to continue to try in every way that is proper.

Miss Means.

Question. Senator McCarthy has said he is considering opposing you in the Presidential primaries because he believes it would be a healthy thing to debate Vietnam in the primaries, for the party and for the country, too. Do you agree with him? What effect do you think this would have on your own candidacy?

The President. I don't know how I am going to be, after all this opposition develops, so far as my state of health is concerned. But I am very healthy today. I don't know whether this criticism has contributed to my good health or not.

I don't know what Senator McCarthy is going to do. I am not sure that he knows what he plans to do. We had better just wait and see, until there is something definite there, and meet it when it is necessary.

Miss Hanschman?

Question. Why do you think there is so much confusion, frustration, and difference of opinion in this country about the war in Vietnam?

The President. There has always been confusion, frustration, and difference of opinion when there is a war going on.

There was in the Revolutionary War when only about a third of the people thought that was a wise move. A third of them opposed it, and a third were on the sideline.

That was true when all of New England came down to secede in Madison's administration in the War of 1812, and stopped in Baltimore. They didn't quite make it because Andrew Jackson's results in New Orleans came in.

They were having a party there that night. The next morning they came and told the President they wanted to congratulate him—that they thought he was right all along, although they had come from Boston to Baltimore in a secessionist move.

That was true in the Mexican War when the Congress overwhelmingly voted to go in and later passed a resolution that had grave doubts about it. Some of the most bitter speeches were made. They were so bitter they couldn't be published. They had to hold up publication of them for 100 years.

I don't have to remind you of what happened in the Civil War. People were here in the White House begging Lincoln to concede and work out a deal with the Confederacy when word came to him of his victories. They told him that Pennsylvania was gone; that Illinois had no chance.

Those pressures come to a President.

You know what President Roosevelt went through, and President Wilson in World War I. He had some Senators from certain areas then that gave him very serious problems until victory was assured.

Now, when you look back upon it, there are very few people who would think that Wilson, Roosevelt, or Truman were in error.

We are going to have this criticism. We are going to have these differences.

No one likes war. All people love peace. But you can't have freedom, Miss Hanschman, without defending it.

Question. Mr. President, the foreign aid authorization has been cut back nearly a third from what you requested. What is the impact of this economy?

The President. At a time when the richest nation in the world is enjoying more prosperity than it has ever had before, when we carefully tailor our requests to the very minimum that we think is essential—the lowest request that we have had in years—and then Congress cuts it 33⅓ percent, I think it is a mistake. It is a serious mistake.

When you consider that $1 billion that we are attempting to save there, out of the $850 billion that we will produce, we ought to reconsider that decision. What we are doing with that money not only can give great help to underdeveloped nations; but that, in itself, can prevent the things that cause war where you are required to spend billions to win it.

I would rather have a little preventive medicine. Every dollar that we spend in our foreign assistance, trying to help poor people help themselves, is money well spent.

I don't think we overdid it. I don't think we went too far. But I think the Congress has, in the reductions it has made.

Again, it is popular to go back home and say, "Look what I did for you. I cut out all these foreign expenditures."

But when the trouble develops—the people who are starving, the people who are ignorant, illiterate, with disease—and wars spring up and we have to go in, we will spend much more than we would if we had taken an ounce of prevention.

Mr. Morgan?

Question. Mr. President, some people on the air and in print accuse you of trying to label all criticism of your Vietnam policy as unpatriotic. Could you tell us whether you have guidelines in which you are enabled to separate conscientious dissent from irresponsible dissension?

The President. No. I haven't called anyone unpatriotic. I haven't said anything that would indicate that.

The wicked fleeth when no one pursueth, sometimes.

I do think that some people are irresponsible, make untrue statements, and ought to be cautious and careful when they are dealing with the problem involving their men at the front.

There is a great deal of difference, as I said a moment ago, between criticism, indifference, and responsible dissent—all of which we insist on and all of which we protect—and storm-trooper bullying, throwing yourself down in the road, smashing windows, rowdyism, and every time a person attempts to speak to try to drown him out.

We believe very strongly in preserving the right to differ in this country, and the right to dissent. If I have done a good job of anything since I have been President, it is to insure that there are plenty of dissenters.

There is not a person in this press corps that can't write what he wants to write. Most of them do write what they want to. I say "want" advisedly. I want to protect that. Our Congress wants to protect it.

But if I, by chance, should say, "I am not sure you saw all the cables on this and you are exactly right; let me explain the other side of it," I would hope that you wouldn't say I am lambasting my critics, or that I am assailing someone.

What I am trying to do is to preserve my right to give the other side. I don't think one side ought to dominate the whole picture.

So what I would say is, let's realize that we are in the midst of a war. Let's realize that there are 500,000 of our boys out there who are risking their lives to win that war. Let's ask ourselves what it is we can do to help.

If you think you can make a contribution and help them by expressing your opinion and dissenting, then do it.

But then if the Secretary of State starts to explain his viewpoint, don't send out instructions all over the country and say, "When he starts to talk and says 'Mr. Chairman,' stamp your feet. When he comes to the end of a sentence, all of you do this, and at the third sentence, all of you boo."

I am amazed that the press in this country, who insist on the right to live by the First Amendment, and to be protected by it, doesn't insist that these stormtrooper tactics live by the First Amendment, too, and that they be wiped out.

I think the time has come when it would be good for all of us to take a new, fresh look at dissent.

We welcome responsible dissent. But there is a great deal of difference between responsible dissent and some of the things that are taking place in this country which I consider to be extremely dangerous to our national interest, and I consider not very helpful to the men who are fighting the war for us.

Everyone must make that judgment for himself.

I have never said anyone was unpatriotic. I don't question these people's motives. I do question their judgment.

I can't say that this dissent has contributed much to any victories we have had.

I can't say that these various proposals that range from a Senator to a County Commissioner to a Mayor of a city have really changed General Westmoreland's plan much, or Ambassador Bunker's approach. The papers are filled with it every day.

So I think you have to consider it for what you think it is worth and make your own judgment.

That is the theory of the First Amendment.

We don't stop the publication of any papers. We don't fine anyone for something they say. We just appeal to them to remember that they don't have the privilege at the moment of being out there fighting.

Please count to ten before you say something that hurts instead of helps.

We know that most people's intentions are good. We don't question their motives. We have never said they are unpatriotic, although they say some pretty ugly things about us.

People who live in glass houses shouldn't be too anxious to throw stones.

Question. Mr. President, is your aim in Vietnam to win the war or to seek a compromised, negotiated solution?

The PRESIDENT. I think our aims in Vietnam have been very clear from the beginning. They are consistent with the SEATO Treaty, with the Atlantic Charter, and with the many statements that we have made to the Congress in connection with the Tonkin Gulf Resolution. The Secretary of State has made this clear dozens and dozens of times—and I made it enough that I thought even all the preachers in the country had heard about it.

That is, namely, to protect the security of the United States. We think the security of the United States is definitely tied in with the security of Southeast Asia.

Secondly, to resist aggression. When we are a party to a treaty that says we will do it, then we carry it out.

I think if you saw a little child in this room who was trying to waddle across the floor and some big bully came along and grabbed it by the hair and started stomping it, I think you would do something about it.

I think that we thought we made a mistake when we saw Hitler moving across the landscape of Europe. The concessions that were made by the men carrying umbrellas at that time—I think in retrospect we thought that was a mistake.

So as a consequence, in 1954 under the leadership of President Eisenhower and Secretary Dulles, we had a SEATO Treaty.

It was debated, it was considered and it was gone into thoroughly by the Senate. The men who presented that Treaty then said, "This is dangerous. The time may come when we may have to put up or shut up."

But we ought to serve notice in Asia now as we refused to serve notice in Europe a few years ago that we will resist aggression—that we will stand against someone who seeks to gobble up little countries, if those little countries call upon us for our help.

I didn't vote for that Treaty. I was in the hospital. Senator Kennedy didn't vote for it—the late President—he was in the hospital. Senator Dirksen didn't vote for it. But 82 Senators did vote for it. They knew what was in that Treaty.

The time came when we had to decide whether we meant what we said when we said our security was tied in to their security and that we would stand in unison in the face of danger.

We are doing that. We are doing it against whomever combines out there to promote aggression. We are going to do whatever we think is necessary to protect the security of South Vietnam—and let those people determine for themselves what kind of a government they have.

We think they are moving along very quickly in that direction to developing a democratic procedure.

Third, we are going to do whatever it is necessary to do to see that the aggressor does not succeed.

Those are our purposes. Those are our goals. We are going to get a lot of advice to do this or to do that. We are going to consider it all. But for years West Point (and the other Service Academies) has been turning out the best military men produced anywhere in the world.

For years we have had in our foreign service trained and specialized people. We have in 110 capitals today the best trained we can select.

Under Constitutional arrangements the President must look to his Secretary of State, to his foreign policy, to his ambassadors, to the cables and views that they express, to his leaders like the Joint Chiefs of Staff, and to General Westmoreland and others—and carefully consider everything they say and then do what he thinks is right.

That is not always going to please a county commissioner, nor a mayor, nor a member of a legislature. It never has in any war we have ever been in been a favorite of the Senate.

The leaders on the military committees and the leaders in other posts have frequently opposed it.

Champ Clark, the Speaker of the House, opposed the draft in Woodrow Wilson's Administration. The Chairman of the Foreign Relations Committee—with the exception of Senator Vandenberg—almost invariably has found a great deal wrong with the Executive in the field of foreign policy.

There is a division there. There is some frustration there.

Those men express it and they have a right to. They have a duty to do it.

But it is also the President's duty to look and see what substance they have presented, how much they thought it out, what information they have, how much knowledge they have received from General Westmoreland or Ambassador Bunker, whoever it is; how familiar they are with what is going on; and whether you really think you ought to follow their judgment or follow the judgment of the other people.

I do that every day. Some days I have to say to our people: "Let us try this plan that Senator X has suggested." And we do.

We are doing that with the United Nations resolution. We have tried several times to get the United Nations to play a part in trying to bring peace in Vietnam.

The Senate thinks that this is the way to do it. More than 50 of them have signed a resolution.

The Senate Foreign Relations Committee had a big day yesterday. They reported two resolutions in one day.

I have my views. I have my views about really what those resolutions will achieve. But I also have an obligation to seriously and carefully consider the judgments of the other Branch of the Government. And we are going to do it.

Even though we may have some doubts about what will be accomplished, that they think may be accomplished, if it is a close question we will bend to try to meet their views because we think that is important.

We have already tried the United Nations before, but we may try it again because they have hopes and they believe that this is the answer. We will do everything that we can to make it the answer.

I don't want to hurt its chances by giving any predictions at this moment.

We will consider the views that everyone suggests.

The PRESS. Thank you, Mr. President.

A-PLUS FOR THE PRESIDENT

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. YOUNG] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. YOUNG. Mr. Speaker, last Friday, at his televised press conference, President Johnson flashed the old form that has made him one of the most effective and persuasive officials in Washington for more than 30 years.

What the entire Nation saw was not just Lyndon Johnson at his best. It was Lyndon Johnson—period: Compelling, humorous, believable, animated, articulate, and, above all, totally committed to the cause of progress at home and peace abroad.

To those of us who have had the privilege of working with President Johnson through the years, this side of his personality was nothing new. But to millions of others, who know him only through their television receivers, this "breakthrough in communication" must have been startling indeed.

It is not easy for a man to adapt himself to the demands of television. But last week, Lyndon Johnson bridged the gap—not as an actor, but as himself.

It was an A-plus performance, and I hope we will be treated to many repeats in the months ahead.

ANOTHER WHACK FOR NATO

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. MONAGAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. MONAGAN. Mr. Speaker, as one who strongly believes in the value of the North Atlantic Treaty Organization and its role in the security of the free world, I find it disturbing to consider the effects of a recent decision by the United States. This is the way in which we have planned and announced a "thin" antiballistic missile system. By failing to consult with other members of the NATO Nuclear Planning Group before announcing the decision to develop an ABM system, we have seriously shaken the confidence of our allies—and this at a time when the recent withdrawal of France from NATO's military arm and a euphoria about the extent of the détente with the East has had seriously disturbing effects on the operations and the outlook of the alliance.

On this topic I commend to my colleagues' attention an appraisal which appeared in the New York Times on November 12, 1967, entitled "Europe Worries About 'Fortress America' ":

EUROPE WORRIES ABOUT "FORTRESS AMERICA"

Secretary of Defense Robert McNamara's statement that the Soviet Union may be developing a fractional orbital bombardment system has fed European fears about the American state of mind on the nuclear arms race.

The concern has been evident in London since the great McNamara démarche of last Sept. 18—his speech in San Francisco announcing that the United States would build a "light" antiballistic missile (ABM) system to defend against a possible nuclear attack by Communist China.

As it happened, Mr. McNamara had assured the other members of the NATO Nuclear Planning Group in Washington last April that he would keep the European allies completely informed on American ABM plans. The allies were delighted and reassured by this pledge.

SHOCK TO ALLIES

The shock was all the worse, then, when the news of the American decision burst upon the allies just before the next meeting of the planning group, in Ankara. The lack of consultation made everyone, as one mild-spoken source put it, "very unhappy."

The major fear is that the move represents a step toward a "Fortress America" philosophy—the belief that the United States can find sanctuary behind an ABM Maginot Line. Mr. McNamara's friends in London and Bonn and elsewhere in Europe have not the slightest idea that he has such thoughts, but the decision inevitably has revived that kind of worry about American purposes.

The security of Western Europe and the Atlantic Alliance has rested for two decades on one pillar: the American nuclear deterrent. The total commitment of the United States to regard any Soviet attack on her allies as one on herself, and to reply against Russia is at the heart of the alliance.

Anything that may make Americans feel more protected against nuclear assault on their own territory may logically be seen as threatening the commitment to Europe. The nightmare of any good ally in Europe is that, some day, an American Government will lose interest in Europe and decide its strategic defenses can begin in the Atlantic.

In Germany there is a general worry that the cost of the ABM system—$5-billion by Mr. McNamara's estimate, but probably pointing upward from there—may tend to produce cuts elsewhere, perhaps in American soldiers on the ground in Germany.

The decision is also regretted because of the pressure it produces for Europe to have its own ABM system. The European military experts who have been studying the matter—and a study had to be undertaken after the American move—have all reported so far that such a continental system would make no sense.

One reason is that, according to the experts, no number of ABM's could prevent millions of casualties in Europe from a major nuclear attack.

A second reason is that any ABM system would be an overpowering financial burden on the already overstrained European defense budgets. Moreover, if NATO were seriously to go for a defensive strategy instead of the deterrent, it should logically spend billions on civil defense and on conventional defenses against low-flying planes. That kind of money for defense is not politically imaginable.

Third, the decision on whether to fire off an ABM would have to be taken in seconds. So, in a meaningful system, the power to let the nuclear warheads go would have to be delegated to military commanders. Yet, such delegation raises grave political problems whose solution cannot be envisaged.

POLITICALLY IMPOSSIBLE

What is significant is that, despite all those powerful negatives, no major European power has formally foresworn the idea of an ABM system. The feeling at the Ankara meetings in September was that it was not politically possible to do so.

What his European audience liked about Mr. McNamara's San Francisco speech was his warning against "the mad momentum intrinsic to the development of all new nulear weaponry." There was agreement, too, when he said, "The danger in deploying this relatively light and reliable Chinese-oriented ABM system is going to be that pressures will develop to expand it into a heavy Soviet-oriented ABM system."

What thoughtful persons in Europe, as in the United States, would question is whether Mr. McNamara can appease the forces favoring all-out ABM spending by his grudging acceptance of a "light" anti-Chinese system. The Congressional reaction to his disclosure and attempted playing-down of the factional orbital weapon increases those doubts.

The gloomier critics see, therefore, terrible possibilities of another major spiral in the arms race, with the Soviet Union reacting to American reactions, with the hope of nuclear arms limitation waning, with vast resources once again being withheld from civil needs.

PRESIDENT JOHNSON TEACHES LESSON OF RESPONSIBILITY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. JOHNSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. JOHNSON of California. Mr. Speaker, Friday, morning at his press conference, President Johnson clearly demonstrated his talents as a teacher.

He taught all of us a valuable lesson about the difference between responsibility and irresponsibility in the exercise of our basic right of free speech when he said:

> There is a difference between constructive dissent and storm-trooper bullying, howling and taking the law into their own hands.

Further along in the press conference, the President went on to say:

> There is a great deal of difference, as I said a moment ago, between criticism, indifference, and responsible dissent—all of which we insist on and all of which we protect—and storm-trooper bullying, throwing yourself down in the road, smashing windows, rowdyism, and every time a person attempts to speak to try to drown him out.
>
> We believe very strongly in preserving the right to differ in this country, and the right to dissent.

All of us should follow the President's leadership, whether we agree or disagree on a particular matter of policy, in getting the word to the people back home that Americans must once again return to their traditional ways of criticizing constructively.

We must bring to a halt here and now the disruptive street brawling tactics of a well-organized minority which seeks to stifle the right that all of us enjoy, the right to free speech.

We do not demand that members of this rowdy minority listen to their fellow citizens, but we do demand that they do nothing to interfere with the right of their fellow citizens to speak out.

We all owe Lyndon Johnson a debt for issuing a call for the return to the traditional American way of insuring fair play in the marketplace of ideas.

PRAISE FOR THE PRESIDENT'S PRESS CONFERENCE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PICKLE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. PICKLE. Mr. Speaker, Friday, November 17, 1967, was a great day for all Americans. President Johnson on that day spoke directly to the hearts and minds of the American people through his press conference, and the people all over the country have responded.

Phone calls, letters, and telegrams all evidence the responsive chord struck by President Lyndon Johnson when he spoke directly to the people.

Some journalists and the commentators have hailed the "new" Lyndon Baines Johnson. But you and I know that the man who spoke for all of us on Friday was not a new Lyndon Johnson. For 30 years the people of central Texas, particularly the 10th District, which he represented in Congress so long, knew the Lyndon Johnson who is best when he is in a smaller group or when he can talk "heart to heart" with his constituents. The people saw and heard the real Lyndon Johnson exercising his leadership so that this Nation may go forward in strength to insure lasting peace and prosperity at home and abroad.

All of us can draw inspiration from

many of the wise things said by the President. I for one approach the future with renewed confidence that the people of this country will continue to recognize that America's future and security are insured as long as Lyndon Johnson is President of the United States.

Mr. Speaker, the Dallas Morning News published an editorial Saturday morning following this news interview, and I am happy to include it, as follows:

LOUD AND CLEAR

In one of the most animated and spontaneously eloquent press conferences of his career, President Johnson yesterday addressed himself to the nation's people and his own critics, including "all the preachers across the country."

"I thought I'd explained the reasons for the war," he said, but just in case someone had not heard them before, he explained them again. They are, first, "to protect the security of the United States," and, second, "to resist aggression."

"When we're party to a treaty that says we'll do it (resist aggression) then we'll carry it out."

Progress toward our goals in that war is encouraging and "we're pleased with that progress," he said. Though there are no sudden and decisive victories that allow the U.S. to get it over quickly, the President pointed to the positive achievements of the U.S. and its allies in both the military and nation-building aspects of the war.

Despite the progress, however, there has been growing dissent, criticism and dissatisfaction and the President took a philosophical view of this. Noting the problems of past wartime presidents, he declared that "No one likes war. All people love peace. But you can't have freedom without defending it."

He hotly denied any implication that he has tried to squash dissent. Fact is, he quipped, "If I've done a good job of anything since I've been President, it's to assure that there are plenty of dissenters."

The President made a distinction on several occasions between honest, constructive dissent "and stormtrooper bullying, howling, and taking the law into your own hands."

He sternly reproached those who resort to such tactics as "throwing yourself down in the road, and smashing windows and shouting down people when they try to speak."

"Let's realize we're in a war," he said. "We have 500,000 of our boys risking their lives in it."

He urged critics to think before they speak whether what they are going to say is likely to contribute to a solution of the problems the nation faces.

"Let's ask ourselves what we can do to help," suggested the President. It does not seem too much to ask of the people of a nation fighting a war.

This was a good, tough, straight-from-the-shoulder discussion of the national issues by the President. The press conference was free of the public-relations glossiness and oratorical gimcrackery of past occasions. The President may not have sounded like the kindly old shepherd of consensus, but he left no doubts as to his meaning. He came across loud and clear with some statements of national resolution that are long overdue.

Let him continue in this vein and the credibility gap that has plagued him will not be long for this world.

A GREAT RECEPTION FOR A GREAT PRESIDENTIAL PERFORMANCE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HANLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HANLEY. Mr. Speaker, last Friday, the real Lyndon B. Johnson stood up. Americans watching on television saw the President as he really is—sincere, articulate, persuasive, and forceful in his convictions.

As the Washington Evening Star notes:

> All this came through to the TV viewer with striking forcefulness. It was a memorable performance.

Indeed, it was. And I, for one, believe that if President Johnson continues to address the American people the way he did on Friday, he will win reelection by an even greater margin than he did in 1964.

Under unanimous consent I insert in the RECORD the excellent editorial from the Washington Evening Star which is appropriately entitled "The President at His Best":

THE PRESIDENT AT HIS BEST

It is difficult to recall any White House news conference more impressive than the one staged yesterday by President Johnson. The TV cameras covered him from better angles than usual, and a "necklace" microphone let him move about freely, away from the pulpit-like podium. He spoke without notes, in good, strong, simple English.

His defense of American policy in Vietnam was masterful and eloquent. His recollection of the faultfinding, backbiting and censorious attacks suffered by many of his predecessors were instructive. So was his own Lincolnesque comment on the White House: "The important thing for every man who occupies this place is to . . . try to find out what is right and then do it without regard to polls and criticisms."

Polls, Mr. Johnson made clear, do not make him feel faint of heart, for they merely reflect public moods that are as fickle as the wind. Ask Harry Truman. As for the critics, the President was relaxed, good-tempered, but devastating in what he had to say in distinguishing between the honest ones and those who claim to be peace demonstrators but whose outrageous conduct—like that displayed against Secretary Rusk the other night—amounts to something more like hoodlumism. It is "stormtrooper bullying and howling and taking the law into their own hands"—an "extremely dangerous" sort of thing that is "not very helpful to the men who are fighting the war for us."

All this came through to the TV viewer with striking forcefulness. It was a memorable performance. Some people keep saying that the President has a serious communication problem with the general public, and especially with the so-called liberal community. If so, he should be pretty well able to solve it by resorting more often to the kind of discourse he has just given.

THE REAL PRESIDENT JOHNSON

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. VAN DEERLIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. VAN DEERLIN. Mr. Speaker, our President has been the target lately of much abusive criticism from savants who insist he is not leveling with the public.

Last Friday, at his televised press conference, Mr. Johnson effectively demolished his critics. We were privileged to see the real L. B. J. in action, a Chief Executive who is firm, forceful, and in full command of his facts.

His masterful performance showed the world that our President means what he says about the massive problems confronting our Nation at home and abroad.

As an American and Democrat, I personally hope that Mr. Johnson will continue to confound his detractors in the election year ahead by calling news conferences on a regular basis.

They may surprise those who believe that the President and his programs are somehow under wraps, and who hope to reap political benefits thereby.

When Mr. Johnson got together with the American people Friday, he told them in clear unmistakable language what was in his heart and in his mind.

He spoke for all of us when he expressed his concern for more and better education for everyone, and for a just peace in Vietnam. He challenged us to tackle head on the great problems that must be resolved as quickly as possible.

Even more significantly, perhaps, the President promised to talk to us in the months ahead about the programs that must be undertaken to strike out illiteracy, ignorance, disease, poverty, and war.

We would all do well, I think, to listen carefully to what he has to say.

WILL THE REAL AMERICA PLEASE STAND UP

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. THOMPSON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. THOMPSON of New Jersey. Mr. Speaker, in recent months, we have seen an explosion of conjecture about what is wrong with America. We have read articles and heard conversations and seen television shows devoted to riots and protests and miniskirts until we almost think these are the only facts of American life. We have heard rumors of dissatisfaction and doubt and defeatism until we almost think there is a cloud of doom over our entire Nation.

And frankly, I am getting very tired of it. I think it is about time this Nation began to recognize her strengths rather than concentrating only on its weaknesses. It is time, for instance, to devote a little more thought to the fact that we are now enjoying our 81st month of economic expansion. It is time to realize that Americans today are better educated, better fed, and better paid than ever before.

In a recent speech before the U.S. Information Agency, Secretary of Labor Willard Wirtz did an excellent job of reminding us of our strengths, and reaffirming our beliefs in the progess of this Nation.

Because I feel that his speech, "Will the Real America Please Stand Up," can serve as a valuable guide for all of us who are tired of hearing the negative accentuated, I am pleased to place before you Secretary Wirtz' speech, as follows:

Will the Real America Please Stand Up

My assigned subject on this occasion of the Eleventh Annual Award Ceremony of the United States Information Agency is *Excellence and Energy in Government Service*. Both subject and occasion are served by two items from last Wednesday's—November 8—Wall Street Journal.

First—and I quote: *"Capital Malaise*. Sagging Morale Afflicts Administration as War, Budget Woes Persist. . . . The intriguing things about folks in Lyndon Johnson's Executive branch of Government nowadays is (sic) . . . what they're suffering: Disenchantment, Exhaustion, Resentment, Listlessness. Terror, Disorientation. Suspicion. Joylessness. Hate. A sense of being misunderstood by the populace, persecuted by Congress, debauched by the White House and betrayed by colleagues."

The story goes on to explain that this "emotional diagnosis" was compiled from the detailed findings of 20 WSJ reporters who "lent sympathetic ears" to "scores of public servants, from clerks to Cabinet members." The story itself is a listing of 17 item reports: 2 on identified public statements, 2 on interviews with Washington psychiatrists, 13 on interviews with anonymous government employees. (One of these, it occurred to me on a third reading of the story—when I stumbled on six or seven familiar words out of a hundred—was the Secretary of Labor. "Lent sympathetic ears" indeed! The man's diligence should have been sufficient notice that he was there to bury truth, not appraise it.

But the Wall Street Journal is an honorable paper—especially if you were weaned on the Chicago Tribune; and so there appear in that same November 8 issue these words:

I quote again: "Under the direction of Mr. Marks, the able and dedicated staff of the USIA has become one of the most excellent and effective agencies in a Federal service which—under the 24-hour-a-day driving influence of President Lyndon Johnson—measures up increasingly to what people expect of public servants. It is entirely likely that the reading, listening citizens of other nations get a more accurate picture of America through the Government media of the USIA than the people of America get of their own Government through this country's private media, the Wall Street Journal included."

Word for word from the Wall Street Journal, November 8, 1967! Nothing added. Oh, these words didn't appear in precisely this sequence. I have done a little picking, choosing, re-arranging—a word from a paragraph here, another from there—a phrase from this story, another from that. If 20 Wall Street Journal reporters write cafeteria style—choosing whatever they want from the facts—they won't object if we read the same way. After all, the media *is* the message, the word the truth: and what's a little contextual deviationism among friends?

No complaint. Our thanks, rather, for better reason to say here today, what might otherwise have seemed too much protesting, too self-serving. So come, my disenchanted, listless, terrorized, disoriented, persecuted, debauched, betrayed friends—come let us commiserate (as Isaiah didn't quite say) together.

To pretend for a minute that day-to-day Government service is a lark (adding one more species to the city's winged population) would be to affront credibility—a capitol offense. The bureaucrat's job description requires his functioning alternately as prizefighter and punching bag. This is, furthermore, a time of unusual unrest among the tribes of the Potomac, who react occasionally with child-like instinct to little things like not having budgets until the year is half over, and pay increase bills that include petty discriminations. Nor do the vapors of foggy bottom offer any exemptive antidote to a broader unrest in the country today.

But what those 20 reporters would have found, if they had been covering their subject instead of their own story, would have been the simple but not very newsworthy fact: that an extraordinary number of people who work for the Government take their satisfactions from a broader coarse of events than their own day's almost invariably weary routine.

The most basic story—which *would* be newsworthy—is that these people find today, beneath the bramble bush of all that is irritating, an achievement in these past six years—under the leadership of two magnificent Presidents—unparalleled in the history of this or any other nation.

I know the troubles we see—the riots last summer, the differences about Viet Nam, the concern about inflation, the unrest on the campuses. I read last week's news magazine—with the nude on the cover—and its garbage collector story about the Permissive Society—the day another Surveyor landed on the moon and Saturn V rose into the sky.

I know the case for the negative. And I'm tired of it. I keep wanting to say: won't the real America please stand up.

Sure, America is still too young to ever spend much time counting its blessings—and this has been part of her strength.

But it wouldn't hurt us, or weaken our resolve to do still better, if we took counsel occasionally of our achievements as well as our shortcomings.

Let's look for a minute, for example, at this fact of our entering this month on an unprecedented 81st month of uninterrupted economic expansion.

A statistic perhaps. But what does this mean—in the human terms which statistics reflect so poorly?

It means, just to look at the area of my own official preoccupation, that there are 9 million more jobs today than there were 80 months ago. That's too big a figure to mean much to most of us. We see the clearer picture in terms of over 5,000 more people going to work every working day than went to work the day before.

A reduction in the "seasonally adjusted national unemployment rate" from almost 7% to about 4% is, again, just statistic to most people.

One smaller piece of that achievement makes it clearer: In 1961, there were three quarters of a million people in this country who had been out of work for 27 weeks or more. Now, that number is down to 155,000.

Ninety-eight out of every hundred married men, heads of families, are employed today. For the two who still have trouble finding a job, there were five in 1961.

Workers' earnings have risen even more significantly during these 80 months.

The average cash weekly earnings of manufacturing workers have increased from $89 to $117.

Although prices have gone up some, today's average weekly pay check buys the manufacturing worker and his family 17% more than it did six and a half years ago.

The "real" purchasing power of all Americans now averages 28% more than it did then; and this is after taxes and after taking account of increased costs. The increase in this figure during these past 80 months is almost three times as large as it was in the previous 80-month period.

The legal minimum wage for most workers covered by the Federal law has been raised by Congress—acting on the recommendation of President Kennedy in 1961 and President Johnson in 1965—from $1.00 an hour to $1.40, and will go to $1.60 next February. Over 10 million additional workers have been brought under the protection of that law.

Just statistics? Averages? Yes, but not to be dismissed as only that. We are inclined to *do* what we can *measure*.

Beyond this, these are the statistics of better living—fuller living—and in a real sense fuller freedom.

They are the statistics of a people's achievement in learning how to do better those things that must be done together. They are at the same time the statistics of a Presidential leadership with the courage to tell the country the truth about poverty and the right to equal opportunity—and how to make those rights real in peoples lives.

If it sometimes seems—as it does—that we aren't very much more "satisfied" than we were before—not as much as gains such as these ought to mean—then there is more to it:

We have raised our standards—not only of living but of expectation.

Just doing better than last year isn't any longer enough.

Perhaps the largest gain of all in these 80 months is in the confidence that we can do whatever we set out to do—that we are not the prisoners of laws of boom and bust—that the proper measure of accomplishment is not in a comparison with previous achievement but in the vision of the full use of the human competence.

For you in the USIA there is the additional satisfaction of being able to "tell the world" about it.

You know, in a more immediate sense, the significance of the late A. Powell Davies' saying: "The world has become too small for anything but brotherhood, and too dangerous for anything but the truth."

You know from what you are doing, more clearly than most people can, the crucial, critical significance of insisting that there be *peace with freedom* in Southeast Asia—and that neither will be worth having without the other. You know what it would mean among over 300 million people in that part of the planet if we turned away, admitting that the forces of freedom do not have the courage of the Western world's expressed conviction.

Yours is the privilege of being the voice of an America in which the rest of us can take only quieter pride.

It was a heart-warming experience to go, earlier this Fall, to Montreal, and to see there how America was made to appear in the eyes of the world as beautiful as she is in person. Hats? Sure. Movies? Yes: W. C. Fields saying how much he liked to look at women, but he wouldn't want to own one. And Bucky Fuller's geodesic dome—with all its spaciousness—and the blinds that didn't work, seeming some way to give the proper lie to technology's vaunted supremacy. And the film devoted not to America's prowess, but to her children's play.

Your assignment includes the counteracting, so far as possible, of the effect of knowledge advancing right now so much more rapidly than understanding. The largest questions before the world are how democracy is to work when a smaller and smaller number of the majority know what has to be known about the elements which are critical in crucial decision-making, how a vacuum of values is to be presented from developing in the wake of a hurricane of change, how the ever-enlarging institutions an ever-expanding population requires are to be altered so as to give individuals the larger opportunity for participation which they—especially the younger among them—are demanding. In all of this the essential equation involves the relationship of understanding to knowledge, of social to scientific invention, of communication (which is education) to discovery.

Is this too glorified a concept of what we are doing: because it leaves out riots and slums and draft card burnings, and drugs—and the other 5% facts that get 95% of the publicity; because it seems to be about horizons and stars when our days are filled with typewriters, endless pieces of paper, and interminable talk, talk, talk?

I don't think so. Neither do you.

So look if you must, scavengers of the press, for symptoms of "terror" and "hate" and "debauchery" and "betrayal."

But ask us, too, whether we like the feeling of being, each of us, a little part of the greatest achievement in Man's eternal questing. For we do.

Ask us, after you're through talking about "debauchery by the White House," whether we're proud to work for America—under the leadership of Lyndon Johnson and Hubert Humphrey. For we are.

Ask us whether we think the future is a great, magnificent idea. For we believe greatly that it is.

THE CASE OF LT. COMDR. MARCUS ARNHEITER, U.S. NAVY

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. RESNICK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RESNICK. Mr. Speaker, many people have expressed interest in the unusual case of Lt. Comdr. Marcus Arnheiter, U.S. Navy, and the unorthodox manner in which he was relieved of his command of a warship on active duty. I have talked to many people and done a great deal of reading in an effort to arrive at a fair judgment of the facts and have reached the conclusion that Lieutenant Commander Arnheiter, a career naval officer, has been wronged by the Navy. I am also disturbed over the fact that the Navy has not been as candid with me and with the press as it has an obligation to be. It has not always stuck to the facts in statements it has made regarding Lieutenant Commander Arnheiter.

At first, it was very difficult to find outspoken individuals who would rally to Arnheiter's support. However, because of the strange circumstances surrounding the loss of this command, and the almost bizarre parallels between this case and the fictional "Caine Mutiny," many people have now begun to express their concern of the Navy's commission of what may be a terrible injustice. We all realize it is not easy for an active officer of the line to speak up openly and criticize decisions of those on the highest levels of command. An officer will only do this when he is absolutely convinced that the cause he is speaking out for is a just one.

That is why I am so deeply impressed with the letter I have received from Capt. R. G. Alexander, who has just been selected as the commanding officer of the battleship *New Jersey*. This letter explains Captain Alexander's views in this case and is accompanied by a detailed summary of the circumstances surrounding the loss of Lieutenant Commander Arnheiter's command. Under unanimous consent, I insert excerpts of this important statement in the RECORD because I think this case can have a tremendous effect on the morale of the men who man our ships and sail the seas in defense of our country.

The material follows:

DEPARTMENT OF THE NAVY,
PHILADELPHIA NAVAL SHIPYARD,
Philadelphia, Pa., November 7, 1967.

DEAR MR. RESNICK: Sometime past you expressed an interest in the case of Lcdr Marcus Arnheiter USN, who was summarily relieved of command of USS Vance in the Pacific on 31 March 1966. I, too, have been following this case with considerable interest. By virtue of my recent assignment to the Bureau of Naval Personnel and with the approval of Admiral Semmes, I was able to fully inform myself of the details of the case pursuant to Mr. Arnheiter's request that I do so in order to advise him.

In March of this year I felt that in the absence of additional evidence or testimony supporting Mr. Arnheiter's contention that his relief was unjustified, the case against him could not be successfully challenged, and I withdrew my support. Recently however, there have come to hand sworn statements by former crew members of USS Vance which clearly point to grossly unsatisfactory disciplinary and administrative conditions in the ship at the time that Mr. Arnheiter assumed command. The statements of these crew members also confirm Mr. Arnheiter's contention that there was a deplorable conspiracy of dissident, incompetent officers to defeat his efforts to improve the ship. It is now obvious that this conspiracy caused his summary relief and the ruination of his career. In addition, testimonials from crew members are now in hand which are highly praiseworthy of the zeal, effectiveness, leadership, and professional skill of the former Captain. I therefore have now given Lcdr Arnheiter my full support in his efforts to achieve a reinvestigation of this case as a first step towards clearing his name. Lcdr Arnheiter recently wrote to the Secretary of the Navy requesting that he be permitted, together with me, to attend a review of this case which the Secretary had stated he would receive. I wrote to the Secretary informing him that Mr. Arnheiter's request was made with my knowledge and consent, and urging favorable consideration.

In preparation for this meeting, I prepared the attached statement of my views of the case, which I have given to Mr. Ignatius. Because of your interest in this matter I believe you should receive these views directly from me.

Very respectfully,
R. G. ALEXANDER,
Captain, U.S. Navy, Prospective Commanding Officer, U.S.S. New Jersey, BB-62.

STATEMENT OF CAPT. RICHARD G. ALEXANDER, U.S. NAVY TO THE SECRETARY OF THE NAVY ON BEHALF OF LT. COMDR. MARCUS A. ARNHEITER, U.S. NAVY

Mr. Secretary, this case concerning Lcdr Arnheiter is a most important and delicate one. It is important because it goes to the roots of naval discipline upon which the authority of a Commanding Officer must ultimately rest. It also goes to the roots of the Administrative authority delegated to the Chief of Naval Personnel in entrusting officers with or removing officers from positions of command. The case is delicate because of the strong positions already taken by Senior officers, because of the strong interest in the case by the officer corps of the Navy, and because of the impending treatment of the case in full by news media and others.

If Lcdr Arnheiter was in fact an incompetent Commanding Officer, the authority of the Chief of Naval Personnel to remove him, and others, from command positions for the good of the service must be sustained, regardless of all other aspects of the case.

If however Lcdr Arnheiter was in fact a competent Commanding Officer, whose relief was precipitated by the unfounded allegations of disloyal subordinates who succeeded in stampeding naval authorities into taking unjustified summary action against him, then redress is due not only to Lcdr Arnheiter, but in a larger sense to every Commanding Officer in the Service because all of them are affected by this case.

* * * * *

New evidence has arisen since the case was concluded which weighs strongly on the side of Admiral Baumberger's two endorsments favoring Lcdr Arnheiter, and against the conclusions reached by the Commander-in-Chief Pacific Fleet and the Chief of Naval Personnel.

This new evidence, in my opinion, can achieve two vital things. It can throw serious doubt on, if not destroy, the veracity of the principal complainants against Lcdr Arnheiter. In fact, it may well be prima facie evidence against several Vance officers to support Lcdr Arnheiter's previously submitted charges of nurturing collusion, false official statements and the like. In addition, this new evidence can give quite a different picture than was presented to the investigating officer of the conditions in USS Vance with which Lcdr Arnheiter was confronted, and of the relief with which his remedial efforts were greeted by many of the crew. Because of this, he requests that his case be made the subject of a Court of Inquiry in order that the full story can be brought to light under formal procedures prescribed by the Manual for Courts Martial, U.S. Navy.

I support Lcdr Arnheiter in his request, Mr. Secretary; however, I go a step further to conclude that on the basis of the material now in existence in writing concerning the case * * * the case should be thrown out, redress given to Lcdr Arnheiter, and charges preferred against those who willfully wronged him.

* * * * *

Mr. Secretary, when the conniving character, lack of veracity, deceitfulness, disloyalty, and premeditated attempts at character assassination on the part of several principal officers in USS Vance, which can be established by documentary evidence and sworn testimony, are placed on one hand; and on the other hand one places the professional ability of the Commanding Officer, his consideration for subordinates, his zeal, his determination to correct the shortcomings of his new command, all of which are also matters which can meet the most stringent rules of evidence, there is now no doubt in my mind which party in this dispute was deserving of commanding support.

* * * * *

The Executive Officer, Lt. Hardy, deflected a complaint concerning the Captain's character guidance program under General Order 21 so that the Captain never received it. Lt. Hardy advised the complaining officer, who was next senior on board, to seek help from outside the ship, thereby setting in motion the fatal cycle of clandestine complaints which eventually precipitated the Captain's relief.

* * * * *

The Operations Officer, Lt. Generous, within a month of the Captain's reporting and about one week after deploying from Hawaii to WestPAC, was violently objecting to the Captain's program under General Order 21, and acting on the Executive Officers advice "to seek outside help anonymously", was writing hysterically to a junior Chaplain in Pearl Harbor, invoking the Nurenberg Tribunal to support his acknowledged disloyalty. The program of the Captain was later to receive the commendation of two senior 7th Fleet Chaplains and of the Navy Chief of Chaplains. Other testimony is now available from a second class petty officer that Lt. Generous spoke openly to enlisted men on watch of the log being kept by certain officers concerning the Captain and stated that it would be used against the Captain at some future time * * * In addition there have now come to light copies of counterfeit familygrams (ship's newspaper mailed to dependents) and a bogus plan-of-the-day which all evidence indicates were typed on Lt. Generous' personal typewriter, on forms normally in the custody of the Executive Officer. This familygram is utterly defamatory of the Captain in content. The plan-of-the-day is a childish attempt to ridicule the fast-paced activities of the ship.

* * * * *

Throughout the period of Lcdr Arnheiter's command, he was openly opposed by Lt Generous, who passed judgment on the Captain at every opportunity. * * * There is little doubt that this officer was instrumental in wrecking the career of a dedicated, professional officer. A senior petty officer who served in Vance at the time has written: "Generous was the senior officer aboard who headed the conspiracy against the Captain. It is remarkable, except for a few instances, that he was able to undermine the Commanding Officer so effectively".

* * * * *

One final comment, Mr. Secretary, on the veracity of certain officers in that ship. As I will mention in detail in a moment, the ship was visited by a young Chaplain sent to check on morale. This officer returned to his Commodore with six pages of hear-say complaints alleging grossly improper conduct and policies on the part of Lcdr Arnheiter. It is obvious that these distortions and falsehoods were furnished by certain Vance officers. Yet the investigation which ensued three weeks later substantiated only a few of them. Of these few, when reviewed by Rear Admiral Baumberger in the light of circumstances existing at the time, only two remained. These two Admiral Baumberger considered not significant. In my view, Mr. Secretary, this fact alone establishes that within the Vance wardroom there were, by mid-March, liars and disloyal officers bent on assassinating the Captain professionally. With this fact clear, how can the later testimony of this group be given the slightest credence?

If disloyalty and conspiracy to discredit their Captain becomes a strong suspicion in the case of at least three officers, what was the condition of the ship over which these officers had been presiding for up to a year prior to Lcdr Arnheiter's arrival? Here the facts as testified to by former enlisted crew members, are shocking, Mr. Secretary.

* * * * *

Since publicity of Lcdr Arnheiter's case on the West Coast, former crew members have come forward with sworn statements of conditions of brutal abuses of discipline, lack of officer attention to administration and other disgusting matters which vividly describe the situation which these disloyal officers were presiding over and tolerating. Several of the enlisted men's statements acknowledged that they were aware that Mr. Arnheiter's policies were temporarily successful in achieving improvement. One chief petty officer states that his tour in the ship was the worst in his 18 year service. * * *

Finally, as Lcdr Arnheiter stated in his letter to you of 1 September, when he first assumed command of USS Vance in Pearl Harbor he was vigorously instructed by the Rear Admiral commanding the Naval Base concerning the unsavory disciplinary record of his new command and the urgent need for the Captain's direct attention to the matter.

* * * * *

In contrast to this dismal picture of a wretched ship under disloyal officers, what is the true picture of Lcdr Arnheiter? The record of the investigation shows what was thought of him by disloyal liars and character assassins. Can we believe them? Should we care what they think? What did others think of him?

* * * * *

Admiral Baumberger twice recommended Arnheiter's restoration to command.

If Lcdr Arnheiter's actions did not indicate deficiencies serious enough to warrant his abrupt dismissal, what about his behavior—that is, his conduct and relations with his officers and crew. Was he a bully? Was he slovenly and unkempt? Was he a drunk, a coward, a cheat? Did he cultivate favorites? Did he by-pass the chain of command below him? Was he overly severe in meting out punishment? Did he abuse his subordinate with recriminations and reprimand? Did he demand the impossible of his men? Did he exhaust them? These are some of the unsatisfactory traits of other Commanding Officers whose behavior and attitudes have made them unfit for command even though they had professional competence. The record of this investigaition does not indicate that any of these descriptions is apt. What the record does indicate is that some of Lcdr Arnheiter's officers, being unable to attack his character or behavior, assailed his professional competence. * * * The so called "findings" of Captain Witter lie in this general area. Rear Admiral Baumberger demolishes them and other reviewing authorities have not taken issue with Admiral Baumberger's evaluation. What then, could have been bothering some of these Vance officers?

* * * * *

These officers were bothered by the fact that into their slovenly, unseamanlike lives there had arrived a new Captain whose attributes they wholly failed to understand or refused to accept. Mr. Arnheiter is an officer of great energy, ability and high standards. Bring these together in a situation offering the challenges of a "first command" and you can expect action. Make it a ship like Vance and it is obvious there will be changes!

* * * * *

Before coming to USS Vance, Lcdr Arnheiter had been Executive Officer of USS Ingersoll (DD–652). His Commanding Officer's official report of fitness is outstanding. However, the most remarkable evaluation of an officer by his subordinates that I have ever seen exists in letters written by Ingersoll officers (including the Captain) after they had heard of his relief, almost a year after he had left their ship. Their letters are part of the record of the case. Mr. Secretary, I have seen thousands of officers fitness reports. I have yet to see an officer's record which gives as clear a picture of a unique, respected, dedicated, competent, and successful officer as those letters do of Lcdr Arnheiter. I submit that your personal understanding of this case will not be complete until you have read them. They indicate not only what Mr. Arnheiter's methods and objectives were, but the reaction of his subordinates—Initial opposition, followed by acceptance and cooperation, followed by loyal support and enormous respect. This one item selected from the detailed analysis of Mr. Arnheiter drawn by Lt Forkash, MC, USNR, will illustrate the tenor of the evaluations reached by *all* of these officers:

"Of all the officers senior to me under whom I served, Lcdr Arnheiter was able to lead and inspire his subordinates to higher levels of achievement than any other officer in executive or command authority. It was the consensus of my follow junior officers that under Lcdr Arnheiter we were working for an officer whose perfomance and potential would surely bring him to flag rank."

No doubt for Ingersoll as well as for Vance the impact of Lcdr Arnheiter's drive and ability was felt with some discomfort. Here is a graphic description of this effect by one Ingersoll officer, Ltjg Novak, USNR:

"Commander Arnheiter met our ship, the U.S.S. Ingersoll (DD–852), at Kaohsiung, Formosa. He relieved Lcdr Lawler as Executive Officer and sweeping changes immediately occurred in daily routines. He vigorously attacked slovenly appearance (of officers, enlisted men and the ship), attitude and performance of duty. Duty-honor-country became words to live by. Ship's regulations, which had been conveniently overlooked, were enforced.

The obvious result of such rapid changes was a severe reduction in morale. Personally, I have never seen morale fall to such a low ebb. Men were working hard and putting in extra hours. Gripes could be heard in almost all quarters.

The officers (including myself) and chiefs objected most strenuously, as they were expected to set the example. The next loudest group was that of the lax petty officers who had spent the majority of their tours of duty on small ships. Only the new arrivals from Boot Camp, the efficient petty officers and the men who were recently transferred from large ships remained calm.

The level of morale began to rise a few months later as new standards of watch standing, personal appearance and appearance of the ship became accepted. Pride in the Navy and in the ship became very noticeable. Rated men acted more like petty officers; junior officers began to act like professionals.

During his tour on Ingersoll, the ship literally "pulled itself up by its bootstraps." The ship evolved from a scroungy "Tin Can" to a first-class fighting ship, staffed by competent and well trained men."

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Keeping in mind the evaluation of Ingersoll's officers and Lt. Novak's description of the "Arnheiter method," these evaluations by junior and senior Vance sailors are most pertinent:

Seaman Himebaugh (8 April 1966): "I felt proud when he (the Captain) held frequent inspections in order that the ship would be "more squared away" . . . We had adventures that I know I will remember for many years to come . . . No matter what happens to Capt. Arnheiter, there is no doubt in my mind that he was competent C.O. and that he deserved the respect of every crew member . . ."

Radioman Striker Burkholder (3 April 1966): "He (the Captain) promised the crew that they would see some action and he tried to do just that. He did get some enemy targets for the Vance to fire on. The men that went to the beaches are now up for commendations because the ex-Captain saw, as many others saw, that it could have been a dangerous mission even though the trip the men took was uneventful. My opinion is that the ex-Captain of the USS Vance (DER–387), Lcdr Marcus A. Arnheiter, was a Captain that looked out for the crew . . ."

Second Class Petty Officer Mathews (April 1966): "The ship was infested with roaches, the crew wore sloppy torn, and dirty uniforms. When Lcdr Arnheiter came aboard all this changed. He had the welfare and appearance of the crew as two of his main concerns. He organized and arranged for recreation for the crew. He, I feel, wanted us to do our jobs as best we could, look smart, and get us as much enjoyment out of life and the Navy as possible. . . If Lcdr Arnheiter made any mistakes, it was probably trying too hard."

Chief Yeoman Young (3 April 1966): "He instilled pride in her petty officers, conducted an effective leadership and character guidance program which included gathering the crew on the fantail to instill in them a sense of pride in themselves, their ship and their country. . . He constantly kept the crew informed on what was going on even at their G.Q. stations by use of the internal communications . . ."

* * * * *

Signalman First Class Boson (5 June 1966): "I served on board USS Vance for nearly 14 months, the last three of which were under the command of Lcdr M. A. Arnheiter, USN. During the first 9 months (before Lcdr Arnheiter assumed command) the ship was not the kind of warship you normally think of when you think of destroyers. In other words, the ship was lax. The barrier patrols lessened combat effectiveness. The ship went to GQ at the most from 4 to 8 times during all the time I was on board up to the time Lcdr Arnheiter came aboard. On the first Market Time Patrol under Lcdr Wright, the ship usually operated well out to seaward, and hardly ever came in close to shore where on this past cruise Lcdr Arnheiter took us. The great majority of Vietnamese junks and sampans operate well within three miles of the coastline. Lcdr Arnheiter took the ship there to prosecute a visit and search effort all around the clock. When he was C.O., we had more operations because there were so many junks to search and inspect, Lcdr Arnheiter would have two forward and two aft alongside all at once, at the same time having the two boats in the water also looking for VC carrying contrabrand.

"The Captain always seemed very concerned about the welfare of the crew. He talked to us at length both on the fantail, over the speaker, and individually as he walked around the ship. He was always asking for suggestions and ways to improve things. He wanted everyone to have pride in themselves and in their ship. He did so many things it was difficult for many of the officers and men to keep up with them all. *From suddenly being a ship full of people content to live quietly doing nothing and with not many requirements, the Captain changed all that to a lot of activity, something to do all the time, keeping people hopping, making them forget the boredom and making them get involved in the war effort in every way he could think of.* Some people thought he was trying to do too much, and they compared what he was doing with what the ship had done on its last cruise.

"*The morale of the ship, during the period Lcdr Arnheiter was Captain, was good and getting better.* The things that he did for the crew were obvious and they appreciated it, I think. The time he gave the crew the party in Guam and went from table to table offering cigars made a big hit with the men. He also learned about the ship's problems with all the fights and the lack of discipline they had in the 1st Division. He promised to do all he could to increase the authority of petty officers. One of the things the Captain did to keep morale as good as it was during his cruise was his keeping everyone informed about what was doing on, what was happening each day, before it happened and while it was happening, so the crew wouldn't think they were overworking all for nothing. The ship was full of cockroaches until Lcdr Arnheiter took over. He was a man who believed in getting things done. Once he started to do things, he never did them half-assed. He always tried to do things better and more completely than others. He did his duty. He had more junks searched, he had a better armed crew, he had a ship that fired at the enemy, he kept the ship looking more squared away than before, kept the officers and men looking better, and so on.

"In my opinion, everything the Captain did, that I could see or was aware of, that changed things in our routine or way of doing things, was for the best interest of the ship so that the ship could be more like a man of war. I believe the capability of the ship to fight, and the overall spirit of the ship as a *warship,* increased as a result of Lcdr Arnheiter's policies and actions. He kept talking about Vance being better than the rest of the ships, and he tried hard to make this so. I believe he was succeeding."

* * * * *

Where did strength and where did weakness lie in that ship? Who stood for duty, honor, country, and who was disloyal? Whose standards would you commend to a young officer today? Those of Hardy, Generous, and Belmonte? Whose efforts were deserving of command support and who should have been censured?

After this comparison of the qualities and actions of the disputants, if any doubt remains, that the full weight of command support should have been given to the Captain, one should then examine a separate but related aspect of this case—the manner in which the case was handled once credence was given to sheer rumor and heresay. Here we find actions taken which not only violate U.S. Navy Regulations, to the terrible disadvantage of the Commanding Officer, but which also violate elementary common sense in pursuing impartial justice.

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While Lcdr Arnheiter had command of USS Vance, a little over 3 months, he had received one and only one mild caution from his Squadron Commander in Pearl Harbor. This was contained in a courteous, friendly, helpful and encouraging letter, which mentioned that religious services were a sensitive area and that religion must be kept out of any "all-hands" evolution to avoid the problem of compulsory attendance at worship. This letter was received by Lcdr Arnheiter in West PAC and was responded to promptly, with assurances being given to the Commodore that the problem was recognized and that the character guidance program of the command was being conducted accordingly. Aside from this straight-forward, friendly, manly, advice from a senior, Lcdr Arnheiter received no other query or complaint regarding conditions in his ship until he received message orders on 31 March announcing his summary relief. Within twelve hours he was under guard in his cabin, having been relieved by another Escort Squadron Commander who gave no explanation. After a night under guard he was kicked off his ship. Four days later he was confronted in an investigation with an amazing chain of damning, ruinous allegations that were bewildering in scope and viciousness. Mr. Secretary, what all of your officers will demand to know is just how in hell this could happen in the United States Navy!

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Several weeks prior to the actual relief, Cdr. Milligan in Subic Bay had received a telephone call from the Vance's Squadron Commander in Pearl Harbor requesting that Milligan check on conditions in that ship since there were rumors among some dependents of a morale problem on board. Thereupon Commander Milligan arranged to have his staff Chaplain, Lt. Dando, a neophyte with less than 5 months in the Navy, visit Vance to observe conditions. Upon his return Lt. Dando submitted a six page written report alleging horrendous problems in Vance stemming from the conduct and policies of the Commanding Officer. Virtually all of these allegations were based on hearsay.

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Armed with these reports Cdr. Milligan was in Subic Bay when Vance arrived in Manila for rest and upkeep. Cdr. Milligan consulted members of the staffs of two destroyer flotilla commanders who were effecting a relief in Subic. Milligan was cautioned by a staff member to visit the ship, advise Commander Arnheiter of the allegations and check them on the spot before taking the matter to higher authority. He declined to do this, sought a hearing with the two Admirals, and persuaded them on the basis of his unverified information to obtain Bureau of Naval Personnel authority to relieve Arnheiter summarily. BuPers authority was obtained, and local orders were prepared ordering Cdr. Milligan to effect the relief and *to conduct a preliminary investigation of conditions in Vance.*

Cdr Milligan himself described his method of conducting his preliminary investigation. He placed a note in the ships' Plan-of-the Day "stating that he was available to any man who had anything to say pro or con about events in the ship since 22 December", the date of Lcdr Arnheiter's commencement in command. Under these circumstance, in which their Captain had been summarily relieved in amazing fashion, the crew of Vance was alive with rumors. Certainly Arnheiter had done something scandalous! Into Cdr Milligan's cabin came the ship's malcontents to unload their complaints. One would have expected those who respected Arnheiter to be stunned into silence. Amazingly, some brave souls came forward on his behalf. Cdr Milligan then sent a selection of statements to Capt. Witter in Subic Bay, who by then had been designated to conduct an informal, one-man investigation.

Mr. Secretary, consider Cdr Milligan's position! He had perpetrated an unheard-of relief of a Commanding Officer in violation of Article 1404 of U.S. Navy Regulations which requires that charges and complaints against an officer be given him in writing, and in violation of Article C–7801 of the BuPers Manual, which provides safeguards against the preemptory action Milligan initiated. His conduct was so unmanly as to inspire instant contempt. And now he had to justify what he had brought about. Mr. Secretary, was Cdr Milligan competent to be an impartial investigator?

Now, Sir, consider the officers in Vance who had initiated the rumor and slander against the Captain. They had exceeded beyond their wildest expectations. The Captain was gone! But the show was not over. There would be an investigation. Having lied, exaggerated and misrepresented before, could they be expected now to be objective and truthful?

Then, Mr. Secretary, consider Capt Witter. With no prior knowledge of this situation he was suddenly caught as investigating officer of an action which two flag officers in his chain of command had already perpetrated. Mr. Secretary, could Capt Witter qualify as an impartial investigating officer?

There is more, Mr. Secretary. Consider now Rear Admirals Irvine and King, the two Flotilla Commanders who jointly authorized the relief. They had done so without a shred of substantiation. They had by-passed every one of the safeguards of the BuPers Manual. They had not enforced Navy Regulations Article 1404. Mr. Secretary, as convening authority of the investigation, Admiral King was its first reviewer. Was he competent to be objective?

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Suffice it to say, Mr. Secretary, that when this fantastic fishing expedition to support an improper, cowardly, preemptory action against a Commanding Officer, which passed as an investigation, reached Rear Admiral Baumberger, he had the good sense and courage to twice recommend in effect that the whole mess be thrown out and that redress be made to Lcdr Arnheiter, if such was possible.

Again Mr. Secretary, I ask the question that your entire officer corps will soon ask.

How is such a thing possible in the U.S. Navy?

Mr. Secretary, I offer a conclusion from this for your consideration—not as my own but because you should be forewarned that it will be embraced by all but the most charitable observer. It is that *because* the case was handled so badly by authorities in Subic Bay they *had* to justify their flawed and extra legal means by demolishing Lcdr Arnheiter. The end had to be constructed to ensure acceptance of what they had done.

* * * * *

It is an easy thing for rumor and falsehood, if uncontested, to destroy a reputation anywhere. In the Navy, our vulnerability is particular and peculiar. The fruits of many years of experience, and the sense of fairplay and manliness which are inherent in the character of an officer lie behind the safeguarding regulations which were violated in this case. Only the most patent, proven dereliction on the part of the accused could justify this treatment. Far from proving this dereliction, the evidence in the case now points clearly in the opposite direction.

If I may end on a personal note: Last March, in the absence of the evidence which is now available to construct a more complete view of this episode, I concluded there was no effective way to challenge the decisions reached in the case. I withdrew my support. I went further and took a stand against Mr. Arnheiter. To have withdrawn my support was prudent. But to turn against him was pusillanimous. I hope my statement today, in addition to presenting the case for Mr. Arnheiter, will also encourage others to re-examine views and positions they have previously taken.

Thank you for the opportunity of presenting this statement.

GREECE UNDER DICTATORSHIP: ZORBA MUST RISE AGAIN

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Edwards] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, several days ago I placed in the Record a brief and moving letter to the editor of the Washington Post, superbly written by Mr. Christopher Janus, prominent Chicago investment banker and president of the Greek Heritage Foundation. The letter dealt with the inherent tragedy of the Greek nation under a military dictatorship and hinted at the implications, moral and strategic, involved in the American reaction.

Mr. Janus has now written a more extensive article on the Greek situation. It appeared in the November 12, 1967, issue of the Chicago Sun-Times. In my judgment, this is perhaps the best analysis of the Greek coup and its consequences to appear in the American press. His message, to businessmen who prefer to do business with "efficient" dictators, and to a U.S. public and Government not sufficiently aware of the destructive character of the junta, comes from a man who is an authority on modern Greece.

During World War II Christopher Janus helped organize Greek war relief and was chief of the Greek desk of the American division of the United Nations Relief and Rehabilitation Administration. After the Germans moved out, he served in Greece as chief of Balkan intelligence for UNRRA. Mr. Janus is publisher of the scholarly hard-cover quarterly, Greek Heritage, whose art work and articles by the world's greatest Greek scholars, has drawn wide critical acclaim. As President of the Greek Heritage Foundation, he annually leads an American pilgrimage to Athens for an intellectual symposium sponsored by the foundation. He is personally acquainted with the postwar leaders of Greece. The article is based on his observations during his latest trip, from which he recently returned.

I would like to make some additional observations concerning the Greek junta and the short-term and long-term consequences of its continued stay in power.

First, the junta's claim that it moved to prevent a Communist takeover is not supported by competent observers. The New York Times, which had been critical of the Papandreous, father and son, nevertheless editorialized on the day after the coup that the coup was a mistake, that there was "no clear and present danger" of a Communist takeover, and that Greece had survived even the two bloody Communist insurrections of the late 1940's without resort to dictatorship. Our own U.S. State Department concedes that there was no danger of a Communist takeover.

Second, the junta claims that it is interested only in "cleansing" Greece and restoring democracy, not in power. But as Mr. Janus suggests, the colonels are interested in power. It is generally acknowledged in the United States and Greece, that a "big junta" group existed, made up of palace, high military officers, and some members of the establishment. The takeover device was to be the NATO-approved Prometheus plan, originally devised as a means to prevent a Communist takeover.

In early 1967 this plan was dusted off by the "big junta" to use in the event of a Papandreou-Center Union victory in the scheduled May 28 elections—that is, a victory by the non-Communist left and center. The colonels stole the plan, and in their own power play beat the "big junta" to the punch. It was a power grab later excused in anti-Communist terms. A supporter of the "big junta" has ruefully described it as "the wrong people pushing the right button at the wrong time."

Third, although the coup was made by the military, to effect a change, economic considerations, as Mr. Janus pointed out, are crucial. We should not be indifferent to the leverage we can exercise via our economic power.

Fourth, American apologists for the junta usually point to the preparation of a new constitution as justification for American condonement of the junta. The truth is that the new constitution has a large element of hoax in it. The junta did not seize power because of a passion for constitutional reform. Indeed, the "new constitution" is a football, naively looked upon by some Americans as a device, a mechanism to nudge the colonels back to democracy, and looked upon cynically by the junta as a stalling device. There has never been any clear showing that the old constitution was bad. Furthermore, what comes out is likely to be far worse.

When Americans hear of a new constitution being written, they may think of something like the Maryland or New York constitutional conventions. There is no comparison. The new Greek constitution will be the product of a situation that in my judgment is indefensible. The constitutional law experts, including some appointed against their will, are merely submitting individual drafts following the guidelines laid down by the junta. There is no evidence that they have ever met in a body, either publicly or privately. When the draft is submitted on December 15, the junta will have, by its own decree, 8 months to review and rewrite it. The Greek people, then, having had no voice in choosing the people drafting the constitution, will not be allowed to publicly debate it or criticize it in the censored press. It is a sad state of affairs.

Fifth, U.S. officials frequently condone the junta on the basis of military considerations, especially citing the fact that during the Israel-Arab war, Greece provided a haven for U.S. evacuees and a staging area for U.S. military forces. This sounds persuasive until the question is asked, "Would not every other postwar Greek government have done the same thing?" The answer is a resounding "Yes." Furthermore, to those who seem to look only to military considerations and ignore moral and political considerations, I say to you that a democratic Greece will make for a healthier NATO ally than a Greece under a dictator's heel.

And now, under leave to extend my remarks, the excellent article by Mr. Janus follows:

A Message From Greece

(By Christopher Janus)

George Papandreou had just been released from house arrest when I met him in Athens. And he quickly dispelled any notion that his freedom had been purchased by a promise of silence.

He had a message for the free world—which no longer includes Greece.

"Don't let up your pressure from abroad," he said. "No matter how much it hurts us here—no matter how much Greeks have to suffer—you must not let up the pressure."

The old man, former prime minister of Greece, was referring to the economic pressure that has been applied to his country since military leaders seized control of the government last April 21.

"We must get rid of the junta," he said. "And the constitution must be restored as soon as possible."

The urgency of his appeal was not overstated. There is reason to believe that a continuation of military rule could plunge Greece into a full-scale civil war.

A solution to the problem rests partly at least in the hands of businessmen outside of Greece—in America and other countries. And many of those men, unfortunately, have demonstrated a shocking disregard for the facts and morality of the Greek situation.

Greece is very efficient these days, and businessmen of course are in favor of efficiency. Just the same, I have been appalled to hear the military dictatorship supported by such prominent Americans as John Nuveen, first chief of the Marshall Plan in Greece; Spyros Skouras, president of 20th Century Fox, and Thomas Pappas, president of Esso-Pappas in Greece.

Pappas gave our group a luncheon in Athens, at the yacht club overlooking the harbor. He stood up and proposed a toast.

"You can get things done now," he said. "Believe me, Chris. I don't have to wait six months to get a contract signed. There is stability. There is order. There is no graft."

I could not drink that toast. Order and stability are no trick, after all, when you are holding a gun to someone's head.

The gun was easily justified, of course. The military had to take over to prevent a Communist coup masterminded by Andreas Papandreou, son of the onetime prime minister.

The Reds were plotting to seize control of Greece by armed force, if necessary. Or they had infiltrated the Center Union Party of the left-wing Papandreous, and they were confident of winning power in the elections scheduled for May 28. Either way, they had to be stopped.

That was the theory. So everywhere I went in Greece I asked the same question.

Where was the evidence to substantiate that Communist plot?

"My boy," said Pappas, "there are carloads of evidence."

"Where?" I asked.

"Why do you care where it is?" he answered.

I put the question to the prime minister, Constantine Kollias.

"We have files and files of evidence," he said.

"Where?" I asked.

"For now," he said, "you'll have to take my word for it."

I asked everybody. But I never saw one piece of evidence.

Were there masses of troops on the Albanian border, ready to march in? Were there hundreds of Communists up in the mountains with grenades and guns, led by some Greek Castro?

Why in fact was the military takeover bloodless, as they boasted? Why wasn't there a shot fired?

Because there was nobody to shoot at. That's why.

As for Andreas Papandreou—who remains in prison—I have known him for 30 years. And he is not a Communist. He is a liberal, yes, but I think I would place him politically somewhere to the right of President John F. Kennedy. That opinion is shared, I might add, by every friend I have who knows Andy, including high-placed American officials.

For what it's worth, I also have my opinion of the military strongmen—of Col. George Papadopoulos and Brig. Stylianos Patakos. I have met both of them, and I do not believe for a moment that they sincerely feared a Communist plot.

The government indeed was weak and corrupt and not very efficient. They are sincere about that. From my knowledge of these men and their mentalities, however, I believe they are mainly interested in their own power.

They are power-hungry men—just as mad for power as any dictator. That is the essential fact about them, and I think their motive for taking over in Greece was just as simple as that.

Papadopoulos now is trying to maneuver King Constantine to appoint him a vice prime minister—a new title that would give him more authority and respectability, coming from the king.

That is the next move. But I do not think the king will go along with it.

The king looked awfully tired and haggard when I saw him at the palace. The last time I saw him there he was very relaxed and happy. He and the queen brought the baby out, and we talked about Mayor Daley. This time the king was serious and quiet and far more reserved than usual. He seemed to have aged a lot since April.

He has been traveling all over the country by helicopter, trying to meet as many of the people as possible. I don't think he knew in advance what the military were up to, and I believe the people are convinced that he is doing all he can to restore the constitution.

The junta, of course, has promised there will be a constitution to vote on early next year. But there is widespread pessimism about that, and the average Greek, in fact, just doesn't believe it.

A member of Parliament came to my hotel room in Athens. He was scared to death. He looked up and down the hall, and he wanted to turn on the radio, convinced as he was that the room must be bugged.

"I wouldn't be surprised," he said, "if these people stayed in for 10 years."

That's the feeling. What everybody is mainly afraid of, however, is the danger ahead of a civil war.

Said the member of Parliament:

"There is only one thing that could possibly unite all the parties and factions in Greece. And that one thing is the continuation in power of the military regime.

"Then there would be a Communist threat, because many people would want to unite with the Communists to overthrow the regime. And then after that we'd have to turn around and fight the Communists again. We'd be repeating the whole pattern of World War II."

That fear is expressed widely. And it points up the short-sightedness of the efficiency-minded businessmen.

I was surprised to find the businessman's viewpoint echoed by such a person as Gen. James Van Fleet, former United Nations commander in Korea.

Van Fleet was very enthusiastic about the junta.

"This is really all right," he assured me. "Greece has been saved from becoming another Vietnam."

Quite the contrary, it could well be argued. A prolongation of the junta's rule easily could create another Vietnam.

There isn't much organized resistance yet. There is some in Crete, and a few bombs went off in Piraeus harbor while I was in Athens. But something like 400 officers have been dismissed from the army, and they could form the nucleus for a concerted resistance movement.

Resistance to the junta certainly will increase if there is any significant deterioration of Greece's economy. And, in fact, continuation of junta rule is likely to produce a serious recession.

Tourism has been off 60 per cent. More than $100,000,000 in international loans and credits have been cancelled or postponed, and the other members of the Common Market are talking now about economic sanctions against Greece. The United States has cut some military aid and has postponed action on future aid.

Shipping is the No. 1 industry in Greece. Now there are indications that Stavros Niarchos and Aristotle Onassis have cut down their shipbuilding, waiting to see what happens.

My own firm, Bache & Co., has postponed action on a $10,000,000 long-term loan we were arranging for the Public Power & Light Corp. of Greece. And I recently had a call from Stanley Thea, executive vice president of Ruder & Finn—the firm that has handled the Greek government's public relations in this country.

He said they are dropping the account—which is $60,000 a year—because they can't stomach a dictator.

Relatives in this country and in England normally send more than $50,000,000 a year to their families in Greece, and there has been a sharp reduction now in those remittances. There also has been a 20 per cent drop in bank deposits in Greece, for the same reason. People are afraid that the drachma might be devaluated. So they are taking their money out of the banks—sending it to Switzerland and America—and that means there is much less working capital in Greece.

Greeks live in mortal fear of devaluation, remembering how it was during World War II, when they were papering their walls with drachmas—when I paid, I remember, 5,000,000 drachmas for a newspaper. So this is very close to them, and they watch. The drachma hasn't been devaluated since 1947. But the suspension of credits has the government in trouble, and it eventually could result in devaluation. Then the roof really would fall in.

This is the sort of pressure George Papandreou was talking about. Short of civil war, it represents perhaps the only practical way to dislodge the junta and restore a constitutional monarchy.

Greece up until now has been really prosperous, and I think the Greeks have gotten a little fat. They have suffered so much in the past—they are so fed up with war and misery and unhappiness—that you can't blame them if they have wanted to enjoy their recent prosperity.

A general complacency developed that made the military coup possible in the first place, and continued prosperity well might make a dictatorship at least tolerable.

Freedom and liberty are pretty abstract ideas, after all. But empty stomachs are something else again.

The military leaders understand that. They know that a sagging economy will lead almost certainly to civil war. And that is why continued economic pressure from abroad is the best and probably the only strategy that can force the junta to relinquish its power voluntarily realizing that it just can't win.

The junta's sensitivity to world opinion is reflected in the release of the elder Papandreou. And I am happy to report that I found him looking well.

He told me that he received good treatment while he was confined, and he said he had refused exile.

"I will never leave Greece," he said.

He said the junta had suggested he might leave, and he was offered a permit to do so. That he refused. He said he also was asked to sign a statement promising he would not take part in politics or agitate for a restoration of the constitution. That, too, he refused.

He was optimistic about the future.

"Don't worry too much," he said. "This cannot last forever. We are Greeks. If we survived the German occupation, we can survive this. But you must keep up the pressure."

Similar optimism was expressed to me by the Patriarch Athenagoras, leader of the Eastern Orthodox Church.

"Patience," he said. "Patience, my son. The church has survived for thousands of years. It will survive this."

I asked him if God is dead in Greece. The Patriarch smiled and said:

"God is not dead in Greece. He is just bored with some of our priests."

I'm optimistic myself. And what I'm betting on more than anything else is the individual Greek. He values his individuality above all else—by temperament, by character and by tradition.

You might knock Zorba down. But you cannot keep him down. He will get up again, somehow, and do his dance again.

He will not live under a dictatorship for very long.

SGT. CHARLES B. MORRIS AWARDED MEDAL OF HONOR

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. Tuck] may extend his remarks at this point in the Record and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. **TUCK**. Mr. Speaker, on Thursday of last week, November 16, one of my constituents, S. Sgt. Charles B. Morris, of Galax, Va., was presented the Congressional Medal of Honor by President Johnson at a ceremony at the White House attended by a number of Members of Congress, including among others Senators BYRD and SPONG of Virginia and the following Members of the House of Representatives from our Commonwealth: Congressmen DOWNING, SATTERFIELD, POFF, MARSH, SCOTT, WAMPLER, and myself.

I was particularly proud to witness this tribute by a nation through its President to one of the outstanding heroes to emerge from the war in Vietnam. On hand for the occasion were Maj. Gen. William C. Westmoreland, the commanding general of our troops in Vietnam, and Secretary of the Army Stanley R. Resor, as well as Sergeant Morris' wife, young son, and parents, and other guests.

Sergeant Morris' feat in battle, his bravery and dogged persistence in the face of death after he had been thrice wounded, all stretching over a period of 8 hours, comprises a style of heroism that ranks with the major incidents of individual bravery, some of them almost legendary in character, which have come down to us out of the American past. For that reason, it gives me much pride to insert in the RECORD the remarks of the President at the time of the presentation, the citation, and the remarks of General Westmoreland, all of which are as follows:

REMARKS OF THE PRESIDENT AT THE CEREMONY AWARDING THE MEDAL OF HONOR TO S. SGT. CHARLES B. MORRIS, U.S. ARMY

Sergeant and Mrs. Morris, and Doug, Secretary Resor, General Johnson, General Westmoreland, distinguished members of Congress from Virginia, and other Representatives here, distinguished guests, One of America's greatest war correspondents wrote about courage—intimately and well.

He called the decorations for bravery "pinnacles of triumph" in a man's life, "that will stand out until the day he dies."

Ernie Pyle spoke for all wars—for all those moments when men must reach down into their deepest reserves of courage. He celebrated those times when men risk life for a principle—or risk life for a comrade—or risk their lives for their country.

On whatever field, on whatever day—war is an agony of spirit and flesh and mind.

After thousands of years of civilization, the saddest of human failures is this—the precious wealth of man's courage must still be spent on the battlefield.

But all the wisdom of the earth has not yet found a way to preserve freedom without defending it.

Staff Sergeant Charles Morris is one of those who defended freedom on the battlefield. He fought with dogged courage through long hours of hell. He fought far above and far beyond the call of any duty.

Just a few days ago, I returned from a journey of 33 hours and 6,000 miles, where I met thousands of Sergeant Morris' comrades.

I stood with American sailors on the deck of a mighty carrier, the Enterprise, at sea in the Pacific Ocean. I stood with our airmen under skies that were filled with American power, many of them who had just finished their 100 missions in Vietnam. I saluted the infantry, the Queen of the Battles, at Fort Benning, and Marines at El Toro and Camp Pendleton. And I ended up at Yorktown with the gallant men of the Coast Guard.

Some of the men that I saw were there just beginning their training for combat.

Some of the men I saw had just returned from combat. They wore its badges—and many of them wore its wounds.

I saw other badges, too.

I saw the white carnations that were worn by wives of the missing men.

I saw the loneliness on the faces of waiting families, and little boys and girls.

I felt so humble to be among these men and women. But I also felt a towering pride—pride in them—pride in this nation.

I realized that some good day, war was going to be only a shadowed memory.

We will labor, with all of our passion and all the strength God gives us, to quicken the coming of that day.

But until it does come, our lives, our safety and our hope of freedom's survival are in the hands of all those like Sergeant Morris, all of those who serve—here and in Vietnam.

Sergeant Charles Morris was there when America needed him.

And I am so glad that his Commander, General Westmoreland, could be here today to observe this ceremony concerning one of his very own soldiers.

Once before, I stood with General Westmoreland at a ceremony for Sergeant Morris when he enjoyed one of his "Pinnacles of triumph." It was at Cam Ranh Bay in Vietnam, just a little bit more than a year ago. Upon General Westmoreland's suggestion I awarded Sergeant Morris the Distinguished Service Cross.

Today, I am so proud to stand with him here in the East Room of the White House on a hero's very high summit—the Medal of Honor.

Sergeant Morris, I don't know anything more or anything better that I could say to you than all the American people for whom I am supposed to speak are grateful to you and appreciative that the Good Lord has given you to us and has brought you back. May God bless you.

Secretary Resor will now read the citation.

The citation as read by Secretary Resor follows:

While on a search and destroy mission in the Republic of Vietnam on 29 June 1966, Sergeant Morris was a leader of the point squad of a platoon of Company A, 2nd Battalion, 503rd Infantry. Seeing indications of the enemy's presence in the area, Sergeant Morris deployed his squad and continued forward alone to make a reconnaissance. He unknowingly crawled within 20 meters of an enemy machine gun, whereupon the gunner fired, wounding him in the chest. Sergeant Morris instantly returned the fire and killed the gunner. Continuing to crawl within a few feet of the gun, he hurled a grenade and killed the remainder of the enemy crew. Although in pain and bleeding profusely, Sergeant Morris continued his reconnaissance.

Returning to the platoon area, he reported the results of his reconnaissance to the platoon leader. As he spoke, the platoon came under heavy fire. Refusing medical attention for himself, he deployed his men in better firing positions confronting the entranched enemy to his front. Then for eight hours the platoon engaged the numerically superior enemy force. Withdrawal was impossible without abandoning many wounded and dead.

Finding the platoon medic dead, Sergeant Morris administered first aid to himself, and was returning to treat the wounded members of his squad with the medic's first aid kit when he was again wounded. Knocked down and stunned, he regained consciousness and continued to treat the wounded, reposition his men, and inspire and encourage their efforts. Wounded again when an enemy grenade shattered his left hand, nonetheless he personally took up the fight and armed and threw several grenades which killed a number of enemy soldiers.

Seeing that an enemy machine gun had maneuvered behind his platoon and was delivering fire upon his men, Sergeant Morris and another man crawled toward the gun to knock it out. His comrade was killed and Sergeant Morris sustained another wound, but firing his rifle with one hand, he silenced the enemy machine gun. Returning to the platoon, he courageously exposed himself to the devastating enemy fire to drag the wounded to a protected area, and with utter disregard for personal safety and the pain he suffered, he continued to lead and direct the efforts of his men until relief arrived.

Upon termination of the battle, important documents were found among the enemy dead revealing a planned ambush of a Republic of Vietnam battalion. Use of this information prevented the ambush and saved many lives. Sergeant Morris' conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty were instrumental in the successful defeat of the enemy, saved many lives, and were in the highest traditions of the United States Army.

After the reading of the citation, the President introduced General Westmoreland, who made the following statement:

REMARKS OF GEN. WILLIAM C. WESTMORELAND AT THE CEREMONY AWARDING THE MEDAL OF HONOR TO S. SGT. CHARLES B. MORRIS, U.S. ARMY

Mr. President, I thank you for this honor.

It so happens that I know Sergeant Morris. We are not only fellow soldiers, but we are friends. I saw him at Cam Ranh Bay when he was decorated with the Distinguished Service Cross by our Commander in Chief.

I saw him in the hospital. I saw him several times in the hospital. The indomitable spirit that he displayed on the battlefield when he earned this, our Nation's highest award, he displayed in the hospital every time I saw him—self-confidence, proud to be a soldier, proud to serve his country in their fight against Communism, proud to be an American.

I recall, Mr. President, when you honored us by coming to Cam Ranh Bay to see the troops on the battlefield in South Vietnam. I told you while trooping along that never in all history had a Commander in Chief commanded finer troops than are now commanded by President Johnson around the world, but particularly—in accordance with my personal knowledge—on the battlefield in South Vietnam.

This American fighting man is represented today by Sergeant Morris.

I am proud to be here to participate in this ceremony and to have the opportunity to see this man justly awarded and to be able to personally congratulate him.

DANGERS OF NEGATIVE INCOME TAX PROPOSALS

Mr. **MONTGOMERY**. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina [Mr. KORNEGAY] may extend his remarks at this point and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. KORNEGAY. Mr. Speaker, recently my colleague, Congressman ROY TAYLOR, in addressing the student body of Montreat-Anderson College, Montreat, N.C., pointed out the dangers of the negative income tax proposals. Congressman Taylor emphasized that these proposals would freeze their beneficiaries into a perpetual state of dependency, rather than to help them out of it. I recommend that attached excerpts from Congressman Taylor's address for the consideration of my colleagues and the American people.

Excerpts From Address of Congressman Roy A. Taylor Before Montreat-Anderson College Student Body, November 10, 1967

Another change affecting our nation is the population shift from rural areas to the cities. In the decade from 1950 to 1960, 11 million people moved to urban centers so that today 71% of our citizens live on 1% of the land.

Years ago there appeared a verse which might be called the theme song of the flight to the city. We sang, "How are we going to keep them down on the farm after they've seen Paris?" Today millions of Americans have, you might say, seen Paris, the glitter and pace of the city, but we are seeing its problems too.

Years ago the federal government launched a program of public housing in cities, wherein some low income families found housing at reduced rates in publicly-owned facilities.

In recent years a rent subsidy program has been advocated and has been put into operation on a small scale. Under this program low income families rent privately-owned apartments in any approved location and the federal government pays a portion of the monthly rent. I have voted against the rent subsidy program because it discourages private home ownership, which is needed in every community, and it also discourages individual initiative and thrift.

A more far-reaching proposal and one that you asked me to discuss is the negative income tax to guarantee an annual income. Various suggestions have been made to guarantee to each family a certain level of income through the federal personal income tax machinery. Under these proposals families and individuals with insufficient income would receive a federal cash subsidy according to the number of persons in the family and the amount of income deficiency, regardless of the reason for their poverty. Instead of paying an income tax, the low income person or family would receive the difference between the actual income and a minimum standard of need for families of different sizes.

What are the arguments for this radical proposal? The proponents contend that the negative income tax is directed specifically at the problem of poverty regardless of the cause, that present programs are set up for specific categories: old age assistance, aid to dependent children, aid to disabled persons, and aid to the blind, and that a person must fit into one of these categories and prove need and inability to solve his own financial problems before receiving welfare help. These proponents contend that only about one-third of the poor families in the nation receive help because they either do not meet the means test or they were uninformed of their eligibility for aid or they were frightened by the stigma attached to welfare or they did not fit into the prescribed categories, or in some cases, were too proud to ask for help. It is expected that the negative income tax would replace the wide variety of programs now used to aid the poor and perhaps replace social security for these people.

I believe in charity toward the unfortunate, the handicapped and helpless, but I am unalterably opposed to these negative income tax proposals. Such would benefit the lazy and shiftless as much as the deserving. It would enable them to live on someone else's labors. It would guarantee to each citizen an income whether he is willing to work or not, thereby taking away the incentive for the unemployed to find work . . . it would encourage those who work today for low wages to work only part-time or to quit.

From the individual's viewpoint the receipt of a guaranteed income paid by other citizens would destroy individual dignity, weaken the capacity for growth and self-sufficiency and would perpetuate poverty as a way of life. Of course, from the point of view of a person who does not want to work, it would enable him to enjoy his poverty.

From the country's point of view it would cause severe manpower shortages, especially in low paying menial jobs. It would produce an idle class of citizens and this idleness of itself would create new social problems. Idle hands and minds are still the devil's workshop.

Summarizing, I oppose the guaranteed income proposal because it penalizes industrious citizens and encourages dishonesty, it gives people who are able to work money which they were unwilling to earn. It encourages laziness, discourages self-reliance, and is a prescription for paralysis.

Recently, an Office of Economic Opportunity grant was approved for study and research by the University of Wisconsin Institute for Research concerning the negative income tax proposal. I oppose even making a grant for this study because it would use public funds to carve a path in the wrong direction.

Education and training are the most effective ways for opening the door between poverty and a decent standard of living. Giving cash doles perpetuates the plight of the poor. The checkbook approach is not the solution to the war on poverty and on city ghettos. The most fruitful results will come from programs of manpower training. Too many of our citizens remain poor because they do not possess the learning and the job skills needed to fit into an industrial society.

A few months ago it was my privilege to speak at the graduation exercises of the Asheville-Buncombe Technical Institute which had offered some training, upgrading skills, to about 10,000 people during the year 1967. Institutions such as this show what can be accomplished. Years ago I was impressed by the statement that "if you give a man a fish, you feed him for a day, but if you teach him how to fish, you feed him for life."

POVERTY PROGRAM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. Hungate] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HUNGATE. Mr. Speaker, in view of the fact that some of my colleagues may believe that duly elected officials will now exercise some direct control over the poverty program, I wish to call to their attention the following article:

[From the Washington Post, Nov. 17, 1967]

Autonomy Seen Here for UPO

Wiley A. Branton, executive director of the United Planning Organization, said yesterday he doubts the city government will take over UPO even if it does get the chance.

Branton said his guess was based on conversations he has had with Mayor Walter E. Washington and a majority of the City Council over the last few weeks.

The Mayor declined to discuss the matter, since Congress has not taken final action yet on the antipoverty bill.

A section added to the bill in the House would give the Nation's city halls the option of taking over local community-action programs—the largest part of the war on poverty.

The city hall section was designed to win conservative support in the House. There was no such language in the Senate bill, and the issue now has gone to conference. The city hall stipulation probably will stay in the bill in some form.

UPO has been independent up to now, and at times has feuded with the District Building.

Branton, who took over UPO last month, said he hopes that the antipoverty agency can start working more closely with the city government, and thinks there will be a great deal more cooperation now. But he does not think UPO should become a regular city agency, he said.

Under the House bill, the Mayor could either absorb the community-action program or let UPO keep running it.

Even indirect responsibility for the antipoverty program could prove a problem for the Mayor.

THE PRESIDENT'S SEARCH FOR THE RIGHT ANSWERS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. Anderson] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. ANDERSON of Tennessee. Mr. Speaker, if the American people ever needed further evidence of the courage of Lyndon Baines Johnson, they received that evidence when they watched and listened to his press conference on Friday, November 17, 1967.

President Johnson once again proved that he has the courage and the ability to do what he believes is right for all of the people. He will not be dissuaded by any mean, personal, political advantage that might be extracted from a decision taken solely for the purpose of garnering a few extra votes.

The brief popularity that might come from turning to appeasement is not the goal of President Lyndon B. Johnson. He remembers all too well what he called during the press conference "the concessions made by the men carrying umbrellas."

On Friday, President Johnson stated clearly and crisply the credo which is the hallmark of his leadership when he said:

> The important thing for every man who occupies this place is to search as best he can to get the right answer; to try to find out what is right; and then do it without regard to polls and without regard to criticism.

Our job in this Congress—indeed the job of every one of us in this country—is to sustain the President while he works to provide "the right answer."

THE OTHER SIDE OF OUR CAMPUS INTELLECTUALS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Gallagher] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. GALLAGHER. Mr. Speaker, whenever I read about the campus peace marches and draft card burners, I am reminded of that little man in the magazine advertisement who is screaming his head off while everyone else is reading his Philadelphia Bulletin.

The demonstrators make a lot of noise and capture a lot of headlines, but despite their notoriety, they simply are not representative of the vast majority of students. They are not even representative of the vast majority of campus intellectuals.

That lesson was driven home to me once again last week when I read an excellent column on Vietnam by David Fairbanks in the Greenville, Ill., college student newspaper, the Papyrus.

Mr. Fairbanks writes:

> I've had about all I can stand of those fine, idealistic, sensitive peace demonstrators who run around asking the President of the United States how many children he has killed that day.

And in a very thought-provoking treatment of the whole area of campus dissent, he points out that, "the smug arrogance of those who would take it upon themselves to illegally disrupt the operation of a popularly elected government is not based on a genuine love of their country."

Mr. Speaker, because this column captured no headlines, because it received no attention on the TV news programs, and—most of all—because I believe it reflects the thinking of the vast majority of our young men and women in this country, I commend it to the attention of my colleagues and insert it into the Record:

The American Way

(By Dave Fairbanks)

I've had about all I can stand of those fine, idealistic, sensitive peace demonstrators who run around asking the President of the United States how many children he has killed that day. And I'm getting pretty sick of those magnificent, high-minded, intellectual advocates of truth and justice who righteously maintain that it has been American aggression that has caused the war and that this country stands universally condemned for the criminal policy of our capitalistic, war-mongering leaders.

Now I know there are many who sincerely question the advisibility of our Vietnam policy, but I am afraid that many of the loudest protests come from those who have no real interest in the well-being of America. These vulgar and flagrantly dishonest peace publicists add only to the anguish and confusion of the war debate.

How much credence can be given to persons who accept every propaganda charge made by a government run in absolute secrecy while refusing to consider explanations made by their own government which is subject to the strictest scrutiny by a free press? Mr. Rusk, in his last press conference, explained, I believe, as clearly and honestly as he could this country's position. He reminded reporters of the SEATO treaty which states that the signers recognized their national interests to be at stake in Southeast Asia and that each of them would help defend any fellow signer victimized by aggression—a treaty which the United States has solemnly sworn to adhere to. The Secretary of State warned that if "any who would be our adversary should suppose that our treaties are a bluff, or will be abandoned if the going gets tough, the result would be catastrophe for all mankind."

Though President Johnson is a Democrat, he is not immoral or insane or idiotic. I am sure that the tragic and monumental responsibilities of fighting a war weigh far heavier on his being than they do on any of those screaming maniacs of the street. The war is not a fiendish plot thought up by Satanic elements in the Pentagon to destroy the world.

People certainly have the right to question their government's policy—they by all means should question it—but they do not have the right to blatantly proclaim the slanders and smears of the enemies of their country and purposely undermine the confidence and faith citizens have in the integrity of their government, a confidence and faith that is necessary for national survival. It is only the government that has the right to set into action a specific foreign policy. The smug arrogance of those who would take it upon themselves to illegally disrupt the operation of a popularly elected government is not based on a genuine love of their country.

Former President Eisenhower two weeks ago warned that war critics were "assuming an expertise that they do not possess" and that they should be doing "more thinking and less talking" about Vietnam. "No man is so all-seeing that he can afford to be arrogant," said the former President. "When we get into trouble abroad we've got to follow our leaders. If we do dissent, we ought to be moderate in our tone and emphasis."

Watching Huntley-Brinkley or reading Time Magazine doesn't give anyone enough background to decide on a Vietnam solution. We should constantly be on guard against those who give simple explanations and simple answers. And while we should never blindly accept everything our government tells us, we had better admit that in something like Vietnam we are going to have to trust someone quite a bit.

And I find it much easier to believe in the integrity of Secretary Rusk than I do that of H. Rapp Brown. Sen. Dirksen's arguments impress me far more than do the obscenities of Norman Mailer. And there is no question in my mind but that Robert McNamara is more qualified to run the defense department than Benjamin Spock, whatever the latter knows about babies. I would even trust the judgment of Ambassadors Lodge and Bunker over that of respected political theorists Hans Morgenthau and Arthur Schlesinger, Jr. Though his faults are many, I infinitely prefer placing my country's destiny and the world's in the hands of Lyndon Baines Johnson than I do in handing it over to those Americans who parrot the words of Ho Chi Minh.

FOREIGN AID PROGRAM

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. Rees] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. REES. Mr. Speaker, last Friday I very reluctantly voted for the Foreign Assistance and Related Agencies Appropriation Act, 1968. Practically the only reason I could think of for voting for this emasculated appropriation bill is that some vehicle is necessary to keep a concept of foreign aid alive. The bill represents a drastic and dangerous $1 billion cut from recommendations made by the administration and is an attempt by the Appropriations Subcommittee on Foreign Operations to write policy matters which rightly should be dealt with by the Committee on Foreign Relations or the executive branch of Government.

Today we are spending nearly $30 billion a year fighting the war in Vietnam. I can think of no greater insurance policy against this type of involvement than our foreign aid program by which we hope to help the emerging nations of the world. At a time when we should be doubling our commitment, we are making shortsighted cuts. The foreign aid program has changed in scope a great deal during the past few years. The major emphasis now is in low-interest loans for such major projects as creating and conserving water resources, conservation, power development, internal communications, and food production.

Together with the loan program we also have a technical assistance program supplying brain power which these countries need to adequately develop their resources. In our own hemisphere the commitment we made for the Alliance for Progress is being watered down drastically. It is my prediction that if this trend of emasculating our foreign aid obligations continues, the problems we have in Vietnam will be multiplied throughout the underdeveloped areas of this world. The schism of the future will not be between Communist and capitalist nations, but between the developed and underdeveloped countries and, to prevent this, there must be a strong commitment from all developed nations to give basic aid to these less fortunate countries. Only in this way can we reverse this disastrous trend of the rich nations becoming richer and the poor nations becoming even poorer.

The Foreign Assistance Appropriation Act is deplorable, and in voting for this act I do so with the hope that sanity might be restored in the Senate-House conference committee.

G. D. MILLIKEN, SR.

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Kentucky [Mr. Natcher] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. NATCHER. Mr. Speaker, on November 10 the Commonwealth of Kentucky and my hometown of Bowling Green, lost one of our most distinguished citizens in the passing of my good friend, G. D. Milliken, Sr. He lived life to the fullest and had embraced each day of his 90 years with ardor and delight. He was recognized throughout Kentucky as one of our great lawyers and a man who loved, respected, and honored his profession. He was always a busy man and a dominant personality.

He was a successful lawyer, politician, and businessman, and his service in all of his assignments was marked by a high sense of conscience and duty. In each position which he held, either private or public, he achieved distinction. His concept of public trust was without parallel and never did he hesitate to speak out against any proposal which he felt was not sound and not to the best interest of our people.

From time to time giants walk the earth and history will record the fact that G. D. Milliken, Sr., was indeed one of this group. He was a leader of men and his strong character and outlook on life made an indelible impression upon everyone with whom he came in contact. His influence will be felt for generations yet to come because the efforts and examples of men of his caliber are not quickly forgotten.

Words are inadequate to fully appraise Judge Milliken's tremendous capacity for loyalty and love of his country, and he will forever have a high place in the history of the Commonwealth of Kentucky and in the hearts of his countrymen.

G. D. Milliken, Sr., was a friend of mine. I respected him for his outstanding abilities as a lawyer and admired him for his dedication to his chosen profession. I have lost a true friend and the Commonwealth of Kentucky has been deprived of a great statesman and brilliant jurist. May God let the light of His countenance shine upon him and give him peace.

U.S. SPACE INVESTMENT PAYS LARGE DIVIDENDS

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Cabell] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. CABELL. Mr. Speaker, around the country many perceptive people have realized the significance of the Saturn V launch conducted by NASA on November 9 and have taken the occasion of recognizing that feat to point out the basic importance of the national space program to our economy and our welfare. An article in the Wichita Eagle for November 11, 1967, is an example of this viewpoint, and points out the contributions that this program makes to world peace, to education, to solving social problems, to scientific and technical innovation, and to our national security. The article follows:

[From the Wichita (Kans.) Eagle, Nov. 11, ,1967]

U.S. Space Investment Pays Large Dividends

The United States hurled an unmanned moonship 11,234 miles into space Thursday and put this country back into the race to the moon.

The virtually perfect Saturn V flight and an equally successful soft landing on the moon by Surveyor 6, a picture taking satellite, restored confidence in the U.S. space program among many who had been discouraged by recent Russian space docking triumphs.

Though the American feat was cheered by technicians of the National Aeronautics and Space Administration, it was mostly taken in stride by the rest of the populace. Spectacular space achievements do not provide the excitement they once did, and many Americans now are convinced that space exploration is not worth the money spent on it.

Congress has reflected this position by slicing NASA funds. The battle cry of NASA critics has been, "why spend all that money to get to the moon, when we can't solve the problems we have here on earth?"

This is short sighted. The benefits of space exploration are many, far exceeding the mere satisfaction of setting foot on Moon's surface. Space exploration has a beneficial effect on many of the terrestrial problems alluded to by the critics.

They include:

Economic significance—Money for space programs is paid out in wages, salaries and profits, most of it in the U.S. in 1966, sales of aerospace industries totaled $24-billion and employment at the end of the year exceeded 1,300,000 persons.

The space program also develops methods, techniques and procedures which increase the efficiency of much of the nation's business.

Medical benefits—Instrumentation, improved as a result of electronic applications from the space program may revolutionize equipment in clinics and hospitals. Research on the effects of space travel on astronauts is being applied elsewhere.

National security—Though space weapons are possible, most of the benefit from space technology has been in improved communications, better weather information, more accurate navigation data and precise maps.

Innovation—The rate of invention has been stepped up and the quality of goods has been improved. Among the innovations are wideband transoceanic communications, global weather forecasting, better forest fire detection, improved metals, alloys and plastics, new ceramics, new power sources and more effective miniaturization of electronic devices.

Social problems—New techniques in management and systems engineering can be applied to solving such problems as community planning, education, crime prevention. cargo handling, water and air pollution.

Education—Additions have been made to the total available knowledge of man. And interest in education has been stimulated by the competitive aspects of space exploration.

Peace—Aerospace achievements show people throughout the world that the most successful nation is one which offers freedom, encourages private enterprise and serves the people.

The aerospace program is an invaluable information device which gives others an accurate picture of the United States. Space activities can be a substitute for aggression.

The nation's investment in space is paying large dividends in human welfare.

FRIEDEL ANNOUNCES AIRLINE SAFETY INITIATIVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. Friedel] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, as chairman of the Subcommittee on Transportation and Aeronautics of the House Interstate and Foreign Commerce Committee, I have a keen and vital concern for air safety. It is particularly gratifying to know that the airlines are taking the initiative and investing their funds to improve air safety. But I would like to share with my colleagues today a press release recently issued by Pan American World Airways regarding flight testing of an experimental clear air turbulence detection system on the Boeing 707-321B jet clipper.

We are all concerned with air safety and this is only one phase of the clinical work Pan Am is doing to make safe flying even safer. It deals with the most common passenger complaint—turbulence. The device scans the atmosphere 60 miles ahead of the aircraft to search for changes in temperature and radiation. The pilot then has up to 4 minutes to change the course of the aircraft or to alert passengers by lighting the "Fasten Seatbelts" sign.

I insert the press release in the Record at this point:

Pan Am Resumes Flight Testing Clear Air Turbulence Detection System

Pan American World Airways has resumed inflight evaluation of an experimental Clear Air Turbulence detection system on a Boeing 707-321B jet Clipper.

The CAT detection device, developed and built by Autonetics, a Division of North American Rockwell Corporation, of Anaheim, California, was initially flight tested by Pan Am between May 24 and June 14, 1967. Following those tests, the equipment was returned to Autonetics for modifications.

The Modified CAT gear, designed to give pilots up to four minutes warning of possible turbulence ahead of the aircraft, was reinstalled aboard the same jet Clipper.

Ben F. McLeod, Pan Am's Director of Electronic Engineering, said the Phase II evaluation period would probably run through February, 1968.

Mr. McLeod said the CAT equipped aircraft will be routinely scheduled for normal passenger operations. "No special effort will be made to schedule the aircraft on particular routes for the sake of testing the CAT equipment," he said. However, Mr. McLeod added that during many flights, electronics engineers will be aboard to observe and evaluate the modified CAT detection equipment.

Basically, the CAT detection system utilizes an infrared sensor which scans an area some 60 miles ahead of the aircraft to search for changes in temperature and radiation. Such changes are believed to be associated with clear air turbulence.

Once these changes are detected, the pilot can alter the course of the aircraft to avoid suspected turbulence, or, alert the passengers by lighting the "Fasten Seat Belts" sign.

WARM PRAISE FOR PRESIDENT'S NEWS CONFERENCE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from Maine [Mr. Hathaway] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HATHAWAY. Mr. Speaker, President Johnson's "defense of American policy in Vietnam was masterful and eloquent."

This is the editorial judgment of the Washington Evening Star, which goes on to note that the President did a masterful job in clearly and fairly explaining our policies in Vietnam. And the Star singles out for special praise, the President's remark that—

> The important thing for every man who occupies this place is to . . . try to find out what is right and then do it without regard to polls and criticisms.

This is the essence of what the Presidency is all about. And I am glad that the President spelled this out so clearly.

I agree wholeheartedly with the Star's assessment that—

> It is difficult to recall any White House news conference more impressive than the one staged yesterday by President Johnson.

I insert into the Record this excellent editorial from the Evening Star:

The President at His Best

> It is difficult to recall any White House news conference more impressive than the one staged yesterday by President Johnson. The TV cameras covered him from better angles than usual, and a "necklace" microphone let him move about freely, away from the pulpit-like podium. He spoke without notes, in good, strong, simple English.
>
> His defense of American policy in Vietnam was masterful and eloquent. His recollection of the faultfinding, backbiting and censorious attacks suffered by many of his predecessors was instructive. So was his own Lincolnesque comment on the White House: "The important thing for every man who occupies this place is to . . . try to find out what is right and then do it without regard to polls and criticisms."
>
> Polls, Mr. Johnson made clear, do not make him feel faint of heart, for they merely reflect public moods that are as fickle as the wind. Ask Harry Truman. As for the critics, the President was relaxed, good-tempered, but devastating in what he had to say in distinguishing between the honest ones and those who claim to be peace demonstrators but whose outrageous conduct—like that displayed against Secretary Rusk the other night—amounts to something more like hoodlumism. It is "stormtrooper bullying and howling and taking the law into their own hands"—an "extremely dangerous" sort of thing that is "not very helpful to the men who are fighting the war for us."
>
> All this came through to the TV viewer with striking forcefulness. It was a memorable performance. Some people keep saying that the President has a serious communication problem with the general public, and especially with the so-called liberal community. If so, he should be pretty well able to solve it by resorting more often to the kind of discourse he has just given.

POUND DEVALUATION

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. McCarthy] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. McCARTHY. Mr. Speaker, the shock waves from Britain's devaluation of the pound are being felt around the world:

Spain devaluated her currency.

The Bank of Canada raised its interest rate.

The U.S. Federal Reserve System increased its discount rate.

In New York the stock market slumped in heavy trading.

This Nation clearly faces a most serious situation. The strength of the U.S. dollar has been threatened. And since the dollar is so central, international financial stability has also been threatened.

Mr. Speaker, I believe stern measures are called for by our Government. The executive branch should move to curtail any possible flight of capital from our shores and exert much greater efforts to reduce nonessential Federal spending.

The Senate should match the House's $6 billion cut in appropriations, and both Houses should move now on fiscal measures to curb inflation, including the President's proposal for a 10-percent surcharge on corporate and individual income taxes.

My mail is running heavily against the surcharge. But I believe the responsible thing for Congress to do is to enact the surcharge. It will average out to only a 1-percent increase in personal income taxes. This would be the lesser evil. The combination of inflation and a weakened U.S. dollar would be much more inimical to our people.

I believe the time to act is now, and that Congress should remain in session until we enact the surcharge even if that means staying here until Christmas Eve.

AN OUTSTANDING PRESIDENT DEFENDS AN OUTSTANDING RECORD

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Howard] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. HOWARD. Mr. Speaker, with letters and telegrams pouring into the White House last week congratulating him on a most effective presentation, President Lyndon B. Johnson may take much pride in the fact that when the American people are presented with the truth in a straightforward manner, they respond with strong support and overwhelming support.

Last Friday the President defended his administration's accomplishments before the eyes and ears of America, the press corps, and the world. By all observations—hostile and friendly—he received an A-plus for his efforts.

Rarely have we seen a President give us a synopsis of 4 years of national accomplishments, foreign and domestic, in 30 minutes. And rarely have I seen the White House press corps so enthralled and attentive to each of his answers.

The President was effective because he was simply restating his record of accomplishment. The Congress knows that record. The people know that record.

This one President has done more for the older citizen than any previous President—with medicare and the Older Citizens Act.

The President has done more for the Negro citizen than any previous President, with the Civil Rights Acts of 1964, 1965, and the war against poverty.

This President has done more for the education of the schoolchild, the college student, the older illiterate citizen than anyone before him.

Indeed, Lyndon Johnson has done more for conservation of land and recreation and the enjoyment of the arts than any of his predecessors.

He has done more to protect the consumer from fraud and against unwholesome or dangerous products.

He has fought the good fight against water and air pollution.

He has become our first "urban President," and has established landmark programs to help the cities which have become monuments to his understanding and compassion—model cities and rent supplements.

With his eye on the future, President Johnson said:

> The important problems are ahead; what's the next century going to be like?

I salute the President for an effective and lucid exposition of the accomplishments of this administration—accomplishments unparalleled in the recent history of the country.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Brooks, for November 20 through November 22, on account of official business.

Mr. Wiggins (at the request of Mr. Gerald R. Ford), for today and tomorrow, on account of illness.

Mr. Flynt (at the request of Mr. O'Neal of Georgia), for Monday, November 20, 1967, on account of official business.

Mr. McCulloch (at the request of Mr. Gerald R. Ford), for today, on account of official business—National Advisory Committee on Civil Disorders.

Mr. Annunzio (at the request of Mr. Albert), for the balance of the month, on account of illness.

Mr. Olsen (at the request of Mr. Albert), for today, on account of official business.

Mr. Pepper (at the request of Mr. Albert), for today, November 20, on account of official business.

Mrs. Heckler of Massachusetts (at the request of Mr. Gerald R. Ford), through December 1, on account of injury.

Mr. Holifield, for November 20 and 21, on account of official business in district.

Mr. Aspinall, from November 20 to November 22, 1967, both dates inclusive, on account of official business in Colorado.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. McDonald of Michigan) to revise and extend their remarks, and include extraneous matter:)

Mr. Dole, for 30 minutes, today.

Mr. Rumsfeld, for 30 minutes, today.

Mr. Halpern, for 5 minutes, today.

Mr. Curtis, for 1 hour, today.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Rogers of Florida.

(The following Members (at the request of Mr. McDonald of Michigan) and to include extraneous matter:)

Mr. Morse of Massachusetts.

Mr. Hunt.

(The following Members (at the request of Mr. Montgomery) and to include extraneous matter:)

Mrs. Kelly.

Mr. Eilberg.

Mr. Blatnik.

Mr. Vanik.

Mr. Green of Pennsylvania.

Mr. Henderson.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2152. An act to authorize the vessel *Orion* to engage in the coastwise trade; to the Committee on Merchant Marine and Fisheries.

S. 2324. An act to amend the act prohibiting fishing in the territorial waters of the United States with respect to the penalties provided thereunder; to the Committee on Merchant Marine and Fisheries.

S. 2349. An act to provide for the appointment of additional circuit judges; to the Committee on the Judiciary.

ENROLLED BILL SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 3474. An act to require the Foreign Claims Settlement Commission to determine the amount and validity of the claim of Ike Ignac Klein against the Government of Hungary, and for other purposes.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S.J. Res. 26. Joint resolution designating February 1968 as "American History Month."

ADJOURNMENT

Mr. MONTGOMERY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 46 minutes p.m.) the House adjourned until tomorrow, Tuesday, November 21, 1967, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, pursuant to the order of the House of November 16, 1967, the following bill was reported on November 18, 1967:

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. S. 1003. An act to amend the Flammable Fabrics Act to increase the protection afforded consumers against injurious flammable fabrics; with amendment (Rept. No. 972). Referred to the Committee of the Whole House on the State of the Union.

[*Submitted November 20, 1967*]

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Committee of conference. H.R. 162. An act to grant the masters of certain U.S. vessels a lien on those vessels for their wages and for certain disbursements (Rept. No. 973). Ordered to be printed.

Mr. STAGGERS: Committee of conference. H.R. 6418. An act to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes (Rept. No. 974). Ordered to be printed.

Mr. SIKES: Committee of conference. H.R. 13606. An act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes (Rept. No. 975). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BARING:

H.R. 14087. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. BINGHAM:

H.R. 14088. A bill to establish a program of insurance against property and casualty losses, and personal injury, for urban areas where such insurance is presently unavailable; to the Committee on Banking and Currency.

By Mr. BURTON of Utah:

H.R. 14089. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. CUNNINGHAM:

H.R. 14090. A bill to amend the Federal Food, Drug, and Cosmetic Act to prescribe penalties for the possession of LSD and other hallucinogenic drugs by unauthorized persons; to the Committee on Interstate and Foreign Commerce.

H.R. 14091. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. DOLE:

H.R. 14092. A bill to amend the Federal Food, Drug, and Cosmetic Act to prescribe penalties for the possession of depressant, stimulant, and hallucinogenic drugs by unauthorized persons, to increase penalties for the unauthorized sale, delivery, or disposition of such drugs, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FULTON of Pennsylvania:

H.R. 14093. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. HERLONG:

H.R. 14094. A bill to require persons holding demonstrations on Federal property or in the District of Columbia to post a bond to cover certain costs of such demonstration; to the Committee on Public Works.

By Mr. KING of California:

H.R. 14095. A bill to amend the Internal Revenue Code of 1954 so as to make certain changes to facilitate the production of wine, and for other purposes; to the Committee on Ways and Means.

By Mr. ROGERS of Florida (for himself, Mr. Staggers, Mr. Friedel, Mr. Moss, Mr. Dingell, Mr. Kornegay, Mr. Devine, Mr. Van Deerlin, Mr. Pickle, Mr. Murphy of New York, Mr. Satterfield, Mr. Ronan, Mr. Blanton, Mr. Stuckey, Mr. Kyros, Mr. Nelsen, Mr. Cunningham, Mr. Broyhill of North Carolina, Mr. Harvey, Mr. Watson, Mr. Carter, Mr. Watkins, Mr. Brown of Ohio, Mr. Kuykendall, and Mr. Skubitz):

H.R. 14096. A bill to amend the Federal Food, Drug, and Cosmetic Act to prescribe penalties for the possession of LSD and other hallucinogenic drugs by unauthorized persons; to the Committee on Interstate and Foreign Commerce.

By Mr. VIGORITO:

H.R. 14097. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. DOWDY:

H.R. 14098. A bill to amend the act entitled "An act to provide for the annual inspection of all motor vehicles in the District of Columbia," approved February 18, 1938, as amended; to the Committee on the District of Columbia.

By Mr. HÉBERT:

H.R. 14099. A bill to amend the Merchant Marine Act of 1936, and other statutes to provide a new maritime program; to the Committee on Merchant Marine and Fisheries.

By Mr. LANGEN:

H.R. 14100. A bill to establish the calendar year as the fiscal year of the U.S. Government; to the Committee on Government Operations.

By Mr. MACHEN:

H.R. 14101. A bill to provide for withholding from the compensation of Federal employees for purposes of certain local income taxes which are administered and collected by the State; to the Committee on Ways and Means.

By Mr. MULTER:

H.R. 14102. A bill to provide for a Federal Athletic Commission to regulate organized sports when and to the extent that such regulation is in the public interest; to the Committee on Interstate and Foreign Commerce.

By Mr. O'NEILL of Massachusetts:

H.R. 14103. A bill to provide financial assistance, if needed, to close relatives of servicemen wounded in Vietnam to permit such relatives to visit those servicemen while they are hospitalized in the United States; to the Committee on Armed Services.

H.R. 14104. A bill to amend the Vocational Rehabilitation Act to eliminate economic need as an eligibility requirement for any vocational rehabilitation service; to the Committee on Education and Labor.

By Mr. WAGGONNER:

H.R. 14105. A bill to create a Commission on the Establishment of a Council of Free Nations; to the Committee on Foreign Affairs.

H.R. 14106. A bill to amend the Merchant Marine Act, 1936, and other statutes to provide a new maritime program; to the Committee on Merchant Marine and Fisheries.

By Mrs. DWYER:

H.R. 14107. A bill to amend the Federal Food, Drug, and Cosmetic Act to prescribe penalties for the possession of depressant, stimulant, and hallucinogenic drugs by unauthorized persons; to increase penalties for the unauthorized sale, delivery, or disposition of such drugs; and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. FULTON of Pennsylvania:

H. Con. Res. 587. Concurrent resolution reaffirming the support of the Congress for United Nations peacekeeping and peacemaking operations, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BOLAND:

H. Con. Res. 588. Concurrent resolution recommending sending the Vietnam question to the United Nations; to the Committee on Foreign Affairs.

By Mr. BROYHILL of Virginia:

H. Res. 984. Resolution creating a select committee to conduct an investigation and study of the employment system in the House of Representatives in order to devise a plan for the elimination of political patronage in certain categories of such employment; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON of California:

H.R. 14108. A bill for the relief of Mrs. Arsinoi Noi Razatou (nee Christoforos); to the Committee on the Judiciary.

By Mr. CELLER:

H.R. 14109. A bill for the relief of Joseph W. Harris; to the Committee on the Judiciary.

By Mr. CONTE:

H.R. 14110. A bill for the relief of Antonios Youssef Bou Semaan; to the Committee on the Judiciary.

By Mr. HERLONG:

H.R. 14111. A bill to authorize the Secretary of the Interior to sell reserved phosphate interests of the United States in certain land located in the State of Florida to the record owner of the surface rights; to the Committee on Interior and Insular Affairs.

By Mr. JOELSON:

H.R. 14112. A bill for the relief of Francesco Ciarfella; to the Committee on the Judiciary.

By Mr. KUPFERMAN:

H.R. 14113. A bill for the relief of Angelita Corales; to the Committee on the Judiciary.

H.R. 14114. A bill for the relief of Georgia Rossetou; to the Committee on the Judiciary.

By Mr. O'NEILL of Massachusetts:

H.R. 14115. A bill for the relief of Pui Yuen Lee aka Dario Chin; to the Committee on the Judiciary.

By Mr. SCHEUER:

H.R. 14116. A bill for the relief of Antonio Acupan Madrinan and Lilia Madrinan; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

205. By the SPEAKER: Petition of Henry Stoner, Avon Park, Fla., relative to the method of printing footnotes in Government publications; to the Committee on House Administration.

206. Also, petition of Trust Territory of the Pacific Islands, Saipan, Mariana Islands, relative to the proposed plan to reestablish military installations in Rota, Tinian, Saipan, and the Northern Islands, and urging the reintegration of these islands with the territory of Guam; to the Committee on Interior and Insular Affairs.

207. Also, petition of city of Cambridge, Mass., relative to insuring full economic and social opportunity for all Cambridge citizens; to the Committee on Education and Labor.

EXTENSIONS OF REMARKS

The Information Gap

EXTENSION OF REMARKS

OF

HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Monday, November 20, 1967

Mr. MORSE of Massachusetts. Mr. Speaker, a number of Members have been concerned in recent months with the problems of obtaining accurate and consistent information from the executive branch, particularly on issues relating to the war in Vietnam. This week in his regular Capitol Comment report to his constituents, Mr. MATHIAS of Maryland, calls attention to two recent experiences of his own and suggests that "we need a new spirit and conscientious effort—at every level of Government—to halt the decline in trust and insure real communication between the people and their national leadership on the most important issues we now face."

His remarks are very timely and I include the full text of Mr. MATHIAS' statement in the RECORD at this point:

THE INFORMATION GAP

"Credibility gap" may be a somewhat tired phrase, but it has become the shorthand for one of the most serious problems plaguing American government today—a crisis of confidence. On one hand, the people are losing faith in what government spokesmen say. On the other hand, popular suspicion and mistrust are intensified every time officials refuse to make hard information available, or persist in offering only vague, generalized or contradictory statements.

To some extent these failures of candor and clarity by official spokesmen are generated by political considerations. But sometimes an official will simply withhold or distort information because releasing it would create problems of explanation which he would prefer to avoid. In either case, the American people and our entire representative system of government are hurt.

The Congress has already taken a long step toward guaranteeing that the public will have access to information about public business. The Freedom of Information Act, which went into effect on July 4th of this year, provides that only certain types of government data—such as personnel records and material classified for security reasons—may be withheld from the public and the press.

Recently the Freedom of Information Committee of the honorary journalism fraternity, Sigma Delta Chi, published a report on the operation of this Act. The report cited the progress which many agencies have made in giving the public more information than ever before. However, the committee also found that at the very highest levels of government, specifically in the White House and at the Pentagon, there is still a great reluctance to make accurate, full information available.

Recently I myself have encountered in two cases an excessive reluctance on the part of Federal officials to provide facts to me and my constituents.

In a recent speech, the President, citing signs of progress in Vietnam, declared that 65% of the South Vietnamese population was now under the control of the Saigon government. A week ago, retired General James Gavin stated that of the 12,500 hamlets in South Vietnam, only about 5000 were "in friendly hands," while some 7500 were "assumed to be" subject to the Viet Cong. These two figures—one based on population, the other on numbers of towns regardless of their size—may or may not be contradictory. But when I asked Defense Department and State Department officials whether the two measurements could indeed be reconciled, I was told that no figures beyond those used by the President were available for public discussion.

Again, last month I read a press report, based on "reliable new evidence gathered by American intelligence sources," which indicated that small numbers of North Vietnamese army regulars for the first time were being trained in Red China to fight in South Vietnam. This would be a development of some importance, so I sought to secure official comment on the reports, to be relayed to my constituents. Although the report had been publicly discussed in the first place, I was denied any quotable material to confirm, deny or qualify the statement.

These two cases are extremely discouraging. Such nervous, restrictive and defensive information policies are not only inconsistent with the spirit of the Freedom of Information Act hailed by the President last year. More basically, they are incompatible with the principles of a free government. While legitimate boundaries of national security must be respected, it is self-defeating to try to stretch the cloak of secrecy over material which it is simply not convenient or advantageous to release.

The crisis of confidence has already become so great that some Americans, unable to believe what they hear from government, have simply stopped listening. Clearly we need a new spirit and a conscientious effort—at *every* level of government—to halt the decline in trust and insure real communication between the people and their national leadership on the most important issues we now face.

A New Political Ball Game

EXTENSION OF REMARKS

OF

HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 20, 1967

Mr. EILBERG. Mr. Speaker, at exactly 11 a.m. last Friday, President Johnson stepped before the television cameras at his press conference and completely rewrote the rules for next year's presidential election.

From now on, the Republicans are going to have to run against more than a man with the greatest legislative record in history. They are going to have to run against more than a man who had the courage to stop Communist aggression in its tracks.

Now they are going to have to run against a superbly effective television campaigner as well. And I must say, I do not envy them.

The Republicans have their actors, their industrialists, and their self-styled elder statesmen. They even have Harold Stassen—for whatever that may mean.

But we Democrats have the ultimate weapon—Lyndon Johnson.

And after last Friday's press conference, no one can doubt that he is the most effective thing we have going for us.

I think the polls are going to be telling us that very soon, too.

Possession and Use of LSD To Be a Criminal Offense

EXTENSION OF REMARKS

OF

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 20, 1967

Mr. ROGERS of Florida. Mr. Speaker, I am today introducing a bill which would amend the Federal Food, Drug, and Cosmetic Act to make it a crime for anyone to possess LSD and other hallucinogenic drugs except pursuant to a prescription issued by a duly licensed practitioner.

I am pleased to announce that the following Members join with me in sponsoring this bill: Chairman Staggers, Mr. Kyros, Mr. Kornegay, Mr. Friedel, Mr. Devine, Mr. Moss, Mr. Dingell, Mr. Nelsen, Mr. Cunningham, Mr. Broyhill of North Carolina, Mr. Harvey, Mr. Van Deerlin, Mr. Pickle, Mr. Watson, Mr. Carter, Mr. Watkins, Mr. Murphy of New York, Mr. Satterfield, Mr. Brown of Ohio, Mr. Ronan, Mr. Kuykendall, Mr. Blanton, Mr. Stuckey, and Mr. Skubitz.

Under existing law it is not illegal for a person to possess LSD for his own consumption. This legislation would close this gap in the law by making such possession illegal except when the drug is prescribed by a duly licensed practitioner.

Of all the drugs available to our youth, Lysergic acid dythalamide, otherwise known as LSD, is the most dangerous, simply because we know so little about permanent adverse effects of the drug.

But, we do know some of the immediate effects on the human body after taking a dosage: dilated and unequal pupils, increases in heart rate, blood pressure, and body temperature; local sweating and salivation. Nausea and vomiting are common effects, as are muscular tightness and distorted sensations. Subjective and emotional effects, including the flight of ideas, are highly varied, but unfortunately are the effects sought in the nonmedical use of the drug.

Other complications or adverse reactions from the indiscriminate use of LSD include schizophrenic and paranoid reactions, psychotic depressions, antisocial behavior, convulsions, and the acting out of suicidal tendencies.

We do not yet know clearly what permanent damage may be done to the brain tissues or to chromosomes. The possible mutation of chromosomes from the use of LSD may well result in deformed offspring.

It is estimated that abuse of LSD by young adults ranges from 3 percent to 10 percent, but it is acknowledged that chronic use or habituation is on the increase.

The only official and legal repository of LSD is the National Institute of Mental Health where the available supply is in the order of 18 grams, or about 180,000 average human doses. This is also the only known source of the pure form of the drug.

The shocking fact is that the quantity located in the National Institute of Mental Health is only a fraction, perhaps one one-hundredth or one one-thousandth of the total amount in existence from other sources.

The problem is further compounded by the knowledge that most of the LSD from other sources is impure and thus when taken usually produces much more harmful effects. It is this poor quality form of LSD which is readily available to the young adults of this Nation.

We must deter the use of this dangerous drug and I believe this bill, when enacted into law, will do just that.

Small New Jersey Company Finds Good Export Prospects

EXTENSION OF REMARKS

OF

HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, November 20, 1967

Mr. HUNT. Mr. Speaker, this past summer the U.S. Department of Commerce organized a commercial trade fair in Frankfurt, Germany, so that American manufacturers could display their products before potential buyers in Europe. The show featured measuring, recording, and control instrumentation used in the chemical industry. One of the participating firms was the Kane Air Scale Co. of Glassboro, N.J., a small company which has exported its products, but which was new to this particular market. The New Jersey firm had two purposes in mind when it entered the trade fair. First, it wanted to expose its products to prospective purchasers from the Common Market countries and member-nations of the European Free Trade Association. Second, the firm wanted to establish licensees or agents for its products in European countries. Mr. Donald E. Stein, vice president of Kane Air Scale Co., said, at the conclusion of the show, that both of these objectives had been met. Furthermore, he estimated that in the 12 months following the show his company would make sales of about $200,000 as a direct result of the Frankfurt exhibition. This is the kind of Government-industry cooperation that benefits both the public interest and the private interest, and I congratulate Kane Air Scale Co. for its fine showing.

Charges Against Administration's Farm Program False

EXTENSION OF REMARKS

OF

HON. JOHN A. BLATNIK

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 20, 1967

Mr. BLATNIK. Mr. Speaker, some ancient and long-ago discredited charges against this administration's farm programs and policies are being heard in these Chambers like a phonograph needle stuck in a broken record.

For example:

First. The oft-repeated charge that "grain dumping" was done deliberately in order to depress farm prices has been heard here again in recent days.

The charge is refuted by the facts. In November of 1965 the price of corn was about $1.02 per bushel. The Commodity Credit Corporation sold corn in the winter and spring of 1966. By May of 1966 corn was up—I repeat, up—to $1.10 per bushel. By harvesttime in October of that year it was up to $1.29 per bushel.

The corn sold by the CCC was in surplus. It was costing taxpayers $64 million per year to store. By selling it on a rising market—which is the free enterprise way the market indicates it needs more of a given commodity—this corn was put to use. And it was sold without driving corn prices down. Prices continued to rise throughout the entire sale period.

Second. Another old charge popped up again recently in the criticism of alleged "sharp curtailment" of domestic buying of pork, lamb, and dairy products by the military. But what do the facts show? Defense Department domestic pork purchases in 1966 were 14 million pounds above 1965. This year they are expected to be 50 million pounds above 1966. In terms of milk equivalent, domestic military purchases of dairy products were larger in 1966 than in 1965 and are expected to continue larger in 1967. Domestic lamb purchases in 1966 and estimated for 1967 are as large or larger than in 1965.

Third. It was also alleged by some of our friends on the other side of the aisle that the Department of Agriculture had made: "Repeated decisions to increase imports of raw sugar into the United States." There have been several increases in imports this year in accordance with the provisions of the Sugar Act, as enacted by Congress, but this fact does not support the conclusion that domestic growers were thereby disadvantaged.

Under the Sugar Act total supplies of sugar must be limited in accordance with demand to support the domestic price of raw sugar at the highest possible level. When it was found that early estimates of imported raw sugar were too low to accommodate actual requirements, imports were increased. The method used to control supplies of sugar in 1967 gave the greatest assurance of supporting prices at the level contemplated by Congress. This is borne out by the fact that the price of refined sugar in September 1967 was 12.16 cents per 5 pounds compared with 12.12 cents per 5 pounds in September of last year.

Fourth. It has also been charged that actions on the export control of hides for a part of 1966 weakened our farming industry. This statement is completely unfounded. Export quotas were applied to hides and skins in March 1966. They were liberalized in May and completely removed in November. Hide prices dropped slightly in April 1966—but then increased sharply during the summer. Exports in 1966 totaled 14.3 million, for an increase of 1 million over a year earlier.

Fifth. Another assertion from across the aisle is that imports of meat and dairy products are jeopardizing domestic producers. The facts are that imports of beef and veal this year are running considerably below the high levels of 1963 and 1964 and well below the levels that would bring import quotas into effect. Most of the increase in beef supplies this year has come from increases in domestic production. Prices received by farmers for cattle this year will average about the same as last year and higher than in other years since 1959.

Those making these hackneyed charges choose to completely overlook the June action of President Johnson which proclaimed quotas which are to hold annual dairy imports to a rate 75 percent below the level that would otherwise enter this country in the absence of the President's action.

They make no mention of the fact that the Johnson administration is spending more than $5 billion on price supports and direct purchases of food and fiber from overseas shipment under our food-for-peace programs, for export subsidies, and for our food stamp, school lunch and special milk programs to bolster farm prices and incomes.

Sixth. Decisions on the 1967 wheat programs also are criticized. But they fail to mention that a year ago when these decisions were made there was widespread concern that the world was running out of food. Most of the news relating to current food production was unfavorable. The monsoons in India were failing for the second successive year. Short grain crops in the Communist countries had forced them to make large purchases from Western exporters. Disappearance of excess stocks in this country and a relatively unfavorable wheat yield outlook contributed to the uncertainty.

Since our wheat program was announced a year ago conditions changed vastly. We have had an unexpected development of bumper crops almost everywhere in the world. This was something that the experts, the people in Congress, in the farm organizations and the commodity group leaders could not foresee.

The Johnson administration has responded by reducing the 1968 wheat allotments by 13 percent. We can look forward to better wheat prices in 1968 because of the acreage adjustments permitted under the diversion features of the Agricultural Act of 1965. This Act of 1965, which was sponsored by the Democratic administration and passed by the Congress, will expire in 1969. This means that at that time action must be taken by the Congress to extend or amend the program.

Instead of shedding crocodile tears, our friends across the aisle might well review their party's farm voting record. They would find that the Republican Party has voted consistently for the last 6 years against every farm program—right up to and including the Purcell strategic reserve bill which was defeated in subcommittee just a few weeks ago. Here was legislation which could have raised the price of every bushel of corn, grain sorghum, wheat, and soybeans for every farmer in this country. But true to their tradition the Republicans voted down the Purcell bill which could have added as much as 7 cents to the farm price of wheat.

If there is a moral to be gained from this sorry example of neanderthal thinking and stubborn partisan opposition it is that people who live in glass houses should not cast stones. When a political party deliberately sets out to scuttle a program which would have added thousands of dollars to the pocketbooks of distressed wheat farmers, it is in no position to utter charges such as I have just refuted—particularly when they are completely unsubstantiated and without foundation in fact.

Fly the Flag Day

EXTENSION OF REMARKS

OF

HON. CHARLES A. VANIK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, November 20, 1967

Mr. VANIK. Mr. Speaker, recently I was deeply honored to participate in a sincere and inspiring ceremony to honor veterans of the city of Garfield Heights—living and dead—who have served in the defense of our country.

The community of Garfield Heights, under the leadership of the Veterans Memorial Committee, developed an inspiring program which made Veterans Day 1967 Fly the Flag Day. The response was overwhelming.

Because of the splendid leadership in this effort by Mr. August E. Kleinschmidt, publisher and editor of the Garfield Heights Leader, the southeast suburban post of the Catholic War Veterans presented Mr. Kleinschmidt with a civic award for "his patriotic efforts and for spearheading the drive to have an American flag displayed in every home and business." The chairman of the event, which occurred on November 11, 1967, was Dick France, and the chairlady was Lillian Wasko.

A similar award was presented to Mr. Charles Lindecamp, former superintendent of Garfield Heights Schools, for his outstanding achievements for the benefit of youth and for the public welfare of Garfield Heights.

The patriotism and pride of the Garfield Heights community is gratifying to all America.

Address By Hon. Basil L. Whitener, at the Watauga County Democratic Fundraising Dinner, Boone, N.C., November 17, 1967

EXTENSION OF REMARKS

OF

HON. DAVID N. HENDERSON

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 20, 1967

Mr. HENDERSON. Mr. Speaker, our distinguished colleague, the Honorable BASIL L. WHITENER, addressed the Watauga County, N. C., Democrats, on Friday, November 17. During the course of his speech, he set forth the great contributions that Democratic Presidents have made to the security and to the economic well-being of the United States and the free world.

He also drew an interesting parallel between the administrations of Presidents Harry S. Truman and Lyndon B. Johnson. I believe my colleagues will find his address to be most interesting, and I include it in the CONGRESSIONAL RECORD, as follows:

ADDRESS BY HON. BASIL L. WHITENER, FUNDRAISING DINNER, BOONE, N.C., NOVEMBER 17, 1967

I am delighted to be with the Democrats of Watauga County this evening. It is high honor and a great privilege to have the opportunity to talk with you for a few minutes concerning the traditions, the accomplishments, and the future of our great Democratic Party.

It is always a pleasure for me to be with people who share my pride in the great record of our Party and who have worked down through the years to retain Democratic leadership in the domestic and international affairs of our nation.

The Democrats of Watauga County have an outstanding record of service to their party and to their country. I am grateful for the honor of being in Watauga County tonight, and I am looking forward to working with you for a Democratic victory next November.

We meet tonight at a very crucial period in the history of our nation. We are living in a period of great industrial and technological progress, a period of prosperity, and in a time of acute consciousness of individual rights. We are also in a time of war and in a period during which there is much agitation, disagreement, and turmoil in the land.

Our great party is in charge of the affairs of the nation. We must, therefore, shoulder the responsibilities and the burdens which this leadership places upon us.

There are many in our land who never overlook the opportunity of calling the Democratic Party a war party, a party of spenders, and a party of social planners. These people apparently are ignorant of the history of their country.

A close examination of the record of Democratic leadership in this nation reveals that the security of our people has never been more secure than under Democratic leadership. Social and economic progress of every American has never been greater than when our party was in power.

Are we a "war party"? Let us examine the record. In his day our own great Andrew Jackson, a Democratic president, was maligned and criticized on every hand by detractors who resented his dedication to true democracy.

They called him a "warmonger", a "frontier soldier". Had the word been in vogue then, he probably would have been called a socialist. But what did this Democratic soldier-president give to his nation?

For one thing, he had defeated the British at the Battle of New Orleans and brought victory to his country in the War of 1812. Through war he had suppressed Indian uprisings in Tennessee, Alabama, and Florida.

And when he was elected to the presidency by a grateful nation he returned the government to the people. Today his detractors' names are, for the most part, lost in the dim mists of history. The name of Andrew Jackson will live forever.

And then there was James K. Polk, another great Democratic president of Tar Heel birth. He came to the presidency at the time when the economic interests and the lives of our settlers in Texas and the far West were threatened by Mexico.

His enemies raised the cry of "warmonger" and "renegade." He held firmly to his principles in spite of criticism. Because of his leadership in fighting the 1845 war with Mexico, Texas was made secure for the United States, and other vast areas of the Southwest were opened to American settlement. No one today would repudiate the record of Democratic James K. Polk.

We are all familiar with the inspiring story of Woodrow Wilson. That scholarly Democrat, educated in North Carolina, was called to lead his nation against the first threat to the world of German imperialism. Wilson was a man of peace, and he held out the olive branch to the Germans until to have avoided war would have meant surrender of our principles and dishonor to our Flag.

He was bitterly assailed by those who had no faith in the common cause of humanity to which the Democratic Party under Woodrow Wilson was dedicated. Under Wilson's leadership, however, American courage and economic might brought victory to the Allied cause in World War I. Today all parties and all segments of our people look upon Wilson as one of the world's great statesmen.

Now we come to another Democratic president whose memory and accomplishments are very personal to many of us tonight. Many in this room were called upon to wear the uniform in the second great World War—a war of military, economic, political, and social dimensions of undreamed proportions.

A much-maligned president, whose enemies called him a "warmonger," a "socialist," and nearly every other defamatory name, led us to victory in World War II.

Had it not been for the leadership of Franklin D. Roosevelt the free world might this day be under the tyrant's foot.

The name of Franklin D. Roosevelt will live forever for his accomplishments in peace and in war. Not only did he lead his nation from the gloom of a great economic depression inherited from his Republican predecessors; he gave his people the courage, vision, and determination to crush the Nazi dictatorship.

It fell to Harry S. Truman, another great Democrat, to firmly resist communism in Korea. And here we find a most interesting parallel in the history of our nation. Harry S. Truman was constantly criticized and maligned by many of his fellow Americans.

There were those who said then about Harry S. Truman what many throughout the land today are saying about Lyndon B. Johnson. The highly reputable "U. S. News & World Report" had this to say about Mr. Truman on December 7, 1957: "Now eleven months before election Mr. Truman holds the approval of only twenty-nine per cent of the voters for the way he is doing his job . . . As it now stands, however, less than a third of the nation has approved of Mr. Truman's actions for more than a year and as much as three-fifths have registered active disapproval."

On January 4, 1952, "U. S. News & World Report" said that: "President Harry S. Truman is the unhappy warrior of 1952. Whatever way Mr. Truman turns he faces nothing but troubles. He begins the New Year discouraged and distressed."

"The New Republic" magazine said on February 4, 1952: "Harry Truman is a spent force politically . . . Those who live by his patronage may issue press releases in his praise, but they and those they are supposed to represent know that he cannot win back the support he once enjoyed."

And in May, 1952, "Harper's" magazine said of President Truman: "Whether Truman has been a great president, a merely passable one, or a national catastrophe, he has been in his seven years in a high office a bigger man than he was before the lightning struck and a bigger man than nature seems to have intended him to be."

In rereading these articles and statements made 15 years ago one cannot resist comparing what was said then with what is being written and said about the present occupant of the White House. The fact of the matter is that a vocal minority had convinced themselves that Harry S Truman had no place in American history.

The American people, however, expressed their confidence in his leadership and vindicated his administration. How many times have we heard in recent years the grudging admission from Truman's former critics that he was a great president after all?

My friends, history may very well be repeating itself today. Lyndon B. Johnson is carrying on the Democratic leadership of his country. He is the commander-in-chief of all the military, economic, and human resources of a great nation engaged in a war to halt the further spread of communism in Southeast Asia.

It is not a war of his choosing. It was not a war of his predecessor's selection. If we examine history, we will find that our commitment in Viet Nam was made during the administration of Dwight D. Eisenhower. It is to General Eisenhower's credit that he has never repudiated his belief that our presence in Viet Nam is justified and that our position is right. The detractors of the President should give thought to this matter.

I firmly believe, when the time comes for for the American people in 1968 to pass judgment upon the leadership of President Lyndon B. Johnson, that the story of Harry S Truman will be repeated. The American people have an uncanny ability to see through the distortions, the misrepresentations, and the promises of a party whose leadership they have repudiated.

I mentioned earlier that we were living in a time of dissension and tumult. This is not something that is peculiar to the United States. The world is undergoing great changes in every conceivable field of human endeavor. Every nation, including the communist countries, is experiencing change and difficult problems of adjustment to the new economic, religious, social, and political forces at work throughout the world.

These great changes will continue to go on regardless of the political party in power within our country. We Democrats can take pride in the fact, however, that by reason of experience, dedication, and outlook our party is more capable of giving the type leadership the changing world conditions demand.

In spite of war and the great financial demands that our national security places upon the nation, the Democratic Party has been able to create an outstanding record of social and economic progress for the American people. It is a record unequaled in the history of the nation.

In the past few years the American people under Democratic leadership have been given legislation to construct more and better housing, to provide for new public works and economic development, to broaden the participation of the American farmer in the economic growth of the country, to guarantee voting and other civil rights for our citizens, to combat poverty on many broad economic fronts, to improve the health of our people through the establishment of regional medical centers, and programs to train additional nurses, medical technicians, and physicians.

We could stop here, and it would be an impressive record of economic and social accomplishment. But let us go on. The Democratic Party in the last few years has given us legislation strengthening education in the country at all levels, legislation to control air and water pollution, laws to remove discrimination in immigration, laws to place stricter control on the possession, distribution and disposal of drugs.

In addition, the lot of our elderly people has been vastly improved by the medical care program; and pending in the Congress at the moment is a bill to increase Social Security benefits for our people.

Just this year alone, we have enacted legislation to give our fighting men more pay, to extend to them the rights, privileges, and benefits of our veterans' laws. We have also passed legislation this year to remove some of the inequities of the Selective Service System.

I could continue to call the roll of legislative achievements under Democratic leadership. In nearly every field of human endeavor the nation has forged ahead under the direction of our great party.

As a result, we have the lowest unemployment rate in the history of any nation in the world. Our Gross National Product far exceeds that of any other country New businesses are being incorporated throughout the country at the rate of approximately 200,000 each year. Common stock prices, investment earnings, and corporate profits have grown more than 80% during the past several years. Personal income since 1961 has increased from $120 billion to over $530 billion.

Our party has consistently supported the exploration of space. The support given to our space program by President Kennedy has been continued and expanded under President Johnson.

Our party is making an impressive record in behalf of the American people. As we move along on the high road to a better life, we must not overlook, however, the heavy responsibilities and obligations which have been placed upon our generation of Americans.

We should always realize that our party is the one political organization in the nation in which every American can participate. We are the party of all classes of society and of every political philosophy; the party that represents every section of the nation. We are the party of the liberals, the party of the conservatives, the party of the independents. We are the one political organization wherein every American who believes in fundamental democracy, social progress, and our great heritage of freedom can find a home.

The Democrats of North Carolina and Watauga County have supported the great traditions of our party through the years. As a result, we have a marvelous record of service to the people of our state. The Democratic Party has given North Carolina good government, magnificent schools, splendid roads, fine state-supported hospitals, and countless other benefits which have been a blessing to our people.

The Democratic Party has stood firm in the face of communist efforts to enslave the world and has consistently advocated social and economic progress for the American people. Under the leadership of our party we have extended a helping hand to nations beset by famine, hunger, and disease.

The American people are aware of our great record. In time of war and economic distress they have entrusted the leadership of the country to our party. We have little for which to apologize but much for which to be proud.

We admit we have made some mistakes. It is a recognized fact that any man, any political party, or any business organization which has the hope of accomplishing anything must run the risk of making some mistakes.

In the final analysis, however, the American people will examine the issues and the records of the the two major political parties in this country. I, for one, feel confident that next year they will again call upon the Democratic Party to lead the nation.

I want to say it has been a rich and rewarding experience to be with you this evening. You have a strong and dedicated Democratic Party in Watauga County. I eagerly look forward to working with you for the election of Democrats to township, county, state, and national offices.

You have a great Democratic team, and I feel confident that the people of this area of the state will give Democratic candidates their strong support next November. Best wishes for every possible success?

The 200 Millionth American

EXTENSION OF REMARKS

OF

HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, November 20, 1967

Mr. GREEN of Pennsylvania. Mr. Speaker, the ticking off of the 200 millionth American by the census clock today was a symbolic moment when all of us can reflect on the history, the growth, and the future of this great Nation. In the 177 years since the first census, we have grown by more than 196 million people—we have attracted and absorbed millions and millions of immigrants—we have spanned a continent, and with the admission of Hawaii we have gone part way across the Pacific. We have shown the world that the great democratic experiment can work, that we Americans can thrive and prosper on diversity.

I do not suppose that anybody in the past saw his times as particularly easy or problem free, or that his age was the golden one. Through improved communications, through the change of attitudes and events we Americans have become more sensitive to many of the problems that exist in our land—particularly the social ones.

If we continue to grow at our present rate—about 1 percent a year—we will add another 100 million people by the end of the century. We will have doubled our population in 44 years. Where will our problems be then, if we do not work to solve them now? How much uglier will life in the slums be? How many more schools will be needed? How many more miles of highways will there be? How many concentric circles of beltways will be required to handle the traffic around our big cities? How much open space will be left in megalopolis for the recreation and the health of the millions of Americans who will then live in this solid sprawl from the North Carolina line to New Hampshire?

The decisions we make today will go a long way to answer those future questions. No one is more aware of this than the President of the United States, who in observing the census clock's ticking off of the 200 millionth American, said the following:

TEXT OF THE REMARKS OF THE PRESIDENT AT COMMERCE DEPARTMENT CEREMONY COMMEMORATING THE 200 MILLIONTH AMERICAN, NOVEMBER 20, 1967

Back when we began, in 1776, there were around two and a half million Americans in the thirteen colonies—about the number of people who live in Brooklyn today.

The first time an American census counted heads on this continent—in 1790—there were not quite four million of us. That is about the population of the Detroit area now.

As the years passed—as our numbers climbed to two hundred million—we began to work out a new idea of man and nation on this continent. We said that all men—of all ethnic backgrounds, of all religions, of all races—ought to be free—truly free—to stand as tall as they could stand.

To an unparalleled degree, we have been succeeding:

We see a nation today rapidly approaching a time when more of her young people will attend college than will not. That is a most revolutionary concept in the history of man.

We see a nation of unimagined wealth and increasing opportunity for most of our people. Sometimes we forget that the term "middle class" used to be a term that described a small minority.

We see a nation ready to fly to the moon and explore the depths of the ocean. We see a nation—that, having begun its own climb up the mountain, has neither forgotten nor forsaken those throughout the world who want to grow and prosper in their own ways.

We see a nation catapulted to world leadership: A nation that has exercised leadership without thought of conquest or enrichment, but only to establish a free and stable world, for ourselves and for others.

To put it into a sentence, we have seen success beyond our dreams.

And we owe it to ourselves to note and remember that—as we welcome this 200 millionth American into our midst on the eve of our third century as a nation.

But if we only congratulate ourselves on what we have done, we will miss its meaning: which was, that for two hundred years, our people said "Make it better. Work for the future. Don't quit until the doors are open for everybody."

We've asked ourselves three fundamental questions in these past two hundred years.

At the beginning, we asked: "Shall we be a free nation?" A hundred years ago we asked ourselves, "Shall we be one nation?" Thirty-five years ago, we asked, "Shall we be a humane nation?"

We answered each of those questions once. But once was not enough. They had to be answered again and again by each succeeding generation.

To this hour, the answer has always been the same: "Yes! We shall be free; we shall be one nation; we shall be a humane and responsible people."

Now we are coming to grips with a fourth question. It may be the hardest one we have ever tried to answer. It is this: "Shall we be a great nation?"

That is the question for the third century—and for the next hundred million Americans.

We know we are going to be an urban people for a long time to come. What about the quality of life for the millions who will inhabit the cities of the future? If it is good—if it is life-enhancing—then we shall be a great nation. But we'll have to find a lot of answers to a lot of hard questions before we can be sure.

We know that our young people get more schooling than any others in the world, but we have not yet seen whether mass education can be quality education.

We know that two races can live in the same country, but we have not seen yet that they can live constructively and harmoniously among each other in the same country.

We know that we can produce the steel and the cars and the chemicals to make us a mighty and wealthy nation. But we have not yet seen that we can keep our air and our water pure and healthy while we do it.

We know that we can tame the wilds of nature so that men can farm them and build upon them. But we do not know yet that we can preserve the wilds of nature so that city men and their families may know the release and refreshment of the earth as it was made.

We know that we can, if we will, provide decent housing for all our families, and transform our cities. But we do not know yet how to help people find a sense of community in the impersonal life of cities.

Those are some of the challenges that will confront us as we go from 200 million Americans to 300 million—as we begin our third century of life. They are mighty challenges—hurled at us by the past, and by the swift march of progress.

I cannot tell you this morning that we will meet all these challenges. I can only tell you that when men are free, and prosperous, and educated as they are in America—it makes sense for them to try; to work, not just for progress, but for greatness.

Thank you.

U.S. Search for Peace in Vietnam

EXTENSION OF REMARKS

OF

HON. EDNA F. KELLY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, November 20, 1967

Mrs. KELLY. Mr. Speaker, on August 31, 1966, I placed in the CONGRESSIONAL RECORD a chronological list of negotiation attempts in Vietnam, dating from 1960 until July 23, 1966. In order to update the initiatives taken by the United States and other governments in the quest for a permanent and peaceful settlement of the Vietnamese conflict, I am inserting another chronology which lists the free world's continuing efforts to search for peace in Vietnam from August 3, 1966, until September 29, 1967:

August 6, 1966: The Foreign Ministers of Thailand, Malaysia, and the Philippines signed a joint statement calling for Asian nations to join in a peaceful appeal to the leaders of all countries involved in the Vietnam conflict. Seventeen Asian countries received diplomatic notes as a followup to the joint statement.

August 7, 1966: A Peking broadcast denounced this appeal as a "peace in Asia committee to peddle the U.S. 'peace' fraud."

August 8, 1966: A Nhan Dan commentary also denounced this same appeal as a "cheap farce staged by third-class henchmen of U.S. imperialism."

August 31, 1966: The U.N. General Secretary U Thant proposed three steps to end the war: cessation of bombing of North Vietnam; mutual reduction of hostilities; willingness to negotiate with all participants in the fighting.

September 19, 1966: Pope Paul VI issued an encyclical containing a plea for peace. President Johnson issued a statement in support of the Pope's plea.

September 24, 1966: Hanoi scorned U.S. Ambassador Goldberg's speech for the conditional nature of the bombing cessation offer, for failure to recognize the National Liberation Front of South Vietnam as "sole legal representative of the South Vietnamese people," and for attempting to use the U.N. as an "instrument for their aggressive policy in Vietnam."

September 26, 1966: Philippine President Marcos announced in Honolulu that in consultation with the President of the Republic of Korea and the Prime Minister of Thailand an invitation had been extended to the Governments of Australia, New Zealand and the United States to join in a conference with the Government of South Vietnam to review prospects for a peaceful settlement.

September 1966: Secretary of State Rusk carried U.S. basic message on negotiations to more than 100 representatives of ministerial rank at the 21st U.N. General Assembly.

October 1, 1966: North Vietnam termed the upcoming Manila Conference a "war conference" convened to intensify "their aggressive war in Vietnam and to cover up the bitter isolation of the United States in this war." The NLFSV denounced the meeting as a "conference of criminal leaders."

October 6, 1966: British Foreign Secretary Brown announced a six-point peace plan aimed at ending the Vietnam war and asked Minister of Foreign Affairs Gromyko to join him in reconvening the 1954 Geneva Conference.

October 8, 1966: Hanoi and the NLFSV "sternly rebuffed" the Brown proposal as a "rehash" of the recent U.S. peace initiatives, charging that the proposal demonstrated Britain's delinquency as a Geneva cochairman.

October 11, 1966: Ambassador Goldberg said United States welcomed the proposal of British Foreign Secretary Brown for an immediate reconvening of the Geneva Conference and was prepared to discuss the constructive proposals of the Foreign Secretary as well as other proposals.

October 24, 1966: The United Arab Republic, India and Yugoslavia at the conclusion of their meeting in New Delhi issued a communique voicing concern over the dangerous situation in Southeast Asia and calling for an immediate end to the bombing of North Vietnam without any preconditions.

October 25, 1966: At the conclusion of the Manila Conference, the seven participating countries—Australia, Korea, New Zealand, the Philippines, Thailand, the United States, and the Republic of Vietman—issued a communique asserting their determination to continue the defense of South Vietnam and renewed their commitment to finding a peaceful solution to the conflict. The Government of the Republic of Vietnam listed six essential elements of peace. The other governments endorsed these views and declared that their forces shall be withdrawn, after close consultation, as the other side withdraws its forces to the north, ceases infiltration, and the level of violence subsides. The forces will be withdrawn, they agreed, as soon as possible and not later than 6 months after "the above conditions" have been fulfilled.

October 27, 1966: Peking accused Indian Prime Minister Gandhi and President Tito of Yugoslavia of trying to "peddle the peace fraud concocted by the United States and the Soviet Union," and labeled the communique of October 24 from the United Arab Republic, India, and Yugoslavia as a "reproduction of U Thant's three-point 'peace proposal.'" The Chinese Communists—Chicoms—failed to mention Nasser's role at the conference.

October 28, 1966: Both Hanoi and the NLFSV gave a cold and hostile reception to the Manila communique. The NLFSV described the proposal as equivalent to "a demand for our people to lay down their arms and serve as slaves of U.S. neocolonialism." The Chicoms labeled the 6-month withdrawal pledge an "out-and-out swindle."

November 9, 1966: The Canadian Secretary of External Affairs, Paul Martin, who held talks in Warsaw previously, today began several days of talks with Soviet leaders in Moscow. On his return he told the Canadian House of Commons that he had put forth to the Polish and Soviet leaders suggested steps which might be taken "to lead us away from a military toward a political settlement."

November 15, 1966: Peking noted Martin's visit to the Soviet Union and described it as part of the Soviet plot for "peace talks fraud."

December 8, 1966: Pope Paul VI in referring to the holiday ceasefire expressed the hope that "this truce becomes an armistice and that the armistice be the occasion for sincere negotiations which will lead to peace." U.N. Secretary General U Thant and a White House spokesman endorsed the Pontiff's appeal on the same day.

December 10, 1966: A NLFSV radio broadcast implied that the Pope's appeal was designed to take advantage of the NLFSV's original "humanitarian" offer.

December 15, 1966: A Chinese Communist Government statement commented that the Pope has "always served U.S. imperialism in its peace talk swindles."

December 19, 1966: Ambassador Goldberg sent a letter to U.N. Secretary U Thant which referred to Pope Paul's appeal of December 8 and requested that Secretary General take whatever steps are necessary to "bring about the necessary discussions" which could lead to a cease-fire. The letter contained an assurance that the U.S. Government would cooperate fully with the Secretary General in getting discussions started promptly and bringing them to a successful completion.

December 30, 1966: Foreign Secretary Brown addressed messages to the United States, North Vietnam, and the Republic of Vietnam proposing a three-way meeting to arrange a cessation of hostilities and offered to make facilities available in any suitable British territory to help with the preparatory work.

December 30, 1966: U.N. Secretary General U Thant, in replying to Ambassador Goldberg's letter of December 19, reiterated his three-point program and also urged that the United States stop the bombing of North Vietnam "even without conditions."

December 31, 1966: Ambassador Goldberg in reply to U Thant's letter of December 30 reaffirmed U.S. willingness to cease the bombing in North Vietnam "the moment there is an assurance, private or otherwise, that there would be a reciprocal response towards peace from North Vietnam." Ambassador Goldberg noted, however, that an end to the conflict cannot be attained by appeals for or the exercise of restraint by only one side. He welcomed the idea of an extended holiday ceasefire and regretted that "the other parties concerned have shown no interest so far in such a ceasefire."

January 1, 1967: President Johnson, responding to a question concerning the British proposed peace talks, said:

> We have heard from the British. We are delighted to have their views and their suggestions. We are very agreeable and rather anxious to meet as I have said over the past months, anywhere, anytime, that Hanoi is willing to come to a conference table. We appreciate the interest of all peace-loving nations in arranging a ceasefire, in attempting to bring the disputing parties together, and in an effort to work out a conference where various views can be exchanged. . . .

January 2, 1967: Pope Paul VI welcomed the December 30 proposal of Foreign Secretary Brown for a three-way meeting to arrange a cessation of hostilities in a message to Prime Minister Wilson.

January 3, 1967: Hanoi denounced the same British proposal as a rehash of the "deceitful shopworn clamor of the U.S. imperialists," condemned Brown's failure to include the NLFSV as a participant at the proposed meeting, and claimed that the British initiative runs counter to Britain's responsibilities as a Geneva cochairman.

January 5, 1967: The Chicoms labeled the British initiative as a "new trick of the great peace talk conspiracy pursued by the United States in collaboration with the Soviet Union."

January 17, 1967: The Government of the Republic of Vietnam offered to discuss an extension of the 4-day truce with representatives of the DRV.

January 18, 1967: A NLFSV broadcast strongly criticized this proposal pointing out that no discussions were necessary since the NLFSV had already made a unilateral decision on a 7-day truce and even if discussions were in order, they should not be held with the North, "which has nothing to do with military situation in the South."

January 28, 1967: DRV Foreign Minister Nguyen Duy Trinh in an interview on Hanoi radio stated:

> It is only after the unconditional cessation of U.S. bombing and all other acts of war against the DRV that there could be talks between the DRV and the United States.

February 2, 1967: President Johnson said that he was not aware of "any serious effort that the other side has made, in my judgment, to bring the fighting to a stop and to stop the war." He reaffirmed the deep interest of the United States in a prompt and peaceful settlement of all problems in Southeast Asia.

February 8, 1967: Replying to another message from Pope Paul VI, the President said:

> We are prepared to talk at any time and place, in any forum, with the object of bringing peace to Vietnam. However, I know you would not expect us to reduce military action unless the other side is willing to do likewise. We are prepared to discuss the balanced reduction in military activity, the cessation of hostilities, or any practical arrangement which could lead to these results.

February 9, 1967: In a press conference, Secretary of State Rusk stated:

> For some time now there has been evident a systematic campaign by the Communist side to bring about an unconditional and permanent cessation of the bombing of North Vietnam without any corresponding military action on their side in exchange for the possibility of talks—talks which are thus far formless and without content. We cannot accept a situation in which men and arms move, without interruption by us, to cross the 17th parallel and attack Allied armed forces and Vietnamese civilians in the South. They must not expect us to stop our military action by bombing while they continue their military action by invasion. No one has been able or willing to give us any information on this subject.
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>
> Let me say quietly and sincerely to all capitals on the other side: Let good sense take charge for all of us in this situation. Recognize the necessity for elementary reciprocity. Join with us in a common search for peace. Let us make use of the means available to us to exchange views and to search for those common interests upon which peace can be built.

February 8–13, 1967: During the lunar New Year truce, the United States suspended bombing for 5 days and 18 hours after many prior weeks in which the U.S. Government had communicated to Hanoi several possible routes to peace, any one of which the United States was prepared to take.

February 8, 1967: President Johnson wrote President Ho Chi Minh and proposed to order the cessation of bombing against North Vietnam and the halt of further augmentation of U.S. forces in South Vietnam as soon as he was assured that infiltration into South Vietnam by land and sea had stopped.

February 13, 1967: Ho Chi Minh declared that "real peace" could be restored in Vietnam if the "U.S. imperialists end unconditionally and definitively the bombing and all other acts of war against the DRV, withdraw from South Vietnam all American and satellite troops, recognize the NLFSV, and let the South Vietnamese people settle themselves their own affairs."

February 13, 1967: The White House released a statement by the President announcing the resumption of full-scale hostilities, after the lunar New Year truce. The President said:

> Unfortunately, the only response we have had from the Hanoi government was to use the periods for major resupply efforts of their troops in South Vietnam. Despite our efforts and those of third parties, no other response has as yet come from Hanoi.
>
> Under these circumstances, in fairness to our own troops and those of our allies, we had no alternative but to resume full-scale hostilities after the cease-fire. But the door to peace is, and will remain, open, and we are prepared at any time to go more than halfway to meet any equitable overture from the other side.

March 28, 1967: U.N. Secretary General U Thant made public a text of March 14 aide-memoire which he presented to the parties directly involved in the Vietnam conflict proposing a general stand-still truce, preliminary talks, and reconvening of the 1954 Geneva Conference. On the same day the United States made public its interim reply of March 15 and its final reply of March 18 accepting the Secretary General's three-step proposal and stating its readiness to enter immediately and constructively into discussions on the details of such a general cessation of hostilities as the first element in this three-point proposal.

April 5, 1967: Hanoi vehemently attacked the three-point proposal of U Thant stating that the proposal was advantageous to the United States because it "placed the aggressors and the fighters against aggression on the same footing," did not call for an end to U.S. "aggression" or for U.S. withdrawal, and contained no clause dealing with the NLFSV.

April 10, 1967: The Ceylonese Prime Minister issued a peace plan calling for a meeting between the Saigon Government, the NLFSV and Hanoi to discuss the preconditions for a cease-fire.

April 12, 1967: The Government of the Republic of Vietnam—GVN—expressed its willingness to meet with representatives from the other side, and to send a representative to Ceylon to participate in discussions to resolve the conflict.

April 11, 1967: Canadian Minister of External Affairs Paul Martin presented a four-stage proposal for a cease-fire in Vietnam, based on the 1954 Geneva agreements.

April 16, 1967: The Hanoi radio described Martin's plan as a "crafty scheme of the U.S. imperialists."

April 18, 1967: The GVN welcomed the Canadian plan of April 11, 1967, as it felt it raised many matters worthy of attention.

April 19, 1967: The U.S. Government supported the GVN statement of April 18, 1967, which described the Canadian proposal as a plan which offered "considerable promise for deescalating the conflict in Vietnam and for moving toward an overall settlement." The U.S. Government issued a statement calling for an extension of the Demilitarized Zone—DMZ—through a withdrawal of DRV, United States, and GVN troops 10 miles, respectively, north and south of the DMZ.

April 21, 1967: Hanoi cited the U.S. proposal as an attempt to set up "a vast no man's land perpetually partitioning Vietnam."

April 23, 1967: Peking's People's Daily supported the DRV's rejection of the DMZ plan as a "sinister truce" aimed at rising plans for further escalation.

May 12, 1967: U Thant appealed for a halt to the bombing of North Vietnam, and Ambassador Goldberg replied that the United States was ready to stop the bombing if there were "appropriate deescalation on the other side."

May 23–24, 1967: The United States and Vietnamese Governments declared a 24-hour cease-fire in order to observe Buddha's birthday. Hanoi and the Vietcong refused to observe the cease-fire. This marked the sixth suspension of bombing since May 1965.

September, 1967: The United States again explored the possibility of United Nations Security Council action with members of the Council; however, the United States found a widespread reluctance to act in the Security Council and in the General Assembly, in the face of opposition to U.N. involvement from the Soviet Union and North Vietnam.

September 2, 1967: Ambassador Goldberg again asked whether North Vietnam conceives that the cessation of bombing should lead to any other results than meaningful negotiation under circumstances which would not disadvantage either side. Ambassador Goldberg also asked how Hanoi's supporters would use their influence and power to move the Vietnam conflict promptly toward a peaceful solution, if we were to take the first step. No helpful answers to these questions have yet been received.

September 29, 1967: In San Antonio, Tex., President Johnson stated:

> As we have told Hanoi time and time again the heart of the matter really is this: The United States is willing to stop all aerial and naval bombardment of North Vietnam when this will lead promptly to productive discussions. We, of course, assume that while discussions proceed, North Vietnam would not take advantage of the bombing cessation or limitation.

HOUSE OF REPRESENTATIVES

TUESDAY, NOVEMBER 21, 1967

The House met at 12 o'clock noon.

Rev. Bruce C. Causey, St. Paul's Episcopal Church, Prince Frederick, Md., offered the following prayer:

Most gracious God, we humbly beseech Thee as for the people of these United States in general, so especially for these Representatives of Congress here assembled. We pray that Thou would be pleased to direct and prosper all their consultations to the advancement of Thy glory, the safety, honor, and welfare of Thy people. Grant to the Members of this House at this time special gifts of wisdom and understanding, counsel and strength, that upholding what is right and showing what is true, peace and happiness, truth and justice, religion and morality may be established among us for this and all future generations.

We further pray that through the work and leadership of this Government, justice and peace may be evident among the nations of the world so that Thy kingdom may be realized upon earth and that peace may become the reality of our world. All this we ask through Jesus Christ, our Lord.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 168. An act to amend the act of June 20, 1918, relating to the retirement age requirements of certain personnel of the Coast Guard;

H.R. 169. An act to increase the amount of benefits payable to widows of certain former employees of the Lighthouse Service, and thereafter to provide for cost-of-living increases in benefits payable to such widows and to such former employees;

H.R. 1006. An act to provide an increase in the retired pay of certain members of the former Lighthouse Service;

H.R. 3351. An act to amend the act of August 19, 1950, to provide annuity benefits for an additional number of widows of employees of the Lighthouse Service; and

H.R. 10442. An act to facilitate exchanges of land under the act of March 20, 1922 (42 Stat. 465), for use for public schools, and for other purposes.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 162) entitled "An act to grant the masters of certain U.S. vessels a lien on those vessels for their wages and for certain disbursements."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6418) entitled "An act to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes."

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6430) entitled "An act to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes."

The message also announced that the Senate insists upon its amendments to the bill (H.R. 8629) entitled "An act to amend the act of July 4, 1966 (Public Law 89-491)," disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. DIRKSEN, and Mr. MCCLELLAN to be the conferees on the part of the Senate.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2565. An act to amend the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, and for other purposes.

IMMEDIATE INDUCTION FOR THOSE WHO INTERFERE WITH SELECTIVE SERVICE SYSTEM

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES Mr. Speaker, I applaud, and we should all applaud, the action recently taken by General Hershey in suggesting to the local draft boards that they consider ordering for immediate induction those who would interfere with the Selective Service System. Many of these have draft deferments, and in no sense are they accepting their responsibility as citizens. General Hershey's actions will, I hope, help effectively to put a stop to idiotic and even criminal interference with the selective service process.

There is no excuse for flagrant misconduct, whether or not illegal, by a handful of publicity-conscious rebels to the detriment of thousands who honestly and sincerely obey the laws of the land as part of their patriotic duty.

Leadership and administration of the Selective Service System is an extremely difficult task at best, and it is one of the most sensitive subjects that exists in the United States. General Hershey is administering that System fairly and judiciously. His has been a long and outstanding leadership.

The Congress and the Nation desire nothing less than that he deal directly and forthrightly with those who would interfere with the operation of the Selective Service System.

ADJOURNMENT OF CONGRESS FROM NOVEMBER 22, 1967, TO NOVEMBER 27, 1967

Mr. ALBERT. Mr. Speaker, I call up Senate Concurrent Resolution 51 and ask for its immediate consideration.

The Clerk read the Senate concurrent resolution, as follows:

S. CON. RES. 51

Resolved by the Senate (the House of Representatives concurring), That the two Houses shall adjourn on Wednesday, November 22, 1967, and that when they adjourn on said day they stand adjourned until 12 o'clock noon on Monday, November 27, 1967.

The Senate concurrent resolution was concurred in.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON TRANSPORTATION AND AERONAUTICS, COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE TO SIT TODAY DURING GENERAL DEBATE

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that the Subcommittee on Transportation and Aeronautics of the Committee on Interstate and Foreign Commerce may sit today during general debate. I understand this has been cleared on both sides of the aisle.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

CALL OF THE HOUSE

Mr. HALL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 403]

Abbitt
Adams
Andrews, Ala.
Annunzio
Arends
Ashley
Ashmore
Aspinall
Bates
Belcher
Berry
Brooks
Broomfield
Casey
Chamberlain
Clark
Clawson, Del
Conyers
Corman
Cowger
Cunningham
Curtis
Delaney
Diggs
Dorn
Eckhardt
Edmondson
Edwards, La.
Evins, Tenn.
Fascell
Findley
Flynt
Fountain
Fulton, Tenn.
Fuqua
Gurney
Hagan
Halleck
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Howard
Hull
Hungate
Johnson, Calif.
Kyl
Landrum
Martin
Mills
Moss
Nelsen
O'Neal, Ga.
Ottinger
Pepper
Pike
Pollock
Resnick
Rivers
Rodino
Roybal
St. Onge
Satterfield
Schwengel
Shipley
Stephens
Thomson, Wis.
Udall
Utt
Van Deerlin
Wiggins
Williams, Miss.
Willis
Wilson,
Charles H.
Wright
Yates

The SPEAKER. On this rollcall 350 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

E. F. FORT, CORA LEE FORT CORBETT, AND W. R. FORT

The Clerk called the bill (H.R. 2661) for the relief of E. F. Fort, Cora Lee Fort Corbett, and W. R. Fort.

Mr. CONTE. Mr. Speaker I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CHARLES WAVERLY WATSON, JR.

The Clerk called the bill (H.R. 8091) for the relief of Charles Waverly Watson, Jr.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

FIRST LT. ALLAN L. SCHOOLER

The Clerk called the bill (H.R. 6325) for the relief of 2d Lt. Allan L. Schooler.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

DR. ANGEL REAUD, ALSO KNOWN AS ANGEL REAUD RAMOS IZQUIERDO

The Clerk called the bill (S. 503) for the relief of Dr. Angel Reaud, also known as Angel Reaud Ramos Izquierdo.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

VISITACION ENRIQUEZ MAYPA

The Clerk called the bill (H.R. 4386) for the relief of Visitacion Enriquez Maypa.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

VALENTINA SIDOROVA PARKEVICH

The Clerk called the bill (S. 811) for the relief of Valentina Sidorova Parkevich.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DR. YOUSSEF (JOSEPH) SELIM HASBANI

The Clerk called the bill (S. 809) for the relief of Dr. Youssef (Joseph) Selim Hasbani.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ISAAC CHERVONY, M.D.

The Clerk called the bill (H.R. 3528) for the relief of Isaac Chervony, M.D.

There being no objection, the Clerk read the bill, as follows:

H.R. 3528

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Isaac Chervony, doctor of medicine, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of September 13, 1962.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. PEDRO AUGUSTO RUIZ Y CUE

The Clerk called the bill (H.R. 6659) for the relief of Dr. Pedro Augusto Ruiz y Cue.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DR. JOSE DEL RIO

The Clerk called the bill (H.R. 7042) for the relief of Dr. Jose Del Rio.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

JOSE BERNARDO GARCIA, M.D.

The Clerk called the bill (H.R. 8257) for the relief of Jose Bernardo Garcia, M.D.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DR. LORENZO GALATAS

The Clerk called the bill (H.R. 10985) for the relief of Dr. Lorenzo Galatas.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

WEN SHI YU

The Clerk called the bill (S. 287) for the relief of Wen Shi Yu.

There being no objection, the Clerk read the bill, as follows:

S. 287

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Wen Shi Yu shall be held and considered to have been lawfully admitted to the United States for permanent residence as of October 5, 1957.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAVORING THE SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The Clerk called the concurrent resolution (S. Con. Res. 36) favoring the suspension of deportation of certain aliens.

Mr. CONTE. Mr. Speaker, I ask unanimous consent that the concurrent resolution be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ARTHUR JEROME OLINGER, A MINOR

The Clerk called the bill (S. 155) for the relief of Arthur Jerome Olinger, a minor, by his next friend, his father, George Henry Olinger, and George Henry Olinger, individually.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CHESTER E. DAVIS

The Clerk called the bill (S. 233) for the relief of Chester E. Davis.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

JAMES W. ADAMS AND OTHERS

The Clerk called the bill (S. 234) for the relief of James W. Adams and others.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ELOY C. NAVARRO

The Clerk called the bill (S. 294) for the relief of Eloy C. Navarro.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

ESTATE OF PATRICK E. EAGAN

The Clerk called the bill (S. 910) for the relief of the estate of Patrick E. Eagan.

There being no objection, the Clerk read the bill, as follows:

S. 910

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the estate of Patrick E. Eagan of Fairbanks, Alaska, is hereby relieved of all liability for repayment to the United States of the sum of $4,271.36, representing overpayments of salary received by him as an employee of the Post Office Department at Fairbanks, Alaska, for the period from October 19, 1956, through April 27, 1962, the Post Office Department having failed to deduct from his salary, pursuant to section 13(b) of the Civil Service Retirement Act, as amended (5 U.S.C. 2263(b)), an amount equal to the amount the said Patrick E. Eagan was entitled to receive in civil service retirement annuity payments during said period. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, full credit shall be given for the amount for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Margaret Eagan, widow of the said Patrick E. Eagan, the sum of any amounts received or withheld from him on account of the overpayments referred to in the first section of this Act.

With the following committee amendment:

On page 2 line 12, at the end of the sentence, insert: "No part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000."

The committee amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN W. ROGERS

The Clerk called the bill (S. 1580) for the relief of John W. Rogers.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DWAYNE C. COX AND WILLIAM D. MARTIN

The Clerk called the bill (H.R. 2281) for the relief of Dwayne C. Cox and William D. Martin.

Mr. HALL. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CHARLES B. FRANKLIN

The Clerk called the bill (H.R. 2288) for the relief of Charles B. Franklin.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

SONDRA D. SHAW

The Clerk called the bill (H.R. 2760) for the relief of Sondra D. Shaw.

There being no objection, the Clerk read the bill, as follows:

H.R. 2760

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Sondra D. Shaw, of San Diego, California, is hereby relieved of liability to the United States in the amount of $12,608.74, and any accrued interest thereon, representing income tax liability claimed by the United States on funds embezzled by her deceased husband from his employer over a five-year period, which resulted in an assessment of taxes for the years 1958 through 1963, inclusive.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

O. P. BECKEN

The Clerk called the bill (H.R. 4818) for the relief of O. P. Becken.

There being no objection, the Clerk read the bill, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to O. P. Becken, of Hallock, Minnesota, the sum of $4,291.58, in full settlement of all his claims against the United States for compensation for the overtime hours he performed as a member of the customs patrol of the Department of the Treasury, during the period from September 28, 1931, through May 31, 1938, while he was serving as a United States customs inspector at the Noyes, Minnesota, office: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 2, line 2, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RALPH W. HENEMAN

The Clerk called the bill (H.R. 4819) for the relief of Ralph W. Heneman.

There being no objection, the Clerk read the bill, as follows:

H.R. 4819

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Ralph W. Heneman, of Noyes, Minnesota, the sum of $4,187.65, in full settlement of all his claims against the United States for compensation for the overtime hours he performed as a member of the customs patrol of the Department of the Treasury, during the period from October 11, 1931, through August 31, 1939, while he was serving as a United States customs inspector at the Noyes, Minnesota, office: *Provided,* That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 2, lines 2 and 3, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SYLVAN H. MILLER

The Clerk called the bill (H.R. 4820) for the relief of Sylvan H. Miller.

There being no objection, the Clerk read the bill, as follows:

H.R. 4820

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Sylvan H. Miller, of Humboldt, Minnesota, the sum of $4,713.90, in full settlement of all his claims against the United States for compensation for the overtime hours he performed as a member of the customs patrol of the Department of the Treasury, during the period from September 28, 1931, through March 29, 1938, while he was serving as a United States customs inspector at the Noyes, Minnesota, office: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 2, lines 2 and 3, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARNOLD E. REMMEN

The Clerk called the bill (H.R. 4821) for the relief of Arnold E. Remmen.

There being no objection, the Clerk read the bill, as follows:

H.R. 4821

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arnold E. Remmen, of Noyes, Minnesota, the sum of $1,069.88, in full settlement of all his claims against the United States for compensation for the overtime hours he performed as a member of the customs patrol of the Department of the Treasury, during the period from February 1, 1934, through September 2, 1939, while he was serving as a United States customs inspector at the Noyes, Minnesota, office: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 2, line 2, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MR. AND MRS. JOHN F. FUENTES

The Clerk called the bill (H.R. 4936) for the relief of Mr. and Mrs. John F. Fuentes.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CLAUD FERGUSON

The Clerk called the bill (H.R. 6305) for the relief of Claud Ferguson.

There being no objection, the Clerk read the bill, as follows:

H.R. 6305

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Claud Ferguson, 214472, United States Marine Corps, retired, is relieved of liability to the United States in the amount of $3,205.78, representing an overpayment of retainer pay and retired pay in the period beginning September 1, 1954, and ending August 31, 1963, as a result of an administrative error. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for amounts for which liability is relieved by this Act.

SEC. 2. The Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Claud Ferguson an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, with respect to the liability of the United States specified in the first section of this Act. No part of the amount appropriated in this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 2, line 8, strike "in excess of 10 per centum thereof".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LESTER W. AND SADIE HEIN

The Clerk called the bill (H.R. 6890) for the relief of Lester W. Hein and Sadie Hein.

There being no objection, the Clerk read the bill, as follows:

H.R. 6890

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Lester W. Hein and Sadie Hein, of Independence, Missouri, the sum of $9,020.78. The payment of such sum shall be in full satisfaction of all claims of the said Lester W. Hein and Sadie Hein against the United States for compensation for damages sustained by them when, on August 7, 1960, while returning from annual field training, a five-ton federally owned wrecker assigned to the One Hundred Tenth Engineer Battalion of the Missouri Army National Guard, Kansas City, Missouri, crashed into a store owned by the said Lester W. Hein and Sadie Hein: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding: *And provided further*, That no part of the amount appropriated in this Act shall be delivered to or received by any insurance company as a subrogee for any portion of the amount appropriated to the claimants by this Act. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendment:

On page 1, line 6, strike "$9,020.78" and insert "$4,510.39".

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CERTAIN EMPLOYEES AT U.S. NAVAL STATIONS IN FLORIDA

The Clerk called the bill (H.R. 7882) for the relief of certain individuals employed by the Department of the Navy at certain U.S. naval stations in Florida.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

CIVILIAN EMPLOYEES AT KELLY AIR FORCE BASE, TEX.

The Clerk called the bill (H.R. 8096) for the relief of certain individuals employed by the Department of the Air Force at Kelly Air Force Base, Tex.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

RICHARD BELK

The Clerk called the bill (H.R. 8481) for the relief of Richard Belk.

There being no objection, the Clerk read the bill, as follows:

H.R. 8481

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That Richard Belk of Albany, Georgia, is relieved of liability to the United States in the amount of $239.44, representing the total amount of overpayments of salary received by the said Richard Belk, as a result of administrative error, during the period beginning July 8, 1962, and ending December 8, 1963, while employed at the Marine Corps Supply Center, Albany, Georgia. In the audit and settlement of the accounts of any certifying or disbursing officer of the United States, credit shall be given for amounts for which liability is relieved by this section.

SEC. 2. (a) The Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the said Richard Belk an amount equal to the aggregate of the amounts paid by him, or withheld from sums otherwise due him, with respect to the indebtedness to the United States specified in the first section of this Act.

(b) No part of the amount appropriated in subsection (a) of this section in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this subsection shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

With the following committee amendments:

On page 1, line 4, strike "$239.44" and insert "$236.80".

On page 1, line 7, strike "December 8" and insert "December 7".

On page 2, line 11, strike "in excess of 10 per centum thereof".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHN M. STEVENS

The Clerk called the bill (H.R. 10003) for the relief of John M. Stevens.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

LLOYD W. CORBISIER

The Clerk called the bill (H.R. 10199) for the relief of Lloyd W. Corbisier.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

E. L. TOWNLEY

The Clerk called the bill (H.R. 11381) for the relief of E. L. Townley.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

JOSEPH M. HEPWORTH

The Clerk called the bill (H.R. 12119) for the relief of Joseph M. Hepworth.

Mr. HALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ROCHESTER IRON & METAL CO.

The Clerk called the bill (H.R. 7210) for the relief of the Rochester Iron & Metal Co.

Mr. TALCOTT. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

CONFER U.S. CITIZENSHIP UPON PFC. ALFRED SEVENSKI

The Clerk called the bill (H.R. 8476) to confer U.S. citizenship posthumously upon Pfc. Alfred Sevenski.

There being no objection, the Clerk read the bill, as follows:

H.R. 8476

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the late Private First Class Alfred Sevenski, a native of Germany, who entered the United States on July 3, 1961, enlisted in the Army of the United States, served two and one-half years and was killed in action in Vietnam on November 5, 1966, shall be held and considered to have been a citizen of the United States at the time of his death.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAND CONVEYANCE IN SALINE COUNTY, ARK.

The Clerk called the bill (H.R. 10864) to authorize the Secretary of Agriculture to convey certain lands in Saline County, Ark., to the Dierks Forests, Inc., and for other purposes.

There being no objection, the Clerk read the bill, as follows:

H.R. 10864

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized to convey by quitclaim deed to Dierks Forests, Incorporated, all of the right, title, and interest of the United States in and to the following described tract of land in the county of Saline, State of Arkansas:

Beginning at the northeast corner of the northeast quarter of the northwest quarter of section 1, township 1 north, range 18 west, fifth principal meridian;

thence west along the north boundary line of the east 20 acres of said northeast quarter of the northwest quarter to the northwest corner thereof;

thence south 5.85 chains along the west boundary line of said east 20 acres;

thence east 9.53 chains to the east boundary line of said east 20 acres;

thence north along the east boundary line of said east 20 acres to the place of beginning, containing 5.28 acres, more or less.

SEC. 2. The conveyance authorized by section 1 shall be made upon condition that Dierks Forests, Incorporated, shall execute and record a reconveyance to the United States of the following described land patented to Dierks Forests, Incorporated, on January 7, 1959, under patent numbered 1190250:

The southeast quarter of the southeast quarter of section 22, township 1 south, range 17 west, fifth principal meridian.

SEC. 3. Upon the reconveyance to the United States of the land described in section 2, the tract shall be held and treated as if it had not been patented.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. BOLAND. Mr. Speaker, I ask unanimous consent that the further call of the Private Calendar be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

KYONG HWAN CHANG

Mr. FEIGHAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1781) for the relief of Kyong Hwan Chang.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1781

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of the Immigration and Nationality Act, Kyong Hwan Chang shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of the enactment of this Act, upon payment of the required visa fee. Upon the granting of permanent residence to such alien as provided for in this Act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

APPOINTMENT OF CONFEREES ON H.R. 10932, FOR THE RELIEF OF GILMOUR C. MacDONALD, COLONEL, U.S. AIR FORCE, RETIRED

Mr. TENZER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10932) for the relief of Gilmour C. MacDonald, colonel, U.S. Air Force, retired, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER. Is there objection to the request of the gentleman from New York? The Chair hears none, and appoints the following conferees: Messrs. ASHMORE, TENZER, and SMITH of New York.

MILITARY CONSTRUCTION APPROPRIATIONS, 1968—CONFERENCE REPORT

Mr. SIKES. Mr. Speaker, I call up the conference report on the bill (H.R. 13606) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 975)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13606) "making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4 and 5.

That the House recede from its disagreement to the amendments of the Senate numbered 8; and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$486,661,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$671,271,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 3, 6, 7, 10, 11, 12, and 13.

Robert L. F. Sikes,
John McFall,
Edward J. Patten,
Clarence D. Long,
George Mahon,
E. A. Cederberg,
Charles R. Jonas,
Burt L. Talcott,
Frank T. Bow,
Managers on the Part of the House.

Alan Bible,
Richard B. Russell,
Allen J. Ellender,
Mike Mansfield,
William Proxmire,
Ralph W. Yarborough,
Carl Hayden,
Milton R. Young,
Thomas H. Kuchel,
Stuart Symington,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13606) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

Amendment No. 1.—Military construction, Army: Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $372,228,000 instead of $383,235,000 as proposed by the House and $407,140,000 as proposed by the Senate. The conferees have agreed to the following additions and deletions to the amounts and line items as proposed by the House:

Fort Hood, Tex.: Sewage treatment plant	+$1,123,000
Fort Polk, La.: Cold storage and meat processing facility	+115,000
Redstone Arsenal, Ala.: Meteorology and calibration center	+253,000
Walter Reed Army Medical Center, D.C.: Addition to Pathology Building	+7,570,000
Modernization of facilities	+3,600,000
Fort Richardson, Alaska: Sewage treatment facility	+1,800,000
Fort Sheridan, Ill.: Headquarters building (deficiency funding)	−748,000
Aberdeen Proving Grounds, Md.: Auto instruction building	−1,987,000
Army Pictorial Center, N.Y.: Rehabilitation of two buildings	−637,000
U.S. Military Academy, N.Y.: Indoor pistol and rifle range	−513,000
Brooke Army Medical Center, Tex.: Classroom building, Medical Field Service School	−8,300,000
Fort Richardson, Alaska: Air Defense Control Facility	−783,000
NATO infrastructure	−12,500,000

Funds requested in the amount of $2,000,000 in support of the SAM-D air defense missile program at White Sands Missile Range, N. Mex., are denied. The conferees are in agreement that existing facilities at White Sands should be used in support of this program, and that, if additional facilities are required, they should be requested in the fiscal year 1969 military construction program.

The funds made available for Walter Reed Army Medical Center, D.C., in the amount of $3,600,000 are to be used for the first increment of the modernization program for this installation.

Amendment No. 2—Military construction, Navy: Appropriates $486,661,000 instead of $484,731,000 as proposed by the House and $517,743,000 as proposed by the Senate. The conferees have agreed to the following additions and deletions to the amounts and line items as proposed by the House:

NSY, Portsmouth, N. H	+$1,275,000
Naval Station, Key West, Fla.: Replacement of fire damaged administration building	+270,000
Naval Station, Charleston, S.C.: Replacement of fire damaged EM club	+925,000
Naval Air Station, Memphis Tenn.: Replacement of fire damaged exchange, etc	+1,362,000
Naval Construction Battalion Center, Port Hueneme, Calif.: Replace theater destroyed by fire	+530,000
Naval Air Station, Atsugi, Japan: Messing facility destroyed by fire	+500,000
Naval Academy, Annapolis, Md.: Laundry and dry cleaning facilities	−130,000
Naval Air Station, Miramar, Calif.: Dispensary and dental clinic	−754,000
Naval Public Works Center, Pearl Harbor: Sewage system improvements	−2,048,000

In denying the amount of $621,000 for the commissioned officers' mess at naval station, Newport, R.I., the conferees have deferred the item until the fiscal year 1969 program.

Amendment No. 3.—Military construction, Air Force: Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $400,662,000 instead of $415,537,000 as proposed by the House and $402,035,000 as proposed by the Senate. The conferees have agreed to the following additions and deletions to the amounts and line items as proposed by the House:

McChord AFB, Wash.: Air passenger terminal	+$1,058,000
Elmendorf AFB, Alaska: Sewage treatment and disposal	+1,757,000
Nellis AFB, Nev.: Consolidated wing headquarters	+541,000
Lakenheath RAF, United Kingdom:	
Shop arm, and electronics	+63,000
Shop ground support equipment	+43,000
Flight simulator training	+286,000
Shop aircraft general purpose	+52,000
Total	(+444,000)
Upper Heyford RAF, United Kingdom:	
Power check pad	+67,000
Shop aircraft and general purpose	+42,000
Elementary school	+167,000
Water storage tank	+53,000
Total	(+329,000)
McClellan AFB, Calif., air freight terminal	−905,000
Hanscom Field, Mass., photo lab	−166,000
Chanute AFB, Ill., officer quarters	−935,000
Bolling AFB, D.C., gymnasium conversion	−525,000
Offutt AFB, Nebr., telephone exchange building	−313,000
Westover AFB, Mass., officer quarters	−375,000
Blytheville AFB, Ark., commissary	−132,000
McConnell AFB, Kans., telephone exchange	−33,000
Classified: TAB VEE	−10,620,000
WRM storage	−5,000,000
Total	−15,620,000

The conferees are in agreement that the $8,500,000 made available for the classified TAB VEE project are to be used only for pavement and security facilities.

Amendment No. 4—Military construction, Defense agencies: Appropriates $114,540,000 as proposed by the House instead of $84,540,000 as proposed by the Senate. The conferees have approved $100,000,000 for the emergency fund as proposed by the House instead of $50,000,000 as proposed by the Senate. The funds requested in the amount of $20,000,000 for a building in support of operations of the Defense Intelligence Agency are denied.

Amendment No. 5—Military construction, Defense agencies: Deletes language proposed by the Senate.

Amendment No. 6—Military construction, Army National Guard: Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $3,000,000 as proposed by the Senate.

Amendment No. 7—Military construction, Army Reserve: Reported in technical disagreement. The managers on the part of the House will offer a motion to appropriate $3,000,000 as proposed by the Senate.

Amendment No. 8—Military construction, Naval Reserve: Corrects language as proposed by the Senate.

Amendment No. 9—Family housing, Defense: Appropriates $671,271,000 instead of $702,650,000 as proposed by the House and $639,892,000 as proposed by the Senate.

The conferees have agreed to funds for the construction of 6,750 units of new family housing instead of 8,500 units as proposed by the House and 5,000 units as proposed by the Senate. Funds have been allocated to the several services, but are not earmarked for specific projects. The conferees will expect the allocations to be made by the Secretary of Defense and the respective services to bases either in remote areas or in those areas where rental housing is difficult to find.

Amendment No. 10—Family housing, Defense: Reported in technical disagreement. The managers on the part of the House will offer a motion to authorize not to exceed $32,447,000 for the construction of family housing for the Army instead of $26,758,000 as proposed by the Senate.

Amendment No. 11—Family housing, Defense: Reported in technical disagreement. The managers on the part of the House will offer a motion to authorize not to exceed $65,430,000 for the construction of family housing for the Navy and Marine Corps instead of $52,736,000 as proposed by the Senate.

Amendment No. 12—Family housing, Defense: Reported in technical disagreement. The managers on the part of the House will offer a motion to authorize not to exceed $55,944,000 for the construction of family housing for the Air Force instead of $42,948,000 as proposed by the Senate.

Amendment No. 13—Family housing, Defense: Reported in technical disagreement. The managers on the part of the House will offer a motion to authorize not to exceed $610,000 for the construction of family housing for Defense agencies as proposed by the Senate.

ROBERT L. F. SIKES,
JOHN MCFALL,
EDWARD J. PATTEN,
CLARENCE D. LONG,
GEORGE MAHON,
E. A. CEDERBERG,
CHARLES R. JONAS,
BURT L. TALCOTT,
FRANK T. BOW,
Managers on the Part of the House.

Mr. SIKES. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The **SPEAKER.** Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. Mr. Speaker, on the military construction appropriation bill for fiscal 1968 the conferees are in the unusual position of bringing to the floor a bill which is below the House figure and below the Senate figure. The recommendation before you is $49 million below the House-passed bill and $6 million below the Senate bill. It is $843 million below the budget estimate for 1968. The total approved in the bill is $2,093,362,000.

As I stated at the time the House took action on this bill, the cut is one of the most severe imposed on any bill considered by Congress this year. It is entirely possible that we have cut too deeply in places. Of course, this is not intended, we are simply facing up to a very difficult fiscal situation nationwide.

I do not, under any circumstances, want to encourage action which would deprive our military forces of needed training facilities or adequate housing or necessary supply facilities. Each of us recognizes the fact that there are substandard facilities at a great many of our military installations which should be replaced. I do not want to be a party to serving notice to military personnel, many of whom are now engaged in combat in Southeast Asia, that Congress really does not care whether they have adequate training and supply facilities; or proper housing for themselves and their families; that Congress really does not care whether or not they reenlist, to save the Government the high cost of training replacements. I do not want to be in the position of saying that the Congress really does not consider military personnel to be first-class citizens, despite our patriotic utterances about their sacrifices.

Despite this apprehension, the fact that the fiscal year is nearly half gone makes it obvious that it is going to be difficult for the Department of Defense and its respective services to program and obligate all of the money which is carried in this bill. Consequently, I feel that we are on safe ground.

Take for instance, the matter of housing. The Department of Defense requested 12,500 new family housing units. This was reduced in the authorization to 10,600 units; in the House appropriations bill it was reduced to 8,500 units; the Senate reduced it further to 5,000 units. The conference action before you recommends 6,750 units. This, I think, would be far too low if it were not so late in the fiscal year and if there were not a backlog of 5,300 units from previously appropriated funds which have not been built. Obviously, the Department needs to move as expeditiously as possible on past and present authorizations before construction costs go any higher. I trust that the Department will bring in a realistic program for family housing in fiscal 1969 which is keyed in with the units now available for construction.

The conferees are in agreement that funds appropriated for family housing shall be available for the payment of certain taxes in the Federal Republic of Germany as proposed in the budget program.

There are a number of line items in this bill which are necessitated by fires which destroyed facilities in various parts of the world. Obviously, these expenditures had not been anticipated and they increase the total.

There are for the first time in this bill the funds for NATO infrastructure. The Department had requested $60 million for participation for construction of facilities for use by the NATO forces. The House appropriated $50 million; the Senate $25 million. This bill carries $37,500,000.

The House conferees want it specifically understood that this reduction in funds is not an effort to downgrade NATO. We recognize the essentiality of keeping NATO as strong as possible. Even though it has not received the support from our allies that they promised, and even though France has dealt it a grievous blow, it is still an important part of the defense of Europe. It is essential that we let it be known that we are meeting our commitments and our obligations to NATO.

Particularly is this true at a time when we are so heavily committed in the Far East. We want to take no steps that would encourage the further weakening of the NATO Alliance in Europe. Consequently, if additional funds are needed to assure our fair share of participation in NATO construction, we will anticipate a request from the Department of Defense for funds for that purpose. By the same token, the House conferees want it understood that we do not believe a proper share of the NATO load has been carried by our allies in the past and we insist that a more realistic effort be made by the U.S. representatives to obtain a larger share of the funding for NATO costs, and prompt payment by our allies.

I am disappointed in that this report does not provide for the full expenditure requested for the TAB VEE program which would provide shelters for aircraft in forward bases in Europe and in the Pacific. The Senate conferees were adamant against the shelter program, and after hours of fruitless argument the House conferees agreed to a partial program. After the lessons of the brief war in the Mideast where most of the Arab aircraft were destroyed on the ground, it should be very easy to recognize the danger of being left without air defenses by sudden, swift strikes on unprotected aircraft. I feel that this is one of the serious omissions in this bill. I hope that later programs will correct the deficiency.

There are a number of major items in this bill which are not listed in the conference report. Significant among these is the anti-ballistic-missile system which was not in disagreement. It will provide a start for correcting a serious weakness which exists in our country from failure to build an ABM system paralleling that being built by the Russians. Appropriated funds have waited for 2 years to be expended by the Department of Defense on this program and only now are they being used. The Russians are well along on their ABM system. The frightening, swift strides which China appears to be making in nuclear weapons development indicates that they may be capable of an effective nuclear strike against the United States before we can provide a defense, even against their missiles.

Finally, the committee brings you what we consider to be the best bill that can be obtained without long delay in reaching agreement with the Senate, which in turn would necessitate further delays in getting started on a needed program in a fiscal year which already is nearly half gone. The bill provides many important and sound facilities which will represent very useful improvements for the Nation's military installations, both at home and abroad. We trust the recommendations of the conferees will have your approval.

Before I relinquish the floor, let me express my very great appreciation to the members of the Subcommittee on Military Construction and the staff for their conscientious and effective work.

This year's bill has experienced a long and tedious legislative history. Delays not of our making have resulted in the bill coming to the House for final approval at a very late date. This committee was ready for House action at midsummer and a better managed construction program obviously could have resulted had we been permitted to offer the bill at that time. However, delays in authorization and in obtaining a conference have brought about the present situation.

Nevertheless, my colleagues on the committee and the staff have worked tirelessly to produce a good bill and the final product is one we can safely defend.

The following table shows the action taken on the bill for fiscal year 1968:

MILITARY CONSTRUCTION APPROPRIATION BILL, 1968

[In thousands of dollars]

	Appropriations, 1967	Budget estimates, 1968	Passed House	Passed Senate	Conference action compared with—				
					Conference action	Appropriations, 1967	Budget estimate, 1968	House	Senate
Military construction, Army	402,514	592,000	383,235	407,140	372,228	−30,286	−219,772	−11,007	−34,912
Military construction, Navy	266,918	651,000	484,731	517,743	486,661	+219,743	−164,339	+1,930	−31,082
Military construction, Air Force	401,495	618,000	415,537	402,035	400,662	−833	−217,338	−14,875	−1,373
Military construction, defense agencies	7,547	240,000	114,540	84,540	114,540	+106,993	−125,460		+30,000
Military construction, Army Reserve				3,000	3,000	+3,000	+3,000	+3,000	
Military construction, Navy Reserve	5,400	5,000	5,000	5,000	5,000	−400			
Military construction, Air Force Reserve	3,600	3,900	3,900	3,900	3,900	+300			
Military construction, Army National Guard				3,000	3,000	+3,000	+3,000	+3,000	
Military construction, Air National Guard	9,400	9,500	9,500	9,500	9,500	+100			
Loran stations		3,600	3,600	3,600	3,600	+3,600			
Total, military construction	1,096,874	2,123,000	1,420,043	1,439,458	1,402,091	+305,217	−720,909	−17,952	−37,367
Family housing	507,196	787,000	702,650	639,892	671,271	+164,075	−115,729	−31,379	+31,379
Homeowners assistance fund		27,000	20,000	20,000	20,000	+20,000	−7,000		
Total, family housing	507,196	814,000	722,650	659,892	691,271	+184,075	−122,729	−31,379	+31,379
Grand total	1,604,070	2,937,000	2,142,693	2,099,350	2,093,362	+489,292	−843,638	−49,331	−5,988

Mr. WYMAN. Mr. Speaker, I want to address myself briefly to amendment No. 2 in support of the items included therein. This amendment contains $1.275 million for projects to be undertaken at the Portsmouth Naval Shipyard in Portsmouth, N.H. For the benefit of the membership, I would like to outline the projects, which I feel are definitely essential.

There is, Mr. Speaker, $525,000 in this amendment for increased power for berths 6, 11, and 13. In testimony before the House Armed Services Committee, upon consideration of the authorization measure, it was pointed out by the Department of the Navy that this is a "mandatory project" needed to meet the SSN and SSBN overhauls scheduled for this important installation through 1974. In other words, this is an item essential to the continuing capability of Portsmouth Naval Shipyard. Item No. 2 is one which is also necessary to the safety of shipyard personnel. The committee has recommended $50,000 for power network protection. Accidents thus far at the shipyard due to the lack of this protective device has already caused the Federal Government the cost of $50,000. This request is not only less than the amount already paid because of accidents, but is certainly a small price to pay for securing the safe working conditions men engaged in this important work need and deserve.

The third and final item in this amendment, Mr. Speaker, is one not only essential to the health and welfare of the personnel at the shipyard, but to the local community as well. This is the expenditure of a necessary $700,000 to complete a previously approved sewage disposal system.

The items mentioned are all "bread and butter" ones. They are all necessary, and they meet the established criteria of the Department as outlined by the Secretary of Defense for the Portsmouth Naval Shipyard. I urge my colleagues to accept them as a necessary part of this report.

Mr. Speaker, I want to commend the conferees, particularly the gentleman from Florida who acted as manager on behalf of the House. There were 13 differences in this legislation between this and the other body. Under the able leadership of Congressman SIKES, we have before us a good bill acceptable to both bodies.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

AMENDMENTS IN DISAGREEMENT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

> Senate amendment No. 1: On page 2, line 4, strike out "$383,235,000" and insert "$407,140,000".

MOTION OFFERED BY MR. SIKES

Mr. SIKES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. SIKES moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$372,228,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

> Senate amendment No. 3: On page 3, line 1, strike out "$415,537,000" and insert "$402,035,000".

MOTION OFFERED BY MR. SIKES

Mr. SIKES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. SIKES moves that the House recede from its disagreement to the amendment of the Senate numbered 3 and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$400,662,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

> Senate amendment No. 6: On page 3, line 23, insert:
>
> "MILITARY CONSTRUCTION, ARMY NATIONAL GUARD
>
> "For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, $3,000,000, to remain available until expended."

MOTION OFFERED BY MR. SIKES

Mr. SIKES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. SIKES moves that the House recede from its disagreement to the amendment of the Senate numbered 6 and concur therein.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

> Senate amendment No. 7: On page 4, line 12, insert:
>
> "MILITARY CONSTRUCTION, ARMY RESERVE
>
> "For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 133 of title 10, United States Code, as amended, and the Reserve Forces Facilities Acts, $3,000,000, to remain available until expended."

MOTION OFFERED BY MR. SIKES

Mr. SIKES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. SIKES moves that the House recede from its disagreement to the amendment of the Senate numbered 7 and concur therein.

Mr. SIKES. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from Texas, the chairman of the Committee on Appropriations.

SERVICE OF MAJ. GEN. ROBERT S. MOORE

Mr. MAHON. Mr. Speaker, I take this time to call the attention of the House to the service record of a man who has rendered valuable service to the Committee on Appropriations and particularly its Defense Subcommittee, Maj. Gen. Robert S. Moore. General Moore was born in Paris, Tex., on September 8, 1895. He has been active in budget and fiscal matters of the Department of the Army, and its predecessor the War Department, since about 1930.

It is my understanding that last week General Moore completed 50 years active service with the Army. Many of you will recall that General Moore was responsible, in his position in the Budget Office of the Fiscal Division during World War II, for the drafting of proposed appropriation language for the bills of that time. He was responsible for assuring that these vast sums, aggregating some $160 billion during the war, were legally available for obligation and expenditure for all of the various purposes required by the War Department in the prosecution of World War II.

During his extensive service General Moore was helpful to the Congress and the country in international negotiations, having negotiated settlements with the military governments of Germany and Korea and the Austrian and Czechoslovakian Governments. He has served as an adviser on many other international settlements.

General Moore enlisted in the Army as a private in 1917 and has the unusual distinction of having served actively during every major war of this century, having served every Secretary of Defense and, of course, every Comptroller of Defense.

In his present position as Special Assistant to the Assistant Secretary of Defense, Comptroller, General Moore has been attentive and helpful to the committee throughout the entire length of our annual hearings and has been a most helpful liaison man with the Department of Defense. He has always been ready and willing and able to supply the committee with additional information. Overall, he has been a most effective liaison to the committee during these hearings.

It is a pleasure and an honor to be able to inform you of the completion of 50 years service by this distinguished gentleman whose love for the U.S. Army is equalled only by his devotion to the Congress of the United States.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. SIKES, Mr. Speaker, before I relinquish the floor let me call to your attention the fact that last week a service record was set which should not go unnoticed in the Congress.

Maj. Gen. Robert S. Moore has completed 50 years active service with the U.S. Army.

Enlisting as a private in 1917, General Moore has seen service during every war in this century in which the United States participated. Awarded the Purple Heart for wounds sustained in action in 1918, he has subsequently received the Legion of Merit with oak leaf cluster.

A most valuable liaison officer with the Committee on Appropriations over the years, General Moore has served in the field of military finance since 1930, and has been especially helpful as Special Assistant to the Assistant Secretary of Defense, Comptroller, a position he has held since 1950.

The importance of his work is recognized and appreciated by the membership on both sides of the aisle.

Mr. LIPSCOMB. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. LIPSCOMB. Mr. Speaker, I would also like to join my colleagues in paying tribute to this very fine officer, Major General Moore.

Mr. Speaker, I should like to join in noting a service record set last week.

Maj. Gen. Robert S. Moore completed 50 years active service with the U.S. Army.

A trusted and effective liaison officer with the Committee on Appropriations over the years, General Moore has served as Special Assistant to the Assistant Secretary of Defense—Comptroller—since 1950. He has served every Defense Comptroller since the position was established.

Born in 1895, General Moore enlisted as a private in 1917. He has served the field of military finance in a distinguished manner since 1930 and has been most helpful in connection with appropriations matters.

Major General Moore's distinguished service to our Nation has added to our Nation's strength and welfare. I commend General Moore on his outstanding career and wish him continued good health and service.

THE APPROPRIATIONS BUSINESS FOR FISCAL YEAR 1968

Mr. MAHON. Mr. Speaker, with the passage of the foreign assistance appropriation bill by the House last Friday and the adoption of the conference report on the military construction appropriation bill by the House today, the appropriations business of the session is fast coming to a conclusion. Only the final supplemental bill remains to be repórted to the House. We are getting ready for hearings on it and expect to be in position to proceed with expedition when the pending antipoverty authorization bill is disposed of.

HOUSE ACTIONS

The House has reduced the budget requests for appropriations in the fiscal 1968 bills by $5,654,000,000, not counting the final supplemental which will provide principally for the antipoverty program against which significant reductions will be made. It is quite possible that House reductions in fiscal 1968 requests for appropriations may approximate the significant sum of $6,000,000,000. This would be a savings of $6 billion; much would be saved in the current fiscal year 1968, the remainder would be a savings of expenditures that would otherwise have been made in subsequent years.

FINAL CONGRESSIONAL ACTIONS

Thirteen of the 15 appropriation bills dealing with the fiscal 1968 budget—counting the military construction bill cleared today—have been enacted. As I indicated a moment ago, the foreign assistance bill and final supplemental bill have not been cleared to the President.

While the other body increased several of the bills above the House totals, it also reduced three of them. The aggregate of the 13 bills as agreed to in conference is remarkably close to the aggregate of the House totals.

The total reduction from the budget requests in those 13 bills, as enacted, is $4,575,000,000. Thus if Congress should cut as much as $1 billion from the appropriation requests in the foreign assistance bill, as may well happen, and if the antipoverty program were held around last year's level, the final congressional cut from the fiscal 1968 budget requests for appropriations at this session would approximate the significant sum of $6,000,000,000.

And also of some significance is the prospect that appropriations for fiscal 1968 at this session will, in total, be below the total for the preceding fiscal year 1967 that ended on June 30. The fiscal 1968 total of the 13 bills already enacted is about $720,000,000 below the corresponding total for fiscal 1967. The House version of the foreign assistance bill is some $718,000,000 below last year. If the antipoverty program is held around last year's amount, then it seems certain that the grand total of appropriations for fiscal 1968 at this session will be well within the grand total for fiscal 1967.

Mr. Speaker, I append a summary of the totals thus far:

COMPARATIVE SUMMARY OF APPROPRIATION BILL TOTALS, 90TH CONG., 1ST SESS., AS OF NOV. 21, 1967

[Does not include any "back-door" type appropriations, or permanent appropriations [1] under previous legislation. Does include indefinite appropriations carried in annual appropriation bills. All figures are rounded]

	Bills for fiscal 1967	Bills for fiscal 1968	Bills for the session
A. House actions:			
1. Budget requests for appropriations considered	$14,411,000,000	[2] [3] $130,919,000,000	$145,330,000,000
2. Amounts in 16 bills passed by House	14,238,000,000	[2] [3] 125,265,000,000	139,503,000,000
3. Change from corresponding budget requests	−173,000,000	−5,654,000,000	−5,827,000,000
B. Senate actions:			
1. Budget requests for appropriations considered	14,533,000,000	[2] [3] 127,334,000,000	141,867,000,000
2. Amounts in 15 bills passed by Senate	14,457,000,000	[2] [3] 125,624,000,000	140,081,000,000
3. Change from corresponding budget requests	−76,000,000	−1,710,000,000	−1,786,000,000
4. Compared with House amounts in these 15 bills	+219,000,000	+3,134,000,000	+3,353,000,000

See footnotes at end of table.

COMPARATIVE SUMMARY OF APPROPRIATION BILL TOTALS, 90TH CONG., 1ST SESS., AS OF NOV. 21, 1967—Continued

[Does not include any "back-door" type appropriations, or permanent appropriations [1] under previous legislation. Does include indefinite appropriations carried in annual appropriation bills. All figures are rounded]

	Bills for fiscal 1967	Bills for fiscal 1968	Bills for the session
C. Final actions:			
1. Budget requests for appropriations considered	14,533,000,000	[2] [3] 127,334,000,000	141,867,000,000
2. Amounts approved in 15 bills enacted	14,394,000,000	[2] [3] 122,759,000,000	137,153,000,000
3. Comparison with corresponding budget requests	−139,000,000	−4,575,000,000	−4,714,000,000

[1] Permanent appropriations were tentatively estimated in January budget at about $15,212,066,000 for fiscal year 1968.

[2] Includes advance funding for fiscal 1969 for urban renewal and mass transit grants (budget, $980,000,000; House bill, $925,000,000; Senate bill, $955,000,000; enacted, $925,000,000) and for grants-in-aid for airports (budget, $75,000,000; House bill, $65,000,000; Senate bill, $75,000,000; enacted, $70,000,000).

[3] And participation sales authorizations as follows: Total authorizations requested in budget, $4,300,000,000; total in House bills, $1,946,000,000; total in Senate bills, $4,085,000,000; total enacted, $4,250,000,000.

Prepared Nov. 21, 1967, in the House Committee on Appropriations.

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include appropriate tables in connection with appropriation matters in this session of the Congress.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from North Carolina.

Mr. JONAS. Inasmuch as something has been said in the press and frequently said about our failure to live up to our responsibilities here in the House, is it not true that all of these reductions to which you have referred have been made on a line item basis, which are easily identifiable, and not easy to make in all instances? I feel that is a satisfactory answer to the charge that Congress is unwilling to assume its responsibility to seek curtailed spending by reducing appropriation requests.

Mr. MAHON. I thank the gentleman for his helpful statement. The gentleman has been a very dedicated Member and effective in his work in the conference along with other Members on both sides of the aisle in this joint effort to try to hold the line and make reductions in the appropriation requests.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman.

Mr. HALEY. Do I understand the distinguished chairman of the Committee on Appropriations to say that this year's appropriations are expected to be below last year's appropriations?

Mr. MAHON. The gentleman is correct. As I pointed out on previous occasions, the indications are that our appropriations in this session of the Congress, for fiscal 1968, will be lower than the appropriations made for the fiscal year 1967. So this I think would encourage the gentleman from Florida, as it encourages me, but I would not want to mislead the gentleman, because while appropriations at this session for fiscal 1968 apparently will be lower than those for fiscal 1967, expenditures—as distinguished from appropriations—this year will be greater because of the buildup of new and expanded programs which have originated in recent years and because of the acceleration of the cost of the war in Vietnam. So, expenditures will be considerably above last year's, but it looks like appropriations will be lower. Lower appropriations, I feel, are a step in the right direction. Lower appropriations signify, or precede, lower expenditures ultimately.

Mr. HALEY. I thank the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman from Texas yield?

Mr. MAHON. I yield to the gentleman from Iowa.

Mr. GROSS. I doubt that we can take too much pride in the expedition of legislation through this session of Congress. If I remember correctly, we are supposed to have the appropriation bills out of the way by July 1 of each year. Is that not correct?

Mr. MAHON. The gentleman is correct. I might say that we had a schedule which—had we been able to follow it—would have completed the appropriations business of the House by the first of July. But by reason of the delay of various authorization bills, it was not possible to live up to that schedule.

As the gentleman knows, the antipoverty program has not yet been authorized. The foreign aid program was not authorized until very recently. The Peace Corps program, I believe, is due to be considered for authorization later today here on the House floor. There are others.

So we have had our problems, and I think as a result of our experience all concerned ought to resolve to work out a technique or a system which will eliminate the necessity of these continuing resolutions and these delays, because the departments ought to know by the beginning of the fiscal year, July 1, how much money they will have available. They can do a much more effective job if they know where they stand fiscally.

Mr. GROSS. May I ask the gentleman one additional question. Do I understand correctly that there will be one supplemental appropriation or, as was reported in certain circles yesterday, there will be three supplemental appropriation bills yet to come?

Mr. MAHON. I have never heard of but one such bill. Any statement that there will be three is bound to be completely in error. We hope to report one before long. It will, I feel certain, deal principally with the antipoverty program.

Mr. GROSS. Mr. Speaker, will the gentleman from Florida yield for a question?

Mr. SIKES. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. We have had no discussion whatever of the dollar amounts in the conference report. Will the gentleman state for the record the amount as compared with the bill as it went to the other body?

Mr. SIKES. I will be happy to do so. I had intended to make such a statement. And I have the figures here before me. The conferees on the military construction bill for fiscal 1968 have brought to the floor a bill which is below the House figure and below the Senate figure. The recommendation before the House is $49 million below the House-passed bill, $6 million below the Senate bill, and it is $843 million below the budget estimate for fiscal 1968. The total amount in the bill is $2,093,362,000. I will include in the extension of my remarks full details on the actions of the conferees.

Mr. GROSS. Mr. Speaker, will the gentleman yield further?

Mr. SIKES. I yield to the gentleman from Iowa.

Mr. GROSS. Do I correctly understand that this is below the appropriation for last year?

Mr. SIKES. It is something over $400 million above the appropriation for last year.

Mr. GROSS. Above it?

Mr. SIKES. Over $400 million; but it is $843 million below the budget submission for fiscal 1968. The bill has been cut nearly one-third, and I could not in good conscience support deeper cuts. I might point out that one reason this is above the funds appropriated in fiscal 1967 is because of the inclusion of 6,750 units of new family housing. The gentleman will recall there were no requests for any new units in the fiscal 1967 program.

The SPEAKER. The question is on the motion of the gentleman from Florida.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 10: On page 6, line 6, insert:

"Construction, $26,758,000;".

MOTION OFFERED BY MR. SIKES

Mr. SIKES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SIKES moves that the House recede from its disagreement to the amendment of the Senate numbered 10 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$32,447,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 11: On page 6, line 10, insert:

"Construction, $52,736,000;".

MOTION OFFERED BY MR. SIKES

Mr. SIKES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SIKES moves that the House recede from its disagreement to the amendment of the Senate numbered 11 and concur therein with an amendment, as follows:

In lieu of the sum named in said amendment, insert "$65,430,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: On page 6, line 14, insert:

"Construction, $42,948,000;".

MOTION OFFERED BY MR. SIKES

Mr. SIKES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SIKES moves that the House recede from its disagreement to the amendment of the Senate numbered 12 and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$55,944,000".

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 13: On page 6, line 18, insert:

"Construction, $610,000;".

MOTION OFFERED BY MR. SIKES

Mr. SIKES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SIKES moves that the House recede from its disagreement to the amendment of the Senate numbered 13 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. SIKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in connection with the conference report on the military construction appropriations bill.

The Speaker. Is there objection to the request of the gentleman from Florida?

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 10595, PROHIBITING CERTAIN BANKS AND SAVINGS AND LOAN ASSOCIATIONS FROM FOSTERING OR PARTICIPATING IN GAMBLING ACTIVITIES

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 10595) to prohibit certain banks and savings and loan associations from fostering or participating in gambling activities, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

The Chair hears none, and appoints the following conferees: Messrs. PATMAN, MULTER, BARRETT, Mrs. SULLIVAN, Messrs. REUSS, ASHLEY, WIDNALL, FINO, and Mrs. DWYER.

MENTAL RETARDATION AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the bill (H.R. 6430) to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 954)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6430) to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 5, and 7.

That the House recede from its disagreement to the amendments of the Senate numbered 1 and 2; and agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"EDUCATION OF HANDICAPPED CHILDREN

"SEC. 6. Section 7 of the Act of September 6, 1958 (20 U.S.C. 617), is amended by striking out 'and' before '$37,500,000', and by inserting ', and $55,000,000 for the fiscal year ending June 30, 1970', after 'June 30, 1969'.

And the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"SEC. 7. The Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 is amended by adding at the end thereof the following:

"'TITLE V—TRAINING OF PHYSICAL EDUCATORS AND RECREATION PERSONNEL FOR MENTALLY RETARDED AND OTHER HANDICAPPED CHILDREN

"'GRANTS; AUTHORIZATION OF APPROPRIATIONS

"'SEC. 501. (a) The Secretary is authorized to make grants to public and other nonprofit institutions of higher learning to assist them in providing professional or advanced training for personnel engaged or preparing to engage in employment as physical educators or recreation personnel for mentally retarded and other handicapped children (*as defined in the first section of the Act of September 6, 1958 (20 U.S.C. 611)*) or as supervisors of such personnel, or engaged or preparing to engage in research or teaching in fields related to the physical education or recreation of such children.

"'(b) For the purpose of making the grants authorized under subsection (a), there is authorized to be appropriated for the fiscal year ending June 30, 1968, $1,000,000; for the fiscal year ending June 30, 1969, $2,000,000; and for the fiscal year ending June 30, 1970, $3,000,000. Any sums appropriated for any such fiscal year and not obligated before the end thereof shall remain available for the succeeding fiscal year for the purpose for which appropriated.

"'RESEARCH AND DEMONSTRATION PROJECTS IN PHYSICAL EDUCATION AND RECREATION FOR MENTALLY RETARDED AND OTHER HANDICAPPED CHILDREN

"'SEC. 502. (a)(1) There is authorized to be appropriated for the fiscal year ending June 30, 1968, $1,000,000, and for each of the two succeeding fiscal years, $1,500,000, to enable the Secretary to make grants to States, State or local educational agencies, public and nonprofit private institutions of higher learning, and other public or nonprofit private educational or research agencies and organizations, for research or demonstration projects relating to physical education or recreation for mentally retarded and other handicapped children (as defined in the first section of the Act of September 6, 1958 (20 U.S.C. 611)).

"'(2) Grants under paragraph (1) shall be made in installments, in advance or by way of reimbursement, and on such conditions as the Secretary may determine.

"'(b) The Secretary shall from time to time appoint panels of experts who are competent to evaluate various types of research or demonstration projects under this section, and shall secure the advice and recommendations of one such panel before making any grant under this section.

"'ADVISORY COMMITTEE

"'SEC. 503. (a)(1) The Secretary shall appoint an advisory committe which shall consist of seven members to advise him on matters of general policy relating to the administration of this title. Three members of such committee shall be individuals from the field of physical education, two members thereof shall be individuals from the field of recreation, and two members thereof shall be individuals with experience or special interest in the education of the mentally retarded or other handicapped children.

"'(2) The Secretary shall, from time to time, designate one of the members of such committee to serve as the chairman thereof.

"'(b) Members of the advisory committee and members of any panel appointed pursuant to section 502(b), who are not regular full-time employees of the United States, shall, while serving on the business of such committe or such panel, be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including travel time; and, while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5, United States Code, for persons in the Government service employed intermittently.'"

And the Senate agree to the same.

HARLEY O. STAGGERS,
JOHN JARMAN,
PAUL G. ROGERS,
WILLIAM L. SPRINGER,
ANCHER NELSEN,
Managers on the Part of the House.

LISTER HILL,
RALPH W. YARBOROUGH,
HARRISON WILLIAMS,
CLAIBORNE PELL,
EDWARD M. KENNEDY,
J. K. JAVITS,
GEORGE L. MURPHY,
PETER H. DOMINICK,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6430) to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

PLANNING GRANTS

Senate amendment No. 1 amended section 121 of the Mental Retardation Facilities Act to permit 2 percent of the sums appropriated for the construction of university-affiliated mental retardation facilities to be used for planning the construction of such facilities. A grant for an individual project may not exceed $25,000 nor may a grant exceed 75 percent of the planning costs.

The House recedes.

ADMINISTRATIVE EXPENSES

Senate amendment No. 2 added a subsection (d) to section 132 of the act to permit States to use up to 2 percent, or $50,000, whichever is less, of its allotments for the construction of community mental retardation facilities for covering not to exceed 50 percent of the cost of administering its State plan. The payments of funds for this purpose could only be approved if the States expend not less than their fiscal year 1967 levels of funds for administration.

The House recedes.

EDUCATION OF HANDICAPPED CHILDREN

Senate amendment No. 6 added a new section 6 to the bill which extended for one year (until June 30, 1970), and increased, the authorization for the existing program of research and demonstrations in the education of the handicapped, and the existing program for training teachers of handicapped children, at a total authorization of $73,000,000 for fiscal year 1970.

The House recedes with an amendment which extends and increases the fiscal year 1970 authorization for the existing program of training teachers of handicapped children. $55 million is authorized for fiscal year 1970 to carry out the program.

TRAINING OF PHYSICAL EDUCATORS AND RECREATION PERSONNEL FOR MENTALLY RETARDED AND OTHER HANDICAPPED CHILDREN

Senate amendment No. 8 added a new section to the bill which amends the Mental Retardation Facilities and Community Mental Health Center Construction Act of 1963, as amended, by adding a new title V that authorizes funds to assist in training physical education teachers and recreation personnel for mentally retarded and other handicapped children. For this purpose the section authorizes a total of $6 million in appropriations over the 3-year period, 1968–70. In addition, the section authorizes a total of $4 million in appropriations for grants to finance research and demonstration projects relative to physical education and recreation for handicapped children. The Secretary is authorized to appoint panels of experts and an advisory council to assist in the administration of the title.

The House recedes with an amendment which is essentially the same as the Senate amendment No. 8 except for minor technical amendments and a reduction in the advisory committee from 15 members to 7, three from the field of physical education, two from the field of recreation, and two individuals with experience or special interests in the education of mentally retarded or other handicapped children. The definition of handicapped children is also modified to conform exactly with the definition of such term in the first section of the Act of September 6, 1958, which relates to training of teachers of mentally retarded and other handicapped children. With respect to such definition, the term "other health impaired" refers to physical impairments and crippling conditions of such a degree that special educational services are required, including neurological impairments. It is intended that this new title be administered by the same office as administers the Act of September 6, 1958.

HARLEY O. STAGGERS,
JOHN JARMAN,
PAUL G. ROGERS,
WILLIAM L. SPRINGER,
ANCHER NELSEN,
Managers on the Part of the House.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, will the gentleman explain briefly what took place in the conference, before we are called upon to vote on the adoption of the conference report?

Mr. STAGGERS. Mr. Speaker, I will be happy to.

Mr. GROSS. Mr. Speaker, I would appreciate it on the part of the Members of the House.

Mr. STAGGERS. Mr. Speaker, on this bill there were eight amendments in disagreement. The Senate receded on four, the House receded on two, and the House receded with amendments on two.

The first two amendments of the Senate permit the use of 2 percent of the funds available for construction of mental retardation facilities for planning in the case of university facilities, and for administration of the State plan in the case of State and local facilities for the mentally retarded.

Amendments 3 and 4 are technical, but amendment 5 which the Senate receded on would have permitted the use of funds provided in the House bill for staffing of facilities for all operating costs. In the opinion of the House conferees, this would have seriously diluted the funds available, and we felt would have cut down on the number of mental retardation facilities established under the legislation. As I said, the Senate receded on this amendment.

Amendment 6, as agreed to by the conference, provides for a 1-year extension, from June 30, 1969, to June 30, 1970, of the existing program of training of teachers of handicapped children, at an authorization of $55 million for that fiscal year.

Amendment 7 would have permitted the use of funds for construction of mental retardation facilities for the acquisition of land, but the House conferees did not agree to this amendment for essentially the same reasons involved in our decision not to agree to the amendment authorizing use of staffing funds for other purposes.

Amendment 8 provided for increased emphasis on the program of training of professional personnel engaged or preparing to engage in employment as physical educators or recreational personnel for mentally retarded or other handicapped children. Although existing law authorizing the training of teachers of handicapped children covers this group, we felt that there was not sufficient emphasis being placed on this program by the executive branch. The concept of a sound mind in a sound body is, of course, at the heart of education, and recent discoveries have indicated how very important it is to the development of a sound mind to develop a sound body. It appears that the development of motor control centers in the brain is aided by exercise and that development in this area is important to development in other areas bearing on reasoning ability, speech control, and the like. This amendment would provide for training of teachers involved in this area for handicapped children.

As passed by the House, the bill provided authorizations totalling $216 million over a 3-year period. The Senate proposed a total increase in those authorizations of $83 million, and the conference agreement provides for a total increase of $65 million. For the current fiscal year, the total increase in authorizations contained in the conference agreement is $2 million.

For fiscal 1969, the total increase in authorizations amounts to $3,500,000 over the figure set out in the House bill. The overwhelming bulk of the increase in authorizations arises out of the 1-year extension of the program of training of teachers of handicapped children, which amounts to $55 million, plus an additional $4½ million for physical educators or recreational personnel—all for the fiscal year of 1970.

Mr. Speaker, we think we have brought a good bill back to the House and we urge the adoption of the conference report.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. How did we fare, moneywise, comparing the House bill to the conference report?

Mr. STAGGERS. I might answer the gentleman in this way: taking the two bills on which we had the same conferees on the House and Senate side, we come out some $280 million better.

Mr. GROSS. By "better" does the gentleman mean more or less?

Mr. STAGGERS. Less. In this bill we extend existing law for an additional year, fiscal 1970, for training of teachers of handicapped children. That was $55 million. The conferees also agreed to an additional $10 million, over a 3-year period, for physical education and recreation teachers of handicapped children.

On the other bill, we cut from it $343 million, by eliminating the authorizations for fiscal 1971.

I wanted to bring the two of them in together, because they are related, both being health bills, and both being considered together in conference. We felt most changes the Senate made in this bill were justified.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I am happy to yield to the gentleman from Illinois.

Mr. SPRINGER. I believe I can answer the question of the gentleman from Iowa.

What we had in the House bill was a total of $216 million. On the Senate side they had a total of considerably more, $299 million.

We finally settled at $281 million, as against the $216 million in our bill and the $299 million in the Senate amendments.

The real jump in authorizations occurs because we accepted the Senate provision for fiscal 1970 for the teachers of the handicapped, which was not in our bill. That was $55 million.

May I say, there were two other money items. The Kennedy amendment provided for $6 million for training of physical education teachers, which is badly needed in the mental retardation field. There also was included in this amendment authority for demonstration projects in this area for a total of $4 million, $1 million in 1968 and $1.5 million in 1969 and $1.5 million in 1970.

This brought the bill up to a total of about $65 million more than it went to the Senate side with.

The figure for 1969 was $37.5 million in that field, so there is a jump of roughly $17½ million between 1969 and 1970.

On the total, we are $65 million more in this bill than when it passed the House.

Mr. BOLAND. Mr. Speaker, I am very pleased that the conference report before us on H.R. 6430, the Mental Retardation Amendments of 1967, includes the Senate-approved section authorizing a program for training physical educators of mentally retarded and other handicapped children.

The House conferees, under the able leadership of the gentleman from West Virginia, Chairman HARLEY STAGGERS, of the House Interstate and Foreign Commerce Committee, are to be commended for accepting this most important provision which was sponsored in the Senate by my colleague from Massachusetts, Senator EDWARD M. KENNEDY.

Senator KENNEDY's bill, S. 2513, was incorporated into H.R. 6430 by the Senate, and adds a new title V to the Mental Retardation Facilities and Community Health Centers Construction Act of 1963, enacted by the 88th Congress on the recommendation of our late beloved President John Fitzgerald Kennedy.

This bill will now authorize appropriations of $1 million in the current fiscal year, and $1,500,000 in each of the 2 succeeding fiscal years for a new program of training physical educators for mentally retarded and other handicapped children. Both Senator KENNEDY and his sister, Mrs. Eunice Shriver, have said that such a program will have far-reaching consequences. They have devoted their time and their energies, as did President Kennedy, to programs that will benefit these exceptional children.

Mr. Speaker, the importance of physical education for the retarded is only beginning to be understood. This legislation will assist to develop training programs for specialized physical educators. These men and women would then work with mentally retarded and other handicapped children.

Normal channels of learning are cut off in retarded children. But recent and abundant evidence shows convincingly that physical education can stimulate the overall development of the retarded at a rapid pace, far outstripping existing and traditional methods. This is leading to new hope for making the lives of the mentally retarded and handicapped richer and more productive.

What is needed are properly trained physical education instructors and programs of physical education and recreation to improve these exceptional children mentally and emotionally as well as physically. The Kennedy proposal in this bill will provide for such programs.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

The question was taken.

Mr. SPRINGER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 354, nays 0, not voting 78, as follows:

[Roll No. 404]

YEAS—354

Abernethy
Adair
Adams
Addabbo
Albert
Anderson, Ill.
Andrews, N. Dak.
Ashley
Ayres
Baring
Barrett
Battin
Bell
Bennett
Betts
Bevill
Biester
Bingham
Blackburn
Blanton
Blatnik
Boggs
Boland
Bolling
Bolton
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carey
Carter
Casey
Cederberg
Celler
Clausen, Don H.
Cleveland
Cohelan
Collier
Colmer
Conable
Conte
Corbett
Cramer
Culver
Cunningham
Curtis
Daddario
Daniels
Davis, Ga.
Davis, Wis.
Dawson
de la Garza
Dellenback
Denney
Dent
Derwinski
Devine
Dickinson
Dingell
Dole
Donohue
Dow
Dowdy
Dulski
Duncan
Dwyer
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Everett
Fallon
Farbstein
Feighan
Fino
Fisher
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Gallagher
Gardner
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodling
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gross
Grover
Gubser
Gude
Haley
Hall
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hardy
Harrison
Harsha
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Helstoski
Henderson
Hicks
Holland
Horton
Hosmer
Howard
Hull
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Mo.
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
King, N.Y.
Kirwan
Kleppe
Kluczynski
Kornegay
Kupferman
Kuykendall
Kyros
Langen
Latta
Leggett
Lennon
Lipscomb
Lloyd
Long, La.
Long, Md.
Lukens
McCarthy
McClory
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McMillan
Macdonald, Mass.
MacGregor
Machen
Madden
Mahon
Mailliard
Marsh
Mathias, Calif.
Mathias, Md.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Minish
Mink
Minshall
Mize
Monagan
Montgomery
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Passman
Patman
Patten
Pelly
Perkins
Pettis
Pickle
Pike
Pirnie
Poage
Poff
Pool
Price, Ill.
Price, Tex.
Pryor
Pucinski
Purcell
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Reinecke
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Roberts
Robison
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Schweiker
Scott
Selden
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Stuckey
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, Ga.
Thompson, N.J.
Tiernan
Tunney
Ullman
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walker
Wampler
Watkins
Watson
Watts
Whalen
Whalley
White
Whitener
Whitten
Williams, Pa.
Wilson, Bob
Wilson, Charles H.
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Young
Zablocki
Zion
Zwach

NAYS—0

NOT VOTING—78

Abbitt
Anderson, Tenn.
Andrews, Ala.
Annunzio
Arends
Ashbrook
Ashmore
Aspinall
Bates
Belcher
Berry
Brooks
Broomfield
Chamberlain
Clancy
Clark
Clawson, Del
Conyers
Corman
Cowger
Delaney
Diggs
Dorn
Downing
Edmondson
Edwards, La.
Evins, Tenn.
Fascell
Findley
Flynt
Fountain
Fulton, Tenn.
Fuqua
Goodell
Gurney
Hagan
Halleck
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Hungate
Jones, Ala.
Kyl
Laird
Landrum
Martin
Mills
Moore
Moss
Multer
Nelsen
O'Neal, Ga.
Ottinger
Pepper
Philbin
Pollock
Resnick
Rivers
Rodino
Rooney, N.Y.
St. Onge
Schwengel
Shipley
Stephens
Thomson, Wis.
Tuck
Udall
Utt
Van Deerlin
Widnall
Wiggins
Williams, Miss.
Willis
Wright
Yates

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Broomfield.
Mr. Annunzio with Mr. Moore.
Mr. Aspinall with Mr. Widnall.
Mr. Brooks with Mr. Findley.
Mr. Evins of Tennessee with Mr. Cowger.
Mr. Delaney with Mr. Del Clawson.
Mr. Fascell with Mr. Utt.
Mr. Rodino with Mr. Wiggins.

Mr. St. Onge with Mr. Chamberlain.

Mr. Rivers with Mr. Bates.

Mr. Ashmore with Mr. Berry.

Mr. Abbitt with Mrs. Heckler of Massachusetts.

Mr. Mills with Mr. Halleck.

Mr. Dorn with Mr. Schwengel.

Mr. Clark with Mr. Pollock.

Mr. Fuqua with Mr. Martin.

Mr. Edmondson with Mr. Gurney.

Mr. Landrum with Mr. Arends.

Mr. Fountain with Mr. Belcher.

Mr. Shipley with Mr. Goodell.

Mr. O'Neal of Georgia with Mr. Kyl.

Mr. Moss with Mr. Nelsen.

Mr. Udall with Mr. Thomson of Wisconsin.

Mr. Pepper with Mr. Laird.

Mr. Yates with Mr. Ashbrook.

Mr. Corman with Mr. Clancy.

Mr. Ottinger with Mr. Diggs.

Mr. Flynt with Mrs. Hansen of Washington.

Mr. Holifield with Mr. Herlong.

Mr. Rooney of New York with Mr. Charles H. Wilson.

Mr. Resnick with Mr. Conyers.

Mr. Edwards of Louisiana with Mr. Fulton of Tennessee.

Mr. Hagan with Mr. Hays.

Mr. Hungate with Mr. Jones of Alabama.

Mr. Stephens with Mr. Williams of Mississippi.

Mr. Wright with Mr. Willis.

Mr. Multer with Mr. Tuck.

Mr. Andrews of North Dakota with Mr. Philbin.

Mr. Andrews of Alabama with Mr. Van Deerlin.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the conference report just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

PARTNERSHIP FOR HEALTH AMENDMENTS OF 1967

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the bill (H.R. 6418) to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

Conference Report (H. Rept. No. 974)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6418) to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendment numbered 32.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 21, 22, 23, 24, 25, 27, 28, 29, 30, 31, 33, and 34; and agree to the same.

Amendment numbered 19: That the House recede from its disagreement to the amendment of the Senate numbered 19, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: ", facilities for long-term care,"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: ", facilities for long-term care,"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "The provisions of this section requiring licensing shall not apply to a clinical laboratory in a hospital accredited by the Joint Commission on the Accreditation of Hospitals or by the American Osteopathic Association, or a laboratory which has been inspected and accredited by such commission or association, by the Commission on Inspection and Accreditation of the College of American Pathologists, or by any other national accreditation body approved for the purpose by the Secretary, but only if the standards applied by such commission, association, or other body in determining whether or not to accredit such hospital or laboratory are equal to or more stringent than the provisions of this section and the rules and regulations issued under this section, and only if there is adequate provision for assuring that such standards continue to be met by such hospital or laboratory; provided that any such laboratory shall be treated as a licensed laboratory for all other purposes of this section."

And the Senate agree to the same.

Harley O. Staggers,
John Jarman,
Paul G. Rogers,
William L. Springer,
Ancher Nelsen,
Managers on the Part of the House.
Lister Hill,
Ralph W. Yarborough,
Harrison Williams,
Claiborne Pell,
Edward Kennedy,
Jacob Javits,
George Murphy,
Peter H. Dominick,
Managers on the Part of the Senate.

Statement

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6418) to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

1. DEPUTY SECRETARY FOR HEALTH, EDUCATION, AND WELFARE: UNDER SECRETARY FOR HEALTH

Senate amendment numbered 32 established a new position of Under Secretary of Health to provide for more coordination of health programs in the Department. The existing title of Under Secretary of Health, Education, and Welfare was changed to Deputy Secretary of Health, Education, and Welfare.

The Senate recedes with respect to this amendment.

2. FISCAL YEAR 1971 AUTHORIZATIONS

The House bill authorized appropriations for the fiscal years 1968 through 1971, for certain comprehensive health planning and public health programs. Senate amendments numbered 1 through 14, 17 and 18, and 23 and 24 eliminated the authorizations for appropriations for the fiscal year 1971, totaling $343 million.

The House recedes.

The authorization for fiscal year 1971 for each program was as follows:

(A) $20 million for grants to States for comprehensive State health planning under section 314(a) of the Public Health Service Act.

(B) $15 million for project grants for areawide health planning under section 314(b) of such Act.

(C) $10 million for project grants for training, studies, and demonstrations under section 314(c) of such Act.

(D) $110 million for grants for comprehensive public health services under section 314(d) of such Act.

(E) $100 million for project grants for health services development under section 314(e) of such Act.

(F) $8 million for grants for the provision in schools of public health of training consultive services and technical assistance in public health under section 309(c) of such Act.

(G) $80 million for research and demonstrations relating to health facilities and services under section 304 of such Act.

3. LONG-TERM CARE FACILITIES AND HEALTH MANPOWER

The House bill revised section 304 of the Public Health Service Act to authorize the Secretary to make grants or contracts for the conduct of research or demonstrations relating (1) to the provision of services, facilities, and resources of hospitals or other medical facilities, or (2) to development of methods of provision of health services, including (A) construction of hospitals or other medical facilities, and (B) certain research and development projects for delivery of health services.

Senate amendments 19 through 22 provided that the research and demonstration program would extend to the provision of services, facilities, and resources in long term facilities, to construction of long-term care facilities in addition to hospitals, and to health manpower research and demonstration projects.

The House recedes, with clarifying amendments.

4. TECHNICAL AMENDMENTS

Senate amendments 15, 16, 25, 29, 30, 31, and 34 were technical and clerical in nature.

The House recedes.

5. CLINICAL LABORATORIES IMPROVEMENT

The House bill provided for a system of licensing clinical laboratories which meet certain standards and prohibited any person from soliciting our accepting in interstate commerce any specimen for examination, etc., at an unlicensed laboratory.

Senate amendment numbered 26 modified the licensing requirements by providing that clinical laboratories in hospitals or which are accredited by certain bodies which apply and enforce standards at least as stringent as those prescribed by the Secretary, shall be deemed to meet the requirements for a license.

Senate amendment numbered 27 modified a provision of the House bill exempting certain physician operated laboratories, from the licensing requirements by striking out the exemption for clinical laboratories operated by pathologists where all tests and procedures are performed by the pathologist and his employee acting under his direct supervision.

With respect to Senate amendment No. 26 the House recedes with an amendment which provides that the licensing provisions with respect to clinical laboratories shall not apply to clinical laboratories inspected and accredited by either the Joint Commission on the Accreditation of Hospitals, the American Osteopathic Association, the Commission in Inspection and Accreditation of the College of American Pathologists, or by any other national accreditation body approved by the Secretary. The standards applied by such accreditation bodies must be equal to or more stringent than the requirements of the Secretary, and there must be adequate provision for assuring that the standards applicable to such laboratory continue to be met. It is intended that such accreditation bodies shall make their accreditation program and services equally available to all laboratories which may apply for accreditation, without imposition of additional requirements, such as membership in specific associations. For all purposes of the Act other than licensing, laboratories exempt from licensing by reason of this amendment shall be treated as though licensed so that, for example, the injunction provisions of the section, and other provisions applicable to licensed laboratories shall apply to exempt laboratories.

With respect to Senate amendment No. 27 the House recedes to conform to the action taken under Senate amendment No. 26.

6. JOINT HOSPITAL ENTERPRISES

The House bill amended title VI of the Public Health Service Act to make joint hospital enterprises eligible for construction or modernization of central service facilities owned by them. A joint hospital enterprise is defined in the House bill as a nonprofit organization organized and operated exclusively to provide services for public or other nonprofit hospitals.

Senate amendment No. 28 deleted the provision of the House bill relating to joint hospital enterprises.

The House recedes.

7. COMPREHENSIVE SURVEY

Senate amendment No. 33 authorized the Secretary of Health, Education, and Welfare to conduct a 6-month comprehensive survey of serious hunger, malnutrition, and health problems related thereto in the United States.

The House recedes.

HARLEY O. STAGGERS,
JOHN JARMAN,
PAUL G. ROGERS,
WILLIAM L. SPRINGER,
ANCHER NELSEN,
Managers on the Part of the House.

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that the statement on the part of the managers be considered as read.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, the conferees on H.R. 6418, the Partnership for Health Amendments for 1967, have brought back to the House a good bill. If it had not been for two provisions contained in the Senate bill, I do not believe it would have been necessary to have a conference, since all of the amendments by the Senate were acceptable to our committee, except for two.

These two amendments involved the exemption from licensing for certain laboratories, on which we worked out compromise language which is perfectly satisfactory to all parties involved, and provisions of the Senate bill establishing the position of Under Secretary of Health, and the Senate receded on this amendment.

The Senate bill added authority for the creation of a position of Under Secretary for Health in the Department of Health, Education, and Welfare. Our committee is in favor of this proposal. Last year, a special subcommittee of our full committee, under the chairmanship of the gentleman from Florida [Mr. ROGERS], conducted an exhaustive investigation of the Department of Health, Education, and Welfare, and unanimously recommended the creation of a position of Under Secretary of Health in the Department.

In general, the members of our committee feel that such position should be created; however, some questions were raised with us concerning the establishment of this position, and since we had held no hearings on legislation in this area to explore the ramifications of this proposal, we felt that perhaps it would be better to postpone a decision on this proposal until next session, at which time the appropriate committee can give full consideration to this proposal and all its far-reaching implications.

On this point the House conferees were unanimous, and the Senate receded. I did, however, find it necessary to make a commitment to the Senate conferees that early consideration would be given to this proposal.

The other principal area of disagreement involved the licensing of clinical laboratories. The bill as passed by the House provided an exemption from licensing for laboratories operated by pathologists where the pathologist directly supervises the work done by employees of the laboratory.

The Senate modified this provision to provide that where laboratories run by pathologists or others meet accreditation standards of the American College of Pathologists or other national accreditation groups, these laboratories automatically qualify for a license. We did not feel that the Federal Government should get into the business of licensing doctors of medicine. Therefore, we worked out a compromise with the Senate on this point, providing that laboratories which meet accreditation standards of national accrediting bodies approved by the Secretary whose standards are at least as stringent as those set by the Secretary, need not obtain Federal licensing; however, all other provisions of the law shall apply to those laboratories.

There were a number of other amendments adopted by the Senate, all of which were acceptable. The Senate deleted all authorizations for fiscal 1971, totaling $343 million, and we agreed to the deletion of this authority. It means, as a practical matter, that the administration will have to request extension of this legislation one year earlier than otherwise. The Senate added to the bill a requirement that certain research projects include research into utilization of long-term care facilities such as nursing homes and the like, and included research into the subject of careers in medicine and other health fields.

We agreed to this expansion of authority, and we also agreed to the provisions of the Senate amendment calling for a 6-month survey of malnutrition and related health problems in the United States, and to the deletion from this bill of provisions relating to joint enterprises by hospitals.

Mr. Speaker, when we brought the bill up on the floor of the House this year, I urged the House to adopt it; I think the action by the Senate, as modified in conference, improves the bill greatly. I, therefore, urge the adoption by the House of the conference report.

Mr. SPRINGER. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Illinois?

Mr. SPRINGER. Mr. Speaker, as Members will recall, the bill went over from the House at $932 million. That was reduced by $343 million in the Senate. We receded on this. There was a request by the Senate to take out the year 1971, which we did, and that was $343 million.

So the bill comes back at $599 million, or $343 million less than when it went to conference.

The second change was a change in the language with reference to clinical laboratories. There was a difference in language with reference to pathologists. We finally agreed on language which was satisfactory to HEW and to the pathologists and to all other interested parties, so far as I know. We believe the language is good. It allows for enforcement against all noncompliers.

The third major amendment had to do with joint hospital enterprises. That was stricken from the House bill. We receded on that.

Fourth, as Members will recall, the Senate had a provision for a new Under Secretary of Health, Education, and Welfare. The Senate receded on this, and the provision for a new Under Secretary was stricken.

There was a reason for that. The House stood firm, because there had not been any hearings on this matter so far as the House was concerned. We felt also, that when HEW requested the Under Secretary, it ought to be able to define the duties of the Under Secretary, if created. The House side was unanimous on this, and the Senate yielded. This was the biggest bone of contention.

Those are the four major amendments. The two of major consequence are the reduction of $343 million and the Senate provision for an Under Secretary of Health, Education, and Welfare, which was deleted.

Mr. HALL. Mr. Speaker, will the gentleman yield for a question?

Mr. STAGGERS. I am glad to yield to the gentleman from Missouri.

Mr. HALL. I wonder if either the chairman or the ranking minority member could explain in a little more detail the laboratory licensure provisions as they finally come from the conference.

Mr. STAGGERS. I might say this: As passed by the House, the bill provided for an exemption from the licensing of laboratories operated by pathologists, when the pathologists directly supervised the work done by employees of the laboratory.

The Senate modified this to provide that laboratories run by pathologists or others meet accreditation standards, they would automatically have qualified for a license.

We came to a compromise on this. We did not feel that the Federal Government should get into the business of licensing doctors of medicine. We worked out a compromise on this point, providing that where laboratories meet accreditation standards of national accrediting bodies approved by the Secretary, and where the standards of these accrediting bodies are at least as stringent as those set by the Secretary, the laboratory need not obtain Federal licenses.

However, all the other provisions which apply to those laboratories, such as inspections and so forth, would apply.

We did not want the Federal Government to get into the licensing of doctors.

Mr. HALL. In other words, the conferees have relaxed the licensure of laboratories so that fewer would be licensed than under the bill which went over from the House, if I understand the gentleman correctly? The pathologist-operated laboratories are still exempted from Federal licensure?

Mr. STAGGERS. There are about 1,000 of these which are licensed. Any laboratory which accepts or solicits specimens in interstate commerce, is to be licensed. There is one exception, where the laboratory meets standards of national accrediting bodies; but we say that the laboratory must meet the proper standards, even if it is not required to obtain a license. The laboratory must meet the standards that the Federal Government sets up. But they do not have to obtain a Federal license.

Mr. HALL. Is the gentleman trying to tell me that even in a pathologist-operated laboratory, where a pathologist is an M.D. or a specialist in laboratory operation, that he still has to meet the licensure standards of the Secretary of Health, Education, and Welfare?

Mr. STAGGERS. We do not try to be that stringent. We do not set the standards or try to do that at all. But we say they have to be open for inspection.

Mr. HALL. So the end result is that the Federal Government does have control either through certificates of proven inspection or licensure or license brokers or anything else, regardless of whether they are in interstate commerce or not. Is that the end result of the conference report?

Mr. STAGGERS. I might say this: The basic policy we accepted was the fact that they set their own standards and police themselves.

Mr. HALL. This has been historically true.

Mr. STAGGERS. We are still trying to do that now. We are not trying to change it in any way. We made no provision for licensing the laboratories that meet standards or saying what those standards should be, but we just say that they should be up to a certain standard.

Mr. HALL. I believe the physicians or the pathologists themselves would agree with that statement, but the question is how much control either by license or inspection of the pathologist-operated laboratories. Is there more or less than in the House bill as it comes back in the final conference report?

Mr. STAGGERS. In my opinion, it is almost the same as in the House bill. We worked out a compromise that the pathologists agreed was all right. We said there had to be certain standards. If they police themselves, there is no interference whatsoever.

Mr. HALL. Mr. Speaker, if the gentleman will yield further, I have two other quick questions.

Is the Ottinger amendment, as it was called on the floor of the House, in or out of the conference report?

Mr. STAGGERS. It is out.

Mr. HALL. It still remains out in the final conference report?

Mr. STAGGERS. It is out.

Mr. HALL. Then there is the question of the formulas and grants for the special projects or for extermination of rats which is still in there to the tune of $20 million a year. Is that correct?

Mr. STAGGERS. I may say to my colleague from Missouri that there is no mention of rats in this bill. It is not a point of issue in the conference at all.

Mr. HALL. It was in both the House and Senate bills and therefore it is still in the law.

Mr. STAGGERS. I want to clarify this. In our bill—and this is the very basis of our bill—we do not earmark these funds. We are leaving it up to the States. The bill has money voted for it in the House which was accepted by the Senate and there was no compromise, but rats are not mentioned in here anywhere.

Mr. HALL. I certainly appreciate the gentleman yielding this time to me, Mr. Speaker, and appreciate his direct answers to the questions.

I compliment the committee on the conference on the part of the House for standing firm in connection with the nonhearing amendment inserted by the other body concerning the Under Secretary of HEW and the additional supergrade jobs. I certainly think that the conferees did properly. I am in favor of control of health matters at all levels and have often been on record for a separate Department of Health, but this is not the way to do it, without hearings. I would forecast, if that be within my ability to do so, that the hearings are better and will provide a much better solution to this problem.

I thank the gentleman.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I shall be glad to yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman from West Virginia anticipate that the $40 million for rats will be returned to the Treasury?

Mr. STAGGERS. Well, of course, those funds would first need to be appropriated, then it would be up to the various States to participate. There are programs under this legislation wherein funds could be used for that purpose. However, that would have to be a question for the various States to determine when they apply for project grants.

Mr. Speaker, this is a good bill and I recommend its passage.

The SPEAKER pro tempore (Mr. ALBERT). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SPRINGER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 348, nays 3, not voting 81, as follows:

[Roll No. 405]

YEAS—348

Adair
Adams
Addabbo
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, N. Dak.
Ashbrook
Ashley
Ayres
Baring
Barrett
Battin
Bell
Bennett
Betts
Bevill
Biester
Bingham
Blackburn
Blanton
Blatnik
Boggs
Boland
Bolling
Bolton
Brademas
Brasco
Bray
Brinkley
Brock
Brotzman
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cabell
Cahill
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Cleveland
Cohelan
Collier
Conable
Conte
Corbett
Cramer
Culver
Cunningham
Curtis
Daniels
Davis, Ga.
Davis, Wis.
Dawson
de la Garza
Dellenback
Denney
Dent
Derwinski
Devine
Dickinson
Dingell
Dole
Donohue
Dow
Dowdy
Downing
Dulski
Duncan
Dwyer
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Everett
Fallon
Farbstein
Feighan
Fino
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Gallagher
Gardner
Garmatz
Gathings
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodling
Gray
Green, Oreg.
Green, Pa.

Griffiths
Grover
Gubser
Gude
Haley
Hall
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hardy
Harrison
Harsha
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Helstoski
Henderson
Hicks
Holland
Horton
Hosmer
Howard
Hull
Hunt
Hutchinson
Ichord
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
King, N.Y.
Kirwan
Kleppe
Kluczynski
Kornegay
Kupferman
Kuykendall
Kyros
Langen
Latta
Lennon
Lipscomb
Lloyd
Long, La.
Long, Md.
Lukens
McCarthy
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
McMillan
Macdonald, Mass.
MacGregor
Machen
Mahon
Mailliard
Marsh
Mathias, Calif.
Mathias, Md.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Minish
Mink
Minshall
Mize
Monagan
Montgomery
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Multer
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Passman
Patman
Patten
Pelly
Perkins
Pettis
Philbin
Pickle
Pike
Pirnie
Poage
Poff
Pool
Price, Ill.
Price, Tex.
Pryor
Pucinski
Purcell
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Reinecke
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Roberts
Robison
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, Pa.
Rosenthal
Rostenkowski
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Satterfield
Saylor
Schadeberg
Scherle
Scheuer
Schneebeli
Schweiker
Scott
Selden
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Stuckey
Taft
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Tenzer
Thompson, Ga.
Thompson, N.J.
Tiernan
Tuck
Tunney
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waggonner
Waldie
Walker
Wampler
Watkins
Watson
Watts
Whalen
Whalley
White
Whitener
Whitten
Williams, Pa.
Wilson, Bob
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Young
Zablocki
Zion
Zwach

NAYS—3

Abernethy
Colmer
Gross

NOT VOTING—81

Abbitt
Andrews, Ala.
Annunzio
Arends
Ashmore
Aspinall
Bates
Belcher
Berry
Bow
Brooks
Broomfield
Carey
Celler
Chamberlain
Clark
Clawson, Del
Conyers
Corman
Cowger
Daddario
Delaney
Diggs
Dorn
Edmondson
Edwards, La.
Evins, Tenn.
Fascell
Findley
Fisher
Flynt
Fountain
Fulton, Tenn.
Fuqua
Goodell
Gurney
Hagan
Halleck
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Hungate
Jones, Ala.
Jones, Mo.
Kyl
Laird
Landrum
Leggett
McClory
Madden
Martin
Mills
Moore
Moss
Nelsen
O'Neal, Ga.
Ottinger
Pepper
Pollock
Resnick
Rivers
Rodino
Rooney, N.Y.
St. Onge
Schwengel
Shipley
Stephens
Sullivan
Thomson, Wis.
Udall
Utt
Widnall
Wiggins
Williams, Miss.
Willis
Wilson, Charles H.
Wright
Yates

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Broomfield.
Mr. Annunzio with Mr. Moore.
Mr. Aspinall with Mr. Widnall.
Mr. Brooks with Mr. Findley.
Mr. Evins of Tennessee with Mr. Cowger.
Mr. Delaney with Mr. Del Clawson.
Mr. Fascell with Mr. Utt.
Mr. Rodino with Mr. Wiggins.
Mr. St. Onge with Mr. Chamberlain.
Mr. Rivers with Mr. Bates.
Mr. Ashmore with Mr. Berry.
Mr. Abbitt with Mrs. Heckler of Massachusetts.
Mr. Mills with Mr. Halleck.
Mr. Dorn with Mr. Schwengel.
Mr. Clark with Mr. Pollock.
Mr. Fuqua with Mr. Martin.
Mr. Edmondson with Mr. Gurney.
Mr. Landrum with Mr. Arends.
Mr. Fountain with Mr. Belcher.
Mr. Shipley with Mr. Goodell.
Mr. O'Neal of Georgia with Mr. Kyl.
Mr. Moss with Mr. Nelsen.
Mr. Udall with Mr. Thomson of Wisconsin.
Mr. Pepper with Mr. Laird.
Mr. Yates with Mr. McClory.
Mr. Corman with Mr. Bow.
Mr. Ottinger with Mr. Diggs.
Mr. Flynt with Mrs. Hansen of Washington.
Mr. Holifield with Mr. Herlong.
Mr. Rooney of New York with Mr. Charles H. Wilson.
Mr. Resnick with Mr. Conyers.
Mr. Edwards of Louisiana with Mr. Fulton of Tennessee.
Mr. Hagan with Mr. Hays.
Mr. Hungate with Mr. Jones of Alabama.
Mr. Stephens with Mr. Leggett.
Mr. Wright with Mr. Willis.
Mr. Madden with Mr. Williams of Mississippi.
Mr. Andrews of Alabama with Mr. Daddario.
Mrs. Sullivan with Mr. Carey.
Mr. Fisher with Mr. Celler.

Mr. ABERNETHY changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

GRANTING MASTERS OF VESSELS CERTAIN LIENS—CONFERENCE REPORT

Mr. GARMATZ. Mr. Speaker, I call up the conference report on the bill (H.R. 162) to grant the masters of certain U.S. vessels a lien on those vessels for their wages and for certain disbursements, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. 973)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 162) to grant the masters of certain United States vessels a lien on those vessels for their wages and for certain disbursements, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses that the Senate recede from its amendments.

EDWARD A. GARMATZ,
THOMAS L. ASHLEY,
THOMAS N. DOWNING,
WILLIAM S. MAILLIARD,
THOMAS M. PELLY,
Managers on the Part of the House.

WARREN G. MAGNUSON,
E. L. BARTLETT,
DANIEL B. BREWSTER,
ROBERT P. GRIFFIN,
NORRIS COTTON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 162) to grant the masters of certain United States vessels a lien on those vessels for their wages and for certain disbursements, report that the accompanying conference report recommends that the Senate recede from its amendments.

The conferees agree that the result of the conference action will simply be to put the masters of these vessels on the same level of priority as seamen with respect to protection granted for wages, as well as with respect to disbursements made by a master for or on account of his vessel.

EDWARD A. GARMATZ,
THOMAS L. ASHLEY,
THOMAS N. DOWNING,
WILLIAM S. MAILLIARD,
THOMAS M. PELLY,
Managers on the Part of the House.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

AMENDMENT OF ACT RELATING TO ACQUISITION OF WETLANDS FOR CONSERVATION OF MIGRATORY WATERFOWL

Mr. DINGELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 480) to amend the Act of October 4, 1961, relating to the acquisition of wetlands for conservation of migratory waterfowl, to extend for an additional 8 years the period during which funds may be appropriated under that act, and for other purposes, with a Senate amendment thereto, and consider the Senate amendment, to which I will offer an amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

> Page 2, line 13, strike out "year' " and insert "year: *Provided further,* That no land shall be acquired with moneys from the migratory bird conservation funds unless the acquisition thereof has been approved by the Governor of the State or appropriate State agency.' "

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. GROSS. Mr. Speaker, reserving

the right to object, I would like to have some idea as to what this legislation is all about.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I am glad to yield to the genlteman from Michigan.

Mr. DINGELL. As the gentleman will recall, approximately 8 years ago the House of Representatives passed by an overwhelming vote the so-called Accelerated Wetlands Acquisition Act, to provide for loans against the earnings of the migratory bird conservation fund, the proceeds from the sale of duck stamps to duck hunters.

That program expired with approximately $42 million of the $105 million authorized having been expended to purchase the wetlands, habitat, and refuges for migratory birds.

Subsequently, by a unanimous vote, the Committee on Merchant Marine and Fisheries reported a bill to the House of Representatives, and the bill was passed again by an overwhelming vote, to extend this program for another 8 years, because of the fact that the objectives of the original legislation had not been met.

The Senate insisted upon an amendment, which was in the original law, which was taken out by the House. I will read it to the gentleman, if he wishes. It says:

> *Provided further,* That no land shall be acquired with moneys from the migratory bird conservation funds unless the acquisition thereof has been approved by the Governor of the State or appropriate State agency.

This returns the language of H.R. 480 as passed to the language of existing law. It is, I tell my good friend from Iowa, essentially a reinstatement of what is known as the Governor's veto, which says that before lands may be acquired in a State the Governor must not veto or must approve.

Mr. GROSS. That is what the gentleman proposes to have adopted by way of the amendment to the bill?

Mr. DINGELL. No. I propose to concur in the Senate amendment, but there is a small technical defect in the Senate language where they use the word "funds" instead of "fund." The word "migratory bird conservation fund," I tell my friend, is a word of art, as he remembers from his service on the Committee on Merchant Marine and Fisheries, and I propose to return the Senate language the language recommended by the committee staff and by the Department of the Interior as the correct language.

Mr. GROSS. Mr. Speaker, I appreciate the gentleman's explanation and withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

MOTION OFFERED BY MR. DINGELL

Mr. DINGELL. Mr. Speaker, I offer a motion.

The Clerk read as follows:

> Mr. DINGELL moves to concur in the Senate amendment with an amendment as follows: In the Senate amendment strike out the word "funds" and insert in lieu thereof the word "fund".

The motion was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF S. 1031, TO AMEND FURTHER THE PEACE CORPS ACT

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 980 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 980

> *Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1031) to amend further the Peace Corps Act (75 Stat. 612), as amended. After general debate, which shall be confined to the bill and shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from California [Mr. SMITH] and, pending that, I yield myself such time as I may consume.

Mr. Speaker, those who listened to the reading of the resolution will recognize that this provides an open rule with 2 hours of general debate for the Peace Corps amendments. There was no opposition, and I know of no opposition whatsoever to the rule. Therefore, I reserve the balance of my time.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I concur in the remarks made by the gentleman from Missouri. This resolution will simply extend the Peace Corps for an additional life of 1 year and authorize the sum of $115.7 million.

Mr. Speaker, we have a long day ahead of us today. I do not know of any objection to the rule, and I urge its adoption, and reserve the balance of my time.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 859, EXTENDING FOR 1 YEAR THE EMERGENCY PROVISIONS OF THE URBAN MASS TRANSPORTATION PROGRAM

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 965 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 965

> *Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 859) extending for one year the emergency provisions of the urban mass transportation program. After general debate, which shall be confined to the joint resolution and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the joint resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California [Mr. SMITH] and, pending that, I yield myself such time as I may consume.

Mr. Speaker, this is a rather simple rule, a rule making in order a simple resolution to extend one section of the Mass Transportation Act.

However, Mr. Speaker, the present speaker should advise the Members of the House that there was a request presented before the Committee on Rules for an expansion of this rule through the waiver of points of order so that amendments could be offered to other sections of the Mass Transportation Act.

Mr. Speaker, the Committee on Rules considered the request and rejected it and then reported the rule.

Mr. Speaker, I know of no opposition to this rule, but I felt that the Members of the House deserved an explanation of the differing circumstances which existed in this instance than which have existed in other situations wherein points of order were waived.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. BOLLING. I shall be delighted to yield to the distinguished gentleman from Missouri.

Mr. HALL. Mr. Speaker, I appreciate the gentleman my colleague from Missouri yielding.

Mr. Speaker, the reason that the gentleman from Missouri [Mr. BOLLING] and myself appeared and debated before the Committee on Rules which is represented by the gentleman from Missouri [Mr. BOLLING] and on which he serves; and asked for a special rule was simply to make in order an amendment or addition to paragraph 13(c) of the Mass Transit Act, which does not come under section 5 which is being extended for 1 year if House Joint Resolution 859 is agreed to here today.

Mr. Speaker, section 5 has expired as of November 1, 1967, or October 31, 1967, midnight, this year, according to the original legislation which had a termination date. I for one believe all legislation should have a fixed termination date as well as Ways and Means.

Mr. Speaker, section 13(c) originally was intended, as I believe most Members will concur, to assure that people working in mass transit operations, but who were being converted from a private utility to a publicly owned utility, would not be penalized if given a grant to increase and enhance mass transit operations.

Mr. Speaker, the law says that the Secretary of the Department of Labor will certify this provision to and/or for the Secretary of Labor.

Under one section of the law the Department of Housing and Urban Development, a relatively new Cabinet position, would make these grants to enhance mass transit.

Mr. Speaker, it has happened in many cities because in many States there are laws which preclude the collective bargaining contracts with public utility unions or unions which operate under a public utility contract, to the end effect that they cannot be certified, since the Secretary of the Department of Labor has delegated this authority further to a nongovernmental agency; namely, the Amalgamated Transport Workers Union. They are, in fact—and I hold in my hand a contract which they require on the part of these public-utility-owned mass transit organizations and the boards of directors thereof, even though the union contracts are not binding under our State laws and others—and even though this is not a governmental agency.

Barring this, in some instances, the Secretary of the Department of Housing and Urban Development has had to override the Secretary of the Department of Labor. It was for this reason that we ask—and as the gentleman from Missouri [Mr. BOLLING] well knows, that his own State and my own State is one of the States that precludes a collective bargaining contract on behalf of unions serving under or through a public utility.

However, there has been no objection to the continuance of the Mass Transportation Act and, therefore, I would hope, inasmuch as the gentleman from Missouri [Mr. BOLLING] brought this up and has discussed the subject so clearly and has given such an accurate accounting of what has happened in the Committee on Rules, that the committee itself at a later date, when reconsideration of the bill is given and other legislation comes to pass, we in this House shall be able to more seriously straighten out our legislative intent, an intent which was originally quite clear.

As I say, it was originally intended to affect only those who come from private unions in private utilities into public utility status.

In my own instance in my hometown of Springfield, Mo., the union had been working with an agreement and resolution by the board of public utilities for over 21 years in a perfectly satisfactory manner, yet they cannot comply with the requirements of the Amalgamated Transit Workers Union for them. I hope it will be worked out, and I hope we can make a record here so that the Secretary of Labor or his designee, and certainly the Secretary of Housing and Urban Development will go ahead and follow out the clear intent of the original legislation.

I appreciate the gentleman yielding to me.

Mr. BOLLING. Mr. Speaker, I do not desire to debate the substantive issue that has been raised by the gentleman from Missouri. He has stated his position on it. I understand that the appropriate chairman of the appropriate subcommittee of the Committee on Banking and Currency is prepared to discuss the substance and also prepared to give the gentleman from Missouri a hearing on any bill which he should introduce in this regard. Therefore I reserve the balance of my time on the rule, which I take it is still without opposition.

The SPEAKER. The Chair recognizes the gentleman from California [Mr. SMITH.]

Mr. SMITH of California. Mr. Speaker, this resolution is a very simple one. The bill is also very simple. It has been adequately explained. In the interest of saving time, and since I know of no opposition to it, I urge the adoption of the rule.

Mr. BOLLING. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PEACE CORPS

Mr. MORGAN. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 1031) to amend further the Peace Corps Act (75 Stat. 612), as amended.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE HOUSE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill S. 1031, with Mr. NATCHER in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania [Mr. MORGAN] will be recognized for 1 hour, and the gentlewoman from Ohio [Mrs. BOLTON] will be recognized for 1 hour.

The Chair recognizes the gentleman from Pennsylvania [Mr. MORGAN].

Mr. MORGAN. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, in 1961 the Peace Corps took the drab concept of public service and gave it life—a fresh new approach in international relations appealing to the social consciousness of youth and to the forgotten idealism of older generations.

Six years ago when the Committee on Foreign Affairs unanimously approved the first Peace Corps bill, the purpose and objectives of the Peace Corps were fairly well laid down. I might remind you of them:

> The Congress of the United States declares that it is the policy of the United States and the purpose of this Act to promote world peace and friendship through a Peace Corps, which shall make available to interested countries and areas men and women of the United States qualified for service abroad and willing to serve, under conditions of hardship if necessary, to help the peoples of such countries and areas in meeting their needs for trained manpower, and to help promote a better understanding of the American people on the part of the peoples served and a better understanding of other peoples on the part of the American people.

Today nearly 15,000 Peace Corps volunteers are serving in 50 developing nations. This is one overseas program that almost universally receives the full support of the peoples it sets out to serve. Perhaps it is the grassroots approach that accounts for it. Perhaps it is the contagious enthusiasm of the volunteers themselves. Whatever the cause, and in spite of isolated criticism, it is fair to say that the Peace Corps is one of the most popular programs ever conceived. One proof of this is that it is a program that has been imitated by some 18 other countries. Another indication is that 15 developing nations have launched their own internal Peace Corps-type programs. Its popularity among potential future volunteers is attested to by a recent survey of high school seniors concerning career preferences. The Peace Corps stood at the top of the list.

Mr. Chairman, the bill brought before you today, S. 1031, provides for an authorization of $115,700,000—$3 million less than the Executive requested. This bill, which was passed last May by the other body, was considered by the Committee on Foreign Affairs and ordered reported unanimously.

This year, based on its original request of $118,700,000, the Peace Corps proposed to have 17,150 volunteers in 58 countries by the end of the fiscal year. Because of the cut in the authorization by $3 million, the number of trainees will be reduced by about 1,100 volunteers or about 10 percent of the total number programed. I would hope, even in the interest of economy, that this reduction would not go further.

Based on its past record, Peace Corps officials, unlike many other agencies of the Government, can be expected to return unobligated balances if they are not able to be efficiently used. As an example, the Peace Corps returned $5 million to the general funds of the Treasury at June 30, 1967, because there was a lag in its training and recruiting program. In the event that this were to occur again, I think that you can count on similar returns. If you look at the record, you will find that any year that the Peace Corps was not able to use the funds made available to it, it returned them.

I would therefore make an urgent request that we continue to support the program on the basis of the bill before you.

The Peace Corps has been able to reduce the average cost per volunteer since the inception of the program; for example, based again on the original legislation, the cost per volunteer in 1961 was $9,000. From 1966 to 1967 it was reduced from $7,867 to $7,392, a sizable reduction. Peace Corps officials testified that they expect this cost will be reduced further in fiscal year 1968.

Mr. Chairman, I believe the success of the Peace Corps speaks for itself. Therefore, it is needless for me to make a long defense in connection with the request for this authorization. I would hope that it would pass, on its merit, without amendment and be forwarded to the President for signature without delay.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Florida.

Mr. HALEY. Turning to page 3 of the report, under the heading "Peace Corps Program in Micronesia," I note that there is to be allocated to the Department of the Interior $4,483,000 for Micronesia and $840,000 for Western Samoa.

Let me ask the gentleman this question: The Peace Corps, as I understood the legislation, was a program to operate in foreign countries. Yet here we find in this report approximately $5.5 million which I presume will be reimbursed to the Peace Corps. I might say to the gentleman that it looks to me like here is an outfit, if you want to put it that way, a department of the Government that is going around to the back door, so to speak, and obtaining approximately $5 million which will not show in their requested appropriation.

I believe that they received something around $19 million last year. They have requested appropriations for about $35 million for the fiscal year 1968. Will the reimbursement of these funds to the Peace Corps come from the Department of the Interior budget or will it come from the group in Micronesia or the mandated islands?

Mr. MORGAN. I do not understand that there is going to be any reimbursement. The funds will come from the Peace Corps appropriation. I wish to inform the gentleman that this question came up during the hearings on the Peace Corps. As the gentleman knows, this is not a program just starting this year. Last year a communication came to the Congress requesting that this program be initiated. Mr. Vaughn was questioned when he appeared before the committee about this program because some of the members of the Committee on Foreign Affairs have expressed views similar to those of the gentleman from Florida. On page 25 of the hearings the following appears:

> Mr. MORSE. I notice that you have a program in Micronesia of the trust territories. The trust territories are administered by the Office of Territories in the Department of the Interior.
>
> Shouldn't the Department of Interior have the responsibility for discharging the functions that you are pursuing in Micronesia in the trust territories?
>
> Mr. VAUGHN. This is an in-between case, we recognize that. We checked this with the Congress. We advised them of our intention. We seemed to have consent. We were requested by the President of the United States, with the concurrence of Secretary Udall and Ambassador Goldberg, to send volunteers there specifically because the Department of the Interior was not able to meet the needs of these people.
>
> Mr. MORSE. Does the Department of the Interior reimburse you for what you do in Micronesia?
>
> Mr. VAUGHN. They have not reimbursed us, but have provided certain facilities and services for the volunteers.

This information was brought out in the hearings. If the gentleman will read the supplemental views appearing at the end of the committee report, he will see that there were some members who signed those views who were concerned with this situation.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Indiana.

Mr. ADAIR. In response to the question asked by the gentleman from Florida, I would invite his attention to the statement on page 64 of the hearings entitled "Funding of the Peace Corps Program in Micronesia." That statement gives the executive position. I do not say that I agree with it. I do not wholly. But at least it sets forth the executive position upon this question.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, it seems to me here we have a program that was not supposed in the original intention to be a domestic program. Yet we are funding the Peace Corps, or reimbursing it, for the amount of cost of the program down there.

I wonder how far this thing is going to go? Are we going to make this a domestic program and forget about the original legislation? I wonder what justification we have suddenly to change the direction?

I might say to the gentleman from Pennsylvania I think this has been a fairly good program. But I just cannot see the wisdom of taking a foreign program and beginning to fund it through domestic channels. It seems to me we have lost the entire thrust.

Mr. MORGAN. Mr. Chairman, I can assure the gentleman I share some of his alarm. The fact that the program was started last year and is already in operation this year was considered by the committee and I believe that it was the consensus of the committee that next year this matter should be fully explored and a determination made as to where the funds to finance the operations in Micronesia should come from.

Mr. HALEY. Mr. Chairman, I hope the gentleman and his committee next year will take a good hard look at this kind of operation. I do not think, when it passed the original program, that Congress intended it should be a domestic program.

Mr. MORGAN. Mr. Chairman, I assure the gentleman that we will give it a good hard look.

Mr. ADAIR. Mr. Chairman, will the gentleman yield further?

Mr. MORGAN. I yield to the gentleman from Indiana.

Mr. ADAIR. Mr. Chairman, I want to underscore something the chairman said a moment ago, that an amendment with respect to this was before the committee and was discussed at length. It was withdrawn for the reason the chairman has already indicated, that we felt that next year, based upon our findings this year, we wanted to go into the matter in a great deal more detail.

I can join the chairman in assuring the gentleman from Florida we will take a very hard look at this.

Mr. MORGAN. Mr. Chairman, also I want to assure the gentleman from Florida we have been in touch with with the chairman of the Interior and Insular Affairs Committee, the gentleman from Colorado [Mr. ASPINALL], and his staff on this issue. I think they are satisfied that next year we will try to work out something that is acceptable to the Committee on Interior and Insular Affairs.

Mr. ADAIR. Mr. Chairman, if the gentleman will yield further, I would say to the gentleman from Florida additionally that some of us who signed supplemental views did express concern about this, as indicated on page 6 of the report in the second paragraph, which the gentleman from Florida may find of interest.

The CHAIRMAN. The Chair recognizes the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of this bill.

After 6 years of service, the Peace Corps continues to fulfill its purpose and earn commendation from host countries. We still receive requests for additional volunteers and benefits from the experience gained by returning volunteers assuming positions in our own country. Its unique contribution is that it provides communication between average Americans and grassroots foreigners well beyond and below the direct impact of formal international relations. Peace Corps volunteers, by living with the people, eating their food, and speaking their language, are providing a more realistic and better picture of the citizens of the United States.

Both at home and abroad these volunteers have offered hope for a better life and encouraged struggling people to try new ways to advance themselves. Facing overwhelming challenges to combat poverty, ignorance, disease, and lethargy, with vigor and resourcefulness they have boosted development and well-being of countless thousands of people. Their services are lost to us only 2 years, and then they return with new dimensions added to their character, enabling them to serve us more effectively.

There are now more than 14,000 volunteers working in 50 countries, with plans for 8 new countries to be added in the ensuing year. The average cost per volunteer continues to be brought down from year to year. In 1966 the cost per volunteer was $7,867. This year it is $7,392. In our hearings on Foreign Service in State and AID, we have often heard about their problem of getting rid of misfits or "deadwood." No such problem seems to exist in the Peace Corps. While the volunteer serves generally only 2 years, nobody may work in a salaried position for more than 5 years.

The Peace Corps basic general policy of not becoming involved in any political activities is a big part of the secret of their success. So far as the U.S. Government is concerned, the Central Intelligence Agency is forbidden by law to use the Peace Corps in any way. Officials of the Peace Corps say they check repeatedly to make sure the CIA is sticking by this law.

This year authorization is requested

in the amount of $115,700,000 to finance the Peace Corps operation during fiscal year 1968. The bill, S. 1031, was reported out without amendment by the Foreign Affairs Committee on October 23. It is my earnest hope, Mr. Chairman, that the House will authorize the requested funds for the continuance of this worthy program which does so much to promote international stability and world peace, and also gives an image of the United States which we sorely need in every country.

The CHAIRMAN. The gentlewoman from Ohio has consumed 4 minutes.

Mrs. BOLTON. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Indiana [Mr. ADAIR].

Mr. ADAIR. Mr. Chairman, as I have in the past, I intend to vote for the Peace Corps bill this year.

In addition to the points already made, there are two or three matters which ought to be brought particularly to the attention of the Committee.

A point that relates somewhat to our expenditures in Micronesia, about which an exchange has just taken place, is also the fact that the Peace Corps has paid to VISTA, a part of the Office of Economic Opportunity, about a half million dollars last year. There is a question in the minds of some people whether the Peace Corps program ought to make payments to the poverty program, or the Office of Economic Opportunity program.

I believe I can say to the Committee that there will be a very distinct inclination on the part of members of the Foreign Affairs Committee to look further into this at next year's hearings.

Another matter which has been of very great concern to members of the Foreign Affairs Committee through the years, and which we have brought to the attention of the Director of the Peace Corps and his associates, is the rapid increase in the number of persons drawing substantial salaries. This year, as in the past, the committee requested and set forth in the hearings the number of persons drawing more than $12,000 a year in the Peace Corps. This year that number is 302. It has risen in the past year by almost 50. That rate of increase is enough to cause concern to some of us. I believe it will be desirable for the Director of the Peace Corps and his associates, as well as for us in the Congress, to keep a very close eye upon these developments.

The public image, of course, is that all individuals in the Peace Corps are similar to the volunteeers who work for $75 a month under what are frequently extremely difficult conditions. However, the remarks I have just made concerning those 302 people who draw over $12,000 per year indicate that there are some in the program who will draw considerably more.

Finally, Mr. Chairman, it ought to be underscored that the initial request from the Executive, as the chairman indicated—and I shall speak in round numbers here—was $124 million. It was thereafter reduced to $118.7 million and subsequently by the committee brought down to $115.7 million, which is the precise figure authorized by the other body. That is the figure in the bill before the Committee today.

Mr. Chairman, I must say that we do find on the part of the Director and his associates in the Peace Corps a disposition to be very frank, open, and honest with respect to their fiscal situation. This is a very strong point in their favor. They come before us each year and tell us, "We have so many dollars that we have not used and by having these already appropriated we can reduce the amount of new money requested." I think we ought to commend the members of the Peace Corps for this frankness and openness with respect to their budget.

Mr. Chairman, there are some other concerns which those of us who signed the supplemental views have expressed. They can be found set forth in the supplemental views. In spite of these reservations, it is, I repeat, my intention to vote for this legislation which would permit the continuance of a worthwhile program.

Mr. Chairman, I yield back the balance of my time.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey [Mr. GALLAGHER].

Mr. GALLAGHER. Mr. Chairman, I am concerned that we may today——

Mr. DERWINSKI. Mr. Chairman, may we have order? The gentleman from New Jersey is one of the most learned Members of the House, and I think he deserves special attention.

Mr. GALLAGHER. Mr. Chairman, I appreciate very much the kind remarks of the gentleman from Illinois, who is perhaps one of the most significant Members in this body. Those kind words coming from him, a man who does not speak very often but, when he does, speaks words which have the ring of immortality to them, are very meaningful to me. I thank the gentleman.

I am concerned that my fellow Congressmen may strike a blow against the ideals of highly committed youth by denying the Peace Corps its full request for funds. Never before have our young people been as concerned over the most pressing problems facing this country, and the Peace Corps is dramatic proof that they are capable of turning their concern into positive accomplishments.

Throughout the world at this moment, 12,250 Americans, most of them in their early twenties, are showing people that they care. The Peace Corps is planting seeds of hope. They are serving when it is becoming more and more fashionable in this country to abandon the world for one's private vision of self-gratification. Rather than turn off, these young people are turning on to the cries of help emanating from all the corners of our troubled world. They are interested in service.

It would be an alarming mistake to misread the value of the Peace Corps in its effects overseas, its influence at home, and its significance for understanding what is happening in today's world. To deny the Peace Corps a single dollar of its request for $115.7 million in operating funds would be to insult the very spirit that motivates our youth to become volunteers. They are not simply associating with an organization, a Federal agency or an administrative bulwark of the status quo. Rather, they are alining themselves with a movement that seeks peace for the world—not the peace that acts as a bridge between wars but a peace founded on the deeply human qualities of justice, mercy, and compassion.

To the volunteers the Peace Corps is not a 12-story building in downtown Washington but an idea that is lighting the darkest corners of a troubled world. They have joined because they believe passionately in the need for America to go to the world and demonstrate its concern, to show compassion for the less fortunate.

Help people because they need help. Help them with what they need most, even if it is a simple one-room school, or an irrigation ditch or a chance to learn to read. For years we debated what to do. Then, less than 7 years ago, the Peace Corps cut through all the talk and offered a chance for action to those daring enough to take it. The response was magnificent and electric. We thrilled at the youth we had given up for lost. The "silent generation" had found an eloquent voice. I was privileged to introduce the original legislation in this body.

Let us not muffle that voice. Let us not tell our youth that we have lost faith in them, indeed that perhaps we never had it to begin with. Let us not abandon them to the voices of unreason that are trying to shout down the quiet activism of the young people who choose the Peace Corps and reject psychedelia. They choose to stand by the America that once opened its arms to the struggling and the poor, but can we tell them we no longer care?

In the last few years we have been flooded with reports from the campuses of radicals and extremists, young people determined to foment revolution, dedicated to anarchism, convinced that our society is dying and committed to hastening its death. It has become increasingly difficult for us to hear through the sound and fury to determine who speaks for what, and with what degree of power. What of us here today? Shall we hear only the cries of those who would destroy society as we know it? Shall we then ignore the truly concerned and brush them off as an interesting but quickly passing moment in history? And where in all this does the Peace Corps stand?

Let us not commit an enormous error. The shouts of the disaffected are a symptom of a sickness in our society, and I believe the Peace Corps is a direct prescription of the cure. The New York Times reported this week on the current state of college students, lamenting that—

> The bright promise of 1962, that peaceful, simple protest . . . has turned into the ugly disruptions of 1967.

Certainly there is unrest among our young today, but what too many of us fail to see is the direction this unrest is taking among most of them. Ask any educator in your home State and he will tell you that our college students are actually demonstrating an interest in social, economic, and political affairs as never before. For every student charging a police barricade there are a hundred somewhere in the ghettos, in the migrant labor camps, and in the schools of our Nation—tutoring the educationally backward, teaching patterns of leadership to disrupted communities and showing our poor and neglected that someone cares. The Federal Government knows this, and has granted $5 million to tutorial programs alone. Our young people are committed to social action. They are doers.

After the disturbances at the University of California at Berkeley 4 years ago a faculty committee cited one cause of the student unrest as "dissatisfaction with their own unmotivated existence." Since then, the students have been discovering reasons for action, and one of the most profound expressions, one of their most impressive motivations, has been the Peace Corps.

Some say the Peace Corps is irrelevant because we send our young people to a foreign land to do a meager job that means little in the context of world affairs. But we must be wary of a temptation to write off what we know little of. The best endorsements of the prevailing spirit of the Peace Corps are the similar movements it has inspired elsewhere: 24 countries now send volunteers abroad; another 40 have some form of domestic volunteer program of social action. They, too, recognize that what the Peace Corps has committed itself to is the only workable means to building stable nations the world so desperately needs: a person-to-person foreign aid program, where one man teaches another to have confidence in himself. This spirit is the hope of the future.

We tend to forget that these young Americans will come home after their 2 years in the Peace Corps. If we expect them to quietly accept a life they reacted against 2 years earlier we are guilty of a grave misjudgment. These volunteers, who joined the Peace Corps out of well-meaning idealism, have learned how to temper that idealism with practicality. They have worked among people who were not impressed by their good intentions and demanded they work hard to accomplish something useful. They come back to us still committed to serving mankind, but tempered with the knowledge of what is possible and the experience to achieve it. They are well-prepared to cope effectively with our most pressing domestic problems—and are determined to do so.

In a recent survey of returned volunteers, the Peace Corps discovered that it had clarified the career goals of most of these young people toward service of some kind. For every volunteer who joined with a teaching career in mind, the Peace Corps has turned back two committed to teaching. Of those who have not returned to school, a fifth have gone to work for a social service organization. Another fifth have entered government service—Federal, State, and local. Of the 59 members of the most recent Foreign Service officer class, 12 were returned volunteers. Can you imagine what this infusion of talent conscious of the needs of the individual will mean to our foreign policy? For the first time we will have a practical application of the grassroots foreign aid so many of us long have called for in this Chamber.

Can we honestly, with a clear conscience, deny these youth the full opportunity to continue to pursue these goals? Can we deny the world the benefit of their talent? Can we deny America the benefit of their experience?

Cutting back the Peace Corps request—which is, really, a meager amount for the immense task it is engaged in—would deny it the chance to grow precisely at that moment in its brief history when growth is essential. It soon will be in 58 countries, 15 more than it was in less than 2 years ago; it has more requests for volunteers than its budget can meet. Still, it refuses to let growth blind itself to its responsibilities. It takes only one of every five applicants and turns back one of every four trainees because it is determined to maintain the highest selection standards possible. Its request is the absolute minimum with which it can operate to meet the simple goal it has set for the coming year: 17,000 volunteers in the field and in training by June 1968. Denying its full request would mean a cutback at just that moment when it is beginning to demonstrate its effectiveness on a major scale. We would show indifference to the spirit it represents.

Whatever rationalizations we come up with to explain away budgetary alterations, we will be admitting to the youth of America and the yearning peoples of the world who seek our help what they will justly believe: that the Congress of the United States of America does not care. We will be turning our backs on the most profound and quietly influential human movement of our time. Let it never be said that this Congress wilfully trampled on the aspirations of honest and deserving peoples.

Mr. ADAIR. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, at the proper time I propose to offer an amendment, if no one else does, to cut this bill to the figure approved by the House in the appropriation bill just last week, that is, cut it to $105 million—a $10 million cut, approximately, from this bill. I am almost ashamed to offer such a small cut, but I recognize the facts of life, the realities and the practicalities of the situation. I say that I am almost ashamed to do it because I believe the expenditure for this program ought to be cut to about $75 million, the first step in a phaseout of the whole program.

Now, it ought not have to be belabored, but we are in a desperate financial situation in this country, and it is about time we started to save some money. The vultures of deficit spending and inflation are coming home to roost in Britain, and they will come home to roost in this country one of these days unless we start saving $1 million, $10 million, and $100 million some place else.

The time is long past due when Congress should have started to economize. A lot of things have taken place in this program that ought not to be condoned. The gentleman from Florida [Mr. HALEY] raised the question of using the Peace Corps in domestic programs. I raised the issue in the Committee on Foreign Affairs as to why some $500,000 of Peace Corps money was spent on some 500 students, those who had completed their junior year in college, to teach in the VISTA poverty program for 10 weeks or less. They are called VISTA associates. In other words, a half million dollars of Peace Corps money went into the so-called poverty program, and without approval on the part of any committee of Congress. When the Peace Corps Director appeared before the subcommittee of the Committee on Appropriations Mr. PASSMAN asked Mr. Vaughn where he got the authority for this kind of an operation, and Mr. Vaughn admitted he had none.

Incidentally the 500 college students were not required to have contracts with the Peace Corps, but they were paid some $1,000 each for about 8 weeks. They were not even required to make application for membership in the Peace Corps. They could spend the summer at about $1,000 apiece in the VISTA poverty program and then walk off and thumb their noses at the Peace Corps, despite the claim that training they were getting was to fit them for the Peace Corps.

After ascertaining from Mr. Vaughn that there was no justification the gentleman from Louisiana [Mr. PASSMAN] said this:

> You people downtown have been running things for so long just as you want to, that you think the Congress is just a nuisance. You do not justify these programs. You start them and after they are started, you tell us about them.

If someone had not raised the issue in the Committee on Foreign Affairs, we would not have had the slightest knowledge that a half million dollars of money that was supposed to be spent for training people to serve in the Peace Corps was actually being spent in the poverty program.

The one thing that we do not need, as has been emphasized before, is the use of these people in domestic programs.

The gentlewoman from Ohio [Mrs. BOLTON] says that the Peace Corps does not engage in policy and politics.

It appears, according to questioning on the part of the gentlewoman from Illinois [Mrs. REID], a member of the Appropriations Subcommittee, that there is a somewhat different story. The record reads as follows:

> Mrs. REID of Illinois. It was reported on March 6, 1967, in the Washington Post that a letter signed by 800 former Peace Corps volunteers was being sent to President Johnson to the effect that the American role in Viet Nam is eroding the effectiveness of the Peace Corps worldwide efforts. As director, can you comment on this?

Mr. Vaughn replied:

> As you know, the Peace Corps at no time attempts to brainwash or orient the thinking of volunteers or trainees. They are free to say what they please before, during—* * *

And I emphasize the word "during." Continuing the quotation:

> They are free to say what they please before, during and after their service so long as they do not exploit their unique status as Peace Corps volunteers.

I repeat—

> their unique status as Peace Corps volunteers.

I wonder how much of that sort of thing they are doing around the world that we know nothing about? Are they continuing to express their opinions in opposition to the war in Vietnam and to other policies of this Government? You understand that the 800 people who prepared the letter and sent it to the President were former Peace Corps people. But the director of the Peace Corps himself says that he will not muzzle them even during the time they are training as volunteers in the Peace Corps.

It is time that we put some brakes on these people, and it is long past time that we started, as I said before, to cut this program down.

We are not capable in this country in the light of our financial and economic situation—we are not capable of policing, financing, and wet nursing the rest of the world.

Somewhere, someday we are going to have to put a stop to it. We have had 600 volunteers in Nigeria—just to mention one of more than 50 countries and today Nigerians are massacring Nigerians by the thousands in a civil war.

What have we accomplished there? Where around the world have we accomplished much of anything through the Peace Corps or through this foreign aid program?

I say to you that it is time, and long past time, that this program be cut, and that all the rest of our so-called foreign aid programs, these foreign aid boondoggles, be cut and many of them ended. And it is past time, let me say—and I believe there will be an amendment offered to this bill—that we see to it that these Peace Corps enrollees are subject to the draft, just as other Americans are.

I noticed in the newspapers the other day that the Director of the Peace Corps, Mr. Vaughn, says he is going to the national draft director, Mr. Hershey, and ask for exemptions for members of the Peace Corps. I say to you that this is about the last thing that should happen for this will make a draft-evasion haven out of the Peace Corps.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Pennsylvania.

Mr. MORGAN. Where did the gentleman get the information that they are going to ask for an exemption for Peace Corps volunteers?

Mr. GROSS. The gentleman must have seen it in the paper the other day.

Mr. MORGAN. The gentleman, of course, has read the law on Peace Corps volunteers. It is very specific and very short. If he will yield, I would like to read it to him.

Mr. GROSS. Let me first read to you from the newspaper.

Mr. MORGAN. I do not believe everything I read in the paper. I hope the gentleman does not believe everything he reads in the paper. The provisions of the law are what govern.

Mr. GROSS. I believe that which I read in the newspapers until and unless I am convinced it is untrue.

Mr. MORGAN. It does not say they are going to ask for an exemption. It says "deferment." You were saying that they would be exempted from the draft. They cannot be exempted from the draft.

Mr. GROSS. I accept the correction. What does "deferment" mean to the gentleman?

Mr. MORGAN. You said "exemption."

Mr. GROSS. All right, deferment.

Mr. MORGAN. When they come back from service in the Peace Corps they automatically fall under the requirements of the draft.

Mr. GROSS. Oh, do they?

Mr. MORGAN. Surely.

Mr. GROSS. Most of them get another deferment to go to college or to take some other work.

Mr. MORGAN. I wish the gentleman would point out some cases where they have done that in the Peace Corps.

Mr. GROSS. The gentleman has read this article in the newspaper?

Mr. MORGAN. Certainly the gentleman read the article on the Peace Corps. It does not say they are going to get exempted from the draft.

Mr. GROSS. No, well——

Mr. MORGAN. Will the gentleman read that statement?

Mr. GROSS. I do not know of any reason why they should be deferred.

Mr. MORGAN. Will the gentleman let me read section 23 of the Peace Corps Act?

Mr. GROSS. I have the act before me.

Mr. MORGAN. It is very short. I refer to section 23.

Mr. GROSS. It states——

> Notwithstanding the provisions of any other law or regulation—

Is that what you were about to read?

Mr. MORGAN. That is correct. Read the rest of it.

Mr. GROSS (reading):

> Notwithstanding the provisions of any other law or regulation, service in the Peace Corps as a volunteer shall not in any way exempt such volunteer from the performance of any obligations or duties under the provisions of the Universal Military Training and Service Act.

Mr. MORGAN. That is correct. They cannot be exempt.

Mr. GROSS. But they are deferred, and there is no reason why they should be deferred. Let them take their place in line before their draft boards just as other American boys are required to do.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from New Jersey.

Mr. GALLAGHER. The reason for deferring them is that a volunteer goes through a considerable degree of training which becomes very expensive. I know the gentleman is interested in economy. It would be uneconomical to call a boy home right after he has been fully trained and prepared to receive his appointment overseas. What this provision does is merely to defer him until he has carried out his obligations to the Peace Corps. He is not in any way exempted from the draft.

Mr. GROSS. His first obligation should be to this Nation and not to some foreign country.

Mr. GALLAGHER. I think the Peace Corps serves our country and serves our young men.

Mr. GROSS. That is the gentleman's opinion. I say in the light of what is happening around the world that we have not gotten very much for what we have spent on the Peace Corps up to this time. We have not gotten very much for the $152 billion we have spewed out in the foreign give-away programs throughout the world.

Mr. GALLAGHER. Would it make sense to call a boy or girl home, after training in the Peace Corps, to go into the military service, and then go back to the Peace Corps and be retrained in the Peace Corps? That would be uneconomical, and the gentleman would not approve of that.

Mr. GROSS. Let them go into the military service and then to the Peace Corps or some other job. That is the obligation of others.

Mr. GALLAGHER. The only reason they get into this predicament is that they are not draft eligible at the time they go into the Peace Corps, and they may become draft eligible at some time during or after their Peace Corps training. If they are drafted after they are trained, that would mean the Government has spent a great deal of money training them.

Mr. GROSS. They are escaping military service.

Mr. GALLAGHER. They are doing their military service when they finish up, as the gentleman very well knows.

Mr. GROSS. The gentleman does not know that at all. In fact the contrary is the case and the gentleman from Iowa will prove the point from the testimony when the amendment is offered and I am able to obtain more time.

Mr. MORGAN. Mr. Chairman, I want to take 2 minutes to clear up something. I have here the Peace Corps Handbook, and it has a section on military service, which I want to read into the RECORD. Every volunteer is given this handbook when he is recruited. It says:

> If you are subject to military service, you should ask your draft board, before you enter Peace Corps training, for deferment and for permission to leave the United States.
>
> Since deferments last only one year, you must request an extension before the end of each year of Peace Corps service. You should also keep your draft board informed of your whereabouts at all times. It is particularly important that as your Peace Corps service nears its end, you notify your draft board of your future plans and where you can be reached, especially if you don't expect to return directly home after service. Also, let the board know your exact termination date and be sure to tell them if you plan to extend your Peace Corps service or re-enroll, go to a college or university or engage in any other activity which may entitle you to further deferment. The Peace Corps will keep your draft board informed of your Peace Corps

status, but you are still legally required to do so yourself.

Mr. Chairman, these boys all receive these instructions concerning their military service. I know of no case where a Peace Corps trainee tried to evade the draft after he returned from service in the Peace Corps.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, what is Mr. Vaughn getting so excited about?

Mr. MORGAN. All he is saying is that he will request the deferment of these people after they have gone overseas in a manner similar to the way any college student may be deferred while he is in school. They do not escape their obligation to serve after they come home.

Mr. GROSS. He says he is going directly to the Director of Selective Service.

Mr. MORGAN. The Peace Corps Act covers this point specifically. Peace Corps volunteers are subject to military service, the same as anybody else.

Mr. GROSS. Of course, they are subject, but they are getting deferments not given to others.

Mr. MORGAN. They are subject to the draft law, the same as anybody else.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from New Jersey.

Mr. GALLAGHER. Mr. Chairman, I would like to point out there are a great number in the Peace Corps who go into the Peace Corps after they have completed military service. So I think we are casting an unfair shadow on the Peace Corps by saying they seek a draft haven. They do their service before they go in or after they come out.

Mr. GROSS. Mr. Chairman, I did not say it was a draft haven. I said an attempt was being made to make a draft haven out of it.

Does the gentleman have any figures on how many are presently serving in the Peace Corps?

Mr. GALLAGHER. No.

Mr. MORGAN. Mr. Chairman, during the hearings—and I hope the gentleman from Iowa [Mr. GROSS] will stay and listen—Mr. Vaughn was questioned on this, and I will read what he said:

> Mr. WHALLEY. Does the Peace Corps worker fulfill his draft obligation after Peace Corps work is completed or is he exempt from the draft on the basis of his completion?
>
> Mr. VAUGHN. In no case is he exempted. He is deferred in most cases. This determination is up to his local draft board. He is deferred usually, with the 20 exceptions that I cited earlier for the 2 years of his Peace Corps service. When he comes back, if he is in the right age grouping, if he is physically and otherwise suited, he is subject to the draft.

Mrs. BOLTON. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. DERWINSKI].

Mr. DERWINSKI. Mr. Chairman, I rise in support of this legislation, but since it has been explained and propounded by the gentleman from New Jersey and my illustrious chairman, I will not add to those remarks, recognizing that Members have a time limit today. I will proceed directly to a discussion of a few constructive amendments that will be offered.

I would ask if I may—if the chairman of the committee will give me his attention for a moment—if the chairman has reconsidered the possibility of accepting any of these constructive amendments that are pending?

Mr. MORGAN. Mr. Chairman, as the gentleman from Illinois has indicated, the chairman had a conference with the gentleman before this debate started. The gentleman knows that the chairman took a strong position that he was for the bill as it was reported by the Committee on Foreign Affairs and as it passed the other body; and if it should be necessary for the bill to go to conference, the chairman would prefer that the bill go as it has been brought out by the Committee on Foreign Affairs.

Mr. DERWINSKI. I thank the chairman. The chairman knows I cooperate with him to the fullest extent of my ability and practicality. I deliberately asked the question so that the RECORD would show that amendments, even constructive in nature, were not considered since the leadership wanted to shortcut the normal legislative procedure and avoid a conference.

I do wish to point out that the Senate passed this bill on May 15, so we have had 6 months. Obviously there has been no hurry.

I do wish to reemphasize, I do not believe the legislative procedure was as perfect and proper as I believe it should be.

Now, as to the thoughtful, constructive amendments which I will offer—and which I presume will not get any place—one will set a ratio for GS-13 employees of one to 40 volunteers in the field.

I should like to alert the Members to the fact that under the new pay bill we are processing, the salary for a GS-13 will exceed $12,873.

The purpose of this amendment would be to see that the Peace Corps image of the effective volunteer in the field is maintained and that the program would not be stifled by a growing "fat cat" bureaucracy.

May I also point out to the Members that in the actions taken by the Appropriations Committee, cutting back the appropriation to $105 million, $28.4 million was left for administrative expenses. In other words, we cut back the amount of funds that could be available in the field and left the "fat" budget there for administration. So my amendment would have the effect of stopping the Peace Corps from getting top heavy. Therefore, as a constructive supporter of the program, I will offer that amendment.

Also for the sake of the record, I wish to point out at the time we started this debate there were approximately 50 Members on the floor. That is about what we have now. I should like to emphasize that, because unfortunately it shows this is getting a perfunctory treatment and not the serious review it deserves.

May I also point out to the Members that when we are dealing with the Peace Corps we are dealing with an agency that touches foreign citizens more than our AID program. I believe it would be practical for the Congress to give more attention to this program, which is a real people-to-people program, as contrasted to our AID program, which is government to government. That is why I am interested in seeing we have the most effective possible Peace Corps.

I should also wish to direct the attention of Members to the supplemental views, which are intended to help the program, and to point out we have emphasized as best we could the defects we see and the improvements which could be made.

There is another constructive amendment I am going to offer. It is a sense of Congress amendment that in the enrollment of the Peace Corps volunteers emphasis be placed on recruiting individuals with technical skills. The reason for that is that the Peace Corps officials have pointed out—and I quote Mr. Kandle, the Comptroller, about their blue-collar-type recruitment—that it has not been successful and they have not been able to attract significant numbers.

I do not want to tie the hands of the administrators. I merely want to have a fatherly sense of Congress thought that they do try to get a better type of blue-collar teacher into this program.

One of the problems, especially in some of the African countries, is that the African students are pouring to Europe and the United States to study and most go back as political scientists, who then are absorbed by their respective governments to shuffle papers, to keep them from becoming agitators. In the meantime, the buses, telephone lines, and other communications in the country deteriorate because there are not enough technicians to maintain the equipment.

I believe that the Peace Corps would truly make a major step forward if it would provide more technical manual training abroad rather than providing an overdose of political science.

Mr. Chairman, I would re-emphasize, as a constructive supporter of the program, I do not believe we should give it blind acquiescence. I should think we in the committee and in the Congress as a whole could help the Peace Corps much more effectively if we carefully went through the program rather than giving it an overzealous blind blessing.

Now, does the gentleman from New Jersey, my respected colleague, have a question?

Mr. GALLAGHER. No.

Mr. DERWINSKI. The gentleman will support my amendments?

Mr. GALLAGHER. No. That is unlikely. It will start a succession of amendments, and I do not think the gentleman should be encouraged.

Mr. MORGAN. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. O'NEILL].

Mr. O'NEILL of Massachusetts. Mr. Chairman, during past years I had the opportunity of carrying this legislation for the Committee on Rules. While speaking on the rule, at least on two occasions, I read a letter that was written to me by a Catholic priest, Father Thomas J. Cronin, a native of my city whom I have known many years. This letter was written in 1962. I was going over my files with regard to the Peace Corps today, and I think that the letter is always worthy of repetition. The letter goes as follows:

> More than 300 Peace Corpsmen arrived recently in the Philippines. The impact of their arrival was greater than the impact of the 50-megaton bomb exploded by friend Khrushchev. And the fallout promises to be more effective still. This is the first time that a major power has crossed the ocean with books, not guns, brains, not bombs for peace in order to win a war.
>
> This is the greatest export the United States has ever made. Better than sewing machines, TV sets, refrigerators, tractors, or jeeps. All the world loves the Irish. And well they might. For years the Irish have been exporting the most popular commodity on the market. Real live human beings, mostly priests and nuns, who in one capacity or another end up teaching people of every shade of color in the human spectrum. And now the United States is catching on. The best the United States had to offer formerly was a cowboy with his six-gun. He was a likeable guy. But he always did a lot of shooting. Out here 11,000 miles from Boston, people get impressions of America which are terribly unjust. For most of the people out here, America means "Al" Capone, "Billy the Kid," Marilyn Monroe, divorce, two cars in the garage, and one lonesome baby in an overstuffed cradle in a jumbo-sized house. They like us all right.
>
> A new image is taking shape. True, America has been helping people all over the world with food and clothing. But always, we send things. Now we are sending people, people whom the people of Asia can get to know as the real Americans. They will eat their food, they will sleep on mats in nipa huts, they will pet their babies. They will teach with their teachers, they will farm with their farmers, they will nurse with their nurses. One American living in a Philippine town is worth more than a whole boatload of corn. A boatload of corn is hard to digest, but a real live American, him they can love.
>
> The United States has finally realized that superiority in the realm of material things is useless without the corresponding superiority in things of the spirit. To my mind nothing typifies that new attitude more than the Peace Corps. May their tribe increase.
>
> Sincerely in Christ,
>
> Father THOMAS J. CRONIN.

Four years ago tomorrow marks with deep remembrance the anniversary of the tragic death of our beloved President John F. Kennedy, who was so much a part of the lives of so many of us who knew him actively here in the Halls of Congress and as a personal friend.

Mr. Chairman, this was his philosophy of government, the Peace Corps was one of those measures of which he was the proudest.

Mr. Chairman, few could vie with him in usefulness of talent and few still possessed a heart more benevolent. He died in the prime of life, but lived long enough to know how fully he had secured the respect and esteem of all good men.

Mr. Chairman, the Peace Corps is one of President Kennedy's great monuments.

Mrs. BOLTON. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Pennsylvania [Mr. SAYLOR].

Mr. SAYLOR. Mr. Chairman, a few days ago I stood in the well of this House and defended the Committee on Foreign Affairs and its jurisdiction from an invasion by the Committee on Appropriations.

Mr. Chairman, it is rather interesting to note that on that day only a few voices of those members of the Committee on Foreign Affairs were raised in the defense of that committee. And, today, as a member of the House Committee on Interior and Insular Affairs, I rise to protest the invasion of the jurisdiction of the House Committee on Interior and Insular Affairs by the House Committee on Foreign Affairs.

Mr. Chairman, on March 21, 1967, appearing at pages 7394 through 7406 of the CONGRESSIONAL RECORD, there was discussed a bill which came to the floor of the House from the Committee on Interior and Insular Affairs, the title of which was an act "to amend the act of June 30, 1954, as amended, providing for the continuance of civil government for the Trust Territories of the Pacific Islands, and for other purposes."

Mr. Chairman, one of the purposes of that act which was passed by this House provided that—

> Except for funds appropriated for the activities of the Peace Corps, no funds appropriated by any Act shall be used for the administration of the Trust Territory of the Pacific Islands, except as may be specifically authorized by law.

Mr. Chairman, it is very interesting to note that of all the members of the House Committee on Foreign Affairs, the Honorable H. R. GROSS, of Iowa, was the only one who voted against that bill. The vote was 371 in favor of the bill and 15 against it.

Now, Mr. Chairman, the very purpose of the Peace Corps was to extend the image which has just been so nobly described by our colleague, the distinguished gentleman from Massachusetts [Mr. O'NEILL] in foreign countries. It was not to be a domestic Peace Corps.

Mr. Chairman, the Micronesian Islands are under the jurisdiction of the United States of America, and they are under the jurisdiction of the United States, not by trusteeship under the General Assembly of the United Nations, but are recognized under article 83 of the United Nations Charter, under the U.N. Security Council. In fact, it is the only such trusteeship in the world. Under that trusteeship your Government and mine has the sole duty to provide for the government of the trust territory. We have appointed a High Commissioner and have provided to the High Commissioner a full staff of people with which to operate the trust territory.

Now, Mr. Chairman, there are several stories being circulated as to how the Peace Corps got into the trust territory. I do not know the truth or the falsity of any of the stories, except I do know that the High Commissioner appeared before our committee, the Committee on Interior and Insular Affairs, and stated that the High Commissioner did not request the Peace Corps to be sent to the trust territory.

Now, when I read in the report to accompany this bill on page 3 that they estimate that the Peace Corps will spend $4,483,000 in Micronesia, and then follow with this statement:

> From the standpoint of good budgetary practices, there is merit in the Peace Corps being reimbursed by the Department of Interior for volunteers assigned to the trust territories. The Peace Corps was not established as a vehicle to operate domestic programs, either in the U.S.-held territories or in other domestic programs.

If this latter statement is true, and in view of the fact that the High Commissioner of the trust territory has had a number of problems with the Peace Corps because some of their programs are directly divergent and meet head on the well-thought-out and well-programed plan for the orderly development of Micronesia, then it comes with poor grace, as far as I personally am concerned—and I would hope the other members of other committees—to have the Committee on Foreign Affairs tell the House Interior and Insular Affairs Committee we should have a reimbursement to the Peace Corps from the appropriations made to the Interior Department.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield at that point?

Mr. SAYLOR. Not at this time; but I will later.

Let me tell the Members that, after our committee gave to the Micronesian Islands trusteeship its most careful consideration, we recommended an appropriation last year of $25 million, and then the sum of $35 million for each of the years 1968 and 1969. Now, despite the fact that in the opinion of our committee the Department of the Interior and the High Commissioner and those under him made out an excellent case for that amount of money—yes, and I am one of those who was perfectly willing to even spend more—the Committee on Appropriations did not see fit to even fund that amount. All the Committee on Appropriations would give the trust territory and the High Commissioner for fiscal 1967 was $19.2 million, and for fiscal 1968, $24 million.

If this is the financial situation, and the man charged with the orderly development of the trust territory are being undercut by the Peace Corps, both from their program and from the House Committee on Appropriations, then it comes with poor grace to ask that the Interior Department reimburse the Peace Corps to the extent of $5 million.

Mr. FARBSTEIN. Mr. Chairman, will the gentleman yield now?

Mr. SAYLOR: Yes, I yield to the gentleman from New York.

Mr. FARBSTEIN. Does the gentleman have knowledge that the High Commissioner has objected to the Peace Corps being in Micronesia?

Mr. SAYLOR. Let me put it this way: The answer is "Yes" and "No." In other words, the High Commissioner is appointed by the President of the United States. He is confirmed by the Senate, and, of course, is a loyal member of the President's club, and he supports the President, but in private conversations he has stated that there have been innumerable problems, and this is a situation that should be corrected.

Mr. FARBSTEIN. I just want to follow that up with this question.

Do you not think that if the High Commissioner objects to the Peace Corps being in Micronesia that perhaps the should so advise the head of the Peace Corps and enter into a dialog with him and determine what is the proper thing to do and then take it up with those who are in authority?

Mr. SAYLOR. This might solve the problem.

Mr. FARBSTEIN. I thank the gentleman.

Mr. SAYLOR. I would suggest that the High Commissioner and the Director of the Peace Corps take notice of the dialog that has just occurred.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I am happy to yield to my colleague, the gentleman from New Jersey.

Mr. GALLAGHER. I would like to insert in the RECORD a part of the dialog that pertains to this question.

Mr. Moss raised this question with Mr. Vaughn at the hearings held on the Peace Corps. He said among other things:

> Should not the Department of the Interior have the responsibility for discharging the functions you are pursuing in Micronesia in the trust territories?

Then Mr. Vaughn's reply was as follows:

> This is an inbetween case. We recognize that. We checked this with the Congress. We advised them of our intention. We seem to have a consent. We were requested by the President of the United States with the concurrence of Secretary Udall and Ambassador Goldberg to send volunteers there specifically because the Department of the Interior was not able to meet the needs of these people.

I might say also that the day-to-day operation of virtually the entire public health program is carried on in Micronesia by the Peace Corps volunteers.

Mr. SAYLOR. I must respectfully disagree with my distinguished colleague from New Jersey. The entire public health program is being carried out by the High Commissioner and his staff. All that the Peace Corps is doing is supplementing the program and in many instances duplicating it.

Mr. MORGAN. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Pennsylvania the distinguished chairman of the House Foreign Affairs Committee.

Mr. MORGAN. I just want to tell my good friend, he really is my good friend and I do not know anybody in the House that I am closer to than the gentleman from Pennsylvania [Mr. SAYLOR], that when he quoted the paragraph which appears in the committee report he left out the last sentence. The last sentence says:

> The committee will review critically operations which seem to expand the program on the domestic front.

I can assure the gentleman that the committee will do just that.

I also want to say that Mr. Vaughn testified that this is a pilot program. We have to see how it works out before establishing long range procedures.

The gentleman can be sure that the Committee on Foreign Affairs has no desire to impinge on the jurisdiction of the Committee on Interior and Insular Affairs.

I think before the chairman of the committee on Interior and Insular Affairs left the city that I had an understanding with him and gave him assurance that there would be no interference with their jurisdiction by the Committee on Foreign Affairs. I want to give the ranking Member, my good friend, the gentleman from Pennsylvania [Mr. SAYLOR] the same assurance. The Committee on Foreign Affairs will review this program to see how it works and what should be done next year. If there is any interference so far as jurisdiction is concerned, we intend to eliminate it.

Mr. SAYLOR. I want to thank my colleague and friend, Mr. MORGAN, and just want to say that if the budget for the Peace Corps around the world is only $105 million, it little behooves the Peace Corps to spend $5 million of that amount of money in Micronesia, which is not a foreign country.

Mr. ADAIR. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Indiana.

Mr. ADAIR. As the gentleman knows, in support of what has just been said by the chairman of the committee, the gentleman from New Jersey, it is a general rule of the Peace Corps that it only goes where it is invited.

The gentleman from New Jersey read to the gentleman in the well this statement made by Mr. Vaughn: "We seem to have consent."

It seems to me the problem here is one of a lack of understanding—a lack of dialog.

Somebody, whether it be the High Commissioner or the Director of the Peace Corps ought to find out whether or not the Peace Corps is in there by request. If they are not there by request—and I doubt that they ought to be there at all—if they are in there by request, then it ought to be funded from the Department of the Interior. If not, it should not be funded by that Department.

Mr. SAYLOR. I appreciate those remarks. I just want to say to my colleague, so far as I am concerned, the Peace Corps being a people-to-people program for the American citizens who go to foreign countries, the Peace Corps has no business in Micronesia.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. SAYLOR. I yield to the gentleman from Florida.

Mr. HALEY. In the hearings of the committee the question was asked:

> Will the gentleman respond at this time to a question?

Mr. Vaughn said—

> This is an in-between case. We recognize that. We checked with the Congress.

I repeat—

> We checked with the Congress. We advised them of our intention. We seemed to have a consent.

Does the gentleman in the well think that Mr. Vaughn should also point to some law that would give the right to go into that country?

Mr. SAYLOR. I think he should not only point to some law but also he should point to some individual who gave the implied consent. Surely, no member of the House Interior and Insular Committee.

Mr. MORGAN. Mr. Chairman, I yield such time as he may consume to the gentleman from California.

Mr. COHELAN. Mr. Chairman, I rise in support of S. 1031, to continue the operations of the Peace Corps during fiscal year 1968.

The bill before us today to extend the Corps is highly commendable and worthy of strong support; my own support could be greater only if the authorization of $115,700,000 were increased.

My faith in the men and women volunteers of the Peace Corps to carry America's promise to the world is strong. Armed with a vision of a better world and the education and training to teach schools, to build roads, to develop farms, to improve local health and hygiene, and to perform a host of other important tasks, they have made a valuable, and noticeable, contribution to world improvement.

My views on this legislation in many respects are personal, for my daughter Pam served 2 years in the Peace Corps in the Philippines and is now working closely with her husband in the regional offices of the Peace Corps in India. I appreciate the contribution which she and others like her have made, and I look forward to the continuing successes of the Peace Corps.

Mr. Chairman, I urge my colleagues to support the bill before us.

Mr. RYAN. Mr. Chairman, the Peace Corps is now in its seventh year. Of all of the examples of American presence and influence around the globe, the Peace Corps ranks with the most selfless.

Even the Peace Corps, however, has sometimes encountered local suspicion, especially in those areas where the populace may be suspicious of U.S. influence in general. The unique design of the Peace Corps—its dependence on idealistic young people, its independence from efforts to advance short run American foreign policy goals—might be compromised in practice by its identification and association with the U.S. Embassy complex and its responsibility for the direction of projects.

A group of nine Peace Corps volunteers—Paul Cowan, Rachel Cowan, Ralph Craft, Joyce Dodge, William Dodge, Edward Fagerlund, William Hennemuth, Anne Tompkins, and Nick Zydyern—based in Ecuador has advanced the interesting recommendation that the Peace Corps be genuinely internationalized. This, they suggest, would preserve the best aspects of the Peace Corps—its ability to enlist young Americans abroad applying their skills to help countries develop. At the same time, it would remove the unfortunate byproducts that now sometimes tend to impede the Peace Corps success—the sense that the Peace Corps, in spite of its rhetoric, may be there to advance American foreign policy interests; the inevitable cultural arrogance that exists when volunteers from one nation would "help" another; the reaction to final decisions over programs in the host country being made by an American bureaucracy.

The volunteers suggest that the Peace Corps be internationalized—that it be responsible to an international body. In Latin America, they suggest that North Americans should work side by side with youths from many Latin American countries and that decisions of impact and priority be made by the host country. In the meantime they call for more bilateralization of Peace Corps projects, with more staff members and more control coming from the host country.

The ideal of the Peace Corps has always been that it should not be an instrument of American foreign policy, but of international development. Multilateralization of other aid programs has been suggested with increasing frequency.

It is alarming that the volunteers believe that the most serious obstacle to serious consideration of their idea is the attitude of the Congress. If this is true, it bodes ill for the success of the United States in the world. I would hope that my colleagues will have an open mind to this idea. If programs such as the Peace Corps or AID are accepted by the Congress only for their delivery of shortrun gains to the United States, no one will be fooled, at home or abroad.

The Peace Corps must continue in the spirit in which it was founded, a spirit of selflessness and youthful good will. The proposal of the nine Peace Corps volunteers suggests that its spirit would be strengthened by internationalizing it. Certainly the proposal deserves to be carefully weighed and discussed. Therefore, I am including in the Record two statements prepared by Paul Cowan, Rachel Cowan, Ralph Craft, Joyce Dodge, William Dodge, Edward Fagerlund, William Hennemuth, Anne Tompkins, and Nick Zydyern.

Their statements follow:

Some Thoughts on the Peace Corps

We joined the Peace Corps because we thought it would afford us a means of helping developing nations without imposing the United States' political and cultural values on them. We assumed that the Peace Corps reflected the belief in a pluralistic world for which John Kennedy stood: that therefore its work would be the antithesis of the American colonialism that the rest of the world both fears and resents.

We were wrong. We now see that the Peace Corps is arrogant and colonialist in the same way as the government of which it is a part.

The Latins with whom we work understand this better than most North Americans who are employed by the Peace Corps. It is the reason that so many of them distrust our organization, remain skeptical of its rhetoric of generosity. They read, for example, that we are part of an Alliance for Progress that they have begun to regard as a State Department gimmick. They see us working side by side with other officials of the US government to accomplish programs, which are in the view of many Latins, part of the US' world wide struggle against Communism, not a genuine desire to help poor nations.

But many are even more sensitive to our attitudes than to our acts. They frequently tell us that, like members of the State Department and AID, we are victims of the disease that Senator Fulbright has diagnosed as "the arrogance of power". And we have come to feel that they are more right than wrong, although of course there are many Volunteers whose ability to adapt themselves to the culture render them immune to such generalized criticism. The more deeply we examine ourselves the more clearly we realize that we are part of a culture whose pride in itself contains, as a corollary, contempt for others. Our role in this country is a demonstration of that trait: semi-literate in its language, nearly ignorant of its culture, we still presume to teach Ecuadorians methods of thought and work that we have inherited from our North American past.

It is an arrogance that is hard to escape. Viewing ourselves as teachers for example, it is tempting to think of Ecuadorians as our students and hence to treat them as children. Volunteers' language often reflects this attitude: it is no rare thing to hear a frustrated worker complain about "those stupid lazy campesinos", his neighbors. And Volunteers' style of life is often just as offensive, for in towns and cities the Peace Corps members tend to form small gringo enclaves.

Of course foreigners always have trouble fitting into an alien culture: they stick together, criticize their hosts. And foreigners whose mission is to help (rather than to learn, to work, or simply enjoy themselves) tend to be particularly contemptuous of natives who do not seem eager to use the particular services they have to offer.

But this attitude can be controlled when the outsiders are directly responsible to local agencies. For example in the civil rights movement white people were convinced that they knew what was best for the blacks they had set out to liberate. But where the movement was most successful, white arrogance was modified by the fact that Negroes were in administrative positions, and that local people had done much of the programming.

But that is not the case in the Peace Corps, where North Americans—not local people—possess both administrative control and the authority to devise programs. They are the only people empowered to decide about the allocation of their organization's human and material resources. They do consult with Ecuadorians about the best way to work in specific geographic or technical areas, and try to see that the suggestions of this country's citizens are carefully considered: but beyond that, they are in total control of the Peace Corps' decision making process. For example, no Ecuadorians (except the two hired by the Peace Corps) are present at meetings where the organization's overall priorities are established.

The Peace Corps, then, seems to feel that to consult with an Ecuadorian about the programs that will take place here is to deal with him democratically, while insisting that the ultimate decision making power must remain with North Americans. Not only has this attitude communicated itself to Ecuadorians and caused many of them to resent the Peace Corps; it has proved to be remarkably inefficient. For it blinds the organization's programmers to the local conditions they need to understand, and deafens them to the opinions local people set forth about the best way to work there.

Instead, the fact that North Americans alone possess the power to establish overall Peace Corps policy here strengthens their determination to develop this country according to the formula which they assume made the United States great. The integers of that formula are community development, civic responsibility, personal hygiene. So they often try to impose their own North American structures—the mothers club, the Boy Scout troop—onto communities which have for generations been highly structured according to their own culture. They try to impose the idea of civic loyalty that one finds in stable middle-class American towns onto rapidly growing Latin cities that are both poor and politically complex.

It is a blindness produced by the arrogance of a nation that thinks itself capable of solving all the world's problems with its own techniques. There is, however, one simple way of correcting the situation: internationalize the Peace Corps, incorporate Latins on all levels of the organization's work. Let Chileans, Ecuadorians and Colombians plan and direct programs in Latin America; let North Americans, if they want to serve this continent, put themselves in subordinate positions, allow themselves to be really used by the people who live here. Let them serve alongside of Latin volunteers all working in cooperation. The plans that resulted would at once accord more closely with Latin reality than those of the present Peace Corps, and be more acceptable to the Latins. There could follow a genuine exchange of ideas, of tactics, of goals.

We cannot discuss this idea seriously with the people who run the Peace Corps. They say that although we are certainly correct in theory, in practice we have to understand that any such radical proposal would certainly be rejected by Congress. And they continue to administer the organization in the way we have tried to criticize, that Latins keep telling us they find so offensive.

The bureaucratic loyalty of these administrators is to Washington, not to Ecuador. Therefore, the only way to harness the institution's arrogance is to change the organization substantially; to create bureaucratic situations where administrative power is shared by representatives of various societies; where the interplay of their differing interests produces truly flexible programs that can be transferred from culture to culture, rather than imposed by one culture on another.

That means the Peace Corps must be separated from the U.S. government and turned into an internationally administered agency. It is the only way we can see that the ideals for which the organization once stood can survive.

Suggested Reforms for the Peace Corps

The purposes of the Peace Corps are laudable. As listed in the Act creating the Peace Corps, they are: 1) to help the peoples of such (interested host) countries and areas in meeting their needs for trained manpower, 2) to help promote a better understanding of the American people on the part of the peoples served, and 3) a better understanding of other people on the part of the American people.

Laudable, but not achieved for the reasons stated in the previous critique; the obligation of the Peace Corps to support official United States government policy, the arrogance of power as irresponsibly exercised by Peace Corps staff and volunteers, and the inability of volunteers to meet the manpower needs of host countries. Our concern for preserving the Peace Corps idea in this time of war prompts us to recommend as well as criticize. We hope that our recommendations are seriously considered and acted upon so that future generations of youth will have a better opportunity to promote mutual understanding and world peace by assisting countries in their development process.

Arrogance of power and the close tie of the Peace Corps to United States government policy can be prevented by pursuing what we feel is our most important recommendation. Expand the Peace Corps idea by making it part of the international effort for peace and development.

We realize that the United States government can not act unilaterally to make the Peace Corps an international effort. But it can propose in all multilateral organizations such as the United Nations, and in Latin America the OAS, that such an International Peace Corps be created.

The creation of this international organization will take time, but the Peace Corps itself can take immediate action to make its programs bilateral. To do this, the Peace Corps must place itself at the disposal of host countries and offer their citizens at least equal voice in the programing and execution of Peace Corps activities within their borders. Committees, from a national one composed of host country citizens, Peace Corps staff, and volunteers for the purpose of programming all activities to local ones for executing these activities, should be created. All pertinent documents such as the 5-year plan should be unclassified. Preference should be hiring host country citizens as staff members. The Peace Corps should do only where sincerely requested and not as part of an United States foreign assistance package; stay only where there is mutual involvement and responsibility for its activities.

The inability of volunteers to meet the manpower needs of host countries prevents the Peace Corps from accomplishing all three of its purposes. A volunteer without the ability to execute activities necessary to the local development process is not accepted by host country citizens and, therefore, does not provide trained manpower or promote mutual understanding. The Peace Corps should take immediate action to alleviate this problem.

One primary reason for this situation is that the Peace Corps is currently playing a numbers game. In this game, emphasis is placed on the quantity of volunteers, not their quality. A program for 100 volunteers is better than one for 50 even if only 25 are needed. As a result, the Peace Corps must recruit people with marginal skills to meet its quota and assign them where they are not requested or needed. The result of playing this game is obvious; waste of manpower and money.

The emphasis should be placed on quality. Only people with needed skills or people with backgrounds which permit acquiring specific skills in the three month training period should be recruited. Training should prepare volunteers to apply these specific skills in the host countries. Programming should be based on the proven existence of real jobs in the host countries, not only on the possibility of them.

In addition to recruiting and programing, staffing should be done on a skill or specialty basis. We were trained to work in urban community development in Latin America, but no staff exists to assist us. Such a staff should be created and placed in appropriate Latin American cities to assist volunteers. The same could be said for other specialty areas. This would not necessarily require new staff; only a change in emphasis from the current policy of general representation for all volunteers living in a given area to specialized representation for assisting volunteers with given skills.

A final comment: The arrogance of power referred to earlier also exists within the Peace Corps itself. Playing the numbers game results in a Peace Corps where the individual volunteer is unimportant. As long as he stays in the Peace Corps and adds statistically to the number of volunteers overseas, his circumstances are not seriously considered. The volunteer who finds he does not have a job in the host country due to poor programing, who is dissatisfied and frustrated, and feels the only justifiable solution is to return home, must resign as a personal failure. In most cases, he has to pay the cost of his trip home and suffer the consequences of a record of failure as a volunteer in his future endeavors. The Peace Corps recognizes this problem in theory; according to Jack Vaughn, Director of the Peace Corps, "At times they (volunteers) miss the mark. And when they do, it's certain we helped them miss." But in practice, the concept of mutual responsibility does not exist in the Peace Corps; there is only staff success with advancement and volunteer failure and damnation.

Mutual responsibility for the success and failure of Peace Corps activities must be developed. Without the mutual responsibility of Peace Corps staff and volunteers, the Peace Corps will not be accepted by future generations of youth. Without mutual responsibility of Peace Corps staff and host country citizens, the Peace Corps will not be accepted by the host countries. Without the acceptance of youth and host countries, the Peace Corps and a great idea will die.

Mr. Chairman, I also include an article from the New York Times of November 19, 1967, entitled "Peace Corps Aides Urge Reform":

PEACE CORPS AIDES URGE REFORM—8 VOLUNTEERS SAY AGENCY SHOULD BE INTERNATIONAL

Eight Peace Corps volunteers serving in Ecuador have recommended that the corps become an international organization and that its activities be planned and directed by the countries in which it works.

The volunteers said that the Peace Corps tries to impose American "political and cultural values" on host countries, rather than allowing them to decide their own course.

The criticisms of the corps were expressed in a mimeographed statement the volunteers sent to the friends and news media in the United States. A Peace Corps spokesman in Washington declined to comment on its substance, and would say only that volunteers were free to comment on domestic issues and on the operation of Peace Corps.

The volunteers said in their statement that the Latin Americans with whom they work see them as agents of American foreign policy. They added:

"They see us working side by side with other officials of the United States Government to accomplish programs, which are, in the view of many Latins, part of the United States' worldwide struggle against Communism, not a genuine desire to help poor countries."

Many Latin Americans "are even more sensitive to our attitudes than to our acts," the statement said. It added that volunteers tend to treat local residents as children and "form small gringo enclaves" wherever they work.

The attitude of the Americans "could be controlled when the outsiders are directly responsible to local agencies," the volunteers said. This happened in the civil-rights movement, they said, when white workers ceded control to Negroes and local organizations.

Currently, officials of the host country permitted only to "consult" with Peace Corps officials about the projects to be performed and the areas in which volunteers are to work. Only Americans, the statement said, "are empowered to decide about the allocation of their organization's human and material resources."

"We realize," the volunteers continued, "that the United States Government cannot act unilaterally to make the Peace Corps an international effort." But, they said, it can propose in such organizations as the United Nations and Organization of American States that such an international Peace Corps be created.

IMPROVEMENT URGED

Until an international corps is established, the volunteers said, the Peace Corps could take these steps to improve its own operations:

Offer host countries an "equal voice" in planning corps activities.

Declassify important Peace Corps documents.

Give local residents preference in hiring staff members.

Improve the quality of volunteers and reduce the emphasis on quantity, which "wastes manpower and money."

In a covering letter sent on Nov. 10 from Guayaquil, the volunteers acknowledged that their views had been "shaped by our assignment to a location where many of us have felt that we were not able to make full use of our skills and talents."

The signers of the letter were Paul S. Cowan, a Harvard graduate from New York; his wife, Rachel, a Bryn Mawr graduate from Chicago; William Hennemuth, a University of Minnesota graduate from Minneapolis; Ralph Craft, a Boston University graduate from St. Louis; William and Joyce Dodge, Cornell graduates from Alexandria, Va.; Nick Zydyern, a native of El Sobronte, Calif., who was graduated from San Francisco State College, and Edward Fagerlund, a resident of Jackson Mich., whose school was not known.

Mr. HALPERN. Mr. Chairman, once again the Peace Corps is asking Congress for the money to continue its vital work. In my judgment, the program is deserving of our full support. No other program gives the United States such a tremendous return in international goodwill for so small an expenditure.

The Peace Corps attracts the cream of our Nation's youth, and the adventurous and dedicated of every age. The Peace Corps gives these people the chance to do something meaningful to bring about the better world that all of us desire. These volunteers do not sit in air-conditioned offices drawing up reports on conditions in the field—they go out and live among the people "in the huts and villages across the globe, struggling to break the bonds of mass misery," as President Kennedy put it in his moving inaugural address. They help build roads and schools, they teach, they work in agriculture, developing new skills among farmers who have pursued the same methods for untold millenia. They take the lead in organizing people in the villages to work for the common benefit. They do all these things in an atmosphere conducive to the development of the kind of human contact and appreciation of the common humanity among different peoples of the world which is the bedrock upon which peace must ultimately rest.

Our Peace Corps volunteers give the citizens of the developing countries a view of America which is all too often inadequately presented. As the idealism of the Peace Corps worker becomes strikingly evident, these villagers and farmers do not see the United States as an impersonal, technological giant, unconcerned with the welfare of the ordinary man. Rather, they see the United States in the image of the Peace Corps worker. That image is one of a humane society, concerned with bettering the lot of men everywhere. The favorable popular reception accorded the Peace Corps has percolated upward to the governments of many developing countries as they continually request an increasing number of Peace Corps volunteers.

But the Peace Corps has achieved its enviable reputation not only because of its idealistic spirit, but because its volunteers have achieved concrete results, often in areas for which they had no special training before they joined the Corps. It does not take a Ph. D. in agricultural economics to introduce a crop, and teach the use of fertilizers and pest controls. Rather it takes a person with a general background who can be taught the skills involved, and who, through intensive language training, can be given the ability to communicate with people in need of help.

The Peace Corps has now reached the stage where it has more alumni than active volunteers. That the Nation recognizes the worth of the people who have served in the Corps is obvious from the fact that New York State will hire returned volunteers, with or without Peace Corps teaching training, who have not even been certified on a temporary basis within the State. California grants credit for Peace Corps teaching experience. Cities have urgently requested Peace Corps returnees, and the Philadelphia Board of Education will even hire them by mail from overseas.

These actions constitute deserved recognition of the caliber of people who serve in the Corps. Let us, by our action, show that we, too, realize the inestimable value of the Corps. We must allow these volunteers to continue their vital work.

Let us, then, Mr. Chairman, give the Peace Corps the appropriation it most assuredly merits.

Mr. MORGAN. Mr. Chairman, I have no further requests for time.

Mrs. BOLTON. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

S. 1031

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3(b) of the Peace Corps Act, as amended, which authorizes appropriations to carry out the purposes of that Act, is amended by striking out "1967" and "$110,000,000" and substituting "1968" and "$115,700,000", respectively.

AMENDMENT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS: On the first page, line 6, strike out "$115,700,000" and insert in lieu thereof "$105,000,000."

The CHAIRMAN. The gentleman from Iowa is recognized in support of his amendment.

Mr. GROSS. Mr. Chairman, I will not take a great deal of time on this amendment. It speaks for itself. The amendment would merely bring the authorization for the Peace Corps to the figure which was approved by the House in the so-called foreign aid appropriation. It reduces it to $105 million from $115,700,000. It is the precise figure that was approved for the Peace Corps in the appropriation bill only a few days ago.

It will be interesting to see whether those Members who voted for the so-called foreign aid bill last week and $105 million now vote, without any reason, to increase the money figure $10.7 million or to $115.7 million.

Yes, Mr. Chairman, it will be interesting to see what develops.

Mrs. GRIFFITHS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I would like to ask the author of this amendment if it is his opinion, if this amendment is accepted by this Committee and is made a part of the law by the Senate and signed by the President, is it the opinion of the gentleman from Iowa that this then would control the law? In your judgment, would the amendment be law?

Mr. GROSS. Would the amendment be law and control the appropriation?

Mrs. GRIFFITHS. Yes.

Mr. GROSS. If the bill is signed for $105 million, I would think so. I would not know of any reason why it would not be.

Mrs. GRIFFITHS. Do you know of any case where an amendment offered on the floor of the House accepted by the House and the Senate signed by the President and has not been considered the law?

Mr. GROSS. I do not know exactly what the gentlewoman is aiming at. Offhand, I cannot think of any situation where the President, unless there was unexpended funds in the pipeline and made available to him, could spend more than the amount that is in the law, if that is what the gentlewoman is referring to.

Mrs. GRIFFITHS. Thank you very much. I intended also to ask this question of the gentleman from Illinois when he offered his amendment.

I would like to point out that, in my opinion, any first-year law student knows that an amendment which goes into a law when it has been signed by the President is the law just as much as any other part of the law.

I would like to point out to the gentleman that something new has happened in America. On October 19, 1967, Judge James A. Commiskey in Cooper against Delta Airlines, in the eastern district of Louisiana, when the question before him was whether or not the Civil Rights Act of 1964, which had added the word "sex" as a basis for nondiscrimination was properly amended, rendered an opinion that was contrary.

Judge Commiskey in this recent case said that, of course, this was not the law, that the "sex" had just sort of found its way into this law by accident, and that, therefore, he did not have to regard that.

I think the Congress of the United States has a real interest in this case. If this were to be followed, it would mean that we could never add an amendment on the floor of the House—and, as one of those people who gave my life's blood for that amendment along with Judge Smith of Virginia, I am astounded that a Federal judge would announce that amendments do not count.

I think we would have to go further. He even pointed out that Secretary Wirtz had written the gentleman from New York [Mr. CELLER] and had said he really did not approve of the amendment, that it was not to the best advantage of women at this time. That must have been done in the committee. So we would have to ask ourselves, is the court hereafter going to say that even a committee cannot add an amendment.

Under any circumstances, if this judge's ruling stands in this court, then that which the Members and I have assumed to be the proper way to legislate and work the will of the people as expressed by this Congress is going to be completely overthrown.

Personally, I looked into Judge Commiskey's qualifications. I was fascinated that anybody could be a graduate lawyer and be that stupid. At any rate, I discovered this man was nominated January 16 of this year for this court and was confirmed on March 2 by the unanimous consent of the Senate. I really do not know what the Senate inquires into when they inquire into the qualifications of a judge, but I suggest they ought to inquire into the matter of whether the man has any legal learning.

This man did not even do any legal research. He pointed out that only two States in the United States had ever bothered with this problem of discrimination against women. As a matter of fact, there are 13 laws I know of in the United States that have considered the matter of sex discrimination. Therefore, I can only conclude that Judge Commiskey was sitting on a case on which he is totally unqualified.

I would like to point out further that in my judgment the interest of this body is so great in this decision that we should follow it with real care, because I know it is going to come before the Supreme Court. I do hope that Court cannot be hoodwinked into this type of reasoning. But under any circumstances, if we cannot add amendments or if they do not count, I suggest we consider impeaching such judges.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Iowa.

Mr. Chairman, the figure of $105 million for the Peace Corps which was included in the foreign aid appropriation bill which passed the House last week without a rule is not yet a fixed figure. The gentleman from Iowa knows the other body has not acted on the Peace Corps appropriation and is still holding hearings.

The authorization we are requesting today is for $115,700,000, which is $3 million less than the authorization requested by the executive. A $3 million cut will make necessary reduction of 1,100 volunteers. With a figure of $105 million, we can look forward to a much smaller Peace Corps program than the 14,000 volunteers we had last year.

Let us give the other body a chance. Let us stay with the authorization requested and permit the appropriation bill to run the gauntlet in the Senate.

I ask that the amendment offered by the gentleman from Iowa be defeated.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Iowa.

Mr. GROSS. Did the gentleman vote for the $105 million a few days ago?

Mr. MORGAN. No, the gentleman did not.

Mr. GROSS. For what did the gentleman vote?

Mr. MORGAN. The gentleman was ill that day, and did not vote on anything.

Mr. GROSS. The gentleman will concede that the majority did vote for $105 million?

Mr. MORGAN. I am aware that the bill passed.

AMENDMENT OFFERED BY MR. FULTON OF PENNSYLVANIA TO THE AMENDMENT OFFERED BY MR. GROSS

Mr. FULTON of Pennsylvania. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Iowa [Mr. GROSS].

The Clerk read as follows:

> Amendment offered by Mr. FULTON of Pennsylvania to the amendment offered by Mr. GROSS: Strike out "$105,000,000" and insert in lieu thereof "$110,000,000".

Mr. FULTON of Pennsylvania. Mr. Chairman, I will be very brief. My amendment would make the amount of the authorization for the Peace Corps coming year the same as it is during the current fiscal year. The funds would continue at $110 million, which is the way the Peace Corps is financed now.

This is a simple amendment. The amendment says, "Do not enlarge the Peace Corps at this time under war conditions and budget deficits totaling $30 billion.

I believe that some of the practices on Peace Corps recruitment need checking further and procedures tightened. Too many employees are being added in an election year above the $12,000 annual income range.

Therefore, my amendment would simply carry the Peace Corps along at the current rate. In these times of budget stringency and deficits, I believe continuation of the Peace Corps at the present rate of expenditure would be a fair course to follow.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment to the amendment offered by the gentleman from Pennsylvania.

I want to restate the same argument I used against the amendment offered by the gentleman from Iowa [Mr. GROSS].

It is my impression that the gentleman from Pennsylvania comes to the floor and supports all the pay raises and all the other grade increases which include the Peace Corps. Then the gentleman apparently would say to them, "Get along with the same budget you had last year."

All of these pay raises and ingrade increases are built into this budget. We ought to give the Peace Corps the amount requested if they are going to be able to meet the planned figure for volunteers overseas and pay the necessary administrative expenses.

Mr. FULTON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from Pennsylvania.

Mr. FULTON of Pennsylvania. Surely, I do support the pay raises, because I believe they are well indicated for all Federal employees and postal workers. But I must say to the gentleman, about the Peace Corps personnel practices, that the number of employees getting over $12,000 a year is building into a very large bureaucracy of high-paid administrative people. I do not believe the original purpose of the Peace Corps was intended for that to happen. The statement has been made repeatedly the Peace Corps would not, repeat not, be built into a highly paid administrative bureaucracy.

The place I would cut is in the number of administrative people who have been built up tremendously in the Peace Corps over the period of the past 4 years. I believe that personnel total has gone up 100 percent in this particular category in 4 years. That is where I would cut.

The trouble in cutting budgets of U.S. departments, judging from my experience around here, is that if the Congress should cut the Post Office Department anywhere, the first thing the Department immediately starts to do is to lay off the postmen rather than make administrative or management efficiency changes.

I do not intend to lay off or furlough the Peace Corps volunteers, but I certainly think action can be taken to reduce administrative bulge.

The personnel that I refer to, are now infiltrated into these high administrative positions, and I doubt the necessity for Peace Corps Administration on an efficient and economical basis.

Would the gentleman give us the increase in the positions in the Peace Corps above $12,000 per year over the past year or so? I believe we will find it substantial.

Mr. MORGAN. On those over $12,000 a year, it increased from 258 on June 30, 1966, to 302 last August.

Mr. FULTON of Pennsylvania. If the gentleman will look at the bottom of the supplemental views, on page 5, attached to the Foreign Affairs Committee report, he will find this language:

> To the uninformed the Peace Corps projects the vision of enthusiastic Americans living abroad under adverse conditions for $75 a month. It does not reveal that the bureaucracy supporting the volunteers has more than doubled in the last 4 years. Between 1963 and 1967 the number of administrative personnel in the United States and overseas who earn more than $12,000 a year has jumped from 146 to 302. Perhaps these figures explain some of the built-in growth that necessitates additional funds.

My comment is, if many fewer administrative personnel have been able to operate the Peace Corps so obviously well before the last 4 years, why do we have to have this large increase in the people who are of administrative level and standard earning over $12,000 a year. I heartily favor the Peace Corps program. But I believe my amendment is necessary simply to cut out a large part of excess administrative wood which has been built into the Peace Corps programs in the last 4 years.

Mr. MORGAN. The gentleman does not take into consideration the regular promotions and step increases in the years of Federal service. Some of the Peace Corps personnel have been around for several years and they have gotten ingrade increases. A lot of that is built into the figure that the gentleman just mentioned.

Mr. FULTON of Pennsylvania. The gentleman mentions promotions. That does not mean additional personnel, because they are the same personnel being promoted. As you recall I pointed out specifically the number of administrative personnel increase. The actual undefended figures are that those earning over $12,000 a year on the Peace Corps administrative staff in a 4-year period rose from 146 to 302. It is the fact that the number increased in the high pay category that I think is turning the Peace Corps in the wrong direction, and much changed from the policy direction and thrust given to the Peace Corps until the last few years. I want emphasis on these fine Peace Corps volunteers. I believe and know these Peace Corps volunteers are doing a fine job. If before the last 4 years the Peace Corps has been able to accomplish what they have done without all of this excessive executive personnel overlay and buildup, then I think the Peace Corps could and should operate now in the same way, with as great efficiency. Congress must insist on economy and efficiency in every Government department and agency in the interest of the U.S. Treasury and the U.S. taxpayers.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania to the amendment offered by the gentleman from Iowa [Mr. GROSS].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa.

The amendment was rejected.

AMENDMENT OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DERWINSKI: On the first page, line 7, strike out the period and insert a semicolon and the following: "except that none of the funds authorized by this Act shall be used to pay the compensation of Peace Corps employees who receive compensation at a rate equivalent to or greater than the lowest rate prescribed for GS–13 of the general schedule under section 5332 of title 5, United States Code, during any period when the ratio of such employees to Peace Corps volunteers exceeds one for every forty Peace Corps volunteers."

Mr. DERWINSKI. Mr. Chairman, I am not going to take anywhere near the 5 minutes. I realize that the Members are in a hurry. Secondly, the devastating logic of my amendment is such that it will speak for itself. The purpose of this amendment is to fix a ratio of 1 to 40, that is, one GS–13 employee and above to every 40 Peace Corpsmen in the field.

I would like to remind the Members that the present salary of a GS–13 is $12,873 a year. Since 1964 this category of employee in the Peace Corps has almost doubled. At the present time, in fiscal year 1967, the ratio of this level of employee to volunteers is one for every 48. My amendment would merely set it at 1 to 40. In other words, we will leave administrative flexibility. I feel this is practical and helpful. It would help control the administrative expenses.

I wish to emphasize especially to my distinguished chairman, that this amendment is offered as a constructive addition to the Peace Corps authorization in order to protect this well motivated program from a growing bureaucratic structure. It is in that spirit that I offer the amendment.

Mr. JOELSON. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from New Jersey.

Mr. JOELSON. Can you tell me what is the ratio at the present time of GS–13's to Peace Corps workers in the field?

Mr. DERWINSKI. One to 48. My amendment would establish a base of 1 to 40, leaving a good deal of bureaucratic room. In other words, it is an amendment looking forward to controlling the future and not tying the hands of the administrators at this moment.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. DERWINSKI. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, I want to congratulate the gentleman on his amendment. This is more or less of an anti-Parkinson's law device. Certainly, when you look at the condition of the country, particular after the devaluation over the weekend of the British pound and the thrust of all of the economic portions of the world on the American dollar, if we can save a little money here and there on administrative overlay, fat, types of expenses, surely that will do in the end more good for the United States of America than having a few more extra GS-12's and above administering a program in which they make no direct contribution to the country. I would hope that the gentleman's amendment passes.

Mr. DERWINSKI. I thank the distinguished gentleman from California for his contribution.

Mr. Chairman, in spite of the official opposition to my amendment it has obvious value to the program, I am hopeful that it will receive support and will be adopted.

Mr. GALLAGHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I think the gentleman's amendment carries the right thrust, but to bring it up at this point, it seems to me, without the kind of in-depth study that this new formula would require, it would be extremely dangerous if not disadvantageous, to the Peace Corps itself.

Mr. Chairman, it is my opinion that the gentleman from Illinois [Mr. DERWINSKI] realizes that one of the problems attached to all of this is a demand for high-caliber people.

Mr. Chairman, many of the Peace Corps people who work for the Corps are people who have been volunteers, people who have married, and people who wish to continue to serve their country, people who wish and do serve overseas and who serve in positions of extreme hardship.

Mr. Chairman, it is difficult to find the kind of high-caliber people that the distinguished gentleman from Illinois would like to see involved in the program. This amendment would make it even more difficult. I think this limitation that would be placed upon the program, if the gentleman's amendment is adopted, would not be at all desirable.

Mr. DERWINSKI. Mr. Chairman, will the gentleman yield?

Mr. GALLAGHER. I yield to the gentleman from Illinois.

Mr. DERWINSKI. I want to be sure that we understand each other. My amendment is not aimed at the Peace Corps men in the field.

Mr. GALLAGHER. No; and I understand that.

Mr. DERWINSKI. My amendment is aimed at the people involved at the headquarters of the Peace Corps.

Mr. GALLAGHER. The gentleman's amendment is aimed at the ratio of those people who are backing up the people in the field, the hard-core professionals of the Peace Corps.

Mr. DERWINSKI. That is right; those people who are drawing over $12,800 a year.

Mr. GALLAGHER. No. What I am saying is that many people who work in these positions are former volunteers who have come to the point where they must go out and earn a living, but they have a family to support. Therefore, if we are going to keep these people and encourage them to go back in the field, we must have them as professionals, in other words as a professional cadre for the volunteers. However, in order to do this we have to give them the kind of salary that is commensurate with the kind of work which they could otherwise acquire, at a different or higher grade salary.

Mr. DERWINSKI. Mr. Chairman, if the gentleman will yield further, the gentleman raises one other question with reference to the amendment when the gentleman states that the amendment should not be offered under such conditions as exist at this time, because it requires a study in depth.

Mr. GALLAGHER. Yes, that is correct.

Mr. DERWINSKI. What bothers me is the fact that our Committee on Foreign Affairs spent only 2 days of hearings on this bill and only 1 day in marking up the bill. In other words, we did not give to this legislation the type of in-depth study to which the gentleman is referring.

Mr. GALLAGHER. Mr. Chairman, it is my firm belief and opinion that it is advisable to vote down the amendment which has been offered by the gentleman from Illinois at this time and to give it a great deal of study next year. Therefore, I hope the amendment which has been offered by the gentleman from Illinois [Mr. DERWINSKI] is rejected.

AMENDMENT OFFERED BY MR. JOELSON TO THE AMENDMENT OFFERED BY MR. DERWINSKI

Mr. JOELSON. Mr. Chairman, I offer an amendment to the amendment offered by the gentleman from Illinois [Mr. DERWINSKI].

The Clerk read as follows:

Amendment offered by Mr. JOELSON to the amendment offered by Mr. DERWINSKI: On the last line, strike out the word "forty" and substitute the number "forty-eight".

Mr. JOELSON. Mr. Chairman, I asked the gentleman from Illinois [Mr. DERWINSKI] a moment ago what the present ratio is, and he said that it is 1 to 48. Therefore my amendment very simply, if Mr. DERWINSKI's statement is accurate, would keep the present ratio.

Mr. DERWINSKI. Mr. Chairman, would the gentleman yield?

Mr. JOELSON. I yield to the gentleman.

Mr. DERWINSKI. Mr. Chairman, I appreciate the help of the gentleman and, therefore, as far as I am concerned, I would be willing to accept the gentleman's figure and amendment if the chairman of the full committee would accept it.

Mr. COHELAN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I merely would like to comment at this point that I do not believe there is anything wrong with studying this problem, but I would not want to see the amendment passed at this time.

I would like to point out to those who have any doubts about the requirement and the need of the Peace Corps for what has proved to be highly competent and trained manpower, that from my own personal experience as a member of the Subcommittee on Foreign Operations of appropriations. I have found that many of these young people become much sought after recruits for such agencies as AID, and many private companies overseas. So it is clear there is keen competition for their valuable experience and skill. As a matter of fact, I have found there are private organizations overseas who find that many of our young people, who have served so ably in the Peace Corps, serve efficiently and effectively in operations overseas in highly qualified positions which are well compensated. I would feel, therefore that it would be wrong to impose any more rigid standards on the Peace Corps because of their special manpower requirements than it would be on any other Federal agency.

Mr. MORGAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to both amendments.

Mr. Chairman, I note that the gentleman from Illinois [Mr. DERWINSKI] was quick on the trigger to accept the amendment of the gentleman from New Jersey to his amendment, because it makes the amendment even more restrictive.

Mr. Chairman, the argument has been made that the Peace Corps is loading up with employees and bureaucrats in Washington, and that they are getting these pay increases. Now, if you will turn to page 12 of the hearings, you will see that the gentleman from Indiana [Mr. ADAIR] requested that information on this point be put in the record. These figures show that from June 6, 1966, until August 31, 1967, there has been an increase of only four in Washington who are in the above $12,000 category. The principal increase has been among people who are serving in hardship posts overseas. The increase of 127 to 167 has been among the Peace Corps administrative people overseas. There has not been a big upgrading of Peace Corps jobs in Washington.

Those increases are for personnel serving in an oversea supervisory capacity. As I said, there has been an increase of only four in a matter of 14 months in the Peace Corps here in Washington. These increases are because of oversea promotions or increases in grade. This is not a serious problem.

The Committee on Appropriations properly wrote into the appropriation bill a limitation on funds for administrative expenses. That amount is fixed, and there is no need for this type of an amendment in this authorization bill.

Therefore, Mr. Chairman, I ask that both amendments be defeated.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. JOELSON] to the amendment offered by the gentleman from Illinois [Mr. DERWINSKI].

The amendment to the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr DERWINSKI].

The amendment was rejected.

AMENDMENT OFFERED BY MR. DERWINSKI

Mr. DERWINSKI. Mr. Chairman, I offered an amendment.

The Clerk read as follows:

> Amendment offered by Mr. DERWINSKI: On the first page, immediately after line 7, insert the following:
>
> "SEC. 2. It is the sense of the Congress that, in the enrollment of Peace Corps volunteers, particular emphasis should be placed on recruiting individuals possessing manual technical skills."

Mr. DERWINSKI. Mr. Chairman, this is a sense of Congress amendment that urges the administrator of the program to put emphasis on the recruitment of individuals possessing technical and manual art skills.

The practical background of this is that most of the Peace Corpsmen who go overseas are in effect high school teachers. For example, in the Ivory Coast I found that we send them to this former French colony to teach French. We send them to a former English colony to teach in the schools that used to be staffed by teachers from Great Britain.

In most of these countries there is a crying need for technical improvement.

One of the trips that I took some years ago as a member of the committee happened to be to Ethiopia, and I found out from the AID people about a school building that was standing idle because there was not anyone there who could teach the trades that the building was equipped to work with.

This is not only a lack of coordination between the Peace Corps and the AID people, but the Peace Corps did not have the people who could give them that technical training.

All that this amendment would do is to express the sense of the Congress that there should be more effective enrollment of individuals possessing technical skills.

Mr. Chairman, I think this is a helpful amendment. I think it is a constructive amendment and I would hope that the distinguished chairman would look at it carefully and diplomatically and perhaps be motivated to accept it.

The CHAIRMAN. For what purpose does the gentleman from Pennsylvania [Mr. MORGAN] rise?

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment.

In the Peace Corps' annual report, the Fifth Annual Report of the Peace Corps, they explain why they oppose this type of amendment. They point out that their faith in the liberal arts major has grown with experience. They make the point that while 40 percent, or more than 40,000, Peace Corps applications last year came from college campuses, over 90 percent of those selected came from that 40 percent.

They found that that category of American does the best job for the Peace Corps.

They also found out that highly skilled people and highly skilled technicians and experts often feel frustrated or wasted at the grass roots level.

I would just hate to make this a sense of Congress resolution when the Peace Corps itself says this is not the proper course to follow, and that this is not the kind of personnel that they want to send out in the field to accomplish the purposes of the Peace Corps.

Therefore, Mr. Chairman, I am in opposition to the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. DERWINSKI].

The amendment was rejected.

Mr. GATHINGS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to ask the chairman of the committee a question or two with regard to the agricultural extension workers who are brought in here as volunteers and trainees under this program.

As you will see from the report, there were 1,480 agricultural extension workers in the current year and for 1968 it is proposed to have 3,410, which is better than double in 1 year's time. This is a great work and it is badly needed in many parts of the underdeveloped areas of the world.

I would just like to ask the gentleman from Pennsylvania, the chairman of the Committee on Foreign Affairs, whether he had any trouble recruiting these people. Do you think you will have any trouble getting the proper type of personnel who know how to farm to go to these countries. It would be well as I see it to teach these people something about terracing and the application of fertilizer and insecticides so that more food and grain can be produced to assist in feeding peoples who do not grow adequate grain within their countries to alleviate malnutrition and hunger.

Mr. MORGAN. Mr. Vaughn of the American Peace Corps advised that he had had very satisfactory cooperation from agricultural groups throughout the country, and he said:

> Agriculture offers a very fruitful opportunity for volunteers to work closely with people exactly where needs are greatest. Lacking large numbers of agricultural graduates, however, we have had to develop a strategy of our own, turning unskilled university graduates into genuinely useful agriculturists overseas.

Generally, they have been using ordinary college graduates and training them in poultry raising, animal husbandry, and other basic agricultural operations. In the 10 weeks training provided by the Peace Corps they are able to learn some of the simple fundamentals so that they can render service to the farmers overseas. There has been difficulty in getting enough trained agricultural workers for the program.

Mr. GATHINGS. I would like to ask the Chairman where the applications are coming from?

Mr. MORGAN. They are recruited on all the university campuses.

Mr. GATHINGS. What areas in the world do they need agricultural extension specialists? Where do the requests come from?

Mr. MORGAN. The requests come from Korea, Paraguay, Libya, Gambia, and from other countries in Africa.

Mr. GATHINGS. Does the Peace Corps collaborate with the Department of Agriculture Extension Service?

Mr. MORGAN. Very closely.

Mr. GATHINGS. They have been doing that?

Mr. MORGAN. Very closely.

Mr. GATHINGS. I hope that qualified men who have farm backgrounds and who are not afraid to work take these assignments.

AMENDMENT OFFERED BY MR. HALL

Mr. HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. HALL: On page 1, line 7 strike out the period and insert in lieu thereof a semicolon and add the following: "*Provided further*, That none of the funds authorized by this Act shall be paid to any official or employee of the Peace Corps who attempts to secure the deferment, on account of service in the Peace Corps, of any volunteer, leader or trainee, serving in the Peace Corps from any obligations or duties under the provisions of the Universal Military Training and Service Act."

The CHAIRMAN. The Chair recognizes the gentleman from Missouri.

Mr. HALL. Mr. Chairman, this is a simple and self explanatory amendment. It would merely add a limitation to the authorized funds that could be paid to officials or employees of the Peace Corps, and that includes the trainees, the staff, or any other members who attempt to secure the deferment on account of service in the Peace Corps of volunteers, leaders, or trainees serving in said Peace Corps from any obligation or duty under the provisions of the Universal Military Training and Service Act. This is brought about simply because of the fact, as has been stated before here on this floor today, that there has never been an intention of deferring Peace Corps volunteers, trainors, or trainees. In this House we have recently worked our will on the new Universal Military Training and Service Act and it went into effect on July 1, 1967, as all Members of the House will recall. It does not embrace universal military selection or calling up, but we have held sacred in the committee having jurisdiction, the Committee on Armed Services, the lack of random deferments or exemptions in any form from the old Selective Service and Training Act, now called the Military Service Act.

It would be extremely undesirable if there were an organized effort to defer those who are volunteers for the Peace Corps. I think it would help in the self-policing of the Peace Corps in its major objectives if it were generally known that such deferments would not be sought after, for those whose numbers do come up or who are not otherwise exempted by their local selective service boards—where, for political and economic and every other reason the final decision, subject only to appeal, must reside, subject to overall instructions of the National Director of Selective Service, who should develop policies for the universal application of those liable to be called for service. Our theory of every ablebodied man being a militiaman must be preserved.

Mr. Chairman, this is particularly applicable at a time when we are fighting a war of subversion and guerrilla warfare around the world and at a time when we and our families and those related to us are being touched so closely by wounding and, indeed, the death of so many in a military action elsewhere.

It would be my sincere hope, and that of those who have carefully worded the additive amendment, that this might be accepted in the spirit in which it is intended; namely, that of enhancing the Peace Corps, of not damaging the Peace Corps, which, as I said, has a function, and which I supported the last time this came up, in 1966. Certainly this body must not adversely affect its own Military Training and Service Act.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. HALL. I yield to the gentleman from California.

Mr. HOSMER. Mr. Chairman, I am asking about the situation of the local draft board, which perhaps finds one of its potential draftees on a Peace Corps roll, and the board wants to decide that, well, the Government spent some money training him and sending him halfway around the world, and the board does not really want to bring him back until his term is over, so they will not call him up until it is over.

If the Congress adopts the amendment proposed by the gentleman, will the action today be an instruction or be implicit advice to the local draft board that it should not exercise that kind of option, if it felt it wanted to?

Mr. HALL. I do not think it would. I know it is not so intended. I am glad the gentleman asked the question.

I am familiar with all these vagaries, having dealt with the Selective Service and Training Act, now the Universal Service and Training Act, for over 30 years to date. I even wrote some of the original draft legislation, specifically some of the legislation for drafting doctors and nurses.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(By unanimous consent, Mr. HALL was allowed to proceed for 2 additional minutes.)

Mr. HALL. Mr. Chairman, in further answer to the question of the gentleman, I think the point has been well made by the question of the gentleman, that any selective service board—in spite of the natural urge to "pirate" when someone is out of the jurisdiction of the local board, in spite of the tendency to fulfill quotas by those away from home and therefore no longer essential to the community—would have within its reason the knowledge that Federal training for the Peace Corps enrollees at such a price had gone on, and I think they would naturally wait to fulfill their requirement until these people had returned from overseas.

I do not perceive there would be instructions going out, on the basis of this additive legislation, from the National Director or certainly from the halls of this Congress by passage of this simple amendment. It simply says that none of these funds would be used by any of those people to secure additional deferments or deferments while serving if their selective service number comes up.

Mr. GALLAGHER. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not think there is anyone in this House who would disagree with the intent of the gentleman's amendment. No one here at any time—and I recall the original debate, when it was specifically pointed out the Peace Corps would never become a haven for those people who were trying to avoid their selective service duty. This new barrage that was raised was brought about as a result of a statement made by Mr. Vaughn.

I would like to read that statement:

> We have a serious situation. The problem of induction notices to overseas volunteers is becoming a major concern for us. Pulling a volunteer off a productive job at mid tour is unfair to the Nation, to the host country, and to the Peace Corps and the individual.

The real "fuss" at this point is about the induction notices that do go out while a trainee is serving overseas.

I believe that for all the reasons Mr. Vaughn stated it would be unproductive and uneconomic to pull a trainee back while he is serving overseas.

Now I should like to get the gentleman's amendment. If a letter went out by an official of the Peace Corps, to cite that instance, that man, that official, under this language, would have his salary cut off. I believe that is carrying it a little bit too far.

By the same token, under the gentleman's language, and I have it here—provided, that none of these funds shall be authorized to pay any officer or employee of the Peace Corps who attempts to secure deferment. Similarly, the securing of a deferment could be merely a reply to a local draft board, that in fact the volunteer is a member of the Peace Corps. That could be considered securing a deferment. If a man answered that letter, technically his salary could be cut off.

I believe the intent of the amendment is well taken. I concur with the intent of the amendment. But I believe the language is extremely restrictive. We could have a very "sticky" situation where an official in carrying out his administrative duties could suddenly find himself without a salary. I urge that the amendment be voted down.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. GALLAGHER. I yield to the gentleman from Missouri.

Mr. HALL. I appreciate the gentleman's yielding.

I believe the gentleman will agree with me it is pretty farfetched to think that any court would interpret a simple notice or a simple request to a local board, which is in the nature of an advisory, in that manner. Even an appeal, 10 days after the final notice to report for induction, is an advisory to a State appeal board, under that function. That would be more farfetched than is intended or would ever be applied by a court of law.

I want to address myself particularly to the gentleman's first statement.

I would be the first to admit, as I did, indeed, in the well of the House, that there are times under the Selective Service Act when errors are made. They come across my desk every day, as a Member of the Committee on Armed Services. I know that people are pulled out of school, when the Committee on Armed Services specifically has said they can continue their scholastic pursuit until the next degree is earned. This is to protect the good of the Nation. But percentagewise, such incidents are few and far between and the Selective Service System is to be complimented. Further, they are getting better. These instances are getting to be rarer and rarer, under the new Selective Service Act which went into effect.

As I visualize this, there would not be notices to report for induction for these people overseas.

Beyond that is the question of seeking a deferment on this basis. I believe the gentleman will agree with me that we do not want it as a brand for the Peace Corps.

I have never said anything about the Peace Corps being a haven for those who would prefer not to serve in military service. The gentleman brought that question up. That was not the intent of this amendment.

Mr. GALLAGHER. I know that was not the intent of the amendment. I was merely getting back to the part of the debate we had originally, when we passed this legislation 7 years ago, when this issue of selective service was completely thrashed out.

Mr. HALL. If the gentleman will yield further, my sole intent in this amendment is to see to it that there is not a certain movement to mass deferments, or a corollary to the thing that the gentleman from California was worried about; namely, this being a directive for additional deferments or against them—a corollary which might be brought out from some national figure seeking to influence the whole selective service from the Director on down to get out of national directive to the opposite effect. The Selective Service under the new law has the power of policing itself and it did not prior to this time. The local selective service boards remain all powerful and inviolate. This must be so.

Mr. MORGAN. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not see why the Peace Corps is singled out. Why not single out the dean of every university in this country or the registrar of every school who writes a letter to a draft board?

Again I want to say that the law is specific as to Peace Corps volunteers. Section 23, of the Peace Corps Act provides that—

> Notwithstanding the provisions of any other law or regulation, service in the Peace Corps as a volunteer shall not in any way exempt such volunteer from the performance of any obligations or duties under the provisions of the Universal Military Training and Service Act.

The volunteer has to fulfill his obligation the same as any other young man.

During our hearings Mr. Vaughn, said in reply to a question by Mr. Adair:

> Our policy is that we agree with General Hershey that Peace Corps service is very much in the national interest and should warrant a II-A classification, national-interest classification.
>
> My lament comes when I see volunteers get through training, go overseas, and then get drafted when they just have 6 months to go and after we have spent all this money. It costs less money to make peace than war, but it still costs a lot of money. We make a commitment to a foreign country to provide a teacher and then after a semester and a half we have to bring him back.

What Mr. Vaughn is saying is that in the last year some of the draft boards brought back at least 25 volunteers after they had spent several thousand dollars to train them and send them overseas. There is no question of avoiding the draft after their service overseas has ended. There is no attempt to avoid the draft by any Peace Corps volunteer. The effect of this amendment would be to shut off the salary of Mr. Vaughn if he writes a letter to a draft board to ask that a Peace Corps volunteer be deferred until his service overseas is finished. It is very restrictive language. I hope it is not put in the Peace Corps bill. We have no evidence that the Peace Corps volunteers are trying to run away from the draft. The record shows that every one of them who is eligible, after he has completed his Peace Corps service, has had to meet his military obligation the same as any college student who was deferred until his course was completed. I think this language is not needed and that the amendment should be defeated.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Briefly.

Mr. HALL. I simply want to say in the brief yielding that the difference between the members of the Peace Corps and the university professors to whom the gentleman from Pennsylvania, my colleague, suggested we might direct this amendment is that they are not paid by the Federal Government out of taxpayers' money and these people in the Peace Corps are. I think that is obvious.

Mr. GROSS. Mr. Chairman, I hold in my hand a picture of a Peace Corps character who probably ought to have been inducted. I do not know the history of this young individual, but he ought to have been inducted so that he would be compelled to get a haircut and the crop of alfalfa on his chin cut off.

Mr. HALL. Will the gentleman yield to me again?

Mr. GROSS. I yield to the gentleman.

Mr. HALL. I will ask the gentleman what do you have against the armed services?

Mr. GROSS. I do not have anything against the armed services, including the Marine Corps, but I know what would happen to this character, who is pictured here arriving on Guam for training for the Peace Corps, if he had been turned over to a Marine drill sergeant.

Mr. GALLAGHER. Will the gentleman yield? Does the gentleman consider the Marine Corps a part of the armed services?

Mr. GROSS. At least they would take a character like this and, instead of braiding his hair in the back, they would turn him over to a drill sergeant who would see that he would shape up or ship out. One or the other. The question is why this character was ever shipped half way around the world and then dumped on the unsuspecting public on the island of the Guam. The picture of the seedy character appeared in the Pacific Stars and Stripes, published for the benefit of our servicemen in that part of the world. It must have made our fighting men in Vietnam feel good to know that this individual, with all his trappings, is going to bring peace to the world.

Mr. MORGAN. This boy was in training.

Mr. GROSS. He needs military service; he really needs it. I am not sure, however, that this is a man. It is hard to tell.

Mr. MORGAN. Mr. Chairman, will the gentleman yield just for one moment?

Mr. GROSS. The gentleman from Pennsylvania is trying to operate on my time.

I say again, Mr. Chairman, that it is hard to tell from the picture whether this individual is a male or female.

Mr. MORGAN. Mr. Chairman, if the gentleman will yield, I just want to tell the gentleman what happened to this particular individual if the gentleman from Iowa will only listen.

Mr. GROSS. Well, then suppose you tell me.

Mr. MORGAN. He is just like any other trainee who reports to an induction center. Some of them are not too good and do not look too good either. But, they make good soldiers. This boy worked down there and he went through his training. He was accepted as a volunteer and is now serving overseas in an entirely satisfactory manner.

Mr. GROSS. How did a character appearing like this get all the way out to Guam on the public payroll?

Mr. MORGAN. Mr. Chairman, if the gentleman will yield further, I have the highest regard for the gentleman from Iowa, but would the gentleman like to hear the facts in connection with this case?

Mr. GROSS. How did a man of this kind get from whatever center he came, clear out in the Pacific, to Guam, in this fashion? What kind of screening do they have in the Peace Corps?

Mr. MORGAN. Mr. Chairman, if the gentleman will yield further, I do not know all the details as to the procedures that are followed.

Mr. GROSS. Now, I want to read briefly from the hearings with respect to the pending amendment. This is testimony by the Subcommittee on Appropriations when the Peace Corps request for funds was before that body:

> Mr. Passman. Are the Peace corpsmen subject to draft?
>
> Mr. Vaughn. Yes, they are.
>
> Mr. Passman. How many have been drafted out of the Peace Corps into the armed services?
>
> Mr. Vaughn. We have had eight drafted out and brought back from overseas, of whom two flunked their physical and rejoined the Peace Corps.
>
> Mr. Passman. Out of how many?
>
> Mr. Vaughn. Out of 27,419 as of March 31, 1967.
>
> Mr. Passman. You mean 6,000 or six Peace corpsmen?
>
> Mr. Vaughn. Six.
>
> Mr. Passman. Just six?
>
> Mr. Vaughn. Who have been drafted during the time of their Peace Corps service.

Continuing to read from the hearings:

> Mr. Passman. What is their record for enlisting in the armed services after they return? Do you have any statistics on that?
>
> Mr. Vaughn. We estimate approximately 210 have entered the armed forces after they finished the Peace Corps service.
>
> Mr. Passman. 210 out of how many?
>
> Mr. Vaughn. 210 out of 8,000 males who have come back.

Then, Mr. Chairman, the distinguished gentlewoman from Illinois [Mrs. Reid] asked this question:

> Do you have the percentage of those who have completed their military training before they went into the Peace Corps? Could you place that in the record?
>
> Mr. Vaughn. We will try to.

Listen to this:

> There is no way to arrive at an exact number of returned Peace Corps volunteers who first served in the military without checking each individual application. However, from past samples, we estimate the percentage to be approximately 25 percent.

Mr. Chairman, are we to believe that a man makes an application for service in the Peace Corps and is not asked to list his previous military service, if any? Can this be possible?

Mr. Chairman, I urge the adoption of the amendment, for it is perfectly clear from this testimony that neither the director of the Peace Corps nor any of his lieutenants are high-pressuring Selective Service into granting deferments to this outfit.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Missouri [Mr. Hall].

The question was taken; and on a division (demanded by Mr. Hall) there were—ayes 31, noes 68.

So the amendment was rejected.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I will take but a minute to say that the motion to recommit will contain the amendment which I previously offered to cut the authorization to $105 million, which is the amount the House voted a few days ago in the appropriation bill for the Peace Corps.

It will also contain the amendment which was offered by the gentleman from Missouri [Mr. Hall] to stop officials of the Peace Corps from bringing pressure on the Director of Selective Service to defer from the draft members of the Peace Corps. There is absolutely no reason why Peace Corps members should be deferred while others in all walks of life are compelled to serve in the Armed Forces.

Mr. MORGAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I should like to say to those members of the Committee who were not here when the Gross amendment was discussed, and it was discussed fully, that the Senate has not decided on the $105 million. It is not a fixed figure. This limitation would further reduce the number of volunteers below the number for last year.

Therefore, Mr. Chairman, I hope that the motion to recommit will be voted down so that the Peace Corps will have an opportunity to operate along the lines requested by the Peace Corps administration.

Mr. GALLAGHER. Mr. Chairman, will the gentleman yield?

Mr. MORGAN. I yield to the gentleman from New Jersey.

Mr. GALLAGHER. I thank the gentleman for yielding.

Mr. Chairman, I would like to say with regard to the picture the gentleman has painted that we have a report on how that young man has fared, and I would like to read that:

> Our "recognized young business advisor" has managed to gain the highest score in the latest FSI test—a "2" in the Russian language, he is the top participant in the Economic Development program here on Udot, he is loved by the people in his village, he has translated American songs into Kusaian—he will make an excellent Volunteer. I cannot help but wonder how many glass houses are represented by the various individuals and groups mentioned in your letter.

So I really do not believe we ought to judge a book merely upon the covers of the book. This man, like many young men we meet, needed a haircut, but who really, deep down, has performed an outstanding service, and is a very useful American.

The CHAIRMAN. Are there additional amendments to be offered?

If not, under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (S. 1031) to amend further the Peace Corps Act (75 Stat. 612), as amended, pursuant to House Resolution 980, he reported the bill back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the third reading of the bill.

The bill was ordered to be read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GROSS. I am, Mr. Speaker, in its present form.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

> Mr. GROSS moves to recommit the bill S. 1031 to the Committee on Foreign Affairs, with instructions to report the same back to the House forthwith with the following amendments: On the first page, line 6, strike out "$115,700,000" and insert in lieu thereof "$105,000,000".
>
> And on page 1, line 7, strike out the period and insert in lieu thereof a semicolon and add the following: "*Provided further*, That none of the funds authorized by this Act shall be paid to any official or employee of the Peace Corps who attempts to secure the deferment, on account of service in the Peace Corps of any volunteer, leader or trainee, serving in the Peace Corps from any obligations or duties under the provisions of the Universal Military Training and Service Act."

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER. Evidently, a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 141, nays 204, not voting 87, as follows:

[Roll No. 406]

YEAS—141

Abernethy
Adair
Andrews, N. Dak.
Ashbrook
Ayres
Baring
Battin
Bennett
Betts
Bevill
Blackburn
Bolton
Bow
Brinkley
Brotzman
Brown, Ohio
Broyhill, Va.
Burke, Fla.
Byrnes, Wis.
Carter
Casey
Cederberg
Clancy
Clausen, Don H.
Colmer
Cramer
Cunningham
Curtis
Davis, Ga.
Davis, Wis.
Denney
Devine
Dickinson
Dole
Dorn
Dowdy
Downing
Duncan
Eshleman
Everett
Fino
Fisher
Ford, Gerald R.
Fulton, Pa.
Galifianakis
Gardner
Gathings
Gettys
Goodling
Gross
Grover
Haley
Hall
Hardy
Harrison
Harsha
Henderson
Hosmer
Hull
Hunt
Hutchinson
Ichord
Jarman
Johnson, Pa.
Jonas
Jones, N.C.
King, N.Y.
Kornegay
Kuykendall
Laird
Langen
Latta
Lennon
Lipscomb
Lloyd
Long, La.
Lukens
McCulloch
McDonald, Mich.
McEwen
Marsh
May
Michel
Miller, Ohio
Minshall
Mize
Montgomery
Myers
Nichols
O'Konski
Passman
Pelly
Pettis
Poage
Poff
Pool
Price, Tex.
Quillen
Randall
Rarick
Reid, Ill.
Reifel
Reinecke
Roberts
Rogers, Fla.
Roth
Roudebush
Satterfield
Saylor
Schadeberg
Scherle
Schneebeli
Scott
Selden
Shriver
Sikes
Skubitz
Smith, Calif.
Smith, Okla.
Snyder
Springer
Steiger, Ariz.
Stuckey
Taylor
Teague, Tex.
Thompson, Ga.
Tuck
Wampler
Watkins
Watson
Watts
Whalley
White
Whitener
Whitten
Williams, Pa.
Wilson, Bob
Winn
Wylie
Zion
Zwach

NAYS—204

Adams
Addabbo
Albert
Anderson, Tenn.
Ashley
Barrett
Bell
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brasco
Brock
Brown, Mich.
Broyhill, N.C.
Buchanan
Burke, Mass.
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Cahill
Carey
Cleveland
Cohelan
Collier
Conable
Conte
Culver
Daniels
Dawson
de la Garza
Dellenback
Derwinski
Dingell
Donohue
Dow
Dulski
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Fallon
Farbstein
Feighan
Flood
Foley
Ford, William D.
Fraser
Frelinghuysen
Friedel
Gallagher
Garmatz
Giaimo
Gibbons
Gilbert
Gonzalez
Gray
Green, Oreg.
Green, Pa.
Griffiths
Gubser
Gude
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Helstoski
Hicks
Horton
Howard
Irwin
Jacobs
Joelson
Johnson, Calif.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
Kirwan
Kleppe
Kluczynski
Kupferman
Kyros
Leggett
Long, Md.
McCarthy
McClory
McClure
McDade
McFall
Macdonald, Mass.
MacGregor
Machen
Madden
Mailliard
Mathias, Calif.
Matsunaga
Mayne
Meeds
Meskill
Miller, Calif.
Minish
Mink
Monagan
Moorhead
Morgan
Morris, N. Mex.
Morton
Mosher
Multer
Murphy, Ill.
Murphy, N.Y.
Natcher
Nedzi
Nix
O'Hara, Ill.
O'Hara, Mich.
Olsen
O'Neill, Mass.
Ottinger
Patman
Patten
Pepper
Perkins
Philbin
Pike
Pirnie
Price, Ill.
Pryor
Pucinski
Quie
Railsback
Rees
Reid, N.Y.
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Robison
Rogers, Colo.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Scheuer
Schweiker
Sisk
Slack
Smith, Iowa
Smith, N.Y.
Stafford
Staggers
Stanton
Steed
Steiger, Wis.
Stratton
Stubblefield
Sullivan
Taft
Talcott
Teague, Calif.
Tenzer
Thompson, N.J.
Tiernan
Tunney
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Walker
Whalen
Wolff
Wyatt
Wydler
Wyman
Young
Zablocki

NOT VOTING—87

Abbitt
Anderson, Ill.
Andrews, Ala.
Annunzio
Arends
Ashmore
Aspinall
Bates
Belcher
Berry
Blanton
Bray
Brooks
Broomfield
Brown, Calif.
Burleson
Cabell
Celler
Chamberlain
Clark
Clawson, Del
Conyers
Corbett
Corman
Cowger
Daddario
Delaney
Dent
Diggs
Dwyer
Eckhardt
Edmondson
Edwards, La.
Evins, Tenn.
Fascell
Findley
Flynt
Fountain
Fulton, Tenn.
Fuqua
Goodell
Gurney
Hagan
Halleck
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Holland
Hungate
Jones, Ala.
Jones, Mo.
Kyl
Landrum
McMillan
Mahon
Martin
Mathias, Md.
Mills
Moore
Morse, Mass.
Moss
Nelsen
O'Neal, Ga.
Pickle
Pollock
Purcell
Resnick
Rivers
Rodino
St. Onge
Schwengel
Shipley
Stephens
Thomson, Wis.
Udall
Utt
Waggonner
Widnall
Wiggins
Williams, Miss.
Willis
Wilson, Charles H.
Wright
Yates

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Hébert for, with Mr. St. Onge against.

Mr. Hagan for, with Mr. Dent against.

Mr. Fountain for, with Mr. Annunzio against.

Mr. Ashmore for, with Mr. Brooks against.

Mr. Waggonner for, with Mr. Delaney against.

Mr. Abbitt for, with Mr. Daddario against.

Mr. McMillan for, with Mr. Holifield against.

Mr. O'Neal of Georgia for, with Mr. Rodino against.

Mr. Andrews of Alabama for, with Mr. Charles H. Wilson against.

Until further notice:

Mr. Aspinall with Mr. Arends.

Mr. Corman with Mr. Mathias of Maryland.

Mr. Edmondson with Mr. Anderson of Illinois.

Mr. Evins of Tennessee with Mr. Moore.

Mr. Fascell with Mr. Blanton.

Mr. Holland with Mrs. Heckler of Massachusetts.

Mr. Rivers with Mr. Bates.

Mr. Shipley with Mr. Pollock.

Mr. Edwards of Louisiana with Mr. Gurney.

Mr. Celler with Mrs. Dwyer.

Mr. Burleson with Mr. Berry.

Mr. Willis with Mr. Del Clawson.

Mr. Mills with Mr. Widnall.

Mr. Clark with Mr. Corbett.

Mr. Cabell with Mr. Morse of Massachusetts.

Mr. Yates with Mr. Broomfield.

Mr. Pickle with Mr. Chamberlain.

Mr. Flynt with Mr. Cowger.

Mr. Fulton of Tennessee with Mr. Goodell.

Mr. Fuqua with Mr. Findley.

Mr. Purcell with Mr. Schwengel.

Mr. Moss with Mr. Kyl.

Mr. Wright with Mr. Martin.

Mr. Brown of California with Mr. Diggs.

Mr. Udall with Mr. Nelsen.

Mr. Hungate with Mr. Utt.

Mr. Hays with Mr. Thomson of Wisconsin.

Mrs. Hansen of Washington with Mr. Wiggins.

Mr. Stephens with Mr. Mahon.

Mr. Herlong with Mr. Halleck.

Mr. Jones of Alabama with Mr. Bray.

Mr. Landrum with Mr. Belcher.

Mr. Resnick with Mr. Conyers.

Mr. QUIE and Mr. KEITH changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

Mr. GERALD R. FORD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 312, nays 32, not voting 88, as follows:

[Roll No. 407]

YEAS—312

Adair
Adams
Addabbo
Albert
Anderson, Tenn.
Andrews, N. Dak.
Ashbrook
Ashley
Ayres
Barrett
Battin
Bell
Bennett
Betts
Biester
Bingham
Blackburn
Blatnik
Boggs
Boland
Bolling
Bolton
Bow
Brademas
Brasco
Bray
Brinkley
Brock
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burton, Calif.
Burton, Utah
Bush
Button
Byrne, Pa.
Byrnes, Wis.
Cahill
Carey
Casey
Cederberg
Clancy
Clausen, Don H.
Cleveland
Cohelan
Collier
Conable
Conte
Cramer
Culver
Cunningham
Curtis
Daddario
Daniels
Davis, Ga.
Davis, Wis.
Dawson
de la Garza
Dellenback
Denney
Derwinski
Dickinson
Dingell
Dole
Donohue
Dow
Downing
Dulski
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fallon
Farbstein
Feighan
Fino
Flood
Foley
Ford, Gerald R.
Ford, William D.
Fraser
Frelinghuysen
Friedel
Fulton, Pa.
Galifianakis
Gallagher
Gardner
Garmatz
Gettys
Giaimo
Gibbons
Gilbert
Gonzalez
Goodling
Gray
Green, Oreg.
Green, Pa.
Grover
Gubser
Gude
Halpern
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hardy
Harrison
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Helstoski
Henderson
Hicks
Horton
Hosmer
Howard
Hunt
Hutchinson
Irwin
Jacobs
Jarman
Joelson
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Karsten
Karth
Kastenmeier
Kazen
Kee
Keith
Kelly
King, Calif.
Kirwan
Kleppe
Kluczynski
Kornegay
Kupferman
Kuykendall
Kyros
Laird
Langen
Latta
Leggett
Lennon
Lloyd
Long, Md.
Lukens
McCarthy
McClory
McClure
McCulloch
McDade
McDonald, Mich.
McEwen
McFall
Macdonald, Mass.
MacGregor
Machen
Madden
Mailliard
Marsh
Mathias, Calif.
Matsunaga
May
Mayne
Meeds
Meskill
Michel
Miller, Calif.
Miller, Ohio
Minish
Mink
Minshall
Mize
Monagan
Moorhead
Morgan
Morris, N. Mex.
Morse, Mass.
Morton
Mosher
Multer
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nichols
Nix
O'Hara, Ill.
O'Hara, Mich.
O'Konski
Olsen
O'Neill, Mass.
Ottinger
Patman
Patten
Pelly
Pepper
Perkins
Pettis
Philbin
Pike
Pirnie
Poff
Price, Ill.
Price, Tex.
Pryor
Pucinski
Quie
Railsback
Randall
Rees
Reid, Ill.
Reid, N.Y.
Reifel
Reinecke
Reuss
Rhodes, Ariz.
Rhodes, Pa.
Riegle
Robison
Rogers, Colo.
Rogers, Fla.
Ronan
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Roth
Roudebush
Roush
Roybal
Rumsfeld
Ruppe
Ryan
St Germain
Sandman
Satterfield
Schadeberg
Scherle
Scheuer
Schneebeli
Schweiker
Scott
Selden
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Smith, Okla.
Snyder
Springer
Stafford
Staggers
Stanton
Steed
Steiger, Ariz.
Steiger, Wis.
Stratton
Stubblefield
Sullivan
Taft
Talcott
Taylor
Teague, Calif.
Tenzer
Thompson, Ga.
Thompson, N.J.
Tiernan
Tunney
Ullman
Van Deerlin
Vander Jagt
Vanik
Vigorito
Waldie
Walker
Wampler
Watson
Watts
Whalen
Whalley
White
Whitener
Williams, Pa.
Wilson, Bob
Wilson, Charles H.
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Zablocki
Zion
Zwach

NAYS—32

Abernethy
Baring
Bevill
Carter
Colmer
Dorn
Dowdy
Duncan
Everett
Fisher
Gathings
Gross
Haley
Hall
Harsha
Hull
Ichord
Lipscomb
Long, La.
Montgomery
Passman
Poage
Pool
Quillen
Rarick
Roberts
Saylor
Stuckey
Teague, Tex.
Tuck
Watkins
Whitten

NOT VOTING—88

Abbitt
Anderson, Ill.
Andrews, Ala.
Annunzio
Arends
Ashmore
Aspinall
Bates
Belcher
Berry
Blanton
Brooks
Broomfield
Brown, Calif.
Burleson
Cabell
Celler
Chamberlain
Clark
Clawson, Del
Conyers
Corbett
Corman
Cowger
Delaney
Dent
Devine
Diggs
Dwyer
Eckhardt
Edmondson
Edwards, La.
Evins, Tenn.
Fascell
Findley
Flynt
Fountain
Fulton, Tenn.
Fuqua
Goodell
Griffiths
Gurney
Hagan
Halleck
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Holland
Hungate
Jones, Ala.
Jones, Mo.
King, N.Y.
Kyl
Landrum
McMillan
Mahon
Martin
Mathias, Md.
Mills
Moore
Moss
Nelsen
O'Neal, Ga.
Pickle
Pollock
Purcell
Resnick
Rivers
Rodino
Rostenkowski
St. Onge
Schwengel
Shipley
Stephens
Thomson, Wis.
Udall
Utt
Waggonner
Widnall
Wiggins
Williams, Miss.
Willis
Wright
Yates
Young

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. St. Onge for, with Mr. Hébert against.

Mr. Delaney for, with Mr. Waggonner against.

Mr. Annunzio for, with Mr. Andrews of Alabama against.

Mr. Rodino for, with Mr. Abbitt against.

Mr. Brooks for, with Mr. Ashmore against.

Mr. Dent for, with Mr. Hagan against.

Mr. Holifield for, with Mr. McMillan against.

Until further notice:

Mr. Aspinall with Mr. Arends.

Mr. Corman with Mr. Mathias of Maryland.

Mr. Edmondson with Mr. Anderson of Illinois.

Mr. Evins of Tennessee with Mr. Moore.

Mr. Fascell with Mr. Blanton.

Mr. Holland with Mrs. Heckler of Massachusetts.

Mr. Rivers with Mr. Bates.

Mr. Shipley with Mr. Pollock.

Mr. Edwards of Louisiana with Mr. Gurney.

Mr. Celler with Mrs. Dwyer.

Mr. Burleson with Mr. Berry.

Mr. Willis with Mr. Del Clawson.

Mr. Mills with Mr. Widnall.

Mr. Clark with Mr. Corbett.

Mr. O'Neal of Georgia with Mr. Belcher.

Mr. Yates with Mr. Broomfield.

Mr. Pickle with Mr. Chamberlain.

Mr. Flynt with Mr. Cowger.

Mr. Fulton of Tennessee with Mr. Goodell.

Mr. Fuqua with Mr. Findley.

Mr. Purcell with Mr. Schwengel.

Mr. Moss with Mr. Kyl.

Mr. Wright with Mr. Martin.

Mr. Brown of California with Mr. Diggs.

Mr. Udall with Mr. Nelsen.

Mr. Hungate with Mr. Utt.

Mr. Hays with Mr. Thomson of Wisconsin.

Mrs. Hansen of Washington with Mr. Wiggins.

Mr. Stephens with Mr. Mahon.

Mr. Herlong with Mr. Halleck.

Mr. Williams of Mississippi with Mrs. Griffiths.

Mr. Jones of Alabama with Mr. Devine.

Mr. Landrum with Mr. King of New York.

Mr. Resnick with Mr. Conyers.

Mr. Young with Mr. Rostenkowski.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

WORK PLANS TRANSMITTED BY COMMITTEE ON PUBLIC WORKS

The SPEAKER laid before the House the following communication from the chairman of the Committee on Public Works which was referred to the Committee on Appropriations:

Committee on Public Works,
House of Representatives,
Washington, D.C., November 20, 1967.
Hon. John W. McCormack,
The Speaker, House of Representatives,
Washington, D.C.

Dear Mr. Speaker: Pursuant to the provisions of Section 2 of the Watershed Protection and Flood Prevention Act, as amended, the Committee on Public Works has approved the work plans transmitted to you which were referred to this committee. The work plans involved are the following:

Oklahoma: Lower Black Bear Creek Watershed, Executive Communication No. 1179; committee approval, November 9, 1967.

Oklahoma: Dumpling-Beaver Creek Watershed, Executive Communication No. 1179; committee approval, November 9, 1967.

Texas: Mill Creek Watershed, Executive Communication No. 1179; committee approval, November 9, 1967.

Virginia: Mountain Run Watershed (Supplemental), Executive Communication No. 1179; committee approval, November 9, 1967.

Mississippi: Richland Creek Watershed, Executive Communication No. 1179; committee approval, November 9, 1967.

Florida: Pond Creek Watershed, Executive Communication No. 1179; committee approval, November 9, 1967.

Georgia: Yellowjacket Creek Watershed, Executive Communication No. 1179; committee approval, November 9, 1967.

Oklahoma and Kansas: Cotton-Coon-Mission Creek Watershed, Executive Communication No. 1179; committee approval November 9, 1967.

Sincerely yours,
George H. Fallon,
Member of Congress, Chairman.

GENERAL LEAVE TO EXTEND

Mr. MORGAN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the Record on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 408]

Abbitt
Anderson, Tenn.
Andrews, Ala.
Annunzio
Arends
Ashmore
Aspinall
Bates
Belcher
Berry
Blanton
Brooks
Broomfield
Brown, Calif.
Burleson
Cabell
Celler
Chamberlain
Clark
Clawson, Del
Cohelan
Conyers
Corbett
Corman
Cowger
Delaney
Devine
Diggs
Edmondson
Edwards, La.
Everett
Evins, Tenn.
Fascell
Findley
Flynt
Fountain
Fulton, Tenn.
Fuqua
Goodell
Gurney
Hagan
Halleck
Hanna
Hansen, Wash.
Hays
Hébert
Heckler, Mass.
Herlong
Holifield
Holland
Hungate
Jones, Ala.
Jones, Mo.
Kyl
Landrum
Martin
Mills
Moore
Moss
Nelsen
O'Neal, Ga.
Passman
Pickle
Pike
Pollock
Pool
Purcell
Resnick
Rivers
Rodino
St. Onge
Schwengel
Shipley
Stephens
Thomson, Wis.
Udall
Utt
Widnall
Wiggins
Williams, Miss.
Willis
Wright
Yates

The SPEAKER. On this rollcall, 344 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXTENSION OF EMERGENCY PROVISIONS OF URBAN MASS TRANSPORTATION PROGRAM

Mr. BARRETT. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 859) extending for 1 year the emergency provisions of the urban mass transportation program.

The SPEAKER. The question is on the motion offered by the gentleman from Pennsylvania.

The motion was agreed to.

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of House Joint Resolution 859, with Mr. Natcher in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania [Mr. Barrett] will be recognized for 30 minutes, and the gentleman from New York [Mr. Fino] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. Barrett].

Mr. BARRETT. Mr. Chairman, there is no money involved in this. It is just an extension from November 1, 1967, until November 1, 1968.

Mr. Chairman, the resolution before us was reported by the Committee on Banking and Currency without a dissenting vote. It extends for 1 additional year an important provision of the basic mass transit program which expired on November 1.

Mr. Chairman, the Mass Transportation Act of 1964 authorizes two-thirds grants for local transit projects provided that the area meets certain rather extensive planning requirements. In recognition of the fact that few cities could meet these planning requirements immediately and that considerable time is required to develop adequate plans, the law authorized reduced grants of 50 percent for urgently needed projects in communities which were in the process of planning but which had not completed the work. Even in these cases, the law requires that comprehensive planning be underway.

The 1964 act recognized that a transportation crisis exists in many cities. In spite of the vital importance of local mass transit, many communities are faced today with a substantial curtailment or outright loss of service, because the farebox cannot support the cost of necessary replacement and new investment.

For example, if the pending grant application of the Massachusetts Bay Transportation Authority for a project which includes acquisition of the principal assets of the Eastern Massachusetts Street Railway Co. cannot be processed under the emergency provisions, it seems very likely that Eastern Massachusetts will be forced to discontinue service due to steadily increasing operating losses. If that happens, a large portion of Massachusetts surrounding the Metropolitan Boston area will be without bus service.

Similarly, if a pending joint application of the Connecticut Transportation Authority and the Metropolitan Commuter Transportation Authority of New York for a capital grant to modernize and rehabilitate commuter rail service on the New Haven Railroad between New Haven and New York City cannot be approved under the emergency provisions, there is serious and immediate danger that the trustees in bankruptcy who have been operating this service at substantial annual losses for a number of years will request and receive permission from the district court and the Interstate Commerce Commission to discontinue such rail commuter operation. This would create a major crisis in the New York metropolitan area by vastly increasing the traffic load on the already overburdened area highway system.

Similar situations of urgent need and imminent danger of loss of service prevail in Binghamton and Rome, N.Y.; in Altoona, Pa.; in Fort Wayne, Ind.; in Santa Barbara, Calif.; in Oklahoma City; in Monroe, La.; and Hot Springs, Ark.; and none of these cities appear to be able to meet the full planning requirements for at least 1 year.

The administration last spring recommended that the provision be extended through June 30, 1969, but this resolution does not go quite that far so that the Congress will have a further chance to review the program before that date.

Mr. Chairman, the mass transit problems facing our cities are grave indeed and we must give them every possible support in helping toward their solution. I urge all of my colleagues on both sides of the aisle to adopt the resolution by an overwhelming vote so that the 50 percent grant program can be reactivated very soon and give assurance to our cities and towns that the Congress realizes the seriousness of the transit problems facing them, as well as the necessity of extending a helping hand from their Federal Government.

Mr. Chairman, I ask unanimous consent that the gentleman from Texas [Mr. Patman] may extend his remarks at this point in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. PATMAN. Mr. Chairman, House Joint Resolution 859, is a simple but very important piece of legislation for the many hundreds of cities and towns around our country. This resolution would simply extend for 1 year—until November 1, 1968—section 5 of the Urban Mass Transportation Act of 1964.

The landmark Urban Mass Transportation Act of 1964 for the first time provided Federal assistance to urban mass transportation systems located in both large and small urban areas. It provided funds for acquiring and improving equipment, research, development, and construction of new mass transit facilities up to two-thirds of the net project costs, or that portion that could not be financed from fare box revenues. In order to receive these grants, localities had to fulfill requirements for areawide comprehensive planning and an areawide mass transportation program.

Many of our towns and cities could not meet these planning requirements immediately, so for this reason section 5 of the program was enacted. Section 5, or the emergency provision, authorized the Secretary of Housing and Urban Development to carry out an emergency program of grants to cover one-half of the net project costs in localities where planning was not complete but an urgent need for improvement of mass transit facilities was demonstrated.

Under this section 5 provision, 40 mass transit projects have been approved for Federal grants totalling $160 million. These figures represent 60 percent of the total grants made under the Urban Mass Transit Act.

The urban mass transportation program is not solely a program of grants to our large urban centers. Many of our smaller cities have participated and have received substantial grants, resulting in new and better mass transportation equipment and facilities. I can honestly say, Mr. Chairman, that our smaller towns and cities have benefited equally along with the larger cities, particularly under the provisions of section 5.

Many of our smaller towns and cities do not have the financial means or the technical manpower to complete areawide comprehensive planning. The fact that they cannot complete the planning requirements do not leave them out in the cold insofar as capital grants are concerned. They can and do participate under the 50-percent grant procedure of section 5. This provision of the Mass Transportation Act for which we are asking this one year extension continues to provide all our urban communities both large and small, the opportunity to operate better mass transit systems for our growing population.

Mr. Chairman, this section 5 emergency provision expired November 1 of this year. If we want to see our towns and cities continue to improve their mass transit systems, then this House Joint Resolution 859 must be passed. I believe that this program is essential; it is one of those programs that demonstrates that the Federal Government and local governments can act together as partners to improve our citizens' lives. Here speedier, safer, more comfortable, and less congestive transportation facilities can be provided for our cities and towns.

This resolution was reported out of the Honorable BILL BARRETT's Subcommittee on Housing unanimously and also by the full Committee on Banking and Currency unanimously and I would urge the House to act just as favorably this afternoon.

Mr. BARRETT. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. GRAY].

(By unanimous consent, Mr. GRAY was allowed to speak out of order.)

VISITORS' CENTER ACT OF 1967

Mr. GRAY. Mr. Chairman, for the benefit of Members who are here, I should like to announce that the National Visitors' Center Act of 1967 will be put over until Monday next.

I do want to take just a moment to say that this is a very important piece of legislation. There were 15 million people who came to the Nation's Capital last year. Of the 15 million, less than 30 percent were guided through this Capitol Building, as an example. Most of them left frustrated. They could not find places to park or even get a drink of water.

Five million schoolchildren came here and could not find a place to gather and learn about their Government or a decent place to eat.

This is a very, very important piece of legislation that does not require any Federal funds for providing these facilities. The railroads will put up all of the money to modernize Union Station, provide parking, and a new modern train station and the National Park Service will lease it. The revenue will be recouped from parking fees and the sale of food and other goods and services, to pay the annual lease payments.

I am making this statement here tonight out of respect for the Members who have schedules and want to leave, that we are putting over until Monday, this important piece of legislation so that it can be fully understood and fully discussed. It will affect the image of our Government and certainly the lives of millions of Americans and foreign visitors who come here each year. I hope all Members can be here Monday to take part in this historic legislation.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BARRETT. Mr. Chairman, I yield the gentleman 1 additional minute.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I am delighted to yield to the gentleman from Virginia.

Mr. HARDY. I would suggest to the gentleman that if he could find a way to get the matter brought to a vote right now, I believe we could pass it.

Mr. GRAY. I am willing. I thank my friend.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GRAY. I am delighted to yield to my friend, the gentleman from Iowa.

Mr. GROSS. I have been here a few years, and I have heard others who have taken the well of the House say that certain projects were not going to cost the Federal taxpayers any money, and they all turned out costing them money.

Mr. GRAY. I gave the gentleman a copy of the hearings, and the hearings are replete with testimony that no funds are to be spent on construction. The bill is self explanatory, that there cannot be a dime spent until the facility is ready for public use, and the day we start paying the rent we start recouping revenues from parking and the sale of goods and services.

I might say to my friend that the people from Iowa who come here and sit in the gallery and who visit Washington and who cannot find places to park and do not know where to go and what to see, are just as frustrated as the people from any place else in the country. I want to say to the gentleman, I am indeed surprised and disappointed that he would be opposed to such a bill.

If I have remaining time, I shall be delighted to yield to the gentleman further.

Mr. GROSS. I am delighted to hear the gentleman express sympathy for the people of Iowa. I had not noted it previous to this date.

Mr. GRAY. Wait a minute, now. I want the gentleman to understand, as a member of the Public Works Committee, we were very sympathetic on that flood-control project at Waterloo, Iowa, last year. Your people were covered with water and we authorized it. Also, any other project that has ever been before the Committee on Public Works for the benefit of the people of Iowa has had sympathetic consideration of our Committee on Public Works. We shall continue to look out for the best interests of the people of all the States, including the State of Iowa. Will the gentleman please join us?

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. BARRETT].

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. BARRETT. Yes, I will be glad to yield to the gentleman from Missouri.

Mr. HALL. I would simply like to ask a question of the gentleman. The gentleman visited with me since the colloquy during the consideration of the rule which makes in order consideration of House Resolution 965. Also in response to a statement made by my colleague from Missouri who was handling the rule at the time, the gentleman from Pennsylvania offered to have hearings held in order to perfect any defects which might evolve or at least to consider any bill that we might submit toward amending section 13(c) of the Mass Transit Act.

We all know that we are here to extend for 1 year section 5 of the Mass Transit Act and that it would require a special rule to have amended 13(c). I certainly want to state that I will submit such legislation. I do not intend to prolong the debate tonight. I appreciate the attitude of the gentleman from Pennsylvania who has conditionally agreed to intercede in this particularly vexing case which brought this to my attention. He is certainly a gentleman and, as always, is a worthy chairman of this subcommittee.

Does the gentleman from Pennsylvania believe that it was ever intended that this section 13(c) about which we have talked in the Committee on Rules and on the floor of the House when this bill was up for suspension should be used to obtain for employees any new rights not previously existing before and contemplated in the HUD Federal grant for improving mass transit?

Mr. BARRETT. I want to say to the gentleman that that is the thing that I am most concerned with here in having hearings on this bill as early as possible. I think that the gentleman is deserving of help and we want to give him help and we will as soon as possible at the right time. I will say that I will do everything I can to cooperate with him.

Mr. HALL. I appreciate that. Does the gentleman feel it was intended to insure that no rights were lost as a result of a takeover situation, for example, from a privately owned company by a municipally owned company subsequent to the passage of the Mass Transit Act? This does not apply to my home situation, because, as I said during the consideration of the rule, it has been a publicly owned transportation utility for over 21 years. Does the gentleman not agree with me that it was never intended to assure that no rights were lost as a result of the takeover situation?

Mr. BARRETT. I can assure the gentleman after we hold hearings you and I can certainly talk together on this and we will be able to answer these questions which seem to be very complicated.

Mr. HALL. I thank the gentleman for his consideration. I want to say I fail to understand how the Secretary of Labor could subrogate his authority to an outside, nongovernmental union or find that the acquisition himself of new buses or air conditioning would jeopardize the rights of any employees. It seems to me as though it would only bring more business and put them on a pay-as-you-go basis and make their jobs easier.

I thank the gentleman. Because under the Missouri law public utilities are precluded by the law, in the encoded statutes, from signing a collective-bargaining agreement with any such organization.

I thank the gentleman for yielding.

Mr. BARRETT. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Fino].

Mr. FINO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, realizing the lateness of the hour, I shall not consume much time, except to say that I join my colleague, the distinguished gentleman from Pennsylvania [Mr. Barrett] in requesting favorable consideration of this legislation.

In a nutshell, House Joint Resolution 859 would extend the emergency provisions of the urban mass transporation program for 1 year. The provision expired on November 1.

This extension is essential because the emergency provisions of the urban mass transportation program are in many ways the heart of the program. Grants under the emergency program are given for half of the cost of a transportation project instead of the usual two-thirds in situations where there is an immediate and pressing need for the grant. This is a great help to localities which have not yet met the areawide planning prerequisite of two-thirds grants. As anyone familiar with the pattern of mass transportation grants will admit, most of the grants made under the program are emergency grants. Only a minority of localities qualify for the two-thirds grants. Most communities are getting the 50-percent emergency provision grants.

I do not want to imply that the localities getting the 50-percent grants cannot qualify for the additional money. They can. They get 3 years to do so. But this does not change the fact that most of the original awards are made under the emergency provisions, and if these awards cannot be made, then most communities are going to find it difficult if not impossible to get Federal mass transportation money.

As our committee report states, the process of meeting the planning and programing requirements is particularly complex and time consuming. Many small communities do not have the necessary staff assistance. It may be that we will have to deemphasize some of these requirements, but for the moment, the needs of the mass transportation program are clear: it is imperative that we extend the emergency provisions of the program for another year.

I might point out that the people of the State of New York this past election voted in favor of a $2½ billion transportation bond issue. This is a clear indication of the people's desire to help themselves in pressing transportation problems.

If I may briefly discuss the entire mass transportation program, it seems in order to point out that this program works for towns both big and little. As a matter of fact, this emergency section of the program is most important to small- and medium-sized cities.

Therefore, I urge the Members of this House to lend their support to this legislation. It is essential to an important part of the mass transportation program.

Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Texas [Mr. Price].

Mr. PRICE of Texas. Mr. Chairman, the city of Amarillo, Tex., has been trying for more than a year now to obtain a grant under the Urban Mass Transportation Act of 1964 for new buses. The Amarillo Transit System is owned and operated by the city of Amarillo and under Texas law, the city cannot enter into a collective-bargaining contract with a labor organization respecting wages, hours, or conditions of employment of public employees.

The city manager and the city attorney of Amarillo have conferred and corresponded at length with officials of the Department of Housing and Urban Development and the Under Secretary of Labor, but to no avail.

The Amalgamated Transit Union insists that the city of Amarillo circumvent the law in order to comply with their demands. The city of Amarillo has refused to do this and has, therefore, been denied approval of the grant.

Mr. Chairman, I will insert in the Record at the conclusion of my remarks a letter and enclosures from Mr. John S. Stiff, city manager, city of Amarillo, Tex.

I would like to call particular attention to the comparison of pay and benefits of the former Amarillo Bus Co. and the Amarillo Transit System. It is obvious that the Amalgamated Transit Union is more interested in its bargaining rights, even to the point of circumventing Texas law or attempting to force a change in the law than they are in the pay and welfare of Amarillo transit workers. As the comparison shows, all pay and benefits are much better under the Amarillo Transit System than under Amarillo Bus Co.

The city of Amarillo did not sever any contract or agreement with the Amarillo Bus Co., but, rather, was served a 30-day notice of discontinuance of service with a nonnegotiable offer by the Amarillo Bus Co. to sell the system to the city. The city bought buses elsewhere for about half of the nonnegotiable offer and reluctantly went into the transit business.

The city is badly in need of improvements to the system and has made an honest effort to comply with the provisions of the Urban Mass Transportation Act of 1964 and has, in fact except for the ridiculous interpretation of section 13(c) by the Department of Labor.

Mr. Chairman, the city of Amarillo cannot negotiate with nonexistent employees of a nonexistent company and cannot, under Texas statutes, enter into a contract agreement with a labor union.

Amarillo Transit System employees have not, in fact, asked for anyone to represent them.

Section 13(c) should be amended to clarify the legislative intent and insure that administrative procedures comply with that intent.

The material referred to follows:

City of Amarillo, Tex.,
October 19, 1967.

Hon. Bob Price,
House Office Building,
Washington, D.C.

Dear Congressman Price: I had a nice visit with Nolan McKeon of your office on Monday of this week pertaining to the relationship of the City of Amarillo and the Department of Labor concerning the request by the City of Amarillo for a Grant under the Urban Transportation Act of 1964.

Last evening the radio and television stations in Amarillo carried items pertaining to this which made it appear as though the City of Amarillo had not pursued this request and that the fault was with us and not the Department of Labor. In order for you to be able to have the full background on our request, I am enclosing copies of letters and information which we have previously transmitted, as follows:

1. Letter dated December 1, 1966 to Mr. James J. Reynolds and an attachment showing employee benefits;
2. Letter dated January 3, 1967 to Mr. James J. Reynolds;
3. Letter dated January 3, 1967 to Mr. W. B. Hurd;
4. Letter of March 30, 1967 from Mr. James J. Reynolds, Under Secretary of Labor setting forth his decision on our request.

In addition to this correspondence, I am also enclosing copies of letters pertaining to Union correspondence from Amalgamated Transit Union to Mr. James J. Reynolds, Under Secretary of Labor, as follows:

5. Letter dated October 7, 1966 to Mr. Reynolds from Amalgamated Transit Union;
6. Letter dated October 10, 1966 to Mr. Reynolds from C. J. Taylor, City Attorney for the City of Amarillo;

7. Letter dated October 24, 1966 to Mr. Reynolds from the Amalgamated Transit Union;

8. Letter dated October 28, 1966 to Mr. Reynolds from the Amalgamated Transit Union.

I believe, after you have had time to read the above enclosures, you will concur that the U.S. Department of Labor did turn us down because we did not recognize the Union.

At any time anyone connected with the City of Amarillo may be of assistance to you in any way, please feel free to call on us.

Sincerely yours,

JOHN S. STIFF,
City Manager.

Enclosures.

CITY OF AMARILLO, TEX.,
December 1, 1966.

Re: City of Amarillo, Tex., application for a grant for purchase of bus equipment.

Mr. JAMES J. REYNOLDS,
Assistant Secretary of Labor, Department of Labor, Washington, D.C.

DEAR MR. REYNOLDS: We appreciate the courtesies extended to us in our meeting in your office on November 28, 1966, and we are enclosing a comparison of the employee benefits under the Amarillo Bus Company and under the Amarillo Transit System as created and operated by the City of Amarillo. The total cost on Page Three is based upon an employee with one to ten years of service.

We would like to call your attention again to Article 5154c of the Revised Civil Statutes of Texas which provides that no municipal corporation shall enter into a collective bargaining contract with a Labor organization respecting wages, hours, or conditions of employment of public employees. This statute also provides that any such contract entered into by a municipal corporation shall be null and void.

The public policy of the State of Texas has declared and by this statute is that it is against the public policy of this state for any municipal corporation to enter into a collective bargaining contract with a labor organization.

We would also like to call your attention to the fact that the Amarillo Bus Company was a private corporation that had entered into a collective bargaining contract with a labor organization for its employees. This company ceased operating its business in the City of Amarillo on November 27, 1966, at 6:00 A.M. Since this company no longer exists it may be that there is no collective bargaining contract in existence between the employees of this company and Amarillo Bus Company.

The Amarillo Transit System is a department of the City of Amarillo, Texas, and is a new transportation system unrelated to or connected with the old Amarillo Bus Company. All employees of the Amarillo Transit System are new employees and are governed by the personnel rules of the City of Amarillo. We are also enclosing a copy of our Personnel Rules.

There is no collective bargaining agreement in existence between any employees of the Amarillo Transit System and the City of Amarillo.

If you desire any further information on this matter, please contact the undersigned and we will be most happy to furnish you whatever information you desire.

Very truly yours,

JOHN S. STIFF,
City Manager.

COMPARISON OF AMARILLO BUS CO. AND AMARILLO TRANSIT SYSTEM EMPLOYEE BENEFITS

Benefit	Amarillo Bus Co.	Amarillo Bus Co. cost	Amarillo Transit System	Amarillo Transit System cost
Life insurance	$1,500 coverage	[1] $10.00	$3,000 coverage; employee pays $0.40 per month and remainder paid by Amarillo Transit System.	$19.32
Hospitalization and accident insurance	Employee pays $10.58 per month for coverage of himself and family	0	Employee covered at no cost. Employee pays $11.07 for coverage of his family.	58.92
Retirement	No benefit	0	If employee has not reached his 50th birthday, the Amarillo Transit System pays 10 percent of gross income into the TMRS and the employee pays 5 percent.	301.60
Sick leave	do		15 days per year. Unlimited accrual of sick leave and will pay up to 90 days upon termination at the rate of pay employee is making, and not at the rate it was accrued.	222.00
Annual leave	After 1 year, 6 days	69.60	1 to 10 years, 2 calendar weeks	148.00
	After 2 years, 7 days	81.20	10 to 20 years, 3 calendar weeks	222.00
	After 3 years, 8 days	92.80	20 years or over, 4 calendar weeks	296.00
	After 4 years, 9 days	104.40		
	After 5 years, 14 days	162.40		
Holidays	2 per year	23.20	6 per year. If employee works on a holiday, he is paid at regular pay and given an additional day of annual leave at full pay.	88.80
Social security	Paid by employer, at $3.65 per week (based on 60-hour week).	189.80	Paid by employer, at $3.11 per week (based on 40-hour week)	161.72
Overtime pay	Employee paid straight time for all overtime		Employee paid at the rate of time and one-half for work beyond 40 hours per week.	
Injury leave (includes first aid safety)	Covered by workmen's compensation. Paid by employer.		Paid full salary and all medical expenses up to 1 year and then guaranteed 60 percent of gross pay until retired on pension or returned to duty.	
Military leave	No benefit		Paid full salary up to 15 calendar days in addition to military compensation.	222.00
Jury leave	do		Paid full salary while serving as juror in addition to court pay	
Death leave	do		Up to 3 days' leave with pay for death in immediate family	44.40
Employee parking	None		Free employee parking	91.00
Seniority	No financial benefit (assignment posted according to seniority; vacation periods selected by seniority).		Awarded $2 per month for each year's service up to 25 years for seniority (assignments and vacation selections to be determined by transit manager).	$24.00
Transportation use	Employee and his family could ride on any Amarillo Bus Co. bus at any time at no charge.		Employee has free fare within limits of performing his duties	
Credit union	None		Services of the City Employee Federal Credit Union are available.	
Training and tuition	No benefit		Employee training conducted at city's expense. City will pay tuition for outside training if directly related to employee's job.	
Total cost		[2] $520.30		1,381.76

[1] Estimated.

[2] Plus workmen's compensation.

JANUARY 3, 1967.

Mr. JAMES J. REYNOLDS,
Assistant Secretary of Labor, Department of Labor, Washington, D.C.

Re: Application for capital grant, Urban Mass Transportation Act.

DEAR MR. REYNOLDS: The City of Amarillo is in urgent need of a decision in regard to our pending application for a grant under the Mass Transportation Act.

On December 1, 1966, I furnished you the information which you requested as the result of my visit with you in your office. Your earliest attention to this matter would be sincerely appreciated since our existing problems need immediate attention.

Yours very truly,

JOHN S. STIFF,
City Manager.

JANUARY 3, 1967.

Re: Application for capital grant, Urban Mass Transportation Act.

Mr. W. B. HURD,
Office of Transportation, Department of Health and Welfare, Urban Development, Housing and Home Finance Agency, Washington, D.C.

DEAR MR. HURD: The status of the request of the City of Amarillo for a grant under the Mass Transportation Act is urgently needed, since we have now been operating buses more than thirty days and have been forced to expend funds prior to being approved for participation through HUD.

It would be sincerely appreciated if you could give me the status of our request.

Very truly yours,

JOHN S. STIFF,
City Manager.

U.S. DEPARTMENT OF LABOR,
Washington, D.C., March 30, 1967.

Mr. JOHN STIFF,
City Manager, City of Amarillo, Tex.

DEAR MR. STIFF: This will confirm the information I gave you in our telephone conversation on March 27, 1967, regarding the application from the City of Amarillo for a grant under the Urban Mass Transportation Act of 1964.

As I explained, Section 13(c) of the Act requires that as a condition of Federal assistance, "fair and equitable arrangements are made, as determined by the Secretary of Labor, to protect the interests of employees affected by such assistance." The law further requires that "such protective arrangements shall include, without being limited to, such provisions as may be necessary for (1) the preservation of rights, privileges, and benefits (including continuation of pension rights and benefits) under existing collective bargaining agreements or otherwise; (2) the continuation of collective bargaining rights; (3) the protection of individual employees against a worsening of their positions with respect to their employment; (4) assurances of employment to employees of acquired mass transportation systems and priority of reemployment of employees terminated or laid off; and (5) paid training or retraining programs. Such arrangements shall include provisions protecting individual employees against a worsening of their positions with respect to their employment which shall in no event provide benefits less than those established pursuant to Section 5(2)(f) of the Act of February 4, 1887 (24 Stat. 379), as amended. The contract for the granting of any such assistance shall specify the terms and conditions of the protective arrangements."

In carrying out his responsibilities under the statute, the Secretary of Labor has encouraged the parties, that is the applicant and/or the operating company on the one hand and the representatives of the employees on the other, to develop mutually acceptable arrangements to protect the interests of employees who may be actually or potentially affected.

As you will note, under sub-section (2) above, there must be a guarantee of a continuation of collective bargaining rights, as well as the other requirements of Section 13(c) of the Act. *These requirements must be met, notwithstanding the existence of statutory impediments under State or local law.*

A number of States and municipalities have been able to overcome such impediments through adoption of one or another alternative which provides them with the necessary latitude to meet the requirements of the Federal statute within the limitations of local law. For example, transit authorities have been established in certain instances which are empowered to deal with employees in the same fashion as a private company. Other approaches call for the turning over of the operations of the system to a manager, or to a management company, which can act as the "employer-agent" of the governmental agency, and thus retain the private employment status of the employees.

A study of the instant case shows that none of the acceptable solutions is present. As I understand the facts, the City of Amarillo holds that under Texas law it cannot recognize or contract with the Amalgamated Transit Union and feels that it cannot establish an operating authority or engage an operating manager.

In our conversation and otherwise, the City has taken the position that the events which have transpired in Amarillo do not constitute a "takeover" of the private operations but were, in fact, the establishment of a new system to meet the needs of its citizens after the private operator ceased operations.

I am not in a position to dispute your judgment of the facts surrounding this matter or the motives of the City; however, it is our judgment that what has occurred was so intimately related to the original application for Federal assistance as to be part and parcel of the proposed project.

The situations in Dallas and in Abilene are not comparable with that in Amarillo. The Dallas takeover occurred prior to the effective date of the Act and the protections provided by the Act did not require the continuation of collective bargaining. In Abilene the City had been operating the system since November 1964 and the application was not filed until June 1966. In the case of Amarillo, the union maintained its representation until at least November 1966, which postdated the date of the application by a considerable period.

I have given this matter very serious consideration. I can see no course, under the circumstances, other than to find that the City of Amarillo is not eligible to receive the Federal assistance requested and I am so notifying the Department of Housing and Urban Development.

In closing, I want to make it perfectly clear that the Department of Labor stands ready to assist you in any way possible to meet the requirements of Section 13(c) of the Act; we cannot, however, approve an application which does not in any way reflect the requirements of the statute.

Sincerely,

James J. Reynolds,
Under Secretary of Labor.

Amalgamated Transit Union,
Washington, D.C., October 7, 1966.

Re application of the city of Amarillo, Tex., for a capital grant under the Urban Mass Transportation Act of 1964.

Hon. James J. Reynolds,
Assistant Secretary of Labor, Department of Labor, Washington, D.C.

Dear Mr. Reynolds: This is to advise you of the interest of our Amarillo Local Division 1424 in the above project.

This Local presently represents at least 21 employees of the Amarillo Bus Company who will be affected if federal assistance is granted.

We respectfully request that you furnish this office with such detailed information as can be made available regarding this project and that your approval under Section 13(c) of the Act be withheld, unless and until the city of Amarillo negotiates suitable employee protective arrangements with the A.T.U., as the duly authorized bargaining representative of the employees in question.

Sincerely yours,

John M. Elliott,
International President.

City of Amarillo, Tex.
October 10, 1966.

Re application of city of Amarillo, Tex., for a capital grant under the Urban Mass Transportation Act of 1964.

Hon. James J. Reynolds,
Assistant Secretary of Labor, Department of Labor, Washington, D.C.

Dear Mr. Reynolds: The City of Amarillo is in receipt of a letter dated October 7, 1966, from John M. Elliott, International President of the Amalgamated Transit Union, 5025 Wisconsin Avenue, N.W., Washington, D.C. 20016, in which he requests that your approval under Section 13(c) of the Act be withheld, unless and until the City of Amarillo negotiates suitable employee protective arrangements with the Amalgamated Transit Union as the duly authorized bargaining representative of the employees of Amarillo Bus Company in Amarillo, Texas.

We are at the present time negotiating with the Amarillo Bus Company on the matter of the purchase of said company by the City of Amarillo, and the City of Amarillo has made an application for a capital grant under the Urban Mass Transportation Act of 1964.

Your attention is called to Article 5154c of the Revised Civil Statutes of Texas, 1925, as amended, which prohibits the City of Amarillo from entering into a collective bargaining contract with any labor organization and from recognizing any labor organization as the bargaining agent for any group of public employees.

Please advise if the letter from John M. Elliott of the Amalgamated Transit Union will cause any delay in the consideration of the application of the City of Amarillo for a capital grant under the Urban Mass Transportation Act.

Very truly yours,

C. J. Taylor, Jr.,
City Attorney.

Amalgamated Transit Union,
October 24, 1966.

Hon. James J. Reynolds,
Assistant Secretary of Labor, Department of Labor, Washington, D.C.

Dear Mr. Reynolds: This is with further reference to the application of the city of Amarillo, Texas, for a capital grant under the Urban Mass Transportation Act of 1964.

Please be advised that on Tuesday, October 18, 1966, our International General Executive Board Member Connally and President Peek, of our Local Division 1424, met with Amarillo City Manager Stiff and City Attorney Taylor concerning the city's application to acquire the assets of the Amarillo Bus Company (which currently employs our members) and to operate such system as a department of the city under the control of a city commission.

The City Attorney took the position that the city was foreclosed from negotiating with us for suitable employee protections for our members whose jobs may be affected. He stated that Texas law prohibits the city from entering into a collective bargaining contract with any labor organization and from recognizing any labor organization as the bargaining representative for any group of public employees.

Our Union representatives pointed out that it is quite possible, Texas law notwithstanding, to meet the requirements of Sec. 13(c) concerning collective bargaining, through use of the so-called "Memphis formula" or other similar arrangements preserving our members' status as private employees, subject to the coverage of the federal labor laws.

The City Attorney responded that the city had no intention of resorting to such a subterfuge, by contract, to a private operator or otherwise, circumventing Texas state law. The city was, in turn, put on notice that the Union had no intention of permitting the city to circumvent any of the requirements of federal law, including these relating to the preservation of collective bargaining rights.

Please be advised, therefore, that any future good faith efforts on our part to enter into negotiations with the city for suitable employee protective arrangements are likely to prove fruitless, without your intervention and assistance.

In our view, the city should be informed without delay, that it cannot qualify for federal funds for this project if it does not make suitable arrangements to preserve the right of our members to engage in full collective bargaining.

You will recall that it was only upon denial of its original application, that the city of Albuquerque, New Mexico, found it necessary and desirable to make appropriate changes in New Mexico state law so that collective bargaining could continue.

Sincerely yours,

John M. Elliott,
International President.

Amalgamated Transit Union,
Washington, D.C., October 28, 1966.

Hon. James J. Reynolds,
Assistant Secretary of Labor, Department of Labor, Washington, D.C.

Dear Mr. Reynolds: We wish to report these further developments with regard to the application of the city of Amarillo, Texas, for a capital grant under the Urban Mass Transportation Act of 1964.

We are informed by our local representatives in Amarillo that the City has apparently abandoned altogether its plan to purchase the assets of the existing private company, Amarillo Bus Company, whose employees are represented by our Local Division 1424. Instead, the City has publicly announced that it proposes to set up its own public transit system to begin operations November 27 when the private employer is currently scheduled to suspend operations. It has also been announced that the City will obtain buses to operate the system from the Dallas Transit System. We do not, at the present time, know whether these arrangements with the City of Dallas are firm or whether they call for the lease or purchase of the buses involved.

Upon learning of the change in the City's plans, our International General Executive Board Member Connally and our Local Division President Peek had a meeting with Assistant City Manager Leland Nelson and City Attorney Taylor on Thursday, October 27, and discussed with them what effect this change in the City's plans would have upon the drivers' employment and the Union's representative status.

According to the City officials, the City proposes to offer jobs to the employees of the present Company, represented by our Local Union, as new employees, provided they can pass physical examinations and meet other qualifications imposed by the City. No assurances of employment have been given at this point to any of those now working for the private company. Those selected for employment with the City will be deprived of all their prior seniority credits and will begin as new men even though they may have had twenty-five or thirty years of prior service. Only those under fifty years of age on their employment date will be eligible to participate in the City's pension plan. Those hired will be given civil service status and will be required to process grievances in accordance with the City's regular practices under civil service rules.

The City's position continues to be that Texas state law forbids the City to recognize and deal with the Union as the bargaining representative of these employees, although it may be possible for the Union to participate in the grievance process to a limited extent. Employees wages will be unilaterally established by the City and raised from the present $1.40 an hour rate to $1.85.

The City indicated that it continues to be interested in obtaining federal assistance in aid of the transit system and apparently believes it will be enabled to avoid the requirements of Sec. 13(c) of the Act by revising its application so that it will no longer involve acquisition of the assets of the existing private operator.

We submit that neither the revision of this project to eliminate the acquisition of the private company nor any other change in the City's proposal for federal assistance under the Act can assist the City in its obvious efforts to circumvent the labor requirement of the Act, and in particular those relating to the continuation of collective bargaining rights.

The fact remains that under Sections 3(c) and 13(c) of the Act, as amended, no project may be approved for assistance unless fair and equitable arrangements have been made, as determined by the Secretary of Labor, to assure the continuation of any collective bargaining rights which existed or were otherwise available to employees on or after July 9, 1964, the effective date of the Act, and to avoid elimination or curtailment of any such rights. Section 13 requires, as a condition of "any assistance under section 3 of this Act" that the interests of affected employees be safeguarded by specific protective arrangements, inserted in the contract of assistance, which "shall include, without being limited to, such provisions as may be necessary for * * * (2) the continuation of collective bargaining rights * * *". Moreover, as stated by Sec. 3(c), "No financial assistance shall be provided under this Act to any State or local public body or agency thereof for the purpose, directly or indirectly, of acquiring any interest in, or purchasing any facilities or other property of, a private mass transportation company, or for the purpose of constructing, improving, or reconstructing any facilities or other property acquired (after the date of the enactment of this Act) from any such company * * * unless * * * (4) the Secretary of Labor certifies that such assistance complies with the requirements of section 13(c) of this Act."

Accordingly, Sections 3(c) and 13(c), by their very terms, expressly require the continuation of any collective bargaining rights existing on or after July 9, 1964 as a minimum condition of any federal assistance under the Act. Federal assistance "for the purpose directly or indirectly" of "constructing, improving, or reconstructing" any hitherto private mass transportation facilities, such as garage facilities, without continuing any collective bargaining rights which existed on the effective date of the Act or at any time thereafter, is prohibited.

The policy underlying these provisions was explained by one of their original sponsors, Senator Morse, in the Senate debates, as follows:

"In my judgment we cannot justify, as a matter of public policy, the use of federal dollars by a local community or a governmental unit thereof to be spent for development of a transit system, the expenditure of which would result in worsening the present collective bargaining rights of free labor which operates that transit system." (*Daily Congressional Record,* April 4, 1963, p. 5346).

In further defining the scope and substance of the protection accorded collective bargaining rights, Senator Morse flatly declared in debate that funds should not be available under the bill "to break the back of collective bargaining in any transit system now in operation" and that "if you have collective bargaining now," (i.e. on the effective date of the Act), collective bargaining would have to be continued to qualify for federal assistance. (*Daily Congressional Record,* April 4, 1963, p. 5346). Senator Morse added that "In rare cases in which local law prohibits collective bargaining, federal money would not be available, because it would be in conflict with the policy of the bill." (*Daily Congressional Record,* April 4, 1963, p. 5359). Thus, as properly interpreted, Sections 13(c) and 3(c) of the Act prohibit federal funds from being used to facilitate the destruction, directly or indirectly, of any collective bargaining relationship which existed on the effective date of the Act.

Nor is it significant that the City may no longer propose, in any revised application, to acquire the assets of Amarillo Bus Company. The language used by Congress in the labor protective provisions must be broadly construed in light of the congressional intent that in the transition from private to public ownership the federal government should not permit its funds to be used in a manner which would result in the destruction of collective bargaining rights and relationships.

We submit that it is altogether clear that the City has failed to meet the minimum standards required by Sec. 13(c) of the Act with regard to the preservation of collective bargaining rights. Nor has it made any provisions to comply with any other requirement of Sec. 13(c).

In the circumstances, this organization continues to believe that the city of Amarillo is not entitled to any federal assistance for this project or for any other project under the Urban Mass Transportation Act.

Sincerely yours,

EARLE W. PUTNAM,
General Counsel.

Mr. FINO. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Missouri [Mr. HALL].

Mr. HALL. Mr. Chairman, as the House knows, House Joint Resolution 859 originally was due to come before the House last month, under suspension of the rules. At that time, I indicated in a letter to all Members of the House that I was opposed to any further extension of section 5 of the Urban Mass Transportation Act unless a special rule could be obtained making in order an amendment to section 13(c) of the basic act, which delegates to the Secretary of Labor the authority to determine fair and equitable arrangements to protect the interests of employees affected by any Federal assistance.

In the CONGRESSIONAL RECORD of November 14, on page 32408, I detailed, under special orders of the House, the incredible circumstances that surrounded the efforts of the city of Springfield, Mo., to secure a Federal grant under the Mass Transportation Act.

As a result of my objections, the bill was pulled off the suspension calendar, and a rule finally obtained. Meanwhile, the authority to make 50-percent grants expired on November 1 of this year.

Anyone who has read the exchange of correspondence that I inserted in th CONGRESSIONAL RECORD last Tuesday can surely come to no other conclusion than that the Secretary of Labor, or those on his staff, is administering section 13(c) in a manner never intended by the Congress, and that he is also violating the Public Information Act of 1966 by his refusal to publish in the Federal Register the terms and conditions which he has arbitrarily established for compliance by grant applicants.

What is at stake, however, is not so much a question of whether the Secretary of Labor is violating the law, as it is whether a nongovernmental agency—in this case the nongovernmental International Amalgamated Transit Workers Union—can be delegated by a Federal agency with the authority to hold life or death power over a grant of Federal funds to a municipal transportation system? If the answer is "yes," an answer which would be confirmed by refusal of the House to consider an amendment to 13(c), then we have indeed reached a new low in the history of our Republic.

While Springfield, Mo., is the case at point, my investigations into this matter have revealed that other cities have encountered, or anticipate encountering, similar frustrations with the Secretary of Labor over this issue. They include the city of Chicago; Oklahoma City; Memphis, Tenn.; Yakima, Wash.; Amarillo and Dallas, Tex., to indicate only a few which have been called to our attention.

What is occurring is a travesty on justice and equity.

In Springfield, the transit system is municipally owned and has been since 1946. Under a decision by the Missouri supreme court, the board of city utilities is prohibited by law from entering into a collective-bargaining contract with a union.

Tentative approval for the city's application for a grant to purchase 16 buses, and air-condition other bus units, was tentatively approved by the Urban Transportation Administration, HUD, subject to the Secretary of Labor's certification under 13(c).

For months, no contact was made with the board of city utilities by the Secretary of Labor. Instead, after repeated inquiries, they were finally contacted by a representative of the international union. That contact consisted of his placing on the desk of city utilities' officials a proposed collective-bargaining contract. In essence city utilities' officials were told, "sign the contract, and you can get the Federal grant."

City utilities' officials were astonished for the union well knows that they are prohibited by State law from signing such a contract. For that matter, so does the Department of Labor.

The city has made every possible effort to find out what certification it must make to the Department of Labor, but they are repeatedly told in return, "to talk it over with the union, or to make us an offer."

And what kind of offer should they make? The Secretary of Labor does not say. Apparently these certifications are granted on an ad hoc basis, a procedure which surely violates the intent of the Public Information Act. By refusing to publish in the Federal Register, the substantive rules of procedure for compliance with the law, the Secretary of Labor creates a situation where city A and city B can make exactly the same proposal for a Federal grant, including assurances to comply with 13(c), and city A can be approved while city B's application is disapproved. This is the ultimate possibility under government by man, as practiced by the Secretary of Labor, instead of by law.

The amendment I would propose would simply add a new section to House Joint Resolution 859 to the effect that section 13(c) of the Urban Mass Transportation Act of 1964 is amended by adding at the end thereof the following new sentence: "No provision in conflict with a State or local law or ordinance shall be included in any such arrangements."

Is such an amendment germane to the House resolution which simply extends section 5 of the Urban Mass Transit Act? It is, if one considers that every applicant for Federal assistance under section 5 must comply with the arbitrary arrangements—or should I say nonarrangements—currently practiced by the Secretary of Labor. Without such amendment, or without some closer supervision and control by the Congress, the Secretary of Labor has and is exercising dictatorial powers making him the sole determinant of who gets a Federal grant and who does not, even though the basic program is administered by another Federal agency. The criteria he establishes are hidden away, deep in the darkest confines of the bureaucracy, available apparently only to an international union, and no one else.

It is an intolerable situation which Congress ought to resolve, and House Joint Resolution 859 offers the opportunity, the only opportunity, at this late stage in the Congress on which to act.

It was my hope that the House Committee on Rules would have made in order a special rule permitting such an amendment. I believe one of those who opposed such a rule was one of my colleagues from the State of Missouri, one of the States whose municipally owned transit system is being blocked from securing a grant because of the provision in State law against a collective-bargaining contract with public employees—Attorney General's ruling.

I appreciate the subcommittee chairman and ranking minority member agreeing to future hearings and substantive relief to this unintended situation.

Mr. EILBERG. Mr. Chairman, I wish to add my wholehearted support to the bill, House Joint Resolution 859, which would extend the emergency planning provisions of the Urban Mass Transportation Act of 1964, as amended, Public Law 88-365, for another year, until October 31, 1968. In the months since the prior resolution, House Joint Resolution 601, was passed, which extended these provisions to November 1, 1967, it has become quite clear that for effective planning under this act to take place, a further year's extension is entirely reasonable and necessary.

The emergency provision, in brief, permits financial assistance in the form of grants and loans to be made to States and local bodies in financing the acquisition and improvement of mass transportation services in urban areas even though all of the regular planning requirements have not been fully met. Basically, the legislation very wisely requires: First, that the facilities or equipment for which financial assistance is being sought are necessary to carry out a program for a unified or officially coordinated urban transportation system, and, second, that such a system must be part of the comprehensively planned development of the urban area. Congress, in passing the act in 1964, anticipated that funds could be granted where planning was underway until June 30, 1967, but that thereafter no grants or loans should be made unless the planning requirement had been fully complied with. This has proved to have been unduly optimistic. The difficulties in making areawide comprehensive plans have exceeded almost everyone's expectations.

In point of fact, by last June very few communities had been able to complete the comprehensive planning required for the long-range grants. It became apparent that nearly all of the $125,500,000 scheduled for mass transit capital improvements in the current fiscal year cannot be made available unless this emergency provision is extended.

Let me point to the situation in and around Philadelphia to illustrate my point. Philadelphia does itself have a plan, but it is part of a metropolitan area comprising many counties which have not yet completed their part in preparation of the regional comprehensive plan required by the act. Such a plan has to take into account land use, transportation, and economic and population projections throughout the metropolitan area. Such a plan involving many political jurisdictions naturally takes time. But without a completed plan, Philadelphia will get no funds for such mass transportation purposes as the new northeast subway line extension unless this resolution is passed, even though this project is entirely within the city and desperately needed. Anyone familiar with the transportation problems of this area must realize that the 50-percent grant for which Philadelphia would be eligible if this resolution is passed is vital in the city's strenuous endeavors to solve these problems.

I wish to assure my colleagues that this resolution is in no sense an attempt to circumvent the long-range planning requirement. It is only a provision, and a wise one, to provide for grants to be made when planning is in progress and where it is already clear that certain facilities and equipment are going to be needed for a transit system and where there is urgent need for the preservation or acquisition of these needed facilities. This resolution will prevent the whole transit aid program from stalling.

By passage of the Urban Mass Transportation Act, we have gotten off dead center in our efforts to solve the traffic problems of our cities. It would be tragic to lose the momentum of the past 3 years by failure to extend this emergency provision at once. The transportation problems of our cities are too critical to allow any further delays to the solutions which we are finally approaching. Therefore, I urgently request prompt passage of this resolution, which will permit the Department of Housing and Urban Development to proceed with needed grants for another year and give the metropolitan areas and their transportation authorities the time needed for them to formulate the comprehensive plans wisely required for eligibility for grants for long-range projects under the Urban Mass Transportation Act.

Mr. FEIGHAN. Mr. Chairman, I support House Joint Resolution 859, which extends for 1 year section 5 of the Urban Mass Transportation Act of 1964. This will permit transportation systems which have constructed and planned extensions to qualify for additional Federal grants after beginning emergency programs under this act.

It is vital to my home city of Cleveland, which is currently nearing completion of the first public transportation in the world that will connect its airport complex directly with the downtown area of the central city. When completed, the Cleveland system will permit an air traveler to reach the heart of Cleveland within 18 minutes. The passage of this joint resolution will enable funds to be available to permit land and air travel to serve the public in a joint effort with the Federal Government, and will not penalize those cities that began extensive programs in good faith under the 1964 act in anticipation of Federal assistance.

Mr. Chairman, the San Francisco-Oakland Bay area in recent months has witnessed the growing construction of the Bay Area Rapid Transit System, the first new system of its kind in the last 50 years.

This system is enormously expensive. It has been financed in part by one of the largest local bond issues of all time. Local communities and their residents have made a considerable sacrifice in order to obtain this system. And still there is a need for more financing. The Federal Government can and should help to meet this need.

Rapid transit may be expensive to build, but in the long run it is one of the best investments we can make. Such systems reduce automobile congestion, are safer, reduce air pollution, and add immeasurably to the ease and comfort of intracity travel and therefore to the growth of our communities.

We in the Congress have recognized the advantages of rapid transit and the need for Federal assistance of these systems. In the Urban Mass Transportation Act of 1964 we have created a program to foster mass rapid transit by providing Federal grants of up to two-thirds of the costs of the system which cannot be financed by operating revenues. In this act we have also recognized that not all of our communities will be able to meet the basic statutory requirement that there be an overall areawide plan before Federal money can be made available. Therefore we have provided an emergency program under which grants of 50 percent of the "net project cost" can be contributed without a master plan. Under this emergency provision, if a plan is submitted within 3 years, the grantee is then eligible to receive the full two-thirds Federal contribution.

This emergency authority expired on November 1 of this year. For the sake of the one major rapid transit system which is now underway, and for the many others which are in the contemplation and planning stages, it is imperative that we continue this emergency authority.

The committee has unanimously recommended extension of this authority. I join with them in urging that we grant this extension.

The daily commuters and our other smog-bothered constituents need and deserve a more comfortable existence. The extension of this emergency authority can help to provide it for them.

Mr. GALLAGHER. Mr. Chairman, the resolution we are considering today would extend until November 1, 1968, the expiration date for the emergency mass transportation grant program authorized by section 5 of the 1964 Urban Mass Transportation Act.

These emergency provisions allow grants of 50 percent, rather than the regular two-thirds of total project cost, to cities and localities for development and construction of mass transportation facilities. These emergency provisions are a recognition that many cities and urban areas have not yet been able to complete comprehensive planning required for the usual two-thirds grants provided by the regular sections of the Urban Mass Transportation Act. These provisions serve as a stopgap measure to allow city mass transportation planners to complete comprehensive mass transportation planning without hindering development and construction of vital mass transit facilities. After the planning requirements have been met, utilizing emergency provision funds, then cities may qualify to increase the Federal share up to the normal two-thirds of the total project cost.

Mr. Chairman, the New York Port Authority has submitted an application to the Department of Housing and Urban Development for funds under the emergency provisions to complete planning and begin construction on a $34 million coordinated rail-bus transfer and terminal facility to be called the Journal Square Transportation Center. This complex will provide convenient access for passengers boarding PATH trains and buses, as well as parking and storage space for PATH railroad cars and buses, which now clog the streets surrounding Journal Square. The Journal Square Transportation Center will be a striking addition to the planned renewal of the entire downtown area of Jersey City. At the present time, the Port Authority Trans-Hudson Corp. is applying for 50-percent funding under the emergency provisions. The planners expect to have completed all planning requirements well within the 3 years allotted in order to qualify for an increase to two-thirds funding.

Mr. Chairman, the proposed Journal Square facility represents the kind of farsighted transportation planning that will assure the future ability of urban man to travel from one point in his complex society to another. I read last week that the average speed of traffic in New York City has dropped since the days of horse drawn carriage and it now takes longer to travel in Manhattan by car than it did to travel by horse. I think the Journal Square facility will ease the burden not only on the transportation system itself, but it will also smooth the demands on the individual traveler.

Mr. Chairman, there are many other vital projects, like the Journal Square Transportation Center, which will be straitjacketed by lack of funds and planning if we do not extend these emergency provisions.

I understand that after this year, most urban areas throughout the country will be far enough along in transportation planning to fulfill the regular requirements for Federal assistance under the Urban Mass Transportation Act. But until that time, many areas are below this planning level, and will in all probability, never reach it without this assistance.

Mr. Chairman, I ask that we give this measure our full and complete support.

Mr. COHELAN. Mr. Chairman, the San Francisco-Oakland Bay area in recent months has witnessed the growing construction of the Bay Area Rapid Transit System, the first new system of its kind in the last 50 years.

This system is enormously expensive. It has been financed in part by one of the largest local bond issues of all time. Local communities and their residents have made a considerable sacrifice in order to obtain this system. And still there is a need for more financing. The Federal Government can and should help to meet this need.

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This emergency authority expired on November 1 of this year. For the sake of the one major rapid transit system which is now underway, and for the many others which are in the contemplation and planning stages, it is imperative that we continue this emergency authority.

The committee has unanimously recommended extension of this authority. I join with them in urging that we grant this extension.

The daily commuters and our other smog-bothered constituents need and deserve a more comfortable existence. The extension of this emergency authority can help to provide it for them.

Mr. FINO. Mr. Chairman, I have no further requests for time. I yield back the balance of my time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

H.J. RES. 859

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Urban Mass Transportation Act of 1964 is amended by striking out "November 1, 1967" and inserting in lieu thereof "November 1, 1968."

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. ALBERT] having assumed the Chair, Mr. NATCHER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the joint resolution (H.J. Res. 859) extending for 1 year the emergency provisions of the urban mass transportation program, pursuant to House Resolution 965, he reported the joint resolution back to the House.

The SPEAKER pro tempore (Mr. ALBERT). Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The joint resolution was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. BARRETT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks in the RECORD on the joint resolution which was just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

PROBLEM CREATED BY ABANDONMENT OF "CONTROL UNIT" PROCEDURES IN U.S. ARMY RESERVE

Mr. VANIK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, in recent weeks, scores of young men in my community who are members of the U.S. Army Reserve have been notified that their service in the so-called control groups of the Army Reserve have been terminated and that they must find a position in a Reserve unit or face a recall to active duty.

Because of the very few Reserve components training in the Greater Cleveland area, most of these reservists have the option of joining Reserve units either 130 miles away from Cleveland in Leetsdale, Pa., or 195 miles away from Cleveland in Frazier, Mich. In either situation, the reservist is called upon to travel either 240 miles to 390 miles each week in order to fulfill his military obligation. The policy of the Department of the Army is quite arbitrary—either the reservist must carry through this obligation with extensive unreimbursed travel or serve out the remainder of his time on active duty.

While the U.S. Army Reserve assumes this harsh position, the Ohio National Guard and the National Guard units of several other States have worked out a so-called back-to-back training program in which the reservist may make up an entire month's military obligation by serving double training sessions scheduled for one Saturday and Sunday weekend every month. If it is valid for the State guard to operate in this manner, why should members of the U.S. Army Reserve be denied a comparable opportunity?

The abandonment of the "control unit" procedures has created comparable problems throughout the United States.

I am reliably informed that over 30,000 U.S. Army reservists are being called back to active duty for periods of 12 to 16 months because of failure to fulfill Reserve training obligations under these difficult circumstances. This active duty callup is a cruel punishment not only for the reservist who must travel as much as 390 miles every week for his training obligation but also to the American taxpayer. Over $225 million will be squandered away in this punitive callup of reservists to active military duty which is of dubious value to our military effort. it seems to me that the U.S. Army ought to be able to find a less expensive and less wasteful alternative.

IT IS A SAD COMMENTARY WHEN A SUBCOMMITTEE OF THE HOUSE OF REPRESENTATIVES IS FORCED TO EXCLUDE THE SECRETARY OF DEFENSE FROM ACCESS TO TESTIMONY GIVEN BY HIS SUBORDINATES

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, it is a sad commentary on our times when a subcommittee of the House of Representatives is forced to exclude the Secretary of Defense from access to testimony given by his subordinates, but this has come to pass.

I refer to the decision of the Armed Services Investigations subcommittee, which is currently holding hearings into the decision-making process under Defense Secretary Robert Strange McNamara.

Because various witnesses expressed fear of testifying to facts that may embarrass McNamara, the subcommittee was forced to exclude his staffers from the hearings, bar him from access to any testimony, and lock up the testimony each night in a safe.

Mr. Speaker, this Nation is in deep trouble when such unusual measures have to be enforced against a Secretary of Defense to get to the truth. I include at this point an article concerning situation by Clark Mollenhoff of the Des Moines Register and Tribune:

BAR MCNAMARA FROM DEFENSE HEARINGS: MILITARY IS ASSURED OF "PROTECTION"

(By Clark Mollenhoff)

WASHINGTON, D.C.—Defense Secretary Robert S. McNamara is being barred from access to testimony given before a House Armed Services subcommittee by members of the Joint Chiefs of Staff and other military and civilian officials.

Chairman Porter Hardy (Dem., Va.) has taken the highly unusual step to protect the witnesses from any undue influence from the defense secretary, or any retaliation for giving testimony that is embarrassing to McNamara.

Hardy is chairman of a special subcommittee created by Representative Mendel Rivers (Dem., S.C.) to investigate the decision-making process under McNamara.

For more than three months, the subcommittee has been taking testimony from the Joint Chiefs of Staff and other key officials on the manner in which decisions have been made in such major areas as the air war in Vietnam.

All of the testimony has been taken in closed sessions, and Hardy has refused to permit the defense secretary's office to monitor the hearings and report to McNamara, as is customary.

Transcripts of testimony are kept locked up at the Capitol.

Even before Hardy started taking testimony three months ago, he and his committee counsel, John Reddan, held informal conferences with officials who said they feared retaliation by McNamara if they gave full and complete answers to questions about the decision-making process.

At that time, with the consent of subcommittee members, Hardy established a policy of secret hearings and secret transcripts so the subcommittee could get "the full story."

TALK FREELY

Braced with the assurance that the testimony would not be delivered to the defense secretary, the Joint Chiefs and other witnesses have talked freely about management of the Pentagon.

The procedure is similar to that used more than a year ago by Representative F. Edward Hébert (Dem., La.) in an investigation of McNamara's decision to phase out the B–52 and B–58 bombers.

Those hearings formed the basis for Hébert's charge that McNamara was misleading Congress and the public in saying that the Joint Chiefs approved of phasing out the bombers.

Secret testimony by Gen. John P. McConnell, Air Force chief of staff, and others established that they were not consulted by McNamara on the decision, and were in fact opposed to it.

Hardy's investigation centers on the question of whether military decisions in Vietnam are in line with recommendations of the Joint Chiefs.

INTERIM REPORT

Although the testimony will remain secret for some time, Hardy has already made an interim report to Congress that charges McNamara with running a "one-man show" in which he fails to consult the joint chiefs on military decisions.

"There is . . . evidence to indicate that the secretary of defense in reaching his decisions on purely military matters may be giving undue weight to recommendations of his civilian staff planners as opposed to those of the heads of the military services and the Joint Chiefs of Staff," Hardy has said.

"I can say with some assurance that the secretary of defense seldom seeks advice from the Joint Chiefs. Our information is that he does meet with them each Monday, with many others also present, and he does most of the talking.

"I can add with even more assurance that the Joint Chiefs seldom directly advise either the President or the National Security Council."

Hardy was backed on that accusation testimony of the highest military and civilian officials, and had the tactical advantage of having McNamara unaware of just how many witnesses might be arrayed against him on any specific point.

NO DENIAL

The Pentagon press office has issued no denial of the conclusions set out by Hardy, but there have been efforts by Deputy Defense Secretary Paul Nitze to gain access to transcripts of the testimony.

Hardy turned down Nitze's request on grounds that Hardy had given his words to officials that their testimony would be kept in confidence.

In his public statements, Hardy has said nothing about the unusual secrecy he has believed necessary to obtain open testimony about how Vietnam war decisions have been made.

But he has expressed irritation at "roadblocks" he has felt were being placed in the way of the investigation by the defense secretary.

"The Congress is powerless to carry out its mandate and discharge its constitutional duties unless accurate, candid and timely information is provided by officals and officers of the defense establishment," Hardy said.

"We can't meet our obligation if the information we receive has been run through a screening process to filter out elements of divergent opinion and factors which may suggest that Pentagon decisions are sometimes less than perfect . . . Indeed, it is essential to have officers of the services speak freely and we must have the best, most professional advice available if we are to provide our fighting forces the basic necessities and arms that should be second to none."

THE DEVALUATION OF THE BRITISH POUND

Mr. **WHALEN.** Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. **WHALEN.** Mr. Speaker, as an economist, I have been asked a number of times during the past 2 days to assess the domestic fiscal implications of the British pound devaluation and the concomitant increase in the rediscount rate by the Federal Reserve. Specifically, my questioners ask, "Will the Federal Reserve's action make a tax increase inevitable?"

In my opinion, the result of last Sunday's Federal Reserve decision will forestall, rather than necessitate, a tax increase. One of the principal arguments advanced in behalf of the administration's surcharge proposal is that its enactment would relieve the pressure on the money market, thus obviating an increase in the general interest level. In light of last Sunday's action by the Federal Reserve Board, this argument no longer is valid.

Paradoxically, the Federal Reserve's interest rate decision was in response to international economic considerations, not our domestic fiscal problem. The goal of Sunday's action is to prevent the exchange of foreign-held dollars—accumulated abroad through our perennial international payments deficits—for higher yield foreign securities.

The increase in the Federal Reserve rediscount rate to 4½ percent will result, in all probability, in higher consumer credit costs. This, in turn, will reduce the demand for new houses, new industrial plants, automobiles, and other consumer durable goods.

Today's economy, at best, is "soggy." Our industries are operating at only 84 percent of plant capacity. Unemployment stands at 4.3 percent, the highest point in 2 years. The average workweek declined in October. Also, last month saw a smaller than usual increase in employment.

Superimposing the dampening effect of Sunday's monetary action with a tax increase might well plunge our economy into a recession. Thus, enactment by Congress of a surtax at this time appears unjustified by the economic risk such action entails.

One other lesson should be learned from the events of this week. Monetary authorities lose their flexibility in dealing with domestic economic issues when subjected to the pressures of the international money market. Therefore, to strengthen the position of the Federal Reserve Board to deal with the recurring problems of domestic inflation and recession, we must take the steps necessary to bring our international payments into balance, thus reducing the accumulation of American dollars in foreign hands.

INTERVENORS GIVEN CURT HEARING

Mr. **SAYLOR.** Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include an article.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. **SAYLOR.** Mr. Speaker, yesterday I included as a part of my remarks an article from the Cervi's Rocky Mountain Journal regarding the application by the Public Service Co. of Colorado for permission to build a nuclear electric generating plant near Denver, Colo.

Several representative groups, including two independent utility companies, requested permission to participate as intervenors in the hearing. According to newspaper accounts, these interested and concerned groups were informed that the "public utilities commission would safeguard the rights of the public," this being the statement of the counsel for the applicant, the Public Service Co. of Colorado.

It would seem to me that if the public utilities commission is indeed to "safeguard the rights of the public" the views and statements of the intervenors should be given full weight by the commission.

I include as a part of my remarks the reporting of this commission hearing:

[From Cervi's Rocky Mountain Journal]

IN NUCLEAR POWER CASE: INTERVENORS GIVEN CURT HEARING

The hearing room at the Public Utilities Commission was crowded.

Outside the State Services Building, pickets carrying signs slowly walked.

They were there to make Denver aware of what was going on.

One sign, which summed up their stimulus, read: "Don't make Denver an atomic wasteland"

At the Wednesday hearing, matters were not going well for protesters and would-be intervenors in the Public Service Co.'s application for permission to build a nuclear power plant at Platteville.

A trace of insouciance permeated the hearing, abetting an inference that the issue was cut and dried.

Two commissioners presided, with Henry E. Zarlengo in the chair, and Edwin R. Lundborg lending his presence. Zarlengo, without apparent consultation with his colleague, did the talking and some decision-making for both.

The third commissioner, Howard S. Bjelland, it was learned, had ruled himself out of the proceedings through "a possible conflict of interest."

The United Mine Workers of America, and two independent utilities, the Tri-State Generation & Transmission Association and Union Rural Electric Association, sought through their attorneys to press home preliminary arguments on their rights to participate.

They conveyed the vein they intend to pursue—if the PUC allows them to be heard.

Said V. G. Seavy Jr., attorney for the Mine Workers: "I can see almost unbelievable consequences possible from this experiment (at Platteville)."

Said Robert A. Ruyle, attorney for Union REA: "We stand ready to assist the PUC on determining whether this is the safest supply of power and the most economical."

Said John J. Conway, attorney for Tri-State: "We may all be affected by the granting of this (PSC) application . . . If there is a catastrophe, it will affect Tri-State. We are concerned with having a safe system."

Bryant O'Donnell, counsel for the PSC utility, resorted to technicality in opposing all three. He said the Mine Workers were competitors with nuclear power.

"There is no allegation that the atomic plant will reduce by one pound, the amount of coal being mined in Colorado," he said.

So far as the other utilities were concerned, O'Donnell felt they were out of place in appearing to defend the public.

"The rights of the public are safeguarded by the Public Utilities Commission," he observed. "Merely because people belong to an organization, it does not give them rights over and above other citizens.

"If this was the case, then the Elks and the Shriners as well as the miners, would have the right to intervene. Concern alone is not sufficient for any person or organization to intervene."

Other organizations which indicated a wish to intervene included the Colorado Open Space Coordinating Council and the Colorado Electric Consumers Associations.

Eugene Weiner, for the Open Space group, spoke of environmental hazards in the PSC's proposed plant, the Fort St. Vrain Nuclear Generating Station.

He had a prepared statement to submit but Zarlengo cut him off and said the statement, and whether it would be accepted on the official record and a ruling on Weiner's status would have to wait until after the PSC utility had completed its presentation.

To ensure public cognizance of the questions which the Open Space group wanted to put before the PUC, here is what they want answered:

In what ways do the experimental aspects of this project raise special problems of potential environment contamination?

What research and experience supports the (PSC) proposal to house a nuclear plant and the fissionable material in a reinforced prestressed concrete vessel?

What types of breakdowns in plant operation can possibly occur and what precautions are proposed to deal with these breakdowns?

What problems are associated with disposal of exhausted materials from the reactor itself and what disposal problems are envisioned?

What catastrophes—from flood, earthquake, nuclear attack, etc.—have been considered and what procedures are proposed for dealing with them?

What conceivable effects can the installation have on air and water pollution by radioactive materials? What are the built-in safeguards?

What accidents have occurred in smaller installations and in the Peach Bottom prototype? What were the conclusions?

The PUC commissioners ordered a 15-minute recess while they considered their preliminary ruling on the status of would-be intervenors. They took 45 minutes.

There was one hazard facing the PSC utility—not spoken of in testimony but uppermost in the legal minds. And the poser could not have escaped the juristic PUC.

If dissenters and intervenors were summarily dismissed, they could apply to the courts for an injunction to halt the PUC proceedings. This would effectively delay presentation of the utility's application before it could even begin.

Zarlengo reconvened the hearing and announced that parties must state for the record their interest in the case and cross-examination would be permitted within the scope of that interest, if the right to intervene was upheld.

Robert Person, PSC president, nodded approvingly.

Seavy, the Mine Workers attorney, came forward to address the commissioners, *but was waved to a halt in a peremptory warning from Zarlengo.*

Witnesses for the PSC utility began their presentation on why the nuclear plant should be built. The PSC dilemma over a possible court injunction was circumvented.

The Thursday hearing called for 10 a.m., was delayed more than an hour, while PSC attorneys wrangled over procedure in the commissioners' ante-room.

Standing guard at the ante-room door while those attending the hearing waited restively, was the PSC utility's vice president, R. D. Speer.

He refused a reporter admittance to the unhired publicly-owned room in the publicly-owned building with the comment: "This is a private hearing going on."

Later, when several approached the ante-room to find out what the unannounced delay was all about, Speer stood aside.

Eventually, the PSC signified the PUC could resume the public hearing.

Conway, for Tri-State, told the commissioners he needed some back-up data from the PSC to support his case for intervention. He said he had a stipulation from the PSC agreeing to provide some material and wanted it entered in the record.

"If you have a stipulation, you don't need it in the record," Zarlengo snapped.

Conway: "Until we get all the back-up information, we frankly don't know the extent to where our interests are affected."

He said Tri-State would be happy to file a statement "so long as it is realized there may be a qualification that something else can come out of the woodpile."

Zarlengo asked the PSC attorneys if they were still standing on their objection to intervention.

O'Donnell kept his answer brief: "Yes."

Zarlengo gave would-be intervenors until Nov. 17 to file statements on their case.

For a motion by Conway that the PSC be ordered to produce certain documents, he had an abrupt rejoinder (without consulting Commissioner Lundborg): "The motion is denied."

PRESIDENTIAL LEADERSHIP

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, millions of Americans last week saw and heard Presidential leadership at its best.

President Johnson effectively defended the admirable record of his administration with feeling, with decorum, and a passionate sense of commitment.

The President countered his critics on Vietnam by explaining in plain language that the United States could not run out on national commitments.

The President made it clear that neither military attacks by Hanoi nor protests at home would alter the essential lines of American policy until an honorable peace was achieved.

He made it clear that his critics suffered from a lack of real information and intelligence about Vietnam, and that their alternative policies were not viable in the present situation.

And he rightly condemned those who use storm trooper tactics to prevent free discussion from taking place.

The President did not dodge a single question at the press conference.

He met every issue—foreign and domestic—head on.

He did not waver from his stated policies even though he has probably taken more abuse in the last 2 years than any President in recent history.

He has not sacrificed his domestic programs to those who cry we cannot wage a war for freedom and rebuild our society at the same time.

These last 4 years have seen us defend democracy abroad—something the United States has had to do often in this century—and continue an unbroken record of prosperity.

It has seen us give the poor and disadvantaged a new stake in American life.

It has seen a President from the rural Southwest give his heart and energies to a new life for urban America.

Leadership must be judged by what leadership does.

Lyndon B. Johnson is a leader and will continue to be a great leader because his has been a leadership and action administration.

AIR SAFETY

Mr. PICKLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PICKLE. Mr. Speaker, during the past two decades air traffic in the United States has been doubling about every 5 years. The increased volume has resulted in a myriad of problems—including the matter of air safety.

The crash of a commercial airliner near Cincinnati last night in which at least 50 persons were killed serves as a grim reminder of the unfinished work in this area.

On September 20, the Federal Aviation Administration published proposed changes in safety standards for airliners. Primarily, these changes are designed to reduce deaths on an airliner after a crash has occurred. This would be done by having more and larger escape exits, having them more clearly marked and lighted, and by setting time limitations on passenger escape.

Also proposed were tighter limits on the flammability of the interior of the planes, on the loose baggage within the cabins, and on the location and protection of fuel and electrical lines.

The day after these standards were published, the President ordered that the Secretary of Transportation undertake a study on the growing problems of the development of airports, and on ground facilities. In addition to predicting the needs of the country in the coming years, the Department would also report on proposed means of financing the expansions.

There is much talk of this problem of financing, and experts say that new jet airports will cost $500 million to a billion dollars each. The notion of building another jet airport here and there to take care of the rising volume of aviation is one that is definitely related to future growth in air transportation.

I submit, however, that unless some sensible allocation of funds is made to adequately insure the safest operation of aircraft, a condition will develop in which air transportation cannot survive.

It is my hope that in the course of this study, the Secretary and the Administrator of FAA will give special emphasis to air safety. New and more-advanced equipment is being pressed into service. Already, some airliners have operational units to give their precise location, altitude, and identity to the tower controller. These transponder and alphanumeric units make the job of the traffic controller tremendously simpler and safer, and particularly in our more congested areas; I predict that we will see the day when such equipment will be required of planes operating in these areas.

In short, Mr. Speaker, I believe that the public deserves and demands that safety be made an integral part of any national plan on air travel. As one Member of Congress, I will say that I would support expanded appropriations whenever it is shown that they will substantially improve safety.

The problems of air safety must be remedied as our air transportation systems become more sophisticated. We can ill afford to produce jumbo-jets and supersonic aircraft and sit back and wait to see what problems we will face after they have begun flying.

SALUTE TO FORT DEVENS

Mr. PHILBIN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. PHILBIN. Mr. Speaker, I include a speech I made on the occasion of the "Salute to Fort Devens" at Leominster, Mass., on November 1, 1967.

This was a most unusual occasion in that it was arranged to commemorate the 50th anniversary of one of the greatest military establishments in the Nation, Fort Devens, which has throughout the years contributed so much to the Army and the national defense.

It is my great honor to represent the community where this great installation is located, the town of Ayer, Mass.; and I am understandably very proud of the fine record of Fort Devens and that of the town of Ayer and the surrounding communities whose leaders and people have played such an important part in developing the participation between the military and civilian components that has helped so materially to make Fort Devens the outstanding post that it is.

The committee on the "Community Salute" was headed by the Honorable Edward F. Merrill, chairman of the Board of Selectmen of Shirley, Mass., and consisted of the Honorable George Bourque, distinguished mayor of Fitchburg, Mass.; Mr. Norman G. Albert, distinguished selectman of Shirley, Mass.; the distinguished Emanuel A. Sifakis, chairman of the Board of Selectmen of Ayer, Mass.; the Honorable Rosaire J. St. Jean, distinguished city councilor of Gardner, Mass.; and the distinguished executive director of the Leominster, Mass., Chamber of Commerce, the Honorable Clarence J. Daniels.

Col. Dan Vol Janin, of the U.S. Army, president of the Minutemen Chapter of the Association of the U.S. Army, served as ex officio member; the distinguished representative from the Lowell Sun, Mr. Ralph Jacobs, as publicity chairman; and the distinguished representative from the Fitchburg Sentinel, Jacqueline Esielionis, as recorder.

Let me thank and I commend all those who arranged, conducted, and participated in this memorable celebration.

The program was very well arranged and included selections by the U.S. Army Band under CWO M. W. Callender, bandmaster; the speaking program, chaired by Selectman Edward F. Merrill, general chairman; introductions, by the Honorable George J. Bourque, mayor of Fitchburg, Mass.; and remarks by the Honorable William F. Hogan, chairman of the military affairs committee of the house of representatives, Lt. Gen. Jonathan O. Seaman, distinguished commanding general of the 1st U.S. Army, the distinguished Lieutenant Governor of Massachusetts, the Honorable Francis Sargent; the presentation, by the distinguished selectman, Edward F. Merrill; and response, by the distinguished Maj. Gen. Kelley B. Lemmon, Jr., commanding general at Fort Devens; concluding remarks, by Mayor George J. Bourque; and benediction, by Chaplain Louis J. Beasley.

Many very prominent guests were present, including the distinguished State senators, Joseph D. Ward and James DeNormandie; the distinguished State representative, Raymond M. LaFontaine; the Honorable Cyrille P. Landry, distinguished mayor of Gardner, Mass.; and the Honorable Ralph W. Crossman, distinguished mayor of Leominster, Mass.; esteemed members of the clergy; heroes of Vietnam, to whom we are so immeasurably grateful; and a large number of distinguished guests, military and civilian, and friends who gathered to join in this magnificent tribute to Fort Devens.

My speech follows:

"SALUTE TO FORT DEVENS," LEOMINSTER, MASS., NOVEMBER 1, 1967

Mr. Toastmaster, Most Distinguished Guests, Military and Civilian, and Friends:

It is a very great honor, privilege and pleasure for me to join you tonight in this very impressive salute to Fort Devens.

I want to thank the Committee for inviting me to be here, and I also want to congratulate very heartily the Committee, and everyone who participated in arranging this unusual, inspiring celebration and program upon the excellent manner in which it has been arranged and conducted.

It is indeed a historic occasion that all our people will long remember, because Fort Devens is built deeply into the fabric of this area, our own great Commonwealth, and the New England region, and it is one of the great, military installations of its kind in the nation.

There is a very interesting history to Fort Devens. While in its modern form it originated during World War I, it actually dates back to colonial days, the settlement of Concord, and the garrison of troops established way back in 1656, believe it or not, at the place then known as Nashoba—near the "Nashaway" River. As we know, this is in Ayer and surrounding towns.

The colony around the original garrison endured for about twenty years until 1676, when out of a clear sky, King Philip's Redskins swept down through the valley from the west, plundering, pillaging and murdering the settlers.

The survivors fled toward Boston, but they never returned to the colony, and for more than 40 years it remained unsettled.

At a later date, however, other brave men and women came to settle the adjacent towns of Groton, Littleton, Lancaster, Harvard, Shirley and Ayer, and they built a community of small farms and manufacturing plants.

So it was quite understandable that the investigating group for the new Camp Devens in the World War I period should survey this site and recommend it as the most feasible and available upon which to locate this great Post.

Construction was hurried, and it was not long until the Camp was ready for its first occupants. It was put together with startling speed and contained enlisted barracks, officers' barracks with accompanying facilities, regimental headquarters buildings, a large double divisional headquarters building, medical buildings, artillery buildings, company storehouses, a refrigerating plant, post office, bakery, hospital buildings, fire stations, garages, stables, guardhouses, religious and recreational buildings and other detached structures.

The new Camp also had more than 66 miles of sewer and water pipe, over 400 miles of electric wiring, both telephone and light, and nearly 20 miles of granolithic road, a well of some 3 million gallon capacity, and the total amount of lumber used was 34 million square feet.

Next the Camp was named after a great hero of the Civil War, a distinguished general, lawyer, Attorney General of the United States, a member of the Massachusetts Supreme Court, and a great orator, soldier, jurist, and resident of Worcester, Major General Charles Devens.

The Camp was opened August 30, 1917, and immediately field officers and enlisted men started to pour in from all over the map, from the New England states and northern New York. By the end of September, there were over 20,000 men at Camp Devens, and new buildings had arisen to accommodate 43,000 military personnel.

The first groups to arrive became component parts of the 76th "Liberty Bell" Division and during the winter of 1917 and the spring of 1918, the men of the 76th trained intensively and were ready for combat.

The post was attacked by an epidemic of influenza at this time, and there were over 10,000 cases, and the appalling death total reached 800 soldiers, officers and nurses.

The Camp had reached its peak of manpower shortly before the signing of the Armistice, when 44,500 troops were stationed on the post, but some of the troops served in France.

Camp Devens established the enviable record of being the most rapid and efficient installation in the entire country in the discharge of troops. For example, on 28 April 1919 more than 7,000 individual soldiers were processed for discharge, and on the following day the Camp broke its own record by discharging more than 9,000 men.

Probably the largest single day's gathering held at Camp Devens took place in April 1919 when the Yankee Division made its last appearance in full review before its beloved leader, Major General Clarence Edwards, who had commanded this heroic division in France, and for whom Camp Edwards on Cape Cod is named.

Following World War I, Fort Devens was reduced to caretaker status manned only by a handful of men on garrison duty, but in 1930, prompted by the strenuous and continued efforts of my former colleague of late, lamented memory, one of the great members of the House of Representatives, Mrs. Edith Nourse Rogers, it was determined to expand the facilities of the New England installation and to make it a permanent Army post. Thus the permanent installation of Fort Devens was established in November 1931 and I am happy to say that it has been retained in permanent status up to this time.

Fort Devens housed and administered the Civilian Conservation Corps, or CCC, during the depression period, and many young men were fed, clothed, housed and cared for during this trying period by that agency at Fort Devens.

In 1940, with another world war again on the horizon, Fort Devens was expanded by more than 1200 additional temporary buildings with a total acreage of 10,000 acres, and 235,000 acres in the surrounding townships were placed under lease for use as training maneuver areas.

In January 1941, the First Division, first of the Divisions to be based at Fort Devens during World War II, arrived. The Fighting First was originally organized early in 1917, and by 26 June 1917, its first components landed in France. Think of that for a performance in training and logistics.

The Fighting First was rightly named, for it was the first sent up to the front. It fired the first shot, lost the first three Americans killed, captured the first German prisoners, and took the first enemy town. It was the first division to sail overseas in 1917 and among the last to return home—a great fighting outfit.

August and September 1941, prior to our entry into the war, saw the most extensive war games ever conducted on this post and gave Fort Devens its largest concentration of troops, over 65,000 men being quartered there for one month.

The WACS were trained at Fort Devens. A Prisoner of War Camp was located there. Important National Guard activities have been there. A Basic Training Center to indoctrinate and train Army nurses was opened in July 1943 and later the U.S. Army Chaplain School, previously located at Harvard University, was transferred to Fort Devens.

The Bakers and Cooks School and the First Service Command Special Training Unit was located at Fort Devens in this period. The rest of this glorious story is well known.

It would be difficult indeed to attempt to recite the many various missions accomplished by Fort Devens.

They number in the hundreds and they include activities extending over wide areas of the nation and the world.

There have been various periods of deactivation since the 1930's and following World War II, but fortunately, in July 1948, we were fortunate enough to reactivate Fort Devens as a Class one installation.

The Fort has maintained its position as principal Army installation in all of New England, so that notwithstanding deactivation elsewhere, we have managed to achieve reactivation, and it will always be our purpose and our hope to keep this great installation at the most effective possible level for the tasks it may be called upon to perform.

Under First Army satellization plans, Fort Devens has, in effect, become the parent Army installation of an area embracing all of New England, and involving the logistic support of most of the Army installations throughout the entire area. Construction of permanent facilities is continuing, as you folks know. There are many plans for the future development of Fort Devens.

The Fort changes with the times, but it remains for us in this area and of all New England, a living symbol of the Army's role in national defense, past and present, as well as future, for during the course of the last fifty years, it has served the nation gloriously.

We have had a long line of outstanding and very distinguished commanding officers at Fort Devens, including many who have achieved great distinction for outstanding service to the nation in war and peace.

Over a considerable period of time now, it has been my pleasure and privilege to work with these great, dedicated, military leaders, including the present, outstanding commander, General Lemmon, and believe me, between this great leadership, the fine troops that have passed through Fort Devens, and the solid support and contribution of fine civilian leaders and communities and our state, like many gathered here tonight, we have much to be thankful for and much to be proud of.

From the story of the gallant and the great, the humble and the devoted, who served at Fort Devens in times of great crisis for the country and at every other time, we may well take example and inspiration.

We live in a time of unprecedented turmoil, strife and danger. But it must also be for us, and for the nation, and for all Americans who cherish our heritage, a time of resolution and determination.

We struggle with many grave problems at home and abroad that are testing our patience and our purpose to preserve free government based on law and order and the rule of law.

But let it be clearly understood by those who assail and challenge us, and who are working so hard to undermine and destroy the foundations of our freedom, that it is our unswerving aim to uphold and defend them.

Let no one ever doubt or miscalculate the loyalty, the devotion and the unalterable commitment of the American people to guard our country, our free way of life and the cause of human freedom and justice.

As we strive for a just peace with all our hearts and energies, let us remain united and strong in every sense—militarily, economically, morally and spiritually. Let us firmly embrace, as Americans have always done, the truths, principles, individual rights and blessings for which this nation stands, so that no power on earth can ever deprive us of the precious birthright of freedom that we cherish so deeply.

Let our mission be, in these troublous days, unswerving, loyal devotion to the preservation and defense of the cause for which so many Americans have struggled and died—freedom, justice and peace in this country and the world.

To be sure, the nation and the world are shaken by unprecedented revolutionary challenges that give all of us the deepest concern.

But we must recognize that this is no time for divisions and disunity, no time to falter, no time to betray weakness, to shrink from reality, or to minimize these great issues.

Like those who have preceded us in the arts of peace, as well as the vicissitudes and perils of war, we, too, must be resolved to grapple courageously with the problems that confront us.

As the greatest and most powerful nation in history, dedicated to the dignity and freedom of man, it is not only our solemn task, but it is our inescapable, and imperative duty, above all, in this period of crisis and peril, to maintain our security at home and abroad, to protect our freedoms, to defend our country, and its incomparable institutions, in every way that may be necessary, and to strive for a just peace and for justice for all men and nations with all our hearts, and all our energies, so that true brotherhood and amnity may prevail in the nation and the world.

That is the lesson of Fort Devens.

That is the example and mission of this great nation.

Let us make sure that in this generation, which will determine the survival of personal liberty and the destiny of freedom and peace for many years to come, we shall do our full part with honor, with courage and with justice for all.

Hail and salute to Fort Devens.

NATIONAL PRESS CLUB HEARS GENERAL WESTMORELAND

Mr. DORN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DORN. Mr. Speaker, it was my great privilege to hear Gen. William C. Westmoreland a few moments ago address the National Press Club here in Washington. General Westmoreland's "progress report" is excellent and encouraging. General Westmoreland forthrightly answered questions directed to him from the very able representatives of the American press.

This Nation is exceedingly fortunate to have General Westmoreland command our Armed Forces in South Vietnam. Of course, Mr. Speaker, we are particularly proud of General Westmoreland in South Carolina.

I commend to the earnest attention of my colleagues and the people of our country General Westmoreland's outstanding address:

Progress Report

(Address by Gen. William C. Westmoreland, Commander, U.S. Military Assistance Command, Vietnam, to the National Press Club, Washington, D.C., November 21, 1967)

I would like to give you today a short progress report on some aspects of the war in Vietnam, because we in Vietnam are keenly aware of the genuine concern being expressed at home about the complex situation in that country.

The war in Vietnam eludes any precise numerical system of measurement or any easy portrayal of progress on battle maps. The war is unique and complicated in origin, in diversity of form, and in its diffusion throughout Vietnam. It is a war which probably could not have occurred in this pattern in any other country in these times. But, if we had not met it squarely, it well could have been the precedent for countless future wars of a similar nature.

But we have confronted this challenge. We have found it to be like no other war we have fought before. There are no moving front lines—just a changing picture of small actions scattered over the country. Only a few of these actions are reported in detail. Even the trained observer is drawn to the unusual and the spectacular, and finds his attention shifting to another action before the significance or impact of the first can be analyzed.

I have been observing the war in South Vietnam at close hand for almost four years. During the first one and one-half years we were confined generally to an advisory role. In the past two and one-half years I have seen the progressive commitment of US troops in support of the Vietnamese. I am absolutely certain that whereas in 1965 the enemy was winning, today he is certainly losing. There are indications that the Viet Cong and even Hanoi know this.

However, the enemy may be operating from the delusion that political pressure here combined with the tactical defeat of a major unit might force the US to "throw in the towel." If he does *not* believe this, there is very little logic to be found in his continuing the war in its present pattern.

Let me review with you the enemy's situation and our own, and let me offer my estimate of our relative positions.

Since 1925, when Ho Chi Minh arrived in Canton, China, he has actively sought to gain control of the area known as Indochina. In 1930, the Indochina Communist Party was created with Ho Chi Minh as its chief. However, since that time, the cause and methods have been similar to those of other Asian Communist Parties.

Ho Chi Minh's party came to power amid the chaotic conditons at the end of World War II. Although the present government of North Vietnam has taken a facade of democracy, it has remained under tight control of the same small, determined group of Communists who served Ho Chi Minh in the Communist Party of the 1930s.

By 1954 it appeared to them that they had overcome the last major obstacle to the original goal. A million people had been displaced from the North, and although they were fleeing Communism, they created a burden on the new government of South Vietnam. For the next few years, the Communists believed that South Vietnam would succumb politically. These hopes were dashed by the vigor of the non-Communist government and by US assistance.

In 1957 they reverted to terror, both indiscriminate and selective, with the assassination of teachers and local leaders. This terror rate went up every year. Despite that, it did not succeed. So, to guerrilla terror was added the military buildup of Viet Cong Main Force units from 1959. Even this was not enough.

In 1963 and 1964 there started the military invasion from the North, when the first North Vietnamese Regiments entered the South. This almost succeeded. By early 1965, the Vietnamese government found its resolution exhausted by a decade of struggle, and its last resources committed. It was at that point that the intervention of our Armed Forces restored a future to the long-suffering people of South Vietnam, who grasped the opportunity.

As you know, in the midst of war the South Vietnamese have in the past year held free elections, and have turned out a larger percentage of the vote than we normally do in this country. The Viet Cong have tried desperately to stop these elections by terror and intimidation. But the Vietnamese voted despite the Viet Cong efforts. This mass disregard of Viet Cong initiatives killed the myth that the Viet Cong or the National Liberation Front speak for the people.

It is significant that the enemy has not won a major battle in more than a year. In general, he can fight his large forces only at the edges of his sanctuaries, as we have seen recently at Con Thien and along the DMZ, at Dak To opposite the Laotian border, at

Song Be and Loc Ninh near the Cambodian border. His Viet Cong military units can no longer fill their ranks from the South but must depend increasingly on replacements from North Vietnam. His guerrilla force is declining at a steady rate. Morale problems are developing within his ranks.

Despite this, our enemy seeks to prolong the war, occasionally sallying forth from his sanctuaries, and attempting by his counter-sweep operations to regain control of the population and to rebuild his guerrilla forces. Of essential importance is his desire to force us politically to stop, unconditionally, the bombing of his support base and his lines of communication. He appears to believe that he can defeat the Vietnamese forces, over 600,000 strong and getting stronger, reinforced by over 50,000 troops from Free World Allies, and our commitment now approaching 500,000 men.

Our common plan with the Vietnamese has involved four distinct phases. In Phase I we came to the aid of South Vietnam, prevented its collapse under the massive Communist thrust, built up our bases and began to deploy our forces. In Phase I we planned and did the following:

Built ports, airfields, and supply and maintenance areas.

Set up a 10,000 mile long supply pipeline.

Constructed an extensive communication system.

Brought in 400,000 men and several thousand aircraft.

Deployed troops throughout South Vietnam.

Learned to work alongside the Vietnamese Army while encouraging development of a representative government.

Equipped and revitalized the Vietnamese Armed Forces whose morale was low.

Expanded the Armed Forces of South Vietnam in quantitative terms.

Defended South Vietnam against defeat and against being cut in half.

Learned to cope with guerrilla tactics.

Set up an intelligence system for this new type of war.

Limited inflation.

Developed our own confidence that we could operate successfully in the environment of Southeast Asia.

We did all this by the middle of 1966. It was a tribute to U.S. organization, technology, and concerted diplomatic and military professionalism by many people. At that point, during the summer of 1966, we moved into the second phase of our plan. In Phase II we continued the pattern and did the following:

Drove the enemy divisions back to sanctuary or into hiding.

Trained, expanded and improved the quality of the Vietnamese Armed Forces.

Assisted Free World Forces of the Pacific area to join the battle against Communist aggression.

Entered enemy base areas and destroyed his supplies.

Raised enemy losses beyond his input capability.

Helped train the Vietnamese Army as a territorial security force.

Encouraged combined US/Vietnamese operations.

Continued to help the Vietnamese Armed Forces in professional development.

Completed free elections within South Vietnam.

Saw an elected civilian government installed.

Stabilized prices—opening roads and canals.

Encouraged enemy defection and resettlement.

Discovered and thwarted the enemy's battle plans before they could be executed.

Unified the US pacification assistance effort for better management of widespread resources.

We will complete this second phase by the end of this year. Before leaving my discussion of this phase, there is one other management aspect worthy of mention. Our rapid buildup 10,000 miles away in an undeveloped nation lacking in logistics support facilities has created many problems. Some units brought to Vietnam equipment that has not been needed. Some supplies were shipped automatically based on experience in other wars and have not been consumed in the quantities expected. At the same time, our magnificent fighting men have received what they needed to do their job. Now, at the end of this second phase, we have been able to intensify logistical management and turn our attention to eliminating any excess items which may have developed. MACV has instituted an efficiency and economy program to which I have given the thrifty sounding name of Project Maconomy.

With 1968, a new phase is now starting. We have reached an important point when the end begins to come into view. What is this third phase we are about to enter?

In Phase III, in 1968, we intend to do the following:

Help the Vietnamese Armed Forces to continue improving their effectiveness.

Decrease our advisors in training centers and other places where the professional competence of Vietnamese officers makes this possible.

Increase our advisory effort with the younger brothers of the Vietnamese Army: the Regional Forces and Popular Forces.

Destroy North Vietnamese forays while we assist the Vietnamese to reorganize for territorial security.

Provide the new military equipment to revitalize the Vietnamese Army, and prepare it to take on an ever-increasing share of the war.

Continue pressure on North to prevent rebuilding and to make infiltration more costly.

Turn a major share of front line DMZ defense over to the Vietnamese Army.

Increase US support in the rich and populated Delta.

Help the Government of Vietnam single out and destroy the Communist Shadow Government.

Continue to isolate the guerrillas from the people.

Help the new Vietnamese government to respond to popular aspirations, and to reduce and eliminate corruption.

Help the Vietnamese strengthen their police forces to enhance law and order.

Open more roads and canals.

Continue to improve the Vietnamese economy and standard of living.

Now for Phase IV—the final phase. That period will see the conclusion of our plan to weaken the enemy and strengthen our friends until *we* become progressively superfluous. The object will be to show the world that guerrilla warfare and invasion do not pay as a new means of Communist aggression.

I see Phase IV happening as follows:

Infiltration will slow.

The Communist infrastructure will be cut up and near collapse.

The Vietnamese government will prove its stability, and the Vietnamese Army will show that it can handle Viet Cong.

The Regional Forces and Popular Forces will reach a higher level of professional performance.

US units can begin to phase down as the Vietnamese Army is modernized and develops its capacity to the fullest.

The military physical assets, bases and ports, will be progressively turned over to the Vietnamese.

The Vietnamese will take charge of the final mopping up of the Viet Cong (which will probably last several years). The US, at the same time, will continue the developmental help envisaged by the President for the community of Southeast Asia.

You may ask how long Phase III will take, before we reach the final phase. We have already entered parts of Phase III. Looking back on Phases I and II we can conclude that we have come a long way.

I see progress as I travel all over Vietnam.

I see it in the attitudes of the Vietnamese.

I see it in the open roads and canals.

I see it in the new crops and the new purchasing power of the farmer.

I see it in the increased willingness of the Vietnamese Army to fight North Vietnamese units and in the victories they are winning.

Parenthetically, I might say that the US press tends to report US actions; so you may not be as aware as I am of the victories won by South Vietnamese forces.

The enemy has many problems:

He is losing control of the scattered population under his influence.

He is losing credibility with the population he still controls.

He is alienating the people by his increased demands and taxes where he can impose them.

He sees the strength of his forces steadily declining.

He can no longer recruit in the South to any meaningful extent; he must plug the gap with North Vietnamese.

His monsoon offensives have been failures.

He was dealt a mortal blow by the installation of a freely elected representative government.

And he failed in his desperate effort to take the world's headlines from the Inauguration by a military victory.

Lastly, the Vietnamese Army is on the road to becoming a competent force. Korean troops in Vietnam provide a good example for the Vietnamese. Fifteen years ago the Koreans themselves had problems now ascribed to the Vietnamese. The Koreans surmounted these problems and so can and will the Vietnamese.

The Vietnamese Armed Forces have accomplished much in a short time. Here are a few examples:

Career management for officers, particularly infantry officers, has been instituted.

Sound promotion procedures have been put into effect.

Discipline and conduct is being stressed.

Increased emphasis is being devoted to small unit tactics and leadership.

The promotion of enlisted men to the commissioned ranks is now commonplace (2200 in 1966).

Officer Candidates must now take basic training and prove that they have the leadership potential to be officers.

An Inspector General for the Vietnamese Armed Forces has been appointed and is now active in detailed inspections.

Corrupt and inefficient officials are being gradually eliminated.

The military school system has been revitalized.

The Military Academy has gone to a four year curriculum.

A school for Battalion Commanders has been established.

A ten month National Defense College has been organized for selected senior officers.

The same personnel management programs which have been installed successfully in the Vietnamese Army are being expanded to the Regional Forces and Popular Forces.

We are making progress. We know you want an honorable and early transition to the fourth and last phase.

So do your sons and so do I.

It lies within our grasp—the enemy's hopes are dim. With your support we will give you a success that will impact not only on South Vietnam, but on every emerging nation in the world.

DALTON F. McCLELLAND

Mr. RYAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. RYAN. Mr. Speaker, Dalton F. McClelland, a constituent of mine and frequent correspondent died last week during a meeting at the Interchurch Center on Riverside Drive in New York. I knew Mr. McClelland mainly through his letters which were a source of great pleasure and inspiration to me.

Dalton McClelland led an interesting and full life, all the more appreciated since his satisfaction was obtained in connection with service to his fellow man. At his death Mr. McClelland held the post of representative at the United Nations of the World Alliance of Young Men's Christian Associations. In 1957 he had retired as executive secretary of the International Committee of YMCA's of the United States and Canada. His lengthy association with the YMCA began in 1912 when he served a year as head of the University of Oklahoma YMCA. This was followed by 2 years as traveling secretary of the YMCA's student volunteer movement.

Perhaps the most fascinating portion of Mr. McClelland's career began in 1915 when he went to India as director of YMCA college students in that country. During his 30-year stay in India Mr. McClelland did a great many things in connection with his beloved organization. From 1917 to 1936 he was general secretary of the Madras "Y." In 1936 he was appointed associate general secretary of the association's national council in India. In 1940 he became the general secretary. Under his able leadership the national council founded a college in Madras which trained physical directors and established centers for reconstruction throughout the country.

During World War II Mr. McClelland directed 102 YMCA units serving Allied troops and enemy prisoners of war in India, Burma, and Ceylon.

In 1945 Mr. McClelland returned to the United States and was named executive secretary of the world service outreach program of the YMCA's of the United States and Canada. In 1952 he went to a post in Lebanon as secretary at large for north Africa, the Middle East, and southern Asia. In 1955 he again returned to America in connection with the YMCA's "buildings for brotherhood" campaign to raise money for the construction of "Y" facilities overseas.

Between 1961 and 1963 Mr. McClelland was chairman of the executive committee of United Nations Non-Governmental Organizations.

Many people have had the good fortune to have known and been associated with Dalton F. McClelland and to have profited from his good work. I am honored to remember him and to have counted myself among his friends.

I extend my deepest sympathy to Mr. McClelland's wife, Mrs. Maud McClelland; to Mr. McClelland's three sons—Dr. William K. McClelland, Dr. Harry McClelland, and Dr. Dalton McClelland, Jr.; and to his daughter, Mrs. Marion Cramer.

FRAUD ON THE CONSUMER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New Jersey [Mr. CAHILL] is recognized for 1 hour.

Mr. CAHILL. Mr. Speaker, it is evident that both our Nation's free enterprise economy and the material well-being of its citizens are dependent upon sufficient consumer credit. However, under present laws which seek to insure consumer purchasing power, tragic abuses have developed. One of the most vicious and critical of these abuses is the victimization of homeowners by secondary mortgage schemes.

The fraudulent pattern by which thousands of Americans have been deprived of their homes is not complex: The dishonest merchant sells defective, misrepresented or overpriced goods to an unwary homeowner; the unscrupulous home improvement company contracts to repair, decorate or otherwise improve a homeowner's property, usually at an excessive price or with no intent to perform its contract; the fraudulent local mortgage or discount lender offers to consolidate all the homeowner's debts or to advance money needed by the homeowner to meet his living expenses.

In each of these instances, the homeowner is confronted by deceptive contracts, hidden financing charges and misrepresentations of the goods and services which he is to receive and the financial obligations he is to assume. In each of these instances the homeowner is led into signing a note secured by a mortgage on his home and property.

Then comes the awakening. The homeowner finds that the goods have been fraudulently misrepresented or that he is obligated to pay far in excess of the price quoted to him; that the home improvement company has gone bankrupt without performing its agreed consideration, or that his creditors have not been paid by the mortgage discount company. In some instances, the discount company will seek to avoid State usuary laws by requiring loan applicants to purchase cheap stereo sets at greatly exaggerated prices. In many lower income neighborhoods, the Japanese TV set has become an emblem of victimization. Another favorite ploy used by phony debt consolidation companies to avoid State usury laws, is to include fictitious creditors in the consolidation plan. The amounts allegedly paid out to these nonexistent creditors are retained by the consolidation agency. Variations of these basic patterns of fraud are as infinite as the greed and callousness of the unscrupulous lender.

Notwithstanding the homeowner's personal defense to any legal action brought against him by the merchant, home improvement company or discount company, to enforce the original agreement, he finds that he is obligated to pay the note and mortgage because it has been assigned to a "holder in due course."

The holder in due course, claiming that he has no knowledge of transactions between the lender and the homeowner, has purchased the note and mortgage and is entitled to enforce them according to their terms.

I am sure that most of the Members have read the recent series of articles in the Washington Post which describe how disreputable finance companies have profitably closed their eyes to the victimization of homeowners in the District of Columbia. Many of the Members, shocked by these disclosures, have inserted these articles into the RECORD and have previously commented on the District's crucial problem with respect to secondary mortgage operations. However, I should like to make clear to the House that this is not merely a local problem. Homeowners throughout the Nation are being deprived of their life's efforts by secondary mortgage schemes. In my own State of New Jersey, a shocking series of articles published by the Evening News of Perth Amboy has revealed an enormous interstate traffic in unconscionable secondary mortgages. To illustrate how the channels of interstate commerce are being used in furtherance of these schemes, I recommend to the Members the following article by Mr Jon Kwitny of the Evening News' staff:

THAT'S HOW THESE GUYS GET BY

New Jersey borrowers are being led by licensed New Jersey second mortgage dealers to Philadlphia consumer discount houses that lend money at interest rates far above those allowed in New Jersey.

These consumer discount companies cooperate in delivering hundreds of dollars from the proceeds of these loans to the New Jersey agencies and to several Philadelphia agencies as brokerage fees.

They handle the transactions by delivering to the borrower merchandise that is worth only a fraction of the fee the agency actually collects. The borrowers often are told they are getting the merchandise as a gift.

Thus the borrowers wind up signing papers for $519.50 for a 12-inch black-and-white television set, or $630.66 for a dinette set clearly priced in a catalog at $123. Often the borrowers don't know what they are signing.

New Jersey law exempts borrowers from having to pay brokerage or agent's fees on secondary mortgage loans.

A well-known New Jersey attorney has expressed the opinion that loan companies that violate the act may not have a legal means of compelling the borrower to repay his debt.

These Philadelphia companies hold notes for the payment of millions of dollars in obligations obtained from New Jersey homeowners through secondary mortgage loans.

Sometimes the borrowers sign to pay back nearly twice the money they actually receive to pay their bills. The rates are much higher than those listed on the advertisements the borrowers answer. The advertisements come in the mail or are found in some New Jersey newspapers.

The borrower usually is taken to Pennsylvania or he is directed by the New Jersey agent where to go there, he listens to a lot of talk about laws and interest rates that he does not understand, he is given a pile of papers to sign, he is told that everything is proper and legal, and he signs.

In some cases the borrower signs without knowing he will be paying a large brokerage fee in return for the radio he was "given." Many borrowers have signed statements for The Evening News saying they were told they definitely were not signing second mortgages when actually they were.

Virtually none of the dozens of borrowers The Evening News talked to in connection with these companies knew his rights under the Secondary Mortgage Loan Act.

The rules and regulations under the act require companies to give borrowers advance written notice that they can bring attorneys of their choosing to the closing. Every one of the borrowers The Evening News has talked to in connection with these companies has denied being given such information.

Among the licensed New Jersey dealers whose advertisements frequently have led borrowers to one or more Philadelphia consumer discount companies are Crescent Investments Co., Paul Truran and Security National Fund.

Crescent has advertised 60-month loans with proceeds of $1,000 for monthly payments of $22.60; $1,500 for monthly payments of $33.90; $2,500 for monthly payments of $56.50; and $5,000 for monthly payments of $113.

The advertisement gives rates only for 60-month loans, and says "Pick any amount you need." The Philadelphia companies to which Crescent refers many borrowers are forbidden by Pennsylvania law from giving loans of more than 48 months.

Some borrowers who answered the advertisement have been directed by a Crescent representative to Eastern Home Products, 1401 Reed St., Philadelphia.

NOT LICENSED

Eastern Home Products is not licensed by Pennsylvania law to engage "either as a principal, employe, agent or broker, in the business of negotiating or making" discount loans with a net proceeds of less than $3,500.

Mr. and Mrs. T. (not their real initial), area homeowners, say in a signed statement they were told by a Crescent representative when to go to Eastern Home Products, how to get there, and what to bring with them in the way of bills and papers.

At 1401 Reed St., the representative of Eastern Home Products computed their loan and mentioned that he would take three hundred and some dollars as fees for himself and for Crescent.

JERSEY TIGHTER

According to the T's signed statement in The Evening News' files, the representative told them Crescent recommended many people to him because laws were tighter in New Jersey. He said that to protect Eastern Home Products against Pennsylvania law, he would give the T's a television set for the money.

Then a man from Eastern Home Products drove the T's to Oxford Consumer Discount Co., 2233 North Broad St., Philadelphia, where they signed their loan. The representative of Oxford told them that in future dealings, they should go directly to Oxford so they would not have to pay the $369 fee to Eastern Home Products.

They say the representative of Oxford told them the $369 was lost to them. "That's how these guys get by," he told them.

The T's are paying Oxford $102.41 a month on a 48-month note of $4,915.68, secured by a mortgage that they signed on their New Jersey home.

Yet they actually received only $2,829.49 in money they could use to pay their bills. Oxford's statement lists $394.30 as going to the T's above the amount of the payments to their creditors, but they had to pay $369 of it to Eastern Home Products.

Under New Jersey law, the most they could have been charged on receipt of $2,829.49, even had they been required to pay the maximum fees and interest allowed, including insurance, would appear to be $4,501.10 or $414.58 less than they are paying.

FORTY-NINE MORTGAGES FILED

As of last week, the various offices of Oxford Consumer Discount Co. in the Philadelphia area had filed 49 mortgages on Middlesex County property securing loans they made to county homeowners since the secondary Mortgage Loan Act went into effect Sept. 7, 1965. Much of this business was transacted entirely by mail.

Eastern Home Products had filed three such mortgages, but assigned them all for payment to First Mercantile Co., whose activities were described in the first part of this series.

Incorporation records in Harrisburg show the same three names as incorporators of both Eastern Home Products and First Mercantile Co.

The three men are principals in Corporation Guarantee and Trust Co., whose New Jersey office is listed as agent for both First Mercantile and Eastern.

Another area couple was sent by Crescent through a Philadelphia office to Equitable Consumer Discount Co., 674 North Broad St., which changed its name in January to Fidelity Consumers Discount Co. Equitable Consumer Discount Co. was not registered in the Secretary of State's office, Trenton, to do business in New Jersey.

The couple signed a four-year mortgage loan for $3,840, of which they actually received only $1,930.20. Equitable's statement lists another $500 as going to Montgomery Supply Co.

According to a signed statement in The Evening News' files, it was claimed that the loan was arranged by a man who said he represented Montgomery Supply Co., and who required the couple to sign a receipt either for a stereo, a television set or $100 in money, and that they chose take the $100 for $500.

Documentary evidence ties Equitable to the New Jersey office of Paul Truran and National Consumer Service. Other documents show Robert S. Hass has acted as attorney for Montgomery Supply Co. Hass' ties with Truran and National Consumer Service were discussed here yesterday.

NEW OFFER

After a customer has been paying to Equitable some time on one loan, he may get a letter saying, "Dear —, Can you use 300 more or less, without increasing your present payments? Your credit is good here and you can borrow as much as $3,000 or more whenever you need it."

One area couple wrote back that they would take the extra money. They received $333.74.

For that money, in a transaction completed entirely by mail. Equitable raised their mortgage debt from a balance of $2,958 to a balance of $4,176.

Thus Equitable is collecting an extra $1,218 for advancing $333.74.

Major Consumer Discount Co., 3135 North Broad St , Philadelphia, also gets New Jersey customers through Crescent and National Consumer Service. Other New Jersey customers have come through American Service Associates, 6724 North Broad St., Philadelphia.

Pilgrim Consumer Discount Co., 1652 Point Breeze Ave., Philadelphia, gets customers through the advertisements signed by Security National Fund, Pennsauken, whose customers are directed to Patlind, Inc.

RIGHT IN OFFICE

Pilgrim's representative has signed loans right in Patlind's office, where the borrowers had to pay $200 for a cheap lamp or $400 for a low-priced television set in connection with fees for obtaining or placing the loan, which counsel says is illegal under New Jersey law and makes the obligation unenforceable under our law.

Borrowers complain in signed statements to The Evening News that they were misled on many counts at these Patlind-Pilgrim closings.

In their statements, borrowers have cited these apparent violations of the Secondary Mortgage Loan Act and its rules and regulations:

In some instances, they were told the merchandise was coming to them free and they did not know they would have to sign back part of the proceeds of their loan until the checks were handed to them.

No one suggested to them that they go to their first mortgage holder where they might have borrowed the money for less cost, which the law requires;

They were told they definitely were not signing second mortgages, when they asked for the 60-month rates in the Security National Fund advertisement, they were told these were available only on mortgage loans and that theirs were personal loans;

They did not get copies of the papers they were called upon to sign;

They did not get advance written notice they could bring an attorney of their choice to the closing.

All of which The Evening News has been advised by a well-known New Jersey attorney makes obligations arising from secondary mortgage loans unenforceable.

They were required to buy insurance on their loans; the insurance was issued by Pilgrim Life Insurance Co., which is just a few doors down on the same street from Pilgrim Consumer Discount Co., and which shares two directors with that company.

It would also seem that the companies whose activities have ben described in this article may be questioned under Pennsylvania law as well as New Jersey law.

LAW LIMITS FEES

All the companies mentioned here whose names include the words "consumer discount company" are licensed under Pennsylvania's Consumer Discount Company Act, amended in 1963.

The act limits the "interest, discounts, fees, fines, commissions, charges or other considerations . . ." a borrower can be charged to those that the consumer discount companies mentioned here actually have charged on all the closing statements that The Evening News has seen.

It would seem that this money does not include the extra $500-plus that allegedly went to the borrower, but actually went to National Consumer Service, or some other agency.

The Pennsylvania law also says, "A licensee shall not split or divide any contract so as to obtain charges in excess of those authorized by this act."

The penalty prescribed for violation of the Pennsylvania law is either a fine of not less than $500 nor more than $5,000, or imprisonment for not less than six months nor more than three years, or both.

BROKER NOT FOUND

ABC Consumer Discount Co., 6 Penn Center Plaza, Philadelphia, is another company that has lent money to New Jersey homeowners although it is not licensed under the Secondary Mortgage Loan Act.

The Evening News has found no cases of ABC's having done business through a broker or participated in overpriced merchandise deals.

But ABC does not give customers copies of the papers they are called upon to sign, or comply with several other features of the New Jersey law.

Borrowers from ABC have reported that insurance was added to their loan without their consent. The insurance was from ABCO Life Insurance Co., which has the same address and two of the same officers as ABC Consumer Discount Co.

By going to the companies described in this article, Middlesex County homeowners have lost hundreds of thousands—perhaps millions—of dollars in apparently illegal charges.

They could all use a lesson from Mr. T., whose case was described at the beginning of this article, and who told a reporter in an interview:

"I would never go for a second mortgage again. If my wife wants to spend more than I make again, I'll shoot her. We're going to work our way out of this."

Mr. Speaker, I have today requested both the Federal Trade Commission and the Post Office to initiate investigations of several finance companies which appear to hold a disproportionately large number of mortgages involving fraudulent transactions. Recognizing the complexity of striking an equitable legislative balance between the need for continued liberal consumer credit and the need for consumer protection, I urge that the Congress, through its appropriate committees take immediate action to eliminate these fraudulent second mortgage schemes.

REPORT ON THE M-16 RIFLE

Mr. ICHORD. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. ICHORD. Mr. Speaker, some time ago the Special Armed Services Subcommittee, investigating the M-16 rifle program filed its unanimous report. I had the privilege of chairing that subcommittee. The committee made 31 specific findings and recommendations. Briefly by way of summary the committee found that the M-16 weapon system as originally introduced in South Vietnam was a good and reliable weapon but that since that time the M-16 has experienced excessive malfunctions. These malfunctions were due to a multitude of factors such as sole source procurement, failure to supply proper equipment, conflicting instructions for maintenance and cleaning issued by the Army, and lack of familiarity with the rifle. But the primary cause of the excessive malfunctions was due to a change in powder used in the M-16 rifle which change was made in 1964. This change had the effect of increasing the malfunctions five or six times.

One of the key recommendations of the subcommittee was that the Department of Defense direct an immediate test by an organization independent of the Army.

This week the Defense Department announced that it was carrying out this recommendation by having the Marine Corps and the Weapon System Evaluation Group conduct tests.

This recommendation of the committee should be carried out without delay. As chairman of the subcommittee, I intend to follow these tests closely, which I understand will be conducted in Panama under environmental conditions similar to South Vietnam. The Army has said that the difficulties with the M-16 have now been corrected. We found that this has not been proven. The least that can be done is for the military to prove to themselves and the American people that our boys in Vietnam now have a good and reliable weapon.

At this time the committee is reserving judgment on the matter until we are fully advised as to the scope and extent of the tests.

I include at this point a press release issued today by the chairman of the Armed Services Committee, the Honorable MENDEL RIVERS, and a letter to him from the Deputy Secretary of Defense, Paul H. Nitze:

DEFENSE DEPARTMENT TO CONDUCT "OBJECTIVE TEST" OF MODIFIED M-16 RIFLE AS RECOMMENDED BY HOUSE ARMED SERVICES SPECIAL SUBCOMMITTEE, NOVEMBER 21, 1967

Armed Services Committee Chairman Mendel Rivers (D-S.C.), today announced that the Department of Defense will retest the M-16 rifle as recommended in the recent report of the Special Subcommittee on the M-16 Rifle Program.

The Subcommittee Report included a recommendation "that the Department of Defense direct and expedite a thorough and objective test by an independent organization of the weapon system consisting of the modified rifle and ammunition in Vietnam, as well as both types of propellant currently being loaded in 5.56mm ammunition."

Chairman Rivers released a letter from Deputy Secretary of Defense Paul H. Nitze stating that an additional test will be conducted with the Marine Corps as the testing agency working under the technical direction of the Weapons Systems Evaluation Group. The test will be on an expedited basis with the primary objective of testing the M-16 rifle as now configured and used in the field. The test program will simulate, as nearly as possible, combat conditions under a Vietnam environment consistent with the need for data recording.

The test is being planned to be of sufficient scope to provide valid statistical data on the reliability of the rifle in an operational environment.

"I am very happy to see that the Department of Defense is taking this action as recommended by our Subcommittee," Rivers said. "Mr. Ichord, the chairman, and the other members of his Subcommittee have rendered an important service to our national defense. This new analysis will help assure the best possible rifle for our servicemen in Vietnam."

THE DEPUTY SECRETARY OF DEFENSE,
Washington, D.C., November 18, 1967.

Hon. L. MENDEL RIVERS,
Chairman, Committee on Armed Services, House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: As Dr. Foster recently advised you, we have been carefully reviewing the report of the Special Subcommittee on the M-16 rifle. A comprehensive report will be provided to you upon completion of the review. One of the key recommendations of your report was that the "Department of Defense direct and expedite a thorough and objective test, by an independent organization, of the weapon system."

Our recent tests have given us further assurances that the modified rifle now in the hands of our troops in Vietnam is a reliable and effective weapon. Nevertheless, in light of the Subcommittee's recommendation, I have requested that an additional test be conducted with the Marine Corps as the testing agency working under the technical direction of the Weapons Systems Evaluation Group. The test will be on an expedite basis with the primary objective of testing the M-16 rifle as now configured and used in the field. The test program will simulate, as nearly as possible, combat conditions under a Vietnam environment consistent with the need for data recording. Modified rifles using both types of ammunition will be tested. The test is being planned to be of sufficient scope to provide valid statistical data on the reliability of the rifle in an operational environment.

As you know, we have been conducting controlled laboratory tests and evaluation of the rifle at the Aberdeen Proving Ground and elsewhere. These tests will, of course, continue as a part of our normal program to ensure the maximum effectiveness and reliability of weapons being used by our armed forces.

Sincerely,

PAUL H. NITZE.

QUESTIONNAIRE RETURNS IN THE 22D DISTRICT OF PENNSYLVANIA

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. SAYLOR] is recognized for 10 minutes.

Mr. SAYLOR. Mr. Speaker, recently I sent a questionnaire to residents of my district to solicit their opinion on a number of issues facing our country. The response was overwhelming and I am indeed grateful to the more than 27,000 people of Armstrong, Cambria, Clarion, Indiana, and Jefferson Counties who answered and, in many instances, volunteered additional comments and views.

Each county of the district I am privileged to represent provided me with an excellent cross-section of not only individual reaction, but group philosophy as well. The thousands of comments detailing personal views are and will be very useful to me in my constant effort to represent my district in the most effective manner.

The questions were phrased to be as objective as possible, but many thought them hard to answer with a simple "Yes" or "No." This is understandable, and I recognize the difficulties involved in answering complex questions in such a manner, however, this method was designed to reach the maximum number of my constituents and to expedite tabulation.

I trust the experience with this poll points out the similar perplexities which Members of Congress face in voting in the House. Sometimes, the issues are defined in such a manner as to give us only a "yea" or "nay" response—we have no opportunity to reserve judgments or provide alternatives, nor can we, as the elected representatives of our people, shrink from this task. I, for one, am thankful for the opportunity to exercise the duty, responsibility, and trust given to me by the people of the 22d District.

The statistical results of this poll cannot reflect more than general categories of approval or disapproval to the questions. Therefore, at the conclusion of my remarks, I insert in the RECORD the contents of my questionnaire and a percentage analysis of the replies received. I trust the Members of the House will be interested in the general reaction of my constituency as I have been in theirs.

The questionnaire follows:

[In percent]

	Yes	No	No comment
1. Should the bombing of targets in North Vietnam be increased to achieve an early military victory?	77	18	5
2. Do you favor a gradual withdrawal of U.S. combat troops from Vietnam?	43	53	4
3. Should the United States continue its membership in the United Nations?	78	21	1
4. Do you favor restrictions on foreign-made products to protect domestic industry and employment similar to limitations imposed by other countries on our products?	86	12	2
5. Should expenditures for foreign aid and military assistance be continued?	35	64	1
6. Would you favor expanding U.S. trade with Communist-bloc nations as proposed by the Johnson administration?	21	77	2
7. Do you approve of the deferment of college students from selective service induction in order to complete their education?	50	49	1
8. Would you favor a Federal-State tax-sharing plan whereby a certain percentage of your Federal income tax be returned to Pennsylvania with no strings attached?	73	25	2
9. Do you support the President's proposed Federal surtax of 10 percent on income taxes of individuals and corporations?	16	83	1
10. Should Congress raise personal income tax exemptions for all taxpayers from the present $600?	77	22	1
11. Would you approve legislation extending head-of-household tax benefits to single individuals age 35 and over, and to unremarried widows and widowers, who maintain separate households?	64	34	2
12. Would you favor increased tax exemptions for children attending elementary-secondary schools and colleges rather than general Federal aid to education in form of loans and grants?	52	46	2
13 Do you favor outright Federal grants to States for educational purposes, keeping control of our school system at local and State .evels?	74	25	1
14. Would you approve lowering the retirement age for full social security benefits even though it will mean another substantial increase in the tax rate on both employee and employer?	53	46	1
15. Do you favor a law to provide a guaranteed minimum annual wage for all citizens?	31	68	1
16. Are overall food prices too high?	82	17	1
17. Do you feel Congress should impose wage, price, and rent controls for the duration of the Vietnam war?	40	58	2
18. Should spending on Federal programs be cut to reduce the budget deficit during hostilities in Vietnam?	84	15	1
19. Do you feel Federal expenditures through the various economic opportunity programs are helping to alleviate conditions of poverty in this country?	27	67	6
20. Do you favor compulsory arbitration in labor-management contract disputes?	59	39	2
21. Is postal service in your area satisfactory?	86	14	--------
22. Do you favor increasing postal rates on all classes of mail to reduce postal deficits?	45	54	1
23. Should legislation be passed providing for 6 national holidays to be celebrated on a Friday or a Monday thus insuring long weekends?	49	49	2
24. Do you favor a constitutional amendment providing a "checks and balance" on the U.S. Supreme Court whereby the Congress, by a ¾ vote, could override decisions of the Supreme Court?	73	26	1
25. Do you favor lowering the voting age?	42	57	1

THE PRESIDENT: A MAN OF UNSHAKABLE CONVICTIONS

Mr. MATSUNAGA. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

Mr. MATSUNAGA. Mr. Speaker, as an aftermath of the remarkable press conference of last week, President Johnson has emerged in the public eye as a man of unshakable convictions—he would rather be right than popular, and he is convinced that history will prove him right. A lesser man would not have stayed with each one of the very tough economic, political, and military decisions he has made in recent months—decisions which have led to a new low in his popularity according to the various polls.

There were numerous opportunities for the President to water down his unpopular tax stand, for example. He could have tempered his defense of that measure because he knows that no tax increase is ever popular.

Yet he chose to make a strong defense of the economic and social reasons why he thought the surtax is absolutely necessary, and why the country will suffer if such a tax is not enacted immediately.

He stated clearly and bluntly that, based on his advice and information, the Congress and the Nation would regret the fact that the surtax was not enacted in this session of Congress so as to avoid rampant inflation with all its negative effects on the consumer and the businessman.

As to the most controversial and highly emotional issue of Vietnam, the President was given ample opportunity by interviewing newsmen to say something to appease the dissenters, both doves and hawks. But he chose instead to advocate the maintenance of the same pressures, the same stalwartness, the same attitude toward Hanoi which he believes will ultimately spell an honorable negotiated settlement—the responsible middle course which has kept Russia and Red China out of direct involvement in the war.

He could have pleased the dissenters by merely defending their right to disagree. Instead, President Johnson told the newsmen and millions of his fellow citizens that the Vietnam protests and the demonstrations had added nothing to a solution of the Vietnam situation, and had given Hanoi the unfounded illusion that political division at home might work toward the benefit of the Communists.

Whatever the question was, the answer was one we would have expected only from a man of unshakable convictions and qualities of a true and great leader. President Johnson has emerged a better understood man from one of the most effective press conferences ever held in the White House. As a consequence, more Americans today are no doubt convinced that Lyndon B. Johnson never takes the easy way out, and that history will prove him right.

PANAMA CANAL SOVEREIGNTY QUESTION: REPRESENTATIVE DANIEL J. FLOOD WILL DISCUSS ON MANION FORUM NETWORK, SUNDAY, NOVEMBER 26, 1967

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Bow] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BOW. Mr. Speaker, students of interoceanic canal problems have often expressed the view that no Member of Congress has ever done more toward the clarification of this complicated subject than our most distinguished and scholarly colleague from Pennsylvania [Mr. Flood]. A volume of his addresses on "Isthmian Canal Policy Questions"—House Document No. 474, 89th Congress—has already become a standard reference work throughout the Nation.

Later this month, Representative Flood will speak over the Manion Forum network on the timely subject "Wake Up America: Prevent Giving Away the Panama Canal." In this address, he will summarize the Isthmian Canal policy of the United States, the legal and treaty foundation of the Panama Canal, anti-U.S. agitation, our surrenders at Panama, the total U.S. investment there, the three recent mob incited treaties, the real issue at Panama and the remedy, including the widening of the Canal Zone to cover the entire watershed of the Chagres River.

In the Washington, D.C., area, Representative Flood's next Manion Forum address can be heard on radio station WEAM of Arlington, Va., 1390 kilocycles, Sunday, November 26, 1967, at 10 p.m.

It is hoped that as many Members of the Congress as possible, their staffs, families, and friends will listen to him discuss the sovereignty and other vital questions affecting the canal.

A NEW CHALLENGE TO HUD

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Widnall] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. WIDNALL. Mr. Speaker, the success of many projects throughout the country which enable people in the lower income categories to own their own home can be attributed, in part, to the willingness of the sponsoring agencies to permit the individual to invest "sweat equity" as well as hard currency. Home ownership by and of itself provides the individual with a sense of stability, law and order, and respect for property. But the homeowner who has labored to construct his home feels a sense of belonging to the land which is even more pronounced. He is like the woodchopper who is twice warmed—once when he chops the wood and again when he enjoys the warmth of a crackling fire.

Whitney M. Young, the executive director of the Urban League, touches upon this concept in an article in the New York Times of November 19, 1967. While I do not agree with all that he says, I do concur wholeheartedly with the challenge to the Department of Housing and Urban Development that Secretary Weaver initiate a policy to insist that urban renewal projects in the ghetto areas hire workers from the area that is being rehabilitated. As Mr. Young notes:

> HUD has the basic housing tools at hand.

We need no new program, only the willingness of Secretary Weaver and this administration to use their resources to create job opportunities which will give people a feeling of belonging to the land they are helping to build.

Mr. Whitney's editorial follows:

HOUSING CAN REBUILD SLUMS AND LIVES

(By Whitney M. Young, Jr.)

Today, in the shadow of a summer conflict, we are faced with a crisis, urban and racial, which is a far more dangerous threat to the stability of our national life than any other problem before us—foreign or domestic.

American cities are becoming blacker and poorer with political and economic consequences for every American. There is no virtue in obscuring the fact that we will continue to have riots and civil disorders as long as this is the case. Laws and judicial decisions, important as they are, have not succeeded in changing the conditions of life in the ghettos.

URBAN COLLAPSE

The problems of the slums have not been solved, however, and they won't be solved until white Americans recognize the full extent of their self-interest and take decisive action to redeem the ghettos and incorporate the Negro into American life. No amount of action on the part of the Negro community alone—not matter how inspired, and there is plenty of inspired constructive action in the ghettos—can solve the problem.

The crisis of the cities defies simple solution. The swelling ghettos are destructive to the people who live in them and threaten the welfare of every major city with strangulation, dry rot and bankruptcy. The long-range prospect of urban collapse in an increasingly urban society should be viewed even more seriously by Americans than the short-range prospect of civil disorder next summer. And yet, to date, the response of white America has been one of pallatives, band-aids and lollipops.

As a beginning, I would propose the immediate appropriation of $10 billion for the emergency implementation of existing Federal housing laws administered by the Department of Housing and Urban Development. I would call it Operation Justice.

At first blush, this may appear too simple, but it has the power to effect major changes in the ghettos in a relatively short period of time and has major ramifications for creating jobs as well as new and improved housing.

H.U.D. has the basic housing tools at hand, including tools which place construction and management in the hands of competitive private enterprise. The bottleneck in production is the current level of appropriations, which doesn't begin to scratch the surface of the problem.

BUILDINGS AND JOBS

An appropriation of $10 billion for construction would not only permit the rebuilding of the ghettos to begin, but would require the recruitment of thousands and thousands of new workers, who, it should be mandated, would come from the ghettos. To so mandate denies nothing to white workers. The jobs of white workers remain unchallenged. It is only new jobs that would go to Negroes.

Given the ghetto Negro's low educational achievement, there is only one kind of "top dollar" job he can get—construction work—and if the gap between whites and Negroes is to be closed, the Negro has to have a "top dollar" job. White American school dropouts have been doing construction work for centuries and getting well paid for it in the process. There is no reason why we shouldn't utilize an emergency construction program to crack open the cycle of poverty. Such a program would also create opportunities for Negro contractors, lawyers, real estate agents and others in allied professions.

Most important of all, it would provide evidence of a national commitment to real and substantial action, to real and substantive solutions. For the white community to fail to make such a commitment now is simply to invite more of the kind of "instant urban renewal" that occurred in Detroit.

PRIVATE SECTOR, TOO

Beyond this is the now widely recognized fact that the job of redeeming the ghettos is too big for government alone. There can be no final breakthrough until the private sector recognizes the full extent of its stake in the current social crisis and until money from major sources is attracted into the ghettos in amounts large enough to do the job that only massive, privately generated moneys can do.

History has shown that nothing is faster, more effective or more efficient than action by the private sector. But we cannot be idealistic. Such private action only takes place when it is motivated by, and assured of, a profit. The private sector has never initiated activity or revealed the full range of its creativity and ability to solve a problem in the absence of an adequate subsidy or an assured profit. Providing that subsidy, assuring that profit, is the proper role of the Federal Government in the future.

THE BOWL-BOUND UNIVERSITY OF WYOMING

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Wyoming [Mr. HARRISON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. HARRISON. Mr. Speaker, last Saturday it was the Fourth of July and Frontier Days rolled up in one when the University of Wyoming toppled their toughest opponent of the year the University of Texas, by a score of 21 to 19.

A bowl bid seemed a sure thing for the '1967 WAC champions. Wyoming, according to this week's poll, is ranked seventh in the Nation. Wyoming is also the only unbeaten or untied major college team.

Unfortunately, I was not in Wyoming Monday afternoon when the Cowboys accepted their bid to the Sugar Bowl at New Orleans. But, I can well imagine that Saturday's show of exhilaration would pale in comparison.

The "Pokes" 10 to 0 record for the season is one of which we are all proud. It took a fine coach and a dedicated team to pile up those victories.

The University of Wyoming has never lost a bowl game before, and LSU will find a worthy opponent in the Cowboys.

I have a great deal of pride in the State of Wyoming and the fine university at Laramie. So whether you are up or down—congratulations, Coach Lloyd Eaton, to you and the Cowboys—you will play the game, as always, this New Year's Day.

USDA FORECAST IS BAD NEWS FOR FARMERS, SAYS GOP TASK FORCE ON AGRICULTURE

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Minnesota [Mr. LANGEN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. LANGEN. Mr. Speaker, today the House Republican Task Force on Agriculture noted that at last someone in the Department of Agriculture has admitted that the American farmer is in trouble. Rex F. Daly, Chairman of the USDA's Outlook and Situation Board, told the recent Outlook Conference that farmers will not be any better off financially next year than they are this year, and that they probably will be worse off in comparison with the rest of the economy.

As chairman of the task force, it is my sad duty to say this is tragic news when you consider the fact that our farmers are already taking a $1½ billion pay cut this year from the pitifully poor performance of present agriculture programs. With the parity ratio down 6 points and farm debt up 83 percent in the last 7 years, this dreary forecast for next year will only add to the discontent that is seething across America's agricultural heartland.

The plight of the farmer is a sad commentary to the performance of agricultural programs, particularly in wheat and feed grains, that were hailed with such optimism by the Secretary of Agriculture when he has appeared before the House Agriculture Committee over the years.

Our farmers were told that the program was needed to strengthen farm income, and they were told that it would encourage greater use of the marketplace to bring a fair return to farmers. But market prices our farmers receive for wheat are much lower than they were before the present programs were enacted, even though their production costs have skyrocketed. If wheat selling at 30 cents below last year and corn selling 25 cents below a year ago constitute fair returns, then surely the American farmer is being represented in Washington by the Department of Anti-Agriculture.

Present programs have not been effective in providing the farmer with prices that can be classified as fair returns for their efforts. Something must be wrong with our present agriculture course. Either the programs were poorly designed or the administration of them has worked to the farmer's disadvantage. Actually, the record of the present administration has been one of constant misuse of price supports, commodity credit reserves, and other manipulation of the marketplace to depress prices to farmers. The truth is, more rural poverty has been created by the misuse of commodity programs than any of the current poverty programs could ever hope to correct. We must not forget that Secretary Freeman once told the House Agriculture Committee that the administration's farm program was designed to reduce the cost of farm commodity programs in order to free more public resources for the war on poverty.

Another goal of the present farm program was to enable small farmers to acquire the resources they need for an adequate size family farm operation. But our farmers continue to be forced off the land at an alarming rate, with 780,000 farms lost since 1960, creating additional poverty by eliminating jobs, taxes, and income for our rural areas.

Except for a rare admission by someone such as the chairman of the Outlook and Situation Board, the Department of Agriculture not only fails to come to grips with the real problems facing American agriculture, but usually tries to tell us that our farmers are in good shape. They are in a position to do something constructive about the problem, but departmental actions have too often hindered rather than helped.

LSD

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Brown] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, as a cosponsor of the bill to provide penalties for the possession of LSD, I am pleased to associate myself with the views of my colleagues regarding this serious problem. The legislation was introduced yesterday.

I am convinced that the immediate and potential harm of using LSD must not be minimized.

Authorities on narcotics have described LSD as an extremely dangerous drug. Dr. Leszek Ochotu, of the Investigational Branch of the Food and Drug Administration, wrote an article on LSD in May 1966 entitled "What Is the Clinical Evidence?" In it he said:

> It is obvious that such unsupervised and uncontrolled use of LSD can lead to severe complications—and it has. Severe, prolonged psychoses (including occurances among children who accidentally ingested LSD acquired by their parents) resulted from this abuse. Some of these terminated in suicide, others in psycho-social deterioration.

A bulletin of the World Health Organization, written by four doctors whose credentials are impressive, includes a section on LSD and similar drugs. The article says this:

> The drugs . . . possess a particular attraction for certain psychologically and socially maladjusted persons who have difficulty in conforming to usual social norms. Included are frustrated nonconformists and curious thrill-seeking adolescents and young adults.
>
> The chief dangers to the individual arise from the psychological effects. Impairment of judgment could lead to dangerous decisions or accidents. Occasional persons may become depressed, so that suicide is a possibility in users of these drugs.

I agree with the gentleman from Florida [Mr. Rogers], and my other colleagues on the House Interstate and Foreign Commerce Committee, that it is, indeed, ironic that marihuana, which is considered somewhat less dangerous than lysergic acid diethylamide—the chemical term for LSD—carries a stiff penalty for use and possession; but there is no such prohibition for LSD, a drug that is believed to cause even more serious damage, such as mutation of chromosomes in the human body.

I would hope that this measure, if enacted into law, as I believe it must be, could help somewhat the possibility of LSD really injuring someone for life, and could also eventually help alleviate the threat of malformed children being born to parents who have used the drug.

AIR SAFETY

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from New Hampshire [Mr. Wyman] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. WYMAN. Mr. Speaker, the crash of TWA flight No. 128 near Cincinnati last night once again points up the need for increased safety precautions in flight. Newspaper accounts of the accident report that witnesses to the crash "heard a loud boom and saw a gigantic flash in the sky" just before the crash.

No doubt our capable CAB, FAA, and DOT investigators will determine the cause of this crash, which may or may not have been mechanical failure. In the meantime, I wish to again call attention to a bill that I introduced on January 10 of this year making it a felony to carry or attempt to carry firearms or explosives on board commercial aircaft and to require additional precautionary measures aboard certain aircraft in the interest of the safety of the traveling public.

I urge the Committee on Interstate and Foreign Commerce to which this bill has been referred to hold hearings and report it favorably at the earliest possible moment. It should no longer be allowed to lanquish in committee for it is reasonable and responsible legislation desired by pilots, crew members, and the traveling public.

It provides as follows:

H.R. 1469

A bill making it a felony to carry or attempt to carry firearms or explosives on board commercial aircraft and to amend the Federal Aviation Act of 1958 so as to require additional precautionary measures aboard certain aircraft in the interest of the safety of the traveling public

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I

That section 601(a) of the Federal Aviation Act of 1958 (49 U.S.C. 1421(a)) is amended—

(1) by striking out "and" at the end of paragraph (5);

(2) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(7) Reasonable rules and regulations, with respect to each civil aircraft operated within the United States in interstate, overseas, or foreign air transportation carrying passengers for compensation or hire, requiring that—

"(A) each member of the flight crew on duty on the flight deck may carry a firearm on his person, which firearm shall not be taken from the flight deck while the aircraft is in operation, except upon authorization from the pilot;

"(B) the door separating the flight deck from the passenger compartment shall be so constructed as to be bulletproof to a .357 magnum caliber bullet at a distance of six feet and shall be locked at all times that the aircraft is in operation, except when otherwise ordered by the pilot;

"(C) the lock on the door separating the flight deck from the passenger compartment shall be so constructed that said door shall be capable of being locked and unlocked only from the flight deck;

"(D) the interior of the aircraft shall be so constructed as to permit continuous observation of the passenger compartment from the flight deck and voice communication between each;

"(E) All planes used for civilian passenger commercial air transportation shall be equipped with a warning system within the flight deck which shall warn of any attempt from the passenger side to open such door when it is locked; and

"(F) no person other than a member of the flight crew shall be permitted on the flight deck while any engine of the aircraft is in operation except such other persons as may be so authorized under regulations issued by the Administrator pursuant to the provisions of this Act."

TITLE II

That section 902(l) of the Federal Aviation Act of 1958 (49 U.S.C. 1472(l)) is amended to read as follows:

"(l) Except for agents of the Federal Bureau of Investigation or the United States Secret Service, who are authorized or required to carry arms, and such other persons as may be so authorized under regulations issued by the Administrator pursuant to the provisions of this Act, whoever shall carry, attempt to carry, or cause to be carried, on his person or otherwise, on board an aircraft being operated by an air carrier in air transportation, a firearm or explosive substance without first having declared same to the operating carrier or its authorized agent and receiving permission so to do, shall be fined not more than $10,000 or imprisoned not more than ten years, or both. For the purpose of this section the word 'firearm' shall include, but is not limited to, any instrument capable of discharging tear gas.

"(1) For conviction under this section it shall be unnecessary to prove an intent to harm either the aircraft, its crew, or passengers therein, and the offense prescribed by this section shall be established by proof of the commission of the act prohibited, regardless of intent.

"(2) For the purpose of assuring compliance with the provisions of this section, an air carrier or its authorized agent, at its option, is hereby empowered to search all baggage and the person of any passenger and to retain in its possession any firearms or explosives found pending their delivery to appropriate Federal authority.

"(3) Nothing in this section shall be construed to authorize an air carrier to refuse to transport firearms that have been declared and are appropriately and safely secured for transport."

SENIOR AMERICANS ECONOMIC FREEDOM ACT

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. Riegle] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. RIEGLE. Mr. Speaker, in April of this year, I introduced H.R. 8218, a comprehensive legislative program titled the "Senior Americans Economic Freedom Act."

This bill is designed to meet head on one of the most tragic problems of our Nation today: the economic deprivation and lack of opportunity facing our senior Americans. Events and circumstances, too long ignored, are today shunting many of our older citizens out of the vital mainstream of American life onto the dead-end side roads of poverty, isolation, and despair.

When I proposed this program, I said that I could not predict how long it would take before this legislation became law. I also said then that I intended to press the fight to see that such legislation did become law.

Mr. Speaker, one significant step toward this goal was recently taken.

One provision of my Senior Americans Economic Freedom Act would prohibit arbitrary discrimination against older Americans in employment because of age.

On November 4, the Senate passed S. 830, legislation very similar to my antidiscrimination provision. This bill is now before the House Committee on Education and Labor and I strongly urge consideration of this legislation by the entire House as soon as possible.

My proposal and S. 830 would do the following:

First, prohibit the arbitrary hiring, discharging, or other discriminatory actions against older employees. My bill would apply to employees 45 years of age or older; S. 830 applies to workers between the ages of 40 and 65.

Second, be applicable to employers, employment agencies, and labor organizations. My bill would also apply to placement services and training schools or centers.

Third, prohibit arbitrary discrimination against an employee, applicant, or member by an employer, employment agency or labor organization, respectively, because such individual has opposed any practice made unlawful by this legislation or has made a charge, testified, participated, or assisted in any proceeding under this legislation.

Fourth, authorize the Secretary of Labor to undertake studies concerning the needs and abilities of older workers, and make such studies available to governmental and nongovernmental agencies.

Fifth, authorize the Secretary of Labor to cooperate with local, State, and regional agencies to effectuate the purposes of this legislation. My bill would specifically authorize the establishment of local, State, or regional advisory and conciliation councils to study the problems of arbitrary discrimination against older workers, and to make recommendations to the Secretary for the development of appropriate procedures and policies.

Sixth, permit the consideration of an employee's age where such age is a bona fide occupational qualification reasonably necessary to the business.

Mr. Speaker, the problems of senior Americans must become a common concern. Thoughtful Americans should not be divided on this problem and all concerned citizens—Republicans, Democrats, independents—should unite in its solution.

I welcome the action of the other body in passing this legislation and ask that the House begin to work toward the same goal. The reality of this critical problem is unmistakable and it is time that we move more quickly in doing something about it.

REPORTS OF THE REPUBLICAN TASK FORCE ON CRIME

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. Gerald R. Ford] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. GERALD R. FORD. Mr. Speaker, Americans everywhere are becoming increasingly concerned with the soaring crime rate. The House Republican task force on crime has released two statements this month which deserve the attention of all of us.

Under leave to extend my remarks, I include a statement on "Crime in the District of Columbia," issued with a press release of November 13, entitled "GOP Task Force Charges Administration Failure in D.C. Crime Fight." On November 11 the press release was entitled "Crime Rate 'National Disgrace'," and the statement is on "The Federal Magistrates Act—S. 945":

GOP Task Force Charges Administration Failure in D.C. Crime Fight

Washington.—The House Republican Task Force on Crime charged today that "an Administration that desires control over the 'safe streets' program of all the states ought first demonstrate the initiative and aptitude for insuring that streets in its own backyard are safe."

They noted that the federal government has the sole responsibility for controlling crime and preserving order in Washington, D.C., and that the crime rate there is close to the worst in the nation. "The streets of Washington are unsafe. The Administration has failed in its own backyard," they said. "Congress cannot, in conscience, give it the responsibility for insuring safe streets elsewhere."

The GOP crime group observed that Monday marked "a year to the day since the President vetoed the District of Columbia anti-crime bill which had been passed overwhelmingly by the 89th Congress" and that he has offered "precious little" in lieu of it. In the meantime, crime in the District is up one third over a year ago.

The Task Force also took note of the President's latest "get-tough" statements about crime in Washington and said they "come a little late in the game for us." "We are persuaded that this is nothing more than talk, born more of the realization that he couldn't ignore the problem forever than of any particular interest in ridding the District of crime," they continued.

In addition to the veto of last year's crime bill, the Task Force charged that the Johnson Administration has largely ignored the recommendations of his District of Columbia Crime Commission, has taken no steps to push a new District crime bill along, has failed to support the Federal Magistrates Act, and has not filled even existing vacancies in District law enforcement personnel.

The GOP Task Force also called for reform of the Bail Reform Act, citing the fact that the "no-show" rate among criminal defendants has jumped alarmingly since it has been implemented as have the number of additional crimes committed by those who have been released under it. They suggested allowing the courts more discretion in denying or setting conditions of release for those who are a danger to the community and in revoking or cancelling the release of those who continue to commit criminal acts while free.

They further called the District Bail Agency "woefully understaffed" and recommended the establishment of "some machinery to supervise the activities of released defendants." "If some money and manpower are needed, it is up to the Executive Branch to advise the Congress where and how much." "So far we have heard nothing," they said.

Crime in the District of Columbia

There is a distinctly hollow ring to President Johnson's latest statements about fighting crime in the District of Columbia. The time for hand-wringing and bombast has long since passed. Washington is the one city in which all Americans have a substantial stake. It is also the one city in the entire nation where the federal government has the sole responsibilty for controlling crime and preserving order. An Administration that desires control over the "safe streets" programs of all the states ought first demonstrate the initiative and aptitude for insuring that streets in its own backyard are safe. Thus, the President might well be concerned over crime in Washington and the fact that the situation here is close to the worst in the nation. But his recent exhortations come a little late in the game for us. We are persuaded that they are nothing more than talk, born more of the realization that he couldn't ignore the problem forever than of any particular interest in ridding the Districe of crime.

For one thing, it is now a year to the day since the President vetoed the District of Columbia anti-crime bill which had been passed overwhelmingly by the 89th Congress. If the crime situation had improved any during the past twelve months, there would be less to be said today about that historic non-event. But according to figures compiled by the Metropolitan Police Department, things are even worse, far worse, than a year ago. During the month of September a total of 3,393 index offenses were reported in the District. Index offenses represent seven categories of crime, four against the person and three against property. This figure is an increase of 565 offenses or 20% over September 1966 and marks the sixty-fourth consecutive month for which an increase in District crime was noted. Even more startling is the fact that this brought the "trend of offenses," that is, offenses for the preceeding twelve-month period, to 36,497, an increase of 9,239 or 33.9% from the trend of September 1966, and an increase of 269.8% from the low point of April 1957. This is an appalling record. A large measure of the responsibility for it must be laid at the door of the Johnson Administration. We have had only a veto and inaction from the President and timidity from his advisers where crime in our nation's capital is concerned.

No one represented last year's crime bill as a cure-all for the District's ills. Nonetheless, it reflected the combined judgment of the members of both Houses of Congress that broader police powers and more realistic rules of evidence in criminal prosecutions were two steps in the right direction. The President's rejection of this partial solution was made doubly unfortunate because it was based upon the dubious advice of the now Attorney General to the effect that "fundamental Constitutional questions" pervaded the bill. Reasonable men can easily differ when it comes to interpreting the Constitution. A great majority of the Congress thought the bill was Constitutional. Ultimately though, the issue is one for the Judiciary. The President would have done well to leave it to the courts rather than to rely upon the predictably negative advice of an Attorney General who frequently seems more concerned over the appearances of the system than he is over whether it actually works.

What has the administration offered in lieu of the District crime bill? Precious little. A short month after the veto the President's Commission on Crime in the District of Columbia sent him a report containing more than two hundred specific crime recommendations. He has largely ignored these. Early in this session the Administration did offer a bill which embodied a few of the "easier" recommendations. But it was patchwork legislation bearing no resemblance to an anti-crime package, and if enacted, would have accomplished very little. Fortunately for the citizens of the District, the last year's vetoed bill was introduced in the House again. As usual it received bipartisan support and after absorbing some of the worthwhile features of the Administration's bill, it has again passed the House. It now languishes in the Senate District Committee where it is likely to remain until the next session simply because the President is not in sympathy with it and has taken no steps to push it along.

Similar treatment is being accorded another bill which would enhance the fight against crime in the District. The Federal Magistrates Act long ago passed the Senate by a wide margin, but it is stalled in the House Judiciary Committee, again because the Administration has shown no particular interest in it. The Magistrates Act applies to the entire federal system, but since the judicial system in the District is entirely federal, it would obviously have its greatest impact here. For years it has been recognized that one of the most vexing problems surrounding the administration of justice in Washington has been the ever growing backlog of cases awaiting trial. Delays between arrest and final judgment are interminable. The Magistrates Act would speed up this process by freeing the judges from routine tasks and permitting magistrates to handle not only these but also the trial of minor offenses. This legislation is also bipartisan. Concededly, it is neither dramatic nor exciting, but that is no excuse for letting it wither on the vine.

In recent months the Bail Reform Act has been roundly criticized by District judges and prosecutors, and the President must be aware that the Act itself is badly in need of reform. The "no-show" rate among criminal defendants has jumped alarmingly since it has been implemented as have the number of additional crimes committed by those who have been released under it. The spirit and purpose of the Bail Act are undeniably noble, and it has gone a long way toward curbing inequities in the administration of justice. We do not suggest that it be scrapped. It is clear, though, that amendment is necessary to allow the courts more discretion in denying or setting conditions of release for those who are a danger to the community and in revoking or cancelling the release of those who continue to commit criminal acts while free. It is further clear that the woefully understaffed District Bail Agency must be expanded and that some machinery must be established to supervise the activities of released defendants or else many of them will continue to run wild. All of these reforms were suggested by the Crime Commission a year ago. If money and manpower are needed, it is up to the Executive Branch to advise the Congress where and how much. So far we have heard nothing. We have no reason to believe the Administration is even slightly concerned over this.

The record of the Administration is equally inglorious when it comes to filling existing vacancies in law enforcement personnel. The President spoke about doubling the size of the Police Department, yet it is an established fact that more than three hundred vacancies exist in positions already established. More shameful is the situation in the United States Marshal's office where summons and other court documents remain unserved for months because almost 20% of their positions are unfilled. This delay in service recently prompted a federal judge from Northern Virginia to direct his own marshals to handle service of process in Washington where cases in his court were involved. Not too long ago a U.S. Marshal's job was much sought after, but this is obviously no longer the case in the District of Columbia. We also frequently hear how the United States Attorney's office is understaffed and of the enormous case load each prosecutor is required to carry. Surely some lawyers could be spared from the Department of Justice to help ease the load in what is truly an emergency situation, but we see no evidence that this is in the offing either. These last are problems the President could solve without Congressional assistance.

In summary, the House Republican Task Force on Crime would note that crime in the District of Columbia has been on the upswing for a decade. The increase has been twice the national rate. In the face of this, positive action by the Administration has been totally lacking. The streets of Washington are unsafe. The Administration has failed in its own backyard. Congress cannot, in conscience, give it the responsibility for insuring safe streets elsewhere. We ask only for some sign from the President that he recognizes his responsibility towards the nation's capital and that he is going to act about crime and not merely talk about it.

CRIME RATE "NATIONAL DISGRACE"; GOP TASK FORCE ASKS LEGISLATIVE ACTION

The House Republican Task Force on Crime Monday asked for speedy passage of the Federal Magistrates Act endorsed by the Judicial Conference of the United States and introduced with bipartisan sponsorship, and called it a bill that would unclog the backlog of criminal cases.

The GOP Crime Group noted that the nation's spiraling crime rate is a "disgrace", and blamed part of the problem on the failure "to dispense swift, sure justice".

Any bill which tends to speed up the process of criminal justice takes on "special significance," they explained. "The House Republican Task Force on Crime believes that S. 945, the Federal Magistrates Act, is just such legislation."

The Senate passed proposal would replace U.S. Commissioners with a new position of U.S. Magistrates, whose qualifications for office are greatly upgraded and whose duties are greatly expanded.

"If enacted, the bill will clearly promote swifter justice in federal criminal cases," the GOP statement continues. *"Nowhere is this more needed than in our nation's Capital where all crimes are within the jurisdiction of the Federal courts.*

"The snail's pace at which all judicial systems seem to operate is a product of the ever increasing number of matters, both civil and criminal, that today's courts are called upon to handle." The GOP Crime Task Force outlined the provisions of the Federal Magistrates Act, and said,

"To us, the significant feature . . . is that it would free a federal judge from less important procedural tasks and enable him to devote more time to matters of substance in the administration of justice."

"We urge early action," they continued. *"The 90th Congress has done little enough in enacting meaningful crime legislation."* We should not adjourn "without laying on the President's desk the new Federal Magistrates Act," they declared.

THE FEDERAL MAGISTRATES ACT (S. 945)

Because justice delayed is indeed justice denied, Congress should not adjourn without laying on the President's desk the new Federal Magistrates Act.

Our soaring crime rate is a national disgrace. The causes of crime and the reasons why we have been ineffective in dealing with it are numerous. Part of the problem lies in the fact that we are no longer able, as a nation, to dispense swift, sure justice. Despite recent bail reform movements, for example, some innocent suspects still languish in jail for months awaiting their day in court. Others, released on bond, have too much time before trial in which perhaps to commit additional crimes, intimidate witnesses and conceal evidence. Both the man in jail and the man on the street lose respect for a system of law and justice which permits such injustice. To the one it is cruel; to the other it is a joke.

It is apparent that any legislation, no matter what its principal purpose might be, which tends to speed up the process of dispensing criminal justice takes on special significance. The House Republican Task Force on Crime believes that S. 945, the Federal Magistrates Act, is just such legislation. It abolishes the office of United States Commissioner, the first person within the judicial system with whom a criminal defendant ordinarily comes into contact and replaces the Commissioner with a United States Magistrate whose qualifications for office are greatly upgraded and whose duties are greatly expanded. Although the Magistrates Act was not conceived as principally an anti-crime measure, it is one nonetheless because it will clearly promote swifter justice in federal criminal cases. Nowhere is this more needed than in our nation's Capital where all crimes are within the jurisdiction of the Federal courts. This Task Force approves the spirit of the Magistrates Act and endorses its terms.

The snail's pace at which all judicial systems seem to operate is a product of the ever-increasing number of matters, both criminal and civil, that today's courts are called upon to handle. This is as true in the Federal system as it is in those of the states. Many of the duties that now occupy Federal judges are ministerial, routine and minor, yet nevertheless, time-consuming. To us, the significant feature of the Magistrates Act is that it would free a federal judge from these less important procedural tasks and enable him to devote more time and attention to matters of substance in the administration of justice. This means faster justice.

In establishing a system of U.S. Magistrates, S. 945 formally classifies them as either full time or part time, stipulates that they must be attorneys, unless securing a qualified attorney is impossible, and provides other minimum qualifications to insure judicial independence and disinterest. A system of salaries set on a sliding scale according to anticipated workload replaces the inconsistent fee system of compensation now practiced. Magistrates, appointed by the Court, are guaranteed an 8-year term of office and part-time Magistrates are given a 4-year term of office, with provisions for removal only for cause.

These changes are essentially *pro forma*. The substance of the legislation is that U.S. Magistrates could be assigned duties by the District Courts in addition to those presently undertaken by U.S. Commissioners. These may include service as special masters, supervision of pretrial or discovery proceedings in both criminal and civil cases, and preliminary consideration of petitions for post conviction relief. Further, the trial jurisdiction of Magistrates would be expanded beyond minor criminal offenses when the accused executes a knowledgeable waiver of both his right to trial before a District Court and any right to trial by jury he may have. The Magistrates' trial jurisdiction, with certain exceptions, would extend to misdemeanors, wherever committed, that are punishable by imprisonment for not more than 1 year, or a fine of not more than $1,000, or both.

Finally, preliminary procedures are improved by requiring that, absent a grand jury indictment or an appropriate court order, a hearing must be held within 10 days following initial appearance if the accused is held in custody, or within 20 days following initial appearance if the accused has been released on bail or otherwise.

In summary, S. 945, in an effort to lessen the ever-growing workload of the U.S. District Courts in matters that are more desirably performed by the lower tier of judicial officers, updates and makes more effective a system that is no longer adequate.

This legislation has the formal endorsement of the Judicial Conference of the United States and the American Bar Association and is supported by the Department of Justice and the National Association of U.S. Commissioners. It was originally introduced in the Senate by Senators Joseph Tydings (D.-Md.) and Hugh Scott (R.-Pa.) in June of 1966. In June of this year it passed the Senate overwhelmingly. It now rests in the House Judiciary Committee. We urge early action. The 90th Congress, First Session, has done little enough in enacting meaningful crime legislation. There is no excuse for inaction on something as worthwhile as this.

CEILING ON FOREIGN STEEL IMPORTS

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Utah [Mr. BURTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BURTON of Utah. Mr. Speaker, yesterday I introduced legislation that would place a ceiling on the importation of foreign steel into this country. Under this bill steel imports would be limited to the average import level for the 3-year period, 1964–66, or a figure of approximately 8 million net tons. This compares with a projected 10.8 million net tons for the current year.

The domestic steel industry, including an important segment in my own State of Utah, is being seriously hurt because of the great increase in foreign steel permitted into this country. If the present trend continues, the steel industry in the United States will be in serious difficulty. Hopefully, the Congress will give attention to this matter at an early date. Unless it does, jobs of thousands of steelworkers, among them many in Utah, will be needlessly sacrificed.

The fact is that while the demand for iron and steel mill products is rising in this country, domestic producers are losing grounds, percentagewise, compared to foreign producers. This alarming trend is of fairly recent origin, but can be expected to worsen if we fail to tackle the problem soon.

Ten years ago, for example, this country's imports were roughly equal to exports. Since then, a serious gap has developed as imports have risen to more than 10 million tons while exports remain at about 2 million tons. The most disturbing jump has occurred in the past 3 years. In 1964, the import-export deficit was about 3 million tons. Today, the trade gap stands at 9 million tons—a threefold increase.

Obviously, this runaway trend must be halted, and the sooner the better. Cheaper labor costs and increasing technology of foreign producers, coupled with overproduction, are significant factors giving other countries a price advantage over domestic producers.

Mr. Speaker, I suggest that quick action on this measure would not only benefit the domestic economy, but could prevent future economic crises in foreign steel-producing nations. Such crises could develop if these countries base their production goals largely on visions of unlimited sales to the United States.

NEW LOCK IN COMPLEX SEAWAY SYSTEM

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Michigan [Mr. RUPPE] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. RUPPE. Mr. Speaker, in Sault Ste. Marie, Mich., the U.S. Army Corps of Engineers is constructing a new lock in the complex seaway system which links Lake Superior with the rest of the Great Lakes and the St. Lawrence Seaway. This new lock, one of the largest in the world, is capable of handling the Great Lakes' biggest ships in this important commercial passageway. The Sault locks are the busiest in the world; more tonnage passes through this complex than through the Suez and Panama Canals combined. This new addition will greatly improve the capacity and efficiency of this vital link in our Nation's transportaton system.

I have toured the new lock, and I must say that this is one of the engineering marvels of the world. I will be proud to witness the dedication of this new facility next June in Sault Ste. Marie.

Mr. Speaker, there is another important event which will take place next summer in Sault Ste. Marie and all over the northern Middle West: 1968 marks the tercentennial celebration of the arrival of Father Jacques Marquette. Public Law 89–187 established the Father Marquette Tercentenary Commission, whose purpose is to commemorate the advent and history of Father Marquette in North America. I serve on that Commission and I am proud to say that Father Marquette first entered what is now the United States at none other than Sault Ste. Marie, Mich., site of this new lock. I think it would be fitting and proper that this lock, which links the waters of the eastern shores to the very heartland of America, be named after the man who originally opened up the territory. It is a quirk of history that the new lock is built almost precisely on the very ground where Father Marquette first set foot on this land.

In commemoration of his arrival, I hereby offer this resolution to name the new lock, now designated the "New Poe Lock," the "Father Marquette Lock."

THANKSGIVING INVITATIONS FOR SERVICEMEN

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. ASHBROOK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, during the Thanksgiving season many servicemen will be unable to have the holiday dinner with their families. The National Committee for Responsible Patriotism has been encouraging families to set an extra plate for a serviceman, invited from a nearby military base. The program, under the direction of Charles G. Wiley, executive director, has received endorsements from elected officials in a number of States. Gestures of this type are certainly an encouraging breath of fresh air in contrast to the antics of some anti-Vietnam protestors.

I am inserting the article, "Families Here To Set a Plate for GI Guests," which appeared in the New York Daily News of November 21, 1967:

FAMILIES HERE TO SET A PLATE FOR GI GUESTS

(By Edward Benes)

Families in the metropolitan area will participate in a nationwide plan to set an extra plate for a serviceman for Thanksgiving dinner, as part of Operation Hospitality, it was announced yesterday.

Charles G. Wiley, executive director of the National Committee for Responsible Patriotism, said endorsements of the program have been received from elected officials from California to New York.

He suggested that families contact the commanding officers in this area at the St. Albans Naval Hospital in Queens and the Fort Hamilton Army Base in Brooklyn with their invitation to a serviceman, particularly a Vietnam veteran, to share in Thursday's festivities.

IN NEW JERSEY, IT'S DIX, MONMOUTH

New Jersey residents can set up "a Thanksgiving dinner for a serviceman at a home away from home by calling Fort Monmouth or Fort Dix," Wiley said.

The committee, which ran Operation Gratitude during the weekend of Oct. 21–22 and the parade to Support Our Men in Vietnam in May, has gained nationwide support for the current drive, Wiley said.

A spokesman for the Vietnam Mission to the United Nations said that Ambassador Nguyen Huu Chi and five other officers of the mission, will have servicemen in their homes for the holiday. They will be served a special Vietnamese dish called Cha Gio, a "kind of rice roll stuffed with crab, pork, rice sticks and spiced with fish sauce."

IS UNITED STATES FED UP WITH VIOLENT WAR DISSENTERS?

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Ohio [Mr. Ashbrook] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ASHBROOK. Mr. Speaker, yesterday the press carried accounts of disorders at San Jose State College in California, in which a demonstration organized by Students for Democratic Society against job interviews conducted by Dow Chemical Co., makers of napalm used in Vietnam, erupted into violence. The same day the Philadelphia Inquirer reported a statement by the College Placement Council, and sent to 1,000 colleges and universities, urging that school officials block attempts by small groups to obstruct campus job recruitment.

Also on November 21, there appeared in the Philadelphia Inquirer a column by Roscoe Drummond entitled "United States Is About Fed Up With War Dissenters." I include his column in the Record at this point, along with the item "College Recruiter Blocking Hit," which also appeared in the Inquirer of the same date:

United States Is About Fed Up With War Dissenters

(By Roscoe Drummond)

Washington.—The violent, illegal, vulgar, anticivil rights tactics of the Vietnam protestors are overstraining the Nation's tolerance. More and more people are showing that they have had enough of this kind of thing and won't stand for it much longer.

College officials, many professors and student leaders who, in the name of preserving free speech, have long tolerated the vicious attempts to deny free speech on campus and off, are deciding to call a halt.

It comes none too soon. It will have overwhelming public support.

Congress has been as indulgent as the college authorities, but now even the Congressional critics of the Vietnam War are beginning to see that there can be too much of a bad thing.

Sen. Frank E. Moss (D., Utah), for example, is urging a new type of bombing pause—a moratorium on "bombing" President Johnson with a daily salvo of "vicious, insidious, and sadistic attacks."

"I steadfastly champion the civil rights cause," Moss told the Senate. "But the attacks I deplore are neither civil nor right."

That's exactly the point. Nobody from President to page boy is denying anybody the "right to dissent."

What cannot be tolerated in a free society, in a democratic society, in a decent society, is the attempt of the dissenters to use violence and disorder to deny to others the "right to assent."

We can't allow ourselves to become so preoccupied with preserving the civil rights of the minority that we permit the lawless minority to violate the civil rights of the majority.

This is why the patience of the Nation with the antics of the antifree speech, antidemocratic, violent war protestors is wearing thin. And with good reason.

It is amply evident that the primary purpose of the antiwar pickets and placards is not just to affirm their views but to make it impossible for others to speak theirs. They don't want to promote the dialogue of a free society; they want to stop the dialogue; they want to close off free speech. They surround public halls to prevent people from assembly.

They storm an automobile carrying the Vice President.

Some student dissenters resort to force and violence to prevent other students from being interviewed for employment by representatives of companies that produce war materiel, or by the CIA, or by military recruiters.

They hoot and howl at Dean Rusk to prevent others from listening to him.

And in New York the other night these high-minded practitioners of violence hurled paint, bottles, and other missiles and shouted obscenities and taunts at those who wanted to attend a meeting of the Foreign Policy Association at which the Secretary of State was the guest—and at the police who were trying to protect a peaceable assembly.

It would have been peaceable except for those who claimed they were for peace and whom a New York Times editorial described as "rampaging . . . junior-grade storm troopers."

The time to call a halt on this kind of thing is at hand and Harvard University is showing that it is ready to do it. In putting 70 students on probation for "forcible obstruction" of a job recruiter, President Nathan Pusey said: "This kind of conduct is simply unacceptable, not only in a community devoted to intellectual endeavor, but, I would assume, in any decent, democratic society."

Let's not forget that there is no constitutional guarantee of "free" assembly; the guarantee is of "peaceable" assembly.

College Recruiter Blocking Hit

Bethlehem, Pa., November 29.—The College Placement Council urged colleges and universities on Monday to block attempts by small groups to obstruct campus job recruitment.

The statement from the nonprofit corporation representing the Regional Placement Associations of the United States and Canada comes in the wake of a growing number of student demonstrations nationwide.

CAMPUS PROTESTS

In recent weeks small groups sparked by militant student organizations have protested campus visits by recruiters from certain companies and government agencies.

In some cases recruiters have been held captive in interviewing rooms and automobiles for up to eight hours and students have been blocked from taking interviews.

TO 1,000 COLLEGES

The statement by the CPC sent to the presidents of more than 1000 colleges and universities served by the organization, asks that the rights of seniors to interview prospective employers on campus be protected.

"The students are the ultimate losers when on-campus recruiting is obstructed," Raymond H. Stockard, director of placement at the University of Rhode Island and current president of the Council noted in the statement.

THE PRESIDENT REVERSES HIS FIELD

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Robison] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ROBISON. Mr. Speaker, President Johnson's sudden—and unexpected—shift in favor of Federal spending restraint will not do much to relieve the fiscal "credibility gap" from which his administration has suffered and may, indeed, magnify it, but at least it ought to serve to break the deadlock that has so far prevented Congress from considering the Johnson surtax proposal on its merits; and I believe that such consideration is long overdue.

This should not be taken to mean—or to imply—that I am in favor of that surtax proposal, for I shall first want to see in what form it emerges, if it now does, from the House Ways and Means Committee, as well as to have more concrete information concerning the President's rumored offer to cut Federal spending dollar for dollar of additional revenue raised, and then to relate both matters to our domestic economic problems as the same may have been altered by Britain's decision to devalue the pound.

As to that latter fact—which seems to have caught our Government at least partially by surprise—it seems to me it should stand as a lesson for us in that it again demonstrates that no government, no matter how great and powerful, can forever live beyond its means. As the Wall Street Journal said, editorially, yesterday:

> Federal finances are in a shocking state, and Britain's step is a reminder that grave distortions cannot be left forever uncorrected.

As a Republican—and as one House Member who has taken an active part in the Republican effort to obtain some commitment from the President for restraint in Federal expenditures—I do not consider Mr. Johnson's change of attitude as a victory of any sort unless it be victory for realism, and even that may have come too late for the American people who will apparently, now, have to bear the brunt of both soaring inflation and near-record high interest rates regardless of the ultimate congressional decision concerning a tax increase. And, in my view, we have come to this unfortunate state because of an equally deplorable lapse in leadership and responsibility on the part of the current administration which, long before this, should have "seen the handwriting on the wall" and taken positive action to avert the impending fiscal crisis we now face both at home and abroad.

Of course, the House has been stubborn in its attempt to force an attitude of restraint upon the President that it, itself, has time and again proven to be incapable of adopting—and both Houses of Congress must accept the blame for that latter fact—but there has simply been no excuse for the kind of institutional breakdown between Congress and President that this has precipitated and I believe Mr. Johnson, to borrow his own recent phrase, "will live to rue the day" when he permitted this to happen for, no matter how you cut it, his is the larger responsibility.

There can, equally, be no excuse for the manner in which, this year, the normal appropriation processes have been dragged out, or for the great uncertainties that unfunded Federal agencies have had to face, or for the "payless paydays" Federal employees have had to cope with—none of which conditions would have happened if the President, for some unknown and unfathomable reason, had not seen fit to cut his own line of communications with his own nominal leaders in the Congress.

With the advent of Thanksgiving, I think we can all be thankful that such lines of communications have now been at least partially restored and I, for one, am perfectly willing to see Congress now stay in session for the balance of this year in order to consider and to take responsible action toward doing what we can, late though the hour be, toward straightening out the tangled fiscal affairs of this Nation whose strength—let us remember—does not rest on military prowess alone.

MRS. ESTES KEFAUVER

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. Kuykendall] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KUYKENDALL. Mr. Speaker, Mrs. Kuykendall and I join with all the citizens of Tennessee in sorrow at the sudden death of a gracious and beloved friend, Mrs. Estes Kefauver.

Most of you know her as the wife of the former Congressman and Senator, but for us there will always be memories of a more personal nature. Mrs. Kefauver has been very kind to us in this our first year in Washington. She has been more than willing to share with us some of her own experiences to help us settle our family in Washington and in meeting the many problems which always confront a freshman in this body.

Her contributions to the Nation since the death of her husband have been many. Her artistic instincts and knowledge have been used to enrich our culture and her contributions have been made in the self-effacing, quiet manner which marked her entire life.

Perhaps no greater tribute may be paid in noting the death of a friend than to say, "She will be missed." Nancy Kefauver will be missed, but we are glad that she lived and that we were privileged to be among her many friends.

HOUSE AND SENATE REPUBLICAN MEMBERS OF JOINT ECONOMIC COMMITTEE SET FORTH REPUBLICAN ECONOMIC POLICY ON ACTION NEEDED NOW TO REDUCE BUDGET DEFICIT

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. Curtis] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CURTIS. Mr. Speaker, the Republican members of the House-Senate Joint Economic Committee at a press conference in the Capitol at 3 o'clock this afternoon stated their position on the effects of the devaluation of the British pound and other currencies on U.S. domestic economic policy, notably the administration's fiscal policy and its proposed tax increase in relation to the need for economic stability.

The Republican statement on the economic situation follows:

Devaluation of the British Pound

(Statement by Republican members of the Joint Economic Committee—Senators Jacob K. Javits, New York; Jack Miller, Iowa; Len B. Jordan, Idaho; Charles H. Percy, Illinois; and Representatives Thomas B. Curtis, Missouri; William B. Widnall, New Jersey; Donald Rumsfeld, Illinois; W. E. Brock 3d, Tennessee)

(The Republican members of the Joint Economic Committee today issued the following statement on the devaluation of the British pound and the appropriate action needed now to reduce the U.S. budget deficit.)

There are times in the affairs of men and nations when survival itself requires a return to reason and responsibility.

We believe that events of the past three days demonstrate dramatically that such a time has arrived for the United States in the management of its economic affairs.

The devaluation of the British pound has heightened the vulnerability of the dollar to speculative attack and called into question the stability of the world monetary system itself.

We have no doubt that the resources available to the United States Government are adequate to withstand any attack on our currency. Devaluation need not—and should not—be a live option for the United States.

The British example makes painfully clear to the United States that a power which plays the role of international banker has special responsibilities as well as special rights. It must maintain stability of costs and prices within its own borders. It must also maintain a reasonably healthy equilibrium in its balance of payments with the rest of the world. Sooner or later confidence in its currency will be lost if it fails its responsibilities.

Chronic economic weakness at home made Britain's devaluation an inevitability. The free world will survive that action if good sense and economic cooperation prevail. In the long run, the devaluation may even prove beneficial if Britain uses the opportunity it provides to strengthen her domestic economy.

But if the world should ever lose confidence in the American dollar and the American economy, the international monetary system as we know it today would not survive. The shock would set back the growth and prosperity of the entire free world for many years to come. It is our responsibility to assure—beginning now—that this does not happen.

World confidence in the dollar remains high, but the patience of foreign dollar holders is not without limit. Questions increasingly are being asked about our ability—even our willingness—to take those actions needed to restore balanced and healthy economic growth.

Today our economy is suffering from excessive budgetary and monetary expansion. By the end of fiscal 1939, eight years of successive budget deficits will total $100 billion unless present policies are reversed. During the present year, the expansion of money and credit also has been one of the most expansive on record, largely because of the necessity to support massive Treasury borrowing.

The results of these policies are rapidly becoming painfully clear. Prices since last spring have been rising at an annual rate of four percent; wage increases are far outrunning gains in productivity; key interest rates are the highest since the Civil War; and the balance-of-payments deficit this year will exceed last year's by over fifty percent.

The challenge of leadership is to do what is necessary—and possible—to promote the public interest. Today that means taking action to reverse the mounting inflationary psychology that is undermining our Nation's future and the strength of its international position. By any test, our leadership is not now meeting that challenge.

It is evident that the Federal budget must be brought under control. It is equally evident that once the budget deficit has been cut and the Treasury's demands on the financial markets reduced, the rapid rate of expansion of money and credit must be slowed down.

Since last summer, the President and Congress have been caught in a paralyzing deadlock over economic policy. Meanwhile, the economy has been drifting toward the brink of financial and economic chaos.

The state of our economy and the international position of the dollar require that an acceptable compromise between the Administration and the Congress be reached without further delay.

Any program for economic stability must include action to reduce the budget deficit. We of the Minority propose to continue our long-standing efforts to attain a reasonably balanced budget, and all we ask is that those in control of our government join with us in these efforts.

As far as we are concerned, the President may well be entitled to a tax increase if he can show that it is necessary after effective action has been taken to reduce non-essential government spending. A plan for such action should have accompanied the President's August 3 message which contained the request for a ten percent tax increase, in effect, a tacit admission that the spending requests contained in his January budget message were excessive.

We are encouraged that only yesterday the President is reported to have recognized the need to accompany a tax increase with expenditure reductions of the same order of magnitude. For the first time he has faced up to the demand from the taxpayers of our nation that if they are to be called upon to sacrifice, the Administration itself must be willing to exercise restraint in its spending programs.

Our national unity has been seriously threatened by protests over the Vietnam War and by deep social unrest. A solution to the maintenance of national unity requires a strong and healthy economy. We trust that the Administration and its Congressional leadership will display the sense of responsibility and willingness to compromise to achieve that objective. In the light of Britain's experience, we can be certain that the world will be watching closely to see whether our Federal Government measures up to its responsibilities.

BEST HEAVY RESCUE TEAM IN THE WORLD

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. BIESTER] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BIESTER. Mr. Speaker, I would like to bring to the attention of my colleagues and of all who read the RECORD an event in which I personally take great pride. The Fire Company of Trevose, Pa., the town where I was born, now holds the coveted title of "Best Heavy Rescue Team in the World." The Trevose team gained this title on October 28 by capturing first place in the 20th International Conference of Heavy Rescue and First Aid, held this year in Baltimore, Md. The competition included teams from Mexico and Canada, as well as 50 from the United States.

The winning Trevose team consisted of Roy Russell, team captain and chief of the fire company; Lt. Jim Brennan, first assistant; John Thorpe, second assistant; Charles Quaste, Joseph Sebrowski, Wayne Moyer, Morton Elgescy, and George Hermann. The three alternates were Charles Grimm, James Thorpe, and Craig Petri. I want to heartily congratulate and thank all of these men for the distinction which their achievement has bestowed upon my hometown, my district, and my State.

FAIRCHILD PUBLICATIONS ZEROS IN ON NOISE

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. KUPFERMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KUPFERMAN. Mr. Speaker, Fairchild Publications, which publishes the respected newspapers, Woman's Wear Daily, Home Furnishings Daily, Electronic News, Supermarket News, Metalworking News, Daily News Record, and Drug News Weekly, has attacked the problem of noise in each of these publications in their issues of Monday, November 20, 1967. In addition Footwear News has included it in its Thursday issue. Robert A. Barr, of Fairchild News Service, has provided me with copies of the article. I appreciate the reference to me therein:

One Congressman, singlehandedly, is trying to educate his colleagues—and anyone else who will listen—about noise and how it must be dissipated.

He is Rep. Theodore R. Kupferman, (R., N.Y.) whose persistence and research have made him a recognized lay authority on noise.

His idea is simple: Create an "office of noise control" within the Office of the Surgeon General. He has a bill (H.R. 2819) before the House Interstate Commerce Committee that would do this.

My colleagues will be interested in the complete text, which follows:

NOISE

In its diversity, it can please or pain. It can lull a baby to sleep or drive an adult to the brink of insanity—and possibly beyond.

Noise, in its infinite variety, is one of the least explored and potentially one of the most hazardous aspects of today's urban life.

The impact of rock and roll music, according to two ear specialists, literally can deafen you. Today's Health magazine published by the American Medical Association, reported AMA findings in the October issue.

Dr. John A. Garrett, resident in otolaryngology at the University of California Medical Center, and Dr. Charles P. Lebo, assistant clinical professor at the school, taped sounds from a rock 'n roll club and did a scientific "listen in" at another.

Cumulative exposure to the music, they concluded, is likely to cause ear damage. Dr. Garrett reported, after one 3-hour session: "I couldn't hear my watch tick for 3 hours afterwards."

"Noise is a molester," according to Dr. Samuel Rosen, ear surgeon and investigator in the epidemiology of hearing loss.

He described for the AMA what he thinks the nation some day will recognize as a "chronic noise syndrome."

Said Dr. Rosen: "At an unexpected or unwanted noise, the pupils dilate, the skin pales, mucous membranes dry up, there are intestinal spasms and the adrenals explode secretions. The biological organism, in a word, is disturbed."

Urban man lives in increasingly congested cities that are noisily bursting their seams. By the year 2000 demographers predict 50 per cent of our population will live in three supercities—"Boswash," a megalopolis stretching from Boston to Washington; "Chipitt," stretching from Chicago to Pittsburgh, and "Sansan," encompassing the area from San Diego to San Francisco. Specialists warn that hearing ability within the supercities could become virtually nonexistent, unless something is done.

Already, exposure of the New Yorker's pollution-laden ears to noise over long periods causes damage ranging from minor cell changes to total degeneration of a portion of the inner ear, according to the New York Academy of Sciences.

Dr. Rosen conducted a study in which he pointed out that loss of hearing is most likely related to noise and not age.

The study shows that a 70-year-old Meban tribesman in the southeastern Sudan, where average environmental noise is less than the hum of a city dweller's refrigerator, has the hearing acuity of a 20-year-old Manhattanite.

Discounting noise "for technology's sake," New York has a non-productive, clamor-making reserve of some 1,100 garbage trucks; 1,700 police sirens, and 785 pieces of fire fighting apparatus, all with sirens and bells.

New Yorkers make the most noise over the noises surrounding garbage collection, according to Neil Anderson, chairman of the Mayor's Task Force on Noise Abatement formed last March.

The committee has a 3-fold job: To identify noise sources; to find resources that can minimize noise, and to gain support for mass muffling by sensitizing and educating New Yorkers to the problem.

"With the increasing number of cars, jets, helicopter and tempo of construction, noise has become a serious health problem," Mr. Anderson said. He added that 80 per cent of the city's sounds are "totally unnecessary," coming from auto horns and compressors without mufflers.

The committee has received over a thousand letters, including some from artists who said that if the city doesn't quiet down they will have to pack up their creativity and settle in more tranquil areas.

The city is taking some steps under a proposed law that provides for ceilings on noise produced in and around multiple dwellings, by setting technical levels on noise transmission between tenants through walls and floors. It also covers isolation of mechanical noisemakers outside buildings, such as cooling towers and generators.

It has been established by a number of authorities in continuous noise environments that if you make a sound of 85 decibels—sound pressure levels named after inventor Alexander Graham Bell—you have a damage potential. By simply breathing, you, at this moment, are producing around 10 decibels of sound. By citing two everyday examples—a subway train rounding a curve (104 decibels) or a jet plane at take-off (150 decibels)—you have some idea of what urban man is subjected to.

Fred Berlowe, an acoustical engineer, was hired by Virginia Gardens, Fla., which borders on Miami International Airport.

Said Mr. Berlowe: "Six years ago, Virginia Gardens was a community with median incomes running around $15,000 or $20,000. Runways were built adjoining the area. The noise became intolerable. Even though the county gave tax benefits, most people moved out. The income range today is $7,000 to $8,000. The higher salaried pilots and airline employes have moved away from the engine testing and runways."

On the other hand, the new Eastern Airlines executive building at the airport is less than 1,500 feet from the east/west runway, where up to 2,000 planes a day take off or land.

Yet, inside the building, an executive can whisper to his secretary and still be heard easily.

Arthur Furchgott, project director and head of facilities, explains it this way: "Our old building was very noisy. When a jet took off, if you happened to be on the phone, you stopped for a few minutes . . . very disruptive and inefficient.

"With our new building, we have reduced the noise level by sheer mass—10-inch-thick north/south walls and 6-inch to 8-inch minimum-thickness precast concrete panels running vertically on our east/west walls.

"We have special double windows with neoprene caulking, as well as acoustical ceilings throughout."

George W. Kamperman, a senior executive with Bolt, Beranek & Newman, acoustical consulting firm, has conducted surveys at Kennedy Airport and in Los Angeles. Other airports throughout the nation are subjected to the same scrutiny.

"In New York, for the past five years," said Mr. Kamperman, "every flight that takes off from the airport has its noise level recorded and a letter is sent to the airline every month showing what noise has been generated by that particular airline's plane."

To help keep the country sane and to rid the air of noise, aircraft manufacturers could make quieter engines.

Added Mr. Kamperman: "They could make quieter jets . . . if they wanted to sacrifice load carrying capacity."

The Federal Government would like to make them quieter. Last week Transportation Secretary Alan S. Boyd asked Congress for a law granting Federal control over aircraft noise. The Administration has sought such a law for more than a year, but the prospects are cloudy. After Mr. Boyd made his presentation to a House Subcommittee, it recessed its hearings on jet noise indefinitely.

Aircraft engine producers are working on noise abatement schemes, but were reluctant to discuss details. It is difficult, however, to cut noise without reducing engine power, sources claim.

The American Academy of Ophthalmology & Otolaryngology in its "Guide for Conservation of Hearing in Noise" states: "Prolonged exposure to the noises encountered in many industrial environments can produce a permanent hearing loss. This hearing loss is not amenable to treatment. Once a noise-induced loss has been acquired, normal hearing cannot be restored."

Said Mr. Kamperman: "For business' own sake, it had better push through noise level legislation. If the company doesn't do it . . . then the labor unions are going to start pushing it. Then the laws will be so strict that the poor company won't—in its wildest dreams—be able to comply with the legislation forced by the unions."

Executives don't always see it this way.

Charles C. Brooks, president of Conant Ball Co., Gardner, Mass. furniture manufacturer, said, "I don't even think about it. Workers get used to noise. We have much more important things to think about."

John Meyer, an architect at Sverdrup and Parcel & Associates, Inc., a St. Louis engineering firm, said that manufacturing companies are interested in noise abatement as part of the design of a new plant, provided that such features are not too expensive. Such things as perforated steel panels backed by absorption materials are available for noisy plants, but the owner usually tries to keep costs at a minimum.

General Steel Industries, Inc., Granite City, Ill., is one firm that has recognized the noise problems inherent in a large foundry operation, and has taken steps to reduce the levels wherever feasible. The firm has gone to burning rather than chipping metal, said a spokesman.

However, Tom O'Hare, secretary of O'Hare Foundry Corp., St. Louis, said noise has never been regarded as a problem. While his firm does not have a metal chipping operation, he admits the foundry is a noisy place.

"For an outsider it is bothersome," Mr. O'Hare said, "But someone who has been working in it for a while doesn't notice it."

In the Chicago area, Western Electric Co. has established a specific hearing program for its employes. Employes are tested periodically for hearing loss or gain. If a threshold shift is evident, the employe is transferred to a different noise environment in the plant.

According to Mr. Grimaldi, the most important aspect of any noise control program is "the endorsement and support of management, especially from management levels down through the organization.

"It should be agreed generally that in the establishment of policies and procedures by a corporation—a small company or a full plant—full interest and support of all personnel can be expected only if the program or project has the endorsement and support of management. A concerted effort by all industry will contribute a great deal toward making our plants safer and healthier places in which to work."

A. H. Smith, vice-president of manufacturing for Shetland Co., Salem, Mass., producer of floor care and electrical houseware products, cites two instances in which noise affected plant operations.

"The noise of the large punch presses was so loud and constant that the company found it impossible to keep operators on the job," he said. "They were always quitting because they couldn't stand the noise of the presses."

The company finally went to the Massachusetts Department of Health with the problem. After investigating all angles, it was decided the only thing that could be done was to have the operators wear ear plugs. This was done and the company no longer has trouble keeping operators on the payroll.

The second instance concerned life tests. Shetland tests a sample of each product 24 hours a day until it wears out. There are always 50 to 100 tests going on in the laboratories. The labs are close to the production lines, and the noise from the tests was so loud that it affected production of the workers.

Said Mr. Smith: "Something had to be done to eliminate this, so production could go along on a steady basis. Finally, the life test lab was divided into three labs and situated in three isolated spots in the plant. This eliminated the noise problem."

At Federal and State levels, something is being done to combat what increasingly is termed "noise pollution."

President Johnson's Science Advisory Committee, in November, 1965, reported to him on "Restoring the Quality of Our Environment."

The report cited noise as one factor that had to be handled in America's future. Even "the other fellow's transitor radio" was mentioned in the same paragraph with jet plane noise; odors from trash dumps and rendering plant odors, and piles of wrecked autos—all requiring urgent attention.

Last June the Health, Education & Welfare Department decided noise was one of the most unpleasant forms of pollution confronting Americans today.

The committee decided that by no later than 1973, it must have all the data to set human levels of tolerance for crowding, congestion, odor, general stress—and noise. Urban and rural model codes, as well as suggested standards for prevention and control of various sources of noise in the environment, must be developed by the department, it concluded.

One Congressman, singlehandedly, is trying to educate his colleagues—and anyone else who will listen—about noise and how it must be dissipated.

He is Rep. Theodore R. Kupferman (R., N.Y), whose persistence and research have made him a recognized lay authority on noise.

His idea is simple: Create an "office of noise control" within the Office of the Surgeon General. He has a bill (H.R. 2819) before the House Interstate Commerce Committee that would do this.

The office would be the central planning agency for Federal noise research and dissemination of information. It also would allocate Federal research money to States, or to any public or nonprofit private groups, and would contract directly for work to abate noise.

At State levels, New York and Wisconsin courts handed down decisions on workmen's compensation for deafness.

They ruled workers can collect for occupational deafness, even when they have not lost their jobs or even any working time because of the disability.

However, the mushrooming number of court suits forced a change. In recent years, some States have modified their workmen's compensation laws to require a worker to lose 6 months' employment before being able to collect for noise damage.

As if recognizable sound were not enough of a problem, the Public Health Service now has uncovered special sounds that may irritate younger people.

A PHS official advised Senate and House Committees, studying radiation from television sets, that PHS tests showed ultrahigh-frequency sound in the 16 kilocycle range could be produced by TV sets. Although it was inaudible to most—particularly middle-aged persons—"it can be irritating to younger people."

These instances, and many more, go to make up the mounting threat from noise.

Since noise is unwanted sound, possibly the U.S. Supreme Court voiced the solution in a 1965 decision when it commented: "The right to be alone is indeed the beginning of all freedom."

But, like any freedom, the battle against noise pollution will have to be fought hard. At the moment, too many Americans appear unprepared to take up a sword.

IN HONOR OF BELL, THE INVENTOR, DECIBEL THE THE UNIT OF SOUND LEVEL

Sound pressure levels are measured in decibels, this term having been named after the inventor, Alexander Graham Bell. An insight into how loud certain sounds are, as rated in decibels, is provided by this table:

Breathing, 10; whispering, 20 decibels; low street noise, 40–50; conversation, 60–70; rush-hour traffic outside Grand Central Station in New York, 81; a food blender, 93; pneumatic jackhammer, 94; auto in a tunnel, 99; New York subway train rounding a curve, 104; loud power mower, 107; loud motorcycle, 110; jet plane at passenger ramp, 117; machine gun, 130; jet plane at takeoff, 150, and jet rocket being launched, 175.

For various industrial-machine noises, the American Foundrymen's Association has a table, compared with the 225 decibel rating for the noise 12 feet in front and below the muzzle of a 12 inch cannon when fired.

The association's decibel ratings include: Jet engine test cell, 250; pneumatic rock drill, 130; hydraulic press, 130; wing bar drop press, 128; diesel engine room, 125; noisy electric power station, 120; shell presses, 98–112; punch presses, 96–110; wood planers, 98–110; wire stranding machines, 108; boiler factory, 107; riveter, 105; potato-chip frying machine, 95–105; drop looms, 94–101; wood saw, 100; sewing machines, 93–96; cotton spinning mill, 84–87; average lathe, 80; printing press, 80; a stenographic room, 75; quiet typewriter, 65; average office, 50, and quiet office, 40.

QUESTIONING GOOD TASTE AND MANNERS OF MINISTER IN WILLIAMSBURG, VA.

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Illinois [Mr. MICHEL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MICHEL. Mr. Speaker, I find myself in agreement with most of the comment in the last few days questioning the good taste and manners of the minister in Williamsburg, Va., who took unfair advantage of President Johnson recently when the President was a guest at church services there.

I thought one of the most pointed and appropriate comments on this incident was outlined in "The Editor's Letter," written by Mr. F. F. McNaughton, and which appears in the Pekin Daily Times, Pekin, Ill., on a regular basis.

Mr. McNaughton is the publisher of the Pekin Daily Times and father of the late John McNaughton, who, as we all remember had been confirmed by the

Senate to take the post of Secretary of the Navy but met a tragic death before he was able to assume the duties of that important office.

I insert the article by Mr. McNaughton in the Record at this point in my remarks:

The Editor's Letter

(By F. F. McNaughton)

Should the preacher have jumped on the President Sunday?

No!

The preacher should not have taken advantage of the fact that he had a trapped listener.

If the President had been a regular member of that church, the preacher properly could have condemned sin among all men, and could have extolled truth.

But LBJ was a guest Sunday.

And the pastor at once singled the President out and poured it on to him.

He did not use his sermon.

He talked on world affairs.

This column often has written that none but insiders know all the truth about affairs of government. Proof of that is that a new President (Dem. or GOP) does just about what the former President was doing (especially in foreign affairs). Dick Nixon was an insider once, and the most important statement made so far in the 1968 campaign was by Nixon when he said:

"No matter what administration comes in in 1968, it will not end the war on a basis that will prove that communist aggression pays."

The public can't know all.

As I am typing this, son John's wife's parents are on The Capitol Limited enroute to their last Thanksgiving in daughter Sally's home. On another trip there, John failed to come home all night!

"Why didn't he come home?"

Not even Sally knew he was writing the Cuban quarantine.

Meanwhile President Kennedy was out here in Illinois making a speech in Chicago. Only insiders knew that the report that he was ill and had to return to Washington was a lie.

Top illustration of keeping inside facts secret is that a man named Truman had been president for some time before he knew the USA had an atom bomb.

That preacher, Sunday, didn't know enough about world affairs to stand there and chastise the President in the presence of reporters from all the world's newspapers. And particularly it was discourteous for him to take advantage of the fact he was in a pulpit and ask a string of questions without a proper chance for the President to reply.

LBJ is not deeply religious.

But he's making a good try at attending church.

The lack of courtesy shown him Sunday could sour him.

OEO SILLINESS—DO THE AMERICAN PEOPLE WANT TO PAY MORE TAXES FOR THIS?

Mr. ZWACH. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. Broyhill] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. BROYHILL of Virginia. Mr. Speaker, the gray ghost of Harry Hopkins and his WPA of the 1930's hovers over the antipoverty program. But not even Harry Hopkins in his heyday could match the OEO in silliness, despite the efforts of some refugees from the WPA now active in OEO programs.

In New York City, Don Beck, once national dance director of the WPA arts program, who began his career in nonsense as an aide to the late Harry Hopkins, is using OEO funds to train teenagers in playlets. They enact the part of prostitutes, numbers' runners, and corrupt policemen.

The group, called Teens in Action, stages skits designed to erase inclinations among teenagers to be "nice." In a recent theatrical extravaganza, teenagers were assigned to play the roles of a policeman taking money from a racketeer, a prostitute who knows the cop is taking money on the side, and one who was assigned the role of "sunning herself on the stoop" while the lessons in hankypanky were unfolding on stage.

One skit, which was criticized by the OEO directors as "too easy" was an improvisation about a dream street on which there was a legal marihuana store. The teens joked and sang while they bought the imaginary pot, then acted out sniffing, tasting, rolling, and smoking it.

Mr. Speaker, do the American people want to pay more taxes for this?

SUGGESTED PROPAGANDA BACKLASH AGAINST NORTH VIETNAM

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Missouri [Mr. Hall] is recognized for 5 minutes.

Mr. HALL. Mr. Speaker, in this day of a decreasing world, of enhanced transportation, and a vital increase in communications, it is time we put all of our Madison Avenue advertising skills and all of our communications knowledge together and arrange for a propaganda backlash against North Vietnam.

Surely, as smart as we are in merchandising, salesmanship, organizational ability, and advertising techniques, this can be done.

In today's Daily News Digest there is a story about Premier Dong, of North Vietnam, suggesting a visit by U.S. Congressmen to North Vietnam to see the extent of our bomb damage—and I presume it is to schools and hospitals, civilian establishments, and so forth.

This follows several previous such visits and an invitation by a fellow named Salisbury of the New York Times and other peaceniks and the like.

These are obviously propaganda setups on the part of North Vietnam which emphasize the civilian disasters, although any reasonable man would know by now that they have been on notice long enough to know that the sinews of war cannot be continually used against our men defending freedom and defending against aggression in South Vietnam without some reaction.

What about turning the tables, Mr. Speaker, with all of our techniques, and asking Ho Chi Minh or someone else in his puppet government, someone in their Communist Congress there, if indeed they have such a body, to visit South Vietnam or Saigon and see the extent of their bomb damage against civilians in the south, against hotels, against restaurants, against hospitals, against buses blown to bits, against our own Embassy, against civilians, and the result of other terrorist and guerrilla activities?

Such a delegation might even be invited to visit some of the graveyards wherein are buried literally thousands of hamlet supervisors, schoolteachers, Montagnards, public officials, and innocent victims of the Vietcong terrorism. I would certainly submit that the amount of indiscriminate terror and damage inflicted upon the South Vietnamese, those freedom-loving people who had the gumption to ask help in carrying out international law and order, and in defending against aggression, will be shown to be far in excess of any accidental strikes against nonmilitary objectives in the north.

AND A START IN THE CITY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Scheuer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. SCHEUER. Mr. Speaker, last Friday, November 17, the New York Times published an editorial entitled "And a Start in the City," which commended the selection of central and east Harlem, the south Bronx, and central Brooklyn to be model cities. But the Times rightly termed the selection of these three model cities only a "modest victory."

They noted that, when planning turns into building, New York hopes to receive $30 million, or about one-tenth of the national total of $312 million available for model cities. The editorial concluded:

> Any one of the three slum areas could easily absorb the total for building alone.

While acknowledging that much can be done on a modest scale in these federally designated areas, the New York Times laid the potential future of the model cities program at the doorstep of Congress—where it properly belongs:

> To make Model Cities really work will require Congressional appropriations that recognize the true size of the problem of rebuilding lives in the total environment of urban America.

I hope that Congress will respond to this call and other responsible voices as we begin to move into the "building" stages of model cities. We must make sufficient funds available to this program.

So that my colleagues might read this excellent editorial, I include it in the Record:

And a Start in the City

The city planners and the 800,000 New Yorkers who live in the three areas—Central and East Harlem, the South Bronx and Central Brooklyn—that have been selected to receive planning funds under the federal Model Cities program have won a victory—but when the sums now and in the immediate future are matched against the people and places to be served, this must be frankly recognized as only a modest victory.

The figures speak for themselves. About $400,000 will come to New York for planning purposes. Sixty-three cities in all were granted funds out of 193 applicants, sharing $11 million for one year. When planning begins to turn into building, New York hopes to receive $30 million, or about one-tenth of the national total of $312 million for Model Cities. Any one of the three slum areas could easily absorb the total for building alone.

The original concept of Model Cities is a total one—to restructure both lives and living conditions. The idea is to eliminate urban blight and, equally essential, to change the environment of the neighborhood's residents. That means coordination of federal, state and city efforts in the fields of housing, education, welfare, transportation and related services. To put up housing developments where ratty tenements now stand is a must; but to change the environment demands a multi-front attack.

The Department of Housing and Urban Development has allocated its starting funds intelligently. The City Planning Commission did its work well, with the help of Housing and Development and the Human Resources Administration. Designation of the three Model Cities areas here was the result of good planning—as well as an indication of crying need.

Much can be done on a modest scale in the federally designated as well as in other parts of the city—such as, to name two, the Lower East Side and Jamaica—where blight and human despair are built into the neighborhoods. But to make Model Cities really work will require Congressional appropriations that recognize the true size of the problem of rebuilding lives in the total environment of urban America.

THE PRESIDENT AND THE AIR WE BREATHE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Scheuer] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. SCHEUER. Mr. Speaker, just a year ago, a mass of dirty air settled over Greater New York. For 4 days, 16 million people breathed the poisons contributed by cars, buses, trucks, factories, and incinerators. Thousands suffered; 80 died.

President Johnson promptly called upon the Congress for new authority to prevent or ameliorate such disasters. He said:

> The economic loss from pollution amounts to several billions each year, but the cost in human suffering and pain is incalculable.

Today, as Members know, the President signed into law the Air Quality Act of 1967. Section 107 of the new law contains the authority requested by the President after the New York disaster.

Under this section, the Secretary of Health, Education, and Welfare is empowered to obtain court orders against air polluters during periods of emergency.

I think this is a wise and necessary act. Winds carrying dirty air have no respect for political boundaries set up by men. What happened in New York a year ago could happen again, there or in other cities.

I congratulate President Johnson for his vision and leadership, and I welcome the broader powers presented by the Air Quality Act of 1967.

A CONVERSATION WITH CARDINAL SHEHAN OF BALTIMORE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Maryland [Mr. Friedel] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FRIEDEL. Mr. Speaker, as one of the Representatives in Congress from the Greater Baltimore area and speaking for all my constituents, we take justifiable pride in the fact that the first Roman Catholic diocese in the United States was established in Baltimore in 1789 and that in 1808 it became the first archdiocese.

As is quite well known, Maryland is called the Free State because of its spirit of toleration and broadmindedness. It is a precious heritage from colonial days when, in 1649, the Maryland Assembly passed the Act Concerning Religion, which guaranteed religious toleration.

We are indeed fortunate to have today a truly great and good man as the 12th archbishop of Baltimore and a prince of the Roman Catholic Church—a man beloved by all and one I call my friend—His Eminence Lawrence Cardinal Shehan. He is imbued with good will, understanding, and a great love for all mankind.

The monthly magazine Baltimore, in its October 1967 issue, printed an article entitled "A Conversation With Cardinal Shehan," in which this great prelate gives us the benefit of his views on a variety of subjects.

Because of the importance of his words in today's increasingly secular society, I include it with my remarks to be reprinted in the Congressional Record. It is as follows:

A Conversation With Cardinal Shehan

At 69, Lawrence Cardinal Shehan—twelfth Archbishop of Baltimore and a Prince of the Roman Catholic Church—lives at a pace which matches the activist trend identified with religion today. Though small of stature and so humble of demeanor that he sometimes disconcerts laymen and priests alike, the Baltimore-born prelate stands before an archdiocese of nearly 500,000 Catholics as a personal example of the spirit of involvement and openness which developed at the Second Vatican Council, of which he was an important member. In his seven years as Archbishop of Baltimore he has—

Established the first Archdiocesan Christian Unity Commission in the United States in order to advance the ecumenical movement.

Published a letter on racial justice which has been widely quoted.

Raised nearly $13 million through the Cardinal's Campaign for construction of badly needed new facilities.

Visited nearly 100 parishes to offer Mass, and gone to the faithful in such other places as the Maryland State Penitentiary.

Walked in the 1963 Civil Rights March on Washington.

Traveled to Istanbul as the Pope's representative at ceremonies wiping out reciprocal excommunication which had been in effect for more than 900 years.

Continued to serve in his capacity as a priest, saying Mass daily, visiting the sick and hearing confessions.

Been honored with a National Brotherhood Award by the National Conference of Christians and Jews.

Been booed when he spoke in favor of an open occupancy housing bill at a War Memorial gathering; a rabbi by his side wept openly.

Now nearing the end of his third year as Cardinal-Archbishop of Baltimore, his day begins at 5 a.m., sometimes earlier. Prayer and study occupy him until 7, at which time he offers Mass at the Basilica of the Assumption which adjoins his residence, 408 North Charles Street. At 8 he breakfasts and reads the morning paper. At 9:30, wearing the simple black of a parish priest, he crosses Cathedral Street to his office on the seventh floor of the Catholic Center—another project initiated and completed since he became Archbishop. After checking his mail and conferring with his secretary, he usually faces a full morning of appointments with members of his staff, archdiocesan department heads, priests, pastors and members of the laity who desire to see him—his policy is whenever possible to see anyone who feels he has pertinent business.

At 12:30 he returns to his residence, walking through the Basilica, for lunch with the several other priests who live at 408. He usually rests for a time after lunch, returning to his office about 3. At 5:30, he returns to his residence, finishes his daily Office—a series of prayers all priests are required to say each day—reads the afternoon papers and has dinner at 6:15. (Meals are prepared by three Sisters of Divine Charity, who also do the other housework. They are required to live by a rigid schedule by their Order, the Cardinal says, and if he or any of the other priests cannot be present at the regular dinner hour, they must eat out.)

If there is no meeting or ceremonial function he must attend in the evening, he watches the news on television and any other programs he considers significant. His favorite leisure activity is reading—history and biography are special favorites—but he laments that since becoming Cardinal he does not have as much time for reading as he would like. He also works on his weekly sermon or special papers and articles which he writes from time to time. His usual hour of retirement is midnight, sometimes later.

On Saturday afternoons and evenings, when he does not have other church business, he hears confessions at the Cathedral of Mary Our Queen, where he also offers the 8 a.m. Mass every Sunday. His job also involves a good deal of travel out of the city. Besides a number of annual and semiannual meetings of church officials in this country, he must make fairly frequent trips to Rome; he is there at the present time for a meeting of the Synod of Bishops, of which he is one of four members from the United States.

The Cardinal was born in Baltimore in March, 1898, and grew up in an old brick house in what was then a semirural area east of Montebello Avenue and north of 22nd Street. His father was a salesman dealing in tailors' supplies. Lawrence was the third of six children. Like all his brothers, he served as altar boy at St. Ann's parish, but he is the only one who entered the priesthood. He won a scholarship to St. Charles College in Catonsville when he was 13, and graduated in 1917 *summa cum laude*. He completed his philosophy studies at St. Mary's Seminary on Paca Street and his theological studies at the North American College in Rome. He was ordained in 1922 and served as assistant pastor and later as pastor of St. Patrick's in Washington, D.C., until 1945. At that time he was named

Auxiliary Bishop of Baltimore. He served in this capacity, and simultaneously as pastor of SS. Philip and James parish, until 1953, when he was named first Bishop of Bridgeport, Conn. In 1961, he returned to Baltimore as coadjutor archbishop, becoming archbishop in December of that year on the death of Archbishop Francis P. Keough. He was named to the cardinalate by Pope Paul VI on January 25, 1965.

When Baltimore asked to do an article on him, Cardinal Shehan readily agreed, and John C. Schmidt of the magazine staff spent several sessions with him in his office recording the interview that follows. The Cardinal was found to be a warm, informal person who laughs easily and talks freely about anything—except himself. His modesty was most evident while photographer Morton Tadder was at work. The Cardinal consistently credits his staff and his assistants—whom he addresses by their first names or even nicknames—for their help. Only on the most formal occasions does he wear the *capa magna*, the full robes of a cardinal. With a firm handshake he attempts to discourage the ceremonial kissing of the ring which he wears on the third finger of his right hand as a badge of his high office. Our first question recalled his decision to take Holy Orders years ago when scarcely more than a boy:

What motivated you to enter the priesthood, and did you ever have any expectations of reaching your present rank in the church hierarchy?

To tell you the truth I had thought of the priesthood from a very early age, and I think it was due to three factors. First, my parents were both very religious and very attached to the Church. Then there were the Sisters of Notre Dame with whom I spent my entire elementary school period of eight years, and I think they had a great influence on me. And then we lived in St. Ann's parish, which had a famous old pastor, Msgr. Thomas, who had a great deal to do with my decision to start studying for the priesthood and who also persuaded my parents to let me take advantage of a scholarship at St. Charles College which I had won at the end of the eighth grade. St. Charles College at that time began with high school and continued through the first two years of college. Both my parents thought that I was too young to start to study for the priesthood at that time, and it was Msgr. Thomas who overcame their objections. Since that time I never thought seriously of any other vocation. Years later when I had become pastor of St. Patrick's parish in Washington, I thought I had reached the highest position that I would ever be called upon to fill.

How has your life changed since becoming a cardinal?

Being a cardinal hasn't changed my life very much, except that I have occasion to go to Rome more frequently than I did previously. The biggest change, really, is in becoming a bishop, especially a bishop in charge of a diocese. That involves one more and more in administrative work and therefore lessens the opportunity for direct pastoral work with the people, and I miss that very much. I still try to keep as much pastoral work as possible, but you get involved in so many problems the pastoral part of the ministry becomes very circumscribed. That's one of the modern criticisms of the episcopate—that the bishops have become too involved in administration, but when you have a diocese of almost half a million people, it's difficult not to give a good deal of time to administration. I have some very able helpers, however. I have two vicars general, Bishop T. Austin Murphy and Bishop Thomas J. Mardaga, who are a great help to me. I have a very able secretary, a chancellor and assistant chancellor as well as very able heads of various diocesan departments. So my job is made lighter with the help of this staff.

In connection with your work as an administrator, what are the different areas that you have to concern yourself with?

I have all of the main departments of the archdiocese under my general supervision, and I am responsible for the overall supervision of the parishes which constitute the archdiocese. That is why I make myself available to any priest in the diocese at any time. We have an extensive parochial school system, consisting of 147 elementary and high schools, and they are under the Superintendent of Catholic Education for the archdiocese, Msgr. William Newman. He has offices here in this building and I keep in close contact with him. Then we have the entire chancery staff here in this building that takes care of the details of the finances of the archdiocese. I might say that while the finances are directly under my control through the chancery office, nevertheless I have a finance committee which is formed of priests and prominent laymen who are particularly skilled in the whole field of finance. Nothing of importance that involves the archdiocese financially is taken up without referral to them and without their advice and direction. I follow their advice quite closely—I find it very necessary in dealing with an organization of the size of the Archdiocese of Baltimore. In this building also is our tribunal, which handles all marriage cases. There is also the Catholic Review, of which I am designated publisher; however the editor, Mr. A. E. P. Wall, who is a professional journalist, is entirely responsible for editing the Review and supervises its publication. Then we have the Urban Commission, which is concerned mainly with race relations, and the Catholic Youth Organization, which has active branches in practically all our parishes. Then we have the Confraternity of Christian Doctrine, which has charge of religious instruction for those children who are not in Catholic schools, and which is also developing at the present time a program of Catholic adult education in the field of religion. There is also a Liturgical Commission under the leadership of Bishop Murphy here, the main purpose of which is to supervise our program of the liturgy in the vernacular. I meet with the heads of all these departments individually, usually several times a week or whenever any matter of importance arises.

What are some of the ceremonial duties that go along with the position of Cardinal-Archbishop?

Confirmations in the different parishes is one, but I'm assisted here by Bishop Murphy and Bishop Mardaga. All bishops have the power to confirm, so we divide the duty. All the larger parishes have confirmations at least once a year, and in the season, this in itself is quite a chore. Then I always have ordinations to the priesthood for the archdiocese, for the Jesuit Fathers at Woodstock and, from time to time, for the Franciscan Fathers who are rather numerous in this archdiocese. There are also dedications of churches, anniversaries of parishes and affairs like those that I am called upon to attend, and I like to be present at these as much as possible because it gives me a chance to get around among my people.

One of your areas of special interest has been the ecumenical movement, as indicated by your establishment in 1962 of the first Archdiocesan Christian Unity Commission. How is this activity going?

The commission is functioning very well. They're carrying on their program of meetings, and we have Christian unity services from time to time. I think real progress is being made. We're very far from anything like real union at the present time—that is, any organic union—but I feel that there has developed a spirit of understanding and of friendliness that wouldn't have been dreamed of, say ten years ago. I think that all of us feel that we're much closer to each other than we were in former days when there was a certain amount of rivalry, and sometimes even bitterness. I think that has disappeared, and while we all recognize the doctrinal differences that exist and probably will exist for a long, long time, yet there is a greater spirit of Christian unity that is quite evident to anyone who is operating in the field of religious endeavor.

You have also placed emphasis on strengthening the role of the laity in the affairs of the Church. How is this being accomplished here in Baltimore?

I think that increasingly we have drawn the laity into the affairs of the Church. I've mentioned one instance—the finance committee which has a number of important Catholic laymen on it. The Archdiocesan Pastoral Council also has a number of laymen on it. Under this council there has been developed as a pilot program in about ten parishes what we call parish councils of the laity to participate in the affairs of the parish together with the pastor and other priests. It is not possible to do this in all parishes; for instance at the Basilica, where we have so few lay people living downtown. But in all the residential areas we hope to have these councils. There are also laymen on our Ecumenical Commission, our Liturgical Commission and our Catholic Board of Education.

In regard to what you said about the Basilica, what is the status of inner-city parishes today? Are there many that are not self-supporting?

Yes, there are quite a few. The Basilica is not self-supporting, for one. A good number of churches in the inner city are not, and the revenue in some others has dropped sharply so that they can barely exist. We have closed two churches. We turned the old St. John's in the tenth ward into a center to serve the poor people of the neighborhood, and we have closed St. Joseph's down on Lee Street—the whole neighborhood there had been more or less abandoned and the church wasn't needed any more. I think this is a problem common to all major cities.

You have commented publicly that the greatest problem you see today is the racial problem. How hopeful are you of a solution?

Oh, I think there's got to be a solution—we can't live with this forever. I think we have made progress. Sometimes it doesn't look that way when we are confronted with the problems that come up from day to day, but I think that we have made some real progress in the community, and I feel confident that we'll move steadily on to a just solution.

Is there anything about the situation in Baltimore that you find particularly troublesome?

I think we have a special problem owing to the makeup of the community. We have a very large Negro population which is expanding, and on the other hand we have a community which is made up largely of homeowners—people who have their life savings invested in their homes. There is unfortunately an unfavorable image of what happens to a neighborhood when Negroes begin moving in. I think it excites unjustified fears in many. Some of the fears are justified—we have the statistics and we can't be blind to the problem. On the other hand, I feel that many of our white people do not understand that the Negro who buys into a hitherto all-white community is looking for something better for his family, and if he is received with kindness and consideration, he will do everything possible to keep that neighborhood up. I think the great problem here in Baltimore has arisen from the fact that so often with the coming of some Negroes into a neighborhood, many of the property owners have panicked and have simply sold their property and moved out, often at great sacrifice. I hope we're at the end of that sort of thing, that our neighborhoods will remain stable and that when Negroes acquire property they will be received like any other well-meaning citizens who are concerned for a good neighborhood in which to raise their families.

Is there a large Negro enrollment in the parochial schools?

I can't say that it's large. We don't have a large Negro Catholic population in the city. Naturally, the parochial schools are for Catholic children primarily, although we don't exclude others. Last term Negroes were enrolled in 90 of our schools, and the total was slightly over 3,000.

Does the Church carry out any kind of missionary program among the Negroes in the inner city?

First of all we have the Urban Commission which I mentioned, which carries on an active program to bring about better conditions for the Negroes of the inner city and to obtain for them equal opportunities. Then traditionally, the Josephite Fathers have had a mission directed toward the Negro people of the archdiocese, and they conduct a number of parishes—St. Peter Claver, I suppose, would be the principal one. Father Henry Offer is pastor there and he is also head of the Urban Commission. We have other parishes that are conducted by the Josephite Fathers, and more recently we have parishes that are predominantly Negro which are headed by priests who are especially interested in the Negroes' problems. Father Robert Reed, pastor of St. Gregory's, is one of them, and Father Edmund Stroup at St. Vincent's, and Father Joseph Connolly, at St. Katharine's. Also Msgr. Martin Gamber of St. Martin's, Father Herbert Jordan of St. Edward's, Father James Cronin of St. Bernardine's, and Msgr. Austin Healy, now retired from parish work but vitally interested in racial justice—I would say that these are the men who have carried on a special mission among the Negroes. I might say that the whole younger generation of priests is very much interested in the social problem generally.

Would you agree that the civil rights movement is the main factor in the Church's new involvement in the issues that face society today?

That is the factor which has brought into special prominence the Church's present concern with social problems. The Church has traditionally been interested in the labor movement. That goes back to the late 19th century when Pope Leo XIII issued his encyclical called *Rarum Novarum*, so for years the Church has been sympathetic towards the labor movement.

The extent to which the Church should involve itself in social problems is one of the key controversial issues in religion today. What is your feeling in this area?

Well, I think the Church has to be actively concerned in the cause of social justice in all spheres, and I think the Church cannot, as some would like it, confine herself to purely spiritual matters. Social problems are almost always moral problems—certainly the most vital social problem in this archdiocese is a moral problem. Also, the Church has a stake in hospitals, in education and other areas of society not exclusively religious. In Baltimore, to give you an example, the archdiocese was asked to take responsibility this summer for Operation Champ, which is largely a recreation program for Negro children that is financed by the federal government. Last year the city's recreation department had Operation Champ under its direction but ran into certain difficulties, particularly in the matter of accounting. This stemmed, I think, from the emergency nature of the program and from the use of people who did not have civil service status. The archdiocese was asked this year to take responsibility for it, I think largely because the Negroes have a certain confidence in the archdiocese and because the Mayor did not want this program to fall by the wayside. The Mayor asked me if we would take it on, and we agreed provided the Mayor and president of the City Council would serve on our advisory board. We were very glad to do this, and I think this indicates the trend for the Church to become involved in social problems where there is indicated a need for her to become involved.

How do you feel about the progress the Church is making in other areas of social problems in which it has become involved?

Here in Baltimore I think we're moving as fast as can be expected. I think that we can't expect too much speed. We have traditions and problems that date far back, and I don't think you can overcome these in a day. I'm pleased with the progress we have made, although I am fully aware of the difficulties we still face.

Is there a serious gap between the liberal and conservative factions in the Church, in your view?

I wouldn't say there is any direct or open cleavage there, but certainly there are a number who would like to see the Church stand for the *status quo* and there are others who would like to see the Church become more deeply involved in development and change, and from time to time this causes differences of opinion. I don't think they have been very acute—I suppose you'll find this in practically every religious organization throughout the country, and every civic organization, for that matter.

Among priests lately there seems to be a growing tendency to express themselves publicly on various controversial matters, including matters involving the Church itself. How far do you think it is proper for a priest to go in criticizing things about the Church which he feels are wrong?

Well, we expect him to use good judgment in it. I should say there is considerable freedom to express one's opinions. Certainly priests don't hesitate to express them to me when they feel that things are not moving fast enough or are moving too fast—I get both sides of the picture. I don't think there's been much *public* expression of this type here in the archdiocese, and I think that is due to the fact that we have tried to become reasonably involved in social problems and at the same time we have endeavored to keep the door open for anybody who has comments or criticisms to make. I think this has led to an absence of open criticism on the part of our priests.

What about Father Berrigan?

He has never expressed any open criticism of the Church here in this archdiocese as far as I know. He's reportedly made some comments elsewhere which don't meet my full approval.

What is your reaction to the contention of a number of theologians that a crisis of authority exists in the Catholic Church today?

To some extent, there's a tendency to question how far the authority of the Church should extend. There's a tendency among some to question the way in which authority has been exercised, particularly in the past. I think that is to be expected in an age such as we have. But again, I'm not aware here in the archdiocese of there being a crisis of authority. I'm not aware of anything like rebellion, or open disobedience, for that matter. But there is a tendency among some priests and religious to consider that they have the right to much greater liberty than they exercised in the past.

A recent survey by a national group, according to the newspapers, indicated that about 15% of diocesan priests in the Archdiocese of Baltimore were in favor of optional celibacy for priests. What's your position on this?

My position, and the official position of the Church, is that enunciated by the Pope himself. I think the whole term, optional celibacy, is misleading, because after all, before we're ordained, we are certainly given that option in no uncertain terms. We are questioned in detail about whether we desire to take this obligation upon ourselves. Now, a man 24 or 25 certainly ought to know what he's doing. He doesn't *have to* become a priest, but once he makes the commitment and accepts the solemn obligation of celibacy for life, then talk about optional celibacy seems to me to be misleading. He's *had* his option and he's taken it. Furthermore, the Church since the Second Vatican Council, has readily dispensed persons who have taken upon themselves this obligation of celibacy and then found they were not fitted for it or the burden was too great for them to bear. They are not permitted to operate as priests, but they are free to take another position in the world. In the past, this was not granted.

Is there any problem in finding a sufficient number of young men who desire to enter the priesthood today to meet the Church's needs?

To some extent, yes. Now, I hope this is a temporary thing. This past year was good for us—we had 18 ordained here in this archdiocese, and that's a big class for us. Ordinarily, if we get 11 or 12, we think we're doing well. But this year the number goes down to six, so it levels itself off. We don't have nearly enough vocations, but I can't say we've suffered greatly. In some of the southern dioceses there are critical shortages, and there is a movement within the Church to make available priests from the better supplied areas to those dioceses where there is an acute shortage.

Do you feel that the fact that society is becoming more secular as time goes on is having an effect on the supply of candidates for the priesthood, and does this pose a threat to the Church in other ways?

It certainly poses a *problem*. The affluence of society and the generally permissive atmosphere of life today makes it much more difficult for a young man to undertake the sacrifices necessary for the priesthood. The increasing secularization of society also poses a very real problem for Catholic education. This is a vital part of the Church's program, but the financial burden of parochial education is becoming very, very great. I think the increased secularization of society will make it difficult to get any concessions which would ease that burden. We can't expect, certainly within the foreseeable future, any direct financial aid, but there are many services which we believe our children should have—not as Catholic children but as children of the community. Medical services that are open to children in the public schools is an example; also lunch programs, books for secular subjects which must be taught in all schools, and bus transportation. In the counties surrounding Baltimore where the Catholic population is increasing very rapidly, bus transportation is becoming a very real problem. So the financial load is becoming much more difficult to bear. I feel also that with the secularization of society, men have a tendency to claim an excessive freedom. This is illustrated in the tolerance of pornography and that sort of thing. I think, too, the whole problem of broken families is related in large measure to secularization—the ease with which divorce is granted and the many problems that arise within the family when divorce is so readily accessible to people. The fact that marriage is not often looked upon as a spiritually and religiously binding contract as it was commonly regarded in the past has made for the deterioration of the family. A good example is seen in our children's institutions. Where they used to be for orphans, now they are very largely for what we might call the victims of broken homes, and the children come with all sorts of emotional problems.

Do you detect anything in the way of pressure from the laity for the Church to relax its stand in certain areas, such as divorce and birth control?

I think a good number of people have been upset by much that has been published, and by certain criticisms, some of them coming from within the Church itself. But I can't say that I have been conscious of any pressure being exerted on me. On the question of divorce, with very few exceptions, I am conscious of no serious criticism of the Church's teaching on the part of Catholic people. Catholic people generally realize that the Pope is the supreme teaching authority in the Church and that he has reserved to himself the right to make any further pronouncement on the morality of birth regulation. The last authoritative pronouncement on this subject was made by Pius XII.

Do you believe there will be any reinterpretation in the foreseeable future?

No, I do not foresee that. On the question of divorce, the Church's stand is based on the doctrine of the indissolubility of the marriage bond, and I can't see any likelihood that the Church will change her position on that. On the question of birth control, too, the Pope has made it perfectly clear that he sees no reason to revise what is considered the natural law as it was enunciated by Pius XII. So, whether in the future there will be some further development of teaching due to greater knowledge of the functions of the body and the whole physical makeup—that would be a different thing. But the basic principles, I foresee, will remain the same.

Along with the difficulties you have mentioned in the areas of family life and Catholic education as a result of social trends, are there any other likely trouble spots for the Church? What about the increasing talk of taxing Church property?

Needless to say, I am not in favor of that. First of all, the vast amount of our investment is in schools—parochial schools—which serve a public need. Then, from the beginnings of our country, church property of all denominations has been tax exempt—I suppose on the theory that this was a good thing for society—to keep religious belief and religious sentiment as the foundation of moral principles and moral conduct. So, our churches, schools, rectories and convents have been tax exempt. However, on any other properties which the Church owns which may not presently be used for religious or educational purposes, we always pay the usual tax. We pay taxes on all property which we own that is not used for Church purposes.

May we conclude by asking your personal feelings about the war in Vietnam; do you feel it is a just cause?

Of course I strongly hope that our country can find a way to honorably get out of Vietnam. I have felt we were justified in being there, and I feel that it is very difficult to withdraw suddenly and to leave untouched, you might say, the problem that took us in there. I certainly think that President Kennedy was acting in good faith when he undertook to help South Vietnam, and I'm sure that President Johnson has desired to do the job and get out. I'm only hopeful that he will find some way to do it in the near future.

REPRESENTATIVE KEN HECHLER RECEIVES AWARD FOR DISTINGUISHED ACHIEVEMENT

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] may extend his remarks at this point in the RECORD and include extraneous matter.

The **SPEAKER** pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ALBERT. Mr. Speaker, on Friday, November 17, there were three yea-and-nay rollcall votes in the House of Representatives. Many Members did not find it possible to be present for these rollcalls. One who stayed here on the job in performance of his public duty was the Representative of the Fourth Congressional District of West Virginia, KEN HECHLER. Perhaps this does not seem unusual, for KEN HECHLER has answered close to 1,200 consecutive rollcall votes without an absence since 1959.

But November 17 happened to be a difficult day for him to remain in Washington, D.C. For it was on that day that the Advertising Club of Huntington, W. Va., presented to Congressman HECHLER its annual award for outstanding civic service to the State of West Virginia. His remarks of acceptance to the dinner honoring him were delivered on sound film to those assembled in Huntington, W. Va., for the event.

The fact that our colleague did remain on the job on such an occasion was considered, I am sure, by the Advertising Club of Huntington further proof of his fidelity to duty and of the wisdom of his having been selected to receive the award. There is no more faithful, competent, or productive Member of this House than KEN HECHLER.

The letter of notification from awards dinner chairman Larry Glick reads in part:

> As Chairman of the Annual Huntington Advertising Club Awards Dinner, it becomes my distinct honor and pleasure to inform you that you have been selected as the recipient of the 1967 award. This award recognizes a West Virginian who has distinguished himself through outstanding service to our State during the past year. The selection committee was unanimous in their selection and sincerely feels that they bring honor to themselves in being able to publicly recognize your outstanding contribution of leadership to West Virginia. I take this moment to add my personal congratulations to you and again thank you for the outstanding leadership and inspiration you have given to our community, county, state and the nation.

Mr. Speaker, I would like to join my colleagues in congratulating Congressman HECHLER on receiving the award, and I also include his remarks to the dinner, as recorded on film for delivery to the assembled guests on November 17:

REMARKS OF REPRESENTATIVE KEN HECHLER IN ACCEPTING DISTINGUISHED ACHIEVEMENT AWARD

I can understand why Hugh Stillman, a longtime Appalachian Power Company official, was picked to be toastmaster. It is evident that the Advertising Club wanted to have all the guests well and properly lit before subjecting them to my remarks.

It takes a rare type of courage for the Advertising Club to make this award to one who has been so outspokenly critical of the low postage rates on one form of advertising—third-class mail. So I double appreciate the honor, since the Ad Club has risen above principle—as we sometimes say in Congress when we have to cast a vote that may be hard to explain.

JEFFERSON AND ADVERTISING

When Thomas Jefferson was President, he was subjected to a great deal of abuse by the newspapers of his day, and by the end of his second term he was reading only one newspaper—the Richmond Enquirer. Jefferson noted that he read the Enquirer chiefly for the advertisements, indicating that they contained the only truths to be relied on in a newspaper.

Jefferson's experience is not unlike that of many people in public life who feel that politics is the only art in which the actual practitioners are customarily rated lower than the critics. And one Congressman complained that his constituents required of him a great paradox—that he run lots of petty errands and yet run them with great dignity as though he were descending Sinai with tablets of stone.

PRESSURES ON CONGRESS

It is true that under the dome it frequently seems like a pressure cooker, with pressure being directed at the legislator from all sides. Pressure is not in itself bad, but it takes some sophistication to identify the source, nature and objectives of pressure and to sift out fact from fiction and apply the measuring rod of the public interest.

In advertising and politics, if you really believe in your product, you can sell it. And the spur of competition gives you the incentive to work that much harder in selling your product.

When you come to unfair or cut-throat competition, you come to an extremely difficult area. The temptation is great, both to the advertiser and the politician, to fight fire with fire. Leo Durocher used to say, "Nice guys finish last." Yet if everybody were to react this way and wallow around in the nether forms of politics or advertising below the street level, both constituents and customers would throw up their hands in disgust and look elsewhere for candidates, causes and products.

THE WEAPON OF TRUTH

The greatest single weapon of both advertising and politics is truth.

To survive, truth must be armed with the ammunition necessary to survive the onslaught of the forces of confusion.

I use the word "confusion" very deliberately, because falsehood is no longer the principal antagonist of truth. It is much more respectable and effective to confuse in order to thwart or defeat the truth. We have seen this tactic of confusion used very extensively in the great airport debate, and it was used most widely in the recent Kanawha County bond election. A discredited and repudiated "staff report," publicly overruled by the top professional officials of the Federal Aviation Administration, was repeatedly presented as the considered professional judgment of the FAA. Unable to challenge the truth which shone out like a beacon in the May 15 conclusions of the FAA, the negative forces spun such a web of confusion that it is remarkable that so many Kanawha County voters supported Midway.

TRIBUTE TO KANAWHA COUNTY

I would like to pay the highest tribute to the 13,464 courageous men and women of Kanawha County who stood up to be counted on behalf of Midway—a project which will bring so many benefits to the entire state of West Virginia. I would like to state tonight that I am confident that the position taken by those 13,464 Kanawha Countians will eventually prevail. Theirs was a truly affirmative vote, a vote against confusion, and a vote of faith in the future of a unified West Virginia.

There has never been an issue in West Virginia which has excited as much enthusiasm, civic spirit and unselfish cooperation. Emerson once wrote: "Nothing great was ever achieved without enthusiasm." This is the ingredient which gave wings to an idea which is still flying high toward success.

WEST VIRGINIA TORN BY SECTIONALISM

When the first Chesapeake and Ohio railroad train reached Huntington in the year 1873, the event was celebrated by pouring a barrel of James River water from Richmond into the Ohio River. The coming of the railroad forged a unity which helped the infant state of West Virginia grow and prosper, but all too often in recent years we have seen our state torn apart by bitter sectional quarrels.

The Midway Airport is an exciting prospect for West Virginia, not only for what it will mean in the economic development of our great region, but even more important for its role in bringing together areas of our state so we will be obliged to work together. For unless we can achieve this form of cooperation to reduce sectionalism, West Virginia will continue to lose out on many great and potential developments which can be hers.

MIDWAY AIRPORT WILL UNIFY WEST VIRGINIA

In the months to come, we shall see powerful efforts to block the progress which West Virginia can achieve through this magnificent new development. I predict that there may be more setbacks of a temporary nature, as heavy and personal pressure is brought to bear on behalf of localism, and in support of the smaller solution born of looking at this problem through the small end of the telescope. As long as this struggle and this stalemate continues, West Virginia will lose out on the very scarce Federal aid to airport funds which are now available if we would only unify our forces and decide to build rather than to bicker.

I am confident that we will win this fight, because we are right. We must win, or West Virginia will suffer and be set back many years. And when we win, it will open up vast new opportunities for cooperative development in our state.

In closing, I want to say again how much I appreciate this honor. It will continue to be an inspiration to me in the years ahead, as we all work together for a stronger and more unified West Virginia.

SUPPORT FOR OFFICE OF ECONOMIC OPPORTUNITY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ALBERT. Mr. Speaker, I have been putting in the CONGRESSIONAL RECORD a series of telegrams, letters, and other endorsements from mayors throughout the country that have been sent to Mayor Joseph Doorley, of Providence, R.I., supporting the Office of Economic Opportunity. Although this legislation has been passed by the House by the substantial margin of 283 to 129, I would like to insert in the RECORD three additional endorsements from the mayors of Phoenix, Ariz.; Seattle, Wash.; and Trenton, N.J. These mayors join those already listed in the RECORD from coast to coast who have seen firsthand and important impact that these programs are having in improving the lives of the impoverished in their cities.

Mr. Speaker, I also want to call attention to the resolution that was adopted Thursday morning by the Council of Bishops of the Methodist Church, approved unanimously by some 70 Methodist bishops from throughout the United States, urging the Congress to support the poverty program through the Office of Economic Opportunity with a minimum of $2.06 billion appropriation for this fiscal year.

CITY OF PHOENIX, ARIZ.,
November 8, 1967.

Hon. JOSEPH A. DOORLEY, Jr.,
Mayor of Providence, R.I.,
Care of Congressional Hotel,
Washington, D.C.

DEAR MAYOR DOORLEY: We sincerely appreciate the efforts of you and other top city office holders in presenting and fighting for the city point of view at these Congressional debates and decisions on the authorization bill for the OEO programs. We have already been in contact with our own Congressional delegation both by wire and by telephone to inform them of the tremendous impact of any cuts in the OEO Program.

The press of a heavy campaign schedule renders it impossible for us to leave town this week, but we will be doing everything we can from here in Phoenix to push for a full funding of the OEO Program.

We do sincerely appreciate the work that you and the other groups such as the National League of Cities are doing in keeping the war on poverty going.

Very truly yours,

MILT GRAHAM,
Mayor.

CITY OF SEATTLE, WASH.,
November 9, 1967.

Hon. JOSEPH A. DOORLEY, Jr.,
Mayor of the City of Providence,
Providence, R.I.

DEAR MAYOR DOORLEY: I have your letter of November 4, in which you solicit support for the Economic Opportunity program in its battle for existence in Congress.

I will not be able to attend the sessions in Washington, but can assure you that we have lined up our entire Congressional delegation, in both the Senate and the House, in support of this measure.

Best personal regards.

Sincerely yours,

J. D. BRAMAN,
Mayor.

CITY OF TRENTON, N.J.,
November 10, 1967.

Hon. JOSEPH A. DOORLEY, Jr.,
City of Providence,
Providence, R.I.

DEAR MAYOR DOORLEY: I view with equal concern the current status of the authorization bill for the Office of Economic Opportunity.

Trenton, as you know, has an extensive Poverty Program, the discontinuation of which would seriously jeopardize the well being of many people.

With this in mind, I have contacted New Jersey's representatives in the House and Senate urging them to unequivocally support an appropriation allowing New Jersey community action agencies to spend at last year's level.

Sincerely yours,

CARMEN J. ARMENTI,
Mayor.

RESOLUTION

The Council of Bishops of the Methodist Church at a regular session in Miami, Florida, urge Congress to support the poverty program through the Office of Economic Opportunity that a minimum of 2.06 billion dollars be voted for its work this fiscal year.

It was unanimously adopted.

Bishop DON PIPPETT,
President of the Council of Bishops.
Bishop ROY H. SHORT,
Secretary of the Council of Bishops.

THE PRESIDENT SPEAKS TO THE PEOPLE WITH FRANKNESS AND SINCERITY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ALBERT. Mr. Speaker, the people of this Nation have rightfully taken notice of the live television news conference President Johnson held last Friday. He spoke to them not only as their President but as a compassionate human being, an individual who believes deeply in this country's course at home and abroad. The President's remarks gave us all an extraordinary insight into the burden he carries, and the praise that has been given him in the past few days is indicative of the gratitude of the American people for his work.

What we saw was Lyndon Johnson talking from the heart about the needs of the American people, about the terrible but necessary war we must fight in Vietnam, about the full and free right to responsible dissent, about the tremendous criticism he has had to bear as President.

Mr. Speaker, I was never more proud of our President than I was last Friday.

I was never more proud of him for taking every difficult question posed to him and answering it frankly and fully and with passion.

I have never seen a man who believed more in the right and destiny of this Nation than President Lyndon Johnson that day.

Mr. Speaker, the President said that he is only trying to do the best he knows how, and to do what is right. I hope the American people and the Congress will understand that and will remember it in the days ahead.

SUPPORT OF FIGHTING MEN IN VIETNAM

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Connecticut [Mr. GIAIMO] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. GIAIMO. Mr. Speaker, at a recent convention of the Connecticut State Council of Carpenters, affiliated with the United Brotherhood of Carpenters and Joiners of America, the delegates by unanimous consent passed a resolution supporting our fighting men in Vietnam and condemning the activities of those in this country who go beyond responsible dissent and break the law in order to make their position known.

In its preamble, the resolution states that "we are patriotic Americans first, and strong militant union carpenters second." A truer statement could not be made, for these are men who, together with their brethren throughout the Nation, were instrumental in the creation of the Seabees during World War II, many of whom are veterans, and who are active participants in American democracy through their union and other civic and fraternal groups.

I understand that a copy of this resolution has been brought to the attention of the President of the United States. It is my privilege to bring it to the attention of my colleagues, for I feel that the House should be made aware of the feelings of this great organization.

Mr. Speaker, under leave to extend my remarks I should like to insert the resolution in the RECORD at this point:

RESOLUTION

At our last convention, President Robert Mooney, asked for a Resolution supporting our Armed Forces in The Vietnam War, and America's Foreign Policy. The delegates passed this Resolution unanimously. We bring it up again, because we are Patriotic Americans first and strong militant union carpenters second.

Whereas, the Connecticut State Council of Carpenters has been steadfast in upholding the principles of Americanism and its members have served as examples of patriotic citizenship and,

Whereas, subversive groups and individuals, within our country has flouted the authority of the United States Government, have sought by illegal means to impede the successful prosecution of the conflict in Vietnam, have desecrated the American Flag, burned their draft cards, and there by committed acts of Treason under the shield of rights and freedom guaranteed by the Constitution of the United States.

Now therefore be it resolved, that the Connecticut State Council of Carpenters in convention assembled speaking on behalf of over 9,000 members here by proclaims its complete allegiance to all men in the Armed Forces of the United States of America and strongly condemns all irresponsible and disloyal acts which have a tendency to give aid and comfort to the enemy, to prolong the war, and to impair the morale of the valiant members of our Armed Forces.

EXECUTIVE BOARD,
Conn. State Council of Carpenters.

CHALLENGES OF THE FUTURE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Missouri [Mr. HULL] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HULL. Mr. Speaker, a prominent rural leader who hails from my district recently presented some thought-provoking and stimulating challenges to rural and urban Americans alike. Robert D. Partridge, acting general manager of the National Rural Electric Cooperative Association, presented the ideas at a series of 10 regional meetings of the association across the country.

Mr. Partridge's hometown of Skidmore, located in my district, is among the many small rural American towns that are victims of the migration to urban areas. But, says Mr. Partridge:

> The tragedy of Skidmore—and the thousands of other small towns—is not only that people have left, *it is what they have left behind*. Our Skidmores, and the areas around them, are blessed with many things. They have clean air and sun and sky and water. They have room for kids to run barefoot through the grass; fields for people and dogs to romp in; uncrowded streets and sidewalks—and electric power, transportation and communications. But one essential ingredient is missing: Opportunity.

Mr. Partridge, and the organization he represents, have been leaders in pointing out that one of the root causes of our so-called urban crisis is in the fact that lack of opportunity has forced rural people into our already overcrowded cities. And they are to be complimented for their pledge to begin now to begin a "gigantic crusade for a rural revival."

Mr. Speaker, I include the text of Mr. Partridge's speech following my remarks:

CHALLENGES OF THE FUTURE

(Address of Robert D. Partridge, Acting General Manager, NRECA, at Regional Meetings, 1967)

It is a great honor for me to be here today speaking to you as acting General Manager of your National association. NRECA is a great organization. It represents without question a truly unique movement in American history.

The rural electrification program is unique because it was conceived and dedicated from the very beginning as a program of the people. It has survived and prospered through the past three decades because it has never lost sight of its basic ideal: that the people have within themselves the power to see and to solve their own problems. In my judgment, no other program in history has made use of the talents and abilities of so many people in the way that rural electrification has.

Your own boards of directors are examples of this. Your Statewide Associations and power supply cooperatives—and your NRECA Board of Directors—demonstrate this further. Rural people themselves, through their elected representatives, have confronted and effectively faced up to every challenge they have met along this journey to the present.

One of the true tests of a democratic institution is its ability to produce capable leaders. And the records of the rural electrification program are replete with proof that this great program has always produced great leaders.

One man stands out in the annals of this program to such an extent that I want to talk specifically about him for a moment, and pay tribute to this outstanding American. I feel I am speaking for you when I do so.

I first met him personally many years ago when I was an employee of REA—although I knew him by reputation even before that.

It was during the days right after World War II, and I was standing near an elevator in the Agriculture Department in Washington, chatting with Art Gerth. Many of you remember him as the loan chief of REA in those days.

Suddenly, I saw a flash of braid and brass as a man in the uniform of a Naval officer turned a nearby corner. He headed toward us in a manner that reminded me of a torpedo. He recognized Art Gerth and reached out to him to shake hands. Art turned to me and said, "Bob, this is Clyde Ellis."

Since that time I have continuously either worked with or for Clyde Ellis, and he has never stopped moving with the energy and direction of a torpedo. During my years at REA I frequently saw Clyde on Capitol Hill when we would both be appearing before Congressional Committees.

Later, after I came to NRECA as senior legislative representative, and more recently as his executive assistant, I continued my close association with Clyde Ellis.

His dynamic leadership has been an inspiration to me and to all who have had the opportunity to work with him. His greatness is unquestioned by those who know him, and by thousands who have only heard of him. He has etched an indelible place for himself in the rural electrification program and in the hearts of all of us.

I did not feel that I could speak to you here today without first saying these things.

However, the organizations that people like you and Clyde Ellis have built are not organizations that rest on the glories of the past. You have met the challenges. You have adapted yourselves to a changing world. You have made yourselves a vital part of your communities, your states and your nation.

But we are living in a time when—more than ever before—we must be prepared to meet and adapt ourselves to change.

Your Board of Directors has placed in my hands the job of managing the operations of your National association during this period. I am honored that they asked me to undertake this assignment, which each of you recognizes as an awesome one.

I accepted the assignment recognizing full well that neither the times nor the problems we face will permit NRECA the luxury of a caretaker period while your Board is selecting a permanent general manager. This job cannot be one of simply holding the fort in the hope that some day a new Clyde Ellis will bail us out.

The problems—and the opportunities—which confront us won't wait. We must diagnose these problems and we must seek responsible solutions for them.

This is no lonely road to travel. You are traveling it also. So is the Board of Directors, made up of leaders who have been tested by responsibility. So, too, is the NRECA staff. I am proud of your very capable National staff. They stand with me—and with you—100 percent in the desire to continue to move the rural electrification program forward.

In March of this year, your National association began its second quarter century. Those first 25 years were exciting ones—full of jubilation and, yes, heartbreak—for all of us who were a part of them. But through victory or defeat, NRECA under Clyde Ellis' leadership continued to grow, not only in size, but in prestige. And it has served you well.

But now we have come to a crossroads. The decisions we will be making in the weeks and months ahead will determine the direction our program will be taking for perhaps the next 25 years. These decisions will be determined by the challenges that are now facing us. Time is too short for us to examine here all of these challenges. But I believe that it is important to discuss what our course must be in some of the most significant areas.

1. RURAL REVIVAL

At the top of any list of matters that must be considered of major importance to our program is a rebuilding of rural areas—a rural revival, if you will. Your future—in fact, your continued existence—as rural electric systems depends on whether or not we can meet this challenge in time.

We are at the stage where we of rural America must give this problem the priority it deserves.

Today we have a new factor in this picture. The deplorable riots in several of our over-crowded metropolitan areas have brought this problem into sharper focus. City people finally are waking up to the fact that city crisis is directly linked to the deepening economic crisis in rural America.

There are many statistics that tell the story of the decline of rural America. But I never hear a one of them without thinking of my hometown in Missouri and how the revolution in agriculture has left it dying. I was there just a few weeks ago. The sign as you enter town proclaims: "Skidmore, Population 485." But as you travel down Main Street, you wonder if there really are 485 people left. Every time I go back, I notice another empty store, another decaying house. And I know why these things came about, for I was one of those who left because the opportunities were lacking.

The tragedy of Skidmore—and the thousands of other small towns—is not only that people have left, *it is what they have left behind*. Our Skidmores, and the areas around them, are blessed with many things. They have clean air and sun and sky and water. They have room for kids to run barefoot through the grass; fields for people and dogs to romp in; uncrowded streets and sidewalks—and electric power, transportation and communications.

But one essential ingredient is missing: Opportunity.

It is not only foolhardy but downright suicidal for America to sit back and watch rural America die. And it is especially dangerous to the future of the rural electrics. We need to start building around the many obvious advantages that rural America has.

I believe we have a right to expect our Federal government to help us to build on these advantages. We have every reason to demand that the broad policy decisions of our nation take into consideration the total effect they will have on our population. Does it really make sense, for example, for the Defense Department to buy nearly all its materiel from firms in already over-crowded metropolitan areas?

Couldn't some government buying be done from firms in less populated areas? The immediate cost might be slightly higher. But is it higher when you take into account the public assistance costs that are necessitated by economic starvation? We expect the government to act in the interests of the whole country and in the interest of all the people—those who live in Skidmore as well as those who live in Columbus, Chicago, or Los Angeles.

It's time for our country to make the decision that it *is* going to rebuild rural America. It's time to pass legislation that encourages new businesses, better schools and new homes for rural areas. It's time to develop new jobs and new opportunities, for the people you serve.

Whose responsibility is it to get this revival going?

I mentioned the government and the fact that it must act. But you and I know this is not the whole answer. The answer is you—your leadership. Who has more reason to be concerned? Who is in a better position to lead? Who is better equipped to undertake this assignment? And, to be frank about it, who has more to gain—or to lose?

The answer is you.

You—and I am pointing the finger at all of us of rural America—have a responsibility to meet this challenge with all the energy and imagination we can muster. We owe it to ourselves and, more important, to our children. If we do bestir ourselves, we will be living up to the heritage of our nation and program.

It will be a tough job. We'll have to get up off the seat of our pants to do it. But it is a job that I know we can accomplish together. In the days and weeks ahead, we at NRECA will be searching for bold, new ways to help you accomplish this task. And I urge each of you to begin now to examine the ways in which you and your rural electric system can join in this gigantic crusade for a rural revival.

2. GAINING ALLIES

The dwindling prospects found in many parts of rural America bring to us a second important area with which we need to concern ourselves. That is the problem of developing understanding and sympathy among non-rural people.

We cannot get along without them. The lack of support in recent years for rural legislation is but a symptom of our problem. You are aware of what happens to farm programs. And you know what happened to our supplemental financing bill. Rural votes are not enough.

In the 1930's, rural people—working with allied groups—were able to convince the nation of something we all knew was true: Depressions were "farm led and farm fed."

Now we have the opportunity to convince the nation of something that is equally true: The well-publicized "crisis of the cities" is a direct result of what has been happening in rural areas.

We need to intensify our public relations and advertising programs reaching urban people. We must show them that they have a direct stake in what happens to rural America. And we have to tell them—convince them—that they do, indeed, enjoy lower electric rates. They enjoy them as a direct result of the competition-by-example given to them by rural electrics and the Federal power program.

At the same time, we have to widen our sphere of influence by intensifying our cooperation with other consumer-oriented groups.

As an example of what has to be done, let me cite our current battle to gain funds for the badly needed Dickey-Lincoln project in Maine. I consider this to be one of the most important projects we have fought for in recent years. From the standpoint of benefits, it is one of the best in America. And if it were built, it would give us the first breakthrough in bringing low-cost Federal hydroelectric power to the Northeast, where power rates are the highest in the nation. Because of this, it is being bitterly fought—and has been bitterly fought—since 1936—by the private power companies. We are working hard to see that funds for Dickey-Lincoln are appropriated by the Congress. But this is a fight where more than ever we have to depend on our consumer-oriented allies, such as the American Public Power Association, many of the labor unions, and other organizations included in CIC (Consumers Information Committee). Without them, there can be no hope for this project, and little hope for many of the others around the nation.

This is but one example, but it illustrates that only by fully cooperating with our present and potential friends are we going to be able to survive and continue to grow.

On a National level, consumer groups are becoming more and more influential. Many of them, along with NRECA, are joining together to sponsor "Consumer Assembly '67" in Washington on November 2 and 3. I hope your cooperative will be among those which will have representatives at this meeting.

And on the local level, I think the time has come to develop a more aggressive leadership position. We should be working in the Technical Action Panel, in the Community Action Programs, and wherever local people are joining forces to build a more vigorous community.

Redistricting and out-migration are big words that mean but one thing—less strength in Congress and elsewhere. Until rural revival takes hold, we've got to make up for muscle with unity. This is no time for us to let a lack of discussion or understanding divide our own membership or to separate us from the NFO, the Farmers Union, or from the Farm Bureau, the Grange—or from any of the rural or consumer groups who, basically, are in the same boat with us.

3. POLITICS

A subject that needs discussion at this year's regional meetings is politics. Delicate matter though it is, I want to talk about it since it is so important to the course we take.

It has been said REA was born in politics, grew up in politics, and continues to exist by the grace of politics. This is another way of saying the program was enacted by Congress, is administered by a Federal agency, and is financed by annual loan authorizations. To hold that politics has no influence on rural electrification is simply to close our eyes.

Moreover, times have changed. The situation we faced in the 40's was different than what we were up against in the 50's. The 60's are different from the 50's. And the 70's will be different from any of them. I believe the events of the last several years require us to continue to examine our stance wtih regard to politics.

Let me make this statement to illustrate the point:

Had the Democrats and the Republicans not taken us for granted, each in their own way, perhaps we would today have an unamended supplemental financing bill on the books.

I believe that—generally speaking—the Democrats in the Administration as well as in the Congress tend to take us for granted. They tend to feel that we have nowhere else to go. Up to a point this may be true. But regardless of where we could or could not go, I feel that we must take note of the situation we are in. For example, the Administration did not at any point make the all-out fight for supplemental financing that it did for some other bills in both the 89th and 90th Congresses. There may have been good reasons. But I don't know what they were.

I believe that—generally speaking—the Republicans also tend to take us for granted, but for a different reason. They take us for granted as being unwilling to accept their interest or help. Up to a point this, too, may be true—because all too often their voice and their votes have been with those not altogether friendly with rural electrification.

But the supplemental financing battle demonstrated that there are Republicans who want to understand our problems and who will work hard with us in trying to arrive at solutions to the legislative tangles.

More bi-partisanship is not only necessary, but it may also be possible to a greater extent than we have ever experienced. If so, we need to know about it.

I say all this now, months before the elections, to call attention to what I believe is a fact: That is, we are not interested in politics from the standpoint of whether a man is a Republican or a Democrat, but whether he is for or against rural electrification.

I know rural electrification cannot be the only issue on which you as a citizen may judge a candidate. But I trust it will be an issue that is high on your list, if it is not at the top.

I know as well that rural electrification is not the only issue on which a candidate makes his campaign. But it is certainly a highly important issue from our standpoint. And I feel that we have every right as citizens to ask and to find out how the candidate stands and, if he is an incumbent, how he performed. I cannot see how he can object to our probing into and publicizing such information. And we must do it.

We are at a point where we must not take the politicians for granted either. Let them spell out in action or in meaningful words where they stand. At that point let us then do our part in supporting those who support our program.

We once could say to Congressmen: "Our opponents have the money, but we've got the votes." Unfortunately, this is no longer the case in many areas. So, if you don't have the votes, you've got to have other ways of supporting your friends. And I don't think I shock any of you when I say that one of the "other ways" means money for campaigns—a considerable sum of money.

If we are to strengthen our political effectiveness, we as individual rural electric citizens must be in a position to help our friends in both parties. Campaign contributions constitute the only direct means we have of backing our many urban supporters.

One means of doing this is ACRE. Several rural electric leaders in a number of states, as you know, organized ACRE—Action Committee for Rural Electrification—last winter. All of you, I believe, are familiar with ACRE. Many of you are members. I wish you all were and hope you will be.

I would like to re-emphasize that ACRE is entirely separate from NRECA. The funds it raises through $25 memberships and special functions are used to support Congressional friends of rural electrification, both Republicans and Democrats.

I hope that we will reach the place where never again will we hear what one Senator said last year: "These co-op people come to me in odd-numbered years and want everything in the world. In even-numbered years (election years), I can't find them."

4. OUR RELATIONSHIP WITH GOVERNMENT

While we are considering our stance in the broad political arena, we need also to discuss our relationships with other groups and agencies. Over the years, NRECA has enjoyed warm, friendly relationships with the federal agencies we are constantly called upon to work with.

This has been especially true of the Rural Electrification Administration. For the most part, NRECA's problems and REA's problems have been common ones. Consequently, the solutions have been sought through close cooperation between your National association and your banker.

This good working relationship has been abundantly evident in the past six years, during which REA has compiled an impressive record of achievement under the capable leadership of Norman Clapp. During those years, we at NRECA have had the privilege of joining with him and his dedicated staff in helping to advance the cause of rural electrification.

It is a necessity that we maintain this kind of a relationship. But in order for your association to effectively do the job it was set up to do—promoting *your* interests—this relationship has to have a clear dividing line. As your representative outside government, NRECA must stand ready to probe the effects of government policy and to offer constructive help in its formation and implementation.

Let me cite an example to illustrate my point. It may be necessary for the administration and REA to institute a program to encourage rural electrics to join in a fight against inflation. Under just such a recent program, most rural electrics saw it as their duty to cooperate. But it is our duty at NRECA to tell the membership that such a program—if continued indefinitely—could adversely affect your flexibility in coping with your financing needs. And it is our duty to point out to the Administration that while electric co-ops were being asked to fight inflation by *postponing* construction, the power companies were receiving tax credits to *stimulate* their multi-billion-dollar construction programs.

We at NRECA cannot lose sight of the fact that, just as REA and its staff have a responsibility to carry out the policies of President Johnson and his Administration, NRECA has a responsibility to you, the membership of our association. This is a delicate matter, too, but one which we must face up to.

I have mentioned REA. The same policy, of course, applies in other areas of government. We need to continue to speak out against actions of the Interior Department where they might threaten the continued existence of a sound, progressive, resource development program. And we must insist to the Federal Power Commission that constructive improvements reflecting your thinking be embodied in the proposed Electric Power Reliability Act.

In short, we must continue our close association with all these government agencies. But we *must never* let these associations prevent us from effectively representing your interests.

5. OUR POSITION IN THE INDUSTRY

A re-evaluation of our own role in the entire electric power industry is another of the major challenges facing this program today. The facts are simple: The commercial power companies, the municipal systems, and of course, the rural electric systems, are all here to stay. None of us is going to fade out of the picture—and I don't think any of us should. I believe this nation needs a mixed electric power industry just as it needs a mixed economy generally. There is room for all of us in the electric industry—including the Federal government and its wholesale power programs.

Yet, in the supplemental financing battle, we reached a point where the entire power company complex solidly joined forces against us. In this case, there was not a single break in the whole complex. We can ignore this if we like. But the fact is no one else will—neither politician nor plain citizen.

Somehow we have got to find realistic solutions to the continuous controversy among the different types of suppliers in the total electric industry.

On our part, we must seek to establish meaningful relationships with the other types of suppliers—without relinquishing our rights or selling out our principles.

One of the primary aims of the Federal Power Commission in its reliability act is to promote cooperation throughout the industry. We know, from long experience, that under present circumstances, such cooperation is impossible in many areas.

But in other areas, an approach based upon mutual goodwill between ourselves and the power companies may—indeed, I think it *must*—bear fruit. It is my opinion that, unless we find ways to lessen the longstanding frictions between ourselves and the power companies—while maintaining our own integrity and future growth potential—the public may not long tolerate either of us. The people may say, "A pox on both your houses." None of us can afford this.

Finding a tolerable solution to this troublesome problem will require the best of statesmanship in all of us.

6. OUR INTERNAL RELATIONSHIPS

The time has come, too, to take a hard look at the relationship of NRECA to the other organizations that represent you.

As your National association has grown, so have your statewide and power supply associations, to mention two. The strong, dynamic statewides you have built have become an indispensable part of the program. So have your G & T cooperatives, for they represent your very lifeblood—power supply.

We in the National association depend heavily upon the statewide and the power supply people in our day-to-day work. We are constantly asking them for help. Legislative work, insurance, management training, member education—all of these are important assignments you have given us at NRECA. But we could hardly accomplish them without the assistance of your state and area associations.

That's why I consider it of prime importance that we increase our efforts to establish meaningful relationships and clear communications with the statewide and power supply organizations. We need to have more than just hit-and-miss discussions with these people. We must have a continuing and adequate program of exchanging ideas, opinions and information. We at NRECA would be doing ourselves and the program a disservice by not making every effort to take advantage of the vast supply of talent you have at work for you in every State. And we intend to capitalize on this reservoir of talent, not only in carrying out our objectives, but in helping to determine what those objectives should be.

In the weeks ahead, I will be discussing this with the statewide managers and others. I invite your suggestions on how we can best work together to accomplish our common purpose.

As most of you know, President Hunter has appointed a special committee of the membership whose task will be to re-examine all feasible alternatives which may be used to raise capital, consistent with the needs and objectives of our program. But further, this committee has been given the assignment to re-appraise and to update the objectives and goals of the rural electrification program. This committee, under the chairmanship of Kentucky's J. K. Smith, will be considering many of the problems I have discussed with you here today. After seeing the list of capable people who have agreed to serve on this blue-ribbon committee, I know they will come up with constructive suggestions on how we can meet the challenges of the future.

I regret that time prevents me from reviewing with you the past year's activities of your association. However, the reports from the NRECA departments will give you an outline of what has taken place. So instead of repeating much of what you will hear from others about the past year, I have spent my time here today talking about the future, for—as someone once said—that is where we will have to spend the rest of our lives.

We have a past in which we can take great pride. We must never forget the people and the ideals that made it so. And we must work to make sure that the future is equally as great.

I'd like to close by quoting these words of Clyde T. Ellis, as he wrote them in *A Giant Step:* "It is the duty of leaders to lead, to study, to think and then to take the facts to their people; once the people know the facts, they can be trusted to make the right decisions."

Let me assure you that the Board of Directors and the staff of NRECA will continue to lead, to study and to think, and then bring you the facts. We have no intention of pausing while we change the guard. We do not have the time. We must continue to meet the challenges of today and tomorrow. We ask your counsel and your support in the days ahead. With it, we can take another giant step forward with the great work of the rural electrification program.

PRIME MINISTER LOC'S VIETNAM PROGRAM

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. Young] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. YOUNG. Mr. Speaker, so much gets inserted into the Congressional Record that is critical of what is happening in Vietnam. So often favorable developments in that tragic country go unheralded because they are not dramatic and do not capture the headlines the way bad news or criticism does.

For this reason I would like to call my colleagues' attention to and insert in the Record the first major speech of the new Prime Minister of South Vietnam. In this speech Prime Minister Loc presents his Government's program.

The document is a heartening one because it is both a sober appraisal of past weaknesses and faults and a moderate and realistic description of the new Government's program.

It is a document of hope and not of empty promises. It is only a beginning but a beginning in the right direction. I commend it to all of you:

REMARKS BY PRIME MINISTER NGUYEN VAN LOC AT INDEPENDENCE PALACE, SAIGON, NOVEMBER 15, 1967

(Translation by Viet-Nam Press)

In this lively atmosphere, while the people are acclaiming the Second Republic of Viet-Nam, I beg to present to you the Government's Program of Action.

I am greatly honored to be assigned this mission. And yet, nothing equals my concern at being entrusted by the President of the Republic of Viet-Nam, with the leadership of the Cabinet at this difficult national juncture.

First, I wish to thank the press at home and abroad for the sympathetic attitude they have shown during this period of preparation for the formation of our government.

Ladies and Gentlemen,

Before presenting the program which our government will begin this very day, I wish to say to our people that the guiding principle for every action of all governmental agencies, will be to serve the public interest. This means taking account of every social requirement which will add to the development of human dignity in every respect and the defense of human and civic rights as defined by our Constitution.

However, to serve the public interest does not mean that we will launch a campaign of demagogic and attractive sounding slogans or use cunning methods to dupe the people into pursuing these slogans and thereby drive them into backwardness, poverty and suffering. On the contrary, to serve the public interest, we must base our policies on the actual situation in order to prepare plans and programs which will adequately solve the urgent and important problems which face our nation.

Let me briefly and objectively present the characteristics of the present situation of our country.

The first characteristic is that our country is in a war which our entire people are bearing. Our people will be affected by the consequences of this war for a long period to come. It is a nondeclared and frontless war in every respect—one prepared and directed by the North Vietnamese regime and one with the strong support of the aggressive communist bloc countries, it has lasted for more than twenty years.

The second characteristic is that the allied forces have come to help us because of this communist war of aggression. As a result, every branch of our society has been influenced by their economics, equipment, commodities, techniques and even their way of life.

The third characteristic is that our governmental system, already obsolete at the time of its transfer from the French administration to the first Republic, underwent such turmoil that a number of important branches seemed no longer effective in the transitional period following November 1, 1963.

The fourth characteristic is that the scale of values of our society has successfully been upset as the result of many events. This has led to an erosion of our society with the psychological result that everyone has become discontent and cynical.

It seems to many of us that there is little hope for us to get what we need and what we are entitled to, and little chance to hold on to what we have.

Ladies and Gentlemen,

To implement the policy set forth by the President and Vice President and which was supported by the people through their ballots in the September 3 election, our government has drawn up short-term and long-range plans which are based on today's situation of the country.

I will strive to implement these plans in all fields. The main features of our program are as follows:

Our political struggle should be better made known abroad so that world opinion will know of the communist scheme of aggression and of our people's struggle for self-defense. The world should know more about Viet-Nam's history and culture, the great contribution of the Vietnamese people to this struggle to safeguard freedom in Southeast Asia, and the efforts of the Vietnamese to safeguard the moral values of mankind.

INFORMATION ABROAD

We must show that the Republic of Viet-Nam is a peace-loving country determined to fight valiantly for the restoration of a just and durable peace. Information abroad must develop through the establishment of an effective Vietnamese Information Service in foreign countries.

DIPLOMATIC SERVICE

Our Foreign Service needs to be improved and streamlined immediately. Diplomatic personnel must meet certain standards and must be responsive to the fact that information concerning our political struggle must be explained abroad. The problem of personnel in the Foreign Service must be reviewed and the Foreign Service Statute revised.

The diplomatic offensive should not be limited to governmental efforts. It requires the active participation of private groups and organizations through visits of delegations to friendly countries to uphold the just cause of our people's struggle for their defense.

Vietnamese residents abroad must be given moral as well as material assistance, and be provided with opportunities to participate in the common struggle of our entire people.

This struggle will continue until the communists abandon their ambition to engulf free South Viet-Nam.

OPEN ARMS

As we solemnly set forth at the Manila Summit Conference in 1966, and following the tradition of concord of the Vietnamese people that dates back thousands of years, Viet-Nam is always ready to welcome those citizens from our national community who have been misled or forced to follow the Viet Cong. We are ready to grant them all the rights of citizens as stipulated and guaranteed in the Constitution.

Open Arms and information missions must be conducted on a large scale, with the willing participation of the people. Programs for vocational guidance and training as well as policies to place returnees must be intensified. At the same time, it is necessary to create opportunities and a favorable atmosphere for returnees to build a new and comfortable life within our national community.

MILITARY

In the military field, we must continue to improve our combat capabilities in order to cope with every eventuality, even though now we hold the initiative on every battlefield.

To increase our strength and to protect our country more effectively, the partial mobilization policy recently promulgated will enable us to mobilize every man's potential for the most efficient, just and rational use of manpower. However, adequate measures will be taken so that the essential activities of the country will not be paralyzed.

As the key force of our country in this struggle of our people for their survival, our armed forces must be strengthened through military discipline and good behavior and the development of an esprit de corps and unity among the units.

The chain of command will be reorganized to rapidly meet battlefield requirements. Rewards and punishments will be equitable: injustice and favoritism will be eradicated as soon as possible, as will corrupt practices such as bribery and misuse of power.

At the same time, the combatants' living conditions and those of their dependents will be improved through such practical measures as an increase in, and more efficient distribution of supplies and providing educational facilities for combatants' children.

VETERANS

Your government will attach great importance to the problems of veterans, war widows and orphans. The government's policy will be based on two fundamental principles: (1) to provide the best treatment for those who have made the greatest sacrifices for our people and (2) to help the veterans, war widows and orphans build a normal life within our national community.

Therefore, the government will review the scale of pensions and subsidies so that it will be rational and practical. We will pay particular attention to the employment of veterans in public services and private firms on a priority basis. A special vocational training center for disabled veterans will be established. Concerning the education of the wards of the nation, in addition to schools and boarding houses which are being enlarged or will be established, university scholarships will be established and granted to outstanding students on a priority basis.

REVOLUTIONARY DEVELOPMENT

Revolutionary Development must be given first place among the government's activities to provide security for the people and raise their material standard of living.

To implement this program, Republic of Viet-Nam's Regular, Regional and Militia Forces will increase their support to Revolutionary Development activities. Revolutionary Development cadres will be increased in number to meet the growing requirements of secure areas.

Rural people must play an active part in the reconstruction of their villages with the assistance of the government. Their interests must be guaranteed and improved through the implementation of programs intended to help them acquire their own property, the strict application of the land statute which gives them the right to continue tilling the land on which they are working and to purchase the land on a priority basis, and the execution of programs for supplying, distributing and popularizing modern production techniques.

LAND DISTRIBUTION AND AGRICULTURE

The government will distribute public lands to peasants, re-establish 500,000 expired land leases, and issue ownership certificates to 110,500 peasants who have purchased expropriated rice fields.

Agricultural cooperatives must be organized and directed by the farmers themselves with the active assistance of the government, to increase production and maintain prices of agricultural products.

The Agricultural Development Bank, with a two-billion piaster fund, will be able to efficiently serve the farmers and fishermen.

"Agricultural Improvement" pilot centers will be established in the provinces to improve living standards in rural areas through a program of modernization of cultivation, animal husbandry, fisheries, irrigation hydraulics, agricultural mechanization and improvement of village roads.

ETHNIC MINORITIES

The government will also carry through the policy of equality within national solidarity. The ethnic minorities will be specially supported in order to establish a genuine harmony and common progress among the races.

To reach that objective, we appeal for the understanding and active assistance of our people all over the country. On the other hand, the ethnic minorities must actively participate in the efforts of pacification, building and protection of the nation as well as participate in other national activities.

The enthusiastic participation of the entire population in the national reconstruction effort is the basic and decisive factor in the success of our nation's democracy.

POLITICAL INSTITUTIONS

Although the democratic structure from hamlets and villages to the central government has been established, we still have to create favorable conditions to provide the basic democratic rights stipulated in the Constitution.

Since our country is at war, the implementation of democracy cannot be achieved without difficulty.

Furthermore, as national political activities are still new, we must be particularly conscious of our responsibility. We must look on the basic rights of freedom as ways and means of developing our national life. We cannot allow them to be used as sharp weapons in the hands of a minority who will misuse them for the benefit of their own party and group, and will betray the national interest and sabotage our national solidarity.

PRESS

Therefore, the National Assembly and the government should complete and promulgate the Press Law and the Statute on Political Parties as soon as possible.

The Press Law must reflect the role of news agencies, and evoke a sense of responsibility and honor in the profession of the newsman.

Establishment of newspapers in the provinces must be encouraged, because the press must go deep into the remote villages and hamlets and actively participate in the task of nation building.

The press community should have wholesome organizations to guarantee the practice of the newsman's profession, and provide newsmen with the opportunity to progress. The newsmen should also be helped materially, from his working condition to his accommodations. The press center must be improved and the government will do its best to establish a cultural village.

A press which will have the respect of the people is a factor necessary for a healthy national political life. It will be a minimum condition if political parties are to blossom into forces which will honestly reflect the aspirations of the people.

Only then can we hope to establish a genuine democratic political regime and create genuine political parties. Only then can we have opposition forces which are constructive, and which will cooperate with the government for the establishment of a political equilibrium which will ensure democratic progress.

JUDICIARY

A genuine democratic regime also requires a judiciary which is truly independent and efficient. To be in keeping with the Constitution, the Justice Ministry should reorganize the list of judges, by making a clear distinction between Prosecuting Judges and Presiding Judges, and by reorganizing the Judges Council.

The law must protect the interests of the broad mass of people; it must be unified and modernized to realize and safeguard national sovereignty and prestige.

The law codification committee will soon review the drafts of the Criminal Code and Civil Code. The promulgation of the Civil Code, the Commercial Procedural Code and the Penal Procedure Code will be promulgated as soon as possible. Meanwhile, the laws on labor and on lodging must be supplemented to protect the legitimate rights of the poor.

The reform of the justice machinery must be effected with the object of the quick solution of legal cases and the establishment of new courts to meet present needs. The justice inspection machinery must be reinforced. The traveling sessions of the courts in the provinces must be held from time to time in the districts.

To build a regime which reflects the rule of law and which will create respect for justice among the population, we must diffuse a general knowledge of law throughout the country through publications easy to read, and by radio and television.

ECONOMICS

In the economic field, the government will establish an economy of people's capitalism which will progressively become self-sufficient and establish the basis for a post-war economy, which will prevent crisis and disturbances when the war ends.

COMMERCE AND INDUSTRY

In the craft and industry field, priority will be given to agricultural industry which will increase production and improve the peasants' living standards. The government will encourage and promote industries which are concerned with the manufacture of consumer products (fabrics, paper, food . . .) and will rationalize investment procedures, will make the center for the development of craft and industry more effective.

The government will try to make it possible for the middle class and for the workers to participate in the ownership of state-run enterprises by selling them stock in the enterprises.

Programs for the development of Cam Ranh, the lower Mekong, and the Dong Thap will be pushed forward.

As for the internal commercial field the most urgent objective is to regularize supply and stabilize prices. The government will try to equalize production and local consumption and establish supply organizations by simplifying transportation procedures in the provinces, establishing secure warehouses, applying efficient price control measures, expanding activities of the supply authority to the localities and encouraging the establishment of cooperatives and supermarkets which sell products at low prices in populous areas.

The government will institute an importation program to meet the national needs aimed at supplying necessities as well as capital equipment necessary for the development of craft and industry. The procedures for issuing import licenses will be tightened to put an end to the dishonest activities of a small group of importers and merchants.

The government will encourage the increase of exports and the development of a consumers' market abroad, by participating in international fairs and opening permanent centers to display Vietnamese products in appropriate areas.

FINANCE

In the financial field, the government will take efficient measures to increase income and to reduce expenditures, and avoid budget deficits above all. On the one hand, we will launch a program for reducing the national budget by closely controlling expenses. We will reform the financial administration to stop the small losses in the national budget. On the other hand, we will comprehensively review the direct and indirect taxes commensurate with the present economic situation in order to achieve social equality and provide everyone with a satisfactory standard of living.

The government will also review the customs procedures to reduce the taxes on necessities, and increase the tax on luxury items, while simultaneously seeking measures to put an end to fraudulent activities.

In the field of exchange and credit, we will support the Vietnamese plaster by reserving and using foreign exchange more logically.

Enterprises which increase their production will get priority in receiving credit for the importation of necessary products, equipment and necessary materials for developing industry. As for confiscated properties the government will sell them to the highest bidder and use the funds to improve the life of the poor.

All governmental efforts in the fields of economy and finance will be aimed at coping with the current war situation while simultaneously meeting the needs of the people. The efforts will be concentrated on improving the people's living conditions and building a popular economy designed to make property owners of the large masses of the people and serve them more effectively.

Our present national situation is such that we still need considerable aid from our allies. Yet we should gradually attempt to render our economy self-sufficient so as not to be dependent on foreign aid.

LABOR

In the course of the development of our national economy, manpower should be considered the basic factor. Therefore, in the domain of labor, the government's attempt to allocate manpower reasonable and to intensify vocational and training programs in order to render workers professionally competent should help everyone gain employment suitable to their ability as well as to provide them with opportunities for self-improvement.

Health and labor security measures will be reinforced and the government will gradually establish social security for the working class.

Programs designed to permit laborers to become property owners will be pushed forward. Workers' participation in management will be encouraged. Both of these are designed as concrete measures to build a consciousness of responsibility and highlight the importance of the role of the working class in our national community.

Labor unions should be developed and the principle of equitable arbitration should be applied to settle disputes between employers and employees. The government will help businessmen in their problems of human and social relations and will help trade unions in developing a rational concept of workers' responsibilities in factories so that the output and the profits of both sides can be augmented.

COMMUNICATIONS

In the recent past, the instability of the domestic market was caused by interruptions in lines of communications. The means of communication and transportation play a vital role not only in the spheres of economic and social welfare but also in the military and political activity. Therefore, on land, the government needs to clear and improve the communications networks to ensure security and provide the necessary links between the capital and the outlying areas.

Although port and storage congestion has almost ended, the expansion of the commercial ports of Saigon, DaNang and Qui Nhon still needs to be enlarged to meet future needs. Means of navigation also need to be increased through the improvement of the waterway network. The exploitation and development of airlines should also be reorganized to meet the present needs of the nation.

Means of telecommunications will be modernized and systematized. Electronic equipment will be furnished and obsolete systems replaced to meet the wartime needs of the country.

HOUSING

The presence of allied troops as well as the flow of refugees from war-ravaged rural areas have led to housing shortages in the cities, especially in Saigon. To cope with this situation, the government will encourage the removal of allied servicemen and government soldiers' garrisons out of the capital. In addition, housing cooperatives will be granted loans to build housing units. The government will continue the construction of low-cost and civil servants' residential quarters.

Along with the housing problem, the problems of electricity and water supply and road repair also need to be solved satisfactorily.

EDUCATION

To support these objectives, the government advocates raising the literacy level of the masses and directing the education system toward technical and professional training programs in order to train large numbers of vital cadres to work in jobs related to national industrialization and modernization.

The government will concentrate efforts to immediately meet the education requirements of the steadily increasing number of students and will reorganize the education system both in terms of quantity and quality.

As far as technical education is concerned, the goverment will reorganize and expand the Phu Tho technical center, build more technical facilities to train some 2,000 professional cadres, establish a handicraft center in Saigon and train more teaching personnel for the 26 existing technical schools in the country.

To meet the requirements for agricultural development we will continue to improve agriculture, forestry and animal husbandry education including the establishment of vocational courses for farmers' children.

Concerning primary education the government will build more schools and facilities to eliminate the double-shift system of classes which harms the health of the children and slows their education. We will strive to establish compulsory education at the primary level and organize special refresher courses for teachers.

At the high school level, the government plans to open 100 additional 7th grade classes every year and build more laboratories for high school students. We also plan to reorganize the curriculum to help those students who cannot afford further study to shift to professional or vocational training branches. Aside from this, we will also closely observe the activities of private schools and look into the capability of the teaching staff by initiating an active and efficient inspection system while backing the development of semi-public and private schools. Concerning university education, the government will recommend a statute providing for university autonomy by which universities will be governed by a university management board.

A statute for teaching personnel will also be recommended to establish the value of diplomas and to minimize the disparities in salary scales. Along with this, curricula, teaching methods, and examination procedures must be reviewed.

We should give attention to the problem of mass education by establishing at least one popular education center in each province to broaden the knowledge of the masses who, because of lack of financial means suffer from illiteracy.

We should restore the standard of ethics which governed the relationship between teachers and students and reinstill a sense of discipline and responsibility so as to create a sane atmosphere in educational activities.

As far as problems of youth are concerned, student boarding houses, cafeterias, medical aid stations, and sport facilities will be reorganized to improve the lot of the students.

CULTURAL AFFAIRS

With the aim of building a national and liberal culture the government will establish a national academy as provided by the Constitution. This academy will be a torchlight for the development of national solidarity and will set a pace in cultural, literary and artistic activities.

The government is determined to intensify the improvement of its national cultural institutions in order to open a new era for Viet-Nam on its path of rebuilding the nation.

HEALTH AND WELFARE

In the field of health, along with the renovation of existing hospitals, we have to construct new general hospitals complete with equipment and technical facilities, we have to lay the foundations for efficient public health agencies in the rural areas. Emphasis must be placed on improving the treatment of patients, prevention of contagious diseases, and providing at least two beds for every 1,000 persons, instead of one for every 1,000 as at present. The rural health program will be pursued more actively.

REFUGEE RELIEF

One of the most urgent of our social welfare problems is refugee relief. These people have been forced to abandon their homes, land and villages for fear of massacre by the communists, the heavy burden of contribution imposed on them by the communists, and the war pressure due to the presence of North Vietnamese regular soldiers, by the end of November 1967, refugees throughout the country totalled 2,062,960 persons, of which 638,000 people have returned to their native villages owing to the pacification program and 638,428 were resettled. However, 786,532 persons are still living in a state of temporary relocation and miserable.

Along with refugee relief activity, the government will also promote assistance to other underprivileged elements such as war widows, orphans, and the aged. This will require us to reorganize or establish a number of basic social welfare organizations and services with a view to forming a more equitable and effective relief status. Juvenile delinquents should be re-educated to become good citizens.

Ladies and Gentlemen,

We have presented our programs of action in the fields of politics, foreign affairs, military, judiciary, economics, social welfare, cultural affairs and education.

We realize that at the present national juncture, a number of emergency problems have to be resolved as soon as possible to meet the legitimate aspirations of the population.

The reorganization of the government machinery must be dealt with immediately in order to increase efficiency and serve the population effectively.

We must: codify administrative laws and regulations and simplify complicated procedures to eliminate opportunities for government officials and civil servants to cause trouble to the people; fix a maximum time limit for every service rendered by a government agency. All refusals must be supported by solid reasons. All claims must be investigated and satisfactorily resolved by a special agency.

Official business and the statutes of civil servants must correctly be applied, all irregularities in nominations, promotions or punishments will be reconsidered to eliminate abuses.

Hold training courses for cadres and personnel to raise efficiency and morale. Necessary improvement measures will be studied at every ministry.

Regarding the eradication of social ills, the government will not use this to promote itself, and is determined to eradicate bad practices and corruptions from the top to the bottom by ways of accurate investigation, severe and impartial verdicts with proper execution to be taken as examples for others.

However, along with punitive measures, the government will do its best to help fixed-salaried personnel by supplying basic necessity good to military personnel and civil servants.

Accordingly, profiteers who exploit, or attempt to monopolize the local market, or make their profits illegally will be punished. Hooliganism, robbery, rape will be no longer seen on the streets.

In rural areas, corrupt officials who bully the people will be removed.

The objective of the short-range program is the improvement of the people's life. The government will set up special committees having broad authorities to quickly look into all problems concerning the people's daily living conditions such as housing, water and electricity, public roads, sewers, rubbish and sanitary services.

Efforts must be concentrated on the improvement of the electricity distributions system which must be carried out more efficiently in order to bring an early end to the cutting of electricity which is a great inconvenience to the people's daily life and activities.

In large cities, the water supply must reach the populous sections and must concentrate not only on the Saigon-Cholon area but also on other developing cities. The streets in the capital and the national routes must be repaired and broadened in order to meet the ever-increasing demands. The slow-speed vehicles which cause traffic jams will be gradually eliminated and those vehicles' workers will be oriented into useful production branches.

Unsanitary housing units will be cleared one after another following the construction of popular type houses in the city suburbs to be sold to these inhabitants who can pay in installments for more well-aired lodgings.

The government will gradually promulgate appropriate measures to diminish the debauched aspect of the city, and the excessive gap between the life in the city and the countryside. And between the life in the rear and the frontline. City residents should limit all luxurious and absurd ways of life in order to share the sufferings of the rural people and the servicemen who are sacrificing their lives on the battlefields.

Now, the government, with all sincerity, with constructive will and love for the people, earnestly appeals to all those who are on the other side of the parallel, to sympathize in all the sufferings of the fatherland, to end all slaughter and return here in the order to build together a genuinely free and happy society in this southern part of Viet-Nam. As for those who still believe that the North Vietnamese regime can bring about prosperity and welfare for them they should return there to prevent the south from a destruction which is of no advantage to either side.

Before the dawn of the second Republic the government and the entire South Vietnamese people anxiously look forward to their fellow men beyond the parallel, sharing all sufferings with them who have the same Vietnamese blood.

Ladies and Gentlemen,

Thanks to the earnest support of the people and the ardent spirit of service of all responsible persons, we believe our program of action will bring fruitful results.

Never recoiling in the face of continuous sufferings, the Vietnamese have shown to the world the indomitable will of a people making sacrifices for the ideals of freedom and democracy.

Now I would like to pay high tribute to the combatants who have lost their lives for the cause of the Fatherland, to the boundless sacrifices of the entire people who have accepted all challenges and hardships in order to build this peace of land.

With absolute confidence in the glorious future of the Fatherland and in the ardent patriotism of the people, the government pledges to exert all its sincerity and good will for the supreme interests of the country and the people and earnestly hopes the people will strongly support the government in its mission of national construction.

Before ending our words, we would like to thank the war cabinet which during the past two years has stabilized the national situation and created favorable conditions for the establishment of necessary democratic basics in order to advance to this second Republic.

THE PAUL STEWART FAMILY—VIETNAM MAIL CALL

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Georgia [Mr. BRINKLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BRINKLEY. Mr. Speaker, in every generation there arise men who are willing to accept the mantle of responsibility. Many such men are moved by a clear and present danger to their loved ones and their country; others by an equally ominous spectre which is more difficult to define.

Mr. E. Paul Stewart of Columbus, Ga., exemplifies this latter, more perspective group. And these years constitute his place in history because of his recognition of a compelling urgency, and his sacrificial effort to meet it.

For over 2 years, since first endorsed by Gen. W. C. Westmoreland in July 1965, the Paul Stewart family has dedicated itself to a project now known around the world—Vietnam Mail Call. As a marine in World War II, Mr. Stewart recalls the importance of that necessary link between the battlefield and home: the letter. Now, through his direction, hundreds of thousands of letters of cheer, encouragement, and love have poured through Columbus to our gallant men in Vietnam.

Now the request is for Christmas cards—and the response is overwhelming. Bearing a simple address: Vietnam Mail Call, Post Office Box 3104, Columbus, Ga., 31903, these messages are packaged and mailed from Columbus, home of Fort Benning, to our men in Southeast Asia. Senders are requested to include either a stamp or a nickel to aid in postage in this project.

I know my colleagues join me in saluting this patriotic American and his family, who are cast in a similar mold to that of the founders of this country and to those Americans who have since secured that foundation.

THE NEED FOR MODERNIZATION OF OUR MERCHANT MARINE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. ROONEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. ROONEY of New York. Mr. Speaker, the District 2 Marine Engineer of November 1967, the official publication of district No. 2 of the Marine Engineers Beneficial Association, AFL–CIO, recently published a graphic description of the floundering of the SS *Panoceanic Faith* near Kodiak, Alaska. In all, 35 American seamen perished in the sinking of the *Panoceanic Faith*, a C–2 freighter built in 1944. Any member of the executive or legislative branch of Government who questions the need for modernization of our once great and now woefully antique merchant marine should read the following report:

The Coast Guard has officially abandoned hope for the three engineers and 19 other crewmen missing in the Oct. 9th sinking of the District 2-contracted Panoceanic Faith. Thirteen bodies, including those of the two 3rd Assistant Engineers, were plucked from the North Pacific along with the five survivors of the disaster.

The Panoceanic Faith (Panoceanic Tankers) sank amid heavy seas and strong winds 870 miles southwest of Kodiak, Alaska. According to one of the rescue ships, the water temperature was 41°.

PRESUMED DEAD

The engineers missing and presumed dead are Chief Engineer Harry K. Bradley, 42, 1st Assistant John M. Ward 23, and 2nd Assistant John Philip Dunphy, 25. All three were District 2 members.

The Norwegian vessel SS Visund picked up the bodies of the other engineers, 3rd Assistant James Bechtold, 21, and 3rd. Assistant Robert E. Janes, Jr., 20. Both men were District 1 engineers.

Capt. John F. Ogles, the freighter's Master, reportedly went down with his ship.

According to the survivors, none of the ship's lifeboats or life rafts were ever launched. The port boat was to be used; however, its motor would not start despite the desperate efforts of Chief Bradley and 1st Assistant Ward.

RAFTS DROPPED

After the vessel sank, a Navy search plane from Adak, Alaska, and a C–140 Military Air Command jet Starfighter dropped several rubber life rafts to the men bobbing in the stormy seas. Both planes remained in the area to direct rescue operations of the half-dozen ships and the Coast Guard cutters Dexter and Storis that were headed for the scene.

By the time the ships had arrived, only five survivors were found and 13 bodies recovered. The first vessel to arrive, the Japanese freighter Igaharu Maru, rescued two crewmen. The Visund then picked up the remaining three survivors. It also retrieved four bodies. The Soviet ship Orekhov was able to recover eight bodies, and the SS Bristol Maru found one body. The District 2-contracted Steel Seafarer (Isthmian) and the Japanese ship Rocky Maru also joined in the search.

SEARCH ENDED

Coast Guard and Navy planes and the Coast Guard cutters continued search operations until Oct. 14, when the search was officially ended. However, ships crossing the North Pacific have been asked to continue to look for bodies and debris.

A Coast Guard Board of Inquiry into the loss of the Panoceanic Faith was convened on Oct. 26, in San Francisco. Testimony was given by the survivors, the ship's agent, surveyors, cargo operating officials and others. District 2 West Coast Representative John Hay and Union attorney Ned R. Phillips participated in the hearing on behalf of District 2.

Although definite conclusions have not yet been officially released by the Coast Guard Board, much in the story of the tragedy is clear.

INSPECTED BY ABS

The Panoceanic Faith, a C–2 built in 1944, was inspected by the American Bureau of Shipping Surveyors early this summer. The survey consisted of a bottom inspection, boiler and boiler mountings inspection and repairs to two cargo booms. No outstanding recommendations were made following the survey.

Before leaving San Francisco on her fateful voyage to India, the ship took on water, fuel and 10,269 tons of ammonium sulphate, a fertilizer.

The supervisor at the cargo dock said he loaded the vessel with sufficient cargo to permit an additional 500 barrels of fuel oil to bring the ship right up to her marks. Mobil Oil's supervisor testified that, immediately before departure, the ship took on 978 barrels of fuel oil, or 155 long tons. If these facts are substantiated, the possibility exists that the ship may have been overloaded at departure.

STARBOARD LIST

Survivors Edward Johnson, AB, and Oscar Wiley, OS, agreed that the vessel, either at departure or shortly afterwards, developed a list to starboard which remained up to the sinking.

On Oct. 7—two days before the sinking—as the Panoceanic Faith steamed through stormy seas, the tarpaulins covering the No. 1 hatch blew off, allowing water to enter the hold. According to survivors' testimony, the tarpaulins had been in poor condition.

Near daybreak on Oct. 9, the ship radioed: "Require immediate assistance from all ships in the vicinity of latitude 44 degrees, 45 minutes north; 164 degrees, 35 minutes west. Taking water in hold. Full cargo aboard." The Steel Seafarer relayed the SOS to the Coast Guard in Alaska, putting the rescue mechanism into action.

CREW ASSEMBLED

A few minutes later, at about 6 a.m. according to Gordon L. Campbell, oiler, Capt. Ogles ordered the crew—with life preservers on—to assemble in the crew's mess.

The captain told his men that their ship was in some trouble, that she had lost the hatch cover for No. 1 hold, that she was taking water in that hold and that the forepeak was flooded. He assured the men, however, that the normal shipboard routine would be followed. Ships in the vicinity had been alerted and were standing by if needed, he added.

Campbell said the captain also revealed that the difficulty at the moment was that the ship was heading into the seas and they were encountering some steering problems.

As the captain spoke below, Lewis E. Gray, OS, balanced himself on the sloping bridge as he stood his morning lookout watch.

HOLD TAKING WATER

As the watch progressed during the early hours, Gray had noticed that the ship was increasing her list to starboard. When dawn finally broke he could see that the No. 1 hatch had opened up and the hold was taking water. As he watched, the seas swept in over the starboard bow.

Gray said the captain had tried repeatedly during the morning to turn the ship away from the sea, but was unable to make the manuever.

As usual, Campbell went on watch in the engine room at 8 a.m. Third Assistant Robert Janes also reported for his watch. Soon, 1st Assistant John Ward, 2nd Assistant John Philip Dunphy, 3rd Assistant James Bechtold and a fireman joined the two in the engine room.

The growing starboard list eventually reached 32°, Campbell noted by the engine room clinometer. It was a "straight list . . . not a roll. And we were underway."

RAGS ON CATWALKS

"The engineers had to tie rags and put stuff on the catwalks in order to walk around," the oiler recalled. Chief Bradley told his men to abandon the engine room if the list went over 40°.

The starboard boiler leaked severely during the morning. Since leaving California they had also been taking large amounts of salt water in the main condensor. In fact, Campbell said, two days before, on Oct. 7, the ship had to be stopped for several hours in rough seas so that the engineers could repair the condensor.

Campbell also recalled that the engineers had been working around the clock and had many problems with the boilers, the feed pump and the evaporators. However, he said, they had the main unit delivering as much power as the bridge requested up to the last moment (a claim contradicted by a later radio message from the ship).

VERY CRITICAL

During the morning, Capt. Ogles radioed: "Due to continued gales and mounting seas and swells and numerous repairs to boilers and other engine room equipment, fuel and water very critical . . ." and later, ". . . speed four knots . . . boilers, tubes, handhole plates leaking badly . . . repairs impossible because of weather." By late morning only one boiler was on the line.

Shortly before Campbell went off watch, Capt. Ogles ordered the men to go to the port boat deck and remain there.

At noon, there was little the men could do in the engine room. Campbell went up to the Chief's office, where the two men sat and talked for several minutes. The Captain entered and repeated to Chief Bradley that the ship was still heading into the sea and that there were still steering difficulties.

Campbell went out on deck, where it was "awfully cold." The crewmen on the boat deck were calm and joking "We were still led to believe that we would more or less step off the deck of our ship onto a boat or onto another ship," he recalled.

GENERAL CONFIDENCE

The general confidence was such, in fact, that Campbell went to his room, changed clothes, shaved and even put on a tie and jacket under his life preserver.

At about this time, the Soviet ship Orekhov was listening to the following message: "Heavy starboard list, unable to change course . . . seas and swells intensifying greatly . . . unable to increase speed due to boiler trouble . . . unable to maintain lube oil suction due to list."

By 2 in the afternoon no rescue ships had arrived. The captain then sent out his last message: ". . . very critical . . . sinking . . . ready to abandon ship."

FALLS FROZEN

The order was given for the engine room personnel to come topside and, with the rest, take to the port boat. (It had been decided much earlier that, due to the direction of the sea, the starboard lifeboat could not be used.) The davits were swung out and an attempt was made—for the first time—to work the falls: they were frozen.

The Panoceanic Faith now was rapidly going under as the men worked furiously to lower the boat.

Suddenly the bow of the small boat fell, spilling the men into the sea.

Campbell swam away from the ship for several minutes. He looked back. The Panoceanic Faith was gone. The boat was gone. Only a mass of debris covered the sea.

A Navy plane circled high overhead. Its pilot spotted "25 to 35" men afloat in the cold water. Two hours later, after continuously passing over the area, he could see only five men, hanging onto one of the inflatable life rafts dropped earlier from the aircraft. (The Coast Guard Hull Inspector told the Board of Inquiry this month that he had inspected and approved the life preservers on board the ship.)

JUMPED FROM LIFEBOAT

Seaman Lewis Gray was also thrown or jumped from the falling lifeboat and was now lying on a hatch board he found floating in the water. He did not know that Gordon Campbell was not far away on a section of the ship's wooden canopy.

The three remaining survivors huddled in the rubber life raft with 3rd Assistant Bechtold and 3rd Assistant Janes. The two engineers would die before the SS Visund and other rescue vessels could reach the scene that evening, more than five hours later.

First Assistant Ward and 2nd Assistant Dunphy were lost.

At the Coast Guard hearings this month the surviving fireman-watertender and oiler praised the ability and devotion to duty of the Panoceanic Faith's engineers.

The Chief Engineer, they said, was last seen on the bridge of the vessel, standing by with the Master.

THE PRESIDENT: WE MUST REMEMBER

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. CAREY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. CAREY. Mr. Speaker, on Wednesday, November 22, we mark the fourth anniversary of the death of our late and beloved President, John Fitzgerald Kennedy.

With a deep sense of humility I commend his memory to my colleagues. Those of us who were honored to know him personally as Senator and President and leader of the free world owe it to our contemporaries not only to speak of his memory but to continue to assess its import on the life and future of mankind.

There are many among the children, the needy, the ill and the elderly who simply refuse to believe that President Kennedy has departed. Perhaps more than we know there is truth in their disbelief.

If we allow the meaning and the message of the life of President Kennedy to diminish or disappear from our lives we fail in the trust he gave us. Because he gave his life in sacrifice we must continue to honor in every way the obligation he would exact from us. That obligation is for each of us in the human community to kindle an obsession for peace, of passion against privation, the seeking after justice and the pursuit of freedom. These were his aims and his quest. For him these were not impossible dreams and therefore for us they must be everlasting aspirations.

On the visits I have made to the resting place of our President I have noted the solemnity and reverence among the men, women and children gathered there with heads bowed to contemplate the eternal flame of President Kennedy's youth and grace and courage.

As Americans who hold sacred the heritage of President Kennedy ours must be an ever-increasing zeal for his ideals. Bowing our heads in his memory is not enough.

Although this man knew much of pain and sadness and disappointment his head was seldom bowed. His was the upward look of the optimist who placed his faith in God and looked to his Maker for inspiration. He has left his inspiration with us and in these trying days his memory will enable us to persevere, to be united, and in the end to prevail over the foes of freedom.

In the writings of Dante we are told in a legend of a final resting place of just rulers. It is said that there is a constellation named Aquila high in the most peaceful heavens. This constellation is reserved bright and glowing for those leaders of mankind who rule their nations with justice for all.

On this anniversary of President Kennedy's death let us look to that constellation that it may be our light and guidance through these darkened and troubled times.

GEN. LEWIS B. HERSHEY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Virginia [Mr. HARDY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HARDY. Mr. Speaker, there are several thankless jobs in our Government: one is being President of the United States, or Secretary of Defense, or Chairman of the Federal Reserve System, and last, but by no means least thankless, is the position of Director of our Selective Service System.

Lt. Gen. Lewis B. Hershey is one of the great administrators of our time.

His fairness, his wonderful wit, his mental agility, his tremendous ability, and his willingness to listen to all sides of a problem, have earned him the undying gratitude of those of us who know of the trials and tribulations of his office.

The Director of Selective Service has one of the most difficult positions in the world. From a public relations viewpoint, all General Hershey can do is get into trouble.

So, I would like to take this opportunity to commend him for his remarkable dedication to our national defense, and for the fantastic manner in which he has executed a law so vital to our security and so close to practically every American home.

I know of no man in this Nation who could do half as well as General Hershey has done in his demanding, controversial position. I, for one, would like to say: "Thank you, General, for the outstanding manner in which you have served your Nation. Those of us who know of your sincerity, your patriotism, your ability, and your dedication, are truly grateful."

PRESIDENT JOHNSON KEEPS HIS PLEDGE TO INSURE WHOLESOME AIR FOR OUR CITIES

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Murphy] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MURPHY of New York. Mr. Speaker, as Members know, President Johnson signed into law today the Air Quality Act of 1967, the fourth bill passed during his administration in the continuing fight for cleaner air.

This new law builds directly upon the Clean Air Act passed in December 1963, and upon subsequent measures. I think it is fair to say that under these laws substantial progress has been made.

With the help of Federal grants, State and local programs have been expanded tremendously.

In areas where dirty air crosses State lines, Federal abatement actions have been begun and will benefit millions of people.

More and wider research has helped to develop new and improved ways to control air pollution.

National standards for motor vehicle pollution have been set, and car manufacturers are meeting these standards with the 1968 models.

And now, with the Air Quality Act of 1967, we have a blueprint for an intensive effort to control air pollution on a regional basis. All levels of government and all segments of industry are expected to cooperate.

Mr. Speaker, there is no major metropolitan area in the country today without an air pollution problem. I congratulate the President on this new step forward, and I trust both government and industry will cooperate with him in this crusade for cleaner air.

This Air Quality Act is another milestone of progress for urban America that has been achieved under the leadership of President Johnson.

It is clear that no administration has done more for the urban dweller than this administration. And it is also apparent that Lyndon Johnson is determined to do everything possible to improve the quality of life in our cities where some 70 percent of the population now resides.

Clean air is fundamental to the health and welfare of the American city dweller. In fact, I believe no legislation passed this session is more fundamental to the kind of America we are trying to build today.

I commend the President for his leadership in the enactment of this vital program.

COMMUNICATIONS WORKERS OF AMERICA PETITION

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. Fulton] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FULTON of Tennessee. Mr. Speaker, members and friends of the Communications Workers of America have apparently been very busy in my Metropolitan Nashville-Davidson County, Tenn., district getting signatures on petitions to Congress. The CWA petition offers a three-point program that covers major problem areas in the ghettos of our cities—the major areas of job, housing and education. CWA and those who have signed their petitions urge that more be done by Congress to prevent future riots, and I think that we as a body should sit up and take notice that so many Americans have taken the trouble to have the CWA program explained to them and then signed the petition.

In a society where we are all told to "read the fine print" before we sign anything, it is a testimonial to the CWA program that so many of my constituents have read the fine print, and then put their signatures on the line. I congratulate CWA for having undertaken this mammoth job, and those who signed their petitions for having cared enough to study the program. This program is a great tribute to democracy—showing that Americans care about their Government and how it works.

The petition follows:

PETITION TO THE CONGRESS OF THE UNITED STATES OF AMERICA—YOU DON'T LIKE RIOTS? WELL, NEITHER DO WE!

Americans everywhere agree that action must be taken now to eliminate the causes which lead to rioting and civil disturbances in our nation.

The recent lives lost and property damaged in riots that ravaged our cities proved that the cities and states cannot carry the burden alone.

Only the Congress of the United States has both the responsibility and authority to pass the laws and appropriate the funds for jobs, housing and education needed now by the millions of impoverished Americans.

History itself has taught us that where these three basic needs are left unmet, all races are trapped in filthy, rat-infested ghettos ripe for rioting or in deplorable conditions which are "deadend." The answer is a creative, constructive, practical program that will benefit *all* Americans directly or indirectly—not a giveaway!

Therefore, we, the undersigned, believe Congress must act by providing:

1. Jobs: Put people to work. As recommended by the President's Commission on Technology, Automation and Economic Progress, the government should become "the employer of last resort" by providing public service employment opportunities for workers who are unsuccessful in competing for jobs in private industry. This would put every American who is able and willing to work on a job.

2. Housing: Slum housing in this nation must go; unsafe, infested buildings must be cleaned up or closed down and decent shelter must be built. Money appropriated for this purpose must be spent carefully and efficiently, and new funds must be appropriated as needed.

3. Education: A policy should be adopted and implemented to provide free public education from pre-kindergarten up to and including the doctorate level for all, with only ability and motivation serving as qualifying factors.

By means of this petition, we make known to you that the American public demands the action that is needed now to solve the problems of the cities.

This petition sponsored by members of the Communications Workers of America, AFL-CIO. *The Community-Minded Union.*

POSTAL SERVICE GEARS FOR THE CHRISTMAS MAIL AVALANCHE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Dulski] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DULSKI. Mr. Speaker, between now and Christmas our Post Office Department expects to handle more than 9 billion pieces of mail. That is about as much mail as the French Postal Service handles in an entire year.

Under the able leadership of Postmaster General O'Brien, the postal service is gearing up all of its operations to cope with this tremendous outpouring of holiday mail.

Post offices throughout the country have been authorized to hire as many as 148,000 temporary employees. Of course, our dedicated career postal employees will carry the brunt of the burden and they will be called on for overtime duty so that the use of temporary workers will be kept to the minimum extent possible.

Mail headed for our military personnel in Vietnam and in other overseas areas is getting special attention. More than 20 million pounds of Christmas mail will go to Vietnam alone.

A half-million square feet of space in San Francisco and Seattle is devoted to handling military mail for the Pacific. The Postmaster General has authorized the hiring of more than 2,700 temporary employees to help process this mail promptly.

Most of the mail for Vietnam will be carried by air transportation. The Post Office and Defense Department are cooperating closely to make sure mail posted by the suggested deadlines will be delivered by Christmas.

Every effort has been made to give wide publicity to the suggested deadlines for both overseas and domestic mail. These deadlines are:

For servicemen overseas: Regular mail—December 1 for letters and greeting cards, also gifts of 5 pounds or less; airmail—December 11 for gifts and letters or greeting cards.

For domestic mail: Parcels—for distant States December 4, for nearby States December 13; Christmas greeting cards and letters—for distant States December 10, for nearby States December 15.

The Post Office Department needs and

deserves the full support of the public in its effort to give good mail delivery service under very trying conditions.

"Mail early and use ZIP code" is the postal service's rallying cry for a successful holiday season, and I hope and trust the public will cooperate in every way possible.

Postmaster General O'Brien has said his Department's objective is to "clear the deck" by Saturday night, December 23. I commend the Postmaster General for the steps he has taken to give the public and the Armed Forces outstanding postal service this Christmas.

GEN. LEWIS B. HERSHEY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Tennessee [Mr. EVERETT] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. EVERETT. Mr. Speaker, I have been astounded at some of the statements that have been issued by various individuals over the Nation relative to Gen. Lewis B. Hershey. In my opinion he has been one of the great men of America throughout the years.

The Selective Service System under his guidance has certainly maintained the respect of the people of this Nation. He has guided this agency through many rough legislative battles and trials and tribulations throughout the years.

As far as I am concerned, history will record General Hershey's activities throughout the years as one of the great men of America.

A CONSTITUENT POLL

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. EILBERG] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. EILBERG. Mr. Speaker, like many Members of this House, I have sought the opinions of my constituents on a number of questions that bother all of us today.

At this nth hour of the first year of the 90th Congress, I would not want the Members to go home without having something to read and perhaps ponder over. Therefore I would like to discuss at this time my poll of residents of the Fourth Congressional District of Pennsylvania.

It was sent into every household in the district, a total of about 135,000 homes, shortly after Labor Day. As of this moment, returns are still trickling in. I stopped counting at almost 8,000.

Obviously, some of the questions and the responses to them will have no meaning to the Members of this House since they deal with issues strictly important to my home district. Others will be of interest to those Members who are more concerned than others about particular questions listed. For example, I would expect that the section on constitutional questions may be of greatest interest to my fellow members of the Judiciary Committee. The same might apply to those listed under the category of crime control.

In any case, I list the entire questionnaire and the entire response without much more comment so that, in addition to outright answers, a number of nuances and shades of opinion may be discernible to those Members who care to look beyond a simple yes or no.

Just a word about the nature of my district. It lies entirely within the city limits of Philadelphia. It is one of five congressional districts within the city limits. It can be described as urban and semisuburban in the extreme north and northeastern sections of Philadelphia. It is to some extent more urbane, middle income, and politically independent than many other districts, and it numbers people of a great many different nationality groups and religious beliefs.

The questions and results are as follows:

	Yes	No	Undecided
FOREIGN AFFAIRS			
1. What is your present view regarding U.S. participation in the Vietnam war?			
(a) Continue present policy	1,147	2,909	380
(b) Escalate, looking toward a quick and favorable end to hostilities	3,824	1,674	283
(c) Gradually withdraw support and forces	1,883	2,286	301
(d) Immediately withdraw from all involvement	1,056	2,716	241
2. What policy do your favor for the United States in the Middle East?			
(a) Any reasonable economic or military aid to Israel	3,062	1,402	345
(b) Aid to Israel and friendly Arab nations	3,179	1,517	357
(c) Flexible diplomacy based on a realistic recognition of oil	1,868	2,068	507
(d) Reliance on the United Nations only	1,570	2,748	382
3. Should the United States increase trade in nonstrategic goods with Communist bloc countries?	3,606	3,253	469
4. Do you favor the admission of Red China into the U.N. at this time?	2,257	4,443	612
5. Continuing foreign aid involvements are among the most controversial policies of the present administration. Would you—			
(a.) Continue the policy at its present level?	1,289	2,790	456
(b) Increase commitments?	311	3,113	300
(c) Decrease commitments?	5,322	709	313
6. I have proposed a system of "peace ambassadors" for the United Nations, under which highly trained staff aides to the Secretary General could be dispatched to trouble spots immediately. Do you favor this proposal?	5,663	1,204	714
CONSTITUTIONAL QUESTIONS			
7. Proposals have been made to change our Nation's method of electing a President. Do you favor—			
(a) Retention of the present electoral college?	1,207	2,876	287
(b) Direct election of President?	4,527	1,015	270
(c) Some compromise between the present system and direct election?	1,781	2,127	566
8. A constitutional amendment has been proposed to increase the term of Members of the House of Representatives from 2 to 4 years:			
(a) Do you favor such an amendment in principle?	4,079	2,059	347
(b) Would you favor it if elections were staggered to allow some Members to be elected simultaneously with the President and some during "off year" elections?	3,275	1,938	430
(c) Would you favor it if all Members were to be chosen during a presidential year?	1,004	3,837	441
(d) Would you favor it if all members were elected in the middle of a presidential term?	1,631	3,102	504
9. Would you favor a resolution seeking a constitutional amendment to lower the minimum voting age to 18 years?	3,441	3,573	322
10. Would you favor a constitutional amendment to permit bible reading in public schools?			
(a) Old and New Testaments	4,200	1,970	267
(b) Old Testament only	732	2,961	279
(c) Voluntary prayer only	2,247	2,205	361
CRIME CONTROL			
11. How do you feel about legislation to prohibit wiretapping and other kinds of electronic eavesdropping?			
(a) Favor outright ban	1,106	3,490	258
(b) Would make an exception in cases involving national security only	2,572	1,564	221
(c) Would make exceptions in cases involving national security and organized crime	5,865	734	200
12. In order to control riots and other disturbances and their causes, would you favor—			
(a) Greater penalties for offenders?	6,006	556	169
(b) Larger, specially trained police forces?	3,973	1,087	300
(c) A massive "Marshall plan" of Federal funds to cities?	2,006	2,727	479
(d) More efficient use of present programs, such as the war on poverty?	3,807	1,509	358
13. The Philadelphia gun control law is being cited in Congress as an example of an effective crime deterrent: Do you favor—			
(a) Federal control and regulation of the sale of all firearms?	4,341	1,852	256
(b) Federal control and regulation of the sale of pistols only?	927	3,012	273
(c) Registration of all firearms?	4,714	1,121	165
(d) Banning the sale of firearms through mail-order houses?	5,531	692	147
14. I have proposed that the functions of the House Un-American Activities Committee be placed within the House Judiciary Committee: Do you agree with that proposal?	4,116	903	2,036

	Yes	No	Undecided
DOMESTIC ISSUES			
15. Do you believe the growing problems of air and water pollution can best be solved by—			
(a) Federal regulation?	3,645	1,332	337
(b) Incentives to private industry, such as tax credits?	2,285	2,122	312
(c) Regional cooperation of government and industry?	3,997	885	219
(d) Stringent local controls?	4,057	985	193
16. Do you agree that parents should be granted substantial tax credits for the expenses of college education for their children?	4,958	1,803	375
17. Do you favor my proposal to raise personal income tax exemptions from the present $600 a year to $1,000?	6,599	686	245
18. Regarding the U.S. space program:			
(a) Do you favor maintaining the present program and timetable?	3,411	1,828	519
(b) Do you favor a slowdown in spending and accomplishments?	2,584	2,352	355
(c) Do you favor winning the space race even at increased costs?	1,656	3,188	440
19. Do you favor a proposal to celebrate all national holidays on Mondays, creating automatic 3-day holidays?	4,826	2,185	390
20. Do you favor Federal protection for insurance policyholders such as my proposal to establish an agency similar to the banks' Federal Deposit Insurance Corporation?	6,034	657	584
OTHER MATTERS			
21. In our community, do you favor—			
(a) Expanded commercial use of Northeast Airport?	4,652	1,806	691
(b) New State institutions on open land near the State hospital (Byberry)?	4,215	1,781	947
(c) Some form of aid to parochial schools, within constitutional limits?	4,059	2,814	394
22. How would you rate my performance as your Congressman so far? Excellent, 1,722; good, 3,155; fair, 326; poor, 90; no opinion, 1,710.			

U.S. ARMS FOR THE DEVELOPING WORLD: DILEMMAS OF FOREIGN POLICY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. HAMILTON] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HAMILTON. Mr. Speaker, in this country's search for peace, we are continually faced with the paradox of supplying arms to those very countries in which we seek peaceful development.

The difficult questions of "if," "how," and "when" we should supply the tools of conflict to these developing nations present this country with great foreign policy dilemmas.

The complexities of these dilemmas were outlined in an excellent address by Under Secretary of State Nicholas deB. Katzenbach before the Institute of International Relations at Stanford University.

Congress recently has been debating the issue of supplying U.S. arms for developing nations. From reading the debates, it becomes evident that many see this question in purely black and white terms. The question is not at all that easy to resolve.

Mr. Katzenbach's speech is "must" reading for all of us in Congress who are concerned with this question:

U.S. ARMS FOR THE DEVELOPING WORLD: DILEMMAS OF FOREIGN POLICY

(Address by the Honorable Nicholas deB. Katzenbach, Under Secretary of State, before the Institute of International Relations, Stanford University, Stanford, Calif., November 17, 1967)

I am delighted to be here on this magnificent campus on this beautiful peninsula.

I am here to discuss with you issues of foreign policy. But if I discuss the issues as Under Secretary of State I do not claim—and I do not want you to think—that this position gives what I say special status or peculiar wisdom—any more or less than it would if I were once again a university professor.

Virtually all the information required for judgment on the major issues of foreign policy is in the public domain. So each member of this audience can judge them for himself with equal confidence or doubt.

We who labor in the labyrinthian vineyards of the State Department are upon occasion accused of being somewhat grey. Perhaps that is because so many of the issues we grapple with are grey, too, and a bit difficult to see through, like the fog that drifts in over the mountains north of here.

And that even includes the issues surrounding that other less happy peninsula across the Pacific that so many of you, like so many of us, are so deeply concerned about.

You may recall Geoffrey Taylor's little limerick about Samuel Butler:

"'I think,' thought Sam Butler,
'Truth ever lies
'In mean compromise.'
What could be subtler,
Than the thought of Sam Butler?"

Please don't get worried. I am not going to lecture you on moral relativism, the morality of relatives—including parents—or the relativity of morals.

But I do want to make the point that the more closely one examines a subject, the more one realizes how penetratingly subtle Sam Butler's dictum really is. It is then that one sees that what looked so obviously, so clearly, so transparently and correctly to be Truth with a capital "T" may be a good deal meaner and more complicated on detailed examination.

Pure truth seems particularly elusive in the field of foreign policy. For here we must, on any given issue, juggle staggering arrays of slippery, constantly changing, variables: competing interests and views abroad, competing interests and views at home, and an intricate network of differing interpretations binding them all together. We must do, as well, a lot of guesswork on the probable course of future events.

In dealing with any issue we are, of course, guided by that broad and durable set of democratic ideals which have always directed American policy. But it is one thing to have a guiding set of principles or aspirations. It is another to apply them to the particular foreign policy problem that arises. For in each case the options open to us may be sharply curtailed by the actions, objectives, and desires of sovereign countries which are beyond our control and often even our influence.

It is important to remember that we are not the only country in the world with domestic problems. For some peculiar reason all those other countries we deal with seem to have their problems, too. So it is not enough to judge an issue simply on what appears to be its merits. One has to keep in mind as well how people, both here and abroad, perceive it. And it is not unusual to find the leader of a foreign country who might agree with you about the wisdom of a particular course of action. But if he went ahead and acted on it, his government could not survive.

Considerations of this kind as much as our own desires are the determinants of our policies. And it is in the context of these restraints that our policies must be hammered out.

Often someone will say—"Well, if such and such a country won't do what we like, let's just cut off our aid." What they don't realize is that such a step would not only be offensive, but self-defeating. Our ultimate purpose—peaceful evolution and development—is hardly served by action which can only bring about the reverse results.

There is, therefore, often no direct road leading to our most cherished foreign policy objectives. And such roads as do exist are hazardous and pockmarked. Each fork presents new, dark and murky choices. At times (when conditions are worst) the principles we pursue at the road's end may be only dimly perceived or may get lost entirely.

By suggesting some of the complexities that go into the formulation of foreign policy, I am not trying to dismay or disillusion the younger members of this audience. Probably the most impressive thing about this generation of students is their great faith in traditional American ideals and their restless activism in pursuing them.

Too many previous college generations were content to line up secure jobs and arrange safe lives.

But the restlessness and activism of students today is to be commended rather than derided—if it bespeaks a deep and unselfish concern for the welfare of the nation and the fundamental issues before us—which, I hope, it does.

But I ask this: In your active pursuit of your ideals entertain some doubt as to whether the path you have chosen is the only one. Do not accept slogans as solutions. And be willing to acknowledge that those of us who wrestle with the issues on a daily basis are delimited by harsh choices—not the choices we would like to have, but the imperfect choices forced on us by a real and imperfect world.

II

I think the best way to drive home what I am saying is to take a concrete example. I have chosen what I think is a particularly striking one: the difficult question of if, how, and when we should supply arms to developing countries.

What we would *like* to see happen is simple enough. We would like to see these countries spend their scarce resources on domestic development and economic progress rather than frittering them away on expensive military equipment. In President Johnson's words, the resources being put into arms all around the world "might be better spent on feeding the hungry, healing the sick and teaching the uneducated".

There are other reasons I can cite why we should, in principle, oppose the acquisition of arms by developing countries:

Any arms buildup, once begun, takes on its own dynamic, shape and logic. It gets easily out of hand. The acquisition of new arms in one country leads to demands for new equipment by its neighbors, whether for reasons of prestige, national pride, or simply to maintain what they see as a satisfactory military balance.

Second, the arms made available to developing countries, with their fragile political institutions, may undermine democratic governments, may encourage military coups, or may shore up military dictatorships.

Third, the tension resulting from an arms race in an area may increase the power, stature or belligerency of a nation's military leadership.

Having laid out all these neat principles and arguments, however, we are still forced to examine how they can be usefully and responsibly applied in given instances.

Let us take three areas of the world—the Indian sub-continent, the Middle East and Latin America as case studies and see where we come out.

III

Case Number One: The Indian sub-continent. Few areas of the world exist where the case for arms limitation seem more compelling. Arms escalation by either India or Pakistan is considered a threat to its security by the other.

Relations between the two countries are made more difficult by the facts of geography. Their territories are intertwined and isolated from the rest of Asia by the world's most formidable chain of mountains. Until Communist China's forays over the border in 1962, India had virtually discounted any threat to its security other than that from Pakistan.

United States military assistance to the sub-continent dates back to the mid-1950's. Initially, it was confined to Pakistan—as part of a worldwide strategy of support for non-Communist countries on the perimeter of the Soviet Union and Mainland China.

After 1962, when India was attacked by Red China, we acceded to Indian requests for limited military assistance—taking care to limit our aid to equipment required for defense of its northern frontier.

When the long-standing feud over Kashmir burst into open war two years ago, we ended all deliveries of military equipment. We have not resumed grant materiel assistance to either country. We have, in fact, terminated our Military Assistance Advisory Group in Pakistan and our Military Supply Mission in India. We have not sold—and do not plan to sell—lethal military equipment—fighter aircraft, tanks or artillery, for example. Furthermore, we have tried to induce major arms suppliers—the Soviet Union, United Kingdom, France and Western Germany—to follow similar restraints.

On the other hand, we have agreed to resume the sale of spare parts on equipment previously furnished by the United States—on a carefully restricted case by case basis when we are convinced that doing so will reduce military budgets. This may seem a paradox—but it is a very important factor to keep in mind.

The truth is that we cannot prevent these countries from acquiring equipment they consider essential to their own defense. If we refuse to provide spare parts for such equipment we have furnished them at some point in the past, they have two choices open to them—to buy these spare parts through unofficial channels—there exists a black market for arms and spare parts—or to scrap the United States equipment altogether and buy new equipment from some other source—Europe, Communist China or the Soviet Union. Thus, either way they will spend many times what they would have spent in buying from the United States. And should we bow out entirely as supplier—by even refusing spare parts for what they consider equipment vital to their security—our ability to exercise restraint would be greatly reduced.

What does the future hold for an arms limitation agreement on the Indian sub-continent?

Despite our efforts, major obstacles still stand in the way of agreement. Tension over Kashmir continues. After the Tashkent Declaration of January 1966, with both India and Pakistan foreswearing the use of force in future dealings, we expected an improvement in relations, and a settlement of outstanding political differences. Hopes on both counts have not so far been fulfilled.

Secondly, both India and Pakistan view the acceptable force levels of the other power very differently. India believes it must be strong enough to hold off both incursions by Communist China and an attack by Pakistan. Pakistan, on the other hand, does not take Indian claims of a Chinese military threat very seriously, and is therefore unwilling to see India's military strength, already numerically superior, further increased.

Third, other nations have resumed delivery of military supplies—the Soviet Union and the United Kingdom to India, Communist China and various European countries to Pakistan.

Clearly, then, the problems of arms control on the Indian subcontinent are not given to easy answers. And equally clearly, our own policy is not the determining factor in this situation.

Nevertheless, we will continue to search for ways to prevent an arms spiral in South Asia. We will continue to use all the suasion and leverage at our command to this end. And we will also continue to give our full support to the United Nations effort serving this same purpose. And if that sounds pretty routine, you tell me the easy answer.

IV

Case Number Two: At times, withholding arms serves neither the cause of peace nor of stability. This is demonstrated by the Middle East.

In this troubled area our historic purpose has also been to search for arms limitations. Our efforts to establish an international framework toward this end began in 1948, after the first Arab-Israeli war. In 1950 this effort bore fruit in a tripartite declaration by the United States, the United Kingdom and France, and a Near East Arms Coordinating Committee was established to monitor arms shipments. Western efforts were brought to a halt, however, when the Soviet Union began large-scale arms shipments to the area in 1955.

The Soviet Union has remained the single major factor in the mid-Eastern arms scene ever since. Our several efforts in recent years to revitalize the Coordinating Committee did not meet with success.

Over the past 12 years, the USSR has provided well over $2 billion worth of military equipment to countries of the Middle East. It was first to introduce heavy tanks and bombers into the area.

The military imbalance threatened by these Soviet deliveries caused the other countries in the area to seek military aid in the West Even so, most Western arms going to the Middle East—both to Israel and moderate Arab states—came from European nations, not the United States. Only in a few cases have we provided United States equipment—where it seemed essential to do so to help friendly governments provide for their own defense.

The Arab-Israeli war in June made matters worse. We immediately suspended shipments to both Israel and the Arab states, hoping that other countries would match our restraint. Once again our hopes were disappointed.

The Soviets not only replaced a major part of the arms lost by the Arab states, they also began offering arms to those Arab states with which we have had long and friendly ties. This development forced us to resume limited and selected arms deliveries to the area under agreements concluded prior to the hostilities.

Our future arms policy towards the Middle East will rest on two factors—the willingness of the Soviet Union and other countries to exercise restraint, and the principle of disclosure. On June 19, the President proposed that the United Nations ask its members to report all shipments of arms to the area. Unfortunately, this proposal has not yet been accepted. But it is essential that adequate information be available—both to countries within the area and to the major powers without—to preclude the risk of miscalculation that could add fuel to an arms race and lead to renewal of hostilities.

V

I now come to Case Number Three: Latin America. Obviously the need for expensive arms by Latin American countries is not great. They are protected against conventional military threat by wide oceans and the security arrangements under the Rio Treaty. There are a few national rivalries and boundary disputes, to be sure, but they hardly justify large-scale defense forces. No significant incident has occurred in the hemisphere in a quarter of a century that was not quietly controlled by inter-American peacekeeping machinery.

The principal threat to the nations of this continent is not external but internal—of Castro-sponsored and supported subversion and insurgency. But the proper response to this threat is essentially quicker and better economic development.

Actually, the Latin American record on arms is a good one. Viewed in relation to total budgetary expenditures or GNP, Latin American defense expenditures are among the lowest in the world. In relative terms, hemispheric defense budgets have declined by some 50 percent over the last twenty years.

The rate of modernization of Latin American armed forces has also been far lower than that of other regions. Few warships have been added by Latin American navies in recent years. The number of operational fighter squadrons has declined from 219 to 19. And Latin America's total annual outlays for military equipment are less than $200 million—which, for those of you who enjoy comparisons, is about half the annual cost of the New York police department.

At Punta del Este last spring, the Latin American Presidents pledged themselves to seek further reductions in defense expenditures. Recently, Chile's President, Eduardo Frei, proposed renewed efforts to achieve an arms limitation agreement for all of Latin America.

We have encouraged this trend and, by any reasonable standard, our policy of limiting arms in Latin America has been a great success. We have been able to convince Latin American leaders that their external threat was minimal and that they should give their major attention to internal security and economic and social development.

As elsewhere, however, our power to influence the decisions of sovereign nations has its limits. We cannot, even if we would like to, dictate to them what their policy should be. Our influence is limited to our power to persuade; and our ability to persuade is dependent upon the good will, the confidence and trust we enjoy with the leaders, governments and people of these countries.

If a country is convinced that its security is threatened and judges its arms requirements differently than we do, our ability to affect its decisions is very limited.

A case in point is the controversial sale of fighter aircraft to Latin America.

Most fighter aircraft now in Latin America are over ten years old. Because these countries have followed a conservative re-equipment policy at our urging, they now face a problem of obsolescence and deterioration which they regard as acute. The choice they face is to forego fighter aircraft altogether—or to replace them with available aircraft of a more advanced sophisticated type.

Several Latin American governments are now considering whether to purchase new, more advanced, fighter aircraft. Their military commands are concerned about maintaining professional standards and training. They believe they require aircraft for counterinsurgency operations. And they are troubled, as well, by the problem of keeping abreast of a rapidly advancing field of technology—a technology which also has civilian applications.

We are still considering the situation that would arise should these countries decide to acquire aircraft.

Some Congressmen feel we should refuse to authorize the commercial sale of sophisticated fighter aircraft to Latin America. They believe that we should not take part in any program which diverts the scarce resources of these countries from pressing social needs.

On the other hand, it may well prove that the sale of United States aircraft on commercial terms is the preferable alternative in light of our overall objectives. For the question is not susceptible to any simple or obvious solution.

It may be impossible for us to prevent the Latin American governments from acquiring sophisticated aircraft they have decided to buy. If we refuse to sell, they can buy in Western Europe. Furthermore, the United States has an aircraft, the Northrop F-5, which meets their needs. The alternative to the F-5 are planes of far more advanced design and far greater expense. Their introduction into Latin America would escalate arms spending in that region to a new and much higher level.

In these three cases, then, you have the dilemma of foreign policymaking neatly presented. Adhering too rigidly and unswervingly to what is our basic policy—to avoid the supply of expensive and sophisticated military equipment to developing countries—might, in fact, help to defeat the aims of our policy. This is the paradox—but one example of the paradoxes and complexities we daily face.

Each of the three situations I have dealt with has its own problems, its own requirements, its own constraints.

Such is the manner in which foreign policy is made. Few foreign policy principles hold their validity in all instances. How could they possibly, in a world as diverse and complex as this one? So each problem must be considered separately, yet everyone must be related to every other.

Unthinking adherence to any principle or doctrine, no matter how noble, not only can be self-defeating, it can defeat the underlying ultimate purpose of the principle itself.

I ask that you ponder these matters when you consider these problems yourselves. Take a hard look at the dilemmas. Don't adhere too easily or to doggedly to an abstraction. For it is only when the abstraction is applied to specific situations of choice that it is put to the test.

This, in essence, is the ethical problem I tried to draw for you at the beginning, when I talked about the color grey. We may all get a bit greyer as we get older. Perhaps it is because we have had the opportunity to see how often the issues take on that hue.

NATIONAL COMMISSION ON PRODUCT SAFETY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from West Virginia [Mr. STAGGERS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. STAGGERS. Mr. Speaker, today President Johnson put his signature on a joint resolution of the Congress establishing a National Commission on Product Safety. At the beginning of this year, the President recommended this step to Congress in his consumer message, and I had the pleasure of introducing the joint resolution in the House. In the months ahead, the National Commission on Product Safety will conduct a thorough, factfinding study of the whole problem of product safety. After the study, the Commission will make a report to the President and to the Congress, with whatever recommendations seem appropriate.

This well-thought-out approach to the problem of product safety is based on two premises.

First. Although there is a great deal of effort, both public and private, on behalf of product safety, the record clearly shows that there is much more to do before our homes can be considered as safe as we would like them to be.

Second. Before we plunge into action, we need to know a lot more than we presently know about the complex legal and technical issues involved in assuring safety for the users of household products. The National Commission on Product Safety will give us that foundation of knowledge. There has been a great deal of consumer legislation enacted in recent years, and some people may think that every type of product is presently covered by one law or another. To assure that there would be no duplication in the work of the Commission, therefore, the joint resolution exempts products which have come under recent congressional scrutiny. This will permit the Commission to focus its energies on products which pose a possible hazard and which are not included in other legislation of this type. In my view, we can all feel that we have done our duty in the public interest, taking as much action as our present knowledge of the situation warrants. I congratulate the President for recommending this step, and I congratulate the Congress for following through.

UNFOUNDED CHARGES BY OPPONENTS OF WAR ON POVERTY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. EDWARDS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, it is difficult to keep up with all of the unfounded charges made by opponents of the war on poverty, about all sorts of alleged misconduct attributed to local antipoverty workers. The opponents would have us believe that among other things, antipoverty workers were responsible for urban riots, although it is now becoming generally recognized that they have had exactly the opposite effect of "cooling" situations that might have led to riots had it not been for their sane counsel and often courageous action.

Another common type of charge was made here in this House last week, and received national publicity. Through this charge, the American people were led to believe that, during last Tuesday's election, John Robinson, a field supervisor for the Arlington, Va., community action program, was engaged in illegal electioneering on behalf of Democratic Party candidates. He was charged with handing out Democratic sample ballots, and verbally instructing Negro voters how to vote. He was painted as a sinister sort of fellow, mysteriously writing down the name of each voter.

These are not charges to be taken lightly, Mr. Speaker, and the OEO carried out an immediate investigation to determine the facts. The facts show that, once again, the charges were completely unfounded. Mr. Robinson did not hand out any kind of literature, he did not instruct anyone how to vote, and he did not in any way represent any political party.

The facts, Mr. Speaker, are as follows:

Mr. Robinson was working at the polls for the Green Valley Civic Association, as he has done for the past 5 or 6 years. The civic association is nonpartisan. It does not endorse candidates.

During last Tuesday's election, Mr. Robinson kept a list of registered voters, who in Virginia have no party designation. His job was to check off those voters who appeared at the polls, so the civic association could contact those who had not voted and urge them to do so. Contacting of people who had not voted, and driving them to the polls was done by other members of the civic association, and not by Mr. Robinson or any other member of the Arlington community action staff. As a matter of fact, Mr. Robinson was the only member of the Arlington community action staff who was on annual leave from work on election day.

So once again, Mr. Speaker, the picture given to the American people, of poverty workers using Federal funds for all sorts of unsavory activities proves to be untrue. Instead, we find a lifelong resident of Arlington, volunteering his own time to a civic association in a nonpartisan effort to stimulate a large voter turnout. Mr. Speaker, that is the picture of American democracy at work. It is in the best traditions of our local election process.

The community action program can be proud that it has attracted people who were contributing their time to nonpartisan support of the election process, even before the war on poverty began.

But the community action program deserves neither the credit nor the blame for Mr. Robinson's personal volunteer work on election day. The Arlington community action program simply had no role whatsoever in last Tuesday's election.

Mr. Speaker, the American public would be better served if their Representatives in Congress who are opposed to the war on poverty simply said so and voted accordingly. Then their constituents could decide whether they were being represented accurately on one of the great issues of our time. Neither the poor nor the rest of the public are well served by misinformation which obscures the real issues before us, and subtly takes the place of a straightforward stand on antipoverty legislation.

PRESIDENT JOHNSON SIGNS THE CLEAN AIR BILL INTO LAW

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. EDWARDS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, it is no secret that the air many Americans must breathe is dirty and unhealthy. In scores of our cities, the air carries tons of pollutants. It scars buildings, corrodes machinery. It sharpens the pain of asthma, bronchitis, emphysema. Aided by freaks of weather, it causes death.

Many Americans are trying—with help from President Johnson and Congress—to clean up the air. More than 120 local programs are operating. Car manufacturers are equipping 1968 models with devices to cut down sharply the dirty air caused by exhausts.

The Federal Government itself is spending more than $25 million this year to fight air pollution. By Executive order, Federal officials are controlling sources of dirty air at Federal facilities. In nine areas, officials are working to abate air pollution that crosses State lines.

But these efforts are not enough. As President Johnson told the Congress almost 10 months ago:

> Federal action alone cannot master pollution. The States, cities, and private industry must commit themselves more fully . . . to America's struggle against poisoned air.

The Congress heard him well. Without a dissenting vote on the floor, it passed the Air Quality Act of 1967. The bill called on States to set air quality standards as guides for Government and industry. It put new emphasis upon regional action against dirty air.

And today, Mr. Speaker, the President signed that bill into law. I congratulate the President and the Congress upon this significant step toward cleaner air for all Americans. I am confident that with this new law we can work effectively to reach the goals set by President Johnson for clear air in a healthy America.

LETTER TO GENERAL HERSHEY

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. EDWARDS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. EDWARDS of California. Mr. Speaker, much has been said in recent weeks about the incompetencies that are being evidenced by the actions of General Hershey. I am pleased that my distinguished colleague, the gentleman from California, JOHN E. MOSS, has seen fit to inform the general that indeed the time has come for his "honorable discharge" from the position which he is no longer fit to hold. When a person becomes so self-important that he uses the power of his office in violation of the very Constitution which he has pledged to uphold, then he has reached the point of total incapacity to perform the responsibilities placed upon him. That is the case with General Hershey.

I am pleased, Mr. Speaker, to insert in the RECORD at this point a copy of the letter which was sent to General Hershey by my colleague:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., November 17, 1967.

GEN. LEWIS B. HERSHEY,
National Director, Selective Service System, Washington, D.C.

DEAR GENERAL HERSHEY: Were it not for its serious implications, I would be tempted to submit as the joke of the year your recent statement that you are "not much on usurping the law and the Constitution."

What nonsense!

Your October 26 "recommendations" to local Selective Service Boards concerning reclassification procedures can only serve to underscore once again your callous disregard and contempt for the law, the Constitution, and the rights of Americans.

In the spring of 1966, I exchanged correspondence with you in an effort to ascertain what possible legal basis you could have for your endeavors to use the draft machinery to stifle freedom of speech. That correspondence showed that you are utterly without legal authority to do so.

I had hoped—naively, it would seem—that you would be guided by the decision which the U.S. Court of Appeals for the Second Circuit rendered on January 30, 1967, in *Wolff* v. *Selective Service Local Board No. 16 et al.*, holding that "it is not the function of local boards in the Selective Service System to punish registrants by reclassifying them 1–A because they protested as they did over the Government's involvement in Vietnam." You are unable to say that you did not know of this court ruling, because I specifically called it to your attention, both in my speech on the floor of the House of Representatives on February 13, 1967, page 3302, and in correspondence.

I cannot comprehend how a person in your position could exhibit so blatantly a total lack of understanding of fundamental democratic principles.

At the very time that you proclaim you are "not much on usurping the law and the Constitution," you have arrogated to yourself the authority to—

1. Suspend statutory exemptions;
2. Act as judge and jury in determining whether a person is innocent or guilty of violating a law; and
3. Utilize Selective Service System machinery to blackmail college students and others into "conforming."

The *Wolff* decision established the right of a draftee to appeal to the courts. Various legal organizations are already offering assistance to persons reclassified or prosecuted under your new policy. The *Wolff* decision makes it eminently clear that the courts will invalidate any actions taken by local draft boards to implement your arbitrary "suggestion." But the waste of time and money which will be incurred by both the Government and the registrants, the unnecessary encumbering of already-overcrowded court dockets, and the hardship to many American boys who may be harassed under your directive, are totally indefensible.

The vindictiveness which characterizes your periodic "recommendations" concerning draftee-protesters makes it abundantly clear that you are now unqualified to direct the Selective Service System. For the good of our country, it is now time for your Honorable Discharge. I urge that you immediately resign.

Sincerely,

JOHN E. MOSS,
Member of Congress.

MEDICAID IN CALIFORNIA

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COHELAN. Mr. Speaker, I was gratified to learn today of the decision of the California Supreme Court upholding a lower court ruling that recent cutbacks in the California medicaid program were in violation of statutes passed by the State legislature in 1965 and 1967.

This decision will allow this program to continue to bring much-needed medical care to 1,300,000 Californians.

The California form of the medicaid program, known as medical, was one of the best in the country, and it had been progressing rapidly toward the aim of making available dignified, comprehensive medical care for all who needed it, regardless of their financial position.

I am hopeful that in light of the supreme court decision the California Legislature and the Governor will act to keep the program progressing.

This progress is essential to the more than 1 million beneficiaries of medical. And it is also necessary to the continued support of the Federal Government, which pays half of the cost of the program through its matching grants.

I would also like to point out that the decision of the supreme court in this case is a tribute to the idea and the practice of the legal services program sponsored by the Office of Economic Opportunity as a part of the war on poverty. Without this program, and in particular without the able work of the California rural legal assistance program which initiated this suit, the case might never have been decided. Poor people have not had lawyers in the past, and thus they have not been able to use the courts to provide the checks and balances which our system contemplates. It is a sign of hope for the poor that cases like this can be brought to court—and won.

SELF-HELP IN AFRICA—FOREIGN AID APPROPRIATION

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COHELAN. Mr. Speaker, during the Easter recess last spring, I made a trip to Africa with several other Members of the House. Our main purpose was to review the use of funds from the International Development Association—IDA—for economic activities in Africa, in connection with the proposed renewal of funds for the IDA. In addition, we talked to the President of the African Development Bank, who has requested U.S. participation in a proposed special fund, and we inspected AID-funded projects in Africa.

While in Africa, I was pleased to note several indications of major self-help undertakings by the principal recipients of our economic assistance. We were told that Tunisia is cutting back its planned investment program and promoting a rigorous stabilization program in an effort to improve its balance of payments and bring its internal economic situation back under control. Ghana's new government, following International Monetary Fund and International Bank for Reconstruction and Development advice on solution of the economic problems created by the Nkrumah regime, recently devalued the national currency, cut the budget sharply, and is discontinuing many projects which have proved to be economically unwise, despite the political costs of discharging many employees. Liberia continues to restrict national expenditures in accordance with the austerity program necessary to service its debt. All of these measures indicate an encouraging sense of fiscal responsibility on the part of the African nations.

As we are deciding upon the foreign assistance program for fiscal year 1968, I think we might all keep in mind both this emergent fiscal reliability and an anecdote originating from our stopover in Kenya. The congressional delegation spent an afternoon in the Kenyan Parliament. When we entered the room, which is equivalent to our own House Chamber, I was struck by the fact that, despite the obvious British influence, the room had a distinctively African atmosphere. To my surprise, I learned that the building had been constructed with funds raised by the public from entirely voluntary contributions.

Several points may, I think, be drawn from this event. It clearly suggests that the Kenyan people, citizens of a fledgling nation, recognize the importance of their national legislature. The fact that the legislative chamber reflects the heritage of those who work in it indicates their respect for the values of national tradition and pride—a fact sometimes ignored in the daily press stories from Africa. Most important, however, I think that the origin of the Kenyan Parliament Building shows that the people themselves are aware that sacrifice and hard work are the indispensable elements of progress and success. These things—respect for the national traditions of those we aid, their own and our sacrifice and hard work, self-help, progress—are also of vital importance to the foreign assistance program.

As the President has said:

> Self-help is the lifeblood of economic development. No sustained progress is possible without it. Aid provided as a substitute is aid wasted . . . The act will make it clear that the development job is primarily the responsibility of the developing countries themselves. In no case will the United States undertake to do for any country what it should do for itself.

It is obvious that many aid recipients, like the Kenyans, are making the sacrifices necessary for development. I urge my colleagues' support for adequate foreign aid appropriations when the bill returns from conference, in order that the efforts of these underprivileged people may not go unassisted—for self-help alone is not enough.

Under permission granted, I include with my remarks some excerpts from a pamphlet by the Kenyan Minister of Economic Planning and Development, Tom Mboya. We met with the Minister for an hour while in Nairobi, and found him both articulate and stimulating. I believe that my colleagues in the House will find his observations on foreign aid and economic development helpful and provocative, and urge them to consider the following excerpts from "A Development Strategy for Africa":

EXCERPTS FROM "A DEVELOPMENT STRATEGY FOR AFRICA"

THE FUTURE OF AID

The present status of aid today holds no promise for the future. Optimistically it means gently rising *per capita* incomes to achieve for the very poor countries perhaps $200 per annum by the end of the century; it means rising debts and perennial balance of payments problems; it means continuously falling terms of trade and continued barriers to the sale of industrial products; it means no escape from the abyss of primary production.

This future cannot be regarded with complacency anywhere in the world today. It is a future that is unacceptable, unstable and unrealistic. But that future will not be changed unless the urgency of change today is recognized and the wheels of motion unlocked. It is no longer enough to exaggerate our meagre accomplishments and to disregard the enormous problems that remain unsolved. We have a choice which is really not a choice at all—we can wait for the debacle, we can sit idly by while our hopes and aspirations turn into despair; or we can recognize the signs and initiate a constructive and co-operative programme for the development of the poor countries of the world to the mutual benefit of both the rich and the poor. The generation ahead will be decisive—we either solve this problem or set the stage for world-wide turmoil and catastrophe.

In one sense we seek a world-wide revolution in values and priorities; in a financial sense, however, we need only a minor change. To achieve either, the problem of uneven development throughout the world must be seen as a world problem and not as a case of charity to the poor. Both the urgency and the enormity of the problem must be appreciated and the spending priorities in developed nations readjusted accordingly. Today the world is spending well over $150 billion per annum on the actual or potential destruction of lives and property as compared with the capital transfer from rich to poor countries of about $10 billion per year. The cold war and ideological differences account for the bulk of the world's defense spending. These are issues which therefore reduce development capital and at the same time put pressure on developing countries to take sides.

We in the developing nations are not interested in a blind commitment to one side or the other. The problem of development transcends such issues. The developing nations in Africa have made their approach clear—a mixed economy with room for both public and private investment but with government policy a deciding factor in promoting growth and ensuring an equitable distribution of income. The ideological debate is essentially irrelevant. In any event, a concern with it should not disguise the fact that the growing breach today is the gap between the rich and the poor nations. Solve that problem and we can all play intellectual games together.

The distortion of values that leads the developed world to spend over $150 billion per annum on defence is to be deplored—but it is not likely to be quickly or drastically changed. What a dream world to imagine that sum being transferred annually as development capital to the developing nations. It is true that the poor nations need a massive infusion of capital to put them on the road to rapid growth, but a massive infusion to them is a pittance to the advanced countries. Another $10 billion per annum is a massive increase in capital which would double the present net flow. Yet that increase is only 6 per cent of the world's defence expenditure and a bare 0.8 per cent of the gross national product of the wealthy nations.

If the urgent needs of the developing nations are to be met, the advanced countries must themselves accept a different image of foreign aid and see capital flows to developing countries in true perspective. "Aid" has the unfortunate connotation of a gift whose donor receives nothing in return except perhaps the biblical satisfaction of being a "good Samaritan". A good share of aid is not a gift, however, and much of that which is labelled by O.E.C.D., "Grants and Grant-like Contributions" is not for development purposes but rather is intended for military aid. The term covers also subscription capital furnished to multilateral organizations, sales for recipients' currencies and loans repayable in recipients' currencies.

The developing nations do, however, have a major responsibility to slow the rate of growth of their populations through appropriate family planning programmes. An important reason for the more rapid rates of growth of *per capita* incomes in the advanced countries is the slower rates of growth of their populations—for example, in Europe, 0.9 per cent per annum and in North America 1.7 per cent. In constrast populations in developing areas, in which two-thirds of the world's population already live, are growing much more rapidly—for example, 2.3 per cent in Africa and Asia and 2.8 per cent in Central and South America.

Increased emigration of less skilled labour would also ease development problems, but immigration barriers in advanced countries are too firmly rooted and entrenched. The developing nations cannot hope to solve their problems by sending abroad the illiterate, unskilled and unemployed thus enabling essentially the same output to be shared among fewer people. Indeed immigration barriers can today be hurdled only by the relatively well trained and educated. Thus the developing nations with their limited resources are subsidizing the advanced nations whenever highly trained people educated at the expense of developing countries emigrate to richer countries.

And much of the income created in the developing nations increases the demand for consumer goods imported from abroad. Indeed, much of the potential growth of the richer nations is conditional on a rapidly growing external demand. That condition can be created at very little cost in the developing areas of the world in which over two-thirds of the world's population now lives. A small investment today will pay handsome returns in the future. It is now, however, an essential ingredient of any formula to expand the flow of development capital that the richer countries perceive correctly their own stake in doing so. Expanding the flow of development capital is clearly a matter of mutual interest and benefit. Indeed, so long as resources are under-utilized in any part of the world, we cannot be satisfied with the level of material welfare anywhere.

A STRATEGY FOR AFRICA

The logical next step would be to outline the specific problems of each of the major developing areas of the world, to propose positive programmes for alleviating them, and to suggest procedures for mobilizing the required manpower and capital. It would be presumptuous for me to undertake this kind of assignment for Asia or Latin America, and indeed I hesitate to do so for Africa with whose problems I feel some affinity and familiarity. I will, however, attempt some tentative soundings and offer some preliminary sketches of these matters as they relate to the African developing area.

We need a Marshall Plan for Africa, a massive infusion of manpower and capital. Admittedly, the situation of Africa today differs in many respects, as I will point out, from that of Europe after World War II, but the imaginative concept and vigorous approach are readily adaptable. The Marshall Plan involved a capital movement 20 years ago of nearly $14 billion from only one country over a three-year period, 80 per cent of it being outright grants. Since then, gross national product in the rich nations has doubled and all of the countries in that category are eligible to assist Africa, perhaps none more than the European countries which benefited so directly and greatly from the original Marshall Plan, and which also were the colonizers of Africa. It is for us in Africa to identify our problems, to prepare a comprehensive, co-ordinated and integrated programme suited to the specific needs of Africa, and to interest the advanced nations in the implementation of that programme.

There are today in Africa 39 independent countries as compared to four prior to 1950—South Africa, the United Arab Republic, Liberia and Ethiopia—and ten prior to 1960. In the Development Decade itself, therefore, 29 African nations have emerged from colonial rule to political independence, and the struggle to eliminate colonial and fascist domination of our people is not yet over.

The belated achievement of independent status by so many African states is the major reason why a massive development programme in Africa is so essential today. It also explains why development needs in Africa differ in so many ways from requirements in other developing parts of the world. These differences mean that a development programme in Africa must be especially designed to solve our problems. Indeed many of the global policies and institutional arrangements that now govern the distribution of development capital were created before Africa threw off the yoke of colonialism, and in many ways are better fitted to the needs of the older developing nations. New policies and institutions may be needed to achieve more rapid development in Africa.

Developing areas in Africa shared with Asia the rather doubtful distinction that at the beginning of the Development Decade approximately 90 per cent of the population lived in areas where *per capita* incomes were less than $100 per annum, while only 4 per cent of the Latin American population lived in countries this poor. Between 1960 and 1964, however, according to O.E.C.D. estimates, production in less developed Africa has grown at only 4 per cent per annum while Latin America achieved 4.4 per cent, Asia, 4.9 per cent and the Middle East, 6.7 per cent. Africa is therefore not only among the poorest of developing areas but is also making the slowest progress. It will take the massive and co-ordinated effort of which I speak to achieve a more presentable record. The achievement of independence by 29 African nations since 1959 is the first major step in that direction.

The problems of achieving independence and building national unity and political stability have occupied some of our best minds so that it is only now that we can concentrate on our economic problems. We have had to reorganize and in some cases to create government and tax structures suitable to independence, to find equitable means for accommodating minority groups, to overcome the fears and pessimism of domestic and foreign investors and to prevent flights of our precious capital. I would not suggest that all of these problems are finally solved, but I do feel that the time has come when we must co-ordinate our efforts in a major pursuit of economic development. Africa contains 20 per cent of the world's land area and 9 per cent of the world's population but it has been estimated that 80 per cent of our natural resources potential and 90 per cent of our potential of human resources have yet to be realized. Our people, fresh with independence, are eager to advance. We must use that eagerness for development if it is not to degenerate into disappointment and despair.

THE RICH VERSUS THE POOR?—OR WILL IT BE FOREIGN AID?

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. COHELAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COHELAN. Mr. Speaker, the New York Times and the President of the World Bank have recently termed the 1960's a "decade of disappointment" for the lesser developed nations of the world.

These observations are based in large part on the failure of the developed industrialized countries to devote significant shares of their wealth to assisting the less-developed nations. The United States, despite an internationally favored goal of devoting at least 1 percent of its gross national product for foreign aid, has this year devoted only a little more than half of this figure.

Part of the reason for this reluctance to provide assistance may stem from the attitude that foreign aid is a giveaway—humanitarian and helpful to its recipients, but still a giveaway—bringing little benefit to the donor. However, it is becoming increasingly clear to even larger numbers of people that foreign aid is vital to the preservation of peace in the world and ultimately to the security of this country.

Mr. Woods of the World Bank recently reiterated the point when he argued that the major threat to the world today is not differences in ideology between East and West, but the "wide disparity between living standards of the rich countries of the north and the poor countries of the south."

Following Mr. Woods' views, the New York Times on November 15 announced its view that—

> Until Congress takes more seriously the threat to American security posed by the world poverty gap, the prospects for increased development aid will remain poor.

I urge our colleagues to take the time to read this provocative and sobering editorial; which I include in the RECORD at this point:

DECADE OF DISAPPOINTMENT

For all the poverty that still stalks the slums, Americans today enjoy an average per capita income of more than $3,000 a year, an unprecedented level of affluence that is rising rapidly toward an estimated $4,500 per capita a year by the end of the century. In contrast, more than two billion people in the underdeveloped areas of the world today barely exist on average annual incomes below $250. At the present slow rate of economic growth, many of them will be lucky to have added $50 to their annual income by the year 2000.

The annual increase of $40 billion in the United States gross national product is only slightly less than the total gross national product of all of Africa or of India, a nation with two and a half times America's population. Yet the annual foreign assistance of the United States and other rich nations to the struggling, underdeveloped world has fallen from a promised 1 per cent of national income to below six-tenths of 1 per cent; the ratio continues to drop, although the need for aid and the ability to absorb it are increasing.

These are some of the stark statistics that lie behind World Bank President George D. Woods' warning that the hopeful Decade of Development once promised for the nineteen-sixties has degenerated into a Decade of Disappointment pointing toward disaster.

Mr. Woods, a hard-headed former investment banker, has been pleading for years with increasing urgency for substantial increases in development aid from the rich nations. But the diminishing effectiveness of his pleas can be seen in this year's United States foreign-aid budget—a modest Administration request that is being slashed to new lows by a hostile Congress.

To try to reverse this drift the World Bank chief has proposed formation of an international committee of experts to assess development results to date. These, he asserts, have not been as inconsequential as many think. His goal is to plan the more intensive future effort which the crisis demands and the developed nations can afford. Such a study, similar to one undertaken before the Marshall Plan was launched, could be useful in refocusing world attention on the scope and nature of the problem and the tools available for its solution.

But the basic problem is one of national priorities in the rich nations. Mr. Woods argues persuasively that the main threat to the world today no longer springs from ideological differences between East and West but from "the wide disparity between living standards of the rich countries of the North and the poor countries of the South."

Washington, which spends about as much

in a month to wage the old East-West struggle in one corner of Asia as it is prepared to spend in a year for the worldwide war on poverty, obviously does not share this assessment. Until it does, or at least until Congress takes more seriously the threat to American security posed by the world poverty gap, the prospects for increased development aid will remain poor.

REOPEN ITALIAN CLAIMS PROGRAM

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I take this time to call to the attention of my colleagues the deletion of section 9 in H.R. 9063 as originally introduced, the amendments to the International Claims Settlement Act of 1949.

H.R. 9063, as reported by the House Committee on Foreign Affairs, does not contain the provisions as in the original bill which would permit the reopening of the Italian claims program in order to pay certain claims not previously considered compensable.

I should explain that after World War II, the Italian Government set up a $5 million fund in the United States to pay claims against Italy not covered in the peace treaty of 1947. Two groups of claimants were included in the International Claim Settlement Act of 1949 to receive damage claims from this fund. The first group were Americans who suffered property damages, principally in Greece and Albania, and some in Yugoslavia, but who never had the opportunity to file claims. The second group of claims provided for compensation for losses in the Dodecanese Islands.

The committee bill includes the second group, but deletes the provision for the first group.

In 1958, it became evident that a large sum of money remained in the fund after claims had been paid to persons who were American citizens at the time of loss. Consequently, the Congress passed a bill—Public Law 85-604—which provided for the payment of claims to persons who became citizens after the war. But an error was made in the bill. It omitted a provision for the filing of claims by those who previously had no basis for filing. Thus, anyone who was not a citizen before the loss could not have filed a claim based on the 1958 law.

In view of the action of Congress in 1958, providing that those persons who were not citizens at the time of loss should be paid, the administration has now recommended correction of this statute. This recommendation is supported by the Department of State and the Foreign Claims Settlement Commission.

In essence, the issue to which I refer is that it is unfair that only one group of claimants should be compensated while the other group is deprived of compensation. This seems especially unfair since over $1 million remains in the Italian fund.

The deletion of section 9 from H.R. 9063 surely cannot be judged an economy measure by the House. Tax money is not involved. The Italian fund was set up here by the Italian Government for the specific purpose of paying claims against Italy not covered by the 1947 peace treaty.

Since the House passed H.R. 9063 yesterday, I hope that the other body will consider reaffirming its action in the first session of the 89th Congress and restore the provision, now deleted from the bill, but contained in a similar bill passed by the Senate in the last Congress.

NEW BUILDING METHODS STUDIES FOR LOW-INCOME FAMILIES

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, I was most interested to read a recent article in the Evening Star of Washington, D.C., regarding a new "building block" method of construction which can provide quicker and lower cost apartments for low-income families.

This article, dated November 3, 1967, noted that a nonprofit group in Michigan City, Ind., in the congressional district I represent, will construct a 12-unit complex of two-bedroom apartments using a new technique of stacking prefabricated components. This building-block technique consists of three components: the core, with kitchen, bath and utilities, and two components adjacent to the core, one with two bedrooms and the other a living-dining room section. Reportedly, the total construction time will be ready for occupancy within 25 days at a rent of $75 per month—25 percent below normal rents in the area. Also, the cost is expected to run about $6,000 per unit as compared with the usual cost of $8,000 per unit.

Mr. Speaker, this unique demonstration project was made possible by a grant from the Department of Housing and Urban Development. In my opinion, it is a wise and prudent use of funds. For some time now we have all recognized the necessity of finding ways to cut costs in construction if we are to meet our goal of a "decent home for every American." The Department of Housing and Urban Development is to be commended for encouraging experimentation with new techniques, as well as for encouraging nonprofit organizations to join in the massive task of providing decent housing for low-income citizens.

So that my colleagues might read an excellent description of this new "building block" method of construction, Mr. Speaker, I would like to include the Evening Star article in the RECORD at this point:

NEW METHOD STUDIED TO BUILD APARTMENTS

A new "building block" method of construction may be the answer to providing standard apartments for low-income families quicker and at lower cost.

To prove it, a non-profit group in Michigan City, Ind., will construct a 12-unit complex of two-bedroom apartments using a new technique of stacking prefabricated components.

In 25 days' total construction time the apartments will be ready for occupancy and at a rent of $75 a month, about 25 percent below normal rents in the area.

The new apartments will be built in an urban renewal area of Michigan City by Housing Research, Inc., a local non-profit corporation. Development and construction of the demonstration project was made possible by a grant from the Department of Housing and Urban Development.

Not counting the cost of the land or site development, building costs for the demonstration will run only about $6,000 per unit, as compared to a usual cost of about $8,000 per unit for apartments built with conventional means. Before actual on-site construction begins, Ken Fryar Associates and Ronald Goodfellow, architects for the project, will construct a pilot model of one apartment unit using factory produced components.

The "Building blocks," all prefabricated in the factory, consist of three primary components: the core, with kitchen, bath and utilities; and two components adjacent to the core, one with two bedrooms and the other a living-dining section. From the factory, the components are transported by truck to the building site.

All components are made of light-weight steel panels and can be hoisted into place with a standard 25-ton crane, the largest weighing only five tons. The oblong two-bedroom and living-dining room components are stacked around the central utility core like building blocks with two apartments on each story.

Once on the site, hoisting the components into place will take only about three days. The rest of the 52 days will be spent in the preparation of foundation piers, utilities, mains and laterals, and constructing stairways, and finishing off. Outside stairways, made of pre-engineered steel, are constructed after the components are in place.

Stacking the components in an overlapping fashion gives each apartment the added advantage of two balconies—one off the living room and one off the two bedrooms with a second entrance to the outside stairway. To reduce noise from next door neighbors, the two apartments on each floor are not mechanically connected except at the central core and separate walls and special insulation are provided.

After completion, the 12 units will be sold on the private market for rental to low-income families and HUD will receive the sales price.

Unlike other "prefab" stacking methods, such as that used in Habitat at Expo 67 in Montreal, these components require no special molds or materials for construction in the factory and can be easily transported to the site and put in place with standard equipment. Structures will conform to existing local building codes.

While the demonstration project will consist of two three-story cores with two apartments on each story, the technique could be used to construct components of up to six stories. Flexibility extends also to the number of bedrooms that can be included in each apartment. As many as five bedrooms can be built into the components. Fryar and Goodfellow estimate that with the "Building blocks" method of 100-component apartment complex could be constructed in about three months, one-third of the usual on-site time.

REMARKS BY MILTON BRUCE BYRD ON THE OCCASION OF HIS INAUGURATION AS PRESIDENT OF CHICAGO STATE COLLEGE, SEPTEMBER 29, 1967

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Indiana [Mr. BRADEMAS] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BRADEMAS. Mr. Speaker, on September 29, 1967, Milton Bruce Byrd was inaugurated as president of Chicago State College in Chicago, Ill.

At a time when the problems of both education and the city are properly commanding increasing attention from the American people, I think it is significant that President Byrd's inaugural address was devoted to the role of higher education in an urban setting.

I ask unanimous consent to call to the attention of my colleagues President Byrd's thoughtful remarks on this occasion. The text of his address, "The New Campus in the New City," follows:

THE NEW CAMPUS IN THE NEW CITY

(Remarks by Milton Bruce Byrd on the occasion of his inauguration as president of Chicago State College, September 29, 1967)

We are in a great hall of the city although we are of the campus. For a short while we borrow from the city this auditorium which lives to fulfill the promise of the campus: to give to the society the insightful thinking of the lecturer and the meaningful and satisfying creation of the artist. The city is serving the campus which in turn produces the thoughtful and skillful men and women of good will to nourish the city. The city and the campus are interrelated and interdependent. The one supports the other as the one nutures the other. The one protects the other as the one revitalizes the other.

THE URBAN UNIVERSITY: A HISTORICAL COMMONPLACE

It has almost always been this way. To name the great university, the great campuses, of the past, is to name the great cities of the past: Salerno, Bologna, Paris, Padua, Rome, Grenoble, Prague, Vienna, Heidelberg, Upsala, Leipzig, Wittenberg, Edinborough. Only in nineteenth century America with its romanticist emphasis was the campus deposited in the remote countryside, away—it was thought—from the temptations to the young, the temptations of the city, from the realities of life. But a new tradition, just begun, has been setting the large public campus into the heart of the urban community where it used to be and where it has to be. To confront and to contend with the human condition, the city needs the campus and the campus needs the city.

The city was first the point where two roads met, where the river broadened and the bank was suitable for a harbor, where the configuration of the lakeshore and the seashore provided a calm inlet or deep waters close to the land. The city came into being to provide protection, to facilitate trade, to satisfy the need for social intercourse, to offer haven to those who, bound to the land, had escaped. In the city with its mixture of peoples grew the need for acceptance and understanding and the appreciation of diversity. Law became necessary and democratic institutions a natural development. Social interdependence and need and a desire for social service led to the establishment of such institutions as the hospital, the school, the library, and the museum.

A NEW MISSION: CREATION OF KNOWLEDGE AND THE CONCEPT OF SERVICE

Likewise, the campus, the university, came into being in order to prepare young men for the professions—law, medicine, and theology. At the same time it came into being to serve another purpose: to study the learning of the ancient world, of Greece and Rome, to explore its past, to understand its languages and art, its politics and its history, its achievements and its failures.

The medieval university expended its energies in instruction, particularly undergraduate instruction. Perhaps the ideal model of this enterprise can be found in the British universities at Cambridge and Oxford, each a complex of small residential colleges, each offering intimate tutorial instruction. A new, if related, mission, of the campus was established by the nineteenth century German university. The central purpose became exploration into the unknown, research on the natural universe in order to know and understand its character. The end result was the deliberate creation of new knowledge.

The third and the most recent of the significant developments is the particular American contribution to higher education: the concept of service, the belief that man's rational nature not only permits him to observe the universe, to organize systematically the results of his observation into knowledge, but also to apply this knowledge for the use of society. This concept of service, growing in part out of our Puritan conscience, became a significant aspect of the campus when in 1862 Congress enacted and President Lincoln signed into law the Morrill Land Grant Act giving impetus to the creation and development of public campuses.

A NEW DANGER: EXTINCTION

The city and the campus have been growing and growing and growing. And they are becoming increasingly fragmentized. They face the danger of overwhelming size and the extinction experienced by the dinosaur of old when his great mass demanded the duplication of significant organs at the far ends of his body. He ceased then to be one coherent organism and was neither graceful nor efficient in action.

Swelled by the continuing expansion of manufacturing, service, banking, commerce, and trade, the city has continued to attract the growing excess of farm workers. Two world wars brought labor from the countryside. An agricultural revolution in the South following World War II sent farm laborers—mostly Negro—into the great cities of the land. Without reason or plan, without understanding or system, the city has swelled outward and upward. Great masses of people confront each other on tiny land areas. We set them on symmetrical layers aimed at heaven but confounding earth. The great numbers of people and factories and automobiles are poisoning our water and polluting our air. The core around our inner city projects a view of stark physical blight. The schools of the city are crowded and filled with boredom and failure. And the city has become divided and fragmented. We have the very richest and the very poorest. We have white collar workers and blue collar workers. We have black men and white men. We have ghettos and suburbs. We have the cultivated and the ignorant, the privileged and the denied, the religionist and the atheist, the hate mongers and the preachers of peace. And we know an overwhelming sense of disaffection and alienation.

TEACHING: AN ANONYMOUS ACTIVITY

Likewise the giant and fragmented campus. Challenged by the Nation's needs during two world wars, almost overwhelmed by the veteran influxes after the second, the campus has experienced an accelerating national desire for higher education. With only a brief respite after the departure of the World War II veterans, the campus has faced larger student populations every year, and the end cannot yet be seen. In addition to growth the campus has witnessed a changing emphasis on the role of the professor. With a hunger for new knowledge Washington generously opens its coffers to the new research proposal and accords the researcher wealth and status. Students and teaching have become secondary concerns.

A sea of hurrying faces, the campus now processes the student, assigns him a number, squeezes him—700 each fifty minutes—into lecture halls, gives him a hurried and rare view of the professor, stamps his transcript with hours of sitting, and confers upon him a degree—7,000 at once. The faculty are admonished to teach but are rewarded for not teaching. The students and the faculty view each other as natural enemies and have totally different aspirations and goals. The administration, seen by both students and faculty as the Establishment, busies itself with housekeeping. Students protest and sometimes riot and faculty members remain indifferent and out of sight. The campus is cold, anonymous, mechanized, inflexible, and suffers from its monolithic structure. For many there is only a growing disaffection and alienation.

Thus the city and the campus alike face the challenges of rapidly accelerating growth, each having an admixture of conflicting purposes and goals, inherently and dangerously divided, frustrated in its efforts to fulfill its mission, knowing failure and facing crisis after crisis.

A NEW NEED: A NEW CITY AND A NEW CAMPUS

The problem demands an examination, if only brief, of purpose. The city arose to serve the economic and social needs of humanity, to provide the setting for human intercourse and fulfillment. The campus arose to seek knowledge of the natural world, including the nature of man and his aspirations. The campus affirms the rational capacities of man: to observe, to apply reason, coherence, and system to the results of observation; and to apply the product—knowledge—to the affairs of men. To speak thus of the city and the campus is to note their human purpose which reminds us of the human scale, the human dimension. We hold that recognition as central to the problem.

Our cities and our campuses are overwhelming in size and monolithic in structure. We need a new city and a new campus.

The new city must be many smaller cities, with all the needs for living, working, and social fulfillment in a small area: homes of all types and prices, factories and office buildings, schools and churches, shops and market places, parks, libraries, theaters, and music halls. The great city must have a hundred opera houses and a hundred museums and a hundred libraries, each to serve a small separate community within the larger total community. The need for cross-city traffic would be reduced and man could return often to his own two feet. Men could thus engage more meaningfully in social and political interaction. A sense of contribution and participation in the smaller community would add to his sense of self-worth and would give direction and significance to his daily life.

But it is with the new campus that we are more particularly concerned this morning.

The new campus in the new city needs self understanding. It needs to know its essential nature, its purpose, its goals, its mission. Only by such understanding can it acquire a sense of community, a sense of essential purposive being. With that understanding diversity becomes viable. Each segment, each area, each discipline, each division, each department, can achieve its own purposes and make its own distinctive contribution to the larger community. Our massive campuses become workable when their natures are clear, when they encourage individuality and diversity, when each man can call upon his own imagination in seeking creative solutions in the world of learning. The result will be a sense of involvement, of commitment, of identity, of loyalty—all of which will strengthen the total community.

THE CENTRAL PURPOSES: CREATION OF A BETTER MAN

What is the central purpose, the central mission of the new campus in the new city? That purpose is the challenging one of making men better men, better prepared to confront the realities of the human condition, better prepared to contribute to the aspirations of man and society. That purpose requires that the new campus influence the minds and hearts of its students. The new campus must increase their knowledge, increase their understanding, increase their skills, sensitize their awareness, sharpen their concerns and their commitments. Unless the major resources and energies of the new campus are committed to performing this task and performing it well, nothing else will justify its existence.

The new campus in the new city needs a new dimension. The huge monolithic university must be many campuses, several scores of campuses, each with its own faculty and its own student body. That reduction in dimension will make possible regular and continuing exchange and engagement between student and student, and between student and faculty member. While this more intimate exchange is by no means a sufficient guarantor of learning success, it is a necessary ingredient. The sense of anonymity, inflexibility, and mechanization will be replaced by a personal and engaging tone.

The new campus in the new city will need a new program, one that recognizes the old essentials of liberalizing education for a large populous, complex, democratic, urban America in which young men and women are educated for a world of work and social contribution. The program should include the acquisition of a body of knowledge about the nature of man and his physical world, about the social, economic, and political world surrounding man, about his art, his poetry, and his philosophy, and about the older world from which man and all these came. Closely related should be an understanding of the various kinds of knowledge and their values; the knowledge of the physical universe as acquired and related by the scientist is of a different order from the knowledge of man acquired, shaped, and transmitted by the poet. Another element of that program is the development of certain skills relating particularly to thought and language. A third major aspect concerns the stimulation of understanding and appreciation of certain intellectual values such as curiosity, rationality, and the dispassionate and systematic examination of vital questions. A fourth element is the stimulation of concern for the social and moral issues of our time. Finally, growing out of basic liberalizing experiences, will be education aimed at developing knowledge and skills for the various professions.

The attention to program on the new campus will not be satisfied without regular evaluation to determine its degree of achievement. The new program may well have to become a renewable program to serve a changing society and a changing student body.

A NEW FOCUS: TO SERVE A NEW STUDENT

The new campus in the new city will need to serve a new student. That student will emerge from segments of the society who have not heretofore experienced higher education. His public school education and his social experience will not have prepared him for academic success on the campus. He will come with suspicion, mistrust, and a lack of confidence. He will have known failure and will be anticipating more. He will expect to meet talk without sincerity, words without meaning, promises without substance. But he will have intelligence and the capacity to learn and to grow. And he will respond to true teaching.

The new campus in the new city will need a new spirit in the factulty, perhaps an old fashioned spirit. Our campuses have distracted our attention too long too far from the essential work of the faculty. The pendulum must turn back. The commitment, the dedication must be toward engaging the student in the intellectual enterprise. The relationships with students must be immediate and direct, the dialog must be continuing, the involvement must be total, the participation must be encouraging, not threatening, the exchange must bar no questions or suggested answers. The new instructor must be that idealist who would spend most of his professional career engaging seriously and deeply with students, stimulating the development of their resources, encouraging their imagination and creativity. The new instructor must find deep satisfaction in expending his energies in this enterprise. His personality and his commitment must be such that he pursues the task with eagerness. The campus that will announce its concern for undergraduate education will attract this new faculty member in great numbers.

The new campus in the new city will need a new administration, one not satisfied with housekeeping and form-filing. The new administration must bridge the campus and the society, interpreting the concerns of each to the other. Such an administration will not duck out of the square when the battle is raging and hide behind the nearest cliche. It will remain boldly visible, stating the case with vigor and concern. It will at times become a target and it must be prepared to sustain the arrows of sharpest criticism.

The new administration on the new campus must offer a new kind of leadership. Receptive, flexible, and patient, without secrets and subterfuge, it must encourage the involvement of the faculty and the student body and find consensus for new policy. It must not become obsessed with the virtue of its own thinking and its own plans. It must cull wisdom from the concerns of all on fulfill its mission. The new administration must have the courage to call upon the campus to meet its commitments and to fulfill its mission. The new administration must labor with the new spirit in the faculty to bring about the new teaching and the new learning to serve the new student in the new city.

The new campus in the new city will need a new architecture. The monumental, the massive, the stark, the overpowering that loses sight of the human scale and the human interest should be eschewed. The little square boxes of four walls and neat rows of seats should be discouraged. Instead the architecture must wrap itself around the new program. The instructional enterprise must dictate the form and flow of enclosed space. That space must encourage the student and the faculty member and produce a setting of stimulating exchange. Other spaces must provide for private, independent, contemplative effort. The emphasis of the new architecture must be its sensitivity to scale and its attracting and inviting character.

The new campus in the new city must give itself a new freedom and a new courage. In the grandest of all traditions, the new campus must invite the fruit of all men's thinking, whether it be sweet or bitter, must welcome the expression and examination of all ideas, whether mundane or avant-garde, and must time and again defend the value of such conduct to support and nourish the democratic society. The new campus must be prepared for criticism and invective, and yet play its central role with commitment, with courage and without faltering.

THE URBAN CAMPUS: MORE THAN THE ACCENT OF LOCATION

Finally, the new campus in the new city must give meaning and force to that modifier, urban. The urban campus must be something other than one characterized by the accidence of location. The city is a great laboratory and a great classroom. Almost every branch of human learning is represented in the massive human interplay of the giant city. One can examine the intricate forces of man's efforts to govern himself. One can see the problems of the giant technology as it produces to satisfy the city's needs. One can study the techniques of commerce which creates and channels demand and distributes goods. One can view the complexities of the bank and the stock market as they adjust ownership and assign value. One may penetrate into the heart of the slums to probe the tragedy and despair of poverty. One may study prisons and hospitals and mental institutions. And one may experience to the fullest all of the arts. The new campus must send her students into the city to rub against cold reality, to test textbook theory in the urban streets, to raise questions about the human condition and to seek answers among the sights and the sounds of the city.

The new campus must care about the city. The great human resources of the faculty, the skills and knowledge of the faculty, must probe and tap and measure the city until they find means to improve a thousand conditions. The new campus must send that knowledge to the city through the young men and women she will have educated, to whom she will have given the power of thought and language and the promise of hope.

PRESIDENT JOHNSON AND THE PROTECTION OF THE AMERICAN CONSUMER

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. McCarthy] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. McCARTHY. Mr. Speaker, this morning at the White House, President Johnson signed the Clean Air Act of 1967 which moves this country forward by giant steps in its battle against air pollution.

In the course of his remarks, the President made a special appeal to the Congress to approve the dozen or so consumer protection measures still pending before us.

The President said, rightfully, that there is no reason why any American should have to suffer the injury of consuming bad or diseased meat which has not been properly inspected. And he has asked us for action on the Wholesome Meat Act bill which his administration has recommended—and which should pass.

The President also alluded to the Flammable Fabrics Act when he said no baby should be wrapped in a blanket which might burn up because there was no law which set qualities for the manufacture of that material.

He also said that no American should have to be ignorant of the amount of money he is paying in interest on a loan—and he appealed for the passage of the Truth-in-Lending Act.

All these bills are absolutely necessary. They are not controversial. Reasonable men can agree on them, even, as the President said this morning, if they have to be changed a little bit.

I was privileged to attend the signing of the Clean Air Act of 1967 this morning at the White House. I was privileged to hear the President make an earnest plea for the passage of these very important consumer protection measures.

I hope the Congress will act on all these measures so that we can leave this session knowing we have done our duty to the President and the American people.

Under unanimous consent I insert in the RECORD the text of President Johnson's remarks as he signed the bill yesterday establishing a national Product Safety Commission:

TEXT OF THE REMARKS OF THE PRESIDENT AT THE SIGNING OF PRODUCT SAFETY COMMISSION BILL, NOVEMBER 20, 1967

We are here to sign a bill that will help every one of us in this room and this country. Not just the rich or poor. All 200 million Americans.

Technology has brought us many blessings. But many of them are booby-trapped. Far too many of them cause hazard and needless tragedy.

The homes we live in can be as dangerous as a booby-trapped battlefield. Each year:

125,000 Americans are injured by faulty heating devices. Many of these victims are the very young and the very old.

100,000 Americans are hurt, many maimed, by faulty power mowers and washers.

Another 100,000, mostly children, have their limbs crushed by automatic clothes wringers.

40,000 Americans are gashed when they fall through glass doors.

30,000 are shocked and burned by defective wall sockets and extension cords.

And countless thousands of other injuries go unreported.

We live each day and hour surrounded by hidden hazards. The most innocent product can be a trap. The electric knife that carves our Thanksgiving turkey could injure a loved one. The Christmas tree could flame and kill a whole family.

We have lived with danger too long. In the past, we have seen these hazards too late—after they took their tragic toll.

But today we put safety first. We act to stop tragedy before it can strike. Today we establish a National Commission on Product Safety—the first in our history.

It has three vital jobs to do:

To tell us which products are dangerous so we can be on our guard.

To tell us how good our present laws are—our Federal, state and local laws.

To tell us what new steps we can take to protect our children and families from hazards in the home.

I want this Commission to come up with solutions—not just studies.

I want it to act in the national interest—in the name of American business and America's consumers. Business is threatened too by the hazard of unfair competition from unsafe products.

This is the first major consumer law I have signed this year. It should have been the twelfth. That's how many I proposed. That is how many our people need right now.

We need the strongest possible meat inspection bill. Nobody wants to eat meat from filthy packing houses.

We need legislation to insure pipeline safety. We don't want gas-filled pipes bursting under our homes and streets.

We need a Truth-In-Lending Bill. The lender always knows how much interest he is getting. It's time he was compelled to let the borrower in on the secret.

We need to protect our families against fabrics that flame without warning—against furnishings that can turn a living room into an incinerator—and clothing that can turn a child into a torch.

We need to crack down on the con man and gyp who prey on the aged and defenseless. Some of our parents save up all their lives to buy a little home for retirement. But some swindler gets to them. They wind up in a worthless shack on a useless swamp.

These are the bills we need. I hope we will come back here to sign them soon. The protection and safety of Americans are not issues to argue about. The longer we delay this legislation, the more danger we invite, the more tragic damage we cause. That is a heavy responsibility.

It is also an urgent and magnificent opportunity for responsible men. This legislation costs the taxpayers almost nothing. But the blessings it will bring—safety of life and limb, peace of mind and heart—these are possessions beyond price for every anxious family in our land.

They await our answer. How can we fail them?

PRIVATELY CONTROLLED TAX EXEMPT FOUNDATION STUDY COMMENDED

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. PATMAN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. PATMAN. Mr. Speaker, the City Council of the City of Providence, R.I., adopted a resolution on November 13, 1967, endorsing the hearings of the Subcommittee on Foundations of the Select Committee on Small Business, and I should like to place it in the RECORD.

Additionally, my attention has been drawn to an interesting editorial, dated November 15, 1967, in the Texarkana Gazette, Texarkana, Tex., on the subject of tax loopholes.

These will make timely reading for the general public as well as the Members of Congress, and I am inserting them herewith:

DEPARTMENT OF CITY CLERK,
Providence, R.I., November 15, 1967.

Congressman JOE L. EVINS,
Subcommittee on Small Business,
House of Representatives,
Washington, D.C.

DEAR MR. EVINS: Enclosed is certified copy of Resolution 626, approved November 13, 1967 indicating the City Council's endorsement that would conduct hearings on operations of tax exempt foundations.

Very truly yours,

VINCENT VESPIA,
City Clerk of Providence.

RESOLUTION 626 OF THE CITY COUNCIL OF PROVIDENCE, R.I.

Whereas, The Subcommittee on Small Business of the House of Representatives will conduct hearings, starting on October 30, 1967, into the operations of tax-exempt foundations.

Now, therefore be it resolved, That the City Council does hereby endorse the proposed hearings reported to inquire into the activities of tax exempt foundations.

A true copy, Attest:

VINCENT VESPIA,
City Clerk.

[From the Texarkana (Tex.) Gazette, Nov. 15, 1967]

A TAX LOOPHOLE THAT NEEDS PLUG

The average American taxpayer has to be the most generous soul on earth.

Each pay day, he donates a large chunk of his earnings to the government in the form of a withholding tax. He never sees this money. He is so used to not seeing it that he doesn't even consider it to be his own.

Each April, he submits a formal accounting of his previous year's income in such a manner that, each April, he receives the accolade of the Internal Revenue Service as the best little taxpayer in history.

And rightly so, for he knows that the welfare of the nation depends upon his hundreds of dollars, multiplied by the millions. Because he cares about the welfare of his nation, he is ready and willing to pay a tax on top of his income tax, when and if Congress decrees it.

But our average taxpayer is also a little selfish. It almost appears as if he doesn't want anyone else to help in supporting the country.

He expresses sympathy for the poor fellow with a seven-figure income, who, in theory, is liable for a 90 per cent tax—even though no one ever pays near that much and there are at least a half-dozen millionaires who pay no taxes whatsoever.

He seems unconcerned, judging by his silence on the matter, that more and more wealthy individuals are avoiding their fair share of income taxes through such stratagems as setting up "foundations."

According to Rep. Wright Patman, D-Tex., whose Small Business subcommittee is investigating this area for the sixth time in 13 years, private foundations and charitable trusts have proliferated by the tens of thousands.

There is even an organization, Americans Building Constitutionally, which he charges "mass produces" tax-exempt foundations for a fee.

A prime example is a physician in Aurora, Ill., who healed himself quite effectively from the ravages of the IRS by setting up a foundation for "medical research."

The doctor still practices the same as always, but his patients pay their bills to the foundation, which pays the doctor a salary. The doctor's house, car, retirement benefits and insurance also come from the foundation—tax free. As "assistant medical administrator," the doctor's wife shares in tax-free fringe benefits.

Patman's goal is not to eliminate private philanthropy. The foundations set up by the Carnegie, Ford and Rockefeller fortunes, to name but a few, have been of incalculable benefit to the republic. It is merely to tighten the laws around phony foundations which are nothing but personal tax dodges.

"America's political dream used to be a chicken in every pot and a car in every garage," says Patman. "If we ever reach the point where there is a tax-exempt foundation in every home and assets such as a home and a car are transferred to that foundation, that will be the beginning of a nightmare for federal, state and local government."

But as long as the aforementioned average taxpayer remains willing to dip ever deeper into his pocket to make up for what is lost through the foundation loophole, and other loopholes, Congress is not going to rush to deprive him of the privilege.

NAVAL RESERVE UNIT COMMENDED

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. BINGHAM] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BINGHAM. Mr. Speaker, I am delighted to report that a Naval Reserve unit located in Bronx County, N.Y. has, at no cost to the Government, completed construction of a substantial building. The men of the unit have contributed their time on a volunteer basis. It is inspiring to see this kind of spirit in action.

The following is a statement describing the unit, its responsibilities, and its recent achievement:

STATEMENT

Naval Reserve Ship Activation Maintenance and Repair Division 3–5(S) is based at the U.S. Naval and Marine Corps Reserve Training Center, Fort Schuyler, Bronx, New York. The Division, commanded by Commander Peter A. Piscitelli USNR–R, serves the USS DE LONG (DE 684) one of the Naval Reserve Training Group II Destroyer Escorts.

The Division's function is to provide highly trained personnel to fulfill two major objectives: during normal peactime operations to assist in the maintenance and repair of Naval Reserve Training Group II Destroyer Escorts (with the advent of the Anti-Submarine Warfare Component of the Selected Reserve and the subsequent skeletonization of the Reserve Destroyer Escorts' regular navy crews, the maintenance and repair assistance rendered by the Division serves to decrease the cost to the government of maintaining the ship in a condition of readiness); if called back to active duty upon initiation of hostilities, its mission is to supply highly trained personnel for immediate assignment to Ship Activation and Instruction Teams (in this role the Division's personnel will hasten the reactivation of the Navy ships needed for expanded military operations and decrease the amount of time needed to familiarize the crews assigned to these ships with the operation and maintenance of the ship's machinery and equipment).

To provide the caliber of personnel necessary to meet their mission the some sixty (60) officers and men of SAM&R 3–5 (S) were selected from among qualified volunteers who have completed their active duty requirements. All are specialists in their particular fields and most of the personnel are employed in civilian occupations which closely parallel their military ratings. The high morale and professional "Can Do" attitude of the Division's members is amply manifested in many areas. The extremely low turn-over rate among personnel fosters the training and utilization of the unit as a team. This team spirit is evidenced by the personnel who have moved to homes between fifty and one hundred miles from the Bronx but maintain their status in the Division rather than transfer to similiar units nearer their homes. These men receive no travel reimbursement from the government for this added expense.

A recently completed project amply demonstrates the esprit de corps of the men of the Division. Over the years the scope and complexity of the work to be performed aboard the DE LONG grew in volume as the ship aged. To meet this need the Division and the number of its professional capabilities grew also. This growth gradually outstripped the capacity and capabilities of the shore-side facilities used by the Division as work and storage areas. The initiation of a welding and burning school created a further demand for a safe sheltered area in which to conduct classes and practice necessary techniques.

Commander William Yuengling, USNR, the Training Center Commanding Officer; Commander John Braue, USNR–R, then commanding the Division; and Chief Warrant Officer Larry Calemmo, USNR–R, the Division's Repair Officer, met during February 1966 to develop plans for the razing of the wooden shacks that were the existing facilities, and their replacement with a large multi-purpose building. This meeting produced plans for a new cement block building to house work, storage and classroom areas.

The new building, affectionately called "the Shack" by the Division personnel, is constructed of 8 inch cement blocks. Its 700 square feet of unobstructed floor area was designed to provide for the maximum utilization of the Division's machinery and equipment and insure adequate space in which to conduct welding and burning classes. An adjacent corrugated steel shed provides adequate protection and storage area for the bulky raw material required during normal operations.

Work commenced during the early summer of 1966, with the demolition of the wooden shacks and the construction of a foundation and retaining wall. All of the materials required in the construction of the new building and all of the labor involved in its completion were supplied by the officers and men of the unit, at no cost to the Govenment. Funds for the purchase of material were donated by the Division as the need arose during the various stages of construction. Since the work aboard the De Long takes precedence, the construction of the new facilities took place on non-drill weekends, holidays and evenings.

At times the number of volunteers reporting for work on the building greatly exceeded the need for manpower. To alleviate this situation and give every one an opportunity to do some of the work, Mr. Calemmo, who actively supervised the project, formed volunteers into groups based on their naval and/or civilian specialties. As the construction progressed and various skills were needed, selected volunteers were called in to help. This "volunteer by appointment only" system expedited the completion of the work and reduced the number of unproductive hours arising as a result of having too many people trying to help out at one time.

There seems little doubt that the efforts of these Naval Reservists is in the finest tradition of the Naval Service and that these personnel are in the words of Winston Churchill truly "twice a citizen."

Recognition of the dedication of these men was made on Veterans' Day 1967, when Congressman Jonathan B. Bingham (D., Bronx) presented the Division with a set of colors which had previously flown over the United States Capitol. The flag is now flown with honor from a special flagpole in front of "the Shack."

PRESIDENT JOHNSON'S PRESS CONFERENCE—A MASTERPIECE OF EFFECTIVE PRESENTATION

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. MINISH] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. MINISH. Mr. Speaker, the President of the United States is being congratulated from near and far on the excellent press conference he held last Friday at the White House.

In a magnificent demonstration of active intelligence, sympathy and understanding, and knowledge of Government, the President gave a brief review of the policies of his 4-year administration.

Hearing the President explain the reasons why we are fighting in Vietnam; hearing him explain why we need flexible fiscal and monetary policies; and why we must continue the social programs which can transform this Nation, I thought aloud that this was the real Lyndon B. Johnson coming through.

How often we find that press and public criticism of the President has obscured his remarkable record of domestic accomplishments—from medicare to mental health; from highway safety to anticrime measures; from civil rights to consumer protection; from aid to education to aid to underdeveloped countries.

On Friday, he talked very frankly about America's commitment to the world.

He cited the improvements in trade we will obtain from the Kennedy round of tariff reductions.

He cited the outer space treaty, the work on the Alliance for Progress, and help for the new nations of Africa.

But most important, the President stressed, in simple words, the fact that we cannot run out on Vietnam when the going gets tough.

I agree with the President. The Vietnam war may be complicated. But the reasons we are there are simple—to fulfill our promise made under the SEATO treaty, and to hold high the international respect for the word of the United States.

Finally, I want to congratulate the President for the fighting spirit in which he held his press conference. It gave us all a new feeling of confidence. It gave us all a new spirit of support. And it gave the American people a picture of a determined and highly effective President.

CITIZENS FOREIGN AID COMMITTEE TO AID AMERICAN TAXPAYERS

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. RARICK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. RARICK. Mr. Speaker, the straightforward statement of Mr. Walter Harnischfeger, of Milwaukee, to the Senate Appropriations Committee on Foreign Aid on November 16 should prove of great interest to every American. I am therefore inserting it in the RECORD, as follows:

Statement of Walter Harnischfeger, Milwaukee, Wis., Honorary Chairman of the Citizens Foreign Aid Committee, Before the Senate Appropriations Committee, November 16, 1967

Mr. Chairman and members of the committee, my name is Walter Harnischfeger, I am Chairman of the Board, Harnischfeger Corporation, a heavy industry with headquarters in Milwuakee, Wisconsin. My company has been engaged in foreign trade for more than fifty years.

Over the past ten years I have appeared repeatedly before four of the Congressional Committees which consistently approve our huge international give-away program. I have stressed that this vast global redistribution of America's weath undermines our economy, our free institutions and our form of government.

ECONOMY VITAL

Once more, in the light of conditions existing in our incomparable land, I feel compelled to appeal to the Senate Appropriations Committee immediately to turn back to sound fiscal policies. Unless our present spending program is held down to our income, violent inflation will wipe out savings, workers' pensions, insurance, and other fixed incomes. Moreover, endowment funds which support our churches, hospitals, schools and other free institutions also will be wiped out. Our present heavy military burden makes strict economy in government, and especially in foreign aid, an imperative.

SCOPE OF FOREIGN AID

The President's Mutual Security program for fiscal 1968 contemplates $2.5 billion for economic aid and, excluding our war effort, $600 million for military assistance. But this is only a third of the proposed fiscal 1968 foreign aid handout. For example, in addition to his Mutual Security program, the President has requested 16 other foreign aid items which total more than $6 billion. Consequently, the President's foreign aid requests already total more than $9 billion, and he has promised additional aid measures.

This $9 billion figure does not include $1.4 billion previously carried as Mutual Security now carried in Defense appropriations. Nor does it include the $4 billion interest being paid on foreign aid money we have borrowed to give away.

As of June 30, 1967, unexpended foreign aid funds from prior years stood at $16 billion! Because of an estimated budgetary deficit of $29 billion for fiscal 1968, these unexpended funds should be deobligated, rescreened and used to reduce deficits. This use of unexpended foreign aid funds would eliminate the need for the President's new ten percent tax proposal.

Net foreign aid expenditures, 1946–1967 inclusive, including interest on the money we have borrowed to give away, total $152 billion! This amazing sum is the equivalent of 46 percent of the U.S. Public Debt. The time to bring foreign aid under strict congressional control is long overdue.

DANGEROUS MILITARY ASSISTANCE

Since World War II, our government has spent some $48 billion for military assistance to 79 countries. Grave dangers are inherent in such a give-away program.

During the past 15 years, 243,250 foreign officers and enlisted men have been given American military training. Upon returning home, some find their own governments corrupt and in the doldrums. With American weapons and training, a temptation arises among these trainees to take over their government. For example, military coups with U.S. weapons have taken place in Korea, Turkey, Cuba, Greece, Peru, Brazil, Argentina, and in several new African states.

None of the military assistance recipient countries, especially emerging countries, can afford to man and maintain the weapons we have imposed upon them. We have armed countries on opposing sides of international issues; we have armed traditional enemies; some have gone to war using our weapons. For example: India and Pakistan, Israel and Jordan, Malaysia and Indonesia.

On February 16, 1966, Secretary of State Rusk, at Las Vegas, gave as one of five reasons for our entry into the Vietnam War: "We are committed to assist South Vietnam to resist aggression . . . by the aid approved by bipartisan majorities in the Congress over a period of 12 years." Secretary Rusk's statement shocked Senator Fulbright.

The hot war in Vietnam has dragged on for six years. We must now win quickly and decisively; the essential step is to lift restrictions in the employment of sea and air power. In addition, we must induce our oriental allies to increase their effort in the ground war.

A year ago in Manila, President Johnson made an agreement with free Asian nations that, after North Vietnam "withdraws its forces to the north" and "ceases infiltration of South Vietnam," American forces will pull out within six months. Consequently, after victory, our oriental allies must remain strong enough and be willing to defend Saigon and pacify the provinces. Otherwise, the Communists again will infiltrate, and our huge sacrifice in blood and treasure will have been in vain.

That our leaders doubt the ability of our oriental allies to assume the responsibilities inherent in a post-war American pull out is reflected in statements of the Vice President and the Secretary of State. Both these officials recently have suggested the U.S. will remain in Southeast Asia after the fighting is terminated. If white imperialism is the Administration's decision, it is an ominous one fraught with great risk. Peace in the Orient should be an oriental responsibility.

There could be isolated instances in which it would be vital to our best interest to extend military assistance to a friendly foreign country. But, in *each* instance, Congressional approval should be required.

PERILS OF FOREIGN ECONOMIC AID

Foreign aid is principally responsible for our present perilous inflationary trend. The increase in money supply to produce goods to be given away accurately defines inflation. Inflation, excessive taxation, rising prices lead to increased wage demands, which in turn lead to labor and costly strikes; while rising cost of living aggravates the situation. The inflation is affecting prices of all goods and services, and consequently the overall cost of living, and this has been a major cause of recent civil disturbances. Our fiscal 1968 budget may reach a $30 billion deficit to be paid in printed money which, in turn, is depreciated in direct proportion to the total printed. Since foreign aid is mostly a government-to-government operation, the trend is socialistic rather than one toward free enterprise.

These evils are inherent in the foreign aid program; they will continue so long as the program is allowed to continue.

A study of our loose global foreign aid fiscal policy reveals it is undermining the system of free markets which is the bedrock of Western economic progress. While foreign aid funds are being used to socialize and in instances to communize recipient countries, private capital is being driven out.

In December 1962, Business Week magazine reported the flight of liquid assets from Latin America had risen from 5 to 15 billion dollars. This enormous hemorrhage of funds not only offset the projected increase in gross national product but also absorbed Alliance for Progress and other foreign aid funds.

In a recent Chicago Tribune news item Senator Dirksen reported some 17 billion Latin American dollars were invested in foreign lands. This out flow of dollars took place mostly before the present Latin mania to buy fighter aircraft for which there is no need and which the population can neither afford nor maintain.

Consequently, our unwise give-away not only bleeds American tax payers and accelerates imbalance of trade and loss of gold but it undermines free enterprise and fosters socialism and communism. It is obvious most foreign aid funds are not reaching the needy.

During 1966, we gave foreign aid to more than 100 countries. Among them were Poland and Yugoslavia, both avowedly communist. In addition, we gave aid to communistically oriented Bolivia, Chile, Egypt, Iraq, and Syria.

Our reckless give-away program finances foreign government owned or sponsored steel and textile mills and cement plants. These industries, with U.S. AID funds, subsidize foreign products so as to compete effectively with products of our own domestic industry. This competition reduces our export capacity and increases our balance of payments deficits. Indeed, when aid financed exports are excluded and the value of imports are restated in Cost-Insurance-Freight (CIF) values, our vaunted export surplus is largely a myth.

Many underdeveloped countries, recipients of our loose give-away program, have substantial and valuable resources. Instead of our customary government give-away programs, private capital should be permitted to develop these resources. Under private enterprise development, properly protected from seizure, unjust taxes or other discriminating measures, developing countries could repay loans with interest and at the same time make a profit.

Taxpayers' funds, via foreign aid, frequently flow into measures adverse to our best interests. For example, a proposal is now pending to "lend" $50 million to the Italian Fiat automobile company to set up an auto plant in Russia. Implementation of this proposal would adversely affect the U.S. automobile industry and improve Russia's war potential. Of course, the loan would never be repaid and the measure should be defeated.

Every effort of our government should be directed toward replacing foreign aid by private capital. Government restrictions should be lifted; but our government should protect private investment from unjust practices by loan recipients.

There are instances where people living in underdeveloped areas are perfectly happy and want to continue living in primitive conditions. Sometimes we have created unrest by trying to impose high standards of living against their will; this we should avoid.

THE FLIGHT OF GOLD

Largely because of our foreign aid gifts and loans, in foreign hands today are 31 billion dollars worth of credits redeemable in gold. Since foreign aid began, our gold stock has dropped from a high of $24.6 billion in 1949 to the present level of $13.0 billion. Of this amount, less than $3 billion in free (unobligated) gold remains to meet a potential foreign call of $31 billion. The run on gold and continuous annual deficits in our balance of payments undermine confidence in the dollar and in the U.S. economy.

On the value of gold cover for paper money, I quote from *Investment Bulletin* (American Institute for Economic Research, Great Barrington, Mass.; July 3), pp. 53–54:

"At the recently concluded Paris meeting of the Group of 10 and the IMF Executive Committee, the U.S. representatives were confronted with nearly unanimous opposition to their cherished hope for establishing an engine of worldwide inflation to print paper 'gold.'

"Failure of that scheme was significant

implications. The United States will not have the opportunity to repay foreign obligations painlessly with a supernational printing press currency. Perhaps realization of that fact prompted Chairman Martin of the Federal Reserve Board last week to urge Congress to make all remaining U.S. gold available for sale to foreigners. Also, continued deficit spending by the Federal Government both domestically and internationally will involve a greatly increased threat of a 'run' on the U.S. gold reserve such as the 'run' on silver early in May.

"As we have stated repeatedly in these bulletins during the past several years, there is no substitute for gold. Attempts to circumvent the discipline that it imposes are doomed to failure. Such is the lesson of 5,000 years of monetary history. By this persistent refusal to accept that verdict, the New Economists who have undertaken to manage the financial affairs of the Nation soon may be forced either to discard their deficit spending programs or to devalue the dollar in the desperate hope that by so doing they may be able to continue those programs for a little longer."

Treasury Secretary Fowler hailed the findings of the recent International Monetary Fund (IMF) conference in Rio de Janeiro as having liberated paper money from gold cover. Each of the 107 member countries was given special drawing rights (SDR) on the IMF. These rights, paper claims on the IMF, are to be considered and accepted globally as good as gold.

The fly in the ointment, however, lies in the rule that 85 percent of the IMF membership must okay drawings. Moreover, drawing rights cannot be used to cover balance of payments deficits.

Soon Congress will be asked to eliminate gold cover on Federal Reserve notes. This proposal must be killed promptly. Otherwise, foreigners will soon own all the gold and we shall be left with printed paper dollars.

It is of utmost importance, therefore, to take drastic steps to balance our international payments, stop the flight of gold and retain gold-backed currency. These measures are essential to maintain a sound trading position in the free world and prevent inflation, social and economic chaos.

CONCLUSIONS

1. Excessive foreign economic aid and military assistance have caused us to neglect our own defense. We are short in modern fighter aircraft, including inter-continental bombers We have no armed space craft, no defense against strikes from space, and no anti-missile defense.

2. Military assistance, armed intervention and foreign alliances should be undertaken only with congressional approval.

3. To improve our trade balance, foreign and domestic restrictions should be lifted on foreign investment of our private capital.

4. American citizens, the same as foreigners, should be permitted to own gold in order to maintain their own solvency with sound money.

5. Inflation, which debases our currency, is the greatest threat to our survival as a free society and can only be brought under control by stopping the giveaway program.

6. I urge the Congress to make no further foreign aid appropriations for fiscal 1968.

BRITAIN'S MONETARY FAILURE SOLVED BY THE UNITED STATES

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Louisiana [Mr. RARICK] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. RARICK. Mr. Speaker, the British Government asks for our aid and we should help. Why not assign to Britain for collection $1 billion of the war debt France owes the United States. The English are good debt collectors and France has plenty of gold—too much of ours. Who knows, it might serve as an effective vehicle to get England past De Gaulle into the European Common Market.

The Socialist destruction of the British pound can be written off as the failure in an experiment in international monetary stability, or it can be explained as the created crisis to initiate the one-world dollar.

While our U.S. leaders raise interest rates against the Federal Reserve, nevertheless our gold reserves remain unchecked, that is, there is no embargo against foreign withdrawal. Why? Americans cannot possess gold. A world crisis in devaluation exists. Why should our leaders permit continued loss of our gold reserves against a deficit in world exchange?

Gold continues for sale to foreigners at $35 per ounce. Speculators and investors are not interested in Warburg paper money, they want gold. Are we soon to become an affluent society of bankrupts?

Mr. Speaker, many detailed accounts of the Socialist bankruptcy of the Western civilization have appeared in the New York Times and Washington, D.C., Evening Star for November 20. I insert these accounts in the RECORD for reference by our colleagues, as follows:

[From the New York Times, Nov. 20, 1967]

FEDERAL RESERVE RATE UP—SIX IN COMMON MARKET MOVE TO BACK A LOAN TO BRITAIN—PARIS JOINS IMF MOVE—MAY SHUN 10-NATION PLAN

(By Henry Tanner)

PARIS, November 19.—France and the five other Common Market countries agreed tonight to contribute to the $1.4-billion loan that Britain is seeking from the International Monetary Fund.

The decision was announced at the end of a two-and-a-half-hour night meeting held by the Finance Ministers of the European Economic Community in the offices of Michel Debré, the French Minister of Economy and Finance.

The Ministers who were accompanied by the governors of the six central banks, were reliably reported to have advised one another of the contributions that each country intended to make to the loan.

Franz Jozef Strauss, the German Finance Minister, told reporters that his Government's contribution would be $200 million. The other delegates did not announce the amounts they intended to make available.

Mr. Debré, who was the chairman of the meeting, declared at a news conference later that the discussion was limited to the $1.4-billion loan from the I.M.F. and did not touch on the $1.6-billion that Britain expects to receive from the central banks of Western nations.

France, according to British reports, has given no indication so far that she would be willing to participate in this second loan. Mr. Debré, answering a reporter's question, said only that the French central bank had received no request from Britain on this loan.

French officials from President de Gaulle down are known to feel that the British devaluation can be effective only if it is followed by the most drastic austerity measures with respect to imports and domestic consumption.

All support exchanges on allied support for the pound last week the French were insisting, first, on a British pledge that such measures would be taken

Secondly, the French have been saying that the loan to Britain should be channeled through I.M.F., thus permitting a measure of international control that would not be possible if the creditors were individual countries.

The French insistence on stringent guarantees is believed to be one of the principal reasons that impelled Britain to decide on devaluation.

Informed observers here predicted that the French would continue to urge their partners in the Common Market to insist on strong British guarantees before giving final authorization to their central banks to contribute to the $1.6-billion loan outside the international Monetary Fund.

Financial experts of the Group of Ten, whose members are the West's leading industrial nations, will meet here next Tuesday and Wednesday to discuss this second loan.

Mr. Debré also made it clear that French opposition to British entry into the Common Market had in no way weakened.

In response to a question, he said that the problems posed by the British candidacy remained unchanged. This was an allusion to the fact that the status of the pound as a reserve currency has not been affected by devaluation. The French insist that the pound cease to be a reserve currency before Britain can enter.

BRITISH CALLED COURAGEOUS

A communiqué issued by the ministers at the end of the meeting expressed the appreciation of the six Governments for "the courageous decisions that have been taken by the British Government."

The six nations intend "to contribute to the success of the British measure," it said.

It added, however, that the British decision "imposed an increased vigilance" on the members of the Common Market in the conduct of their economic policies. This clearly was an allusion to the fact that Britain will now be a stronger competitor for Continental manufacturers in the world markets.

The communiqué said that the decision of the Six to leave their own exchange rates unchanged was "a measure of their determination to make a positive contribution to international monetary cooperation."

The gains that Britain made by devaluing the pound would have been wiped out if several or all of the highly industrialized Wetsern European countries had followed suit.

In his news conference, Mr. Debré praised the British step as "a courageous and difficult," but probably unavoidable decision.

The Finance Ministers of the Six and their experts will go to Brussels tomorrow morning to join their Foreign Ministers in a regular ministerial meeting of the Common Market.

The fact that they traveled to Paris for an extraordinary night session under Mr. Debrés chairmanship is regarded by French officials as further evidence of the strong role that the French Government has been playing throughout the crisis of the pound.

[From the New York Times, Nov. 20, 1967]

WILSON IMPLORES BRITONS TO HELP AID THE ECONOMY

(By Anthony Lewis)

LONDON, November 19.—Prime Minister Wilson called on the British people tonight to respond to the devaluation of the pound by working harder and less selfishly for their country's good. "We must take with both hands the opportunity now presented to us," he said.

"Any who fail through laziness or self-seeking, any who frustrate the work of others by unofficial strikes, will imperil the right of all our people to work, the right to work not only for ourselves but for the nation," he asserted. "This is a proud nation. We're on our own now. It means putting Britain first."

SPEAKS ON TELEVISION

Mr. Wilson spoke on television from 10 Downing Street. It was his first appearance since the announcement last night of a decision to lower the value of the pound from $2.80 to $2.40.

The 14.3 per cent devaluation, the first since 1949, is designed to reduce the cost of British goods exported to other countries and to raise the price of imports in an attempt to improve Britain's trade picture. The step was also taken to end uncertainty in financial circles over the position of sterling and to head off any new economic crisis for Britain.

On television, Mr. Wilson was as bland as usual in manner and appearance. He showed no sign of uneasiness or remorse at the fact that the central pillar of his Government's policy—defense of the pound—had just collapsed.

That the Labor Government will have no easy time inspiring fresh sacrifice by Britons after the sharp disappointments of the last three years was made clear this morning on the London docks—if anyone doubted it.

The dockers, who have been on a wildcat strike for weeks, holding up urgently needed exports and damaging the country's international balance of payments, refused even to vote on a proposal to return to work. They shouted down their union leaders.

SHOW OF UNITY GIVEN

Politically, Mr. Wilson's Cabinet presented a show of unity. It was said by Government sources that no resignations had been asked or offered.

But the first signs of the inevitable political storm appeared. Edward Heath, the Conservative leader, issued a savage statement saying, among other things:

"In three years, the Socialist Government has reduced Britain from a prosperous nation to an international pauper. Mr. Wilson himself bears the responsibility, for he has taken personal charge of the conduct of the economy."

Other Conservatives called more directly for Mr. Wilson's resignation and for a new general election.

DEBATE IS EXPECTED

The only way Mr. Wilson could be forced out is by a revolt in his own party's ranks. The mood there will be tested tomorrow, when the Chancellor of the Exchequer, James Callaghan, appears to make a statement in the House of Commons. A full-scale debate on the economic crisis will probably follow on Tuesday and Wednesday.

Tonight Queen Elizabeth II took the first formal legislative step following the devaluation. In a Privy Council session at Windsor Castle. she signed a Government proclamation declaring the banks and exchanges closed tomorrow.

The first dealings in the pound at the new rate occurred at the London Airport, where banks keep their exchange counters open on Sundays. The clerks were giving a pound for $2.38.

The $2.38 level apparently reflected the usual bank commission and perhaps an interim idea of the likely new working level for the pound.

READY WITH SUPPORT

If there is speculation against the pound, the Bank of England will be ready to support it with the help of fresh credits from central banks of $1.6-billion. A loan of $1.4-billion is also expected shortly from the International Monetary Fund.

Prices of imported products and those made with imports began going up immediately today.

Bakers warned that they would have to raise prices soon because much of their wheat is imported. The major oil companies predicted a rise in gasoline prices, and iron-ore costs went up for the British steel industry.

One of the major questions in the wake of devaluation is whether the demand for wage increases to compensate for rising prices can be braked. Mr. Wilson had nothing to say tonight on how that could be done, simply warning against "excessive wage demands."

According to Government sources, the idea of a new wage freeze through legislation was rejected by Mr. Wilson and the Cabinet because it was not considered politicially possible. One source said it would not have been tolerated.

RESENTMENT IS SEEN

After the financial crisis of July, 1966, wages were frozen for six months. But bitter resentment against such a statutory lid is evident in trade unions and the ranks of the Labor Party, and it would be an uphill job to get the Labor majority in the Parliament to pass such a statute again.

Instead, the Government will rely for the moment on a voluntary system carried on by the parent labor organization here, the Trades Union Congress. The Government's Prices and Income Board also has the power to examine and report on proposed wage settlements and to delay them while it does.

The Labor Party's left wing will be uneasy, at best, over the slash in the real income of working people that devaluation means.

CUT IN DEFENSE SPENDING

The Government's promise to cut defense spending by £100-million a year—a significant cut of about 5 per cent—could help mollify the left wing.

Official sources said today that the reductions in defense outlays would be made by trimming here and there, not by eliminating entire programs. But there could well be renewed demands for cancellation of the contract to buy 50 American F–111 attack planes.

In his speech tonight, Mr. Wilson said it was not the time to "attribute blame" for the economic crisis "to the policies of the last [conservative] Government or this Government, to unofficial strikers, to the maneuvering of speculators at home and abroad."

But he did seem, by implication, to suggest critically that foreign bankers would have demanded improper restraints on British national policy if the Government had asked for more loans without devaluing. Such a course was an alternative possibility last week.

Britain could have ridden the crisis out through more borrowing, the Prime Minister said, "but it would have been irresponsible to go on dealing with these successive waves of speculation by borrowing for short periods."

ROOT CAUSE STRESSED

"Failure to attack the root cause," he continued, "would have meant trying to borrow—this time, in conditions in which our creditors abroad might well insist on guarantees about this or that aspect of our national policies."

Bankers in the City, London's financial district, denied Friday that the heavy selling of sterling was being done by speculators. Their orders, they said, came from businessmen and others simply trying to protect their positions as confidence was crumbling.

Mr. Wilson repeatedly suggested that "speculators" were the cause of Britain's troubles, despite having said that he would not fix the blame. He gave no indication that his own policies might have been at fault.

For three years, he said, the Labor Government fought to overcome Britain's trading deficit. He said. "No one could doubt, at home and abroad, our determination to win through nor the heavy price we have paid."

But there was never enough margin to meet the change and chance of world events, he added.

"Above all, we had to face this," he said. "Exports, even our increasing exports, could not earn enough to meet the successive waves of speculation against sterling."

Informed observers pointed out that Britain's export-import record, after a favorable showing, began turning sour in the second quarter of this year—before the closing of the Suez Canal and the dock strikes that Mr. Wilson cited as crippling factors.

CONFIDENCE ERODED

It was this new financial slippage that ate away at confidence, the observers agreed, not "speculators." A particular reason was the growing prospect of a large deficit in international payments for 1967 instead of the surplus that Mr. Callaghan had repeatedly promised.

The Prime Minister said time had been needed to modernize British industry and to reduce the country's defense commitments overseas, which have imposed a heavy cost in foreign exchange. "That time was denied us," he said.

He sought to present devaluation, for all its servere consequences to the average man in higher costs and reduced living standards, as an opportunity to Britain.

"We have the chance now," he said, "to break out from the straitjacket of these past years."

TO STUDY RENT RISES

As a gesture to his left wing, the Prime Minister announced a step to prevent too costly rent increases in public housing. Local governments are in charge of these housing developments, which represent a large part of urban housing here, and some have ordered steep increases.

From now on, the Prime Minister said, certain rent increase proposals will be referred to the Prices and Incomes Board for study. He said some had been "exceptionally steep and provocative"—presumably a reference to actions by Conservative-controlled councils.

Government sources denied that the new economic restraints announced last night, along with devaluation would lead to further deflation and unemployment. The steps include higher taxes and interest rates and cuts in Government expenditures.

[From the New York Times, Nov. 20, 1967]

Dollar Defended—Rise to 4.5 Percent Follows Bank of England Step—Canada Also Acts

(By H. Erich Heinemann)

The United States increased its official lending rate yesterday to 4½ per cent from 4 per cent in a move designed to protect the dollar in the wake of Britain's financial crisis.

The increase was in the discount rate—the interest rate at which the Federal Reserve System, the nation's central bank, lends to its member commercial banks. It is one of the basic interest rates in the country's economy.

The increase is expected to raise the cost of borrowing money throughout the country, especially if, as many bankers expect, the Federal Reserve now moves to tighten somewhat the essentially easy money policy that it has been following so far this year.

In some cases, interest rates in the United States are already at their highest levels since the Civil War.

RISE IN LOAN COSTS SEEN

The basic cost of loans to business, now 5½ per cent, is expected to rise, although probably not right away, since business-loan demand has been sluggish lately.

Interest rates on home mortgages, which

now average 6½ per cent, are also expected to move up. However, interest rates on other consumer loans—for automobiles, appliances, vacations or what have you—may be more sluggish, if only for the reason that many of them are already pressing against legal ceilings.

In Ottawa, the Bank of Canada raised its basic lending rate to 6 per cent from 5 per cent, also as a defensive move, following Britain's devaluation of the pound and the increase in her bank rate to 8 per cent from 6½.

Federal Reserve officials were frankly uncertain yesterday about what would happen when financial markets opened for business this morning.

AMPLE CREDIT STRESSED

The Federal Reserve stressed that it had ample credit available for any individual banks that might be subject to unusual withdrawals. "Borrowing by member banks [from the Federal Reserve] for purposes of making adjustments to market pressures is an appropriate use of the discount mechanism," it said.

"But officials were clearly braced for the possibility that investors throughout the world would decide that the safest form of investment—since the pound had been devalued by 14.3 per cent, to $2.40 from $2.80—would now be in securities denominated in sterling.

It was also suggested that the 8 per cent lending rate set by the Bank of England would lead to some "very attractive" interest rates in London.

Combined, these two factors could lead to a substantial outflow of dollars from the United States, bankers suggested yesterday.

In a formal statement, the Federal Reserve noted that it had acted "to assure the continued orderly functioning of United States financial markets and to maintain the availability of reserves on the banking system on terms and conditions that will foster sustainable economic growth at home and a sound international position for the dollar."

Bankers interpreted this statement, which in part simply reaffirmed long-standing policy objectives of the Federal Reserve, in several ways:

If any unusual outflows of funds should develop in the next few days, the Federal Reserve would move swiftly to offset such losses by pumping new funds into the economy.

In the long term, if dollars should continue to flow abroad, the Federal Reserve would move to restrict the availability of funds, which would force short-term interest rates upward and would serve as a counter to the magnet of the 8 per cent bank rate in London.

The financial turmoil touched off by the British devaluation may have served to resolve the current debate within the Federal Reserve System over monetary policy in favor of slightly tighter money, resigned to moderate inflationary pressures that many observers believe are already starting to get out of hand.

Technically, the Federal Reserve's action—which was actually taken on Saturday night, but was not announced until 2 P.M. yesterday—came in the form of unanimous approval by the seven-man Federal Reserve Board of requests by 10 of the 12 regional Federal Reserve Banks to increase their discount rates, effective this morning.

ANNOUNCEMENT DELAYED

Several of the regional banks had requested an increase on Saturday, but the board elected to delay its announcements so that more banks could join, inducing the Federal Reserve Bank of New York, which is the largest of the 12.

As of last night, only the Federal Reserve Banks of Philadelphia and St. Louis had not acted, and they were expected to join in the increase shortly.

The Federal Reserve Banks that did act yesterday, in addition to New York, were those in Atlanta, Boston, Chicago, Cleveland, Dallas, Kansas City, Minneapolis, Richmond and San Francisco.

The discount rate had been at 4 per cent since April 7, when it was reduced from 4.5 per cent, in a move that was made to bring it into line with sharp drops that had already occurred in interest rates in the open market.

Since that time interest rates have reversed their course and have climbed sharply, particularly on long-term loans, as corporations have borrowed in record amounts to rebuild holdings of cash and short-term securities that were depleted in last year's money squeeze.

Prior to last April, the last change in the discount rate had been on Dec. 6, 1965. In a change also announced on a Sunday afternoon, the rate was raised to 4.5 per cent from 4 per cent.

This action, which was taken to head off developing inflationary pressures in the economy, signaled the beginning of what was probably the tightest money squeeze in the history of the Federal Reserve System, sending interest rates to their highest levels in 10 years.

RECIPROCAL RIGHTS

In its statement the Federal Reserve made no mention of any moves that might be pending in the form of further support for the devalued pound.

But indications were that an announcement would be forthcoming fairly soon, almost certainly including an increase in the reciprocal currency arrangement, or "swap" line, that the Federal Reserve has with the Bank of England.

Under such arrangements, the Federal Reserve has reciprocal borrowing rights with its overseas partner. It can borrow pounds, and the Bank of England can borrow an equivalent amount of dollars.

At present, the United States swap line with the Bank of England is $1.35-billion, out of a total of such lines of credit outstanding of more than $5-billion.

No figures have yet been published, but it is assumed that the Bank of England largely exhausted its available borrowing facilities in trying to support the pound last week.

On the domestic front, the increase in the discount rate appeared to leave the debate over the need for a tax increase to head off inflation about where it had been: mired in political differences between the White House and Capitol Hill.

Federal Reserve officials took the view yesterday that, if anything, the need for a tax increase was now greater than ever before, because British exporters would now be able to cut their prices in world markets. This would subject American exports to stiffer competition, especially if costs and prices in the United States continued to rise.

At the same time, the implication was that the Federal Reserve would move gradually to lessen the rate of growth in the nation's money supply—which has been exceptionally high this year.

This would help in holding down inflationary pressures, which could hurt American exports and thus also mar the United States balance of payments and the international position of the dollar.

The United States monetary gold stock is currently just under $13 billion, the lowest level since May, 1938. Should a shortfall in United States exports lead to a worsening of the deficit in the country's international balance of payments, this could result in further reductions in the gold stock.

[From the New York Times, Nov. 20, 1967]

Canada Raises Rate

Toronto, November 19.—Canada moved today to protect herself from any possible financial backlash resulting from the week-end devaluation of the British pound.

The Bank of Canada, the country's central bank, raised its interest rate to 6 per cent from 5 per cent in a defensive adjustment to increases in official interest rates in the United States and Britain. The object was to avert any heavy shift of funds from Canada to other markets in search of a higher return.

At the same time Louis Rasminsky, governor of the Bank of Canada, reassured the country that the move toward increased interest rates did not necessarily mean that the availability of credit would diminish.

[From the New York Times, Nov. 20, 1967]

Spain Devalues Peseta By 16.6 Percent—Six Other Currencies Also Cut in Wake of British Action—Many Nations Hold Line

(By Albert L. Kraus)

Spain devalued her currency by 16.6 per cent last night at the end of a week-end of reaction throughout the world to the British devaluation of the pound.

Six other currencies—those of Israel, Hong Kong, Fiji, Bermuda, Ireland and Denmark—were devalued. Norway, Finland and South Africa were among a long list of countries that said they would maintain the value of their currencies.

Spain's decision was announced at a Cabinet meeting called by Generalissimo Franco, the Spanish chief of state. A statement said the move was required to offset the "sure impact" of the British devaluation on Spanish trade and its balance of payments.

Spain has been suffering from inflation, an industrial recession and a leveling of receipts from tourism, the biggest contributor to her international payments. Some sources interpreted the British devaluation as a convenient opportunity for Spain to take action that she might have had to take in any case. The Spanish devaluation puts the peseta at a value of 70 to the dollar, compared with 60 to the dollar previously.

Other effects of the British devaluation have been widespread.

Several oil-producing Arab countries, which have been receiving oil royalties in sterling, stand to suffer big losses because of the British action. So does Japan, which has lent funds to India and Pakistan repayable in sterling.

The ability of Nigeria to continue the civil war against rebellious Eastern tribesmen seems certain to be affected by the loss of 15 per cent of her dwindling foreign exchange reserves. Britain's sanctions against Rhodesia and her ban on arms sales to South Africa may become other casualties.

The devaluations by Israel, Hong Kong, Bermuda and Ireland devaluations were in line with that of the British pound. Denmark's devaluation amounted to 7.9 per cent.

The Norwegian and Finnish actions had been the subject of special interest. Scandinavian countries depend on Britain for much of their trade, but Sweden had indicated earlier that she would not devalue and Finland already had devalued its currency by 31¼ per cent on October 11.

SOUTH AFRICA WON'T DEVALUE

A surprise was South Africa's announcement that she would not devalue. Most foreign exchange sources had expected that South Africa, the world's biggest supplier of gold and a major exporter of food to Britain, would devalue the rand, although possibly not by the full 14.3 per cent that the pound had been devalued.

Devaluation would have increased problems for the South African Government, already battling to keep inflationary threats in check. But the rise in the price of gold, in terms of the rand, would have given an impetus to some marginal mines, in addition to exports of farm products and other goods.

John Vorster, the South African Prime Minister, used the British devaluation as an opportunity to issue a warning to the Wilson Government. Sanctions against Rhodesia and the prohibition on arms sales to South Africa, he said, are two luxuries Britain can no longer afford.

In Australia, an emergency meeting of the Cabinet was scheduled today. William Morrow, treasurer, hinted strongly that there would be no devaluation. He said it was widely accepted among leading countries that if the devaluation of the pound was to have the desired effects on the British economy, it should not be followed by changes in the exchange rates of other countries that had an important place in international trade and payments.

INDIA TO HOLD FIRM

In India, a spokesman for the Finance Ministry said no devaluation of the rupee was planned. The rupee, which was devalued in June, 1966, is no longer closely tied to the pound, as it was in 1949, when the pound was last devalued. The spokesman expressed concern, however, at possible action by Ceylon and Pakistan, India's two chief competitors in the export trade.

A Government source in Ceylon said the currency probably would be devalued to match the British reduction. Pakistan ordered emergency measures but gave no indication of what she might do.

Kenya said she would have to consult with her partners in the East African Community, Tanzania and Uganda, before taking action. Tanzania said there was no need for her to devalue in her trade position, but she did not say what she would do.

In the Arab world, Kuwait said she would not devalue the dinar despite the fact that the country, a major oil producer, holds £450-million in sterling. Jordan, on the other hand, was thought a possible candidate for devaluation. Her leading economic and financial officials are meeting today. Iraq, like other Arab oil nations, stands to suffer large losses because oil royalties were paid in sterling. Her holdings amount to £150-million.

Japan's prospective loss in trade with Britain, which reached a record level this year, will not be felt immediately. Numerous trading companies, anticipating devaluation, had made forward exchange contracts in sterling.

[From the Washington (D.C.) Evening Star, Nov. 20, 1967]

POUND CUT SHOCK WAVE HITS UNITED STATES—CHICAGO BANK BOOSTS RATE—STOCKS DROP—MANY BOUNCE BACK—BONDS ALSO DOWN IN MARKET JITTERS

(By Lee M. Cohn)

A leading bank increased its basic lending rate today—foreshadowing escalation of credit costs throughout the economy—as financial markets reacted sharply to Britain's devaluation of the pound and a rise in the U.S. discount rate.

Continental Illinois National Bank & Trust Co., the eighth biggest bank in the nation, raised its prime rate from 5½ to 6 percent, and some other banks were expected to follow suit.

The prime rate is the interest charged by banks on loans to their biggest customers with the best credit ratings. Other bank lending rates are scaled up from this minimum.

Prices on U.S. stock and bond markets dropped in a nervous response to the international financial crisis created by Britain's devaluation of the pound from $2.80 to $2.40 Saturday night.

DISCOUNT RATE AT 4½ PERCENT

The Federal Reserve Board, in a move aimed at protecting the dollar from repercussions of Britain's devaluation, announced yesterday that it had approved an increase in the discount rate from 4 to 4½ percent, effective today.

The discount rate is the interest charged by the "Fed" on loans to commercial banks. It greatly influences the whole structure of interest rates.

Jitters infected the New York Stock Exchange, where prices declined sharply in early trading, then recovered most of the losses. The Dow Jones industrial average was down 14.50 points, or 1.68 percent, at 11 a.m., but trimmed the loss to 4.33 points by the close of trading. About 12,750,000 shares were traded.

Some leading stock brokers had warned investors against emotional selling. They recalled that stock prices here declined in early trading after Britain's devaluation in 1949, but recovered later the same day.

LITTLE BOND TRADING

New York dealers slashed prices of Treasury and corporate bonds—raising their effective interest rates, or yields, to record heights—but reported there was little trading and no sign of panic.

The Fed helped maintain relative calm by offering to buy large amounts of government bonds and bills in its open market operations.

The dollar was strong in trading on European continental markets.

Testing of the pound at its new par value was delayed. British markets were closed today, and Dow Jones reported there were no offers on pounds in New York this morning. Dealers said they were awaiting establishment of a trading rate by the Bank of England.

William H. Moore, chairman of Bankers Trust Co. of New York, said the prime rate increase announced by Continental Illinois was "premature."

Moore said banks still are "fairly liquid"—not strapped for funds—and have not been borrowing heavily from the Fed.

TREND NOT YET CLEAR

It is not yet clear, Moore said, that the Fed's discount rate action signals a significant tightening of bank reserves.

Moore added that financial markets will take days to adjust to new conditions and establish a new level of rates—which will influence bank lending rates.

Furthermore, some bankers may be reluctant to raise the prime rate because business loan demand has been sluggish. Corporations have been relying more on bond issues than bank loans to raise funds.

Officials at the Fed and the Treasury braced themselves to cope with the possibility of disorderly conditions as the markets reopened after the weekend of monetary fireworks.

To calm the nervous money men, the Fed coupled its announcement of the discount rate increase with a statement that it "had taken actions to assure the continued orderly functioning of U.S. financial markets (and) pledged to do its full share in maintaining the soundness of the dollar, both domestically and internationally."

LOAN WINDOW OPEN

More specifically, the Fed "affirmed that borrowing by member banks for purposes of making adjustments to market pressures is an appropriate use of the discount mechanism."

Translating, a Fed source said this meant "the discount window is open" to make loans to banks, if necessary, to compensate for losses of deposits.

Other sources emphasized that the Fed is prepared to operate on a big scale in foreign exchange markets to counter any run on the dollar and protect its value.

Treasury Secretary Henry H. Fowler, also trying to cope with financial jitters, issued a statement last night declaring that events in the 24 hours after Britain's devaluation had "demonstrated the strength of the international monetary arrangements and the spirit of monetary cooperation."

The Fed voted unanimously to raise the discount rate at an emergency meeting Saturday night, and announced the action yesterday.

AT 10 OF 12 BANKS

It approved the increase to 4½ percent at 10 of the 12 regional Federal Reserve Banks. The Philadelphia and St. Louis banks are expected to fall in line with the other 10 very soon.

The discount rate was raised "in the light of" Britain's devaluation, the Fed said.

A source at the Fed called the action "a modest precautionary step" to safeguard the dollar in the turmoil that could follow devaluation.

In addition to devaluation, Britain raised its discount rate from 6½ to 8 percent, which is expected to raise the British interest rate structure.

If confidence in the pound is restored, higher British rates could lead to heavy flows of money from the United States to London. The rise in the U.S. discount rate can narrow the rate differential, stemming such outflows.

But Fed sources emphasized that the discount rate was raised for much broader reasons. They said the Fed acted to demonstrate its determination to take whatever action is needed to keep the dollar sound.

WOULD PROVIDE SYMBOL

More important than interest differentials is the value of the discount rate boost as a symbol, they indicated.

Money flows are influenced by confidence in the dollar and judgments about financial stability in the United States, not just by interest rates, they said.

It was not clear whether the Fed intends to tighten supplies of credit as well as raise interest rates. The Fed can tighten credit by selling government securities on the market, a process that has the effect of curtailing bank reserves and thus limiting the banks' capacity to make loans.

In their formal statement, the money managers said they will "maintain the availability of reserves to the banking system on terms and conditions that will foster sustainable economic growth at home and a sound international position for the dollar."

Depending on the Fed's judgment, this is broad enough to cover a tightening of credit or maintenance of the previous degree of ease.

The Fed has been considering a shift to tighter credit to fight inflation, especially since Congress has balked at enacting anti-inflationary tax increases.

But the money managers have been reluctant to tighten, mainly because they feared such a shift would disrupt the economy by sharply raising interest rates—some of which have already soared to the highest levels in almost 100 years.

Despite the risks, Fed sources indicated that the money managers may be moving toward tighter credit policies.

They said it is impossible to separate domestic economic considerations from the essential task of safeguarding the dollar internationally.

But in the crucial days immediately ahead, the Fed indicated it is prepared to ease credit selectively if that becomes necessary to prevent disorder in financial markets.

In addition, the Fed is prepared to buy government bonds and other securities in massive amounts if nervous investors dump them in quantities too large for the markets to absorb.

Internationally, the Fed is ready to buy dollars with its reserves of foreign currencies—and with borrowed currencies—if heavy sales threaten to reduce the dollar's value.

Some types of short-term money market rates were expected to rise about a half percentage point, in keeping with the discount rate increase.

Rates on longer-term securities also were expected to rise, but they are not linked so directly to the discount rate, so their pattern will be determined mainly by financial confidence and by the fundamental supply and demand for long-term credit.

Higher interest rates in the market may divert deposits from savings banks and savings and loan associations, curtailing their ability to make mortgage loans and raising mortgage interest rates.

[From the New York Times, Nov. 20, 1967]

DEVALUATION STEP ENDS LONG EFFORT—REFORM AND MASSIVE LOANS FAILED TO CURE MALADY

(By John M. Lee)

LONDON, November 19.—The dramatic devaluation of the pound concluded a three-year struggle by the Labor Party Government to avert such a step by domestic economic reforms and massive international borrowing.

Government sources denied today that the British finally were stampeded into the move by the extraordinary selling of pounds in the foreign-exchange markets last week.

They maintained that the decision to devalue was made by James Callaghan, the Chancellor of the Exchequer, two weeks ago after he had concluded that it was impossible for Britain to go on.

RESERVES USED FOR SUPPORT

His decision came amid a worsening payments deficit, despite attempted solutions, and amid persistent selling of sterling.

Its rate had been forced down from just a little more than its nominal value of $2.80 in April to the effective floor of $2.7825 in mid-October. Millions in British currency reserves were being spent to buy pounds so as to maintain the rate of sterling under international agreement.

Some persons, however, are taking the view that the Government performed ineptly during the mounting crisis and actually intensified the situation. Certainly the tremendous run on the pound last Friday cost Britain hundreds of millions of dollars in support.

TRADE POSITION A BIG FACTOR

The crisis was, of course, rooted in the continuing excess of imports over exports and in the vulnerable position of the pound as an international currency. There were also external factors, such as the closing of the Suez Canal during the Arab-Israeli war, the slackening in world trade and the high interest rates in the United States, which attracted sterling.

But there were also several steps by Government officials over the last few weeks that some observers regard as major mistakes in the handling of the problem.

The Bank of England, confronted with an alarming third-quarter outflow of almost $1.2 billion in sterling to the United States, chose to raise the bank rate, and British interest rates, twice in three weeks by one-half a point each time. Both changes were regarded by the market as "too little and too late."

The timidity lay in a reluctance to stifle domestic economic recovery, which was just gathering force after a Government-induced recession to improve the trade position.

In foreign-exchange trading on Nov. 3, the authorities let the pound slip marginally below the previous floor of $2.7825. Technical reasons were cited. But the market was so nervous that doubts intensified whether the rate would be held.

On Sunday, Nov. 12, Britain obtained a $252 million loan from the Bank for International Settlements in Basel to finance the last payment on a 1964 loan of $1 billion from the International Monetary Fund.

TURMOIL ON FRIDAY

Despite rumors, the loan was not confirmed until late on Tuesday, Nov. 14, when rumors of a major foreign rescue operation and a disastrous-sounding October trade deficit made the Basel loan seem pitifully inadequate.

Morning newspapers last Thursday carried reports of a $1 billion loan being negotiated for Britain by leading industrial nations meeting in Paris. The pound soared, but Mr. Callaghan, called on to answer an unexpected question about the loan in the House of Commons, refused to confirm or deny the reports or offer any assurance on maintaining the pound.

Sterling sank, and foreign-exchange, securities and commodity markets were thrown into turmoil on Friday and continued Government silence. Devaluation followed the next day.

The Labor party has been trying to avoid such a day for more than three years, ever since it came to power in the general election of October, 1964. Since that time it has frantically tried various remedies for the ailing economy, but none have had the desired effect. Devaluation is more drastic, but even that is no guarantee of success by itself.

Britain's problem arises partly because she is an island economy with few natural resources and is dependent on trade for her livelihood. About half the food and nearly all of the industrial raw materials are imported. Nearly a fifth of all goods and services produced is exported.

This workshop economy has persistently produced a deficit in merchandise trade, even when Britain dominated the international industrial scene in the late 19th century.

ECONOMIC AID ADVANCED

But Britain is also a major supplier of international * * * and services, such as insurance and shipping, and so-called invisible earnings from these activities normally have been adequate to offset the deficit in visible trade.

Thus Britain has been as much a financial and commercial power as industrial power.

In postwar years, however, Government spending abroad for military commitments and economic aid rose sharply, offsetting the substantial invisible earnings of the private sector.

Last year Britain imported the equivalent of $14.6-billion in goods, exported $14.3-billion worth and reported a visible trade deficit of more than $300-million. This was increased to $400-million by special purchases of United States military aircraft.

Earnings in the private sector stood at more than $1.5-billion but Government spending abroad totaled $1.3-billion. This produced invisible earnings of only about $260-million to offset the $425-million invisible deficit. Consequently, the total deficit on the so-called current account was about 165-million.

Long-term capital investment abroad added an additional $325-million to the outflow of funds. The combined capital and current accounts thus produced a total drain of $490-million. After various unidentified offsets, Britain's liabilities abroad have been increased by $493-million.

HOW DANGERS DEVELOP

Dangers arise when holders of that additional sterling decide they do not want or need pounds and sell their holdings for gold or another currency. To the extent that no one else wants the pounds either, the Bank of England must use its gold and foreign reserves to redeem them.

Over the years persons, corporations and governments have come to hold a great deal of sterling, a fact that produces a major problem for the management of the economy.

The situation arises from Britain's purchases and investments abroad and from foreign purchases of the currency for investment as well as its use as an internationally accepted money in world trade and as a reserve to settle international debts.

Sterling held abroad at the end of 1966 for trade, currency reserves and investment totaled $11.2-billion, compared with only $2.9-billion in short-term British claims abroad. This produced a theoretical deficit of $8.3-billion to be covered by $2.66-billion in Britain's immediate gold and foreign currency reserves, in the unlikely event that everyone wanted to sell his pounds at once.

However, British residents have vast investments in securities and manufacturing facilities abroad, so that even when these are balanced against similar foreign holdings in Britain, total British assets would produce ample funds to make Britain a net creditor.

But the dislocations that could arise in the short-term have been cited by the French, for example, as a problem to be solved before Britain can enter the European Common Market.

Sixty per cent of the total in sterling balances was held by Government central banks abroad and by other official monetary institutions, which are unlikely to be making sudden shifts in their holdings. The rest is in the hands of private traders, corporations, commercial banks and speculators who are more likely to bear in mind the interest rate their sterling is earning.

A little less than half of the sterling is held as deposits with banks. The balance is in Treasury bills, British Government securities, municipal issues, finance-company paper and the like.

RESERVES FORM POOL

About two-thirds of the holdings belong to countries in the sterling area, that is, most of the countries in the Commonwealth (except Canada and Rhodesia) and a number of other countries that use sterling as their main international currency and generally hold the greater part of their currency reserves in sterling.

The British reserves in London form a pool available to the sterling area as a whole. But it is, obviously, a pool that can be disturbed from many quarters.

There may be, for example, a run on the bank if people doubt that the value of their sterling will be maintained or that Britain has the ability to repay. Or there may be changes in interest rates in other countries that make the foreign investor prefer to sell his sterling to invest in another currency. Either way, Britain's reserves are drained.

When Harold Wilson took office as Prime Minister in 1964, he found himself confronted with enormous problems arising from Britain's position both as a world trader and as an international banker.

A determined run on sterling gathered force as speculators, gambling that Mr. Wilson would be forced to devalue, sold pounds.

SPECULATORS DUMPED STERLING

Mr. Wilson trumpeted his problems by attributing to the outgoing Conservative party the responsibility for the £800-million deficit that year, equivalent to about $2.25-billion. Domestic inflation, poor productivity, inefficiency in old-fashioned British industry and massive outflows of both private investment and speculative funds contributed to the malaise.

Speculators, doubting the ability of an avowedly Socialist Government to put economic belt-tightening ahead of welfare spending, bet on devaluation and dumped their sterling currency on the market.

It finally took import surcharges, a $1-billion loan from the Monetary Fund, an exceptional two-point jump in Britain's bank rate to 7 per cent and $3-billion in standby credit from world central banks to stem the tide.

A 1967 SURPLUS WAS FORECAST

Sterling crises were nothing new, and the standard remedy was heavy deflation to reduce Britain's imports and spur her exports. But the Wilson Government pledged itself to support of the pound's value and economic growth at the same time.

Programs were introduced to rechannel resources to exports, restructure industry and dampen home demand without incurring too much unemployment. These programs included foreign-exchange controls, a voluntary incomes policy, curbs on bank credit and an employment tax on services.

But a seamen's strike in May, 1966, and an outflow of funds attracted by high interest rates during the United States credit squeeze triggered another speculative run on the pound.

In July, 1966, Britain reversed herself and instituted a wage and prize freeze and sent the economy into a severe tailspin. Unemployment rose, creating political problems for the Labor party. But officials soon began to say that the policy was working and that the balance of payments would show a surplus in 1967.

But this spring it became apparent that the economy was still not responding properly, despite the sacrifice of growth and full employment. In April, two months before the Arab-Israeli War, imports once more far outdistanced exports.

The war resulted in the closing of the Suez Canal, which in turn disrupted British trade and increased the cost of her imports and prompted some selling of sterling. This summer, the United States Congress balked at a request for a tax increase, thus helping to drive up United States interest rates and to attract sterling.

In September, dock workers in Liverpool and London struck, unsettling exports, producing distressing trade figures and demonstrating the underlying weakness of the economy. The selling of sterling gathered momentum, particularly in contracts for future delivery of the British currency.

Since 1964, Britain has received extraordinary loans and credits as she bought time to alter the economy. A $1.4-billion loan from the Monetary Fund in May, 1965, refunded the $3-billion in central bank credits that had been used. Agreements with the United States to "swap" currencies in times of stress were announced. Various central bank credits and credits from the Basel bank were arranged.

LEFTWINGERS URGED STEP

Although traders had little confidence in the pound, and selling was persistent, financial support never looked stronger.

But devaluation was being increasingly urged by leftwingers, who opposed deflation, and by respected academicians and commentators as the drastic step needed to correct what appeared to be a fundamental disequilibrium in the economy. By spurring exports and curbing imports, devaluation, along with other measures, might set Britain right once and for all, it was said.

About two weeks ago, British Treasury officials, faced with an import-prone economic recovery and with payments deficits for 1967 and probably 1968, came to the same conclusion.

A week ago, the countdown began, this was the sequence:

Sunday, November 12: Basel meeting grants Britain $252 million—but no announcement made.

Monday, November 13: Basel loan rumored and also bigger loan to resurge pound. Governor of Bank of England says at airport he has "every confidence" in sterling but omits usual pledge against deflation. Prime Minister, in speech, also omits pledge. Calls for technological integration with Europe, discounts expected bad trade figures as "meaningless" because of dock strikes.

Market nervous. Sterling up slightly at $2.7828.

Tuesday, November 14: $300-million trade deficit, worst on record, reported for October. Bank supports sterling just above floor of 2.7825. Basel loan confirmed. Total now looks paltry.

Wednesday, November 15: Frantic stock exchange rises to new high as devaluation hedge. Sterling rises to $2.7833. But discounts for future delivery of sterling are more expensive. B.B.C. broadcasts report from Paris of near-agreement on $1-billion international loan. Says there's "no sign of devaluation."

Thursday, November 16: Pound soars to almost $2.7850 on new-loan report, only to fall to Bank of England-supported $2.7831 as Mr. Callaghan refuses to confirm or deny loan reports. Devaluation rumors widespread. Unknown to market, Britain's Cabinet had approved devaluation that morning.

Friday, November 17: Extraordinary day. Massive run on pound in world markets. Bank of England spends hundreds of millions of dollars to support pound just below effective $2.7825 floor. Stocks decline. But sterling-based commodities—wool, rubber, tin—soar. Record demand for gold. Traders demoralized by uncertainty.

Saturday, November 18: Eerie calm. Commentators speculate on 30 per cent devaluation and no loan; or no devaluation and huge 5-billion loan; or smaller loan and smaller devaluation.

9:30 p.m.: Devaluation of 14.3 per cent to $2.40 announced. Bank rate raise to 8 percent. Restrictions imposed on home economy; $3-billion in international assistance.

[From the New York Times, Nov. 20, 1967]

THE POUND EXPERIMENT—GLOBAL FINANCIAL SYSTEM COULD GAIN IF A SMALL DEVALUATION IS SUCCESSFUL

(By Edwin L. Dale Jr.)

WASHINGTON, November 19.—Britain's devaluation represents, in effect, an unusual experiment in the international monetary system. If it works as expected, the system could be strengthened.

Numerous men in Britain, and to some extent elsewhere, have argued for years that a small devaluation could not work because the financial markets would not believe that it was final. In this hypothesis, the selling of sterling would continue, Britain would continue to lose reserves and the problem would arise all over again.

But the action yesterday had some elements in it that might make the markets think twice about this familiar line of reasoning.

The devaluation—by 14.3 per cent, from 2.80 to 2.40—was accompanied by immediate announcements from all the other financial powers that they would not change the parity, or establish rate of exchange, of their currencies. It was accompanied by a $3-billion standby line of credit. And it was accompanied by further deflationary measures in Britain at a time when the economy already had slack resources of men and machines.

GAP CONSIDERED SMALL

It also came at a time when nearly all experts agree that, while Britain's costs and prices may be out of line with those of the other industrial countries, the gap is not wide. In this sense, then, a small devaluation is all that is needed.

In any case, if money now flows into London, and not out of it, the small devaluation will have worked, with favorable implications for the world monetary system.

The system, basically, is a set of rules backed by a common set of attitudes among the world's central bankers.

The key rule is that exchange rates among currencies should be fixed, and not allowed to fluctuate more than one per cent on either side of the par value, except in cases of "fundamental disequilibrium." This rule is established in the articles of agreement of the International Monetary Fund, agreed to in 1944, and thus has the force of a treaty. It was aimed at bolstering world trade by ending constant changes in currency values.

DOLLAR IS KEY CURRENCY

Another rule is that the United States, and only the United States, shall stand willing to buy and sell gold at $35 an ounce. This commitment automatically makes the dollar useful as a reserve currency and as a supplement to gold and makes it the key currency in international trade and the financial markets.

Having a single global currency makes it possible for each central bank to defend its own currency against a specific standard, the dollar. This, too, helps in keeping exchange rates orderly.

Still, another rule of the system is a willingness to grant credit to a nation in difficulty, provided that it shows determination to get its house in order.

The credit system has several ramifications. It includes loans by the International Montary Fund, bilateral credit arrangements between the United States Federal Reserve System and numerous other central banks, and occasional emergency packages arranged ad hoc by a group of nations to help a major power, such as has been done for Britain and others.

GROUP OF 10 CONSULTS

The system also includes constant consultation among the 10 leading financial powers, known as the Group of Ten—the United States, Canada, Japan, Sweden, Britain, France, West Germany, Italy, Belgium and the Netherlands. They were the 10 countries that agreed to lend their currencies to the monetary fund if needed to make possible large I.M.F. loans.

While the system has undergone periods of strain, it has generally worked successfully and is widely regarded as one of the pillars of remarkable prosperity of the industrial world in the last 15 years. There is no disputing that is has helped foster an unprecedented expansion of world trade.

One implication for the system, if the British devaluation works, is that a source of constant danger will have been removed. The danger was that the British, in desperation, would make a large devaluation, opening a series of other changes in currency values.

THREAT TO THE DOLLAR

A large devaluation of the pound, still a major trading currency, would force at least partial matching by the European industrial countries. And that would put the dollar in an impossible position, endangering the $35 gold price. The whole system would be threatened.

A small devaluation should avoid that danger, as is already indicated by the decision of all the other major countries to hold their currencies at their present values.

Another implication, for the much longer term, relates to a criticism of the system that has often been made. This is that it is too rigid.

Fixed exchange rates are a good thing, according to this view, but there come times when an important nation is in "fundamental disequilibrium." No way has been found up to now by which such a country can devalue without upsetting the whole system.

The small British devaluation—again assuming it works as expected—could show a way out of this dilemma. No one is pointing today to other cases of "fundamental disequilibrium" and the last thing any official wants or expects is additional devaluations.

But in the longer run, other countries are likely to find their domestic economies gradually drifting out of line, as Britain's has done. As one official put it, "there are worse things than devaluation to correct a situation like that."

Thus, much hinges on whether the moderate British devaluation can be made to stick.

[From the New York Times, Nov. 20, 1967]

Text of the Speech by Prime Minister Wilson on the Devaluation of the Pound

London, November 19.—Since the Cabinet, last Thursday, took its unanimous decision, it has been impossible for me to speak to you because of the need for secrecy while this tremendous international monetary operation was being carried through. Now I can tell you why we have taken this action and, more important, what it means.

Because we had to maintain silence there have inevitably been rumors, some of them very strong, that we were taking a different course.

It would have been possible to ride out this present tide of foreign speculation against the pound by borrowing from central banks and governments abroad—banks and governments to whom I pay tribute for their help and co-operation over these past years.

In our view it would have been irresponsible to go on dealing with these successive waves of speculation by borrowing for short periods at a time, without attacking the root cause of the speculation.

RESTRICTIONS REJECTED

Failure to attack the root cause would have meant trying to borrow, this time, in conditions in which our creditors abroad might well insist on guarantees about this or that aspect of our national policies.

Last weekend the Government decided that we were not prepared to accept any solution which placed rigid limitations on the ability of our people and Government to solve our problems by our own exertions; that we could not accept restrictions on our national growth, on industrial expansion, on our determination to achieve and maintain full employment.

We are determined to break out from the strait-jacket which has constricted us, under successive Governments for 15 years, a straight-jacket which meant that every time we tried to solve our problems by expanding production, by mobilizing the efforts and skill of our people on the basis of full employment, the immediate result was a desperate trade and payment deficit.

The deficit we inherited three years ago, over 800 million pounds was itself the result of an attempt by our predecessors to fight their way out of this dilemma by an unrestrained boom.

For three years we have fought, and it was our duty to fight, to overcome that deficit, and to maintain the external value of sterling. No one could doubt, at home and abroad, our determination to win through. No one will underrate what we have had to do in that fight. Nor the heavy price we have paid. And have had to ask the country to pay.

CHANCE OF WORLD EVENTS

By our policies, by the efforts of our people, we had reduced that deficit last year to less than a quarter. Our exports had risen at about double the rate of the past few years and we were all set to get into balance, indeed surplus, this year.

But there was never enough margin to meet the change and chance of world events. Nor to guarantee the repayment of the vast borrowing we had incurred to pay for the deficit we found on taking office.

I am not going to go into all the details of the events which this year have once again put us in the red—the heavy cost to our trade and payments of the war in the Middle East, the temporary disruption of our exports by the dock strikes.

Tonight is not the time to attribute blame to the policies of the last Government or this Government, to unofficial strikes, to the maneuvering of speculators at home and abroad.

But all along we had to face this. Exports, even our increasing exports, could not earn enough to meet the successive waves of speculation against sterling.

Time was needed to restructure and modernize our industries, to build up our trade—and this we have been doing at a rate rarely before achieved—to cut down our overseas defense commitments too.

That time was denied us. Whenever Britain ran into shortterm difficulties, there were some who sold sterling in a panic, and there were others who gambled against us in the hope of a quick gain. And all this, even though our basic position was showing a steady improvement. Take the seamen's strike last year.

There was a tidal wave of pressure on the pound and yet, grievous though that strike was, it did not prevent us over the year as a whole from reducing our deficit to less than 200 million pounds against the 800-million-pound deficit we took over two years earlier. Even so, we had to take the measures of July, 1966.

The problem is this: we, Britain are a major trading country, and like any business firm our financial position depends on how much we sell to others. But because we are also an international bank, and because sterling is an international currency, it is subject to speculative attacks for shortrun reasons which have nothing to do with Britain's trading position.

DISPLAY OF STRENGTH

Our decision to devalue attacks our problems at the root: And that is why the international monetary community have rallied round with a display of formidable strength to back the operation.

This backing is, of course, to deter the speculators, not for us to live on. That is why it does not involve unacceptable conditions.

Tonight we must face the new situation. First what this means.

From now the pound abroad is worth 14 per cent or so less in terms of other currencies. It does not mean, of course, that the pound here in Britain, in your pocket or purse or in your bank, has been devalued.

What it does mean is that we shall now be able to sell more goods abroad on a competitive basis. This is a tremendous opportunity for all exporters, and for many who have not yet started to sell their goods overseas.

CHEAPER TO BUY BRITISH

But it will also mean that the goods we buy from abroad will be dearer and so, for many goods, it will be cheaper to buy British.

One of the great problems we in Britain have had over these past five or six years has been the great increase year by year in imports of goods manufactured abroad. Farm production, too, will be stimulated and will be able to do more than replace food imported from abroad.

Saving imports, and still more the export drive will mean that industrial production will go up. Many industries and firms now working below capacity will have a chance to get into full production.

This means more work—more jobs in the development areas, because we intend to be ruthless in diverting new enterprise to those areas. But all this will be at a cost—at any rate for a time.

The needs of the export drive will mean that we have got to shift 500 million pounds of our national output into exports, and import-saving.

That is why we are tightening the control on bank lending, except for priority borrowers such as exporters.

Bank rate is being raised to eight per cent for as long as is necessary.

CUTS IN DEFENSE COSTS

Hire purchase has been tightened on cars, an industry which can now go out and get an immediate boost to its exports.

We are cutting back public expenditure. We are making further sharp cuts in defense spending, effective in this coming year.

There will be cut in the capital expenditure programs of some of the publicly owned industries, and the other cuts in public expenditure the Chancellor announced last night.

But the priority programs of housing, school building and hospital building will be safeguarded in all these measures, and the job of bringing work to development areas will be given a still higher priority.

I have said that imports will cost more, and this means higher prices over a period for some of our imports, including some of our basic foods.

It is vital that price rises are limited to those cases where increased import costs makes this unavoidable. Our people will not tolerate traders who are not affected by import costs trying to cash in by unjustifiable price increases.

We shall keep a very tight watch on prices and we shall use the powers we have under the Prices and Incomes Act.

It is just as vital that any prices that do go up are not used as an excuse for excessive wage demands.

That would simply increase our export costs and this would cut into the benefit for our export industries have now got, with all that would mean for trade and at the end of the day for employment.

The Government for our part, in addition to our policy for prices, will keep a strict watch on dividends. The corporation tax on profits is to be increased.

We will do everything in our power to create the climate in which an effective prices and incomes policy can be pursued by those whose job it is.

And this must mean rents. The Government has decided to refer to the National Board for Prices and Incomes certain council rent increases.

We are particularly after those cases where the increases seem exceptionally steep and provocative.

DUTY OF THE GOVERNMENT

It is the duty of the Government to ensure by special measures that when burdens have to be borne those who are liable to be hardest hit are protected.

Your Government will fulfill that duty.

This devaluation has been a hard decision and some of its consequences will themselves be hard, for a time. But now the decision has been taken, we—all of us together—must make a success of it.

[From the New York Times, Nov. 20, 1967]

London Irked by Late Decision of Paris To Help Support Pound—France's Terms Undisclosed—British Deny Pressure of Markets Forced Move

London, November 19.—Official sources reflected today British Government irritation at France's late and seemingly reluctant decision to join in support of the pound after devaluation.

Only tonight, long after other leading Western countries, France indicated that she would participate in the new support operation. It was still not clear to what extent and on what terms France would take part.

The episode is bound to put more strain on the already unhappy relations between the two countries.

The countries whose central banks are known to have joined in providing the support credits for Britain were the United States, Canada, West Germany, Italy, the Netherlands, Belgium, Switzerland, Denmark, Norway and Sweden. Japan may come in later.

OBJECTED IN 1965

A similar example of nonparticipation by the French occurred in September, 1965, when credits of an undisclosed amount were provided for Britain by Western banks. France's objection was said to have been the whole idea of sterling as a reserve currency.

In June, 1966, France participated in another central bank support arrangement for the pound totaling $1-billion. But she came in on a separate basis and with a shorter-term credit.

Official sources confirmed that the decision to devalue the pound was made at the most recent Cabinet meeting, last Thursday. They said that it had been a unanimous decision.

These sources said that the Chancellor of the Exchequer, James Callaghan, came to the conclusion two weeks ago that devaluation was probably inevitable. They denied that the step had been forced by the extreme pressure in the markets last week.

TALKS AFFECTED TIMING

On the other hand, the actual timing of the devaluation was clearly affected by negotiations with central bankers for loan support. Prime Minister Wilson, in his speech to the nation tonight, said that solutions other than devaluation were rejected just last weekend.

The delay until last night in ordering and announcing the devaluation, the sources said, was essential to allow international consultation. It was an extremely costly delay, since British reserves were poured out to hold the pound above the floor of $2.7825 while confidence plummeted.

Between Thursday and Saturday night, Treasury and Bank of England officials informed other leading world banking authorities of their plans. They also completed the agreement on the new central bank credits.

The regular international practice is to make major currency moves after the markets are closed. But the pound is widely traded. The last markets open—in Kuwait and Bahrein—did not shut until late Saturday afternoon.

If devaluation had been announced immediately after the Thursday Cabinet meeting, without international consultation, the official sources here maintained, it would have looked like a panic move. The world might have doubted Britain's ability to hold the new rate of $2.40 and fresh speculation would have begun.

As it is, the Treasury and the bank are preparing to resist further speculation against sterling when the markets in New York and elsewhere reopen tomorrow. That is the purpose of the big central bank support credits.

The London Foreign Exchange Market will be closed tomorrow, by Government order. So will the stock exchange and all the banks.

When Mr. Callaghan decided two weeks ago that Britain's balance of payments would not be righted without some further drastic action, the sources said, one course considered was the imposition of import quotas. These would have set flat limits on what could be brought in, thus cutting the costly import bill.

PROTECTIONISM FEARED

Import quotas were rejected, according to the Government sources, because there was a fear of encouraging protectionism elsewhere. What was obviously in mind was the new drive for import quotas in the United States Congress, which would be most damaging to Britain.

It was also felt that lack of confidence in the pound abroad had reached a stage where import quotas would have been regarded as just another palliative—a way station en route to devaluation.

Just as the handling of the recent crisis was defended by those speaking for the Government, so was the more basic policy of fighting against devaluation for three years—only to have it forced on Britain after all.

The three years were not wasted, it was insisted. The sources argued that if the new Labor Government had devalued in the fall of 1964, the country would not have gone through necessary "agonizing reappraisals" of the need for higher productivity, restraint on wages and stiff cuts in defense spending overseas.

DECISION IS ASSAILED

This defense will meet with strong criticism from within the Labor party, as well as from the opposition. Tonight, a former Labor Minister in the Department of Economic Affairs, Austin Albu, said that the decision to devalue, "if made a year ago, could have been made without all the histrionics of the last week and without further borrowing abroad."

Conservative party spokesmen, requesting anonymity just as the Government sources had, derided the whole claim of a timely and careful devaluation.

The Tories said that Britain had devalued at the worst possible time, in the worst possible way. The handling of the crisis week, they added, was so incompetent that the only honorable course was for the Prime Minister and Mr. Callaghan to resign.

[From the New York Times, Nov. 20, 1967]

Comment by the Federal Reserve

Washington, November 19.—In the light of the action of the British Government to change the parity of the pound, the Federal Reserve System announced today that it had taken actions to assure the continued orderly functioning of United States financial markets and to maintain the availability of reserves to the banking system on terms and conditions that will foster sustainable economic growth at home and a sound international position for the dollar.

The board of governors unanimously approved actions by the directors of the Federal Reserve Banks of Boston, New York, Cleveland, Richmond, Atlanta, Chicago, Minneapolis, Kansas City, Dallas and San Francisco increasing the discount rate at these banks to 4½ per cent from 4 per cent, effective Monday, Nov. 20, 1967.

In addition, the board affirmed that borrowing by member banks for purposes of making adjustments to market pressures is an appropriate use of the discount mechanism.

At the same time, the Federal Reserve Board expressed its confidence in the basic economic and financial strength of the United States, and pledged to do its full share in maintaining the soundness of the dollar, both domestically and internationally.

[From the New York Times, Nov. 20, 1967]

Britain's Devaluation

Britain's forced devaluation of the pound inevitably raises questions about the future of the dollar and of the international monetary cooperation, which was supposed to avert such financial catastrophe.

In a sense, the ailing pound is no longer the problem. Now that a British Labor Government has devalued for the third time in 36 years, the consequent cut in living standards should make Britain more competitive in world markets. The devaluation, after all, will raise the cost of Britain's imports and lower the prices of its exports. This move and its accompanying belt-tightening measures—reductions in military spending, restrictions on consumer credit, higher corporate taxes and a stifling 8 per cent bank rate—add up to severe therapy. But the British economy should emerge in a much stronger position.

According to Prime Minister Wilson, the only alternative to his painful measures was a major financial transfusion from abroad. This could not have been obtained without harsh conditions. International financial cooperation, in other words, would have been forthcoming only if Britain had been willing to accept even more bitter medicine than that Mr. Wilson has now administered.

Yet the problem in cooperation may be that it was too indulgent in its early stages, rather than too severe now. The pound has been the object of repeated rescue efforts. Like the dollar, the pound is an international medium of exchange and has a special obligation to be convertible and stable; but unlike the dollar, it has had extremely thin reserves of gold to defend against speculative attack. With her balance of payments in almost constant deficit, Britain has had to depend repeatedly on other nations' help.

It is now evident that the time that aid bought was not used effectively by Britain. Mr. Wilson tried hard. Invoking the spirit of Dunkirk, he took many measures to transform the economy. But both foreign help and his efforts proved inadequate. When he was forced finally to devalue, he sought to strike a balance with a reduction large enough to improve Britain's position but not so large as to force a drastic revision of monetary rates around the world.

ITS EFFECT ON THE DOLLAR

It is too early to tell whether the British move will result in a dangerous chain reaction. A few countries, whose economies are closely tied to sterling, have followed suit. This nation and most of the Europeans, however, are holding the line. But there are bound to be hectic days in the world's money markets.

In this new situation, it is imperative that the United States reassess its policies. The pound was the first line of defense for the dollar. Now, the dollar stands exposed as the world's key trading currency. More than ever, therefore, Washington must see to it, by deed rather than word, that the dollar's strength is maintained.

The Federal Reserve has taken a first step to insure against upheaval by raising its discount rate to 4½ per cent. But more may have to be done by the Administration to guard against attack now that it is obvious that international cooperation is not omnipotent.

Fortunately, the American economy is far stronger than Britain's, and the dollar has far greater backing than the pound. But the warning signals are evident enough: The United States has been running a chronic deficit in its balance of payments; its unions have been winning excessive wage demands and these are being reflected in increasing prices, and the United States has a Federal budget deficit that President Johnson himself estimates may run as high as $35 billion. These ailments make the dollar vulnerable to psychological as well as economic attack.

The Administration can hope that time is on its side, that it can rely on its still large reserves of gold and the promise of international financial cooperation, to see it through until the end of the Vietnam war. But the British experience shows that it is a mistake to rely too heavily on international assistance, and that the primary burden must be borne by domestic retrenchment.

Since all of the consequences of the sterling devaluation will not be felt immediately, the Administration probably has some time to mount new defenses. It will almost surely have to follow up the Federal Reserve's action by more stringent restrictions on bank lending and business investment abroad than the new voluntary controls announced by the Treasury last week. It must make far greater efforts to reduce spending on nonessential Federal programs. It may have to demand more drastic fiscal measures to curb demand and inflation than the tax surcharge it has been advocating.

Time will be required to repair the damage done to the present monetary network and to restore confidence in international monetary arrangements. Since the dollar is so central, this country must carry the greatest single responsibility for international financial stability. If Washington has the will to act and acts promptly, this nation can avoid the pain and the punishment forced on Britain.

[From the Washington (D.C.) Evening Star, Nov. 20, 1967]

Drastic Medicine in Britain

The decision by Britain to devalue the pound is a classic if bitter prescription for the many ills besetting her economy.

For too long England has lived beyond her means, running deficits in her balance of payments in every one of the past six years. Because of the failure to export enough goods to pay for imports of food and raw materials, both Conservative and Labor governments have been distracted by continuing financial crises.

Will the devaluation cure the patient? From initial appearances, it should at least make his recovery possible. The cut in the pound's value from $2.80 to $2.40 means that the price of British exports will be lowered in world markets by more than 14 percent, enabling them to compete more vigorously. At the same time the price of British imports will rise, discouraging British consumers from buying foreign goods and thereby reducing the outflow of sterling.

That is the main object of devaluation, and since only minor trading countries have indicated they will make corresponding cuts in the value of their currencies, overall the effect should stimulate Britain's economy. The only question here was whether Prime Minister Wilson devalued sharply enough. A good many observers had expected England, when the moment came, to cut the pound far more deeply, on the order of the 30 percent devaluation back in 1949. It will be grievous indeed if the country finds it will have to order still another drop a year or two hence to do the job properly.

Other austerity measures by Mr. Wilson do not look so promising. The cutback in defense spending by $280 million will probably throw an added burden upon the strained United States forces in Southeast Asia. The cancelling of government export rebates to British industries will remove an extra incentive at a time when exports should be given continued encouragement.

And the raising of the British official bank lending rate to the astonishing level of 8 percent from 6.5 percent already has caused international repercussions. This kind of interest exerts an almost irresistibly magnetic pull on capital in other countries, including the United States. The immediate raising of our own discount rate over the weekend demonstrated that the Federal Reserve feared an outflow of dollars to Britain and was moving to counter the effect. The difficulty, of course, is that a rise in the American rate makes money tighter here, and after the "credit crunch" of 1966 the Federal Reserve is not enthusiastic about making credit much more costly than it is now.

President Johnson is absolutely correct in reassuring the world that the dollar will not be devalued, as it was back in the 1930s after an earlier British devaluation. This should prove especially important to Britain, since it indirectly props her own economy.

But by this reduction in the pound, confirming that his other austerity measures of the past three years have not worked, Mr. Wilson has stockpiled political adversity for himself that may prove overwhelming.

[From the New York Times, Nov. 20, 1967]

Devaluation To Help American Tourists in Britain—Converting Money Will Be Easier and U.S. Funds Will Purchase More

London, November 19.—American tourists, so long confused by making change in pounds, shillings and pence here, will find life a little easier because of the devaluation of sterling—in addition to getting more for their dollars.

A British penny is now worth the same as an American penny. A sixpence is now worth 6 United States cents, not 7 cents as before.

There will still be 12 pence to the shilling so that the rate of exchange will be 12 cents to the shilling instead of 14 cents.

The half-crown, or two and a half shillings, will now be the equivalent of 30 cents, instead of 35 cents. A 10-shilling note will now be worth $1.20, instead of $1.40, and the pound note will be equivalent to $2.40, rather than $2.80.

But all this relative simplicity in making change here is fleeting. In about two years Britain will be introducing the decimal system and confusion will once again be rampant. For example, the penny will then be worth one-hundredth of a pound, or 2.4 cents, and the new 5-pence coin 12 cents.

Perhaps more important to the American and other tourists will be the discovery that their money will go further in Britain. The British Travel Association predicted today that more overseas tourists would be coming here because vacations are expected to be cheaper by about the size of the devaluation—14.3 per cent.

Ten dollars, for example, would buy goods valued at about £4 3s 4d, instead of £3 11s 5d.

In short, the sweater purchased here priced at £10 would cost the tourist $24, instead of $28 as before.

One side-effect, as well, is that devaluation means, in effect, a pay raise for the thousands of United States Air Force personnel and other Americans stationed in Britain who are paid in dollars.

COMMUNITY SPIRIT

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New Jersey [Mr. Daniels] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DANIELS. Mr. Speaker, I know that those Members of this House—and their number is legion—who grew up in smalltown America cannot help but look back with great nostalgia upon a society where the individual really counted as an individual and not just as a part of the mass. It may surprise some, but those of us who grew up in the great metropolitan areas share much the same feeling. The big-city neighborhoods of a generation ago were close-knit places where the community was often tied together by a common ethnic heritage or by a common desire to succeed in the New World. In many ways it is sad to see this community spirit fading. All of us wish that this spirit was as prevalent today as it was earlier in this century.

For these reasons, Mr. Speaker, it is good to know that even in busy 20th-century America there are forces at work which encourage a sense of togetherness within a given community. In my own community, I am proud to cite the Hudson Dispatch, a fine old newspaper published in Union City, Hudson County, N.J., as a publication with a deep sense of dedication to the community it serves. I am sure all Members know that Hudson County, N.J., lies across the Hudson River from Manhattan. This puts us within the circulation area of the metropolitan press. The New York metropolitan area is so large that it is impossible for any one newspaper to serve all of the many municipalities which surround America's largest city. The Hudson Dispatch does much to fill this void. In addition to excellent coverage of national affairs it provides distinguished coverage of local affairs in Hudson and neighboring Bergen County.

Mr. Speaker, the Hudson Dispatch is not content with merely reporting local news. Far more than that it takes the lead in uniting our community behind good causes, almost without number.

Just recently, a very brave policeman, Lt. Stanley Przygocki, was killed in the line of duty, and the heart of our community went out to the wife and family of this brave man who very literally had given his life for those whom he served so well. His courage was an inspiration to every man, woman, and child in Hudson County, and I am sure that in most American communities each of us would ask what we can do to ease the burden on this unfortunate family. In our community, thank God, we had the Hudson Dispatch to step into the breach to provide leadership to help us do what we could to let this widow and her children know that we appreciated her husband's sacrifice for us.

Mr. Speaker, I am proud of Hudson Dispatch and its publisher, James J. McMahon, and I am proud of the good people of our community. We may not be the richest community in America, but we have a kind of richness of soul that is unequaled anywhere in America. I would like at this time to include at the conclusion of my remarks, two news stories from the Dispatch and two editorials, typical of the coverage given by this fine newspaper and also pointing out the kind of people who live in Hudson County.

I know that nothing we can do will ever ease the awful tragedy that has befallen the Przygocki family, but I would like the Przygockis to know that we do care, and that the voice of the community, speaking as one, asks Almighty God to let perpetual light shine upon Lt. Stanley Przygocki.

The articles and editorials follow:

Police Lieutenant, Father of Eight, Succumbs—Shot Three Times, He Killed Bandit in Jersey City

(By Jerry Sullivan)

Jersey City Police Lt. Stanley Przygocki, 52, father of eight, critically wounded while foiling a holdup in a downtown tavern Saturday morning died at 5:45 p.m. yesterday in Jersey City Medical Center. Cause of death was cardiac arrest, according to hospital spokesmen.

Przygocki's wife, Mary, and immediate members of the family and Dr. Nicholas Demas, surgeon who performed the operation in an attempt to save the policeman's life, were at his bedside when he died.

Funeral arrangements were pending late last night.

Mayor Thomas J. Whelan commented, "the full measure of courage has exacted a terrible toll without hesitation in this most exemplary performance of duty. Lt. Przygocki gave his life in the battle between lawlessness and law and order.

"I know the people of Jersey City join all the members of the police department in extending their deepest condolences to his memory. I pray that his tragic and untimely death will give all of us an acute conscience and greater strength in the continuing fight against those who would destroy the very things we live for and Lt. Przygocki died for."

A GREAT LOSS

Police Director George Whelan when reached at his home last night commented, "with the death of Lt. Stanley Przygocki I have suffered a great personal loss. We were recruits together and came up through the ranks.

"He was a friend of long standing. The situation which he faced Saturday morning was an example of outstanding courage and in the highest standard of the department. The department has suffered a great loss but his performance of duty should serve as an inspiration for many years to come."

Director Whelan said a full inspector's funeral will be held for Lieutenant Przygocki upon completion of burial arrangements, and said he expected every off-duty policeman to be in attendance at the funeral.

Lieutenant Przygocki, a 20-year police veteran, shot and killed one of two bandits during an attempted holdup in Ryan O'Rourke's Tavern at 185 Coles st. According to police Przygocki, who was off duty, was a patron in the tavern when two intruders, both armed, entered shortly after 1:45 a.m. Saturday. According to eye witnesses, one of the men later identified as David J. Morine, 24, of Philadelphia, drew a revolver and announced, "this is a stick-up." His companion holding a shotgun stood near the door. According to the police, Przygocki identified himself as a policeman and when he drew his revolver, Morine shot him.

Though wounded, Przygocki staggered out of the tavern in pursuit of the gunmen and during a gun battle on Cole and 10th sts., shot and killed Morine. Morine's companion escaped during the gun duel and a 13-state alarm has been issued by police.

Przygocki, shot once in the abdomen and twice in the left chest, was rushed to the medical center.

Dr. Demas said, "The patient suffered two bullets in the left chest which caused many holes in the left lung and damage to the chest wall causing internal hemorrhage. It was found that a third bullet had penetrated the abdomen causing damage to the small intestine, large intestine and bruised the right kidney." Dr. Demas continued, "The operation took four hours, none of the bullets were removed and patient transferred to the intensive care unit.

"The patient showed improvement in breathing later Sunday and upon consultation with my colleagues it was decided to cancel a second operation."

It was learned that Mrs. Przygocki received a visit at her home Saturday morning shortly after the shooting incident from Police Director Whelan and Inspector Joseph Kaeley. Director Whelan commented, "I told Mary that Stanley was hurt. She took it like a real trooper. You know she seemed to realize that a policeman is on duty 24 hours around the clock and something like this was all part of the job, it was all part of the job. It was a tremendous display of courage. We took her in my car to the hospital and she went immediately to the emergency ward."

A hospital spokesman said that telephone lines were tied up most of Sunday handling queries from friends, fellow policemen and others inquiring about Przygocki's condition. Some offered to donate blood if needed.

It was learned that policemen, from high ranking down to foot patrolmen have volunteered their off-duty hours to help in the search for the missing bandit wanted on the murder charge.

Lieutenant Przygocki resides at 310 Eighth st. with his wife and their eight children. They are Martin, 11; Joseph, 9; Thomas, 8; Beth Ann, 6; James, 14; Eileen, 18; Mureen, 19; and John, 21, a recent graduate of Rutgers University. Przygocki joined the department in 1947 and over the years was awarded a number of commendations and citations.

Capt. Charles Griffin, Bureau Patrol, described Przygocki as a, "good friend" who in his words, "was a wonderful guy, dedicated policeman and devoted family man."

Express Grief, Sympathy: County, City Officials Laud Courage of Slain Policeman

Shocked and grieved at the death of Lt. Stanley Przygocki of bullet wounds in an exchange of fire in a downtown Jersey City bar, county and city officials lauded his courage and expressed condolences to his family as soon as they learned he had succumbed.

"Once again a Jersey City police officer has made the supreme sacrifice in the line of duty," Mayor Thomas Whelan said. "The sudden death of Lt. Przygocki gives tragic testimony to the debt we owe all our men in blue who risk their lives every day to preserve law and order for all of us. His family has lost a devoted husband and father. Our department has lost a dedicated officer and our community has lost an outstanding man and we are all the poorer. Mrs. Whelan and I extend our deepest and most heartfelt sympathy to his family."

County Democratic Leader John V. Kenny, who lives in the same area as the slain officer, said last night, "This outrageous tragedy is further evidence of selfless devotion to public service by this guardian of our safety. He will be sorely missed by our entire neighborhood as well as by his wonderful family. He gave his life so that others might be spared. His family and his memory have earned the everlasting gratitude of all decent law-abiding people in our city.

"We will mobilize all our resources to be of aid to his wife and children," Freeholder John J. Kenny said. "That is the least we can do for the family of a man who represents our complete confidence in protecting society from lawlessness.

DEEPLY SADDENED

Capt. Ray R. Louf, president of Honor Legion of Police Department State of New Jersey said, "We were appointed to the police department together on Nov. 1, 1947, and assigned to the Third Precinct on Oakland ave., Jersey City. Personally, I was deeply saddened to hear of the death in line of duty of this exceptional police officer, father and husband.

"He was always a gentleman, highly respected in his profession. My deepest sympathies go out to his lovely wife and children. The Honor Legion members will be called upon to pay their final respects to this dedicated man who gave his life in line of duty."

Hudson County Police Chief Fred J. Krope said, "I was extremely saddened to hear of the death of this Jersey City police Lieutenant who was killed in the line of duty."

Secaucus Police Chief Arthur H. Temple, president of the Chiefs of Police Assn. of Hudson County said, "This brave and valiant man fell in the line of duty. I offer the deepest sympathy of the association to the widow and children."

West New York Police Chief Anthony M. Casper commented, "It was with deep sorrow I learned of the death of the brave Jersey City police superior attempting to stop a crime. At a time like this there is little a person can say except to extend my deepest sympathy to his family."

Your Appreciation Humbly Sought

For the first time in 50 years, the time in which the humane effort has been in effect, Hudson Dispatch will be conducting two public appreciation funds simultaneously. This extraordinary circumstance results from the death of a Jersey City policeman who succumbed to gunshot wounds suffered while foiling a tavern holdup early Saturday morning.

He died just two weeks after five heroic volunteer Ridgefield firemen were killed battling a blaze in a bowling alley in nearby Cliffside Park. The fund for the firemen's bereaved families yesterday reached the record-breaking total of $177,870.

It is with compassion and humility that the Hudson Dispatch calls upon its wonderfully kind, generous and warm-hearted readers once again, in so short a span of time, to come to the assistance of another family suddeny bereft of its breadwinner. Lt. Stanley Przygocki, 52, leaves a widow and eight children.

Lt. Przygocki was mortally wounded in an exchange of gunfire with two bandits attempting to hold-up a crowded downtown Jersey City tavern. One of the robbers was killed. The off-duty policeman was a patron in the establishment, but that fact does not detract one iota from the bravery he displayed in preventing commission of a crime. We think Lt. Przygocki would have shown the same kind of dutiful heroism under whatever prevailing conditions. It was the second time the hero policeman was involved in a fatal tavern shooting. While a rookie in 1949 he shot and killed a man approaching him with a knife.

The widespread concern and condolences displayed for the families of the five Ridgefield firemen is still vivid in in the public's mind as the fund in behalf of their loved ones continues to grow. There was no deadline set for that multiple appeal and neither will any be set for the latest "boy in blue" to make the supreme sacrifice in the line of duty. A minimum of $5,000 will be sought, just as in other individual funds, for the Lt. Przygocki Public Appreciation Fund.

It must be accepted, regulations require a policeman to carry his service revolver and shield at all times, that an officer of the law is on duty around the clock and that he is expected to perform in the highest tradition of his department whenever called upon.

Lt. Przygocki did not shirk his task even though he was off duty. A menacing pair imperiled him and a crowd of persons. He met the danger with all the courage he could muster and paid with his life to insure the safety of others. Man can make no greater sacrifice than that he lay down his life for another. Our generous public, we are certain, will respond in kind. It can do no less for the sire of eight offspring.

Since the appeal for the five Ridgefield firemen will continue and in order to avoid confusion, the donors are requested to clearly indicate how their contributions should be recorded.

The Lt. Przygocki Public Appreciation Fund is the 21st undertaken by this newspaper and the sixth for a family of a Jersey City public safety employe. It was in 1964 that a fund was raised for the family of Fire Capt. James Cassell; in 1962 an appeal was made for the kin of Fire Capt. Walter Vail; in 1957 for Fire Capt. Clifford Mason. In 1960 the beneficiaries were the wife and children of Acting Fire Chief Michael J. Burke and the most recent fund for a Jersey City hero was raised in March of this year for the family of Fireman Francis Lee.

Let's Keep Przygocki Fund Growing

The Hudson Dispatch Public Appreciation Fund raised on behalf of the five intrepid Ridgefield volunteer firemen who sacrificed their lives in the early morning hours of that fateful Cliffside Park bowling house fire on Oct. 15 has been officially closed. Now, we turn our attention exclusively to appealing to the most generous people anywhere in the United States to aid the widow and eight children of Jersey City Police Lt. Stanley Przygocki, who was fatally wounded early Saturday morning, Oct. 28 in a gun battle with a tavern holdupman in lower Jersey City.

The P.A. appeal on behalf of the family of the heroic police officer, who, although off duty at the time, prevented two thugs from robbing a tavern, paying with his life for his bravery beyond the call of duty, but taking one of the bandits to death with him, has, like the amazing $264,854 fund raised for the survivors of Ridgefield's five bravest who met their deaths aiding a neighboring community, already has established a new record for any call for appreciation for a Jersey City public safety hero.

During the 11 days that the Lt. Przygocki Fund has been in progress—at the same time that the Ridgefield Firemen's Fund was being conducted—there has been a most heartwarming display of appreciation for the sacrifice made by this courageous bluecoat. Despite the fact that for the first time in the 50-year history of Hudson Dispatch P.A. appeals, two funds ran simultaneously, contributions to fund for the widow and eight orphans left fatherless because of this police officer's self-sacrificing gallantry, the Przygocki Fund has already become a record-breaker.

As we write this further appeal for further contributions to this most deserving cause, $14,129.02 has poured in in gifts from far and near as our people express their gratitude to the bereaved family and show their desire to help Lt. Przygocki's widow raise and educate her eight children.

This generosity, which represents a deep-felt sympathy for the bereaved and a very genuine expression of admiration for Lt. Przygocki's unhesitant response to the call of duty, has surpassed even the previous record total of $13,874.50, which was raised in 1960 for the family of Acting Fire Chief Michael Burke, who fell five floors to his death while leading his men to the roof of a blazing warehouse when he could have directed them from the ground.

The Przygocki Fund now ranks second only to that collected in 1966 for the widow and three very young daughters of Patrolman William T. Birch of Fort Lee, who also met his death in thwarting a holdup. Of the 21 Hudson Dispatch Public Appreciation Funds, sponsored in memory of public safety heroes all but two have been sponsored for the survivors of tragic single victims among policemen and firemen.

The initial fund in 1917 was raised for two Union Hill volunteer firemen, while the other multiple appeal was the appeal on behalf of the families of the five Ridgefield volunteer firemen who were crushed to death last month under a blownout wall.

In 1945–46, this newspaper raised $51,482.26 for seven World War 2 veterans who were blinded in combat.

If we truly sense the spirit of our readers and of the public at large, we foresee a continued heartening flood of contributions for the Lt. Przygocki Fund. We earnestly hope donations will continue to pour in to ease the plight of the Jersey City widow faced with the heavy burden of caring for eight children.

JASPER MAN AT HOME ON CAPITOL HILL

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. Bevill] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BEVILL. Mr. Speaker, it has been a distinct honor for me to have known former Congressman Carter Manasco for many years now. Congressman Manasco and I were born and reared in the same town, Townley, Ala. We have experienced somewhat the same childhood and adult lives. I am proud to say that Congressman Manasco has long been a close associate and dear friend. He is widely respected, both here on Capitol Hill and in his home State of Alabama. He is a man of integrity, ability, and dedication. And it is a true honor to be able to call him my friend.

Congressman Manasco first came to Washington in 1933, to take a job in the Internal Revenue Service. But first he went to thank former Speaker of the House William B. Bankhead for helping him get the job.

Congressman Bankhead persuaded Carter to become his secretary. This was the beginning of a long career for Congressman Manasco. A career that has carried him to success and gained for him the respect and admiration of many, many people.

At this point, Mr. Speaker, I insert in the body of the Congressional Record an article by our very competent correspondent of the Birmingham News, Mr. Jim Free. Mr. Free's article very aptly, I believe, describes Congressman Manasco's unique role on Capitol Hill.

Jasper Man at Home on Capitol Hill

(By James Free)

Washington.—The Alabamian most often seen in the corridors and lobbies of Capitol Hill, except for the state's senators and representatives, is former Rep. Carter Manasco of Jasper.

To be strictly accurate about it, he's around more than some delegation members are—in election years particularly. For he genuinely likes the Congress, off duty and on, and it has been his life for more than 34 years. Monasco was top aid to the late House Speaker William B. Bankhead for seven years, served in the House for eight years, and has been a most unusual type of lobbyist for over 17 years.

It is fitting that Manasco has been, in these latter years, a lobbyist or legislative liaison man for the National Coal Association, a trade group in the coal industry for Carter grew up in a coal-mining section, and worked in mines in Walker County and in Illinois to pay his way through high school and later through five years of college—at Howard (now Samford) and the University of Alabama.

UNIQUE ROLE ON CAPITOL HILL

This unusual background, plus Carter's natural inclination to find out what is going on and to talk about it frankly but discretely, has earned for him a unique role on Capitol Hill. While tending to lobbying chores, he contributes useful information at both ends. He concentrates on legislation of interest to the coal industry and to coal-producing states, but he keeps his eyes and ears open for items of interest in other spheres.

And Carter gets around.

As a former member of the House, he can go on the floor and into the lounges and rooms marked "members only." He spends considerable time in lounges just off the House floor. Over a long period he had made many friends in the press gallery and in the radio and television gallery, and he visits them often. On dull days, when the House is not in session, he sometimes sits in in the press gallery card game.

Carter is welcome at these various haunts because he is knowledgeable and often can pass on valuable information—without identifying the source and taking care not to violate any confidences. Congressmen and reporters soon learn that Manasco is willing to give as well as receive information, but that he isn't a blabbermouth.

"I see and hear some things in that members' lounge that many employers, and perhaps some reporters too, would give a lot to know about," Carter said. "But I wouldn't tell these things outside even if I felt tempted to do so, which I don't. For the members would soon know who had done the tattletaling, and I wouldn't be welcome in the lounge any more."

Another reason Manasco gets along with legislators is that they know his attitude toward lobbying. "You can't buy members of Congress and you can't pressure them either," he says. "They can use concrete and logical information that helps them determine whether a proposal is good, bad or indifferent.

VERY FEW ARE BAD APPLES

"Of course, you do get some sour balls in Congress on occasion, just as you do in any other activity you can name. Even Christ had one bad one among his 12 disciples. I'd say that the percentage in Congress is a lot less than that."

Manasco was born in Townley, 10 miles from Jasper, on Jan. 3, 1902. His father was a tenant farmer. When Carter completed elementary schooling in his neighborhood, he commuted on the Frisco Railroad to Walker County High—the fare being 35 cents each way.

"To help get the train fare and other expenses," he said, "I worked in the coal mines Friday nights and Saturdays, and in the summers."

He studied pre-med at Howard College for two years, and wanted to be a doctor. But the class hours, including biology and chemistry laboratories, were such that Carter found it impossible to earn his way with part-time jobs as he'd hoped to do.

"So I went up to Zeigler, Ill., where I could make from $7.25 a day to $10.76 a night in the coal mines. Two full years of that—plus going back in the summers later—gave me enough to go back to college.

ELECTED AS LEGISLATOR IN 1930

Manasco hung out his shingle in Jasper in 1927, got elected to a four-year term in the State House of Representatives in 1930. "The larger number of special sessions at $4 a day put me way in debt," Carter said. "I had to cash in my life insurance to keep going."

In 1933, he came to Washington to take a job in the Internal Revenue Service. But first he went by to thank Rep. William B. Bankhead, Sen. Hugo L. Black and others for helping him get the job.

Bankhead had had a heart attack shortly before, and he asked Manasco to become his secretary. Carter stayed on as Bankhead rose to majority leader and then to speaker of the House. The year after Bankhead's death in 1940, Manasco ran for that House seat and won it.

Manasco got national attention in the late 1940s as the conservative chairman of what is now the Government Operations Committee. He bottled up the full employment bill and incurred the wrath of House Democratic leaders and Democratic President Harry S. Truman.

Manasco balanced things up, however, by telling a dinner-meeting of Alabama industrialists that their legislative program was as silly as many of their letters to congressmen.

"Why," he said, "any congressman who would vote for any one of the seven bills you are advocating could not be re-elected."

After his defeat for re-election in 1948, Manasco resumed his association with the coal industry, this time with the producers' trade organization here. He has had other accounts from time to time.

Carter's wife, the former Mae Emma Guyton of Jasper, whom he married in 1942, died several years ago. He has two sons, John Carter, 20, and Thomas Guyton, 14, who live with him in nearby Virginia. His sister, Christine Manasco, is a teacher in a Jasper elementary school.

THE 100TH ANNIVERSARY OF FOUNDING OF NATIONAL GRANGE

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. HANLEY] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HANLEY. Mr. Speaker, Secretary of Agriculture Orville L. Freeman appeared in my home city of Syracuse, N.Y., last Saturday, November 18, on the occasion of the convention of the National Grange marking the 100th anniversary of the founding of that outstanding farm organization.

Secretary Freeman's speech on that occasion sounded a call for American farmers to form bargaining organizations to give themselves greater bargaining power in the market.

In his remarks, the Secretary pointed out that labor has been successful in organizing unions which provide bargaining power, and that farmers could be just as successful in bringing about better prices for their products through bargaining groups.

Because of the importance of this subject to the American farmer, I include Mr. Freeman's remarks in the RECORD at this point:

IN UNION THERE IS STRENGTH: "LABOR CAN DO IT, WHY CAN'T YOU?"

When the Grange was born—100 years ago—this country was made up of less than 37 million persons. Six out of seven lived east of the Mississippi River. Two out of three were rural, one out of two lived on the farm.

Agriculture in 1867 faced the task of adapting to revolutionary changes. The Civil War had created an unprecedented demand for food—but it had cut deeply into the supply of labor. Over half a million young men had died in the war. In the South agriculture lay shattered. Thousands of farms had been destroyed, thousands of farm owners killed.

At the same time, new tools and new techniques were changing agricultural technology. Farmers bought the new machinery, opened new lands, and—with high hope—made the great leap from subsistence to commercial agriculture.

But soon the individual farmer discovered that by himself he was powerless to command a fair return in the marketplace. In one famed instance a load of grain bought a pair of boy's shoes—that's all. Debts were heavy and interest rates ran as high as 20 percent.

In desperation farmers turned to organization—they formed and joined the patrons of Husbandry, now the National Grange—in the belief that in union there was strength.

And they were correct. In union there was—there is—strengh.

The 100-year history of the Grange is proof of that. The Grange played an important role in winning agriculture a seat in the Cabinet in 1889. It was in the van of the fight for better highways, rural mail delivery, parcel post, farm credit, rural electrification, experiment stations, farm research, extension and vocational agriculture, conservation and forestry.

Farmers banded together in the Grange to improve farm prices and income and to exert market power through group action—and out of these early efforts has grown the concept of present-day commodity programs.

Today, again, American agriculture faces the task of adapting to revolutionary changes.

In the final third of this amazing Century of Change, "group action" by farmers is even more necessary than when the Grange began.

The market forces against which farmers contend are more formidable by far.

The challenge to rural America is immeasurably graver.

And once again the clarion call goes forth: Unite—unite—unite!

You of the Grange and your fellow farmers have built in this country the most productive agriculture ever known.

It is the bedrock of our economy of abundance.

It is the keystone of prosperity in rural America.

It is the world's number one weapon in the war against hunger.

But farmers are not equitably sharing in the fruits of their achievements. They are, in a sense, subsidizing the whole American economy.

It makes no sense that consumers should be paying a good 20 percent more for food than they did two decades ago—while farmers get 6 percent less for producing that food—and pay 30 percent more for the supplies to produce it.

It makes no sense that with net income per farm last year up 70 percent over 1960 farmers should still have less than two-thirds as much income per capita as nonfarmers.

It makes no sense that after climbing to $16.4 billion last year farm net income this year should be down 10 percent. Sure, it's still a good one-fourth more than in 1960—but the plain fact is that the American farmer is getting less for producing more. He thinks that's unfair—and so do I.

The price-killing surpluses are gone. Commodity Credit Corporation commodity loans and inventories were reduced from $7 billion on June 30, 1961, to $3.4 billion on June 30, 1967.

With help from the Grange, farmers have been given the best commodity programs they've ever had. Most of these programs are voluntary and farmers are freer to make their own production decisions—to do their own planning—than at any time since the 1930's.

Then what's the trouble? Well, I can think of several reasons why farmers are not sharing fully in the national prosperity and, specifically, why farm income dropped off this year.

1. Last year's record world grain crop. We couldn't complain about that. It was needed. But this is *another* record crop year.

In the United States, total production of wheat is expected to reach a record 1.6 billion bushels, 19 percent above last year's total. Corn prospects are at a record 4.7 billion bushels, 14 percent above 1966.

Sorghum grain production is forecast at a record high of 775 million bushels, up 8 percent from a year ago. And rice production is estimated at a record 89.4 million hundred pound bags, 5 percent above last year. And I might point out that soybean production is also at a record level, an estimated 6 percent over last year.

Compounding all this is the fact that big crops are forecast throughout the world, making this year's harvest perhaps the "Harvest of the Century." Total world grain production this year is expected to be 3 to 4 percent above the record established last year. *This world-wide grain production explosion is resulting in heavy downward pressure on prices.*

2. Over-producting of beef, hogs, poultry, and eggs here at home. This was *not* needed.

3. The fact that about 60 percent of farm cash receipts comes from the sale of crops and livestock that are *not* protected by farm programs.

4. The inability of producers to bargain effectively in the marketplace.

We've gone about as far as we can under existing programs. Further progress toward parity of income for farmers will depend primarily on what they can do for themselves through group action—on their ability to maintain supply-demand balance—and on their ability to show some economic muscle at the bargaining table.

There have been many attempts to organize for group action in the past. But the very nature of agriculture poses great difficulties.

Production of most important crops is scattered through many States. It's geographically hard for producers to get together. Moreover, farmers have always prized their independence. Another important factor is that farm commodities, unlike labor, are mobile. They can be shipped quickly and economically over great distances.

Thus, it's extremely difficult to develop farm bargaining organizations able to exercise effective control over widely grown farm products.

Does this mean that effective farmer bargaining power is hopeless? Not at all.

Many of the conditions which previously made group action difficult have now changed. There is a *timeliness* in the issue which has never before been present. More farmers now see more clearly what their lack of market power is doing to them. They see that in an economy marked by increasing organization of labor, of business, of teachers they are the least effectively organized of all.

Thus, there is today a great psychological drive for farmers to achieve more control over their economic destiny.

The October Farm Journal, for example, asks its readers point blank, "Labor can do it . . . why can't you?"

It has been said that there is no force in the world greater than that of an idea whose time has come. Group action to achieve market muscle *is* an idea whose time has come.

I do not mean to imply that it will be easy to achieve the goal. Many sizeable difficulties must be overcome. But we are in dead earnest about helping the American farmer explore the possibilities of developing machinery that will give him power proportionate to that of the forces he must deal with in today's market place.

I've been the target for quite a few dart throwers in recent weeks—people who warn solemnly against the "heavy hand" of government in USDA proposals for farmer collective action.

The funny thing is we've made no firm proposals—not one. We are simply asking for dialogue. We are encouraging farmers and farmer groups to investigate possibilities. I should be used to it now, but I must say I'm a bit weary of people putting words in my mouth.

It reminds me of the railroad superintendent back in Minnesota who got a note from one of his foremen. It said, "I am sending in the report on Casey's foot, which was damaged when he hit it with a sledgehammer. Now there's a place on this report for Remarks. Whose remarks do you want . . . mine or Casey's?"

Well, it's most irritating to have others trying to put words into my mouth, but it's also amusing to see people so anxious to get into a fight with the Secretary of Agriculture. I'm thankful that most of their darts are dull and their charges hackneyed.

Let me repeat—we've made no specific proposals. But we are encouraging thought and discussion. We've been holding a series of commodity meetings to discuss possibilities for group action. We have already met with the principal producers of eggs, sugarbeets, dry beans, fruits, vegetables, and hogs.

Many of these commodity leaders find themselves coming together for the first time with other leaders whom they had never met before. What is more significant, they want to keep on meeting. The thing they are all agreed upon is the need for farmers to organize in some way for more effective group action.

Competition in the food industry is competition among the strong—and farmers presently are not strong.

Most of the food industry is concentrated in the hands of a relatively few firms. In the manufacture of breakfast cereals, for example, the top four firms have 85 percent of the business. In food retailing, the largest four retailers in a city typically have about 50 percent of the business.

On the other hand, farmers are so numerous and their individual output so small that no one of them can exert much effort on total output or price. Even where production is relatively concentrated, the number of producers is still enormously larger than the number of buyers.

According to the 1959 census, fewer than 1,600 farms produced 30 percent of the nation's potato crop. About 2,600 farms produced 47 percent of the vegetables, and fewer than 3,700 farms produced 32 percent of the fruits and nuts.

In contrast, only 20 firms account for more than half of the output of the canning industry. And only 20 firms account for more than two-thirds of the output of the frozen products industry.

Obviously, individual producers are in a disadvantageous bargaining position. Many farmers, consequently, have turned to cooperatives, bargaining associations, marketing orders, and other arrangements to assure themselves a larger voice in the market place. These efforts have met with varying degrees of success. Where production is regional and members of an association produce a substantial share of the total output, fairly effective results have been achieved.

For example, almost 100 percent of the lima bean crop is marketed by the California Lima Bean Association. Prices paid for large lima beans are more than double the national average price for all classes of beans.

This very city is headquarters for one of the largest cooperatives in the world, Agway Cooperative, Inc., an organization whose diversity extends from the traditional marketing and farm supply sector to supermarkets, canning, insurance and transportation. By combining adequate resources under one management, Agway, for example, has improved services to farmers through the development of a decentralized and more efficient feed manufacturing and distribution system. It also has taken the leadership in acquiring for farmers a major fruit and vegetable processing and sales organization.

Milk producers have made considerable progress in developing organizations for bargaining and cooperative marketing. Some 1,200 cooperatives market about two-thirds of all the milk sold to plants and dealers—and about 50 cooperatives market roughly half of this volume.

The bargaining power that milk producers presently have is exemplified by the fact that in about one-third of the Federal order markets producers have been able to negotiate prices in excess of the minimum prices established under the orders.

A good case in point is the recent success of Associated Dairymen, an affiliated association of milk cooperatives acting together, in holding a fluid milk price 50 cents above the Federal marketing order level.

But producers of many other products have little or no collective bargaining power.

Take broiler production. More than 95 percent of all broilers are produced under contracts, mostly with feed companies and processors. Overall, cooperatives are not a major force in the broiler industry. There is no centralized voice for the broiler grower.

Growers complain about excessive prices for feeds and chicks, poor quality chicks, stale feeds, shortages between invoiced feed tonnage and delivered tonnages, lack of information on procedures in weighing birds for payment purposes, and so on.

Differences in contract terms are sometimes very large. Recent studies of returns computed on an economic equivalent basis show that some growers have received 50 per cent more than others.

The broiler grower is faced with a highly imperfect market. There may be only one or two integrators with whom he may contract—rarely, more than four or five. If he complains too much about the terms of the contract or about his treatment he is labeled a problem grower. His chances of obtaining another contract with that firm or with any other firm are very small. Failure to make a contract may be insignificant to the buyer, but it is essential to the producer.

Take livestock. Only a small proportion of all cattlemen appear to be active in organizations that specifically represent the cattle industry. Farmer cooperatives are not a major factor in cattle production or marketing—in recent years only 12 to 15 percent of the cattle marketed have gone through cooperatives.

As for hogs, the swine industry is probably the least organized part of the generally unorganized livestock industry.

Is this disorganization among livestock producers inevitable? Is organization impossible?

I know a rather widespread belief exists that beef producers, for example, cannot be effectively organized. The argument is that the industry is too large and too diverse with cattle being produced on 70 percent of U.S. farms in every State in the nation.

This was undoubtedly true yesterday. But I doubt that it is necessarily true today. And I am convinced that it will *not* be true tomorrow. Times are changing. Communication is improving. The need for organization is growing ever more apparent. Economic pressures and a more realistic view of their own self interest is creating a new climate among farmers.

There are increasing efforts on the part of cattlemen's organizations to persuade and educate producers to balance production with demand. I'm thinking specifically of a series of recommendations by the American National Cattlemen's Association, designed to achieve at least a 5 percent reduction in total beef tonnage.

It may be hard to organize the various segments of the livestock industry. But look at the variety of interests and skills in the United Auto Workers—a tremendous diversity of workers joined into not only a nationwide but an international union. Labor can do it—why can't you?

From the dialogue carried on thus far, there appear to be five major goals to be sought if group action by farmers is to be effective.

1. Obviously, there must be greater participation by farmers in bargaining organizations. This is the sine qua non of the entire issue. Existing organizations need to be strengthened, and some new organizations need to be developed.

2. There must be a stabilization of farm product prices through effective control of supplies. This would follow from the organization of the now-fragmented farm sector.

3. Farm production and the sale of farm products must be organized to fit more exactly the requirements of the market. The food industry is geared for mass merchandising and large scale operation.

It wants large volume in uniform quality and steady flow, and it is less and less willing to accommodate itself to the uncertain and piecemeal nature of disorganized farm production. Considerable improvement in efficiency with substantial cuts in cost can be made here.

4. Trade practices in the transfer of commodities from farmers to buyers need to be regularized. This involves quality standards, terms of delivery, length of contracts, and other non-price matters. The individual farmer usually has less information than those from whom he buys or to whom he sells. Hence, he may give up more than he needs to in bargaining over delivery schedules, credit, shrinkage, premiums and discounts, bonuses and allowances, grades, weights and inspections, and so on.

5. Farmers must seek substantial improvements in price over a period of time.

There is a growing belief that effective group action by farmers requires appropriate legislation to do for farm bargaining associations what the Wagner Act did for labor unions.

One idea is legislation to establish a National Farm Bargaining Board. This NFBB would serve farmers in much the same way as the National Labor Relations Board serves labor.

Initially, the Board, at the request of a producer-group, would determine the boundaries, size, and composition of a "product-bargaining unit," based on existing marketing patterns. If more than one group vied to represent growers, the Board would supervise an election to be decided by majority vote.

It would then certify a bargaining agent and insure that processors bargained in good faith with it. The same legislation might provide that all producers would share the association costs, and that prices negotiated by the bargaining agent would be binding on all suppliers, once the price was ratified by growers.

Another idea, which might well work together with the bargaining board, is the broader use of marketing agreements.

Specifically we might ask for authority to include additional commodities under these agreements, to establish minimum prices and other terms under which handlers could acquire products from producers; and to make adjustments in producer allotments and for marketing quotas where necessary.

It remains to be seen whether farmers can come together enough to make either of these approaches to bargaining power really effective. But if, as I believe, this is truly an idea whose time has come—they will. And farmers at long last will have the tools to get the income they need and deserve. In union there *is* strength.

This approach, and others I've discussed this morning, are possibilities—perhaps even probabilities—for the future. But farm prices and income are determined in the here and now, and so now I'd like to discuss practical bargaining power initiatives of the immediate present.

You will remember that on February 20th of this year President Johnson called a National Farm policy conference in Washington. Your own Herschel Newsom attended, as did other farm organization and commodity leaders from throughout the Nation.

At that conference the President asked farm leaders to "give us your suggestions, your ideas, your counsel." The leaders did, and we have responded to their suggestions, doing our best to coordinate federal policy with the work of farm and commodity groups toward the common goal of higher income for producers.

In my opinion, this coordination and cooperation between the Department and most farmer-organizations has never been closer than it has in 1967. It is unfortunate that this year is one of record crops throughout the world, for if this had been a more normal production year, the effect of our joint efforts would have been much more visible than it has been.

As it is, the various practical measures taken to enhance the bargaining position of farmers have had considerable effect. These are some of them.

In June of this year, President Johnson proclaimed new quotas which are expected to hold annual dairy product imports to the equivalent of about one billion pounds of milk in 1968, compared with a projected rate of more than 4 billion pounds had no action been taken.

The Secretary and members of his staff have *repeatedly* urged farmers to market grain prudently this year, and we've amplified this request through every means available to us, press, television and public appearances. We've backed up words with deeds, moving 6,700 storage units—with 22½ million bushels capacity—from the Midwest to storage-deficit areas in the Southeast and Northeast, to allow more farmers to market their grain prudently.

As you know, the President strongly supported the Purcell bill for strategic reserves, which would have enabled us to raise the incomes of grain and livestock producers in 1968. Unfortunately this bill was killed in a subcommittee of the House Agriculture Committee last month. It is gone, but not forgotten, and is worth examining in detail, since it bears directly on the subject of farmer-bargaining power.

It has been evident for some time that there is a limit to the amount of grains the commercial trade will carry without forcing prices down.

Millers and exporters are naturally reluctant to buy and hold grain when bumper crops might lead to lower prices. It is equally evident that there are limits to what the present New Era voluntary farm programs can do in tightening down over-supplies, the proximate cause of recent price slumps. Obviously we can't take a chance of running out of grain completely.

Had the Purcell bill been enacted, in the future the Secretary of Agriculture could have adjusted annual supplies more closely to market needs—with resultant stronger prices for the farmer and with no danger of shortage for domestic consumers or overseas' markets. In bumper crop years the government would have been able to buy grain, firming up prices; in short years, supplies could have been sold under the most carefully prescribed conditions.

Unfortunately, it was voted down. The statements of those who killed it made it clear that partisan politics, rather than the welfare of American farmers, carried the day.

If the bill had passed, I believe it would have strengthened market prices not less than 10 cents per bushel for wheat and feed grains, *resulting in from $300 to $500 million in additional income for farmers*. It is significant that, upon its defeat, the wheat and corn markets reacted sharply downward. I hope that every farmer in the United States noted this partisan action and will remember it.

This avenue is closed, for the time being, but upon closure we immediately began exploring alternative routes to our goal.

Two weeks ago we announced one such action, adopting many of the suggestions put forth by Congressman Neal Smith of Iowa.

For some time now USDA has kept storable stocks of CCC feed grains off the market. Two weeks ago we announced our intentions for the remainder of the 1967–68 crop marketing year. CCC stocks will *not* be available at least until the 1967 crop under regular loan or reseal exceeds the 6 million tons of overage expected this year, and even then at not less than the market price or 115 percent of the loan plus carrying charges, whichever is higher.

Next, in addition to the extension of reseal privilege announced earlier for the 1967 crop, we've also announced that farmers with '64, '65 and '66 crops under reseal loan will be able to reseal these crops for another year following maturity dates, this in the spring and summer of 1968. So that farmers can extend this withholding into the 1968 season as flexibly as possible, they'll be able to move their 1967 farm-stored grain under loan or reseal to *commercial storage* and convert it to reseal under the commercial reseal provisions just announced. This will allow continued holding of the 1967 crop and make farm storage available for 1968 production.

This is a new departure, one that should help tighten down supplies.

And we've done more.

In the fiscal year that ended last June, we've moved 344 million pounds of meat, margarine and livestock products; 67 million pounds of poultry and large quantities of other products off the market and into various school lunch and other food programs. These, plus Food for Freedom purchases, will total about $2½ billion this year. Through expanded Section 32 purchases, working closely with poultry producers and cooperatives, we're helping to step up the normal culling rate in poultry flocks by 10 percent this year, to tighten down on oversupplies of eggs.

All of these actions are a concerted effort to reduce supplies, coordinated with, and enhanced by our earlier actions reducing wheat and feed grain acreages.

All of these actions are practical, here-and-now bargaining initiatives. If we can keep them up—and enhance them through concerted action by farmers, their organizations, cooperatives and government—and then build upon this initiative with the new approaches to bargaining power discussed earlier, I am confident that we can meet our obligations to American farmers.

That is my goal. Thank you.

DEDICATION OF PLAQUE AT BENNETT PARK, SYRACUSE, N.Y.

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. Hanley] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. HANLEY. Mr. Speaker, on this past Veterans Day, I was privileged to participate in the dedication of a plaque at Bennett Park in Syracuse conducted by the John Venditti Post No. 1, the Italian American War Veterans of the United States.

The master of ceremonies for the occasion was Dr. Joseph Grosso, an eminent physician who is constantly associating himself with programs for the betterment of our community.

I want to share with my colleagues the remarks offered at this ceremony by John Nave, the post commander, and by Syracuse city court Judge Joseph F. Falco:

Remarks of Post Commander John F. Nave

Reverend clergy. Distinguished guests. My fellow Americans.

We have gathered here today in a simple ceremony to rededicate ourselves to the basic principles upon which our country was founded.

To achieve and maintain these basic principles American Men have had to don their uniforms down through the years and go into battle to make the world understand that when the precious things we cherish most—liberty, freedom and democracy—were threatened, we would not hesitate to fight for them.

Some of these brave warriors did not return from battle. They fell where they fought. It is up to us the living to remind others in our society that these men did not give up their lives for nought.

Hence, this afternoon we dedicate this plaque in their honor. Another reminder they have not been forgotten. And the basic principles for which they gave up their lives will be continued and maintained by those of us who remain.

One of the basic principles upon which the nation is founded and these men gave up their lives for was the right to dissent, the right to debate, and the right to speak freely without fear or hesitation.

However, some of our fellow Americans in recent weeks who are enjoying these rights are abusing them and making us look ridiculous in the capitals of the world, and weak in the eyes of our enemies.

This is costing us additional American lives in the current struggle on the Asian Continent in defense of those principles which we Americans hold so precious and dear.

Our hope is that common sense will prevail and these fellow Americans will come back into the fold.

As Commander of the John Venditti Post No. 1, Italian American War Veterans of the United States, I can best sum up the attitude and feeling of our organization by reading the inscription on the plaque which we have just unveiled and dedicated today. It reads as follows:

"IN MEMORIAM

"Dedicated on this Veterans Day of 11 November 1967 in remembrance of all deceased war veterans of the Armed Forces of the United States of America."

After citing this, one is precluded from adding much more. And so I want to thank you one and all for coming and making this a most solemn and memorable occasion.

Remarks of Syracuse City Court Judge, Joseph F. Falco

1,219,135 American lives are represented by the placque that we dedicate here today. This number is the cost in lives in nine wars from the Revolutionary war to the present war in Viet Nam.

As we take a look around us and see the state of turmoil the world is in today we may sometimes wonder if they have died in vain.

In our own country we have the sit-ins—the love-ins—the peaceniks—the bearded and smelly hippies—the flag burners—the draft card burners—and the most infamous of all, those real heroes that moved to Canada to avoid the draft and military service. How could we ever explain the actions of these people to the dead heroes we honor here today? Let's face it, we couldn't.

Enough of the negative side, however, now for the positive. What can we as individuals do to show those that have made the supreme sacrifice for our country that we are grateful—that their dying has meant something?

For them, we must launch the Ship of State in a new direction. The Ship of State of which I speak is the Government of the United States in which we live.

Our elected president, no matter of what political party or political faith, is elected to be the Ship's Captain. He has around him officers of his Ship in varying degrees of authority and power, the Cabinet and the Congress. The Captain and his officers chart the course and try to pilot the great craft into peaceful waters. Together they see that the Ship has a destination. But, each of us must sign on as deck hands to man the Ship, to be the crew. We are small units, yet our combined service amounts to more than we ever dream of. How do we man the Ship, you say?

First, we must pay the bill. You must admit that the bill in the last few years has been staggering—but as we think of the placque that has been dedicated here today, we can honestly say, what a small part of the running expenses of the Ship of State we pay, in comparison to those who have given their lives so that she may sail.

We can also help man the ship by obedience to her laws. There is no doubt that some of these should be changed or revised, but until they are stricken from the Ship's Log, we are doing our part only when we obey them.

We can help man the Ship by preaching daily against mutiny or dissension in the ranks, for on any crew there are all types—radicals and well meaning persons who would change the course of this wonderful Ship of State of ours.

Finally, we can man the Ship by putting the following words on the Ship's bulletin board for all of the crew to see—

Words like Patriotism—Loyalty—Self Respect—Honor—Hard work.

These are the ideals which will see the great Ship through troubled waters. These are the ideals which are the only hope of the future. Many mines may be hidden and waiting to change the Ship's course in strange waters and keep her from her destination, but if all hands, if all members of the crew work together, each at his respective battle station—each in his own little way—the "Ship of State" will enter the safe harbor it has been seeking.

Then and only then can we turn to those whose memory we honor today and say—"Former members of the crew of our Ship of State, all was not in vain. Because of your labors and your supreme sacrifice we have made the port of Peace."

"We salute you."

INVOCATION

Mr. JONES of North Carolina. Mr. Speaker, I ask unanimous consent that the gentleman from Washington [Mr. Foley] may extend his remarks at this point in the Record and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. FOLEY. Mr. Speaker, tomorrow, November 22, is a sad anniversary of the death of John Fitzgerald Kennedy. Every American will mark this day in his own heart and memory.

Duane Mars Davis, of Spokane, Wash., is a young poet of great promise who dedicated one of his poems to President Kennedy during his lifetime. That poem "Invocation" seems an especially appropriate memorial today.

Under unanimous consent I include it in the Record in its entirety:

Invocation

Time, O time, do not forsake me now,
  Great plans, great needs await but time to score
Outward upon the page and to endow
  Shadow with shape, and spirit with a pore
Through which to leave the prison of the brow.

Now can be made eternal—do not fade.
  Grow old and tired, but do not drift away
Until the emptied pen at last is laid
  Upon the finished work, the final ray
Of truth gleaned from the lamp, the last tune played.

Now can be made divine, can expurgate
  The silences of years and leave one free
Now can decide a new and greater fate
  It bears a bright illimitable key
The dreams of lifetimes—I implore you wait!

Wait, O time—but, no, you will not be
  Ever the same again. Your hour is gone
And fresh young new light breaks exultantly.
  Your limits have been lined, your failings drawn
Upon the vast thread of eternity.

—Duane Mars Davis.

SAN ANTONIO—TARGET CITY FOR JOB DEVELOPMENT

The SPEAKER pro tempore (Mr. Albert). Under previous order of the House, the gentleman from Texas [Mr. Gonzalez] is recognized for 5 minutes.

Mr. GONZALEZ. Mr. Speaker, on Friday, November 17, a series of meetings was held in San Antonio, one of the target cities for President Johnson's test program for job development. The objective of the new program is to involve private industry in the process of creating jobs for the hard-core unemployed. This imaginative step by President Johnson is being met with equal imagination and enthusiasm by the citizens of San Antonio. The meetings in San Antonio last week were an unqualified success. Mr. William E. Zisch, special representative of Secretary of Commerce Alexander B. Trowbridge, led a group of officials from the Federal Government, with specialists of the Department of Defense, the Small Business Administration, and the Department of Labor. From the San Antonio area, more than 330 leaders from business and industry, as well as religious, educational, labor, and civic organizations attended the series of meetings. Information about the new program was disseminated by radio and television interviews, and a press conference attended by local newspapermen. Most important, 25 San Antonio businessmen expressed definite interest in the new job program and contacts with these people are continuing. Mr. William Sinkin, a leading San Antonio businessman helped organize the meetings and served as informal chairman of the sessions. I worked closely with those who were setting up these meetings, doing whatever I could to help, but a rollcall vote in the House prevented me from personally attending. I followed the events closely, however, and I am gratified that this first concrete step in San Antonio has come off so successfully. My feelings can be summed up completely in a very few words: Mr. President, you have pointed the way. San Antonio is ready to move.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. Stratton, for November 24 through December 18, on account of official Armed Services Committee business.

Mr. Pollock (at the request of Mr. Gerald R. Ford), for the balance of the week, on account of official business.

Mr. Del Clawson, through November 28, on account of official business.

Mr. Hagan (at the request of Mr. Friedel), for Tuesday and Wednesday, November 21 and November 22, on account of official business.

Mr. McCulloch (at the request of Mr. Gerald R. Ford), for today, on account of official business—National Advisory Committee on Civil Disorders.

Mr. Flynt (at the request of Mr. Albert), for today, on account of official business.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Saylor, for 10 minutes, today; and to revise and extend his remarks.

Mr. Hall (at the request of Mr. Zwach), for 5 minutes, today; and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Jones of North Carolina) to revise and extend their remarks and to include extraneous matter:)

Mr. Gonzalez, for 5 minutes, today.

Mr. Tunney, for 15 minutes on November 22.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Congressional Record, or to revise and extend remarks was granted to:

Mr. Price of Texas during the Committee of the Whole today on House Joint Resolution 859, and to include extraneous material.

(The following Members (at the request of Mr. Zwach) and to include extraneous matter:)

Mr. Snyder.

Mr. Pelly.

(The following Members (at the request of Mr. Jones of North Carolina) and to include extraneous matter:)

Mr. Hungate.

Mr. Howard.

Mr. Kee.

Mr. Helstoski.

Mr. Rogers of Florida.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 2565. An act to amend the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, and for other purposes.

ENROLLED BILLS SIGNED

Mr. BURLESON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 168. An act to amend the act of June 20, 1918, relating to the retirement age requirements of certain personnel of the Coast Guard;

H.R. 1006. An act to provide an increase in the retired pay of certain members of the former Lighthouse Service;

H.R. 3351. An act to amend the act of August 19, 1950, to provide annuity benefits for an additional number of widows of employees of the Lighthouse Service;

H.R. 6430. An act to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes;

H.R. 10442. An act to facilitate exchanges of land under the act of March 20, 1922 (42 Stat. 465), for use for public schools, and for other purposes; and

H.R. 12910. An act to establish a Judge Advocate General's Corps in the Navy, and for other purposes.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 706. An act to amend section 27 of the Shipping Act, 1916;

S. 764. An act to amend section 6 of the District of Columbia Traffic Act, 1925, as amended, and to amend section 6 of the act approved July 2, 1940, as amended, to eliminate requirements that applications for motor vehicle title certificates and certain lein information related thereto be submitted under oath;

S. 770. An act to amend an act to provide for the establishment of a public crematorium in the District of Columbia; and

S. 2428. An act to authorize the Secretary of the Army to convey to the State of Washington certain lands in the counties of Yakima and Kittitas, Wash., in exchange for certain other lands, and for other purposes.

BILLS PRESENTED TO THE PRESIDENT

Mr. BURLESON, from the Committee on House Administration, reported that that committee did on November 20, 1967, present to the President, for his approval, bills of the House of the following titles:

H.R. 2. An act to amend titles 10, 32, and 37, United States Code, to strengthen the Reserve components of the Armed Forces, and for other purposes;

H.R. 1963. An act for the relief of employees of General Services Administration;

H.R. 2517. An act to amend sections 64a, 238, 378, and 483 of the Bankruptcy Act and to repeal sections 354 and 459 of the act;

H.R. 2518. An act to amend sections 337 and 338 of the Bankruptcy Act and to add new section 339;

H.R. 2519. An act to amend sections 334, 355, 367, and 369 of the Bankruptcy Act;

H.R. 2834. An act to amend the act of June 10, 1938, relating to the participation of the United States in the International Criminal Police Organization;

H.R. 3403. An act for the relief of Harry LeRoy Jones;

H.R. 3474. An act to require the Foreign Claims Settlement Commission to determine the amount and validity of the claim of Ike Ignac Klein against the Government of Hungary, and for other purposes;

H.R. 3727. An act for the relief of Elpidio Dimacali Damazo and Natividad Simsuangco Damazo;

H.R. 3799. An act for the relief of the city of Pawtucket, R.I.;

H.R. 6324. An act for the relief of John A. Danisch;

H.R. 7599. An act for the relief of Dr. Emanuel Marcus;

H.R. 7811. An act for the relief of Richard Alan White; and

H.R. 8632. An act to amend sections 40c(1) and 52a of the Bankruptcy Act so as to reallocate part of the filing fee from the clerk's earnings to the referees' salary and expense fund.

ADJOURNMENT

Mr. JONES of North Carolina. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 55 minutes p.m.) the House adjourned until tomorrow, Wednesday, November 22, 1967, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1230. A letter from the Assistant Secretary of the Interior, transmitting a copy of a proposed concession contract under which the Lassen National Park Co. will be authorized to continue to provide accommodations, facilities, and services for the public in Lassen Volcanic National Park, Calif., from November 1, 1967, through October 31, 1987, pursuant to the provisions of 70 Stat. 543; to the Committee on Interior and Insular Affairs.

1231. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to approve long-term contracts for delivery of water from Navajo Reservoir in the State of New Mexico, and for other purposes; to the Committee on Interior and Insular Affairs.

1232. A letter from the Chairman, U.S. Commission on Civil Rights, transmitting a report of the Commission on Civil Rights, pursuant to the provisions of Public Law 84–315, as amended; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. McMILLAN: Committee on the District of Columbia. H.R. 14098. A bill to amend the act entitled "An act to provide for the annual inspection of all motor vehicles in the District of Columbia", approved February 18, 1938, as amended; with amendment (Rept. No. 976). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLMER: Committee on Rules. House Resolution 986. Resolution for consideration of H.R. 13489, a bill to amend the Federal Credit Union Act to modernize the loan, investment, and dividend provisions, and for other purposes (Rept. No. 978). Referred to the House Calendar.

Mr. SISK: Committee on Rules. House Resolution 987. Resolution for consideration of H.R. 13706, a bill to amend the Federal Farm Loan Act and the Farm Credit Act of 1933, as amended, and for other purposes (Rept. No. 979). Referred to the House Calendar.

Mr. YOUNG: Committee on Rules. House Resolution 988. Resolution for consideration of H.R. 13934, a bill to amend the Atomic Energy Community Act of 1955, as amended, the Atomic Energy Act of 1954, as amended, and the EURATOM Cooperation Act of 1958, as amended (Rept. No. 980). Referred to the House Calendar.

Mr. MADDEN: Committee on Rules. House Resolution 989. Resolution for consideration of S. 1003, an act to amend the Flammable Fabrics Act to increase the protection afforded consumers against injurious flammable fabrics (Rept. No. 981). Referred to the House Calendar.

Mr. ANDERSON of Tennessee: Committee on Rules. House Resolution 960. Resolution to authorize the General Subcommittee on Labor of the Committee on Education and Labor to conduct an investigation and study of production of foreign-made goods competing with domestically produced goods and of the operation of elementary and secondary schools by Federal agencies; with amendment (Rept. No. 982). Referred to the House Calendar.

Mr. ANDERSON of Tennessee: Committee on Rules. House Resolution 971. Resolution authorizing the Committee on Post Office and Civil Service to conduct studies and investigations relating to certain matters within its jurisdiction; with amendment (Rept. No. 983). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MATSUNAGA: Committee on Rules. House Resolution 985. Resolution for consideration of H.R. 2275, an act for the relief of Dr. Ricardo Vallejo Samala; with the Senate amendment thereto (Rept. No. 977). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BATTIN:

H.R. 14117. A bill to amend title 13, United States Code, to limit the categories of questions required to be answered under penalty of law in the decennial censuses of population, unemployment, and housing, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BROWN of Ohio:

H.R. 14118. A bill to provide for orderly trade in textile articles; to the Committee on Ways and Means.

By Mr. RARICK:

H.R. 14119. A bill to amend the Federal Food, Drug, and Cosmetic Act to prescribe penalties for the possession of LSD and other hallucinogenic drugs by unauthorized persons; to the Committee on Interstate and Foreign Commerce.

By Mr. VANIK (for himself, Mr. BETTS, Mr. FEIGHAN, Mrs. BOLTON, Mr. BOW, Mr. BROWN of Ohio, Mr. CLANCY, Mr. HARSHA, Mr. HAYS, Mr. LATTA, Mr. LUKENS, Mr. MILLER of Ohio, Mr. MINSHALL, Mr. MOSHER, and Mr. STANTON):

H.R. 14120. A bill to provide for orderly trade in iron ore, iron and steel mill products; to the Committee on Ways and Means.

By Mr. WALKER:

H.R. 14121. A bill to amend the Mental Retardation Facilities Construction Act in order to make certain facilities on which construction was begun after January 1, 1966, eligible for grants under part C of that act; to the Committee on Interstate and Foreign Commerce.

By Mr. ASHBROOK:

H.R. 14122. A bill to amend the Immigration and Nationality Act with respect to the performance of certain investigative functions, and for other purposes; to the Committee on the Judiciary.

By Mr. COHELAN (for himself, Mr. Burton of California, Mr. Tunney, Mr. Waldie, and Mr. Mathias of California):

H.R. 14123. A bill to provide for the appointment of additional circuit judges; to the Committee on the Judiciary.

By Mr. GREEN of Pennsylvania:

H.R. 14124. A bill to amend the Merchant Marine Act, 1936, and other statutes to provide a new maritime program; to the Committee on Merchant Marine and Fisheries.

By Mr. HANNA (for himself, Mr. Roybal, Mr. Charles H. Wilson, Mr. Sisk, Mr. Johnson of California, Mr. Rees, Mr. Reinecke, Mr. Brown of California, and Mr. Hawkins):

H.R. 14125. A bill to amend title VII of the Housing and Urban Development Act of 1965 to provide that the Federal water and sewer grants authorized thereunder may be made to certain additional entities, and that both water and sewer grants may be increased above 50 percent in certain additional cases where indications of particular need exist in the community involved; to the Committee on Banking and Currency.

By Mr. RUPPE (for himself, Mr. Byrnes of Wisconsin, Mr. Zablocki, and Mr. Gray):

H.R. 14126. A bill to designate the New Poe lock at Sault Ste. Marie, Mich., as the Father Marquette lock; to the Committee on Public Works.

By Mr. WAMPLER:

H.R. 14127. A bill to provide for orderly trade in iron and steel mill products; to the Committee on Ways and Means.

By Mr. RIEGLE:

H.J. Res. 931. Joint resolution to establish a joint investigatory committee on the U.S. civic action program in Vietnam; to the Committee on Rules.

By Mr. WINN:

H.J. Res. 932. Joint resolution to establish a joint investigatory committee on the U.S. civic action program in Vietnam; to the Committee on Rules.

By Mr. TIERNAN:

H. Res. 990. Resolution to request the Department of Defense to undertake a study of wage areas used to determine wage rates of its employees engaged in recognized trades and crafts; to the Committee on Post Office and Civil Service.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLAND:

H.R. 14128. A bill for the relief of Dr. Esmat M. El-Maayergy; to the Committee on the Judiciary.

By Mr. BROWN of Michigan:

H.R. 14129. A bill for the relief of Pornthip McClenney; to the Committee on the Judiciary.

By Mr. CAREY:

H.R. 14130. A bill for the relief of Antonino Caibis; to the Committee on the Judiciary.

H.R. 14131. A bill for the relief of Nicolo Parrino; to the Committee on the Judiciary.

H.R. 14132. A bill for the relief of Mrs. Vassailiki Ypsilantis; to the Committee on the Judiciary.

By Mr. HANNA:

H.R. 14133. A bill for the relief of Dominador Villena Calip; to the Committee on the Judiciary.

By Mr. KUPFERMAN:

H.R. 14134. A bill for the relief of Dr. Antonia Ty; to the Committee on the Judiciary.

By Mr. McDADE:

H.R. 14135. A bill for the relief of Luciano Giunta; to the Committee on the Judiciary.

By Mr. MURPHY of New York:

H.R. 14136. A bill for the relief of Angela Alamia; to the Committee on the Judiciary.

H.R. 14137. A bill for the relief of Alan Kadi; to the Committee on the Judiciary.

By Mr. PEPPER:

H.R. 14138. A bill for the relief of Dr. Jose Esquenazi; to the Committee on the Judiciary.

By Mr. RONAN:

H.R. 14139. A bill for the relief of Michele Cetrangolo; to the Committee on the Judiciary.

By Mr. ROONEY of Pensylvania:

H.R. 14140. A bill for the relief of Rosina Cervini; to the Committee on the Judiciary.

By Mr. TEAGUE of California:

H.R. 14141. A bill for the relief of Randolph M. Martinez; to the Committee on the Judiciary.

By Mr. WOLFF:

H.R. 14142. A bill for the relief of Joseph and Rita Tomasovic; to the Committee on the Judiciary.

By Mr. CELLER:

H. Res. 991. Resolution to refer the bill (H.R. 14109) entitled "A bill for the relief of Joseph W. Harris," to the chief commissioner of the Court of Claims pursuant to section 1492 and 2509 of title 28, United States Code, as amended; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

208. The SPEAKER presented a petition of the Junior Order of United American Mechanics, Trenton, N.J., relative to the status of the U.S. Government in its relation to the Panama Canal, which was referred to the Committee on Foreign Affairs.

SENATE

Tuesday, November 21, 1967

The Senate met at 10 a.m., and was called to order by the President pro tempore.

The Chaplain, Rev. Frederick Brown Harris, D.D., offered the following prayer:

O Lord, our God, whose love will not let us go, but followest us all the way: We bow before Thee in gratitude at the remembrance of all Thy mercy and all Thy mercies.

We would bring our restless lives into the quiet sanctuary of Thy presence, that we may be still and know that Thou art God.

In spite of all the evil that stalks the earth with threats, we thank Thee for human kindness, for hope that shines undimmed, for faith that is dauntless, and for all the qualities of high personality that cannot be bribed.

In the midst of all that saddens and perplexes in this difficult yet splendid day, give us an inner radiance, not knowing that our faces shine, but humbly glad that in a world that lieth in darkness, we are the children of light:

In confused and confusing days—

Take from our souls the strain and stress
And let our ordered lives confess
The beauty of Thy peace

In the dear Redeemer's name. Amen.

THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, November 20, 1967, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 764. An act to amend section 6 of the District of Columbia Traffic Act, 1925, as amended, and to amend section 6 of the act approved July 2, 1940, as amended, to eliminate requirements that applications for motor vehicle title certificates and certain lien information related thereto be submitted under oath; and

S. 770. An act to amend an act to provide for the establishment of a public crematorium in the District of Columbia.

The message also announced the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

S. 1227. An act to provide that a judgment of decree of the U.S. District Court for the District of Columbia shall not constitute a lien until filed and recorded in the office of the Recorder of Deeds of the District of Columbia, and for other purposes; and

S. 2126. An act to amend the Food and Agriculture Act of 1965.

The message further announced that the House had passed the following bills of the Senate, each with amendments, in which it requested the concurrence of the Senate:

S. 1566. An act to amend sections 3 and 4 of the act approved September 22, 1964 (78 Stat. 990), providing for an investigation and study to determine a site for the construction of a sea-level canal connecting the Atlantic and Pacific Oceans; and

S. 2211. An act to amend section 509 of the Merchant Marine Act, 1936, as amended (46 U.S.C. 1159) to provide for construction aid for certain vessels operating on the inland rivers and waterways.

The message also announced that the House had passed the joint resolution (S.J. Res. 35) consenting to an extension and renewal of the interstate compact to conserve oil and gas, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 8376. An act to provide that the United States District Court for the Eastern District of New York shall be held at Brooklyn, N.Y., and Mineola, N.Y.;

H.R. 9473. An act to amend provisions of the Shipping Act, 1916, to authorize the Federal Maritime Commission to permit a common carrier by water in foreign commerce or conference of such carriers to refund a portion of the freight charges;

H.R. 9606. An act to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia;

H.R. 10923. An act to authorize the Secretary of the Interior to convey the Argos National Fish Hatchery in Indiana to the Izaak Walton League;

H.R. 12638. An act to authorize the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam;

H.R. 12961. An act to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members of a missing status;

H.R. 13403. An act to amend the act of October 13, 1964, to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia;

H.R. 13480. An act to make the proof of financial responsibility requirements of section 39(a) of the Motor Vehicle Safety Responsibility Act of the District of Columbia inapplicable in the case of minor traffic violations involving drivers' licenses and motor vehicle registration; and

H.R. 13933. An act to amend section 103 of title 23, United States Code, to authorize modifications or revisions in the Interstate System.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, or placed on the calendar, as indicated:

H.R. 8376. An act to provide that the U.S. District Court for the Eastern District of New York shall be held at Brooklyn, N.Y., and Mineola, N.Y.; to the Committee on the Judiciary.

H.R. 9473. An act to amend provisions of the Shipping Act, 1916, to authorize the Federal Maritime Commission to permit a common carrier by water in foreign commerce or conference of such carriers to refund a portion of the freight charges; and

H.R. 10923. An act to authorize the Secretary of the Interior to convey the Argos National Fish Hatchery in Indiana to the Izaak Walton League; to the Committee on Commerce.

H.R. 9606. An act to exempt from taxation certain property of the National Society of the Colonial Dames of America in the District of Columbia;

H.R. 13403. An act to amend the act of October 13, 1964, to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia; and

H.R. 13480. An act to make the proof of financial responsibility requirements of section 39(a) of the Motor Vehicle Safety Responsibility Act of the District of Columbia inapplicable in the case of minor traffic violations involving drivers' licenses and motor vehicle registration; to the Committee on the District of Columbia.

H.R. 12638. An act to authorize the exchange of certain vessels for conversion and operation in unsubsidized service between the west coast of the United States and the territory of Guam; placed on the calendar.

H.R. 12961. An act to amend title 37, United States Code, to authorize the nontemporary storage of household effects of members of a missing status; to the Committee on Armed Services.

H.R. 13933. An act to amend section 103 of title 23, United States Code, to authorize modifications or revisions in the Interstate System; to the Committee on Public Works.

LIMITATION ON STATEMENTS DURING TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that statements in relation to the transaction of routine morning business be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

FISCAL INTEGRITY OF SOCIAL SECURITY SYSTEM

Mr. HILL. Mr. President, on November 14, the lead editorial of my hometown evening newspaper, the Alabama Journal, discussed several aspects of the social security system. The editorial was prompted by an article which appeared in a recent issue of the Reader's Digest regarding the fiscal program of the social security system, and is most timely.

I should also like to state that, subsequent to the appearance of the article in the Reader's Digest, the Under Secretary of Health, Education, and Welfare, Dr. Wilbur J. Cohen, also issued a most informative statement having to do with the fiscal integrity of the social security system.

I ask unanimous consent to have both the editorial from the Alabama Journal and Dr. Cohen's statement printed at this point in the RECORD.

There being no objection, the editorial and the statement were ordered to be printed in the RECORD, as follows:

[From the Montgomery (Ala.) Journal, Nov. 14, 1967]

IS SOCIAL SECURITY SECURE?

A recent issue of the Readers' Digest carried an article which gave the impression that the Social Security System is rushing headlong toward bankruptcy and consequently is a fraud upon the public.

The Digest is one of largest circulating publications in the United States, reaching 15 million subscribers each month; its readers are perhaps the broadest range of the total spectrum in the nation. Thus, it is not surprising that the article should create widespread anxiety among those who are already receiving or who will receive Social Security payments.

Those who were frightened by the article may be somewhat reassured to know that the Congressional Record of late has carried responses from knowledgeable men who believe that the Digest story was misleading.

Especially noteworthy is the response of Chairman Wilbur D. Mills of the House Ways and Means Committee, which concerns itself with the Social Security setup. Mills, along with others, is pictured in the Digest article as being profoundly alarmed over the basic design and the fiscal integrity of the Social Security system. But the Congressional Record shows that Mills himself took to the floor of Congress to denounce the article as containing "half-truths that lead to misleading conclusions."

Our own Second District Congressman, Bill Dickerson, has responded to inquiries about the Digest article by saying it creates a misleading picture.

The Social Security system certainly is not above criticism, but it is not sensible to expect any serious evaluation of such a complex matter in a short, superficial article in the Readers' Digest. This much can be said for certain: despite the direct predictions of its critics, the Social Security system has worked so far. Its costs, needless to say, have risen steadily, but then, so have the benefits. With intelligent and constant supervision and study, the system should continue to work as well in the future as it has in the past.

STATEMENT BY WILBUR J. COHEN, UNDER SECRETARY OF HEALTH, EDUCATION, AND WELFARE

Mr. Charles Stevenson's article on "How Secure Is Your Social Security?" in the October issue of the *Reader's Digest* is misleading, and, in my opinion, creates anxiety and fear about the financing of our social security system that are groundless.

I state categorically that:

The social security system is soundly financed.

Present and potential future beneficiaries of social security will get the benefits provided by the social security law.

I

Mr. Stevenson begins his article by saying our "social security insurance is in trouble." This is not so.

The subtitle of Mr. Stevenson's article says that "Recent disclosures are raising grave doubts as to how much—if anything—today's taxpayer will get back when his time for retirement comes." Use of the words "disclosures," "grave doubts" and 'if anything" can only result in worry to millions of people who are now drawing social security benefits or expect to draw them in the future. This worry is wholly without factual basis.

The article seeks to depict Chairman Wilbur D. Mills and the ranking minority member, Representative John W. Byrnes, of the House Committee on Ways and Means as profoundly alarmed about the basic design and fiscal integrity of the social security program and about the course that the program is taking. The facts, however, are that as recently as 5 weeks ago these men jointly supported legislation in the House of Representatives, the Social Security Amendments of 1967 (H.R. 12080), which builds upon the present social security program and, with careful attention to actuarial soundness, makes needed improvements in the benefits of the program.

The implication that Representative Byrnes, the ranking minority member of the Committee on Ways and Means, agrees with the charges made by Mr. Stevenson flies in the face of the fact that Mr. Byrnes was a co-sponsor of the social security bill now before Congress and is contradicted by his remarks on the floor of the House of Representatives during the debate on the bill. At that time he stated:

"I personally do not feel that the burdens imposed by this bill are greater than the taxpayers will be willing to pay. After all, today's taxpayer is tomorrow's beneficiary. I was very glad to join the chairman of our committee in sponsoring the social security bill—a bill which gives due consideration to the needs of our elderly citizens as well as those who are called upon to pay the taxes."

Representative Byrnes went on to say that:

"Everyone paying taxes today can do so with the knowledge that he is participating in a sound program of social insurance which will provide commensurate benefits in the event of his death or disability."

The House Committee report on H.R. 12080, which was signed by 24 out of 25 of the members of the Committee on Ways and Means, bears ample witness to the care and thoroughness which the Committee has devoted to assuring the continued soundness of the social security program.

The proposals contained in H.R. 12080 were considered during 18 days of public hearings over a period of 6 weeks, and during 64 executive sessions over a period of 16 weeks. Following debate, the House approved the bill by the overwhelming non-partisan vote of 415 to 3. The bill reaffirms the soundness of the contributory, wage-related social security program.

The soundness of the social security system has been examined a number of times by groups of independent, nongovernmental representatives of business, insurance, labor, and the public.

In 1957, under the Eisenhower Administration, an Advisory Council on Social Security Financing was appointed by Secretary Flemming. It reported as follows:

"The Council finds that the present method of financing the old-age, survivors, and disability insurance program is sound, practical, and appropriate for this program. It is our judgment, based on the best available cost estimates, that the contribution schedule enacted into law in the last session of Congress makes adequate provision for financing the program on a sound actuarial basis."

Among the members of the Council who made this statement were the President of a Federal Reserve bank, two actuaries—one from a private insurance company and one from a university—and representatives of business, labor and professional groups.

The most recent Advisory Council on Social Security, again made up of outstanding experts in the field, examined thoroughly all of the issues connected with the "security" of social security. Like the preceding council they concluded, in their report of January 1965, that the social security program is soundly financed and that its income—out into the long range future—will be sufficient to meet its obligations.

Both Advisory Councils took note of such charges as those made in the article to the effect that social security taxes are used for purposes other than social security, that the trust funds contain only IOU's, and that the system is "in the red" by hundreds of billions of dollars. Both Councils found these charges to be without foundation.

II

The article says that the social security program puts a "squeeze on the young." This is not so. The fact is that even without taking into account that social security benefits have been and will continue to be increased from time to time as changes occur in wage levels and cost of living, young workers as a group will get social security protection worth 20 to 25 percent more than they will pay in social security contributions. This is the case under present law and would be the case under the House-passed bill and under the Administration's proposal.

Young workers could not buy comparable insurance protection from private insurance companies at anywhere near the amount they pay for their social security protection.

The article takes no account of the fact that the benefits provided by the present social security law are very much lower than the benefits that will actually be paid when today's young workers reach retirement age. As wages rise—as they have throughout the history of the country—benefits can be increased *without increasing the contribution rates*. This is because the contributions are a percentage of covered payroll and because, as wages go up, income to the system increases more than the corresponding liabilities.

As a matter of fact, if benefits were *not* increased as wage levels rise over the years, the contribution rates scheduled in present law would be too high, and they could be reduced. Whether benefits are increased or contribution rates are reduced the result would be the same, namely, more protection in relation to contributions than is shown by analyses that assume no change in wage levels and in benefits.

The calculations referred to in the article assume that the covered employee would have within his control an amount of contributions paid by his employers equal to the amount of his own social security contribution. This assumption rests on a misconception of the nature of the social insurance program and indeed the nature of private group insurance. If such an assumption were used, the whole fabric of private group life insurance, annuity insurance, and other forms of group insurance in this country would have to be regarded as inequitable.

As a general rule, under private group insurance plans the employer contribution is not allocated to each employee in an amount related to the employee's own contribution. On the contrary the employer contribution, as in the case of social security, is what makes it possible to pay larger benefits to workers and their survivors who are in the upper age brackets when the group insurance plan goes into effect than could be paid only on the basis of the worker's own contributions.

I believe it bears repeating that even without taking into account the fact that benefits will be increased in future years, even young workers covered under social security will get insurance protection worth 20 to 25 percent more than the value of their contributions, and moreover, they will actually do much better than that when account is taken of the fact that social security benefits can and will be increased as wage levels go up without any need to increase the contribution rate.

In deciding whether younger people get their money's worth it must be kept in mind that social security provides not only retirement protection but also survivors and disability insurance protection. While Mr. Stevenson's figures do take into consideration the fact that social security provides protection against loss of income due to death and disability and also provides hospital insurance protection at age 65 most of his discussion ignores the importance of these parts of the program. That importance may be illustrated by an example: The value of the social security survivors insurance protection provided under the House-passed bill in the case of the worker whose earnings are about the median earnings of regularly employed men ($550 per month) who dies at age 35 leaving a wife aged 32 and two small children is about $56,000. Were this worker to become disabled at age 35, the value of the disability insurance protection to him and his family would be about $59,000.

Social security is a sound and equitable program for the young and the old.

III

Mr. Stevenson's article contains nearly two columns on the so-called *Nestor case*, decided by the U.S. Supreme Court in 1960 (pp. 76–77). Mr. Stevenson distorts the legal issues. He has several quotes which to a lawyer and a general reader would appear to be from the Court's decision. But they are not. He not only does not quote from the Court decision but fails to mention that the Court decision reversed the contention of the Justice Department brief (prepared in the Eisenhower Administration) that the program is not an insurance program. What the U.S. Supreme Court actually said was:

"The Social Security system may be accurately described as a form of social insurance, enacted pursuant to Congress' power to 'spend money in aid of the general welfare,' whereby persons gainfully employed, and those who employ them, are taxed to permit the payment of benefits to the retired and disabled, and their dependents."

The fact is that the Supreme Court decision rejected many of the contentions made in the brief and stated that:

"The interest of a covered employee under the [Social Security] Act is of sufficient substance to fall within the protection from arbitrary governmental action afforded by the due process clause."

Thus, as the Supreme Court stated, although the Congress can modify rights granted under the statute, it cannot do so in an arbitrary way. The right to benefits under social security, as the Court has said, is protected under the due process clause of the United States Constitution against denial or diminution by arbitrary Government action.

IV

The article attempts to show that social security is unsound by referring to "unfunded outstanding obligations" of $350 billion and stating that under the Administration bill this amount will rise to $417 billion. (pp. 79–80). The $350 billion referred to is the amount that would be needed—if social security were a private, voluntary insurance program—to pay off all obligations on the assumption that there would be no new entrants into the system. The idea of there being a huge unfunded liability in the social security system is wholly meaningless and irrelevant for any practical purposes. There is no need in a Government program such as social security for funding on the basis referred to in the article. It would not only be unnecessary but also unwise to build up such a huge accumulation of social security funds. No life insurance expert nor social security expert, nor business nor labor organization, and no Advisory Council or Committee of the Congress has ever recommended such funding.

The most recent Advisory Council on Social Security—an independent group of experts in the field which reviewed all aspects of the social security program over a period of 18 months—stated in its 1965 report:

"The Council is in agreement with the previous groups that have studied the financing of the program that it is unnecessary and would be unwise to keep on hand a huge accumulation of funds sufficient, without regard to income from new entrants, to pay all future benefits to past and present contributors. A compulsory social insurance program is correctly considered soundly financed if, on the basis of actuarial estimates, current assets plus future income are expected to be sufficient to cover all the obligations of the program; the present system meets this test. The claim sometimes made that the system is financially unsound, with an unfunded liability of some $300 billion, grows out of a false analogy with private insurance, which because of its voluntary character cannot count on income from new entrants to meet a part of future obligations for the present covered group."

V

The article is in error in saying that the social security changes recommended by President Johnson would take persons out of poverty "partly by raising the Federal income taxes" of other people over 65. (p. 79). Under the President's proposal, over 2 million persons would be removed from poverty (1.6 million aged 65 and over and 0.5 million under age 65) by the increase in the amount of the social security benefits—especially the increase in the minimum benefit from the present $44 a month to $70. There is no truth in the statement in the article that the method of removing these people from poverty would be through raising income taxes.

The article speaks disparagingly of the improvement of social security benefits for the purpose of reducing the number of persons on assistance or relief. But this has been the objective of the social security program since it was enacted in 1935! This was the original congressional intent. In fact, the carrying out of this intent has been one of social security's great achievements. The proportion of the aged on welfare has decreased from about

22 percent in 1950 to about 10 percent today. We hope to decrease the proportion to 5 percent. Increasing the level of social security benefits will aid in this objective.

VI

One more of the many inaccuracies contained in the article is the allegation in the article that social security contributions are put into the "Treasury's general fund." (p. 76). The fact is that the contributions are automatically appropriated by law to the social security trust funds, which are kept separate from one another and from the general funds of the Treasury and can be used only for the payment of the benefits and administrative expenses under the social security program.

VII

Mr. Stevenson says that the Government is discouraging beneficiaries from augmenting their incomes by collecting social security contributions with no comparable increase in benefits and by withholding benefits from those beneficiaries who earn over $1500 a year. (p. 79)

The purpose of the social security program as determined by the Congress is to pay benefits when there is a loss of earnings because of death, disability, or retirement. The law prescribes a test—generally referred to as the retirement test—for determining whether such loss of earnings has occurred. The amount of the retirement test and whether there should be any retirement test is certainly a question which warrants discussion.

What Mr. Stevenson didn't say in his article is that eliminating the retirement test would increase the cost of the program by $2 billion a year. The additional cost would be incurred to pay benefits to about 2 million people, many of whom are fully employed and earning as much as they ever did. The vast majority of social security beneficiaries—some 20 million other persons—either are unable to work or cannot find a job and therefore would not be helped one iota by the elimination of the retirement test. Would this be an intelligent and equitable way to spend $2 billion a year additional?

The author's statement that beneficiaries who work and pay social security contributions get "no comparable increase" in benefits may give the impression that this work cannot increase their benefits or that, if it can, the benefit increases are insignificant. The fact is that the beneficiary who works can get a benefit increase if he has even just a single year in which his earnings are more than his earnings in any one of the past years that were used in computing his benefits.

In short, Mr. Stevenson didn't tell a full or fair story on the retirement test.

VIII

The article concludes that further study of and basic changes in social security are called for. Some of the concluding remarks are repetitions of misleading assertions made earlier and some go further.

The article raises a number of questions about what will happen to the social security program in the future after whatever "temporary tinkering the House and Senate may do regarding the President's program"—as if the House and Senate are not comprised of the elected representatives of the American people and as if the President is not responsible to the American people. It is through such processes as the article calls "tinkering"—studied proposals such as those made by the President, and congressional deliberation and debates—that this Nation builds its public programs, orders its economy, and carries on the affairs of Government, and this will doubtless be true in the future.

The article goes on to suggest, on the basis of the increases in social security contribution rates that have been enacted over the years, that private pensions may not be able to remain "afloat." Such scaremongering ignores the fact that social security has not prevented the rapid growth of private pensions. Private pensions have made tremendous strides since the 1930's, when social security began. There were only about 400 private pension plans in 1935 when social securtiy was enacted. Today there are over 60,000!

With regard to Mr. Stevenson's proposal to establish a "blue ribbon commission," over the years since the Committee on Economic Security submitted its report to President Roosevelt and the original Social Security Act was enacted in 1935, there have been numerous independent studies of social security by advisory councils composed of highly respected and knowledgeable citizens. For instance there was an Advisory Council Report in 1939, 1948, 1959, and 1965. Since 1956, studies by advisory councils have been provided for in the social security law itself, and there have been periodic studies by these councils. Through the councils, consisting of representatives of employees, employers, the self-employed, and the general public, the social security program has had the benefit of a great deal of intelligent and thoughtful examination. Under the law, the next advisory council, scheduled to be appointed in 1968 (under the bill recently passed by the House, it would be appointed in 1969), will review all aspects of the social security program, including the status of the social security trust funds in relation to the long-range commitments of the program and will make a report of its findings and recommendations to the Board of Trustees of each of the social security trust funds and to the Congress.

IX

Mr. Stevenson has not clarified any fundamental issues. He has not pointed out the great unmet social needs. What he has done has been a great disservice to the millions of social security beneficiaries and the millions who are counting on social security benefits in the future. He has obfuscated and confused the major policy issues in social security. A critical and constructive review of social security would be welcome. A glib and superficial attack on a program so important to millions of Americans is not a contribution to the American people.

MENTAL RETARDATION AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. HILL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6430) to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. GORE in the chair). The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HILL. Mr. President, H.R. 6430 would extend until June 30, 1970, the authorizations for appropriations to provide financial assistance for the construction of university-affiliated mental retardation facilities and community mental retardation facilities. In addition, the legislation would authorize appropriations to cover part of the costs of professional and technical personnel for initiating services at facilities for the mentally retarded.

The conferees agreed to the Senate amendments that permit 2 percent of the sums appropriated for the construction of university-affiliated mental retardation facilities to be used for planning the construction of such facilities. A grant for an individual project may not exceed $25,000, nor may a grant exceed 75 percent of the planning costs.

The conferees also agreed to the Senate amendments that permit States to use up to 2 percent or $50,000, whichever is less, of their allotments for the construction of community mental retardation facilities for covering not to exceed 50 percent of the cost of administering their State plans. The payments of funds for this purpose could only be approved if the States expend not less than their fiscal year 1967 levels of funds for administration.

As passed by the Senate, H.R. 6430 authorized the appropriation of $73 million for fiscal year 1970 to continue the existing program of research and training in the education of handicapped children. The conferees agreed to a 1-year extension of the program for training teachers of handicapped children and authorized $55 million to be appropriated for this purpose in 1970.

The conferees also adopted, with minor amendments, the Senate amendments that authorize a 3-year program of research and training in physical education and recreation for mentally retarded and other handicapped children. A total of $10 million could be appropriated over the 3 years 1968, 1969, and 1970.

The conferees agreed to limit the use of funds appropriated for paying part of the costs of initiating services at mental retardation facilities to the costs of professional and technical personnel.

Finally, the conferees did not agree to include the cost of land acquisition as a construction cost under the Mental Retardation Facilities and Community Mental Health Centers Construction Act.

The conference report is signed by all of the conferees on the part of the Senate and by all of the conferees on the part of the House.

Mr. President, I move the adoption of the report.

Mr. MANSFIELD. Mr. President, I was very much pleased, because of the time of year that it is, that the Senate has today agreed to the conference report on mental retardation, a subject very close and very dear to the heart of the late President of the United States, John F. Kennedy. The Senate and indeed all Americans will recall that he furnished the initial impetus to bring about Federal aid for the benefit of these afflicted people who comprise 10 percent of the population. So, in the late President's honor and as a further remembrance to him I think it is quite significant that we have marked this particular day with such an achievement.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

Mr. YARBOROUGH. Mr. President, will the Senator from Alabama yield?

Mr. HILL. Mr. President, I yield to the distinguished Senator from Texas.

Mr. YARBOROUGH. Mr. President, I cannot let this moment pass without paying tribute to the distinguished Senator from Alabama for his leadership, not only in connection with public health generally in this country but also in connection with mental health. As we all know, his name is known all over the world as one of the cosponsors of the famed Hill-Burton Hospital Act. Perhaps not so well known is the fact that he has been the principal sponsor of all public health legislation since that time. He is the chairman of the Subcommittee on Health of the Committee on Labor and Public Welfare.

Mr. President, I saw the leadership of the Senator from Alabama bring about the passage of the bill to aid the mentally retarded in 1963. It was the first great Federal breakthrough in this field. That bill was passed by Congress and was signed by President Kennedy about a month before his death. As I mentioned, that bill was the first big breakthrough, but it did not include financing for staffing. Through the leadership of the distinguished Senator from Alabama, we were able to get money to build regional mental health centers, but money was not provided for staffing. This was a very sore spot because most of the States did not have the money and could not furnish it. Two years later, under the leadership of the Senator from Alabama, Congress extended that act to provide funds for staffing the regional centers, and they are being built all over the country. It is recognized as the greatest medical advance on behalf of the human race made in this country in the last 10 years, due chiefly to the leadership of the Senator from Alabama.

This morning the Senator from Alabama has explained the conference report on another bill. I wish to repeat what is encompassed in the bill. The distinguished Senator from Alabama is modest and gave only the legal and technical description.

Mr. President, the bill extends vastly the care of those who are mentally afflicted, and it deals with causes and prevention.

I have had one expert tell me that two-thirds of the mentally retarded children are mentally retarded because of their environment; their fate is decided by the time they are 6 years of age. They would not be retarded if they had not been in an environment of retardation. In other words, their mental growth as human beings is set by the time they are 6 years old.

Under the leadership of the Senator from Alabama we are going into these fields. We are going to have these programs fully implemented and staffed. We will have a different generation of people. This is one of the greatest breakthroughs and advances in mental health, not only in the history of this Nation but in the history of any nation. If we were able to improve the environment, it would prevent mental retardation in two-thirds of the children.

Under the leadership of the Senator from Alabama, it has been discovered that many cases of retardation are caused by illness of the mother, such as by measles or other illnesses which were thought of as common or childhood diseases and thought to be of little moment.

Mr. President, these discoveries provide a brighter future for many children. Of some 50 million children of school age in America, 5 million have some physical or mental disease. Many of those diseases are preventable with proper medicine.

The distinguished Senator from Alabama is entitled to the thanks of all Americans for what he has done. I congratulate him. I serve on his committee. I repeat, Mr. President, I congratulate the Senator for what he is doing for people now and for generations yet unborn.

Mr. HILL. I thank the distinguished Senator from Texas for his kind and most generous words. As the Senator said, he is a member of our Committee on Labor and Public Welfare which handled this legislation. No one could have been more devoted in his efforts in behalf of this legislation or contributed more in behalf of this legislation than the distinguished Senator from Texas.

The distinguished Senator will recall that one of our most difficult problems in conference on the partnership for health amendments was the problem about the licensing of pathological laboratories. The Senator gave his devoted efforts to work out this program. Here we are today, due to the great work of the Senator from Texas, with this problem worked out. We have a unanimous report on the part of the House conferees as well as on the part of the Senate conferees.

The Senator from Texas contributed so much to the passage of this legislation, and the legislation we have passed down through the years. He has been in the forefront of the battle for this legislation and has made many, many fine contributions to the passage of health legislation.

I thank the Senator.

Mr. YARBOROUGH. I thank the distinguished Senator from Alabama. It is a pleasure to work with him and under his leadership for this health legislation.

Mr. KENNEDY of Massachusetts. Mr. President, will the distinguished chairman of the committee yield?

Mr. HILL. Yes, I am glad to yield to the distinguished senior Senator from Massachusetts.

Mr. KENNEDY of Massachusetts. I thank the chairman, and say once again how much I respect his abilities and leadership, qualities which were in abundant evidence as we worked on the bill.

Mr. President, the authorization of even the most minimal assistance for the mentally retarded is a step forward in a twilight struggle. But the enactment of legislation as important and far-reaching as the Mental Retardation Amendments of 1967 is a signal achievement in this struggle to better the lives of the retarded—and the lives of those families with a retarded member.

The provisions of this bill are not many in number, but they are significant in effect:

An extension for 3 years of the program of matching grants for the construction of university-affiliated facilities for the mentally retarded, under which 14 facilities have been funded to date;

An extension for 2 years of the program of matching grants for the construction of community facilities for the care of the mentally retarded, under which 167 projects have been funded to date;

An extension for 1 year of the program for training classroom teachers of handicapped children, under which 32,000 teachers and specialists have received full- or part-time training to date;

Creation of a new program of Federal assistance in paying a portion of the costs of initiating services at facilities for the mentally retarded. The costs covered are limited to the costs of new services at existing facilities, or services at new facilities, and are designed to stimulate the construction of new facilities which might face difficulties with initial staffing or services and consequently not be constructed;

Creation of a new program of Federal assistance for the training of physical education teachers for mentally retarded and other handicapped children, and for research and demonstration projects to develop more fully the potential of physical education and recreation for the development of mentally retarded and handicapped children.

These specific programs, coupled with those authorized by the 1967 amendments to the Community Mental Health Centers Act which were signed into law last spring, are a comprehensive array of Federal support for State, local, and private efforts to ease the grief and pain of retardation and handicaps.

Impressive though our progress as a nation has been to make the lives of the retarded more normal, the road ahead is a difficult one.

Mental retardation afflicts more than 6 million Americans and their families today; some 126,000 children born each year will at some time in their lives be considered mentally retarded. Medical advances insure that a larger number of handicapped individuals will live longer than they have in years past. Consequently, the number of mentally retarded Americans will increase both in absolute terms and as a percentage of the population, barring some breakthrough in preventing or reducing the incidence of retardation;

Over 189,000 mentally retarded persons are now in institutions, and more than 31,000 are on official waiting lists because of the lack of available services and facilities;

Three hundred thousand teachers and professional specialists for the handicapped are needed immediately; yet less than 75,000 are available;

There are 5 million American children who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or health impaired; yet only 2 million of these children receive special educational services and training;

There are only 50 trained physical education teachers for the retarded; yet 5,000 are needed to provide even once-a-week instruction to the retarded; and

During the past 2 years more than 10,000 individuals have written the National Education Association for advice providing physical activity programs for the handicapped; the NEA has had to point out both the serious lack of Federal financial support, and the gaps in knowledge about the effects of certain types of activity programs.

But these needs should not obscure the great progress on every level which the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 has brought. President Kennedy requested that legislation—which he called a "bold new approach"—on February 5, 1963, and it was a great satisfaction to him to sign it into law on October 31, 1963. It has borne out his characterization of it in the 4 years of its existence.

One area which the 1963 act did not touch is that of physical education for the retarded. Recent evidence has shown that raising the motor skills of the retarded has a marked impact upon increasing the rate of overall development. The Kennedy Foundation has pioneered in this field in recent years, and the material and information developed from research studies financed by the foundation demonstrates clearly the need for an expanded effort in increasing the availability of physical education programs for the retarded.

Consequently, I developed a program to meet this need. I originally proposed this program in the 89th Congress, when I introduced S. 3562 on June 28, 1966. S. 3562 was included as section 10 of S. 3008, the Comprehensive Health Planning and Public Health Services Amendments of 1966. S. 3008 passed the Senate on October 3, 1966, by voice vote. On October 17, 1966, the House passed H.R. 18231, also by voice vote, and then substituted the provisions of H.R. 18231 for those of S. 3008. The next day the Senate by voice vote concurred in the House amendment. H.R. 18231 did not contain the mental retardation amendments, including the one I proposed, which were part of the Senate bill.

Subsequently, I introduced the bill authorizing the program again this year. It carried the number S. 2513, before it was incorporated into H.R. 6430 and passed by the Senate and accepted by the House-Senate conference.

The new program of training physical educators for mentally retarded and other handicapped children, which would be established by my bill, can have far-reaching consequences. It would authorize $10 million, to be spread over 3 fiscal years, to assist and to develop training programs for specialized physical educators. These men and women would then work with mentally retarded and other handicapped children. The importance of physical education for the retarded is only beginning to be understood. Normal channels of learning are, of course, cut off in retarded children. But recent and abundant evidence shows convincingly that physical education can stimulate the overall development of the retarded at a rapid pace, far outstripping existing and traditional methods. This is leading to new hope for making the lives of the mentally retarded and handicapped richer and more productive.

The funds authorized could provide a wide range of support for training. For example, in the first year it could provide for 80 graduate and 80 undergraduate fellowships; seven institutional development grants; 100 summer traineeships; and 20 3-day training institutes. These levels would be raised in succeeding years.

I have here some brief background material on this new program in the bill we are discussing today, and I ask that it be printed in the Record at the conclusion of my remarks.

In conclusion, let me reemphasize how important I think these 1967 amendments are, primarily because of their emphasis on rehabilitation. Institutionalization is not a pleasant experience for any family—and any reduction in the incidence of institutionalization means an incalculable saving in human suffering. I am pleased that my amendment authorizing a new program to strengthen physical education for the retarded is in this conference bill—but I am even more pleased that we are working to assure the continuation of the other programs which mean so much to the mentally retarded and handicapped in this country.

I ask unanimous consent to have printed in the Record a statement entitled "The Importance of Physical Education and Recreation for the Retarded."

There being no objection, the statement was ordered to be printed in the Record, as follows:

The Importance of Physical Education and Recreation for the Retarded

1. The importance of exercise, sports, and games for *all* children is well-recognized. Physical activity plays a vital role in their growth and physical development, their ability to maintain good health and fitness, their social and emotional development and their feeling of happiness and well-being. This is reflected in the fact that physical education is a required school subject in all 50 States. To promote exercise programs the President maintains a special advisory council and full-time staff. (President's Council on Physical Fitness)

2. Since they *are* children exercise, sports and games are important to the retarded children so that *they* may grow up healthy and happy. But the sad fact is that most physical education and recreation activities are not suitable for use by the retarded: the rules are too complex, the skills required are too demanding, the activity is too strenuous for their low levels of fitness. We have yet to train a body of physical educators and recreators in this country who can adapt and modify their programs to meet the special needs of the retarded. The result is that programs of physical education for the retarded in America's schools and institutions is generally extremely poor or non-existent.

3. Out-of-school play opportunities are extremely restricted for the retarded because: he often needs close supervision and cannot be sent alone to the playground or pool; it takes him a long time to master skills such as swimming, bicycle riding, and skating which can provide good vigorous play; often he misses out on neighborhood play, because he cannot "keep up" physically or mentally; his parents may over protect him, he is not as spontaneously active or creative in his play.

4. In addition to this, there are relatively few community recreation programs for the retarded. (Only 15 out of 79 recreation authorities in New York State report any type of programming for the retarded). The main reason for this is the lack of recreation personnel who are trained to work with the retarded.

5. The results of this restriction of their physical activity on their health and fitness are appalling. Studies indicate that trainable retarded children have less than half of the strength of normal children of the same age and sex. They fatigue 30% faster and carry 35% more fat.

6. But this need not be so. In programs of physical activity specially designed for them, retarded children have shown amazing improvement. They can play longer and harder. They can double their strength. They can even *look* more attractive as they lose fat and put on muscle.

7. For the retarded, special activity has added benefits. The common experience of teachers and parents has been that well-designed programs of physical education and recreation improve the performance of the retarded not only in the gymnasium and on the playground but in the classroom, the home and the neighborhood.

8. There is experimental evidence that physical education can improve the ability of the retarded to perform low skill work such as they will perform in industry or sheltered workshops. Thus these programs play a role in relieving the economic burden of large numbers of unemployed retarded persons.

9. Over 95% of the retarded will be expected to integrate into community settings. The greatest asset to help the children in doing this are play skills and the ability to take part in recreational activity.

10. Increasing leisure time is a problem for all of us but it is an even greater problem for the retarded as they move into adult life. They must be provided with recreational skills to utilize this time in worthwhile and enjoyable ways. Mentally retarded persons who are able and capable of vocational training and work still fail because they have little knowledge of how to use their leisure time productively. The War on Poverty has pointed out that many of the culturally deprived have complicated problems as a result of idleness, boredom and frustration.

11. A long series of failures in academic endeavors causes the retarded child to look at himself as a failure. His first real success may come in mastering a *physical* skill. Here is an area where he *can* succeed and start building a positive self-image.

12. There is an increasing body of clinical and experimental evidence that improvement of motor ability and motor skills is an important step toward improving the general learning ability of the retarded. It has been suggested that the learning of physical skills provides the basis for later more abstract learning.

13. Several studies have reported increases in the I.Q. levels of retarded children following participation in physical education and recreation programs. Some of this work was done here in the United States and some in England.

14. There are many indications that through physical activity the retarded learn faster, are more sociable, are healthier, are happier, operate better academically, have a better image of themselves, and perform work better. However, the amount of published scientific research in these areas is still very inadequate. There is a great need to attract bright young researchers to this area and to provide funds for them to carry out their investigations.

15. The retarded learn best through things

they can see and do. Abstract learning is much more difficult for them. Therefore the gym, the pool and the playground offer great educational opportunities for them in every area from arithmetic to astronomy. What are needed are demonstrations and pilot studies to develop the best kind of programs of physical education and recreation to improve retarded children mentally and emotionally as well as physically.

[From the American Association for Health, Physical Education and Recreation, a Department of the National Education Association]

Physical Education and Recreation for Mentally Retarded Pupils in Public Schools

DIGEST OF FINDINGS OF A NATIONAL SURVEY

Five thousand, eight hundred and sixty-four copies of a printed four page questionnaire, with return stamped envelopes, were sent to 4,022 superintendents, principals, and teachers whose names and school addresses were obtained from State Directors of Special Education in each of the 50 states and District of Columbia. Responses were received from 1,721 persons representing individual public schools or public school systems, being 29.5% of all questionnaires sent, and 42.7% of those sent to the 4,022 individuals. Some returns were blank, or schools had no mentally retarded, or were received too late to be included in the tabulation. However, 1,589 questionnaires were received in usuable form, card punched and machine tabulated, representing a 37.6% return of the questionnaires sent to individuals. This digest is based upon the 1,589 returns from individual school campuses. These data relate to gross frequencies only. The full report will include tabulation by type of school, school level, and if the educable and trainable mentally retarded (hereafter referred to as MR) are taught physical education (hereafter as PE) in classes with "normal" pupils or in separate classes. In interpretation of findings remember that they are from questionnaire data.

TYPES OF SCHOOLS

Schools enrolling both "normal" and MR=1,389; Schools for Special Education only=25; Schools for MR only=43; Schools for Educable only=41; Schools for Trainable only=79. Returns were from three population areas: 406 from areas under 10,000; 821 from areas of 10,000 to 100,000; and 317 from areas over 100,000; with 45 NR (no returns). Mentally retarded pupils numbered 14,540 of whom approximately half were boys. School levels were: Primary (grades K, 1–3)=40; Intermediate (grades 4–6)=12; Elementary (grades K, 1–8)=754; Junior high (grades 7–9)=295; Senior high (grades 7–12)=222; Schools with all grades=104; Un-graded schools=156; NR=6.

SUMMARY

1. One fourth of the returns are from areas of under 10,000 population.

2. Half of the schools are of elementary level, where facilities for physical education are meager and special teachers of physical education are relatively few.

3. Approximately the same percentages of mentally retarded are taught PE in classes with "normal" pupils as are taught in separate classes.

4. Physical education for the mentally retarded is limited as to content as indicated by the report that in 40 or more per cent of the programs the only activities taught regularly each week are basic movements and calisthenics.

5. One third or more of the schools never teach swimming, racket games, bowling, combatives, gymnastic apparatus, track and field, or winter play.

6. Facilities for physical education are inadequate. Less than one fourth of the schools report having a corrective exercise room, shower and dressing room, bowling alley, camp site, handball court or wall, tennis court, or swimming pool.

7. The most frequently reported equipment and supplies for physical education are: play supplies, tumbling mats, assorted sized rubber balls, piano, record player, and softballs.

8. Participation in competitive sports is pretty well limited to intramural team sports, however, the surprisingly large participation in intramural team sports under community sponsored programs may indicate confusion on the part of respondents because not many communities sponsor what would be called intramural team sports.

9. As to recreation activities, half or fewer of the schools report cook-outs and picnics, dramatics, construction play, nature play, swimming, and sports.

10. Medical examinations are given regularly or periodically in only one fourth of schools.

11. However, daily observation of health signs is reported in nearly three fourths of the schools for the educable mentally retarded.

12. In general better attention to health matters is reported for educable retarded pupils than for the trainable mentally retarded.

13. There is a strong belief that educable retarded can be taught physical education successfully in classes with "normal" pupils, but that the trainable cannot.

14. There is a strong belief that physical education teachers who have mentally retarded pupils in classes should have professional preparation for work with the retarded.

15. Almost ninety per cent of respondents feel that all workers with mentally retarded should have a basic understanding of physical education and recreation.

16. There is a strong feeling that colleges and universities should add special courses in physical education and recreation for work with the mentally retarded.

17. Almost 100 per cent feel that instruction in physical education and recreation can help social and emotional development in the mentally retarded.

18. A strong plea is made for more teachers of physical education, more time for instruction, better facilities, and better grouping by chronological ages.

PARTNERSHIP FOR HEALTH AMENDMENTS OF 1967—CONFERENCE REPORT

Mr. HILL. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6418) to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. HILL. Mr. President, this conference report was signed by all conferees on the part of the Senate and on the part of the House.

Mr. President, H.R. 6418 would, first, extend and expand the existing program of formula and project grants for comprehensive health planning and public health services;

Second, consolidate and expand existing authorities in the Public Health Service Act for research and demonstration relating to the provision of health services;

Third, establish a new program for licensing clinical laboratories that solicit or receive specimens in interstate commerce;

Fourth, extend and expand the existing program of grants for schools of public health;

Fifth, authorize Public Health Service health care facilities to accept the uncompensated services of volunteers, cooperate in the interchange and sharing of scarce or highly specialized health resources, assist in community planning to meet health needs in the case of emergencies or disasters, and provide health services to Federal employees at remote stations and to certain seamen trainees;

Sixth, permit the use of not to exceed 1 percent of funds appropriated for certain grant programs to be used for program evaluation purposes;

Seventh, extend the existing contract authority of the Public Health Service Act;

Eighth, amend the Hill-Burton Act to authorize the loan of not to exceed two-thirds of the additional costs of an experimental hospital construction project where costs have risen substantially following initial approval of the project;

Ninth, amend the Nurse Training Act to define "federally sponsored students" as including those nurse students awarded loan funds from the nurse student revolving fund or an educational opportunity grant payment;

Tenth, increase from 12 to 13 the number of members of the National Advisory Council on Education for the Health Professions to be chosen from the fields of higher education;

Eleventh, add the Trust Territory of the Pacific Islands to the jurisdictions eligible for grant assistance under section 314 of the Public Health Service Act; and

Twelfth, authorize the Secretary of Health, Education, and Welfare to make a comprehensive survey of serious hunger and malnutrition and health problems related thereto in the United States.

As passed by the House of Representatives, H.R. 6418 authorized appropriations for the years 1968 through 1971. Since the comprehensive health planning programs at the State and local levels will not be fully implemented until next year, the conferees agreed to limit appropriation authorizations for comprehensive health planning, public health services, schools of public health, and research and demonstrations relative to health facilities and services to the years 1968–70.

As passed by the House of Representatives, H.R. 6418 exempted laboratories operated by pathologists from the provisions that require the Federal licensure of laboratories that operate in interstate commerce. As an alternative, the conferees agreed to exempt from licensure those laboratories accredited by a nationally recognized body or bodies approved for this purpose by the Secretary of Health, Education, and Welfare; but only if the accreditation standards of such body or bodies are equal to or more stringent than those promulgated by the Secretary under the legislation; provided that any laboratory so accredited shall be treated as a licensed laboratory for all other purposes of the section.

The conferees did not agree to the amendments of the Senate that would have authorized the new positions of Under Secretary of Health and Deputy Secretary of Health, Education, and Welfare. The latter would replace the existing position of Under Secretary of Health, Education, and Welfare. The House conferees assured the Senate conferees that this legislation would be scheduled for hearings expeditiously.

In addition, the conferees agreed to the Senate amendments that authorize a 6-month comprehensive survey of serious hunger and malnutrition and health problems incident thereto in the United States.

The conferees also agreed to the Senate amendments that emphasize that research and demonstrations relative to health facilities and services extend to long-term care facilities and projects relating to new careers in health manpower and new ways of educating and utilizing health manpower; and to the Senate amendment that defines "federally sponsored" students under the Nurse Training Act as including nursing students awarded nursing educational opportunity grant payments.

The conferees did not agree to amend the Hill-Burton Act to permit two or more hospitals to establish joint hospital enterprises.

THE COST

H.R. 6418 would provide for a total of $589 million in new authorizations for appropriations over the 3 fiscal years 1968–70, according to the conference agreement.

This total is $124.5 million below the amounts requested by the Department of Health, Education, and Welfare for the same fiscal years.

The House of Representatives had approved a total of $932 million in new appropriation authorizations for the 4 fiscal years 1968–71.

The conference report is signed by all of the conferees on the part of the Senate and by all of the conferees on the part of the House.

Mr. President, I move the adoption of the report.

The conference report was agreed to.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. HILL. I yield to the distinguished Senator from Texas.

Mr. YARBOROUGH. Mr. President, again I wish to commend the distinguished Senator from Alabama. Particularly I wish to mention the compromise in connection with the exemption of clinical laboratories. The bill provides for certain checks of specimens of human beings examined by laboratories.

The testimony before the committee showed that in some clinical laboratories 25 percent of all sampled examinations of human specimens were erroneous, thus endangering the health and even the lives of the thousands of patients who must rely on clinical analysis.

The provisions agreed to by the conference relating to the exemption of clinical laboratories accredited by national accreditation bodies, while differing slightly in language from the Senate-passed version is the same in effect as the Senate bill. The language agreed to in conference mentions specifically several national accreditation bodies such as the Joint Commission on Accreditation of Hospitals.

The language of the Senate bill also stated that these accredited laboratories would be deemed to meet the requirements for licensing under the bill whereas the conference language makes the provisions requiring licensing inapplicable to accredited laboratories and then adds a proviso that these accredited laboratories are for all other purposes of the clinical laboratories section to be treated as though licensed. Again, there is little difference beween the conference bill and the Senate bill. Under both, to avoid the necessity of securing a license from the Secretary of Health, Education, and Welfare, a laboratory must be accredited by one of these national organizations. If it is, it need not comply with the Federal requirements and procedures but with the associations standards which are required to be of similar stringency to the Federal standards. However, should it cease to be accredited—and there would be procedures designed to assure that the laboratories continue to meet the standards of the accreditation bodies or it will lose its accreditation—the provisions of this section of the bill would apply to it and it would be subject to the penalties provided by the bill if it solicits or accepts in interstate commerce any specimen for laboratory examination.

In addition, while accredited, this category of clinical laboratory would be treated as a licensed laboratory so far as the Secretary of Health, Education, and Welfare's responsibility for oversight of performance and enforcement of standards is required.

I ask the distinguished Senator from Alabama, is that not a correct interpretation?

Mr. HILL. The Senator is exactly right. As I said earlier in my remarks, the Senator made a great contribution to the Congress in working out this section as the Senator has so clearly and precisely stated to the Senate this morning.

Mr. YARBOROUGH. I thank the distinguished Senator. I thought we should make this legislative history on the rights, duties, and powers of the Secretary of Health, Education, and Welfare, to assure the security to our people of specimens moving in interstate commerce, such as blood, urine, and other specimens for examination. That is a fast-growing business.

Mr. HILL. I am delighted that the Senator from Texas has made this legislative history for the RECORD, because no one has contributed so much to working out the provisions and bring about this compromise with specifications, as the Senator has stated, with requirements in it as described by the Senator.

Mr. YARBOROUGH. I want to thank the distinguished Senator from Alabama because he is the chairman of the conference. Without his leadership and strong support, we could not have secured that kind of protection for the American people. There was so much objection to the provision that went to conference in the other body, and they refused to accept it, but with the leadership of the distinguished Senator from Alabama and his great prestige in this Nation in the field of health, we have been able to get this protection for the American people regarding the many millions of specimens moving in interstate commerce. This is a growing business in interstate commerce, as I have already stated. It is getting to be more of a business than ever.

The family doctor relies on the specimens and the results of the tests for the accuracy of his diagnoses.

Mr. HILL. It was the dedicated labor of the Senator from Texas which brought about this protection for the American people.

Mr. MORSE. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. MORSE. I want to take just a minute to express my thanks to the people from Alabama for their wisdom in being represented in the Senate by the Senator from Alabama [Mr. HILL].

This morning at a breakfast conference, we met the representatives of the Department of Health, Education, and Welfare, including Under Secretary Cohen. The Senator from Texas [Mr. YARBOROUGH] was there. As he knows, there was a considerable amount of discussion at that breakfast conference concerning the contributions of the Senator from Alabama in the whole field of health. In fact, the Senator from Texas gave an accounting of the very conference we are talking about at this moment on the floor of the Senate.

It is typical of the courtesy and generosity of the Senator from Alabama that he has just paid his thanks to the Senator from Texas for his assistance to him in that conference.

With regard to the service of the Senator from Texas, let me say that he was similarly of great assistance to me in my work on the Education Subcommittee.

However, I know that the Senator from Texas would join me in the evaluation I now state that, after all, the greatest credit goes to the leadership of the Senator from Alabama as he leads us in the cooperative efforts to help him bring out these great education advances in this country.

Accordingly, I say to the people of Alabama that they have performed not only a great service to themselves in having the Senator from Alabama represent them as a Member of this body for so many years, but they have also performed a great service for every man, woman, and child in this country.

The great monument of legislative statesmanship which the Senator from Alabama has built for himself during his many years of service, both in the House of Representatives and in the Senate, has been in the field of medical aid and health.

I could not let this conference report be agreed to without first making these comments of appreciation to our great leader.

The Senator from Texas [Mr. YARBOROUGH] and I, and every other Member of the Senate on the Committee on Labor and Public Welfare, will always owe a great debt of gratitude to the Senator from Alabama for the magnificent leadership he gives us as chairman of that committee.

As the Senator from Texas has pointed out, it is necessary to make compromises in conferences. Any compromise which the Senator from Alabama accepts in conference with the House in the field of health legislation is a compromise that just had to be made in order to bring back a conference report.

I have never known the Senator from Alabama ever willingly to yield in support of any compromise that would result in a program less than what he realized should be desired. He brings back to us each time a conference report which is the best that can be obtained. He has done it again, and I want this RECORD to show my thanks to him for his leadership.

Mr. HILL. I want to express my thanks to the distinguished Senator from Oregon for his most generous words. He is the chairman of the Subcommittee on Education of the Committee on Labor and Public Welfare. It is his brilliant leadership, his dedicated efforts, and his untiring devotion to the cause of education which has passed so much education legislation in recent years. He is in there all the time, waging the battle for the cause of education on behalf of the youth of America.

I therefore strongly commend him and congratulate him on the magnificent work that he has done.

Mr. MONRONEY. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield.

Mr. MONRONEY. I want to join the distinguished Senator from Oregon [Mr. MORSE] to express my deep appreciation for the inestimable value of the work which the distinguished Senator from Alabama [Mr. HILL] has so long performed in the interests of the people of the United States and for the advancement of their medical services.

There is no man in Congress who has contributed as much to originating and perfecting the means to bring about an adequate supply of funds for the advancement of medical research, hospitals, and so on, than the Senator from Alabama. The Hill-Burton hospital program can be seen in thousands of communities throughout the United States. The missions of mercy which hospitals perform with the matching money which the Senator's great dream has provided for them, gives us hope to take back into the far reaches of this Nation the best of our great medical services.

Mr. President, I know, and you know, that the constriction of the supply of doctors was desperate at the time the Senator from Alabama conceived the Hill-Burton program, which stands as a great monument to his wonderful judgment and has been responsible for the establishment of many modern hospitals with laboratory and X-ray facilities and other modern hospital equipment which has attracted, like a magnet, the young doctors coming out.

Without the Hill-Burton program, I am certain that it would have been absolutely impossible to have any dependable supply of trained and skilled graduate doctors from the medical schools taking up their residencies, as so many hundreds of thousands have done.

This is solely because of the Hill-Burton program which provided them with the facilities to use their great knowledge acquired in the medical universities and schools throughout this land.

I know from personal experience, having served on the Subcommittee on Appropriations on HEW for many years, of the leadership that the Senator from Alabama took in perfecting this great medical research program to conquer the diseases which have plagued and beset mankind since time began, and then the conscious effort at the beginning, followed by the increase in funds as the medical community became able to absorb them, and the increasingly competent laboratory work and research that could be carried on. And now the great revelations of this wonderful program originated, pioneered, and carried through by the distinguished Senator from Alabama mark, perhaps, one of the greatest forward steps in the history of mankind in the field of medicine.

Once more I congratulate the Senator from Alabama for his perception, for his diligence, for his knowledge, and for the skill with which he has provided adequate funds for this wonderful work he has pioneered, first almost singlehandedly, and then carried through with the cooperation of the leadership of the great Committee on Health, Education, and Welfare.

May I say that I was disappointed in the conference report in one degree. I know the Senator was in favor of the item because it was put in the bill by the Senate. That was the creation of the Office of Under Secretary for Health. I believe it was a very wise decision that the committee made to include such a provision in the bill, because when nearly $1 billion goes out for medical research and more than that for public health, it is asking too much to expect an overworked Secretary of Health, Education, and Welfare to be able to supervise such activity with the great competency with which he would like to do it in this vast field of medical research. I feel it would have been a very small amount to invest to establish this much needed office, which the Senate committee had provided for, but which, unfortunately, the House resisted and cut out as the price of getting a compromise on this bill.

I ask the distinguished Senator if he feels we will have an opportunity later in this session, perhaps next year, to have separate legislation that will include and encompass the really great gain to be made by the investment of such a small amount to pick a most able and competent Under Secretary to be able to coordinate these most important affairs that the Senator from Alabama has so diligently and successfully managed in the field of medicine.

Mr. HILL. Mr. President, first let me thank the distinguished Senator from Oklahoma for his kind and most generous words, and say that, as a member of the subcommittee of the Appropriations Committee that handled appropriations for public health services, the National Institutes of Health, and other health activities, no one could have been more helpful, no one could have been more dedicated to the cause of health, than the distinguished Senator from Oklahoma. I am happy today to have another opportunity to express to him my thanks and my appreciation for the wonderful support he gave the health cause as a member of the subcommittee.

With reference to the amendment to create an Under Secretary of Health, let me say that 34 amendments were put in the bill by the Senate, and the House agreed to 33 of them. The only one the House did not agree to was this amendment creating the Office of Under Secretary.

All the House conferees stated that they were for the creation of this position of Under Secretary of Health, but they said that since they had had no hearings on the matter, since the matter had not been before the House or had not been considered by the House in any way or any committee of the House, they felt if they took this bill with the provision for the Under Secretary, the House would vote it down. Although, separately and individually, each of them was for the creation of the position of Under Secretary, they thought the best they could do under the circumstances was to say they would move expeditiously to have hearings and to bring about action to create the Office of Under Secretary. That was the unanimous opinion of the House conferees. Every one of the House conferees took that position.

Mr. MONRONEY. I am very glad to get that report. I confirm that assurance by my distinguished colleague in the House whose position I formerly occupied. I refer to the Hon. JOHN JARMAN, from the Fifth Congressional District, who told me he was strongly in favor of this. I believe he serves as chairman of the subcommittee of the House Committee on Interstate and Foreign Commerce that would handle the legislation.

Mr. HILL. He made the statement in conference that he was strongly for the creation of the under secretaryship. Each one of the House conferees stated he was in favor of the creation of the under secretaryship, but they all thought the mood of the House was such at the present time that, since there had been no hearings by the committee, no consideration by the committee, and no consideration by the House on this matter, if they took the bill back there with this amendment, the House would refuse to accept the amendment.

Mr. MONRONEY. When the Senator can get 33 out of 34 Senate amendments adopted by the House, he has made a pretty good record. It is up to the batting average of the distinguished Senator from Alabama.

Mr. HILL. I thank the Senator.

GRANT OF CERTAIN LIENS TO MASTERS OF VESSELS—CONFERENCE REPORT

Mr. BARTLETT. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 162) to grant the masters of certain U.S. vessels a lien on those vessels for their wages and for certain disbursements. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BARTLETT. Mr. President, I move the adoption of the report.

The PRESIDING OFFICER. The question is on adoption of the report.

The report was agreed to.

ANNIVERSARY OF THE DEATH OF PRESIDENT JOHN FITZGERALD KENNEDY

Mr. MANSFIELD. Mr. President, 4 years ago, a blind hostility ended the life of John Fitzgerald Kennedy, President of the United States. The assassination was an abomination. It was an act empty of meaning, yielding a tragedy full of significance.

Do we remember, 4 years after, those days without time? Do we remember, 4 years after, when a grief—personal and passionate—fused a nation's sorrow and a world's sorrow with the sorrow of a family?

Four years after is a long time; 4 years after is a time to remember.

Four years ago we sensed the ideals of John Fitzgerald Kennedy in the marrow of our emotions. We sensed them at the moment of his death. We sensed them in the dim light of the rotunda. We sensed them in the muffled drums, in the toll of the bells. We sensed them in a child, bewildered, raising his hand in a brave salute to a father and a flag.

In those moments John Fitzgerald Kennedy's ideals were as a clear call to us to do what had not been done. When the drums fell silent and the tolling of the bells had ceased, we turned to this work which, under John Fitzgerald Kennedy, had begun. In the weeks, months, and years, we took his ideas and tried to mold them into instruments of action for the realization of his ideals.

As the 35th President of the United States, John Fitzgerald Kennedy sought to break the chain of an endless violence whose links go to the ancient inequities of man's arrogant and aggressive inhumanity to man. This Nation and the world owe a great deal to this courageous and civilized man. Out of the tragedy of his death came a resolve to forge a new decency in this Nation and to establish, in the world, an enduring peace. On this fourth anniversary of his death, we would do well to remember that resolve and what yet remains to be done.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. YARBOROUGH. Mr. President, of all the eulogies made to the late beloved President John F. Kennedy that I have read and have been able to find in print, I think the one made in the rotunda of the Capitol of the United States on Sunday, the 24th day of November 1963, was the most moving, eloquent, and appropriate of all that I have read.

The great majority leader has read to us this morning another tribute to what has happened in the past 4 years in pursuance of the ideals of the late great President of the United States, and no man has been more responsible than has the majority leader of the Senate for having had so many of them written into law.

DEATH OF JET TRAINING SPECIALIST WAYNE CANNEY

Mr. MONRONEY. Mr. President, I deeply appreciate the courtesy extended to me by the distinguished junior Senator from Massachusetts in yielding to me so that I might express the great loss this country has suffered in the death of one of the men who pioneered in achieving air safety in the jet age.

We live today in an age of flight—in an age in which greatness in the air is not conferred but must be earned. I want to eulogize today one of those men who achieved greatness in aviation. The man was Wayne Canney, Chief of the Flight Standards Training Branch at Oklahoma City's FAA Aeronautical Center.

Wayne died as he would have wanted to die—after observing the completion of a training flight on a Boeing 720—not looking back, but looking eagerly forward to the challenges of the future.

Since his death on November 9, I have talked with many of Mr. Canney's associates in FAA about his quiet dedication to tasks of vast complexity and utmost responsibility.

From 1939, when Wayne began flying to the time he became an FAA specialist qualified in most modern jets, he lived with the conviction that aviation safety is the result of training.

Wayne served his country during World War II as a naval pilot, primarily improving others through his instructing and training administration abilities. He retired as a captain, U.S. Naval Reserve.

As the first CAA/FAA jet specialist, Wayne combined technical knowledge with training experience to lead the airlines in updating and improving their training programs. For this, and other contributions to safety, TWA conferred upon him an Honorary Jet Captain Award, one of two such awards at that time.

As Chief of the Flight Standards Training Branch, he introduced new program concepts resulting in improved jet flight training of FAA inspectors. He was far down the road in planning for SST training. His foresight of training needed and techniques required, together with his ability to implement such programs, will make flight safer for years to come.

Man attains greatness because of the qualities within him—because of the drive that keeps him ever insistent upon the new and more effective—and finally because of inner tenderness that makes him loved by all that come in contact with him.

Such a man was Wayne Canney.

SIXTIETH ANNIVERSARY OF OKLAHOMA STATEHOOD

Mr. MONRONEY. Mr. President, each year I look forward to the month of November with great anticipation and pride, for this is the birthdate of my great home State, Oklahoma.

It was on November 16, 1907, that Oklahoma became the 46th star in our American flag. Though now celebrating her 60th birthday, by comparison with many States, Oklahoma is yet young at 60. But—she has grown up, grown fast, and grown strong.

From a colorful beginning, Oklahoma has been blessed with a magic combination of wonderful people, rich natural resources, and imaginative leadership. Oklahoma has been a happy place to live. May she ever be.

Passage of the Enabling Act in 1906 by Congress set the stage for forming the Sooner State, allowing unification of Oklahoma Territory and Indian Territory.

The drama really began with the Oklahoma Constitutional Convention.

Heading the convention was a colorful gentleman from Tishomingo, capital of the Chickasaw Nation in Indian Territory. His name was William H. Murray, affectionately known as Alfalfa Bill Murray.

Chairman Murray, later to be Governor of Oklahoma, ruled the constitutional convention with an iron hand, and added much color to the birth of this new State. As historians tell it, the convention opened as Chairman Murray banged the gavel and shouted:

> Delegates will take their seats, loafers and lobbyists will get out! We will begin by singing that grand old hymn, "Nearer My God to Thee."

Noted Oklahoma author Robert Cunningham of Stillwater, adds another look at Chairman Murray, who had trouble with the preamble, which invoked the blessing of God on the efforts of the body. There was a complaint from some now unknown member.

"Damn it, you can't leave God out of the constitution," Murray replied.

Further insight into the beginnings of Oklahoma can be gained through an article which appeared in the Tulsa

World of Sunday, November 19, 1967. The author, Mrs. Julee Short, wife of State Senator Jack M. Short of Oklahoma City did research on the constitutional convention while working on her master's degree in Oklahoma history.

Mrs. Short's article, entitled "Colorful Cast Played Roles in Constitutional Convention" should be of interest to Senators as they share with Senator HARRIS and me the celebration of 60 years of progress in Oklahoma.

Therefore, Mr. President, I ask unanimous consent to have printed in the RECORD the article entitled "Colorful Cast Played Roles in Constitutional Convention," written by Julee Short, and published in the Tulsa, Okla., World of Sunday, November 19, 1967.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Tulsa (Okla.) World, Nov. 19, 1967]

COLORFUL CAST PLAYED ROLES IN CONSTITUTIONAL CONVENTION

(EDITOR'S NOTE.—Monday will mark the 61st anniversary of the date Oklahomans convened their first and only constitutional convention. Often called too long and unwieldy and too restrictive, the historic constitution written during that year-long convention has been amended 72 times.

(With the approaching 1970 deadline for a mandatory vote on whether to call another convention (the people turned it down in 1926 and 1950), there is considerable sentiment for a comprehensive revision of the constitution. State leaders are divided on whether this should be done by convention or by an appointed study commission, which could recommend changes to be submitted to the people through the Legislature.

(In a series of articles, Capitol Correspondent Travis Walsh takes a look at what other states are doing or have done, the arguments for and against a constitutional convention for Oklahoma and some of the major revisions in the constitution which have been suggested.

(The first article in the series is by guest writer Julee Short, the wife of State Sen. Jack M. Short of Oklahoma City, who did research on the 1906–07 constitutional convention while working on her master's degree in Oklahoma History.)

(By Julee Short)

Chairman Bill Murray mounts the platform and sweeps the hall with his piercing glance. Down comes his gavel with repeated crashes on the table. The tumult ceases.

"The convention will come to order" Murray shouts with a final blow of the gavel. "Delegates will take their seats, loafers and lobbyists will get out! We will begin by singing that grand old hymn, "Nearer My God to Thee." So an observer of the time reported.

Scheduled on stage that night, Nov. 20, 1906 in the Brooks Opera House of Guthrie was a musical extravaganza called "It Happened in Norland." But the drama which began in the opera house that afternoon wasn't on stage at all. And should have been called "It Happened at the Oklahoma Constitutional Convention." For this was its first meeting.

Like casts of other dramas, future Oklahomans had many rehearsals. Many pioneers wanted statehood years before it became possible. In fact, they had held nine previous conventions beginning as early as 1891. But these had been rejected.

The dress rehearsal, which finally caused the U.S. Congress to pass the enabling act, took place in Muskogee when delegates from Indian Territory met in 1905. Indians, and white men living there, had hoped to form a separate state, Sequoyah, shaped from Indian Territory, now the eastern half of the state. But the federal government decided that Oklahoma Territory, the western half of the state, should be combined with Indian Territory. Thus they passed the enabling act in June, 1906.

Leading roles were played by William H. Murray, Tishomingo; Pete Hanraty, McAlester; Charles N. Haskell, Muskogee, and Henry Johnston, Perry. Farmer-lawyer Murray, elected president of the convention, became its chief architect. Pete Hanraty, a Scotsman who had literally worked his way up from below ground as a miner to top labor leader in the Twin Territories, was elected vice president. Haskell, dynamic railroad promoter, already destined to become Oklahoma's first governor, became majority floor leader. These three men were all delegates from Indian Territory.

Henry S. Johnston, elected Democratic caucus chairman, was the only major leader from Oklahoma Territory. Later he became Oklahoma's seventh governor.

On the other side of the aisle was Henry Asp, Republican minority leader, an able attorney from Guthrie. Of the 112 seats to the constitutional convention, the Democrats captured 100, thus their men won leading roles.

Membership was divided among 47 farmers, 27 lawyers, 12 merchants, 3 teachers, 6 clergymen, 2 doctors, a student, a civil engineer, a bookkeeper and a union official. They came from 17 states and 2 foreign countries. Seventeen were from Texas, 12 from Missouri and 11 were Indians.

Hovering in the background were the spirits of the age whose battle cry was "Reform." Reformers attributed most, if not all evils of the Republic, to control of party machinery and government by wealthy men operating through political bosses. Their proposal for breaking this control was to restore government to the people.

Results of these revolutionary ideas were to form "not just a new state, but a new kind of state." Some of the reforms incorporated in the new constitution included: 1. Introduction of the new initiative and referendum, which gives the people the right to initiate legislation by petition, 2. Provision for an eight-hour day in public works and in the mines, 3. Prohibition of child and convict labor, 4. Adopting the primary as the method for nominating candidates, thus reducing the power of party conventions and machines, and 5. Establishment of controls on trusts through the Corporation Commission.

The Legislature, being the direct representative of the people, was given considerable control over the other two branches of government, executive and judicial. Like the U.S. Constitution, however, there are checks and balances on all three branches of government.

Despite the lengthy debate on these issues, the one on which they spent the most time, and the one which caused them the most trouble, were the decisions regarding formation of counties. In this respect, Oklahoma was unique, since in the 1830's nearly all of what became the whole state belonged to the Five Civilized Tribes. Their land had not been carved into counties. In 1890 some counties had been designated beginning with the organization of Oklahoma Territory, but vast areas had no county boundaries. The result: a free for all.

Every town in the Twin Territories wanted to be the county seat. Roy J. Allen, Duncan grocer, headed the committee on counties, but the fight was more than he could cope with. Murray interceded, and with the help of Haskell they plunged into night-long sessions with the committee.

Murray knew that the business of settling county boundaries had to be accomplished before they could get on to other issues, because the constitution had to provide for county and municipal government as well as state. And he wanted it done before Christmas recess.

By working day and night, county formation was completed with 75 counties named and described before the recess. Later, after statehood the other two counties were carved out. It took nearly 10,000 words to name counties and describe boundaries. One reason why the Oklahoma Constitution is so long.

After Christmas delegates moved on to other issues including woman suffrage and prohibition. At that time women lost out because some members felt that to give them the privilege to vote was to "unsex" them. Besides, Mrs. Haskell told her husband that she felt women would vote for emotional reasons rather than reason.

The enabling act had required delegates to pass a law prohibiting the sale of alcoholic beverages in Indian Territory for 21 years. Delegates debated whether to pass such a law for the whole state. It was finally decided to submit it separately to a popular vote in the same election to approve or disapprove the Constitution.

It took delegates just four days short of a year to complete the Constitution. When finished it took 18 hours to read. At 2:30 p.m., April 19, 1907, Murray called roll. Eighty-five answered "aye" for adoption with 27 not voting.

The drama of Oklahoma statehood rolled on to its climax. President Theodore Roosevelt instructed Republicans to vote against the constitution. An injunction was issued by the territorial Supreme Court to prevent territorial Governor Frank Frantz from calling the election. Murray, contending that the convention was beyond judicial reach, issued his own election call for Aug. 6.

Both parties marshaled their big guns to campaign, the Democrats supporting the constitution, the Republicans against. William Jennings Bryan, silver-tongued Democrat orator, campaigned for passage; William Howard Taft, leading Republican contender for president in 1908, campaigned against.

At the end of the battle the official count showed 180,333 for adoption with 73,059 opposed. The work of the delegates to the Constitutional Convention was done. Oklahoma became the 46th state, Nov. 16, 1907.

DR. WALDO STEPHENS AND HIS MISSION OF TRUTH

Mr. MONRONEY. Mr. President, Dr. Waldo Stephens, an Oklahoma businessman, philanthropist and noted civic leader, is forgoing the coming holiday season at home in hopes of being of service to his fellow man and his country.

Dr. Stephens left Oklahoma City Sunday, en route to the troubled grounds of South Vietnam where he will spend Thanksgiving in Saigon and Christmas with American troops.

Giving of himself is no new experience for Dr. Stephens. He has long been a well-known and well-respected leader in Oklahoma activities, and now serves as a member on the President's Committee on Employment of the Handicapped.

In further service, this gentleman, with approval and cooperation, but not direction of the Pentagon and the State Department, is conducting a 6-week "mission of truth" in South Vietnam.

Dr. Stephens' privately supported mission will allow him time and opportunity to meet with military and civilian leaders in Southeast Asia and to survey the war and pacification efforts on the grassroots level.

In his words:

> This trip is to help me clarify and understand realities upon which our policies are based. And with the freedom to define and interpret these realities to the American people as I see them.

Dr. Stephens has said the key to success in Vietnam is through winning the Vietnamese peasants through pacification projects in health, education, security, and agriculture.

The greatness of this Nation is based on the support, stamina, and strength of such men as Dr. Stephens.

For the further information of my fellow Senators, I commend an article, written by Peggy Durham and published in the November 19, 1967, edition of the Oklahoma Journal, entitled "The Truth Mission Leading Cityan to War Front."

I ask unanimous consent that this article about an outstanding citizen of Oklahoma and the United States be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Oklahoma Journal, Nov. 19, 1967]

Truth Mission Leading Cityan to War Front

(By Peggy Durham)

Dr. Waldo E. Stephens, Oklahoma City philanthropist and civic leader, leaves Sunday on a six-week "mission of truth."

Embarking upon a tour of Vietnam as a private citizens with government blessing, Dr. Stephens hopes to discover the meaning of the war which causes so much furor coast to coast in the United States.

"This breach is caused by our nation's public policy, with its global dimensions, and American public opinion fashioned largely by traditional beliefs, fragmentary information and contentious partisan claims," he said.

"We're tearing our own house down around us due to lack of information," he said.

Dr. Stephens' trip grew out of an invitation from Secretary of State Dean Rusk to attend a National Foreign Policy Conference in Washington, D. C., last summer.

He chatted with Rusk alone during the conference and talked to him on the possibility of the trip.

After months of letter exchanging between the Oklahoma Cityan and various state and defense department spokesmen, his trip was approved.

"I'm going as a private citizen, completely free of any partisan position," Dr. Stephens said.

"Washington officials are giving me an opportunity to speak with foremost military and civilian leaders in Southeast Asia, to help me obtain a better understanding of the complexities facing the United States," he added.

"We hear much about military operations in Vietnam," he said. "There is another war, the building of a nation, which we know little about."

Dr. Stephens, an oilman, leaves Oklahoma City Sunday for Washington for final meetings Monday with Pentagon and state department officials. Monday afternoon he flies to New York, then boards a plane to Zurich, Athens, Tel Aviv, Bombay, Bangkok and Saigon.

An entire week will be spent in Saigon for briefings on the entire Indo-Chinese situation.

Following this week, he will spend a month or more investigating pacification projects relating to education, health, security protection, agriculture and bridge rebuilding, which take place in Vietnam villages.

Other trips on Dr. Stephens' agenda include visiting the Marine center at Da Nang and the Mekong River Delta area.

He may return by way of Formosa, Tokyo and Honolulu, for final briefings at the Pacific Center of Command.

"This trip is to help me clarify and understand realities upon which our policies are based," Dr. Stephens said. "And with the freedom to define and interpret these realities to the American people as I see them.

"This goes to the heart of the issue arising as a result of the breach between public policy, which must deal with realities, and public opinion, which rests upon fragmentary events and images taken out of context," he added.

Key to success in Vietnam, the philanthropist said, is winning the Vietnamese peasants.

"What we do to, with and for them will decide our success or defeat," he said.

"When you analyze the past 2,000 years of dynasties which have exploited the Vietnamese people—French colonialists, nationalists and Communists—the net result is that all failed to win the support of the people and therefore suffered defeat."

"Whether we lose as other leaders have done, and write another chapter of tragic failure to establish a society where the people have a voice in the whole government, is the issue," he added.

Dr. Stephens, who has made five prior trips abroad, will spend Thanksgiving in Saigon and Christmas with American troops.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MANSFIELD, from the Committee on Foreign Relations, without amendment:

S. Res. 180. Sense of Senate resolution seeking U.S. initiative to assure United Nations Security Council consideration of Vietnam conflict (Rept. No. 798).

By Mr. MONTOYA, from the Committee on Agriculture and Forestry, with amendments:

S. 2147. A bill to clarify and otherwise amend the Meat Inspection Act, to provide for cooperation with appropriate State agencies with respect to State meat inspection programs, and for other purposes (Rept. No. 799).

By Mr. YOUNG of North Dakota, from the Committee on Agriculture and Forestry, with an amendment:

S. 1722. A bill to amend the wheat acreage allotment provisions of the Agricultural Adjustment Act of 1938, as amended (Rept. No. 800).

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. BIBLE, from the Committee on the District of Columbia:

Alfred P. Love, for appointment as a member of the District of Columbia Redevelopment Land Agency; and

Arthur Christopher, Jr., of the District of Columbia, to be associate judge of the District of Columbia court of general sessions.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RIBICOFF:

S. 2680. A bill to authorize the Secretary of Housing and Urban Development to extend financial assistance to qualified State agencies for planning activities and land acquisitions in connection with the development of new communities which will make a substantial contribution to the economic and social development of the areas in which they will be situated; to the Committee on Banking and Currency.

(See the remarks of Mr. Ribicoff when he introduced the above bill, which appear under a separate heading.)

By Mr. BROOKE (for himself, Mr. Morton, Mr. Percy, and Mr. Proxmire):

S. 2681. A bill to provide for the administration by the Secretary of Housing and Urban Development of certain housing programs for disadvantaged persons through a new division within the Department of Housing and Urban Development; to the Committee on Banking and Currency.

(See the remarks of Mr. Brooke when he introduced the above bill, which appear under a separate heading.)

By Mr. GRUENING:

S. 2682. A bill for the relief of Pik Lau, Ka Wai Lau, Chu Shung Lo, Fo Iu, Cho Chan, Sin Yau Cheng; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 2683. A bill for the relief of Raefaele and Franceschina Piscitelli; to the Committee on the Judiciary.

By Mr. BARTLETT:

S. 2684. A bill to authorize the conveyance of certain property to the city of Nome, Alaska; to the Committee on Armed Services.

S. 2685. A bill for the relief of Wong Keng Fai, Chan Tsz Wing and Wong Pak Yan, also known as Wong Tak Yan; to the Committee on the Judiciary.

By Mr. JAVITS:

S.J. Res. 122. Joint resolution to authorize the President to proclaim the week beginning February 8, 1967, as National Parkinson Week; to the Committee on the Judiciary.

(See the remarks of Mr. Javits when he introduced the above joint resolution, which appear under a separate heading.)

NEW TOWNS DEVELOPMENT ACT

Mr. RIBICOFF. Mr. President, I introduce, for appropriate reference, the New Towns Development Act of 1967.

James Rouse, the developer of Columbia, told the Subcommittee on Executive Reorganization:

> In the next 20 years, we will add 70 million people to the United States. We build today in the United States a new Toledo every day, a new Denver, a new Dallas, and a new San Diego every year. The New York region will add six million people over the next 20 years. Half the houses that will be in California in 1985 haven't yet been started.

Such statistics stagger the mind. But the job ahead of us is even bigger. President Johnson has projected that by the year 2000 we will have to build the equivalent of all that we have constructed in the 350 years since the pilgrims came to America.

Much of this growth will occur in urban centers. The Census Bureau predicts that in the year 2000, more than 250 million people will be living in standard metropolitan statistical areas.

While the growth rate is accelerating, the forces of decay are also proceeding inexorably to turn large sections of our cities into squalid slums. The consequences of these conditions are already too apparent.

The question posed by these twin processes is whether we can provide alternative living arrangements for those confined to the ghettos and reduce the expansion of haphazard urban sprawl by channeling a portion of our resources into new, planned communities. These new towns would have an independent economic base in order to provide employment for the residents, offer a variety of types and prices of housing, and contain educational and recreational facilities as an integral part of the community plan.

During the hearings of the Subcommittee on the Federal Role in Urban Affairs many witnesses advocated the development of such new towns. Mr. Harold F. Wise, chairman of the national legislative committee of the American Institute of Planners, called for "a very, very positive new cities program." Representatives of the American Institute of Architects and the professional engineering societies also favored the creation of new towns.

Mr. Wise described Pendencia, a model community of 90,000 outside Mexico City, to illustrate what new towns can accomplish. He reported, for example, that there is no juvenile delinquency in the area.

Dr. Constantinos Doxiadis told the subcommittee there are only two ways of dealing with the problems of urban growth:

> Either to add the needs of the new inhabitants to the old center, or to create a new center of higher order for them. The first solution we see in practice and theory cannot work. We are left only with the second one. We have to create a new center of similar order with the present one and at a reasonable distance so that both can work separately but also complement each other.

Lewis Mumford expressed a similar view. The vision of bright, new towns with a livable environment was first stated by the Englishman Ebenezer Howard in 1898. He believed such new towns would be the antidote to the slums infesting English cities. Shortly after the turn of the century, the first new town was started on the outskirts of London. In recent years the British Government has supported a new towns program.

The new town movement has had a fluctuating history in this country. In the late 1920's Radburn, N.J., 16 miles from New York City, was begun through private efforts, but its development was cut short by the depression and lack of capital.

In the 1930's the Resettlement Administration of the Department of Agriculture built three new towns—Greenbelt, Md., 13 miles from Washington; Greendale, Wis., 7 miles from Milwaukee; and Greenhills, Ohio, 5 miles from Cincinnati. However, these communities had no industrial base and were primarily suburban, residential areas incorporating a circle of green open space to separate them from the surrounding communities. Federal assistance ended in 1952, when the Government decided to sell the towns.

Last year, there was a revival of Federal interests in new towns. Title IV of the Demonstration Cities and Metropolitan Development Act authorized a 6-year, $250 million, mortgage insurance program to aid developers of new towns. And three agencies have granted $240,000 to the University of Minnesota to plan an experimental city of 250,000 population to be located 100 miles from any existing metropolitan center.

The experience of half a century of experimentation teaches us that there are three vital ingredients for a successful new town: a large amount of capital to assemble a sizable package of land, patient owners who are able and willing to wait several years for a return on their investment, while the overall plan is carried out, and a strong economic base to provide jobs for those who will live in the new community.

At the present time, the residential construction industry cannot meet these requirements and no large corporation with sufficient resources is engaged in city building. As Mr. Rouse pointed out, the American construction industry is not organized to build new towns. The testimony of Leon Weiner, president of the National Association of Home Builders, substantiated this. He told the subcommittee that the typical homebuilder constructs 17 houses a year. Even the few large builders would find it exceedingly difficult to undertake the development of a new town. Mr. Weiner said that less than 1 percent of all builders constructs more than 500 homes a year. Such builders cannot afford to wait years for a profit. They need a prompt return on their investment. Further, these builders have no means of bringing industry into the community to provide jobs. All of this imposes a severe limitation on the current new towns program.

Accordingly, more affirmative governmental action must be taken if we are to have a new towns program commensurate with the need. I believe that the State governments, with financial help from the Federal Government, are best suited to provide the leadership for a new towns program. The States are organized to act broadly in many fields and coordinate the efforts required to create a new city.

Today 21 States have planning agencies. They have gained considerable knowledge and experience in urban planning and development. These and other State agencies can exercise the eminent domain, taxing and zoning powers necessary to establish a new town. They can also bring together local builders to perform the construction work and offer inducements to industry to locate in the new town.

Lack of funds is the major obstacle to a new towns program. The legislation I have introduced will supply these funds in an effective manner. First, it authorizes planning assistance to the States for aid in designing the new town. The act specifies 10 general criteria for the State plans. These include suitable site, sound economic base, proper education, health and transportation facilities and a variety of housing. The completed plan is then submitted to the Secretary of Housing and Urban Development for approval. Once this is gained, the Secretary makes a loan to the State agency to acquire the land and construct the necessary basic facilities.

These loans will be for a period of 50 years at 2 percent interest. To reduce the burden of the loan in the early years, payment of interest and principal are postponed for 15 years, or until 50 percent of the land has been transferred to private developers. The Secretary's loans will be made from a revolving fund established in the Treasury. The fund will consist of moneys appropriated by Congress and loan repayments. The amount necessary to undertake this program will be determined after testimony by appropriate government officials and interested witnesses from the private sector.

The legislation would help create both satellite towns and separate, independent urban centers. It is intended to challenge the imagination and initiative of the States. It declares a Federal commitment to excellence in the design of urban environment. Mr. Rouse told the subcommittee:

> The greatest single need in America today, with respect to the city . . . is a noble diagram of what a city can become:

The aim of this legislation is to provide that model. It can point the way to the urban pattern for America in the 21st century.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 2680) to authorize the Secretary of Housing and Urban Development to extend financial assistance to qualified State agencies for planning activities and land acquisitions in connection with the development of new communities which will make a substantial contribution to the economic and social development of the areas in which they will be situated, introduced by Mr. RIBICOFF, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

S. 2680

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "New Towns Development Act of 1967".

DEFINITIONS

SEC. 2. As used in this Act—

(1) The term "Secretary" means the Secretary of Housing and Urban Development.

(2) The term "State land development agency" means any political subdivision of a State or other governmental entity or public corporation or body, or two or more such entities, corporations, or bodies, authorized by State law to carry out the functions for which financial assistance is available under this Act.

(3) The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, and any possession of the United States.

LOAN TO STATE LAND DEVELOPMENT AGENCIES

SEC. 3. (a) In order to encourage and assist in the timely acquisition of open or predominantly undeveloped land to be used in connection with the development of well-planned communities, the Secretary is authorized to purchase the securities and obligations of, or make loans to, State land development agencies to finance (1) the acquisition of interests in such land for sale and development in accordance with this Act, and (2) the construction of necessary improvements to such land.

(b) The authority conferred by subsection (a) shall be subject to the following limitations:

(1) No financial assistance shall be extended under this section unless the financial assistance applied for is not otherwise available on reasonable terms, and all securities and obligations purchased and all loans made under this section shall be of such sound value or so secured as reasonably to assure retirement or repayment.

(2) No securities or obligations shall be purchased, and no loans shall be made, which have maturity dates in excess of fifty years. Subject to such maximum maturity, the Secretary shall provide for the postponement of the payment of interest and principal on any financial assistance extended to an applicant under this section until (A) the expiration of fifteen years after the extension of such assistance, or (B) such time as 50 per centum of the land acquired with such assistance has been disposed of for redevelopment, whichever is the earlier. Any amounts so postponed shall be payable in annual installments during the remaining maturity of such assistance.

(3) Financial assistance under this section shall bear interest at the rate of 2 per centum per annum.

(c) The Secretary shall not extend any financial assistance under this section for the acquisition of land unless he determines that—

(1) the development of a well-planned community on such land is consistent with a comprehensive plan or comprehensive planning, meeting criteria established by the Secretary, for the area in which the land is located;

(2) the land will be developed in accordance with a development plan approved by the Secretary, and meeting the requirements of section 4;

(3) the development of the proposed community has received all governmental approvals required by State or local law, and the public agencies (Federal and State) whose cooperation is necessary for such development, in accordance with such approved plan, have indicated their intent to furnish such cooperations; and

(4) the State land development agency will have adequate control over the developers of the land acquired to ensure its development in accordance with such approved plan.

(d) Any land acquired with assistance under this section shall be disposed of for development in accordance with a development plan approved by the Secretary under section 4 and shall not be sold or otherwise disposed of for less than its fair value for uses in accordance with such plan.

(e) As used in this section, the term "improvements" has the same meaning as in section 1001 (d) of the National Housing Act.

DEVELOPMENT PLANS

Sec. 4. (a) Any State land development agency applying for assistance under section 3 of this Act shall submit to the Secretary, in accordance with regulations prescribed by him, a comprehensive and detailed plan describing the land to be acquired with such assistance, the manner in which such land is to be developed as a new community, and the reasons why it is believed that the development of such community will make a substantial contribution to the economic and social development of the area in which it is situated. No such plan shall be approved by the Secretary unless, on the basis of the information set forth therein, the Secretary makes the determinations hereinafter set forth.

(1) The site selected for the new community is sound having regard to projected population trends in the area, availability of the land required, and relative absence of topographical or geological features which make development unduly difficult or expensive.

(2) The proposed community is of a size and scope which will make a substantial contribution to the economic and social development of the area within which it is situated, and the amount of land to be acquired is adequate for a community of such size and scope.

(3) The proposed community will contribute to good living conditions in the area, will have a sound economic base (including an adequate tax base to support necessary local governmental services), and will be characterized by sound land-use patterns.

(4) Appropriate provision is made for the establishment in the proposed community of local self-government with adequate safeguards to assure the integrity of the plan approved for such community.

(5) The proposed community will be developed so as to provide all necessary public utilities and facilities (including those needed for education, health, and transportation), a permanent surrounding belt of open land, adequate sites for industrial and residential uses, a central business center, and adequate cultural and recreational facilities.

(6) The proposed community will contain adequate housing to meet the needs of families of varying income levels, and maximum opportunities in the choice of housing accommodations will be accorded to all citizens.

(7) The residents of the proposed community will have ready access by highway and mass transportation facilities to major employment and cultural centers in the area in which the community will be situated.

(8) The various projects and activities to be undertaken in connection with the development of the proposed community are scheduled to be initiated within a reasonable period of time, and economies through large-scale development and the use of new and improved materials and design will be achieved wherever practicable.

(9) In the undertaking of the various projects and activities required in connection with the development of the proposed community, provision has been made for the maximum utilization of programs of assistance under State and Federal law.

(10) The cost estimates submitted with respect to the various projects and activities to be undertaken in connection with the development of the community are reasonable, having regard for cost levels prevailing in the area, and provide a sound basis for an evaluation of the amount of Federal aid which will be required under existing programs of assistance in connection with such development.

(b) No development plan approved under this section by the Secretary shall be changed except with the approval of the Secretary under such regulations as he may prescribe.

REVOLVING FUND

Sec. 5. There is hereby established in the Treasury a revolving fund which shall be available to the Secretary for the purpose of extending financial assistance to State land development agencies under section 3. Such fund shall consist of (1) sums appropriated thereto from time to time by the Congress, and (2) collections and repayments received on loans or purchases made under such section. Moneys in the revolving fund not needed for current operations shall be invested in direct obligations of the United States or obligations guaranteed by the United States, or any agency or instrumentality thereof.

ADVISORY COMMITTEE

Sec. 6. (a) The Secretary shall appoint a New Towns Advisory Committee, without regard to the civil service laws, which shall consist of not more than fifteen persons who have outstanding qualifications in fields relating to community planning and development. Such committee shall advise the Secretary with respect to matters arising in the administration of this Act, and shall perform such other functions as the Secretary may, from time to time, assign to it.

(b) Members of the advisory committee established hereunder shall, while carrying out their functions as members of such committee, be entitled to receive compensation at a rate fixed by the Secretary but not to exceed $100 per day, including travel time, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including a per diem in lieu of subsistence, as authorized under section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

GENERAL PROVISIONS

Sec. 7. In the performance of, and with respect to, the functions, powers, and duties vested in him by this Act, the Secretary shall (in addition to any authority otherwise vested in him) have the functions, powers, and duties set forth in section 402, except subsection (c)(2), of the Housing Act of 1950.

PLANNING ASSISTANCE

Sec. 8. (a) Section 701(a)(4) of the Housing Act of 1954 is amended by striking out the semicolon and inserting in lieu thereof the following: ", or to be developed with assistance under the New Towns Development Act of 1967;".

(b) Section 701 of such Act is further amended by adding at the end thereof a new subsection as follows:

"(1) In addition to other grants authorized by this section, the Secretary is authorized to make grants to any State land development agency, as defined in section 2 (2) of the New Towns Development Act of 1967, to assist such agency to prepare new town development plans meeting the requirements of section 4 of such Act. A grant under this section shall not exceed two-thirds of the cost of the work and activities required in connection with the preparation of the plans for which the grant is made."

Sec. 9. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act. Any sums so appropriated shall remain available until expended.

HOUSING FOR DISADVANTAGED PERSONS

Mr. BROOKE. Mr. President, I introduce a bill to create a Moderate Housing Division in the Department of Housing and Urban Development. This bill is cosponsored by the distinguished Senator from Kentucky [Mr. Morton], the distinguished Senator from Wisconsin [Mr. Proxmire], and the distinguished Senator from Illinois [Mr. Percy].

The PRESIDING OFFICER. The bill will be received and appropriately referred.

The bill (S. 2681) to provide for the administration by the Secretary of Housing and Urban Development of certain housing programs for disadvantaged persons through a new division within the Department of Housing and Urban Development, introduced by Mr. Brooke (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Banking and Currency.

Mr. BROOKE. This Moderate Housing Division would administer certain already established low- and moderate-income housing programs. The creation of such a division is essential if we are to give these programs the priority which they deserve.

The 1960 census showed that 70 percent of the American people lived in urban areas. Eighty-four percent of the

1950–60 population increase in this country occurred in urban areas, making the rate of growth for the cities 3½ times the national average. By 1970, our urban population of 125 million is expected to double to 250 million.

The 1960 census also reported that 4 million urban housing units were dilapidated or deteriorating and without adequate sanitary facilities. Three million more units were in need of constant repair. And an additional 2 million units had serious violations of housing codes or were dangerously overcrowded. This is the housing that was available for the 5.3 million Americans who migrated to the city between 1950 and 1960. This is the housing into which millions more are crowded who have come to the cities seeking jobs and opportunities in this decade.

The United States has long had the shame of the slums on its record. But the slums of the 1960's are in many ways worse than those we have known before. No longer is the slum a way station for a generation of immigrants. As the need for a good education has grown and the number of jobs available to the unskilled has declined, the slum has become a trap where generations repeat the cycle of poverty.

The visible, tangible symbol of this trap is substandard housing. In the slum, a man's home is not his castle. It is his prison cell from which he escapes at every opportunity to roam the streets, where his chances of becoming involved in crime and delinquency are immeasureably increased. A public opinion survey taken this past August found that, in the minds of the slum residents themselves, lack of decent housing is the single most important reason for frustration and despair.

As early as 1937, Congress recognized that Federal participation was necessary if the Nation was to solve its housing crisis. It authorized the low rent public housing program, under which public housing projects are constructed and administered by local housing authorities using Federal funds. By the end of 1966, 2.5 million people were living in 635,879 units of public housing. Recently, the public housing program has benefited from the application of the so-called turnkey construction procedure. And the Department of Housing and Urban Development has begun to encourage the use of rehabilitated structures for public housing, cutting costs and preventing displacement.

Public housing, however, is clearly not the only answer to the Nation's urban housing crisis. Another approach to the problem is Federal credit insurance. In 1961, Congress authorized the 221(d)(3), below market interest rate program, for construction of low and moderate income rental housing. This program encourages nonprofit sponsors to receive mortgages on new or rehabilitated housing projects from banks which are fully guaranteed by the Government. Section 221(h) of the National Housing Act provides a similar program for home ownership.

In 1965, Congress took a significant step forward with passage of the rent supplement program. Under this program, 221(d)(3) housing is rented to tenants at a cost no greater than 25 percent of their income, with the Government supplementing the difference between that amount and the actual rent costs.

Still another approach is that of the section 202 program which provides direct loans to nonprofit sponsors for the construction of housing for the elderly.

Congress has endorsed and funded numerous programs for the construction of low and moderate income housing. But where is the housing? In 1962, the Federal Housing Commissioner testified that he expected 60,000 units to be built under the 221(d)(3) below market interest rate program each year. The total of construction starts in 5 years is only 70,062, or a little over the anticipated number of units to be built in 1 year. Loans to construct housing for the elderly have not equaled the amount appropriated for this program, despite the fact that the appropriations were nearly $100 million lower than the amount authorized.

The FHA was created in 1934. It has insured over $112 billion in mortgages and loans. Under its programs, 8½ million Americans have become homeowners, and 1.2 million rental apartment units have been built. FHA has "paid back" its original appropriation and has become self-supporting. Its reserves now total over $1 billion. FHA was created for the purpose of insuring conventional mortgages. The main criterion for such programs is economic soundness.

But in 1961 and 1965, the Congress placed under its administration the 221 programs, and rent supplements, which are far from being conventional programs. These programs are basically social, rather than economic, in purpose. They are designed to help the ghetto residents take their rightful place in American society.

There is a risk involved in building in the ghettos. But it is in the ghettos that housing is most desperately needed. Rent supplements and the 221 programs are not giveaway programs. They are soundly conceived, and based on the assumption that with better housing will come greater hope for the future, more jobs, and more incentive to build a better life.

But these programs require the administering agency to work not with business developers and speculators but with nonprofit sponsors such as churches, fraternal organizations, and civic action groups. These people have had no experience in building housing units and in dealing with Federal bureaucracies. They must have help and constant supervision if these programs are to be successfully administered.

Under the present system, administration of the low- and moderate-income programs by FHA has in many cases been characterized by endless delay and redtape. There has even been evidence of an unwillingness to undertake projects in the ghettos because of the risk involved. Unreasonable requirements for bonding and for assumption of financial responsibility have been imposed on contractors and sponsors. Philosophically, the FHA is not oriented to administer the type of program conceived and authorized by Congress for low- and moderate-income housing construction. As a result, those who would take the initiative in constructing this type of housing have come to regard it as a waste of time to go to FHA with their plans. Under these circumstances, it is no wonder that nonprofit sponsors have become discouraged and the record of accomplishment is meager.

Mr. President, I am convinced that separation of the socially oriented low- and moderate-income programs from the conventional Federal insurance programs will benefit both types of programs. FHA will be free to administer its program in the conventional and highly successful manner which it has pursued in the past. But the Moderate Housing Division, which I propose, would operate with only one goal in mind—that of helping the people who live in these disadvantaged areas to construct housing to meet the desperate needs of slum residents. The Moderate Housing Division would make special efforts to expedite processing, so that the time between application and construction would be as short as possible. It would cut redtape, and design its administrative policies with the interests of nonprofit sponsors in mind.

Mr. President, this is a crucial time for our Nation's housing programs. The American people are now aware of the dire need for decent housing in impoverished areas. Civic groups and organizations all over the country stand ready to participate in Federal housing programs if they could be assured that the opportunities are available, and that an agency stands ready to give them full cooperation and assistance. The life insurance industry alone has pledged $1 billion to help rehabilitate the slums. Just last week the Subcommittee on Housing and Urban Affairs of the Banking and Currency Committee reported out a landmark bill, providing homeownership at subsidized interest rates.

New interests, new techniques, and new programs are constantly being devised. I believe that only by establishing a Moderate Housing Division in HUD can we take advantage of the opportunities they represent. Only with a Moderate Housing Division can we achieve the goal announced by Congress in the housing legislation of 1949: "a decent home and suitable environment for every American family."

Mr. PROXMIRE. Mr. President, will the Senator from Massachusetts yield?

Mr. BROOKE. I yield.

Mr. PROXMIRE. Mr. President, I commend the distinguished Senator from Massachusetts for introducing his legislation. I am very honored to be a cosponsor of the Brooke bill.

Mr. President, it is about time that the Congress of the United States made it clear to the FHA and the administration that it insists on a beginning to a solution of the grievous housing slum problem that exist in this country.

The greatest failure and the most conspicuous failure—certainly the most visible failure that we have in this Nation—is the problem of disgraceful slums in our very affluent country.

There is no reason or excuse for the existence of these slums. We simply have not concentrated the resources of our

Government in terms of intelligence, competence, and economic power toward the solution of this problem.

I think that what the Senator from Massachusetts has done this morning in introducing his legislation to make it clear that there will be a moderate housing unit in HUD with the clear and explicit responsibility for solving this problem is a great contribution and one in which I am proud to play a small part.

Mr. BROOKE. Mr. President, I thank the Senator from Wisconsin for his remarks and for the interest he has displayed.

NATIONAL PARKINSON WEEK

Mr. JAVITS. Mr. President, Parkinson's disease is the third most crippling disease in the United States. Striking in the middle years of life—the years of greatest productivity and greatest responsibility—it brings tragedy and economic hardship to many families.

The National Parkinson Foundation is devoted to research into the cause of Parkinson's disease and rehabilitation of its victims. During the past decade the development of new and better techniques has been directed toward more efficient management of the disease.

In 1965, Congress authorized and directed the President to proclaim the week beginning October 25 as National Parkinson Week. At the request of the foundation, I introduce, for appropriate reference, a joint resolution amending that law and authorizing the designation of National Parkinson Week in February of each year.

The **PRESIDING OFFICER.** The joint resolution will be received and appropriately referred.

The joint resolution (S.J. Res. 122) to authorize the President to proclaim the week beginning **February 8, 1968, as National Parkinson Week**, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on the Judiciary.

WITHDRAWAL OF COSPONSOR

Mr. KUCHEL. Mr. President, on behalf of the distinguished Senator from Massachusetts [Mr. BROOKE], who was mistakenly informed that the senior Senator from New York [Mr. JAVITS] wished to be listed as a cosponsor of the joint resolution (S.J. Res. 120) to create a Special Commission on Trade and Tariffs to investigate trading policies, I ask unanimous consent that the previous order for his addition as a cosponsor be vacated.

The **PRESIDING OFFICER.** Without objection, it is so ordered.

IN SUPPORT OF THE MORSE AND KENNEDY BILLS TO RESTRICT RADIO AND TV ADVERTISING OF ALCOHOLIC BEVERAGES AND CIGARETTES

Mr. YARBOROUGH. Mr. President, I speak today in support of two bills which, if passed, would contribute immeasurably to the health and well-being of our people, particularly our youth.

I refer to S. 2202 and S. 2395, the very thoughtful legislative measures introduced, respectively, one by the distinguished Senator from Oregon [Mr. MORSE], and the other by the distinguished Senator from New York [Mr. KENNEDY] to prohibit television and radio advertising between certain hours. Senator MORSE's bill relates to alcoholic beverages, and Senator KENNEDY's bill relates to cigarettes. These would be the hours of afternoon and early evening when children, who are likely to be influenced by such advertising, would be watching television or listening to the radio in greatest numbers.

Children are growing up today in a nation where an estimated two out of three adults drink alcoholic beverages of some kind, and where about 42 percent of the adult population smokes cigarettes. Our youth are daily exposed to the temptations posed by the popularity and pervasiveness of these two habits. The step proposed by these two pieces of legislation is a necessary one, and warrants our immediate and devoted consideration.

The problems of alcoholism have not received of late the publicity that smoking has. The problem exists, nonetheless, and has existed for a long time. One in every three arrests in this country is for drunkenness—so reports the President's Crime Commission. If arrests for crimes related to, or derived from, drunkenness were added to the total, the proportion would be even higher. Alcohol plays a major role in deaths on the highways. Howard Pyle, director of the National Safety Council, has estimated that perhaps one-half of those involved in fatal automobile accidents are under the influence of alcohol. The New York Times reported last year that in a 9-year period in San Antonio, Tex., 61 percent of all drivers and pedestrians killed in accidents were intoxicated, with blood alcohol levels of 0.15 or higher.

There are over 5 million identified alcoholics in this country, with probably several million more who are not identified. Alcoholism is the fourth largest health problem in the Nation and the number one single criminal problem, if the figures I quoted earlier are any indication. Many programs and approaches have been attempted in an effort to make some inroads into this tragedy. It has been proved time and again that it is a most difficult task to get confirmed drinkers to stop drinking. I believe we should make a more serious effort than we have made in the past to keep our children from beginning to drink. At the very least, we should cease encouraging them to drink, as present advertising is designed to do. My friend and distinguished colleague from Oregon, Senator MORSE, has taken an important first step with the introduction of S. 2202, and I am pleased to stand today in support of his efforts.

Studies on high school drinking provide us with some striking findings. For instance: First, the typical American teenager is a user of alcohol beverages, with some regional variations; second, from the age 14 through 18, the percentage of users increases steadily; third, laws relating to teenage drinking have little relation to drinking practices; and, fourth, if an individual is ever going to drink, he will very likely have begun prior to graduation from high school. The question of why a young person starts to drink is a very complex one to answer and not the subject of my remarks here today. But certainly one reason is that adults do it, and it is an accepted mode of behavior in our society. One factor that contributes to this mood of acceptability can be seen in television commercials for beer and wine.

I realize that voluntary advertising codes generally ban television commercials for so-called hard liquor. However, television advertising for wine and particularly beer has increased markedly in recent years. The typical television commercial for a beer product depicts healthy, attractive people of both sexes, with the emphasis on the enjoyable aspects of drinking, and never a reference to the many dangers that can result. Our young people should not be subjected to this misleading message, and therefore I support Senator MORSE's effort to obtain a ban on alcoholic beverage advertising during hours when children are likely to be watching television.

Just as Senator MORSE has detected and pointed out to us the anomaly of alcoholic beverage advertising directed at those under 21 years of age, the very able and perceptive Senator from New York [Mr. KENNEDY] has brought to light the impropriety of cigarette advertising directed toward the same audience.

The bill introduced by Senator KENNEDY, S. 2395, would give the Federal Trade Commission the power to regulate cigarette advertising in three ways: First, determine the times at which cigarette advertising might appear; second, determine the kinds of programs on which such advertising might appear; and, third, set an overall volume of cigarette advertising. The National PTA has recently recommended this kind of approach as part of a major project it is conducting to discourage children from starting to smoke cigarettes. They urged manufacturers of cigarettes to enter into an agreement to refrain from advertising cigarettes in the process of being smoked and to refrain from advertising cigarettes on television before 9 p.m. local time.

Among the diverse temptations that beset our children in this era of affluence, cigarette smoking looms as one of the most menacing. It is rapidly increasing among all youth. Young people—nonsmokers as well as smokers—should be warned about the health hazards inherent in the smoking habit. They should be given facts and figures on the increasing frequency of chronic bronchitis, emphysema, and terminal lung cancer in adult cigarette smokers. Instead, too often they are given commercials depicting happy, healthy, cheerful, beautiful people smoking cigarettes and having the time of their lives, with never a hint that health dangers are even involved.

The facts about the dangers of cigarette smoking have been known to us for some time now. The most recent Public

Health Service report on the health consequences of smoking supplies us with some alarming statistics. The report states that cigarette smoking is responsible for 11 million cases of chronic illness in the United States. It is also responsible for 77 million days lost from work and 306 million days of restricted activity each year. Smoking claims a life every 105 seconds in our country. The Public Health Service report indicts cigarette smoking as the "principal" cause of lung cancer and the "most important cause" of death and disability from chronic bronchitis. The report also links smoking with a number of other diseases including heart disease, ulcers, and emphysema.

The new report of the Public Health Service confirmed the conclusions reached by the Surgeon General's Advisory Committee in 1964. The question is no longer, "Does cigarette smoking cause disease?" but, rather "How much mortality and excess disability are associated with smoking?" or "How much of this early mortality and excess disability would not have occurred if people had not taken up cigarette smoking?" or, perhaps, "How much of the danger could be averted by the cessation or reduction of cigarette smoking?" The experts who participated in the first World Conference on Smoking and Health held recently in New York City did not spend any time debating whether smoking causes disease. They all accepted it as a matter of fact and spent their time discussing ways to get people to stop smoking or to keep them from starting to smoke.

At present there are about 70 million cigarette smokers in this country, 21 million of whom are under the age of 21. As a result of the 1964 Surgeon General's report many people have quit smoking. This number is more than counteracted, however, by the estimated 4,500 young persons who begin smoking every day. By the age of 18, about half of our Nation's teenagers are habitual smokers of cigarettes. A study of teenage attitudes on smoking conducted by Dr. Eva J. Salber of the Harvard University School of Public Health suggests that attitudes about smoking are established before the midteens. Questionnaires filled out for Dr. Salber indicate that, by the age of 15, young people who smoke cigarettes are likely to continue; those who have discontinued smoking are likely to resume; and nonsmokers have decided whether they are going to start smoking. As a result of these and other findings, Dr. Salber has stated the opinion that education about the effects of smoking probably should begin in about the fifth or sixth grade. I can only agree with her.

To keep our children from starting to smoke, we can do at least two things. We can educate them in the facts of the dangers from the habit; I am sure this can be done most graphically and convincingly. We can also limit the depiction of the habit as attractive and desirable, which is what television commercials do most effectively. In the American Cancer Society film, "A Time of Decision," a voice of a youth who had quit smoking tells how he was lured back to the habit by advertisements. He says "the pretty girls and handsome men" got to him, and he wanted to smoke "like those beautiful people."

Mr. President, it is this outrageous deception that S. 2395 seeks to stop, and I support the determined efforts of Senator KENNEDY to make progress toward that end.

PRICE INFLATION AND COALITION BARGAINING

Mr. FANNIN. Mr. President, again yesterday, the administration called on Congress to take up and pass the 10-percent surcharge tax increase proposal, emphasizing that it was desperately needed to dampen inflationary pressures.

Rather than penalizing the consumer again for its own mismanagement, this administration should direct itself to the major source of price inflation, namely unrealistic wage contract increases in excess of productivity increases.

The events this last weekend in Great Britain, which forced that nation to devaluate the pound, is a tragic example of how years and years of demands for wage increases that exceed increases in productivity can bring a nation to the point of national bankruptcy.

THE COPPER STRIKE

Mr. FANNIN. Mr. President, on November 15 the nationwide copper strike entered its fifth month. On the same day, supported by three of my colleagues, I introduced a bill which is designed to give union members a voice in determining whether to remain on strike.

We had particularly in mind the tragic situation faced by the men who are unemployed and the hardships and suffering which have resulted. This dispute has cost my State and the other States which produce and fabricate copper hundreds of millions of dollars. About 40,000 workers are unemployed, 10,000 of them in the State of Arizona alone. In 4 months the average Arizona copper worker has lost more than $3,000 in wages. Many years will be required to make up this loss, even if the final settlement is close to the original high demands of the unions.

The bill, S. 2667, provides a mechanism whereby workers on strike may ballot on its continuance after they have been out 30 days. Obviously, the measure I put forward the other day, in which Senators BENNETT, MURPHY, and THURMOND joined, was designed, in part, to call attention to the copper strike and the devastation in its wake.

I emphasized in my statement about our bill that I regarded the average workers and their families as the forgotten men and women in labor disputes. I also said I felt that if the copper workers were given an opportunity to ballot on returning to their jobs, they would vote to do so by sizable margins.

After going carefully into the origin of the strike and the issues involved, I have become firmly convinced that the workers in the copper industry are being shamelessly and apparently illegally exploited by powerful labor leaders for the latter's own selfish interest. The labor chieftains, including Walter Reuther, head of the United Automobile Workers of America, and I. W. Abel, president of the United Steelworkers of America, are using the copper workers as guinea pigs in a carefully calculated program designed to result in control by the big unions over the entire economy.

With a long history of labor controversy in the copper industry, many persons may think this simply is a continuance of the disputes and differences which have plagued both management and workers in the past. But this strike is different while a considerable part of the controversy relates to wages and other conditions of employment, there is a new factor.

This new factor is coalition or coordinated bargaining, which I regard as clearly illegal. Twenty-six unions have banded together to present demands to the copper producers. All have bargaining rights within the big four copper producers. These are the Kennecott Copper Corp., the American Smelting & Refining Co., the Anaconda Co., and the Phelps-Dodge Corp. The unions also have bargaining rights with some smaller copper producers.

The unions are led by the powerful United Steelworkers of America, which in July of this year absorbed the Mine, Metal & Smelter Workers of America, even though the latter had more members working in copper than the steelworkers union. The merger definitely gave the steelworkers union preponderant influence over the metals workers in the United States, and it seems that officials of the steelworkers union are dictating strike policy.

Coalition bargaining is the brainchild of the Industrial Union Department of the AFL-CIO, which is headed by Mr. Reuther, and it began on a modest scale in 1961. In 1965, the collective bargaining services section of the IUD was formed to coordinate the activities of the various industry committees which had been established to gather and explore the feasibility of coalition bargaining. Today, there are over 100 of these committees—all intent upon one thing—to give organized labor the power it has in automobiles, steel, in coal, and in transportation over almost every other major company or industry. The bargaining services section issued a lengthy report to the IUD in 1965, in which, among other things, coalition or coordinated bargaining was defined, as follows:

> In coordinated bargaining, several locals whose contracts expire over a short period of time band together and jointly prepare a list of major economic demands which each presents to the company. As local negotiations progress, additional meetings are held to discuss strategy and agree on a minimum package which will be acceptable. When one local has secured this minimum pattern, it does not accept it until all locals have secured a similar offer from the company.
>
> In some of the coordinated bargaining committees a steering committee made up of representatives of the coordinated locals is established to participate in all local negotiations . . . *the ultimate goal of coordinated bargaining is to force companies to negotiate major economic items on a national level.* (Emphasis supplied.)

Or, to state it another way, the combined power of a group of unions is brought to bear against a company, or an industry. As is the case in copper, such a coalition forces the company or industry to shut down. The knowledge that the stoppage will continue until all the unions are satisfied brings great pressure on management to settle on the best terms possible.

Through coalition bargaining the national planners for the AFL–CIO seek the bargaining advantages throughout all industry that industrywide bargaining gives the giant unions at present.

A big union has all the best of it in industrywide bargaining. The recent negotiations between the United Automobile Workers and the Ford Motor Co. furnish a prime example. The union was able to close Ford while its principal competitors continued to make and sell automobiles. The company got out of the squeeze only by accepting an inflationary settlement which will lead to other inflationary settlements. As experience has shown, a strike in a major industry where industrywide bargaining prevails frequently threatens to paralyze much of our economy. Where the Federal Government is forced to intervene, as is frequently the case, the settlement is favorable to organized labor. The unions have more political power than industry, a lot more, something no occupant of the White House is likely to forget.

Now, as I have already stated, the union planners have come up with a program which puts a big and potent club in union hands every time and everywhere union spokesmen sit down to bargain with management. Let us take a look at the copper strike and see how it fits into this ambitious program for control over the economy.

Apparently, companywide bargaining is the immediate objective of the union leaders. Joseph H. Molony, a vice presi- of the Steelworkers Union, was quoted in the November 16 issue of the magazine Iron Age, as saying:

> We continue to seek company-wide bargaining and uniform expiration (of contract) dates.

To accomplish these objectives, in the copper industry, it was necessary to bring about a situation where almost the entire industry is shut down and, today, 90 percent of the copper mining industry is idle. The strategy of the union leaders seemed to be to bring about a scarcity of the metal, a prime material and exceedingly important in defense industries. Then the Government would have to step in. That the copper supply has held out extraordinarily well has not changed the basic strategy.

Each side in a labor dispute, such as the copper dispute, arrives at different estimates as to demands since different assumptions are used. Well-informed men have told me that they doubted that the unions, using their own assumptions, could arrive at a cost of less than $2 an hour. It seems significant that the unions have never publicly announced what their proposals would entail in dollars and cents.

Frankly, I do not believe the union officials have really tried, thus far, to bargain in good faith. The test of coalition bargaining in copper envisioned a long strike, which would result in a shortage of copper. This situation would force the Federal Government to intervene. As time has gone by, most of the many separate union contracts have expired. Consequently, the contracts which will be made for the future can be arranged to expire simultaneously, and this will give the unions more leverage now and in other tests of strength yet to come.

But, even if copper is in greater supply than the union leaders counted upon, the heads of the major unions still have other avenues open to them. Their influence with the Federal Government is very great. If the strike seems about to collapse, they are likely to go to the very highest level for succor.

Prior to the copper strike this year, the other major test of coalition bargaining came in 1966 during wage negotiations between the unions and General Electric. The most powerful union at GE was the International Union of Electrical Workers—IUE—which represented about 70 of the 150 bargaining units at the company. But the 80 remaining units bargaining were represented by well over 50 unions. A good part of the IUE bargaining with GE was on a national level but most of the bargaining for the other unions had been on a plant-by-plant, unit-by-unit basis. This, incidentally, was the procedure contemplated by the National Labor Relations Act and is still regarded by many as the national labor policy.

The unions set up a committee to represent them all. This steering group asked GE to negotiate with it on a national basis. GE balked and the unions apparently abandoned the attempt to force coalition bargaining. But on May 4, 1966, after the IUE asked a meeting, apparently to bargain for itself alone, representatives from seven other unions showed up.

GE balked again and, subsequently, both parties filed charges of refusal to bargain in good faith with the NLRB. The legality of coalition bargaining—the fundamental issue—remains to be settled. However, the unions did win a partial victory. Since GE is a primary supplier of defense items, the Government moved in to help settle the dispute. The terms of the settlement were favorable to the unions, more favorable than could have been accomplished without coalition bargaining.

As I see it, the long and complex history of collective bargaining shows that GE was well within its rights in refusing to take part in coalition bargaining. Plainly, the union officials involved were trying to change the existing bargaining unit structure, one that had been approved by the NLRB. By withholding a settlement agreement until all unions involved are satisfied, the coalition alters the unit-by-unit structure to a plantwide, companywide, or industrywide bargaining structure, depending on the scope of the negotiations. The NLRB. has, in fact, ruled in the past that when management and the designated representatives of an appropriate bargaining unit as determined by the Board reach agreement for that unit, it is an unfair labor practice for the union to continue a strike pending satisfaction of the demands of other unions simultaneously bargaining with the same employer. It seems apparent that illegal union coercion is being used in the copper strike.

Yet, to date, the NLRB has dodged the fundamental issues involved. It has deliberately binded itself to the significance of the demands presented by a coalition of unions. The Board had held employers who balked at having representatives from several unions present at negotiations, which traditionally had been carried on with one union, guilty of refusing to bargain in good faith. The Board has refused to look behind a very thin screen to find out what was really happening. The NLRB has deliberately blinded itself and then has cried out that it saw nothing wrong.

I have mentioned the soaring ambitions of the labor leaders which are embodied in coalition bargaining. On this point let us listen to Walter Reuther, head of the UAW, victorious in the Ford strike. Mr. Reuther, a highly articulate and able man, also is head of the IUD, which thought up coalition bargaining in the first place. In an address in 1965, Mr. Reuther was quoted as follows:

> We propose to establish industry-wide conferences to work toward uniform bargaining policies developed by all the unions in an industry.

One of the best informed men on coalition bargaining in this country is Guy Farmer, former head of the National Labor Relations Board.

Clearly—

He said in his work, "Collective Bargaining in Transition"—

> if the unions can obliterate legal bargaining units by the simple device of establishing a coalition negotiating team and bargaining from unit to unit with the same committee pledged to attain common bargaining goals, employers have no practical or legal defense against national bargaining throughout all our industries. This will mean that the pattern of bargaining on a unit-by-unit, plant-by-plant basis will soon disappear and be replaced by a national industry-wide—or even multi-industry—bargaining pattern. National crisis bargaining will then become the order of the day. This will herald an increase in government intervention almost as a matter of course, and in the end will mean that political factors and considerations of expediency, not the economics of the particular plant or company or industry, will be critical in determining the contents of the settlement reached.

Later, in this same pamphlet he commented that prior to the passage of the Wagner Act, industry had the advantage over the unions when it came to collective bargaining. He added:

> Congress in the Wagner Act sought to correct this imbalance, by giving Federal protection to labor unions and to freedom of association among employees, by protecting employees against reprisals for joining unions, and by imposing the bargaining obligation as a rule of law.
>
> The imbalance that then existed has in the intervening three decades been reversed; we have now come full circle, and it is the unions that now are possessors of overweaning power. Wages are no longer depressed, but rather are spiraling upward. The bargaining process originally designed to give unions an equal voice is well on its way to becoming an instrument for the exercise of unchecked union power. The NLRB originally established to protect employee rights, con-

> tinues nevertheless to view its mission as essentially one of aiding unions in the accumulation and exercise of economic power. The Boards seems to be blind to the course that history has followed since 1935. Collective bargaining will not work, as Congress then saw, when either management or labor can exert unilateral control over wage determinations. The basic principle of equality that underlies our national labor policy needs to be reimplemented in light of conditions as they exist today.

I believe that coalition bargaining represents a threat to our entire economy; but, leaving this threat aside for the moment, it is particularly unfortunate that an attempt is being made to apply it to the copper industry. Incidentally, in this connection, Mr. Farmer in his pamphlet, published this year, predicted that the copper and brass industry would be the major target of coordinated or coalition bargaining in 1967.

Now, as to why I believe that the traditional plant-by-plant and unit-by-unit bargaining should continue in the copper industry: Such negotiations are adapted to the economic realities which affect the metal. Economic conditions vary widely within the domestic copper industry. Copper is produced in many other countries. Quite a few copper fabricating plants are closed by the strike and the economic differences in operating a copper mine and a fabricating plant are substantial. Some lead and zinc mines are also down and, here again, the differences in operating costs are great. There are marked differences in the economics of operating an underground mine in comparison to an open pit mine. The costs of living vary greatly in the diverse areas where copper is mined and shipped.

As I have stated, copper is a world metal and, ordinarily, there are substantial world surpluses. Copper producers in this country, or most of them, have sold below world prices for the last couple of years. The metal has strong competition from other metals and substitutes. Once a shift is made from copper to something else, that market is not likely to be regained.

Aside from coalition bargaining, I do not like the powerful influence which the giant Steelworkers Union has in this controversy. As I have indicated, strike policy seems to be coming out of Steel Union headquarters in Pittsburgh. Not long ago, for example, I. W. Abel, head of the Steel Union was quoted as saying the unions were "ready to sit it out." I wonder how the workers, hard hit by unemployment, regard his fortitude.

We must not overlook the fact that the Steelworkers dominate the metals industries. Ahead of the union lie wage negotiations in the can industry, then aluminum, and then steel, itself. The higher the wage settlement in copper, the higher the settlements, perhaps, in the other industries I have mentioned. Mr. Abel and his aides could be affected, unconsciously perhaps, to the point where the welfare of the copper workers is being subordinated. After all, it is evident that these workers already have taken a very bad beating.

I am concerned, first of all, over the damage that this ill-advised strike is doing to my State. Governor Williams, of Arizona, has been quoted as saying that the strike is costing $4 million monthly in excise taxes. He also was quoted as saying that an increase in the State property tax might be necessary if the strike continued much over 90 days. Well, it now has passed 120 days and still is going strong.

I ask myself: Why should my State of Arizona be devastated simply because Walter Reuther, Mr. Abel, and other powerful union leaders have thought up a scheme to give them more power to tell us all what to do? I am gravely concerned also over the injury which the strike is doing to other Western States and to the country as a whole. If coalition bargaining succeeds in copper, it can be tried successfully everywhere. Already, we have seen a series of highly inflationary wage settlements. Others are yet to come. If coalition bargaining is extended over the country, there will be no end to inflationary wage settlements and no end to inflation.

What is to be done about this situation? In this connection, I have some suggestions to make:

First. The Steelworkers Union and other unions involved should put an end to the attempt to force a companywide settlement on the major copper companies through coalition bargaining. Undoubtedly, if companywide bargaining is established, industrywide bargaining will be next, but neither should be allowed through union pressure. I think coalition bargaining is unwise and dangerous for any company, or industry, but, in my consdered judgment, it simply does not fit the realities of the copper situation, and I think its abandonment is necessary to any sensible settlement of this dispute.

Second. The National Labor Relations Board should remove its blinkers and rule that coalition, or coordinated bargaining, is illegal, which it plainly seems to be from past rulings by the Board and from the national labor policy established under the Wagner Act and subsequent amendments.

Third. The copper workers on strike should demand that the union leaders begin genuine collective bargaining with the intention of a speedy and fair settlement of the dispute. This will mean an end to coalition bargaining; but the sooner this power play by union leaders is abandoned, the sooner there will be a settlement of the controversy.

Fourth. The White House should use its influence to put an end to coalition bargaining in the copper strike and to insure genuine collective bargaining. This is in the public interest.

I urge also that reporters, columnists, TV and radio commentators, and others concerned with the mass media of communication study this strike. If they do, I believe they must come to the conclusion that this is part of a deliberate and carefully calculated plan on the part of union leaders to add to the excess of power they already have. The quicker this matter is given the airing it should have, the quicker the truth is brought into the open, the quicker public opinion will demand a speedy and fair settlement. Such a settlement will not include coalition bargaining.

EXTENSION OF LIFE OF THE CIVIL RIGHTS COMMISSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Chair lay before the Senate a message from the House of Representatives on H.R. 10805.

The PRESIDING OFFICER. Without objection, it is ordered.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendment of the Senate to the bill (H.R. 10805) to extend the life of the Civil Rights Commission, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. MANSFIELD. I move that the Senate insist upon its amendment, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. Eastland, Mr. McClellan, Mr. Ervin, Mr. Dirksen, and Mr. Hruska conferees on the part of the Senate.

THE RECENT PHILIPPINES ELECTION

Mr. MANSFIELD. Mr. President, yesterday the New York Times published a summary account of the recent election in the Philippines by Peter Braestrup and an editorial comment on the significance of its outcome.

Both of these press items interpret the results of the election as a midterm mandate for the continuance of the kind of new political leadership which has been forthcoming under the Presidency of Ferdinand Marcos. According to the New York Times, his party gained six of the eight seats which were at stake in the Philippines Senate.

I invite attention to this election in the Republic on the other side of the Pacific with which we have been so intimately associated for so long because it is reflective of the vitality of the processes of freedom in that nation. On past visits—one just a few weeks ago—I have had direct exposure to this vitality. I also take this opportunity to wish the Philippines Government every good fortune in its efforts to serve the contemporary needs of the Filipino people.

Mr. President, I ask unanimous consent that the two articles be printed in the Record. In addition, I ask unanimous consent to have printed in the Record a segment of a report which deals with the Philippines. The report, entitled "The Rim of Asia," was submitted by me to the Committee on Foreign Relations in September of this year.

There being no objection, the items were ordered to be printed in the Record, as follows:

[From the New York Times, Nov. 19, 1967]

The Marcos Victory

President Marcos' program for leading the Philippines out of economic and social morass and onto the high road of development has received a boost in the off-year Philippine election.

The President in his first two years in office has laid the beginnings of a breakthrough toward agricultural self-sufficiency by use of improved seed strains and construction of rural roads. He has made a good start on measures to curb smuggling and other forms of corruption that bleed the economy from within. But in everything he has done he has had to press against the weight of an often hostile Senate, an entrenched wealthy minority—and the cynical tradition that reformist Presidents come and go but everything stays the same.

The near-sweep scored by the candidates of the President's Nationalist party has now given him control of the Senate and a broad base of pro-Marcos provincial officials around the country. The results amount to a vote of confidence in a leader who seems to be stirring more imagination among his countrymen than any President since Ramon Magsaysay.

Mr. Marcos has taken his victory as a mandate to go forward to the next phase of his program: land reform. Measures to correct a semifeudal situation in which a tiny clique of landlords owns most of the farmland have been pending for a long time. These measures will have to be implemented if the renewed threat of Communist Huk guerrillas in the ricebowl area of Central Luzon is to be contained and suppressed—and, indeed, if the Philippines is to have any hope of becoming a prosperous modern nation.

The plans are there. The legislation is ready. What has been lacking is the will to challenge the oligarchs and the money to finance a transition from sharecropping to leaseholding or peasant ownership of land. If President Marcos supplies the will, the United States should be ready to furnish the necessary help.

[From the Rim of Asia]

VI. The Philippines

By way of background, it should be emphasized that our tie with the Philippines is closer than with any other Asian nation. The tie is full of historic significance and current value for this nation as it is for the Philippines. Between the two countries, no issues exist of a magnitude which should jeopardize the fundamental relationship. The differences that there are have to do with commercial agreements, military bases, veterans benefits, the disposition of American aid and the like. They are, clearly, negotiable differences which should yield readily in an atmosphere of mutual deference. In the negotiation of these differences a wise and understanding attitude can do much to preserve and enhance the foundation of good will which has been earned by the generous gestures and shared sacrifices of the past.

At the present time, the principal inner difficulty of the Philippines has to do with lack of law and order. It centers on the rural areas, even as our similar difficulty has centered on the urban complexes. There has been a resurgence of the Hukbalahap movement in central Luzon which is reportedly led by an uncertain combination of Communist sympathizers and racketeers of one kind or another. The situation is recognized as serious, its dimensions suggested by the fact that over 100 government officials have been assassinated in the past year and a half.

The Government of the Philippines is alert to the problem and remedies are being sought not only by strengthening the capacity for maintaining law and order but also by action to overcome certain economic and social injustices. There are several particularly hopeful developments. The Government's "rice and roads" program is one. It is a key program of the administration of President Ferdinand Marcos. It is designed to enhance agricultural productivity and to give the rural areas of the country greater accessibility to markets for their products. The basic element in the program is, with U.S. help, to bring about the rapid dissemination of a new hybrid, IR–8, which promises rice yields two or three times higher than at present. Indeed, the prospects are better than at any time in the post World War II years that within 2 or 3 years the Philippines will no longer need to import rice.

In the field of public welfare, a significant effort is under way with the sponsorship of the First Lady of the Philippines, Mrs. Imelda Marcos. A new reception and study center at Bago Bantay, Quezon City, which was dedicated during the time of my visit, is an example of the advanced and creative social work which is being done with children and youth in the Republic. This project is a harbinger of others which it is anticipated will be launched in the field of human service, some of which might well be expected to have relevance outside the Philippines.

In the field of foreign relations, the Philippine Republic has improved its contacts with Japan and Indonesia while restoring diplomatic relations with Malaysia. Unofficial efforts, largely through Filipino journalists, to establish access to the Chinese mainland have met with some success. There is also increasing interest in the Philippines in commercial and other contacts with the Soviet Union and the Eastern European Communist countries. Officially, however, the Philippines still do not have diplomatic relations with any Communist country.

These various new directions are reflective of a general stirring which is taking place within the Philippines. There is a youthful energy in the leadership of the nation which augurs for a continuance of an atmosphere of ferment. There may well be required some adjustments in our policies with respect to the Philippines in order to keep them attuned to the new outlook. It may help to make the adjustments if it is remembered that the emphasis of the historic U.S. effort in the Philippines has been directed at encouraging Filipino self-reliance in independence. The changes which are now taking place appear to be headed in precisely that direction.

[From the New York Times, Nov. 19, 1967]

A New Mandate for President Marcos

(By Peter Braestrup)

MANILA.—To the distress of Manila intellectuals, last week's election in the Philippines was run, like its hurly-burly predecessors, in the manner of an old-style Democratic primary fight in Louisiana.

Filipino politics revolve around personalities, Byzantine local alliances, patronage and favors—not on broad issues like Vietnam. Philosophically, little separates President Ferdinand Marcos's Nationalist party and the opposition Liberals. Sugar interests and landowners—the "oligarchy"—supply funds to likely candidates in both parties. Politicians change sides frequently, as opportunities beckon. There is little party discipline in Congress and no solid voter blocs. The dirt-poor tenant farmers, the Catholic Church and the faction-ridden trade unions are not organized politically. And the average Filipino looks to his boss for guidance on elections.

As usual, Manila's freeswinging press played up violence, vote-buying and thefts of ballots by rival local factions. By official count, 62 Filipinos have died and 90 have been injured in "political incidents" since the first of the year. But on election day last Tuesday, voting was calm enough in most provinces and, except in a few towns, it was not a "rigged" election. The voting was for eight Senators, 65 provincial governors and 14,000 mayors and local officials.

By Friday, the trend was clear. Six pro-Marcos Nationalists and one independent were among the eight Senate winners. Running his own well-financed campaign, Benigno S. Aquino, the 34-year-old boy wonder of Filipino politics, was the only Liberal to make the Senate winners list. The Nationalists asked the Supreme Court to rule him ineligible on grounds that he had not reached mandatory age of 35.

For President Marcos, 49, the election was a crucial midterm test. Campaigning nationwide with his party's eight Senatorial candidates, who ran at large, he made himself and his two-year-old "rice, roads and schools" program the main issue. At stake were his political prestige and his chance to win an unprecedented second term in 1969.

SOLID VICTORY

The election outcome constituted a solid victory for Mr. Marcos. It gave him an overwhelming mandate for reform. The Nationalists did fail to unseat the Liberal Mayor of Manila, but, as the President remarked to an aide, "If we had also taken Manila, the other side would have accused me of trying to crown myself king."

President Marcos, who had control of the 120-member House of Representatives prior to the election, will no longer face a hostile bipartisan majority in the 24-member Senate. "With this new mandate," he said, "we will be able to make decisions which would have been considered politically unpalatable."

TOUGH DECISIONS

As his critics are quick to note, President Marcos has plenty of tough decisions to make. The big landowners have successfully delayed effective land reform in central Luzon, where the Communist Huk movement, abetted by Mafia-style mobsters, is reviving. Pork-barrel politics and graft have hamstrung law enforcement and serious economic development. The country's economic growth rate—about 4.2 per cent last year—runs barely ahead of population growth. Excessive luxury imports have produced a chronic trade deficit. Urban unemployment has risen to 13 per cent, and the gap between the poor and the rich is growing.

Yet, as the Manila press seldom notes, the republic has the potential to be a showcase for Southeast Asia. The rapid acceptance by farmers of the newly developed high-yield "IR–8" rice seed promises to end Filipino dependence on rice imports by 1970. The country's mineral and agricultural wealth has barely been tapped. With an 80 per cent literacy rate, the country also abounds in college graduates. Thanks to the press and a growing white-collar middle class, Mr. Marcos can rally support for a belated new deal, if he tries.

"Our basic problem," said one of the President's technocrats the day after the election, "is not economics but politics-as-usual. This may be O.K. in the United States but we can't afford it."

Nevertheless, the dominant reaction to the election was that once again the Philippines, 21 years after it gained its independence from the United States, has shown the rest of Southeast Asia that "representative democracy" is a viable alternative to rule by junta or one-party dictatorship.

AIR QUALITY ACT OF 1967 BECOMES LAW

Mr. BOGGS. Mr. President, it was my privilege today to be at the White House when the President signed into law the Air Quality Act of 1967.

This is a much needed expansion of the effort begun with the basic Clean Air Act of 1963.

Although many rightfully share in the credit for its enactment, this constructive and carefully drawn legislation reflects in particular the outstanding work of the chairman of the Subcommittee on Air and Water Pollution the distinguished Senator from Maine [Mr. MUSKIE].

Important as this legislation is, it must be recognized that we will never finish the fight against pollution in all its forms. We must see to it that this law is well administered at the same time that we continue to investigate ways to protect our Nation from the blight—physical, economic, and aesthetic—which pollution represents.

Progress and our national prosperity have their price. Unfortunately more people making and using more goods results in more pollution. We are developing the sense of urgency required to meet this problem successfully. We cannot afford to relax our effort. The bill signed into law today represents a significant step forward in the fight.

FEDERAL ROLE IN URBAN AFFAIRS

Mr. RIBICOFF. Mr. President, the Subcommittee on Executive Reorganization of the Committee on Government Operations has conducted a yearlong inquiry into the Federal role in urban affairs.

The hearings were an urban task force in public. A total of 110 witnesses presented their views during 33 hearing days that began on August 15, 1967, and ended on June 28, 1967. The hearings produced 4,000 pages of printed record that included, in addition to the testimony and discussion, 273 exhibits.

Our major conclusion was that a program to end the slums of today and build the city of tomorrow must include six basic elements:

First, guaranteed job opportunities for all;

Second, providing a decent home in a decent environment that includes personal security and public safety;

Third, offering the maximum encouragement to private investment in rebuilding our cities and the lives of our people;

Fourth, involving the individual in his own destiny and emphasizing neighborhood development;

Fifth, reorganizing our Federal Government so that the new ideas of today will not wither on the bureaucratic vines of yesterday; and

Sixth, developing an educational system that will equip all children with the skills and resources necessary for an urban society.

Toward this end, I introduced during the first session of the 90th Congress a package of 20 separate legislative measures that were a direct result of the hearings, plus three related bills that subsequently became part of this six-point program.

Mr. President, I ask unanimous consent that the witness list of the hearings on the "Federal Role in Urban Affairs" and a summary of the 23 bills I introduced as a result of these hearings be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

Federal Role in Urban Affairs

(Public hearings of Subcommittee on Executive Reorganization, Committee on Government Operations, U.S. Senate, Abraham Ribicoff, chairman)

WITNESSES (110)

Senators (7)

Joseph S. Clark, U.S. Senator from Pennsylvania.

Jacob K. Javits, U.S. Senator from New York.

Robert F. Kennedy, U.S. Senator from New York.

Philip A. Hart, U.S. Senator from Michigan.

Thomas H. Kuchel, U.S. Senator from California.

Joseph D. Tydings, U.S. Senator from Maryland.

Harrison A. Williams, U.S. Senator from New Jersey.

Congressmen (3)

Charles Farnsley, Representative from Kentucky.

William B. Widnall, Representative from New Jersey.

Adam Clayton Powell, Representative from New York.

Federal officials (9)

Robert C. Weaver, Secretary, Department of Housing and Urban Development.

John W. Gardner, Secretary, Department of Health, Education, and Welfare.

Wilbur J. Cohen, Under Secretary, Department of Health, Education, and Welfare.

Phillip R. Lee, Assistant Secretary for Health and Scientific Affairs, Department of Health, Education, and Welfare.

Harold Howe, U.S. Commissioner of Education, Department of Health, Education, and Welfare.

Attorney General Nicholas deB. Katzenbach, Department of Justice.

Sargent Shriver, Director, Office of Economic Opportunity.

W. Willard Wirtz, Secretary, Department of Labor.

Charles L. Schultze, Director, Bureau of the Budget.

Mayors and local officials (14)

John V. Lindsay, Mayor of New York City.

Mitchell Ginsberg, Commissioner of Welfare, New York City.

Ira Robbins, Vice Chairman, New York Housing Authority.

Mitchell Sviridoff, Administrator, Human Resources Administration, New York City.

Jerome P. Cavanaugh, Mayor of Detroit.

Samuel W. Yorty, Mayor of Los Angeles.

John H. Reading, Mayor of Oakland.

John B. Williams, Executive Director, Redevelopment Agency of Oakland.

Richard C. Lee, Mayor of New Haven.

Ivan Allen, Jr., Mayor of Atlanta.

Ralph S. Locher, Mayor of Cleveland.

A. V. Sorenson, Mayor of Omaha.

Mrs. Helen L. Peterson, Director, Commission on Community Relations of Denver.

Joseph Monserrat, National Director, Migration Division, Department of Labor of Puerto Rico.

Businessmen and financers (9)

David Rockefeller, President and Chairman of the Executive Committee, The Chase Manhattan Bank of New York.

Gerald L. Phillipe, Chairman of the Board, General Electric Company.

J. Stanford Smith, Vice President, Marketing and Public Relations Service, General Electric Company.

Bruce P. Hayden, Vice President, Connecticut General Life Insurance Company, Mortgages & Real Estate Department.

James W. Rouse, President, Community Research and Development, Inc.

James H. Torrey, Senior Vice President, Connecticut General Life Insurance Company.

Leon N. Weiner, President, National Association of Home Builders.

Nathaniel Rogg, Executive Vice President, National Association of Home Builders.

Michael Sumichrast, Economist, National Association of Home Builders.

Social scientists (11)

Robert McAtee, John Kraft, Inc., New York City.

Dr. Robert Coles, research psychiatrist, Harvard University Health Service.

Dr. George Sternlieb, Director, Research Center, Graduate School of Business Administration, Rutgers University.

Lee Rainwater, Professor of Sociology and Anthropology, Washington University, St. Louis, Missouri.

Milton Kotler, Institute for Policy Studies, Washington, D.C.

Dr. John P. Spiegel, Director, Center for the Study of Violence, Brandeis University, Waltham, Massachusetts.

Dr. Herbert J. Gans, senior research sociologist, Center for Urban Education, Teachers College, Columbia University.

Derek V. Roemer, National Institute of Mental Health.

Daniel P. Moynihan, Director, Joint Center for Urban Studies, Harvard-Massachusetts Institute of Technology.

Anthony Downs, Urban Economist, Real Estate Research Corporation, Chicago, Illinois.

Dr. Kenneth B. Clark, Director, Social Dynamics Research Institute, City College of New York.

Educators (3)

Dr. James M. Hester, President, New York University.

William A. Doebele, Professor of City and Regional Development, Graduate School of Design, Harvard University.

Jerome B. Weisner, Dean and Provost of School of Science, Massachusetts Institute of Technology.

Labor (9)

Walter Reuther, President, United Auto Workers, AFL–CIO.

Jack Conway, Executive Director, Industrial Union Department, AFL–CIO.

C. J. Haggerty, President, Building and Construction Trades Department, AFL–CIO.

M. A. Hutcheson, President, United Brotherhood of Carpenters and Joiners of America.

Peter Fosco, Secretary-Treasurer, Laborers' International Union of North America.

Gordon M. Freeman, President, International Brotherhood of Electrical Workers.

Peter T. Schoemann, President, United Association of Journeymen and Apprentices of the Plumbing and Pipefitting Industry of the U.S. and Canada.

Hunter P. Wharton, President, International Union of Operating Engineers.

Frank Bonadio, Secretary-Treasurer, Building and Construction Trades Department, AFL, CIO.

Foundations-private institutes (5)

Richard M. Scammon, Vice President, Governmental Affairs Institute, Washington, D.C.

Phillip B. Hallen, President, Falk Medical Fund of Pittsburgh.

McGeorge Bundy, President, Ford Foundation.

Louis Winnick, Program Officer, Ford Foundation.

Melvin D. Thom, Executive Director, National Indian Youth Council, Schurz, Nevada.

Authors (8)

Claude Brown, "Manchild in the Promised Land."

Ralph Ellison, "The Invisible Man."

Joseph P. Lyford, "The Airtight Cage."

Harry Golden, "Only in America."

Budd Schulberg, "Director, Watts Happening Coffee Shop."

Harry Dolan, Accompanied Budd Schulberg.

Johnie Scott, Accompanied Budd Schulberg.

Lewis Mumford, "The City in History."

Residents-local leaders (10)

Arthur Dunmeyer, Accompanied Claude Brown.

Eugene Hill, Field Representative, Center for Community Action Services, Albuquerque, New Mexico.

Lee S. Sterling, Executive Director, American Property Rights Association.

Mrs. LaVerne Love, Executive Director, East Central Citizens Organization.

Eugene Jenkins, Resident, Washington, D.C.

Pete Green, Resident, Washington, D.C.

Mrs. Barbara Taylor, Resident, Washington, D.C.

Mrs. Katie Ridley, Resident, Washington, D.C.

Mrs. Etta Horn, Chairman, Barry Farms Welfare Movement, Washington, D.C.

Reverend Griffin Smith, Pastor, Worker for Urban League, Washington, D.C.

Clergy (6)

Father Henry J. Browne, President, Stryckers Bay Neighborhood Council, New York City.

Pastor Leopold Bernhard, Columbus, Ohio.

Reverend Louis A. DeProfio, Director, Social Action Department, Roman Catholic Diocese of Bridgeport.

John Driscoll, Bishop's Commission on Human Rights, Bridgeport.

Reverend Leon H. Sullivan, Opportunities Industrialization Center of Philadelphia.

Civil rights (7)

Roy Wilkins, Executive Director, National Association for the Advancement of Colored People (NAACP).

Clarence Mitchell, Washington representative, NAACP.

A. Phillip Randolph, President, A. Phillip Randolph Institute.

Bayard Rustin, Executive Director, A. Phillip Randolph Institute.

Reverend Dr. Martin Luther King, President, Southern Christian Leadership Conference.

Whitney M. Young, Jr., Executive Director, National Urban League.

Floyd McKissick, National Director, Congress of Racial Equality, (CORE).

Law enforcement and administration (3)

Judge George Edwards, U.S. Court of Appeals, the Sixth Circuit.

Herbert Sturz, Director, Vera Institute of Justice.

Howard R. Leary, Police Commissioner, New York City.

Planners (6)

Constantinos A. Doxiadis, Doxiadis Associates, Inc., New York City.

Edward J. Logue, Administrator, Boston Housing Authority.

Archibald C. Rogers, Chairman, Committee on Urban Design, American Institute of Planners.

Harold F. Wise, Chairman, National Legislative Committee, American Institute of Planners.

Lee E. Ham, President, Wilsey and Ham, Member, consulting Engineers Council of the U.S.

Charles Abrams, Chairman, Department of City Planning, Columbia University.

RIBICOFF PROGRAM TO IMPROVE FEDERAL ROLE IN URBAN AFFAIRS

BILLS INTRODUCED ON JANUARY 23, 1967

S. 581. Amend Public Works and Economic Development Act of 1965 to permit urban areas of 20,000 population or more suffering from heavy unemployment to qualify for assistance near the act. Also authorize "interest rate rebate" of 2 percent to encourage industrial plant location in urban areas. (Public Works.)

S. 582. Establish a program of economic analysis and evaluation in the Federal Reserve System. (Banking and Currency.)

S. 583. Amend the Internal Revenue Code of 1954 to provide an incentive for industry to establish programs needed to educate and train individuals in needed skills and to establish on-the-job training programs for employees by allowing a credit against income tax for the expenses of conducting such programs. (Finance.)

S. 584. Provide for the development, encouragement, and operation if necessary of Centers for Occupational Education and Training, and for the strengthening and improvement of the manpower sources offered by the Department of Labor, and for other purposes. (Labor and Public Welfare.)

S. 585. Provide meaningful public service employment opportunities to unemployed individuals with serious competitive disadvantages, and for other purposes. (Labor and Public Welfare.)

S. 586. To provide for an urban census every five years. (Labor and Public Welfare.)

S. 587. Amend Title V of the Social Security Act to provide special day care services programs for pre-school children from families with annual incomes not exceeding $6,000. (Finance.)

S. 588. Amend Title I of the Demonstration Cities and Metropolitan Development Act of 1966 so that the entire amount now authorized but uncommitted—$924 million—can be used for planning, experimentation and small demonstrations in preparation for a 10-year, $50 billion effort to eliminate substandard housing in all urban areas in the decade of the 1970's. (Banking and Currency.)

S. 589. Require that State plans under Titles I and XVI of the Social Security Act provide for the establishment and maintenance of health and safety standards for rental housing occupied by recipients of assistance under such titles. (Finance.)

S. 590. Amend the Social Security Act to assist States in conducting State health census surveys of pre-school-age children residing in the State. (Finance.)

S. 591. Authorize the Secretary of Housing and Urban Development to provide financial assistance for the control of rodents in urban areas. (Banking and Currency.)

S. 592. Amend the Internal Revenue Code of 1954 to include as charitable contributions those contributions made to non-profit organizations formed to promote urban redevelopment. (Finance.)

S. 593. Expand Title VIII of the Housing Act of 1964 to authorize matching grants with the States in aid of programs to provide special and advanced education to young persons showing unusual promise for leadership in urban affairs and to carry out research and demonstration projects relating to the training of persons in self-help techniques for the purpose of rebuilding neighborhoods, and for other purposes. (Banking and Currency.)

BILLS INTRODUCED ON APRIL 5, 1967

S. 1433. Establish a program of financial assistance to non-profit Neighborhood Development Corporations organized to build neighborhood-oriented programs for economic and social improvement of territorially-defined units, not exceeding 50,000 population, administered by the Office of Economic Opportunity. (Banking and Currency.)

S. 1434. Amend the National Housing Act to assist private industry in providing housing for low and moderate income families by authorizing an additional $270 million annually in Federal National Mortgage Association special assistance funds to guarantee 3 percent-below-market-rate mortgages for single-family dwelling, owner-occupied units. (Banking and Currency.)

S. 1435. Amend the Department of Housing and Urban Development Act to provide for the establishment of a new Business Advisory Committee. (Banking and Currency.)

BILL INTRODUCED ON APRIL 12, 1967

S. 1502. Provide assistance to students pursuing programs of higher education in the field of law enforcement. (Labor and Public Welfare.)

BILL INTRODUCED ON APRIL 28, 1967

S. 1929. Establish a Commission on Legislative Evaluation to study the feasibility of establishing an Office of Legislative Evaluation to systematically evaluate administration of Federal programs. (Government Operations.)

BILL INTRODUCED ON JUNE 28, 1967

S. 2039. Amend the Public Works and Economic Development Act of 1965 to provide for the establishment of a $100 million loan guarantee reserve fund to encourage industry investment in urban areas of low income and high unemployment. (Public Works.)

BILL INTRODUCED ON NOVEMBER 21, 1967

S. 2680. Provide assistance to States for planning and developing "new towns." (Banking and Currency.)

RELATED LEGISLATION

S. 1152. Establish a Department of Education. (March 2, 1967.) (Government Operations.)

S. 2116. Establish a Commission on the Reorganization and Management of the Executive Branch. (July 17, 1967.) (Government Operations.)

S. 2270. Authorize a civil disturbance insurance program. (August 10, 1967.) (Banking and Currency.)

THE RIGHT OF PRIVACY DOCTRINE

Mr. LONG of Missouri. Mr. President, Mr. Wilson W. Wyatt, a well-known newspaper lawyer, has written a most concise study of the right of privacy doctrine, as it relates to the first amendment, freedom of speech, and press.

I ask unanimous consent to have printed in the RECORD an article entitled "The 'Right of Privacy' Doctrine: A Prime Newspaper Headache," written by Mr. Wyatt, and published in the Bulletin of the American Society of Newspaper Editors for November 1967.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE "RIGHT OF PRIVACY" DOCTRINE: A PRIME NEWSPAPER HEADACHE

(By Wilson W. Wyatt)

The tort known as "the right of privacy" was first enunciated, not by legislative action, or by judicial decision, but in a philosophical article authored by Samuel D. Warren and Louis D. Brandeis in the Harvard Law Review in 1890. The first court opinion to give full recognition to the right came 15 years later, in Georgia. For the next few years, the cases were infrequent and the application of the doctrine apologetic. In the past 30 years or so, the right has become thoroughly established and the cases increasingly numerous.

Thirty-five states now recognize the "right of privacy," although four states (N.Y., Okla., Utah and Virginia) limit the right by statute to the commercial use of a name or likeness. In only four states is it completely rejected (Nebraska, Rhode Island, Texas and Wisconsin). Over 300 cases have been reported on the subject.

This comparatively recent doctrine of law has not yet crystallized into final form. Legal scholars differ widely as to its probable course, and it is likely that the Supreme Court will be called upon to hammer out its final form and significance in the next few years.

In its simplest terms, the right was referred to by Judge Cooley as the "right to be let alone." It has been said to be derived from "natural law," and to be concerned primarily with one's peace of mind, as distinguished from the law of libel and slander which is concerned primarily with one's reputation.

In its present state of development, the unwarranted invasion of a person's privacy can be separated into four distinct wrongs, or torts, for which the law will grant damages.

(1) *Appropriation to one's own advantage of the benefit of the name or likeness of another*. Unlike the three following, this is in

the nature of a property right to one's own name or picture, sometimes called his "right of publicity." The original Georgia case was an example of this type: the unauthorized use of a man's picture and name in insurance advertising. There have been more than fifty cases involving this principle. Except in the four named states where recovery is limited to commercial use, damages may be obtained where the use is to another's advantage, even though not commercial.

(2) *Unreasonable intrusion upon the privacy or private affairs of another*. Examples include eavesdropping, wiretapping, activities of a Peeping Tom or prying into that which is confidential, such as one's mail, his bank account, his income tax records, etc. Here the unreasonable intrusion itself is the offense, and the test is whether it would be highly offensive to a reasonable man. This test is important to note for two reasons. In the first place, by very statement, the formula is flexible, is not susceptible of precise application and will vary with the changing times and mores. In the second place, the same test is applied in connection with each of the next two categories as well, and both of them (unlike this one) are of great importance to the mass media.

(3) *Unreasonable publicity given to the private life of another, even though the facts are completely true*. Again the test is whether the publicity would be offensive to the ordinary reasonable man. Furthermore, if the facts are already public (i.e. public records, trial testimony, etc.) there is no actionable invasion of privacy.

(4) *Unreasonable publicity which places another in a false light before the public*. Since this is akin to defamation and involves injury to reputation, some authorities predict that this will ultimately supplant the law of libel and slander. Again there is the "reasonable man" test. Obviously (3) and (4) are of prime concern to newspapers.

The foregoing summary contains the thrust of what is coming to be known as the "complex of four" which constitutes the law of the right of privacy, but like all brief summations is subject to dozens of qualifications and amplifications.

Aside from the "reasonable man" test the other basic consideration from the standpoint of mass media is whether the publicity concerns matters of legitimate public interest. If it does, privacy must give way, and no recovery is permitted. And the privilege to publish extends even to false statements unless they are made with knowledge of their falsity, or in reckless disregard of their truth or falsity.

The last statement results from the Supreme Court decision this year in *Time v. Hill*, one of the chain of cases starting with the landmark decision in 1964 in *The New York Times v. Sullivan* and continuing through *Garrison v. Louisiana* and *Associated Press v. Walker*.

The test of "legitimate public interest," like the "reasonable man" test, is a matter of judgment, and varies with the circumstances and the times. Both tests place a serious burden of responsibility on the press. When the right to be free from unwarranted invasion of a person's privacy comes into collision with the right of the press to print in the public interest, the question is rarely one of black or white, but rather the shade of permissible gray.

Even Warren and Brandeis, in their original treatise in 1890, recognized this problem when they said:

"The general object in view is to protect the privacy of private life, and to whatever degree and in whatever connection a man's life has ceased to be private, before the publication under consideration has been made, to that extent the protection is to be withdrawn."

In a right of privacy action, damages can be obtained for mental distress of a kind which normally results from such an invasion, as well as for any special damages which may be shown.

In most states, recovery may be obtained only by a living person—the right does not survive his death. Furthermore—again speaking of what obtains in most jurisdictions—the right is personal to the individual himself and cannot be maintained by others (such as his family). Although a corporation enjoys no personal right of privacy, as such, it has a limited right to the exclusive use of its name and it obtains certain elements of protection through the law of unfair competition.

It should be noted that in 1965 the Supreme Court gave its first recognition to the constitutional protection of privacy when it held unconstitutional, as an invasion of marital privacy, a Connecticut statute which prohibited the use of contraceptives. Mr. Justice Douglas, speaking for five members of the Court, found that the "specific guarantees in the Bill of Rights have penumbras, formed by emanations from those guarantees that help give them life and substance," and that the "various guarantees create zones of privacy."

Justices Harlan and White, in concurring opinions, found the Connecticut statute invalid, not because of a Bill of Rights violation, but because it violated the "liberty" concept of the Fourteenth Amendment.

Mr. Justice Goldberg, in a concurring opinion, stated that "the Ninth Amendment [which provides that the enumeration of certain rights shall not be construed to disparage other rights "retained by the people"] expressly recognizes that there are fundamental personal rights such as this one, which are protected from abridgment by the Government though not specifically mentioned in the Constitution."

The result of the *Griswold* case may be far-reaching, in that for the first time, the Supreme Court found basis in the Federal Constitution for a "right of privacy." Only future decisions will determine the extent to which this may reach.

On the other hand, in the *Sullivan, Garrison, Hill* and *Walker* decisions, the Supreme Court has given significant new First Amendment protection to newspapers to print in the public interest.

With the development of fantastic electronic devices to invade privacy, computers which can yield to the touch of a button myriads of facts about every person, an ever-increasing thirst for "news," a greatly increased need for an informed public and vastly improved methods for speedy dissemination of information, it is clear that the final chapter has not been written on the law of the right of privacy.

PESTINA—THE GIRL-BUG THAT GUARDS OUR BORDERS

Mr. MONTOYA. Mr. President, tourists heading south for lush tropical resorts will often see—and heed—a small symbol that is doing a big job in protecting consumers all over the United States.

A coquettish, hitchhiking bug has been used by the U.S. Department of Agriculture since 1963 as a symbol of all foreign agricultural pests. Her official name, "Pestina," was suggested by an airline employee and adopted by the USDA, which works closely with the travel industry to protect the Nation's resources against damaging foreign plant and animal pests and diseases.

USDA's Agricultural Research Service uses the eye-catching Pestina in an intensive information program urging travelers not to bring forbidden plant and animal products into this country.

The girl-bug represents countless agricultural pests which could invade the United States from abroad: the Mediterranean fruitfly, for example, or the foot-and-mouth disease of livestock. Pestina looks as alluring—and innocent—as the foreign fruits, plants, and meats that can hide destructive pests and diseases. Her likeness appears on agricultural quarantine notices written in several languages and distributed by airlines, steamship companies, and travel agents, and in public service announcements on television. Since this program began, the percentage of travelers violating our quarantine restrictions has been decreasing.

Federal inspectors at airports, seaports, and border crossings—our first line of defense against foreign pests—inspect all our agricultural imports and the incoming luggage of travelers. These men are looking for hidden insects, nematodes, snails, parasites, or evidence of diseases that might destroy the natural beauty of our countryside, yards, and gardens, or the health of our forests, crops, livestock, wildlife, and pets.

Inspectors find plant pests on fruits and shrubs, in dirt clinging to automobiles and plants, in packing materials—and, most of all, in passenger luggage. Animal quarantine inspectors police the importation not only of live animals, but also of meats, hides, wool, and other products that may harbor infectious organisms. Interceptions include many of the world's worst agricultural threats.

The need for increased effort to inform travelers of our quarantine requirements is pointed up by the fact that our inspectors, on the average, stop an incoming plant pest every 13 minutes. This round-the-clock surveillance would be impossible without the tremendous aid ARS receives from other Federal agencies, such as the U.S. Customs, Immigration, Postal, and Public Health Services. ARS inspectors also see that our agricultural exports meet the requirements of the country receiving them.

Varied new problems continue to crop up. For example, the boats and airplanes carrying Cuban refugees to Florida, and the luggage they bring, are regularly searched for foreign plant pests. ARS representatives also work with the National Aeronautics and Space Administration in planning the handling and disposal of soil and rock samples that may be brought to earth from the moon or from planets. Unless precautions are taken, pests, diseases, and other plagues from outer space could conceivably stow away on spacecraft returning to earth and then multiply unchecked in an atmosphere that could not control them.

As international travel continues to increase, Federal agencies, the travel and transportation industries, and an informed, globe-trotting public must work together even more closely if we are to keep new and destructive pests from our shores. ARS is to be commended for its efforts to educate every traveler on the hazards of stowaway pests. Such education is essential to safeguard our production of food for consumers both here and abroad.

VOCATIONAL TECHNICAL EDUCATION

Mr. GORE. Mr. President, the impact of vocational-technical education may well be illustrated by the stories about three such students in the vocational-educational school at Livingston, Tenn. I ask unanimous consent that a statement by Jo Ann McWherter, supervisor of vocational curriculum development at the Livingston Area Vocational-Technical School, be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LIVINGSTON AVTS—AN ANSWER AND AN OPPORTUNITY

Genell Hummel, valedictorian of her high school graduating class; Charles Milton Thomas, high school football star; George E. Long, victim of an accident which confined him to a wheel chair—each has found a way to meet one of the most serious needs they will ever confront.

Each possesses youth, intelligence, and ambition—raw resources to refine for later rewards. What, then, could they need?

They need knowledge, abilities, and skills which would enable them to function effectively in the world of work.

Where could they find a catalyst to change their raw resources into tempered competencies? They found that the Livingston Area Vocational-Technical School offered both an answer and an opportunity.

They could enroll as full-time students and prepare for an occupation selected in light of their individual interests and aptitudes. What then?

Genell has been efficiently pursuing her new career for about three months now. She is the secretary of the Livingston Area Vocational-Technical School.

Even before graduating as valedictorian of Celina High School in May, 1966, Genell had decided that office occupations would be a good field for her to enter. She found that this course was offered at the Livingston Area Vocational-Technical School and sent in her enrollment application.

After being accepted, she began the course which usually requires two years for completion. Ten months later she was offered the job of school secretary.

Maxine Frasier, office occupations instructor, stated, "Genell came to us with a head start. She had many skills and she learned new ones quickly. I was immediately impressed with her unusually good grammar and her ability to profit by every educational opportunity extended to her."

Mrs. Frasier continued, "She did well in every assignment, but especially well in shorthand."

Genell uses her shorthand skill daily and is striving to increase her speed which is about 120 words per minute.

When asked about Genell's limitations, Mrs. Frasier responded, "She can do anything she wants—there is no limit. In addition to this, she has a good personality and good judgment."

Although she had no previous work experience, Genell is succeeding on her first job. Mr. Enloe Speck, superintendent of the Livingston Area Vocational-Technical School, reported, "She is very conscientious and does every job well. Her knowledge of grammar and math complement her secretarial skills and enable her to do any task in our office."

Genell is quick to express her opinion of the school, "I learned so much—to have more confidence in myself, to develop my skills and abilities, and to work on all kinds of business machines. I liked the way we worked on our own and had individual attention from Mrs. Frasier. This taught me to rely on myself and to accept responsibility for my own work."

Yes, the Livingston Area Vocational-Technical School offered an answer and an opportunity to Genell Hummel.

Milton Thomas, 19-year-old machine shop student from Cookeville, was a football star at Baxter High School where he also maintained a good scholastic record. He heard about the Livingston Area Vocational-Technical School from Mr. Sam Buttram, assistant superintendent of the school. Before coming to this position, Mr. Buttram had been Milt's shop instructor in high school so he well knew the abilities and interests of his former student.

Milt said, "I took a trade and industrial class in high school and this started my interest in machine shop."

After graduation from high school, Milt had many choices, "My father offered to send me anywhere I wanted to go to school, but he was enthusiastic about my decision to come here. He is a plant superintendent for a large manufacturing firm in Cookeville and is in a position to see the importance of learning about machine work."

Milt's goal is to be a tool and die worker. To gain some work experience while attending school, he works nights at a company in Cookeville.

When the machine shop was opened in October, 1966, Milt was one of the first students to enroll. His action was based on self-evaluation as he explained, "I have ability to work with tools and machines and am more interested in this than anything else. I like to study and can do the shop math if I apply myself.

"I have found my class interesting and the time goes quickly," said Milt who has about eight more months in his course. "There is always something different to learn every minute and I like everything we do."

Ray Beatty, machine shop instructor, cited the potential of his student, "Milt is a fine boy with common sense and a good attitude. He has a great future in the mechanical line and has the ability to go as far as he wants."

Milt can already see a brighter future. "No doubt about it," he expressed, "my chances for the future have to be better because I have learned much here and I will continue to learn for eight more months."

Yes, the Livingston Area Vocational-Technical School offered an answer and an opportunity to Charles Milton Thomas.

A freak accident drastically effected the life of George E. Long. He was a prospective basketball star who enjoyed school and had no particular plans for his future.

Late one afternoon in October, 1962, George and two other boys were hitchhiking a ride into Jamestown. After being picked up by a stranger, the boys rode into town. George chose to go on farther than the other two boys.

Near the edge of town, a Tennessee Highway Patrol roadblock stopped the car for a routine check. The officers discovered that the driver was an escapee from an Indiana jail. The discovery sparked a gun battle.

During the melee and confusion, George somehow was struck in the spine by a bullet.

"It all happened so fast that I really don't remember just what happened or know where the bullet came from," he stated.

After spending three months in Fort Sanders Hospital in Knoxville and seven months in the East Tennessee Children's Hospital, George returned to his home near Pall Mall.

The bullet had so damaged his spine that he must spend his life in a wheel chair. With a remarkable attitude, George accepted his fate.

"A fellow has to take life as it comes—that's about all he can do." George went on, "No one wants to be in a wheel chair, but you just have to make the best of what you can."

With the help of a home-bound teacher, George completed his high school work and received his diploma.

"I can't get around every place and this has changed many things," said George. It certainly meant he must find a future other than working on the farm where he and his family lived.

The Livingston Area Vocational-Technical School came to his attention through a Vocational Rehabilitation counselor.

"Right away I was interested," George replied. "I had taken one year of mechanical drawing in high school and I liked it."

So on February 13, 1967—the first day an instructor was hired for the drafting course—George enrolled.

Ignoring his handicap, George has done well. His instructor, Wendell Ligon explained, "George is a good student who tries hard and has a lot of ability. He constantly works to improve and doesn't waste any time at all."

"His work is neat and he is particularly good in mechanical drawing," stated Mr. Ligon.

No special arrangements have been made for George who wheels around with amazing ease. Never complaining, he said, "I get along pretty good. The only difficulty is that big drawings are hard to reach, but I can manage. After all, I want to make my own way and don't want anyone waiting on me if I can help it."

Mr. Ligon responded. "George is an inspiration to his classmates and a real help to me. If I am asked a question while busy with another student, George will wheel across the room to help."

George has recently demonstrated his ability on two school projects. He drew plans for a storage room which will soon be constructed and drew a cover for a school catalog. The cover features seven gears which are drawn with such precision that they could be produced in a machine shop.

He has completed almost one thousand of the 1950 hours required in the drafting class and is quite optimistic about his future. He said, "I enjoy school and I am learning something to help me get a good job. After I finish here, I plan to get a good job as a draftsman."

Mr. Ligon is confident George will do just this. He stated, "George is well on his way toward being an excellent draftsman. His handicap will not prevent his getting a good job or doing well on the job."

Yes, the Livingston Area Vocational-Technical School offered an answer and an opportunity for George Long.

In a similar manner, answers and opportunities are available to every Tennessean. Other Area Vocational-Technical Schools, located across the State, place facilities within thirty miles of each citizen.

THE ADMINISTRATORS' ADMINISTRATOR

Mr. LONG of Missouri. Mr. President, the Wall Street Journal of November 8, 1967, contained an editorial discussing the recent appointment of Prof. Jerre S. Williams as chairman of the Administrative Conference.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE ADMINISTRATORS' ADMINISTRATOR

For at least a couple of decades considerable time and talent have been expended on the problem of improving the relationship between governmental regulatory agencies and the public and private sectors they are commissioned to serve. Considering the problem's importance the lack of progress is rather remarkable.

The Interstate Commerce Commission still moves with dinosaurian deliberation, the

National Labor Relations Board surely is not always the impartial arbiter Congress intended, and sometimes the Federal Trade Commission appears more interested in discouraging enterprise than in encouraging it.

True, some minor reforms resulted from studies by two Hoover Commissions, leading President Eisenhower to create a temporary Administrative Conference of the United States in 1953. Such a conference, it was hoped, would aid the agencies in reorganizing their affairs much as the Judicial Conference of the U.S. was designed to aid the court system.

The 1953 conference faded into history to be succeeded in 1961 by another temporary Administrative Conference named by President Kennedy. As recent as that is, the historian must scratch pretty hard to recall either who the conference members were or what they actually achieved before they surrendered their portfolio.

Perhaps concerned with the ephemeral nature of these efforts, in 1964 President Johnson proposed, and Congress voted to establish, a permanent Administrative Conference. It was to have a chairman, named by the President for a five-year term; an 11-man executive committee, and an "assembly" of up to 91 but not less than 75 persons from both Government and private life.

And there, for more than three years, the matter rested. Now, at last, the President has named somebody to head this somewhat unwieldy structure: Jerre S. Williams, University of Texas law professor since 1946, an arbitrator and authority on Constitutional and labor law and legal ethics.

As a sort of administrators' administrator, Mr. Williams will have to search for the caliber of personnel the Administrative Conference needs if it is to be useful. Even more difficult, the record suggests, will be the search for ways to overcome a generation of mountainous bureaucratic inertia.

FUNDS FOR THE SLUMS

Mr. PROXMIRE. Mr. President, I am pleased that after long deliberation the Housing Subcommittee has voted to approve an omnibus housing bill. I am particularly pleased that the subcommittee accepted an amendment which I offered which gives the Federal Housing Administration greater incentive to bring its programs to the declining sections of our central cities. Under existing law, FHA is required to make a finding of "economic soundness" before it is able to insure a mortgage. In practice the "economic soundness" criteria has prevented FHA from insuring mortgages in the blighted portions of our cities or in neighborhoods where property values were expected to decline. The lack of FHA mortgage insurance led to a lack of mortgage credit which in turn further contributed to the decline of the neighborhood. Thus, instead of preventing the growth of slums, the FHA procedures actually contributed to the growth of slums.

The amendment I offered which was accepted by the subcommittee would permit FHA to waive its "economic soundness" criteria or any other statutory criteria in order to insure an adequate supply of housing for low- and moderate-income families. The amendment would also permit any deficits in the FHA insurance funds to be covered through appropriated funds. This will give FHA the assurance it needs to pursue a more venturesome policy. Congress cannot have it both ways. It cannot criticize FHA for being too timid while at the same time criticizing it for any losses. This amendment will give FHA a clear mandate to take more constructive risks in the central city while at the same time assuring FHA that Congress stands behind it in the event losses exceed collected premiums.

I am convinced a more vigorous FHA policy in our central cities will arrest the growth of slums and will not lead to any losses in the FHA insurance fund. This in turn should lead to even greater savings by reducing the incidence of crime and violence in our cities.

Mr. President, in the November 20 edition of the Washington Post, an excellent article was published concerning my amendment to the housing bill. I ask unanimous consent that this article be inserted in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATORS BACK FHA INSURANCE IN SLUM AREAS

(By William Chapman)

A Senate committee is moving toward a significant shift in low-income housing policy with an amendment that would assure broad Government support for private investment in inner-city slum neighborhoods.

The change would specifically commit the Federal Housing Administration to insurance of housing mortgages in poorer neighborhoods that until now have been considered off limits because of the high risks of failure.

The amendment has been approved in a closed session by a Senate Banking and Currency subcommittee and is now virtually assured of passage by the full committee.

It arrives at a time when the FHA, traditionally regarded as a conservative bureaucracy unconcerned with low-income housing needs, is attempting to shift into slum area housing with its mortgage insurance programs.

In an unusually critical speech, FHA Commissioner Philip N. Brownstein recently told local administrators to give priority to the poorer neighborhoods and to stop tying applications down in red tape.

"It is not easy to counter the charges against FHA when you are confronted as often as I am with case after case in which we took an inexcusably long time to reach a decision," Brownstein declared.

The new amendment should also help the insurance industry invest the $1 billion it recently set aside for investment in low-income sections of the cities. The industry's offer was contingent on Government insurance for their loans.

The amendment allows the FHA to insure mortgages on apartments in "declining" urban areas if the projects offer at least an "acceptable risk." It would replace the requirement that FHA find a project "economically sound," the test insisted upon, with a few exceptions, until now.

When liberal critics accuse the FHA of avoiding low-income areas, its spokesmen usually contend that Congress will not permit it to insure mortgages unless they are "economically sound." Few developments in deteriorating city neighborhoods could meet that test.

Under an "acceptable risk" definition, FHA presumably could insure those mortgages. Private lenders would be assured of as much Government protection as they have had in financing the development of suburbia.

FHA presently can apply the "acceptable risk" test to projects in riot-torn areas or to selected special cases such as housing sponsored by nonprofit groups. The amendment would expand that treatment geographically to include whole slum areas usually ignored by builders.

The amendment also would allow the FHA to establish a separate reserve fund to provide protection against losses on the more risky multi-family housing mortgages.

This is designed to counter conservative critics who contend that risk-taking on low-income housing would endanger the regular FHA insurance reserves, now amounting to around $1 billion. A Senate subcommittee last June warned the FHA not to take "excessive risks" and charged that FHA-insured mortgages on many low-income developments were in financial difficulty.

The amendment reportedly is acceptable to the FHA and endorsed privately by Brownstein. It would deflate some of the pressure from liberals to remove all low-income housing responsibility from the FHA. Sen. Edward W. Brooke (R-Mass.) has said he will move to put all low-income housing insurance in a separate new administration.

In his speech to FHA officials who decide locally which projects to insure, Brownstein instructed them to approve those "which give reasonable promise of improving the housing conditions of low- and moderate-income families, and improving the inner city.

"A project should be rejected if it does not appear to give reasonable promise of accomplishing these objectives. It should not be rejected simply because it involves poor people, or because it is in a portion of the city you have been accustomed to rejecting or 'red-lining' for old-fashioned, arbitrary reasons," Brownstein insisted

"Red-lining" refers to the once-customary FHA practice of outlining in red those poorer city sections where no mortgage insurance would be promised. Brooke recently charged that local FHA officials for two years ignored Brownstein's advice to cease "red-lining" practices.

ISOLATIONISM

Mr. McGEE. Mr. President, in a recent issue of Newsweek, dated November 20, Kenneth Crawford took a look at the growing trend toward isolationism in America, and summarized it with the succinct observation that it logically would lead to "surrender of the world to armed predators with fewer scruples."

Surely, Mr. President, Crawford has a point when he observes that the United States would be finished as a world power if it withdrew from Vietnam and into its shell. In that event, we would be incapable of protecting our own interests, and unwilling to help less fortunate nations.

Mr. President, I ask unanimous consent that Kenneth Crawford's column "Isolationist Again?" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

ISOLATIONIST AGAIN?

(By Kenneth Crawford)

If self-criticism and reproach are signs of moral health, then we must be the healthiest of nations. What we Americans thought and did yesterday we almost always regret, even repent, today. Our recent history as a world power is a record of revulsion against past mistakes, or what we come to consider mistakes. But in our determination not to repeat yesterday's mistake, we sometimes revert to the day before yesterday's mistake, which we have now had time to forget.

Anyone old enough to remember the Wilson Administration can see the pattern by looking over his shoulder. We took our initial plunge into global affairs to make the world safe for democracy in a war to end wars.

That war won, we decided that we had been fools to get into it at all—that it accomplished nothing beyond the enrichment of munitions makers and sutlers. So we became fiercely neutral and isolationist. In this mood we were pleased to consider early Hitlerism none of our business.

We had about decided that this isolationism was senseless and impossible when Pearl Harbor resolved any lingering doubt about it. That war also won, our Soviet ally started behaving like an enemy. The resulting cold war was so preoccupying that we didn't have time to regret the second world war and to revert to isolationism, as we had after the previous war. Our concern with the rest of the world persisted longer than might have been expected, leading us into two Asian wars, first in Korea, then in Vietnam. We are only now feeling the full force of delayed reaction to the violent consequences of concern.

WEARY OF WAR

Revulsion against war—any war for any cause—has set in. The heroics of the second world war, which defeated the man who had eliminated 6 million Jews and overrun Europe, are now burlesqued even in movies. The Korean War is all but forgotten, conveniently by those who approved it at the time but now like to think they have always considered U.S. involvement in any war on the Asian mainland the ultimate folly. The war in Vietnam can't be forgotten. It is on television every day. It bears blame for everything unpleasant, from race riots to high tax rates.

In the vanguard of the movement back to isolationism via pacifism are the liberal intellectuals, who think of themselves as humanitarians; the youth, which goes in for simplistic idealism, and the Negro militants, to whom the war is just another device by which the evil white power structure avoids true racial equalization. Public opinion polls show how deeply these attitudes have penetrated the populace. But certain tests, like San Francisco's almost 2-to-1 vote against withdrawal from Vietnam, also suggest that a floor of resistance still exists. People want to get out of Vietnam but not by default.

DECLINE OF THE UNITED STATES

A lot of worrying is now going on in public about the effect of this latest war on the American future. Sen. William Fulbright thinks the war has brutalized the country and that it will behave brutishly. Edwin Reischauer of Harvard, ex-Ambassador to Japan, argues in his latest book for seeing it through in Vietnam, even though he thinks our intervention a mistake, because the consequence of defeat would be total U.S. detachment from Asia. Richard Rovere, in the Oct. 28 issue of The New Yorker, foresees a pacifistic America renouncing war as an instrument of national policy and leaving the field to less fastidious antagonists. He proposes withdrawal from Vietnam on the theory that this will happen, win, lose or draw there.

If these forebodings are justified, then the U.S. will soon be finished as a world power, unwilling to help less fortunate nations and incapable of protecting its own world interests. Peaceful diplomacy, in the pinches, is only as effective as the potential force backing it up. Military might is to diplomacy what the strike is to organized labor. It means nothing if everybody is sure it will never be used. Island bases would have no influence on the course of events in mainland Asia if they were just military parade grounds.

War is all it is called: cruel, wasteful, barbarous. Yet if we are resolved to quit this one and never fight another, we shall surrender the world to armed predators with fewer scruples. This is not what the intellectual bellwethers want, but this is where their logic leads. This time, possibly, hopefully, the American people won't repeat the mistake of following them over the isolationist cliff.

EAVESDROPPERS

Mr. LONG of Missouri. Mr. President, the Sunday Denver Post of October 29, 1967, carried an article entitled "Eavesdroppers: Is a Basic U.S. Right in Peril?" The article, written by Prof. Alan F. Westin, of Columbia University School of Government, is based on his 4-year probe of snooping techniques, which has recently been published in a book entitled "Privacy and Freedom."

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

EAVESDROPPERS: IS A BASIC U.S. RIGHT IN PERIL?

(By Dr. Alan F. Westin)

You take a suit to the dry-cleaner. When you pick it up the next day the coat has been wired for sound: one button houses a microphone, the next a battery and the third a transmitter. Wherever you go in that suit, and whatever you say, the man who is shadowing you hears and records.

You apply for a job and are handed a "personality" test. True or False: I loved my mother. My sex life is satisfactory. I believe there is a God. Once in a while I laugh at a dirty joke.

You go on a trip. Six weeks later a computer traces the route you traveled: In this town you spent the night, paying $14.29 for dinner and tipping too little; here, you cashed a check, there you hired a car, here and there you stopped for gas.

You are called to your company's personnel office, hooked up to a galvanometer and a plethysmograph and asked if you ever stole anything. Even from a dime-store counter? As a small boy? Positive? It's not that you are suspected of stealing anything from the company. Your employer has simply subscribed to a semiannual lie-detector test for his workers "to keep 'em honest."

What it all adds up to is that privacy is hard to come by these days. All across the nation shutters click, tapes hum, dials spin and recording pens squiggle as Americans observe one another.

There is nothing new about surveillance. Eavesdroppers and spies are as old as history. What is new are two factors:

The marriage of advanced technology and classic methods of surveillance. New techniques have tipped the American balance between the value of privacy on the one hand and disclosure and surveillance on the other.

Our society has developed a managerial philosophy between public and private officials and those they help to regulate. We have let ourselves be convinced that mountains of personal information or constant surveillance are necessary to make things work in a large, impersonal age.

So a man's house is no longer his castle, his private life no longer private. Sophisticated espionage techniques can be applied in any factory or office building, on any street corner, in any home. And the evidence mounts that they are being used—here and now.

On the basis of four years of research, I am convinced that the American people must move quickly to reassert their traditional claim to privacy.

What is privacy, anyway? What devices and practices threaten it? What can we do to restore the balance?

Justice Louis D. Brandeis of the U.S. Supreme Court called privacy the "right most valued by civilized men."

Privacy is the claim of individuals or organizations to determine for themselves when, how and to what extent information about them should be made public. It is the right to get away temporarily, to be physically or psychologically separate, to hold something back.

The claim to privacy derives from man's animal origins. Virtually all animals try to get off alone at some time, or at least alone with a few others of their kind; indeed, guarding the privacy of a particular territory is one of the basic drives of most species.

In Western history there has been continual competition between invasion of privacy by state and church, and the limits placed on that invasion. No society with a reputation for preserving liberty has failed to set such limits.

MAN'S BELIEFS

The protection of privacy was therefore a primary aim of the framers of the U.S. Constitution. A man's beliefs, as distinct from his acts, were put beyond the reach of inquisition or punishment. He was protected against torture and self-incrimination. His person, house, papers and effects were guarded against unwarranted search and seizure.

It is largely to provisions of the Constitution or statutes that Americans now look to protect their privacy. But are these provisions adequate to cope with today's sophisticated devices in the hands of a skilled investigator?

There are three broad ways to put someone under surveillance:

You can watch him or listen to him. That's physical surveillance.

You can use personality tests or electronic gadgets to extract information from him. That's psychological surveillance.

Or you can simply collect and store information about him and analyze it quickly and precisely by machine. That's data surveillance.

All of these methods are being used today.

In regard to physical surveillance, secret cameras and closed-circuit television, wiretaps and the various eavesdropping devices—or "bugs"—are the primary tools of government and free-enterprise spooks.

Tiny electric-eye cameras can be concealed in lighting or air-conditioning fixtures. So can television cameras. (Someone put nine TV cameras in a Detroit design-room ceiling to study new car designs as they were drawn.) A few police departments monitor every incoming airline flight by TV to watch for criminal types coming to town.

Darkness offers no protection. Infra-red radiation is invisible to the eye, but illuminates a scene perfectly for an observer with a special viewer or for a camera with infrared film.

LISTENING POSTS

It is in eavesdropping that the electronic age has been most inventive. Listening in on telephone conversations long ago went beyond the crude cut-and-splice methods of conventional wiretapping. An induction coil need only be placed fairly near a telephone wire to pick up any conversation on it.

Microphones the size of matchheads can be sewn into a lapel or taped under a table. Ultrafine wires or streaks of metallic paint lead to the recorder. Or a transmitter and battery can be included in the microphone package (total size: 2 cubic inches or less) to relay whatever is picked up to a remote listening post.

With such devices, it is a simple matter to bug a competitor's office, a doctor's treatment room, a spouse's bedroom or an employe's washroom.

Now for psychological surveillance.

By tampering with a person's mind, one can extract information the person does not want to reveal, or does not know he is revealing. The most common forms of psychological surveillance are the "lie detector" examination and the personality test.

The polygraph (incorrectly called the lie-detector) is a device that measures a number of physical responses, such as pulse rate and breathing. The theory is that conscious lying causes changes in these responses. Detecting the lies is the job of the examiner, who interprets the movements of the recording pens as the subject answers a series of questions.

The polygraph was developed for police investigations and big police departments use it today, as do a number of federal agencies. Most lie detection is now done, however, by private investigators for private business. Their purpose is usually not criminal investigation but work: employment interviewing and routine checking.

Sometimes the test is accurate and sometimes it is not. A few years ago a young bank executive was fired because, for obscure psychological reasons, he gave a "lie" response to a question about stealing from the bank. In fact, nothing had been stolen.

SERIOUS ISSUES

Personality tests seek to find a person's psychological strengths and weaknesses. They are of two basic kinds. In one, the subject answers direct questions about himself. In the other, he may draw or interpret pictures or otherwise respond to things he is shown in order to provide clues for the psychologist.

These tests do not measure objective knowledge or skill, but rather emotions, attitudes and "adjustment." When used for adults as clinical and vocational counseling tools, where individuals freely consent to reveal themselves to get help they need from persons they trust, the issue of privacy is not directly presented. However, where government and business personnel managers use such tests to select and promote employes, serious issues of privacy arise.

Less obvious than the other methods of spying, data surveillance is simply the accumulation of information. Modern methods may yet have their greatest impact in this area, however. Such vast amounts of material can be stored on tape or on tiny films, and can be retrieved so selectively and analyzed so precisely by a computer, as to create a brand new form of surveillance.

We lend ourselves to such a system because we generate enormous amounts of data. We keep filling out forms, signing applications, registering, giving references, checking in and out. Increasingly, the data is kept. Credit bureaus have information filed on millions of us. The Department of Defense has 14 million life histories in its security files, the Civil Service Commission 8 million, the FBI an undisclosed number. We have a Social Security number, which has now become a tax number too; more uses can be added. Within the foreseeable future most financial transactions may be handled by card and computer instead of in cash.

Who will then be empowered to press the button that disgorges the computer's memory?

The country's moral concern and consciousness have been aroused in the cause of privacy, and that is a good start. Now we need to take action on several fronts.

In 1962 the Committee on Science and Law of the Association of the Bar of the City of New York, concerned that the new surveillance technology was on a collision course with the values of personal privacy and human dignity, obtained the support of the Carnegie Corporation for a thorough study of the entire issue. The book on which this article is based is the result. More than four years of research by the author, members of the committee and numerous consultants went into it.

NEW LAWS SOUGHT

With regard to psychological and data surveillance, legislation might well begin at the federal level. The privacy of government employes should be protected by law from polygraph examinations and personality tests. Legislation can limit the divulging of personal information obtained by the government and also give a citizen the right to challenge that information's accuracy and source.

With regard to physical surveillance, we need new federal and state control laws. All eavesdropping by private persons should be flatly prohibited and sales of special equipment outlawed. Only a few government agencies under tightly controlled procedures should be allowed to eavesdrop with the new devices, and this only in a few areas of national importance in which Congress and the state legislatures find such techniques to be indispensable. Even here, a judge should decide in each case, before he authorizes technological surveillance, that no other method is possible in that particular investigation.

It may well be that the most significant protection for privacy will come from a restatement by the U.S. Supreme Court of the constitutional right to privacy. "Freedom of communion" and "liberty of silence" are two concepts that early interpreters of the Constitution considered to be engraved in the First Amendment. Those concepts need to be reaffirmed. The right to speak, to publish, to worship and to associate cannot survive unless the courts and our own attitudes install a curtain of law and morality to replace the walls and doors that have been swept away by modern technology.

PRICE IS CHEAP

What has really made the difference in the past 20 years is the miniaturization of electronic components—from the radio tube to the transistor and on to complete circuits printed on tiny "chips." Eavesdropping has become easy and cheap.

Right now you could send off to a reputable Chicago mail-order house for a miniaturized transmitter module at $2.98. It looks like no more than a chunk of plastic with a few wires protruding, and it's only 1 inch in diameter and ½ inch thick. But connect it to a Japanese crystal mike (2 inches in diameter, ½ inch thick; 98 cents), add an ordinary penlite battery and the result is a pretty good bug for less than $4.25. If you tape it under a table it will pick up talk within 15 feet and broadcast it (quite legally) to an ordinary FM set up to 200 feet away.

Of course, there are more sophisticated devices and methods. If it's hard to plant a bug, for example, there are stethoscope-like microphones that can pick up your subject's words through a wall. Or you can stay miles away and aim an ultrasonic or microwave beam at his window; the vibrations of his voice will modify the beam, which bounces back to your listening post, carrying his conversation. And if he tries to get away from wires, bugs and walls—into an open field or out on a hike, for instance—your directional microphone can still pick up his voice from hundreds of feet away.

So the odds favor the listener.

And who is listening? Government law-enforcement agencies of all kinds, to begin with. The extent of federal eavesdropping is hard to know; most of it is illegal and much is done without official approval. The intelligence agencies tap and bug, certainly. That the FBI does too—and not only in security cases—has been revealed in a number of recent court cases. In 1965 the Treasury Department admitted that microphones were hidden in Internal Revenue Service offices in 57 cities—supposedly for "criminal" cases only.

Most criminal investigation—and most official wiretapping—is at the state and local level. In a 1965 survey by Law and Order magazine, 80 per cent of the responding agencies said they wiretap; 88 per cent bug their own interrogation rooms. Some police eavesdropping is under court order, but much is illegal. Some prevents or solves serious crimes; more catches bookies or prostitutes. All of it poses the difficult issue of balancing the public need for surveillance against the individual's right to privacy.

No such problem is posed by private eavesdropping. You'd think no one would approve of that, and indeed few people say they do. But snooping for pay and just for fun has increased tremendously. One reason is the dramatic post-World War II growth of the private-detective trade; another is the fact that we live in the age of the CIA and "007," of U-2 planes and the TV "private eye." We are habituated to spying, and the merchandisers of the new eavesdropping devices stimulate our addiction.

WIDE PRACTICE

Three California teen-agers stole telephone company equipment, climbed a pole and tapped the police chief's phone. A Denver electronics hobbyist tapped the terminal box in his apartment building and listened in at his convenience to his neighbor's calls. In Gilford, N.H., a couple sued their landlord for putting a microphone near the wife's bed and running its wires to his home down the street. A Des Moines, Iowa, enthusiast installed five microphones in the bedroom of the woman next door.

Most private eavesdropping is more purposeful than that. It is widespread in business and professional life, labor relations, personal affairs, politics and civic activities. Consider just a few examples:

When details of one big company's important stock transaction leaked out in 1965, anti-eavesdropping sleuths were called in and found a bug behind the bar in the president's home workshop.

A building corporation, disturbed at being underbid by just $200,000 on an $80 million contract, found its phones tapped at three locations.

A 63-year-old cleaning woman was paid $2,000 a month by a speculator to plant a bugged pen-and-calendar set in a rival speculator's office.

Companies listen in on their own executives and employes to make sure they sell hard enough, to learn what they think of one another and top management, or to make sure they don't spend too much time in the washroom.

Of 87 firms that responded to a Law and Order survey in 1965, more than one fourth admitted such eavesdropping.

Unions complain of management eavesdropping, but unions have listened in on employer groups too. And labor leaders have checked subordinates' loyalty and snooped on meetings of opponents within the union—just as management does.

Knowing an opponent's plans is valuable in politics too, so it is not surprising that taps and bugs have been discovered in political headquarters—in primaries in New York and in Texas and at the 1960 Democratic National Convention, for example. And there has been a thin line between eavesdropping and reporting on the part of some television news-gatherers.

NO PLACE SAFE

Listening in is a fine tool for blackmail. When a Kansas doctor's patients (especially unwed expectant mothers) complained of extortion threats based on their medical conditions, he hired an expert who found his office bugged. Private detectives tapped psychiatrists' phones in Washington, D.C., to find out about their patients. The management of a Las Vegas brothel bugged its rooms and used the resulting tapes for blackmail.

Less exotic places are bugged too: an undertaker's selection room, for example—so he could hear the survivors decide how high they would go for a casket. Model houses and apartments are wired for the same purpose, as are "private" cubicles in loan and auto sales firms. No place is safe.

Our privacy is being nibbled away by thousands of expert snoopers equipped with powerful new watching, listening, mind-probing and record-keeping devices. For 20 years the balance has been shifting in favor of intrusion and against privacy. It is time to counterattack on a broad front.

Above all, it is time for Congress to act. It should pass a law that prohibits any eavesdropping involving telephone or radio communications over which the federal government has jurisdiction. The legislation should also generally prohibit secret surveillance by federal employees.

There would be exceptions. The most important would permit limited surveillance under the control of a new kind of court proceeding, by a few specified law-enforcement agencies (perhaps only the FBI and the Secret Service) in a few situations (perhaps only in kidnaping and national security cases and where necessary to prevent a murder).

Most important, criminal penalties should be provided for violations of the law. Evidence obtained in violation of the law should be barred from court. And, in addition, people whose privacy is illegally invaded should be entitled to sue for damages.

Every state legislature should adopt similar legislation, although with some differences. The state laws forbidding secret surveillance should apply to every person, not just to government employes.

And in the states electronic eavesdropping for law-enforcement should be limited to district attorneys' and prosecutors' offices; in other words, police departments should not be allowed to tap and bug. Again, strict control by new kinds of court proceedings should be required and only certain situations should warrant eavesdropping—not morals cases, for example, or political protest.

NEED NEW IDEAS

As for legislation controlling psychological and data surveillance, that might well begin at the federal level and be extended to the states later. Congress should begin by declaring a broad right of privacy for federal employes. This would provide a yardstick against which to measure specific procedures, but Congress should specifically forbid polygraph ("lie-detector") and personality tests except in very limited situations.

To cope with the destruction of privacy by central data banks including the federal and state criminal files now being set up and computerized, we need not only new laws but new ideas. After careful study, with the help of conscientious computer engineers, regulations should be established governing what can go into the computer about an individual and what agencies are permitted to use that material and for what purposes.

How likely are we to get action we so desperately need? Concern for the protection of privacy is reflected in the U.S. Constitution, in common law and legislation and in the libertarian strain of the American tradition. But there is also a "populist" strain that is hard on exclusiveness and suspicious of unusual ideas of people and a Puritan habit of checking on other people's lives.

These conflicting traditions have shaped a mixed public response to the new surveillance techniques and practices. On balance, I believe a minimum position is emerging in favor of privacy.

American society now seems ready to face up to the impact of technology on privacy. But moving toward new public policies, including legislation, it is important to follow a rational process, weighing the competing claims of privacy and surveillance. In every decision—as by a business considering lie-detector tests or a legislature considering a ban on eavesdropping—five questions should be asked:

BURDEN OF PROOF

How serious is the need for surveillance? The need to solve a crime or to hire the right employe must be weighed against the disadvantages. Is it worth recording every innocent conversation over a pay telephone in order to pick up one bookmaker? Is the search for a new sales manager a good enough reason to damage the emotional defenses of even one sensitive employe?

Are there other ways to do the job? The burden of proof that there is no alternative to surveillance should be shifted to the person who wants to snoop. The fact is that there are police, psychological and personnel techniques that respect human rights, and more such techniques can be developed.

How reliable is the instrument? If it is not quite reliable, is it good enough to be worth the risk in a given case? If its reliability is unproved should it be banned completely?

Does the subject consent to the surveillance? Is his consent given freely and with understanding of the purpose and extent? Could he withold consent if he wanted to?

Is the surveillance subject to controls as to who can conduct it, for how long, under whose supervision and for what purpose?

Such an analytical process can be applied to many areas of our society. First of all, there is a large role for private forces and groups.

Individual moral consciousness is one such force. As moral concern is aroused, public opinion can affect the individual, business and governmental actions. The technologists and the telephone, electronics and computer companies could direct their efforts more toward protecting privacy.

IMPROVE STANDARDS

Business firms, unions, and the press and other organizations must each make their own decisions—based on efficiency and public relations, as well as ethical principle—on policies affecting privacy. Agreements such as union contracts can implement such decisions.

Professional ethical standards can be improved—for lawyers, psychologists, journalists, computer engineers and programmers, social scientists and others who may practice various forms of surveillance.

Finally, there is government action. As for legislation, all the proposals I made at the beginning of this article are well within the existing powers of the federal and state governments. Even before legislation is passed, administrative action in the executive branch can accomplish a great deal. And finally we can hope that the U.S. Supreme Court may soon issue a landmark decision reaffirming the constitutional right of privacy.

It has often been pointed out that new inventions are morally neutral; people make them good or bad. New technology always requires decisions by society. Today the setting—tiny transistors, fast film, psychological theory and computer circuits—may be new. The choices are as old as history.

Will the new tools be used for man's liberation, or his subjugation?

Results of Dr. Westin's four-year probe of snooping techniques are published in book form by Atheneum. The title is "Privacy and Freedom."

A NEW PARTNERSHIP FOR IMPROVING SOCIETY

Mr. PROXMIRE. Mr. President, the genius of America and of our brand of democracy is that it permits—indeed, encourages—new methods, new patterns, and new coalitions for problem solving.

Today, we are witnessing the development of a vital new partnership between business and government for achieving effective solutions to pressing social problems such as poverty and urban decay.

This partnership is replacing the traditional antagonisms and negative attitudes that have in the past marked the relationship between business and government in this country.

The business community is beginning to face up to the fact that it has a pervasive responsibility to the national interest. It is beginning to recognize that accepting a measure of social responsibility is in its own interest. The achievement of full employment, stable prices and balance-of-payment equilibrium, for example, are fully as important to businessmen as to political leaders. Many businessmen are coming to realize, in fact, that social mindedness can be synonymous with profit mindedness. As major national institutions, the large corporations are directly affected by and involved in national problems. Poverty and backwardness, for example, are a direct drag on their profits and growth. Riots disrupt normal business activity and destroy property. On the other hand, many corporate executives know that the ghetto represents a substantially underutilized source of manpower and a potentially large market for business product—in short, a major investment opportunity.

The Milwaukee Journal in a recent editorial offered a thoughtful analysis of the new business-government partnership. Quoting five young executives speaking at the 25th anniversary symposium of the Committee for Economic Development last week, the editorial said:

> Business bears a large responsibility for creating urban problems. "If we don't help government solve our problems, government will be forced to go it alone. This would give us half the results at twice the cost."

I commend the editorial to the attention of other Senators and ask unanimous consent that it be printed at this point in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Get Involved in Social Problems, Business Told

For years businessmen contended that they served society best by sticking to business—producing goods, employing workers and earning profits. Social problems, they argued, were the concern of government and private charities.

Two world wars, a massive population shift from country to city, a booming technology's voracious demand for brainpower, and spreading decay and turmoil in big cities have altered the attitude of free enterprise. More and more businessmen see that the best interests of corporations and the welfare of society are crucially intertwined.

A dramatic example of this sense of involvement was provided by five young executives speaking at last week's 25th anniversary symposium of the Committee for Economic Development, a nonpartisan, socially conscious research organization of 200 leading businessmen and educators. The speakers, representing Illinois Bell Telephone Co., General Electric Co., Boise Cascade Corp., North Carolina National bank and New York Central railroad, urged corporations to:

Attack racial discrimination not only because it is ultimately ruinous to business but also because it is an intolerable blot on a free society. In addition to actively building an integrated work force, businessmen should not contribute funds to discriminatory organizations, build plants in areas that discriminate or sell homes through real estate men who block open housing.

Campaign for good schools and well paid teachers. "When a business contemplates moving into a community, the thing that quite often makes the biggest difference . . .

is not taxes . . . the supply of labor and . . . the nearness to the market . . .; what really makes the difference is how good the school system up through high school is."

Support urban redevelopment programs because business bears "a large responsibility for creating" urban problems. "If we don't help government solve our problems, government will be forced to go it alone. This would give us half the results at twice the cost."

Make room for the "critical generation," the bright young men coming out of college "who question the way we are doing things." If business is to serve both shareholders and society it needs "boat rockers, people not in love with the status quo, critics of the establishment."

These are invigorating words. Profit is properly the prime motive, but the new breed of executive proposes to achieve it through shouldering social responsibilities, not shedding them.

THE DUMP-JOHNSON MOVEMENT

Mr. McGEE. Mr. President, I ask unanimous consent to have printed in the RECORD an article by Stanley Levey of the Scripps-Howard newspapers, which I have taken from the Washington Daily News for November 15. Mr. Levey, in his article, comments upon the so-called dump-Johnson movement, pointing out that leading labor movement officials have warned against such a development.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

"DUMP-JOHNSON" MOVE HIT

(By Stanley Levey)

A leading labor movement intellectual has warned his fellow liberals and union officials against a "dump-Johnson" movement next year.

Such a strategy, says Gus Tyler, assistant president of the International Ladies Garment Workers Union and a power in the Americans for Democratic Action, would mean the election not only of a conservative President but also of a conservative Congress. Both liberal doves and liberal hawks would be turned out of office, he argues.

Mr. Tyler's views were contained in a recent article in the magazine New Leader. Washington Report, the newsletter of the United Auto Workers, read by 1.5 million union members, reprinted extracts from the article this week at the express order of Roy Reuther, executive director of the Union's citizenship department and brother of Walter Reuther, the UAW president.

Publication of the Tyler Article by the UAW appeared to eliminate any possibility that Walter Reuther will broaden his fight with AFL–CIO President George Meany into a larger break with the Johnson Administration over the Vietnam war and domestic policies.

Some observers have speculated that Walter Reuther may try to form a second labor federation from elements within the AFL–CIO that object to Mr. Meany's hard-line Vietnam stand and his unwavering support of President Johnson for re-election.

Some support for this viewpoint built up last week-end when 523 second-rank labor leaders gathered in Chicago to point up their differences with Mr. Meany—and LBJ—over the war.

The UAW circulation of the Tyler article also appeared to set at rest rumors that Walter Reuther may join forces with Sen. Robert F. Kennedy (D., N.Y.) in a new political-labor coalition.

Mr. Tyler is political director of the ADA's national board.

SURFACE MINING AND STREAM POLLUTION

Mr. LAUSCHE. Mr. President, I have had the pleasure of reading an article in an advance copy of the December 1967 issue of Outdoor Life, one of the leading publications in this country appealing to conservationists and outdoorsmen. The title of the article is "Blight or the Land." The subtitle is "Strip Mining's Legacy of Lifeless Land and Fouled Water Threatens Disaster to Our Hunting and Fishing."

The Senators from West Virginia, Tennessee, Kentucky, and Pennsylvania will be especially interested in the article for it mentions pollution conditions and streams in their States. As an example, the beautiful Blackwater River in West Virginia was, until the 1950's, as famous a trout stream as any in the State. Acid-laden waters have now fouled the river so that trout can no longer live in it.

The article also cites a condition in my own State of Ohio where is located the Wills Creek Reservoir—a part of the famed Muskingum chain that was once considered a model conservation project for all America. Until recent years that reservoir was one of the best fishing lakes in Ohio for catfish up to 40 pounds and for the famous fighting muskies. But fishing there is a thing of the past. Old shaft mines were opened by strip mining and their reservoirs of poisonous wastes poured into Wills Creek. The water, the banks, and even the trees along the shore are stained red and the muskies and big flatheads and other fish are gone.

In Tennessee, strip mine pollution has destroyed sport fishing in 235 miles of stream, including some of the topnotch smallmouth bass fishing areas.

Another example of pollution resulting from strip mining is the Tradewater River in western Kentucky. It was once known for its excellent fishing in bass, crappies, catfish, and others, but recently Gov. Ed Breathitt lamented:

> It is gone now. Strip mine pollution killed it.

Mining operations without proper reclamation have not only destroyed fishing streams, but have also destroyed wildlife areas such as the Bennetts Valley region in Pennsylvania. Much of it State-owned, it is one of the few wilderness areas left in that State and it is the only place in Pennsylvania where elk can be found; yet it is being gouged from end to end by strip mining.

The authors of the article also refer to S. 217, the Mined Lands Conservation Act, which I introduced last January and which is now pending before the Committee on Interior and Insular Affairs. They also mention the report entitled "Surface Mining and Our Environment," issued last June by the Secretary of Interior, which is the result of a bill I introduced several years ago requiring a study of surface mining.

In my opinion, the article in Outdoor Life is of much importance and should be made available to all Members of Congress. I therefore ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BLIGHT ON THE LAND: STRIP MINING'S LEGACY OF LIFELESS LAND AND FOULED WATER THREATENS DISASTER TO OUR HUNTING AND FISHING—PART 1

(By Erwin A. Bauer and Ben East)

The official guide to the state parks of West Virginia lists only one park out of a total of 20 that has water but no fishing. That one is Blackwater Falls Park, in the mountains at the state's northeast corner. The guide shows that there is fishing nearby but none in the park itself, and that is a strange piece of irony. Until the 1950's, that section of the Blackwater River was as famous a trout stream as any in the state.

The river tumbles over a 57-foot ledge and froths into a gorge eight miles long and strewn with massive boulders, to create Blackwater Falls and Canyon. It's the most spectacular scenic spot in West Virginia definitely one of the most idyllically beautiful sights in the eastern half of the nation.

Thousands of visitors go to the park each year, but they do no trout fishing. A few miles above, two creeks run into the Blackwater from what is now strip-mining country. Their acid-laden waters have fouled the river so that trout can no longer live in it.

It's hardly a wonder that Governor Hulett C. Smith, speaking of this and countless other examples of the consequences of strip mining in his state, says flatly, "The rape of West Virginia has occurred."

And West Virginia is by no means alone.

In eastern Ohio, Wills Creek Reservoir—part of the famed Muskingum chain that was once considered a model conservation project for all America—was one of the best fishing lakes in that area. It had flathead catfish up to 40 pounds and some of the best muskie fishing in the state.

But fishing there is a thing of the past. Old shaft mines were opened by strip mining, and their reservoirs of poisonous wastes poured into Wills Creek. The water, the banks, and even the trees along shore are stained red, and the muskies, the big flatheads, and the other fish are gone.

Due for the same fate, in all likelihood, is nearby Piedmont Lake, 4,000 acres of fine fishing water now being encircled by stripping operations.

In Tennessee, strip-mine pollution has destroyed sport fishing in 235 miles of stream, including some top-notch smallmouth-bass and muskellunge water, and fishery biologists say that the future looks dismal.

For another example, take the Tradewater River in western Kentucky. Discussing the grave problems resulting from strip mining, Governor Ed Breathitt of that state told the authors how he once fished the Tradewater for its bass, crappies, goggle-eyes, bream, and catfish, and how his father and grandfather had rated it one of the best streams in Kentucky.

"It's gone now," the governor said. "Strip-mine pollution killed it. That's one place I'll never be able to take young Edward fishing." He was referring to his eight-year-old son, who is being brought up as a chip off the old block.

It's easier to find examples of stream and lake damage by strip miners than cases in which game and hunting lands have suffered, but instances of damage to hunting lands are far from lacking.

The Bennetts Valley region in Pennsylvania is one. Much of it state-owned, it is one of the few wilderness areas left in the state and is the only place in Pennsylvania where elk can be found. Yet it is being gouged from end to end by strip mining.

"The forests, mostly on public land, are being torn and gashed, mile upon mile," says Roger Latham, outdoors editor of the Pittsburgh Press. "The operators don't even have to pay for the trees they destroy. Because the terrain is steep, they terrace their diggings, and the scars will be there almost forever."

Meigs County in southeastern Ohio is another example. It once was scenic hill country with excellent hunting for bobwhites, cottontails, deer, and grouse. Then strip mining began, and almost overnight 3,000 acres of ridges and meadows were wrecked and the game was gone.

Next, silt and pollution destroyed 25 miles of good bass and catfish water. Paul Bowers, head of the Meigs County Farm Bureau, angrily called those polluted streams "roadside signs that the industry's hands are dirty."

In the last 50 years, and mostly in the last 25, this eyesore industry—which few sportsmen (or, for that matter, few Americans apart from those living in the affected areas) know anything about—has left its blighting scars on more than 5,000 square miles of land, much of it game cover, from Florida to Alaska.

As of January 1, 1967, surface mining had damaged 1,700,000 acres of wildlife habitat (some game species move out as soon as the equipment moves in), 13,000 miles of stream, 103,000 surface acres of natural lake, and 41,000 surface acres of impoundment. The affected areas are scattered over the entire country. Of these staggering totals, some 29,000 acres of impoundment and 5,800 miles of stream had been made totally unfit for fish.

Actually, it is doubtful whether anyone knows exactly the extent of the devastation wrought by this mining. Last winter, while introducing in the U.S. Senate a bill aimed at bringing all surface mining under federal regulation, Senator Frank J. Lausche (D.-Ohio) spoke of 3,600,000 ravaged acres.

And last July, in a detailed and lavishly illustrated report to the President and the nation entitled Surface Mining and Our Environment, Secretary of the Interior Stewart Udall put the figure at 3,200,000 acres. The report, based on an intensive two-year study, is available from the Superintendent of Documents, Washington, D. C. 20402, at $2 per copy.

Secretary Udall's figure is two or three times that indicated by previous official estimates. And the total is rising by close to 200,000 acres a year.

"Surface mining is a hell of a mess," Outdoor Life was told by an Interior official who asked that his name not be used. "And probably it's worse than it appears. I highly mistrust the surface-disturbance figures supplied by the states. From my knowledge of one state, the totals are estimated very low."

The consequences to hunting and fishing have been disastrous in many states.

"Strip mining unquestionably has a serious effect on fish and wildlife in West Virginia," T. R. Samsell, director of that state's Department of Natural Resources, told Outdoor Life.

Minor Clark, commissioner of the Kentucky Department of Fish and Wildlife Resources, says, "You can't have strip mining without damage to land and water. As long as such mining is allowed, streams will be degraded."

And Jack Hoffman, chief of Virginia's Fish Division, adds, "In the areas affected, strip mining constitutes a serious threat to fish and wildlife."

Strip mining produces, in addition to direct damage to land and water, side effects including soil erosion, destruction of forests, abandonment of farms (when their water supply fails or their fields can no longer be reached), severe loss of scenic values, and hazards to public health and safety.

Secretary Udall puts a price tag of $757-million on the basic reclamation needed to restore "to use and beauty" the nation's surface-mined areas. This huge sum covers only the minimum treatment that will be required to return the mined lands to an acceptable condition.

"A land of scenic grandeur had been changed into a land of devastation," Udall says bluntly, "and a useless aftermath is left."

Though many materials—including iron, aluminum, copper, clay, sand, gravel, and phosphate—are mined by the strip method, it is coal that creates most of the problems. The big acreages of stripped land are located chiefly in the coal-mining states.

To understand the kind of destruction this mining leaves in its wake, you have to know something about how it is done and about the coal it removes.

Under the earth of West Virginia, for example, there are 117 named beds or seams of coal. Some are only a foot thick, many are six to eight feet thick, and a few are even thicker. Of the 117, sixty-two are now being mined by either surface or deep-mining methods.

It is the seams lying closest to the surface that stripping can remove—and do so far more profitably than shaft mining can. The strip operation is done entirely on the surface. The overburden of soil and rock that covers a coal seam is scalped off by power shovels or draglines and piled to the rear or dumped over a hillside. The coal is then removed, either by shovels or by huge augers having drills up to seven feet in diameter. Such augers can bore more than 200 feet into the seam and ream out the black mineral at a rate as high as 15 tons per minute. The coal-recovering machines follow the seam around the hill.

If the formation is not too deep, more dirt may be dug away and a second seam taken out. In some cases even a third is uncovered and mined. With today's equipment, strip mining can go as deep as 150 feet.

In relatively level country, for each acre of coal mined at least one additional acre is left buried under huge windows of subsoil, broken rock, and sulfur-laden earth. And the land looks as if a monstrous plow had furrowed it.

In mountains or rugged hill country the destruction is even greater and more difficult to repair since the over-burden is dumped down hillsides. The giant piles of rubble that result lie on steep slopes, and they often slide or are washed onto the flat land below, burying fields, choking streams, blocking roads, and destroying buildings.

What is left when the coal is out looks like a landscape on the moon.

Pennsylvania has 370,000 acres of "disturbed" land, Ohio 275,000, West Virginia 200,000, Kentucky 130,000, Alabama 135,000, Tennessee 100,000, Virginia 60,000.

In coal-mining areas outside the Appalachian region, there are 143,000 ravaged acres in Illinois, 125,000 in Indiana, 60,000 in Missouri, and 22,000 in Arkansas. California has 175,000 acres, mostly from gold mining; Florida 190,000, chiefly phosphate areas, and Minnesota 115,000, from the removal of iron ore, sand, and gravel. New York has 60,000 acres of land mined for sand, gravel, and stone; Texas 166,000 acres of the same origin.

Secretary Udall estimates that of the 3,200,000-acre total of torn-up land, only one-third has been adequately reclaimed, either by man's efforts or by natural forces. At least 2-million acres, equivalent to a belt one mile wide and running all the way from New York to San Francisco, lie partly or wholly unreclaimed, he says.

Of that huge area, Indiana is the only state in which the reclaimed acreage exceeds the unreclaimed, according to the Udall report. In most of the states involved, two-thirds or more of the stripped lands lie ruined and derelict, out of circulation so far as game and other wildlife are concerned.

"What remains is not only ugly but also dangerous," Kentucky's Governor Breathitt told the Southern Governors' Conference in September 1966.

U.S. Senator Lausche points out that large areas have been abandoned outright as a result of stripping operations.

Boyd Wallace, a former field assistant in the Ohio Division of Reclamation who has battled the bad practices of this headstrong industry for many years, told Outdoor Life, "Strip mining may enrich an individual, but it always impoverishes the community in the end."

The mining town of Jackson, in the coal fields of eastern Pennsylvania, is a classic example of Wallace's thesis. A UPI story in the Pittsburgh Press in December 1966 told that story.

Fifty years ago Jackson was a tidy community with 100 families, a school, and a tree-lined main street. Its men worked in shaft mines nearby. But in the 1930's the coal corporations, lured by the higher profits of strip mining, began to close the pits and turn to surface equipment. Close to 3,000 part-time or unemployed miners picketed the new operation, and when the first shovel dug into the ground, many tried to storm it, but state police turned them back.

In less than 30 years an estimated 35-million tons of coal were mined there by stripping, and the town died. Its main street became a rock-littered canyon, and the one remaining house was left an island in a bleak wasteland. The last family moved out last winter.

Strip-mine operators often invite criticism by claiming that they are despoiling only marginal land—land that is worth little for anything save mining. Boyd Wallace runs a farming operation on 800 acres near Cadiz, in the heart of the Ohio strip-mine area, and he refutes that claim by pointing out that he grows as much as 45 bushels of wheat and 100 bushels of corn to the acre.

"The land's worthless when they leave it, but not when they start," he says.

One of the most spectacular features of the ravaged landscape is the highwall left where stripping has cut a bench into it and along the side of a hill or mountain. These highwalls, vertical cliffs of earth and rock, rise 40 to 100 feet. There are 34,500 miles of them in this country, 20,000 miles in the Appalachian states alone, and along 1,400 of those miles massive landslides have already occurred.

Highwalls often actually isolate a hill or mountaintop completely, and they make millions of acres of game cover difficult or impossible of access.

Matching the destruction of the land, and of far greater concern to fishermen, is the water pollution that follows strip mining.

Above or below many of the coal seams lies a layer of rock or earth impregnated with pyrites—iron-sulfur compounds that are the source of sulfuric acid. When these are exposed to air and rain, the deadly acid seeps out and is carried into streams, ponds, and lakes, fouling them until they are unfit for fish. Often the water becomes so acid that it can not be used for household purposes, and neither livestock nor wildlife can drink it.

In 1962 the U.S. Public Health Service estimated that 3,200,000 tons of these acid wastes were being discharged each year into the streams of Appalachia. Not all of it comes from strip mines, however. Deep mines, many of them long abandoned, are the source of much acid waste.

But strip mining aggravates the problem in a peculiar way. In many instances the stripping operation breaks through into an abandoned and sealed mine, releasing its accumulated load of acid.

"Strip mining has punched thousands of such holes in our hills," the reclamation director of a mountain state told the authors, "and almost every one of them became a running sore on the land."

Another major source of acid pollution are gob piles, mountainous heaps of refuse resulting from the coal-cleaning process. Consisting of impure coal, rock, pyrites, and other waste material, gob piles often cover many acres like dirty gray scabs. Sulfuric acid leaches from them into nearby streams, and mining men say the process can continue for as long as a century.

On their face, the figures showing unreclaimed strip-mined acreage do not sound too alarming. "A hundred thousand acres?" the reader may ask. "Why, that's only about four townships. Out of an entire state, that isn't enough to worry about." In West Virginia, for example, the total area of ravaged land is only about the size of a single county.

But as Secretary Udall has said, "Although the amount of pits and spoil banks is relatively small, the effects mar vastly larger areas. The derelict acreage is made up of tens of thousands of separate patches. Where one acre in ten is laid waste, the whole landscape is disfigured. The face of the earth is riddled with abandoned workings, gashed with quarries, littered with abandoned structures, and piled high with spoil and slag."

The fact is, the figures by themselves do not tell the story. This mining, as Udall says, shocks the sensibilities. To understand the full magnitude of this blight on the land, you have to see what Senator Lausche calls "the abominable and grotesque scars"—the tormented earth, the choked creek beds, the farmlands and game cover laid waste, the streams running foul and lifeless.

When you watch the giant machines gashing terraces of sheer ugliness for miles along the steep sides of a mountain, or lacerating half a township of rolling green hills; when you look at tumbling creeks turned filthy yellow with mine-born acid, with no minnows in the shallows and not even a dragonfly hovering over the water—then the picture begins to take on its true dimensions.

Two other factors must also be taken into account.

First, the operations today are only a beginning. The estimated coal reserves in Kentucky alone are 66-billion tons. One county, Harlan, has 2-billion tons, enough to supply the industry for the next 150 years. Much of this huge tonnage can be mined profitably by stripping.

The Udall report estimates that lands left despoiled will mount to 5-million acres by 1980. Unless proper regulations are enforced the consequences of strip mining up to now are no more than a drop in the bucket compared with what the future holds.

The second factor is the fantastic improvement in equipment. As the shovels, draglines, and augers grow in size—and they have already reached levels that are almost beyond belief—the work will be done faster, more profitably, at greater depths, and over vastly increased areas. The rate of destruction will rise, and so will the damage.

Strip mining got its start back in the 1800's, but it was a humble beginning. Where the coal outcropped, it was dug by pick, shovel, and wheelbarrow and was drawn away by oxcart. Later, horse-drawn plows and scrapers came into use. An old picture shows a power shovel at work in 1886. It was built entirely of wood and was driven by an upright steam engine.

Until well into this century, the shovels had a bucket capacity of only one cubic yard. Today there is a shovel in operation in eastern Ohio that moves 70 cubic yards of earth at a time and can handle 84,000 tons of overburden each hour. If parked in the center of a football field, it could pick up earth from one end zone and dump it into the other.

Another shovel in Kentucky has a bucket that scoops up 115 cubic yards. Two cars can park in it side by side, and there is enough head room for a man to stand on their tops. And these shovels are not the biggest.

In the southwest corner of Illinois, the world's largest earth-moving machine is stripping overburden from a coal seam day and night, seven days a week. It reaches 400 feet ahead, gobbles 250 tons in one bite, and dumps it 400 feet to the rear. The immense shovel weighs 18,500,000 pounds and is the height of a 20-story building, making it taller than the Statue of Liberty or Niagara Falls. It is wider than an eight-lane highway, contains over 100 electric motors, and requires enough power to supply an average city of 15,000. One man operates the shovel from an air-conditioned cab at the five-story level.

The dragline is another efficient piece of equipment for tearing up landscape. There is one operating in southern Indiana that scoops away 75 cubic yards of overburden at a time. Another in Kentucky is even bigger, and one now being built will have a bucket capacity of 220 cubic yards. As for augers, there is talk now of a giant that will drill 1,000 feet into a coal seam.

Taking all this into account, it is painfully clear that unless strip mining is properly controlled, required to repair the damage it does to the land, and thus made to prevent the ruin of streams and lakes, the ultimate harm will be beyond calculating.

"Strip mining looms as the greatest rape of the land in our history," one official told the authors. "If thought is given to our fast-growing population, to the short work week, and to the soaring demand for greater opportunities for hunting, fishing, boating, camping, and other forms of outdoor recreation, it becomes self-evident that the final price of unregulated stripping is greater than we can afford to pay."

"If left unchecked, the problems will continue to expand," warns Secretary Udall. "Those of today must be identified and those of tomorrow anticipated, and solutions must be found."

The surprising truth about this destructive industry is that, save in areas where the mined slopes are too steep to be restored, the wreckage it leaves behind is not necessary. In most cases strip-mined lands can be put back into use for farming, as forests, and for wildlife production. Their barren ugliness can be cured and most or all of their pollution abated. And the whole job can be done at a cost that does not impose a prohibitive burden on the mine operators.

There are three basic steps in the reclamation process:

First, all sulfur-laden material must be dumped where it can later be covered completely with nontoxic earth.

Second, the spoil heaps must be graded and leveled to restore, as nearly as possible, the natural contours of the land. In mountain country, however, this is difficult and often impossible.

Third, the mined area must be replanted with grass, trees, or both.

That adequate reclamation is both possible and feasible in most cases has been proven conclusively in states where reclamation is required by law as part of the mining operation and where that law has been enforced.

Except in areas where natural conditions make reclamation impossible, no state has undertaken, or wants, to outlaw strip mining outright. Rather, the need is for regulation—for well-enforced laws guaranteeing that the damage will be repaired, pollution controlled, and things put back as they were.

The laws must have teeth. Ideally, they should fix severe penalties for mining without a permit and should require a bond sufficient to insure reclamation. Most important of all, they should provide that unless the work is completed in accordance with the law and to the satisfaction of state authorities, and the bond released, the operator can not be given a permit to begin another job.

Up to now, strip mining in most states has proven to be an unruly problem child. Few operators take kindly to the idea of regulations of any kind, and many of them have been arrogant and defiant. Time after time they have resorted to political influence, money, threats, and even violence to defeat or water down strip-mining bills in state legislatures, or to flout the law.

But control is bound to come. In his 1966 report to the Appalachian Regional Commission, Interior Secretary Udall spelled out two things that are needed:

First, a costly long-range reclamation program to redeem the acreages ravaged and abandoned in the past.

Next, in Udall's own words, "To prevent future devastation and to avoid sweeping up after tomorrow's miners, it is essential that effective regulations be established."

Isn't it time that sportsmen, in every state being scarred by strip mining, demand that both these things be done and done now?

SAN RAFAEL WILDERNESS

Mr. JACKSON. Mr. President, after the Thanksgiving recess, it is anticipated that a House and Senate conference will be held on S. 889, the bill to establish the San Rafael Wilderness Area in the State of California. The House amended the Senate bill to add 2,200 acres to the proposed area.

The November issue of American Forests, the official publication of the American Forestry Association, sets forth the problem in a well-written editorial entitled "Let's Not Gamble With Our Natural Resources."

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Let's Not Gamble With Our Natural Resources

Since the enactment of the Multiple Use Act of 1960 the public has continued to take an increasing interest in the management of its public lands. As a reader recently commented in our *Forest Forum*, "the people have a right to take an interest in and to question the management of their property." This comment struck us as being right on the button so far as The American Forestry Association is concerned. Had not some people been of this view 92 years ago in the days of AFA Founder John Warder, there would have been no American Forestry Association and probably no national forests. American Forests hopes the public will always remain vigilant as regards the proper management of its public lands.

The *Forum* writer in this particular instance, a graduate student at the University of Michigan, had reference to what he interpreted as being an adverse comment by Mr. Hall, in *Washington Outlook* on the findings of a special citizens' committee named by Secretary of Agriculture Freeman to study a Forest Service recommendation as regards future management plans for the Magruder Corridor. This capable committee in its report criticized the findings of the Forest Service, not in regard to its efficiency or capability, but in regard to its interpretation of management needs under the terms of the Multiple Use-Sustained Yield Act. In the opinion of American Forests, this was a legitimate function of a legitimate committee which came up with a legitimate report. The Secretary backed the committee and overruled the interpretation of the Forest Service in this particular instance. This was a clearcut case of the public being heard and heeded.

At the same time, Dr. Warder and his contemporaries would have been the first to agree that there are times when recommendations by committee are inadvisable and even dangerous for the resources they are trying to protect. One of those times is in emergencies due to natural catastrophes. When major fires break out in western states, as has been the unhappy case in hundreds of instances in recent months, there is no time for committee work. Someone has to take charge and act quickly. The same is true to a degree, it seems to us, in formulating plans to prevent or to curb possible future catastrophes. In both cases the public would be well-advised to rely on the recommendations of proven professionals with fire training who have actually fought fires. As seafaring men in the days of the Yankee clippers knew full well, you don't sail a ship around the Horn by committee. Somebody has to be Boss.

A case in point is now pending in Congress in which members of both the House and the Senate should weigh the question, "Who is going to be the Fire Boss on the National Forests?"

American Forests refers to the proposal to establish the San Rafael Wilderness in the Los Padres National Forest of Southern California. Practically everyone is *for* establishment of this wilderness, including The American Forestry Association. That is not the point. The point is whether the recommendations of the Forest Service for a proposed fire break in this area will be ignored by solons or adopted by them. The dispute involves addition of 2,200 acres to a 143,000-acre wilderness, including 600 acres for an as yet uncompleted fuel break.

The Forest Service says it needs this fuel break as proposed if it is to effectively protect both the wilderness and the rest of the National Forest and it bases its findings on experiences gained in fighting a 90,000-acre fire in the immediate vicinity in 1966. In its proposal, the Forest Service located the boundaries so as to eliminate non-conforming uses of wilderness and at the same time provide the best possible defense against fire. The key boundary would be buffered by a 1,500-acre fuel break of which 900 acres already has been constructed.

Congressional action at this time is divided. The Senate approved the Forest Service recommendations for a 143,000-acre wilderness. The House Interior and Insular Affairs Committee reported out a bill with the 2,200-acre addition. In this action, the House committee listened to representatives of some wilderness groups who had pared down their request in the Senate for an additional 4,700 acres to the 2,200-acre figure. Unfortunately, this acreage containing some additional pictographs and porteros (grassy openings) would also contain 600 acres of the as yet uncompleted fire break. Also involved in the entire wilderness complex is the rare condor which resents any human intrusion into its domain but which would also most likely resent a fire that might consume the whole area. Failure to complete this fuel break would leave a very dangerous gap in the proposed primary fire line.

American Forests strongly urges that both houses of Congress support their career professionals in adopting a proposal that will enable these professionals to complete their fire line. It is not enough just to save wilderness. It is also necessary to protect it. What Congress does on this first bill under the Wilderness Act of 1964 will see a pattern for all subsequent legislation involving the National Forests, the National Parks, and roadless areas in the National Wildlife Refuges.

The question facing Congress, therefore, is how best to protect the resource everyone wants to save. At a time when the public is demanding to know why we are experiencing so many fires in western states, this is no time to hamstring the recommendations of proven firemen. In the effort to preserve both the wilderness and forest areas someone is going to have to be the Fire Boss. The American Forestry Association believes *that someone* should be the Forest Service and this is the issue Congress must decide.

At a time when western fire losses have passed the 200,000-acre mark American Forests is certain that most AFA members past and present would agree that this is no time to gamble with our natural resources.

—J. B. C.

THE UNIVERSITY OF WYOMING FOOTBALL TEAM

Mr. McGEE. Mr. President, I want to extend congratulations to the University of Wyoming football team. The Cowboys finished their regular season on Saturday by defeating a fine University of Texas at El Paso team. Thus they closed out their regular schedule with a perfect 10 to 0 record, took home the Western Athletic Conference championship for the second year in a row, and won for themselves a place in one of the major postseason bowl games—the Sugar Bowl.

Coach Lloyd Eaton has developed, Mr. President, a team which simply refused to be beaten this year. Facing the season without a quarterback. Eaton converted Paul Toscano, a defensive back, into a signal-caller and passer. The results have been impressive, indeed. Toscano has established new records for ground gaining, mostly by way of passes. He threw 17 touchdowns passes in rewriting the Wyoming record book prior to Saturday's game at El Paso. NCAA records fell to the onslaughts of two other members of the team as Jerry DePoyster became the most prolific kicker in NCAA annals and kick-returner Vic Washington set new records for the number of kicks returned in a season. DePoyster now has kicked 36 field goals in his career and his skill in this phase of the game is so feared that opposing teams feel endangered anytime the Cowboys get inside the 50-yard line.

A tenacious defense—for years the hallmark of Wyoming teams—is the other side of the coin for the Cowboys.

Mr. President, all Wyoming is proud of this team which will carry the brown and gold colors to New Orleans New Year's Day to do battle with Louisiana State University. The Cowboys, over the years, have never lost a postseason encounter and we are confident that record, too, will remain after their first visit to the Sugar Bowl.

AGRICULTURAL RESEARCH SERVICE SEEKS INCREASED PROTECTION FOR CONSUMER

Mr. HART. Mr. President, in this time of emphasis on increased protection for the consumer, I invite attention to the activities in that field which are being pursued by the Agricultural Research Service of the U.S. Department of Agriculture. Aspects of this effort were described by Dr. Robert J. Anderson, Associate Administrator, ARS, USDA, at the 45th Annual Agricultural Outlook Conference in Washington, D.C., November 15.

Dr. Anderson emphasized the protection of consumers through research, not always thought of as consumer protection. But as one reads Dr. Anderson, it becomes clear that bacterial contamination, chemical residue in food, and environmental pollution affecting food and feed do indeed require coordinated and increased research. The consumers of America will welcome this report from the Agricultural Research Service. I ask unanimous consent that Dr. Anderson's speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

Protecting Consumers Through Research

(Talk by Dr. Robert J. Anderson, Associate Administrator, Agricultural Research Service, at the 45th Annual Agricultural Outlook Conference, Washington, D.C., November 15, 1967)

I am very pleased to have an opportunity to talk to Extension specialists on the subject of consumer protection, and to explain some of the things that scientists in the Department of Agriculture are doing to safeguard the Nation's food supply. I know that you are genuinely concerned about consumer welfare; what's more, you are in a unique position to put research findings to work for the consumer.

The story of our progress in consumer protection is a story common to many scientific endeavors. We have come a long way. We have learned a great deal. But we find that the more we learn, the more we need to know.

Salmonella is a case in point. This troublesome organism has for years been recognized as a common cause of food poisoning. Historically, poultry products have been especially vulnerable to contamination. So we have devoted a great deal of effort to helping the poultry industry overcome the problem. We developed simplified laboratory tests for detecting salmonella. We devised methods for pasteurizing dried eggs, egg whites, and whole eggs. In 1966, we made pasteurization mandatory for all egg products moving in interstate commerce.

Poultry processors, for their part, have sought to reduce contamination by using filtered air in their plants and by minimizing exposure of products to plant workers.

These efforts have helped hold down salmonella contamination, but we are going to have to expand our attack. The problem is larger than we realized. Salmonella organisms are pervasive throughout nature; they are carried by man, animals, birds, even insects. It is extremely doubtful that we will ever be able to remove them from the environment entirely.

Our best bet, then probably lies in establishment of a salmonella-free pathway from farm to market to consumer. We will have to find new and better ways of breaking the cycle by which salmonella organisms perpetuate themselves.

During studies conducted last year in cooperation with the feed industry, we confirmed that animal feeds often are contaminated with salmonella. Feeds containing animal byproducts are especially likely to be contaminated. You can see how this leads to a continuous cycle of infection. Animals carrying salmonella organisms in their intestines are sent to slaughter. The intestines and other unused parts, still carrying salmonella organisms, are sent to a rendering plant. Then they are added to feed and sold to the grower, who feeds them to other animals. If the rendered products are not completely free of salmonella, the disease chain is kept alive.

The Department is currently inspecting rendering plants in various States. Soon we will issue standards for feeds and feed ingredients, recommending sanitary procedures and requiring product testing for rendering and feed-processing plants. We hope that eventually all such establishments will qualify as producers of salmonella-free products.

Our Department and the Department of Health, Education, and Welfare have joined in asking the National Academy of Sciences-National Research Council to conduct a thorough study of all aspects of the salmonella situation. Researchers working on the study will try to determine the economic significance of salmonella, in terms of animal and human health; the principal carriers of salmonella; and new methods of preventing contamination.

As of now, careful inspection is one of the chief reasons that you seldom hear of a case of food poisoning. Poultry inspection for wholesomeness has increased rapidly over the past few years. Inspection of broiler carcasses, for example, rose by about 300 million in the period 1964–66. However, a comprehensive effort to reduce the incidence of salmonella in the environment would make inspection a less difficult job and would add a degree of improvement to our overall health standard.

Another animal health problem that is causing increasing concern is avian leukosis. Leukosis infections in the Nation's poultry flocks have been creeping steadily upward. In past months, our inspectors in the big poultry producing regions of the southeast have had to condemn more than 3 percent of the birds sent to market. Avian leukosis accounted for about one-fourth the total.

These condemnations represent a tremendous loss to poultrymen, but they are also of interest to protectors of human health. Avian leukosis is a form of cancer. It is not a form of cancer that can be transmitted to man. Federal regulations require that birds infected with *any* kind of disease be kept off the market, and present condemnations are being made on that basis, not because of the nature of the disease.

What interests medical researchers about our studies of avian leukosis is that we have proved that it is caused by a virus. Our investigators at the Poultry Research Laboratory, East Lansing, Michigan, have spotted causative viruses under the electron microscope and have followed their progress from cell to cell in infected chickens. As you know, there is strong circumstantial evidence to support the theory that viruses also cause human cancer. Indeed, one of the most recent major efforts of cancer research has been to try to trace the different types of cancer tumors to specific viruses.

In our studies on avian leukosis, therefore, we hope not only to reduce losses to the poultry industry but also to supply some of the answers needed oy scientists working on a cure for cancer.

Still another area of Department research that affects consumers is our work on mycotoxins. Mycotoxins are poisons produced by molds. No one paid a great deal of attention to them until 6 years ago, when a shipment of moldy peanut meal was fed to turkeys in England, and about 100,000 of the birds died. We now know that mycotoxins are poisonous if taken in large enough amounts, and that they cause cancer tumors if taken over a period of time even in small amounts.

Mycotoxins have been detected on many crops, but most frequently on peanuts. Because the peanut in various forms is a popular food item among humans, we have taken extra care to make sure that it is absolutely safe. USDA, the Food and Drug Administration, and the peanut industry have collaborated to develop methods for detecting toxic peanuts and diverting them from use as food or feed.

Further research efforts are being devoted to reclaiming any peanut products that might become contaminated, so that the food would not be wasted. In one experiment, for example, scientists added a harmless bacteria to a batch of purposely contaminated peanut butter. The bacteria detoxified the peanut butter without altering its taste. Similar results are being achieved with certain types of solvents that dissolve the toxic organisms. And other experiments are aimed at finding better methods of harvesting peanuts, so that the moisture content of the crop can be held down and molds can be kept from getting started in the first place.

So much for the pitfalls that nature prepares for us. Now I would like to mention a couple of manmade health hazards. One that we've all heard about is pesticides.

The immediate problems associated with pesticides use are now generally understood. But less is known about the long-term effects, if any, on the environment and people. We are now working to fill that gap in knowledge—to substitute well-documented facts for speculation on the possible adverse effects from long-time use.

An English scientist, writing in a recent issue of the British Food Journal, ventured this opinion on pesticides:

"It is impossible to foresee the pressures that might develop for the use of available food supplies and it may become essential to deny the insect and rodent pests any fraction of the amount they now take."

"Higher levels of pesticides may well have to be accepted."

Whether or not this assessment of the food situation ever proves valid in our own country, there can be little question that pesticides are here to stay. Consequently, as guardians of consumer welfare, our goal must be nothing less than absolute protection from harmful pesticide contamination and total elimination of pesticide accidents.

One way we help ensure pesticide safety is through registration of pesticides. All pesticides sold across State lines must be registered with the Department. This regulation requires that manufacturers prove the safety and worth of a material *before* it is ever marketed.

USDA also oversees labeling of pesticide products. Recent improvements in the labeling regulations stipulate that warning and caution statements be prominently placed on the front panel of the labels, be printed in specified type sizes, and be written in language that is easy to understand. The amended regulations also require that labels bear the USDA registration number, so that the buyer can tell whether he's getting a federally regulated product. These revised labeling regulations became effective one year ago. Since then, all of the thousands of labels requiring USDA sanction have been reviewed.

The Department of Agriculture took the lead in coordinating Federal efforts through creation of what is now the Federal Committee on Pest Control. This committee reviews the pest-control plans of all Federal agencies, including our own cooperative programs, to make sure the methods used are safe and effective.

One result of this cooperation is more complete reporting and investigation of accidents involving pesticides. The resulting pool of data helps identify weaknesses in research and educational programs.

Considerable progress has been made in reducing the need for *persistent* pesticides. We believe that their use should now be reviewed by disinterested scientists of the highest competence. At our request, the National Academy of Sciences-National Research Council has agreed to conduct such a review. We think the results will be extremely valuable.

Another environmental problem that will soon require action is the accumulation of animal wastes around large feedlots and dairy operations. Besides giving off offensive odors and causing stream pollution, these wastes may be reaching ground water supplies. The problem is partly economic, because large feeding operations are necessary to maintain our plentiful supply of meat. Department scientists are studying the extent of the problem and hope to find answers that will satisfy both the feedlot operator and his neighbors.

One of the oldest forms of consumer protection in this country is meat inspection. Recently, it has once again become the subject of lively discussion. The Federal Meat Inspection Act, as you know, was passed in 1906 following publication of Upton Sinclair's novel, "The Jungle," an account of working conditions in the Chicago packing houses. (This was the book that was aimed at the Nation's heart and struck it in the stomach, according to phrasemakers of the time.)

Federal meat inspection insures the wholesomeness of meat shipped in interstate commerce. This includes 85 percent of the meat consumed annually. The remaining 15 percent is processed and sold within State lines; it is not subject to Federal inspection. Many States have no inspection program of their own. Thus, standards of purity and cleanliness vary considerably from State to State and from one intrastate packing plant to another. USDA's 60 years of experience in meat inspection can be put to good use as the States move to standardize meatpacking procedures within their own borders.

You may have gathered from my earlier remarks that the Department of Agriculture frequently collaborates with other agencies of the Government on projects involving human health. These relationships have always been rather informal. Now, however, we have proposed that the Department of Agriculture, the Department of the Interior, and the Department of Health, Education, and Welfare establish a Federal Committee on Food Safety, with joint responsibility for the wholesomeness of the Nation's food.

If this committee is approved, we hope that it will review and make recommendations on present problems, and anticipate future ones; that it will speed up exchange of information between the Departments, and encourage further exchange among international, Federal, and State agencies. The committee could well become a clearing house for such problems as bacterial contamination, chemical residues in foods, and environmental pollution affecting food and feed.

As we lay our plans for future research in consumer protection, we know that we can depend on the Extension specialist's traditional expertise as intermediary between science and the public.

THE DECEPTIVE DANGERS OF ALCOHOLISM

Mr. THURMOND. Mr. President, when I introduced my bill, S. 2500, to require health hazard labels on certain alcoholic beverages, I noted:

> For the majority of drinkers alcohol has a mild, anesthetic effect which has been judged acceptable by the majority of our citizens. However, the unwitting minority is faced with a serious health hazard.

The effects of this hazard upon one segment of our economy were discussed in an article which appeared in the May-June 1967 issue of Steelways. In this article, a steel company doctor said:

> There are still thousands of accidental deaths where alcohol plays a key role as well as deaths from organic causes such as cirrhosis. There is a vast cost to industry in lost time, inefficiency and accidents. There are shattered personalities and shattered homes. All this, when we who work in the field know that the greater part of the human and economic loss is preventable somewhere along the line.

Mr. President, I believe my bill would aid society's fight to prevent the greater part of this human and economic loss. I recommend this article to all Senators and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

(By Don James)

Unlike central characters who gradually expose their hearts in a great book, these real-life people desperately try not to reveal themselves, even to themselves.

Something terrifying is slowly happening but their minds deny, minimize or rationalize the illness, and their looks may not show it.

"I'm getting along all right. There's nothing wrong," whisper the estimated 6.5 million victims throughout the United States. Among the afflicted are young and old, rich and poor, men from rolling mills, well-dressed executives with important office jobs, middle-aged stenographers, respected community leaders, housewives and others.

Their disease is progressive, chronic, compulsive, addictive. It shortens life spans, ruins good minds, casts big shadows over entire families and imposes a vast cost on employers.

Its name is alcoholism.

It's a disease of many variations and every case is a major one.

No other great affliction is so widespread and so often goes untreated until late stages are reached. Refusing to admit that they are affected, seldom taking the initiative for treatment, the victims may hide their problem for many years, sometimes with the misguided "loyalty" of a few relatives and close friends. Often the problem is mistakenly thought of as a lack of will power and thus the victim wrongly becomes an object of shame, his family the object of pity.

Deception is a built-in part of the disease.

Experts who understand and are competent to help are ready and waiting. The afflicted persons can be restored to good health and happiness just as hundreds of thousands before them were rehabilitated. The social and economic loss can be lessened.

But who is going to find these people and insist that they get treatment? To an increasing extent employers are performing this vital service.

Several steel companies, for example, have new and enlightened programs operated by their medical departments and aimed at restoring victims to good health—programs that stress the crucial importance of discovery, which must come largely through the alertness of supervisors.

To identify an afflicted person, insist that he have a medical examination, deal with his denials, explain everything thoroughly to him, prescribe therapy and see that he doesn't slide back, you can't find a more powerful force than a determined employer.

The fact that the alcoholic, like everyone else, needs and values his job affords powerful leverage. Thus an employer has a better than average chance for success when he guides a victim to proper treatment. In the process the boss is also attacking one of his most costly problems.

And so companies are zeroing in on alcoholism more effectively than ever before, aided by many vigorous organizations including Alcoholics Anonymous, the National Council on Alcoholism, community groups, labor unions, the American Medical Association, hospitals, churches and governmental agencies, to mention only a few. The National Institute of Mental Health has organized a new center for the prevention and control of alcoholism.

Industries usually do not provide the treatment required by the problem drinkers but they firmly insist on positive steps to halt the disease.

Alert supervisors note changes in work patterns and other telltale signs, medical departments swing into action, community agencies and organizations such as Alcoholics Anonymous come to the help of the ill persons. The result is likely to be a saving of a human resource. Teamwork pays off. Fifty to 70 percent of the individuals motivated by industry to accept treatment recover from the disease.

"In doing this we are in a position to make a contribution to industrial organization and indirectly to the community far greater, in my opinion, than with any other program or activity in the personnel, medical or behavioral area," says one of the steel industry's medical men. "To put it another way, alcoholism is the single most important behavioral problem met within industry. I speak as an industrial psychiatrist who is well aware of the whole gamut of psychiatric-behavioral maladaptive reactions encountered in the work population."

From the point of view of industry, alcoholism is a problem when an employee's drinking reaches the stage where it affects his or her work. The individual has lost control of his intake of alcohol and is subject to many and varied problems because of this. Speaking more generally, a steel company doctor says that if liquor is interfering with a person's life patterns in any compartment—family, work or social—then one should be alert to the possibility of developing alcoholism.

Until fairly recent business and industry did not consider alcoholism a disease, nor did anyone else. It was a "failing," a "weakness" or a "condition"—and mostly it was something that nobody talked about. Hospitals refused to admit alcoholics, medical programs excluded them, medical schools ignored the subject. The social stigma caused inertia and apathy everywhere. Without knowing it, companies had unwritten laws which everyone understood: hide your alcoholism and you will remain on the payroll and get benefits; when the illness can no longer be concealed you will be removed from the payroll.

To the astonishment of many about 30 years ago, Alcoholics Anonymous began to show that sufferers could recover in large numbers. Medical authorities declared alcoholism to be a disease. Other groups became active, including the National Council on Alcoholism, which rapidly developed into an important voluntary health organization.

Last year 35 of the 100 largest industrial corporations were operating or developing formal plans for controlling alcoholism. In addition many smaller firms had programs. Eleven years earlier only four major concerns faced the problem formally.

"The list of achievements is respectable but I must stress that we are just at the beginning," says a steel company doctor. "It's a huge problem. We haven't tried hard enough. Drinking is probably on the increase. There are still thousands of accidental deaths where alcohol plays a key role as well as deaths from organic causes such as cirrhosis. There is a vast cost to industry in lost time, inefficiency and accidents. There are shattered personalities and shattered homes. All this, when we who work in the field know that the greater part of the human and economic loss is preventable somewhere along the line."

Steel company efforts are not "witch hunts" but are aimed at recognizing rather than winking at the "weakness" of the man in the mill, the well-dressed salesman, the 44-year-old stenographer, the executive and others.

The control and prevention of alcoholism are based primarily in steel company industrial medical departments. However, the problem is not a monopoly of the medical experts. The aid of others is important. The formal programs are communicated to all employees with stress on the need for cooperation.

The goal is to get the alcoholic referred to the medical department as soon as he is identified.

Those who know the afflicted individual best are in the most favorable position to discover the problem. In a steel company or other industrial organization the signs of early alcoholism are most likely to be recognized by an employee's immediate supervisor.

In carrying out his vital role the supervisor is cautioned not to lecture or argue with a worker about his drinking. This accomplishes nothing and may worsen matters. The caution is extremely important for others, including family members, friends and fellow workers.

Amateurs usually lose arguments about drinking because alcoholics are way ahead of them with excuses.

"I can stop any time I want to," is one of their boasts.

"I only had two beers," is another defiant claim by the afflicted, who also are adept at playing one person against another.

To break through the network of defenses is far too complicated for an amateur. So the emphasis is consistently upon keeping the supervisor's role strictly focused on work performance, work relationships and attendance. The pattern of absences is a major clue.

Supervisors are cautioned by one steel company:

"Remember that just as all people are different, so are alcoholics different. It is equally important to recognize that personal problems or diseases other than alcholism may cause certain of the signs and symptoms of early alcoholism and that not everyone who exhibits these symptoms is an alcoholic. That is why diagnosis can be made only by a physician."

The main elements of a program in a steel company's plant include the following:

Referred to the medical department, the employee is given a complete physical examination. The physician reviews the history of the person's behavior, his absences, job performance and other matters. If it is necessary to get more information the physician does so on a confidential basis. With the diagnosis completed the employee is told about the findings and offered a plan of treatment and rehabilitation. He may, for example, be told that arrangements have been made to get him into a hospital or sanitarium for a short period, after which he will be expected to try Alcoholics Anonymous. Perhaps some adjustment may be necessary to help him break away from his old gang of drinking pals.

An effort will be made to see that a person whom he admires and likes becomes active in the drive to rehabilitate the victim. Much depends on a significant person in the patient's life—his minister, his physician, his supervisor and his sponsor in Alcoholics Anonymous.

If and when the employee agrees to the plan of treatment his supervisor is notified and instructed to give the person the same consideration offered any other worker who is suffering from a chronic illness.

As long as the individual follows the program (or a revised plan if it is found best to change from the original arrangement) he remains on the job. Every two weeks for three months his job behavior is reported to the medical department. After that the interval between reports is lengthened.

If he refuses to see the physician in the first place, or if he declines to follow the plan of treatment, established disciplinary procedures are invoked. If his drinking continues to interfere with his work he may be discharged.

It's highly important that such a company policy have the unmistakable support of the plant manager and other executives in top management; otherwise it will be worse than no policy at all. Experts also warn that if disciplinary procedures are not working effectively with all types of behavioral problems they won't work well in motivating alcoholic employees.

A steel company doctor who has been fighting alcoholism for more than 30 years says he has learned that it pays to investigate cases thoroughly.

He once went through the records of his company to locate two men who were the same age, had the same seniority, performed identical tasks and had comparable earning potentials; but one was an alcoholic and the other was not. The non-alcoholic received $180,000 in 20 years. He was comfortably situated with his own home and other possessions. The afflicted man's earnings were lower because of his frequent absences. He had received $120,000 but had nothing left. The company was forced to furnish bus fare in order to get him to a sanitarium.

Steel company doctors have many stories about problem drinkers. There was the worker, tipsy on the job, who baffled supervisors until he revealed a false bottom in his lunch box—a secret compartment for liquor. There was the woman suspected of alcoholism but finally found not to have the illness, her frequent absences being due to her husband's alcoholism. There was the salesman who habitually excused himself from the luncheon table "to make a phone call" but instead gulped one or two quick ones at an out-of-sight bar. There was the man never known to take anything stronger than milk; after his death it took a small truck to haul the empty whisky bottles from his apartment.

"One can easily be pessimistic about this problem," says a steel industry physician. "You can't tell in advance who will recover and who won't. There are easier fields for a physician to work in. But every single recovery is a signal achievement because of the happy consequences—the sufferer regaining his health, the family enjoying a remade parent, the company retaining a capable employee. Each increment of gain has great social importance.

An incident on a cold, bright morning last February showed that a steel company physician can be rewarded in this work. The first patient into his office was an energetic man with a big smile.

"I want to shake your hand, doc," he said. "It's the fifth anniversary of my new life and everyone says I am more fun to be with now. So bless you, doc."

The medical man beamed.

"Nice of you to say that," he replied. "We need successes in order to keep going. But remember, your disease isn't cured; it's only arrested. And, by the way, the man you should really thank is your supervisor. He's the one who insisted that you come here in the first place."

PRESIDENT JOHNSON AT HIS BEST

Mr. McGEE. Mr. President—

> It is difficult to recall any White House news conference more impressive than the one staged yesterday by President Johnson.

This is the editorial view of the Washington Evening Star. And I could not agree more. The President's performance was magnificent. And I believe the American people were as moved as I was by the President's deep sincerity and the wisdom of his words.

> Some people keep saying that the President has a serious communications problem with the general public, and especially with the so-called liberal community—

The Star declared.

> If so, he should be pretty well able to solve it by resorting more often to the kind of discourse he has just given.

I agree. And I look forward with great anticipation to President Johnson's forthright and courageous public statements on the issues of the day.

I ask unanimous consent to insert this editorial into the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PRESIDENT AT HIS BEST

It is difficult to recall any White House news conference more impressive than the one staged yesterday by President Johnson. The TV cameras covered him from better angles than usual, and a "necklace" microphone let him move about freely, away from the pulpit-like podium. He spoke without notes, in good, strong, simple English.

His defense of American policy in Vietnam was masterful and eloquent. His recollection of the faultfinding, backbiting and censorious attacks suffered by many of his predecessors was instructive. So was his own Lincolnesque comment on the White House: "The important thing for every man who occupies this place is to . . . try to find out what is right and then do it without regard to polls and criticisms."

Polls, Mr. Johnson made clear, do not make him feel faint of heart, for they merely reflect public moods that are as fickle as the wind. Ask Harry Truman. As for the critics, the President was relaxed, good-tempered, but devastating in what he had to say in distinguishing between the honest ones and those who claim to be peace demonstrators but whose outrageous conduct—like that displayed against Secretary Rusk the other night—amounts to something more like hoodlumism. It is "stormtrooper bullying and howling and taking the law into their own hands"—an "extremely dangerous" sort of thing that is "not very helpful to the men who are fighting the war for us."

All this came through to the TV viewer with striking forcefulness. It was a memorable performance. Some people keep saying that the President has a serious communication problem with the general public, and especially with the so-called liberal community. If so, he should be pretty well able to solve it by resorting more often to the kind of discourse he has just given.

ONCE AGAIN RUSSIA WINS A ROCKET RACE

Mr. BENNETT. Mr. President, in the last week or so two stories out of Moscow have disturbed me. One dated November 12 reports:

> The Kremlin's newest strategic rockets are carried on mobile launching pads so fast and maneuverable that Western missilemen cannot target them for counterattacks, Soviet Defense specialists said today.

The other dated November 17 reported:

> Soviet Intercontinental ballistic missiles now are so powerful for their size that they can be installed on mobile launchers which are nearly invisible to U.S. spy satellites, one of the nation's leading missile experts said today.

These two stories disturb me because, once again, I think the Russians have outdistanced us on a weapons system on which I think we had a headstart and on which I think bureaucratic decisions in the Defense Department and in the State Department forced us to cancel.

In the early 1960's the United States started research and development for a new missile called the mobile midrange ballistic missile. Upward of $200 million was spent on this program which would have provided us with a new and, I think, very effective offensive weapon which we could have placed on railroad cars, in trucks, or on mobile platforms which could move over fields and other rough terrain.

After considerable research, spending of funds, and other efforts the Defense Department and the State Department, mainly because of rather disinterested presentations to Congress, managed to have the program postponed or canceled altogether. Now we discover that the Soviet Union has perfected the missiles, is moving into production, and has given our Defense Establishment one more problem to worry about.

I do not intend to get into an "eye for an eye" position in urging reestablishment of the research program, merely because the Russians have one, but I do think that the Defense Department might give serious consideration to looking once again at the facts of the MMRBM and its advantages, especially in the light of new political and wartime developments in Southeast Asia.

I realize that we have the finest offensive weapon system ever devised in the Minuteman and Polaris missile systems, but the addition of one more system—sort of a Polaris on land, certainly would cause a sleepless night or two in the hierarchy of the Kremlin, to say the least.

Are we putting all of our eggs in one basket with the Minuteman and Polaris, Mr. President? I think we may be. The Minuteman, along with the Polaris have different targeting requirements and, actually, they are the only offensive missiles we have in our arsenal.

The MMRBM was designed specifically to provide the United States with a flexible mobile medium range missile of approximately 2,000 miles to fill the gap between the 400-mile Pershing and the 5,000-plus miles of Minuteman and Polaris.

Back in 1964 the Joint Chiefs of Staff informed me that in their opinion, the MMRBM would be one of the most desirable new military weapons in our arsenal because of its mobility and the added advantage of being able to be launched either on land or sea.

Today in light of developments in Southeast Asia, in light of the problem of so-called wars of national liberation which the Communists seem to be springing up at us about once every 5 or so years, I feel that it is time to reevaluate our defense arsenal with an eye toward starting research once again on an MMRBM program which can be placed on railroad cars or trucks.

The weapon could be used in both NATO and SEATO and, as I say, help provide us with a supplemental offensive system that is now lacking.

Long and careful study already has been made both as to the need for this weapon and its ability to perform the mission for which it was designed. It would provide us with a high probability of survival, especially in light of the other Soviet announcement about orbiting space stations, complete with nuclear bombing capabilities.

The MMRBM system would provide us the following advantages:

First. Mobility insuring survivability.

Second. Extreme accuracy gives a more extensive capability against hard targets than can be achieved with any other operational or planned weapon system.

Third. Air transportability guarantees

an operational capability anywhere in the world within a few days.

Fourth. Capability readily to move system from country to country insuring the flexibility necessary to cope with the changing tactical or international situation.

Fifth. Cost-effectiveness ratio superior to other weapon systems in that previously developed technology is utilized to the fullest extent and nearness to the target significantly increases accuracy.

Sixth. Development of the MMRBM will provide valuable know-how should the requirement for a mobile ICBM become more urgent.

Mr. President, we know that the Soviet Union is now moving ahead very rapidly on a mobile ICBM system. What do we have? We have rather vulnerable Minuteman missiles sitting in silos throughout the country. I realize that we have the Polaris ever-ready in submarines throughout the globe, but I feel that one more method of confusing any Soviet antiballistic missiles is every bit as important and as vital.

It is my hope that the Defense Department in the next budget which is currently under consideration in the executive branch gives some serious thought and some economic emphasis to the restart of a program of mobility, both on a medium as well as on a long-range missile basis. Mr. President, I ask unanimous consent that the two articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 12, 1967]

REDS TELL OF MOBILE ROCKET PAD

MOSCOW, November 11.—The Kremlin's newest strategic rockets are carried on mobile launching pads so fast and maneuverable that Western missilemen cannot target them for counterattacks, Soviet defense specialists said today.

The official Defense Ministry newspaper Red Star said the Red Army was the world's only military force with strategic rocket launchers mobile enough to make them "invulnerable."

The Soviet strategy was seen as an effort to utilize the vastness of Russia's Eurasian land mass for rocket concealment, much as America keeps Russia guessing about the location of its Polaris missiles during the extended cruises of its nuclear submarines.

Red Star said the eight-wheeled vehicle carrying one of the rockets shown for the first time in Tuesday's 50th Anniversary parade could outrun many passenger cars and speed across country in search of new launching sites better than many tanks.

"Such launching pads and such rockets can always change their firing positions and are always ready for immediate action," the paper said.

Once in place, one man can operate the automatic equipment to raise the rocket into position for firing at targets "thousands of kilometers away" with "unprecedented precision," the paper said.

Western military experts identified the rocket the newspaper described as a "big brother" to the Soviet intermediate ranged "Scud" missile.

Earlier Soviet press reports said the rocket used an undisclosed new fuel.

[From the Washington Post]

MOVABLE ICBM'S CLAIMED BY SOVIET

MOSCOW, November 17.—Soviet intercontinental ballistic missiles now are so powerful for their size that they can be installed on mobile launchers which are nearly invisible to U.S. spy satellites, one of the nation's leading missile experts said today.

"The starting weight of the strategic rockets has been considerably reduced in the past 10 years," said Gen. Vladimir Tolubko, deputy chief of the Soviet strategic rocket forces, told the Soviet news agency Tass.

Missiles housed in invulnerable underground silos can be launched in "tens of seconds," he said. "A crew of two or three men can launch several missiles simultaneously."

Other rockets are mounted on "mobile, small-size launching complexes with an intercontinental range of action," he said. "Such highly maneuverable rocket complexes are practically imperceptible for the enemy's space reconnaissance. It is impossible to strike an aimed blow at them."

(It had been known that the Soviet had maneuverable launchers for short and intermediate range missiles, but observers in Moscow could not remember any previous claim of such launchers existing for missiles with intercontinental range the AP reported.)

Tolubko's remarks also gave some weight to U.S. contentions that Russia has an orbital bomb missile. He said "There are no unreachable areas on the globe for Soviet intercontinental missiles."

Since Soviet ICBM's have an estimated sub-orbital maximum range of 7000 miles, a rocket reaching the farthest points of the earth would have to go into orbit.

The English-language Moscow News, however, had called reports that Russia was working on such a bomb a "fabrication."

AMERICAN LEGION RESOLUTION ON EAST-WEST TRADE—1967

Mr. THURMOND. Mr. President, previously I called attention to the resolution of the American Legion's 49th annual national convention with regard to the Panama Canal. At that time, I pointed out the extensive study and knowledge which form the basis for the American Legion resolutions.

Another example of this care and study may be found in Resolution 20 on East-West trade. By this resolution, the Legion shows that it continues to be stirred up by the fact that the Soviet Union and its satellites are providing war materials to North Vietnam and it calls attention to the fact that many of the vessels which the Soviet Union uses for this deadly trade are actually U.S. lend-lease ships which the Communists never returned after World War II. The Legion therefore urges the President and Congress to prohibit trade and to demand the return of these American vessels.

I am sure that very few people are aware of this strange situation, and I commend the American Legion for pointing it out at their annual national convention.

I ask unanimous consent that the American Legion Resolution 20 be printed in the RECORD.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION 20

Committee: Foreign Relations.

Subject: East-West Trade.

Whereas, The American Legion consistently has opposed U.S. trade with communist countries; and

Whereas, communist countries today, led by the Soviet Union and its satellites, are providing the war materials needed by North Vietnam against South Vietnam (and many of the vessels with which the Soviet Union transports goods to North Vietnam are actually United States' "lend-lease" ships which the communists failed to return after World War II); and

Whereas, items of trade furnished such communist countries can be used either directly or indirectly against American forces in Vietnam; and

Whereas, The American Legion insists that this nation must do everything in its power to support its fighting men; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Boston, Massachusetts, August 29, 30, 31, 1967, That The American Legion:

(1) believes that continued trade, or assistance of any form to a communist country which is helping to supply North Vietnam and the Viet Cong is an affront to the American men who are called upon to perform combat duty in the defense of South Vietnam;

(2) urges the President and the Congress of the United States to prohibit further trade between this country and any communist country which is providing North Vietnam with assistance in any form that can increase the war-making potential of its forces, with the consequent killing and wounding of greater numbers of Americans;

(3) calls upon our Government to renew the issue of the "lend-lease" vessels which the United States failed to repossess from the Soviet Union following World War II, and to demand their return at this time inasmuch as they are being used to supply our enemy, North Vietnam.

A 25TH ANNIVERSARY

Mr. BARTLETT. Mr. President, 25 years ago yesterday the Honorable Ian McKenzie, a Canadian Cabinet member representing the Canadian Government, and I, as acting Governor of the Territory of Alaska, representing the United States, cut a red, white, and blue ribbon stretched across the highway at Lake Kluana, the Yukon Territory.

The cutting of that ribbon officially opened a transportation route vital to the defense of this Nation.

The cutting of that ribbon symbolically marked a successful triumph of man over nature.

That ribbon was stretched across the Alcan Highway, 1,630 miles of gravel and dirt road running from Dawson Creek, Canada, to Fairbanks, Alaska.

The completion of the Alcan Highway, now known as the Alaska Highway, was more than a triumph over weather and terrain; it also was a triumph over time, for the men who built this great highway built it at the rate of 8 miles a day.

Haste was the order of the project.

The preceding winter, Japan had attacked Pearl Harbor. In the spring of 1942, rumor after rumor warned of Japanese invasion plans, and if an invasion were to come, it could well come through the continent's northland. Defense must have supplies, and the only reliable way to supply our forces in Alaska was over land. It was decided to build the Alaska Highway.

I am certain that no man who worked on that project will ever forget the challenges offered and conquered.

In the summer, the workers fought swarm after swarm of mosquitoes. In the winter, the men worked in bitter cold temperatures which dropped as low as 60° or 70° below.

The men also had to play a guessing game—would or would not the permafrost thaw? If it did not, the roadbed remained firm. If it did, the road often sank out of sight in huge muskeg bogs.

But man persevered, and the highway was built, with gravel, logs, dirt, rock, and the sweat of 10,000 military men and 6,000 civilians.

There were many heroes of the battle of the Alaska Highway, including Cpl. Otto Gronke, of Chicago, and Pfc. Bob Row, of Minnesota, who held the ribbon across the highway 25 years ago. They were selected because of their outstanding work on the project.

I wish that I had a list of the men who worked on the highway and that I could print such a list in the Congressional Record. But perhaps these men need no such recognition, for their memorial is the highway itself, still serving the national interest after 25 years.

Yesterday, the Canadian Broadcasting Corporation broadcast a special program entitled "Forgotten Highway" to mark the 25th anniversary of the opening of the Alaska Highway. Perhaps it is true that, as CBC stated, "few remember the real purpose for which it was built."

But even if our memories of the race against time in 1942 are dim, the men who built the Alaska Highway can take satisfaction that their road not only is still important to the national defense, but also is a vital link carrying commerce and tourists between Alaska and the other States.

Mr. President, 25 years ago, the highway was built to meet emergency defense needs. Today, it is no less important, recalling to mind an address by Robert Louis Stevenson at the opening of the Road of Gratitude on Samoa:

> Chiefs! Our road is not built to last a thousand years, yet in a sense it is. When a road is once built, it is a strange thing how it collects traffic, how every year as it goes on, more and more people are found to walk thereon, and others are raised up to repair and perpetuate it, and keep it alive.

The Alaska Highway is still alive and, if the Governments of Canada and the United States recognize the wisdom of Mr. Stevenson's words, the highway will have a bright, paved future ahead of it. I wish it were possible to announce on the silver anniversary of the opening of the highway that plans had at long last been initiated to pave this great road. Such is not the case, but I am confident the road will be paved, thereby speeding travel across a land where 25 years ago men fought weather, terrain, and time to build a great highway, to conquer a great challenge.

THE UNITED STATES AND PANAMA—ENDLESS APPEASEMENT?

Mr. THURMOND. Mr. President, one of the present problems in dealing with the situation in Panama is the fact that so little scholarly information is readily available on this topic. Although the journals concerned with international affairs have poured out reams of material on every conceivable subject, the amount on the Panama Canal problem is relatively small.

One has only to glance at the bibliography on the Panama Canal question which I had printed in the Congressional Record on July 10, 1967, to see that while there is a considerable body of Panama materials, very little of it comes from the more philosophical journals of opinion and policy.

It has come to my attention, however, that one significant article was inadvertently overlooked, an article by that astute student of political science, Prof. J. Fred Rippy. In 1964, after the riots in Panama, Professor Rippy published a very fine analysis of the situation in Panama in the quarterly journal Modern Age. In order to make amends for leaving this reference out of the bibliography and to call it to the attention of Senators, I ask unanimous consent that the article entitled "The United States and Panama: Endless Appeasement?" published in the summer 1964 issue of Modern Age, be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

The United States and Panama: Endless Appeasement?

(By J. Fred Rippy)

A few years ago, in a volume dealing with foreign aid by the government of the United States (*Globe and Hemisphere*, Chicago: Regnery, 1958), I wrote: "To international benevolence, once begun with gallant fanfare, there appears to be no end—or call it 'mutual aid' and the result will be the same if the mutuality is vastly modified by immense disparities in wealth, actual or assumed." The little republic of Panama is an impressive illustration of the soundness of this statement.

Somewhat smaller in area than the state of South Carolina, Panama has a population (though thrice as numerous as it was sixty years earlier) of scarcely more than 1,100,000. It is composed mainly of mixed elements, Negroes and mulattoes forming the vast majority. Indians and mestizos have almost disappeared since early colonial times. Pure whites probably account for no more than 6 per cent of the total; but, together with a few mulattoes, they own most of the wealth of the country and control its news media and its government. In fact, until a few years ago, the economy, the government, and almost everything else in Panama were controlled by thirty or forty families. As in many countries in Africa, the Orient, and Latin America, the wealthy and moderately affluent are rather scarce, while the great majority live in poverty. But with increasing literacy, the development of modern means of global communication, and the rise of Communism, the inhabitants of Panama, like the masses in many other retarded countries, have become discontented and restless, the ready victims of manipulation by demagogs and radical intellectuals, supported by bureaucrats and a few well-to-do politicians who denounce foreigners and foreign nations and blame them for the misfortunes of Panama's poor, thus tragically over-simplifying a very complex problem.

Stated very bluntly, the United States has become the scapegoat in Panama, utilized by the wealthy oligarchy in unnatural alliance with extremists of all types, to divert attention from political and economic inefficiency, greed, corruption, and injustice. And it has been rather easy to assign that role to the United States not only because it is actually one of the most affluent nations in the world but because of the contrast in levels of living in the Canal Zone and in other parts of Panama and adjacent countries. In fact, this contrast serves as a bonanza for the manipulators of popular sentiment during periodic national elections.

Nobody has computed or ever can compute the precise value of the benefits derived by the Republic of Panama from the United States as the result of Theodore Roosevelt's eager acquisition of the Canal Zone that bisects Panama's national domain and the concession to construct the Panama Canal. Benefits that might be measured in dollars cannot be accurately determined because some of them depend upon statistics that no longer exist or may never have been fully recorded or collected, while others—such as national independence (achieved late in 1903 with Roosevelt's aid) and large-scale improvements in sanitation and health—defy measurement in monetary terms. Whatever the value of these benefits—tangible and intangible, material and psychological—they have not satisfied the politicians and some of the intellectuals of Panama and such of its citizens as have been swayed by the harangues of office-seekers and the propaganda of Communists and other extremists. And yet one significant fact stands out amid all the noisy confusion and violence; none of these agitators and propagandists has ever proposed that Panama resume its former status as a part of Colombia—perpetuity for national independence but not for the control of the Canal and the Canal Zone by the nation that aided and abetted and guaranteed that independence!

It will be recalled that the origial price paid by the United States to Panama for the Canal Zone and Panama's permission to construct the Canal was $10 million, plus a perpetual annuity of $250,000 scheduled to begin in 1913. Shortly before construction was completed, the United States began to consider favorably a generous compensation to Colombia for its loss of the Canal Zone *and* Panama and for the recognition of Panama's independence; but it was not until 1921, soon after the Canal attained efficiency in interoceanic traffic, that the Washington government finally decided to compensate Colombia for the acceptance of accomplished facts. The compensation was $25 million, paid in five installments beginning in 1922. This gallant gesture initiated an expensive appeasement policy.

Promptly taking note of a tendency toward generosity on the part of the United States and no longer fearing attack from Colombia, Panama's politicians began to press for increased benefits in behalf of their new nation. Resisting this pressure for more than twenty years, pressure that grew stronger during the 1920's and 1930's, the Washington government succumbed to it during the F. D. Roosevelt "Good-Neighbor Era" as another world war threatened. By virtue of a treaty signed in 1936 and finally approved in 1939, the United States released Panama from its status of protectorate, and renounced, among other things, the right to intervene to maintain public order, the right to "eminent domain" in the zone, the right to expropriate additional lands for the use and defense of the Canal, and the right to defend the Canal without a pledge to consult Panama.

Depending upon future contingencies, these concessions might or might not require increased payments to Panama by the United States. But other provisions of the treaty certainly did, and they likewise involved limitations of potential profits for United States citizens in connection with the Canal. Panama's annuities were raised to $430,000. Persons not connected with the operation and defense of the Canal were prohibited from leasing dwellings belonging to the United States and from residing in the Canal Zone. Sale of goods within the zone was restricted to employees of the Zone agencies of the United States and their families. And Panama was furnished "free of charge" sites for the establishment of custom houses within the Zone.

The approach of World War II and participation of the United States in global military operations were largely responsible for several years of special benevolence by the United States in dealing with its neighbors in the Western Hemisphere, Panama included. The establishment of a division of cultural relations in the State Department was followed by the appointment of a Coordinator of Inter-American Affairs and the organization of a number of war agencies for the purchase and development in Latin America of certain materials and for the administration of technical and other types of assistance. Defense of the Canal required the lease of airfields in Panama outside of the Canal Zone, facilities that cost the United States more than a million dollars before they were hastily abandoned in 1948 at the angry insistence of Panamanian politicians who failed to take account of the fact that the airfields were required for the security of Panama and the rest of Latin America as well as the United States. Involvement of the United States in this global war also accounted largely for the Washington government's agreement to help finance the long stretch of an Inter-American Highway extending from the Mexican-Guatemalan boundary to Panama City (and, eventually, beyond this point to the boundary between Panama and Colombia). As a result of this highway agreement, Panama received within a few years outright gifts of more than $41 million (including the cost of a high bridge across the Canal) and loans amounting to nearly $13 million.

But these bounties were not enough to satisfy Panama's politicians and their cohorts. Each favor led to demands for another; and with the onset of the Cold War, the Communist conquest of China, the war in Korea, and the rise of Fidel Castro in Cuba, the pressure waxed more vigorous and unrestrained. Soon after the United States allowed itself to be unceremoniously hustled out of its airbases in Panama, prominent Panamanian politicians and extremists set up a loud clamor for more profits from the Canal and Canal Zone, and the response to the insistent noise and pressure was another treaty, a "Treaty of Mutual Understanding and Cooperation," signed and ratified in the summer of 1955.

By the terms of this pact, "Good Partner" Eisenhower committed his government to appeasement as expensive as that of "Good Neighbor" Roosevelt. Panama's perpetual annuity was increased from $430,000 to $1,930,000—and the increase was at the expense of the taxpayers of the United States and not at the expense of the Panama Canal Company or the government of the Canal Zone, for the Panama Canal is essentially a nonprofit enterprise which still owes nearly $400 million to the United States Treasury, an enterprise operating largely for the accommodation of world commerce, including that of Latin America.

Nor was this all. The treaty specified a long list of concessions to Panama: classification of citizens of Panama employed by the agencies of the Canal and the Canal Zone so as to raise their wages and salaries; inclusion of such citizens in the civil-service and retirement system of the United States; subjection of such employees and all others not citizens of the United States to a Panamanian income tax (soon afterwards withheld by the Zone authorities without charging the cost of this service to the government of Panama); access of said employees to such training programs as the Zone agencies conduct; transfer free of cost to Panama of lands and improvements thereon no longer needed in the operation and management of the Canal and the Zone; a pledge to request the Congress of the United States to vote funds for the construction of a bridge across the Canal in the vicinity of Balboa (adjacent to Panama City)—namely the bridge already mentioned above, completed and dedicated in 1962 in the midst of a protesting mob which objected to the naming of the bridge in honor of a distinguished citizen of the United States who had been conspicuous in the Canal's construction; restriction of the purchase of supplies by the Canal and Zone agencies to the "United States and Panama, as far as "feasible"; further restriction of sales of goods by the Zone's commissaries and post exchanges (to the disadvantage of these establishments and citizen-employees of the United States who patronized them); renunciation by the United States of the right to prescribe and enforce sanitary measures in the cities of Panama and Colon—a renunciation likely to result in filthy streets and the spread of disease.

Such were the main items of appeasement accorded by the provisions of the treaty of 1955. The agreement was misnamed. It was not "mutual"; and events would soon reveal that it did not promote "understanding," if that diplomatically much abused word signifies a disposition on the side of Panamanians to seek harmony in relations with its big neighbor.

Less than a year later, Gamal Nasser, Egypt's dictator, seized the Suez Canal with impunity and by that act erected a goal for the elite of Panama and those associated with them. Early in 1959 Fidel Castro captured the government of Cuba and promptly sent his agents into Panama to join Soviet, Chinese, and other Communists and extremists in denunciation of the "capitalist imperialism" of the United States.

The effectiveness of their campaign of abuse was enhanced by delay in implementing the pact of 1955, which required favorable action by both chambers of the United States Congress. These lawmakers, diverted by seemingly more urgent problems, harassed by growing federal deficits, and reluctant to engage in such wholesale appeasement of Panama's politicians and their radical collaborators, failed to authorize implementation of the treaty until July of 1958. This postponement, and further delays caused by complexities in civil-service regulations and other complications, played into the hands of the demagogs and radicals, who managed repeatedly to incite mob violence in the Canal Zone and Panama City in November, 1959, violence which inflicted serious injury upon persons and property both within and without the Canal Zone.

The immediate occasion, actual or pretended, for these outrages were unsuccessful attempts on November 3 and 26, 1959, to hoist the Panamanian flag within the Canal Zone as evidence that Panama had not surrendered sovereignty over either this ten-mile strip across the Isthmus or over the Canal itself. The primary purpose was to publicize and buttress claims for larger and larger annuities—ranging upward from five million dollars to half the gross receipts of the Canal operations—and ultimate "nationalization" of the Zone and the Canal in imitation of Gamal Nasser.

This violence was quickly rewarded by further appeasement. The Eisenhower Administration promptly hinted, in both Panama and the United States, that the Panamanian flag might be flown in the Canal Zone as "visible evidence of titular sovereignty," and gradually the flag began to appear at several points. Moreover, a press release from the White House on April 19, 1960, informed the public that President Eisenhower had approved a nine-point program designed to "improve relations between the United States and Panama with reference to operations in the Canal Zone."

Although this program included a commitment to construct a new water main and reduce the rates—already very low—for water sold to the government of Panama for distribution (at high profits) in the cities of Panama and Colon, its main objective appears to have been to enable Panama's politicians, in immediately forthcoming national elections, to win the votes of Panamanian workers and teachers, especially those employed in the Canal Zone, who were promised increases in wages, various fringe benefits, and improved housing at the Canal Company's expense, not only in the Zone but in Panama City as well! The party in power won the ensuing elections. Roberto Chiari, a "dairy magnate," became President of the Republic of Panama in the spring of 1960, replacing another wealthy politician named Ernesto de la Guardia.

The calm that followed lasted barely more than a year. Then the habitual pressure was resumed; and in the hope of making it more effective, President Chiari visited Washington, D.C., in June of 1962 for conferences with President John F. Kennedy and members of the State Department. In the course of their conversations the two chief executives discussed several issues, among them those mentioned below: increase in annuities; the flying of Panama's flag at more points within the Canal Zone (and possibly on ships passing through the Canal); use of Panama's stamps and the setting up of mixed courts within the Zone; cession of more lands to Panama; a new treaty revoking the perpetual sovereignty of the United States over the Zone and the Canal. The substance of these discussions was kept secret for some eighteen months; and then, after President Kennedy's death, the Panamanian diplomat serving in Washington at the time the conversations took place claimed that the late president promised to negotiate a drastically revised treaty.

Did John F. Kennedy allow himself to be wheedled into making such a promise? On February 10, 1964, the State Department of the United States declared that he did not, and contended that such a promise, even if suggested in the course of these informal discussions, would not have any binding force. In the meantime, during the second week of the previous January, a tremendous explosion had taken place in Panama. Marching and shouting mobs at both ends of the Canal Zone, in the urban centers of Panama-Balboa and Colón-Cristóbal, and possibly terrorists in other parts of this small country, murdered several citizens of both the United States and Panama, and inflicted many more personal injuries, destroyed or damaged numerous properties both within and without the Canal Zone, and provoked the severance of diplomatic relations with the United States, whose high officials and defense forces had done no more than try to protect the lives and properties of citizens of their country and employees within the Zone by curbing the outrages of the rioters and firing a few well-aimed bullets at murderous "sniper" riflemen. And as if the breaking of diplomatic relations was not sufficient protest, Panamanian bureaucrats and politicians attempted to condemn the United States, both before the United Nations and the Organization of the American States, for miserly misbehavior and brutal aggression.

The year 1964, an election year in both the United States and Panama, might turn out to be a difficult year for the settlement of this particular controversy and the fate of the Canal and the Canal Zone. Would the United States continue its appeasement policy? In view of the fact that the problem was placed in the hands of a committee representing the OAS, and in view of the previous record of the United States government, continuation may well be expected.

"To international benevolence, once begun with gallant fanfare, there appears to be no end. . . ." It is unlikely that anybody will ever succeed in calculating precisely the full cost to the United States of this benevolent relationship with Panama. Without including numerous minor items, or any part of the $40 million paid to the bankrupt French company that had failed in its efforts to construct the Panama Canal, or any part of the reconciliation payment of $25 million to Colombia, which served the interests of Panama as well as those of the United States, the total cost borne by the United States government and its taxpayers in connection with this Panamanian relationship during the sixty years following 1903 has been no less than $200 million—probably several millions more.

Direct aid extended by the United States government to Panama during fiscal years running from July 1, 1945, through June 30, 1963, for example, amounted to approximately $160 million, with grants far exceeding cheap loans (most of which are still unpaid). Indirect assistance channeled through various international organizations, hemispheric and global, totaled during the same period of time at least $20 million, divided almost equally between gifts and loans. And carefully note that this aggregate of $180 million does not include the wages and salaries paid to Panama's workers within the Zone—always much higher, particularly so in recent years, than wages and salaries prevailing in Panama; nor does it include the fringe benefits conferred upon these alien employees under the civil service and retirement system of the United States, nor the profits and revenues derived by Panamanians and the government of Panama from the Canal and the Canal Zone, usually at extra cost to both United States agencies and its citizen-employees in this important enterprise. Wages and fringe benefits paid to Panamanians employed in the zone and in operations of the Canal during calendar years 1960, 1961, and 1962 averaged around $33 million annually; net profits of citizens of Panama from trade with the agencies of the Zone probably averaged no less than $6 million annually during the same three years.

If poverty is still prevalent in Panama, the United States certainly is not responsible for this misfortune. What the United States can justly, if not proudly, claim responsibility for is the very existence of Panama as an independent nation; and the United States can also claim a large measure of credit for such prosperity as this new nation has attained since independence. The United States government and its agencies operating in the Zone have probably been tactless at times: in adopting a system of segregation of workers at pay windows; in providing too elaborate fringe benefits for its citizen-employees and awarding them large hardship allowances besides; in failing to caution them against clubbing together to the exclusion of Panamanians and against flaunting their affluence inside and outside the Zone. But these are for the most part either minor or unintended offenses that—with the exception of rather extravagant fringe benefits and hardship differentials—have been discontinued or decidedly modified.

Let the people and politicians and bureaucrats of Panama earnestly seek to discover the real causes of their country's misfortunes and strive to adopt appropriate remedies instead of denouncing and abusing their generous neighbor. "Nationalization" of the Canal and the Canal Zone by Panama would not contribute to the welfare of its people in any circumstances likely to prevail in the near future. On the contrary, it would mean a serious loss to Panama as well as to the United States and most of the world.

THE WAR ON POVERTY

Mr. MONDALE. Mr. President, on November 14, the Minneapolis Tribune reprinted on its editorial page an open letter to Members of the U.S. Congress, from the Red Lake Indian Tribal Council. The letter is of great importance to Congress, for it is a most profound plea for the continued support of the war on poverty.

In the last 3 years, the Red Lake Reservation has made great strides in overcoming poverty and making life more meaningful for its over 3,000 residents. Some 25 new homes have already been constructed and another 40 are under construction. It is particularly important to note that the Red Lake Reservation was the first place in the country that a revolutionary type of program was initiated to provide decent housing. Known as the homebuilding training program, it combined the efforts of the Department of Labor, the Office of Economic Opportunity, and the Department of Housing and Urban Development. This program, however, can rightly be said to have started with the will and determination of the people of Red Lake. Spurred on by the programs that have been developed by Congress, the Red Lake Reservation has looked at its problems—the same ones faced by our large cities—unemployment, poor housing, health needs, education—and it has looked for new ways to solve these problems.

By the homebuilding training program, the Indians themselves participate in the actual construction of the homes, and at the same time receive instruction in homebuilding skills. After they finish the program, which takes approximately 9 months, the homes are completed, and at the same time, the Indians have acquired the skills necessary to find permanent employment. Thus we have made some dent in alleviating some of the problems, but I must stress that it has only been a small dent and much still remains to be done.

This is a glowing endorsement of the poverty program and the encouragement it can give to people. It also shows how encouragement can bring about self-help. Mr. President, I ask unanimous consent that the editorial, entitled "People Are Coming to Walk Taller," be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

People Are Coming to Walk Taller

"To Members of the U.S. Congress:

"When the United States Congress saw fit to enact antipoverty legislation, Red Lake Reservation recognized its first great opportunity to eliminate poverty. We designed a plan to provide permanent employment opportunities, training people to fill these jobs, and provide the community with the attitudes and outlook necessary to make these projects succeed.

"Thanks to the willingness of Congress to pass laws in the areas of economic opportunity, housing, education, economic development, and manpower training, we are on our way to achieve the goal of eliminating poverty. We are just in the second year of our program, and are already active in the fields of economic development, communications, education, manpower development, adult education, housing, and community organization. We have built 25 homes and have 40 more under construction, and in the process are training local people who are unemployed to do useful work for which there is a labor market. Adults are coming forward to take night classes and obtain high school diplomas.

"People of all ages are coming to walk taller, to take pride, and to give vent to their ambitions for a better life now that you have made it possible to reach out and achieve. If you make it possible for us to continue our efforts, we are confident of success; if you see fit to end these programs or curtail them, we will be worse off than we were before, and the investment of the past two years will have been wasted. There would be a loss in the government investment, and a loss in human hopes raised only to be dashed again . . .

"Continuation of antipoverty legislation is imperative if we are to come anywhere close to the original intent of the legislation.

"Resolved, the Red Lake Tribal Council hereby expresses its gratitude and appreciation of the opportunities you have furnished us under the antipoverty legislation.

"Resolved further, the legislators are hereby respectfully requested to continue appropriating funds to assure perpetual opportunities which you have already provided under the antipoverty legislation.

"The Red Lake Indian Tribal Council."

We agree.

AWARD TO SENATOR LISTER HILL

Mr. JAVITS. Mr. President, recently, the American Association for Cancer Research honored the senior Senator from Alabama [Mr. Hill] as the recipient of a certificate of award from this organization. Senator Hill, who has served on the Committee on Labor and Public Welfare for over 20 years, was first appointed to the committee in January of 1947, and has been its able chairman since 1955. The record of the Labor and Public Welfare Committee during these two decades is ample evidence of his accomplishments.

During my tenure as a member of Senator Hill's committee, I have worked closely with this distinguished Senator and have always had the deepest respect and admiration for his sense of fairness, good judgment, and dedication.

The award praises Senator Hill and his efforts on behalf of American medicine and, especially, the American people. I quote from the citation:

> His leadership in the Senate has helped to create a revolution in the support of medical research and has accelerated the pace of progress in cancer research. Legislation he has fostered has brought the modern hospital and the benefits of medical research increasingly within the reach of the aged, the indigent, and those in rural communities. His contributions to health extend beyond the confines of the United States, ramifying into every corner of the world . . . The American Association for Cancer Research is proud to honor this scholarly historian and statesman of medicine and of medical science by bestowing, with deep respect, this Certificate of Award.

I ask unanimous consent that the full citation be printed in the Record and extend my congratulations to Senator Hill on this honor.

There being no objection, the citation was ordered to be printed in the Record, as follows:

Citation to Senator Lister Hill

Named by his distinguished doctor-father for one of the world's greatest surgeons, Senator Lister Hill has brought new lustre beyond measure to that honored name. His leadership in the Senate has helped to create a revolution in the support of medical research and has accelerated the pace of progress in cancer research. Legislation he has fostered has brought the modern hospital and the benefits of medical research increasingly within the reach of the aged, the indigent, and those in rural communities. His contributions to health extend beyond the confines of the United States, ramifying into every corner of the world.

The Hill-Burton Hospital Construction Act made possible the addition of hundreds of thousands of hospital beds and the creation of rehabilitation centers, nursing homes, and diagnostic clinics. The Health Research Facilities Construction Act of 1956, which Senator Hill conceived and shepherded through Congress, has changed the face of the universities, hospitals, and research institutes in the country, bringing to scientists and doctors the opportunity to do research in modern facilities. His National Defense Education Act of 1958 was a landmark in legislative history because it signified the deep commitment of national government to increased support of higher education. It was his leadership that created the Joint Committee on Mental Illness and Health which revolutionized the care of the mentally ill in this country. In 1959, he appointed the Senate Committee of Consultants on Medical Research—the Boisfeuillet Joint Committee—whose recommendations, accepted as a whole by Congress, placed appropriations to the National Institutes of Health for medical research in a new orbit. The American Association for Cancer Research is proud to honor this scholarly historian and statesman of medicine and of medical science by bestowing, with deep respect, this Certificate of Award.

FREEDOM OF ASSOCIATION CONVENTION MOST IGNORED BY SENATE OF ALL HUMAN RIGHTS CONVENTIONS

Mr. PROXMIRE. Mr. President, the Human Rights Convention on Freedom of Association was adopted by the International Labor Conference of the ILO in 1948, as a direct result of American initiative and in response to the suggestion of the United Nations.

President Truman submitted this straightforward document—to guarantee internationally the right to organize—in 1949. Eighteen years later, the Freedom of Association Convention is the only Human Rights Convention submitted to the Senate which has been the subject of no committee hearings at all. Even the Genocide Convention was accorded hearings 17 years ago, in 1950, but not the Freedom of Association Convention.

Mr. President, I think it would be both informative and instructional to include the most recent list of the 74 nations in the world, other than the United States, which are parties to the Freedom of Association Convention. Perhaps this information will serve to prod the Senate into action at long last.

I ask unanimous consent that the list be printed in the Record.

There being no objection, the list of names was ordered to be printed in the Record, as follows:

List of 74 Nations Which Are Parties to the Convention on Freedom of Association

Albania, Algeria, Argentina, Austria, Barbados, Belgium, Bolivia, Botswana, Bulgaria, Burma, Byleorussia, Cameroon, Central African Republic, Chad, Congo (Brazzaville), Congo Democratic Republic, Costa Rica, Cuba, Cyprus, Czechoslovakia, Dahomey, Denmark, Dominican Republic, Ethiopia, Federal Republic of Germany, Finland, France.

Gabon, Ghana, Greece, Guatemala, Guinea, Honduras, Hungary, Iceland, Ireland, Israel, Italy, Ivory Coast, Jamaica, Japan, Kuwait, Lesotho, Liberia, Luxembourg, Madagascar, Mali, Malta, Mauritania, Mexico, Netherlands, Niger, Nigeria, Norway.

Pakistan, Panama, Paraguay, Peru, Philippines, Poland, Romania, Senegal, Sierra Leone, Sweden, Syria, Togo, Trinidad and Tobago, Tunisia, Ukraine, U.S.S.R., United Arab Republic, United Kingdom, Upper Volta, Uruguay, Yugoslavia.

COASTAL EROSION: A NATIONAL PROBLEM

Mr. TYDINGS. Mr. President, on November 28, at 9 a.m., in room 6200 of the New Senate Office Building, the Senate Public Works Committee will complete its hearings on S. 1262, the bill 26 other Senators and I have cosponsored to authorize a 3-year study of the problem of coastal erosion in this country. The study will examine the areas along our shoreline where significant erosion occurs, recommend appropriate means to remedy it, and provide State and local governments with information and recommendations to assist with the creation and implementation of State and local shoreline erosion programs.

The relentless erosion of our Nation's more than 100,000 miles of ocean, lake, and bay shorelines costs this country untold millions of dollars every year in lost real estate, resources, and tax base. Yet so little is known about the location, the causes, and the remedies for coastal erosion that we cannot even estimate its total cost to our Nation, although we do know that it costs certain areas of our country at least $50 million a year.

Mr. President, I am proud to be able to say that my own State of Maryland leads the Nation in State efforts to survey, analyze, and stem the coastal erosion problem. For that reason, the first set of hearings on S. 1262 was held in Annapolis, Md., at the Maryland State capital, in order to learn how Maryland has faced up to the coastal erosion problem. The second, and concluding, hearings on November 28 will hear from Federal officials and national conservation organizations on the nationwide implications of the coastal erosion problems. In order to provide further background for those hearings, I ask unanimous consent that the introductory remarks I made at the Annapolis hearings be printed in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Remarks of Senator Joseph D. Tydings on S. 1262, Coastal Erosion Hearings Held in Annapolis, Md., September 25, 1967

The Subcommittee on Rivers and Harbors today considers Senate Bill numper 1262, a bill directing the U.S. Army Corps of Engineers to conduct a coastal erosion survey of the nation's shoreline. The subcommittee is one of five subcommittees of the Senate Committee on Public Works, of which I am a member. This parent committee, consisting of sixteen Senators, is the principal body in the Senate which considers matters relating to public buildings, highway construction, flood control, rivers and harbors, air and water pollution, hydroelectric power, and regional economic development. Coastal erosion also falls under the jurisdiction of this committee, and has been assigned to the Subcommittee on Rivers and Harbors.

Senate procedure permits committees and subcommittees to hold public hearings outside of Washington. Such hearings enable the members of the committees to more accurately determine the facts of an issue than if they had remained solely in the nation's capital. The hearings also give state and local officials the opportunity to express their expert opinions on the issues of the day. These are the reasons why this subcommittee is meeting in Annapolis today. The committee is grateful for the opportunity to use the facilities of the State Office Building and wants to thank Joseph Manning and the other Maryland State officials for their efforts and courtesy in helping to arrange these hearings.

We have come to Annapolis this morning to discuss the problems of coastal erosion. To those of us in Maryland coastal erosion is no stranger. Each year over 900 acres of Maryland soil is lost through such erosion. Probably the best known example of coastal erosion in the state is Sharps Island. In 1848 this island was 438 acres, today it has been reduced to a mere sandbar. Other examples, perhaps, are not as dramatic as this one, but the overall, accumulative affect of coastal erosion is most severe. One might suppose that since the wave action in the Chesapeake Bay is less violent than that of the ocean, erosion in the Bay might be only a minor problem.

This, however, is not the case. The banks and bluffs of the Bay shorelines are composed largely of silts and clays so that their erosion does not produce sandy beaches sufficiently wide to dissipate the wave action. The waves come in, break upon the silt and clay, and eat away the shore. Erosion, thus, is a serious problem in the Bay—as it is, of course, on Maryland's ocean front. I'm sure we're all familiar with the erosion problems which Ocean City faces. Suffice it to say then, that along the entire shoreline of our state, coastal erosion constitutes a major problem.

Maryland is fortunate, however, in possessing a fine coastal erosion control program. The Corps of Engineers tells me that only four or five states have any control programs worth mentioning and that our state's is one of the best. I think all Marylanders should be proud of this achievement. Maryland law permits the formation of shore erosion control districts, the matching of local funds for shore erosion studies, and the funding of 25% of construction costs of a project endorsed by the Department of Chesapeake Bay Affairs. These are measures which would certainly be included in any model erosion control program and they constitute, I believe, a strong and sensible way to combat the erosion of our shores.

Shore erosion, of course, is not limited to Maryland nor to just the Atlantic coast. It is a national problem and affects every section of the country. The Pacific Ocean, the Gulf of Mexico, the Great Lakes, and the major rivers of our land all bring the problem of coastal erosion to our entire shoreline. Tillamook Bay, Oregon, has been the site of considerable coastal erosion damage. Over 1000 acres of valuable oyster beds have been destroyed and parts of the Bay have been overrun by the sea, resulting in destruction of houses and roads. In Ohio the Lake Erie shorefront has been the scene of severe damage. Over a twenty year period, coastal erosion inflicted damage in excess of $18.5 million, destroying beaches, summer cottages, parks and playgrounds. No section of our shoreline, thus, is safe from coastal erosion.

The overall national loss due to this erosion is difficult to estimate precisely. Recent federal studies show that on the coast extending from Texas to New England, yearly losses brought about by the normal, day-to-day processes of coastal erosion run to about $31 million. And even this is a conservative estimate for it does not include damage to the Florida coast. Damage from storms and hurricanes, which must be considered apart from normal day-to-day erosion problems, is estimated to be approximately $83 million per year for the same area of shoreline. Yet much of this damage, however, could be prevented by the installation of the proper erosion protective structures. From figures such as these, it is possible to say—and be on the safe side—that the day-to-day erosion of the nation's shoreline is presently costing the people of the United States well over $50 million a year and that this figure is tripled when considering storm damages as well as the normal erosion costs. It is therefore clear that erosion is a frightfully expensive proposition.

Yet with yearly damage well over $50 million and with every section of the nation's shoreline affected, I am shocked to find that no overall, coordinated effort to combat coastal erosion exists. Projects to protect our shoreline are selected on a piecemeal basis. No national, comprehensive plan exists to combat coastal erosion. As a matter of fact, no one, inside or outside of government, even knows how much land the United States is losing nor where this loss is taking place. Before we mount any new national effort against shore erosion, we need to have more information about the extent of this erosion. The Corps of Engineers reports that there are approximately 33,000 miles of unstudied shoreline in the U.S. where significant erosion is taking place. This is about one-third of the entire coast of the country. Land is being lost, marine life destroyed, and buildings damaged by coastal erosion on these 33,000 miles of shoreline and we don't know anything about it.

Surely what is needed is a study of this shoreline which together with studies already carried out by the Corps of Engineers would give us for the first time a truly national picture of the coastal erosion now taking place in the U.S. We would then know where the erosion is occurring and how much damage is being done. And more importantly, we would possess the vital information which must serve as the basis for any meaningful effort to do something about the problem. There is no sense in charging ahead and spending millions of the taxpayers' dollars on expensive erosion control projects if we don't have the overall erosion picture in view and don't possess a national list of erosion control priority projects.

This is why I have introduced into the Senate S. 1262, a bill especially designed to provide us with this necessary information. Specifically the bill authorizes and directs the Corps of Engineers to undertake a national coastal erosion study. This study would pinpoint areas of the shoreline where significant erosion is taking place, describe generally the type of remedial action necessary, provide preliminary cost estimates for such action, recommended a priority list of erosion control projects, and provide information to state and local governments to assist them with their shoreline erosion problems.

My proposal has received the support of Senators Clark and Scott of Pennsylvania, Senators Hatfield and Morse of Oregon, Senator Hart of Michigan, Senator Ribicoff of Connecticut, Senator Pell of Rhode Island, as well as eighteen other Senators. In addition, Governor Evans of Washington, Governor Johnson of Mississippi, Governor Maddox of Georgia, Governor Curtis of Maine, and Governor Terry of Delaware have all written me indicating their endorsement of S. 1262. Finally, the bill has received the backing of the Corps of Engineers, the National Wildlife Federation and the American Shore and Beach Preservation Association.

I believe that the present piecemeal approach to the national problem of coastal erosion is outmoded and inefficient. What is needed in its place is a new approach, based on a full understanding of the scope, magnitude, and urgency of the problem. My bill is designed to give us this.

I am looking forward to the comments which you gentlemen from our State of Maryland will be able to give. Your experience and expertise in this field, as witnessed by the model control problem you have established, can be of good benefit to the country at large.

MILITARY SUPPLIES FOR THAILAND

Mr. FULBRIGHT. Mr. President, this morning's Washington Post reports that the State Department announced yesterday that the United States will give Hawk surface-to-air missiles to Thailand in return for that Government's increase in its Vietnam troop strength. In making this announcement, the State Department spokesman said that the provision of Hawk missiles was "one of the things agreed to in connection with Thai troop deployment to Vietnam." I emphasize his comment that the provision of missiles was one of the things agreed to.

Mr. President, I do not know what the other things agreed to were because the Department of State has not seen fit to inform the Committee on Foreign Relations about these new undertakings entered into with the Government of Thailand in connection with the dispatch of additional Thai troops to South Vietnam. I have written the Secretary of State and asked him for a full account of these undertakings but I suppose that his reply will be classified and that the American people, whose taxes are paying for these additional undertakings, will continue to be kept in the dark.

Writing in the Washington Evening Star on November 20, Eliot Janeway reports that the bargain struck with the Government of Thailand involves 10,000 Thai troops and $50 million worth of ground-to-air missiles. Mr. Janeway notes that this is "an expensive deal." He questions whether "Thai mercenaries will do better under General Westmoreland than Hessian mercenaries did against General Washington." He also questions Thailand's need for antiaircraft missiles. Mr. Janeway adds that the United States now seems determined to endow countries, which need the most rudimentary economic infrastructure, with the most advanced and expensive military superstructure.

I ask unanimous consent that the text of the article in this morning's Washington Post, entitled "Thais Swap Troops for U.S. Missiles," and the text of Mr. Janeway's article in the Evening Star of November 20, entitled "Thai Deal Is Uneconomical," be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington (D.C.) Post, Nov. 21, 1967]

THAIS SWAP TROOPS FOR U.S. MISSILES

The State Department acknowledged yesterday that the United States will give Hawk surface-to-air missiles to Thailand in return for that governments increase in its Vietnam troop strength.

Thai Premier Thanom Kittikachorn announced the agreement in Bangkok, and later State Department spokesman Carl Bartch said:

"The provision of Hawk missiles was one of the things agreed to in connection with Thai troop deployment to Vietnam due to the increased risks which the royal Thai government felt it was taking by making the troop deployment."

No one would give additional details, but Bangkok sources have been saying that the United States initially would equip one company in Thailand with missiles.

Thailand announced Nov. 14 that it would send a full combat division to fight with the allied forces in South Vietnam. Troop strength will increase from 2200 to more than 12,000, making Thailand the third largest contributor to the allied cause. The United States has about 470,000 men and South Korea about 45,000.

Negotiations for the Hawks, which Thailand says it will use for defense purposes only, had been going on since Thailand made it clear that it was willing to send more troops to Vietnam.

Kittikachorn also said yesterday that he planned to pay an official visit to the United States in March. He will visit Japan and Brazil on the same trip.

[From the Washington (D.C.) Evening Star, Nov. 20, 1967]

THAI DEAL IS UNECONOMICAL

(By Eliot Janeway)

NEW YORK.—President Johnson seems to be wheeling us into a strange new deal on the edge of the expanding war zone in Vietnam. A Washington dispatch reports the trade: 10,000 troops from Thailand to fight for us in return for $50 million worth of ground-to-air missiles. A Reuters dispatch from Bangkok confirms the arrangement.

It is an expensive deal, despite our need for foreign-flag troops in Vietnam—especially yellow-skinned ones. Johnson has taken to drawing parallels between the travail in Vietnam and our own Revolutionary war. But whether Thai mercenaries will do better under Gen. Westmoreland than Hessian mercenaries did against Gen. Washington is not clear. What need Thailand has for antiaircraft missiles is even less clear.

All too clear, meanwhile, is the way America's wartime dollar diplomacy is working. It is endowing countries in need for the most rudimentary economic infrastructure with the most advanced and expensive military superstructure. It is offering the primitive stratified societies of Asia irresistible incentives to forget the use of ploughshares and to make a business of trafficking the weapons of war.

Thailand's progress into the modern era is being held back for lack of simple tools and basic utilities which, once put to work on her land, would eliminate expensive import requirements and even begin to earn export revenues. In all the Thailands of the underdeveloped world, the chances of social stability and economic amelioration depend upon the expansion of the private sector vis-a-vis government. So does the age-old hope that independent organs of public opinion will emerge.

American dollar aid has failed to help the Thailands of the world come of age in any self-supporting sense of the word. American missile aid is bound to hurt, inflating already swollen government operations at the expense of the nascent private sector and saddling a backward country like Thailand with unproductive dollar aid, which Congress is not likely to approve.

But not only is the Johnson administration sending missiles where they are not needed. It is not sending them where they are needed. The most obvious country in which American missiles are wanted to keep the peace is Israel. She has airplanes and a model-T atomic capability to use in holding the line for the free world against the offensive Russia is mounting to make the Mediterranean a satellite lake. Missiles are indicated to catch up with the head-start Russia has won in rearming her side in the Middle East.

Recently Sen. Stuart Symington, D-Mo., put his weight behind the judgment that the Middle East is more important for America than Vietnam—not only politically and militarily, but economically as well.

With good reason. For the Russian missiles which sank the Israeli destroyer, Elath, with three swift strikes, indicate a threat to the U.S. Mediterranean fleet in the event that a second front in the Middle East does add a new dimension to the Vietnam war. A war which exploded in the midst of the world economy would clearly be harder to limit than the one now being fought in an economic no man's land.

DEVELOPMENT OF PLANS FOR MEDICAID BENEFITS

Mr. CURTIS. Mr. President, Blue Shield Plans met yesterday and are meeting again today in a special conference in Chicago to develop programs under which they would assume responsibility for providing medicaid benefits in their respective areas on an insured basis.

This means that State agencies in charge of medicaid programs could purchase medical services on a premium basis, thus assuring the State of a predictable cost, plus the inestimable benefit of the experience and skills of the Blue Shield Plans in administering these vital medical care programs.

It has been suggested that title XVIII medicare programs might also be purchased from Blue Shield and the insurance companies on an insured basis—giving these carriers a far more responsible role in helping to administer the medicare program.

The bill before us (H.R. 12080) authorizes the Secretary of Health, Education, and Welfare to enter into various experiments and studies designed to lower the costs of providing services while maintaining or improving their quality.

It would seem that one of the most promising ways to accomplish this worthy objective would be to study the benefits to be gained and the economies to be realized by more fully utilizing the skill and experience of these voluntary plans which have so effectively served the public in the past 25 years.

The Finance Committee has been made aware, through the testimony of the National Association of Blue Shield Plans, of its concern regarding the need to simplify administrative procedures in medicare and to use the capability and experience of the part B carriers to the full extent of the law. Testimony by some of these carriers indicated their feeling that lack of carriers' discretionary authority, centralization of records, and statistical requirements have made the program unduly complicated, less efficient, and more costly.

It is respectfully suggested that a reiteration of the intent of section 1842 of the existing status would be in order: That a carrier should be given an extensive administrative role carrying on almost all activities as it would for its regular business, with the Secretary exercising an overview in terms of broad policy and through the contract renewal process.

Mr. President, I urge a greater use not only of Blue Cross and Blue Shield but of our experienced private insurance companies. Certainly the proposal should be explored to see what benefits would accrue to taxpayers and beneficiaries.

SOUNDNESS OF SOCIAL SECURITY FUND

Mr. TYDINGS. Mr. President, I have received numerous inquiries from constituents who are concerned about the financial soundness of the social security fund.

A concise and clear explanation of the way in which the social security fund is managed has been prepared by the Department of Health, Education, and Welfare. Because this subject is of general interest, I ask consent that the HEW statement be inserted in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

The Social Security Program Is Financially Sound

Because the social security program is intended not only to provide protection against need as it occurs, but also, and just as important, to provide assurance ahead of time that money to provide the protection will be there when needed, it is essential that the facts about the financial soundness of the social security program be made clear.

THE METHOD OF FINANCING THE PROGRAM

The plan of financing the social security program is as follows: Employees and self-employed people pay social security contributions on their annual earnings up to the maximum amount countable for social security purposes—$6600 since the beginning of 1966. Each employer pays social security contributions on the first $6600 paid to each of his employees in the year. All social security contributions, and also the monthly premiums paid by people age 65 and over who have enrolled in the supplementary medical insurance program, are automatically appropriated to four trust funds—one each for old-age and survivors insurance, disability insurance, hospital insurance, and supplementary medical insurance. The matching contributions made by the Federal Government for the supplementary medical insurance program are appropriated each year by the Congress.

The four trust funds are kept separate from one another and from all other accounts in the Treasury. The money received by the trust funds is used only to pay benefits and the operating expenses of the program. Money not needed currently for these purposes is invested in securities issued by the Federal Government. The Boards of Trustees, which by law are composed of the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Health, Education, and Welfare, are responsible for holding the trust funds and for making periodic reports to the Congress.

The original social security law provided for an ultimate contribution rate of 3 percent on employers and 3 percent on employees to pay the cost of retirement benefits ranging from $10 to $85 a month. The 3 percent rate was scheduled to go into effect in 1949.

The original program has been enlarged by Congress to include cash benefits for wives and children of retired workers, for the survivors of deceased workers, and for severely disabled workers and their dependents, and, beginning in 1966, health insurance benefits for people aged 65 and over. The cash benefit amounts have been raised so that for a retired or disabled worker they now range from a minimum of $44 a month to a maximum of $168 a month, and for a family the benefits may be as high as $368.

Whenever improvements have been made, consideration has been given to the cost of those improvements and when necessary a schedule of increased contribution rates has been adopted to cover increased costs. The law provides that tax rates for old-age, survivors, and disability insurance will increase gradually to 4.85 percent each for employees and their employers, and to 7.0 percent for the self-employed, for 1973 and thereafter. The contribution rates for hospital insurance will increase from the present rate of 0.50 percent to an ultimate rate, beginning in 1987, of 0.80 percent each for employees and employers. The self-employed pay the same contribution rates as employees for hospital insurance.

An Advisory Council on Social Security, established for the purpose of reviewing the status of the social security trust funds in relation to the long-term commitments of the social security program and all other aspects of the program, issued a report of its findings on January 1, 1965. This Advisory Council was appointed in 1963 by Secretary Anthony J. Celebrezze, and was composed of representatives of employees, employers, the self-employed, and the general public. In its report, the Council stated:

"The social security program as a whole is soundly financed, its funds are properly invested, and on the basis of actuarial estimates that the Council has reviewed and found sound and appropriate, provision has been made to meet all costs of the program both in the short run and over the long-range future."

Since full provision has been made for meeting the cost of the amendments enacted since the Council issued its report, the program continues on the same sound basis.

It is neither necessary nor desirable for the social security program to keep on hand a huge accumulation of funds sufficient to pay off all accrued liabilities at a given time. Unlike private insurance companies, the social security program does not need to be on a full-reserve basis—that is, the program need not have a fund sufficient to meet all accrued benefit obligations at any particular time. Full reserves are required by law to be maintained by private insurance companies because a private company must be prepared to pay benefit liabilities or cash surrender values even if it stops writing new business. Because compulsory social insurance is assured of continuing income (since new workers must come into the program), it does not have to build up the kind of reserves that are necessary at all times in an institution that might give up its business or have no new customers.

In its report on the Social Security Amendments of 1965, the Committee on Finance of the United States Senate stated:

"It can reasonably be presumed that, under Government auspices, such a social insurance system will continue indefinitely into the future. The test of financial soundness, then, is not a question of whether there are sufficient funds on hand to pay off all accrued liabilities. Rather, the test is whether the expected future income from tax contributions and from interest on invested assets will be sufficient to meet anticipated expenditures for benefits and administrative costs. Thus, the concept of 'unfunded accrued liability' does not by any means have the same significance for a social insurance system as it does for a plan established under private insurance principles, and it is quite proper to count both on receiving contributions from new entrants to the system in the future and on paying benefits to this group. These additional assets and liabilities must be considered in order to determine whether the system is in actuarial balance.

"The intent that the system be self-supporting (and actuarially sound) can be expressed in law by utilizing a contribution schedule that, according to the intermediate-cost estimate, results in the system being in balance or substantially close thereto."

The 1965 Advisory Council on Social Security, in its report on the social security program, stated:

"The Council is in agreement with the previous groups that have studied the financing of the program that it is unnecessary and would be unwise to keep on hand a huge accumulation of funds sufficient, without regard to income from new entrants, to pay all future benefits to past and present contributors. A compulsory social insurance program is correctly considered soundly financed if, on the basis of actuarial estimates, current assets plus future income are expected to be sufficient to cover all the obligations of the program; the present system meets this test."

There is no financial danger in a temporary excess of outgo over income so long as the reserves of the program are sufficient to meet the situation. Though it is not necessary or practical to create the huge and unwieldy reserves that would be needed to put the program on a full-reserve basis, the social security trust funds do play an important role in the financing of the program. They are contingency reserves for use in temporary situations when current income is less than current outgo, and to the extent that funds are accumulated for this purpose, they are invested in Federal securities and earn interest which helps support the program. The interest received since the program began, in 1937, has totaled about $10.3 billion. In several recent years, income has been less than outgo and the function of the trust funds as contingency reserves has come into play. For example, expenditures from the trust funds were about $1.5 billion more than income in 1962. And in 1965 expenditures came to about $1.3 billion more than the income to the program. The excess of outgo over income in 1965 resulted from the fact that under the 1965 amendments social security benefits were increased effective with January 1965, whereas the increase in social security contributions to meet the cost of the 1965 amendments did not become effective until 1966. Because the income to the program has generally exceeded outgo over the years, the reserves available to meet such contingencies are more than adequate. At the end of 1966 the balance in the four social security trust funds was $23.4 billion.

On the basis of the latest actuarial estimates, it is expected that the combined old-age and survivors insurance and disability insurance trust funds will increase by about $32.1 billion during the period 1967–1971. It is estimated that during the same period the hospital insurance trust fund will rise to $2.8 billion. The income to the supplementary medical insurance trust fund is estimated to be sufficient to meet the cost of benefits provided under the program and to provide adequate contingency reserves.

The payment of full-rate benefits to workers who were too old when their jobs were first covered to contribute more than a small part of the cost of such protection is neither financially unsound nor unfair to younger workers. In a social insurance program it is proper to give full protection to those who retire before they have had the opportunity to contribute more than a small part of the value of the benefits they will receive and, under social security, adequate provision is made to meet the cost of this protection.

Provision has been made for the payment of increased cash benefits and hospital benefits for people currently on the rolls even though they have not made contributions specifically for higher cash benefits and hospital insurance benefits. These benefits are extended to beneficiaries on the rolls because the problems that new and enhanced benefits are intended to meet exist for these people as well as for people who will come on the rolls in the future. Indeed, the only alternative is to leave urgent problems of dependency untouched for decades after each improvement in the social security program. If, for example, the cash benefits paid in the early years of the program were no larger than the amounts that could be financed by the taxes paid by the individual beneficiary and by his employer with respect to his earnings they would be too small to make a meaningful contribution to the person's support. The idea of making a newly instituted system effective in a relatively short time is not peculiar to social insurance; for example, it is often an important element in plans that private employers establish for their employees.

Since the financing of the social security program is designed to take account of the fact that full-rate cash benefits would be paid to people who could pay in for only a relatively short period, and that hospital insurance benefits would be available to people who had already become 65, there is no reason to think that provision of these benefits will result in any financial danger to the system.

The contention that is sometimes made that the payment of full-rate benefits in the early years of the program is unfair to younger workers is usually based on a misunderstanding of the workings of the program. The young worker who enters the program at the present time, on the average, will not contribute as much as the value of his potential benefits. The excess of the value of potential benefits over the value of contributions for new entrants and the much greater excess of the value of benefits over the value of contributions for workers who were already on in years when their jobs were first covered by the program will be met from the contributions of employers, which are not paid for the benefit of a particular employee but for the support of the program as a whole. In effect, a relatively large proportion of the employer contribution goes to meet the cost of paying full benefits to workers who were old when the program started and a smaller proportion is used to pay for the benefits of future generations. The man who is covered from age 21 to age 65 has 44 years of earnings out of which to pay toward the cost of his benefits; it is entirely reasonable to expect him to pay a greater proportion of that cost than the worker who, because when the program became effective he was already along in years, had only, say, 10 years of earnings out of which to contribute toward the cost of his benefits.

FACTS ABOUT THE INVESTMENT OF THE TRUST FUNDS

Under the law, the money in the trust funds can be used only to pay social security benefits and the administrative expenses of the program. Most of the receipts of the trust funds are used for current benefits and administrative expenses of the program. The remainder is invested in interest-bearing Federal securities or securities issued by federally-sponsored agencies. A great deal of the confusion regarding the financial soundness of the program is due to a misunderstanding of the investments of the trust funds.

Trust fund investments are limited by law to securities issued or guaranteed by the Federal Government and to certain federally-sponsored agency securities that are designated in the law authorizing their issuance as lawful investments for trust funds under the control of the United States. There are two principal reasons for this restriction. First, it is designated to insure the safety of the funds; these securities are the safest form of investment. Second, it keeps this Government-operated program from investing funds in private business ventures. If the trust funds were authorized to make such investments, these funds, through extensive purchases and sales, might come to exert a significant influence on the market for private securities and might thereby become a means of direct public intervention in business management.

Securities held by the trust funds are not IOU's issued by the Government to itself. In investing their receipts in Government securities the trust funds are lenders, and the U.S. Treasury is the borrower. The trustees of the funds receive and hold the securities as evidence of these loans. These obligations are assets of the funds and they are liabilities of the U.S. Government, which must pay interest on the money borrowed and must repay the principal when the securities are redeemed or mature.

The income and disbursements of the social security trust funds are not included in the administrative budget of the Government. Instead, the President reports the operations of these funds separately in his budget message to Congress, and the Boards of Trustees are required to submit to Congress annually reports on the operations and status of the funds. The public-debt obligations held by the trust funds are shown in Treasury reports as part of the Federal debt, and interest payments on these obligations are regularly made by the Treasury to the trust funds. Securities are sold or redeemed whenever cash is needed for disbursement by these funds.

Money borrowed from the trust funds is used like other Treasury borrowings. When the trust funds lend money to the U.S. Treasury, the Treasury uses this money just as it uses the money borrowed from other lenders, to help pay the expenses of the Government. The Treasury must pay interest on the money it borrows from the funds, and repay the principal.

Trust fund investments do not increase the national debt. The Federal debt is increased only when for a given fiscal year the Congress has approved expenditures that exceed tax revenues. The excess expenditures, of course, must be met by borrowing through the sale of Federal obligations. These obligations add to the national debt.

The purchase of Federal obligations by the trust funds does not increase the total Federal debt. If there were no trust funds, the Treasury would still borrow just as much, all of it from other investors.

When the Treasury has no deficit to meet, Treasury borrowing from the trust funds can result only in redemption of an equal amount of Federal obligations held by other investors, the total amount of the national debt remaining unchanged.

People are taxed only once for social security. When taxes are levied to pay interest on or to redeem securities held by the trust funds, these taxes are not levied for the purpose of paying social security benefits. Rather, they are levied for the purpose for which the money was originally borrowed.

For example, taxes have to be levied to meet interest payments and to pay back money borrowed to cover the cost of World War II, whether the obligations are held by the trust funds or by other investors.

The fact that a Government bond is held by a trust fund rather than by some other possible investor does not change the purpose of taxes levied to pay interest on it or to redeem it.

CONCLUSION

The social security program is soundly financed. Full provision is made for meeting the cost of the benefits provided under the law to present and future beneficiaries. And, in view of the great care taken by the Congress in the past to assure this result, there is every reason to believe that the program will remain soundly financed so that the American people can look forward with confidence to receipt of their social security benefits when they fall due.

COMMUNITY ANTIPOVERTY PROGRAMS

Mr. MOSS. Mr. President, the need to support and encourage local community action antipoverty programs has become widely understood in recent months, and especially in the past several weeks, when appropriation delays have forced OEO to order still further cutbacks and program cancellations. A very perceptive editorial, entitled "Don't Clip Poverty Office Too Short," was published in the Salt Lake City Tribune on November 8. The editorial puts the current debate over OEO spending into proper perspective, and urges that we reject fiscal cutbacks which "are too severe and would cripple OEO at a time when it is coming into flower."

Mr. President, I heartily endorse this responsible view, and ask unanimous consent that the editorial be printed in the RECORD.

There being no objection the editorial was ordered to be printed in the RECORD, as follows:

DON'T CLIP POVERTY OFFICE TOO SHORT

On March 16, 1964, President Johnson transmitted to Congress his legislative proposals for fighting poverty in America.

Six months later the Economic Opportunity Act became law in much the same form it had been drawn up by the Executive branch. The idea originated with the Kennedy Administration. It was no hastily conceived measure passed in panic although some opponents at the time dubbed the law an election year gimmick.

During debate on the bill the question was raised whether, in light of overall economic growth, the program is really needed. The issue of states' rights, Negro rights, church-state separation were thrashed out. The matter of superimposing another federal agency over the host of existing similar government programs was raised and debated.

In short, the poverty program got a full and fair hearing at the time of its birth.

The bill became law but opponents have never given up attacking it. Nor have they given the infant Office of Economic Opportunity which it created a chance to prove itself. This week in the House they are hard at it again and their chance of hobbling the OEO appears better than ever.

It is not surprising that OEO has failed to shake off its enemies and that it has even made new ones. (It has picked up some new friends, too.) Its diversified activities have necessarily cut across many existing boundaries of jurisdiction and prerogative, with interlacing relationships at federal, state and local levels.

We do not hold that all programs being carried on by OEO or proposed by that body are good. We question if some are really needed. But we believe others, especially the Community Action Program as it has operated in Salt Lake City, have promise.

We agree there is danger that OEO, like any governmental agency, might grow out of all proportion to its need, that it could become a haven for fuzzy-thinking do-gooders; far-out sociologists and the like. This must not be permitted.

With the Vietnam War taking an ever larger chunk of the national income there is need to hold the line on all domestic programs and reasonable curtailment of non-vital OEO projects certainly is in order.

Taking all these conditions into consideration, the OEO should be allowed more time to prove its worth.

Fiscal cutbacks indicated by Rep. George Mahon (D, Texas), chairman of the House Appropriations Committee, are too severe and would cripple OEO at a time when it is coming into flower.

The House should go along with the more generous Senate OEO appropriation. It should give OEO an honest chance to fly. If, in a few years, it hasn't become airborne there will be plenty of time to clip its wings.

ADDRESS BY SENATOR BREWSTER BEFORE ANNUAL CONFERENCE ON MENTAL RETARDATION

Mr. TYDINGS. Mr. President, on Wednesday, November 15, 1967, my able colleague from Maryland [Mr. BREWSTER] spoke to the Annual Conference on Mental Retardation at the District of Columbia Children's Center located near Laurel, Md.

In his speech to the more than 450 persons attending the conference, my distinguished colleague reviewed the advances which have been made during the past 7 years in the field of mental retardation.

Senator BREWSTER made it clear that, despite our progress to date, we must do more to reduce or prevent disabilities associated with mental retardation. Certainly the Congress recognizes the validity of the Senator's statement. It was for this reason that we recently passed the Mental Retardation Amendments of 1967, a package of proposals designed to expand and improve existing Federal programs in this field.

Mr. President, I believe that Senators will find Senator BREWSTER's comments most interesting. I ask unanimous consent that they be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

SPEECH BY SENATOR DANIEL B. BREWSTER, DEMOCRAT, OF MARYLAND, AT THE ANNUAL CONFERENCE ON MENTAL RETARDATION, LAUREL, MD., NOVEMBER 15, 1967

As one who has a very real interest in the problems of the mentally retarded, I am extremely pleased to have the opportunity to participate in your Seventh Annual Conference on Mental Retardation.

Since your first meeting in 1960, remarkable things have happened in the field of mental retardation:

The mentally retarded have moved out to where they can be seen for what they are—human beings who need a chance to grow and achieve to their fullest ability and potential.

The problem of mental retardation has moved off the side roads of American social concern and action—onto the main concourse of national attention and response.

The Federal Government has made an increasing contribution in the areas of research, prevention, treatment, rehabilitation, and comprehensive planning.

State and local governments have become increasingly responsive to the needs of the mentally retarded.

These developments have occurred primarily because of people such as yourselves. Through meetings such as this, you have brought the problems of the mentally retarded before the public and have convinced the Government—including this Senator—that there are real alternatives to hiding mentally retarded people in homes and institutions.

As you well know, this is no time to sit back and rest. More needs to be done and more can be done if Government, professional groups, parents' groups, and research and educational institutions continue to work more closely together.

Five years ago, President Kennedy's Special Panel on Mental Retardation issued its report which said the Federal Government had a distinct responsibility in the neglected field of mental retardation.

This report was the basis for congressional enactment of the first major pieces of legislation in this field. In turn, this legislation has provided the basis for a concerned national effort to meet the problem of mental retardation.

In the short time since these programs became operative, there have been encouraging signs of progress:

1. Every State has made use of Federal assistance for planning, and in each State the process of planning for comprehensive mental retardation programs has been completed.

2. Community and university-affiliated facilities for the mentally retarded are being provided as fast as they can be constructed—167 projects for community facilities and 14 projects for university-affiliated facilities have been funded to date. These facilities will provide new and improved day care, residential care and diagnostic and evaluation services for about 35,000 mentally retarded persons. To date, three community facilities in the District of Columbia and a large one in Maryland have been approved. Two university-affiliated facilities—one at Johns Hopkins and one at Georgetown—were among the first to receive Federal assistance.

3. There are now twelve research centers under construction.

4. More than 14,000 mentally retarded persons were rehabilitated during the past year alone through programs administered by the Vocational Rehabilitation Administration. The projected figures for this year are higher.

5. Increased Federal support has stimulated State and local governments to initiate a variety of new programs to meet the needs of the retarded at the community level.

6. President Johnson established a Committee on Mental Retardation to chart current progress and recommend additional actions which should be taken.

7. And perhaps most important of all, public apathy has turned to growing public awareness and concern for the mentally retarded and their families.

Despite these accomplishments we still have a great deal to do. We must do much more to reduce or prevent disabilities associated with mental retardation. We must provide additional services. Today, even the most optimistic observers concur in the view that services for the mentally retarded will not keep pace with the demand for many years to come.

In order to meet some of these demands, both Houses of the Congress have recently passed the Mental Retardation Amendments of 1967. This legislation has now been referred to a Senate-House conference to resolve certain differences.

Basically, this legislation will extend the university-affiliated construction program which provides clinical facilities to serve as training centers for much needed professional personnel to work in the field of mental retardation. The 14 facilities already funded will provide a broad demonstration setting in which a full range of in-patient and out-patient services will be available. These same facilities will train neary 10,000 professionals each year in medical, educational, and other disciplines related to the prevention and treatment of mental retardation.

The facilities already funded, or approved for funding to date, represent only a fraction of the total number of colleges and universities which desire assistance for these types of facilities. More than 100 universities and colleges have expressed interest in participating.

This legislation will also extend the community facilities construction program—a grant program that assists local communities in building facilities that will provide a wide variety of services, such as diagnostic and evaluation clinics, residential care, specialized clinical care, vocational rehabilitation, training and social services. The legislation not only extends the construction program, but also adds a new feature: staffing grants to assist in the operation of the mental retardation facilities.

A few years ago we enacted legislation that provided staffing grants for community mental health centers, but such legislation was not introduced for mental retardation facilities. We have now taken care of that inequity and are proposing a program that will help overcome the critical shortage of competent professional help and will make the provision of a wide range of mental retardation services a reality—and not just a hope. To provide the services necessary to make real gains in the treatment and rehabilitation of the mentally retarded, the community facilities must be adequately staffed. A large portion of the operating expenses of a community mental retardation facility represents staffing costs. Without adequate funds community facilities can neither provide the urgently needed services to the mentally retarded nor possibly attract and retain qualified professional staff.

The legislation passed by the Senate includes not only the programs I have already mentioned, but also the extension of the programs that provide funds for the training of teachers of handicapped children and support research and demonstration projects in the field of special education. The shortage of classroom teachers for the handicapped is one of the most pressing problems that we face in this field. An estimated 300,000 teachers and other professional personnel specially trained for work with handicapped children will be needed within the next decade. At the present time such professionals number only 70,000.

The first annual report of the President's Committee on Mental Retardation, released earlier this year, made a number of recommendations. One of them was, "The legal status of the mentally retarded individual must be clarified and his rights guaranteed."

I believe the District of Columbia needs some revision of its laws and procedures in this regard. In some cases they are outmoded in light of what we know today about mental retardation.

As one Senator, I would hope that the District of Columbia will recommend to the next session of the Congress a set of model procedures to replace the existing court commitment and release system. It is my understanding that the welfare department, the judicial conference, and the corporation counsel's office have already completed much of the work on such a proposal.

I support an additional change—one that has been proposed before—that is to change the name of the District of Columbia Training School to Forest Haven. The term "training school" is most commonly associated with juvenile delinquency and certainly has no legitimate place in the vocabulary associated with mental retardation. That this simple change of name requires an act of Congress is to me one of the most obvious justifications for granting the District of Columbia home rule. However, as matters stand today, it does require an act of Congress. Therefore, I propose to introduce the necessary legislation as one of my first acts of the next session.

THE FUTURE OF THE NURSING HOME INDUSTRY

Mr. MOSS. Mr. President, 2 weeks ago the senior Senator from Massachusetts [Mr. KENNEDY] delivered the keynote address to the 18th Annual Convention of the American Nursing Home Association in New York City.

It was a timely address, and presented very ably the problems now facing the patients of nursing homes, the administrators of nursing homes, the Government officials administering nursing home assistance programs, and the public officials responsible for determining the future course of public policy in the nursing home field.

The address is also relevant to the social security amendments we are now considering in the Senate. There are a number of important provisions in the committee bill relating to nursing homes, including a number which I sponsored and one which the Senator from Massachusetts [Mr. KENNEDY] sponsored.

I think the address is highly informative. I therefore ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

ADDRESS BY SENATOR EDWARD M. KENNEDY BEFORE THE AMERICAN NURSING HOME ASSOCIATION, NEW YORK CITY, NOVEMBER 7, 1967

I am very glad to have the opportunity to speak to you today, as you gather for the 18th Annual Convention of the American Nursing Home Association and the 3rd Annual Eastern American Nursing Home Convention and Exhibition. It is an honor to be invited to give the keynote address at a gathering of such importance to millions of senior citizens, and I am pleased to be here today.

The new equipment you will see displayed here at your Convention; the new techniques you will hear discussed; the new Federal and state legislation you will have outlined; the new ideas you will be confronted with—all these demonstrate the value of nationwide conventions. It is only when people gather from all parts of the country, expressing all points of view and representing all types of facilities, that the best possible nursing home advice and ideas are brought out. Then, when these suggestions and ideas are taken home and translated into action, the lives of Americans confined to nursing homes are made better. And that is a goal we all share.

I think your Convention theme—New Horizons and New Challenges for Nursing Homes—is well suited to the times. It is appropriate to the situation you in the nursing home industry find yourselves in, particularly with the advent of Medicare and Medicaid. And it is indicative of your determination to see beyond the near horizon, and to meet boldly the challenges of the future.

There can be no doubt that Medicare and Medicaid have worked a revolution in the nursing home industry. This revolution has two faces, one turned toward the homes and one toward the patients.

First, its financial assistance has made it possible for millions of senior citizens to avail themselves of skilled nursing home services for the first time. Over 60 per cent of the some 800,000 patients in nursing homes today receive some form of public assistance, amounting to over $400 million yearly. In 1967, over half a billion dollars in Federal funds were paid to nursing homes under Medicaid, and another $300,000 under Medicare. This has made the lives of many thousands of elderly citizens incalculably better. And it has also meant a greater demand for nursing home beds.

The second face of the revolution is a growing insistence that nursing home patients receiving public assistance be given some minimum standard of quality care. This insistence, long accepted in hospital circles, met with some initial resistance in the nursing home field. I think a look at the ownership figures tells why. Surveys have shown that 85 percent of the homes and 60 per cent of the beds are proprietary, in marked contrast to the ownership of hospitals. This initial resistance, perhaps coupled with the proprietary nature of the industry, led to the intense public attention of the last few years on the abuses in some nursing homes.

These charges were widely spread, and some were justified. There were—and certainly are—homes where the food cost per patient is 65 cents a day. There are homes where meat in freezers is shown to state inspectors—but not fed to patients. There are homes where physicians visit 20 patients in 20 minutes. There are homes where the costs could be cut in half if only a reasonable profit were allowed, as in the utility industry.

Allegations of this sort spurred the thorough investigation by the Senate Subcommittee on Long-Term Care. The results of the investigation led to the introduction in Congress of much corrective and preventive legislation. They also led President Johnson, just five days short of a year ago in Baltimore, to announce the formation of a special task force to develop a program for the construction of new nursing homes. They also led the ANHA to strong policing of its members, and to ANHA efforts in state legislatures for strong licensing standards.

All of this activity has demonstrated that the bulk of the nursing home industry is dedicated and scrupulous. It was a small fraction of the industry which was responsible for most of the violations of standards of good care.

This activity has been successful, too, in its goal of raising the standards of care in nursing homes. Let me be specific, if I may, with a brief illustration. The Subcommittee on Long-Term Care, on which I have the honor of serving, developed much material during the 1965 hearings. Some of it was disturbing; most I am happy to say, was not. But the hearings did, as I have indicated, precipitate a series of bills designed to remedy the most severe of the problems.

The Chairman of the Subcommittee, Senator Ted Moss of Utah, is the author of a number of far-reaching bills. If enacted, they would raise the quality of patient care in all nursing homes receiving Federal funds. A bill I introduced would require states to license nursing home administrators, just as they license physicians, attorneys, dentists, and other professionals. These bills, introduced in 1966, form a coherent legislative package. They would correct the abuses our Subcommittee uncovered, while strengthening the professional hand of the earnest and dedicated homes and administrators.

No action was taken on these bills in 1966. In 1967, we introduced them again, this time as amendments to the 1967 Social Security bill. This assured a fair hearing on them.

When I testified on the Social Security Bill before the Senate Finance Committee on August 31, I explained the need for the Kennedy Amendment in some detail and urged its acceptance. As originally drafted, it would deny Federal assistance under Medicaid for nursing home care to those states which did not license nursing home administrators. Senator Moss appeared the same day, and explained his nursing home amendments to the Committee also.

On September 22, representatives of the ANHA, led by your President, Mr. Ed Walker, appeared before the Finance Committee. Mr. David Mosher, a Regional Vice President of the ANHA, testified specifically on the Kennedy Amendment. I was pleased that he supported, and I quote, "the commendable end sought by the amendment, namely, the upgrading of nursing home administration to a profession and the insuring of better patient-care in the facilities thus administered." I was also interested in his suggestions for changing it somewhat. These changes centered on the need to define what Mr. Mosher called "the organized body of knowledge" which nursing home administrators should possess to be licensed. Mr. Mosher suggested the creation of a broadly representative National Advisory Council to define "the body of knowledge" determining licensing criteria.

As I reviewed the ANHA testimony, I saw a constructive middle ground between our two positions. We then began a series of consultations on the Kennedy Amendment between representatives of the Social Security Administration, the ANHA, and of the Senate. The end result was a draft amendment accepted by all involved as a positive and progressive step. It had my backing, as well as the support of the Administration, of the ANHA, and of the Subcommittee.

As it now stands, it provides for both the licensing of nursing home administrators and the establishment of an Advisory Council. I was highly pleased last week that the Senate Finance Committee adopted it as part of the 1967 amendments to the Social Security Bill, and I am hopeful that it will be adopted by the full Senate and the House-Senate Conference. If enacted, it would have three effects: First, it would raise the professionalism of nursing home administrators; second, it would eliminate the few unscrupulous operators; and third, it would raise the quality of care in all nursing homes in the country. The principle of licensing is important—and it can have far-reaching consequences.

I have detailed the course of the Kennedy Amendment through the legislative process because it illustrates how well the public interest can be served by close cooperation among all those interested in a particular problem. I have high praise for your Washington representatives, and for your National Board of Directors, because they faced up boldly to the growing public insistence on quality standards for nursing home care. Then, they worked to improve and strengthen the legislation pending in the Congress.

Some industry groups can be counted on to oppose progressive action. But let me say that I do not count the ANHA among them. My experience this year has shown me that the ANHA knows well how to serve both the public and the private interest.

Let me return, at this point, to a discussion of the theme of your Convention—"New Horizons and New Challenges for Nursing Homes."

The challenge you face, as I see it, is growth—the growth of the elderly population; the growth of aspirations for high quality health services; the growth of the ability to pay for these services; and the growth of the nursing home as an integral part of what Dr. Samuel Levey of Boston has for some years called "the mainstream of medical care."

Today, there are 19 million Americans over 65; in 1980, there will be 25 million. There may well be many more than 25 million, if medical science achieves major breakthroughs in heart disease, cancer or strokes.

The expansion of Medicare and Medicaid will make many millions of Americans able to pay for health care, who now cannot, and these Americans will demand good care. And they will demand nursing home care in far greater numbers than they now do.

Medical economists contrast the per day cost of hospital care—$54—with nursing home care—$18—and they use these figures to make a proposal. They argue that one way of reducing the soaring costs of hospital care is by constructing nursing beds for those persons, of any age, who do not require intensive hospital care. This development could transform your industry.

These are some of the growth factors. And they state your challenge. If you meet it, then your horizons are boundless—you will be a vitally functioning part of this country's health complex, not merely an adjunct, and the business you do will be many times what it is today.

You can meet this challenge in a variety of ways. But I will outline a nine-point program for you this morning which can form the nucleus of a plan for the future of your industry.

First, shortage of nursing home beds. The most recent statistics indicate a shortage of about 130,000 nursing home beds. This means that 130,000 seniors, who want the advantages and the comforts of nursing homes, can not have them. One way of increasing the number of beds is to broaden the FHA Section 232 Program, to include improvements and durable equipment into allowable costs. Another might be authorization for the Federal National Mortgage Association to purchase FHA-insured mortgages. This would increase the flow of private funds into nursing home construction. Whichever of these two devices is chosen, or whatever new ones developed, it is clear that sound Federal financial stimulus can generate a large response from the private capital market. In this time of great Federal budget constraint, this seems the only avenue open for the large-scale construction needed to increase dramatically the supply of beds.

Second, modernization of facilities and beds. State plans prepared under Hill-Burton indicate that 188,000 existing beds should be replaced or modernized. They also indicate that perhaps as many as 40 per cent of nursing home beds are in structures converted from some other use, such as residences or even factories. Most states will not now license these conversions, but grandfather clause exceptions permit their continued operation where they have existed. With capital financing now so scarce, even at high interest rates, there is little hope that the industry can make significant inroads into the full range of modernization needs. Consequently, I see a need for some form of low interest rate government loan, or even a government insured loan program. Proposals of this sort are under study right now. I think they have merit, are needed, and I will support them.

Third, hospital-associated nursing beds. Long-term trends in extended care facilities are toward close association with non-proprietary hospitals. This is due in large part to Medicare's transfer and hospital stay requirements. Today, more than 700 hospitals have about 75,000 extended care beds in existence. More than 2,300 hospitals would build a total of 91,000 additional beds if funds were available. Many of these beds are financed through Hill-Burton, which at present appropriations levels is responsible for about 13,000 new beds annually. In February of this year, of the 3,239 extended care facilities participating in Medicare, 519 were attached to hospitals. The implications of these figures for your industry are plain. You can either ignore this trend, or else you can apply your experience and talents to make it work for you. If you ignore the trend, then you will be missing out on the fastest growing aspect of your industry and shutting off new markets. But if you work closely with the hospitals, then you can transform your business while moving ever closer to being an integral part of the health complex.

Fourth, average patient age. The typical nursing home patient is 80 years old. His average length of stay is a year or more. But if nursing homes were visualized as places where sick people of *any* age, too ill to be sent home but not sick enough to require hospitalization, could stay, then a whole new opportunity confronts you. You could attract people from all age groups, and you would offer them better care than they could get at home, at less cost than they would face in hospitals. I think there is great promise in this concept, and I urge you to experiment with it.

Fifth, state assistance payments. Three states currently pay *less than $5 a day* for public assistance patients needing nursing home care. Only eight states pay $10 a day or more—despite estimates that the true cost of nursing home care lies somewhere between $15 and $25 a day. My own state of Massachusetts allows only $9.59 a day. Low payments provide low standards of care, and we are thus permitting our states to sanction poor care. The Social Security Bill presently in Congress would require the states to adjust their minimum standards, which will be of some help. But it is you, working in your states and communities, who can—and must—continue your pressure to raise the state payments. If you don't, your patients will suffer—but so will the reputation of your industry.

Sixth, reimbursement. I know that this issue is one of central concern to you. It is also one of central concern to the Social Security Administration. And it consequently is one on which the Congress has spent considerable time, examining all the different forms of payment for nursing home services. Cost reimbursement, a popular form, lacks an economic incentive to reduce costs. This is true in all forms of cost reimbursement, not only for nursing home services. I do not think we should adopt it for nursing home care under Medicaid, nor do I think we should continue it under Medicare. The system of payments made directly to nursing homes as vendors of care has the overriding advantage of simplicity. Nursing home administrators can arrange for the necessary paperwork to be handled expeditiously, and because they must handle many different individual cases, they can quickly become familiar with the various requirements. Another form of payment, direct to individuals, creates well-recognized difficulties, and representatives of the ANHA testified before the House Committee on Ways and Means regarding them. Thirty-eight states now use vendor payments, and I would suspect that this number would increase. However, a growing sentiment in this country puts much of the blame for high welfare assistance costs on the paperwork, bureaucracy, and duplication of payment for service reimbursement. This is certainly true, to some extent.

As one result, I would imagine that before too long we will have, in this country, family allowances, or negative income taxation, replacing the present overlapping payments systems. Such a basic change in welfare assistance would certainly be strongly resisted. but I reiterate my belief in its inevitability. When it does happen, it will call for a shift in the existing medical assistance formulas in the social security legislation, and I urge you—as an industry—to begin to develop a progressive stand in preparation for it.

Seventh, services. Eighty-eight per cent of patients in nursing and personal care homes are 65 and over, and 70 per cent are 75 and over. One out of four is unable to walk, and half can walk only with assistance. One out of five is totally incontinent, and half are confused all or most of the time. A running debate in your industry involves the number of patients in nursing homes who can't be rehabilitated or moved to domiciliary facilities.

There seems to me little question that a growth in community services, such as visiting health aides, would cause an increase in the number of patients who could be released to domiciliary facilities or private residences. This would, of course, free up some of the beds in skilled nursing homes now occupied by persons who do not need such a high degree of care. This would reduce health care costs, increase the efficiency of the health care system, and make beds available to persons who really need them. The Administration on Aging in the Department of Health, Education and Welfare has funds available for programs of community services, and I urge you to work with your state administrations on Aging to develop sound community service programs. These would include home help and home health services, community referral services, and many others.

Eighth, professional education. The vast advances we make every year in medical science will by-pass those professionals who do not make determined efforts to keep abreast of them. There is, consequently, an important need for continuing education or study after completion of formal schooling—the same need which has been an important part of the study of medicine for centuries. This is particularly true in the nursing home field, where one recent study showed, 41 per cent of the administration received what was termed "poor preparation" for their responsibilties.

Recently this situation has begun to change. Now both government and private sources are funding educational programs for nursing home administrators. In California, for example, the W. K. Kellogg Foundation awarded the University of California a grant to develop, conduct and evaluate continuing education programs for nursing home personnel. The Administration on Aging has funded similar programs at numerous universities across the country. The Public Health Service, also, has supported training seminars, such as the one in Chatham, Massachusetts, in 1964, and others around the country since then. The Massachusetts Federation of Nursing Homes has sponsored seminars for the past eight years, in nursing home administration in conjunction with Northeastern University. These educational meetings are important, and I urge the members of the ANHA to use them, to urge expansion of them, and to encourage non-ANHA members to participate.

Ninth, manpower. The most recent comprehensive survey of employment in nursing homes, completed in 1964 by the Public Health Service, showed that some 300,000 persons were employed in nursing homes or related facilities. Half were nursing personnel—17,400 registered nurses, 20,500 licensed practical nurses, and 113,800 nurses's aides. One third of the 20,700 administrators were registered nurses or licensed practical nurses. But there are simply not enough skilled nursing home personnel to meet the demands of the industry. This is part of the severe shortage all across the country in health manpower.

Recent estimates place the shortages at 100,000 doctors, 75,000 nurses, 16,000 occupational therapists, 30,000 medical technologists—the list covers every job category in the field. It is estimated that over the next ten years, some 10,000 new workers must be added to the health work force to meet rising manpower requirements. An additional number must be available to replace workers who are separated from the industry by death, retirement, or other reasons.

Only a broad series of steps can avert this crisis. Existing workers must be better utilized, which would include job skill analysis, reorganization of nursing home facilities, and career incentives. Wages and working conditions must be improved in nursing homes—in 1965, nurses's aides averaged $1.06 an hour and practical nurses $1.57 an hour, far below the averages in hospitals. Recruitment policies can be broadened and modernized to bring back skilled workers who have left the nursing home industry. Education and training activities can be stepped up, such as are taking place under the Public Health Service Act, and the Economic Opportunity Act. Under the Manpower Development and Training Act, almost 60,000 unemployed and underemployed workers have received training in health occupations. Once again, you as a profession have taken a number of strong and positive steps—but I think you can do more.

The nine points I have outlined for you this morning can form the nucleus of a program for meeting the challenge we all know confronts you. I urge you as individuals, and as an important national organization, to work on refining and expanding this outline. You could, by presenting to the Congress and to the nation a comprehensive set of recommendations for meeting this challenge, help us reach the broad horizon of good health care for all Americans, as a right, without regard to age, ability to pay, or any other limitation. If you do, you are continuing to serve both the private interest—your own—and the public interest—your patients'.

In closing, let me quote from the Congressional presentation of the ANHA:

"It is no secret that nursing homes have emerged from the shadows of the health care field during the past decade. The sordid, shameful fact is that society, for too many years, had turned its back on the aging and the elderly in its midst. Where once, in centuries past, the aged and infirm were revered and honored, they suddenly had become a burden and a liability. Nursing home leaders have fought for community, state and Federal recognition of the problems of our patients. We have fought for improved standards and licensing of facilities caring for the elderly. We have fought for increased state and Federal appropriations to enable us to provide better care. We have created an organization, the American Nursing Home Association, to provide a sounding board for our policies and programs designed to improve the level of care in nursing homes, and to win recognition for our informed views at the council tables with other medical and paramedical professions."

That is an important, progressive statement of principle. I urge you to take it home with you, as you take home the new ideas and information generated by this Convention.

Then as you conduct your crucial business in the light of the statement and the new ideas, you will bring a higher quality of care to the old and the sick—the ones President Kennedy spoke of when he said in 1961:

"As long as people are stricken by a disease which we have the ability to prevent, as long as people are chained by a disability which can be reversed, as long as needless death takes its toll, then American health will be an unfinished business."

Your work is important in helping to complete this unfinished business. I am confident that if you continue your progress, older Americans will have better lives.

SYSTEMS ANALYSIS

Mr. NELSON. Mr. President, the Fourth Annual Conference of Management Analysts in State and Local Governments was held recently in Great Barrington, Mass. The theme of the conference was "The Impact of Management Sciences on Management Analysis," a subject which the Special Subcommittee on Scientific Manpower Utilization, of which I am chairman, has studied extensively in hearings over the past 3 years.

The keynote speaker for the conference was Robert L. Chartrand, the information sciences specialist of the Legislative Reference Service and a noted authority on systems analysis. Mr. Chartrand has been particularly helpful to our subcommittee as we have looked into the problems and possibilities of applying modern systems engineering techniques to solving our most pressing social problems.

Mr. Chartrand's keynote address entitled "Modern Management Analysis and Traditional Management Analysis: A Survey of the Impact" provides a valuable summary of the evolution of management analysis techniques which I think will be of interest to the Senate. I ask unanimous consent that the paper be printed in the Record.

There being no objection, the survey was ordered to be printed in the Record, as follows:

MODERN MANAGEMENT ANALYSIS AND TRADITIONAL MANAGEMENT ANALYSIS: A SURVEY OF THE IMPACT

(By Robert L. Chartrand)

"Efficiency without ideals is brutal. Ideals without efficiency are futile."

INTRODUCTION

The world to which we awaken each day is an awesome amalgam of achievements most wondrous, conditions most frightening, and expectations most inspiring. The ingenuity and industry of modern man have combined to create a milieu which has no parallel in the chronicles of this earth. And yet it must be recorded that the opportunities for even greater achievement and mortal satisfaction would appear to be unlimited!

As one accomplishment succeeds another, and the incredible power and versatility of modern technology are visited upon contemporary generations, one may well experience the feeling that nirvana has indeed been reached. But wait! Is there not an overriding inquiry which must be posed before we continue our headlong plunge down the corridors of time? Are we truly in control of our civilization and by what means do we assess the path to that which lies ahead?

During the course of this presentation, there will be an endeavor to examine man's efforts to comprehend, manage, and forecast his societal state. The evolution of his deductive and inductive undertakings will be noted, ranging from the antediluvian exertions of Taylor and the Gilbreths to the many-splendored domain of PPBS.[1] Today, management analysis is as much a part of our lives as the hydrogen bomb or the electronic computer. None can escape its presence nor impact. The "efficiency experts" of yesteryear still stalk the grounds of industrial arenas where new and often gaudier problems have succeeded the challenges of another time.

The technological revolution—which carries many other appellations—has penetrated the far reaches of our society. No identifiable sector stands aloof! Government, commerce, industry, business, the academic world—all have discovered that the future very quickly has become the present. The traditional leisurely pace with which change once was assimilated somehow was replaced by unprecedented time-compression. Institutions, mores, laws, the very fibre of our man-made *modus operandi* have been affected deeply. The process of transformation continues, and we must gird for the struggle ahead.

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[1] Taylor, F. W. The principles of scientific management. New York, Harper and Brothers, 1911. 77 p.; *also* see Barnes, Ralph M. Motion and time study. London, John Wiley & Sons, 1955. p. 12–16.

Perhaps the crux of the situation is this: can mankind adjust expeditiously enough not only to react to that which is happening, but to gain control through the splendid tools and techniques which have been the product of its intellectual prowess and perception? If management sciences are to reinforce and enhance proven management analytical techniques, then the responsibility for positive thinking and action resides with those who compromise this Fourth Management Analysis Conference.

MANAGEMENT ANALYSIS: THEN AND NOW

The phrase "scientific management" has meant many things to many people throughout the years. Frederick W. Taylor, the renowned pioneer in performing time studies, showed remarkable perspicacity in stating that scientific management required "a complete mental revolution on the part of the workman—and on the part of those on management's side."[2] Neither the moral of his maxim nor the conditions demanding the antidotal attitude have changed. Technology needs to be understood not only by those who operate and service the machines, but by those who are the users of the products. Unenlightened management has been a crippling influence in many fields of endeavor. Problems are becoming more, not less, difficult.

The urgency of orienting and educating the decision-makers who control the forces of our governmental and business establishments must not be minimized. Myron Weiner, in opening remarks before the First Annual Conference on "The Role of Management Analysis in Government," admonished the attendees with these words:

> "If we are going to make a contribution to the management skills necessary to cope with tomorrow's—and even today's—complex problems of state and local government, we must begin to define for ourselves and for the management we serve, the role that management analysis can and should play in this task.[3]

Management analysis has evolved and broadened since the late nineteenth century when planning was limited to the field of production management. While Taylor was attempting to gain acceptance for his time study efforts, and acceptance hardly was widespread in the beginning, Frank and Lillian Gilbreth were developing modern motion study techniques, including the use of motion pictures in scrutinizing work patterns. Most emphasis, then, was placed on improving the unit efficiency in industrial production, but Morris L. Cooke, former director of the Department of Public Works in Philadelphia, undertook to apply some of the principles of sicentific management to city government operations. Cooke and Philip Murray of CIO fame produced "Organized Labor and Production"[4] in which they stressed that both management and labor must strive to achieve "optimum productivity."

Gradually, theorists began to discuss the application of lessons learned in production management to such areas as sales, budgeting, and related facets of corporate planning. In the period between the two great wars, numerous methods were tried and received with mixed feelings: statistical figures, trend lines, econometric graphics, general studies, and crude intrasystem comparisons. "Operations analysis" or "methods engineering" continued to be refined in some industrial sectors during this era. Systematic procedures were delineated, as in the case of the Westinghouse Electric Corporation "Operation Analysis" program which featured the following key steps for best results:

1. Make a preliminary survey
2. Determine extent of analysis justified
3. Develop process charts
4. Investigate the approaches to operation analysis
5. Make motion study when justified
6. Compare the old and the new method
7. Present the new method
8. Check installation of the new method
9. Correct time values
10. Follow up the new method[5]

Increasingly, company planning was viewed more comprehensively; for example, the graphic prepared by Dr. Edward Hempel of Columbia University:[6]

1. TOP-MANAGEMENT PLANNING

Long trend

Factfinding methods (*near*)

a. President
b. Engineering mgr.
c. Production mgr.
d. Sales mgr.
e. Finance mgr.

Controls.
Factfinding Methods.

Analysis judgment (*future*)

Size.
Products.
Processes.
Machines.
Plant.
Fact Analysis Methods.
Controls.

2. ORGANIZATION

Sales

Departments.
Sections.
Personnel.
Duties.
Goals.

Engineering

Departments.
Sections.
Personnel.
Duties.
Goals.

Production

Departments.
Sections.
Personnel.
Duties.
Goals.

Finance

Departments.
Sections.
Personnel.
Duties.
Goals.

3. DETAIL PLANNING

Sales.
Engineering.
Production.
Finance.

4. EXECUTION

During the 1940 decade, both the British and the Americans were exerting every effort to adapt the techniques derived in the industrial environment to the needs of war. Interdisciplinary teams were formed, such as the famous "Blackett's circus,"[7] to perform the research which was often a *sine qua non* in supporting crucial decisions by those in the seat of power. The urgency of wartime requirements resulted in unlimited funding for the development of new analytical methods, and the training of large numbers of personnel in various facets of the analytical process.

In the years following the Second World War, many conceptualists and implementers reentered private industry and the universities, there to experiment with the tools and techniques so recently developed. Coincidental with the maturation of operations research and systems analysis techniques, in the mid-forties, was the appearance of the electronic computer. This device, capable of performing multiple numerical manipulations at fantastic speeds—and yet nothing compared to the nano-second capability of the third generation computers yet to come—and to store voluminous data in machineable form, was to afford a means of implementing many forms of management analysis which had been only hinted at when manual constraints were the norm.

The advent of automatic (or electronic) data processing was not heralded with unbridled joy by all people. One view of this mechanical monster was offered by Brian Murphy:

> "We are vaguely aware that computers are powerful extensions of man's intellect but they are inexplicable to most of us and consequently we stand in awe of them much as primitive man stood in awe of powerful demonstrations of natural phenomena such is thunder and lightning, regarding them as work of gods. Like thunder and lightening, computers are the product of explicable factors; with understanding of these factors, awe fades though wonder may remain."[8]

There were persons in the upper echelons of the Federal government who recognized that the new technology must be harnessed, and to be harnessed must be understood. Defense planning and industrial reconversion were of prime concern, but it was in the former area that a significant step was taken. A new type of institution, one which could conduct complex studies over an extended period of time, if need be, and capable of utilizing the full spectrum of new tools and techniques available, was needed. The RAND Corporation was established.[9] Thus, a series of events combined to set the stage for the extensive incorporation and expansion of management analysis in the Federal government, which was to come to fruition with the event of the Kennedy administration.

THE IMPACT OF MANAGEMENT SCIENCES ON FEDERAL MANAGEMENT ANALYSIS

More than forty years have passed since L. P. Alford edited *Management's Handbook*, but the priority objective of "securing and maintaining orderly, effective operation"[10] is still as true in government as in industry. When Secretary of Defense Robert McNamara assumed office, he immediately took steps to create the capability to perform systematic quantitative analyses of many aspects of departmental operations. It was not long before one wag opined that "DOD management analysis will never be changed without a hitch," but whatever the reaction of the Pentagon, it was Charles J. Hitch, once of RAND and newly Comptroller, who injected revolutionary thinking into the DOD mainstream. Hitch did not choose to distinguish between such terms as "operations research" and "systems analysis;" his definition of the latter is commended:

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[2] Barnes, *op. cit.*, p. 10.

[3] Weiner, Myron E. Introduction to the theme. *In* Papers from the First Annual Conference on the Role of Management Analysis in Government. The University of Connecticut, May 27, 1964. p. 3.

[4] Niebel, Benjamin W. Motion and time study. Homewood, Illinois, Richard D. Irwin, Inc., 1955. p. 8.

[5] *Ibid.*, p. 3.

[6] Hempel, Edward H. Top-management planning. New York, Harper & Brothers, 1945. p. 11.

[7] Trefethen, Florence N. A history of operations research. *In* Operations research for management, v. 1. Joseph F. McCloskey *and* Florence N. Trefethen, *ed.* Baltimore, The Johns Hopkins Press, 1954, p. 5–10.

[8] Murphy, Brian. The computer in society. London, Anthony Blond, 1966. p. 9.

[9] Smith, Bruce L. R. The RAND Corporation. Cambridge, Harvard University Press, 1966. 332 p.

[10] Alford, L. P., *ed.* Management's Handbook. New York, The Ronald Press, 1924. p. iii.

"Systems analysis at the national level . . . involves a continuous cycle of defining military objectives, designing alternative systems to achieve those objectives, evaluating these alternatives in terms of their effectiveness and cost, questioning the objectives and the other assumptions underlying the analysis, opening new alternatives, and establishing new military objectives." [11]

With painstaking thoroughness, the team of men responsible to McNamara set about to revamp the way in which the Department of Defense functioned. A new concept called the "Planning-Programming-Budgeting System (PPBS)" emerged, and was deemed so effective that President Johnson directed the Bureau of the Budget to implement the system in all Executive agencies and establishments.[12] Reinforcement of the importance attached to PPBS was forthcoming in the Bureau of the Budget Supplement to Bulletin No. 66–3, which had described the procedural steps for implementing the planning, programming, budgeting system. The supplement sets forth instructions for submitting two forms essential to the PPB system: the Program and Financial Plan, and the Program Memorandum. The former features a listing of program outputs (i.e., equipment or services), and program inputs, stated in terms of cost and related financial data. The latter furnishes detailed narrative and statistical backup data for each program category called forth in the Program and Financial Plan, and is initiated annually.

The reaction to PPBS within the Executive Branch has been mixed. Many persons say that "there is nothing new" in the concept, while others caution that economizing must not outweigh other (e.g., political) considerations.[13] David Novick, in the book *Program Budgeting, Program Analysis and the Federal Budget,* underscores the need for program budgeting in the light of the many considerations concomitant with resource allocation.[14]

In the period since 1960, the Federal government has been engrossed in adjusting to the impact of management sciences in its day-to-day operations and planning for the future—both immediate and long-range—and it has gone through the throes of integrating large numbers of automatic data processing devices by its member agencies. The June 30, 1967 computer inventory slightly exceeds 3,000; procurement and operating expenses related to the Federal equipment array during fiscal year 1967 totalled about 1.2 billion dollars.[15] Since virtually all of the ADP devices reside within the Executive Branch, there has been opportunity for agencies and departments to use these increasingly flexible devices in a wide range of applications.

For many of the Executive establishments, the incorporation of the systems approach and its ADP handmaiden has been traumatic. Where programs lend themselves to easy quantification, as in the Bureau of Public Roads, the requirement to structure planning within PPBS guidelines may not be too onerous. In other jurisdictions, where subjective judgment is held preeminent, the path to an acceptable PPBS-type plan has been more tortuous. In testimony before the Senate Special Subcommittee on the Utilization of Scientific Manpower (Senator Gaylord Nelson of Wisconsin, chairman), Joseph A. Kershaw of the U.S. Office of Economic Opportunity testified that: ". . . we have put our emphasis, in the planning process, on (a) a classification of effort or resources that looks to end products (sometimes called 'output' categories); (b) on goal-oriented functional services which cut across organizational lines; and (c) on efforts which are directed toward eliminating the causes of the poverty problem rather than its symptoms." [16]

Value judgments on many of the programs, whether expressed in accordance with PPBS directives or otherwise, often are difficult to make. Mr. Kershaw casts some light on this dilemma when he says: "We have had the interesting job of doing cost-benefit analyses of alternative program proposals when we know a good deal about cost but very little about the benefits of the services which our programs will provide." [17]

In his comments before the same subcommittee, William Ross, Deputy Under Secretary for Policy Analysis and Program Evaluation of the U.S. Department of Housing and Urban Development, chose to select the example of trash collection as one to which analysis had relevance. Admitting that this is a simple application of systems analysis, Mr. Ross pointed out that "3,000 counties, 18,000 cities, and 50 States will be well served by having analysis done in a careful, well documented way." [18]

The approach described by William Gorham, Assistant Secretary for Program Coordination of the U.S. Department of Health, Education, and Welfare, concentrated on providing the Secretary with the analyses and evaluations needed for program decisions. This was done by creating five program analysis groups, concerned with:

(1) Programs which increase future earning power.

(2) College student aid programs.

(3) Income and benefit programs.

(4) Selected disease control programs.

(5) Child health care programs.[19]

An interdisciplinary team is formed from internal and external resources, and will be charged with considering not only HEW projected programs but those of other agencies with similar interests. The steps taken by the program analysis groups: ". . . [they] will specify the objectives of each program and ways of measuring them; they will prepare a description of alternative programs which would lead toward the objectives, an analysis of the costs and benefits of each alternative, and a discussion of the basic assumptions upon which the conclusions depend and the uncertainties which will affect the estimates." [20]

Not only are the Executive Branch elements becoming aware of the systems approach in management, but those at the other end of Pennsylvania Avenue—the Federal Congress—also have grasped the potential of management sciences for their own purposes. Action is underway, in committees and by individual members, to determine possible applications of systems technology—operations analysis and research, econometrics, simulation and modeling, and the many uses of automatic data processing—in the multiple areas where a Congressman must be effective:

(1) As a legislator, responsible for scrutinizing, debating, and making decisions regarding issues of national and international scope;

(2) As a representative of his district [or state], with prime concern for its welfare, growth, and relationship to other governmental elements, and the legislative responsibilities involved; and

(3) As an ombudsman of sorts, looked to by each individual constituent as a point of reference for assistance in any one of a thousand forms.[21]

The legislator of today must cope with dozens of issues, and many of the pressing problems such as air and water pollution, solid waste disposal, transportation network planning, and urban renewal and expansion are taxing the resources of the Nation's brainpower. Among the Congressmen who believe that the management sciences can prove useful in coping with the plethora of public problems is Representative F. Bradford Morse of Massachusetts. He has stated that ". . . we are on the threshold of an entirely new approach to the solution of these public problems. It will involve an altered relationship between business and government . . . To accomplish this revolution, there is an increasing interest in . . . systems management." [22] The proposal resulting from this introspection recommends the creation of a National Commission on Public Management. Bills introduced during the 90th Congress in the House of Representatives (H.R. 21 and others) and in the Senate by Senator Hugh Scott of Pennsylvania and a number of co-sponsors (S. 467) embody the concept of using the systems approach to arrive at utilitarian solutions to the exemplary national problems.

Another instance in which the role of systems analysis has been suggested by a Congressman is found in the documentation of the House Subcommittee on Science, Research, and Development of which Representative Emilio Q. Daddario is chairman. The problem of environmental pollution, already in the crisis stage in some areas, is addressed in these terms:

"To place pollution abatement on a comparable basis with other national technology programs, systems analysis and management capability should be established within the Federal Government. This approach should be used along with the 'planning, programing, budgeting' technique to organize both near and long term Federal research and operational efforts in pollution abatement."[23]

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[11] Hitch, Charles J. Plans, programs, and budgets in the Department of Defense. *In* Operations research, January-February 1963, 1963. p. 8.

[12] Executive Office of the President. Bureau of the Budget. Planning-programming-budgeting. Bulletin No. 66–3 to the heads of executive departments and establishments. Washington, October 12, 1965. 13 p.

[13] Wildavsky, Aaron. The political economy of efficiency: cost benefit analysis, systems analysis and program budgeting. *In* Public administration review, v. 26, n. 4, December 1966, p. 292–310.

[14] Novick, David, *ed.* Program budgeting, program analysis and the Federal budget. Cambridge, Harvard University Press, 1965. Preface.

[15] Executive Office of the President. Bureau of the Budget. Statement of Phillip S. Hughes, Deputy Director of the Bureau of the Budget, before the Subcommittee on Government Activities, Committee on Government Operations, on data processing management in government. Washington, July 18, 1967. p. 8.

[16] U.S. Congress. Senate. Committee on Labor and Public Welfare. Special Subcommittee on the Utilization of Scientific manpower, 1965–66. Series of hearings before the Special Subcommittee (89th Cong., 1st. sess., May 18, 1966). p. 195. [Remarks by Joseph A. Kershaw]. Hereafter referred to as Scientific manpower utilization, 1965–66.

[17] *Ibid.,* p. 197 [Remarks by Joseph A. Kershaw].

[18] Scientific manpower utilization, 1965–66, *op. cit.,* p. 202 [Remarks by William Ross].

[19] Scientific manpower utilization, 1965–66, *op. cit.,* p. 187. [Remarks by William Gorham].

[20] *Ibid.,* p. 188 [Remarks by William Gorham].

[21] Chartrand, Robert L. The systems approach: a tool for the Congress. *In* Extension of remarks of Honorable Hugh Scott, Congressional Record, volume 113, part 6, page 7168.

[22] Morse, F. Bradford. Private responsibility for public management. *In* Harvard business review, v. 45, n. 2, March/April 1967. p. 7.

Senator Gaylord Nelson, in his Scientific Manpower Utilization Act of 1967, draws attention in his proposed legislation (S. 430) to the need "to mobilize and utilize the scientific and engineering manpower of the nation to employ systems analysis and systems engineering to help to fully employ the nations manpower resources to solve national problems."[24]

STATE AND LOCAL GOVERNMENTS GRASP THE SYSTEMS CONCEPT

In connection with the research performed by the staff of the Nelson subcommittee and the Science Policy Research Division of the Legislation Reference Service (Library of Congress), a questionnaire[25] was prepared and sent to the governors of the 50 states, the mayors of the 22 largest cities, and the heads of five regional planning commissions. In commenting to the addressees about the objective of using a questionnaire on systems capability and activity, Senator Nelson wrote:

"We are interested in finding out to what extent such analyses now are being carried out at the state and local level, who is doing them, how effective they are in helping with real problems and what experience at the local and state level suggests as the best way to proceed from here."[26]

The questionnaire asked for these categories of data:

(1) The planning and program areas in which the systems approach was being used.

(2) The type of performer: in-house or out-of-house group.

(3) Source of support: Federal or other.

(4) Function and position in governmental structure.

(5) Degree of benefit: measurable, too early to assess, etc.

(6) Total cost.

(7) Possible approaches for new Federal legislation.[27]

Of the governmental and commission groups approached, 81% responded, and there was a discernible enthusiasm toward the utilization of the management sciences, related systems techniques, and automatic data processing. Many who responded indicated firm and often ambitious plans for system expansion and/or sophistication. The range of responses by function is graphically depicted in the following chart:[28]

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[23] U.S. Congress. House. Committee on Science and Astronautics. Subcommittee on Science, Research, and Development. Environmental pollution—a challenge to science and technology. (89th Cong., 2d sess., House report, committee print.) Washington, U.S. Govt. Print. Off., 1966. p. 7.

[24] Nelson, Gaylord. A space age trajectory to the great society. Remarks in the Senate. CONGRESSIONAL RECORD, vol. 111, pt. 20, p. 2742.

[25] U.S. Congress. Senate. Committee on Labor and Public Welfare. Special Subcommittee on the Utilization of Scientific Manpower, 1967. Hearings before the Special Subcommittee (90th Cong., 1st sess). p. 362–368. [Brezina, Dennis *and* Louise Becker. Highlights of the systems analysis questionnaire.] Hereafter referred to as Scientific manpower utilization, 1967.

[26] Scientific manpower utilization, 1967, *op. cit.*, p. 362. [Remarks of Senator Gaylord Nelson].

[27] *Ibid.*

[28] *Ibid.*, p. 365–366 (chart in two parts).

CHART NO. 1.—INDICATIONS OF SYSTEMS ANALYSIS CAPABILITY BY FUNCTION

[X—In-house capability; Y—out-of-house and in-house capability; Z—out-of-house capability]

	(1) Planning and policies	(2) Personnel management	(3) Interagency activity	(4) Management standards control	(5) Equipment selection	(6) Procurement activity	(7) Legislatures	(8) Courts	(9) Financial	(10) Taxation	(11) Education	(12) Health and hospitals	(13) Crime and corrections	(14) Transportation	(15) Urban renewal and growth	(16) Science and research promotion	(17) Natural resources	(18) Pollution control	(19) Parks and recreation	(20) Regulation of commerce, etc.	(21) Labor and manpower services	(22) Utilities and enterprises	(23) Welfare and antipoverty	(24) Social security and veterans	(25) Other
STATES																									
Alaska	Y	X	X	X	X	X		X	X	X	X	X	X	X			X		X		X		X		
Connecticut	X	X	X	X	X	X	X	X	X		X	X	X	X					X				X	X	
Delaware	X		Z		Z	Z	Z	Z	X	X	X	X	X	X	Y	X	Z	Z	Z	Z	Z	Z	Z	Z	Z
Florida	X	X	X	X	X	X	X		X	X	X	X	X			X			X	X	X	X	X	X	X
Hawaii	Y		X						X	Y	Z	X	Z	X		Y	Y	X	X		X	Z	X		
Illinois		Z		Z	X	X			X	X	X	X	X				X		X		X		X	X	
Iowa	X																								
Kentucky		X			X	X			X	X	Y	X		Y						X				X	
Maryland	X	X	X		X	X			Y		X	Y	X	X	Y	Z	X		X				X		
Massachusetts	X	X	Y	X	X	X	X	X	X	X	Y	X	Y	Y	X	Z	Y	Y	X	X	X	X	X	X	
Missouri	X		X	X	X	X	Z		X	Z	Y	X	X	Z	Z	Z	X	X	X	Z	Z	X	Y	Z	X[1]
New York	Y	Y	X	Y	Y	X	X	X	Y	Y	Y	X	Y	Y	X	X	X	X	X	X	Y	X	X	X	
North Carolina	Y	Z	Y		X			Y	X	X	Y	X	X	Y		Y			Z		Y		X		
North Dakota	X	X	X	X	X	X			X	X	X					Z					X		X		
Ohio	X	X	X		X		X		X	X	X	X	X	X			X			X			X[2]		X[3]
Oklahoma	Z								X	X	X			X					X		X		X		
Pennsylvania	Y	X	X	Y	Y	X			Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	X	Y	Y	Y	Z	
Rhode Island	X				X				X	X	X	Y		Y									X		
South Dakota		X			Z	X			Y	X	X			X											
Texas	Y	Y	Y	Y	X	X	Y		Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	
Utah	X	X	Y	Z[4]	X	X	X		X	X	X	X	X	X			X	X	X		X		X	X	
Washington	Y	Y	Y	X	X	X			X	X	X	Y	X	Y			X	X		X	X	X	X	X	X
West Virginia	Y		X	Y					X			X		Y			Y		Y	Y					
Wisconsin	X	X	X	Y	Y	X	Y		X	X	X	X	X	Y		Z	X		X	X	X	Y	Y	X	
Wyoming	X	X	X		X	X	X	X	X	X	X	X	X				X		X		X	X	X	X[5]	
CITIES																									
Atlanta, Ga	X	X	X	X	Y	X		X	X				X		X						X	X			
Baltimore, Md	Y	Y	Y	X	X	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	X	Y	Y	Y	Y	X	X	Y	Y	
Buffalo, N.Y	X	X	X	X	X	X	X	X	X	X	Y		Y		Y			Y	Y	Z	Y	X	Z		
Chicago, Ill	X	Y		Y		X			X			X	X	X	X			Y				Y	Y		X
Cincinnati, Ohio	X	X	X	X	X	X			X	X			X	Y	X			Z	X						
Cleveland, Ohio		X		X					X	Z															
Denver, Colo	X	X	X	X	X	X		X	X	X		X	X	X			X		X		X		X		X
Detroit, Mich	Z													Z	Z								Z		
Green Bay, Wis	Y[7]	X	Y[7]	X	X	Y[7]	Y[7]	X	Y[7]	Y[7]	Y	X[8]	X		X			Y[7]	X	X[7]	Y[7]	Y[7]	X[2]		
Houston, Tex								X		Y			X									X			X
Kansas City, Mo		X							X						Y										
Los Angeles, Calif	X	X	X	Y	X	X	X		X	X		X	Y	Y	Y			Y	Y	X	X	Y	Y		
New Orleans, La	X	X	X	X	X	X	Y	X	Y		X		Y	Y	Y	X	X	X	X		X	Y	Y	X	
New York, N.Y	X			X		X		X	X	X	X							X					X		X
Philadelphia, Pa	Y	Y	Y	Y	X	X	Y	Y	X	X	X	Y	X	Y	Y	X		X	X	X	X	X	X		
Phoenix, Ariz	Y	X	Y	X	X	X		X	X	X			Y	Y					Y			Y			
Pittsburgh, Pa	Y	X	Y	Y	X	X	X	X	Y	Y			Y		Y		Y		Y			Y	Y	X	
San Diego, Calif	X	X	Y	X	Y	X			X				Y	X	X			X	X			X			X
Seattle, Wash	Z													Z											
REGIONAL DEVELOPMENT ORGANIZATIONS																									
Mississippi Research and Development	Z	Z	Z	Z	Z		Z	Z	X	X	Z	X	Z	Z	X	X	Z	X	X	X	X	X	X	X	
Port Authority of New York	X	Y	X	X	Y	Y			X					Y	X			Y			X	X			X

[1] Information systems.

[2] Welfare only.

[3] Highway.

[4] In-house capability being established.

[5] Veterans only.

[6] Building code enforcement.

[7] Green Bay Industrial Authority activity included.

[8] Health only.

Unfortunately, some states where active programs are known to exist did not respond (e.g., California). Of the active respondents indicating use of the systems approach, 77% indicated actively in management and related activities; 60%, services and transportation; 57%, social and economic development; 51%, utilization of resources (e.g., parks and recreation); and 40%, legal and regulatory.[29]

An analysis of the level of activity (i.e., number of program areas indicated), show that nine states and five cities have 20–25 programs; seven states and three cities are in the 15–19 program category; four states and seven cities have 10–14 programs; and five states and four cities have 1–9 programs.[30]

Funds expended by states and cities on systems analysis during 1966, as reflected in the questionnaire responses show an estimated $22,468,500 paid for both in-house and out-of-house systems analysis and design. The state of New York spent an estimated $4,250,000, followed by Oklahoma ($1,800,000) and Pennsylvania ($1,125.000). City and regional groups reporting placed Baltimore at the top of the list with expenditures of $2,675,000; next was Philadelphia ($2,500,000); and then the Port Authority of New York, and Los Angeles, each with $1,975,000.[31]

During the course of the Nelson subcommittee hearings testimony was presented by a number of state officials. Useful information was provided by Vincent J. Moore, Assistant Director of the Office of Planning Coordination of the State of New York. He noted some historical antecedents such as the establishment of the New York State Office for Regional Development by Governor Nelson Rockefeller in April of 1961. This office was charged with preparing a comprehensive development policy which was produced in in 1964, entitled "Change/Challenge/Response." Among the 15 recommendations were two which were "translated into technical jargon" by Mr. Moore thusly:

"Systems analysis studies of the major functional action systems for providing the essential services and facilities provided by the State's population; and,

"A formalized integrated planning-programming-budgeting system." [32]

Mr. Moore strongly emphasized that the recommendations reflected the opinion of the New York State planners that ". . . the benefits of systems analysis approaches to functional planning would be realized only if a *formal* system existed to create the crucial *linkage* of the planning and budgeting functions." [33]

Also appearing to testify was Roger Schrantz, Director, Policy Planning and Program Development, Bureau of Management for the State of Wisconsin, who recalled that the ". . . birth of Wisconsin's current day management and policy decisionmaking procedures occurred in 1959 . . . a consolidated department of administration was created to improve the State's management process and its policy decision concepts." [34] Mr. Schrantz summarized the important characteristics of Wisconsin's management and policy decision efforts, noting that for eight years development had been on a bi-partisan basis, and that it had been a joint executive-legislative effort. In the latter connection, legislation stressed that "'. . . the objectives of program budgeting—to assist policymakers more easily to weight the alternatives available—are in no way related to partisan ideologies or the relative balance of power between executive and legislature.' " [35]

One valuable source of support and inspiraton for non-Federal governmental groups is the series of documents prepared by the State-Local Finances Project of the George Washington University under the direction of Dr. Selma J. Mushkin. Seven reports collectively entitled *Planning, Programming, Budgeting for City, State, County Objectives* address various aspects of the new budgetary system: [36]

(1) The introductory document discusses the purpose, history, characteristics, and components of the system. (Title: "What Is PPB?")

(2) PPBS Note 1—Is an integrated planning, programming, budgeting system useful for our jusrisdiction?

(3) PPBS Note 2—Administrative framework for establishing planning-programming-budgeting systems in states, cities, and counties: some considerations and suggested possibilities.

(4) PPBS Note 3—Development of initial instructions to inaugurate a planning-programming-budgeting system: some preliminary considerations and model instruction to be adapted for local use.

(5) PPBS Note 4—Staffing and training for PPB system in state and local governments.

(6) PPBS Note 5—Developing an objective-oriented governmental program structure.

(7) PPBS Note 6—The role and nature of cost analysis in PPB system.

It may be seen, then, that throughout the United States responsible individuals and organizations in the public and private sectors are concentrating on the problems of this complex age, seeking earnestly to find the wherewithal to ameliorate or completely solve the spectrum of problems which beset us. Often, a state or municipal government will choose to allocate precious resources in an attempt simply to stem the onslaught of some pressing problem—current examples are waste disposal and traffic congestion—while other administrations may tend to turn their faces to the future, concentrating through their long-range plans and budgets on ways and means to avert suspected catastrophes.

SUMMARY

Our world has been witness to a century of phenomenal change. Scientific and technological innovation have left a deep imprint on the way in which man lives, works, plays, and communicates. It has been said that change is inevitable, hence the appropriateness of this item: [37]

"Great grandfather drove a horse but feared the automobile;
Grandfather drove an automobile but feared airplanes;
Father flew piston planes but feared jets,
Now all of us ride jets,
But many of us are scared to death of horses."

This Conference has undertaken to explore the fundamental question of what is the impact of the management sciences on management analysis? Perhaps it is too early to obtain a complete answer, for the explosion of activity in this area is not only sustained but increasing in intensity. Man's awareness of his surroundings and the cascading pressures to alter his mode of living have prompted many thinkers to write. Some persons cherish and some fear the breed of "new utopians" . . . the social engineers of our times. Robert Boguslaw cautions that "The very real danger that arises is the salient one that contemporary and future populations will be wagged increasingly by their technological tails." [38] What is our proper role in the mechanistic milieu of today? Have we in government, the universities, the profit-oriented institutions, really gotten down to cases and sought to become involved, or have we remained aloof and acted the dilettante?

The days when management used process charting, forms design and other simple aids are not totally behind us, but we have designed, tested, and made operational many new and more powerful tools and techniques. Basic and applied research continue to widen our technological horizons. Yet, while we are integrating countless machine organisms into the warp and woof of our society, we must not ignore human values. Benjamin Disraeli once offered the opinion that "We put too much faith in systems, and look too little to man." This tendency endangers much which we cherish and hope to entrust to succeeding generations.

Our American heritage is founded upon the rights of the individual and his creative participation in a democratic form of government. The perpetuation of this ideal will depend in large part on man's intelligent control of his environment and his destiny.

ANTISUBMARINE NAVY AIRCRAFT

Mr. THURMOND. Mr. President, the November 21 issue of the Washington Post carries an article by George C. Wilson announcing Secretary McNamara's approval of the Navy program to build a new airplane to counter the Soviet submarine threat.

This development has been needed for some time, and it is only through unceasing Navy efforts, particularly those of recently retired Vice Adm. Charles B. Martell, that this program was finally approved. The Soviet Navy has today nine times as many submarines as Hitler had at the beginning of World War II. Their submarine fleet which is estimated at 400 includes 300 that are considered oceangoing, and it is estimated that 40 of these are nuclear propelled. The Navy Chief of Naval Operations, Adm. Thomas Moorer, recently discussed the growing Soviet Navy and stated:

> By any measuring stick, they are today the second largest sea power in the world. In ten years the Soviet Union has transferred itself from a maritime nonentity to a major sea power.

The aircraft carrier-VSX aircraft combination is a vital weapon to meet this growing threat from the sea, but it is not enough to merely approve contract definition of the new aircraft. It is also crucial to ascertain that our future plans and programs include sufficient ASW carriers, together with adequate numbers of land-based patrol aircraft, to carry out ASW operations in both the Atlantic and Pacific Oceans simultaneously.

Mr. President, I commend Mr. Wilson's article to my colleagues as an indication of progress in this important area, and

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[29] *Ibid.*, p. 367, Table No. 1.

[30] *Ibid.*, p. 368, Table No. 2.

[31] *Ibid.*, p. 368, Table No. 3.

[32] Scientific manpower utilization, 1967, *op. cit.*, p. 233. [Remarks of Vincent J. Moore.]

[33] *Ibid.*, p. 233–234. Italics added.

[34] Scientific manpower utilization, 1967, *op. cit.*, p. 252. [Remarks of Roger Schrantz.]

[35] *Ibid.*, p. 254.

[36] Mushkin, Selma J. Planning-programming, budgeting for city, state, county objectives. State-Local Finances Project, George Washington University, 1967. 7 documents, various pagination.

[37] Kanter, Jerome. The computer and the executive. Englewood Cliffs, New Jersey, Prentice-Hall, 1967. p. 100.

[38] Boguslaw, Robert. The new utopians. Englewood Cliffs, New Jersey, Prentice-Hall, 1965. p. 4.

I request that this article be printed in the Congressional Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

United States To Build Antisub Navy Plane

(By George C. Wilson)

Defense Secretary Robert S. McNamara has launched a $3-billion Navy program to build a new airplane to counter the Soviet submarine threat, it was learned yesterday.

The new plane, called the VSX, would fly off Essex-class carriers. It is to be ready for duty in about five years.

McNamara's approval represents a major victory for the Navy and a setback for Pentagon systems analysts who argued that land-based aircraft should get the anti-submarine warfare role.

The VSX will carry all kinds of detection equipment, such as sonobuoys dropped into the ocean to listen for submarines, and be designed to fly on patrol for long periods. The plane also would carry weapons to destroy the submarines, such as torpedoes that would chase the sub like a heat-seeking air-to-air missile.

The decision gives Navy carriers a new lease on life. Those too old for the attack role are likely to become anti-submarine-warfare bases rather than go to the scrap heap.

The carrier-VSX combination also represents added emphasis on the strategy of trying to knock out missile-carrying submarines before their missiles can be launched.

Vice Admiral Charles B. Martell, who recently retired as the Navy's director of anti-submarine warfare (ASW), fought for the VSX. He contended the carrier-airplane combination was essential "to pursue offensive ASW in areas of the world where land bases are not available" or may be destroyed in a war.

Martell said the Soviets are building modern submarines "at an impressive rate" as part of a naval strategy which in a war would call for isolating the United States from Europe and Asia.

The former ASW chief had estimated before he retired a few weeks ago that the new ASW plane and changes in the carriers to be used with it would cost about $3 billion.

But this money will be spent gradually. McNamara's decision puts the program in the contract definition phase—refining the requirements so contractors can bid on them.

Years of study preceded this step. The Navy's carrier-based aircraft now used in the anti-submarine-warfare role is the Grumman S–2 Tracker.

The Navy is expected to narrow the competition down to two contractors over the next several months. Contenders are: General Dynamics, Grumman, Lockheed and LTV as a team, McConnell-Douglas and North American Aviation.

DRAFTING OF VIETNAM PROTESTORS

Mr. HART. Mr. President, recently I explained my opposition to General Hershey's October 26 recommendation that Vietnam war protestors who engage in illegal acts be drafted. In brief, my opposition is based on the premise that ours is a government of laws, not men, and legally and constitutionally General Hershey cannot substitute military service for existing statutory penalties which deal with lawbreaking protestors.

Yesterday, I received a letter from Harry Holloway, a political science professor at the University of Oklahoma. In his letter Professor Holloway relates how a Tulsa Oklahoma draft board recently reclassified John Ratliff, an Oklahoma University student, 1–A. This action was taken because of Mr. Radcliff's membership in Students for a Democratic Society—SDS.

At this point, I ask unanimous consent to insert in the Record Professor Holloway's letter and a copy of the Tulsa draft board's letter reclassifying the University of Oklahoma SDS member, John Ratliff.

There being no objection, the letters were ordered to be printed in the Record, as follows:

The University of Oklahoma,
Norman, Okla., November 15, 1967.

Senator Phillip Hart,
U.S. Senate Building,
Washington, D.C.

Dear Senator Hart: The copy of a draft notice enclosed herein may be of interest to you. As the local faculty sponsor of SDS, John Ratliff brought it to my attention.

To our knowledge, this is the first time a draft board has avowedly based a reclassification decision upon a student's SDS membership. John told me today (the 15th) that he received his 1–A notice about a week ago. John tried to reach the board to start an appeal last Friday, the 10th. The board was closed (Veterans' Day), and he asked that his mother file notice of appeal this Monday, the 13th. This letter, also of the 13th, is evidently written in response to John's notice of appeal.

John himself is a student here on the Norman campus. He assures me his grades this term are A's and B's so far and that he should therefore be in good standing as a student.

A Tulsa reporter has already called me to inquire into this action. He had checked with the local draft officials and reported from these inquiries that draft boards elsewhere in Oklahoma would be reviewing the status of any SDS students. Since local SDS members are said to be under surveillance by some federal agency, local SDS membership lists—or those *believed* to be SDS members—have presumably been made available to Selective Service people. Perhaps draft boards in other states are proceeding along similar lines.

In my opinion, draft classifications should not be made dependent upon a person's political activities, on- or off-campus. Because national news reports indicate you may well be in sympathy with this principle, I am bringing this action to your attention.

Sincerely,

Harry Holloway,
Professor, Political Science.

Selective Service System,
Local Board 76,
Tulsa, Okla., November 13, 1967.

SS No: 34–76–48–723
John Milton Ratliff,
Norman, Okla.

Dear Sir: Your file is being transmitted to the State Director for transmittal to the Appeal board for consideration of classification.

Information has been submitted to this office which the local board members did not feel was justification for continued classification in class II–S.

Section 1622.25 of the Selective Service Regulations says—Registrant deferred because of activity in study—

(a) In Class II–S shall be placed any registrant whose activity in study is found to be necessary to the maintenance of the national health, safety, or interest.

The local board did not feel that your activity as a member of SDS is to the best interest of the U.S. Government.

For local board No. 76, Tulsa, Oklahoma:

Robert Brown,
Clerk.

Mr. HART. Mr. President, at the risk of sounding melodramatic, I think a reasonable question at this point might be: Can the Republic endure a policy that allows Federal officials to decide what political organizations are in the national interest and permits them to induct the membership of any group that does not pass the test?

I have no idea whether Mr. Ratliff has ever engaged in an illegal demonstration. Even if he had, I would be opposed to Army induction being used as punishment.

But here the case is even clearer. The Tulsa board—local board 76—cites only one reason for the reclassification: Mr. Ratliff's membership in a political organization.

Let me make it quite clear, I am not much of an SDS fan. In fact, I disagree with the organization's viewpoint on the struggle in Vietnam and abhor SDS's dissent tactics which violate Federal or State laws. However, every student has a clear-cut constitutional right to be a member of SDS without fear that such membership will result in loss of his student deferment; in fact, no one should be reluctant to join a political organization because he might be thrown into the Army for belonging.

What in effect the Tulsa draft board is saying, by canceling a student deferment of an SDS member, is that mere membership in an organization which the board disapproves of is sufficient ground to deny a deferment to a student otherwise in good standing.

This week the Tulsa draft board singled out members of the "new left" SDS for reclassification. Just as easily in forthcoming weeks other draft boards in other parts of the country, operating under the Tulsa draft board rationale, could cancel deferments for members of the Birch Society, the YAF, the Sons of the American Revolution, Delta Kappa Epsilon, Phi Beta Kappa, or the campus varsity club.

Mr. President at this point I am pleased to note that my distinguished colleague, the junior Senator from Oklahoma, Senator Harris, said recently in a television interview that he did not feel the draft system should be used for punishment to reclasify an Oklahoma University SDS member 1–A is clearly a punitive use of the draft.

Mr. President, ours is a government of laws not men. If our constitutional guarantees of freedom of speech and freedom of association ever are to have any meaning, the Oklahoma State Selective Service Board must act promptly to correct this dangerous precedent established in Tulsa. The Constitution and Bill of Rights protect no one if their protection is not assured to the most humble and the most obnoxious among us.

WILLIAM H. TUCKER: A DISTINGUISHED RECORD OF ACHIEVEMENT

Mr. PELL. Mr. President, I should like to take this opportunity to pay tribute to a fellow New Englander who is completing an exceptionally distinguished tour of duty with the Federal Government as this year draws to a close.

I refer to the retiring chairman of the Interstate Commerce Commission, the Honorable William H. Tucker of Boston who recently announced his intention to return to his private law practice at the conclusion of his present term on December 31.

I have known Bill Tucker since his appointment to the Commission by President Kennedy in 1960 and have worked with him in connection with my interest in the preservation of railroad passenger service—a cause in which I am pleased to note he has been allied. I have especially appreciated the qualities of intelligence, imagination and quiet good humor which he has brought to his work on what is perhaps the Nation's most influential regulatory agency. These are qualities which I believe are essential to the humane and reasonable operation of big government and we are all the better, for this reason, for having had the services of Bill Tucker for the past 6 years.

The notable effectiveness of his presence on the ICC will be measured for a long time to come by the impact and the sense of action and innovation which he has brought to the agency. This has been summed up by Lewis W. Wolfson, the able correspondent for the Providence Journal in the following words:

> As chairman of the Interstate Commerce Commission, he has turned one of the stuffiest of the hidebound federal regulatory agencies into a can-do outfit . . . Mr. Tucker has shattered the atmosphere of resignation to disaster which has settled over most American railroads and a despairing ICC and took charge in a situation where he was surrounded and outnumbered.

As Mr. Wolfson points out, Commissioner Tucker has made his mark more as a political activist than as a legal philosopher. But as an activist, he has streamlined the procedures of a long-established bureaucratic routine and he has gotten results where others have been content to substitute the erosive process of continued deliberation for the hard business of problem solving. I salute Bill Tucker for making such a record and I wish him well in his future undertakings. I ask unanimous consent that the article entitled "The Passenger's Friend," by Lewis W. Wolfson, which appeared in the Providence Sunday Journal, be reprinted in the Record at this point.

There being no objection, the article was ordered to be printed in the Record, as follows:

The Passengers' Friend

(By Lewis W. Wolfson)

"Unless a dramatic change is effected, our first megalopolis (the Boston-Washington corridor)—and others to follow its lead—will eventually strangle its necessary mobility in unending ribbons of concrete and dangerously overcrowded airline traffic."

—William H. Tucker.

Washington.—William H. Tucker likes to live dangerously. He jumps out of airplanes, badgers highly-paid executives of multi-million dollar corporations and tours the country making speeches about how the most promising future method of transportation is railroad trains.

As chairman of the Interstate Commerce Commission, he has turned one of the stuffiest of the hidebound federal regulatory agencies into a can-do outfit.

He has moved with unprecedented speed to try to wrap up the largest corporate merger in history between the Pennsylvania and New York Central Railroads, and is working to bring the New Haven Railroad back to life after a near-terminal illness.

Native-Bostonian Tucker, shrugging off charges about his sectional interest, unblushingly has advocated the importance of saving the New Haven as a symbol of the rebirth of rail passenger service to relieve air and highway congestion.

MORE THAN FREIGHT

All the rail executives involved, Governor Chafee, Senator John O. Pastore and worried public officials in all the New Haven states say that inter-city rail passenger service is nice to have, but the paramount consideration is to save the New Haven freight service.

Chairman Tucker says, "I never thought the New Haven was more important to the public as a freight carrier. I don't agree with that assertion.

"I held major hearings on the New Haven. I have been in every state involved, and heard every governor. I have heard mountains of evidence on the New Haven's financial structure. I have been in at least 15 of the communities closely involved.

"No one has ever demonstrated that the freight service is more important to the public than the passenger service."

He predicts that "within a few short years," passenger trains will be making the New Haven run between Boston and New York in two hours and doing the same between New York and Washington.

As commission chairman Mr. Tucker has shattered the atmosphere of resignation to disaster which has settled over most American railroads and a despairing ICC and took charge in a situation where he was surrounded and outnumbered.

In the past, both the regulators and regulated have hung back from making any showdown decision on basic policy to deal with the future of American railroads.

The clubby world of conservative rail executives preserving the assets of aging railroads conducted a cautious minuet with the procedure-encrusted world of conservative ICC bureaucrats over proposals for mergers and passenger train discontinuances.

They comforted each other with incantations about observing "national transportation policy" and serving the "public interest." But to the lay observer it was difficult to connect this with the growing layoffs of passenger trains and the continuing decline in the quality of service.

PUBLIC INTEREST

Mr. Tucker has tried to give some meaning to the same words:

"The public wants to know why its swelling investment in highway construction is creating not just more roads, but apparently more highway problems; why a nationwide rail system, once the best in the world, is unable often to provide even the crudest kind of interurban passenger service;

"Why freight that moves over highways, rail lines, and air lanes at impressive speed seems to practically stop moving when it reaches our urban areas—and in slowing to a crawl, adds to the already severe transport congestion of our core cities."

He has urged federal, state, and local planning leading to "a practical mixture of uses for our existing highways, railways and airways" for the "immediate future of 5 or 10 years from now."

He has called for development of a national rail passenger system integrated with roads and airways, and has recommended a sweeping series of hearings on all passenger trains in the country.

He says that within six months the federal government could decide which passenger trains are needed and set up stiff standards for their operation. Tougher standards for discontinuances would follow but the service would still be in private hands.

The ICC chairman insists that, even if they don't believe it, railroads have passed their worst crisis and now have a new opportunity.

He grants that the civilized gentility of longhaul passenger trains inching between distant cities may be dead.

But he has seen enough of the congestion around airports—he is a pilot himself—and on the highways to develop the conviction that the next resort is high speed rail shuttle service for distances up to 200 (or even 300) miles in the burgeoning inter-urban areas.

Chairman Tucker is the lone prominent advocate of this in the executive branch outside of the high speed program itself. He runs against a tide that has seen the White House and the Department of Transportation essentially acquiesce in the squeezing down of the modest program.

This has happened partly because of the war and the budget-cutting rampage of Congress; partly because of heavy pressure on transportation officials from the well-financed highway and air lobbies joined by friends in Congress and the bureaucracy in the virtual absence of a rail passenger lobby; and partly because other top-level transportation officials do not yet conceive of the high speed program as much more than a stopgap means to get some new equipment and better service into the horrendous passenger travel situation in the Boston-Washington corridor.

TUCKER'S THEME

In the last year or so, Mr. Tucker has given speeches and press conferences around the country, hammering away at his favorite theme:

"I haven't seen any signs of real breakthrough in air transportation for . . . travel (between congested areas 200–300 miles apart). But there are signs of a new kind of (rail) passenger service—a new kind of travel that won't be anything like we know on the New Haven from the past 20 years." (June 19, 1967)

"I am convinced what we will need, by the 1970s at least, a strong network of high-speed, medium-range passenger trains—of the Tokaido line genre. . . . I would like soon to see my assumptions in this regard tested. . . ." (Oct. 20, 1966)

"The railroads survived that critical period of a few short years ago with relatively little permanent damage . . . as an industry, the railroads seem well on the way to achieving new levels of health and productivity." (Jan. 20, 1967)

"Personally, I have little doubt that the technological slippage and the operational problems now confronting rail passenger service can be cured. . . . But I am concerned that a related problem may not get the attention it deserves . . . the 'uneducating process essential to offset a deeply ingrained public conception of rail passenger service as a third-rate operation begrudgingly performed." (June, 1966)

When it is observed that he sounds at times like an implausible cheerleader for an indifferent railroad industry, Mr. Tucker retorts:

"I actually believe this. I believe in a massive rail program for areas like Chicago-St. Louis, Washington-Boston, Miami-Jacksonville and along the west coast. We cannot depend on shorthaul air travel or air buses. There's no reason why we can't develop high speed shuttle service."

IN WHOSE INTEREST?

A less forceful man might simply be tabbed as the Don Quixote of transportation and humored until his term as chairman and six-year term as commission member runs out at the end of this year (he refuses to comment on reappointment).

His New England background moreover, exposes him additionally to charges of being less than a high-minded crusader for the general "public interest" which is talked about so often in ICC cases.

In May, when President Johnson talked to the New England governors at Windsor Locks, Conn., he told them—with Chairman Tucker present—that they never were more likely to have a problem with the New Haven worked out quickly than when they have a chairman from New England.

It was high praise from the President but a less-than-perfect compliment.

The Boston-born chairman is a product of the Boston public schools and Boston University liberal arts and law schools and practiced labor and transportation law in New England. But he chafes at the notion that he might have some sinister special interest in the New Haven.

He says it is traditional for a commissioner "to lend more effort" to a sectional problem he understands better. "They look for a little more work from the fellow whose region is involved," he says.

No doubt there is also an element of special interest and sentiment involved in Mr. Tucker's stand.

An ICC chairman hardly is to be expected to promote air transport, for example, since the commission primarily oversees rail operation and rates and, secondarily, truck and bus firms.

But no chairman in recent years has been so outspoken about national transportation policy and so challenging to the railroads themselves.

A chairman usually is occupied during his year in office with one major problem, and Mr. Tucker has spent about 40 per cent of his time on handling of rail mergers.

The outburst of visionary statements and high-pressure demands to speed up case procedures coming from the staid old ICC seems to have thrown many rail executives and lawyers too much off balance to counter Mr. Tucker's charges about their excessive self-interest.

He frequently puts corporation witnesses in rail proceedings on the defensive since he is far less ready than other commissioners to accept their warnings about imminent financial disaster.

The chairman concedes that railroads still are losing money and there was a "downward trend" last year after steady growth from 1962 through 1965. But he prefers to go back to a decade ago for comparison.

The railroads continue to sing the blues and to petition for mergers and discontinuances.

But some executives in the indusry have responded to Mr. Tucker's promptings and he is in a position to make them listen, since every railroad's basic right to operate, and to alter its service, is in the hands of the ICC.

One federal transportation official made this point in discussing the commission's impact on the New Haven case:

"If the judge tomorrow pulled the pin on that railroad and everything else unravelled, all you would have would be a cessation of movement of the trains. The real property would sit there and no one could sell it until the ICC authorized it. Bill Tucker and his crowd hold the trump card."

In addition, there are signs that others in government could move toward Mr. Tucker's view.

Chairman Warren Magnuson of the Senate commerce committee wants the executive branch to make a full report to him on the state of passenger service.

Mounting complaints about crowded highways and airways have caused the same anxiety to find alternate solutions among other members of Congress and Johnson administrative officials.

On the other hand, power of the ICC chairman to change things is always limited by the fact that it is the only major regulatory commission with an annual rotation of the chairmanship.

An aide says that if Mr. Tucker is reappointed to the commission next year, there would be called "no significant diminution" of his influence even though he no longer would be chairman so long as there was a continuation of the "consensus" approach to major rail cases built by Mr. Tucker and the last two chairmen. The next chairman, Paul J. Tierney, is thought to be sympathetic to this approach.

DISSENTS

Mr. Tucker has been a prod to both the ICC and the railroads ever since he came on the commission as a Kennedy appointee in 1961.

In December, 1962, he wrote a biting 40-page landmark dissent to a 30-page landmark decision favoring the merger of the Chesapeake and Ohio, and Baltimore and Ohio Railroads.

His main arguments were that the ICC ruling could hurt other eastern railroads, and that it cast the die for two other big pending mergers in the east. He said the three cases should have been considered as a package.

He accused fellow commissioners of taking a passive role in the case "from beginning to end." He assailed them for only weighing the interests of those actively involved in the one particular case.

"This may be the popular or least controversial course for independent commissions to steer, but the rewards of passivity and judicialitis over the long haul, will be made at the expense of the public interest," he wrote.

He predicted that the direction and success of the commission "in this and succeeding decades" would be determined by how they handled the realignment of the eastern railroads.

Then he turned on the railroads.

"The failure of the large eastern railroads to present evidence against consolidation," he said, "is . . . a natural consequence of their own self-interest which dictates a reciprocity of silence."

The other eastern roads failed to oppose the merger, he said, so there would be no opposition when it came time to consider their own merger proposals. They kept quiet so as not to "melt the merger snowball" in which they thought to roll up their financial woes, he wrote.

He later dissented in the Norfolk and Western and Nickelplate merger. He concurred in the third eastern merger case, the Penn-Central, which he thought was inevitable, but not without a parting shot at his colleagues.

Further merger proposals, he said, "should not be allowed to follow the course of the gigantic game of dominoes we have witnessed in the East."

ACTION NOT WORDS

'Mr. Tucker is, in the words of one frequent ICC witness, "no great legal philosopher, but a political activist."

As an activist he has tried to cut through layers of detail and self-serving arguments which often have weighted down issues of substance in major ICC cases.

A witness will be droning on portentiously about the New Haven's fate in the gloomy cavern of Hearing Room A when Mr. Tucker's flat Boston accent will suddenly cut in and inquire irritably, "Mistah Bushbee does Chase-Manhattan Bank really wanna see the liquidation of the New Haven Railroad?"

He has reorganized the commission staff and cut months off merger and discontinuance cases by streamlining procedure. He says that the commission "realizes that exigencies demand sacrifices and have really been driving like mad working around the clock" to dispose of major rail cases.

In January, the Supreme Court decided that inadequate provisions had been made in the Penn Central merger for indemnification of three smaller eastern railroads. In six months the ICC issued an indemnification plan and also reordered the three roads included in the Norfolk and Western merger.

A similar crash operation has been undertaken to clear away proceedings for the New Haven inclusion in the Penn-Central merger which ordinarily would have dragged on for years.

In an unprecedented move, Mr. Tucker himself, when he was vice chairman of the commission, acted as hearing examiner and sat through 3,000 pages of testimony in the New Haven's petition, to discontinue 273 trains.

THE VISION

The commission's conclusions, written by Mr. Tucker, were a summation of his own philosophy.

"It is not too visionary, we think to anticipate the development of a rail passenger service system more comprehensive and better utilized than any the world has yet seen.

"We have every hope that through their mutual efforts, the railroads and the public can and will achieve for America the rail passenger system it wants and deserves."

If he is right, Mr. Tucker will be hailed as a prophet. But it will also have to be said that he didn't mind giving his prophecies a little push.

HEALTH AND GENERAL ENVIRONMENTAL IMPROVEMENTS ARE KEY OBJECTIVES OF AIR QUALITY ACT OF 1967 SIGNED INTO LAW BY PRESIDENT JOHNSON

Mr. RANDOLPH. Mr. President, this has been an eventful day, one of the significant highlights being the signing of the Air Quality Act of 1967 by the President of the United States at the White House.

The ceremony which preceded and included the signing of the act by our Chief Executive was attended by more than 300 persons. There were Members of the Congress, Cabinet Secretaries John W. Gardner of Health, Education, and Welfare, and Alan S. Boyd of Transportation present. Officials of the executive branch, as well as appropriate representatives from governments of the States, a large delegation from industry and another from labor, completed the group in the East Room. Following the signing, and presentations of pens used in the ceremony, the President personally shook the hand of each individual.

It was particularly gratifying to me as the chairman of the Senate Committee on Public Works to have heard President Johnson express appreciation for the work of those of us in the Congress who had a part in perfecting and passing this important legislation. The President recognized in a noteworthy way the talents and the air and water pollution control leadership of our distinguished colleague, Senator Edmund S. Muskie, of Maine, chairman of our Subcommittee on Air and Water Pollution. It was pleasing, too, that my colleague from West Virginia, Representative Harley O. Staggers, chairman of the House Committee on Foreign and Interstate Commerce, received recognition as the leader of the delegation from the House of Representatives.

Mr. President, the measure signed into law by President Johnson is, indeed, a prodigious stride forward in the continuing effort to cleanse the air we breathe and improve the environment in which we live.

Air pollution knows no boundaries; hence air pollution—although perhaps a larger problem in metropolitan areas than outside—is a condition more and more affecting the entire country. Only local, State, and National partnership, and the cooperation of all the people, can bring significant changes for the better. In the sense that the Air Quality Act of 1967 seeks to develop this partnership and broad cooperation it is a national statute. I am pleased with the progress it represents and the further progress it encourages.

There is considerable emphasis on the research so necessary to find ways and means to make air pollution control more meaningful and technologically feasible. And there is emphasis on the prevention of pollution as well as new powers delineated for the Government in its efforts to abate or curb pollution.

We have authorized the investment in the period of the next 3 years of more funds to combat air pollution than has been spent in all 180 years of our country's history.

This is truly a landmark statute to purify and cleanse the air—and thus enhance our environment for improved living.

Mr. President, I request unanimous consent that the remarks by President Johnson which preceded his signing of the Air Quality Act of 1967 be printed in the RECORD. I underscore and join in his admonition:

> Let us seize the new powers of this new law to end a long, dark night of neglect. Let our children say . . . that it was here a nation awoke.

There being no objection, the remarks of the President of the United States were ordered printed, as follows:

TEXT OF THE REMARKS OF THE PRESIDENT UPON SIGNING THE CLEAN AIR ACT, NOVEMBER 21, 1967

I would like to begin this morning by reading you a weather report. ". . . . dirty water and black snow pour from the dismal air to . . . the putrid slush that waits for them below."

It is not a description of Boston, Chicago or New York. It is from Dante's Inferno, a six-hundred-year-old vision of Damnation. But doesn't it sound familiar? Isn't it a forecast that fits almost any large American city today?

Don't we risk our own damnation every day by destroying the air that gives us life?

We do. We have done it with our science, our industry, our progress. Above all, we have done it with our carelessness—our continued indifference and repeated negligence.

Contaminated air began as a big-city problem. But in just a few years, the gray pall of pollution has spread across the nation. Today its threat hangs almost everywhere—and it is spreading still.

We are pouring at least 130 million tons of poison into the air each year. This is two-thirds of a ton for every man, woman and child in America.

And tomorrow looks even blacker. By 1980, we will have a third more people in our cities. We will have 40 percent more automobiles and trucks. And we will be burning half again as much fuel.

That leaves us only one choice. Either we stop poisoning our air—or we become a nation in gas masks, groping our way through dying cities and a wilderness of ghost towns.

We make our choice with the Bill we sign this morning. It is not the first clean air bill—but it is by far the best.

Congress passed the Clean Air Act in 1963. I signed it to establish the Government's obligation and authority to act forcefully against air pollution.

Two years later we amended that Act. Standards were set in 1965 to control automobile pollution.

These were important steps. But they were baby steps. Today we grow up to our responsibilities. This new Air Quality Act lets us face up to our problem as never before.

In the next three years, it will authorize more funds to combat air pollution than we have spent in all 180 years of our history.

It will give us scientific answers to our most baffling problem: How to get the sulphur out of our fuel—and how to keep it out of the air.

It will give Secretary Gardner new power to stop pollution before it chokes our children and strangles our elderly—before it drives us indoors or into the hospital.

It will help our states fight pollution in the only practical way—by regional "airshed" controls—by giving the Federal Government standby powers to intervene if States fail to act.

It will help our states to control the number one source of pollution—automobiles.

But for all that it will do, the Air Quality Act will not end pollution. It is a law—not a magic wand to wave and cleanse our skies. It is a law whose ultimate power and final effectiveness rests with the people—on our seeing the damnation that awaits us if we do not act responsibly to avoid it.

Last January, in asking Congress to pass this legislation, I said:

"This situation does not exist because it was inevitable, nor because it cannot be controlled. Air pollution is the inevitable consequence of neglect. It can be controlled when that neglect is no longer tolerated.

"It will be controlled when the people of America, through their elected representatives, demand the right to air that they and their children can breathe without fear."

Let us strengthen that demand from this day on. Let us seize the new powers of this new law to end a long, dark night of neglect.

Let our children say, when they look back on this day, that it was here a nation awoke. It was here that America turned away from damnation, and found salvation in reclaiming God's blessings of fresh air and clean sky.

THE PRESIDENT'S VIEWS ON DISSENT

Mr. BREWSTER. Mr. President, President Johnson's press conference at the White House on Friday has been widely hailed as an eloquent and forceful presentation of the administration's position concerning all the aspects of the Vietnam war.

I was particularly impressed with the President's views on dissent. He made clear the crucial difference between conservative criticism, which is the hallmark of democracy, and reckless and destructive demonstration, which is the hallmark of fascism.

I believe that this is a wise distinction for us all to bear in mind as the dialog on Vietnam continues. No one wants to suppress free speech or dissent in this Nation. But no one wants to allow howling mobs to decide just who ought to be able to exercise free speech.

Mr. President, I thought the Saturday editorial in the Washington Post accurately and lucidly summed up the President's position. I commend it to your attention and to the attention of all Members of the Senate.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

INTIMATIONS OF 1968

President Johnson, at his press conference Friday, gave the country a preview of the forceful, vigorous, and skillful defense of his Administration's policies that the country is going to hear in the next year.

The President's remarks on Vietnam policies of the Administration will gratify those who have supported limited war concepts. He disavowed any intention of increasing force levels. He rejected the idea of a quick end to the war, alluding to the impulse to get it over and pointing out that in Vietnam "that is not the kind of war we are fighting." There was no hint or suggestion of any reckless widening of the war. There were claims of progress in Vietnam that will seem overoptimistic to many. Statistics on the number of Vietnamese under control of the South are inflated by the number of refugees and bear the infirmities of all figures in such a chaotic situation. His hopeful view of political and social progress in the South will not be agreed to by all informed people.

It is to the President's credit that he did not hold out the illusory hope of early negotiations or quick military decisions.

The President's statements on the right to dissent were the best that he has made to date. The distinction between responsible dissenters and those who resort to violence and rowdy interference is one that needs to be made again and again. The President made that distinction clearly and forcefully. The more the President exhibits a tolerant and sympathetic understanding for sober dissent the more support he will have for the suppression of irresponsible and violent opposition.

The President's defense of his domestic policies also had a great deal of force for the Administration undeniably has made greater use of Federal power in the fields of education and social welfare than its predecessors. But he wisely acknowledged that there still is much for government to do. To surpass every Administration that has gone before might still be to fail the higher test of adequacy in a nation whose problems also exceed those faced by previous administrations.

It is to be hoped that Congress heard the President's strong defense of foreign aid. He rightly said that foreign aid money not only "can give great help to underdeveloped nations," but that, in itself it "can prevent the things that cause war where you are required to spend billions."

The President's remarks on the tax bill were persuasive, but it is unfair of him to assume that all the congressional leaders who differ with him agree on the need for taxes but resist them because of political cowardice. He feels very sincerely they are needed; some of his congressional foes as sincerely feel that more taxes at this juncture would not be wise.

The press conference yesterday demonstrated again the enormous impact that can be registered by a President with causes in which he believes and the ability to state his position with force and effect. The lines of a coming political struggle have been laid out. If that struggle is conducted at a level of debate achieved at the White House yesterday, the people will be more enlightened, the country strengthened and its political institutions vindicated, whatever the result.

GOVERNMENT RESPONSIBILITY AND OUR ECONOMIC CRISIS

Mr. PERCY. Mr. President, the present fiscal situation calls for prompt and effective action. Yesterday the President recommended a compromise which would resolve the existing impasse in meeting our economic crisis.

I recommend that four steps be taken immediately. First, before the tax increase proposal is considered, the President should report to the Congress where and by what means he will reduce spending this fiscal year and request that these cuts be embodied in law; second, the President should pledge now to submit a budget for next year, fiscal 1969, showing a deficit sharply reduced from the estimated 1968 figure after taking into account the agreed to tax increase and expenditure reductions; third, the President should send legislation to the Congress embodying the suggestion that a commission be established to examine spending programs and offer recommendations on establishing a set of priorities to meet urgent national needs; and, fourth, the President should call the congressional leaders of both parties to the White House for discussions of a mix of tax increases and expenditure reductions that would reduce the 1968 budget deficit by at least $10 billion. The Secretary of the Treasury, the Budget Director, the Chairman of the Council of Economic Advisers, and the Chairman of the Federal Reserve Board should also participate in these discussions.

A democratic society stands or falls on the willingness of its people to accept sacrifice when necessary to protect the Nation's security and well-being.

The United States has survived and prospered in the past because we have been able to meet that test. Today our wisdom and courage are being challenged again—by the conflict in Vietnam, by the need to promote harmony between the races, and by the task of rebuilding our great cities.

But we also face another and more fundamental challenge in the management of our economic affairs. Can we—and will we—maintain a stable dollar, provide jobs for our growing labor force, and strengthen our economic ties with the rest of the world?

Whatever our national goals or however we define our commitments, we will meet with success only with the resources and the social stability that a healthy and balanced economy provides.

It is becoming more evident with each passing day that we are not now meeting that economic test.

The Nation's financial markets are bordering on a state of panic. Interest rates on long-term Government bonds have reached the highest point on record. Short-term rates are also rising, threatening savings institutions, the mortgage market, and the recovery of the housing industry.

Wage increases are now exceeding the inflationary 5-percent settlements made earlier this year. The recent Ford agreement has set a pattern for future increases nearly twice as large as would be permissible under the administration's now dormant guideline for noninflationary wage behavior.

Prices have been rising at an annual rate of 4 percent since spring and will probably increase over 5 percent next year without a tax increase, and at a substantial rate even if taxes are raised.

The Federal budget is out of control, with a deficit of $29 billion or more in prospect, while monetary policy is one of the most expansionary on record.

Our balance-of-payments deficit this year will be more than half again as large as in 1966, shaking world confidence in the dollar and raising the likelihood of another large outflow of gold into foreign central banks. The recent British financial crisis and the devaluation of the pound also heighten the vulnerability of the dollar to speculative attack.

Mr. President, I would be less than honest if I said that I was optimistic about the outcome of the impasse over economic policy. A public which is seeking direction and leadership has been offered instead a spectacle of paralyzing deadlock between the President and the Congress.

At long last, only in reaction to a serious international financial crisis, the President has come forward with a compromise proposal.

Last August—when the President asked for the 10-percent tax surcharge—it seemed, for a time, that we were being offered leadership. We were being asked as a people to accept a hard and unpopular remedy to help restore balanced and healthy growth to our economy.

The President's action was widely applauded by economists, businessmen, and investors, but the vast majority in Congress and among the public needed to be convinced. That skeptical response was perfectly understandable and proper.

What has not been understandable is the administration's halfhearted and ineffectual leadership in selling its proposal to the Congress and the public.

The challenge of leadership is to rally support behind unpopular but necessary actions. A government which lacks that ability does not govern; it merely presides. The administration has been merely presiding over a drifting and frightened economy.

What is difficult to understand is how the mood of the Congress and the public was so seriously misjudged by an administration which is widely credited with possessing remarkably persuasive political skills. The price of the tax cut in 1964 was an effective effort to reduce Federal spending. This year it should have been equally, if not more, evident that taxes would not be raised without a convincing commitment by the administration to reduce spending. Yet, until yesterday the administration has offered only token reductions in the 1968 budget that were predictably inadequate to satisfy the critics. It still remains to be seen how meaningful the President's new proposals to reduce spending are.

The administration has also raised legitimate questions about the sincerity of its anti-inflationary posture by its position on the social security bill. An increase in benefits is justified, but postponing until after the 1968 election the bulk of the payroll taxes increases required to finance higher benefits will only feed inflation further. The administration's position is not only politically cynical, but economically indefensible as well.

The debate since the President made his tax proposal has been useful in calling attention to the surge in Federal defense and nondefense spending that has taken place in recent years. Even more important, it has established the need to set priorities in public expenditures in order to bring our scarce fiscal resources to bear where they are most needed. In the long run, the tax debate of 1967 can make an important contribution to better public policy if it results in improved procedures for establishing priorities in public programs.

But the debate over how to reduce the rate of increase in public spending is largely irrelevant in terms of immediate economic needs. Economic action to combat a mounting inflationary psychology has been in limbo for months.

The trouble is that we have been looking for an easy way out—a panacea—a simple and painless solution. But there is no easy way out; there is no panacea; there is no simple and painless solution.

No action we take—whether a tax increase, a cut in expenditures, or tight money—is going to work an instant economic miracle. We have no magic wands to immediately bring interest rates down, restore price stability, or bring wage increases into line with productivity advances. Once the conditions for balanced and sustainable growth are lost—as they have been—the road back to stability is long and difficult. But the difficulty of the task must not delay our taking the first step towards restoring conditions for balanced growth in the future.

The policy vacuum arising from lack of effective action is being filled increasingly with the expectation of tighter money and higher interest rates, the imposition of credit controls, and even the possibility of wage and price controls. Deep concern over future economic policy actions as well as the temporary effects of recent labor disputes are contributing to the signs of economic weakness that are in turn being used as arguments against a tax increase. One of the earliest helpful effects of moving toward fiscal restraint would be to lift these fears of inequitable and oppressive Government controls.

There can no longer be any reasonable doubt that—aside from the effects of recent strikes on employment and industrial activity—the pace of the economy is accelerating and wage and price increases are gaining momentum. In the third quarter, total demand for goods and services grew at an 8-percent annual rate compared to 3.4 percent in the first half. Subtracting price increases, real output increased at over a 4 percent annual rate—four times greater than in the first half of the year. Prices gained about 4 percent in the third quarter compared to less than 2.5 percent in the first half.

Even in the first half of the year, when growth was sluggish, the principal cause was a major inventory adjustment by business. That adjustment is now completed. Inventory building by business is fast becoming a source of significant strength.

Capital spending—another weak spot this year—is also turning around. The latest McGraw-Hill survey shows that businessmen now plan to increase capital outlays by 5 percent next year compared to an expected increase of 2 percent this year. Corporations are moving ahead with expansion plans—in spite of unused capacity—because sales expectations are high. Manufacturers now expect an 8 percent rise in physical sales next year—the largest gain reported in any fall survey during this decade.

Mr. President, the case for applying the fiscal and monetary brakes is inescapable. Our economy needs a reduction in expenditures and a tax increase—and it needs them soon. When, but only when, fiscal restraint is applied, the Federal Reserve should gradually reduce the inflationary growth of money and credit.

A reduction in expenditures combined with a tax increase not only is needed for domestic reasons but—as the devaluation of the pound makes clear—it is needed to protect the international position of the dollar as well.

Failure to take action now to bring the Federal budget under control would be fiscal and economic folly. Budget deficits from fiscal 1962 through the current year will total about $65 billion if the highest estimates for fiscal 1968 come to pass. The ranking minority member of the House Ways and Means Committee has said that in the next fiscal year the deficit could go to $35 billion—or a grand total of $100 billion of deficits in eight years of generally high employment and prosperity.

There can be no reasonable doubt that an excessively expansionary budget policy has contributed to the increase of from 30 to 50 percent in key interest rates over the past 4 years, in the 9 percent rise in consumer prices over the same period and in a nearly $4 billion loss of gold and about $7.5 billion in cumulative balance of payments deficits.

Mr. President, I am certain that if the American people understand the alternatives to fiscal restraint, they will accept the hard choice as preferable in their own longrun interests and in the interests of the Nation as a whole.

What are those alternatives?

First, we could continue along the route we are traveling. The Federal Reserve could maintain a highly expansionary monetary policy in order to support heavy Treasury borrowing and prevent interest rates from going through the roof. The Federal Government could continue to run the most stimulative budget since World War II, piling up deficit after deficit and contributing to the inflationary climate.

In short, we could go on an escalated inflationary binge without regard to the consequences for future employment and growth. All one can say with any certainty is that a correction would very likely take place in the form of a recession—and the more serious the inflation, the deeper the recession that would follow.

Second, we could let the Federal Reserve carry the burden of fighting inflation—just as we did in 1966. In effect, we could repeat last year's major economic policy error.

The growth of the money supply and bank credit could be curbed sharply, and we could let interest rates go even higher than they are now. This would probably stop inflation, but the cost would be a monetary crash landing. Interest-sensitive sectors of the economy, such as homebuilding, would go into recession, and the rest of the economy could soon follow.

Finally, we could continue rapid fiscal and monetary expansion and try to cap inflationary pressures with controls on credit and possibly even wages and prices. I do not think much need be said about this alternative. Experience has shown that such measures are inequitable, ineffective, and damaging to the operations of our free market economy. They serve only to delay a policy response to the fundamental forces creating distortions in the economy. In the long run, even more drastic fiscal and monetary restraint would be required when such measures finally were applied, as they inevitably would be.

Mr. President, the Chairman of the Federal Reserve Board recently noted that the national debt was rising faster than the gross national product. A leading investment firm has said that in the absence of a tax increase, the demand for credit next year would rise 30 percent above this year's level—and that the increase simply could not be financed.

The implications for interest rates, our financial institutions, and the price level are clear: Federal demands on the financial markets must be reduced and reduced sharply. Until Federal demands for funds are moderated, there are serious dangers in restricting the growth of money and credit. Gradual monetary tightening should follow—not lead—fiscal restraint if we are to avoid a credit crunch even more disrupting than last year.

Mr. President, I believe the Congress and the American people will respond to leadership. I cannot believe that the only way to sell the tax surcharge is by waiting for a financial crisis or sharper price increases to make the case unmistakenly and painfully clear. There are actions which the President can take now which might contribute to breaking the deadlock. At the very least, he should resume the dialog.

First, before the tax increase proposal is considered, the President should report to the Congress where and by what means he will reduce spending this fiscal year and request that these cuts be embodied in law.

Second, the President should pledge now to submit a budget for next year, fiscal 1969, showing a deficit sharply reduced from the estimated 1968 figure after taking into account the agreed to tax increase and expenditure reductions.

Third, the President should send legislation to the Congress embodying the suggestion of the chairman of the Ways and Means Committee that a Commission be established to examine spending programs and offer recommendations on establishing a set of priorities to meet urgent national needs.

Fourth, the President should call the congressional leaders of both parties to the White House for discussions of a mix of tax increases and expenditure reductions that would reduce the 1968 budget deficit by at least $10 billion. The Secretary of the Treasury, the Budget Director, the Chairman of the Council of Economic Advisers, and the Chairman of the Federal Reserve Board should also participate in these discussions.

I have no idea whether or not this procedure would meet with success. Even a failure would help to clear up lingering uncertainty about Government policy. In any event, the administration has the responsibility to explore every reasonable approach which might help get our economic policy off dead center.

If a compromise were reached, the basis will be laid for early congressional action to implement the agreement. Neither the Congress nor the public questions the need for fiscal restraint.

These four steps would go a long way toward strengthening the dollar in world markets as well as benefiting the American public by bringing down Federal deficits, curbing ruinous inflation that hurts the poor as well as every American family and bringing down high interest rates which are so injurious to home builders. The question is how best to achieve it. The function of leadership is to provide an acceptable answer to that question.

TRADE DEVELOPMENT BETWEEN BRAZIL AND VIRGINIA

Mr. BYRD of Virginia. Mr. President, on November 9 a trade development team left Virginia for Santa Catarina, Brazil, to meet with members of a Partners of the Alliance Committee to examine ways of establishing cooperative ventures between Brazil and the Commonwealth of Virginia.

Virginia is the 33d State in the United States to participate in the Partners of the Alliance, a program in which private citizens seek to initiate specific action for assistance in self-help projects of Latin American villages and rural communities.

Eight Virginians from throughout the State were asked by Gov. Mills Godwin to serve as members of an initial policy-making group to develop Virginia's participation in this program. Miss Louise Whitman, chairman of the social studies department at Herndon High School, is the acting secretary of the group.

Interest in the Partners of the Alliance program is nothing new at Herndon High School. Last year the Keyette Club at Herndon formed a friendship chain with links purchased by students for 10 cents each. They were so successful that their operation became a national model. The proceeds of the chain were used to purchase equipment for a school in Ecuador that was built by the village people themselves.

Miss Whitman is also the civic participation chairman of the Virginia Business & Professional Womens Club. She carried with her to Brazil a $100 check donated by the Herndon Business & Professional Womens Club to be used for some worthwhile project in Brazil.

Other members of the steering committee are:

Charles W. Wampler, Jr., of Harrisonburg, president of the State board of agriculture and commerce, and acting chairman of the committee.

William McC. Paxton, of Norfolk, a member of the board of commissioners of the Virginia State Ports Authority.

Henry Clay Hofheimer II, of Norfolk, chairman of the board of Southern Materials Co., Inc.

Edward R. Kingman of Arlington, treasurer of the National Association of the Partners of the Alliance, Inc.

George Waleski, Jr., of Reston, representing the Jaycees and Communications Workers of America.

Bruce Gralow of Richmond, executive vice president of Reynolds International, Inc.

Dr. Peyton Howard Massey of Blacksburg, associate director of the Agriculture-URE & Life Sciences Research Division at Virginia Polytechnic Institute.

Mr. President, I believe this is a most worthy program and I feel that the members of this committee should be commended for their willingness to help others help themselves.

STEEL IMPORTS

Mr. HARTKE. Mr. President, the steel industry has been greatly concerned about the increasing steel imports into this country, and from time to time one hears various sorts of comments about the technological efficiency of the U.S. steel industry. I should, therefore, like to insert in the RECORD a speech by a man with a great deal of experience in this field, Mr. Roger Blough, chairman of the board of United States Steel, speaking before the annual meeting of the Indiana Manufacturers Association. Mr. President, I ask unanimous consent to enter in the RECORD Mr. Blough's speech entitled "In Steel, Progress Is Not Our Most Imported Product."

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

IN STEEL, PROGRESS IS NOT OUR MOST IMPORTED PRODUCT

(By Roger M. Blough, Chairman of the board, United States Steel Corp., at the annual meeting, Indiana Manufacturers Association, Indianapolis, Ind., November 16, 1967)

It is a great pleasure to be here today and to be able to thank you in person for the unfailing interest you have shown in the steel industry, for your broad understanding of our problems and for the support your organization has given us in dealing with some of them.

Steel is important to Indiana, and Indiana is certainly important to steel, for it is the third largest steel-producing state in this nation. So we are grateful to you for many things—including, especially, the action of your senior Senator on steel imports.

It is also pleasant to find at this meeting a number of our good customers; and I want to commend you on your fine sense of fair play. Last year, I believe, you had Joe Block as your speaker; and it is nice of you to give me equal time.

When your welcome invitation to speak at this annual luncheon reached me last winter, November was a long way off and I had no idea what subject you might want me to talk about; but on the basis of past experience, it seemed reasonable to assume that steel would still be facing one or two perplexing problems which would be of interest to us both. I had not anticipated, however, that there would be such an abundance of them.

Outstanding among these problems, probably, is the controversy which now surrounds the steel industry's effort to obtain legislation that would—for the next five years, at least—limit foreign steel producers to the same share of the American market that they have enjoyed for the past three years on the average. All of which would seem fair enough, I should think and might be debated by reasonable men in a reasoned way.

But a great change has been occurring in what might be called the status of the free trade philosophy. Earlier in this century, it ranked only as a political issue which served to separate Democrats from Republicans. Today it is regarded more as a kind of religion wherein the enlightened faithful are arrayed against the protectionist infidels.

Now as a backslid free trader myself, I wouldn't say that those who worship the sacrosanct image of GATT are idolizing a golden calf; but they certainly have created a formidable sacred cow which is wreaking considerable havoc in our American china shop. And those of us who would seek to limit that havoc are clearly beyond the pale of redemption.

Frankly, this perplexes me; for obviously there are many things in life that should and must be protected. For example, millions of our people—and a number of government agencies—are laudably striving to protect certain vanishing forms of wildlife that are threatened with extinction; and one may reasonably wonder, I suppose, how far down the road to oblivion some of our major industries must go before they are deemed to merit similar concern.

Perhaps it is merely our misfortune that we are engaged in the production of steel instead of the reproduction of whooping cranes!

Yet despite the announced determination of the Administration to block the enactment of quota legislation, I am undismayed. Early last summer, Washington was deeply distressed by the fact that certain imported dairy products were taking a little more than 2 per cent of the American market; so the President promptly imposed new quotas cutting these imports to less than one per cent. And thus, if you will forgive me, he doubtless saved the jobs of thousands of good American cows. So today, when foreign steel imports are claiming some 12 per cent of the domestic market, it seems reasonable to expect that government will take adequate steps to protect the jobs of thousands of good American people.

But it is not my purpose here today to fight the battle of our bulging steel imports on all of its far-flung fronts. I have already done that once this week; and I don't want to get in a rut. There is, however, one aspect of this problem about which a great deal of misinformation has centered; and it is important, I think, that you should know the facts.

Whenever the subject of steel quotas arises, the importers—who are understandably opposed to any restrictions—send forth one or two spokesmen of scholarly repute who seek to show that the American steel industry has been backward in its research and delinquent in adopting the new steelmaking processes which have been developed abroad. They charge that inefficiency is responsible for our inability to undersell foreign steel here in the American market, and that we have no one to blame but ourselves. And they persist tenaciously in this belief, like the wife who said: Look, George, I already know what I think, so don't try to confuse me with a lot of facts.

But studies show that the average output per manhour in the American steel industry is higher than in any other steel-producing nation in the free world; so there must be some other explanation of the advantage which imported steel enjoys in the market place. Could it lie in the fact that the wages and benefits paid by foreign producers are from 25 to about 40 dollars a ton lower than those paid in the United States? And have our detractors stopped to figure out that to overcome a 40-dollar disadvantage in employment costs, we would have to cut the manhours required to make a ton of steel from the present low level of 13 down to a miraculous 4? That's quite a trick if we could do it!

So at the risk of confusing these learned critics of ours, I should like today, to review some of the things our industry has done to achieve and maintain—throughout this century—its unmatched position of world leadership in the development of new technology and in the creation of new steel products.

When steel producers talk about progress in their industry, they are under a natural handicap because progress in steel is seldom visible to the naked eye. We can for example, develop a new steel that is much stronger, lighter, harder and tougher than any which existed before, but outwardly it may look exactly like any other steel. So while we do not introduce annual model changeovers to give our products a new look, there is as great a variety in our shipments as there is, say, in the array of styles, colors and models that come from the assembly lines of the nation's auto makers.

In fact, United States Steel alone makes more than ten thousand different kinds and shapes of steel; and we estimate that over 15 percent of our current shipments consist of new or improved products that weren't on the market prior to 1960. But the growing variety of steels is only a part of the story; for out of our research has come an equally revolutionary improvement in quality and in productive efficiency. And, to be meaningful, any critical analysis of technology in the American steel industry must begin with the coal, iron ore and other raw materials which go into the blast furnaces for the production of iron.

Twenty-five years ago, the rich iron ores of the Mesabi Range were charged into the blast furnaces just as they came out of the ground. Today, bigger and greatly improved furnaces are carefully spoon-fed a massive diet which, if it were advertised in the modern idiom, would probably be described as fortified, vitamin-enriched and extra high in protein.

Virtually every lump of coal, for example, is carefully sorted, washed and graded to remove unwanted sulfur and other impurities; and if the steel industry had relied on the practices of twenty-five years ago, it would have had to mine, transport and process about 40 million tons more coal last year than it actually used.

So relapsing again into the modern idiom, let me merely observe that 40 million tons of coal aren't hay! In fact, if spread in a layer four feet thick, that quantity of coal could cover the entire city of Indianapolis.

As for iron ore, one of the major achievements of the American industry has been what might be called the "conquest of taconite." As the rich natural ores of the iron range began to peter out, it became apparent that we should search for an economically feasible method of using the billions of tons of low-grade taconite deposits which remained.

To do this, it was necessary to grind the flint-like rock to the fineness of face powder, to separate the tiny particles of pure iron ore from the stone, and to agglomerate this iron dust into durable pellets of uniform size.

This took many years of painstaking—and often discouraging—research; and twelve years ago only a million tons of pellets were available; but by last year this quantity had been multiplied more than forty-fold, and in 1970, American blast furnaces are expected to use 80 million tons of these pellets. Meanwhile, the rest of the world is beginning to follow our leadership; and pellet plants have been announced or are building in Australia, Brazil, India, Liberia, Sweden and the Netherlands.

All this has contributed greatly to the increased efficiency of our American blast furnaces, many of which are now producing twice as much pig iron daily as they were designed to produce only 15 years ago. At the same time the consumption of coke—which next to iron ore is the most expensive material used in the blast furnace—has declined steadily and research at our pilot furnace has shown that further coke savings can be accomplished by the injection of a quantity of pulverized coal through the tuyeres. With the knowledge gained from this research, we now are moving to a full-scale commercial trial by installing coal-injection equipment on one of our largest blast furnaces.

Of these technological advances, little or nothing has been said by our critics; but much has been written and said about our "delinquency" in failing to junk all our open-hearth shops in order to replace them with the basic oxygen steelmaking process which was initiated in Europe in the early 1950's. So I would like to discuss these charges with you for a moment.

The basic oxygen process was first used commercially in Austria in 1952 and immediately attracted widespread attention in the United States and elsewhere. Essentially an improvement on the old bessemer process discovered more than a century ago, it used oxygen instead of air, and produced steel of a higher quality than the bessemer product. And while it was not as fast as the bessemers, it could produce a heat of steel in one-eighth the time required in an open hearth furnace. So for the production of good-quality steel in small batches and limited varieties—and wherever steelmaking facilities had to be built from scratch as they did in war-torn Austria—this basic oxygen process offered promising advantages.

Like all such new technological advances, however, it also had its disadvantages:

The capacity of these first commercial vessels was only about 30 tons; and European engineers predicted that furnaces larger than 70 tons could not be built successfully. But to use this process to maximum advantage on the American scale of steelmaking would require vessels of much larger size.

These early BOP's only produced a limited range of steels and it took several years of research to develop the techniques necessary to make the wide range of products that major American steel companies provide.

They required large quantities of oxygen which were not then available in this country at any cost.

They required a more durable refractory than any then available in order to minimize the down time necessary for relining the vessels.

They required a larger proportion of molten iron than the open hearth furance and thus would necessitate the building of additional coke plants, blast furnaces and the larger development of ore resources.

They created such serious problems of air pollution that had the Austrian operation not been government owned it probably would have been shut down. Nor did control devices adequate to meet this problem even exist. They had to be designed and created through lengthy research.

So to have scrapped hundreds of millions of dollars worth of good and serviceable open hearth furnaces in order to replace them with a process that was then in its relatively primitive stages, would have been actually wasteful; and had we done so at that time, we would be faced today with the necessity of replacing virtually every ton of that new BOP capacity—just as the first companies to adopt this process in America are now doing.

We did not, however, sit idly by on our well-cushioned complacencies as the writings of our learned critics might lead you to believe.

For one thing, we were increasing enormously the efficiency of our existing open hearth furnaces. By the development of the water-cooled oxygen lance, inserted through the roof of the furnace, the time necessary to produce a heat of steel was reduced by an average of 24 per cent—and in some cases by as much as 50 per cent. And by the use of the all-basic lining, we were able to get many more heats of steel from the furnace without closing it down for relining. These improvements could be made at low cost and with little disruption in service; and between 1950 and 1963, the average hourly production per furnace in United States Steel was increased 93 per cent. In other words, almost doubled.

Meanwhile, in 1956, we acquired a small vessel with which to study the problems of basic oxygen steelmaking. These investigations—together with developments achieved elsewhere in the steel and allied industries—have now overcome most of these problems.

For example, BOP vessels now in use in America have capacities ranging up to 300 tons, and can produce a wide range of steels that could formerly be made only in open hearth or electric furnaces. Oxygen is plentiful and costs only a small fraction of what it did ten years ago, while refractory linings in the vessels will last ten times as long. And smoke-control devices have been developed to the point where air pollution from these furnaces has been almost totally eliminated.

So today, basic oxygen furnaces are economically attractive where new steel-making facilities are contemplated, or where worn-out facilities are being replaced; but even now the advantages they afford do not warrant the scrapping of modern, efficient open hearths.

But if, as our critics would have you believe, the adoption of BOP's is a true measure of the progressiveness of a nation's steel industry while its retention of open hearths is correspondingly a measure of its delinquency, then there is one further fact you ought to know:

Twenty-five per cent of the steel produced in the United States last year was made by the basic oxygen process, as compared to only 15 per cent in the rest of the world. Conversely, open hearth production of steel in the United States has declined nearly 20 per cent since 1955, while elsewhere in the world it has increased by more than 105 per cent. And had our learned critics not chosen to ignore these facts, their own criteria—faulty as they may be—would have led them inescapably to the correct conclusion—that the American steel industry is far more progressive than those in the rest of the world.

Incidentally, a detailed refutation of the charges made by these critics was published last month in the Iron and Steel Engineer; and if any of you would like to pursue the question further, I shall be happy to send you a reprint.

The full potential of the basic oxygen process, however, will be realized only when it is successfully teamed up with large-scale continuous casting units, in which the molten steel is cast directly into blooms, billets or slabs—thus eliminating the teeming, stripping, reheating, and rolling of ingots.

United States Steel has been investigating, researching and developing this process for thirty-five years; and today—after the expenditure of more than one thousand man-years in laboratory, pilot-plant and engineering studies—the first large-scale, commercial continuous slab-casting facility in the United States has been built at our plant in Gary, Indiana, where it is undergoing its break-in operations.

Meanwhile, research and development work is proceeding on another age-old dream of steelmakers: the direct reduction of iron ore into steel. This great technological breakthrough would eliminate the blast furnace entirely, render the BOP obsolete, and—coupled with continuous casting—would make it possible, ultimately, to put iron ore into one end of a steel plant and bring finished steel products out at the other—all in one continuous process. Moreover, I believe that the installation of a direct-reduction facility will prove commercially feasible in the not-too-distant future—perhaps within a decade or so.

I might also mention in passing that U.S. Steel developed the first vacuum degassing unit to use economical steam ejectors as the vacuum pumps. This design has been followed in most of the installations that have since been built throughout the world.

But the actual melting and refinement of steel represents only a small fraction of the cost of a finished steel product. So on the theory that if you want to shoot ducks you must go where the ducks are, it can be said that if you want to cut costs, you must go where the greatest costs are—in the rolling and finishing of steel. And it is here, perhaps, that the American steel industry has made its greatest contribution to world steel technology.

The continuous rolling mill was an American invention by one of our competitors; and if steel were to be made—at today's wages—by the old handrolling methods which this process replaced, its cost would be prohibitive, and its quality would be so poor by today's standards, that it would be virtually unsalable.

Another outstanding American invention is U.S. Steel's electrolytic process for making tinplate used in the manufacture of cans. Requiring 60 per cent less tin than the old hot-dip method, it is estimated that this invention saved enough tin during World War II to produce 4½ billion cans for the preservation of food. Today, 37 of these tinning lines have been licensed by us to foreign steel producers, and although a quarter-century has passed since this process was first introduced, seven new applications for foreign licenses are pending.

These, however, are only two in a long list of American technological innovations that could be mentioned if time permitted; but I want to turn briefly to another field of innovation in which American research and development have been pre-eminent—and that is the creation of new products.

Since research and development in non-communist Europe has been directed almost exclusively towards process improvement, it has been up to American producers to create and introduce almost all of the new steels which are available today—steels that are much stronger, that can be produced in greater sizes and thicknesses, that can be rolled into thinner sheets, that are more resistant to corrosive environments, nuclear radiation, and fatigue and impact loading; that have better properties at high temperatures or at hundreds of degrees below zero, and that are easier to form and fabricate.

Merely to list these new steels would take several hours; but the fact that United States Steel's research, alone, has recently been developing new or improved steel products at an average rate of one a week, will give you some idea of their profusion.

There is, for example, our Cor-ten—known as the steel that paints itself because after a period of weathering, it develops a tight oxide coating of a deep russet color which does not chip or peel and which inhibits further oxidation. When first introduced, we thought it might be used primarily for roofing because it requires no maintenance; but its major use—until recently—has been in freight cars, trucks, machinery and similar specialized equipment. Now, however, engineers are putting it in highway bridges, while architects are using it, because of its beauty, for the exterior of buildings, and even for the Picasso sculpture that we erected this year at Chicago's civic center.

But Cor-ten, as you know, has been around for a long time, and to illustrate some of the newer developments in this field, I should like to describe some things we have done for the defense program. Of course, only a very small part of the steel we make goes directly for defense and space exploration—somewhere around 4 per cent, all told—but that steel is tremendously important to our national security; and I believe you share my conviction that we cannot ever become dependent upon foreign research and production to supply it. So here are three examples:

When the Navy was designing its atomic submarine, it needed a hull steel stronger than any that had ever been made for this purpose—steel with a yield strength of 80,000 pounds per square inch, and having excellent toughness. And, in cooperation with the Navy Department, our laboratories developed not only the steel, but an entire steel weldment system for use in connection with it.

No sooner had we perfected this HY–80 steel, as it is called, than they asked us to produce another tough steel and weldment system of 130,000 psi, and this HY–130 is now being used to build their deep submergence rescue vehicle. Then they called upon us to come up with an HY–180 steel—100,000 psi stronger than the hull plates of the atomic submarines—and this we are researching today.

The Army, meanwhile, asked us to develop a special lightweight armor for use on patrol craft in Viet Nam. But it appeared that if this light armor were made hard enough to withstand the impact of the enemy's bullets, it would shatter like glass; while if it were tough enough not to shatter, it would be too soft to prevent penetration. While there are still problems to be solved, we have developed a composite armor to meet this need; and last August—just 15 months after the original contract work has begun—the first shipments of this material were made.

And finally, we were asked to develop an anti-tank missile-guidance wire that is unique. This wire would unwind to maintain connection between the projectile and the aiming device from the moment of firing until impact. It had to have a tensile strength a third stronger than any wire which was then in existence; and yet it had to be elastic enough to stretch without breaking when the projectile was fired. Beyond that, it had to be coated for electrical conductivity and insulated to prevent short circuiting. And to cap the climax, it had to be about the thickness of a human hair; while throughout its length, its diameter could not vary more than 5 one-hundred-thousandths of an inch, plus or minus.

To do this job, we had to develop an entirely new steel and perfect a new, highly-sophisticated method of achieving the necessary metallurgical microstructure. We also had to devise an electronic measuring system capable of continuously detecting diameter changes of one twenty-millionth of an inch.

All this took more than three years of intensive research; but today we have what is probably the most fantastic wire you could ever want to see. In fact, a piece over 2½ miles long weighs only one pound.

You will realize, I know, that I have not even scratched the surface of the technological and product developments that have been born of American research; but I hope that I have told you enough to convince you that, in steel, progress is not our most imported product!

In saying this, however, let me make it very plain that I am not seeking to minimize in any way the great contribution that other nations have made to world steel technology. Neither am I suggesting even faintly that we are—or ever will be—doing all that we should in the way of research and plant improvement. In my book, we can never do enough, for in steel—as in any industry—we can only do what we can pay for. But we have been paying for a lot!

During the past three years alone, American steel producers have invested more than 5 billion dollars in new and improved facilities; and today the industry is spending an estimated 150 million dollars annually on research. And to give you an idea of the extent of this research at present, United States Steel alone will be working on more than eleven hundred separate research projects in the coming year.

A couple of weeks ago, I attended an all-day session at which scientists from our laboratories described the work that is being done there and the progress they are making on many of these projects; and as I sat there, listening almost open-mouthed to the wonders that are in the making, I could not help thinking of a bit of philosophy which I gleaned—not from the old masters, I regret to say—but from a delightful character named Charlie Brown who appears in the comic strip "Peanuts."

Asked to name his favorite day, Charlie Brown thought about it a little and then replied: "Well, I've always been kinda fond of tomorrow!"

And that expresses my sentiments exactly. So I hope I'll be around for quite a while, because tomorrow, in steel, is really going to be something!

CONCLUSION OF MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the morning business be concluded.

The PRESIDING OFFICER. Without objection, morning business is concluded.

ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The bill clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business be laid before the Senate.

The PRESIDING OFFICER. Without objection, the Chair lays before the Senate the unfinished business, which will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

The Senate resumed the consideration of the bill.

AMENDMENT NO. 453

Mr. WILLIAMS of Delaware. Mr. President, I call up amendment No. 453.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 73, beginning on line 21 with "and", strike out all through "1971," on page 74, line 1, and insert in lieu thereof "and before January 1, 1972".

On page 74, line 5, strike "1970" and insert in lieu thereof "1971", and on lines 4 and 8, renumber paragraphs (3) and (4) as paragraphs (2) and (3), respectively.

On page 74, strike out lines 18 and 19, and on line 20, strike out "1969 and 1970" and insert in lieu thereof "1968, 1969, 1970, and 1971".

On page 74, line 23, strike out "years 1971 and 1972" and insert in lieu thereof "year 1972".

On page 74, on lines 22 and 25, and on page 75, on line 3, renumber paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

On page 75, strike out lines 11 and 12, and on line 13 insert in lieu of the words "1969 and 1970" the words "1968, 1969, 1970, and 1971".

On page 75, line 15, strike out "years 1971 and 1972" and insert in lieu thereof "year 1972".

On page 75, on lines 14, 16, and 19 renumber paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on the pending amendment.

Mr. LONG of Louisiana. The yeas and nays, Mr. President.

The yeas and nays were ordered.

Mr. WILLIAMS of Delaware. Mr. President, this amendment is very simple. Under the bill there will be paid out in the calendar year 1968 some $3.5 billion in benefits. The bill would raise $1.6 billion in taxes with the effective date of the major part of the tax increase deferred until 1969, or 60 days after the election.

The purpose of the amendment is merely to advance the date so that the effective date for increased taxes would be the same as the date of the increased benefits under the pending bill.

The Senate bill delays those benefits until March while the House bill provided for an effective date in January. This proposal would make the date for both the benefits and the taxes January 1, 1968.

Under this proposal, instead of having a bill that would be described as a fly-now-and-pay-later plan, it would provide that we pay as we go. This is in line with what the President said he wanted; namely, fiscal responsibility.

Here is a chance for the Senate and the administration to approve the principle of sound financing.

In his discussion with congressional leaders yesterday the Budget Director placed great emphasis upon the fact that it is obligatory upon the Government to make payments out of the trust fund as a result of action by the Congress.

I call attention to the fact that Congress has not taken final action on this bill. It is before us today. If we agree to this amendment it would mean that we would be financing substantially all the benefits that would be paid out in calendar year 1968. If we do not agree to the amendment the net effect of the bill as reported by the committee is that, in the calendar year 1968, $1.9 billion more in benefits would be paid out than would be collected through additional taxes; in 1969, $3.2 billion more in benefits would be paid out than would be collected in taxes; in 1970, under the bill, $3.1 billion more would be paid out than would be collected in taxes; or, altogether, in that 3-year period, $8.2 billion more would be paid out in new benefits than would be collected in new taxes.

Certainly at a time when we are confronted with the threat of inflation and at a time when we are considering a surtax of 10 percent or more to combat inflation Congress and the administration would not advocate or support a proposal which would pour this $8 billion of new spending into the economy during the next 3-year period.

This proposal is the same as the one first adopted in committee by a vote of 10 to 6, although I regret to say that the vote was later rescinded.

The adoption of the amendment will not raise any additional taxes over the long run, because under the pending bill, while taxes are deferred for the calendar year 1968, leaving the payroll tax at 4.4 percent, nevertheless the rate is advanced from 4.8 percent, which would be the prevailing rate in 1971, to 5.2 percent. So the extra 0.4 of 1 percent will be picked up in 1971.

The amendment would kick off the increase in 1971 and if adopted would make the rate of 4.8 percent applicable beginning January 1, 1968. It would prevail all the way through to 1972 without the additional increase provided in the committee bill. So the long-range effect would be the same, but it would put Congress in the position of being more fiscally responsible by voting a tax increase to take effect the same day that the benefits would become effective.

It seems to me that it is political hypocrisy for Congress to approve a $5 billion or a $6 billion bill that provides for benefits to go into effect 8 months before an election but for the tax to pay for them to go into effect 60 days after the election. As the President himself has said, we want some fiscal responsibility and some truth in Government. Congress is the place to get it. I hope the administration means what it says, if so it will support the amendment.

I reserve the remainder of my time.

Mr. LONG of Louisiana. Mr. President, when the House of Representatives voted additional benefits it took into account the fact that the surplus flowing into the social security funds would be about $4.1 billion. The original estimate was slightly higher, but the adjusted figure now is about $4.1 billion.

The additional benefits which the House proposed reduced the surplus going into the funds from $4.1 billion to about $2.1 billion, a reduction of approximately $2 billion. The Senate committee voted to raise the wage base and thus increase the tax money coming in by an amount adequate to pay for all the additional benefits for which the Senate had voted.

Now the Senator's amendment would seek to raise taxes to pay for most of the benefits which the House voted. That means we would be asking the workingman to pay this additional tax of $32 a year. The additional tax in the first year would be, instead of $62 extra, it would be $94 extra for a workingman, in 1968.

Mr. President, this amendment would result in a very regressive tax. It would impose a tax that is not needed because the surplus flowing into the fund would be about $2.2 billion under the bill reported by the committee.

In my judgment—and this is also the judgment of the majority of the Democrats on the Finance Committee, in fact all the Democrats, we thought that the social security tax should not be used to balance the budget or for general fiscal purposes. We thought that the social security tax should be used only to carry the social security program, that the social security funds should be kept sound, and used only to pay social security benefits.

If we want to have a tax for fiscal purposes, in order to try to balance the budget or tc fight inflation, then it should be one of the less regressive and more progressive taxes, which have more regard for the ability of a person to pay taxes.

This particular tax does not take into account the individual needs of the people. The amendment will hit the poor harder than any tax the Government has ever levied.

Therefore, if Senators want to vote an additional tax based on the argument so ably made by the Senator from Delaware, I want the Senators to know that I think that to boost the tax in 1968, beginning in January, another $32, to make it a $94 increase in the tax on the workingman's salary, is both unwise and unnecessary.

Therefore, Mr. President, I urge that the Senate vote the amendment down.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 5 minutes.

Mr. WILLIAMS of Delaware. The Senator from Louisiana has expressed his great concern for the workingman. He refers to this wage tax as being regressive and as an obnoxious tax and uses all the adjectives he can think of to express his great concern for the workingman.

I point out that his sympathy for these wage earners extends only until after the votes have been counted next November, and then in January 1969, 60 days after the election, this same tax which he has described will go into effect along with additional taxes under this bill to make up for the deficiency created before the election.

Let us face it. The Senator is correct that a majority of the Members rejected this pay-as-you-go plan but they accepted it first. Then some of them said, "Next year is election year. We have got to face the voters. We cannot face them with a tax increase." Therefore the effective tax increase was postponed until after the election.

They want to face the voters with boasts of all the benefits they have voted for and then lay on the taxes after the election to pay for those benefits.

I say, let us have fiscal responsibility. Let us make the tax and the benefits both effective the same date.

If we do not have the nerve to vote for the tax, which we know is in the bill, if we are not willing to put the tax on and face the voters with that tax before election day then do not brag so much about the benefits. Such action is political hypocrisy.

I have said so many times that the same Senators who stand on platforms and brag to their constituents about what they have given them should also say to their constituents, "Look at the taxes I have put on you to pay for all these benefits."

Under the committee bill, even if we reject this amendment, that tax is still there; it is only being delayed until after election. Under the Hartke-Long proposal the tax goes up rapidly after the 1968 election. Eventually it shows an increase of over $300 per man by 1980. In some cases there will be a 115-percent increase in the payroll tax under the Hartke-Long plan, but they have been very careful that the increased tax does not go into effect until after the election next year.

The argument is made that the House did not have such an effective date, so why should we. That reminds me of what I used to tell my father when I was a little boy and got into trouble. I always said it was the other child's fault. He told me to answer for my own responsibility, and he would take care of the others.

I point out that we are not in the House of Representatives. We are voting on a bill which is before the Senate and which includes the House bill as amended by the Senate. This bill provides for $3½ billion in additional benefits in 9 months of 1968 as compared to existing law with the most of the tax to pay for these benefits being deferred.

The suggestion is made that the Senate bill is not much more expensive than the House bill for the first year. That is true only by comparing 9 months' benefits under the Senate bill with the cost of the 12 months' benefits under the House bill.

This is juggling the dates and the figures in order to arrive at an answer. When all is said and done, if the bill which is before the Senate is passed, it will pump $8 billion more into the economy than would be pumped in if there were no bill at all. There is no man on the floor of the Senate who can contradict that statement. That is in the committee report. It is there. The tax to pay for the extra benefits is, likewise, in the committee bill, but the effective tax is deferred. Voters should have an opportunity to vote in 1968, an election year, for various Senators and for President, with full knowledge of the impact of the tax. To do otherwise is political cowardice.

If Senators do not have the nerve to put on the tax the same day as the benefits become effective then they should not go out and brag so much about what they are doing.

All the adjectives which are being used about this being a regressive tax, an unfair tax, an extra burden on the poor workingman are equally applicable when the tax goes into effect after the election. I have seen so many crocodile tears being shed that I am beginning to think I should get my overshoes to wade around on the floor of the Senate. Fortunately, they are evaporating as fast as they fall because they are so fictitious.

If the advocates of this tax program are so concerned about the workingman the way to show it is to stop spending. They are not benefiting the workingman by making him pay later. He is not as big a fool as they think he is. He is going to realize the truth.

Since so much has been said by the chairman of the committee about sympathy for the poor workingman. I ask unanimous consent to have printed at this point in the RECORD a chart showing the advance in tax rates under the Hartke-Long plan as it would be under the bill as reported by the committee. I ask that the chart for 1967 on through 1968 be printed.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE AND BASIC HOSPITAL INSURANCE TAX RATES, BASE, AND LIABILITY APPLICABLE TO EMPLOYEES; SELECTED LEVELS OF WAGE OR SALARY INCOME; 1937-80 AND AFTER[1]

Years	Rate (percent)	Base[2]	Wage or salary income						
			$3,000	$4,000	$5,000	$6,000	$8,000	$10,000	$12,000
Roosevelt administration: 1937-45	1	$3,000	$30.00	$30	$30.00	$30.00	$30.00	$30.00	$30.00
Truman administration:									
1945-49	1	3,000	30.00	30	30.00	30.00	30.00	30.00	30.00
1950	1.5	3,000	45.00	45	45.00	45.00	45.00	45.00	45.00
1951-52	1.5	3,600	45.00	54	54.00	54.00	54.00	54.00	54.00
Eisenhower administration:									
1953	1.5	3,600	45.00	54	54.00	54.00	54.00	54.00	54.00
1954	2	3,600	60.00	72	72.00	72.00	72.00	72.00	72.00
1955-56	2	4,200	60.00	80	84.00	84.00	84.00	84.00	84.00
1957-58	2.25	4,200	67.50	90	94.50	94.50	94.50	94.50	94.50
1959	2.5	4,800	75.00	100	120.00	120.00	120.00	120.00	120.00
1960	3	4,800	90.00	120	144.00	144.00	144.00	144.00	144.00
Kennedy administration:									
1961	3	4,800	90.00	120	144.00	144.00	144.00	144.00	144.00
1962	3.125	4,800	93.75	125	150.00	150.00	150.00	150.00	150.00
1963	3.625	4,800	103.75	145	174.00	174.00	174.00	174.00	174.00
Johnson administration:									
1964-65	3.625	4,800	108.75	145	174.00	174.00	174.00	174.00	174.00
1966	4.2	6,600	126.00	168	210.00	252.00	277.20	277.20	277.20
1967	4.4	6,600	132.00	176	220.00	264.00	290.40	290.40	290.40
Hartke-Long tax plan:									
1968	4.4	8,000	132.00	176	220.00	264.00	352.00	352.00	352.00
1969-70	4.8	8,800	144.00	192	240.00	288.00	384.00	422.40	422.40
1971	5.2	8,800	156.00	208	260.00	312.00	416.00	457.60	457.60
1972	5.2	10,800	156.00	208	260.00	312.00	416.00	520.00	561.60
1973-75	5.65	10,800	169.50	226	282.50	339.00	452.00	565.00	610.20
1976-79	5.7	10,800	171.00	228	285.00	342.00	456.00	570.00	615.60
1980 and after	5.8	10,800	174.00	232	290.00	348.00	464.00	580.00	626.40

[1] 1937-67, actual; 1968 and after, as adopted by Senate Finance Committee.

[2] Maximum earnings subject to tax.

Source: Statistics furnished by the Joint Committee on Internal Revenue Taxation, Nov. 13, 1967.

Mr. WILLIAMS of Delaware. Mr. President, that chart shows that under the committee plan, while the lower bracket workingman, with whom they are sympathizing, would not pay increased taxes in 1968, after 1968 he will be hit with substantially increased wage taxes.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WILLIAMS of Delaware. I yield myself 2 additional minutes.

Let the Senate be fiscally responsible. Certainly at a time when we are going to be asked for a tax increase of 10 percent or more, we cannot afford to be approving a measure which will put out an additional $2 billion in the economy in 1968—that is what this bill does—without providing the tax for it at the same time.

This amendment would move the tax date forward to raise approximately $1.4 billion to $1.5 billion of the $1.9 billion extra benefits, or practically put it in balance for the first calendar year.

If there is any concern on the part of Congress about inflation, and surely there must be some concern in the light of what happened over the weekend in Great Britain, certainly it is time for us to start exercising some degree of fiscal responsibility and put these measures on a pay-as-you-go basis. By all means let us not display our cowardice by providing benefits as close to election as we can and then projecting the tax to 60 days after the votes are counted.

Mr. LONG of Louisiana. Mr. President, the best argument for what the Senator contends is "fiscal responsibility" is in terms of wanting to use the social security program to balance the Federal budget by putting more funds in it than are needed for paying out the benefits without a regressive tax. The Senator's amendment would be a step in that direction. It might set the stage for turning down the President on a tax increase that would be proposed by the President with respect to the income tax, if the House takes up such a bill.

If one wants to look at social security in terms of a system which pays its way, then here is the report, on which both the Republicans and the Democrats base their recommendations. This is a long-range cost study which was updated to January 1 of this year. What it says is that no matter how one estimates the cost, the trust fund is projected to increase continuously, reaching a level of $250 billion under the high cost estimate, and even higher levels under the intermediate and lower cost estimates.

Looking at it in any way, the fund ends up with a surplus of more than $250 billion in the year 2000, which is not so far away when we think in terms of actuarial studies. The study says, in effect, that 32 years from now, at the rate we are going and at the same tax levels, we will have $250 billion in that fund.

We could have been paying those funds out in benefits—if we had not wanted to keep them in the trust fund—for benefits that the people need to remove some from poverty, and to help others meet their living expenses.

Based on that report, the ranking Republican member on the Committee on Ways and Means, Representative JOHN BYRNES, of Wisconsin, the counterpart of the Senator from Delaware [Mr. WILLIAMS] on this side, in the last session of Congress offered a proposal, nominally with the support of all Members on his side, recommending that there be an 8-percent across-the-board increase in social benefits with no tax increase whatever because, as stated, in the study, "These studies show that, on actuarial balance, the fund is overfinanced."

So, we could vote an 8-percent increase in benefits and do it responsibly without a raise in taxes if we are just looking at the ability of the fund to pay for the benefits.

The House sent us a bill on the assumption—which is correct—that the present program is overfinanced, and it proceeds to use the overfinancing to pay for increased benefits. Therefore, when they sent the bill to us, we could not say it was overfinanced, because the House had used the surplus funds to furnish their benefits. The Senator from Delaware wants to overfinance the trust fund in the bill again by increasing the taxes by about $1.4 billion starting in January 1968.

The best argument for the Senator's proposal might be that it might help balance the Federal budget in other respects, but it certainly is not needed for the social security trust funds. It is my thought and judgment that, if we want to vote a tax increase to balance the budget, we ought to do it in a fiscally proper manner, and not let the social security taxes bear the burden of carrying out general fiscal policy.

The only other purpose would be to make the program unpopular by making the tax higher in the hope that we will lose support among the rank and file of the people who will have to pay more out of their salaries.

Under the bill as we reported it, the cost has been increased somewhat; but the way we report the bill, there will be a surplus of $2.2 billion from taxes collected over and above benefits paid out.

We think that is enough of an increase in the funds.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 5 minutes.

The Senator from Louisiana just referred to the fact that there is a surplus in the fund, and therefore he questions the need to raise taxes. There is each year some surplus added to the fund in that the annual benefits paid out normally are less than the amount of taxes collected. That is necessary and proper because there are many wage earners who are from 25 to 45 or 50 who are paying into that fund on the basis that the trust fund is building up so that when they reach retirement age they will have some security for their retirement or old age.

The principle the Senator is talking about is that we can take what the wage earners are paying into the fund today and use it to defray the cost of today's benefit payments. On that basis, when they reach 65 there would be nothing in the fund. The moment we arrive at that principle they had better strike out the word "security" and just call it a social program.

The argument that this is a substitute for the President's tax increase is a whitewash. It has no connection whatsoever because the payments of wage taxes go into the trust fund, and they do not reduce or increase the Federal deficit one iota. They would have some effect, naturally, on the question of inflation, whether the money is to be taken out of the economy or whether the trust fund surplus should be used to prime the pump in the 1968 election year.

I point out again to the Senator from Louisiana that this amendment does not raise any additional money in the long run; it merely puts the tax increase into effect the same day as the increase in benefits. It places the increase on a bona fide pay-as-you-go basis, and there is nothing wrong with that, except the so-called political consequences of telling constituents before the election that we have raised the tax.

I call attention to the long-range statistics the Senator has put in the RECORD about this anticipated big buildup after the year 2000.

That is the maximum that could happen and is based upon two false premises: First, that there would be full employment continuously from now until the year 2008, with no unemployment; and, second, that between now and the year 2008—or for the next 40 years—there would be no further social security benefit increases at all.

We know that those two assumptions are utterly ridiculous, so there is no use considering any conclusions based upon them. If we were to proceed on those assumptions we could accept the Senator's figures, but nobody believes the assumptions are valid.

I say again, my amendment would merely put the social security benefit increase on a pay-as-you-go basis, and in response to all that has been said about how regressive this tax is, I merely reply that it is just as regressive after the election, after the voters have cast their ballots. It is just as regressive, just as unfair, just as obnoxious then as it would be to tell them about it before the election.

If it is such a regressive, obnoxious, and unfair tax then why is my good friend the Senator from Louisiana not willing to let the American people, who will pay the tax, know just what kind of tax is being put on them? Why does he not want them to know it before the election by making both provisions effective the same day? Certainly there is nothing wrong with adopting here the principle of making benefits and taxes both effective the same day.

The best argument I can make to show that this proposal has no connection whatsoever with the proposed 10 percent surtax and that it is not a substitute for it, is that for the last year or more I have repeatedly, on the floor of the Senate, advocated this principle. I urged it in January when the social security benefit increase was first proposed and recommended that by all means we make the benefits and the tax effective the same day. That speech and recommendation occurred before President Johnson recommended the surtax on incomes in his economic message. So it has no connection whatsoever. But I do say that if the administration wishes to have a tax increase considered later by this Congress it will have some explaining to do if it supports the position of deferring this tax until after the election for purely political reasons—and there is no other logical reason.

The PRESIDING OFFICER (Mr. BIBLE in the chair). The Senator's time has expired.

Mr. WILLIAMS of Delaware. I yield myself 2 additional minutes.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield to the Senator from Ohio.

Mr. LAUSCHE. If the House bill is passed, when thereafter will payment of benefits begin?

Mr. WILLIAMS of Delaware. Under the House bill the benefits would go into effect on January 1, 1968. Under the Senate bill they would go into effect March 1, but the first increase would be included in the check for April 1.

Mr. LAUSCHE. The Senator has stated when the benefits will go into effect. When will the tax imposition go into effect?

Mr. WILLIAMS of Delaware. Under the committee bill, the additional wage tax would become effective January 1, 1969. My amendment would move that effective date up to January 1, 1968.

By doing that there would be a tax increase of four-tenths of 1 percent in 1968, but the suggested four-tenths of 1 percent tax increase in 1971 would be eliminated when under the committee bill they would pick up the first year's deficiency.

So the long-range difference in effect is negligible.

Mr. LAUSCHE. The Senator from Delaware has been repeatedly talking about picking up a deficiency at a later date, rather than making up that deficiency at the present time.

Mr. WILLIAMS of Delaware. That is correct.

Mr. LAUSCHE. What is the deficiency, in terms of percentage or dollars?

Mr. WILLIAMS of Delaware. Roughly, each 0.1 percent tax on payroll involves about $350 million annually. So when we move this date forward to January 1, 1968, it would mean an additional $1.4 billion to $1.5 billion in 1968.

Mr. LAUSCHE. The Senator from Delaware has argued that there is a certain burden of taxation that must be imposed, and that, under the committee bill, that burden has not been assessed, but, because it has not been assessed, it will have to be picked up at a later date, when the committee's tax rate goes into effect.

Am I correct in that understanding?

Mr. WILLIAMS of Delaware. That is correct; and, as the Senator from Louisiana very properly pointed out, the committee bill, with its projected long-range tax increases, as nearly as we could determine does finance the program over a long-range term; but it does its extra financing primarily beginning after the 1968 election.

The point I am making is, Why do we not make the benefits and the tax both effective the same day? That is just sound economics, and I believe it is a principle that ought always to be followed regardless of whether there is a tax increase or a tax reduction proposed. As I stated before, we cannot minimize or entirely remove from our minds the fact that as we increase social security benefits it does have, to some extent, an inflationary impact, because this additional $3.5 billion is additional spendable money; but if we increase taxes it has a dampening effect.

What I am trying to do by my amendment is to neutralize that effect from either the inflationary or the deflationary standpoint. If my amendment is adopted it would practically neutralize any effect so far as the economy is concerned in calendar year 1968 because it would provide approximately $3.6 billion in revenue in 1968 whereas the committee bill would provide about $3.9 billion in benefits. So the two figures are reasonably close.

Mr. LAUSCHE. Does the amendment of the Senator from Delaware, as it imposes the tax as of the date of the increase in the benefits, make possible a reduction of the taxes before the date when the committee bill recommended?

Mr. WILLIAMS of Delaware. Yes; that is correct.

Mr. LAUSCHE. The Senator from Delaware proposes that we impose the tax now and not wait until the date recommended in the committee bill?

Mr. WILLIAMS of Delaware. That is correct.

The PRESIDING OFFICER. The time of the Senator from Delaware has expired.

Mr. WILLIAMS of Delaware. I yield myself an additional 5 minutes.

The Senator is correct. Under the committee bill the wage tax would be 4.4 percent in 1968, 4.8 percent in 1969 and 1970, and in 1971 would be 5.2 percent, or another increase of four-tenths of 1 percent.

Under this proposal the tax for each of those 4 years would be 4.8 percent.

Mr. LAUSCHE. If that is true, it is a tacit admission by those who oppose the committee amendment that the forgiveness of the tax now requires an increase in the tax at a later date.

Mr. WILLIAMS of Delaware. There is no question about that.

Mr. LAUSCHE. Is there any question about that, may I ask the Senator from Louisiana?

Mr. LONG of Louisiana. I will discuss that on my time later.

Mr. WILLIAMS of Delaware. There is no question about that. The rates are found on page 8 of the bill. These are the official rates. There is no question about it.

Mr. LAUSCHE. Is it not true that when it is admitted that it will be necessary to increase the rate at a later date because no tax is imposed as of the present date, the ultimate result is the same with respect to the amount that the worker will have to pay into the fund?

Mr. WILLIAMS of Delaware. The Senator is correct. The adoption of this amendment over the 4-year period will not increase taxes nor will it decrease taxes one iota for the working men and women of America. It will not increase taxes one iota over the long range.

A higher tax would become effective in 1968, but a lower tax in later years would offset it. It would merely give the citizen when he goes into the booth to vote in 1968 a chance to be aware of both the tax in the bill and the benefit, as well.

This administration has been seeking laws for truth in lending and truth in packaging. Let us give it an opportunity to have a little truth in Government.

The people are going to have to pay the tax under any bill, whether under the pending bill or otherwise. Let them know at the time they receive the benefits that they are paying for them, too. Then when I or any other Member of Congress stands on the platform and boasts about the additional benefits we provided for the voter under the bill let us also say, "Here is the amount of additional taxes required to pay for the benefits."

Mr. LAUSCHE. It has always been my concept of government that when spending is necessary and taxing is needed to finance the spending, the taxes ought to be imposed promptly. I have rebelled against the idea of making grants or conferring benefits and delaying the imposition of taxes to some future date. Those two acts ought to be concomitant. Through that course of conduct, the citizenry knows that while we are providing benefits today, we are also taxing for them. The other policy means that we tell the citizen, "We are giving you these benefits today, but we will not tax you until the future. In the future, however, we will have to tax more."

I do not subscribe to that technique of operating the Government. I will support the amendment of the Senator from Delaware.

Mr. WILLIAMS of Delaware. Mr. President, I thank the Senator. I do not think we can excuse ourselves from our responsibility by pointing out the difference in the method of financing in the House bill. We as Senators are voting on the bill as it is before us, and in its present version the Senate bill would provide $3.5 billion extra benefits in the last 9 months of 1968.

The Senate bill would, in 1968, provide but $1.6 billion in additional revenue, or so that $1.9 billion more would be paid out in 1968 than would be collected in taxes.

Agreeing to the amendment would merely move forward the taxes that, under the committee bill, would be collected after the election. Benefits and taxes as far as the calendar year 1968 is concerned would then be practically even.

Mr. LONG of Louisiana. Mr. President, on page 124 of the report—and this has been checked with the actuaries—it states:

> Accordingly, the old-age and survivors insurance program, as it would be changed by the committee-approved bill, is in close actuarial balance, and thus remains actuarially sound.

Mr. President, most of what we have added in the bill has been needed, because of the cost-of-living increase, to put the people who draw social security benefits where they would be if the value of the currency had not depreciated.

Let us analyze a reasonable and fair way to do that. If a man were earning $400 a month and paying the social security tax on everything he earned, at a time when the dollar would buy twice what it does now, and if this man retires later and other people are then paying into the fund, the most logical way to see that the man who at the present time is making twice as much as the retired man made because of the depreciation in the value of the currency would receive the same benefits—and he would have to receive twice the amount of benefits that the man who has retired is receiving in order to receive the same benefit from the price he paid—would be to simply apply the same rate to the higher base. Therefore, instead of taxing $400, we would tax $800 without advancing the rate at all. That is basically how the committee proposed that we proceed this next year.

We started out, this year, with a fund that was overfinanced. I applaud primarily the House Ways and Means Committee which is responsible for putting on more taxes than necessary to pay for the benefits this year and next year. So that if the programs are overfinanced, they proceed then to provide some of the necessary increases in benefits to take care of the increased cost of living through using some of the surplus. I am not talking about the long-range surplus fund. I am talking about surplus income in the money collected over the money spent in that year.

They would use some of the surplus income out of that amount which is overfinanced. Then, Mr. President, having done that, they would raise the wage base so that in the future the cost would be met by those who are receiving more income and thus have more of it subject to tax. We go along with that and where we provide additional outgo, we provide additional income.

I understand there will be another amendment to hold the benefits at the House level. And having moved in the Williams direction, we will then be asked to move in the other direction and say: "We will propose to do it the way the House proposed and reduce the surplus flowing into the fund below the amount the committee established."

So, having had a chance to tax a lot more than need be, we would then have a chance to vote the other way and collect less in taxes.

Mr. PROUTY. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield 3 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 3 minutes.

Mr. PROUTY. Mr. President, the Senator is making very much the same argument advanced by the distinguished senior Senator from New Hampshire [Mr. COTTON] and me last week. At that time we proposed an amendment which would make it unnecessary to raise taxes beyond existing levels at the present time.

I have a chart here—and I have checked this rather thoroughly. I understand that as of December 31, 1966, there was a surplus in the trust fund—that is, the combined OASI and DI fund—of $22,307 million. In addition to the existing surplus, this bill will create more than a $6.8 billion surplus between now and 1972. In other words, Mr. President, under the Senate bill, there will be a surplus of $29,107 million by 1972. Under the House bill, there would be a surplus of $52,707 million. That in my mind is completely unjustified.

Certainly we are on solid ground insofar as the financing is concerned. As a matter of fact, it is a little too solid because we are tying up large sums of money via a regressive tax.

While I can understand my distinguished friend, the senior Senator from Delaware, expressing some concern over the fact that rates were not increased at the same time the new benefits went into effect, it is difficult to favor additional overfinancing. We do not need a nickel more than we will get certainly under the bill because there will be a surplus of $29,107,000,000 in 1972.

I refer also to page 179, part one, of the hearings before the Ways and Means Committee in which it was pointed out that in the year 2000, using intermediate cost assumption, the Social Security Administration has estimated a surplus of $344 billion. That is just about 32 years from now.

I thank the Senator.

Mr. LONG of Louisiana. Mr. President, unless other Senators desire to discuss the matter, I am prepared to yield back the remainder of my time.

Mr. WILLIAMS of Delaware. Mr. President, I do not know of anyone else who wants to speak.

I shall take only 1 minute at this time to state that there is no argument with the statement of the Senator from Louisiana concerning the actuarial soundness of the program under the financing method of the committee bill—none whatever. However, the pending amendment does not change one iota the actuarial soundness of the program.

It merely states that the tax increase on wages will go into effect the same day as the benefit increases. The net long-range effect of the adoption of this amendment would be exactly the same so far as the actuarial soundness of the committee bill is concerned.

This is not a revenue producing measure, nor would it reduce revenue. It merely provides a little truth so far as financing this program is concerned because it would spread it out from the same day that benefits begin. Certainly, the Senate would desire that the benefits and the tax be effective the same day. The long-range financing would be exactly the same under this proposal.

Mr. President, unless someone else wishes to speak, I am willing to yield back the remainder of my time, but I suggest that we have a brief quorum call.

Mr. LONG of Louisiana. Mr. President, I yield myself 1 minute.

Mr. President, the Senator is seeking to impress upon people, by hitting them between the eyes, how much this program will cost in the future. Of course, that is sometimes a worthwhile purpose, especially if you do not like a program to begin with. If that is what he wants to do, it would seem to me to make better sense to impress upon people that in 1987, which is 20 years down the road, the tax would be 5.8 percent of the payroll.

I would say that if you want to make somebody understand—whether they want to admit it or not—that this will cost a great deal of money, the logic of the Senator's argument calls for moving the rate ahead to 5.8 and increasing it much more than you need. If you were to do that, you would not even need the President's tax bill. You would balance the national income account by taxing all the surplus money in America—not the surplus, but the money of hard-working people, in the social security program, where the Government could borrow it on any terms it wanted. In short order, you would be able to wipe out the entire national debt by use of the social security fund.

If you want to do it, you could impress the people by how much the program would cost in 1987. Of course, in 1987, hopefully, the fund would receive more money, because more people would be employed and they would be making more wages, and we would have greater productivity. We could go all out with the Williams doctrine and show how much the program could cost. We could balance the budget and keep it there for a while, and tax enough money into the social security fund to retire the entire national debt.

Mr. WILLIAMS of Delaware. Mr. President, we could continue all day on a ridiculous plane. I would not say that the Senator's remarks are ridiculous, and I will substitute another adjective if I can think of a more appropriate one.

This proposal has nothing to do with financing the public debt. It has nothing to do with the actuarial soundness of the program, as the Senator knows. It has nothing to do with whether we are for or against the social security program.

Lest there be any misunderstanding, as I have stated repeatedly, I believe one of the greatest achievements of the New Deal administration was the initiation of the social security program. I believe it was a good, sound program, and had it not been started then I would welcome the opportunity to help start one today.

On the other hand, it must be a sound program, soundly financed, so that the people who put their money into it will have some semblance of security when they reach the day of retirement.

As I stated in the committee, I welcome the opportunity to support increased benefits at this time.

The PRESIDING OFFICER. The time of the Senator on this amendment has expired.

Mr. WILLIAMS of Delaware. I yield myself 5 minutes on the bill.

All that the Senator from Louisiana is proposing is to postpone this tax until after the election. What difference would it make if the tax became effective before the election, the same day as the benefits? No one can dispute that over a 4-year period there is not a dime's difference between the pending amendment and the committee bill, the only difference being with respect to the effective date. Under this amendment the tax would become effective in 1968, and it would raise more money in 1968. It would strike out the increase in 1971 which is in the committee bill when they would make up the insufficiency created in the 1968 election year.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. CURTIS. It should be understood that this is a fight for principle. I believe that a substantial majority of the people of the United States, when given the facts about how social security is financed—that an individual's benefit is not paid by his own payments but is carried by the payments of others—if asked, "Do you believe that when payments are increased, taxes should be increased at the same time?" would overwhelmingly answer "Yes."

It must be fair on both sides of the ledger. I would hope that we would never have to increase taxes, unless it became necessary in order to take care of a very grievous matter, without allowing additional benefits. It is a matter of sound legislative policy. It is a matter of fairness to those who receive and to those who pay.

Now, we get on dangerous ground when we say, "Well, next year they really won't need it." The fact remains that the reserve has gone down and down all the time. It is now down to a point sufficient to carry the program for only 12 months. When we started to pay benefits, it was enough to carry the program for 591 months. The table shows that it has gone down steadily.

I also wish to call attention to the fact that in 1966, outgo exceeded expenditures. So if now and then income exceeds expenditure a little, it tends to be balanced out. It does not mean that you should discard principle. When benefits are increased, an appropriate tax increase should be applied.

Mr. WILLIAMS of Delaware. I thank the Senator from Nebraska.

As I stated earlier, I believe that an increase in social security benefits is justified. I intend to vote for an increase if it is properly financed, and I am perfectly willing to vote for the tax to pay for it—both effective on the same day.

But I do object to going through the political hypocrisy of having the benefits becoming effective before the election and the tax becoming effective later so that the people will not know about it.

The program must be soundly and properly financed, but let us make them both effective the same day. I am willing to vote for the necessary tax increase to finance the benefits for which I vote. If I, as a Senator, and if other Senators are not willing to vote for the tax at the same time then we should not vote for the benefits.

Mr. President, I ask unanimous consent that the table appearing on page 336 of the committee report, referred to by the Senator from Nebraska, be printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF OASDI TRUST FUND BALANCES AND BENEFIT OUTGO

[Balance in fund and benefit outgo in millions]

Calendar year	Balance in fund at beginning of year	Benefit outgo in year	Ratio of fund to benefit outgo	
			In years	In months
1940	$1,724	$35	49.3	591.6
1941	2,031	88	23.1	277.2
1942	2,762	131	21.1	253.2
1943	3,688	166	22.2	266.4
1944	4,820	209	23.1	277.2
1945	6,005	274	21.9	262.8
1946	7,121	378	18.8	225.6
1947	8,150	466	17.5	210.0
1948	9,360	556	16.8	201.6
1949	10,722	667	16.1	193.2
1950	11,816	961	12.3	147.6
1951	13,721	1,885	7.3	87.6
1952	15,540	2,194	7.1	85.2
1953	17,442	3,006	5.8	69.6
1954	18,707	3,670	5.1	61.2
1955	20,576	4,968	4.1	49.2
1956	21,663	5,715	3.8	45.6
1957	22,519	7,404	3.0	36.0
1958	23,042	8,576	2.7	32.4
1959	23,243	10,299	2.3	27.6
1960	21,966	11,245	2.0	24.0
1961	22,613	12,749	1.8	21.6
1962	22,162	14,461	1.5	18.0
1963	20,705	15,427	1.3	15.6
1964	20,715	16,223	1.3	15.6
1965	21,172	18,310	1.2	14.4
1966	19,841	20,048	1.0	12.0
1967	22,309	[1] 21,549	1.0	12.0

[1] Estimated.

Mr. WILLIAMS of Delaware. The table shows the ratio of the trust fund to benefit outgo, which has been declining over the years so that now it is down to approximately a 1-year reserve. This reserve is necessary because if you run into a recession or a depression—and we could have one; we have had them before—you would have increased payments going out under the program and substantially reduced income as unemployment increased.

I believe this reserve is necessary. We are told by the actuaries that this reserve is at the minimum of what we can afford to carry in order for it to be secure so far as payments are concerned. Certainly, the one thing that those who draw social security benefits want most is the security and the knowledge that the benefits will be paid as long as they live so that they need not wonder whether the benefits will be paid in later years. To the extent that Congress increases benefits, taxes must be increased.

The committee bill recognizes that fact. This amendment merely deals with timing, giving truth in Government, and making both dates effective at the same time so that when we go home both the recipients of benefits and those who pay the tax will know they are paying this tax for these benefits, and they will know that the same Members of the Senate who voted for the benefits voted for the tax.

I am willing to vote that both be effective the same day.

Mr. LONG of Louisiana. Mr. President, how much time do I have remaining on the amendment?

The PRESIDING OFFICER (Mr. Ribicoff in the chair). The Senator has 12 minutes remaining on the amendment.

Mr. LONG of Louisiana. I shall not require that much time.

Mr. President, the amendment of the Senator would not help the Government fiscally one way or the other. It would increase the tax sooner and it would raise more money by taxing the people more than we need to tax them in 1968 for social security purposes, and then reduce the tax to a lower level in subsequent years, and lose what it would save in the years following.

As a practical matter, the only purpose of the amendment is a desire to really shock the public by highlighting how much the social security program costs when the benefits are brought up to offset the increase in the cost of living, which is the main benefit we are financing with the bill.

If one wants to shock the public, I would say that the amendment of the Senator tends to achieve that purpose. If Senators want to leave the shock treatment out and talk about whether we are actuarially sound and whether the House bill is actuarially sound, all of the actuaries will state that both are.

Mr. President, the difference is that the House committee worked out the matter so that the fund was being overfinanced, and used some of that surplus in overfinancing to pay for some of the benefits, while the Senate committee voted additional taxes by raising the wage base to tax more money and more people to bring in $100 million more than we voted for in additional benefits. We are actuarially sound and the Senator does not deny that.

As a practical matter the only purpose of the amendment is political. The Senator said that we had political facts in mind, and maybe we did. When a bill is reported with every Democrat voting for it and every Republican voting against it, I guess that people think of politics. I am sure that Republicans voted against the bill, relying on it being unpopular, and that Democrats voted for the bill, relying on it being popular.

The Republicans would like to put a shock treatment in here by throwing up their hands and saying, "Oh, my goodness. Look what this is costing." The amendment of the Senator would serve that purpose. It would shock the public and impress on them how much the program is costing. If Senators wish to overimpress the public, they should vote for the Senator's amendment. I think that his amendment takes an active step in that direction.

However, as the Senator from Vermont [Mr. Prouty] pointed out so well, we have a large surplus, a huge fund of about $29 billion, that will grow every year and take in a lot more than it pays out in benefits. All of the actuaries look at this fund and say that it is fiscally sound. This is a necessary increase in benefits if we are to meet the increase in the cost of living.

I hope we do not vote a lot more taxes than we need at a time when we are faced with a deficit in balance of payments and a request for a surcharge tax.

I would hope that the Senate will support the committee, at least the majority of the committee, in that respect.

Mr. President, unless someone wishes to speak, I am prepared to yield back the time.

Mr. WILLIAMS of Delaware. Mr. President, I ask unanimous consent that I may proceed for 1 minute on the bill.

Mr. LONG of Louisiana. Mr. President, the Senator may have 1 minute of my time.

Mr. WILLIAMS of Delaware. The Senator said that this new wage tax would shock the American public. If it will shock them after the election why are they not told what it will cost before the election? It will be just as shocking an increase in 1969. Why not let them know about this shocking tax before they vote next November. That is all that is involved in the amendment.

The amendment would not change actuarily soundness because it merely advances the date of this shock so that they will know the true cost of the program at the same time they get the benefits. It should be so.

I suggest to the Senator from Louisiana that if we go to a store to buy an article and if the price is apt to be shocking we ask the storekeeper and ascertain the price then. If we feel we cannot afford it that is the time to find out. One does not minimize the shock by buying the article, closing his eyes as to what it will cost, getting the article home, and receiving the bill the first of the month and then have a delayed shock.

Mr. LONG of Louisiana. Mr. President, I yield myself 30 seconds.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG of Louisiana. Mr. President, there is a surplus flowing into the fund and it is overfinanced. That is why the ranking member of the House Ways and Means Committee last year was pressing for an 8-percent increase in benefits with no increase in taxes. If that measure could have been passed as the Byrnes bill under Republican leadership, my guess is that there would be no complaint on that side of the aisle to pay for additional increases in the cost of living. That is what Representative Byrnes recommended on the House side. I imagine that the Republicans over there would have voted unanimously for it, with no increase at all, if that proposal had been voted on last year.

Some Senators might want to impress on people how much the program would cost, but if it were the Byrnes bill rather than the Mills bill I do not believe they would be driving that point home today.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. LAUSCHE. Mr. President, based on the discussion that has taken place between the Senator from Louisiana and the Senator from Delaware, it is thoroughly clear to me that there has to be an increase in tax to finance the increase in benefits. The dispute between the two measures deals with the date on which that increase should be imposed. Whichever date it is imposed, it means that the worker will have to pay. The fact that it is being delayed for 1 or 2 years does not mean that the worker will be permanently exempted from paying it.

Inasmuch as it has to be paid by the worker and inasmuch as it is not a fact to claim he will not have to pay it, the only question in my mind is: How shall we proceed? Shall it be delayed until after the election; and if it is, why is it delayed until after the election? If it is in greater conformity with actual facts to impose it today rather than after the election, why should it not be imposed today?

No reason can be given dealing with the proposed delay of the effective date of the tax until after election other than political motive. That is the only reason that can be given, and I am not going to join in that type operation.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back the remainder of his time?

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the distinguished minority leader, the Senator from Illinois [Mr. Dirksen]. If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. BYRD of West Virginia (after having voted in the negative). On this vote I have a pair with the distinguished Senator from Rhode Island [Mr. Pastore]. If he were present and voting, he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. SMATHERS (after having voted in the affirmative). On this vote I have a pair with my distinguished colleague from Florida [Mr. Holland]. If he were present and voting he would vote "nay"; if I were at liberty to vote, I would vote "yea." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from North Carolina [Mr. Jordan], the Senator from

Rhode Island [Mr. PASTORE], the Senator from West Virginia [Mr. RANDOLPH], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senators from Georgia [Mr. RUSSELL] and [Mr. TALMADGE] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. CANNON], the Senator from Wyoming [Mr. MCGEE] and the Senator from West Virginia [Mr. RANDOLPH] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Illinois [Mr. DIRKSEN], the Senator from Hawaii [Mr. FONG], the Senator from California [Mr. MURPHY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from Wyoming [Mr. HANSEN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Massachusetts [Mr. BROOKE] is detained on official business.

If present and voting, the Senator from Kansas [Mr. CARLSON], the Senator from California [Mr. MURPHY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "yea."

The pair of the Senator from Illinois [Mr. DIRKSEN] has been previously announced.

The result was announced—yeas 27, nays 49, as follows:

[No. 335 Leg.]

YEAS—27

Aiken
Allott
Baker
Bennett
Boggs
Cotton
Curtis
Dominick
Eastland
Ervin
Fannin
Griffin
Hatfield
Hickenlooper
Hruska
Jordan, Idaho
Kuchel
Lausche
McClellan
Miller
Morton
Pearson
Percy
Stennis
Thurmond
Williams, Del.
Young, N. Dak.

NAYS—49

Anderson
Bartlett
Bayh
Bible
Brewster
Burdick
Byrd, Va.
Case
Church
Clark
Ellender
Fulbright
Gore
Gruening
Harris
Hart
Hartke
Hayden
Hill
Hollings
Inouye
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Long, Mo.
Long, La.
Magnuson
McGovern
McIntyre
Metcalf
Mondale
Monroney
Montoya
Morse
Moss
Muskie
Nelson
Pell
Prouty
Proxmire
Ribicoff
Smith
Spong
Symington
Tydings
Williams, N.J.
Yarborough
Young, Ohio

NOT VOTING—24

Brooke
Byrd, W. Va.
Cannon
Carlson
Cooper
Dirksen
Dodd
Fong
Hansen
Holland
Jordan, N.C.
Mansfield
McCarthy
McGee
Mundt
Murphy
Pastore
Randolph
Russell
Scott
Smathers
Sparkman
Talmadge
Tower

So the amendment of the Senator from Delaware (Mr. WILLIAMS) was rejected.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

S. 706. An act to amend section 27 of the Shipping Act, 1916;

S. 764. An act to amend section 6 of the District of Columbia Traffic Act, 1925, as amended, and to amend section 6 of the act approved July 2, 1940, as amended, to eliminate requirements that applications for motor vehicle title certificates and certain lien information related thereto be submitted under oath;

S. 770. An act to amend an act to provide for the establishment of a public crematorium in the District of Columbia; and

S. 2428. An act to authorize the Secretary of the Army to convey to the State of Washington certain lands in the counties of Yakima and Kittitas, Wash., in exchange for certain other lands, and for other purposes.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. CURTIS. Mr. President, I send an amendment to the desk and ask that it be considered. I offer the amendment for myself and the Senator from Delaware [Mr. WILLIAMS].

The PRESIDING OFFICER. The amendment offered by the Senator from Nebraska will be stated.

The LEGISLATIVE CLERK. The Senator from Nebraska, for himself and the Senator from Delaware [Mr. WILLIAMS], proposes amendment No. 464, as follows——

Mr. CURTIS. Mr. President, may the record show that this amendment is offered in behalf of the Senator from Delaware [Mr. WILLIAMS] and myself?

The PRESIDING OFFICER. Without objection, the record will so show.

Mr. CURTIS. Mr. President, I wish to modify the amendment to correct an error that appears in the printing of it. The correction is to strike out lines 17 and 18 on page 4.

I ask unanimous consent that the amendment as corrected may appear at this point in the RECORD without its being read.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment, as modified, is as follows:

Beginning on page 13 with the table (the first part of which begins on such page) strike all through the table on page 16 and insert in lieu thereof the following:

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS

"I		II	III		IV	V
(Primary insurance benefit under 1939 act, as modified)		(Primary insurance amount under 1965 act)	(Average monthly wage)		(Primary insurance amount)	(Maximum family benefits)
If an individual's primary insurance benefit (as determined under subsec. (d)) is—		Or his primary insurance amount (as determined under subsec. (c)) is—	Or his average monthly wage (as determined under subsec. (b)) is—		The amount referred to in the preceding paragraphs of this subsection shall be—	And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
At least—	But not more than—		At least—	But not more than—		
	$13.48	$44.00		$67	$50.00	$75.00
$13.49	14.00	45.00	$68	69	50.70	76.10
14.01	14.48	46.00	70	70	51.80	77.70
14.49	15.00	47.00	71	72	52.90	79.40
15.01	15.60	48.00	73	74	54.00	81.00
15.61	16.20	49.00	75	76	55.20	82.80
16.21	16.84	50.00	77	78	56.30	84.50
16.85	17.60	51.00	79	80	57.40	86.10
17.61	18.40	52.00	81	81	58.50	87.80
18.41	19.24	53.00	82	83	59.70	89.60
19.25	20.00	54.00	84	85	60.80	91.20
$20.01	$20.64	$55.00	$86	$87	$61.90	$92.90
20.65	21.28	56.00	88	89	63.00	94.50
21.29	21.88	57.00	90	90	64.20	96.30
21.89	22.28	58.00	91	92	65.30	98.00
22.29	22.68	59.00	93	94	66.40	99.60
22.69	23.08	60.00	95	96	67.50	101.30
23.09	23.44	61.00	97	97	68.70	103.10
23.45	23.76	62.10	98	99	69.90	104.90
23.77	24.20	63.20	100	101	71.10	106.70
24.21	24.60	64.20	102	102	72.30	108.50
24.61	25.00	65.30	103	104	73.50	110.30

"TABLE FOR DETERMINING PRIMARY INSURANCE AMOUNT AND MAXIMUM FAMILY BENEFITS—Continued

"I (Primary insurance benefit under 1939 act, as modified) If an individual's primary insurance benefit (as determined under subsec. (d)) is— At least—	But not more than—	II (Primary insurance amount under 1965 act) Or his primary insurance amount (as determined under subsec. (c)) is—	III (Average monthly wage) Or his average monthly wage (as determined under subsec. (b)) is— At least—	But not more than—	IV (Primary insurance amount) The amount referred to in the preceding paragraphs of this subsection shall be—	V (Maximum family benefits) And the maximum amount of benefits payable (as provided in sec. 203(a)) on the basis of his wages and self-employment income shall be—
$25.01	$25.48	$66.40	$105	$106	$74.70	$112.10
25.49	25.92	67.50	107	107	76.00	114.00
25.93	26.40	68.50	108	109	77.10	115.70
26.41	26.94	69.60	110	113	78.30	117.50
26.95	27.46	70.70	114	118	79.60	119.40
27.47	28.00	71.70	119	122	80.70	121.10
28.01	28.68	72.80	123	127	81.90	122.90
28.69	29.25	73.90	128	132	83.20	124.80
29.26	29.68	74.90	133	136	84.30	126.50
29.69	30.36	76.00	137	141	85.50	128.30
30.37	30.92	77.10	142	146	86.80	130.20
30.93	31.36	78.20	147	150	88.00	132.00
31.37	32.00	79.20	151	155	89.10	133.70
32.01	32.60	80.30	156	160	90.40	135.60
32.61	33.20	81.40	161	164	91.60	137.40
33.21	33.88	82.40	165	169	92.70	139.10
33.89	34.50	83.50	170	174	94.00	141.00
34.51	35.00	84.60	175	178	95.20	142.80
35.01	35.80	85.60	179	183	96.30	146.40
35.81	36.40	86.70	184	188	97.60	150.40
36.41	37.08	87.80	189	193	98.80	154.40
37.09	37.60	88.90	194	197	100.10	157.60
37.61	38.20	89.90	198	202	101.20	161.60
38.21	39.12	91.00	203	207	102.40	165.60
39.13	39.68	92.10	208	211	103.70	168.80
39.69	40.33	93.10	212	216	104.80	172.80
40.34	41.12	94.20	217	221	106.00	176.80
41.13	41.76	95.30	222	225	107.30	180.00
41.77	42.44	96.30	226	230	108.40	184.00
42.45	43.20	97.40	231	235	109.60	188.00
43.21	43.76	98.50	236	239	110.90	191.20
43.77	44.44	99.60	240	244	112.10	195.20
44.45	44.88	100.60	245	249	113.20	199.20
44.89	45.60	101.70	250	253	114.50	202.40
		102.80	254	258	115.70	206.40
		103.80	259	263	116.80	210.40
		104.90	264	267	118.10	213.60
		106.00	268	272	119.30	217.60
		107.00	273	277	120.40	221.60
		108.10	278	281	121.70	224.80
		109.20	282	286	122.90	228.80
		110.30	287	291	124.10	232.80
		111.30	292	295	125.30	236.00
		112.40	296	300	126.50	240.00
		113.50	301	305	127.70	244.00
		114.50	306	309	128.90	247.20
		115.60	310	314	130.10	251.20
		116.70	315	319	131.30	255.20
		117.70	320	323	132.50	258.40
		118.80	324	328	133.70	262.40
		119.90	329	333	134.90	266.40
		121.00	334	337	136.20	269.60
		122.00	338	342	137.30	273.60
		123.10	343	347	138.50	277.60
		124.20	348	351	139.80	280.80
		125.20	352	356	140.90	284.80
		126.30	357	361	142.10	288.80
		127.40	362	365	143.40	292.00
		128.40	366	370	144.50	296.00
		129.50	371	375	145.70	300.00
		130.60	376	379	147.00	303.20
		$131.70	$380	$384	$148.20	$307.20
		132.70	385	389	149.30	311.20
		133.80	390	393	150.60	314.40
		134.90	394	398	151.80	318.40
		135.90	399	403	152.90	322.40
		137.00	404	407	154.20	325.60
		138.00	408	412	155.30	329.60
		139.00	413	417	156.40	333.60
		140.00	418	421	157.50	326.80
		141.00	422	426	158.70	340.80
		142.00	427	431	159.80	342.80
		143.00	432	436	160.90	344.80
		144.00	437	440	162.00	346.40
		145.00	441	445	163.20	348.40
		146.00	446	450	164.30	350.40
		147.00	451	454	165.40	352.00
		148.00	455	459	166.50	354.00
		149.00	460	464	167.70	356.00
		150.00	465	468	168.80	357.60
		151.00	469	473	169.90	359.60
		152.00	474	478	171.00	361.60
		153.00	479	482	172.20	363.20
		154.00	483	487	173.30	365.20
		155.00	488	492	174.40	367.20
		156.00	493	496	175.50	368.80
		157.00	497	501	176.70	370.80
		158.00	502	506	177.80	372.80
		159.00	507	510	178.90	374.40
		160.00	511	515	180.00	376.40
		161.00	516	520	181.20	378.40
		162.00	521	524	182.30	380.00
		163.00	525	529	183.40	382.00
		164.00	530	534	184.50	384.00
		165.00	535	538	185.70	385.60
		166.00	539	543	186.08	387.60
		167.00	544	548	187.90	389.60
		168.00	549	552	189.00	391.20
			553	556	190.00	392.80
			557	559	191.00	394.00
			560	563	192.00	395.00
			564	566	193.00	396.80
			567	569	194.00	398.00
			570	573	195.00	399.60
			574	576	196.00	400.80
			577	580	197.00	402.40
			581	583	198.00	403.60
			584	587	199.00	405.20
			588	590	200.00	406.40
			591	594	201.00	408.00
			595	597	202.00	409.20
			598	601	203.00	410.80
			602	604	204.00	412.00
			605	608	205.00	413.60
			609	611	206.00	414.80
			612	615	207.00	416.40
			616	618	208.00	417.60
			619	622	209.00	419.20
			623	625	210.00	420.40
			626	628	211.00	421.60
			629	633	212.00	423.60"

On page 17, line 8, strike "115" and insert in lieu thereof "112.5".

On page 20, line 7, strike "$50" and insert in lieu thereof "$40".

On page 20, line 8, strike "$25" and insert in lieu thereof "$20".

On page 20, line 11, strike "$50" and insert in lieu thereof "$40".

On page 20, line 13, strike "$50" and insert in lieu thereof "$40".

On page 20, line 15, strike "$50" and insert in lieu thereof "$40".

On page 20, line 17, strike "$25" and insert in lieu thereof "$20".

On page 20, line 20, strike "$25" and insert in lieu thereof "$20".

On page 20, line 22, strike "$50" and insert in lieu thereof "$40".

On page 20, line 25, strike "$25" and insert in lieu thereof "$20".

Beginning on page 62, line 3, strike all through line 15 on page 77 and insert in lieu thereof the following:

"INCREASE OF EARNINGS COUNTED FOR BENEFIT AND TAX PURPOSES

"SEC. 108. (a) (1) (A) Section 209(a) (4) of the Social Security Act is amended by inserting 'and prior to 1968' after '1965'.

"(B) Section 209(a) of such Act is further amended by adding at the end thereof the following new paragraph:

"'(5) That part of remuneration which, after remuneration (other than remuneration referred to in the succeeding subsections of this section) equal to $7,600 with respect to employment has been paid to an individual during any calendar year after 1967, is paid to such individual during such calendar year;'.

"(2) (A) Section 211(b) (1) (D) of such Act is amended by inserting 'and prior to 1968' after '1965', and by striking out '; or' and inserting in lieu thereof '; and'.

"(B) Section 211(b) (1) of such Act is further amended by adding at the end thereof the following new subparagraph:

"'(E) For any taxable year ending after 1967, (i) $7,600, minus (ii) the amount of the wages paid to such individual during the taxable year; or'.

"(3) (A) Section 213(a) (2) (ii) of such Act is amended by striking out 'after 1965' and inserting in lieu thereof 'after 1965 and before 1968, or $7,600 in the case of a calendar year after 1967'.

"(B) Section 213(a)(2)(iii) of such Act is amended by striking out 'after 1965' and inserting in lieu thereof 'after 1965 and before 1968, or $7,600 in the case of a taxable year ending after 1967'.

"(4) Section 215(e)(1) of such Act is amended by striking out 'and the excess over $6,600 in the case of any calendar year after 1965' and inserting in lieu thereof 'the excess over $7,600 in the case of any calendar year after 1965 and before 1968, and the excess over 7,600 in the case of any calendar year after 1967'.

"(b)(1)(A) Section 1402(b)(1)(D) of the Internal Revenue Code of 1954 (relating to definition of self-employment income) is amended by inserting 'and before 1968' after '1965', and by striking out '; or' and inserting in lieu thereof '; and'.

"(B) Section 1402(b)(1) of such Code is further amended by adding at the end thereof the following new subparagraph:

"'(E) for any taxable year ending after 1967, (i) $7,600, minus (ii) the amount of the wages paid to such individual during the taxable year; or'.

"(2) Section 3121(a)(1) of such Code (relating to definition of wages) is amended by strikng out '$6,600' each place it appears and inserting in lieu thereof '$7,600'.

"(3) The second sentence of section 3122 of such Code (relating to Federal service) is amended by striking out '$6,600' and inserting in lieu theref '$7,600'.

"(4) Section 3125 of such Code (relating to returns in the case of governmental employees in Guam, American Samoa, and the District of Columbia) is amended by striking out '$6,600' each place it appears and inserting in lieu thereof '$7,600'.

"(5) Section 6413(c)(1) of such Code (relating to special refunds of employment taxes) is amended—

"(A) by inserting 'and prior to the calendar year 1968' after 'the calendar year 1965';

"(B) by inserting after 'exceed $6,600,' the following: 'or (D) during any calendar year after the calendar year 1967, the wages received by him during such year exceed $7,600,'; and

"(C) by inserting before the period at the end thereof the following: 'and before 1968, or which exceeds the tax with respect to the first $7,600 of such wages received in such calendar year after 1967'.

"(6) Section 6413(c)(2)(A) of such Code (relating to refunds of employment taxes in the case of Federal employees) is amended by striking out 'or $6,600 for any calendar year after 1965' and inserting in lieu thereof '$6,600 for the calendar year 1966 or 1967, or $7,600 for any calendar year after 1967'.

"(c) The amendments made by subsections (a)(1) and (a)(3)(A), and the amendments made by subsection (b) (except paragraph (1) thereof), shall apply only with respect to remuneration paid after December 1967. The amendments made by subsections (a)(2), (a)(3)(B), and (b)(1) shall apply only with respect to taxable years ending after 1967. The amendment made by subsection (a)(4) shall apply only with respect to calendar years after 1967.

"CHANGES IN TAX SCHEDULES

"SEC. 109. (a)(1) Section 1401(a) of the Internal Revenue Code of 1954 (relating to rate of tax on self-employment income for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (1), (2), (3), and (4) and inserting in lieu thereof the following:

"'(1) in the case of any taxable year beginning after December 31, 1966, and before January 1, 1969, the tax shall be equal to 5.9 percent of the amount of the self-employment income for such taxable year;

"'(2) in the case of any taxable year; beginning after December 31, 1968, and before January 1, 1971, the tax shall be equal to 6.3 percent of the amount of the self-employment income for such taxable year;

"'(3) in the case of any taxable year beginning after December 31, 1970, and before January 1, 1973, the tax shall be equal to 6.9 percent of the amount of the self-employment income for such taxable year; and

"'(4) in the case of any taxable year beginning after December 31, 1972, the tax shall be equal to 7.0 percent of the amount of the self-employment income for such taxable year.'

"(2) Section 3101(a) of such Code (relating to rate of tax on employees for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (1), (2), (3), and (4) and inserting in lieu thereof the following:

"'(1) with respect to wages received during the calendar years 1967 and 1968, the rate shall be 3.9 percent;

"'(2) with respect to wages received during the calendar years 1969 and 1970, the rate shall be 4.2 percent;

"'(3) with respect to wages received during the calendar years 1971 and 1972, the rate shall be 4.6 percent; and

"'(4) with respect to wages received after December 31, 1972, the rate shall be 5.0 percent.'

"(3) Section 3111(a) of such Code (relating to rate of tax on employers for purposes of old-age, survivors, and disability insurance) is amended by striking out paragraphs (1), (2), (3), and (4) and inserting in lieu thereof the following:

"'(1) with respect to wages paid during the calendar years 1967 and 1968, the rate shall be 3.9 percent;

"'(2) with respect to wages paid during the calendar years 1969 and 1970, the rate shall be 4.2 percent;

"'(3) with respect to wages paid during the calendar years 1971 and 1972, the rate shall be 4.6 percent; and

"'(4) with respect to wages paid after December 31, 1972, the rate shall be 5.0 percent.'

"(b)(1) Section 1401(b) of such Code (relating to rate of tax on self-employment income for purposes of hospital insurance) is amended by striking out paragraphs (1) through (6) and inserting in lieu thereof the following:

"'(1) in the case of any taxable year beginning after December 31, 1966, and before January 1, 1969, the tax shall be equal to 0.50 percent of the amount of the self-employment income for such taxable year;

"'(2) in the case of any taxable year beginning after December 31, 1968, and before January 1, 1973, the tax shall be equal to 0.60 percent of the amount of the self-employment income for such taxable year;

"'(3) in the case of any taxable year beginning after December 31, 1972, and before January 1, 1976, the tax shall be equal to 0.65 percent of the amount of the self-employment income for such taxable year;

"'(4) in the case of any taxable year beginning after December 31, 1975, and before January 1, 1980, the tax shall be equal to 0.70 percent of the amount of the self-employment income for such taxable year;

"'(5) in the case of any taxable year beginning after December 31, 1979, and before January 1, 1987, the tax shall be equal to 0.80 percent of the amount of the self-employment income for such taxable year; and

"'(6) in the case of any taxable year beginning after December 31, 1986, the tax shall be equal to 0.90 percent of the amount of the self-employment income for such taxable year.'

"(2) Section 3101(b) of such Code (relating to rate of tax on employees for purposes of hospital insurance) is amended by striking out paragraphs (1) through (6) and inserting in lieu thereof the following:

"'(1) with respect to wages received during the calendar years 1967 and 1968, the rate shall be 0.50 percent;

"'(2) with respect to wages received during the calendar years 1969, 1970, 1971, and 1972, the rate shall be 0.60 percent;

"'(3) with respect to wages received during the calendar years 1973, 1974, and 1975, the rate shall be 0.65 percent;

"'(4) with respect to wages received during the calendar years 1976, 1977, 1978, and 1979, the rate shall be 0.70 percent;

"'(5) with respect to wages received during the calendar years 1980, 1981, 1982, 1983, 1984, 1985, and 1986, the rate shall be 0.80 percent; and

"'(6) with respect to wages received after December 31, 1986, the rate shall be 0.90 percent.'

"(3) Section 3111(b) of such Code (relating to rate of tax on employers for purposes of hospital insurance) is amended by striking out paragraphs (1) through (6) and inserting in lieu thereof the following:

"'(1) with respect to wages paid during the calendar years 1967 and 1968, the rate shall be 0.50 percent;

"'(2) with respect to wages paid during the calendar years 1969, 1970, 1971, and 1972, the rate shall be 0.60 percent;

"'(3) with respect to wages paid during the calender years 1973, 1974, and 1975, the rate shall be 0.65 percent;

"'(4) with respect to wages paid during the calendar years 1976, 1977, 1978, and 1979, the rate shall be 0.70 percent;

"'(5) with respect to wages paid during the calendar years 1980, 1981, 1982, 1983, 1984, 1985, and 1986, the rate shall be 0.80 percent; and

"'(6) with respect to wages paid after December 31, 1986, the rate shall be 0.90 percent.'

"(c) The amendments made by subsections (a)(1) and (b)(1) shall apply only with respect to taxable years beginning after December 31, 1967. The remaining amendments made by this section shall apply only with respect to remuneration paid after December 31, 1967."

On page 16, lines 8 and 9, strike "the month of March 1968" and insert in lieu thereof "the second month following the month in which the Social Security Amendments of 1967 are enacted".

On page 17, line 7, strike "March 1968" and insert in lieu thereof "such second month".

On page 17, line 8, strike "March 1968" and insert in lieu thereof "such second month".

On page 17, lines 16 and 17, strike "the month of March 1968" and insert in lieu thereof "such second month".

On page 17, lines 21 and 22, strike "March 1968" and insert in lieu thereof "such second month".

On page 18, lines 5 and 6, strike out "entitled, after February 1968" and insert in lieu thereof "entitled, in or after the second month following the month in which the Social Security Amendments of 1967 are enacted".

On page 18, lines 8 and 9, strike "after February 1968" and insert in lieu thereof "in or after such second month".

On page 19, lines 2 and 3, strike "month of March 1968 or who died before such month" and insert in lieu thereof "second month following the month in which the Social Security Amendments of 1967 are enacted or who died before such second month".

On page 19, lines 7 and 8, strike "months after February 1968" and insert in lieu thereof "and after the second month following the month in which this Act is enacted".

On page 19, line 10, strike "after February 1968" and insert in lieu thereof "in or after such second month".

On page 19, line 14, strike "of February 1968" and insert in lieu thereof "following the month in which this Act is enacted".

On page 19, lines 17 and 18, strike "month of March 1968, or who died in such month" and insert in lieu thereof "second month following the month in which this Act is enacted, or he died in such second month".

On page 21, lines 4 and 5, strike "months after February 1968" and insert in lieu thereof "and after the second month following the month in which this Act is enacted".

On page 22, line 18, strike "months after February 1968" and insert in lieu thereof "and after the second month following the month in which this Act is enacted".

On page 55, line 21, strike "months after February 1968" and insert in lieu thereof "and after the second month following the month in which this act is enacted".

The PRESIDING OFFICER. How much time does the Senator from Nebraska yield himself?

Mr. CURTIS. I yield myself 10 minutes.

Mr. President, I favor an increase in benefits for social security recipients. I do not think that it is in dispute anywhere. What Senator WILLIAMS and I seek to do by this amendment is to give the Senate an opportunity to vote on the benefit increase provided by the House of Representatives, with the House of Representatives proposed financing, versus the increase in benefits and the financing proposed by the majority of the Senate Committee on Finance.

May I say at the outset that I cherish the opportunity to serve on the Committee on Finance. It has been through the years, and is still, a distinguished and able committee. I believe, however, that in the deliberations of the Committee on Finance and of the Senate, we should at times take special note of what the Committee on Ways and Means of the House of Representatives has done. Because of the size of the House of Representatives, a Member is called upon to serve on only one committee. Representatives do not have to scatter their attention and activity as we must do here in the Senate. Consequently, I believe there are times when we should give considerable weight to the House of Representatives version of a particular piece of legislation because of the greater attention a House Member can give to a proposal; and I believe that this is one of those times.

Here is what is involved in the financing: A vote cast in favor of my amendment to increase benefits as provided by the House of Representatives, and to finance those increases as provided by the House, will be a vote to impose upon the American worker a maximum employee tax of $448.40, which will be reached by the year 1987. A similar amount is imposed upon each employer for each employee paying the maximum. The self-employment tax would be roughly 1½ times the employee tax.

We are increasing benefits. If we accept the increase of the House of Representatives, the maximum employee tax will, as I say, not be reached until 1987, and will go up to $448.40. However, if we accept the bill as reported by the majority members of the Senate Committee on Finance, the maximum employee tax will increase to $626.40, and it will reach that level by 1980, with a similar tax on the employer.

What does that mean? That means that the small businessman, who employs 10 people upon whom he has to pay the maximum tax, if we take the House bill, by 1987 will have to pay $4,484; but if we accept the Senate Finance Committee bill, 7 years earlier that employer of 10 employees who are covered by the maximum tax will have to pay $6,264.

Mr. President, when we consider the financial implications of all the actions of government and the financial implications of all the happenings in the free world, I think that we can say without equivocation that the real friend of Social Security is he who practices restraint.

Now, what is the difference in benefits? Under the House bill, all beneficiaries will receive a 12.5-percent increase. What does the majority of the Senate Finance Committee offer? It offers an increase of 15 percent, with a minimum benefit that shall be at least $70 a month. That is the immediate effect of it. Over the long range, there will be some other raises that I shall come to, but so far as present beneficiaries are concerned or those who will retire in the immediate future, it is 15 percent versus 12.5 percent.

What does that amount to? What is the average social security benefit being paid now? It is $85 and some cents. What does a 2.5-percent difference mean to that recipient? About $2.12. But it is brought about with much sounder financing than the Senate Finance Committee bill, which will give him just a little dribble more; but the disadvantages are illustrated by how high the proposed taxes would be.

The real factor in increasing the cost upon the American economy, upon our young people and upon the middle class, by the Senate Finance Committee bill, as contrasted to the Mills bill, is brought about not by the increase in the tax rate, but by the increase in the wage base.

Benefits are paid on the basis of an average monthly wage. So if we resort to financing by raising the wage base up to $10,800, as contrasted to the Mills bill base of $7,600, we do not raise the benefits for anybody who is receiving retirement benefits now, or in any noticeable degree for those who will retire in the next 3 to 6 years. But in the long run, the individual who pays on that higher base will have, over his lifetime, a substantially higher average monthly wage on which to figure the benefits formula, and that is what projects these very severe and high costs, under the Hartke-Long proposal, which are not found in the Mills bill.

If the Senate committee bill is enacted, the money benefit for a retiree, with an annual wage base of $10,800, will be based on the monthly wage, as follows: 72.42 percent of the first $110; 26.34 percent of the next $290; 24.61 percent of the next $150; 28.06 percent of the next $150; and 26.34 percent of the next $200. The total proposed benefit would eventually be substantial.

But to our present generation of old people, that means nothing, because their average monthly wage is already established, or so nearly established that raising the wage base will make no significant change. The issue that we have to face here is, are we going to vote in a level of benefits that will raise the maximum tax $448, under the Mills plan, or $624, under the Hartke-Long plan?

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. Mr. President, I yield myself an additional 10 minutes.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for an additional 10 minutes.

Mr. CURTIS. Mr. President, the only advantage most people will derive from the committee version is only an additional 2.5-percent increase in benefits. Who is there to say that a 15-percent increase is the right balance between payers and receivers and that 12.5 percent is totally wrong? I do not believe it can be said. I believe that the House increase is a reasonable increase. I know that their method of financing the increase is far superior.

I do not want to be misunderstood. It is not my contention that a 12.5-percent increase in social security benefits is not inflationary and that a 15-percent increase is inflationary. I make no such contention.

There are some factors involved in social security that are definitely inflationary. One of them is the long-range commitment for higher and higher benefits that creates a situation in which the only way the program can be carried on is by an ever-increasing amount of inflation in our economy.

The Senate committee bill does that, not through the extra 2.5 percent, but in the raising of the wage base. The House bill does not do that.

The other factor that becomes inflationary is the very size of the tax.

I mentioned a while ago the employer with 10 employees on which the maximum tax is paid. Suppose that maximum tax is figured under the Mills bill at $448.40. That employer would have to raise $4,484. However, under the Hartke-Long bill, that employer would have to raise $6,264.

In either case, where is that employer going to get the money? He will get it from his customers. Many of the self-employed, when they can, will pass on this huge increase to their customers.

When wage negotiations take place, workers must think in terms of takehome pay. If they have $626.40 taken out of their paycheck for social security instead of $448.40, they will ask for more pay.

So, it does have an effect upon wage negotiations and wage contracts. The impact of the size of the tax does make for inflation.

I say for the record here and now that our present social security beneficiaries have not had their position worsened because the number of dollars they receive in benefits has been lessened. They have had their position damaged because the number of dollars they receive buys less and less. And the Hartke-Long proposal would accentuate that inflationary trend.

What we really need here is a policy of government in all things that will halt runaway inflation. The older citizen is entitled not only to be paid in dollars that have real purchasing power, but he is also entitled to receive real purchasing power from the dollars he has saved. His widow is entitled to be paid life insurance money in a stable currency.

I say again that the real friend of social security, the real friend of the aged, is he who practices restraint.

The fixing of benefit increases should never be an auction contesting which candidate or which politician can bid the highest.

We should take into account the effect of inflation on our economy. We should take into account the needs of the elderly. We should take into account the needs of the young and the middle aged who will have to pay the bill.

I remind the Senate that it may be later than we think. The present financial situation of the Government is disturbing to the most optimistic persons.

It is true that social security for the most part is not paid from the general fund and paid out for a special purpose. fund, is a separate tax put in a separate However, I remind the Senate that the same people that carry the burden of social security also carry the burden of all other taxes.

The same consumers who, in the last analysis, pay all other taxes, in the last analysis pay the social security taxes. So, this greatly increased tax burden imposed by the Hartke-Long proposal will have to be borne by the rank and file citizens.

And what else do they have to do? The rank and file of the people of America have to carry the expenses of the war, care for our veterans, pay off the national debt, and pay the carrying charges on the national debt.

Mr. President, Congress this year had to appropriate $14.2 billion to pay the interest on the national debt. If we did not have to pay that amount of money, what could we have done with that $14.2 billion?

Here is what we could do. $14.2 billion is enough money to pay all veterans' benefits, the system of highways included in the Interstate System, the Hill-Burton hospital construction program, the civil works program of the Army Engineers, the entire cost of the Bureau of Reclamation, and the entire cost of running Congress and the Federal courts. All of this could be done with the amount of money we have had to pay in interest alone.

Mr. President, here is something else that these same taxpayers have to pay. As of June 1967, there was in the military retirement program an estimated $71,370,000,000 deficit in the fund. That deficit is increasing by $2.240 billion a year. The same American people that have to pay that will have to pay these huge Hartke-Long taxes that are proposed.

Here is something else: As of the same year, there is a $48 billion deficit in the civil service retirement fund. It lacks that much of being funded.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. CURTIS. I yield myself 2 additional minutes.

These are the burdens on the American people. If the burdens go on and on, inflation, devaluation, destruction of savings, destruction of the value of social security benefits—all these results are a possibility.

Again I remind you that more is involved here than the difference between a 12½-percent and a 15-percent increase in benefits. The House financing is sound. It calls for a lower schedule of taxes. My amendment is so drawn that it is intended to retain every amendment the Senate has approved, dealing with various corrections and changes in medicare and AFDC and all the other items. It merely takes the Mills increase in benefits of 12½ percent together with the Mills method of financing, instead of that proposed by a majority of the Senate Committee on Finance.

Mr. President, the pending amendment should be supported, because we are for the aged of the country. You cannot be for them and not practice restraint in everything that touches upon the financial condition of this country, unless you are totally blind to current happenings.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. LONG of Louisiana. Mr. President, the bill before the Senate undertakes to provide what the Finance Committee believes is an essential increase in social security payments to bring social security benefits up to where they would have been had not the depreciation in currency lessened the purchasing power of those benefits, and also to provide a meager increase in benefits beyond.

I ask that the chart indicating the changes since 1954 be displayed.

Mr. President, the chart indicates how earnings have increased since the cost-of-living increase in 1954. That is shown by the blue line. The brown line shows what has happened to prices, and the green line shows the step increases that have taken place with our social security bills since 1954.

Senators will note that, generally speaking, the brown line, which indicates prices, has advanced ahead of the social security increases as we have voted those increases. So that now, as a practical matter, knowing that we will not vote a big social security bill every year—our experience has been that if we do it once during each Congress, that is as much as we can expect—we should finance the social security benefits, even if on a cost-of-living basis, by enough so that as the cost of living continues to increase—and it is certainly projected to do so next year—the cost of living will not immediately wipe out the increased benefits voted to offset the cost-of-living increase.

Furthermore, Mr. President, a majority of the Senate committee, the Democrats on the committee, are aware of the fact that in this program the benefits have never been added.

At the present time, notwithstanding a social security program intended to keep people out of poverty, we have in this great Nation 5 million people in poverty, approximately half of them receiving public welfare.

The bill before the Senate would reduce the number of people in poverty by 2.1 million. This would mean that the number of people taken out of poverty would be 1.3 million beyond the number which the House bill would take out of poverty. So if it is said that the social security program should be such that people are no longer welfare charges and are no longer on poverty, the bill moves in that direction. The economy sought by those on the Republican side of the aisle is to economize at the expense of the poor, the needy, the unfortunate, the orphan children. In my judgment, that is the one area in which we can least afford to economize.

It should be borne in mind that we are talking about a bill which pays its own way.

We have heard a Senator say that we cannot afford to tax—this is the argument—a man who makes more than $600 a month on an additional $100 a month earnings, in order to take care of the most pitiful cases, people who have paid their money into the social security program and who are to be protected by the program, but have found themselves wards of private or public charity.

Mr. President, in my judgment, we can afford it. We can afford it, whether we have to pay for it by social security tax or any other way. It seems to me that this tends to draw the traditional distinction between the Democratic and the Republican side of the aisle—one side saying that we cannot afford to have beggary, wretchedness; we cannot afford to have people pay for social security benefits which will insure them against poverty, against wretchedness, against homelessness, against starvation, against nakedness. These are people who have paid into the social security fund, and when their day of retirement comes, they find that they are not cared for in sickness, that they starve, that they must apply to private charity or to public welware for their existence.

As the committee bill has been reported, 200,000 people could be taken from the public welfare rolls whom the Republican amendment would continue on the public welfare rolls, and the pending amendment would require that an additional 1,300,000 people be left in poverty.

In addition, I point out that insofar as people would pay taxes on a higher wage base, they would receive greater benefits when they retire, because their retirement benefits would be measured by the higher base.

Let us consider the person for whom the sponsors of the pending amendment are so solicitous.

This man is making $750, $800, or $1,000 a month, and the sponsors of this amendment fear he would be unable to pay the additional tax. Let us look at the situation when this man retires, assuming he is in the maximum category. When he has paid enough for the maximum, when he retires instead of having maximum retirement benefits of $212 a month provided by the House bill, his maximum retirement benefit would be $288. If he were married, it would be 50 percent above that figure of $288. His income would be $70 a month more. It is certainly something well worth paying in order to have the additional benefit.

Look at the maximum provided for a family based on a single earnings record. The maximum provided by having the person pay more in order to draw retirement benefits on more income would rise from $368, payable under the present law, to $423.60, payable under the bill as reported by the Committee on Finance of the Senate. The House bill would have placed that figure at $523.60. There is a difference of $100 a month a family would receive above the House bill if they were paying the higher tax. Yes, they would pay a higher tax and receive much higher benefits for it.

Mr. President, this committee has not been afraid to bring to the Senate a program to reduce beggary, to reduce poverty, and to help people who must rely on public welfare. It would move in the direction of providing a more dignified basis for support to people who must rely on public welfare.

Furthermore, the amendment would seek to strike out a number of liberalizations and improvements of the program voted by the committee of the Senate, some of which were sponsored by Republicans and some of which were sponsored by Democrats.

I would assume that if the Curtis-Williams amendment is agreed to, other amendments will be introduced to strike out other benefits in the bill which take care of the aged and which take care of people who rely on the social security system for their existence.

Mr. President, as the amendment stands at this moment, having heard all of the statements about fiscal responsibility in connection with the previous amendment, here is an amendment that would be actuarially out of balance. It would not bring in as much money as it would pay out, and it would put the fund actuarially out of balance by minus 0.5 percent of payroll.

Mr. President, if the Chair will bear with me for one moment, I wish to get these figures straight. In dollars, this amendment would place the system $450 million out of balance in 1969. In terms of payroll, it would place it out of balance by 0.1 percent of payroll.

Having had a lecture in connection with the previous amendment by the Senator from Delaware about fiscal responsibility, soundness in the fund, and preservation of the fund, we now have an amendment sponsored by the distinguished Senator from Nebraska and the distinguished Senator from Delaware proposing to put the fund out of balance by $450 million compared with the sound approach adopted by the committee in voting to pay for the benefits for which the committee voted.

For those reasons, I do not think the amendment should be agreed to.

Mr. WILLIAMS of Delaware. Mr. President, how much time do we have remaining on the amendment? This is one of the 2-hour amendments.

The PRESIDING OFFICER. The Senator has 38 minutes remaining.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

Mr. WILLIAMS of Delaware. Mr. President, I listened with great interest and amusement to the Senator from Louisiana. I always enjoy listening to him make a speech. It was a wonderful political speech as he pointed out the Republican position. Unfortunately, the speech was wasted because there was not a Louisiana voter here to be converted.

However, inasmuch as the Senator from Louisiana has pointed out how hardhearted the position is which is taken by the Senator from Nebraska and myself in sponsoring this amendment, I wish to point out what the amendment does.

The amendment would increase social security benefits by 12.5 percent across the board, raise the minimum from $44 to $50, and raise the earning limitation from $1,500 to $1,680.

Let there be no misunderstanding about how worthy this proposal is. I call attention to the fact that every Democratic Representative in the other body voted for this same formula of increases. Every Democratic Representative from the State of Louisiana, the State of my chairman, voted for this same proposal, and that list includes: Representatives EDWARD HÉBERT, HALE BOGGS, JOE WAGGONNER, OTTO PASSMAN, JOHN RARICK, EDWIN EDWARDS, and "SPEEDY" LONG, all of whom are Democratic Representatives from the State of Louisiana. Every Louisiana Congressman over there voted for the position which is now before the Senate in the Curtis-Williams amendment.

Mr. LONG of Louisiana. Mr. President, will the Senator yield for a question?

Mr. WILLIAMS of Delaware. I shall yield in a moment.

The Representative from Arkansas [Mr. MILLS] also voted for it. This proposal would substitute the benefit increases of the House bill for those in the Senate bill and at the same time substitute the lower tax rates of the House bill for the higher rates in the Senate bill. The wage base would be kept at $7,600.

Mr. LONG of Louisiana. Is not the Senator aware of the fact that those people did not have the opportunity to vote for the Senate Finance Committee measure? They were faced with a closed rule where one must take it or leave it. They could not vote for something better. They had to take it or leave it.

Mr. WILLIAMS of Delaware. Not necessarily. The Representative from Louisiana [Mr. BOGGS] is a ranking member of the Ways and Means Committee in the other body, and he helped to write the bill in committee. He is one of the ranking members of the committee which reported the bill. They had a right to express themselves.

There is no difference in benefits of our proposal and their bill. The bill, as it was passed by the House of Representatives with a 12.5-percent increase in benefits, provides additional benefits of about $3.5 billion once it gets into the first full year of operation.

The bill reported by the Committee on Finance of the Senate increased those benefits by another $3.2 billion, which is about double. But in doubling the benefits under the two bills it also doubles the tax.

Under the proposal before us we would go back to the House provisions on benefits—to the same level of benefits as supported by every Democratic Representative from the State of Louisiana as well as by every Representative from the State of my good friend from Indiana. They all supported the same proposal we now offer.

I doubt we will find these Senators denouncing their colleagues back in their States for having voted for the sound Republican position we are proposing here today. They had on their minds that this proposal would have increased benefits by 12.5 percent. Increased benefits are justified as a result of inflation, an inflation over which these retired citizens have no control.

At the same time, one does not cure that situation by raising benefits and fanning further the fires of inflation, so that in a year or two the inflation will have eroded all of the benefits that the recipients will have received.

With respect to the change in the tax rate, the House bill has the same payroll tax rates as are shown under the Senate bill. That is true. However, the wage base under the House bill was $7,600, and stayed at $7,600. Under the Hartke-Long proposal in the Senate it goes to $8,000 in 1968, $8,800 in 1969, $10,800 in 1972. This proposal would strike out those increases and retain the same level of increases as in the House bill.

The Senator from Louisiana points out that this bill is not as fiscally responsibly balanced as I have said I would like to have it. That is true.

I made an effort in the amendment offered earlier today to advance the date. I wish that my good friend from Louisiana, the chairman of the committee, had made the same speech when I had that amendment pending, because if he had I might have persuaded him to vote for my amendment. But he voted against it. Now, however, after it has been defeated he is speaking in favor of it. I wish we could get together on this. I want to get his votes where his speeches are.

I see no need to labor further the pending amendment. It is very simple. I think that everyone understands the issue. This amendment would stand by the benefit provisions of the bill as they were approved by a 415-to-3 vote in the House of Representatives and this amendment stands by the payroll tax increase as it was approved by the same 415-to-3 vote in the House of Representatives.

There are those of us who feel that this 12½-percent increase is as far as the wage earners, who pay the tax, can afford to go at this time. We must take into consideration not only the needs of those who will be receiving the benefits but also the manner in which it will affect the wage earners who have to pay the taxes. The fact that under the Senate bill the full impact of the tax will not hit them until after election does not lessen their burden. That does not make it any less painful. It only means that they are being lulled into a false sense of security until after they have cast their ballots. The Senator from Louisiana admits they will receive a shocking awakening when they find out what this increased tax will be under the Hartke-Long proposal.

I hope that the amendment will be agreed to.

Mr. President, I reserve the remainder of my time.

Mr. HARTKE. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 5 minutes.

Mr. HARTKE. Mr. President, there is no question that there is a fundamental difference between the Republican position, the position taken by the Finance Committee, and the administration position. Basically, the bill before the Senate at this moment provides for those items recommended by the President in his message to Congress. The House of Representatives, however, did not see fit to go ahead and follow those recommendations. Therefore, they had the opportunity to vote only on the committee bill which was presented to them.

This bill, very honestly and simply, does, in some ways rectify some of the inequities which have occurred over the years for the 20 million elderly persons in this country, in a situation in which they cannot go to their employers and demand a pay increase. The only place they can look to for any help in their social security benefits is to Congress. That is what has been done.

The President of the United States recommended to Congress that we allow a 15-percent increase for these people, plus an increase in the minimum payment from $44 to $70 a month. However, if we look at it, really, what does the $44 mean? It is sad to have to say to the American people that we have really been that stingy with them, that we have been that hardhearted with our older people, to say to a man or woman over the age 65, who has made his contribution through the years to the social security fund, that so far as he is concerned, he will be expected to buy his food and clothing, and find a place in which to live, for $528 a year.

That, in and of itself, should be an indictment about which I think any thinking Republican, Democrat—all Americans—would certainly say that we can do better than that.

The Finance Committee says we can do better than that. We can do better than that without increasing the burden of taxes on the people who are working in any sufficient amount to be unsatisfactory.

What the House passed was, I think, rather meager. They said that they were going to increase the $44 up to $50 a month. That means that the same persons will be asked to live on $600 a year.

Now, honestly, if I had my way, I would say that the least Congress should give to any person over the age of 65, during those years in which he can look forward only to meeting his Creator shortly, is $1,200 a year.

After all, we recognize today that we are the most affluent Nation on earth. We have said to the American people that if they are over the age of 65, and they earn only $1,600 a year, then they are in poverty. What does Congress say, in effect, today, not in defense of the bill but almost in criticism of it being too shallow and too narrow in its approach?

We are saying to the people, "We are going to ask you to be three-quarters poor. That is all we will allow you. We are not even going to make you poverty free."

Yet, by passing the bill recommending the $70, the benefits will be only $840 a year.

I say that any person who has one ounce of Thanksgiving spirit in his heart, who looks forward to the Christmas spirit of Christian charity, should realize that we can do something to make the last years of the lives of our elderly people on an actuarially sound basis, and make their lives somewhat better than they were before. That is the responsibility of thinking people. That is what the bill is all about. We shall be exercising the power of government in a responsible fashion. The chairman of the Finance Committee has stated, that 1.6 million individuals in this country, as a result of this bill are no longer going to have to live in the status of poverty any longer.

The PRESIDING OFFICER. The time of the Senator from Indiana has expired.

Mr. HARTKE. Mr. President, I yield myself 5 additional minutes.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 5 additional minutes.

Mr. HARTKE. Mr. President, as the Senator from Louisiana, the chairman of the committee, has indicated, there are 2 million elderly people presently drawing welfare. One of the things most obnoxious to those drawing welfare is the fact that they do not like snoopers. There is no other way to determine, of course, whether a person needs welfare, without an investigation being made of their need. I am not against welfare programs, but if I had my choice I would take the people off the welfare rolls and put them in the position of being in a program on an actuarially sound basis. If that could be done, so that they could live in dignity, that would be much more desirable.

Now we have some figures here which have been submitted by the distinguished, articulate, and hard-headed Senator from Delaware [Mr. WILLIAMS], in which he took some liberty to define some of the amendments and some of the results of what has been done in the Finance Committee. He calls it the Hartke proposal. I am willing to accept that. But, there is one great difference between the Senator from Delaware and myself. We are basically in common agreement on the facts, but we certainly have a different philosophy of life. He thinks we should give as little to the poor as we can, while I think we should give as much to the poor as we can, on an actuarially sound basis, with the decency and legitimacy of providing a fair system of government.

In the figures which the distinguished Senator from Delaware has had printed, if one were to read them without careful consideration of the benefits involved and the nature of a national group insurance plan, one might become needlessly concerned about the fairness of the social security system. That is why I wish to take a close look at what we might call the maximally taxed man—he always gets taxed at what would appear to be the worst possible level under what the Senator from Delaware [Mr. WILLIAMS] refers as to as the Hartke proposal.

In fact, let us assume that he worked for 45 years under the social security system from the age of 20 in 1968 until the age of 65 in the year 2013.

Would that I could live that long, Mr. President, I would be so glad to be in this world and alive to see what will be happening in 2013. It would be so interesting.

His earnings always equaled no more than the maximum possible base so that all his income got taxed at the highest rates beginning in 1968. After 45 years of working, he had paid in $26,579. After that assume that he and his wife live only 6 years before he dies. In those 6 years, barring any benefit increase in the next 50 years—which is an extremely pessimistic and unrealistic assumption—he receives $28,296, over $1,000 more than he put in. But then his wife lives another 4 years, so that she receives another $11,404 in widows benefits. He is also protected against disability during any of those last 40 working years, and his wife and children are eligible for survivors benefits, which run into thousands of dollars in the event he dies before the 45 years are up. We have made no provision for possible benefit increases in the next 45 years from a plan which will, by 1972, be producing, by the figures of the Senator from Delaware, a surplus of $8.5 billion yearly.

That is a pretty good system. But, when we look at it, we begin to wonder why the Republicans are opposed to such a sound business proposal whenever it comes to doing for these older people what has not been accomplished by any other proposal.

But what about interest? As I shall show later, we are taking out our interest now in the form of lower rates rather than creating a slush fund for the Treasury to borrow.

That is, in effect, what we are doing. The Republicans would like to have a slush fund to dip into. I am not in favor of it. I am opposed to the Republicans having a slush fund. I am opposed to the Democrats having a slush fund. In fact, I am opposed to slush funds. I do not especially want to see an $8 billion slush fund so the Republicans will be able to criticize the Democrats for having taxed the poor people.

The interest could be figured in, of course, but we would also want to consider the average man since some men collect retirement benefits, others disability, others survivors' benefits, and so on. We would want to deal with the average man, not just some extreme case.

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). The time of the Senator has expired.

Mr. HARTKE. I yield myself 5 additional minutes.

Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 33 minutes remaining.

Mr. HARTKE. I yield myself 5 minutes.

We do not want to deal with this extraordinarily high taxable man that the Senator from Delaware would like to put his finger on, which he documents so well and with great expertise. We want to take the average man. If we did so, what would be in fact shown is that the average worker today contributes, including interest on his contribution, only 80 to 85 percent of the total value of the benefit protection he will probably receive. The average young worker could not possibly buy a private annuity like that. But what of the employers' contribution? Indeed, this is a group insurance plan—a big group of nearly all Americans, and we have a lot of older workers in the system who may not have contributed as much as the young ones. The employer is contributing to the security of all his workers and to that of some of our elderly who have already retired. Is this fair? Of course it is when everyone is paying into the system, because the result is that those who retire are not left dependent and destitute.

Every argument made against the increased benefits was the same argument made against the medicare program. Even the doctors are now saying that the medicare program is not as bad as they thought it would be. As a matter of fact, they are trying to find out how to collect more. Doctors are trying to figure how to save—but maybe we had better leave that alone for now.

Those who are retired do not fall on the relief rolls, which are paid by taxes, too. They used to say "Over the hill to the poorhouse." One thing about the social security system, no one contends it is a handout. A beneficiary pays for the things he is getting. It is a contribution system. This is not a handout. I am not in favor of putting more people on welfare. I am not in favor of slush funds that the Republicans advocate.

The fact is that under social security older people do not become a difficult burden on those young people who are conscientious; enough to provide for their own parents, and they do not need public assistance when their children are not so conscientious or when misfortune strikes. Furthermore, every businessman in the Nation is thereby contributing to a large and stable demand for his own products.

I would ask any Senator to go back to his own community and ask where the biggest paycheck comes from. As a result of the contribution system, he will find that the biggest single paycheck, which keeps the employers and stores in that community going, come from those people who are receiving these checks. These people do not save it. They spend every dollar. Much of it goes into the grocers and the little hardware stores of the community. So they are making a large contribution to a large and stable demand for his own products, and frankly, may keep us from having a recession or a severe depression one of these days.

It is always possible to show the case of those who lose money under a system, such as the social security system, as under any system of insurance. A person may take out an insurance policy one day and die the next and his family appears to collect a big bonus, because that family outplayed the system. A person may have bought insurance the day before he died. If no investigation is held, the family collects. Other people pay into an insurance system and pay far beyond what they can expect to collect. As a matter of fact, this will happen under any system of insurance.

The Senator from Delaware is seeking to show that for a given individual some alternative investment may have been a better one for him. But we are not concerned about just a few but, rather, we are seeking to provide an adequate minimum coverage for all our citizens and a coverage somewhat commensurate with what they have contributed and somewhat in tune with the rising production and wage rates of today. We shall continue to try to keep the system as fair as possible, but one of the things we must remember is the advantage of seeing that all our citizens are covered up to a point where after retirement they can maintain a standard of living somewhat similar to what they are accustomed to do, and in pace with the rising cost of living.

Mr. President, I yield myself 5 additional minutes.

Some people have a misunderstanding about the nature of the social security system. Its soundness rests on the prosperity of the Nation, just as a private system rests on the prosperity of the company which also rests on the prosperity of the Nation. As wages and product increase, more income is available to finance the system under present law without an increase in taxes.

If nothing were done, if the base were not increased or the rates were not increased, social security benefits amounting to an increase of 8½ percent could be paid, without changing a thing.

It is not necessary to tuck away a large amount under the covers somewhere in reserve, although there are over 28 billion dollars now in the trust funds. Instead, the money is left in the hands of the American people to invest in our Nation's future as they decide is best, until it is needed. That is what is behind the so-called postponing of the rate increase. It is not some political gimmick, as some would have us believe. Rather, it is based on the belief that Americans can decide best how to utilize their own money.

We do not want anyone figuring out a way to dip their fingers into it. Rather, a better way to look at it might be to consider that we are taking our interest in terms of present purchasing and investment power, and paying out only what needs to be paid for the present year, rather than create a larger trust fund of billions of dollars for Government borrowing. We keep the working capital instead of borrowing it back from a Government insurance company at higher interest.

Furthermore, as a result of our continually expanding national product, we will find our future national income increased sufficiently so that under the rates already in the law we can finance all the benefits written into the law with extensive surpluses yearly.

Frankly, if there is anything wrong with the bill, it is that the benefits are not big enough and the taxes are too much. The chairman of the Committee on Finance may disagree with me, but I say that it is the only real complaint to be made about the bill. I do not expect the Republicans to agree with that, but that is my opinion.

In summary, what is in it for the average wage earner? A better deal than he can get with a private annuity.

What is in it for the employer? A better deal for all his employees, including those who will shortly retire and those who have already retired—plus a better demand for his product, reduced welfare rolls, and retention of part of the working capital in his own hands.

I have been rather candid today in hopes that by showing the total picture about the benefits of social security and how it all fits together in an actuarially sound package, it would provide some understanding of the system so that it would be less easy for those who wish to take the example of the man who seems to be taxed the most without also examining the full benefits he will in fact receive.

Mr. President, I reserve the rest of my time.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 3 minutes.

First, I wish to congratulate my good friend from Indiana on one point he mentioned in his colloquy. He referred to the term "high interest rates," and that is the first time in 12 months I have heard a Democratic Senator even refer to that nasty term "high interest rates."

Considering that the Johnson administration has achieved the highest interest rates in 100 years I think it is appropriate that Democratic Senators begin to take note of them, and I congratulate the Senator on mentioning the matter. At a later time, we shall get around to discussing that issue and I hope the Senator from Indiana and others will be interested.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. Well, I do not wish to use up my time.

Mr. HARTKE. I shall not take long.

Mr. WILLIAMS of Delaware. I yield.

Mr. HARTKE. I say to the distinguished Senator from Delaware that if he wants to bring interest rates down, I shall be on his side in the effort.

Mr. WILLIAMS of Delaware. I am sure the Senator will be on my side, and, frankly, I think he will be on my side on this bill when he realizes the financial soundness of my position.

But seriously speaking on this proposal, I remind my good friend that the proposal we are making is not so radical. After all, it was supported by every Democratic Representative from the great State of Indiana, and I venture to say that the Senator from Indiana will congratulate each of them on his showing in next year's election.

However, I do regret one thing, and that is that the Senator referred to the social security trust fund as a slush fund. This is not a slush fund. The money in the social security trust fund represents hard-earned dollars of the wage earners of America, supplemented by the contributions of their employers. They are hard-earned dollars, and I do not think we should refer to them as slush funds. I repeat, they are hard-earned dollars, earned by wage earners, who have deposited their money in this trust fund on the premise that when they reach the retirement age they will have security. I think we all agree that is important and we want to maintain the fund and keep it solvent.

As to my reference to the higher tax formula as the Hartke-Long tax formula and how it would raise the tax rates 115 percent above the existing law and substantially higher in terms of dollars than under the present law, if my so referring to that great tax increase—the largest tax increase in the history of the social security system, I might say—has in any way embarrassed either the Senator from Indiana or the Senator from Louisiana I would ask that my reference using their names as the sponsors of this tax be removed from the RECORD, because I do not wish to embarrass either the Senator from Louisiana or the Senator from Indiana. Really now, I did not think the fact that they have sponsored the highest payroll tax increase in the history of America, a tax increase to be added to the burden of the wage earners of America, should furnish the occasion for embarrassing references. I repeat, I do not wish to embarrass them at all, but they must admit it is quite a tax increase.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. WILLIAMS of Delaware. I yield myself 2 additional minutes.

Mr. President, I conclude my remarks by asking unanimous consent to have printed in the RECORD a series of charts which show the tax rates under the present law, under the House bill, and under the bill which is before us. I shall refer to the latter hereafter as the Senate bill rather than the Hartke-Long formula because I do not wish to embarrass the Senators by using their names in connection with references to that tax; but how can I do otherwise when they did sponsor it? It is their tax increase plan.

There being no objection, the charts were ordered to be printed in the RECORD, as follows:

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE AND BASIC HOSPITAL INSURANCE TAX LIABILITY OF EMPLOYEES, UNDER PRESENT LAW AND UNDER HOUSE VERSION AND SENATE FINANCE COMMITTEE VERSION OF H.R. 12080, 1968-87 AND AFTER; SELECTED LEVELS OF WAGE OR SALARY INCOME

Wage or salary income	Year	Present law	House bill	Hartke-Long tax plan
$8,000	1968	$290.40	$334.40	$352.00
	1969–70	323.40	364.80	384.00
	1971	323.40	395.20	416.00
	1972	323.40	395.20	416.00
	1973–75	356.40	429.40	452.00
	1976–79	359.70	433.20	456.00
	1980–86	366.30	440.80	464.00
	1987 and after	372.90	448.40	464.00
$9,000	1968	290.40	334.40	352.00
	1969–70	323.40	364.80	422.40
	1971	323.40	395.20	457.60
	1972	323.40	395.20	468.00
	1973–75	356.40	429.40	508.50
	1976–79	359.70	433.20	513.00
	1980–86	366.30	440.80	522.00
	1987 and after	372.90	448.40	522.00
$10,000	1968	290.40	334.40	352.00
	1969–70	323.40	364.80	422.40
	1971	323.40	395.20	457.60
	1972	323.40	395.20	520.00
	1973–75	356.40	429.40	565.00
	1976–79	359.70	433.20	570.00
	1980–86	366.30	440.80	580.00
	1987 and after	372.90	448.40	580.00
$11,000	1968	290.40	334.40	352.00
	1969–70	323.40	364.80	422.40
	1971	323.40	395.20	457.60
	1972	323.40	395.20	561.60
	1973–75	356.40	429.40	610.20
	1976–79	359.70	433.20	615.60
	1980–86	366.30	440.80	626.40
	1987 and after	372.90	448.40	626.40

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE AND BASIC HOSPITAL INSURANCE TAX LIABILITY OF EMPLOYEES UNDER 1967 LAW[1] AND UNDER HARTKE PROPOSAL IN 1968[2]—SELECTED LEVELS OF WAGE OR SALARY INCOME

Wage or salary income	OASDI and hospital insurance tax liability			
	Under 1967 law	Under Hartke proposal	Increase: Proposal over 1967 law	
			Amount	Percent
$1,000	$44.00	$44.00		
$2,000	88.00	88.00		
$4,000	176.00	176.00		
$5,000	220.00	220.00		
$6,000	264.00	264.00		
$6,600	290.40	290.40		
$7,500	290.40	330.00	$39.60	13.6
$8,000 and over	290.40	352.00	61.60	21.2

[1] A tax rate of 4.4 percent and maximum earnings subject to tax of $6,600.
[2] A tax rate of 4.4 percent and maximum earnings subject to tax of $8,000.

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE AND BASIC HOSPITAL INSURANCE TAX LIABILITY OF EMPLOYEES UNDER 1967 LAW[1] AND UNDER HARTKE PROPOSAL IN 1969[2]—SELECTED LEVELS OF WAGE OR SALARY INCOME

Wage or salary income	OASDI and hospital insurance tax liability			
	Under 1967 law	Under Hartke proposal	Increase: Proposal over 1967 law	
			Amount	Percent
$1,000	$44.00	$48.00	$4.00	9.1
$2,000	88.00	96.00	8.00	9.1
$4,000	176.00	192.00	16.00	9.1
$5,000	220.00	240.00	20.00	9.1
$6,000	264.00	288.00	24.00	9.1
$6,600	290.40	316.80	26.40	9.1
$7,500	290.40	360.00	69.60	24.0
$8,000	290.40	384.00	93.60	32.2
$8,800 and over	290.40	422.40	132.00	45.5

[1] A tax rate of 4.4 percent and maximum earnings subject to tax of $6,600.
[2] A tax rate of 4.8 percent and maximum earnings subject to tax of $8,800.

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE AND BASIC HOSPITAL INSURANCE TAX LIABILITY OF EMPLOYEES UNDER 1967 LAW[1] AND UNDER HARTKE PROPOSAL IN 1972[2]—SELECTED LEVELS OF WAGE OR SALARY INCOME

Wage or salary income	OASDI and hospital insurance tax liability			
	Under 1967 law	Under Hartke proposal	Increase: Proposal over 1967 law	
			Amount	Percent
$1,000	$44.00	$52.00	$8.00	18.2
$2,000	88.00	104.00	16.00	18.2
$4,000	176.00	208.00	32.00	18.2
$5,000	220.00	260.00	40.00	18.2
$6,000	264.00	312.00	48.00	18.2
$6,600	290.40	343.20	52.80	18.2
$7,500	290.40	390.00	99.60	34.3
$8,000	290.40	416.00	125.60	43.3
$10,000	290.40	520.00	229.60	79.1
$10,800 and over	290.40	561.60	271.20	93.4

[1] A tax rate of 4.4 percent and maximum earnings subject to tax of $6,600.
[2] A tax rate of 5.2 percent and maximum earnings subject to tax of $10,800.

OLD-AGE, SURVIVORS, AND DISABILITY INSURANCE AND BASIC HOSPITAL INSURANCE TAX LIABILITY OF EMPLOYEES UNDER 1967 LAW [1] AND UNDER HARTKE PROPOSAL IN 1987 [2]—SELECTED LEVELS OF WAGE OR SALARY INCOME

Wage or salary income	OASDI and hospital insurance tax liability			
	Under 1967 law	Under Hartke proposal	Increase: Proposal over 1967 law	
			Amount	Percent
$1,000	$44.00	$58.00	$14.00	31.8
$2,000	88.00	116.00	28.00	31.8
$4,000	176.00	232.00	56.00	31.8
$5,000	220.00	290.00	70.00	31.8
$6,000	264.00	348.00	84.00	31.8
$6,600	290.40	382.80	92.40	31.8
$7,500	290.40	435.00	144.60	49.8
$8,000	290.40	464.00	173.60	59.8
$10,000	290.40	580.00	289.60	99.7
$10,800 and over	290.40	626.40	336.00	115.7

[1] A tax rate of 4.4 percent and maximum earnings subject to tax of $6,600.
[2] A tax rate of 5.8 percent and maximum earnings subject to tax of $10,800.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. WILLIAMS of Delaware. I yield.

Mr. HARTKE. I realize this is a technicality, but I am not sure that I understood all the implications of the amendment of the Senator from Nebraska and the Senator from Delaware. I ask unanimous consent to have printed in the RECORD a statement concerning a cost estimate for amendment No. 464, the amendment of the Senator from Nebraska and the Senator from Delaware, prepared by Mr. Robert J. Myers, the Chief Actuary for the Social Security Administration.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

NOVEMBER 21, 1967.

Memorandum from Robert J. Myers, Chief Actuary, Social Security Administration.

Subject: Cost Estimate for amendment No. 464, submitted by Senator WILLIAMS of Delaware.

This memorandum will give a cost estimate for Amendment No. 464 (which would amend H.R. 12080), submitted by Senator Williams of Delaware. This amendment would modify the Finance Committee Bill by substituting the House provisions as to the OASDI benefit increases and as to the financing provisions for both OASDI and HI.

The cost effect of this amendment for 1968 is to decrease OASDHI contribution income by $400 million and to decrease OASDHI benefit outgo by $800 million (assuming enactment in December 1967 and first increased benefits to be for February 1968). The cost effect for 1969 is to decrease contributions by $1.4 billion and to decrease benefit outgo by $450 million.

The long-range cost effect on the OASDI system would be to result in an actuarial balance of −.19% of taxable payroll (because the liberalizations made by the Committee on Finance would not be financed—namely, the liberalization of the earnings test, the special benefits for the blind, and the liberalization in the disabled widow's benefits). The actuarial balance of the HI system (after considering the effect of the Miller Amendment adopted yesterday) would be −.07% of taxable payroll.

ROBERT J. MYERS.

Mr. HARTKE. The memorandum reads as follows:

This memorandum will give a cost estimate for Amendment No. 464 (which would amend H.R. 12080), submitted by Senator Williams of Delaware. This amendment would modify the Finance Committee Bill by substituting the House provisions as to the OASDI benefit increases and as to the financing provisions for both OASDI and HI.

I think that is correct, is it not?

Mr. Myers continues:

The cost effect of this amendment for 1968 is to decrease OASDHI contribution income by $400 million and to decrease OASDHI benefit outgo by $800 million (assuming enactment in December 1967 and first increased benefits to be for February 1968). The cost effect for 1969 is to decrease contributions by $1.4 billion and to decrease benefit outgo by $450 million.

The long-range cost effect on the OASDI system would be to result in an actuarial balance of −.19% of taxable payroll (because the liberalizations made by the Committee on Finance would not be financed—namely, the liberalization of the earnings test—

Which, I must admit, I am responsible for—

the special benefits for the blind, and the liberalization in the disabled widow's benefits). The actuarial balance of the HI system (after considering the effect of the Miller Amendment adopted yesterday) would be −.07% of taxable payroll.

Mr. WILLIAMS of Delaware. Mr. President, I thank the Senator from Indiana for putting that memorandum in the RECORD. I frankly admit that this amendment does not finance the program to the extent I should like to have it done. That is the reason why I offered heretofore my amendment which would have advanced the effective date of the wage tax increase to January 1, 1968.

While I appreciate the Senator's making a speech in favor of my earlier amendment, I regret that he voted against it; the speech does not help it all all.

If the Senator has had second thoughts about the matter I can only say that I will give him and the Senator from Louisiana a chance to vote for it by offering the amendment again and thus seek to accomplish the objective for which the Senator from Indiana just spoke.

Would the Senator from Indiana vote with me on that proposal?

Mr. HARTKE. Oh, no. I just put this memorandum in the RECORD. My position is quite clear, and I think the Senator from Delaware understands it: I stand by the Finance Committee recommendations on both benefits and contributions. I think in both cases, if there is an error, it is not in the direction in which the Senator from Delaware would take us.

Mr. President, I say that any person over the age of 65 who is required to live at a status less than the poverty level, when he is entitled to social security benefits, is being mistreated by Congress.

Instead of raising the minimum to $70 a month, I sought to increase it to $100. I could not achieve that in the committee, so I retreated to the $70 minimum. If I thought we could achieve it in the Senate, I would offer such an amendment here. Moreover, I would vote for a 20-percent minimum percentage instead of 15 percent.

But I think it is ridiculous for us to go in and build up a slush fund, and defeat the real purpose of the social security trust fund. This is the first time such an effort has been made in the history of Congress, to take social security trust fund contributions from employers and employees, which are supposed to be used for the sole benefit of people receiving social security benefits, and attempt to make a slush fund out of it for some other purpose, or to use it for manipulations by way of fiscal restraint.

The PRESIDING OFFICER. The 2 minutes which the Senator from Delaware yielded himself have expired.

Mr. HARTKE. I shall charge that time to me, and I will take 2 minutes more.

If the original proposal of the Senator from Delaware had succeeded, there would have been an excess collection of some $5.5 billion, or $5.1 billion, depending on whose figures you use, but in excess of $5 billion more than was needed.

Quite honestly, I can understand that the Treasury might have been able to borrow that $5 billion.

But we are not collecting this money to finance a war in Vietnam, nor any other program of the Government. This is a trust fund, and properly regarded as such, and we should not put in any more nor any less than we need.

That is why you have actuaries, and that is why the actuary says that this is an actuarily sound approach. We institute a tax to pay for the benefits. Frankly, the tax is a little bit too much, but that is its purpose. This is a good bill, and the most far-reaching, soundest approach in social security since the original bill itself.

I hope that the Senate will adopt this measure, and then proceed to go ahead and take care of those high interest rates the Senator from Delaware is talking about.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 minute.

Mr. WILLIAMS of Delaware. Mr. President, I congratulate the Senator from Indiana on his speech. I marvel at his ability to speak on both sides of the question.

First he criticized the amendment because it is underfinanced, and then he criticized it because it is overfinanced.

While he is making up his mind I would be willing to enter into an agreement to yield back the remainder of the time except for 5 minutes.

I understand that the Senator from Louisiana likewise would like to retain

5 minutes. In the meantime, I would like to have a quorum call without the time being charged to either side so that Senators can be alerted.

Mr. HARTKE. Mr. President, I cannot yield back any of the time at the moment.

Mr. President, I yield myself 1½ minutes.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 1½ minutes.

Mr. HARTKE. Mr. President, to correct the RECORD concerning the statement about speaking out of both sides of my mouth, frankly if the Senator from Delaware wants to cut down on contributions and cut down on the amount involved, I would have no objection to doing that.

I hope he would join with me, and if he can assure me that we can get enough votes to cut down on the $2 billion surplus that we do not need in the bill, I will vote with him. I will back away from the committee agreement which was made to get the bill out of committee. I agreed to that reluctantly. We do not need that money in the fund.

We are overfinancing the bill by close to $3 billion. We have found that all estimates were quite conservative. It may be higher than that.

Mr. President, when we passed the bill in 1965, we underestimated by $8 billion the cost of the bill by the year 1970.

The bill is overfinanced, rather than underfinanced.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. HARTKE. I yield 5 minutes to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, I hope that the Senate will not support the amendment of the distinguished Senator from Nebraska. In many ways this is a landmark policy. It would seem to me that instead of complaining about the benefits, we could very well have paid larger benefits than those contained in the pending bill.

When we consider a 15-percent increase in benefits rather than a 12-percent increase, we are talking about a difference of 2.5 percent.

Some 22 million Americans have not shared in the general affluence that our society has been enjoying over the past decade. We have 22 million people who are not living in luxury, but are being deprived of the basic necessities of life.

When we look at the rising cost of living we see the general rise in the standards of living in America as a whole. And in this bill, to a small extent, we are trying to give the same amount of security to those 22 million American people who, after a lifetime of hard work and service, have finally reached retirement age.

The measure voted on by the Senate Finance Committee is a sound bill. It tries to bring an element of justice to our older citizens. Many of us do not realize that we are really taking 2.1 million people and moving them out of the poverty level.

For months there has been debate in both bodies on the war on poverty. Here, in the pending measure alone, without the overhead or complications of poverty programs, we take some 2.1 million people and move them out of the poverty level by an increase in social security benefits.

One of the great complaints in our country concerns the welfare rolls, and well might there be some complaint. However, the pending proposal would move some 200,000 people off the old-age assistance roll. To me, 200,000 people being removed from the old age assistance roll and 2.1 million people being moved out of the poverty level is of great significance.

Would that all of the people in our country could, in self-respect, receive sufficient income without having to go through a social worker or have a constant checkup on their financial situation with the consequent overhead that is entailed.

Mr. President, the pending bill is a sound bill. It is soundly financed. It tries to extend a long overdue sense of justice to 22 million Americans. Therefore I oppose the amendment of the distinguished Senator from Nebraska.

Mr. President, the proposed changes in the social security program would continue the progress that has been made toward providing a better life for older Americans. The major part of this progress would be accomplished through substantial improvements in the cash benefits provided under the social security program. It is important that these proposed changes in the social security program be enacted into law.

The cash benefits that are provided under this program, on which almost 24 million Americans—one out of nine of our people—rely to meet their basic needs, are inadequate in our society today.

The average benefit for retired workers today is about $85 a month; for aged widows, the average is $74 a month. In a country like ours, our retired citizens should share in the expanding prosperity most of us have come to know and enjoy. The 15 percent across-the-board benefit increase provided by the bill is a needed increase. A great many social security beneficiaries must live only on their social security benefits, and for almost all beneficiaries, social security benefits are their main source of support. It is for this reason that the level of social security benefits is the all-important factor in determining how well these people will be able to live. Under the 15-percent across-the-board benefit increase provided in the bill, benefits that now range from $44 to $142 for retired workers will be increased to a range of $70 to $163. Under the bill, a worker getting a benefit equal to the average benefit now payable—about $85 a month—will get about $98 a month. The average benefit for an aged retired couple will be increased from $145 to $171 a month.

The bill not only provides an increase in current cash benefits averaging 19 percent, but, as a result of the higher amounts of annual earnings that would become creditable toward benefits—from the present $6,600 to $10,800 ultimately—provides for an increase of about 70 percent in the maximum benefit that will ultimately become payable under the program. Under present law, the maximum benefit is $168—based on average monthly earnings of $550 to $6,600 a year; under the House bill, the maximum benefit would be $212—based on average monthly earnings of $633 to $7,600 a year; and under the committee bill, the maximum benefit would be $288—based on average monthly earnings of $900 to $10,800 a year.

In general, the new maximum retirement benefits would be paid to workers who are now young, and who consequently will pay contributions on the higher amounts of earnings that would count for social security contributions and benefit purposes over a considerable period of time before they retire. Because of the higher contribution and benefit base, though, benefit amounts would be increased significantly over those that would be payable under present law and under the House bill for workers who are much older now and who consequently will pay on these higher amounts for a much shorter period.

Also, because of provisions of the law which allow the substitution of years of higher earnings after age 65 for years of lower earnings before that age in figuring retirement benefits, workers who continue working after age 65 could get the higher benefits made possible by the increase in the contribution and benefit base even more quickly than those who retire at 65. For example, if the worker described above were able to work 5 additional years before retiring he would get a monthly retirement benefit at age 70 of $249 under the proposal—an increase of $87 a month—54 percent—over the amount he would get under present law and $51 a month—26 percent—more than he would get under the House bill.

Survivorship and disability protection would be even more quickly increased for all those earning above $6,600. For example, if a worker aged 35 in 1968 with annual earnings of $8,800 died in 1970, his widow and child would get a monthly benefit of $267.60—$44 more than is provided now and $11 more than would be provided under the House bill. And his widow at age 62 would get a monthly benefit of $147.10—$24.10 a month more than is provided under present law, and $6 more than would be provided under the House bill. If the worker became disabled in 1970, he would get a monthly disability benefit of $178.30, $29.30 more than is provided under present law and $7.30 more than would be provided under the House bill. In each of these cases, the increase would be 20 percent more than under present law and 4 percent more than under the House bill.

These improvements in benefits will help present and future generations of aged and disabled workers and their dependents and survivors live in decency and dignity when they cannot depend on current earnings.

When the Congress brought the social security program into being in 1935, the purpose was "to assure support for the aged as a matter of right rather than as a public charity" and to provide benefits in "amounts which assure not merely subsistence but some of the comforts of life." This bill will enable us to take a big step forward toward the goal we set for ourselves more than 30 years ago.

The 15-percent increase in benefits and the increase in the minimum benefit provided by this bill will enable retired and disabled workers and their families to take part in the level of living enjoyed by other Americans. Today more than 5 million older Americans live in poverty. The increase provided in H.R. 12080 will remove more than 1½ million of these older citizens from a life of poverty. It will take them away from a life dependent upon public charity.

The social security program is soundly financed and it is a good buy for the covered worker. Both the House Committee on Ways and Means and the Senate Committee on Finance have examined the social security system in great detail and recommended changes to strengthen the present program.

The Congress has always been concerned about the financing of the program and has always made full provision for meeting the cost of the benefits it has provided. This bill also makes full provision for the cost of present benefits and for the cost of the additional benefits that are provided in the bill. We have before us a bill which gives consideration to the needs of the elderly and the disabled and equal consideration to the needs of those who will call upon the program in the future. Every citizen can be assured that his contributions are supporting a sound program and that the schedule of contributions provided in this bill will be sufficient to pay adequate benefits to those who are now eligible and to those who will become eligible in the future.

There is no question in my mind, or in the minds of those on the Committee on Finance who have recommended that the Senate pass this bill, that the proposed improvements in benefit levels are needed and that the bill makes full provision for meeting the cost of the improvements. As in the past, we have adopted, under the leadership of the distinguished chairman of the committee, a financing provision that will assure the financial soundness of the program both in the near future and over the long range.

Under this schedule, the combined employee rate for cash benefits and for hospital insurance for 1968 would be 4.4 percent—the same as provided under present law. The rate would be slightly lower for 1969 and 1970—4.8 percent instead of 4.9 percent—and for 1971 on, the rate would be higher than present law, eventually reaching an ultimate rate of 5.8 percent in 1980, as compared to an ultimate rate of 5.65 percent in 1987 under the present schedule.

This tax schedule along with the increases in the amount of annual earning subject to the tax and the current favorable actuarial balance of the present social security program will meet the cost of the additional benefits both in the short run and in the long-range future. In 1968, under the committee bill, an estimated $25.7 billion in cash benefits would be paid out and contribution income to the program for those benefits would be $27.1 billion. This is an additional $300 million in benefit payments and an additional $300 million in contribution income for 1968 over the House bill. Thus, the bill as reported out by the Finance Committee is as financially responsible as was the bill passed by the House.

Social security is the Nation's basic system for assuring income for workers when they retire or become disabled and for their survivors when they die.

This is a program that is vital to our society. As times change, as the needs of the people change, the social security system must stay abreast of the times, to meet new needs and changing conditions.

The social security legislation before us is timely, responsible, financially sound and responsive to the needs of America as we approach the 1970's. These proposed amendments to social security should be approved.

Therefore I hope that the Senate will reject the amendment of the distinguished Senator from Nebraska.

Mr. HARTKE. Mr. President, the Senator from Connecticut deserves great commendation for the fine work he has done. The Senator from Connecticut is a former Secretary of the Department of Health, Education, and Welfare, and certainly is an authority in this matter. His statement should not be taken lightly. In addition, I think it is appropriate to mention that the Senator from Connecticut submitted in the committee an amendment which would have increased the benefits by 17.5 percent.

Mr. RIBICOFF. The Senator is correct.

Mr. HARTKE. Mr. President, unfortunately the Senator from Connecticut did not succeed in that effort. I did support his amendment. I wish it were in the bill.

I commend him for his outstanding work not only in this part of the bill but also in the entire bill. I commend him for his great assistance with regard to the hospital and medicaid provisions.

On behalf of myself and the chairman of the committee, I thank the Senator.

Mr. RIBICOFF. Mr. President, I thank the Senator from Indiana for his fine words. That is another significant amendment that has been in the social security bill since its inception. Great kudos are due to the chairman for having worked out such a fair bill and such a fair proposal, adequately—and conservatively—financed. Also, for the first time the measure involves welfare.

This measure is such that every Senator, in voting "yea," can be really proud that he has done much, not just for his older constituents, but in taking a great step forward in that we will have voted to remove 200,000 people from the welfare rolls.

Mr. LAUSCHE. Mr. President, will the Senator from Louisiana yield so that I may ask him some questions for my own information?

Mr. LONG of Louisiana. Mr. President, I yield.

Mr. LAUSCHE. Mr. President, it is my understanding that the House bill grants a 12.5-percent increase in benefits.

Mr. LONG of Louisiana. The Senator is correct.

Mr. LAUSCHE. The committee bill grants 15 percent.

Mr. LONG of Louisiana. The Senator is correct.

Mr. LAUSCHE. So there is a difference of 2.5 percent.

Mr. LONG of Louisiana. The Senator is correct.

Mr. LAUSCHE. Mr. President, if the committee bill is passed by the Senate, the issue will go to conference where a compromise concerning the 2½-percent amount will have to be made.

Mr. LONG of Louisiana. The Senator is correct. I would hope that the House would accept what the Senate has proposed. However, many times we do have to compromise, and that might be the case here.

In addition, the minimum social security primary benefit under the committee bill would be $70. That provision would take a lot of people off the public welfare and move a lot of people out of poverty.

On the other hand the House bill as the pending amendment would provide only $50.

Mr. LAUSCHE. What would the cost of the House bill be for the year 1968?

Mr. LONG of Louisiana. The cost of the benefits would be $28,700 million.

Mr. LAUSCHE. What would the cost of the committee bill be for the same period?

Mr. LONG of Louisiana. Twenty-nine billion dollars for benefits.

Mr. LAUSCHE. The difference then for 1968 would be $300 million.

Mr. LONG of Louisiana. The Senator is correct.

Mr. LAUSCHE. What would the cost of the House bill be for the year 1969?

Mr. LONG of Louisiana. Thirty billion three hundred million dollars.

Mr. LAUSCHE. And what would the cost of the committee bill be for the same period?

Mr. LONG of Louisiana. Thirty-two billion seven hundred million dollars.

Mr. LAUSCHE. So that in 1969 the difference would be $2,400 million.

Mr. LONG of Louisiana. One of the most expensive items is a provision that would permit people to earn up to $2,000 a year beginning 1969 without having a deduction in their social security benefits.

We have in addition a provision to help take care of disabled widows who could receive as much as 82½ percent of what their husband's retirement benefits would have been had they lived to retirement.

Every member of the committee, both Republican and Democrat, voted unanimously for that measure. I do not think they want to take it out of the bill. They just would not fund it.

Mr. LAUSCHE. How much would that provision cost?

Mr. LONG of Louisiana. It would cost about $100 million to take care of disabled widows.

Mr. WILLIAMS of Delaware. Fourteen million dollars over the House bill.

Mr. LONG of Louisiana. There would be a much greater expense. The most expensive thing in the bill, aside from the cash benefits, is the provision that changes the retirement test to let a person earn $2,000 a year and keep his benefits.

That provision is very popular, and I believe the Senate would certainly sustain it.

We postponed the effective date until January 1969 to help keep the cost of the immediate benefits down. Then, there is also an amendment that would cost about half that much and would liberalize the treatment of the blind.

The committee opposed that amendment some years back. It was agreed to, even though the committee had opposed it earlier. It would liberalize the treatment of the blind and would cost about half as much as the retirement test would cost. That would cost about $165 million a year.

Mr. LAUSCHE. Then, to summarize, the House bill grants a 12½-percent increase; the Senate bill, as pending, 15 percent; the Senate bill being 2½ percent greater than the House bill. For the year 1968, the House bill would cost $28.7 billion, the committee bill $29 billion—meaning that $300 million more is provided by the Senate committee than by the House.

Mr. LONG of Louisiana. Yes.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield at that point?

Mr. LAUSCHE. Let me finish this sentence.

Mr. WILLIAMS of Delaware. At that point it should be pointed out that the Senate benefits are computed on the basis of 9 months' payments, whereas the House bill is based on 12 months' payments.

Mr. LONG of Louisiana. For the first year, for 1968.

Mr. WILLIAMS of Delaware. For the first year.

Mr. LAUSCHE. In 1969, the House bill would cost $30.3 billion, and the committee bill would cost $32.7 billion. Is that correct?

Mr. LONG of Louisiana. That is correct. But let me point out one important feature that should be considered. On the previous amendment, the Senator from Ohio was concerned about the matter of fiscal responsibility, and he voted to move the tax date ahead.

Mr. LAUSCHE. Yes.

Mr. LONG of Louisiana. In this case, the Senate committee has added more than $1 billion of additional benefits for the retirement test, for disabled widows and for blind people.

The pending amendment fails to provide additional revenue to add to the taxes that the House imposed to pay for all this. It is proposed to keep these benefits but not to include additional revenue to pay for them. The Senate committee bill added the additional benefits and included the tax to pay for them.

So, in that respect, if one votes for the present Curtis-Williams amendment, he is buying exactly the opposite theory from what he was buying when he voted for the Williams amendment, in that he would be voting to provide more benefits than the taxes he would be voting for to pay for the benefits.

Mr. LAUSCHE. I directed these questions to the Senator from Louisiana primarily to find out what we are arguing about, and I believe I have learned.

Mr. LONG of Louisiana. The principal feature about which we are arguing—this is the main point of the pending amendment—is whether we are going to provide enough of a benefit increase to go somewhat beyond what would be a mere restoration of the purchasing power of the money paid to social security beneficiaries. If we go beyond this, as indicated by the chart at the rear of the Chamber, if prices continue to increase as they have been advancing, within a year the additional increase in the purchasing power would have been wiped out, anyway. But at least during that year we would have removed about 200,000 people from the welfare rolls and would have made it possible to reduce the number of people in poverty—numbering 5 million—by approximately 2,300,000.

Mr. LAUSCHE. Is it correct to say that in this increased cost is contained money to supply the benefits for new classes of beneficiaries who have been brought under the law, such as the blind and the widows?

Mr. LONG of Louisiana. The Senate bill does that, but the pending amendment would fail to do it.

I would assume that if the pending amendment is adopted the sponsors may come along with subsequent amendments to strike out benefits because they want to hold down the taxes. If they want to pursue a course of fiscal responsibility—if the pending amendment providing for the House level of taxes is agreed to—they should bring in an additional tax increase or move to strike out the additional benefits provided by the Senate bill, such as the liberalized retirement test, the liberalized treatment of the blind, and the benefit to disabled widows, which are all substantial items.

Mr. LAUSCHE. I thank the Senator.

The PRESIDING OFFICER. Who yields time?

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that there be a quorum call, and that all time except 5 minutes to both sides be yielded back, so that at the conclusion of the quorum call, both sides will have 5 minutes remaining in which to discuss the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WILLIAMS of Delaware. I might say, for the information of the clerks, that it will be a record vote, so that they can notify Senators.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk called the roll, and the following Senators answered to their names:

[No. 336 Leg.]

Aiken
Allott
Anderson
Baker
Bartlett
Bayh
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Case
Church
Clark
Cotton
Curtis
Dominick
Eastland
Ellender
Ervin
Fannin
Fulbright
Gore
Griffin
Gruening
Harris
Hart
Hartke
Hatfield
Hayden
Hickenlooper
Hill
Hollings
Hruska
Inouye
Jackson
Javits
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
Mansfield
McClellan
McGovern
McIntyre
Metcalf
Miller
Mondale
Monroney
Montoya
Morse
Morton
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Percy
Prouty
Proxmire
Randolph
Ribicoff
Russell
Smathers
Smith
Spong
Stennis
Symington
Thurmond
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.
Young, Ohio

The PRESIDING OFFICER (Mr. McINTYRE in the chair). A quorum is present. Under the previous agreement, 5 minutes has been allotted to the Senator from Delaware [Mr. WILLIAMS] and 5 minutes to the Senator from Indiana [Mr. HARTKE].

LEGISLATIVE PROGRAM

Mr. MANSFIELD. Mr. President, will the Senator from Delaware allow me 1 minute under the bill?

Mr. WILLIAMS of Delaware. I yield.

Mr. KUCHEL. I should like to ask the majority leader, while many Senators are present in the Chamber, what business he contemplates transacting for the remainder of the day; and what his plans may be for tomorrow.

Mr. MANSFIELD. Mr. President, in response to the question raised by the distinguished acting minority leader, and after looking around, I find that there are amendments to be offered by the Senator in charge of the bill; the Senator from North Carolina [Mr. ERVIN]; two by the Senator from New York [Mr. KENNEDY]; one by the Senator from Iowa [Mr. MILLER]; one by the Senator from South Dakota [Mr. McGOVERN]; one by the Senator from Connecticut [Mr. RIBICOFF]; and perhaps others.

I would say that we will stay late tonight in an endeavor to reach third reading. I would hope that the Senate would cooperate in this effort. The hope is to get away at a reasonable hour tomorrow. If we accomplish this, we can finish by 11 o'clock tomorrow. May I point out that, if amendments remains for disposition tomorrow, only a half-hour will be allowed under the consent agreement whereas amendments today, with the exceptions noted, will be on a 1-hour basis.

Mr. KUCHEL. However late we may stay this evening, I should like to ask my able friend from Montana to give some indication of what time we will convene tomorrow morning.

Mr. MANSFIELD. Ten o'clock. We have an agreement on that. I would anticipate we would be in session until 7, 8, or 9 o'clock tonight, depending on the amendments that remain for consideration.

Mr. KUCHEL. I thank the majority leader.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 51) providing for the adjournment of Congress from November 22, 1967, to November 27, 1967.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 11527. An act to direct the Secretary of Agriculture to release on behalf of the United States conditions in a deed conveying certain lands to the University of Maine and to provide for conveyance of certain interests in such lands so as to permit such university, subject to certain conditions, to sell, lease, or otherwise dispose of such lands;

H.R. 13401. An act to authorize certain foreign governments to proceed with their plans for chanceries in the District of Columbia in accordance with their agreement with the government of the District of Columbia entered into in 1958;

H.R. 13402. An act authorizing the use of certain buildings in the District of Columbia for chancery purposes; and

H.R. 13439. An act to correct and improve the Canal Zone Code, and for other purposes.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred as indicated:

H.R. 11527. An act to direct the Secretary of Agriculture to release on behalf of the United States conditions in a deed conveying certain lands to the University of Maine and to provide for conveyance of certain interests in such lands so as to permit such university, subject to certain conditions, to sell, lease, or otherwise dispose of such lands; to the Committee on Agriculture and Forestry.

H.R. 13401. An act to authorize certain foreign governments to proceed with their plans for chanceries in the District of Columbia in accordance with their agreement with the government of the District of Columbia entered into in 1958; and

H.R. 13402. An act authorizing the use of certain buildings in the District of Columbia for chancery purposes; to the Committee on the District of Columbia.

H.R. 13439. An act to correct and improve the Canal Zone Code, and for other purposes; to the Committee on the Judiciary.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. CURTIS. Mr. President, if I may have the attention of Senators, I shall try briefly to summarize what the pending amendment would do.

The pending amendment would fix the increase in social security benefits—the general increase—exactly as provided by the House of Representatives under the Mills bill. It would take the House method of financing this increase just as presented by Mr. MILLS. On all other things pertaining to the bill, corrective amendments, little additions here and there put on in committee or on the floor, are not involved in the amendment.

I remind all Senators that the House of Representatives passed a good bill. It provided for an increase of 12½ percent for all beneficiaries. It passed the House by a vote of 414-to-3. Under the rules of the House, if any Member had believed that the 12½-percent increase was not sufficient, or he wanted to establish a minimum, he could have offered an alternative. Thus, it is safe to say that 414 Members of the House approved the increase in social security benefits and its financing, against three who opposed it.

Now, what does this mean immediately? Under the House bill, or the Finance Committee bill, there will be no raising of taxes prior to 1969. In 1969, under the Mills bill, employee taxes may go as high as $364.20. Under the Hartke-Long proposal—that is the Finance Committee bill—employee taxes may go to $422.44. In other words, in the first year we have a choice between the maximum tax of $364.20 as against $422.40.

The small business man has to take this increase on the whole amount and pass it on to his customers, and so does the big one. The large concerns in this country call this a "cost of operation," and add it onto the consumers' bill who pay it. It will be that much of an increase taken out of the workers' pay.

Now, what is lost on the benefit side if we take the House proposal? The House is 12½ percent. The Senate is 15 percent. With a $70 minimum—all right—what is the average social security benefit paid now? About $85. Two and one-half percent of $85 is approximately $2.12. But in order to get that little additional, we accept the financing proposal. That has long-range impacts because under the Hartke-Long proposal, the maximum social security tax will go to $66.

Under the Mills proposal, the maximum tax will go to only $448; $448 versus $626.

Under the Hartke-Long proposal, we will reach that maximum 7 years earlier than we would under the Mills proposal.

Mr. President, as I said a while ago, the real friend of social security, the real friend of the aged is he who practices restraint. The House bill is a good bill, approved overwhelmingly by the House, and I hope that the Senate will adopt the level of benefits and financing.

Mr. LONG of Louisiana. Mr. President, the administration recommended, when their recommendations were being formed about this time last year, a 15-percent increase in benefits, and a $70 minimum.

There are 5 million people living in poverty in this country today. By boosting the minimum to $70, accompanied by a 15-percent-benefit increase, we reduced the number of people in poverty by 1,300,000 beyond what the House would do.

So this bill would make it possible for 2,100,000 people on social security to be moved out of poverty, and that is 1,300,000 more than under the House measure. Two hundred thousand people would be taken off the welfare rolls unless the States further liberalize their welfare programs.

In addition to that, those who are making more and paying taxes on higher wages would be in a position to draw much more benefits when they retire.

The House bill would provide $433 as maximum family benefits when people have paid on the higher basis over a longer period of time. There would be a $430 maximum which could perhaps provide decent retirement for all those people. This is necessary if we are going to have a cost-of-living increase and provide anything in addition to that.

I would ask Senators a question. Do we want social security benefits to be adequate? Why are we proposing to take out of poverty 2,100,000 and to take 150,000 more people off the welfare rolls than provided by the House measure? The tax in the first year would be about the same. The only difference is that the bill which came out of the committee provides for taxing some $1,200 a year more than the House bill does, at the same tax rate, but we have provided almost $1 billion additional for widows, we have raised the earnings test and provided that people can earn up to $2,000 and still draw social security benefits, and we have liberalized the treatment of the blind.

The amendment offered by the Senator would seek to retain those benefits, in addition to those of the House bill, but he does not provide for enough taxes to pay for these benefits. Yet the committee is charged with being irresponsible. Here is a letter from Mr. Robert Meyers which says the amendment would put the social security system in a minus condition at the rate of $900 million every year from now until God calls us all home. I do not know the reason why he does not propose to pay for all the added benefits.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. I yield myself 1 minute on the bill.

So the amendment is not very responsible. It puts the fund in the minus position to the tune of $900 million a year on an actuarial basis while it keeps the tax rate low.

If we agreed to it, we would have to do one of two things: Either strike out the benefits, or vote to increase the tax after we vote to cut the tax.

I think the amendment should be voted down.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the minority leader, the Senator from Illinois [Mr. DIRKSEN]. If present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. BYRD of West Virginia. On this vote I have a live pair with the senior Senator from Florida [Mr. HOLLAND]. If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I therefore withhold my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from North Carolina [Mr. JORDAN], and the Senator from Alabama [Mr. SPARKMAN] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. McCARTHY], the Senator from Wyoming

[Mr. McGee], and the Senator from Georgia [Mr. Talmadge] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. Cannon], and the Senator from Wyoming [Mr. McGee] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Carlson], the Senator from Illinois [Mr. Dirksen], the Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Murphy] and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper], the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt] and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Massachusetts [Mr. Brooke] is detained on official business.

If present and voting, the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt], the Senator from California [Mr. Murphy], and the Senator from Texas [Mr. Tower] would each vote "yea."

The pair of the Senator from Illinois [Mr. Dirksen] has been previously announced.

On this vote, the Senator from Kansas [Mr. Carlson] is paired with the Senator from Pennsylvania [Mr. Scott]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 22, nays 58, as follows:

[No. 337 Leg.]

YEAS—22

Allott
Baker
Bennett
Boggs
Byrd, Va.
Curtis
Dominick
Eastland
Fannin
Hickenlooper
Hruska
Jordan, Idaho
Kuchel
McClellan
Miller
Morton
Pearson
Percy
Spong
Stennis
Thurmond
Williams, Del.

NAYS—58

Aiken
Anderson
Bartlett
Bayh
Bible
Brewster
Burdick
Case
Church
Clark
Cotton
Ellender
Ervin
Fulbright
Gore
Griffin
Gruening
Harris
Hart
Hartke
Hatfield
Hayden
Hill
Hollings
Inouye
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Lausche
Long, Mo.
Long, La.
Magnuson
McGovern
McIntyre
Metcalf
Mondale
Monroney
Montoya
Morse
Moss
Muskie
Nelson
Pastore
Pell
Prouty
Proxmire
Randolph
Ribicoff
Russell
Smathers
Smith
Symington
Tydings
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NOT VOTING—20

Brooke
Byrd, W. Va.
Cannon
Carlson
Cooper
Dirksen
Dodd
Fong
Hansen
Holland
Jordan, N.C.
Mansfield
McCarthy
McGee
Mundt
Murphy
Scott
Sparkman
Talmadge
Tower

So Mr. Curtis' amendment was rejected.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13606) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 6, 7, and 13 to the bill, and concurred therein, and that the House receded from its disagreement to the amendments of the Senate numbered 1, 3, 10, 11, and 12 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. KUCHEL. Mr. President, I should like to query the majority leader and our fellow Senators as to whether there is any disposition to reduce the 1-hour time limit on debate on further amendments to one-half hour. I do not see the majority leader in the Chamber at the moment, but I told him I wished to raise the issue.

The ranking minority member of the Committee on Finance interposes no objection to such procedure.

Mr. LONG of Lousiana. Mr. President, I do have one amendment which I shall offer later, which I believe will require at least a half hour on each side. It relates to drugs. If an exception could be made in the case of that amendment, I would have no objection.

Mr. ERVIN. Mr. President, reserving the right to object, I have the next amendment, and I would request an exception for it also.

Mr. LONG of Louisiana. Then let us proceed without the additional limitation for the moment.

AMENDMENT NO. 451

Mr. ERVIN. Mr. President, I call up my amendment No. 451, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The Legislative Clerk. The Senator from North Carolina [Mr. Ervin], for himself, Mr. Hruska, and Mr. Tydings, proposes an amendment, as follows:

On page 99, beginning at line 1, strike all through line 6 on page 103, as follows:

"EXCLUSION FROM COVERAGE, FOR PURPOSES OF TITLE II OF THE SOCIAL SECURITY ACT, CIVIL SERVICE RETIREMENT LAWS, AND UNEMPLOYMENT COMPENSATION LAWS, OF SERVICES PERFORMED BY CERTAIN PRISONERS

"Sec. 124. (a) (1) Section 210(a) (6) (C) of the Social Security Act is amended (A) by striking out 'or' at the end of clause (v), (B) by inserting 'or' at the end of clause (vi), and (C) by adding after and below clause (vi) the following new clause:

" '(vii) by any individual who has been convicted of any offense under Federal or State law and sentenced for a term of imprisonment for such offense in any penal or correctional institution, if such service is performed while he is an inmate of such institution or during any period for which he has been temporarily released or paroled therefrom on condition that he engage in any particular training or employment;'.

"(2) Section 3121(b) (6) (C) of the Internal Revenue Code of 1954 (relating to definition of employment for purposes of the Federal Insurance Contributions Act) is amended (A) by striking out 'or' at the end of clause (v), (B) by inserting 'or' at the end of clause (vi), and (C) by adding after and below clause (vi) the following new clause:

" '(vii) by any individual who has been convicted of any offense under Federal or State law and sentenced for a term of imprisonment for such offense in any penal or correctional institution, if such service is performed while he is an inmate of such institution or during any period for which he has been temporarily released or paroled therefrom on condition that he engage in any particular training or employment;'.

"(b) Section 8501(1) of title 5, United States Code is amended (1) by striking out 'or' at the end of clause (K), (2) by inserting 'or' at the end of clause (L), and (3) by adding after and below clause (L) the following new clause:

" '(M) by any individual who has been convicted of any offense under Federal or State law and sentenced for a term of imprisonment for such offense in any penal or correctional institution, if such service is performed while he is an inmate of such institution or during any period for which he has been temporarily released or paroled therefrom on condition that he engage in any particular training or employment;'.

"(c) No service performed by any individual who has been convicted of any offense under Federal or State law and sentenced for a term of imprisonment for such offense in any penal or correctional institution shall be considered to be performed by such individual as a Federal employee for purposes of—

"(1) subchapter III (relating to civil service retirement) of chapter 83 of title 5, United States Code,

"(2) chapter 87 (relating to Federal employees group life insurance) of title 5, United States Code,

"(3) chapter 89 (relating to Federal employees health benefits) of title 5, United States Code, or

"(4) subchapter I (relating to Federal employees compensation for work injuries) of chapter 81 of title 5, United States Code,

if such service is performed while such individual is an inmate of such institution or during any period for which he has been temporarily released or paroled therefrom on condition that he engage in any particular training or employment.

"(d) (1) Section 3304(a) of the Internal Revenue Code of 1954 (relating to requirements for approval of State laws for purposes of the Federal Unemployment Tax Act) is amended by redesigning paragraph (6) thereof as paragraph (7) and by adding after paragraph (5) thereof the following new paragraph:

" '(6) no compensation is to be paid to any individual for or on account of service performed by him if such individual has been convicted of any offense under Federal or State law and sentenced for a term of imprisonment for such offense in any penal or correctional institution and if such service is performed while he is an inmate of such institution or during any period for which he has been temporarily released or paroled therefrom on condition that he engage in any particular training or employment;'.

"(2) Section 3306(c) of the Internal Revenue Code of 1954 (relating to definition of employment for purposes of the Federal Unemployment Tax Act) is amended (A) by striking out 'or' at the end of paragraph (17), (B) by striking out the period at the end of paragraph (18) and inserting in lieu of such period '; or', and (C) by adding after and below paragraph (18) the following new paragraph:

"'(19) service performed by any individual who has been convicted of any offense under Federal or State law and sentenced for a term of imprisonment for such offense in any penal or correctional institution, if such service is performed while such individual is an inmate of such institution or during any period for which he has been temporarily released or paroled therefrom on condition that he engage in any particular training or employment.'

"(e) The amendments made by subsections (a), (b) and (c) of this section shall be applicable to service performed after the month following the month in which this Act is enacted. The amendment made by subsection (d)(1) shall take effect January 1, 1969, and the amendment made by subsection (d)(2) shall apply with respect to service performed after December 31, 1968."

Renumber section 124(a) as section 124.

Mr. ERVIN. Mr. President, while there are a number of Senators present, I should like to ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from North Carolina will suspend until order is restored. The Senate will be in order.

The Senator from North Carolina may proceed.

Mr. ERVIN. Mr. President, my cosponsors and I direct the Senate's attention to certain apparently minor but important changes in H.R. 12080, which the committee report recommends be made in the House bill. These are the provisions in section 124 which would exclude participants in work-release programs from benefits of social security and civil service retirement benefits. These changes may destroy an effective and important reform which the Congress enacted barely 2 years ago—The Prisoner Rehabilitation Act of 1965.

The Prisoner Rehabilitation Act was passed without objection in the Senate and by a vote of 323 to 0 in the House. The reform was proposed by the Bureau of Prisons, recommended by the Department of Justice, and made a part of the President's anticrime program in the 89th Congress. In March 1966, the President stated:

> No national strategy against crime can succeed if we do not restore more of our first offenders to productive society. The best law enforcement has little value if prison sentences are only temporary and embittering way stations for men whose release means a return to crime.

The crisis of crime which the country faces today has, if anything, made the work-release program even more important as a weapon to fight crime.

The work-release program was based upon a 4-year experimental program operated by the Bureau of Prisons. The distinguished former Director of the Bureau of Prisons, Mr. James Bennett, testified before a Senate Judiciary Subcommittee that it was the most significant legislative reform in the field in three decades. I am familiar with the importance and successes of the work-release program because a similar project has been operating in North Carolina—a project which served as a prototype for the Federal program. In addition to the North Carolina and national programs, 21 other States now have adopted the system.

The work-release legislation was sponsored by Senators LONG of Missouri, BARTLETT, BURDICK, TYDINGS, FONG, SCOTT, JAVITS, MURPHY, TOWER, and me. When the bill was reported to the Senate, an important amendment was made providing that "the rates of pay and other conditions of employment will not be less than those paid or provided for work of a similar nature in the locality in which the work is to be performed."

The Finance Committee proposes to deny to model prisoners who participate successfully in work-release programs, the benefits of social security, unemployment compensation, civil service retirement, and other such rights established by law.

In view of the success of both the State and Federal work-release programs, I am greatly disturbed by the Finance Committee's action, which threatens to destroy this important and successful experiment.

The committee proposals are the result of confusion about the benefits and rights a prison inmate has when he is released during the last 6 months of his sentence for daytime employment in private or public occupations.

The reason why an inmate who is gainfully employed accrues eligibility for unemployment benefits, or qualifies for social security benefits, or has his employment count as Federal service for purposes of retirement, is precisely because this man is earning wages and performing exactly the same kind of work that other wage earners perform.

It was the intention of the Congress to place the inmate in a normal employment environment so that he would gain work experience, perhaps learn new skills, and be provided an avenue into gainful employment after his release from the institution. In this context, there is no reason to deny the work-released inmate any work-related benefits to which he is entitled if he were not an inmate of a Federal prison.

Presently, social security is deducted from their wages and their employers pay the unemployment insurance tax, the same as for any other employee. Such wages, earned as members of the labor force, of course, count toward eligibility for future benefits under the social insurance program. The committee provisions appear only to be depriving these people of these limited benefits. In reality, however, they will serve to discourage employers from participating in work-release, because of the special bookkeeping which will be required. It is unreasonable to expect a private business to set up two accounting systems, one for regular employees and another for parolees.

But even if employers continue to hire prisoners, these restrictive provisions may have an opposite effect from that which is intended. The work-release employee will not have social security deducted from his pay, and so will actually be taking more net pay back from his job that his fellow workers who remain subject to social security taxes. The employer also will not have to contribute his share to social security for the work-release employees. The confusion that will ensue in the entire program may be insurmountable.

What is really at issue in this controversy is the question of the purpose of Federal prisons—a controversy which at any rate should be left to the Judiciary Committee which has substantive jurisdiction over the matter.

To some, Federal prisons are solely places of punishment for persons after their conviction of crimes.

Section 124 reflects this narrow and outmoded view of penology. It neglects perhaps the most important role our prisons have—to rehabilitate those who have gone astray so that when they are released, they will be able to return and contribute to society instead of returning to crime. To ignore this aspect of our prison system is to ignore the real facts about criminal offenders who are sent to our institutions.

Here are some of the facts:

Although over 100,000 persons leave Federal and State prisons each year, few ever receive adequate job training. This is complicated further because in many communities in which persons are released, there are no modern training programs available.

Most offenders entering penal institutions have little training or occupational skills. More than half of the adult prisoners never progressed beyond elementary school; more than four-fifths of the prison inmates between the ages of 25 and 64 in 1960 had not completed high school; a majority of the prisoners have worked in occupations requiring the least skill and having the highest unemployment rates.

About 30 percent of all male prisoners are between 15 and 24 years old. Almost 20 percent are between 20 and 24 years old, a crucial time when most young men are embarking on careers and beginning family life.

Most offenders have had unstable employment experiences and long periods of unemployment; most offenders lack rudimentary job deportment.

When released, persons who reenter the labor force are hampered by their penal records.

Work-release programs are being adopted in more and more States in this country. At present there are now 22: California, Colorado, Connecticut, Florida, Idaho, Illinois, Indiana, Iowa, Maine, Maryland, Michigan, Minnesota, Missouri, Nebraska, North Carolina, Oregon, Pennsylvania, South Carolina, Vermont, Virginia, Washington, and Wisconsin. Two other States, Montana and North Dakota, are expected to adopt the program in the near future. In the past, the Senate has strongly supported a work-release program on the Federal level with good reason. These programs are good, they are practical, and they are humane. They should not be repudiated or weakened in this way.

The Judiciary Committee hearing records are replete with evidence demonstrating the need and value of such programs, and there is no need to detail this evidence again. However, I would like to bring this body up to date on the effectiveness of the Federal work-release program which was enacted 2 years ago:

As of October 1, 1967, inmates participating in the Federal work-release program earned over $3 million and reimbursed the Government a total of $300,000 for their keep, which is deducted from their pay.

They also contributed over $500,000 in Federal, State, and local taxes and to the social security trust fund. No doubt, much of this money is used to support the State unemployment insurance program and the old-age, survivors, and disability insurance program.

Work-release inmates sent over $400,000 to their dependent families which enabled many of them to leave the public welfare rolls. This not only provides dignity to the inmate's family, but also reduces the tax burden on the local community.

Over a million dollars was spent in the community where they worked for food, clothing, transportation, and other needs.

With this evidence of success, I have no hesitation whatsover in voicing my continued support for the Federal work-release program. I am certain that anyone who takes the time to examine and evaluate the effectiveness of this program both in terms of reducing recidivism and sound economics, could not help but come to the conclusion that this program fully deserves our continued support on both Federal and local levels.

The committee amendments, probably unintentionally, amount to no less than a major repudiation of the Rehabilitation Act. I have no doubt that the committee considered these changes carefully before recommending them, but I do not believe the committee recognized all the ramifications of its actions. Acceptance of these provisions will reduce the effectiveness of a major effort to fight crime.

There is, at the bottom of this matter, a choice which we must make. What kind of a person do we want coming out of prison—an unreconstructed criminal, ready to rob, and be returned to prison? Or, do we want a trained mechanic with a job and a reason to stay out of trouble. Are we working to lower the crime rate or raise it?

Mr. LONG of Louisiana. Mr. President, will the Senator yield?

Mr. ERVIN. I yield.

Mr. LONG of Louisiana. Mr. President, as a matter of fact we really did not hold any hearings on this particular point. This was the view of a member of a committee.

I am very much impressed by what the Senator has to say about the matter. It was felt that this matter would be in conference in any event.

I appreciate the views of the Senator and know that he feels very strongly that the committee has made a mistake.

I doubt very much, if we had heard the Senator's presentation before the committee, that we would have agreed to the amendment. However, we had to vote on many amendments. We had almost 500 amendments that were printed and were before the committee.

Mr. ERVIN. I appreciate that. I think that the committee has done a fine job on a tremendous bill. However, it would be a tragic mistake if we were to leave this amendment in the bill. The amendment offered by the Senator from Nebraska [Mr. HRUSKA], the Senator from Maryland [Mr. TYDINGS], and me would take this amendment out of the bill. I think that before anybody votes on this amendment they ought to remember the words of Oscar Wilde in "The Ballad of Reading Gaol."

I have had a lot to do with people in trouble because I used to practice a lot of criminal law. I can always appreciate their feelings.

Oscar Wilde said:

> I know not whether Laws be right,
>   Or whether Laws be wrong;
> All that we know who lie in gaol
>   Is that the wall is strong;
> And that each day is like a year,
>   A year whose days are long.

Under the work-release program, the prisoners who seem worthy of trust are released from prison in the daytime to work at private employment, in some cases at Government employment. They learn a job. In 2 years on this Federal program, they make $3 million. They pay their board and keep out of that. They send hundreds of thousands of dollars to their families. They pay the social security taxes and unemployment compensation taxes. Why, in heaven's name, would we deny them the right to have social security in their old age or unemployment compensation, just as everybody else has?

I cannot understand why any man would favor the denial to these people of social security and unemployment compensation, and an opportunity to have self-respect and to return to society a rehabilitated man. What do we want to do—deny him social security, so he will have to steal for a living in his old age. Is that what we want? Unless you favor denying a man social security and want to compel him to steal for a living in his old age, vote for my amendment.

Therefore, Mr. President, I propose that these restrictive provisions be deleted from the present bill. The matter should then be referred to the Judiciary Committee for hearings on the successes and failures of the work-release program and the appropriateness of changes such as those proposed in the present bill.

The Department of Justice favors the pending amendment. They say it would be very difficult to administer the Prisoner Rehabilitation Act with this bill. I ask unanimous consent that the letter from the Department of Justice be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF THE DEPUTY ATTORNEY GENERAL,
Washington, D.C., November 20, 1967.

HON. SAMUEL J. ERVIN, JR.,
U.S. Senate, Washington, D.C.

DEAR SENATOR ERVIN: The Department of Justice is concerned about the proposed amendments to the Social Security Act which would exclude state and federal offenders who take part in work release programs from participating in unemployment compensation and Social Security benefits.

These amendments would seriously hamper the effectiveness of the operation of the Prisoner Rehabilitation Act of 1965 (Public Law 89–176). That Act, you will recall, had strong bi-partisan support in both Houses. It included authorization for selected prisoners to work in private employment and take part in community education programs prior to release from custody. The purpose of the program is to improve the offender's chance of maintaining stable employment and avoid return to crime after release.

During the two years since the enactment of the law, over 3000 carefully selected Federal offenders have been on work release placement. The average period spent on work release has been less than 6 months. They earned more than $3,000,000 in wages; paid $500,000 in federal, state and local taxes; sent $400,000 to dependents and reimbursed the government $300,000 for room and board.

The earnings tell only a part of the story. The program has had broad community support from business, industry, and labor organizations. The men and women who have taken part are not only receiving substantial training, they are also learning to work and live as contributing members of society.

More than twenty states have recognized the value of work release as an important correctional tool. The adoption of the amendments would seriously hamper the operation of these programs as well as the federal program. To a large extent the success of work release depends upon the prisoners enjoying the same status as their fellow workers in the community. The proposed legislation would discriminate against them because of their status. Their exclusion from the benefits available to other employees is inconsistent with the spirit as well as the intent of the Prisoner Rehabilitation Act. Moreover, the enactment of the amendment might well have the practical effect of discouraging employers from employing work releasees where such employment would require setting up separate payroll systems.

For the reasons which I have outlined, we strongly urge the Senate to carefully consider the amendments which would impair a correctional program of great promise.

Sincerely,

WARREN CHRISTOPHER,
Deputy Attorney General.

Mr. CURTIS. Mr. President, will the Senator yield for a question?

Mr. ERVIN. I yield.

Mr. CURTIS. Is it not the Senator's contention that the language in the bill would take social security coverage away from these prisoners?

Mr. ERVIN. That is what the Department of Justice says.

Mr. CURTIS. That is not correct?

Mr. ERVIN. The Social Security Administration says one thing; it says it would not. The Department of Justice says that it would. And that is another reason why the pending amendment should be adopted.

Mr. CURTIS. I am glad to see that the Department of Justice has such an eloquent defender. But I would rather that the Senator from North Carolina research the matter.

Mr. ERVIN. I am opposed to denying a criminal all hope in this world.

The PRESIDING OFFICER. Who yields time?

Mr. ERVIN. I yield to the Senator from Maryland [Mr. TYDINGS].

Mr. LONG of Louisiana. Mr. President, will the Senator yield to me?

Mr. TYDINGS. I yield.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that the time in opposition to the amendment be assigned to the Senator from Delaware [Mr. WILLIAMS].

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TYDINGS. Mr. President, I am proud to join Senator ERVIN and Senator HRUSKA as a cosponsor of the amendment to which Senator ERVIN has just directed his very eloquent testimony.

I should like to take this opportunity to commend the senior Senator from North Carolina. I do not see how anyone who is interested in reducing the crime rate in this country can argue effectively against the eloquence of the Senator from North Carolina.

Since the report of the President's Crime Commission last year and the District of Columbia Crime Commission the year before, the statistics are overwhelming that perhaps the principal cause of the rise in the crime rate in the United States is the failure of our correctional program to rehabilitate the prisoner who is confined. In effect, the statistics show that rather than rehabilitate, in most instances our correctional institutions train the prisoner to be a far more dangerous threat to society after he leaves.

One of the few rays of light which shine in our otherwise outdated and anachronistic correctional institutions is the work-release program—the Federal work-release program and the State work-release program.

The effect of the language in the social security bill now before the Senate, H.R. 10280, would be to discourage any employer from hiring a work-release parolee. It would not in effect deny social security, although the end result would be to deny social security to the individual. It would throw a bureaucratic load on the small businessman employer, which would deter him from wishing to hire any parolee. We throw enough bureaucratic regulations on the small businessman without adding one more such as this.

In addition, Mr. President, the effect could be—because social security and withholding deductions would not be made from the work-release parolee's pay—that his fellow employees would feel that he was receiving a greater take-home check than they, and they could misunderstand the system or the program; and in the end it would result in a great deal of dissension in the employer's small business establishment. The work-release parolees are hired primarily by small businessmen.

I believe it would be a tragic mistake if the Senate were to permit this language to remain in the social security bill, when we in the Committee on the Judiciary are even now working to turn out legislation to lower the crime rate. It can result only in lowering the total capacity of the work-release program, in discouraging small businessmen from hiring work-release parolees, and in raising the crime rate in this country.

The Senator from North Carolina was correct when he eloquently pointed out that the purpose of a correctional institution is to rehabilitate and to return a man to society. Certainly, the major factor in rehabilitation is to train a man to become gainfully occupied, so that he can be a taxpayer and a contributor to society and not wind up in jail again.

I might add, Mr. President, that anyone who takes the trouble to study the statistics and the results of these comprehensive crime studies will see that the failure of our correctional institutions—the rate of recidivism where they do not have work-release programs, where they do not have some type of rehabilitation program—presents a very frightening figure. Because this program is so important as an instrument to prevent repeated criminal conduct, I believe it is vital that Congress do all it can to safeguard the effective operations of the program.

As Senator ERVIN has so well demonstrated, the provision of the social security bill which excludes work release employees from coverage under social security and other programs could not help but endanger—and might indeed cripple—the successful function of the work-release program.

I hope that the Senate adopts the amendment of the Senator from North Carolina and the Senator from Nebraska.

The PRESIDING OFFICER. Who yields time?

Mr. ERVIN. I yield such time as he may require to the distinguished Senator from Nebraska.

Mr. HRUSKA. I shall require 10 minutes.

Mr. President, I am pleased to join with two of my colleagues on the Judiciary Committee, the distinguished Senator from North Carolina [Mr. ERVIN] and the distinguished Senator from Maryland [Mr. TYDINGS] as a cosponsor of amendment No. 451. This amendment is designed to protect and reaffirm the purpose and principle of the Prisoner Rehabilitation Act of 1965.

During the 89th Congress, I was one of the principal sponsors of the Prisoner Rehabilitation Act, Public Law 89–176. That is the Work Release Program Act. As you will recall, this act had strong bipartisan support in both Houses. It was passed in the Senate without opposition, and in the House it was adopted in a rollcall vote 323 to 0. The intent of this act was to provide the basis for developing new programs and techniques which would increase the effectiveness of correctional treatment and thus assist in reducing crime. Basic to the act was the authorization for carefully selected inmates to work in private employment and participate in community educational and training programs during the period immediately prior to their release from custody under conditions that approximate a normal working situation.

This act has been in effect for approximately 2 years, and its record has been impressive. I ask unanimous consent to have printed at this point in the RECORD a fact sheet which has been issued by the Bureau of Prisons, dated November 20, 1967, pertaining to this program.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

WORK RELEASE AND COMMUNITY CENTER PROGRAMS

Since Public Law 89–176 was signed on September 10, 1965, there have been 3,452 Federal prisoner participants in the Work Release Program. There were 479 inmates participating in the program on September 30, 1967. This represents 2.6 percent of the prison population on that date. There are presently 152 residents of the seven Community Centers, which totals 631 individuals in community-based programs. Approximately 40 work releasees have been employed by the Federal Government since the beginning of the program, and about ten are now working for the Federal Government.

Federal prisoners earnings from the Work Release Program are shown below. Center financial data collection began April 1, 1967. Totals are estimated on present rates with corrections for population fluctuations since September 1965.

Work release	Total, October 1965 to October 1967	Community centers	Total, September 1965 to October 1967
Gross earnings	$3,089,715	Gross earnings	$747,426
Net earnings	2,620,275		
Federal, State, and local taxes	469,440	Federal, State, and local taxes	137,804
Payments to U.S. Treasury for board and room	321,980		
Forwarded to dependents	484,984	Forwarded to dependents	65,701
Savings	879,581	Savings	167,680
Expenses in community (clothing, food, transportation)	933,730		

The State of North Carolina, which has had an operational Work Release Program for state prisoners from 1957, reports the following work release earnings from 1957 to October 15, 1967: Gross Earnings, $11,280,644; Forwarded to Dependents, $2,840,388; and Federal and State Taxes, $1,703,377.

Mr. HRUSKA. Mr. President, as a member of the Judiciary Committee, I have maintained a continuing interest in the act and have followed the results closely. During the 24 months since the bill was signed into law, over 3,000 inmates from institutions operated by the Bureau of the Prisons have participated in the work-release program. In keeping with the intent of the law, the institutions have screened offenders for placement in the program. Inmates with histories of aggressive or assaultive behavior and those presenting serious emotional problems have been excluded. The vast majority of inmates assigned to the work-release program have been committed for offenses against property and have little or no community or financial resources to turn to upon release.

The records established by the inmates in the program are impressive. They have earned more than $3 million in salaries, paid $500,000 in Federal, State, and local taxes, sent over $400,000 to dependents and have reimbursed the Government over $300,000 for room and board. In addition, they have spent more than a million dollars in the communities where they are employed for clothing, transportation and food.

The Prisoner Rehabilitation Act has produced great changes in the field of corrections. By permitting inmates to develop and maintain roots in the community, we are making it easier for them to become reestablished when their sentences are completed. The training value of private employment is self-evident and an important part of making inmates feel that they can become contributing members of society. This often permits them to contribute to the support of their families, possibly keeping them off relief rolls. It further benefits society by making offenders taxpayers again and, hence, less of a liability on society.

In addition to the Federal program, 22 State and local governments have established various forms of work release.

Wisconsin pioneered in this area when the well-known Huber law was enacted in 1913. My own State of Nebraska enacted a bill during the recent session of the legislature patterned after the Federal act. While the program in Nebraska is still in its infancy, I am certain that it will have far-reaching benefits.

The amendment we propose today is designed to protect the progress made in penology since 1965 under the Prisoner Rehabilitation Act and to insure a successful future for the work release program.

The Senate Finance Committee in section 124 of the committee bill expressed a philosophy that is diametrically opposed to the concept of work release as approved by this body, and placed substantial obstacles in the path of the program. This was done by saying, contrary to the approach of the penologist, that the work releasee will not be accepted for employment on an equal basis with all other employees. He will not be given an opportunity to assume the responsibilities and retain the benefits that his coworkers receive. Instead, in addition to locking him behind bars, further punishment will be imposed on him by depriving him of the benefits that his labor would normally provide for him.

The work-release program is voluntary. The volunteer is a person who, careful screening indicates, would like to find his place in society. He does this by working on the outside, paying room and board, and supporting his family.

There is no reason why this man should be deprived of the benefit of social legislation which protects every other employee. He is paying for it like any other worker.

The committee bill would disqualify some work releasees from social security coverage; it exempts Federal employees from workman's compensation, civil service retirement, life insurance programs and health insurance programs. In addition, Federal, State and private employees are denied credit for unemployment compensation. Here we have a situation where the employer, particularly one with an automated payroll, must set up separate accounts for work releasees. The employer also gets a financial benefit by not having to pay unemployment tax. Other employers need not match social security taxes or match insurance contributions.

Mr. President, it is difficult enough to persuade reputable employers to participate in the Federal and State work-release programs. It is difficult enough to receive acceptance of the program from the community and other workers. If we place administrative burdens on the employer and if we offer cheaper labor, we will discourage employers or perhaps raise animosity toward a program that is still in its infancy.

There is a further problem with section 124 which requires it be deleted. It discriminates between those prisoners, Federal or State, who accept Federal employment and those that accept State or private employment. The Federal employees if he loses a limb, or an eye or is permanently disabled on the job, receives no workman's compensation. His counterpart employed by a private firm is compensated under a workman's compensation act. The Federal employee who remains in Federal employment after his discharge from prison must start anew to build retirement credit. The prisoner working for the State government already has some time accumulated and, therefore, even more incentive to remain with his employers.

The issue here is work release and how the work-release prisoner is to be treated. His treatment cannot be made to depend on whether he is hired by a Federal, State, or private employer.

As the distinguished Senator from North Carolina [Mr. ERVIN] pointed out, it is not clear what social security coverage is excluded by section 124. Page 62, paragraph g, of the committee report was unclear in its coverage where it stated:

> Under present law, some convicts can, solely as the result of their work while serving a prison sentence, establish eligibility for unemployment benefits, earn credits under the Federal Civil Service retirement system, or obtain credits under Social Security. The committee believes that it is inappropriate to provide the same benefits for prison work as for other work.

Mr. ERVIN. Mr. President, will the Senator yield on that point?

Mr. HRUSKA. I yield to the Senator from North Carolina.

Mr. ERVIN. Does not that language show that whoever wrote the committee report did not understand what this section does because work under the work-release program is not prison work; it is work outside the prison?

Mr. HRUSKA. There are two kinds of work: The work which is performed by the prisoner under a work-release program and work performed in prison.

The report indicates an intention on the part of the committee at variance with the language in the bill. The only way to clear up this ambiguity is to strike that section.

I therefore renew my support for amendment No. 451. Eighteen U.S.C. 4208(c)(111) requires that "the rates of pay and other conditions of employment will not be less than those paid or provided for work of similar nature in the locality in which the work is to be performed." The Ervin amendment would safeguard that provision. It eliminates arbitrary exemption from social security, workman's compensation, and unemployment insurance which would vary the rates of pay and working conditions.

I hope that the Senate agrees to the amendment and approves it.

This work-release plan has been found to be the most effective weapon to battle the recidivism that is the bane of our penal system. When it was signed into law it was hailed as the greatest single piece of legislation in the field of prisoner rehabilitation. Its purpose is to help the prisoner adjust to civilian life and thereby prevent his return to a penal institution.

The PRESIDING OFFICER (Mr. GRIFFIN in the chair). Who yields time?

Mr. HRUSKA. Mr. President, I yield back the remainder of my time.

Mr. WILLIAMS of Delaware. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The other side has used 28 minutes, and there are 2 minutes remaining.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 10 minutes.

Mr. President, first, this language in the committee amendment was approved by the Committee on Finance without objection. There is no question that we respect the work-release program.

However, much has been said that this would destroy the entire work-release program and that we would go back into an area of increasing the crime rate. With all respect to that argument, the work-release program went into effect in 1966, and the crime rate has increased ever since. It is a good program, but it is not a cure-all, so far as society is concerned.

The suggestion has been made by those who would strike this section out that this would affect recordkeeping of the small businessman. The committee amendment does not affect the prisoner working in civilian employment at all as far as social security is concerned. It affects only cases where this employment is classified as Federal employment.

The committee bill and the committee report so states, and so does the report of HEW. It says that for social security purposes the small businessman or the farmer who employs this prison labor could take social security deductions the same as they have been doing. However, it would change the effect if his work is classified as Federal service.

Let me point out why we felt this was necessary. It was called to our attention that under the existing setup, a man who has been working, for example, as a Government employee, who is convicted and sent to prison because of embezzling money, or perhaps accepting a bribe, or some other charge in connection with his official activities, under existing law, as it is now interpreted, could have some of his work in prison counted toward increasing his civil service retirement benefits, just the same as if he were working at legitimate work on the public payroll. How ridiculous can we get? A public official is sent to the penitentiary and he is permitted to increase his retirement benefits while he is in the penitentiary.

Mr. President, another example is where a man has gone to the penitentiary—a man who never worked a day in his life before going to the penitentiary; then by virtue of the work he does in the prison he can establish eligibility for unemployment benefits so that when he is discharged he can go to any unemployment office in any State in the Union and draw full unemployment benefits, the same as a respectable worker. Certainly he lost his job when his prison sentence ended. The unemployment benefits were established solely as a result of work performed while serving as a prisoner. Why would that be justified? There is such a thing as a work-release program to rehabilitate these people, and I am in favor of such a program, but there is a limit to how far we can go. I think it is about time we recognize that the taxpayers, our law-abiding American citizens, who are going to have to pay for these benefits to these criminals likewise have some rights.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the Civil Service Retirement Board confirming the fact that convicted Government officials can increase their Civil Service retirement benefits solely as a result of serving in the Federal penitentiary under the existing law.

The Hruska-Ervin amendment would continue this farcical situation. Why?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CIVIL SERVICE COMMISSION,
BUREAU OF RETIREMENT AND INSURANCE,
Washington, D.C., February 7, 1967.
Hon. JOHN J. WILLIAMS,
U.S. Senate.

DEAR SENATOR WILLIAMS: This is in response to your telephone request of February 1, 1967 for information concerning civil service retirement credit for employment in Federal agencies under the work release provisions of the Prisoner Rehabilitation Act of 1965.

Since a prisoner employed in a Federal agency under this program is appointed for a period not to exceed one year, he is not covered under the Civil Service Retirement System during such employment and may not derive title to any retirement benefit by virtue of such employment. However, because this employment is Federal service, it is creditable for retirement purposes if after discharge from prison the individual is employed as a regular Federal employee subject to the civil service retirement system.

Specific answers to your questions are:

1. The prisoner earns no civil service retirement benefits through Federal employment under the work release program if this is his only Federal service.

2. If he has been a regular Federal employee under the retirement system before his conviction, Federal service under the work release program may not be added to his length of service.

3. If he is a regular Federal employee under the retirement system after employment under the work release program, work release service in a Federal establishment is creditable for retirement purposes.

4. If he has regular Federal employment under the retirement system both before and after employment under the work release program, such employment in a Federal establishment is creditable for retirement purposes.

Sincerely yours,
ANDREW E. RUDDOCK,
Director.

Mr. WILLIAMS of Delaware. Mr. President, I also ask unanimous consent to have printed in the RECORD the ruling from the Department of Labor qualifying these criminals for unemployment benefits.

There being no objection, the ruling was ordered to be printed in the RECORD, as follows:

[Unemployment compensation for Federal employees, Bulletin No. 33]

U.S. DEPARTMENT OF LABOR,
BUREAU OF EMPLOYMENT SECURITY,
Washington, D.C., June 27, 1967.
To: All Federal agencies.
From: Robert C. Goodwin, Administrator.
Subject: Coverage Under Title XV of the Social Security Act of Inmates of Correctional Institutions Appointed by Federal Agencies Under the Provisions of the Prisoner Rehabilitation Act of 1965.

Pursuant to its authority under the Social Security Act, the Department of Labor issued its ruling on May 17, 1966, that an inmate of a Federal penal or correctional institution who is appointed to a Federal position prior to his release from the institution and who is permitted under the Prisoner Rehabilitation Act (PRA) of 1965, Public Law 89-176, to perform services outside the institution, performs "Federal service" and receives "Federal wages" within the meaning of section 1501 of the Social Security Act for purposes of the Unemployment Compensation for Federal Employees (UCFE) Program.

The U.S. Civil Service Commission's Federal Personnel Manual (FPM) Letter 213-8 explains the new schedule A authority available to Federal agencies to facilitate employment of prisoners under the work release provisions of the PRA of 1965. Prisoners who within 6 months will be eligible for release or parole and who otherwise meet the eligibility conditions prescribed can be given initial Federal appointments of up to 1 year's duration after release from custody.

Please insure that Federal agency personnel responsible for processing Forms ES-931, Requests for UCFE Wage and Separation Information, and other UCFE program documents received from State employment security agencies, understand that the employment performed in a PRA work release program by a Federal prisoner in the period covered by the initial schedule A appointment is "Federal service" for UCFE program purposes and item 1a on Form ES-931 should be completed accordingly (see facsimile of Form ES-931 in section 330.1, *UCFE Instructions for Federal Agencies*).

Mr. WILLIAMS of Delaware. Mr. President, I do not see why any man who has committed a crime and is serving his time in the penitentiary should be able, solely as a result of the work he is doing in a Federal penitentiary, have it counted as Government employment and thereby become eligible for all the civil service retirement benefits and all the other benefits, health, insurance, and so on, to which a normal civil service worker is entitled.

Certainly, when a man goes to the penitentiary he should lose some of his benefits. If he does not want to lose them then he should stop stealing from the Government, stop accepting bribes or embezzling, and conduct himself as a respectable, law-abiding citizen.

There is too much coddling of these criminals with too little regard to the innocent victims of their crimes.

I do not understand the argument that we must sympathize with this man and extend to him all the benefits he would get in society were he not being confined. I most certainly do not understand how a man can walk out of prison and draw unemployment benefits on the basis that he has lost his prison job. I admit that he can truthfully tell the unemployment office that he cannot get that same job back——

Mr. ERVIN. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS of Delaware. Not at this moment—because the only way to get his job back would be to commit another crime and go back to jail. On that argument it is considered that he has a bona fide excuse to draw unemployment benefits.

Under the interpretation of the existing law it is further possible for a man to be serving a lifetime sentence in the penitentiary and still establish social security benefits.

Say, for example, he started serving a life sentence as a young man and was in prison before social security was ever enacted, which was in 1937. He can now, solely as a result of his work in the prison while serving this life sentence, establish social security benefits under the six or 10 quarters requirement, and then when he reaches the age of 65, he can "retire" and get his check sent to his prison address while he is finishing the life sentence.

If that is what Senators want then they can adopt the Hruska-Ervin amendment.

As far as I am concerned I will not support such a ridiculous program.

The question comes to my mind, how would it work if this prisoner, serving a life sentence, were to decide to retire at the early age of 60 instead of waiting until 65?

Mr. ERVIN. Mr. President, I should like to mention that these programs have paid $400,000 to $500,000 in Federal, State, and local taxes. They have also paid $300,000 for room and board to the Federal Government. That is many times the amount unemployment benefits would give them, or anything else.

The work-release program does not involve work in prison. Inmates gain no social security benefits while they are in prison. The program allows them to get jobs outside the prison in the period just before they complete their sentence. They get regular jobs, earn normal salary, and get social security benefits like anyone else. Nobody gets social security while they are in prison, or because they have been in prison.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 minute.

Mr. WILLIAMS of Delaware. On the question of tax liability mentioned by the Senator from North Carolina, that would continue exactly the same, whether the amendment were to be accepted or not. The committee amendment does not affect that situation in the least.

Mr. HRUSKA. Mr. President——

The PRESIDING OFFICER. Only 1 minute remains.

Mr. WILLIAMS of Delaware. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twenty-one minutes remain to the Senator from Delaware.

Mr. WILLIAMS of Delaware. I yield 3 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 3 minutes.

Mr. HRUSKA. I am grateful to the Senator from Delaware. He is always very generous.

Mr. President, a couple of points have been made about the work done in prison by a man to enhance his civil service retirement pension. Now let us get that in perspective. Nobody earns civil service retirement for work performed in prison. Only a work releasee can earn retirement credit.

Only 40 work releasees have been hired by the Federal Government since September 1965, when the bill was passed, and only 10 are on the payroll as of September of this year. That is as compared with 3,452 work releasees who have, in the past 2 years, earned over $3 million in wages. They have paid taxes totaling about $470,000. Net earnings of over $2.5 million. In addition to that, money sent to their dependents and families has totaled $485,000. They have saved $879,000. They have paid into the community almost $1 million, in the past 2 years, for the purpose of clothing, transportation, food, and so on.

Now, then, as against that proposition, can it be said that the law is responsible for crime going up all the time? Crime has not gone up for the 3,452 workers who have been sentenced to prison and have taken advantage of this law.

It is the position of those who urge the adoption of the amendment offered by the Senator from North Carolina [Mr. Ervin], that the social programs prohibited by section 124 are necessary to a work-release program. To remove these programs is incompatible with that theory of penology which recognizes that a man must, sooner or later, return to society. Let us help them all return under the most advantageous conditions. We want them to remain in society as useful citizens. The Prisoner Rehabilitation Act is one of the great steps to this goal. We should not endanger it in any way.

Mr. WILLIAMS of Delaware. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Delaware is recognized for 1 additional minute.

Mr. WILLIAMS of Delaware. Mr. President, I point out that nothing in the committee amendment would at all restrict the rights which the Senator from Nebraska has outlined; namely, for a prisoner to work to pay taxes.

As to the argument that only 40 convicted Government employees are increasing their civil service benefits while serving in prison, even if there are only 40 former Government employees in a Federal penitentiary building up civil service retirement benefits I say that that is 40 too many; if it were only four that would be four too many; and so far as I am concerned only one is too many.

In 1954 I was the cosponsor of a bill, the purpose of which was to deny civil service retirement benefits to any Government official who was convicted of having used the power or influence of his office for his own personal gain by accepting bribes, embezzling funds, and so forth. Under that law, the employee upon his conviction, would be eligible for a refund of all of his contributions plus interest, but he would not be eligible for retirement benefits at the taxpayers' expense. In 1961 over my strenuous objections a bill was passed by the Senate, later becoming law, repealing that provision and restoring retroactively the full retirement benefits for all convicted Government officials.

Today the amendment of the Senator from Nebraska [Mr. Hruska] and the Senator from North Carolina [Mr. Ervin] would carry this one step further. They now propose to allow these convicted Government officials to have a part of their time while serving in the Federal penitentiary counted toward the increase of their Government retirement benefits.

In addition, they can collect unemployment benefits when discharged from prison because they will have lost their prison job.

Mr. CURTIS. Mr. President, I ask unanimous consent to have printed in the Record a letter which was written to me today by Robert M. Ball, Commissioner of Social Security.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Department of Health, Education, and Welfare,
Baltimore, Md.

Hon. Carl T. Curtis,
U.S. Senate,
Washington, D.C.

Dear Senator Curtis: This is in reply to your request for a statement concerning the effect of Section 124 of H.R. 12080, particularly as it relates to social security coverage of employment of prisoners.

The bill would exclude from social security coverage the relatively few prisoners (convicted under Federal or State law) who are employed by the Federal Government under work release programs. Under the work release programs, which are provided by Federal and State law (24 States, including Nebraska), prison inmates, generally only those who are within 6 months to a year of release or parole from prison, are permitted to work and train in nearby communities where labor shortages exist. These rehabilitation programs generally specify that the wages and other conditions of employment must be the same for prisoners as for other persons performing the same work. Under present law, prisoners who are employed by the Federal Government under work release programs are covered under social security for such work because their employment is temporary and therefore excluded from Federal civil service retirement coverage. (Federal employment that is not covered by a Federal staff retirement system is generally covered under social security.)

The bill would also disqualify prisoners thus working as temporary Federal employees from participation in Federal employee programs of group life insurance, health benefits, compensation for work injuries and unemployment compensation, for which they are now eligible, and would provide that such Federal service performed by a prisoner would not be creditable under the civil service retirement system. (Under present law, in rare cases it would be possible for a prisoner who subsequently has regular Federal employment, sufficient for establishing his entitlement to civil service retirement benefits, to obtain credit toward such benefits for the period of temporary Federal employment in the work release program.)

The great majority of prisoners in work release programs are employed by private employers. Such employment is generally covered under unemployment insurance if the work of other employees of the employer is covered, and it is also covered under social security. Under the bill, such employment would be excluded from unemployment insurance, but would continue to be covered under social security. The exclusion from unemployment insurance would be effectuated by requiring that State unemployment compensation laws, to receive Federal approval, must be amended to conform with the exclusion provided in H.R. 12080.

I hope that this statement will be helpful.

Sincerely yours,

Robert M. Ball,
Commissioner of Social Security.

Mr. ERVIN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back. The question is on agreeing to the amendment of the Senator from North Carolina [Mr. Ervin].

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. Mr. President, on this vote I have a pair with the distinguished Senator from Florida [Mr. Holland]. If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Oklahoma [Mr. Harris], the Senator from Arizona [Mr. Hayden], and the Senator from Alabama [Mr. Sparkman] are absent on official business.

I also announce that the Senator from Connecticut [Mr. Dodd], the Senator from Florida [Mr. Holland], the Senator from Wyoming [Mr. McGee], and the Senator from Georgia [Mr. Talmadge], are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. Cannon], the Senator from Oklahoma [Mr. Harris], and the Senator from Wyoming [Mr. McGee] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Carlson], the Senator from Illinois [Mr. Dirksen], the Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Murphy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper], the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt], and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Massachusetts [Mr. Brooke] is detained on official business.

If present and voting, the Senator from Massachusetts [Mr. Brooke], the Senator from Illinois [Mr. Dirksen], the Senator from California [Mr. Murphy], and the Senator from Texas [Mr. Tower] would each vote "yea."

On this vote, the Senator from Pennsylvania [Mr. Scott] is paired with the Senator from Kansas [Mr. Carlson]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Kansas would vote "nay."

The result was announced—yeas 75, nays 6, as follows:

[No. 338 Leg.]

YEAS—75

Aiken
Allott
Anderson
Baker
Bartlett
Bayh
Bennett
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Case
Church
Clark
Cotton
Dominick
Eastland
Ellender
Ervin
Fannin
Fulbright
Griffin
Gruening
Hart
Hartke
Hatfield
Hickenlooper
Hill
Hollings
Hruska
Inouye
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Lausche
Long, Mo.
Long, La.
Magnuson
McCarthy
McClellan
McGovern
McIntyre
Metcalf
Miller
Mondale
Monroney
Montoya
Morse
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Percy
Prouty
Proxmire
Randolph
Ribicoff
Russell
Spong
Stennis
Symington
Thurmond
Tydings
Williams, N.J.
Yarborough
Young, N. Dak.
Young, Ohio

NAYS—6

Curtis
Gore
Morton
Smathers
Smith
Williams, Del.

NOT VOTING—19

Brooke
Cannon
Carlson
Cooper
Dirksen
Dodd
Fong
Hansen
Harris
Hayden
Holland
Mansfield
McGee
Mundt
Murphy
Scott
Sparkman
Talmadge
Tower

So Mr. Ervin's amendment was agreed to.

Mr. ERVIN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HRUSKA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LAUSCHE. Mr. President, I voted in favor of the Ervin amendment. My views did not accord with what the Senator from Delaware [Mr. Williams] had advocated. I want to explain my failure to support the Senator from Delaware so that my vote will be thoroughly understood.

In my opinion, there was complete confusion about the facts underlying the two proposals that were before the Senate.

The Senator from Delaware offered his proposal on the basis that prisoners in a penal institution, while serving as prisoners, should not have the benefit of unemployment insurance compensation and social security. The Senator was predicating his argument on the proposition that when a man is a prisoner, subject to confinement by the State, and is working as a prisoner within the prison, he should not be given these privileges.

The argument of the Senator from North Carolina was that in the last 6 months of a parolee in a prison, while he is working outside for private industry or government, that outside work should be credited to the man with the right to enjoy the privileges of social security payments.

My position was that the Senator from Delaware, on the basis of his assumption of facts, properly sponsored his proposal in the committee. The Senator from North Carolina, on the basis that those prisoners who were serving the last 6 months of their prison terms as parolees should be permitted to enjoy social security payments. I finally voted with the Senator from North Carolina.

I did by that action mean to declare that the Senator from Delaware was not right in his understanding of the facts and the basis upon which he made his proposal in the committee.

Mr. WILLIAMS of Delaware. Mr. President, the manner in which I explained the amendment was exactly the form in which it was adopted by the Finance Committee.

The Labor Department ruling explains its position taken on the proposal as well as the position taken by the Civil Service Commission.

Mr. LAUSCHE. The confusion about the whole matter is that the Department of Justice interpreted the letter one way and the Department of Health, Education, and Welfare interpreted it in another way. I am quite certain that there was not a clear understanding as to exactly what the law was.

I commend the Senator from Delaware for his efforts to prevent the Government from making payments to persons while they are in prisons.

My support for the Ervin amendment was because I believe that in the last 6 months when the prisoners are parolees and go out and find private employment, they should be entitled to social security benefits while they and their employers are paying the taxes for coverage of the worker under the social security program.

Mr. WILLIAMS of Delaware. Mr. President, I think I can understand the position of the Department of Justice. They were unalterably opposed to making the correction in the existing law when we mentioned it in committee. Naturally they are opposed to it now. The only way they knew how to meet their objective was to confuse the question.

The Department of Justice has taken the position throughout that a man serving in prison, especially if he is a former Government official, should still be able to increase his retirement benefits as the result of prison work the same as if he were still working in the Government service.

The Department of Justice takes a lot of positions that I do not understand, and this is one of them.

Mr. LAUSCHE. Mr. President, I merely reaffirm my deep faith in the genuine efforts of the Senator from Delaware to achieve justice and deal fairly with all people within our community and our Government.

MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 287. An act for the relief of Wen Shi Yu; and

S. 1781. An act for the relief of Kyong Hwan Chang.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 162) to grant the masters of certain U.S. vessels a lien on those vessels for their wages and for certain disbursements.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6418) to amend the Public Health Service Act to extend and expand the authorizations for grants for comprehensive health planning and services, to broaden and improve the authorization for research and demonstrations relating to the delivery of health services, to improve the performance of clinical laboratories, and to authorize cooperative activities between the Public Health Service hospitals and community facilities, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 6430) to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes.

The message further announced that the House had concurred in the amendment of the Senate to the bill (H.R. 480) to amend the act of October 4, 1961, relating to the acquisition of wet lands for conservation of migratory waterfowl, to extend for an additional 8 years the period during which funds may be appropriated under that act, and for other purposes, with an amendment, in which it requested the concurrence of the Senate.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H.R. 10595) to prohibit certain banks and savings and loan associations from fostering or participating in gambling activities; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Patman, Mr. Multer, Mr. Barrett, Mrs. Sullivan, Mr. Reuss, Mr. Ashley, Mr. Widnall, Mr. Fino, and Mrs. Dwyer were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendment of the Senate to the bill (H.R. 10932) for the relief of Gilmour C. MacDonald, colonel, U.S. Air Force (retired); asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Ashmore, Mr. Tenzer, and Mr. Smith of New York were appointed managers on the part of the House at the conference.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

AMENDMENT NO. 456

Mr. LONG of Louisiana. Mr. President, I call up my amendment No. 456.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. MANSFIELD. Mr. President, may we have order? I would suggest that the Chamber be cleared except for those who have business here.

The PRESIDING OFFICER. The Senator's point is well taken. The Senate will be in order, and the Sergeant at Arms will see that order is restored. The clerk will continue reporting the amendment.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent to dispense with the further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 456) of Mr. LONG of Louisiana, is as follows:

At the end of title V of the bill, add the following:

"TITLE VI—QUALITY AND COST CONTROL STANDARDS FOR DRUGS

"SEC. 601. Title XI of the Social Security Act is amended by inserting immediately below the heading of such title the following: 'PART A—MISCELLANEOUS' and by adding at the end of such title the following new part:

" 'PART B—QUALITY AND COST CONTROL FOR DRUGS PAYABLE FROM FEDERAL FUNDS

" 'SEC. 1130. (a) (1) There is hereby established, within the Department of Health, Education, and Welfare, a Formulary Committee, a majority of whose members shall be physicians and which shall consist of three officials of such Department designated by the Secretary, and of six individuals (not otherwise in the regular full-time employ of the Federal Government) who are of recognized professional standing in the fields of medicine and pharmacy, to be appointed by the Secretary without regard to the provisions of title 5, United States Code, governing appointments in the competitive service. The Chairman of the Committee shall be elected, from the appointed members thereof, by majority vote of the members of the Committee. The term of office of the Chairman shall be one year, but the same person may hold such office for any number of terms.

" '(2) Each appointed member of the Formulary Committee shall hold office for a term of five years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and except that the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, one at the end of the first year, one at the end of the second year, one at the end of the third year, one at the end of the fourth year, and one at the end of the fifth year, after the date of appointment. A member shall not be eligible to serve continuously for more than two terms.

" '(b) Appointed members of the Formulary Committee, while attending meetings or conferences thereof or otherwise serving on business of the Committee, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

" '(c) (1) The Formulary Committee is authorized to engage such technical assistance as may be required to carry out its functions, and the Secretary shall, in addition, make available to the Formulary Committee such secretarial, clerical, and other assistance as the Formulary Committee may require to carry out its functions.

" '(2) The Secretary shall furnish to the Formulary Committee such office space, materials, and equipment as may be necessary for the Formulary Committee to carry out its functions.

" 'FORMULARY OF THE UNITED STATES

" 'SEC. 1131. (a) (1) The Formulary Committee shall compile, publish, and make available a Formulary of the United States (hereinafter in this title referred to as the "Formulary").

" '(2) The Formulary Committee shall periodically revise the Formulary and the listing of drugs so as to maintain currency in the contents thereof.

" '(b) (1) The Formulary shall contain an alphabetically arranged listing, by established name, of those drugs which the Formulary Committee finds are necessary for recipients of aid, assistance, benefits, or services under the several programs operated or supported by the Department of Health, Education, and Welfare and for which Federal funds are to be expended. The Formulary Committee may exclude from the Formulary any drugs which the Formulary Committee determines are not necessary for proper patient care, taking into account other drugs that are available from the Formulary.

" '(2) The Formulary Committee may also include in the Formulary, either as a separate part (or parts) thereof or as a supplement (or supplements) thereto, any or all of the following information:

" '(A) A supplemental list or lists, arranged by diagnostic, prophylactic, therapeutic, or other classifications, of the drugs included in the listing referred to in paragraph (1).

" '(B) The proprietary names under which a drug listed in the Formulary by established name is sold, and the names of each supplier (as manufacturer, wholesaler, or distributor) of such a listed drug who, on the basis of inspection, sample examination, and a scientific review of promotional claims is in the opinion of the Committee producing or distributing such drug in conformity with the requirements of the Federal Food, Drug, and Cosmetic Act and (where applicable) the Public Health Service Act.

" '(C) Prescribing information (including conditions of use required in the interest of rational drug therapy) which will promote the safe and effective use, under professional supervision, of the drugs referred to in paragraph (1).

" '(D) (i) A listing of the prices charged by the suppliers named in the Formulary; and (ii) the guide or guides as to reasonable cost ranges issued pursuant to section 1133.

" '(E) A prominent statement that payment from Federal funds is restricted to a reasonable acquisition cost range, plus fee, established by the Secretary pursuant to this part, for a drug listed in the Formulary, unless the prescriber, in his order, has specifically designated a drug by its established name together with the name of the manufacturer of the final dosage form thereof.

" '(F) Any other information which in the judgment ofthe Formulary Committee would be useful in carrying out the purposes of this part.

" '(c) In considering whether (under the authority contained in subsection (b)) a particular drug shall be included in the Formulary, the Formulary Committee is authorized to obtain (upon request therefor) any record pertaining to the characteristics of such drug which is available to any other department, agency, or instrumentality of the Federal Government, and, as a condition of such inclusion, to require suppliers of drugs to make available to the Committee information (including information obtained through testing) relating to such drug. If any such record or information (or any information contained in such record) is of a confidential nature, the Formulary Committee shall exercise utmost care in preserving the confidentiality of such record or information and shall limit its usage thereof to the proper exercise of such authority.

" '(d) (1) The Formulary Committee, in addition to such data and testing as it may require of a proponent of the listing of a drug in the Formulary, shall have authority to cause to be made such tests, and shall establish such procedures, as may be necessary to determine the propriety of the inclusion or exclusion, in the Formulary, of any drug. The Formulary Committee may enter into agreements, on a reimbursable basis or otherwise, with public or private agencies or organizations which the Formulary Committee finds qualified to conduct such tests under which such agencies or organizations will make all or any of such tests for and on behalf of the Formulary Committee.

" '(2) The Formulary Committee, prior to making a final determination to remove from listing in the Formulary any drug which would otherwise be included under subsection (b) of this section, shall afford a reasonable opportunity for a hearing on the matter to any person engaged in manufacturing, preparing, propagating, compounding, or processing such product who shows reasonable grounds for such a hearing. Any person adversely affected by the final decision of the Formulary Committee may obtain judicial review in accordance with the procedures specified in section 505(h) of the Federal Food, Drug, and Cosmetic Act.

" '(3) Any person engaged in the manufacture, preparation, propagation compounding, or processing of any drug not included in the Formulary which such person believes to possess the requisites to entitle such drug to be included in the Formulary pursuant to subsection (b), may petition for inclusion of such drug and, if such petition is denied by the Formulary Committee, shall, upon request therefor, showing reasonable grounds for a hearing, be afforded a hearing on the matter. The final decision of the Formulary Committee shall, if adverse to such person, be subject to judicial review in accordance with the procedures specified in section 505(h) of the Federal Food, Drug, and Cosmetic Act.

" 'QUALIFIED DRUG

" 'SEC. 1132. As used in this title, the term "qualified drug" means a drug—

" '(a) which (1) is listed in the Formulary, or (2) is furnished to a patient by a hospital which (A) is accredited by the Joint Commission on Accreditation of Hospitals or the American Osteopathic Association and (B) utilizes a formulary system established by a pharmacy and therapeutics committee (or equivalent committee) in accordance with standards established by such commission or association, or (3) is a prescription legend drug prescribed in the handwriting of a lawful prescriber by its established name together with the name of the manufacturer of the final dosage form thereof, and

" '(b) the label on the package or container from or in which such drug is dispensed in final dosage form bears, in accordance with regulations of the Secretary, the registration number (assigned under section 510(e) of the Federal Food, Drug, and Cosmetic Act) of the person or establishment which manufactured, prepared, propagated, compounded, or processed such drug in such form and, if different, also the registration number (so assigned) of the final packager of such drug.

" 'REASONABLE ACQUISITION COST RANGE

" 'SEC. 1133. (a) (1) The Secretary shall establish and publish (and periodically revise so as to keep current) a guide or guides showing the reasonable acquisition cost range (to establishments dispensing drugs) of each qualified drug listed in the Formulary and the names of the suppliers of the products upon which the cost range for a qualified drug is based. If the sources from which such a drug is available charge different prices therefor to different classes or types of dispensers, the Secretary may, in establishing the reasonable acquisition cost range for any drug, establish such a range for each class or type of dispenser of such drug.

"'(2)(A) The reasonable acquisition cost range of any particular drug shall not exceed the amount or amounts at which such drug is generally available for sale (to establishments dispensing drugs) in a given strength or dosage form by its established name or, if lower, by proprietary designation; and in any case in which a drug is so available and so sold by more than one supplier, the Secretary shall exclude, in determining such cost range, amounts (at which such drug is so available and so sold) which vary significantly from the amounts at which such drug is so available and sold by other suppliers thereof. If a particular drug in the Formulary is available from more than one supplier, and such drug as available by proprietary designation possesses distinct therapeutic advantages (as determined by the Formulary Committee), then the reasonable acquisition cost range of the drug bearing such proprietary designation shall be the price at which it is generally available to such establishments.

"'(3) In considering (for purposes of establishing a reasonable acquisition cost range for any drug) the various sources from which and the varying prices at which such drug is generally available, there shall not be taken into account the price of any drug which does not meet the conditions set forth in section 1132(b).

"'REASONABLE CHARGE FOR DRUGS

"'SEC. 1134. (a) For purposes of this part, the term "reasonable charge" means the following:

"'(1) When used with respect to a prescription legend drug, such term means the lesser of—

"'(A)(1) those charges for a qualified drug which do not exceed the actual or accounting basis cost to the dispenser of the drug dispensed and which, in the case of a drug described in section 1132(a) (1) or (2), are within the reasonable acquisition cost range established pursuant to section 1133, plus (1) a reasonable fee as determined pursuant to this section, or

"'(B) the usual or customary charge at which the dispenser sells or offers such drug to the public.

"'(2) When used with respect to a prescribed nonlegend drug, such term means those which do not exceed the usual or customary price at which the dispenser offers or sells the product to the general public, plus a reasonable billing allowance.

"'(b) The Secretary shall, after appropriate consultation with private organizations representing those who render pharmaceutical services and governmental agencies affected, establish criteria for determining the amounts of (1) the fee (which shall include but shall not be limited to costs of overhead, professional services, and a fair profit) and (2) reasonable billing allowances for prescribed nonlegend drugs dispensed.

"'(c) The Secretary shall, on a reimbursable basis or otherwise, enter into an agreement with any State which designates a public agency for the purpose of establishing reasonable fees for the dispensing of drugs in such State under which agreement such agency will (for purposes of this title) determine, in accordance with such criteria, and after appropriate consultation with organizations and agencies of the kinds referred to in subsection (b), reasonable fees or billing allowances for or in connection with the dispensing of drugs in such State.

"'(d) Whenever the Secretary determines that, in a particular State or other geographic area, the price at which a particular drug is generally available varies substantially from the price at which such drug is usually sold in other areas, he may make appropriate adjustments in the reasonable acquisition cost range for such drug with respect to such area.

"'(e) Nothing in this section shall be construed to prevent any supplier or dispenser of any drug from charging less than the reasonable acquisition cost or reasonable charge.

"'DEFINITIONS

"'SEC. 1135. For the purposes of this part—

"'(1) The term "drug" means a "drug" as defined in section 201 of the Federal Food, Drug, and Cosmetic Act (including those specified in section 351 of the Public Health Service Act).

"'(2) The term "established name" with respect to a drug means its "established name" as defined in section 502(e) of such Act.

"'(3) The term "prescription legend drug" means a drug described in section 503(b) (1) (A), (B), or (C) of such Act.

"'(4) The term "prescribed nonlegend drug" means a drug which is not a prescription legend drug but is dispensed upon prescription of a practitioner licensed by law to administer such drug.

"'LIMITATIONS ON FEDERAL LIABILITY FOR CHARGES OF PROVIDERS OF SERVICES

"'SEC. 1136. Any supplier of drugs whose services (including the cost of the drug supplied) are reimbursable under any title of this Act on the basis of "reasonable cost" shall not be entitled to a fee or billing allowance as determined pursuant to this part; nor shall such fee or billing allowance be payable under any such title with respect to any drug that can (as determined in accordance with regulations) be self-administered, is furnished as an incident to a physician's professional service, and is of a kind commonly furnished in physicians' offices and commonly either rendered without charge or included in the physicians' bills.'

"LIMITATIONS ON FEDERAL FINANCIAL LIABILITY UNDER MEDICAL INSURANCE AND ASSISTANCE PROGRAMS

"SEC. 602. (a) Effective with respect to expenditures made after June 30, 1970, section 1903 of the Social Security Act, as amended by this Act, is further amended by adding at the end thereof the following new subsection:

"'(g) Notwithstanding the preceding provisions of this section, in determining (for purposes of subsection (a)) the amounts expended as medical assistance by a State under its State plan approved under this title, there shall not be counted (1) so much of the cost of any drug as exceeds the reasonable charge for such drug as determined under section 1134, or (2) any part of the cost of such drug if such drug is not a qualified drug as determined under section 1132.'

"(b) With respect to services furnished after June 30, 1970, section 1861(v) of the Social Security Act is amended by adding at the end thereof the following new paragraph:

"'(5) Notwithstanding the preceding provisions of this subsection, if any services provided under this title include the furnishing of any drug or biological to an individual, there shall not be counted in determining the cost of such services—

"'(A) so much of the cost of such drug or biological as exceeds the reasonable charge therefor as determined under section 1134, or

"'(B) any part of the cost of such drug or biological if it is not a qualified drug as determined under section 1132.'

"ASSIGNMENT OF REGISTRATION NUMBERS TO DRUG PRODUCTS—USE OF SUCH NUMBER ON DRUG LABEL

"Assignment of registration numbers

"SEC. 603. (a) Section 510(e) of the Federal Food, Drug, and Cosmetic Act is amended to read as follows:

"'(e) The Secretary shall assign a registration number to every person or establishment, registered in accordance with this section, that manufactures, prepares, propagates, compounds, or processes a drug or drugs in final dosage form, or that (if different) is the final packager (as defined by regulation) of such drug or drugs in such form, and he may assign a registration number to any other person or establishment so registered.'

"Label disclosure of registration number—When required or prohibited

"(b) Such Act is further amended by inserting after section 510 and before section 511 the following new section:

"'PLACEMENT OF REGISTRATION NUMBER ON DRUG LABEL—WHEN REQUIRED OR PROHIBITED

"'SEC. 510A. (a) Except as otherwise provided in subsection (b)—

"'(1) every person who owns or operates an establishment, registered under section 510, in which is manufactured, prepared, propagated, compounded, or processed, in final dosage form, a drug or drugs intended for use by man, shall, in accordance with regulations, cause the registration number assigned to such person or establishment pursuant to subsection (e) of such section and the complete name of such person or establishment to be placed on the label of each package or container containing any such drug so manufactured, prepared, propagated, compounded, or processed, in such establishment, and

"'(2) unless the establishment referred to in paragraph (1) is also the final packager (as defined by regulation) of such drug or drugs in such form, the person who owns or operates the establishment which is such final packager shall cause to be placed on the label of each final package or container of such drug so packaged both the complete name and registration number (assigned pursuant to section 510(e)) of such person or final packaging establishment and the name and registration number referred to in paragraph (1).

"'(b) Any other person owning or operating an establishment having a registration number assigned pursuant to section 510 may, except as otherwise provided in subsection (c) or by regulation, place such registration number on packages of drugs of which it is a manufacturer, packer, or distributor.

"'Prohibition against placing of registration number on packages of drugs made during period of law violation

"'(c)(1) If the Secretary has, by order, determined that a drug that is intended for use by man and that is being manufactured, prepared, propagated, compounded, or processed by a person to whom, or in an establishment to which, a registration number has been assigned pursuant to section 510 (e), is not in conformity with applicable law, the registration number assigned to such person or to such establishment (as may be specified in such order) may not, after the Secretary has served notice of such order (or, if the order specifies a later effective date, then such date) and while such order is in effect, be placed, by anyone having notice of such order, on the label of any package of such drug manufactured, prepared, propagated, compounded, or processed by such person or in such establishment. The Secretary's order shall set forth the respects in which he has determined that such drug is not in conformity with applicable law.

"'(2) For the purposes of this subsection, a drug shall, with respect to any person or establishment referred to in an order pursuant to such paragraph, be deemed not to be in conformity with applicable law if such drug (A) is deemed to be adulterated or misbranded within the meaning of this Act, or (B) is a new drug with respect to which there is not in effect an approval of an application filed pursuant to section 505(b) of this Act or which is not in conformity with such approved application, or (C) is a drug with respect to which occurs an act or omission (attributable to such person or establishment or to any person in his employ or under his control) that is prohibited by section 301 (e), (f), (i), (o), (q), or (s) of this Act, or (D) is a product referred to in section 351 of the Public Health Service Act and (i) fails to meet a standard relating thereto prescribed pursuant to that section, or (ii) with respect to which there is not in effect a required license issued by the Secretary, or (iii) with respect to which there is a violation of subsection (b) or (c) of that section.

"'(3) Notice of the Secretary's order issued pursuant to paragraph (1) shall be served by telecommunication, or in the manner specified in section 505(g), upon the person registered under section 510 and referred to in such order, and thereupon such person and all other persons in such person's employ or under his control shall be deemed to have notice of such order for the purposes of this subsection.

"'(4) The Secretary shall terminate an order issued in accordance with paragraph (1) with respect to a drug when he is satisfied that the conditions or practices giving rise to such drug's not being in conformity with applicable law no longer obtain.

"'(5) Any person adversely affected by an order of the Secretary pursuant to paragraph (1) may, at any time while such order is in effect, file with the Secretary a petition to modify, revoke, or terminate such order. The Secretary, prior to making a final decision on such petition, shall afford to the petitioner, upon a showing of reasonable grounds therefor, a reasonable opportunity for a hearing on the matter. When in the judgment of the Secretary the public interest will not be jeopardized thereby he may stay the effectiveness of his order pending his final decision on such petition. The petitioner, if adversely affected by the final decision of the Secretary, may obtain judicial review thereof in accordance with the procedures specified in section 505(h).

"'(6) The Secretary may cause such inspections to be made of the establishments of persons registered as producers of drugs under section 510, and such samples of drugs to be obtained from such persons and establishments and analyzed, and in conjunction with the Formulary Committee (established by title XI of the Social Security Act) employ such other tests and procedures, as may be necessary to determine, on a current basis, whether any drug being manufactured, prepared, propagated, compounded, or processed by any such person or establishment for use by man is not in conformity with applicable law within the meaning of this subsection. In conducting such inspections (or any investigation or other proceeding related thereto) the Secretary may exercise any authority conferred upon him under this Act with respect to inspections and other procedures for the enforcement of section 510.'

"(c) Section 301 of such Act is amended by adding at the end thereof the following new paragraphs:

"'(r) The placing, or permitting to be placed, on the label of any package containing any drug a registration number in violation of section 510A(c).

"'(s)(1) The failure to place on the label of a drug package a registration number or other information required to be placed thereon by section 510A(a).

"'(2) The labeling of any drug in such manner as to indicate or imply, contrary to fact, that the label of any package of such drugs conforms to paragraph (1) or (2) (or both) of section 510A(a) (when read without regard to the exception preceding such paragraphs).'

"(d) Section 301 of such Act is further amended by inserting the following immediately before the period at the end of paragraph (1): 'or by section 510A'.

"(e) Section 503(a) of such Act is amended by inserting the following after 'labeling or packaging requirement of this Act': ', except any applicable requirement of section 510A(a),'."

On page 325 of the bill, insert "(including drugs)" after "assistance" in line 14, and insert "community pharmacy," after "agency," in line 15.

Mr. LONG of Louisiana. Mr. President——

The PRESIDING OFFICER. The Senator will suspend until order is restored. The Sergeant at Arms will clear all persons from the Chamber who do not have business here.

The Senator from Louisiana may proceed.

Mr. LONG of Louisiana. Mr. President, this amendment relates to drugs. It would save about $100 million a year in providing drugs under medicaid, under State plans. This is one amendment which would help offset the cost of some of the items added to the bill, which increase the total cost.

Basically, the way the amendment would save a great deal of money is that it would require, under State plans for medicaid, that drugs payments wherever possible be on a generic-name basis, and that those drugs must all be tested to assure adequate quality. That, may I say, might require stricter testing and inspection requirements than those presently employed, to assure that when people buy drugs, they will be safe to use and conform to established standards.

Hearings before the Nelson committee have shown that all sorts of drugs bought by the Government from major manufacturers, have not always been up to the standards that they should have. This amendment would require that such drugs be tested to make sure that they conform to desirable standards. Consequently, the drugs prescribed would be safer drugs, they would be of a better quality, and the Government would save about $100 million a year in buying them, because they would generally be purchased on a competitive basis, by the actual name of the product, rather than on a brand-name basis.

Let me just give some examples, Mr. President. Here are some drugs produced by some of the bigger companies—well known. These examples are typical, and not at all unusual, cases in which the drugs were complained of as not meeting specifications and not up to quality standards. That situation would be prevented by better testing, as provided for in my amendment.

For example, here is tetanus toxoid produced by the Lederle Laboratories; it had a bad patient reaction, and was not of the proper quality.

Diphtheria typing serum, for anti-RHO, the same thing; improper results obtained.

Penicillin tablets, by Eli Lilly; unsatisfactory patient reaction.

Tuberculin purified protein derivative, by Parke-Davis; lack of activity.

Antigen Lymphogranuloma Venereum, by Squibb; positive-negative response.

Proparacaine hydrochloride, by Squibb; patient reaction.

Mr. President, Senators can come and look at the list. All of these various companies are listed as putting out drugs that do not meet with the required quality standards. Senators will recognize many of the names: Wyeth Laboratories, Winthrop Laboratories, Eli Lilly, Norwich Pharmaceutical, Abbott Laboratories—all of these major companies have been known to put out drugs and sell them to the Government which allegedly do not provide the quality they are supposed to have. I can name others—Pfizer, Schering, Merck, Sharp & Dohme, Winthrop Laboratories, Warner Chilcott, and various other well-known companies—practically all the major companies—have put out, from time to time, drugs that were not of proper quality.

This amendment provides that when the drugs are manufactured, the registration number and the name of the company, are put on the package, and that number means the laboratory has been inspected and its products have been adequately tested, by whatever the appropriate method would be to guarantee proper quality; and that whenever the druggist puts that commodity up on the shelf to sell, it is of the quality it should be.

The amendment requires in the main, that products be described by generic name in the formulary but it provides further that if States wish to go along with a doctors who believes that in a particular case one company manufactures the only acceptable drugs, even though 50 others manufacture it, of a quality adequate to meet his needs, if he has perfect faith, for example, in Pfizer, or perfect faith in Squibb, or perfect faith in Lederle; if he believes in them, or in Eli Lilly, as by all means the best manufacturer, if a State so provides in its plan, as some do, the doctor may simply write down, let us say, tetracycline, which is a generic name—the drugs come under different brand names, but that is the real name—if the doctor wants to write in, following the generic term, the name of his preferred manufacturers—Pfizer, Squibb, or Lilly—then the pharmacist, in filling the prescription, is required to furnish that particular product; and thus they can meet the doctor's argument that he may know more about one company's product than another's and therefore prefers it.

New York City has used that procedure, and I am told that in only a small percentage of the cases do the doctors undertake to specify a particular brand of the same drug.

Here is a letter from the Department of Welfare of the City of New York, signed by Dr. Linda Mazzola, M.D., director of the division of medical care, saying that:

> The department's generic prescribing policy has been very successful in limiting expenditures for drugs.

Kentucky has a similar plan. They are saving about $1,600,000 a year on drugs there.

Here is a letter from Dr. Russell E. Teague, M.D., commissioner of health for the State of Kentucky. He said that a study there indicates that:

> Within a 12-month period, we will have saved the program $1,600,000, by the use of generic drugs.

Mr. President, the price variation is utterly fantastic. In many instances, we have the same company manufacturing the generic drug and the same product under a trade name, and selling it for about 10 times the price of its own generic name product.

Mr. President, I have had a chart placed in front of the Senate Chamber so that we can exhibit this enlarged Herblock cartoon.

Let me just give an example. Lilly and Squibb, for example, are two of the largest manufacturers of drugs by their generic names. As a matter of fact, 95 percent of the generic drugs are manufactured by the Pharmaceutical Manfacturers Association, according to their testimony. They all claim to be quality drug manufacturers. They manufacture products to sell by generic name and also by trade name.

There is one thing that these drug manufacturers have in common. They have always tried to see that the generic name, the real name of the product, is some unpronounceable mouth-filling word, sometimes more than filling one's mouth when it get tangled up in his wisdom tooth.

These companies arrange it so that the generic name is not as easy to pronounce or describe and it therefore makes it very easy to get doctors to use short, catchy brand names and to charge 10 times as much as they could charge for the same drug by the awkward generic name.

Within the last week, a cartoon by Herblock, has illustrated that situation extremely well.

We see in this cartoon the pharmaceutical companies injecting drugs into the doctors and patients. They are using a big hypodermic needle which says on it: "Promotion and propaganda."

Senators will note that the drug comes out of the same bottle, a bottle which is labled "High-price brand name: Researcho Puro—Generic name: Phonus balonus."

Mr. President, this drug comes out of the same bottle in the carton. So, if one gets the Researcho-Puro, he pays 10 times as much as he would if he were to receive the drug by the generic name.

If one is talking about a wonder drug, one of the finest of these drugs is tetracycline. If we call that wonder drug by that name, it would be like calling the drug in the carton by the name of "phonus balonus." The drug is made by the same manufacturer on the same production line.

If one buys the drug under the name of Tetracycline, he pays one-tenth as much as if he were to buy it from the same manufacturer under the name of Achromycin. In that event, he would have to pay a lot more money for the same drug.

Achromycin, sold by its generic name, would cost $2.75. Sold by the trade name, it would cost $12.74.

Benadryl is a generic name of another drug. These are all wholesale prices provided to me by the people who sell these drugs, the American Pharmaceutical Association.

If one were to buy Benadryl by its generic name, it would cost $4.75. However, if one were to buy the same drug by its fancy name, it would cost $13.75.

Butisol sodium is a drug that helps people to sleep at night. It is a sleeping tablet. If one were to buy that drug by its generic name, it would cost $1.08. By the trade name, it would cost $18.45. Imagine that. It would cost almost 20 times as much.

Chlor-Trimeton is a very much used drug. By its generic name it costs $1.20; by the trade name it costs $19.50.

Some people take some of these drugs habitually. They take a great deal of them. For example, in connection with the drug Thyroid, people who have a thyroid deficiency take one of those tablets, several grains, two or three times a day every day for their entire lives.

If one were to buy Thyroid by its generic name, it would cost $1.04, by trade name the cost is four times as much.

If we want to go along with all this hocus-pocus and have a fancy name put on the bottle, it is like the story I used to tell, a story told to me by my father about low poplarhirum and high poplarlorum.

If we want to buy a product by the official name of the product, there can be a saving of a fantastic amount of money.

Huge amounts of money have been spent propagandizing doctors. All sorts of evidence is avaiable. Evidence was presented before the committee so ably headed by the Senator from Wisconsin [Mr. NELSON], who is a sponsor of this amendment.

This evidence demonstrates that a fantastic amount of free samples are given away by drug companies. One doctor who is working at Vanderbilt University, and who is probably not even practicing—indicated that over a short period of time he received enough free samples and propaganda mailed to him by the drug companies, to fill three big shopping baskets.

I believe studies indicate that the drug companies spend about $4,000 per doctor to propagandize the doctors to the effect that drugs should be prescribed by the trade name rather than by their official names.

If one talks to the pharmacists about this, he will find that they are strongly in favor of the amendment. This would help the druggists because it provides that the druggists can sell drugs to welfare clients at their acquisition cost plus a professional fee.

Let us look at what might be a fair price range for a product. Suppose we had 40 brands of tetracycline. About 10 of them would seem to be priced within a reasonable range. Suppose that these 10 products were priced from $1 to $4. We might say that $4 is about as high as we ought to pay. So, we would allow $4 plus a professional fee of, let us say, $2. That would be a total of $6, compared to a wholesale price of as much as $18 for another brand of the same drug.

I am happy to report that the Comptroller General of the United States supports the amendment. The amendment is also supported and approved, in this modified form by the Department of Health, Education, and Welfare and I have been so informed by Under Secretary Cohen, who said that I can say that the Secretary also approves the amendment. The Department, I expect, will also ultimately receive the approtions necessary to implement this amendment.

Mr. LAUSCHE. Mr. President, I do not intend to challenge the statement made by the Senator from Louisiana. However, is the Senator in a position to give the argument of the pharmaceutical companies in answer to this charge concerning the extraordinary difference in the costs of buying under a generic name and under a straight brand or trade name? What answers do the companies give for that?

Mr. LONG of Louisiana. Mr. President, I believe it would be best if one who speaks for them were to make their argument.

As far as I am concerned, I have heard those arguments ad infinitum. I am not impressed by them.

A number of companies do try to suggest, for example, that some companies might not have adequate manufacturing resources, and that a doctor would know whether one product were better than another.

The companies make all sorts of arguments. Frankly, I gain the impression that most of these arguments are misleading. How would a doctor know whether Pfizer's tetracycline is better than Squibb's tetracycline, if he had not tried both products on the same patient

Mr. LAUSCHE. Ever since this issue has been discussed in the Senate, I have been of the belief that we should do something about the shocking disparity between the price of a drug of the same quality, and the same ingredients, sold under the trade name as distinguished from its generic name.

Mr. LONG of Louisiana. I thank the Senator.

We are talking about drugs. This has nothing to do with a drug that is patented to a particular manufacturer, a drug that cannot be produced by others. In that case, we would pay whatever the manufacturer usually charges.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. NELSON. Mr. President, if the author of the amendment has no objection, I ask unanimous consent to have the name of the distinguished junior Senator from New York [Mr. KENNEDY] listed as a cosponsor at the next printing of the admendment.

Mr. LONG of Louisiana. I am happy to add the name of the Senator from New York.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that, if it has not already been done, the name of the Senator from New Mexico [Mr. MONTOYA] be listed as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON. Mr. President, if the Senator will yield a moment or two, I want to comment on a question raised by the distinguished Senator from Ohio.

I point out that the amendment of the Senator from Louisiana establishes a formulary committee. This is an old idea. It is not a new idea.

The city of New York, for example, has a formulary committee, and most major hospitals in America have formulary committees.

The formulary committee of a hospital or a city, or whatever organization it is, purchases for that institution or for those institutions.

The formulary committee is composed of distinguished practicing physicians, clinicians, pharmacologists, and pharmacists in the particular hospital if it is a hospital formulary committee. Then this hospital formulary committee decides what drugs they shall use, and they will include in almost every formulary brand-name drugs and generic drugs. As a consequence of the development of this formulary, they have drugs of high quality, and they are able to save large amounts of money. The monopoly subcommittee hearings on prescription drugs has had considerable testimony on this point. I shall not attempt to put it all in the Record, but I should like to submit one example. This is from a statement by Dr. Margaret M. McCarron, associate clinical professor of medicine, University of Southern California School of Medicine. She is assistant medical director and chairman of the therapeutic committee, Los Angeles General Hospital, Los Angeles Calif. I might say, as an aside, that this hospital has a formulary that is nationally recognized.

This is what Dr. McCarron said:

> Because of recent advances in pharmacology, many potent therapeutic agents are available that require special knowledge for safe administration. The medical staff needed an authoritative guide to the selection of drugs, an understanding of their pharmacological properties, information regarding adverse effects and contraindications, and specific instructions regarding the policies and procedures for using these drugs at the Los Angeles County General Hospital.
>
> Believing that the chance for error would be less if the entire staff became familiar with a limited number of medications, the therapeutics committee at the Los Angeles County General Hospital evaluated each of the 1,500 drugs in the pharmacy, and in consultation with the medical staff, selected 550 items to be included in the hospital formulary as "standard" hospital drugs.
>
> Senator Nelson. These 550 made up your formulary; is that correct?
>
> Dr. McCarron. Yes.
>
> Senator Nelson. And the doctors are required to prescribe from the formulary?
>
> Dr. McCarron. Yes.
>
> Senator Nelson. Is your formulary all in generic terms?
>
> Dr. McCarron. Yes. In our formulary the drugs are listed in alphabetical order by generic name.

With respect to the cost, she testified as follows:

> The annual drug budget at the Los Angeles County General Hospital is approximately $2 million. This is based on maintaining an inventory of about 550 drugs. If we were not operating on a formulary system, the inventory would be multiplied many times on some items and the total inventory would probably be doubled.
>
> For example, the 1967 edition of the "Physicians' Desk Reference" lists 108 different brands of antihistamines. The Los Angeles County General Hospital Drug Formulary lists eight. If we carried each brand according to the physician's preference, we would be unable to accurately gage consumption and would lose our advantage in competitive bidding.

We have recorded testimony, from New York City and elsewhere, by representatives of distinguished hospitals in the country that use a formulary. Each hospital has made substantial savings; and all drugs selected by the formulary committee are quality drugs, so that the doctors have confidence in prescribing them.

I am satisfied that this is a sound, sensible approach that will provide great economies.

Let me cite one example, on the retail level, of a recent development. I have a letter signed by John P. Kern, manager of prescription operations of Gray's Drug Stores, and another from the Peoples Drug Stores. A few months ago the Peoples drug chain and the Gray's drug chain, consisting of over 400 retail outlets, announced that they were going to maintain complete inventories of quality generic drugs. The advertisement of the Gray's Drug Stores contained this statement:

> Gray's generic prescription prices are set on a flexible, "professional fee" basis, which enables us to offer best quality available at the lowest possible cost. Generally, a generic drug prescription will be about half the price or less than that of a prescription written for a brand name of the drug.

So that what Gray's Drug Stores and Peoples Drug Stores are now saying is that they will stock a supply of quality generic drugs upon which doctors can rely, and which, if used, will result in prescription prices being cut in half, compared with the trade name prices in those drug stores.

Now, if a formulary system can be used in the most advanced hospitals in America—and all the advanced hospitals use them—and can be used by the purchasing agents of the city of New York and other great cities, then a formulary system to save money can be used by the Government of the United States.

Mr. LONG of Louisiana. Mr. President, I have 8 minutes remaining.

I appreciate what the Senator from Wisconsin has said. I refer to a statement which was developed by the Nelson committee, I believe. It is a statement made by Dr. Burack who is a professor of pharmacology at Harvard University and a practicing physician. He said:

> According to Dr. Goddard, as much as $800 million is spent per year on something more than 200,000 prescribing doctors.

This means that approximately $3,000 to $4,000 a year is spent on each doctor in an effort to influence his prescribing habits. If these companies can spend $800 million—$800 million—$4,000 per doctor, for the purpose of propagandizing doctors with the idea that achromycin is far better if bought by the trade name than by the official name of the drug—if they can afford to spend $800 million to propagandize something that is generally not true, that their product is better than the other fellow's—when it is all usually the same thing—this is an area where tremendous savings can be made. The public can have better quality because of improved inspection and testing, and the consumer will also have the benefit of reduced prices. This is an area in which great incidental savings also can be made.

Mr. President, I reserve the remainder of my time. I believe that the time in opposition should be assigned to another Senator, and I believe it would be appropriate that the Senator from Indiana be assigned the time in opposition.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield for a question.

Mr. MAGNUSON. I should like to remind the Senator from Louisiana of my interest in this matter. It was vividly brought to my mind with the untimely death of Mrs. Kefauver. Senator Kefauver and I started a long time ago to do what the Senator is doing in the pending measure.

At that time, because the Committee on Commerce did not have the staff, we permitted Senator Kefauver to take the matter in the Committee on the Judiciary. We made a beginning in this field.

The subject is now in the proper committee because this situation hurts in the main the people on social security.

The latest figures from my State indicate that between 17 and 20 percent of the little money received by people on social security is spent for drugs. This is where it hurts.

The PRESIDING OFFICER. The Chair advises the Senator from Louisiana that, under the rules, the time in opposition should be under the control of the minority leader or someone designated by him, unless by unanimous consent the time is assigned to someone else.

Mr. CURTIS. Mr. President, I shall speak in opposition.

The PRESIDING OFFICER. The Senator can still use time, but the Chair wished to clear up that point.

Mr. LONG of Louisiana. I yield at this time to the distinguished Senator from Michigan.

Mr. HART. Mr. President, I am grateful that the distinguished Senator from Washington reminded all of the role that the late Senator Kefauver played in this field. The man from Tennessee made considerable progress over very heavy opposition.

Mr. President, I think the amendment pending here is a mild and restrained response to a most serious problem. I thing the time is close at hand when we will move far beyond this and again the initial driving force will have been Senator Kefauver.

I remember the fight that Senator Kefauver made in 1962. I was proud to be with him in the Judiciary subcommittee and all the way through. That effort resulted in putting the generic name in bold print on the package or material. However, that does not assure that the physician will prescribe generically.

There has been talk about unknown products, that generics are unsafe. In my book, that was semi-nonsense 8 years ago. In those early hearings, we had testimony from physicians who said the patient could not be protected if he prescribed generically. Yet in the same hearings 8 years ago there will be found testimony by the director of health of a major city in Connecticut, I believe, stating that that city required that in the case of a welfare patient, the patient be given a generically prescribed drug. I remember the position taken by a county medical society. I think it was in Texas. The physicians' society required that prescriptions given welfare cases be generic. Imagine: Not safe for me—unless I am a welfare case. This was before the 1962 Food and Drug amendments; before the additional inspection authority and control given the Food and Drug Administration in the 1962 amendments.

I think this was a charge overstated 8 years ago. It should be laid to rest now. This amendment, I hope, will be agreed to. It will do deserved credit not alone to Estes Kefauver, but also to those who have continued his good fight. The able chairman of the Finance Committee, Senator RUSSELL LONG, whose amendment it is, and the effective Senator from Wisconsin [Mr. NELSON], whose recent hearings continue to remind us of the needs of the people of this country to obtain safe drugs at reasonable cost.

Mr. CURTIS. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER (Mr. SPONG in the chair). The Senator from Nebraska is recognized.

Mr. CURTIS. Mr. President, the other day the Senate rejected an amendment relating to drug control. The amendment before us is not identical, but it involves the same area. The amendment presented to us today is amendment No. 456, and it consists of 21 pages. I do not believe that a program of this magnitude could be instigated by agreeing to an amendment on the floor of the Senate as as an amendment to the social security bill. Many committees have spent a great deal of time on this subject. I am sure if those committees come to the conclusion that a particular program of drug control is necessary, they will report a bill together with a committee report for the consideration of the Senate.

Mr. President, make no mistake about it. We are asked at this time to place far-reaching controls on the drug industry as an amendment to the social security law, with 30 minutes of debate on each side.

Let us take a look at these 21 pages we are asked to buy. On page 2 there is established a Formulary Committee. On page 3 that Formulary Committee shall receive compensation, but not exceeding $100 per day.

> The Formulary Committee is authorized to engage such technical assistance as may be required to carry out its functions.

How big a bureau? They will decide that.

> The Secretary shall, in addition, make available to the Formulary Committee such secretarial, clerical, and other assistance as the Formulary Committee may require to carry out its functions.
>
> The Secretary shall furnish to the Formulary Committee such office space, materials, and equipment as may be necessary for the Formulary Committee to carry out its functions.

On page 4 it is stated that the Formulary Committee shall compile and make available a Formulary of the United States. In the amendment before us the other day it was brought out that the intention was to provide a copy of that to druggists, doctors, and beneficiaries of the medicare program. I do not know how many copies there will be; perhaps it may be 25 million. Here in 30 minutes we are asked to set up such a bureau, have them decide what medicines should go in there, and make it available. Also, we should make no mistake about it, this is price fixing.

On page 5 it is stated:

> A listing of the prices charged by the suppliers named in the formulary; and the guide or guides as to reasonable cost ranges issued pursuant to section 1133.

In the next paragraph it is stated:

> A prominent statement that payment from Federal funds is restricted to a reasonable acquisition cost range, plus fee, established by the Secretary.

If they ascertain the cost and add up B, is that not price fixing? Are we going to enlarge our Government to take on additional functions and pretend to save money?

Mr. President, on page 6 it is stated:

> (c) In considering whether (under the authority contained in subsection (b)) a particular drug shall be included in the Formulary, the Formulary Committee is authorized to obtain (upon request therefor) any record pertaining to the characteristics of such drug which is available to any other department, agency, or instrumentality of the Federal Government, and, as a condition of such inclusion, to require suppliers of drugs to make available to the Committee information (including information to obtained through testing) relating to such drug.

Mr. President, this matter calls for policing the drug industry. In speaking on this subject a few days ago I pointed out that I have no interest in the drug industry. No one that is near and dear to me has any connection whatever with that industry. However, since this issue has been battered around over a few years I have made it a point to make inquiry of individuals in whom I have the greatest confidence, who are knowledgeable in medicines, as to what is best for the patient. The reply I get is that the basic proposal forcing drugs to be handled by their generic terms, as contrasted to the trade name, is not in the interest of the patient.

Let us think about something that merely meets the requirement of contents and generic terms. That is like saying that every house that has the same number of bricks and the same amount of board feet of lumber in it is equal to every other house of the same amount of material. It is to say that every garment, whether it be a suit or dress, that has the same weight of materials and the same number of yards of material in it is equal as a finished product to every other suit or dress. We know that is not true.

The question of processing, of manufacturing, the question of testing at various points along the way, the question of additional ingredients in the way of filler, besides the generic contents, are all important. The skill and the care, the equipment and the packaging, and the age and reputation of the manufacturer are all part of the medicine.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. CURTIS. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 1 additional minute.

Mr. CURTIS. Mr. President, I come to this conclusion, because the information that I obtain from knowledgeable individuals who are not financially interested at all, is that such regulation of the drug industry is not good for patients and it is not encouraging to the advance of medicine.

Frankly, I doubt very much whether we can set up all this Government control and in the end save any money.

Mr. President, I yield the floor.

Mr. HRUSKA. Mr. President, let me say, first of all, that I am very much in sympathy with the declared objectives of the sponsor of the pending amendment. After all, drug purchases should be managed effectively and wisely, without the sacrifice of quality or efficiency.

I speak, Mr. President, from a background of some 3 to 3½ years of legislative inquiry with the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary when it was headed by the late and highly esteemed Senator Estes Kefauver. The committee processed the Drug Reform Act of 1962.

We took 18 volumes of testimony, I believe in the hearings, on this situation in the drug industry. The formulary committee was one suggested approach among those which were considered. Mr. President, that approach was turned down after careful consideration. We turned out a good Drug Reform Act which was long overdue. The Antibiotics Act had passed in 1937, but it was 25 years old.

Many ideas were advanced in committee which were discarded because when we got into the problem, we found it was very complicated and complex. Proposed laws were attacked on the basis of legislative interference in scientific and professional efforts, judgment, discretion. Those things are not lightly undertaken. They certainly should not be undertaken now with only 30 minutes of debate to each side.

Throughout the antitrust hearings we went back to the basic proposition that America has the most spectacularly developed system of medicine and drugs in the world. Certainly, 7 or 8 years have passed since we had hearings on this in the Antitrust and Monopoly Subcommittee. Therefore, let us reexamine this situation, but let us do it right. The committee wisely decided to refer this matter to the Department of Health, Education, and Welfare and have it make a study. The Department is to issue a report by January 1969. Then let us have hearings upon the basis of that report to determine what, if anything, should be done.

Mr. President, I am not an expert in

this field. It was only by my work on the Judiciary Committee and in the hearings that I have gained some background in this area. But, I have learned this: I have learned to treat with respect, and deliberate carefully over anything which is as complicated as this subject. It calls for Federal legislative interference in a highly scientific, professional, and technical field.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. HRUSKA. I yield myself one-half minute.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for one-half minute.

Mr. HRUSKA. I would suggest that we follow the deliberate and advised judgment of the Committee on Finance. Let us await submission of the report and then act with intelligence and with some degree of assurance. Acting too quickly and without the necessary information would be ill advised. That kind of approach certainly must be avoided. Let us do this on an intelligent basis, on the basis suggested by the Senator from Indiana and adopted by the Finance Committee.

Mr. President, I yield the floor.

Mr. CURTIS. Mr. President, how much time remains to the opposition?

The PRESIDING OFFICER. The opposition has 16 minutes remaining.

Mr. BENNETT. Mr. President, will the Senator from Nebraska yield me 2 minutes?

Mr. CURTIS. I am happy to yield 2 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 2 minutes.

Mr. BENNETT. Mr. President, I am concerned about the effect of this legislation on the ability of the drug industry to turn out new solutions to some of our existing problems which have to be met on the basis of drugs.

I realize that this pattern would place a terrific burden on some manufacturer who had developed a drug, and as soon as he has done his work, a group of chemists in his competitor's shop would tear it to pieces in a few weeks. Their interest would be in manufacturing that same product as cheaply as possible.

I have discovered, in my experience in business, in which a much less complicated product was sold, which involved chemical analysis, that there are ways of cheating on chemical analysis so that we get by the minimum, but in order to do that, we destroy or eliminate desirable and most important related physical characteristics. So that one product will stand analysis in the laboratory, but it will not stand up to the purpose for which it was manufactured.

We talk a lot about the leading drug manufacturers whose burden of research and development is very high and who assume the burden of educating doctors as to how to use the product their laboratories develop. But there is always the other fellow on the fringe who steps in at that point, when all the expensive work has been done, and tries to capitalize on the efforts of the successful developer.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. CURTIS. Mr. President, I yield 2 additional minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 2 additional minutes.

Mr. BENNETT. Their only interest is to turn out a product as cheaply as possible which will pass the minimum testing. I think that is a risk we run in this situation. Apparently, so does the Department of Health, Education, and Welfare, because it would not accept this concept and support it at the present time. It asks for more time to investigate the consequences of this approach. The Hartke amendment would give them only until January 1, 1969. I do not think that is time enough. I think they want more time because if we are undertaking to upset the whole pattern of drug development and distribution, we are doing it for a financial reason.

That, to us, becomes more important than the scientific and technical reasons which set our drug industry apart from those of the imitators, the copiers, and the fellows who try to figure out how cheaply they can make it and still get it by a committee on the basis of a bare chemical test.

My opinion is that the Hartke amendment, now part of the bill, provides the minimum opportunity to study this thing at the other end. I wish it had been longer but, under the circumstances, I hope that the Senate will preserve at least that privilege for the people of the United States and not drive into the proposal of the Senator from Louisiana.

The PRESIDING OFFICER. Who yields time?

Mr. CURTIS. Mr. President, how much time now remains?

The PRESIDING OFFICER. Twelve minutes remain.

Mr. CURTIS. Mr. President, I yield 5 minutes to the Senator from Indiana.

The PRESIDING OFFICER. The Senator from Indiana is recognized for 5 minutes.

Mr. HARTKE. Mr. President, personally, I am in favor of a bill for cheap drugs for the elderly. I hope that we go about it in a sensible and concrete way. We have a provision now for a new automobile. It has not been tested. This amendment was submitted yesterday. It was not before the Finance Committee. I have not been in the committee on which the distinguished Senator from Wisconsin has been holding hearings. He has not reported a bill, to my knowledge, and I am anxiously awaiting it. I probably would be in support of such a measure if it did what the Senator from Wisconsin has indicated it would do. But it is not before the Senate.

The measure before the Senate is one which attempts to do what the Senator from Wisconsin has been attempting to do while holding hearings, and he still is. This demonstrates how confusing and complex the situation is.

The problem before the Senate is whether or not we are going to take a step providing second-rate drugs for first-class citizens. That can be the effect of it.

I know much has been said today in behalf of a former distinguished Senator of the United States, Estes Kefauver, who, unfortunately, passed from us, and all of us share the deep sorrow of his family upon reading last night of the death of his widow. But the expert of that committee speaks as eloquently as any one can against this measure. The late Senator Kefauver's expert, Louis Lasagna, of Johns Hopkins University, wrote a letter under date of September 15, 1967, on this subject, addressed to the chairman of the committee, which I ask unanimous consent to have printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE JOHNS HOPKINS UNIVERSITY,
SCHOOL OF MEDICINE,
Baltimore, Md., September 15, 1967.

Senator RUSSELL B. LONG,
Chairman, Finance Committee,
U.S. Senate Building, Washington, D.C.

DEAR SENATOR LONG: I should like the opportunity to comment on your Bill (S. 2299). For years I have been sympathetic to the notion of patients paying reasonable prices for drugs. I have also been unconvinced by the arguments of the pharmaceutical industry that generic drugs are often defective in quality. It can thus be said that I am sympathetic to some of your interests and goals.

On the other hand, in recent years it has become increasingly apparent that the medical and scientific communities are in no position to speak from actual evidence on the problem of therapeutic equivalency of chemicals alleged to be identical. For example, research in our own group and in other groups has shown quite clearly that certain aspects of pharmaceutical formulation which even the larger industrial firms have taken for granted for years are not at all clear-cut, and may have exceedingly important implications in regard to the treatment of patients.

I suspect that if proper examination is made of this problem, we will find ourselves completely revising the requirements for adequacy of manufacturing techniques. The United States Pharmacopoeia standards are outdated, in my opinion, and the American public will not be protected in its search for effectively manufactured drugs until we revise these criteria. These considerations apply to large firms as well as small.

In view of the above, I think it premature to attempt to pass legislation along the lines of your Bill. The creation of a restrictive formulary is at best a difficult problem. In our own institutions, we are just beginning to do this, and find great problems to be overcome. Within our institution, however, it is at least possible to be flexible in regard to the application of the formulary and accommodate the requirements of patients and of doctors when these requirements are not met by the formulary. Such accommodation would be impossible at the national level, in view of the element of times and red tape involved.

While I am not an economist, I believe that attention should also be paid to the problems involved in assessing "fair price" for compounds that are thought to be identical in biologic impact, and also to the actual savings that may or may not be involved for the American public if regulations of the type envisaged were to be passed. I would not be surprised if it would be more expensive to audit every prescription than to pay it out as indicated.

Sincerely,

LOUIS LASAGNA, M.D.

Mr. HARTKE. The letter reads, in part:

> I should like the opportunity to comment on your bill (S. 2299)—

Which is, for all intents and purposes, the same bill that is before us today—

> For years I have been sympathetic to the notion of patients paying reasonable prices for drugs. I have also been unconvinced by the arguments of the pharmaceutical industry that generic drugs are often defective in quality. It can thus be said that I am sympathetic to some of your interests and goals.
>
> On the other hand, in recent years it has become increasingly apparent that the medical and scientific communities are in no position to speak from actual evidence on the problem of therapeutic equivalency of chemicals alleged to be identical. For example, research in our own group and in other groups has shown quite clearly that certain aspects of pharmaceutical formulation which even the larger industrial firms have taken for granted for years are not at all clear-cut, and may have exceedingly important implications in regard to the treatment of patients.
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> * * * * *
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> While I am not an economist, I believe that attention should also be paid to the problems involved in assessing "fair price" for compounds that are thought to be identical in biologic impact, and also to the actual savings that may or may not be involved for the American public if regulations of the type envisaged were to be passed. I would not be surprised if it would be more expensive to audit every prescription than to pay it out as indicated.

Those are the words of the expert of the Kefauver committee.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. HARTKE. If the Senator will get time from the other side. I have only a little time left.

Mr. LONG of Louisiana. Mr. President, I yield the Senator from Wisconsin 1 minute on the bill.

Mr. NELSON. Will the Senator explain why it is that we can have several formulary committees, such as in the city of Los Angeles and New York, and in dozens of distinguished hospitals in the State of Indiana, using generic and trade name drugs that are of high quality, but that a formulary committee of the Federal Government could not do the same thing?

Mr. HARTKE. I am in no position to say why. On page 397 of the hearings the formulary proposition is discussed. The Department says it is not prepared to answer that question. I am no expert. The Department of Health, Education, and Welfare has all the experts. They say they are not ready to answer.

The Secretary of Health, Education, and Welfare, Mr. Gardner, urged us very definitely on this. He said, in his own words, in making his report upon the question of the formulary and the entire study, that he would be extremely reluctant at this time to go ahead and ask for the consideration of a measure of this kind.

Dr. Goddard said he would be extremely reluctant to take any step in this direction prior to the task study and report.

I admire the Senator from Louisiana for his diligence and tenacity in fighting for his measure, because he is an extremely capable individual. I know the impression has been left that something is going to happen. Nothing is going to happen before July 1, 1970. In fact, the formulary committee would be established 12 months after the study required in the bill——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HARTKE. May I have 1 additional minute?

Mr. CURTIS. I yield 1 additional minute to the Senator from Indiana.

Mr. HARTKE. We should be patient and accept the proposition that men of good will are trying to provide low-cost drugs for elderly people, and not take this action on an emotional binge because of some idea that aspirin is aspirin. Very probably, everybody agrees on that. But this is not true of other drugs. The Senator speaks of the high price of drugs when he proposes the formulary committee. He may be right, but the Department of Health, Education, and Welfare says he is not right. I did not write the report. It would have the duty of evaluating every prescription drug used, numbering more than 5,000, and would have to exclude drugs it considers unnecessary, and the magnitude of the task should not be underestimated.

All I am saying is, for goodness' sake and for the sake of the elderly people, let us try a procedure which is tried and true. Let us have the Department which is going to administer the program propose a recommendation. Then we will have 18 months under the amendment of the Senator to accomplish what he wants to do.

The PRESIDING OFFICER. Who yields time?

Mr. LONG of Louisiana. Mr. President, how much time is left on both sides?

The PRESIDING OFFICER. The Senator from Louisiana has 1 minute remaining. The opposition has 6 minutes remaining.

Mr. LONG of Louisiana. I think the opposition should use some time.

The PRESIDING OFFICER. The opponents have 6 minutes; the proponents have 1 minute.

Mr. CURTIS. Mr. President, the proponents reserve the time.

The PRESIDING OFFICER. The Chair will observe that the Senator from Nebraska is not a proponent; he is an opponent.

Mr. LONG of Louisiana. Mr. President, I yield such time as I have left to the Senator from New Mexico [Mr. Montoya].

Mr. MONTOYA. Mr. President, it has been said that the Long amendment is similar to the Montoya amendment which was acted on the other day. It is not. The Montoya amendment was directed to prescription drugs for old-age recipients across the board. The Long amendment is directed only at prescription drugs which are designed for recipients of public assistance. There is a difference.

I might say that the American Pharmaceutical Association, in convention at Las Vegas, adopted the principle of the formulary and the formulary system applying to the Veterans' Administration and Government hospitals all across the expanse of this land. Eighty percent of the hospitals in America resort to the formulary system which the amendment would authorize in the bill before us.

I say it is about time that we woke up to our responsibility from the stupor that the drug industry has imposed upon us and enact the Long amendment, so we can save the taxpayers of this country and the States some money.

The PRESIDING OFFICER. Who yields time?

Mr. HARTKE. Mr. President, will the Senator yield to me?

Mr. CURTIS. I yield to the Senator from Indiana.

Mr. HARTKE. I would just like to say that this matter needs study. I have no desire to use additional time. If no Senator wishes to speak, I am prepared to yield back the time.

Mr. CURTIS. Mr. President, I yield back my time.

Mr. HARTKE. Mr. President, I want to make a motion to table.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

Mr. HARTKE. Mr. President, I move to table the amendment, and I yield back my time.

Mr. LONG of Louisiana. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the motion to table the amendment of the Senator from Louisiana. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WILLIAMS of New Jersey (when his name was called). Mr. President, on this vote I have a pair with the Senator from Florida [Mr. Holland]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

The rollcall was concluded.

Mr. HOLLINGS (after having voted in the affirmative). Mr. President, on this vote I have a pair with the distinguished Senator from Minnesota [Mr. Mondale]. If he were present and voting, he would vote "nay." If I were at liberty to vote, I would vote "yea." Therefore, I withdraw my vote.

Mr. MANSFIELD (after having voted in the negative). Mr. President, on this vote I have a pair with the distinguished minority leader, the Senator from Illinois [Mr. Dirksen]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Arizona [Mr. Hayden], the Senator from Missouri [Mr. Long], and the Senator from Alabama [Mr. Sparkman] are absent on official business.

I also announce that the Senator from Connecticut [Mr. Dodd], the Senator from Florida [Mr. Holland], the Senator from Wyoming [Mr. McGee], the Senator from Minnesota [Mr. Mondale], and the Senator from Georgia [Mr. Talmadge], are necessarily absent.

I further announce that, if present

and voting, the Senator from Wyoming [Mr. McGee], would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Carlson], the Senator from Illinois [Mr. Dirksen], the Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Murphy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper], the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt], and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Massachusetts [Mr. Brooke] is detained on official business.

If present and voting, the Senator from California [Mr. Murphy], the Senator from Pennsylvania [Mr. Scott] and the Senator from Texas [Mr. Tower] would each vote "yea."

The pair of the Senator from Illinois [Mr. Dirksen] has been previously announced.

On this vote, the Senator from Kansas [Mr. Carlson] is paired with the Senator from Massachusetts [Mr. Brooke]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Massachusetts would vote "nay."

The result was announced—yeas 37, nays 41, as follows:

[No. 339 Leg.]

YEAS—37

Allott
Baker
Bartlett
Bayh
Bennett
Bible
Boggs
Byrd, Va.
Cotton
Curtis
Dominick
Eastland
Ervin
Fannin
Griffin
Harris
Hartke
Hatfield
Hickenlooper
Hruska
Jordan, N.C.
Jordan, Idaho
Kuchel
Lausche
McCarthy
McClellan
Miller
Monroney
Morton
Pearson
Percy
Prouty
Spong
Stennis
Thurmond
Williams, Del.
Young, N. Dak.

NAYS—41

Aiken
Anderson
Brewster
Burdick
Byrd, W. Va.
Case
Church
Clark
Ellender
Fulbright
Gore
Gruening
Hart
Hill
Inouye
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Long, La.
Magnuson
McGovern
McIntyre
Metcalf
Montoya
Morse
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Russell
Smathers
Smith
Symington
Tydings
Yarborough
Young, Ohio

NOT VOTING—22

Brooke
Cannon
Carlson
Cooper
Dirksen
Dodd
Fong
Hansen
Hayden
Holland
Hollings
Long, Mo.
Mansfield
McGee
Mondale
Mundt
Murphy
Scott
Sparkman
Talmadge
Tower
Williams, N.J.

So Mr. Hartke's motion was rejected.

Mr. LONG of Louisiana. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Louisiana. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GORE. Mr. President, a point of order. There are more non-Senators in the Chamber than there are regular Senators.

The PRESIDING OFFICER. The point is well taken. The Sergeant at Arms is instructed to clear the floor of all unauthorized attachés on both sides of the aisle who do not have business relating to this amendment.

The Sergeant at Arms is instructed to ask the attachés not involved in the pending amendment to withdraw from the floor.

The rollcall will not be resumed until this is done.

Mr. YOUNG of Ohio. Mr. President, I ask that the Presiding Officer order all attachés who are standing to get out of the aisle and to leave the Chamber. They are not needed here by any Senators obviously. They are here because of curiosity.

The PRESIDING OFFICER. The Sergeant at Arms is instructed to clear the Chamber of all unauthorized personnel.

Mr. MANSFIELD. Mr. President, I suggest that both sides be cleared, even of some of the authorized personnel, or I will ask that the Senate go into recess until it is done.

The PRESIDING OFFICER. The point is well taken.

Mr. CURTIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. CURTIS. Is a rollcall in progress?

The PRESIDING OFFICER. A rollcall is in progress.

Mr. MANSFIELD. We cannot hear.

The PRESIDING OFFICER. The Chair rules that Senators are unable to hear the rollcall because of the noise. The Sergeant at Arms will clear the Chamber.

The clerk will resume the rollcall.

The assistant legislative clerk resumed the rollcall.

Mr. WILLIAMS of New Jersey (when his name was called). On this vote I have a pair with the senior Senator from Florida [Mr. Holland]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withhold my vote.

Mr. MANSFIELD (after having voted in the affirmative). On this vote I have a pair with the distinguished minority leader, the Senator from Illinois [Mr. Dirksen]. If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore, I withdraw my vote.

The assistant legislative clerk resumed and concluded the call of the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Missouri [Mr. Long], and the Senator from Alabama [Mr. Sparkman] are absent on official business.

I also announce that the Senator from Connecticut [Mr. Dodd], the Senator from Florida [Mr. Holland], the Senator from Wyoming [Mr. McGee], the Senator from Minnesota [Mr. Mondale], and the Senator from Georgia [Mr. Talmadge] are necessarily absent.

I further announce that if present and voting the Senator from Wyoming [Mr. McGee], and the Senator from Minnesota [Mr. Mondale] would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Carlson], the Senator from Illinois [Mr. Dirksen], the Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Murphy] and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper], the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt], and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Massachusetts [Mr. Brooke] is detained on official business.

If present and voting, the Senator from California [Mr. Murphy], the Senator from Pennsylvania [Mr. Scott] and the Senator from Texas [Mr. Tower] would each vote "nay."

The pair of the Senator from Illinois [Mr. Dirksen] has been previously announced.

On this vote, the Senator from Massachusetts [Mr. Brooke] is paired with the Senator from Kansas [Mr. Carlson]. If present and voting, the Senator from Massachusetts would vote "yea" and the Senator from Kansas would vote "nay."

The result was announced—yeas 43, nays 37, as follows:

[No. 340 Leg.]

YEAS—43

Aiken
Anderson
Bartlett
Brewster
Burdick
Byrd, W. Va.
Case
Church
Clark
Fulbright
Gore
Gruening
Hart
Hayden
Hill
Inouye
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Long, La.
Magnuson
McCarthy
McGovern
McIntyre
Metcalf
Montoya
Morse
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Russell
Smathers
Smith
Symington
Tydings
Yarborough
Young, Ohio

NAYS—37

Allott
Baker
Bayh
Bennett
Bible
Boggs
Byrd, Va.
Cotton
Curtis
Dominick
Eastland
Ellender
Ervin
Fannin
Griffin
Harris
Hartke
Hatfield
Hickenlooper
Hollings
Hruska
Jordan, N.C.
Jordan, Idaho
Kuchel
Lausche
McClellan
Miller
Monroney
Morton
Pearson
Percy
Prouty
Spong
Stennis
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—20

Brooke
Cannon
Carlson
Cooper
Dirksen
Dodd
Fong
Hansen
Holland
Long, Mo.
Mansfield
McGee
Mondale
Mundt
Murphy
Scott
Sparkman
Talmadge
Tower
Williams, N.J.

So the amendment of Mr. Long of Louisiana was agreed to.

Mr. LONG of Louisiana. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MONTOYA. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KUCHEL. Mr. President, I yield 3 minutes of the time controlled by the minority, on the bill, to the distinguished Senator from New Hampshire.

Mr. COTTON. Mr. President, I should like to propound a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COTTON. I should like to inquire under what rule or under whose jurisdiction the determination is made as to exhibits displayed on the floor of the Senate when the Senate is in session.

The PRESIDING OFFICER. There is no rule with respect to this matter. A Senator who wishes to display exhibits during the course of a presentation and debate on a bill generally takes up this matter with the Sergeant at Arms, to determine whether the space is available.

Mr. COTTON. Then, Mr. President, I should like to suggest, for the consideration of the Senate, that a rule might well be considered. I have no particular personal objections to the exhibit today, but in the well of the Senate there has been a caricature—a cartoon—which was taken away very quickly while I was propounding my parliamentary inquiry. I have never seen an exhibit of that nature in the well before. Another one is at the rear of the Chamber.

Mr. President, we have been accustomed to having charts, graphs, maps, and other material displayed. Such material is usually kept in the rear of the Senate Chamber. Sometimes it is brought down to the well to illustrate facts and alleged facts in arguments on various questions. It is often useful in our debates.

But, Mr. President, I think that it is something entirely different to bring to the well of the Senate a caricature—a mockery—of any group or any individual. I do not believe that any Senator is so weak that he would be prejudiced or affected by such a presentation. I doubt that any Senator would derive any aid from such exhibits in analyzing questions before him. However, as my mind goes back I can think of cartoons I have seen in newspapers that should hardly be brought in here if, say, we were debating a military appropriations bill. I think that there would be a good deal of protest if one of these cartoons showing a general in an ill-fitting uniform, carrying a sword, and representing jingoism, was, Mr. President, displayed in the well of the Senate, or even in the back of the Chamber.

Certainly there would be objection if, in connection with some question involving law and order or civil rights, an editorial cartoon of a rioter—colored or white—was displayed in the well of the Senate. And it would be a proper objection.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. COTTON. Mr. President, I ask unanimous consent that I may be permitted to proceed for 2 additional minutes.

Mr. KUCHEL. Mr. President, I yield 2 minutes to the Senator.

Mr. COTTON. Mr. President, I did not mention this matter during the debate because I did not want to delay the matter at the time we were discussing the amendment. However, in the well of the Chamber there was a cartoon or caricature which I assume represented a bloated drug industry perpetrating high prices on innocent victims.

I am not objecting in this instance, and I am not making an issue of it. But I want to emphasize, Mr. President, that this practice is not in keeping with the dignity of the Senate.

As I have said, such a practice will not affect Senators' votes. But these caricatures are seen from the galleries. They are part of the picture of the Senate the public received.

I would respectfully suggest that the Committee on Rules and Administration consider either suggesting a rule governing such displays, or designating an officer of the Senate to exercise judgment in admitting them because I hope never again to see this type of caricature displayed on the floor of the Senate—in the well of the Senate Chamber.

Mr. LONG of Louisiana. Mr. President, I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG of Louisiana. Mr. President, I have been in the Senate for 19 years now and I have never seen any Senator inhibited from holding up any chart he wants, any cartoon he wants, or displaying them in any way he wants in the Chamber. If there is any impropriety in what a Senator does, certainly any other Senator has the right to call him to order.

In some of the most historical debates I can remember here both sides have brought in charts to illustrate points they wished to make. I might mention that charts cannot be printed in the CONGRESSIONAL RECORD.

It has never occurred to me that anyone would object to someone bringing in a cartoon illustrating his argument, even though it is humorous. I have never found anything vicious about the cartoons.

Mr. President, the cartoon I had in mind I requested to have made and it showed a bottle of drugs with two different names on it, which all came out of the same bottle, to illustrate the point I had in mind. It never occurred to me that it would offend the sensibilities of anybody.

From time to time I have seen Senators become quite critical of one another.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG of Louisiana. Mr. President, there was not a Senator in the cartoon. It was a cartoon which I saw, and I found it amusing and I asked that it be reproduced. I liked it and I thought it was amusing.

Mr. COTTON. Mr. President, I had no idea of reflecting on the distinguished Senator from Louisiana in any manner whatsoever. I am sure that his motives and his purposes were without question. I assure him that I am not saying this with any cheek, prejudice, or anger. But I do think that any representation, caricature, or cartoon that reflects on any citizen, or any group of citizens, or on any legitimate business in this country, is—to put it mildly—somewhat out of place when exhibited on the floor of the Senate. That is only my opinion.

All I am suggesting is that the matter should be considered by an appropriate committee and that perhaps some rule should be laid down.

I repeat to my friend, the Senator from Louisiana, that we seem to be fated to disagree on some issues, but no personal reflection on him is intended.

Mr. LONG of Louisiana. Mr. President, I yield myself 1 minute.

I would be happy to have the committee consider any rule that it would like to consider. I will abide by it if the Committee on Rules and Administration sees fit and imposes a new rule. We will abide by it.

It has been my experience in the Committee on Finance, especially in connection with tariff matters, that if one wishes to discuss a change of classification, or something of that nature, if Senators were shown something, I have found out that they are much better satisfied and know better what they are doing when they vote on these things. I am a great believer in charts and visual evidence to illustrate a particular point.

Mr. GORE. Mr. President, will the Senator yield? I wish to refer to another matter.

Mr. LONG of Louisiana. I yield 1 minute to the Senator from Tennessee.

Mr. GORE. Mr. President, three times today Senators have felt it necessary to make a point of order that unauthorized people were on the floor of the Senate, and twice that was done by the distinguished majority leader.

I call the attention of the Senate to the fact that to improve decorum and to improve the ability of Senators to hear the debate, the Chair had to insist that perhaps 100 people standing around the Chamber, who were not intending to be impolite, but who were whispering together and talking and giving aid, must leave the Chamber.

I hope the leadership on both sides of the aisle will in the caucuses of their respective parties beginning next year take up this matter, not only to facilitate their removal, but to prevent their entrance into the Chamber unless they are authorized and must be here.

Mr. LONG of Louisiana. I thank the Senator. In line with that suggestion I wish to point out that the technical staff is needed to provide details and facts on the bill, such as this bill, and we have to have consent to have them here so that they would be permitted to be here. I understand the Senator's view. He does not want a lot of assistants who are mere spectators in the Chamber, crowding up the Chamber when it is time to vote.

I had the misfortune, when the Chamber was cleared, to have need of a letter which was in the possession of one of the technical assistants. The letter was from the Secretary of the Department of Health, Education, and Welfare, and in it he had approved of the amendment that we agreed to. I could not find the letter because the staff assistant had it and he had been cleared from the Chamber.

Mr. President, I would like to ask that immediately after the vote there be printed in the Record this letter, which is dated November 20, 1967, signed by Mr. Gardner, the Secretary of Health, Education, and Welfare, in which it is stated that the Department approved of the proposal.

There being no objection, the letter was ordered to be printed in the Record, as follows:

The Secretary of Health,
Education, and Welfare,
Washington, November 20, 1967.

Hon. Russell B. Long,
U.S. Senate,
Washington, D.C.

Dear Senator Long: This is in response to your request for our views on your proposed amendment to H.R. 12080 relating to drugs which would provide for the establishment in the Department of Health, Education, and Welfare of a Drug Formulary Committee, the development of a drug formulary, the establishment of acquisition costs and professional fees for drugs, anad the improvement of drug quality controls.

The Finanace Committee added to the House bill a provision requiring a study and report to the Congress by January 1, 1969, of the above issues plus the question of the coverage of drugs under Title XVIII of the Social Security Act. The Department of Health, Education, and Welfare has such a study now under way, and supports the purposes of this Committee Amendment.

The drug proposal which you have prepared would have an effective date of July 1, 1970, 18 months after completion of the study required by the Committee provision. While we agree in principle with the objectives of this proposal, and while the amendment incorporates all the technical suggestions we have made, we do not believe that we have enough information at this time upon which to make satisfactory judgments about many of the aspects of its administrative feasibility, the costs involved or its effects on the several professional groups involved.

The successful implementation of the proposal could only be achieved by adequate staffing of the Food and Drug Administration and the Formulary Committee. Adequate appropriations by the Congress would be essential. Moreover, the full cooperation of the various professional groups would be essential.

Recognizing these problems we would not object to the inclusion of the proposal in the Senate version of the bill with the delayed effective date proposed, with the understanding that further amendments may prove to be desirable in Conference and the report of the study may well require changes in your proposal before the provisions become effective.

Sincerely,

J. W. Gardner,
Secretary.

Mr. KUCHEL. Mr. President, I yield myself 1 minute from the time controlled by the minority for two purposes.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. KUCHEL. Mr. President, first I make the following unanimous consent request on behalf of the Senator from Massachusetts [Mr. Brooke].

Early last week the Senator from Massachusetts [Mr. Brooke] asked and received consent to have the name of the distinguished senior Senator from New York [Mr. Javits] listed as a cosponsor of Senate Joint Resolution 120, to create a special Commission on Trade and Tariffs.

I now ask unanimous consent that that order be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KUCHEL. Mr. President, for the remainder of the time available to me, while the Senator from Vermont is in the Chamber, and the manager of the bill, the leader, and others, I would ask them and other Senators to consider agreeing to a one-half hour time limitation.

UNANIMOUS-CONSENT AGREEMENT

Mr. LONG of Louisiana. Mr. President, I ask unanimous consent that debate on further amendments be limited to one-half hour, with the time to be equally divided, 15 minutes to each side.

Mr. PROUTY. Mr. President, reserving the right to object—and I shall object—I wish to assure the distinguished Senator from Louisiana that I do not intend to take very much time, but I just wish to reserve that right.

Mr. LONG of Louisiana. Would the Senator let us make this agreement and I will yield him time on the bill—as much as he will need. I think that we will be able to work this out satisfactorily.

Mr. KUCHEL. So will the acting minority leader be glad to yield time to the Senator from Vermont on the bill.

Mr. LONG of Louisiana. With that understanding made, I renew the request that debate on further amendments be limited to one-half hour, with 15 minutes on each side.

Mr. KUCHEL. Rule, Mr. President.

The PRESIDING OFFICER. Is it the intent of the Senator from Louisiana to abandon the previous ruling wherein the Senator from Delaware [Mr. Williams] would be given 2 hours on his amendment?

Mr. LONG of Louisiana. I believe that the Senator from Delaware offered the amendment he had in mind.

Mr. KUCHEL. Mr. President, I should like the Record to show that I cleared this with the distinguished Senator from Delaware earlier; but so that there will be no misunderstanding, I would be glad to have the unanimous-consent request now before the Senate include an exception in the case of the Senator from Delaware.

The PRESIDING OFFICER. Is there objection?

Mr. MAGNUSON. I wonder whether the Senator from Louisiana or the Senator from California would allow me 3 minutes on the bill, in order to ask a question.

Mr. KUCHEL. I would be honored to do that for the Senator from Washington.

Mr. LONG of Louisiana. Let us get this agreement first.

Mr. KUCHEL. Yes; of course.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Louisiana?

The Chair hears none, and it is so ordered.

Mr. KUCHEL. Mr. President, the acting minority leader is glad to yield to the Senator from Washington for 3 minutes.

The PRESIDING OFFICER. The Senator from Washington is recognized for 3 minutes.

Mr. MAGNUSON. I appreciate that very much.

I should like to ask the Senator from Louisiana, or any other committee members now in the Chamber, to refer to page 30 of the report, dealing with a committee amendment which clarifies the status of truck loaders and unloaders.

The PRESIDING OFFICER. The Senator from Washington will suspend. The Senate will please come to order.

The Senator from Washington may proceed.

Mr. MAGNUSON. It deals also with certain commercial fishermen by fixing rules under which the truck or the owners of a vessel will be treated as their employer for employment tax purposes. It also provides rules for treating other persons, and so forth.

Could someone clarify this amendment? I am speaking only about fishermen now. Just what does that mean?

Mr. LONG of Louisiana. The question as to whether fishermen are employees or independent contractors for social security tax purposes is in dispute. The committee seeks to resolve it by holding that fishermen are to be classified as employees. This means that generally the boatowner will be classified as the employer and pay half of the tax and as a result that the fishermen will have less social security tax to pay. If a fisherman were treated as self-employed, he would pay 6.4 percent. Under the bill, as an employee, he is to pay 4.4 percent, and this is to be matched by 4.4 percent paid by the person classified as the employer. From the employee's standpoint if he is treated as self-employed, his tax would be higher.

Mr. MAGNUSON. Approximately 6 percent?

Mr. LONG of Louisiana. Yes; 6.4 percent.

Mr. MAGNUSON. The problem that arises with many of us who supply the fishermen all over is that many of them go out under a share basis. They are all, therefore, jointly involved. They get a certain percentage of the catch. Who would be considered an employer and the employee in that case?

Mr. LONG of Louisiana. The boatowner is to be considered the employer in most cases; that is, unless he does not share in the catch and the person leasing the boat does. In this latter case the leasee is to be considered the employer. Generally, however, the boatowner is to be the employer.

Mr. MAGNUSON. Even on a share basis?

Mr. LONG of Louisiana. Yes.

Mr. MAGNUSON. I cannot find any testimony on it. What was the reason for the amendment?

Mr. LONG of Louisiana. The Treasury asked for it in both the House and Senate. It wanted to clear up the matter. If the Senator does not agree with this, and has some change to suggest, I hope he will let me know about it.

Mr. MAGNUSON. I am trying to clarify this only, because as the Senator from Louisiana knows——

Mr. LONG of Louisiana. The House does not have anything about this in its bill.

Mr. MAGNUSON. The Senator from Louisiana probably knows that there have been several court cases in this matter, some of them coming out of Louisiana.

Mr. LONG of Louisiana. Yes and some in Texas, Florida, and Oklahoma.

Mr. MAGNUSON. One circuit court ruled one way, that they were not employees, and I believe it was the fifth circuit—was it?

Mr. LONG of Louisiana. The fifth circuit, yes.

Mr. MAGNUSON. The fifth circuit said they were to be treated as shareholders, as individual employers. We know that the purpose of the amendment now is to treat fishermen as employees for employment tax purposes; is that not correct?

Mr. LONG of Louisiana. That is correct—for social security and income tax withholding purposes.

Mr. MAGNUSON. And the owners of the boat, whether it be the skipper or the company, would then be considered the employer and both would contribute to social security.

Mr. LONG of Louisiana. Generally, that is correct. We think this treatment would be better for the employee. However, if the Senator after studying this question has something new to offer on it, if he will advise me, we will discuss it in conference.

Mr. MAGNUSON. I appreciate that very much. This came up most unexpectedly. It was difficult to understand it, in view of the court cases. It is a problem that we have had in this field for some time.

Mr. JACKSON. Mr. President, will the Senator from Louisiana yield me 1 minute?

Mr. LONG of Louisiana. I yield 1 minute to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 1 minute.

Mr. JACKSON. Following up the colloquy with my able senior colleague, I take it that where the skipper operates his own vessel, and he is alone, of course, he is treated as self-employed, like anyone else, and he would pay the full tax; but if he brings in someone, even on a share basis, then the one who is brought in, or more than one, would become employees of the skipper or the owner of the ship; is that not correct?

Mr. LONG of Louisiana. That is correct. That would be it, yes.

Mr. MAGNUSON. I thank the Senator from Louisiana very much.

Mr. JACKSON. I thank the Senator from Louisiana.

Mr. RIBICOFF. Mr. President, I send to the desk an amendment and I ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 399, line 1, section 306 is renumbered section 307 and a new section 306 is inserted prior thereto as follows:

SEC. 306. Section 231(d) of the Social Security Amendments of 1965 (P.L. 89–97) is amended by striking out the word "two" and inserting in lieu thereof "three".

Mr. RIBICOFF. Mr. President, the Social Security Amendments of 1965 established a Joint Commission on Mental Health of Children. The Commission was established with the expectation that it would submit a report which would capture the imagination and support of a concerned public—that would come up with comprehensive and solid recommendations for a national attack on this serious problem area, as did the earlier report of the Joint Commission on Mental Illness and Health.

Dr. Reginald S. Lourie, President of the Joint Commission, reports that extremely valuable data is now beginning to come in. Outstanding groups and specialists have been obtained to comprise the task forces. However, initial staffing problems and organizational difficulties beyond the control of the Commission got them off to a slow start. The Commission does expect to submit a report and basic recommendations on June 30, 1968, in accordance with its legislative mandate. However, in view of the work now being done, this should be considered an interim report and the final date for the Commission's final report should be extended by 1 year to June 30, 1969.

This 1-year extension would allow at least 6 more months beyond the present limit for the data-collection phase of the Commission's work. It would then have time for the careful study and evaluation study of the data and the formulation of recommendations and consultation with a broad range of experienced persons. Finally, the extension would allow the time needed for the editorial preparation of the final report.

It is my hope that the committee would support the objectives of this amendment and that the chairman would be willing to take it to conference.

Mr. LONG of Louisiana. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute.

Mr. LONG of Louisiana. I know of no objection to the amendment, and I would be very happy to take it to conference.

Mr. President, I yield back the remainder of my time.

Mr. RIBICOFF. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back on the amendment. The question is on agreeing to the amendment of the Senator from Connecticut.

The amendment was agreed to.

Mr. RIBICOFF. Mr. President, I send to the desk another amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 162, lines 19 through 22, strike out the comma following "them" and all that follows through line 22, and insert in lieu thereof a period.

On page 163, line 7, insert after "respect to", "(A) the detection of eye diseases or (B)".

On page 163, line 8 insert after "1861 (r)(1))" a comma.

On page 163, lines 9 and 10, strike out "diagnosis or".

Mr. RIBICOFF. Mr. President, this amendment clarifies an amendment pertaining to optometrists which I offered in committee and which was adopted by the committee. The amendment, drafted and supported by the Department of Health, Education, and Welfare, clarifies the existing language in the bill to reflect the fact that optometrists do not treat eye diseases and that the detection of eye diseases is not a covered service under medicare.

Mr. President, since this clarifying amendment has the support of both the Department and the optometrists, I hope the distinguished chairman of the committee would see fit to accept the amendment.

Mr. LONG of Louisiana. As I understand it, the amendment would be in conference.

Mr. RIBICOFF. The amendment would be in conference; that is correct.

Mr. LONG of Louisiana. With that understanding, I would agree to the amendment.

Mr. RIBICOFF. Mr. President, I yield back my time.

Mr. LONG of Louisiana. I yield back my time.

The PRESIDING OFFICER. The question is on the amendment of the Senator from Connecticut.

The amendment was agreed to.

Mr. RIBICOFF. Mr. President, I send to the desk an amendment, and ask that it be stated. It is being offered on behalf of the Senator from New York [Mr. KENNEDY] and myself.

The PRESIDING OFFICER. The amendment will be stated by the clerk.

The legislative clerk proceeded to read the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At an appropriate place, insert the following:

"UTILIZATION OF CARE AND SERVICES FURNISHED UNDER TITLE XIX

"SEC. 234d. Effective April 1, 1968, section 1902(a) of the Social Security Act (as amended by the preceding sections of this Act) is further amended by—

"(a) striking out the period at the end and inserting in lieu thereof the following '; and'; and

"(b) inserting after paragraph (28) (added to the Social Security Act by section 234c of this Act) the following paragraph:

"'(29) provide such methods and procedures relating to the utilization of, and the payment for, care and services available under the plan as may be necessary to safeguard against unnecessary utilization of such care and services'."

Mr. RIBICOFF. Mr. President, the amendment provides that effective April 1, 1968, the medicaid program in title XIX of the Social Security Act will require States to establish methods and procedures relating to the utilization of medical services and to safeguard against unnecessary utilization.

This amendment is designed to assure that unnecessary services are eliminated.

There have been a number of allegations that unnecessary services are being provided and that some charges have been made which are exorbitant. The amendment I have proposed will give the States the explicit responsibility of instituting the necessary methods and procedures to prevent these undesirable practices. Among the steps which they could take would be periodic review of utilization and charges of specific providers of service, in comparison with other providers, establishment of State and local committees to review experience and practices, provision for appeal by interested persons of any alleged unnecessary services to special committees, public reports on experience, and establishment of special professional and consumer committees.

I have discussed this amendment with the manager of the bill, the distinguished chairman of the committee. It was something that was discussed in committee. I would hope that the distinguished Senator from Louisiana would accept the amendment.

Mr. LONG of Louisiana. Mr. President, the amendment amends an amendment which the junior Senator from Louisiana offered to the bill and which the committee agreed to. It is to make sure there will be no abuse of the direct billing procedure under the bill. It applies to a great many people in Louisiana. I do not think this amendment interferes with the purpose of that amendment, and I am therefore willing to accept the amendment.

I yield back my time on the amendment.

Mr. RIBICOFF. I yield back my time on the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut.

The amendment was agreed to.

AMENDMENT NO. 428

Mr. NELSON. Mr. President, I call up my amendment No. 428.

The PRESIDING OFFICER. The clerk will state the amendment.

Mr. NELSON. I ask unanimous consent that the reading of the amendment be dispensed with. I will make a brief explanation of it.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 428) is as follows:

On page 38, immediately after line 25, insert the following:

"CHILD OVER AGE 18 CONSIDERED TO BE IN CARE OF MOTHER IF CHILD IS FULL-TIME STUDENT IN ELEMENTARY OR SECONDARY SCHOOL

"SEC. 111. (a) Section 202(s)(1) of the Social Security Act is amended by inserting immediately before the period the following: ', or unless such child is a full-time student (for purposes of subsection (d)) in an elementary or secondary school'.

"(b) The amendment made by subsection (a) shall be applicable with respect to monthly insurance benefits under title II of the Social Security Act beginning with the second month following the month in which this Act is enacted; but in the case of an individual who was not entitled to a monthly insurance benefit under section 202 of such Act for the first month following the month in which this Act is enacted, only on the basis of an application filed in or after the month in which this Act is enacted."

Mr. NELSON. Mr. President, this amendment would correct a long overlooked inequity in the social security laws, and I urge its adoption.

It would provide for the continuation of a widow's benefits if her child were a full-time student in a secondary school.

Presently, the surviving wife of a deceased worker is entitled to receive a mother's benefit, provided she has in her care a child of the deceased worker who is under age 18 or who was disabled before reaching that age. The mother's payment is equal to 75 percent of the deceased worker's full rate of social security benefit. This benefit terminates when the mother becomes entitled to widow's insurance benefits at age 60, or when the deceased worker's child attains age 18, unless, of course, the child is disabled.

It may occur that a child who is in high school and reaches age 18 before he completes his high school education may very well have to leave school in order to support his mother whose benefits cease on his 18th birthday. Thus, the child is unable to complete his education, particularly where the mother cannot find any suitable work to provide for her son and herself with the necessities of life.

This amendment would eliminate this inequity and remove the penalty presently imposed upon a mother and her son or daughter who wishes to complete his or her education, but finds it financially impossible to do so. This amendment would permit the mother to continue to receive the social security benefit after her child reaches age 18, provided that her son or daughter is a full-time student in high school.

I urge that the Senate accept this amendment.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. NELSON. I yield.

Mr. CURTIS. I can understand the equities of the Senator's amendment. I would like to ask a question, at least for legislative history. Suppose someone continues high school indefinitely. Is it the intention of the Senator to perpetuate these benefits?

Mr. NELSON. The Senator makes a good point. It is not the intention of my amendment to continue benefits indefinitely. Under present law there is an automatic cutoff at age 22, anyway. The student has to be in high schoool. Some students finish high school at 16, some at 17, some at 18, some at 19, some at 19½. The purpose of the amendment is to assure that the widow will receive benefits that a widow is entitled to so long as the child continues in high school.

Mr. CURTIS. Is it the Senator's intention that the child must be in high school for the purpose of continuing the regular course, making progress toward graduation?

Mr. NELSON. That is correct. He has to be a full-time student in high school.

Mr. LONG of Louisiana. Mr. President, assuming that the amendment goes no further than the Senator has described, I think it would be meritorious. If it goes beyond that, we can place protective language in it in conference. Therefore, I shall not oppose the amendment. I think it has merit. I am willing to take it to conference.

I yield back my time.

Mr. NELSON. I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KENNEDY of New York. Mr. President, I send to the desk and call up for consideration a package of amendments which I discussed this morning with the Senator from Louisiana [Mr. LONG] and, during the course of the day, with the staff of the Senator from Louisiana. I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc. The clerk will state the amendments.

Mr. KENNEDY of New York. Mr. President, I ask unanimous consent to waive the reading of the amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments are as follows:

On page 239, strike out line 15 and insert the following:

"plan; and

except that, in the case of a dependent child who has been deprived of parental support or care by reason of the continued absence from the home of a parent and such parent is making contributions pursuant to an order of a court of competent jurisdiction, to such child, a relative (specified in section 406(a)(1)), or any other individual (living in the same home as such relative and child) whose needs are taken into account in making such determination, the State agency shall, in disregarding earned income under subparagraph (A), consider—

"(E) (for purposes of clause (ii) of such subparagraph (A)) such contributions for any month as earned income with respect to such month (but not for purposes of subparagraph (C)); and

"(F) (for purposes of clause (i) of such subparagraph (A)) the first $50 of such contributions for any month plus one-half of the remainder of such contribution for such month as earned income with respect to such month;".

On page 350, insert between lines 2 and 3 the following:

"DIFFERENCES IN STANDARDS WITH RESPECT TO INCOME ELIGIBILITY UNDER TITLE XIX

"SEC. 234d. Effective July 1, 1969, section 1902(a)(17) of the Social Security Act is amended by—

"(a) striking out '(17)' and inserting in lieu thereof '(17)(A)';

"(b) redesignating clauses (A), (B), (C), and (D) as clauses (i), (ii), (iii), and (iv), respectively;

"(c) striking out '; and provide' and inserting in lieu thereof ', and (B) provide';

"(d) striking out 'income by' and inserting in lieu thereof 'income (i) by'; and

"(e) adding at the end thereof before the semicolon the following: ', and (ii) by establishing, in accordance with standards prescribed by the Secretary, differences in income levels (but only in the case of applicants or recipients of assistance under the plan who are not receiving aid or assistance under the State's plan approved under title I, X, XIV, or XVI, or part A of title IV) which take into account the variations in shelter costs as between such costs in urban areas and such costs in rural areas'."

On page 275, on lines 16 through 18, strike out "and whose presence in the home is necessary and in the best interest of such children, or" and insert in lieu thereof ", or".

On page 225, line 19, insert immediately after "individual" the following: ", in order to assist such relative, child, and individual to attain or retain capability for self-support and care and in order to maintain and strengthen family life and to foster child development".

Mr. KENNEDY of New York. Mr. President, these amendments accomplish a number of different purposes. Two of them are portions of my amendment No. 465 which I will call up in modified form for consideration later this afternoon.

A third is my amendment No. 411 relating to medicaid, and the fourth relates to another aspect of the public welfare provisions of the bill.

First, the pending amendment would clarify what I am told was the committee's intent in any event with regard to the obligation of mothers of preschool children to work. The bill as reported by the committee, in discussing mothers of preschool children, exempts only "a mother who is actually caring for one or more children of preschool age and whose presence in the home is necessary and in the best interest of such children."

The amendment would remove the language which implies that even if she is actually caring for preschool children, an additional finding would have to be made. Thus, the effect of the amendment is to insure that any mother who is actually caring for preschool children is exempted from participation in the work-incentive program.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. KENNEDY of New York. I yield.

Mr. CURTIS. I may say to the distinguished Senator from New York that it was the junior Senator from Nebraska who offered the amendment in committee. I have no objection to deleting that language. It was my intention, and I did not so observe until after the drafting was completed, that there be relieved from compulsory work training any mother, or as modified on the Senate floor, any person taking the place of the mother, in a home where there were one or more children of preschool age, provided that person had been caring for the children.

May I ask what other amendments are included en bloc?

Mr. KENNEDY of New York. I am going through them right now.

Mr. CURTIS. What was the number of this one?

Mr. KENNEDY of New York. It is unprinted. It is at the desk.

Mr. LONG of Louisiana. Mr. President, if the Senator will yield on my time and I yield myself 1 minute for this purpose—so long as the legislative history shows that the purpose here is that so long as a mother is actually caring for a child, she is not expected to work when she has children of preschool age, I believe there is really no problem involved.

Mr. KENNEDY of New York. That is the intent.

Second, the amendment clarifies the purpose of the family and child welfare services referred to by reference in the new clause (14) of section 402(a). The amendment clarifies that the primary purposes of these services are what the purposes of welfare assistance have always been: maintaining and strengthening family life, fostering child development, and assuring the welfare of the children involved.

The effectiveness of any social services and counseling offered to parents of dependent children—whether with respect to employment, day care, child support, child welfare, family planning, or any other social objective—depends on the confidence of those assisted by such services that the welfare of their children is the prime consideration. Indeed, the effectiveness of the work incentive program created by the bill—the chance it has of achieving its purpose of getting individuals into meaningful employment—depends on the confidence of the mother and the family in the acceptability and effectiveness of the services offered.

All of these—family counseling, child welfare, day care, family planning, and employment counseling—depend on the clear understanding of the mother and the welfare worker that their primary purpose is the welfare of the children concerned. Every national organization concerned with these services—the Child Welfare League of America, the National Committee for the Day Care of Children, the Family Service Association of America, Planned Parenthood, the major Protestant, Catholic, and Jewish welfare organizations, the American Public Welfare Association and about 30 others—have strongly stressed this point.

The purpose of this amendment, then, is to stress further, if further stress be needed, that the primary purpose of what we are doing here on the Senate floor is the welfare of the child and his family.

Third, the amendment contains a provision which is complementary to the earnings incentive contained elsewhere in the bill. It provides that when a father pays support to his family pursuant to a court order, the first $50 of that payment each month and half of the rest of it are not to be counted in determining the resources of the family and the consequent size of the welfare payment to the family. I believe this amendment is fair and equitable and would bring greater income to the family when the father is found since the support payment would not reduce the welfare payment dollar for dollar as it does under the present welfare law.

Fourth, the amendment contains what was previously my amendment No. 411 introduced on October 19. This amendment would require States as part of their State plans under medicaid to establish income eligibility variations based on differences in shelter costs as between urban and rural areas within the State.

This amendment is particularly helpful where the costs of medicaid have been a great burden on rural counties. The purpose of the amendment is equity: to even out the impact of medicaid around States which have both urban and rural areas where there are variations in the cost of living. Under the amendment we might expect States that have developed liberal programs which have been helpful in cities but burdensome in rural localities to lower the eligibility levels in the rural areas.

I am advised by Department of Health, Education, and Welfare Under Secretary Wilbur Cohen that the Administration has no objection to this amendment. The amendment is cosponsored by my colleague from New York [Mr. JAVITS] and six other Senators.

Mr. JAVITS. Mr. President, will the Senator yield to me briefly at that point?

Mr. KENNEDY of New York. I yield.

Mr. JAVITS. Mr. President, I wish to emphasize to the Senate the importance of this amendment, in view of fairness as to what is being done in the medicaid program as brought in by the Senator from Louisiana [Mr. LONG].

Very strict limits are being placed on the income limitation in terms of Federal participation. We fought a battle concerning the problems of those who are not cash welfare recipients being eligible, even to the extent of 25-percent matching. More than half of those were under medicaid in New York, as it is a very big State, and there are very material differences, especially in shelter costs—Senator KENNEDY's approach was shelter costs; mine had been the general cost of living, and on inquiry, I found that his was superior, so I joined with him and adopted his—in fairly reflecting the real differences that should or should not make people eligible for medicaid, depending on different brackets of income in different parts of the State.

As we are going to absorb a burden, now, that looks like $100 million more for New York, because of this bill, this is one way in which we can be materially helped, and in which many people can be helped. I hope the Senate will sympathetically consider the amendment, and that it will be agreed to.

Mr. CURTIS. Mr. President, will the distinguished Senator yield to me at this time if I yield myself time on the bill?

Mr. LONG of Louisiana. Mr. President, I can give the Senator time.

Mr. CURTIS. I did not wish to consume the time allotted to the Senator from New York.

In reference to this part of the Senator's amendment, I was looking through the printed amendments at the time unanimous consent was granted to consider these amendments en bloc. Some of them are unrelated to others, and for that reason, I felt it necessary, for clarification, to interrupt the Senator at this time.

In reference to medicaid, what the Senator is proposing is more flexibility within the bill?

Mr. KENNEDY of New York. That is correct.

Mr. CURTIS. Is it the Senator's intention to increase the amount of money that would go into a State, over and beyond what the formula in the bill provides?

Mr. KENNEDY of New York. I would love to be able to do that, I might say to the Senator from Nebraska, but the amendment is not designed to accomplish that.

Mr. CURTIS. That is not the intention of the amendment?

Mr. KENNEDY of New York. It is not the intention of the amendment to accomplish that.

Mr. CURTIS. Is it the intention of the amendment, in providing flexibility within the State, that it will, for a particular family, increase the maximum amount of income eligibility in order to grant this aid, over and above what would work out under the bill?

Mr. KENNEDY of New York. No, it is not. It is just the basic fact that circumstances differ in different areas. For example, in a rural area, a family with a $5,000 income who live there have an entirely different kind of problem than a family with a $5,000 income living in an urban center.

Studies have shown that shelter costs are the most significant variable in the cost of living as between urban and rural areas. The cost of rent and home purchase in rural areas is far less than in the cities. An income of $5,000 a year therefore buys far more in rural areas than it does in the city. As a result, there is no real need that eligibility levels for medicaid be as high in rural areas as they are in the large cities, and this amendment would require the States to take variations in shelter costs into account when they determine eligibility levels. Officials at the Department of Health, Education, and Welfare assisted in the drafting of this amendment, and indicated that it is feasible and workable.

This amendment would alleviate what has become a near-crisis situation in some States. In some of our rural counties in New York, 75 to 80 percent of the population is eligible for medicaid under the income eligibility levels which the States established. In these counties, welfare costs have skyrocketed over the past 18 months. Increases of 50 percent and 60 percent in the cost of welfare are common, and 90 percent or more of the increases are due to the cost of medicaid, almost bankrupting some counties. Under this amendment, the State would objectively determine differences in shelter costs around the State, and would accordingly establish differences in eligibility levels. This is an effort, and I think a reasonable, responsible effort, to try to cut down the cost.

Mr. CURTIS. Is it a fair statement that the flexibility the Senator seeks would in no way change the maximum limits set forth in the bill?

Mr. KENNEDY of New York. That is correct.

Mr. JAVITS. Mr. President, will the Senator yield to me? I yield myself 1 minute. I do not wish to intrude on the Senator's time.

I point out to the Senate that this amendment is exactly like what the Senate is doing in allowing the flexibility feature to stay on. This is directed toward the same end, and it will be within the framework allowed by the Senate bill, within which flexibility within the States is provided.

I thank my colleague for yielding.

Mr. KENNEDY of New York. I might say the result would be decreases of as much as 20 percent in eligibility levels in some of the counties which are the hardest pressed at the present time. A further result would be that medicaid would come closer to being a program which in fact serves only those who need it.

Mr. President, I believe this is a sensible amendment. It will be of great help in those States where there are significant variations in the cost of living as between urban and rural areas.

I have discussed all these amendments with the Senator from Louisiana, and I understand that the Senator from Louisiana is willing to accept them.

Mr. LONG of Louisiana. Mr. President, I yield myself 2 minutes.

I am well aware of everything in the amendment, and how to apply it, except with respect to the shelter cost aspect of the amendment which the Senator has offered. The experts in the Department tell me that it does not involve any substantial cost as far as the program is concerned, and would help to administer the program more equitably. As such, I do not oppose it. I think that probably we in Louisiana would not use it, but if New York wants to use it, that would be all right with me.

Having had the opportunity to discuss these matters, the Senator from New York and I more or less reached a meeting of the minds, with some give and take, as to what parts of these amendments we felt would be appropriate; and I believe, in the spirit of compromise, this should pretty well resolve our differences on these issues, and I would be willing to vote on it or take it to conference.

I yield back the remainder of my time.

Mr. KENNEDY of New York. I yield back the remainder of my time.

Mr. JAVITS. Mr. President, I yield myself 1 minute on the bill.

These are matters which deeply concern Senator KENNEDY and me, and our State. This is an item which particularly interests us. I join in thanking the Senator from Louisiana for his consideration and understanding of the problems which have been raised, and which he is helping us solve in a way which, I can assure him, is completely in keeping with the spirit of his bill.

The PRESIDING OFFICER. All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from New York.

The amendment was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BENNETT. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. BENNETT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, reads as follows:

At the end of the bill insert the following new section:

"EXCLUSION FROM DEFINITION OF WAGES OF CERTAIN RETIREMENT, ETC., PAYMENTS UNDER EMPLOYER ESTABLISHED PLANS

"SEC. 508. (a) Section 3121(a) of the Internal Revenue Code of 1954 (definition of wages) is amended by striking out 'or' at the end of paragraph (11), by striking out the period at the end of paragraph (12) and inserting in lieu thereof '; or', and by adding at the end thereof the following new paragraph:

" '(13) any payment or series of payments by an employer to an employee or any of his dependents which is made or begins—

" '(A) upon the retirement, death, or disability of the employee, and

" '(B) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents).'

"(b) Section 3306(b) of such Code (definition of wages) is amended by striking out 'or' at the end of paragraph (8), by striking out the period at the end of paragraph (9) and inserting in lieu thereof '; or', and by adding at the end thereof the following new paragraph:

" '(10) any payment or series of payments by an employer to an employee or any of his dependents which is made or begins—

" '(A) upon the retirement, death, or disability of the employee, and

" '(B) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents).'

"(c) Section 209 of the Social Security Act (definition of wages) is amended by striking out 'or' at the end of subsection (k), by striking out the period at the end of subsection (l) and inserting in lieu thereof '; or', and by inserting after subsection (l) the following new subsection:

" '(m) Any payment or series of payments by an employer to an employee or any of his dependents which is made or begins—

" '(1) upon the retirement, death, or disability of the employee, and

" '(2) under a plan established by the employer which makes provision for his employees generally or a class or classes of his employees (or for such employees or class or classes of employees and their dependents).'

"(d) The amendments made by this section shall apply with respect to remuneration paid after the date of the enactment of this Act."

Mr. BENNETT. Mr. President, my amendment adds a new paragraph to section 3121(a) and section 3306(b) of the Internal Revenue Code and a new subsection to section 209 of the Social Security Act, which define the term "wages" for employment tax and social security purposes. This amendment makes it clear that the term "wages" for those purposes does not include any payment or series of payments by an employer to an employee or his dependents which is made or begins upon the employee's retirement, death, or disability, and is made under any plan established by the employer, regardless of whether or not the plan provides for other payments at other times or for other purposes.

For example, an employer may establish an incentive compensation plan for his employees generally or for a class of his employees providing for the payment of deferred compensation on termination of employment, including termination upon an employee's retirement, death, or disability. Payments under such a plan which are made or begin upon an employee's retirement, death, or disability or within a reasonable time thereafter—rather than on termination of employment for any other reason—will be excluded from the term "wages" whether made in a lump sum or in installments. However, a payment which would have been made or begun at the same time even if the employee had not retired, died, or become disabled will not be excluded from the term "wages."

It would appear that the tax law already takes care of the situation to which this amendment is directed. Three times the law excludes from wages for employment tax purposes, payments made for retirement and twice there are exclusions for payments made for disability. Nevertheless, the Internal Revenue Service has decided that a certain type of payment meant to be received at retirement or for disability or at death is includible as "wages" and subject to employment taxes. Therefore, to prevent such an interpretation by the Service in the future and to express congressional intent on how these payments should have been treated all along, it appears that we must add another provision to the law to make it plain that the type of payment which the Service is challenging is not to be considered "wages" and, therefore, is not to be subject to employment taxes—the social security tax and the unemployment tax. I urge the distinguished floor manager and committee chairman to take this amendment. I think it has merit and deserves the support of the Senate.

I am sure that the committee chairman understands the amendment. I think he agrees with me that it has merit and deserves the support of the Senate.

Mr. LONG of Louisiana. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. LONG of Louisiana. Mr. President, the Senator seeks, I believe, to resolve that controversy in a way that he thinks is appropriate.

Ordinarily I would urge the Senator to wait until we conduct hearings on it and study the matter and then bring it in as part of a bill, after we had studied the matter in depth. However, I think the revenue cost is negligible since it involves the employment tax which goes into a trust fund rather than the income tax which is used for financing the costs of Government.

Inasmuch as the pending bill is the only social security bill we are likely to pass between now and the time Congress adjourns, and this is an amendment to resolve a hiatus in the social security tax law, I would not object to the amendment.

I think it is something we could well discuss in conference and see if we can resolve it one way or the other.

At that time we will have experts from the Treasury testify as to their side of the argument, and we can also ask questions concerning the Senator's side of the argument.

Mr. BENNETT. Mr. President, I yield back the remainder of my time.

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Utah.

The amendment was agreed to.

AMENDMENT NO. 439

Mr. SMATHERS. Mr. President, I call up my amendment No. 439 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. SMATHERS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 407, beginning with line 7, strike out all through line 20, on page 411, and in lieu thereof insert the following:

"DEDUCTION OF EXPENSES FOR MEDICAL CARE OF INDIVIDUALS WHO HAVE ATTAINED AGE 65

"SEC. 501. (a) Section 213(a) of the Internal Revenue Code of 1954 (relating to allowance of deduction for medical, dental, etc., expenses) is amended to read as follows:

" '(a) ALLOWANCE OF DEDUCTION.—

" '(1) IN GENERAL.—There shall be allowed as a deduction the following amounts, not compensated for by insurance or otherwise—

" '(A) the amount by which the amount of the expenses paid during the taxable year (reduced by any amount deductible under subparagraph (B)) for medical care of the taxpayer, his spouse, and dependents (as defined in section 152) exceeds 3 percent of the adjusted gross income, and

" '(B) an amount (not in excess of $150) equal to one-half of the expenses paid during the taxable year for insurance which constitutes medical care for the taxpayer, his spouse, and dependents.

For purposes of this paragraph, amounts paid for the medical care of an individual with respect to whom paragraph (2) applies for the taxable year shall not be taken into account.

" '(2) INDIVIDUALS WHO HAVE ATTAINED AGE 65.—There shall be allowed as a deduction the amount of the expenses, not compensated for by insurance or otherwise, paid during the taxable year for the medical care of—

" '(A) the taxpayer and his spouse, if either of them has attained the age of 65 before the close of the taxable year, and

" '(B) a dependent who (i) is the mother or father of the taxpayer or his spouse and (ii) has attained the age of 65 before the close of the taxable year.'

"(b) Section 213(b) of such Code (relating to limitation with respect to medicine and drugs) is amended by adding at the end thereof the following new sentence: 'The preceding sentence shall not apply to amounts paid for the care of—

" '(1) the taxpayer and his spouse, if either of them has attained the age of 65 before the close of the taxable year, or

" '(2) any dependent described in subsection (a)(2)(B).'

"(c) The amendments made by subsections (a) and (b) shall apply to taxable years beginning after December 31, 1966."

Mr. SMATHERS. Mr. President, I would like to make it clear that I am offering the amendment on my own behalf and also on behalf of the distinguished Senator from Vermont [Mr. PROUTY], the distinguished Senator from West Virginia [Mr. BYRD], and the distinguished Senator from New Hampshire [Mr. COTTON].

Mr. President, on the first day of this Congress that bills were introduced, I introduced S. 177, to restore to individuals who have attained the age of 65 the right to deduct all expenses for their medical care. Later, when the social security bill had come to the Finance Committee from the House and when I was necessarily absent, the junior Senator from West Virginia was kind enough to submit S. 177 in my behalf as an amendment, No. 278, to H.R. 12080.

In my absence, the committee deliberated the amendment in its executive sessions on the social security bill, for which I am much appreciative, and adopted it but with an important and, I believe, crippling modification. The committee amended the social security bill to permit an individual 65 or over to deduct from taxable income all expenses of medical care, including medicines and drugs, but only if that individual chose to give up forever his rights to benefits under medicare.

Forcing an elderly person to relinquish his rights to all future medicare benefits in return for his being able to deduct all of his medical costs is really to give most elderly persons no choice at all. Most persons 65 and over cannot afford prematurely and summarily to give up claim to all future medicare benefits and thus they will not become eligible to get the full tax deduction. As a matter of fact, it will probably be only a very rich person with enormous medical costs who will dare to waive medicare. The moderate- and low-income taxpayer cannot risk giving up his medicare potential for the relief afforded by the unlimited deduction.

Therefore, I am now proposing that the committee's provision giving the full tax deduction to the elderly only on occasion of a waiver of medicare be deleted and in its place my amendment 439 be inserted.

My amendment 439, again submitted by the generous junior Senator from West Virginia, is the same as the proposals I offered earlier this year to restore the full income tax deduction of medical and drug expenses for individuals age 65 and over. It has no condition that the aged individual must waive his medicare benefits. The difference between the committee provision and my amendment is that, under the committee proposal, the person 65 or over gets either a full tax deduction for his medical and drug bills or medicare, and, under my amendment, that same person gets both—the full tax deduction and medicare.

Let me recount briefly the legislative history of this proposal. Up to 1965, the tax law had recognized the more serious medical expense problem that faces most aged people. While all other taxpayers were allowed a deduction of only those expenses of medical care which exceeded 3 percent of adjusted gross incomes; and in computing that amount only medicine and drug bills in excess of 1 percent of adjusted gross income could be included, for taxpayers 65 and over and dependents 65 and over of a taxpayer or the taxpayer's spouse, all medical care expenses were deductible without the 3- and 1-percent floors.

However, the 1965 Social Security Amendments changed this and made effective beginning in 1967 the same limited deduction for persons 65 and over as had existed for persons under 65. The Senate felt that the unlimited deduction for older people should not be tampered with, but the House was adamant that the tax deduction for medical care of 65-year-olds-and-over should be the same as that for younger people; that is, only for expenses over and above the 3- and 1-percent levels. The reasoning which prevailed was that the medicare legislation being enacted at that time would provide older people with enough medical care benefits that they need not also have the unlimited tax deduction.

The Senate once again tried to reverse that unfortunate decision by adopting my amendment to the Foreign Investors Tax Act late last year. Again, the House attitude against the unlimited medical deduction for the elderly prevailed in conference. This time, however, the House's opposition was premised on the ground that the proposal should be considered as part of an overall social security bill this year. Thus, the 3- and 1-percent floors became effective for the old folks on January 1 of this year.

This means that with the mailing of the Federal income tax returns around the first of next year which must be returned by April 15, 1968, many of our aged population will learn for the first time that they can no longer deduct all of the medical and drug bills they have paid and that they can deduct only a portion of their 1967 medical and drug expenses. That is when the chickens will come home to roost—that is when we in Congress will be deluged by great swarms of mail from indignant senior citizens all over the land protesting the taking away of a longstanding benefit which for many years was the prime weapon of many old folks in their fight against poverty.

The argument that medicare would take care of the medical costs of our older population and therefore make the unlimited medical deduction unnecessary was untrue from the beginning. Medicare is a limited benefit which has not been greatly expanded by the bill before us today. There are many medical expenses not covered by medicare even for those who are under its protection. There are, of course, a number of elderly people who will not come under medicare. For most of these people, the unlimited tax deduction of medical expenses is a necessity. Especially is this true for the elderly who undergo long-term illnesses. Medicare can soon be exhausted by such illnesses, yet the expenses of these illnesses go on. What a relief it would be to those incurring these illnesses to know that they can deduct without limitation the large medical bills they receive.

The Treasury Department has opposed my proposal from the beginning. As is usual with the Treasury when it opposes something, it has spawned staggering statistics to show the great cost of the full medical deduction for the elderly and the disproportionate share of that cost which would benefit higher income taxpayers. Treasury Department revenue estimates in the past have been known to be way off the mark, particularly on a proposal that the Department opposed. I am confident that that is the case here. Of course, the Treasury figures can also be used against the Department's position. If my amendment would cost the Government the $210 million in 1967 that Treasury says it would, it means that persons 65 and over would be paying that much and more in medical bills without any help from medicare. In other words, one cannot say that medicare is taking care of all of the medical expenses of the elderly and at the same time, say that the unlimited medical deduction which is only applicable to bills not paid for by medicare, is going to cost the Government $210 million in lost tax revenues.

It does not matter to me which part of the Treasury argument is fallacious. All that I care about is making sure that our aged population get the best and most comprehensive medical treatment at the lowest cost. That to me means that medicare's benefits must be supplemented by full deductibility of medical and drug expenses of our older Americans. My amendment will do that and make it effective for 1967 so that my colleagues will be saved from the incendiary mail they otherwise will get next year. I hope the Senate will remain consistent on this matter and vote to our aged their full medical care tax deduction without qualification and then I hope the Senate conferees will insist on their position in conference with the House.

Mr. President, to summarize as briefly as I know how, what we seek to do here is not to take anything away from the elderly citizens of this country who actually believe that the medicare bill was calculated and passed to be of additional benefit to them.

Before we adopted the medicare bill, we had a provision in the law that the elderly citizen over 65 could deduct all of his medical and drug expenses.

When we passed the medicare bill, the House put into it a provision which provided that from 1967 on, because medicare was supposed to cover all their medical expenses and their medical needs the elderly would lose the right to deduct the amount of money they had paid for medical expenses, drugs, medicine, and so forth to the extent they do not exceed the 3-percent floor. The Senate, however, did not go along with that provision, and the Senate adopted an amendment offered by me and other Senators at that point, which was the same as the pending amendment.

However, at the conference between the House and the Senate, the House was adamant and would not accept the Senate position. So the law now provides that beginning in January of 1967, people 65 years of age and older are not to be able to deduct the entire cost of their medical expenses, drugs, medicines, and other items in connection with their health. They could only deduct that portion which exceeds 3 percent of their adjusted gross income for medical services and 1 percent for drugs.

The old people of the country at this point do not know that this is what we have done, but they are beginning to understand it; and when they receive their tax bills and have to pay their tax starting in January of 1968, Congress will receive an avalanche of mail protesting what Congress has done—not necessarily what the Senate has done, but what Congress has done, because the Senate had to give way to the intransigency of the House. The Finance Committee in this bill partially corrects the problem. It makes the unlimited medical expense deduction available to those age 65 or over, but only where they permanently waive all of their rights to medicare—both the hospital insurance program and the supplementary medical care program.

What I am seeking to do by the pending amendment is once again to establish the right of people over 65 years of age to deduct all of their medical expenses even though they are covered by medicare.

The reason why this is essential is this, briefly: Medicare is a limited program. Medicare does not cover all of an elderly person's illness.

For example, a person can go into a hospital now and have the Government pay for 90 days of hospital care. The Senate committee has made it even better by saying that they now can have 60 additional days of hospital care during their life, for which the Government will pick up part of the bill; but for the additional 60 days, the individual must pay $10 for each day.

We know of many instances in which elderly people go into the hospital because of a broken hip. They leave, after having spent perhaps 2½ months in the hospital, and break their arm and must return to the hospital. If they must go back a second and third time, medicare does not cover that expense, and they must pay that expense or someone must pay it for them, and that is not deductible.

I do not believe the Senate ever intended this situation to exist and I do not believe Congress expected it to be that way, but there it is.

These are some of the items not covered under medicare: Dental work and hearing aids. Certainly, many elderly people must have hearing aids. The elderly people are not entitled to deduct that expense. Eye glasses and eye examination, nursing and home care after 100 days, all types of custodial care, hospital care after 150 days in the first spell of illness and 90 days in later ones, outpatient drugs, private duty nurses, other miscellaneous items, such as routine foot care.

I do not wish to belabor this point. I believe the Senate understands it. We adopted a similar amendment on two previous occasions, and I believe the time has come to adopt it once more. We will take it to conference, and I hope the House will accept it. I do not know. But I do believe the elderly people of this Nation are entitled to continue to deduct all their medical costs, as was the law prior to medicare, particularly in view of the fact that medicare does not cover many of their illnesses, and remains a limited program, as it is today.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. SMATHERS. I yield.

Mr. CURTIS. Is this the situation of which the Senator speaks: A taxpayer under 65 years of age can deduct medical expenses that exceed 3 percent of the gross income?

Mr. SMATHERS. The Senator is correct.

Mr. CURTIS. And some few years ago, for the taxpayers over 65 we abolished the 3-percent offset, and they could deduct it all, but that special benefit was repealed in the passage of medicare.

Mr. SMATHERS. The Senator is correct.

Mr. CURTIS. What the Senator proposes to accomplish by the pending amendment is to permit taxpayers over 65 to deduct the full amount of their medical expenses, but by "full amount" is meant the out-of-pocket expense and not that which was reimbursed by medicare or by private insurance carriers?

Mr. SMATHERS. The Senator is correct.

Mr. CURTIS. Does the Senator have an estimate of the revenue cost of this proposal?

Mr. SMATHERS. The Treasury has stated that it would cost approximately $210 million. But the Senator knows, and I know, and all of us who have served on the Committee on Finance know, that the Treasury has a way, when it opposes a particular amendment, of somehow skyrocketing those estimates.

I can foresee, and the Senator from Nebraska can foresee, the day when we should not have the amendment I am now proposing. But that day will come when medicare has become so widespread and broad in its coverage of everything and everybody who is 65 years of age and older that they will not need to ask for this deduction.

However, today, because it is a limited program, we are actually penalizing them and putting some people in a worse position than before we passed medicare.

I yield the remainder of my time to the distinguished Senator from Vermont.

Mr. PROUTY. Mr. President, I am grateful to the distinguished Senator from Florida for his kind remarks.

I should point out that the pending amendment is identical to one which was offered by myself with the distinguished Senator from New Hampshire [Mr. COTTON], as cosponsor, several weeks ago.

I am delighted that the distinguished Senator from Florida is offering this amendment. I support him in his effort since he is acting in my behalf, in behalf of the distinguished Senator from West Virginia and the distinguished senior Senator from New Hampshire.

Mr. President, what we are attempting to do under the pending amendment is to prevent the imposition of an additional tax burden on the older citizens of this country. The Senator from Florida has explained the matter so well, that I believe there it little need to add to what he has said.

There are a few points which I would like to make, however, even if they are reiterating those already made by Senator SMATHERS.

First, I would like to point out that there is really no cost involved in this amendment since no tax money has been collected from these older people for 17 years. Therefore, we are not depriving the Treasury of a source of money which it currently has.

Second, Mr. President, by failing to enact this amendment we would impose additional hardships on older retired persons who already exist on the brink of poverty. I discuss this point in greater detail in a statement which I prepared for delivery on the floor in connection with my own amendment.

I ask unanimous consent that this statement be included as part of my remarks at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Mr. President, the Finance Committee of the Senate is to be commended for its consideration of many important aspects of the Social Security Bill. There are inequities in the present social security laws, and many necessary changes have been made by the Committee in the reported bill. While some of these changes are entirely adequate as they stand, it is clear that other parts of the bill could profitably be further revised. An example of the latter is the medical expense tax deduction for the aged.

I will briefly reiterate the history of these provisions.

Under a tax law first enacted in 1948, taxpayers 65 and older benefited from a provision which allowed them to deduct the cost of medical care up to certain specified maximums, for themselves and their spouses who were also 65 and older. Other taxpayers were denied deductions for their medical expenses except to the extent that these expenses exceeded three percent of their adjusted gross income. These provisions stood for 17 years, reflecting Congressional concern over the fact that our older citizens were caught in a vicious inflationary spiral of increasing medical bills and decreasing incomes. They needed help, and allowing a deduction of medical expenses was eminently proper.

However, Mr. President, after the enactment of the medicare bill in 1965, these tax deduction provisions were for the first time seriously challenged. At this time the House acted to repeal these provisions on the rationale that Medicare would pay for virtually all medical needs of the aged, thus rendering the tax deduction superfluous, unnecessary, and over complicated. These deductions will not be available to our older citizens when they file their 1967 income tax returns next spring, Mr. President, unless my amendment is adopted.

There were claims by the Treasury Department that this change would simplify tax law. Unfortunately, this was a stalking horse with no basis in fact. To the contrary, the elimination of these provisions actually complicates tax computations for millions of aged citizens who need and deserve as simple a tax reporting system as possible. Previously, these taxpayers knew they could deduct all their medical expenses up to the maximum limits. Under the present law, supported by the Treasury, they would have to make difficult calculations to distinguish between that portion of their medical expenses which would no longer be deductible and that portion which they could continue to deduct. Fortunately, the 1965 legislation provided that this new tax restriction on our older people would not apply until 1967.

When the Medicare bill came to the Senate, the Committee on Finance recognized the hardships and complexity that could occur if the medical expense deduction for the aged were cut back. That Committee deleted the restricting amendments of the House bill. These distinguished Senators on the Finance Committee knew that Medicare would pay no more than 40% to 50% of an aged individual's medical costs and that the remaining amounts would have to be paid for out of the aged person's own resources. They saw right through the tax simplification argument presented by the Treasury.

The Senate agreed to the Committee amendments, but unfortunately the conferees on the Medicare bill finally adopted the House provisions to cut back on the tax deduction, beginning in 1967.

Last year, the Committee on Finance again sought to retain the full deduction for the medical expenses of persons age 65 and over. The Committee added an amendment to the Foreign Investors Tax Act designed to prevent the tax restrictions included in the 1965 Medicare law from going into effect. The Senate passed the amendment, but once again the House conferees refused to accept it and it was stricken from the final bill.

Mr. President, 1967 is here. Unless we act now, aged taxpayers are going to suffer a tax increase when they file their returns next Spring. At a time when we hear so much talk of an across-the-board tax increase, we should not single out our old people for an additional, special tax increase. We should not complicate their tax computations. We should leave the law as it has been for these people for the past 17 years.

My mail indicates that the repeal of the tax deduction will worsen the plight of many aged this year. Many of our older citizens will be worse off under Medicare than they had been previously when the tax deduction was allowed. This is so, Mr. President, because as it has developed, contrary to the view of the House of Representatives in 1965, Medicare does not cover 100% of the medical expenses of the older Americans. In reality, only from 50% to 60% of costs are covered. Let us consider what costs must be met by the individual over 65:

Under Hospital Medicare Insurance the first $40 must be paid by the individual.

After 60 days care, the individual must pay $10 a day for the next 30 days of treatment.

Under Medical insurance, the individual must pay $3 a day to receive benefits.

All drug costs except those provided in the hospital must be met by the individual.

None of these costs enumerated above can any longer be deducted unless they are in excess of 3% of the older taxpayer's adjusted gross income or in the case of drugs, exceed 1% of the adjusted gross income.

It is quite true that the poorest of our aged would not benefit from a reinstatement of the tax deduction. Those 7.3 million older Americans who do no file income tax returns would not be affected. However, Mr. President, there are some 12.7 million older Americans who do file income tax forms, and these people would be benefited.

I had great hopes, Mr. President, that the Finance Committee, because of its previous concern over the plight of the aged, would act to reinstate the Medical Expense Tax

Deduction. Indeed, last Friday when the press release describing the Committee bill was released, I scanned it eagerly, until I came to the section in which Medical Tax Deductions were explained.

At first I was encouraged to read that, and I quote, "The Committee amendment would make the medical care and drug expenses of a person 65 or over fully deductible without regard to the 3 and 1 percent limitation . . ." Then I was disappointed and horrified to learn of the conditions under which this tax benefit would apply. Only those people who, and I quote, ". . . waives all future entitlement to all medicare benefits upon reaching age 65 or within one year after enactment of the bill, whichever is later," would be eligible for this tax deduction. The decision to select Medicare or a tax deduction would be an irrevocable one.

The reasoning behind this provision, as I understand it, is as follows: The very poor will not benefit from tax deductions since they do not even file income tax returns. A reinstatement of the deduction would aid the rich since they would be given access to Medicare in addition to having the privilege of deducting expensive medicines and medical care. It is said that these people who least need aid would be benefited twice.

If this argument is true then the action of the Finance Committee on this matter represents a just and equitable solution to the problem of "medical tax deduction."

However, Mr. President, I would like to submit that this new provision is neither just nor equitable for the majority of our older Americans.

Moreover, I further submit, Mr. President, that it represents a dangerous tendency to transform a compulsory system of old-age medical insurance into a voluntary one.

Finally, Mr. President, I submit that only a reenactment of the more generous tax rules for older taxpayers will alleviate the hardship conditions of millions of our citizens 65 and over.

First, the Finance Committee's solution is not just and equitable. It is true, as I have stated before, that the poorest older Americans do not benefit from tax deductions since they do not file income tax forms. However, these poorest Americans over 65 constitute only 7.3 million of the 20 million recipients of Medicare and Social Security. Of the 12.7 million who do file income tax forms, how many can actually be considered rich? The great majority of these, Mr. President, I am sure can be considered to be among the ranks of what in this age of welfare and poverty programs might be termed the forgotten middle class.

How can these older middle class Americans be characterized? Many of them undoubtedly as a result of careful planning, saving and thrift have a small income in addition to their Social Security benefits. Yet, most of them exist on incomes less than one-third of that which they received during their working years. They are caught in the scissors grip of rising costs and decreasing money value.

For these millions, the opportunity to deduct medical expenses is of great advantage. It may mean the difference between scrimping to make ends meet and having a few pennies more for meager pleasures. Can we deny these additional benefits to all older Americans, merely because the poorest aged do not stand to gain?

Further, we must consider the fact that middle class Americans enjoyed this tax benefit for some 17 years. Denying the benefit this year may inadvertently have the effect of causing thousands who are on the borderline of poverty to drop below the line.

Finally, Mr. President, although 7.3 million Americans do not now file income tax forms, they do not do so because Social Security benefits are not taxable. Should these benefits in the future be considered taxable, every one of the 20 million Americans age 65 and over would be given the same benefit of a medical tax deduction, should it be reinstated.

While I am inclined to believe that we should continue to consider Social Security benefits as non-taxable income, I have noticed many forces, including the Administration, urging that Social Security benefits be considered taxable income. For example, H.R. 5710 contained a provision which would have considered Social Security benefits taxable. Both the President and the Treasury Department forcibly argued before the Ways and Means Committee that Social Security benefits should be taxed. I believe that the mere fact that the House did not adopt the President's recommendation should not be taken as a guarantee that Social Security benefits will not be taxed in the future.

My second argument, Mr. President, concerns the dangerous precedent which the Finance Committee sets in changing Social Security from a compulsory system to a voluntary one. This action can have several detrimental effects, which I believe outweigh the questionable benefit of encouraging rich Americans to decide against selecting Medicare.

First, in the light of the fact that the decision against Medicare is irrevocable, can we really rely on the good judgment of all older Americans? I can envision many many cases of bad decisions which will arise because of this provision.

Suppose, for example, that Mr. Smith, who is 66, continues to work and earn enough money to forego Social Security until he is 70. During this time a tax deduction is more beneficial to him than Medicare, so he chooses in favor of a medical tax deduction. Later, however, when he is forced to exist on Social Security alone—an amount much, much less than he was making previously, he will then realize that he could benefit from Medicare. However, he will suffer for the rest of his days because he over-estimated the benefits of Social Security and because he made a decision which is irrevocable.

Second, by making Medicare voluntary, are we not opening a Pandora's box? A voluntary system is a concept entirely new in the history of Social Security legislation. What could be the result of this change in policy?

I forsee an eventual change to a voluntary system of financing which would parallel the voluntary system of benefit reception. This could jeopardize the whole Social Security system. It represents a dangerous new tendency.

My third argument is that only a reinstatement of tax deductions will be most beneficial and most equitable. In order to benefit millions of older Americans, and in order to prevent the system of Social Security from becoming voluntary, I thus strongly recommend that my amendment be adopted.

My amendment is simple. It retains, for the future, the rules which have governed the deduction of medical expenses by aged people for the past 19 years. State differently, it prevents the so-called 3 percent rule on medical expenses, and the 1 precent rule on medicines and drugs from applying to cut back on the deductions for the cost of medical care by these older Americans.

As I pointed out when I introduced the amendment, despite Medicare, 55 to 60 percent of the medical costs of elderly citizens have to be paid by them, and this constitutes a terrific and frequently insurmountable burden for a great majority of older people. If we are to continue the spirit of Medicare legislation, then we should give this amendment an overwhelming vote of support. The aged of this nation should not be asked to suffer an income tax increase by withdrawal of most of their present deduction for medical expenses. Humanitarianism suggests that those now trying to live on grossly inadequate Social Security benefits and small pensions should not be forced to assume an obligation which was not theirs prior to January of this year.

I believe that I have covered most of the objections made to my amendment which was offered previously as an amendment to another bill, and at the same time uncovered several fallacies and dangers inherent in the recommendation of the Finance Committee. My amendment would benefit large numbers of middle class aged, and conceivably even benefit the poorest of our aged in years to come. It would not, as does the Finance Committee provision, open a Pandora's box for future revisions of the Social Security law.

One additional objection which conceivably could be made to my amendment is the loss of income to the Treasury Department if the tax deduction were reinstated.

The Treasury has indicated that this would cost $180 million. I challenge that. First, to the extent that Medicare or other health insurance plans are truly paying for their medical care, the aged would incur no expense and would take no deduction. Second, the Treasury is not collecting this $180 million yet, and thus, it could not lose it if we act now. Third, many taxpayers age 65 and over claim the standard deduction rather than itemize their deductions. In these instances medical expenses are not separately claimed, and the amount deducted in the taxpayer's return is not enlarged because he paid for medical care.

Mr. President, this is an equitable amendment. The Senate has approved it on two previous occasions—once in 1965 and again in 1966. This year, I believe the House will agree with us and accept the amendment in order to prevent a double tax increase on these older Americans.

Mr. President, in conclusion, I would like to note that I have received support for my amendment from many members of this body and also from many outside the Senate who represent the interests of the older American. I would like unanimous consent to include copies of their letters in the Record immediately following my remarks.

EXHIBIT 1

MEMORANDUM

Subject: Definition of "any dependent" as contained in the Prouty amendment to H.R. 4765.

For the purposes of this amendment the term "dependent" means any of the following individuals over half of whose support for the calendar year in which the taxable year of the taxpayer begins, was received from the taxpayer:

(1) A son or daughter of the taxpayer, or a descendant of either,

(2) A stepson or stepdaughter of the taxpayer,

(3) A brother, sister, stepbrother, or stepsister of the taxpayer,

(4) The father or mother of the taxpayer, or an ancestor of either,

(5) A stepfather or stepmother of the taxpayer,

(6) A son or daughter of a brother or sister of the taxpayer,

(7) A brother or sister of the father or mother of the taxpayer,

(8) A son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law or sister-in-law of the taxpayer,

(9) An individual (other than an individual who at any time during the taxable year was the spouse, determined without regard to section 153 of the taxpayer) who, for the taxable year of the taxpayer, has as his principal place of abode the home of the taxpayer and is a member of the taxpayer's household, or

(10) An individual who—

(A) is a descendant of a brother or sister of the father or mother of the taxpayer,

(B) for the taxable year of the taxpayer receives institutional care required by reason of a physical or mental disability, and

(C) before receiving such institutional care, was a member of the same household as the taxpayer.

(Source: Section 152 of the Internal Revenue Code)

EXHIBIT 2

[From the report of the Committee on Ways and Means on H.R. 6675, 89th Cong., 1st sess., H. Rept. No. 213]

SOCIAL SECURITY AMENDMENTS OF 1965

Medical expense deduction.—The health care provisions of your committee's bill have a relationship to the medical expense deductions allowed under the Internal Revenue Code. In the past the 3-percent limitation in the case of medical care expenses and the 1-percent limitation applied to expenditures for medicines and drugs were waived for persons 65 or over in recognition of the fact that medical expenses generally constituted a heavy financial burden for older people. In the past, however, there was no broad-coverage health insurance plan for older persons. The health insurance provisions of your committee's bill are designed to meet these problems in a generally comprehensive manner. The historical basis for the special medical expense provisions in the tax law for the relief of older taxpayers, therefore, no longer appears to exist. For this reason the bill provides that the 3-percent floor on medical expense deductions, as well as the 1-percent limitation on medicines and drugs, is to apply to those age 65 or over in the same manner as it presently applies to those under age 65. This will have the effect of partially or fully recovering the $3 monthly premium paid from general funds of the Treasury from those aged persons who have taxable income, depending on the amount of their taxable income.

To encourage the purchase of hospital insurance by all taxpayers, the bill provides a special deduction, available to those who itemize their deductions, for one-half of any premiums paid for insurance of medical care expenses whether or not they have medical expenses in excess of the 3-percent floor, but this deduction may not exceed $250.

Another change limits the insurance premiums which may be taken into account to those which arise from coverage of medical care expenses. Still a further change treats as current, qualifying medical care expenses (subject to limitations) the prepayment before age 65 of insurance for medical care after age 65.

EXHIBIT 3

[From the Republican, May 22, 1967]

ELDERLY HEAVILY PENALIZED ON MEDICAL DEDUCTIONS

Elderly people who filed their Federal income tax returns on or before April 17 were allowed to deduct the full cost of drugs and medicines, doctors' bills, and other medical expenses, paid for in 1966, to the extent that these expenses were not reimbursed. But what many elderly people probably do not realize is that, unless the law is changed, they will not be allowed to deduct full medical expenses when they make out their 1967 returns a year from now.

What happened was that, when the Medicare bill was passed, the right to deduct full medical expenses was repealed. The idea seemed to be that, with Medicare, this right no longer would be necessary.

However, Medicare does not provide for payment of any drugs except those administered to elderly patients in hospitals. The elderly man or woman who has to pay $40 or $60 a month, or even more, for costly drugs cannot look to Medicare to pay even a part of these costs. Doctors' bills may be paid for to a certain extent if the elderly person subscribes to the voluntary plan provided for by Medicare and pays his three dollars a month. But even here he must pay a deductible of $50 and 20% of the cost.

This leaves a gap in the overall medical cost picture, so far as numerous elderly persons are concerned. Many elderly persons and couples, especially those who have to pay out large amounts for drugs, will find themselves heavily penalized if the present income tax provisions remain unchanged. The present provisions, incidentally, require all elderly persons to follow the same complicated formula that younger persons have to use in figuring any medical expense deduction. And this formula does not allow you much unless you have been really hard hit by unreimbursed medical expenses.

This is the reason why the Republican Coordinating Committee, representing the top GOP leadership of the nation, has recommended restoration of the right previously granted elderly people to deduct full medical expenses. It is the reason why Republicans in Congress are working to have this right restored.

(Prepared under the direction of the Republican National Committee, 1625 Eye Street, N.W., Washington, D.C., Ray C. Bliss, Chairman.)

EXHIBIT 4

(NOTE.—Last session when the Finance Committee reported H.R. 13103, the Foreign Investors Tax Act, the report stated the following on page 58:)

2. MEDICAL EXPENSE DEDUCTIONS OF INDIVIDUALS AGE 65 OR OVER (SEC. 202 OF THE BILL AND SEC. 213 OF THE CODE)

For taxable years beginning before January 1, 1967, existing law provides that a taxpayer age 65 or over can deduct—without regard to the 3-percent floor applicable to taxpayers under 65 years of age—all medical expenses he incurs for himself and his spouse. In addition, all amounts spent for medicines and drugs for himself and his spouse are deductible—without regard to the rule applicable to taxpayers under age 65 that amounts paid for medicines and drugs are taken into account only to the extent they exceed 1 percent of adjusted gross income.

For taxable years which begin after 1966, present law provides that a taxpayer over age 65 is subject to the same rules applicable to a taxpayer under age 65, so far as the 3-percent and 1-percent floors are concerned. That is, medical expenses will be deductible only to the extent they exceed 3 percent of adjusted gross income, and medicines and drugs will be taken into account only to the extent they exceed 1 percent of adjusted gross income.

Your committee's amendment provides that the rules applicable for 1966 to taxpayers 65 years or older shall continue to apply, and not the rules added last year by the Social Security Amendments of 1965 (Public Law 89–97) which were to take effect in 1967. The amendment also restores for future years the existing right of any taxpayer to deduct medical expenses and medicines and drugs for his dependent mother or father if age 65 or over without regard to the 3 percent and 1 percent floors otherwise applicable. The new rules for 1967 were added last year at the insistence of the House which maintained that unlimited deductions were no longer necessary after enactment of the medicare program. The Senate disagreed, and deleted the limitations on deductions for those over age 65 in its version of the medicare bill. The House insisted upon its provision in the conference, and the Senate conferees receded.

In acting to remove the limitation, the committee reaffirms its unwillingness to increase the income taxes on the aged taxpayer by placing a limitation upon the deductibility of his medical expenses or those of his spouse. It believes that the limitation is unfair to the aged taxpayer who provides for his own medical protection and to the taxpayer, even though covered under medicare, who must meet the expenses not covered under the program. For example, the medicare beneficiary has to pay a $40 deductible toward his hospital expenses, a $50 deductible toward his medical expenses, and the uncovered 20 percent of medical expenses in excess of $50. Furthermore, if he is hospitalized for more than 60 days, medicare requires that he pay $10 daily from the 61st through 90th days. If he goes to an extended care facility under medicare, he must pay $5 daily from the 21st through 100th day. And many elderly persons who are hospitalized will not receive medicare payments for their care because of a situation over which they have no control whatsoever; namely, the fact that their local hospital or hospitals may not be participating institutions under the program. In this case, these people have to come up with the cash themselves or call upon some other third-party resources.

Apart from the above reductions, limitations, and exclusions in medicare there are a number of other types of significant health expenses incurred by older citizens which must, in large part, be met out-of-pocket. Such expenses include necessary dental care, drugs, and long-term hospital or nursing home stays.

It has been estimated that medicare will cover 40 to 45 percent of the health care costs of those eligible for and who can secure its benefits. The remaining 55 to 60 percent of health costs has a serious negative impact upon those elderly struggling to maintain their independence on limited incomes. As we have in the past, it is appropriate that through sympathetic and proper tax treatment we continue to recognize the unusual and heavy health expenses incurred by our older population.

The amendment also will simplify the tax returns of the aged, because the amendment will reduce one additional calculation that they would have to make and which the Internal Revenue Service would be required to verify.

The repeal and amendments made by this section shall apply to taxable years beginning after December 31, 1966.

Mr. PROUTY. Third, Mr. President, I have received letters in support of the pending amendment from various organizations which have the best interest of our older citizens at heart. These letters are indicative of the support which exists for this amendment and illustrative of the great need for it.

Therefore, Mr. President, I ask unanimous consent to have printed in the RECORD letters from the National Conference on Public Employee Retirement Systems; American Association of Retired Persons, National Retired Teachers Association; National Association of Retired Civil Employees; and the American Federation of Government Employees—all of whom endorse this proposal.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION
OF GOVERNMENT EMPLOYEES,
Washington, D.C., August 16, 1967.

Hon. WINSTON L. PROUTY,
Old Senate Office Building,
U.S. Senate, Washington, D.C.

DEAR SENATOR PROUTY: As Legislative Representative of the American Federation of Government Employees, I am happy to place our organization in support of your amendment to H.R. 4765, to amend Section 213(a) of the Internal Revenue Code of 1954 (relating to allowance of deduction for medical, dental, etc., expenses). . . .

For the record I should like to state that the American Federation of Government Employees is the largest of all the Federal and Postal organizations with a membership in excess of 250,000 and a growth rate of about 1,000 per week.

We sincerely believe that your amendment should be adopted and made law, as we feel that the older people should receive all the tax breaks possible. Thousands of these good American citizens are existing on a very limited budget and those who have excessive medical bills are not physically able to supplement their meager incomes.

When the Senate adopts your amendment and approves H.R. 4765, the AFGE will do our best to persuade the House of Representatives to accept your amendment.

I should appreciate this statement being made part of the official record.

Most sincerely,

THOMAS G. WALTERS,
Legislative Representative.

NATIONAL CONFERENCE ON PUBLIC EMPLOYEE RETIREMENT SYSTEMS,
Columbus, Ohio, November 7, 1967.

Hon. WINSTON L. PROUTY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PROUTY: This Conference, consisting of more than 100 public employee retirement systems and their affiliated organizations, is vitally concerned that under present law thousands of persons who will reach age 65 on and after January 1, 1968 will not be eligible for benefits under Part A of the Medicare Act.

The Conference will be grateful to you if you will introduce an amendment to correct this inequity during Senate debate on H.R. 12080.

The legislative committee of the Conference consists of Carl Bare, Ernest Giddings and Martha Ware. These members will give you any possible assistance at your request.

Most sincerely,

WARD ASHMAN,
Secretary, NCPERS.

AMERICAN ASSOCIATION OF RETIRED PERSONS, NATIONAL RETIRED TEACHERS ASSOCIATION,
Washington, D.C., August 24, 1967.

Hon. WINSTON L. PROUTY,
Senate Office Building,
Washington, D.C.

DEAR SENATOR PROUTY: Included among the objectives adopted by the Legislative Council of the American Association of Retired Persons and the National Retired Teachers Association is the following:

"We urge Congress to permit persons age 65 and over to deduct all expenses for drugs and other medical expenditures from their Federal income taxes."

We believe your Amendment No. 242 to H.R. 4765, the Bank Holding Act, will accomplish this goal. Therefore, on behalf of the over one million members of the two Associations, I offer our full support and cooperation.

Respectfully yours,

ERNEST GIDDINGS,
Legislative Representative.

NATIONAL ASSOCIATION OF RETIRED CIVIL EMPLOYEES,
Washington, D.C., August 24, 1967.

Hon. WINSTON L. PROUTY,
U.S. Senate,
Old Senate Office Building,
Washington, D.C.
(Attention Mr. J. Paul Molloy).

DEAR SENATOR PROUTY: This is to state that we are delighted with your Amendent No. 242 which you intend to propose to H.R. 4765. Your Amendment would restore to an income tax payer age 65 or older the privilege of deducting from income for income tax purposes all medical or drug expenses not covered by Medicare or other insurance, for himself and spouse.

This was a privilege which these taxpayers had prior to 1967, and its loss is a hard blow to our older citizens when they are forced to incur large hospital, medical and drug expenses. Your Amendment No. 242 will be of great help to them.

We intend to do all we can to secure the adoption of Amendment No. 242, and if the Senate approves of it and of H.R. 4765, we will cooperate in every way to get the approval of the conferees.

With best wishes,

Sincerely yours,

CLARENCE M. TARR.

Mr. PROUTY. Finally, Mr. President, I would like unanimous consent to have a table inserted in the RECORD at this point. I referred to this table in connection with my remarks on the Williams amendment earlier today. It is the revised version of a chart which illustrates the large and unnecessary surplus existing in the social security trust fund. This chart, Mr. President, is graphic substantiation of the fact that the fund is overfinanced, a point agreed to by the distinguished Senator from Louisiana [Mr. LONG] a few days ago.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

COMPARISON OF CONTRIBUTION INCOME AND BENEFIT OUTGO UNDER PRESENT LAW AND OTHER PROPOSALS AS COMPILED BY SENATOR PROUTY

	Contributions under present law	Benefits provided under bill reported by Finance Committee	Surplus or deficit (−)
1967	$28,500,000,000		$4,300,000,000
1968	29,600,000,000	$29,000,000,000	600,000,000
1969	33,700,000,000	32,700,000,000	1,000,000,000
1970	35,200,000,000	34,400,000,000	800,000,000
1971	36,200,000,000	35,900,000,000	300,000,000
1972	$37,200,000,000	$37,400,000,000	−$200,000,000
Net increase of contributions over benefits, 1967–72			6,800,000,000
Surplus as of Dec. 31, 1966 [1]			22,307,000,000
General surplus, 1972			29,107,000,000

	Contributions under Finance Committee bill	Benefits under Finance Committee bill	Surplus or deficit
1967			$4,300,000,000
1968	$31,200,000,000	$29,000,000,000	2,200,000,000
1969	36,300,000,000	32,700,000,000	3,600,000,000
1970	38,300,000,000	34,400,000,000	3,900,000,000
1971	42,500,000,000	35,900,000,000	6,600,000,000
1972	46,000,006,000	37,400,000,000	8,600,000,000
Net increase of contributions over benefits 1967–72			29,200,000,000
Surplus as of Dec. 31, 1966 [1]			22,307,000,000
General surplus, 1972			51,507,000,000

	Contributions under House bill	Benefits under House bill	Surplus or deficit
1967			$4,300,000,000
1968	$30,800,000,000	$28,700,000,000	2,100,000,000
1969	34,900,000,000	30,300,000,000	4,600,000,000
1970	36,500,000,000	31,700,000,000	4,800,000,000
1971	40,300,000,000	33,100,000,000	7,200,000,000
1972	42,000,000,000	34,600,000,000	7,400,000,000
Net increase of contributions over benefits 1967–72			30,400,000,000
Surplus as of Dec. 31, 1966 [1]			22,307,000,000
General surplus, 1972			52,707,000,000

	Contributions under present law	Benefits under present law	Surplus or deficit
1967	$28,500 000,000	$24,200,000,000	$4,300,000,000
1968	29,600,000,000	25,500,000,000	4,100,000,000
1969	33,700,000,000	26,900,000,000	6,800,000,000
1970	35,200,000,000	28,200,000,000	7,000,000,000
1971	36,200,000,000	29,400,000,000	6,800,000,000
1972	37,200,000,000	30,800,000,000	6,400,000,000
Net increase of contributions over benefits 1967–72			35,400,000,000
Surplus as of Dec. 31, 1966 [1]			22,307,000,000
General surplus 1972			57,707,000,000

[1] Combined OASI and DI funds.

Note: In the year 2000, using intermediate-cost assumptions, the Social Security Administration has estimated a surplus of over $344,000,000,000 (p. 179, pt. 1, Hearings Before the Ways and Means Committee).

The **PRESIDING OFFICER.** Who yields time?

Mr. LONG of Louisiana. I yield myself such time as I may require.

Mr. President, when this amendment was voted by the Senate a year ago, as I recall, I favored it. May I say that the more I study it, however, the less enthusiasm I have for it and the less merit I find in it. I say this because the studies indicate that the people who would benefit from the amendment most are the elderly with the very largest incomes. It also would cost the Government a great deal of money as the Senator from Florida [Mr. SMATHERS] acknowledged—$110 million more than the Finance Committee amendment and $210 million more than present law.

As I have said, the benefits would be concentrated among those who are in the upper income brackets, who do not really need it. Most aged people do not pay any income tax at all, because they have the double exemptions and also either an exclusion for their social security benefits or the retirement income credit. Therefore, they either do not pay an income tax at all or, if they do, many of them take the standard deduction, with the result that the pending amendment would not help them. It would help only someone who pays taxes and then only if he itemizes his deductions.

Mr. President, if one looks at how the $210 million of revenue loss resulting from the restoration of pre-1967 law would be distributed, the 60,000 people who are in income brackets over $50,000 a year would get nearly one-half of the total benefits under this provision. That would mean an average tax benefit of about $1,500 apiece for those people who are already in the high-income brackets and need this help the least. Out of the slightly over half of the benefits which are left, nearly a half of these benefits—or about a quarter of the total—would go to people making between $20,000 a year and $50,000 a year—people who have large amounts of real estate, stocks, and other large investments. Those are the people who are to be given the special right to deduct all of their medical expenses, even though they do not exceed 3 percent of their adjusted gross incomes. They are to be given unlimited deductions insofar as medical expenses are concerned. Between those two categories—that is, those with adjusted gross incomes of $20,000 and over—we have accounted for more than two-thirds of the total benefits involved.

Persons in the bracket of $10,000 to $20,000 who are retired would get almost one-half of the benefits remaining. Those in the income brackets of $5,000 to $10,000—and that is the largest group in terms of the number of people involved since there are about 860,000 of them—who could claim some need would get only about one-eighth of the total benefits which the bill provides.

With regard to 600,000 people in income brackets of 0–$5,000, they would get only a pittance of the benefits provided by this amendment, or about $8 million of the benefits involved.

As a practical matter the committee felt, in view of the fact that the Senate voted on an identical proposal before, that we might try to hold the costs of this proposal down by saying the elderly could deduct their entire medical expenses, including the first 3 percent; but if anyone found it to be to his advantage to do so, then he should waive advantages under the medicare program. The latter was felt to be a proper restraint to hold the cost down to $100 million. These who waive their rights to medicare certainly are the only ones who can claim that they have not been helped—and helped very substantially—by the adoption of the medicare program.

Mr. President, I shall not insist on a rollcall vote. But I find less and less appeal in this proposal when I see who gets the benefits. It seems to me that it provides very liberally for those whose need is little and practically nothing for those who need it the most. I have no enthusiasm for the amendment and I shall not vote for it.

I recognize that there are not many Senators in the Chamber to hear the debate. If I insisted on the yeas and nays they would all come in and vote, perhaps as they did a year ago. Therefore, I shall let the matter go on a voice vote.

Mr. SMATHERS. Mr. President, I hope that Senators here vote "yea."

I yield back the remainder of the time.

The PRESIDING OFFICER (Mr. BREWSTER in the chair). All time having been yielded back, the question is on agreeing to the amendment of the Senator from Florida [Mr. SMATHERS]. [Putting the question.]

The amendment was agreed to.

Mr. CURTIS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. CURTIS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and, the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

On page 91, line 3, strike out "Nebraska and".

On page 91, insert a period at the end of line 7.

Beginning on line 8, page 91, strike out all down through line 2, page 92, and insert the following:

"(b) In any case in which—

"(1) an individual has performed services prior to the enactment of this Act in the employ of a political subdivision of the State of Nebraska in a fireman's position, and

"(2) amounts equivalent to the sum of the taxes which would have been imposed by sections 3101 and 3111 of the Internal Revenue Code of 1954 had such services constituted employment for purposes of section 21 of such Code at the time they were performed, were timely paid in good faith to the Secretary of the Treasury, and

"(3) no refunds of such amounts paid in lieu of taxes has been obtained, the amount of the remuneration for such services with respect to which such amounts have been paid shall be deemed to constitute remuneration for employment as defined in section 209 of the Social Security Act."

Mr. CURTIS. Mr. President, this amendment relates to a small matter which is already covered in the bill. In the city of Columbus, Nebr., social security taxes were erroneously paid for some five or six firemen when they were not covered by social security, but they thought they were and the city thought they were covered.

One of these gentlemen reached retirement age, applied for benefits, and he started to receive them. Then, they were discontinued. Another man who is now between 67 and 68 years of age, who had paid into social security, applied for benefits, but it has been held he was erroneously covered.

In the bill before us, this matter is corrected. It is corrected, however, by validating the employment as erroneously covered, but also removing Nebraska from the prohibition that firemen shall not be covered generally.

The way the provision is written it is met with objections and opposition on the part of organized firemen and individual firemen in a number of localities. The amendment I have offered reaches the objective of validating the social security covered that affects these few men and particularly these two men without changing the status in regard to the eligibility of firemen generally in the State of Nebraska.

Mr. President, it is a minor amendment and I hope the committee sees fit to accept it.

Mr. LONG of Louisiana. Mr. President, I have no objection to the amendment, unless someone wishes to oppose it.

I yield back the remainder of my time.

Mr. CURTIS. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from Nebraska. [Putting in the question.]

The amendment was agreed to.

Mr. LONG of Louisiana. Mr. President, I yield myself 1 minute on the bill.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG of Louisiana. Mr. President, I have discovered that there was a technical defect in the Harris amendment which was agreed to yesterday. I therefore ask unanimous consent to have placed in the Harris amendment, which was passed yesterday, an appropriate designation of the statute being amended.

The designation should have read:

(c) Sec. 402 (a) of such Act is amended by adding at the end before the period the following: "; and (25)".

The amendment with appropriate designation would read as follows:

On page 251 between lines 10 and 11 it is proposed to insert the following: "(c) Sec. 402 (a) of such Act is amended by adding at the end before the period the following: '; and (25) effective July 1, 1969, provide for assistance to children in need because of the unemployment of their father as provided in Sec. 407.' "

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears no objection, and it is so ordered.

Mr. KENNEDY of New York. Mr. President, I wonder if I might engage in colloquy with the distinguished Senator from Louisiana in connection with some provisions of the bill which we have had discussions about today.

The PRESIDING OFFICER. Who yields time?

Mr. LONG of Louisiana. Mr. President, I yield 5 minutes.

Mr. KENNEDY of New York. Am I correct that when the State welfare agency has reason to believe a child's home is unsuitable because of neglect or abuse of the child, the State agency is to report it to the courts?

Mr. LONG of Louisiana. The Senator is correct.

Mr. KENNEDY of New York. In connection with this report to the courts, then, am I correct in inferring that the State agency is therefore to make its own initial finding based on such evidence as it has, that the home is unsuitable?

Mr. LONG of Louisiana. The Senator is correct.

Mr. KENNEDY of New York. As I read the language of the new section 402(a) (16) and the accompanying legislative history, am I correct in my inference that Congress does not intend that in making this initial finding the State agency is to be governed by a different standard of neglect or abuse than that which applies to the rest of the population under the applicable State laws?

Mr. LONG of Louisiana. If I understand the Senator's inquiry, let me assure him that there is no intention that State agencies apply any different standard to families on welfare in determining whether a child has been neglected. The standards that should be applied in such a case are the standards which would be applied in that State with respect to any other family where a child neglect question is raised.

Mr. KENNEDY of New York. The Senator has understood my inquiry, and I appreciate his answer.

Am I correct in my understanding that the intent of the new section 402(a) (17) of the law is to indicate Congress concern that, wherever possible, paternity of children should be established and support obtained from the father?

Mr. LONG of Louisiana. The Senator is correct.

Mr. KENNEDY of New York. Am I correct that based on my reading of the bill and the committee report, that the committee does not intend by this new paragraph 17 that establishment of paternity is a prerequisite for obtaining AFDC?

Mr. LONG of Louisiana. The Senator is correct. It is a purpose of the provision of our bill just as it was the purpose of the provision in the House bill, that the State agency should seek to obtain support from a father who has abandoned his children and left them on welfare.

I have been inclined to think perhaps the State might require it, not as a condition of aid to the child, but as a condition of paternity and the mother identifying as the mother; but there is nothing in the bill to say that. We are talking about the House language of the bill. This is not the Senate language.

Mr. KENNEDY of New York. We are establishing that, during the period of time the effort is being made to establish the paternity of the child, the child will not lose the welfare payment.

Mr. LONG of Louisiana. So far as I know, there is nothing in the bill to suggest that.

Mr. KENNEDY of New York. Let me state to the Senator that there was some confusion in language about it. I want to make sure that it is clarified. That was the purpose of the colloquy.

Mr. LONG of Louisiana. So far as I know, the language does not say that.

Mr. KENNEDY of New York. It is not the intent.

Mr. LONG of Louisiana. The Senator well knows that if the committee language does not say it, then it is not there.

Mr. KENNEDY of New York. I note a reference in the new section 402(a) (19) (D) on page 276 to payments under section 408 as being among those which can be continued to dependent children in the event an appropriate person refuses to participate in the work-incentive program. If I am correct in my understanding, these are payments to children in foster homes.

Mr. LONG of Louisiana. The Senator is correct.

Mr. KENNEDY of New York. Based on my reading of the bill and the committee report, am I correct that this reference to foster-home payments is only for the purpose of indicating that this is one form in which payments to dependent children might continue to be made and that there is no implication that the refusal to work by the mother or responsible relative is to be construed per se as neglect, which would trigger removal of the child from the home and place him in the foster home?

Mr. LONG of Louisiana. The Senator is correct. There are three types of payments that we make under the AFDC program in addition to the cash payment directed to the family. The first are the so-called protective payments where for one reason or the other it is determined that the adults in the family are not using the cash payments for the best interest of the children.

I am advised that across this country there are only 36 instances in which these payments are being used today. The second are vendor payments where the money is paid to the seller of goods and services. The third type of payment is the foster-home payment. The provision in our bill says that when a person who has been referred to a work situation refused without good cause to accept the work or undergo training to which he might be referred, that after 60 days if he still refuses, these three categories of payments are the only kind of payments that can be made with respect to the dependent children in that family.

It does not say, and should not be construed to reflect any intention, that a failure to work per se is a cause for taking a child from a parent and placing it in a foster home. That is what the reference in our bill means. We want to be sure that dependent children are not deprived of the care and support they need because of the faults of others in their family.

Mr. KENNEDY of New York. I thank the Senator from Louisiana.

AMENDMENT NO. 465

Now, Mr. President, I call up a modified version of my amendment No. 465 and ask that it be stated.

The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY of New York. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment offered by Mr. Kennedy of New York is as follows:

On page 275, at the end of line 18, add the following: "a mother or other relative who is actually caring for one or more children under the age of 16 who are attending school, except where participation in such work program does not necessitate the absence of such mother or relative from the home during hours when the child or children are not attending school, or".

On page 275, line 20, after "find", insert ", in accordance with criteria established by the Secretary,".

On page 278, strike everything from line 13 through line 16, and insert in lieu thereof "shall be continued;".

On page 285, strike everything from line 16 through line 22.

On page 286, line 2, strike "—".

On page 286, line 3, strike "(1)".

On page 286, strike everything from line 5 through line 9.

Mr. KENNEDY of New York. Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. KENNEDY of New York. Mr. President, this amendment is intended to modify what I believe is a coercive aspect of the work incentive program contained in the bill. The amendment has the cosponsorship of 15 Senators from both sides of the aisle: Senators BROOKE, CASE, CLARK, HART, JAVITS, KENNEDY of Massachusetts, KUCHEL, MCGEE, MCGOVERN, MONDALE, MORSE, MUSKIE, PELL, WILLIAMS of New Jersey, and YARBOROUGH.

Perhaps the greatest failure of welfare in this country has been its damage to the fabric of family life. Too often it has forced fathers to leave home so that their families might obtain assistance, such assistance being unavailable unless the home breaks up. Just yesterday, the Senate, recognizing how profoundly damaging and undesirable this is, adopted the Harris amendment to make aid to dependent children of unemployed fathers a mandatory part of each State's welfare plan.

Yet the work incentive plan which the committee has proposed, although constructive in its general purpose, takes a step in the direction of the broken home. It will force mothers who have children attending school to work, during or after school hours, during months when school is in session and during vacation period. School-age children will be forced to come home to an empty house, the proverbial latchkey children whose names so often are found on the rolls of the juvenile court.

As the legislation reads at the present time, we have accepted the idea that a mother with preschool children should remain at home and that the mother should not be forced to work under those conditions. I think that is important. But where the legislation falls down is where the mother has a child 8, 9, 10, 12, 14, or 15 years of age, and the mother is taking care of one or more such children, and she has a responsibility for those children. That legislation requires that the mother, despite the fact that she cares for those children and has a responsibility for them, has got to go out to work during a period of time that those children are off from school, or during the summer.

She is unnecessarily coerced. The idea of breaking up the family home, the family unit is not good. I believe that we should move in the opposite direction an encourage the mother to remain at home with the children.

My amendment accepts the idea that while children are in school, the mother can work during that period of time; but when the children are out of school, or on vacation, or during the summer, the mother, it seems to me, should remain at home to take care of the children.

Another part of the legislation which is a matter of concern to me, and is dealt with by this amendment, provides that where the mother does not participate in the work program, her welfare assistance is not only automatically cut off from her but she also no longer has the right to handle that money, there is then established a procedure where a third party is brought in and the money is handled through that third party.

Once again, it breaks down the concept of the home idea, of the family unit and the importance of the mother. Perhaps the mother is wrong. But, perhaps she is right, that a particular job has been established for her and that it does not make much sense. Perhaps she wants to stay home with the children and says, "That is more important for me to do." Here we are taking the step of cutting off aid to the mother but, it seems to me, it also destroys the mother's position in the home by saying that she is no longer going to receive welfare assistance and that it will be automatically handled through a third party, which I think is a bad mistake.

I recognize that there will be instances when it will be necessary to go through a third party. But it should be left to the State to make that judgment or determination; it should not be made by Congress. Congress should not decide that every mother who should refuse to work under our program should no longer be considered fit to handle funds under the welfare program.

Mr. HART. Mr. President, will the Senator yield?

Mr. KENNEDY of New York. I yield.

Mr. HART. First, let me thank the Senator from New York for submitting the proposal that is now pending. As he has indicated, a number of us feel that it makes very good sense. Most times in the Senate we are talking about things that are, at best, subject to tentative conclusions—to bomb or not to bomb; when will we get to the moon and is it worth it? But what we are talking about now is whether it makes sense for a mother to stay at home on a Saturday with her 9-year-old son. I have no difficulty in deciding it does.

Mr. KENNEDY of New York. That is correct. May I give the Senator another example? The Senator well knows that children in the first, second, and third grades may return from school by 1 or 2 o'clock. The mother's work might require her to leave the house at 8 o'clock in the morning. Perhaps the children do not go to school until a quarter of 9. The mother may have to work until 4 or 5 o'clock in the afternoon. Thus the children might be at home by themselves for those 4 or 5 hours.

Saturdays are another example. Also the summer months. Those are times when a mother would like to be with her children. It seems to me that a mother should be with her children until they are at least 16 years of age.

Mr. HART. I suspect that some persons who listened to the colloquy between the Senator from New York and the Senator from Louisiana [Mr. LONG] will judge that we are anxious to insure that mothers stay on the job supervising their children so our Saturdays could remain free. That is not the point. The point is that one does not have to be a Ph. D. in psychology to know that one of the most critical needs, in terms of directing a child, disciplining a family, and insuring, to the extent that a family can, that a child does not get into trouble, is to have a parent at home when the child is not in school.

As I understand, the Senator from New York is directing our attention to the fact that the bill as reported has exactly the opposite effects. It will require, subject to forfeiture of money, that the mother leave home at a time when the child is there. As I say, I really feel confident that our judgment with respect to the amendment would be sound in the verdict of history—and we would not have to wait long for this one.

Also, the Senator from New York makes the point that the intrusion of a third party as a mandatory method of channeling money, in the event of a definite failure or refusal to work on the part of the mother, does not contribute to a strong family bond. As the Senator from New York says, there are very good reasons which would persuade a mother not to leave the home. In fact, a casual observer might say that her motive was of the very best if she thought the place for her was at home with her young child, and to intrude in a mandatory sense, rather than the method that is established under existing law, to have a third party handle the money initially, makes no sense.

It may be that all of us have inherited the notion that work is holy, that work is always good, that there is no purpose higher in life than to work; but for a mother with a 9-year-old child, there is a higher purpose, and let us make sure that the Congress does not make it more difficult for her to achieve that highest of all purposes, to be home with the child.

Mr. KENNEDY of New York. I appreciate the statement of the Senator.

I reserve the balance of my time.

Mr. JAVITS. Mr. President, I yield myself 2 minutes on the bill. I, too, join in support of this amendment of the amendment of the Senator from New York.

I would like to put to the Senate this. I testified before the Finance Committee in favor of this amendment. So did my colleague from New York. I laid before the committee the proposition that the mother should be the one to make the decision, and no welfare department should make the decision, as to whether the mother is needed in the home.

Is that the essence of the Senator's amendment—that when the mother thinks she is needed in the home, and the children are not in school, she is the one who should be making the decision?

Mr. KENNEDY of New York. It seems to me this is not a question of forcing men to work; this is a question of forcing a mother to work who may have children of 7, 8, 9, 10, or 15 to take a job to clean someone's latrine, perhaps.

Mr. JAVITS. Because the government insists that she must.

Mr. KENNEDY of New York. Because it is in the law, and some bureaucrat insists that that mother should be cleaning the courthouse window instead of taking care of her children.

Mr. JAVITS. Then we complain of broken families and of young people who go out on the streets and juvenile delinquents of 10, 11, 12, and 13.

Mr. KENNEDY of New York. And of course, the mothers would have to take almost any kind of a job and the payments of those mothers may not be even the minimum wage.

Mr. JAVITS. I hope the Senate adopts the amendment. From my own experience, I assure the Senator that this amendment is greatly needed.

Mr. LONG of Louisiana. Mr. President, I yield myself such time as I may require.

This is a part of the program where the House committee found the greatest abuse and the greatest growth in the abuse of the welfare program. During the last 10 years the number of people receiving aid to dependent children has more than doubled. The cost of the program has doubled. It is expected to keep on increasing at this rate unless we do something about it.

If we do not do something to restrain the cost of this program, and carry it on as it is going now, it is estimated that within a couple more years the cost of this program will go to $3 billion a year.

This is the section of the law about which the House showed great concern, a program in which there are second and third generation welfare clients. The Senate committee did not see fit to put a freeze on the number of people receiving the benefits, as the House proposed. The House felt it needed to be very tough on this, because this is where the greatest abuse is in the welfare program.

We said we will do the best we can. We will offer training to these mothers. We will give them lawyers to help them go to court and get alimony from the husbands. We will provide subsidized employment. We will make contracts with hospitals and universities to help them clean up the slums or grounds.

We will do everything that the mind of man can conceive of to help put these people to constructive work—for the first time in their lives for many of them and, for that matter, for the first time in the lives of the fathers and mothers of many of them. We have been trying to provide constructive ways to get these people to work.

It was suggested by the Senator from Nebraska that we did not want to ask a mother who had a child of preschool age to go to work. We said, "Fine." We said, affirmatively, under Federal law, that the mother is not to be required to do any work for the money she is getting from society and we will not ask her, as a condition of welfare, that she do some work to her own advantage. We proceeded to say that if that person were disabled or were incapacitated, or for any other reason that occurred to the committee as a reason for her not being required to work, she should not have to work.

The most expensive item in the welfare program is the proposal that we will increase the cost of the bill by hundreds of millions to provide day-care centers and training facilities to provide incentives for people to help themselves.

Having done all this, we provide that there must be day care for the child; that there must be someone to look after the child. Having provided this, at great expense, then it is suggested that if a mother has a child of less than 16 years of age, she does not have to pay for her welfare payments, even though there is a job which she is capable of doing, even if it is no more than cleaning up the litter in front of her home, which some highly paid people do in their own cases because no one else is available to do it.

So when we provide day care for a child—we are not talking about preschool age; we are talking about school-age children—the Senator would still insist that if she has a child younger than 16, the mother would not have to do so much as swat a mosquito off her leg as a condition for getting aid from the government.

We say in a case like that there is no reason why the mother should not do something. The child is in school. She can work. If we provide day-care facilities while she is at work or someone to take care of the child after that, then there is no reason why the mother should not work.

So at least in some cases, we would hope that we might be able to get as many as one-third of these mothers who draw welfare money to do something constructive for society, at additional pay, in return for the welfare assistance they draw.

The Senator would negate that entirely by his amendment, and just fix it up so that a mother with 15- or 16-year-old children would be privileged to decline to work, and continue to draw welfare payments.

Keep in mind, if the mother does not want to do anything, we would continue to pay the money for the benefit of the child. We just would not pay a welfare payment to the mother for her benefit, and we would reserve the right not to pay it to the mother, but to someone else, just to make sure that she is not spending it for a hi-fi or LSD instead of for the benefit of the children.

Mr. President, there are people right in this building who hire 15- and 16-year-old children as babysitters to give their wives a much-deserved evening out from time to time. If those children, in that age bracket, can very constructively and usefully do work themselves, there is no reason why they should be seized upon as an excuse for their mother to do nothing.

But as I say, it is provided in the bill that we will provide a way to care for the child, either through day care or otherwise, when the mother is not there. Especially when the child is not in the home, there is no reason why the mother should not do what other women do when they find themselves widows, or find themselves alone, with the necessity to support a child—do something to support themselves, rather than rely on society entirely to support them.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield to the Senator from Nebraska.

Mr. CURTIS. Mr. President, I doubt whether the pending amendment should be adopted. The Committee on Ways and Means proceeded in a manner that they thought would be helpful to the welfare recipients. Their objective was to have people removed from relief rolls and become productive members of society, and they provided incentives and training, and then requirements to work.

They said that a mother or other person in the AFDC program should be required to take this training, and work, in every appropriate case. The Committee on Finance decided that we ought to write some guidelines as to what was an appropriate case. They are found at page 275 of the bill.

The bill provides that it is not appropriate to make this requirement of "a person with illness, incapacity, advanced age, or so remote from any of the projects under the work incentive programs established by part C that he cannot effectively participate under any of such programs, or a child attending school full time, or a person whose presence in the home on a substantially continuous basis is required because of the illness or incapacity of another member of the household."

Then here is some language that the junior Senator from Nebraska offered: "a mother who is actually caring for one or more children of preschool age," and so on.

These people are not required——

Mr. LONG of Louisiana. Mr. President, will the Senator yield for one further point?

Mr. CURTIS. I yield.

Mr. LONG of Louisiana. The Senator knows, in addition to the other areas, that we have the McCarthy amendment, which says that if the State wishes to find that the mother should not work for any conceivable reason the State can think of, the State may negate the entire program.

Mr. CURTIS. Yes. But going one step further, to provide that any mother, or a child under 16, should not work or take training, would do, in my opinion, a disservice to the beneficiaries.

The purpose of the House of Representatives in writing this language into the bill was to enable people to move out of the relief category into a condition of self-support. As the distinguished Senator from Louisiana has stated, day care has been provided, incentives, retaining part of the benefit while you draw some wages—many things have been done.

Mr. KENNEDY of New York. Mr. President, will the Senator from Nebraska yield?

Mr. CURTIS. I shall in just a moment.

What is happening in this country is that certain families, from one generation to another, remain in the category of welfare recipients. This is an attempt to get them out. I do not think that the amendment offered, which would take away these persuasions, if you please, or these compulsions for work and training for everyone who has children under 16, is in the interest of either the parents or the children.

I yield now to the Senator from New York.

Mr. KENNEDY of New York. I remind the Senator from Nebraska that we are not talking about just any parents. We are not even talking about the father. We are talking about the mother. We are talking about a mother who might have a child 9 or 10 years old, who gets home from school at 1 o'clock. Is the Senator in favor of a system in the United States where we are going to force the mother to go out and work until 1 o'clock in the afternoon? I thought one of our great objections to the Soviet system was its practice of taking children and turning them over to the state. That is exactly what we would be doing here.

Mr. CURTIS. No; I——

Mr. KENNEDY of New York. If I may finish, to take the children out of the home, up to the age of 16, and turn them over to the state, whether the mother likes it or not. I cannot believe that the United States would accept that system.

Mr. CURTIS. No, I do not agree. In the first place, I do not know of any place where 9-year-old children are discharged from school at 1 o'clock.

Mr. KENNEDY of New York. I can tell the Senator from Nebraska, and anybody who has a 9-year-old child knows the schools are discharging them.

Mr. CURTIS. But, to state another illustration, under the Senator's amendment, a child 15½ years old in the home——

Mr. KENNEDY of New York. Could I ask the Senator——

Mr. CURTIS. Would enable the mother to take advantage of the provision, and decline the opportunity for her own improvement.

Mr. KENNEDY of New York. Is the Senator from Nebraska suggesting sending a 15½-year-old child to a day care center?

Mr. CURTIS. Not necessarily, at all.

Mr. KENNEDY of New York. Where would the Senator put the child? That is what we are talking about. Would the Senator send him to a child care center, a child 15 years old? What does the Senator think would happen in that child care center?

Mr. CURTIS. There are many organized activities that take place in all of these communities.

Mr. KENNEDY of New York. What would they be doing in these communities that the Senator is talking about? In Harlem, for example, for 15-year-olds? I thought what we were trying to do was keep them in the family.

Mr. CURTIS. I think it is this simple: Here is an opportunity, with day care provided, training, incentives to retain part of the benefits and still get people to earn wages—an opportunity for those children to eventually live in a home that is not on welfare; and the pending amendment, I believe, is one more roadblock in the way of bringing that about.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KENNEDY of New York. I yield.

Mr. HART. Mr. President, will the Senator yield?

Mr. CURTIS. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY of New York. I yield to the Senator from Michigan.

Mr. HART. I would suggest to Senators who have forgotten what it is like to have a child from 5 to 15 years of age that they have put the cart before the horse. If Senators do not want to make a mother go away from home while the child is there, do not say she can go away while the child is between the age of 9 and 15. Tell her to go away when she can send him to some nursery, when he is 3 or 5. That would make much better sense. It is the children of 10 to 15 who get into trouble without the parent, not those from 3 to 5.

Mr. CURTIS. Mr. President, I am not willing to concede that there is any preschool child who does not need his mother. [Laughter.]

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. HART. I yield.

Mr. JAVITS. The difficulty with this debate is that we are not keeping in mind the way this particular bill is written. The way it is written, Mr. President, the mother with children within the legal age can be compelled to work during the time the child is not attending school. That is what we wish to correct.

That is what we are after. She can be compelled to work as far as we are concerned when the child is attending school. The question is what happens thereafter. As has been properly said, that child is not eligible for day care and, in addition, under the bill that mother can work voluntarily, which adds to the argument of the Senator from Nebraska, or she can work and retain a large part of her earnings.

The psychological aspect of this matter that has not been mentioned is that 26 percent of the kids in that wage level are practically parentless and wandering around. They are from Harlem. That is what creates the problem. Forty-six percent of the people in Harlem are from broken homes.

That is what we are talking about. We are not talking about nice people from nice neighborhoods, but about nice people from slum or ghetto neighborhoods.

This is an effort to face the actual problem, and not talk about us managing their lives.

Such a mother can work, in her judgment, if she wants to. And we should not make her do so, which is the intent of the bill. We should adopt the amendment, and I hope the Senate does so.

Mr. LONG of Louisiana. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 2 minutes remaining on the amendment.

Mr. LONG of Louisiana. Mr. President, the senior Senator from New York just got through explaining what a sorry situation exists in Harlem. That is what we are trying to correct.

Some of the best mothers in America, and the most responsible ones, hold their families together when the fathers are not available to support them—in the event of death or some unforeseen tragedy.

The mothers go to work and earn many times as much as they would receive on public welfare or from any other kind of charity. They find somebody to look after the child while they are working.

The mothers find somebody to look after the child from 3 o'clock until 5 o'clock when the mother is not home.

We would spend $100 million to relieve these mothers of that kind of problem and provide somebody to look after the child. The social worker is obligated to find somebody to look after the child when the mother is not there.

The mothers would then have no excuse under the sun for refusing to do something constructive, if it is nothing more than to clean up the mess in front of their own houses.

When she no longer has any excuse not to work, she will lose her welfare check if she does not work. We reserve the right to pay that welfare check so that it will benefit that child.

We do not want to have the mother sitting around and drinking wine all day. There is no excuse for her not doing some sort of constructive work. We propose to say: "Either you do something to help yourself, or we will not pay you the welfare check. The child will get it, but not you."

We hope on that basis to put some of these people to work.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. Mr. President, I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 additional minutes on the bill.

Mr. LONG of Louisiana. Mr. President, if a State can think of any conceivable reason beyond what the committee could think of as to why this mother should not do something to help herself and her children, the State can negate the whole program. However, I cannot support an amendment that would provide that the State could not have an effective work program, even if it wanted to.

We are urged to fix it up by Federal fiat so that even if a State wanted to have an effective work program, it could not have it. And all because we are so solicitous of people who never did a lick of work in their whole lifetime, and who do not propose to do so because they have a child of school age, that we are prepared to let them use that as an excuse to continue to draw welfare for their child from now on into eternity rather than help themselves.

Mr. President, if the pending amendment is agreed to, the House will not take it, and the House will be in good grace doing what the Chairman of the Ways and Means Committee said—if the Senate cannot stand up and be a little tough on this program, it will cost the Government $3 billion.

The House will not let us have any bill before they will let this kind of thing continue.

We can vote for an effective State provision or do without any law.

Mr. KENNEDY of New York. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from the American Public Welfare Association under date of November 21, 1967, supporting the amendment I have offered today.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN PUBLIC WELFARE ASSOCIATION,
Washington, D.C. November 21, 1967.

Hon. ROBERT F. KENNEDY,
U.S. Senate,
Washington, D.C.

DEAR SENATOR KENNEDY: I wish to to express to you the support of the American Public Welfare Association for the proposed amendment number 465 to the Social Security bill with reference to the employment of AFDC mothers jointly introduced by you and fifteen other Senators.

It is the position of this Association that full employment at adequate wages should be the goal for all persons who are employable and whose services are not needed in the home. H.R. 12080 will provide new resources to enable and encourage many recipients of assistance to attain that goal. At the same time we believe that the provisions in your amendment are necessary in order to give assurance that mothers will be permitted to remain at home when needed to care for their children. Your amendment would reemphasize the declared purpose of the existing law "to help maintain and strengthen family life and to help such parents or relatives to attain or retain capability for the maximum self-support and personal independence consistent with the maintenance of continuing parental care and protection."

This amendment is consistent with positions which have long been held by our Association and with our testimony given to the Senate Finance Committee on H.R. 12080.

Sincerely,

HAROLD HAGEN,
Washington Representative.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. KENNEDY of New York. I yield.

Mr. MUSKIE. Mr. President, as I understand the bill in its present form to take care of preschool children, it is the judgment of those who wrote the bill that the mother ought to be at home because the child needs her.

If a mother happens to have a 9-year-old child who is at home from 2:30 in the afternoon, because that is when school lets out—as it does in the case of my 8-year-old child—and if that child needs the mother, then, by the logic of the bill itself that mother ought to be permitted to stay home to take care of that child.

Is that the thrust of the amendment of the Senator?

Mr. KENNEDY of New York. The Senator is correct. The amendment would not prevent the training program or work program from going into effect.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY of New York. Mr. President, will the Senator yield me 5 minutes on the bill?

Mr. LONG of Louisiana. Mr. President, I yield 5 minutes on the bill to the Senator from New York.

The PRESIDING OFFICER. The Senator from New York is recognized for 5 minutes.

Mr. KENNEDY of New York. We are talking about women who are heads of families. We are talking about mothers. The amendment would not prevent the program from going into effect as it relates to mothers. The mothers can be at home when the children are at home.

The mother can be at work when the children are at school, and when the children come out of school at 1:30, 2:30, or whatever time it may be, the mother will be at home with the children. When the children are out of school, the mother can be with the children.

The proposed legislation would prevent the mother from being with the child during that period of time. It takes the child away from the mother. The mother must work, whether she wants to or not. We would provide under the bill that the mother must work during whatever period of time a bureaucrat decides she should work, no matter what she is doing at the time.

Mr. MUSKIE. It is the legislative judgment of the bill that for the care of the preschool children, the mother is needed, and all that the amendment of the Senator states is that if the mother is needed in the case of a postschool child, she also ought to be permitted to stay at home.

It seems to me that the logic of the Senator's amendment is escapable.

Mr. KENNEDY of New York. I thank the Senator from Maine.

Mr. LONG of Louisiana. Mr. President, I yield myself 2 minutes on the bill.

The PRESIDING OFFICER. The Senator of Louisiana is recognized for 2 minutes.

Mr. LONG of Louisiana. Mr. President, I want to make it clear so that the Senator from Maine, the former Governor of that State, will understand me.

What we say in the bill is that when a State by its plan provides, with Federal money to match it, that the State will care for that child during the 8 hours that that mother is working, 6 hours in school and 2 hours after school, if the State thinks the mother is able to work, she should work and not be paid a welfare check for her benefit if she does not work. The State would still pay for the care of the child and it would be required to do so. However, if the State of Maine wanted to say: "We are going to let these schools out at 1:30 in the afternoon," it can do so.

The State can say, "We will not ask my mother to work past noon or 2 hours a day, because we are going to let school out early and perhaps not even ask the mothers to go to work at all."

Under the Senator's amendment, if the State of Maine wanted to set up a program to look after that child from 6 in the morning until 6 in the evening, with all the elaborate care and professional Hollywood help that can be recruited to show them a good time, under the Senator's amendment, we could not ask her to go to work or forfeit her welfare check. We would have to let her sit there and drink that wine with the welfare money. We would not be able to do a thing merely because she has a child in school and would not be able to work beyond the school hours even though the State has provided the most elaborate kind of help for that mother. The cost of providing care for that child is very great.

The cost increases as time goes by.

It has been estimated that the Federal share of the cost of providing day care for these children and training would reach the figure of $400 million in 1972.

That is as much money as we are willing to spend to get these people to work.

That is $400 million just to care for the children.

Mr. CURTIS. Mr. President, will the Senator yield for an observation?

Mr. LONG of Louisiana. First let me yield to the Senator from Maine.

Mr. MUSKIE. Let me say, first of all, to the distinguished Senator from Louisiana that I do not question the motives of the authors of this bill or of the Senator himself. I am sure that the committee is convinced that it has come up with an equitable program.

With respect to children from 5 to 10—I have three in that age bracket—all the recreational programs are no substitute for a mother's care during the afternoon hours, during most of which my children are at home. And so their mother is at home. There are many opportunities for Senate wives to be otherwise engaged in this town in the interests of their husbands' careers. But there is no substitute.

All I can say—and I believe this is all that the Senator from New York has said—is that if in the mother's judgment she is needed at home in the afterschool hours, when the child is still very young, that judgment should be hers and should not be taken away from her by the State.

I am not sure whether the figures that the Senator has given us identify the incremental cost that would be added by the amendment offered by the Senator from New York. I would be interested to know whether there are such figures.

I fully appreciate the Senator's argument, but I will say to the Senator that I am moved by the considerations that underlie the amendment offered by the Senator from New York.

Mr. LONG of Louisiana. I yield myself 2 minutes.

Mr. President, we would save money on day care under the amendment offered by the Senator. But we would keep these people living on welfare forever and have four, five, and six generations on welfare.

Mr. MUSKIE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. MUSKIE. If this is what concerns the Senator, then why does he not eliminate the exemption for preschool children? The same argument can be made as to them. As the Senator from Michigan has said, looking at it as a parent of such a child, it is easier to park a preschool child in a day care center than a 9-year-old child.

So if numbers are involved, numbers of children, if you have to make a swap, the humanitarian course would be to put the preschool children in the day centers and let the mother take care of the older children.

Mr. LONG of Louisiana. One can argue, about this but a school-age child will be away from the mother 6 hours a day, in any event, if the child is attending class full time. It seems to me that the Senator is only talking about 2 additional hours, so a person could take a full-time job. Many more full-time jobs are available than part-time jobs.

Mr. CURTIS. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. CURTIS. I believe it is likely, if the amendment as drawn is adopted, that the mother could refuse work and training although there was a grandmother in the house, a disabled husband who was unable to do physical work but still could be present with the children, or an unemployed father, or a child over 16. Their presence in the house would not invalidate the language set forth in the amendment.

Mr. LONG of Louisiana. The Senator is correct. Under the proposed amendment, grandpa could be there, grandma could be there, sister could be there, brother could be there—all of them able to take care of the child.

Furthermore, an unemployed father could be in the home and you could have a job for mama, but you still could not ask here to so much as swat a mosquito on her own leg, because we do not want to ask that mother to go to work while the child is not in school. It is ridiculous that some people can be so solicitous.

Mr. MUSKIE. What does the bill provide with respect to disabled fathers or grandmothers or grandfathers who are in the house, in the case of preschool children?

Mr. CURTIS. I believe that a small child needs a mother. All the children I know are brilliant, but at 3 months of age they could not tie their own shoes or dress themselves.

Mr. KENNEDY of New York. Mr. President, will the Senator yield?

Mr. CURTIS. I am inclined to think that they are in a different category than when they go to school.

Mr. KENNEDY of New York. Does the Senator suggest that a 7-year-old child does not need a mother?

Mr. CURTIS. Oh, yes; the child does.

Mr. KENNEDY of New York. Is that not what we are talking about—that the mother should be with the children?

Mr. CURTIS. Not necessarily.

Mr. KENNEDY of New York. The Senator spoke about preschool children and made an allowance for preschool children. Is the Senator saying that when the child reaches 6 or 7 or 8 or 9, it no longer needs its mother?

Mr. CURTIS. There is no provision here for taking the mother away permanently.

Mr. KENNEDY of New York. No, not permanently. I agree that that has not been done.

Mr. CURTIS. But the Senator's amendment is so drawn that there can be many other adults in the household, and the State still would be barred from certifying the mother for work.

Mr. KENNEDY of New York. I call the Senator's attention to the language: "A mother or other relative who is actually caring for one or more children."

It is the same as the language that applies to the preschool children. It does not apply when the mother is not taking care of the children. This applies to a mother who is taking care of the child. The mother should be with the child. We are making the mother go to work. That is one step. But let us not make the mother go to work when the children are at home. I cannot believe that the Senate would do that.

Mr. LONG of Louisiana. Mr. President, I should like to make this clear. Under this provision, we say, by Federal law, that a State shall not require any mother to go to work as a condition of receiving welfare payments for both herself and the child.

We were unanimous about this. We set down every logical reason that occurred to us why a mother should not be expected to do anything but help herself and the child. We go further and say that when the State wants to find some additional reason why it is not in the interest of the child for the mother to go to work, the State can do so.

If the government of New York feels this way, it will negate the program, anyway, and New York will not have an effective work program. But under the proposal of the Senator from New York, New York could not have an effective work program, even if the legislature and the Governor wanted to have one.

So far as I am concerned, we have done everything we can to provide that neither New York nor any other State need ask anybody to go to work. They can find the reason, and they have the power to negate the entire program. But we believe many States will look at this proposal carefully and will tell some of the mothers who have never worked constructively in their lifetime, who are descendants of people who have never made any constructive contribution to society except to have children, "We want you to do something for yourself. We'll still provide money for the child, but not for you, unless you are willing to help yourself."

We should muster the forthrightness and the determination to insist that some of these people do something in their own behalf.

The program is projected to cost $3 billion a year, half as much as medicare. The program grows on itself, welfare growing on welfare, rather than requiring that some day we have a program to put some of these people to constructive work.

Mr. LAUSCHE. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. LAUSCHE. Mr. President, I subscribe fully to the argument made by the Senator from Louisiana.

On the basis of what has been said, it appears to me that the pending amendment, if adopted, will be an inducement for welfare recipients not to exercise any effort on their own part to sustain themselves, in the belief that regardless of what they do, the Government will take care of them.

The amendment proposes a course of operation that has all of the worst aspects of paternalism that one can imagine. We are saying, in effect, to these proposed recipients, "You need not try to help yourself. Regardless of what you do, the Government will take care of you."

The PRESIDING OFFICER (Mr. HOLLINGS in the chair). The question is on agreeing to the amendment of the Senator from New York. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. MANSFIELD. On this vote I have a pair with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN]. If he were present and voting he would vote "nay"; if I were permitted to vote I would vote "yea." Therefore, I withhold my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. LONG], the Senator from Alabama [Mr. SPARKMAN], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from Connecticut [Mr. DODD], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. MCCARTHY], the Senator Wyoming [Mr. MCGEE], the Senator from South Dakota [Mr. MCGOVERN], and the Senator from Georgia [Mr. TALMADGE] are necessarily absent.

On this vote, the Senator from Wyoming [Mr. MCGEE] is paired with the Senator from Florida [Mr. HOLLAND]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Florida would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Illinois [Mr. DIRKSEN], the Senator from Hawaii [Mr. FONG], the Senator from California [Mr. MURPHY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from Wyoming [Mr. HANSEN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Texas [Mr. TOWER] are absent on official business.

On this vote, the Senator from California [Mr. MURPHY] is paired with the Senator from Kansas [Mr. CARLSON]. If present and voting, the Senator from California would vote "yea," and the Senator from Kansas would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. SCOTT] is paired with the Senator from Texas [Mr. TOWER]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Texas would vote "nay."

The pair of the Senator from Illinois [Mr. DIRKSEN] has been previously announced.

The result was announced—yeas 41, nays 38, as follows:

[No. 341 Leg.]

YEAS—41

Bartlett
Bayh
Boggs
Brewster
Brooke
Burdick
Case
Church
Clark
Fulbright
Gore
Gruening
Harris
Hart
Hartke
Hollings
Inouye
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Magnuson
McIntyre
Metcalf
Mondale
Montoya
Morse
Moss
Muskie
Nelson
Pastore
Pell
Prouty
Proxmire
Randolph
Ribicoff
Spong
Tydings
Williams, N.J.
Yarborough

NAYS—38

Aiken
Allott
Anderson
Baker
Bennett
Bible
Byrd, Va.
Byrd, W. Va.
Cotton
Curtis
Dominick
Eastland
Ellender
Ervin
Fannin
Griffin
Hatfield
Hickenlooper
Hill
Hruska
Jordan, N.C.
Jordan, Idaho
Lausche
Long, La.
McClellan
Miller
Monroney
Morton
Pearson
Percy
Russell
Smathers
Smith
Stennis
Symington
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—21

Cannon
Carlson
Cooper
Dirksen
Dodd
Fong
Hansen
Hayden
Holland
Long, Mo.
Mansfield
McCarthy
McGee
McGovern
Mundt
Murphy
Scott
Sparkman
Talmadge
Tower
Young, Ohio

So the amendment of Mr. KENNEDY of New York (No. 465) was agreed to.

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY of New York. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives by Mr. Bartlett, one of its reading clerks, announced that the Speaker had affixed his signature to the following enrolled bills:

H.R. 168. An act to amend the act of June 20, 1918, relating to the retirement age requirements of certain personnel of the Coast Guard;

H.R. 1006. An act to provide an increase in the retired pay of certain members of the former Lighthouse Service;

H.R. 3351. An act to amend the act of August 19, 1950, to provide annuity benefits for an additional number of widows of employees of the Lighthouse Service;

H.R. 6430. An act to amend the public health laws relating to mental retardation to extend, expand, and improve them, and for other purposes;

H.R. 10442. An act to facilitate exchanges of land under the act of March 20, 1922 (42 Stat. 465), for use for public schools, and for other purposes; and

H.R. 12910. An act to establish a Judge Advocate General's Corps in the Navy, and for other purposes.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. HARTKE. Mr. President, I call up my amendment at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HARTKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment offered by Mr. HARTKE is as follows:

On page 82, between lines 10 and 11, insert the following:

"INCREASE IN NUMBER OF YEARS DISREGARDED IN COMPUTATION OF AVERAGE MONTHLY WAGE

"SEC. 114. (a) Section 215(b)(2)(A) of the Social Security Act is amended by inserting ', and, in the case of an individual having 40 or more quarters of coverage, further reduced by one additional year for each 40 quarters of coverage of such individual' immediately after 'reduced by five'.

"(b) The amendment made by subsection (a) shall be applicable only in the case of an individual—

"(1) who becomes entitled, after February 1968, to benefits under section 202(a) or section 223 of the Social Security Act, or

"(2) who dies after February 1968 without being entitled to benefits under such section 202(a) or 223, or

"(3) whose primary insurance amount is required after the date of enactment of this Act to be recomputed under section 215(f)(2) of such Act and who has wages or self-employment income for a year after 1967."

Mr. WILLIAMS of Delaware. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. HARTKE. Mr. President, in introducing amendment No. 398 today, I want to make clear to the Senate exactly what the purpose of the amendment is. The amendment would raise the number of years not counted in the computation of average income for purposes of determining the amount of benefits to be paid. The present law provides for the 5 lowest earnings years since 1951 to be dropped in computing average income, since pay at the beginning of a worker's lifetime is often minimal. This amendment would allow a deduction of 1 extra year for every 40 quarters that a man has paid into the social security system. This amendment would only benefit those who have for years paid into the system.

The purpose would be to allow for early retirement without having the penalty of zero income in the last years of a man's working life use up his 5-year low-earnings exemption in computing the average income for purposes of determining retirement benefits. It would allow companies to give their employees who have been with them for 30 years or more retirement at age 60 or 62 without having all 5 years' exemption used to offset zero earnings, thus forcing them to include lower earning years that came earlier in their earning lives. It would be a step towards the direction of basing average earnings on the highest 10 earning years rather than to extend the number of years used in computing the average indefinitely.

It would also prevent penalty for those who have lost their jobs during their later working years just prior to age 65 because of permanent plant shutdowns or replacement by automation at a time when the worker will be unable to find other employment because of his age. In the committee bill we have made it possible for individuals to retire at age 60 with their benefits apportioned over a longer period of time, but we have not eliminated the penalty of having to include lower earning years in computing average monthly earnings. In some fields of employment the Federal Government itself has made 60 the compulsory age of retirement by Federal law, such as the airplane pilots.

Other industries recognize the advantage of having a younger work force and allowing men just entering the work force to take training in new jobs rather than try to retrain older men for shorter periods. The company may very well prefer to retire a man early with a pension and social security without penalty, as a thank you for a job well done. In a society where automation is upon us, these provisions will allow companies to make their own choice to make 30-year retirement provisions and retrain younger workers without having the social security law prevent an intelligent solution to the problem.

It is true that often some other people come into the work force for only a short time in order to collect benefits, but these people who have paid into the system for many years deserve more than a capricious treatment at the hand of our social security law. We have recognized in our law that earnings in younger years should not be included in the computation and we have therefore included the five so-called dropout years in the law to cover these lower earning years. What we should do is to provide a man with an optional lower retirement age with the right not to have to include these years in the computation of average income. This is a much more modest proposal in lieu of such a provision or a provision to base average earnings on the high 10 earning years. This proposal simply says to the worker that for every 40 quarters or 10 years that he has worked, he may add one more year to the 5 years which he may drop in computing average income.

The level-cost of this provision would be about 0.29 percent of taxable payroll. This figure means that the cost is averaged and computed on a 75-year basis. The larger portion of the cost occurs many years in the future, so that the initial cost of this amendment will be minimal. The Social Security Administration estimates that it will cost roughly 0.02 percent of payroll or $75 million during the first year of operation.

For anyone starting his work career after 1951, the present law requires that average wage be based on his entire working life, leaving out only the 5 lowest years. Because of lower wages and the low wage base in earlier years, most individuals retire on low social security benefits, not adequately related to wages at the time of retirement. It is inevitable that in time an alternative method of calculating benefits will be adopted which reflects more accurately the beneficiaries earning power during his lifetime and standard of living just prior to retirement.

And obviously we are not going to wait 75, 50, or even 25 years to adopt such an alternative formula. Ten distinguished Senators have sponsored legislation during this session of Congress which includes computation of social security benefits on the basis of a worker's 10 highest consecutive years of earnings. My amendment simply makes a small step in that direction and will make any improved formula in the future less costly. In other words if we go to a high 10 provision, the increase will cost us less at that time.

In summary, although the estimated cost of the amendment on a long-range basis is .29 percent of taxable payroll, because of the difficulty of administering the change without an effect date, we are making the amendment effective for those retiring after March 1, 1968, so that the cost during the first years of operation would be a minimal amount since only those retiring after this date would be covered, and secondly over a longer period of time, the estimate of .29 percent is based on a long-range 75-year estimate in which it is anticipated that according to the Finance Committee bill the maximum computable earnings will increase from $6,600 to $10,800. Therefore during the early years of operation the computable earnings will mean minimal initial costs compared to the averaged level-cost estimates. Furthermore we will probably have shifted to a different type of formula of using the 10 top earning years, and this would be an initial step in that direction, meaning a smaller cost increase later.

It is my opinion that the adoption of the amendment will provide needed relief for many people who are forced to retire early.

Mr. MANSFIELD. Mr. President, I yield myself 10 minutes on the bill, and I yield to and ask that the Senator from Nevada [Mr. BIBLE] be recognized for the consideration of a conference report.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

MILITARY CONSTRUCTION APPROPRIATION BILL, 1968—CONFERENCE REPORT

Mr. BIBLE. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 13606) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1968, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of today.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. BIBLE. Mr. President, the conference committee agreed on an overall figure of the bill of $2,093,362,000. This is $5,988,000 under the amount allowed by the Senate, $49,331,000 under the amount approved by the House, and $843,638,000 under the budget estimate of $2,937,000,000.

The conference agreed on the following amounts for the services: $372,228,000 for the Army; $486,661,000 for the Navy; and $400,662,000 for the Air Force. An amount of $114,540,000 was allowed for the defense agencies and for the Reserve forces. The total amount for Army, Navy, and Air Force Reserve and Army and Air National Guard amounted to $24,400,000.

The committee provided for 6,750 family houses which is 1,750 less than the 8,500 allowed by the House. The total family housing recommendation amounted to $671,271,000. This figure includes construction, maintenance, operation, and debt payment.

Mr. President, I do not intend to make a long and involved statement of the action of the conference committee. I feel that the conference report explains in a succinct manner the complete actions of the committee. However, I would like to mention one project which the House did not agree with the Senate on, and that was the Defense Intelligence Building at Arlington Hall Station, Va. The conferees of the Senate felt very strongly that this project should have been included in the bill. The need for the building is urgent and is most certainly a valid requirement. It was the consensus of the Senate conferees that the U.S. Government is taking a grave risk in continuing to occupy the present, old, dilapidated, wooden structures which information shows constitutes a firetrap.

As a matter of fact, they had a near disastrous fire there within the last 8 or 9 months.

We hoped to hold this project in the bill. We were unsuccessful. Certainly, it is the intention of the Senate conferees to present this particular project to the Congress again in fiscal 1969. It was our feeling but the objections to the building were almost entirely due to the difficult financial situation that now prevails in our Government.

Again, I would hope that we could move forward and hold this project in another year.

The last item I would like to mention, and this is to clear the record—and I understand that the House conferees have made a like statement on the floor of the House—is that the conferees did agree that the Department of Defense could pay the $1,700,000 in German taxes from the Department of Defense available housing funds.

Mr. President, this completes my brief statement. I believe that the conference committee has presented for the Senate's consideration an austere bill that fits the stringent financial condition in which this Government finds itself. I would be glad to answer any questions which individual Senators may have regarding construction projects in their State.

Mr. President, I ask unanimous consent that at the conclusion of my remarks on this bill, a tabulation entitled "Summary of Congressional Action on the Military Construction Appropriation Bill, 1968" be included in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

SUMMARY OF CONGRESSIONAL ACTION ON THE MILITARY CONSTRUCTION APPROPRIATION BILL, 1968 (H.R. 13606)

Item	Appropriations, 1967	Budget estimates, 1968	House allowance	Senate allowance	Conference action	Conference action compared with—		
						Budget estimate	House	Senate
Military construction, Army	$402,514,000	$592,000,000	$383,235,000	$407,140,000	$372,228,000	−$219,772,000	−$11,007,000	−$34,912,000
Military construction, Navy	266,918,000	651,000,000	484,731,000	517,743,000	486,661,000	−164,339,000	+1,930,000	−31,082,000
Military construction, Air Force	401,495,000	618,000,000	415,537,000	402,035,000	400,662,000	−217,338,000	−14,875,000	−1,373,000
Military construction, Defense agencies	7,547,000	240,000,000	114,540,000	84,540,000	114,540,000	−125,460,000		+30,000,000
Military construction, Army Reserve				3,000,000	3,000,000	+3,000,000	+3,000,000	
Military construction, Naval Reserve	5,400,000	5,000,000	5,000,000	5,000,000	5,000,000			
Military construction, Air Force Reserve	3,600,000	3,900,000	3,900,000	3,900,000	3,900,000			
Military construction, Army National Guard				3,000,000	3,000,000	+3,000,000	+3,000,000	
Military construction, Air National Guard	9,400,000	9,500,000	9,500,000	9,500,000	9,500,000			
Loran stations		3,600,000	3,600,000	3,600,000	3,600,000			
Family housing	507,196,000	787,000,000	702,650,000	639,892,000	671,271,000	−115,729,000	−31,379,000	+31,379,000
Homeowners assistance fund		27,000,000	20,000,000	20,000,000	20,000,000	−7,000,000		
Total	1,604,070,000	2,937,000,000	2,142,693,000	2,099,350,000	2,093,362,000	−843,638,000	−49,331,000	−5,988,000

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. BIBLE. I yield to the Senator from Mississippi.

FIFTY YEARS OF MILITARY SERVICE BY MAJ. GEN. ROBERT S. MOORE

Mr. STENNIS. Mr. President, I shall detain the Senate only about 2 minutes to call especial attention at this time, because this is a military bill, to a most unusual event which occurred last week. On November 13, 1967, Maj. Gen. Robert S. Moore of the Department of Defense completed 50 years of military service for our country. I do not know whether this is unparalleled in the history of our country, but I do know that it is sufficiently unique to deserve special note, particularly since the individual concerned has had a most outstanding career.

Aside from the unusual length of his service, General Moore can point with pride to many other unusual contributions. He has served in every major war in which our country has been engaged in this century. He has served every Secretary of Defense and every Comptroller of Defense since the creation of the Department of Defense. He has acted as liaison with the Congress longer than any other individual. And he has probably written more legislative proposals than any other military man in our history.

In addition, his military career has been outstanding. He enlisted as a private in the U.S. Army in 1917, shortly after the outbreak of hostilities, and rapidly rose to the rank of battalion sergeant major. While serving with the 5th Division with the American Expeditionary Force, he was wounded in action, earning his second lieutenant's bars in 1918 shortly before the cessation of hostilities.

Promotions were not rapid during the postwar years, but General Moore rose to the rank of lieutenant colonel prior to the outbreak of World War II, serving with distinction in various posts, including a hitch in the Philippine Department. In 1930, General Moore was given an assignment in the Finance Office of the War Department, a field which he has never left and one in which he has made innumerable outstanding contributions. During the war, his responsibilities included ascertaining that all of the $160 billion appropriated to the Army by the Congress were legally available for obligation and expenditure. Subsequently, his duties involved the successful negotiation of settlements of hundreds of millions of dollars with the military governments of Germany and Korea, as well as the civilian governments of Austria and Czechoslovakia.

When the Department of Defense was created, General Moore accepted the position of Special Assistant to the Assistant Secretary of Defense, Comptroller, and has served in that position ever since. During that period, he has been of inestimable assistance in the formulation and execution of the budgets under

Secretaries Forrestal, Johnson, Lovett, Wilson, McElroy, Gates, and McNamara. His long service, vast experience, fine memory and sound judgment have enabled the Department of Defense to maintain a continuity of historical perspective necessary for the proper implementation of budgetary procedures.

But it would be omitting highly important chapters in his career if I were to conclude my remarks without reference to the outstanding service which he has performed for the Congress and the Nation as a whole. Since 1950, in his capacity as Special Assistant to the Comptroller of the Defense Department, he has acted as a liaison officer with the Appropriations Committees of the Senate and House. As such, he has been of tremendous assistance to the committees, the Congress, and the Department of Defense in expediting the arduous work of the Congress in its consideration of budgetary requests. His factual presentations, his sound judgment, and his advice have long been respected and highly valued.

I first became acquainted with General Moore in 1949 and soon became impressed by his abilities to analyze a problem and carry into speedy execution a workable solution. Since that time, as a member of the Defense Department Subcommittee of the Senate Appropriations Committee and, more particularly, during the years when I was chairman of the Military Construction Subcommittee, I learned that my evaluation was correct. General Moore's background, experience, and ability have been of invaluable aid in coordinating the work of the committee with that of the Department of Defense.

His record of 50 years of service to the Army, to the Department of Defense, to the Committees on Appropriations, to the Congress, and—most of all—to our country should provide an inspiration to all Americans. I congratulate him from the bottom of my heart.

Mr. BIBLE. I yield now to the Senator from North Dakota [Mr. YOUNG].

Mr. YOUNG of North Dakota. Mr. President, I want to commend the chairman of the Military Construction Subcommittee, the Senator from Nevada, for a remarkable job in handling this bill. This bill represents perhaps the deepest cut of any appropriation bill. Still I think it is adequate to meet the needs of military construction. That has been made possible—and I think the Senator from Nevada will agree with me—by the help of the dedicated work of Mr. V. M. Rexroad and Mr. Edmund Hartung. They are truly outstanding staff members.

Mr. President, I wish to associate myself with the remarks of the Senator from Mississippi in regard to the remarkable service record which Maj. Gen. Robert S. Moore has compiled during the past 50 years. His military record has been discussed, and while much more could be said of it, I shall merely state that the Purple Heart and the Legion of Merit with the oak leaf cluster which General Moore is entitled to wear give silent tribute to his valor as a fightingman and his service to our country.

Rather, I would prefer to address myself to just one aspect of his long and distinguished career, an aspect with which I am personally familiar. I refer to his long and valued relationship with the Congress. "Bobby" Moore, as he is known affectionately to his countless friends, was asked by Wilfred J. McNeil, then the newly appointed Assistant Secretary of Defense, Comptroller, to assist him in the preparation, presentation, and execution of the budgets for the Department of Defense. His particular area of assignment was to act as a liaison officer between the Department of Defense and the Congress—specifically the Appropriations Committees of the Senate and House of Representatives. He could not have chosen a better man nor one more capable of performing with distinction in an area filled with legal boobytraps and legislative landmines.

I first became personally acquainted with Bobby in 1951, when I was appointed to the Armed Services Subcommittee of the Senate Appropriations Committee. From the outset, I was impressed by the breadth of his knowledge of military affairs and the ease and dispatch with which he tackled and surmounted involved problems of our defense. I cannot begin to enumerate, within my own experience on the Appropriations Committee, how many times we have called on Bobby Moore to straighten out vexing problems in the defense area. He never fails us, always producing effective results if they are within the realm of the possible.

And it does not matter whether the problem is large or small, involving a simple question of a constituent or the utilization of billions of dollars, Bobbie may always be depended on to come up with the answer. One of his valuable qualities is that he never seeks reasons why something cannot be done or will not work. He always assumes a constructive attitude, seeking methods by which the desired objective can be accomplished.

Another of his attributes is that he never loses sight of whom he is serving. Just as he is loyal to the military services, so is he just as loyal to the Department of Defense itself. This loyalty extends to his work with the Congress, where he is our trusted adviser. In this role, he has perhaps done more than any other individual in bringing about harmonious and understanding working relationships between the Congress and the Department of Defense. That he has been able to do this without divided loyalties is a tribute to his courage, his candor, and his understanding of men and issues. His objectivity enables him to address a subject without emotion or bias. His perspicacity enables him to look far down the road toward the desired goal. His vitality and purposefulness enable him to remove major obstacles in legislative accomplishment, and at the same time strengthen the needed cooperation between the Congress and the Department of Defense.

But I believe that the secret of his success is not in any of these but, rather, in his overriding loyalty to the United States of America. This has always been, and I know will always be, his immediate as well as ultimate concern. Of this, his entire career, studded with examples of outstanding performance in positions of trust and great responsibility, give ample proof.

In the course of my work on the Senate Appropriations Committee, I have found it necessary to make occasional visits to field installations. A number of times General Moore has accompanied me. I found him to be extremely knowledgeable on such occasions, not only in a broad defensewide understanding, but also in his detailed familiarity with individual installations. I grew to know him, respect him, and cherish him as a valued friend. He is one of the greatest personalities I have ever known.

I congratulate him on the accomplishment of a most remarkable record. America has need of many such patriots.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. YOUNG of North Dakota. I yield.

Mr. JAVITS. I, too, join my fellow Senators in congratulating the Senator for his work on this bill. As the Senator will recall, we had quite a hassle on the bill about a continuing resolution, which was agreed to by a majority, but not two-thirds.

Can the Senator tell us, as a matter of interest, what has happened to the continuing resolution which we have in conference with the House of Representatives?

Mr. BIBLE. I wish I could respond to the question of the Senator from New York; but I do not serve on that particular conference committee. I have been told they were planning on meeting yesterday, and I think also today. I have not been informed as to the end result. The Senator from Florida [Mr. HOLLAND] who was the leader on the continuing resolution is not on the floor at the present time.

Mr. JAVITS. But it is still deadlocked, as far as Senators know?

Mr. BIBLE. That is the latest information I have.

Mr. JAVITS. November 15 has come and gone, and quite a few days after November 15; and I point out that Government workers with OEO, when they are paid on November 28, will receive 4 days' pay. If I ever saw an example of thoughtlessness and shocking lack of responsibility, this is it. The Senate has voted its views, but the other body still has not come through.

I think this is a shocking demonstration of lack of willingness to face up to what needs to be done.

Mr. BIBLE. If we had adopted the amendment of the Senator from New York, we might have been no better off.

Mr. JAVITS. I certainly do not blame the Senator for so viewing the situation.

Mr. BIBLE. Mr. President, I move the adoption of the conference report.

Mr. MORSE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Oregon?

Mr. BIBLE. Oh, certainly.

The PRESIDING OFFICER. The Senator's time is expired.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senator may have 4 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MORSE. Mr. President, when the military construction bill was before the Senate, I voted against it. Prior to the vote, I said that in my opinion here was a place where the administration should participate in great savings. I thought there should be postponement of a good deal of the military construction.

I have great respect for the Senator from Nevada. I think he has done a magnificent job in carrying out his duty as chairman of the committee. My objection, however, goes to the substance.

Here we have an administration that wishes to impose a tax increase upon the people of this country without, apparently, wanting to delve into savings on the military. We are fast becoming a military economy, because more and more of our economic life as well as our political life and foreign policy is being turned over to the military. Here is where I think the administration should have called for postponement, postponement, and postponement again of military expenditures. I want the record to show I vote against the conference report.

Mr. BIBLE. I appreciate the views of the Senator from Oregon. I simply add that we did save $843,638,000 under the budget request of $2,937 million, so I think we did a fairly satisfactory job.

I move the adoption of the conference report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER. The clerk will state the amendments in disagreement.

The legislative clerk read as follows:

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 1 to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$372,228,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 3 to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the sum proposed by said amendment, insert "$400,662,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 10 to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$32,447,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 11, to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$65,430,000".

Resolved, That the House recede from its disagreement to the amendment of the Senate numbered 12 to the aforesaid bill, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment, insert "$55,944,000".

Mr. BIBLE. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate numbered 1, 3, 10, 11, and 12.

The motion was agreed to.

Mr. BIBLE. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SOCIAL SECURITY ACT AMENDMENTS OF 1967

The Senate resumed the consideration of the bill (H.R. 12080) to amend the Social Security Act to provide an increase in benefits under the old-age, survivors, and disability insurance system, to provide benefits for additional categories of individuals, to improve the public assistance program and programs relating to the welfare and health of children, and for other purposes.

Mr. LONG of Louisiana. Mr. President, the Senate committee certainly had not been niggardly in increasing social security benefits. The bill that we brought to the Senate increased the social security benefits, when in full operation, by nearly $6 billion a year. We have now added amendments the full cost of which I have not yet been able to calculate, but they will run the cost up to about another $500 million.

Now the Senator from Indiana brings us an amendment which has some appeal to it, but here is a letter showing what it would cost. It would start out costing only $75 million a year, but when in full operation, this amendment would increase the cost of the bill by another $1 billion a year.

Mr. President, that reminds me of what I was told some time ago by the Senator from New Mexico [Mr. ANDERSON] back at the time when we were considering the medicare bill, which among its other provisions, provided for a big cost-of-living increase.

At one point during the consideration of that matter, the Senator from New Mexico said:

> We ought to put a big gong somewhere, and every time the cost goes up another billion dollars, hit the gong, so people will know we have just passed another billion dollar figure.

This amendment has not even been printed, but the Senator has been thinking about it for some time, and I know that he favors it strongly.

But, Mr. President, sometime we have to start asking ourselves, "Just how much can we afford?" We should also ask ourselves the question, "Should we not think about waiting for next year?"

After all, if we do every single thing that can be dreamed up, which would have merit to improve and increase social security benefits and payments, we might just run out of something to do.

After that, the public might be disappointed that so much had been done that we could not afford to do any more. It might be well to save a little something for after Christmas or for next year or the following year.

I would hope that the Senate would not agree to the amendment. The cost of the amendment and the benefits tend to pyramid as the years go by. I would hope that some of those people would wait a year or two until some of the benefits begin to flow in their direction.

Mr. WILLIAMS of Delaware. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. WILLIAMS of Delaware. The Senator from Louisiana has referred to the memorandum furnished by Mr. Myers, which states that the cost will approach almost $1 billion. Mr. Myers has provided a supplemental estimate which indicates that by the year 1988 the cost will have increased to $2.03 billion.

I ask unanimous consent that immediately prior to the vote the two estimates furnished by Mr. Myers with respect to the cost of the Hartke amendment be printed in the RECORD.

There being no objection, the memorandums were ordered to be printed in the RECORD, as follows:

NOVEMBER 21, 1967.

Memorandum from Robert J. Myers, Chief Actuary, Social Security Administration.

Subject: Cost estimate for amendment No. 398, submitted by Senator HARTKE.

This memorandum will give a cost estimate for Amendment No. 398 (which would amend H.R. 12080), submitted by Senator Hartke. This amendment would modify the Old-Age, Survivors, and Disability Insurance system by giving one additional year of dropout in computing the average monthly wage for each 40 quarters of coverage. It is my understanding that this proposal would apply only to persons coming on the roll after March 1968 and to persons then on the roll who later receive a recomputation of benefits (because of substantial current earnings).

The long-range cost of this proposal is estimated at .29% of taxable payroll. The increased benefit outgo for the first 12 months following entry onto the benefit rolls of all persons who come on the roll in the 12-month period, April 1968 through March 1969, is estimated at $75 million (which represents .02% of taxable payroll). This cost will increase steadily over the years as new cohorts of beneficiaries come on the roll. The eventual annual increase in cost will be in excess of $1 billion.

ROBERT J. MYERS.

NOVEMBER 21, 1967.

Memorandum from Robert J. Myers, Chief Actuary, Social Security Administration.

Subject: Cost estimate for amendment No. 398, submitted by Senator HARTKE (continued).

This memorandum supplements my memorandum of today on the above subject.

The estimated increased benefit outgo under the proposal for various future years is as follows:

[In millons]

Increased outgo:	
1973	$460
1978	950
1983	1,460
1988	2,030

ROBERT J. MYERS.

Mr. HARTKE. Mr. President, I yield 2 minutes to my distinguished colleague from Indiana.

Mr. BAYH. Mr. President, I congratulate my colleague from Indiana for dealing with a void that I feel exists in the present retirement provisions of the social security law. Basically, this amendment would permit a retiree to drop out of his computation on additional year of low earnings for every 10 years of covered employment. In short, it is specifically designed to benefit long-term employees who have the opportunity to retire under the so-called 30-year plan.

The United Steelworkers Union, for example, has been very successful in negotiating these plans. Yet those employees who seek to take advantage of this opportunity find that their benefit payments under social security are greatly reduced because of the years of low earnings between retirement and age 65. This amendment attempts to remedy that inequitable situation.

Mr. President, I appreciate the concern about increased costs voiced by the distinguished chairman of the Finance Committee, who has so ably managed the present bill. It is a good bill, and this provision would make it an even better bill. The cost is small in relation to the benefits.

Mr. LONG of Louisiana. Mr. President, I have just received a supplemental memorandum from Mr. Myers which projects the cost of the estimated increased benefit outgo. It reads:

This memorandum supplements my memorandum of today on the above subject.

The estimated increased benefit outgo under the proposal for various future years is as follows:

[In millions]

Increased outgo:	
1973	$460
1978	950
1983	1, 460
1988	2, 030

Mr. President, if we want to do that, why not wait a while? The figure merely keeps getting larger. I would hope that we could wait and consider this proposal at some future date, in view of the fact that we do, in the bill, provide some more and bigger cash benefits than have ever been provided in any social security bill in history.

Mr. HARTKE. Mr. President, how much time have I remaining?

The PRESIDING OFFICER. The Senator from Indiana has 3 minutes remaining.

Mr. HARTKE. Mr. President, when we talk about what is likely to happen in the future, we know that the cost will be greater in the future. The whole social security law will cost more in the future. Thank goodness, one of the advocates of that program is the distinguished chairman of the Committee on Finance. He favored increasing the base. He was a strong advocate for increasing the base to pay out more to the beneficiary. I am glad he is for it. I am for him because he is for it.

But I am not in favor of penalizing a person who has worked a long time and is forced to retire, or because the plant where he worked has been shut down, he has no choice of his own, and is discriminated against because he has worked that long. He is told, "I am sorry, old boy; it is too bad. You have paid in for all those salaries." But then a Johnny-come-lately appears, who works 10 years and is going to get a higher payment on his 10 years of earnings than the man who has worked 30 years. That is very discouraging to a man who has worked 30 years.

A man who works 10 years will get a year's deduction from that amount which is called low income. If he has worked 20 years, he will get 2 years' deduction. If he has worked 30 years, he will get 3 years.

It is a pretty sorry mess if people are not treated fairly.

We can make them pay, if we want to, but we will be cheating them, because they will pay in at a high rate and draw out at a low rate.

This is technically a correcting amendment. It should have been drawn years ago. It is too bad it was not. It is too late tonight to correct what has already passed. We should do it retroactively for the benefit of some people. But this is, progressively, a forward-looking amendment. Rather than to make it retroactive, and in order to save on the cost, we should make it effective in 1968. Let us treat fairly those who are going to retire after 1968. Let us not discriminate against them. Let us treat fairly the people who have worked 20 or 30 years.

Mr. LONG of Louisiana. Mr. President, the way the law is at present, in computing the benefits for a worker, they drop out the 5 low years and compute his benefits based only on the high years.

The Senator now wants to drop out an additional year for every 10 years. If a man works 10 years, he would drop out another year, and if he worked 20 years, he would drop out another 2 years. He would compute it on the higher basis.

The House is working on a different basis. The House would like to pursue the theory that a man should be entitled to a much higher percentage on his retirement based on the high average through the years.

The House works on the theory that they would like to have a man receive retirement benefits equal to at least 50 percent of what the average annual earnings had been over the period he had been covered. Roughly, that philosophy appears in the House committee report.

Certainly, however, we have been so much more generous than has the House, we might as well work on the basis of what we have.

If we keep on adding first one thing and then another on top of what the House has done, my guess is that there will be a point when the House will back off and say that they will not take action on this, and for good reason.

Mr. HARTKE. Mr. President, I am out of time. Will the Senator from Louisiana yield me some time?

Mr. LONG of Louisiana. Mr. President, I yield 2 minutes to the Senator from Indiana on my time.

Mr. HARTKE. Mr. President, first, why should we discriminate against people who work for a living and give people who work for the Government a better bargain than we do these people?

We do not cut out any years of service in the Government. We give the Federal employee the right to count his 5 highest years. And we say to these people that we will cut them out. It is a far better deal to work for the Federal Government.

Mr. LONG of Louisiana. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 additional minutes.

Mr. LONG of Louisiana. Mr. President, we use the highest 5 years for the Government program. And we have a deficit of $43 billion or $44 billion in that fund the way it is now.

I certainly would not want to see the social security fund get in that sort of shape.

I would hope that we could stand on the amount of increase already provided.

Mr. President, I ask unanimous consent that an estimate on the cost of the pending Hartke amendment No. 398 be printed in the Record.

There being no objection, the estimate was ordered to be printed in the Record, as follows:

November 21, 1967.

Memorandum from: Robert J. Myers, Chief Actuary, Social Security Administration.

Subject: Cost estimate for amendment No. 398, submitted by Senator Hartke.

This memorandum will give a cost estimate for Amendment No. 398 (which would amend H.R. 12080), submitted by Senator Hartke. This amendment would modify the Old-Age, Survivors, and Disability Insurance system by giving one additional year of drop-out in computing the average monthly wage for each 40 quarters of coverage. It is my understanding that this proposal would apply only to persons coming on the roll after March 1968 and to persons then on the roll who later receive a recomputation of benefits (because of substantial current earnings).

The long-range cost of this proposal is estimated at .29% of taxable payroll. The increased benefit outgo for the first 12 months following entry onto the benefit rolls of all persons who come on the roll in the 12-month period, April 1968 through March 1969, is estimated at $75 million (which represents .02% of taxable payroll). This cost will increase steadily over the years as new cohorts of beneficiaries come on the roll. The eventual annual increase in cost will be in excess of $1 billion.

Robert J. Myers.

November 21, 1967.

Memorandum from: Robert J. Myers, Chief Actuary, Social Security Administration.

Subject: Cost estimate for amendment No. 398, Submitted by Senator Hartke (continued).

This memorandum supplements my memorandum of today on the above subject.

The estimated increased benefit outgo under the proposal for various future years is as follows:

[In millions]

Increased outgo:	
1973	$460
1978	950
1983	1, 460
1988	2, 030

Robert J. Myers.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Indiana. On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Arizona [Mr. Hayden], the Senator from Missouri [Mr. Long], and the Senator from Ohio [Mr. Young] are absent on official business.

I also announce that the Senator from

Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from South Dakota [Mr. MCGOVERN], and the Senator from Georgia [Mr. TALMADGE] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. CANNON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Florida [Mr. HOLLAND], and the Senator from Wyoming [Mr. MCGEE] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Illinois [Mr. DIRKSEN], the Senator from Hawaii [Mr. FONG], the Senator from California [Mr. MURPHY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from Wyoming [Mr HANSEN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Utah [Mr. BENNETT] is detained on official business.

If present and voting the Senator from Utah [Mr. BENNETT], the Senator from Kansas [Mr. CARLSON], the Senator from Illinois [Mr. DIRKSEN], the Senator from California [Mr. MURPHY], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "nay."

The result was announced—yeas 30, nays 49, as follows:

[No. 342 Leg.]

YEAS—30

Bayh
Brewster
Burdick
Byrd, W. Va.
Case
Church
Clark
Cotton
Gruening
Hart
Hartke
Inouye
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Magnuson
McIntyre
Metcalf
Mondale
Montoya
Morse
Moss
Pastore
Prouty
Randolph
Ribicoff
Williams, N.J.
Yarborough

NAYS—49

Aiken
Allott
Anderson
Baker
Bartlett
Bible
Boggs
Brooke
Byrd, Va.
Curtis
Dominick
Ellender
Ervin
Fannin
Fulbright
Gore
Griffin
Harris
Hatfield
Hickenlooper
Hill
Hollings
Hruska
Jordan, N.C.
Jordan, Idaho
Lausche
Long, La.
Mansfield
McClellan
Miller
Monroney
Morton
Muskie
Nelson
Pearson
Pell
Percy
Proxmire
Russell
Smathers
Smith
Sparkman
Spong
Stennis
Symington
Thurmond
Tydings
Williams, Del.
Young, N. Dak.

NOT VOTING—21

Bennett
Cannon
Carlson
Cooper
Dirksen
Dodd
Eastland
Fong
Hansen
Hayden
Holland
Long, Mo.
McCarthy
McGee
McGovern
Mundt
Murphy
Scott
Talmadge
Tower
Young, Ohio

So Mr. HARTKE'S amendment was rejected.

AMENDMENT NO. 462

Mr. WILLIAMS of New Jersey. Mr. President, I call up my amendment No. 462.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. WILLIAMS of New Jersey. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 281 at line 17, strike out "$100" and insert in lieu thereof, "$50".

At the end of title V of the bill, add the following:

"FOSTER CARE FOR CHILDREN

"SEC. 508. (a) Title V of the Social Security Act (as amended by the preceding provisions of this Act) is further amended by adding at the end thereof the following new part:

"'PART 5—GRANTS TO STATES FOR AID TO CHILDREN UNDER FOSTER CARE

"'APPROPRIATIONS

"'SEC. 541. For the purpose of facilitating the proper foster care of children whose welfare can best be advanced through such care by enabling each State to furnish financial assistance and needed welfare services, as far as practicable under the conditions in such State, to children placed under foster care, there is hereby authorized to be appropriated for each fiscal year a sum sufficient to carry out the purposes of this part. The sums made available under this section shall be used for making payment to States which have submitted, and had approved by the Secretary, State plans for aid and services to children under foster care.

"'STATE PLANS FOR AID AND SERVICES TO CHILDREN UNDER FOSTER CARE

"'SEC. 542. (a) A State plan for aid and services to children under foster care must—

"'(1) provide that it shall be in effect in all political subdivisions of the State, and, if administered by them, be mandatory upon them;

"'(2) provide for financial participation by the State;

"'(3) provide that the State public-welfare agency which administers the child-welfare services plan developed as provided in part 3 of this title shall be designated as the State agency to administer, or supervise the administration of, the State plan under this part;

"'(4) provide for granting an opportunity for a fair hearing before the State agency to any person whose claim for aid to children under foster care is denied or is not acted upon with reasonable promptness;

"'(5) provide such methods of administration (including methods relating to the establishment and maintenance of personnel standards on a merit basis, except that the Secretary shall exercise no authority with respect to the selection, tenure of office, and compensation of any individual employed in accordance with such methods) as are found by the Secretary to be necessary for the proper and efficient operation of the State plan;

"'(6) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports;

"'(7) provide that (A) the amount of aid, if any, to be provided under the State plan with respect to any child under foster care shall be determined on the basis of his need therefor, taking into consideration any income and resources of such child which are available to defray the expenses of his care; and (B) the State agency shall not deny or limit the amount or extent of the aid otherwise available under the State plan to any child, on the ground of his lack of need for such aid, until such agency is fully satisfied, as the result of affirmative evidence, that there is a lack of need on the part of such child for such aid;

"'(8) provide safeguards which restrict the use or disclosure of information concerning applicants and recipients of aid to children under foster care to purposes directly connected with the administration of the State plan (except that this requirement shall not be applicable in the case of aid under such plan provided to children placed in a child-care institution);

"'(9) provide that all persons wishing to make application for aid to children under foster care shall have opportunity to do so, and that such aid shall be furnished with reasonable promptness to all eligible persons;

"'(10) provide that aid to children under foster care will not be provided to any child with respect to any period for which such child is receiving aid under the State plan of such State approved under section 402 of this Act;

"'(11) provide for the development and application of a program for such welfare and related services for each child who receives aid to children under foster care as may be necessary to promote the welfare of such child, and provide for the coordination of such program, and any other services provided for children under the State plan, with the child-welfare services plan developed as provided in part 3 of this title, with a view toward providing welfare and related services which will best promote the welfare of such child;

"'(12) provide for the development, with respect to each child who receives aid to children under foster care, of an individual welfare plan, which shall include a continuing study of the child's needs, of the most suitable available home in which he can be placed, and a periodic review of his case, and provide that, in carrying out such welfare plan, use may be made of services of private nonprofit child-care agencies and organizations; and

"'(13) contain or be supported by assurances satisfactory to the Secretary that amounts payable to such State under section 543 to carry out the State plan will be so used as to supplement the level of non-Federal funds that would, in the absence of such amounts, be available in the State for the purpose of providing aid and welfare services to children who are under foster care in such State.

"PAYMENT TO STATES

"'SEC. 543. (a) From the sums appropriated therefor, the Secretary shall pay to each State which has a plan approved under this part, for each quarter, beginning with the quarter commencing October 1, 1967—

"'(1) an amount equal to the Federal percentage (as defined in section 545(f)) of the total amount expended under the State plan during such quarter as aid to children under foster care with respect to children in foster family homes and child-care institutions (including expenditures for insurance premiums for medical or any other type of remedial care or the cost thereof), not counting so much of any expenditure with respect to any month as exceeds the product of $50 multiplied by the total number of children who were recipients of such aid for such month (which total number, for purposes of this subsection, means (A) the number of children in foster family homes and child-care institutions with respect to whom such aid in the form of money payments is paid for such month plus (B) the number of other children in such homes and institutions with respect to whom expenditures were made in such month as aid to children under foster care in the form of medical or any other type of remedial care);

" '(2) an amount equal to 75 per centum of (A) the total amount expended during such quarter in providing services (as prescribed by the Secretary under regulations) necessary to promote the welfare of children receiving aid to children under foster care under the State plan, plus (B) the total amount expended during such quarter as found necessary by the Secretary for the training of personnel employed or preparing for employment by the State agency or by the local agency administering the plan in the political subdivision; plus

" '(3) an amount equal to one-half of the total sums expended during such quarter as found necessary by the Secretary for the proper and efficient administration of the State plan, including services and training referred to in paragraph (2) and provided in accordance with the requirements of this part and regulations promulgated by the Secretary.

The services referred to in paragraph (2)(A) shall include only services provided by the staff of the State agency, or of the local agency administering the State plan in the political subdivision, except that, subject to limitation prescribed by the Secretary, there may be included services provided by nonprofit private agencies under contract with the State agency, if, in the judgment of the State agency, the State agency cannot provide such services as economically or as effectively by its staff or through a local agency as such services can be provided under contract with nonprofit private agencies.

" '(b)(1) Prior to the beginning of each quarter, the Secretary shall estimate the amount to which a State will be entitled under subsection (a) for such quarter, such estimate to be based on (A) a report filed by the State containing its estimate of the total sum to be expended in such quarter in accordance with the provisions of such subsection, and stating the amount appropriated or made available by the State and its political subdivisions for such expenditures in such quarter, and if such amount is less than the State's proportionate share of the total sum of such estimated expenditures, the source or sources from which the difference is expected to be derived, and (B) such other investigation as the Secretary may find necessary.

" '(2) The Secretary shall then pay, in such installments as he may determine, to the State the amount so estimated, reduced, or increased to the extent of any overpayment or underpayment which the Secretary determines was made under this section to such State for any prior quarter and with respect to which adjustment has not already been made under this subsection.

" '(3) The pro rata share to which the United States is equitably entitled, as determined by the Secretary, of the net amount recovered, during any quarter by the State or political subdivision thereof with respect to aid to children under foster care, shall be considered an overpayment under this subsection.

" '(4) Upon the making of any estimate by the Secretary under this subsection, any appropriations available for the payments under this section shall be deemed obligated.

" 'OPERATION OF STATE PLANS

" 'SEC. 544. If the Secretary, after reasonable notice and opportunity for hearing to the State agency administering or supervising the administration of the State plan approved under this part, finds—

" '(1) that the plan has been so changed that it no longer complies with the provisions of section 542; or

" '(2) that in the administration of the plan there is a failure to comply substantially with any such provision;

the Secretary shall notify such State agency that further payments will not be made to the State (or, in his discretion, that payments will be limited to categories under or parts of the State plan not affected by such failure) until the Secretary is satisfied that there will no longer be any such failure to comply. Until he is so satisfied he shall make no further payments to such State (or shall limit payments to categories under or parts of the State plan not affected by such failure).

" 'DEFINITIONS

" 'SEC. 545. For the purposes of this part—

" '(a) The term "child" means a needy child who (1) has not attained the age of eighteen, (2) has been deprived of parental support or care, and (3) is not (and upon making proper application therefor would not be) entitled to receive aid to families with dependent children under the State plan, approved under section 402 of this Act, of the State in which he lives.

" '(b) The term "aid", when applied to a child under foster care, means (1) money payments with respect to such child, plus (2) medical care in behalf of or any type of remedial care recognized under State law in behalf of such child.

" '(c) The term "foster family home" means a private family home, which is licensed by the State in which it is situated or has been approved, by the agency of such State responsible for licensing homes of this type, as meeting the standards established for such licensing.

" '(d) The term "child-care institution" means a public or nonprofit private institution which provides foster care for children and which is licensed by the State in which it is situated or has been approved, by the agency of such State responsible for licensing institutions of this type, as meeting the standards established for such licensing.

" '(e) A child shall be considered to be "under foster care" only if (1) he is actually living in a foster family home or a child-care institution, and (2)(A) he has been placed in such home or institution as a result of a determination, by a court of competent jurisdiction or of a public welfare or other public agency having a legal responsibility for his welfare, to the effect that his welfare can best be promoted by his placement therein, or (B) his having been placed in such a home or institution is approved by a State or local welfare agency officially concerned with his welfare, except that no child shall be considered to be under foster care if he is living with an individual who is one of the relatives specified in section 406(a) of such child.

" '(f) The term "Federal percentage" means the Federal percentage as defined in section 1101(a)(8) except that in the case of Puerto Rico, the Virgin Islands, and Guam, the Federal percentage shall be 50 per centum.'

"(b)(1) Section 1116(a)(1) of such Act is amended by inserting 'or part 5 of title V,' after 'XIX,'.

"(2) Section 1116(a)(3) of such Act is amended by inserting '544,' after '404,'.

"(3) Section 1116(b) of such Act is amended by inserting ', or part 5 of title V,' after 'XIX'.

"(4) Section 1116(d) of such Act is amended by inserting ', or part 5 of title V,' after 'XIX'.

"(e)(1) Clause (1) of the first sentence of section 1901 of such Act is amended by inserting 'and needy dependent children under foster care entitled to benefits under part 5 of title V' after 'families with dependent children'.

"(2)(A) Section 1902(a)(10) of such Act is amended by inserting ', and part 5 of title V' after 'XVI'.

"(B) Section 1902(a)(17) is amended by inserting ', or part 5 of title V' after 'XVI'.

"(3) Section 1902(c) of such Act is amended by inserting ', or part 5 of title V' after 'XVI'.

"(4) Section 1903(a)(1) of such Act is amended by inserting ', or part 5 of title V,' after 'XVI,'.

"(d) Section 121(b) of the Social Security Amendments of 1965 is amended by inserting ', or part 5 of title V,' after 'XVI'."

The PRESIDING OFFICER. How much time does the Senator yield?

Mr. WILLIAMS of New Jersey. Mr. President, it is not my intention to ask for a rollcall vote on this amendment. My speech has been shortened because a speech in support of this amendment was made on September 26 by the distinguished majority whip, when he introduced a bill that incorporated the idea that I am advancing now by amendment. I ask unanimous consent to have printed in the RECORD at this point the September 26 speech, so that it can be in the RECORD of this debate.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

FOSTER CARE BILL

Mr. LONG of Louisiana. Mr. President, last year I called the Senate's attention to the relatively small but extremely serious gap in our Federal programs to assist the economically underprivileged. Despite the expenditures of billions of dollars, very little has been done to assist what is often referred to as the "forgotten child," the child requiring foster home care. Since these children are unable to vote or articulate their needs, and do not have parents or close relatives who can do so, the social reforms which have benefited such groups as the aged, the blind, the disabled and the unemployed, have passed them by.

It is true that some effort was made to help these needy children in the Public Welfare Amendments of 1962, but due to the severely limiting eligibility requirements this legislation has proved to be of scant benefit to them. It provides assistance only to those children who receive benefits under the aid-to-dependent-children program prior to their being placed in foster homes, and who are also placed in these homes by court order. As a result, in 1965, the last year for which data is available, only about 6,000 of the approximately 254,000 children cared for in foster homes received aid under the Federal program.

Last year, I introduced S. 3723, which would have done much to rectify this unfortunate situation. Since we were unable to act upon this measure before the close of the 89th Congress, I called upon Secretary Gardner to consider this proposal for inclusion in this year's Presidential recommendations to Congress. I was very disappointed to note that despite the very sweeping proposals sent down to Congress on the subject of our Nation's youth, the administration did not see fit to recommend action on this front.

However, I was heartened to see that the House bill, in spite of the administration's reluctance, has liberalized the foster care program. Under the House proposal, on which we are presently holding public hearings, the foster care payments for children under the aid to families with dependent children are upgraded by increasing the present maximum for which Federal funds are available from $32 to $100.

The so-called AFDC eligibility requirements for foster care are also liberalized by permitting children, who would have been eligible for AFDC 6 months prior to legal proceedings for placement in a foster home, to receive financial assistance. Presently, the child must be eligible for AFDC payments at the time he is placed in a foster home.

I readily agree that these improvements proposed by the House are needed. However, I do not feel they go far enough. The new benefits for foster care are basically limited to the AFDC program and it is estimated that only 50,000 more needy children would be eligible for these benefits.

When one considers that there are approximately one-quarter million children in foster care, these suggested improvements are not adequate. We have forgotten the needy foster care child who is not eligible for AFDC.

Mr. President, it would be a sad travesty if this Nation were to continue making large expenditures for the so-called war on poverty, for the social welfare programs, and to combat juvenile delinquency and crime and at the same time decline to make an extremely modest effort to help these neglected youngsters. Of all kinds of public assistance, an investment in the well-being of our children is likely to produce the greatest beneficial results.

Therefore, I am introducing, for appropriate reference, a bill similar to S. 3723 of the 89th Congress. It would provide for the distribution of Federal matching funds by the Department of Health, Education, and Welfare to those States implementing a plan of foster children care. These funds will be available for care furnished in both child-care institutions and foster family homes, including the newly instituted small group homes wherein small groups of children live with foster parents in a family atmosphere.

Unlike last year's bill, which provided for Federal payments to the States on a 50–50 matching basis up to a maximum of $90 per child, this measure utilizes a ratio varying from 50 to 65 percent based upon the individual States' per capita income up to a maximum of $100 per child. This matching Federal percentage is the same as that used in other public assistance programs and the maximum $100 is the same as that adopted by the House bill for AFDC foster care cases. It will benefit the poorer States, which are harder pressed for resources with which to provide for foster care, but which have children who need this care just as badly as those children fortuitously located in the richer States.

Under both present law and the House bill, in order for the majority of children to be eligible for foster care payments, a court order must be granted to remove the child from his home and place him in foster care. Although the House bill liberalizes the present stringent test of requiring that the child be eligible for AFDC payments at the time that he is removed by a court order, it still maintains the requirement of a court mandate.

A recent survey indicated that the court order requirement is not a proper or adequate test upon which to base a foster care payment. The ultimate purpose of foster care is to reunite the child with his natural parents. In many instances the court order may definitely be necessary but ultimately the legal removal of the child from his parents generally precludes the child's return to them. It does not promote the overriding objective of child welfare.

In view of this I do not feel that we should promote legal action by making it the only basis upon which we can help foster children. Surely, where a child has come within the responsibility of the welfare agency and has been placed in a foster home, at their direction, the Federal Government should do its share in helping provide for that child. My bill will accomplish this worthwhile aim.

I realize that in some respects this bill may be considered a modest proposal, but this springs from the fact that the Vietnam war has forced us to limit expenditures. It is thought that this proposal is preferable to those which offer more benefits but which, because of the times, do not have a great chance of success.

Mr. WILLIAMS of New Jersey. Mr. President, joining me in offering this amendment are Senator BREWSTER, Senator INOUYE, Senator KENNEDY of Massachusetts, Senator KENNEDY of New York, Senator MORSE, Senator PELL and Senator YARBOROUGH.

Stated in its simplest terms, this amendment would give the child who is placed with foster parents or in a foster home parity with the child who is living with parents or relatives who are required by their economic circumstances to seek governmental aid.

The Federal Government acknowledges the fact that it has a definite responsibility for the well being of our needy. This philosophy holds true especially when we concern ourselves with the plight of dependent children.

It is unfortunate, but true, that the law makes a distinction between a foster child and a dependent child living with his family. No child is more dependent on outside help than the child separated from his parents by death or disaster. Until now, because of an arbitrary distinction in the law, the government has, in practical effect, overlooked or ignored the plight of the foster child.

Aid to families with dependent children—AFDC—provided under the act we are amending, is a typical example. The purpose of this program is to provide needy children with the economic support they need for their health and development. Presently Federal law requires that a foster child receiving AFDC aid must have been placed in foster care by court order and he must also have received aid from the State AFDC program in or for the month in which court proceedings were initiated. Furthermore, AFDC funds are not available to children in public child-care institutions.

The committee bill does liberalize the present law to some extent. It provides that if a child were eligible for AFDC within 6 months prior to the court order, then this little fellow or girl is eligible for aid after the court orders he or she placed in a home. The only problem with this theory is that it only reaches about 9,000 foster children out of approximately 300,000 in State approved homes.

Although foster care is included in the definition of child-welfare services under title V, Federal funds are not earmarked specifically for foster care purposes.

Moreover, appropriations for title V programs are limited, and the results have been that States have seen fit to use Federal funds to bolster other child-welfare programs.

Today, approximately 8,300 children are in foster care in the State of New Jersey alone. The financial burden of providing care and services for these children falls primarily upon State and local governments and upon voluntary agencies supported by charitable contributions.

Because the amendment I am proposing establishes a new program exclusively for children in foster care, funds received under this program would in no way reduce a State's share of Federal money for general child-welfare programs under title V of the Social Security Act. But, on the other hand, the States would be required to take appropriate steps to assure that Federal funds will not replace State and local funds now used to finance foster care services.

In order to qualify for assistance under this program, each State would be required to have its plan of welfare and related services for children in foster care approved by the Secretary of Health, Education, and Welfare.

Criteria for the State plan are modeled after those required for States for aid to families with dependent children.

The provision in this amendment for maximum Federal grants of $50 a month for children in foster family homes is intended to help more families assume responsibility for foster children. Except for the child who is unable to conform to a normal family life, it seems to be the consensus among the experts that foster family care is preferable to institutional care.

A foster child's needs are extremely complex. Their deeply imbedded hostilities toward adults make it extremely difficult for a foster couple to establish a true parental relationship with the child. In fact the turnover among foster parents runs as high as 33 percent a year. It is hoped that the provisions of this bill for professional services and the training of personnel will greatly assist remedying these situations.

I believe New Jersey is probably more advanced in its programs than most other States. In New Jersey each child boarding in a foster home receives $77 a month in State and local funds.

For children requiring specialized programs for treatment of physical handicaps or emotional disturbance, the State of New Jersey will pay up to $153 a month.

Although the New Jersey program is not substantially different in form from foster care programs in other States, there are, however, notable variations. In New Jersey the cost of foster care services generally is borne equally by the States and county governments. Several States rely almost exclusively on State funds. A few States, however, provide virtually no State money or administrative machinery for foster care programs, preferring instead to allow local governments and voluntary agencies to do the job.

Approximately 75 additional children each month enter the New Jersey foster care program. Presently, there are approximately 8,250 children boarded in foster homes in my State.

Numerous State and Federal officials with whom I have spoken express increasing concern. They view the already substantial increase in the number of foster children with alarm in view of the inadequate foster care services available. Many States budgets are now so overburdened that only limited numbers of new children can be admitted into foster care.

Under the provision presently in the bill, $100 per month is provided for each child. My amendment reduces this to $50 per month per child. As stated in the committee report, the present law is only reaching 9,000 children. I am hopeful that through my amendment, some 300,000 children will be helped. Because of this much greater cost, I have thought it wiser to provide for a lesser amount of money per child in order to reach a far greater number of children.

I am informed that this amendment is supported by the National Association of Counties, American Public Welfare Association, and the Child Welfare League.

When President John F. Kennedy successfully asked for the enactment of the AFDC of unemployed parents program, he stated:

> Under the aid to dependent children program, needy children are eligible for assistance if their fathers are deceased, disabled, or family deserters. In logic and humanity, a child should also be eligible for assistance if his father is a needy, unemployed worker.

The same logic and humanity is just as applicable in the case of children in foster homes. If we must limit our welfare efforts, the last place we should do so is with children, especially needy ones who have the added handicap inherent in foster children.

If we are to aid these children to develop—and not have the burden of aiding in their rehabilitation—then additional Federal assistance is mandatory.

There is only one small difference between the bill introduced by the Senator from Louisiana and my amendment. He called for a $100 contribution to the needy child in a foster home. The amendment I propose would provide for $50, half the amount provided in the bill of the Senator from Louisiana.

Mr. LONG of Louisiana. Mr. President, I do not take back a word I said that the Senator from New Jersey has put in the RECORD. I was convinced that the speech I delivered was right, and I have not changed my mind.

I submitted the amendment to the committee, and it was rejected by the committee. That was the situation, but the Senator from New Jersey has now cut the cost in half. I should like to do more for foster care children. But I am frank to say that it was the judgment of the majority on the committee that we had done a great deal in the welfare area and that the cost would be increased by at least $60 million if the amendment offered by the Senator from New Jersey were agreed to.

I have great sympathy for the proposal. I made the speech to which the Senator refers, and I do not take it back. It was a good speech, and I still think that it is right. However, that was not the judgment of the majority of the committee.

Mr. President, if any Senator wishes to speak in opposition to the amendment, I would be happy to yield time to him. Personally, I shall vote for the amendment, but that was not the view of the majority of the committee.

Mr. WILLIAMS of New Jersey. Mr. President, I am ready to have a voice vote on the proposal. I yield back any time I have remaining.

Mr. LONG of Louisiana. I yield back any time I have remaining.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from New Jersey. [Putting the question.]

The "ayes" seem to have it——

Mr. WILLIAMS of New Jersey. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN]. If he were present and voting he would vote "nay"; if I were permitted to vote, I would vote "yea." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. LONG], and the Senator from Ohio [Mr. YOUNG] are absent on official business.

I also announce that the Senator from Michigan [Mr. HART] is absent because of illness in the family.

I further announce that the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Florida [Mr. HOLLAND], the Senator from Minnesota [Mr. MCCARTHY], the Senator from Wyoming [Mr. MCGEE], the Senator from South Dakota [Mr. MCGOVERN], the Senator from Minnesota [Mr. MONDALE], the Senator from Florida [Mr. SMATHERS], the Senator from Georgia [Mr. TALMADGE], and the Senator from Indiana [Mr. BAYH] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. CANNON] would vote "yea."

On this vote, the Senator from Michigan [Mr. HART] is paired with the Senator from Florida [Mr. HOLLAND]. If present and voting, the Senator from Michigan would vote "yea," and the Senator from Florida would vote "nay."

On this vote, the Senator from Wyoming [Mr. MCGEE] is paired with the Senator from Mississippi [Mr. EASTLAND]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Mississippi would vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Illinois [Mr. DIRKSEN], the Senator from Hawaii [Mr. FONG], the Senator from California [Mr. MURPHY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from Wyoming [Mr. HANSEN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Utah [Mr. BENNETT] is detained on official business.

If present and voting the Senator from Pennsylvania [Mr. SCOTT] would vote "nay."

The pair of the Senator from Illinois [Mr. DIRKSEN] has been previously announced.

On this vote, the Senator from California [Mr. MURPHY] is paired with the Senator from Utah [Mr. BENNETT]. If present and voting, the Senator from California would vote "yea," and the Senator from Utah would vote "nay."

On this vote, the Senator from Texas [Mr. TOWER] is paired with the Senator from Kansas [Mr. CARLSON]. If present and voting, the Senator from Texas would vote "yea," and the Senator from Kansas would vote "nay."

The result was announced—yeas 43, nays 30, as follows:

[No. 343 Leg.]

YEAS—43

Allott
Anderson
Bartlett
Bible
Brewster
Brooke
Burdick
Byrd, W. Va.
Case
Church
Clark
Cotton
Dominick
Gruening
Harris
Hartke
Hill
Hollings
Inouye
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Long, La.
Magnuson
McIntyre
Metcalf
Monroney
Montoya
Morse
Moss
Muskie
Nelson
Pastore
Pell
Randolph
Ribicoff
Sparkman
Symington
Tydings
Williams, N.J.
Yarborough

NAYS—30

Aiken
Baker
Boggs
Byrd, Va.
Curtis
Ellender
Ervin
Fannin
Fulbright
Griffin
Hatfield
Hickenlooper
Hruska
Jordan, N.C.
Jordan, Idaho
Lausche
McClellan
Miller
Morton
Pearson
Percy
Prouty
Proxmire
Russell
Smith
Spong
Stennis
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—27

Bayh
Bennett
Cannon
Carlson
Cooper
Dirksen
Dodd
Eastland
Fong
Gore
Hansen
Hart
Hayden
Holland
Long, Mo.
Mansfield
McCarthy
McGee
McGovern
Mondale
Mundt
Murphy
Scott
Smathers
Talmadge
Tower
Young, Ohio

So the amendment of Mr. WILLIAMS of New Jersey was agreed to.

Mr. LONG of Louisiana. Mr. President, I move that the vote by which the amendment was agreed to be reconsidered.

Mr. WILLIAMS of New Jersey. Mr. President, I move that the motion to reconsider be laid on the table.

The motion to reconsider was laid on the table.

Mr. ALLOTT. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT LEGISLATIVE CLERK. On page 82, between lines 10 and 11, insert the following:

> That the Social Security Administration cause a study to be made and reported to Congress relative to an increase in old-age insurance benefit amounts on account of delayed retirement.

Mr. ALLOTT. Mr. President, I shall not take more than a minute or two to explain this amendment. As many Senators are aware, I have had amendment No. 448 pending before the Senate for several days. It is an attempt to give some measure of equitable assistance to those Americans over 65 years of age who must delay their retirement, for one reason or another, to continue working. By law, these individuals are required to continue paying social security taxes. But, under the present law, no matter how many years they work after 65, or how much in social security taxes they pay, they do not receive an increase in social security benefits once they quit working.

I am fully aware of the situation that now prevails in the Senate at this late hour. I know that Senators are tired. I have discussed this with the Senator in charge of the bill and have also discussed it at great length with the junior Senator from Nebraska.

As the law now stands, it is clear that many Americans are discouraged from continuing their productive creativity until after they have reached the magic age of 65. Up to 1950, there was a provision in the Social Security Act which provided a 1-percent increase in benefits for every year a man worked after 65. I always thought it was a mistake that this provision in the law was repealed. In fact, I would have voted to increase it. This was the basis for the amendment I originally offered and have now modified. The present situation in the Senate makes it obvious, at this hour, that the amendment I have offered would have little or no chance of passage because it would result in an increase in cost to the fund.

Mr. President, one of the most glaring inequities of the present Social Security Act concerns the man who, for one reason or another, must delay his retirement and continue to work past the age of 65. Under present law, this man must continue to contribute part of his wages to social security despite the fact that he would have been entitled to benefits if he had been able to quit working. This man's social security account receives double benefit if circumstances require that he continue working past the age of 65. The social security account continues receiving contributions while delaying distribution of benefits to which the man is entitled. The chances are slim that a man under these circumstances will ever receive benefits commensurate with his contributions.

There is an equally and perhaps more subtle impact here and that is the effect that the anomaly has upon the initiative of those elderly citizens who either need the additional income or who are able to continue to contribute their skills to the economy of this country.

Therefore, I have offered the amendment in the present form in order to cause the Social Security Administration to make a study of this problem and report its findings to Congress. It is my great hope that we can find, through such a study, an equitable way to treat these people who must continue to work after 65, but who not only continue to pay social security taxes but also receive no additional benefits. I do not see the junior Senator from Nebraska in the Chamber, but the Senator in charge of the bill is here, and I would hope that he would see fit to accept it.

Mr. LONG of Louisiana. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. LONG of Louisiana. The Senator knows that the cost of this would be substantial, about $900 million a year. Still, there is a great deal of equity to it. We have considered this twice in years gone by and felt that we could not agree to it because of the great cost of the program, notwithstanding the great equity and merit of the amendment. Thus, the Senator has asked us to study the matter and was willing to modify his amendment.

On that basis, perhaps the study will show how we might better implement the suggestion. Therefore, I would be very happy to take the amendment to conference.

Mr. ALLOTT. I thank the Senator from Louisiana very much for his help and assistance.

The PRESIDING OFFICER. Is all time yielded back on the amendment?

Mr. ALLOTT. Mr. President, I yield back the remainder of my time.

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back on the amendment. The question is on agreeing to the amendment of the Senator from Colorado.

The amendment was agreed to.

AMENDMENT NO. 460

Mr. KENNEDY of Massachusetts. Mr. President, I call up my amendment No. 460 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. KENNEDY of Massachusetts. I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and the amendment will be printed in the RECORD at this point.

The amendment offered by Mr. KENNEDY of Massachusetts is as follows:

> On page 267, strike the period at the end of line 16 and insert in lieu thereof the following: ": *Provided*, That where the particular work concerned is not covered by the Fair Labor Standards Act, the wage rates shall not be lower than the rate applicable under section 303 of the Fair Labor Standards Amendments of 1966."

Mr. KENNEDY of Massachusetts. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 minutes.

Mr. KENNEDY of Massachusetts. Mr. President, I have introduced this amendment in cosponsorship with 13 other Senators; namely, Mr. BROOKE, Mr. CASE, Mr. CLARK, Mr. HART, Mr. JAVITS, Mr. KENNEDY of New York, Mr. MCGEE, Mr. MCGOVERN, Mr. MONDALE, Mr. MORSE, Mr. MUSKIE, Mr. WILLIAMS of New Jersey, and Mr. YARBOROUGH.

Mr. President, this amendment has a simple purpose: to guarantee the payment of the Federal minimum wage on special work projects created under the terms of the Senate committee bill.

Just a year ago we in the Congress voted major changes in the Fair Labor Standards Act of 1938. These changes both increased the $1.25 minimum wage applicable to various jobs to $1.60, in stages, and broadened the coverage of the minimum wage to 8.1 million jobs not previously covered, such as certain agricultural workers, restaurant and food service employees, and Federal service contract employees.

The Senate committee bill now before us creates a new job category: Those in "special work projects." It would be an anomaly, I think, were the people in the jobs created at the instance of the Government, and financed by the Government, to be denied the benefits of the minimum wage. I do not think that Government-supported programs should pay less than the minimum wage.

The committee bill establishes a work incentive program to restore certain members of AFDC families to regular employment. This program, to be administered by the Department of Labor, would use regular counseling, training, and placement service techniques, but would also arrange for the creation of special work projects. These projects would be available to those who, for various reasons, could not find work through regular employment services.

Those individuals referred by the welfare agencies to the Secretary of Labor for participation in the work incentive program must be at least 16 years old, they cannot be mothers actually caring for children, and they cannot be ill or of advanced age. There are, in addition, certain other criteria defining those appropriate for referral. The Secretary of Labor would establish a number of priorities for those actually referred to him. The first priority would consist of those individuals suitable for regular employment or on-the-job training. The second priority would consist of those individuals who need some form of institutional training, whether classroom or work experience. The jobs for which the individuals in these two priorities will qualify would almost certainly be covered by the Federal minimum wage.

The third category, on the other hand, presents a different problem. It is in this third priority that the Senate bill make such a far-reaching and visionary change, and which can have such drastic effects in our urban areas of persistent and hard-core unemployment. For the third priority, those individuals for whom jobs in the regular economy cannot be found and for whom training may be appropriate, the bill creates special work projects. Under this proposal, the Department of Labor would contract with public agencies, and with private nonprofit agencies organized for a public purpose, to establish these special work projects. Participants in the projects would receive a wage from their employer, for time worked, instead of their regular public assistance grant. The public assistance grant for each participant would be paid by the State welfare agency to the Secretary of Labor, who would then reimburse the employers of the participants in the special work projects.

Participants in the projects are guaranteed that their total income while taking part in project will equal at least the amount of the public assistance grant to which they are entitled, plus 20 percent of the wages paid to them by their employer on the project. The important aspect of this feature of the bill is that in most instances the recipient would no longer receive a welfare check. Instead, he will receive a wage for work performed.

The example given in the committee report of how this work incentive program might operate bears summarizing at this point. The example postulates that 45 women and men—all of whom are in the exclusionary categories—are referred to the Secretary of Labor, and that seven can be placed immediately in jobs and another 32 immediately in job training. This leaves 11, in the example—10 women and one man—available for the special work projects. The local agency of the Labor Department might then enter into a contract with the local school board, under which the 10 women act as playground assistants in various schools and the man acts as a hall guard in a school with a severe discipline problem. The contract might further specify the hours of work and the wage to be paid.

My amendment would require that in no case could the wage be less than the Federal minimum wage specified in section 303 of the 1966 amendments to the Fair Labor Standards Act of 1938. These wages are those applicable to newly covered workers: $1 an hour until February 1, 1968; $1.15 the next year; $1.30 the next; $1.45 the next; and $1.60 thereafter.

This minimum wage is certainly just that—a minimum. Using a 40-hour week, and assuming a 50-week year, the present minimum wage—$1 an hour—figures out to a gross salary of $2,000 a year. This is more than $1,000 below the officially proscribed poverty level.

I do not think that, in conscience, we can permit acceptance of this committee proposal for special work projects without requiring that the minimum wage apply. The same arguments which were so persuasive last year, as we included Federal service contract employees and certain other Federal employees in the extended coverage of the FLSA, apply to this case. Whenever the Federal Government is responsible for the creation and financing of the jobs, then it should not back away from requiring the minimum wage, particularly as the minimum wage is so low.

Mr. President, I believe the Senate version of this work incentive program is far superior to the House version. It greatly ameliorates the harsh aspects requiring all members of AFDC families to take work, by exempting five specific groups of individuals and by giving State welfare agency personnel discretion in their referral function.

I think it would be extremely unfortunate if we were to pass a social security bill, and to provide in that bill for federally subsidized employment paying below the minimum standards voted by this body on other occasions.

Mr. President, I would hope this amendment would be accepted.

Mr. LONG of Louisiana. Mr. President, I yield myself such time as I may require.

Mr. President, the work program envisages putting people to work who have never worked before. It involves paying money to be used for welfare and work such as cleaning up hospitals or universities or schools or other public service, nonprofit organizations, to get people to do work that otherwise would be undone.

This subsidized work program does not envisage putting people to work on a job that would ordinarily be taken care of by the labor force in this country.

The law provides that when a job is created for somebody and the Federal Government pays the overwhelming bulk of it with welfare money, if it is a job which would be a minimum wage job, the minimum wage shall be paid. But if it is not a minimum wage job, then we will have paid at least 20 percent more than a person would make otherwise, and we would pay what we would expect to pay to get that work done. To require the minimum wage for the most inefficient type of labor we have in America, when we provide the paying of a minimum wage for much more efficient labor, does not make sense.

In other words, we are requiring the Federal Government to provide subsidized employment, to make a job for somebody that would not exist otherwise, even if it is just picking up trash from in front of one's own house, or picking up beer cans, which a person should do, anyway, if it is in front of his home. To pay a minimum wage for that kind of work, when it is not minimum wage work, does not make sense.

Any person doing a job that comes under the minimum wage standards under this work program would receive the minimum wage, but when a job is created that does not exist in the regular work force, anyway, but is just a job that would otherwise be undone—for example, leaf raking—and to say we must pay a minimum wage for it does not make sense.

I would hope the amendment would not be agreed to.

As I say, the bill provides that, if the work is a minimum wage job, they would get the minimum wage.

I would hope we would have this program as it is, rather than start paying people more for the kind of labor envisaged than could be justified on any other basis.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield to the Senator from Missouri.

Mr. SYMINGTON. Mr. President, this evening and in recent days, votes have come up on which normally I would have voted differently. The record is clear that I have a deep and abiding concern for the working people of this country, as well as the less fortunate. With conditions as they are around the world today, it appears to me that the greatest disservice the Congress of the United States could do, not only to the less fortunate and working people, but to all except the very few, would be to establish new policies and programs that resulted in further disintegration in the value of the dollar.

As many of my colleagues know, upon returning from Europe and Asia last January, I predicted deep trouble for the British economy; and upon returning from Great Britain last September, despite the assurances of their Prime Minister that, under no circumstances would the pound be devalued, I predicted without reservation that it would be devalued.

This is mentioned because the matter simply got out of hand as far as what the Labor government could or could not do. At the end there was no possible way devaluation could be avoided, a step they had to take, even though it could well mean the fall of the government.

Because of this 19-year continuing unfavorable balance of payments, and the fact that, today, this Nation possesses less than $3 billion of free nonmonetized gold to pay off its current liabilities—less than $3 billion in gold bullion to pay debts of over $30 billion owed abroad, primarily to the foreign central banks—the question of whether or not we have galloping inflation instead of this normal inflation of recent years soon could not necessarily be a matter of decision for this Government. Already matters are slipping away from the International Monetary Fund to the control of the Committee of Ten.

We talk about whether or not we should allow our money to go to Great Britain. With the price of money in England today at 8 percent, we nevertheless say we do not intend to let money leave this country and to that end set the discount rate at 4½ percent instead of 4 percent.

In addition, there are estimates that our deficit will be as high as $30 to $35 billion; and in this connection there is much discussion going on as to whether we should or should not pass a tax increase, one which would result in additional revenue somewhere between $6 and $10 billion. I fail to see how all this is realistic, and question whether we are really facing up to the problems of the current deficit.

It is for these reasons, as said before, that I believe tonight we must face the fact that the economy of the United States is in serious trouble. By the end of this year, according to authorities, we are going to have outstanding $1 trillion worth of life insurance—$1,000 billion in the United States. There is not a public servant of the Government, in the military or outside of it, but who is thinking of his retirement benefits. There is not a union, big or little, that is not emphasizing to its members the value of the pension plans its leadership has recommended.

All of these counted upon future returns can be deeply affected, if not irreparably crippled, unless we maintain a certain realism with respect to what we are asking the American taxpayer to put up tonight; also what we have asked him to put up in recent days and months, and will be asking him to put up before the end of this year.

It is primarily because the greatest disservice we could do for all poor people and all working people is not to face up to what is happening to the value of the dollar that I have cast votes against programs which normally I would be glad to support.

Mr. LONG of Louisiana. Mr. President, we must keep in mind that many of the jobs created under this work program are designed to start people out with very trivial and unproductive work, with the idea that the Department of Labor would take a look at each individual under the program every 6 months to see if the individual could be placed in more productive regular employment.

Now, to require that there be a minimum wage to put somebody to work on some trivial job or meaningless task on the theory that it is better for them to do that than just be idle, and that they can better themselves by doing so, and to impose on the employer a minimum wage for doing something that is not minimum wage work, would be, to me, a very unrealistic burden on the program. I hope the amendment will be rejected.

If it is possible for the Secretary of Labor to upgrade these jobs, to make them into minimum wage jobs, I am sure he would do so. That would be his desire.

Mr. LAUSCHE. Mr. President, may I have 3 minutes?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana has the floor.

Mr. LONG of Louisiana. I yield 3 minutes to the Senator from Ohio.

Mr. LAUSCHE. I commend the Senator from Missouri for the very timely and pertinent statement which he made just a moment ago.

Britain, believing that it was in sound fiscal and monetary status, found itself compelled to devaluate the pound; and Britain, in order to save itself, has imposed the severest program of austerity imaginable upon its people. The raising of the interest rate to 8 percent, begging hard for the flow of hard currency into England, and the devaluation of the pound by 40 cents, causing economic difficulties to its people, it decided to bear.

While Britain has adopted the program of austerity, our country is going on in a mad, galloping fashion leading to identically the position that Britain now occupies. Today's demonstration here is an example. I voted to accept the Senate bill instead of the House bill. I thought when I did that, that would be the end of the giveaway program. But to my great grief and sorrow, it was only the beginning. Every half hour there is offered a new proposal, driving our country more deeply into difficulty on the basis of its fiscal and monetary position.

The Senator from Missouri performed a very valuable service. We had better take heed of what he says, and had better not follow the belief that trouble cannot reach us, that we are beyond the reach of the laws of economics, that regardless of what we do in the way of extravagant spending, those laws will never reach the United States.

They will. They are inexorable in their movement. They may be slow in coming, but they will eventually be knocking at the doors of the Capitol of the United States, saying, "You have been loose, you have been extravagant, you have been unmindful of the laws of economics, and now you had better pay the bill."

Mr. KENNEDY of Massachusetts. Mr. President, I yield myself 3 minutes.

This amendment is not concerned with the balance-of-payments question. What it is concerned with, is the payment of a minimum wage, under the new minimum wage standards, to people involved in these public work programs.

With the greatest respect for the distinguished Senator from Louisiana, this is not a question of jobs cleaning up in front of houses in a ghetto. These jobs are in programs developed by the Labor Department. It arranges these programs with public agencies, and it describes the work which shall be done. It will be special work.

But all we are talking about, Mr. President, is a dollar an hour minimum wage; and if we must say that involves our balance-of-payments problem to say that we are going to pay people a dollar an hour minimum wage in this country, I think things have come to a sorry pass.

Mr. President, there are 22 States which participate in the unemployed parents segment of the AFDC program. Of those 22 States, there are only four which would, under this amendment, be required to raise the amount of their payments to individuals participating in such special work programs. Only four out of the 22. What we are talking about, Mr. President—and I refer to page 298 of part I of the hearings, and the chart that is indicated thereon—is a very easy and fundamental question. It is whether or not we are going to have, effectively, slave labor in this country; whether we are going to say, "You can pay anything you want to; if you want a woman to clean out the latrines in the courthouse, you can have her for 35 cents an hour, or if you want someone to clean out the men's room, it will be 45 cents an hour."

All we are talking about in this amendment is paying such workers $1 an hour. One dollar an hour, to put them under the same minimum wage standards adopted by this body in 1966.

That will come to $40 a week. That is all it will amount to, and that is what the amendment would require.

I repeat, Mr. President, of the States that are already included in the program, to which the program would apply, there are only four of them—only four—which would have to upgrade the wages they pay. Only four. This amendment does not involve a great giveaway program. All it would do is to impress upon this legislation the imprimatur of the U.S. Senate, to say that if the Department of Labor is going to participate in a program, we are going to pay $1 an hour thereunder. That is what this amendment would do.

With the greatest respect for all those Senators who say we have been adding, hour after hour, all of these costly programs, I say that if they are a matter of concern, they will be worked out in conference.

My distinguished friends, the question before us is whether, in this particular provision of the pending measure, the Senate of the United States is going to say, "Well, on this question, you can just pay whatever the traffic will bear, as far as employment is concerned."

I am certainly hopeful that the Secretary of Labor will strive to do better, and make such accommodations and adjustments as seem to be realistic. It does seem to me, Mr. President, that it is not asking too much for the U.S. Senate to say in this bill, as to this particular provision, that anyone who is going to participate in these special work projects shall be paid at least $1 an hour.

Mr. SYMINGTON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield the Senator from Missouri 2 minutes.

Mr. SYMINGTON. Mr. President, I am impressed by the remarks of the able senior Senator from Massachusetts. My remarks were not necessarily addressed to his amendment, nor were they addressed to the nevertheless serious balance-of-payments issue; rather they were addressed to the critical problems which will face this country if we have a further and major depreciation in the value of the dollar.

In 1949, this country had $24.6 billion in gold bullion. Last month our country's gold reserves dropped below $13 billion, the lowest figure since July 1, 1938. At the same time, the amount of money we owe abroad, primarily to foreign central banks, has now increased to more than $30 billion. Some day, it is becoming increasingly clear, there has to be a reckoning.

In the Bretton Woods Agreement which set up the International Monetary Fund, the dollar was made synonymous with gold, but so also was the pound. They are presently the two international currencies. They are tied tightly together. A recent editorial in the New York Times characterized the pound as the first line of defense of the dollar.

Now that first line of defense has fallen.

Let me repeat. No one is more sympathetic with the problems of the poor and the problems of the working people than is the senior Senator from Missouri. The record so demonstrates.

On the other hand, there has to be an end some day to this continuous printing of paper gold, a printing press operation that not only has been financing expansion in this country since World War II but also the expansion of trade all over the world; and the fact that we have now truly reached a danger point is best illustrated by what has happened in Great Britain during recent hours.

Mr. LONG of Louisiana. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. Mr. President, I yield myself 2 minutes on the bill, and I will be glad to yield the Senator equal time.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 2 minutes.

Mr. LONG of Louisiana. Mr. President, in my part of the country, they use farm labor. And that farm labor is hard to find. It is not unusual to pay 50 cents an hour to get some person to help in farmwork. And some of that work is pretty hard work.

They ask why people do not pay more. They cannot afford to pay more. If they have to pay more, a man will bend his own back and do that work for himself. To require that one pay a minimum wage for work that is not minimum wage work and is not classified as minimum wage work is just to place a tremendous burden on a program where a great number of the jobs to be filled will be very easy jobs, such as tending to a playground and watching children at play to make sure that they do not hurt themselves. Perhaps it will be work of a kind that people do to help keep their neighborhood clean.

Many people do this kind of work. I do it myself. Many people in government, when they have nothing better to do, go out and clean up the street in front of their homes.

The Secretary of Labor has the responsibility of upgrading these jobs as much as he can, and if he can find a minimum job, he should find that minimum job for a person. However, here we have a program with the Federal Government paying the bulk of the costs and the States participating in finding jobs for people who are unemployed—jobs that do not exist—and imposing a minimum wage requirement on that job. While the purpose is worthy, it would seem to me that it would be better not to put that barrier on the program, but we should try to get these people to work and then upgrade the program from there.

Senators are familiar with the problems in hospitals, universities, colleges, and schools where they have great difficulty in finding people to do some worthwhile work.

The kind of labor we are trying to put to work here is, for the most part, people who have never known what it is to work before. So, to impose a minimum wage requirement on this provision is to impose a terrible burden on a new project to try to get people to work and to train them, and if we cannot find jobs for them in any other way, we subsidize the cost of employing them and thus increase the burden of the taxpayer by making him pay a minimum wage for work that is not minimum wage work. It seems to me that it is an unreasonable requirement.

Mr. KENNEDY of Massachusetts. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 2 minutes.

Mr. KENNEDY of Massachusetts. Mr. President, we are talking here about a family payment which averages $212 per month for the country as a whole. This is above the minimum wage, which would pay $160 per month. This is on page 298 of part I of the hearings. This is a tabulation relating to the 22 States concerning unemployed parents with dependent children.

That income comes to $212.65. That is way above the hourly requirement of the minimum wage. That is way above the fundamental, basic hourly minimum wage.

What we are trying to do is to equate, in this particular program, the minimum wage with the average welfare payment.

Mr. LONG of Louisiana. Mr. President, to what page is the Senator referring?

Mr. KENNEDY of Massachusetts. I am referring to the chart on page 298 of part I of the hearings of August 22, 23, and 24, 1967. That is a tabulation of the aid to families with dependent children, unemployed-parent segment.

It is my understanding that the unemployed-parents segment is a provision which applies to the special work program.

Mr. LONG of Louisiana. Mr. President, what the Senator is talking about, I submit, is 100 percent totally irrelevant to this.

We are not talking about the welfare payment to a child or an unemployed father or to a family or an unemployed parent. We are talking here about what we pay when we put somebody to work.

Mr. KENNEDY of Massachusetts. Exactly. What we are talking about here, if the distinguished Senator wishes to talk about certain parts of the country where they only pay 50 cents an hour, is why we should not pay $1. That is very relevant here, because under the provisions of the welfare program they are already getting $212 a month, which is more than the minimum wage.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. KENNEDY of Massachusetts. I yield myself an additional 2 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for an additional 2 minutes.

Mr. KENNEDY of Massachusetts. They are already receiving $212 in various States. That is the average for the family. So, Mr. President, if we are going to say that we are only to pay $1 to people who cannot do any work in this country, we already know that they are getting more than $1 on the average in the 22 States which have the program. The average is $212, and under the special work program this $212 figure is used as a base to compute the wage to be paid.

All we are asking here is that the States which are not—and which cannot today—meet what is fundamental requirement and the basic minimum wage under the FLSA amendments of 1966, should be required to pay $1 an hour under contractual arrangements which are made with the Department of Labor to do any of the work to be included in these programs.

There will be only four States which will fall short of these provisions. It does seem to me that $1 an hour payment to do this kind of work is certainly not undesirable.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. KENNEDY of Massachusetts. It is my understanding that my time has expired.

Mr. MILLER. Mr. President, will the Senator from Louisiana yield me 1 or 2 minutes so that I may ask a question of the Senator from Massachusetts?

Mr. LONG of Louisiana. Mr. President, I yield 1 minute on the bill to the Senator from Iowa.

Mr. MILLER. Mr. President, I ask the Senator if what he has just said would also cover the situation where it is permitted to pay students less than $1 an hour?

Mr. KENNEDY of Massachusetts. This has nothing to do with that particular program. The work program under this particular provision has nothing to do with the student aid programs.

Mr. MILLER. I understand that it has nothing to do with it. However, the Senator is talking about the minimum of a dollar an hour. I understand that the minimum may be reduced in the case of students. I wonder if there is any comparability between the category of a student earning less than $1 an hour and the people he is trying to cover under his amendment.

Mr. KENNEDY of Massachusetts. I would distinguish between the students receiving $1 an hour, and the people here who fall under the definition described in this bill. I think there is a significant differentiation.

Mr. KENNEDY of New York. Mr. President, I support amendment No. 460, which I was glad to cosponsor. This amendment is one of a group of amendments which a bipartisan coalition of 15 Senators announced yesterday were essential, in their opinion, to insure that this legislation is humanitarian in its effect.

This amendment deals with a critical aspect of the work incentive program adopted by the committee: the wage which welfare recipients will be paid when they are put to work on the special work projects established by the bill. The bill provides that the minimum wage will be paid on such work projects only where that wage is applicable. But most such projects will be work for public agencies or private nonprofit agencies where no minimum wage is applicable.

Mr. President, I believe the Government should never be in the posiiton of subsidizing or encouraging or supporting in any respect work at substandard labor conditions. Yet this is exactly what the bill would do, and it would do it with regard to people who have no choice. In effect, this is slave labor. Any welfare mother or father for whom regular, competitive employment cannot be found, or for whom training is not suitable, could be put to work in one of the special work projects under the bill. One can imagine what they are likely to be, given the definition of those who will be forced into them. Sweeping out the courthouse lavatory is one possibility. Raking leaves on the city hall lawn and shoveling snow off city streets are others. Cleaning out the drainage ditches near large farms and plantations is a favorite in some parts of the country. For all of these activities there would be no guarantee that the minimum wage would be paid. I think this is unsatisfactory.

The amendment is modest enough. It would treat workers in activities not otherwise covered by the minimum wage the same as newly covered workers are treated under the Fair Labor Standards Amendments of 1966. Thus, they would be paid $1 an hour until next February, $1.15 for the next year, $1.30 for the year after that, $1.45 for the following year, and $1.60 beginning February 1, 1971. Even at $1.60, 52 weeks of work yields only $3,328 a year, hardly a subsistence wage.

Mr. President, for the first time in the history of our country people are losing the right to choose the place where they will work. That is what this bill provides. For the first time people will have no conceivable right to bargain over what wage they will receive. And for the first time they will be penalized if they do not do what the Government tells them to do. The compulsory labor provisions of this legislation are bad enough. Let us not make them slave labor in addition. I urge that the amendment be adopted.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Massachusetts. [Putting the question.]

Mr. PASTORE. Mr. President, I ask for a division.

The Senate proceeded to divide.

Mr. KENNEDY of Massachusetts. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Massachusetts.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD (when his name was called). On this vote I have a pair with the distinguished minority leader, the Senator from Illinois [Mr. Dirksen]. If he were present and voting, he would vote "nay"; if I were permitted to vote, I would vote "yea." I therefore withhold my vote.

The legislative clerk resumed and concluded the call of the roll.

I further announce that, if present and voting, the Senator from Nevada [Mr. Cannon] would vote "yea."

On this vote, the Senator from Michigan [Mr. Hart] is paired with the Senator from Florida [Mr. Holland]. If present and voting, the Senator from Michigan would vote "yea," and the Senator from Florida would vote "nay."

On this vote, the Senator from Wyoming [Mr. McGee] is paired with the Senator from Florida [Mr. Smathers]. If present and voting, the Senator from Wyoming would vote "yea," and the Senator from Florida would vote "nay."

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Arizona [Mr. Hayden], the Senator from Missouri [Mr. Long], the Senator from Mississippi [Mr. Stennis], and the Senator from Ohio [Mr. Young] are absent on official business.

I also announce that the Senator from Michigan [Mr. Hart] is absent because of illness in the family.

I further announce that the Senator from Indiana [Mr. Bayh], the Senator from Pennsylvania [Mr. Clark], the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr Eastland], the Senator from Florida [Mr. Holland], the Senator from Minnesota [Mr. McCarthy], the Senator from Arkansas [Mr. McClellan], the Senator from Wyoming [Mr. McGee], the Senator from South Dakota [Mr. McGovern], the Senator from Florida [Mr. Smathers], and the Senator from Georgia [Mr. Talmadge] are necessarily absent.

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Carlson], the Senator from Illinois [Mr. Dirksen], the Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Murphy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper], the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt], and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Utah [Mr. Bennett] and the Senator from Oregon [Mr. Hatfield] are detained on official business.

If present and voting, the Senator from Utah [Mr. Bennett], the Senator from Kansas [Mr. Carlson], the Senator from California [Mr. Murphy], the Senator from Pennsylvania [Mr. Scott], and the Senator from Texas [Mr. Tower] would each vote "nay."

The pair of the Senator from Illinois [Mr. Dirksen] has been previously announced.

The result was announced—yeas 31, nays 40, as follows:

[No. 344 Leg.]

YEAS—31

Bartlett
Brooke
Burdick
Case
Church
Griffin
Gruening
Harris
Hartke
Inouye
Jackson
Javits
Kennedy, Mass.
Kennedy, N.Y.
Magnuson
Metcalf
Mondale
Montoya
Morse
Moss
Muskie
Nelson
Pastore
Pell
Prouty
Proxmire
Randolph
Ribicoff
Tydings
Williams, N.J.
Yarborough

NAYS—40

Aiken
Allott
Anderson
Baker
Bible
Boggs
Brewster
Byrd, Va.
Byrd, W. Va.
Cotton
Curtis
Dominick
Ellender
Ervin
Fannin
Fulbright
Gore
Hickenlooper
Hill
Hollings
Hruska
Jordan, N.C.
Jordan, Idaho
Kuchel
Lausche
Long, La.
McIntyre
Miller
Monroney
Morton
Pearson
Percy
Russell
Smith
Sparkman
Spong
Symington
Thurmond
Williams, Del.
Young, N. Dak.

NOT VOTING—29

Bayh
Bennett
Cannon
Carlson
Clark
Cooper
Dirksen
Dodd
Eastland
Fong
Hansen
Hart
Hatfield
Hayden
Holland
Long, Mo.
Mansfield
McCarthy
McClellan
McGee
McGovern
Mundt
Murphy
Scott
Smathers
Stennis
Talmadge
Tower
Young, Ohio

So the amendment of Mr. Kennedy of Massachusetts was rejected.

AMENDMENT NO. 467

Mr. MANSFIELD. Mr. President, in the hope that I may set an example to the Senate for the remainder of this evening—and the hour is getting late—on behalf of the Senator from South Dakota [Mr. McGovern], I call up amendment No. 467.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 306, line 11, after "(24)" insert the following: "effective July 1, 1968, provide that the standards used for determining the need of applicants and recipients for and the extent of aid under the plan, and any maximum on the amount of aid and other income will be no less than $4 per month per individual (determined on an average per individual in accordance with standards prescribed by the Secretary) above such amount of aid and other income available under the standards and maximum applicable under the plan on December 31, 1966, and"

Mr. MANSFIELD. Mr. President, if we may have order in the Senate, I do not intend to take more than 5 minutes, nor do I intend to ask for the yeas and nays.

Mr. President, there are 13 cosponsors of this amendment. The purpose of the amendment is to increase the levels of aid to families of dependent children by a percentage amount comparable to the increase already provided in H.R. 12080 for old-age assistance, aid to the blind, and aid to the totally and permanently disabled.

As to the method of calculation, on a national average, the $7.50 increase for old age assistance provided in the bill amounts to 11 percent of the average $68.70—as of July, 1967—received by people in that category. Eleven percent of the average $37.25 now accruing to individual AFDC recipients is a little over $4. The increase in AFDC consequently continues the present relationship between the two types of aid, and relies on the committee's calculations on old age assistance to determine the amount of increase required.

As to the number of people affected, as of July, 1967, a total of 1,212,000 families were receiving AFDC payments with a total of 4,978,000 recipients—including children and one or both parents or one caretaker relative—and 3,745,000 children.

As to the cost and financing, HEW estimates that the $4 increase would cost $79.4 million annually in Federal funds and $135.6 million annually in non-Federal expenditures.

On behalf of the distinguished Senator from South Dakota [Mr. McGovern], who is unavoidably and necessarily detained, I ask unanimous consent to have his detailed statement in support of his amendment be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF SENATOR MCGOVERN

I would like first to commend the Finance Committee and its able Chairman, Senator Long of Louisiana, for the masterful work they have done on this legislation. They have produced an excellent bill, and the best testimony to that will undoubtedly be found by a comparison of the measure reported with the version ultimately approved by the Senate—I suspect there will be very few differences.

This amendment, which has the bipartisan sponsorship of fourteen Senators, would modify the bill only slightly and its terms are largely self-explanatory. It would provide an increase of $4 per month per individual as a national average for recipients of aid to dependent children. The raise would take effect next July 1, and the figure used as the base would be the amount of aid and other income available as of December 31, 1966.

The Department of Health, Education and Welfare has estimated its cost at $79.4 million Federal and $135.6 non-Federal annually, which figures out to about $6.6 million and $11.3 million respectively per month.

The $4 increase amounts to slightly less than 11 percent of the $37.25 national average monthly payment for AFDC recipients in July. It is thus closely comparable to the $7.50 per month increase already contained in the bill for recipients of old age assistance, aid to the blind, and aid to the permanently and totally disabled.

Consequently, amendment number 467 merely seeks to include dependent children in the general welfare increase to be supplied by H.R. 12080.

Both the House Ways and Means Committee and the Senate Finance Committee have expressed justifiable concern over the growth in the number of people receiving aid to families of dependent children. A substantial portion of the rise in the past ten years can, of course, be accounted for by the inclusion in 1961 of aid for children of the unemployed, but there is nevertheless reason to intensify our efforts to help people in this category of assistance, as well as in the others, to achieve self-sufficiency.

I urge Senators to recognize, however, that this amendment has no bearing on whether or not a given family would receive assistance. It would merely increase the level of aid to those who have been determined, by whatever standards are applicable, to be eligible. The level of aid is not a proper target for those who feel the standards are too lax.

I do not believe we can justifiably reduce the AFDC rolls by attrition. I do not believe we are going to end desertion and illegitimacy by allowing the support for children who have the ill-fortune to be born into such circumstances to become more and more inadequate. The Committee had determined that increases in the cost of living justify an addition of some 11 percent in cases of the elderly needy and those who are blind or disabled. The cost of supporting children whose father or mother is absent has risen as well.

In its testimony before the Finance Committee on September eighteenth, the Child Welfare League of America noted that . . .

"Meeting the minimal needs of children is essential to any program which seeks to protect them. The best social services in the world cannot feed the hungry child nor provide him with the necessities of life. Living in constant poverty is not the way to promote the healthy physical or emotional growth of the next generation on which this country must depend."

The National Social Welfare Assembly has said in reference to this bill:

"We hope that the bill as finally enacted will reduce the need for public assistance by improvements in social insurance benefits, especially for beneficiaries at the lowest levels. However, for those who must seek assistance more adequate levels of aid are essential if children are to grow up in health and self respect."

Just as significant is the statement from an ADC mother in South Dakota who told me: "I have reason to be proud. My children are learning to become citizens who will never ignore their responsibility to either family or country."

The welfare of the children involved must, in my view, be our overriding consideration in connection with this legislation. There is nothing to be gained—and a great deal to be lost—by punishing them for the misdeeds of their parents.

Moreover, in many, if not most cases, the remaining parent is innocent of any wrongdoing. Surely we should not turn our backs on a family deserted by the father or mother. Certainly we should be willing to supply adequate aid in cases such as those described by New York State Social Services Commissioner George Wyman: ". . . . included in the category of absent parents are United States servicemen stationed overseas, including Vietnam. When their allotments are inadequate to meet the needs of their families, or when they do not make an allotment, their children under present law are eligible for AFDC payments."

Amendment number 467 is fully warranted by increases in the costs of supporting a family under the obstacles already imposed by the circumstances to which it applies. The $6 increase in aid bears a direct relationship to the addition already provided in the bill for other welfare recipients. It would have no effect on the standards for determining who is eligible; it would not prevent either more or less restrictions. Its aim is to protect and assist needy children, to improve their chances of leading useful, productive adult lives.

I urge your support.

Mr. LONG of Louisiana. Mr. President, I yield myself 5 minutes.

Mr. President, the pending amendment would require the States to increase income standards or maximums by $4 a month for each person in a family with dependent children; and it would do this without providing additional money to the States with which to do it.

The Federal cost is estimated to be $79 million. The cost to State and local governments would be $135 million to $140 million. Where would they get the money?

We voted yesterday, with the Harris amendment, for the States to make available aid to dependent children in families where the father is unemployed, and a family would receive the aid because the father is unemployed. The Federal Government would provide its share of the matching funds, but where would the State get its money?

Now we are requiring them to increase the cost of their program by $140 million and we do not provide the revenue to go with it. I am not worried about the increase to the Federal Government, but where are the States going to find the money? We have agreed to and voted upon big increases in the program such as providing day care facilities, help to train people, assistance in finding jobs, and help for errant fathers.

However, this proposal imposes an additional burden upon the States and I wonder how Senators are going to go home and tell their people, "I voted for that proposal but I did not provide the money. I said that you would have to come up with the money." Mr. President, that would be in addition to the money that was voted for unemployed parents yesterday.

We have placed the burden on the States to compel 28 States to extend their programs to cover fathers who do not have a job. This amendment would require the States to find $140 million that they do not have.

Mr. KENNEDY of New York. Mr. President, I was disappointed that this amendment—No. 467—was not considered with more care. It was a most important proposal, designed to erase a serious discrimination in the bill.

This amendment was simple enough. The bill provides that old-age assistance recipients, the disabled, and the blind would all receive mandatory increases of $7.50 a month in their welfare payments. As to dependent children on welfare, the bill provides only that their welfare standards are to be repriced yearly in accordance with the cost of living. This amendment, moderate as it is, would have required that the discrimination be erased only to the extent of increasing payments for dependent children by $4 a month. It should be recalled that children, somehow, always seem to come off worst in our system of welfare assistance. Look, for example, at the average per capita welfare payments in the various categories as of June of this year. The per capita average payment for AFDC children was $37.10. For old-age assistance it was $68.05. For aid to the blind it was $87.30. And for aid to the permanently and totally disabled it was $76.90. These disparities, these discriminations, have been built into the law for years and years. They have only widened as the years have passed. Welfare does not really provide a subsistence income anywhere in our Nation, and in some parts of our Nation it is not even the beginning of enough to live on. In Mississippi, for example, the typical welfare payment to a family of four on ADC is about $55 a month. No one would get rich on this amendment, but a few people would be a little bit better off. We would have fulfilled in just a slight, small improved way our obligation to provide help to those in need.

Mr. President, we must not blithely provide increases to other categories of recipients, deserving as they are, while ignoring the children of the poor. That is a sin for which no atonement would be sufficient. We should have rectified this omission by adopting the amendment.

Mr. MANSFIELD. Mr President, I yield back the remainder of my time.

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. MUSKIE in the chair). All time having been yielded back, the question is on agreeing to the amendment of the Senator from Montana. [Putting the question.]

The amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. PROUTY. Mr. President, I send

to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. PROUTY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the RECORD.

The amendment, ordered to be printed in the RECORD, is as follows:

> Beginning on page 130, line 7, strike through line 12 and insert in lieu thereof the following:
>
> "COVERAGE FOR HOSPITAL INSURANCE BENEFITS FOR PERSONS NOT INSURED THEREFOR
>
> "SEC. 139. (a) Subsection (a)(2)(A) of section 103 of the Social Security Amendments of 1965 as amended by striking out '1968' and inserting in lieu thereof '1969'.
>
> "(b) The amendments made by subsection (a) shall be effective on and after the first day of the month after the month in which this Act is enacted."

The PRESIDING OFFICER. How much time does the Senator yield himself?

Mr. PROUTY. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 5 minutes.

Mr. PROUTY. Mr. President, the medicaid bill of 1965 was composed of two parts: supplemental medical insurance and hospitalization insurance. Supplemental medical insurance is presently available to all Americans over age 65 at a cost of $3 per month regardless of their social security or railroad retirement.

Hospitalization insurance under medicare, however, is available only to those who are also eligible for social security or railroad retirement. This is the problem which my pending amendment is designed to rectify.

It is estimated by the Social Security Administration that approximately 70,000 individuals who are ineligible for hospitalization benefits reach the age of 65 each year. These older Americans are excluded due to legislative oversight on the part of Congress. They are ineligible for hospitalization because of the requirement that they also be eligible for either social security or railroad retirement.

Mr. President, a large number of people are not covered by social security because they receive benefits under State and local retirement systems in States which have opted to retain their own pension plans in lieu of social security. These individuals are ineligible for hospitalization benefits under medicare because of their ineligibility for social security. An excellent analysis of these State and local systems was printed in a recent Social Security Bulletin. I ask unanimous consent that this article be printed in the RECORD immediately following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. PROUTY. Mr. President, I also ask unanimous consent to have two tables prepared by the Legislative Reference of the Library of Congress inserted in the RECORD. These tables demonstrate percentages of State and local employees across the country who are not eligible for coverage under social security, and thus for hospitalization benefits under medicare.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. PROUTY. Mr. President, many of these State retirement systems are excellent and provide adequate benefits. Some provide better stipends than social security. However, not all have provision for health services. On page 5 of the Bulletin article, in fact, there is a table which indicates that of 51 general retirement systems studied, only 67 percent of the members covered under those systems had any health coverage. Many of these 67 percent did not have coverage comparable to that available under medicare. It is important to enable these citizens to have the opportunity to enjoy all medicare benefits. The Finance Committee has provided a long-range solution to the problem. Those reaching retirement this year, however, should also have an opportunity to share in hospitalization benefits even though they are not covered under the OASDI system.

Mr. President, who are these 70,000 citizens who will not be eligible for hospitalization benefits under medicare in 1968?

Their numbers are drawn from the ranks of such dedicated public servants as schoolteachers who have worked their entire lives in States with options for State retirement systems rather than for social security. At last count there were 12 such States in the Union.

One exception to this ineligibility provision was made. Those State employees who had at some point during their lives previous to their 65th year accumulated a minimum of six quarters of coverage under social security laws, were included.

To cover these people, an amendment was adopted in 1965 to provide for the inclusion of those older Americans becoming age 65 in that year under all medicare programs. The provision was extended in 1967. However, those older Americans who become 65 on January 1, 1968, will not be eligible for hospitalization benefits because the law lapses at that time. It would be a great pity if these dedicated public servants in 12 States were denied coverage after the first of the year.

It was apparent to me earlier this year that the hospitalization benefits for the 70,000 who will become 65 in 1968 must not be allowed to lapse. I had an amendment drawn up to extend coverage for another year and was waiting for an opportune time to introduce it.

It was also apparent to me, however, that my amendment should only be considered a short-term solution. I was hopeful that the Finance Committee of the Senate itself would arrange for a permanent decision by adopting the Ribicoff amendment.

The Finance Committee has accomplished both ends and met both long-range and short-range needs. It has first, by incorporating the essence of the Ribicoff amendment into the Social Security Amendments of 1967, made arrangements for a permanent solution to the problem.

Essentially what is to be done is that the Secretary of Health, Education, and Welfare will be authorized to contract with the 12 States which have employees not insured for the hospitalization plan of medicare. These States, at their own option, will be allowed to determine whether or not they wish to have medicare made available to citizens not ordinarily eligible. If so, the States will reimburse the medicare program for the actual costs of benefits and other administrative costs incurred in the process of granting assistance to these citizens. The States' retirement and pension plans will in no way be jeopardized, nor will the State employees be forced to option for social security instead of their present retirement systems.

This is an admirable addition to the bill. I commend the committee. This provision will allow all Americans who reach 65 in the future to be covered without committing large amounts of Federal money on a long-term basis.

However, there will necessarily be some timelag between enactment and implementation. During this time additional people will reach the age of 65 and be ineligible for hospitalization benefits. Of particular concern are those who become 65 immediately after January 1, 1968. With this in mind the Finance Committee has written a provision into its amendments to allow some, but not all of the 70,000 whose hospitalization benefits under medicare lapse in January to continue to have coverage.

In order to be eligible for these benefits, a minimum of three quarters of social security coverage, as opposed to six required by existing law, are required by persons who become 65 after January 1. That required by individuals who are to reach 65 in later years will increase by three quarters each year until the regular insured status requirement is met.

In doing this, the Senate followed the lead of the House which included a like provision in H.R. 12080. In the committee report, the reason for the reduction of the minimum quarters required for coverage was explained. The report stated:

> Your committee believes that this initial increase of 6 quarters of coverage is too sharp, and the bill provides that the minimum amount of quarters of coverage required for entitlement under this special provision of persons attaining 65 in 1968 would be three quarters of coverage.

The President also recommended that the number of quarters required for coverage be reduced to three from six.

This is a step in the right direction, Mr. President, but only a step, because not all of these dedicated public servants will be eligible for hospitalization insurance under medicare.

Let us stop for just a moment and consider the person who, in 1968, will be ineligible for such benefits as 90 days of hospitalization and 100 days of extended health care.

We discriminate against such a person for several reasons. First, we discriminate against an older citizen whose birthday falls on the "wrong" day. The inequity of the House and Senate provision becomes apparent if we consider the cases of two individuals who become 65 at about the same time. Let us assume that neither is eligible for social security benefits. For example, John Jones becomes 65 on December 31, 1967; Bill Beauregarde reaches the same age on January 1, 1968. John Jones is eligible for hospital insurance under medicare. Bill Beauregarde, 1 day younger than John Jones, fails to qualify.

Second, Mr. President, we discriminate against dedicated State employees such as teachers who were too busy to take time off from teaching to moonlight enough to accumulate three quarters of coverage. He was too occupied serving the youth of his State to concern himself with earning a minimum amount of money to make himself eligible for social security should he ever need it.

What injustice, Mr. President. For example, suppose our Mr. Beauregarde, discussed above, who becomes 65 on January 1, 1968, too late for hospitalization benefits, had been a teacher in Shreveport, La., for all the productive years of his life. Such a person in Louisiana could very likely find himself in this iniquitous position, for 87 percent of the State employees—and 67 percent of both State and local employees—of Louisiana are not covered by OASDHI insurance. A similar Mr. Beauregarde might reside in Ohio where 100 percent of both State and local employees are not covered by OASDHI, or in Massachusetts where 98 percent of State and 100 percent of local employees are not covered by social security and thus the hospitalization benefits of medicare.

But, back to Mr. Beauregarde. He is doubly unfortunate due to the inopportune time of his birth and his failure to moonlight. Our diligent, dedicated Mr. Beauregarde in all likelihood graded papers and prepared for additional classes during school holidays in Shreveport, La., rather than working part time in the city department store. His perseverance and concern for his students is now to be rewarded by an exclusion from one-half of the benefits of medicare.

And the amount which Mr. Beauregarde would have had to earn is ridiculously small—$50 a quarter. The amount which he and his employer would have had to contribute to make him eligible—at the current rate of 4.4 percent of contribution—would be a meager $13.20 for all three quarters. In other words, this individual is cut off because he has failed to contribute $13.20 to the social security fund.

We are told, Mr. President, that the cost of including all of the 70,000 individuals turning 65 in 1968 under hospitalization provisions would be a staggering $10 million the first year. This cost estimate was provided by the Social Security Administration. The cost might rise thereafter for a few years, but would then drop off because the 70,000 constitute a closed group whose members would be increasingly depleted by death annually.

Some of the 70,000 who will not be eligible for hospitalization costs when they turn 65 in 1968 will undoubtedly be eligible for hospitalization due to the reduction of coverage requirements. No figures, however, have presently been made available to me to indicate precisely how many would be eligible. However, even if all 70,000 are eligible because they have accumulated three quarters of coverage, I contend, Mr. President, that the cost to the Federal Government would be great.

For example, if all 70,000 have contributed $13.20 to the social security fund, this means that a total of $924,000 is presently available to pay for these benefits. However, Mr. Robert Myers of the Social Security Administration has informed us that the benefits would cost $10,000,000 in 1968. The difference between $924,000 and $10,000,000—or $9,076,000 would have to come from the Federal Government. The House committee has provided for the expense to come out of the general tax revenues.

By requiring that these 70,000 individuals have three quarters of coverage, Mr. President, we are saving the U.S. Government a staggering $924,000 in 1968. What savings. The President, the House and the Senate Finance Committee are to be commended for their thriftiness.

For an expenditure of only $924,000 more, though Mr. President—a figure which represents the real cost to the Federal Government next year if no quarters were required for the 70,000 who will be ineligible for all medicare benefits—think how many individuals will benefit. Consider how many Mr. Beauregardes there may be among the 12 States and 70,000 individuals ineligible for hospitalization under medicare who can be saved from high expenses when they fall ill.

We should reward, not punish, the diligent public servants such as Mr. Beauregarde, who through misfortune, or miscalculation will fail to receive all the benefits of medicare in 1968. These are individuals who are looking forward to the leisure and joys of retirement. They are individuals who probably rejoiced at the enactment of medicare and anticipated that their needs would be met. Many will probably not discover that their hospital costs will not be met until they are ill and taken to the hospital. Think of their discouragement.

Such an occurrence is to be avoided at any cost—a small real cost is indeed all that is necessary.

This amendment is to insure that all 70,000 individuals becoming 65 in 1968 will be covered, Mr. President, for hospital insurance under medicare.

My amendment is very short and simple. It would merely eliminate the December 31, 1967, cutoff date for eligibility of persons 65 for hospitalization insurance under medicare, without also having to be eligible for social security or railroad retirement.

In this way, Mr. President, 70,000 Americans would be eligible for coverage under both parts of medicare. The cost of this would be $10 million the first year—only $924,000 more than that which the Senate bill currently costs. Yet, the inequities inherent in the present provisions would be alleviated. It is a small price to pay for the insurance benefits which will be made available to some of our elder Americans who have long served our country and who will soon enter their first and justly deserved year of retirement.

EXHIBIT 1

STATE AND LOCAL GOVERNMENT RETIREMENT SYSTEMS, 1966: PROVISIONS FOR EMPLOYEES NOT UNDER OASDHI

(By Saul Waldman*)

(NOTE.—The development of State and local government retirement systems in the last half of the nineteenth century represented one of the first efforts in this country to protect the worker against the major economic hazards of our modern society. The Social Security Administration, as part of its continuing concern with methods of providing protection against economic insecurity, has long included studies of State and local systems among its research activities. This article summarizes the findings of the 1966 survey of the State and local government retirement systems whose members are not covered under the Federal old-age, survivors, disability, and health insurance (OASDHI) program. The full findings of the survey are to be published as a research report in the coming months.)

Surveys of the State and local government retirement systems whose members are also covered under the Federal program of old-age, survivors, disability, and health insurance (OASDHI) have been made in recent years, and the findings of these surveys have been reported by the Social Security Administration.[1]

The present study of retirement systems not under the Federal program fills out the information on the protection afforded by these systems. The report, based on the study of 87 retirement systems with 1,000 or more members, includes discussion of the systems' provisions governing retirement for age and service, disability retirement, and death benefits. Special emphasis is given to the recent developments in providing survivor protection, and information is included on such matters of current interest as early retirement, vesting of benefit rights, and provision for increases in benefits for retired persons.

SURVEY METHODOLOGY

The Social Security Amendments of 1954 made coverage under OASDHI available, at the option of the State, for most employees under State and local government retirement systems if the employees involved vote in favor of coverage. As a result, some OASDHI coverage of retirement system members has been implemented in nearly all States.

The survey included all retirement systems with 1,000 or more members who were not covered under OASDHI, according to the 1962 Census of Government.[2] Systems with incomplete OASDHI coverage resulting from a "divided retirement system" election were omitted from the survey, since eventually all the members will be covered. Systems with incomplete OASDHI coverage on a permanent basis, which is permitted under certain other provisions, were generally included.[3] Excluded were (1) closed systems, which do not accept new employees, (2) supplementary systems, covering employees receiving substantial protection under another public retirement system, and (3) systems covering unsalaried employees such as volunteer firemen.

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*Division of Program and Long-Range Studies, Office of Research and Statistics.

[1] Joseph Krislow, *State and Local Government Retirement Systems, 1965* (Research Report No. 15), Social Security Administration, Office of Research and Statistics, 1966, and Joseph Krislov, *A Survey of State and Local Government Retirement Systems . . . 1961*, Social Security Administration, Bureau of Old-Age and Survivors Insurance, 1962.

[2] Bureau of the Census, *1962 Census of Governments: Topical Studies, No. 1, Employee-Retirement Systems of State and Local Governments.*

The systems selected were limited to those with 1,000 or more members. Though there is a relatively great concentration of small systems among those whose members are not covered under OASDHI, only an estimated 10 percent of employees were excluded for this reason.

The final listing of systems to be surveyed included exactly 100 retirement systems with an estimated 1.5 million members in January 1966 or about one-fourth of all State and local government employees under staff retirement systems. A questionnaire was mailed to the administrator of each system by the Bureau of the Census, acting as agent for the Social Security Administration. Sixty-three of the 75 general systems, with an estimated 94 percent of the members, responded to the survey. Only one of the 25 systems for policemen and firemen—a small one—failed to respond.

The systems for policemen and firemen are analyzed separately because their provisions tend to differ considerably from those of the general systems, though for the most part they are homogeneous among themselves. The term "general system" is used here to refer to all systems other than those for policemen and firemen (unlike the term as used by the Census Bureau). The terms "members" or "membership" refer to active members and are used synonymously with "employees."

TABLE 1.—GENERAL SYSTEMS IN SURVEY, BY STATE, JANUARY 1966

State (ranked by membership)	Number of systems	Number of members (thousands)
Total	63	1,302.8
Ohio	4	332.8
California	6	260.7
Illinois	9	216.8
Massachusetts	18	94.6
Louisiana	3	81.1
Florida	3	63.9
Colorado	2	59.2
Missouri	1	35.0
Maine	1	34.2
Connecticut	2	33.0
Kentucky	1	30.0
Nevada	1	18.2
Georgia	1	12.8
Minnesota	3	10.4
Texas	2	9.1
Alaska	1	3.2
Tennessee	1	2.7
New Jersey	2	2.4
Virginia	1	1.5
Nebraska	1	1.1

GENERAL SYSTEMS

Characteristics

Only 20 States were represented in the survey of general systems (table 1), since in many States the members of all systems, or at least all those with 1,000 or more members, have been brought under OASDHI. Measured by the number of employees, the survey is dominated by three States (Ohio, California, and Illinois) that together included 62 percent of all employees in the systems surveyed. Massachusetts contributed the largest number of systems—18 of the 63 systems—followed by Illinois with nine systems and California with six systems. The fact that the retirement systems within a State tend to have similar provisions has a significant effect on the results of the survey. The Massachusetts systems for example are virtually identical, and most of the Illinois and California systems are closely similar.

The two largest systems in the survey (one California system and one Ohio system) include 28 percent of the total membership represented in the survey and the eight largest have almost 60 percent of the total membership. About half the systems had fewer than 5,000 members, and this group included 5 percent of all employees in the survey (table 2).

TABLE 2.—GENERAL SYSTEMS IN SURVEY, BY SIZE OF MEMBERSHIP, JANUARY 1966

Size of membership	Systems		Members	
	Number	Percent distribution	Number (thousands)	Percent distribution
Total	63	100.0	1,302.8	100.0
Less than 2,000	18	28.6	25.7	2.0
2,000 to 4,999	14	22.2	41.8	3.2
5,000 to 9,999	6	9.5	39.1	3.0
10,000 to 24,999	9	14.3	153.2	11.8
25,000 to 49,999	8	12.7	277.0	21.3
50,000 to 99,999	6	9.5	399.0	30.6
100,000 or more	2	3.2	367.0	28.2

Major findings

The survey findings indicate that, during the postwar years, the retirement systems have considerably strengthened the protection they provide for their members. The greatest improvements have been in provisions for monthly benefits for disability and death—types of protection offered by nearly all the systems in the survey.[4]

The type of protection offered by OASDHI has been one of the factors influencing the direction of improvements of those systems whose members have not come under the Federal program (as well as the systems whose members were brought under coverage[5]). The influence on noncovered systems is most apparent in new provisions for monthly benefits to widows and children that resemble the provisions for survivors in the OASDHI program.

The study also reveals an apparent modification of the principle of individual equity (under which benefits are based solely on the contributions or credits of the member) that has been an important element of the benefit provisions of many systems. Relatively few systems in the survey, for example, still use the money purchase method of computing benefits, under which benefits are actuarially based on the contributions credited to the member's account. Modification of this principle is revealed too in the growing tendency toward providing full or substantial benefits, without regard to contributions or length of service, to disabled members and, especially, to the survivors of deceased members.

TABLE 3.—SUMMARY OF PROVISIONS, BY TYPE, JANUARY 1966

Type of provision	General systems		Systems for policemen and firemen	
	Number	Percent of members covered	Number	Percent of members covered
Total	63	100.0	24	100.0
Retirement for age and service	63	100.0	24	100.0
Involuntary retirement	54	79.0	19	79.5
Early retirement	53	93.6	6	48.8
Automatic adjustment of benefits	10	12.3	7	26.1
Health plan after retirement	51	67.6	23	93.7
Vesting	39	92.0	6	36.5
Retirement for disability, nonservice connected	62	99.9	22	96.5
Monthly survivor benefits, nonservice connected:				
Widow of active member, with children	60	99.5	24	100.0
Widow of active member, without children	58	99.1	24	100.0
Widow of retired member [1]	21	20.7	22	69.5

[1] Benefit specified in the law (excluding joint and survivor option).

Retirement for age and service

Eligibility.—The "normal retirement age" is considered here as the youngest age at which an employee may retire on his own volition and receive the full amount of retirement benefits to which he is entitled on the basis of his earnings and length of service. Similarly, where retirement based on length of service alone is possible, "normal" retirement is retirement at the earliest time full benefits become available. The earliest age at which retirement for age and service is possible, but with benefits reduced because of age, is defined as the "early retirement age."

To qualify for normal retirement, the member usually has to meet both an age and length-of-service requirement, typically age 60 with 10–20 years' service, but many systems permit retirement on the basis of age alone (at age 60–65) and a few on the basis of service alone (with 30–35 years). Many systems offer alternative eligibility requirements for normal retirement. They may, for example, permit members with long service to retire at an early age or to retire on the basis of service alone, without meeting any age requirement (table 4).

The normal retirement age specified under the age or age-and-service provisions is usually 60, but age 65 is also frequently found. Many employees continue to work beyond the age that normal retirement first becomes available.[6]

Involuntary retirement.—Although employees usually may continue to work beyond normal retirement age, under most systems they may be required, at the discretion of the employer, to retire at a specified age—commonly at age 70 and to a lesser extent at age 65. This type of provision is called a compulsory retirement provision. Some systems require the "automatic" retirement of their members, typically at age 70, with neither the employee or employer having any discretion (table 4).

Benefit amounts.—Except for one system with a money-purchase formula, the amount of the retirement benefit is always based on the member's average salary and length of service. The benefit amount is usually determined by computing a percentage of average salary for each year of service, commonly 1⅔ to 2½ percent.[7] The "final" average salary of the member is based usually on the 5 highest years of earnings, and many systems require that the years be consecutive or years during a specified period (usually the last 10 years) of employment (table 5). Some systems provide a minimum benefit amount, usually $30–$70 monthly or $6–$7 monthly for each year of service, payable for members who meet certain eligibility requirements, commonly 10–15 years' service.

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[3] Under the "divided retirement system" provision, applicable in States specified in the Social Security Act, only those members who elect to be covered are brought under OASDHI, with all new members automatically covered on a compulsory basis. Under other provisions of the law, coverage may be arranged for only certain groups of members—the employees of various local governments who are members of a statewide system, for example—and the noncovered groups are permanently excluded, unless additional arrangements are made.

[4] For a description of the retirement systems in the early 1940's, see Dorothy F. McCamman, *The Scope of Protection Under State and Local Government Retirement Systems*, Social Security Board, 1944. Although information is not available from that study on the specific systems in the survey, the improvements have been so widespread as to indicate revision of the great majority of systems.

[5] See Joseph Krislov, *State and Local Government Retirement Systems, 1965.*

[6] The survey questionnaire requested information on the number of retirees who were under age 62 (an age when employees of most systems could take normal retirement). The 42 systems that reported on the subject indicated that only 20 percent of the men and 28 percent of the women were under age 62 at the time of retirement in the fiscal year 1965.

TABLE 4.—GENERAL SYSTEMS: PROVISIONS FOR AGE AND SERVICE RETIREMENT AND INVOLUNTARY RETIREMENT, JANUARY 1966

Type of provision	Number of systems	Number of members (thousands)
Total	63	1,303
Requirements for normal retirement:[1]		
Age requirement only	35	313
Service requirement only	9	309
Age and service requirement	32	1,028
Normal retirement age:[2]		
55	6	91
60	30	708
62	1	6
65	26	498
With provisions for early retirement	53	1,220
Requirement for eligibility:[1]		
Age requirement only	25	141
Service requirement only	26	296
Age and service requirement	24	880
With provisions for involuntary retirement	54	1,029
Compulsory provision only	33	707
Age 65 to 68	8	321
Age 70 to 73	25	386
Automatic provision only	16	237
Age 65 to 68	8	54
Age 70	8	183
Compulsory and automatic provision	5	84

[1] Systems that provide alternative requirements are counted more than once.

[2] Earliest age required for normal retirement under the age or age and service provisions.

Illustrative median benefits[8] payable to members aged 65 with 10, 20, and 30 years of service would replace about 21, 40, and 54 percent of salary, respectively. Based on the actual experience of the system, the average benefit amount awarded to men in the fiscal year 1965 was about $235 monthly, for the 44 systems that supplied benefit data.

Early retirement.—Most systems permit employees to choose early retirement at a reduced benefit amount. The early retirement age is almost always age 55, and usually 20–30 years of service is needed to qualify (but several large systems require 5 years). Retirement for service alone (20–35 years) is offered, usually as an alternative requirement, by many systems (table 4). Several methods are used to reduce the benefit amount, but usually the reduction is, in effect, roughly actuarial.

Adjustment of benefits.—In recent years, there has been increasing interest in the problem of protecting the purchasing power of pension benefits after retirement. The laws of a few of the systems surveyed provide for an automatic increase in benefits to persons on the retirement rolls (usually annually) without requiring additional legislation. The automatic increase is usually specified as 1 percent or 1½ percent annually. For almost one-half the systems in the survey, additional legislation was enacted that provided an across-the-board increase in benefits during the 3 years 1963–65.

TABLE 5.—GENERAL SYSTEMS: CALCULATION OF NORMAL RETIREMENT BENEFITS, JANUARY 1966

Method of calculation	Number of systems	Number of members (thousands)
Total with benefits based on average salary	62	1,295
Determination of final average salary, based on average salary in highest—		
3 years	8	299
5 years	51	900
10 years	3	96
Determination of benefit amount:		
Percent of salary for each year of service:		
Less than 1.67	5	78
1.67 to 1.70	21	479
1.75 to 1.90	4	362
2.00 to 2.17	6	157
2.50	20	149
2 percentage factors	4	68
Other	2	28
Provision for minimum benefit	19	716
Monthly benefit amount:		
Less than $30	1	3
$30 to $70	6	103
$70 to $100	3	28
Monthly benefit amount per year of service:		
Less than $4.00	2	36
$6.33 to $6.67	4	527
$7.50 to $7.80	2	13
Other	1	8

Health plan.—Participation after retirement in a group health plan established by the former employer provides a means of obtaining health insurance protection at a lower cost than is usually available on an individual basis, especially of course if part of the premium is paid by the employer. Most systems in the survey reported that a group health plan is available for retired employees and that the employer contributes to the cost. The plans with employer contributions, however, include only about one-fourth of the employees in the survey.

Vesting.—Unless a retirement plan has a provision for vesting of credits, a worker who leaves employment before retirement age loses any rights to a pension at retirement age. Vesting refers to the right of members to "all or part of their accrued pension benefits at retirement age, regardless of their employment status at that time."[9] Vesting provisions usually require that the employee leave his contributions in the fund when he leaves his job. Systems with nine-tenths of the membership had provisions for vesting. Eligibility for a vested right is dependent usually on completion of 10–20 years of service, but several of the large systems require 5 years (table 6).

TABLE 6.—GENERAL SYSTEMS: PROVISIONS FOR VESTING OF BENEFIT RIGHTS, JANUARY 1966

Vesting requirement	Number of systems	Number of members (in thousands)
Total	63	1,303
With provision for vesting of benefits	39	1,198
Service requirement only	36	1,139
1 to 5 years	8	633
10 to 15 years	17	320
20 to 25 years	11	185
Other requirements	3	60
Without vesting provisions	24	105

Retirement for disability

Eligibility.—Disability retirement was among the first types of protection provided by State and local government retirement systems. The 1944 report of the Social Security Board[10] indicated, however, that many systems did not provide for non-service-connected disability, and benefits were often limited to members with long periods of service. Sometimes the provisions were designed mainly to facilitate the premature retirement of older employees.

The present survey indicates a broadening of the scope of protection. Non-service-connected disability retirement, provided by all but one system, depends usually on meeting a length-of-service requirement of 5–10 years with the larger systems usually requiring 5 years; many small systems, however, require 15 years (table 7). Most systems use an occupational definition of disability under which the member must be unable to perform his usual job. The others generally require a determination that the member be unable to perform any type of work.

Benefit amounts.—Most systems compute the benefit in the same manner as for age-and-service retirement, often using, however, a smaller percent of salary for each year of service. There is somewhat greater diversity in the computation methods (table 7). Some systems use a modified formula or other method of computation under which the benefit amount is figured without regard to length of service or they provide a minimum benefit to all eligible members. This type of computation is used by 15 systems that include two-thirds of the employees.[11] An illustrative median benefit for a member aged 50 with 20 years of service would replace 39 percent of the member's salary. The actual benefit amount awarded, in the fiscal year 1965 (for non-service-connected and service-connected disability combined) averaged about $185 monthly, based on data for 37 systems reporting on disability benefits.

TABLE 7.—GENERAL SYSTEMS: PROVISIONS FOR NON-SERVICE-CONNECTED DISABILITY RETIREMENT, JANUARY 1966

Eligibility requirement and benefit formula	Number of systems	Number of members (in thousands)
Total with provision for disability retirement	62	1,302
Eligibility requirements for benefits:		
No requirement	8	64
Service requirement only	54	1,237
2 to 3 years	3	47
5 years	14	646
8 to 10 years	17	395
15 years	20	150
Formula for calculating benefits:		
Percent of salary for each year of service	44	949
Specified percent of salary		119
Based on benefit payable at normal retirement age	4	108
Money-purchase arrangement	9	125
Information not furnished	1	2

Survivor benefits

Monthly payments for survivors of active members who died from non-service-connected causes, now provided by nearly all systems in the survey, have been introduced comparatively recently into State and local government retirement systems. Many systems had long offered some type of death benefits, but the protection often was limited to service-connected death, was dependent on accepting a reduced annuity, or was confined to survivors of retired members. The benefit was often a lump-sum payment.[12]

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[7] Some retirement systems reported the benefit as a specified percentage of salary (say, 40 percent) payable upon completion of a certain period of service. Percentages have been converted to a percent-per-year formula, where possible, in this analysis.

[8] The illustrative median benefits used throughout the article are based on a distribution of employees by the benefit amounts payable at specified ages and length of service, as indicated, and an assumed monthly salary of $400 and $600.

[9] President's Committee on Corporate Pension Funds, *Public Policy and Private Pension Programs*, January 1965.

[10] Dorothy McCamman, *op. cit.*

[11] This analysis was made by selecting those systems in which the length of service does not substantially affect the benefit amount, including systems (1) providing a percentage of the member's salary for each year of service but basing this calculation on assumed service to or near retirement age; (2) providing a benefit amount based on that payable at normal retirement; (3) providing a specified percent of salary—and by selecting those systems with a minimum benefit amount that is not based on length of service.

[12] Dorothy McCamman, *op. cit.*

Widows and children of active members.—All but three small systems provide monthly benefits to the widows with children of an active member who died from non-service-connected causes. Many of the provisions dealing with eligibility and the amount of benefits were modeled, when they were adopted, on those under OASDHI. Eligibility for benefits is usually acquired with 2 or fewer years of service (table 8). The typical benefit is a flat-rate amount of $150–$200 monthly for a widow with one child, $50–$75 for the second child, and a maximum family benefit of $235–$255 (or the amount is computed as a percentage of salary, with similar maximum family benefits).

TABLE 8.—GENERAL SYSTEMS: PROVISIONS FOR MONTHLY SURVIVOR BENEFITS FOR WIDOWS WITH CHILDREN, NON-SERVICE-CONNECTED DEATH, JANUARY 1966

Eligibility requirement and benefit formula	Number of systems	Number of members (in thousands)
Total with provision for benefits for widow with children	60	1,297
Eligibility requirements for benefits:		
No requirement	12	188
Service requirement only	45	1,103
1 to 2 years	32	904
3 to 5 years	9	178
10 to 20 years	4	21
Age-and-service requirement	2	5
Information not furnished	1	1
Formula for calculating benefits:		
Flat-rate benefit amount or specified percent of member's salary	44	1,209
Maximum family benefit:		
$150 to $200	24	241
$236 to $255	14	770
$275 to $330	5	197
Information not furnished	1	2
Based on accrued credits or contributions	16	87

Widows of active members without children.—Almost all of the retirement systems in the survey also provide benefits to the widow without children of a member who died in active service from non-service-connected causes (table 9). These benefits are usually limited to widows age 50–62 or to the widows of members with at least 15 years' service.[13] The benefit commonly is a flat-rate amount of $90 to $125 monthly but can sometimes be based, alternatively, on the member's accumulated credits. An illustrative median benefit for a widow, aged 55, of a member with 20 years' service would replace 22–24 percent of the member's salary.

TABLE 9.—GENERAL SYSTEMS: PROVISIONS FOR MONTHLY SURVIVOR BENEFITS FOR WIDOWS WITHOUT CHILDREN, NON-SERVICE-CONNECTED DEATH, JANUARY 1966

Eligibility requirement and benefit formula	Number of systems	Number of members (in thousands)
Total with provision for benefits for widow without children [1]	58	1,291
Eligibility requirements:		
No age requirements for widow	42	420
Service requirement of 15 years	3	126
Age requirement for widow	16	871
50	6	399
Service requirement of 15 years [2]	5	339
55	4	169
60	2	43
Service requirement of 15 years	1	8
62	3	242
Age not furnished	1	18
Formula for calculating benefits:		
Flat-rate benefit amount or specified percent of member's salary	42	1,193
Flat rate or maximum benefit:		
$65–96	7	538
$100–130	30	480
$200	4	169
No maximum	1	6
Based on accrued credits or contributions	16	98

See footnotes at end of table.

[1] Generally, the deceased member must have met the same requirements as shown in table 8 for benefits for widowed mothers and children. The additional requirements imposed by some systems are indicated below.

[2] Benefits payable at age 62 if member had less than 15 years' service.

Widows of retired members.—About one-third of the systems in the survey provide specified benefits to the widow of a retired member. These benefits are usually computed as 50–75 percent of the member's retirement pension (table 10).

Most systems (including many of those with specified benefits) permit a member who is retiring to elect to take a reduced retirement benefit in order to provide a benefit for his widow. Under this joint-and-survivor option, the reduction in the benefit is usually actuarial, according to the age and life expectancy of the member and his wife. The experience of the systems, however, indicates that relatively few retirees elect this option.[14] That finding is consistent with those of other studies.[15]

Contributions

Joint contributions from both employees and the employing government were reported by all the systems in the survey. With a few exceptions, the amount of contributions from employees is based on the employee's total salary. The employee contribution rate is usually a single rate of 5–7 percent of total salary, but a few systems vary the rate according to age of entry into the system or type of work performed.

TABLE 10.—GENERAL SYSTEMS: MONTHLY BENEFITS FOR WIDOWS OF MEMBERS WHO DIED AFTER RETIREMENT, JANUARY 1966

Provision for benefits	Number of systems	Number of member (in thousands)
Total	63	1,303
With provision for specified benefits for widows	[1] 21	270
Based on percent of member's retirement benefit	11	97
50	6	81
60 to 75	3	12
100	2	4
Based on accrued contributions or service	7	54
Based on percent of member's salary	3	119
Without provision for specified benefits	42	1,033
Joint-and-survivor option	39	1,015
No joint-and-survivor option	3	18

[1] Includes 15 systems that also provide joint-and-survivor option.

The employer rate, which was reported by about half the systems in the survey, is concentrated between 6 percent and 9 percent of total payroll. A system-by-system comparison of employee and employer rates indicates that the employer rate is typically larger than the employee rate.

SYSTEMS FOR POLICEMEN AND FIREMEN

Retirement systems for policemen and firemen were among the first State and local government systems established in the United States. Special considerations were believed to be involved in providing protection for uniformed policemen and firemen, including the hazards of disability and death connected with such service and the policy of many police and fire departments of maintaining a force of young and vigorous personnel. As a result, these systems generally provide normal retirement at a relatively young age and liberal benefits for service-connected disability and death. Information was obtained in the survey on such service-connected benefits.

Policemen and firemen were excluded from provisions of the Social Security Amendments of 1954, which made coverage under the Federal program available to most members of State and local government retirement systems. Federal legislation enacted in 1956 and later years, however, permitted coverage in States specified in the law. As of September 1967, 19 States, with about one-half of all policemen and firemen, had the authority to obtain OASDHI protection for their police and fire departments, and most of these States have implemented coverage for at least some systems.

Characteristics of the systems

Policemen and firemen are usually covered under special retirement systems limited to personnel of uniformed services, although the two groups are often included in the same system. The systems are predominantly locally administered and most of them are small. The 1962 Census of Governments counted a total of 1,651 systems for policemen and firemen exclusively (70 percent of all retirement systems), and they had 225,300 active members.

The 24 systems for policemen and firemen responding to the survey reported membership of 69,400 in January 1966. Many large systems, such as those covering the New York City policemen and firemen, were excluded from the survey because the members are covered under OASDHI. The exclusion of systems with less than 1,000 members means that only relatively large cities are represented, and the survey data are dominated by such cities as Chicago, Los Angeles, Detroit, Cleveland, New Orleans, St. Louis, and Dallas (table 11). Four State-administered systems were included—three of them systems covering State police. Generally speaking, the results of this survey thus refer to the larger systems not covered by OASDHI.

Twelve States are represented in the survey, and no State has more than four systems. The two largest systems include 36 percent of the total membership, and the 17 systems with less than 2,000 members account for 30 percent. This group includes five systems with slightly less than 1,000 members.

Retirement for age and service

Eligibility.—Most systems require the member to meet both an age (50–55 years) and length-of-service requirement (20–25 years) for normal retirement, but many permit retirement for service alone after 20 or 25 years of service. Systems of policemen and firemen generally do not offer alternative requirements for eligibility (table 12). The automatic retirement of the member, usually at age 63–65, is generally required.

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[13] Thirty-nine systems with about one-fourth of the members, provide benefits with neither an age requirement nor a 15-year service requirement, but except for Massachusetts they usually base the benefit on the members' accrued credit or contributions and thus, in effect, provide substantial benefits only for long service.

[14] Of the 39 systems with a joint-and-survivor option and without specified benefits, 25 reported the percent of newly retired members electing a joint-and-survivor option. About one-half of these 25 systems indicated that less than 20 percent of the retirees elected the option.

[15] See, for example, James A. Hamilton and Dorrance C. Bronson, *Pensions*, McGraw-Hill Book Co., 1958; State of Ohio, Governor's Commission on Aging, *Industrial Pensions and Insurance Plans*, 1961; and Joseph Krislov, *State and Local Government Retirement Systems, 1965*.

Benefit amounts.—For all these systems, benefits are based on the member's average salary and length of service. The "final" average is usualy based on the highest 3–5 years of earnings, but some systems use the salary currently payable at a specified rank. The benefit formula (either a specified percentage of salary or a percentage of the member's salary for each year of service) usually provides 40–50 percent of the member's salary upon completion of the 20–25 year eligibility period (table 12). Many use "split" formulas under which the benefits for service after the completion of the eligibility period are less generous than those for earlier years. Such formulas are apparently designed to discourage continued employment beyond the time of eligibility for retirement. Illustrative median benefits for a member retiring at age 55 would replace 42–43 percent of the member's salary for 20 years' service and 56–57 percent for 30 years' service. The actual benefit awarded to men in the fiscal year 1965 averaged $334 a month for the 21 systems reporting benefit data.

TABLE 11.—SYSTEMS FOR POLICEMEN AND FIREMEN IN SURVEY BY NUMBER OF MEMBERS, JANUARY 1966

Retirement system	Number of members
Total, 24 systems	69,400
California:	
Los Angeles Fire and Police Pension System	8,600
Oakland Police and Fire Retirement System	1,300
Illinois:	
Chicago Policemen's Annuity Benefit Fund	10,000
Chicago Firemen's Annuity and Benefit Fund	4,400
Indiana State Police Pension Fund	900
Louisiana:	
New Orleans Firemen's Pension and Relief Fund	900
New Orleans Police Pension Fund	1,100
Michigan:	
Michigan State Police Pension, Accident, and Disability Fund	1,400
Detroit Policeman and Fireman Retirement System	6,200
Missouri:	
St. Louis Firemen's Retirement System	1,100
St. Louis Police Retiremen System	2,000
New Jersey Police and Firemen's Retirement System	15,000
Ohio:	
Cleveland Firemen's Relief and Pension Fund	1,400
Cleveland Police Relief and Pension Fund	2,000
State Highway Patrol Retirement System	900
Oregon: Portland Fire and Police Disability Retirement Fund	1,400
Pennsylvania:	
Pittsburgh Firemen's Relief and Pension Fund	1,100
Pittsburgh Policemen's Relief and Pension Fund	1,600
Texas:	
Dallas Police, Fire, and Fire Alarm Operators Pension Fund	2,600
Houston Firemen's Relief and Pension Fund	1,300
San Antonio Police, Fire, and Alarm Operators Pension Fund	1,200
Houston Police Officers Pension System	1,300
Washington:	
Firemen's Pension Fund of Seattle	900
Police Relief and Pension Fund of Seattle	900

Adjustment of benefits after retirement.—Because policemen and firemen are usually eligible for retirement at relatively younger ages, their benefits are especially subject to erosion because of rising price levels. A provision for automatic increases in the benefits of retirees is included in the laws of about one-third of the systems. The adjustment is usually based on the increases granted active employees. This method would, of course, tend to provide substantial benefit increases. Only a few systems increased benefits under ad hoc legislation in the past 3 years.

Other provisions.—Comparatively few systems for policemen and firemen permit early retirement—a reflection of the fact that normal retirement is available at relatively young ages (table 3). Where retirement before the normal time is permitted, 50 is specified as the early retirement age or retirement is offered on the basis of service alone (20–25 years).

Vesting of benefit rights is provided by only six systems, and 10 or 20 years of service is required in order to qualify. Nearly all systems permit retired members to participate in a group health plan, but few contribute to the cost.

TABLE 12.—SYSTEMS FOR POLICEMEN AND FIREMEN: PROVISIONS FOR AGE-AND-SERVICE RETIREMENT, JANUARY 1966

Type of provision and method of calculation	Number of systems	Number of members (in thousands)
Total	24	69.4
Requirement for normal retirement: [1]		
Age requirement only	2	17.0
Service requirement only	10	24.0
Age-and-service requirement	13	29.8
Retirement age: [2]		
45	1	.9
50 to 53	9	16.4
55	3	26.3
60	2	3.1
Service only (no age requirement)	9	22.7
Determination of benefit amount:		
Percent of salary for each year of service:		
1.67	2	3.1
2.00	7	37.2
2.50	1	1.1
Specified percent of salary when eligible for retirement: [3]		
30 to 42.5	3	11.2
50	11	17.0

[1] Includes the requirements of the one system that provides alternative requirements.

[2] Earliest age required for normal, retirement under the age or age-and-service provisions.

[3] Two systems with a percentage-factor formula and 9 systems with a specified-percent formula provide an additional benefit, usually calculated as 1 to 1.67 percent of salary, after completion of the 20 to 25 years of service required for eligibility.

Retirements for disability

Non-service-connected disability.—Most retirement systems for policemen and firemen provide for retirement of members disabled from causes not connected with their work. Generally, there are no eligibility requirements or only a service requirement of 5 years or less, and most systems use an occupational definition of disability. The benefit is generally a specified percentage of the member's salary (usually 50 percent) or is computed as a percentage of salary for each year of service (1.5–2.0 percent) with a minimum benefit provision. An illustrative median benefit for a member aged 30, with either 5 to 10 years of service, would replace 41 percent of the member's salary.

Service-connected disability.—All the systems provide benefits in case of service-connected disability, without any age or service requirements for eligibility. Most use an occupational definition of disability. The benefits are usually calculated as 50–75 percent of the member's salary. An illustrative median benefit for a member aged 30, for either 5 or 10 years' service, would replace 67 percent of the member's salary.

The actual benefit amount for men in the fiscal year 1965 (for non-service-connected and service-connected disability combined) averaged $348 monthly, based on data for 16 reporting systems.

Survivor benefits

Non-service-connected death.—All the systems pay benefits to a widow without children, at any age, and most provide additional benefits for children. Usually, there are no or only nominal eligibility requirements, but one-third of the systems require 5–20 years of service. The benefit for the widow is commonly computed as 20–40 percent of the member's salary; for a widow with two children it is 45–50 percent. Some systems, however, provide flat-rate benefits or base the basic benefit on the member's accrued credits and provide additional benefits for the children. An illustrative median benefit for a young widow and two children would replace, depending on the member's salary, 37–45 percent of salary; for a widow aged 50, it would replace 32–37 percent.

Service-connected death.—All systems provide benefits, generally with no eligibility requirements. For the widow alone the benefit was usually 50 percent of the member's salary, and it was 60–70 percent of the member's salary for the widow with two children. In some systems, the benefit was a flat-rate benefit amount. An illustrative median benefit for a young widow would replace 47–51 percent of the member's salary; for a widow with two children, it would replace 51–65 percent.

Widows of retired members.—Most systems pay specified benefits to the widow of a member who died after retirement, ranging from 25 percent to 100 percent of the member's retirement benefits but often 25–50 percent of the member's salary or a flat-rate benefit of $60–90. A joint-and-survivor option is generally available only in those systems without specified benefits. These provisions differ from those in the general systems, which make limited use of specified benefits.

Contributions

Employee contributions are mostly in the range of 5–8 percent of total salary; employer contributions (reported by 17 systems) are considerably higher, usually 9–18 percent. For the general systems, the employer's contributions are also generally larger, but the differential between employee and employer contributions is much larger for the systems for policemen and firemen.

TABLE M-27.—GROSS NATIONAL PRODUCT AND PERSONAL INCOME, BY TYPE, 1940-67

[Amounts in billions. Before 1960, data are for the 48 States and the District of Columbia, except where otherwise noted Beginning 1960, includes Alaska and Hawaii]

Period	Gross national product	Personal income							
		Total	Wage and salary disbursements [1]	Social insurance and related payments [2]		Public assistance payments [3]		Other income [4]	Less: personal contributions for social insurance [5]
				Amount	Percent of personal income	Amount	Percent of personal income		
1940	$99.7	$78.3	$48.2	$1.7	2.1	$2.7	3.4	$26.4	$0.7
1945	212.0	171.1	117.5	2.9	1.7	1.0	.6	52.1	2.3
1950	284.8	227.6	146.7	6.7	3.0	2.3	1.0	74.7	2.9
1955	398.0	310.9	211.3	12.7	4.1	2.5	.8	89.7	5.2
1960	503.8	401.0	270.8	23.3	5.8	3.2	.8	112.9	9.3
1961	520.1	416.8	278.1	26.8	6.4	3.4	.8	118.2	9.6
1962	560.3	442.6	296.1	27.8	6.3	3.5	.8	125.5	10.3
1963	590.5	465.5	311.1	29.4	6.3	3.6	.8	133.2	11.8
1964	632.4	497.5	333.7	30.5	6.1	3.8	.8	142.0	12.5
1965	683.9	537.8	359.1	33.1	6.2	4.0	.7	155.1	13.4
1966 [5]	743.3	584.0	394.6	36.3	6.2	4.3	.7	166.7	17.9

See footnotes at end of table.

TABLE M-27.—GROSS NATIONAL PRODUCT AND PERSONAL INCOME, BY TYPE, 1940–67

[Amounts in billions. Before 1960, data are for the 48 States and the District of Columbia, except where otherwise noted. Beginning 1960, includes Alaska and Hawaii]

Period	Gross national product	Personal income							
		Total	Wage and salary disbursements [1]	Social insurance and related payments [2]		Public assistance payments [3]		Other income [4]	Less: personal contributions for social insurance [5]
				Amount	Percent of personal income	Amount	Percent of personal income		
1966 [7]									
June	$736.7	$581.1	$393.9	$34.4	5.9	$4.2	$.7	$166.1	$17.5
July		584.7	397.1	34.8	6.0	4.3	.7	166.8	18.3
August		589.1	399.8	36.0	6.1	4.3	.7	167.4	18.4
September	748.8	594.1	401.9	37.8	6.4	4.4	.7	168.4	18.4
October		597.5	404.8	38.6	6.5	4.5	.8	168.2	18.6
November		602.1	407.6	39.1	6.5	4.5	.7	169.6	18.7
December	762.1	605.0	410.0	40.1	6.6	4.6	.8	169.1	18.8
1967 [7]									
January		610.4	413.8	40.9	6.7	4.6	.7	171.1	20.0
February		612.6	414.2	41.4	6.8	4.7	.8	172.3	20.0
March	766.3	615.6	416.8	42.1	6.8	4.8	.8	172.6	20.1
April		616.5	416.7	42.4	6.9	4.8	.8	172.7	20.1
May [6]		618.2	417.2	42.8	6.9	4.8	.8	173.5	20.1
June [6]	775.3	621.9	420.0	43.1	6.9	4.8	.8	174.2	20.2

[1] Includes payments in kind; includes pay of Federal civilian and military personnel in all areas. Excludes earnings under work-relief programs in effect during 1935–43.

[2] Includes government transfer payments to beneficiaries under OASDHI, railraod retirement, public employee retirement, unemployment insurance, and veterans' pensions and compensation programs; cash and medical payments under workmen's compensation and temporary disability insurance; and court-awarded benefits for work injuries sustained by railroad, maritime, and other workers under Federal employer liability acts.

[3] Includes government transfer payments to recipients of direct relief under programs of old-age assistance, aid to families with dependent children, aid to the blind, aid to the permanently and totally disabled, and general assistance; includes, during 1935–43, earnings under work-relief programs and the value of surplus food stamps. Excludes payments made in behalf of recipients to suppliers of medical care (vendor payments).

[4] Includes proprietors' income, dividends, personal interest, and rental income; other transfer payments not enumerated in footnotes 2 and 3 (such as Government life insurance payments, World War bonus payments, mustering-out pay and terminal-leave benefits to discharged servicemen, subsistence allowances to veterans at school); and employer contributions to private pension and welfare funds and other labor income (except compensation for injuries).

[5] Includes life insurance premium payments for veterans.

[6] Preliminary.

[7] Seasonally adjusted annual rates, except public assistance and part of the "social insurance and related payments" category.

Source: Department of Commerce, Office of Business Economics. Data regrouped to highlight items of special interest to the social security program.

EXHIBIT 2

TABLE I.—*States which have not provided social security coverage for employees of the State itself and number of employees not covered*

Colorado	25,200
Illinois	87,700
Maine	10,100
Massachusetts	44,900
Nevada	4,800
Ohio	72,900

NOTE.—Colorado, Illinois, and Maine have covered civilian employees of National Guard units; Nevada terminated their coverage as of the end of 1964. Colorado has covered agricultural inspectors hired under an agreement with the U.S. Department of Agriculture. The Federal Government pays the employer social security contributions for these employees.

While the above States are the only States which have not covered any State employees (with the exceptions noted), there are other States which have covered a very small percentage of State employees. (See table II.)

TABLE II.—STATE AND LOCAL GOVERNMENTAL EMPLOYEES NOT COVERED BY SOCIAL SECURITY, BY STATE, JANUARY 1965

[Employment in thousands]

	All State and local employment			State employment		
	Total	Not covered by OASDHI	Percent not covered	Total	Not covered by OASDHI	Percent not covered
Alabama	116.0	6.0	5	32.0	4.4	14
Alaska	11.3	1.9	17	6.3	0	0
Arizona	65.5	5.7	9	18.4	3.5	19
Arkansas	64.2	5.7	9	20.3	3.5	17
California	783.7	541.2	69	168.5	109.4	65
Colorado	96.9	74.3	77	26.8	25.2	94
Connecticut	97.0	51.7	53	28.9	6.7	23
Delaware	20.0	2.4	12	8.5	1.9	23
Florida	230.0	103.9	45	51.0	15.4	30
Georgia	150.6	37.0	25	33.7	3.0	9
Hawaii	26.6	5.3	20	18.3	3.2	18
Idaho	31.0	0.1	0	9.4	0	0
Illinois	377.0	274.9	73	88.9	87.7	99
Indiana	190.6	31.6	17	52.6	14.2	27
Iowa	120.9	4.5	4	31.6	1.1	4
Kansas	107.1	9.2	9	29.5	5.2	18
Kentucky	102.8	37.9	37	31.6	0.3	1
Louisiana	141.2	94.6	67	50.4	43.7	87
Maine	41.3	30.9	75	12.2	10.1	82
Maryland	125.1	8.6	7	31.6	.1	0
Massachusetts	204.0	203.1	100	45.7	44.9	98
Michigan	330.9	52.8	16	81.8	22.0	23
Minnesota	155.3	99.0	64	39.4	8.5	21
Mississippi	89.7	10.5	12	23.5	1.1	5
Missouri	161.6	37.6	23	40.8	0	0
Montana	34.1	5.3	16	11.4	1.8	16
Nebraska	68.7	3.7	5	18.0	.2	1
Nevada	19.2	18.2	95	5.0	4.8	96
New Hampshire	29.3	4.4	15	8.3	0	0
New Jersey	232.4	27.6	12	41.8	1.3	3
New Mexico	42.7	9.1	11	16.8	4.5	27
New York	769.3	69.0	9	141.4	22.3	16
North Carolina	164.9	5.6	3	48.4	5.8	12
North Dakota	41.5	15.6	47	9.7	.2	2
Ohio	373.1	372.4	100	72.9	72.9	100
Oklahoma	104.5	19.8	19	35.7	8.0	22
Oregon	90.1	7.7	9	30.4	3.6	12
Pennsylvania	373.9	52.7	14	97.5	1.4	1
Rhode Island	31.7	6.9	22	12.1	.4	4
South Carolina	83.7	1.9	2	23.6	.6	3
South Dakota	35.4	5.1	14	10.2	1.7	16
Tennessee	141.5	41.5	29	33.9	7.8	23
Texas	384.0	183.5	48	89.3	1.2	1
Utah	46.2	1.0	2	15.6	0	0
Vermont	16.6	5.7	34	6.6	1.1	16
Virginia	152.7	6.1	4	48.7	2.5	5
Washington	137.8	4.6	3	40.8	2.3	6
West Virginia	66.6	5.0	8	25.5	3.7	15
Wisconsin	180.1	49.2	27	41.2	13.4	33
Wyoming	18.9	0.3	2	6.1	2.6	11

Mr. LONG of Louisiana. Mr. President, I yield myself such time as I may require.

This amendment would permit persons who are not covered by social security and who have paid no tax into the fund, to be covered by medicare.

We did have a provision of that sort as a transitional matter, so that people who had no coverage at all could come under medicare, even though they had paid nothing into the fund. The existing law required that those people should have at least six quarters' coverage in 1968 in order to be covered by medicare. The committee bill liberalized that to make it only three quarters. The bill also provides that State and local employees—one of the largest groups not presently covered by medicare—can buy in at cost. Other people have the option to elect to be covered by the tax or the option to elect not to be covered by the tax. It is difficult to see why State and local employees who have the right to elect not to be covered, should not remain out if they do not want to be included under a program of this sort. If we are going to continue to have amendments such as that offered by the Senator from Vermont, what would be the advantage? Why should States elect to have coverage of State employees when they do not need it, anyway? Under this amendment all those people could be blanketed-in free.

If there is going to be some incentive

for people to pay their share of the tax in order to get their share of the benefits today, they should not come in with people who could get it free.

On that basis, I cannot support the amendment. If the amendment is agreed to, I am sure that there will be other amendments offered to get people in on the program free. State and local employees and various other groups who have the option to elect to be covered will elect not to be covered, when they expect to get medicare for free.

I therefore hope that the amendment will not be agreed to.

Mr. PROUTY. First, let me point out that there are 70,000 people in such States as Ohio, California, Illinois, Massachusetts, Louisiana, Florida, Colorado, Missouri, Maine, Connecticut, Kentucky, and Nevada who are affected.

Second, these people are not eligible for hospitalization benefits because they failed to contribute $13.20 into the trust fund. In want of this meager contribution 70,000 people may suffer.

Mr. LONG of Louisiana. Mr. President, Louisiana can buy in at cost. Louisiana is not asking for it free. They would be willing to pay for it, as I think other States would be willing to pay for it, if they want to buy in.

Mr. PROUTY. Mr. President, under the present bill they would not benefit this year. I am sure the Senator from Louisiana would agree that it will take time for the agreements between the States and the Secretary of Health, Education, and Welfare to be made. In the meantime, however, these individuals need coverage. I urge that we provide them with the privilege to share benefits available to most other older Americans.

In addition, we are dealing with a small cost of only $10 million here. I would hope that my dear friend and distinguished colleague from Louisiana, who is renowned for his fairness, could accept the amendment.

Mr. LONG of Louisiana. I appreciate the Senator's generosity. If Louisiana does not want to buy in I do not see why we should make the Federal Government pay for it.

If we want it, we will pay for it, and we should pay something for it, rather than asking other States to pay.

Mr. PROUTY. What happens to those who become 65 before Louisiana does take action?

Mr. LONG of Louisiana. Let me read from the committee report:

> The committee has added the House bill provision, permitting States and inter-State instrumentalities . . . as under present law.

We provide here for the States, if they want to, to make a contract with HEW to buy the benefits at cost.

Mr. PROUTY. What happens to those people who become 65 before these agreements are made?

Mr. LONG of Louisiana. If they have three-quarters of coverage, they can have that coverage.

Mr. President, let me say that we had an elaborate system of medical care in Louisiana long before the Federal Government had any.

Mr. PROUTY. I am well aware of that. Louisiana has an excellent retirement system; much of this progress promoted by the distinguished Senator's father. I am not so sure that Louisiana residents receive all the benefits granted under medicare, however. Residents of other States who are not covered by social security are even less fortunate. Mr. President, I call for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is all time now yielded back?

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

Mr. PROUTY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back on the amendment. The question is on agreeing to the amendment of the Senator from Vermont. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from Arizona [Mr. HAYDEN], the Senator from Missouri [Mr. LONG], the Senator from Mississippi [Mr. STENNIS], the Senator from Ohio [Mr. YOUNG], and the Senator from Pennsylvania [Mr. CLARK] are absent on official business.

I also announce that the Senator from Michigan [Mr. HART] is absent because of illness in the family.

I further announce that the Senator from Connecticut [Mr. DODD], the Senator from Mississippi [Mr. EASTLAND], the Senator from Minnesota [Mr. McCARTHY], the Senator from Arkansas [Mr. McCLELLAN], the Senator from Wyoming [Mr. McGEE], the Senator from South Dakota [Mr. McGOVERN], the Senator from Florida [Mr. SMATHERS], and the Senator from Georgia [Mr. TALMADGE] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. CANNON], the Senator from Michigan [Mr. HART], the Senator from Wyoming [Mr. McGEE], and the Senator from Florida [Mr. SMATHERS] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. CARLSON], the Senator from Illinois [Mr. DIRKSEN], the Senator from Hawaii [Mr. FONG], the Senator from California [Mr. MURPHY], and the Senator from Pennsylvania [Mr. SCOTT] are necessarily absent.

The Senator from Kentucky [Mr. COOPER], the Senator from Wyoming [Mr. HANSEN], the Senator from South Dakota [Mr. MUNDT], and the Senator from Texas [Mr. TOWER] are absent on official business.

The Senator from Utah [Mr. BENNETT] and the Senator from Oregon [Mr. HATFIELD] are detained on official business.

If present and voting, the Senator from Utah [Mr. BENNETT], the Senator from Illinois [Mr. DIRKSEN], the Senator from Pennsylvania [Mr. SCOTT], and the Senator from Texas [Mr. TOWER] would each vote "nay."

On this vote, the Senator from California [Mr. MURPHY] is paired with the Senator from Kansas [Mr. CARLSON]. If present and voting, the Senator from California would vote "yea" and the Senator from Kansas would vote "nay."

The result was announced—yeas 13, nays 61, as follows:

[No. 345 Leg.]

YEAS—13

Aiken
Baker
Brooke
Case
Cotton
Griffin
Gruening
Hruska
Javits
Kennedy, Mass.
Kuchel
Nelson
Prouty

NAYS—61

Allott
Anderson
Bartlett
Bayh
Bible
Boggs
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Church
Curtis
Dominick
Ellender
Ervin
Fannin
Fulbright
Gore
Harris
Hartke
Hickenlooper
Hill
Holland
Hollings
Inouye
Jackson
Jordan, N.C.
Jordan, Idaho
Kennedy, N.Y.
Lausche
Long, La.
Magnuson
Mansfield
McIntyre
Metcalf
Miller
Mondale
Monroney
Montoya
Morse
Morton
Moss
Muskie
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Russell
Smith
Sparkman
Spong
Symington
Thurmond
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.

NOT VOTING—26

Bennett
Cannon
Carlson
Clark
Cooper
Dirksen
Dodd
Eastland
Fong
Hansen
Hart
Hatfield
Hayden
Long, Mo.
McCarthy
McClellan
McGee
McGovern
Mundt
Murphy
Scott
Smathers
Stennis
Talmadge
Tower
Young, Ohio

So the amendment was rejected.

EXTENDING SOCIAL SECURITY COVERAGE TO MIGRATORY FARMWORKERS

Mr. WILLIAMS of New Jersey. Mr. President, I had intended to call up my amendment No. 461 to bring additional farmworkers under the social security coverage.

However, in view of the fact that this amendment was not a subject of the hearings conducted by the committee, combined with the fact that I believe the manager of the bill has a sufficient number of amendments to take to conference, I believe the more orderly legislative process is to withhold the amendment at this time. Additionally, I have been assured by the manager of the bill, the distinguished chairman of the Finance Committee, that the amendment will receive early consideration in hearings after the first of the year.

At the present time, a farmworker is eligible for social security if he receives $150 in cash wages from one employer during the year, or if he works for the same employer for cash wages for 20 days of more during the year.

All my amendment would do would be to place the farmworkers on all fours with the industrial workers for purposes of social security coverage. The amendment would do this by eliminating two provisions in the present law. First, it would eliminate the restrictive wage and work period qualifications applicable to farm employment. Second, it would eliminate the provision of the law which makes the crew leader the employer of the farmworker for social security purposes.

Very simply, Mr. President, this amendment would seek to place the lowest paid workers in the country—who are employed in some of the most backbreaking labor existing and in an area of employment which ranks third as the most hazardous as far as accidents are concerned—on a parity with their more fortunate industrial brothers.

Mr. President, I have a more detailed statement which I ask to be included in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILLIAMS OF NEW JERSEY

My amendment brings in additional workers by—

First, eliminating the restrictive wage and period of work qualifications respecting farm employment under the Act, and

Second, eliminating the provision of the Act which, for Social Security purposes, makes the crew leader the employer of the farm worker unless a written contract with the farmer provides otherwise.

Presently, and since 1956, farm employment has been covered for social security purposes—

If the worker receives cash wages amounting to $150 from one employer during the year, or if he works for cash wages for the same employer for 20 days or more during the year.

In addition, the present law treats the crew leader as an employer for purposes of the Act unless a written contract between him and the farmer provides that the crew leader shall not be deemed the employer.

The rationale for the crew leader provision was that, although the employee might work on several farms, he would continue to work with the same crew leader and would have a better chance of meeting the annual requirements by treating the crew leader as the employer. Another reason for the crew leader provision was that inconvenience in bookkeeping would be caused the farmer if he were responsible to make and forward the social security withholdings of his employees.

More than a decade of experience with the farm worker provisions show that several critical problems flow from the present law, problems that will continue in varying degree until we provide coverage for farm workers on the same basis as industrial workers. The problems with the present law are numerous—

(1) The unethical crew leader is in a position to cheat and defraud the farm worker almost at will and the worker has little way of knowing or checking on whether the crew leader has illegally appropriated his social security withholdings.

(2) Many farm workers are excluded by the restrictive provisions of the Act, and the taxpaying public will pay, through welfare payments or otherwise, for the deficiencies and omissions in farm worker coverage.

(3) The farmer making his own withholdings is put to a guessing game as to which employees are covered, and to another guessing game on whether he might be liable for funds illegally appropriated by the unscrupulous crew leader.

CREW LEADER

The provision allowing treatment of the crew leader as the employer for Social Security withholdings, rather than promoting coverage of farm workers as intended by the Congress, has in fact served as a screen and a tool for evasion by the unethical crew leader; and it has all too frequently been used simply as another method of deducting from workers' wages for the crew leader's own benefit.

Difficulties in keeping track of crew leaders, for purposes of enforcing their responsibilities under the Act, have in past years been extreme. This situation was one of the factors leading to passage of the Farm Labor Contractor Registration Act in 1965.

The following quotation from the 1965 Report of the Subcommittee on Migratory Labor of the Committee on Labor and Public Welfare quite pointedly illustrates the fallacy of requiring the crew leader to withhold from covered wages—and I quote:

"The abuses most frequently attributed to crew leaders include the following:

"(3) Collecting wages from employers and then abandoning workers without paying them, failing to pay agreed upon wages, making improper deductions from workers' earnings, and failing to forward OASI and income tax deductions to proper authorities."

FARMWORKERS

Mr. President, farmworkers are among the lowest paid workers in the Nation, and they make up a large proportion of the minimum benefit group under Social Security. One-fourth of the 2½ million individuals now receiving the minimum $44 a month had some covered earnings from farmwork, either as farm operators or as farmworkers. This fact, alone, illustrates that current withholding practices do not enhance the farm workers' retirement status, but actually penalizes them.

It is most unfortunate that those most in need of social security benefits should be the subjects of special legislation which in effect deprives them of the opportunity for adequate coverage, solely because it is inconvenient for the employers to have to keep books—something a prudent businessman does as a matter of course.

The financial costs of making some minimum provision for these citizens, when they become too old to follow farm work or other gainful employment, must be shouldered by the general public. In other words, the limitations on coverage of these workers during their periods of gainful employment at farm work, although amounting to a minor benefit or convenience to the employer, will in the long run constitute a substantial detriment to the general taxpaying public as well as the farmworker himself.

I anticipate that the vast majority of our farmworkers will be around for a goodly number of years beyond their productive years. They will be entitled to housing, shelter, food, clothing, and medical care. Every dollar that these citizens are allowed to pay for their own social security entitlement will lessen the financial burden on the taxpaying public during the workers non-productive years.

FARM EMPLOYERS

Under the present law, the farm employer has to engage in guessing games as to whether a particular employee will earn $150 a year, or work 20 days for him during the year, so that Social Security taxes may be withheld. Some of the larger employers actually start deducting from the employee on the 1st day of work on the assumption he is going to stay long enough to meet the present test even though he never does. This results in the farmworkers, the ones who can least afford it, paying for coverage they never receive, which is certainly not what the Congress intended.

However, the action of these large employers in deducting from wages prematurely is quite understandable due to the large sums of money which may be involved. To illustrate, an employer with a $100,000 payroll, under present withholding rates, might be liable for $4,400 contributed by the employees and an additional $4,400 representing the employer's matching contribution. No businessman can afford to sacrifice these sums due to an erroneous assumption.

In my work as Chairman of the Subcommitte on Migratory Labor, we have conducted numerous field trips in the farming areas throughout the nation. In recent years, we have encountered an increasing number of farm employers who have changed over from a policy of allowing the crew leader to make Social Security withholdings to the conventional method of the employer, himself, carrying out this responsibility. This is done despite the fact that present law requires a written contract between the farm employer and the crew leader he uses.

More and more farmers put themselves to the inconvenience of executing the contract in order to avoid possible liability where a dishonest crew leader might withhold large sums and then fail to forward the money to the proper authority. These growers have been advised by their own attorneys that, notwithstanding the provisions of the Act which allow the crew leader to be treated as the employer, they may well find themselves liable where the crew leader has failed in his responsibility. And I would emphasize that these changeovers from crew leader withholdings to farmer withholdings have occurred by the farmers' own decision and initiative, not by advice or a regulation of the Social Security Administration.

In my judgment, Mr. President, the experience under this farm workers provision shows that the present law does not in a uniform way aid the farm employer and management in their business, and it does not serve the purpose of the public or the worker in achieving withholdings as contemplated by law.

Also, the bookkeeping inconvenience, whatever it amounts to, is not disposed of by a provision in the Act which purportedly eases the situation for the farm employer. Such a provision only postpones the bookkeeping problem, and, at best, transfers it to a less desirable source.

SOLUTION

In grappling with this problem of coverage for farm workers, there are two routes to take. The first, and the only sound solution for all parties concerned, is to eliminate the present limitations, in regard to wages earned and days worked, and to bring farm workers under coverage on a basis identical to industrial workers generally. A second method that has been favored by the Administration, is to reduce the amount of wages and number of days required to establish coverage. The specifics that have been advanced in this regard would reduce the required wages to $50 and the required number of days to ten.

Reduction in amount of wages and required number of days worked for eligibility would of course increase coverage for workers by an estimated 300,000 to 500,000 farm workers. However, there would nonetheless remain several harmful consequences which the Congress would do well to rid the farm economy of once and for all. In general, all of the harmful aspects coming from the present law will be carried forward and changed only in moderate degree. The same old guessing game will persist. The unscrupulous crew leader will still have his tool for cheating the workers. Some crew leaders of course will improve their methods of accounting and forward withholdings when they realize that a great many more workers are now in fact covered by the law. But, by the same token, there will be other crew leaders who will view the expanded coverage as an opportunity for withholding Social Security from everyone's check and thereafter, by a bookkeepers' oversight, failing to forward the money.

The approach of treating the farmer as the employer and covering each worker on a daily basis is by far the most realistic and sound solution for the Administrator, the worker, the employer, and the public. It would eliminate the employers' bookkeeping problem of having to screen payrolls to decide who is covered and who is not; it would resolve the questions of his possible liability or default by removing the crew leader from the picture; it would better assure workers of some coverage and finally, it would assure the taxpayer that whatever these workers reasonably can pay toward their own maintenance in old age will be paid.

Mr. MILLER. Mr. President, I call up my amendment No. 457, and ask that it be stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Iowa will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 457) is as follows:

Beginning on page 57, line 18, strike out all through line 14, page 58, and insert in lieu thereof the following:

"SEC. 108 (a) Section 203(f) of the Social Security Act (as amended by subsection (a)) is further amended by adding at the end thereof the following new paragraph:

"'(8) Notwithstanding the foregoing provisions of this subsection, no individual shall be charged with excess earnings for any month in his taxable year, if the charging of such excess earnings to such month would (because of the application of subsection (b)) result in reducing below $2,700 the total income of such individual derived, during such taxable year, from (A) his earnings and other retirement income plus (B) monthly insurance benefits to which he is entitled under this title. Whenever, because of the application of the foregoing sentence, deductions under subsection (b) are prohibited from being made in the monthly insurance benefit of an individual, no deductions under such subsection (b) may be made from the monthly insurance benefit under this title of any other person on account of the excess earnings of such individual, if the monthly insurance benefit of such other person is based upon the same record of wages and self-employment income as that upon which the monthly insurance benefit of such individual is based.'

"(b) The amendments made by subsection (a) shall apply with respect to taxable years ending after December 1967."

Mr. MILLER. Mr. President, I yield myself 5 minutes.

Let me begin by saying that I am well aware of the fact that my colleagues are all very tired, as I am. I am not going to take up very much time. Like a number of us, I sat through some amendments that took much longer this afternoon.

We are told that we have to dispose of the amendments this evening. I think I have two amendments that merit the consideration of the Senate.

This first one, unlike some amendments that have been offered, I am advised by Mr. Myers, would reduce the cost, as compared to the bill reported by the Finance Committee bill, by $125 million in 1968 and by $400 million in 1969.

My amendment has to do with the outside earnings test. It seems as though every 2 or 3 years we take up the problem of how much outside earnings a social security recipient may earn in addition to social security benefits before he is cut back. Every so often we increase the amount a recipient can earn. I think we are going at the problem in the wrong direction, because those with high social security income do not have to earn as much in order to maintain a reasonable standard of living as do those down at the bottom of the totem pole in social security earnings.

So my amendment provides that the present $1,500 will continue for any social security recipient without being cut back, but a recipient would be permitted to supplement his income so as to reach $2,700 of annual income, counting all earnings and social security benefits, without any penalty at all.

For example, if I had $500 of social security payments, I would be permitted to earn $2,200 without having my social security payments reduced. Someone else who had $1,200 in social security benefits could earn $1,500 without having his social security benefits reduced.

This I think, gets at the problem we are trying to solve by encouraging those who need to earn supplemental income to reach a reasonable level of income, and to do so without being penalized, and those who do not have to earn very much to reach that level will be penalized for going above it.

I think this proposal does equity and goes at the problem in the proper direction.

I would like to suggest to the Senator from Louisiana that this amendment be taken to conference so that the conferees can take a look at it. I do not claim any pride of authorship in it, although I understand this point has not been gone into before. It is a little different approach. I believe it does equity. I believe we have gone at the problem in the wrong way, by pyramiding the amount of earnings permitted regardless of benefits the social security recipients received.

Mr. LONG of Louisiana. Mr. President, this proposal is known as the variable exempt amount under social security. It changes the retirement test under the social security law into a means test.

We have had very little occasion to study this proposal in the committee or on the Senate floor. It has been studied somewhat in the Department. There are a number of reasons given why this proposal should not be adopted. The Department states that, since benefits are based on earnings, people with low benefits generally have low earnings before retirement. It is not reasonable, then, to suppose that they will have high earnings after retirement. Thus, people with low regular earnings will not as a rule benefit from this provision.

Those are the people whom the provision is really intended to benefit.

In the second place, the people who would benefit from this proposal would in general be people whose major employment was in noncovered work, such as Federal employees who qualify for low social security benefits through part-time work or work after retirement from Government service.

They could get social security benefits—and probably also another public retirement benefit—while continuing to work for substantial earnings.

In the third place, even under the $1,500 annual exempt amount in present law, some people who get low benefits can continue to work full time at their usual level of earnings and get benefits every month. Providing, in effect, a flexible exempt amount which would range from $1,500—for beneficiaries getting $100 or more in monthly benefits—up to $2,100—for beneficiaries with monthly benefits of $50—the minimum benefit under H.R. 12080—would result in still more cases in which this situation would occur.

Fourth, any provision under which the exempt amount of earnings would vary according to a person's benefit level would complicate the administration of the retirement test. A beneficiary would not know how much he could earn and still get benefits until his benefit was computed, and any increase in his benefit amount would change the amount he could earn.

Mr. President, this is a whole new way of handling the retirement income test. If it is to be done, it is a matter that should be discussed in committee hearings, considered by the committee, and proposed as a whole substitute for the present retirement test. I would hope we would not try to change our entire way of doing business, which is the way we have been proceeding for quite a while, to a system which is of debatable value and has a number of reasons why it should not be done, at this stage of night, at 15 minutes before 10 o'clock, with a limitation of 15 minutes for debate on each side, two nights before Thanksgiving.

An amendment such as this unquestionably deserves very thoughtful study, which we just cannot give it here. I would hope the Senator would not insist on it at this time, but would submit it to us when we have more time to look into it.

Mr. MILLER. Mr. President, I yield myself 2 minutes.

First of all, one of the arguments the Senator makes is that some of these people may be retired Government employees with retirement income, and a low social security amount. My amendment would meet that situation by requiring that earnings and other income be taken into account.

There was another matter raised, and that was that people will not know how much they can earn before losing their social security benefits, which will make it difficult for them.

Mr. President, these people usually know pretty well what they will be able to earn. That is pretty well established by the record. I point out that this amendment was presented on the floor of the Senate about a month ago, so that it could be considered by the Committee on Finance. It is not being looked at for the first time today at this late hour.

Furthermore, if the matter goes to conference and the conferees want to decide that they do not wish to get into the variable exemption credit feature, they can still use the House approach.

I point out that we have been adding an awful lot to this bill, and this amendment would save, according to Mr. Myers' estimate, $125 million in 1968 and $400 million in 1969.

I think we must recognize that the people who need more supplemental income are those in the low social security bracket, or those with low retirement incomes of other types.

Mr. PASTORE. Mr. President, will the Senator yield for a question?

Mr. MILLER. I yield.

Mr. PASTORE. Will the Senator explain what his amendment would mean to a widow who is not yet 65 years old, and who has one dependent teenaged child?

Mr. MILLER. My understanding would be that that widow could earn enough to equal $2,700, counting her social security and her earnings, before she is cut back.

If she has $500 of social security, she can earn $2,200. In any event, she can earn at least $1,500, so she is no worse off than under the present law; but if she is down in a lower social security bracket, she can earn that much more, and she ought to be entitled to do that, compared to some widow who may have, let us say, $1,800 of social security benefits, and needs only $900 to bring her up to the $2,700 level.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. MILLER. I am prepared to yield back the remainder of my time, if the Senator from Louisiana is prepared to yield back his.

Mr. LONG of Louisiana. Not quite. Mr. President, I yield myself 2 minutes.

The Department does not favor this amendment. This amendment would strike out one of the most positive things in the bill, a provision that has been applauded by everybody, which would permit all these retired people to earn more money, and keep more of it. For example, in 1969 they could earn $2,000 without its being charged against their social security benefit. That would be $500 more than they can earn now.

I daresay there is not a Senator on this floor, other than the sponsor of the amendment himself, who offhand could tell me how much a given person could earn or could not earn under this variable credit system, which changes the retirement income test into a "means" test.

This is certainly a late hour to come in and change our whole way of doing business, and it is not, as I say, approved by the Department of Health, Education, and Welfare. They do not agree with it, even though it would save money.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa [Mr. Miller]. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the Senator from Illinois [Mr. Dirksen]. If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Arizona [Mr. Hayden], the Senator from Missouri [Mr. Long], the Senator from Mississippi [Mr. Stennis], and the Senator from Ohio [Mr. Young] are absent on official business.

I also announce that the Senator from Michigan [Mr. Hart] is absent because of illness in the family.

I further announce that the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr. Eastland], the Senator from Minnesota [Mr. McCarthy], the Senator from Arkansas [Mr. McClellan], the Senator from Wyoming [Mr. McGee], the Senator from South Dakota [Mr. McGovern], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], and the Senator from Georgia [Mr. Talmadge], are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. Cannon], the Senator from Michigan [Mr. Hart], the Senator from Wyoming [Mr. McGee], and the Senator from Florida [Mr. Smathers] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Carlson], the Senator from Illinois [Mr. Dirksen], the Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Murphy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper], the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt], and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Utah [Mr. Bennett] and the Senator from Oregon [Mr. Hatfield] are detained on official business.

If present and voting the Senator from Utah [Mr. Bennett], the Senator from Kansas [Mr. Carlson], the Senator from California [Mr. Murphy], the Senator from Pennsylvania [Mr. Scott], and the Senator from Texas [Mr. Tower] would each vote "yea."

The pair of the Senator from Illinois [Mr. Dirksen] has been previously announced.

The result was announced—yeas 26, nays 47, as follows:

[No. 346 Leg.]

YEAS—26

Aiken
Allott
Baker
Boggs
Brooke
Case
Cotton
Curtis
Dominick
Fannin
Griffin
Hickenlooper
Holland
Hruska
Javits
Jordan, Idaho
Kuchel
Lausche
Miller
Morton
Pastore
Pearson
Percy
Prouty
Thurmond
Williams, Del.

NAYS—47

Anderson
Bartlett
Bayh
Bible
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Church
Clark
Ellender
Ervin
Fulbright
Gore
Gruening
Harris
Hartke
Hill
Hollings
Inouye
Jackson
Jordan, N.C.
Kennedy, Mass.
Kennedy, N.Y.
Long, La.
Magnuson
McIntyre
Metcalf
Mondale
Monroney
Montoya
Morse
Moss
Muskie
Nelson
Pell
Proxmire
Randolph
Ribicoff
Smith
Sparkman
Spong
Symington
Tydings
Williams, N.J.
Yarborough
Young, N. Dak.

NOT VOTING—27

Bennett
Cannon
Carlson
Cooper
Dirksen
Dodd
Eastland
Fong
Hansen
Hart
Hatfield
Hayden
Long, Mo.
Mansfield
McCarthy
McClellan
McGee
McGovern
Mundt
Murphy
Russell
Scott
Smathers
Stennis
Talmadge
Tower
Young, Ohio

So Mr. Miller's amendment was rejected.

AMENDMENT NO. 463

Mr. MILLER. Mr. President, I call up my amendment No. 463 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 82, between lines 10 and 11, insert the following:

"COST-OF-LIVING INCREASE IN BENEFITS

"Sec. 114. Section 202 of the Social Security Act is amended by adding at the end thereof the following new subsection:

"Cost-of-living increases in benefits

"'(w) (1) Effective for months after February 1968, each monthly insurance benefit payable under this title to which an individual becomes entitled on or after such first day shall be increased by the per centum rise in the price index, adjusted to the nearest one-tenth of 1 per centum, determined by the Secretary on the basis of the annual average price index for calendar year 1965 and the price index for the month of December 1967. December 1967 shall be the base month for determining the per centum change in the price index until the next succeeding change occurs.

"'(2) Each month after the first increase under this subsection, the Secretary shall determine the per centum change in the price index. Effective the first day of the third month which begins after the price index shall have equaled a rise of at least 3 per centum for three consecutive months over the price index for the base month, each monthly insurance benefit payable under this title to which an individual becomes entitled on or after such first day shall be increased by the per centum rise in the price index (calculated on the highest level of the price index during the three consecutive months) adjusted to the nearest one-tenth of 1 per centum.

"'(3) Eligibility for a benefit increase under this subsection shall be governed by the commencing date of each benefit payable under this title as of the effective date of an increase.

"'(4) The monthly insurance benefit of an individual under this title, after adjustment under this subsection, shall be fixed at the nearest dollar, except that such benefit shall after adjustment reflect an increase of at least $1.

"'(5) For purposes of this subsection, (A) the term "price index" means the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics, and (B) the term "base month" shall mean December 1967 and any other month for which the price index showed a per centum rise forming the basis for a cost-of-living increase in benefits.

"'(6) In determining the amount of any individual's monthly insurance benefit for purposes of applying the provisions of section 203(a) (relating to reductions of benefits when necessary to prevent certain maximum benefits from being exceeded), amounts payable by reason of this subsection shall not be regarded as part of the monthly benefit of such individual.

"'(7) Any increase under this subsection to be made in the monthly benefits payable to or with respect to any individual shall be applied after all other provisions of this title relating to the amount of such benefit have been applied.'"

Mr. MILLER. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 5 minutes.

Mr. MILLER. Mr. President, my amendment is one that I am very hopeful my colleague, the junior Senator from Louisiana, will see fit to take to conference for the reason that it does not take anything out of the bill.

It merely inserts a new policy which would give the conferees an extra option of what to do about social security benefit increases.

As things stand now, the conferees would have the House benefit increases, or just the Senate benefit increases.

I propose to give them another option. I propose to allow benefits to be increased according to the cost-of-living increase that has occurred since the last time we legislated benefit increases in 1965.

There is a further option they could have. They might take the House benefit increases. They might take the Senate benefit increases, and by changing a couple of words in the pending amendment they could have a follow-on cost-of-living increase in the same fashion that the civil service retirees now have.

There is nothing new about this approach. We did this in 1962, and we refined it again in 1965 for civil service retirees.

I point out that Mr. Myers states that if the pending amendment should be used in lieu of the other increases, it would amount to a 7.5-percent increase running through this December. That, of course, is not as much as the 12.5-percent House figure or the 15-percent Senate Finance Committee figure. However, that is what the cost of living has been.

My amendment would require no additional financing at all. I also point out that if the amendment should be agreed to for future implementation on top of the present increases of the Finance Committee or the House Ways and Means Committee, there would be no requirement for future tax increases or wage base increases, at least in the near future.

In other words, because wages would tend to go up as the cost of living went up, this would be a self-financing proposal.

I hope my colleague, the junior Senator from Louisiana, will take the amendment to the conferees to give the conferees another option to consider, to preserve intact the Finance Committee approach in the tables. And I believe the amendment has some merit.

Even if the conferees should decide to take the table approach, they might well decide to go into the cost of living for the follow-on.

In 1965 we provided for civil service retirees that every 3 months they might have an increase to meet an increase in the cost of living.

I do not need to point out that the No. 1 problem for our social security pensioners today is the fact that their pensions are being eaten away by the increases in the cost of living.

Why should we not provide for an automatic increase for them just as we have done for civil service retirees?

I think it is something that the conference committee ought to have an opportunity to consider.

Mr. President, I reserve the remainder of my time.

Mr. LONG of Louisiana. Mr. President, Congress has taken a look at the cost of living and raised social security benefits in the years 1950, 1952, 1954, 1958, 1965, and now in 1967.

The only reason we have not raised the benefits every 2 years is that in some periods we have had relatively stable prices, so that there was no basis for a cost-of-living increase anyway.

There is a chart in the rear of the Chamber that shows how prices have gone up. And the green line at the bottom shows how we have raised social security benefits to meet the increases in cost of living.

It will be noted that this bill as reported by the Senate Finance Committee, which including the medicare benefits, does more than increase the benefits to offset the increased cost of living.

It goes beyond that, and that is not counting the hundreds of millions of dollars of additional benefits voted here on the Senate floor.

Mr. President, the way we have been going at this thing, it requires a periodic review. Every time the cost of living has gone up Congress looks into the matter and decides to raise the benfits to cover the increased cost of living and considers whether some additional benefits should be provided.

I do not think a case has been made for requiring that there be an automatic increase every time the cost of living changes.

One can only speculate as to what would happen if we did this to social security and established precedents to do it to other programs. The Senator is correct with respect to this procedure being followed in the cost-of-living adjustments in the Government retirement program, and that program has a deficit of $43 billion. We would not want to do that with the social security program. Many Government employees are worried about their program, because the Federal Government appropriations to take care of these benefits have not been forthcoming by action of Congress. But Congress can vote to increase these benefits, as we are doing tonight, and we can provide additional benefits which we believe are justified, if we believe the United States can afford them.

I hope the Senate will reject the pending amendment. I believe we are doing a responsible job by looking at the program every 2 years, and that is the precedent that has been set. Every 2 years we take another look at the program and see how much of a benefit increase is required to offset the cost of living and to consider the problems of the people covered by social security.

In view of the fact that these matters are reviewed by Congress periodically, I do not believe the pending amendment is necessary. It might actually help to create inflation rather than merely to respond to it.

Mr. MILLER. Mr. President, I yield myself 2 minutes.

Mr. President, I believe that the arguments of the Senator from Louisiana should be answered.

In the first place, we have not been looking at this program—or, at least, we have not been acting on it—every 2 years. In 1965 we legislated the first benefits since 1958. How much purchasing power do you suppose inflation costs these older people? From 1958 until Congress got around to doing something about it in 1965, it cost $1.5 billion, due to the timelag.

Even when we legislated the 7-percent increase in 1965, their benefits were not worth as much as they were in 1958. From the time we legislated the 7-percent increase in 1965 until now, inflation has taken away another $2 billion of the purchasing power of these people. If the automatic increase were in effect, that would not happen.

If Senators speak with the people over 65, as I have—and I am sure that most Senators have done so—they will find that the No. 1 item these people are worried about is the increase in the cost of living; and they want something automatic to take care of that problem, instead of having to wait for Congress to take action, when and if it may.

I do not know of any reason why the pending amendment cannot go to conference for consideration of the conferees. I am not seeking to strike anything from the bill, and I believe it is only fair for the conference to consider this matter.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LONG of Louisiana. Mr. President, I yield myself 2 minutes.

Mr. President, if Senators will look at the chart at the rear of the Chamber, they will see why there was no increase in 1961 and 1962. In 1958, Congress enacted a large increase in social security benefits. During the period to which the Senator has referred, the cost of living rose only about as much as it did this year. That is why Congress did not enact a major increase during that period. But Congress did consider the problem; and in due course, when there was an increase in the cost of living, Congress increased the benefits.

The PRESIDING OFFICER. Is all time yielded back?

Mr. MILLER. I yield back the remainder of my time.

Mr. LONG of Louisiana. I yield back the remainder of my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. CANNON], the Senator from Tennessee [Mr. GORE], the Senator from Arizona [Mr. HAYDEN], the Senator from

Missouri [Mr. Long], the Senator from Mississippi [Mr. Stennis], and the Senator from Ohio [Mr. Young] are absent on official business.

I also announce that the Senator from Michigan [Mr. Hart] is absent because of illness in the family.

I further announce that the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr. Eastland], the Senator from Minnesota [Mr. McCarthy], the Senator from Arkansas [Mr. McClellan], the Senator from Wyoming [Mr. McGee], the Senator from South Dakota [Mr. McGovern], the Senator from Georgia [Mr. Russell], the Senator from Florida [Mr. Smathers], and the Senator from Georgia [Mr. Talmadge] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. Cannon], the Senator from Michigan [Mr. Hart], the Senator from Wyoming [Mr. McGee], and the Senator from Florida [Mr. Smathers] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Carlson], the Senator from Illinois [Mr. Dirksen], the Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Murphy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper], the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt] and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Utah [Mr. Bennett], the Senator from Oregon [Mr. Hatfield], and the Senator from Illinois [Mr. Percy] are detained on official business.

If present and voting, the Senator from Illinois [Mr. Dirksen], the Senator from California [Mr. Murphy], and the Senator from Pennsylvania [Mr. Scott] would each vote "yea."

On this vote, the Senator from Illinois [Mr. Percy] is paired with the Senator from Utah [Mr. Bennett]. If present and voting, the Senator from Illinois would vote "yea," and the Senator from Utah would vote "nay."

On this vote, the Senator from Texas [Mr. Tower] is paired with the Senator from Kansas [Mr. Carlson]. If present and voting, the Senator from Texas would vote "yea," and the Senator from Kansas would vote "nay."

The result was announced—yeas 24, nays 48, as follows:

[No. 347 Leg.]

YEAS—24

Aiken
Allott
Baker
Boggs
Brooke
Cotton
Dominick
Fannin
Griffin
Hickenlooper
Hruska
Javits
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Kuchel
Miller
Mondale
Morse
Pastore
Pearson
Pell
Prouty
Thurmond

NAYS—48

Anderson
Bartlett
Bayh
Bible
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Case
Church
Clark
Curtis
Ellender
Ervin
Fulbright
Gruening
Harris
Hartke
Hill
Holland
Hollings
Inouye
Jackson
Jordan, N.C.
Lausche
Long, La.
Magnuson
Mansfield
McIntyre
Metcalf
Monroney
Montoya
Morton
Moss
Muskie
Nelson
Proxmire
Randolph
Ribicoff
Smith
Sparkman
Spong
Symington
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.

NOT VOTING—28

Bennett
Cannon
Carlson
Cooper
Dirksen
Dodd
Eastland
Fong
Gore
Hansen
Hart
Hatfield
Hayden
Long, Mo.
McCarthy
McClellan
McGee
McGovern
Mundt
Murphy
Percy
Russell
Scott
Smathers
Stennis
Talmadge
Tower
Young, Ohio

So Mr. Miller's amendment (No. 463) was rejected.

Mr. HARTKE. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HARTKE. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 37, strike out lines 7 through 14.

On page 41, strike out lines 7 through 14.

On page 194, strike out lines 4 through 7.

On page 219, between lines 19 and 20, insert the following:

"(4) The last sentence of section 223 (a)(1) of such Act is repealed."

Mr. HARTKE. Mr. President, this is a technical amendment to the bill.

The PRESIDING OFFICER. How much time does the Senator yield to himself?

Mr. HARTKE. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. HARTKE. Mr. President, I have no intention to ask for a rollcall vote.

This is a measure which was introduced on the floor of the Senate and which had over 40 cosponsors. It was introduced into committee and adopted. However, when it was adopted, the committee bill was intended to accomplish three goals: first, revision of the definition of blindness; second, reduce the number of required quarters; and, third, eliminate the requirement for meeting "inability to work" provisions by substituting merely meeting the blindness definition provisions.

What did not occur in the drafting was the striking of the provision which provided that for any month a blind person was employed, he could not receive disability. Yet the blind person is disabled by the fact that, even if he works, he must frequently hire sight in his employment. He is unable to attain employment of any significance without incurring more expenses than the average worker. This is a disadvantage and a disability.

If the amendment is to be effective, the blind must have some incentive to work. We have eliminated the "ability to work" provisions, and yet this alone would only encourage idleness if the blind cannot receive benefits merely by their disability; they will be reluctant to enter employment when their earnings will usually be small and meager, especially after having to hire sight.

Mr. President, this is a minor change of one-hundredth of 1 percent.

Mr. HICKENLOOPER. Mr. President, is this amendment printed?

Mr. HARTKE. The amendment is at the desk.

Mr. HICKENLOOPER. Is the amendment printed and is a copy available? I do not know what is in the amendment.

The PRESIDING OFFICER. The amendment is not printed.

Who yields time?

Mr. LONG of Louisiana. Mr. President, as I understand the matter, the pending amendment involves an amendment the Senator offered in committee which was agreed to regarding liberalization of benefits to the blind. The committee opposed that measure on the floor of the Senate last year and the Senate agreed to the amendment notwithstanding that opposition.

That being the case, Mr. President, I assume that the Senate would look at the matter in the same way. That is one reason I was persuaded to vote for the amendment in committee, believing that was what the Senate would want to do since the Senate expressed itself, although I did oppose it as did other Senators last year.

The Senator seeks by this amendment to deal with a matter that he believes was an oversight in the amendment he offered in committee.

Mr. HARTKE. The Senator is correct.

Mr. LONG of Louisiana. The matter would be in conference. In view of the fact that we agreed to the amendment, in committee, I am not opposed to the pending amendment which seeks to perfect the committee amendment. The Senator is merely trying to amend the provision which had been offered and accepted in committee.

The committee amendment would increase the bill by $165 million, and the pending matter would up it $20 million, but I understand that is about the amount that the Senate voted for last year.

Mr. HARTKE. If this perfecting amendment is agreed to, it is identical to the amendment which was adopted last year.

Mr. LONG of Louisiana. When I voted for the amendment in committee I thought I was agreeing to accept the will of the Senate last year after we debated the matter heatedly. I do not oppose the amendment. It will be in conference.

Mr. HARTKE. I yield back my remaining time.

Mr. LONG of Louisiana. I yield back my remaining time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana. [Putting the question.]

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. PROUTY. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. PROUTY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

> On page 82, between lines 10 and 11, insert the following:
>
> "EXTENSION OF TIME FOR ENTITLEMENT TO BENEFITS PROVIDED AT AGE 72 TO CERTAIN UNINSURED INDIVIDUALS
>
> "Sec. 114. Section 228(a) (2) (A) of the Social Security Act is amended by striking out '1968' and inserting in lieu thereof '1969'. Section 228(a) (2) (B) of the Social Security Act is amended by striking out '1966' and inserting in lieu thereof '1967'."

The PRESIDING OFFICER. How much time does the Senator yield unto himself?

Mr. PROUTY. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. PROUTY. Mr. President, this amendment would simply extend the Prouty amendment of 1966 for 1 year.

As Senators know, individuals reaching the age of 72 after December 31, 1967, will be ineligible for benefits under the Prouty amendment of 1966 unless they have three-quarters social security coverage.

The amendment I offer now would make it possible for individuals reaching the age of 72—and I emphasize that age of 72—before January 1, 1969, to be eligible for the special age 72 benefits, even if they had not worked under social security.

Mr. President, last March the Senate voted to accept an amendment which I offered to the Tax Adjustment Act of 1966. My amendment had the effect of "blanketing in" a group of older Americans who were not eligible for social security benefits due to the fact that they had not during their lifetimes accumulated enough quarters of social security coverage to qualify.

My initial proposal—which would have extended the minimum benefit of $44 a month to all those over age 70 not presently eligible for social security—although accepted by the Senate, was considerably watered down in the conference committee. The final version of the amendment provided for monthly benefits of $35 for persons reaching age 72 before 1968—$17.50 for a spouse aged 72 or over. In addition, however, a transition provision was included which required that persons reaching age 72 subsequent to January 1, 1968, have a few quarters of social security coverage.

I originally estimated that the potential beneficiaries of my amendment numbered 1.5 million. This estimate was revised downward to 300,000 following the changes made in conference.

Much to everyone's surprise, however, this 300,000 figure has been proven to be ridiculously low. In a press release issued by the Social Security Administration on November 4, 1966, it was announced that "more than half a million people 72 or older received their first monthly checks for new special benefits this week." As of January 1967, the number of beneficiaries had increased to 668,766. Now, Mr. President, I understand that nearly 800,000 Americans over the age of 72 are recipients of social security benefits under the Prouty amendment.

Original fears that my amendment would benefit primarily those people who needed no further assistance have proven unwarranted. In fact, more and more people have come to the realization that to large numbers of older Americans, the meager benefits enacted in 1966 are of vital importance in enabling them to exist precariously on the edge of poverty rather than plunging into its depths.

Apparently now, another Prouty "shoot the moon" proposal has gained respectability. One of the first indications of this was the inclusion of a provision to raise benefits to "Prouty" beneficiaries from $35 to $50 monthly in the administration bill. During hearings before the Finance Committee in August of this year, Charles Hawkins, legislative officer to the Social and Rehabilitation Service, argued in favor of increased benefits to Prouty amendment recipients on the grounds that an increase would have the effect of moving a large number off the public assistance rolls—if not completely out of poverty. He said, in a colloquy with the distinguished Senator from Indiana [Mr. Hartke]:

> Senator Hartke. And the administration proposal is?
>
> Mr. Hawkins. It is $50.
>
> Senator Hartke. What would be the effect of that?
>
> Mr. Hawkins. About 350,000 persons would be removed (from the welfare rolls) by that provision.

The importance of liberalizing benefits under the Prouty amendment was also discussed in the House hearings on the social security bill before the Ways and Means Committee. In an interchange with the Honorable Wilbur Cohen, Under Secretary of Health, Education, and Welfare, Congressman Byrnes of Wisconsin aptly expressed my sentiments regarding the administration's change of heart over "blanketing-in." He said:

> Mr. Byrnes. I was pleased to see that after all these years of opposing our attempts within the Committee to do something for individuals who were born too soon to earn Social Security coverage, the Administration is going along with our attempts to give them at least some benefits under the Social Security System.
>
> Mr. Cohen. The liberalization is the increase in the monthly dollar amount from $35 to $50.
>
> Mr. Byrnes. Is there any liberalization in the eligibility requirements?
>
> Mr. Cohen. No, but the effect of raising the amount for the people who are uninsured is to make more people eligible, because people who receive old age assistance payments between $35 and $50 will leave the old age assistance rolls to get the special $50 payment.

Mr. President, the action taken by the Finance Committee in retaining the administration's increase to $50 is indicative of acceptance of the point made in the above dialog. That is, granting increased benefits to persons previously—before 1966—excluded from social security coverage will provide impetus to substantial numbers of older Americans to move off welfare rolls. It represents increased acceptance of the fact that increased universalization of social security is the main means of aiding impoverished older Americans.

As a recent research and statistics note from HEW pointed out:

> As a major source of continuing income for the retired aged, for most survivor families, and for many of the totally disabled, the Social Security Program provides the most efficient and acceptable mechanism for assuring in advance that income will be maintained for individuals and families in these circumstances.

Or, is that indeed the case? If we regard the reported bills more closely we see that while they meritoriously raise the minimum benefit, they are notoriously negligent because they fail to make additional changes. By refusing to liberalize eligibility requirements in any other way, Congress in my opinion has failed to act as effectively and decisively as it might to alleviate poverty among the aged.

I am disappointed, Mr. President, that the Senate Finance Committee did not act to restore my amendment as it was originally enacted in the Senate.

I am disappointed, for example, because coverage was not extended to all older Americans over age 70 instead of 72.

I am also disappointed because the provision which excludes those on pensions from receiving benefits was retained. While it is beneficial to encourage people on public assistance to leave the welfare rolls, I believe it is unfair to force retired people who have earned meager pensions for such jobs as teaching to suffer reduced income under the Prouty amendment benefits. Ideally, the two small amounts should supplement each other.

The plight of many retired teachers who receive inadequate State pensions and are ineligible for regular social security benefits was recently revealed to me in a talk with Mr. Ernest Giddings, legislative counsel for the American Association of Retired Persons. Did you know, for example, that 39,348 retired teachers in eight States earn less than $1,000 a year? In addition, there are 113,637 retired teachers in 24 States who yearly earn less than $1,800.

I ask unanimous consent that information received from Mr. Giddings about teachers' pensions be printed in the Record immediately following my remarks.

These are areas in which changes could and should have been made in the Prouty amendment. Since the Finance Committee has not seen fit to make these changes, I will not propose amendments here to do so in the aforementioned areas.

However, Mr. President, there is one area in which no change was made which not only disappoints me but distresses me to such an extent that I feel forced to act. I refer now to the retention of the transitional benefits clause, which is of critical importance.

The detrimental effects of this clause are great enough to offset the increased benefit. They are great enough, in fact, to effectively and by transitional stages obliterate the Prouty amendment as it was originally envisioned.

The transitional clause is deceptively simple in substance but far reaching in effect. If it is retained, beginning in January 1968, individuals turning 72 will be required to have a minimum of three quarters of social security coverage. This requirement will increase year by year until present standards for coverage are met.

This, in my opinion, represents an approach which is grossly unfair, unrealistic, and hypocritical for several reasons. First, it unfairly discriminates against individuals who are born after a certain date.

Second, it is unrealistic because it prevents thousands of individuals from being eligible for benefits which could enable them to be removed from welfare rolls because they failed to contribute a miniscule amount of money to the social security trust fund.

Finally, it is hypocritical because it is another example of duplicity on the part of the administration and Congress. The action could be characterized as a reaching toward these people with one hand and a pushing them back with the other.

Mr. President, the transitional provision is inequitous because it arbitrarily determines who is to receive benefits on the basis of their date of birth. Consider this situation: John Jones and Bill Smith are both neighbors, retired men who subsist on meager amounts of money which they managed to save. They worked at jobs which were not covered by social security before they retired. Neither has any quarters of social security coverage to his credit.

John Jones will reach 72 on December 31, 1967. He will, therefore, qualify for the $35, or perhaps by that time $50, benefit provided by the Prouty amendment. This amount, although small, will substantially help him to raise his standard of living. Bill Smith, on the other hand, will become 72 on January 1, 1968. Therefore, because of his date of birth he will have to continue to make do on his present income. He is too old to go out and locate a job for a long enough period of time to qualify for coverage. Bill Smith will perhaps be frustrated, discouraged, and jealous of his neighbor, John Jones. He does not understand why Congress has capriciously acted to stretch out a helping hand to John Jones, while with the other arm it restrains him from benefiting as well.

The unfortunate plight of the Bill Smiths of this country can be seen in an even more absurd light when we consider our second point.

Bill Smith will be prevented from receiving any social security benefit because he failed to contribute $13.20 to the social security trust fund. Yes, Mr. President, thousands of individuals will be prevented from receiving aid under the Prouty amendment because they failed to work three quarters, earning $50 a quarter and thereby at present tax rates contributed with his employer $13.20 to the trust fund. If Bill Smith considers this fact, he will become even more bitter and disillusioned. For, a miniscule amount of money stands between him and $50 a month for the remainder of his life.

Mr. President, I realize that we cannot expect at this session of Congress to enact legislation which will effectively and completely alleviate the condition of over 7 million aged poor in this country. There are over 23 other million poor who must be aided. Our resources, although great, are limited. We are financing an expensive war. Nevertheless, Mr. President, it does not seem fair or just to extend benefits to citizens born in 1895—and thereby raise the hopes and expectations of many born a few years later—while refusing the same benefits a year later to citizens born in 1896.

This is the gist of my third argument. Can we consider that we have established a precedent by enacting legislation in 1966 which blanketed-in those who through no fault of their own retired before their jobs were covered by social security? Keep in mind that this legislation has been cited by both the Finance and Ways and Means Committees and the administration as having the beneficial effect of drawing older Americans off welfare rolls. If we have established a precedent, and I believe we have, can we realistically, equitably and fairly retract our promise, our glimmer of hope, and retreat again behind the old addage which dictates that all social security beneficiaries must contribute some amount, however small, to the trust fund in order to establish their eligibility for benefits?

I think not, Mr. President. I think not. It is imperative that this slender thread of hope be extended to those reaching 72 this year—that a glimmer of sunshine be allowed to penetrate the gloom of poverty and partially illuminate the dim, dark lives of thousands of older Americans who will turn 72 after January 1, 1968.

For these reasons, Mr. President, I submit to the Senate an amendment cosponsored by the distinguished Senator from New Hampshire [Mr. Cotton] which is very simple in words and intent. It merely extends the benefits first granted under the Prouty amendment of 1966 for another year. If you will look at the green pamphlet I have had passed out entitled "Special Payments for People 72 or Over" under the section "Payments for Single and Married People," you will see a table indicating the transitional requirements included in my amendment during the conference. My present amendment merely advances the date for each of the years listed there and allows senior citizens born in 1896 to be granted benefits without having to meet any coverage requirements.

I ask unanimous consent that the pamphlet I have cited be reprinted in the Record immediately following my remarks along with a revised table indicating the change which my amendment would make.

This is the least we can do to indicate our continued concern for a large group of older Americans. I ask for your support in this endeavor.

Mr. President, I ask unanimous consent for the following items to be inserted in the Record at this point:

First, a statement explaining my amendment.

Second, a brochure describing present Prouty amendment benefits.

Third, a chart showing teacher's pensions in the United States in relation to teacher's salaries by State.

Fourth, a memorandum describing legislative attempts at enacting pension legislation by States in 1967.

There being no objection, the material was ordered to be printed in the Record, as follows:

Explanation of Prouty Amendment To Extend Eligibility Period for Special Age 72 Benefit

This amendment would simply extend the Prouty Amendment of 1966 for one year.

In other words, individuals born in 1896 and reaching age 72 subsequent to January 1, 1969 would be eligible for such Social Security funds as provided for under the present bill without having to meet any eligibility requirements as to social security coverage.

Beginning in 1969, three quarters of social security coverage is required and in subsequent years an additional three quarters is required annually until three years is reached.

Attached are a brochure explaining the benefits provided under the Prouty Amendment of 1966 and a table indicating the change in the transitional provision of this amendment which I am now suggesting.

CHANGES UNDER PROUTY AMENDMENT

Those born in 1896 or becoming 72 subsequent to January 1, 1968 would be eligible for benefits under the Prouty amendment without having to meet coverage requirements. In following years coverage requirements would run as follows:

Year born	Need credit for this much work (years)	
	Men	Women
1897	¾	¾
1898	1½	1½
1899	2¼	(1)
1900	3	(1)
1901	(1)	(1)

[1] Same as for regular social security retirement benefits.

[From the U.S. Department of Health, Education, and Welfare, Social Security Administration]

Special Payments for People 72 or Over Under a Change Made in the Social Security Law in 1966

NEW SPECIAL PAYMENTS FOR OLDER PEOPLE

A change made in the social security law this year provides for special cash payments to men and women 72 or older who cannot qualify for regular social security benefits.

Under this new provision, people who were born before 1896 may receive a special benefit beginning at 72 even though they never worked under social security.

Men born between 1895 and 1900 and women born between 1895 and 1898 need credit for some work under social security to get these payments at 72, but not as much as is required for regular social security benefits.

This leaflet tells about the new payments, shows who is eligible, and tells what to do if you think you can qualify. These payments can be paid for October 1966, and the first checks will be mailed early in November.

WHAT YOU SHOULD DO

If you will be 72 or over in October and have already applied for hospital insurance protection, someone from your social security office will get in touch with you before October 1966. Until then you do not need to get in touch with your social security office or do anything at all.

But, if you are one of the few people who have not applied for hospital insurance protection and will be 72 or over in October, you should get in touch with your social security office now. Ask about hospital insurance protection, as well as the new special payment.

If you are not sure whether you can qualify, or there is something you do not understand, ask about it at your social security office.

If you reach 72 after October—If you will be 72 after October 1966, you can apply for the special payment 3 months before the month you reach 72.

PAYMENTS FOR SINGLE AND MARRIED PEOPLE

If you are a single man or woman and were born before 1896, you may receive the special payment of $35 a month. If you were born after 1895, you can receive these payments when you are 72 if you have credit for the amount of work under social security shown in the following table.

If you are a married man and both you and your wife qualify for the special payments, you may receive $35 a month and your wife may get $17.50 a month.

Year born	Need credit for this much work (in years)	
	Men	Women
1896	¾	¾
1897	1½	1½
1898	2¼	(1)
1899	3	(1)
1900	(1)	(1)

[1] Same as for regular social security retirement benefits.

Your payments begin for October 1966 if you are 72 or over that month. The October check will be mailed early in November. If you reach 72 after October, your payments can begin with the month of your 72nd birthday.

You can qualify for these payments only if:

You are a United States citizen or

You were admitted to the United States for permanent residence and have lived here continuously for 5 years.

The special payments can be made only to people who live in one of the 50 States or the District of Columbia.

PENSIONS AFFECT ELIGIBILITY

If a person is eligible for any periodic benefit under a governmental pension system, even if he has not yet applied for it, his special payments will be reduced by the amount of the pension or benefit.

This means generally that the amount of the special payment he can receive will be the difference between the amount of his governmental pension and $35 a month if he is single. If he is married, any governmental pension for which his spouse is eligible would also be taken into consideration in figuring the amount of the reduction.

"Governmental pension system" means any insurance system established by the Federal Government, a State, any political sudivision of a State, or a wholly government-owned instrumentality, which provides for the payment of pensions, retirement or retired pay, annuities, or similar payments on account of a person's personal services. This includes any social security or railroad retirement payment.

This reduction does not apply to any payment under any workmen's compensation law or any payment by the Veterans Administration as compensation for service-connected disability or death.

A person can ask at his social security district office for retailed information as to how this reduction would apply to him.

Cash Public Assistance Payments—A person cannot receive this special payment for any month he receives a State welfare cash payment. Nor can the special payments be made to a person for any month his spouse gets a cash welfare payment if his needs were taken into account in determining eligibility or the amount of the spouse's payment.

FINANCING

The cost of payments for people who have no social security coverage will be met from general funds of the U.S. Treasury.

TITLE: CHART SHOWING TEACHERS' PENSIONS IN THE UNITED STATES IN RELATION TO TEACHERS' SALARIES BY STATE

State	Average teachers' salaries			Per capita income			Median pension benefits			
	1960	1965	Percent increase	1960	1965	Percent increase	1960	1965	Percent increase	Recipients
Alabama	$4,002	$5,350	33.7	$1,487	$1,910	28.44	$927	$1,466	68.14	4,300
Alaska	6,859	8,598	25.4	2,821	3,187	12.97	1,884	?	------	?
Arizona	5,590	7,165	28.2	2,037	2,370	16.34	462	?	------	2,783
Arkansas	3,295	4,755	44.3	1,379	1,845	33.79	1,412	1,362	−3.55	3,195
California	6,600	8,600	30.3	2,705	3,258	20.44	2,840	?	------	30,177
Colorado	4,997	6,577	31.6	2,275	2,710	19.12	1,038	1,292	24.47	1,283
Connecticut	6,008	7,562	25.9	2,804	3,401	21.29	2,368	2,953	24.70	3,408
Delaware	5,800	7,532	29.9	2,735	3,392	24.02	1,980	?	------	?
Florida	5,080	6,378	25.6	1,954	2,423	24.00	1,776	2,650	49.21	5,000
Georgia	3,904	5,550	42.2	1,639	2,159	31.72	?	1,371	------	4,798
Hawaii	5,390	7,025	30.3	2,369	2,879	21.52	?	?	------	3,287
Idaho	4,216	5,856	38.9	1,845	2,395	29.81	832	1,009	21.27	985
Illinois	5,184	7,225	39.4	2,651	3,280	23.72	1,575	2,030	28.88	14,285
Indiana	5,542	7,292	31.6	2,194	2,846	29.71	?	1,950	------	10,019
Iowa	4,030	6,067	50.5	1,988	2,676	34.60	384	360	−6.25	12,421
Kansas	4,450	5,957	33.9	2,168	2,639	21.72	820	876	6.82	3,482
Kentucky	3,327	5,200	56.3	1,586	2,045	28.94	1,272	1,620	27.35	3,390
Louisiana	4,978	5,987	20.3	1,655	2,067	24.84	1,086	2,535	33.42	3,677
Maine	3,694	5,600	51.6	1,842	2,277	23.61	994	?	------	?
Maryland	5,557	7,105	27.9	2,347	3,001	27.86	?	2,483	------	1,563
Massachusetts	5,545	7,350	32 6	2,457	3,050	24.13	2,341	3,113	32.97	7,884
Michigan	5,654	7,200	27.3	2,321	3,010	29.68	1,369	1,954	42.73	12,283
Minnesota	5,275	6,800	28.9	2,115	2,666	26.05	1,215	1,334	9.79	2,361
Mississippi	3,314	4,327	30.6	1,204	1,608	33.55	?	689	------	5,742
Missouri	4,536	6,027	32.9	2,115	2,663	25.91	?	?	------	3,171
Montana	4,425	5,900	33.3	2,039	2,438	19.56	1,247	1,443	15.71	1,460
Nebraska	3,876	5,350	38.0	2,110	2,629	24.59	544	1,300	138.97	2,453
Nevada	5,693	7,322	28.6	2,862	3,311	15.68	1,740	?	------	1,103
New Hampshire	4,455	5,843	31.2	2,151	2,547	18.41	1,170	1,270	8.54	772
New Jersey	5,871	7,233	23.2	2,711	3,237	19.40	2,118	?	------	?
New Mexico	5,382	6,598	22.6	1,885	2,193	16.33	1,804	1,870	3.65	1,855
New York	6,537	8,400	28.5	2,740	3,278	19.63	?	2,410	------	16,005
North Carolina	4,178	5,523	32.2	1,560	2,041	30.83	912	1,097	20.28	8,396
North Dakota	3,695	5,375	45.5	1,718	2,279	32.65	600	1,132	88.66	1,060
Ohio	5,124	6,558	28.0	2,341	2,829	20.84	2,123	2,500	17.75	18,535
Oklahoma	4,659	5,894	26.5	1,867	2,289	22.60	1,092	1,404	28.57	4,603
Oregon	5,535	6,953	25.6	2,230	2,761	23.81	642	613	−4.52	8,679
Pennsylvania	5,308	6,830	28.7	2,241	2,747	22.57	1,553	2,174	39.98	23,075
Rhode Island	5,499	6,750	22.7	2,213	2,823	27.56	?	?	------	1,182
South Carolina	3.450	4,847	40.5	1,582	1,846	16.68	743	909	22.34	6,097
South Dakota	3,725	4,850	30.2	1,718	2,213	28.81	?	334	------	386
Tennessee	3,929	5,217	32.8	1,545	2,013	30.29	660	?	------	4,000
Texas	4,708	6,080	92.1	1,927	2,338	21.32	1,553	1,680	8.17	18,727
Utah	5,096	6,525	28.0	1,964	2,355	19.90	842	993	17.93	1,527
Vermont	4,466	5,808	30.0	2,012	2,312	14.91	1,167	1,581	35.47	655
Virginia	4,312	5,898	36.8	1,843	2,419	31.25	?	1,005	------	7,416
Washington	5,643	7,185	27.3	2,345	2,906	23.92	1,420	1,610	13.38	5,870
West Virginia	3,952	5,433	37.5	1,602	2,027	26.52	1,274	1,246	−2.20	5,955
Wisconsin	4,870	6,650	36.6	2,170	2,724	25.52	?	?	------	7,460
Wyoming	4,937	6,572	33.1	2,260	2,558	13.18	564	550	−2.49	1,014

PENSION LEGISLATION BY STATES, 1967

(Compiled by the National Retired Teachers Association, August 1967)

(Legislatures in all but a few States were in session during the first half of 1967 and most State RTA legislative programs included attempts to improve pension laws.

(Some of the following reports are stories of successes in the legislature. Some tell only of defeat, delay or frustration. In any case, we believe they are factual. The victory in a neighbor State should provide your officers some hope and guidance. The story of a lost battle this year may serve as an alarm and a challenge in looking to next year's campaign.

(State pension benefits show even a wider range between States than do either per capita income or average teacher salaries. This is in spite of the fact that costs of living vary little between the so-called well-to-do States and the less wealthy ones.

(In some States retired teachers are the victims of a reactionary legislature. In some they suffer because of the indifference of the Governor. In a few States it is due to a lack of cooperation from the Retirement System Secretary.

(The following reports should be helpful as RTA officers and Legislative Committees plan future campaigns for pension increases and cost-of-living adjustments.)

ALABAMA

In November 1966 legislation was passed which provides pension increases to 3700 of the 5000 retirees. This law in effect assured retired teachers with 30 years' service a pension of $150 a month, with proportional increases to those with fewer years of service.

During 1967, the ARTA has continuously urged the Governor and the Legislature to provide a 10% cost-of-living pension increase to all retirees. Vigorous activity to secure this legislation is continuing as of August 1, but no firm assurance of success has yet come from the Governor or the Legislature.

W. E. SNUGGS,
President ARTA.

ALASKA

1. Alaska teacher retiree pensions are exempt from State and municipal taxes and are not subject to execution, attachment, garnishment, or other process.

2. Cost-of-living allowance for permanent residence in Alaska is 10% of retirement income.

3. A post-retirement pension adjustment is payable when the cost of living has increased and the financial condition of the fund permits.

4. Eligibility for retirement income is changed from 25 years to 15 years with a minimum of 10 years in Alaska. Ten years is the maximum of out-of-state service. Full benefit may start at age 60.

5. Payment into the retirement system is 5% of the actual salary starting with 1966–67.

6. Retirement income is computed on the average of the highest three years times 1½% times the number of years of service.

7. A supplemental contribution of 1% of the salary provides a pension for the spouse equal to one half of the teachers retirement salary upon death.

8. No retired teacher receives a pension below $100 per month.

MRS. LOLA C. LILLY,
President ARTA.

ARIZONA

Arizona teachers are retired under three retirement laws:

1. Teachers retiring before 1943 receive $170 per month. This is about 2% or 28 teachers.

2. Teachers retiring between 1943 and 1953 retired under Teachers' Retirement Act. This is about 22% or 300 teachers. They receive $3 per month for every year prior service (before 1943) and a very small annuity started in 1943. Many get less than $90 per month and the highest would receive very little over $125. They get no Social Security.

3. About 76% of our teachers (about 1070) retired after 1953. They are under the State Retirement Law which also includes State highway patrol, State and county employees. This group receives $3 per month (raised to $3.75) for each year of prior service before 1943, an annuity started in 1943, and Social Security. Most of this group receives over $200 per month.

Last March our State Legislature passed a law which increased prior service 25% (or to $3.75) for those under State Retirement Law. The bill increased the annuity payment from 3½% to 5% by the active teachers and the counties.

We got figures which showed how much the increase would cost if it were amortized over 20 years. This seemed to help get the bill out of the Education Committee where it had been held.

As the Legislature neared closing, legislators would tell us they thought it was too late to pass the bill. We took the attitude that there was plenty of time. Mr. Stewart was in Phoenix on the day before adjournment and the bill passed on the final day. Dont' give up.

R. V. KESSLER,
NRTA State Director.
GEORGE T. STEWART,
ARTA President.

ARKANSAS

The Arkansas Legislature passed Act 637 in 1967 which provides substantial increases for many retirees. As a result, any retirant on the rolls on May 1, 1965, with ten years or more of Arkanasas service will receive a minimum of $40 times the years of proved service.

The Legislature also passed a law to provide State property tax exemption on Park View Tower, the Arkansas retired teachers' apartment building. There are now 46 names on the waiting list for admission to Park View Tower.

BERYL HENRY,
NRTA State Director.
JAMES B. ABRAHAM,
ARTA Legislative Committee.

CALIFORNIA

A.B. 98, the Retirement bill developed by the California RTA, was signed by the Governor, June 20, 1967. It provides graduated increases ranging from 2% to 23%. Specifically the increases are as follows:

Retirement year:	*Percent increases*
1956 and prior	23
1987	19
1958	14
1959	13
1960	10
1961	9
1962	7
1963	6
1964	4
1965	2

The increase is computed only on the first $300 of monthly retirement pension.

Biography of A.B. 98

Sept.–Dec. 1966: Conferences and preparation of first draft of bill; clearance with Legislative Council.

Jan. 10, 1967: Bill introduced in Assembly by Assemblyman Edward Elliott; numbered A.B. 98; read first time.

Jan. 11, 1967: Referred to Education Committee; to printer.

Jan. 12, 1967: From printer; to Education Committee.

Jan. 26, 1967: Withdrawn from Education Committee; re-referred to Committee on Retirement Systems.

Feb. 27, 1967: Amended and passed unanimously by Retirement Systems Committee; referred to Ways & Means Committee.

Feb. 28, 1967: Read second time in Assembly; sent to printer.

Mar. 1, 1967: From printer; reported correctly engrossed; re-referred to Ways & Means Committee.

Mar. 31, 1967: From Committee Chairman, with author's amendments; to amend and refer to Ways & Means Committee; read second time as amended; to printer.

Apr. 3, 1967: From printer; reported correctly engrossed; re-referred to Ways & Means Committee.

Apr. 6, 1967: From Committee, to amend; passed unanimously as amended.

Apr. 10, 1967: Read second time in Assembly as amended; to printer; ordered returned to second reading file.

Apr. 11, 1967: From printer; reported correctly engrossed; to third reading.

Apr. 12 1967: Urgency clause adopted; read third time; passed in Assembly by vote of 71 to 0; title approved; sent to Senate.

Apr. 12, 1967: In Senate, read first time; referred to Committee on Governmental Efficiency.

May 3, 1967: From Committee, amended, and passed unanimously as amended; referred to Senate Finance Committee.

May 4, 1967: In Senate, read second time as amended; to printer, and to Senate Finance Committee.

May 16, 1967: From Committee Chairman to Senate with author's amendments; read in Senate as amended; to printer, and to Finance Committee.

May 23, 1967: Unanimous "Do Pass" by Senate Finance Committee.

May 24, 1967: Read second time in Senate as amended; to third reading.

June 7, 1967 Urgency clause adopted; read third time; passed in Senate by vote of 30 to 0; title approved; to Assembly for concurrence.

June 8, 1967 Notice in Assembly, concurrence in Senate amendments pending.

June 9, 1967 Senate amendments concurred in by Assembly; to enrollment.

June 13, 1967 Bill duly enrolled and sent to Governor at 1 P.M.

June 20, 1967 A.B. 98 signed by Governor Ronald Reagan, 3:30 P.M.

Comment

In other words, from its first draft to the final signature by Governor Reagan, a series of twenty-five steps were involved in securing the final passage of A.B. 98. In the process, the bill was amended five times, was printed five times, and ended with sixty-five Assemblymen and thirteen Senators listed as co-authors. Since the bill was heard in advance of final adoption of the State budget, separate letters of approval from the Governor also had to be obtained before being heard by the Assembly Ways & Means Committee and by the Senate Finance Committee. A.B. 98 is one of the very few measures passed unanimously by all four legislative committees and by both houses of the legislature.

The only serious "illness" in the career of A.B. 98 came after its final passage when the Senate removed the necessary appropriation of $9,500,000 from their version of the general State budget. This was put back in the budget by the Conference Committee of both houses.

Along with the many personal contacts with legislators, it takes a lot of patient persistence—and not a little legwork—to get a bill through the California Legislature, particularly when it involves a money appropriation.

R. C. GILLINGHAM,
Chairman, CRTA Legislative Committee.

COLORADO

The Colorado RTA, in 1967, tried for passage of a bill to provide (1) a 1½% increase per year on the basic retirement benefit, or (2) a cumulative annual increase based directly on the Consumer Price Index, if smaller. The bill was defeated in the Legislature.

OLGA A. HELLBECK,
CRTA State Director.

CONNECTICUT

The Connecticut RTA presented to the State Legislature a proposal for adjustment of pensions geared to recent increases in the cost of living. The cost of the original proposal was estimated at $3,750,000.

The Legislature passed its revision of the proposal, but it cut the benefits to retired teachers to $960,000. Under the version which was passed, teachers who retired before 1958 will receive increases in excess of 10%, with a limited number benefitting by increases of $1000 a year.

Members of the CRTA Legislative Committee and their officers expressed disappointment at their treatment by the Legislature. In their view the Legislature treated their case too much as a "welfare" problem.

JOSEPH A. FITZGERALD,
President CRTA.

DELAWARE

Delaware improved its Retired Teachers Pensions about two years ago by increasing by $50 a month the pension of persons who retired before 1954 who receive no Social Security.

Our penison until 1966 was a noncontributory plan with a maximum of $250 a month plus Social Security. Beginning in 1966 with a contributory plan, our maximum will be approximately $500 a month after 30 years of teaching; it will not become effective until 1971, except for teachers who retired in 1966 and up to 1971 with the qualified number of years who are able "to buy into" the plan.

Our Governor has recently (May 26) appointed a Pension Study Committee of eleven members from different walks of life—business, education, legislature. We are happy to have one of our members on the committee, since our DRTA is the largest single segment of pensioners. The General Assembly appropriated $25,000 for the use of this committee in its research. They will make recommendation following this research.

ANNA E. GALLAHER,
DRTA President.

FLORIDA

The Florida RTA has fought continuously and vigorously for good pension improvements in 1967. Results have been extremely limited, due largely to opposition from the Governor and neglect by the Legislature, or a combination of both.

One bill will provide specific help to very old retirees who do not have any Social Security income. For those with any Social Security benefits no increases or very meager increases will be the result.

The Legislature did pass a bill prepared by the Florida State Director which requires that a retired teacher be added to the Board of Trustees which manages the Teachers Retirement System.

A. R. MEAD,
NRTA State Director.

GEORGIA

We have made no progress as far as enacted bills are concerned in this 1967 Legislature. The Governor promised to help us, but reneged when the time came.

We had one main objective in this year's Legislature, viz, to get a retiree on the Board which governs the Retirement System. Since we as retired teachers, started this Retirement System, we think we should have representation in its administration. We are asking the Legislature to grant us this right. We had very able assistance from several members of the Legislature, but the members of the Retirement Board and the Executive Secretary do not want a retiree on this Board. They amended the bill to add two members of their choice, not retirees, which would cancel the effectiveness of a retiree completely. The bill was killed in Committee.

Due to the lack of cooperation of the Secretary of the Retirement Board, we have no way of knowing how many retirees are below $100, or $125 in monthly pensions. We do think there are many, as we get reports from Nursing Homes and individuals concerned. As to definite numbers, we do not know. We have no lists of retirees now receiving pensions and can not get this information from the Pension Office.

HANNAH S. FLANIGEN.
GRTA President.

HAWAII

The formula used to figure retirement pay for teachers and others has been revised twice within the last few years. The last change was effected in 1965.

This change amounted to 2% as against the former 1⅔% of one's average annual salary over the last five best years, multiplied by the number of years in service before retirement. A very handsome increase indeed. In addition, it provided that those retiring after June 30, 1965, are not required to have deducted from retirement pay $1.25 per month for each year spent in Social Security before retirement. This last item known here as the Social Security off-set could amount to a deduction of $50 a month for a teacher having taught 40 years.

We will request the 1968 Legislature to do away with this charge to those who retired between 1956–64 inclusive (Social Security began in 1956). This request is now being studied by the Retirement System.

Retirees now also enjoy a post-retirement annual increase of 1½%. This provision is also being studied by the system as we have requested it be increased to at least 2% in 1968.

JOHN FERREIRA, JR.,
HRTA President.

IDAHO

The Idaho RTA bill passed in 1967 raises the pension from $3 to $4 for every year taught, for those teachers who retired before 1958. Before that time teachers did not receive Social Security. This will aid about 375 teachers.

In Idaho we have about 957 teachers retired from service. There are 617 who receive less than $100 per month, but one must consider years of tenure here. Some teachers do not draw their full amount each month, reserving a sum for a beneficiary. Drawing disabled benefits are 28 teachers, of whom 27 receive less than $100 per month.

RTA groups find every opportunity to acquaint legislators and those in influential positions about the real need of retired teachers.

BERTHA A. MAYER,
Former President IRTA.

ILLINOIS

The Illinois Retired Teachers Association succeeded in getting through the Illinois Legislature a bill for supplementary payments which would provide pensions up to $75 per year of service up to 45 years, the retiree paying $5 per year of service into the Supplementary Payments Fund, disability pensions to be increased from $1,000 to $1,500. As of August 1, the bill is in the hands of the Governor.

After the bill was formulated, a résumé was sent throughout the State, with an accompanying table showing how the bill would work, so that all retirees would be familiar with them.

When the bill was put in the hands of the Senator and Representative who would introduce it, a statement was sent to all retirees, again stating the proposals and requesting them immediately to write or talk with their legislators, asking them to support the bill. This the teachers did, so that when the bill came up for a vote the legislators were already familiar with the provisions and had committed themselves to their constituents.

When the bill was to come up for vote, bulletins were sent out asking all chapters to arrange for carloads of retirees to fill the galleries of the legislative chambers. Three hundred retirees filled the halls and galleries. The bill passed both House and Senate by astounding majorities. Now we await the Governor's action.

BESS HALE,
Legislative Chairman IRTA.

INDIANA

The Indiana RTA carried on an active legislative campaign in 1967 seeking to secure an automatic 1½% cost-of-living increment to the pensions of retired teachers. Several steps in the legislative process were cleared, but nevertheless the bill was not passed. It now appears that in the 1969 Legislature we can build on this year's progress and that there is a reasonable prospect of success at that time.

SAMPLE OF PENSION INCREASES PROVIDED INDIANA RETIRED TEACHERS SINCE DATE OF ORIGINAL RETIREMENT

Age group June 30, 1966	Number in group	Average Monthly benefit at retirement	Present average monthly benefit
80 to 84	854	$99.87	$165.27
85 to 89	360	76.13	168.97
90 to 94	104	55.34	160.86

HILDA MAEHLING,
President, IRTA.

IOWA

We believe the following facts are closely related to our problem of securing adequate pension adjustments in Iowa.

We have 12,421 retired teachers and their pension benefits from State and local pensions average $360 a year.

Our pensions have been supplemented by Social Security since Jan. 1, 1951. The result is that many of our teachers who retired before that date have not had the benefits of Social Security.

Average per capita income in Iowa in 1960 was $1,988. It had risen to $2,676 in 1965 according to the U.S. Department of Commerce. This shows an improvement in our Iowa economy of more than 36%. Nevertheless, the Retired Teachers Association has had very little success in securing pension improvements from the Legislature.

The average salary of the active teacher in Iowa in 1960 was $4,030. It was $6,067 in 1965, an increase of slightly more than 50%. However, the Legislature has not succeeded during those years in providing any substantial increase in the pensions of our older retired teachers.

Leaders and members of our Legislature could make a great contribution to the self-respect of their former teachers by providing them with more adequate pension. We believe our Governor and Legislature would do well to adjust pensions promptly in proportion to increases in costs of living and in accordance with the improved economy of our State.

GENEVIEVE D. JOHNSON,
NRTA State Director.

KANSAS

The Kansas annuity is the result of a combination of two funds. The first is the service annuity fund provided by the State. This fund provides for the top bracket with 25 to 35 years of service, inclusive, $3.50 per month for each year of service, the maximum being $122.50. Added to this is the savings annuity resulting from the deduction from all salary received of 4% to $5000. On June 1, 1967, there were 4816 retirees. The average annuity was $88.18. The maximum annuity was $155.61. At this time those receiving $100 or more number approximately 2300 and those receiving $125 or more number approximately 1300. These amounts will continue to increase as salaries are increased and the savings fund increases. The savings fund now pays 4% in each account. Also, all teachers retiring after January 1, 1955 are receiving Social Security.

Legislative techniques which I have felt successful are (1) Present a brief of not over three proposals that can be easily presented, based on facts and not overstated. (2) Secure the full support of the retirees as well as many other interested organizations. (3) Make personal contact with the legislators on the local level and especially by those in need of the proposed legislation. (4) A continuous flow of letters, telegrams and personal contacts. (5) A lobbying committee that can continually be on the alert for hearings and contacts while the Legislature is in session.

DONALD A. MCCONNELL,
Chairman, Legislative Committee.

KENTUCKY

The Kentucky Legislature did not meet in 1967. Our Legislative Committee decided on only two items for presentation to the 1968 Legislature.

1. That provision be made for a retired teacher on the Board of Trustees of the Retirement System.

2. That an increase of $10 per credit year be made in the pensions of all retired teachers.

This increase will have the effect of raising the average retirement pension to about $140 per month. In addition there is a 1% cost-of-living allowance which became effective July 1, 1967, which amounts to $1.25 to $1.40 per month for the average teacher.

Further, we will ask for better representation in the Kentucky Education Association.

Prior to July 1, 1966, when our 10% increase became effective, information secured from the Retirement Office showed the following pensions for members of the Kentucky Retired Teachers Association:

Amount of pension (monthly)	Percent of members	Number of retirees
$50 or less	1.7	52
$50 to $75	4.2	153
$75 to $99	11.3	413
$100 to $149	43.5	1,593
$150 to $199	26.7	977
$200 to $299	10.5	384
$300 or above	2.1	86

M. J. CLARKE,
President-Elect KRTA.

LOUISIANA

This year the Louisiana Retired Teachers Association sponsored two bills:

1. *H.B. 33.* In 1965, the Legislature changed the formula for computing the retirement benefit from 1½% to 2% of average salary for the best five consecutive years for each year of accredited service, effective July 1, 1965. H.B. 33 of 1967 provided that those retired prior to July 1, 1965, are eligible for a recomputation of their benefits under the new formula.

2. *H.B. 34.* Act 208 of 1966 provides a cost-of-living increase computed as follows: 1% of the original benefit for each year of retirement. H.B. 34 sought to increase the 1% to 2% and also to make eligible for the cost-of-living increase beneficiaries of deceased members who retired under Option 2, 3, or 4. The bill also provided for biennial adjustments in accordance with the Consumers Price Index.

Both of our bills passed both Houses of the Legislature with only one dissenting vote, but both were vetoed by the Governor.

P. C. ROGERS,
President LRTA.

MAINE

The Legislature did pass a bill providing paid-up life insurance for retired State employees (including teachers) and permitting the purchase of group insurance by the Retirement System. Up to now, the State employees have been covered only during the years of employment.

A new Board of Trustees to administer the funds of the Maine Retirement System has been appointed and rules governing the investment funds have been liberalized. A bank fiduciary will be elected by the new Board to handle the funds under the "prudent investor" plan; and it is hoped that greater returns will be realized, thus making it possible for larger pensions.

At this time, 364 retired teachers with 15 and 20 years experience are receiving less than $100 per month. I have been unable to obtain the exact amount for those retirees with 30–45 years of experience who receive less than $125 per month, but there are many. All of these retired several years ago under old low-salary systems. We have 3014 retired teachers on the pension list.

SUSIE SYLVESTER,
President MRTA.
LEORA E. PRENTISS,
State Director.

MARYLAND

In Maryland, in the spring of 1967, we were successful in having the Maryland Legislature pass, and the Governor sign, House Bill 23, which provided for a minimum of $2000 yearly for retired teachers who had served twenty-five years. This means that, beginning in August 1967, no teacher retiree of 25 years experience will receive less than $166 per month. To accomplish this:

1. We had teachers from all parts of the State contact their Senators and Delegates, preferably by personal conference.

2. Then we wrote by the hundreds to our newly-elected Governor.

3. Our Legislative Committee and others attended hearings and made a point to talk to the Members of the Ways and Means Committee.

4. Examples were given and individual letters were read at the hearings telling of the hardships of teachers receiving less than the requested minimum.

5. Follow-up work was done through further contacts with Legislators, getting information about the time of introduction of the bill into each House, so that someone could be present from our group at the time of voting.

6. Finally, letters of thanks and appreciation were sent to all who had a share in our successful accomplishment.

RUTH P. EASON,
President MRTA.

MASSACHUSETTS

On June 28, 1967 the Commonwealth of Massachusetts passed a Cost-of-Living Adjustment Act which applies to all of its retired teachers. The original law passed in 1966 affected only those pensions under $5,000. The revision passed in 1967 makes the adjustment applicable to all pensions below $6,000.

HUGH NIXON,
Legislative Committee, MRTA.

MICHIGAN

Since in their public utterances the Governor and many members of the Legislature had made it very plain that no legislation which called for additional appropriation would be passed in the 1967 session, the passage of such legislation became of primary importance. The difficulty of getting agreement on a fiscal reform program had so monopolized the time of the Legislature that little attention has been given to any pension changes and it seems almost certain that none will be made during the current session.

The Board of Directors of the Michigan Retired Teachers Association has adopted the following guide lines for the Legislative Committee which states in quite general terms the objectives of the Association.

1. Work for fiscal reforms, including a State income tax of not less than 2½% on individuals and appropriate percentage taxes on corporations and financial institutions.

2. Work for an annual appropriation sufficient to cover current pension payroll and in addition provide a sufficient reserve to cover the need for pension payroll for at least three years.

3. Work for legislation which would remove the limit on years of service and average the final compensation for certain groups of retirees not now included among those who have this advantage.

4. Work for legislation which would provide for postretirement increases which would reflect economic conditions.

5. Work for legislation which would increase the amount a retired school employee can earn in public educational services without any loss of pension.

FORREST G. AVERILL,
President MRTA.
GEORGE SCHUTT,
Legislative Committee Chairman.

MINNESOTA

As a result of the efforts of the Minnesota RTA and the eight State Retired Teacher Divisions, meetings were held around the State, legislators were contacted, and letters rolled in. Before the session ended all retired teachers were given a 15% supplemental annuity except those retired teachers whose pensions were coordinated with Social Security and they were given 10%. We were glad to have this gain, although this still leaves some 700 retirees with pensions of less than $1200 a year and about 750 retirees with pensions of less than $1500 a year. There are a total of about 2150 annuitants.

Mr. Harvey W. Schmidt, Executive Secretary of the State Teachers Retirement Association, worked closely with us and spent many hours with the legislators getting sponsors for the bills and explaining the needs. He was most effective.

ELLIS SCHWEICKHARD,
President MRTA.

MISSISSIPPI

This is my report of Mississippi retired teachers who receive pensions of less than $100 a month.

Percentage of the total number of retirants

Pension per month:	
$13.70 or less	10
$13.70 to $26.25	15
$25.25 to $40.28	25
$40.28 to $49.73	25
$57.62 to $64.99	10
$65.00 to $100.00	15

The last report of the National Council on Teacher Retirement (1965) shows there are 5742 retired teachers or beneficiaries who receive pensions and that their median annual retirement allowance is $689.

W. H. BARNARD,
Past President, NRTA.

MISSOURI

The State Legislature of Missouri met January 1 to June 30, 1967. Retired teachers presented a bill that would have aided early retirees who retired *after* July 1, 1957, on very low pensions, many with more than 35 or 40 years of service. The total number of teachers in this group receiving less than $150 monthly pension is 1757. This includes Kansas City, St. Louis and outstate teachers. The 1757 teachers for whose benefit the 1967 bill was intended (it failed of passage) does not include a considerable number of early retirees who were benefitted by a law passed in 1965 that gave each retiree who retired *before* July 1, 1957, the sum of $75 monthly, provided that amount did not increase his total retirement beyond $150 a month. Even with an increase of the $75 a month, many of the 1330 still receive much less than $150 monthly pension.

The source of funds for each bill was the general revenue appropriation, and not the State Retirement Systems of which there are three: Kansas City, St. Louis, and the outstate public schools. If the Governor should call a special session of the Legislature, there will be an attempt made to have the bill reintroduced at that session.

It seems that personal friends who are members of the State Legislature give the most assistance to those who are working on legislation for retired teachers.

RUTH T. GIBSON,
State Director MRTA.

MONTANA

The Montana State Legislature had to have an extra session to get its legislation passed since the Senate and the House could not agree. The Montana Education Association succeeded in getting the ceiling of $7,000 on which pensions were previously based abolished. Future retirees will have good pensions. The MRTA sponsored a cost-of-living flexible plan but it failed to pass. We are now making plans and hope to get our plan adopted in the next Legislature. The MEA has assured us that we would have strong support from it in the next Legislature in bringing retirement salaries for presently retired teachers up to date. They failed to give us support this year as they were anxious to get their plan adopted. We also failed in not getting started soon enough, in not informing our locals about what was going on, and not contacting our legislators.

We have around 300 retirees receiving less than $100 in monthly pensions. The minimum is $100, but they receive less because of the lack of teaching years.

MARGARET BETTLE,
President MRTA.

NEBRASKA

The following is a report of our labors and accomplishments in the current Legislature of Nebraska.

L.B. 238 was passed in the early part of June and signed by the Governor. This gives those teachers who retired before 1955, when Social Security was not in effect, $17.50 per month in addition to their former annuity. Some get only $52.50. L.B. 237 was killed. It would have helped those who retired after 1955 up to 1967 by giving them $2.25 per month for each year of service.

What remains of this bill, L.B. 237, has been put into L.B. 494 which is the active teachers retirement bill and goes into effect in 1968. However, it does effect *all* retired teachers and they will get $1.50 per month for each year of service, the 35 years stipulation having been removed. So there will be a few extra dollars for those who retired after 1955 and have taught more than 35 years.

ALICE MUSSELMAN,
State Director.

NEVADA

Nevada is on a State Retirement System—teachers, State, County, City, and other employees. Retirement is based on 20 years of service at 50% of total salary of the highest of the last ten years of service. 1.5% is added for each year above 20 and up to 30 years.

Forty-five retirees receive less than $100, with forty-one receiving less than $125 out of a total of 447. The others from a total of 986 retirees have split their retirement so that either wives or husbands may benefit when the retiree passes on. This makes it exceedingly difficult to determine the total under $125 but it is safe to say that very, very few of these are under $125 since splitting of $125 for a dependent would leave practically nothing.

We tried to get the retirement board to sponsor our bill to increase pensions by 20% for those who retired prior to 1960 and 15% for those who retired before 1964. The Board approved our proposal but the secretary meets with the Legislature. We must try again but this time making sure that the secretary is instructed to carry out the proposals of the Retirement Board.

EARL WOOSTER,
Legislative Chairman.

NEW HAMPSHIRE

The New Hampshire General Court (legislature) passed a bill in 1959 which was written to affect teachers who retired before July 1, 1957. Part One was a cost-of-living provision. Part Two guaranteed each retiree a minimum pension of $40 times the years of service up to and including 30 years.

In 1967 the October 1966 cost-of-living index was written into the law and the $40 per year of service was increased to $46, thus assuring the retiree with 30 years of service a pension of at least $1380.

It is of paramount importance to remember that no progress can be made unless close and friendly liaison is constantly maintained between teachers and the legislators who are ultimately responsible for action.

ELIZABETH J. DONOVAN,
NRTA State Director.

NEW JERSEY

In September 1966 the Social Security offset on New Jersey Pensions was eliminated and full payment on both Social Security and pension was received by all those retired or who will be retired in the future. That pension adjustment applies to all State employees.

Having achieved that goal, we immediately started to prepare legislation which would provide cost-of-living adjustment for all members of the pension fund. The New Jersey Education Association appropriated sufficient funds ($5000) to study the cost of such legislation. When this information was available, a bill was prepared providing for a 90% adjustment whenever the cost of living increases. This adjustment is to be calculated each year. To date that legislation has not been reported out of committee but we are all busy building a favorable climate so that when it comes for vote we hope to be certain of its passage.

It appears to be a long process for those not familiar with legislative procedure, but it is one of the protections of our democracy.

Our State Pension Fund has always refused to give us exact figures on the number of retirees receiving less than $100 or $125 per month, but a rough estimate is 200 approximately. Those, however, are teachers who have had limited service in the New Jersey public schools. Certainly none with as much as 20 years' membership in our pension fund would be included in our estimate of 200. That problem was eliminated by previous pension legislation.

During the last two years, the New Jersey Education Association, with its more than 58,000 members, has spent more than $10,000 in research and communication with legislators, public relations work, and various other media toward bettering the financial status of our 3,000-odd members. Without the New Jersey Education Association, we would feel quite inadequate to accomplish our aims.

CHARLES V. ANDERSEN,
President, NJRTA.
CHARLES L. STEEL,
Legislative Chairman.

NEW MEXICO

Improvements in the New Mexico retirement law in 1967 are termed the "most important since the contributary system was set up in 1957." The changes include:

1. Increasing retirement benefit formula from 1½% of the first $4,000 of the last five-year average salary, or best five consecutive years average, plus 1% of the excess, to 1½% of the first $6,600 of such average salary plus 1% of the excess for each year of service credit.
2. Granting a cost-of-living increase effective July 1, 1967, to all persons retired prior to that date, based upon the change in cost of living from the date of last retirement to July 1, 1967.

CHARLES L. MILLS,
President, NMRTA.

NEW YORK

New York State Retired Teachers Association made no direct gains this year. The reasons are as follows:

1. The Legislature adjourned early because this is the year of a State Constitutional Convention.
2. This is not an election year.

A step was taken which may bear fruit in 1968. A cost-of-living supplementary pension passed one house but failed to emerge from committee in the other house. However, the bill has been before the legislators and ready for 1968.

The minimum annual retirement allowance on superannuation is $175 per month for those who have primary Social Security benefits and $200 per month for those with no Social Security or with secondary benefits.

This distinction between those having primary benefits (which the individual has earned for himself) and those having secondary benefits (which a wife receives through her husband's having earned a benefit) is unfair. Efforts are being made to remove this discrimination.

The State-wide legislative committee has a member from each of the ten zones of the State. As chairman in his own zone, he has a committee to assist in each county or designated area which again is sub-divided.

The committees try to make close contact with all legislators and where possible through teachers who already know the legislators personally, perhaps as former students.

Mrs. EMILY T. BARHYDT,
Vice President, NYSRTA.

NORTH CAROLINA

The 1965 State Legislature increased the monthly benefits from a minimum of $70 to a minimum of $85 for teachers with twenty or more years of teaching experience.

The 1967 Legislature increased the monthly benefits for all teachers who have retired since 1942, by the following schedule: (1) All teachers retiring in 1966 and 1967 will receive a 5% monthly increase.

(2) All other teachers retiring from 1942 through 1965 will receive the above 5%, and an additional 1% for each year of retirement.

For example, a teacher retiring in 1965 will receive 5% plus 1%, a total of 6% increase. A teacher retiring in 1942 will receive 5%, plus 24%, a total of 29%. The increase is based on the present retirement income. No teacher will receive less than a $10 increase.

Most qualifying teachers who retired between 1942 and 1956 will receive from $95 to $110.

THOMAS L. LOOPER,
NRTA State Director.

NORTH DAKOTA

The 1963 Legislature raised the annuity of all teachers retiring before 1947 by 25%. The annuity of many of these was $25 to $30 per month.

Through the efforts of the newly organized NDRTA, resolutions were adopted and presented to the 1965 Legislature. This resulted in a law fixing $60 as a minimum monthly annuity for retired teachers with 25 years of service.

As of January 1, 1967, there were over 500 annuities receiving less than $100 per month. The annuities of approximately 235 of these retirees, over age 70, will move up to $100 per month as a result of our 1967 law. Another 265 of the annuitants will receive $60 per month.

Arthur E. Field,
NRTA State Director.

OHIO

Senate Bill No. 59 passed the Senate in July and as of August 9 is before a favorable subcommittee of the House.

1. For those retired before 1955 it would provide an average increase of 22%.
2. For those retired after 1954, it would provide a cost-of-living increase to restore the purchasing power of the original allowance.
3. It would provide automatic increase of allowance annually when the increased cost of living amounts to 3% or more.

A. O. Mathias,
Legislative Representative, ORTA.

OKLAHOMA

The Oklahoma RTA sponsored seven bills during the 1967 session of the State Legislature. Six bills were amendments of the basic retirement law. One bill proposed an appropriation. All bills were adopted as introduced except the appropriation voted was less than requested.

The amendments were as follows:

"To participate in benefits a member must have been employed and contributing a minimum of ten years; benefits to those retiring between ages of 60 and 62 with 30 years service will be the actuarial equivalent of that computed at age 62; maximum annual contribution by a member increased from $300 to $480; teachers who re-instate memberships by re-depositing withdrawals must also pay interest increases from 3% to 4% payment of benefits to a surviving spouse of a deceased member may be in lump sum or monthly amounts."

Two other bills sponsored by other interests were adopted. One permits investment of retirement funds in securities of insured banks and the other permits a member to authorize with-holding from the monthly check the amount to pay the premium for hospital and medical insurance.

ORTA as a department of the Oklahoma Education Association utilizes the services of the parent organization in legislation. The Chairman of the ORTA Legislative Committee is a member of the OEA Legislative Commission. Officers, directors and designated individuals assist in communication with legislators. The Executive Secretary of ORTA accepts a major responsibility for legislation.

As of June 1, 1967, there were 1,504 retirees receiving less than $100 per month and 808 receive between $100 and $125 per month.

G. T. Stubbs,
Chairman, ORTA Legislative Committee.

OREGON

There are 9500 retired teachers in Oregon. The average pension is $49.50 per month. There are 300 retired teachers receiving no pensions.

Teachers already retired receive bonus checks from accumulated interests on their contributed money. By an Act of the 1967 Legislative this money may be invested in common stocks. This is expected to raise the interest amount which should result in larger checks.

The Retirement Program passed by the 1967 Legislative applies only to those who retire on or after January 1, 1968. No action was taken by the Legislative to provide pension benefits for persons already retired. Immediate action for such legislation is urgently needed.

Myrtle R. Clark,
ORTA President, Retired 1967.
May E. Phinney,
ORTA President.

PENNSYLVANIA

In the previous legislative session two measures were passed, one that raised minimum annuities from $100 to $150 a month for those who had retired as early as 1919. The other provided an opportunity for those whose annuity suffered some reduction when Social Security benefits were first granted to recover that reduction.

The chief legislation that passed both Houses unanimously was a cost-of-living increase in annuities for all employees of the State. The increase is the product of the retirement allowance determined at the time of retirement and prior to optional modifications and the percentages that were listed in the bill. The percentage range from 150% increase for those retired prior to 1933 to 6% for those retired in 1964.

Cost-of-living addition, sponsored by eighteen State Senators and as enthusiastically adopted by the Senate and the House of Representatives in record time, was the result of the State-wide campaign supported by the Pennsylvania State Retired Teachers Association in cooperation with the Pennsylvania State Education Association, and especially by the members of the headquarters staff. Thousands of retirees' letters and other means of contact aroused the legislators' interest in the plight of many retirees of yesteryear.

Dr. Sydney A. Farbish,
NRTA State Director.
Winifred V. Isaacs,
Chairman, Legislative Committee.

RHODE ISLAND

As a result of a 1967 law, Rhode Island now permits the retired teacher to substitute 75 days without loss of pension benefits.

Another bill passed this year and became effective July 1, 1967, to compute the retirement allowance on the three highest consecutive years of service rather than on five. The Legislation was secured with the most complete cooperation between the Rhode Island Education Association, the Retirement Office, and our Rhode Island RTA.

Marie R. Howard,
Chairman, Legislative Committee, Rhode Island RTA.

SOUTH CAROLINA

On March 1, 1967, our Governor signed a bill which gives an average retirement increase of 15% to all State employees. We are working for a cost-of-living increase as part of this year's program for 1967–1968. Our State Retirement System does not give out any figures on the number of teachers in any pension bracket.

The South Carolina Retired Teachers Association Legislation Committee meets in June of each year to make plans for our proposed legislative program for the ensuing year. This program is then presented to the Executive Committee for Board approval.

In July, the SCRTA Legislation Committee presents this approved program to the South Carolina Education Association Legislation Commission. In August, the SCEA Legislative Commission studies this program and, if approved, incorporates it into their overall State Program. In October this program is presented to the SCEA Council of Delegates. Then the SCEA Legislative Commission takes action to bring the proposed Legislative Program to the attention of key members of the State Legislature.

In the meantime, the South Carolina Retired Teachers Association's Legislative Committee keeps in close contact with the Legislation Committee Chairmen in each county. These committees in turn, keep in close contact with members of the State Legislature of their own counties to make sure they are informed on proposed Legislative programs.

Emma F. Davis,
President SCRTA.

SOUTH DAKOTA

The South Dakota Retirement Law did not go into effect until 1959. At first, membership in it was optional, but beginning July 1, 1964, membership was mandatory.

The only State support received have been yearly appropriations for the operation of the Retirement System. However, the 1967 Legislature struck that provision from its books, so there is no more State support. Last year our Association worked in conjunction with the South Dakota Education Association Legislative Committee for the improvement of our present Retirement Laws. Two bills, both affecting the now active teachers, were passed. In essence these were: (1) raise the base on which premiums are paid from $4800 to $6000; (2) more diversification of investments of Retirement Funds.

The two bills affecting the Retired Teachers were killed or tabled by the Appropriation subcommittee. In brief, these bills were: (1) every retired teacher in the State with 20 years experience in South Dakota would have received a pension of at least $60 per month; (2) benefits for service prior to 1959 would have been increased from two-tenths of one percent to eight-tenths of one percent.

As of February 15, 1967, the largest straight life annuity paid to a retired teacher was $58.40; the smallest was $6.39. Twelve retired teachers are drawing straight life annuities of less than $10 per month payable for life. Only a very small number of teachers who retired prior to 1959, with twenty years or more of experience, receive a pension of about $43 a month. This pension comes from a former Retirement System, but when Social Security was available to teachers this System was discontinued and the majority of the members withdrew the money they had put into it. 1 will cite one specific case. One retired teacher taught fifty-one years and receives a South Dakota retirement check of $40 per month.

Florence Krieger,
KRTA State President.

TENNESSEE

The involvement of the Tennessee Education Association with the Tennessee Legislative Council has paid off handsomely. The minimum benefit law was not changed for eighteen years because there was no organized demand for change. Beginning in 1963, rapid improvements occurred in retired teacher benefits. The Tennessee Retired Teachers Association had become a Department of TEA, and the TEA had included the TRTA program as a part of its retirement benefits program. A plan was developed for counting previous years of service. The following new provisions were written into the retirement law in 1967:

1. Retirees with no Social Security who were over age 65 at time of retirement will qualify for $5 times the years of service. For teachers who retired earlier than age 65, the $5 will be actuarially reduced but not below $4.34. (Class B as defined in the law.)
2. Retirees with Social Security will receive a basic minimum benefit not less than $4.34 times the years of service. The Legislature also placed a limit on this group: that the retirement allowance plus his Social Security shall not exceed the retiree's average salary for his ten highest years. (Class A as defined in the law.)
3. With required proof, the retiree with 15 years of teaching in Tennessee may establish "years of service" rendered before 1945 which may then be used in calculating benefits.

C. H. Moore,
President, Tennessee RTA.

TEXAS

The 1967 session of the Texas Legislature authorized increases, across the board, in monthly benefits of already retired teachers by the amount of $1.50 multiplied by the numbers of years each such retired teecher has been retired. For instance, a retired teacher who has been retired for ten years received an increase of ten times $1.50, or $15 per month, or $180 a year. This increase is in addition to each retired teacher's regular retirement benefit payment. The above formula serves to give early retirement teachers the largest increases since they were receiving the smallest regular benefits.

A previous Texas legislative enactment specified that no retired teachers entitled to State benefits is to receive less than $100 per month.

The Legislative program effecting the above stated increases was indorsed by the Texas State Retired Teachers Association and Texas State Teachers Association and other State organizations. The bill was unanimously passed in both houses of the Legislature.

The officers and membership of the Texas State Teachers Association were *most* effective in promoting the passage of our bill.

L. W. Fox,
Chairman, Legislative Committee.

UTAH

Four bills relating to pensions were introduced in the Utah Legislature. Two were introduced into the House and two in the Senate. The two in the House were sponsored by the URTA. The two in the Senate were sponsored by the Utah Educational Association, the Retirement Board, and the Society of Superintendents. This, I believe, was a mistake because there should be greater unity among these groups.

The two bills introduced into the Senate were passed and became law. Senate bill 205 (1) increased the pensions materially for those who will retire in the future, (2) unified all pension systems covering public employees, and (3) provided a 3% increase in pensions for those now retired to cover a cost-of-living increase (which the URTA feels is far from adequate for those now in retirement). Senate Bill 57 gave to that segment of retirees who retired from 1954 to 1961 a $17 a month increase, because this group was still penalized by a 70% offset for those who were receiving Social Security. The 1961 Legislature had repealed the 70% penalty for those retiring after 1961, thereby giving them full coverage under State pensions. There are still inequities existing which we hope may be corrected in the future.

Some of the techniques that we feel were effective were:

1. Candidates seeking election to the legislature were contacted before the elections in the Fall of 1966. This was done to learn of their attitude toward better pensions for retired teachers.
2. Graphs and charts depicting the inequities in the pensions of retired teachers in relation to other public employees were distributed among the legislators.
3. Newspaper coverage and letters of explanation of inequities were written and publicized in the forum and other news media.
4. Many personal contacts were made during the legislative session.

Much more could be said about the mistakes made in our efforts and also about the lessons we learn from our endeavors that should help materially in our efforts in the future.

Merritt L. Poulson,
President, URTA.

VERMONT

On April 17, 1967, Governor Hoff signed H. 54 which provides for an increase in the minimum retirement allowance from $1500 to $2100 annually for those retiring with 35 or more years of service credit; with proportionate deductions for those with less than 35 years of service.

The increase from $1500 to $2100 will take effect on July 1, 1967, and will bring larger benefit payments to those with a high five-year salary average of less than $4200 at the time of their retirement. Approximately 416, or 57.8% of the 720 retired members, will receive increased payments.

Another Act, H. 214, also became law, which increases from $600 to $960 annually the pensions available to former teachers who were 65 or over July 1, 1962, and had taught no less than 14 years. Some 58 elderly retired members benefit from this worthy enactment. H. 68, an Act to increase the maximum interest rate on retirement funds from 4% to 5%, was also passed.

Frank O. Stiles,
President, ARTV.
Lyman C. Hunt,
NRTA Legislative Council.

(Note.—Both Mr. Hunt and Mr. Stiles are members of the State Legislature and serve on the House Education Committee.)

VIRGINIA

The Virginia General Assembly did not meet in 1967. The VRTA legislative program stands as presented in "Trends in Pension Legislation", dated December 20, 1966, plus the following additions: Our Association will urge the 1968 session of the General Assembly to vote a $200 per year increase for those with 30 years service who retired before 1952. This would bring their retirement allowance up to $1,742.48.

Bessie M. Mottley,
President, VRTA.

WASHINGTON

A three part amendment to the Washington State Teacher Retirement Act became effective July 1, 1967.

The inequity of basing pensions for those who retired prior to July 1, 1954, on a maximum of 35 years of service credit, was corrected. From now on all pensions will be based on the total number of years of service credit established with the State Retirement System.

The second portion of the Act increases from 45 to 75 the number of days a retiree may teach in a Public School in a year without pension loss.

The third major provision of the amendment applies to the older retirees who receive no Social Security of any kind and who are not able to qualify for such benefits. They will receive a pension based on $5.50 per month for each year of established service credit. Thus a retiree with 40 years of creditable service will receive a monthly pension of $220.

The bill moved rapidly and on final passage there were only three dissenting votes.

There was no special promotional technique used but the preparatory work done by the WSRTA before the opening of the Legislative Session could have been a determining factor in the outcome.

Early indorsement by the Washington Education Association and the State Retirement System was secured. School forces presented a united front and this was particularly evident at committee hearings on the bill.

Pre-election time was gainfully used to familiarize prospective legislators with the urgent need for this proposal.

Legislators, who were proven political leaders and experienced in legislative strategy, willingly sponsored the bill.

Mabel Haugen,
Chairman, Legislative Committee, WSRTA.

WEST VIRGINIA

In 1967 the West Virginia Association of Retired School Employees tried for the third increase in retirement benefits in three years. The 1967 session was a most difficult one in which to work because the State Legislature was involved in study and extensive discussion in regard to a tax proposal to obtain more state revenue. The tax proposal was defeated and funds were not available for increased pensions.

It has been the practice of WVARSE to determine their own legislative objectives. This is done after a year-long study by the State Legislative Committee, a report at the Annual WVARSE meeting and final decision of the goals by the delegates. Full responsibility for the promotion of the legislative program is assumed by the WVARSE. The Legislative Committee prepares letters and publications for use with the Legislators, the Governor and other State Officials. Arrangements for conferences with the Governor and Legislators are made and executed by retired school employees. The WVARSE legislative committee obtains sponsors for the bills, arranges hearings in the Legislature and makes the presentations. While advice and suggestions are sought from the Executive Secretary of the Teacher Retirement Board and the West Virginia Education Association, the final decisions are made and the major work done by the WVARSE. It is believed that retired people working in their own associations should take the initiative in deciding upon their goals and implementing them. Moreover, the Association believes that retired persons can be most effective in speaking and working in their own behalf.

M. Titus,
Vice President, NRTA, Area 3.

WISCONSIN

For a number of reasons, chief among them that new legislation was passed in 1965 and effective in 1966, nothing new has been presented to the 1967 session of the legislature by WRTA up to this date.

However, research is under way toward presenting legislation for a cost-of-living adjustment to be presented not later than 1968.

The law that went into effect in 1966 provides a minimum pension along with primary Social Security to equal $5 per month per year of experience for those teaching from 20 to 32 years in the public schools of the State. When equated on the basis of straight life insurance this guarantees a minimum income of from $100 to $160 per month after the age of 60 years.

The first year of this law has helped about 1,100 retired teachers receive about $600,000 with an average of about $45 per month.

We think that the most useful elements for success in legislation are:

1. A carefully prepared bill backed by adequate facts and sound research.
2. A hard working, competent legislative committee with plenty of time and know-how.
3. Personal contacts of legislators and others of influence by a large number of well informed members.
4. Letters and more letters by the same membership.

H. C. Wilkerson,
President WRTA.

WYOMING

Seven bills were introduced in the 1967 Session of the Wyoming Legislature to amend the retirement statutes. Five of these bills were passed by the legislature and signed by the Governor.

These bills made the first important changes in the Retirement System since 1953 and have improved the benefits to the retirees.

One amendment reduced the minimum service requirement from 5 years to 4 years to qualify for a monthly retirement allowance at age 60.

Another amendment provides for payment of interest to a member who withdraws his contributions, providing he has less than the minimum service requirement of 4 years.

A third amendment provides for member and matching contributions of 5% each, beginning July 1, 1969. This will increase the retirement benefits after 1969.

Another change in the Law provides that a member may, when he retires, elect one of several options, such as naming his wife as a co-beneficiary to receive retirement allowances upon his death. The same bill also provides that a retired member may be employed on a part-time basis up to 42 hours per month without loss of retirement benefits. Also in the same bill is a provision to permit the Retirement Board to increase the allowances to members now on retirement and to those retiring in the future by the same amount. The estimated increase was from 20% to 30%. This increase in benefits has been received by members since April 1, 1967.

GEORGE E. LINDELL,
NRTA State Director.

DISTRICT OF COLUMBIA

The District of Columbia retired teachers received a cost-of-living adjustment in their February 1967 checks. This was the result of legislation signed July 7, 1966, which provides a cost-of-living adjustment whenever the U.S. Civil Service retirees receive one. No teacher retired from the District of Columbia schools receives less than $125 a month.

ELSIE GREEN.
State Director, DCRTA.

To: RTA Presidents and NRTA State Directors:

The foregoing reports were submitted during July and August 1967 by RTA or NRTA officers. In a few cases we summarized the original report in the interest of brevity. In those reports, however, we tried hard not to distort your facts or explanations.

As you have discovered, the State legislative developments show a wide range in degree of success. One State enacted a pension bill affecting 30,000 retired teachers, while some others met only defeat or opposition this year at the hands of the Legislature or the Governor. A few States produced almost entirely new retirement laws while others needed only to correct inequities.

In some States the RTA, the active teachers association, and the retirement officials seem to work together in perfect harmony. In a few others, friction and misunderstanding obviously have hindered a successful legislative program this year.

Techniques in securing commitments from the Governor or legislative leaders are mentioned when it seemed they would be helpful in other States. Methods of reporting to the RTA membership are described in a few cases for the same reasons.

Several copies of "Pension Legislation by State, 1967" are being sent to RTA State Presidents, State Legislative Chairmen and NRTA State Directors. These officers are invited to request additional copies as needed for other officers and committee members.

We appreciate very much the splendid and effective cooperation of all who contributed to the foregoing summary.

ERNEST GIDDINGS,
Legislative Representative, NRTA.
WASHINGTON, D.C.

Mr. PROUTY. Mr. President, I reserve the remainder of my time.

Mr. LONG of Louisiana. Mr. President, this amendment pursues the same theory or principle as the amendment the Senator from Vermont offered earlier with regard to medicare.

We provided that during the transitional period people who attain the age of 72 could have social security coverage if they had three quarters' coverage. Then, we said in due course that coverage must be six quarters under the transitional period.

Mr. President, this measure would push the transitional period off 1 more year.

Mr. President, it was the judgment of the committee and the Senate at the time and the conference that this very liberal coverage provision should be only a transitional matter and people would have to have six quarters of coverage in 1969 and thereafter.

I believe the House-Senate conferees' judgment was sound in that regard and the Senate accepted it. It is difficult to see why people should receive benefits without paying any amount. The cost of the proposal would be $19 million.

While the estimate on this is $19 million by the Department, the original Prouty amendment was estimated to cost $135 million, but the cost of that has turned out to be $700 million. That is five times as much.

I cannot support the amendment and would hope that it would be defeated. I do not quarrel with the Senator from Vermont for offering his amendment, but I do not believe this is the time to extend coverage to people who contribute nothing to the fund. I believe the time will come when we may have to decide about going in that direction. But I speak on behalf of those who, in good conscience, contribute to and support the fund and expect to get some benefits from it over those who have no relationship at all to it.

Mr. PROUTY. I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PROUTY. Mr. President, I was proud, last year, to introduce an amendment which provided $44 a month for people who did not qualify for benefits under social security because they lacked sufficient coverage under the act. Last year, the Senate voted for the amendment.

The Senate agreed that anyone at the age of 70 should be entitled to a minimum of $44 a month. When it went to conference, it was changed considerably. A maximum benefit of $35 a month was provided and the age at which entitlement to benefits occurred was raised to 72. Over 800,000 have been aided by this watered down version. Are we to refuse to help those turning 72 this year?

Mr. President, do we have the type of society in this country, where we take the aged and the infirm out to the fields or to the woods and let them die?

Mr. President, you would be amazed at the letters I have received from people all over the country expressing gratitude for so little—$35 a month. We must continue to help these people, despite a cost estimated by Mr. Robert Myers of the SSA to be $19 million. I consider this estimate high.

Mr. President, at 4 p.m. today I received an additional estimate from Robert J. Myers, Chief Actuary, Social Security Administration. Earlier in the day based on public statistics of the Social Security Administration my staff, in conjunction with actuarial advice, computed the cost of this amendment to be $229,000. This was based on the fact that there would be 4,090 beneficiaries during the year 1968. This was determined after realizing that only a little over 700 beneficiaries were added under this provision by the Social Security Administration during March, April, May, and June.

It has since come to our attention that the Social Security Administration had a backlog of pending cases relative to special benefits for individuals over age 72. Therefore, approximately 12,000 cases were processed during the month of August. Naturally this additional information makes our estimate of $229,000 a little bit low. However, let me assure you that Mr. Myers' figures are a lot too high. They are too high, Mr. President, because even assuming that 30,000 individuals would be eligible for this benefit, not every one of those individuals would become eligible during the first month of enactment. Therefore, Mr. President, when figuring cost it is safe to take the maximum payable benefits of $50 a month and multiply it by 15,000 individuals for a period of 12 months. This would result in a cost figure of approximately $9 million. That figure, Mr. President, is pretty small when you consider that the increases alone contained in this bill total over $6.1 billion.

Mr. President, we cannot neglect these people. We wish to extend the benefits for only 1 year.

The figures printed in the Social Security Bulletin indicate that in March of 1967, 711 individuals qualified under the proposed amendment; in April, 717; in May, 725, and in June, 729. This is a rate of increase of about 720 a month.

Then suddenly, in August, before this was brought to the Senate floor, apparently 12,000 people have qualified. Mr. Myers, with whom I have had some disagreement in the past about the figures which he has suggested—12,000 qualified in August and prior to that, in preceding months, 711, 717, 725, and in July, 721. I can understand Mr. Myers' problems.

Mr. LONG of Louisiana. Mr. President, I yield myself 3 minutes on the bill.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 minutes.

Mr. LONG of Louisiana. The Senator from Vermont cannot, really, complain too much about the estimate which the department has given on the Prouty amendments. Last year, when they took the Prouty amendment and tried to find some way to keep the cost down, we took as much of it as we thought we could afford.

The Department estimated that the Prouty amendment last year would cost $135 million, but it wound up costing $700 million in the first year of its operation—five time as much. It certainly worried some that people who were never intended to be covered by the program, should draw $565 million a year which Congress did not intend to vote. Some people were happy, I must admit. May I say that a lot of good came out of the amendment although it cost a lot of money.

I heard that some dear old ladies in California were not too happy about it. They thought they might go to jail by taking the money. They went down and talked to their lawyers to make sure that we really did intend to give them this money, because they could not understand why we were sending them money when they had never contributed social security taxes.

We thought enough of the Prouty amendment to "up" it this year. So this amendment comes in to "up" it again—with something for everyone; everyone in the program gets more.

But, Mr. President, every time we put

more people into the program who were never intended to be in it, that means we make it more expensive.

Mr. President, I appreciate the Senator's good intentions. His heart is 1 million percent on the side of the aged, the little people, and those who have been ignored. But most people to benefit by this situation have no social security anyway.

Mr. PROUTY. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. PROUTY. Mr. President, we are extending this for just 1 year. I recall, as I suggested earlier during debate, that we exceeded the public works appropriations and authorizations by $465 million.

This cost of even $19 million, is small indeed when we consider that benefit increases in this bill exceed $6.1 billion. I sincerely hope that Members from both sides of the aisle will support this amendment.

Mr. President, I yield back the remainder of my time.

Mr. LONG of Louisiana. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has now been yielded back on the amendment.

The question is on agreeing to the amendment of the Senator from Vermont [Mr. Prouty].

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Tennessee [Mr. Gore], the Senator from Arizona [Mr. Hayden], the Senator from Missouri [Mr. Long], the Senator from Mississippi [Mr. Stennis], the Senator from Ohio [Mr. Young], are absent on official business.

I also announce that the Senator from Michigan [Mr. Hart] is absent because of illness in the family.

I further announce that the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr. Eastland], the Senator from Minnesota [Mr. McCarthy], the Senator from Arkansas [Mr. McClellan], the Senator from Wyoming [Mr. McGee], the Senator from South Dakota [Mr. McGovern], the Senators from Georgia [Mr. Russell and Mr. Talmadge] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. Cannon], the Senator from Michigan [Mr. Hart], and the Senator from Wyoming [Mr. McGee] would each vote "nay."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Carlson], the Senator from Illinois [Mr. Dirksen], the Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Murphy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper], the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt], and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Utah [Mr. Bennett], the Senator from Oregon [Mr. Hatfield], and the Senator from Illinois [Mr. Percy] are detained on official business.

If present and voting, the Senator from Illinois [Mr. Dirksen], the Senator from Illinois [Mr. Percy], and the Senator from Texas [Mr. Tower] would each vote "nay."

On this vote, the Senator from California [Mr. Murphy] is paired with the Senator from Kansas [Mr. Carlson]. If present and voting, the Senator from California would vote "yea," and the Senator from Kansas would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. Scott] is paired with the Senator from Utah [Mr. Bennett]. If present and voting, the Senator from Pennsylvania would vote "yea," and the Senator from Utah would vote "nay."

The result was announced—yeas 21, nays 52, as follows:

[No. 348 Leg.]

YEAS—21

Aiken
Allott
Baker
Boggs
Brooke
Cotton
Dominick
Fannin
Hartke
Jackson
Javits
Jordan, Idaho
Kennedy, N.Y.
Kuchel
Miller
Mondale
Morse
Pastore
Pearson
Pell
Prouty

NAYS—52

Anderson
Bartlett
Bayh
Bible
Brewster
Burdick
Byrd, Va.
Byrd, W. Va.
Case
Church
Clark
Curtis
Ellender
Ervin
Fulbright
Griffin
Gruening
Harris
Hickenlooper
Hill
Holland
Hollings
Hruska
Inouye
Jordan, N.C.
Kennedy, Mass.
Lausche
Long, La.
Magnuson
Mansfield
McIntyre
Metcalf
Monroney
Montoya
Morton
Moss
Muskie
Nelson
Proxmire
Randolph
Ribicoff
Smathers
Smith
Sparkman
Spong
Symington
Thurmond
Tydings
Williams, N.J.
Williams, Del.
Yarborough
Young, N. Dak.

NOT VOTING—27

Bennett
Cannon
Carlson
Cooper
Dirksen
Dodd
Eastland
Fong
Gore
Hansen
Hart
Hatfield
Hayden
Long, Mo.
McCarthy
McClellan
McGee
McGovern
Mundt
Murphy
Percy
Russell
Scott
Stennis
Talmadge
Tower
Young, Ohio

So Mr. Prouty's amendment was rejected.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KENNEDY of Massachusetts. Mr. President, I send to the desk an amendment which is cosponsored by the Senator from New York [Mr. Javits].

The PRESIDING OFFICER. The amendment offered by the Senator from Massachusetts will be stated.

The assistant legislative clerk proceded to read the amendment.

Mr. KENNEDY of Massachusetts. Mr. President, I ask unanimous consent to dispense with further reading of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 407, after line 5, add a new section as follows:

"STUDY OF FAMILY AND CHILD ALLOWANCE PROPOSALS

"Sec. 405. (a) The Secretary of Labor is authorized and directed to conduct a study and investigation of the various proposals for family allowances and child allowances. In such study and investigation, the Secretary of Labor shall give consideration to (1) the effect of enactment of any of these proposals upon the various Federal-State assistance programs, and (2) the savings which might accrue to the United States Government and to the various State governments from the enactment of such proposals.

"(b) In carrying out this study and investigation, the Secretary of Labor shall consult with the Secretary of Health, Education, and Welfare, and with all other appropriate government departments and agencies, and with such other organizations and individuals as he deems appropriate.

"(c) On or before January 15, 1969, the Secretary of Labor shall transmit to the President and to the Congress a report which shall contain a full and complete statement of the findings of fact and the conclusions of such study and investigation including appropriate recommendations for congressional action."

Mr. KENNEDY of Massachusetts. Mr President, I will not take much time on this amendment. This amendment, which is cosponsored by the Senator from New York [Mr. Javits], would require the Secretary of Labor to carry out a yearlong study of the feasibility of the various family and child allowance proposals.

There has been wide public debate and discussion of these various proposals for income support, culminating in President Johnson's announcement in his 1967 Economic Report to the Congress that he would appoint a commission to examine them. The President said:

> Completely new proposals for guaranteeing minimum incomes are now under discussion. They range from a 'negative income tax' to a complete restructuring of Public Assistance to a program of residual public employment for all who lack private jobs. Their advocates include some of the sturdiest defenders of free enterprise. These plans may or may not prove to be practicable at any time. And they are almost surely beyond our means at this time. But we must examine any plan, however unconventional, which could promise a major advance. I intend to establish a commission of leading Americans to examine the many proposals that have been put forward, reviewing their merits and disadvantages, and reporting in 2 years to me and the American people.

There has not yet been the announcement of such a commission. Let me cite briefly some of the other activity in this field:

On December 9, 1966, the U.S. Chamber of Commerce conducted a "National Symposium on Guaranteed Income," hearing from a wide range of experts from private and public life on this subject, which included discussion of family and child allowances;

In 1966, the President's Council of Economic Advisers, the White House Conference on Civil Rights, and the National Commission on Technology, Automation, and Economic Progress all recommended further and intensive study of this concept;

In February of 1967, Walter Reuther urged the initiation of an immediate study of the concept; and

In 1966, the Senate Subcommittee on Executive Reorganization, in its hearings on the Federal role in urban affairs, received many statements of the advantages of close study and possible implementation of some of the proposals.

This summary of the many different individuals and groups suggesting the need for quick action in studying the family and child allowance concept is indicative of the widespread interest in it. It is also indicative of the widespread support the proposal has.

There are almost as many variant proposals as there are proponents of the concept. To cite just two:

Prof. Daniel P. Moynihan of Harvard, former Assistant Secretary of Labor, proposes a program of family allowances, based on the number of children in a family with regard to a means test; and

Alvin L. Schorr of HEW also favors family or child allowances, but he would couple a larger allowance per child with an elimination of the income tax exemptions for children, which would reduce the windfall to rich families.

Most of the proponents of these plans share a number of common dissatisfactions with existing income support programs, such as the public assistance provisions of the Social Security Act, the unemployment insurance programs, and the veteran's pension plans, to cite only a few. These dissatisfactions hinge upon both the high cost of supporting the administrators of these programs, and the often humiliating interferences of these administrators in the lives of their clients. The cost of welfare would be less, and the lives of recipients better, the argument goes, if a more comprehensive form of cash assistance were substituted.

The House-passed 1967 Social Security Amendments, and the Senate committee bill, both contain new programs designed to increase reliance upon wages and to decrease reliance upon welfare. These programs can be very productive, I believe, but only if modified to reduce their coercive and harsh nature. The Senate bill is a great improvement over the House bill in this regard, and some of the changes made on the Senate floor have improved it still further.

But there are millions of Americans who cannot work—they are too young. Yet they all must eat. They all need medicines and doctors. They all need shelter and clothes. The issue is, How can we best bring these rudiments to them?

Their numbers are not small. In May 1967 there were 3,739,000 AFDC children.

Various of the proposals would apply to all families, irrespective of need. Others would apply only to the poor. Some rely upon the income tax machinery. Others operate independently of it.

All of the proposals have some merit to recommend them. What we need, I think, is a high-level, exhaustive study of the advantages and disadvantages both of the general concept and the specific proposals.

The amendment I offer gives the Secretary of Labor broad discretion to consult with a wide variety of experts in developing an information base and a series of recommendations as well as requiring him to consult the Secretary of Health, Education, and Welfare. The Secretary is required to report on January 1, 1969, to the 91st Congress, on these findings and recommendations.

We Americans live in a country of incalculable riches. We have the resources to eliminate hunger and want. We have the abilities to offer everyone a life of security and dignity.

We must not lack the will to bring these fruits of our progress to all Americans. The cost of our failure to do so will be far higher than the cost of putting reforms into effect—cost measured in human suffering and cost measured in dollars.

But before we can reform we must have knowledge. That knowledge will be available if the study my amendment proposes is carried out.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. KENNEDY of Massachusetts. I yield.

Mr. JAVITS. Mr. President, this amendment has been confined, at my request, to family and child allowances, although originally, as printed, it dealt with many others, including guaranteed income.

I believe that this is the essence of the one real scheme which might have some promise in view of what there is happening in the whole welfare field, which has been testified to extensively.

I may point out that over 40 countries in the world have family and child allowance plans. I think it would be worthwhile to look into it, and I hope the Senator from Louisiana will take the amendment to conference.

Mr. LONG of Louisiana. Mr. President, I am willing to take the amendment to conference.

I yield back my time.

Mr. KENNEDY of Massachusetts. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BAYH. Mr. President, I send an amendment to the desk and ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 57, line 18, strike "(1) (A)".

On page 57, line 21, strike "$140" and insert in lieu thereof "$200".

On page 57, line 24, strike "$140" and insert in lieu thereof "$200".

On page 58, line 1, strike "(2)" and insert in lieu thereof "(b)".

On page 58, lines 1–2, strike paragraph (1) and insert in lieu thereof subsection (a).

On page 58, strike lines 4–14.

Mr. BAYH. Mr. President, in recent years both the President and Congress have brought to the problems of the aging a new perspective. To the elderly themselves, this has brought a new hope. As a society, we are today committed to the simple and just proposition that those who have labored long to build this Nation have a right to live out their later years in dignity. How can we insure that necessary feeling of self-respect? The answer, simply, is to see that our senior citizens are self-sufficient; that they are not dependent upon welfare payments; that they are not subject to the embarrassments that come from outright dependence upon their children.

Older Americans, unfortunately, have on the average only half the income of other age groups. Most of those aged 65 and over depend almost entirely upon fixed incomes—incomes that do not reflect the continually rising cost-of-living. As a result, elderly Americans are forced to spend two-thirds of their disposable income on food, shelter, and health care—the basic necessities. Younger age groups, in contrast, spend only one-half of their disposable income on these three items. Obviously, our senior citizens do not have the financial resources to enjoy retirement. For the great majority of the retired the said fact is that they have little to look forward to after a lifetime of labor. Retirement is a time to be dreaded. Is that the American dream?

Yet many of these citizens have a great deal to offer society. They want to be—and can be—productive members of their communities. It is our task here in Congress to facilitate the employment of the elderly—as we recently did in passing a measure prohibiting age discrimination in employment. But we need to do more. We must encourage the aged to contribute to society. Are we so wealthy that we can afford the luxury of supporting these citizens? The plain truth is that we are not. Our society is facing a crisis—both in our urban areas and in our rural communities. We need the talent and experience of these senior citizens—in business, in agriculture, and in education. Let us provide them with this opportunity.

Mr. President, one of the most direct ways we can provide the incentive for employment is to liberalize the earnings limitation test in the social security law. I realize, of course, that the basic purpose of retirement benefits is to serve as a partial replacement for income from work. In order to determine when a worker eligible for retirement benefits has actually retired, the law includes an earnings test. The retirement test is an essential element of the social security system—to provide insurance against the loss of earned income.

The present test, however, is an unrealistically low $1,500. Thus, for every dollar a social security beneficiary earns over $1,500 he will lose some or all of his benefits. Earned wages from $1,500–$2,700 will result in the loss of $1 in benefits for every $2 earned. Anything above $2,700 and the recipients will suffer the loss of $1 in benefits for every $1 earned. The President has recommended, and the House approved, an increase in the basic limitation to $1,680—a step in the right direction. The Senate Finance Committee, realizing the need to modernize the earnings test, has raised the level to $2,000, beginning in 1969—a step further along the right path. I congratulate the distinguished chairman of the Finance Committee, Mr. LONG, for his efforts.

Mr. President, I believe it is necessary to raise the earnings limitation even further. It must be increased to a level that will not discourage—and in fact will encourage—as many social security beneficiaries as possible to continue making a contribution to their communities. Despite the action of the Finance Committee, a great many people would still be discouraged from earning a reasonable amount.

While only $1 in benefits would be withheld for every $2 earned between $2,000 and $3,200, any additional income would result in the loss of $1 in tax-exempt benefits for each $1 of taxable wages. Continued employment, therefore, is less profitable.

Mr. President, these people want to work—and should have the opportunity to work—but where is the incentive?

My amendment, very simply, would raise the minimum amount to $2,400 a year. In other words, a person could earn $200 a month before he lost any social security benefit. For every $2 earned between $2,400 and $3,600, the beneficiary would lose $1 in benefits. Beyond that, a dollar in earnings would result in the loss of a dollar in benefits.

This amendment would do two things, Mr. President. First, it would give elderly people an opportunity to supplement their social security incomes. It is not a dole; it would give them an opportunity to work for that money. Many of them want to. The dollars are important to them. Even more important than the dollars, moreover, is the fact that they would have a chance to make a positive contribution.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. MILLER. Mr. President, will the Senator from Indiana yield to me briefly for a question?

Mr. BAYH. I am happy to yield.

Mr. MILLER. As I understand the Senator's amendment, it would permit $2,000 of outside earnings without any deduction?

Mr. BAYH. Two thousand four hundred dollars of outside earnings. Two hundred dollars a month.

Mr. MILLER. Two thousand four hundred dollars of outside earnings without any reduction?

Mr. BAYH. That is correct.

Mr. MILLER. If I am a social security recipient, and I receive $500 in a year, and the Senator is a social security recipient receiving $1,200 in a year, in either case, under the Senator's amendment, we would be permitted to earn $2,400 per year?

Mr. BAYH. That is correct.

Mr. MILLER. I appreciate the Senator's response.

My objection, Mr. President, as I pointed out in connection with a previous amendment, is that the Senator, with $1,200 in benefits, will not have to earn as much as I, with only $500, in order to reach a decent level of income. That is why I think a variable level of earnings is so important.

Mr. BAYH. I appreciate the Senator's argument. In essence, what the matter amounts to is that if Senators want people to be able to earn up to $200 a month without being penalized, they will vote for my amendment; if they do not, they will vote against it.

Mr. HARTKE. Mr. President, I endorse the amendment of my colleague. I offered, in the committee, an amendment which would have excluded all earnings. Unfortunately, that did not succeed. I am hopeful that the Senate can agree to the more moderate amendment of my colleague from Indiana.

Mr. YARBOROUGH. Mr. President, will the Senator yield?

Mr. BAYH. I yield to the Senator from Texas.

Mr. YARBOROUGH. What would the Senator's amendment cost the Treasury?

Mr. BAYH. This amendment would cost the Treasury about $450 million more than the present increase. The increase the committee recommends would eventually cost—I believe I am correct, though the chairman may disagree—either $450 million or $500 million. The increase from $1,500 to $1,680 in the first year will cost $140 million; the increase from $1,680 to $2,000 a year will cost $450 million, and the increase I am suggesting would cost an additional $450 million a year. It would cost exactly the same amount that the $320 increase in the present bill would cost.

Mr. YARBOROUGH. The Senator's amendment, then, would cost no more than the present bill?

Mr. BAYH. No, it would cost that much in addition.

Mr. YARBOROUGH. Oh, in addition to the present bill; the last addition?

Mr. BAYH. Yes.

The chairman of the committee points out that this would cost some money, and I am not trying to hide that. The question is whether it is worth the cost to permit these people, in their twilight years, to get out and earn some income.

Mr. YARBOROUGH. In other words, the present bill would add $450 million, and the Senator's would add $450 million more?

Mr. BAYH. Well, the first increment would cost $140 million. In other words, the present limitation is $1,500 a year. When that increases to $1,680, it will cost an additional $140 million. When it goes to $2,000, it will cost an additional $450 million. My amendment, with the exemption raised to $2,400 a year, would cost another $450 million.

Mr. YARBOROUGH. I thank the Senator.

Mr. MONRONEY. Mr. President, will the Senator Yield?

Mr. BAYH. I yield.

Mr. MONRONEY. Would these retired employees be paying social security taxes on their exempt earnings on the job?

Mr. BAYH. Mr. President, I stand corrected. I believe that they would pay social security tax on their income if they continued to earn.

Mr. MONRONEY. I think the greatest tragedy we face is the presentation of a gold watch on reaching the age of 65, and the trusted employee being pushed out into retirement.

He is happy with his gold watch. He and his wife go to Florida for 2 weeks; they have the trip they have dreamed of, and they come back home and face a life of utter boredom. I think psychologically we are destroying the initiative and the utilization of many, many wonderful citizens. I have had friends, apparently in good health, who have died shortly after retirement.

I have heard of industries in my State which have advertised for messengers. Age being no disqualifying factor, they have had dozens of men who had been junior executives in their time, or had been skilled workers, applying and begging for the job of messenger, so they would have something to go to work to every morning, after they had overcome the 1 or 2 months of how wonderful retirement can be.

I think one of the most cruel things we do in our social security system is put so many good men on the shelf. I have been pressing the Civil Service Commission, now that we find ourselves hard pressed in many areas of this country for good, intelligent, reliable, honest, responsible employees to carry the mail or to sort the letters, and have been begging them to accept applications of men over 65 years of age, and give them an opportunity to go on, perhaps at a lesser number of days a week, but to be able to feel that they are useful in this world.

It is above and beyond the matter of money. It is the matter of finding work and things to do, for men who have been trained to a lifetime of work habits and, after a brief pause for retirement, find it is utter and discouraging boredom.

Mr. BAYH. If the Senator will yield, it seems to me that we have here a double-barreled increase in benefits. First, income to the citizen who needs it. Second, society also stands to benefit from the services such persons can still render.

Mr. MONRONEY. Certainly the Government can do this. Certainly they would benefit by being able to recruit able men to replace some of the men, frequently practically unemployable, upon whom they are now forced to depend.

Mr. LONG of Louisiana. Mr. President, I yield myself 3 minutes.

Most people do not retire under social security until approximately age 67. It used to be age 68. The big cost of increasing this earnings test is because the retired people who would draw benefits are people who really are not retired.

Mr. President, the two Senators from Indiana, may I say, have taken my laurels many years ago, as far as being for more aid to the needy, the aged, and the poor.

I can recall the years when I used to be the one with the billion dollar amendment and the $2 billion amendment. I thought I made some pretty good speeches for some fairly costly amendments. I cannot recall that I ever put a tax on one of my amendments to pay for the benefits.

I thought that that would come out of the Treasury or just increase the deficit or would come out of the trust fund.

I cannot quarrel with Senators who make amendments of that sort. Then it never occurred to me that I might sometime have to resist amendments because of the cost.

The senior Senator from Indiana went the junior Senator from Indiana one better. He wanted to let everybody above the age of 65 draw his full social security benefits.

The best argument I have against the

amendment is that it would cost $2 billion a year, and there are other ways we might find to help other people who are more in need of help and where the benefits could be distributed to greater advantage. That is the best argument against it. Moreover, the amendment would increase the cost of the bill over what we have done here by another $600 million in 1968. In 1969 it will increase the cost of the bill by $450 million over what we have provided.

The reason that the increase in cost would not be as much in 1969 as in 1968 is because the committee bill provides an earnings test of $2,000 a year and a person can keep one-half of the next $1,200 that he makes.

The amendment will be popular with people who receive the additional benefits, but it is an expensive thing.

While on this subject, the record might as well indicate that the senior Senator from Indiana, as well as having the courage to take the retirement test off completely so that there would be no limit to the income received, is also in favor of a 20-percent social security increase with a $100 minimum.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG of Louisiana. Mr. President, I yield myself 1 minute.

I cannot keep up with my friends from Indiana as to what they are willing to do in this area.

Mr. COTTON. Mr. President, will the Senator yield?

Mr. LONG of Louisiana. I yield.

Mr. COTTON. Mr. President, when the Senator speaks of the cost to the Treasury, he is talking about the fact that there may be less dollars that these old people will have to kickback to the social security because they work and earn something. Is that what the Senator refers to as cost to the Treasury?

Mr. LONG of Louisiana. This would pay out about $600 million more next year without bringing any more in. That is what this amendment would do.

Mr. COTTON. In other words, the only cost involved is that these old people do not have to sacrifice some of their social security and are allowed to earn a little more without sacrifice. That is what is meant by cost to the Treasury.

Mr. LONG of Louisiana. It would cost the fund money in 1968. It would put the national income accounts $600 million more in the red. It would do that. There would though still be a surplus flowing into the fund. I would be prepared to concede that.

Mr. BAYH. Mr. President, I yield 1 minute to my distinguished colleague from Indiana, the senior Senator from Indiana.

Mr. HARTKE. Mr. President, I say to my distinguished chairman, as he well knows, that this bill is overfinanced approximately $2 billion. I only agreed to that in order to get the bill out of the committee.

The Senator well knows that there is $2 billion in the bill that the committee would not take out, and that the people will pay the social security tax.

This is a fact of life, and the truth is that every coupon clipper, every rent collector, and every man with a bank deposit drawing interest can keep every penny, but if one works with his hands, there is something that soils that person and he cannot be allowed to keep that money.

I think there ought to be equity among people who work as well as among those who earn their money on unearned income.

I hope that the amendment of my colleague from Indiana is agreed to overwhelmingly.

Mr. LONG of Louisiana. Mr. President, I yield myself 1 minute.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 1 minute.

Mr. LONG of Louisiana. Mr. President, in 1968 the fund will not collect enough new money to pay for the projected new benefits and will retain only enough funds to pay 1 year's benefits under the pending bill.

That fact is severely criticized, may I say, in the minority report filed by the Republican members of the committee.

If the pending amendment is agreed to, the fund will be $600 million worse off in that respect, and the Government would be in a worse deficit position.

Mr. BAYH. Mr. President, I thank my friend, the Senator from Louisiana, for the very favorable comparison.

I do not really think it is deserved. I do not think the Senator was irresponsible in those early years. And I do not think that the suggestion I am making here this evening is irresponsible. There are people under the present bill who, despite the committee's work, will be earning only $70 for a single individual and $105 a month for a couple. Are we going to begrudge them $200 a month if they go out and earn it with their hands?

This is not a giveaway program. These people pay social security tax and income tax on the money they earn.

Mr. LONG of Louisiana. Mr. President, I yield back the remainder of my time.

Mr. BAYH. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Indiana. On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada [Mr. Cannon], the Senator from Tennessee [Mr. Gore], the Senator from Arizona [Mr. Hayden], the Senator from Missouri [Mr. Long], the Senator from Mississippi [Mr. Stennis], and the Senator from Ohio [Mr. Young] are absent on official business.

I also announce that the Senator from Michigan [Mr. Hart] is absent because of illness in the family.

I further announce that the Senator from Connecticut [Mr. Dodd], the Senator from Mississippi [Mr. Eastland], the Senator from Minnesota [Mr. McCarthy], the Senator from Arkansas [Mr. McClellan], the Senator from Wyoming [Mr. McGee], the Senator from South Dakota [Mr. McGovern], the Senators from Georgia [Mr. Russell and Mr. Talmadge] are necessarily absent.

I further announce that, if present and voting, the Senator from Nevada [Mr. Cannon], the Senator from Michigan [Mr. Hart] and the Senator from Wyoming [Mr. McGee], would each vote "yea."

Mr. KUCHEL. I announce that the Senator from Kansas [Mr. Carlson], the Senator from Illinois [Mr. Dirksen], the Senator from Hawaii [Mr. Fong], the Senator from California [Mr. Murphy], and the Senator from Pennsylvania [Mr. Scott] are necessarily absent.

The Senator from Kentucky [Mr. Cooper], the Senator from Wyoming [Mr. Hansen], the Senator from South Dakota [Mr. Mundt], and the Senator from Texas [Mr. Tower] are absent on official business.

The Senator from Utah [Mr. Bennett], the Senator from Oregon [Mr. Hatfield], and the Senator from Illinois [Mr. Percy] are detained on official business.

If present and voting, the Senator from Illinois [Mr. Dirksen] would vote "nay."

On this vote, the Senator from California [Mr. Murphy] is paired with the Senator from Utah [Mr. Bennett]. If present and voting, the Senator from California would vote "yea" and the Senator from Utah would vote "nay."

On this vote, the Senator from Illinois [Mr. Percy] is paired with the Senator from Kansas [Mr. Carlson]. If present and voting, the Senator from Illinois would vote "yea" and the Senator from Kansas would vote "nay."

On this vote, the Senator from Pennsylvania [Mr. Scott] is paired with the Senator from Texas [Mr. Tower]. If present and voting, the Senator from Pennsylvania would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 50, nays 23, as follows:

[No. 349 Leg.]

YEAS—50

Aiken
Allott
Baker
Bartlett
Bayh
Boggs
Brewster
Brooke
Burdick
Byrd, W. Va.
Church
Clark
Cotton
Dominick
Ervin
Fannin
Fulbright
Griffin
Gruening
Hartke
Hollings
Inouye
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy, Mass.
Kennedy, N.Y.
Magnuson
McIntyre
Metcalf
Mondale
Monroney
Montoya
Morse
Moss
Nelson
Pastore
Pearson
Pell
Prouty
Proxmire
Randolph
Ribicoff
Sparkman
Spong
Symington
Tydings
Yarborough
Young, N. Dak.

NAYS—23

Anderson
Bible
Byrd, Va.
Case
Curtis
Ellender
Harris
Hickenlooper
Hill
Holland
Hruska
Kuchel
Lausche
Long, La.
Mansfield
Miller
Morton
Muskie
Smathers
Smith
Thurmond
Williams, N.J.
Williams, Del.

NOT VOTING—27

Bennett
Cannon
Carlson
Cooper
Dirksen
Dodd
Eastland
Fong
Gore
Hansen
Hart
Hatfield
Hayden
Long, Mo.
McCarthy
McClellan
McGee
McGovern
Mundt
Murphy
Percy
Russell
Scott
Stennis
Talmadge
Tower
Young, Ohio

So Mr. Bayh's amendment was agreed to.

Mr. HARRIS. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. HARRIS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 164, between lines 5 and 6, insert the following:

"Sec. 149c. (a) Section 1861(r) of the Social Security Act (as amended by sections 127, 149a, and 149b, of this Act) is further amended by—

"(1) striking out 'or (5)' and inserting in lieu thereof '(5)', and

"(2) inserting before the period at the end thereof the following: ', or (6) a psychologist licensed or certified as such by the State, but only for purposes of 1861(s)(1) and 1861(s)(2)(A) and only with respect to functions which he is legally authorized to perform as such by the State in which he performs them'.

"(b) The amendments made by subsection (a) of this section shall take effect with respect to services furnished after March 31, 1968."

Mr. HARRIS. Mr. President, I yield myself 3 minutes, which is all I will use, and I will not request a rollcall vote.

This amendment would create a new subsection 149c to include under medicare payments the services of clinical psychologists without referral of a physician.

My amendment is designed to repair a deficiency which came to my attention after the Committee on Finance had completed its consideration of H.R. 12080, but this matter has been discussed with the distinguished manager of the bill and I hope that he will accept the proposed amendment and take it to conference with the House.

This amendment would remove the present undesirable and unnecessary constraints on the delivery of mental health services to patients and would increase the utilization of mental health manpower resources available today.

The present defects in existing legislation arise from the fact that two independent but equally well qualified professions, psychiatry and clinical psychology, offer similar and frequently identical services to the public. However, present regulations require that the services of clinical psychologists be reimbursed only if included in a physician's bill or as part of the charges of a clinic directed by a physician. This restriction denies the patients direct access to the many qualified clinical psychologists who are independent practitioners and unaffiliated with clinics or private physicians. There are some 3,000 qualified clinical psychologists in this category throughout the country engaged in either full-time or part-time treatment of mental health patients.

The House of Representatives this year included a similar amendment which would provide for the services of podiatrists. The Senate committee bill extended these provisions to include chiropractors and optometrists. Certainly, the professional competence and standing of qualified clinical psychologists is equivalent to that of the aforementioned professions. There are 33 States which recognize the profession of clinical psychology with official licensing or certification requirements, all but one of which require that the practitioner have a doctor of philosophy degree plus a minimum of 1 year of experience, with most of the States requiring 2 years of experience or more in addition to the doctor of philosophy degree. My amendment would be limited to those psychologists who are certified or licensed by their respective States.

This amendment is consistent with the purposes of the Mental Retardation Facilities and Community Mental Health Centers Construction Act enacted by the Congress in 1963, which was designed in part to stimulate the development of our manpower resources in the field of mental health, and I urge my friend, the distinguished manager of this bill, to accept the proposed amendment.

I ask unanimous consent that a letter in connection with this matter be printed at this point in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

May 1, 1967.

Hon. Jacob H. Gilbert,
U.S. House of Representatives,
Longworth Office Building,
Washington, D.C.

Dear Mr. Gilbert: This letter is in response to several questions you raised in our meeting with you last Wednesday in connection with the proposal to amend H.R. 5710 to include the services of psychologists under Part B of Title 18 (Medicare).

Under *current* arrangements, regulations promulgated by the Social Security Administration in September 1966 (for PL 89–97) allow outpatient psychologists' services to be reimbursed under two conditions:

1. Diagnostic testing on referral from a physician, Section 1861, (s), (3) (p. 37). Psychologists may bill patient directly.

2. Psychological services (including psychotherapy) incident to a physician's services, Section 1861, (s), (2), (p. 36). The physician bills for the services, including charges for the psychologist's services. These services are *not* subject to the limitations imposed on a psychiatrist (or other physician) for the outpatient treatment of "mental, psychoneurotic, and personality disorders of an individual . . ." Section 1833, (c) (p. 18).

I am enclosing a copy of the Social Security Administration regulations which describe the above provisions. See also pp. 3–4 of Dr. Brayfield's testimony dated March 10 which you have.

HR 5710, the new administration package, proposes no changes in the above provisions.

Under the new arrangements, embodied in the proposed amendment discussed with you last week, psychologists' services would be surfaced to the level of the statute. Outpatient services by qualified psychologists would not include the necessity of physician referral or direction. Details of this change are covered in materials already presented to you. Once again we should like to repeat a key feature of the amendment: the *range of conditions* covered by the statute for the mental health care of the elderly would not be altered in any fashion; there would only be an extension of the availability of qualified mental health professionals to provide essentially comparable services.

Your other question had to do with the training and experience requirements for state laws governing the practice of psychologists. As of this date, 33 states now legally recognize the services of psychologists. The table below presents the essential facts.

It is clear from this table that the model level of required training and experience is the doctoral degree and two years of acceptable experience. Other analyses also show that this level of training and experience is increasingly becoming the preferred level (relative to PhD and 1) in the more recently enacted state laws.

TRAINING AND EXPERIENCE REQUIREMENTS IN STATE LAWS COVERING THE PRACTICE OF PSYCHOLOGY,[1] MAY 1, 1967

Training and experience (years)	States	Number
Ph. D. and 5	Michigan	1
Ph. D. and 3	Minnesota	1
Ph. D. and 2	Colorado, Florida, Idaho, Illinois, Louisiana, Maryland, New Hampshire, New Jersey, New Mexico, New York, Oklahoma, Oregon, Utah, Virginia, and Kansas.	15
Ph. D. and 1	Alaska, Arkansas, California, Connecticut, Delaware, Georgia, Kentucky, Mississippi, Nevada, Tennessee, and Washington.	11
Ph. D. only	Alabama, Arizona, Wyoming, and North Dakota.	4
Ph. D. or M.A. and 1.	Maine	1
Total		33

[1] As you would expect, State laws typically include a "grandfather" provision. For persons holding a master's degree, the additional experience requirements range roughly between 5 and 7 years.

We trust that this additional information is of help to you in your consideration of our proposal. Please feel free to contact me here or Mr. Williams in New York if we can be of further assistance. And we want to thank you again for the courtesy of your time and attention last week during this obviously busy period.

Sincerely yours,

John J. McMillan,
Administrative Officer,
State and Professional Affairs.

Mr. LONG of Louisiana. Mr. President, I yield myself 1 minute.

Mr. President, the pending amendment would permit clinical psychologists to do the type of work they are authorized to do under State law. We have done this type of thing in the committee bill with regard to optometrists and chiropractors, as I recall. It would be no departure from the philosophy of the bill to do the same for these people in the psychiatric field, to help with the type of work they are licensed to do under State law; and I would be willing to consider the amendment in conference.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from Oklahoma.

The amendment was agreed to.

Mr. KUCHEL. Mr. President, on behalf of myself and my distinguished colleague from California [Mr. Murphy], I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. KUCHEL. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 304, line 9, after "December 31, 1966,".

On page 304, line 24, after "December 31, 1966,";

On page 305, line 14, after "December 31, 1966,"; and

On page 306, line 8, after "December 31, 1966" insert the following: "(as of June 30, 1966 if the State plan includes provisions for automatic cost of living adjustments in aid or assistance under such plan)".

Mr. KUCHEL. Mr. President, I have discussed this matter with the floor manager of the bill, who will take it to conference.

I have a telegram from the Governor of California, which is self-explanatory, and which reads as follows:

NOVEMBER 16, 1967.

Senator THOMAS H. KUCHEL,
U.S. Senate Building,
Washington, D.C.:

Urge deletion of Senate Finance Committee version of HR 12080 requiring average increase of $7.50 for all aged, blind and disabled recipients whether or not receiving Social Security minus any increases made after December 31, 1966. Understand committee included this in recognition of fact that Federal Government has not provided for any increases in these public assistance programs since 1965.

California passed on the $3.50 public assistance increase of 1965 in January 1966. In addition, California has a built in cost of living provision in law through which grants to these recipients were increased $2.00 in December 1965, $2.00 in December 1966 and will be increased $3.00 in December 1967.

The budget act of 1966 provided an additional $4.00 increase in OAS and AB for F/Y 66/67, which was renewed for F/Y 67/68 through budget act of 1967.

Most feasible tack is to modify, urge change from 12/31/66. The use of 12/31/66 as cut off date for credit on increases in these programs penalizes States like California which have provided regular methods of increasing these payments during the period when the Federal Government has taken no action to do so. Under present Senate version general fund cost to California would be 13.5 M for the 1968/69 fiscal year.

RONALD REAGAN,
Governor.

The amendment I offer would move back the cutoff date for credits or increases back to June 30, 1966, provided the State plan includes provisions for automatic cost-of-living adjustments in such aid or assistance. To do otherwise would be to penalize those States which have provided regular methods of increasing these payments during the period when the Federal Government has taken no action to do so.

Mr. LONG of Louisiana. Mr. President, as I understand it, the committee amendment creates compliance problems in the State of California in a way that was not intended. It deals with a peculiarity of the California plan. We certainly did not intend to create that type of problem, and the pending amendment would make it easier for California to comply with the committee amendment. I would be willing to accept the amendment.

I yield back the remainder of my time.

Mr. KUCHEL. I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendment of the Senator from California.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. LONG of Louisiana. Mr. President, I send to the desk a number of technical amendments, and I ask unanimous consent that the reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendments will be printed in the RECORD.

The amendments are as follows:

Strike out the table which begins on page 11 and ends on page 13.

On page 48, line 23, strike out "insurance benefit".

On page 51, line 23, strike out "each place it appears therein" and insert in lieu thereof "(each place it appears therein)".

On page 53, line 4, after "place" insert "after the first place".

On page 74, line 3, strike out "and".

On page 92, line 18, immediately after the period insert the following: "Notwithstanding the provisions of the second sentence of such paragraph (1), such firemen's positions shall be deemed a separate retirement system and no other positions shall be included in such system."

On page 94, line 24, strike out "after 1967".

On page 95, strike out line 18.

On page 95, line 22, strike out "provilsons" and insert in lieu thereof "provisions".

On page 98, line 25, strike out "remuneration paid" and insert in lieu thereof "services performed".

On page 103, line 19, strike out "authority" and all that follows and insert in lieu thereof "Authority."

On page 107, line 15, delete "subsection (k)" and insert in lieu thereof "subsections (j), (k), (m), and (o)".

On page 114, line 19, strike out "(c)" and insert in lieu thereof "(c),".

On page 119, line 10, strike out "clinic" and insert in lieu thereof "clinic,".

On page 121, line 2, strike out "1861 (p) (4) (A)" and insert in lieu thereof "1861 (p) (4) (A),", and strike out "if," and insert in lieu thereof "if".

On page 126, line 14, strike out "with" and insert in lieu thereof "(with".

On page 129, line 2, strike out "entitled," and insert in lieu thereof "entitled".

On page 134, line 2, strike out "attributable to depreciation of" and insert in lieu thereof "for depreciation attributable to".

On page 148, line 2, strike out "1967" and insert in lieu thereof "1967,".

On page 148, line 12, strike out "1813" and insert in lieu thereof "1814".

On page 151, line 15, strike out " 'and" and insert in lieu thereof " ', and".

On page 153, line 5, strike out "(a) and (b)" and insert in lieu thereof "(b) and (c)".

On page 155, lines 17 and 18, strike out "subparagraph (B) of".

On page 157, lines 9 through 14, strike out "of an institution shall be included unless such institution meets the definition of a hospital for purposes of section 1814(d) or the definition of an extended care facility (as defined in subsection (j), and such other conditions relating to health and safety of individuals with respect to whom such items and services are furnished as the Secretary may find necessary.' " and insert in lieu thereof "of an institution which meets the definition of a hospital for purposes of section 1814(d) shall be included unless such other conditions are met as the Secretary may find necessary relating to health and safety of individuals with respect to whom such items and services are furnished.' ".

On page 161, line 11, strike out "1967" and insert in lieu thereof "1967,".

On page 163, line 17, after "by" insert "section 127(a) and", and strike out "and section 150(a)".

On page 213, line 1, strike out "SAVINGS" and insert in lieu thereof "SAVING".

On page 215, line 19, strike out "for" and insert in lieu thereof "in".

On page 221, line 8, strike out "subsection" and insert in lieu thereof "subsections".

On page 237, line 15, strike out "for any month in which such child" and insert in lieu thereof "who".

On page 282, line 16, strike out "(3)" and insert in lieu thereof "(4)".

On page 282, line 18, strike out "(3)" and insert in lieu thereof "(4)".

On page 282, line 19, strike out "(4)" and insert in lieu thereof "(5)".

On page 285, line 22, strike out "(20)" and insert in lieu thereof "(19)(F)".

On page 336, line 20, strike out "(23)" and insert in lieu thereof "(24)".

On page 336, line 21, strike out "(24)" and insert in lieu thereof "(25)".

On page 336, line 24, strike out "(25)" and insert in lieu thereof "(26)".

On page 338, line 5, strike out "(26)" and insert in lieu thereof "(27)".

On page 338, line 15, strike out "(27)" and insert in lieu thereof "(28)".

On page 343, strike out lines 19 through 23 and insert in lieu thereof the following: "further amended (1) by striking out the period at the end of paragraph (28) and inserting in lieu thereof " '; and' " and (2) by adding at the end of such section 1902 (a) the following new paragraph:".

On page 343, line 24, strike out "(28)" and insert in lieu thereof "(29)".

On page 344, line 8, strike out "(28)" and insert in lieu thereof "(29)".

On page 346, line 7, strike out "(28)" and insert in lieu thereof "(29)".

On page 346, line 12, strike out "(28)" and insert in lieu thereof "(29)".

On page 379, strike out lines 1 through 23, inclusive, and insert in lieu thereof the following: "of the appropriation for such year shall be for allotments pursuant to sections 503 and 504; and (B) 10 per centum thereof shall be for grants, contracts, or other arrangements pursuant to sections 511 and 512. Not to exceed 5 per centum of the appropriation for any fiscal year under this section shall be transferred, at the request of the Secretary, from one of the purposes specified in paragraph (1) or (2) to another purpose or purposes so specified. For each fiscal year, the Secretary shall determine the portion of the appropriation, within the percentage determined above to be available for sections 503 and 504, which shall be available for allotment pursuant to section 503 and the portion thereof which shall be available for allotment pursuant to section 504. Notwithstanding the preceding provisions of this section, of the amount appropriated for any fiscal year pursuant to section 501, not less than 6 per centum of the amount appropriated in the case of the fiscal year ending June 30, 1969, 15 per centum of the amount appropriated in the case of the fiscal year ending June 30, 1970, and 20 per centum of the amount appropriated in the case of each fiscal year thereafter, shall be available for family planning services from allotments under section 503 and for family planning services under projects under sections 508 and 512."

On page 422, line 20, strike out "paragraph" and insert in lieu thereof "paragraphs".

Mr. LONG of Louisiana. Mr. President, these amendments are of a clerical and technical nature. They perfect the provisions in the reported bill by clarifying erroneous cross-references, renumbering paragraphs which were misnumbered, correcting punctuation and spelling, and making other perfecting amendments of a similar nature. I do not believe that they would make any substantial change in the bill.

I have discussed this matter with the ranking minority member of the committee, the Senator from Delaware [Mr. Williams] and also with the junior Senator from Nebraska [Mr. Curtis], and they agree with me that, so far as we know, there are no substantive changes. These are only technical changes to perfect cross-references and technical errors. I ask that the amendments be agreed to.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time having been yielded back, the question is on agreeing to the amendments.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time.

ADDITIONAL REPORT OF A COMMITTEE

The following additional report of a committee was submitted:

By Mr. MONRONEY, from the Committee on Post Office and Civil Service, with an amendment:

H.R. 7977. An act to adjust certain postage rates, to adjust the rates of basic compensation for certain officers and employees in the Federal Government, and to regulate the mailing of pandering advertisements, and for other purposes (Rept. No. 801).

TEXTILE IMPORT QUOTAS OPPOSED—CONSUMERS' INTEREST AT STAKE

Mr. JAVITS. Mr. President, I have received telegrams from distinguished American representatives of the interests of American consumers opposing protectionism in the form of textile import quotas. I ask unanimous consent to have these telegrams printed at this point in the Record.

There being no objection, the telegrams were ordered to be printed in the Record, as follows:

Senator Jacob K. Javits,
Senate Office Building,
Washington, D.C.:

Urge you oppose textile quota rider to be proposed on gooseberry bill when it comes to Senate floor inimical to interests of American consumer, the retailing industry, U.S. trade policy and would result in severe inflation.

Eugene A. Kenny,
Executive Vice President,
American Retail Federation.

Washington, D.C.,
November 17, 1967.

Hon. Jacob K. Javits,
U.S. Senate, Old Senate Office Building,
Washington, D.C.:

Urge your opposition of textile quotas on a basis that Tariff Commission study not due until January 15 and hasty action could jeopardize nearly $1 billion of U.S. exports thereby establishing dangerous precedence.

Herschel Newsom,
Master, the National Grange.

New York, N.Y., *November 17, 1967.*

Senator Jacob Javits,
U.S. Senate, Washington, D.C.:

On behalf of over 300 retail department stores, which we represent in this country, we urge you to vote no on the textile import quota bill when it is brought upon the Senate floor for a vote. We are unalterably opposed to any legislation which would impose quotas on virtually all textile and apparel imports.

Kirby Block & Co., Inc.

Washington, D.C., *November 16, 1967.*

Jacob K. Javits,
Senate Office Building,
Washington, D.C.:

Enlightened self interest of the Nation, of the each of the States, and of the people now associated with the industries involved would be affected adversely by the textile import quota bill and the other import control measures now before the Senate. We urge you to oppose these bills and to seek constructive answers to whatever problems inspire bills of this kind. This would best serve the total national interest, which is our committee's sole policy criterion.

John W. Hight,
Executive Director.

METROPOLITAN GOVERNMENT

Mr. TYDINGS. Mr. President, one of the most serious problems facing every metropolitan area in this Nation is that the government of most of these areas is fractionalized among a number of city and county units drawn, in most cases, more than a century ago. As our metropolitan areas have mushroomed, these old county and city lines have often remained unchanged with the effect that the needs of each metropolitan area are administered to by a large number of governmental agencies owing allegiance to the various political subdivisions.

The inability of individual metropolitan counties to meet many area problems has been recognized. To meet metropolitan needs, we have seen the growth and development of special purpose agencies having areawide authority over a single metropolitan problem. Many of our metropolitan areas are served by special water and sewage agencies, transportation units, and other service agencies, all of which have representatives of the various political subdivisions. These metropolitan area agencies have become really another layer of government.

Many thoughtful persons have advocated the creation of a single metropolitan government to absorb the functions of the ancient political subdivisions, as well as those held by the single purpose metropolitan agencies.

Among the students of local government who advocate creation of such metropolitan government is Walter S. Orlinsky, chairman of the metropolitan affairs committee of the Maryland House of Delegates. Chairman Orlinsky recently appeared before the committee on local government of the Maryland constitutional convention and articulately stated his views on this question. I ask unanimous consent that Delegate Orlinsky's statement to the Maryland constitutional convention be included in the Record at this point.

There being no objection, the statement was ordered to be printed in the Record, as follows:

Statement of Walter S. Orlinsky, Chairman, Metropolitan Affairs Committee, Maryland House of Delegates

The facts of our urban life point out the need for fewer and more composite urban planning units. The automobile, suburban housing and commuting have all but demolished the distinction between town and country which first determined our local governmental system. This is as true for Cumberland, Salisbury, Westminster or Upper Marlboro as it is for Baltimore City.

It seems to me that you as constitution writers must evolve a political decision-making system which will properly provide in governmental centers the kind of decisions whose range and values correspond to the objective realities of modern society.

At one time in our history as a nation the size and make-up of an ecology of local governments was not too significant except for some religious differences. The mix of classes was about the same, and the difference in fiscal capacity, given the very small amount of public service, was of little moment.

Today we know this has radically changed. Public services are of utmost importance to every citizen, particularly to the lower income groups who consume a wider range of these services. The balkanization and segregation of metropolitan areas have created a situation where each separate political community is in no sense a sample of its neighboring community.

Thus the constituency to which each separate set of officials and civic leaders must look has built-in differences. The population mix of the metropolitan area as a whole has not political or civic leadership that must look to its total characteristics. Equally there is no way of mobilizing total metropolitan fiscal or human resources.

For the task of distributing public services according to the rational needs of the metropolitan area, current metropolitan governmental forms do not have the tools or will. They are organized to frustrate the emergence of any sense of territorial community. They contain no means to institutionalize an effective leadership nor to mobilize the ample human and fiscal resources they contain.

Current city problems cannot be dealt with seriously in areas less inclusive than the metropolitan housing and labor markets. Local governments that do not embrace resources, human and material, with the compulsive power normally ascribed to government, will prove fatally anemic in solving these problems. Their solution will pass to higher and higher centers of government, unless rational local governments are created.

To refer to local governments as balkanized government is not merely a melodramatic use of words. Look around you at the various governments competing with one another on a local level and cancelling each other's rational decisions out. A shambles of balkanized competitive nationalistic governments is what exists. And alas, federal policy following the lines of least resistance accepts and accentuates it.

The continued drift to single purpose districts to solve this or that problem further destroys the possibility of facing area needs. The history of such attempts indicates that each little group sees its role as maximizing its narrow mandate rather than as an integral part of a harmonious governmental process which is responsive to the totality of the problems facing it.

In the case of the metropolitan area, the whole is considerably less than the sum of its parts. Or, more accurately, there is no whole. Yet the alternative to the creation of some meaningful, governmentally effective whole is the festering of unsolved problems and the transfer of power to those levels of government that are adequate in resources and decision-making capacity. The metropolitan area is for most people the lowest level at which an adequate sample of people and problems can be given a territorially structured government. To deal with the problems, a government needs to have to deal with them in terms of its constituency and to be able to deal with them in terms of its resources.

We are organized to avoid major local efforts rather than to undertake them. The philosophy is one of escape from rather than acceptance of governmental challenge.

A modern constitution must provide very clearly for the concept of the continuous state in keeping with the physical, social and economic entity of a city region which is clearly the evolutionary pattern of settlement in our state.

It is an invitation to disaster should you as constitution drafters fail to understand and place in our basic law the ways and means to recognize that planning matters of common interest to 90 per cent of our citizens, such as those relating to public transportation, water supply, refuse disposal, clean air, shopping centers, hospitals, education, recreation, industrial location, new towns and many more areas must be made on a regional basis.

Our governmental and legal machinery, controlled by small pockets of vested political and economic interests, is just simply not geared to cope with the issues facing modern Maryland. Our entire legal structure flies in the very teeth of the economic and social structure.

Policy-making in America is a mixture of decisions taken at the national, state and local levels, no one of which really carries with it the mandate of compulsory implementation. The national government shapes policy through financial inducements, and state governments authorize their local units both to accept federal aid and to avail themselves of the substantive powers that are necessary to carry out selected programs. But the decision to act is local. This division of power among governmental levels combines with a division of responsibility among federal and local governmental agencies to fragment responsibility for the operation of critical programs, with the result that the lines of authority are unclear.

Tools for planning implementation are also scattered. Not only are they scattered among many municipal units within urban areas, but they are scattered among different enabling and authorizing statutes. The result is not only a lack of coordination, if all the available powers are conferred on every municipality, but a lack of consistency, since not all the municipalities within the same area will usually possess the same capacities and powers.

The limitations arising out of the scattering of substantive power are reinforced by our system of local government; the system assumes a degree of local autonomy that impedes the attainment of regional objectives. These difficulties have arisen because municipalities are able to make parochial decisions without overriding restraint. In large part the problem is one of scale, as local communities may not be organized on a geographic basis sufficiently extensive or strategic to allow them to undertake the necessary planning and development decisions.

What we have today is a political fragmentation which divorces governmental authority from the fiscal, economic and social realities of our society. We are now in an urban crisis because this political fragmentation divorces the urban tax base from public service needs and reinforces the cultural disparities within metropolitan areas.

The majority of the inhabitants of our large metropolitan areas seem to prefer (a) very small local government, (b) financially independent local government, (c) residential patterns that cluster homes by income class, and (d) minimum standards in public service for all persons in the metropolitan area. All four preferences cannot be satisfied; the four conditions are not mutually consistent. Minimum public service levels can be financed throughout the metropolitan area only by consolidating small governments to mix different tax bases and public service needs (i.e., by giving up (a) or by mixing the homes of the rich and poor at finer grain than we now practice to achieve a similar blending of fiscal needs and resources (c) or by arranging intergovernmental transfers, probably from above (b)).

Mitchell Gordon in his book, *Sick Cities: Psychology and Pathology of Urban Life,* states:

"An observer of the sprawling urban scene today might be compelled to concede that the superficial monotony of physical similarity must be the least important of all the ailments of the squatting modern metropolitan region whose air grows fouler and more dangerous by the day, whose water is threatened increasingly by pollution, whose mobility is undermined by accumulations of vehicles and withering transit, whose educational system reels under a growing variety of economic, social, and national emergencies, and whose entire pattern is assuming an ominous shape and sociological form, with well-to-do whites in their suburban cities ringing poverty-ridden minority groups widening at the core."

While such a statement strikes a responsive cord in a few hearty souls, most citizens pass over them with scarcely a second thought or a flash of anxiety.

In large measure this is true because the balkanization of local governments makes it impossible to perceive how one can break out of the reality around us. The desperate pleas of even so enlightened an organization as the Municipal League to retain the municipal structure of government reinforces the hopelessness of those who would suggest a complete, total and irrevocable change from local governments which are in reality eunuchs when it it comes to coping with our modern forms of social and economic organization.

Living together amicably in contemporary urban society is not easy. No matter how imbued we may be with the American credo of rugged individualism and self-reliance, we are compelled to recognize our dependence on other people. We have to attend school with our fellow citizens, work and do business with them, hope with them, drive on the same streets with them, and compete with them in a variety of fields. In the process, we are compelled to submit to restraints, accept controls over our behavior, and compromise our demands on other individuals and on the community and its institutions. For as complex as the metropolitan system is, it cannot function without a high level of disciplined organization based on the recognition of mutual social responsibility.

The myopic defenders of the balkanized political structure of our metropolitan areas say the problems of the core cities are just city problems because that's where they exist. Superficially, their logic may seem sound since they are correct about the prevalent spatial location of these maladies. Certainly no one would contend that residents of higher income neighbohoods within the corporate limits of the city should be exempt from responsibility for its less fortunate districts. What logic then is there in believing that neighborhoods on the other side of a legal line can wash their hands of social maladies in these sections.

We must recognize that greater forces are at work in our metropolitan areas than the zeal and resources of our balkanized local governments.

The roots of the metropolitan problem lie clearly in the increasing racial disparity between city and suburbs augmented by the F. H. A. and V. A. subsidation of this racial discrimination in housing, and culminating in the inevitable financial crisis.

Metropolitan areas' financial and racial problems arise primarily from the lack of adequate machinery to do the job rather than from any lack of capacity to do the job. The following three examples typify what I am driving at:

1. Existing revenue-producing machinery is generally inadequate for the task of financing local government functions; this is true of functions appropriate for the conventional (submetropolitan) local government and functions which can best be handled by metropolitan jurisdictions.

2. The extension of activities across jurisdictional boundary lines makes it more and more difficult to relate benefits and taxes at the local government level. In the modern metropolitan community, a family may reside in one jurisdiction, earn its living in one or more others, send the children to school in another, and shop and seek recreation in still others. But to a considerable extent, the American local financial system still reflects the presumption that these various activities are concentrated in one governmental jurisdiction.

3. In many cases there are great discrepancies in the capacities of local government jurisdictions to provide needed governmental services. At one extreme are the communities which have not sufficient taxable capacity for essential services. The most common case is the bedroom community of low- and middle-income workers which has little industry or commerce. At the other extreme are the wealthy tax colonies, zoned to keep out low-income residents.

The simple distillation of all of this is that you have the power and the mandate to update Maryland's government. After 100 years there is nothing to be timid and shy about. The most important function of constitution writing, after protection of individual rights, is to establish governmental forms which correspond to the reality of their times. Failure to establish a more perfect form of government at this time and at this place is to obviate any other good a new constitution may provide. The day to day relationships between the citizen, his government and the social and economic forces which engulf him are the nitty-gritty of both governmental processes and constitution writing.

I would, therefore, suggest that the committee recommend the abolition of municipal and county governments and in its place establish a network of ten or more regional governments which correspond to the objective realities of the social and economic forces around us.

I realize that the trauma involved in such a monumental decision is enormous. Yet, I firmly believe that it is mild compared to the trauma that balkanized government will bring in the years ahead in face of current regional living.

After all, what is a county or city line? We are not talking about anything sacred and meaningful. They have always been mere accidents of history or admittedly temporary lines created to make government work.

These lines no longer make government work. They hinder government and, like a leech, suck away its very vitality.

Government in America is the way we organize ourselves to help achieve a rational basis for gaining "the good life." We are a pragmatic people who in the past have shown a revolutionary zeal to change the old ways of governing so that the job is done well. Pragmatically, local governments are a hindrance to the attainment of the good life.

Failure to make the change now is to become a fossilized people. Rather than a people united, we shall become provincial warring factions trapped in outmoded manners and customs. The equalitarian and pluralistic principles which sustained and nurtured the American way of life will suffocate under continued reliance on outmoded governmental forms.

Yours is the power and the glory to do what must be done. I hope that in your wisdom you will be equal to the task of taking on this enormous challenge.

DEVALUATION OF THE BRITISH POUND

Mr. MILLER. Mr. President, in the Wall Street Journal of November 21, 1967, there was published an article by Ray Vicker, entitled "Good Intentions, Economic Laws."

This article was most timely in its revelations of the statements by political leaders in Great Britain denying that the pound would be devaluated, only to find that economic forces over which such statements had no control eventually forced devaluation. The people of the United States would do well to take a lesson from the experience of the people of Great Britain.

Mr. President, I ask unanimous consent to have printed in the RECORD the article written by Ray Vicker entitled "Good Intentions, Economic Laws."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOOD INTENTIONS, ECONOMIC LAWS

(By Ray Vicker)

LONDON.—"We have made clear, not only with words but with deeds, our unalterable determination to maintain the value of the pound sterling and also the values that depend upon it."

So said Britain's Prime Minister Wilson at a meeting of American economists in New York City this summer. Indeed, this is the position he was maintaining vocally almost up to last weekend's announcement of devaluation to the new mini-pound by the Exchequer James Callaghan.

Last Sunday night Prime Minister Wilson, spruced and powdered, appeared on the British Broadcasting Corp. television network. With a straight face, he claimed that: "Our decision to devalue attacks our problems at the roots."

There is an economic and political lesson here for anybody watching the U.S. dollar and its troubles as America consistently spends more than it earns. The moral might be: Never trust a politician when he talks about the value of the government money he is spending. No matter what he says, economic laws are going to catch up with him.

FACT OF LIFE

Profligate American Government officials might broaden their knowledge of economic law, too, by studying what has happened in Britain. Developments in the United Kingdom show clearly what conservative economists have been contending all along: The value of money depends on the gold and reserves behind it, on the claims existing against the currency, on the psychology of people who must deal with it, and on the basic strength of the economy. When overseas spending and lending exceed income, the currency is weakened. When that economic fact of life is ignored too long, a currency must be devalued, even if the act is inconvenient for incumbent politicians.

Defenders of a Government spend-lend policy in the U.S. like to claim that the basic strength of the American economy outweighs all the other economic laws applicable to monetary valuations. But that basic strength is only relevant when it is not being dissipated. Extravagant spending can dissipate huge family fortunes; it can drain government strength, too.

Immediately after Britain's devaluation, President Johnson issued a statement in Washington reaffirming "unequivocally the commitment of the United States to buy and sell gold at the existing price of $35 an ounce." In other words, no dollar devaluation is contemplated.

This statement, of course, was designed to strengthen one of the planks supporting the dollar—the psychological confidence of the people dealing in it.

This confidence, however, is seldom formed on the basis of political statements, except perhaps for the very naive soul (who most certainly should not be trading in world foreign exchange markets). If political statements were enough, the pound sterling would still be priced at $2.80 in foreign exchange markets.

Doubt it? Then look at some of the heartlifting quotes that came from Whitehall during the long and vain battle to save the pound at the old rate.

"NO DOUBT WHATSOEVER"

Here's Prime Minister Wilson speaking in London April 4, 1965: "We have left the French government in no doubt whatsoever about our determination to maintain the value of sterling."

And on July 24, Chancellor Callaghan arose in the House of Commons to declare emphatically: "Devaluation is no way out. It is a flight from reality."

Such statements number several dozen over the last three years, with the number multiplying geometrically in the last year as Britain's monetary situation deteriorated. None of these statements helped the pound.

In world money markets, the psychology behind support or lack of it for a currency is usually based upon such mundane things as the trend of reserves, trade deficits or balances, export prices in relationship to competitors, and budget deficits or surpluses. In short, confidence can in most cases be traced to the degree of soundness of a nation's fiscal and monetary policies and how reserves are affected.

In recent years Britain has been consistently overspending in foreign fields. It has tried to maintain the remnants of empire and to do much more than resources permitted. This might have been possible if British laborers and executives had worked harder and more efficiently. Addition to resources might have enabled the $2.80 pound to carry the burdens placed upon it.

Instead, both labor and management have resisted change, though there are some notable exceptions among the big companies such as Unilever, Rio-Tinto Zinc, Bowater Paper, Imperial Chemical. World trade reflected the situation. While world trade was averaging a gain of nearly 9% a year over the last decade and a quarter, Britain's gain was only about 5%. Meanwhile, the spending and lending programs of the government mounted.

Loans, economic gimmicks, currency swaps and other Rube Goldberg financial shenanigans can delay disaster for a country ignoring basic economic laws. Empty promises by politicians about "putting things right" may calm worries of the gullible for a while. Eventually, simple economic facts lift control of the situation from hands of the government involved.

Mr. Callaghan aptly described the situation a few years ago, before the Labor Government took power. Said he: "If I were Chancellor of the Exchequer I should be haunted by thoughts that a situation can always arise in which others hold our destinies in their hands, because they hold our currency."

This, of course, is exactly the position in which Mr. Callaghan found himself last week. So many other countries had claims against the pound that Britain was powerless to prevent Saturday's devaluation.

So it is rather a disquieting thought to know that American gold reserves have slumped from $22.9 billion to $13.1 billion in the decade ended this July. Meanwhile, claims against that gold have mounted from $15.8 billion to $30 billion. So, perhaps it is not surprising that some hard-nosed foreign exchange traders are growing bearish about the dollar.

And the new British mini-pound indicates that it will take more than fine words and gimmicks to correct the situation.

RECESS UNTIL 10 A.M. TOMORROW

Mr. MANSFIELD. Mr. President, in accordance with the order of Friday, November 17, 1967, I move that the Senate stand in recess until 10 a.m. tomorrow.

The motion was agreed to; and (at 11 o'clock and 9 minutes p.m.) the Senate recessed until tomorrow, Wednesday. November 22, 1967, at 10 a.m.

EXTENSIONS OF REMARKS

Statement of Income

EXTENSION OF REMARKS

OF

HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 21, 1967

Mr. HUNGATE. Mr. Speaker, in November 1966, I placed in the CONGRESSIONAL RECORD a statement of my income as shown by my most recent income tax return—1965. Now, on November 21, 1967, I continue that practice.

My most recent—1966—joint personal income tax return, form 1040, page 1, indicates that my wife and I have two children, one of whom is at home and one at college. We own a 1966 Ford and a 1963 Falcon. Our son at college has a 1963 Ford.

My congressional salary, line 5, is $30,000. My other income, line 6, from page 2, part II, line 8, is $850.45, for a total on line 7, page 1, of $30,850.45, less line 8 adjustment for allowed congressional living expenses attending Congress in Washington, D.C., $3,000. Total income, line 9, is $27,850.45.

Itemized deductions, line 11a are $2,696.72, consisting primarily of State and local real estate and personal property taxes, $1,695.51, and interest payments of $780.21.

The total income tax, line 12, is $5,261.19, and the total tax withheld is $5,368.30 plus $400 paid by estimate making $5,768.30. The tax overpayment, line 23, is $507.11, all of which I requested be applied to my 1967 estimated tax.

The principal sources of income, aside from congressional salary, were interest on savings and loan deposits, speaking fees in excess of travel expense incurred in connection therewith, and income from law partnership. The gross amount of ordinary income received from the law partnership—Hungate & Grewach, Troy, Mo.—was $1,345.59, which was substantially reduced by depreciation and partnership expenses chargeable to me.

Neither my wife, myself, nor the law partnership own any stocks or bonds and we have not bought or sold any real estate since the date of my last report, November 1966.

Campaign funds raised for me are handled by committees, and held in trust so that I have no direct control over such funds.

Rogers Says Nation on Verge of Explosive Medical Situation—Renews Call for Hearings

EXTENSION OF REMARKS

OF

HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 21, 1967

Mr. ROGERS of Florida. Mr. Speaker, the National Advisory Commission on Health Manpower report is yet another indicator that the Nation is about to face an explosive medical situation if it does not act now.

In the past year we have seen reports stating that the medical price index has spiraled ahead of the rest of the economy. And we have seen reports that the health facilities, although among the best in the world, are not adequate. Now we see again a report which sets out that our manpower is woefully trailing our needs in the field of health.

That all boils down to one fact. We do not have enough, no relief is in sight, and what we do have is costing more and more.

I think this points up the need to look into the matter of hospital and medical care, not only from a cost factor, but from a manpower and facility viewpoint. For the three are all intertwined.

I called for an investigation into the high cost of hospital care last month and pointed out that the cost per day for hospital care has doubled in the past decade and is expected to rise to $100 per day in the near future.

One of the things that bothers me about the setup under which we are now operating is that we are constantly talking about appropriating more money for health services, but we are not properly reviewing one of the major concerns—why the cost is continuing to rise at such an alarming rate. I think this should be given a priority position and I urge that hearings be held to look into this immediately.

The Kee Report: Air and Highway Safety

EXTENSION OF REMARKS

OF

HON. JAMES KEE

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 21, 1967

Mr. KEE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include last week's public service television and radio newscast, "The Kee Report." The subject discussed is Air and Highway Safety. The report follows:

THE KEE REPORT

This is Jim Kee—bringing you the Kee Report.

One of the modern wonders of the world is the progress being made in developing fast and efficient means of mass transportation. Most of this development, in fact, has taken place in little more than a century. First, it was the locomotive and passenger train—next, the motor car and finally, the airplane travelling at breath-taking speed.

Before these achievements of scientific and mechanical invention, most inhabitants of this earth lived out their life span close to the place where they were born. The only exceptions were the rich who could afford the high cost of travel and those hardy adventurers in all ages who were determined to see the world no matter what the cost.

The luxury of travel is now well within the means of millions of Americans. But like all scientific advances, the improvement in mass transportation has created serious problems. This is true of highway travel, air travel, and even rail travel because experts believe train travel must be revived in some areas to meet the transportation needs of the next generation.

The trend of the future was indicated recently when President Johnson requested Congress to appropriate an additional seven millions of dollars to provide more safety control officers for air travel. But, with this modest request, the White House warned that air travel is expanding so rapidly that before long, billions will be needed to provide additional safety equipment.

The truth is that air travel has grown up too fast for its facilities. Most airports are already too small to handle the normal daily traffic, let alone the added load on holidays and other special occasions. Perhaps the most compelling need is for improvement in air traffic control. This involves, among other things, the installation of costly radar equipment. However, even with modern equipment, manpower needs will continue to expand.

The Federal Government has given notice that both the flying public and the aviation industry will be expected to pay their fair share of the expanded safety program. Passengers now pay a five percent tax on fares. The industry has indicated a willingness to pick up its share of the burden.

While this new problem is dominating the spotlight, most citizens are wondering about the highway safety program authorized by the Congress last year. I believe that steady progress is being made under the supervision of the Highway Safety Bureau in the new Department of Transportation.

To reduce the appalling death and injury rate in highway accidents, progress must be made in three directions: (1) More safety devices must be included in new cars; (2) the standards for motor vehicle operation must be improved and (3) new highways must include better design and greater improved signaling devices.

It has been said a thousand times that the first factor in highway safety is the man or woman behind the wheel. There are now 50 states in the union and each one has its own standards for licensing operators. This means that safety requirements vary widely from state to state. The maximum degree of safety will be reached when driver control standards are made uniform throughout the Nation. The Federal program is now working towards this goal.

The next generation of Americans will be the busiest travellers in history. Now is the time to make sure that safety standards are adequate to meet the need.

Thank you for listening.

The 1967 Powder Puff Derby Final

EXTENSION OF REMARKS

OF

HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 21, 1967

Mr. HELSTOSKI. Mr. Speaker, 71 sleek race aircraft in the 21st All-Woman Transcontinental Air Race were flagged from Bader Field, Atlantic City, N.J., on July 10, headed for the terminus in Torrance, Calif. A Stearman towing a banner announcing the 21st birthday of the Powder Puff Derby preceded the takeoffs, which were completed in 31 minutes.

Of the 52 crews who qualified by terminus deadline TAR No. 9, Judy Wagner, of Palos Verdes Estates, flying solo, coaxed top performance from her Beechcraft Bonanza K-35 to win the race. Her elapsed flying time was 12 hours, 27 minutes, and 59 seconds. Second was seven-time winner, Fran Bera, TAR No. 50, with copilot Barbara London, both of Long Beach, Calif., flying a Mooney Mark 20. Another California team, Tig Pennock, TAR No. 40, with copilot Virginia Chandler flying a Piper Comanche 260, placed third. Only nineteen one-hundredths of a point separated the third and fourth places, with Gini Richardson, TAR No. 22 of Yakima, Wash. and Copilot Marian Banks, San Diego, flying a Mooney Mark 21 in the latter position. Fifth place went to TAR No. 63, veteran racer Margaret Callaway, and Virginia Seaver flying a Cessna 172.

Highlighting the 21st Powder Puff Derby was the participation by 16 pilots from seven countries other than the United States. All but one completed the grueling trek to Torrance.

The race was one requiring great skill and good judgment. Officials flying the route during the same period reported that an unusual degree of sportsmanship was exhibited. More experienced pilots taking off first from the designated refueling stops called back firsthand reports to those still on the ground, thus contributing to the safety of the 42 percent of the pilots who had never before flown the race.

Mrs. Kay Brick, chairman of the board of directors of the All-Woman Transcontinental Air Race, Inc., commenting on the 1967 Powder Puff Derby said:

> The comradeship that aviation provides is unequalled on a national level and in achieving world understanding. The race, known round-the-world, has truly come of age.

Mr. Speaker, in connection with this 21st Powder Puff Derby I insert in the Record the remarks of Mrs. Kay A. Brick, which appeared in the program of this memorable event.

The article follows:

The Candles' Worth

> When the 21st birthday candle is lighted for the 21st running of the race known around the world as the Powder Puff Derby, the All-Woman Transcontinental Air Race will reflect two decades of successful competitions.
>
> In my Grandmother Swift's home in New England hung a sampler which read:
>
> "How far that little candle throws its beam
> So shines a good deed in a naughty world."
>
> The ancestral candlepower of the Powder Puff Derby has accumulated its influence through the 1662 entries and race stops in 122 different cities. Miles flown during the competition itself have equalled 135 trips around the world!
>
> What does a birthday represent? It signifies experience, recognition, friendships. In order to enter the race, participants must already have made substantial achievements in aviation. The imagination and interest in the communities touched by the race have been captured. They become aware of women pilots, of Ninety-Nines in their area who are members of this organization of licensed women pilots whose first President was Amelia Earhart. Each year hundreds of Ninety-Nines give their devoted attention toward the smooth operation of this national activity. Radio and TV cover all aspects of racers and workers/officials as well, benefiting the community through this opportunity to expose the airport and the extent of general aviation to the public. Also the community is proud to display its own assets to racers and outside visitors attracted by the derby.
>
> As one mid-west Ninety-Nine expresses it: "To me the really great thing the Powder Puff Derby has done is to make every one, not just the people who have airplanes, aware of general aviation and how important it is to the growth of a community. Not until this event could you possibly have gotten everyone to think aviation. This city now has a VOR, and a previously defeated bond issue for an instrument runway has been passed."
>
> The candles have flickered beyond the boundaries of the United States, danced across the seas, served as a stimulus to other women and those sponsoring them. With two more weeks until the entry closing date, there are already ten pilots from countries other than the United States entered. In addition to the two Australian and one Canadian teams entered to date, there are four U.S.-Australian and U.S.-South African international teams. Ninety-Nines across the country are offering the hospitality of their homes, both before, during and post race.
>
> Our government spends lavishly to further good will abroad, striving to achieve world understanding. Unequalled is the comradeship aviation provides.
>
> Kay A. Brick,
> *Chairman, Board of Directors.*

Mr. Speaker, I would also like to take this opportunity to direct the attention of my colleagues to House Joint Resolution 452 and others which would designate May 12 as the Amelia Earhart-Joan Merriam Smith Aviation Day. It also directs the issuance of a commemorative airmail stamp in honor of Joan Merriam Smith, a pioneer in women's activities in aviation.

We already have an annual Wright Brothers Day to honor all aviation, the annual Lindbergh Day honoring all men pilots. Because of these observances, it is altogether fitting and proper that we take some action to honor our lady pilots, and their two distinguished pioneers.

Not only have our lady pilots made a valuable contribution to civilian aviation, but they were very active during World War II in ferrying our big bombers to our forces in Europe. For their contribution to aviation we should act swiftly on the resolutions so that we can observe the first annual Amelia Earhart-Joan Merriam Smith Aviation Day on May 12, 1968.

Seattle-Island of Hawaii Service Inaugurated by Pan Am

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 21, 1967

Mr. PELLY. Mr. Speaker, I have been pleased to learn of a service to be inaugurated by Pan American World Airways which will link Seattle with the Hawaiian Islands in a new and special way.

On December 1 Pan Am will start nonstop jet service to Hilo on the island of Hawaii or—as the islanders call it—the "big" island.

The fare to Hilo will be the same as that now charged from Seattle to Honolulu. I am told this service will be put into effect on what is called a common fare basis. Under this plan, round-trip passengers will be able to travel between any point in the islands and Seattle at the same fare that would be charged for flights between Seattle and Honolulu.

Pan Am, which pioneered the air route to Hawaii in 1948 with its clipper ship service, should be congratulated on this new pioneering venture which will bring the unspoiled outer islands in their beautiful splendor within easy access of the Pacific Northwest traveler. It will also bring the spectacular Pacific Northwest within accessible range to all of our Hawaiian friends who live in the towns of the various islands, sprinkled throughout our 50th State.

The new, low fare will be welcomed by all travelers but will be particularly good news to our itinerant young people. We exchange planeloads of students between the two areas as well as their sightseeing parents. Now, even more than ever, Northwesterners and Hawaiians can enjoy the best of both worlds, thanks to Pan Am.

President Johnson Keeps His Promise for Clean Air for All America

EXTENSION OF REMARKS

OF

HON. JAMES J. HOWARD

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 21, 1967

Mr. HOWARD. Mr. Speaker, this morning I was privileged to be at the White House when President Johnson signed into law the Air Quality Act of 1967. The new law gives us a bigger, improved battery of weapons for the struggle against air pollution. Under this new law the Department of Health, Education, and Welfare will define the atmospheric areas of the Nation and will outline air quality control regions; air quality standards will be developed and applied on a regional basis—each State will be expected to develop standards for its portion of the region; if a State fails to establish standards, the Secretary of Health, Education, and Welfare can see to it that standards are set—a hearing board's decision will be binding; States will be expected to assume the primary responsibility for applying the air quality standards. If they do not, the Secretary can begin abatement action. Mr. Speaker, I believe this is a logical, orderly sequence for action against air pollution. As Secretary Gardner has said:

> Our choices are narrow. We can remain indoors and live like moles for an unspecified number of days each year. We can issue gas masks to a large segment of the population. We can live in domed cities.
>
> Or we can take action to stop fouling the air we breathe.

The Congress and the Johnson administration have now taken action which will insure us of an organized campaign of abatement and control of air pollution which has become a major national menace.

This must be a national response to a national problem.

It is a problem in which every city and every State must cooperate.

It is a problem which will call for the understanding, cooperation, and restraint of industry and all levels of government.

The Johnson administration has added yet another chapter to its grand strategy of maintaining a clean and healthy environment for every American citizen.

I insert in the Record the remarks made by President Johnson this morning as he signed the Air Quality Act of 1967:

Text of the Remarks of the President Upon Signing the Clean Air Act

> I would like to begin this morning by reading to you a weather report.
>
> ". . . dirty water and black snow pour from the dismal air to . . . the putrid slush that waits for them below."

It is not a description of Boston, Chicago, or New York. It is from Dante's Inferno, a six-hundred-year-old vision of Damnation.

But doesn't it sound familiar?

Isn't it a forecast that fits almost any large American city today?

Don't we risk our own damnation every day by destroying the air that gives us life?

We do. We have done it with our science, our industry, our progress. Above all, we have done it with our carelessness—our continued indifference and repeated negligence.

Contaminated air began as a big-city problem. But in just a few years, the gray pall of pollution has spread across the nation. Today its threat hangs almost everywhere—and it is spreading still.

We are pouring at least 130 million tons of poison into the air each year. That is two-thirds of a ton for every man, woman and child in America.

And tomorrow looks even blacker. By 1980, we will have a third more people in our cities. We will have 40 percent more automobiles and trucks. And we will be burning half-again as much fuel.

That leaves us only one choice. Either we stop poisoning our air—or we become a nation in gas masks, groping our way through dying cities and a wilderness of ghost towns.

We make our choice with the Bill we sign this morning. It is not the first clean air bill—but it is by far the best.

Congress passed the Clean Air Act in 1963. I signed it to establish the Government's obligation and authority to act forcefully against air pollution.

Two years later we amended that Act. Standards were set in 1965 to control automobile pollution.

These were important steps. But they were baby steps. Today we grow up to our responsibilities. This new Air Quality Act lets us face up to our problem as never before.

In the next three years, it will authorize more funds to combat air pollution than we have spent in all 180 years of our history.

It will give us scientific answers to our most baffling problem: How to get the sulphur out of our fuel—and how to keep it out of the air.

It will give Secretary Gardner new power to stop pollution before it chokes our children and strangles our elderly—before it drives us indoors or into the hospital.

It will help our states fight pollution in the only practical way—by regional "airshed" controls—by giving the Federal Government standby power to intervene if States fail to act.

It will help our states to control the number one source of pollution—automobiles.

But for all that it will do, the Air Quality Act will not end pollution. It is a law—not a magic wand to wave and cleanse our skies. It is a law whose ultimate power and final effectiveness rest with the people—on our seeing the damnation that awaits us if we do not act responsibly to avoid it.

Last January, in asking Congress to pass this legislation, I said:

"This situation does not exist because it was inevitable, nor because it cannot be controlled. Air pollution is the inevitable consequence of neglect. It can be controlled when that neglect is no longer tolerated.

"It will be controlled when the people of America, through their elected representatives, demand the right to air that they and their children can breathe without fear."

Let us strengthen that demand from this day on. Let us seize the new powers of this new law to end a long, dark night of neglect.

Let our children say, when they look back on this day, that it was here a nation awoke. It was here that America turned away from damnation, and found salvation in reclaiming God's blessings of fresh air and clean sky.

Abuses in the Poverty Program

EXTENSION OF REMARKS

OF

HON. M. G. (GENE) SNYDER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 21, 1967

Mr. SNYDER. Mr. Speaker, since the authorization legislation for the antipoverty bill has passed the House, I would like to list some of the alleged abuses that have appeared from time to time in the press in the hope that when the Appropriations Committee has hearings on the supplemental bill for HEW they will be able to look into the validity of these allegations.

At Camp Breckinridge, Ky., the Federal poverty hunters provided the University of Southern Illinois with $9 million to set up and run a Job Corps camp for 2,000 men. The camp initially enrolled only 756, of which 250 dropped out in the first 60 days, leaving two instructors for every Job Corpsman. The press reported that that program has been troubled with violence and riots. Quotes appeared in the Courier-Journal of Job Corpsmen who were upset because they had been promised a good time and plenty of women and it had not exactly turned out that way.

In Syracuse, N.Y., the $314,329 program of the community action training center has been described by Mayor William F. Walsh as intended mainly to train agitators. He charged the center taught "Marxist doctrine of class conflict." Serving as a paid consultant and lecturer in the program was Saul D. Alinsky, a self-styled professional radical.

In Jamestown, R.I., the Government hired three Youth Corps administrators to supervise 11 youngsters on a single project. One was paid $120 for a 20-hour week, another $61 for an 8-hour week, and the third $100 for a 20-hour week. After much dispute this program was canceled because so many wealthy youngsters had been employed giving sailing lessons to other youngsters equally as well off.

In Kansas City, Kans., similar violations turned up in the Youth Corps program. Among 75 or so "needy" given jobs were the youthful owner of a 1965 Thunderbird, a girl whose father owns both a service station and a liquor store, and a stepson of the chairman of the Wyandotte County Democratic Party.

In Colorado Springs, Colo., five members of the poverty program governing body there were found to have police records for such offenses as sodomy, burglary, escape from a mental institution, operation of a disorderly house, and suspected assault with intent to commit murder.

In Kalamazoo, Mich., city officials banned Job Corps trainees from visiting the town after a riot there in November 1965. An estimated 60 trainees damaged 19 buildings and battled police in the melee.

At Camp Atterbury, Ind., a $10 million project, seven youngsters were arrested for sexual assault on a 17-year-old trainee. Two of the seven were bailed out of jail with poverty funds, and in nearby Columbus, Ind., Atterbury trainees were caught trying to buy guns while on leave.

In St. Petersburg, Fla., a woman's Job Corps Center was located in a luxury hotel at a rental for 18 months of $225,000—which is $20,000, more than the assessed value. After 1 year of operation, OEO graduated 42 enrollees at a cost of $1,646,601, or $39,205 per graduate.

In the poverty corps at Washington headquarters as well as across the country, officials draw fantastic salaries. Forty-four in Washington alone draw close to $1,000,000 annually in pay. Shriver's deputy receives $28,500 and three other assistants get $27,000 each. Of 40 other aides, nine get $24,400. Eleven get $21,445 and 20 draw $18,935. In New Jersey, the State poverty director gets more than any member of the Governor's cabinet.

In Gum Springs, Va., the poverty program received $82,150 in Federal funds, of which $56,723 went for officials' salaries and $25,427 for the poor.

In Chicago, the Tribune disclosed how the poverty program enabled many Democratic politicians to move into better salary brackets. Deton J. Brooks, Jr., is paid $22,500. He formerly made $14,500 with the Cook County Public Aid Department. A fellow named William Todhunter now making $15,156 earned $6,300 with the Cook County Public Aid Department. They listed many others.

In Boston, OEO cut off more than $5.5 million in Federal funds only after a local newspaper charged larceny of poverty funds and appointment of political hacks to well-paid jobs in the program. The executive director of the Boston poverty program resigned and his deputy was fired as a result of the scandal.

In wealthy Newport, R.I., the Federal Government set up $182,000 for a Neighborhood Youth Corps to aid impoverished youngsters and high school dropouts between the ages of 16 and 21. The Providence Journal-Bulletin did an exposé on this and listed many, many students from homes far above Federal poverty standards who were in on the program. There were some 64 in their list out of roughly 300, including children of a prominent surgeon, a restaurant owner, a liquor store owner, a lawyer, a heating and plumbing firm president, a school administrator, and a naval officer. Some of the youths were already in college. The real payoff: Newport's Democratic mayor was the Corps director at an annual salary of $8,000.

At Omaha, Nebr., 90 percent of the youths employed in the Neighborhood Youth Corps were found to be from families with income above Federal standards set for eligibility for the program. Of 153 youths in the nearby Bellvue, Nebr., project, only 10 were from families with less than $4,000 annual income. Poor youths were actually excluded from the program.

In swank Beverly Hills, Calif., Federal poverty fighters awarded the city $82,875 because someone reported 435 poor families lived there. Los Angeles Times columnist Paul Coats did a survey and reported one of the most hilarious stories of the year that gaunt men and women patiently queued up at food counters at Jurgensen's Gourmet Shop, hoping that the escargots would not run out before they got their turn. In his hilarious stories he had young girls in mink stoles gazing pitifully at a full-length ermine coat in Sak's window. Coats said he could only find one poor fellow in all swank Beverly Hills and this fellow was 2 months behind in his Playboy Club dues. After that story the city turned down the OEO offer of funds, declaring it could find only six families and eight children who "could possibly be classified as needy."

One poverty war employee in Washington employed in January 1965 as a $6,000 per year community program worker in a youth employment counseling center working with juveniles, was later promoted to a $8,000 a year job and had a criminal record dating back to 1952 with 11 charges of larceny, false pretenses, and passing worthless checks. In October 1965, he was still on the poverty war payroll and was again charged with passing a worthless check.

Another employee in Washington's local program was employed January 1965, as a $3,900 a year community program worker, later was promoted to $8,650 position, counseling juveniles. This same person deserted the Army in 1944 and since then has acquired a police record which includes soliciting for prostitution, grand larceny, false pretenses, forgery, and being a fugitive from justice.

Another in the same program employed in July of 1965, at $4,140 as a neighborhood worker. His long criminal record began with juvenile delinquency in 1949 and progressed through a sex, crime through larceny, housebreaking, and bail violation.

In Casper, Wyo., an ex-convict with a 17-count arrest record was hired as a supervisor of the Job Corps center. Two months after his employment by the Bureau of Reclamation, which runs the center, the man was arrested and charged with aggravated assault in the savage beating of a Casper businessman.

In a Mississippi Headstart program it was revealed that the poor war people paid to the owner of a church $100 for use of a bathroom toilet, $10 in rent for use of a garbage can, $100 to use a sink, $120 to rent a refrigerator, $110 for use of a stove, and $92 to rent a carpet for an 8-week period. In addition, one of the project's officials rented a twin-engine plane for a 200-mile flight to address a graduating class of 5- and 6-year-old Headstart pupils.